

# STAFF REPORT TO FINANCE AND AUDIT COMMITTEE

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**DATE:** August 20, 2021

**TO:** STANDING COMMITTEE ON FINANCE AND AUDIT

**NAME AND TITLE:** Kris Dalio, Director of Finance

**SUBJECT:** 2022 Budget Consultation Approach

**ATTACHMENT(S):** None

## RECOMMENDATION(S):

1. That the Standing Committee on Finance and Audit DIRECTS Administration to proceed with a public engagement program as outlined in the report dated August 20, 2021, from the Director of Finance, titled “2022 Budget Consultation Approach”, providing Administration with flexibility in the deployment of a public engagement program recognizing the evolving conditions and circumstances related to 2022 budget preparation and the COVID-19 pandemic.

## PURPOSE:

To provide an overview of how the City will be seeking public input into the 2022 budget.

## POLICY/REGULATORY ANALYSIS:

Section 166 of the *Community Charter* states that a council undertake a process of public consultation regarding the proposed financial plan before it is adopted.

## BACKGROUND:

The City of Prince George has an interesting history to its development and faces challenges that are rare in municipalities. Compared to other municipalities, we are very large, with old infrastructure, and a low population density. This makes our job of balancing service levels against available resources even more difficult.

The City annually presents opportunities for residents to provide input on budget priorities. Since 2015, this has occurred as part of Talktober and included in-person events coupled with an online survey called Citizen Budget. Prior to 2015, a company specializing in gathering and analyzing public opinion conducted a telephone survey. The results are provided to Council at the start of budget deliberations.

Providing opportunities for public input is central to many local government processes, such as those involving the rezoning of land or when borrowing is required for capital projects. Beyond these statutory public engagement opportunities, timely public input that captures diverse perspectives contributes to better decision-making and the delivery of programs and services that are affordable and appreciated by residents. To that end, in 2019 the City provided select staff with training from the International Association for Public Participation (IAP2); many of the staff who participated in this training are now members of the City’s “public engagement team” and bring IAP2 perspectives and

best practices to City public engagement opportunities. The members of the team represent units that are responsible for City finances, infrastructure, planning, recreation, and public communication.

### **Public Engagement during the COVID-19 Pandemic**

Public engagement about the budget continues to be affected by the COVID pandemic. For one, the pandemic is still facing financial challenges associated with public health orders that restrict the City's revenue in many areas. Efforts to close the financial gap would benefit from public input. Secondly, ongoing public health orders concerning the size of gatherings and physical distancing is restricting the ability to host in-person meetings. This report outlines how the City will address both of these challenges and still deliver a robust budget consultation for 2022.

### **"Citizen Budget" survey**

Online surveys continue to be a very cost-effective way of gathering public input. In recent years, the City, like many other local governments in Canada, has used the Ethelo "Citizen Budget" survey platform for collecting budget priorities. The Citizen Budget survey for the 2021 budget was the most popular since the survey began in 2015, with over 1,000 residents providing input (more than double the 2020 participation). Also, switching to Citizen Budget in 2015 to gather public input on budget priorities allowed the City to save approximately \$12,000 per year when compared to doing telephone surveys. Another advantage to the City's work with Ethelo is that we are able to see how other municipalities use the platform and can continue to learn best practices from each other and improve the service going forward. Some examples of other municipalities using Citizen Budget are: Chilliwack, Coquitlam, Powell River, Saanich, Sooke, Edson and Lethbridge.

A notable feature of Citizen Budget is that when survey respondents provide their personal (or business) property assessment, the figures in the survey are adjusted to their situation and show how their choices about City budget priorities would affect their personal tax bill. The Citizen Budget survey for 2021 was the longest budget survey Ethelo had ever done for a municipality and is highlighted by the company in a case study on their website, citing its very high participation rate:

<https://princegeorge.ethelo.net/page/welcome>

<https://ethelo.com/case-studies/prince-george-case-study/>

Given the great success of the 2021 survey, Administration is not proposing many changes to the 2022 survey. The survey will precede Council's budget deliberations and will continue to focus on preferred funding levels for various City functions – so that year-over-year trends, as well as exceptions, can be noted. The Standing Committee on Finance and Audit may shape additional themes if they choose.

However, Administration is still working with Ethelo on ways to further streamline the survey. As mentioned earlier, 2021 was the longest budget survey Ethelo had done. The balance that surveys try to strike is getting as much information as they can use without losing the interest of the participant due to the length. With that criteria in mind, we looked at questions that repeated information we were getting elsewhere in the survey already or that gave us answers that were not specific enough to the City's budget and its service levels to implement. One of the sections of last year's survey that Administration intends to eliminate are the three questions related to COVID-19 listed below:

- Has the COVID-19 pandemic affected income levels in your home?
- Has the COVID-19 pandemic affected the confidence you feel in Prince George and its economy?

- Has the COVID-19 pandemic affected your use of outdoor areas such as parks, trails, and sidewalks for things like walking and biking?

With an anticipated launch date of early October, public awareness of the survey will be achieved through various activities. These include media relations, social media posts, digital advertising, a feature on the City website/homepage and app, targeted communications to community organizations and associations, posters/flyers, and amplification/sharing of posts by individuals/influencers. Extra effort will be made to ensure that a diverse and broad spectrum of the population is given the opportunity to provide feedback. In fact, since the launch of the new City website in 2017, the City has enabled residents to subscribe to receive email notifications about opportunities to provide feedback. Currently, there are more than 660 subscribers to this category, almost five times the number of subscribers at the end of 2017. While the survey would be primarily available online, printed versions could be available and submissions could also be accepted on the phone via the Service Centre.

### **Virtual event with the Mayor**

Another success from the 2021 budget consultation was a digital forum that the Mayor hosted which gave an opportunity for the Mayor and staff to answer questions provided by residents as they watched the event live. 2021's event had a total of about 200 live viewers; the recordings were subsequently viewed about 3,300 times on Facebook and 63 times on the City YouTube channel. The City will also approach Shaw Cable to inquire about airing the event on that channel as well.

With COVID-19 restrictions still in place at the time of this report, a similar virtual event makes the most sense and is being explored for this fall with a tentative date in early October. Logistics are still being developed.

### **FINANCIAL CONSIDERATIONS:**

The City has an existing contract with Ethelo for using the Citizen Budget platform this year so there are no additional costs associated with the survey. Survey development and advertising will be covered by the existing Talktober budget.

### **SUMMARY AND CONCLUSION:**

The City continues to face funding shortfall challenges created by the COVID-19 pandemic, as well as challenges to how the City can conduct public engagement. This report outlines how the City will approach public participation in ways that are accessible, effective, and in compliance with public health orders and recommendations.

### **RESPECTFULLY SUBMITTED:**

Kris Dalio, Director of Finance

### **APPROVED:**

Walter Babicz, City Manager

Meeting Date: [2021/08/30]