

2023 Annual Report



FOR THE YEAR ENDED DEC 31st, 2023





Welcome to Lax Kxeen/Prince Rupert
City of Rainbows

Photo provided by City Staff

WHAT'S INSIDE

The City of Prince Rupert 2023 Annual Report has been prepared in compliance with the Community Charter. The purpose of the report is to provide the citizens of the community with financial and non-financial information regarding the operations of the Municipality during the calendar year.

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2023 – what a year! A late 2022 state of emergency driven by multiple watermain breaks launched the new year. By March we secured an unprecedented \$65 million from an extremely responsive Premier Eby and government.

We decided to maximize this once-in-a-lifetime opportunity by going BIG. (That's what we've named it – the Big Infrastructure Gap project). With \$45 million in approved borrowing, and a \$77 million application to the Feds, (spoiler alert – the application was approved in 2024) and \$13 million worth of underground services tied to the Province's roundabout announcement, the project scope reached a massive \$200 million!



The BIG project will span ~3 years and replace as much as possible of the City's most critical water and sewer pipes –26.5 km in all. While disruptive, future generations will inherit newer infrastructure, fewer potholes and tax dollars focused on upkeep instead of expensive emergency repairs.

We've continued to advance other priorities – housing, wastewater treatment, RCMP station replacement, cleanup of our downtown and incentives for building owners to do the same.

Annual revenues were also a major focus. Expanding the tax base is critical – attracting development in the downtown core, on Watson Island, expanding existing port terminals while supporting new projects, resolving the PILT and Tax Cap, and pushing for the RBA (second spoiler alert – the Province agreed to fund the RBA in 2024).

2023 was filled with sizable challenges and massive successes. There is still much to be done. We push on, motivated by our shared connection to this beautiful place we all call home.

In your service

A handwritten signature in black ink, appearing to read 'Herb Pond', written in a stylized, cursive script.

Mayor Herb Pond

This year is my third at the administrative helm of the City of Prince Rupert, and I'm more optimistic than ever about the future of the community. Over the past two years we have gone from tending to the crisis in our water supply lines to securing the funding and support to be able to proactively address the issue. The old age of our infrastructure is not unique in Canadian communities, but state of our infrastructure is particularly poor.



Throughout this report we hope that you will see Staff and Council's ongoing commitment to the goals identified in Council's Strategic Plan. A main priority has been infrastructure; however, we have also been getting plans in place to make sure that as we undertake renewal that we do that work with liveability for residents in mind.

In addition to tackling infrastructure renewal, we are also working hard on securing funding and new revenues. This includes pursuing new, sustainable, economic growth on Watson Island and Lot 444 that will diversify our local economy and contribute to employment and our tax base.

We continue as well to push forward on the housing front—which we know is top of mind for the people who live here, and for employers hoping to attract new talent. We've updated numerous policies over the past few years to make it easier to build here, and we're looking to continue that work to align with similar efforts at the Provincial level.

As you read the following pages, we hope that you can see our commitment and dedication to the people and future of Prince Rupert.

Sincerely,

A handwritten signature in black ink that reads "Robert Buchan". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

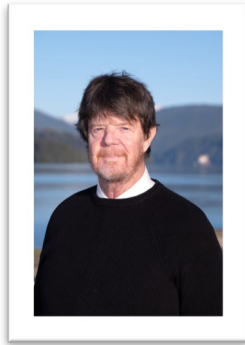
Robert Buchan, City Manager

MAYOR & COUNCIL



**Mayor
Herb Pond**

Email:
mayor
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**Councillor
Nick Adey**

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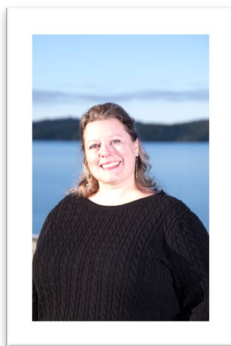
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**Councillor
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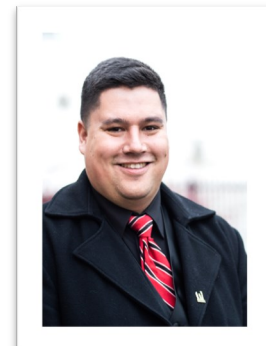
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**Councillor Reid
Skelton-Morven**

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2024 City Council Schedule

January
8th Monday
22nd Monday

April
8th Monday
22nd Monday

July
22nd Monday

October
15th Tuesday
28th Monday

February
13th Tuesday
26th Monday

May
6th Monday
27th Monday

August
19th Monday

November
12th Tuesday
25th Monday

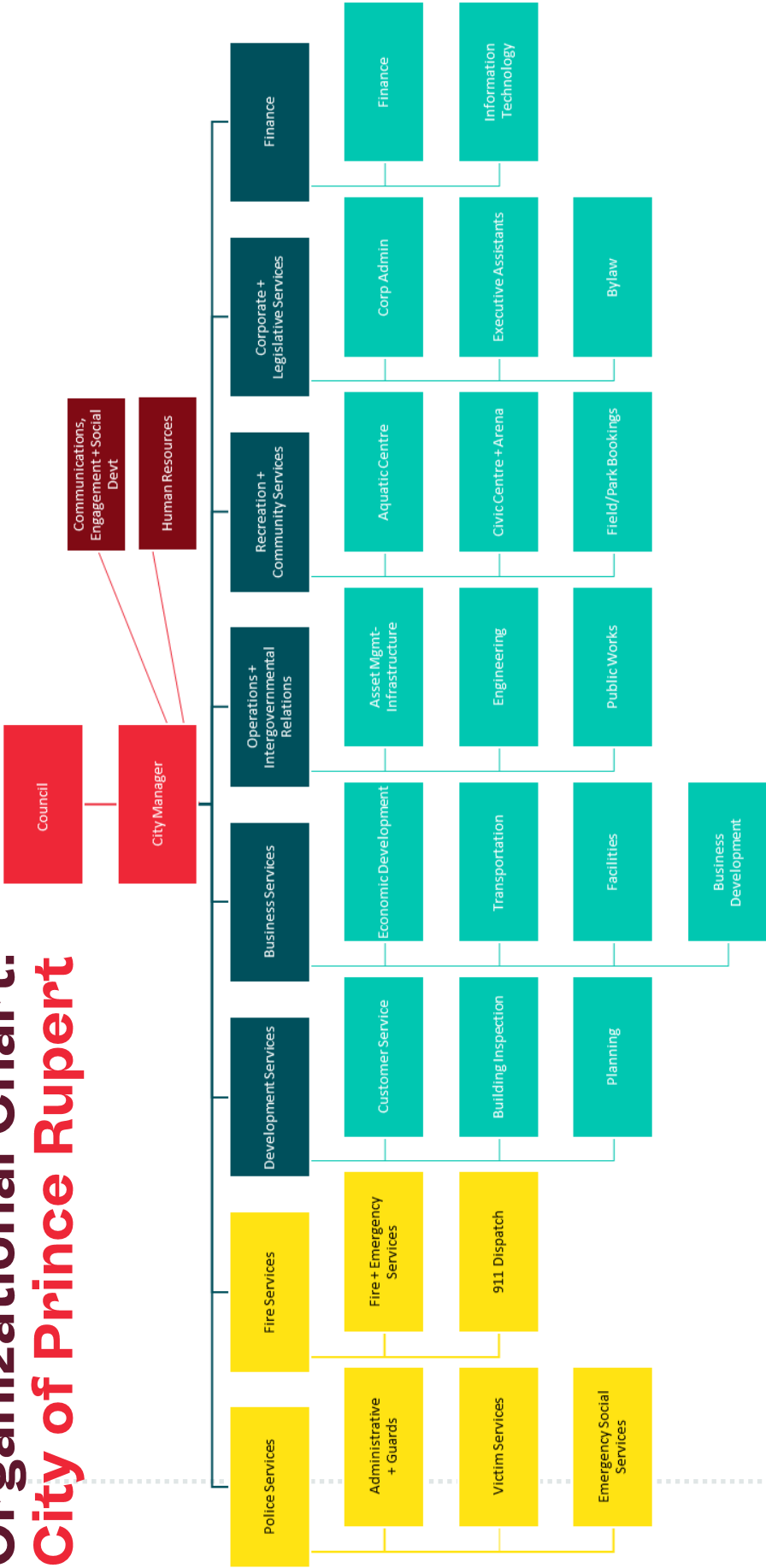
March
11th Monday
25th Monday

June
10th Monday -
(Cancelled)
24th Monday

September
9th Monday

December
9th Monday

Organizational Chart: City of Prince Rupert



The City of Prince Rupert has approximately 250 full and part time staff who perform a range of functions for our municipality. We pride ourselves on improving services in our community; we live here too!

If you have **any feedback** on the services you receive, please feel free to contact City Hall by:

Phone: (250) 627 1781

Email: cityhall@princerupert.ca

Regular Mail: 424 3rd Avenue West
Prince Rupert, BC
V8J 1L7

Get to know us...

Governance + Administration

In their roles as your Mayor and Council, our elected officials make policy decisions for the community based on both best practices and public input, and participate in a number of committees relating to important local issues.

The City's Administration Department ensures the continuity of service provision throughout Prince Rupert, and implements policy at the direction of Mayor and Council. In addition, Administration staff prepare bylaws, develop and review contracts, communicate to the community, provide human resources support to all departments, and advocate for local needs with other levels of Government.

In addition, the Administration Department also oversees bylaw enforcement for the City.

Budget + Finance

The City of Prince Rupert's Finance department prepares and manages the City's budget and other financial matters, including support for City administration on policy matters, internal controls, contract negotiations, insurance and risk management. Finance staff also report to Council on any variances to the budget throughout the year, prepare financial reports, and oversee the preparation of the Annual Financial Report and Statements.

Want to know more about what the future holds? The City's Finance Department has developed a Financial Plan Document that addresses many of the details you may be looking for. This report is available online [on the City's website](#) or at City Hall.

Operations (Engineering + Public Works)

The primary role of the City's Operations department is to plan for and oversee the maintenance and renewal of our infrastructure including:

- Major infrastructure projects
- The municipal roads and street network, including street lights, traffic signs, bridges, sidewalks and pathways
- The potable water supply and distribution system
- Liquid waste management
- Solid waste collection and disposal
- City parks and playgrounds
- The Fairview Cemetery

Recreation + Community Services

The Recreation and Community Services department provides indoor and outdoor health and wellness opportunities for our community by delivering programs and services for the Earl Mah Aquatic Centre, Jim Ciccone Civic Centre and Arena.

Recreation experiences foster physical literacy as the gateway to physical activity, fitness, leisure and sport. In partnership with many community organizations, the recreation team supports and facilitates opportunities for accessibility initiatives, socialization, creativity, as well as, participation in cultural or educational experiences.

Emergency, Police + Victim Services

The City's emergency services includes the City's Fire Department, RCMP and Victim Services. Each day, our community's first responders go to a variety of emergency and non emergency calls. Emergency 911 dispatch services are provided through the local Fire Department, which patches through calls for local fire, police and ambulance. In addition, emergency personnel provide a prevention-focused function — with programs like D.A.R.E, Fire Prevention Week, and domestic violence prevention and Emergency Social Services (ESS) programming through RCMP Victim Services.

Planning, Building, + Development Services

The Planning and Development Services Departments at the City oversee building maintenance, building permits, land use applications (such as rezoning, variance, property information, and trade/business licenses), as well as the administration of cemetery services.

Alongside the work of our planning and development services staff are our building inspectors, who provide inspections to ensure that when work is done on the buildings where we live, work and play, it is done safely.

Economic Development

The City's Economic Development Office works to make Prince Rupert and the surrounding area the premier location for new business ventures. As the community's lead economic development agency, staff work with businesses to facilitate growth, expedite local, national and international business investment opportunities, collaborate with all levels of government and promote sustainable economic growth.

A primary focus of the Economic Development Office in recent years has been the redevelopment of Watson Island, but also administration of programs to support small business, including Love Prince Rupert and the Business Façade Improvement Program.

Want to know more?

To contact our City Departments and to learn more about available programs and services, check out:

www.princerupert.ca



And Like and Follow us on Facebook and Twitter



Prince Rupert adopted an Outdoor
Parks and Recreation Plan in 2023,
[learn more here.](#)

Prince Rupert **at a Glance**

52

development
related permits
issued

720 m +

of watermain replaced

534

Newsletter subscribers
to City's Rupert Talks
engagement platform

548

Referrals to the
Victim Services
program

295

building permits
issued

674

reservations
booked at Cow
Bay Marina

Information presented provided by various
City Departments based on services
provided in 2023.

The background of the entire page is a photograph of a winding asphalt road through a dense forest of tall evergreen trees. The image has a soft, reddish-pink tint. In the upper left corner, there is a black speech bubble with rounded corners. Inside the bubble, the words "OUR VISION" are written in a bold, sans-serif font. "OUR" is white and "VISION" is red. Below the speech bubble, the text "Prince Rupert, a World Class Port City, is:" is centered in white. Underneath this, a list of ten attributes is centered in white, stacked vertically. The background image shows a road curving to the left, with a yellow diamond-shaped road sign on the right side of the road. The sign has a black silhouette of a person walking and the number "30" below it. The overall mood is serene and natural.

Prince Rupert, a World Class Port City, is:

Vibrant
Resilient
Sustainable
Prosperous
Active and Vital
Safe and Beautiful
Healthy and Active
Proud of its Heritage
Inclusive and Equitable
Proud of its Community
Nestled Carefully in Nature
A Place That People Want to be

Our Guide for Annual Objectives

In January of 2023, City Council adopted a **Strategic Plan for 2023–2026** that will guide priority-setting and budgeting for this term of Council. This Plan has also been amended in March of 2024 with progress update and new priorities. Below is a summary of the broad objectives identified. If you'd like to see the full version of the City's Strategic Plan, head to:

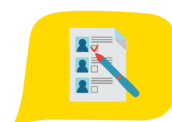
princerupert.ca/city_hall/community_planning

Strategic Plan Goals

The following statements are the Strategic Plan goals intended to achieve the Strategic Plan Vision, described left.



The City of Prince Rupert will prioritize its actions to improve its ***fiscal health***.



The City of Prince Rupert will provide ***appropriate laws and services*** to cost effectively provide for the needs of residents in their use and enjoyment of private and public lands.



The City of Prince Rupert will aggressively work towards ***replacing and renewing its infrastructure*** in a cost effective and strategic way working with Provincial and Federal ministries, departments and agencies to secure and mobilize resources and undertake improvements with haste.



The City of Prince Rupert will support and encourage ***new and renewed housing*** working with industry, senior government and First Nations.



The City of Prince Rupert will provide ***good governance*** by working with other governments, residents, neighbouring communities to ensure collaboration and open government.



The City of Prince Rupert will encourage, support, and undertake ***community renewal*** to ensure it becomes a world class port city.



The City of Prince Rupert will ***foster its local economic, social, cultural and environmental well being*** so its residents and businesses have a sustainable and prosperous future.

Strategic Priorities Reporting 2023 + 2024



Fiscal Health

Action	Project Status
Initiate dispute via Dispute Advisory Panel regarding the Payment in Lieu of Taxes to seek out a sustainable resolution for all parties	Ongoing
Continue to meet with Province and regional partners to advocate for Resource Benefits Agreement (RBA), new Mayor continuing to co-Chair Committee	Ongoing— Significant negotiations throughout 2023, 5 year RBA Signed in 2024
Support development of Watson Island and Lot 444	Ongoing—Request for Expressions of Interest launched in 2024
Continue advocacy with the Province to consider impacts and potential mitigations with respect to the Ports Property Tax Act, which limits the tax rate on port industrial properties.	Ongoing
Continue advocacy with the Province to fully subsidize the airport ferry system	Ongoing, Met with relevant Ministries at UBCM in 2023
NEW Pursue amendment to landfill authorization on Watson Island to allow us to accept soils and generate funds for closure accruals	To start in 2024





Appropriate Laws + Services

Action	Project Status
Complete Transportation Plan	COMPLETE in 2023
Develop Bylaw Enforcement Policy	Adjudication processes updated through Municipal Ticket Information Bylaw update in 2023
Explore transfer of landfill operations to the North Coast Regional District	Initiated in 2022 with conversations continuing in 2023-2024
Continue to encourage review and amendments to Federal Medical Cannabis legislation	Ongoing
Review developer incentives for effectiveness	To start in 2024
Update Solid Waste Management Bylaw to improve waste disposal controls	To start in 2024
Update Fire Protection Bylaw	To start in 2024

NEW

Strategic Priorities Reporting 2023 + 2024



Replacing + Renewing Infrastructure

Action	Project Status
Initiate Infrastructure Replacement strategy for 26 km of priority water/ sewer mains	~\$200 Million in funding secured with project works beginning in the summer of 2024. Additional information available, here .
Relocate Public Works/Operations yard	Planning and minor construction works occurred in 2023; Progressive Design-Build awarded in 2024, to be completed in late 2024/early 2025.
RCMP building replacement	Occupancy anticipated by Fall 2024
Continue to work to implement water treatment	In 2023, given the escalating costs of the project and loss of treated water within the system to ongoing water breaks, the difficult decision was made to delay the project.
Explore/pursue development of a new Fire Hall Building subject to securing adequate funding and priority review	Early design works continuing throughout 2023— still in feasibility review stage
Proceed with developing sanitary/ sewer treatment and securing sufficient funding	Construction beginning in 2024 on wetland treatment system adjacent to Moresby Pond



Community Renewal

Activity	Project Status
Complete the Parks and Open Space Plan	COMPLETE in 2023
Undertake waterfront development (at future airport ferry dock location/ Kwinitsa Stn area)	Ongoing—Paving and access improvements occurring in 2023-2024
Prepare a public realm (streetscape Plan)	Ongoing—designs for 2nd Avenue corridor streetscape continuing throughout 2023, to be delivered in 2024
Work with Tourism Prince Rupert on Mariners Park redesign and grant writing efforts	Tourism completed major consultation and broad design plans in 2023, however handed this project to the City due to capacity constraints. The City is working to connect with community partners to further the overall design and collaboration in the park.
Adopt Interim Parking Strategy and proposed Parking Specified Area to remove parking minimums from a section of the downtown core. For additional information on what is being proposed, see the project page on Rupert Talks .	Parking Specified Area amendment adopted in 2023. Other elements of the Parking Strategy are ongoing.
Complete a Placemaking Plan	Ongoing—staff slowly working on this project internally given lack of available funding
Develop community renewal/ maintenance strategy to complement infrastructure renewal	To start in 2024
Exploration of paid parking implementation with proceeds towards downtown renewal	To start in 2024
Develop Complete Communities Plan	Started in 2023 due to available grant funding, to be completed in 2024



Strategic Priorities Reporting 2023 + 2024



Good Governance

Activity	Project Status
Prepare Council Code of Conduct policy	Ongoing—to be complete in 2024
Complete cooperation agreement with Port Edward	COMPLETE in 2023
Develop long and short term strategic plans	COMPLETE in 2023 , Updates planned annually for 2024 and beyond
Update Fire Service Agreement with Port Edward	COMPLETE in 2023
Update Council Procedure Bylaw to include opportunity for comment on agenda items at every meeting, remote participation, and the use of a consent agenda	COMPLETE in 2023
Further develop prosperity agreements with First Nations	Ongoing
Update Bylaw Enforcement policy and procedures. For additional information, go to our website .	COMPLETE in 2023
Comprehensive review of City policies	Council Committee for review established, early 2024
Align local policies and programming with Indigenous Engagement Requirements within the Emergency and Disaster Management Act (EDMA), as per Provincial Directive (Section 55 of EDMA)	Starting in 2024; Mandated to be completed in 2025
Develop funding guide to assist with implementation of strategic goals.	Starting in 2024
Clarify roles/responsibilities with respect to Council Committee appointments	Starting in 2024
Address restrictive covenants on select City held properties (999 year leases).	Ongoing, reinitiated as priority in 2024
Develop City strategy to advocate for quality local health care services	Starting in 2024

NEW



Encourage New + Renewed Housing

Activity	Project Status
Work to implement elements of Interim Housing Strategy adopted in 2021 through waiver of fees and adoption of revitalization tax exemption Bylaw	Ongoing with comprehensive plan underway in 2023
Dispose of City lands to Prince Rupert Legacy Inc and place several single family lots for sale for the purpose of accelerating housing development	Ongoing
Establish peat dump site (to support redevelopment given Prince Rupert's known terrain challenges)	COMPLETE in 2023
Develop comprehensive Housing Strategy + Action Plan based on Needs Assessment	COMPLETE in 2023— <u>Housing Acceleration Action Plan</u> adopted
Complete two application to the Federal Rapid Housing initiative to meet severe housing need	COMPLETE in 2023— unfortunately not successful
Apply for funding from Federal Housing Accelerator fund	COMPLETE in 2023— unfortunately not successful
Develop an affordable housing strategy to complement Housing Acceleration Plan pursuant to new Provincial legislation	Starting in 2024
Align local policies and bylaws with Provincial legislation on housing density (in line with implementation of Housing Acceleration Plan + Affordability initiatives)	Starting in 2024 (Must be complete in 2024)
Align policies and bylaws with Provincial legislation on short-term rentals	Starting in 2024 (Must be complete in 2024)
Update to Housing Needs Assessment to comply with Provincial directives	Starting in 2024 (Must be complete by end of 2024)
Update to Official Community Plan to comply with Provincial directives	Starting in 2024 (Must be complete in 2025)

NEW

For the full Housing Needs Assessment, check out our website at: princerupert.ca/housing

Strategic Priorities Reporting 2023 + 2024



Foster Local Economic, Social, Cultural, + Environmental Well-Being

Activity	Project Status
Implement Reconciliation Policy	Successfully achieved funding for Indigenous Relations Committee in 2023, Committee established in 2024 with work now ongoing
Establish Accessibility Committee and associated planning and feedback activities	Established in 2023, anticipated completion of Accessibility Plan in 2024
Update City website to accessible/universal design standard	COMPLETE in 2023
Continue to implement the recommendations of the City's Child Care Action Plan	Ongoing—zoning amendment brought forward in 2023 and passed in 2024
Prepare a Climate Action Plan	Ongoing, substantial completion in 2023, to be complete 2024
Prepare a Social Development Strategy (addressing mental health, addictions, homelessness)	Plan initiated in 2023, to be completed Summer 2024
Develop Diversity, Equity and Inclusion Policy	Ongoing
Seek resourcing to support a Social Development and Indigenous Relations Coordinator role to support above priorities	Grant applied for in 2023—unsuccessful due to funding parameters
Develop Food Strategy	City allocated funds in the 2024 Budget for this project; Work has now started with support from a MITACS student

Awards & Recognition



Pictured above, the dam was designed to be over-topped entirely during a flood event.

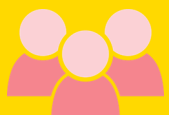
Lieutenant Governor's Award at the ACEC-BC Awards for the Woodward Dam

The City and our partners at BBA (formerly Austin Engineering) were awarded the Lieutenant Governor's Award and the Award of Excellence at the Association of Consulting Engineering Companies BC (ACEC-BC) for the dam construction project. The Lieutenant Governor of British Columbia, Janet Austin presented BBA, who was the lead engineering consultant on the monumental dam construction project, with the award, which is given to only one recipient each year.

The City would like to thank all of the many project partners who helped make the above success possible, who often lead the charge in terms of award applications. We appreciate your ongoing efforts toward the success of our community.

Department Facts & Stats

Communications



8,600+ visits to Rupert Talks engagement site



1,606 survey, poll and map interaction responses, and **7** in person engagements

Funding Achievements



\$65 Million in Provincial Funding for water renewal, plus **\$450,000+** in various other grants



Over **\$78 Million** applied for in 2023, primarily comprised of the \$77 Million application to the Federal government for water and sewer lines

Fire Department



Took in **13,238** calls to 911 Dispatch



Responded to **911** Emergency incidents (fires, vehicle incidents, ambulance, and more)



\$527,800 recorded in property loss; **\$16,246,200** in property saved

Policing + Victim Services



548 Referrals to the Victim Services program



Emergency Social Services to **3** house fire incidents, **8** people supported



Responded to **8453** calls for service; **65** traffic stops; **1006** Traffic Contacts with **207** impaired offences

There's an app for that!



The City of Prince Rupert has a mobile application where you can sign up for notifications on traffic disruptions and other service notifications, information on events, City policies, locations of interest in the community, and other information. **Download it for free from your app store.**

Find it here:



Promoting an Active, Healthy Community

Our recreation facilities were some of the worst hit services by the pandemic, but 2023 saw us coming back with a vengeance. We're here to share some highlights, but for more information on all that we have to offer, check out our [Active Living Guide](#), and give us a ["Like/Follow" on Facebook!](#)

Supporting Healthy People



8713 participants in various programs

67 kids registrations covered by KidSport, 64 people in our Rec Access Program

43,606 annual visits to the Earl Mah Aquatic Centre

9 new lifeguards trained, 1 new icemaker apprentice, 1 new lifeguard instructor

Pickleball has arrived!

In 2023 we worked with several keen volunteers to develop new Pickleball programs which now run daily with sessions that are highly attended. To



ensure the success of these programs we added proper pickleball lines to the gymnasium floor and retrofitted our existing badminton poles to allow them to be used with pickleball nets. In addition, we facilitated three levels of pickleball clinics with Callum Catto out of Terrace and held our first ever Pickleball Jamboree on December 30th with nine teams battling it out for bragging rights. We're excited about this new offering and how the program will grow in 2024.

Enhanced Mobility + Accessibility Programming for 2024



Accessibility Plan in Action

The City along with partners from Prince Rupert Gymnastics, Special Olympics, Prince Rupert Library, Prince Rupert Seniors' Centre Association, Costa Yoga, and Prince Rupert + District Hospice offered mobility programming in the Spring/Summer of 2024, supported with funding from Northern Health.

In addition, sensory-friendly swims will also be launched in 2024 with the intent of providing a free and friendly space for neurodivergent kids to use the pool facility, in partnership with North Coast Community Services Society and funded by Trigon.

Promoting Revitalization and Renewal

Plans, Plans, Plans!

We know, it seems like the City is doing quite a lot of planning these days—and we know that you’re asking, ‘but what about the DOING?!’ Thankfully, we can plan and act simultaneously—which is just what we’re up to. Keep an eye out for chat bubble icons throughout this document to see our plans in action.

Why so many plans? Plans help to guide us towards shared objectives as a municipality, with manageable steps and priorities we can integrate into our budgets and work plans each year. This is more important than ever with the amount of renewal going on.

Want an example? When a pipe burst at the corner of 11th and Prince Rupert Blvd, staff took steps to implement a priority from our Transportation Plan—traffic calming measures. As we put back the sidewalk, we’re now doing it with a permanent curb bumpout to enhance pedestrian safety and slow traffic. It will also be painted in partnership with the art class at Charles Hays, with partial funding coming from the Northern Health Vision Zero grant.



Development Stats

19 DPs (Development Permits), **and 22 DVPs** (Development Variance Permits) issued.



The Development Permits above represent approval of **110** new residential units



Building Permits were issued for **10** new residential units; **5** Accessory Dwelling Units and **2** commercial projects



Facilitating Development: How do we measure up?

How Prince Rupert’s processing times for Development Permits compares with other Municipalities and Regional Districts? What about Variance Permits? See below for a cross-comparison with other communities that make their processing times available throughout BC.

We are continuing to improve our processes to get even faster turnarounds on application times. For example, in 2024 permits for minor variances have now been delegated to staff which previously went to Council and were subject to associated schedules.

Municipality or Regional District	Estimated Processing time for Development Permits
Prince Rupert	Less than 4 weeks (18 days Average)
Regional District of Central Okanagan	8 to 10 weeks
Coquitlam	3 to 4 months
District of North Vancouver	4 to 6 months

Municipality or RD	Estimated Processing time for Development Variance Permits
Squamish-Lillooet Regional District	6 to 8 weeks
Prince Rupert	Less than 2 months (58 days Average)
City of Victoria	10 weeks
Town of Comox	3 to 4 months
North Cowichan	3 to 5 months
Columbia Shuswap Regional District	3 to 5 months
District of North Vancouver	About 4 months

Key Project Updates



Sewer Treatment Program Ongoing, Construction summer of 2024

The City is continuing to work with our partners in the Federal and Provincial governments to implement a sewage treatment plan that will bring us in line with Federal and Provincial environmental standards.

To avoid the expense of standard forms of treatment and look to a more sustainable approach, the City completed designs in 2022 to treat sewage with a wetland system small scale project, which is an innovative and environmentally friendly approach to treating community wastewater used elsewhere in the world. In addition, this is a low maintenance approach that will reduce overall operating cost and capacity requirements for the future. This project will support a small number of homes in the area surrounding Moresby Pond. The project site being relocated away from the originally proposed Omineca area due to comparative ease of access to the Moresby location. This change of location delayed the initial start date planned for 2023.

Did you know?

The City has developed a quick video explaining how this wetland system will work. **Check it out on our Youtube Channel @CityofPR**



Installation of 3 new transit shelters to improve transit amenities



connect
RUPERT

Transportation
Plan in Action

This work was a recommendation of the City's newly adopted [Connect Rupert Transportation Plan](#) that provided the recommendation to improve overall amenities associated with transit for users. A grant was achieved in 2023 from the Local Transit Fund to install three new shelters at the Prince Rupert Hospital, Charles Hays High School, and the Kootenay and McKay areas. These areas were identified as high priority and/or equity deserving locations based on the Transportation Plan.

Installations of three shelters are planned for 2024-2025. Shelters are an all-weather model and will have seating as well as accessibility inclusive access. The City will also consider applying to the same grant program to continue to expand shelter offerings in areas of identified need in future years.



Launch of the local Situation Table in partnership with community social service providers

The Situation Table is an informal weekly meeting of social service sector providers who connect to provide rapid, collaborative support to people at acutely elevated risk in the community. This project is part of a Provincial network of Tables and was funded through a grant. It launched in the Fall of 2023 after up front training on operations from the Table Participants, and in 2024, training is being coordinated to support participants in providing culturally safe and trauma-informed care.

QUICK FACTS

Prince Rupert Situation Table

What is it?

The Situation Table is an informal weekly meeting of social service sector providers who connect to provide rapid, collaborative support to people at acutely elevated risk in the community.

Guiding Principles:

Collaboration, Consent, Trauma-informed Practice, and Cultural Safety

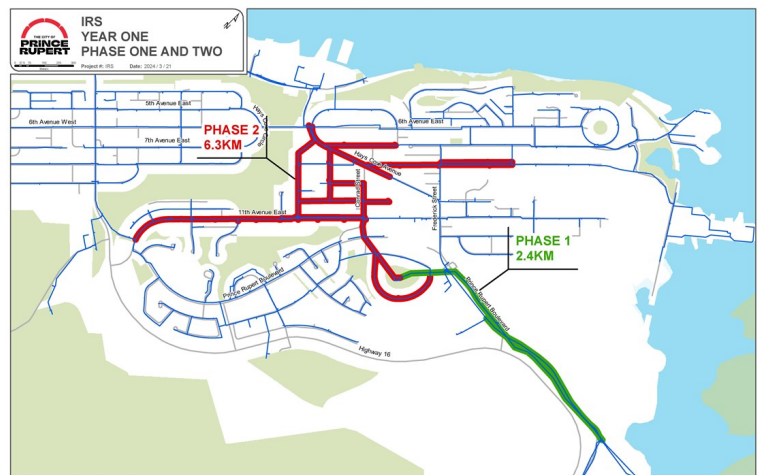
How it works

During the meeting, service providers will bring forward information on potential individuals or families experiencing what is called 'acutely identified risk' - where there is a significant interest at stake, a probability of harm occurring, severe intensity of the harm, and where the risk is multi-disciplinary in nature.



Secured \$65 Million in Provincial grant funds towards water distribution system, applied for Federal Funds

Following the critical replacement of our 100 year old dam, the City has been working on securing the funds necessary to go to work on our distribution system—which has experienced escalating failures over the past 5 years. To that end, the City commissioned an Infrastructure Replacement Strategy based on known age and condition of City infrastructure in the summer/fall of 2022. This strategy sets the trajectory and priority for future infrastructure spending over the next five years. This process had been initiated prior to the Local State of Emergency in December of 2022, because the City is keenly aware of the escalating need to address local infrastructure. Once the priority corridors were set, we got to work securing the substantial funds (\$200 M +) to be able to get to work. As of Spring 2024, we have now secured \$65 M from the Province (committed in 2023), \$45 M in municipal borrowing (approved in 2023), and \$77 M in Federal grant funding (approved in 2024) so that the work can now begin. This is going to be a massive project for our community, and work of this scale is going to be disruptive to residents. However, the long term benefit will be a 'hard reset' to our infrastructure that will get us out of 'firefighting mode' responding to breaks, and back into a place where we can conduct asset replacement and management in a more sustainable way.



Above are the year 1 planned corridors for what we are calling the Big Infrastructure Gap (BIG) Project.

A map identifying the City's priority 26 km slated for replacement, as well as Frequently Asked Questions and additional information is [available here](#). (Note that the map may be subject to amendment as additional data is collected through the course of the project).

Every effort will be made to communicate to residents in impacted areas through mailouts, signage and other methods, however we highly suggest subscribing to our [municipal app](#), email newsletter through a [Rupert Talks subscription](#), and following us on [social media](#) to keep up to date.



Redevelopment of a new RCMP Station continuing, planned completion in Fall of 2024

In 2022, the City completed the borrowing process for the RCMP station, as well as associated road closures and rezoning processes. The existing RCMP station is no longer compliant to meet their needs, and the City is obligated to provide adequate accommodation as part of our municipal policing agreement. The detachment project is intended to take GHG emissions into account in construction, and will be an asset to serve the community for decades to come. Construction began in 2023, and occupancy is anticipated to occur in 2024. The City has also secured a design through a call for artists to have public art installed on the façade of the building. Local artist Nicholas Johns' submission was selected by a local panel.



Site works started and lease executed on new Public Works facility



In 2023, the City continued early works on the former MacCarthy GM dealership site to begin the process of relocating staff from the existing Operations yard facilities. As the public is likely aware, the existing Operations buildings are failing, and require replacement in order for staff to have a safe and healthy workplace.

The City has awarded a progressive Design-Build of this facility early in 2024, with a budget amendment coming to Council in April to fund the design work through a dividend from Legacy Inc. From there, a funding recommendation for the actual construction of the facility will come to Council for approval.

Up to \$10 million inclusive of property purchase in anticipated costs for 3 phases of the project are being covered by a dividend from Prince Rupert Legacy Inc., the City's wholly owned Development Corporation.



Continuation of Waterfront Development Project along George Hills Way

In 2023, construction began on the bump in and additional parking along George Hills Way, with lighting and fencing for safety to be installed in 2024. The next step will be to work with CN to improve the pedestrian and vehicle safety access of the crossing at the waterfront area.

In addition, paving outside the newly revitalized rail station was completed in 2023, which provides a fully accessible paved connection through to the Millennium Walkway.





City continuing to support community-led effort to install new equipment at Odd Eidsvik Park

RUPERT
plays
Parks Plan
in Action

The City was approached in 2022 with requests to support the redevelopment of Odd Eidsvik park. In 2022 and continuing into 2023, the City assisted in completing a community consultation on the project and supporting grant applications in order to fundraise to support the work. This effort continued in 2023, and will be ongoing in 2024. Based on grant availability and award notice timing, we anticipate construction will not begin until 2025.

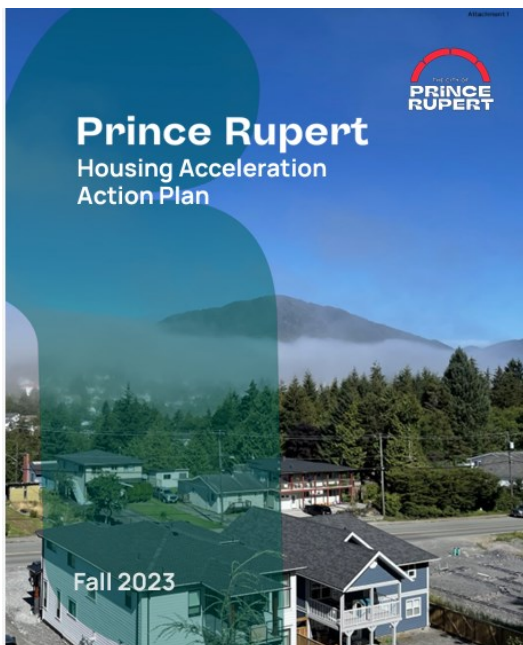
This area has been identified as an underserved/in-need playground asset in the City's Parks and Outdoor Recreation Plan, adopted in 2023.



Pictured above—detailed playground design provided for the purpose of fundraising



Completed Planning Work on Housing, Master Transportation and Parks



The City initiated a number of more detailed planning exercises in 2022, with both the Parks and Transportation Plans wrapping up in 2023 following public consultation that began in 2022 and carried into 2023.

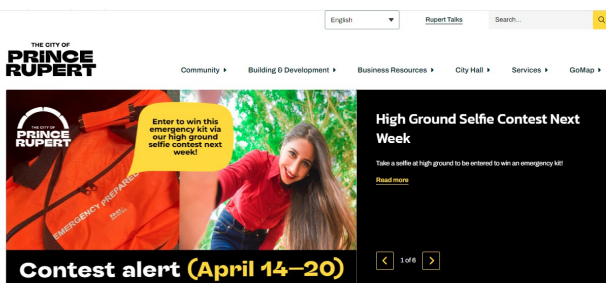
This work builds on the goals identified in the new Official Community Plan, and address priorities for policy development, investment, and infrastructure renewal heading into the future. Importantly, following the completion of the Housing Needs Assessment in 2022, the City also adopted a Housing Acceleration Action Plan as part of an application for Federal Funds to do what we can to inject life and energy into our local housing market. Although our grant application was unsuccessful, this Action Plan has a number of actions identified that were not contingent on receiving funding that the City is pursuing as capacity allows.

Actions from the Transportation, Parks and Housing plans will continue to be integrated into future budgets and staff workplans over the coming years.



Launched New Website that meets Accessibility Standards


Accessibility
Plan in Action



The City was able to relaunch our website in 2023 to match the new brand standard and also meet WCAG2 (website accessibility) standards. This project was completed at minimal cost and a simpler content management system on the site's back end has enabled greater usability and engagement opportunities for more staff.



City applying for funds to develop a space memorializing the impacts of Japanese Canadian internment

RUPERT
plays
Parks Plan
in Action

This project is proposed to be located in Mariners Memorial park, and the City is applying for a grant of up to \$400,000 to fund the project. The project aligns with plans for the park initiated by Tourism Prince Rupert that see the proposed location as a 'contemplative zone'.

The intent of the project is to provide a contemplative space that gives residents and visitors alike the opportunity to sit and reflect on the history of Japanese internment in Canada, as well as the specific contributions and

stories of the Japanese Canadian population of Prince Rupert. There are many significant local contributions by Japanese Canadians to Prince Rupert that until recently have gone widely unrecognized, including the donation of 1500 cherry trees by Shotaru Shimizu following his release from internment. This project also supports broader efforts identified in the parks plan to develop it as a 'flagship' park.

At the same time, the City is supporting partner organizations in applying for grants to install a bandshell and public art in the park, as part of a broader redevelopment initiative.



Sample rendering done in house by City Planning Staff, Rodolfo Paras. Please note eventual location may vary.



City Launched Request for Expressions of Interest for Innovative Energy Project on Lot 444 and Watson Island

Supported by grant funding applied for in 2023, in early 2024, the City launched an Expression of Interest for potential projects on Watson Island and/or Lot 444. For the Request, 'innovative' energy projects were requested, including, but not limited to:

- Hydrogen production and export
- Biomass production and export
- Wind generation
- Run-of-river or tidal energy production
- Innovative energy equipment manufacturers
- Other innovative energy technologies

The process is administered by the City's wholly owned development arm, Prince Rupert Legacy Inc. Two significant land parcels are included:

- Watson Island – 75 free acres, brownfield site well-suited for larger scale projects
- Lot 444 – 2200 free acres with waterfront access, greenfield site well suited for a range of energy initiatives

The deadline for submissions is the end of August, 2024. A targeted request for proposals (RFP) will follow in fall 2024 and formal lease agreements could be in place by end of the year.

2023 in Photos



Trigon funded the Fire Departments mobile AED unit



Area reps gathered at the pole raising for MMWIG2S+ at Galloway Rapids



Roundabout announcement with MLA Jennifer Rice and Mayor Herb Pond—the roundabout will save the City ~\$13 M in replacement of underground water/ sewer lines



Director of Economic Development Paul Vendittelli attended a hydrogen energy conference in Houston to share information on Watson Island



City and area representatives gathered on the dock at Cow Bay Marina to welcome the canoe journey from Hawaii

APPENDIX A:

Section 98 of Community Charter

Excerpt from Community Charter

Annual municipal report

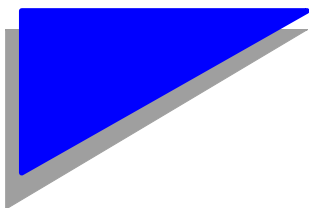
- 98** (1) Before June 30 in each year, a council must
- A) prepare an annual report;
 - B) make the report available for public inspection under section 97; and,
 - C) have the report available for public inspection at the meeting required under section 99.
- (2) The annual report must include the following:
- A) the audited annual financial statements referred to in section 167 (4) for the previous year;
 - B) for each tax exemption provided by a council under Division 7 *[Permissive Tax Exemptions]* of Part 7 *[Municipal Revenue]*, the amount of property taxes that would have been imposed on the property in the previous year if it were not exempt for that year;
 - C) a report respecting municipal services and operations for the previous year;
 - D) a progress report respecting the previous year in relation to the objectives and measures established for that year under paragraph (F);
 - E) any declarations of disqualification made under section 111 *[application to court for declaration of disqualification]* in the previous year, including identification of the council member or former council member involved and the nature of the disqualification;
 - F) a statement of municipal objectives, and the measures that will be used to determine progress respecting those objectives, for the current and next year; and,
 - G) any other information the Council considers available.

APPENDIX B:

Audited Financial Statements

City of Prince Rupert

2023 Audited Financial Statements



Vohora LLP
CPAs & Business Advisors

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Fax: (604) 541-9845
Toll Free Phone: (800) 281-5214
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www.vohora.ca

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of City of Prince Rupert

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of City of Prince Rupert (the City), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the City in accordance with ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

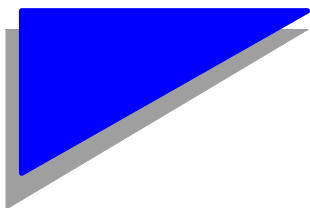
INDEPENDENT AUDITOR'S REPORT *(continued)*

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- l Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- l Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- l Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- l Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- l Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Vohora LLP

CPAs & Business Advisors

INDEPENDENT AUDITOR'S REPORT (*continued*)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Prince Rupert, BC
May 6, 2024

Vohora LLP

Chartered Professional Accountants

City of Prince Rupert

Consolidated Statement of Financial Position December 31

	2023	2022 (restated)
Financial Assets		
Cash and Cash Equivalents	\$ 135,213,999	\$ 59,429,659
Taxes Receivable (Note 3a)	1,865,538	1,350,732
General Receivables (Note 3b)	2,557,647	2,979,066
Deposit-Municipal Finance Authority (Note 4)	420,867	408,181
Land Inventory Held for Resale (Note 5)	9,618,106	9,618,106
Loans to Prince Rupert Airport Authority (Note 6)	6,510,751	6,861,311
	<u>\$ 156,186,908</u>	<u>\$ 80,647,055</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 7a)	19,080,872	14,506,189
Deposits and Prepayments	1,159,668	641,107
Deferred Revenue (Note 7b)	82,074,078	12,746,702
Asset Retirement Obligations (Note 8)	11,964,260	11,833,038
Reserves - Municipal Finance Authority (Note 4)	87,956	85,304
Loans Payable (Schedule 11 and Note 9)	11,290,215	1,820,916
Debenture Debt (Schedule 12 and Note 9)	23,660,935	24,840,713
	<u>\$ 149,317,984</u>	<u>\$ 66,473,969</u>
Net Financial Assets (Statement C)	<u>\$ 6,868,924</u>	<u>\$ 14,173,086</u>
Non-financial Assets		
Tangible Capital Assets (Schedule 3 and Note 1c)	157,290,300	134,695,480
Inventories of Supplies (Note 1d)	2,031,604	1,598,313
Investment in City West Cable & Tel. Corp. (Schedule 4 and Note 10)	48,950,763	47,452,763
	<u>\$ 208,272,667</u>	<u>\$ 183,746,556</u>
Surplus and Equity (Statement B)	<u>\$ 215,141,591</u>	<u>\$ 197,919,642</u>
City Position		
Accumulated Operating Surplus (Schedule 1)	21,513,908	22,852,688
Bylaw and Statutory Reserve Funds (Schedule 2)	26,250,748	25,197,437
Investment in City West Cable & Tel. Corp. (Schedule 4 and Note 10)	48,950,763	47,452,763
Investment in Tangible Capital Assets (Schedule 5)	118,426,172	102,416,754
Net Position (Statement B)	<u>\$ 215,141,591</u>	<u>\$ 197,919,642</u>

City of Prince Rupert

Consolidated Statement of Operations For The Year Ended December 31

	Unaudited 2023 Budget	2023 Actual	2022 Actual (restated)
Revenues			
Taxes (Net) (Schedule 6)	\$ 28,805,000	\$ 28,734,725	\$ 26,800,843
Sale of Services (Schedule 7)	17,898,000	18,177,897	13,259,124
Services Provided to Other Governments	120,000	165,092	135,338
Government Transfers (Schedule 8)	48,389,000	7,074,982	4,088,766
Fees, Permits, Licenses and Fines (Schedule 9)	419,000	420,236	442,955
Investment Income	3,120,000	5,405,491	1,208,652
City West Cable & Tel. Corp.	-	1,998,000	993,000
Prince Rupert Legacy Inc.	-	3,353,927	3,690,532
Miscellaneous (Schedule 9)	1,447,000	1,620,210	1,356,341
Total Revenue	<u>\$ 100,198,000</u>	<u>\$ 66,950,560</u>	<u>\$ 51,975,551</u>
Expenses			
Protection to Persons and Property	\$ 13,098,500	\$ 13,250,900	\$ 12,821,423
Water, Sewage and Solid Waste	16,821,100	12,616,520	9,618,305
Roadways and Transportation	6,812,300	7,003,632	7,198,641
Recreation and Culture	6,609,900	6,208,985	6,351,805
General Government	8,883,600	7,518,964	5,965,652
Other	339,700	284,309	345,611
Total Expenses (Schedule 10)	<u>\$ 52,565,100</u>	<u>\$ 46,883,310</u>	<u>\$ 42,301,437</u>
Revenue Over Expenditure Before Amortization	<u>\$ 47,632,900</u>	<u>\$ 20,067,250</u>	<u>\$ 9,674,114</u>
Amortization of Tangible Capital Assets	-	(4,136,485)	(3,950,352)
Accretion of Asset Retirement Obligations	-	(351,952)	(365,171)
Transfer of ARO from Unfunded to Funded	-	2,166,305	-
Gain on Disposition of Land Held for Resale	-	70,727	66,410
Net Gains (Losses/Write downs) on Tangible Capital Assets	<u>-</u>	<u>(593,896)</u>	<u>7,000</u>
Revenue Over Expenditure	<u>\$ 47,632,900</u>	<u>\$ 17,221,949</u>	<u>\$ 5,432,001</u>
Opening City Position (restated)	<u>\$ 197,919,642</u>	<u>\$ 197,919,642</u>	<u>\$ 192,487,641</u>
Closing City Position (Statement A)	<u><u>\$ 245,552,542</u></u>	<u><u>\$ 215,141,591</u></u>	<u><u>\$ 197,919,642</u></u>

City of Prince Rupert

Consolidated Statement of Changes in Net Financial Assets For The Year Ended December 31

	2023 Actual	2022 Actual (restated)
Revenue Over Expenditure (Statement B)	\$ 17,221,949	\$ 5,432,001
Acquisition of Tangible Capital Assets (Schedule 1 & 3)	(27,565,931)	(23,214,589)
Amortization of Tangible Capital Assets	4,136,485	3,950,352
Disposals/Writedowns of Tangible Capital Assets	613,896	-
Adjustments to Estimates of ARO underlying asset cost	220,730	-
City West Cable and Tel. Corp. (Increase)/Decrease in Equity	(1,498,000)	(993,000)
Change in Inventories of Supplies	(433,291)	(826,439)
Change in Net Financial Assets	<u>\$ (7,304,162)</u>	<u>\$ (15,651,675)</u>
Net Financial Assets at Beginning of Year	<u>\$ 14,173,086</u>	<u>\$ 29,824,761</u>
Net Financial Assets at End of Year	<u><u>\$ 6,868,924</u></u>	<u><u>\$ 14,173,086</u></u>

City of Prince Rupert

Consolidated Statement of Cash Flows For The Year Ended December 31

	2023	2022 (restated)
Operating Activities		
Revenue Over Expenditure	\$ 17,221,949	\$ 5,432,001
Non-cash Items		
Amortization	4,136,485	3,950,352
Accretion of Asset Retirement Obligations	351,952	365,171
City West Cable & Tel. Corp	(1,998,000)	(993,000)
Taxes Receivable	(514,806)	(442,375)
General Receivables	421,419	(714,124)
Inventories of Supplies	(433,291)	(239,362)
Accounts Payable and Accrued Liabilities	4,574,683	(4,636,511)
Deposits and Prepayments	518,561	-
Deferred Revenue	69,327,376	2,785,905
Cash Provided by Operating Activities	<u>\$ 93,606,328</u>	<u>\$ 5,508,057</u>
Financing Activities		
Equipment and Short Term Loans	\$ 10,117,235	\$ 850,000
MFA Deposits and Reserves	(10,034)	6,953
Repayment (Loans) from Prince Rupert Airport Authority	350,560	(32,148)
Principal Repayments	(1,827,714)	(1,786,267)
Cash provided by/(applied to) Financing Activities	<u>\$ 8,630,047</u>	<u>\$ (961,462)</u>
Capital and Investing Activities		
Tangible Capital Assets Additions	\$ (27,565,931)	\$ (23,214,589)
Tangible Capital Assets Net Write Downs/Disposals	613,896	-
City West Cable & Tel. Corp. Loan Repayment	500,000	-
Cash Provided by/(applied to) Investing Activities	<u>\$ (26,452,035)</u>	<u>\$ (23,214,589)</u>
 Increase/(Decrease) in Cash and Cash Equivalents	 \$ 75,784,340	 \$ (18,667,994)
Cash and Cash Equivalents at Beginning of Year	<u>59,429,659</u>	<u>78,097,653</u>
Cash and Cash Equivalents at End of Year	<u>\$ 135,213,999</u>	<u>\$ 59,429,659</u>

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2023

1) Significant accounting policies

a) *Basis of presentation*

It is the Municipality's policy to follow accounting principles generally accepted for British Columbia Municipalities and to apply such principles consistently. These consolidated statements include the operations of the General, Water, Sewer, Solid Waste, Capital and Reserve Funds, Prince Rupert Legacy Inc. and City West Cable & Telephone Corp. They have been prepared using guidelines issued in the CPA Canada Public Sector Accounting Handbook.

b) *Revenue and expenses recognition*

The accrual method for reporting revenues and expenditures has been used. Revenues are normally recognized in the year in which they are earned and measurable.

Government transfers are recognized in the financial statements as revenue in the period in which the eligibility criteria have been met and reasonable estimates of the amounts can be made. Transfers received for which the expenditures have not yet been incurred are reported as deferred revenue.

Deferred revenue includes grants, contributions and other amounts received from third parties which are specifically designated and the expenditures have not yet been incurred.

c) *Tangible capital assets*

Tangible capital assets are reported at cost. Donated assets are reported at fair market value at the time of donation. Tangible capital assets are amortized using the straight-line method as follows:

	<u>Years</u>
Buildings and Improvements	5 to 50 years
Equipment	5 to 20 years
Infrastructure	25 to 100 years

Assets under construction having a value of \$16,283,632 (2022 - 6,458,898) have not been amortized. Amortization on these assets will commence when the asset is put into service.

d) *Inventory*

Inventory is reported at average cost.

e) *Estimates*

The preparation of financial statements in accordance with CPA Canada Public Sector Accounting Standards requires management to make estimates and assumptions that affect the amounts reported. Estimates include the amortization rate of tangible capital assets, accrued liabilities, and asset retirement obligations. Actual results could differ from those estimates.

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2023

1) Significant accounting policies (continued)

f) Reporting entity

The City's reporting entity includes the municipal government and entities that are either controlled or owned by it. All controlled entities are fully consolidated on a line-by-line basis except for government business enterprises.

Government business enterprises are consolidated on a modified equity basis. Under the modified equity basis, accounting policies are not adjusted to conform to the City's, inter-organizational transactions and balances are not eliminated and the City recognises annual earnings or losses in its statement of operations with a corresponding increase or decrease in the investment. Any distributions reduce the carrying value of the investment.

The City's reporting entities include:

Prince Rupert Legacy Inc.	Controlled Entity	100%
City West Cable & Telephone Corp.	Government Business Enterprise	100%

g) Financial instruments

The City's financial instruments consist of cash, taxes and accounts receivable, accounts payable, accruals and deferred revenue, equipment and short term financing debt, and debenture debt. It is management's opinion that the City is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carrying value.

h) Asset Retirement Obligations

Asset Retirement Obligations ("ARO") represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use. The tangible capital assets ("TCA") include but are not limited to assets in productive use, assets no longer in productive use, leased tangible capital assets.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the City to incur costs in relation to a specific TCA, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2023

1) Significant accounting policies (continued)

h) Asset Retirement Obligations

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related TCA is also recognized for underlying assets that have been recorded and reported within the TCA values presented in the financial statements. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates. In circumstances when the underlying asset is fully depreciated, the ARO will be amortized over the estimated future life until the cash disbursement is made in the future to settle the obligation.

At remediation, the City derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of operations.

2) Prior Year Adjustment

During the year, the City adopted PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn, which was the City's previous policy.

The City believes the new policy provides a fair presentation of the results and the financial position of the municipality.

This change in policy has been applied on a modified retroactive basis with restatement of prior period comparative amounts. Comparative figures for the year ended December 31, 2022 have been adjusted for this adoption as below:

	<u>As Originally Stated</u>	<u>As Restated</u>	<u>Net</u>
Statement of Financial Position			
Landfill Closure Cost	3,445,852	-	3,445,852
Asset Retirement Obligations	-	11,833,038	(11,833,038)
Tangible Capital Assets	133,914,306	134,695,480	781,174
Investment in Tangible Capital Assets	109,744,367	102,416,754	7,327,613
Accumulated Operating Surplus	23,131,087	22,852,688	278,399

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2023

3) Receivables

a) Taxes receivable

	<u>2023</u>	<u>2022</u>
Current	\$ 1,108,641	\$ 756,551
Arrears	405,059	281,910
Tax sale properties	351,838	312,271
Net taxes receivable	<u>\$ 1,865,538</u>	<u>\$ 1,350,732</u>

b) General receivables

	<u>2023</u>	<u>2022</u>
General receivables	\$ 2,574,604	\$ 3,017,076
Allowance for doubtful accounts	(16,957)	(38,010)
Net general receivables	<u>\$ 2,557,647</u>	<u>\$ 2,979,066</u>

4) Municipal Finance Authority reserve and deposit

The City issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. The City also executes demand notes in connection with each debenture whereby the Municipality may be required to loan certain amounts to the Municipal Finance Authority.

5) Land inventory held for resale

The Watson Island land property value is reported at the gross value of the property taxes owing when it was acquired through tax sale in 2008 plus \$3.7 million of remediation costs incurred to prepare the island for resale, less \$1.2 million for 35 acres leased out. Management believes current market value exceeds net book value. There is approximately \$1.6 million owing to the Ministry of Education that is included in accounts payable.

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2023

6) Loans to Prince Rupert Airport Authority

	<u>2023</u>	<u>2022</u>
From Municipal Finance Authority (MFA)	\$ 4,439,414	\$ 4,770,378
Rescheduled payments	<u>1,051,717</u>	<u>1,051,717</u>
	\$ 5,491,131	\$ 5,822,095

(Details per Schedule 12. Due to COVID 19 disruption, the annual combination principal and interest repayment for 2020, 2021, and 2022 from Prince Rupert Airport are rescheduled to the end of the term. Normal payments resumed in 2023.)

From Prince Rupert Legacy

Payments include interest at 2.5% per annum, secured by mortgage on Airport Lands.

\$24,080 due January 28 and July 28 each year with a final payment on January 28, 2033.	\$ 405,312	\$ 405,312
\$16,054 due April 6 and October 6 each year with a final payment on April 6, 2033.	270,208	282,750
\$9,030 due June 20 and December 20 each year with a final payment on June 20, 2033.	151,992	159,046
\$10,033 due February 28 and August 28 each year with a final payment on August 28, 2034.	192,108	192,108
	\$ 1,019,620	\$ 1,039,216
Total loans to Prince Rupert Airport Authority	<u>\$ 6,510,751</u>	<u>\$ 6,861,311</u>

7) Accounts payable, accrued liabilities and deferred revenue

	<u>2023</u>	<u>2022</u>
a) Accounts payable and accrued liabilities		
Trade payables	\$ 12,280,982	\$ 6,068,835
Accrued liabilities	35,000	33,000
Accrued interest payable - MFA	141,156	141,156
Taxes due to other governments	2,055,392	2,314,812
Salaries, wages, other payroll payables	<u>4,568,342</u>	<u>5,948,386</u>
	<u>\$ 19,080,872</u>	<u>\$ 14,506,189</u>
b) Deferred revenue		
Prepaid taxes	\$ 1,369,029	\$ 1,280,982
Deferred revenue - PR Legacy	2,165,240	2,572,284
Other deferred revenue	<u>78,539,809</u>	<u>8,893,436</u>
	<u>\$ 82,074,078</u>	<u>\$ 12,746,702</u>

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2023

8) Asset Retirement Obligations

	<u>2023</u>	<u>2022</u> <u>(restated)</u>
Funded		
Balance, beginning of the year	\$ 3,445,852	\$ 3,724,251
Liabilities settled	(232,157)	(278,399)
Change in estimate	<u>2,166,305</u>	
Balance, end of the year	\$ 5,380,000	<u>\$ 3,445,852</u>
Unfunded		
Balance, beginning of the year	8,387,186	7,743,616
Change in estimate	232,157	278,399
Transfer from (to) Funded	(2,166,305)	
Accretion expense	378,662	365,171
Changes in estimated cash flows	<u>(247,440)</u>	<u>-</u>
Balance, end of the year	\$ 6,584,260	\$ 8,387,186
Estimated total liability	<u><u>\$ 11,964,260</u></u>	<u><u>\$ 11,833,038</u></u>

Asbestos and Lead

The City owns and operates assets which contain asbestos and/or lead paint, and therefore, the City is legally required to perform abatement activities upon renovation or demolition of the assets. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed. Undiscounted future cash flows expected are an abatement cost in 2028 through 2043 of \$9.94 million. The estimated total liability of \$5.01 million (2022- \$5.25 million) is based on the sum of discounted future cash flows for abatement activities using a discount rate of 4.56% and assuming annual inflation of 3%. The municipality has not designated funds for settling the abatement activities.

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2023

8) Asset Retirement Obligations (continued)

Landfill - Ridley Island Road

Landfill closure and post-closure care requirements have been defined in accordance with the Environmental Management Act and include final covering and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 102-year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimates in the table below of Net Phase Capacity are taken from the 2021 Design, Operations, and Closure Plan (DOCP). Estimated remaining capacity is also presented in cubic meters and percentage.

Phase	Net Phase Capacity (m ³)	Capacity Utilized (m ³)	Capacity Remaining (m ³)	Capacity Utilized (%)	Capacity Remaining (%)
Developed Phases					
Phase 1 – West	95,369	95,369	0	100%	0%
Phase 2 – North	170,877	1,709	169,168	1%	99%
Total - developed	266,246	97,078	169,168	36%	64%
Undeveloped Phases					
Phase 2 – South	444,369	0	444,369	0%	100%
Phase 3	577,359	0	577,359	0%	100%
Total - undeveloped	1,021,728	0	1,021,728	0%	200%
Grand Total	1,287,974	97,078	1,190,896	8%	92%

Phase 1 - West is fully utilized and closure will be completed in 2024. Only "Phase 2 - North" is currently operational. Before "Phase 2 South" and "Phase 3" can be utilized, they must be developed at estimated costs of \$3.6 million and \$4.3 million (2021 dollars), respectively. The estimated remaining capacity of the landfill without this development is 64% – 169,168 cubic metres of its total estimated useable capacity of 266,246 cubic metres and its estimated remaining life is 13 years (2022 – 14 years).

The estimated remaining capacity of the landfill with development of "Phase 2 - South" and "Phase 3" is 92% – 1,190,896 cubic metres of its total estimated capacity of 1,287,974 cubic metres and its estimated useful life would be extended to 53 years. The period for post-closure care is estimated to be 50 years, beginning after closure is completed in 2076.

The unfunded liability for the landfill will be paid for by increases to user fees and grants. Any unfunded portion still remaining will have to be borrowed, with the debt servicing being funded by increases to user fees or taxation in the years following closure.

Landfills - Wantage Road and Watson Island

The City owns two landfills that are already closed; one on Wantage Road and one on Watson Island. The Ministry of Environment has informed the City that further monitoring and remediation actions will be required, but as of yet, the extent, plans, and cost are not known so a reasonable estimate cannot be made and no Asset Retirement Obligation has been Required.

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2023

9) Debenture debt and loans payable

Debenture debt and loans are with the Municipal Finance Authority and are being repaid in accordance with approved bylaws and agreements.

10) Investment in City West Cable & Telephone Corp.

Financial information for the Company as at December 31 is as follows

	<u>2023</u>	<u>2022</u>
Assets	\$ 83,456,000	\$ 81,260,000
Liabilities to arms-length parties	\$ 34,506,000	\$ 33,808,000
Net income	\$ 1,998,000	\$ 993,000

11) Commitments and contingencies:

a) Pension information

The City and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2022, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The City of Prince Rupert paid \$1,562,767 (2022 - \$1,420,985) for employer contributions while employees contributed \$1,373,798 (2022 - \$1,247,286) to the plan in fiscal 2023.

The next valuation will be as at December 31, 2024, with results available in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

City of Prince Rupert

Notes to the Consolidated Financial Statements December 31, 2023

11) Commitments and contingencies: (continued)

b) *Third party claims*

The City has various lawsuits and claims pending by and against it. It is the opinion of management that the determination of these claims will not materially affect the financial position or the operating results of the City.

c) *Payments in lieu of taxes*

Payments in lieu of taxes are recorded as revenue based on managements' best estimates of taxes due. Property assessment values are subject to dispute and the Dispute Advisory Panel is being asked to provide advice in a matter spanning multiple years. The impact of any future settlement agreement is as yet unknown.

City of Prince Rupert

Operating Funds and Surplus Allocation For The Year Ended December 31

Fund	General	Water	Sewer	Solid Waste	Prince Rupert Legacy Inc.	2023 Total	2022 Total (restated)
Operating Results							
Revenue	\$ 45,261,123	\$ 6,591,641	\$ 2,835,414	\$ 8,908,455	\$ 3,353,927	\$ 66,950,560	\$ 51,975,551
Expenditure (Exclude Tangible capital assets)	34,266,790	3,827,062	1,457,491	7,331,967	-	46,883,310	42,301,437
	<u>\$ 10,994,333</u>	<u>\$ 2,764,579</u>	<u>\$ 1,377,923</u>	<u>\$ 1,576,488</u>	<u>\$ 3,353,927</u>	<u>\$ 20,067,250</u>	<u>\$ 9,674,114</u>
Add /(Less)							
Additions to Tangible capital assets	\$ (14,815,008)	\$ (7,448,659)	\$ (3,300,845)	\$ (1,392,669)	\$ (608,750)	\$ (27,565,931)	\$ (23,214,589)
Gain on Disposition of Land Held for Resale	70,727	-	-	-	-	70,727	66,410
Gain on disposition of Tangible Capital Assets	-	-	-	20,000	-	20,000	7,000
New Loans from MFA	8,800,000	-	-	1,317,235	-	10,117,235	850,000
Debt payment and Actuarial Adjustments	(681,736)	(481,363)	(22,688)	(310,963)	-	(1,496,750)	(1,467,843)
Bylaw and Statutory Reserve Interest Income	(1,017,454)	(440,563)	(17,169)	(2,655)	-	(1,477,841)	(790,276)
Prince Rupert Legacy Dividend	1,840,570	2,359,430	-	-	(4,200,000)	-	-
City West Cable & Tel. Corp Loan Repayment	500,000	-	-	-	-	500,000	-
City West Cable & Tel. Corp (Income)/Loss	(1,998,000)	-	-	-	-	(1,998,000)	(993,000)
Transfer (to)/ from Reserves (Schedule 2)	(2,879,719)	3,217,669	260,922	(174,342)	-	424,530	7,415,608
	<u>\$ (10,180,620)</u>	<u>\$ (2,793,486)</u>	<u>\$ (3,079,780)</u>	<u>\$ (543,394)</u>	<u>\$ (4,808,750)</u>	<u>\$ (21,406,030)</u>	<u>\$ (18,126,690)</u>
Total Operating Surplus/(Deficit)	\$ 813,713	\$ (28,907)	\$ (1,701,857)	\$ 1,033,094	\$ (1,454,823)	\$ (1,338,780)	\$ (8,452,576)
Balance forward Surplus/(Deficit)	10,478,770	116,955	4,985,126	(564,818)	7,836,655	22,852,688	31,305,264
Accumulated Surplus/(Deficit)	<u>\$ 11,292,483</u>	<u>\$ 88,048</u>	<u>\$ 3,283,269</u>	<u>\$ 468,276</u>	<u>\$ 6,381,832</u>	<u>\$ 21,513,908</u>	<u>\$ 22,852,688</u>
Surplus Allocation							
Unappropriated Surplus (deficit)	\$ 2,987,660	\$ 88,048	\$ 120,269	\$ (860,724)	\$ 4,678,832	\$ 7,014,085	\$ 4,849,865
Restricted Land Surplus	7,994,823	-	-	-	-	7,994,823	7,994,823
2024 Appropriated Surplus	310,000	-	3,163,000	1,329,000	1,703,000	6,505,000	10,008,000
	<u>\$ 11,292,483</u>	<u>\$ 88,048</u>	<u>\$ 3,283,269</u>	<u>\$ 468,276</u>	<u>\$ 6,381,832</u>	<u>\$ 21,513,908</u>	<u>\$ 22,852,688</u>

City of Prince Rupert

Schedule of Bylaw and Statutory Reserve Fund Balances December 31, 2023

					RESERVE ALLOCATION		
	<u>Opening Balance</u>	<u>Interest/Income</u>	<u>Transfer (to)/from Other Funds</u>	<u>Year End Balance</u>	<u>2024 Budget Appropriation</u>	<u>Unappropriated Reserve</u>	<u>Year End Balance</u>
BYLAW & OTHER RESERVES							
General Reserves	\$ 7,853,532	\$ 414,274	\$ 487,903	\$ 8,755,709	\$ 5,695,000	\$ 3,060,709	\$ 8,755,709
Public Work Equipment Reserves	1,877,862	97,475	138,948	\$ 2,114,285	880,000	1,234,285	2,114,285
Ferry Maintenance Reserves	476,939	25,159	150,000	\$ 652,098	650,000	2,098	652,098
NCPG Reserve (Schedule 13)	4,337,561	228,806	(2,121,230)	\$ 2,445,137	2,440,000	5,137	2,445,137
Growing Communities Fund	-	160,940	4,068,000	\$ 4,228,940	-	4,228,940	4,228,940
Water Asset Management Reserve	8,351,915	440,563	(3,217,669)	\$ 5,574,809	3,212,000	2,362,809	5,574,809
Sewer Asset Management Reserve	325,482	17,169	(250,376)	\$ 92,275	-	92,275	92,275
Solid Waste Asset Management Res.	50,327	2,655	174,342	\$ 227,324	-	227,324	227,324
Total Bylaw & Other Reserves	<u>\$ 23,273,618</u>	<u>\$ 1,387,041</u>	<u>\$ (570,082)</u>	<u>\$ 24,090,577</u>	<u>\$ 12,877,000</u>	<u>\$ 11,213,577</u>	<u>\$ 24,090,577</u>
STATUTORY RESERVES							
Capital Assets & Land Acquisition	\$ 1,507,648	\$ 79,528	\$ 70,727	\$ 1,657,903	\$ 50,000	\$ 1,607,903	\$ 1,657,903
Parkland Reserves	7,227	381		\$ 7,608	-	7,608	7,608
Parking Space Requirements	151,067	7,969	50,000	\$ 209,036	210,000	(964)	209,036
Cemetery Care Trust	257,877	2,922	24,825	\$ 285,624	-	285,624	285,624
Total Statutory Reserves	<u>\$ 1,923,819</u>	<u>\$ 90,800</u>	<u>\$ 145,552</u>	<u>\$ 2,160,171</u>	<u>\$ 260,000</u>	<u>\$ 1,900,171</u>	<u>\$ 2,160,171</u>
TOTAL RESERVES	<u><u>\$ 25,197,437</u></u>	<u><u>\$ 1,477,841</u></u>	<u><u>\$ (424,530)</u></u>	<u><u>\$ 26,250,748</u></u>	<u><u>\$ 13,137,000</u></u>	<u><u>\$ 13,113,748</u></u>	<u><u>\$ 26,250,748</u></u>

City of Prince Rupert

Consolidated Schedule of Tangible Capital Assets December 31

	Land	Buildings	Equipment	Infrastructure	Assets under construction	2023	2022 (restated)
Historical Cost:							
Opening Balance	\$ 12,423,654	\$ 14,766,765	\$ 10,653,951	\$ 167,302,326	\$ 6,458,898	\$ 211,605,594	\$ 189,248,783
Additions	252,501	2,429,213	1,843,621	8,603,296	14,437,300	27,565,931	23,214,589
Transfer of completed assets, previously under construction		3,994,790		617,776	(4,612,566)	-	-
Additions (adjustments) to Asset Retirement Obligation Cost		(370,470)		149,740		(220,730)	-
Disposals/Write-Downs	(7,500)	-	(183,506)	(979,803)	-	(1,170,809)	(857,778)
Closing Balance	12,668,655	20,820,298	12,314,066	175,693,335	16,283,632	237,779,986	211,605,594
Accumulated Amortization:							
Opening Balance	-	10,139,169	7,098,867	59,672,078	-	76,910,114	73,817,540
Amortization Expense	-	524,508	862,609	2,749,368	-	4,136,485	3,950,352
Disposals/ Write-Downs	-	-	(183,506)	(373,407)	-	(556,913)	(857,778)
Closing Balance	-	10,663,677	7,777,970	62,048,039	-	80,489,686	76,910,114
Net Book Value	\$ 12,668,655	\$ 10,156,621	\$ 4,536,096	\$ 113,645,296	\$ 16,283,632	\$ 157,290,300	\$ 134,695,480

City of Prince Rupert

City West Cable & Telephone Corporation Statement of Financial Position December 31

	2023	2022
ASSETS		
City West Cable & Telephone Corporation		
Investment	\$ 1	\$ 1
Loan	16,632,762	17,132,762
Equity	32,318,000	30,320,000
	<u>\$ 48,950,763</u>	<u>\$ 47,452,763</u>
LIABILITIES AND EQUITY		
Equity, Beginning of Year	\$ 47,452,763	\$ 46,459,763
Net Income of Corporation	1,998,000	993,000
Repayment of loan	(500,000)	-
Equity, End of Year	<u>\$ 48,950,763</u>	<u>\$ 47,452,763</u>

City of Prince Rupert

Schedule of Changes in Investment in Tangible Capital Assets December 31

	2023	2022 (restated)
Opening Balance	\$ 102,416,754	\$ 82,899,844
Tangible Capital Assets Purchased By Operations	17,448,696	22,364,589
Debenture Debt Repayment	732,652	732,653
Actuarial Additions	116,162	94,887
Loan Repayment	647,936	640,304
Disposals/Writedowns of Tangible Capital Assets	(613,896)	-
Transfer from unfunded to funded ARO	2,166,305	
Accretion	(351,952)	(365,171)
Amortization	<u>(4,136,485)</u>	<u>(3,950,352)</u>
Closing Balance	<u>\$ 118,426,172</u>	<u>\$ 102,416,754</u>

City of Prince Rupert

Schedule of Tax Revenues For The Year Ended December 31

	Unaudited 2023 Budget	2023 Actual	2022 Actual
Real Property Taxes			
Municipal Property Tax			
Residential	\$ 8,295,000	\$ 8,293,526	\$ 7,370,484
Utilities	330,000	328,986	298,485
Major Industry	10,810,000	10,810,252	10,117,624
Light Industry	741,000	741,260	670,833
Business	5,801,000	5,831,356	5,143,748
Recreational	22,000	22,133	20,287
	<u>\$ 25,999,000</u>	<u>\$ 26,027,513</u>	<u>\$ 23,621,461</u>
Less: Tax Sharing with District of Port Edward	(953,000)	(953,497)	(945,698)
Less: Provision for Assessment Appeals	<u>(20,000)</u>	<u>(40,000)</u>	<u>-</u>
	<u>\$ 25,026,000</u>	<u>\$ 25,034,016</u>	<u>\$ 22,675,763</u>
Special Payments			
Port Competitiveness Tax Grant	\$ 1,973,000	\$ 1,972,876	\$ 1,845,534
Revenue Tax	\$ 333,000	\$ 317,803	\$ 327,651
Payments in Lieu of Tax			
Federal Government Properties	\$ 181,000	\$ 220,970	\$ 161,667
Prince Rupert Port Authority	739,000	639,557	1,299,370
	<u>\$ 920,000</u>	<u>\$ 860,527</u>	<u>\$ 1,461,037</u>
Grants in Lieu of Tax			
Provincial Government Properties	\$ 302,000	\$ 311,297	\$ 268,279
BC Buildings Corp.	49,000	47,312	43,628
BC Housing Commission	108,000	97,448	95,848
BC Hydro and Power Authority	83,000	82,618	73,687
Insurance Corporation of BC	11,000	10,828	9,416
	<u>\$ 553,000</u>	<u>\$ 549,503</u>	<u>\$ 490,858</u>
	<u>\$ 3,779,000</u>	<u>\$ 3,700,709</u>	<u>\$ 4,125,080</u>
Net Tax Revenue	<u>\$ 28,805,000</u>	<u>\$ 28,734,725</u>	<u>\$ 26,800,843</u>

City of Prince Rupert

Schedule of Sale of Service Revenues For The Year Ended December 31

	Unaudited 2023 Budget	2023 Actual	2022 Actual
GENERAL FUND			
Protective Services (RCMP)	\$ 25,000	\$ 28,028	\$ 25,217
Transportation Services			
Public Transit	\$ 175,000	\$ 213,891	\$ 179,556
Airport Ferry	1,157,000	1,129,282	1,016,156
	<u>\$ 1,332,000</u>	<u>\$ 1,343,173</u>	<u>\$ 1,195,712</u>
Other			
Rezoning / Subdivision Services		\$ 11,405	\$ 5,780
Parking	110,000	93,822	91,274
Franchise Fees	245,000	282,416	243,749
	<u>\$ 355,000</u>	<u>\$ 387,643</u>	<u>\$ 340,803</u>
Public Health (Cemetery)	\$ 149,000	\$ 84,762	\$ 144,823
Recreation and Cultural Services			
Civic Centre Rentals & Programs	\$ 298,000	\$ 343,782	\$ 286,600
Swimming Pool	409,000	529,416	393,862
Arena	242,000	276,147	237,987
	<u>\$ 949,000</u>	<u>\$ 1,149,345</u>	<u>\$ 918,449</u>
Cow Bay Marina	\$ 413,000	\$ 436,388	\$ 415,076
TOTAL GENERAL OPERATING FUND	\$ 3,223,000	\$ 3,429,339	\$ 3,040,080
SOLID WASTE FUND	\$ 8,864,000	\$ 8,897,197	\$ 4,469,469
WATER FUND	\$ 3,047,000	\$ 3,043,011	\$ 2,984,516
SEWER FUND	\$ 2,764,000	\$ 2,808,350	\$ 2,765,059
	<u>\$ 17,898,000</u>	<u>\$ 18,177,897</u>	<u>\$ 13,259,124</u>

City of Prince Rupert

Schedule of Government Transfers For The Year Ended December 31

	Unaudited 2023 Budget	2023 Actual	2022 Actual
Federal Grant- Conditional			
General Fund			
Canada Summer Jobs	\$ -	\$ -	\$ 9,772
Active Transportation Strategy - Infrastructure Canada	-	9,000	20,000
Recreation Washrooms Accessibility	143,000	-	-
	<u>\$ 143,000</u>	<u>\$ 9,000</u>	<u>\$ 29,772</u>
Provincial Grants			
Unconditional			
General Fund - Small Community	\$ 356,000	\$ 350,000	\$ 454,000
- Traffic Fines	250,000	214,000	219,522
Total Unconditional	<u>\$ 606,000</u>	<u>\$ 564,000</u>	<u>\$ 673,522</u>
Conditional			
General Fund			
Victim Services	\$ 74,000	\$ 79,839	\$ 70,729
Casino Revenue	583,000	540,120	582,887
Two Percent (2%) Hotel Tax	348,000	340,349	332,449
Situation Tables	43,000	27,411	7,500
Downtown Revitalization & Asset Management	50,000	-	-
Waterfront Rupert's Landing & Ferry Development	10,890,000	1,000,000	10,188
LGCAP - City Hall Boiler	123,000	-	-
CN Building Revitalization - ICIP	-	-	1,000,000
Wind storm claim - EMBC	-	-	44,969
Growing Communities Fund	-	4,068,000	-
Water Fund			
Shawatlans Road Water Line	20,000,000	-	-
Woodworth Dam Design & Construction	-	9,400	-
Submarine & Overland Line Construction	9,869,000	288,314	-
Total Conditional	<u>\$ 41,980,000</u>	<u>\$ 6,353,433</u>	<u>\$ 2,048,722</u>
Regional and Other External Transfers - Conditional			
General Fund			
FCM - Asset Management Strategy Development	\$ -	\$ (12,340)	\$ 56,750
FCM - Community Efficiency Financing Feasibility Study	60,000	60,000	-
NDIT- Economic Development	50,000	50,000	50,000
NDIT- Business Façade	20,000	-	20,000
UBCM- Community Works Fund - City Hall Boiler	327,000	5,703	-
UBCM - Climate Action Plan	93,000	22,543	-
UBCM - Social Development Plan	25,000	5,900	-
UBCM - Housing Needs Assessment	-	-	10,000

UBCM - Complete Communities Assessment	-	16,743	-
New Firehall Building Design - Fire Department	175,000	-	-
UHF Radio system - Fire Department	160,000	-	-
Sewer Fund			
FCM- Liquid Waste Management Plan	4,750,000	-	200,000
Solid Waste Fund			
UBCM- Community Works Fund - New Landfill Cell	-	-	1,000,000
	<u>\$ 5,660,000</u>	<u>\$ 148,549</u>	<u>\$ 1,336,750</u>
Total Government Transfer	<u><u>\$ 48,389,000</u></u>	<u><u>\$ 7,074,982</u></u>	<u><u>\$ 4,088,766</u></u>

City of Prince Rupert

Schedule of Revenue from Own Sources For The Year Ended December 31

	Unaudited 2023 Budget	2023 Actual	2022 Actual
Licenses and Permits	\$ 303,000	\$ 320,512	\$ 337,861
Fines	32,000	27,261	18,950
911 Service Fee	84,000	72,463	86,144
	<u>\$ 419,000</u>	<u>\$ 420,236</u>	<u>\$ 442,955</u>
Miscellaneous revenues			
Actuarial Additions	\$ -	\$ 212,054	\$ 178,238
Cemetery Care Fund		24,825	12,143
Miscellaneous - General Fund	640,000	585,146	585,167
Miscellaneous Grants - General Fund	77,000	91,116	39,516
Penalties and Interest on Taxes	-	264,509	212,411
Property Rentals	190,000	252,498	189,488
Parking Space Requirement	-	50,000	
Disposal of scrap materials	400,000	-	-
Water Meter Rentals	140,000	140,062	139,378
Total Miscellaneous Revenues	<u>\$ 1,447,000</u>	<u>\$ 1,620,210</u>	<u>\$ 1,356,341</u>

City of Prince Rupert

Schedule of Expenditure by Objects of Expense For The Year Ended December 31

	Unaudited 2023 Budget	2023 Actual	2022 Actual (restated)
Wages	\$ 18,876,000	\$ 18,124,894	\$ 17,240,437
Benefits	4,685,000	4,692,485	4,309,182
Professional Fees	2,083,000	2,114,836	1,810,904
Supplies	2,436,000	3,166,150	2,700,020
Services	4,825,500	4,905,260	4,931,073
Energy	1,502,000	1,380,610	1,527,555
Fiscal Expenses	3,783,000	5,004,300	3,306,004
Grants in Aid to Community Partners	1,833,000	1,824,105	1,679,062
Contracts	6,030,500	6,042,983	5,731,410
	<u>\$ 46,054,000</u>	<u>\$ 47,255,623</u>	<u>\$ 43,235,647</u>
Capital Purchases & Capital Works (Per budget)	120,446,000	28,932,961	23,888,934
Wages & Vehicle cost allocated to Capital Works	(250,000)	(358,755)	(235,599)
Less:			
Investments in Tangible Capital Assets	(112,031,000)	(27,565,931)	(23,214,589)
Debt Repayment	<u>(1,653,900)</u>	<u>(1,380,588)</u>	<u>(1,372,956)</u>
Total Expenses (Statement B)	<u>\$ 52,565,100</u>	<u>\$ 46,883,310</u>	<u>\$ 42,301,437</u>

City of Prince Rupert

Schedule of Equipment / Short Term Financing Debt December 31

Loan No.	Purpose	New/ Renewal	Amount of Issue	2022 Balance	Additions	Principal Payments	2023 Balance
Equipment Financing							
0003-0	Vactor Truck	2019	450,000	\$ 173,090	\$ -	\$ (90,414)	\$ 82,676
0004-0	Garbage Truck	2020	850,000	510,476	-	(157,082)	353,394
0005-0	Single Axle Dump Truck	2023	300,000	-	300,000	-	300,000
0006-0	Solid Waste Dozer, Excavator and Garabge Truc	2023	1,317,235	-	1,317,235	-	1,317,235
				<u>\$ 683,566</u>	<u>\$ 1,617,235</u>	<u>\$ (247,496)</u>	<u>\$ 2,053,305</u>
Short Term / Temporary Financing							
0695-0001	2018 Cell Block Reno and PW Buildings	2019	1,150,000	\$ 287,350	\$ -	\$ (230,040)	\$ 57,310
0695-0003	2022 McBride Street Water Main Repair	2022	850,000	850,000	-	(170,400)	679,600
0695-0004	2023-2024 New RCMP Detachment	2023	8,500,000		8,500,000	-	8,500,000
				<u>\$ 1,137,350</u>	<u>\$ 8,500,000</u>	<u>\$ (400,440)</u>	<u>\$ 9,236,910</u>
				<u>\$ 1,820,916</u>	<u>\$ 10,117,235</u>	<u>\$ (647,936)</u>	<u>\$ 11,290,215</u>

City of Prince Rupert

Schedule of Debenture Debt December 31

Bylaw No.	No.	Maturity Date	Amount of Issue	2022 Balance	Additions	Principal Payment	2022 Accrued Actuarial	2023 Actuarial	2023 Accrued Actuarial	2023 Balance
General Fund										
3201	Cruise Ship Dock	94	2025	3,133,056	\$ 610,738	\$ -	\$ (115,139)	\$ 18,957	\$ (87,582)	\$ (20,436) \$ 406,538
3333	Airport Upgrade	127	2034	7,000,000	4,770,378	-	(235,072)	63,613	(86,640)	(72,865) 4,439,414
					<u>\$ 5,381,116</u>	<u>\$ -</u>	<u>\$ (350,211)</u>	<u>\$ 82,570</u>	<u>\$ (174,222)</u>	<u>\$ (93,301) \$ 4,845,952</u>
Water Fund										
3433	Woodworth Dam	156	2046	\$ 10,000,000	\$ 9,695,869	\$ -	\$ (302,360)	\$ 1,771	\$ (6,803)	\$ (3,571) \$ 9,384,906
Sewer Fund										
3201	Moresby Sewer Upgrade	94	2025	\$ 346,970	\$ 67,859	\$ -	\$ (12,793)	\$ 2,106	\$ (9,731)	\$ (2,270) \$ 45,171
Solid Waste Fund										
3454	New Landfill Cell	156	2046	\$ 10,000,000	\$ 9,695,869	\$ -	\$ (302,360)	\$ 1,771	\$ (6,803)	\$ (3,571) \$ 9,384,906
					<u>\$ 24,840,713</u>	<u>\$ -</u>	<u>\$ (967,724)</u>	<u>\$ 88,218</u>	<u>\$ (197,559)</u>	<u>\$ (102,713) \$ 23,660,935</u>

City of Prince Rupert

Schedule of Northern Capital and Planning Grant For Year Ended December 31, 2023

Grant Balance as at Jan 1, 2023	\$ 4,337,561
Interest earned in 2023	228,806
CN Heritage Building Revitalization Project	(2,040,000)
2nd Avenue Bridge Assessment	(81,230)
Grant Balance as at Dec 31, 2023 (Schedule 2)	\$ 2,445,137

This money is used at the discretion of the municipality for capital and long term planning purposes in accordance with S.32 of the Local Government Grants Regulation (BC Reg. 221/95) which cross-references with S.4(1)(a) & (c) of the Local Government Grants Act.

City of Prince Rupert

Schedule of COVID-19 Safe Restart Grant for Local Governments For Year Ended December 31, 2023

Grant Balance as at Jan 1, 2023	\$ 403,000
Use of funds in 2023:	
Reduction in City of Prince Rupert airport ferry revenue	(403,000)
Grant Balance as at Dec 31, 2023	\$ -

This money is used at the discretion of the municipality to address increased operating costs and lower revenue due to COVID-19 accordance with section 36 of the Local Government Grants Regulation and this schedule is attached to the Financial Statements as per section 167 of the Community Charter.

APPENDIX C:

2023 Permissive Tax Exemptions

Registered Owner/ Occupier Identity/ Facility	2023 Exemption
Places of Worship (Excluding Statutory Exempt Portion)	
Bishop of New Caledonia (Anglican Cathedral)	\$ 556.55
Prince Rupert Congregation of Jehovah's Witnesses	583.36
Church of Jesus Christ of Latter Day Saints Church	745.47
Cornerstone Mennonite Brethren Church	333.54
Fellowship Baptist Church	525.98
The Salvation Army	1,544.24
Harvest Time United Pentecostal Church	226.15
Indo-Canadian Sikh Association Temple	189.31
Prince Rupert Church of Christ Church	1,062.55
Prince Rupert Native Pentecostal Revival Church	391.94
Prince Rupert Sikh Missionary Society Temple	831.69
First United Church	38.02
First United Church (parking lot)	911.72
First United Church (parking lot)	911.72
St. Paul's Lutheran Church of Prince Rupert	195.97
Sub-total Places of Worship	\$ 9,048.20
Other Properties	
School District No. 52 (Prince Rupert) (Pacific Coast School)	\$ 7,959.10
School District No. 52 (Prince Rupert) (Pacific Coast School)	143.25
Prince Rupert Senior Citizen's Housing Society	2,480.35
Kaien Senior Citizen's Housing	61.36
Prince Rupert Loyal Order of Moose/Moose Lodge	642.00
Prince Rupert Salmon Enhancement Society	4,970.70
BC Society for the Prevention of Cruelty to Animals	3,131.15
BC Society for the Prevention of Cruelty to Animals	14,826.90
BC Society for the Prevention of Cruelty to Animals	1,890.20
Prince Rupert Curling Club	16,968.05
Prince Rupert Racquet Association	5,600.57
Prince Rupert Performing Arts Centre Society	140,740.45
Prince Rupert Rod & Gun Club	2,752.22
Cultural Dance Centre & Carving House	15,885.97
Museum of Northern BC	48,141.39
Prince Rupert Golf Club	24,113.84
Prince Rupert Golf Club	6,222.75
Prince Rupert Golf Club	1,996.11
Prince Rupert Golf Club	651.55
Jim Pattison Ind. Ltd (Canfisco Municipal Boat Launch Facility and building, 37.5% of the lands and improvements)	27,930.98
Prince Rupert Gymnastics Association	1,460.36
North Coast Community Services Society	6,515.55
Friendship House Association of Prince Rupert	19,055.50
Prince Rupert Senior Centre Association	1,026.88
Kaien Island Daycare Services Family Resource Centre	1,041.40
Prince Rupert Aboriginal Community Services Society	2,672.64
The Royal Canadian Legion Branch 27 (Only area used by Legion)	864.62
Navy League Prince Rupert Branch	842.67
Cedar Village Housing Society (Only area assessed as "Residential/Not-for-profit")	17,219.82
Prince Rupert Rowing & Yachting Club (Only area assessed as "Recreation/Non-Profit")	2,586.80
Prince Rupert Indigenous Housing Society (Only area assessed as "Residential/Not-for-profit")	11,995.54
1279608 BC LTD (Municipal Public Works Facility)	33,107.28
Sub-total other Properties	\$ 425,497.93
Estimated Annual Total Permissive Property Tax Exemptions	\$ 434,546.12

APPENDIX D:

Community Enhancement Grant Report

Community Enhancement Grant Recipient	Amount
AFFNO Sugar Shack Grant (in kind)	1,000
Guns N'Hoses Charity Game (in kind)	1,000
Halloween Festival (in kind)	6,000
National Aboriginal Day (in kind)	2,500
Navy League of Canada (in kind)	4,500
Prince Rupert Racquet Association	9,000
Prince Rupert Arts Council	20,000
Prince Rupert Skating Club (in kind)	1,600
Prince Rupert Special Events Society - (in kind)	12,000
Prince Rupert Special Events Society - Cash	30,000
Prince Rupert Wildlife Shelter	6,600
Prince Rupert Crime Stoppers (in kind)	500
Prince Rupert Seniors Centre	1,000
Visitors Information Centre	17,000
	112,700
Contributions Under Agreement up for Renewal	
Museum of Northern BC. - Kwinitza Station Grant	15,000
Museum of Northern BC - Museum Grant + Artifact insurance	161,000
Lester Centre	159,000
	335,000
Total	447,700
Contributions Under Existing Agreement	
BC SPCA	32,000
Tourism Prince Rupert (regulatory requirement)	348,000
Equipment for Golf Course	40,000
Prince Rupert Golf Course (Operating)	160,000
Total	580,000
Contribution to Prince Rupert Library	811,000
Total 2023 Community Enhancement Grants and partner contribution	1,838,700

APPENDIX E:

City Contact Information

City of Prince Rupert

424 3rd Avenue West
Prince Rupert, BC
Canada V8J 1L7

Tel: 250-627-1781

Fax: 250-627-0999

Website: www.princerupert.ca

Office Hours

9:30 am to 4:30 pm
Monday through Friday

Senior Management Team

Dr. Robert Buchan, City Manager
250-627-0931
robert.buchan@princerupert.ca

Corinne Bomben, CPA, CA,
Chief Financial Officer
250-627-0935
corinne.bomben@princerupert.ca

Rosamaria Miller, Director of
Corporate and Legislative Services
250-627-0963
rosamaria.miller@princerupert.ca

Richard Pucci, Director of Operations + Intergovernmental Relations
250-627-0956
richard.pucci@princerupert.ca

Paul Vendittelli, Director of Economic Development + Transportation
250-627-5138
paul.vendittelli@princerupert.ca

Myfannwy Pope, City Planner and Director of Development
Services
250-627-2822
myfannwy.pope@princerupert.ca

Nicole Beauregard, Director of Recreation
and Community Services
250-627-2866
nicole.beauregard@princerupert.ca

City Services

Public Works

Water/Sewer/ Roads/Parks: 250-624-6795
Garbage Collection/Landfill: 250-624-5482
Streetlight Repair Reporting: 250-627-0988

Engineering

General Office Line: 250-627-0950

Can call for:

- Cemetery Arrangements
- Permits (City Property)
- Blasting Permits

Emergency Lines

After Hours: 250-624-3000
Weekends: 250-624-1037 (or 624-3000)

Non-Emergency Police & Fire

Fire Department: 250-627-1248
RCMP: 250-624-2136





Thanks for reading!

