



City of
Campbell
River

2018 - 2027 TEN YEAR
FINANCIAL PLAN

BYLAW 3687, 2017

BYLAWS



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Cover photo by Toni Falk



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2018 - 2027 Ten Year Financial Plan Bylaw 3687, 2017

ADOPTED December 14, 2017

PURPOSE

A Bylaw for the City of Campbell River to authorize the ten-year financial plan for the years 2018 to 2027.

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 **2018 - 2027 Ten Year Financial Plan Bylaw No. 3687, 2017.**

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 2018 to 2027. This bylaw replaces the Financial Plan Amendment for the years 2017 to 2026 adopted by Bylaw No. 3681, 2017.

PART 3: Expenses

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


READ THE FIRST TIME this 11th day of December, 2017

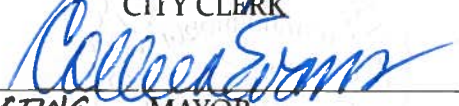
READ THE SECOND TIME this 11th day of December, 2017

READ THE THIRD TIME this 11th day of December, 2017

ADOPTED this 14th day of December, 2017

Signed by the Mayor and City Clerk this 14th day of December 2017



CITY CLERK


ACTING MAYOR

SCHEDULE 'A'

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
OPERATIONAL REVENUES										
Revenue from Property Taxes	31,666,045	32,559,466	34,445,398	35,341,390	36,338,763	37,449,873	38,731,851	39,717,032	40,734,894	42,034,051
Revenue from Parcel Taxes	1,596,200	1,769,000	1,943,800	2,120,500	2,299,100	2,308,200	2,317,500	2,326,700	2,365,100	2,403,600
Revenue from Fees & Charges	21,978,750	22,671,512	23,372,682	24,090,574	24,837,117	25,116,725	25,421,984	25,733,997	26,053,013	26,379,296
Revenue from Other Sources	5,748,086	4,798,475	4,814,524	4,830,675	4,846,933	4,863,074	4,879,317	4,817,356	4,812,116	4,824,949
Surplus/Reserve Accounts	2,957,394	1,121,001	1,072,225	848,452	832,692	662,932	686,229	551,262	574,967	425,930
Transfers from Other Funds	288,352	306,647	355,507	344,534	363,697	384,305	435,549	427,446	450,018	473,283
Amortization Offset	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500
	73,033,327	72,024,601	74,802,636	76,374,625	78,316,802	79,583,609	81,270,930	82,372,293	83,788,608	85,339,609
OPERATIONAL EXPENSES										
General Operating Expenses	41,371,335	41,105,006	42,420,126	43,361,136	44,369,085	45,238,033	46,458,152	47,513,949	48,585,357	49,809,730
Airport Operating Expenses	2,226,223	2,213,759	2,311,907	2,270,265	2,338,807	2,328,843	2,429,559	2,390,977	2,463,116	2,455,996
Sewer Operating Expenses	2,872,531	2,886,647	2,873,730	2,935,459	2,986,697	3,042,863	3,070,563	3,154,854	3,185,798	3,246,358
Water Operating Expenses	3,873,910	3,857,037	3,897,288	3,952,987	4,009,075	4,068,152	4,128,603	4,190,463	4,253,769	4,316,083
Interest Payment on Debt	680,777	603,990	670,490	670,490	670,490	665,968	600,393	594,879	587,963	587,963
Principal Payment on Debt	715,150	849,043	968,227	968,227	968,227	968,227	899,309	892,641	883,381	883,381
Transfers to Other Funds	12,494,901	11,710,619	12,862,368	13,417,561	14,175,921	14,473,023	14,885,851	14,836,030	15,030,724	15,241,598
Amortization	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500	8,798,500
	73,033,327	72,024,601	74,802,636	76,374,625	78,316,802	79,583,609	81,270,930	82,372,293	83,788,608	85,339,609
Annual Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-
CAPITAL FUNDING										
Grants	4,649,355	2,085,000	7,116,332	6,447,000	1,080,000	580,000	610,000	580,000	580,000	580,000
DCC & Other Revenue	1,083,031	525,000	4,063,668	3,625,000	125,000	125,000	125,000	125,000	125,000	125,000
Statutory Reserves	2,194,389	500,000	1,625,000	2,098,000	380,000	270,000	180,000	270,000	1,180,000	180,000
Surplus/Reserves	16,397,425	13,449,808	15,164,544	11,963,475	6,909,605	7,128,937	9,436,475	8,283,225	7,613,189	9,496,373
Proceeds from Borrowing	7,443,793	-	-	2,200,000	-	-	-	-	-	-
	31,767,993	16,559,808	27,969,544	26,333,475	8,494,605	8,103,937	10,351,475	9,258,225	9,498,189	10,381,373
CAPITAL EXPENSES										
General Capital Expenses	11,822,535	5,987,722	14,981,618	14,249,589	3,784,643	3,737,775	5,128,989	4,029,289	4,262,675	5,139,149
Airport Capital Expenses	1,625,246	-	-	-	-	-	-	-	-	-
Sewer Capital Expenses	12,972,317	7,951,043	9,433,963	2,209,943	1,904,981	2,058,081	2,411,243	2,414,468	2,417,757	2,421,112
Water Capital Expenses	5,347,895	2,621,043	3,553,963	9,873,943	2,804,981	2,308,081	2,811,243	2,814,468	2,817,757	2,821,112
	31,767,993	16,559,808	27,969,544	26,333,475	8,494,605	8,103,937	10,351,475	9,258,225	9,498,189	10,381,373
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 2018.

Table 1: Funding Sources, Fiscal 2018

Property taxes	31,666,045	43.5%
Parcel taxes	1,596,200	2.2%
Fees & charges	21,978,750	30.1%
Other sources	5,748,086	7.9%
Surplus/reserve accounts	2,957,394	4.0%
Transfers from other funds	288,352	0.4%
Amortization Offset	8,798,500	12.0%
	73,033,327	100.1%

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 2018.

Table 2: Distribution of Municipal Property Taxes, Fiscal 2018

Class 1 - Residential	22,216,310	72.7%
Class 2 - Utilities	1,023,237	3.4%
Class 4 - Major Industry	69,042	0.2%
Class 5 - Light Industry	308,355	1.0%
Class 6 - Business & Other	6,479,510	21.6%
Class 7 - Managed Forest	278,014	0.9%
Class 8 - Recreation/Non-Profit	69,550	0.2%
Class 9 - Farm	1,127	0.0%
	30,445,145	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 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 permissive tax exemption bylaw will be allocated to the capital program.

C. Permissive Tax Exemptions

The Annual Report for 2017 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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