



City of
Campbell
River

2019 - 2028 TEN YEAR
FINANCIAL PLAN

BYLAW 3721, 2019

BYLAWS



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Cover photo by Toni Falk



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2019 - 2028 Ten Year Financial Plan Bylaw 3721, 2018

ADOPTED , 2018

PURPOSE

A Bylaw for the City of Campbell River to authorize the ten-year financial plan for the years 2019 to 2028.

The Council of the City of Campbell River enacts as follows:

PART 1: Title

1.0 This bylaw may be cited for all purposes as **2019 - 2028 Ten Year Financial Plan Bylaw No. 3721, 2018.**

PART 2: Ten Year Financial Plan

2.0 Schedules 'A' and 'B' attached hereto and being part of this Bylaw are hereby adopted and compromise the Ten Year Financial Plan Amendment for the years 2019 to 2028. This bylaw replaces the Financial Plan Amendment for the years 2018 to 2027 adopted by Bylaw No. 3714, 2018.

PART 3: Expenses

3.0 The expenses set forth in Schedule 'A' are hereby authorized.

READ THE FIRST TIME this ____ day of _____ 20

READ THE SECOND TIME this ____ day of _____ 20

READ THE THIRD TIME this ____ day of _____ 20

ADOPTED this ____ day of _____ 20

Signed by the Mayor and City Clerk this ____ day of _____ 20

CITY CLERK

MAYOR

SCHEDULE 'A'

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
OPERATIONAL REVENUES										
Revenue from Property Taxes	32,844,697	34,062,654	35,075,534	36,617,353	37,773,751	39,255,529	40,281,675	41,518,271	42,758,902	44,059,606
Revenue from Parcel Taxes	1,771,800	1,950,153	2,130,525	2,312,715	2,325,325	2,337,854	2,350,401	2,363,068	2,375,555	2,388,260
Revenue from Fees & Charges	22,884,586	23,603,615	24,327,799	25,070,032	25,821,698	26,128,356	26,441,642	26,761,801	27,089,086	27,423,764
Revenue from Other Sources	5,072,445	5,043,537	5,056,565	5,068,691	5,081,690	5,094,283	5,108,469	5,041,212	5,031,128	5,039,877
Surplus/Reserve Accounts	5,739,616	1,226,813	894,521	865,230	690,929	654,672	507,138	557,266	405,138	462,420
Transfers from Other Funds	265,801	314,650	304,097	323,663	343,310	343,602	386,565	409,222	432,593	486,700
Amortization Offset	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000
	77,483,945	75,106,422	76,694,041	79,162,684	80,941,703	82,770,296	83,980,890	85,555,840	86,997,402	88,765,627
OPERATIONAL EXPENSES										
General Operating Expenses	43,125,486	43,919,584	44,850,266	46,499,816	47,602,970	49,090,611	50,275,064	51,562,262	52,712,981	54,032,816
Airport Operating Expenses	2,152,913	2,276,047	2,229,827	2,298,771	2,287,843	2,418,608	2,350,092	2,422,316	2,415,302	2,549,073
Sewer Operating Expenses	2,938,126	2,898,463	2,961,389	3,013,931	3,065,945	3,043,069	3,126,770	3,157,112	3,219,156	3,300,868
Water Operating Expenses	4,111,364	4,167,529	4,220,162	4,263,588	4,322,452	4,384,461	4,447,937	4,512,919	4,579,446	4,647,562
Interest Payment on Debt	505,287	505,287	505,287	505,287	502,711	439,080	433,566	426,650	426,650	426,650
Principal Payment on Debt	848,332	848,332	848,332	848,332	848,332	779,414	772,746	763,486	763,486	763,486
Transfers to Other Funds	14,897,437	11,586,180	12,173,778	12,827,959	13,406,450	13,710,053	13,669,715	13,806,095	13,975,381	14,140,172
Amortization	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000	8,905,000
	77,483,945	75,106,422	76,694,041	79,162,684	80,941,703	82,770,296	83,980,890	85,555,840	86,997,402	88,765,627
Annual Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-
CAPITAL FUNDING										
Grants	6,969,571	7,851,332	1,086,000	1,357,500	6,435,000	725,000	710,000	620,000	785,000	695,000
DCC & Other Revenue	1,839,000	4,463,668	3,625,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Statutory Reserves	1,161,765	1,521,000	2,380,000	680,000	470,000	380,000	270,000	180,000	1,180,000	180,000
Surplus/Reserves	21,235,223	19,844,544	12,902,475	11,682,105	7,498,937	9,372,475	8,293,225	8,408,189	9,470,189	10,043,373
Proceeds from Borrowing	4,629,986	-	-	-	-	-	-	-	-	-
	35,835,545	33,680,544	19,993,475	13,844,605	14,528,937	10,602,475	9,398,225	9,333,189	11,560,189	11,043,373
CAPITAL EXPENSES										
General Capital Expenses	16,926,004	14,757,618	6,699,589	6,949,643	4,162,775	5,379,989	4,169,289	3,597,675	6,174,675	3,001,149
Airport Capital Expenses	690,166	3,025,000	115,000	-	6,000,000	-	-	500,000	-	550,000
Sewer Capital Expenses	12,971,919	12,153,963	3,676,943	2,459,981	2,058,081	2,411,243	2,414,468	2,417,757	2,567,757	4,671,112
Water Capital Expenses	5,247,456	3,743,963	9,501,943	4,434,981	2,308,081	2,811,243	2,814,468	2,817,757	2,817,757	2,821,112
	35,835,545	33,680,544	19,993,475	13,844,605	14,528,937	10,602,475	9,398,225	9,333,189	11,560,189	11,043,373
Net Capital	-	-	-	-	-	-	-	-	-	-
Financial Plan Balance	-	-	-	-	-	-	-	-	-	-

SCHEDULE 'B'

Financial Plan Objectives and Policies

A. Funding Sources

Over the term of the plan funding sources as defined in S(165)(7) of the Community Charter, are derived as shown in Table 1; amounts and proportions shown for fiscal 2019.

Table 1: Funding Sources, Fiscal 2019

Property taxes	32,844,697	42.5%
Parcel taxes	1,771,800	2.3%
Fees & charges	22,884,586	29.5%
Other sources	5,072,445	6.5%
Surplus/reserve accounts	11,552,616	14.9%
Transfers from other funds	265,801	0.3%
Amortization Offset	3,092,000	4.0%
	77,483,945	100.0%

Objectives and Policies:

- Provide stable funding for base services, incremental increases or enhancements to service levels, operating projects, and capital plan through stable and incremental increases to tax rates and user fees under the City's Financial Stability & Resiliency Program.

B. Distribution of Municipal Property Taxes Across Property Classes

Over the term of the plan municipal property taxes are distributed across eight property tax classes as shown in Table 2; amounts and proportions shown for fiscal 2019.

Table 2: Distribution of Municipal Property Taxes, Fiscal 2019

Class 1 - Residential	24,106,830	73.4%
Class 2 - Utilities	1,083,875	3.3%
Class 4 - Major Industry	65,689	0.2%
Class 5 - Light Industry	328,447	1.0%
Class 6 - Business & Other	6,831,697	20.8%
Class 7 - Managed Forest	328,447	1.0%
Class 8 - Recreation/Non-Profit	98,534	0.3%
Class 9 - Farm	1,178	0.0%
	32,844,697	100.0%

Objectives and Policies:

-Classes:

- Class 1 Residential - The City will strive to maintain a residential tax rate that provides for an average municipal taxation change per representative household with its comparator communities of similar size and of those Vancouver Island communities with a population greater than 10,000.
- Class 2 Utilities - The City will maintain a tax rate not greater than \$40 for each \$1,000 of assessed value, and not more than 2.5 times the class 6 business rate in any taxation year as per BC Regulation 329/96.

-Assessment Value Changes:

- Annually tax rates will be fully adjusted to eliminate the impact of changes in assessment due to market changes as identified by the BC Assessment Authority.
- Non-market change assessments will be adjusted from the general taxation levy calculations, and considered as a new revenue source for the City to balance the demand from new/enhanced services.

-Overall Objectives:

- The City will strive to ensure all classes of property receive an equal allocation of the percentage change in the annual tax levy.
- The City will review its tax rates per class as compared to the provincial average on a minimum three year basis to ensure rates are comparable and reasonable given assessed values in Campbell River as compared to other communities.
- When needed, tax class rate realignments will occur incrementally over a multi-year period.
- New revenues related to the downtown revitalization tax exemption bylaw will be allocated to the capital program.

C. Permissive Tax Exemptions

The Annual Report for 2019 will contain a list of permissive exemptions granted for the taxation year and the amount of revenue foregone. The list demonstrates the policy of Council that permissive exemptions are granted to not-for-profit institutions that form a valuable part of our community.

Objectives and Policies:

- To ensure permissive exemptions are utilized to maximize the benefit to the municipality and citizens.
- To maintain permissive exemptions for religious institutions, recreational facilities, and service organizations.



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