

CITY OF PRINCE RUPERT

2015 FIVE YEAR FINANCIAL PLAN BYLAW NO. 3368, 2015

A BYLAW FOR THE CITY OF PRINCE RUPERT RESPECTING THE FIVE YEAR FINANCIAL PLAN FOR THE PERIOD 2015 - 2019

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, 2019.
2. This Bylaw may be cited as **“2015 Five Year Financial Plan Bylaw No. 3368, 2015”**.

Read a First time this 13th day of April, 2015.

Read a Second time this 13th day of April, 2015.

Read a Third time this 13th day of April, 2015.

Finally considered and adopted this 16th day of April, 2015.

Mayor

Corporate Administrator

Schedule "A"

CITY OF PRINCE RUPERT

2015 Five Year Financial Plan
April 13, 2015

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 2015. 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, 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	30%	14,964,000
Parcel Taxes	0%	61,000
Payment in Lieu of Taxes & Provincial Grant	8%	3,737,000
User Fees & Charges	30%	14,547,000
Reserves	5%	2,516,000
Accumulated General Operating Surplus	5%	2,440,000
Accumulated Utilities Operating Surplus	1%	315,000
Conditional Grants	15%	7,483,000
Dividend – Prince Rupert Legacy	5%	2,750,000
Debt Financing	1%	350,000
Total	100%	49,163,000

Schedule "A"

CITY OF PRINCE RUPERT
2015 Five Year Financial Plan
April 13, 2015

Objective

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

Policy

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

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

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

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

Table Two (2) shows the current property tax revenues of each classification:

Table 2

Property Class	% of Tax Revenue	Amount (\$)
Residential	45%	6,763,000
Utility	1%	161,000
Major Industry	0%	0
Major Industry Port Property Tax Act	20%	2,914,000
Light Industry	4%	555,000
Business	30%	4,552,000
Recreation	0%	19,000
Total	100%	14,964,000

Schedule "A"

CITY OF PRINCE RUPERT
2015 Five Year Financial Plan
April 13, 2015

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 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.

Table Three (3) shows the properties which received partial or full permissive tax exemptions for 2015. The approximate amount of Municipal Tax exempted was \$349,306

Schedule "A"

CITY OF PRINCE RUPERT
 2015 Five Year Financial Plan
 April 13, 2015

Table 3

Occupier Identity/Facility	2015 Estimated Exemption Amt.
<u>Places of Worship - Green Space only</u>	
Anglican Church Cathedral	\$486.06
Bethel First Baptist Church	\$224.05
Church of Jesus Christ of Latter Day Saints Church	\$336.27
Conerstone Mennonite Brethren Church	\$183.34
Fellowship Baptist Church	\$81.29
First Presbyterian Church	\$99.37
The Salvation Army	\$123.11
Harvest Time United Pentecostal Church	\$31.82
Indo-Canadian Sikh Association Temple	\$25.67
Jehovah's Witnesses Kingdom Hall	\$386.35
Jehovah's Witnesses Kingdom Hall Parking Lot Green Space	\$93.90
Prince Rupert Church of Christ Church	\$177.48
Prince Rupert Native Revival Centre	\$135.06
Prince Rupert Pentecostal Tabernacle	\$168.57
Prince Rupert Sikh Missionary Society Temple	\$183.28
Roman Catholic Episcopal Church	\$98.64
St. Paul's Lutheran Church	\$136.67
United Church of Canada	\$35.65
Sub-total Places of Worship - Green Space	\$2,735.62
<u>Designated Properties</u>	
Roman Catholic Annunciation School	\$36,783.36
Roman Catholic Annunciation School Basketball Court	\$299.48
Roman Catholic Annunciation School Gym	\$3,726.52
Roman Catholic Annunciation School Playground	\$524.09
Cultural Dance Centre & Carving House	\$13,563.64
Jim Pattison Ind. Ltd (Canfisco Municipal Boat Launch Facility)	\$7,372.27
Northern British Columbia Museum Assoc.	\$37,850.07
Performing Arts Centre	\$153,656.23
Prince Rupert Golf Society	\$12,462.97
Prince Rupert Golf Society	\$2,979.06
Prince Rupert Racquet Association	\$1,615.05
School District No. 52 (Prince Rupert) (Pacific Coast School)	\$5,637.13
School District No. 52 (Prince Rupert) (Pacific Coast School)	\$119.76
Sub-total Designated Properties	\$276,589.61

Schedule "A"

CITY OF PRINCE RUPERT
 2015 Five Year Financial Plan
 April 13, 2015

Table3 Continued

Occupier Identity/Facility	2015 Estimated Exemption Amount at 80%
<u>Non-Designated Properties</u>	
BC Society for the Prevention of Cruelty to Animals	\$247.32
BC Society for the Prevention of Cruelty to Animals	\$561.48
BC Society for the Prevention of Cruelty to Animals	\$9,509.59
Prince Rupert Loyal Order of Moose/Moose Lodge	\$2,312.41
Prince Rupert Marine Rescue Society	\$984.83
Prince Rupert Salmandoid Enhancement Society	\$1,285.62
Royal Canadian Legion Prince Rupert #27	\$5,514.58
Prince Rupert Heritage Committee #1 Pacific Place	\$1,353.60
Prince Rupert Amateur Radio Club	\$202.76
Prince Rupert Curling Club	\$10,394.15
Prince Rupert Rod & Gun Club	\$2,714.14
Cedar Road Aboriginal Justice Program Society	\$1,969.72
Friendship House Association of Prince Rupert	\$21,489.69
Kaien Island Daycare Services Family Resource Centre	\$1,012.50
Kaien Senior Citizen' Housing	\$840.94
Prince Rupert Association for Community Living	\$249.57
Prince Rupert Community Enrichment Society	\$1,654.92
Prince Rupert Community Enrichment Society	\$1,188.88
Prince Rupert Senior Citizens Housing Society	\$3,758.12
Prince Rupert Senior Centre Association	\$1,334.58
Sub-total Non-Designated Properties	\$68,579.39
<u>Places of Worship - Parking Lots</u>	2015 Estimated Exemption Amount at 60%
Bethel First Baptist Church	\$60.61
Church of Jesus Christ of Latter Day Saints Church	\$62.39
Conerstone Mennonite Brethren Church	\$32.98
Fellowship Baptist Church	\$82.00
First Presbyterian Church	\$8.02
The Salvation Army	\$27.63
Harvest Time United Pentecostal Church	\$16.93
Indo-Canadian Sikh Association Temple	\$45.28
Jehovah's Witnesses Kingdom Hall	\$466.15
Jehovah's Witnesses Kingdom Hall Parking Lot	\$63.28
Prince Rupert Church of Christ Church	\$94.48
Prince Rupert Native Revival Centre	\$56.15
Prince Rupert Pentecostal Tabernacle	\$102.50
Prince Rupert Sikh Missionary Society Temple	\$205.89
United Church of Canada Parking	\$44.57
United Church of Canada Parking	\$32.09
Sub-total Places of Worship - Parking Lots	\$1,400.95
Estimated Total Permissive Property Tax Exemptions	\$349,305.57

Schedule "A"

CITY OF PRINCE RUPERT
 2015 Five Year Financial Plan
 April 13, 2015

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

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

Table 4

Proposed Expenditures	Amount (\$)
Operating Fund	38,232,000
Sewer Utility Fund	3,278,000
Solid Waste Fund	4,433,000
Water Utility Fund	3,220,000
Total	49,163,000

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

Table Five (5) shows the proposed funding sources for the current year:

Table 5

Funding Source	Percentage (%) of Revenue	Dollar Value
Municipal Property Taxes	30%	14,964,000
Parcel Taxes	0%	61,000
Payment in Lieu of Taxes & Provincial Grant	8%	3,737,000
User Fees & Charges	30%	14,547,000
Reserves	5%	2,516,000
Accumulated General Operating Surplus	5%	2,440,000
Accumulated Utilities Operating Surplus	1%	315,000
Conditional Grants	15%	7,483,000
Dividend – Prince Rupert Legacy	5%	2,750,000
Debt Financing	1%	350,000
Total	100%	49,163,000

Schedule "A"

CITY OF PRINCE RUPERT
2015 Five Year Financial Plan
April 13, 2015

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

\$0

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 \$2,772,000.

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

Capital Purchases

Table Six (6) shows the 2015 Capital Purchases:

Table 6

Department	Amount (\$)
RCMP	60,000
Fire Protection	390,000
Information Technology	50,000
Bylaw	60,000
Recreation Complex	1,055,000
Ferry	500,000
City Hall	125,000
Civic Properties	420,000
Golf Course	50,000
Purchase of Land/Building	25,000
Public Works	550,000
Total	3,285,000

Schedule "A"

CITY OF PRINCE RUPERT
2015 Five Year Financial Plan
April 13, 2015

Capital Works

Table Seven (7) shows the 2015 Capital Works:

Table 7

Fund	Amount (\$)
Water Utility	1,385,000
Sewer Utility	1,553,000
Solid Waste Utility	1,700,000
Operating	6,606,000
Total	11,244,000

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))

Nil

Schedule "A"

CITY OF PRINCE RUPERT

2015 Five Year Financial Plan

April 13, 2015

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

Table Eight (8) proposes the following transfers:

Table 8

Transfer of Reserves	Amount (\$)
From:	
Equipment Reserve	(950,000)
Land Reserve	(336,000)
General Reserve	(1,230,000)
Total	(2,516,000)
To:	
General Operating Fund Capital Works	1,541,000
General Operating Fund Capital Purchases	975,000
Total	2,516,000

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

Table Nine (9) shows the Accumulated Operating Fund Surpluses being used this year to fund Capital Purchases and Capital Works, as well as repay debt.

Table 9

Transfers of Accumulated Surplus	Amount (\$)
From:	
Operating Fund	(2,440,000)
Water Utility Fund	(315,000)
Total	(2,755,000)
To:	
Operating Fund	2,440,000
Water Utility Fund	315,000
Total	2,755,000

Schedule "A"

CITY OF PRINCE RUPERT
2015 Five Year Financial Plan
April 13, 2015

13) General Operating Fund Departmental Budgets

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

Table 10(a)

GENERAL OPERATING FUND	2015	2016	2017	2018	2019
<u>Revenues by Department</u>					
Airport Ferry	1,649,000	1,718,000	1,801,000	1,887,000	1,978,000
Cemetery	60,000	60,000	60,000	60,000	60,000
Corporate Administration	6,000	6,000	6,000	6,000	6,000
Development Services	422,000	378,000	371,000	371,000	372,000
Finance	7,000	7,000	7,000	7,000	7,000
FD Fire Protective Services	2,000	2,000	2,000	2,000	2,000
FD 911	150,000	150,000	150,000	150,000	150,000
Fire Emergency Services	-	-	-	-	-
Fiscal Revenues	6,957,000	7,269,000	7,269,000	7,269,000	7,269,000
Information Technology	3,000	3,000	3,000	3,000	3,000
PW Engineering	3,000	3,000	3,000	3,000	3,000
Parks	5,000	5,000	5,000	5,000	5,000
PW Common Revenues	14,000	14,000	14,000	14,000	14,000
RCMP	85,000	105,000	105,000	105,000	105,000
Rec. Centre Arena	178,000	186,000	194,000	203,000	203,000
Rec. Centre Civic Centre	240,000	246,000	258,000	270,000	270,000
Rec. Centre Community Services	18,000	18,000	18,000	18,000	18,000
Rec. Centre Pool	408,000	420,000	432,000	445,000	459,000
Transit	316,000	317,000	318,000	319,000	320,000
Victim Services	54,000	54,000	54,000	54,000	54,000
Watson Island	120,000	-	-	-	-
	10,697,000	10,961,000	11,070,000	11,191,000	11,298,000
Property Taxes (existing)	14,744,000	14,964,000	14,964,000	14,964,000	14,964,000
Property Tax Increase	220,000	91,000	421,000	622,000	818,000
PR Legacy- Injection for Economic Growth Project	1,300,000	1,300,000	1,300,000	1,300,000	-
PR Legacy- Capital Works	1,200,000	-	-	-	-
Appropriated Surplus for Debenture Debt	1,365,000	-	-	-	-
Conditional Project Grants- Capital Works	3,840,000	-	-	-	-
Conditional Project Grants- Capital Purchases	675,000	-	-	-	-
Appropriated Reserves Capital Works	1,541,000	-	-	-	-
Appropriate Reserves Capital Purchases	975,000	-	-	-	-
Appropriated Surplus For Capital Purchases	1,050,000	-	-	-	-
Appropriated Surplus for Capital Works	25,000	-	-	-	-
Long Term Loan (Fire Truck)	350,000	-	-	-	-
NDI Grant for Prince Rupert Airport	250,000	-	-	-	-
Total Operating Fund Revenues	38,232,000	27,316,000	27,755,000	28,077,000	27,080,000

Schedule "A"

CITY OF PRINCE RUPERT
2015 Five Year Financial Plan
April 13, 2015

Table 10(b)

GENERAL OPERATING FUND	2015	2016	2017	2018	2019
Expenditures by Department					
Airport Ferry	2,567,000	2,608,000	2,790,000	2,860,000	2,937,000
Cemetery	194,000	196,000	199,000	201,000	201,000
Civic Properties	344,000	350,000	356,000	362,000	368,000
Corporate Administration	704,000	830,000	836,000	842,000	848,000
Development Services	810,000	817,000	825,000	832,000	840,000
FD 911	488,000	496,000	504,000	512,000	520,000
FD Fire Protective Services	2,821,000	2,885,000	2,902,000	2,918,000	2,923,000
FD Emergency Measures	31,000	32,000	33,000	34,000	35,000
Finance	718,000	783,000	795,000	807,000	819,000
Finance Cost Allocation	(359,000)	(359,000)	(359,000)	(359,000)	(359,000)
Fiscal Expenditures	2,274,000	2,430,000	2,430,000	2,430,000	2,430,000
Governance	327,000	355,000	358,000	361,000	364,000
Grants to Support Other Organizations	1,377,000	1,355,000	1,357,000	1,369,000	1,381,000
Information Technology	468,000	474,000	480,000	486,000	492,000
Parks	822,000	833,000	843,000	853,000	865,000
PW Engineering	412,000	420,000	428,000	436,000	444,000
PW Common Costs	3,363,000	3,402,000	3,445,000	3,487,000	3,529,000
Allocation of PW Common Cost	(3,363,000)	(3,402,000)	(3,445,000)	(3,487,000)	(3,529,000)
PW Vehicles	1,187,000	1,209,000	1,230,000	1,251,000	1,257,000
Allocation of PW Vehicles	(1,187,000)	(1,209,000)	(1,230,000)	(1,251,000)	(1,257,000)
RCMP	4,895,000	4,951,000	5,011,000	5,071,000	5,131,000
Rec. Centre Arena	393,000	396,000	401,000	405,000	405,000
Rec. Centre Civic Centre	1,629,000	1,649,000	1,666,000	1,683,000	1,683,000
Rec. Centre Community Services	18,000	18,000	18,000	18,000	18,000
Rec. Centre Pool	1,360,000	1,377,000	1,394,000	1,410,000	1,428,000
Roads	1,949,000	1,977,000	2,005,000	2,033,000	2,063,000
Transit	819,000	935,000	1,014,000	1,043,000	1,073,000
Victim Services	117,000	118,000	119,000	120,000	121,000
Watson Island	120,000	-	-	-	-
Transfer to Reserves (Interest & Care Fund)	128,000	90,000	50,000	50,000	50,000
Early Redemption of Debenture Debt	1,365,000	-	-	-	-
Economic Growth Project funding from PR Legacy	1,300,000	1,300,000	1,300,000	1,300,000	-
NDI Grant for Prince Rupert Airport	250,000	-	-	-	-
Provision for Capital Purchases	3,285,000	-	-	-	-
Provision for Capital Works	6,606,000	-	-	-	-
Total Operating Fund Expenditures	38,232,000	27,316,000	27,755,000	28,077,000	27,080,000
Surplus(Deficit)	-	-	-	-	-

Schedule "A"

CITY OF PRINCE RUPERT
 2015 Five Year Financial Plan
 April 13, 2015

14) Utility Fund Revenue & Expenditure Budgets

Table Eleven (11) shows the Utility Operating Fund proposed budgets.

Table 11

UTILTY OPERATING FUNDS	2015	2016	2017	2018	2019
Sewer					
Revenues	2,225,000	2,336,000	2,452,000	2,585,000	2,704,000
Grants	1,053,000	-	-	-	-
Capital purchases	-	-	-	-	-
Capital works	(1,553,000)	(1,221,000)	(1,323,000)	(1,440,000)	(1,543,000)
Revenue for operations	1,725,000	1,115,000	1,129,000	1,145,000	1,161,000
Expenditures	1,725,000	1,115,000	1,129,000	1,145,000	1,161,000
Surplus (Deficit)	-	-	-	-	-
Water					
Revenues	2,490,000	2,614,000	2,745,000	2,884,000	3,029,000
Grants	165,000	4,528,000	4,000,000	-	-
PR Legacy	250,000	2,000,000	2,000,000	-	-
Appropriated Surplus- Cap Works	315,000	349,000	-	-	-
Capital purchases	-	-	-	-	-
Capital works	(1,385,000)	(7,700,000)	(7,053,000)	(1,172,000)	(1,297,000)
Revenue for operations	1,835,000	1,791,000	1,692,000	1,712,000	1,732,000
Expenditures	1,835,000	1,791,000	1,692,000	1,712,000	1,732,000
Surplus (Deficit)	-	-	-	-	-
Solid Waste					
Revenues	2,933,000	2,764,000	2,902,000	3,049,000	3,202,000
Transfer from Landfill Closure Accruals	-	-	-	-	-
Grants	1,500,000	-	-	-	-
Borrow from/(refund to) Gen Fund	-	-	-	-	-
Capital works	(1,700,000)	(591,000)	(705,000)	(828,000)	(957,000)
Revenue for operations	2,733,000	2,173,000	2,197,000	2,221,000	2,245,000
Expenditures	2,733,000	2,173,000	2,197,000	2,221,000	2,245,000
Surplus (Deficit)	-	-	-	-	-