

**THE CORPORATION OF THE CITY OF DAWSON CREEK**

**BYLAW NO. 4355**

A bylaw of the Corporation of the City of Dawson Creek (hereinafter called "the City") respecting the Financial Plan for the years 2017 – 2021.

**WHEREAS**, pursuant to the *Community Charter*, the Council of the City must adopt a Five Year Financial Plan annually by bylaw.

**AND WHEREAS**, pursuant to requirements of the *Community Charter*, the Council of the City held a public consultation session regarding the proposed Financial Plan on March 6, 2017.

**NOW THEREFORE**, the Council of the City hereby **ENACTS AS FOLLOWS**:

1. This Bylaw may be cited for all purposes as the **“CITY OF DAWSON CREEK FINANCIAL PLAN BYLAW NO. 4355, 2017”**.
2. Schedules “A”, “B”, “C” and “C1” are attached to and form part of this Bylaw.
3. Schedules “A”, “B”, “C” and “C1” attached form the Financial Plan of the City of Dawson Creek for the year commencing January 1, 2017.
3. Financial Plan Bylaw No. 4313, 2016, is hereby repealed.

**READ** a first time this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**READ** a second time this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**READ** a third time this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**CERTIFIED A TRUE AND CORRECT COPY** of Bylaw No. 4355 cited as “FINANCIAL PLAN BYLAW NO. 4355, 2017.

\_\_\_\_\_  
Brenda Ginter  
Director of Corporate Administration

The Corporate Seal of **THE CORPORATION OF THE CITY OF DAWSON CREEK** was affixed in the presence of:

\_\_\_\_\_  
Dale Bumstead - Mayor

Schedules A, B, C & C1

\_\_\_\_\_  
Brenda Ginter - Director of Corporate Administration

**SCHEDULE "A"**

<b>Description</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Operating Revenues	\$ 47,384,265	\$ 47,680,134	\$ 48,821,033	\$ 49,939,677	\$ 51,084,756
Collected on behalf of other governments	9,414,100	9,602,384	9,794,430	9,990,318	10,190,125
Capital Revenues	8,730,265	-	-	-	-
Statutory Reserve Revenues	9,980	10,179	10,382	10,591	10,803
Equipment Pool Revenues	150,000	-	-	-	-
Cemetery Reserve Revenues	3,985	4,065	4,146	4,229	4,314
<b>Consolidated Revenues</b>	<b>65,692,595</b>	<b>57,296,761</b>	<b>58,629,991</b>	<b>59,944,815</b>	<b>61,289,998</b>
Operating Expenditures (excluding principal payments)	36,682,575	37,084,029	37,637,078	38,296,564	39,010,803
Transfers to other governments	9,414,100	9,602,384	9,794,430	9,990,318	10,190,125
Capital Expenditures	35,368,858	8,069,000	7,840,000	7,335,000	9,085,000
<b>Consolidated Expenditures</b>	<b>81,465,533</b>	<b>54,755,413</b>	<b>55,271,508</b>	<b>55,621,882</b>	<b>58,285,928</b>
Current Consolidated Revenue over Expenditures	(15,772,938)	2,541,348	3,358,484	4,322,933	3,004,071
Debt Principal Repayment	2,544,072	2,372,692	2,277,810	2,150,020	2,143,556
Current Consolidated Surplus	(18,317,010)	168,656	1,080,673	2,172,913	860,514
Opening Surplus	26,486,923	8,169,912	8,338,568	9,419,241	11,592,153
Accumulated Consolidated Surplus	\$ 8,169,913	\$ 8,338,568	\$ 9,419,241	\$ 11,592,154	\$ 12,452,667
General Municipal Taxes	\$ 16,328,894	\$ 16,526,245	\$ 17,304,154	\$ 17,805,122	\$ 18,320,834
Net Municipal Property Taxes	16,328,894	16,526,245	17,304,154	17,805,122	18,320,834
Grants in lieu	746,078	760,999	776,219	791,744	807,579
Policing Revenues	263,408	268,676	274,050	279,531	285,121
Fire Department Services	25,000	55,500	56,010	57,530	58,061
Building Inspection Fees	292,575	298,427	304,395	310,483	316,693
Business Licenses	204,251	208,336	212,503	216,753	221,088
BC Trans - BC Transit Receipts	141,229	144,054	146,935	149,873	152,871
Air Transportation	463,454	467,344	476,691	486,225	495,949
Environmental Waste Services	692,500	706,350	720,477	734,887	749,584
Cemetery Fees	50,500	51,510	52,540	53,591	54,663
Land Development Fees	7,000	7,140	7,283	7,428	7,577
User Fees	12,000	12,240	12,485	12,734	12,989
Climbing Wall Fees	20,000	20,400	20,808	21,224	21,649
Swimming Pool Fees	517,521	527,871	538,429	549,197	560,181
Recreation Program Fees	72,333	73,780	75,255	76,760	78,295
Youth Care Fees	112,000	114,240	116,525	118,855	121,232
Arena Fees	454,083	463,165	472,428	481,877	491,515
Fees and Charges	3,327,854	3,419,033	3,486,814	3,556,949	3,627,468
Other Revenues	1,188,264	1,212,029	1,236,270	1,260,995	1,286,215
Government Transfers	16,225,055	16,004,126	16,016,804	16,336,341	16,662,667
Return on Investments	72,525	73,976	75,455	76,964	78,503
General Operating Revenues	37,888,669	37,996,408	38,895,716	39,828,115	40,783,265
Water Utility Revenues	5,341,596	5,446,646	5,603,496	5,703,304	5,805,068
Sewer Utility Revenues	4,154,000	4,237,080	4,321,822	4,408,257	4,496,423

Description	2017	2018	2019	2020	2021
Total Utility Revenues	\$ 9,495,596	\$ 9,683,726	\$ 9,925,318	\$ 10,111,562	\$ 10,301,491
Total Operating Revenues	47,384,265	47,680,134	48,821,033	49,939,677	51,084,756
Legislative Expenditures	326,337	332,864	339,521	346,312	353,238
Administration	1,244,549	1,246,870	1,237,259	1,261,405	1,286,033
Finance Expenditures	975,660	995,173	1,015,077	1,035,378	1,056,086
IT Expenditures	945,325	964,232	983,516	1,003,186	1,023,250
Other General Expenditures	609,138	647,388	659,361	672,602	686,088
Election Expenditures	515	25,000	1,000	1,000	1,000
General Administrative Expenditures	4,101,525	4,211,526	4,235,734	4,319,883	4,405,694
Land Development Expenditures	284,356	333,005	338,665	344,439	350,327
Economic Development Expenditures	703,677	739,187	757,630	776,441	795,628
Energy Planning & Sustainability Expenditures	269,927	270,616	272,855	275,236	277,739
Environmental Development Expenditures	1,257,960	1,342,808	1,369,151	1,396,116	1,423,695
Environmental Waste Service Expenditures	801,486	817,924	834,683	851,769	869,189
Policing Expenditures	4,679,594	4,771,637	4,865,521	4,962,133	5,060,677
Fire Department Expenditures	3,272,907	3,359,795	3,426,391	3,495,319	3,564,605
Regulatory Service Expenditures	682,279	676,618	690,633	704,919	719,482
Protective Services Expenditures	8,634,781	8,808,050	8,982,545	9,162,370	9,344,764
Cemetery Maintenance Expenditures	122,122	124,818	127,562	130,357	133,202
Common Services	1,600,795	1,479,379	1,508,535	1,538,706	1,569,479
Public Works Expenditures	3,013,750	3,082,643	3,152,741	3,224,073	3,296,666
BC Transit Service Expenditures	792,680	808,024	823,674	839,638	855,920
Air Transportation Expenditures	1,102,787	1,126,915	1,151,471	1,176,936	1,203,262
Transportation Services Expenditures	6,510,011	6,496,960	6,636,421	6,779,353	6,925,327
Parks and Playground Expenditures	1,247,411	1,272,359	1,297,807	1,323,763	1,350,238
Community Grants and Fee for Service	171,752	201,752	201,752	201,752	201,752
Community Services Expenditures	326,615	333,147	339,810	346,606	353,538
CK Art Centre Building	175,542	179,053	182,634	186,287	190,013
Multiplex Expenditures	58,250	59,415	60,603	61,815	63,052
Encana Events Centre Expenditures	1,828,693	1,834,267	1,839,953	1,845,752	1,851,667
Lakota Centre Expenditures	102,308	104,354	106,441	108,570	110,741
Walking Track Expenditures	15,000	15,300	15,606	15,918	6,236
Climbing Wall Expenditures	55,000	56,100	57,222	58,366	59,534
Kenn Borek Aquatic Centre Expenditures	1,796,321	1,832,247	1,868,892	1,906,270	1,944,395
Recreation Program Expenditures	698,943	589,436	605,275	621,350	637,668
Youth Care Expenditures	112,000	114,240	116,525	118,855	121,232
Kin Arena Expenditures	450,560	459,571	468,762	478,138	487,700
Memorial Arena Expenditures	795,396	811,303	827,530	844,080	860,962
Exhibition Grounds Expenditures	110,747	112,962	115,221	117,526	119,876
Public Library Expenditures	599,122	610,881	619,626	630,859	642,315
Recreation Service Expenditures	8,543,660	8,586,389	8,723,659	8,865,907	9,010,920
Interest Expenditures	1,775,855	1,656,256	1,581,929	1,537,307	1,534,340
Principal Payments	2,544,072	2,372,692	2,277,810	2,150,020	2,143,556
Debt Services Expenditures	4,319,926	4,028,948	3,859,739	3,687,327	3,677,896
General Operating Expenditures	34,291,471	34,417,424	34,769,496	35,193,081	35,790,687
Water Utility Expenditures	3,283,172	3,352,494	3,423,130	3,495,107	3,568,453
Sewer Utility Expenditures	1,652,004	1,686,803	1,722,262	1,758,396	1,795,219

Description	2017	2018	2019	2020	2021
Total Operating Expenditures	\$ 39,226,647	\$ 39,456,721	\$ 39,914,888	\$ 40,446,584	\$ 41,154,359
Operating Surplus Before Transfers	8,157,618	8,223,412	8,906,145	9,493,093	9,930,397
Debt Principal Adjustment to Transfers	(2,544,072)	(2,372,692)	(2,277,810)	(2,150,020)	(2,143,556)
Debt Principal Transfers to Capital	2,544,072	2,372,692	2,277,810	2,150,020	2,143,556
Transfer to Carbon Reserve	337,900	397,458	400,998	403,981	406,314
Transfer from Carbon Reserve to Capital	(390,000)	(390,000)	(390,000)	(390,000)	(390,000)
Transfer to Capital	(9,685,000)	(7,300,000)	(8,000,000)	(8,000,000)	(8,500,000)
Transfer from Cemetery Fund	3,985	4,065	4,146	4,229	4,314
Transfer Surplus to Equipment Pool	(720,614)	(735,026)	(749,727)	(764,721)	(780,016)
Total Transfers to Other Funds	(12,997,801)	(10,396,196)	(11,012,393)	(10,896,532)	(11,402,944)
Current Operating Surplus After Transfers	(2,634,011)	(197,549)	(229,436)	342,600	264,695
General Capital Revenue	1,996,532	-	-	-	-
Water Capital Revenue	6,673,733	-	-	-	-
Sewer Capital Revenue	60,000	-	-	-	-
Total Capital Revenues	8,730,265	-	-	-	-
Transfer from Operating and Reserves	13,438,072	10,362,692	11,017,810	11,190,020	11,193,556
Total Capital Funding	22,168,337	10,362,692	11,017,810	11,190,020	11,193,556
Equipment Pool	819,000	300,000	350,000	650,000	160,000
Miscellaneous Equipment	1,964,375	120,000	50,000	-	-
Buildings and Facilities	3,324,522	2,589,000	2,750,000	1,280,000	645,000
Roads and Streets	5,387,105	3,290,000	2,880,000	2,890,000	3,200,000
Sidewalks	30,000	645,000	760,000	790,000	780,000
Land Improvements	994,723	-	-	750,000	750,000
Parks and Playgrounds	125,000	-	-	-	-
General Fund Capital	12,644,725	6,944,000	6,790,000	6,360,000	5,535,000
Water Capital	16,362,954	250,000	250,000	250,000	2,750,000
Sewer Capital	6,361,179	875,000	800,000	725,000	800,000
Total Capital Expenditures	35,368,858	8,069,000	7,840,000	7,335,000	9,085,000
General Fund Services Depreciation	6,084,208	6,265,033	5,921,117	5,866,771	5,459,078
Water Fund Services Depreciation	984,215	1,002,312	1,000,892	993,736	988,657
Sewer Fund Services Depreciation	814,007	815,584	814,653	814,653	814,653
Total Depreciation	7,882,430	8,082,929	7,736,661	7,675,159	7,262,387
Depreciation Transfer	(6,084,208)	(6,265,033)	(5,921,117)	(5,866,771)	(5,459,078)
Depreciation Transfer	(984,215)	(1,002,312)	(1,000,892)	(993,736)	(988,657)
Depreciation Transfer	(814,007)	(815,584)	(814,653)	(814,653)	(814,653)
Total Depreciation Transfer	(7,882,430)	(8,082,929)	(7,736,661)	(7,675,159)	(7,262,387)
Capital Surplus	(15,744,593)	(79,000)	900,000	1,705,000	(35,000)
Other Statutory Reserve Revenue	9,980	10,179	10,382	10,591	10,803
Statutory Reserve Surplus	9,980	10,179	10,382	10,591	10,803

Description	2017	2018	2019	2020	2021
Equipment Pool Revenues	\$ 150,000	-	-	-	-
EP Transfers from Operating	720,614	735,026	749,727	764,721	780,016
EP Transfer to Capital	(819,000)	(300,000)	(350,000)	(650,000)	(160,000)
Equipment Pool Surplus	51,614	435,026	399,727	114,721	620,016
Cemetery Reserve Revenue	3,985	4,065	4,146	4,229	4,314
Cemetery Reserve Transfer to General Operating	3,985	4,065	4,146	4,229	4,314
Fire EP Expenditures	60,600	61,812	63,048	64,309	65,595
Fire EP Revenues over Expenditures	(60,600)	(61,812)	(63,048)	(64,309)	(65,595)
Fire EP Transfer to Fire Dept. Maintenance	(60,600)	(61,812)	(63,048)	(64,309)	(65,595)
Current Consolidated Surplus	18,317,010	168,656	1,080,673	2,172,912	860,515
General Revenue Fund	128,716	380,217	79,181	98,702	450,885
Water Utility Fund	525,537	118,271	174,772	409,349	180,757
Sewer Utility Fund	125,611	76,369	80,470	154,991	279,781
Subtotal Operating Funds	779,864	574,857	334,423	663,042	911,423
General Appropriated Fund	1,887,796	1,895,254	1,906,252	1,920,233	1,936,547
Operating Fund Surplus	2,667,660	2,470,111	2,240,675	2,583,275	2,847,970
General Capital Reserve Fund	3,842,422	1,588,422	538,422	218,422	233,422
Water Capital Reserve Fund	259,310	1,309,310	2,059,310	2,809,310	1,559,310
Sewer Capital Reserve Fund	484,186	1,609,186	2,809,186	4,084,186	5,284,186
Capital Fund Surplus	4,585,918	4,506,918	5,406,918	7,111,918	7,076,918
Equipment Pool Reserve Fund	636,872	1,077,814	1,483,575	1,604,451	2,230,745
Other Statutory Reserve Funds	279,462	283,725	288,073	292,509	297,034
Statutory Reserve Fund Surplus	916,334	1,361,539	1,771,648	1,896,960	2,527,779
Accumulated Surplus before Investment in TCA	\$ 8,169,913	\$ 8,338,568	\$ 9,419,241	\$ 11,592,153	\$ 12,452,668

## SCHEDULE “B” - REVENUE DISCLOSURE REQUIREMENTS

### **Total Revenues:**

Council recognizes that changes in one revenue source may affect decisions relating to other sources and that City revenues are derived from the following sources:

- a) Municipal property taxes
- b) Grants in lieu of taxes
- c) User fees and charges
- d) Government transfers – Peace River Agreement
- e) Government transfers – Other
- f) Utility fees and charges
- g) Return on investments
- h) Other revenues

### **Municipal Property taxes**

Council will approve Municipal property tax rates annually by considering changes in the assessment base, inflationary factors, economic conditions and the inflationary costs of providing ongoing and new City services.

### **Grants in lieu of taxes**

Grants in lieu of taxes will be determined in accordance with the applicable Statutes and Acts that regulate these revenues.

### **Parcel taxes**

Parcel taxes will be levied in accordance with the *Community Charter* if and when a service is established that requires this type of tax to be imposed.

### **User fees and charges**

Authority to impose various fees and charges will be in accordance with regulations under the Community Charter and any other regulating Acts. A comprehensive review of the City’s fees and charges will be completed every three years to ensure the City’s objectives are being addressed.

### **Government Transfers – Peace River Agreement**

Council recognizes that the Memorandum of Understanding (Peace River Agreement) with the Province of British Columbia, signed on May 29, 2015 provides long term revenue certainty to the Region and City. Council agrees to meet the long term objectives and conditions of eligibility as outlined in the MOU agreement annually as stated below:

“The objectives of the MOU are to address issues respecting parity, responsiveness, local autonomy, accountability, certainty, industrial competitiveness, economic development and regional infrastructure needs. There is a mutual interest between the Province and the Region to ensure that the local governments within the Region have the resources to upgrade, maintain and expand the service and infrastructure necessary to facilitate the economic expansion of the oil, gas, forest and other industries within the Region.”

### **Government transfers - Other**

The City will ensure that all government transfers are used in accordance with the terms and conditions attached to the funding and that all reporting requirements are met. Unconditional government transfers will be considered as general revenue in the financial plan.

**Utility fees and charges**

Utility fees and charges will be levied at rates that will be sufficient to meet service delivery costs and debt servicing within the utility funds.

**Return on investments**

Return on investment revenue will be considered general revenue. Investment revenue generated from restricted reserves will remain within the specified reserve.

**Other revenues**

Other revenues including franchise fee and gaming revenue will be considered as general revenue in the financial plan and any restriction placed on these revenues will be determined annually.

**Borrowing proceeds**

Proceeds from borrowing will be used within the guidelines of the bylaw established to borrow the funds. The maximum amount of accumulated borrowings will be in accordance with the regulations outlined in the Community Charter and the City's Debt Management Policy.

**Distribution of property taxes among the property classes**

Annually, before approving the annual tax rates, Council will consider the amount of tax revenue required in relation to other sources of revenue in funding the cost of ongoing and new City services. Tax revenue and ratios between classes will be reviewed with consideration given to changes in the assessment base as a whole as well as changes to the components that make up the base.

**Permissive tax exemptions**

Permissive tax exemptions will be provided in accordance with the guidelines and regulations contained in the *Community Charter*.

The objectives and policies as stated above are put forward and are broad in nature to assist Council in their decision making process. Rate capping and ratio limitations on property tax were intentionally excluded so as not to restrict Council's ability to make future decisions. The assessment base, components of the base, priority and provision of services, as well as the various components of total revenues are all factors that are interrelated. Setting the annual tax rates after due consideration is given to each of these factors will ensure the process generates the best result.

**SCHEDULE “C” – SUMMARY OF TAXATION REVENUES FOR THE YEAR ENDING DECEMBER 31, 2017**

		2017	2016	Increase	
	Residential variable rate	\$5.16	\$5.16	-	
	Business tax rate	\$16.75	\$16.75	-	
Analysis of taxation revenue					
1-0150-0000-5102	General municipal	\$14,823,392	\$12,362,497	\$2,460,895	
1-0150-0000-5104	General debt	-	2,444,574	(2,444,574)	
	N1	14,823,392	14,807,071	16,321	
1-0150-0000-5106	Flat tax-improved	1,343,400	1,330,200	13,200	
1-0150-0000-5108	Flat tax-vacant	24,700	25,500	(800)	
	N2	1,368,100	1,355,700	12,400	
1-0150-0000-5110	Chetwynd Industrial	N3	57,775	155,412	(97,637)
1-0150-0000-5112	Local Area Service Levy	N4	79,627	148,316	(68,689)
General Revenue Taxation		\$16,328,894	\$16,466,499	\$(137,605)	

N1: Updated

N2: Adjusted to actual per completed roll

N3: Estimated receivable from District of Chetwynd

N4: Based on actual Local Area Service payments



**SCHEDULE "C1" – TAX REVENUE SUMMARY**

		2017	2018	2019	2020	2021
Assessment	R	1,222,834,800	1,257,068,750	1,222,834,800	1,222,834,800	1,222,834,800
	C	470,607,171	470,607,171	470,607,171	470,607,171	470,607,171
	O	35,870,677	35,870,677	35,870,677	35,870,677	35,870,677
		1,729,312,648	1,763,546,598	1,729,312,648	1,729,312,648	1,729,312,648
Increase \$	R	(25,069,100)	34,233,950	(34,233,950)	-	-
	C	(315,550)	-	-	-	-
	O	2,979,277	-	-	-	-
		(22,405,373)	34,233,950	(34,233,950)	-	-

Increase %	R	-2.01%	2.80%	-2.72%	-2.72%	0.00%
	C	-0.07%	0.00%	0.00%	0.00%	0.00%
	O	9.06%	0.00%	0.00%	0.00%	0.00%

Tax Rate	R	5.16	5.16	5.42	5.58	5.75
	C	16.75	16.75	17.59	18.12	18.66

Increase \$	R	-	-	0.26	0.16	0.17
	C	-	-	0.84	0.53	0.54

Increase %	R	0%	0%	5%	3%	3%
	C	0%	0%	5%	3%	3%

Tax Revenues	V	6,309,828	6,486,475	6,813,313	7,014,444	7,228,145
	F	1,368,100	1,395,462	1,423,371	1,451,839	1,480,875
	C	7,882,670	7,882,670	8,277,980	8,527,402	8,781,530
	O	630,894	630,855	658,707	680,654	699,501
		16,191,492	16,395,462	17,173,371	17,674,339	18,190,051

Tax Revenues	R	7,677,928	7,881,937	8,236,684	8,466,283	8,709,020
	NR	8,513,564	8,513,525	8,936,687	9,208,056	9,481,031
		16,191,492	16,395,462	17,173,371	17,674,339	18,190,051

Tax Revenues	R	47.42%	48.07%	47.96%	47.90%	47.88%
	NR	52.58%	51.93%	52.04%	52.10%	52.12%
		100.00%	100.00%	100.00%	100.00%	100.00%

Tax Ratio	R	1.00	1.00	1.00	1.00	1.00
	C	2.67	2.66	2.69	2.69	2.69

Increase tax revenues \$	R	(116,957)	204,009	354,747	229,599	242,737
	C	(5,285)	-	395,310	249,422	254,128
	O	49,861	(39)	27,852	21,947	18,847
		(72,381)	203,970	777,909	500,968	515,712

Increase tax revenues %	R	-1.50%	2.66%	4.50%	2.79%	2.87%
	C	-0.07%	0.00%	5.01%	3.01%	2.98%
	O	8.58%	-0.01%	4.41%	3.33%	2.77%
		-0.45%	1.26%	4.74%	2.92%	2.92%

Refer to individual worksheets for estimated increased to assessment roll classes.

2018 roll adjusted to balance to tax revenue (after last budget meeting) readjusted down in 2019 to align with no growth forecast.

This schedule is based on the 2017 revised roll and future forecasts.

Residential tax rates are maintained at 2010 levels for 2017 – 2018 at \$5.16. Commercial, major, and light industry tax rates are forecast to be maintained at the 2014 level of \$16.75 for 2017-2018.

The above rates are based on 2017 approved service provision levels.

Increase in tax revenues from 2017-2021 based on the assessment growth forecast projections:

\$ 1,926,178