



## 2009 ANNUAL REPORT





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## A City of Opportunities

### COMMUNITY PROFILE

Prince George, British Columbia, Canada, a community where our pioneer spirit and history of bold exploration is guiding us into the ever-changing global marketplace. This vibrant, young city is rich in culture, history, natural resources, enterprise and growing economic prospects. Since our incorporation in 1915, innovative educational facilities, cultural priorities and progressive local government combine to create a synergy unlike any other.

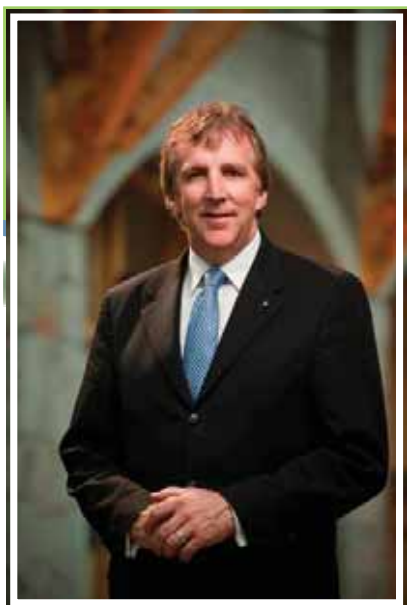
Prince George is situated in central British Columbia, 800km north of Vancouver, British Columbia and 740km west of Edmonton, Alberta.

The city is a major transportation hub for western and northern Canada, located at the junction of major road, rail and air routes. Prince George is situated where the Nechako River joins the Fraser River and where the north-south Highway 97 and the east-west Highway 16 intersect. Prince George's location gives it a strategic role in the transfer of products from the northern heartland to domestic, U.S. and Asian markets.





## MESSAGE FROM THE MAYOR



On behalf of my colleagues on Council, it gives me great pleasure to provide you with a few comments for the 2009 annual report.

As you are no doubt aware, we are in the midst of one of the most challenging financial times in recent memory but despite that, the City is embarking on many exciting initiatives that will positively transform our city in the years to come. Over the past year, while continuing to guide the ship through stormy economic waters, Council has come together and established clear priorities - priorities that have been articulated in our strategic plan.

Council has also defined its vision for the future. This vision centers on creating a resilient and sustainable city that is the cleanest, safest, and healthiest in the country by 2035. It has been developed as a touchstone for the community - a beginning point that will be further shaped in 2010 by those who are providing their thoughts and aspirations for the future of the city through myPG, our long term sustainability plan. When completed later this year, that shared vision will be entrenched in our updated Official Community Plan.

We have also been challenged to seek out new ways to increase our citizens' involvement in finding solutions to the many challenges before us. Our current sustainability plan, entitled myPG, is laying the foundation for that type of continual grassroots involvement. We will ensure that engagement methods developed in conjunction with the myPG project will be embedded in the city's administrative structure and business practices.

In closing, I want to provide a final thought. As has been said by others and now repeated here - how we get to where we need to be hinges in great measure on a shift from saying it's up to them - to instead saying it's up to me....A shift in attitude and action. Everyone in the community is in a position of influence and, as has been shown in the past, when we work together we can accomplish great things.

I have no doubt that council, with its can-do attitude, will make great strides over the next year in achieving the goals it has established for itself.

On behalf of my colleagues on Council, I thank all those who contributed to a successful 2009, particularly those in the community who have dedicated their efforts to building a stronger caring community and also to the dedicated staff who proudly work for the City of Prince George on behalf of all of our citizens. I look forward the bright future that is sure to unfold throughout 2010 and beyond.

Dan Rogers  
Mayor



## MAYOR & COUNCIL 2009 - 2011



From left, Councillors Dave Wilbur, Brian Skakun, Garth Frizzell, Debora Munoz, Mayor Dan Rogers, Councillors Shari Green, Don Bassermann, Cameron Stolz and Murry Krause



## MESSAGE FROM THE CITY MANAGER

We are pleased to present our Annual Report for 2009. Our report provides details concerning City Council's priorities and objectives, 2009 achievements, the City's financial performance and goals for 2010/11.

City staff is dedicated to excellence in service to our community. Together, our employees provide the important public services which residents, businesses, community organizations and institutions rely on every day.

We are a learning organization that takes our commitment to business practice quality and excellence in service delivery very seriously. In October 2009, the City of Prince George was successful in achieving the National Quality Institute (NQI) Level 4 Certification and the Canada Award for Excellence Gold

level. Mayor Rogers and staff attended a special NQI event to receive the remarkable honours and participate in the City's induction to the Canadian Hall of Fame.

The City's strategic objectives advanced significantly in 2009. While the list of accomplishments is extensive, I am pleased to offer a few highlights.

- ✎ Federal, Provincial and private sector funding was confirmed for the Boundary Road Connector project. This major transportation infrastructure project will create critical linkages for the new Airport Light Industrial and Logistics Park and has leveraged the City's capital particularly effectively. With design work complete, the project will be put to public tender in 2010 and construction will commence.
- ✎ Flood mitigation and protection works were completed on River Road including a sub-drain, pump chamber project and road reconstruction.
- ✎ The Cameron St. Bridge opened.
- ✎ Several civic pride initiatives were completed, including the opening of the Act Now Community Seniors Park, a facility designed to help citizens stay mobile, physically active and healthy.
- ✎ The Mayor's Task Force for a Better Downtown was formed. The Task Force, now the Downtown Partnership, presented to City Council a series of recommendations to achieve downtown renewal. Those recommendations were approved by Council for implementation.
- ✎ The City's Phase I submission to host the Canada Winter Games (2015) was successful, as the City has been invited to advance to the Phase II bid process.
- ✎ Construction plans for the new RCMP facility were advanced to the 90% stage. The value and cost review began.
- ✎ The myPG sustainability plan project proceeded through the extensive public engagement phase.

It is a privilege to offer my thanks to Mayor Rogers and City Council, our employees, volunteers and contractors who made 2009 an exceptionally rewarding and successful year. I appreciate the professionalism and dedication that our City team continually demonstrates.

We hope you will find our 2009 Annual Report informative and invite your suggestions and comments.

Derek Bates,  
City Manager



## OFFICERS & OFFICIALS

### **Derek Bates, City Manager (Chief Administrative Officer)**

Walter Babicz, Manager of Legislative Services (Corporate Officer)  
Wendy Nordin, Manager of Policy Initiatives  
Mark Fercho, Manager of Sustainability  
Mike Davis, Manager of Communications & Citizen Engagement  
Chris Bone, Manager of Social Development  
Bob Radloff, Project Manager, Boundary Rd & District Energy System

### **Rob Whitwham, Director of Public Safety & Civic Facilities**

Devon Cooper, Manager, Police Support Services  
Jeff Rowland, Fire Chief  
Ian Wells, Manager of Real Estate Services  
Guy Gusdal, Manager of Bylaw Services  
Greg Anderson, Manager of Civic Facilities

### **Grant Bain, Director of Planning & Development Services**

Dan Milburn, Manager of Long Range Planning and Environment  
Nelson Wight, Manager of Current Planning and Development  
Santa du Preez, Supervisor Development Services Administration  
Dan Adamson, Manager of Environment

### **Bill Gaal, Superintendent of Operations**

Marco Fornari, Manager of Utilities  
Aidan Kelly, Manager of Parks and Solid Waste Services  
Alan Clark, Manager of Transportation

### **Kathleen Soltis, Director of Corporate Services (Financial Officer)**

Bill Johnson, Manager of Information Technology Services  
Sandra Stibrany, Manager of Financial Services  
Rae-Ann Emery, Manager of Human Resources  
Scott Bone, Manager of Supply & Fleet Services  
Ray Borgia, Manager of Risk and Benefits

### **Colleen Van Mook, Director of Community Services**

Vacant, Manager of Events & Civic Centre  
Brad Beckett, Manager of Recreation and Cultural Services  
Andy Beesley, Manager of CN Centre / Community Arenas  
Lana Keim, Manager of Aquatics



## AWARDS

### CITY OF PRINCE GEORGE ACHIEVES NQI'S LEVEL 4 GOLD AWARD OF DISTINCTION



The City of Prince George accepts the National Quality Institute Level Four Gold Award of Distinction. The National Quality Institute (NQI) an independent, not-for-profit organization is the leading authority in Canada on workplace excellence based on quality systems and healthy workplace criteria.

### CITY AWARDED HONOURABLE MENTION FOR THE COMMUNITY ENERGY ASSOCIATION 2009 ENERGY & CLIMATE ACTION AWARD



Dale Littlejohn (pictured above left) came to the Nov. 2 Council Meeting to provide information on why the City of Prince George received an Honourable Mention in the 2009 Energy & Climate Action Award in Community Planning and Development through the Community Energy Association. Mr. Littlejohn, on behalf of the Community Energy Association presented a plaque to Dan Adamson, Manager, Environmental Division (pictured above middle). The City of Prince George was recognized for its programs to lower greenhouse gas emissions, and the commendable work that is occurring throughout the organization.

### NEW SENIORS COMMUNITY FITNESS PARK WINS "A HEALTHIER YOU" AWARD



The Community Fitness Park at Masich Stadium received "A Healthier You" award for the Seniors Initiative of the Year!

The award was presented on Friday, November 13th at the Northern British Columbia Healthier You Awards Banquet by the sponsor, Commonwealth Financial. In attendance to accept the award was Sharon Hurd, President of the Prince George Council of Seniors and Laurie Kosec, Parks & Open Space Planner on behalf of the City of Prince George.



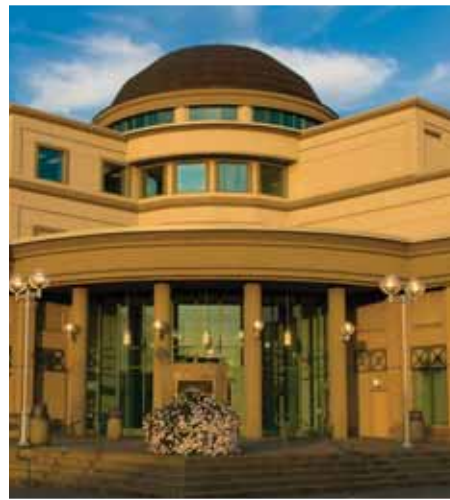
Initiatives Prince George (IPG) is a municipally-owned corporation mandated by the City of Prince George to undertake programs and projects designed to grow and diversify the local economy.

The dynamic IPG marketing programs integrate investment attraction, trade development, tourism promotion and events for Prince George. IPG also takes a proactive role in assisting the completion of major business arrangements that have strategic value for our community.

Guided by a Board of Directors representing the local private and public sectors, and a team of experienced staff, IPG's expertise includes research, marketing, tourism and transportation.

IPG aims to be a creative, energizing force that makes Prince George an integrated and sustainable, manufacturing, transportation, supply and service centre, and the inland gateway to Asia and North America.





# 1

## INTRODUCTION

The City of Prince George Strategic Plan has been prepared to form a foundation for community discussion during development of the myPG sustainability plan. The information contained within, expresses City Council's focus areas and priority projects. It is expected to guide the strategic direction of the City, stimulate ideas and encourage community conversations.

City Council has established key focus areas and project priorities to define the City of Prince George strategic direction through 2011. Administrative work plans and budgets will be developed to ensure alignment with the strategic plan vision, objectives and priorities.

City Council's strategic planning process complements other important planning efforts being undertaken by the City, including:

**myPG:** Once developed, myPG - the City's Integrated Community Sustainability Plan (ICSP) - will help set the community's direction for the next 50 years as we move toward social, environmental, and economic sustainability. The myPG plan will contain short, mid and long term goals and targets for our community.

**Official Community Plan (OCP):** In conjunction with myPG, the City's Official Community Plan will be updated. The OCP is a key policy document and primary lever to achieving the desired future outcomes for our community.

**Budget & Work Plans:** The City's budget process will be guided by the strategic priorities identified by Council. Administrative work plans will also be aligned.

The myPG/OCP community engagement process was launched on October 26, 2009. The myPG component will be complete by June 2010 and the OCP will be complete by December 2011. Together, these plans will provide the key framework to achieve the long-term vision for our city.



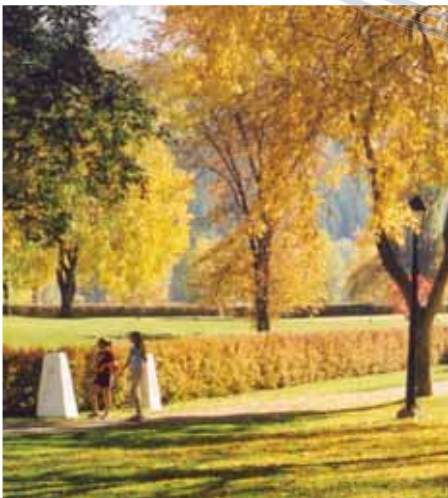
**Figure 1  
Relationships Among Plans**





## 2

## CITY COUNCIL'S VISION



Building on the priorities defined by Council, a series of steps were taken to create a "Vision Statement" that would express the values and expectations of city residents. During background research for the plan, public Open Houses were held and surveys distributed to identify the range of issues from the public's perspective. These ideas and concerns were later discussed with the Public Advisory Committee established as part of the planning process. The ideas were then developed into a Vision Statement. The principles expressed in the draft Vision Statement were presented to the public at Open Houses, and comments were obtained to confirm and refine the major principles.

The vision is reflective of Council's own mission statement and priorities which echo many of the key points reflected in the long-term community planning objectives.

The City's current Vision Statement was approved in 2001:

As BC's 'Northern Capital', the City of Prince George will be a vibrant, active and diverse community that provides a strong focal point and identity for the north, with a thriving economy that offers full opportunities for housing, education, employment, recreation and cultural life of residents.

The myPG project will yield significant benefits to the City including development of a shared community vision. City Council has made a commitment to actively move our city toward a sustainable future. Development of effectively integrated plans, policies and practices that are truly shaped by our citizens' concerns and desires will be essential to realizing that future.





City Council has prepared the following vision statement to further conversation through the myPG project.

By 2035, a resilient and sustainable Prince George will be:

- ✧ the cleanest, safest, and healthiest city in Canada;
- ✧ a city in which all citizens have a strong sense of ownership for what happens across the community;
- ✧ a city in which everyone enjoys an enviable and affordable quality of life;
- ✧ a city that values and protects our air, water and land resources;
- ✧ a city in which people embrace year-round leisure opportunities and celebrate how our recreation and culture add to our community well-being;
- ✧ 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 that leads in renewable energy research and application;
- ✧ a city known for delivering world class advanced education and research, technology and 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;
- ✧ a city recognized as an important international transportation and goods exchange hub;
- ✧ a city that has regional, provincial, national and international relationships that help us achieve our goals; and
- ✧ a community that has an inviting downtown that is the heart of our city.





### 3

## THE CORE FOCUS AREAS

### 1. Creating a Better Downtown

The City has created the Mayor's Task Force for a Better Downtown to develop strategic recommendations, an action plan, critical partnerships and organizational methods to create a better downtown. The Task Force interim report made recommendations to Council in November 2009. Those recommendations incorporate and are complementary to the Smart Growth on the Ground Concept Plan and the Beyond Homelessness Standing Committee work.

A clearly defined action plan with assignment of responsibilities to the City and partner agencies will ensure the plan's success, together with an effective and sufficiently resourced implementation system.

### 2. Building Stronger Neighbourhoods

The strength, resilience and interconnectivity of neighbourhoods define a vibrant city. Strengthening neighbourhoods involves the recognition, celebration and protection of neighbourhood identities. Strong neighbourhoods give people a sense of ownership and responsibility.

The myPG project will be used to find new ways for the City to engage with neighbourhoods. We will seek from them, opinions and advice about creating the future they desire and how neighbourhoods can play greater roles in shaping their futures.

### 3. Improving our Health and Safety

The City with its partners, Northern Health, Fraser-Fort George Regional Hospital District and non-governmental organizations, will advocate for progressive and responsive health and wellness resources. The City will also continue to take a leadership role in promoting healthier lifestyles and better health outcomes for our citizens.

The city will develop a comprehensive crime reduction strategy in conjunction with the RCMP.

Wildfire interface risks will continue to be mitigated through the fuel treatment program and expansion of the Community Forest.

The City will continue to develop its flood risk mitigation strategy in conjunction with the Provincial and Federal Governments.

### 4. Taking Care of our Air, Water, and Land Resources

Protecting, Preserving and improving our air, water and land resources are fundamental to community sustainability. The City will increase its efforts in these areas with a priority focus on air quality improvement.

The City will invest in infrastructure and programs to reduce particulate and greenhouse gas emissions, including a District Energy System. The District Energy System will capture waste industrial heat and use renewable biomass fuel.

The City will implement a Transportation Demand Management system including promotion of public transit and non-motorized transportation alternatives such as those proposed in the Trails Master Plan.

The City will create a Brownfield Redevelopment Strategy to reclaim contaminated land.

### 5. Strengthening and Diversifying our Economy

The City's plan to create a knowledge based resource economy, connected to the world, will be delivered through its economic development corporation, Initiatives Prince George (IPG). The City will also pursue strategic international relationships to further its economic strategy.

The City will advocate for investment in critical provincial and national transportation infrastructure and leverage investment in new transportation investments such as the Boundary Road project.

The City will evaluate and act on development, taxation and other policy advice arising from the Mayor's Task Force for a Better Downtown.

The City will actively promote tourism opportunities through implementation of the major events hosting strategy and a cultural tourism strategy.

An investment in Tourism Prince George will facilitate establishment of a Destination Marketing Organization (DMO) through City support of the Additional Hotel Room Tax and redirection of City funding from IPG, to the new DMO.





## 6. Increasing Civic Pride

The City will improve its appearance through strategic investment in projects, programs and policies that enhance civic pride and civic participation.

The City will invest in the beautification of public spaces through improved signage and other initiatives to make the City one of the cleanest and most welcoming communities in the country.

The City will also develop and enforce policies aimed at establishing high standards of maintenance for private buildings.

The City will support and encourage the contributions of volunteer organizations which build and sustain community and neighbourhood pride.

## 7. Continuing Progressive and Responsible Fiscal Management

The City will support effective integrated asset management policies which apply a lifecycle value approach to investment in infrastructure. The lifecycle approach will consider capital cost, operational and maintenance factors, rehabilitation needs and expense, replacement cycle and user rates.

We will further evaluate methods to ensure that utility services are fully funded by user fees.

The City will establish a new debt management policy, continue to seek ways to improve efficiency and evaluate options for a new non-tax revenue generation. We will also develop and implement a comprehensive sustainable finance policy and a sustainable purchasing policy.

We will develop new ways to engage citizens in the annual financial plan and budget processes, beginning with the myPG project.

## 8. Creating an Inclusive Community

The City will create a healthy, inclusive and safe environment for all citizens, and continue to develop its Social Development Strategy as part of the myPG project. The City recognizes the responsibility and jurisdiction of senior levels of government within the social and multi-

cultural areas. Our intention is not to assume those responsibilities but to collaborate in creative solutions at the community level with other government, advocacy organizations and service delivery providers.

The City will enhance access to all types of housing and support the physical, mental and social well-being of all citizens through partnerships.

The performing, visual, literary, and cultural arts will continue to be supported.

## 9. Strengthening Intergovernmental Relations

The City will continue to work cooperatively and progressively with its partners in the government, education, health, and business sectors.

The City will also continue to strengthen its relationship with the Lheidli T'enneh and other aboriginal organizations.

## 10. Building a Strong and Committed City Team

The City understands that progress on its priorities is made possible by a strong team, with Council and Administration working closely together to achieve the corporate and community goals.

The City will develop a strategy for communication, team building and elected official professional development. The City will also develop strategies to address challenges related to recruitment and retention of staff, work space and equipment resources, succession planning and staff development.



# FORT GEORGE PARK

# FORT GEORGE PARK



# COUNCIL'S PRIORITY PROJECTS



## 1. myPG Project and Official Community Plan (OCP) Update

The myPG/OCP project will undertake the development of two key initiatives that together, through community engagement and public consultation, will establish the long term vision for our City. The OCP will subsequently be revised to reflect that vision.

myPG will establish the City's direction toward social, environmental, and economic sustainability through short, mid and long-term goals and targets. The OCP will establish a framework for directing future growth and land use in the City.

2009 Accomplishments	2010 Goals	2011 Goals
<ul style="list-style-type: none"> <li>Development of the Integrated Community Sustainably Plan (ICSP) or "myPG".</li> <li>Community engagement occurred with Council's direction on staff reports in April, May, and July 2009, followed by the establishment of a City ICSP team and the engagement of HB Lanarc Consultants in July 2009.</li> <li>myPG (the ICSP) was launched publicly on October 26, 2009.</li> <li>The initial phase of myPG community involvement occurred from October 26, 2009 to January 14, 2010.</li> <li>Community members were invited to provide their ideas regarding the future of the community.</li> <li>1907 people provided their goals and ideas for the future of Prince George through the myPG process</li> </ul>	<ul style="list-style-type: none"> <li>The myPG/OCP community engagement process will be complete.</li> <li>myPG will be complete and will be implemented.</li> <li>A citizen engagement plan will be in place.</li> <li>The OCP review will be in process.</li> <li>The City will be recognized provincially for myPG.</li> </ul>	<ul style="list-style-type: none"> <li>The OCP review will be complete and will be implemented.</li> <li>Regular monitoring and reporting on myPG indicators will be occurring.</li> </ul>



## 2. Toward a Better Downtown

Prince George's downtown core is experiencing significant challenges and has undergone a period of decline and urban decay. The City is committed to downtown revitalization, and to finding lasting solutions. The Better Downtown Project, through the work of the Mayor's Task Force for a Better Downtown, strives to create a place that is economically healthy, socially inclusive, culturally vibrant, environmentally diverse, purpose built and integrated. The recommendations of the Task Force will form the work and deliverables for a Better Downtown Project.

2009 Accomplishments	2010 Goals
<ul style="list-style-type: none"> <li>Established the Downtown Partnership (formerly the Mayor's Task Force for a Better Downtown) a multi-sectoral stakeholder committee of Council.</li> <li>The Downtown Partnership produced an interim report including recommendations for action in the social, cultural, environmental, and infrastructure strategic areas of focus.</li> <li>Established the Beyond Homelessness Standing Committee.</li> <li>Completed Smart Growth on the Ground Concept Plan for the Downtown through public consultation.</li> <li>Established a downtown community garden through public private partnership.</li> <li>Facilitated the removal of derelict buildings.</li> <li>Established the RCMP Downtown Enforcement Unit.</li> </ul>	<ul style="list-style-type: none"> <li>Establish the long term governance model for the Downtown Partnership.</li> <li>Implementation of the Phase I Downtown Partnership recommendations.</li> <li>Completion of the Clean Team one year pilot project.</li> <li>Continuing the downtown community garden.</li> </ul>



### 3. RCMP Facility Needs

Municipalities that contract for RCMP services have responsibility for police service facilities and equipment. The associated administrative and operational support service expenses are also borne by the municipalities. The Prince George Detachment RCMP building at 999 Brunswick Street was constructed in 1972 and was identified for replacement in 1997 due to its inability to meet the needs of the RCMP. Options for renovating and expanding the existing building were considered. It was determined that constructing a new building was more cost effective and less disruptive to the operation of the RCMP. Fourth Avenue and Victoria Street was selected by Council as the location for the new facility, using RCMP site selection criteria which include operational, physical, environmental, economic, and legal requirements. Design for the new facility began in 2006.

2009 Accomplishments	2010 Goals
<ul style="list-style-type: none"> <li>✎ Dominion Fairmile was selected to do constructability analysis and estimating for the RCMP project in February 2009.</li> <li>✎ From February-November 2009, construction drawings advance from 30% – 90% complete stage and cost estimates are completed for preliminary, 30%, 60% and 90% drawings complete stages</li> <li>✎ An update report to was presented to council in December 2009 and a building review working group was selected to work with administration and design consultants on the project details.</li> </ul>	<ul style="list-style-type: none"> <li>✎ Council will develop a strategy surrounding the RCMP facility.</li> </ul>





#### 4. Boundary Road Connector

The Boundary Road Connector project involves construction of a two-lane arterial road, including water system, storm and sanitary sewers, curb/gutter, sidewalk, and lighting, between Highway 97 South and Highway 16 East.

The project is an important link in Prince George's regional road network, providing safer and more efficient connectivity between the provincial highways, rail yards, and international airport. It supports a lower-risk Dangerous Goods Route for Prince George and will improve access and service to a new Airport Light Industrial and Logistics Park.

The project will also move Prince George toward corporate and community objectives including economic growth and diversification, greenhouse gas reduction and energy management, and sustainable transportation along the shortest, least congested and most fuel-efficient route between Asia and North America.

The Boundary Road project received federal and provincial grant funding approval announced in the fall 2009.

2009 Accomplishments	2010 Goals	2011 Goals
<ul style="list-style-type: none"> <li>☞ Confirmation of private partner funding occurred– private partners confirm commitment to the project via letter of security and cash provided in trust.</li> <li>☞ Clarification of design elements – preliminary design revised and submitted to the Building Canada Fund in support of the 2 lane concept.</li> <li>☞ Detailed Design – an RFP for detailed design was issued and awarded to a local engineering firm who began detailed design.</li> <li>☞ Environmental Assessment – The environmental assessment for the project was completed and submitted to Building Canada Fund.</li> <li>☞</li> </ul>	<ul style="list-style-type: none"> <li>☞ Detailed design complete.</li> <li>☞ The construction target is to have the Highway 97/Boundary Road intersection and Boeing Road works complete.</li> </ul>	<ul style="list-style-type: none"> <li>☞ Project construction target is to have 75% complete.</li> </ul>

## 5. Road Rehabilitation

The City has established the minimum service level rating for roads using a Pavement Condition Management System. Increased annual investment in road rehabilitation is required to continue to meet and improve that service level standard. An incremental approach to increasing the annual road rehabilitation investment will be applied.

2009 Accomplishments	2010 Goals	2011 Goals
<ul style="list-style-type: none"> <li>25.176 lane kilometers were resurfaced at a cost of \$3,188,192.00.</li> </ul>	<ul style="list-style-type: none"> <li>The City will develop a strategy to close the funding gap for road rehabilitation and address it through the annual budget process</li> </ul>	<ul style="list-style-type: none"> <li>The City will increase the annual road rehabilitation budget of \$3.2 million (2009) to \$3.5 million.</li> </ul>

## 6. Canada Winter Games (2015) Bid

The City has responded to an invitation from the Province of British Columbia, through the Ministry of Healthy Living and Sport and the Canada Games Council, to submit a bid to host the 2015 Canada Winter Games.

The Canada Winter Games provides significant economic benefits to the host community and enables extensive television, newspaper and radio coverage across Canada during the games.

The Canada Winter Games is one of the largest multi-sport events in the world inspiring Canada's youth to be active in sport and physical activity. Hosting this event in Prince George provides opportunity for a lasting legacy through national exposure to our region, building new infrastructure and assisting our young athletes to achieve success.

The year 2015 is also the 100th Anniversary of the City of Prince George and hosting the 2015 Canada Winter Games would service as an excellent opportunity for a major community celebration. A successful 2015 Canada Winter Games will be the centerpiece of the City's major events hosting strategy.

2009 Accomplishments	2010 Goals	2011 Goals
<ul style="list-style-type: none"> <li>Aug 7, 2009 - City of PG submitted letter of intent to bid on the 2015 Canada Winter Games.</li> <li>Aug 10, 2009 – PG along with Kelowna and Kamloops named as official bid communities</li> <li>Oct 1, 2009 - Phase 1 – Technical Review submitted to Canada Games Society</li> <li>Nov 9, 2009 – Canada Games Technical Review Committee is hosted in Prince George. Committee tours all venues and answer questions outlined in the Technical Review report. 22 venues proposed.</li> <li>Dec 2009 - Canada Games Council Board of Directors and the Bid Evaluation Committee confirm that all three bid communities are moving forward to Phase II of the bid process.</li> <li>Dec 09-May 28, 2010 - work on final bid. Final bid proposal to be submitted by May 28, 2010.</li> </ul>	<ul style="list-style-type: none"> <li>The Stage 1 technical bid will be prepared and submitted.</li> <li>Subject to a successful Stage 1 technical bid, Stage 2, the Comprehensive Host Community bid and Business Plan, will be submitted and the Host Society formed.</li> </ul>	<ul style="list-style-type: none"> <li>Subject to a successful Stage 2 bid, the Host Society will participate in the observer program at the February 2011 games in Halifax.</li> <li>Capital improvements (including venue preparation and housing) will be underway.</li> </ul>



## 7. Solid Waste Reduction Strategy

The City supports the Regional District of Fraser-Fort George (RDFFG) solid waste management reduction and environmental protection goals, which include solutions for waste avoidance, reduction, reuse of materials, recycling and energy recovery from waste. Strategies for solid waste reduction include material bans, enforcement, and public education programs designed to increase awareness of environmental impacts of disposal of waste to landfills and of the benefits of waste avoidance, material reuse, composting and recycling.

2009 Accomplishments	2010 Goals
<ul style="list-style-type: none"> <li>Consulted with Regional District of Fraser Fort George regarding the development of a waste reduction strategy.</li> </ul>	<ul style="list-style-type: none"> <li>The City will develop a solid waste reduction program plan (including waste avoidance, reduction and education programs) in partnership with the RDFFG.</li> <li>The program will include an evaluation of curbside service options within the City.</li> <li>The City will select solid waste reduction options to implement in 2011, in cooperation with the RDFFG.</li> </ul>

## 8. Air Quality Improvements

The City will, within its scope of authority and influence, achieve positive improvements to air quality by collaborating with community partners, lobbying senior levels of government for positive change to environmental regulations and demonstrating leadership through responsible corporate practices.

2009 Accomplishments	2010 Goals	2011 Goals
<ul style="list-style-type: none"> <li>Tested a unique Clean Air Ambassador pilot position in 2009 which provided additional capacity to enhance communication and outreach to residents for improving wood burning practices and to improving our responsiveness to wood smoke complaints.</li> <li>Played a leadership role in the organizing of the first ever Bike to Work Week held in Prince George, which got more people out of their vehicles thereby reducing vehicle emissions and supporting a healthy lifestyle.</li> <li>Significant progress was made on the proposed amendments to a new Clean Air Bylaw, with the completion of a public review process including on-line survey, open houses and displays.</li> <li>Through its involvement with PGAIR, the City had the following highlights around air quality improvements:               <ol style="list-style-type: none"> <li>Supported the coordination of the wood stove exchange program which resulted in at least 39 old woodstoves being exchanged for more clean-burning units.</li> <li>Supported the coordination of the Anti-idling Ambassador's outreach and education work in schools and furthering the installation of anti-idling signs around the city.</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>Implement the amended Clean Air Bylaw, which regulates air contaminant contributions within municipal control, such as dust, wood-burning appliances, recreation fires and other open burning.</li> <li>The City will, through its PGAIR membership, complete the Phase III Air Quality Implementation Plan.</li> <li>Incorporate air quality considerations into the OCP update.</li> <li>Advocate for the RDFFG Industrial Land Study to be complete and available for public use.</li> </ul>	<ul style="list-style-type: none"> <li>Subject to completion of the RDFFG Industrial Land Study, the City will take decisions in concert with others concerning the study</li> </ul>





## 9. District Energy System

District energy systems (DES) produce thermal energy (hot water in the case of a Prince George DES) at a central location and then pipe the energy to buildings for space heating and domestic hot water heating.

A Prince George DES will:

- improve air quality through net particulate reduction;
- reduce greenhouse gas emissions;
- promote economic diversification;
- provide employment, cultural, social and business development opportunities in the downtown;
- provide energy security and price certainty;
- reduce reliance on fossil fuels; and
- position Prince George as a model for district energy solutions and centre of excellence for bio-energy research and application.

2009 Accomplishments	2010 Goals	2011 Goals
<ul style="list-style-type: none"> <li>➤ Negotiations with industrial heat suppliers respecting heat delivery to the City's DES continued.</li> <li>➤ A preferred energy supply arrangement was concluded in draft form.</li> <li>➤ Negotiations with DES customers were initiated.</li> <li>➤ Extensions to FCM Grant and Loan deadlines was achieved.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Subject to funding, the DES partners will be secured and system design will be complete.</li> <li>➤ Council will select a utility operating model.</li> <li>➤ The required Environmental Assessment, including full public consultation will be complete.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Subject to funding and approvals achieved through the Environmental Assessment process, DES construction will be complete and the City will become a green energy supplier.</li> </ul>



## 10.Civic Pride Initiatives

The City recognizes the importance of cleanliness and its impact on civic pride. In particular, studies suggest that lack of cleanliness is a significant barrier to downtown revitalization.

- ✎ Clean and Safe programs contribute to a clean, attractive, and orderly environment, enhance safety and security, and preserve public spaces for the enjoyment of neighbourhoods. Through partnerships with businesses and residents, benefits to all neighbourhoods including downtown, will be affected through programs aimed at improved cleanliness.

2009 Accomplishments	2010 Goals	2011 Goals
<p>Community Enhancement Grants:</p> <ul style="list-style-type: none"> <li>✎ \$6,000 - funded 7 Winter Lights projects.</li> <li>✎ \$10,000 – funded 10 Communities in Bloom projects.</li> <li>✎ Legacy funds from National WinterLights Symposium funded new festive lighting prominently displayed on the outside of the Playhouse tower.</li> <li>✎ Seniors:</li> <li>✎ Partnered with the Prince George Council of Seniors to host 5 successful Golden Age Social events (average 228 in attendance per event).</li> <li>✎ Completed the Act Now Community Seniors Park.</li> </ul> <p>Street Banners</p> <ul style="list-style-type: none"> <li>✎ Fifty local artists donated their time and expertise to beautify the downtown. The Two Rivers Gallery in partnership with the City asked the artists to paint original works of art on banners fro 3rd Ave.</li> </ul> <p>Public Art</p> <ul style="list-style-type: none"> <li>✎ “Balance” - In partnership with Two Rivers Gallery, a new piece of public art was unveiled beside the Gallery. Balance, a piece by Peter vonTiesenhausen explores the relationship between man and nature.</li> <li>✎ Simon Fraser bridge project – local emerging artist, Justin Russell was commissioned to create a relief work that was embedded into the parapet of the new Simon Fraser Bridge</li> </ul> <p>Flower Baskets</p> <ul style="list-style-type: none"> <li>✎ Continuation of matching funding with Gateway (90 baskets) and Bypass (110 baskets) and new baskets for Hart Highway (25 baskets).</li> <li>✎ Event Hosting</li> <li>✎ Planning for Torch Relay event . (event held in January 2010 and was extremely successful).</li> <li>✎ Heritage</li> <li>✎ Hosted successful Heritage Places Award - RJ Blackburn House was the first ever winner of this new program.</li> <li>✎ Entered partnership with the Province of BC in the development of a Heritage Context Study for PG.</li> <li>✎ With the assistance of a \$20,000 UBCM grant the City is working in partnership with the Heritage Commission, the Public Library and The Exploration Place to produce educational signs for downtown about significant Heritage buildings.</li> </ul> <p>Volunteer Awards</p> <ul style="list-style-type: none"> <li>✎ Assisted in the coordination and hosting of another successful City of Prince George Volunteer Recognition awards and dinner in April 2009.</li> </ul>	<ul style="list-style-type: none"> <li>✎ The City will develop and implement a strategy to increase civic pride, connected to myPG.</li> </ul>	<ul style="list-style-type: none"> <li>✎ Neighbourhood Associations will be engaged in community cleanliness programs.</li> <li>✎ There will be noticeable improvement in cleanliness across the community and increased civic pride as a result of those efforts.</li> </ul>



## 11. Flood Mitigation

Following the 2007/08 Nechako River ice jam and flood event, the City commissioned Northwest Hydraulic Consultants (NHC) to perform an evaluation of flood risks within the City of Prince George and to prepare options for flood mitigation and protection. The evaluation led to recommendations for flood mitigation works to be completed over a five year period from 2010 to 2014, subject to funding availability. The City will continue to advocate for senior government funding and for collaborative solutions to flood mitigation and protection.

2009 Accomplishments	2010 Goals	2011 Goals
<ul style="list-style-type: none"> <li>✎ Completion of River Road Sub-drain and Pump Chambers project – Value of \$2m.</li> <li>✎ Acquisition of residential properties and some industrial lands along River Road for future construction of the River Road Flood Protection Dike</li> <li>✎ Adjustment of 1.7km of River Road to the Flood Construction Level as part of the River Road Improvements project.</li> <li>✎ Completion of the Flood Risk Evaluation and Flood Control Solutions - Phase 1 report and associated public meetings</li> <li>✎ Completion of the Flood Risk Evaluation and Flood Control Solutions - Phase 2 report and associated public/stakeholder meetings.</li> <li>✎ Application for funding of flood protection works under the Emergency Management BC, Flood Protection Program (though City was unsuccessful in receiving grants)</li> </ul>	<ul style="list-style-type: none"> <li>✎ Subject to provincial and federal funding, the City will undertake projects identified in the Flood Risk Evaluation and Flood Control Solutions Phase 2 Report, including updating the City's flood plain mapping and the flood plain regulation bylaw.</li> </ul>	<ul style="list-style-type: none"> <li>✎ Subject to Provincial and Federal funding, additional flood mitigation and control measures approved by Council will be advanced.</li> </ul>



## 12. Financial Sustainability

The City will be financially sustainable, with the revenue resources required to support its plans and infrastructure and provide services that citizens need. The City's financial policies will be among the most respected in local government. Key capital projects will be identified, prioritized, completed, and all available funding opportunities will be pursued, including new non-property tax revenue. The City will evaluate methods to ensure that utility services are fully funded by user fees. Asset management evaluation and funding systems will be in place.

2009 Accomplishments	2010 Goals
<ul style="list-style-type: none"> <li>☞ Sustainable Finance Policy – draft developed and presented to Finance and Audit Committee. Approximately 90% of the policy endorsed by Finance and Audit.</li> <li>☞ Sustainable Purchasing Policy – draft developed in 2009. Draft revised to include “Wood First” components.</li> <li>☞ Risk management policy researched. Policy will be developed, taken to Finance and Audit Committee for endorsement and to Council for approval during 2010.</li> <li>☞ 2009 Budget Solutions identified and implemented.</li> <li>☞ Public Sector Accounting Board's Tangible Capital Assets' year 2009 statutory reporting requirements were met.</li> </ul>	<ul style="list-style-type: none"> <li>☞ The City will develop a sustainable financial policy and a sustainable purchasing policy.</li> <li>☞ The City will complete asset evaluations to provide current state and investment strategy information.</li> <li>☞ The City will develop an infrastructure deficit funding strategy.</li> </ul>



### 13. Asset Management Strategy

The City manages its physical assets (their construction, maintenance, rehabilitation, and replacement), considering their whole life cost, risk, and service level continuity. The City's asset management system has been developed to plan, build, purchase, account for, and maintain effective, sustainable, and affordable infrastructure. A comprehensive asset management program includes a Computerized Maintenance Management System, which tracks infrastructure costs from design through construction and ongoing maintenance, and an Infrastructure Investment and Analysis System (RIVA) which enables integrated evaluation of all assets to optimize capital planning.

2009 Accomplishments	2010 Goals	2011 Goals
<ul style="list-style-type: none"> <li>Implemented Asset Records Procedure.</li> <li>Implemented RIVA software for Linear Assets:</li> <li>Identified Infrastructure Gap for Storm, Water, Sanitary and Road networks</li> <li>Developed risk based Capital prioritization process for Storm/San/Water re-investments</li> <li>Improved the Pavement Mgmt model(PCMS) to include micro-surfacing and service level (SDI) based interventions to optimize return on road re-investments</li> <li>Lead Cityware Assets Team (Asset Module Development).</li> <li>Participation in Local Government Asset Management Working Group of BC.</li> <li>Corporate support to IT for asset related systems development and to Finance for PSAB reporting.</li> </ul>	<ul style="list-style-type: none"> <li>Complete the infrastructure inventory and modeling (RIVA) for all linear assets and will advance the vertical assets evaluation.</li> <li>The City will be in compliance with the Public Sector Accounting Board (PSAB 3150) Requirements concerning asset management.</li> <li>Develop a communications strategy to inform the public of the infrastructure challenges.</li> </ul>	<ul style="list-style-type: none"> <li>Complete vertical assets evaluation.</li> <li>Integrate life cycle cost analysis outputs modeling into capital planning.</li> <li>Implement the Computerized Maintenance Management System.</li> </ul>



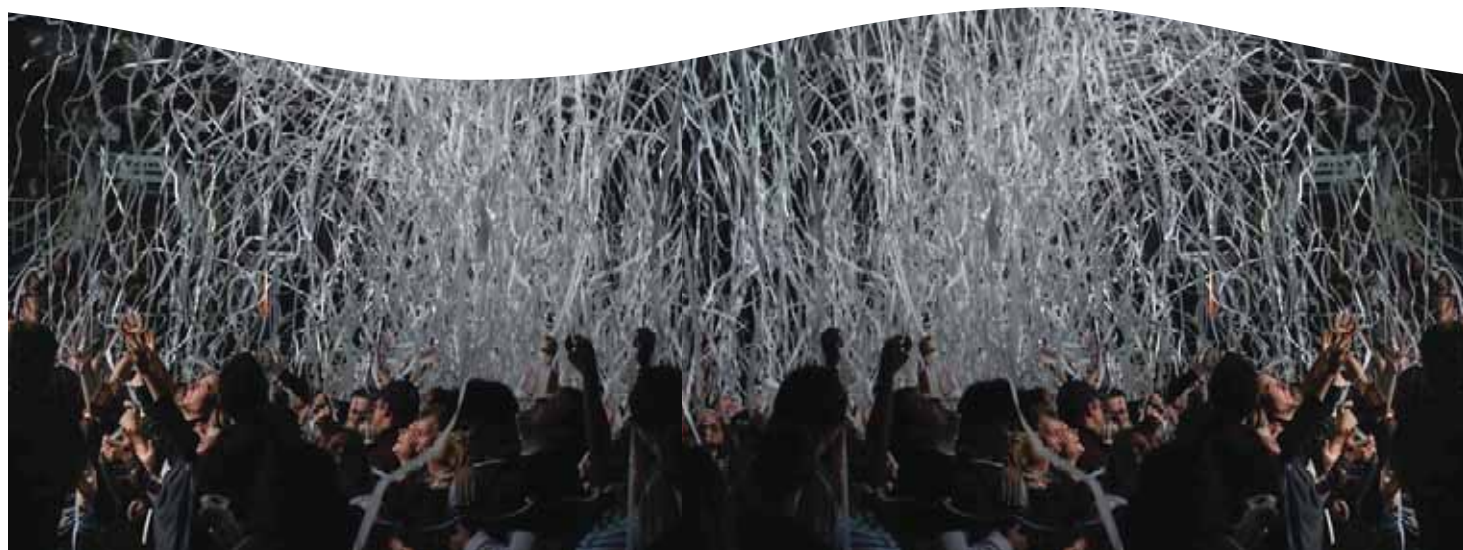


## 14. Regional Performing Arts Centre

Council initiated a feasibility assessment concerning a performing arts centre in 2007, which was conducted by the Prince George Regional Performing Arts Centre Society. The assessment concluded that there is a basis for the creation of a performing arts centre in the downtown.

The Regional Performing Arts Centre project is consistent with the City downtown revitalization goals and with Smart Growth on the Ground recommendations. The Performing Arts Centre project has potential to support downtown revitalization, cultural tourism opportunities, mixed use developments that centralize arts to become a community gathering place, and to create new educational opportunities in the downtown.

2009 Accomplishments	2010 Goals	2011 Goals
<ul style="list-style-type: none"> <li>Secondary Society agreement in place to conduct a Prince George Regional Performing Arts Planning Study.</li> <li>Council approves funding of \$115,000 to the Society.</li> </ul>	<ul style="list-style-type: none"> <li>A preferred location will be selected.</li> <li>A concept design will be complete.</li> <li>Potential funding sources will be identified and evaluated.</li> <li>A proposed operational model and operating budget will be established.</li> </ul>	<ul style="list-style-type: none"> <li>The priority and timing for the proposed project will be determined.</li> </ul>





## Reporting and Monitoring

The organizational work plans required to achieve the strategic priorities will be integrated within the City's administrative structure. Goals will be assigned to departments, including the formation and nurturing of essential community partnerships. The work plans will articulate the methods and associated timelines to achieve each objective and identify the required budget and other resources.


Performance measures and indicators will be established. Progress toward their achievement will be reported routinely and reviewed and updated by City Council.

The City communication plan will ensure that communication and engagement methods developed in conjunction with the myPG project will be imbedded in the City's business practices. Public opinion both locally and externally, concerning Prince George as a place to live, work and invest will be improved.



## Financial Information





May 5, 2010

## To Mayor Rogers and Members of Council

I hereby submit the Municipal Financial Report for the City of Prince George for the fiscal year ended December 31, 2009, pursuant to section 167 of the British Columbia Community Charter. The annual report includes the Consolidated Financial Statements, the Auditor's Report and supplementary schedules. In accordance with the PSAB standards, the City's consolidated statements include the Prince George Public Library and Initiatives Prince George Development Corporation (Other Controlled Entities). Finance staff has strived to provide the readers and users of our financial statements with summarized information that clearly presents the City's financial position and results for 2009 in comparison to 2008.

The City's 2009 Financial Statements and Annual Report have two sections, which are as follows:

### 1) Financial Information

This section contains the Auditors' Report, and the City's Consolidated Financial Statements with supporting notes. The consolidated statements reflect the City's overall financial position as at December 31, 2009, with comparative amounts for 2008. The statements reflect the new reporting requirements of PSAB 3150 which are represented as the Statement of Financial Position, Statement of Operations, Statement of Changes in Net Debt and Statement of Cash Flows. Non-consolidated results are shown by fund in the accompanying schedules. The Notes to the Consolidated Financial Statements provide further detail as to specific accounting policies and the composition of certain financial numbers, and should be read in conjunction with the statements. The budgetary figures reported are those that were approved by Council in the annual 2009 budget bylaw, and not subsequent budget amendments approved by Council.

### 2) Supplementary Financial Information

This section contains the Auditors' Report and schedules of information that are supplementary to the consolidated financial statements. Non-consolidated results are shown by fund for financial position and financial activities. Details of balances in reserve funds, capital asset equity, and trust funds are provided as well as additional detailed information on consolidated revenues, expenditures and short-term and long-term debt.

## Financial Management and Control

The City prepares multi-year operational and capital expenditure plans each year that represent the programs that Council wishes to see implemented. The City Manager is responsible to provide overall guidance with respect to Council's direction concerning service and the City's operational and capital expenditure plans. Departments are responsible for developing and managing the budgets.

Financial Services Division within the Corporate Services Department is responsible for the preparation of the financial statements. While there is close consultation with the City's auditors, management is ultimately responsible for decisions relating to the form and content of these statements and for the treatment and reporting of transactions.



## 2009 Highlights

### Cameron Street Bridge

Replacement of the Cameron Street Bridge was completed in 2009 with the opening ceremony held on August 24<sup>th</sup>. The new structure includes two vehicle lanes and a pedestrian/cycling lane while adjacent road works included widening of the road base, underground storm sewer, electrical work and a traffic roundabout.

### Road Rehabilitation Levy and Capital Program

The road rehabilitation program provides for the restructure and resurfacing of local, arterial and collector roads. The City of Prince George has a general levy for road rehabilitation projects. Levy funds are transferred to a road rehabilitation reserve which is used for funding annual rehabilitation projects. In 2009 the following projects were undertaken at a total budget of \$3.3 million. Ospika Boulevard 15<sup>th</sup> to 22<sup>nd</sup> and 1<sup>st</sup> to 5<sup>th</sup> Avenues; Graves Road; St. John Crescent; Northwood Pulpmill Road; 1<sup>st</sup> and 3<sup>rd</sup> Avenues; Massey Drive; South Kelly Road; and Sintich Road.

### River Road Reconstruction

Phase 1 of River Road reconstruction from Cameron Street Bridge to Foley Crescent was completed in 2009. The work involved raising the road profile to 200 year flood plain levels, road widening and paving including bicycle lanes, storm drainage improvements, street lighting and improved driveway access for existing properties.

### PG Pulpmill Road Bridge at McMillan Creek

Replacement of the failing fish passage culverts at McMillan Creek on PG Pulpmill Road was completed with the installation of a precast box girder bridge. The bridge provides for pedestrian access under the road which completes a link between the Nechako River and the future McMillan Creek Fishing Park and Trail Network System.

### Capital Projects

Additional capital spending in 2009, including capital work in progress, totaled approximately \$20.3 million. This consisted of \$17.0 million of General Capital and Land Capital and \$3.3 million of Water Capital. Major projects of note were: Tyner Blvd Watermain Extension-\$3,046,000; Vehicle replacements-\$2,399,000; Computer replacements-\$1,327,000; RCMP Facility-\$1,296,000; River Road Flood Protection-\$1,174,500; Simon Fraser Bridge-\$1,100,000; Veteran's Plaza-\$973,000; 20<sup>th</sup> Ave Beautification-\$544,000; Boundary Road Connector-\$333,000; River Road Storm Sewer-\$237,000; Cemetery Building-\$225,000; and Seniors Park-\$117,000.



## 2009 Financial Results

### Accumulated Operating Fund

The accumulated surplus level for 2009, excluding Other Controlled Entities, in the General Operating Fund was approximately \$5.5 million compared to \$7.0 million in 2008. The City attempts to maintain General Operating Fund surplus between: a) an amount sufficient to fund outstanding taxes and utility charges, as well as inventory on hand; and b) 25% of General Operating Fund expenditures. At the end of 2009, the minimum point of the City's accumulated surplus guideline was \$6.8 million.

The City also attempts to maintain and/or reach Sewer and Water Operating Fund surplus levels at approximately 25% of operating expenditures over or within a five-year period. The actual accumulated surplus for the Water Operating Funds was \$0.4 million at the end of 2009 compared to our target of \$1.5 million. The actual accumulated surplus for the Sewer Operating Fund was \$1.5 million at the end of 2009 compared to our target of \$1.2 million.

### Reserve Fund Levels

Total Reserve Fund levels were approximately \$32.9 million at the end of 2009, compared to \$36.4 million at the end of 2008. The balance includes amounts that have been appropriated for capital projects but not yet expensed. Funds have increased in the Terasen Reserve (\$198,000) while funds have decreased in the Endowment (\$2,976,000), General Capital (\$79,000), Land Development (\$26,000), Community Works (\$215,000), Sewer Capital (\$161,500) and Water Capital (\$237,000) reserves.

### Investment Earnings

The City of Prince George invests funds that are in excess of current financial obligations. The investment portfolio is largely held with the Municipal Finance Authority due to competitive rates and ease of administration. Investment earnings in 2009 were approximately \$2.1 million compared to \$3.4 million in 2008. The average monthly investment was \$59 million and the weighted average rate of return was 3.77%.

### External Short-Term Debt

Principal short-term debt (including capital leases) outstanding was approximately \$1.8 million at the end of 2009 (\$0.8 million General Capital Fund and \$1.0 million General Operating Fund), compared to \$1.9 million at the end of 2008. Short term debt is defined as financial obligations for terms of less than five years.

### External Long-Term Debt

Principal long-term debt (including capital leases) outstanding was approximately \$116.0 million at the end of 2009 (\$92.6 million General Capital Fund, \$16.9 million Water Capital Fund, and \$6.5 million Sewer Capital Fund), compared to \$118.0 million at the end of 2008. The Terasen Gas Inc capital lease of \$51.1 million is included in 2009 long-term debt.



## Significant Financial Management Practices

### Revolving Reserve Fund

The City operates the Endowment Reserve Fund as a “revolving fund”. Appropriations from this Reserve are treated much like debt, and annual contributions or transfers are made from the General Operating Fund to repay the monies appropriated, with interest, over a period of 5 to 20 years, depending upon the size of the appropriation. The appropriations from the Reserve are referred to as “internal debt”, and are reflected in the financial statements. Interest rates and repayment schedules are occasionally adjusted to moderate the impact that the creation of new “internal debt” may have on the annual budget.

Repayment of monies appropriated from this Reserve is not a legal requirement. However, the policy of repayment of the appropriations has been followed, as this Reserve Fund provides an attractive alternative to borrowing money on the open market because repayment schedules are more easily tailored to current budget needs and because interest and principal repayments can be deferred in the event of economic need.

### Financing of Utilities

The City’s policy is to not use general taxation to fund the provision of water and sanitary sewer services, or the operation of the solid waste collection service. These services are financed by a combination of user charges and parcel taxes applicable only to those who benefit from the service(s), and government grants.

A management fee is included in the cost structure of these services so that the users of the services provide a contribution to the City’s general overhead costs including the provision of facilities, office, and general corporate services such as human resources and accounting.

### Land Development

A program of land acquisition, development and sales has been in place for many years. In general, the objective is to ensure that there is a reasonably balanced inventory of residential and commercial lots for future development. The land development program is completely self-funding, and as such, no contribution is made to the program from Operating Funds. Profits made from land development are used to finance specific capital projects such as recreation and cultural facilities, roads, and other infrastructure required to support the City’s operations.

### Summary

Compiling financial statements and annual report information requires the input and assistance of numerous City staff members throughout the year and at year-end. We would like to thank all of the City staff members who contribute to this process on an on-going basis.

Respectfully submitted,



Sandra Stibrany,  
Manager Financial Services



Kathleen Soltis,  
Director Corporate Services





## AUDITORS' REPORT

To the Mayor and Members of Council  
City of Prince George:

We have audited the consolidated statement of financial position of the City of Prince George as at December 31, 2009 and the consolidated statements of operations, change in net debt and cash flows for the year then ended. These consolidated financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2009 and the results of its operations and its changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles for local governments.

Chartered Accountants



Prince George, British Columbia  
March 20, 2010

# Consolidated Statement of Financial Position



as at December 31  
(in thousands of dollars)

2009

2008  
restated

## FINANCIAL ASSETS

Cash and Cash Equivalents (Note 2)	\$ 10,953	\$ 16,198
Receivables (Note 3)	11,861	12,112
Loan Receivable (Note 4)	-	262
Investments (Note 5)	46,297	48,653
Deposits - Municipal Finance Authority (Note 6)	2,326	2,239
	<u>71,437</u>	<u>79,464</u>

## LIABILITIES

Accounts Payable and Accrued Liabilities (Note 7)	26,035	25,203
Deferred Revenues	10,192	8,444
Deferred Development Cost Charges (Note 8)	7,864	9,584
Reserves - Municipal Finance Authority (Note 6)	2,326	2,239
Short-Term Debt, Including Capital Lease (Schedule 10)	1,771	1,890
Long-Term Debt, Including Capital Lease (Schedule 11)	116,102	118,050
	<u>164,290</u>	<u>165,410</u>

## NET FINANCIAL DEBT

	<u>(92,853)</u>	<u>(85,946)</u>
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## NON-FINANCIAL ASSETS

Prepaid Expenses	839	815
Inventories	1,167	1,163
Tangible Capital Assets (Note 9)	538,619	522,893
	<u>540,625</u>	<u>524,871</u>

## ACCUMULATED SURPLUS (Note 11)

	<u>\$ 447,772</u>	<u>\$ 438,925</u>
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Commitments and Contingencies (Note 14)

K. Soltis, Director of  
Corporate Services

To be read in conjunction with the Notes to the Consolidated Financial Statements

## Consolidated Statement of Operations

<i>for the year ended December 31 (in thousands of dollars)</i>	2009 Original Budget Bylaw (unaudited)	2009 Actual	2008 Actual restated
<b>REVENUES (Schedule 7)</b>			
Taxation and Grants in Lieu, net	\$ 73,051	\$ 74,972	\$ 71,866
Sales of Services, User Rates and Rentals	33,785	34,319	33,187
Return on Investments	2,181	3,444	4,928
DCC Contributions	5,170	2,474	1,219
Contributions from Other Gov'ts & Agencies	26,725	15,921	17,609
Sinking Fund Surplus	-	8	25
Other Revenue	6,997	5,311	6,655
Gain on Sale of Tangible Capital Assets	-	1,375	2,742
Asset Contributions	-	1,710	11,326
	<u>147,909</u>	<u>139,534</u>	<u>149,557</u>
<b>EXPENSES (Schedule 8)</b>			
General Government	19,990	18,800	17,885
Protective Services	34,540	36,384	39,155
Transportation Services	25,916	25,158	29,977
Water and Sewer	14,088	13,184	13,460
Sanitation and Waste Removal	3,287	3,420	3,190
Public Health and Welfare	407	556	534
Planning and Environmental Development	3,771	5,025	4,988
Parks, Recreation and Cultural Services	21,015	20,314	23,289
Other Controlled Entities	5,753	6,518	5,910
	<u>128,767</u>	<u>129,359</u>	<u>138,388</u>
<b>EXCESS REVENUES OVER EXPENSES BEFORE TRANSFER</b>	19,142	10,175	11,169
Transfer to Deferred Charges and Revenues	-	(1,328)	(14,102)
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENSES (Note 13)</b>	<u>\$ 19,142</u>	<u>8,847</u>	<u>(2,933)</u>
<b>ACCUMULATED SURPLUS, Beginning of Year</b>			
As previously reported		575,253	566,215
Prior period restatement (Note 16)		(136,328)	(124,357)
As restated		<u>438,925</u>	<u>441,858</u>
<b>ACCUMULATED SURPLUS, End of Year</b>		<u>\$ 447,772</u>	<u>\$ 438,925</u>

To be read in conjunction with the Notes to the Consolidated Financial Statements



## Consolidated Statement of Change in Net Debt



*for the year ended December 31  
(in thousands of dollars)*

	2009	2008 restated
Excess (Deficiency) Revenues over Expenses	\$ 8,847	\$ (2,933)
Amortization of Tangible Capital Assets	16,176	17,090
Proceeds on Disposal of Tangible Capital Assets	2,031	3,486
Change in Inventories and Prepaid Expenses	(28)	(896)
Gain on sale of Tangible Capital Assets	(1,375)	(2,742)
Acquisition of Tangible Capital Assets	(32,558)	(24,899)
Other	-	1
Increase in Net Financial Debt	(6,907)	(10,893)
Net Financial Debt, beginning of year	(85,946)	(75,053)
Net Financial Debt, end of year	<u>\$ (92,853)</u>	<u>\$ (85,946)</u>

*To be read in conjunction with the Notes to the Consolidated Financial Statements*

# Consolidated Statement of Cash Flows

for the year ended December 31  
(in thousands of dollars)

2009

2008  
restated

## NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:

### Operations

Excess (Deficiency) Revenues over Expenses	\$ 8,847	\$ (2,933)
Non-cash Charges to Operations		
Amortization	16,176	17,090
Gain on sale of Tangible Capital Assets	(1,375)	(2,742)
	<u>23,648</u>	<u>11,415</u>
Decrease (Increase) in Receivables	251	(2,491)
Decrease in Other Assets	-	66
Increase in Prepaid Expenses	(24)	(815)
Increase in Inventories	(4)	(81)
Increase in Accounts Payable and Accrued Liabilities	832	998
Increase in Deferred Revenues	1,748	2,772
(Decrease) Increase in Deferred Development Cost Charges	(1,720)	9,584
	<u>24,731</u>	<u>21,448</u>

### Capital

Acquisition of Tangible Capital Assets	(32,558)	(24,899)
Proceeds on Sale of Tangible Capital Assets	2,031	3,486
	<u>(30,527)</u>	<u>(21,413)</u>

### Investing

Decrease in Loan Receivable	262	35
Decrease in Investments	2,356	11,285
	<u>2,618</u>	<u>11,320</u>

### Financing

Debt Proceeds	7,673	3,014
Repayment of Debt	(9,741)	(8,883)
Other	1	15
	<u>(2,067)</u>	<u>(5,854)</u>

Change in cash and cash equivalents	(5,245)	5,501
Cash and cash equivalents, beginning of year	<u>16,198</u>	<u>10,697</u>
Cash and cash equivalents, end of year	<u>\$ 10,953</u>	<u>\$ 16,198</u>



## For the year ended December 31, 2009

### General

The Notes to the Consolidated Financial Statements are an integral part of the statements. They explain the significant accounting and reporting policies, and the principles that form the basis for these statements. The Notes also provide important supplementary information and explanations, which cannot be conveniently integrated into the Consolidated Financial Statements.

#### 1. Significant Accounting Policies

##### a) Basis of Presentation

The Consolidated Financial Statements of the City of Prince George are prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The Consolidated Financial Statements reflect the combined results and activities of the reporting entity which comprises all organizations that are accountable for the administration of their financial affairs and resources to the Council and are controlled or owned by the City. Controlled entities include Prince George Public Library and Initiatives Prince George Development Corporation. The City's general classification of funds and the purpose of those funds are shown below:

##### i) Operating Funds

These Funds include the General, Water, and Sewer operations of the City. Operating Funds are used to record the costs associated with providing City services.

##### ii) Capital Funds

These Funds include the General, Water, Sewer, and Land Capital Funds. These Funds track the acquisition costs of various capital assets and the funding of these assets including related short-term and long-term debt.

##### iii) Reserve Funds

Under the Community Charter of British Columbia, City Council may by bylaw establish special Reserve Funds for specific purposes. Money in a Reserve Fund and interest earned thereon must be used only for the purpose for which the Fund was established. If the amount in a Reserve Fund is greater than required, City Council may, by bylaw, transfer all or part of the balance to another Reserve Fund.

##### iv) Trust Funds

These Funds have been created to hold cash assets that must be used for specific purposes and/or beneficiaries and according to certain agreements. In accordance with PSAB guidelines, Trust Funds are not to be included in the City's Consolidated Financial Statements. Trust Funds administered by the City are presented in Schedule 6.

##### v) Original Budget Bylaw

The original budget bylaw, stated in the consolidated statement of financial activities, represents the budget bylaw adopted in May, 2009. Any budget amendments subsequently adopted by Council, have not been included.

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2009

b) Basis of Accounting

i) Revenue Recognition

Generally revenues are recorded using the accrual method of accounting.

ii) Deferred Revenues

The City defers a portion of the revenue collected from permits, licenses and other fees and recognizes such revenue in the year in which related inspections or other related expenditures are incurred.

iii) Expenses

Expenses are generally recognized as they are incurred and when the goods and services are received and/or a legal obligation to pay is established.

c) Accumulated Surplus

Accumulated surplus is the amount by which all financial and non-financial assets exceed all liabilities and indicates the net economic resources available to provide future services. Accumulated surplus is represented by various fund balances and equity in capital assets.

d) Cash and Cash Equivalents

Cash and cash equivalents consist of cash and highly liquid money market investments.

e) Investments

Investments are recorded at cost, including bonds which are recorded net of premium or discount. Interest is accrued at the invested rate.

f) Financial Instruments

The City's financial instruments consist of cash and cash equivalents, receivables, loan receivable, investments, accounts payable and accrued liabilities, and short term and long term debt. Unless otherwise noted, it is management's opinion that the City is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

g) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles for local governments established by PSAB requires management to make estimates and assumptions that affect the reported amounts of certain receivables and accrued liabilities at the date of the financial statements, the reported amount of related revenues and expenses, and the reported amount of amortization during the reporting period. As such, actual results could differ from the estimates.

h) Inventories

Inventories consist of supplies, repair parts and materials consumed in operations and capital projects. Inventory is recorded at the lower of cost and net realizable value with cost being determined on a weighted average basis.



# Notes to the Consolidated Financial Statements

## For the year ended December 31, 2009

### i) Land and Land Development Reserve Fund

Land is recorded at the lower of cost and net realizable value. Cost is determined on the basis of an entire project, including interest incurred during development. Cost is then allocated to the individual subdivided lots from the project where applicable. Costs of the lots are removed from Land once the lots have been sold and title has passed to the purchaser.

Land Development Reserve Fund monies are used to fund land development costs. Proceeds from the sale of developed land in excess of carrying value and development costs are transferred to the Endowment Fund Reserve.

### j) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Debt for the year.

### k) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development, or betterment of the asset, excluding interest costs.

The cost, less residual value, of the tangible capital assets (except for Initiative Prince George Development Corporation's tangible capital assets) are amortized on a straight-line basis over their estimated useful lives as follows:

Land	Not amortized
Buildings & Improvements	15 – 35 years
Vehicles, Machinery, & Equipment	3 – 20 years
Other	5 – 20 years
Infrastructure	
Roads	10 – 75 years
Parks	15 – 50 years
Water	10 – 80 years
Sanitary Sewer	10 – 140 years
Storm Drainage	10 – 140 years
Energy & Communication	20 – 35 years

Initiative Prince George Development Corporation uses the declining balance method for amortizing its assets at the following rates:

Buildings	4%
Fences	10%
Furniture, Fixtures, & Equipment	20%
Leasehold Improvements	10%
Office Equipment	30%

Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue.

### l) Long-Term Debt

Long-Term Debt is recorded net of any related sinking fund balances. Principal debt repayment is recorded in operating funds in the year that it is repaid.

# Notes to the Consolidated Financial Statements

## For the year ended December 31, 2009

2.	Cash and Cash Equivalents	2009 (000's)	2008 (000's)
	Cash	\$ 5,617	\$ 4,495
	Cash Equivalents	<u>4,670</u>	<u>11,107</u>
		10,287	15,602
	Other Controlled Entities Cash	<u>666</u>	<u>596</u>
		<u>\$10,953</u>	<u>\$16,198</u>
3.	Receivables	2009 (000's)	2008 (000's)
	<u>General Operating Fund</u>		
	Property Taxes	\$ 4,184	\$ 3,215
	Federal Government	799	530
	Provincial Government	1,526	1,832
	Regional District of Fraser-Fort George	448	340
	Accounts Receivable	1,114	1,386
	Refuse Rates	289	263
	Employee Loans	<u>89</u>	<u>86</u>
		<u>\$ 8,449</u>	<u>\$ 7,652</u>
	<u>Water Operating Fund</u>		
	Water Utility Rates	<u>\$ 886</u>	<u>\$ 709</u>
	<u>Sewer Operating Fund</u>		
	Sewer Utility Rates	<u>\$ 572</u>	<u>\$ 517</u>
	<u>Reserves Funds</u>		
	Miscellaneous	<u>\$ 8</u>	<u>\$ 5</u>
	<u>General Capital Fund</u>		
	Federal Government	\$ 967	\$ 1,000
	Provincial Government	600	2,025
	Miscellaneous	<u>48</u>	<u>68</u>
		<u>\$ 1,615</u>	<u>\$ 3,093</u>
	<u>Water Capital Fund</u>		
	Miscellaneous	<u>\$ -</u>	<u>\$ 5</u>
	<u>Other Controlled Entities</u>		
	Prince George Public Library	\$ 23	\$ 26
	Initiatives Prince George Development Corporation	<u>412</u>	<u>297</u>
		<u>\$ 435</u>	<u>\$ 323</u>
	<u>Consolidated Adjustments</u>		
	Prince George Public Library	\$ (36)	\$ (134)
	Initiatives Prince George Development Corporation	<u>(68)</u>	<u>(58)</u>
		<u>\$ (104)</u>	<u>\$ (192)</u>
	Total	<u>\$11,861</u>	<u>\$12,112</u>



# Notes to the Consolidated Financial Statements

## For the year ended December 31, 2009

4.	Loan Receivable	2009 (000's)	2008 (000's)
	<u>Other Controlled Entities</u>		
	LiveBridge		
	Repayable in monthly installments of \$4,084, including interest rate of 5.0%, secured by specific equipment.	\$ -	\$ 262

5.	Investments	2009 (000's)	2008 (000's)
	M.F.A. Intermediate Fund	\$ 35,987	\$ 39,007
	M.F.A. Bond Fund	10,310	9,646
		<u>\$ 46,297</u>	<u>\$ 48,653</u>

The annual weighted average rate of return for 2009 was 3.77% (2008 – 4.86%)

## 6. Municipal Finance Authority

Offsetting Municipal Finance Authority Deposits and Reserves consist of the following:

	2009 (000's)	2008 (000's)
Cash Deposits	\$ 2,326	\$ 2,239

## 7. Accounts Payable and Accrued Liabilities

	2009 (000's)	2008 (000's)
<u>General Operating Fund</u>		
Federal Government	\$ 4,586	\$ 4,645
Provincial Government	3,270	2,767
Regional District of Fraser-Fort George	166	213
Trade Accounts Payable	9,216	8,048
Payroll Statutory Liabilities	1,250	2,366
Vacation, Sick Leave, and Firefighters Gratuities	5,636	5,401
Accrued Interest on Capital Lease	461	471
Accrued Interest on Debt	646	639
	<u>\$25,231</u>	<u>\$24,550</u>
 <u>Water Operating Fund</u>		
Accrued Interest on Debt	\$ 230	\$ 230
 <u>Sewer Operating Fund</u>		
Accrued Interest on Debt	\$ 86	\$ 86
 <u>General Capital Fund</u>		
Trade Accounts Payable	\$ 60	\$ -
Accrued Interest on Debt	12	12
	<u>\$ 72</u>	<u>\$ 12</u>

# Notes to the Consolidated Financial Statements

## For the year ended December 31, 2009

7. Accounts Payable and Accrued Liabilities cont'd	2009 (000's)	2008 (000's)
<u>Land Capital Fund</u>		
Agreement for Sale	\$ 1	\$ 1
<u>Other Controlled Entities</u>		
Prince George Public Library	\$ 289	\$ 286
Initiatives Prince George Development Corporation	230	230
	<u>\$ 519</u>	<u>\$ 516</u>
<u>Consolidated Adjustments</u>		
Prince George Public Library	\$ (36)	\$ (134)
Initiatives Prince George Development Corporation	(68)	(58)
	<u>\$ (104)</u>	<u>\$ (192)</u>
Total	<u>\$26,035</u>	<u>\$25,203</u>

### 8. Deferred Development Cost Charges (DCC)

The City collects development cost charges to pay for a proportionate share of infrastructure related to new growth. In accordance with the Community Charter of British Columbia, these funds must be deposited into a separate reserve fund. When the related costs are incurred, the DCCs are recognized as revenue. Because these funds are restricted in nature they are shown as a liability.

	2009 (000's)	2008 (000's)
<u>Deferred DCC by Type</u>		
Roads	\$ 4,948	\$ 6,215
Drainage	1,334	1,282
Parkland	26	8
Sewer	1,416	1,339
Water	140	740
	<u>\$ 7,864</u>	<u>\$ 9,584</u>
<u>Deferred DCC</u>		
Balance, beginning of year	<u>\$ 9,584</u>	<u>\$ 9,383</u>
Return on Investments	388	489
DCC levied in the year	366	931
	<u>754</u>	<u>1,420</u>
Transfers to General Capital	(1,730)	(966)
Transfers to Water Capital	(706)	(197)
Transfers to Sewer Capital	(38)	(56)
	<u>(2,474)</u>	<u>(1,219)</u>
Balance, end of year	<u>\$ 7,864</u>	<u>\$ 9,584</u>

# Notes to the Consolidated Financial Statements

For the year ended December 31, 2009

## 9. Tangible Capital Assets

	2009 (000's)	2008 (000's) restated
Land	\$ 170,272	\$ 168,098
Buildings & Improvements	33,259	36,496
Vehicles, Machinery & Equipment	15,382	13,304
Other	863	837
Infrastructure		
Roads	56,200	42,251
Parks	10,800	10,132
Water	84,873	82,335
Sanitary Sewer	63,927	65,261
Storm Drainage	44,778	43,724
Energy & Communication	<u>48,602</u>	<u>50,225</u>
	528,956	512,663
Assets Under Construction	<u>9,663</u>	<u>10,230</u>
	<u>\$ 538,619</u>	<u>\$ 522,893</u>

For additional information, see the Schedule of Tangible Capital Assets (Schedule 5).

During the year there were no write-downs of assets (2008-\$nil). In addition, assets contributed to the City totaled \$1,710,082 (2008 - \$11,326,123) and were capitalized at their fair value at the time of receipt.

## 10. Capital Lease Obligation

The following capital lease obligations are recorded in the General Capital Fund:

	2009 (000's)	2008 (000's)
Concert Realty Services Ltd. Interest at implicit rate of 9.5%, 17 remaining annual payments of \$584,702 plus property taxes and insurance. Included in Accounts Payable and Accrued Liabilities in the General Operating Fund is accrued interest of \$460,655 (\$471,417 in 2008) related to this capital lease.	\$ 4,849	\$ 4,962
Bank of Nova Scotia Repayable in monthly installments of \$11,470, including interest at rates between 1.50% - 3.95% annually	967	1,088
Municipal Finance Authority Leasing Corporation Repayable in monthly installments of \$155,244, including interest at rates between 1.23% - 2.43% annually	10,346	7,534

# Notes to the Consolidated Financial Statements

## For the year ended December 31, 2009

### 10. Capital Lease Obligation, continued

	2009 (000's)	2008 (000's)
Terasen Gas Inc. Repayable in annual installments of \$273,108, including interest at 5.46%	<u>2,381</u>	<u>2,519</u>
	<u>\$ 18,543</u>	<u>\$ 16,103</u>

### 11. Accumulated Surplus

Accumulated Surplus is comprised of the following:

	2009 (000's)	2008 (000's) restated
Operating - Residual Balance	\$ (5,852)	\$ (409)
Reserves (Schedule 4)	32,878	36,381
Investment in Tangible Capital Assets	<u>420,746</u>	<u>402,953</u>
	<u>\$ 447,772</u>	<u>\$ 438,925</u>

### 12. Lease Agreement

The City has entered into an agreement with Terasen Gas Inc. that has resulted in the creation of the Terasen Reserve Fund.

Capital Lease – under the terms of the agreement the City has entered into a 35 year capital lease with Terasen Gas Inc., commencing November 1, 2004, for the natural gas distribution system within the municipality's boundary. The City has prepaid \$57,000,000 of the capital lease obligation and has financed the prepayment through debenture debt. The remaining obligation of \$3,000,000, which is included in long term debt, will be paid with annual lease payments of \$273,108 including interest based on Terasen approved pre-tax weighted average cost of capital of 8.596%.

Operating Lease – the City has also entered into a 17 year operating lease with Terasen Gas Inc., commencing November 1, 2004, whereby the City leases back to Terasen Gas Inc. the operations of the gas distribution system. Under the operating lease Terasen Gas Inc. is required to make annual lease payments to the City calculated by a formula specified in the agreement which is based on the total annual revenue generated by the transaction. At the end of the 17 year term Terasen Gas Inc. has the option of making a termination payment to the City equal to the unamortized portion of the City's \$57,000,000 prepayment which is estimated to be \$29,389,000 or negotiate a new 18 year operating lease with a continuation of the annual lease payments which existed under the previous 17 year operating lease.

### 13. Change in Budgeted Surplus

The planned surplus of \$19,142,000, reflected in the Budget Bylaw Column on the Consolidated Statement of Operations, includes amortization expense although this expense was not incorporated in the original Budget Bylaw as approved by Council in May 2009 upon finalization of the 2009 Annual Budget Bylaw. The approved annual budget bylaw did include the purchase of capital assets and servicing debt but these have been adjusted in the Budget Bylaw Column, as well as the incorporation of amortization expense, to more accurately reflect actual expenses.

### 14. Commitments and Contingencies

- The City of Prince George is jointly and severally liable, as a member of the Regional District of Fraser-Fort George for any sinking fund deficiencies, and capital debt issued through the Regional District.
- The City of Prince George and its employees contribute to the Municipal Pension Plan (the plan), a jointly trustees pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 158,000 active members and approximately 57,000 retired members. Active members include approximately 33,000 contributors from local governments.



## For the year ended December 31, 2009

### 14. Commitments and Contingencies, continued

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the surplus to individual employers. The City of Prince George paid \$4,000,132 and the Prince George Public Library paid \$153,442 for employer contributions to the plan in fiscal 2009.

- (c) The City of Prince George has been named defendant in various legal actions. No reserve or liability has been recorded regarding any of these legal actions or possible claims because the amount of the loss, if any, is undeterminable. Settlement, if any, made with respect to these actions would be accounted for as a charge to expenditures in the period in which outcomes are known.
- (d) The City is committed to a third party under an agreement for the supply and operation of an off-street parking facility. The City's annual payment in respect of this commitment is \$183,208 for a period of 20 years commencing August 1<sup>st</sup>, 1997.
- (e) The City has issued a Demand Note to the Municipal Finance Authority in the amount of \$5,157,023 (\$5,076,182 in 2008). This Demand Note together with the cash deposit, as disclosed in Note 6, comprise an amount equal to one-half of the average annual installment of principal and interest for repayment of debenture debt issued by the Authority on behalf of the City of Prince George, and is a requirement of the Authority.

### 15. Segmented Information

The City of Prince George is a government institution that provides a wide range of services to its citizens, including police, fire, recreation & culture, transportation & public transit, development planning, sanitation, water and sewer. For management reporting purposes the City's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. City services are provided by departments and their activities are reported by these funds and are disclosed in the segmented information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Statement of Segment Disclosure (Schedule 3).

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The General Revenue Fund reports on municipal services that are funded primarily by taxation such as property and business tax revenues. Certain divisions and departments that have been separately disclosed in the segmented information along with the services they provide are as follows:

#### Protective Services

Protective Services includes Police Protection, Fire Protection, Emergency Measures and Bylaw Enforcement. Police Protection is provided to the City of Prince George by the Royal Canadian Mounted Police through a police services contract with the Province of BC. Together the RCMP and the 60 municipal employees at the detachment are committed to optimizing public safety through the community policing concept. Fire Protection includes fire suppression and protection, first responder medical services & emergency rescue, and fire dispatch within the city and regional district. Emergency Measures provides a comprehensive emergency plan for coordinating response to emergencies and disasters. Bylaw Enforcement provides animal and parking control and other enforcement as required to support the bylaws in place within the community for the purpose of health, safety and security.

## For the year ended December 31, 2009

### 15. Segmented Information, continued

#### Community Services

The Community Services Department provides public services that support recreation, sport and leisure activities in the aquatic and arena facilities, convention, entertainment, meeting, events and sport activities in the CN Centre and Civic Centre, the development of partnerships for health and social solutions at the community level and the provision of civic facilities for the corporation and the community.

#### Transportation Services

This segment includes the provision of Street Maintenance which includes pavement repair, line painting, street cleaning, dust control, sidewalk maintenance, traffic sign and street light installation & maintenance. Transit services are provided in partnership with BC Transit; Parking lots & parkades provide for off-street parking for downtown businesses; Fleet vehicles service the organizations operational requirements; Storm drainage controls drainage through open and piped systems; and Snow and Ice control provides snow removal and salt and sanding applications to the road network.

#### Planning & Environmental Development

Planning includes both short and long term development planning and application processing & permits as well as inspections, records management, planning for neighbourhoods, parks, open spaces and pathways, and infrastructure planning and management. Environmental Development includes services and planning related to community forest, wildfire hazards, air quality, climate change, natural environment, ecosystem and habitat protection.

#### Sanitation & Waste Removal

This segment provides residential and (limited) commercial solid waste collection service, operation of waste transfer stations, and annual spring clean-up operations.

#### Public Health & Welfare

This segment provides for the Memorial Park Cemetery service and maintenance of the grounds.

#### Finance & Administration

The Finance & Administration of the City of Prince George is captured under this section which includes Council, Office of the City Manager, Human Resources, Risk & Benefits, Procurement and IT services.

#### Water Services

The Water Service provides potable water to the community which includes the pumping, treatment and distribution system and the wells and reservoirs. The infrastructure and operations are funded through a combination of user fees, grants and special levies.

#### Sewer Services

The Sewer Service provides for the collection and treatment of sewage which includes operation of the lift stations and wastewater treatment centres. The infrastructure and operations are funded through a combination of user fees, grants, and special levies.

#### Reserves & Other Funds

Reserve funds have been created to hold financial assets for specific future requirements. Reserve funds are generally used for capital asset acquisition and reinvestment.

#### Other Controlled Entities

Other controlled entities include the Prince George Public Library and Initiatives Prince George Development Corporation.



# Notes to the Consolidated Financial Statements

## For the year ended December 31, 2009

### 16. Prior Period Restatement

Effective January 1, 2009, the local government changed its method of recording tangible capital assets to accept the recommendations of the CICA Public Sector Accounting Handbook. The handbook requires accrual of these assets that were previously expensed. These assets are now on the statement of financial position as non-financial assets. In addition, revenue from contributed assets has been included in income. These changes have been applied retroactively.

	Reported in 2009 for 2008 (000's)	Reported in 2008 for 2008 (000's)	Change (000's)
<u>Statement of Operations</u>			
Impact on Revenues:			
Proceeds from sale of tangible capital assets	\$ -	\$ 3,499	\$ (3,499)
Developer Contributions for tangible capital assets	11,326	-	11,326
Gain on Sale of tangible capital assets	<u>2,742</u>	<u>-</u>	<u>2,742</u>
	<u>14,068</u>	<u>3,501</u>	<u>10,569</u>
<u>Impact on Expenses:</u>			
Capital Expenditures	-	(22,197)	22,197
Operating Expenses	(8,624)	-	(8,624)
Amortization	<u>(17,090)</u>	<u>-</u>	<u>(17,090)</u>
	<u>(25,714)</u>	<u>(22,197)</u>	<u>(3,517)</u>
In total, the changes in the Statement of Operations increased Surplus by:			<u>\$ 7,052</u>
<u>Statement of Financial Position</u>			
Tangible Capital Assets	\$ 522,893	\$ 659,221	<u><u>\$ (136,328)</u></u>

The opening balance for Accumulated Surplus changed as follows:

	2009 (000's)	2008 (000's) restated
Accumulated Surplus, beg of year, previously reported	\$ 575,253	\$ 566,215
Change in accounting for tangible capital assets	<u>(136,328)</u>	<u>(124,357)</u>
Accumulated Surplus, end of year, restated	<u><u>\$ 438,925</u></u>	<u><u>\$ 441,858</u></u>

### 17. Capital Management

The City's objectives when managing capital are:

1. To Safeguard the City's ability to operate as a going concern; and
2. To maintain a flexible capital structure.

The City's credit facilities are reviewed annually to ensure sufficient funds are available to meet operational needs. The City currently does not have any outstanding credit facilities.

### 18. Comparative Figures

Certain 2008 figures have been reclassified to conform to the 2009 financial statement presentation.

# SUPPLEMENTARY FINANCIAL INFORMATION





## AUDITORS' REPORT

To the Mayor and Members of Council  
City of Prince George:

We have audited and reported separately herein on the consolidated financial statements of the City of Prince George as at, and for the year ended, December 31, 2009.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in Schedules 1 through 11 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied to the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Chartered Accountants

*Deloitte & Touche LLP*

Prince George, British Columbia  
March 20, 2010

## SCHEDULE 1

### Statement of Financial Position - by Fund

as at December 31, 2009  
(in thousands of dollars)

<i>as at December 31, 2009</i> <i>(in thousands of dollars)</i>	Operating Funds			Reserve Funds
	General	Water	Sewer	Funds
<b>FINANCIAL ASSETS</b>				
Cash and Cash Equivalents	\$ 6,763	\$ -	\$ 65	\$ 2,505
Receivables	8,449	886	572	8
Loan Receivable	-	-	-	1,741
Investments	11,780	-	678	24,514
Deposits-Municipal Finance Authority	1,549	487	290	-
Other Assets	-	-	-	-
Due from Own Funds	9,465	-	266	4,110
	<u>38,006</u>	<u>1,373</u>	<u>1,871</u>	<u>32,878</u>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Liabilities	25,231	230	86	-
Deferred Revenues	6,736	23	27	-
Deferred Development Cost Charges	-	-	-	-
Reserves-Municipal Finance Authority	1,549	487	290	-
Due to Own Funds	-	249	-	-
Short-Term Debt, including Capital Lease	1,000	-	-	-
Long-Term Debt, including Capital Lease	-	-	-	-
	<u>34,516</u>	<u>989</u>	<u>403</u>	<u>-</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>3,490</u>	<u>384</u>	<u>1,468</u>	<u>32,878</u>
<b>NON-FINANCIAL ASSETS</b>				
Prepaid expenses	805	-	-	-
Inventories	1,160	-	-	-
Tangible Capital Assets	-	-	-	-
	<u>1,965</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 5,455</u>	<u>\$ 384</u>	<u>\$ 1,468</u>	<u>\$ 32,878</u>

## SCHEDULE 1

General	Capital Funds		Land	Other Controlled Entities	Consolidated Adjustments	Consolidated 2009
	Water	Sewer				
\$ 796	\$ 57	\$ 101	\$ -	\$ 666	\$ -	\$ 10,953
1,615	-	-	-	435	(104)	11,861
-	-	-	-	-	(1,741)	-
7,676	599	1,050	-	-	-	46,297
-	-	-	-	-	-	2,326
-	-	-	-	-	-	-
-	-	149	-	-	(13,990)	-
10,087	656	1,300	-	1,101	(15,835)	71,437
72	-	-	1	519	(104)	26,035
2,914	-	-	-	492	-	10,192
6,308	140	1,416	-	-	-	7,864
-	-	-	-	-	-	2,326
13,295	441	-	5	-	(13,990)	-
771	-	-	-	-	-	1,771
92,667	16,943	6,492	-	1,741	(1,741)	116,102
116,027	17,524	7,908	6	2,752	(15,835)	164,290
(105,940)	(16,868)	(6,608)	(6)	(1,651)	-	(92,853)
-	-	-	-	34	-	839
-	-	-	-	7	-	1,167
385,668	85,195	63,927	6	3,823	-	538,619
385,668	85,195	63,927	6	3,864	-	540,625
\$ 279,728	\$ 68,327	\$ 57,319	\$ -	\$ 2,213	\$ -	\$ 447,772



## SCHEDULE 2

### Statement of Operations - by Fund

for the year ended December 31, 2009 (in thousands of dollars)	Operating Funds			Reserve Funds
	General	Water	Sewer	
<b>REVENUES</b>				
Taxation and Grants in lieu, net	\$ 74,801	\$ 64	\$ 107	\$ -
Sales of Services, User Rates and Rentals	21,368	7,213	5,402	-
Return on Investments	1,196	384	363	1,615
DCC Contributions	-	-	-	-
Contributions from Other Gov'ts & Agencies	11,236	-	-	-
Sinking Fund Surplus	-	-	-	8
Other Revenue	4,797	29	-	8
Gain (Loss) on Sale of Capital Assets	-	-	-	-
Asset Contributions	-	-	-	-
	<u>113,398</u>	<u>7,690</u>	<u>5,872</u>	<u>1,631</u>
<b>EXPENSES</b>				
General Government	20,224	-	-	-
Protective Services	36,384	-	-	-
Transportation Services	25,158	-	-	-
Water and Sewer	-	6,983	6,201	-
Sanitation and Waste Removal	3,420	-	-	-
Public Health and Welfare	556	-	-	-
Planning and Environmental Development	5,025	-	-	-
Parks, Recreation and Cultural Services	23,831	-	-	-
Prince George Public Library	-	-	-	-
Initiatives Prince George Development Corp	-	-	-	-
	<u>114,598</u>	<u>6,983</u>	<u>6,201</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) BEFORE TRANSFERS</b>	(1,200)	707	(329)	1,631
<b>TRANSFERS FROM (TO)</b>				
Operating Funds	1,861	(916)	(945)	3,996
Capital Funds	72	-	-	(10,105)
Reserve Funds	(4,175)	11	168	-
Deferred Revenues	(5,172)	-	76	975
<b>NET SURPLUS (DEFICIT)</b>	<u>\$ (8,614)</u>	<u>\$ (198)</u>	<u>\$ (1,030)</u>	<u>\$ (3,503)</u>

## SCHEDULE 2

Capital Funds				Other Controlled Entities	Consolidated Adjustments	Consolidated 2009
General	Water	Sewer	Land			
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,972
-	-	-	-	819	(483)	34,319
-	-	-	-	12	(126)	3,444
1,730	706	38	-	-	-	2,474
3,706	-	-	-	5,920	(4,941)	15,921
-	-	-	-	-	-	8
178	-	-	131	226	(58)	5,311
(378)	-	-	1,753	-	-	1,375
1,209	173	160	168	-	-	1,710
6,445	879	198	2,052	6,977	(5,608)	139,534
-	-	-	-	-	(1,424)	18,800
-	-	-	-	-	-	36,384
-	-	-	-	-	-	25,158
-	-	-	-	-	-	13,184
-	-	-	-	-	-	3,420
-	-	-	-	-	-	556
-	-	-	-	-	-	5,025
-	-	-	-	-	(3,517)	20,314
-	-	-	-	4,361	(541)	3,820
-	-	-	-	2,824	(126)	2,698
-	-	-	-	7,185	(5,608)	129,359
6,445	879	198	2,052	(208)	-	10,175
(43)	-	-	(29)	-	(3,924)	-
249	(211)	(38)	-	-	10,033	-
7,699	2,906	382	(882)	-	(6,109)	-
2,776	17	-	-	-	-	(1,328)
\$ 17,126	\$ 3,591	\$ 542	\$ 1,141	\$ (208)	\$ -	\$ 8,847



### SCHEDULE 3

## Statement of Segment Disclosure

<i>for the year ended December 31, 2009</i> <i>(in thousands of dollars)</i>	General Revenue Fund			
	Protective Services	Community Services	Transportation Services	Planning & Environ Devel
<b>REVENUES</b>				
Taxation and Grants in lieu, net	\$ -	\$ -	\$ 4	\$ -
Sales of Services, User Rates and Rentals	1,526	5,412	3,227	198
Return on Investments	238	-	-	-
DCC Contributions	-	-	-	-
Contributions from Other Gov'ts & Agencies	-	503	16	2,858
Sinking Fund Surplus	-	-	-	-
Other Revenue	168	105	511	615
Gain (Loss) on Sale of Capital Assets	-	-	(378)	-
Asset Contributions	-	-	1,209	-
	<u>1,932</u>	<u>6,020</u>	<u>4,589</u>	<u>3,671</u>
<b>EXPENSES</b>				
Labour and Benefits	18,671	8,685	8,162	2,006
Goods and Services	17,270	8,226	11,354	3,019
Interest	-	-	-	-
Amortization	443	3,403	5,642	-
Prince George Public Library	-	-	-	-
Initiatives Prince George Development Corp	-	-	-	-
	<u>36,384</u>	<u>20,314</u>	<u>25,158</u>	<u>5,025</u>
<b>EXCESS (DEFICIENCY) BEFORE TRANSFERS</b>				
	(34,452)	(14,294)	(20,569)	(1,354)
Transfers	<u>(64)</u>	<u>181</u>	<u>(1,479)</u>	<u>(629)</u>
<b>NET SURPLUS (DEFICIT)</b>	<u>\$ (34,516)</u>	<u>\$ (14,113)</u>	<u>\$ (22,048)</u>	<u>\$ (1,983)</u>

# SCHEDULE 3

General Revenue Fund			Water	Sewer	Reserves & Other Funds	Other Controlled Entities	Consolidated 2009
Sanitation & Waste Removal	Public Health & Welfare	Finance & Administration					
\$ -	\$ -	\$ 74,797	\$ 64	\$ 107	\$ -	\$ -	\$ 74,972
3,645	415	6,462	7,213	5,402	-	819	34,319
-	-	958	384	363	1,489	12	3,444
-	-	-	-	-	2,474	-	2,474
-	-	7,859	-	-	3,706	979	15,921
-	-	-	-	-	8	-	8
-	-	3,340	29	-	317	226	5,311
-	-	1,753	-	-	-	-	1,375
-	-	168	173	160	-	-	1,710
3,645	415	95,337	7,863	6,032	7,994	2,036	139,534
810	313	8,906	1,916	2,370	-	-	51,839
2,292	198	1,751	1,868	1,709	-	-	47,687
-	-	5,589	1,399	628	-	-	7,616
318	45	2,554	1,800	1,494	-	477	16,176
-	-	-	-	-	-	3,427	3,427
-	-	-	-	-	-	2,614	2,614
3,420	556	18,800	6,983	6,201	-	6,518	129,359
225	(141)	76,537	880	(169)	7,994	(4,482)	10,175
(669)	2	(4,756)	(905)	(701)	7,692	-	(1,328)
\$ (444)	\$ (139)	\$ 71,781	\$ (25)	\$ (870)	\$ 15,686	\$ (4,482)	\$ 8,847



## SCHEDULE 4

### Reserve Funds

for the year ended December 31, 2009  
(in thousands of dollars)

Reserve Funds	General Capital (a)	Water Capital	Sewer Capital	Downtown Off-Street Parking	Computers and Equipment (b)
<b>Equity, Beginning of Year</b>	<b>\$ 18,203</b>	<b>\$ 1,151</b>	<b>\$ 1,266</b>	<b>\$ 1,487</b>	<b>\$ 3,473</b>
Return on Investments	787	47	53	62	151
Third Party Contributions	-	-	-	-	-
Sinking Fund Surplus	-	1	5	-	-
Municipal Finance Authority Debt Reserve Refunds	-	-	1	-	-
Municipal Finance Authority Debt Dividends	5	1	1	-	-
	<u>792</u>	<u>49</u>	<u>60</u>	<u>62</u>	<u>151</u>
Transfers from (to)					
General Operating Fund	1,470	(14)	(14)	-	(99)
General Capital Fund	(3,543)	-	-	-	(834)
Water Operating Fund	-	-	-	-	(11)
Water Capital Fund	-	(272)	-	-	-
Sewer Operating Fund	-	-	(163)	-	(5)
Sewer Capital Fund	-	-	(44)	-	-
Land Capital Fund	-	-	-	-	-
Other Reserves	(1,774)	-	-	-	1,234
	<u>(3,847)</u>	<u>(286)</u>	<u>(221)</u>	<u>-</u>	<u>285</u>
<b>Equity, End of Year</b>	<b>\$ 15,148</b>	<b>\$ 914</b>	<b>\$ 1,105</b>	<b>\$ 1,549</b>	<b>\$ 3,909</b>

(a) Endowment Fund  
Capital Expenditure Reserve

(b) Mobile Equipment Reserve  
Computer Equipment Reserve

## SCHEDULE 4

Land Development	Local Improvement	Snow Control	Road Rehabilitation	Other Statutory & Regulated (c)	Total 2009
\$ 1,176	\$ 1,673	\$ -	\$ 62	\$ 7,890	\$ 36,381
52	73	13	34	343	1,615
-	-	-	-	-	-
-	-	-	-	2	8
-	-	-	-	-	1
-	-	-	-	-	7
52	73	13	34	345	1,631
-	188	(13)	2,696	(39)	4,175
-	-	-	(2,575)	(747)	(7,699)
-	-	-	-	-	(11)
(2,500)	-	-	-	(134)	(2,906)
-	-	-	-	-	(168)
-	-	-	-	(338)	(382)
882	-	-	-	-	882
1,540	-	-	-	(25)	975
(78)	188	(13)	121	(1,283)	(5,134)
\$ 1,150	\$ 1,934	\$ -	\$ 217	\$ 6,952	\$ 32,878

- (c)
- Storm Drainage Reserve
  - Southwest Sector Recreation Reserve
  - Park Land Acquisition Reserve
  - Tax Sale Reserve
  - Cemetery Development Reserve
  - Downtown Development Reserve
  - Terasen Reserve
  - Extension - Ospika / Marleau
  - General Regulated Reserve for Future Expenditures
  - Sewer Regulated Reserve for Future Expenditures



## SCHEDULE 5

### ***Tangible Capital Assets***

<i>for the year ended December 31 (in thousands of dollars)</i>	<b>Assets Under Construction</b>	<b>Land</b>	<b>Buildings</b>	<b>Vehicles, Machinery &amp; Equip</b>	<b>Other</b>
<b>Cost</b>					
Opening costs	\$ 10,230	\$ 168,098	\$ 152,377	\$ 29,198	\$ 1,600
Additions during the year	5,351	2,267	386	4,036	317
Transfers to tangible capital assets	(5,918)	-	-	634	-
Disposals	-	(93)	-	(1,518)	(273)
Closing costs	9,663	170,272	152,763	32,350	1,644
<b>Accumulated Amortization</b>					
Opening accum'd amortization	-	-	115,881	15,893	764
Amortization	-	-	3,623	2,449	290
Disposals	-	-	-	(1,374)	(273)
Closing accum'd amortization	-	-	119,504	16,968	781
<b>Net Book Value of Tangible Capital Assets</b>	<b>\$ 9,663</b>	<b>\$ 170,272</b>	<b>\$ 33,259</b>	<b>\$ 15,382</b>	<b>\$ 863</b>

# SCHEDULE 5

Infrastructure						Totals	
Roads	Parks	Water	Sanitary Sewer	Storm Drainage	Energy & Comm	2009	2008
\$ 135,676	\$ 18,707	\$ 120,277	\$ 101,790	\$ 56,993	\$ 58,596	\$ 853,542	\$ 830,910
12,731	1,315	4,338	160	1,605	52	32,558	24,899
5,284	-	-	-	-	-	-	-
(1,840)	-	-	-	-	-	(3,724)	(2,267)
151,851	20,022	124,615	101,950	58,598	58,648	882,376	853,542
93,425	8,575	37,942	36,529	13,269	8,371	330,649	315,081
3,647	647	1,800	1,494	551	1,675	16,176	17,090
(1,421)	-	-	-	-	-	(3,068)	(1,522)
95,651	9,222	39,742	38,023	13,820	10,046	343,757	330,649
\$ 56,200	\$ 10,800	\$ 84,873	\$ 63,927	\$ 44,778	\$ 48,602	\$ 538,619	\$ 522,893



**SCHEDULE 6****Trust Funds Statement of Financial Position***as at December 31**(in thousands of dollars)*

	2009	2008
<b>ASSETS</b>		
Cash and investments	<u>\$ 1,979</u>	<u>\$ 1,925</u>
<b>EQUITY</b>		
Winter Games Legacy	\$ 93	\$ 107
Cemetery Care Trust	1,789	1,714
75th Baby Bond	-	5
Discovery Place	18	23
Northwood Pollution	3	3
Nechako Fishing Park Donation	76	73
	<u>\$ 1,979</u>	<u>\$ 1,925</u>

**Trust Funds Statement of Equity***for the year ended December 31**(in thousands of dollars)*

Trust Funds	Winter Games	Cemetery Care	75th Baby Bond	Discovery Place	Northwood Pollution	Nechako Fishing Park	2009 Total	2008 Total
<b>Equity, Beginning</b>	\$ 107	\$1,714	\$ 5	\$ 23	\$ 3	\$ 73	<b>\$ 1,925</b>	\$ 1,858
Investment income	5	81	-	1	-	3	<b>90</b>	98
Third Party Contributions	-	69	(5)	-	-	-	<b>64</b>	66
Transfers to								
General Operating	(19)	(75)	-	-	-	-	<b>(94)</b>	(89)
General Capital	-	-	-	(6)	-	-	<b>(6)</b>	(8)
	<u>(14)</u>	<u>75</u>	<u>(5)</u>	<u>(5)</u>	<u>-</u>	<u>3</u>	<b><u>54</u></b>	<u>67</u>
<b>Equity, Ending</b>	<u>\$ 93</u>	<u>\$1,789</u>	<u>\$ -</u>	<u>\$ 18</u>	<u>\$ 3</u>	<u>\$ 76</u>	<b><u>\$ 1,979</u></b>	<b><u>\$ 1,925</u></b>

**NOTE:**

As described in Note 1 of the Notes to the Consolidated Financial Statements, Trust Funds are not included in the City of Prince George Consolidated Financial Statements.

## SCHEDULE 7

### Consolidated Revenues

for the year ended December 31  
(in thousands of dollars)

2009

2008  
restated

#### TAXATION AND GRANTS IN LIEU, NET

Property Taxes	\$ 71,533	\$ 68,515
Special Assessments	755	807
Grants in Lieu of Taxes	2,684	2,544
Collection for Other Authorities		
Province of B.C. - School Taxes	28,336	29,221
Regional Hospital District Taxes	3,644	3,600
Regional District of Fraser-Fort George	5,763	5,527
B.C. Assessment Authority	754	725
Municipal Finance Authority	2	1
Business Improvement Association - Gateway	37	37
Business Improvement Association - Downtown	-	162
	<u>113,508</u>	<u>111,139</u>

Payments to Other Authorities

(38,536)      (39,273)

\$ 74,972      \$ 71,866

#### SALES OF SERVICES, USER RATES AND RENTALS

Sales of Services		
Garbage Levy	\$ 3,645	\$ 3,520
Protective Services and Prisoner Accommodation	366	121
911 System	1,160	1,125
Transportation Services	3,217	3,165
Recreational and Cultural Services		
Arenas	3,027	2,888
Aquatics	1,460	1,469
Civic Centre	1,218	1,608
Other	191	167
Miscellaneous Services	952	1,047
	<u>15,236</u>	<u>15,110</u>

#### User Rates

Water Utility	7,213	6,275
Sewer Utility	5,402	5,110
	<u>12,615</u>	<u>11,385</u>

#### Rentals

Library	491	483
Police Buildings	1	6
Other Rentals	90	157
	<u>582</u>	<u>646</u>

#### Terasen Gas

Mortgage Lease Revenue	<u>5,550</u>	<u>5,737</u>
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**SCHEDULE 7****Consolidated Revenues (continued)**

for the year ended December 31  
(in thousands of dollars)

**2009**

2008  
restated

<b>Sales of Services, User Rates and Rentals, Balance Forward</b>	<b>\$ 33,983</b>	<b>\$ 32,878</b>
Other Controlled Entities		
Initiatives Prince George Development Corporation	<u>819</u>	<u>792</u>
Less: Consolidated Adjustment		
Prince George Public Library	<u>(483)</u>	<u>(483)</u>
	<u><b>\$ 34,319</b></u>	<u><b>\$ 33,187</b></u>

**RETURN ON INVESTMENTS**

Interest Earnings		
Operating Funds	<b>\$ 148</b>	<b>\$ 804</b>
Reserve Funds	<b>1,615</b>	<b>2,734</b>
Actuarial Adjustments	<b>1,795</b>	<b>1,499</b>
Other Controlled Entities	<u>12</u>	<u>35</u>
	<u><b>3,570</b></u>	<u><b>5,072</b></u>
Less: Consolidated Adjustment		
Initiatives Prince George Development Corporation	<u>(126)</u>	<u>(144)</u>
	<u><b>\$ 3,444</b></u>	<u><b>\$ 4,928</b></u>

**DEVELOPMENT COST CHARGES CONTRIBUTIONS**

<b>\$ 2,474</b>	<b>\$ 1,219</b>
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**CONTRIBUTIONS FROM OTHER GOV'TS & AGENCIES**

Federal		
Crown Land Forestry	<b>\$ 212</b>	<b>\$ -</b>
Community Forest Job Creation	<b>61</b>	<b>13</b>
2010 Olympic Torch Relay	<b>15</b>	<b>-</b>
Pine Beetle Control	<b>5</b>	<b>95</b>
Air Quality Implementation	<b>3</b>	<b>-</b>
Interface Fire Fuel Reduction	<b>-</b>	<b>99</b>
HRSDC City Beetle Tree Debris	<b>-</b>	<b>92</b>
Capital Grants	<b>1,528</b>	<b>1,000</b>
Other Controlled Entities		
IPG - Tourism and Export	<b>294</b>	<b>189</b>
Provincial		
Community Works	<b>2,956</b>	<b>1,431</b>
Gaming Revenue	<b>2,490</b>	<b>2,783</b>
Traffic Fine Sharing Revenue	<b>2,017</b>	<b>1,303</b>
Fuel Treatment	<b>1,763</b>	<b>426</b>
Recreational Trails & Greenway	<b>410</b>	<b>83</b>
Partners for Climate Change	<b>160</b>	<b>15</b>

**Consolidated Revenues (continued)**

for the year ended December 31  
(in thousands of dollars)

2009

2008

restated

<b>Contributions from Other Gov'ts &amp; Agencies, Balance Forward</b>	<b>\$ 11,914</b>	<b>\$ 7,529</b>
Provincial, continued		
Emergency Measures	157	5,195
Northern Development Initiative Trust	125	175
Carbon Tax	108	-
Communities That Care	90	-
Community Tourism	81	211
Crown Land Pine Beetle	73	1,032
Victim Services	72	68
2010 Olympic Torch Relay	44	-
Seniors Housing Strategy	17	-
Pathways Master Plan	16	6
West Nile	12	31
Community Forest	12	-
Active Communities	9	13
Community Heritage	9	-
Fire Department Grant	8	8
Regional Community to Community Forum	5	-
Flood Risk Evaluation	-	200
Asia Pacific Twinning Initiative	-	50
BC Hydro Energy Management	-	50
Planning Grant	-	9
Senior Dialogue	-	3
Air Quality	-	2
Capital Grants	2,160	2,154
Other Controlled Entities		
Library - Per Capita Grant	237	237
Library - Inter Library Resource Sharing	9	9
IPG - Film and Tourism	121	112
Regional District		
Library Grant	225	200
Pest Control	47	35
Street Light Dimming Study	34	-
Other Controlled Entities		
IPG - Film	154	193
Other		
Capital Grants	18	-
WWCAM	-	8
Other Controlled Entities		
Prince George Public Library - Fund Raising	84	72
IPG - Amortization of Deferred Contributions	2	2
IPG - Other	78	5
	<b>\$ 15,921</b>	<b>\$ 17,609</b>
<b>SINKING FUND SURPLUS</b>	<b>\$ 8</b>	<b>\$ 25</b>



**SCHEDULE 7****Consolidated Revenues (continued)**

*for the year ended December 31*  
*(in thousands of dollars)*

**2009****2008**  
restated**OTHER**

Licences and Permits

Business Licences

Building Permits

Other

Fines

Penalties and Interest on Taxes

Franchise Fees

Miscellaneous

Other Controlled Entities

Miscellaneous

\$	775	\$	776
	460		661
	309		840
	301		151
	610		581
	1,531		1,454
	1,157		1,893
	168		299

\$	5,311	\$	6,655
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**GAIN ON SALE OF CAPITAL ASSETS**

\$	1,375	\$	2,742
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**ASSET CONTRIBUTIONS**

\$	1,710	\$	11,326
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**TOTAL REVENUES**

\$	139,534	\$	149,557
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**SCHEDULE 8****Consolidated Expenses**

*for the years ended December 31  
(in thousands of dollars)*

**2009**

**2008**  
restated

**GENERAL GOVERNMENT**

City Council	\$ 584	\$ 597
General Administration	6,206	5,382
Corporate Services	6,723	6,059
Civic Buildings	1,089	723
Debt Interest and Fiscal Services	3,068	3,314
Amortization	2,554	3,269
Less: Consolidated Adjustment		
Initiatives Prince George Development Corporation	(1,424)	(1,459)
	<u>\$ 18,800</u>	<u>\$ 17,885</u>

**PROTECTIVE SERVICES**

Policing		
R.C.M.P.	\$ 14,285	\$ 13,935
Other	4,013	4,034
	<u>18,298</u>	<u>17,969</u>
Bylaw Enforcement	<u>666</u>	<u>684</u>
Fire Protection		
911 Service	1,237	1,054
Fire Fighting Force	11,169	9,644
Other	3,783	2,916
	<u>16,189</u>	<u>13,614</u>
Emergency Management	<u>46</u>	<u>5,710</u>
Animal Control	<u>605</u>	<u>566</u>
Debt Interest and Fiscal Services	<u>137</u>	<u>183</u>
Amortization	<u>443</u>	<u>429</u>
	<u>\$ 36,384</u>	<u>\$ 39,155</u>

**TRANSPORTATION SERVICES**

Common Services		
Public Works Headquarters	\$ 2,206	\$ 2,301



**SCHEDULE 8****Consolidated Expenses (continued)**

for the years ended December 31  
(in thousands of dollars)

	2009	2008 restated
<b>Transportation Services, Balance Forward</b>	<b>\$ 2,206</b>	<b>\$ 2,301</b>
Equipment Fleet		
Operating Costs	5,229	5,575
Less: Equipment rentals	(6,666)	(6,086)
	<u>(1,437)</u>	<u>(511)</u>
 Road Transportation		
Administration	992	1,118
Snow Control	6,343	5,593
Road and Streets Maintenance	3,196	8,178
Street Lighting	914	911
Traffic Services	840	714
Parking	1,652	1,484
Storm Drainage	114	121
	<u>14,051</u>	<u>18,119</u>
 Public Transit	<u>3,572</u>	<u>3,377</u>
 Debt Interest and Fiscal Services	<u>1,124</u>	<u>1,127</u>
 Amortization	<u>5,642</u>	<u>5,564</u>
	<u><u>\$ 25,158</u></u>	<u><u>\$ 29,977</u></u>
 <b>WATER AND SEWER</b>		
Water		
Administration	\$ 302	\$ 507
System Maintenance	1,843	2,232
Pumping	1,578	1,615
Chlorination and Fluoridation	61	85
Debt Interest and Fiscal Services	1,399	1,371
Amortization	1,800	1,762
	<u>6,983</u>	<u>7,572</u>
 Sewer		
Administration	339	321
Collection System	1,287	1,262
Lift Stations	980	805
Treatment Plant Operations	1,473	1,367
Debt Interest and Fiscal Services	628	630
Amortization	1,494	1,503
	<u>6,201</u>	<u>5,888</u>
	<u><u>\$ 13,184</u></u>	<u><u>\$ 13,460</u></u>

## SCHEDULE 8

### ***Consolidated Expenses (continued)***

*for the years ended December 31  
(in thousands of dollars)*

	2009	2008 restated
<b>SANITATION AND WASTE REMOVAL</b>		
Solid Waste Services Operations	\$ 3,102	\$ 2,872
Amortization	318	318
	<u>\$ 3,420</u>	<u>\$ 3,190</u>
<b>PUBLIC HEALTH AND WELFARE</b>		
Cemetery Operation and Maintenance	\$ 506	\$ 494
Debt Interest and Fiscal Services	5	-
Amortization	45	40
	<u>\$ 556</u>	<u>\$ 534</u>
<b>PLANNING AND ENVIRONMENTAL DEVELOPMENT</b>		
City Planning	<u>\$ 5,025</u>	<u>\$ 4,988</u>
<b>PARKS, RECREATION AND CULTURAL SERVICES</b>		
Recreation Facilities		
Civic Centre	\$ 1,833	\$ 2,655
Arenas	4,298	5,483
Aquatics	3,375	4,303
Exhibition Grounds	80	74
Administration and Other	623	606
	<u>10,209</u>	<u>13,121</u>
Cultural Facilities		
Grant to Prince George Public Library	3,517	3,405
Other	209	211
	<u>3,726</u>	<u>3,616</u>
Recreation and Cultural Facilities	13,935	16,737
Parks and Playgrounds	3,302	3,260
Grant to UNBC (Northern Sports Centre)	300	300
Other Recreational Services	1,636	1,714
Debt Interest and Fiscal Services	1,255	1,249
Amortization	3,403	3,757
Less: Consolidated Adjustment		
Prince George Public Library - Grant	(3,517)	(3,405)
Prince George Public Library - Capital Assets	-	(323)
	<u>\$ 20,314</u>	<u>\$ 23,289</u>



**SCHEDULE 8*****Consolidated Expenses (continued)***

*for the years ended December 31  
(in thousands of dollars)*

	2009	2008 restated
<b>OTHER CONTROLLED ENTITIES</b>		
Prince George Public Library	\$ 3,511	\$ 3,322
Initiatives Prince George Development Corporation	3,007	2,588
	<u>\$ 6,518</u>	<u>\$ 5,910</u>
 <b>TOTAL EXPENSES</b>	 <u>\$ 129,359</u>	 <u>\$ 138,388</u>



**SCHEDULE 9****SUMMARY OF EXPENSES BY OBJECT**

*for the years ended December 31*  
*(in thousands of dollars)*

	2009	2008
<b>GENERAL OPERATING FUND</b>		
Labour & Benefits	\$ 47,551	\$ 49,742
Materials & Supplies	3,615	3,760
City Fleet Expense	1,116	1,708
Contracted Services	15,157	20,698
Electricity & Natural Gas	2,659	2,645
RCMP Contract	14,284	13,935
Professional Services & Insurance	1,497	1,047
Grants	6,371	6,401
Miscellaneous	4,354	5,020
Debt Interest and Fiscal Services	5,589	5,873
	<u>\$ 102,193</u>	<u>\$ 110,829</u>
<b>WATER OPERATING FUND</b>		
Labour & Benefits	\$ 1,916	\$ 2,272
Materials & Supplies	522	689
City Fleet Expense	450	456
Contracted Services	155	219
Electricity & Natural Gas	624	681
Professional Services & Insurance	11	-
Miscellaneous	106	139
Debt Interest and Fiscal Services	1,399	1,371
	<u>\$ 5,183</u>	<u>\$ 5,827</u>
<b>SEWER OPERATING FUND</b>		
Labour & Benefits	\$ 2,370	\$ 2,278
Materials & Supplies	389	351
City Fleet Expense	544	434
Contracted Services	371	258
Electricity & Natural Gas	303	311
Miscellaneous	102	105
Debt Interest and Fiscal Services	628	631
	<u>\$ 4,707</u>	<u>\$ 4,368</u>

**SCHEDULE 9****SUMMARY OF EXPENSES BY OBJECT (con't)**

for the years ended December 31  
(in thousands of dollars)

	2009	2008
<b>AMORTIZATION</b>		
General	\$ 12,405	\$ 13,377
Water	1,800	1,761
Sewer	1,494	1,503
	<u>15,699</u>	<u>16,641</u>
Other Controlled Entities	477	449
	<u>\$ 16,176</u>	<u>\$ 17,090</u>
<b>OTHER CONTROLLED ENTITIES</b>		
Prince George Public Library	\$ 3,968	\$ 4,077
Initiatives Prince George Development Corporation	2,740	2,031
	<u>\$ 6,708</u>	<u>\$ 6,108</u>
<b>CONSOLIDATED ADJUSTMENTS</b>		
Prince George Public Library	\$ (4,058)	\$ (4,231)
Initiatives Prince George Development Corporation	(1,550)	(1,603)
	<u>\$ (5,608)</u>	<u>\$ (5,834)</u>
	<u>\$ 129,359</u>	<u>\$ 138,388</u>
<b>CONSOLIDATED TOTAL</b>		
Labour & Benefits	\$ 51,839	\$ 54,293
Materials & Supplies	4,525	4,800
City Fleet Expense	2,110	2,598
Contracted Services	15,682	21,175
Electricity & Natural Gas	3,586	3,637
RCMP Contract	14,284	13,935
Professional Services & Insurance	1,508	1,047
Grants	1,430	1,214
Miscellaneous	4,562	5,263
Debt Interest and Fiscal Services	7,616	7,875
Amortization	16,176	17,090
Prince George Public Library	3,427	2,961
Initiatives Prince George Development Corporation	2,614	2,500
	<u>\$ 129,359</u>	<u>\$ 138,388</u>



## SCHEDULE 10

### *Schedule of Short-term Debt*

as at December 31

(in thousands of dollars)

<u>General Debt</u>	<u>Rate</u>	<u>Principal Outstanding Dec. 31, 2009</u>
<b>Capital</b>		
Capital Lease - Municipal Finance Authority	1.230 - 2.430	511
Northern Development Initiative Trust	0.000	260
		<u>771</u>
<b>Operating</b>		
Northern Development Initiative Trust	0.000	<u>1,000</u>
<b>TOTAL SHORT-TERM DEBT</b>		<u><u>1,771</u></u>



FUTURE PAYMENTS  
(Including Principal & Interest )

Principal Outstanding Dec. 31, 2008	2010	2011	2012	2013	2014
-	64	64	64	64	64
390	130	130	Predicted Future Stop Payments in 2011.		
390	194	194	64	64	64
1,500	500	500	Predicted Future Stop Payments in 2011.		
1,890	694	694	64	64	64



## SCHEDULE 11

### *Schedule of Long-term Debt - General Capital Fund*

as at December 31  
(in thousands of dollars)

<b>General Debt</b>							<b>Principal Outstanding Dec. 31, 2009</b>
By-Law SI/LA	Issue No.	Date of Issue	Purpose	Date of Maturity	Rate		
6192/6080	59	Nov 10/94	Multiplex Centre	Nov 10/14	5.000		1,737
6192/6080/1	60	Apr 12/95	Multiplex Centre	Apr 12/15	4.750		2,668
6192/6080/2&3	61	Dec 1/95	Multiplex Centre	Dec 1/15	4.000		998
6404/6080/1	61	Dec 1/95	Multiplex Centre	Dec 1/15	4.000		1,629
6495/6080	63	Jun 1/96	Multiplex Centre	Jun 1/16	5.715		701
6700/6080	65	Apr 24/97	Aquatic Centre	Apr 24/17	4.550		998
6783/6080/1	66	Nov 5/97	Aquatic Centre	Nov 5/17	4.820		1,711
6848/6080	68	Mar 24/98	Aquatic Centre	Mar 24/18	4.650		1,255
7425/7214	79	Jun 3/03	Leland Rd Paving	Jun 3/13	5.491		32
7489/7361A	81	Apr 22/04	Snow Disposal	Apr 22/24	4.860		42
0000/7601	85	Oct 25/04	Terasen Lease In/Out	Dec 2/21	5.000		33,302
0000/7601A	87	Oct 25/04	Terasen Lease In/Out	Oct 30/21	3.820		15,406
0112/7361	93	Apr 6/05	Snow Disposal	Apr 6/25	5.100		838
0112/7486	93	Apr 6/05	Road Rehabilitation	Apr 6/25	5.100		1,714
0112/7506	93	Apr 6/05	City Yard	Apr 6/25	5.100		389
2005/7361	95	Oct 13/05	Snow Disposal	Oct 13/25	4.770		360
2005/7486	95	Oct 13/05	Exhibition Grounds	Oct 13/25	4.770		785
2005/7598	95	Oct 13/05	Exhibition Grounds	Oct 13/25	4.770		100
2006/7486	97	Apr 19/06	Road Rehabilitation	Apr 19/26	4.660		934
2006/7748/1	99	Oct 19/06	Exhibition Grounds	Oct 19/26	4.430		74
2007/7505G	101	Aug 1/07	RCMP New Facility	Aug 1/27	4.520		2,620
2008/7922	103	Apr 23/08	Road Rehabilitation	Apr 23/18	4.650		1,810
2516/7970	105	Apr 21/09	Cameron Street Bridge	Jun 3/29	4.900		2,500
2516/8011	105	Apr 21/09	Cemetery Redevelopment	Jun 3/29	4.900		130
							<b>72,733</b>
<b>Storm Sewer Debt</b>							
5786/5706	54	Jan 12/93	Storm Drainage	Jan 12/13	6.250		270
6071/6021	58	May 10/94	Storm Sewer	May 10/14	5.000		217
6848/6724	68	Mar 24/98	Storm Sewer	Mar 24/18	4.650		235
6955/6724	69	Oct 14/98	Storm Sewer	Oct 14/18	4.650		370
7269/7080	75	Dec. 01/01	Storm Sewer	Dec. 1/21	5.690		299
							<b>1,391</b>
General Fund Debt							<b>74,124</b>
Capital Lease - Concert Realty Services Ltd (Westel)					9.500		4,849
Capital Lease - Bank of Nova Scotia					1.500 - 3.950		967
Capital Lease - Municipal Finance Authority					1.230 - 2.430		10,346
Capital Lease - Terasen Gas Inc.					5.460		2,381
<b>Total General Capital Fund Debt</b>							<b>92,667</b>

(a) Future payments do not include actuarial amounts.

(b) Predicted Future Stop Payments in 2013.

# SCHEDULE 11

## FUTURE PAYMENTS (a) (Including Principal and Interest)

Principal Outstanding Dec. 31, 2008	2010	2011	2012	2013	2014
2,036	401	401	401	401	401
3,041	509	509	509	509	509
1,138	172	172	172	172	172
1,857	281	281	281	281	281
783	132	132	132	132	132
1,098	146	146	146	146	146
1,882	259	259	259	259	259
1,363	169	169	169	169	169
39	9	9	9	7 (b)	
43	4	4	4	4	4
35,295	3,748	3,748	3,748	3,748	3,748
16,327	1,507	1,507	1,507	1,507	1,507
880	85	84	82	81	80
1,799	173	171	169	166	164
408	39	39	38	38	37
376	34	34	34	34	34
820	74	74	74	74	74
105	10	10	10	10	10
972	84	84	84	84	84
77	6	6	6	6	6
2,719	222	222	222	222	222
1,975	256	256	256	256	256
-	206	206	206	206	206
-	11	11	11	11	11
75,033	8,537	8,534	8,529	8,523	8,512
330	88	88	88	58 (b)	
255	50	50	50	50	35
255	32	32	32	32	32
402	50	50	50	50	50
317	37	37	37	37	37
1,559	257	257	257	227	154
76,592	8,794	8,791	8,786	8,750	8,666
4,962	585	585	585	585	585
1,088	165	165	165	165	165
7,534	1,983	2,014	2,171	2,436	2,647
2,519	273	273	273	273	273
92,695	11,800	11,828	11,980	12,209	12,336



## SCHEDULE 11

### *Schedule of Long-term Debt - Water Capital Fund*

as at December 31

(in thousands of dollars)

By-Law SI/LA	Issue No.	Date of Issue	Purpose	Date of Maturity	Rate	Principal Outstanding Dec. 31, 2009
5555/5418	50	May 8/91	Water System	May 8/11	6.140	93
5693/5546	53	May 13/92	Water System	May 13/12	5.960	23
5708/5418	54	Jan 12/93	Water System	Jan 12/13	6.250	60
5713/5545	54	Jan 12/93	Water System	Jan 12/13	6.250	44
5857/5418	55	May 12/93	Water System	May 12/13	8.500	5
5878/5712	55	May 12/93	Water System	May 12/13	8.500	831
5959/5712	56	Nov 19/93	Water System	Nov 19/13	5.500	763
6070/5901	58	May 10/94	Water System	May 10/14	5.000	50
6071/6022	58	May 10/94	Water System	May 10/14	5.000	151
6090/5712	58	May 10/94	Water System	May 10/14	5.000	164
6287/6209	60	Apr 12/95	Water System	Apr 12/15	4.750	97
6495/6190	63	Jun 1/96	Water System	Jun 1/16	5.715	836
6495/6308	63	Jun 1/96	Water System	Jun 1/16	5.715	215
6495/6901	63	Jun 1/96	Water System	Jun 1/16	5.715	58
7296/7038	77	Jun 1/02	Water System	Jun 1/22	6.060	190
7425/7037	79	Jun 3/03	Water System	Jun 3/23	5.491	732
7245/7212	79	Jun 3/03	Water System	Jun 3/23	5.491	172
7489/7212	81	Apr 22/04	Water System	Apr 22/24	4.860	44
7489/7361	81	Apr 22/04	Water System-Hart Nech	Apr 22/24	4.860	125
0411/7361	93	Apr 6/05	Hart Nechako Supply	Apr 6/25	5.100	838
2005/7361A	95	Oct 13/05	Hart Nechako Supply	Oct 13/25	4.770	3,088
2005/7598A	95	Oct 25/05	Hart Nechako Supply	Oct 25/25	4.770	1,199
2006/7598	97	Apr 19/06	Hart Nechako Supply	Apr 19/26	4.660	140
2006/7748	97	Apr 19/06	Hart Nechako Supply	Apr 19/26	4.660	3,521
2006/7361	99	Oct 19/06	Cranbrook Hill Reservoir	Oct 19/26	4.430	1,033
2006/7748	99	Oct 19/06	Cranbrook Hill Reservoir	Oct 19/26	4.430	19
2007/7361W	101	Aug 1/07	Foothills Blvd Main	Aug 1/27	4.520	773
2007/7486W	101	Aug 1/07	Foothills Blvd Main	Aug 1/27	4.520	1,041
2008/7924	104	Nov 20/08	PW805 to Ferry	Nov 20/28	5.150	632
						<b>16,937</b>
Capital Lease - Municipal Finance Authority				1.230 - 2.430		<b>6</b>
<b>Total Water Capital Fund Debt</b>						<b>16,943</b>

(a) Future payments do not include actuarial amounts.

(b) Predicted Future Stop Payments in 2013.

## SCHEDULE 11

### FUTURE PAYMENTS (a) (Including Principal and Interest)

Principal Outstanding Dec. 31, 2008	2010	2011	2012	2013	2014
136	57	38	Predicted Future Stop Payments in 2011.		
30	9	6	Predicted Future Stop Payments in 2011.		
73	19	19	19	13 (b)	
53	14	14	14	9 (b)	
6	2	2	2	1 (b)	
1,014	337	337	337	212 (b)	
931	228	228	228	228 (b)	
58	11	11	11	11	8
177	35	35	35	35	24
192	38	38	38	38	26
111	19	19	19	19	19
934	157	157	157	157	157
240	40	40	40	40	40
65	11	11	11	11	11
200	23	23	23	23	23
768	79	79	79	79	78
181	18	18	18	18	18
46	4	4	4	4	4
130	12	12	12	12	12
880	85	84	82	82	80
3,224	293	293	293	293	293
1,251	114	114	114	114	114
145	13	13	13	13	13
3,664	315	315	315	315	315
1,075	90	90	90	90	90
20	2	2	2	2	2
803	65	65	65	65	65
1,081	88	88	88	88	88
656	56	56	56	56	56
18,144	2,234	2,211	2,165	2,028	1,536
16	5	1	Predicted Future Stop Payments in 2011.		
18,160	2,239	2,212	2,165	2,028	1,536



**SCHEDULE 11*****Schedule of Long-term Debt - Sewer Capital Fund****as at December 31**(in thousands of dollars)*

By-Law SI/LA	Issue No.	Date of Issue	Purpose	Date of Maturity	Rate	Principal Outstanding Dec. 31, 2009
5488/5420	49	Oct 24/90	Sanitary Sewer	Oct 24/10	6.500	-
5555/5419	50	May 8/91	Sanitary Sewer	May 8/11	6.140	39
5693/5550	53	May 13/92	Sanitary Sewer	May 13/12	5.960	35
6030/5711	58	May 10/94	Sanitary Sewer	May 10/14	5.000	417
6071/6023	58	May 10/94	Sanitary Sewer	May 10/14	5.000	175
6186/5711	59	Nov 10/94	Sanitary Sewer	Nov 10/14	5.000	109
6338/6104	61	Dec 1/95	Sanitary Sewer	Dec 1/15	4.000	926
6404/5711/2	61	Dec 1/95	Sanitary Sewer	Dec 1/15	4.000	299
6404/6105	61	Dec 1/95	Sanitary Sewer	Dec 1/15	4.000	39
6404/6113	61	Dec 1/95	Sanitary Sewer	Dec 1/15	4.000	103
6495/5711	63	Jun 1/96	Sanitary Sewer	Jun 1/16	5.715	302
6495/6309	63	Jun 1/96	Sanitary Sewer	Jun 1/16	5.715	306
6495/6341	63	Jun 1/96	Sanitary Sewer	Jun 1/16	5.715	16
6625/6104	64	Sep 25/96	Sewage Treatment Plant	Sep 25/16	4.430	1,300
6625/6105	64	Sep 25/96	Sanitary Sewer	Sep 25/16	4.430	9
6625/6309	64	Sep 25/96	Sanitary Sewer	Sep 25/16	4.430	21
6783/6104/1	66	Nov 5/97	Sanitary Sewer	Nov 5/17	4.820	226
7425/7036	79	Jun 3/03	Sanitary Sewer	Jun 3/23	5.491	755
7425/7036	79	Jun 3/03	Sanitary Sewer	Jun 3/23	5.491	535
7425/7036	79	Jun 3/03	Sanitary Sewer	Jun 3/23	5.491	143
7425/7036	79	Jun 3/03	Sanitary Sewer	Jun 3/23	5.491	208
7425/7036	79	Jun 3/03	Sanitary Sewer	Jun 3/23	5.491	79
7489/7211	81	Apr 22/04	Sanitary Sewer	Apr 22/24	4.860	151
2006/7361/1	99	Oct 19/06	Blackburn Treatment Plant	Oct 19/26	4.430	72
2007/7361S	101	Aug 1/07	Blackburn Treatment Plant	Aug 1/27	4.520	221
						<b>6,486</b>
Capital Lease - Municipal Finance Authority				1.230 - 2.430		<b>6</b>
<b>Total Sewer Capital Fund Debt</b>						<b>6,492</b>
<b>TOTAL LONG-TERM DEBT</b>						<b>116,102</b>

(a) Future payments do not include actuarial amounts.

# SCHEDULE 11

## FUTURE PAYMENTS (a) (Including Principal and Interest)

Principal Outstanding Dec. 31, 2008	2010	2011	2012	2013	2014
5	-	-	-	-	-
57	24	16	Predicted Future Stop Payments in 2011.		
46	15	10	Predicted Future Stop Payments in 2011.		
489	96	96	96	96	66
205	40	40	40	40	28
128	25	25	25	25	25
1,056	160	160	160	160	160
341	52	52	52	52	52
44	7	7	7	7	7
118	18	18	18	18	18
337	57	57	57	57	57
342	58	58	58	58	58
18	3	3	3	3	3
1,452	209	209	209	209	209
10	1	1	1	1	1
24	3	3	3	3	3
248	34	34	34	34	34
792	81	81	81	81	81
561	57	57	57	57	57
150	15	15	15	15	15
218	22	22	22	22	22
83	9	9	9	9	9
156	14	14	14	14	14
75	6	6	6	6	6
229	19	19	19	19	19
7,184	1,025	1,012	986	986	944
11	5	1	Predicted Future Stop Payments in 2011.		
7,195	1,030	1,013	986	986	944
118,050	15,069	15,053	15,131	15,223	14,816





# 2009 PROPERTY TAX EXEMPTIONS



## STATEMENT OF 2009 PROPERTY TAX EXEMPTIONS

In accordance with 98(2)(b) of the Community Charter, the following properties in the City of Prince George were provided permissive property tax exemptions by Council in 2009

Group	Legal Address	Civic Address	Actual Total 2009
6 & 4 Slowpitch League Society	Lot A, DL 4051, Plan BCP20972 and Lot 1, DL 7634, CD, Plan BCP4772	9337 North Nechako Rd	38,658
AiMHi - Prince George	Lot 44, DL 8172, CD, Plan 18944	2471 Lisgar Cres	1,708
AiMHi - Prince George	Lot B, DL 2610, CD, Plan 22059	475 Brigade Dr	1,070
AiMHi - Prince George	Lot A, DL 2610, CD, Plan 22059	483 Brigade Dr	1,074
AiMHi - Prince George	Lot 73, DL 2507, CD, Plan 22108	386 Green Pl	3,282
AiMHi - Prince George	Lot 1, DL 8174, CD, Plan 27831	2690 Ospika Blvd	2,195
AiMHi - Prince George	Lot 37, DL 1427, CD, Plan 15089	501 Radcliffe Dr	1,749
AiMHi - Prince George	Lot 2, DL 2003, CD, Plan PGP36193	6899 O'Grady Rd	1,985
AiMHi - Prince George	Lot 35, DL 2608, CD, Plan 20043	4440 1st Avenue	809
AiMHi - Prince George	Lot 36, DL 2608, CD, Plan 20043	4444 1st Avenue	822
AiMHi - Prince George	Lot 85, DL 938, CD, Plan 9107	2720 Hammond Avenue	1,536
AiMHi - Prince George	Lot 11, Block K, DL 936, CD, Plan 10005	1873 Garden Drive	1,343
AiMHi - Prince George	Lot 56, DL 938, CD, Plan 9107	2655 Hammond Avenue	1,088
AiMHi - Prince George	Lot 67, DL 2507, CD, Plan 15185	1250 Parsnip Crescent	1,414
AiMHi - Prince George	Lot 11, DL 482, CD, Plan 22883	341 Mullett Crescent	1,480
AiMHi - Prince George	Lot 44, DL 754, CD, Plan 22374	7742 Lemoyne Place	1,407
AiMHi - Prince George	Lot 41, DL 777, CD, Plan 17401	2161 MacDonald Avenue	1,374
AiMHi - Prince George	Lot 112, DL 2507, CD, Plan 20829 and DL 2610	4212 Ness Avenue	1,409
AiMHi - Prince George	Lot 19, DL 937, CD, Plan 13198	167 Patterson Street	1,539
AiMHi - Prince George	Lots 3-4, Block 81, DL 937, CD, Plan 752	269 Kelly Street	1,221
AiMHi - Prince George	Lot 70, DL 1427, CD, Plan 21638	127 Duncan Place	1,440
AiMHi - Prince George	Lot 50, DL 2426, CD, Plan 20751	10057 Kelly Road	1,581
AiMHi - Prince George	Lot 25, DL 2507, CD, Plan 21450	4255 Trapper Ave	1,894
AiMHi - Prince George	Lot 12-13, Block 110, CD, Plan 1268, DL 343	1680 Burden Street	1,446
AiMHi - Prince George	Lot 1, DL 777, CD, Plan 18598	2440 Abbott Crescent	1,109
AiMHi - Prince George	Lot 66, DL 2507, CD, Plan 20258	4249 Davie Ave	1,796
AiMHi - Prince George	Lot 15, DL 913, CD, Plan 16511	128 Aitken Crescent	1,246
AiMHi - Prince George	Lot 276, DL 2611, CD, Plan 21607	4057 Campbell Ave	1,438
AiMHi - Prince George	Lot 7, DL 482, CD, Plan 22902	4703 Freimuller Ave	1,746
AiMHi - Prince George	Lot 1, DL 2507, CD, Plan 32034; Lot 1, Exc plan BCP30015, DL2507, CD, District Plan 32034	950 Kerry	27,513
AiMHi - Prince George	Lots F & G, Block 110, CD, Plan 1268	1686 Burden	89
AiMHi - Prince George	Block 6, DL 933, CD, Plan 727, Parcel B(PL20543)	930 Lasalle	2,075

## STATEMENT OF 2009 PROPERTY TAX EXEMPTIONS

In accordance with 98(2)(b) of the Community Charter, the following properties in the City of Prince George were provided permissive property tax exemptions by Council in 2009

Group	Legal Address	Civic Address	Actual Total 2009
All Nation's Church	Lot 1 - 3, BL 163, DL 343, CD, Plan 1268	1395 5th Ave	947
An Assoc. Advocating for Women and Children	Lot 2, DL 343, CD, Plan BCP1317	144 George St	10,142
Assoc. for Christian Education of PG (Cedar Christian School)	Parcel 1, DL 1574 & 3050, CD, PL PGP35585, except PL PGP44869	701 N. Nechako Rd	4,075
Assoc. for Christian Education of PG (Cedar Christian School)	DL1574, CD, except Plan 5659 & exc. Plan 6123,8540,12288,27425&PGP44719	677 N. Nechako Rd	9,568
BC Corporation of the Seventh-Day Adventist Church, The	Lot 1, DL 2507, CD, Plan 22703	4388 15th Ave	828
BC Muslim Association	Lot 2, DL 482, CD, Plan BCP24787	4668 5th Avenue	3,381
Blackburn Community Association	Lot 1, DL 1543, CD, Plan 19672	2455 S Blackburn Rd	9,127
Blackburn Community Association	Lot 1, DL 1543, CD, Plan 19672	2451 S Blackburn Rd	2,580
Caledonia Nordic Ski Club	Block B, DL 4340, CD	8141 Otway Rd	4,110
Calvary United Pentecostal Church	Lot A, DL 2507, CD, Plan 17170	1011 Ospika Blvd S	539
Canadian Red Cross Society	Lots 1-2, Block 172, DL 343, CD, Plan 1268	1399 Sixth Ave	17,431
Carefree Society	Lots 9-11, Block 26, DL 933 Plan 727	2832 Queensway St	1,242
Carrier Sekani Family Services	Lots 1-5, Block 148, DL 343, CD, Plan 1268	987 Fourth Ave	11,545
Carrier Sekani Family Services	Lots 8-10, Block 137, DL 343, CD Plan 1268	853 3rd	2,827
Central BC Railroad Preservation & Museum	Lot 26, DL 1511 & Portion of Lot 26, DL 1511 & 7813, CD, Plan 25047	850 River Rd	13,126
Central Fellowship Baptist Church	Lot A, DL 1426, CD, Plan 19306, except Plan 23321	2840 Clapperton St	800
Central Interior R/C Nitro Power	Lots 2-3, DL 777, CD, Plan 17961, except Plans 19756, 21708, 22207, PGP43681 and	2440 Massey Dr	188
Cerebral Palsy Association of PG	Lot A, DL 777, CD, Plan 21321	1687 Strathcona Ave	12,612
Christian and Missionary Alliance (Lakewood Alliance)	Lot 1, DL 2610, CD, Plan 16227	4001 5th Ave	1,824
Christian Reformed Church of PG	Parcel A (B15357) of Block 328, DL 343, CD, Plan 1268	1905 Willow St	4,910
College Heights Baptist Church	Lot A, DL 753, CD, Plan 23249	5401 Moriarty Cres	1,887
Community Arts Council (Studio 2880)	Parcel Z(DF 24049), DL 1429, CD, Plan 646 exc Plans 20803 & PGP40268)	2880 15th Ave	9,523
Community Gardens PG Society	Lot 1, DL 777, CD, Plan 19518	1502 Milburn Rd	2,510
Community Gardens PG Society	Lot 2, DL 777, CD, Plan 19518	1540 Milburn Rd	675
Dusty Trail Riders Club, The	Part of South West 1/4 of DL 1594, lying north and west of the Hwy r/w, CD, Plans 20957 & 26318	10597 Blackwater Road	919



## STATEMENT OF 2009 PROPERTY TAX EXEMPTIONS

In accordance with 98(2)(b) of the Community Charter, the following properties in the City of Prince George were provided permissive property tax exemptions by Council in 2009

Group	Legal Address	Civic Address	Actual Total 2009
East Hart Congregation of Jehovah's Witnesses, The Trustees For	Lot B, DL 4047, CD, Plan 17869	6720 Dagg Rd	384
Easter Seal House Society	Parcel 1, DL 936, CD, Plan 28388	1685 Carney Street	1,539
Elder Citizens Recreation Assoc	Parcel A, DL 343, CD, Plan PGP35927	1692 10th Ave	15,248
Emmaus Place Society	Lot 5, DL 2003, Plan 13729	6373 Hillcrest Road	2,160
Evangelical Free Church of Prince George	Lot 17, DL 482, CD, Plan 22108	4590 5th Ave	821
Faith Alive Fellowship	Lot 2, DL 4040, CD, Plan 8831	3400 Hart Hwy	404
Family YMCA	Lot A, DL 1430, CD, Plan 21708	2020 Massey Dr	46,303
First Baptist Church	Parcel 1, Block 56, DL 937, CD, Plan PGP48070	483 Gillett St	1,255
Fort George Baptist Church	Lots 1-4, Block A, DL 936, CD, Plan 10005	1600 Johnson St	634
Fraser Basin Property Society	Lots 9-12, Block 161, DL 343, CD, Plan 1268	1505 5th Ave	630
Fraser Basin Property Society	Lot 1, DL 2611, CD, Plan 32510	2640 Goheen St	828
Fraser Basin Property Society	Lot 6, Block 161, DL 343, CD, Plan 1268	1553 5th Ave	968
Fraser Fort George Museum Society	Lot A, DLs 343 and 417, CD, Plan PGP46330	333 Becott Pl	20,321
Fraternal Order of Eagles	Lot 1, DL 4047, CD, Plan 17047 and Lot 46, DL 4047, CD, Plan 11088	6742 Dagg Rd	715
Gateway Christian Ministries of PG	Lot B, DL 343, CD, Plan 22292	2055 20th Ave	3,773
Gateway Christian Ministries of PG	Lot 6, DL 343, CD, Plan 18815	1919 17th Ave	2,567
Guru Nanak Darbar Sikh Society	Lot B, DL 905, CD, Plan 30226	4298 Davis Rd	1,592
Gurugobind Singh Temple	Lot 1-10, BL 51, PL 752, DL 937, except Plan 17731	443 Kelly St S	560
Hart Community Centre Society	Lot A of the northeast quarter of DL 4048, CD, Plan 28335	4900 West Austin Rd	27,453
Hart Highlands Winter Club	Lot A, DL 4047, CD, Plan 16588, except Plans 17497, 26390, 26391 and 28850	3740 Winslow Rd	3,552
Hart Highlands Winter Club	Lot B, DL 4047, CD, Plan 17956	6168 Crown Dr	793
Hart Pentecostal Church (The Pentecostal Assemblies of Canada)	Lot 43, DL 4047, Plan 11088, except Plan 40815 and Right of Way Plan 29887	6912 Hart Hwy	329
Hart Pioneer Centre Association	Lot 1, DL 4047, CD, Plan PGP42458	6986 Hart Highway	5,020
Hartland Baptist Church	Parcel 1, DL 4047, CD, Plan BCP8052	6599 Driftwood Rd	933
Hellenic Community of City of Prince George	Lot 101, DL 2507, CD, Plan 20916	511 Tabor Blvd S	982
Heritage Free Presbyterian Church	Lot 9, DL 4047, CD, Plan 17497, except Plans 18389 and 19548	4020 Balsum Rd	558

## STATEMENT OF 2009 PROPERTY TAX EXEMPTIONS

In accordance with 98(2)(b) of the Community Charter, the following properties in the City of Prince George were provided permissive property tax exemptions by Council in 2009

Group	Legal Address	Civic Address	Actual Total 2009
Intersect Youth & Family Services Society	Fed Gov't Bldg, Parcel A(11170M) of Lot 18 and Lots 19 & 20, Block 44, DL 343, CD, Plan 1268	1288 - 1294 3rd Ave	10,444
Kelly Road Gospel Chapel	Lot 6, DL 4047, CD, Plan 11058	7046 Kelly Rd S	445
Kinsmen Club of Prince George	Lot A, DL 2610, CD, Plan 30007	777 Kinsmen Pl	19,997
Knox United Church, The Trustees for the Congregation of	Lots 11-16, Block 153, DL 343, CD, Plan 1268	1448 5th Ave	1,873
Le Cercle Des Canadiens Francais	Lot 1, DL 343, CD, Plan 17963	1752 Fir St	4,164
Nature Trust of British Columbia	Lot 1, DL 2113, CD, Plan 34582	9927 Ferguson Lake Rd	134
Nature Trust of British Columbia	Lot 2, DL 2421, CD, Plan 34582	9915 Ferguson Lake Rd	486
North Cariboo Senior Soccer League	Parcel 1, DL 2508, CD, Plan PGP43052	4222 18th Ave	13,791
Our Saviour's Lutheran Church	Lot A, DL 8171 and 8174, CD, Plan 32714	3590 Dufferin Ave	1,017
Overcoming Faith Centre	Lot 1, DL 2003, Plan PGP37292	4520 Wheeler Rd	849
PG & District Senior Citizens Activity Ctr	Lot 7-10, Block 153, DL 343, CD, Plan 1268	425 Brunswick St	7,803
PG and District Elizabeth Fry Soc.	Parcel B (PB14013), Block 93, DL 343, CD, Plan 1268	1220 Lethbridge St	2,102
PG Citizen Field Senior Men's Baseball League	Lot 2, DL 777, CD, Plan 17961, exc Plans 19756, 21708, 22207, PGP43681 and DL 1430 exc r/w Plan PGP35832	2440 Massey Dr	16,707
PG Council of Seniors	Block 166, DL 343, CD, Plan 1268, Parcel A (25782) Rental area #2	1055 5th Ave	2,130
PG Gymnastics Club	Lot A, DL 2611, CD, Plan 21294	2187 Ospika Blvd	5,169
PG Horse Society	Lot A, DL 2611, CD, Plan 21294	(PG Exhib Park)	13,379
PG Horseshoe Club	Lot 2, DL 777, CD, Plan 17961, exc Plans 19756 & DL1430 exc Plans 21708, PGP43681	2440 Massey Dr	5,218
PG Masters Lacrosse	Lot 2-3, DL 777, CD, Plan 17961, exc Plans 19756, & DL 1430 exc Plans 21708, 22207, r/w Plan PGP35832, PGP43681	2122, 2440 Massey Dr (Carrie Jane Gray Park)	1,119
PG Minor Girls Softball	Lot 2-3, DL 777, CD, Plan 17961, exc Plans 19756, & DL 1430 exc Plans 21708, 22207, r/w Plan PGP35832, PGP43681	2825 12th Ave (Freeman Park)	1,657
PG Minor Girls Softball	Lot 1, DL 1429, CD, Plan 21372	2825 12th Ave (Freeman Park)	1,989
PG Senior Women's Fastball Assoc.	Lot 1, DL 1429, CD, Plan 21372	2825 12th Ave	2,444
PG Youth Baseball Association	Lot A, DL 4047, CD, Plan 17956, except Plan 23955	4055 Balsum Rd	1,230



## STATEMENT OF 2009 PROPERTY TAX EXEMPTIONS

In accordance with 98(2)(b) of the Community Charter, the following properties in the City of Prince George were provided permissive property tax exemptions by Council in 2009

Group	Legal Address	Civic Address	Actual Total 2009
PG Youth Baseball Association	Lot 2-3, DL 777, CD, Plan 17961, exc Plans 19756 & DL 1430 exc Plan 21708, 22207 r/w Plan PGP35832, PGP43681	2440 Massey Dr	2,053
PG Youth Baseball Association	Lot 1, DL 343, CD, Plan 32450 except Plan PGP46330	750, 755 20th Ave	994
PG Youth Baseball Association	Lot 520, DL 936, CD, Plan 15185	3655 Rainbow Dr	1,632
PG Youth Baseball Association	Lot 1, DL 4048, CD, Plan 23271 except Plans 29327 and PGP38268	4833 Heather Road	3,655
PG Youth Baseball Association	Lot 1, DL 4048, CD, Plan 23271 except Plans 29327 and PGP38268	4833 Heather Road	1,347
PG Youth Baseball Association	Lot A, DL 4048, CD, Plan 26729	4855 Heather Rd	7,566
PG Youth Softball	Lot 1, DL 1429, CD, Plan 21372	2825 12th Ave (Freeman Park)	1,827
Phoenix Transition Society	Parcel C (PG10105), Block 204, DL 343, CD, Plan 1268	1780 11th Ave	743
Phoenix Transition Society	Lot 21 and E 27' of Lot 22, Block 204, DL 343, CD, Plan 1268	1770 11th Ave	1,494
Phoenix Transition Society	Lot 3 & 4 BLK 207 DL 343 CD Plan 1268	1775 11th Ave	1,091
President of the Lethbridge Stake	Lot A, DL 2610, CD, Plan 16764	4180 5th Ave	1,024
Prince George Activator Society	Lots 17-19, Block 28, DL 343, CD, Plan 1268	760 - 770 Second Ave	2,602
Prince George Alano Society	Parcel A, DL 343, CD, Plan 32582	725 Alward St	1,829
Prince George Auto Racing Assoc	Block C, DL 2155, CD	3645 Highway 16 East	4,415
Prince George Christian Outreach Building Society	Lot 12, Block 43 District Lot 343 Plan 1268	1164 3rd Ave	2,167
Prince George City Church	Lot 1, BL 59, DL 343, Plan BCP3891	439 Cassier St	2,567
Prince George Golf & Curling Club	Parcel 1, DL 8173, 8176, 8179 and 8180, CD, Plan BCP10189 (except commercial areas which include rest. Lounge, pro-shop and duplex rental)	2515 Recreation Pl	146,937
Prince George Gospel Chapel	Lots 11-12 and Parcel A (B7858), Block 239, DL 343, CD, Plan 1268	1590 Queensway	982
Prince George Hospice Society	Lot 1, DL 913, CD, Plan PGP46312	1506 Ferry Ave	5,386
Prince George Hospice Society	Lot 26, DL 913, CD, Plan 7787, except Plan 21497 and PGP 46312	3089 Clapperton St	3,226
Prince George Knight's Society	Lot 130, DL 754, CD, Plan 23862, except Plan 24257	7201 Domano Blvd	21,461

## STATEMENT OF 2009 PROPERTY TAX EXEMPTIONS

In accordance with 98(2)(b) of the Community Charter, the following properties in the City of Prince George were provided permissive property tax exemptions by Council in 2009

Group	Legal Address	Civic Address	Actual Total 2009
Prince George Native Friendship Centre	Parcel F (PK13048), Block 126, DL 343, CD, Plan 1268	1945 Third Ave	2,009
Prince George Native Friendship Centre	Lot 47, DL 2608, CD, Plan 19520	110-122 Anderson St	2,195
Prince George Native Friendship Centre	Lot 1, DL 343, CD, Plan BCP1317	138 George St	8,874
Prince George Native Friendship Centre	Parcel A (Plan 16928), Block 48, DL 343, CD, Plan 1268, expt Plan 17548	1600 Third Ave	34,283
Prince George Native Friendship Centre	Lot C, DL 343, Plan 12766 and Lot 20, Block 21, DL 343, Plan 1268, CD	160 Quebec St	3,156
Prince George Native Friendship Centre	Lots 5-6, Block 29, DL 937, CD, Plan 752	657 Douglas St	2,588
Prince George Native Friendship Centre	Lots 4-5, Block 23, DL 343, CD, Plan 1268	171 George St	1,328
Prince George Native Friendship Centre	Lots 6, Block 23, DL 343, CD, Plan 1268	191 George St	2,644
Prince George Receiving Home Society	Lots 33-38, DL 343, CD, Plan 18815	1777 Yew St	1,887
Prince George Rod & Gun Club	Block A, DL 1604, CD	9444 Hartman Rd	3,506
Prince George Search and Rescue Society	Lot A, DL 4040, CD, Plan 14962	4057 Hart Highway	2,289
Prince George Tabernacle Society (Prince George Pentecostal Church)	Lot 44, DL 2610, CD, Plan 16510	497 Ospika Blvd	1,620
Prince George Tennis Club	DL 8180, CD, except Plan B3608, 6932, 7274, 22207, H735, H700 & PGP43039	2833 Recreation Pl	5,436
Prince George Youth Soccer Assoc.	Lot 1, DL 2508, CD, Plan 17575	4111 15th Ave	30,626
RCEC - Christ our Saviour	Lot 48, DL 4048, CD, plan 20605, except Plan 23818	4510 Austin Rd W.	1,479
RCEC - Diocesan Centre	Parcel 1, DL 2003, CD, Plan 29709, except Plans 32454, PGP38439, PGP39017, and PGP47842	6500 Southridge Ave	10,735
RCEC - Immaculate Conception	Lot 1, DL 1605, CD, Plan PGP36549, except Plan PGP43062	3285 Cathedral Ave	3,314
RCEC - Immaculate Conception	Lot A, DL 2003, CD, Plan PGP43062	3288 Cathedral Ave	80
RCEC - Sacred Heart	Lots 1-6 and Lot B (75928M), Block 233, Plan 1268; Lot B (54038M), Block 234, Plan 1268, all of DL 343, CD	1421 1433 1457 Hemlock St	1,165
RCEC - Sacred Heart	Lot 1, DL 343, Plan BCP1869	887 785 Patricia Blvd	117





#### STATEMENT OF 2009 PROPERTY TAX EXEMPTIONS

In accordance with 98(2)(b) of the Community Charter, the following properties in the City of Prince George were provided permissive property tax exemptions by Council in 2009

Group	Legal Address	Civic Address	Actual Total 2009
RCEC - St Mary's	Lot 2, DL 1429, CD, Plan 19663	1125 Freeman Str	1,143
REAPS - Fort George Park	Lot 1, DL 343, CD, Plan 32450 except Plan PGP46330	750, 755 20th Ave	94
Royal Canadian Legion (Connaught Gymnasium Youth Centre)	Lot 1, DL 343, CD, Plan 31887	1491 17th Ave	13,081
Salvation Army in Canada, The Governing Council of the	Lot 22, DL 2507 and 2610, CD, Plan 16227	777 Ospika Blvd	750
Seventh Day Adventist School	Parcel A, DL 3050, CD, Plan 8332	3310 Sutherland Rd	2,878
Sovereign Grace Fellowship	Parcel A (115262M), DL 7645, CD, Plan 8285, except Plan 29483	1900 Houghtaling Rd	271
Spruce City Men's Fastball	Lots 2-3, DL 777, CD, Plan 17961, exc Plans 19756, 21708, 22207, PGP43681 and DL 1430 exc r/w Plan PGP35832	2440 Massey Dr	4,451
Spruce City Minor Boys Softball	Lots 2-3, DL 777, CD, Plan 17961, exc Plans 19756, 21708, 22207, PGP43681 and DL 1430 exc r/w Plan PGP35832	2440 Massey Dr	1,492
Spruce City Minor Boys Softball	Lots 2-3, DL 777, CD, Plan 17961, exc Plans 19756, 21708, 22207, PGP43681 and DL 1430 exc r/w Plan PGP35832	2440 Massey Dr	1,468
Spruce City Wildlife	Parcel A (U41172), Block 1, DL 1511, CD, Plan 1391	1384, 1466 River Rd	3,954
Spruceland Congregation of Jehovah Witnesses, Trustees of the	Lot A, DL 2507, CD, Plan PGP38016	4350 15th Ave	863
St John Society	Block 36 DL 343 Plan 1268 Parcel A	450 3rd Ave	3,239
St John Society	Lot 18-20 Block 36, DL343 Plan 1268 CD	470 3rd Ave	5,946
St. Andrew's United Church, The Trustees for the Congregation of	Lot 1, DL 937, CD, Plan 16091	606, 614, 622 Zelkwas	1,739
St. Andrew's United Church, The Trustees for the Congregation of	Lots 1-3, DL 937, CD, Plan 18167	3555 5th Ave	1,431
St. George's Ukrainian Catholic Church, The Ukrainian Catholic Episcopal Corp of Western Canada	Lot 78, DL 8171 and 8172, CD, Plan 18944	2414 Vanier Dr	1,087
St. Giles Presbyterian Church, The Trustees of the Congregation of	Lot 1, DL 343, CD, Plan 14198	1500 Edmonton Str	870
St. Michael's the Archangel Ukrainian Greek Orthodox Church, Trustees of the Congregation of	Lot 1, DL 8182, CD, Plan 23648	2793 Range Rd	320
St. Patrick's House Society	Lot 18, DL 343, Plan 18815	1735 Yew St	1,303



#### STATEMENT OF 2009 PROPERTY TAX EXEMPTIONS

In accordance with 98(2)(b) of the Community Charter, the following properties in the City of Prince George were provided permissive property tax exemptions by Council in 2009

Group	Legal Address	Civic Address	Actual Total 2009
St. Vincent De Paul Society	Lot 10-12, Block 21, DL 343 Plan 1268	1224-1204 2nd Ave	7,003
Super Trak BMX Society	Lot 2-3, DL 777, CD, Plan 17961, exc Plans 19756, 21708, 22207, PGP43681 and DL 1430 exc r/w Plan PGP35832	2440 Massey Dr	1,705
Timbers Community Church	Lot 6, BL 130, DL 343, CD, Plan 1268	1557 1553 3rd Ave	5,666
Trustees of the Vanway Congregation of Jehovah Witnesses	Lot A, DL 905, CD, Plan 30226	4292 Davis Rd	729
Two Rivers Gallery of PG and Region	Parcel A, Block 183, DL 343, CD, Plan 1268 except Plan 32230	725 Civic Plaza	96,756
Vanway Community Association	Parcel A (U25997), DL 1599, CD, Plan 15792	7736 Dow Rd	1,936
Westside Family Fellowship	Lot 1, DL 1599, CD, Plan 31597	3791 Highway 16 W	384
Westwood Mennonite Brethern Church	Parcel 1, DL 8174, CD, Plan BCP31092	2658 Ospika Blvd	1,143
Yalenka Ukranian Culteral Society	Lot B, DL 343, CD, Plan PGP35939	933 Patricia Blvd	3,912
Zion Lutheran Church and Christian School	Lot 1, DL 1427, CD, Plan 21753	180 Tabor Blvd.	1,389
Total			\$993,653





#### DOWNTOWN REVITALIZATION TAX EXEMPTION APPROVED APPLICATIONS

Garth and Susan Frizzell 1272 - 3rd Avenue	\$2,219
0762631 BC Ltd. 1210 - 4th Avenue	\$5,810
676846 BC Ltd. 611 Brunswick Street	\$11,259
1239430 AB Ltd. 508 George Street	\$9,448
Commonwealth Health Corporation 697 Quebec Street	\$33,384
Fane Holdings Ltd. 401 Quebec Street	\$1,388
Landi Products Ltd. 492 Victoria Street	\$411
Lortro Developments Ltd. 365 George Street	\$1,660
	<hr/>
	<b><u>\$65,579</u></b>

# Carbon Action Revenue Incentive

## CARIP Report

Name of Local Government	City of Prince George
Member of Regional District (RD)	Regional District of Fraser-Fort George
Regional Growth Strategy (RGS) in region	No
Population	76,000

## Report Submitted by

Name	Dan Adamson
Title	Environment Manager
Email	dadamson@city.pg.bc.ca
Phone	250-614-7891

## 1.1. COMMIT

The City of Prince George, along with the Province of BC and the UBCM has signed the Climate Action Charter (CAC) pledging to achieve the following goals: Be carbon neutral in corporate operations by 2012; measure and report on our community greenhouse gas emission profile; and work to create compact, more energy efficient communities. In 2008, Premier Gordon Campbell announced that communities that have signed onto the CAC and agree to publicly report on their climate action progress would be eligible for the Climate Action Revenue Incentive Program (CARIP) grant. The following Report meets the CARIP requirements to publicly report on climate actions undertaken by this local government in the current year and intended climate actions for the following year.

## 1.2. MEASURE

Corporate Measurement	Answer	Additional information
Has your local government taken steps towards completing a corporate energy and emissions inventory? Please identify the steps taken.	Yes	In 2005 completed ICLEI Report - Energy and Greenhouse Gas Emissions Inventory and Reduction Target and in 2007 Council approved a corporate 10% reduction from 2002 levels by 2012. In 2007, completed, through Sheltaire, the City of Prince George Energy and Greenhouse Gas Management Plan. Since 2008, the City of Prince George has had a Corporate Energy Manager in place, and corporate energy reduction targets have been drafted in the DRAFT Prince George Sustainable Energy Management Plan.

Community-wide Measurement Actions	Answer	Additional information
Has your local government taken steps to review and consider your community-wide GHG emissions profile as provided by the Community Energy and Emissions Inventory (CEEI) or other data sources? Please identify the steps taken.	Yes	In 2005 completed ICLEI Report - Energy and Greenhouse Gas Emissions Inventory and Reduction Target and in 2007 Council approved a corporate 2% reduction from 2002 levels by 2012. In 2007, completed, through Sheltaire, the City of Prince George Energy and Greenhouse Gas Management Plan. In 2009 worked with BC Hydro on auditing a representative sample of 30 small-medium sized businesses for energy and GHG use and potential reductions.

## 1.3. PLAN

	Answer	Additional information
Does your RGS have targets, policies and actions to reduce GHG emissions, as per the requirements under the <i>Local Governments Act</i> (LGA)? If yes, please identify the targets set. If no or in progress, please comment.	Yes/No/In progress	If yes, please identify the targets set. If no or in progress, please comment.
*This question is ONLY for Regional Districts with RGSs.		



# Carbon Action Revenue Incentive

Does your OCP(s) have targets, policies and actions to reduce GHG emissions, as per the requirements under the <i>Local Governments Act</i> (LGA)? If yes, please identify the targets set. If no or in progress, please comment.	Yes	<i>The OCP was amended in 2009 to include the following GHG reduction targets for the City of Prince George: 10% corporate reduction from 2002 levels by 2012 and 2% community reductions from 2002 levels by 2012.</i>
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## 1.4. ACT

### CORPORATE ACTIONS

Please describe the corporate actions you have taken this year and propose for next year to reduce GHG emissions and energy consumption. Examples of tools you may have used include:

- a) Planning tools (e.g. Green Fleet Action Plan, Resource Management Plan, Corporate Climate Action Plan)
- b) Policy tools (e.g. Civic Building Policy, Fuel Efficiency Policy, Green Purchasing Policy, Green Infrastructure Policy)
- c) Other (e.g. corporate car share program, civic building retrofits, LED street lighting, building operator training, green driving education, other educational programs and staff awareness initiatives)

Corporate Actions	Actions Taken This Year	Proposed Actions for Following Year
To reduce GHG emissions and energy consumption	<ul style="list-style-type: none"> <li>• 4th Avenue Yard unit heater replacement</li> <li>• Civic Centre – replaced boilers with condensing hot water tanks</li> <li>• Fire Hall #4 Truck bay door and operator replacement</li> <li>• Coliseum – Replaced unit heaters with radiant tubes (Zamboni room)</li> <li>• KIN Centre – Replaced standard hot water tanks with two condensing hot water tanks</li> <li>• KIN III – Lighting Retrofit</li> <li>• Annex Envelope</li> <li>• Senior Activity Center-Lighting Retrofit</li> <li>• Library – HVAC recommissioning</li> <li>• Waste water treatment centre- grit cyclone replacement will reduce water recycling and have a more efficient motor</li> </ul>	<ul style="list-style-type: none"> <li>• 18th Avenue Yard lighting retrofit</li> <li>• Fire Halls #2, 3 and 4 Lighting Retrofit</li> <li>• Fire Halls #3 and 4- unit heater replacement</li> <li>• Fire Halls #2, 3 and 4 – external timing car plugs</li> <li>• KIN II lighting retrofit</li> <li>• CN Centre – lights (programmed, sensors and possible retrofit)</li> <li>• Coliseum – lights</li> <li>• Parkades – photocells, timing car plugs</li> <li>• CN Centre – variable speed drive</li> <li>• Aquatics Centre and 4 seasons pool – Heat Recovery and possible sustainable DHW system</li> <li>• DDC Upgrade – 4 seasons pool, aquatics centre, and civic centre</li> <li>• HVAC Recommissioning</li> </ul>

# Carbon Action Revenue Incentive

## COMMUNITY-WIDE ACTIONS

Please describe the community-wide actions you have taken this year and propose to take next year to reduce GHG emissions and energy consumption in the sectors below. Examples of tools you may have used include:

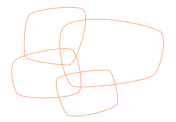
- a) Planning and Policy tools (e.g. Climate Action Plan, Energy Plan)
- b) Regulatory tools (e.g. Development Permit Areas, Zoning, Development Cost Charge adjustments)
- c) Incentive tools (e.g. energy audit rebate program, fast tracking green developments)
- d) Other (e.g. Sustainability checklists, development guidelines, educational programs, and public awareness initiatives)

Community-wide Actions	Actions Taken This Year	Proposed Actions for Following Year
To reduce transportation-related GHG emissions and energy consumption (i.e. through both transportation and land use actions)	<i>Significant supporter and organizer for Prince George's first Bike to Work Week; Instituted an idling policy for Transit buses to reduce lengthy idling at bus transfer stops; Institute free transit on AQ advisory days to reduce number of vehicles; Using EMME2 transportation modeling to increase vehicle movement efficiency; City supported an independent Society (PG Air Improvement Roundtable) and through this program supported the anti-idling ambassador work and increased anti-idling signs.</i>	<i>Continuation of tasks identified for 2009. Looking at social marketing training to design improved education and awareness campaigns.</i>
To reduce building-related GHG emissions and energy consumption	<i>Working with CAEE Gold grant funds to implement an incentive program for new home high efficiency rebates and point-of-sale energy assessments and labeling.</i>	<i>Considering GHG and energy reduction strategies in the updated OCP process and the sustainability plan (myPG) for Prince George.</i>
To reduce water and waste-related GHG emissions and energy consumption	<i>Implement water conservation plan - meters in all new construction homes</i>	<i>Implement water conservation plan - meters in all new construction homes</i>
To enhance carbon sink capacity through natural resource protection and enhancement	<i>Develop urban tree planting programs</i>	<i>Implement urban tree planting programs</i>
Additional actions	<i>District Energy System - planning for a thermal hot water system that will utilize biomass and distribute to downtown civic, public and private buildings.</i>	<i>Proposed construction of District Energy System</i>



PRINCE GEORGE AND A  
NORTHERN DECADE FOR BRITISH COLUMBIA

## 2009 ANNUAL REPORT



Suite 201 - 1300 First Avenue  
Prince George, British Columbia  
V2L 2Y3 Canada

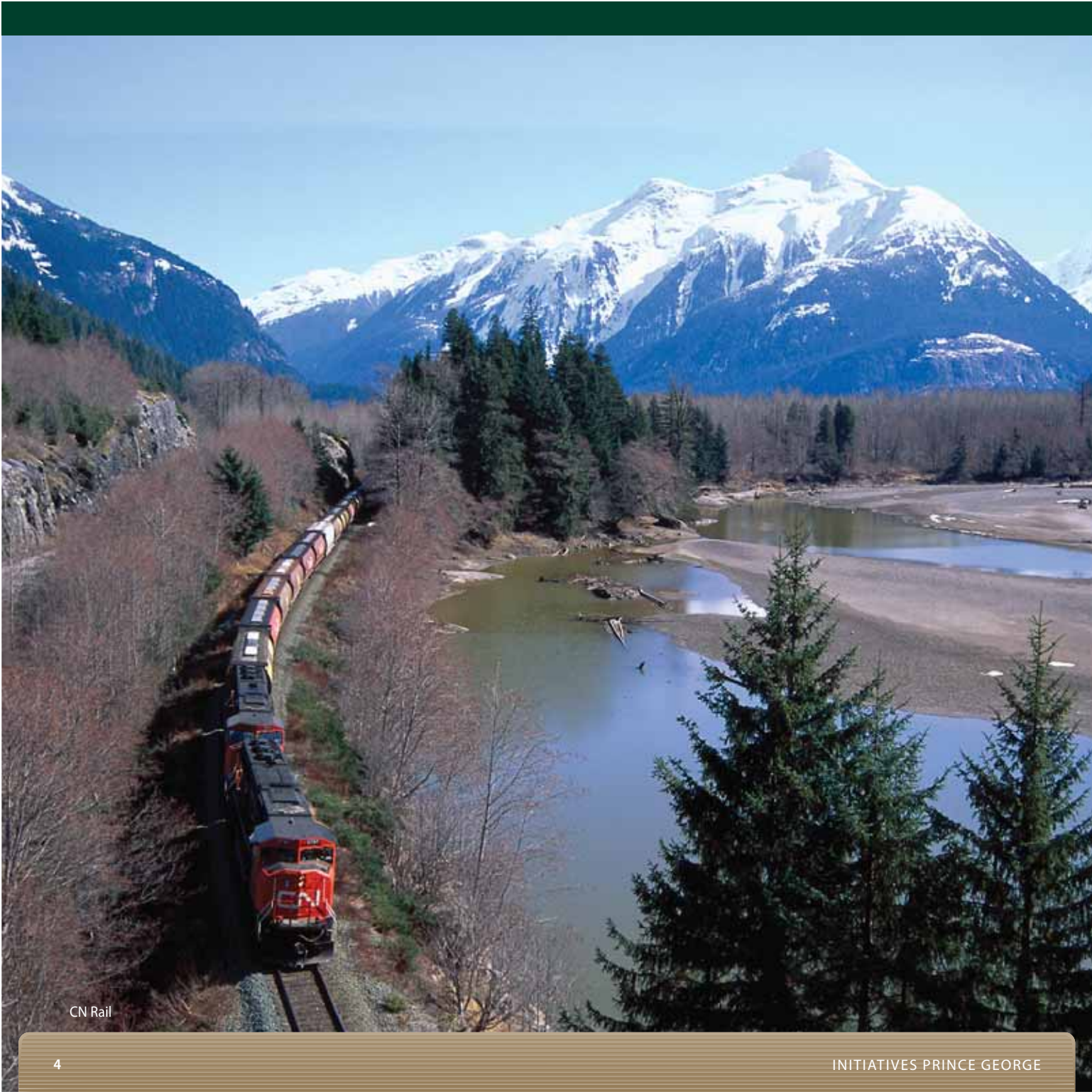
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CN Rail

# MESSAGE FROM THE CHAIR

In 2009, Initiatives Prince George entered the second year of a three year Strategic Plan and accompanying Service Agreement with the City of Prince George. Our overarching goal remains to work in full partnership with the City of Prince George and an array of other local, regional, provincial, national and international partners to grow Prince George and the North as a knowledge-based resource economy connected to the world.



**Clint Dahl**  
Chair,  
Initiatives Prince George  
Board of Directors

The Board of Directors continues to see Initiatives Prince George as a key motivating force for economic progress in the northern two thirds of British Columbia. We are proud of our organization's role in catalyzing, coordinating,

and communicating the tremendous opportunities in store for northern British Columbia – with Prince George as the hub city – as we build upon our traditional markets in the United States and accelerate efforts to connect with emerging and emerged markets in the Asia Pacific. Prince George is strategically positioned as the north, south, east and west cross-roads for the north, and is on the shortest route linking China and the United States.

Despite the challenging times presented by the now past Great Recession, our City proved to be very resilient as the result of two decades worth of initiatives to diversify our local economy. The forest industry is now "one of" rather than "the" driver of our local economy. Initiatives Prince George and its private sector Board of Directors have a clear line-of-sight for achieving further diversification in our local economy. In this annual publication it is worth reiterating our Strategic Plan's ten interrelated objectives of that drive our day-to-day activities:

- Integrated Marketing Program (Transportation and Logistics)
- Establish a heavy industrial presence outside the air shed

- To have Prince George's brand understood and considered by the top 1,000 businesses who could and/or would link to our vision
- To have ten formal partnerships of which at least one will be with First Nations that include export, education, training, recruitment, heavy industrial land development, and downtown development
- To leverage the value of our budget by partnerships five times as measured through new capital investment in transportation, logistics, manufacturing and heavy industrial development
- 1% average annual population growth to 2012, up from 0.5% in the last five years
- 1,000 new jobs by 2012
- Attract \$1 billion in manufacturing and export revenue
- To be the leading force, voice and advocate for: dangerous goods route and corridor improvements in all directions; amenities and quality of life; air quality improvement; competitive municipal business climate; being a supply and service centre for the mining industry; attraction of immigrants and the development of skilled workforce; downtown development; and, being a globally connected community
- Facilitate growth in revenues for at least 100 Prince George businesses selling into the mining, oil and gas sector

Initiatives Prince George continues to work extremely hard under the tireless leadership of Tim McEwan, our President and Chief Executive Officer. We are making tremendous progress on behalf of our shareholder, the City of Prince George. On behalf of the Board of Directors, I want to thank Tim and his professional team for their outstanding contribution to taking Prince George to the next level as a preferred place to invest, work and live.

**Clint Dahl**  
*Chair, Initiatives Prince George Board of Directors*



## MESSAGE FROM THE PRESIDENT & CHIEF EXECUTIVE OFFICER

Our overarching goal as an organization continues to be the creative, energizing force that makes Prince George the integrated and sustainable manufacturing, transportation, supply and service centre, and the inland gateway to Asia and North America.



**Tim McEwan**  
President & CEO,  
Initiatives Prince George

The past year was an extremely busy one as Initiatives Prince George (IPG) moved into the second, and critical, year of executing its three year Strategic Plan. In pursuing this work, IPG is firmly of the view that nothing of lasting or

long-term impact for our City's economic development and diversification will occur without strong partnerships. Indeed, partnership is embedded in our operational mind-set.

Key among all the partnerships is deepening our working relationships with First Nations. In this regard, work continues on building a partnership framework with the **Lheidli T'enneh First Nation**, on whose traditional territory Prince George is located. IPG also works in partnership with the Aboriginal Business & Community Development Centre (ABCDC).

The Strategic Plan directs management to create a Destination Marketing Organization for the Tourism function. We are very pleased to report as of January 1, 2010 the Accelerated Hotel Room Tax (AHRT) is in place and the **Tourism Prince George Society (TPGS)** has been created.

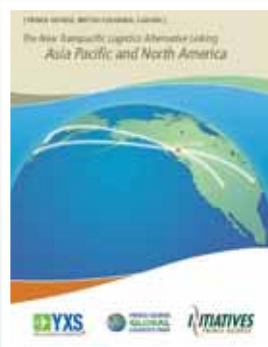
IPG, in partnership with the Prince George Chamber of Commerce (PGCC) and the Living and Working Committee, continued through much of 2009 with the **"Life in Perfect Balance"** recruitment and retention program. The program was honoured with an award for innovation in human resource

management from the Human Resource Management Association of British Columbia. The program also hosted a highly successful mini-series in fall 2009 on recruitment and retention issues.

IPG continues to Chair the **Air Logistics Park Task Force (ALPTF)**, a coming together of five public agencies and private land owners to the west of the airport. The ALPTF meets every two weeks, and was instrumental in delivering federal and provincial support for the \$28 million Boundary Road Connector project, a 6.6 kilometer arterial road going through the logistics park and joining Highway 16 east with Highway 97 south. The road is the lynch-pin to full development of the Prince George Global Logistics Park (PGGLP) which comprises 3,000 acres of land for light industrial development.

***For the first time, we welcomed an in-bound delegation from China to a Market Forum in Prince George and Prince Rupert in September.***

Our organization continued to work in full partnership with the Prince George Airport Authority (PGAA) and PGGLP to market the Airport and environs to domestic and international investors. Along with representatives of PGAA, senior staff of IPG undertook two out-bound missions to China in April and in December to continue to build relationships with Chinese businesses engaged in transportation and logistics, including continuing to work with the China Federation of Logistics and Purchasing (CFLP) with whom IPG has an MOU for marketing. For the first time, we welcomed an in-bound delegation from China to a Market Forum in Prince George and Prince Rupert in September. Delegates came from all over China and were extremely impressed with the infrastructure in place at the Prince George transportation hub and further plans for development. Like our partner agencies, we were also



thrilled with the landing of the first ever 747-200 series cargo jet last November at the Prince George International Airport (YXS). This, together with China granting Canada Approved Destination Status for Chinese Nationals and Air China's decision to declare YXS the alternate airport to Vancouver International Airport (YVR), are signs that Prince George is on the move, and that we are making tangible progress on this highly complex, medium-term economic development and diversification initiative.

The **Port of Prince Rupert (PPR)** and **CN** continue to be important partners in building the northern corridor. PPR container volumes grew during 2009 despite plunging trade volumes overall, a clear signal of the value of the new container corridor to United States and Canadian markets. Now, with growing markets for lumber and pulp in China, greater volumes of export shipments will begin to originate in Prince George through the **CN Intermodal Centre** along River Road, an investment that IPG put its efforts into securing for the city. IPG continues to work closely with Canadian Manufacturers and Exporters (CME). In 2009, IPG supported the CME Export Awards to profile Northern BC exporters, and also led the development of a lean consortium for northern manufacturers to enhance productivity.

British Columbia welcomed the world with the **2010 Olympic and Paralympic Games** in Vancouver, and IPG participated through a number of low cost ways. Katherine Scouten, our hard working Vice President of Economic Development, participated as a VIP Host at the 2010 Commerce Centre's BC Showcase, while I attended a number of business to business receptions and workshops. Together with our partners, University of Northern British Columbia (UNBC), CME, Council of Forest Industries (COFI), and PGAA, IPG hosted a reception attended by 150 business and political leaders. We were very pleased to welcome among them, Honourable Gordon Campbell, Premier of British Columbia.



IPG was also the catalyst agency behind the creation of the **Northern Bio-Energy Partnership**. This initiative is a coming together of UNBC, College of New Caledonia (CNC), IPG, National Research Council, Innovation Resource Centre, and ABCDC along with local bio-energy firms to work toward the common goal of creating Prince George as the centre for a forest-based bio-energy cluster.



A catalyst for innovative and sustainable forest-based bioenergy in northern BC.

IPG continued to work with the Regional District of Fraser-Fort George on the **Industrial Lands Analysis** project to bring industrial lands to a market ready stage. Work will continue as well throughout 2010.



This past year IPG also hosted the organizing committee for **Minerals North 2010**, the annual mining and exploration conference for northern BC. Held in Prince George April, 2010 the conference was extremely successful by all measures attracting approximately 700 delegates and exhibitors and raising legacy funds to be invested into mining education.

IPG played a lead role in the **Mayor's Task Force on a Better Downtown** (now the Downtown Partnership), and participated in the Smart Growth on the Ground design workshop. In November, the Task Force released a report containing 69 recommendations for moving economic, social, infrastructure, environmental and cultural aspects of downtown forward. Other highlights of IPG activities on the downtown include: IPG concluded a deal with Terasen Gas Inc. for the sale of the ACS Call Centre which will bring more than 100 jobs to downtown, and the building will undergo substantial renovations; IPG continued to be involved in the Performing Arts Society's quest to locate a new Performing Arts Centre in the downtown; and, IPG confirmed that the private sector market seeks from Prince George a clear Comprehensive Development Plan for the Downtown and public investment in catalytic projects (e.g. RCMP Building, Performing Arts Centre, and Wood Design and Innovation Centre).

IPG moved forward with a **Welcoming and Inclusive Communities** partnership with the Immigration and Multicultural Services Society (IMSS)

[continued]



# MESSAGE FROM THE PRESIDENT & CHIEF EXECUTIVE OFFICER

[continued from page 7]

and the PGCC. As the baby-boom generation begins to retire and skilled labour shortages accelerate, it will be critical that Prince George ensure that it is a welcoming and inclusive place for immigrant settlement.

IPG continued to provide **leadership and advocacy** on key **Prince George and Northern economic development priorities**. IPG led the development of a joint provincial-federal pre-budget submission which also included PGAA ABCDC, Northern Development Initiatives Trust (NDIT), PGCC, UNBC, CNC, City of Prince George, and PPR. As the provincial government assumed its third term in office, IPG was at the forefront in advocating strategic focus on three areas of critical importance to Prince George and the North: Energy and Environment; Transportation and Logistics; and Manufacturing. The leadership of IPG continues to also advocate for other public policy initiatives and projects which will help spur local and regional economic development and diversification.

IPG was at the forefront of advocating for the Harmonized Sales Tax, a measure that will dramatically improve the competitiveness of our region's export sector; harmonization of the provincial and federal environmental assessment processes; open skies policies to accelerate the development of our Airport and Air Logistics Park; and, immigration policy that targets regional hubs like Prince George. IPG also authored, in partnership with the NDIT, *Northern British Columbia: A Vision for Prosperity*, a forward looking paper prepared for the Business Council of British Columbia's Outlook 2020 process.

IPG has been at the forefront of supporting key northern growth catalyst projects, subject social license obligations being met such as First Nations consultation and accommodation, environmental assessment, and community benefits. Key among these are: Terrane Metals Mt. Milligan Mine; the North West Transmission Line; Site C Clean Energy Project;

Fairview Container Port Phase II; Enbridge Northern Gateway Pipelines; and, four laning of Highway 97 south, technical and safety improvements to the Pine Pass, and improvements to Highway 16. For Prince George these projects will mean jobs and growth and the continued building of our "hub" economy.

Nothing of substance gets accomplished by an organization without tremendous hard work and dedication. We are fortunate to have a dynamic, professional staff at IPG that works tirelessly in pursuit of the organization's Strategic Plan objectives. I would like to thank all our staff for their outstanding work during 2009.

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*The international accounting firm KPMG in its recent 'Competitive Alternatives Report' has ranked Prince George as THE most cost-competitive City on 26 factors of cost competitiveness when benchmarked to 12 other locations in the US and Canada Pacific Northwest.*

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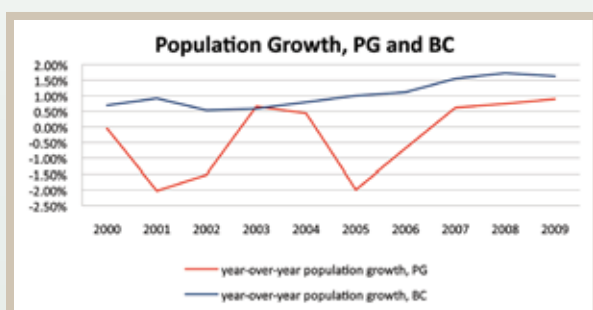
As I conclude this year's message, I note that Prince George is a city of enormous potential and has all the attributes for further success. The international accounting firm KPMG in its recent *Competitive Alternatives Report* has ranked Prince George as THE most cost-competitive City on 26 factors of cost competitiveness when benchmarked to 12 other locations in the US and Canada Pacific

Northwest. This couldn't be better news as we continue our work to build Prince George and the North as a knowledge-based, resource economy connected to the world.

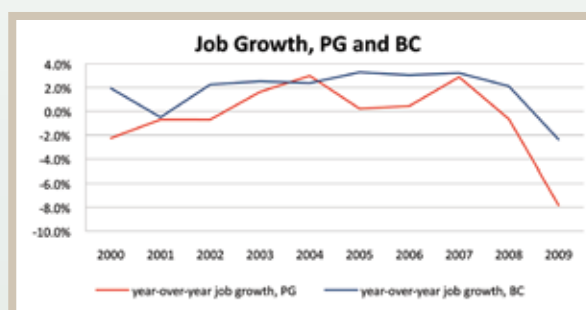
**Tim McEwan**  
*President & Chief Executive Officer*

# 2009 STATISTICS

## Economic Performance Indicators for Prince George



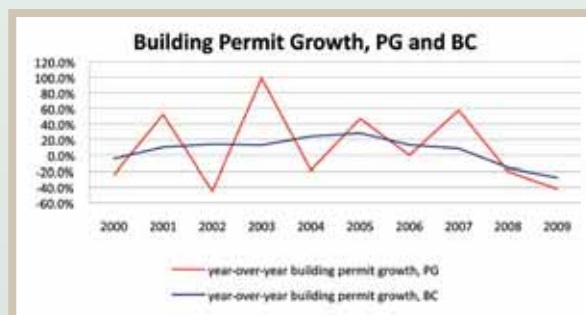
Prince George has gained a fair share of provincial population recently, averaging 0.8% population growth annually over the last three years, in sharp contrast to an average decline of 0.6% over the five years prior to 2006.



Prince George was not immune to the problems faced by global economies over the last two years; following 5 years of consistent job growth, employment declined as difficulties in the forestry industry were compounded by an overall slowdown in the economy across Canada. Employment figures in the city are expected to rebound in 2010 to pre-recession levels, with continued growth anticipated.



Prince George has seen relatively strong activity in the resale housing market over the last decade, with increases in average house prices following the same upward trend seen in BC and across Canada. Housing price increases stalled in 2008 and 2009 in the city, province and country, due to a cooling off of housing market activity brought on by the recession.



In general, it is typical for building permit activity to fluctuate in Prince George, as it tends to do in most communities across the province. Reflective of recessionary conditions, building permit activity slowed in 2008 and 2009, although not to the same extent as in BC and across Canada. The annual average for building permit growth over the last three years was -1.6% in PG, -11.7% in BC and -2.1% in Canada. As with most economic statistics, building permit activity is expected to rebound significantly in 2010.



## 2009 OVERVIEW TOURISM PRINCE GEORGE

In 2009, Tourism Prince George (TPG) delivered visitor services and marketing programs to enhance tourism in Prince George. Over 45,000 copies of a new **Visitor Services Guide** were distributed across British Columbia luring travellers to Prince George for "more than you can imagine" experiences.



*Tourism Prince George Official 2009 Visitor Guide*

Over 21,000 visitors were received at both the downtown location, and the Highway 16 & 97 satellite location by World-Host trained counselors that delivered a high-calibre service to impressionable visitors from US, Europe and throughout Canada and BC. A popular new **"101 Things to Do"** program was launched appealing to the regional market choosing the popular "staycation" during the recent recession. TPG led the 2009 Northern Lights Festival expanding the presence in downtown while building on the light display on Connaught Hill.

In partnership with the Regional District of Fraser-Fort George (RDFFG), TPG also delivered years two and three of the **Golden Raven** marketing program to build cultural tourism through visitation to the seven cultural attractions funded by the RDFFG. A grant from Western Economic Diversification expanded the marketing reach. Significantly this past year RDFFG has also brought Barkerville Heritage Trust and The Fort St. James National Historic Site into the Golden Raven marketing program. As these are the only two national historic sites in our region, and true destination cultural attractions that influence travel plans, this introduces a greatly

enhanced opportunity to build Prince George as a beginning and end point for itineraries focused on heritage tourism.

In 2009, TPG also developed a first-class four-season promotional video that was presented at the 2010 Olympics, and is posted widely on partner websites. The video has gained accolades widely and can be viewed on YouTube. It has also resulted in creation and storage of high definition high quality video for future use in marketing.

Prince George and Northern BC received tremendous attention through Tourism BC's media campaign during the 2010 Olympics. The "You Gotta Be Here" campaign generated international attention that included many signature Northern BC images and experiences. Northern BC Tourism conducted a media fam trip that generated coverage as far as Los Angeles and Australia. Web hits to the Hello BC website went up 250% in the first

4 months of 2010 signaling that tourism post-2010 to BC will be positively impacted.



*Golden Raven: Start Your Journey Today!*

Most significantly, in 2009 Initiatives Prince George completed the transition of Tourism Prince George to a true Destination Marketing Organization (DMO). Industry and the City of Prince George came together in October, and the Province of BC passed an Order in Council authorizing Additional Hotel Room Tax collection by accommodation properties in Prince George starting in 2010.



2009 Winter Edition of "101 Things To Do"

\$327,000 from the City of Prince George for tourism promotion and product development. These funds will be leveraged with tourism operators, and other levels of government to increase the breadth and scope of Prince George tourism marketing.

TPGS has adopted a Prince George Community Tourism Plan that was developed by tourism partners across Prince George, and sets goals for tourism growth through to 2019. One of the study's conclusions is that while market development is needed to promote Prince George to

On January 1, 2010, **Tourism Prince George Society** (TPGS) became established as a Destination Marketing Organization (DMO) dedicated to providing leadership, development and coordination for marketing Prince George's tourism industry with a new governance and funding structure, and mandate to facilitate the growth of local tourism revenues.

The new TPGS will have an estimated incremental \$500,000 from the AHRT in addition to the base contribution of

potential visitors, promotion by itself can only achieve limited growth in tourism. In concert with destination development Prince George has the potential to achieve significant growth in tourism over the long term. The plan will aid continued growth to the economy in Prince George and the north through the establishment of more tourism opportunities. Recommendations include 28 tactics for developing and promoting Prince George as a preferred travel destination.

TPGS has an exciting mandate and future ahead of it. In the next year it will complete its own strategic plan and hire a Chief Executive Officer who will establish and build relationships with the vast network of stakeholders from tourism operators to senior levels of government that are working to establish new tourism marketing systems.

## TOURISM PRINCE GEORGE SOCIETY BOARD OF DIRECTORS

### CITY OF PRINCE GEORGE APPOINTEES:

**Tracy Calogheros** The Exploration Place  
**John Gibson** Prince George Airport Authority  
**Bob Lalonde** Prince George Civic Centre  
**Colleen Van Mook** City of Prince George

### INITIATIVES PRINCE GEORGE APPOINTEE:

**Katherine Scouten** Initiatives Prince George

### PG ACCOMMODATIONS ASSOCIATION APPOINTEES:

**Doug Andrews** Coast Inn of the North  
**Peter Dumoulin** Carmel Motor Inn  
**Elke Hierl-Steinbauer** Bon Voyage Motor Inn  
**Young Nam** Esther's Inn  
**Anai Ordonez** Treasure Cove Hotel  
**Dave Ruchinski** Sandman Hotel

### EX-OFFICIO:

**Anthony Everett** Northern BC Tourism Association



(L-R): Sherry Powney, Annie Doran, and Lindsay McNaughton of Tourism Prince George



## 2009 INITIATIVES PRINCE GEORGE BOARD OF DIRECTORS

**Clint Dahl** (Chair)

Account Executive,  
Bell Canada

**Mark Feldinger** (Vice Chair)

Vice-President, Manufacturing,  
Canfor

**Don Kehler** (Secretary)

Vice-President, Business Markets,  
Royal Bank of Canada

**David George** (Treasurer)

Principal,  
SpeedDee Printers & Stationers Ltd.

**Sue Armstrong**

Principal,  
Uniglobe Sunburst Travel Ltd.

**Jim Blake**

Chair,  
Prince George Airport Authority

**David Livingstone**

President,  
LOMAK Bulk Carriers Corporation

**Rosalind Thorn**

President,  
Prince George Construction Association

**Glen Wonders**

Vice-President, Corporate Affairs & Sustainability  
Terrane Metals Corporation

**Derek Bates** (Ex-Officio)

City Manager,  
City of Prince George

**John Bowman** (Ex-Officio)

President,  
College of New Caledonia

**George Iwama** (Ex-Officio)

President,  
University of Northern British Columbia

**Jim Martin** (Ex-Officio)

Chief Administrative Officer,  
Regional District of Fraser-Fort George

**Sherry Sethen** (Ex-Officio)

Executive Director,  
Prince George Chamber of Commerce

**Cathy Ulrich** (Ex-Officio)

President & Chief Operating Officer,  
Northern Health



## INITIATIVES PRINCE GEORGE STAFF

### PRESIDENT AND EXECUTIVE OFFICE

**Tim McEwan** President & Chief Executive Officer

**Sarah Kirk** Manager, Administration

**Courtney Powney** Executive Assistant

### ECONOMIC DEVELOPMENT

**Katherine Scouten** Vice President, Economic Development

**Wei Liu** Director, Export Market Development

**Tara Bogh** Senior Economic and Market Research Analyst

**Melissa James** Manager, Marketing and Communications

### TOURISM PRINCE GEORGE

**Annie Doran** Marketing Coordinator, Tourism Prince George

**Sherry Powney** Visitor Services, Tourism Prince George

**Lindsay McNaughton** Visitor Information Councilor\*

*Pictured (left to right): Sarah Kirk, Melissa James, Annie Doran, Katherine Scouten, Tim McEwan, Tara Bogh, Sherry Powney, Wei Liu, and Courtney Powney.*

*\*Not pictured.*



<b>SUMMARY STATEMENT OF OPERATIONS*</b> FOR THE YEAR ENDING DECEMBER 31, 2009	<b>2009</b>	<b>2008</b>
City of Prince George	\$ 1,391,432	\$ 1,433,083
External Revenue	1,582,519	1,515,550
	<u>2,973,951</u>	<u>2,948,633</u>
Operating & Program Expenses	2,415,494	2,525,290
Operating Surplus before Amortization and Financing	<u>\$ 558,457</u>	<u>\$ 423,343</u>
Net Amortization	84,356	88,129
Financing	129,040	143,689
	<u>\$ 213,396</u>	<u>\$ 231,818</u>
Net Surplus (deficit) for the Year	<u>\$ 345,061</u>	<u>\$ 191,525</u>
<b>SUMMARY STATEMENT OF FINANCIAL POSITION*</b>	<b>2009</b>	<b>2008</b>
<b>Assets</b>		
Current Assets	\$ 512,674	\$ 407,205
Long-term Assets	2,254,452	2,561,483
<b>Total Assets</b>	<u>\$ 2,767,126</u>	<u>\$ 2,968,688</u>
<b>Liabilities</b>		
Current Liabilities	\$ 446,328	\$ 484,869
Long-term Liabilities	1,732,737	2,027,424
<b>Total Liabilities</b>	<u>\$ 2,179,065</u>	<u>\$ 2,512,293</u>
Share capital and Net Assets		
Authorized 100,000 Common shares		
Issued 3 Common shares	3	3
Fund Balances	507,750	376,084
Equity in City Centre Ventures Inc.	80,308	80,308
	<u>\$ 588,061</u>	<u>\$ 456,395</u>
<b>Total Liabilities, Share Capital and Net Assets</b>	<u>\$ 2,767,126</u>	<u>\$ 2,968,688</u>

\* Auditor: Dean Mason & Company

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[www.initiativespg.com](http://www.initiativespg.com)

## Auditors' Report on Summarized Consolidated Financial Statements

The accompanying summarized consolidated statement of financial position, statement of operations, and summary of divisional financial results are derived from the complete financial statements of Initiatives Prince George as at December 31, 2009 and for the year then ended which we expressed an opinion without reservation in our report dated March 26, 2010. The fair summarization of the completed consolidated financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of The Canadian Institute of Chartered Accountants, is to report on the summarized financial statements. In our opinion, the accompanying financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above. These consolidated financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on Initiatives Prince George financial position, results of operations and cash flows, reference should be made to the related complete financial statements.

Prince George, B.C.  
March 26, 2010

Dean Mason & Company  
Chartered Accountants

## SUMMARY DIVISIONAL FINANCIAL RESULTS

FOR THE YEAR ENDING DECEMBER 31, 2009

	GENERAL OPERATIONS (COMBINED)	REAL ESTATE	CAPITAL	CITY CENTRE VENTURES INC.	TOTAL
City of Prince George	\$ 1,336,112	\$ —	\$ —	\$ 55,320	\$ 1,391,432
External Revenue	803,909	734,115	2,331	42,164	1,582,519
	2,140,021	734,115	2,331	97,484	2,973,951
Operating & Program Expenses	2,134,811	394,073	2,522	97,484	2,628,890
Operating Surplus (deficit) before Amortization and Financing	\$ 5,210	\$ 340,042	\$ (191)	\$ —	\$ 345,061
Net Amortization	—	—	84,356	—	84,356
Financing	—	129,040	—	—	143,689
	\$ —	\$ 129,040	\$ 84,356	\$ —	\$ 213,396
Net Surplus (deficit) for the Year	\$ 5,210	\$ 211,002	\$ (84,547)	\$ —	\$ 131,665



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