



2021 – 2025 FINANCIAL PLAN

Agenda

- Legislative Framework
- Review of COVID-19 impacts in 2020
- Public consultation about 2021 budget priorities
- The 2021 financial overview and plan
 - Capital Expenditure Plan
 - Operating Budget

Legislative Framework

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

Financial Overview

Impacts of COVID-19 in 2020

The City has already taken several actions in response to COVID-19:

- Continued closure of the Four Seasons Leisure Pool, Prince George Conference & Civic Centre and the Elksentre Arena
- 2021 Full-time equivalent (FTE) employees are 39.59 lower than 2020
- Discretionary expenses such as travel, training and attending conferences have been eliminated or significantly reduced

Public Consultation and Info Sessions



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2021 Budget Consultation and Talktober Town Hall

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Budget Survey

Four main sections:

- Business/residential, property assessment, distribution of taxes
- Service areas – suggested funding level, importance, satisfaction
- COVID impacts and financial recovery
- Free-form responses

Survey period: Oct 21 to Nov 10

Just over 1,000 responses

Survey Results

Service areas:

- Increase: Police Services, Roads and Sidewalks, Snow and Ice
- Importance: Police Services, Snow and Ice Control, and Fire Protection.
- Satisfaction: Fire Protection; Parks, Trails, and Beautification; Recreation Services.

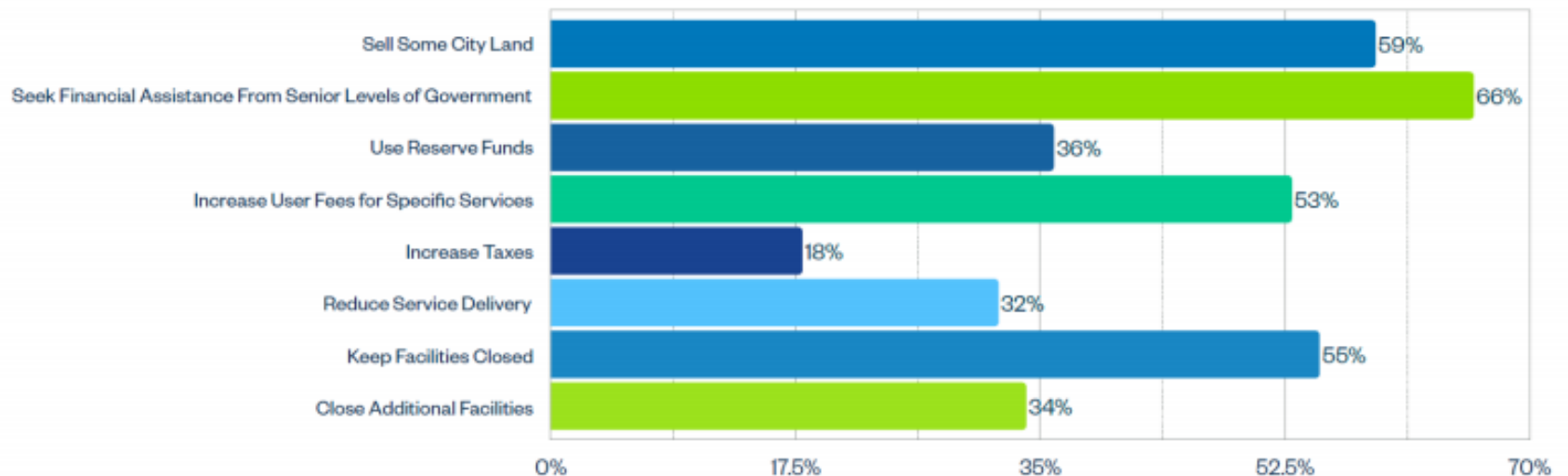
COVID impacts:

- Lower income levels and confidence
- Higher use of outdoor areas for recreation

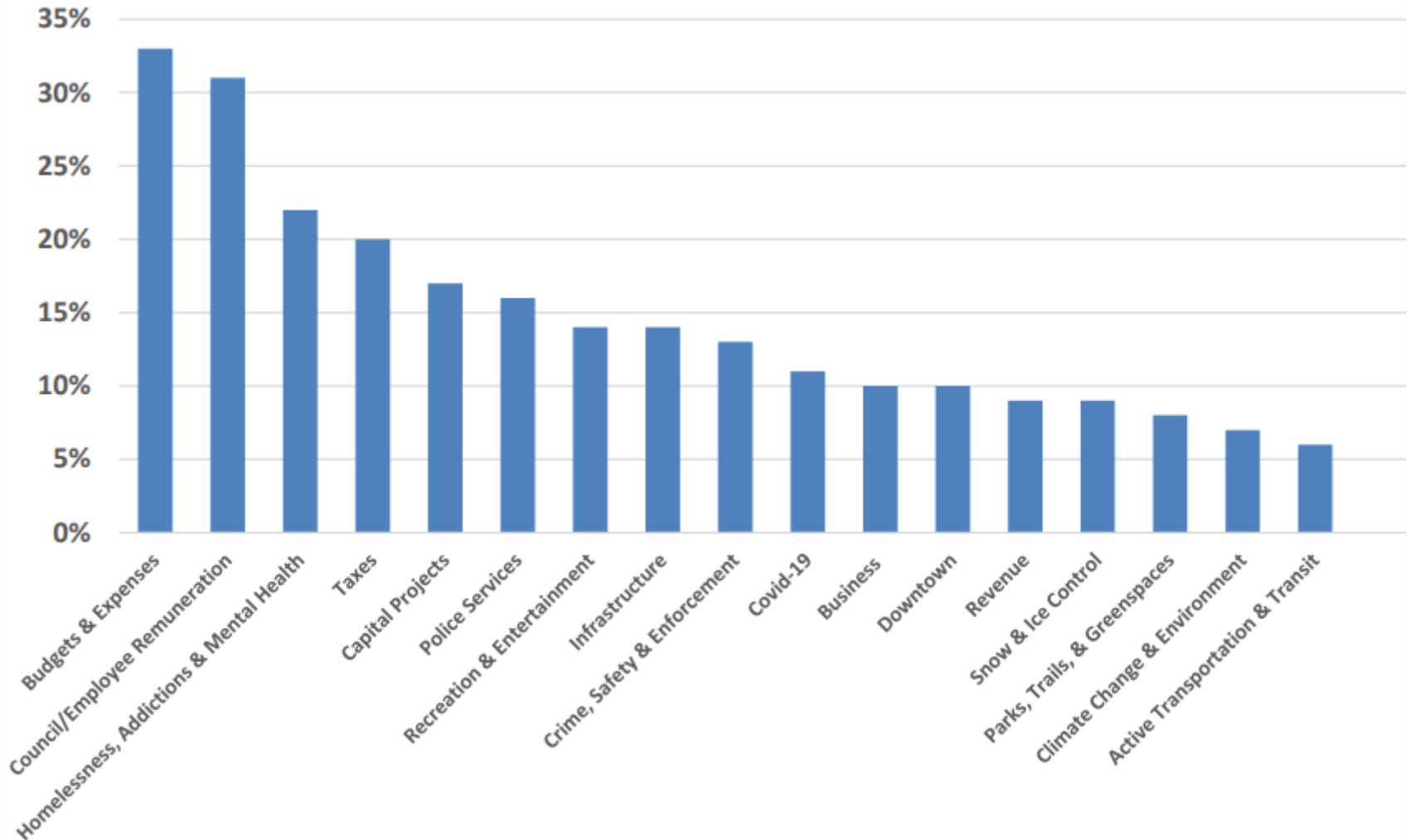
Survey Results

What Are Some Things We Should Do in Prince George to Help Attract Additional Revenues or Reduce Costs?*

The COVID-19 pandemic has greatly reduced revenues coming into the City from such things as user fees, facility rentals, gaming, and transit ridership. Together with other sources of revenue such as property taxes, these fund services to residents of Prince George.



Survey Results



Talktober Town Hall



“Get Involved” web page

Public Consultations and Info Sessions

Recent Consultations

Active Consultations



2021 Budget Consultation & Talktober Town Hall

Read the results of the 2021 Budget Consultation and watch Talktober 2020 digital town hall.



2019 Childcare Survey

The City conducted a survey in 2019 to identify specific issues, trends, and needs related to childcare for families in Prince George.



2019 Climate Mitigation Survey

The City of Prince George launched an engagement campaign in late 2018 and early 2019 to collect input from residents on how Prince George can combat climate change.

princegeorge.ca/getinvolved

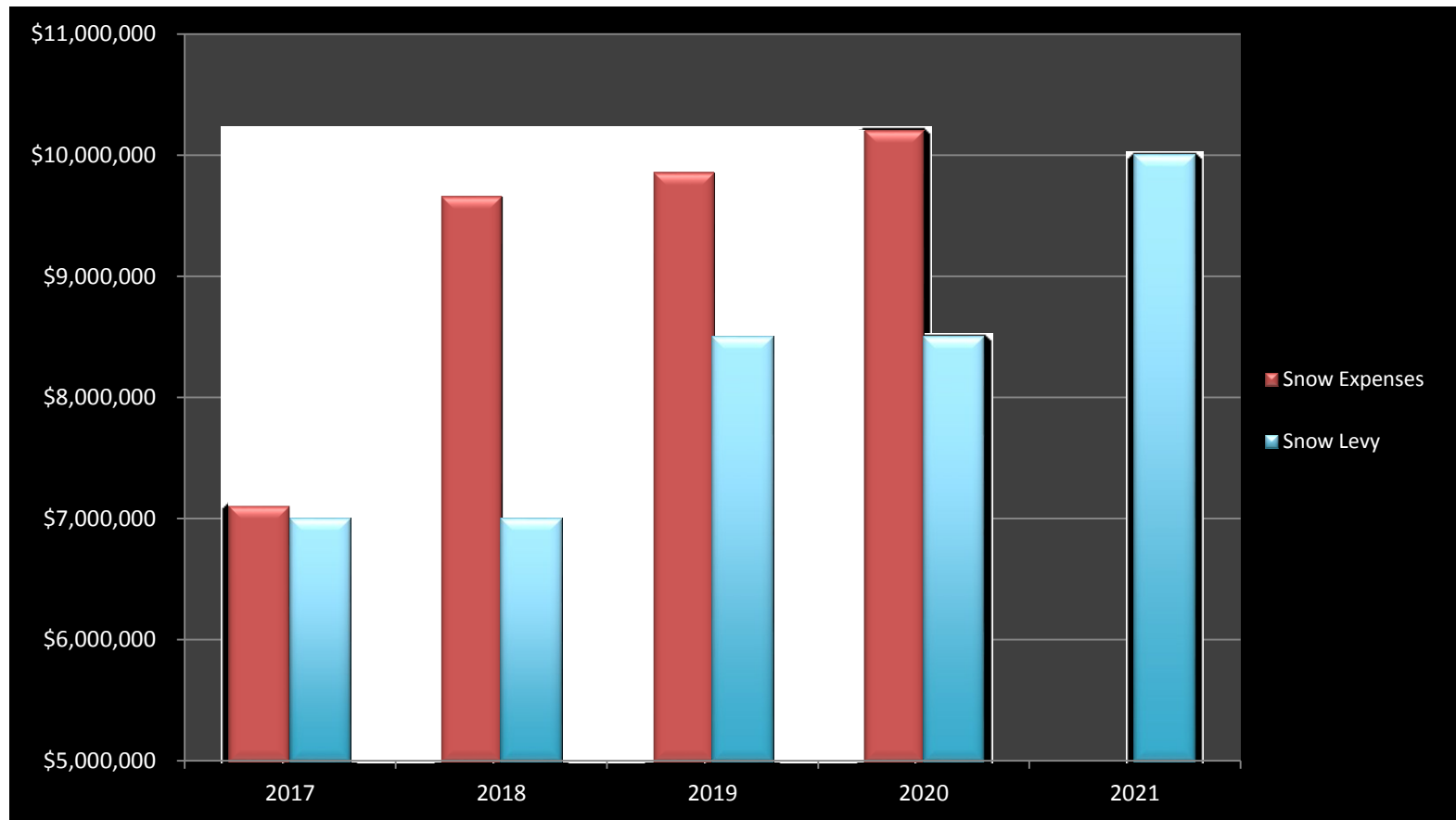
Financial Overview

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

- **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.
- **Snow Control (operating and capital)** – funds the full scope of costs associated with providing the City's snow control service.
- **Road Rehabilitation (capital)** – created in 2004 and funds the reinvestment needs of our transportation network.
- **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 2017 to Proposed 2021



Financial Overview

Road Rehabilitation Levy

- Currently set at \$5,650,000
- Reinvestment target of \$7,000,000 estimated in 2011
- 2021 budget has been prepared at \$5,800,000, or an increase of \$150,000 (approx. 2.5%), to keep pace with the rising costs of asphalt, labour and fleet expenses.

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 to increase the available funding needed to maintain and replace new and aging infrastructure
- 2020 budget was set at \$2,550,000
- 2021 budget has been prepared at \$2,675,000 (approx. 5%), or an increase of \$125,000, to match the large inflation rate the City is experiencing in construction costs.

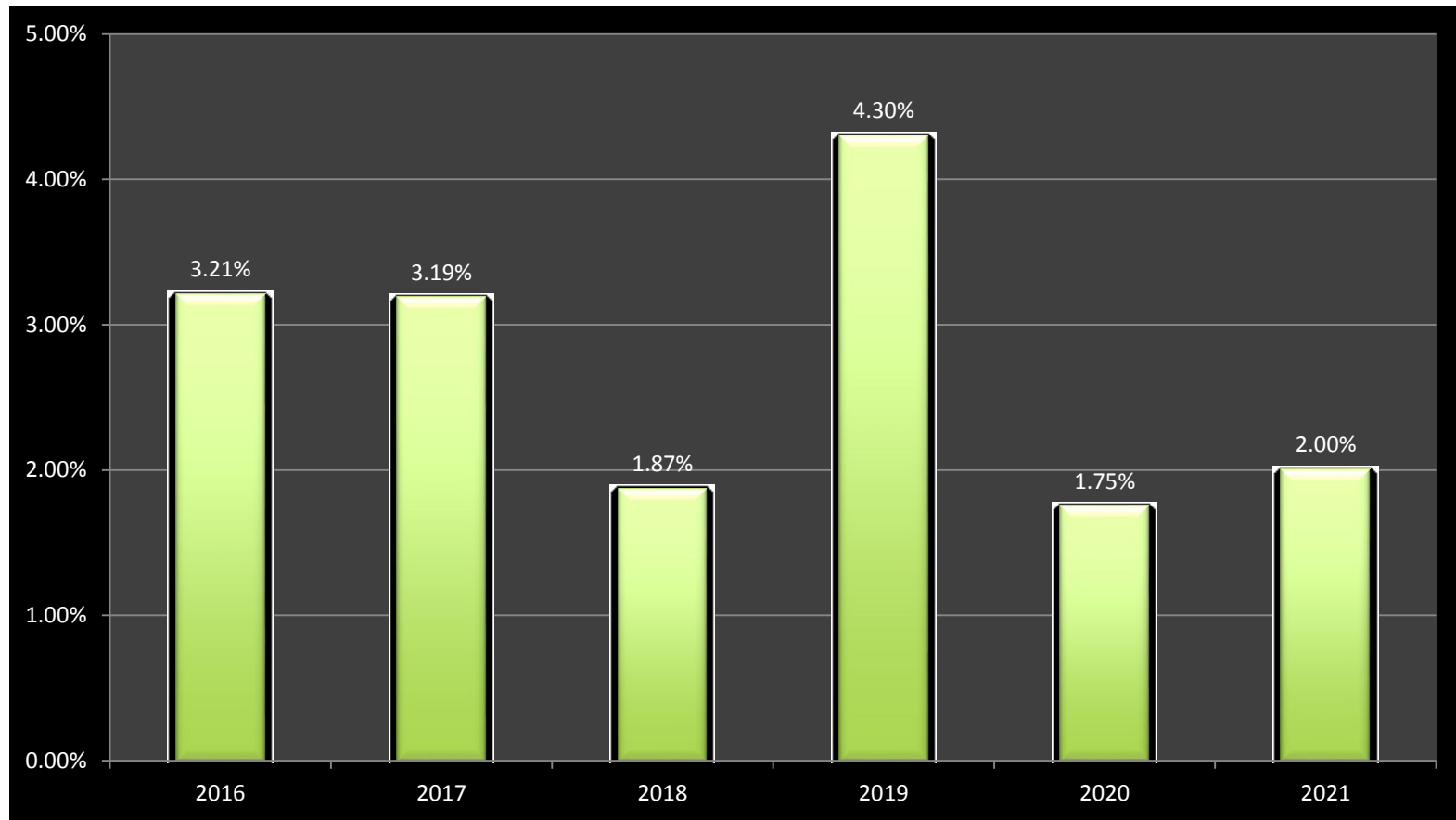
Tax Notice Line Items

Proposed 2021 Changes

	2020 Levy	Proposed Increase	Increase as a % of total levies
General	\$96,372,106	\$486,442	0.43%
Snow Control	8,500,000	1,500,000	1.33%
Road Rehabilitation	5,650,000	150,000	0.13%
General Infrastructure Reinvestment Fund	2,550,000	125,000	0.11%
Total	\$113,072,106	\$2,261,442	2.00%

Tax Requisition Increases

Actual 2016 to Proposed 2021

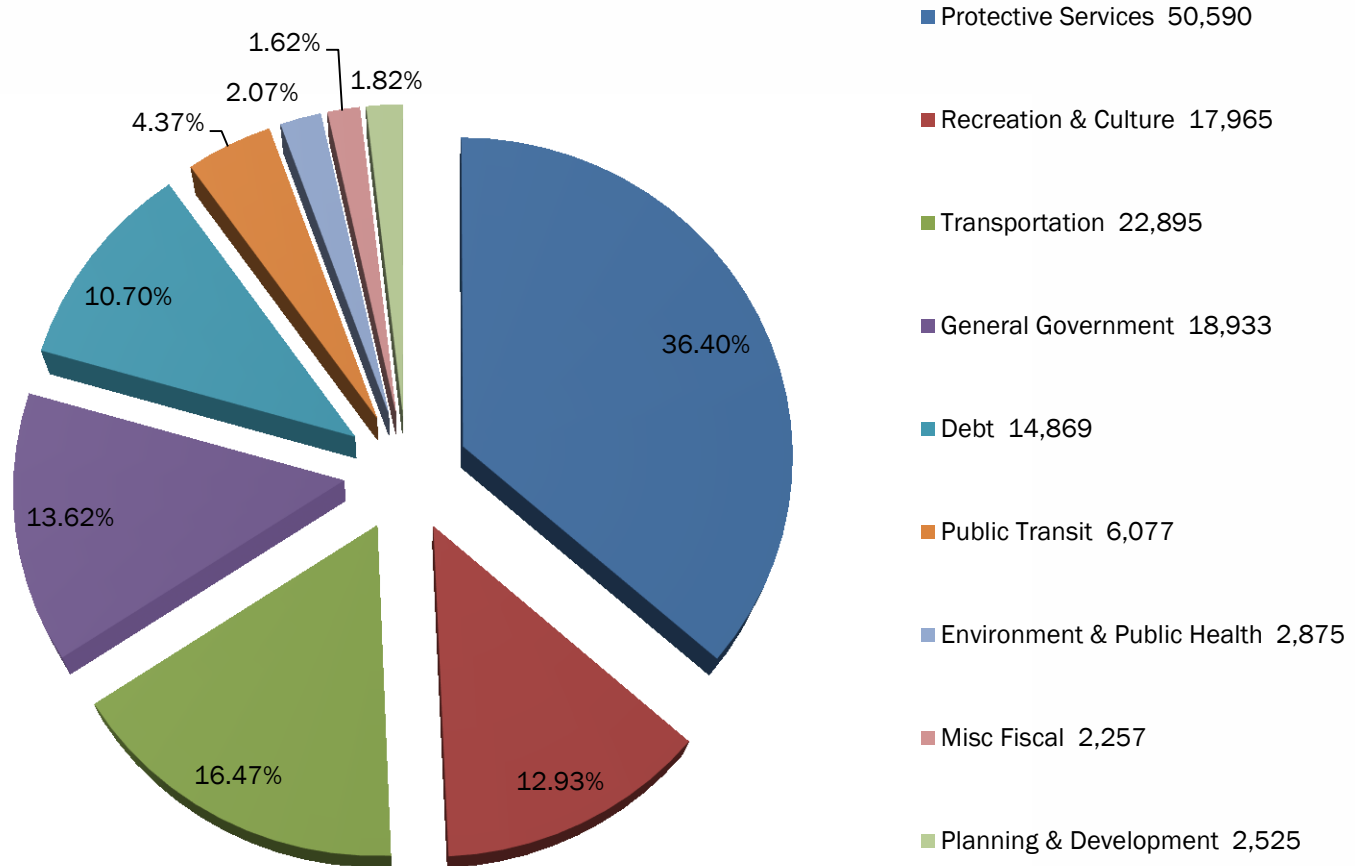


2020 Representative Home Values and Property Taxes

Municipality	2016 Census	Taxable Land Area (ha)	2020 Rep. Home Value	Municipal Taxes	Other Authorities	Total Residential Taxes
Chilliwack	83,788	20,078	590,280	1,911	1,241	3,152
Kamloops	90,280	21,979	469,313	2,225	1,242	3,467
Kelowna	127,380	21,506	695,765	2,271	1,407	3,678
Dist. of Langley	117,285	27,158	968,824	2,170	1,570	3,740
Maple Ridge	82,256	14,748	803,371	2,513	1,384	3,897
Nanaimo	90,504	4,351	527,145	2,300	1,451	3,751
Prince George	74,003	29,762	318,461	2,261	1,121	3,382
Saanich	114,148	6,481	896,463	2,762	1,728	4,490
Victoria	85,792	1,148	884,826	2,756	1,705	4,461

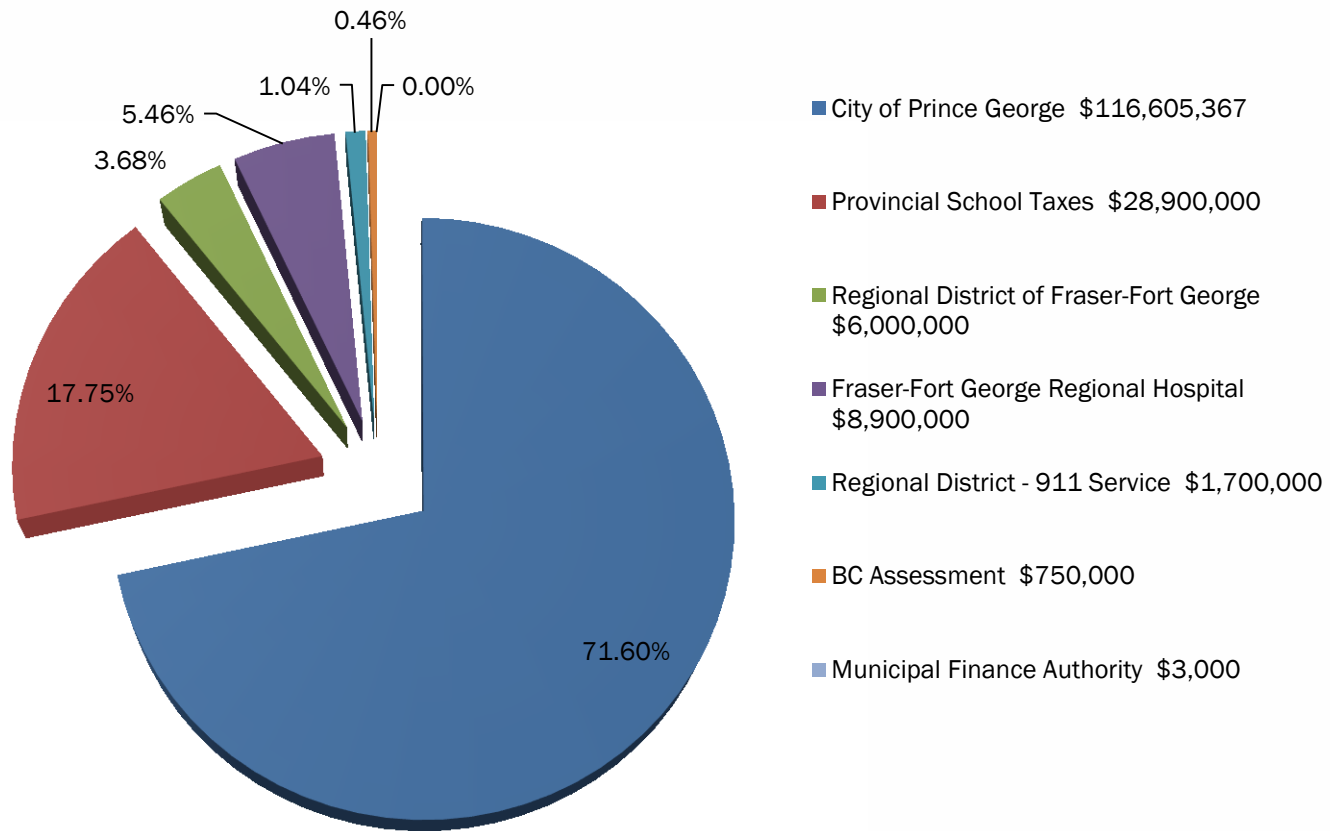
Financial Overview

2021 General Operating Expenses (in 000's)



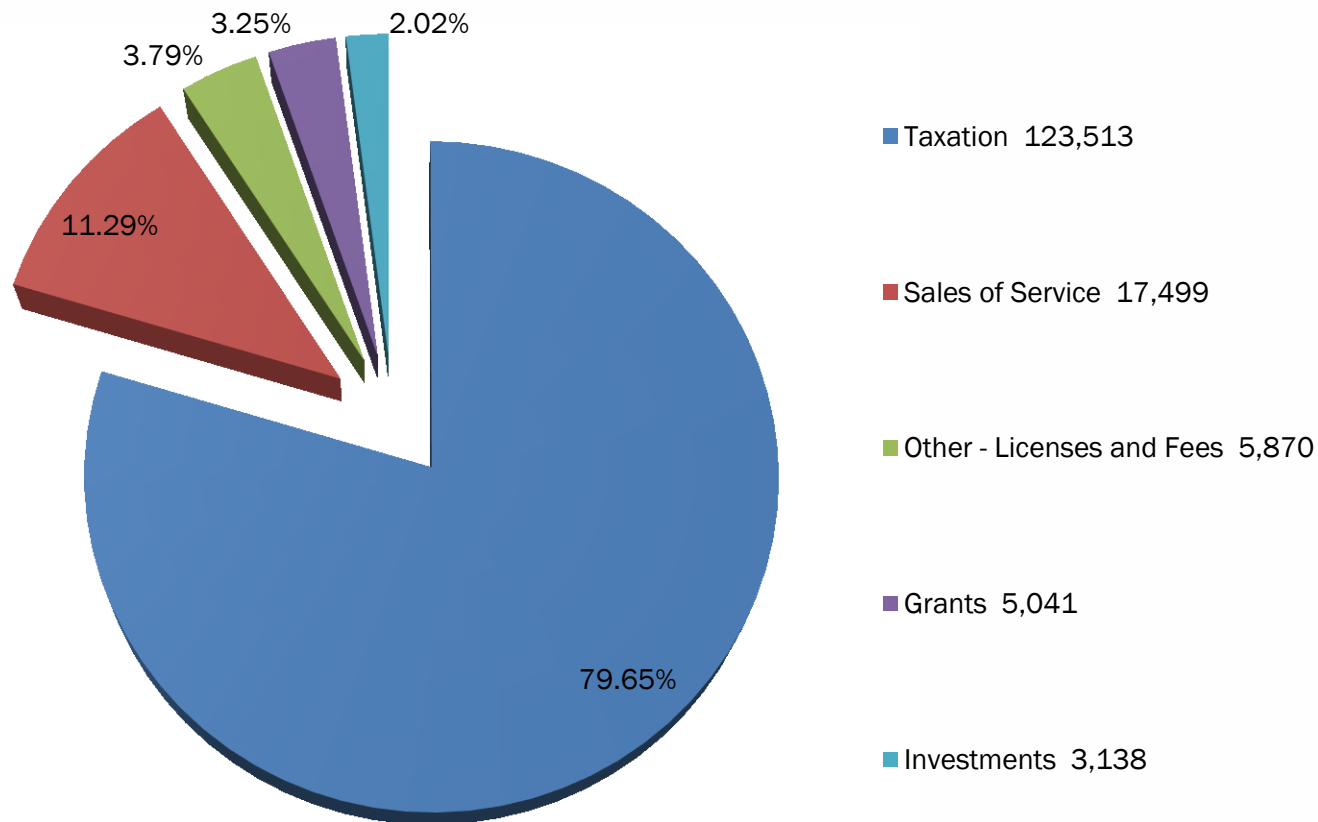
Financial Overview

2021 Taxes Collected for City and Other Authorities



Financial Overview

2021 General Operating Source of Funds (in 000's)



Financial Overview

Safe Restart Funding

- The City was the recipient of a \$6,110,000 grant from the Province of BC under the COVID-19 Safe Restart Grant for Local Governments
- Eligible expenses include:
 - Addressing revenue shortfalls
 - Facility reopening and operating costs
 - Emergency Planning and response costs
 - Bylaw enforcement and protective service (ie. Police, Fire)
 - Computer and technology costs to improve virtual communications
 - Services for vulnerable persons

Financial Overview

Safe Restart Funding

Tax Levy	Required Reduction	Safe Restart Funding Balance
2.00%	\$796,185	\$5,313,815
1.75%	1,078,865	5,031,135
1.50%	1,361,545	4,748,455
1.25%	1,644,225	4,465,775
1.00%	1,926,905	4,183,095
0.75%	2,209,585	3,900,415
0.50%	2,492,265	3,617,735
0.25%	2,774,945	3,335,055
0.00%	3,057,625	3,052,375

Budget Meetings Schedule

Date	Time	Service Category
January 25, 2021	3:30 pm	Opportunity for public input (15 minutes) Budget overview and public consultation results 2021-2025 Capital Expenditure Plan Corporate Management Fire Police Community Services & Public Safety Planning and Development
	5:00-6:00 pm	Recess
	6:00 pm	Opportunity for public input (15 minutes) Service Agreements (Prince George Public Library, Tourism Prince George) External Relations Civic Operations Administrative Services Human Resources & Corporate Safety Financial Services and Fiscal Services
January 27, 2021 (if necessary)	3:30 pm	Opportunity for public input (15 minutes)
	5:00-6:00 pm	Recess
	6:00 pm	Opportunity for public input (15 minutes)

2021 Capital Expenditure Plan

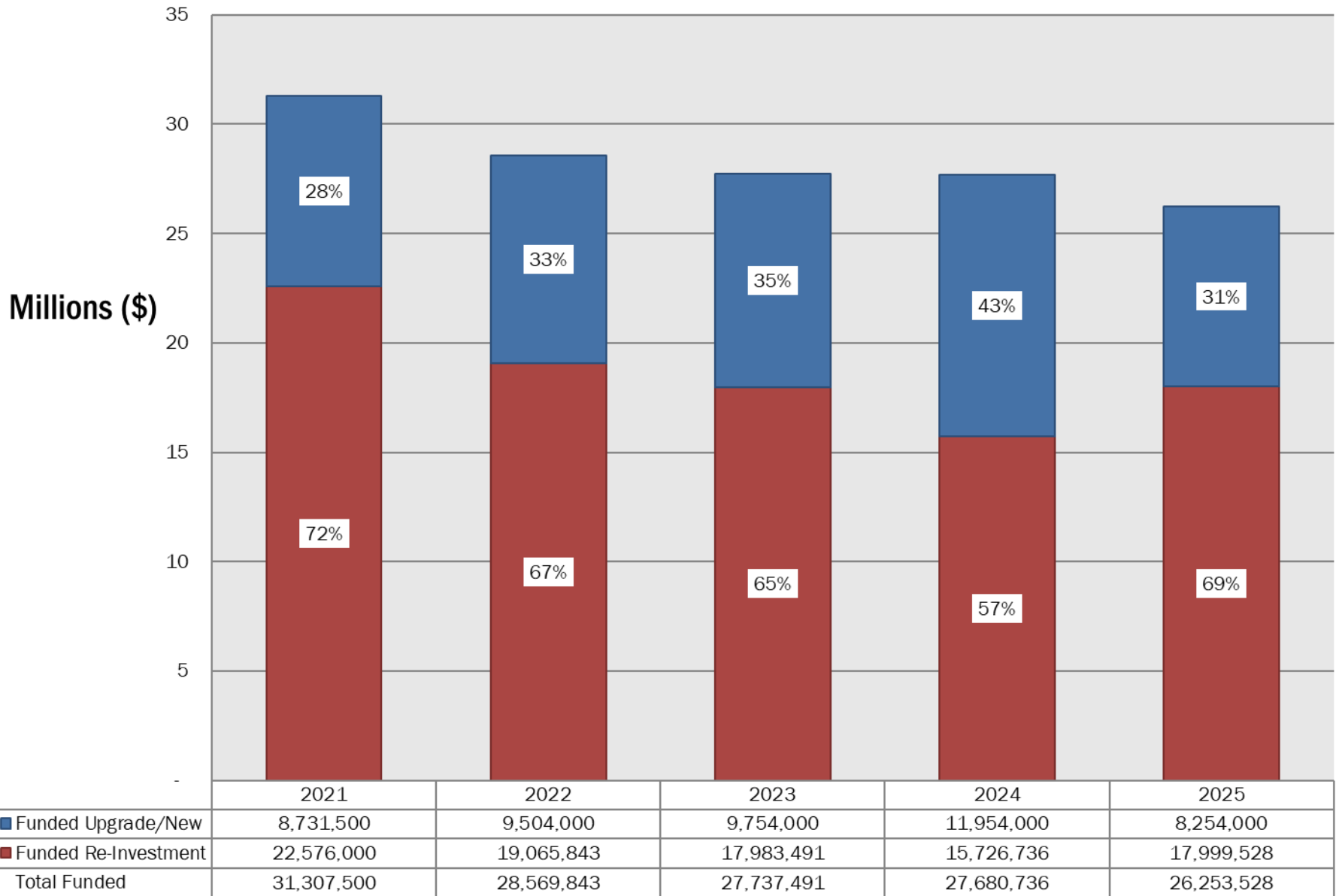
2021 Capital Expenditure Plan

- 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
- Prioritized by Senior Leadership Team considering inputs such as: facility assessments, asset master plans, public consultation, and the myPG framework (social, economic and environmental)

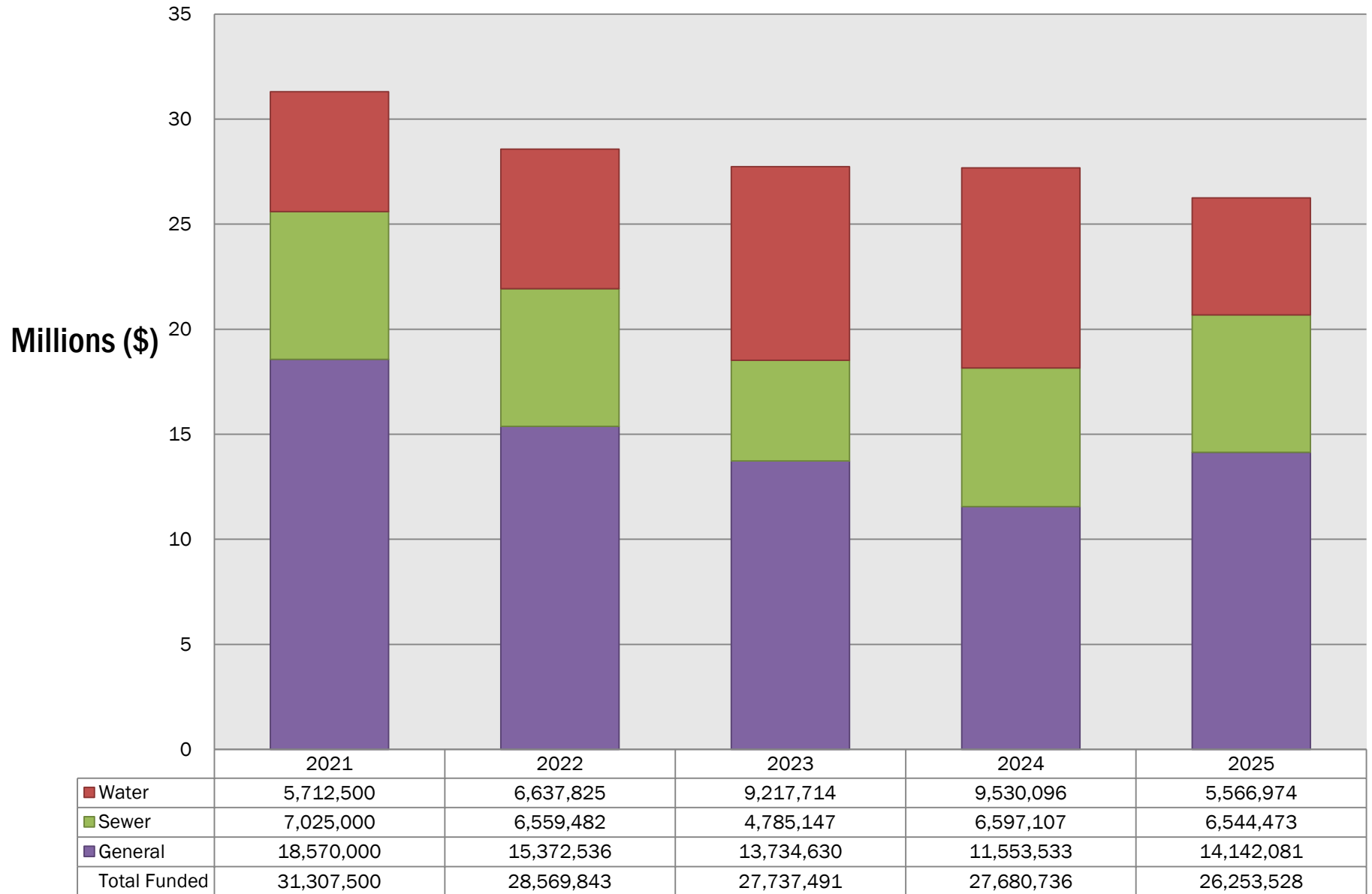
Ongoing Reliable Sources of Funding for General Capital

- Road Rehabilitation Levy - \$5.8M
- Community Works Funding - \$3.3M
- General Infrastructure Reinvestment Fund - \$2.7M
- Gaming Revenue - \$0M

2021-2025 Capital Plan by Type

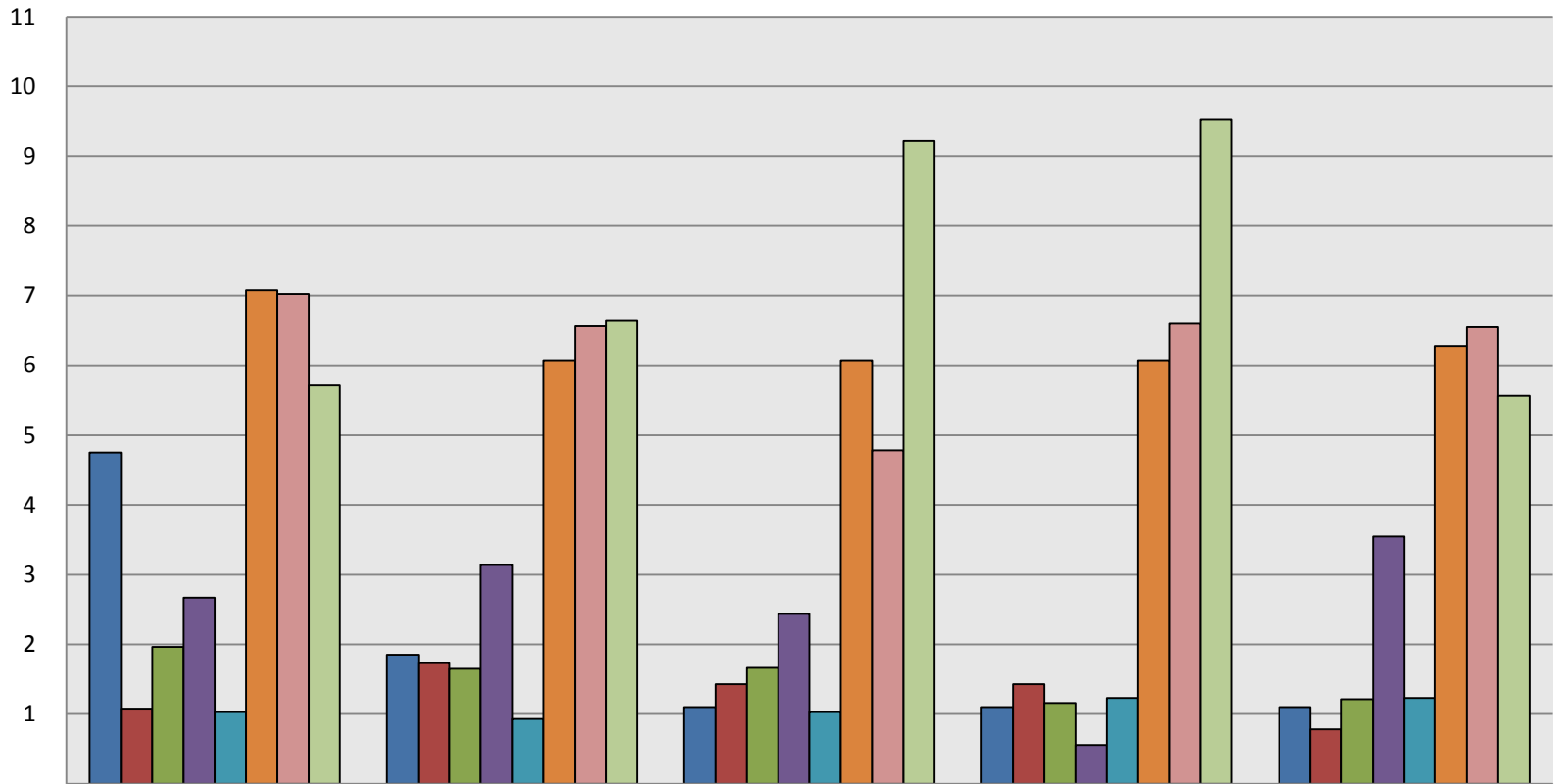


2021-2025 Capital Plan by Fund



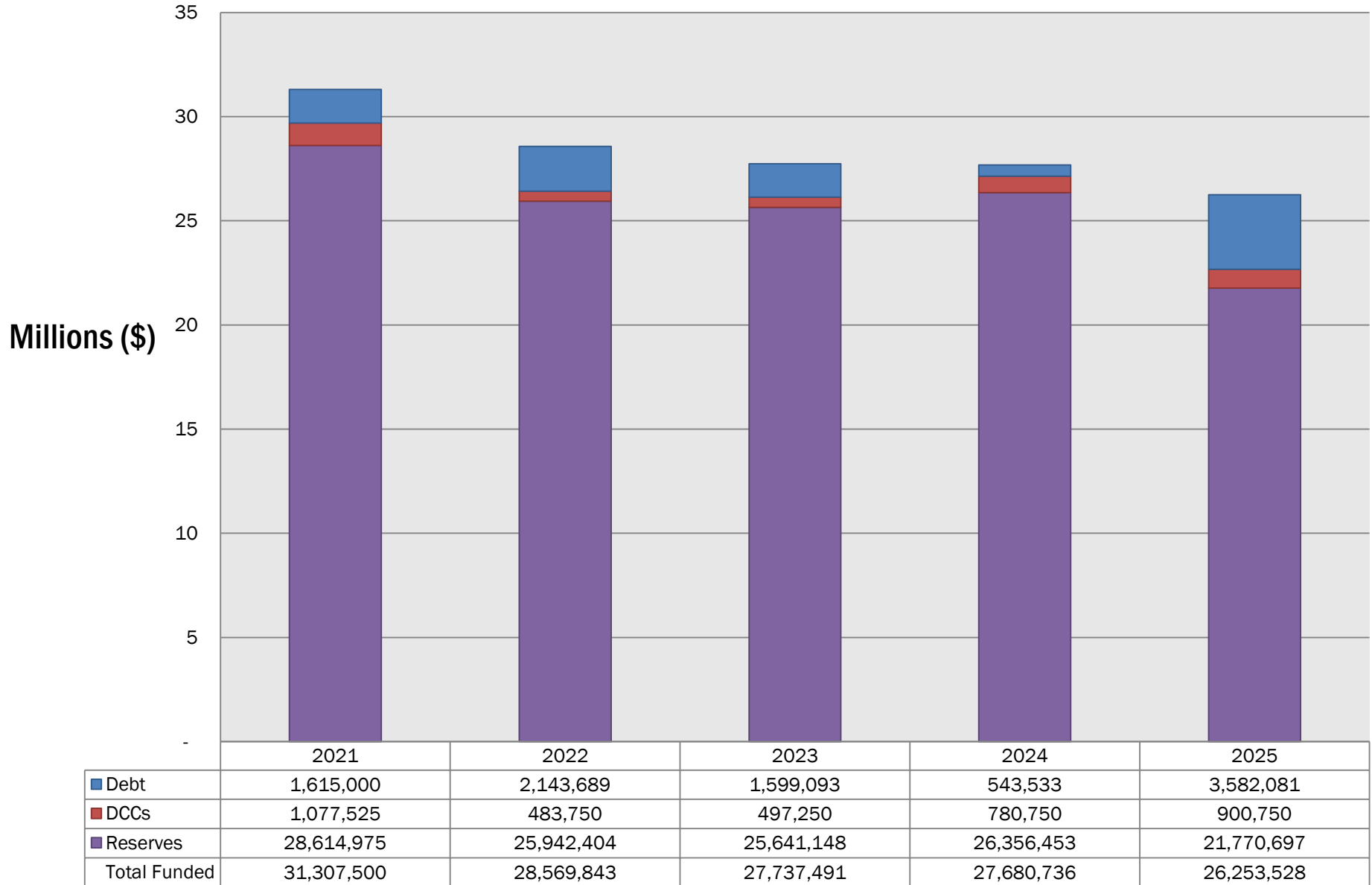
2021-2025 Capital Plan by Service Type

Millions (\$)



	2021	2022	2023	2024	2025
Administrative Services	4,750,000	1,850,000	1,100,000	1,100,000	1,100,000
Civic Facilities	1,080,000	1,730,000	1,430,000	1,430,000	780,000
Recreation and Culture	1,965,000	1,651,000	1,662,275	1,160,250	1,211,000
Solid Waste and Fleet	2,670,000	3,136,536	2,437,355	558,283	3,546,081
Storm Drainage	1,030,000	930,000	1,030,000	1,230,000	1,230,000
Transportation	7,075,000	6,075,000	6,075,000	6,075,000	6,275,000
Sewer	7,025,000	6,559,482	4,785,147	6,597,107	6,544,473
Water	5,712,500	6,637,825	9,217,714	9,530,096	5,566,974
Total Funded	31,307,500	28,569,843	27,737,491	27,680,736	26,253,528

2021-2025 Capital Plan by Funding Source



2021 Operating Budget

2021 Operating Budget

Citywide

- Revenue \$ (201,726,795)
- Expenditures 124,141,476
- Debt 14,868,657
- Transfers 62,716,662
- **NET TOTAL \$ 0**

Revenue = Expenditures +
Debt + Transfers

BUDGET IS BALANCED

- Departments
 - Corporate Management
 - Community Services & Public Safety
 - Planning, Development & Infrastructure
 - Service Agreements
 - External Relations
 - Civic Operations
 - Administrative Services
 - Human Resources & Corporate Safety
 - Finance

2021 Operating Budget

Corporate Management

- Revenue \$(1,618,750)
 - Expenditures 20,205,795
 - Transfers 1,167,700
 - **NET TOTAL** **\$19,754,745**
- Service Categories
 - Fire Protection
 - Office of the City Manager
 - Mayor and Council

2021 Operating Budget

Community Services & Public Safety

- Revenue \$ (4,490,420)
 - Expenditures 43,719,518
 - Transfers 2,060,641
 - **NET TOTAL \$ 41,289,739**
- Service Categories
 - Police Support Services
 - Emergency Services
 - Bylaw Services
 - Aquatics
 - Comm. Services Admin
 - Off-Street Parking
 - Civic Facilities Maintenance
 - Entertainment Services
 - Event Services
 - Arena Operations

2021 Operating Budget

Planning, Development & Infrastructure

- Revenue \$ (2,539,740)
 - Expenditures 5,887,644
 - Transfers 33,650
 - **NET TOTAL \$ 3,381,554**
- Service Categories
 - Development Planning & Admin
 - Economic Development
 - Asset Management
 - Strategic Partnerships and Initiatives
 - Infrastructure Planning & Engineering

2021 Operating Budget

Service Agreements

- Revenue \$ (407,890)
 - Expenditures 4,112,070
 - **NET TOTAL** **\$ 3,704,180**
- Service Categories
 - Prince George Public Library
 - Tourism Prince George



PRINCE GEORGE PUBLIC LIBRARY



Tourism Prince George



2021 Operating Budget

External Relations

- | | | |
|----------------|--------------|----------------------|
| • Revenue | \$ 0 | • Service Categories |
| • Expenditures | 581,362 | ▪ External Relations |
| • Transfers | <u>5,000</u> | |
| • NET TOTAL | \$586,362 | |

2021 Operating Budget

Civic Operations

General

• Revenue	\$ (8,386,528)
• Expenditures	34,965,345
• Transfers	<u>1,060,840</u>
• NET TOTAL	\$ 27,639,657

Sewer

• Revenue	\$ (14,540,060)
• Expenditures	6,331,239
• Debt	437,234
• Transfers	<u>7,771,587</u>
• NET TOTAL	\$ 0

Water

• Revenue	\$ (17,182,118)
• Expenditures	6,139,597
• Debt	1,400,325
• Transfers	<u>9,642,196</u>
• NET TOTAL	\$ 0

District Energy

• Revenue	\$ (191,847)
• Expenditures	433,659
• Debt	417,321
• Transfers	<u>(659,133)</u>
• NET TOTAL	\$ 0

- Service Categories
 - Snow Control
 - Roads
 - Storm Drainage
 - Fleet Services
 - Street Lighting
 - Civic Operations Admin
 - Solid Waste Services
 - Cemetery
 - Sewer Operations
 - Water Operations
 - Parks
 - Project Delivery
 - District Energy
 - Transportation & Technical Services

2021 Operating Budget

Administrative Services

- Revenue \$ (103,990)
 - Expenditures 7,163,654
 - Transfers 49,000
 - **NET TOTAL** **\$7,108,664**
- Service Categories
 - Risk and Procurement
 - Legislative Services
 - Service Centre
 - Information Technology

2021 Operating Budget

Human Resources & Corporate Safety

- Revenue \$ 0
 - Expenditures 2,538,710
 - Transfers 0
 - **NET TOTAL** \$ 2,538,710
- Service Categories
 - Human Resources

2021 Operating Budget

Finance

Financial Services

- Revenue \$ (125,000)
- Expenditures 2,046,783
- Transfers 3,000
- NET TOTAL \$ 1,924,783

- Service Categories

- Financial Services
- Fiscal Services

Fiscal Services (net revenue)

- Revenue \$(184,054,477)
- Expenditures 2,920,595
- Debt 14,868,657
- Transfers 58,336,831
- NET TOTAL \$(107,928,394)