

CITY OF PRINCE RUPERT

2021 FIVE YEAR FINANCIAL PLAN BYLAW NO. 3470, 2021

A BYLAW FOR THE CITY OF PRINCE RUPERT RESPECTING THE FIVE YEAR FINANCIAL PLAN FOR THE PERIOD 2021 - 2025

The Council of the City of Prince Rupert in an open meeting assembled, enacts as follows:

1. **Schedule “A”** attached hereto and made part of this Bylaw is hereby declared to be the Five Year Financial Plan of the City of Prince Rupert for the period ending December 31st, 2025.
2. This Bylaw may be cited as **“2021 Five Year Financial Plan Bylaw No. 3470, 2021”**.

Read a First time this 26th day of April, 2021.

Read a Second time this 26th day of April, 2021.

Read a Third time this 26th day of April, 2021.

Final Consideration and Adopted this 26th day of Apr, 2021.

This Bylaw was adopted by Council.

To view the signed original,
contact City Hall Administration at
(250) 627 0934 or email
cityhall@princerupert.ca

Mayor

Corporate Administrator

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan

April 26, 2021

The *Community Charter* requires certain information be presented as part of the Five Year Financial Plan. The following Section citations reference the *Community Charter*:

1. Portion of Funding from Revenue Sources (Section 165 (3.1)a)

Table One (1) shows the proportion and value of the total revenue proposed to be raised from each funding source in 2021. Property value taxes form the greatest percentage of the revenue of the municipality. The property taxation system is relatively easy to administer and understand. It provides a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. These include services such as fire protection, police protection, bylaw enforcement, libraries, and street lighting. For these reasons, property value taxation will continue to be the major source of municipal revenue.

User fees and charges and debt form the second largest portion of planned revenue. Some municipal services, such as: water, sewer, solid waste utilities, recreation and transit usage, can be measured and charged for on a user-pay basis. This basis attempts to fairly apportion the value of a municipal service to those who make use of it.

Table 1

Funding Source	Percentage (%) of Revenue	Amount (\$)
Municipal Property Taxes	26%	22,845,000
Parcel Taxes	0%	63,000
Payment in Lieu of Taxes & Provincial Grants	6%	5,392,000
User Fees & Charges	14%	11,903,000
Accruals	3%	2,884,000
Reserves	11%	9,823,000
Accumulated General Operating Surplus	2%	1,695,000
Accumulated Utilities Operating Surplus	2%	2,072,000
Grants and Other Miscellaneous Revenue	9%	7,993,000
Dividend- Prince Rupert Legacy	7%	6,379,000
Debt Financing	20%	17,708,000
Total	100%	88,757,000

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan
April 26, 2021

Objective

- Council will attempt to increase the proportion of City revenue that is derived from sources other than property taxes.

Policy

- Council has begun to review the fees charged for various services to ensure that the users of the service are paying a fair portion of the operating and capital cost of the service;
- Council will supplement infrastructure expenditures by aggressively pursuing federal and provincial grants; and,
- Council will encourage staff to develop new revenue sources.

2. Distribution of Property Value Taxes (Section 165 (3.1)(b))

The City of Prince Rupert determines the current tax rate for each property class by first adjusting the prior year's tax rate by the BC Assessment generated statistic for *Change in Property Assessment Market Value* for that property classification. The adjusted tax rate is then increased or decreased by the percentage tax increase that Council has set for the current Financial Year.

By providing this consistency, taxpayers in the various classes have stability and confidence in knowing how their future tax bills will be calculated. The City also is required to follow the Provincial Regulation which sets the maximum rates for Port Property Taxes at \$27.50/\$1,000, and \$22.50/\$1,000 for property and improvements that are listed in the Regulation.

Table (2) shows the current property tax revenues of each classification except those classes with zero tax revenue:

Table 2

Property Class	% of Tax Revenue	Amount (\$)
Residential	31%	7,096,000
Utility	1%	286,000
Major Industry	27%	6,167,000
Major Industry Port Property Tax Act	16%	3,720,000
Light Industry	3%	629,000
Business	22%	4,928,000
Recreation	0%	19,000
Total	100%	22,845,000

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan

April 26, 2021

Objective

- Council will encourage economic development by minimizing tax increases.

Policy

- Council will review user fees to ensure that they are appropriate;
- Council will rely primarily on new development and grant opportunities to fund infrastructure and new amenities;
- Council will encourage economic development by providing the stability of using a consistent methodology for calculating property tax levies;
- Council will continue to review its existing permissive property tax exemption practices;

3. Use of Permissive Tax Exemptions (Section 165 (3.1)(c))

Each year the City of Prince Rupert approves partial or full permissive tax exemptions for properties within the community.

Objectives

- Council will continue to provide permissive tax exemptions;
- Council will permit exemptions according to the Permissive Tax Exemption Policy;
- Council will permit exemptions to revitalize the downtown core

Policy

- Permissive tax exemptions will be considered in conjunction with:
 - a. The value of other assistance being provided by the Community;
 - b. The amount of revenue that the City will lose or forgo if the exemption is granted;
 - c. City of Prince Rupert Permissive Tax Exemption Bylaw 3447, 2019; and,
 - d. Downtown Core Revitalization Tax Exemption Program Bylaw 3466, 2020.

Table 3 shows the properties which received permissive tax exemptions for 2021. The approximate amount of Municipal Tax exempted is \$336,500

Table 3

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan
April 26, 2021

Registered Owner/ Occupier Identity/ Facility	Estimated 2021 Tax Exemption based on 2021 Rates/Values	Roll Number
<u>Places of Worship (Exclude Statutory Exempt Portion)</u>		
Bishop of New Caledonia (Anglican Cathedral)	\$ 660.32	0001839.000
Church of Jesus Christ of Latter Day Saints Church	580.39	0091420.000
Cornerstone Mennonite Brethren Church	336.68	0002000.000
Fellowship Baptist Church	335.81	0003323.000
The Salvation Army	1,647.76	0001041.000
Harvest Time United Pentecostal Church	124.68	0003175.000
Indo-Canadian Sikh Association Temple	118.16	0002980.000
Prince Rupert Church of Christ Church	906.64	0009855.000
Prince Rupert Native Pentecostal Revival Church	305.83	0001038.000
Prince Rupert Pentecostal Tabernacle	717.23	0091412.000
Prince Rupert Sikh Missionary Society Temple	807.15	0006391.000
First United Church	36.93	0002099.000
First United Church (parking lot)	731.27	0002098.000
First United Church (parking lot)	731.27	0002097.000
St. Paul's Lutheran Church of Prince Rupert	152.05	0001958.000
Sub-total Places of Worship	\$ 8,192.15	

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan
April 26, 2021

Table 3 (continued)

<u>Other Properties</u>		
Cultural Dance Centre & Carving House	\$ 12,688.35	0000382.000
Museum of Northern BC	40,720.26	9000165.002
Prince Rupert Performing Arts Centre Society	130,670.46	9000363.000
Jim Pattison Ind. Ltd (Canfisco Municipal Boat Launch Facility)	17,902.98	9000246.000
Prince Rupert Golf Club	24,929.25	9000322.000
Prince Rupert Golf Club	5,442.16	9000322.001
Prince Rupert Golf Club	476.63	9000322.003
Prince Rupert Golf Club	287.28	9000322.004
Prince Rupert Racquet Association	5,631.56	9000322.002
School District No. 52 (Prince Rupert) (Pacific Coast School)	6,577.05	0000525.000
School District No. 52 (Prince Rupert) (Pacific Coast School)	97.94	0000300.000
BC Society for the Prevention of Cruelty to Animals	2,013.16	0093225.000
BC Society for the Prevention of Cruelty to Animals	11,164.88	0093227.000
BC Society for the Prevention of Cruelty to Animals	1,234.01	0093230.000
Prince Rupert Loyal Order of Moose/Moose Lodge	692.03	0000261.000
Prince Rupert Salmon Enhancement Society	1,471.24	9000323.001
Prince Rupert Curling Club	11,338.99	9000299.000
Prince Rupert Rod & Gun Club	2,625.08	9000416.000
Prince Rupert Aboriginal Community Services Society	2,414.79	0009504.000
Friendship House Association of Prince Rupert	19,229.62	0000914.000
Kaien Island Daycare Services Family Resource Centre	1,292.73	0005167.002
Prince Rupert Senior Centre Association	1,001.77	0001044.000
North Coast Community Services Society (Previously Prince Rupert Community Enrichment Society)	5,995.95	0000906.000
The Royal Canadian Legion Branch 27 (Only area used by Legion)	932.27	0000641.000
Navy League Prince Rupert Branch	722.88	9000299.001
Prince Rupert Rowing & Yachting Club (Only area assessed as "Recreation/Non-Profit")	2,788.98	9000214.100
Kaien Senior Citizen's Housing	66.07	0003150.000
Prince Rupert Senior Citizen's Housing Society	2,207.78	9000089.000
Prince Rupert Indigenous Housing Society (Only area assessed as "Residential/Not-for-profit")	8,814.59	0040511.050
Cedar Village Housing Society (Only area assessed as "Residential/Not-for-profit")	15,069.05	0003411.000
Sub-total other Properties	\$ 336,499.81	

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan
April 26, 2021

4. Proposed Expenditures (Section 165(4)(a))

Table 4 shows the proposed expenditures for the current year by Fund:

Table 4

Proposed Expenditures	Amount (\$)
Operating Fund	46,853,000
Sewer Utility Fund	3,589,000
Solid Waste Fund	16,767,000
Water Utility Fund	21,548,000
Total	88,757,000

5. Proposed Funding Sources (Section 165(4)(b) & Section 165(7)(a-e))

Table 5 shows the proposed funding sources for the current year:

Table 5

Funding Source	Percentage (%) of Revenue	Amount (\$)
Municipal Property Taxes	26%	22,845,000
Parcel Taxes	0%	63,000
Payment in Lieu of Taxes & Provincial Grants	6%	5,392,000
User Fees & Charges	14%	11,903,000
Accruals	3%	2,884,000
Reserves	11%	9,823,000
Accumulated General Operating Surplus	2%	1,695,000
Accumulated Utilities Operating Surplus	2%	2,072,000
Grants and Other Miscellaneous Revenue	9%	7,993,000
Dividend- Prince Rupert Legacy	7%	6,379,000
Debt Financing	20%	17,708,000
Total	100%	88,757,000

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan

April 26, 2021

6. Proposed Transfers Between Funds (Section 165(4)(c))

See items 11 and 12 (including Tables 8 and 9) of this Schedule.

7. Amount Required to Pay Interest & Principal on Municipal Debt (Section 165(6)(a))

The amount required to pay interest and principal on municipal debt is approximately \$1,607,000.

8. Amount Required for Capital Purposes (Section 165(6)(b))

Capital Purchases

Table 6 shows the 2021 Capital Purchases:

Table 6

Department	Amount (\$)
Ferry	125,000
Information Technology	25,000
Civic Properties	9,701,000
Fire Protection	417,000
RCMP	500,000
Corporate Administration	307,000
Public Works	839,000
Total	11,914,000

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan
April 26, 2021

Capital Works

Table 7 shows the 2021 Capital Works:

Table 7

Fund	Amount (\$)
Water Utility	19,300,000
Sewer Utility	2,026,000
Solid Waste Utility	13,254,000
Operating	1,811,000
Total	36,391,000

9. The Amount Required for a Deficiency (Section 165(6)(c) & Section (165(9))

Nil

10. The Amount Required for Other Municipal Purposes (Section 165(6)(d))

Expenditures for other municipal purposes are \$38,845,000 which is the total expenditures from Table 4 of \$88,757,000 less the amounts under Items 7 and 9 (\$1,607,000 and Nil) and the totals from Tables 6 and 7 (\$11,914,000 and \$36,391,000).

11. Proposed Transfers of Reserves (Section 165(8)(a))

Table 8 proposes the following transfers:

Table 8

Transfer of Reserves	Amount (\$)
From:	
Equipment Reserve	(180,000)
Land Reserve	(25,000)
Water Treatment Grant Reserve	(2,150,000)
Northern Capital and Planning Grant Reserve	(6,172,000)
Community Work Fund (Gas Tax) Reserve	(596,000)
RCMP Reserve	(500,000)
Duncan Road Improvements Reserve	(200,000)
General Operating Fund	(3,024,000)
Total	(12,847,000)

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan
April 26, 2021

To:	
RCMP Reserve	1,050,000
Miscellaneous Reserves (interest)	200,000
Rushbrook Parking Program Reserve	68,000
Community Work Fund (Gas Tax) Reserve	596,000
General Capital Works Reserve	850,000
Public Works Vehicle Reserve	110,000
Ferry Maint. & Capital Replacement Reserve	150,000
General Operating Fund loan payments	180,000
General Operating Fund Capital Works	200,000
General Operating Fund Capital Purchases	4,864,000
Water Fund Capital Works	3,250,000
Solid Waste Fund Capital Works	1,329,000
Total	12,847,000

12. Proposed Transfers of Accumulated Surplus (Section 165(8)(b))

Table 9 shows the Accumulated Operating and Utility Fund Surpluses being used this year to fund operating activities and Capital Purchases and Capital Works.

Table 9

Transfers of Accumulated Surplus	Amount (\$)
From:	
General Operating Fund Surplus	(1,695,000)
Sewer Utility Fund Surplus	(939,000)
Solid Waste Utility Fund Surplus	(1,133,000)
Total	(1,831,000)
To:	
General Operating Fund Operations	850,000
General Operating Fund Capital Purchases	759,000
General Operating Fund Capital Works	86,000
Sewer Utility Fund Capital Works	939,000
Solid Waste Utility Fund Capital Works	1,133,000
Total	1,831,000

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan
April 26, 2021

General Operating Fund Departmental Budgets

Tables 10(a) & 10(b) show the General Operating Fund Budgets.

Table 10(a)

GENERAL OPERATING FUND	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025
<u>Revenues by Department</u>					
Airport Ferry	550,000	550,000	1,476,000	1,505,000	1,534,000
Cemetery	100,000	104,000	108,000	112,000	116,000
Cow Bay Marina	200,000	253,000	256,000	259,000	262,000
Development Services	644,000	680,000	687,000	694,000	694,000
Economic Development	70,000	50,000	50,000	50,000	50,000
FD 911	90,000	88,000	86,000	84,000	82,000
FD Fire Protective Services	5,000	6,000	6,000	6,000	6,000
Finance	15,000	15,000	15,000	15,000	15,000
Fiscal Revenues	8,418,000	8,741,000	9,212,000	9,434,000	9,558,000
Information Technology	1,000	1,000	1,000	1,000	1,000
PW Engineering	5,000	5,000	5,000	5,000	5,000
PW Common Revenues	35,000	36,000	37,000	38,000	39,000
RCMP	91,000	93,000	93,000	93,000	93,000
Rec. Centre Arena	117,000	212,000	221,000	231,000	241,000
Rec. Centre Civic Centre	111,000	296,000	308,000	322,000	337,000
Rec. Centre Community Services	3,000	15,000	15,000	15,000	15,000
Rec. Centre Pool	129,000	503,000	522,000	544,000	566,000
Transit	212,000	216,000	245,000	252,000	260,000
Victim Services	77,000	77,000	77,000	77,000	77,000
Watson Island	400,000	400,000	400,000	400,000	400,000
Subtotal	11,273,000	12,341,000	13,820,000	14,137,000	14,351,000
Property Taxes (existing)	21,594,000	22,845,000	22,845,000	22,845,000	22,845,000
Property Tax Increase - Non-market change	1,251,000	-	-	-	-
Property Tax Increase (Decrease)	-	-	-	-	295,000
Appropriated Surplus - COVID 19 Safe Restart Grant	850,000	850,000	-	-	-
Total Operating Revenues	34,968,000	36,036,000	36,665,000	36,982,000	37,491,000
PR Legacy- Capital Works	145,000	-	-	-	-
PR Legacy- Capital Purchases	350,000	-	-	-	-
Conditional Project Grants - Capital Works	60,000	-	-	-	-
Conditional Project Grants - Capital Purchases	5,421,000	-	-	-	-
Appropriated Reserves - Capital Works	200,000	-	-	-	-
Appropriate Reserves - Capital Purchases	4,864,000	-	-	-	-
Appropriated Surplus - Capital Purchases	759,000	-	-	-	-
Appropriated Surplus - Capital Works	86,000	-	-	-	-
Loans from MFA	-	30,000,000	-	-	-
Total Capital Revenues	11,885,000	30,000,000	-	-	-
Total General Operating Fund Revenues	46,853,000	66,036,000	36,665,000	36,982,000	37,491,000

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan

April 26, 2021

Table 10(b)

GENERAL OPERATING FUND	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025
<u>Expenditures by Department</u>					
Airport Ferry	2,197,000	2,294,000	2,693,000	2,894,000	2,954,000
Cemetery	300,000	305,000	311,000	317,000	321,000
Civic Properties	325,000	330,000	334,000	338,000	343,000
Corporate Administration	904,000	930,000	944,000	960,000	975,000
Cow Bay Marina	191,000	222,000	227,000	233,000	238,000
Development Services	1,331,000	1,238,000	1,257,000	1,277,000	1,296,000
Economic Development	185,000	165,000	170,000	172,000	175,000
FD 911	598,000	625,000	638,000	650,000	663,000
FD Fire Protective Services	3,741,000	3,718,000	3,724,000	3,730,000	3,736,000
FD Emergency Measures	42,000	43,000	44,000	45,000	46,000
Finance	907,000	911,000	929,000	948,000	968,000
Finance Cost Allocation	(465,000)	(465,000)	(465,000)	(465,000)	(465,000)
Fiscal Expenditures	3,136,000	4,544,000	4,296,000	4,141,000	4,120,000
Governance	376,000	386,000	393,000	401,000	409,000
Grants in Aid to Community Partners	1,592,000	1,604,000	1,631,000	1,698,000	1,746,000
Information Technology	556,000	560,000	569,000	578,000	587,000
Parks	1,085,000	1,104,000	1,123,000	1,142,000	1,161,000
PW Engineering	605,000	671,000	642,000	677,000	689,000
PW Common Costs	4,278,000	4,343,000	4,428,000	4,515,000	4,603,000
Allocation of PW Common Cost	(4,169,000)	(4,343,000)	(4,428,000)	(4,515,000)	(4,603,000)
PW Vehicles	1,366,000	1,423,000	1,448,000	1,473,000	1,497,000
Allocation of PW Vehicles	(1,366,000)	(1,423,000)	(1,448,000)	(1,473,000)	(1,497,000)
RCMP	6,128,000	6,144,000	6,288,000	6,437,000	6,589,000
Rec. Centre Arena	342,000	414,000	421,000	429,000	435,000
Rec. Centre Civic Centre	1,624,000	2,138,000	2,175,000	2,214,000	2,244,000
Rec. Centre Community Services	3,000	3,000	3,000	3,000	3,000
Rec. Centre Pool	1,236,000	1,570,000	1,600,000	1,630,000	1,662,000
Roads	2,119,000	2,164,000	2,203,000	2,243,000	2,282,000
Transit	706,000	870,000	895,000	921,000	947,000
Victim Services	159,000	162,000	165,000	168,000	171,000
Watson Island	400,000	400,000	400,000	400,000	400,000
Transfer to Reserves (Interest, RCMP Loan, Gas Tax)	1,846,000	796,000	796,000	796,000	796,000
Transfer to General Capital Reserves	850,000	850,000	850,000	850,000	850,000
Provision for Capital Purchases	11,914,000	30,190,000	259,000	-	-
Provision for Capital Works	1,811,000	1,150,000	1,150,000	1,155,000	1,150,000
Total Operating Fund Expenditures	46,853,000	66,036,000	36,665,000	36,982,000	37,491,000
Surplus(Deficit)	-	-	-	-	-

Schedule "A"

CITY OF PRINCE RUPERT

2021 Five Year Financial Plan
April 26, 2021

13. Utility Fund Revenue & Expenditure Budgets

Table 11 shows the Utility Operating Fund proposed budgets.

Table 11

UTILITY OPERATING FUNDS	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025
Sewer					
Revenues	2,563,000	2,614,000	2,666,000	2,719,000	2,773,000
Grants	87,000	-	-	-	-
Appropriated Surplus - Cap Works	939,000	-	-	-	-
Capital Works	(2,026,000)	(1,101,000)	(1,125,000)	(1,147,000)	(1,169,000)
Revenue for operations	1,563,000	1,513,000	1,541,000	1,572,000	1,604,000
Expenditures	1,563,000	1,513,000	1,541,000	1,572,000	1,604,000
Surplus (Deficit)	-	-	-	-	-
Water					
Revenues	2,998,000	3,055,000	3,112,000	3,172,000	3,232,000
PR Legacy	5,300,000	511,000	511,000	511,000	511,000
Loans from MFA	10,000,000	-	7,000,000	-	-
Reserves	3,250,000	15,000,000	5,000,000	-	-
Capital Works	(19,300,000)	(15,750,000)	(12,750,000)	(750,000)	(750,000)
Revenue for operations	2,248,000	2,816,000	2,873,000	2,933,000	2,993,000
Expenditures	2,248,000	2,816,000	2,873,000	2,933,000	2,993,000
Surplus (Deficit)	-	-	-	-	-
Solid Waste					
Revenues	3,713,000	3,933,000	3,930,000	4,009,000	4,089,000
Appropriated Surplus - Cap Works	1,133,000	-	-	-	-
Accruals	2,884,000	-	-	-	-
Loans from MFA	7,708,000	-	-	-	-
Reserves	733,000	-	-	-	-
CWF Gas Tax Reserve	596,000	129,000	-	-	-
Capital Works	(13,254,000)	-	-	-	-
Revenue for operations	3,513,000	4,062,000	3,930,000	4,009,000	4,089,000
Expenditures	3,513,000	4,062,000	3,930,000	4,009,000	4,089,000
Surplus (Deficit)	-	-	-	-	-