Agenda

- Council Direction Regarding Budget Guideline
- 2015 Canada Winter Games Budget
- Organizational Overview
- Strategic Plan Implementation
- Legislative Framework
- Budget Principles
- Public Consultation
- Financial Overview – Operating
- General Operating Budget
Council Direction Regarding Budget Guideline

- Operating Budget prepared in accordance with Council Direction
  - November 1, 2010 Council Decision that the 2011 Operating Budget Guideline not exceed 2.5%
- 2011 General Operating Fund Expenditures $102.9 million
No cash impacts to 2011 operating budget

Capital Budget

- The City’s commitment to the capital budget for City facilities is $11 million
- The City and Host Society will develop a formula and protocol for provision of the City’s capital commitments
- A proposal for capital funding will be presented to Council during consideration of the capital plan, February 28, 2011 for a special levy equal to a 2% increase to the general requisition
Organizational Overview

- Prince George 3rd largest municipality in BC by area, 12th largest by population
- 713 active employees as of January 3, 2011
- 7th largest employer in the region
- Services Provided:

<table>
<thead>
<tr>
<th>Governance</th>
<th>Public Safety</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Development</td>
<td>Recreation, Culture, Literacy</td>
</tr>
<tr>
<td>Economic Development</td>
<td>Environment</td>
</tr>
<tr>
<td>Land Development</td>
<td>Municipal Infrastructure and Transportation</td>
</tr>
</tbody>
</table>
Strategic Plan Implementation

- Social Development, Environment, and Economic Development Strategies express goals defined by the Community Vision
- Municipal Services Goal Area to be developed through internal review process
  - NQI Goals, Sustainable Finance, Provision of Efficient and Cost Effective Services, Sustainable Infrastructure, Sustainable Planning and Development
Strategic Plan Implementation

- Strategic Plan and Administrative Work Plan achieve the Community Vision by fulfilling the Social Development, Economic Development, Environment and Municipal Services Goals.
## Social Development

- Affordable, Accessible Housing
- Clear Identity and Pride
- Cultural Richness
- Health and Wellness
- Safe Environment
- Supportive and Engaged Community with Strong Neighbourhoods
### Strategic Plan Implementation

#### myPG Community Goals

**Environment**

- Clean Air
- Clean Water
- Green City, Green Practices
- Green Energy
- Reduce Carbon Emissions and Adapt for Climate Change
- Reduced Waste
Strategic Plan Implementation
myPG Community Goals

<table>
<thead>
<tr>
<th>Economic Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>› Diversified Economy</td>
</tr>
<tr>
<td>› Vibrant Economy</td>
</tr>
<tr>
<td>› Employment Diversity and Accessibility</td>
</tr>
<tr>
<td>› International Connections</td>
</tr>
<tr>
<td>› Sustainable Business</td>
</tr>
</tbody>
</table>
## Strategic Plan Implementation

### Council’s Vision

By 2035 a resilient and sustainable Prince George will be:

| Social Development | ✓ A city in which everyone enjoys an enviable and affordable quality of life  
✓ A community that has an inviting downtown that is the heart of our city  
✓ A city in which people embrace year-round leisure opportunities and celebrate how our recreation and culture add to our community well-being  
✓ The cleanest, safest, and healthiest city in Canada |
By 2035 a resilient and sustainable Prince George will be:

<table>
<thead>
<tr>
<th>Environment</th>
<th>A city that values and protects our air, water, and land resources</th>
</tr>
</thead>
</table>
By 2035 a resilient and sustainable Prince George will be:

**Economic Development**

- A city that leads in all measures of diverse economic activity and individual prosperity
- A city that has a knowledge based resource economy that is connected to the world
- A city known for delivering world class advanced education and research, technology development, and health care education and services
- A centre of excellence for sustainable wood design and innovation, and leading edge wood product manufacturing and application
By 2035 a resilient and sustainable Prince George will be:

| Economic Development | ✓ A city recognized as an important international transportation and goods exchange hub  
| ✓ A city that leads in renewable energy research and application  
| ✓ A city that has regional, provincial, national, and international relationships that help us achieve their goals |
2010 Strategic Plan Implementation
Council’s Core Focus Areas

Creating a Better Downtown

- Downtown Partnership Work Plan
- Downtown Partnership Implementation Team
- Strategic real property acquisition and remedial action orders
- RCMP Downtown Enforcement Unit (DEU)
- Downtown Clean Team
- George Street Revitalization
- Smart Growth on the Ground (SGOG)
- Council’s Downtown Contingency Fund
2010 Strategic Plan Implementation
Council’s Core Focus Areas

Building Stronger Neighbourhoods

- myPG public engagement program
- The myPG by design and myPG in action brand
- The Official Community Plan (OCP) public engagement process
- Neighbourhood plan development
- RWICD Neighbourhood consultation
- Neighbourhood micro-grant program
- Prince George Community Foundation partnership for social and cultural grants
2010 Strategic Plan Implementation
Council’s Core Focus Areas

Improving our Health and Safety

– BC Cancer Agency Centre
– The Tyner trail
– Active Transportation Plan
– SCOPE program
– Downtown District Energy System
– Gang Summit and the Downtown Enforcement Unit
– Public transit security measures
– Communities That Care
– Community Court concept
2010 Strategic Plan Implementation
Council’s Core Focus Areas

Improving our Health and Safety

- Wildfire Mitigation Program
- Lheidli T’enneh, RDFFG Community Forest License partnership
- Flood Mitigation Strategy
- Cottonwood Island erosion control and flood relief channel project
2010 Strategic Plan Implementation
Council’s Core Focus Areas

Taking Care of our Air, Water, and Land Resources

- myPG Environment Strategy
- Climate Action Charter and Partners for Climate Protection Commitments
- Clean Air Bylaw, OCP review, Free Fare for Clean Air, Woodstove Exchange Program, Active Transportation Plan, Carbon Neutral Plan
- Downtown District Energy System
- 2010 Energy and Climate Action Award
- E3 Fleet Program, Anti-idling Program, Greenhouse Gas and Energy Management Plan
Strengthening and Diversifying our Economy

- Initiatives Prince George Strategic Plan
- Letter of Intent to Twin with Jiangmen, China
- Building Canada Funding for Boundary Road
- Downtown Incentives Program including RTE
- Destination Marketing Organization (DMO) and Additional Hotel Room Tax
- Tourism Prince George Society Service Agreement
**2010 Strategic Plan Implementation**

**Council’s Core Focus Areas**

**Increasing Civic Pride**

- 2015 Winter Games Bid
- Downtown Heritage Signing
- Carrie Jane Gray Park Sign
- Enhanced Downtown Street and Sidewalk Cleaning
- Free Parking Pilot Project
- Property Maintenance Policy
- Integrated Response Team
- Grants to 11 community organizations
2010 Strategic Plan Implementation
Council’s Core Focus Areas

Continuing and Responsible Fiscal Management

– Sustainable Finance Policy, Sustainable Procurement Policy
– myPG Budget Consultation Process
– Snow Levy Funding Analysis, Snow and Ice Control Policy
– Asset Management System (RIVA)
2010 Strategic Plan Implementation
Council’s Core Focus Areas

Creating an Inclusive Community
– myPG Social Development Strategy
– City Website Language Translation Tools
– Live Streaming Video of Council Meetings
– Welcome Event for International Students
– Muslim Cultural Centre
Strengthening Intergovernmental Relations

- myPG partner relationships between public agencies
- Advocacy for key projects with the Province
- Twinning relationship with Jiangmen, China
- City of Prince George, RDFFG, and Lheidli T’enneh Community Forest Agreement
- City of Prince George, RDFFG, and Lheidli T’enneh Community to Community Forum
Building a Strong and Committed City Team

- Information Sessions for Council
- National Quality Institute Level 4 and Canada Awards for Excellence (Gold Level)
- Communications Group Established
- BC Municipal Safety Association Certificate of Recognition (CoR)
2010 Strategic Plan Implementation
Council’s Priority Projects

myPG Project and Official Community Plan Update

- myPG public engagement process
- Envisioning the Future
- Understanding Options
- Choosing the Future
- myPG Sustainability Plan
- myPG Social Development, Economic Development, and Environment Strategies
- OCP Public Engagement Process
2010 Strategic Plan Implementation Council’s Priority Projects

Toward a Better Downtown

– Downtown Partnership Work Plan
– Smart Growth on the Ground Concept Plan
– Downtown Initiatives Implementation Team
– Downtown Prospectus and Marketing Brochure
– Downtown Incentives Package and Revitalization Tax Exemption Program
2010 Strategic Plan Implementation Council’s Priority Projects

RCMP Facility Needs

- 90% Design Completion
- Project Working Group Review
- Elector Approval for Borrowing
Boundary Road Connector

- Design Completed
- Project Tendered and Awarded
- Project Completion 2011
2010 Strategic Plan Implementation
Council’s Priority Projects

Road Rehabilitation

- Increased Road Rehabilitation Budget (RIVA) Model
- 2009 $3.26 million and 23 lane km
- 2010 $3.45 million and 28 lane km
2010 Strategic Plan Implementation Council’s Priority Projects

Canada Winter Games (2015) Bid

- Stage 1 Technical Bid Success
- Stage 2 Bid Success
- Prince George Awarded 2015 Canada Winter Games
- Games Host Society
2010 Strategic Plan Implementation
Council’s Priority Projects

Solid Waste Reduction Strategy

– RDFFG Partnership Strategy
– Solid Waste Reduction Plan (Including Curbside Waste Reduction)
Air Quality Improvements

- Clean Air Bylaw
- Phase III Air Quality Implementation Plan
- OCP Review
- RDFFG Industrial Land Strategy
2010 Strategic Plan Implementation
Council’s Priority Projects

District Energy System
- Funding Secured
- Elector Approval Obtained
- Environmental Assessment by Western Economic Diversification (Canada) Completed
- KPMG Evaluation of Operating Models
2010 Strategic Plan Implementation
Council’s Priority Projects

Civic Pride Initiatives
- 2015 Winter Games Bid
- Downtown Heritage Signing
- Carrie Jane Gray Park Sign
- Enhanced Downtown Street and Sidewalk Cleaning
- Free Parking Pilot Project
- Property Maintenance Policy
- Integrated Response Team
- Grants to 11 community organizations
2010 Strategic Plan Implementation
Council’s Priority Projects

Flood Mitigation

- Flood Plain Mitigation Strategy
- Flood Plain Regulation Bylaw and Flood Plain Mapping
- Cottonwood Channel Flood Relief
Financial Sustainability

- Sustainable Financial Policy
- Sustainable Procurement Policy
- Public Sector Accounting Board (PSAB 3150) Compliance
2010 Strategic Plan Implementation
Council’s Priority Projects

Asset Management Strategy

- Asset Evaluation of Paved Roads (RIVA)
- Linear Asset Modelling (RIVA)
- Facilities Asset Modelling (RIVA) Pilot Project
2010 Strategic Plan Implementation
Council’s Priority Projects

Regional Performing Arts Centre

- Prince George Regional Performing Arts Centre Society work under agreement with City of Prince George
Strategic Plan Implementation
2011 Administrative Priorities

- Official Community Plan Update
- Downtown Partnership Workplan
- RCMP Facility
- Boundary Road
- Road Rehabilitation
- 2015 Canada Winter Games
- District Energy System
- 2011 General Election
Legislative Framework

- Community Charter
- Five-Year Financial Plan
- Public Consultation
- Balanced Budget
- Financial Plan Bylaw
- Tax Rate Bylaw
Budget Principles

- Aligned with Council’s Priorities
- Reflects Public Opinion
- Transparency
- Accountability
Question: what percentage of your tax dollars should be allocated to each municipal service

<table>
<thead>
<tr>
<th>Service</th>
<th>Current Allocation</th>
<th>Survey Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Library</td>
<td>4.15%</td>
<td>4.08%</td>
</tr>
<tr>
<td>General Government</td>
<td>13.13%</td>
<td>10.29%</td>
</tr>
<tr>
<td>Economic Development</td>
<td>1.68%</td>
<td>2.00%</td>
</tr>
<tr>
<td>Repayment of debt</td>
<td>5.32%</td>
<td>6.04%</td>
</tr>
<tr>
<td>Planning and Development</td>
<td>2.93%</td>
<td>2.82%</td>
</tr>
<tr>
<td>Recreation and Culture</td>
<td>10.67%</td>
<td>9.03%</td>
</tr>
</tbody>
</table>
Question: what percentage of your tax dollars should be allocated to each municipal service

<table>
<thead>
<tr>
<th>Service</th>
<th>Current Allocation</th>
<th>Survey Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks</td>
<td>3.99%</td>
<td>3.95%</td>
</tr>
<tr>
<td>Public Transit</td>
<td>2.25%</td>
<td>3.95%</td>
</tr>
<tr>
<td>Roads</td>
<td>13.92%</td>
<td>16.43%</td>
</tr>
<tr>
<td>Fire</td>
<td>16.45%</td>
<td>16.26%</td>
</tr>
<tr>
<td>Police</td>
<td>24.2%</td>
<td>24.35%</td>
</tr>
<tr>
<td>Other</td>
<td>1.31%</td>
<td>1.34%</td>
</tr>
</tbody>
</table>
Satisfaction with City Services >5 (7 point scale)

<table>
<thead>
<tr>
<th>Service</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire protection</td>
<td>5.4</td>
<td>6.1</td>
<td>5.7</td>
</tr>
<tr>
<td>Library services</td>
<td>5.3</td>
<td>5.9</td>
<td>5.6</td>
</tr>
<tr>
<td>Water supply</td>
<td>5.1</td>
<td>5.6</td>
<td>5.5</td>
</tr>
<tr>
<td>Aquatics</td>
<td>5.1</td>
<td>5.6</td>
<td>5.4</td>
</tr>
<tr>
<td>Sewer treatment</td>
<td>4.9</td>
<td>5.3</td>
<td>5.2</td>
</tr>
<tr>
<td>Arenas</td>
<td>5.1</td>
<td>5.6</td>
<td>5.1</td>
</tr>
</tbody>
</table>
## Public Consultation
### ISRE Survey

#### Satisfaction with City Services <5 (7 point scale)

<table>
<thead>
<tr>
<th>Service</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public transit</td>
<td>3.8</td>
<td>4.8</td>
<td>4.7</td>
</tr>
<tr>
<td>Snow control</td>
<td>4.3</td>
<td>4.4</td>
<td>4.3</td>
</tr>
<tr>
<td>Bylaw enforcement</td>
<td>3.9</td>
<td>3.9</td>
<td>4.2</td>
</tr>
<tr>
<td>Land use zoning</td>
<td>3.8</td>
<td>3.8</td>
<td>4.1</td>
</tr>
<tr>
<td>Economic development</td>
<td>4.1</td>
<td>3.6</td>
<td>4.0</td>
</tr>
<tr>
<td>Land use planning</td>
<td>3.8</td>
<td>3.7</td>
<td>3.9</td>
</tr>
<tr>
<td>Road maintenance</td>
<td>2.6</td>
<td>2.6</td>
<td>2.7</td>
</tr>
</tbody>
</table>
## Financial Overview

### 2010 Budget Distribution

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
<th>Percentage</th>
<th>Capital %</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government Services</td>
<td>16,266,179</td>
<td>13.9%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Protective Services</td>
<td>36,116,550</td>
<td>31.0%</td>
<td>16.5%</td>
</tr>
<tr>
<td>Planning and Development</td>
<td>4,245,926</td>
<td>3.6%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Road Transport</td>
<td>18,195,879</td>
<td>15.6%</td>
<td>8.3%</td>
</tr>
<tr>
<td>Public Transit</td>
<td>3,204,609</td>
<td>2.7%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Environment and Public Health</td>
<td>3,632,164</td>
<td>3.1%</td>
<td>1.7%</td>
</tr>
<tr>
<td>Recreation and Cultural Services</td>
<td>19,825,557</td>
<td>17.0%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Fiscal Services and Debt Charges</td>
<td>15,145,632</td>
<td>13.0%</td>
<td>6.9%</td>
</tr>
<tr>
<td><strong>Total General Operations</strong></td>
<td><strong>$116,632,496</strong></td>
<td><strong>100.0%</strong></td>
<td></td>
</tr>
<tr>
<td>Water Operations</td>
<td>6,657,860</td>
<td>3.0%</td>
<td></td>
</tr>
<tr>
<td>Sewer Operations</td>
<td>5,535,727</td>
<td>2.5%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Operations</strong></td>
<td><strong>$128,826,083</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>90,148,000*</td>
<td>41.2%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Budget</strong></td>
<td><strong>$218,974,083</strong></td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

*includes capital budgets carried forward from previous years
Financial Overview

Source of Funds – General Operating

2010 General Operating Fund Revenue Sources

- Taxation: 63%
- Investments: 12%
- Sales of Service: 16%
- Grants: 8%
- Licenses and Fees: 1%

PRINCE GEORGE
Host City - 2015 Canada Winter Games
Financial Overview

Tax Revenue from New Construction

<table>
<thead>
<tr>
<th>Year</th>
<th>$000's</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>0</td>
</tr>
<tr>
<td>2001</td>
<td>437</td>
</tr>
<tr>
<td>2002</td>
<td>208</td>
</tr>
<tr>
<td>2003</td>
<td>674</td>
</tr>
<tr>
<td>2004</td>
<td>359</td>
</tr>
<tr>
<td>2005</td>
<td>751</td>
</tr>
<tr>
<td>2006</td>
<td>1,275</td>
</tr>
<tr>
<td>2007</td>
<td>916</td>
</tr>
<tr>
<td>2008</td>
<td>860</td>
</tr>
<tr>
<td>2009</td>
<td>986</td>
</tr>
<tr>
<td>2010</td>
<td>575</td>
</tr>
</tbody>
</table>
# Financial Overview

## Tax Levy Dollar Value of 1% Increase

<table>
<thead>
<tr>
<th>Tax Levy</th>
<th>2010 Levy</th>
<th>1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>65,446,846</td>
<td>654,447</td>
</tr>
<tr>
<td>Snow Control</td>
<td>5,000,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Road Rehabilitation</td>
<td>2,912,317</td>
<td>29,123</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>73,359,163</strong></td>
<td><strong>733,590</strong></td>
</tr>
</tbody>
</table>
Maintain service levels equivalent to 2010

- General Operations Expenditure Increases of $5.43 million
  - To meet obligations due to contracts, collective agreements, debt repayment and internal funding repayments
- General Operations Revenue Increases of $1.68 million
  - Increase to fees and charges, transit fares, traffic fines and new construction
- Council requirement of tax requisition increase of no more than 2.5% ($1.64 million)
General Operating Budget 2011 Challenges

Senior Managers’ Review of Operations

- Investment earnings decrease of $142,000
- Hydro increase of $107,000
- Pension and benefit increases of $275,000

  • Offset by WorkSafe premium rebate of $60,000 due to BCMSA Certificate of Recognition (CoR)
Senior Managers’ Review of Operations

- Expenditure reductions of $1.72 million
  - Including RCMP contract funded at 121 rather than 128, reductions for fire services recruitment and training costs, energy savings, consulting services cost reductions, staff vacancies, reorganizations and staff reductions

- Fees and charges additional revenue of $153,000
  - Including business licenses, planning and development fees and civic centre fees
General Operating Budget
2011 Solutions

Senior Managers’ Review of Operations

- Additional new construction revenue of $100,000
- Grant-in-Lieu of taxes increases of $301,000
- Forego internal debt repayment of $300,000
## General Operating Budget

### Tax Requisition Summary

<table>
<thead>
<tr>
<th>Levy</th>
<th>Increase</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$1,636,171</td>
<td>2.5%</td>
</tr>
<tr>
<td>Snow Control</td>
<td>$41,636</td>
<td>0.8%</td>
</tr>
<tr>
<td>Road Rehabilitation</td>
<td>$85,000</td>
<td>2.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,762,807</strong></td>
<td><strong>2.4%</strong></td>
</tr>
</tbody>
</table>
Budget Book Overview

- Department Five Year Summary
- Service Category Description
  - Service results statement
  - Key performance indicators
  - Relationship to Council’s Strategic Priorities
Budget Book Overview

Service Category Summary

- Revenues, expenditures, debt and transfers
- Asset Maintenance Section
  - Funded maintenance projects from the capital budget
  - Keeps assets in condition to meet the expected operating standard
  - Assets are below the capitalization threshold as established by the City in accordance with PSAB 3150
## Budget Discussion Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Presentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 9, 2011</td>
<td>4:30 – 6:00</td>
<td>• Budget Overview&lt;br&gt;• Corporate Management&lt;br&gt;• Mayor and Council&lt;br&gt;• Service Agreements – Library and IPG&lt;br&gt;• Grants&lt;br&gt;• Community Services</td>
</tr>
<tr>
<td></td>
<td>7:00 – 10:00</td>
<td></td>
</tr>
<tr>
<td>February 16, 2011</td>
<td>4:30 – 6:00</td>
<td>• Corporate Services&lt;br&gt;• Fiscal Accounts&lt;br&gt;• Public Safety and Civic Facilities&lt;br&gt;• Public Safety and Civic Facilities</td>
</tr>
<tr>
<td></td>
<td>7:00 - 10:00</td>
<td></td>
</tr>
<tr>
<td>February 23, 2011</td>
<td>4:30 – 6:00</td>
<td>• Development Services&lt;br&gt;• Operations&lt;br&gt;• Tourism PG&lt;br&gt;• Operations</td>
</tr>
<tr>
<td></td>
<td>7:00 – 10:00</td>
<td></td>
</tr>
<tr>
<td>February 28, 2011</td>
<td>4:30 – 6:00</td>
<td>• 2011 – 2015 Capital Expenditure Plan&lt;br&gt;• Outstanding or Deferred Items&lt;br&gt;• Outstanding or Deferred Items</td>
</tr>
<tr>
<td></td>
<td>7:00 – 10:00</td>
<td></td>
</tr>
</tbody>
</table>
Thank You

We Welcome Your Questions