

MUNICIPAL CAPITAL FINANCE PLAN POLICY

Council Policy No. 06/00

POLICY:

A long range Municipal Capital Finance Plan is considered mandatory and the following policies and principles on capital project financing are established for each category of Capital Expenditure:

	Type of Expenditure	Funding Sources
Component No. 1	This component covers the street system including paving, resurfacing; drainage, curbs, streetlights and sidewalks.	Restricted to funds from the Oil and Gas Revenue Reallocation Program and Senior Government Grants. Long Term Borrowing will not be permitted.
Component No. 2	This component includes the Recreation Complex, Centennial Park, R.C.M.P. building, Fire Hall, City Hall, Parks, Ball Diamonds, Public Works Facilities, Slow Pitch Complex, Tourist Information Centre and any other Civic Building or facility.	Restricted to funds from the Oil and Gas Revenue Reallocation Program and Senior Government Grants. Long Term Borrowing will not be permitted. Short term borrowing of less than five years will be permitted.
Component No. 3	This component includes Capital Expenditures for all aspects of the water and sewer utilities including water supply source, water treatment, pumping, distribution and metering as well as sewage collection, treatment and disposal.	Senior Government Grants, Local Frontage Taxes and User Rates and Long Term Debt where required.
Component No. 4	This component includes the cost of buying, replacing and upgrading major and minor equipment required to maintain the existing level of service reserve funds and recreation facilities.	Restricted to Base Budget revenues and funds from the Oil and Gas Revenue Major Reallocation Program as well as major repairs to civic and equipment annual budget allocations.

GENERAL REVENUE FUND CAPITAL FINANCE POLICY:

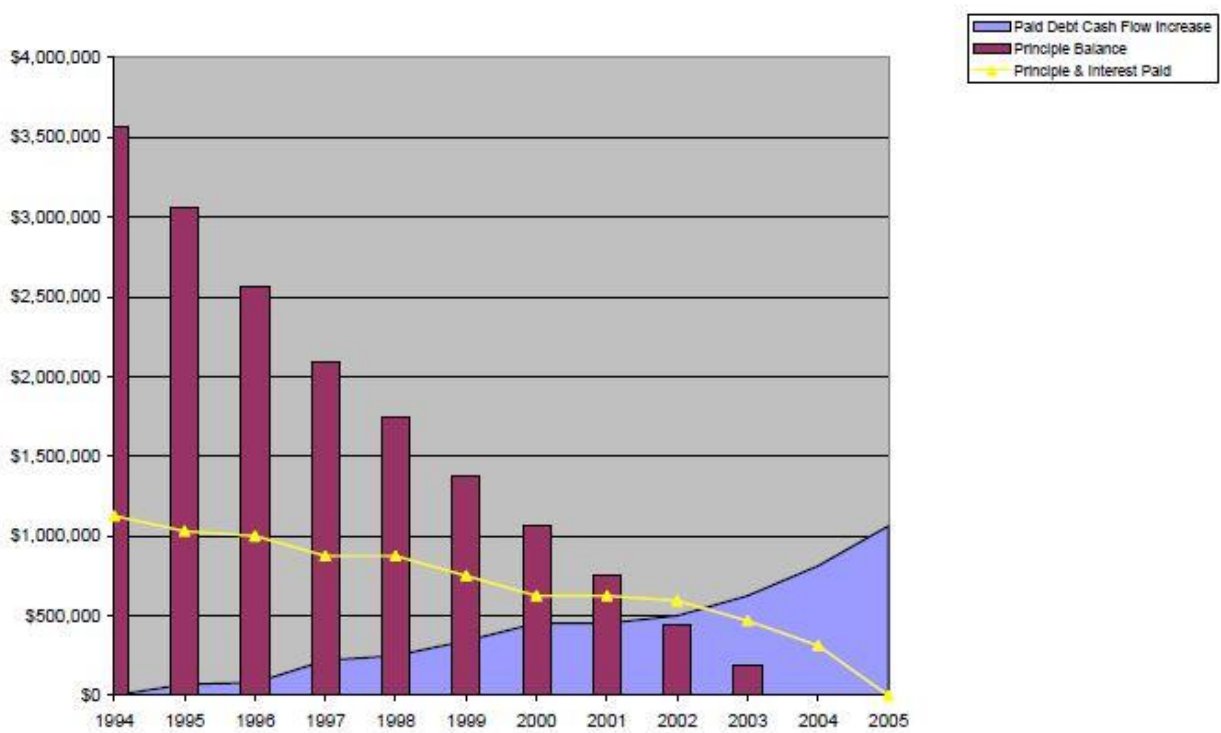
City Council adopted by Resolution No. 231/95 a pay as you go policy for the City's General Revenue Fund. Short Term Borrowing for term of five years or less may be considered. Long Term Debenture borrowing to be restricted to the Water and Sewer Utility Fund.

Note: As a result of this policy the General Revenue Fund will be debt free by the year 2005 as indicated on the attached schedules.

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Schedule A

City of Fort St. John - General Revenue Fund Long Term Debt Reduction



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Schedule B

CITY OF FORT ST. JOHN								
CURRENT DEBT								
FINANCIAL MODEL								
	Opening Balance	Annual Interest	Annual Actuarial	Annual Principal	Actuarial and Principal	Principal and Interest	Paid Debt Cash Flow Increase	Closing Balance
1993	-	-	-	-	-	-	-	4,060,996
1994	4,060,996	680,571	100,521	419,831	520,352	1,100,402	-	3,540,644
1995	3,540,644	634,731	95,583	395,491	491,074	1,030,222	70,180	3,049,570
1996	3,049,570	618,567	109,614	392,560	502,174	1,011,127	89,275	2,547,396
1997	2,547,396	610,832	128,391	265,914	394,305	876,746	223,656	2,153,091
1998	2,153,091	598,149	147,760	265,705	413,465	863,854	236,548	1,739,626
1999	1,739,626	526,194	153,405	241,807	395,212	768,001	332,401	1,344,414
2000	1,344,414	474,209	125,473	165,972	291,445	640,181	460,221	1,052,969
2001	1,052,969	474,209	140,045	165,972	306,017	640,181	460,221	746,952
2002	746,952	425,917	155,346	165,917	321,263	591,834	508,568	425,689
2003	425,689	377,625	121,697	86,191	207,888	463,816	636,586	217,801
2004	217,801	188,813	131,610	86,191	217,801	275,004	825,398	-
2005	-	-	-	-	-	-	1,100,402	-
TOTAL		5,609,817	1,409,445	2,651,551	4,060,996	8,261,368		