

CITY OF PRINCE RUPERT

2026 FIVE YEAR FINANCIAL PLAN BYLAW NO. 3671, 2025

A BYLAW FOR THE CITY OF PRINCE RUPERT RESPECTING THE FIVE YEAR FINANCIAL PLAN FOR THE PERIOD 2026 - 2030

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

1. **Schedule “A”** attached hereto and made part of this Bylaw is hereby declared to be the Five Year Financial Plan of the City of Prince Rupert for the period ending December 31st, 2030.
2. This Bylaw may be cited as **“2026 Five Year Financial Plan Bylaw No. 3671, 2025”**.

Read a First time this 8th day of December, 2025.

Read a Second time this 8th day of December, 2025.

Read a Third time this 20th day of April, 2026.

Final Consideration and Adopted this 27th day of April, 2026.

Mayor

Corporate Administrator

This Bylaw was adopted by Council.

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

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2026 Five Year Financial Plan

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

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

Table One (1) shows the proportion and value of the total revenue proposed to be raised from each funding source in 2026. Grants and other miscellaneous revenues form the largest portion of planned revenue as the City is undertaking many large Capital projects (for example, Water Line renewal, Sewer Line renewal, Waterfront Development) for which large grants have either been received or are proposed.

Property value taxes are the largest revenue source to support City *operations*. The property taxation system is relatively easy to administer and understand. It provides a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. These include services such as fire protection, police protection, bylaw enforcement, libraries, and street maintenance. For these reasons, property value taxation will continue to be the major source of municipal revenue.

Transfers from reserves are the second largest funding source in 2026 as the City is drawing funds held in reserves (mainly grants from the Provincial government) to fund capital projects.

Table 1

Funding Source	Percentage (%) of Revenue	Amount (\$)
Municipal Property Taxes	15%	30,936,000
Payment in Lieu of Taxes & Prov. Grants	2%	4,332,000
User Fees & Charges	8%	16,362,000
Reserves	13%	27,003,000
Accumulated General Operating Surplus	1%	1,986,000
Accumulated Utilities Operating Surplus	4%	7,210,000
Grants and Other Miscellaneous Revenue	49%	97,807,000
Dividend- Prince Rupert Legacy	2%	4,180,000
Debt Financing	6%	12,244,000
Total	100%	202,060,000

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Objective

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

Policy

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

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

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

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

Table (2) shows the current property tax revenues of each classification except those classes with zero tax revenue, based on the 2026 Completed Assessment Roll (which is subject to change):

Table 2

Property Class	% of Tax Revenue	Amount (\$)
Residential	32%	9,908,000
Utility	1%	391,000
Major Industry	26%	7,993,000
Major Industry Port Property Tax Act	14%	4,419,000
Light Industry	3%	883,000
Business	24%	7,318,000
Recreation	0%	24,000
Total	100%	30,936,000

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Objective

- Council will encourage economic development by minimizing tax increases.

Policy

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

3. Use of Permissive and Revitalization Tax Exemptions (Section 165 (3.1)(c) and Section 226)

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

Objectives

- Council will continue to provide permissive tax exemptions;
- Council will permit exemptions according to the Permissive Tax Exemption Policy;
- Council will permit exemptions to revitalize the downtown core and a targeted light industrial area

Policy

- Permissive tax exemptions will be considered in conjunction with:
 - a. The value of other assistance being provided by the Community;
 - b. The amount of revenue that the City will lose or forgo if the exemption is granted;
 - c. City of Prince Rupert Permissive Tax Exemption Bylaw No. 3665, 2025
 - d. The Permissive Property Tax Exemption Policy 180-02
 - e. Revitalization Tax Exemption Program Bylaw No. 3553, 2024

Table 3 shows the properties which are approved to receive permissive tax exemptions for 2026. The approximate amount of Municipal Tax permissively exempted is \$489,000. The approximate amount of Municipal Tax exempted for Revitalization is \$10,000. Permissive and Revitalization municipal tax exemptions total approximately \$499,000.

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Table 3

Places of Worship (Excluding Statutory Exempt Portion)	
Bishop of New Caledonia (Anglican Cathedral)	\$ 528.40
Prince Rupert Congregation of Jehovah's Witnesses	503.43
Church of Jesus Christ of Latter Day Saints Church	756.81
Cornerstone Mennonite Brethren Church	360.72
Fellowship Baptist Church	460.58
The Salvation Army	1,535.27
Harvest Time United Pentecostal Church	206.78
Indo-Canadian Sikh Association Temple	192.64
Prince Rupert Church of Christ Church	1,074.40
Prince Rupert Native Pentecostal Revival Church	416.06
Prince Rupert Sikh Missionary Society Temple	998.13
First United Church	41.19
First United Church (parking lot)	895.81
First United Church (parking lot)	895.81
St. Paul's Lutheran Church of Prince Rupert	208.03
Sub-total Places of Worship	\$ 9,074.06

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Table 3 (continued)

<u>Other Properties</u>	
School District No. 52 (Prince Rupert) (Pacific Coast School)	8,373.45
School District No. 52 (Prince Rupert) (Pacific Coast School)	142.26
Prince Rupert Senior Citizen's Housing Society	3,025.93
Kaien Senior Citizen's Housing	97.00
Prince Rupert Loyal Order of Moose/Moose Lodge	793.43
Prince Rupert Salmon Enhancement Society	3,407.62
BC Society for the Prevention of Cruelty to Animals	3,889.97
BC Society for the Prevention of Cruelty to Animals	18,093.93
BC Society for the Prevention of Cruelty to Animals	2,333.98
Prince Rupert Curling Club	22,117.28
Prince Rupert Racquet Association	5,397.85
Prince Rupert Performing Arts Centre Society	146,107.40
Prince Rupert Rod & Gun Club	2,938.46
Cultural Dance Centre & Carving House	14,626.30
Museum of Northern BC	46,479.63
Prince Rupert Golf Club	27,162.26
Prince Rupert Golf Club	6,075.54
Prince Rupert Golf Club	1,658.24
Prince Rupert Golf Club	489.03
Jim Pattison Ind. Ltd (Canfisco Municipal Boat Launch Facility and building, 37.5% of the lands and improvements)	48,702.47
Prince Rupert Gymnastics Association	8,282.31
North Coast Community Services Society	7,335.38
Friendship House Association of Prince Rupert	17,459.61
Prince Rupert Senior Centre Association	1,110.88
Kaien Island Daycare Services Family Resource Centre	1,476.06
Prince Rupert Aboriginal Community Services Society	2,885.70
The Royal Canadian Legion Branch 27 (Only area used by Legion)	1,067.61
Navy League Prince Rupert Branch	1,131.69
Cedar Village Housing Society (Only area assessed as "Residential/Not-for-profit")	20,649.05
Prince Rupert Rowing & Yachting Club (Only area assessed as "Recreation/Non-Profit")	3,482.43
Prince Rupert Indigenous Housing Society (Only area assessed as "Residential/Not-for-profit")	14,349.43
1279608 BC LTD (Municipal Public Works Facility)	38,677.45
Sub-total other Properties	\$ 479,819.62
Estimated Annual Total Permissive Property Tax Exemptions	\$ 488,893.68

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

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

Table 4

Proposed Expenditures	Amount (\$)
General Fund	61,236,000
Sewer Utility Fund	51,646,000
Solid Waste Fund	12,408,000
Water Utility Fund	76,770,000
Total	202,060,000

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

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

Table 5

Funding Source	Percentage (%) of Revenue	Amount (\$)
Municipal Property Taxes	15%	30,936,000
Payment in Lieu of Taxes & Provincial Grants	2%	4,332,000
User Fees & Charges	8%	16,362,000
Reserves	13%	27,003,000
Accumulated General Operating Surplus	1%	1,986,000
Accumulated Utilities Operating Surplus	4%	7,210,000
Grants and Other Miscellaneous Revenue	49%	97,807,000
Dividend- Prince Rupert Legacy	2%	4,180,000
Debt Financing	6%	12,244,000
Total	100%	202,060,000

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

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

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

The amount required to pay interest and principal on municipal debt is approximately \$3,812,000

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

Capital Purchases

Table 6 shows the 2025 Capital Purchases:

Table 6

Department	Amount (\$)
Fire Protection	1,042,000
Building	4,390,000
Recreation	505,000
Real Estate	385,000
Civic Improvements	4,913,000
Transportation	100,000
Vehicles & Mobile Equipment (General)	1,840,000
Total	13,175,000

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Capital Works

Table 7 shows the 2025 Capital Works:

Table 7

Fund	Amount (\$)
Water Utility	72,847,000
Sewer Utility	50,032,000
Solid Waste Utility	6,520,000
Parks	620,000
Transportation	3,850,000
Total	133,869,000

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

Nil

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

Expenditures for other municipal purposes are \$51,204,000 which is the total from Table 4 of \$202,060,000 less the amounts under Items 7 and 9 (\$3,812,000 and Nil) and the totals from Tables 6 and 7 (\$13,175,000 and \$133,869,000).

11. Proposed Interfund Borrowing and Transfers of Reserves (Sections 165(8)(a) and 180)

There is no proposed interfund borrowing in 2026

Table 8 proposes the following transfers:

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Table 8

	Transfer of Reserves	Amount (\$)
From:	General Capital Reserve	(900,000)
	Recreation Asset Management Reserve	(45,000)
	Public Works Equipment Reserve	(1,150,000)
	Land Reserve	(50,000)
	Water Treatment Grant Reserve	(2,843,000)
	Growing Communities Fund Reserve	(4,456,000)
	Northern Capital and Planning Grant Reserve	(300,000)
	Duncan Road Improvements Reserve	(405,000)
	NWBC Regional Funding Reserve (RBA)	(16,854,000)
	General Operating Fund	(1,550,000)
	Water Operating Fund	(88,000)
	Sewer Operating Fund	(91,000)
	Solid Waste Operating Fund	(110,000)
	Total	(28,842,000)
To:	Miscellaneous Reserves (interest)	200,000
	Rushbrook Parking Program Reserve	61,000
	Recreation Asset Management Reserve	66,000
	Ferry Maint. & Capital Replacement Reserve	200,000
	Water Capital Program Reserve	88,000
	Sewer Capital Program Reserve	91,000
	Solid Waste Capital Program Reserve	110,000
	General Capital Reserve	603,000
	Public Works Equipment Reserve	420,000
	General Fund Indigenous Relations Committee	15,000
	General Fund Capital Works	2,170,000
	General Fund Special Projects	270,000
	General Fund Capital Purchases	4,175,000
	Water Fund Capital Works	6,272,000
	Solid Waste Fund Capital Works	2,050,000

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	Sewer Fund Capital Works	12,051,000
	Total	28,842,000

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

Table 9 shows the Accumulated Operating and Utility Fund Surpluses being used this year to fund operating activities, Special Projects and Capital expenditures.

Table 9

Transfers of Accumulated Surplus	Amount (\$)
From:	
General Operating Fund Surplus	(1,986,000)
Water Utility Fund Surplus	(2,446,000)
Solid Waste Utility Fund Surplus	(1,307,000)
Sewer Utility Fund Surplus	(3,457,000)
Total	(9,196,000)
To:	
General Operating Fund Special Projects	101,000
General Operating Fund Capital Purchases	1,545,000
General Operating Fund Capital Works	340,000
Water Utility Fund Capital Works	2,446,000
Solid Waste Utility Fund Operations	187,000
Solid Waste Utility Fund Capital Works	1,120,000
Sewer Utility Fund Capital Works	3,457,000
Total	9,196,000

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General Operating Fund Departmental Budgets

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

Table 10(a)

GENERAL OPERATING FUND	Budget 2026	Budget 2027	Budget 2028	Budget 2029	Budget 2030
Revenues by Department					
Airport Ferry	1,190,000	1,546,000	1,616,000	1,681,000	1,748,000
Bylaw Enforcement	134,000	137,000	140,000	143,000	143,000
Cemetery	149,000	170,000	177,000	184,000	191,000
Civic Properties	269,000	275,000	79,000	81,000	81,000
Corporate Administration	49,000	49,000	49,000	49,000	49,000
Cow Bay Marina	455,000	455,000	455,000	455,000	474,000
Development Services	321,000	327,000	324,000	331,000	331,000
Economic Development	70,000	70,000	70,000	70,000	70,000
FD 911 Services	69,000	68,000	67,000	66,000	65,000
FD Fire Protective Services	5,000	6,000	6,000	6,000	6,000
FD Emergency Measures	14,000	-	-	-	-
Finance	15,000	15,000	15,000	15,000	15,000
Fiscal Revenues	8,759,000	8,438,000	15,261,000	15,225,000	15,327,000
PW Engineering	5,000	5,000	5,000	5,000	5,000
PW Common Costs	70,000	71,000	72,000	73,000	74,000
RCMP	147,000	149,000	151,000	153,000	156,000
Rec. Centre Arena	294,000	307,000	321,000	335,000	350,000
Rec. Centre Civic Centre	453,000	472,000	476,000	497,000	518,000
Rec. Centre Community Services	3,000	15,000	15,000	15,000	15,000
Rec. Centre Pool	557,000	585,000	614,000	644,000	676,000
Transit	288,000	289,000	290,000	291,000	292,000
Victim Services	96,000	77,000	77,000	77,000	77,000
Watson Island	400,000	400,000	400,000	400,000	400,000
Subtotal	13,812,000	13,926,000	20,680,000	20,796,000	21,063,000
Property Taxes (existing)	29,943,000	30,936,000	31,873,000	33,136,000	35,067,000
Property Tax Increase (Increase)	993,000	937,000	1,263,000	1,931,000	1,213,000
Total Operating Revenues	44,748,000	45,799,000	53,816,000	55,863,000	57,343,000
PR Legacy Inc contributions- Capital Purchases	1,255,000	-	-	-	-
Conditional Project Grants - Capital Works	450,000	-	-	-	-
Conditional Project Grants - Capital Purchases	5,763,000	4,875,000	-	-	-
Appropriated Reserves - Capital Works	2,170,000	-	-	-	-
Appropriated Reserves - Capital Purchases	4,175,000	-	-	-	-
Appropriated Surplus - Capital Purchases	1,545,000	-	-	-	-
Appropriated Surplus - Capital Works	340,000	-	-	-	-
PR Legacy Inc contributions- Special Projects	100,000	-	-	-	-
Appropriated Surplus - Special Projects	101,000	-	-	-	-
Conditional Project Grants - Special Projects	319,000	-	-	-	-
Appropriated Reserves - Special Projects	270,000	-	-	-	-
Loans from MFA - Capital Purchases	-	-	30,000,000	3,500,000	-
Total Capital Revenues	16,488,000	4,875,000	30,000,000	3,500,000	-
Total General Operating Fund Revenues	61,236,000	50,674,000	83,816,000	59,363,000	57,343,000

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Table 10(b)

GENERAL OPERATING FUND	Budget 2026	Budget 2027	Budget 2028	Budget 2029	Budget 2030
<u>Expenditures by Department</u>					
Airport Ferry	2,569,000	2,820,000	2,908,000	2,969,000	3,039,000
Bylaw Enforcement	583,000	591,000	600,000	608,000	617,000
Cemetery	329,000	334,000	340,000	346,000	350,000
Civic Properties	881,000	893,000	904,000	915,000	926,000
Corporate Administration	1,194,000	1,202,000	1,226,000	1,251,000	1,276,000
Cow Bay Marina	458,000	474,000	488,000	502,000	517,000
Development Services	1,157,000	1,179,000	1,200,000	1,223,000	1,257,000
Economic Development	235,000	243,000	247,000	252,000	257,000
FD 911 Services	708,000	726,000	741,000	755,000	770,000
FD Fire Protective Services	6,369,000	6,363,000	6,519,000	6,681,000	6,841,000
FD Emergency Measures	46,000	46,000	46,000	46,000	46,000
Finance	1,427,000	1,456,000	1,333,000	1,359,000	1,387,000
Finance Cost Allocation	(519,000)	(576,000)	(629,000)	(687,000)	(720,000)
Fiscal Expenditures	3,658,000	3,776,000	4,442,000	5,692,000	6,341,000
Governance	351,000	378,000	390,000	403,000	416,000
Grants in Aid to Community Partners	2,015,000	2,055,000	2,087,000	2,121,000	2,157,000
Human Resources	488,000	497,000	507,000	517,000	528,000
Information Technology	840,000	853,000	866,000	879,000	892,000
Parks	1,325,000	1,348,000	1,371,000	1,394,000	1,417,000
PW Engineering	774,000	834,000	851,000	867,000	884,000
PW Common Costs	5,390,000	5,539,000	5,695,000	5,858,000	6,028,000
Allocation of PW Common Cost	(5,390,000)	(5,539,000)	(5,695,000)	(5,858,000)	(6,028,000)
PW Vehicles	1,929,000	1,983,000	2,002,000	2,021,000	2,039,000
Allocation of PW Vehicles	(1,929,000)	(1,983,000)	(2,002,000)	(2,021,000)	(2,039,000)
RCMP	8,144,000	8,341,000	8,545,000	8,755,000	8,963,000
Rec. Centre Arena	615,000	585,000	613,000	626,000	637,000
Rec. Centre Civic Centre	2,292,000	2,380,000	2,423,000	2,472,000	2,510,000
Rec. Centre Community Services	4,000	4,000	4,000	4,000	4,000
Rec. Centre Pool	1,621,000	1,637,000	1,676,000	1,705,000	1,729,000
Roads	2,700,000	2,793,000	2,888,000	2,933,000	2,981,000
Transit	1,170,000	1,261,000	1,061,000	1,103,000	1,145,000
Victim Services	198,000	200,000	203,000	206,000	210,000
Watson Island	400,000	400,000	400,000	400,000	400,000
Transfer to Reserves (Interest, RCMP Loan)	200,000	200,000	200,000	200,000	200,000
Transfer to Reserves (NWBCRF Agreement)	-	-	6,860,000	6,860,000	6,860,000
Transfer to General Capital Reserves	544,000	544,000	544,000	544,000	544,000
Total Operating Expenses	42,776,000	43,837,000	51,854,000	53,901,000	55,381,000
Provision for Special Projects	815,000	25,000	25,000	25,000	25,000
Provision for Capital Purchases	13,175,000	5,312,000	30,437,000	3,937,000	437,000
Provision for Capital Works	4,470,000	1,500,000	1,500,000	1,500,000	1,500,000
Total Capital Expenses	18,460,000	6,837,000	31,962,000	5,462,000	1,962,000
Total Operating Fund Expenditures	61,236,000	50,674,000	83,816,000	59,363,000	57,343,000
Surplus(Deficit)	-	-	-	-	-

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13. Utility Funds Revenue & Expenditure Budgets

Table 11 shows the Utility Operating Funds proposed budgets.

Table 11

UTILTY OPERATING FUNDS	Budget 2026	Budget 2027	Budget 2028	Budget 2029	Budget 2030
Sanitary and Storm Sewer					
Operating Revenues	3,864,000	4,476,000	5,190,000	5,294,000	5,400,000
Grants	20,630,000	32,565,000	21,585,000	40,000,000	-
PR Legacy Inc contributions	-	450,000	200,000	700,000	200,000
Appropriated Surplus - Cap Works	3,457,000	25,000	25,000	25,000	25,000
Loans from MFA	11,644,000	17,435,000	8,465,000	-	-
Funding from Reserves	12,051,000	2,000,000	-	-	-
Capital Works	(50,032,000)	(53,475,000)	(31,275,000)	(41,725,000)	(1,225,000)
Revenue for operations	1,614,000	3,476,000	4,190,000	4,294,000	4,400,000
Expenditures	1,614,000	3,476,000	4,190,000	4,294,000	4,400,000
Surplus (Deficit)	-	-	-	-	-
Water					
Operating Revenues	4,923,000	4,783,000	4,873,000	6,000,000	6,046,000
Grants	62,060,000	50,149,000	19,982,000	10,000,000	-
PR Legacy Inc contributions	469,000	-	-	-	-
Appropriated Surplus- Cap Works	2,446,000	-	-	-	-
Loans from MFA	600,000	2,500,000	10,000,000	10,000,000	-
Funding from Reserves	6,272,000	2,351,000	-	-	-
Capital Works	(72,847,000)	(56,000,000)	(30,982,000)	(21,000,000)	(1,000,000)
Revenue for operations	3,923,000	3,783,000	3,873,000	5,000,000	5,046,000
Expenditures	3,923,000	3,783,000	3,873,000	5,000,000	5,046,000
Surplus (Deficit)	-	-	-	-	-
Solid Waste					
Operating Revenues	5,701,000	6,035,000	6,389,000	6,763,000	6,898,000
Appropriated Surplus - Cap Works	1,120,000	-	-	-	-
Funding from Reserves	2,050,000	-	-	-	-
Funding from Grants - CW	1,000,000	-	-	-	-
Community Works Fund (Gas Tax)	2,350,000	-	-	-	-
Capital Works	(6,520,000)	(120,000)	(120,000)	(120,000)	(120,000)
Revenue for operations	5,701,000	5,915,000	6,269,000	6,643,000	6,778,000
Appropriated Surplus for Rate Stabilization	187,000	148,000	-	-	-
Expenditures	5,888,000	6,063,000	6,269,000	6,643,000	6,778,000
Surplus (Deficit)	-	-	-	-	-