

**CORPORATION OF THE CITY OF NEW WESTMINSTER**

**BYLAW NO. 7662, 2014**

**A Bylaw of the City of New Westminster representing the  
Five-Year Financial Plan for the years 2014 – 2018, inclusive**

WHEREAS pursuant to Section 165 of the Community Charter, Council must establish a Five-Year Financial Plan for the period 2014 – 2018, inclusive;

NOW THEREFORE the City Council of the Corporation of the City of New Westminster ENACTS AS FOLLOWS:

(1) This bylaw may be cited for all purposes as the "Five-Year Financial Plan (2014 – 2018), Bylaw No. 7662, 2014".

(2) Council does hereby adopt the Five-Year Financial Plan for the years 2014-2018 inclusive, for each year of the plan, as set out in Schedule A.

(3) Schedules B and C provide supplementary information to the bylaw.

GIVEN THREE READINGS this 31<sup>st</sup> day of March, 2014.

ADOPTED and the Seal of the Corporation of the City of New Westminster affixed this day 7<sup>th</sup> of April, 2014.

  
MAYOR WAYNE WRIGHT MAYOR

  
CITY CLERK  
JAN GIBSON, ACTING CORPORATE OFFICER

**CORPORATION OF THE CITY OF NEW WESTMINSTER  
CONSOLIDATED FINANCIAL PLAN**

Schedule 'A' to Bylaw No. 7662, 2014

	2014	Budget Projections			
	Budget	2015	2016	2017	2018
<b>REVENUE</b>					
Municipal Taxation (see below)	\$ 66,485,136	\$ 68,977,607	\$ 71,289,090	\$ 73,413,614	\$ 75,633,988
Utility Rates	66,168,541	70,166,601	74,426,413	78,861,916	83,272,294
Sale of Services	11,642,559	12,206,459	12,331,459	12,331,459	12,331,459
Grants from Other Governments (1)	2,067,180	2,458,540	2,378,540	2,278,540	2,278,540
Contributions (2)	27,275,382	9,836,565	8,620,191	13,668,796	7,682,898
Other Revenue (3)	55,289,724	9,244,807	9,335,711	9,293,286	9,318,548
<b>Total Revenues</b>	<b>228,928,522</b>	<b>172,890,578</b>	<b>178,381,404</b>	<b>189,847,611</b>	<b>190,517,727</b>
<b>EXPENSES</b>					
Salaries, Benefits and Training	73,821,138	76,095,520	77,311,067	78,831,559	80,504,576
Contracted Services	9,352,276	9,304,664	9,207,684	9,319,956	9,213,006
Supplies and Materials	9,000,483	9,017,958	8,994,458	9,143,458	9,073,458
Interest and Bank Charges	2,179,099	2,554,257	2,839,879	2,775,965	2,902,022
Cost of Sales	219,057	219,057	219,057	219,057	219,057
Grants	770,000	770,000	770,000	770,000	770,000
Insurance and Claims	1,394,772	1,394,772	1,394,772	1,394,772	1,394,772
Utility Purchases and Levies	38,395,235	40,373,741	42,513,435	44,886,717	47,170,389
Amortization	19,950,000	20,615,000	21,365,000	22,790,000	25,290,000
<b>Total Expenses</b>	<b>155,082,060</b>	<b>160,344,969</b>	<b>164,615,352</b>	<b>170,131,484</b>	<b>176,537,280</b>
<b>INCREASE IN TOTAL EQUITY</b>	<b>73,846,462</b>	<b>12,545,610</b>	<b>13,766,052</b>	<b>19,716,127</b>	<b>13,980,447</b>
<b>Reconciliation to Financial Equity</b>					
Amortization of Tangible Capital Assets	19,950,000	20,615,000	21,365,000	22,790,000	25,290,000
Capital Expenses (Schedule B)	(87,621,530)	(44,035,900)	(34,095,200)	(43,187,500)	(25,412,050)
Debt Retirement	(31,295,472)	(2,186,285)	(2,556,049)	(2,708,709)	(2,930,561)
Proceeds on Debt Issuance	32,477,100	3,000,000	-	5,000,000	5,000,000
<b>CHANGE IN FINANCIAL EQUITY (Reserves)</b>	<b>7,356,560</b>	<b>(10,061,575)</b>	<b>(1,520,197)</b>	<b>1,609,918</b>	<b>15,927,836</b>
Financial Equity, beginning of year	67,480,892	74,837,452	64,775,877	63,255,680	64,865,597
<b>FINANCIAL EQUITY (Reserves), end of year</b>	<b>\$ 74,837,452</b>	<b>\$ 64,775,877</b>	<b>\$ 63,255,680</b>	<b>\$ 64,865,597</b>	<b>\$ 80,793,433</b>

Notes:

(1) Includes capital grants noted on Schedule B.

(2) Includes capital contributions and DCCs noted on Schedule B and Gaming Revenue noted on Schedule C.

(3) Includes proceeds from property sales noted on Schedule C.

Municipal Taxation					
Property Taxes	\$ 65,087,336	\$ 67,579,807	\$ 68,891,290	\$ 72,015,814	\$ 74,236,188
Parcel Taxes	72,300	72,300	72,300	72,300	72,300
Grant-in-Lieu of Taxes	735,000	735,000	735,000	735,000	735,000
Utilities 1%-in-Lieu of Taxes	590,500	590,500	590,500	590,500	590,500
	<b>\$ 66,485,136</b>	<b>\$ 68,977,607</b>	<b>\$ 71,289,090</b>	<b>\$ 73,413,614</b>	<b>\$ 75,633,988</b>

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**CONSOLIDATED FINANCIAL PLAN**  
**Schedule 'A' to Bylaw No. 7662, 2014**

(cont'd)

**Proportion of Revenues By Funding Source:**

The following Table shows the proportion of total revenue purposed to be raised from each funding source. Property taxes form the largest portion of revenues. They provide a stable and consistent source of revenues to pay for many services, such as police and fire protection, that are difficult or undesirable to fund on a user-pay basis.

Utilities' rates are the City's second largest component of planned revenues. These revenues pay for services including electricity, water, sewer and solid waste and are charged on a user-pay basis. This basis attempts to fairly apportion utility service costs to those that make use of these services.

Other revenue sources, including sale of services, government grants and contributions make up the remainder of total revenues. These revenues fluctuate due to economic conditions and City initiatives.

Revenue Source	% Total Revenue
Taxation	29%
Utility Rates	29%
Sale of Services	5%
Gov't Grants	1%
Contributions	12%
Other Revenue	24%
	100%

**Distribution of Property Taxes Between Property Classes:**

The following Table provides the distribution of property tax revenue between property classes. The City's primary goal is to set tax rates that are sufficient, after maximizing non-tax revenues, to provide for service delivery; city assets; and maintain tax stability. This is accomplished by maintaining the historical relationship between the property classes and applying the same annual tax rate increase across all Classes. A secondary goal is to set tax rates that are competitive within the region; consequently, the City may, from time to time, adjust the property tax distribution between the Classes as deemed necessary.

Class No	Property Class	% Tax Burden
1	Residential	59%
2	Utilities	<1%
4	Major Industry	2%
5	Light Industry	6%
6	Business	32%
8	Recreation/Non-Profit	<1%
9	Farm	<1%
		100%

**Use of Permissive Exemptions:**

The City's Annual Municipal Report contains a list of permissive exemptions granted for the year and the amount of tax revenue foregone. Permissive tax exemption is granted to not-for-profit institutions including religious institutions, some recreational facilities, service organizations and cultural institutions that form a valuable part of our community.

Since the mid-90's the City has generally ceased granting new permissive exemptions from property taxes in order to preserve the tax revenue base. Organizations granted exemption prior to implementation of this practice continue to be considered for exemption provided they make an annual submission showing the use of the property subject to exemption has not been altered.

**CORPORATION OF THE CITY OF NEW WESTMINSTER  
CONSOLIDATED CAPITAL PROGRAM**

**Schedule 'B' to Bylaw No. 7662, 2014**

Note: This Schedule has been provided as an addendum to Schedule A. The figures in this Schedule are included in the consolidated figures in Schedule A.

	2014 Budget	Budget Projections			
		2015	2016	2017	2018
<b>CAPITAL EXPENSES</b>					
Buildings	\$ 37,129,380	\$ 5,132,500	\$ 4,805,100	\$ 8,071,000	\$ 7,414,000
Vehicles/Machinery/Equipment	7,510,200	5,577,400	4,347,400	4,429,900	4,116,900
Other Projects	2,545,140	626,000	467,000	497,000	467,000
Park Improvements	2,950,310	5,873,000	1,697,000	3,867,000	182,000
Engineering Structures	17,468,600	10,630,000	9,170,000	11,870,000	2,670,000
Water Infrastructure	3,130,000	2,610,000	2,730,000	2,790,000	2,800,000
Sewer Infrastructure	7,882,900	5,645,000	5,705,000	8,315,000	5,875,000
Electrical Distribution System	9,005,000	7,942,000	5,173,700	3,347,600	1,887,150
<b>TOTAL</b>	<b>\$ 87,621,530</b>	<b>\$ 44,035,900</b>	<b>\$ 34,095,200</b>	<b>\$ 43,187,500</b>	<b>\$ 25,412,050</b>
<b>FUNDING SOURCES</b>					
Reserve Funds	\$ 40,079,510	\$ 37,515,400	\$ 31,672,700	\$ 30,830,000	\$ 19,054,550
Development Cost Charges (see below)	7,034,800	2,221,500	1,123,500	158,500	158,500
Long Term Debt	32,477,100	3,000,000	-	5,000,000	5,000,000
Grants from Other Governments	431,940	299,000	299,000	199,000	199,000
Contributions	7,598,180	1,000,000	1,000,000	7,000,000	1,000,000
<b>TOTAL</b>	<b>\$ 87,621,530</b>	<b>\$ 44,035,900</b>	<b>\$ 34,095,200</b>	<b>\$ 43,187,500</b>	<b>\$ 25,412,050</b>

**City of New Westminster - Development Cost Charge Funding Envelope Plan for the 2009 DCC Bylaw 7311**

**NOTES:**

1. This DCC Funding Envelope Plan is based on the capital projects set out in the 2009 Development Cost Charge Review Report which forms the basis for the City's DCC Bylaw.
2. City contributions will be from reserves while other contributions are from provincial / federal gov't grants.
3. The mainland waterfront parkland acquisition / development (\$16M) was initially funded with debt with the intention that the principal on the debt would be repaid over time using Parks DCCs.

	ITL	2009-2013	2014	2015	2016	2017	2018	2019-2021
Total DCCs	\$ 72,364,187	\$ 19,629,166	\$ 7,034,800	\$ 2,221,500	\$ 1,123,500	\$ 158,500	\$ 158,500	\$ 42,038,221
Total City & Other Contributions	23,932,753	1,543,970	118,000	85,800	74,400	64,800	64,800	21,980,983
	<b>\$ 96,296,940</b>	<b>\$ 21,173,136</b>	<b>\$ 7,152,800</b>	<b>\$ 2,307,300</b>	<b>\$ 1,197,900</b>	<b>\$ 223,300</b>	<b>\$ 223,300</b>	<b>\$ 64,019,204</b>

**CORPORATION OF THE CITY OF NEW WESTMINSTER**  
**CONSOLIDATED STATEMENT OF RESERVES AND DEVELOPMENT COST CHARGES**  
**Schedule 'C' to Bylaw No. 7662, 2014**

Note: This Schedule has been provided as an addendum to Schedule A. The reserve figures in this Schedule are included in the consolidated figures in Schedule A. Development Cost Charges are provided for information, but are deferred charges rather than reserves.

FINANCIAL EQUITY (RESERVES)	2014	Budget Projections			
	Budget	2015	2016	2017	2018
<b>Revenues:</b>					
Contributions	\$ 6,731,659	\$ 6,853,742	\$ 6,877,647	\$ 6,902,220	\$ 6,927,482
Land Sale Proceeds	46,000,000	-	-	-	-
	<b>52,731,659</b>	<b>6,853,742</b>	<b>6,877,647</b>	<b>6,902,220</b>	<b>6,927,482</b>
<b>Transfers (to) from:</b>					
Operating Budget	19,169,532	20,600,083	23,274,856	25,537,697	28,054,904
Capital Budget	(40,079,510)	(37,515,400)	(31,672,700)	(30,830,000)	(19,054,550)
Debt Retirement	(24,465,121)	-	-	-	-
	<b>(45,375,099)</b>	<b>(16,915,317)</b>	<b>(8,397,844)</b>	<b>(5,292,303)</b>	<b>9,000,354</b>
<b>Change in Financial Equity (Reserves)</b>	<b>7,356,560</b>	<b>(10,061,575)</b>	<b>(1,520,197)</b>	<b>1,609,917</b>	<b>15,927,836</b>
Financial Equity, Beginning of Year	67,480,892	74,837,452	64,775,877	63,255,680	64,865,597
Financial Equity, End of Year	<b>\$ 74,837,452</b>	<b>\$ 64,775,877</b>	<b>\$ 63,255,680</b>	<b>\$ 64,865,597</b>	<b>\$ 80,793,433</b>
<b>CHANGE IN RESERVES</b>					
<b>Non-Statutory Reserves</b>	<b>\$ 4,482,902</b>	<b>\$ (8,634,533)</b>	<b>\$ 806,845</b>	<b>\$ 3,336,959</b>	<b>\$ 15,754,878</b>
<b>Statutory Reserves</b>					
Cemetery	47,266	47,266	47,266	47,266	47,266
Construction of Municipal Works	2,752,144	(1,548,556)	(2,448,556)	(1,848,556)	51,444
Parking Cash In Lieu	22,457	22,457	22,457	22,457	22,457
Park Land Acquisition	16,775	16,775	16,775	16,775	16,775
Tax Sale Land	35,016	35,016	35,016	35,016	35,016
<b>Change in Reserves</b>	<b>\$ 7,356,560</b>	<b>\$ (10,061,575)</b>	<b>\$ (1,520,197)</b>	<b>\$ 1,609,917</b>	<b>\$ 15,927,836</b>
<b>Statutory DCC Reserves</b>					
Drainage DCC	\$ (1,381,789)	\$ (322,789)	\$ 568,211	\$ 568,211	\$ 568,211
Parkland DCC	(4,365,562)	1,621,638	1,608,638	1,595,038	1,580,838
Sewer DCC	694,434	594,434	594,434	594,434	594,434
Transportation DCC	(3,172,003)	582,297	789,297	1,754,297	1,754,297
Water DCC	366,850	366,850	366,850	366,850	366,850
<b>Change in DCCs</b>	<b>\$ (7,858,070)</b>	<b>\$ 2,842,430</b>	<b>\$ 3,927,430</b>	<b>\$ 4,878,830</b>	<b>\$ 4,864,630</b>
<b>RESERVE BALANCES</b>					
<b>Non-Statutory Reserves</b>	<b>\$ 60,633,445</b>	<b>\$ 51,998,912</b>	<b>\$ 52,805,757</b>	<b>\$ 56,142,716</b>	<b>\$ 71,897,594</b>
<b>Statutory Reserves</b>					
Cemetery	602,618	649,884	697,150	744,416	791,682
Construction of Municipal Works	10,191,159	8,642,603	6,194,047	4,345,491	4,396,935
Parking Cash In Lieu	1,021,245	1,043,702	1,066,159	1,088,616	1,111,073
Park Land Acquisition	796,586	813,361	830,136	846,911	863,686
Tax Sale Land	1,592,399	1,627,415	1,662,431	1,697,447	1,732,463
<b>Total Reserves</b>	<b>\$ 74,837,452</b>	<b>\$ 64,775,877</b>	<b>\$ 63,255,680</b>	<b>\$ 64,865,597</b>	<b>\$ 80,793,433</b>
<b>Statutory DCC Reserves</b>					
Drainage DCC	\$ 2,938,752	\$ 2,615,963	\$ 3,184,174	\$ 3,752,385	\$ 4,320,596
Parkland DCC	1,375,440	2,997,078	4,605,716	6,200,754	7,781,592
Sewer DCC	177,346	771,780	1,366,214	1,960,648	2,555,082
Transportation DCC	1,401,956	1,984,253	2,773,550	4,527,847	6,282,144
Water DCC	1,351,754	1,718,604	2,085,454	2,452,304	2,819,154
<b>Total DCC Reserves</b>	<b>\$ 7,245,248</b>	<b>\$ 10,087,678</b>	<b>\$ 14,015,108</b>	<b>\$ 18,893,938</b>	<b>\$ 23,758,568</b>