

CITY OF PRINCE RUPERT

2012 AMENDED FIVE YEAR FINANCIAL PLAN BYLAW NO. 3330, 2012

A BYLAW FOR THE CITY OF PRINCE RUPERT RESPECTING THE FIVE YEAR FINANCIAL PLAN FOR THE PERIOD 2012 - 2016

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

1. **Schedule "A"** attached hereto and made part of this Bylaw is hereby declared to be the Amended Five Year Financial Plan of City of Prince Rupert for the period ending December 31st, 2016.
2. This Bylaw may be cited as **"2012 Amended Five Year Financial Plan Bylaw No. 3330, 2012"**.

READ A FIRST TIME this 13 day of NOVEMBER, 2012.

READ A SECOND TIME this 13 day of NOVEMBER, 2012.

READ A THIRD TIME this 13 day of NOVEMBER, 2012.

FINALLY CONSIDERED AND ADOPTED this ____ day of _____, 2012.

Mayor

Corporate Administrator

Schedule "A"

The Community Charter requires certain information to 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 1 shows the proportion and value of the total revenue proposed to be raised from each funding source in 2012. Property value taxes form the greatest percentage of the revenue of the municipality. The property taxation system is relatively easy to administer and understand. It provides a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. These include services such as fire protection, police protection, bylaw enforcement, libraries and street-lighting. For these reasons, property value taxation will continue to be the major source of municipal revenue.

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

Table 1

Funding Source	Percentage (%) of Revenue	Dollar Value
Municipal Property Taxes	39%	14,083,000
Parcel Taxes	0%	60,000
Payment in Lieu of Taxes & Provincial Grants	8%	3,014,000
User Fees & Charges	37%	13,219,000
Reserves & Operating Surpluses	13%	4,515,000
Conditional Grants	3%	1,006,000
Proceeds from Borrowing	0%	
Total	100%	35,897,000

Schedule "A"

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

Policy

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

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

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

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

Table 2 shows the current property tax revenues of each classification.

Table 2

Property Class	% Of Tax Revenue	Dollar Value
Residential	46%	6,446,000
Utility	1%	152,000
Major Industry	0%	8,000
Port Property Tax Act	18%	2,542,000
Light Industry	4%	504,000
Business	31%	4,413,000
Recreation Non-profit	0%	18,000
Total	100%	14,083,000

Objective

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- 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 review its existing permissive property tax exemption practices; and,
- Council will continue to financially support an Economic Development Office.

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

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

Objectives

- Council will continue to provide permissive tax exemptions;
- Council will consider expanding the permissive tax exemptions to include green development for the purpose of meeting our Climate Action Commitments; and,
- Council will develop a Permissive Tax Exemption Policy.

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 if the exemption is granted; and,
 - c. City of Prince Rupert Property Revitalization Bylaw 3313, 2012.

The properties on the following schedule received partial or full permissive tax exemptions for 2012. The approximate amount of Municipal Tax exempted was \$411,948.

Table 3

2012 AMENDED FIVE YEAR FINANCIAL PLAN BYLAW NO. 3330, 2012

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Occupier Identity/Facility	Exemption Amt.
Church Groups	
Anglican Church Cathedral	\$468.55
Bethel First Baptist Church	\$324.22
Church of Jesus Christ of Latter Day Saints Church	\$897.25
Conerstone Mennonite Brethren Church	\$525.64
Fellowship Baptist Church	\$409.31
First Presbyterian Church	\$560.11
The Salvation Army	\$769.07
Harvest Time United Pentecostal Church	\$159.42
Indo-Canadian Sikh Association Temple	\$324.22
Jehovah's Witnesses Kingdom Hall	\$1,809.58
Jehovah's Witnesses Kingdom Hall Parking Lot	\$323.14
New Life United Pentecostal Church	\$312.37
Prince Rupert Church of Christ Church	\$732.45
Prince Rupert Native Revival Centre	\$736.76
Prince Rupert Pentecostal Tabernacle	\$471.78
Prince Rupert Sikh Missionary Society Temple	\$721.68
Roman Catholic Annunciation School	\$435.16
Roman Catholic Annunciation School Basketball Court	\$519.18
Roman Catholic Annunciation School Gym	\$129.79
Roman Catholic Annunciation School Playground	\$908.02
Roman Catholic Episcopal Church	\$171.26
St. Paul's Lutheran Church	\$144.34
United Church of Canada	\$61.40
United Church of Canada Parking	\$129.26
United Church of Canada Parking	\$129.26
Sub-total Church Groups	\$12,175.18
Service Groups	
BC Society for the Prevention of Cruelty to Animals	\$403.44
BC Society for the Prevention of Cruelty to Animals	\$907.75
BC Society for the Prevention of Cruelty to Animals	\$16,627.64
Prince Rupert Loyal Order of Moose/Moose Lodge	\$7,827.53
Prince Rupert Marine Rescue Society & Prince Rupert Search & Rescue Society	\$1,372.43
Prince Rupert Salmoind Enhancement Society	\$1,941.57
Royal Canadian Legion Prince Rupert #27	\$9,797.92
Sub-total Service Groups	\$38,878.27
Cultural & Recreational Facilities	
Cultural Dance Centre & Carving House	\$17,434.53
Jim Pattison Ind. Ltd (Canfisco Municipal Boat Launch Facility)	\$7,787.90
Northern British Columbia Museum Assoc.	\$40,569.85
Performing Arts Centre	\$211,627.78
Prince Rupert Amateur Radio Club	\$133.28
Prince Rupert Curling Club	\$5,116.37
Prince Rupert Golf Society	\$20,660.43
Prince Rupert Golf Society	\$1,167.61
Prince Rupert Heritage Committee #1 Pacific Place	\$7,258.38
Prince Rupert Racquet Association	\$2,636.81
Prince Rupert Rod & Gun Club	\$4,008.00
Sub-total Cultural & Recreation Facilities	\$318,400.95
Social Service Groups	
Cedar Road Aboriginal Justice Program Society	\$3,609.78
Friendship House Association of Prince Rupert	\$18,826.93
Kaien Island Daycare Services Family Resource Centre	\$2,639.69
Kaien Senior Citizen' Housing	\$437.38
North Coast Transition Society	\$2,271.01
Prince Rupert Association for Community Living	\$953.26
Prince Rupert Community Enrichment Society	\$3,201.84
Prince Rupert Community Enrichment Society	\$2,854.39
Prince Rupert Senior Centre Association	\$3,058.85
Prince Rupert Senior Citizens Housing Society	\$4,642.95
Sub-total Social Service Groups	\$42,496.08
Estimated Total Permissive Property Tax Exemptions	
	\$411,948.48

Schedule "A"

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

The proposed expenditures for the current year by Fund are:

Table 4

Proposed Expenditures	Amount
General Operating Fund	28,754,000
Sewer Utility Fund	2,400,000
Solid Waste Fund	2,366,000
Water Utility Fund	2,377,000
Total	35,897,000

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

The proposed funding sources for the current year are:

Table 5

Funding Source	Percentage (%) of Revenue	Dollar Value
Municipal Property Taxes	39%	14,083,000
Parcel Taxes	0%	60,000
Payment in Lieu of Taxes & Provincial Grants	8%	3,014,000
User Fees & Charges	37%	13,219,000
Reserves & Operating Surpluses	13%	4,515,000
Conditional Grants	3%	1,006,000
Proceeds from Borrowing	0%	
Total	100%	35,897,000

Schedule "A"

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

Nil

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 \$994,653.

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

Capital Purchases

2012 Capital Purchases are:

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Table 6

Description	2012
<u>Water Utility</u>	
Equipment Purchase (Trucks)	100,000
<u>Sewer Utility</u>	
Equipment Purchase (Dumptruck)	100,000
<u>Solid Waste</u>	
Equipment Purchase Excavator or Roll - off	250,000
<u>Public Works</u>	
Plow & Sander Attachment for Dump truck	50,000
<u>RCMP</u>	
Surveillance Cameras (installation) Phase II & Hard drives	56,000
Expanded Light Spectrum Poli-Flare Illuminating Tool	12,000
Intoximeter (replacement of existing breath analysis equipment)	9,000
Evidence Camera (lowlight ability)	6,000
<u>Ferry</u>	
Dock Engineering Study	20,000
Dock Repairs 2012, (total cost est \$700,000)	200,000
<u>Fire Protection</u>	
FireHall Generator (partial funding JEPP Grant) initiated 2011	43,000
<u>Information Technology</u>	
Ongoing technology upgrades	30,000
Council TV Feed Replacement	15,000
<u>Recreation Complex</u>	
Energy Review	50,000
Recreation Sign (rolled over from 2011)	60,000
Energy System Upgrade	120,000
Chiller for Area	120,000
<u>Racquet Court Building</u>	
Capital upgrade	25,000
<u>Golf Course</u>	
Equipment	40,000
<u>Purchase of Land/Building</u>	25,000
Total	1,331,000

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Capital Works

2012 Capital Works are:

Table 7

Fund	Description	2012
Operating		\$
Public Safety Building	Upgrade cell block for prisoner & custodian protection	1,100,000
RCMP/Fire Hall Building Study	Continue process initiated by Council in 2011	125,000
Duncan Road Extension	Build road in industrial park	1,000,000
"Dimmer" Street Lights	Green Initiative to reduce electrical consumption	360,000
LED Street Lights	Green Initiative to reduce electrical consumption	600,000
Charles Hays Field	Repair soccer infield	310,000
Scheduled Roof Repairs	Major Roofing maintainance	150,000
Storm Drain Portion of Hospital Sewer/Storm Drain Project	Resolve hospital storm drainage issue	50,000
		3,695,000
Solid Waste Utility		
Capital Solid Waste Project	Expand landfill	200,000
		200,000
Water Utility		
Capital Water Project	Water line rebuild 9th Avenue East	400,000
Water Supply Strategic Plan	Stage 1 of water supply plan	25,000
Shawatlans Dam Safety Review	Dam Safety Review	20,000
Shawatlans Dam Repairs	1st year estimate	300,000
		745,000
Sewer Utility		
Capital Sewer Project I	Sewer line rebuild 9th Avenue East	500,000
Sewer Portion of Hospital Sewer/Storm Drain Project	Resolve hospital storm drainage issue	50,000
Hays Creek Secondary Pump	Install secondary pump for Hays Creek line	660,000
Liquid Waste Management Plan	Commission Stage III	88,000
		1,298,000
Aggregate		5,938,000

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

Nil

Schedule "A"

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

Nil

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

The Financial Plan proposes the following transfers:

Table 8

Transfer of Reserves	Amount
From:	
Operating Fund	100,000
Equipment Reserve	65,000
Land Reserve	25,000
General Reserve	1,600,000
	1,790,000
To:	
Operating Fund Capital Works & Capital Purchases	1,690,000
Ferry Reserve	100,000
	1,790,000

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

The Accumulated Fund Surplus funds being used this year to fund Capital Purchases and Capital Works Projects are:

Table 9

Transfers of Accumulated Surplus	Amount
General Operating	2,579,000
Utility Operating Funds	120,000
Total	2,699,000

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13) General Operating Fund Departmental Budgets

Table 10(a)

GENERAL OPERATING FUND	2012	2013	2014	2015	2016
<u>Revenues by Department</u>					
Airport Ferry	1,140,000	1,174,000	1,209,000	1,246,000	1,284,000
Cemetery	40,000	47,000	47,000	47,000	47,000
Corporate Administration	8,000	8,000	8,000	8,000	8,000
Development Services	383,000	384,000	389,000	394,000	399,000
Finance	8,000	8,000	8,000	8,000	8,000
FD Fire Protective Services	2,000	2,000	2,000	2,000	2,000
FD 911	207,000	207,000	207,000	207,000	207,000
Fiscal Revenues	5,704,000	5,704,000	5,704,000	5,704,000	5,704,000
Information Technology	2,000	2,000	2,000	2,000	2,000
Parks	-	-	-	-	-
PW Engineering	3,000	3,000	3,000	3,000	3,000
PW Common Revenues	11,000	11,000	11,000	11,000	11,000
RCMP	98,000	131,000	131,000	131,000	131,000
Rec. Centre Arena	149,000	153,000	156,000	159,000	162,000
Rec. Centre Civic Centre	189,000	193,000	197,000	201,000	205,000
Rec. Centre Community Services	16,000	16,000	16,000	16,000	16,000
Rec. Centre Pool	367,000	373,000	379,000	386,000	393,000
Transit	359,000	370,000	381,000	392,000	404,000
Victim Services	54,000	54,000	54,000	54,000	54,000
Watson Island	1,218,000	-	-	-	-
	9,958,000	8,840,000	8,904,000	8,971,000	9,040,000
Property Taxes (existing)	13,915,000	14,083,000	14,809,000	15,397,000	16,005,000
Proposed Property Tax Increase	168,000	726,000	588,000	608,000	630,000
Appropriated Surplus for Operating Fund	137,000				
Total Operating Fund Revenues	24,178,000	23,649,000	24,301,000	24,976,000	25,675,000

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Table 10(b)

GENERAL OPERATING FUND	2012	2013	2014	2015	2016
<u>Expenditures by Department</u>					
Airport Ferry	1,931,000	1,995,000	2,062,000	2,130,000	2,202,000
Cemetery	246,000	250,000	254,000	259,000	264,000
Civic Properties	322,000	331,000	336,000	341,000	346,000
Corporate Administration	565,000	581,000	597,000	614,000	631,000
Development Services	646,000	662,000	684,000	707,000	730,000
FD 911	448,000	462,000	478,000	495,000	512,000
FD Fire Protective Services	2,189,000	2,335,000	2,409,000	2,485,000	2,564,000
FD Emergency Measures	27,000	27,000	27,000	27,000	27,000
Finance	761,000	787,000	815,000	843,000	872,000
Finance Cost Allocation	(363,000)	(363,000)	(363,000)	(363,000)	(363,000)
Fiscal Expenditures	2,075,000	2,088,000	2,088,000	2,088,000	2,088,000
Governance	267,000	276,000	285,000	295,000	305,000
Contributions to Support Other Organizations	1,360,000	1,360,000	1,360,000	1,360,000	1,360,000
Information Technology	358,000	367,000	376,000	385,000	394,000
Parks	859,000	877,000	895,000	914,000	933,000
PW Engineering	477,000	540,000	558,000	577,000	596,000
PW Common Costs	3,039,000	3,141,000	3,219,000	3,298,000	3,380,000
Allocation of PW Common Cost	(3,118,000)	(3,205,000)	(3,295,000)	(3,387,000)	(3,482,000)
PW Vehicles	1,118,000	1,142,000	1,166,000	1,190,000	1,215,000
Allocation of PW Vehicles	(865,000)	(874,000)	(883,000)	(892,000)	(901,000)
RCMP	4,544,000	4,725,000	4,913,000	5,109,000	5,313,000
Rec. Centre Arena	307,000	309,000	318,000	328,000	338,000
Rec. Centre Civic Centre	1,526,000	1,565,000	1,611,000	1,657,000	1,706,000
Rec. Centre Community Services	14,000	8,000	8,000	8,000	8,000
Rec. Centre Pool	1,137,000	1,091,000	1,124,000	1,159,000	1,195,000
Roads	2,212,000	2,259,000	2,307,000	2,356,000	2,406,000
Transit	764,000	798,000	836,000	875,000	916,000
Victim Services	109,000	110,000	111,000	113,000	115,000
Watson Island	1,218,000	-	-	-	-
Transfer to Reserves	5,000	5,000	5,000	5,000	5,000
Total Operating Fund Expenditures	24,178,000	23,649,000	24,301,000	24,976,000	25,675,000
Surplus(Deficit)	-	-	-	-	-

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Schedule "A"

14) Utility Fund Revenue & Expenditure Budgets

Table 11

UTILITY OPERATING FUNDS	2012	2013	2014	2015	2016
Sewer					
Revenues	1,948,000	1,810,000	1,864,000	1,920,000	1,977,000
Transfers for capital purchases	(100,000)	(250,000)	(250,000)	(250,000)	(250,000)
Transfers for capital works	(610,000)	(500,000)	(500,000)	(600,000)	(700,000)
Revenue for operations	1,238,000	1,060,000	1,114,000	1,070,000	1,027,000
Expenditures	1,002,000	1,014,000	1,028,000	1,043,000	1,058,000
Surplus (Deficit)	236,000	46,000	86,000	27,000	(31,000)
Water					
Revenues (net of capital purchases & works)	2,227,000	2,293,000	2,361,000	2,431,000	2,503,000
Transfers for capital purchases	(100,000)	(100,000)	(100,000)	(160,000)	(160,000)
Transfers for capital works	(745,000)	(600,000)	(600,000)	(600,000)	(600,000)
Revenue for operations	1,382,000	1,593,000	1,661,000	1,671,000	1,743,000
Expenditures	1,532,000	1,543,000	1,567,000	1,591,000	1,616,000
Surplus (Deficit)	(150,000)	50,000	94,000	80,000	127,000
Solid Waste					
Revenues (net of capital purchases & works)	2,160,000	2,215,000	2,271,000	2,329,000	2,388,000
Transfers for capital purchases	(200,000)	(150,000)	(150,000)	(150,000)	(150,000)
Transfers for capital works	(250,000)	-	-	-	-
Revenue for operations	1,710,000	2,065,000	2,121,000	2,179,000	2,238,000
Expenditures	1,916,000	1,948,000	1,981,000	2,015,000	2,050,000
Surplus (Deficit)	(206,000)	117,000	140,000	164,000	188,000