

CITY OF PRINCE RUPERT

2013 FIVE YEAR FINANCIAL PLAN BYLAW NO. 3331, 2013

A BYLAW FOR THE CITY OF PRINCE RUPERT RESPECTING THE FIVE YEAR
FINANCIAL PLAN FOR THE PERIOD 2013 - 2017

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, 2017.
2. This Bylaw may be cited as "**2013 Five Year Financial Plan Bylaw No. 3331, 2013**".

READ A FIRST TIME this 9th day of May 2013.

READ A SECOND TIME this 9th day of May 2013.

READ A THIRD TIME this 9th day of May 2013.

FINALLY CONSIDERED AND ADOPTED this ____ day of ____ 2013.

Mayor

Corporate Administrator

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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 2013. 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	41%	14,078,000
Parcel Taxes	0%	60,000
Payment in Lieu of Taxes & Provincial Grant	9%	3,101,000
User Fees & Charges	36%	12,221,000
Reserves	3%	915,000
Accumulated General Operating Surplus	6%	2,118,000
Accumulated Utilities Operating Surplus	2%	663,000
Conditional Grants	3%	1,037,000
Total	100%	34,193,000

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

Table 2

Property Class	% Of Tax Revenue	Dollar Value
Residential	46%	6,532,530
Utility	1%	163,085
Major Industry	0%	8,339
Port Property Tax Act	17%	2,417,118
Light Industry	4%	525,714
Business	31%	4,411,679
Recreation Non-profit	0%	19,395
Total	100%	14,077,861

Objective

- Council will encourage economic development by minimizing tax increases.

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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 2013. The approximate amount of Municipal Tax exempted was \$

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Table 3

Occupier Identity/Facility	2013 - 2015 Estimated Exemption Amt.
Places of Worship - Green Space	
Anglican Church Cathedral	\$357.32
Bethel First Baptist Church	\$167.38
Church of Jesus Christ of Latter Day Saints Church	\$399.87
Conerstone Mennonite Brethren Church	\$291.02
Fellowship Baptist Church	\$172.31
First Presbyterian Church	\$302.64
The Salvation Army	\$405.50
Harvest Time United Pentecostal Church	\$88.77
Indo-Canadian Sikh Association Temple	\$141.39
Jehovah's Witnesses Kingdom Hall	\$938.54
Jehovah's Witnesses Kingdom Hall Parking Lot Green Space	\$135.62
New Life United Pentecostal Church	\$130.08
Prince Rupert Church of Christ Church	\$280.04
Prince Rupert Native Revival Centre	\$284.29
Prince Rupert Pentecostal Tabernacle	\$171.88
Prince Rupert Sikh Missionary Society Temple	\$217.37
Roman Catholic Episcopal Church	\$111.36
St. Paul's Lutheran Church	\$118.09
United Church of Canada	\$40.38
Sub-total Places of Worship - Green Space	\$4,753.84
Designated Properties	
Roman Catholic Annunciation School	\$38,576.66
Roman Catholic Annunciation School Basketball Court	\$338.96
Roman Catholic Annunciation School Gym	\$3,224.69
Roman Catholic Annunciation School Playground	\$592.87
Cultural Dance Centre & Carving House	\$12,216.66
Jim Pattison Ind. Ltd (Canfisco Municipal Boat Launch Facility)	\$7,072.94
Northern British Columbia Museum Assoc.	\$39,042.56
Performing Arts Centre	\$146,218.18
Prince Rupert Golf Society	\$12,313.50
Prince Rupert Golf Society	\$2,399.75
Prince Rupert Racquet Association	\$5,980.10
School District No. 52 (Prince Rupert) (Pacific Coast School)	\$7,151.54
School District No. 52 (Prince Rupert) (Pacific Coast School)	\$149.71
Sub-total Designated Properties	\$275,278.12
Non-Designated Properties	
BC Society for the Prevention of Cruelty to Animals	\$228.04
BC Society for the Prevention of Cruelty to Animals	\$513.10
BC Society for the Prevention of Cruelty to Animals	\$9,296.88
Prince Rupert Loyal Order of Moose/Moose Lodge	\$2,420.03
Prince Rupert Marine Rescue Society	\$775.76
Prince Rupert Salmandoid Enhancement Society	\$1,050.63
Royal Canadian Legion Prince Rupert #27	\$5,538.22
Prince Rupert Amateur Radio Club	\$75.34
Prince Rupert Curling Club	\$9,305.02
Prince Rupert Heritage Committee #1 Pacific Place	\$1,574.12
Prince Rupert Rod & Gun Club	\$2,423.76
Cedar Road Aboriginal Justice Program Society	\$2,012.22
Friendship House Association of Prince Rupert	\$21,335.03
Kaien Island Daycare Services Family Resource Centre	\$1,414.34
Kaien Senior Citizen' Housing	\$156.23
North Coast Transition Society	\$14,541.48
Prince Rupert Association for Community Living	\$398.92
Prince Rupert Community Enrichment Society	\$1,580.33
Prince Rupert Community Enrichment Society	\$1,297.11
Prince Rupert Senior Citizens Housing Society	\$2,486.17
Prince Rupert Senior Centre Association	\$1,221.24
Sub-total Non-Designated Properties	\$79,643.98
	2013 Estimated Exemption Amount at 80%
Places of Worship - Parking Lots	
Bethel First Baptist Church	\$35.94
Church of Jesus Christ of Latter Day Saints Church	\$87.83
Conerstone Mennonite Brethren Church	\$41.29
Fellowship Baptist Church	\$75.56
First Presbyterian Church	\$12.42
The Salvation Army	\$25.09
Harvest Time United Pentecostal Church	\$12.19
Indo-Canadian Sikh Association Temple	\$34.22
Jehovah's Witnesses Kingdom Hall	\$560.96
Jehovah's Witnesses Kingdom Hall Parking Lot	\$99.53
New Life United Pentecostal Church	\$37.88
Prince Rupert Church of Christ Church	\$108.81
Prince Rupert Native Revival Centre	\$40.31
Prince Rupert Pentecostal Tabernacle	\$76.89
Prince Rupert Sikh Missionary Society Temple	\$203.49
United Church of Canada Parking	\$67.55
United Church of Canada Parking	\$49.50
Sub-total Places of Worship - Parking Lots	\$1,569.45
Estimated Total Permissive Property Tax Exemptions	\$361,245.39

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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	26,431,000
Sewer Utility Fund	2,767,000
Solid Waste Fund	2,221,000
Water Utility Fund	2,774,000
Total	34,193,000

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	41%	14,078,000
Parcel Taxes	0%	60,000
Payment in Lieu of Taxes & Provincial Grant	9%	3,101,000
User Fees & Charges	36%	12,221,000
Reserves	3%	915,000
Accumulated General Operating Surplus	6%	2,118,000
Accumulated Utilities Operating Surplus	2%	663,000
Conditional Grants	3%	1,037,000
Total	100%	34,193,000

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

Nil

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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 \$928,000.

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

Capital Purchases

Table Six (6) shows the 2013 Capital Purchases:

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Table 6

Description	2013
<u>Water Utility</u>	
Mini Hoe	150,000
Pickup Trucks	70,000
<u>Sewer Utility</u>	
Tandem Axel Dumptruck	200,000
<u>Ferry</u>	
Dock Repairs 2013, (total cost est \$700,000)	100,000
<u>Fire Protection</u>	
Install vehicle exhaust venting system in vehicle barn	50,000
<u>Information Technology</u>	
Ongoing technology upgrades	30,000
Complete phone installation	40,000
<u>Recreation Complex</u>	
Energy Review part II Pool HVAC & Boilers (Stage One)	150,000
Installation of Chiller at Area	20,000
Replace Changeroom tiles (50% of total cost)	15,000
Repair/Replace water circualtion pool inlets (50% of total cost)	5,000
Replace Gymnasium Divider	8,000
Repair stairs in arena	25,000
Complete exit door replacement	15,000
Repair valves ,floats, pump for Chiller	15,000
Replace condensor	50,000
Replace compressor	25,000
	328,000
<u>City Hall</u>	
refurbish exterior (clean, repair and paint)	75,000
<u>Golf Course</u>	
Equipment as per contract	40,000
<u>Purchase of Land/Building</u>	
	25,000
Total	1,108,000

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Capital Works

Table Seven (7) shows the 2012 Capital Works:

Table 7

Fund	Description	2013
Operating		\$
Duncan Road Sewer Extension	Extend sewer in industrial park	750,000
"Dimmer LED" Street Lights	Green Initiative to reduce electrical consumption	912,000
9th Avenue East	Pave 9th Avenue East	100,000
Scheduled Roof Repairs	Major Roofing maintenance	150,000
Bridge Repairs	2nd Avenue & 6th Avenue Bridges	350,000
Paving Budget	Paving projects	275,000
Carbon Offsets	Payment pursuant to Carbon Legislation	25,000
		2,562,000
<u>Solid Waste Utility</u>		
Landfill Expansion	Provision for landfill as existing landfill is almost completely used	200,000
Landfill Closure	Provision for eventual closure of landfill and monitoring costs	200,000
		400,000
<u>Water Utility</u>		
Capital Water Project I	Water line rebuild 9th Avenue East	300,000
Capital Water Project II	Waterline rehabilitation	300,000
Water Supply Strategic Plan	Stage II of water supply plan. 2nd year estimate.	170,000
Shawatlans Dam Repairs	1st year estimate	200,000
		970,000
<u>Sewer Utility</u>		
Capital Sewer Project I	Sewer line rebuild 9th Avenue East	300,000
Capital Sewer Project II	Sewerline rehabilitation	300,000
Hays Creek Secondary Pump	Install secondary pump for Hays Creek line	903,000
Liquid Waste Management Plan	Commission Stage III	78,000
		1,581,000
Aggregate		5,513,000

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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

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	(140,000)
Land Reserve	(25,000)
General Reserve	(750,000)
Total	(915,000)
To:	
General Operating Fund Capital Works	750,000
General Operating Fund Capital Purchases	65,000
Ferry Reserve	100,000
Total	915,000

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

Table Nine (9) show the Accumulated Operating Fund Surpluses being used this year to

Table 9

Transfers of Accumulated Surplus	Amount
From:	
Operating Fund	(2,118,000)
Sewer Utility Fund	(76,000)
Water Utility Fund	(587,000)
Total	(2,781,000)
To:	
Operating Fund	2,118,000
Sewer Utility Fund	76,000
Water Utility Fund	587,000
Total	2,781,000

13) General Operating Fund Departmental Budgets

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

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Table 10(a)

GENERAL OPERATING FUND	2013	2014	2015	2016	2017
<u>Revenues by Department</u>					
Airport Ferry	1,185,000	1,232,000	1,242,000	1,252,000	1,262,000
Cemetery	40,000	40,000	47,000	47,000	47,000
Corporate Administration	8,000	8,000	8,000	8,000	8,000
Development Services	386,000	400,000	420,000	441,000	461,000
Finance	10,000	10,000	10,000	10,000	10,000
FD Fire Protective Services	2,000	2,000	2,000	2,000	2,000
FD 911	190,000	190,000	190,000	190,000	190,000
Fiscal Revenues	4,541,000	4,541,000	4,541,000	5,000,000	5,000,000
Information Technology	2,000	2,000	2,000	2,000	2,000
Parks	8,000	8,000			
PW Engineering	3,000	3,000	3,000	3,000	3,000
PW Common Revenues	13,000	13,000	13,000	13,000	13,000
RCMP	105,000	105,000	131,000	131,000	131,000
Rec. Centre Arena	143,000	147,000	151,000	153,000	157,000
Rec. Centre Civic Centre	163,000	164,000	166,000	168,000	170,000
Rec. Centre Community Services	16,000	16,000	16,000	16,000	16,000
Rec. Centre Pool	337,000	339,000	341,000	343,000	345,000
Transit	355,000	355,000	400,000	410,000	420,000
Victim Services	54,000	54,000	54,000	54,000	54,000
Watson Island	1,413,000	1,218,000			
	8,974,000	8,847,000	7,737,000	8,243,000	8,291,000
Conditional Project Grants	346,000				
Appropriated Reserves Capital Works	750,000				
Appropriate Reserves Capital Purchases	165,000				
Property Taxes (existing)	13,908,000	14,078,000	14,248,000	14,556,000	14,850,000
1.5 Percent (%) Tax Increase	170,000	170,000	308,000	294,000	300,000
Appropriated Surplus For Capital Purchases	523,000	-			
Appropriated Surplus for Capital Works	1,092,000				
Appropriated Surplus to Balance Budget	503,000				
Total Operating Fund Revenues	26,431,000	23,470,000	22,293,000	23,093,000	23,441,000

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Table 10(b)

GENERAL OPERATING FUND	2013	2014	2015	2016	2017
Expenditures by Department					
Expenditures Identified by CUPE Union and approved by City Council					
	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
Airport Ferry	1,935,000	1,935,000	1,999,000	2,056,000	2,125,000
Cemetery	226,000	226,000	226,000	226,000	226,000
Civic Properties	326,000	326,000	330,000	335,000	340,000
Corporate Administration	538,000	538,000	570,000	587,000	604,000
Development Services	657,000	660,000	663,000	666,000	669,000
FD 911	471,000	471,000	474,000	477,000	480,000
FD Fire Protective Services	2,239,000	2,239,000	2,272,000	2,343,000	2,416,000
FD Emergency Measures	28,000	28,000	28,000	28,000	28,000
Finance	764,000	767,000	770,000	773,000	776,000
Finance Cost Allocation	(363,000)	(363,000)	(350,000)	(350,000)	(350,000)
Fiscal Expenditures	1,898,000	1,898,000	1,898,000	1,898,000	1,898,000
Governance	287,000	287,000	290,000	293,000	296,000
Grants to Support Other Organizations	1,360,000	1,378,000	1,000,000	1,000,000	1,000,000
Information Technology	356,000	358,000	367,000	376,000	385,000
Parks	825,000	825,000	848,000	866,000	904,000
PW Engineering	299,000	299,000	406,000	420,000	435,000
PW Common Costs	3,127,000	3,127,000	3,235,000	3,314,000	3,395,000
Allocation of PW Common Cost	(3,127,000)	(3,184,000)	(3,273,000)	(3,365,000)	(3,459,000)
PW Vehicles	1,033,000	1,100,000	1,100,000	1,100,000	1,100,000
Allocation of PW Vehicles	(1,253,000)	(1,253,000)	(1,253,000)	(1,253,000)	(1,253,000)
RCMP	4,711,000	4,711,000	4,850,000	5,200,000	5,100,000
Rec. Centre Arena	301,000	301,000	309,000	318,000	327,000
Rec. Centre Civic Centre	1,370,000	1,370,000	1,415,000	1,456,000	1,497,000
Rec. Centre Community Services	14,000	14,000	8,000	8,000	8,000
Rec. Centre Pool	1,178,000	1,178,000	1,231,000	1,270,000	1,310,000
Roads	1,814,000	1,814,000	1,800,000	1,800,000	1,800,000
Transit	760,000	760,000	770,000	780,000	790,000
Victim Services	113,000	113,000	113,000	113,000	113,000
Watson Island	1,227,000	1,218,000	-	-	-
Transfer to Reserves	227,000	180,000	5,000	5,000	5,000
Provision for Capital Purchases	678,000	299,000	342,000	300,000	300,000
Provision for Capital Works	2,562,000	-	-	203,000	326,000
Total Operating Fund Expenditures	26,431,000	23,470,000	22,293,000	23,093,000	23,441,000
Surplus(Deficit)	-	-	-	-	-

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14) Utility Fund Revenue & Expenditure Budgets

Table Eleven (11) shows the Utility Operating Fund proposed 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