

“FINANCIAL PLAN BYLAW 2014 NO. 7197”

Consolidated Version

2015-MAR-09

Includes Amendments: 7197.01, 7197.02, 7197.03, 7197.04

CITY OF NANAIMO

BYLAW NO. 7197

A BYLAW TO CONFIRM AND ADOPT THE FINANCIAL PLAN

The Municipal Council of the City of Nanaimo in open meeting assembled, ENACTS AS FOLLOWS:

1. Title

This Bylaw may be cited as the "FINANCIAL PLAN BYLAW 2014 NO. 7197".

2. Schedule "A" attached hereto and forming part of this Bylaw is hereby adopted and is the Financial Plan for the City of Nanaimo for the period 2014-JAN-01 to 2018-DEC-31.

3. The various items of expenditure set forth in Schedule "A" are hereby authorized.

4. Schedule "B" attached hereto and forming part of this Bylaw is hereby adopted and is the Statement of Revenue Objectives & Policies for the City of Nanaimo for the period 2014-JAN-01 to 2018-DEC-31.

5. The Financial Plan may be amended in the following manner:

(a) Funds may be reallocated in accordance with the City of Nanaimo's management policy on budget transfers.

(b) The Director of Finance may transfer unexpended appropriations to Reserve Funds or Reserve Accounts for future expenditures.

Schedule A**City of Nanaimo
2014 - 2018 Financial Plan**

	2014	2015	2016	2017	2018
Revenues:					
Revenue from Property Value Taxes	93,082,191	96,383,152	99,744,213	107,077,829	108,338,829
Revenue from Parcel Taxes	247,980	244,153	231,923	234,242	236,584
Revenue from Fees & Charges	35,195,818	36,262,126	37,890,311	39,625,313	41,393,948
Revenue from Other Sources	23,505,396	25,845,337	28,127,322	30,930,117	23,971,212
	-	-	-	-	-
	152,031,385	158,734,768	165,993,769	177,867,501	173,940,573
Expenses:					
General Operating Expenditures	115,362,917	112,845,181	115,672,191	119,019,892	122,040,283
Sanitary Sewer Operating Expenditures	4,630,892	3,843,050	3,868,608	3,971,298	4,073,360
Waterworks Operating Expenditures	7,398,283	7,626,604	7,901,482	7,979,830	8,164,489
Interest Payment on Municipal Debt	2,791,196	2,835,638	2,980,200	3,380,733	3,809,875
Amortization	21,150,778	22,848,966	22,867,382	23,433,800	23,594,917
	-	-	-	-	-
Annual Surplus/Deficit	697,319	8,735,329	12,703,906	20,081,948	12,257,649
Add back:					
Amortization	21,150,778	22,848,966	22,867,382	23,433,800	23,594,917
Capital Expenditures					
General Capital Expenditures	23,837,950	12,793,406	19,203,676	24,623,000	14,206,000
Sanitary Sewer Capital Expenditures	7,203,434	7,316,000	2,548,600	3,532,950	718,000
Waterworks Capital Expenditures	36,559,077	9,898,609	9,593,200	12,720,318	7,710,050
Proceeds from Borrowing	(9,339,567)	(2,400,000)	(6,000,000)	(600,000)	(6,000,000)
Principal Payment on Municipal Debt	2,665,108	3,224,545	3,355,124	3,654,902	3,980,544
Transfers between Funds:					
Special Funds					-
DCC Funds					-
Transfers to/from Accumulated Surplus	(39,077,905)	751,735	6,870,688	(415,422)	15,237,972
Financial Plan Balance	-	-	-	-	-

Schedule B

City of Nanaimo Statement of Revenue Objectives & Policies

1. Proportion of revenue by source

Property taxes

- The City of Nanaimo will attempt to keep the proportional share of revenue from property taxes at a level similar to the average of comparable municipalities.
- Where new sources of revenue are made available to the City from senior governments, wherever possible these revenues will be used to reduce dependency on property taxation revenue.

Parcel taxes

- Parcel taxes will be used whenever Council determines that they are more appropriate than property taxes.

Fees & Charges

- Wherever possible, fees & charges will be used to assign costs to those who benefit from the service provided. The proportion of the costs recovered by fees and charges will vary with the nature of the service provided.

Proceeds of borrowing

- Borrowing will be considered when determining the funding sources of large capital projects that provide benefits to taxpayers over a long period of time (20 years or more).
- Council will consider a policy to identify an appropriate level of debt for the community.

Other sources of revenue

- The City will continue to seek other sources of revenue in order to reduce reliance on property taxes.
- The City will consider hydro electric power generation where practical and environmentally supportable.

2. Distribution of property taxes among the classes

- The City of Nanaimo will maintain the percentage of property taxes received from residential taxpayers at a level comparable to the average of similar municipalities.
- The City will attempt, over time, to reduce the commercial tax rate to the average of all BC municipalities.
- Between 2009 and 2013, the light and major industrial tax rates were reduced to the same level as the commercial tax rate.

3. Permissive Tax Exemptions

- The City of Nanaimo believes that Permissive Tax Exemptions are an appropriate way to recognize the value of the services provided to the community by non-profit organizations.
- Permissive Tax Exemption requests will be reviewed by the Grants Advisory Committee based on policies and guidelines approved by Council. The Committee will make recommendations to Council.
- Permissive Tax Exemptions will be reviewed at least every three years to ensure that the organization and property still meets the criteria established by Council.

4. Revitalization Tax Exemptions

- The City of Nanaimo believes that Revitalization Tax Exemptions are an appropriate tool to assist the City in realizing its strategic objectives.
- The City can exempt municipal taxes for up to ten years for projects undertaken by landowners, where the project meets defined objectives of a City strategy.
- Recipients of exemptions must enter into a Revitalization Tax Exemption Agreement with the City.
- Every Revitalization Tax Exemption must be approved by Council.