

CITY OF NANAIMO

BYLAW NO. 7279

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 "Financial Plan Bylaw 2018 No. 7279".

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 2019-JAN-01 to 2023-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 2019-JAN-01 to 2023-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 _____
PASSED SECOND READING _____
PASSED THIRD READING _____
ADOPTED _____

MAYOR

CORPORATE OFFICER

Schedule A
City of Nanaimo
2019 - 2023 Financial Plan

	2019	2020	2021	2022	2023
Revenues:					
Revenue from Property Value Taxes	110,116,606	115,256,815	119,822,585	124,226,289	127,387,103
Revenue from Parcel Taxes	41,594	42,010	42,430	-	-
Revenue from Fees & Charges	48,453,132	50,588,874	53,786,523	55,640,784	57,206,835
Revenue from Other Sources	26,245,549	27,281,842	26,047,704	26,328,628	26,712,777
	-	-	-	-	-
	184,856,881	193,169,541	199,699,242	206,195,701	211,306,715
Expenses:					
General Operating Expenditures	127,316,417	129,886,240	132,241,085	135,686,290	138,866,610
Sanitary Sewer Operating Expenditure:	4,668,953	4,723,515	4,722,343	4,831,648	4,980,614
Waterworks Operating Expenditures	10,053,525	10,339,256	10,267,998	10,552,249	10,425,066
Interest Payment on Municipal Debt	1,929,648	2,220,356	2,388,367	2,631,952	2,854,355
Amortization	23,968,948	24,255,413	25,778,714	26,547,906	26,661,496
Annual Surplus/Deficit	16,919,390	21,744,761	24,300,735	25,945,656	27,518,574
Add back:					
Amortization	23,968,948	24,255,413	25,778,714	26,547,906	26,661,496
Capital Expenditures					
General Capital Expenditures	32,499,397	31,457,141	34,071,772	37,611,715	26,894,083
Sanitary Sewer Capital Expenditures	3,899,729	7,399,100	5,842,346	7,017,961	3,605,000
Waterworks Capital Expenditures	12,516,631	11,687,000	14,240,160	8,907,350	9,106,950
Proceeds from Municipal Borrowing	(11,674,056)	(10,550,000)	(8,540,269)	(8,958,863)	(3,675,000)
Principal Payment on Municipal Debt	4,517,776	5,181,138	5,085,505	5,565,483	5,625,766
Transfers between Funds:					
Transfers to/(from) Accumulated Surplus	(871,139)	825,795	(620,065)	2,349,916	12,623,271
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 hydroelectric 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.