



# City of Prince Albert

**RPT 2025-59**

**TITLE:** 2025 General Fund Operating and Capital Budget

**DATE:** January 20, 2025

**TO:** **Special City Council**

**PUBLIC:** X

**INCAMERA:**

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## **RECOMMENDATIONS:**

1. That the City of Prince Albert 2025 General Fund Budget be approved;
2. That \$56,926,471 of revenue necessary to balance the General Fund Operating Budget be raised from Municipal Taxation;
3. That the City of Prince Albert 2025 General Fund Capital Budget in the amount of \$10,955,470, including principal payments on loans and Capital, be approved as follows:

Capital Funding - Taxation	\$5,795,500
Reserve Funding	\$4,619,849
Long-Term Debt Principal Payments	\$298,200
Police Service Capital Budget	\$281,921
<b>Total 2025 Capital Budget</b>	<b>\$10,995,470</b>

4. That the 2025 transfer of \$5,795,500 from General Fund Operating to General Fund Capital be approved for Capital Projects (excluding Prince Albert Police Service and Long Term Debt Payments);
5. That the City of Prince Albert 2025 Fleet Budget in the amount of \$4,444,800, excluding Police Service requirements, be approved;

6. That the 2025 Prince Albert Police Service be funded in the amount of \$21,406,245, which includes \$281,921 in Capital expenditures and funding from the Proactive Policing Reserve of \$708,610;
7. That the 2025 Prince Albert Police Service Fleet purchases of \$446,000 be funded from the Police Fleet Reserve;
8. That the City of Prince Albert 2025 Reserve Allocations of \$3,844,792 be approved;
9. That the Principal Payments on loans be approved at \$298,200;
10. That the motions from the Unofficial 2025 General Fund Budget Committee deliberations be ratified and that Administration proceed as authorized; and,
11. That the 2025 General Fund Budgeted expenditures be approved for disbursement effective January 1, 2025.

### **EXECUTIVE SUMMARY:**

The City of Prince Albert's Budget Committee concluded deliberations today following three days of review of the General Fund. Following deliberations the total approved capital and operating budget is \$83 million representing an \$8.08 million increase to be funded from property taxes, underscoring the Council's commitment to supporting its growing population and addressing the rising costs of goods and services. This report is forwarding the 2025 General Fund Operating and Capital Budget to City Council for final approval along with the resolutions of the Budget Committee.

Once approved, the next step in the process will be a decision regarding a tax plan which will finalize how the tax rate will impact different properties. Council will meet again to review options including minimum tax rates, base tax rates and the mill rate. This review is expected in March when the final tax rates will be set for 2025.

### **BACKGROUND:**

The timeline for the 2025 General Fund Budget deliberations was as follows:

- December 11, 2024 - Budget Committee's External Agencies Business Plan Review
- December 17, 2024 - Delivery of Budget Materials to Budget Committee
- December 18, 2024 - Public Release of General Fund Operating and Capital Budget
- January 8, 9 and 10, 2025 – Budget Committee convened to review the proposed 2025 General Fund Operating and Capital Budgets.

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## **PROPOSED APPROACH AND RATIONALE:**

Enclosed for Council's approval is the City of Prince Albert's 2025 General Fund Budget. The City's detailed financial plans and budgets are linked to, and derived from, the City's broader planning processes including Council's overall strategic direction.

The General Fund accounts for the widest variety of City activities. The costs of policing, fire services, streets and roads, transit operations, parks, recreation, building maintenance, as well as the majority of administrative costs of the City are shown in this fund. Most areas of service within the General Fund will have some revenue that is used to help offset the cost of the service provided. The bulk of the costs within the General Fund are funded by the property tax levy.

The Director of Financial Services presented the budget package to the Budget Committee that included a format that provided budgeted 2025 revenues and expenditures along with the changes relative to the previous years' approved budget. The 2025 budget was presented using new software called Questica OpenBooks. Each functional area displayed budget and historical cost information for the Budget Committee's review at an account level. Individual financial statements for each Functional Area were provided and grouped by revenue and expense categories.

The 2025 General Fund Budget presented for City Council's approval has been amended to reflect the motions of the Budget Committee as set forth in the attached 2025 General Fund Budget Deliberation Minutes (Unofficial).

### **2025 Budget Summary**

This budget follows generally accepted accounting principles by recording all revenues as operating revenues and only operating expenses as expenses. The result is a surplus from operations that is then available for capital purchases / projects, loan principal payments and contribution to reserves. The proposed budget identifies \$10.220 million as the operating surplus. The adjusted surplus will be allocated as follows: \$5.795 million for capital projects, \$0.298 million for loan payments, and \$3.844 million in net contributions to reserves.

Every decision made in the 2025 Budget by Budget Committee is guided by Council's dedication to improving the lives of Prince Albert residents. Past City Council's have exhausted avenues to aggressively cut the budget. This Council is focusing on the future and delivering on what residents have indicated they want: safety, better services, and a growing, vibrant city. This budget sets the stage for Prince Albert's continued success and sustainability for years to come. Our investments in infrastructure, like the widening of Marquis Road and the opening of the Lake Country Co-op Leisure Centre, reflect a commitment to building a city that supports its residents and encourage growth.

The 2025 General Fund Budget is as follows with a balanced budget:

Operating Surplus	\$6,189,288
Transfer from Other Funds	\$4,031,125
<b>Operating Surplus - Adjusted</b>	<b>\$10,220,413</b>
<u>Allocations:</u>	
City Capital Budget	\$5,795,500
Police Service Capital Budget	\$281,921
Reserve Allocations	\$3,844,792
Principal Payment on Loans	\$298,200
<b>Total Allocations</b>	<b>\$10,220,413</b>
<b>Balanced Budget</b>	<b>\$0</b>

### CONSULTATIONS:

A media release notified the public that the Budget Committee meetings for the 2025 General Fund Operating and Capital Budget were scheduled to be considered from January 8<sup>th</sup> to January 10<sup>th</sup>, 2025. A final Budget Committee meeting was held on January 10, 2025 to finalize the budget to be forwarded for Council's approval.

In addition, the budget submissions to the Budget Committee were available on the City's website for the public's review.

### COMMUNICATION AND/OR ANNOUNCEMENT PLAN:

Once the 2025 General Fund Budget is approved by City Council, it will be posted on the City of Prince Albert website.

Council has considered both the added burden to the taxpayer and the need to ensure the long-term sustainability of its finances. The 2025 Budget and the work ahead in 2025 will address the following priorities:

#### Feeling Safer

- Policing: An increase of \$2.3 million reflects the city's growing safety needs for a total policing budget of \$21.41 million. The original request from Police increased by \$1.04 million following a final review by the Board of Police Commissioners.
- Fire Services: An increase of \$821,817 to enhance the Fire Department's ability to protect and serve the community.

- Community Safety and Well-Being: \$398,545 dedicated to the Community Safety and Well-Being division to address proactive approaches to deal with crime, homelessness and social issues.
- Bylaw Enforcement: A cost of \$1.1 million for the bylaw division to manage compliance and enforcement of municipal bylaws and to support the work of the Community Safety and Well-Being division.

### Growing City

- Capital Investments: Key projects include the widening of Marquis Road and playground improvements.
- Lake Country Co-Op Leisure Centre – an increase of \$610,000 to operate the new leisure centre which will open in the spring of 2025. The Lake Country Co-op Leisure Centre is an example of forward-thinking projects that enhance the community and attract new residents.
- Decommissioning of Frank J Dunn Pool - \$425,000 for the City of Prince Albert's 50% share of the decommissioning of the Frank J. Dunn Pool.
- Transit Services: \$2.45 million for City transit services including \$646,629 for Paratransit and Seniors Transportation Services and the expansion of transit services to serve students and the Yard district.

### Better Services

- Despite economic pressures, the 2025 budget includes no service cuts or reductions.
- Innovative approaches and service enhancements like the Solutions Hub which is a central customer service hub to respond to resident inquires and requests for service.
- Ongoing efficiency audits of City operations will continue in 2025 to review spending across the organization to confirm there is a return on the investment citizens are making into the City.
- A city satisfaction survey to measure resident satisfaction with different city services.

### **BUDGET/FINANCIAL IMPLICATIONS:**

There is a net budgetary cost increase of approximately \$8.077 million which will need to be addressed through tax policy.

Name	2025 Budget	2024 Budget	Increase / (Decrease)
General Municipal Levy	\$44,348,690	\$36,271,076	\$8,077,613

Finance Administration will be working on tax tools for Council's consideration and a report will be forwarded to City Council in March of 2025.

The following increases will also be addressed through tax tools for Council's consideration:

Name	2025 Budget	2024 Budget	Increase / (Decrease)
Capital Projects Levy	\$1,550,000	\$1,550,000	\$0
Snow Management Special Tax	\$1,764,785	\$1,682,850	\$81,935
Roadways Special Tax	\$4,400,000	\$4,400,000	\$0
Police Special Tax	\$554,600	\$554,600	\$0
Base Tax	\$720,000	\$720,000	\$0
Federal Government Grant in Lieu	\$200,000	\$147,000	\$53,000
Provincial Government Grant in Lieu	\$1,980,000	\$1,830,000	\$150,000
First Nations Reserve Land	\$540,000	\$379,000	\$161,000
	<b>\$11,709,385</b>	<b>\$11,263,450</b>	<b>\$445,935</b>

#### **OTHER CONSIDERATIONS/IMPLICATIONS:**

There are no policy, privacy, legal, safety or environmental implications.

#### **OPTIONS TO RECOMMENDATION:**

There are no options to the recommendation.

#### **STRATEGIC PLAN:**

This budget supports the strategic priority of Building a Robust Economy by creating an equitable taxation structure that promotes community growth, developing and maintaining new and existing amenities and infrastructure, and promoting positive economic development outcomes so new residents will be attracted to Prince Albert.

This budget also supports numerous other strategic priorities set forth in the City's Strategic Plan.

#### **OFFICIAL COMMUNITY PLAN:**

Section 14 of the OCP highlights financial Goals and Policies aimed to "maintain effective management, efficiencies and accountability of the City's fiscal budgets and operations".

#### **PUBLIC NOTICE:**

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

**ATTACHMENTS:**

1. 2025 City of Prince Albert General Fund Budget – Final for Council approval.
2. January 8, 2025 Budget Committee Minutes – General Fund (Unofficial).
3. January 9, 2025 Budget Committee Minutes – General Fund (Unofficial).
4. January 10, 2025 Budget Committee Minutes – General Fund (Unofficial).

Written by: Melodie Boulet, Finance Manager

Approved by: Acting Senior Accounting Manager, Director of Financial Services & City Manager