



City of
Campbell
River

2016 - 2025 TEN YEAR
FINANCIAL PLAN

BYLAW 3606, 2016

BYLAWS



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Cover photo by Toni Falk



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2016 - 2025 Ten Year Financial Plan Bylaw 3606, 2016

ADOPTED February 22, 2016

PURPOSE

A Bylaw for the City of Campbell River to authorize the ten year financial plan for the years 2016 to 2025.

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 **2016 - 2025 Ten Year Financial Plan Bylaw No. 3606, 2016.**

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 for the years 2016 to 2025. This bylaw replaces the Financial Plan for the years 2015 to 2019 adopted by Bylaw No. 3583, 2015.

PART 3: Expenses

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

READ THE FIRST TIME this 25th day of January, 2016

READ THE SECOND TIME this 25th day of January, 2016

READ THE THIRD TIME this 9th day of February, 2016

ADOPTED this 22nd day of February, 2016

Signed by the Mayor and City Clerk this 24th day of February 2016



CITY CLERK



MAYOR

SCHEDULE 'A'

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
OPERATIONAL REVENUES										
Revenue from Property Taxes	28,494,239	29,580,788	30,307,512	31,161,431	32,205,029	33,095,392	33,840,850	34,699,418	35,495,236	36,529,229
Revenue from Parcel Taxes	1,374,945	1,378,645	1,382,345	1,386,045	1,389,745	1,393,445	1,397,145	1,400,845	1,404,545	1,408,245
Revenue from Fees & Charges	19,627,335	20,703,825	20,870,984	21,012,881	21,172,417	21,330,891	21,516,343	21,665,757	21,834,645	21,965,621
Revenue from Other Sources	4,786,984	4,619,723	5,459,725	4,559,344	4,573,635	4,583,045	4,597,579	4,612,009	4,626,560	4,562,920
Surplus/Reserve Accounts	3,764,878	1,407,531	1,582,669	1,582,669	1,477,044	1,447,044	1,437,044	1,412,044	1,161,477	1,053,168
Transfers from Other Funds	66,716	79,163	91,583	105,452	119,848	134,244	148,598	164,614	181,228	198,458
Amortization Offset	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479
	66,740,576	66,395,154	68,320,297	68,433,301	69,563,197	70,609,540	71,563,038	72,580,166	73,329,170	74,343,120
OPERATIONAL EXPENSES										
General Operating Expenses	37,872,122	37,861,754	38,503,763	39,193,522	39,873,355	40,631,327	41,442,591	42,159,329	42,881,937	43,781,306
Airport Operating Expenses	2,183,346	2,176,327	2,199,334	2,223,843	2,278,932	2,274,074	2,299,227	2,326,097	2,383,618	2,381,809
Sewer Operating Expenses	3,078,156	2,953,482	2,998,339	3,067,415	3,037,778	3,092,752	3,117,203	3,181,546	3,257,399	3,259,832
Water Operating Expenses	3,560,895	3,757,938	3,798,327	3,841,161	3,885,038	3,929,162	3,973,467	4,020,552	4,068,796	4,118,234
Interest Payment on Debt	346,805	326,998	445,397	368,608	368,608	368,608	368,608	364,085	298,511	292,998
Principal Payment on Debt	523,114	488,248	707,729	583,542	583,542	583,542	583,542	583,542	514,624	507,956
Transfers to Other Funds	10,550,659	10,204,928	11,041,929	10,529,731	10,910,465	11,104,596	11,152,921	11,319,536	11,298,806	11,375,506
Amortization	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479
	66,740,576	66,395,154	68,320,297	68,433,301	69,563,197	70,609,540	71,563,038	72,580,166	73,329,170	74,343,120
Annual Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-
CAPITAL FUNDING										
Grants	23,219,723	2,525,250	1,453,500	820,000	1,200,000	2,405,000	1,170,000	1,645,000	4,495,000	695,000
DCC & Other Revenue	587,219	537,500	2,525,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Statutory Reserves	3,657,475	1,372,500	120,000	230,000	1,320,000	70,000	220,000	20,000	420,000	20,000
Surplus/Reserves	15,185,003	7,273,200	10,602,350	8,480,600	11,106,650	6,680,400	5,323,850	5,049,200	5,351,750	5,533,900
Proceeds from Borrowing	3,475,000	-	5,185,000	-	-	-	-	-	-	-
	46,124,420	11,708,450	19,885,850	9,655,600	13,751,650	9,280,400	6,838,850	6,839,200	10,391,750	6,373,900
CAPITAL EXPENSES										
General Capital Expenses	17,796,495	5,073,450	2,905,850	3,080,600	4,351,650	3,172,900	3,038,850	2,839,200	3,391,750	3,073,900
Airport Capital Expenses	1,468,584	1,120,000	550,000	100,000	400,000	1,800,000	500,000	1,000,000	4,000,000	-
Sewer Capital Expenses	5,422,249	3,340,000	7,940,000	2,955,000	7,350,000	1,420,000	1,350,000	1,350,000	1,350,000	1,350,000
Water Capital Expenses	21,437,092	2,175,000	8,490,000	3,520,000	1,650,000	2,887,500	1,950,000	1,650,000	1,650,000	1,950,000
	46,124,420	11,708,450	19,885,850	9,655,600	13,751,650	9,280,400	6,838,850	6,839,200	10,391,750	6,373,900
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 2016.

Table 1: Funding Sources, Fiscal 2016

Property taxes	28,494,239	42.69%
Parcel taxes	1,374,945	2.06%
Fees & charges	19,627,335	29.41%
Other sources	4,786,984	7.17%
Surplus/reserve accounts	3,764,878	5.64%
Transfers from other funds	66,716	0.10%
Amortization Offset	8,625,479	12.92%
	66,740,576	100.00%

Objectives and Policies:

- Seek and identify alternative revenue sources.
- Reduce dependency on taxation.

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 2016.

Table 2: Distribution of Municipal Property Taxes, Fiscal 2016

Class 1 - Residential	20,034,826	73.11%
Class 2 - Utilities	980,474	3.58%
Class 4 - Major Industry	58,942	0.22%
Class 5 - Light Industry	313,121	1.14%
Class 6 - Business & Other	5,756,496	21.01%
Class 7 - Managed Forest	153,685	0.56%
Class 8 - Recreation/Non-Profit	105,932	0.39%
Class 9 - Farm	1,464	0.01%
	27,404,939	100.00%

Objectives and Policies:

- Tax rates are fully adjusted to eliminate the impact of changes in assessment due only to market changes as identified by the BC Assessment Authority. Accordingly, the tax rates are not adjusted for non-market changes which include depreciation on Class 4 Major Industry taxable assessment.
- Attract and sustain commercial and industrial development to/in the City.
- Maintenance of the following tax rate ratios:
 - Class 2 Utilities tax rate to be brought up to the Provincial average rate for the class over 4 years, with half the annual necessary increase applied in 2016.
 - Class 5 Light Industry tax rate to equal Class 6 Business tax rate.
 - Class 6 Business and Other pays 21% of the overall general tax levy.
 - Class 7 Managed Forests tax rate to be brought up to the Provincial average rate for the class over 3 years.
 - Class 9 Farm tax rate to equal Class 1 Residential tax rate.
- New revenues related to the downtown permissive exemption bylaw will be allocated to the capital program.

C. Permissive Tax Exemptions

The Annual Report for 2015 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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