

CITY OF PORT COQUITLAM  
2022-2026 Financial Plan Bylaw  
Bylaw No. 4267

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The Council of the Corporation of the City of Port Coquitlam enacts as follows:

1. CITATION

This Bylaw is cited as “2022-2026 Financial Plan Bylaw, 2022, No. 4267”.

2. REGULATION

- 2.1 Schedule “A” attached to and forming part of this Bylaw is the proposed funding sources and expenditures for 2022 to 2026.
- 2.2 Schedule “B1” forming part of this Bylaw is expenditures from the City Reserve and Surplus Funds.
- 2.3 Schedule “B2” forming part of this Bylaw is transfers to the City Reserve and Surplus Funds.
- 2.4 Schedule “C” forming part of this Bylaw is the objectives and policies for revenues, property tax distribution and permissive exemptions.

READ A FIRST TIME this	26 <sup>th</sup> day of	April, 2022
READ A SECOND TIME this	26 <sup>th</sup> day of	April, 2022
READ A THIRD TIME this	26 <sup>th</sup> day of	April, 2022
ADOPTED this	10 <sup>th</sup> day of	May, 2022

B. WEST

Mayor

C. DEAKIN

Corporate Officer

**SCHEDULE "A"**  
**Proposed Funding Sources and Expenditures**

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
<b>Revenues</b>					
Taxation & Other Levies	\$ 76,685,400	\$ 78,914,400	\$ 81,227,300	\$ 83,609,500	\$ 86,063,200
Utility Charges	26,042,800	26,855,600	27,692,800	28,554,900	29,443,100
Sale of Services	8,141,200	8,017,200	8,017,200	8,017,200	8,017,200
Contributions	7,734,000	6,262,700	3,082,700	2,970,700	2,970,700
Permits & Licences	3,030,500	3,007,500	3,007,500	3,007,500	3,007,500
Investment Income	2,578,300	2,578,300	2,578,300	2,578,300	2,578,300
Penalties & Fines	494,000	494,000	494,000	494,000	494,000
Other Revenues	545,700	425,600	425,600	425,600	425,600
<b>Total Revenues</b>	<b>\$ 125,251,900</b>	<b>\$ 126,555,300</b>	<b>\$ 126,525,400</b>	<b>\$ 129,657,700</b>	<b>\$ 132,999,600</b>
<b>Expenditures</b>					
City Operating Expenditures	\$ 97,322,400	\$ 97,036,500	\$ 99,149,800	\$ 101,326,000	\$ 103,667,600
External Debt Interest Expense	1,727,300	1,727,300	1,727,300	1,727,300	1,727,300
Amortization	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
<b>Total Operating Expenditures</b>	<b>\$ 111,049,700</b>	<b>\$ 110,763,800</b>	<b>\$ 112,877,100</b>	<b>\$ 115,053,300</b>	<b>\$ 117,394,900</b>
<b>Net Revenue (Expenditure)</b>	<b>\$ 14,202,200</b>	<b>\$ 15,791,500</b>	<b>\$ 13,648,300</b>	<b>\$ 14,604,400</b>	<b>\$ 15,604,700</b>
<b>Allocations</b>					
Net Transfers from Reserves	\$ 48,609,300	\$ 18,879,800	\$ 19,664,100	\$ 19,614,100	\$ 19,714,100
Net Transfers (to) Reserves	(22,178,300)	(22,604,900)	(23,641,700)	(24,709,800)	(25,810,100)
Capital Expenditures	(52,536,300)	(21,527,600)	(19,131,900)	(18,969,900)	(18,969,900)
Capital Contributed by Developers	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Unfunded Amortization	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Proceeds from External Borrowing	2,441,900	-	-	-	-
External Debt Principal Repayment	(1,538,800)	(1,538,800)	(1,538,800)	(1,538,800)	(1,538,800)
<b>Total Allocations</b>	<b>\$ (14,202,200)</b>	<b>\$ (15,791,500)</b>	<b>\$ (13,648,300)</b>	<b>\$ (14,604,400)</b>	<b>\$ (15,604,700)</b>
<b>Financial Plan Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**SCHEDULE "B1"**  
**Transfers from Reserves**

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
General Capital	\$ 16,663,400	\$ 10,308,500	\$ 10,654,600	\$ 10,654,600	\$ 10,654,600
Vehicles & Equipment	8,029,400	527,500	1,356,100	1,356,100	1,356,100
Sewer Infrastructure	6,000,000	2,247,300	1,535,600	1,535,600	1,535,600
Land Sale	2,393,500	2,000,000	2,000,000	2,000,000	2,000,000
Water Infrastructure	1,417,200	1,227,300	3,159,800	3,159,800	3,159,800
Community Centre	1,038,000	-	-	-	-
Downtown	689,700	-	-	-	-
Artificial Field	650,000	-	-	-	-
Long Term General Infrastructure	644,200	644,200	644,200	644,200	644,200
Amenities	490,600	-	-	-	-
Self-Insurance	471,500	-	-	-	-
Information Systems	469,200	-	-	-	-
Federal Gas Tax	458,600	500,000	-	-	-
Environmental & Solid Waste	379,600	-	-	-	-
Arts & Culture	318,600	-	-	-	-
Cart Replacement	213,800	125,000	213,800	213,800	213,800
Building Maintenance	158,200	-	-	-	-
Transit Shelters	165,600	50,000	50,000	50,000	50,000
Public Safety Initiatives	102,900	-	-	-	-
Election	170,000	-	-	-	100,000
Cemetery Expansion	50,000	-	-	-	-
Public Safety Building	50,000	-	-	-	-
Roads & Drainage	21,900	-	-	-	-
May Day	5,400	-	-	-	-
Roads (MRN)	-	1,250,000	50,000	-	-
Allocated Accumulated Surplus - General	7,415,700	-	-	-	-
Allocated Accumulated Surplus - Water	87,700	-	-	-	-
Allocated Accumulated Surplus - General	54,600	-	-	-	-
<b>Total Transfers from Reserves</b>	<b>\$ 48,609,300</b>	<b>\$ 18,879,800</b>	<b>\$ 19,664,100</b>	<b>\$ 19,614,100</b>	<b>\$ 19,714,100</b>

SCHEDULE "B2"  
Transfers (to) Reserves

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**Transfers (to) Reserves**

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
General Capital	\$ 11,234,400	\$ 10,654,600	\$ 10,654,600	\$ 10,654,600	\$ 10,654,600
Water Infrastructure	3,159,800	3,159,800	3,159,800	3,159,800	3,159,800
Long Term General Infrastructure	2,809,400	3,580,400	4,374,500	5,192,400	6,034,800
Sewer Infrastructure	1,535,600	1,535,600	1,535,600	1,535,600	1,535,600
Vehicle & Equipment	1,356,100	1,356,100	1,356,100	1,356,100	1,356,100
Roads (MRN)	513,000	513,000	513,000	513,000	513,000
Downtown Projects	319,600	319,600	319,600	319,600	319,600
Land Sale	302,600	302,600	302,600	302,600	302,600
Federal Gas Tax	257,100	257,100	257,100	257,100	257,100
Long Term Water Infrastructure	215,000	351,600	492,400	637,500	787,100
Cart Replacement	179,200	179,200	179,200	179,200	179,200
Long Term Sewer Infrastructure	154,600	253,400	355,300	460,400	568,700
Parking	70,500	70,500	70,500	70,500	70,500
Transit Shelters	50,000	50,000	50,000	50,000	50,000
Election	21,400	21,400	21,400	21,400	21,400
<b>Total Transfers to Reserve Funds</b>	<b>\$ 22,178,300</b>	<b>\$ 22,604,900</b>	<b>\$ 23,641,700</b>	<b>\$ 24,709,800</b>	<b>\$ 25,810,100</b>

## Transfers (to) Reserves

### SCHEDULE "C"

#### Revenue Plan Objectives and Policies

In accordance with Section 165 (3.1) of the Community Charter, The City of Port Coquitlam is required to include in the Five-Year Financial Plan Bylaw, objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165 (7) of the Community Charter;
2. The distribution of property taxes among the property classes; and
3. The use of permissive tax exemptions.

#### 1. Sources of Revenue

Funding Source 165(7)	Details	% of Total 2022 Revenue	% of Total 2021 Revenue
Property Value Taxes	Property Taxes	61.2%	61.8%
Fees	Utility Levies	20.8%	21.5%
	Sale of Services	6.5%	6.7%
	Permits and Licenses	2.4%	2.3%
Other Sources	Contributions	6.2%	5.0%
	Investment Income	2.1%	2.2%
	Penalties and Fines	0.4%	0.4%
	Other Revenue	0.4%	0.1%

#### **Objective**

Over the next five years, the City will continue to seek new revenue sources to reduce the burden on property taxes.

#### **Policies**

The City's Financial Management Policy (7.16.03) states:

- The City will review fees/charges, at a minimum on a biennial basis, to ensure that they keep pace with changes in the cost-of-living, as well as, changes in the methods or levels of service delivery.
- The City will encourage the use of alternate revenue sources instead of property taxes.
- General Revenues will not be dedicated for specific purposes, unless required by law or the Generally Accepted Accounting Principles (GAAP).
- User fees will be set to recover the full cost of services except where Council determines that a subsidy is in the general public interest.

**2. Distribution of Property Tax Rates**

The 2022 distribution of property tax rates amongst all the property classifications is provided below:

<b>Property Class</b>	<b>2022 % of General Property Taxation</b>	<b>2021 % of General Property Taxation</b>
Residential	56.74%	57.11%
Utilities	0.77%	0.77%
Light Industry	9.45%	8.88%
Business Other	32.87%	33.07%
Recreational Property / Non-Profit Organization	0.14%	0.14%
Farm	0.03%	0.03%

**Objective**

The desired result is property taxes that are stable and predictable as well as fair in comparison to others within Metro Vancouver.

**Policies**

City tax rates (Policy 7.01) will be set to maintain each property classification’s tax share, adjusted for property tax growth from new development in the classification, unless Council determines that adjustments are necessary to maintain the City’s tax competitiveness within Metro Vancouver or to attain other Council objectives.

In establishing property tax rates Council will take into consideration:

- Property taxes levied per capita as compared with other BC municipalities;
- Tax levies on a representative home compared with other Metro Vancouver municipalities;
- Tax share borne by each property class historically;
- Taxes generated from new development;
- Tax ratios of each property classification along with tax ratios of other municipalities within the Metro Vancouver; and
- Tax rate competitiveness compared to the neighboring cities of Port Moody and Coquitlam.

**3. Permissive Tax Exemptions**

**Objective**

The purpose of this policy is to:

- Optimize the provision of charitable and not for profit services for the benefit of Port Coquitlam residents.
- Provide property tax exemptions as permitted under the Community Charter in a consistent and fair manner.
- Restrict provision of exemption to those providing an extension to city services.
- Reduce impact on city revenues.

### ***Policies***

Port Coquitlam residents must be primary beneficiaries of the organization's services. The services provided on the property must be accessible to the public. Council may provide a partial exemption.

The intent of this guideline is to ensure Port Coquitlam residents will generally benefit from the municipal support provided, and will not be restricted from accessing the services of the organization.

The City has an existing permissive tax exemption policy (7.02.04) which guides the administration and approval of permissive tax exemptions. Some of the eligibility criteria for permissive tax exemptions that are outlined in the policy include the following:

- Not-for-profit occupiers of City property for the duration of their occupancy.
- Land and improvements surrounding a statutorily exempt building for public worship.
- Land and improvements surrounding a statutorily exempt building owned by an incorporated institution of learning (private school) that is equivalent to that given in a public school.
- Properties on which a building for public worship or private school is to be built.
- Full or partial property tax exemption for properties that are to be awarded a grant under an existing City grant program and would qualify for property tax exemption under the Community Charter. Property tax exemption would be provided instead of a cash grant to the organization.
- Non-profit occupiers of school premises.
- Registered charities who provide services to the community where 75% of the services of their organization are open to and used by residents of Port Coquitlam.