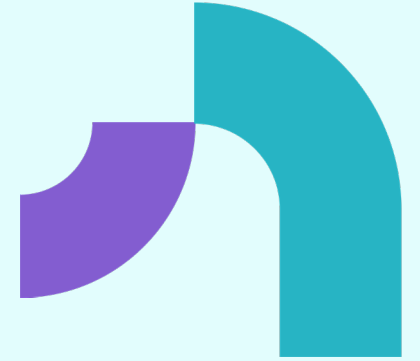


# 2025 – 2029 FINANCIAL PLAN

# Agenda

1. Who Does What?
2. Legislative Framework
3. The City's Infrastructure Story
4. Public consultation about 2025 budget priorities
5. The 2025 financial overview and plan
  1. Capital Expenditure Plan
  2. Operating Budget





# WHO DOES WHAT?

## Municipal Government



- Road maintenance
- Snow removal
- Water supply
- Sewer/storm water management
- Solid waste collection
- Parks, trails and playgrounds
- Cemetery
- Recreation facilities (e.g., CN Centre)
- Bylaws
- Municipal RCMP
- Fire Rescue
- Business licenses
- Community planning and development
- City Hall
- Municipal property tax

## Regional District



- Solid waste management (landfill, recycling depot and transfer stations)
- Residential services outside City boundaries
- Regional parks and recreation
- Rural area planning and development
- 911 operation
- Fire dispatch
- Heritage conservation

## Provincial Government



- Housing
- Schools
- Provincial parks
- Crown land resource extraction
- Health care
- Social services
- WorkSafe
- ICBC
- Justice
- Post-secondary education
- Highway maintenance (including highways within City boundaries)
- Provincial income tax
- Provincial property tax
- Sales tax

## Federal Government Canada

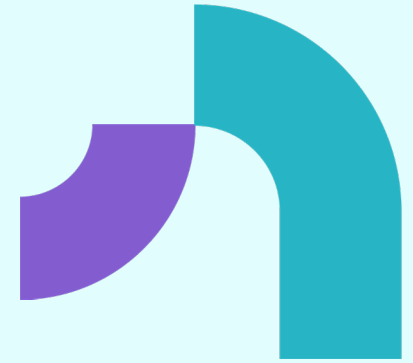
- Income tax
- Employment insurance
- Child tax benefits
- Student loans
- Military
- National parks
- International travel
- Banking
- Criminal law
- Foreign affairs

# Legislative Framework



1. Community Charter requires that municipalities adopt five year operating and capital financial plans
2. Council's Strategic Plan guides the development of the City's financial plan
3. The financial planning process must include public consultation; the type of consultation is left to the discretion of each municipality
4. Financial plans must be balanced; there can not be a deficit
5. Financial Plan Bylaw and Tax Rate Bylaw must be adopted before May 15<sup>th</sup> of each year

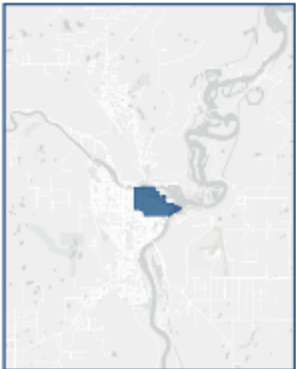
# Infrastructure story



## Decades of rapid growth

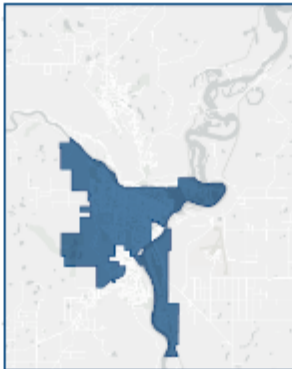
- Our population increased rapidly after World War II.  
4,000 people in 1947 to 60,000 in less than 30 years.
- From the 1940s to the 1980s, the population doubled every decade.
- Between 1952 and 1975, the City boundary grew exponentially.

**1915**



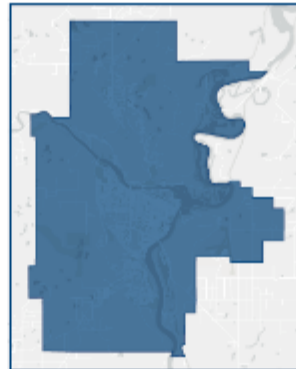
1915 to 1952 – the initial size of the municipality of Prince George was 5.1 square kilometres.

**1974**



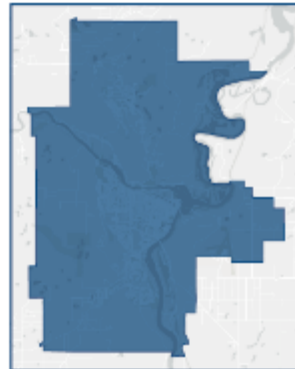
1953 to 1974 – Over the course of just 20 years, the City boundary expanded 11 times and grew to be 61 square kilometres.

**1975**



1975 – Prince George grew to be roughly five times larger in just one year

**2023**



The present day – The total size is 329 square kilometres.

# Infrastructure story

## Infrastructure over-investment

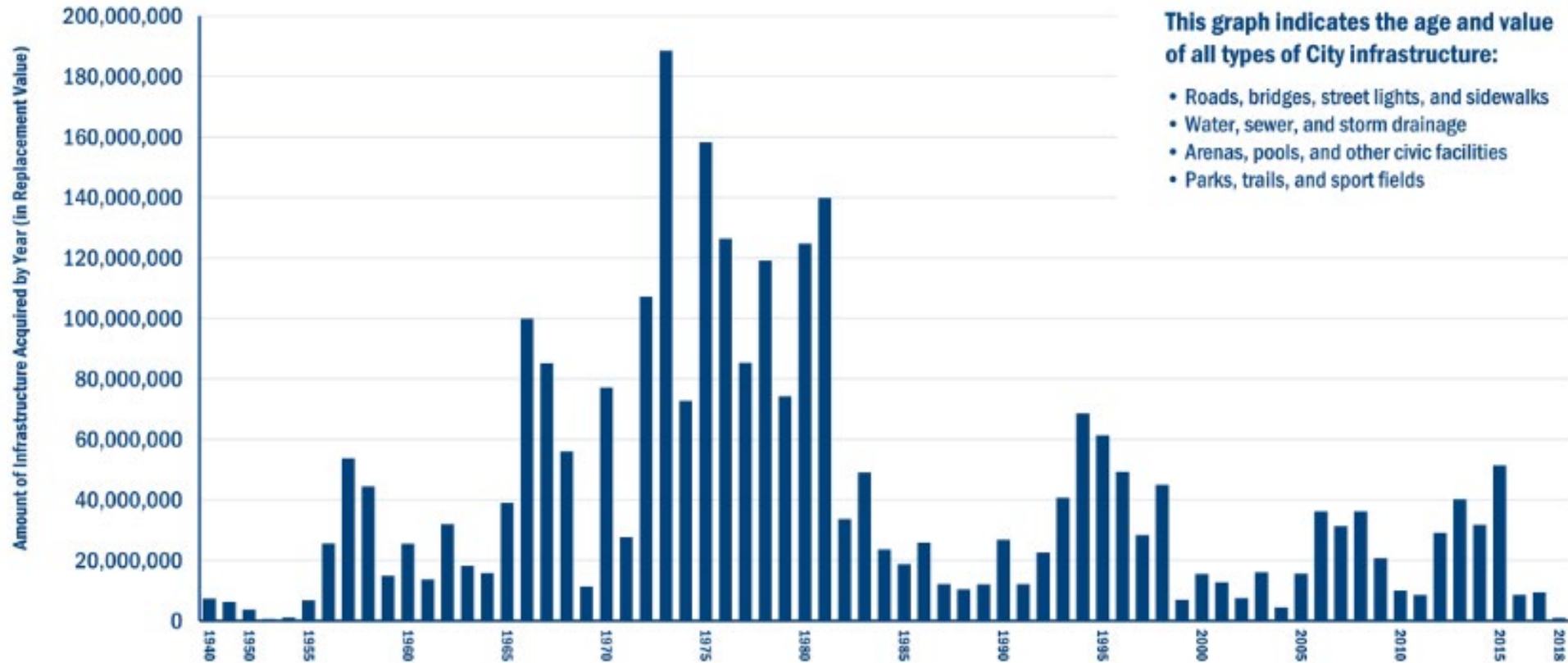
Prince George's first official community plan (1979) forecast a population of 185,000 by 2012. But growth began to slow in the 80s.

In 1981, Prince George had a larger population than Kelowna, Kamloops, and Nanaimo. Today, all of those cities have more people.

Most of our infrastructure was built during our rapid growth years and now this aging infrastructure must serve a small and spread-out population.



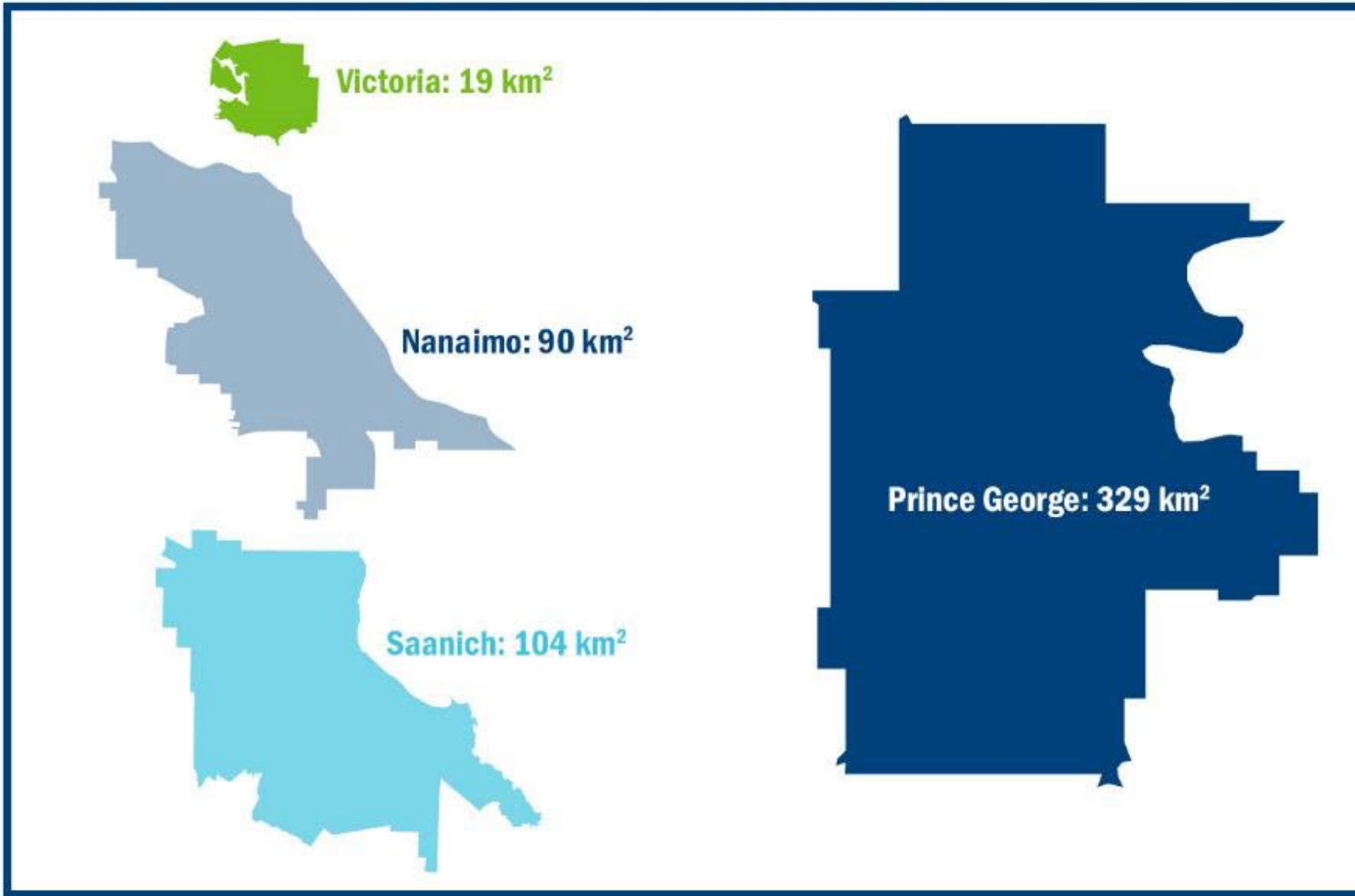
# What it means for infrastructure







## Municipal Area in Square Kilometres (2021)



# ... and our population is really spread out.

Each figure represents 100 people per square kilometre



Prince George: 2.4



Kamloops: 3.2



Nanaimo: 11.0



Saanich: 11.3



Kelowna: 6.8



Victoria: 47.2

Population density (2021)

This means that, per taxpayer, there are a LOT of roads, pipes, and other infrastructure to maintain.



**\$4.3 billion** approximate replacement  
value of civic infrastructure

**\$90 million** approximate value of civic infrastructure  
currently assessed as needing replacement

**52** City-owned buildings totalling 158,000m<sup>2</sup>

**103** parks

**48** playgrounds

**106km** trails



Streetlights  
**4,728**

Underground infrastructure

Water pipes  
**815km**

Sanitary sewer pipes  
**701km**

Stormwater pipes  
**433km**

Downtown Renewable  
Energy System

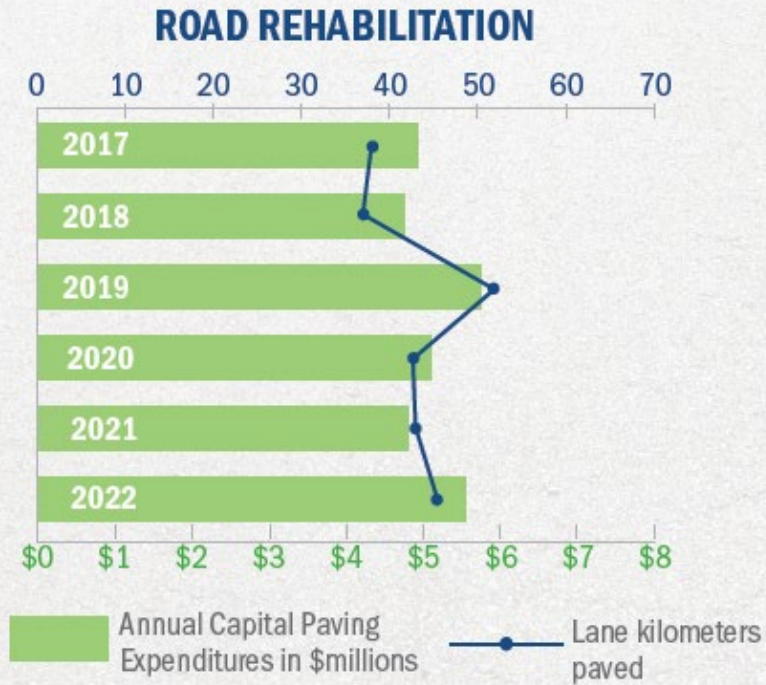
**6km**

connected to

**11 buildings**

Canfor Leisure Pool	Plaza 400
City Hall	Prince George Public Library
Conference and Civic Centre	RCMP Detachment
George Street Parkade	Two Rivers Art Gallery
Kopar Memorial Arena	Wood Innovation and Design Centre
Law courts	

# ROADS



Road lane kilometres

**1,561**

1,302 lane kms paved  
244 lane kms gravel

**4,728**  
streetlights

**PARKS: 103 totaling 11 km<sup>2</sup>**

**TRAILS: 106 km**

**SIDEWALKS: 198 km**

**CYCLING ROUTES: 562 km (including bike lanes and trails)**

# 2024 Representative Home Values and Property Taxes



Municipality	2021 Census	Taxable Land Area (ha)	2024 Rep. Home Value	Municipal Taxes	Other Authorities	Total Residential Taxes
Chilliwack	93,203	20,078	895,653	2,335	1,483	3,818
Kamloops	97,902	21,979	694,167	2,895	1,441	4,336
Kelowna	144,576	21,506	1,067,078	2,807	1,725	4,532
Township of Langley	132,603	27,158	1,502,344	2,685	2,092	4,777
Maple Ridge	90,990	14,748	1,279,121	3,146	1,856	5,002
Nanaimo	99,863	4,351	783,808	2,966	2,062	5,028
Prince George	76,708	29,762	453,777	2,718	1,409	4,127
Saanich	117,735	6,481	1,288,053	3,688	2,170	5,858
Victoria	91,867	1,148	1,228,984	3,757	2,071	5,828



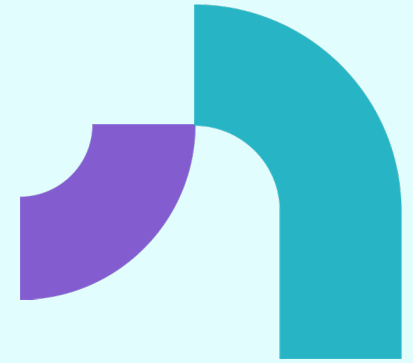
# Budget consultation

## Focus:

1. Five satisfaction surveys
  - 941 responses
2. The annual Citizen Budget survey
  - 930 responses
3. Gathering comments on social media
4. Public Open House

## Promoted through:

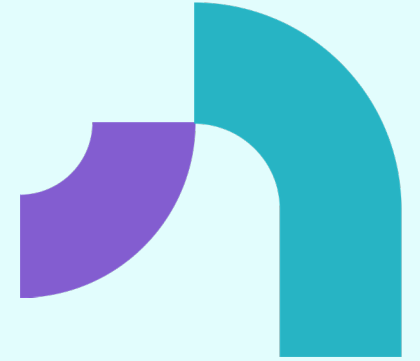
- City's website
- 3 News releases
- 31 Social media posts
- 3 Newsletters
- Advertising – radio, print, digital, TV, YouTube
- Omnivex screens in civic buildings
- Posters in the community



# Citizen Budget Survey results

Service areas:

- Infrastructure Management was the only service area to receive support for a 5% increase (77% approval), while Corporate Services was the only area for which participants preferred a 5% decrease (69% approval).



# Citizen Budget Survey results



## Importance:

- Snow and Ice Control (**9.7%**) was identified as the most important service level
- Protective Services (**9.6%**)
- Police Services (**9.5%**)
- Roads and Sidewalks (**8.9%**)
- Infrastructure Management (**8.3%**)



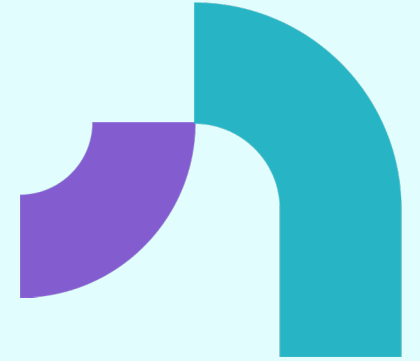
# Citizen Budget Survey results

## Satisfaction:

Services such as Fire Protection, Parks, Trails, and Beautification, and Police Services consistently received higher satisfaction ratings, with significant proportions of respondents awarding scores in the upper range.



# Tax Levy Increases 2021 to 2024 Compared to CPI



Year	Final Approved Tax Levy	Consumer Price Index (CPI) from October to October
2021	0.00%	4.70%
2022	3.00%	6.90%
2023	7.58%	3.10%
2024	6.78%	2.00%
TOTAL (product of all years)	<b>18.32%</b>	<b>17.70%</b>

# Comparative Municipalities Tax Levy Increases 2021 to 2024

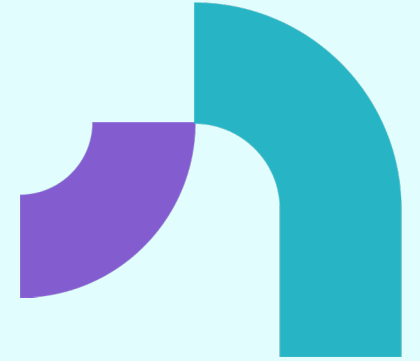


Municipality	2021	2022	2023	2024	TOTAL INCREASE (product of all years)	2024 Representative Home Tax
Saanich	5.76%	6.67%	7.19%	7.93%	30.51%	\$3,688
Nanaimo	3.00%	6.00%	7.20%	7.70%	26.05%	\$2,966
Kamloops	0.97%	4.92%	6.80%	9.55%	23.95%	\$2,895
Coquitlam	2.94%	3.43%	5.48%	8.92%	22.32%	\$3,467
Maple Ridge	3.60%	4.40%	5.65%	6.50%	21.70%	\$3,146
Victoria	2.03%	3.89%	6.15%	7.93%	21.44%	\$3,757
Chilliwack	2.99%	2.99%	4.48%	7.32%	18.93%	\$2,335
Prince George	0.00%	3.00%	7.58%	6.78%	18.32%	\$2,718
Kelowna	4.04%	3.94%	3.78%	4.72%	17.52%	\$2,807



# Financial overview

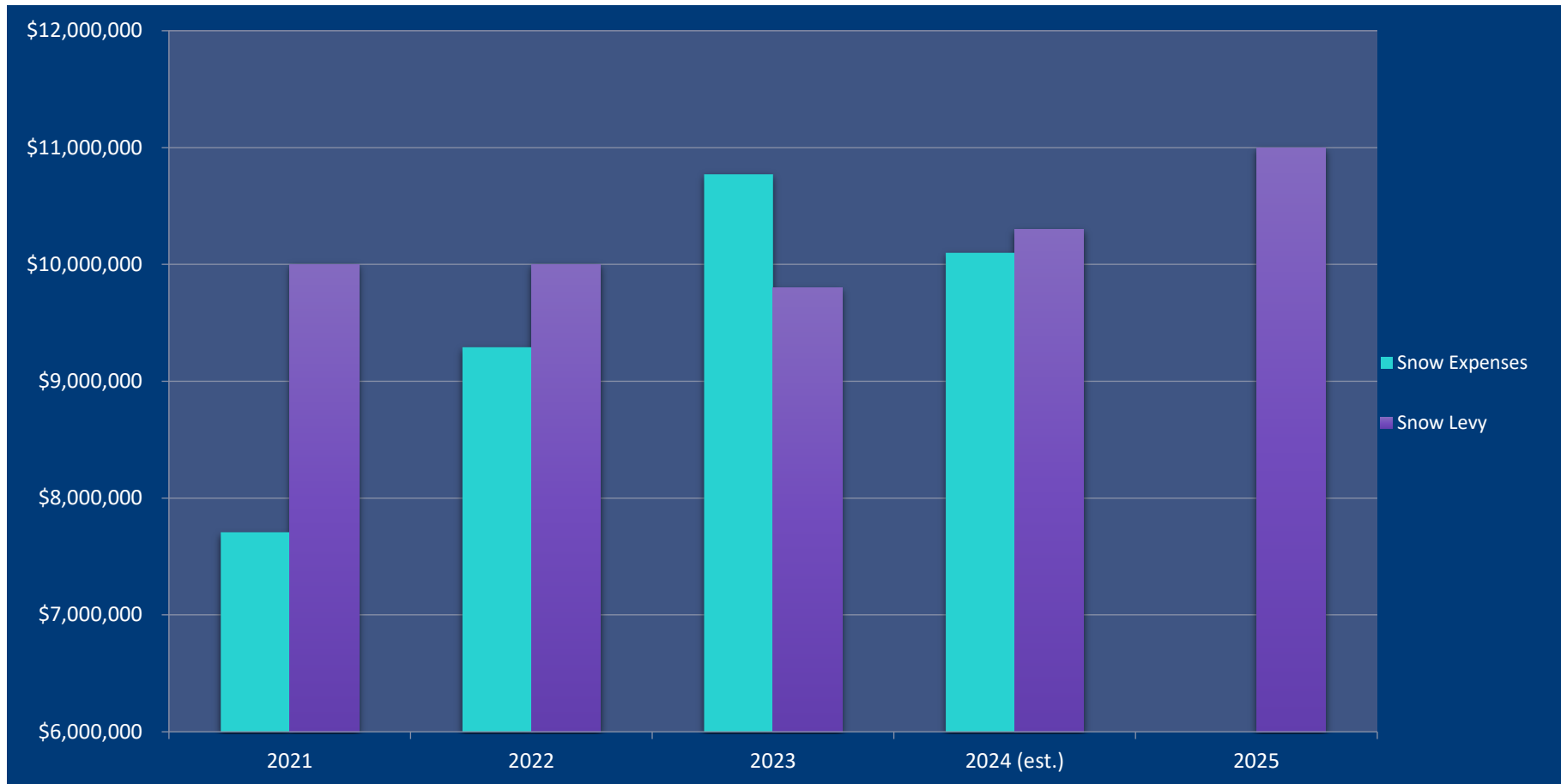
# Financial Overview



The total tax levy is made up of four individual levies:

1. General (operating) – provides the operating funding for all City service categories with the exceptions of Off-Street Parking, Snow, Solid Waste, Sewer, Water and District Energy.
2. Snow Control (operating and capital) – funds the full scope of costs associated with providing the City's snow control service.
3. Road Rehabilitation (capital) – created in 2004 and funds the reinvestment needs of our transportation network.
4. General Infrastructure Reinvestment Fund (capital) – created in 2013 to start closing the gap between the reinvestment required and the funding available to maintain our existing Civic Facilities.

# Snow Expenses vs. Snow Levy Actual 2021 to Proposed 2025



# Financial Overview

## Road rehabilitation levy

- Currently set at \$6,700,000
- 2025 budget has been prepared at \$7,000,000, or an increase of \$300,000, to keep pace with the rising costs of asphalt, labour and fleet expenses.
- Increase required to try and maintain the same number of lane kilometers of work per year (50 lane kilometers per year. The City has a total inventory of 1,561 lane kilometers)

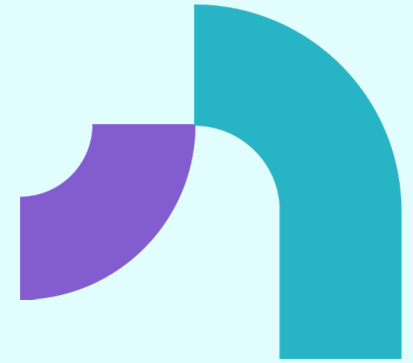




# Financial Overview

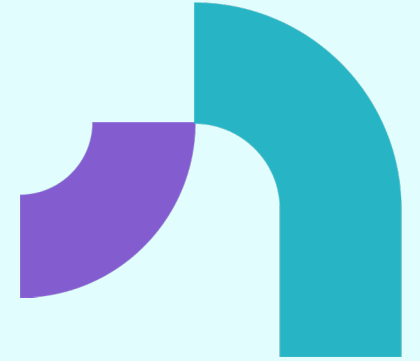
## General Infrastructure Reinvestment Fund

- Some asset groups have dedicated funding sources. Sewer, Water, Solid Waste, District Energy and Off-Street Parking capital needs are funded by the user fees of those services. Roads has its own levy and Fleet needs are provided for through equipment financing
- All other capital asset groups' reinvestment needs are prioritized and compete for limited available funding
- Levy was created in 2013 to increase the available funding needed to maintain and replace new and aging infrastructure and grew to \$2,500,000 by 2016
- Had only grown to the 2023 budget of \$2,950,000 since 2016
- 2025 budget has been prepared at \$5,630,873 by adding 1% of the total tax levy to this fund as per Sustainable Finance Policy



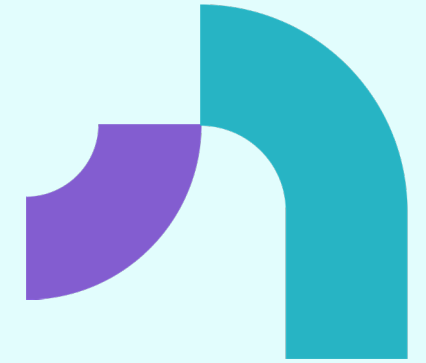
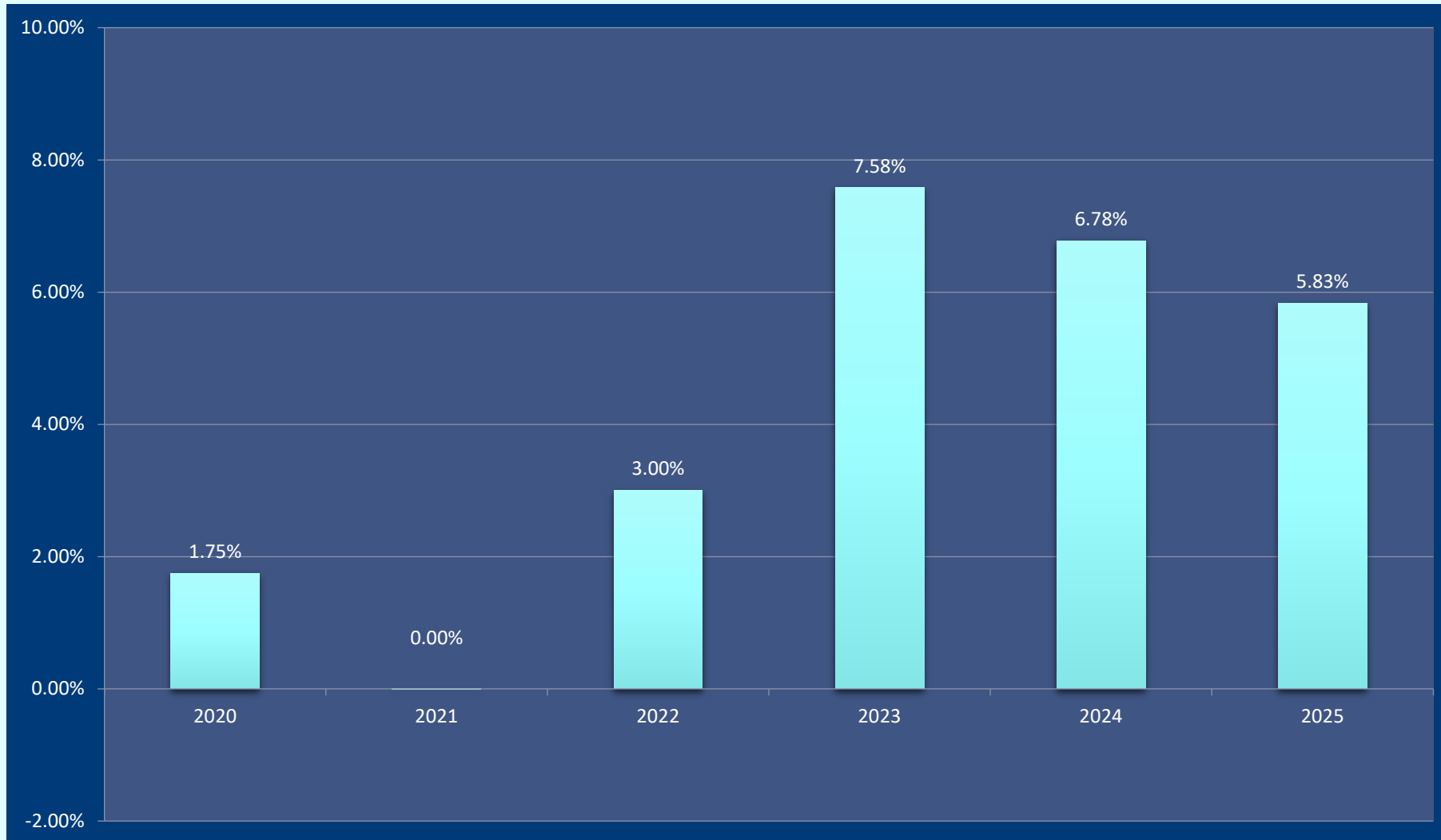
# Tax Notice Line Items

## Proposed 2025 Changes



	2024 Levy	Proposed Increase	Increase as a % of total levies
General	\$117,596,571	\$5,703,155	4.11%
Snow Control	10,300,000	700,000	0.50%
Road Rehabilitation	6,700,000	300,000	0.22%
General Infrastructure Reinvestment Fund	4,242,482	1,388,391	1.00%
Total	\$138,839,053	\$8,091,546	5.83%

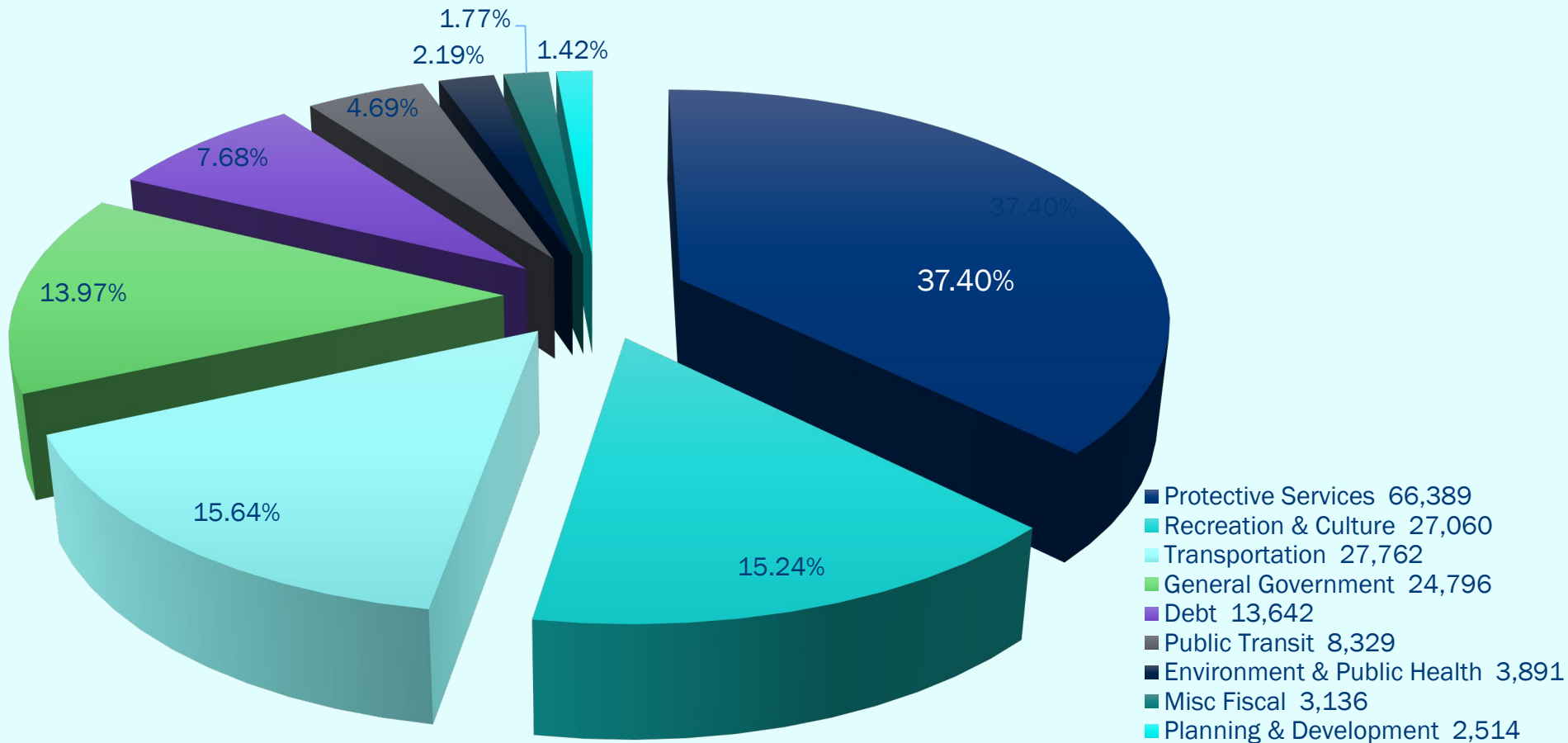
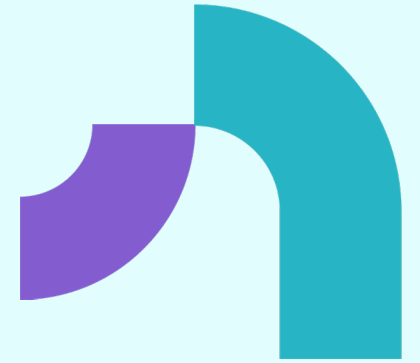
# Tax Requisition Increases Actual 2020 to Proposed 2025





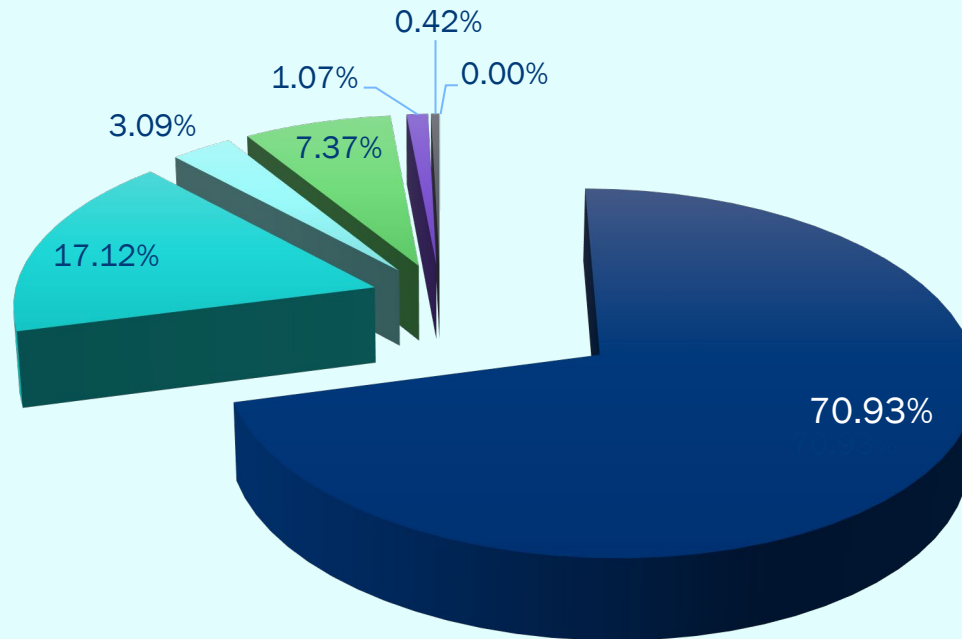
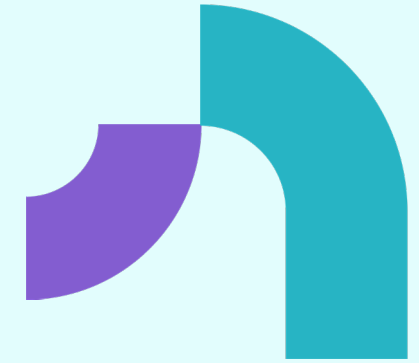
# Financial Overview

## 2025 General Operating Expenses (in 000's)



# Financial Overview

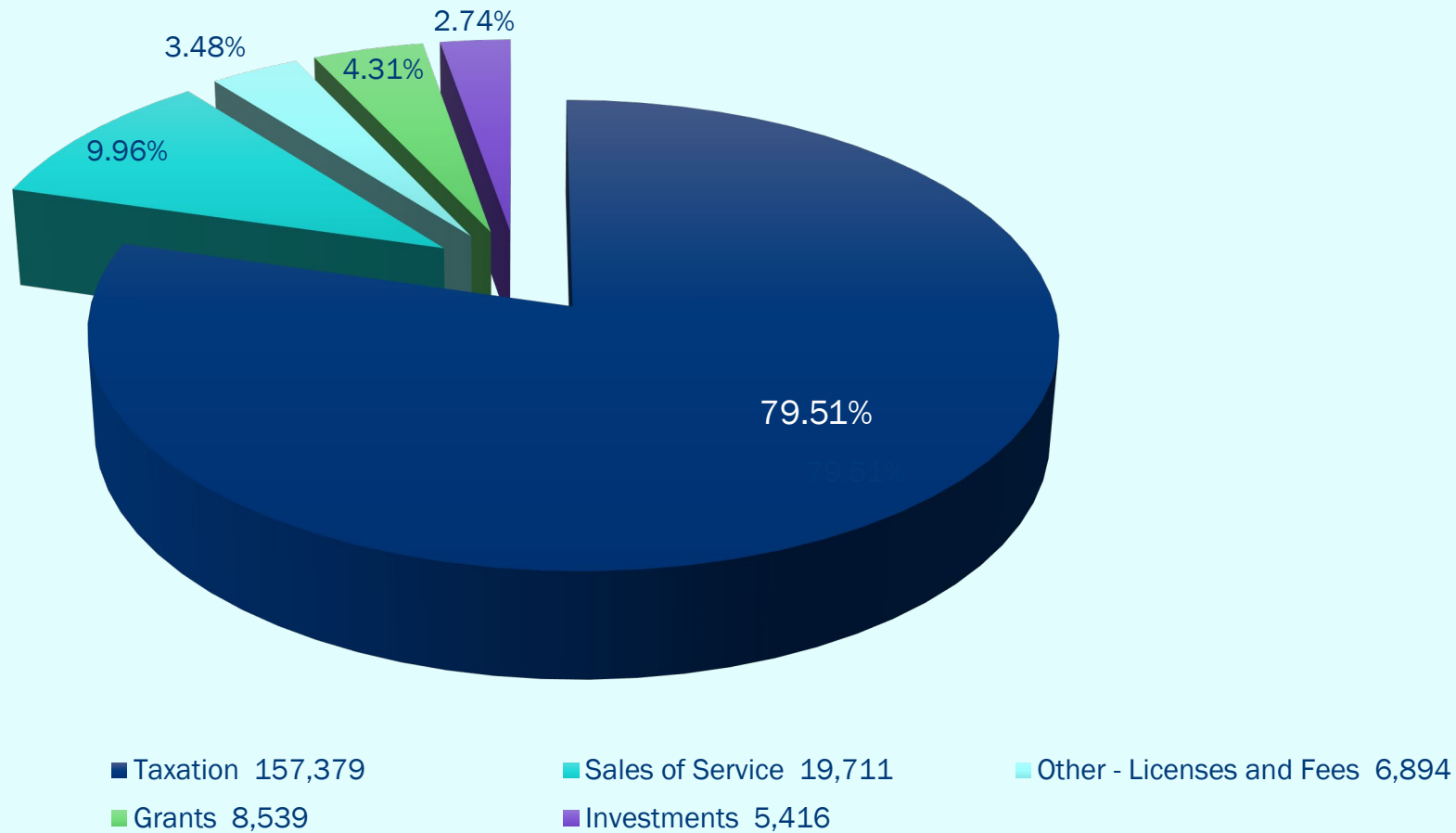
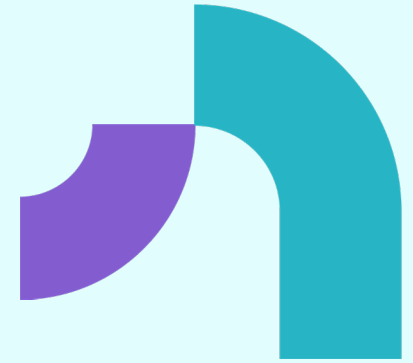
## 2025 Taxes Collected for City and Other Authorities



■ City of Prince George \$149,153,273	■ Provincial School Taxes \$36,000,000
■ Regional District of Fraser-Fort George \$6,500,000	■ Fraser-Fort George Regional Hospital \$15,500,000
■ Regional District - 911 Service \$2,250,000	■ BC Assessment \$880,000
■ Municipal Finance Authority \$4,500	

# Financial Overview

## 2025 General Operating Source of Funds (in 000's)



# Financial Overview

## Significant Budget Impacts

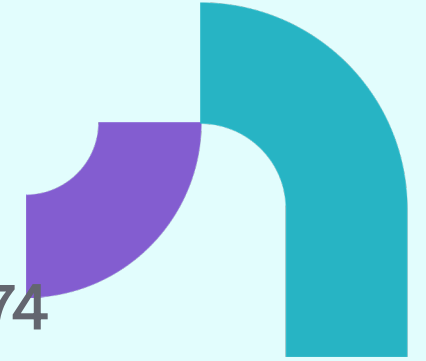


1. RCMP Contract – labour makes up the largest component of the cost per member that is provided by the Province (\$226.5k/member). The City is funding 139 positions
2. Transit increases as per the City's Annual Operating Agreement (AOA) with BC Transit
3. Borrowing costs associated with participating in the 2024 Spring Issue
4. Roads - Increases to line painting contract as well as traffic control, concrete, asphalt and calcium for gravel roads
5. Grants – includes previously approved Council motion for the “Big Four” arts service providers and myPG grants program
6. Increase to contracts that the City has with service providers



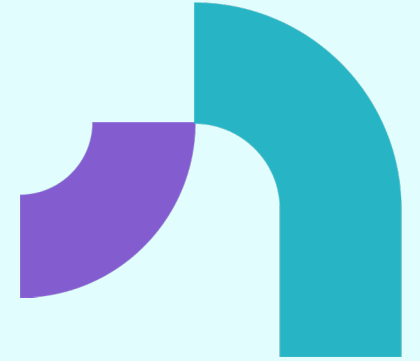
# Financial Overview

## Service Enhancements



1. Police Services Review – increase of four additional RCMP members and three additional municipal employees - \$1,235,058 (0.89%)
2. Fire Services Review – increase of five firefighters and promotion of four senior firefighters to lieutenants - \$732,122 (0.53%)
3. Bylaw Services – four new bylaw officers – \$395,672 (0.28%)
4. Comms – one engagement specialist - \$106,797 (0.08%)
5. Parks – two arborists - \$198,574 and capital fleet equipment of \$701,500 (effect wouldn't hit levy until 2026)
6. Parks – one rev event coordinator and events support - \$208,278 (0.15%)
7. Development Services – one parks planner - \$112,424 (0.08%)
8. If all are approved, tax levy increases from 5.83% to 7.84%

# Financial overview



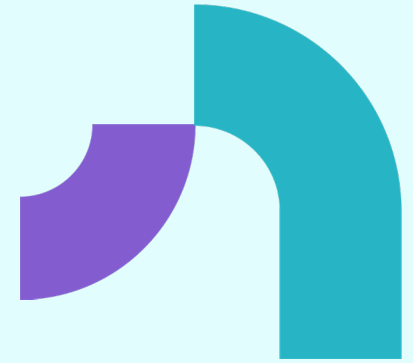
Tax Levy	Required Reduction
5.00%	1,149,593
4.00%	2,537,984
3.00%	3,926,375

# 2025 Capital Expenditure Plan

# 2025 Capital Expenditure Plan

The Capital Plan has been prioritized by the Capital Program Management Office with the functional areas, and subsequently the Senior Leadership Team considering the Sustainable Finance Policy, Asset Management Policy and Organizational Capital Project Management Policy and other inputs such as:

- Regulatory requirements, including health and safety
- Contractual and/or development obligations
- Council goals and corporate workplan
- Asset master plans/strategic plans and asset management plans, and assessments
- myPG framework (social, economic and environmental)
- Probability of asset failure, consequence of that failure and the acceptability of that risk
- Operational needs
- User need feedback (service requests, user group meetings, private development timing, etc.)
- All other forms of public consultation
- Operational capacity and industry considerations





# 2025 Capital Expenditure Plan



Provides for purchase, construction, re-investment, and upgrade of capital assets

Includes land and improvements, buildings, vehicles, machinery and equipment, infrastructure (roads, drainage, parks, sewer, water) and leasehold improvements

## Ongoing Reliable Sources of Funding for General Capital

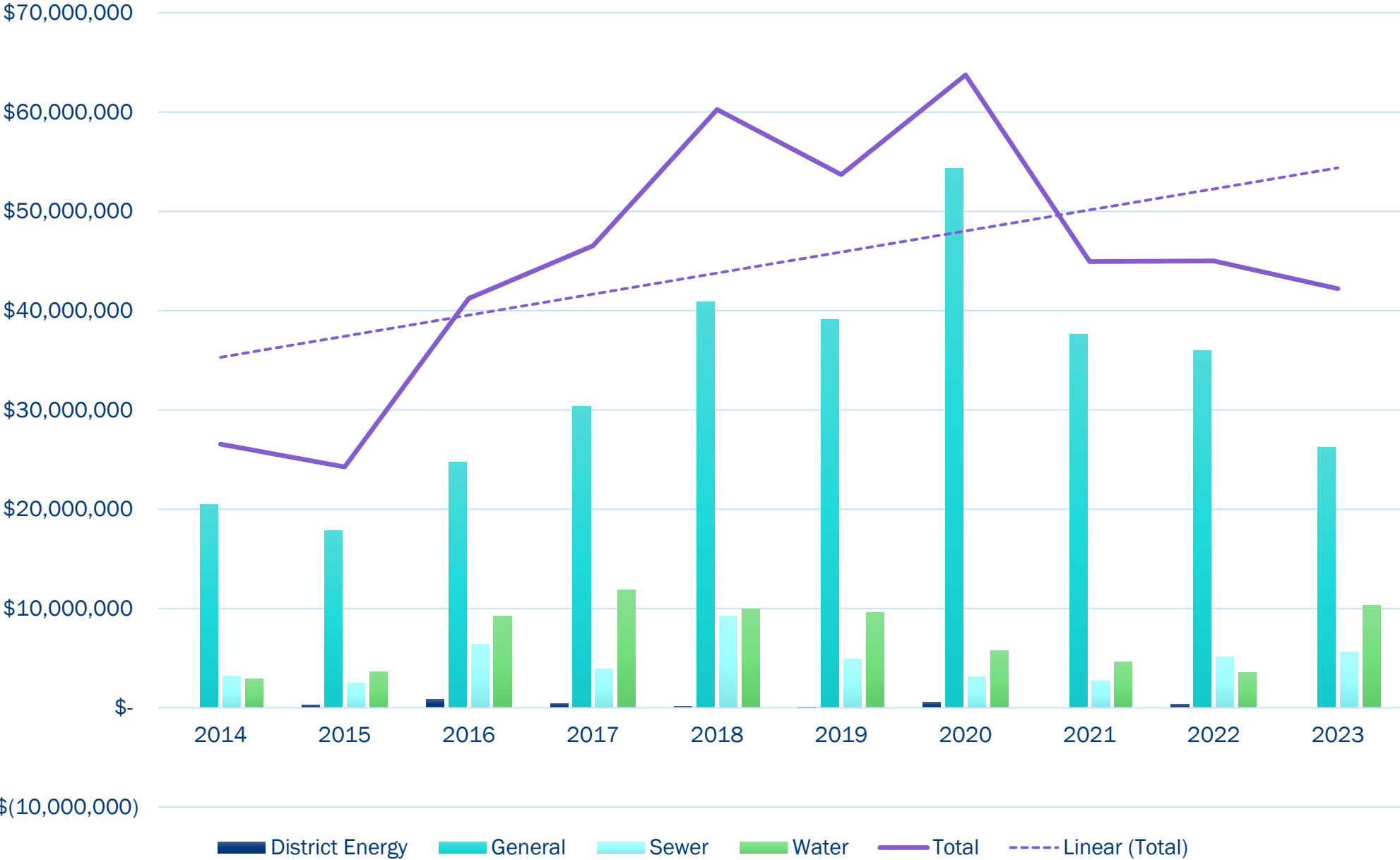
Road Rehabilitation Levy - \$6.7M

Community Works Funding - \$3.5M

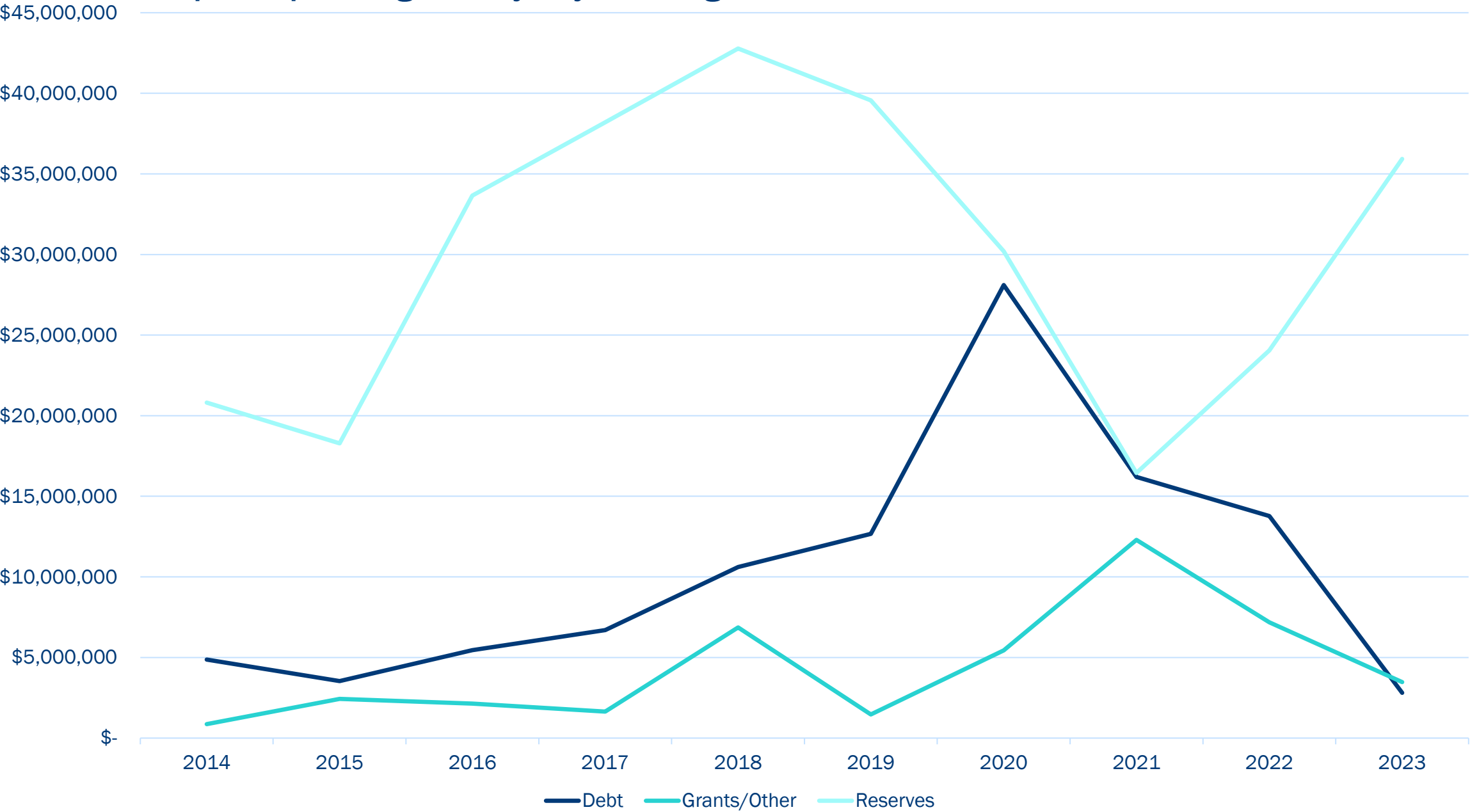
General Infrastructure Reinvestment Fund - \$5.63M

Gaming Revenue - \$2.7M

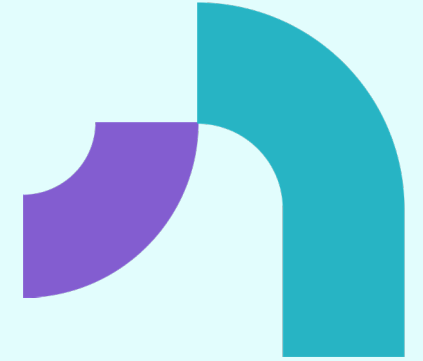
# 10 Year Capital Spending History - by Fund



# 10 Year Capital Spending History - by Funding Source



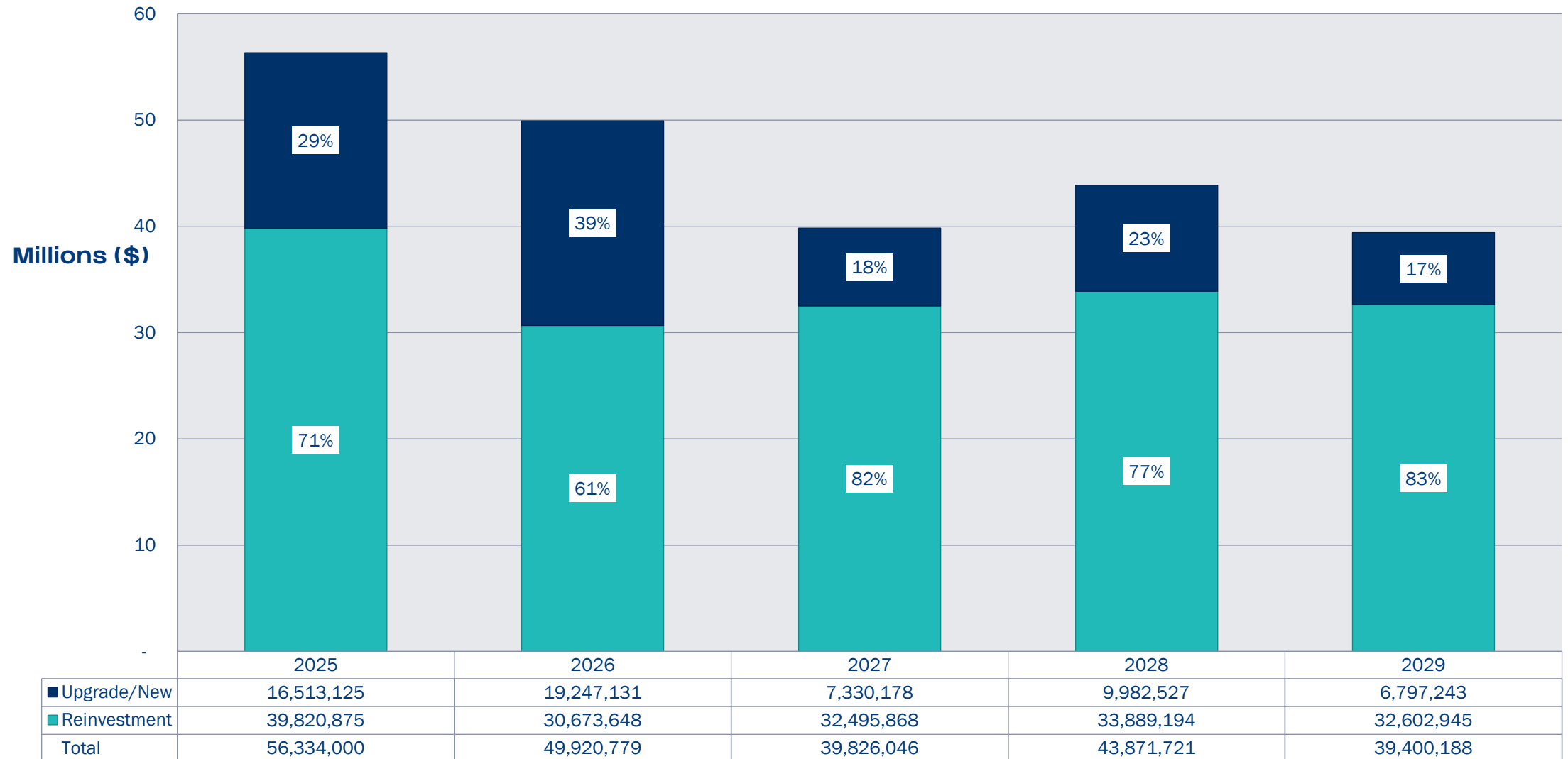
# Liability Serving Limit



A municipality has a regulated amount by the Province as to what we may borrow. It is mostly based on 25% of our controllable revenues.

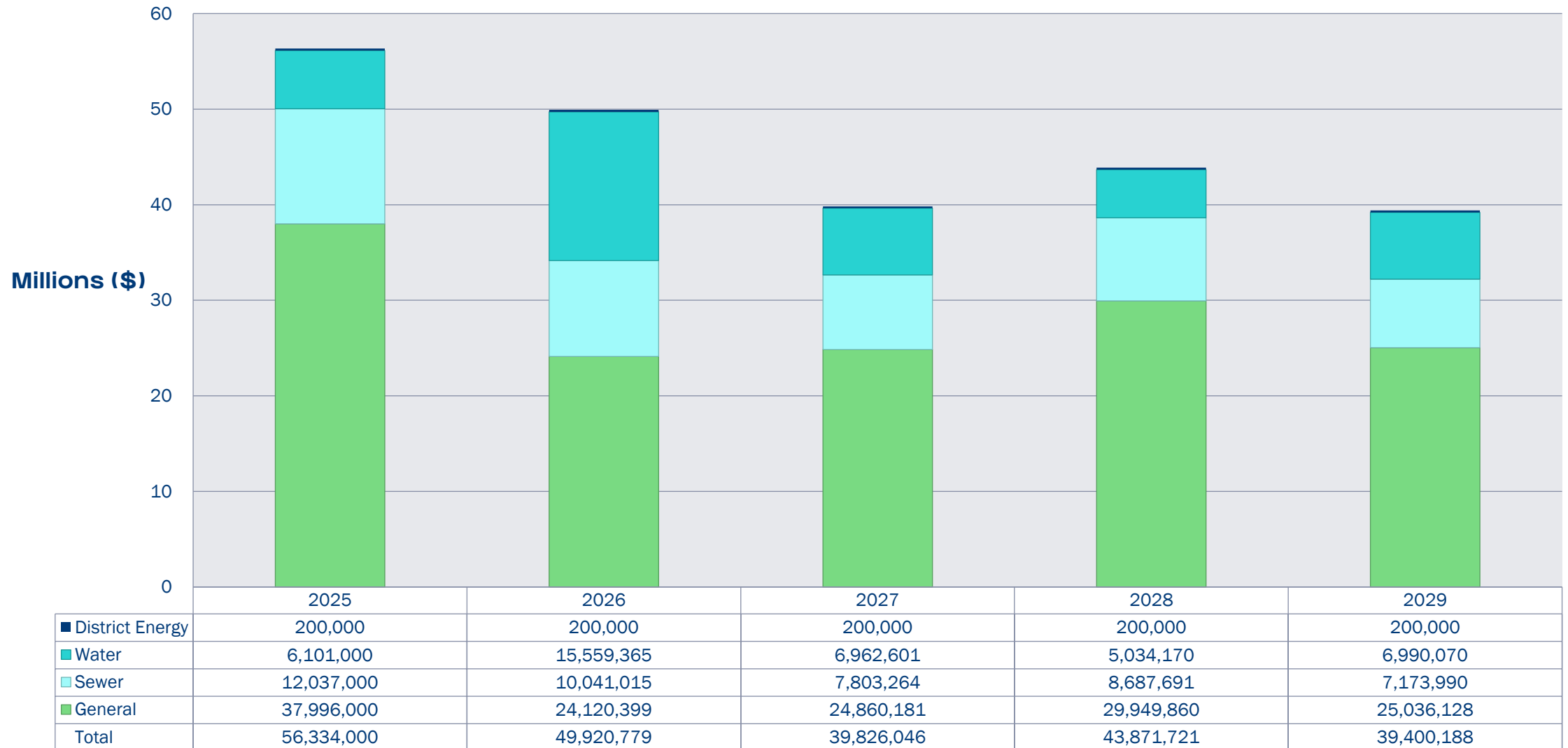
Year	Municipal Controllable Revenue	Liability Servicing Limit	Payment Capacity Available	Approximate Principal Borrowing Available
2019	\$177,512,689	\$44,378,172	\$23,982,421	\$266,471,344
2020	\$171,514,757	\$42,878,689	\$15,422,526	\$194,975,044
2021	\$178,208,247	\$44,552,062	\$24,965,473	\$289,622,657
2022	\$188,567,032	\$47,141,758	\$34,110,515	\$379,005,722
2023	\$209,889,114	\$52,472,279	\$38,327,316	\$425,859,067

## 2025-2029 Capital Plan by Type

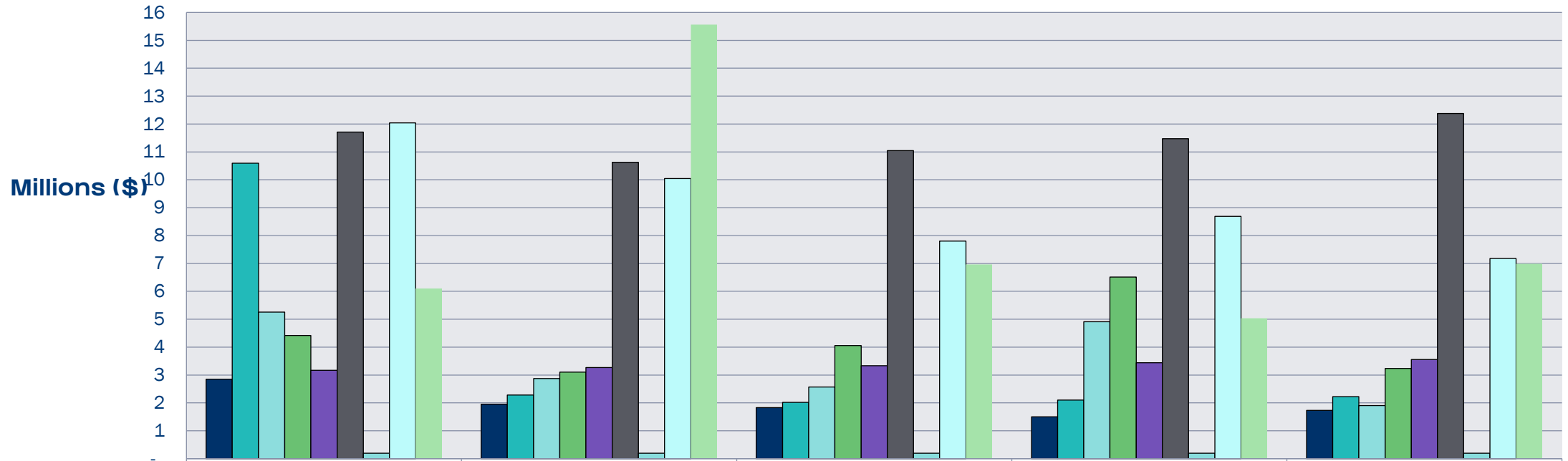




## 2025-2029 Capital Plan by Fund

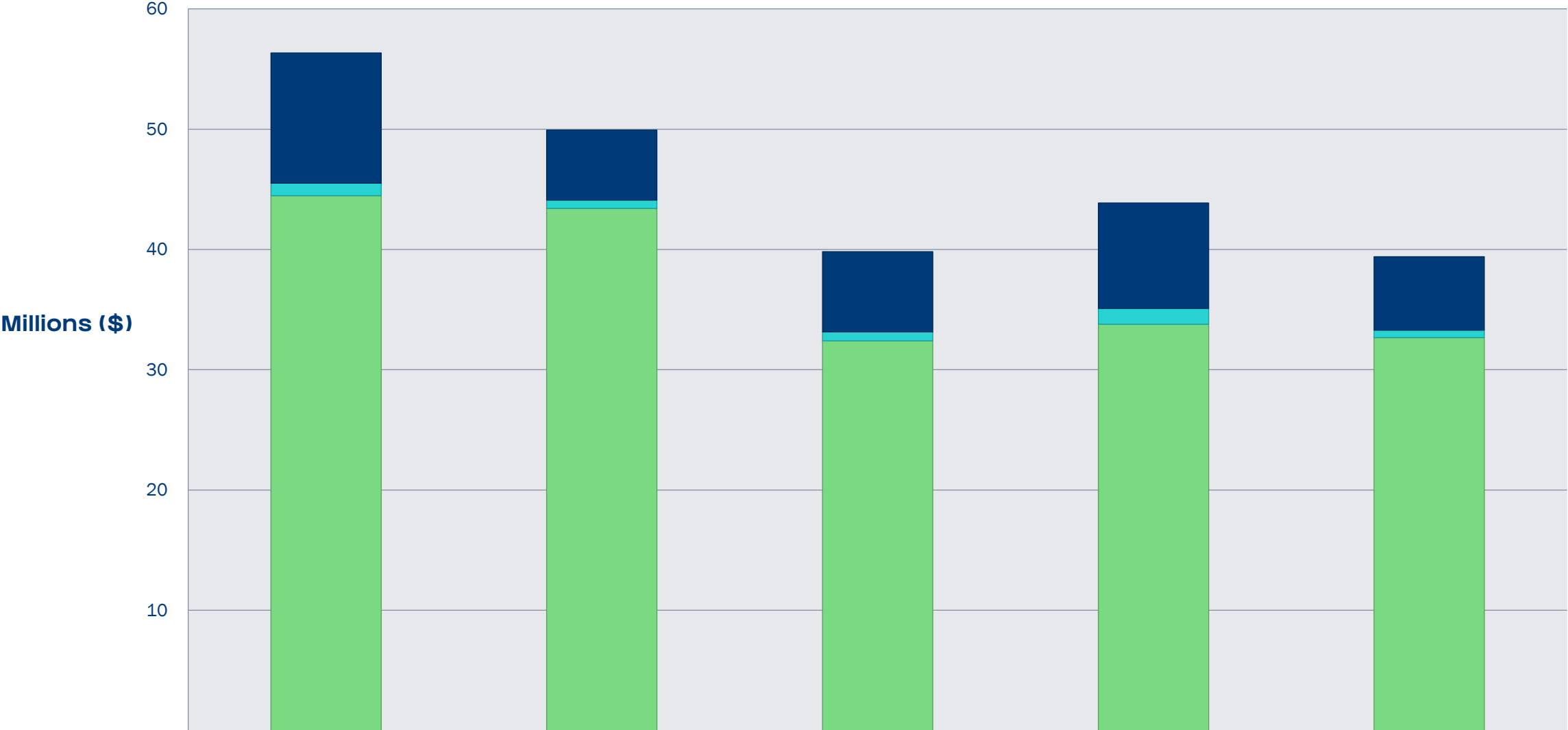


## 2025-2029 Capital Plan by Service Type



	2025	2026	2027	2028	2029
■ Administrative Support	2,847,000	1,957,000	1,830,000	1,505,000	1,736,000
■ Civic Facilities	10,598,000	2,281,500	2,021,626	2,105,507	2,227,280
■ Recreation and Culture	5,251,500	2,876,912	2,568,153	4,911,140	1,906,698
■ Solid Waste and Fleet	4,418,000	3,106,662	4,058,660	6,515,185	3,235,956
■ Storm Drainage	3,170,000	3,270,000	3,336,000	3,444,000	3,553,000
■ Transportation	11,711,500	10,628,325	11,045,742	11,469,028	12,377,194
■ District Energy	200,000	200,000	200,000	200,000	200,000
■ Sewer	12,037,000	10,041,015	7,803,264	8,687,691	7,173,990
■ Water	6,101,000	15,559,365	6,962,601	5,034,170	6,990,070
Total	56,334,000	49,920,779	39,826,046	43,871,721	39,400,188

2025-2029 Capital Plan by Funding Source



	2025	2026	2027	2028	2029
Debt	10,828,000	5,809,422	6,675,036	8,774,985	6,101,148
DCC	1,036,500	701,788	755,902	1,306,285	626,629
Reserve	44,469,500	43,409,569	32,395,108	33,790,451	32,672,411
Total	56,334,000	49,920,779	39,826,046	43,871,721	39,400,188

# 2025 Operating Budget

# 2025 Operating Budget Citywide



## Departments

- Service Agreements
- Corporate Management
- Administrative Services
- Civic Operations
- Civic Facilities and Events
- Planning and Development
- Finance and IT Services



# FTE Comparison 2025-2024

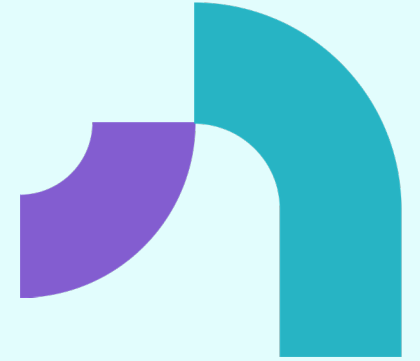


Department	2025	2024	2025 vs 2024
Corporate Management	34.2	34.2	0.0
Administrative Services	232.5	231.5	1.0
Civic Operations	258.7	257.2	1.6
Civic Facilities and Events	130.3	130.3	0.0
Planning and Development	28.8	28.8	0.0
Finance and IT Services	56.8	54.9	1.9
<b>TOTAL</b>	<b>741.2</b>	<b>736.8</b>	<b>4.4</b>

# 2025 Operating Budget Service Agreements

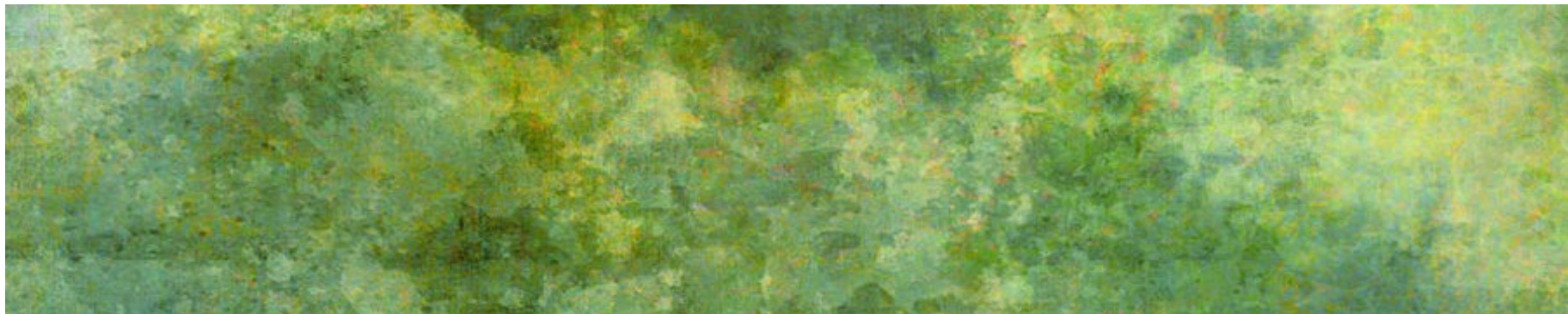
## 1. Service Categories

- Prince George Public Library
- Tourism Prince George





PRINCE GEORGE PUBLIC LIBRARY



# Tourism Prince George

**PRINCE<sup>B</sup><sub>C</sub>  
GEORGE**

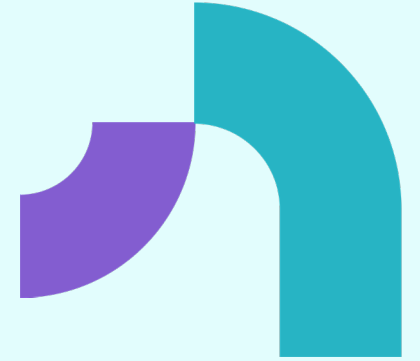
# 2025 Operating Budget

## Corporate Management



Division	2025 FTE's	2024 FTE's	2025 vs 2024
Office of City Manager	2.0	3.0	(1.0)
Mayor & Council	9.0	9.0	0.0
Legislative Services	8.1	7.1	1.0
Human Resources	15.1	15.1	0.0
<b>TOTAL</b>	<b>34.2</b>	<b>34.2</b>	<b>0.0</b>

# 2025 Operating Budget Administrative Services

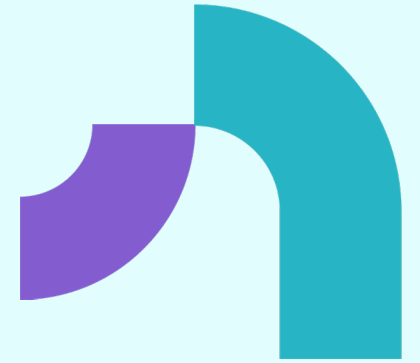


Division	2025 FTE's	2024 FTE's	2025 vs 2024
Police Protection	57.2	57.2	0.0
Fire and Rescue Services	136.4	136.4	0.0
Emergency Programs	2.0	2.0	0.0
Bylaw Services	25.8	25.9	(0.1)
Off-Street Parking	6.0	6.0	0.0
Communications	4.0	4.0	0.0
Intergovernmental Relations	1.0	0.0	0.0
<b>TOTAL</b>	<b>232.4</b>	<b>231.5</b>	<b>0.9</b>



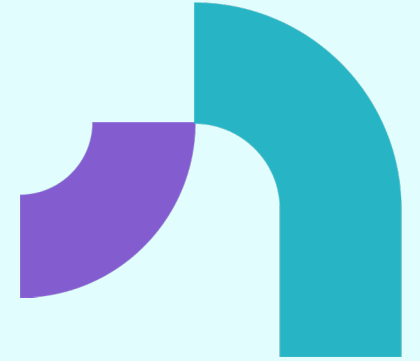
# 2025 Operating Budget

## Civic Operations



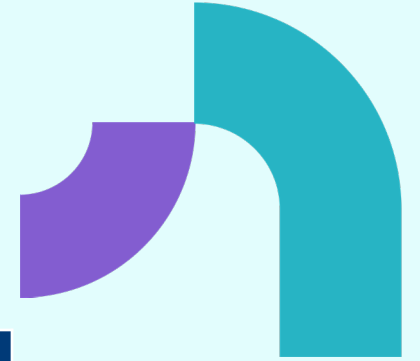
Division	2025 FTE's	2024 FTE's	2025 vs 2024
Snow Control	34.5	34.5	0.0
Roads	20.9	20.9	0.0
Storm Drainage	13.5	13.0	0.0
Fleet Services	30.0	30.1	(0.1)
Street Lighting	3.7	2.8	0.9
Civic Operations Admin	1.0	2.0	(1.0)
Solid Waste Services	12.0	12.0	0.0
Cemetery	5.1	5.1	0.0
Sewer Operations	42.8	42.6	0.2
Water Operations	42.7	42.8	(0.1)
Parks	44.5	44.5	0.0
District Energy	1.4	0.8	0.6
Transportation & Technical Services	7.1	6.1	1.0
<b>TOTAL</b>	<b>258.7</b>	<b>257.2</b>	<b>1.5</b>

# 2025 Operating Budget Civic Facilities and Events



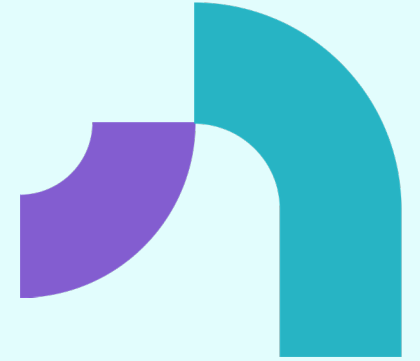
Division	2025 FTE's	2024 FTE's	2025 vs 2024
Aquatics	51.1	51.1	0.0
Civic Facilities and Events Admin	3.0	1.0	2.0
Civic Initiatives and Partnerships	0.0	2.0	(2.0)
Project Delivery	5.5	5.5	0.0
Facility Maintenance	15.2	15.2	0.0
Capital Program Management Office	4.0	4.0	0.0
Entertainment Services	4.2	5.3	(1.1)
Event Services	8.8	14.1	(5.3)
Event Operations	38.6	32.1	6.4
<b>TOTAL</b>	<b>130.3</b>	<b>130.3</b>	<b>0.0</b>

# 2025 Operating Budget Planning and Development



Division	2025 FTE's	2024 FTE's	2025 vs 2024
Dev Planning and Admin	22.8	22.8	0.0
Economic Development	3.0	3.0	0.0
Asset Management	3.0	3.0	0.0
<b>TOTAL</b>	<b>28.8</b>	<b>28.8</b>	<b>0.0</b>

# 2025 Operating Budget Finance and IT Services



Division	2025 FTE's	2024 FTE's	2025 vs 2024
Risk and Procurement	6.1	6.1	0.0
IT Services	23.4	21.4	2.0
Financial Services (inc. Service Centre)	27.3	27.4	(0.1)
Fiscal Services	0.0	0.0	0.0
<b>TOTAL</b>	<b>56.8</b>	<b>54.9</b>	<b>1.9</b>

# Questions?