



COMMITTEE OF THE WHOLE

For the **COMMITTEE OF THE WHOLE MEETING** of Council to be held on April 25, 2022 at 7:00 pm in the Council Chambers of City Hall, 424 – 3rd Avenue West, Prince Rupert, B.C.

1. CALL TO ORDER

2. ADOPTION OF THE AGENDA

Recommendation:

THAT the Agenda for the Special Committee of the Whole Meeting of April 25, 2022 be adopted as circulated.

3. PETITIONS & DELEGATIONS

a) Corinne Bomben, Chief Financial Officer/Deputy City Manager Re: 2022 Budget Direction

RECOMMENDATION:

THAT Council receives the information in this report and use it along with the budget information presented previously to formalize budget direction and recommend that direction to the Regular Council Meeting of April 25, 2022.

4. QUESTIONS FROM THE PUBLIC

5. REPORTS, QUESTIONS AND INQUIRIES FROM MEMBERS OF COUNCIL

6. ADJOURNMENT TO RECONVENE REGULAR COUNCIL MEETING



REPORT TO COUNCIL

Committee of the Whole

DATE: April 25, 2022

TO: Robert Buchan, City Manager

FROM: Corinne Bomben, Chief Financial Officer, Deputy City Manager

SUBJECT: 2022 BUDGET DIRECTION

RECOMMENDATION:

THAT Council receive the information in this report and use it along with the budget information presented previously to formalize budget direction and recommend that direction to the Regular Meeting of Council on April 25, 2022

REASON FOR REPORT:

On March 14, 2022 Council was requested to postpone direction on the city's 2022 Budget until after public feedback was obtained. This report summarizes the feedback received.

ANALYSIS:

Staff prepared budget documents for Council outlining the costs to maintain service at existing levels, address health and safety, and capital projects to be undertaken during the fiscal year. The budget included a recommendation to increase the mill rate by 3.63% to balance the budget. These documents, as well as those prepared in December related to Capital and Special projects were made available for the public. To encourage further public interaction with the budget, a budget simulator was used for a second year in a row. The public was advised to contact the City with any feedback on the budget in addition to any obtained through the simulator.

The simulation was open for four weeks and the data received is attached. This year we received 28 budget submissions. There were 1,696 page views with an average time on the site of 16 minutes. For comparison in 2021 we had 14 Budget submissions and there were 462 page views with an average time on the site of 8 and a half minutes.

Following is a summarization of the data:

Revenue

Property Taxes – Approximately 2/3 indicated they were fine leaving the property tax increase unchanged and just shy of 1/3 indicated wanting a decrease. 7% of respondents submitted an increase to taxes. The average submitted was a reduction in the property tax increase from \$699K to \$527K for an average change submitted of -0.8% of the proposed budget.

Fees & Charges – Nearly 3/4 of respondents are fine with fees and charges as presented with 1/5 in favour of fee increases. Of this group respondents were in favour of increasing Recreation fees and charges. Average submitted change is +0.2%.

Debt – 10% of respondents indicated a decrease in debt funding, with 90% not changing the debt funding the capital items in the budget. Average submitted change is -0.5%.

Expenses

General Administrative Services – Approximately 2/3 of respondents would decrease this category. The average submitted change is -1.5% the proposed budgeted amount. The highest area of interaction was in Corporate Administration, Governance and Development and Planning Services.

Transportation Services – Approximately 1/2 of respondents would increase this category. The largest response was in road paving and sidewalk renewal. Average submitted change is +3.4% the proposed budget.

Community Grants – Approximately 3/5 of respondents would change the budget but only 25% of respondents would increase the budget with nearly 1/3 decreasing this category. The average submitted change is -1.3% the proposed budget.

Recreation Services – Half of respondents would change the budget with only 1/3 being willing to increase the budget. Average submitted change to the proposed budget is +0.35%. The largest response was in the Parks department followed by Cow Bay Marina indicating outdoor spaces are important to respondents.

Public Safety – 79% of respondents would decrease the Public Safety budget. Of responses, 50% would decrease the RCMP budget and 7% would increase it. 32% would decrease the Fire Service budget. The average submitted change is -5.3% the city's proposed budget.

Special Projects – 28% of respondents would decrease the Special Projects budget. The average submitted change is -8.3% the budget.

Capital Reserve Transfer – 79% of respondents are fine with the Transfer to Capital Reserves with 11% of respondents indicating they would increase it. The average submission is +4.4% higher than the proposed budget.

In 2021 the average submitted decrease to property taxes was \$189,000 whereas in 2022 the average submitted decrease was \$172,000. The average submitted increase to property taxes was \$32,000 in 2021 and this year it was \$33,000.

This year as in last year Transportation was the top expense responders increased, and Public Safety was the top expense decreased.

Excluding the information obtained from the public through the simulation, staff received one written comment from the community.

CONCLUSION:

With the information provided from the public and the information provided by staff to achieve the service levels provided, Council is asked to refer its decision on the proposed budget to the Regular Meeting of Council today, April 25, 2022 so staff may prepare the Five Year Financial Plan Bylaw and related Tax Rate Bylaw which must be adopted by May 13, 2022.

Report Prepared By:

Report Reviewed By:

Corinne Bomben,
Chief Financial Officer, Deputy City Manager

Robert Buchan,
City Manager

Attachment:

- Budget Simulation Data



2022 Budget Simulation Results

Page	Category
1	Total Budget Submission
2	Fees and Charges Revenue
3	General Administrative Services
4	Transportation
5	Community Grants
6	Recreation Services
7	Public Safety
8	Comments
9	Opens by Revenue Category
10	Opens by Expense Category

Budget Submission														
Category Name	\$ submitted changes				Original City Balanced Budget	Interaction data				Respondents change %				Information obtained Of Respondents
	Average Submission Decrease Amount	Average Submission Increase Amount	Average Submission Change	Average Amount Submitted		Total Decrease Clicks	Total Increase Clicks	Total More Info Clicks	Total More Details Clicks	% Submissions Increased	% Submissions Decreased	% Submissions Changed	% Submissions Unchanged	
Property Taxes	\$209,700.00	\$33,111.00	-\$172,253.57	\$23,486,746.00	\$23,659,000.00	82	38	25	2	7.14%	32.14%	39.29%	60.71%	approx 2/3 fine with budget
Fees and Charges *	\$3,509.00	\$9,236.00	\$5,364.29	\$3,210,364.00	\$3,205,000.00	38	50	11		17.86%	10.71%	28.57%	71.43%	approx 7/10 fine with budget
Grants	\$0.00	\$0.00	\$0.00	\$18,732,000.00	\$18,732,000.00				7	0%	0%	0%	100%	Could not change
Debt	\$112,714.00	\$0.00	-\$112,714.29	\$26,187,286.00	\$26,300,000.00	33	34			0%	10.71%	10.71%	89.29%	approx 9/10 fine with debt
Other income/sources of funds	\$0.00	\$0.00	\$0.00	\$11,796,000.00	\$11,796,000.00				12	0%	0%	0%	100%	Could not change
General administrative services *	\$156,506.00	\$19,965.00	-\$130,468.21	\$8,846,532.00	\$8,977,000.00	1326	415	36		10.71%	53.57%	64.29%	35.71%	approx 1/2 would decrease
Transportation services *	\$153,829.00	\$382,640.00	\$223,730.71	\$6,790,731.00	\$6,567,000.00	206	299	40		50%	21.43%	71.43%	28.57%	Approx 1/2 would increase and other would decrease or leave
Community Grants *	\$43,959.00	\$16,744.00	-\$20,037.54	\$1,619,962.00	\$1,640,000.00	432	627	25	3	28.57%	32.14%	60.71%	39.29%	approx 3/5 would change but only 1/4 would increase
Recreation Services *	\$32,936.00	\$49,611.00	\$18,402.79	\$5,312,403.00	\$5,294,000.00	176	55	19	1	32.14%	17.86%	50%	50%	1/2 of people would change but only 1/3 would increase
Public Safety *	\$641,503.00	\$1,988.00	-\$618,166.61	\$11,185,833.00	\$11,804,000.00	432	281	27		3.57%	78.57%	82.14%	17.86%	approx 3/4 would decrease
Capital Projects	\$0.00	\$0.00	\$0.00	\$48,237,000.00	\$48,237,000.00				39	0%	0%	0%	100%	Could not change
Special Projects	\$99,565.00	\$25,000.00	-\$63,928.57	\$709,071.00	\$773,000.00	250	26	33		17.86%	28.57%	46.43%	53.57%	approx 1/2 would change with 1/4 decreasing
Capital Reserve Transfer	\$12,800.00	\$32,320.00	\$17,428.57	\$417,429.00	\$400,000.00	76	169	22		10.71%	10.71%	21.43%	78.57%	3/4 fine with budget with 1/2 of those who would change would increase
Total Surplus				\$293,435.00	\$0.00									

Note: * - More details attached

Fees and Charges Revenue

Subcategory Name	\$ submitted changes				Original	Interaction data				Respondents change %				Information obtained
	Average Submission Decrease Amount	Average Submission Increase Amount	Average Submission Change	Average Amount Submitted	City Balanced Budget	Total Decrease Clicks	Total Increase Clicks	Total More Info Clicks	Total More Details Clicks	% Submissions Increased	% Submissions Decreased	% Submissions Changed	% Submissions Unchanged	Of Respondents
Airport Ferry	\$0.00	\$3,929.00	\$3,928.57	\$878,929.00	\$875,000.00		1	4	1	14.29%	0%	14.29%	85.71%	14% would increase fees
Cemetery services	\$0.00	\$0.00	\$0.00	\$149,000.00	\$149,000.00			2	1	0%	0%	0%	100%	
Cow Bay Marina	\$0.00	\$0.00	\$0.00	\$257,000.00	\$257,000.00			13	2	0%	0%	0%	100%	
Development and licences	\$10,926.00	\$1,400.00	-\$9,285.71	\$555,714.00	\$565,000.00	26	14	9	1	3.57%	10.71%	14.29%	85.71%	11% would decrease fees
Other service fees	\$0.00	\$0.00	\$0.00	\$324,000.00	\$324,000.00			3		0%	0%	0%	100%	
Public Transit	\$0.00	\$1,786.00	\$1,785.71	\$202,786.00	\$201,000.00					17.86%	0%	17.86%	82.14%	18% would increase fees
Recreation	\$0.00	\$8,936.00	\$8,935.71	\$842,936.00	\$834,000.00	12	35	9	1	14.29%	0%	14.29%	85.71%	14% would increase fees
				\$3,210,365.00	\$3,205,000.00									\$5,365.00
				100.17%	100%									0.17% increase to fees submitted

General Administrative Services

Subcategory Name	\$ submitted changes				Original	Interaction data				Respondents change %				Information obtained	
	Average Submission Decrease Amount	Average Submission Increase Amount	Average Submission Change	Average Amount Submitted	City Balanced Budget	Total Decrease Clicks	Total Increase Clicks	Total More Info Clicks	Total More Details Clicks	% Submissions Increased	% Submissions Decreased	% Submissions Changed	% Submissions Unchanged	Of Respondents	
Cemetery	\$5,786.00	\$0.00	-\$5,785.71	\$294,214.00	\$300,000.00	132	34	15		0%	10.71%	10.71%	89.29%	10% of respondents would decrease budget	
Civic Buildings Maintenance	\$0.00	\$6,013.00	\$6,012.50	\$461,013.00	\$455,000.00	4	71	16		10.71%	0%	10.71%	89.29%	10 % of respondents would increase budget	
Corporate Administration	\$55,085.00	\$0.00	-\$55,085.00	\$902,915.00	\$958,000.00	444	16	35	4	0%	39.29%	39.29%	60.71%	40% of respondents would decrease budget	
Development and Planning Services	\$28,669.00	\$1,852.00	-\$26,190.00	\$1,331,810.00	\$1,358,000.00	183	11	24	2	3.57%	21.43%	25%	75%	21% of respondents would decrease budget	
Economic Development	\$3,673.00	\$703.00	-\$2,938.93	\$208,061.00	\$211,000.00	76	107	19	1	3.57%	14.29%	17.86%	82.14%	14% of respondents would decrease budget	
Engineering	\$8,950.00	\$2,071.00	-\$6,780.71	\$856,219.00	\$863,000.00	86	82	13		3.57%	10.71%	14.29%	85.71%	10% of respondents would decrease budget	
Information Technology	\$20,907.00	\$4,544.00	-\$16,590.00	\$571,410.00	\$588,000.00	132	85	13	1	3.57%	21.43%	25%	75%	21% of respondents would decrease budget	
Financial Services	\$13,662.00	\$0.00	-\$13,662.14	\$603,338.00	\$617,000.00	85	6	27	2	0%	17.86%	17.86%	82.14%	18% of respondents would decrease budget	
Governance	\$9,448.00	\$0.00	-\$9,448.21	\$397,552.00	\$407,000.00	184	3	29	3	0%	32.14%	32.14%	67.86%	32% of respondents would decrease budget	
Fiscal expenditures	\$0.00	\$0.00	\$0.00	\$2,820,000.00	\$2,820,000.00			23	1	0%	0%	0%	100%	Could not change	
Watson Island	\$0.00	\$0.00	\$0.00	\$400,000.00	\$400,000.00			24		0%	0%	0%	100%	Could not change	
Total				\$8,846,532.00	\$8,977,000.00										-\$130,468.00
				98.55%	100%										1.45% decrease submitted

Transporation

Subcategory Name	\$ submitted changes				Original	Interaction data				Respondents change %				Information obtained
	Average Submission Decrease Amount	Average Submission Increase Amount	Average Submission Change	Average Amount Submitted	City Balanced Budget	Total Decrease Clicks	Total Increase Clicks	Total More Info Clicks	Total More Details Clicks	% Submissions Increased	% Submissions Decreased	% Submissions Changed	% Submissions Unchanged	Of Respondents
Road paving and sidewalk renewal	\$12,941.00	\$272,963.00	\$255,357.14	\$1,355,357.00	\$1,100,000.00	26	155	6	1	39.29%	3.57%	42.86%	57.14%	39% of respondents would increase budget
Roads maintenance	\$24,294.00	\$91,042.00	\$69,570.00	\$2,388,570.00	\$2,319,000.00	41	93	6		25%	3.57%	28.57%	71.43%	25% of respondents would increase budget
Airport Ferry	\$160,200.00	\$10,448.00	-\$145,896.43	\$2,257,104.00	\$2,403,000.00	90	6	12		3.57%	17.86%	21.43%	78.57%	18% of respondents would decrease budget
Transit	\$31,368.00	\$73,904.00	\$44,700.00	\$789,700.00	\$745,000.00	49	45	8		32.14%	10.71%	42.86%	57.14%	32% of respondents would increase budget
Total				\$6,790,731.00	\$6,567,000.00									\$223,731.00
				103%	100%									3% increase submitted

Community Grants

Subcategory Name	\$ submitted changes				Original City Balanced Budget	Interaction data				Respondents change %				Information obtained Of Respondents
	Average Submission Decrease Amount	Average Submission Increase Amount	Average Submission Change	Average Amount Submitted		Total Decrease Clicks	Total Increase Clicks	Total More Info Clicks	Total More Details Clicks	% Submissions Increased	% Submissions Decreased	% Submissions Changed	% Submissions Unchanged	
Library	\$22,724.00	\$4,299.00	-\$15,792.86	\$721,207.00	\$737,000.00	110	70	4	1	14.29%	14.29%	28.57%	71.43%	14% would decrease & 14% would increase budget
Lester Centre of the Arts	\$2,622.00	\$6,655.00	\$4,120.00	\$153,120.00	\$149,000.00	11	83	1		21.43%	7.14%	28.57%	71.43%	21% of respondents would increase budget
Museum of Northern BC	\$643.00	\$1,286.00	\$597.29	\$171,597.00	\$171,000.00	4	36	4		7.14%	7.14%	14.29%	85.71%	7% would decrease & 7% would increase budget
Prince Rupert Golf Club	\$15,680.00	\$1,391.00	-\$12,857.14	\$147,143.00	\$160,000.00	70	29	1		10.71%	17.86%	28.57%	71.43%	17% would increase budget
Prince Rupert Raquet Association	\$55.00	\$91.00	\$33.93	\$10,034.00	\$10,000.00	20	41	1	1	7.14%	7.14%	14.29%	85.71%	7% would decrease & 7% would increase budget
Prince Rupert Wildlife Shelter	\$0.00	\$1,591.00	\$1,591.07	\$8,191.00	\$6,600.00	10	244	1		28.57%	0%	28.57%	71.43%	28% would increase budget
CHSS Evergreen Program	\$67.00	\$26.00	-\$37.50	\$1,713.00	\$1,750.00	4	12	6		7.14%	3.57%	10.71%	89.29%	7% would increase budget
Ecotrust Canada	\$923.00	\$94.00	-\$776.79	\$6,723.00	\$7,500.00	123	2	9		7.14%	14.29%	21.43%	78.57%	14% would decrease budget
Prince Rupert Arts Council	\$417.00	\$815.00	\$428.57	\$20,429.00	\$20,000.00	25	47	4		14.29%	3.57%	17.86%	82.14%	14% would increase budget
Prince Rupert Special Events	\$0.00	\$1,607.00	\$1,607.14	\$28,607.00	\$27,000.00		6	2		25%	0%	25%	75%	25% would increase budget
SPCA - Prince Rupert Branch	\$0.00	\$1,650.00	\$1,650.00	\$31,650.00	\$30,000.00		28	2		7.14%	0%	7.14%	92.86%	7% would increase budget
Hotel Tax flow through to Tourism Prince Rupert	\$0.00	\$0.00	\$0.00	\$280,000.00	\$280,000.00				10	0%	0%	0%	100%	Could not change
Visitors Information Center	\$61.00	\$122.00	\$58.93	\$17,059.00	\$17,000.00	36	15	1		3.57%	3.57%	7.14%	92.86%	3% would decrease & 3% would increase budget
In-Kind grant services	\$995.00	\$284.00	-\$660.18	\$22,490.00	\$23,150.00	19	14	11	1	7.14%	7.14%	14.29%	85.71%	7% would decrease & 7% would increase budget
				\$1,619,963.00	\$1,640,000.00									- \$20,037.00 1% decrease submitted
				99%	100%									

Recreation Services

Subcategory Name	\$ submitted changes				Original	Interaction data				Respondents change %				Information obtained
	Average Submission Decrease Amount	Average Submission Increase Amount	Average Submission Change	Average Amount Submitted	City Balanced Budget	Total Decrease Clicks	Total Increase Clicks	Total More Info Clicks	Total More Details Clicks	% Submissions Increased	% Submissions Decreased	% Submissions Changed	% Submissions Unchanged	Of Respondents
Arena	\$633.00	\$633.00	\$0.00	\$441,000.00	\$441,000.00	4	4	3	1	3.57%	3.57%	7.14%	92.86%	3% would increase & 3 % would decrease budget
Civic Centre	\$6,516.00	\$12,531.00	\$5,817.86	\$1,810,818.00	\$1,805,000.00	15	7	8	1	10.71%	7.14%	17.86%	82.14%	10% would increase budget
Swimming Pool	\$9,508.00	\$6,867.00	-\$2,207.14	\$1,503,793.00	\$1,506,000.00	13	6	6	1	7.14%	3.57%	10.71%	89.29%	7% would increase budget
Parks	\$13,562.00	\$27,646.00	\$16,468.14	\$1,311,468.00	\$1,295,000.00	34	25	9	1	32.14%	7.14%	39.29%	60.71%	32% would increase budget
Cow Bay Marina	\$2,577.00	\$475.00	-\$1,676.07	\$245,324.00	\$247,000.00	110	13	2	1	17.86%	7.14%	25%	75%	17% would increase budget
Total				\$5,312,403.00	\$5,294,000.00									\$18,403.00
				100.35%	100%									0.35% increase submitted

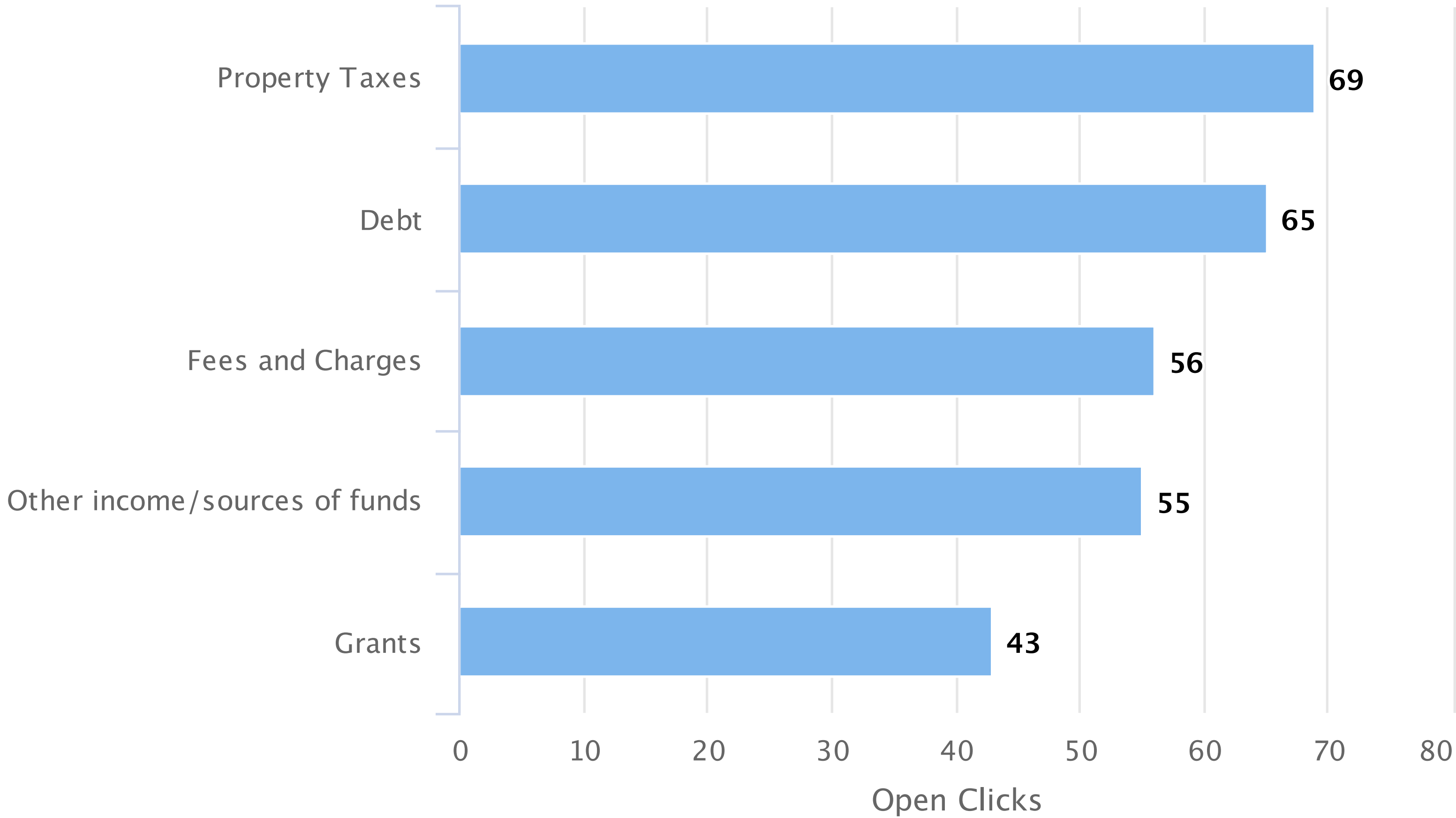
Public Safety

Subcategory Name	\$ submitted changes				Original City Balanced Budget	Interaction data				Respondents change %				Information obtained Of Respondents
	Average Submission Decrease Amount	Average Submission Increase Amount	Average Submission Change	Average Amount Submitted		Total Decrease Clicks	Total Increase Clicks	Total More Info Clicks	Total More Details Clicks	% Submissions Increased	% Submissions Decreased	% Submissions Changed	% Submissions Unchanged	
Fire Service	\$256,771.00	\$0.00	-\$256,771.07	\$4,842,229.00	\$5,099,000.00	215	31	21	6	0%	32.14%	32.14%	67.86%	32% would decrease the budget
RCMP	\$490,500.00	\$37,371.00	-\$436,778.57	\$6,103,221.00	\$6,540,000.00	202	43	13	3	7.14%	50%	57.14%	42.86%	50% would decrease budget
Victim Services	\$2,871.00	\$86,496.00	\$75,383.04	\$240,383.00	\$165,000.00	15	207	11		35.71%	10.71%	46.43%	53.57%	35% would increase budget
Total				\$11,185,833.00 95%	\$11,804,000.00 100%									-\$618,167.00 5% decrease submitted

2022 Budget Simulation Comments

- 1) Why do we employ so many full time fire fighters compared to much larger communities who have 1-2 FT employees with the rest being volunteers. Less fire fighters and more paramedics as first responders.
- 2) I would like more money to go towards this. Helping our future leaders with disabilities
- 3) Should be a volunteer fire department with maybe 5 to 10 full time employees. We pay way to much for people to sit around at a starting wage of 100k per yr

Opens by Revenue Category



Opens by Expense Category

