

“FINANCIAL PLAN BYLAW 2017 No. 7253

Consolidated Version

2018-MAY-09

Includes amendment: 7253.02

CITY OF NANAIMO

BYLAW NO. 7253

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 2017 NO. 7253".

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 2018-JAN-01 to 2022-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 2018-JAN-01 to 2022-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 Chief Financial Officer may transfer unexpended appropriations to Reserve Funds or Reserve Accounts for future expenditures.

PASSED FIRST READING 2017-DEC-18
PASSED SECOND READING 2017-DEC-18
PASSED THIRD READING 2017-DEC-18
ADOPTED 2018-JAN-15

W. B. MCKAY

MAYOR

SHEILA GURRIE

CORPORATE OFFICER

(7253.02)

Schedule A

City of Nanaimo
2018 - 2022 Financial Plan

	2018	2019	2020	2021	2022
Revenues:					
Revenue from Property Value Taxes	103,503,494	108,298,729	111,620,306	114,882,735	118,208,748
Revenue from Parcel Taxes	41,182	41,594	42,010	42,430	42,430
Revenue from Fees & Charges	43,867,208	48,012,074	51,646,833	53,251,295	54,929,956
Revenue from Other Sources	31,870,141	27,904,909	25,611,401	25,612,477	26,023,766
	179,282,025	184,257,306	188,920,550	193,788,937	199,204,900
Expenses:					
General Operating Expenditures	125,018,581	121,921,407	123,733,283	125,822,999	129,210,059
Sanitary Sewer Operating Expenditure	4,595,390	4,495,401	4,585,770	4,643,353	4,754,302
Waterworks Operating Expenditures	9,788,043	9,468,404	9,635,911	9,466,691	9,629,251
Interest Payment on Municipal Debt	1,760,793	1,890,515	2,003,036	2,028,337	2,004,307
Amortization	24,811,956	25,209,009	25,187,531	25,845,151	25,512,389
Annual Surplus/Deficit	13,307,262	21,272,570	23,775,019	25,982,406	28,094,592
Add back:					
Amortization	24,811,956	25,209,009	25,187,531	25,845,151	25,512,389
Capital Expenditures					
General Capital Expenditures	49,510,110	26,237,503	24,893,425	17,902,114	18,238,450
Sanitary Sewer Capital Expenditures	9,161,443	9,389,000	5,168,602	2,127,746	6,459,611
Waterworks Capital Expenditures	19,905,806	11,017,456	7,933,200	11,468,900	7,545,850
Proceeds from Municipal Borrowing	(7,819,475)	(6,000,000)	(7,200,000)	(240,269)	-
Principal Payment on Municipal Debt	3,830,062	4,621,267	5,007,538	4,779,312	4,895,265
Transfers between Funds:					
Transfers to/(from) Accumulated Surplus	(36,468,728)	1,216,353	13,159,785	15,789,754	16,467,805
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.