



REGIONAL DISTRICT
of Fraser-Fort George

Financial Services Budget Presentation January 24, 2024

Agenda

- Introduction
- Budgeting Considerations
- Budget Overview
 - Budget Process/Trends
 - Capital Expenditures of Note
 - 2024 Completed Roll Assessment
- Financial Summary
- Individual Service Budgets
 - Region Wide Services
 - Sub-Regional Services
- February Budgets Preview

Budgeting Considerations

- Maintain Existing Service Levels
- Additional Enhancements/Projects
- Regulatory Requirements
- Contractual Obligations
- Strategic Priorities
- Customer Service
 - internal/external
- Integrating Asset Management Practices

Requisition Objectives

- meet service specific financial plan objectives
- have awareness of inflationary pressures
- sensitive to the ongoing impacts of economic uncertainty and recessionary pressures
- does not create an unsustainable structural deficit
- reasonably prepare for provincial downloading and other pressures for 2024 & beyond

Budget Process for 2024

- Discussions and approvals of individual service budgets in January and February with overall 5-year financial plan approved in March
- January budget deliberations for shared services (region-wide and sub-regional services)
- February budget deliberations primarily for local services (single and joint local area services)
- Statutory requirement to adopt 5-Year Financial Plan Bylaw by March 31st

Updates/Changes for 2024 Budget

- Presentations – This presentation will serve as the sole overview presentation for the January budgets
- Key board report items
 - Capital budget amounts
 - Projected amounts for January and February

Overall Trends

- Overall factors impacting requisition levels:
 - Inflationary pressures on all costs
 - Staffing challenges and turnover
 - Availability of qualified consultants/contractors
 - Contract requirements
 - Aging infrastructure; and
 - Provincial Government downloading/regulatory uncertainty

Regulatory Uncertainty

- Emergency and Disaster Management Act
- Housing Related Legislation
 - Short Term Rentals – Bill 35
 - Housing Statutes – Bill 44, 46, 47
- Fire Safety Act
- FOIPP Act
- Accessible British Columbia Act
- Declaration on the Rights of Indigenous Peoples Act
- Worksafe Updates
- Inexperienced regulatory agency staff

Inflation

- BC Consumer Price Index (CPI) for 2023 averaged 3.9% increase (compared to 2022)
 - BC CPI annual average for 2022 was 6.9%
- National CPI for 2023 averaged 3.9% increase (compared to 2022)
 - National CPI annual average for 2022 was 6.8%

Inflation vs. Requisition Recent Comparison

Year*	Inflation	Requisition Increase
2024 Projected	3.9%	5.36%
2023	6.9%	4.25%
2022	2.8%	2.67%
2021	0.8%	1.43%
2020	2.3%	2.66%
2019	2.7%	2.40%
Average	3.23%	3.13%

* Inflation based on BC CPI average increase for preceding year

Capital Expenditures of Note

1) Solid Waste Management

- Valemount Landfill Closure - \$1,595,000
- Pipeline work for Landfill Gas utilization and engineering services - \$785,000
- Well field expansion at the Foothills Boulevard Regional Landfill - \$755,000
- Foothills - Multi Year Engineering for Cell 2 - \$675,000
- Foothills - Logging, Grubbing and site prep work for Cell 2 - \$600,000
- Foothills – New Scales - \$550,000
- **Total Solid Waste Capital - \$7,450,000**

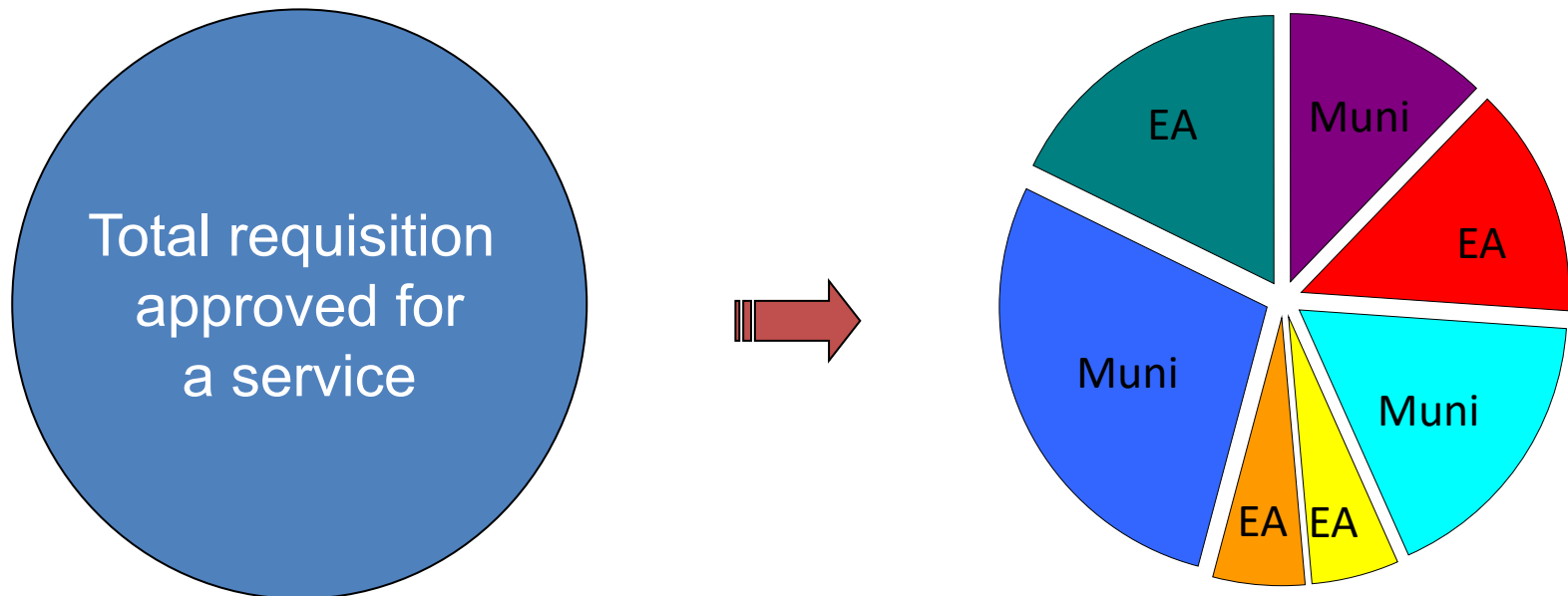
Capital Expenditures of Note Cont'd

2) 9-1-1 Emergency Response

- Computer Aided Dispatch Replacement - \$1,200,000
- Communications Towers – Buckhorn and Ness Lake – Total \$590,000
- **Total 9-1-1 Emergency Response Capital - \$2,365,000**

Assessments and Taxes

Apportioned between individual municipalities and electoral areas that share in that service.



Property Assessments



BC ASSESSMENT

- Properties are assessed annually based on their value as of July 1st
- Changes can be due to market conditions as well as non-market changes, such as new inventory, which expands the tax/assessment base
- Changes to values are typically not uniform for all regions and may result in a change to a participant's share of requisition for a service



Property Assessments

Non-Market Change

- Based on general taxable values (not converted)
- 2024 Completed Roll = 2.91% increase
 - 1.66% non-market change
 - Increase of \$347 million
 - 1.25% change due to market
 - Increase of \$260 million

Property Assessments

- Regional Districts use “converted” assessments:
 - Residential, Farm, Non-Profit = 1
 - Business = 2.45
 - Industrial = 3.4
 - Utility = 3.5
- Converted values are the basis for apportioning requisition among service participants

Property Assessments

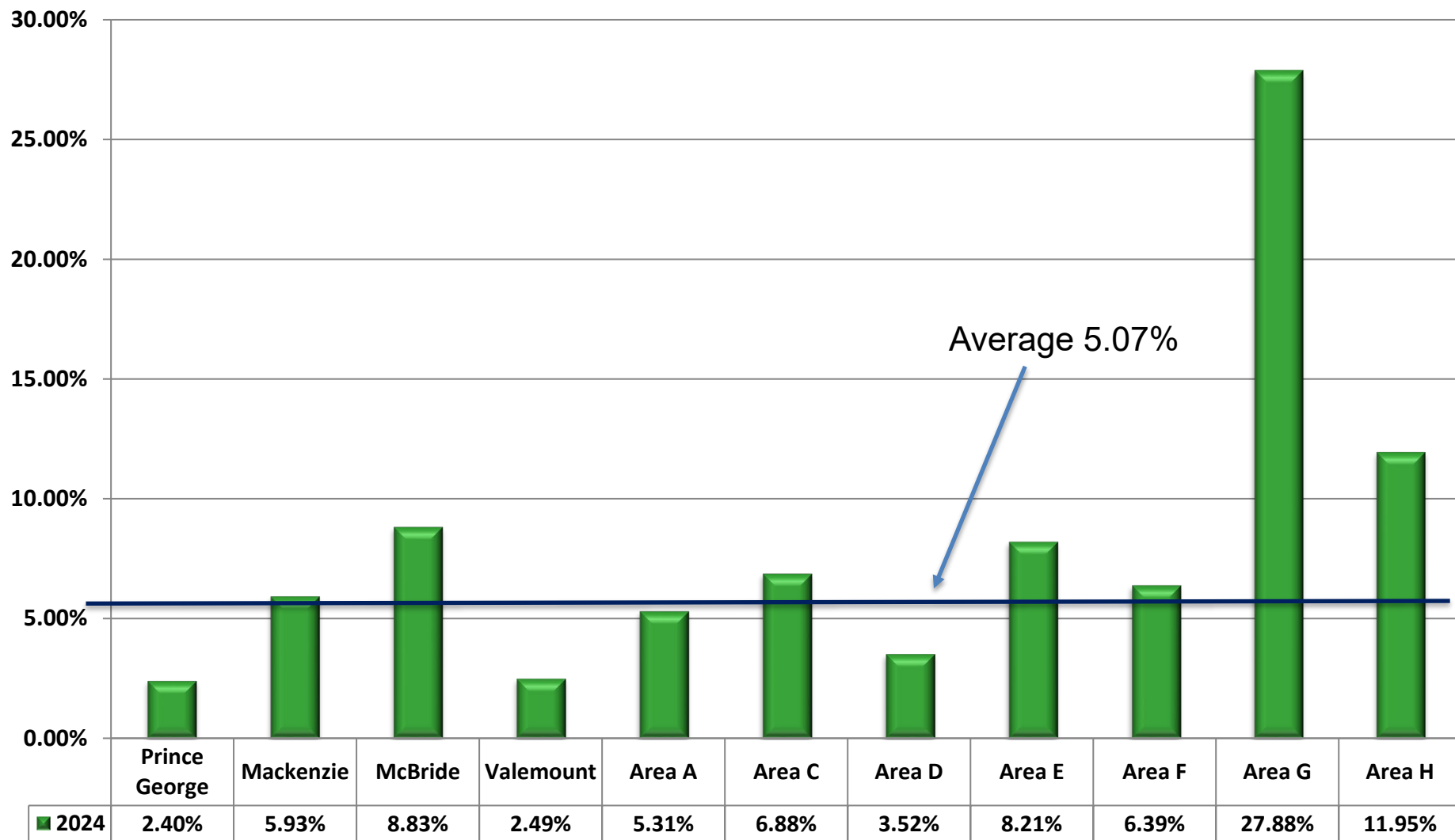
- Converted assessments
 - 2024 Completed Roll = 5.07%
 - 2023 = 11.14% increase
 - 2022 = 15.02% increase
 - 2021 = 4.65% increase
 - 2020 = 7.22% increase



2024 Property Assessments

- 2024 Converted Assessments - overall increase 5.07%
- Change varies throughout the region:
 - High: Area G = + 27.88%
 - Low: Prince George = + 2.40%
 - > 5.07% Mackenzie, McBride, and Areas A, C, E, F, G and H
 - < 5.07% Prince George, Valemount, and Area D

Change in Assessment by Jurisdiction



2024 Property Assessments Cont'd



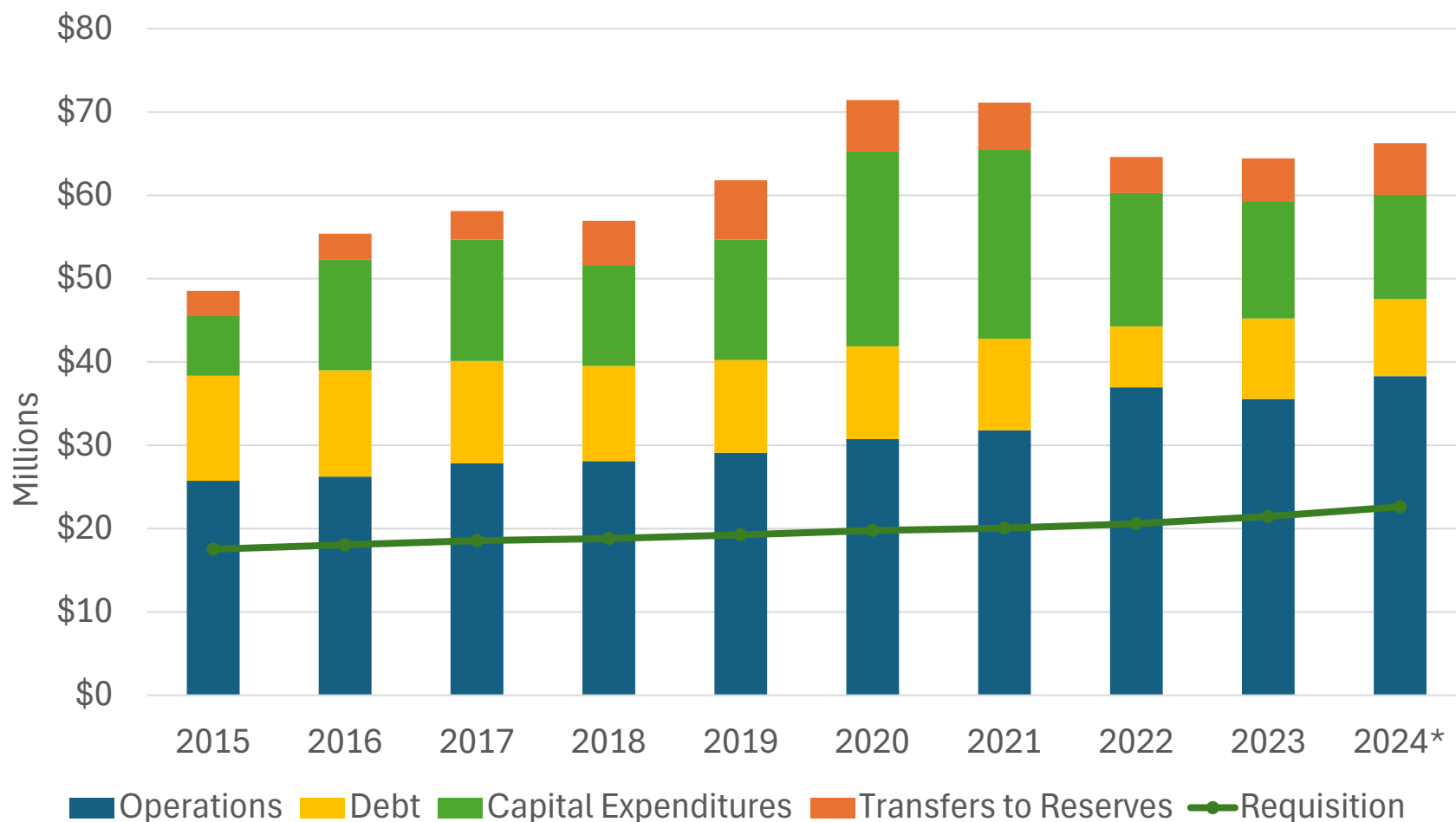
- Updated requisition information was enclosed with the 2024 Budget and Supplementary Information memo dated January 15, 2024.



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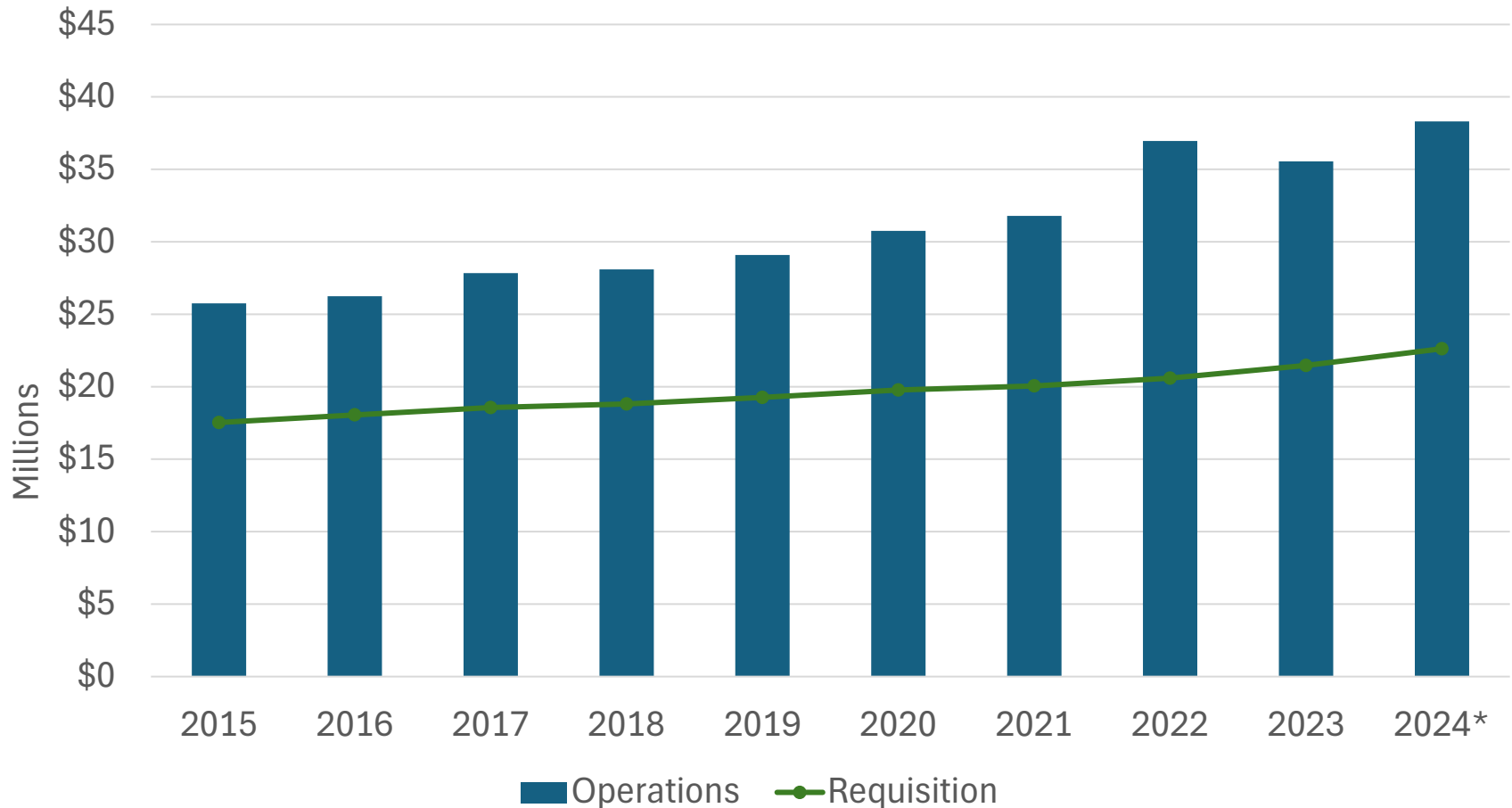
Financial Summary

Total Expenditures and Requisition 2015 to 2024*



*2024 Proposed Budget

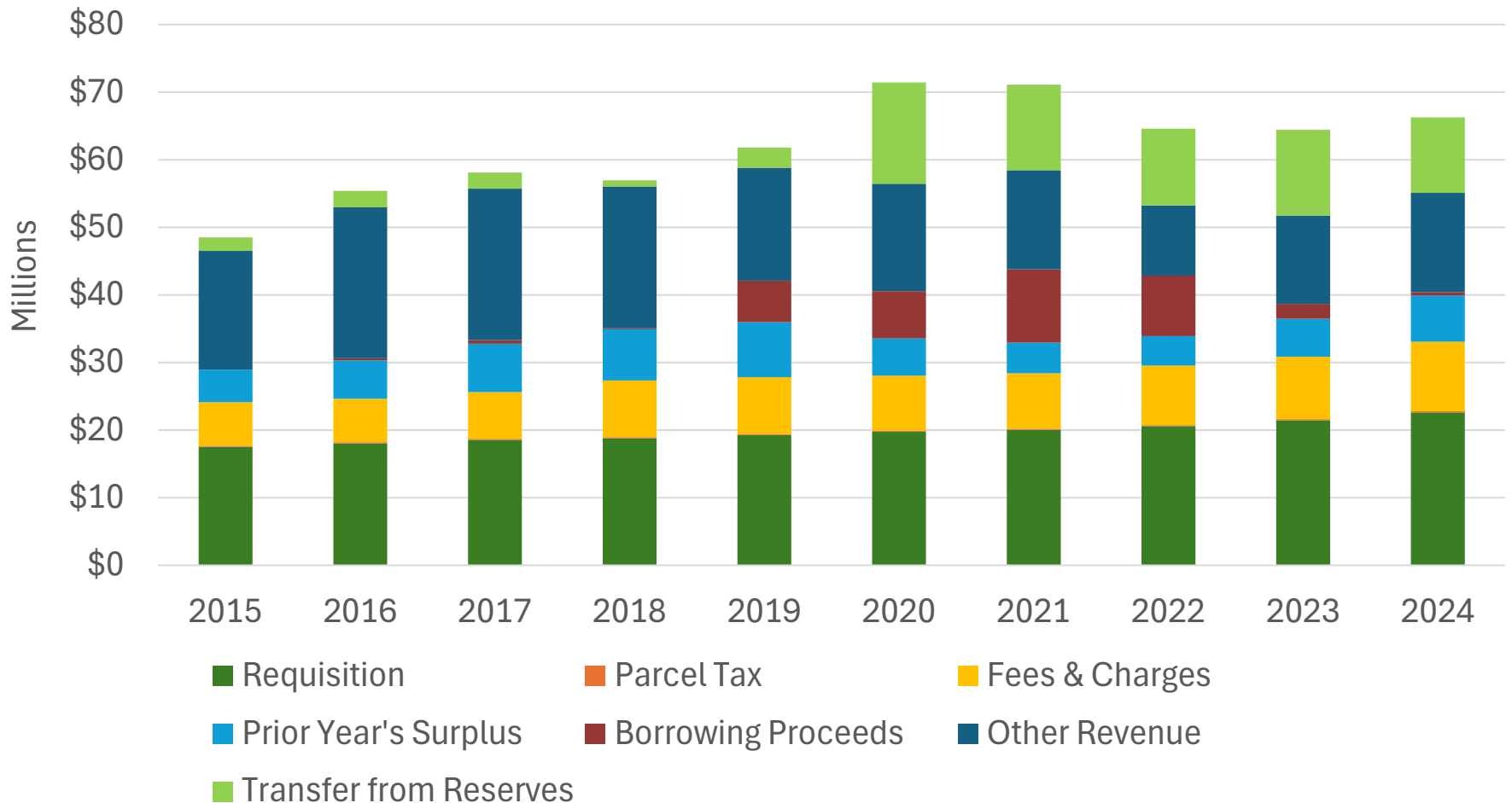
Operating Expenditures and Requisition 2015 to 2024*



*2024 Proposed Budget

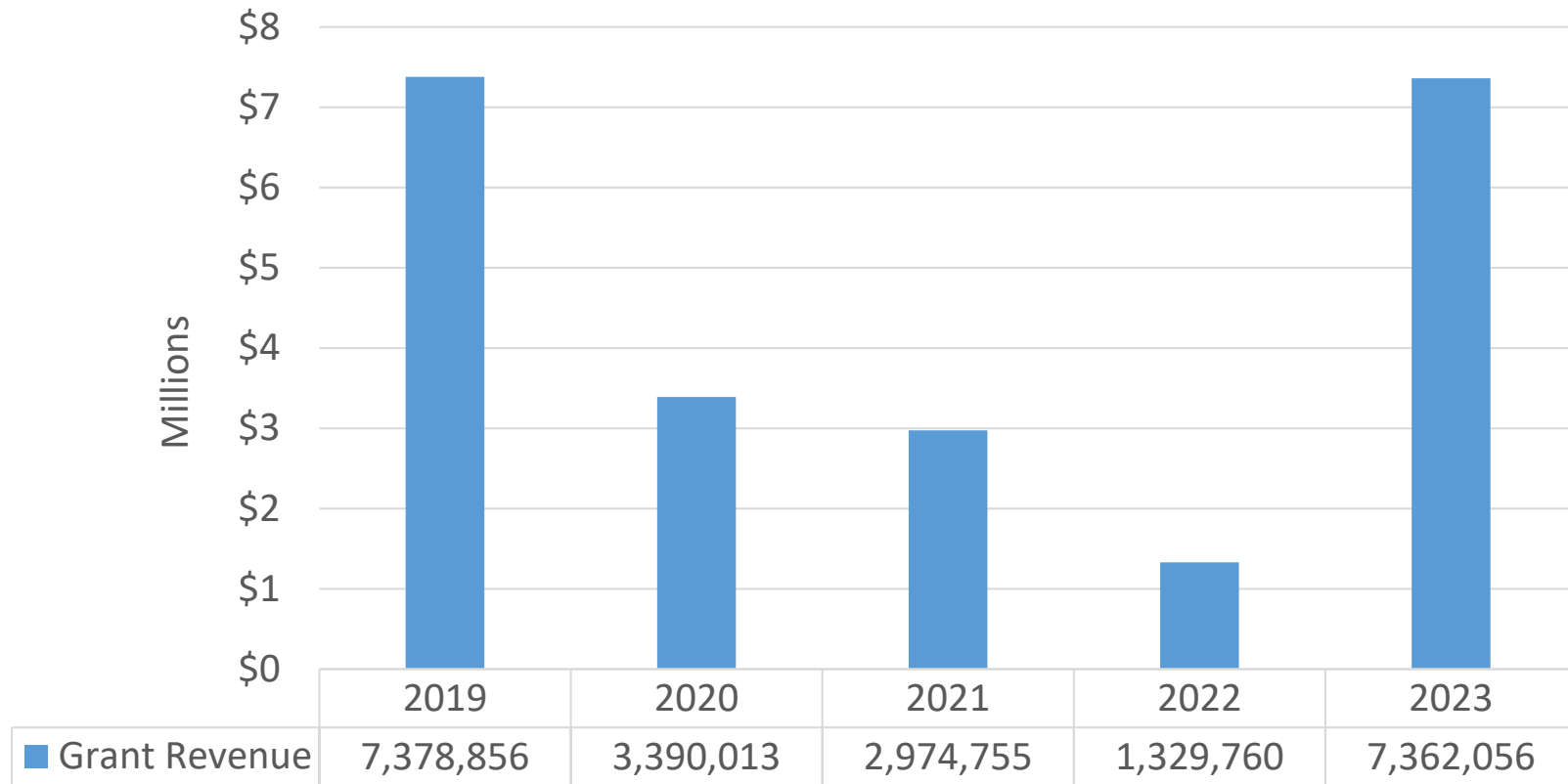
Revenue Breakdown

2015 to 2024*



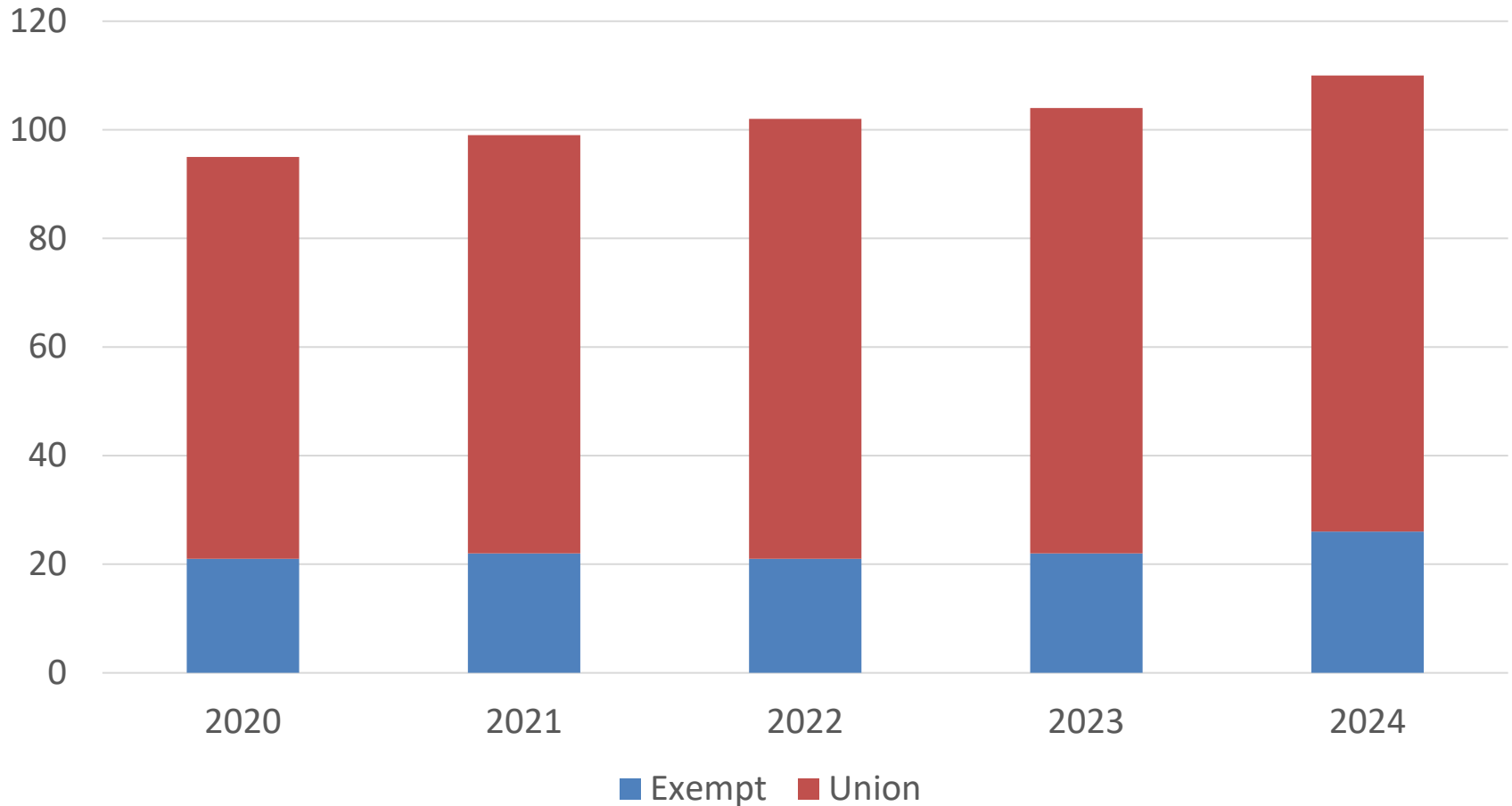
*2024 Proposed Budget

Grant Revenue 2019 to 2023



5-year Total Grants Received \$22,435,440

Staffing Levels





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Individual Service Budgets



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Region Wide Services

Region Wide Service Budgets

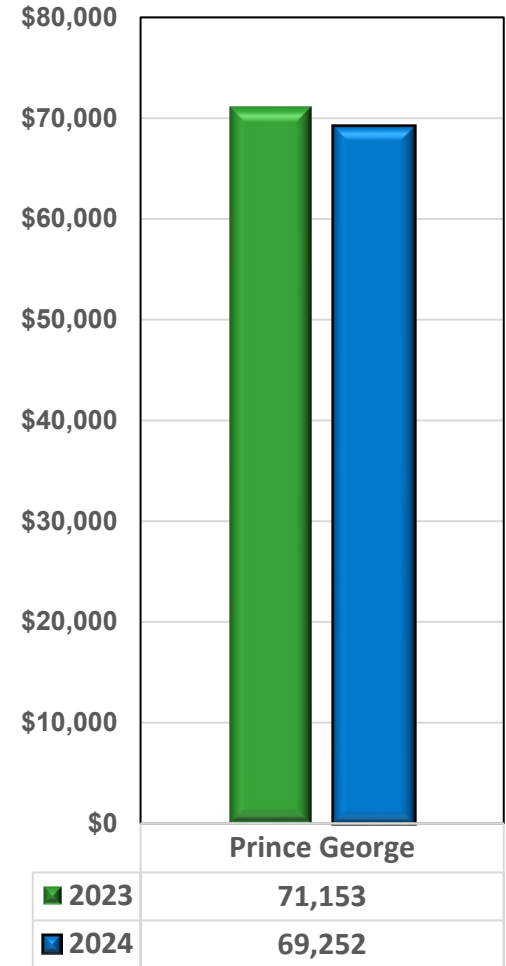
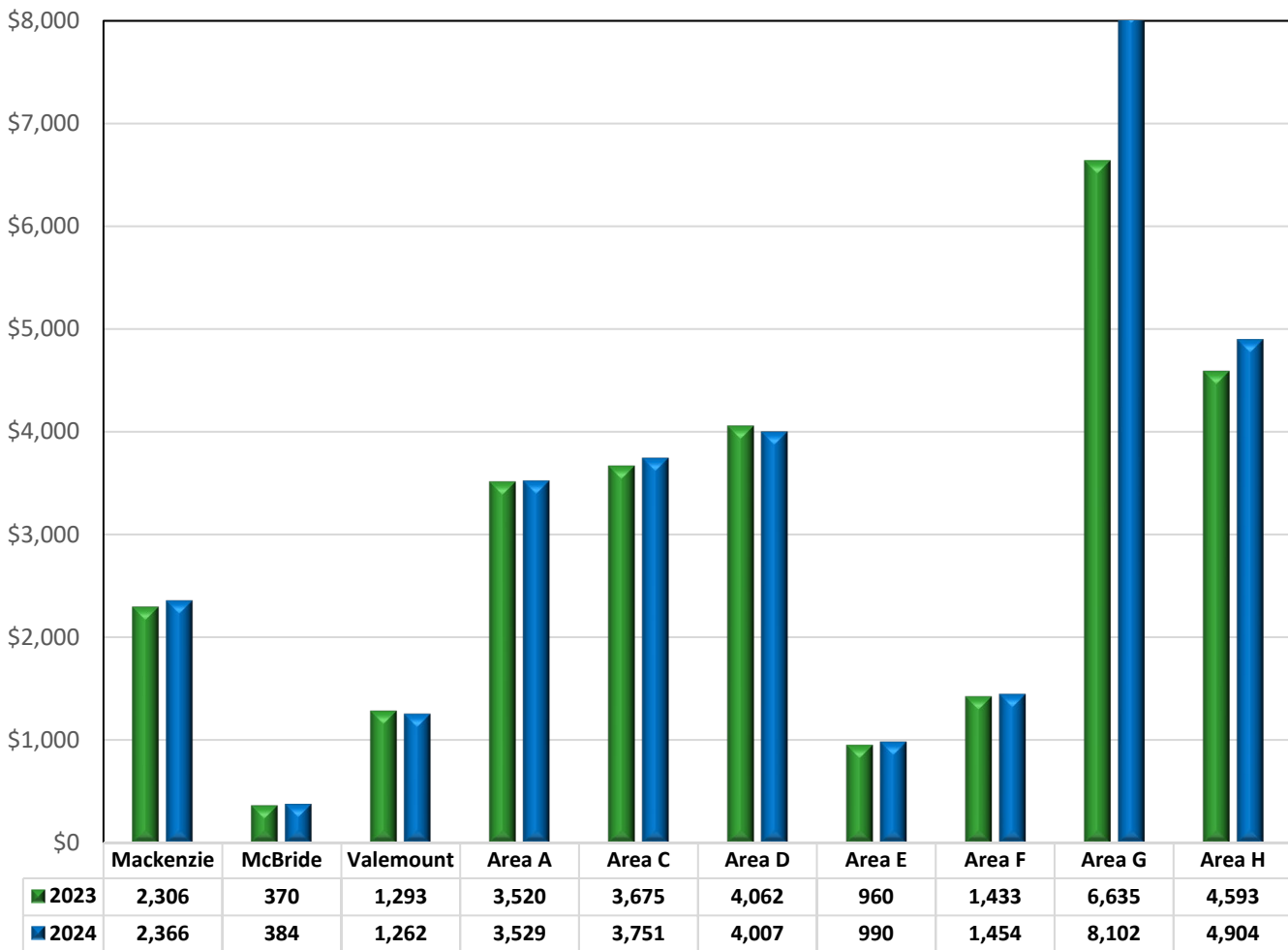
- Region Wide Services include:
 - General Administration
 - Regional Board
 - Heritage Conservation
 - Regional Grants-in-Aid
 - 9-1-1 Emergency Response
 - Community Services
 - Regional Land Use Planning
 - Economic Development
 - Solid Waste Management
 - Rural Transfer Station Service
 - Waste Reduction
 - Regional Parks
 - Municipal Debt
 - Feasibility Studies



Region Wide Highlights

- Most services budgeting for an increase to meet requirements for wage increases and inflation
- Reductions in operating costs have been identified where possible and reserves are being used to reduce or eliminate the requisition increases where possible
- Proposed requisition increase of \$662,178 (5.23%)

Allocation of \$100,000 Requisition 2023 vs 2024 - Region Wide



General Administration (1201)

- All 4 municipalities & 7 electoral areas
- Corporate Services, HR Finance, IT, Office Building and Sustainable Practices roll up into General Admin
- Requisition increase of 8.4% (\$202,961) proposed for 2024

Year	Tax Requisition	% increase
2024	\$2,625,000	8.4%
2023	\$2,422,039	3.5%
2022	\$2,340,135	5.0%
2021	\$2,228,700	0.0%
2020	\$2,228,700	2.0%

Board (1001)

- All 4 municipalities & 7 electoral areas
- 3.5% (\$11,450) requisition increase proposed for 2024

Year	Tax Requisition	% increase
2024	\$338,582	3.5%
2023	\$327,132	3.5%
2022	\$316,069	1.0%
2021	\$312,940	0.0%
2020	\$312,940	10.0%

Heritage Conservation (5601)

- All 4 municipalities & 7 electoral areas
- Surplus carrying over to 2024 for funding allocation review and heritage asset inventory
- Results in a small requisition decrease of \$12,484 for 2024

Year	Tax Requisition	% increase
2024	\$1,615,207	(0.8%)
2023	\$1,627,691	7.2%
2022	\$1,518,420	0.0%
2021	\$1,518,420	0.0%
2020	\$1,518,421	4.3%

9-1-1 Emergency Services (2503)

- All 4 municipalities & 7 electoral areas
- Complete final network transition to NG 9-1-1
- Procurement of CAD
- Proposed requisition increase - \$297,566

Year	Tax Requisition	% increase
2024	\$3,273,229	10.0%
2023	\$2,975,663	6.0%
2022	\$2,807,229	7.0%
2021	\$2,623,586	6.0%
2020	\$2,475,081	5.0%

Regional Land Use Planning (4001)

- All 4 municipalities (based on regional land use planning agreements) & 7 electoral areas
- 6% (\$35,500) requisition increase proposed for 2024

Year	Tax Requisition	% increase
2024	\$627,100	6.0%
2023	\$591,600	3.0%
2022	\$574,300	3.0%
2021	\$557,500	0.0%
2020	\$557,500	2.6%

Solid Waste Management (3305)

- All 4 municipalities & 7 electoral areas
- Requisition based on Solid Waste Financial Plan approved by Board in November 2021
- 2% (\$64,946) requisition increase proposed for 2024

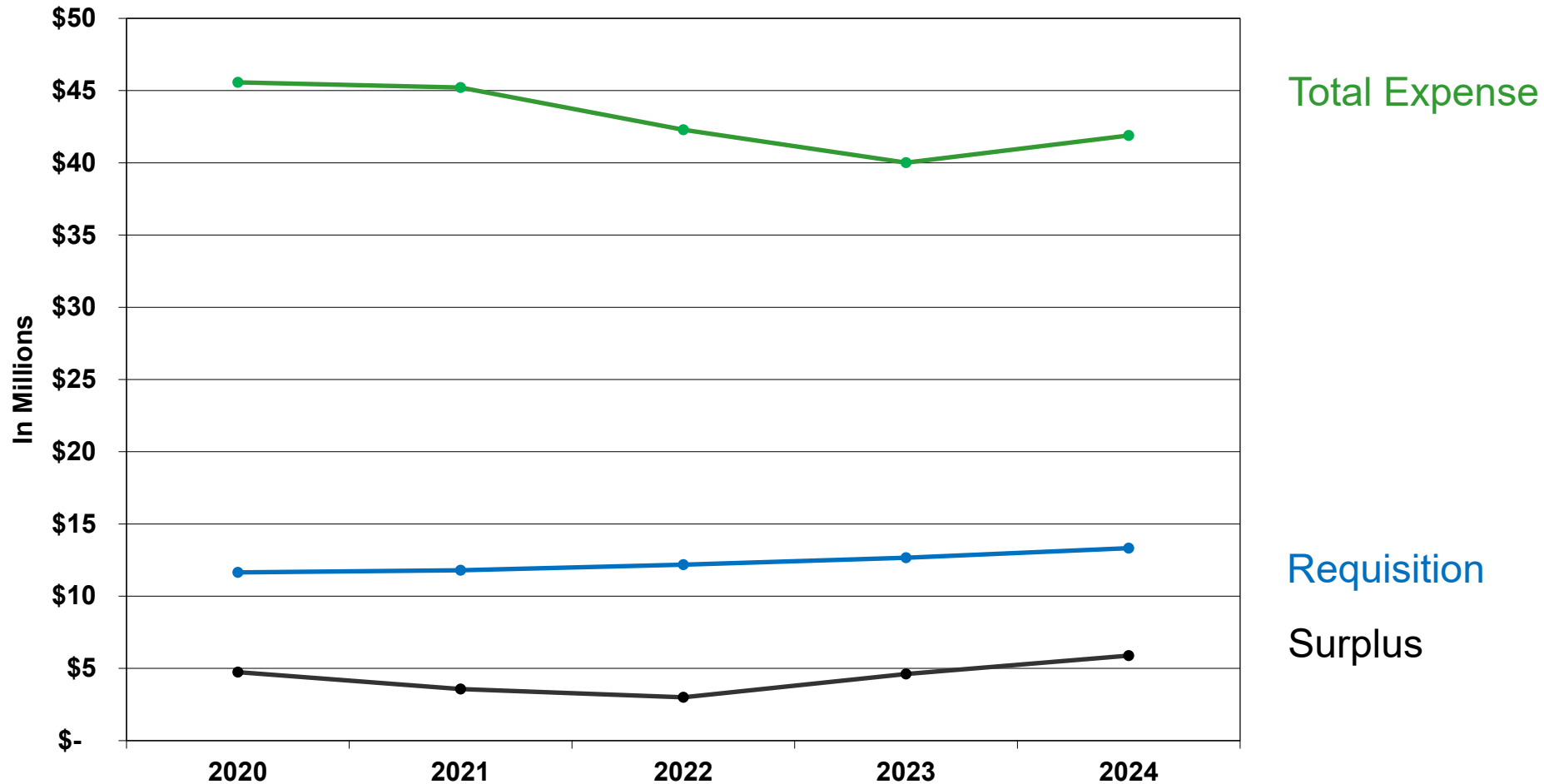
Year	Tax Requisition	% increase
2024	\$3,312,242	2.0%
2023	\$3,247,296	2.0%
2022	\$3,183,624	2.0%
2021	\$3,121,200	0.0%
2020	\$3,121,200	2.0%

Community Services (1202)

- All 4 municipalities & 7 electoral areas (based on a special formula)
- 4% (\$14,610) requisition increase proposed for 2024

Year	Tax Requisition	% increase
2024	\$379,855	4.0%
2023	\$365,245	4.0%
2022	\$351,197	2.0%
2021	\$344,311	0.0%
2020	\$344,311	0.0%

5-Year Budget Trends Region Wide Services





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Sub-Regional Services

Sub-Regional Service Budgets

- Sub-Regional Services include:
 - Electoral Area Administration
 - Fire Department Coordination
 - Emergency Preparedness
 - Inspection Services
 - Untidy and Unsightly Premises
 - House Numbering
 - Special Events
 - Noise Control

Sub Regional Highlights

- Many services budgeting for an increase after minor increases over the past few years
- Reductions in operating costs have been identified where possible and reserves are being used to reduce or eliminate the need for requisition increases where possible
- Proposed requisition increase of \$189,125 (9.82%)

Electoral Area Administration (1203)

- All 7 electoral areas
- 3.4% (\$4,094)
requisition increase
proposed for 2024

Year	Tax Requisition	% increase
2024	\$125,579	3.4%
2023	\$121,485	7.5%
2022	\$113,029	1.0%
2021	\$111,910	0.0%
2020	\$111,910	10.1%

Waste Reduction Service (3307)

- All 7 electoral areas, Mackenzie, McBride and Valemount
- Service contract ends May 31, 2024
- Uncertainty on value of marketed materials impacting contract pricing
- Proposed requisition increase - \$15,000

Year	Tax Requisition	% increase
2024	\$380,000	4.1%
2023	\$365,000	4.3%
2022	\$350,000	0.0%
2021	\$350,000	0.0%
2020	\$350,000	0.0%

Emergency Preparedness (2505)

- All 7 electoral areas
- Maintaining enhanced staffing to ensure service can support activations and operational planning
- Impact of new EDMA
- Proposed requisition increase - \$27,336

Year	Tax Requisition	% increase
2024	\$300,700	10.0%
2023	\$273,364	30.0%
2022	\$210,280	5.0%
2021	\$200,267	5.0%
2020	\$190,730	2.0%

Inspection Services (2901)

- All 7 electoral areas
- Continue to develop HUB Online and monitor changing regulations
- Proposed requisition increase - \$22,240 (8%)

Year	Tax Requisition	% increase
2024	\$300,240	8.0%
2023	\$278,000	2.2%
2022	\$272,000	1.9%
2021	\$267,000	0.04%
2020	\$266,890	0.0%

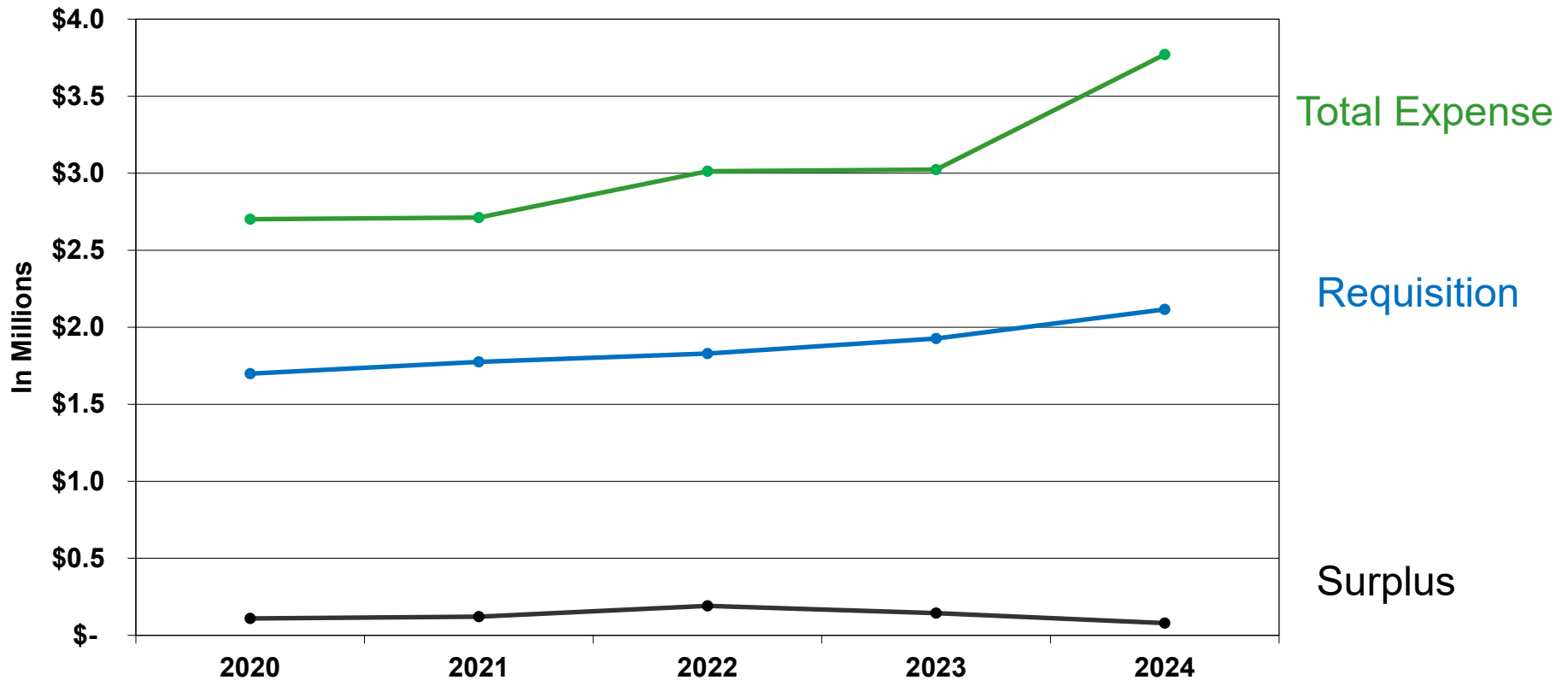
Fire Dept. Coordination (2504)

- All 7 electoral areas, Mackenzie, McBride, Valemount
- Lifting of requisition limit in 2023
- New position added to support VFDs for 2024
- Proposed requisition increase - \$101,439

Year	Tax Requisition	% increase
2024	\$257,689	64.9%
2023	\$156,250	0.0%
2022	\$156,250	25.0%
2021	\$125,000	0.0%
2020	\$125,000	0.0%

5-Year Budget Trends

Sub-Regional Services





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January Budgets Summary

January 2024 Budgets Summary

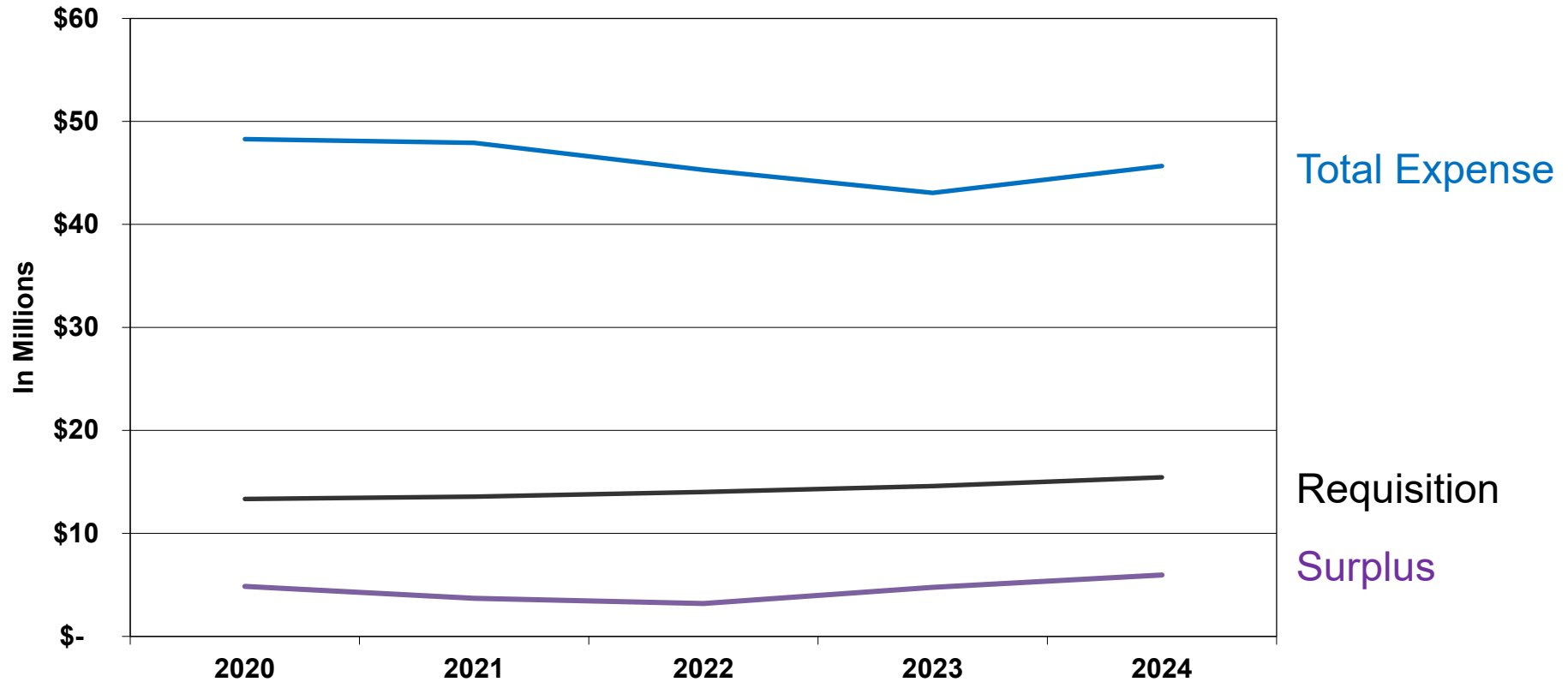
- Proposed total expenditures for budgets deliberated in January are \$45,665,008
- Proposed requisition of \$15,441,980
- 34% of the expenditures funded by requisition
- Other revenue sources are user fees, sale of services, grants, borrowing, prior year surplus and reserve funds

January 2024 Budgets Summary

- January Budgets Only - Increase in expenditures
 - \$2,597,738 (6.03%)
- January Budgets Only - Increase in requisition
 - \$851,303 (6.27%)
- Total Increase to requisition (overall)
 - \$1,151,103 (5.36%)

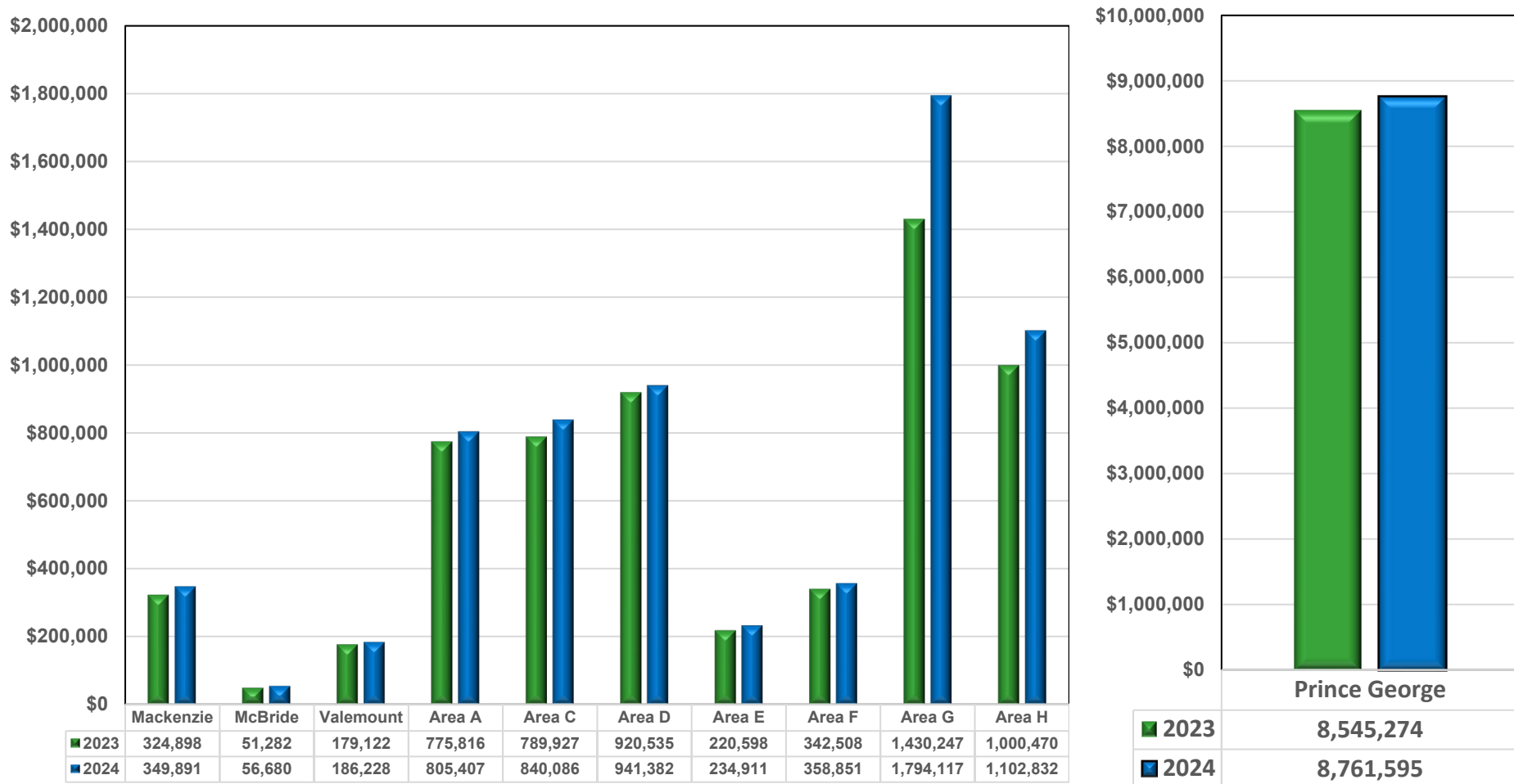
5-Year Budget Trends

Region Wide & Sub-Regional Services



Requisition Comparison Analysis

2023 vs 2024 January Provisional Budget





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February Budget Preview

February Budget Preview

- Many services budgeting for an increase after minor increases over the past few years
- Inflationary impacts have been felt and require increases to requisition
- Estimated requisition increase from February budgets for local area services is \$299,880



2024 Estimated Requisition

Item	Amount
2023 Requisition	\$21,465,259
January Budgets – Proposed Requisition Increase	\$851,303
February Budgets – Estimated Requisition Increase	\$299,880
2023 Estimated Requisition Total	\$22,616,362
Estimated % Change to Requisition	5.36%

Year	Requisition Increase
2023	4.25%
2022	2.67%
2021	1.43%
2020	2.66%
2019	2.40%

Questions

