

**THE CORPORATION OF THE CITY OF COURTENAY**

**SPECIAL COUNCIL MEETING**

**DATE:** Monday, March 23, 2015

**PLACE:** City Hall Council Chambers

**TIME:** 4:00 p.m.

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**AGENDA**

**1.00 STAFF REPORTS**

**Pg#**

- |    |    |   |
|----|----|---|
| 1  | 1. | Council Conference Attendance Policy                                    |
| 9  | 2. | Gas Tax Strategic Priorities Fund – Grant Application Project Selection |
| 31 | 3. | 2015-2019 General Operating Financial Plan                              |

**2.00 RESOLUTIONS OF COUNCIL**

1. In Camera Meeting

That notice is hereby given that a Special In-Camera meeting closed to the public will be held March 23, 2015 at the conclusion of the Special Council meeting pursuant to the following sub-sections of the *Community Charter*:

- 90 (1)(c) labour relations or other employee relations;
- 90 (1)(e) the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality;
- 90 (1)(i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and

**3.00 ADJOURNMENT**





THE CORPORATION OF THE CITY OF COURTENAY

## STAFF REPORT

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**To:** Council  
**From:** Chief Administrative Officer  
**Subject:** Council Conference Attendance Policy

**File No.:** 390-00  
**Date:** March 23, 2015

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### PURPOSE:

The purpose of this report is to consider options for Council attendance at annual conferences and other events.

### POLICY ANALYSIS:

The City currently does not have a policy which guides the frequency of attendance by Council members at annual conferences or other events. In past years approaches used have included Council members alternating attendance at the more significant conferences such as the Union of BC Municipalities and the Federation of Canadian Municipalities. In more recent years, the majority of Council members have been interested in attending these annual conferences.

A resolution adopted by Council in 2013 provided the City with specific authority *“to send any Council member that is willing and able to participate to all such conferences”*.

### CAO RECOMMENDATIONS:

That based on the March 23, 2015 staff report “Council Conference Attendance Policy” Council approve OPTION 1 to consider the creation of a policy which would guide attendance by Council members at annual conferences or other events, and that Council DECIDE on the conference attendance option to be incorporated into this policy.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM  
Chief Administrative Officer

**BACKGROUND:**

In past years, conference attendance approaches used have included Council members alternating attendance at the more significant conferences such as the Union of BC Municipalities and the Federation of Canadian Municipalities. In more recent years, the majority of Council members have been interested in attending these annual conferences. To that end, at their regular meeting of Council July 2, 2013, Council adopted the following motion:

*Moved by Ambler and seconded by Theos that:*

*WHEREAS there are several annual conferences for elected local government officials, which include AVICC, UBCM and FCM; AND WHEREAS these groups are an effective voice for local governments, as proven by recent progress on the Gas Tax; AND WHEREAS these conferences provide an excellent forum for City of Courtenay concerns to be raised to the higher levels of government, in concert with other communities; AND WHEREAS these conferences provide an excellent forum for elected officials to learn about their role, to network with others facing similar challenges, and to learn of best practices in peer communities; THEREFORE BE IT RESOLVED that Courtenay Council continue to send any Council member that is willing and able to participate to all such conferences.*

***Carried with Mayor Jangula opposed***

**DISCUSSION:**

Historically, the following annual budget provision has been provided for Council attendance at conferences and events. Council member attendance in any one year varied due to member availability or by un-written policy around attendance. From a budget perspective, Staff endeavoured to provide adequate funds to accommodate the needs of Council. However, other than Council’s resolution of July 2013, no formal policy on conference attendance has been discussed or adopted by Council.

Year	Budget	Actual
2009	\$ 30,000	\$ 32,684
2010	\$ 25,000	\$ 19,271
2011	\$ 25,000	\$ 23,529
2012	\$ 25,000	\$ 35,814
2013	\$ 35,000	\$ 42,359
2014	\$ 45,000	\$ 24,269

Policy options for Council attendance at conferences and events may include the following:

1. Status Quo – Based on the July 2013 resolution, Council members attend all conferences if they are interested and available. Staff continue to anticipate and provide for budget funds that may be required.
2. Set a fixed per Council member conference/event attendance budget per Council member. Council members then decide on which conferences or events they will attend, and would ensure they do

not exceed the provided budget amount. Council should also consider if the position of Mayor ought to be provided a greater budget amount than the position of Councillor.

3. Set up a conference attendance schedule within which Council members alternate attendance at the annual FCM and UBCM conferences. Attached to this report is a schedule of how this might be accomplished.

While Staff provide no recommendation in regards to which policy approach to adopt, they do recommend the adoption of a policy which provides clearer guidance for staff and Council to follow.

**ADMINISTRATIVE IMPLICATIONS:**

Administration of conference attendance such as council member registration and travel arrangements is a duty performed by City staff, and requires in the range of 50 hours of staff time per year.

**STRATEGIC PLAN REFERENCE:**

While the matter of Council attendance at annual conferences and other events is not identified in Council's Strategic Priorities, it is an annual requirement for staff to attend to.

**OFFICIAL COMMUNITY PLAN REFERENCE:**

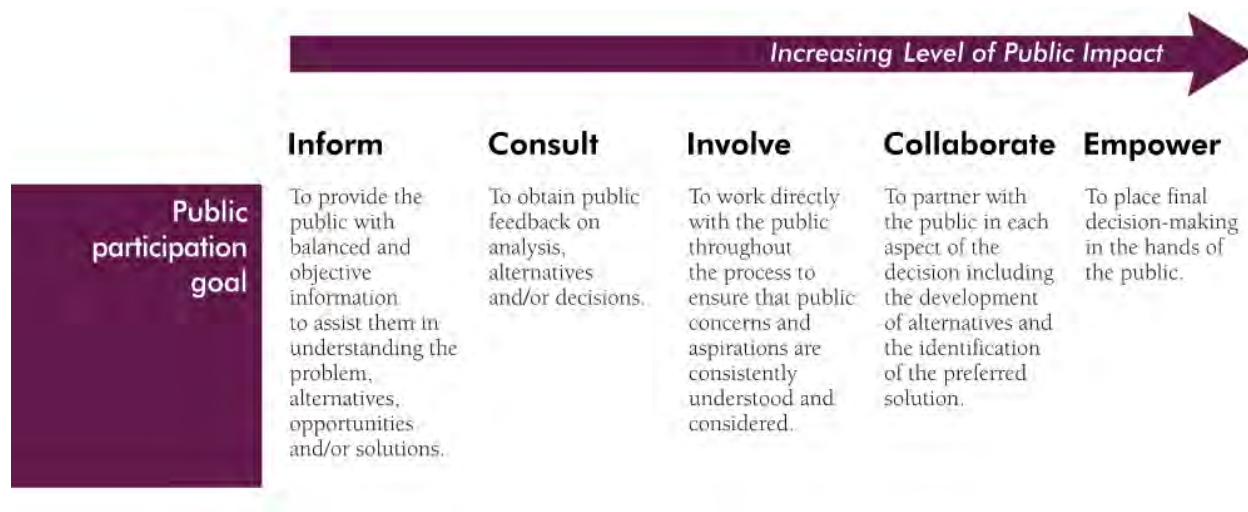
Not applicable.

**REGIONAL GROWTH STRATEGY REFERENCE:**

Not applicable.

**CITIZEN/PUBLIC ENGAGEMENT:**

The public will be informed of the outcome of Council's consideration of establishing a policy on Council member conference/event attendance. This is based on level one of the IAP2 Spectrum of Public Participation adopted as an element of Sound Project Design for the Corporate Workplan:

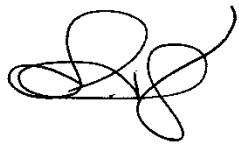


**OPTIONS:**

OPTION 1: That Council consider the creation of a policy which would guide attendance of Council members at annual conferences or other events, and that Council DECIDE on the conference attendance option to be incorporated into this policy. [RECOMMENDED].

OPTION 2: That Council defer policy consideration of attendance at conferences and other events to a future meeting for further discussion.

Prepared by:

A handwritten signature in black ink, consisting of several loops and a long tail, positioned below the text 'Prepared by:'.

Tillie Manthey, BA, CPA, CGA

Director, Financial Services/Deputy CAO

Attach: Worksheet for Option 2 – Alternating Council Member Attendance

**MAYOR AND COUNCIL**  
**Conference Attendance**  
**Option 2 - Alternating Member Attendance**

**Past Conference Attendance - Councillors Hillian, Theos, Mayor Jangula**

	FCM	UBCM
Mayor Jangula	2013	2013, 2014
Councillor Hillian		2013, 2014
Councillor Theos	2013, 2014	2014

<b>BUDGET PROVISION 2015 included in first draft of budget</b>	<b>\$ 45,000</b>
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<u>2015 Opportunities:</u>	<u>2015 Venue</u>	<u>Anticipated Cost per attendee</u>
Assoc of Vancouver Island Coastal Communities (AVIC)	Courtenay	\$ 500
Federal of Canadian Municipalities (FCM)	Edmonton	\$ 3,000
Union of BC Municipalities (UBCM)	Vancouver	\$ 2,500
BC Mayor's Caucus	Vancouver	\$ 1,500
Newly Elected Officials Conference	Parksville	\$ 950

**PROPOSED: Conference Attendees 2015**

Conference Name	AVICC - Courtenay	FCM - Edmonton	UBCM - Vancouver	BC MAYORS - Vancouver	NEW ELECTED	Local Events- Ticket Cost	Other Training/ Meetings	Total Budget per Council Member
Cost per attendee	\$ 500	\$ 3,000	\$ 2,500	\$ 1,500	\$ 950	\$ 200	750	
Mayor Jangula	\$ 500	\$ 3,000	\$ 2,500	\$ 1,500	<del> </del>	\$ 200	\$ 750	\$ 8,450
Councillor Eriksson	\$ 500	\$ 3,000		<del> </del>	\$ 950	\$ 200	\$ 750	\$ 5,400
Councillor Frisch	\$ 500	Unable to attend	\$ 2,500	<del> </del>	\$ 950	\$ 200	\$ 750	\$ 4,900
Councillor Hillian	\$ 500	\$ 3,000	attended 2014	<del> </del>	<del> </del>	\$ 200	\$ 750	\$ 4,450
Councillor Lennox	\$ 500		\$ 2,500	<del> </del>	\$ 950	\$ 200	\$ 750	\$ 4,900
Councillor Theos	\$ 500	\$ 3,000	attended 2014	<del> </del>	<del> </del>	\$ 200	\$ 750	\$ 4,450
Councillor Wells	\$ 500		\$ 2,500	<del> </del>	\$ 950	\$ 200	\$ 750	\$ 4,900

TOTAL	\$ 37,450
2015 Suggested Budget	\$ 40,000
(over)/under	\$ 2,550

**PROPOSED: Conference Attendees 2016**

Conference Name	AVICC	FCM	UBCM	BC MAYORS	NEW ELECTED	Local Events-Ticket Cost	Other Training/Meetings	Total Budget per Council Member
Estimate Cost per attendee	\$ 1,000	\$ 3,500	\$ 3,000	\$ 2,000	\$ -	\$ 200	750	
Mayor Jangula	\$ 1,000	\$ 3,500	\$ 3,000	\$ 2,000	<del> </del>	\$ 200	\$ 750	\$ 10,450
Councillor Eriksson	\$ 1,000		\$ 2,500	<del> </del>	<del> </del>	\$ 200	\$ 750	\$ 4,450
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**PROPOSED: Conference Attendees 2017**

Conference Name	AVICC	FCM	UBCM	BC MAYORS	NEW ELECTED	Local Events-Ticket Cost	Other Training/Meetings	Total Budget per Council Member
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**MAYOR AND COUNCIL**  
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**Option 2 - Alternating Member Attendance**

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THE CORPORATION OF THE CITY OF COURTENAY

## STAFF REPORT

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**To:** Council

**File No.:** 8620-01

**From:** Chief Administrative Officer

**Date:** March 23, 2015

**Subject:** Gas Tax Strategic Priorities Fund – Grant Application Project Selection

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### PURPOSE:

The purpose of this report is for Council to:

- Identify a preferred Complete Streets project for the forthcoming grant funding application, and
- Consider and provide endorsement to the proposed projects for the Gas Tax Strategic Priorities Fund – Capital Infrastructure Stream and Capacity Building Stream components.

### CAO RECOMMENDATIONS:

That, based on the March 23, 2014 staff report “*Gas Tax Strategic Priorities Fund – Grant Application Project selection*”, Council approve Option 1 to endorse the grant applications for:

- 5<sup>th</sup> Street Bridge Rehabilitation/Recoating (#1 priority) – Capital Stream
- A Complete Streets Project (*select one of the above*; #2 priority) – Capital Stream
- Integrated Stormwater Management Plan – Capacity Building Stream

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM  
Chief Administrative Officer

### BACKGROUND:

The Gas Tax – Strategic Priorities Fund (GT-SPF) is designed to provide funding for strategic investments that are large in scale, region-wide in impact, or innovative. Projects must align with federally mandated objectives of productivity and economic growth, cleaner environment and stronger communities. The grant program will provide approximately half of \$28M total program funding to BC local governments during this the first intake (GVRD communities are excluded). It provides up to **100% of the funding** towards eligible projects (as opposed to 2/3 funding for NBCP). Local governments may submit two (2) projects to the Capital Infrastructure Stream and one (1) project to the Capacity Building Stream. **This is a merit-based, competitive process and funding will only be awarded to applicants who best meet the granting criteria.** The program guide is attached to this report for further information.

## DISCUSSION:

Based on Council's 2015 Strategic Priorities and previous discussion regarding the New Building Canada Program (NBCP) grant opportunities, staff has identified existing needs that have potential "regional impact", and therefore propose the City pursue grant funding for both Streams. Staff has identified the following projects for GT-SPF application:

For the **Capital Infrastructure Stream**, the three proposed projects are (only two may be selected and a priority of #1 or #2 must be assigned):

- 5<sup>th</sup> Street Bridge Rehabilitation
- Complete Street enhancements (choose one of three locations identified below)
- Fire Training Facility: Off-site infrastructure works

For the **Capacity Building Stream**, the preferred project is: Integrated Storm Water Management Plan.

### Choices for GT-SPF Capital Infrastructure Stream

**5<sup>TH</sup> Street Bridge Rehabilitation.** Under Council direction, staff submitted a grant application to the New Building Canada Program – Small Communities Fund (NBCP) for the rehabilitation and recoating of the 5<sup>th</sup> Street Bridge (for the reasons previously presented). Staff has assessed that this project is also a strong candidate for the Gas Tax Strategic Priorities Fund – Capital Infrastructure Stream because it is an integral link for regional transportation; would support economic growth in downtown; and it aligns with the asset renewal plan for the structure. This project was identified in Council's 2012 – 2014 Strategic Plan.

If unsuccessful for the NBCP grant, the City may opt to have the 5<sup>th</sup> Street Bridge application transferred from the NBCP to the GT – SPF program as the City's #1 project for consideration. Our choice to exercise this option must be identified in the grant application due April 15<sup>th</sup>. In effect, if we don't get the federal grant, we still have a 'shot' at the provincial grant. Note: the linkage between selection criteria and the sequencing of these federal and provincial government infrastructure grant opportunities is both purposeful and deliberate.

**Complete Streets.** Complete Streets is an approach to designing, building and retrofitting roads to ensure they are accessible to all modes of transportation and people of all ages and abilities. Implementing a Complete Street pilot project originated as a Council 2013 Strategic Priority and continues in 2015.

In the 2014 Multi-modal Transportation Strategy, Complete Streets were identified as one of the strategic investments that supports the City's vision of a connected, sustainable transportation system. A further evaluation of potential corridors for a Complete Streets treatment was undertaken. Fifteen potential corridors were evaluated based on current and opportunity for demand (use based on economic development and density), transit, walking cycling, safety and green infrastructure. This subsequent evaluation identified the following high priority candidates for enhancement:

- 5<sup>th</sup> Street from Fitzgerald Avenue to Menzies Avenue;

- Fitzgerald Avenue from 5<sup>th</sup> Street to Cumberland Road; and
- Old Island Highway from 5<sup>th</sup> Street Bridge to Headquarters Road.

Each segment also has their own components that may meet the grant criteria in a variety of ways.

Corridor	Length	Cost	Grant consideration
Fitzgerald (5 <sup>th</sup> to Cumberland)	225m	\$1.143 million	<ul style="list-style-type: none"> <li>• Important north-south cycling connection (sustainability)</li> <li>• Commercial re-development potential (economic development)</li> <li>• Connection to downtown (economic development)</li> </ul>
5 <sup>th</sup> St (Fitzgerald to Menzies)	530m	\$3.253 million	<ul style="list-style-type: none"> <li>• Part of the Safe routes to school network (strong community)</li> <li>• Increase residential density to support downtown (economic development)</li> <li>• Improve access to downtown (economic development)</li> </ul>
Old Island Highway (5 <sup>th</sup> to Headquarters Rd)	900m	\$4.85 million	<ul style="list-style-type: none"> <li>• Regional connection (regional impact)</li> <li>• Raise elevation of the road to mitigate potential for flooding (asset management, sustainability)</li> <li>• Access to community recreation centre and park (strong communities)</li> <li>• Gateway to downtown (economic development)</li> <li>• Commercial re-development potential (economic development)</li> <li>• Increase access to seniors housing and Vanier school (strong communities)</li> </ul>

**Courtenay Fire Training Ground- Off-site works.** The City has approved the design and construction of the Courtenay Fire Training Ground. In Council’s 2012-2014 Strategic Plan, it states “Ensure protective services meet community needs.” There is also significant regional support for this project.

This is a scenario-based fire training ground being developed to proactively manage firefighting training needs in the most effective manner. The construction of the training grounds is anticipated to be completed later this year. The grant funding application is for approximately \$1.2M to fund off-site infrastructure (Waters Place - \$450,000; Lerwick Road \$775,000).

The construction of the off-site works for the Fire Training Ground is for site access and drainage capacity. Currently the site is accessed from “Waters Place”. Waters is a dead-end road, approximately 250m long and provides access the CVRD East Courtenay water towers. The development of the Fire Training grounds (and future potential fire hall) on the property adjacent to the water towers has triggered the need to pave the existing gravel road to current local road to 9.0m standard including curb and gutter, sidewalk and storm sewer.

**Integrated Storm Water Management Plan (ISMP).** An ISMP is a comprehensive study that examines the network-wide linkages between drainage servicing, land use planning and environmental protection. An important purpose of an ISMP is to support organization-wide Asset Management. This reflects Council's 2012-2014 Strategic Priority to "Ensure infrastructure is sustainable" and the CAOs 2015 Operational Strategy of "Asset Management".

Integrated stormwater management planning requires shifting our perception of stormwater as peak flow to be drained and conveyed to the nearest receiving body of water, to that of a resource – rainwater – that can be harvested, treated, and beneficially re-used. The purpose of an ISMP is to support the growth of a community in a way that maintains or, ideally, enhances the overall health of a watershed.

Courtenay has substantial needs related to stormwater management, including:

- Aging infrastructure;
- Ability for infrastructure to respond to severe rainwater events;
- Growing population with corresponding residential and commercial development (9% growth in the last 3 years); and
- Water quality and aquatic health, which requires an integrated approach to Asset Renewal, Asset Maintenance, Community Planning, Engineering, Environmental and Financial considerations.

Note: Staff acknowledges Council's Strategic Priority to complete the Integrated Flood Management Study (IFMS) and proceed to a flood mitigation strategy. Taking advantage of previous granting opportunities, the City undertook such a study, developed a model of the Courtenay River and has obtained a vast amount of data and a tool to support a flood mitigation strategy. As an aside, aerial imagery of the progressive advance of flooding during the 2014 flood has significantly added to our knowledge of technical issues and prospective mitigation of this recurring event. It is part of staff's 2015 work plan to return to Council to finalize the report and proceed with the next steps within the resources Council chooses to provide.

#### **FINANCIAL IMPLICATIONS:**

Professional fees to support the City's applications to the grant program are estimated at \$5,000 per application (\$15,000 total). Funds are available within the existing Engineering Operating budget to support this expenditure.

The GT – SPF grant program is for up to 100% funding based on the estimates submitted. Any funds needed to complete the works above the estimated amounts will be borne by the City.

#### **ADMINISTRATIVE IMPLICATIONS:**

The grant application undertaking is statutory in nature. To date, staff has expended approximately 10 hours in correspondence, cost estimates and coordination with our consultant. An additional 21 to 35 hours of staff time is anticipated to support the completion of the applications. This level of Capacity is reasonably achievable within the 2015 Corporate Workplan.

**STRATEGIC PLAN REFERENCE:**

*2012 – 2014 Strategic Plan Objectives:*

1. A safe and caring community

Goal 1: Ensure protective services meet community needs

Objectives:

- a) Create a combined emergency services building in East Courtenay for Fire Department, Ambulance, CV Ground Search and Rescue and Comox Valley Emergency Program.

*2012 – 2014 Strategic Plan Objectives:*

2. A progressive, diverse and sustainable City

Goal 1: Ensure infrastructure is sustainable

Objectives:

- a) 5<sup>th</sup> Street Bridge – Complete rehabilitation work and recoating
- c) Complete an inventory and assessment of City Roads, buildings and utilities and report on works required.

*2015 Strategic Priority:*

#4 Complete Streets Pilot Project

**OFFICIAL COMMUNITY PLAN REFERENCE:**

*5.2 (Transportation) Goals*

- 2. development of a transportation system that provides choices for different modes of travel including vehicle, transit, pedestrian, cycling and people with mobility impairments.

*4.11.3 (Community Service) Fire and Rescue*

- 1. to improve fire fighting capacity consideration will be given to the development of a firehall on the eastern side of the City. A potential site would be in the vicinity of Ryan and Lerwick Roads.

*6.4 (Utility Services) Storm Drainage*

- 3. The City shall continue to use existing natural drainage patterns as the primary storm drainage system. Natural watercourses shall be protected from encroaching development and enhanced and improved where necessary. The City will continue to use stormwater detention/retention as its principal means of meeting the objective of maintaining post development flows at predevelopment levels.
- 4. The City will continue to work towards reducing or mitigating the impacts of development on the drainage system to protect the quality of the river systems.
- 5. The City will implement the Water Balance Model of BC to manage the natural environment and the built environment as integrated components of the same watershed.

**REGIONAL GROWTH STRATEGY REFERENCE:**

*Goal 4 – Transportation*

Objective 4-C: Develop and maintain an inter-regional transportation system that efficiently and safely facilitates the movement of people and goods.

Objective 4-B: Improve bicycle and pedestrian infrastructure to increase the use of active transportation options.

*Goal 5 – Infrastructure*

Objective 5-C: Stormwater is managed to preserve ecosystem and watershed health.

**CITIZEN/PUBLIC ENGAGEMENT:**

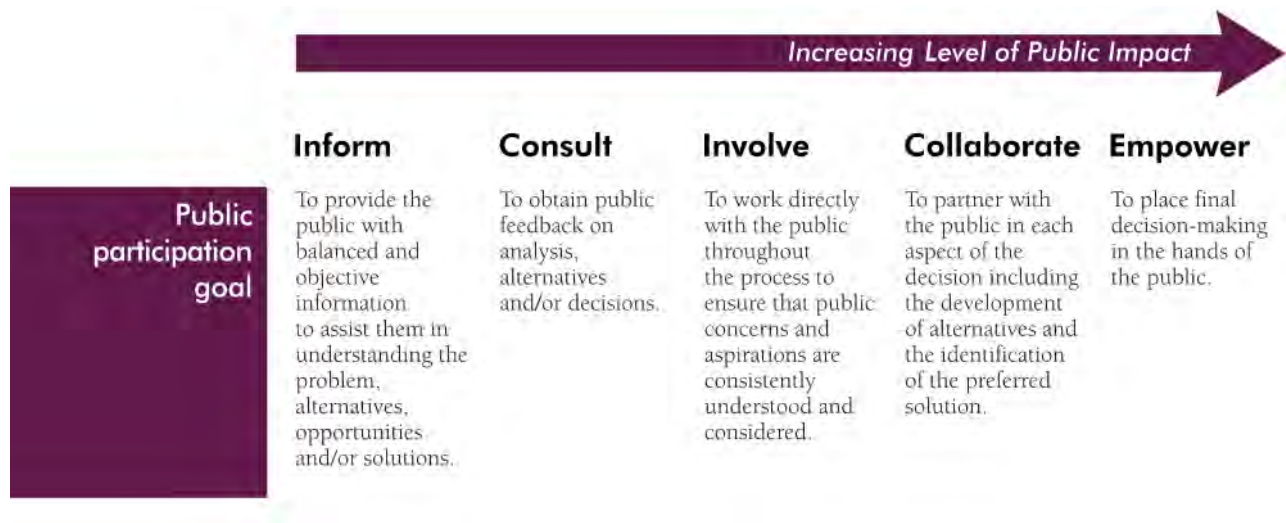
Public engagement for the Multi-modal Transportation Strategy included consultation with the public based on IAP2 Spectrum of Public Participation:

[http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum\\_vertical.pdf](http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum_vertical.pdf)

This study led to the Complete Streets pilot project initiative. Staff will inform the public of the selected project, scope of work and schedule for implementation as the project evolves.

The Fire Training grounds off-site works and 5<sup>th</sup> Street Bridge are considered capital renewal/upgrade projects requiring staff to inform the public of the construction schedule and implications for traffic moving through the area.

The ISMP project will require various levels of engagement from inform to involve as the project scope is developed and milestones are identified.





**OPTIONS:**

*Option 1* – That Council endorse the grant applications to the Gas Tax – Strategic Priorities Fund for:

- 5th Street Bridge Rehabilitation/Recoating (#1 priority) – Capital Stream
- A Complete Streets Project (*select one of the above*; #2 priority) – Capital Stream
- Integrated Stormwater Management Plan – Capacity Building Stream

*Option 2* – That Council endorse the grant applications to the Gas Tax – Strategic Priorities Fund for:

- 5th Street Bridge Rehabilitation/Recoating (#1 priority) – Capital Stream
- Fire Training Grounds, Off-site Works (#2 priority) – Capital Stream
- Integrated Stormwater Management Plan – Capacity Building Stream

*Option 3* – That Council identify the preferred projects for the April 15, 2015 grant intake to the Gas Tax – Strategic Priorities Fund, and endorse staff's pursuit of the selected projects.

Prepared by:



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Lesley Hatch, P.Eng.  
Director of Engineering & Public Works

Attached: Schedule A – Gas Tax Strategic Priorities Fund, program guide





STRATEGIC PRIORITIES FUND APPLICATION

# **Program Guidelines for the Federal Gas Tax Fund Strategic Priorities Fund**

## **Capital Infrastructure Projects Stream and Capacity Building Stream**

**December 2014**

## Quick Facts

<b>Strategic Priorities Fund</b>	
Program Purpose	Provides funding for strategic investments that are large in scale, regional in impact or innovative.
Eligible Applicants	All local governments outside the Greater Vancouver Regional District.
Eligible Projects: Capital Infrastructure Projects Stream	Public Transit; Local Roads and Bridges; Community Energy Systems; Drinking Water; Solid Waste; Wastewater; Highways and Major Roads; Local and Regional Airports; Short-Line Rail; Short-Sea Shipping; Broadband Connectivity; Brownfield Redevelopment; Disaster Mitigation; and Cultural, Tourism, Sport and Recreation Infrastructure.
Eligible Projects: Capacity Building Stream	Capacity Building including Asset Management, Long-Term Infrastructure Planning, and ICSP.
Application Limit	Two (2) capital infrastructure projects stream applications One (1) capacity building stream application.
Available Funding	Up to 100% of net eligible costs of approved projects.

### Contact UBCM Gas Tax Program Services:

For further questions on Strategic Priorities Fund, please contact us via e-mail at [gastax@ubcm.ca](mailto:gastax@ubcm.ca) or by phone at 250-356-5134.

Gas Tax Program Services  
525 Government Street  
Victoria, BC V8V 0A8

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## 1. Program Overview

In May 2014, Canada, BC and UBCM signed the renewed Gas Tax Agreement (GTA) which provides a ten-year commitment of federal funding for investments in Local Government infrastructure and capacity building projects in British Columbia.

One of the key funding programs established through the GTA is the Gas Tax Strategic Priorities Fund (SPF). The SPF is an application-based funding program, which pools approximately \$28 million of the \$253 million annual federal Gas Tax Fund for strategic investments that are considered larger in scale, regional in impact, or innovative.

The SPF replaces the General Strategic Priorities Fund and Innovations Fund programs from the First Gas Tax Agreement and is available for Local Governments outside of the Greater Vancouver region<sup>1</sup>.

## 2. Goals and Objectives

The SPF program provides grant funding specifically targeted for the capital costs of local government infrastructure projects that are larger in scale, regional in impact, or innovative and support the national objectives of productivity and economic growth, a clean environment and strong cities and communities. The SPF program also provides grant funding for Local Government capacity building projects, including asset management, long term infrastructure planning and sustainability planning that support the national objectives and are large, regional or innovative.

## 3. Application Deadline

The deadline for submitting your SPF application is **April 15, 2015**.

## 4. Eligible Applicants

The SPF program is open to all Local Governments in British Columbia outside of the Greater Vancouver Regional District.

Local Governments may choose to apply either as an individual applicant, or as a co-applicant with another ultimate recipient. Ultimate Recipients are defined as: a local government; a non-municipal entity, including for-profit, non-governmental and not-for-profit organizations; and BC Transit.

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<sup>1</sup> The SPF pools 25% of Local Government Gas Tax per capita allocation outside of the GVRD. Local Governments within the GVRD pool their per capita allocation towards the Greater Vancouver Regional Fund program.

## 5. Application Limits

Each eligible Local Government may submit two (2) applications under the SPF-Capital Infrastructure Projects Stream and one (1) application under the SPF-Capacity Building Stream for a total of three (3) applications.

If a Local Government has submitted an application under the New Building Canada Fund-Small Communities Fund and would like the application considered under the SPF it will constitute one of its two Capital Infrastructure Projects stream applications.

## 6. Project Categories

### SPF Capital Infrastructure Projects Stream

Public Transit	Brownfield Redevelopment
Local Roads, Bridges and Active Transportation	Local and Regional Airports
Solid Waste	Short-sea Shipping
Community Energy Infrastructure	Short-line Rail
Drinking Water	Highways
Wastewater	Broadband Connectivity
Disaster Mitigation	Culture Infrastructure
Recreational Infrastructure	Sport Infrastructure
Tourism Infrastructure	

### SPF Capacity Building Stream

Asset Management Planning*	Long-term Infrastructure Planning
Integrated Community Sustainability Planning	

*Examples eligible projects under each category can be found in Annex A of this program guide.*

\*A requirement of a Local Government Gas Tax Community Works Fund agreement is to engage in asset management planning practices over the term of the agreement. The Gas Tax Partnership Committee has developed an [Asset Management Framework](#) to assist local governments in meeting this commitment. This framework will be found on the UBCM website ([www.ubcm.ca](http://www.ubcm.ca)) as well as Asset Management BC website (<http://www.assetmanagementbc.ca>).

UBCM will also be launching the Asset Management Planning Grant (AMP) program in December. For details on how to apply for an AMP grant, please visit the Local Government Management Services section of the UBCM website.

## 7. Eligible and Ineligible Costs

### Eligible Costs for SPF Capital Infrastructure Projects Stream

Eligible Costs are the expenditures associated with acquiring, planning, designing, constructing or renovating a tangible capital asset, as defined by Generally Accepted Accounting Principles (GAAP), and any related debt financing charges specifically identified with that asset.

In addition, eligible costs also include expenditures directly related to the joint communication activities and with federal project signage for GTF funded projects.

The application will ask you to include the class of cost estimate for the project. For examples of classes of cost estimate, see the CCA Joint Federal Panel document (page 9) found online at:

[http://www.cca-acc.com/pdfs/en/CCA/Guide\\_to\\_Cost\\_Predictability.pdf](http://www.cca-acc.com/pdfs/en/CCA/Guide_to_Cost_Predictability.pdf)

### Eligible Costs for SPF Capacity Building Stream

Expenditures related to strengthening the ability of Local Governments to improve local and regional planning including capital investment plans, integrated community sustainability plans, life-cycle costs assessments, and Asset Management Plans.

Expenditures could include developing and implementing:

- i. Studies, strategies, or systems related to asset management, which may include software acquisition and implementation
- ii. Training directly related to asset management planning
- iii. Long-term infrastructure plans

### Ineligible Costs for Capital Infrastructure and Capacity Building Projects

Ineligible Costs include:

- Leasing costs
- Overhead costs, including salaries and other employment benefits of any employees of the Ultimate Recipient
- Direct or indirect operating or administrative costs
- Costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its staff
- Purchase of land or any interest therein, and related costs
- Legal fees
- Routine repair and maintenance costs.

Employee and equipment costs are **only** eligible if:

- a) The Ultimate Recipient demonstrates that it is not economically feasible to tender a contract
- b) The employee or equipment is directly engaged in the work under the parameters of the contract



c) And the arrangement has received prior approval in writing by UBCM.

If the use of own force employee or equipment costs is being considered, please provide in addition to the application, a letter addressing the conditions above.

Please note that while most eligible costs are eligible from the date of the application submission, own force employee and equipment costs are only eligible from date of UBCM approval.

## 8. Phasing of Projects

For large projects that require significant funding support, it is recommended that applicants submit “phased” approach. Applicants should apply for a component of the phased project or identify how the project could be phased. Each phase should be a stand-alone aspect of the project. It is important to note that successful grant awards for phased projects do not ensure subsequent funding for future phases of the project.

## 9. Ineligible Projects

Projects, which would otherwise be eligible, become ineligible if the project is started prior to the date the project is included in a SPF application. The project is deemed to have been started if a construction tender has been awarded or construction has commenced.

Under the Capacity Building stream, projects that have been submitted under the UBCM Asset Management Planning (AMP) grant program, are deemed ineligible projects under the SPF-Capacity Building Project Stream, unless they are identified as a distinct or phased component of the overall project.

## 10. How to Apply

Applications must be received through the UBCM online application form and must include the following:

- ✓ Completed online application form
- ✓ Attached feasibility study and/or detailed designs/ detailed cost estimates and other relevant supplemental documentation
- ✓ A Council/Board resolution indicating support for the application

Online application form can be found at: [https://ubcm.formstack.com/forms/spf\\_application](https://ubcm.formstack.com/forms/spf_application)

## 11. Funding Amount Limit

A SPF grant can fund up to 100% of eligible costs of an eligible project.

## 12. Available Funding

Over the first five years of the Gas Tax Fund, there is approximately \$145 million in the SPF pool. It is anticipated that there will be a minimum of two intakes over the first five years.

Approximately 5% of SPF funding will be reserved for projects under the Capacity Building stream.

Funding allocations and decisions are made by the Gas Tax Management Committee.

## 13. Selection Process and Criteria

Applications will first be screened to ensure the applicant and the project meet eligibility requirements. Those meeting eligibility requirements will then be reviewed and scored against the selection criteria noted below. Funding decisions will be made primarily on the basis of the relative ranking of the applications in relation to these criteria. Applicants are responsible for ensuring that applications include full and accurate information to assess eligibility and to score the project on the stated selection criteria.

### Screening Criteria

- Applications must be submitted by an eligible Local Government either individually or as a co-applicant with another Ultimate Recipient.
- Applications must be for a project that is an Eligible Project, as defined in the GTA and listed in Annex A.
- The project must not have started prior to the submission of the application.
- The project must be 'larger in scale' or 'regional in impact' or 'innovative'.

### Selection and Scoring Criteria

#### SPF Capital Infrastructure Projects Stream

Selection criteria are based on the program purposes and objectives listed above. These selection criteria form the basis of the scoring and ranking of applications. Note the criteria listed below are not listed in order of priority; applicants should provide full information in relation to all of the criteria that are relevant to the project for which funding is requested.

- How much the project is expected to align with the objectives of productivity and the economic growth; a clean environment; and strong cities and communities
- The timing of the project and its outcomes
- The capacity of the community to undertake, evaluate and document the project, and to operate and maintain it
- The degree to which the project develops or supports strategic infrastructure investment decisions or links to sustainability or capital investment plans
- The degree to which asset management practices were considered
- The degree to which the project uses sustainability principles or leads to sustainable outcomes (e.g., demand management; resource management and construction practices)
- The degree the project benefits more than one community or is identified as regional in impact
- The size or scale of the project in relation to the size of the community

- The degree to which the project reflects inter-jurisdiction cooperation
- The degree to which the innovative plan, process, method or technology could be used in other jurisdictions
- The relative benefit of the innovative process, method or technology over existing processes, methods and technologies

### **SPF Capacity Building Stream**

Scoring will be based primarily on:

- How the project is expected to align with the program objectives of productivity and economic growth, a clean environment or strong cities and communities
- The degree to which the project is identified as large in scale
- The degree to which the project is considered regional in impact
- Contribution to innovation
- Long term thinking
- Integration with other plans, planning or sustainability activities
- Collaborative elements, including engaging community members and other partners
- Implementation program
- Monitoring and evaluation component
- Linkage to capital investment plans
- Contribution to efficient use of infrastructure and other resources

## **14. Approved Applications**

Successful applicants will be notified after funding decisions have been made.

### **Content of Funding Agreements**

All grant approvals are subject to the execution of a funding agreement between the recipient and UBCM. The agreement will set out the roles and responsibilities of the parties, including a deadline for completion of the project and other recipient obligations.

### **Applicable Law**

Recipients are responsible for ensuring that all projects are implemented in accordance with all laws applicable in British Columbia and for ensuring that any required permits, licenses, or approvals are obtained.

### **Payments**

Payments will be made available to recipients in accordance with the terms and conditions of the funding agreement. Payments are also on condition of the following:

- That UBCM has received sufficient funds from Canada
- That a holdback of 15% be placed on the project until such time as it is deemed complete
- The Ultimate Recipient is in compliance with the terms and conditions of the funding agreement.

## ANNEX A: Examples of Eligible SPF Projects

Project Category	Description	Examples
<b>Public Transit</b>	Infrastructure which supports a shared passenger transport system which is available for public use	<ul style="list-style-type: none"> <li>• Transit infrastructure such as rail and bus rapid transit systems, and related facilities</li> <li>• Buses, rail cars, ferries, para-transit vehicles, and other rolling stock and associated infrastructure</li> <li>• Intelligent Transport Systems such as fare collection, fleet management, transit priority signaling, and real time traveler information system at stations and stops</li> <li>• Related capital infrastructure including bus lanes, streetcar and trolley infrastructure, storage and maintenance facilities, security enhancement, and transit passenger terminals</li> </ul>
<b>Local Roads, Bridges, and Active Transportation</b>	Roads, bridges and active transportation (active transportation refers to investments that support active methods of travel)	<ul style="list-style-type: none"> <li>• New and rehabilitation of roads</li> <li>• New and rehabilitation of bridges</li> <li>• Cycling lanes, paths, sidewalks and hiking trails</li> <li>• Intelligent Transportation systems</li> <li>• Additional capacity for high occupancy/ transit lanes, grade separations, interchange structures, tunnels, intersections and roundabouts</li> </ul>
<b>Regional and Local Airports</b>	Airport related infrastructure (excludes National Airport System)	<ul style="list-style-type: none"> <li>• Construction projects that enhance airports and are accessible all year-round, through the development, enhancement or rehabilitation of aeronautical and/or non-aeronautical infrastructure (includes runways, taxiways, aprons, hangars, terminal buildings etc.)</li> <li>• Non-aeronautical infrastructure such as groundside access, inland ports, parking facilities, and commercial and industrial activities</li> </ul>

Project Category	Description	Examples
<b>Short-line Rail</b>	Railway related infrastructure for carriage of passengers or freight	<ul style="list-style-type: none"> <li>• Construction of lines to allow a railway to serve an industrial park, an intermodal yard, a port or a marine terminal</li> <li>• Construction, rehabilitation, or upgrading of tracks and structures, excluding regular maintenance, to ensure safe travel</li> <li>• Construction, development or improvement of facilities to improve interchange of goods between modes</li> <li>• Procurement of technology and equipment used to improve the interchange of goods between modes</li> <li>• Short-line operators must offer year-round service</li> </ul>
<b>Short-sea Shipping</b>	Infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean	<ul style="list-style-type: none"> <li>• Specialized marine terminal intermodal facilities or transshipment (marine to marine) facilities</li> <li>• Capitalized equipment for loading/unloading required for expansion of short-sea shipping</li> <li>• Technology and equipment used to improve the interface between the marine mode and the rail/highways modes or to improve integration within the marine mode including Intelligent Transportation Systems (ITS)</li> </ul> <p><i>Note: The purchase of vessels, infrastructure that supports passenger-only ferry services, rehabilitation and maintenance of existing facilities such as wharves and docks, and dredging are not eligible for funding</i></p>
<b>Community Energy Systems</b>	Infrastructure that generates or increases efficient use of energy	<ul style="list-style-type: none"> <li>• Renewable electricity generators</li> <li>• Electric vehicle infrastructure/fleet vehicle conversion</li> <li>• Hydrogen infrastructure (generation, distribution, storage)</li> <li>• Wind/solar/thermal/geothermal energy systems</li> <li>• Alternative energy systems that serve local government infrastructure</li> <li>• Retrofit local government buildings and infrastructure</li> </ul>

Project Category	Description	Examples
<b>Drinking Water</b>	Infrastructure that supports drinking water conservation, collection, treatment and distribution systems	<ul style="list-style-type: none"> <li>• Drinking water treatment infrastructure</li> <li>• Drinking water distribution system (including metering)</li> </ul>
<b>Wastewater</b>	Infrastructure that supports wastewater and storm water collection, treatment and management systems	<ul style="list-style-type: none"> <li>• Wastewater collection systems and or wastewater treatment facilities or systems</li> <li>• Separation of combined sewers and or combined sewer overflow control, including real-time control and system optimization</li> <li>• Separate storm water collection systems and or storm water treatment facilities or systems</li> <li>• Wastewater sludge treatment and management systems</li> </ul>
<b>Solid Waste</b>	Infrastructure that supports solid waste management systems including the collection, diversion and disposal of recyclables, compostable materials and garbage	<ul style="list-style-type: none"> <li>• Solid waste diversion projects including recycling, composting and anaerobic digestion</li> <li>• Solid waste disposal projects including thermal processes, gasification, and landfill gas recovery</li> <li>• Solid waste disposal strategies that reduce resource use</li> </ul>
<b>Sport Infrastructure</b>	Amateur sport infrastructure (excludes facilities, including arenas, which would be used as a home of professional sports teams or major junior hockey teams)	<ul style="list-style-type: none"> <li>• Sport infrastructure for community public use</li> <li>• Sport infrastructure in support of major amateur athletic events</li> </ul>
<b>Recreation Infrastructure</b>	Recreational facilities or networks	<ul style="list-style-type: none"> <li>• Large facilities or complexes which support physical activity such as arenas, gymnasiums, swimming pools, sports fields, tennis, basketball, volleyball or other sport-specific courts, or other facilities that have sport and/or physical activity as a primary rationale</li> <li>• Community centers that offer programming to the community at large, including all segments of the population</li> <li>• Networks of parks, fitness trails and bike paths</li> </ul>

Project Category	Description	Examples
<b>Cultural Infrastructure</b>	Infrastructure that supports arts, humanities, and heritage	<ul style="list-style-type: none"> <li>• Museums</li> <li>• The preservation of designated heritage sites</li> <li>• Local government owned libraries and archives</li> <li>• Facilities for the creation, production, and presentation of the arts</li> <li>• Infrastructure in support of the creation of a cultural precinct within an urban core</li> </ul>
<b>Tourism Infrastructure</b>	Infrastructure that attract travelers for recreation, leisure, business or other purposes	<ul style="list-style-type: none"> <li>• Convention centers</li> <li>• Exhibition hall-type facilities</li> <li>• Visitor centres</li> </ul>
<b>Disaster Mitigation</b>	Infrastructure that reduces or eliminates long-term impacts and risks associated with natural disasters	<ul style="list-style-type: none"> <li>• Construction, modification or reinforcement of structures that protect from, prevent or mitigate potential physical damage resulting from extreme natural events, and impacts or events related to climate change</li> <li>• Modification, reinforcement or relocation of existing public infrastructure to mitigate the effects of and/or improve resiliency to extreme national events and impacts or events related to climate change</li> </ul> <p><i>Note: this category is related to disaster prevention (such as dykes, berms, seismic upgrades etc.) and <u>not</u> response (such as fire trucks, fire halls etc.)</i></p>
<b>Broadband Connectivity</b>	Infrastructure that provides internet access to residents, businesses, and/or institutions in British Columbia	<ul style="list-style-type: none"> <li>• High-speed backbone</li> <li>• Point of presence</li> <li>• Local distribution within communities</li> <li>• Satellite capacity</li> </ul>

Project Category	Description	Examples
<b>Brownfield Redevelopment</b>	Remediation or decontamination and redevelopment of a brownfield site within municipal boundaries, where the redevelopment includes: the construction of public infrastructure as identified in the context of any other category under the GTF, and/or the construction of municipal use public parks and publicly-owned social housing.	<ul style="list-style-type: none"> <li>• New construction of public infrastructure as per the categories listed under the Federal Gas Tax Agreement</li> <li>• New construction of municipal use public parks and affordable housing</li> </ul>
<b>Asset Management</b>	Increase local government capacity to undertake asset management planning practices.	<ul style="list-style-type: none"> <li>• Asset Management Practices Assessment</li> <li>• Current State of Assets Assessment</li> <li>• Asset Management Policy</li> <li>• Asset Management Strategy</li> <li>• Asset Management Plan</li> <li>• Long-Term Financial Plan</li> <li>• Asset Management Practices Implementation Plan</li> <li>• Asset Management Plan Annual Report</li> </ul>
<b>Integrated Community Sustainability Plans</b>	Increase local government capacity to undertake integrated community sustainability plans	<ul style="list-style-type: none"> <li>• Integrated community sustainability plans</li> <li>• Regional growth strategies</li> <li>• Community development plans</li> <li>• Community plans</li> </ul>
<b>Long-term Infrastructure Plans</b>		<ul style="list-style-type: none"> <li>• Transportation plans</li> <li>• Infrastructure development plans</li> <li>• Liquid waste management plans</li> <li>• Solid waste management plans</li> <li>• Long-term cross-modal transportation plans</li> <li>• Water conservation/demand management plans</li> <li>• Drought management contingency plans</li> <li>• Air quality plans</li> <li>• GHG reduction plans</li> <li>• Energy conservation plans</li> </ul>





## STAFF REPORT

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**To:** Council  
**From:** Chief Administrative Officer  
**Subject:** 2015-2019 General Operating Financial Plan

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**File No.:** 1705-20  
**Date:** March 23, 2015

### PURPOSE:

The purpose of this report is to request Council consideration of the proposed 2015-2019 General Operating Financial Plan, and to consider the proposed general property tax increase for 2015.

### POLICY ANALYSIS:

Section 165 of the *Community Charter* requires a municipality to have a five year financial plan. The 2015-2019 General Operating Financial Plan is one component of the annual City of Courtenay Five-Year Financial Plan.

Included in the financial plan, and funded from the Gas Tax Grant, are ongoing provisions for condition assessments of city infrastructure. The development and implementation of Asset Management Planning, based on condition assessments, life cycle analysis, risk management, and the implementation of associated financial policies will continue to be a key operational strategic priority for the City.

### EXECUTIVE SUMMARY:

The five year general operating financial plan is prepared annually. The proposed 2015 financial plan year provides for a total of \$39 million in planned City expenditures and includes the introduction of a special levy specifically to set aside funds into a new infrastructure renewal reserve.

The current year financial plan proposes an increase of 3.18% in revenue derived from municipal property taxation, and this increase is comprised of funding for the following purposes:

General Operations	1.93%
Increase in tax funding for capital projects	1.00%
Special Levy – Infrastructure Renewal Reserve	<u>0.25%</u>
Total	3.18%

**CAO RECOMMENDATIONS:**

That based on the March 23, 2015 Staff Report “2015-2019 General Operating Financial Plan”, Council approve OPTION 1 and endorses the proposed 2015-2019 General Operating Financial Plan which includes an increase of 3.18% in revenue derived from property taxation; and

That Council approves the establishment of new reserves for the purpose of setting aside funds for the purpose of funding future infrastructure renewal and risk/contingencies.

Respectfully submitted,



David Allen, BES, CLGEM, SCLGM  
Chief Administrative Officer

**BACKGROUND:**

Consideration and approval of a five year financial plan is an annual requirement under the *Community Charter*. The proposed Financial Plan for the General Operating Fund presented today provides detail for the 2015 year, as well as projections for the four years following.

With Council’s endorsement, the proposed schedules will be included in the 2015-2019 Financial Plan Bylaw.

**DISCUSSION:**

**BUDGET OVERVIEW:**

The operating budget is among the most important public documents a local government produces. As a financial plan, it sets forth the government’s taxing and spending direction. As Council’s primary policy document, it establishes explicit service priorities. As an operations guide, it outlines departments that will be responsible for achieving the service priorities and that will be accountable for spending. Finally, as a communications device, it makes all of the foregoing transparent to public officials and citizens alike.<sup>1</sup> The budget is a powerful expression of how Council will meet the community’s needs and maintain expected levels of service.

Inclusive of the three operating budgets – General, Water and Sewer – the following charts and graphs depict proportionally where the 2015 funds are utilized and from where revenues are derived:

CHART 1: City of Courtenay 2015 Operating Expenditures

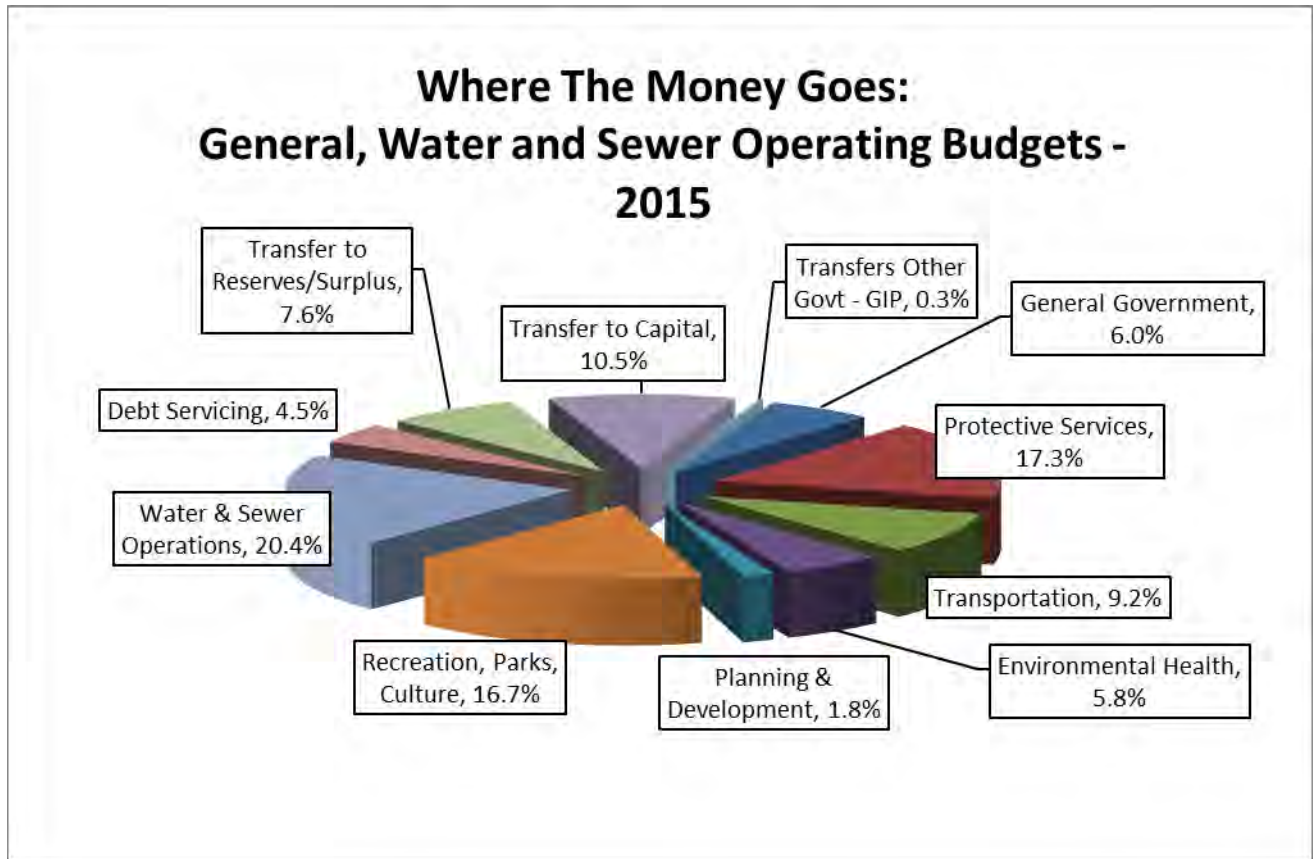
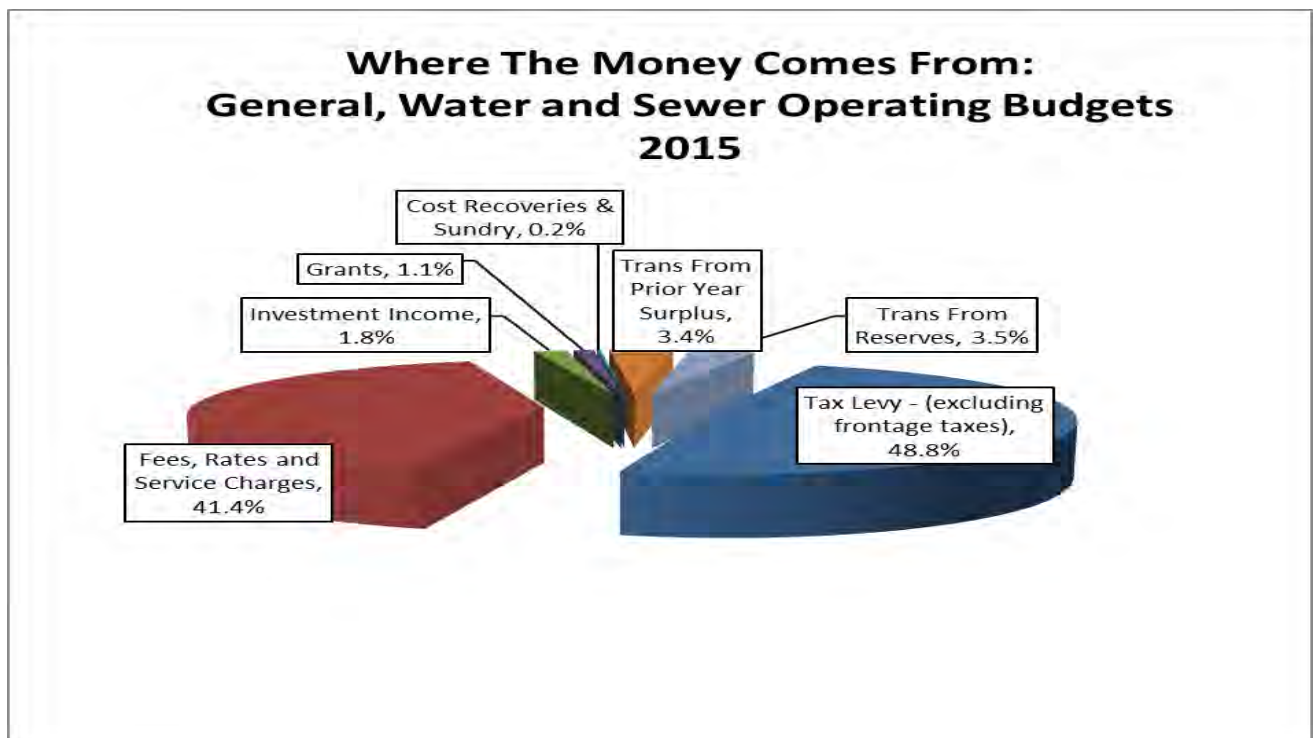
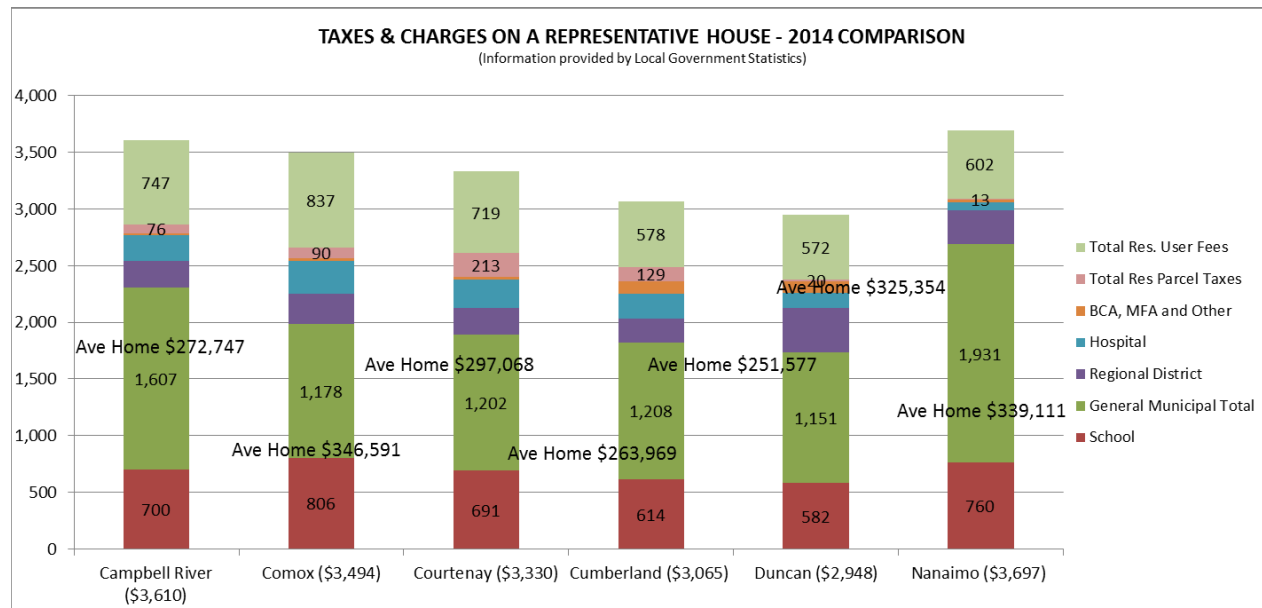


CHART 2: City of Courtenay 2015 Operating Revenues



In the development of the budget and measuring its impact on property taxation and fees, it is also helpful to review the property tax and utility costs in neighbouring and comparable municipalities. The following 2014 information has been extracted from the “Provincial Local Government Statistical” reports and is provided below for Council’s information. It should be noted that the amounts reported below are the sum of all property taxes levied, inclusive of other taxing authorities, as well as utility user fees and parcel taxes imposed by the municipality, and are based on the “average” residential assessment value for that municipality.

CHART 3: Taxes and Charges on a Representative House – 2014 Comparison



**2015 GENERAL OPERATING BUDGET**

The 2015 General Operating Budget was prepared from departmental submissions as well as taking into consideration multiple external sources and cost drivers so that all anticipated revenues and costs were captured. Development of this proposed financial plan involved a critical examination of past spending patterns as well as detailed analysis of the anticipated costs for 2015-2019. In establishing a solid financial plan, it is essential to verify that the costs budgeted are warranted and that revenue estimates are realistic.

The proposed 2015 budget is also linked to Council’s adopted strategic priorities. Although many of the priorities can be carried out within existing resources, additional operating funds in 2015 have been provided for the completion of the following Council and operational priorities:

- Braidwood Supportive Housing Project - RFP
- Flood Study – Integrated Flood Management Study
- Downtown Revitalization Forum and Development of Options
- Asset Management – continued condition assessments of city infrastructure
- Centennial Celebrations
- Subdivision Bylaw Review, DCC Bylaw Review and Update, Engineering Design Standards and Specifications

The following provides an overview of key elements in the proposed 2015 general operating budget:

### **PROPERTY TAXES**

#### ***Taxation Revenues – Proposed Revenue Increase***

The proposed increase in property tax for general municipal and debt purposes, excluding new construction revenues, is 3.18% for 2015. This increase is comprised of funding for the following purposes:

General Operations	1.93%
Increase in funding from taxation for capital projects	1.00%
Special Levy – Infrastructure Renewal Reserve	<u>0.25%</u>
Total	<u>3.18%</u>

While the change in the consumer price index for BC remains low, at slightly above 1% over 2014, the City's 2015 proposed financial plan provides for a number of additional cost drivers that surpass the CPI index. The proposed general operations tax increase of 1.93% provides a portion of the funding required to meet these additional 2015 budget requirements which are detailed below under the heading "2015 Cost Drivers and Changes in Budgeted Expenditures".

Based on the Final Assessment Roll March 2015, property tax revenue generated from prior year new construction has decreased significantly and is calculated as \$ 98,000 (2014 = \$240,000) for the 2015 budget year.

Prior year general surplus in the amount of \$775,097 has been utilized in the financial plan to carry forward 2014 surplus specific to the policing, to provide funding required for capital projects, and to assist with stabilization of the property tax rates for 2015.

#### ***Assessment Trends***

- Residential Assessment (Class 01) Average property value *increase* = 0.77%  
(from \$276,334 to \$278,451)
- Commercial Assessment (Class 06) Average property *increase* = 0.19%  
(from \$693,105 to \$694,450)

#### ***What this means to the Taxpayer:***

*Based on the City's current tax rate structure, the following impacts have been calculated:*

Residential Class – based on commercial multiple of 2.80.

The property tax increase for an "average" 2015 residential property, value at \$278,451, is estimated to be an increase of \$38 for the municipal taxation portion of the tax notice.

Commercial Class – based on multiple of 2.80

The "average" commercial property, valued at \$694,450, will experience an increase of \$220 for the municipal portion of the tax notice.

It should be noted that Commercial Class 6 encompasses a wide range of business, from small – with an assessment value usually lower than the average, to very large retailers, with higher valuations. The assessed value of larger commercial businesses generally contributes to an increase in the “average value” reported for this class.

## **EXPENDITURES**

### **2015 Cost Drivers and Changes in Budgeted Expenditures**

Services provided by the City for its residents include police and fire protection, bylaw enforcement, animal control, transportation services, storm drainage, street lighting, traffic, parking, pickup of solid waste, recyclables, and yard waste, parks, playgrounds, recreation programs and facilities, and cultural facilities such as the library, arts centre, museum and theatre.

Levels of service have been maintained with funding adjustments as required, and additionally for the 2015 budget year, the following items of note have been included in the budget.

1. General Government:
  - a. Courtenay 100 year Centennial celebration, planning/events
  - b. 2015 hosting of the Association of Vancouver Island Coastal Communities annual conference.
  - c. Increase in technical Staff to support growth of existing City systems as well as support the new initiatives of corporate capacity/time tracking, asset management and related GIS data compilation, website redevelopment, human resources information system, and document management.
  
2. Protective Services:
  - a. The budgeted level of established strength for police protection has been maintained as 30.4 members, with an anticipated vacancy pattern of 2 members.
  - b. Provision for Emergency Operations Centre training for Council and staff
  
3. Transportation Services:
  - a. Engineering
    - i. DCC Bylaw Review and Update
    - ii. Subdivision Bylaw Review and Update
    - iii. Road Network Analysis
    - iv. Complete Streets Pilot Project planning
  - b. Asset Management Planning
    - i. Condition Assessment – Roads/Asphalt
    - ii. Condition Assessment – Storm Drainage
    - iii. Condition Assessment – Sidewalks
    - iv. Condition Assessment – Fuel System
    - v. Condition Assessment – Traffic Signals
    - vi. Condition Assessment – Buildings and Facilities
  
4. Recreation Programs and Facilities:
  - a. Lewis Centre Recreation Facility – An increase in revenues has been forecasted, particularly for fitness room use. Related facility and program costs have been included. The net

subsidy from property taxes for recreation programs remains consistent with 2014 service levels.

- b. Repair costs related to flood damages not covered under the Disaster Financial Assistance program or insurance.

5. Facilities

- a. Facilities energy efficiency reviews/audits

As noted above under the Property Taxes section, the change in the consumer price index for BC remains low, at slightly above 1% over 2014. However, the City's 2015 proposed financial plan provides for a number of additional cost drivers that surpass the CPI index, such as:

- 6% increase in BC Hydro rates effective April 1<sup>st</sup>; and further increases totalling 10.5% over the next three years.
- 11% increase in property and liability insurance rates. In addition, earthquake and flooding damage is becoming increasingly restrictive due to the occurrence of these events along the coast in the past five years.
- 20% increase in Worker's Compensation Rates
- 4% increase in BC Medical Service Plan premium rates

**RESERVES, GRANTS, AND SURPLUS FUNDS**

Use of General reserves, grants and surplus funds has been provided for in the 2015 General Operating Budget, and is detailed below.

**Community Works Fund – Gas Tax Grant Revenues**

The following use of the CWF – Gas Tax Grants funding is proposed in the 2015 budget year:

<u>Project</u>	<u>AMOUNT</u>
Condition Assessment – Roads/Asphalt, storm drainage, sidewalks, fuel tanks, traffic signals, parks bridge structures	\$210,000
Facility Energy Efficiencies Study /Audit	\$ 95,000
Filberg Centre – Replacement of the Upper Level doors to increase energy efficiency	<u>\$30,000</u>
Total	<u>\$335,000</u>

**Gaming Funds**

In accordance with Council's 2013-2015 adopted policy on the distribution of gaming funds, gaming funds continue to be utilized to fund the cost of two members of the total 30.4 (FTE) RCMP members funded by the City of Courtenay each year. For 2015, the cost of two members has been estimated as \$325,278.

### **Traffic Fine Revenue Sharing Grant**

Traffic fine revenue sharing grant funds continue to be used to fund the cost of two members of the total 30.4 RCMP members funded by the City of Courtenay each year.

### **General Fund Surplus/Proposed New Reserves**

General surplus funds in the amount of \$775,097 have been utilized in the 2015 financial plan.

Pending the final 2014 audited balances, the remaining surplus funds held in 2015 are projected to total \$2.3 million, and have accumulated from years where the city operations have been under-budget or capital budgets have been deferred or cancelled pending prioritization based on condition assessment data. Under-budget situations can occur for a variety of reasons such as policing contract member vacancies, years where anticipated snow and ice control resources have been budgeted but have not been needed, or the receipt of unanticipated revenues.

Government Finance Officer Association best practice suggests that the balance carried in fund surplus should be in the range of 10% of the annual general tax levy. Based on this, the General Operating Fund should carry a balance of just under \$2.0 million.

Staff recommend that the difference of \$300,000 (\$2.3M - \$2.0M) be transferred to establish two new City reserves, as follows:

1. Infrastructure Renewal Reserve \$200,000

The purpose of an Infrastructure Renewal Reserve will be to set aside funds for the purpose of major repair and renewal of City infrastructure. This reserve is intended to become a key element of Asset Management Planning and will be used to source funding to address the City's infrastructure deficit.

2. Capacity and Financial Risk Reserve \$100,000

A new Capacity and Financial Risk reserve strategy is intended to ensure that unanticipated risks are provided for and unexpended funds realized from avoiding risk or implementing efficiencies are set aside in the fund. Examples of financial risk include unanticipated costs such as flood damages, program cost overrun (or unexpended funds).

### **DEBT**

No new borrowing is proposed for the current 2015 budget year.

All long term borrowing contemplated in future years requires a public approval process prior to advancing projects. Borrowing for the following categories is shown as a source of capital funding for the following:

- Satellite fire hall, East Courtenay
- Police services building, West Courtenay.
- Road reconstruction, storm drainage, and paving renewal projects

The City currently utilizes approximately 21% of its total allowable debt servicing capacity. This percentage is forecasted to further decrease by the end of 2015 as the City makes final payments on three borrowings originally undertaken in 2000.



**ADMINISTRATIVE IMPLICATIONS:**

Subsequent to Council endorsement of the proposed 2015-2019 General Operating Fund Financial Plan, the schedules will become part of the 2015-2019 Financial Plan Bylaw. This bylaw will be brought forward for Council consideration in mid-April 2015.

The Final Assessment Roll will be available by March 31, 2015. For the April 7, 2015 Council meeting, staff will bring forward information in regards to property tax rates and setting the commercial tax rate multiplier for 2015.

Both the 2015-2019 Financial Plan Bylaw and the 2015 Property Tax Rates Bylaw must be finally adopted no later than May 15, 2015.

**STRATEGIC PLAN REFERENCE:**

Specific budget funds, if required, have been provided for in the 2015 Financial Plan to provide resources for the following strategic priorities:

<b>Priority</b>	<b>Provided for, under the following operating budget category:</b>
Council: - Complete Street Pilot Project selection - Downtown Revitalization	Transportation Services: Engineering Operations  Planning & Development Services
Community Services - Centennial Celebrations	General Government Services: Legislative
Operations: - Asset Management Inventory - Condition Assessments	Transportation Services: Asset Management Planning
Engineering - Specs and Standards - Subdivision Bylaw Review - DCC Bylaw Review	Transportation Services: Engineering Operations

**OFFICIAL COMMUNITY PLAN REFERENCE:**

The 2015-2019 Financial Plan touches many areas of the OCP Goals including:

- Balanced growth
- Parks and publicly accessible natural open space
- Sustainable development
- Provision of community services including fire/rescue and policing
- An effective transportation system

**REGIONAL GROWTH STRATEGY REFERENCES:**

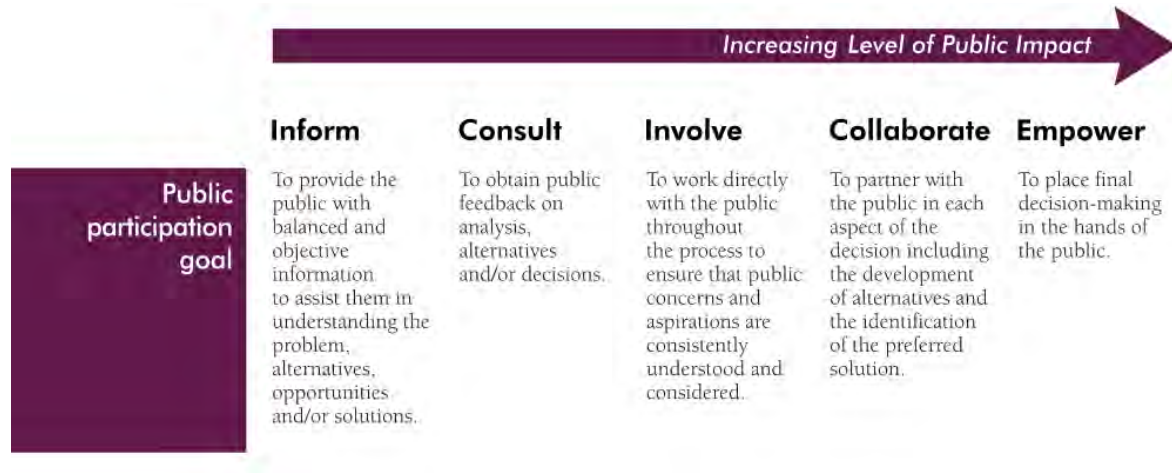
The proposed 2015-2019 Financial Plan touches on many of the Regional Growth Strategy Goals, such as:

- Goal 1 – Housing
- Goal 2 – Ecosystems, Natural Areas and Parks.
- Goal 3 – Local Economic Development
- Goal 4 – Transportation.
- Goal 5 – Infrastructure.
- Goal 7 - Public Health and Safety.
- Goal 8- Climate Change.

**CITIZEN/PUBLIC ENGAGEMENT:**

Pursuant to Section 166 of the *Community Charter*, Council must undertake a process of public consultation regarding the proposed financial plan before it is adopted.

Staff have undertaken the “Consult” level of public participation as per the IAP2 Spectrum outlined below.



The financial plan information has been posted on the City’s website for review and comment. To date, there have been no questions or comments emailed or called in for staff to respond to.

In addition, Staff again launched the interactive and informative web-based on-line consultation tool “Citizen Budget”, from which the City received 111 responses from the public. For Council’s review and consideration, a summary of the feedback received from on-line consultation is attached to this report as Appendix C.

**OPTIONS:**

OPTION 1: That Council endorses the 2015-2019 General Operating Financial Plan as proposed, and directs Staff to include the schedules in the 2015-2019 Financial Plan Bylaw; and

That Council endorses the establishment of two new reserves, as follows:

- (1) Infrastructure Renewal Reserve
- (2) Capacity and Risk Reserve

OPTION 2: That Council defers endorsement of the proposed 2015-2019 General Operating Financial Plan and the establishment of new reserves for further discussion at a later Council meeting.

Prepared by:

Tillie Manthey, BA, CPA, CGA  
Director, Financial Services/Deputy CAO

Jennifer Nelson, CPA, CGA  
Manager of Financial Planning

Attach: Appendix A – Proposed 2015-2019 General Operating Fund Financial Plan  
Appendix B – 2015 Citizen Budget Online Consultation Report

<sup>1</sup> Government Finance Officers Association: Financial Policies, Shayne C. Kavanaugh, 2012

**City of Courtenay  
General Operating Fund  
Proposed 2015-2019 Financial Plan**

DESC	2014 BUDGET	2014 ACTUAL (PRE-AUDIT)	2015 PROV BUDGET	2016 PROJ BUDGET	2017 PROJ BUDGET	2018 PROJ BUDGET	2019 PROJ BUDGET
<b>Proposed Municipal Property Tax Increase</b>							
General Operations			1.93%	1.97%	2.03%	2.03%	2.01%
Capital Purposes							
- Capital Projects - increase in tax funding			1.00%	0.50%	0.50%	0.00%	0.00%
- Special Levy - Infrastructure Renewal Reserve			0.25%	0.75%	0.75%	1.00%	1.00%
<b>Total Increase</b>	<b>1.95%</b>		<b>3.18%</b>	<b>3.22%</b>	<b>3.28%</b>	<b>3.03%</b>	<b>3.01%</b>
<b>REVENUE</b>							
<u>Taxes</u>							
Real Property - General/Debt Purposes	18,823,788	19,099,996	19,686,297	20,511,107	21,182,956	21,824,696	22,481,169
Boundary Extension (3 year phased)	147,158	159,902	185,749	0	0	0	0
New Construction Estimate	244,945	0	98,000	150,000	250,000	300,000	300,000
Library Levy	1,085,184	1,085,184	1,145,420	1,156,874	1,168,443	1,180,127	1,191,929
Utility 1% Revenue Tax	385,251	385,251	384,082	387,922	391,802	395,720	399,677
	<u>20,686,326</u>	<u>20,730,333</u>	<u>21,499,548</u>	<u>22,205,903</u>	<u>22,993,201</u>	<u>23,700,543</u>	<u>24,372,774</u>
<u>Grants in Place of Taxes</u>							
Federal Government and agencies	118,719	119,823	120,000	121,200	122,412	123,636	124,872
Provincial Government and agencies	290,309	300,835	301,200	304,212	307,254	310,327	313,430
	<u>409,028</u>	<u>420,657</u>	<u>421,200</u>	<u>425,412</u>	<u>429,666</u>	<u>433,963</u>	<u>438,302</u>
<u>Collections for other Governments and Authorities:</u>							
Downtown Courtenay B.I.A	60,000	60,000	60,000	60,000	60,000	60,000	60,000
School Taxes	11,710,922	11,702,257					
Comox Valley Regional District	3,871,682	3,871,682					
Comox-Strathcona RHD	4,050,023	4,050,023			not yet available		
Municipal Finance Authority	972	972					
BC Assessment Authority	320,222	319,966					
	<u>20,013,821</u>	<u>20,004,899</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>
<b>Total Taxation, Grants in Place</b>	<u>41,109,175</u>	<u>41,155,890</u>	<u>21,980,748</u>	<u>22,691,315</u>	<u>23,482,867</u>	<u>24,194,506</u>	<u>24,871,076</u>
<u>Sale of Services</u>							
Protective Services	841,534	802,718	853,501	860,350	861,838	863,342	864,860
Envir Health Services (solid waste, recycling)	2,840,744	2,817,834	2,999,800	3,136,455	3,340,997	3,565,172	3,790,094
	<u>3,682,278</u>	<u>3,620,552</u>	<u>3,853,301</u>	<u>3,996,805</u>	<u>4,202,836</u>	<u>4,428,514</u>	<u>4,654,954</u>
<u>Revenue from own Sources</u>							
Recreation Program Fees	1,335,200	1,477,904	1,488,500	1,488,950	1,489,750	1,490,050	1,490,250
Business Licenses	272,000	268,483	266,000	266,000	266,000	266,000	266,000
Commercial Vehicle Licenses	6,200	6,061	6,200	6,200	6,200	6,200	6,200
Building/Plumbing Permits & Misc Fees	346,000	555,145	1,185,340	372,800	372,800	372,800	372,800
Parking , Fines and permits	36,301	41,733	38,500	38,500	38,500	38,500	38,500
Dog Licenses and fees	9,400	8,321	8,600	8,600	8,600	8,600	8,600
Rezoning, Subdivision and variance fees	111,000	65,973	105,500	105,500	105,500	105,500	105,500
Engineering and public works	201,000	127,438	154,400	154,400	154,400	154,400	154,400
Rentals	924,000	948,655	363,000	363,000	363,000	363,000	363,000
Parks	18,300	25,170	22,300	22,300	22,300	22,300	22,300
Hotel Room Tax	276,000	222,667	232,200	232,200	232,200	232,200	232,200
	<u>3,535,401</u>	<u>3,747,548</u>	<u>3,870,540</u>	<u>3,058,450</u>	<u>3,059,250</u>	<u>3,059,550</u>	<u>3,059,750</u>
<b>Interest Income /Taxation &amp; Utility Penalties</b>	<u>814,500</u>	<u>796,950</u>	<u>786,500</u>	<u>786,500</u>	<u>786,500</u>	<u>786,500</u>	<u>786,500</u>
<u>Other</u>							
Insurance Recoveries	15,000	0	10,000	10,000	10,000	10,000	10,000
Cemeteries	137,200	148,921	146,200	146,200	146,200	146,200	146,200
Sundry	70,858	87,497	77,200	55,200	55,200	55,200	55,200
	<u>223,058</u>	<u>236,418</u>	<u>233,400</u>	<u>211,400</u>	<u>211,400</u>	<u>211,400</u>	<u>211,400</u>

**City of Courtenay  
General Operating Fund  
Proposed 2015-2019 Financial Plan**

DESC	2014 BUDGET	2014 ACTUAL (PRE-AUDIT)	2015 PROV BUDGET	2016 PROJ BUDGET	2017 PROJ BUDGET	2018 PROJ BUDGET	2019 PROJ BUDGET
<u>Unconditional Grants from Other Governments</u>							
>>Provincial Government							
Traffic Fine Revenue Sharing	198,024	197,860	280,404	280,404	280,404	280,404	280,404
Climate Action	20,000	22,517	20,000	20,000	20,000	20,000	20,000
BC Hydro - Graffiti Action	4,800	2,160	8,728	3,000	3,000	3,000	3,000
BC Hydro - Power Smart Partner Projects	5,000	0	453	453	453	453	453
Centennial Grant	0	26,995	66,800	0	0	0	0
	<u>227,824</u>	<u>249,532</u>	<u>376,385</u>	<u>303,857</u>	<u>303,857</u>	<u>303,857</u>	<u>303,857</u>
<u>Conditional Grants from Other Governments</u>							
>> Provincial Government							
Ministry of Transportation and Highways	700	1,278	1,000	1,000	1,000	1,000	1,000
Mature Driver Education	1,635	1,635	0	0	0	0	0
YOUTH	3,000	0	1,500	1,500	1,500	1,500	1,500
Healthy Comm Capacity Bldg Fund (Housing)	1,000	0	0	0	0	0	0
Healthy Comm Capacity Bldg Fund (Food Securit	1,000	4,947	1,100	0	0	0	0
Asset Management Planning	0	0	10,000	0	0	0	0
MIA Risk Grant - Banner Station	0	3,150	1,850	0	0	0	0
MIA Risk Grant - Native Sons	0	0	8,749	0	0	0	0
	<u>7,335</u>	<u>11,010</u>	<u>24,199</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>
>> Local Government							
Rescue 71	16,750	16,750	17,350	17,950	18,500	19,100	19,700
Memorial Pool	62,000	62,000	62,000	62,300	63,000	63,200	64,000
Cemetery	0	17,207	0	0	0	0	0
CVRD Housing Task Force	18,073	752	0	0	0	0	0
CVRD Cycling Task Froce	10,000	2,462	7,867	0	0	0	0
	<u>106,823</u>	<u>99,172</u>	<u>87,217</u>	<u>80,250</u>	<u>81,500</u>	<u>82,300</u>	<u>83,700</u>
<u>Transfers from Other Funds and Reserves</u>							
Reserve for Future Expenditures	1,147,787	1,147,787	1,586,064	226,759	0	0	0
Land Sales Reserve	0	747,847	0	0	0	0	0
New Works Reserve	0	140,718	183,502	20,000	20,000	20,000	20,000
Cemetery Perpetual Care Fund	3,000	3,212	3,000	3,000	3,000	3,000	3,000
Traffic Fine Revenue Reserve	533,204	387,339	700,278	330,492	333,714	338,698	344,782
Gaming Fund	315,204	315,204	325,278	330,492	333,714	338,698	344,782
Reserve Contributions	650,000	1,580,132	1,468,197	1,519,107	1,519,107	1,569,962	1,569,962
Sewer Frontage Tax	1,835,000	1,900,562	1,900,562	1,900,562	1,900,562	1,900,562	1,900,562
Water Frontage Tax	688,322	691,749	691,749	713,366	713,366	713,366	713,366
Prior Years Surplus	3,150,000	2,480,000	775,097	500,000	300,000	100,000	0
	<u>8,322,517</u>	<u>9,394,551</u>	<u>7,633,727</u>	<u>5,543,778</u>	<u>5,123,463</u>	<u>4,984,286</u>	<u>4,896,454</u>
<b>TOTAL REVENUES</b>	<b><u>58,028,911</u></b>	<b><u>59,311,623</u></b>	<b><u>38,846,017</u></b>	<b><u>36,674,855</u></b>	<b><u>37,254,173</u></b>	<b><u>38,053,412</u></b>	<b><u>38,870,192</u></b>

**City of Courtenay  
General Operating Fund  
Proposed 2015-2019 Financial Plan**

DESC	2014 BUDGET	2014 ACTUAL (PRE-AUDIT)	2015 PROV BUDGET	2016 PROJ BUDGET	2017 PROJ BUDGET	2018 PROJ BUDGET	2019 PROJ BUDGET
<b>EXPENDITURE</b>							
<u>General Government Services</u>							
Legislative	322,849	319,225	427,622	289,640	292,499	295,402	298,348
Corporate Services	2,336,095	2,127,570	2,442,306	2,440,922	2,470,775	2,481,525	2,534,929
Other (election costs, claims, risk mngt)	85,300	45,910	45,152	50,152	55,152	105,152	65,152
	<u>2,744,244</u>	<u>2,492,705</u>	<u>2,915,080</u>	<u>2,780,714</u>	<u>2,818,426</u>	<u>2,882,079</u>	<u>2,898,429</u>
<u>Protective Services</u>							
Police Protection	6,217,834	4,620,112	6,047,685	6,586,870	6,651,615	6,905,051	7,017,164
Fire Protection	1,727,442	1,685,885	1,645,411	1,601,718	1,624,072	1,640,666	1,685,022
Emergency Measures	48,000	52,728	70,034	62,534	62,534	62,534	62,534
Inspections	517,108	524,646	527,794	512,913	520,846	524,868	530,979
Animal Control/Bylaw Enforcement	140,852	115,746	142,702	140,854	142,022	143,208	144,412
	<u>8,651,236</u>	<u>6,999,118</u>	<u>8,433,626</u>	<u>8,904,888</u>	<u>9,001,089</u>	<u>9,276,327</u>	<u>9,440,111</u>
<u>Transportation Services</u>							
Net Common Services	538,891	522,741	552,027	551,397	556,541	561,759	567,053
>> Road Transport							
Engineering	1,143,462	905,139	1,239,240	1,027,885	1,039,298	1,050,882	1,214,639
Asset Management Planning	142,000	69,222	214,000	125,000	125,000	125,000	125,000
Roads and Streets	1,757,600	1,674,845	1,700,798	1,694,777	1,719,127	1,743,855	1,768,966
Street Lighting	603,000	581,922	642,200	659,870	676,077	690,612	705,557
Traffic Services	82,500	69,854	97,500	97,500	97,500	97,500	97,500
Parking Control	44,250	44,716	45,500	46,130	46,769	47,418	48,077
Air Transport	3,800	4,504	4,600	4,634	4,668	4,703	4,738
	<u>4,315,503</u>	<u>3,872,943</u>	<u>4,495,865</u>	<u>4,207,193</u>	<u>4,264,980</u>	<u>4,321,729</u>	<u>4,531,530</u>
Environmental Health Services (solid waste, recy)	2,686,243	2,642,282	2,842,362	3,000,446	3,200,409	3,418,500	3,656,588
Public Health and Welfare Services (cemetery, ot	224,673	224,341	196,500	198,915	201,366	203,854	206,380
Planning & Development Services	645,156	607,737	677,138	647,247	655,781	664,443	673,234
Hotel Tax - Transfer to EDS	276,000	222,666	232,200	232,200	232,200	232,200	232,200
<u>Recreation and Cultural Services</u>							
>>Administration and Recreation Programs	3,053,851	3,189,549	3,219,218	3,257,892	3,296,812	3,335,600	3,375,364
>>Recreation Facilities							
Lewis Centre	214,000	215,808	232,500	224,280	225,573	226,879	228,197
Florence Filberg Centre	141,500	163,931	352,000	166,330	167,168	168,015	168,870
Linc Youth Centre	33,500	32,606	95,400	36,044	36,189	36,336	36,485
Pool and Marina	84,100	83,809	86,500	86,805	87,113	87,424	87,738
Parks and Playgrounds	2,069,424	2,154,708	2,221,487	2,187,456	2,209,109	2,231,109	2,253,462
Cultural Buildings and Facilities	640,450	616,260	749,600	714,166	680,314	686,547	692,865
Requisition - Vanc Isl Reg Libr	1,085,184	1,085,184	1,145,420	1,156,874	1,168,443	1,180,127	1,191,929
Other Buildings	54,300	52,683	50,450	50,735	51,022	51,312	51,605
	<u>7,376,309</u>	<u>7,594,536</u>	<u>8,152,575</u>	<u>7,880,581</u>	<u>7,921,744</u>	<u>8,003,350</u>	<u>8,086,515</u>
<u>Transfer of Taxes Collected for Other Authorities</u>							
School Taxes	11,710,922	11,702,257					
Regional Hospital District	4,050,023	4,050,023					
Municipal Finance Authority	972	972			Not yet available		
Comox Strathcona Regional District	3,871,682	3,871,682					
BC Assessment	320,222	319,966					
Business Improvement Area	60,000	60,000	60,000	60,000	60,000	60,000	60,000
	<u>20,013,821</u>	<u>20,004,900</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>
<u>Fiscal Services</u>							
Principal Repaid	1,119,208	1,119,208	1,119,815	854,592	1,114,996	1,322,956	1,305,230
Interest Charges	939,372	861,166	777,989	736,720	960,970	1,203,970	1,194,790
MFA Debt Reserve Fund	15,000	10,063	10,000	10,000	10,000	10,000	10,000
	<u>2,073,580</u>	<u>1,990,437</u>	<u>1,907,804</u>	<u>1,601,312</u>	<u>2,085,966</u>	<u>2,536,926</u>	<u>2,510,020</u>
<u>Transfers to Other Governments</u>							
CVRD - Artificial Turf Field	0	872,278	0	0	0	0	0
Share of Prov and Fed Grants in Place of Taxes	127,000	129,963	130,000	131,300	132,613	133,939	135,279
	<u>127,000</u>	<u>1,002,241</u>	<u>130,000</u>	<u>131,300</u>	<u>132,613</u>	<u>133,939</u>	<u>135,279</u>

**City of Courtenay  
General Operating Fund  
Proposed 2015-2019 Financial Plan**

DESC	2014 BUDGET	2014 <u>ACTUAL</u> (PRE-AUDIT)	2015 PROV BUDGET	2016 PROJ BUDGET	2017 PROJ BUDGET	2018 PROJ BUDGET	2019 PROJ BUDGET
<u>Transfers to Reserves and Other Funds</u>							
Reserve for Future Expenditures	0	1,426,995	291,759	0	0	0	0
Machinery and Equipment Reserve Fund	555,000	555,000	575,000	600,000	605,000	610,000	615,000
Cemetery Perpetual Care Fund	10,000	12,543	11,000	11,000	11,000	11,000	11,000
New Works and Equipment Reserve Fund	1,173,024	2,105,509	2,116,601	1,872,107	1,872,107	1,922,962	1,922,962
Public Parking Reserve Fund	4,500	4,608	4,500	4,500	4,500	4,500	4,500
Contingency Reserve	147,158	0	125,000	127,500	130,050	132,651	135,304
General Capital Fund	4,482,142	3,476,775	3,086,696	1,801,025	1,443,013	1,025,024	1,137,213
Water Utility Operating Fund (frontage Tax)	688,322	691,749	691,749	713,366	713,366	713,366	713,366
Sewer Operating Fund (frontage tax)	1,835,000	1,900,562	1,900,562	1,900,562	1,900,562	1,900,562	1,900,562
	<u>8,895,146</u>	<u>10,173,742</u>	<u>8,802,867</u>	<u>7,030,060</u>	<u>6,679,598</u>	<u>6,320,065</u>	<u>6,439,907</u>
<b>TOTAL EXPENDITURE</b>	<b><u>58,028,911</u></b>	<b><u>57,827,648</u></b>	<b><u>38,846,017</u></b>	<b><u>36,674,855</u></b>	<b><u>37,254,173</u></b>	<b><u>38,053,412</u></b>	<b><u>38,870,191</u></b>
<b>INCREASE (DECREASE) IN OPERATING FUNI -</b>	<b><u>0</u></b>	<b><u>1,483,974</u></b>	<b><u>- 0</u></b>	<b><u>0 -</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

**City of Courtenay**  
**Citizen Budget - 2015 Online Consultation Report Findings**  
**Analysis of Responses**

**QUESTION: How would you adjust your property tax funding for the following services?**

Service Area		Decrease	No Change	Increase	Total Responses
<b>Police Services</b>	Number of Responses	21	47	37	105
	Percent of Respondents	20%	45%	35%	100%

<b>Fire Services</b>	Number of Responses	17	53	22	92
	Percent of Respondents	18%	58%	24%	100%

<b>Recreation Services</b>	Number of Responses	35	31	30	96
	Percent of Respondents	36%	32%	31%	100%

<b>Transportation Services</b>	Number of Responses	19	44	37	100
	Percent of Respondents	19%	44%	37%	100%

<b>General Government Services</b>	Number of Responses	41	50	11	102
	Percent of Respondents	40%	49%	11%	100%

**QUESTION: What percentage increase in property taxation would you be willing to pay in 2015?**

2015 Tax increase Range	Number of Picks	Percent of Respondents
0%	29	27%
1%-2%	46	43%
2%-3%	15	14%
3%-4%	8	8%
4%-5%	8	8%
<b>Total Responses</b>	106	100%

**City of Courtenay**  
**Citizen Budget - 2015 Online Consultation Report Findings**  
**Analysis of Responses**

**QUESTION: What are the top five issues facing Courtenay?**

Issue (from a list provided)	Number of Picks	Percent
Infrastructure Maintenance	92	21%
Parks, Recreation, Culture	59	14%
Growth	50	12%
Environment	46	11%
Crime	42	10%
Transportation	39	9%
Fire Protection	38	9%
Social	37	9%
Public Engagement	25	6%
<b>Total</b>	<b>428</b>	<b>100%</b>

**QUESTION: What is your overall satisfaction rating of value received from property tax dollars?**

Value Rating	Number of Picks	Percent
Very Good	10	9%
Fairly Good	73	67%
Fairly Poor	18	17%
Very Poor	5	5%
Don't Know	3	3%
<b>Total Responses</b>	<b>109</b>	<b>100%</b>



City of Courtenay

Citizen Budget - Freeform Comments

Online Budget Consultation Report for the Period February 3, 2015 to March 11, 2015

	Other items considered to be important
Amalgamation / Efficiencies	Valley wide amalgamation, Reduction of Municipal spending Stimulate economic growth Create good well paying jobs Eliminate new proposed Fire Training Center Contract out non essential services Eliminate 700K from 2015 budget for new vehicles Hire efficiency Expert to review each department and report back to Mayor and Council on opportunities to reduce City administration costs
Amalgamation / Efficiencies	I think we have too much duplication within our area. Comox, Courtenay & Cumberland. Three Mayors, Councilman, Offices. I realize my comments are not what you want to hear. I wish people would use the word 'taxpayer' in place of the word 'government'. Folks seem to think government is something other than the taxpayer. I hear government bodies wanting the Municipal taxpayer to contribute, Provincial taxpayer to contribute, Federal taxpayer to contribute to pay for items and then they want the people to contribute to these costs. Don't people understand that it's all TAXPAYER Me. We continue to get further into debt, How about reducing the debt. But then mayors and councilmen wouldn't get voted in next election. So sad we are getting what we want for today only to leave a mess for the next mayor/council to deal with. No one wants to be the bad guy. But it's like that everywhere isn't it. You have a tough job left behind from the last ones, ... and so it goes on. I appreciate this opportunity to voice my opinion. We'll continue to pay until we can't anymore. Good luck
Cost Efficiencies	Fiscal responsibility, finding ways and means to provide the necessary services to the community in an ever efficient and more cost effective manner.
Downtown Revitalization	Revitalization of downtown to attract more tourist traffic with better signage directing traffic from highway, airport and ferry
Employment	Employment opportunities
Employment	I feel strongly that the Valley needs to work much harder to provide meaningful jobs for the youth of our Community. Many of our youth need to leave to find work. Real Work. It seems that there is very little effort being made by the municipal governments to attract something more than service jobs or self-employed contract work. Real Companies (not hollow press releases) need to move here. Development/growth seems to need to become much faster and more deliberate. We are so very lucky to have a few stable employers such as the Military base, but I fear we have become lazy by relying on this stable employment. This community should be taking much greater advantage of this stability. Without growth and jobs for our Youth, this community will never prosper.
Housing	Homelessness. Real economic development.
Housing	build a homeless shelter already!
Housing	homelessness!
Housing	Affordable housing that allows pets & homelessness
Housing	Homelessness
Housing	Homeless and subsidized housing
Housing	Supportive housing for the homeless.

## City of Courtenay

## Citizen Budget - Freeform Comments

## Online Budget Consultation Report for the Period February 3, 2015 to March 11, 2015

	Other items considered to be important
Housing	- provide homes for homeless - encourage affordable rentals, including for people who have small pets
Housing	affordable housing, increased density downtown to help revitalize shopping area
Housing	affordable housing and homelessness
Housing	***Affordable housing....is not \$900-\$1200 apartments, need some solutions
Infrastructure	more money needs to spent on aging infrastructure, sewer, water, storm, city hall needs to be able to process development application in less than a year , other municipalities larger than Courtenay do it in max 6-8 months.
Infrastructure - 5th Street Bridge	Paint the 5th street bridge before it rusts away.
Maple Pool	settle Maple Pool issue, settle homeless issue: build supportive housing, not emergency housing - hand up, not a hand out
Maple Pool	deal with maple pool. stop spending tax dollars on legal fees.
Maple Pool	drop the maple pool law suit, it's punitive and expensive.
Maple Pool	Drop the court case against Maple pool and start brainstorming ways you can help the Lin's fix the issue. They are doing a fantastic job helping keep people off our streets and giving people back some dignity.
Maple Pool	Stop spending money on Maple pool lawsuit, curb council related expenditures.
Maple Pool	Resolve the Maple Pool dispute. I'm in favour of allowing it to remain as is with some provision for raising the back end of the site.
Maple Pool	Dropping the law suit against the Linns and saving Maple Pool for its current residents.
Maple Pool	Quit using tax dollars to fund legal case against Maple Pool, except for a waiver releasing the city of responsibility for those living there signed by tenants, if people are against it let them pool their money together and use that instead of mine.
Maple Pool	I think we have a nice balance but stop wasting money on the Maples Pool situatuion. Can you imagine if you gave that money to the residents and not the lawyers?
Medical	***Hospital/medical wait times and resources. Why do people say finally we got a good doctor while in Victoria hospital?
Pedestrian Bridge	Walking bridge

## City of Courtenay

## Citizen Budget - Freeform Comments

## Online Budget Consultation Report for the Period February 3, 2015 to March 11, 2015

	Other items considered to be important
Seniors	I think that you should allow the senior age at recreation centres to be 55 years and older. It would be viewed as preventative medicine.
Service Costs	If you want my input on tax adjustments then tell me if these areas are underfunded, & if so, how additional funding would be spent. I'm not going to arbitrarily provide more tax money if funding is currently adequate.  I'll happily participate in surveys to adjust taxation but if this is your way of proposing a tax increase, you skipped over the justification for it.
Service Costs	Reducing the overall overhead cost of city operations in general. People, equipment, etc.. The city's never end pit of costs is out of control. This is on the backs of every non city resident and the business's who are paying way more then there share. The effect is evident in the ever increasing vacancies and the loss of development activities by business who are simply fed up with the who cares attitude for the city of courtenay
Social Assistance	helping the poor
Social Assistance	*** Food/resources for low income children
Taxes	I'm also in favour of reducing small business tax somehow. I did not adjust the above expenditures because I haven't got a clue how much each group needs and justification for any changes.
Transit	I think that the Comox Valley should go to smaller buses. As a person with a Class 2 Driver's License, I see too many empty buses driving around town, while hearing a need for more service.
Transportation	Appropriate road systems and bridges built BEFORE traffic becomes a problem.
Water	A new state of the art water treatment facility.
Water	A new state of the art water treatment facility.
Water	Working with CVRD to implement a water filtration system.

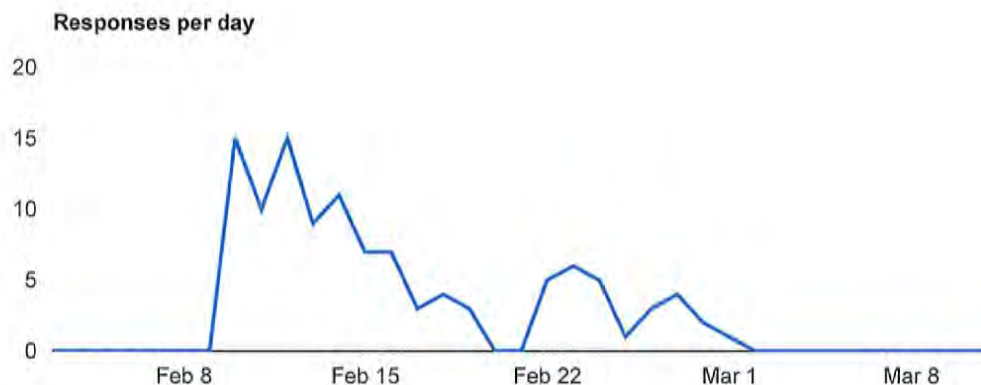
# Citizen Budget

Summary

## Online Budget Consultation Report For the period February 3 to March 11, 2015

Prepared by Open North for: City of Courtenay

111  
 Responses  
 6 minutes  
 Median time to complete

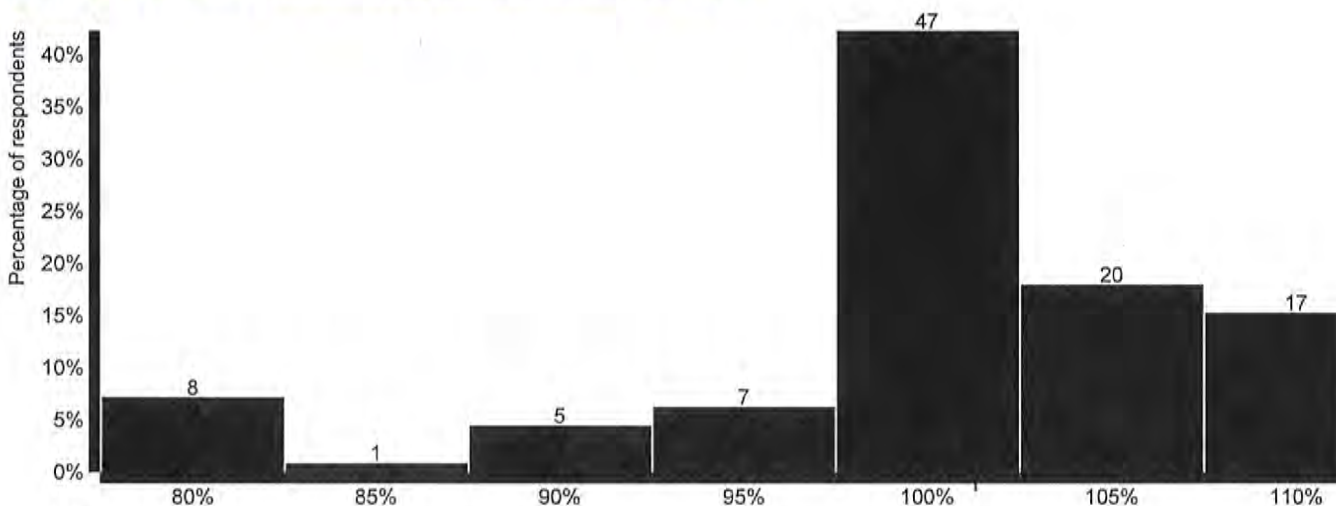


### Trends

#### Responses for each question

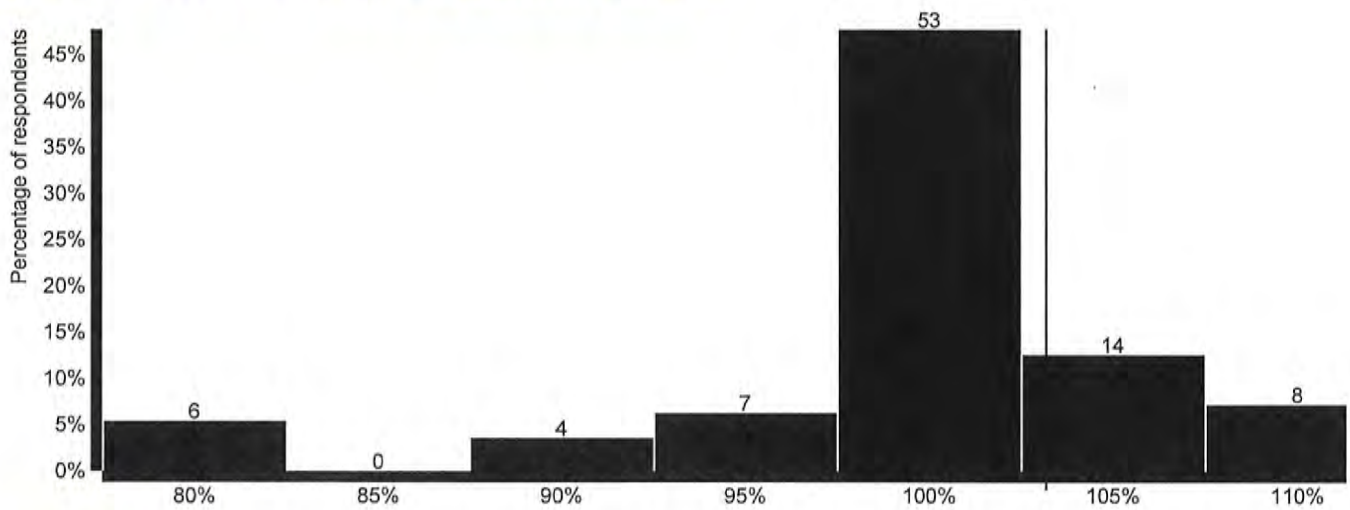
##### Police Services

##### 1 How would you adjust your property tax funding for Police Services?



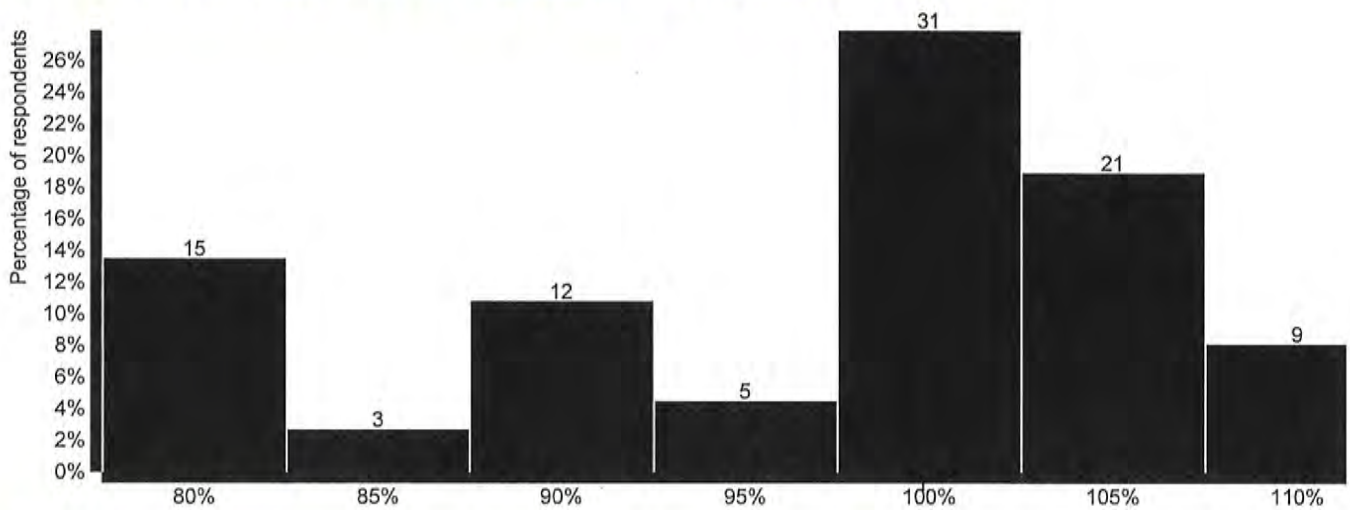
**Fire Services**

**2 How would you adjust your property tax funding for Fire Services?**



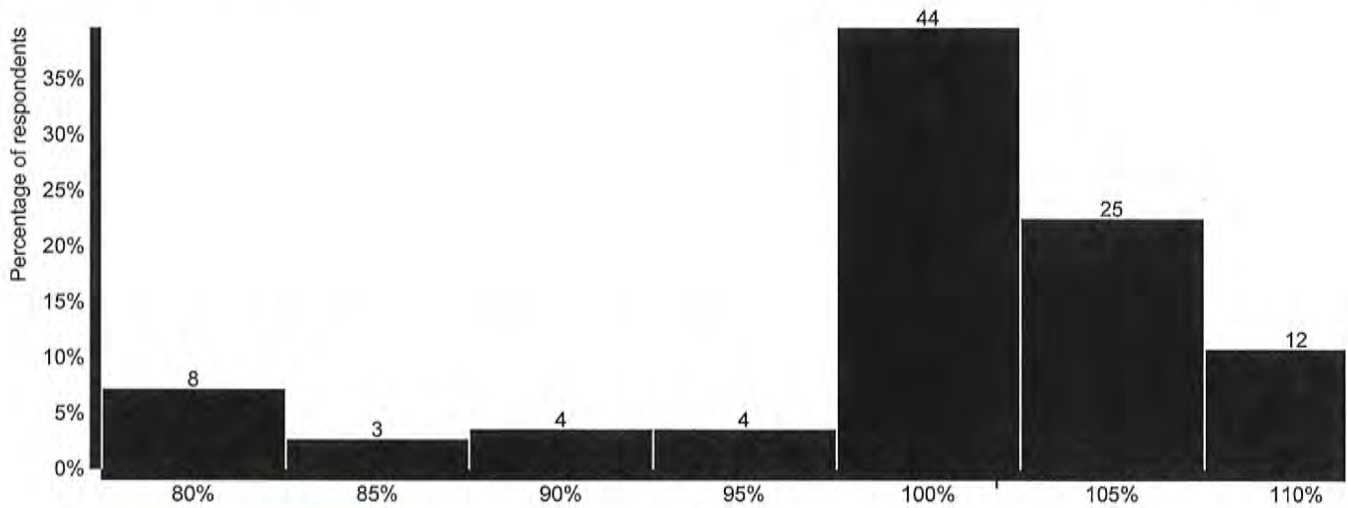
**Recreation Services**

**3 How would you adjust your property tax funding for Recreation, Parks, Culture Services?**



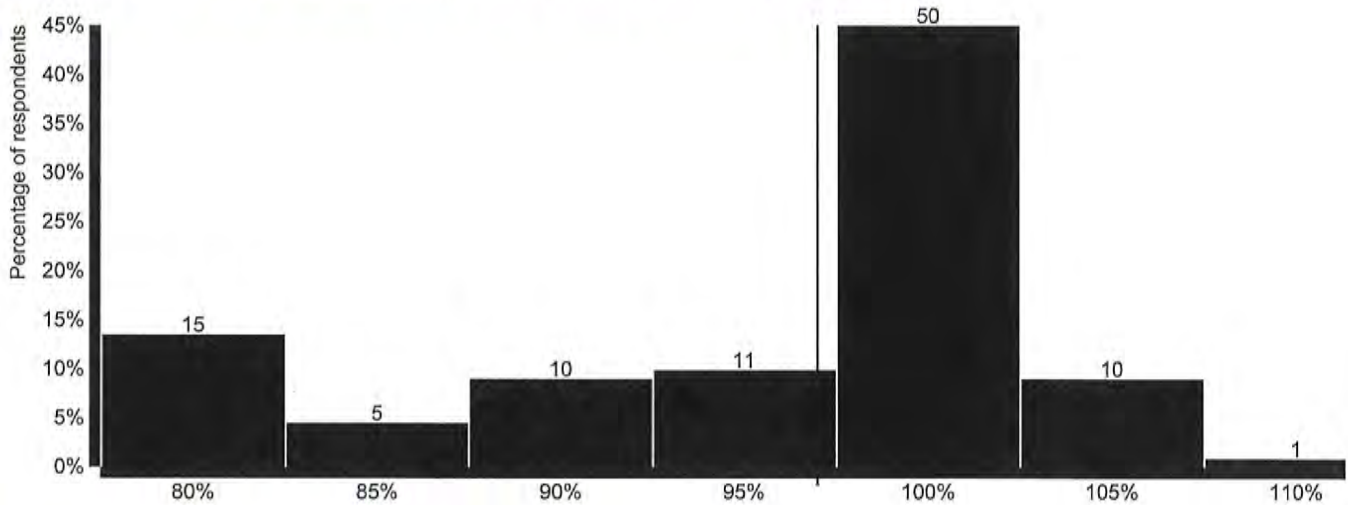
**Transportation Services**

**4 How would you adjust your property tax funding for Transportation Services?**



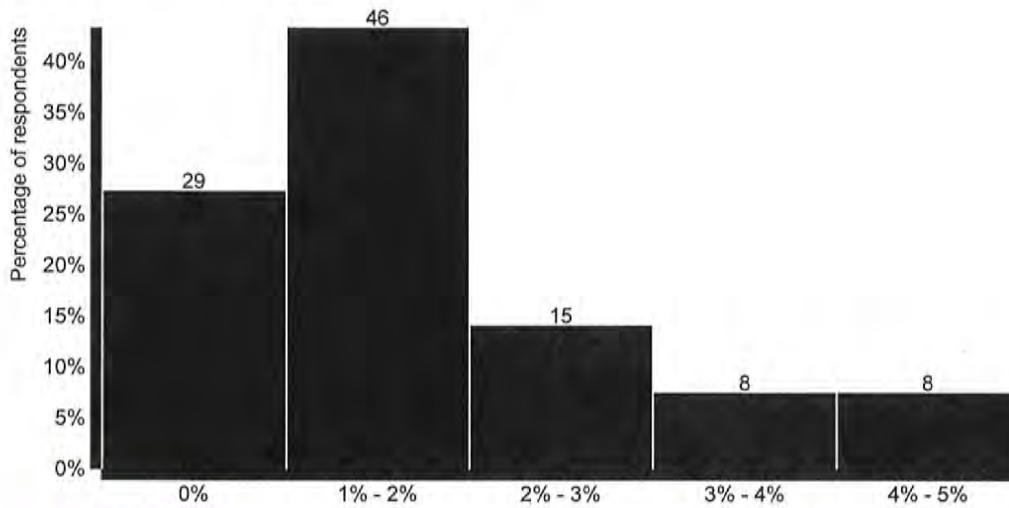
**General Government Services**

**5 How would you adjust your property tax funding for General Government Services?**



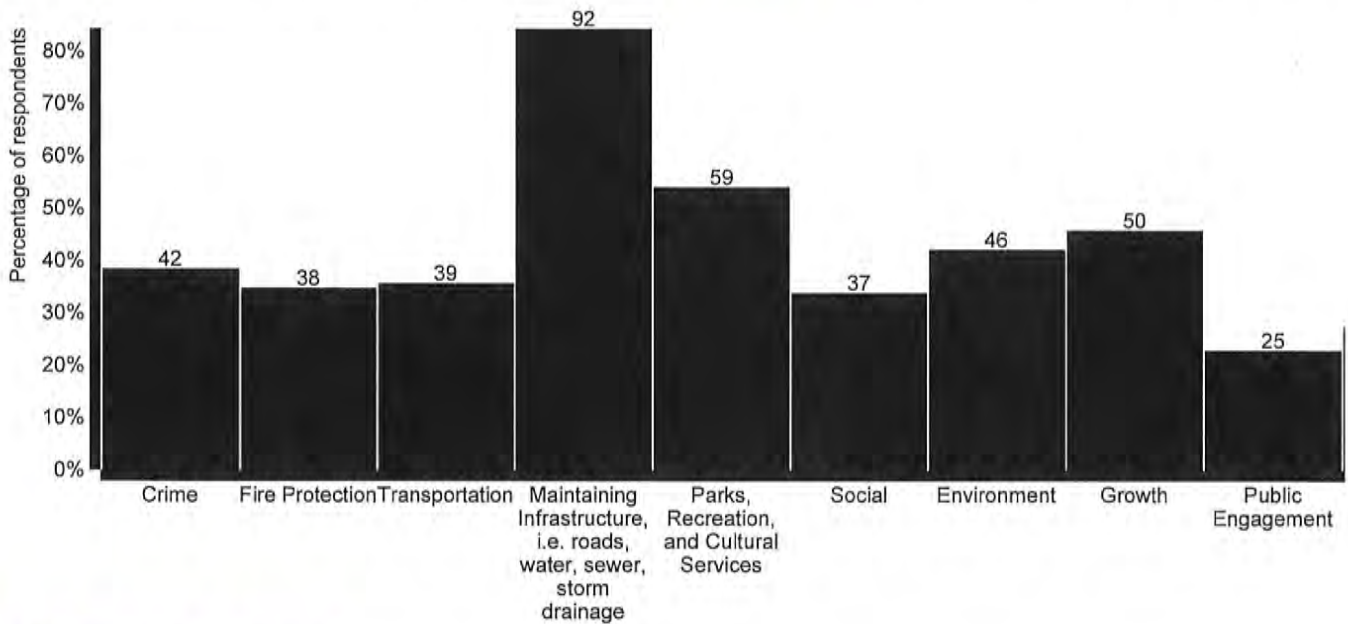
**2015 General Municipal Property Taxes**

**6 Thinking about all the programs and services you receive from the City of Courtenay that are funded by general municipal property taxes, what percentage increase would you be willing to pay in 2015?**



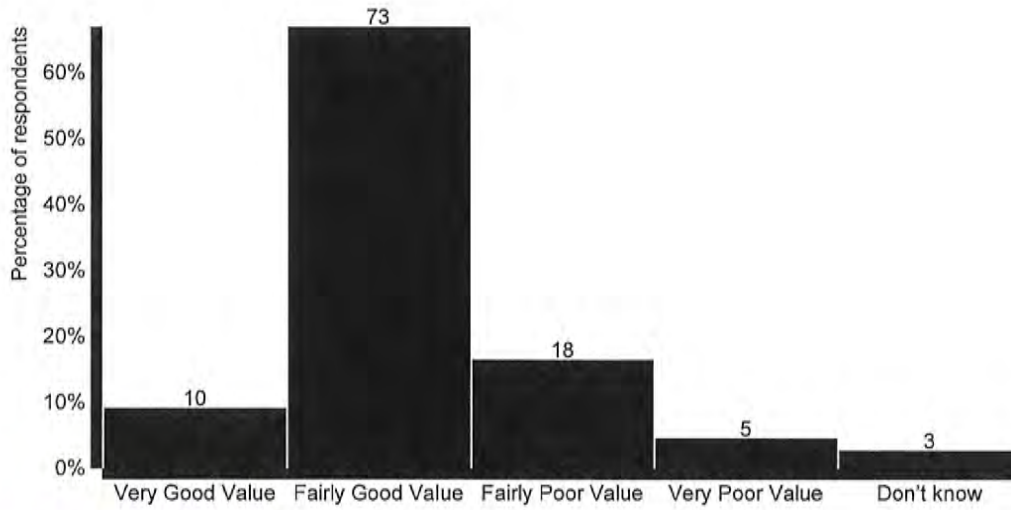
**Important Issues**

7 In your view, as a resident of the City of Courtenay, what are the **top 5 issues** facing your community that you feel should receive the greatest attention from your local leaders?



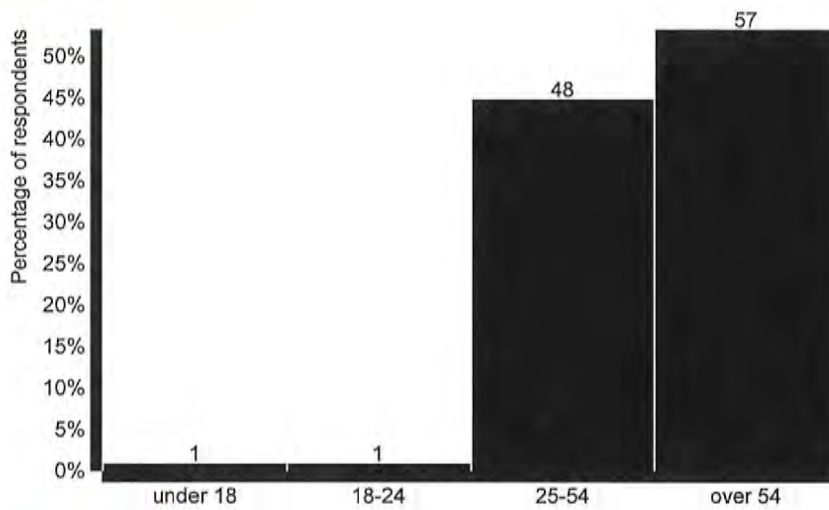
**Overall Customer Satisfaction**

8 Thinking about all the programs and services you receive from the City of Courtenay, would you say that overall you get good value or poor value for your tax dollars?

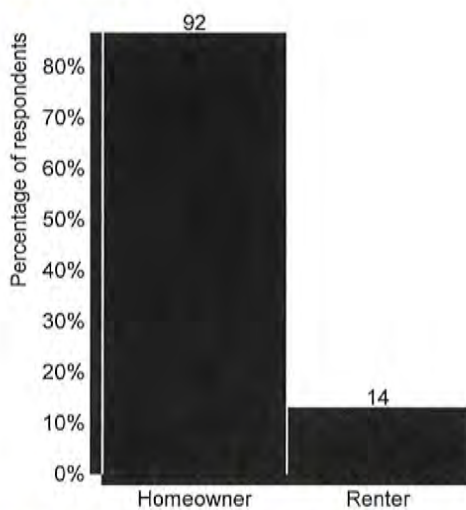


Other data collection:

9 Age



10 Housing



11 How long have you lived in the City?



