

**CORPORATION OF THE CITY OF COURTENAY  
COUNCIL MEETING AGENDA**

**DATE:** May 2, 2016  
**PLACE:** City Hall Council Chambers  
**TIME:** 4:00 p.m.

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**1.00 ADOPTION OF MINUTES**

1. Adopt April 18, 2016 Regular Council and April 25, 2016 Committee of the Whole meeting minutes

**2.00 INTRODUCTION OF LATE ITEMS**

**3.00 DELEGATIONS**

Pg #

1. RCMP Inspector Tim Walton to give an update and priorities for 2016-17
- 1 2. Jeff Lucas, Cascadia Liquor to provide more information regarding Retail Liquor Policy changes

**STAFF REPORTS/PRESENTATIONS**

**(a) Recreation and Cultural Services**

**(b) CAO and Legislative Services**

- 9 1. Summer Meeting Schedule
- 13 2. Billy D's Pub and Bistro Structural Change

**(c) Development Services**

**(d) Financial Services**

- 29 3. 2016 – 2020 Financial Plan

**(e) Engineering Services**

**(f) Public Works Services**

**5.00 EXTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION**

- 109 1. Heritage Advisory Minutes of March 23, 2016

**6.00 INTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION**

- 111 1. Memo: RV Parking for Square Dance Event
- 113 2. Memo: Pilot Project for Crown Isle Bench Program
- 117 3. Briefing Note: 5<sup>th</sup> Street Complete Streets Pilot Project
- 119 4. Memo: User Fee Rates – Suites in Single Family Dwellings

**7.00 REPORTS FROM COUNCIL MEMBERS REGARDING CITY RELATED ACTIVITIES INCLUDING REPORTS FROM COUNCIL AND EXTERNAL COMMITTEES**

**8.00 RESOLUTIONS OF COUNCIL**

**9.00 UNFINISHED BUSINESS**

**From Delegation to the April 18, 2016 Regular Council Meeting**

- 121 1. North Island Students’ Union requesting Council support for the following motion:  
  
“Be it resolved that Council requests the Mayor to write a letter to Minister Andrew Wilkinson stating support for Adult Basic Education and requesting the Ministry to reinstate funding for Adult Basic Education programs and that the letter be copied to the Canadian Federation of Students BC and the North Island Students’ Union.”

**10.00 NOTICE OF MOTION**

**11.00 NEW BUSINESS**

**12.00 BYLAWS**

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**For First, Second, and Third Reading**

- 137 1. “Business Licence Amendment Bylaw No. 2847, 2016”  
(food trucks within the City of Courtenay)
- 149 2. “2016-2020 Financial Plan Bylaw No. 2848, 2016”
- 163 3. “Tax Rates Bylaw No. 2849, 2016”

**For Final Adoption**

- 169 4. “Development Cost Charges Bylaw No. 2840, 2016”

**13.00 ADJOURNMENT**

May 2  
Delegation

I am speaking as a representative of Liquor retailers within the city of Courtenay, including City Centre Spirits, Liquor Plus, Mex Beer and Wine and the Whistle Stop. At the Feb 9 Council Meeting, I submitted a letter about recent Retail Liquor Policy changes by the BC provincial government which I feel could have a negative impact on our City. From this letter, and the discussion that followed between councilors, it was clear that we needed to provide more information to allow you to make an informed decision about how to control the effect of this policy on our community.

We have collected information from our regional Medical Health Officer, our local RCMP detachment, and our Area Liquor Inspector. As a group of concerned Liquor retailers, we are worried about how implementation of this policy could adversely affect our industry and the health of our community. Throughout Courtenay, EVERY grocery store that could potentially sell liquor already has a private or government liquor store within 100m of it.

A brief history: after a comprehensive Liquor policy review by the BC Government, they announced 73 recommendations in April 2015. The Minister of Justice has implemented many of these changes already, while other recommendations may or may not be implemented in the future.

First, here is our current situation in Courtenay:

Liquor in the City of Courtenay is only sold in either 5 Private liquor stores or in 1 Government liquor store.

In April 2015, legislation has given Grocery stores the ability to sell Liquor through one of 2 different types of licenses. FIRST, They could purchase an existing private liquor store license and then move that license into their store. With this kind of license, some rules included, but not limited to are:

- 1) A redline of the entire retail area that restricts access to any unaccompanied minor.
- 2) A separate door and walled off area where liquor may be sold or stored.
- 3) No private or government store can be located within 1 KM of each other.

The SECOND option to grocery stores is to operate an existing or dormant VQA liquor license which allows them to sell BC wine today, but with the understanding that in the future, craft beer and spirits may be added to the offerings. The province has made no mandate as to density of liquor outlets within a community. Each store can set up this retail liquor regardless of proximity to other liquor retailers. In the city of Courtenay, we have 5 major grocery stores which all qualify to set up a liquor licensed section in their existing locations. Under the new regulations, these food/liquor stores operate under a different set of rules including, but not limited to:

- 1) Having alcohol on the shelves with no barrier so that there is unrestricted access to all patrons regardless of age.
- 2) They can locate anywhere in BC with no distance criteria required between their store and either Private or Government Liquor retailers.

I'd like to outline how I think this change could affect our community on 3 separate, but connected fronts:

- 1) Medical Health
- 2) Policing
- 3) Liquor Regulations and Inspections

We believe that Courtenay should consider implementing a 1km distance rule between any new liquor retailers.

We respectfully ask council to direct staff to draft a bylaw that maintains the same distance regulation for all liquor retailers which the province currently has in place when considering the movement of a private liquor store license. I encourage you to reach out to our local medical health office, RCMP and BC Liquor Inspector to get their feedback directly.

**RECOMMENDATION:** the City of Courtenay should review current zoning bylaws and definitions regarding retail liquor outlets.

Ensure that language in current and future legislation is not unintentionally self-limiting (i.e., "Liquor Stores" vs. "retailers of beverage alcohol" or use "pursuant to Liquor Control and Licensing Act".)

Ensure that any retailer of alcohol is required to meet the common minimum standard of safety that is applied to a private or government liquor store.

Implement a distance criterion that prevents concentrations of liquor retail. As of April 1, 2015, a 1KM rule has been applied by the Province to any new private liquor stores and Government Liquor Stores. Retailing safeguards of this nature in Courtenay would allow for responsible liquor retail development in identified mature and immature comprehensive development zones.

We believe Courtenay should consider implementing the same 1KM distance rule as a safe and fair way to manage liquor retail outlets.

Courtenay residents would be well served by distance criteria for liquor retail that would not be dissimilar to future potential retail policies around other controlled substances (dispensaries etc...). This rule would include Government Liquor Stores, Private Liquor Stores and Grocery Stores.

Such policies would protect jobs, investment in the community; provide future investment certainty and most importantly, it would maintain the safety for the citizens and taxpayers of Courtenay.

Please see below to see that throughout the island and our Province, there are many other progressive communities have already taken these municipal land use matters into their own hands in order to preserve the health and safety of their communities.

**Some municipal examples:**

*City of Kamloops* – 1km distance requirement from any liquor retail sale use

*City of Penticton* – instruction to staff to impose 1km distance criteria between alcohol retailers

*Town of View Royal* – no additional licensed retail stores are permitted on land within 320m of the original licensed retail store. Beer, wine, spirits or other liquor cannot be sold within a grocery store or supermarket

*City of Langford* – policy to discourage applications with 800 meters of any other retail liquor store (including grocery)

*City of Victoria* – general distance requirement of 200 meters and avoid concentrations in same block or intersection. Distance requirements of 200 meters from schools.

*City of Richmond* – 500 meter distance criteria for liquor retail

*City of Coquitlam* – increase distance requirement from 300 meters to 1km

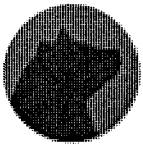
*City of Vancouver* – rejection of applications for liquor on grocery store shelves. In process of developing policy about density limitations

*City of North Vancouver* – 1km separation between all licensee retail stores

*City of Kelowna, Vernon, Port Alberni* – investigating policies to control density of retail sales of alcohol

Appendix:

- 1) 73 recommendations of BC Liquor Policy Review  
[http://www2.gov.bc.ca/local/haveyoursay/Docs/liquor\\_policy\\_review\\_report.pdf](http://www2.gov.bc.ca/local/haveyoursay/Docs/liquor_policy_review_report.pdf)
- 2) Municipal Alcohol Policy Template  
<http://www.uvic.ca/research/centres/carbc/assets/docs/report-helping-municipal-govts.pdf>



**cascadia  
LIQUOR STORES**

January 26th, 2016

City of Courtenay  
830 Cliffe Avenue  
Courtenay, British Columbia  
V9B 2X8

**Re: Retail liquor policy changes and impacts on local government**

Dear Mayor and Council:

As largely small, independent, and family-owned businesses, private liquor store operators are a key part of the business community. With the ongoing roll-out of provincial changes to liquor retailing, there are key issues that we ask the City of Courtenay to consider.

Grocery and alcohol-on-the-shelf:

The province is allowing grocery stores around the province to sell wine on open shelves, in standard, uncontrolled aisles and shopping areas. The "BC wine only" stipulation is under trade challenge and these licences are already being expanded to other types of alcohol.

The list of rules and regulations that are imposed on private and public liquor stores regarding access of unaccompanied minors; storage; stock room layout; security; distance requirements and more are long, significant, and generally appropriate. They prevent people with substance abuse problems from being unwillingly exposed to alcohol when they are buying necessities such as food. The rules and regulations have also reduced alcohol related policing costs.

Liquor is a controlled substance and special regulations are needed. Alcohol, whether it is beer or wine is still alcohol. It is unfair and dangerous to have a different set of rules for two different retailers.

Small businesses have invested significantly in liquor retail stores in Courtenay and their profits are reinvested in the local community. Courtenay liquor retailers have purchased expensive licenses under the governments assurances around the "1km rule" and have taken on long term lease obligations and made significant long term investments in their properties.

Wine and alcohol in grocery will NOT be subject to the 1km rule, meaning you could have a shopping plaza with a Government Liquor Store (GLS) or Private Liquor Store (LRS) next door to a grocery store with a large section of wine and other types of alcohol. In many cases this puts too many retail liquor options on the same property or in an area of concentration.

Wine and alcohol sales are the only part of our business. As private liquor retailers we are not permitted to act as a grocery or any other kind of retail store.

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5 locations across Vancouver Island including:  
Quadra Village, Uptown, Colwood, Courtenay & Langford

CASCADIALIQUOR.COM

These two sets of rules the Province has outlined, benefit large corporate grocery chains, but do not create a level playing field, instead, they hurt small business and have an impact on public safety and policing costs. We respectfully ask Mayor and Council to consider our recommendations.

**RECOMMENDATION:** the City of Courtenay should review current zoning bylaws and definitions regarding retail liquor outlets.

Ensure that language in current or future legislation is not unintentionally self-limiting (i.e., "Liquor Stores" vs. "retailers of beverage alcohol" or use "pursuant to Liquor Control and Licensing Act".)

Ensure that any retailer of alcohol is required to meet the common minimum standard of safety that is applied to a private or government liquor store.

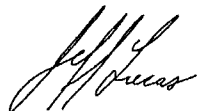
Implement a distance criterion that eliminates concentrations of liquor retail. As of April 1, 2015, a 1,000 meter (1km) rule has been applied by the Province to any new private liquor stores and Government Liquor Stores. Retailing safeguards of this nature would not be a detriment in terms of reasonable access to alcohol in Courtenay and would still allow for responsible liquor retail development in identified mature and immature comprehensive development zones.

We believe Courtenay should consider implementing a distance rule and believe reducing to a metric just under 1km would be acceptable and a fairer way to manage liquor retail outlets.

Courtenay residents would be well served by distance criteria for liquor retail that would not be dissimilar to future potential retail policies around other controlled substances (dispensaries etc...). This rule would include Government Liquor Stores, Private Stores and Grocery Stores.

Such policies would protect jobs, investment in the community; provide future investment certainty while insuring public access and appropriate safeguards to the citizens and taxpayers of Courtenay.

Respectfully,



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Jeff Lucas  
GM, Cascadia Liquor Store

**Some municipal examples:**

*District of Saanich* – bylaw restrictions to one Liquor Retail Store per shopping centre

*Town of View Royal* – no additional licensed retail stores are permitted on land within 320m of the original licensed retail store. Beer, wine, spirits or other liquor cannot be sold within a grocery store or supermarket

*City of Victoria* – general distance requirement of 200 meters to avoid concentrations in the same block or intersection. Distance requirements of 200 meters from schools.

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*City of Vancouver* – rejection of applications for liquor on grocery store shelves. In process of developing policy

*City of North Vancouver* – 1km separation between all licensee retail stores

*City of Kelowna, Vernon, Port Alberni* – investigating policies to control density of retail sales of alcohol



**Example:**

**INTERPRETATION Division 3 – Definitions**

**AMEND:**

“Liquor Store” means the business through which a person may retail to the general public liquor and liquor products.

**TO:**

"Licensed Retail Store" means any premises licensed pursuant to the Liquor Control and Licensing Act (whether principal in nature or not) that engages in the retail sale of wine, beer, spirits and/or any other liquor for offsite consumption. Display, storage and sales of all bottled or canned alcoholic beverages must take place in an area of the store that is separately enclosed or segregated from any area where any other product is displayed, stored or sold.

**OCP/BYLAW AMENDMENT:**

Policies or directives in the OCP that discourage zoning for Licensed Retail Store use if there is already a Licensed Retail Store within “X” meters of the proposed site.





THE CORPORATION OF THE CITY OF COURTENAY

## STAFF REPORT

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**To:** Council  
**From:** Chief Administrative Officer  
**Subject:** Summer Meeting Schedule - 2016

**File No.:** 0570-01  
**Date:** May 2, 2016

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### PURPOSE:

The purpose of this report is to consider amending the Council meeting schedule during the 2016 summer season.

### CAO RECOMMENDATIONS:

That based on the May 2<sup>nd</sup>, 2016 staff report "Summer Meeting Schedule - 2016", Council approve OPTION 1 and cancel the following scheduled meetings:

- July 25<sup>th</sup>, 2016 Committee of the Whole meeting;
- August 29<sup>th</sup>, 2016 Committee of the Whole meeting;

That the June 6<sup>th</sup>, 2016 Regular Council meeting be cancelled and rescheduled for June 13<sup>th</sup>, 2016; and

That a Special Council meeting for the 2016 Five Year Financial Plan be held May 9<sup>th</sup>, 2016.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM  
Chief Administrative Officer

### BACKGROUND:

In 2001, Council passed a resolution to reduce the number of Council meetings and Committee of the Whole meetings during the months of July and August. Since that time, this reduced schedule has been recommended and implemented annually, with no issues related to a reduction in City services identified to date.

### DISCUSSION:

Under the current schedule pursuant to Council Procedure Bylaw No. 2730, 2013, there are two Council meetings and one Committee of the Whole (COW) meeting per month with the exception of December.

The FCM Annual Convention is being held June 3<sup>rd</sup> to June 5<sup>th</sup>, 2016; therefore it is recommended that that the June 6<sup>th</sup> Council meeting be rescheduled.

In addition, a special meeting is required to consider the financial plan and tax rates bylaws prior to the statutory deadline of May 15.

If approved, the revised schedule for July and August 2016 would be as follows:

- July 4<sup>th</sup>, 2016 – Council
- July 18<sup>th</sup>, 2016 – Council
- August 2<sup>nd</sup>, 2016 – Council
- August 15<sup>th</sup>, 2016 – Council

The Council meeting schedule would return to normal on Tuesday September 6<sup>th</sup>, 2016.

Council always has the option to call a special meeting if required.

**FINANCIAL IMPLICATIONS:**

There are no financial implications.

**ADMINISTRATIVE IMPLICATIONS:**

The reduced meeting schedule in July and August reduces staff time spent in preparing Council and Committee of the Whole reports, meeting agendas and minutes, and allows staff to focus more of their time on other strategic priorities and projects. It also allows for more effective coverage of staff and Council vacations, most of which are taken in the summer months.

The 2016 Corporate Workplan includes tracking senior staff time spent on preparing for and attending Council and COW meetings, a summary of which will be identified in future Workplan updates.

**ASSET MANAGEMENT IMPLICATIONS:**

None.

**STRATEGIC PRIORITIES REFERENCE:**

**We focus on organizational and governance excellence**

- We support and encourage initiatives to improve efficiencies
- We support meeting the fundamental corporate and statutory obligations

**● Area of Control**  
The policy, works and programming matters that fall within Council's jurisdictional authority to act.

**▲ Area of Influence**  
Matters that fall within shared or agreed jurisdiction between Council and another government or party.

**■ Area of Concern**  
Matters of interest outside Council's jurisdictional authority to act.

**OFFICIAL COMMUNITY PLAN REFERENCE:**

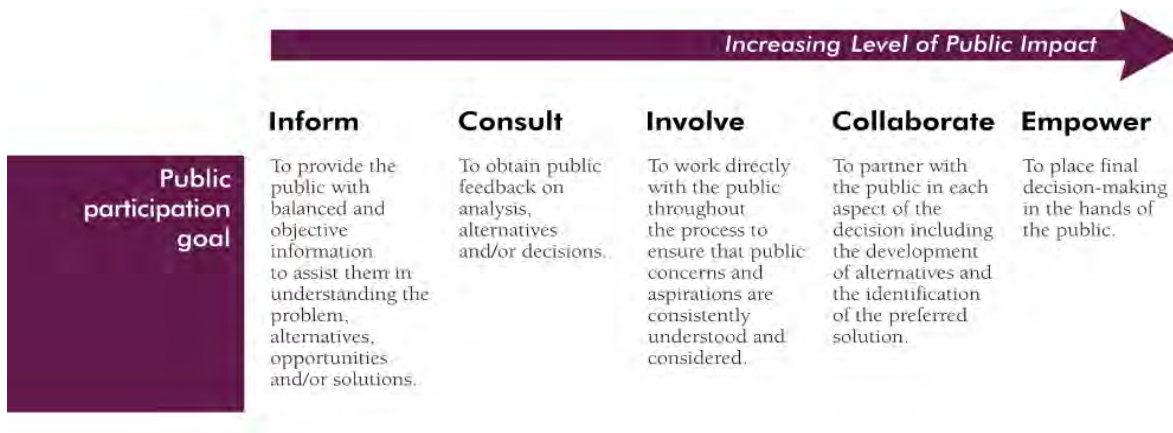
None.

**REGIONAL GROWTH STRATEGY REFERENCE:**

None.

**CITIZEN/PUBLIC ENGAGEMENT:**

Changes to the Council meeting schedule will be posted on the City's website. The public participation level of "Inform" is recommended.



**OPTIONS:**

**OPTION 1:**

That Council cancel the following scheduled meetings:

- July 25<sup>th</sup>, 2016 Committee of the Whole meeting;
- August 29<sup>th</sup>, 2016 Committee of the Whole meeting;

That the June 6<sup>th</sup>, 2016 Regular Council meeting be cancelled and rescheduled for June 13<sup>th</sup>, 2016; and

That a Special Council meeting for the 2016 Five Year Financial Plan be held May 9<sup>th</sup>, 2016.

**OPTION 2:**

Cancel other meetings as Council so resolves.

**OPTION 3:**

Maintain the current meeting schedule.

Prepared by:

John Ward, CMC  
 Director of Legislative Services/Deputy CAO





## STAFF REPORT

**To:** Council

**File No.:** 4320-20

**From:** Chief Administrative Officer

**Date:** May 2, 2016

**Subject:** Billy D's Pub and Bistro Structural Change

### PURPOSE:

The purpose of the report is to respond to the application by Billy D's Pub and Bistro for a structural change to allow for an outdoor patio.

### CAO RECOMMENDATIONS:

That, based on the May 2, 2016 staff report, "Billy D's Pub and Bistro Structural Change", Council approve Option 1 and direct staff to post notice on the City's website requesting public input on the proposed structural change for an outdoor patio for Council consideration at the regular meeting scheduled for May 16, 2016; and

That the Downtown Courtenay Business Improvement Association (DCBIA) be advised of the application.

Prepared by,

David Allen, BES, CLGEM, SCLGM  
Chief Administrative Officer

### BACKGROUND:

As per the attached documentation, Billy D's Pub and Bistro has applied for a structural change to allow for an outdoor patio.

Billy D's also will be submitting an application with City staff for a sidewalk café pursuant to the Council resolution of June 15, 2016 (report attached for reference).

### DISCUSSION:

If Council wishes to comment on the application, the *Liquor Control and Licencing Regulations* require a local government detailed resolution as outlined in Appendix 1.

In addition, prior to recommending approval of an application, the local government must gather the views of residents if it considers the amendment may affect nearby residents and businesses. Staff are of the opinion that notice on the City's website and notification of the DCBIA will satisfy the requirements of the Liquor Control and Licencing Branch (LCLB).

Once Council receives public input on the applications, a resolution addressing the points outlined in Appendix 1 must be forwarded to the LCLB. A proposed resolution in the correct format will be presented to Council for consideration at the regular meeting scheduled for May 16, 2016.

Council may choose to “opt out” of the process. This is a valid option only if Council feels the structural change would not affect nearby residents (includes businesses).

**FINANCIAL IMPLICATIONS:**

None.

**ADMINISTRATIVE IMPLICATIONS:**

Administration of liquor licence amendments is included in the general statutory duties of the Legislative Services Department work plan. This application is estimated to take 4 hours of staff time.

**ASSET MANAGEMENT IMPLICATIONS:**

None.

**STRATEGIC PRIORITIES REFERENCE:**

<p><b>We actively pursue vibrant economic growth</b></p> <ul style="list-style-type: none"><li>● Revitalizing our downtown is critical to our economic future</li><li>● Continue to improve our relationship with business in our community</li></ul>	<p><b>We focus on organizational and governance excellence</b></p> <ul style="list-style-type: none"><li>● We support and encourage initiatives to improve efficiencies</li><li>● We support meeting the fundamental corporate and statutory obligations</li></ul>
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● **Area of Control**  
The policy, works and programming matters that fall within Council's jurisdictional authority to act.

**OFFICIAL COMMUNITY PLAN REFERENCE:**

Not referenced.

**REGIONAL GROWTH STRATEGY REFERENCE:**

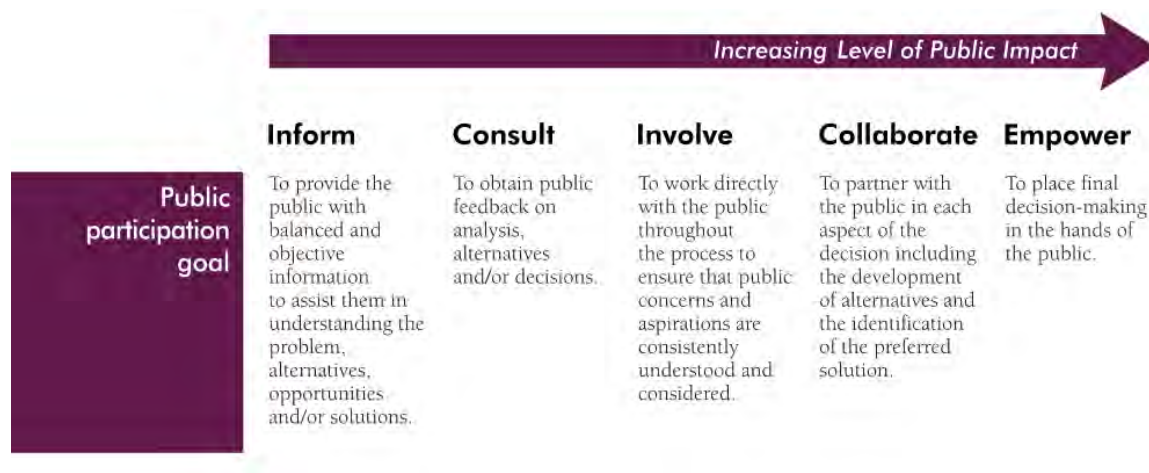
Not referenced.

**CITIZEN/PUBLIC ENGAGEMENT:**

Public notice required if Council wishes to comment on the application. Staff would consult the public based on the IAP2 Spectrum of Public Participation:

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





**OPTIONS:**

Option 1: Direct staff to publish notice on the City's website requesting public input on the Structural Change for Council consideration at the regular meeting scheduled for May 16, 2016 (recommended); and

That the Downtown Courtenay Business Improvement Association (DCBIA) be advised of the application.

Option 2: Direct staff to obtain public input through an alternative method.

Option 3: Opt out of the process and advise the LCLB.

Prepared by:

John Ward, CMC  
Director of Legislative Services

**Attachments**

1. Appendix 1
2. Structural Change Application
3. Sidewalk Café staff report dated June 15, 2015

## APPENDIX 1

Excerpts from the Liquor Primary and Liquor Primary Club Structural Change Application:

All of the items outlined below in points (a) through (d) must be addressed in the resolution in order for the resolution to comply with section 53 of the Liquor Control and Licensing Regulation. Any report presented by an advisory body or sub-committee to the council or board may be referenced in and attached to the resolution.

- (a) The potential for noise if the application is approved (provide comments).
- (b) The impact on the community if the application is approved (provide comments).
- (c) If the amendment may affect nearby residents, the local government or first nation must gather the views of residents in accordance with 11.3(2)(c) of the Act.

If the local government or first nation gathered the views of residents, they must provide:

- (i) the views of the residents
- (ii) the method used to gather the views of the residents, and
- (iii) its comments and recommendations respecting the views of the residents. (Residents includes residents and business owners)

If the views of residents were not gathered, provide reasons.

- (d) Its recommendation with respect to whether the amendment should be approved.

## What is a Structural Change?

It is defined as a change to the existing approved licensed area(s), including but not limited to:

- a change in the position of a wall or partial height divider (pony wall) or fixed planters used as separation between/within a licensed area
- new construction
- the removal or addition of permanent display cabinets, stages or dance floors
- a change to the food and liquor service bar location or size
- in the position of access and exit points leading to or from a licensed area
- the removal of a licensed area from the liquor licence
- addition of a new outdoor patio or the removal or expansion of an existing patio
- increase to capacity (occupant load) of a licensed establishment with or without changes to the licensed area(s)
- such other construction or changes the general manager considers may affect patron routing, capacity, or the line of sight between a staff control point and the licensed area of the establishment.

If you are making changes to the current approved floor plan, other than cosmetic changes, a structural alteration application is required.

**Note:** This does not include cosmetic changes such as changes to existing flooring, wallpaper, reconfiguring tables and chairs, countertops, painting, or changing the type of material used in the perimeter bounding of an outdoor patio.

If you have any questions about this application, call the Liquor Control and Licensing Branch (LCLB) toll-free at: **1 866 209-2111**

## Licence Information

Please check if licence is currently dormant.

Licence # affected: 185505

If yes, attach a letter signed by the licensee requesting the licence to be reactivated if this application is approved.

Do you currently hold other licences at this location?  Food Primary \_\_\_\_\_ (Licence #)

Liquor Primary \_\_\_\_\_ (Licence #)  Licensee Retail Store \_\_\_\_\_ (Licence #)  UBrew/UVin \_\_\_\_\_ (Licence #) or Other

Licensee name [as shown on licence]: BILLY D'S PUB & BISTRO

Establishment name [as shown on licence]: BILLY D'S PUB & BISTRO

Establishment Location address: 268 - 5TH STREET COURTENAY BC V9N 1J6  
(as shown on licence) Street City Province Postal Code

Business Tel with area code: 250-334-8811 Business Fax with area code: 250-334-0509

Business e-mail: deanasimkin@shaw.ca

Business Mailing address: \_\_\_\_\_  
(if different from above) Street City Province Postal Code

Contact Name: SIMKIN / DEANA / MARGARET Title/Position: OWNER/OPERATOR  
last / first / middle

## Type of Change Requested

Please check  appropriate box(es) below:

**Sub- Job Number**  
Office Use ONLY

<b>Part 1</b>	<input checked="" type="checkbox"/> <b>Addition of a New Outdoor Patio</b>	Outdoor Patio (C3-LIC) _____
<b>Part 2</b>	<input type="checkbox"/> <b>Alteration/Renovation</b> <input type="checkbox"/> <b>Removal of an existing licensed area</b> <input type="checkbox"/> <b>Other</b>	Structural - capacity change (C3-LIC) _____ Structural - no capacity change (C4-LIC) _____

# Application Contact Information

This applicant authorizes the person below to be the primary contact for the duration of the application process only.

Name: DEANA SIMKIN

Phone number: 250-334-8811

Fax number: 250-334-0509

E-mail address: deanasimkin@shaw.ca

## PART 1: Addition of New Outdoor Patio

Fee: \$440 C3 - LIC

Provide the following information:

1. Attach one 11" x 17" copy of the proposed patio floor plan that shows furniture layout, entrance, exits, and abutting areas that may be licensed and/or unlicensed areas.

The branch requires an occupant load (patrons plus staff) for the proposed patio area(s) which must be marked/stamped and dated ON the plan you submit. Do **not** submit this application if you do not have the occupant load calculation stamped on your patio plans.

**Note:** The occupant load calculation is generally provided by local building or fire authorities in your area. If you are advised that local building or fire authorities do not have jurisdiction or opt out of providing this calculation, provide written confirmation from that authority. You may then take your plan to an alternate qualified architect or design professional who will authorize the calculation.

2. What is the occupant load calculation for the new patio(s)?

Patio #1: 14

Patio #2:

Patio #3:

3. If the patio(s) is already constructed, **attach a photo**

4. Provide the height and composition of the patio perimeter or bounding that is designed to control patron entry/exit (i.e., railings, fencing, planters, hedging, etc.):

42" railing around entire patio with planters.

5. Describe the location of the patio in relationship to the licensed interior. The patio should be immediately adjacent or contiguous to the interior licensed area so that it does not appear to be a standalone patio.

Immediately out the front door on the sidewalk.

6. Describe how patrons will access the patio.

Via a gateway in the fencing

7. Will servers have to carry liquor through any unlicensed areas to get to the patio?  No  Yes If yes, please explain:

8. Describe how staff will manage and control the patio from the interior licensed area.

All patrons will order through their server. Servers will monitor the patio at all times.

9. Is the patio located on: (a) grass, (b) earth, (c) gravel, (d) finished flooring, (e) cement sidewalk or (f) other (please specify below). If located on grass, earth or gravel, please make sure that you have local health authority approval.

sidewalk paving stones

10. Will the patio have a fixed or portable liquor service bar?  Yes  No

11. If "No", will liquor be served from the interior service bar?  Yes  No

**Note:** A resolution from your local government or First Nation commenting on the application is required. Please see Parts 3 and 4 for an explanation of what the local government or First Nation is required to consider.

**PART 2: Structural Changes** (Excluding construction of new patios)

Fee: \$440 C3 - Cap Ch.  
C4 - No Cap Ch.

Provide the following information:

1. Describe in full detail the reason for this application and what the changes are that you want considered.

2. Attach one 11" x 17" updated floor plan of the establishment which shows the changes proposed and has the determined occupant load calculations stamped on the plan. The floor plan is a view of the establishment as seen if you were to remove the roof or ceiling.

Floor plans must:

- Show acceptable levels of detail
- Show the dimensions of rooms and provide labels for each room as well as identify unlicensed areas, partial height walls, full height walls, planters, doors and windows, stairs showing direction of travel and all entrances and exits, washrooms, kitchens, bar, patio(s), and furniture layout must be marked on the plan you submit

**Note:** The occupant load calculation is generally provided by local building or fire authorities in your area. If you are advised that local building or fire authorities do not have jurisdiction or opt out of providing this calculation, provide written confirmation from that authority. You may then take your plan to an alternate qualified architect or design professional who will authorize the calculation. Do not submit this application if you do not have updated floor plans with updated current occupant load.

3. Current total of all licensed areas (as shown on the liquor licence):

4. By making these alterations, the total occupant load will:

- Decrease to:  (patrons plus staff)
- Stay the same:  (patrons plus staff)
- Increase to:  (patrons plus staff)

If there is an increase, a resolution from your local government or First Nation commenting on the application is required. Please see Parts 3 and 4 for an explanation of what the local government or First Nation is required to consider.

**PART 3: Local Government/First Nation Resolutions: Information for the Applicant**

A resolution from your local government or First Nation commenting on the application is required for the following change types:

- Part 1: Addition of a new patio
- Part 2: Any alteration/addition, when the proposed change increases the occupant load calculation.

**Licensee responsibilities:**

1. Fill out applicable sections of this form.
2. Attach floor plan showing the proposed changes and stamped with an updated and current occupant load calculation.
3. **Take your completed application, updated floor plan with updated occupancy load calculation to your local government/First Nation office. They will photocopy all of the documents and complete Part 4.**
4. Request that a resolution be provided within 90 days and sent via email or post directly to the Liquor Control and Licensing Branch, Victoria.
5. Send the completed original form, floor plan and application fees to the branch.
6. The Liquor Control and Licensing Branch will follow up with the local government/First Nation if a resolution has not been received by the Branch within 90 days of the local government's receipt of your request.

Your local government/First Nation may decide that it does not wish to provide comment on your change request. However, they must still provide a resolution or letter stating this decision and submit it directly to the Liquor Control and Licensing Branch.

## PART 4: Local Government/First Nation Confirmation of Receipt of Application

This is to be filled out by your local government/First Nation office in relation to Parts 1 and 2. Applies to Liquor Primary and Liquor Primary Club licences.

Local government/First Nation (name): \_\_\_\_\_

Name of Official: \_\_\_\_\_ Title/Position: \_\_\_\_\_  
( last / first / middle )

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

Signature of Official: \_\_\_\_\_ Date of receipt of application: \_\_\_\_\_  
(day / month / year)

This application serves as notice from the Liquor Control and Licensing Branch (LCLB) that an application for a permanent change to a liquor licence is being made within your community. LCLB requests that a resolution commenting on the application be sent to the LCLB Victoria Head Office within 90 days of the above date of receipt. If more than 90 days is required to provide a resolution, please contact the branch to make a request to the general manager for an extension. If the local government/First Nation decides not to provide comment, a resolution or letter indicating this decision must be provided to the branch.

All of the items outlined below in points (a) through (d) must be addressed in the resolution in order for the resolution to comply with section 53 of the Liquor Control and Licensing Regulation. Any report presented by an advisory body or sub-committee to the council or board may be referenced in and attached to the resolution.

- (a) The potential for noise if the application is approved (provide comments).
- (b) The impact on the community if the application is approved (provide comments).
- (c) If the amendment may affect nearby residents, the local government or first nation must gather the views of residents in accordance with 11.3(2)(c) of the Act.
  - If the local government or first nation gathered the views of residents, they must provide:
    - (i) the views of the residents
    - (ii) the method used to gather the views of the residents, and
    - (iii) its comments and recommendations respecting the views of the residents.  
(Residents includes residents and business owners)
  - If the views of residents were not gathered, provide reasons.
- (d) Its recommendation with respect to whether the amendment should be approved.

For more information on resolutions regarding B.C. liquor licences, please visit the LCLB website publication index to consult the guide *Role of Local Government and First Nation* at <http://www.pssg.gov.bc.ca/lclb> under "Publications, Legislation & Resources".

## PART 5: Declaration of Signing Authority Including Valid Interest

My signature, as Applicant, indicates that, with respect to the establishment:

- I am the owner of the business to be carried on at the establishment or the portion of the establishment to be licensed.
- I am the owner or lessee of the establishment or portion of the establishment to be licensed. If I have an option/offer to lease the establishment, or portion of the establishment to be licensed, prior to a licence being issued, I will obtain a completed lease that will not expire for a minimum of 12 months after the date the licence is issued.
- I understand that the general manager has the right to request the following documentation supporting valid interest at any time and I agree to provide the requested documentation in a timely manner upon request:
  - If the applicant owns the property, a Certificate of Title in the applicant's name.
  - If the applicant is renting or leasing, a fully executed lease or assignment/offer of lease which does not expire for at least 12 months from the date the licence is issued. An offer for rent/lease must show rent paid, have a term and an expiry date and be signed by both the applicant and the property owner.
  - If the applicant is buying the land and the building(s), a copy of the offer or option to purchase the property and building(s). An offer must show price paid, have a term and expiry date, and be signed by both the applicant and the property owner.
- I understand that loss of valid interest at any time while holding a licence is reason for the general manager to consider cancelling the licence.
- I understand that I must advise the branch immediately if at any time the potential exists to lose valid interest either during the licensing process or once a licence has been issued.
- I understand that the name(s) on documentation demonstrating valid interest must be identical to the applicant name(s).
- As the licensee, I will be accountable for the overall operation, for all activities within the establishment and will not allow another person to use the licence without having first obtained a written approval from the general manager.
- I understand that a licence can only be renewed if I am the owner of the business carried on at the licensed establishment and I am the owner or lessee of the licensed portion of the establishment.

**I solemnly declare that the statements in this declaration are true.**

(Signature of any shareholder of a private corporation, signing officer of a public corporation or society, sole proprietor or all individuals in a partnership is required below):

**Note:** An agent, lawyer, resident manager or third party operator **may not** sign the declaration on behalf of the applicant.

Name of Official: SIMKIN / DEANA / MARGARET (last / first / middle) Position: OWNER Date: 05/04/2016 (Day/Month/Year)  
 Signature: *Deana Simkin*

Name of Official: PLUE / WARREN / STANLEY (last / first / middle) Position: OWNER Date: 05/04/2016 (Day/Month/Year)  
 Signature: *[Signature]*

Name of Official: \_\_\_\_\_ (last / first / middle) Position: \_\_\_\_\_ Date: \_\_\_\_\_ (Day/Month/Year)  
 Signature: \_\_\_\_\_

Name of Official: \_\_\_\_\_ (last / first / middle) Position: \_\_\_\_\_ Date: \_\_\_\_\_ (Day/Month/Year)  
 Signature: \_\_\_\_\_

Section 15(2) of the Liquor Control and Licensing Act states: "A person applying for the issue, renewal, transfer, or amendment of a licence who fails to disclose a material fact required by the form of application or makes a false or misleading statement in the form of application commits an offence".

**False declaration of valid interest is reason for the general manager to consider terminating the licence application and/or cancelling the licence.**

**PART 6: Application Fees - Payment Options**

TOTAL FEE Submitted: \$ \_\_\_\_\_

In accordance with Payment Card Industry Standards, the branch is no longer able to accept credit card information via email.

Payment is by (check  one):

- Cheque, payable to Minister of Finance (if cheque is returned as non-sufficient funds, a \$30 fee will be charged)
- Money order, payable to Minister of Finance
- Credit card:  VISA  MasterCard  AMEX
- I am submitting my application by email and I will call with my credit card information. I will call Victoria Head Office at 250-952-5787 or 1-866-209-2111 and understand that no action can proceed with my application until the application fee is paid in full.
- I am submitting my application by mail and have given my credit information in the space provided at the bottom of the page.

**Note: To ensure legibility, do not submit by fax.**

**Contact Information**

**Liquor Control and Licensing Branch**

Location: 4th Floor, 3350 Douglas St., Victoria BC V8Z 3L1

**For Mail Only:** PO Box 9292 Stn Prov Govt Victoria, BC V8W 9J8

Phone: 250 952-5787 Web: www.pssg.gov.bc.ca/lclb E-mail: liquor.licensing@gov.bc.ca

Freedom of Information and Privacy Act - The information requested on this form is collected for the purpose of obtaining or making changes to a liquor licence application. All personal information is collected under the authority of Section 15 of the Liquor Control and Licensing Act (RSBC 1996, c.267). Questions should be directed to: Liquor Control and Licensing Branch, Freedom of Information Officer, PO Box 9292 STN PROV GOVT, Victoria, BC V8W 9J8. Ph: In Victoria, 250 952-5787 Outside Victoria, 1 866 209-2111. Fax: 250 952-7066

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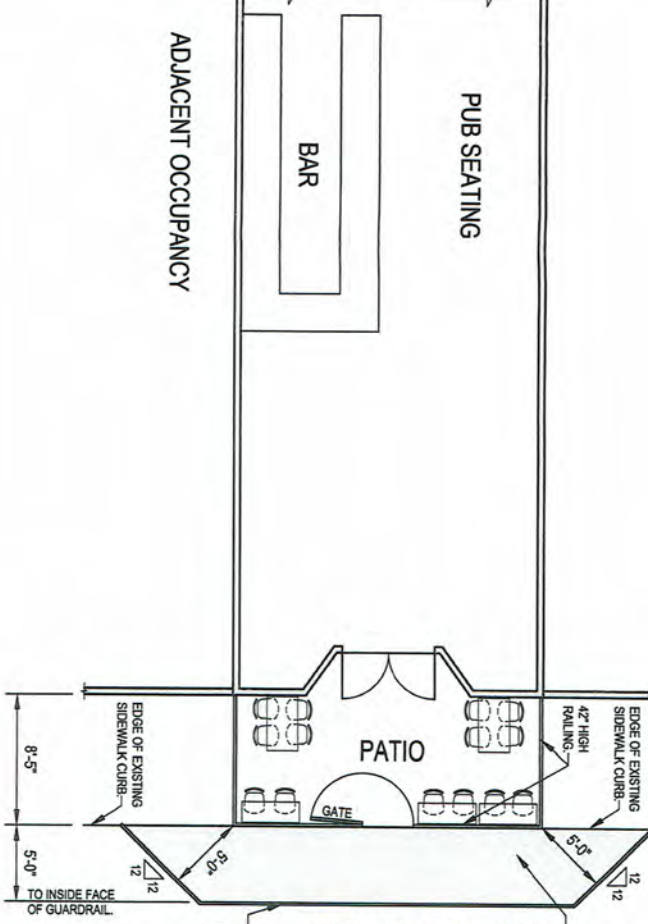
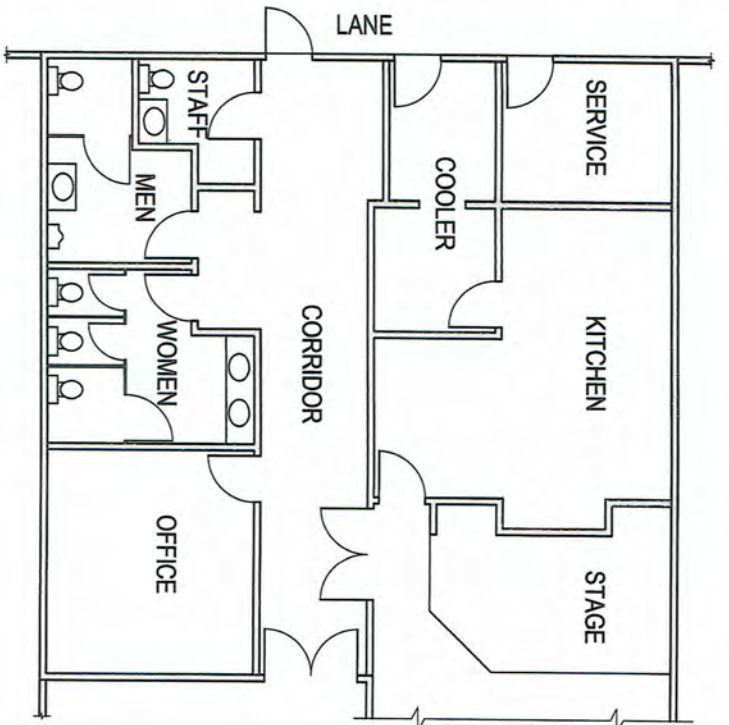
Application for Structural Change

Credit Card Information (To be submitted by fax or mail only)

Name of cardholder (as it appears on card): \_\_\_\_\_

Credit card number: \_\_\_\_\_ Expiry date: \_\_\_\_\_ / \_\_\_\_\_  
 (Month) (Year)

Signature: \_\_\_\_\_



<b>BILLY D'S OCCUPANT LOAD:</b>	98 PERSONS.
OCCUPANT LOAD EXISTING:	14 PERSONS.
EXTERIOR PATIO (16.72 SQ. M + 1.2):	112 PERSONS.
TOTAL OCCUPANT LOAD:	MALE 2, FEMALE 3.
<b>BILLY D'S W.C. REQUIREMENTS:</b>	MALE 2 + URINAL, FEMALE 3.
WCS REQUIRED:	
WCS PROVIDED:	



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 phillipa@phillipaarchitect.com

**PROJECT:**  
**PROPOSED SIDEWALK PATIO**

for  
**BILLY D'S PUB & BISTRO**  
 288 FIFTH STREET  
 COURTESY, BC

<b>DRAWING TITLE:</b>	PROPOSED SIDEWALK PATIO
<b>FILE:</b>	1175 - Billy D's Pub
<b>DRAWN BY:</b>	1175
<b>DATE:</b>	04 August, 2015
<b>SCALE:</b>	1/8" = 1'-0"
<b>PROJECT NO.:</b>	1175
<b>DRAWING NO.:</b>	1.04.1





## STAFF REPORT

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**To:** Council

**File No.:** 3030-00-01

**From:** Chief Administrative Officer

**Date:** June 15, 2015

**Subject:** Sidewalk Cafes in Downtown Courtenay

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### **PURPOSE:**

The purpose of this report is for Council to consider the issues related to sidewalk cafes and if Council deems it appropriate to direct staff to advance a sidewalk cafe program for Courtenay.

### **CAO RECOMMENDATIONS:**

That based on the June 15<sup>th</sup> 2015 Staff Report "Sidewalk Cafes in Downtown Courtenay", Council direct staff to develop a permitting process and amend the necessary bylaws to permit sidewalk cafes in downtown Courtenay; and

That Council direct staff to consult with the Downtown Courtenay Business Improvement Association for input prior to implementing a permitting process.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM  
Chief Administrative Officer

### **BACKGROUND:**

At the regular meeting on May 11, 2015, Council passed a resolution for staff to report on the issues related to sidewalk cafes and recommendations for permitting sidewalk cafes in downtown Courtenay. This report summarizes the issues related to sidewalk cafes, and provides potential approaches to be considered in the development of a sidewalk cafe program.

### **DISCUSSION:**

Sidewalk cafes are outdoor patios located on a sidewalk for the purpose of serving food and beverages to seated patrons in conjunction with an existing restaurant or cafe directly adjacent to the sidewalk cafe. Sidewalk cafes are a common feature in many municipalities and can play a role in activating the street and creating vibrancy in the downtown.

In many instances sidewalk cafes require the use of the parking stalls adjacent to the business in order to relocate the pedestrian traffic. While some jurisdictions permit seated cafes over parking stalls on the road, this report focuses only on cafes occupying the sidewalk area. Staff believe that in order to minimize

conflicts between pedestrians and cafe patrons/staff the cafe should be contiguous with the business frontage.

The primary tool the City could use to permit sidewalk cafes is Traffic Regulation Bylaw No. 1926, 1996. In general this bylaw prohibits the use of roads and sidewalks for anything other than pedestrian and vehicle movement. The bylaw does include the ability of the Director of Engineering and Public Works to issue Highway Use Permits to allow an applicant to “place, construct or maintain a loading platform, skids, rails, mechanical devices, buildings, signs **or any other structure or thing on a highway**”.

While there are a number of conditions related to the issuance of permits under this bylaw, it was not designed with sidewalk cafes in mind. Accordingly, staff would need to conduct a detailed review of the bylaw to bring forward the necessary amendments. Additionally, staff would need to prepare a permit template specific to sidewalk cafes and develop design criteria for both the cafe area and the reconstructed pedestrian boardwalk.

### Key Considerations

The following is a list of some items that will require consideration in developing a permit process.

- Access - Sidewalk cafes occupy what is normally pedestrian space, as such it is important that adequate space is retained for proper pedestrian circulation. Most municipalities require a minimum of 1.5 to 1.8 meters of unobstructed pedestrian space. This typically requires the construction of a temporary boardwalk over the parking stalls adjacent to the business. The temporary boardwalk or the retained area of sidewalk where space permits must be designed to be wheelchair accessible. Design guidelines generally restrict fencing, vegetation, or patio furniture from projecting into this pedestrian space.

The ability to maintain access to City infrastructure and third party utilities is also critical. Agreements generally retain the right for the City or utility companies to access the sidewalk cafe area for installation, maintenance and repair of infrastructure. In such situations the removal and reinstatement of the cafe would be at the owners' expense.

- Loss of parking space – In almost all cases the placement of a sidewalk cafe will result in the loss of parking spaces. As noted above this is generally through the loss of parking to accommodate a temporary pedestrian boardwalk.

While there are about 1500 free parking spaces downtown there is a perception by some that parking is an issue downtown. This perception is largely the result of people not being able to park directly in front of, or within a short walking distance of, the business they are going to. The spaces used for sidewalk cafes are typically premium short-term, high turnover, convenient parking spaces which local businesses want to maintain. Parking was a major part of the 2012 downtown forum. Consultation with the DCBIA prior to implementing a permitting process will be important to gauge current opinions.

- Safety - Barriers between temporary boardwalks and moving traffic or parking areas will need to be considered in the design parameters. Consideration will also be required for sightlines when temporary structures are proposed next to intersections, crosswalks, transit stops or loading zones.

- Liability – A typical concern with the private use of public space is liability resulting from injuries on public land. Most municipalities require the applicant to have liability insurance with the municipality named as an additional insured. The current Traffic Regulation Bylaw for the City has a minimum insurance requirement of \$5,000,000.
- Assistance to Business - Pursuant to Section 25 of the *Community Charter* Council is prohibited from providing assistance to business including “disposing of land or improvements, or any interest or right in or with respect to them, for less than market value”. As a result of this restriction most municipalities charge an annual fee for use of the public space whether it is sidewalk or road. For example Cumberland charges an annual fee of \$21.50 per sq. m of sidewalk area used and a parking stall fee is charged for sidewalk extensions in the amount of \$105 per stall used.
- Design – The design of sidewalk cafes is important to regulate, particularly in the downtown area. Design guidelines generally include the use of planters, decorative fencing and coordination with the principal business façade. From a location perspective the design must consider existing sidewalk obstructions such as signs, poles, street furniture, utilities, street trees & landscaping.
- Maintenance – Sidewalk cafe permits generally contain provisions around the maintenance of the area used for the sidewalk cafe. In this regard the business operator agrees to maintain the area during the term of the permit and provide a maintenance bond for potential damage to city infrastructure.

### Municipal Approaches

The following is a point form outline of select municipal approaches to sidewalk cafes.

- Cumberland
  - sidewalk cafe bylaw & permit
  - cafe cannot occupy more than half the width of sidewalk and must leave 1.5 m of unobstructed pathway
  - annual fee charged on area (\$21.50 per sq. m) used for on sidewalk and parking stall fee charged for sidewalk extension (\$105 per stall)
  - \$5 million comprehensive liability insurance with village named as an additional insured
  - specific criteria/permit conditions
- Penticton
  - type 1 (occupy up to one half width of sidewalk leaving at least 1.5 m unobstructed path) and type 2 cafes (seasonal installations comprising entire sidewalk and constructs temporary extension over parking area to provide pedestrian access)
  - administration (business licence, sidewalk cafe permit, licence agreement)
  - \$2 million comprehensive liability insurance with city named as an additional insured
  - specified design guidelines
  - permit for sidewalk (type 1) is \$300, permit for parking stall (type 2) is \$105 per stall

- Kamloops
  - uses road permit application to administer sidewalk cafes
  - seasonal from April 1 to October 31
  - \$80 application fee for new applications and \$40 application fee in subsequent years
  - patio operators responsible for maintenance
  - all patio areas require removable fencing
  - lists specific design criteria
  - require 1.5 m unobstructed pedestrian space
  
- Township of Langley
  - permitted where sidewalks are at least 3 m wide provided at least 1.5 m is unobstructed, non-undulating space for pedestrians
  - do not allow alcohol to be served within patio area
  - \$25 application fee and \$75 annual permit
  - administered as policy and permit
  - \$2 million third party liability insurance naming Township required
  
- Vernon
  - requires 1.8 m of unobstructed sidewalk for pedestrian circulation
  - allows limited amounts of advertising (umbrellas, fencing)
  - design must tie into building design and City Centre Neighbourhood Plan
  - \$100 application fee, \$50 renewal fee each year plus \$3.00/sq.ft of space used
  - \$3 million liability insurance naming City as an additionally insured
  - indemnify and save harmless clause protecting City from claims, actions for injury, damage, loss or death arising out of or resulting from the temporary occupancy of the public right-of-way
  - sidewalk cafe require delineation with self-supporting and easily movable barriers
  
- Nelson
  - licence to occupy municipal road allowance
  - \$300 application fee valid for up to three years plus annual fee of \$300 or \$48.50 per square metre, whichever is greater
  - has design guidelines including materials and aesthetics and specifications for patios on sloped grades
  - require building permit for all constructed patios
  
- Pemberton
  - policy and permit
  - \$2 mill comprehensive liability insurance with village named as an additional insured
  - use of public parking limited to 2 stalls or width of business for sidewalk
  - seasonal April 1 to October 31
  - maintenance by applicant/adjacent property owner
  - annual fee of \$4.00 per sq. m, \$50 application fee
  - specific design criteria required
  
- Peachland (updated 2014)
  - bylaw permitting sidewalk cafe, merchant display and mobile vending encroachment; 3 year encroachment agreement and annual renewal form; and policy establishing guidelines for the operation of these uses

- \$2 million liability insurance for non-liquor establishments, \$3 million for liquor establishments
  - 1.8 m unobstructed walkway for pedestrians
  - restrictions on signage
  - \$50 application fee for license and encroachment agreement
  - annual fee is a tiered rental rate from \$225 to \$700 based on size of license area and whether or not there is a liquor licence
- Qualicum
    - seasonal, first Sunday in April to last Sunday in October
    - reserves right for town to enter license area for installing, maintaining or repairing municipal infrastructure and the right to require removal of the cafe in order to perform these activities
    - requires general liability insurance naming town as additional insured and indemnification clause against all liabilities which may in any way arise from the use of the sidewalk cafe
    - \$10 application fee and annual occupancy fee of \$2.00 per sq. ft of sidewalk cafe area
    - require minimum of 1.5 m pedestrian corridor, more on busy streets or near bus stops
    - applicant responsible for maintaining sidewalk cafe area in a clean, sanitary and attractive condition and responsible for keeping adjacent sidewalk clean and tidy

**FINANCIAL IMPLICATIONS:**

There are no current financial implications resulting from this report. Should council proceed with bylaw preparation and program uptake there will be a small amount of revenue from sidewalk cafe permits.

**ADMINISTRATIVE IMPLICATIONS:**

Staff have spent approximately 15 hours researching and writing this report. Additional time (approximately 25 hours) will be required to conduct public consultation and draft the necessary amending bylaws and prepare policy and application forms.

Following the adoption of a sidewalk cafe program staff time will be required to administer applications.

**ASSET MANAGEMENT IMPLICATIONS:**

There are no asset management implications resulting from this report. Installation, removal and maintenance of future sidewalk cafes will be the responsibility of the operator.

**STRATEGIC PRIORITIES REFERENCE:**

The presence of sidewalk cafes contributes to the activity and vibrancy of downtown areas which is consistent with Council's strategic priority of revitalizing downtown.

**OFFICIAL COMMUNITY PLAN REFERENCE:**

It is a goal of the OCP to preserve and protect downtown Courtenay as an integral part of the community's social and cultural life, its identity and its economy.

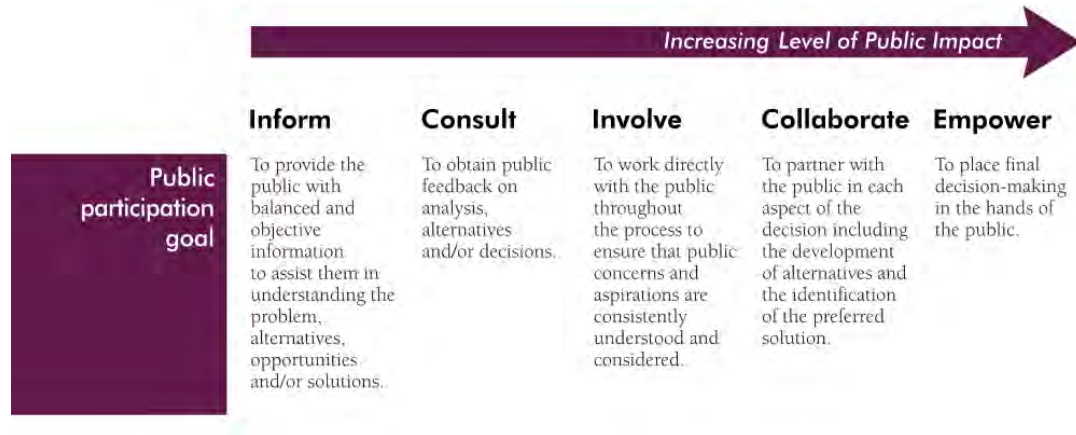
**REGIONAL GROWTH STRATEGY REFERENCE:**

Not referenced.

**CITIZEN/PUBLIC ENGAGEMENT:**

Staff would involve the DCBIA based on the 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)



**OPTIONS:**

- OPTION 1: Direct staff to prepare a sidewalk cafe permitting process.
- OPTION 2: Defer consideration of a sidewalk cafe permitting process pending receipt of additional information.
- OPTION 3: Do not proceed with a sidewalk cafe permitting process.

Prepared by:



---

Ian Buck, MCIP, RPP  
Director of Development Services



# STAFF REPORT

**To:** Council  
**From:** Chief Administrative Officer  
**Subject:** 2016 – 2020 Financial Plan

**File No.:** 1705-20  
**Date:** May 2, 2016

## PURPOSE:

The purpose of this report is for Council to consider the 2016 – 2020 Financial Plan and to consider the proposed general property tax increase for 2016.

## POLICY ANALYSIS:

Section 165 of the *Community Charter* requires a municipality to have a five year financial plan. The 2016 – 2020 Financial Plan is proposed to meet this requirement.

The development and implementation of Asset Management Planning based on condition assessments, life cycle analysis, risk management and the implementation of associated financial policies, continues to be a key strategic operational priority for the City. Adopted by Council in June 2015, the City’s Asset Management Policy, and the CAO Directive based on this policy are intended to guide the development of Asset Management Plans for all the City’s asset classes, and in turn support Sustainable Service Delivery for current and future residents of the City of Courtenay.

## EXECUTIVE SUMMARY:

The five year financial plan is prepared annually and must be adopted by Council no later than May 15<sup>th</sup>. The proposed 2016 financial plan provides for a total of \$40.36 million in planned City operating expenditures, \$11.4 million in capital expenditures (including long-term debt payments), coupled with close to \$7.816 million distributed to various surplus and reserves.

The current year financial plan proposes an increase of 4.00% in revenue derived from municipal property taxation allocated for the following purposes:

General Operations -----	2.00%
Increase in tax funding for capital projects-----	0.50%
Special Levy – Infrastructure Renewal Reserve -----	<u>1.50%</u>
Total	<u>4.00%</u>

**CAO RECOMMENDATIONS:**

That based on the May 2, 2016 Staff Report “2016 – 2020 Financial Plan”, Council endorse OPTION 1 and approve the proposed 2016-2020 Financial Plan which includes an increase of 4.00% in revenue from property taxation to support general operations and infrastructure renewal.

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 section 165 of the *Community Charter*. The proposed Financial Plan is a consolidation of the General Operating Fund, the Sewer Fund and the Water Fund. It provides detail for 2016 year and projections for the next four years. Council approval only applies to the current year, but does not commit the City to future years funding.

Council was presented the Water and Sewer Fund Financial plans on March 29<sup>th</sup> and passed the following resolutions.

**.01**  
WATER FUND/  
USER FEE  
1705-20  
1830-05

Moved by Wells and seconded by Theos that based on the March 28, 2016 staff report “2016-2020 Water Fund Financial Plan and User Fee Revenue” Council approves Option 1 of the 2016-2020 Water Fund Financial Plan; and That staff are directed to present Council an amendment to “City of Courtenay Fees and Charges Bylaw No. 1673, 1992” to incorporate a water fee increase of 3% for each of 2016, 2017 and 2018.

**Carried**

**.02**  
SEWER FUND/  
USER FEE  
1705-20  
1830-05

Moved by Wells and seconded by Theos that based on the March 29, 2016 staff report “2016-2020 Sewer Fund Financial Plan and User Fee Revenue” Council approves the 2016-2020 Sewer Fund Financial Plan and User Fee Revenue and;  
That staff are directed to amend the user fee bylaws to incorporate the recommended three-year fee increase of 10% for each of 2016, 2017 and 2018.

**Carried**

On April 18, 2016 Council approved three readings that amended the Water and Sewer rate Schedules in the City of Courtenay Fees and Charges Bylaw.



**12.00 BYLAWS .01**  
BYLAW NO. 2845  
FEES/CHARGES

Moved by Wells and seconded by Frisch that “City of Courtenay Fees and Charges Amendment Bylaw No. 2845, 2016” pass first, second and third reading.  
**Carried**

Since the water and sewer budget documentation was provided earlier, the primary purpose of this report is approval for the proposed 2016 General Fund operating and capital budgets. With Council’s endorsement, the proposed schedules for all three Funds will be included in the 2016 – 2020 Financial Plan Bylaw for reading at the May 2<sup>nd</sup> 2016 regular open council meeting.

**DISCUSSION**

***Budget Overview:***

The annual Financial Plan is arguably the most important document produced by a local government. It sets the government’s taxing and spending direction. As Council’s primary policy document, it establishes explicit service priorities and is an operational guide for departments who are responsible for achieving those priorities. This document serves as a communications device and makes the municipality’s operations transparent to public officials and the general public.

Page 9 of the attached Draft 2016-2020 City of Courtenay Financial Plan graphically identifies where the Money comes from for this year’s financial plan, and page 10 graphically identifies where the money goes.

**Chart 1: City of Courtenay – 2016 Operating Revenues**

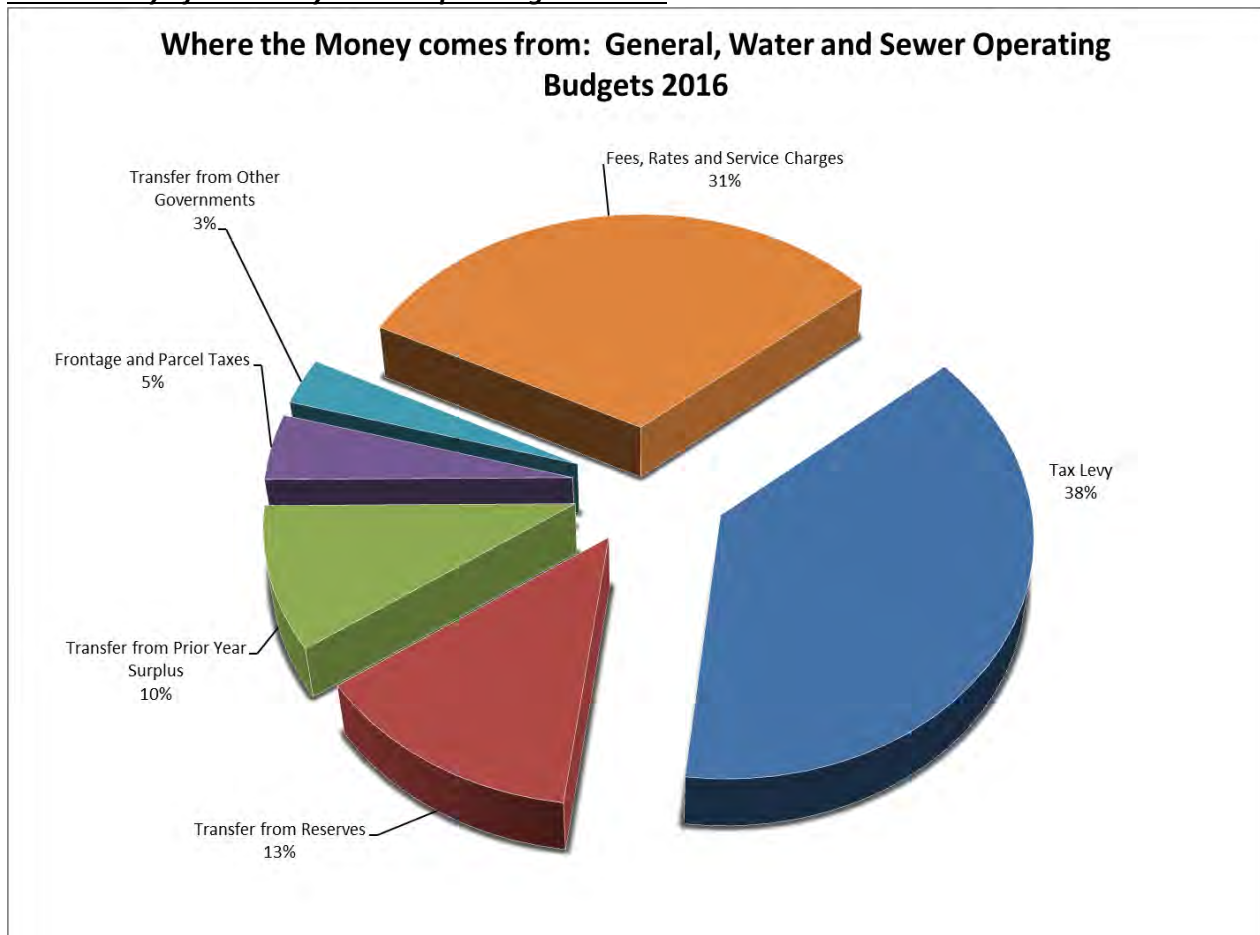
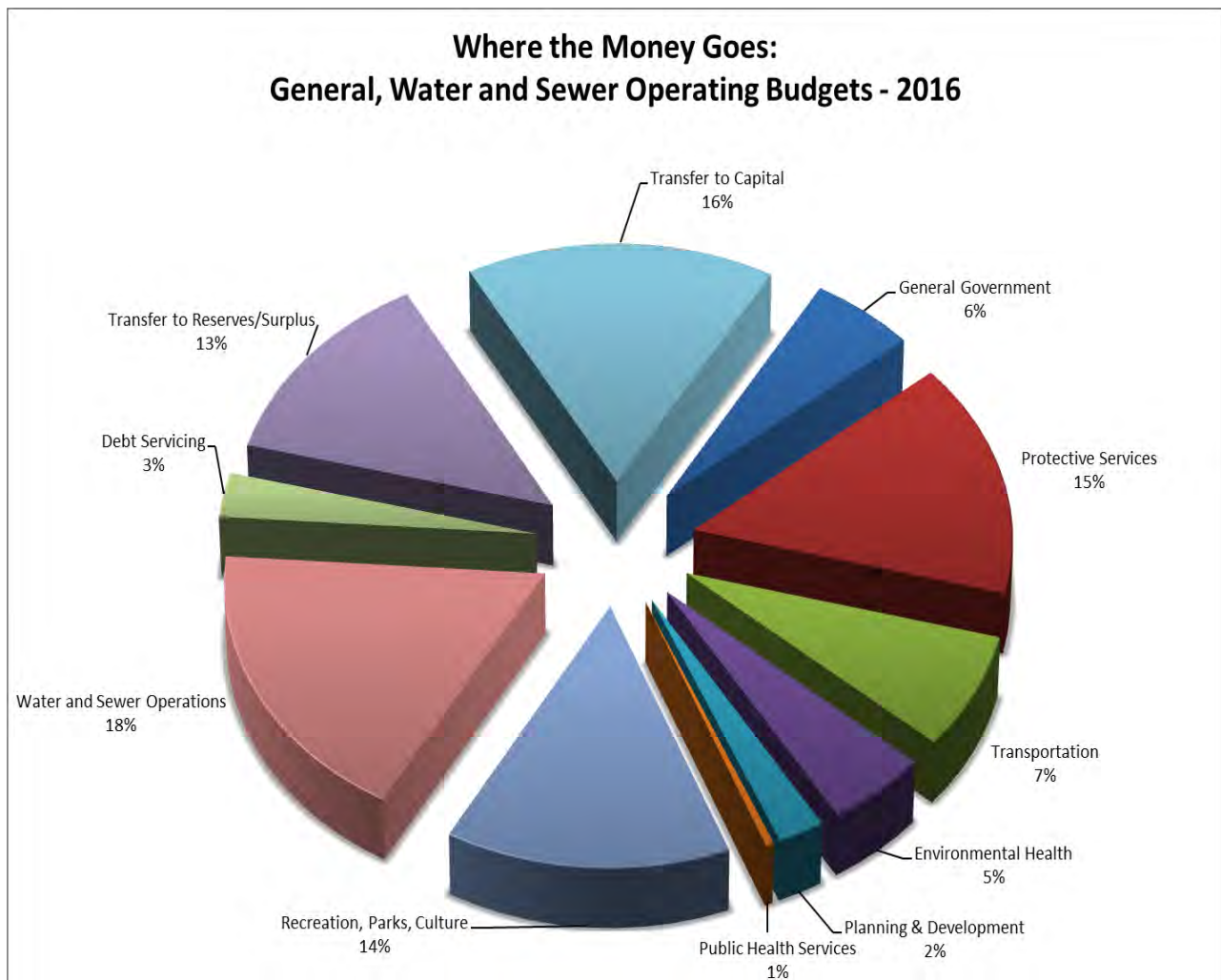
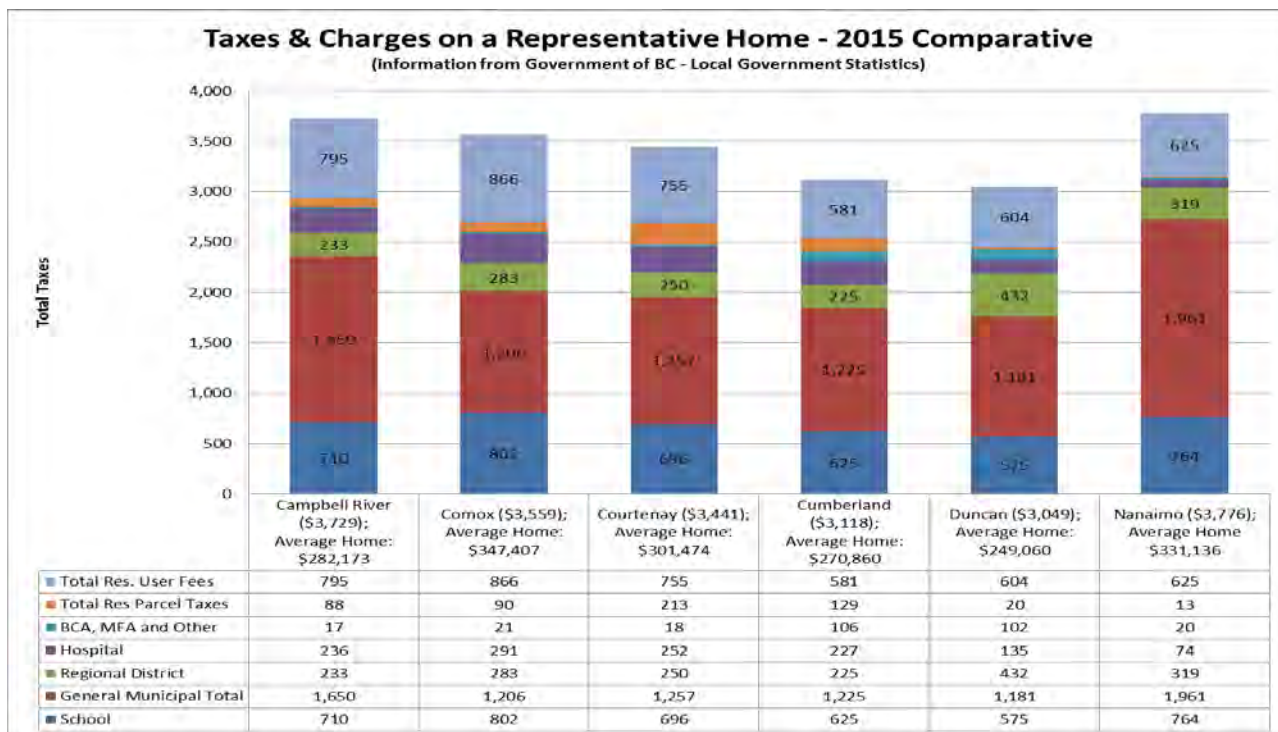


Chart 2: City of Courtenay 2016 Operating Expenditures



Included on page 21 of the attached Draft 2016 – 2020 Financial Plan is a comparison of the property tax and utility costs from neighbouring municipalities on Vancouver Island from BC Provincial Government Local Government statistics website. It shows the sum of all property taxes levied, inclusive of other taxing authorities, utility user fees and parcel taxes imposed by the respective municipalities based on the average residential assessment value for that property.

**Chart 3: Taxes and Charges on a Representative House – 2015 Comparisons**



**2016 General Operating Budget:**

Similar to the Water and Sewer funds, the 2016 General Fund Operating budget was prepared from departmental submissions as well as from consideration of multiple external sources and cost drivers. Revenues were examined from the perspective of whether they were realistic and reasonable. It also examined past spending patterns, anticipated costs for 2016 through to 2020, and costs were examined from the perspective of whether they supported the City of Courtenay 2016-2018 Strategic Priorities.

**PROPERTY TAXES**

**Taxation Revenues – Proposed Revenue Increase**

The proposed increase in property tax for general municipal and debt purposes, excluding new construction revenues, is 4.0% for 2016. This increase is comprised of funding for the following purposes:

General Operations -----	2.00%
Increase in tax funding for capital projects-----	0.50%
Special Levy – Infrastructure Renewal Reserve -----	<u>1.50%</u>
Total	<u>4.00%</u>

The expiration of the phase-in period for the South Courtenay Boundary Extension, plus the retirement of long-term debt combined with new construction result in additional revenue near \$550,000. Offsetting this increase is a projection that building permit revenues will return to pre-hospital construction levels of \$500K versus \$1.3M.

The change in the CPI (Consumer Price Index) for BC remains low, at 1.6% for the period February 2015 to February 2016. The City’s proposed Financial Plan provides for a number of additional cost drivers that

surpass this index. The proposed general operations tax increase of 2.0% provides a portion of the funding required to meet 2016 budget requirements detailed under the heading “2016 Cost Drivers and Changes in Budgeted Expenditures” on page 32 of the Draft 2016-2010 Financial Plan. Cost reductions and operational realignments have assisted in creating savings to help offset any percentage differences.

As mentioned above, based on BC Assessment’s March 2016 Final Assessment Roll data, for 2016 property tax revenue generated from prior year new construction has doubled from 2015 to \$195,200 (2015 = \$98,000).

Prior year general surplus in the amount of \$1.65 million has been utilized in the financial plan to provide funding required for capital projects and to assist with stabilization of the property tax rates for 2016.

**Assessment Trends**

- Residential Assessment (Class 01) Average property value increase = 2.39% (from \$278,128 to \$284,789)
- Commercial Assessment (Class 06) Average property decrease = 0.14% (from \$690,544 to \$689,595)

**Commercial Multiplier:**

Since 2010, the City’s current commercial property tax multiplier has fallen from 3.10 to 2.80. Any modification of this multiplier impacts the tax distribution between other classes, primarily the residential class. Raising the commercial tax multiplier causes an increase to commercial taxes, lowering it causes an increase to residential taxes as identified in the chart below.

*Chart 4: Impact of Changing Class 6 Commercial Multiplier*

	Average Assessment Change			Effect of Changing the Class 6 Commercial Multiplier			
	2015	2016	%	1.00	1.00	1.00	1.00
<b><u>Class 1 - Residential</u></b>							
	\$ 278,128	\$ 284,789	2.39%				
Municipal General Tax \$ Increase				\$ 31	\$ 39	\$ 46	\$ 54
% change in tax levy over 2015				2.85%	3.54%	4.24%	4.94%
<b><u>Class 6 - Commercial</u></b>				<b>Multiplier of 2.85</b>	<b>Multiplier of 2.80</b>	<b>Multiplier of 2.75</b>	<b>Multiplier of 2.70</b>
	\$ 690,544	\$ 689,595	-0.14%				
Municipal General Tax \$ Increase				\$ 160	\$ 75	\$ (12)	\$ (100)
% change in tax levy over 2015				2.10%	0.98%	-0.16%	-1.31%
<b><u>Class 6 - DCBIA Properties</u></b>				<b>Multiplier of 2.85</b>	<b>Multiplier of 2.80</b>	<b>Multiplier of 2.75</b>	<b>Multiplier of 2.70</b>
	\$ 530,605	\$ 463,150	-12.71%				
Municipal General Tax \$ Increase				\$ (630)	\$ (687)	\$ (745)	\$ (804)
% change in tax levy over 2015				-10.76%	-11.74%	-12.73%	-13.74%

## What does this mean to the Average Taxpayer?:

Based on the City's suggested property tax rate increase, existing commercial rate multiplier and tax rate structure, the following impacts have been calculated:

Residential Class – based on the commercial multiple of 2.80.

The property tax increase for an average residential property, valued at \$301,500 (2015 value from BC Statistics) is estimated to be an increase of \$48 for the municipal taxation portion of the tax notice. This is equivalent to \$4.00 per month or **\$0.13 per day**.

The same average property inclusive of all user fees (Water, Sewer and Garbage) and tax rates collected for other entities (BC Hospital District, Regional District, BC Assessment, Library, School), and net of the home owner grant, results in a property tax increase of \$121 or \$10.08 monthly or \$0.33 per day.

Commercial Class – based on the multiple of 2.80.

The average commercial property, valued at \$689,600 is estimated to see an increase of \$184 for the municipal portion of the tax notice. This is equivalent to \$15.37 per month or **\$0.51 per day**.

\*\*Commercial Class 6 encompasses a wide range of businesses, with a wide range of assessment valuations.

## EXPENDITURES

### *2016 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, solid waste pickup and recycling, yard waste pick up, parks, playgrounds, recreation programs and facilities as well as cultural facilities such as the library, arts centre, museum and theatre.

For 2016, levels of service have been maintained with funding adjustments made whenever required. The following cost-drivers included in the budget are:

- Personnel costs:
  - Department re-organizations with a focus on corporate efficiencies, capacity, asset management and improved customer service (Planning and Development, Public Works and Engineering, Parks and Recreation) have resulted in additional staff being budgeted for hire. Provision has been made to review Finance and Purchasing.
  - WCB rates are higher by 12%.
  - Collective Agreement contractual increases for 2016 are 2%.
- Utility Costs:
  - BC Hydro's rate increase of 6%.
- Protective Services:
  - Established strength for police protection is 30.4 members with anticipated vacancy pattern of 2 members. Overall budgetary increases are due to salary and benefit increases for federal public servants (officers and support staff) coupled with severance liquidation costs and DNA analysis costs.
  - Compensation discussions for the Firefighters Society for 2016 through to 2018.
  - Costs related to the new Fire Training Centre.

- Environmental Health Services
  - Solid waste tipping rate increases from \$120 to \$130 per tonne - an 8.33% increase. The CVRD requisition for solid waste operations in 2016 increases from \$170,000 to \$476,000.
  - Capital spending of \$413,900 for projects such as:
    - Dogwood and Suffield Road storm drainage construction,
    - Culvert replacements,
    - Lerwick Road storm upgrades, and
    - River backflow prevention flex gates.
  
- Transportation Services
  - Engineering:
    - Funding for the development and updating of master plans such as:
      - Upper Brooklyn Creek
      - Transportation Network Plan (includes Multi-modal Network Plan)
      - Dike Replacement Strategy
      - Old Orchard Renewal Concept plan
  
    - Funding for designs for future capital asset projects such as:
      - Waters Place
      - Crown Isle – Lerwick Phase 2
      - Intersection improvements at Cumberland Road and Arden Road and 20<sup>th</sup> Street
      - 10<sup>th</sup> Street East – Hobson to Thorpe
      - Piercy Avenue – 17<sup>th</sup> to 26<sup>th</sup>
      - England Avenue – between 10<sup>th</sup> to 12<sup>th</sup> Street
      - Grant Avenue and 25<sup>th</sup> Street
      - 13<sup>th</sup> Street – Willemar to Burgess
      - Cousins Avenue – 20<sup>th</sup> to Willemar
      - Willemar Avenue – 5<sup>th</sup> to 10<sup>th</sup>
  
    - Major Road construction on 3<sup>rd</sup> Street from Cliffe to England
  
    - Implementation of a Road Re-surfacing program in tandem with Asset Management strategies.
  
    - 5<sup>th</sup> Street – Fitzgerald to Menzies – Complete Streets Program approved for the Federal Government’s Building Canada Grant in the amount of \$3.253 million. \$126,000 is required for the design work for this project.
  
    - \$20,000 design work for replacement of asphalt 5<sup>th</sup> Street - Cliffe Avenue to the bridge.
  
  - Public Works:
    - Facility energy efficiency reviews for select facilities.
    - Traffic Signal upgrades at 5<sup>th</sup> and Cliffe and Old Island Highway at Comox Road
    - Completion of 2015 capital projects for various facilities which includes:
      - Civic Land Inventory & Condition Assessments
      - Carpentry building with a dust collection system
      - Lewis Centre Improvements
    - Capital design for Lewis Park and Rotary Park stairs due to liability risk issues.
    - Completion of capital work at the public works yards

- Development Services
  - Pre-approved by Council on February, 2016 is spending for the Downtown Charrette and a Commercial and Residential market study.
- Parks, Recreation & Cultural Services
  - This area has been one that has faced staffing and organizational transition. Changes have been kept to a minimum in order for staff to review and to plan for subsequent budget years.
- Grants to Organizations
  - July 1 Committee funding continues
  - Requests not included:
    - \$3,000 is requested for the Alberni Project Society
    - Funding for the Mountaineer Avian Rescue Society – no dollar amount specified

### **RESERVES, GRANTS AND SURPLUS FUNDS**

Reserves, grants and surplus funds are utilized in the 2016 General Fund Operating and Capital budgets in order to keep the municipal tax levy at a rate that is palatable for Council and the general public.

- Community Works Fund – Gas Tax Grant Revenues:
  - \$325,000 is proposed for ongoing infrastructure condition assessments and upgrades.
- Over \$3.0 million of Building Canada Grant money has been provided to the City for the Complete Streets project slated over the next four years. The City has also submitted another application to Building Canada for approximately \$2.0 million for 5<sup>th</sup> Street Bridge painting.
- Gaming Funds:
  - In accordance with Council’s 2016-2018 adopted distribution policy, it will continue to fund:
    - RCMP costs:
      - two members of the 30.4 (FTE) RCMP members funded by the City.
      - Payroll increases, severance liquidations and DNA analysis.
    - Costs associated with Downtown Arts and Cultural organizations.
    - Purchase of strategic land investments such as 90 – 5<sup>th</sup> Street.
    - Installation of 3 bus shelters; and,
    - Council initiatives such as the 100 year Celebration Committee Legacy Funds, and Purple Ribbon Campaign.
- Traffic Fine Revenue Sharing Grant:
  - Continue to offset the cost of two members of the 30.4 RCMP members allotted to the City.
- General Fund Surplus:
  - Prior year surplus funds in the amount of \$1.65 million have been utilized in the 2016 Financial Plan (see page 28 of attachment). Pending the 2015 audited balances, the remaining surplus funds held in 2016 are projected to total about 1.0 million (page 54 Unappropriated Surplus). These savings have accumulated over the years due to operating and capital funding from upper levels of government, staff capacity issues, Council Strategic plan changes, as well as police member vacancies to name a few.

➤ Debt

- No new borrowing is proposed for the 2016. However, debt may be required dependent on Council decisions and funding capacity in outlying years.

All long-term borrowing (over 5 years) contemplated in future years requires a public approval process prior to advancing projects. Borrowing in 2017 - 2020 is shown as a source of capital funding for the following areas:

- Infrastructure development, renewal and replacement:
  - Street and Road Renewals,
  - Storm drainage,
  - Water and Sewer capital projects
- Police Services building, West Courtenay
- New Public Works building
- Satellite Fire Hall facility

At the end of 2015 long-term debt matured resulting in the City reducing its annual loan payments by over \$360,000. The City currently utilizes approximately 15% of its total allowable debt servicing capacity.

**ADMINISTRATIVE IMPLICATIONS:**

Both the 2016 – 2020 Financial Plan Bylaw and the 2016 Property Tax Rates Bylaw must be finally adopted no later than May 15, 2016. Since May 15<sup>th</sup> is a Sunday, the process **must** be completed by Friday, May 13<sup>th</sup>.

Delaying these Bylaws will have an impact on the Municipality's ability to generate current year tax notices.

**ASSET MANAGEMENT IMPLICATIONS:**

Sound Asset Management plans involve determining the age, condition and life-cycle of assets held by the organization. Equally important is planning adequate financial resources and staffing capacities necessary for achieving those asset management plans. Financial contributions will be refined once actual asset condition processes are complete.

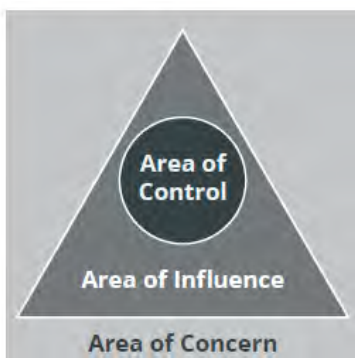


**STRATEGIC PRIORITIES REFERENCE:**

This Financial Plan focuses on asset management for sustainable service delivery plus infrastructure renewal within financial and staff capacity constraints.

It is developed with the intent of addressing strategic priorities identified in the 2016 – 2018 Strategic Priorities:

<p><b>We actively pursue vibrant economic growth</b></p> <ul style="list-style-type: none"> <li>● Revitalizing our downtown is critical to our economic future</li> <li>● Continue to improve our relationship with business in our community</li> <li>▲ Our investment in economic development is measurable</li> <li>▲ Continue to explore innovative economic options</li> <li>■ The regional airport is a key economic driver</li> </ul>	<p><b>We proactively plan and invest in our natural and built environment</b></p> <ul style="list-style-type: none"> <li>● Continued focus on asset management for sustainable service delivery</li> <li>● Focus on infrastructure renewal rather than upgrades</li> <li>● Continued support for social, economic and environmental sustainability solutions</li> <li>▲ We look for regional infrastructure solutions for shared services to our community</li> </ul>	<p><b>We value multi-modal transportation in our community</b></p> <ul style="list-style-type: none"> <li>● We support developing multi-modal transportation network plans</li> <li>● As we build new or replace existing transportation infrastructure, we are consistent with what we learn from our Complete Streets Pilot Project</li> <li>▲ Support our regional transit service while balancing service improvements with costs</li> </ul>
<p><b>We support diversity in housing and reasoned land use planning</b></p> <ul style="list-style-type: none"> <li>● Support densification aligned with community input and regional growth strategy</li> <li>● Assess how city-owned lands can support our strategic land acquisitions and disposals</li> <li>▲ Support initiatives and incentives to encourage lower cost housing</li> <li>■ Proactively pursue housing diversity and advocate for senior government support</li> </ul>	<p><b>We focus on organizational and governance excellence</b></p> <ul style="list-style-type: none"> <li>● We support and encourage initiatives to improve efficiencies</li> <li>● We support meeting the fundamental corporate and statutory obligations</li> <li>● We recognize staff capacity is a finite resource</li> <li>● Communication with our community is a priority, and is considered in all decisions we make</li> <li>● We responsibly provide services at a level which the people we serve are willing to pay</li> </ul>	<p><b>We invest in our key relationships</b></p> <ul style="list-style-type: none"> <li>● We value and recognize the importance of our volunteers</li> <li>● We will continue to engage and partner with service organizations for community benefit</li> <li>▲ We actively engage with our K'ómoks First Nation neighbours on issues of mutual interest and concern</li> <li>▲ We advocate and cooperate with other local governments and senior governments on regional issues affecting our city</li> </ul>



● **Area of Control**

The policy, works and programming matters that fall within Council's jurisdictional authority to act.

▲ **Area of Influence**

Matters that fall within shared or agreed jurisdiction between Council and another government or party.

■ **Area of Concern**

Matters of interest outside Council's jurisdictional authority to act.

**OFFICIAL COMMUNITY PLAN REFERENCE:**

The 2016 – 2020 Financial Plan touches several of the OCP Goals including:

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

**REGIONAL GROWTH STRATEGY REFERENCE:**

This Financial Plan is presented to encourage sound financial management of City assets in order to provide services to all residents within the municipality and region. It touches on:

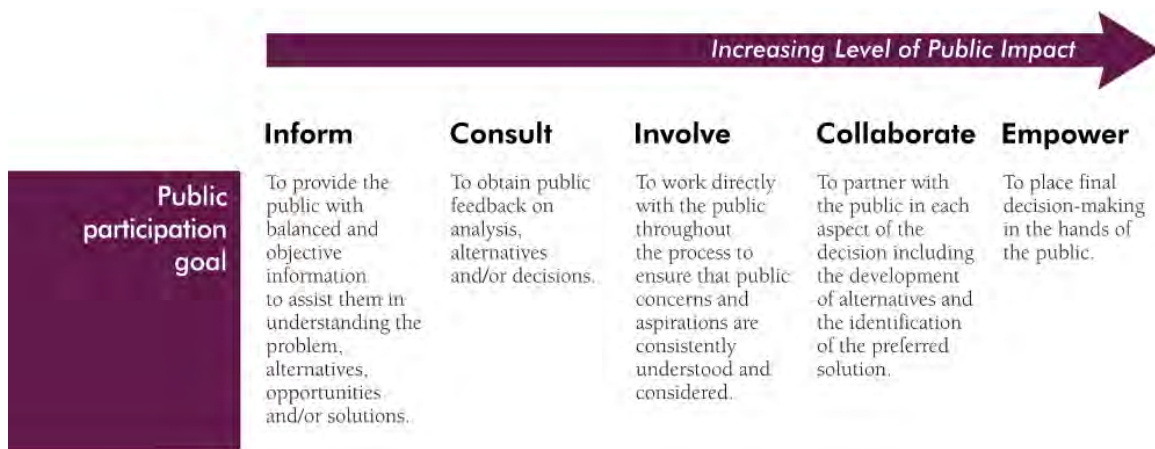
- Ecosystems, Natural Areas and Parks
- Transportation and Infrastructure
- Local Economic Development
- Climate Change

**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. The financial plan has been posted on the City’s website for review. To-date there has only been one question from the media for staff to respond to.

Staff undertook the ‘consult’ level of public participation as per the IAP2 Spectrum of Public Participation with the utilization of the Citizen Budget review earlier this spring. The interactive and informative web-based on-line consultation tool “Citizen Budget” where the City received 447 visits to the website with 133 respondents. A staff briefing note with results was provided in early February, 2016 and is available upon request.

[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)




**OPTIONS:**

Option 1: That Council endorse the Draft 2016 – 2020 Financial Plan as proposed, and direct Staff to include the various schedules in the 2016 – 2020 Financial Plan Bylaw, and that they maintain the commercial tax rate multiple of 2.80 when setting the 2016 property tax rates; (Recommended)

Option 2: That Council approve an amended 2016 – 2020 Financial Plan, and direct Staff to amend the various schedules in the 2016 – 2020 Financial Plan Bylaw.

Prepared by:



Brian Parschauer, BA, CPA-CMA

Director of Finance

*Attachments:*

1. Draft 2016 – 2020 Financial Plan Overview
2. 2016 – 2020 Financial Plan Bylaw 2848, 2016
3. Tax Rates Bylaw 2849, 2016

# 2016 Five Year Financial Plan



*photo by:  
Picture BC/Boomer Jerritt*



CITY OF  
**COURTENAY**  
Financial Services

# Draft 2016 – 2020 Five-Year Financial Plan



# Draft 2016 – 2020 Five-Year Financial Plan

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# Draft 2016 – 2020 Five-Year Financial Plan

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## Introduction

The *Community Charter* requires that a local government adopt an annual five-year financial plan bylaw before the annual tax rate bylaw is adopted each year (before May 15). It is respectfully suggested that this submission, including the previously reviewed Water and Sewer Operating and Capital draft financial plans (CoW March 29, 2016), will meet the statutory requirements.

This draft financial plan was developed as a broad-based, collective effort and was strongly influenced by the six Themes of Council's 2016-2018 Strategic Priorities:

- ✓ Vibrant economic growth
- ✓ Investment in our natural and built environment
- ✓ Multi-modal transportation
- ✓ Diversity in housing and reasoned land use planning
- ✓ Organizational and governance excellence
- ✓ Investment in key relationships

Efforts were also made to remain within Council's "Area of Control", "Area of Influence" and "Area of Concern" as defined in the adopted strategic priorities document (provided below).

Additionally, the aim of Sustainable Service Delivery was emphasised by continuing to improve the level of Asset Management best-practices. This focus is summarized by the following out-take from Council's Asset Management Policy adopted in June of 2015:

The City's Sustainable Service Delivery needs will be met by ensuring adequate provision is made for the long-term planning, financing, operation, maintenance, repair, renewal, upgrade, replacement and disposal of capital assets by:

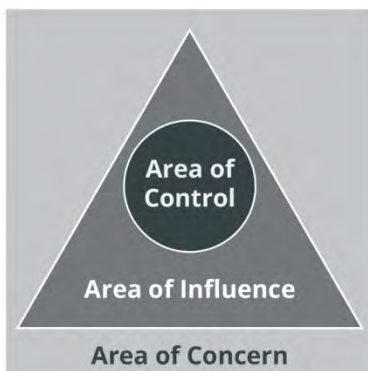
- a) Ensuring that Courtenay's capital assets are provided in a manner that respects socio/cultural, economic and environmental sustainability;
- b) Meeting all relevant legislative and regulatory requirements;
- c) Demonstrating transparent and responsible Asset Management processes that align with demonstrable best-practices;
- d) Implementing sound Asset Management plans and strategies and providing sufficient financial resources to accomplish them;
- e) Ensuring necessary capacity and other operational capabilities are provided and Asset Management responsibilities are effectively allocated;
- f) Creating a corporate culture where all employees play a part in overall care for City assets by providing awareness, training and professional development; and
- g) Providing those we serve with services and levels of service for which they are willing to pay.



## Strategic Priorities chart

### City of Courtenay Strategic Priorities 2016 – 2018

<p><b>We actively pursue vibrant economic growth</b></p> <ul style="list-style-type: none"> <li>● Revitalizing our downtown is critical to our economic future</li> <li>● Continue to improve our relationship with business in our community</li> <li>▲ Our investment in economic development is measurable</li> <li>▲ Continue to explore innovative economic options</li> <li>■ The regional airport is a key economic driver</li> </ul>	<p><b>We proactively plan and invest in our natural and built environment</b></p> <ul style="list-style-type: none"> <li>● Continued focus on asset management for sustainable service delivery</li> <li>● Focus on infrastructure renewal rather than upgrades</li> <li>● Continued support for social, economic and environmental sustainability solutions</li> <li>▲ We look for regional infrastructure solutions for shared services to our community</li> </ul>	<p><b>We value multi-modal transportation in our community</b></p> <ul style="list-style-type: none"> <li>● We support developing multi-modal transportation network plans</li> <li>● As we build new or replace existing transportation infrastructure, we are consistent with what we learn from our Complete Streets Pilot Project</li> <li>▲ Support our regional transit service while balancing service improvements with costs</li> </ul>
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Matters of interest outside Council's jurisdictional authority to act.

## Budget Overview

The Financial Plan information in this report is presented in four distinct sections: Revenues and Funding Sources, Operating Expenses, Capital Transactions, and Reserves and Surpluses.

The section on operating expenses is divided into the seven standard divisions that most local governments use to report, which enables comparisons to other local governments. Within each division are the plans for each department and functional areas. Those plans are presented in a summarized format that is intended to facilitate the budget decision-making process.

This document presents a consolidated view of the organization, as opposed to a department by department view. It is intended to provide the reader with a perspective of what the organization is working toward over the next five years. It is also intended to provide a better comparison to the annual financial report issued at the end of the year.

The new budget process and this report are a work in progress. As we progress, this report will be refined in subsequent years to make it a more fluid commentary on the budget process and plans.

## *Budgeting by Funds*

The City provides a variety of services that are budgeted through three different operating funds, and three different capital funds. It is important to note that taxation and most miscellaneous revenue is recognized in the General Fund whereas the utility operating funds are essentially self-supporting.

## The General Fund

The General Fund accounts for the widest variety of City activities. The costs of policing, fire and emergency services, streets and roads, planning and development, parks, recreation and culture, building maintenance, animal control, bylaw enforcement, solid waste services, and the majority of administrative costs of the City are shown in this fund. Most service areas generate additional revenue sources that are used to offset the cost of the service provided, however the largest revenue source continues to be property taxes.

## The Water and Sewer Utility Funds

The Water Utility fund accounts for the City's activities in distributing potable water to the community while the Sewer Utility accounts for the removal of the waste water generated by residents. The Comox Valley Regional District (CVRD) provides bulk water and waste water treatment to Courtenay and surrounding regional partners. The CVRD bills benefitting entities for water and sewer services based on proportional flows.

The activities in the Water and Sewer funds are paid via User Fees and Frontage-Parcel taxes on properties. There is a budgeted transfer from the water and sewer utility funds to the General Fund that represents the administrative costs associated with general government costs related to issues relative to these respective areas.

# Draft 2016 – 2020 Five-Year Financial Plan

## Important Notes

### Operating Budget Surplus

This budget follows generally accepted accounting principles by recording all revenues as operating revenues and only operating expenses as expenses. The result is a surplus from operations that is allocated to Capital purchases and projects, loan payments and contributions to reserves.

### Debt

The City's debt servicing costs in 2016 total about \$1,709,400 which represents a reduction of approximately \$362,400 from the prior year.

### Capital Assets

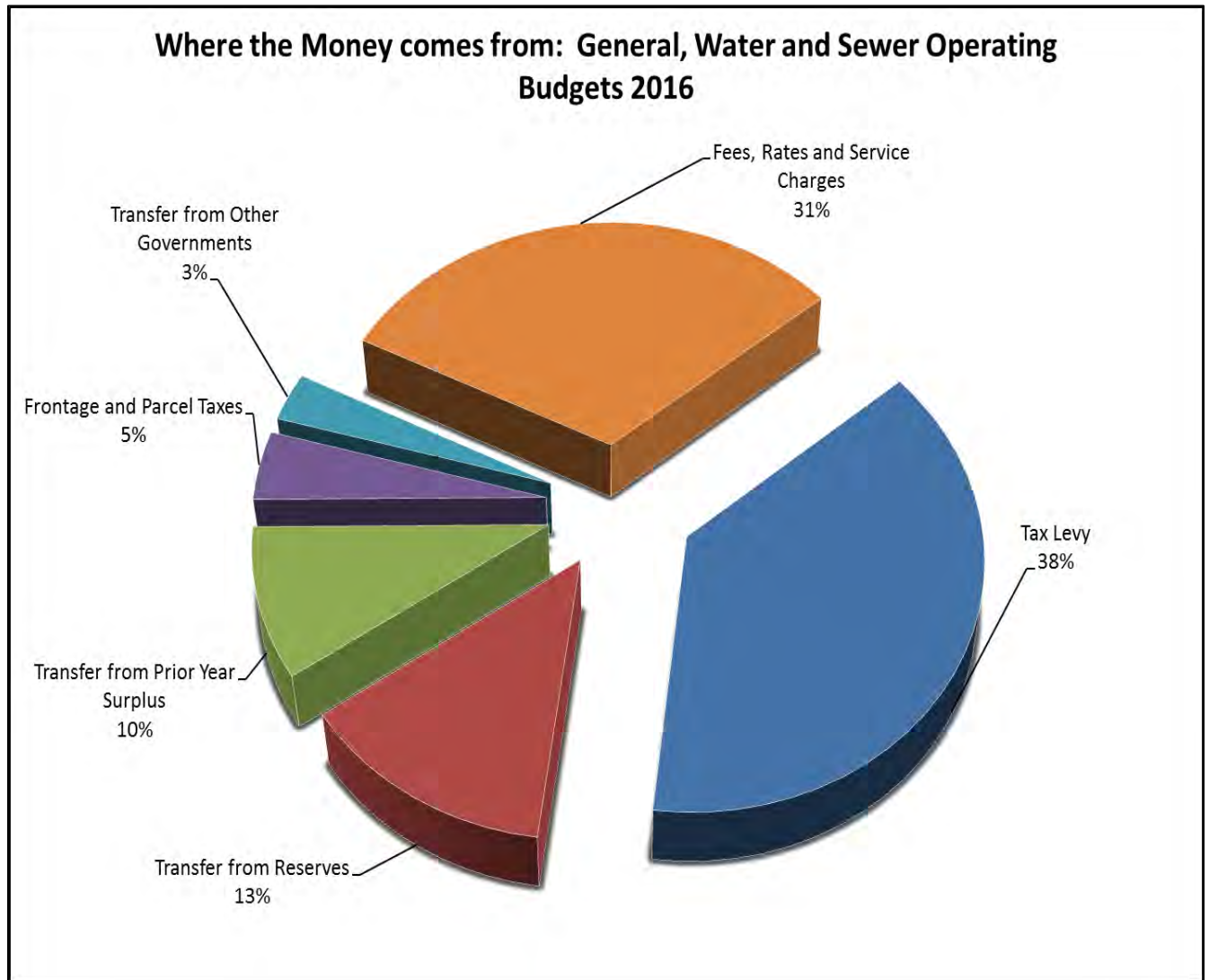
The department Capital budget proposals have been developed using Asset Management practices in their preliminary form. These were collectively reviewed to ensure an organization-wide perspective that will best remain within existing staff capacity and making best efforts to avoid in-service failures that will lead to service disruption(s). A summary list and a more detailed list of capital spending are available within this document. Total capital spending in 2016 is projected to be \$9,676,700.

### Consolidated Financial Plan (without amortization)

City of Courtenay					
2016 - 2020 Consolidated Financial Plan Summary					
(without amortization)					
	2016	2017	2018	2019	2020
<b>Revenues</b>					
Operating Revenues	45,914,700	50,926,100	54,009,700	53,285,300	55,450,500
Reserves & Surplus	13,648,600	7,427,200	10,245,800	5,197,400	4,118,500
New Debt Financing	-	1,926,500	15,012,000	9,567,800	32,018,700
	<b>59,563,300</b>	<b>60,279,800</b>	<b>79,267,500</b>	<b>68,050,500</b>	<b>91,587,700</b>
<b>Expenses</b>					
Operating Expenses	\$ 40,360,600	\$ 40,168,800	\$ 41,341,200	\$ 42,194,500	\$ 43,326,800
Capital Assets	9,676,700	13,306,500	30,595,900	16,536,600	37,495,300
Capital Debt Payments	1,709,400	1,708,800	2,222,300	3,204,600	3,917,300
Transfers to Reserves & Surplus	7,816,600	5,095,700	5,108,100	6,114,800	6,848,300
	<b>\$ 59,563,300</b>	<b>\$ 60,279,800</b>	<b>\$ 79,267,500</b>	<b>\$ 68,050,500</b>	<b>\$ 91,587,700</b>

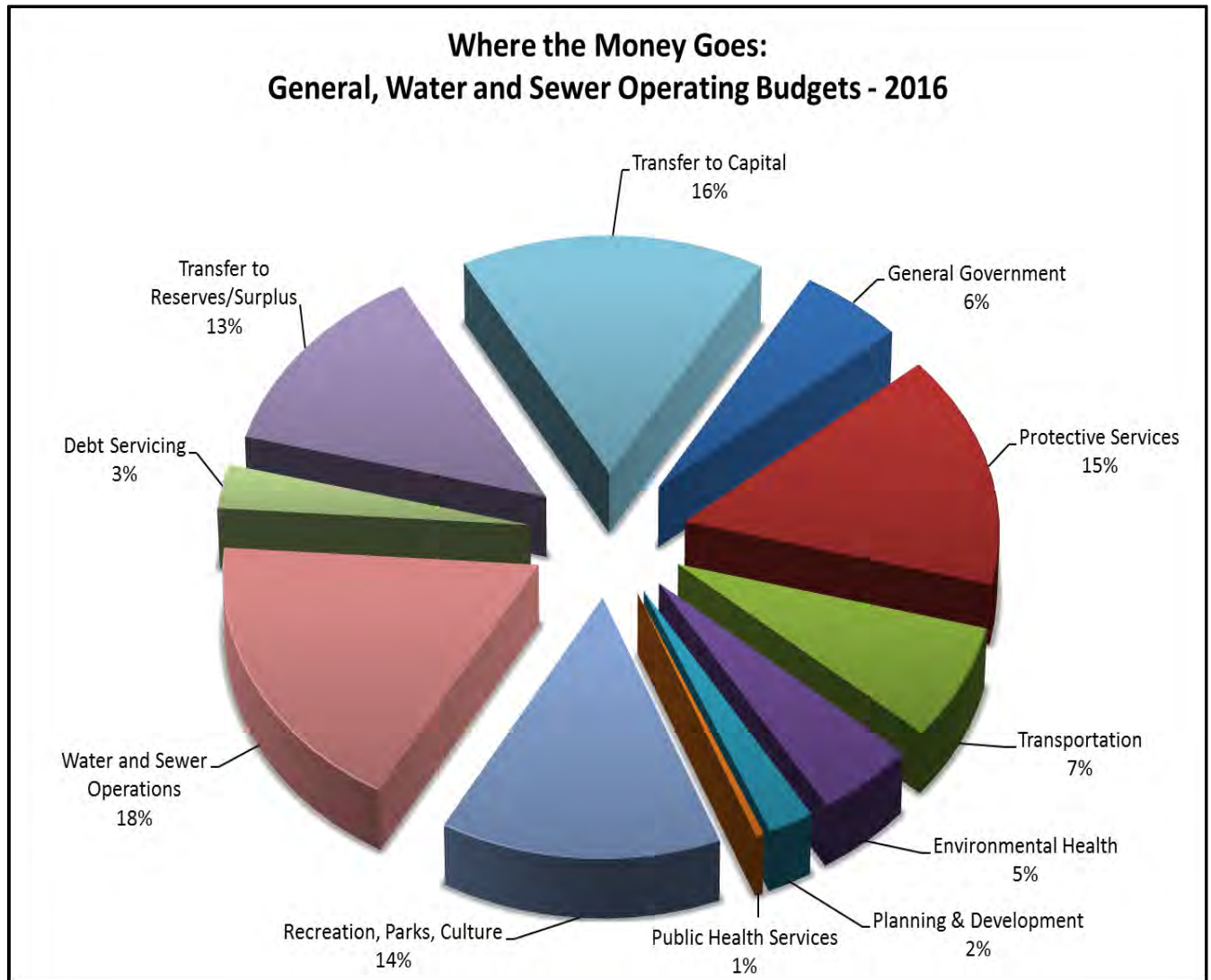
# Draft 2016 – 2020 Five-Year Financial Plan

## Consolidated Financial Plan – Source of funds graph



# Draft 2016 – 2020 Five-Year Financial Plan

## Consolidated Financial Plan – Use of funds graph

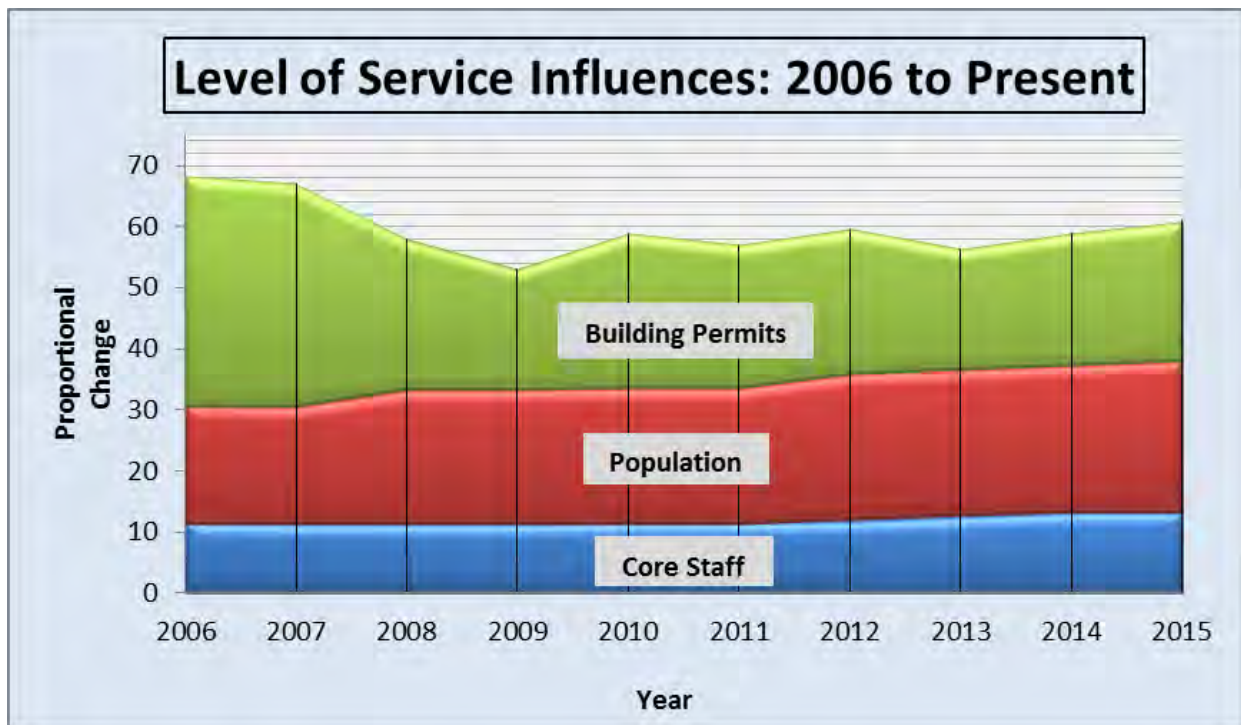


# Draft 2016 – 2020 Five-Year Financial Plan

This graph is intended to demonstrate the capacity relationship between community economic activity, population and the number of full-time staff over the past ten years.

- The number of Building Permits per year directly affects capacity needs in Development Services, Engineering, Public Works, Finance and General Government functions;
- The change in population indicates the number of Courtenay residents receiving all City Services, which directly affects demand on organization-wide capacity; and
- Core Staff is the number of full-time positions (i.e. this does not include the seasonal surge or level of service increases generally associated with costs for part-time and contract staff hired principally for parks, recreation and cultural activities).

## Level of Service Influences graph



# Revenue and Funding Sources

# Draft 2016 – 2020 Five-Year Financial Plan

## Revenue and Funding Sources

The City's activities are supported by revenues from a variety of sources. This section provides information on the City's objectives and policies as established by Revenue and Tax Policy # 1700.00.01, and includes information in light of these policies. Some of the information reported in this section is included in Schedule A of the Financial Plan Bylaw 2848 to meet the reporting requirements of the Community Charter.

The following graph shows where the 2016 revenue comes in the consolidated Financial Plan. More detail is provided in this section of the specific revenue sources, including comparisons to other local governments, and to prior years. The following chart summarizes the specific revenue source, with detail on the specific revenue sources presented further in this section.

### Consolidated Financial Plan – Revenues Chart

Consolidated Financial Plan					
Revenues	2016	2017	2018	2019	2020
<b>Taxes</b>					
General Property Taxes	\$ 22,011,300	\$ 22,988,000	\$ 24,133,500	\$ 26,155,900	\$ 27,941,500
Collections for Other Governments	20,783,500	21,748,900	22,635,600	23,039,200	23,441,800
<b>Total Property Taxes</b>	<b>42,794,800</b>	<b>44,736,900</b>	<b>46,769,100</b>	<b>49,195,100</b>	<b>51,383,300</b>
Frontage & Parcel Taxes	2,655,500	2,668,600	2,965,100	2,978,300	2,991,700
Grants in Place of Property Taxes	406,900	415,100	423,300	431,700	440,400
% of Revenue Tax	385,500	393,200	401,100	409,100	417,300
<b>Total Taxes Collected</b>	<b>46,242,700</b>	<b>48,213,800</b>	<b>50,558,600</b>	<b>53,014,200</b>	<b>55,232,700</b>
Less: Transfers to Other Governments	(20,910,000)	(21,877,900)	(22,767,300)	(23,173,500)	(23,578,800)
<b>Net Taxes for Municipal Purposes</b>	<b>25,332,700</b>	<b>26,335,900</b>	<b>27,791,300</b>	<b>29,840,700</b>	<b>31,653,900</b>
<b>Other Revenues</b>					
Fees and Charges	16,077,600	16,841,500	17,735,800	18,414,200	19,123,100
Revenue from Other Sources	2,611,500	5,466,500	6,264,100	3,042,300	2,654,200
Other Contributions	25,100	377,700	276,500	7,900	-
Transfers from Other Govt & Agencies	1,867,800	1,904,500	1,942,000	1,980,200	2,019,300
<b>Total Other Revenues</b>	<b>20,582,000</b>	<b>24,590,200</b>	<b>26,218,400</b>	<b>23,444,600</b>	<b>23,796,600</b>
<b>Total Operating Revenues</b>	<b>45,914,700</b>	<b>50,926,100</b>	<b>54,009,700</b>	<b>53,285,300</b>	<b>55,450,500</b>
<b>Transfers From Reserves and Surplus</b>					
From Reserves	7,921,200	6,767,600	10,144,200	4,947,400	4,116,500
From Surplus	5,727,400	659,600	101,600	250,000	2,000
<b>Total from Reserves and Surplus</b>	<b>13,648,600</b>	<b>7,427,200</b>	<b>10,245,800</b>	<b>5,197,400</b>	<b>4,118,500</b>
<b>Funding from Debt</b>					
	-	1,926,500	15,012,000	9,567,800	32,018,700
<b>Total Revenues</b>	<b>59,563,300</b>	<b>60,279,800</b>	<b>79,267,500</b>	<b>68,050,500</b>	<b>91,587,700</b>

### Property value taxes and parcel taxes

Close to 40% of the City's total revenues are obtained through property value taxes. In reviewing the level of funding coming from taxation, the City determines the amount of expenditures required to provide all the desired municipal services to residents, then the amount of revenue (other than property taxes) the City can expect to receive through fees and charges, federal and provincial government grants, transfers from reserves and surplus, etc. The difference between the budgeted expenditures and the other revenue is the amount of property tax revenue the City must collect to provide services.



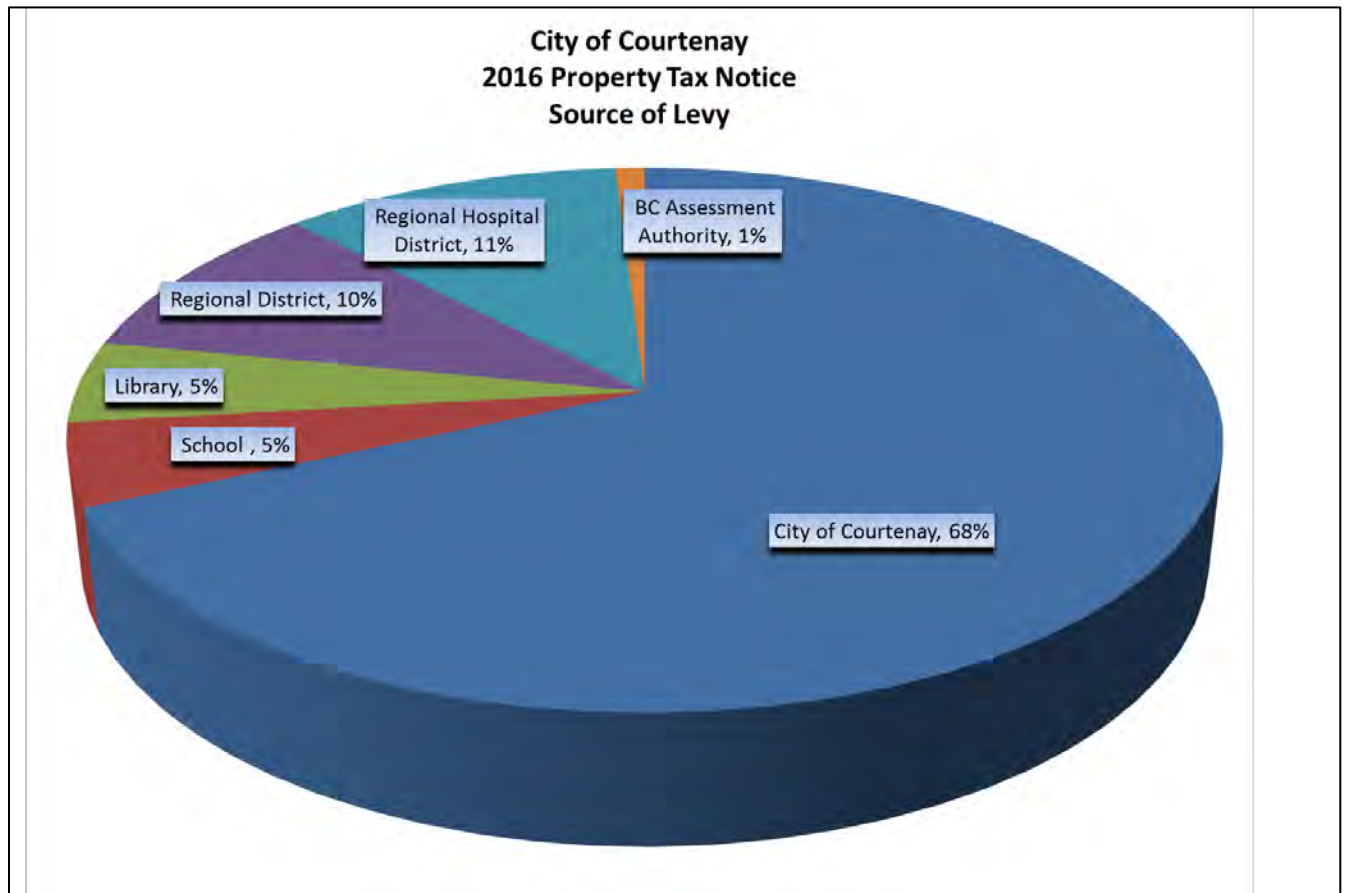
# Draft 2016 – 2020 Five-Year Financial Plan

The City is challenged to maintain stable or reduced taxation levels, while maintaining or increasing service levels. When the cost of providing a service increases (e.g. through inflation, changes in statutory requirements or product cost or increases to capacity), the City must either raise more revenue to provide the same level of service or reduce the level of service provided to maintain the same level of funding.

The City's policy is that where new sources of revenue are made available to the City from senior governments, wherever possible these revenues will be used to reduce dependency on property taxation revenue. In addition, the City's policy regarding parcel taxes is that they will be used whenever Council determines that they are more appropriate than property taxes.

In addition to municipal property value taxes, the City also collects property value taxes on behalf of other agencies.

## 2016 Sources of Property Tax Levy



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## Property Tax Increases

The budget for municipal property taxes reflects a general increase of 2% over prior year taxes for general operations (including the collective agreement, energy costs and the levy for debt payments), an increase for growth in the assessment base, and the levy for the library. For 2016 the infrastructure levy is also set at 2% over the prior year for future infrastructure renewals and contributions to reserves.

## Taxes for Municipal Purposes chart

Taxes for Municipal Purposes	2014	2015	2016	2017	2018	2019	2020
	Actual	Unaudited Actual	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>REVENUES</b>							
<b>Annual increase</b>							
General Operations			2.0%	2.0%	2.0%	2.0%	2.0%
Capital Purposes							
Capital Projects			0.5%	0.5%	0.0%	0.0%	0.0%
Special Levy - Infrastructure Renewal			1.5%	1.5%	2.0%	2.0%	2.0%
			4.0%	4.0%	4.0%	4.0%	4.0%
<b>General Property Taxes</b>							
General Purpose	\$ 17,318,456	\$ 18,132,007	\$ 18,675,500	\$ 19,248,100	\$ 19,832,200	\$ 20,427,900	\$ 21,035,600
Property Tax Estimation New Construction	-	-	195,200	195,200	195,200	195,200	195,200
Infrastructure & Asset Management Levy	-	43,000	406,500	788,100	1,188,800	1,609,200	2,049,900
Boundary Extension Tax Adjustment	159,902	162,508	-	-	-	-	-
	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Debt Levy	1,811,805	1,654,293	1,520,600	1,520,000	1,657,200	2,639,500	3,352,300
General Tax Supplementary Adjustment	(30,265)	(31,263)	(31,900)	(32,500)	(33,200)	(33,900)	(34,600)
Library	1,085,184	1,145,907	1,185,400	1,209,100	1,233,300	1,258,000	1,283,100
Total General Property Taxes	20,405,082	21,166,452	22,011,300	22,988,000	24,133,500	26,155,900	27,941,500
Collections for Other Governments	19,944,900	20,062,704	20,783,500	21,748,900	22,635,600	23,039,200	23,441,800
Total Property Taxes	40,349,982	41,229,156	42,794,800	44,736,900	46,769,100	49,195,100	51,383,300
Frontage & Parcel Taxes	2,621,084	2,646,953	2,655,500	2,668,600	2,965,100	2,978,300	2,991,700
Grants in Lieu of Property Taxes	420,658	401,737	406,900	415,100	423,300	431,700	440,400
% of Revenue Tax	385,251	384,082	385,500	393,200	401,100	409,100	417,300
Total Taxes Collected	43,776,975	44,661,928	46,242,700	48,213,800	50,558,600	53,014,200	55,232,700
Less Transfer to Other Governments	(20,074,863)	(20,183,207)	(20,910,000)	(21,877,900)	(22,767,300)	(23,173,500)	(23,578,800)
<b>Taxes for Municipal Purposes</b>	<b>\$ 23,702,112</b>	<b>\$ 24,478,721</b>	<b>\$ 25,332,700</b>	<b>\$ 26,335,900</b>	<b>\$ 27,791,300</b>	<b>\$ 29,840,700</b>	<b>\$ 31,653,900</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## Distribution of property value taxes

The *Community Charter* requires the municipality to report on the objectives and policies with respect to the distribution of property value taxes among the property classes. The variable tax rate system in BC enables the City to vary the amount of taxes collected from the various property classes, based on the City's goals and objectives. The City's policies regarding property tax distribution are:

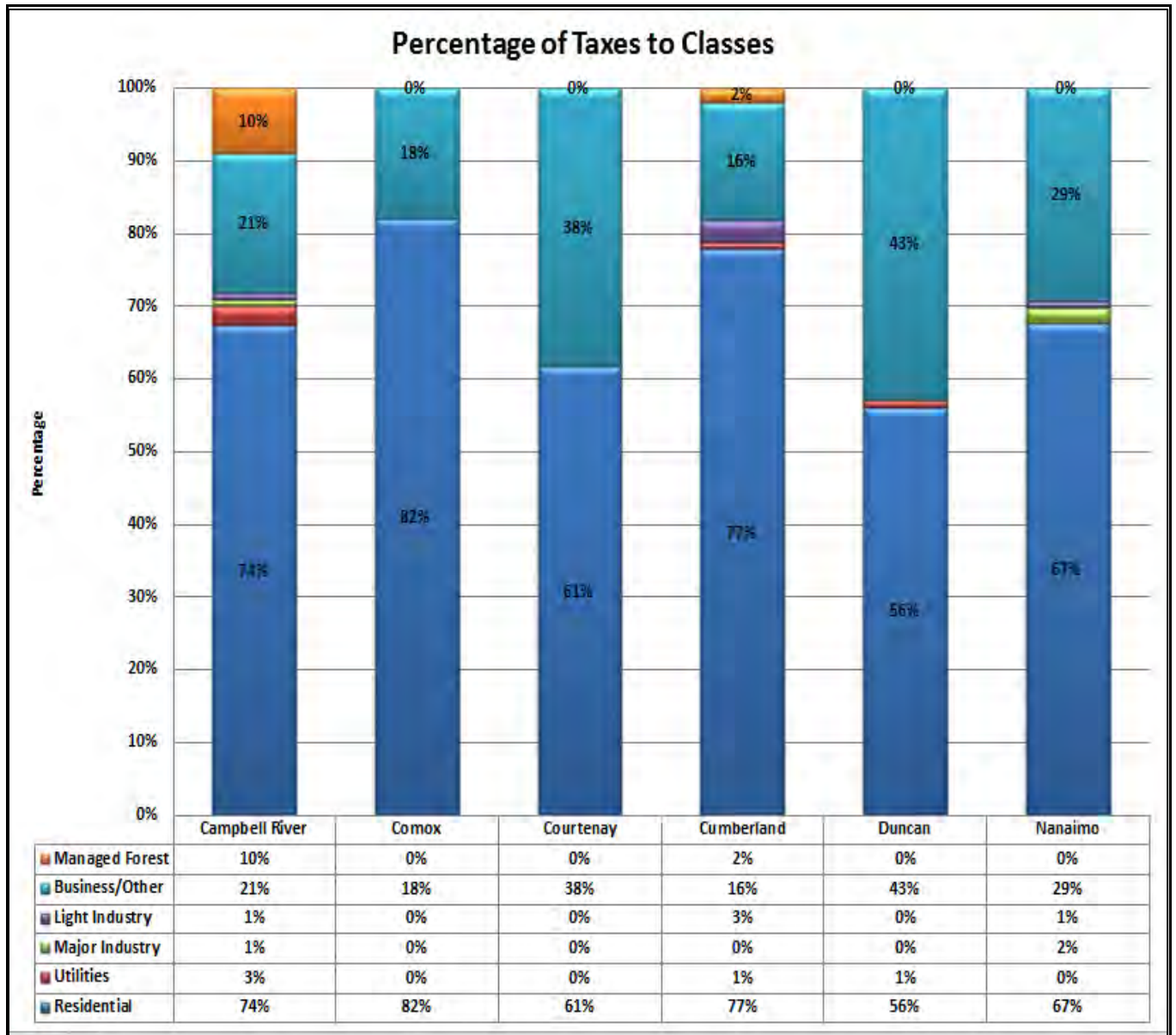
- ❖ The City of Courtenay will attempt to keep the percentage of property taxes received from residential taxpayers at a level comparable to the average of similar municipalities;
- ❖ The City has set tax rates in order to maintain tax stability, by maintaining the proportionate relationship between the property classes. This practice allows the various taxpayers in the municipality to be confident that, in any year, their property tax bill will only increase as much as their proportion of the increase in tax revenue required year over year;
- ❖ The City will attempt, over time, to reduce the commercial tax rate where necessary to ensure that Courtenay remains a competitive location for commercial activity;
- ❖ Each year, Council has considered whether to reduce the commercial rate multiple, which effectively shifts tax load from the commercial class to the residential class taxpayer.

## 2014 – 2016 distribution amongst the classes chart

Property Class	2014		2015		2016	
	Rate Multiple	Property Value Tax	Rate Multiple	Property Value Tax	Rate Multiple	Property Value Tax
01 Residential	1.00	60.10%	1.00	60.60%	1.00	61.80%
02 Utilities	7.00	0.27%	7.00	0.27%	7.00	0.27%
04 Major Industry	3.90	0.00%	3.90	0.00%	3.90	0.00%
05 Light Industry	3.90	0.33%	3.90	0.36%	3.90	0.38%
06 Business	2.80	39.19%	2.80	38.65%	2.80	37.45%
08 Recreation/Non-Profit	1.00	0.08%	1.00	0.08%	1.00	0.08%
09 Farm	1.00	0.03%	1.00	0.03%	1.00	0.03%
<b>TOTAL</b>		<b>100.00%</b>		<b>100.00%</b>		<b>100.00%</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## 2015 Percentage of Taxes to Classes comparison graph



# Draft 2016 – 2020 Five-Year Financial Plan

## Property Tax Rates

The City determines the “tax rate” (a charge per \$1,000 of assessed property value) by dividing the sum of all the assessed property values in the City by the amount of property tax revenue that must be collected. The “tax rate” is simply a means of determining the proportional amount each individual property owner must pay to receive the package of services provided by the City.

The variable tax rate system in BC levies more of the property tax to owners of more valuable properties than to owners of less valuable properties, as individuals owning more valuable properties, in general, have an ability to pay more than those in lesser valued properties.

The tax rate each year is based on the revenue the City budgets to collect and the assessed values of all the properties in the City at that time. Changes in the total assessed property values in the City will cause the tax rate to change, but on its own, it has no effect on the amount each property owner must pay unless his/her assessed value change is different from the average change in value.

## 2013 - 2016 Property Tax Rates chart

Class		2016 Rate	2015 Rate	2014 Rate	2013 Rate
01	Residential	4.0414	3.9404	3.8286	3.7322
02	Utilities	28.2899	27.5831	26.8001	26.1249
03	Supportive Housing	4.0414	3.9404	3.8286	3.7322
04	Major Industry	15.7615	15.3677	14.9314	14.5553
05	Light Industry	15.7615	15.3677	14.9314	14.5553
06	Business	11.3160	11.0333	10.7201	10.6365
08	Recreation/Non-Profit	4.0414	3.9404	3.8286	3.7322
09	Farm	4.0414	3.9404	3.8286	3.7322
<b>Total</b>		<b>87.2945</b>	<b>85.1134</b>	<b>82.6974</b>	<b>80.8008</b>
<i>Percentage Change between Current Year and Prior Year Municipal Tax Rates</i>		<i>2.56%</i>	<i>2.92%</i>	<i>2.35%</i>	<i>3.84%</i>

# Draft 2016 – 2020 Five-Year Financial Plan

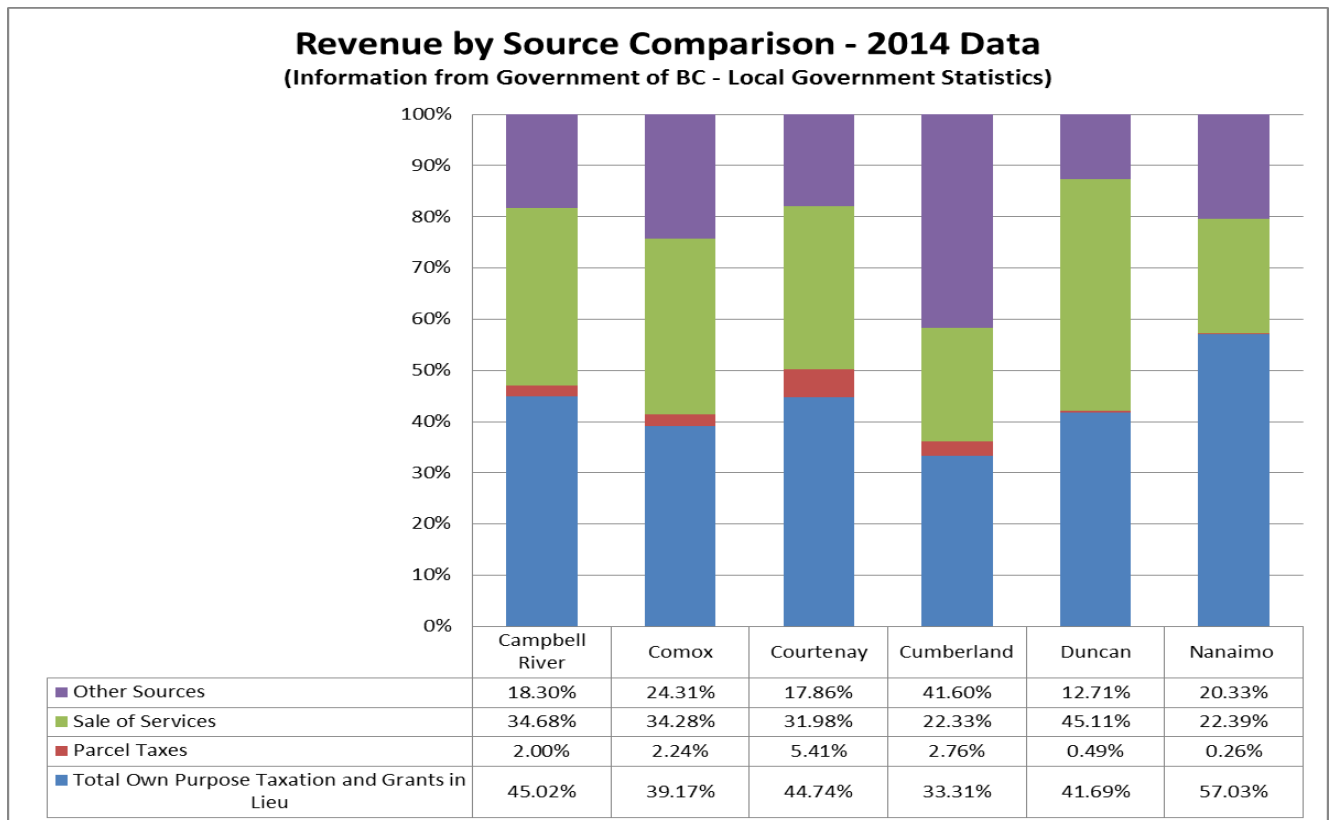
## Proportion of revenue by source

The City's policy is to try to keep the proportional share of revenue from property taxes at a level similar to the average of comparable municipalities. The following table provides a summary of the total dollars and the percentage of revenue from the various sources, and the comparison of these values and percentages over the past three years.

### 2014 – 2016 Proportion of revenue by source chart

Revenue Source	2014		2015		2016	
	Amount	% Total Revenue	Amount	% Total Revenue	Amount	% Total Revenue
Property Value Taxes	21,095,354	39.5%	21,920,748	35.4%	22,677,200	38.0%
Parcel Taxes	2,523,322	4.7%	2,592,311	4.2%	2,655,500	4.5%
Fees and Charges	11,224,107	21.0%	11,942,340	19.3%	16,077,600	27.0%
Other Sources	8,206,268	15.4%	9,769,237	15.8%	4,504,400	7.6%
Borrowing	-	0.0%	-	0.0%	-	0.0%
Reserves/Surpluses	10,363,192	19.4%	15,650,558	25.3%	13,648,600	22.9%
<b>TOTAL</b>	<b>53,412,243</b>	<b>100.0%</b>	<b>61,875,194</b>	<b>100.0%</b>	<b>59,563,300</b>	<b>100.0%</b>

## Comparison to other jurisdictions graph



# Draft 2016 – 2020 Five-Year Financial Plan

## Frontage and Parcel Taxes

The City levies frontage taxes to support infrastructure maintenance and replacement in the water and sewer utility. In 2016, the frontage tax rate for the sewer utility is the same as 2015 at \$10.24 per meter of frontage. The Water Frontage-Parcel Taxes are \$3.74 per meter and are not increasing in 2016.

The City also levies parcel taxes for local area improvements on specific properties that have financed the cost to connect to the City's services over time, as opposed to paying a one-time fee.

The total revenue from parcel and frontage taxes in 2016 is \$2,655,500.

## Permissive Tax Exemptions

The City grants permissive tax exemptions to qualifying organizations, as authorized by the Community Charter. A permissive tax exemption is strictly at the discretion of Council. After careful consideration of all applications, Council may approve a full, a partial, or no tax exemption. The tax exemption may vary for different applicants.

The City's policy 1960.00.01 regarding permissive tax exemptions is that the cumulative value of permissive tax exemptions shall not exceed 2% of the total tax levy of the previous year.

## Permissive Property Tax Exemptions chart

Permissive Property Tax Exemptions	2014 Property Tax Revenue Exempted	2015 Property Tax Revenue Exempted	2016 Property Tax Revenue Exempted
City owned properties / managed by not-for-profit groups	\$ 171,609	\$ 173,376	\$ 175,040
Not-for Profit Organizations	158,505	149,925	133,867
Churches	14,224	15,184	15,486
<b>TOTAL</b>	<b>344,338</b>	<b>\$338,485</b>	<b>324,393</b>
Prior year tax levy for municipal purposes	20,289,153	20,345,082	21,106,452
<b>As a percentage of municipal tax levy</b>	<b>1.70%</b>	<b>1.66%</b>	<b>1.54%</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## Tax Comparisons

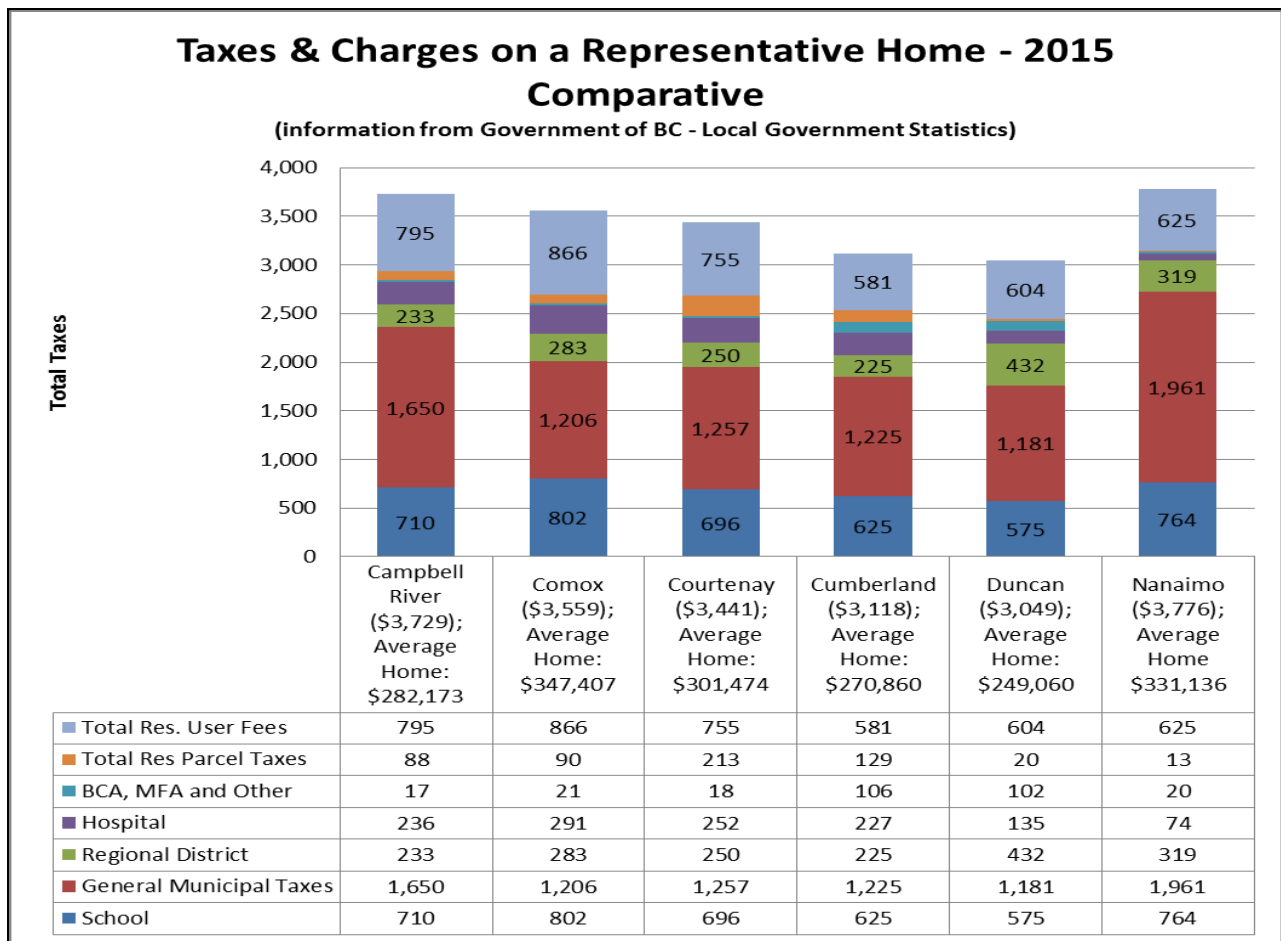
This section provides comparisons on the property value taxes and other taxes. These comparisons include a representative house, commercial taxes, and comparisons with other local governments. These comparisons are based on projected budgets.

### 2016 Property tax on a representative home

The property tax increase for an “average” residential property, valued at \$301,500 is estimated to be an increase of \$48 for the municipal taxation portion of the tax notice. This is equivalent to \$4.00 per month or **\$0.13 per day**.

The same average property inclusive of all user fees (Water, Sewer and Garbage) plus tax rates collected for other entities (BC Hospital District, Regional District, BC Assessment, Library and School), and adjusting for the home owner grant, will result in a property tax increase of \$121 or \$10.08 per month or \$0.34 per day.

### 2015 Taxes on a representative house graph





# Draft 2016 – 2020 Five-Year Financial Plan

## 2016 Property tax on a representative business

The Commercial taxes are based on a rate multiple of 2.80 times the residential tax rate. Considering the “average” commercial property, valued at \$689,600, the 2016 municipal annual property taxes are estimated to increase \$184 (\$15.37 per month or \$0.51 per day) - a 2.4% increase over the prior year. The Commercial Class includes a wide range of businesses, with a wide range of assessment valuations.

## Transfers to other governments

The City is required to collect property taxes for other taxing authorities. These taxes transfer of taxes collected on behalf of other authorities. In addition, a portion of the grants in place of property taxes received from federal and provincial Crown agencies are transferred to these other agencies as well, in proportion to the amount of taxes collected for these other taxing authorities.

## Property value taxes collected for other governments chart

Taxes for Other Authorities	2014	2015	2015	2016	2017	2018	2019	2020
	Actual	Final Budget	Actual Unaudited	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
SCHOOL - NON-RES	4,654,643	4,510,972	4,502,328	4,592,400	4,684,200	4,777,900	4,873,500	4,971,000
SCHOOL-RESIDENTIAL	7,047,614	7,105,225	7,098,282	7,240,200	7,385,000	7,532,700	7,683,400	7,837,100
REG DIST REQUISITION	3,871,682	4,080,050	4,080,050	4,618,800	5,261,000	5,818,000	5,885,100	5,944,600
REGIONAL HOSP DISTRICT	4,050,023	4,071,163	4,071,163	4,039,900	4,120,700	4,203,100	4,287,200	4,372,900
MUN FINANCE AUTHORITY	972	980	979	1,000	1,000	1,000	1,000	1,000
B C ASSESSMENT	319,966	310,331	309,902	291,200	297,000	302,900	309,000	315,200
	<b>19,944,900</b>	<b>20,078,721</b>	<b>20,062,704</b>	<b>20,783,500</b>	<b>21,748,900</b>	<b>22,635,600</b>	<b>23,039,200</b>	<b>23,441,800</b>

## Taxes for other governments including share of grants in place chart

Fiscal Services - Transfers	Actual		Budgets				
	2014	Actual Unaudited 2015	2016	2017	2018	2019	2020
<b>COLLECTIONS FOR OTHER GOVERNMENTS</b>							
Property Taxes	\$ 19,944,900	\$ 20,062,704	\$ 20,783,500	\$ 21,748,900	\$ 22,635,600	\$ 23,039,200	\$ 23,441,800
Grants in Place of Taxes	129,963	120,503	126,500	129,000	131,700	134,300	137,000
	<b>\$ 20,074,863</b>	<b>\$ 20,183,207</b>	<b>\$ 20,910,000</b>	<b>\$ 21,877,900</b>	<b>\$ 22,767,300</b>	<b>\$ 23,173,500</b>	<b>\$ 23,578,800</b>

## ***Fees and Charges***

The City charges fees and levies for a number of services and activities, including charges for water, sewer and solid waste utilities, fees for recreation activities, fees for fire protection for other jurisdictions, charges for building, development and other permits, as well as fine revenue.

The City's policy is that wherever possible, fees & charges will be used to assign costs to those who benefit from the service provided. The proportion of costs recovered by fees and charges will vary by Council policy decisions with the nature of the service provided.

## **2016 -2020 Projected Fees and Charges**

The following table provides a summary of the fees and charges the City levies, by function. Most of the budgets for fees and charges are set to increase at an inflationary rate of 2%. Details on the fees and charges for utilities are summarized on the next page. The following chart also provides detail on the revenues from other sources, and transfers from other Governments.

## **Environmental Services - Utilities**

A primary revenue source for Solid Waste and the Water and Sewer utilities are user fees. In order to provide sufficient financial resources for the utilities, the sewer user fee increases 10% each year for the next three years, and the water utility increases 3% per year. Although the Regional District has projected significant increases to the tipping fees for solid waste, the 2016 residential garbage rates are not increasing. For 2016 the impact to residential consumers is \$10.76 for water, \$24.36 for sewer. The 2016 utility rate for a single family dwelling:

Sewer	\$267.91
Water	369.59
Solid Waste	<u>152.50</u>
Total	<u>\$790.00</u>

The following graph provides a comparison of the user fees for utilities with other local governments. The graph demonstrates that the City's utility charges are close to the average among the group of Vancouver Island Communities, and above the average for all municipalities in BC.

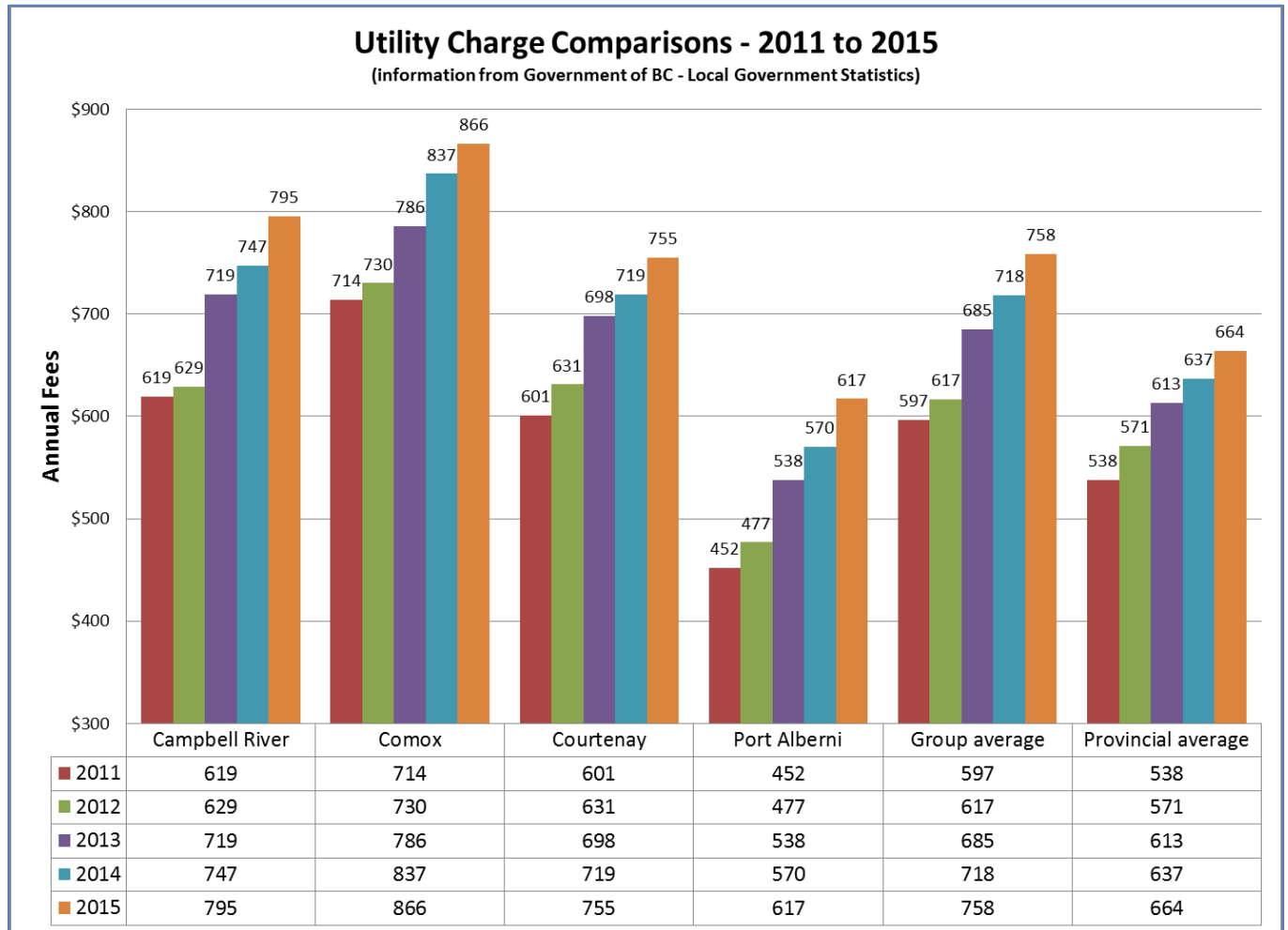
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## Fees and Charges, and Other Revenues Chart

Other Revenues	2014	2015	2016	2017	2018	2019	2020
	Actual	Unaudited Actual	Budget	Budget	Budget	Budget	Budget
<b>Fees and Charges</b>							
General Government Services	63,663	121,113	71,900	73,200	74,500	75,800	77,100
Protective Services	1,640,483	2,423,526	1,741,700	1,704,700	1,728,600	1,753,000	1,777,900
Transportation Services	154,970	69,989	78,300	79,500	80,700	82,000	83,300
Environmental Health Services							
Solid Waste	2,794,230	2,986,272	2,985,000	3,154,900	3,345,200	3,547,700	3,763,000
Sewer	3,136,413	3,542,132	3,895,700	4,299,500	4,745,400	4,955,100	5,174,100
Water	4,657,325	4,739,871	4,975,500	5,154,000	5,338,400	5,529,400	5,727,200
Total Environmental Health Services	10,587,968	11,268,275	11,856,200	12,608,400	13,429,000	14,032,200	14,664,300
Public Health Services	148,921	141,239	144,100	147,000	150,000	153,000	156,100
Development Services	698,957	674,456	700,200	714,000	728,200	742,800	757,600
Parks, Recreation, & Cultural Services	1,454,101	1,424,456	1,485,200	1,514,700	1,544,800	1,575,400	1,606,800
	<b>14,749,063</b>	<b>16,123,054</b>	<b>16,077,600</b>	<b>16,841,500</b>	<b>17,735,800</b>	<b>18,414,200</b>	<b>19,123,100</b>
<b>Revenues from Other Sources</b>							
General Revenue	19,993	18,915	894,300	904,700	914,800	915,200	915,600
Investment & Penalty Revenue	915,387	902,822	897,700	911,600	925,700	940,100	954,800
General Capital	1,247,924	649,383	704,400	3,531,800	4,301,800	1,061,700	654,900
Sewer	9,748	1,134	1,200	1,100	1,100	1,000	900
Water	109,208	110,685	113,900	117,300	120,700	124,300	128,000
	<b>2,302,260</b>	<b>1,682,939</b>	<b>2,611,500</b>	<b>5,466,500</b>	<b>6,264,100</b>	<b>3,042,300</b>	<b>2,654,200</b>
<b>Other Contributions</b>	<b>941,419</b>	<b>4,265</b>	<b>25,100</b>	<b>377,700</b>	<b>276,500</b>	<b>7,900</b>	<b>-</b>
<b>Transfers from Other Governments</b>							
Federal Government & Agencies	1,317,879	1,401,533	1,429,500	1,458,100	1,487,300	1,517,000	1,547,400
Provincial Government & Agencies	230,397	284,408	291,000	296,700	302,500	308,500	314,600
Local Government & Other Agencies	152,877	142,391	147,300	149,700	152,200	154,700	157,300
	<b>1,701,153</b>	<b>1,828,332</b>	<b>1,867,800</b>	<b>1,904,500</b>	<b>1,942,000</b>	<b>1,980,200</b>	<b>2,019,300</b>
	<b>19,693,895</b>	<b>19,638,590</b>	<b>20,582,000</b>	<b>24,590,200</b>	<b>26,218,400</b>	<b>23,444,600</b>	<b>23,796,600</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## Utility User Fees on Single Family Dwelling Graph



## ***Revenue from other sources***

The City also receives interest revenue on the following:

- a) investment of reserves and surplus funds
- b) penalties and interest on taxes and utilities
- c) other contributions
- d) grants
- e) donations

The anticipated revenues from these sources are outlined in the graph in the Fees and Charges section above.

# Draft 2016 – 2020 Five-Year Financial Plan

## Borrowing

The City's policy regarding borrowing is that borrowing will be considered when determining the funding sources of large capital projects that provide benefits to taxpayers over a long-period of time.

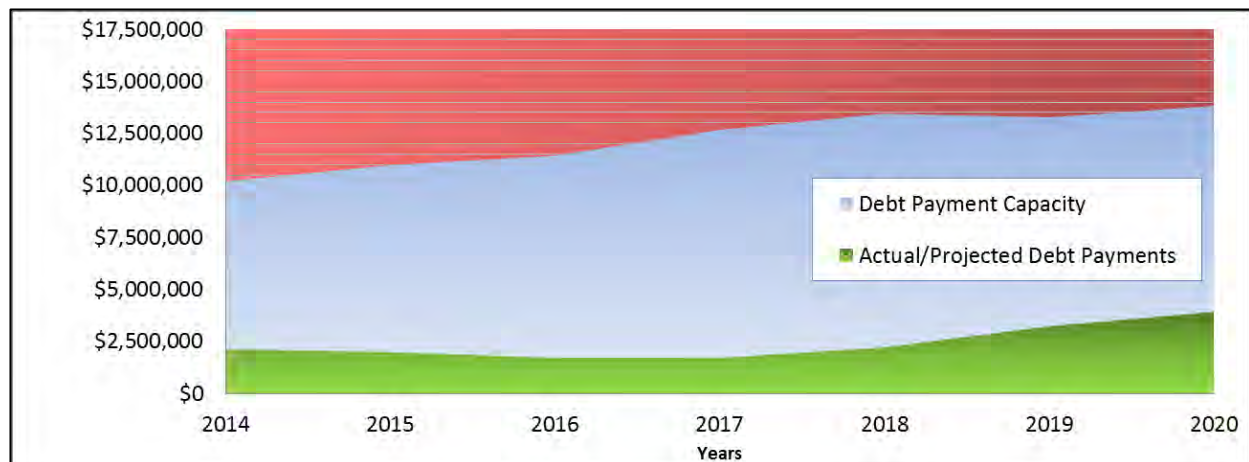
The City has not incurred any new borrowing in the past few years. However, with the objective of proactively managing the City's capital assets through the Asset Management program, the City will need to borrow funds to facilitate future capital renewal. While some major capital renewal may be funded using grants and contributions from other sources, such as developer contributions through Development Cost Charges, a significant portion will need to be funded with debt. As the practice of Asset Management matures during 2016, all debt draws are planned for years 2017 – 2020. However, the use of debt will be reevaluated pending completion of asset management plans in the fall of 2016.

The following chart and graph depicts the use of previously approved borrowing in this financial plan, the City's borrowing capacity, and the anticipated debt payments based on the planned debt.

## Borrowing Chart

Funding From Debt	2016	2017	2018	2019	2020
	Budget	Budget	Budget	Budget	Budget
General	-	1,426,500	10,557,000	9,567,800	31,260,100
Sewer	-	500,000	4,455,000	-	-
Water	-	-	-	-	758,600
	-	<b>1,926,500</b>	<b>15,012,000</b>	<b>9,567,800</b>	<b>32,018,700</b>

## Borrowing capacity graph



# Draft 2016 – 2020 Five-Year Financial Plan

## Transfers from Reserves and Surplus

The City plans for future projects by creating reserve funds for projects requiring significant capital investment. This section summarizes the use of reserve and surplus funds. The Transfer to Reserves and Surplus section of this report provides a detailed summary of the anticipated balances in the various reserves and surplus accounts.

In addition to drawing from reserves and surplus for capital and carry forward activities, the 2016 Financial Plan draws just over \$2 M to fund projects, initiatives, and operations.

Ideally the City will develop detailed policies for the management of the reserve and surplus accounts for contingent purposes, in order to streamline the accounting and use of these funds.

## Transfer from reserves and surplus chart

Transfers from Reserves and Surplus		2016	2017	2018	2019	2020
		Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Operating Reserves</b>						
General	Gaming Funds	\$ 836,000	\$ 836,000	\$ 836,000	\$ 836,000	\$ 836,000
	New Works / Carbon Offsets	525,500	-	-	-	-
	Cemetery Fund	3,000	3,000	3,000	3,000	3,000
Sewer	for Future Expenditure	260,000	-	-	-	-
Water	for Future Expenditure	143,400	12,100	-	-	-
	for Water Efficiency	6,500	6,500	6,500	6,500	6,500
	Total from Operating Reserves	1,774,400	857,600	845,500	845,500	845,500
<b>Surplus</b>						
General	for Future Expenditure	56,800	-	-	-	-
	Prior Years Surplus	1,650,300	380,000	-	-	-
Sewer	Sewer	2,000,000	-	-	-	-
	Sewer Capital - operations	110,500	255,300	101,600	87,000	-
	Capital Equity - Unexpended Funds	21,700	-	-	-	-
Water	Water	1,870,000	24,300	-	-	-
	Water Capital	18,100	-	-	163,000	2,000
	Total from Surplus	5,727,400	659,600	101,600	250,000	2,000
	Total from Operating Funds and Surplus	7,501,800	1,517,200	947,100	1,095,500	847,500
<b>Capital Reserves</b>						
General	Gaming Funds	435,000	20,000	-	-	-
	for Future Expenditure	518,800	61,400	-	-	-
	New Works RSV-Machinery & Eq	757,000	1,088,000	884,500	678,000	608,000
	New Works Reserve	1,076,000	1,958,400	1,572,100	770,000	163,000
	Capital Equity - Unexpended Funds	1,865,700	589,300	34,800	-	-
Sewer	General Reserve	-	50,000	1,150,000	-	700,000
	Gas Tax	75,000	246,000	2,900,000	281,300	-
Water	New Works Reserve	1,169,300	696,900	805,300	1,170,100	600,000
	Gas Tax	250,000	1,200,000	1,952,000	1,202,500	1,200,000
	Total from Capital Reserves	6,146,800	5,910,000	9,298,700	4,101,900	3,271,000
<b>Total from Reserves and Surplus</b>		<b>\$ 13,648,600</b>	<b>\$ 7,427,200</b>	<b>\$ 10,245,800</b>	<b>\$ 5,197,400</b>	<b>\$ 4,118,500</b>

# Draft 2016 – 2020 Five-Year Financial Plan





# Operating Expenses

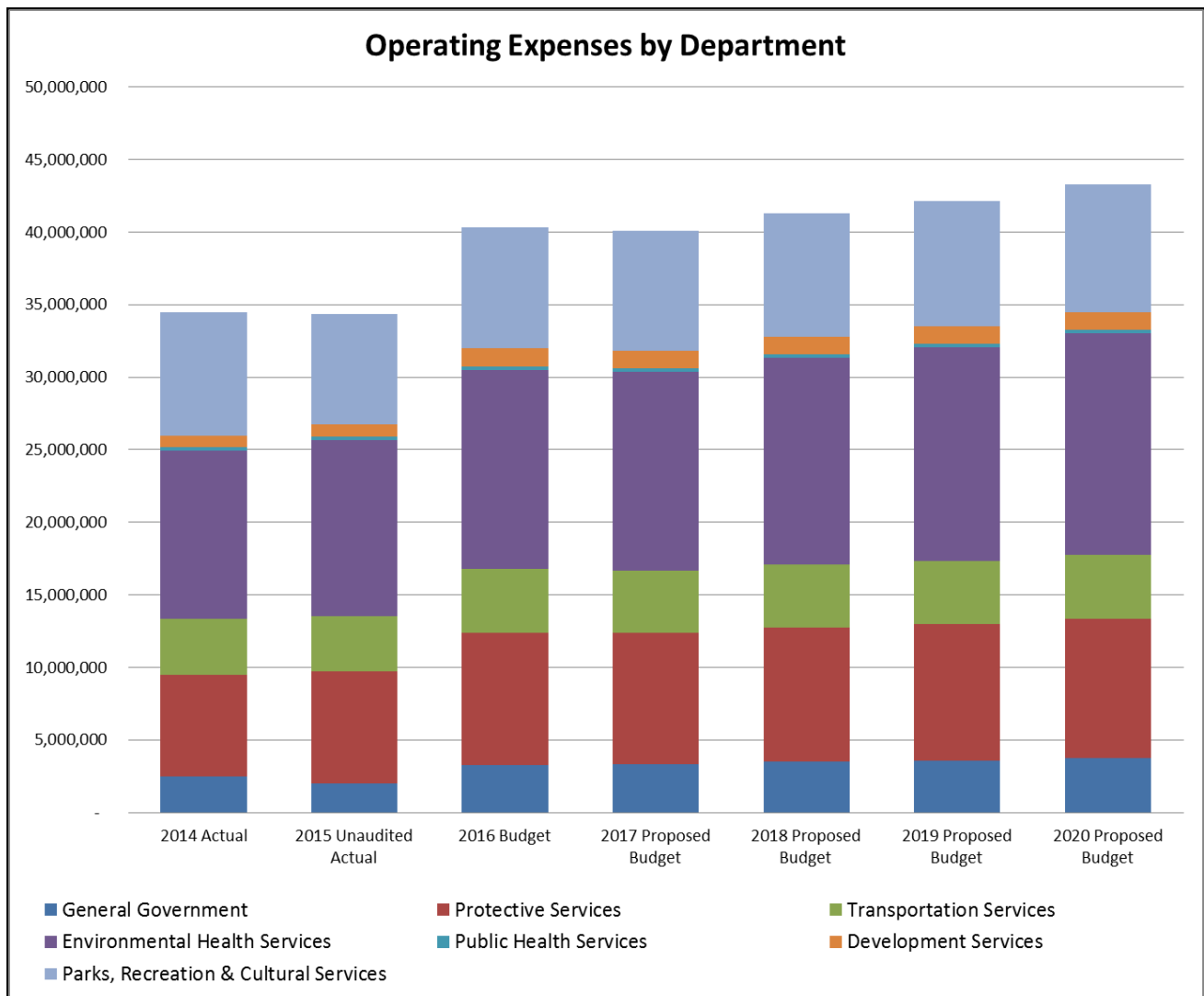


## Operating Expenses

This section includes budget details on the operational functions of City Services. Operating expenses are separated into seven distinct service areas, utilizing 70% of revenue in 2016. The seven service areas are:

- General Government, providing governance and internal support for the organization
- Protective Services, includes Police, Fire, Building Inspection and Bylaw Enforcement services
- Transportation Services, includes Roads, walkways, storm sewer, and Street lighting services
- Environmental Health, includes Solid Waste, Water and Sewer services
- Public Health, includes Cemetery services
- Development Services, includes land use planning and subdivision development services
- Park, Recreation, and Cultural Services, includes recreation facilities and programs, parks and buildings leased to various cultural and leisure activity providers

### Operating expenses by department graph



## Cost Drivers

External cost drivers are those that are outside of the direct control of the City, and typically represent energy costs, labour costs, and external contracts such as the RCMP contract, and shared services such as the utilities and waste management.

The City's operating costs are impacted by the following External Cost Drivers. The impacts are reflected in the proposed budgets.

- Personnel costs:
  - Collective Agreement – 2% for unionized employees
  - WCB rate increase and maximum earnings limit increase
- Utility Rates:
  - BC Hydro's rate increase of 6% effective January 1, 2016
- RCMP Contract:
  - Potential pay increases for all employees of 2.5% related to CPP, EI and Pension costs – estimated to be \$155,000
  - Severance liquidation costs estimated to be \$36,000
  - Vehicle replacements at \$27,000
  - DNA Analysis costs – impact uncertain
- Regional District Services:
  - Waste Management Fees at the regional landfill - increase from \$120/tonne to \$130/tonne
  - Solid Waste Requisition increase from \$170,000 to \$476,000
  - Bulk water rate charges increasing from \$0.64 to \$0.66 per cubic metre
  - Changes to the sewer flow rates allocation is transferring more costs to the City
- Revenue Increases:
  - New Construction – estimated tax impact is \$195,200
  - South Courtenay taxation Phase-in period expired - projected tax increase is \$22,000

The most significant increases in the 2016 operating budget are in general government (\$1.27M), protective services (\$1.35M), and environmental services (\$1.6 M solid waste, water and sewer). Information on the specific changes are noted in the narratives for each major service area.

# Draft 2016 – 2020 Five-Year Financial Plan

## Consolidated operating expenses by function – chart

Operating Expenditures	2014	2015	2016	2017	2018	2019	2020
	Actual	Unaudited Actual	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
General Government	\$ 2,492,706	\$ 2,001,241	\$ 3,273,300	\$ 3,316,500	\$ 3,521,400	\$ 3,572,300	\$ 3,738,000
Protective Services	6,990,862	8,042,249	9,086,300	9,046,700	9,217,500	9,401,000	9,587,700
Transportation Services	3,864,931	3,790,758	4,398,700	4,299,600	4,356,400	4,346,600	4,437,900
Environmental Health Services	11,585,264	12,106,662	13,704,000	13,682,200	14,249,300	14,737,700	15,235,500
Public Health Services	225,168	233,954	239,800	244,400	249,200	254,000	259,500
Development Services	889,606	953,257	1,357,400	1,256,100	1,263,600	1,273,100	1,296,300
Parks, Recreation & Cultural Service	8,466,817	7,588,060	8,301,100	8,323,300	8,483,800	8,609,800	8,771,900
<b>Total Operating Expenditures</b>							
<b>Before Amortization</b>	<b>\$ 34,515,354</b>	<b>\$ 34,716,182</b>	<b>\$ 40,360,600</b>	<b>\$ 40,168,800</b>	<b>\$ 41,341,200</b>	<b>\$ 42,194,500</b>	<b>\$ 43,326,800</b>

## Consolidated operating expenses by economic function – chart

Operating Expenditures	2014	2015	2016	2017	2018	2019	2020
	Actual	Unaudited Actual	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Expenditures by Economic Segments</b>							
Council Indemnity, Allowance, Benefits	\$ 183,010	\$ 187,683	\$ 193,000	\$ 196,900	\$ 200,800	\$ 204,800	\$ 208,900
Personnel	11,741,903	11,567,574	13,094,300	13,419,800	13,691,300	13,957,800	14,232,000
General Services	10,993,305	12,125,906	14,699,700	13,731,600	14,005,000	14,047,400	14,315,800
Insurance	371,307	456,169	438,500	447,000	456,900	466,300	475,300
Goods	1,821,219	1,505,154	1,953,500	1,953,700	2,002,000	2,028,700	2,065,600
Utilities	895,842	844,257	955,300	987,000	1,019,300	1,054,300	1,090,100
Financial Charges / Amortization	41,835	46,623	44,000	44,900	45,800	46,700	47,600
Transfers / Grants	358,525	375,173	384,500	390,900	397,300	403,900	410,600
Interdepartment Charges	- 994,641	- 780,761	- 560,300	- 571,600	- 583,000	- 594,500	- 606,500
Other Government - CVRD	7,817,295	7,238,098	7,967,300	8,353,900	8,866,800	9,315,300	9,798,400
Library Requisition	1,085,184	1,145,420	1,185,400	1,209,100	1,233,300	1,258,000	1,283,100
Other Transactions	200,571	4,885	5,400	5,600	5,700	5,800	5,900
<b>Total Operating Expenses</b>	<b>\$ 34,515,354</b>	<b>\$ 34,716,182</b>	<b>\$ 40,360,600</b>	<b>\$ 40,168,800</b>	<b>\$ 41,341,200</b>	<b>\$ 42,194,500</b>	<b>\$ 43,326,800</b>

## **General Government Services**

General Government Services are the centralized services that are common to all functions of the organization. This includes the offices of Council, the CAO, corporate services, communications, human resources, financial services, purchasing, stores, information technology, GIS, and other general services.

## **Legislative Services**

The Legislative Services budget supports the ‘offices’ of Council. It includes Council indemnity and expenses, travel costs, attendance at conferences (the Union of BC annual convention, and the Federation of Canadian Municipalities annual convention, etc.), indemnity insurance and miscellaneous supplies. Mayor and Councillor remuneration increased by \$5,500 in 2016.

## **Corporate Administration**

The Corporate Administration includes the office of the CAO, the Corporate Officer, Human Resources, Corporate Communications, and the implementation of strategic initiatives of Council and the CAO.

In 2015, a position in Human Resources that was vacant for much of the year was filled, restoring the staffing level to its normal operating capacity. A second position in Communications was added. 2016 is the first year of full costing for these positions.

The 2016 budget includes \$90K to review the organizational structure, and look for other operating efficiencies. The recommendations of this review will be incorporated in future operating budgets.

## **Financial Services**

Financial Services manages the financial systems of the City and is responsible for the financial plan and financial reports. In 2015, three senior management positions changed due to retirement, maternity leave, and a career change. In consideration of the staffing challenges, consulting services were used to help develop this budget, and casual assistance supported the department. The consulting and casual costs have a minor impact on the 2016 budget.

In 2015, a previously approved new position was filled in the purchasing division. The full budget impact of this position is recorded in 2016.

## **Information Technology**

The IT/GIS division provides computer systems and technology to support the organization-wide administrative and technical processes, including the financial information system and the work order management system. New programs are planned for the Human Resources Information System, development services, recreation and facility bookings, and the Geographical Information System (GIS).

# Draft 2016 – 2020 Five-Year Financial Plan

## Other Services

This section includes general expenses related to City Hall, Elections, Insurance, and legal services. The general government costs are also partially allocated to the water and sewer utilities. These costs are expected to decrease in 2016.

### General Government Services chart – expenses by function

Operating Expenditures	2014	2015	2016	2017	2018	2019	2020
	Actual	Unaudited Actual	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>General Government</b>							
Legislative Services	\$ 210,962	\$ 225,311	\$ 247,800	\$ 252,000	\$ 256,400	\$ 260,900	\$ 265,400
Corporate Administration	1,297,307	1,529,059	1,720,500	1,698,400	1,748,400	1,766,700	1,801,700
Financial Services	1,185,790	970,095	1,364,200	1,388,100	1,415,500	1,443,800	1,472,700
Information Technology	831,770	541,400	1,030,700	1,031,600	1,078,400	1,075,200	1,096,800
Common Services	144,869	85,296	151,800	140,100	143,000	146,300	150,100
Other General Government	139,512	256,850	75,100	76,700	123,400	80,100	82,000
Sub total	3,810,210	3,608,011	4,590,100	4,586,900	4,765,100	4,773,000	4,868,700
Allocation to Sewer and W-	1,317,504	1,606,770	1,316,800	1,270,400	1,243,700	1,200,700	1,130,700
	<b>\$2,492,706</b>	<b>\$2,001,241</b>	<b>\$3,273,300</b>	<b>\$3,316,500</b>	<b>\$3,521,400</b>	<b>\$3,572,300</b>	<b>\$3,738,000</b>

### General Government Services chart – expenses by economic object

General Government Services Expenses	Actual	Actual Unaudited	Budgets				
	2014	2015	2016	2017	2018	2019	2020
Expenditures by Economic Segments							
Council Indemnity, Allowance, Benefits	\$ 183,010	\$ 187,683	\$ 193,000	\$ 196,900	\$ 200,800	\$ 204,800	\$ 208,900
Personnel	2,452,590	2,484,942	2,961,500	3,043,000	3,109,300	3,165,300	3,228,600
General Services	904,197	793,087	1,168,800	1,094,000	1,186,100	1,137,900	1,159,700
Insurance	12,307	46,347	40,600	42,300	44,200	46,000	48,100
Goods	189,369	46,821	152,400	135,400	148,100	141,000	143,400
Utilities	47,693	26,876	48,800	50,300	51,600	53,000	55,000
Grants	21,044	22,255	25,000	25,000	25,000	25,000	25,000
Total Cost - General Government	3,810,210	3,608,011	4,590,100	4,586,900	4,765,100	4,773,000	4,868,700
Allocation to Water and Sewer Fund	(1,317,504)	(1,606,770)	(1,316,800)	(1,270,400)	(1,243,700)	(1,200,700)	(1,130,700)
<b>Net Cost General Government</b>	<b>\$ 2,492,706</b>	<b>\$ 2,001,241</b>	<b>\$ 3,273,300</b>	<b>\$ 3,316,500</b>	<b>\$ 3,521,400</b>	<b>\$ 3,572,300</b>	<b>\$ 3,738,000</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## Protective Services

Protective Services covers a wide spectrum that includes policing, fire, emergency measures, building inspections, bylaw enforcement and animal control. In 2016, over \$9.0 million is being directed to these various functions.

### Police Protection

The City contracts the RCMP to provide policing services within the City, providing 30.4 police officers. The RCMP contract is 71% of the overall budgeted dollars under Protective Services.

Specific cost drivers affecting the contract include increasing payroll labour and benefit costs, employee severance liquidation cost, and shifting the DNA Analysis costs to municipalities. The City uses Gaming funds and Traffic Fine revenues to help offset the cost of policing. The balance is funded from general revenue.

### Fire Protection

The Courtenay Fire Department provides fire protection and first responder services, including fire protection, prevention, suppression, and investigative services. The department conducts over 1,500 fire inspections annually.

An additional \$50k has been budgeted for the operation of the new W. A Lane Fire Training Centre, which was completed in 2015, in addition to increased funding for compensation to the Firefighter's society for the 2016 – 2018 agreement. The Courtenay Fire Department provides a cost effective mix of full-time and volunteer firefighters.

Number of Volunteers – Full-time equivalent	2013	2014	2015
Full-Time Firefighters	6	6	6
Total Volunteers	48	48	50

### Emergency Measures

This function supports the municipality in responding to emergency events. The 2016 budget includes an emergency measures project that has offsetting funding from the EMBC. Otherwise the funding required for this function is relatively stable.

### Building Inspections

The City employs two level three inspectors and a plan checker to provide building inspections. Costs have increased approximately \$70 over the 2015 costs.

### Animal Control / Bylaw Enforcement

Animal control is contracted to a third party and the City supports the SPCA for costs incurred for a “spay and neuter” program.

The Bylaw Enforcement program encourages people to adhere to Bylaws, policies, procedures and guidelines set either by federal, provincial or municipal legislation held within the confines of the municipality. This budget provides funding that supports this particular function.

# Draft 2016 – 2020 Five-Year Financial Plan

## Protective Services chart – by function

Operating Expenditures	2014	2015	2016	2017	2018	2019	2020
	Actual	Unaudited Actual	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Protective Services</b>							
Police Protection	\$ 4,620,112	\$ 6,025,444	\$ 6,380,400	\$ 6,496,100	\$ 6,614,300	\$ 6,746,000	\$ 6,879,900
Fire Protection	1,676,772	1,384,623	1,698,100	1,737,400	1,772,800	1,808,600	1,845,200
Emergency Management	52,728	60,674	128,500	77,200	80,000	81,200	82,100
Building Inspection	317,749	314,328	399,400	399,400	407,300	415,400	423,600
Property Management	207,754	131,491	329,200	183,100	186,500	189,900	193,700
Animal Control	31,953	47,440	59,900	61,100	62,200	63,600	64,900
Bylaw Enforcement	83,794	78,249	90,800	92,400	94,400	96,300	98,300
	<b>\$ 6,990,862</b>	<b>\$ 8,042,249</b>	<b>\$ 9,086,300</b>	<b>\$ 9,046,700</b>	<b>\$ 9,217,500</b>	<b>\$ 9,401,000</b>	<b>\$ 9,587,700</b>

## Protective Services chart – by economic segments

Protective Services	Actual	Actual Unaudited	Budgets				
	2014	2015	2016	2017	2018	2019	2020
<b>Expenditures by Economic Segments</b>							
Personnel	\$ 1,702,862	\$ 1,656,550	\$ 1,849,000	\$ 1,886,000	\$ 1,923,500	\$ 1,962,000	\$ 2,001,400
General Services	4,677,535	6,118,610	6,756,400	6,673,600	6,797,400	6,933,100	7,070,500
Insurance	43,229	35,083	52,400	52,900	54,200	54,800	55,400
Goods	310,043	169,631	359,200	363,200	369,700	376,400	383,600
Utilities	40,193	40,375	47,300	49,000	50,700	52,700	54,800
Grants	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Financial Charges - Amortization	195,000	-	-	-	-	-	-
<b>Total</b>	<b>\$ 6,990,862</b>	<b>\$ 8,042,249</b>	<b>\$ 9,086,300</b>	<b>\$ 9,046,700</b>	<b>\$ 9,217,500</b>	<b>\$ 9,401,000</b>	<b>\$ 9,587,700</b>



## ***Transportation Services***

Engineering Services and Public Works Services Departments support the network of roads throughout the City. The service includes fleet management, street cleaning, street maintenance and snow removal, sidewalk maintenance, water runoff and drainage, street lighting and signage. The City continues to develop condition reports for all of its linear assets such as roads, sewers storm water drainage and other assets required to support the community.

## **Engineering Services / Public Works Services**

This function was recently restructured into two areas; Public Works for the ongoing daily maintenance of the City's infrastructure, and Engineering Services to manage the City's infrastructure within the framework of asset management.

Public Works is supported by three senior managers and three support staff, while Engineering Services is supported by three senior staff, six engineering technologists and one support staff. The budgets reflect these changes to the allocation of salary and wages considering the changes.

Fleet costs were increased by 2% to reflect inflationary factors. Staff will be completing a comprehensive review of the fleet function in 2016 to ensure the fleet charges provide sufficient revenue to fund future fleet replacements.

## **Asset Management**

In 2015 and 2016, completing the condition assessments are the primary focus of the Asset Management Program. These assessments will determine asset management needs and the infrastructure replacements, renewals and maintenance programs. In 2016 \$185,000 is budgeted for assessments, which are funded from the Community Works Fund-Gas Tax grant.

## **Streets and Roads**

The City maintains approximately 180 km of paved road, as well as streets and lanes for vehicle and multi-modal traffic by:

- Inspecting streets on a regular basis
- Street sweeping
- Street and road pothole and Crack sealing, milling or patching
- Traffic line painting
- Traffic Signal

## **Street Lighting**

The cost for this service is tied to the increases implemented by BC Hydro. The budget was adjusted to reflect actual consumption in previous years with modest increases.

## **Parking**

The principal cost driver in this area is parking control. This includes the costs of towing and the utilization of bailiffs and commissioners to assist whenever required.

# Draft 2016 – 2020 Five-Year Financial Plan

## Transportation Services chart – by function

Operating Expenditures	2014	2015	2016	2017	2018	2019	2020
	Actual	Unaudited Actual	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Transportation Services</b>							
Public Works	\$ 522,734	\$ 185,054	\$ 564,100	\$ 574,000	\$ 584,600	\$ 596,600	\$ 608,400
Engineering	974,359	1,135,443	1,526,400	1,327,900	1,316,000	1,234,500	1,252,100
Roads & Streets	1,238,308	997,408	1,088,800	1,132,300	1,155,100	1,178,100	1,201,800
Storm Sewers	351,333	713,761	395,600	423,900	432,400	441,000	449,900
Bridges	72,626	58,313	65,000	66,300	67,700	69,100	70,500
Transit Shelters	4,575	5,609	6,100	6,200	6,300	6,400	6,500
Street Lighting	581,922	606,677	634,000	647,900	670,800	694,900	720,200
Traffic Services	69,854	42,204	68,500	69,900	71,300	72,700	74,100
Parking Control	44,716	43,119	46,200	47,100	48,000	49,000	50,000
Airpark	4,504	3,170	4,000	4,100	4,200	4,300	4,400
	<b>\$3,864,931</b>	<b>\$3,790,758</b>	<b>\$4,398,700</b>	<b>\$4,299,600</b>	<b>\$4,356,400</b>	<b>\$4,346,600</b>	<b>\$4,437,900</b>

## Transportation Services chart – by economic segments

Transportation Services	Actual	Actual Unaudited	Budgets				
	2014	2015	2016	2017	2018	2019	2020
<b>Expenditures by Economic Segments</b>							
Personnel	\$ 2,133,719	\$ 1,979,852	\$ 2,009,600	\$ 2,090,700	\$ 2,132,600	\$ 2,175,100	\$ 2,219,100
General Services	1,802,572	1,631,366	1,992,800	1,794,600	1,787,900	1,716,300	1,742,900
Insurance	133,110	193,433	147,600	150,400	153,600	156,700	159,800
Goods	503,323	445,047	487,900	495,800	506,400	513,700	521,700
Utilities	459,632	439,801	471,500	493,000	515,400	539,000	563,700
Total Expenditures	5,032,356	4,689,499	5,109,400	5,024,500	5,095,900	5,100,800	5,207,200
Transfer	(1,167,425)	(898,741)	(710,700)	(724,900)	(739,500)	(754,200)	(769,300)
<b>Net Cost</b>	<b>\$ 3,864,931</b>	<b>\$ 3,790,758</b>	<b>\$ 4,398,700</b>	<b>\$ 4,299,600</b>	<b>\$ 4,356,400</b>	<b>\$ 4,346,600</b>	<b>\$ 4,437,900</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## Environmental Health Services

Solid waste collection is a service provided by a third party. Solid waste tipping fees at the regional landfill have increased by 8.3%, from \$0.120/tonne to \$0.130/tonne. The Comox Valley Regional District (CVRD) requisition increased from approximately \$170,000 to \$476,000 for future capital improvements.

The sewer utility service is a self-funding utility. The service collects and conveys effluent to the regional district service for disposal. The City of Courtenay and the Town of Comox proportionately share the costs associated with the regional service based on relative sewer flows.

The water utility service is a self-funding utility. This service is provided to property owners who use the City's municipal water network. Bulk water is purchased from the Comox Valley Regional District. On April 1, 2016 the regional bulk water rate increased from \$0.64 per cubic meter to \$0.66 per cubic meter and in 2017 the rate is scheduled to increase to \$0.68 per cubic meter in order to provide funding for the Regional District's future capital works program (i.e. water treatment).

## Environmental Health chart – by function

Operating Expenditures	2014	2015	2016	2017	2018	2019	2020
	Actual	Unaudited Actual	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Environmental Health Services</b>							
Solid Waste	\$ 2,642,282	\$ 2,636,745	\$ 2,972,000	\$ 3,151,500	\$ 3,347,500	\$ 3,562,600	\$ 3,798,200
Sewer	3,990,366	4,329,500	5,358,200	5,252,000	5,473,100	5,699,900	5,921,800
Water	4,952,616	5,140,417	5,373,800	5,278,700	5,428,700	5,475,200	5,515,500
	<b>\$ 11,585,264</b>	<b>\$ 12,106,662</b>	<b>\$ 13,704,000</b>	<b>\$ 13,682,200</b>	<b>\$ 14,249,300</b>	<b>\$ 14,737,700</b>	<b>\$ 15,235,500</b>

## Environmental Health chart – by economic segment

Environmental Health	Actual	Actual Unaudited	Budgets				
	2014	2015	2016	2017	2018	2019	2020
<b>Expenditures by Economic Segments</b>							
Personnel	\$ 962,154	\$ 1,001,762	\$ 1,450,100	\$ 1,479,400	\$ 1,508,500	\$ 1,538,600	\$ 1,569,500
General Services	1,839,423	1,821,939	2,495,200	2,094,100	2,136,100	2,178,500	2,222,000
Goods	358,244	312,976	316,500	322,800	329,100	335,800	342,200
CVRD	6,945,017	7,238,098	7,967,300	8,353,900	8,866,800	9,315,300	9,798,400
Insurance	19,460	19,283	19,100	19,500	19,800	20,300	20,700
Internal Allocations	1,454,847	1,694,778	1,437,200	1,393,100	1,369,000	1,328,600	1,261,000
Utilities	6,119	17,826	18,600	19,400	20,000	20,600	21,700
<b>Total</b>	<b>\$11,585,264</b>	<b>\$12,106,662</b>	<b>\$13,704,000</b>	<b>\$13,682,200</b>	<b>\$14,249,300</b>	<b>\$14,737,700</b>	<b>\$15,235,500</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## Public Health Services

This includes the cost of maintenance, grave digging, niche wall maintenance and new construction at the City's cemetery.

## Cemetery

Personnel costs have increased in accordance with the Collective Agreement. All other expenditures were held at prior years' historical actual operating costs. A new Cemetery Master Plan is being developed in 2016, to identify long-term levels of operating and capital costs, to develop a sustainable service delivery model.

### Public Health: Cemetery – by economic segments

Public Health (Cemetery)	Actual	Actual Unaudited	Budgets				
	2014	2015	2016	2017	2018	2019	2020
<b>Expenditures by Economic Segments</b>							
Personnel	\$ 145,206	\$ 156,635	\$ 164,900	\$ 168,100	\$ 171,400	\$ 174,700	\$ 178,400
General Services	34,139	37,436	34,500	35,100	35,800	36,500	37,300
Goods	43,187	37,772	38,100	38,800	39,600	40,400	41,200
Utilities	2,636	2,111	2,300	2,400	2,400	2,400	2,600
<b>Total</b>	<b>\$ 225,168</b>	<b>\$ 233,954</b>	<b>\$ 239,800</b>	<b>\$ 244,400</b>	<b>\$ 249,200</b>	<b>\$ 254,000</b>	<b>\$ 259,500</b>

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## Development Services

Community development encompasses a broad range of services from land use planning and zoning, economic development, tourism services, and community enhancement. This function also supports the visitors information centre, community events, and grants to community organizations.

A review of the department was completed in 2015, to enhance customer service and realign department functions with Asset Management practices. The staffing complement in Planning and Development includes the Director, a Planning Manager, an Environmental Planner, a Land Use Planner and a Department Clerk. The Development and Servicing sub-division consists of a Development Engineer (including the Approving Officer function) and a Development Technician.

The 2% Hotel Tax is paid to the City and is transferred to the Comox Valley Economic Development Society to support tourism development. In addition, the tax revenue collected for the Business Improvement Area is expensed in other community development services.

## Planning and Zoning

The Planning and Zoning budget includes a one-time expenditure of \$100,000 for the Downtown Charrette.

## Subdivision Development and Servicing

The subdivision service was transferred to this service area from engineering, and expanded in order to provide better support for development activities.

## Development Services chart – by function

Operating Expenditures	2014	2015	2016	2017	2018	2019	2020
	Actual	Unaudited Actual	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Development Services</b>							
Property for Development	\$ 33,241	\$ 15,999	\$ 35,000	\$ 35,600	\$ 36,200	\$ 36,800	\$ 37,400
Planning and Zoning	568,000	578,954	698,000	626,500	638,500	650,700	663,200
Subdivision Development & Servicing	-	69,938	326,600	291,400	281,500	273,300	278,300
Other Community Development	288,365	288,366	297,800	302,600	307,400	312,300	317,400
	<b>\$ 889,606</b>	<b>\$ 953,257</b>	<b>\$ 1,357,400</b>	<b>\$ 1,256,100</b>	<b>\$ 1,263,600</b>	<b>\$ 1,273,100</b>	<b>\$ 1,296,300</b>

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## Development Service chart – by economic segments

Development Services	Actual	Actual Unaudited	Budgets				
	2014	2015	2016	2017	2018	2019	2020
<b>Expenditures by Economic Segments</b>							
Personnel	\$ 549,029	\$ 617,025	\$ 772,000	\$ 777,300	\$ 792,900	\$ 808,600	\$ 824,700
General Services	317,191	321,132	539,100	431,600	422,600	415,400	421,700
Insurance	2,826	3,085	3,500	3,600	3,600	3,700	3,700
Goods	10,289	4,590	28,100	28,700	29,200	29,800	30,300
Utilities	7,884	2,540	9,300	9,300	9,600	9,800	10,000
Other Transactions	5,571	4,885	5,400	5,600	5,700	5,800	5,900
Grants	(3,184)	-	-	-	-	-	-
<b>Total</b>	<b>\$ 889,606</b>	<b>\$ 953,257</b>	<b>\$ 1,357,400</b>	<b>\$ 1,256,100</b>	<b>\$ 1,263,600</b>	<b>\$ 1,273,100</b>	<b>\$ 1,296,300</b>

## ***Parks, Recreation and Cultural Services***

This department is responsible for the City's facilities, parks and recreational programming, and working with cultural and leisure organizations to provide various services and programs to meet the diverse interests of the community.

In conjunction with the functional review of the Engineering and Public Works Departments, a functional review of this department realigned staff. It is anticipated that in future years, this Department's budget will be better refined and cost management improvements made as staff become more familiar with the new functional responsibilities assigned to them.

The 2016 budget increases include a 2% increase to personnel costs, additional funding for instructors, additional funding for contracted services for various programs, and a 6% increase to hydro costs.

## **Parks and Playgrounds**

The parks and playgrounds include buildings and operations found throughout the community. Overall the Parks and Playgrounds budget is increasing by 1.5% or \$29,713 primarily due to labour costs.

## **Recreation Administration and Programs**

The City provides many recreation and program facilities that contribute to quality of life that Courtenay residents enjoy. Recreation services are provided in a variety of locations, as summarized below.

In an effort to obtain a clearer perspective of the administrative costs related to the provision of programming for the community, general costs related to the Recreation and Culture department are being separated and reported under an umbrella account.

## **Lewis Centre**

The Lewis Centre offers a variety of recreational programs and meeting spaces for the general public to utilize. Its focus is the promotion of wellness and health, and includes an outdoor pool, water park and playground, tennis courts, play fields and outdoor park buildings.

The overall budget for the Lewis Centre operations and programming increases approximately \$58,120 between 2016 and 2015. The building and grounds maintenance costs are slightly lower by approximately \$8,000.

## Florence Filberg Centre

The Florence Filberg centre provides healthy recreational opportunities tailored more specifically to seniors in the Comox Valley.

Overall increase to the Budget for the Filberg Centre operations and programming is an increase of \$49,300 between 2016 and 2015 budgeted numbers. However, the Building and grounds budgetary costs have decreased significantly by \$185,700 as numbers in the budget for this area were overly high in 2015.

## Linc Youth Centre

The Linc youth centre provides healthy recreational opportunities for youth in the Comox Valley. It includes an indoor skateboard park, outdoor basketball court, foosball, ping pong, air hockey, video game consoles and nightly events.

The primary cost driver is the 2% increase to labour. The overall cost increase for operations at this location is \$4,150. Building and Grounds costs decreased significantly reflecting a reduction of approximately \$59,400.

## Pool and Marina

The outdoor pool and spray park is included within this area. Overall costs are increasing by approximately \$7,000 with the majority of costs related to the 2% increased labour costs. Building and Grounds maintenance costs for this facility are not changing in 2016.

## Cultural Services

Cultural services are supported both by the City, and by partnering agencies. The funding for cultural services is summarized below.

## Cultural Buildings and Facilities

This includes the Native Sons, Sid Williams, Art Gallery, Library, Museum and Civic Square and Heritage Church. Budgeted expenses for these facilities have been kept at 2015 levels.

## Library

The library provides a literary centre for the public. The annual requisition is increasing by approximately \$40,000 in 2016.

## Other Buildings

The City owns a number of buildings. Costs increases are primarily due to labour increases, and utility charges from BC Hydro and Fortis.



# Draft 2016 – 2020 Five-Year Financial Plan

## Parks, Recreation, and Cultural Services chart – by function

Operating Expenditures	2014	2015	2016	2017	2018	2019	2020
	Actual	Unaudited Actual	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Parks, Recreation &amp; Cultural Services</b>							
Recreation	3,799,981	3,870,486	4,250,400	4,314,300	4,395,700	4,438,100	4,517,400
Parks	3,026,988	2,073,449	2,221,700	2,185,500	2,228,300	2,274,300	2,319,400
Cultural Services	1,639,848	1,644,125	1,829,000	1,823,500	1,859,800	1,897,400	1,935,100
	<b>\$8,466,817</b>	<b>\$7,588,060</b>	<b>\$8,301,100</b>	<b>\$8,323,300</b>	<b>\$8,483,800</b>	<b>\$8,609,800</b>	<b>\$8,771,900</b>

## Parks, Recreation, and Cultural Services chart – by economic segments

Parks, Recreation and Cultural Services	Actual	Actual Unaudited	Budgets				
	2014	2015	2016	2017	2018	2019	2020
<b>Expenditures by Economic Segments</b>							
Personnel	\$ 3,796,343	\$ 3,670,808	\$ 3,887,200	\$ 3,975,300	\$ 4,053,100	\$ 4,133,500	\$ 4,210,300
General Services	1,418,249	1,402,336	1,712,900	1,608,600	1,639,100	1,629,700	1,661,700
Insurance	160,375	158,938	175,300	178,300	181,500	184,800	187,600
Goods	406,763	488,317	571,300	569,000	579,900	591,600	603,200
Utilities	331,685	314,728	357,500	363,600	369,600	376,800	382,300
Financial Charges	41,835	46,623	44,000	44,900	45,800	46,700	47,600
Transfers / Grants	318,665	330,918	337,500	343,900	350,300	356,900	363,600
Interdepartment Charges	35,441	29,972	30,000	30,600	31,200	31,800	32,500
Other Government - CVR	872,278	-	-	-	-	-	-
Library Requisition	1,085,184	1,145,420	1,185,400	1,209,100	1,233,300	1,258,000	1,283,100
<b>Total</b>	<b>\$ 8,466,817</b>	<b>\$ 7,588,060</b>	<b>\$ 8,301,100</b>	<b>\$ 8,323,300</b>	<b>\$ 8,483,800</b>	<b>\$ 8,609,800</b>	<b>\$ 8,771,900</b>

# Capital Transactions

## Capital Transactions

The Capital section of the budget summarizes both the capital works planned each year, and any related debt servicing costs. This section summarizes the capital plans for general operations, the sewer utility and the water utility.

The summary chart provides a high level overview of the total cost of the capital programs for the five year period. Details are listed in the Asset and Debt sections.

### Capital summary - chart

Capital Transactions	2016	2017	2018	2019	2020
	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Assets</b>					
Land and Improvements	\$ 830,900	\$ 541,000	\$ 476,500	\$ 450,000	\$ 410,000
Buildings	798,800	622,000	4,111,000	6,167,000	30,086,000
Equipment / Furniture / Vehicles					
Equipment / Furniture / Vehicles	1,020,000	1,218,000	1,014,500	778,000	708,000
Engineering Structures - Renewal	5,846,500	9,696,000	22,215,900	9,111,600	6,241,300
Engineering Structures - New	515,500	979,500	2,663,000	-	-
Information Systems	665,000	250,000	115,000	30,000	50,000
<b>Total Expenditures</b>	<b>\$ 9,676,700</b>	<b>\$ 13,306,500</b>	<b>\$ 30,595,900</b>	<b>\$ 16,536,600</b>	<b>\$ 37,495,300</b>
<b>Debt</b>					
Interest	758,900	757,600	910,800	1,213,600	1,495,700
Principal	950,500	951,200	1,311,500	1,991,000	2,421,600
<b>Total Debt</b>	<b>\$ 1,709,400</b>	<b>\$ 1,708,800</b>	<b>\$ 2,222,300</b>	<b>\$ 3,204,600</b>	<b>\$ 3,917,300</b>
<b>Total Capital Transactions</b>	<b>\$ 11,386,100</b>	<b>\$ 15,015,300</b>	<b>\$ 32,818,200</b>	<b>\$ 19,741,200</b>	<b>\$ 41,412,600</b>

## Assets

The capital projects are listed by the type of capital asset, as reported in the financial statement. The City's capital works program includes the renewal of existing capital assets or the acquisition of new capital items.

This section summarizes the transactions by the type of asset acquired and provides general information on the projects for the five year plan.

# Draft 2016 – 2020 Five-Year Financial Plan

## Capital Assets detail chart

Capital Assets	2016	2017	2018	2019	2020
	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Land and Improvements</b>					
General Government	\$ 410,000	\$ -	\$ -	\$ -	\$ -
Parks	329,200	330,000	345,000	355,000	355,000
Cemetery	-	125,000	100,000	-	-
Other	91,700	86,000	31,500	95,000	55,000
	<b>\$ 830,900</b>	<b>\$ 541,000</b>	<b>\$ 476,500</b>	<b>\$ 450,000</b>	<b>\$ 410,000</b>
<b>Buildings</b>					
Art Gallery	\$ 21,500	\$ -	\$ -	\$ -	\$ -
Building Equipment	10,000	-	-	-	-
Carpentry Shop	170,000	-	-	-	-
Cemetery	98,700	22,000	81,000	22,000	56,000
City Hall	51,300	100,000	-	-	-
Filberg Centre	-	345,000	-	-	-
Fire Station	-	-	-	5,500,000	30,000,000
Lewis Centre	111,300	125,000	-	-	-
Memorial Pool	63,500	30,000	30,000	45,000	30,000
Museum	-	-	-	100,000	-
Native Sons Hall	50,000	-	-	-	-
Youth Services	-	-	-	-	-
Parks Buildings	70,000	-	-	-	-
Public Works	95,000	-	4,000,000	500,000	-
Rental Properties	20,000	-	-	-	-
Sid Theatre	37,500	-	-	-	-
	<b>\$ 798,800</b>	<b>\$ 622,000</b>	<b>\$ 4,111,000</b>	<b>\$ 6,167,000</b>	<b>\$ 30,086,000</b>
<b>Equipment / Furniture / Vehicles</b>					
Fire Department	\$ 95,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ -
Information Systems	100,000	130,000	130,000	100,000	100,000
Public Works	692,000	1,023,000	819,500	613,000	608,000
Sewer	133,000	-	-	-	-
	<b>\$ 1,020,000</b>	<b>\$ 1,218,000</b>	<b>\$ 1,014,500</b>	<b>\$ 778,000</b>	<b>\$ 708,000</b>
<b>Engineering Structures - Renewal</b>					
Roads	\$ 4,090,900	\$ 6,889,500	\$ 12,169,100	\$ 5,154,700	\$ 2,444,000
Sewer	243,100	401,500	6,733,300	1,046,800	861,700
Water	1,512,500	2,405,000	3,313,500	2,910,100	2,935,600
	<b>5,846,500</b>	<b>9,696,000</b>	<b>22,215,900</b>	<b>9,111,600</b>	<b>6,241,300</b>
<b>Engineering Structures - New</b>					
Roads	-	-	-	-	-
Sewer	220,500	971,900	2,663,000	-	-
Water	295,000	7,600	-	-	-
	<b>515,500</b>	<b>979,500</b>	<b>2,663,000</b>	<b>-</b>	<b>-</b>
<b>Totl Engineering Structures</b>	<b>\$ 6,362,000</b>	<b>\$ 10,675,500</b>	<b>\$ 24,878,900</b>	<b>\$ 9,111,600</b>	<b>\$ 6,241,300</b>
<b>Other Tangible Capital Assets</b>					
Information Systems	\$ 665,000	\$ 250,000	\$ 115,000	\$ 30,000	\$ 50,000
<b>Total Expenditures</b>	<b>\$ 9,676,700</b>	<b>\$ 13,306,500</b>	<b>\$ 30,595,900</b>	<b>\$ 16,536,600</b>	<b>\$ 37,495,300</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## Capital Funding

This table summarizes the planned source of funding for the 2016 to 2020 capital projects.

Capital Funding Summary	2016	2017	2018	2019	2020
	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>General, Sewer and Water</b>					
Transfers from Operating Funds	\$ 4,359,500	\$ 3,269,300	\$ 3,929,200	\$ 5,001,900	\$ 5,468,000
External Funds	729,500	3,909,500	4,578,300	1,069,600	654,900
Reserves	6,297,100	5,910,000	9,298,700	4,101,900	3,271,000
Debt	-	1,926,500	15,012,000	9,567,800	32,018,700
	<b>\$ 11,386,100</b>	<b>\$ 15,015,300</b>	<b>\$ 32,818,200</b>	<b>\$ 19,741,200</b>	<b>\$ 41,412,600</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## Debt

The City has used debt to fund capital assets, in accordance with the borrowing requirements outlined in the Community Charter. The City must gain the assent of the electors prior to incurring a new debt for capital assets. The current debt payments are approximately \$1,709,400.

The financial plan projects new debt will be required in each of the years 2017 to 2020. The plan for the use of debt is expected to change prior to the 2017 plan being adopted; as several of the projects may be funded from other sources, such as grants, or from reserves. For planning purposes, the following is the new debt in this financial plan.

## New debt chart

		2016	2017	2018	2019	2020
Funding From Debt		Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
General		\$ -	\$ 1,426,500	\$ 10,557,000	\$ 9,567,800	\$ 31,260,100
Sewer		-	500,000	4,455,000	-	-
Water		-	-	-	-	758,600
		<b>\$ -</b>	<b>\$ 1,926,500</b>	<b>\$ 15,012,000</b>	<b>\$ 9,567,800</b>	<b>\$ 32,018,700</b>

The planned use of debt funding results in an increase to the debt payments beginning the year following the year the debt is incurred. This following table summarizes the change to the debt payments.

## Debt payments chart

Capital Assets		2016	2017	2018	2019	2020
		Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Debt</b>						
Interest		\$ 758,900	\$ 757,600	\$ 910,800	\$ 1,213,600	\$ 1,495,700
Principal		950,500	951,200	1,311,500	1,991,000	2,421,600
<b>Total Debt</b>		<b>\$ 1,709,400</b>	<b>\$ 1,708,800</b>	<b>\$ 2,222,300</b>	<b>\$ 3,204,600</b>	<b>\$ 3,917,300</b>

# Reserves and Surplus

## Transfers to Reserves and Surplus

Annually the City plans for future projects and reserves funds for those activities. In addition, the City usually has a surplus from unspent funds at the end of each budget year, partly due to staff turnover or attrition, projects not being completed and partly due to activities not occurring, such as travel or training. Reserve and surplus funds are used for future projects – both operating and capital projects. The following chart summarizes the planned transfers to reserve accounts and funds, while the chart on the next page summarizes the balances in the reserve funds and surplus accounts at the end of each budget year.

### Transfers to reserve and surplus chart

Transfer to Reserve Funds and Surplus	2016	2017	2018	2019	2020
	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>Transfer to Reserve Funds</b>					
General					
Machinery & Equipment Reserve	\$ 600,000	\$ 606,000	\$ 612,100	\$ 618,200	\$ 624,400
New Works & Other Reserves	1,779,500	2,171,100	2,581,800	3,002,200	3,442,900
Public Parking	6,500	6,600	6,600	6,700	6,800
MFA Reserve	9,200	9,400	9,600	9,800	10,000
Reserve Future Expenditures	-	-	-	-	-
Interfund Interest	56,000	99,900	107,300	121,500	122,700
New Works BYLAW 1835	1,069,100	1,069,100	1,120,000	1,120,000	1,120,000
Cemetery Care Fund	11,000	11,000	11,000	11,000	11,000
Carbon Offsets	18,800	18,800	18,800	18,800	18,800
	3,550,100	3,991,900	4,467,200	4,908,200	5,356,600
Sewer					
Asset Management Reserve	2,125,000	332,100	125,000	125,000	388,700
Machinery/Equip Reserve	75,000	75,000	75,000	75,000	75,000
MFA Reserve Fund	800	700	700	600	500
Carbon Offsets Reserve	5,500	5,500	5,500	5,500	5,500
	2,206,300	413,300	206,200	206,100	469,700
Water					
Asset Management	300,000	300,000	300,000	300,000	300,000
Water Utility	1,700,000	-	-	-	-
Water Machinery & Equip	30,000	30,000	30,000	30,000	30,000
MFA	200	100	100	100	100
Carbon Offsets	5,500	5,500	5,500	5,500	5,500
	2,035,700	335,600	335,600	335,600	335,600
Total Transfer to Reserve Funds	7,792,100	4,740,800	5,009,000	5,449,900	6,161,900
<b>Transfer to Surplus</b>					
General	-	-	-	397,300	2,300
Sewer	24,500	354,900	97,700	118,100	373,400
Water	-	-	1,400	149,500	310,700
Total Transfer to Surplus	24,500	354,900	99,100	664,900	686,400
<b>Total to Reserves and Surplus</b>	<b>\$7,816,600</b>	<b>\$5,095,700</b>	<b>\$5,108,100</b>	<b>\$6,114,800</b>	<b>\$6,848,300</b>



# Draft 2016 – 2020 Five-Year Financial Plan

## Reserves and surplus balances chart

Surplus and Reserves Closing Summary	2016	2017	2018	2019	2020
	Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
<b>General</b>					
General Operating Surplus					
Unappropriated Surplus	\$ 994,076	\$ 614,076	\$ 614,076	\$ 1,011,376	\$ 1,013,676
Surplus for Future Expenditures	297,800	236,400	236,400	236,400	236,400
Sid Williams Theatre Society	129,320	129,320	129,320	129,320	129,320
Gaming Funds	1,276,672	1,305,672	1,364,672	1,423,672	1,482,672
	2,697,868	2,285,468	2,344,468	2,800,768	2,862,068
General Capital Reserves					
Unexpended Reserve	948,769	359,469	324,669	324,669	324,669
Machinery and Equipment	1,308,639	826,639	554,239	494,439	510,839
Land Sale	159,013	159,013	159,013	159,013	159,013
New Works and Equipment	3,007,352	2,799,052	3,021,852	3,390,152	3,866,652
Community Gas Tax Funds	4,104,528	3,727,628	- 4,372	- 368,172	- 448,172
Infrastructure Reserve	649,500	304,200	322,200	1,431,400	3,481,300
Risk Reserve	100,000	100,000	100,000	100,000	100,000
Housing Amenity	342,143	342,143	342,143	342,143	342,143
Amenity	180,375	180,375	180,375	180,375	180,375
Public Parking	43,379	49,979	56,579	63,279	70,079
Parkland Acquisition	208,186	208,186	208,186	208,186	208,186
	11,051,883	9,056,683	5,264,883	6,325,483	8,795,083
<b>Total General Surplus and Reserves</b>	<b>13,749,751</b>	<b>11,342,151</b>	<b>7,609,351</b>	<b>9,126,251</b>	<b>11,657,151</b>
<b>Sewer</b>					
Sewer Operating Surplus					
Unappropriated Surplus	571,643	926,543	1,024,243	1,142,343	1,515,743
Surplus for Future Expenditures	443,900	188,600	87,000	-	-
	1,015,543	1,115,143	1,111,243	1,142,343	1,515,743
Sewer Capital Reserves					
Sewer Reserve	471,948	421,948	271,948	271,948	271,948
Asset Management Reserve	2,125,000	2,457,100	1,582,100	1,707,100	1,395,800
Sewer Machinery and Equipment	625,240	700,240	775,240	850,240	925,240
	3,222,188	3,579,288	2,629,288	2,829,288	2,592,988
<b>Total Sewer Surplus and Reserves</b>	<b>4,237,731</b>	<b>4,694,431</b>	<b>3,740,531</b>	<b>3,971,631</b>	<b>4,108,731</b>
<b>Water</b>					
Water Operating Surplus					
Unappropriated Surplus	444,362	420,062	421,462	570,962	881,662
Surplus for Future Expenditures	177,100	165,000	165,000	2,000	-
	621,462	585,062	586,462	572,962	881,662
Water Capital Reserves					
Water Reserve	2,030,761	1,333,861	528,561	158,461	158,461
Asset Management Reserve	300,000	600,000	900,000	400,000	100,000
Water Machinery and Equipment	221,151	251,151	281,151	311,151	341,151
	2,551,912	2,185,012	1,709,712	869,612	599,612
<b>Total Water Surplus and Reserves</b>	<b>3,173,374</b>	<b>2,770,074</b>	<b>2,296,174</b>	<b>1,442,574</b>	<b>1,481,274</b>
<b>Total Operating Surplus</b>	<b>4,334,873</b>	<b>3,985,673</b>	<b>4,042,173</b>	<b>4,516,073</b>	<b>5,259,473</b>
<b>Total Capital Reserves</b>	<b>16,825,982</b>	<b>14,820,982</b>	<b>9,603,882</b>	<b>10,024,382</b>	<b>11,987,682</b>
<b>Total Surplus and Reserves</b>	<b>\$ 21,160,855</b>	<b>\$ 18,806,655</b>	<b>\$ 13,646,055</b>	<b>\$ 14,540,455</b>	<b>\$ 17,247,155</b>

# Appendix

## Appendix

The appendix provides the information used to prepare the Bylaw for the 2016 – 2020 Five Year Financial Plan, and includes the following.

1. OBJECTIVES AND POLICIES FOR SCHEDULE "A" BYLAW 2848
2. OBJECTIVES AND POLICIES FOR SCHEDULE "B" BYLAW 2848
3. OBJECTIVES AND POLICIES FOR SCHEDULE "C" BYLAW 2848
4. CONSOLIDATED SUMMARY FOR SCHEDULE "D" BYLAW 2848
5. GENERAL FUND SUMMARY FOR SCHEDULE "E" BYLAW 2848
6. SEWER OPERATING FUND SUMMARY FOR SCHEDULE "F" BYLAW 2848
7. WATER OPERATING FUND SUMMARY FOR SCHEDULE "G" BYLAW 2848
8. GENERAL CAPITAL FUND SUMMARY FOR SCHEDULE "H" BYLAW 2848
9. SEWER CAPITAL FUND SUMMARY FOR SCHEDULE "I" BYLAW 2848
10. WATER CAPITAL FUND SUMMARY FOR SCHEDULE "J" BYLAW 2848

# Draft 2016 – 2020 Five-Year Financial Plan

## 1. Objectives and Policies for Schedule “A” Bylaw 2848

### Proportion of Revenue by Source

#### Property Tax Policies

- ❖ The City of Courtenay will attempt to keep the proportional share of revenue from property taxes at a level similar to the average of comparable municipalities.
- ❖ Where new sources of revenue are made available to the City from senior governments, wherever possible these revenues will be used to reduce dependency on property taxation revenue.

#### Parcel Tax Policies

- ❖ Parcel taxes will be used whenever Council determines that they are more appropriate than property taxes.

#### Fees & Charges

- ❖ Wherever possible, fees & charges will be used to assign costs to those who benefit from the service provided. The proportion of costs recovered by fees and charges will vary with the nature of the service provided.

#### Proceeds of Borrowing

- ❖ Borrowing will be considered when determining the funding sources of large capital projects that provide benefits to taxpayers over a long period of time.

#### Other Sources of Revenue

- ❖ The City will continue to seek other sources of revenue in order to reduce reliance on property taxes.

Revenue Source	2014		2015		2016	
	Amount	% Total Revenue	Amount	% Total Revenue	Amount	% Total Revenue
Property Value Taxes	21,095,354	39.5%	21,920,748	35.4%	22,677,200	38.0%
Parcel Taxes	2,523,322	4.7%	2,592,311	4.2%	2,655,500	4.5%
Fees and Charges	11,224,107	21.0%	11,942,340	19.3%	16,077,600	27.0%
Other Sources	8,206,268	15.4%	9,769,237	15.8%	4,504,400	7.6%
Borrowing	-	0.0%	-	0.0%	-	0.0%
Reserves/Surpluses	10,363,192	19.4%	15,650,558	25.3%	13,648,600	22.9%
<b>TOTAL</b>	<b>53,412,243</b>	<b>100.0%</b>	<b>61,875,194</b>	<b>100.0%</b>	<b>59,563,300</b>	<b>100.0%</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## 2. Objectives and Policies for Schedule “B” Bylaw 2848

### Distribution of property value taxes among the property classes

- ❖ The City of Courtenay will attempt to keep the percentage of property taxes received from residential taxpayers at a level comparable to the average of similar municipalities.

The City has set tax rates in order to maintain tax stability, by maintaining the proportionate relationship between the property classes. This practice allows the various taxpayers in the municipality to be confident that, in any year, their property tax bill will only increase as much as their proportion of the increase in tax revenue required year over year.

- ❖ The City will attempt, over time, to reduce the commercial tax rate where necessary to ensure that Courtenay remains a competitive location for commercial activity.

Each year, Council has considered whether to reduce the commercial rate multiple, which effectively shifts tax load from the commercial class to the residential class taxpayer.

Property Class	2014		2015		2016	
	Rate Multiple	% Property Value Tax	Rate Multiple	% Property Value Tax	Rate Multiple	% Property Value Tax
01 Residential	1.00	60.10%	1.00	60.60%	1.00	61.80%
02 Utilities	7.00	0.27%	7.00	0.27%	7.00	0.27%
04 Major Industry	3.90	0.00%	3.90	0.00%	3.90	0.00%
05 Light Industry	3.90	0.33%	3.90	0.36%	3.90	0.38%
06 Business	2.80	39.19%	2.80	38.65%	2.80	37.45%
08 Recreation/Non-Profit	1.00	0.08%	1.00	0.08%	1.00	0.08%
09 Farm	1.00	0.03%	1.00	0.03%	1.00	0.03%
<b>TOTAL</b>		<b>100.00%</b>		<b>100.00%</b>		<b>100.00%</b>

## 3. Objectives and Policies for Schedule “C” Bylaw 2848

### Permissive Tax Exemptions

- ❖ A permissive tax exemption is strictly at the discretion of the City of Courtenay Council. After careful consideration of all applications Council may approve a full, a partial, or no tax exemption. The tax exemption may vary for the different applicants.
- ❖ The cumulative value of permissive tax exemptions shall not exceed 2% of the total tax levy of the previous year.

Permissive Property Tax Exemptions	2014 Property Tax Revenue Exempted	2015 Property Tax Revenue Exempted	2016 Property Tax Revenue Exempted
City owned properties/managed by not-for-profit groups	\$ 171,609	\$ 173,376	\$ 175,040
Not-for Profit Organizations	158,505	149,925	133,867
Churches	14,224	15,184	15,486
<b>TOTAL</b>	<b>344,338</b>	<b>\$338,485</b>	<b>324,393</b>
Prior year total tax levy for municipal purposes	20,289,153	21,095,354	21,920,748
Exemptions as a percentage of total tax levy	1.7%	1.6%	1.5%

# Draft 2016 – 2020 Five-Year Financial Plan

## 4. Consolidated Summary for Schedule “D” Bylaw 2848

Consolidated Financial Plan					
Revenues	2016	2017	2018	2019	2020
<b>Taxes</b>					
General Property Taxes	\$ 22,011,300	\$ 22,988,000	\$ 24,133,500	\$ 26,155,900	\$ 27,941,500
Collections for Other Governments	20,783,500	21,748,900	22,635,600	23,039,200	23,441,800
<b>Total Property Taxes</b>	<b>42,794,800</b>	<b>44,736,900</b>	<b>46,769,100</b>	<b>49,195,100</b>	<b>51,383,300</b>
Frontage & Parcel Taxes	2,655,500	2,668,600	2,965,100	2,978,300	2,991,700
Grants in Place of Property Taxes	406,900	415,100	423,300	431,700	440,400
% of Revenue Tax	385,500	393,200	401,100	409,100	417,300
<b>Total Taxes Collected</b>	<b>46,242,700</b>	<b>48,213,800</b>	<b>50,558,600</b>	<b>53,014,200</b>	<b>55,232,700</b>
Less: Transfers to Other Governments	(20,910,000)	(21,877,900)	(22,767,300)	(23,173,500)	(23,578,800)
<b>Net Taxes for Municipal Purposes</b>	<b>25,332,700</b>	<b>26,335,900</b>	<b>27,791,300</b>	<b>29,840,700</b>	<b>31,653,900</b>
<b>Other Revenues</b>					
Fees and Charges	16,077,600	16,841,500	17,735,800	18,414,200	19,123,100
Revenue from Other Sources	2,611,500	5,466,500	6,264,100	3,042,300	2,654,200
Other Contributions	25,100	377,700	276,500	7,900	-
Transfers from Other Govt & Agencies	1,867,800	1,904,500	1,942,000	1,980,200	2,019,300
<b>Total Other Revenues</b>	<b>20,582,000</b>	<b>24,590,200</b>	<b>26,218,400</b>	<b>23,444,600</b>	<b>23,796,600</b>
<b>Total Operating Revenues</b>	<b>45,914,700</b>	<b>50,926,100</b>	<b>54,009,700</b>	<b>53,285,300</b>	<b>55,450,500</b>
<b>Transfers From Reserves and Surplus</b>					
From Reserves	7,921,200	6,767,600	10,144,200	4,947,400	4,116,500
From Surplus	5,727,400	659,600	101,600	250,000	2,000
<b>Total from Reserves and Surplus</b>	<b>13,648,600</b>	<b>7,427,200</b>	<b>10,245,800</b>	<b>5,197,400</b>	<b>4,118,500</b>
<b>Funding from Debt</b>	-	1,926,500	15,012,000	9,567,800	32,018,700
<b>Total Revenues</b>	<b>59,563,300</b>	<b>60,279,800</b>	<b>79,267,500</b>	<b>68,050,500</b>	<b>91,587,700</b>
<b>Equity in Capital Assets</b>	4,425,000	4,425,000	4,425,000	4,425,000	4,425,000
	<b>\$ 63,988,300</b>	<b>\$ 64,704,800</b>	<b>\$ 83,692,500</b>	<b>\$ 72,475,500</b>	<b>\$ 96,012,700</b>
<b>Expenses</b>					
<b>Operating Expenses</b>					
General Government	\$ 3,273,300	\$ 3,316,500	\$ 3,521,400	\$ 3,572,300	\$ 3,738,000
Protective Services	9,086,300	9,046,700	9,217,500	9,401,000	9,587,700
Transportation Services	4,398,700	4,299,600	4,356,400	4,346,600	4,437,900
Environmental Health Services	13,704,000	13,682,200	14,249,300	14,737,700	15,235,500
Public Health Services	239,800	244,400	249,200	254,000	259,500
Development Services	1,357,400	1,256,100	1,263,600	1,273,100	1,296,300
Parks, Recreation & Cultural Services	8,301,100	8,323,300	8,483,800	8,609,800	8,771,900
<b>Total Operating Expenses</b>	<b>44,785,600</b>	<b>44,593,800</b>	<b>45,766,200</b>	<b>46,619,500</b>	<b>47,751,800</b>
<b>Capital Transactions</b>					
Capital Assets					
Land and Improvements	830,900	541,000	476,500	450,000	410,000
Buildings	798,800	622,000	4,111,000	6,167,000	30,086,000
Equipment	1,020,000	1,218,000	1,014,500	778,000	708,000
Engineering Structures - Renewal	5,846,500	9,696,000	22,215,900	9,111,600	6,241,300
Engineering Structures - New	515,500	979,500	2,663,000	-	-
Other Capital Assets	665,000	250,000	115,000	30,000	50,000
<b>Total Capital Transactions</b>	<b>9,676,700</b>	<b>13,306,500</b>	<b>30,595,900</b>	<b>16,536,600</b>	<b>37,495,300</b>
Debt for Capital Assets					
Interest	758,900	757,600	910,800	1,213,600	1,495,700
Principal	950,500	951,200	1,311,500	1,991,000	2,421,600
<b>Total Capital Transactions</b>	<b>1,709,400</b>	<b>1,708,800</b>	<b>2,222,300</b>	<b>3,204,600</b>	<b>3,917,300</b>
<b>Total Capital Transactions</b>	<b>11,386,100</b>	<b>15,015,300</b>	<b>32,818,200</b>	<b>19,741,200</b>	<b>41,412,600</b>
<b>Transfers to Reserves &amp; Surplus</b>					
To Reserves	7,792,100	4,740,800	5,009,000	5,449,900	6,161,900
To Appropriated Surplus	24,500	354,900	99,100	664,900	686,400
<b>Total to Reserves and Surplus</b>	<b>7,816,600</b>	<b>5,095,700</b>	<b>5,108,100</b>	<b>6,114,800</b>	<b>6,848,300</b>
	<b>\$ 63,988,300</b>	<b>\$ 64,704,800</b>	<b>\$ 83,692,500</b>	<b>\$ 72,475,500</b>	<b>\$ 96,012,700</b>

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## 5. General Fund Summary for Schedule “E” Bylaw 2848

General Fund Summary					
	2016	2017	2018	2019	2020
<b>REVENUES</b>					
<b>Taxes</b>					
General Municipal Taxes	\$ 22,011,300	\$ 22,988,000	\$ 24,133,500	\$ 26,155,900	\$ 27,941,500
Collections for Other Governments	20,783,500	21,748,900	22,635,600	23,039,200	23,441,800
<b>Total Taxes Collected</b>	<b>42,794,800</b>	<b>44,736,900</b>	<b>46,769,100</b>	<b>49,195,100</b>	<b>51,383,300</b>
<b>Less:</b>					
Property Taxes for Other Governments	(20,783,500)	(21,748,900)	(22,635,600)	(23,039,200)	(23,441,800)
Portion of Grants in Place of Taxes	(126,500)	(129,000)	(131,700)	(134,300)	(137,000)
	(20,910,000)	(21,877,900)	(22,767,300)	(23,173,500)	(23,578,800)
<b>Net Municipal Taxes</b>	<b>21,884,800</b>	<b>22,859,000</b>	<b>24,001,800</b>	<b>26,021,600</b>	<b>27,804,500</b>
Grants in Lieu of Taxes	406,900	415,100	423,300	431,700	440,400
% of Revenue Tax	385,500	393,200	401,100	409,100	417,300
<b>Taxes for Municipal Purposes</b>	<b>22,677,200</b>	<b>23,667,300</b>	<b>24,826,200</b>	<b>26,862,400</b>	<b>28,662,200</b>
<b>Fees and Charges</b>	<b>7,206,400</b>	<b>7,388,000</b>	<b>7,652,000</b>	<b>7,929,700</b>	<b>8,221,800</b>
<b>Revenue from Other Sources</b>	<b>1,792,000</b>	<b>1,816,300</b>	<b>1,840,500</b>	<b>1,855,300</b>	<b>1,870,400</b>
<b>Transfers from Other Govt &amp; Agencies</b>	<b>1,867,800</b>	<b>1,904,500</b>	<b>1,942,000</b>	<b>1,980,200</b>	<b>2,019,300</b>
<b>Transfers-Reserves</b>	<b>1,364,500</b>	<b>839,000</b>	<b>839,000</b>	<b>839,000</b>	<b>839,000</b>
<b>Transfers-Surplus</b>	<b>1,707,100</b>	<b>380,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Equity in Capital Assets</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>
	<b>\$ 40,615,000</b>	<b>\$ 39,995,100</b>	<b>\$ 41,099,700</b>	<b>\$ 43,466,600</b>	<b>\$ 45,612,700</b>
<b>EXPENDITURES</b>					
<b>Operating Expenditures</b>					
General Government	\$ 3,273,300	\$ 3,316,500	\$ 3,521,400	\$ 3,572,300	\$ 3,738,000
Protective Services	9,086,300	9,046,700	9,217,500	9,401,000	9,587,700
Transportation Services	4,398,700	4,299,600	4,356,400	4,346,600	4,437,900
Environmental Health Services	2,972,000	3,151,500	3,347,500	3,562,600	3,798,200
Public Health Services	239,800	244,400	249,200	254,000	259,500
Development Services	1,357,400	1,256,100	1,263,600	1,273,100	1,296,300
Parks, Recreation & Cultural Services	8,301,100	8,323,300	8,483,800	8,609,800	8,771,900
<b>Total Operating Expenses</b>	<b>29,628,600</b>	<b>29,638,100</b>	<b>30,439,400</b>	<b>31,019,400</b>	<b>31,889,500</b>
<b>Amortization</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>
<b>Total Expenses</b>	<b>33,628,600</b>	<b>33,638,100</b>	<b>34,439,400</b>	<b>35,019,400</b>	<b>35,889,500</b>
<b>Transfer to Capital Fund</b>	<b>3,436,300</b>	<b>2,365,100</b>	<b>2,193,100</b>	<b>3,141,700</b>	<b>4,364,300</b>
<b>Transfer to Reserve Funds</b>	<b>3,550,100</b>	<b>3,991,900</b>	<b>4,467,200</b>	<b>4,908,200</b>	<b>5,356,600</b>
<b>Transfer to Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>397,300</b>	<b>2,300</b>
	<b>6,986,400</b>	<b>6,357,000</b>	<b>6,660,300</b>	<b>8,447,200</b>	<b>9,723,200</b>
	<b>\$ 40,615,000</b>	<b>\$ 39,995,100</b>	<b>\$ 41,099,700</b>	<b>\$ 43,466,600</b>	<b>\$ 45,612,700</b>



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## 6. Sewer Operating Fund Summary for Schedule "F" Bylaw 2848

Sewer Operating Fund	2016	2017	2018	2019	2020
<b>Revenues</b>					
<b>Operating</b>					
Frontage & Parcel Taxes	\$ 1,946,400	\$ 1,956,000	\$ 2,249,000	\$ 2,258,700	\$ 2,268,500
Sale of Services	3,895,700	4,299,500	4,745,400	4,955,100	5,174,100
Revenue from Own Sources	1,200	1,100	1,100	1,000	900
	5,843,300	6,256,600	6,995,500	7,214,800	7,443,500
<b>Reserves &amp; Surplus</b>					
Future Expenditure Reserve	260,000	-	-	-	-
Surplus	2,000,000	-	-	-	-
	2,260,000	-	-	-	-
<b>Equity in Capital Assets</b>	125,000	125,000	125,000	125,000	125,000
	125,000	125,000	125,000	125,000	125,000
<b>Total Revenues</b>	<b>\$ 8,228,300</b>	<b>\$ 6,381,600</b>	<b>\$ 7,120,500</b>	<b>\$ 7,339,800</b>	<b>\$ 7,568,500</b>
<b>Expenses</b>					
<b>Operating</b>					
General Administration	1,391,800	1,118,000	1,108,400	1,091,300	1,054,100
CVRD	3,484,700	3,693,800	3,915,400	4,150,300	4,399,300
Collection	481,700	440,200	449,300	458,300	468,400
	5,358,200	5,252,000	5,473,100	5,699,900	5,921,800
Amortization	125,000	125,000	125,000	125,000	125,000
<b>Total Expenses</b>	<b>5,483,200</b>	<b>5,377,000</b>	<b>5,598,100</b>	<b>5,824,900</b>	<b>6,046,800</b>
<b>Transfers to Other Funds</b>					
Sewer Capital Fund	514,300	236,400	1,218,500	1,190,700	678,600
	514,300	236,400	1,218,500	1,190,700	678,600
<b>Transfers to Reserves</b>					
Asset Management Reserve	2,125,000	332,100	125,000	125,000	388,700
Machinery/Equip Reserve	75,000	75,000	75,000	75,000	75,000
MFA Reserve Fund	800	700	700	600	500
Carbon Offsets Reserve	5,500	5,500	5,500	5,500	5,500
<b>Total Transfers</b>	<b>2,206,300</b>	<b>413,300</b>	<b>206,200</b>	<b>206,100</b>	<b>469,700</b>
<b>Transfer to Appropriated Surplus</b>					
Surplus contingency	24,500	354,900	97,700	118,100	373,400
	24,500	354,900	97,700	118,100	373,400
<b>Total Expenses</b>	<b>\$ 8,228,300</b>	<b>\$ 6,381,600</b>	<b>\$ 7,120,500</b>	<b>\$ 7,339,800</b>	<b>\$ 7,568,500</b>
<b>Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## 7. Water Operating Fund Summary for Schedule “G” Bylaw 2848

Water Operating Fund	Budget				
	2016	2017	2018	2019	2020
<b>Revenues</b>					
<b>Operating</b>					
Frontage & Parcel Taxes	\$ 709,100	\$ 712,600	\$ 716,100	\$ 719,600	\$ 723,200
Sale of Services	4,975,500	5,154,000	5,338,400	5,529,400	5,727,200
Revenue from Own Sources	113,900	117,300	120,700	124,300	128,000
	5,798,500	5,983,900	6,175,200	6,373,300	6,578,400
<b>Reserves</b>					
Future Expenditure	143,400	12,100	-	-	-
Water Efficiency	6,500	6,500	6,500	6,500	6,500
	149,900	18,600	6,500	6,500	6,500
<b>Surplus</b>					
Surplus	1,870,000	24,300	-	-	-
Total Transfers	2,019,900	42,900	6,500	6,500	6,500
<b>Equity in Assets</b>	300,000	300,000	300,000	300,000	300,000
<b>Total Revenues</b>	<b>8,118,400</b>	<b>6,326,800</b>	<b>6,481,700</b>	<b>6,679,800</b>	<b>6,884,900</b>
<b>Expenses</b>					
<b>Operating</b>					
General Administration	1,474,500	1,333,800	1,340,000	1,338,600	1,330,000
CVRD - Supply	3,163,500	3,194,600	3,323,200	3,356,100	3,389,400
Transmission and Distributio	735,800	750,300	765,500	780,500	796,100
	5,373,800	5,278,700	5,428,700	5,475,200	5,515,500
Amortization	300,000	300,000	300,000	300,000	300,000
Total Operating Expenses	5,673,800	5,578,700	5,728,700	5,775,200	5,815,500
<b>Transfers to Other Funds</b>					
General Fund	-	-	-	-	-
Water Capital Fund	408,900	412,500	416,000	419,500	423,100
	408,900	412,500	416,000	419,500	423,100
<b>Transfers to Reserves</b>					
Asset Management	300,000	300,000	300,000	300,000	300,000
Water Utility	1,700,000	-	-	-	-
Water Machinery & Equip	30,000	30,000	30,000	30,000	30,000
MFA	200	100	100	100	100
Carbon Offsets	5,500	5,500	5,500	5,500	5,500
	2,035,700	335,600	335,600	335,600	335,600
<b>Transfer to Appropriated Surplus</b>					
Contingency	-	-	1,400	149,500	310,700
Total Transfers	2,035,700	335,600	337,000	485,100	646,300
<b>Total Expenses</b>	<b>\$ 8,118,400</b>	<b>\$ 6,326,800</b>	<b>\$ 6,481,700</b>	<b>\$ 6,679,800</b>	<b>\$ 6,884,900</b>
<b>Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## 8. General Capital Fund Summary for Schedule "H" Bylaw 2848

General Capital Fund	Budget				
	2016	2017	2018	2019	2020
<b>Revenues</b>					
Other Revenues	\$ 324,500	\$ 1,311,000	\$ 1,318,300	\$ 876,800	\$ 513,900
Grant and Contributions	379,900	2,220,800	2,983,500	184,900	141,000
	704,400	3,531,800	4,301,800	1,061,700	654,900
<b>Transfers</b>					
Operating Funds	3,436,300	2,365,100	2,193,100	3,141,700	4,364,300
	3,436,300	2,365,100	2,193,100	3,141,700	4,364,300
<b>Reserves</b>					
Gaming Funds Reserve	435,000	20,000	-	-	-
Other Reserve Funds	4,217,500	3,697,100	2,491,400	1,448,000	771,000
	4,652,500	3,717,100	2,491,400	1,448,000	771,000
Total Transfers	8,088,800	6,082,200	4,684,500	4,589,700	5,135,300
Debt	-	1,426,500	10,557,000	9,567,800	31,260,100
<b>Total Revenues</b>	<b>\$ 8,793,200</b>	<b>\$11,040,500</b>	<b>\$19,543,300</b>	<b>\$15,219,200</b>	<b>\$37,050,300</b>
<b>Debt</b>					
Interest	\$ 665,400	\$ 664,100	\$ 705,600	\$ 1,008,400	\$ 1,290,600
Principal	855,200	855,900	951,600	1,631,100	2,061,700
	1,520,600	1,520,000	1,657,200	2,639,500	3,352,300
<b>Capital Assets</b>					
Land and improvements	830,900	541,000	476,500	450,000	410,000
Buildings	798,800	622,000	4,111,000	6,167,000	30,086,000
Equipments / Furnitures / Vehicles	887,000	1,218,000	1,014,500	778,000	708,000
Engineering Structures - Renewal	4,090,900	6,889,500	12,169,100	5,154,700	2,444,000
Other Tangible Capital Assets	665,000	250,000	115,000	30,000	50,000
	7,272,600	9,520,500	17,886,100	12,579,700	33,698,000
<b>Total Expenditures</b>	<b>\$ 8,793,200</b>	<b>\$11,040,500</b>	<b>\$19,543,300</b>	<b>\$15,219,200</b>	<b>\$37,050,300</b>
<b>Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## 9. Sewer Capital Fund Summary for Schedule "I" Bylaw 2848

Sewer Capital Fund	2016	2017	2018	2019	2020
<b>Revenues</b>					
<b>Funding from Revenue &amp; Operating Fund</b>					
Other Revenues	15,800	226,400	88,200	4,800	-
Sewer Operating Fund	514,300	236,400	1,218,500	1,190,700	678,600
	530,100	462,800	1,306,700	1,195,500	678,600
<b>Reserves &amp; Surplus</b>					
Sewer Operating Surplus	110,500	255,300	101,600	87,000	-
Sewer Capital Surplus	21,700	-	-	-	-
General Reserve Funds	-	50,000	1,150,000	-	700,000
Gas Tax Reserve Fund	75,000	246,000	2,900,000	281,300	-
	207,200	551,300	4,151,600	368,300	700,000
	737,300	1,014,100	5,458,300	1,563,800	1,378,600
<b>Funding from Debt</b>					
	-	500,000	4,455,000	-	-
<b>Total Revenues</b>	<b>\$ 737,300</b>	<b>\$ 1,514,100</b>	<b>\$ 9,913,300</b>	<b>\$ 1,563,800</b>	<b>\$ 1,378,600</b>
<b>Debt</b>					
Interest - Debenture Debt	65,500	65,500	177,200	177,200	177,100
Principal - Debenture Debt	75,200	75,200	339,800	339,800	339,800
	140,700	140,700	517,000	517,000	516,900
<b>Capital Assets</b>					
Equipment	133,000	-	-	-	-
Engineering Structures - Renewed	243,100	401,500	6,733,300	1,046,800	861,700
Engineering Structures - New	220,500	971,900	2,663,000	-	-
	596,600	1,373,400	9,396,300	1,046,800	861,700
<b>Total Expenditures</b>	<b>\$ 737,300</b>	<b>\$ 1,514,100</b>	<b>\$ 9,913,300</b>	<b>\$ 1,563,800</b>	<b>\$ 1,378,600</b>
<b>Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Draft 2016 – 2020 Five-Year Financial Plan

## 10. Water Capital Fund Summary for Schedule “J” Bylaw 2848

Water Capital Fund	2016	2017	2018	2019	2020
<b>Revenues</b>					
<b>Funding from Operating Fund, Reserves and Surplus</b>					
Other Revenues	\$ 9,300	\$ 151,300	\$ 188,300	\$ 3,100	\$ -
Water Operating Fund	408,900	412,500	416,000	419,500	423,100
	418,200	563,800	604,300	422,600	423,100
<b>Reserves &amp; Surplus</b>					
Water Surplus	18,100	-	-	163,000	2,000
Community Works (Gas Tax)	250,000	1,200,000	1,952,000	1,202,500	1,200,000
Other Reserves	1,169,300	696,900	805,300	1,170,100	600,000
	1,437,400	1,896,900	2,757,300	2,535,600	1,802,000
	1,855,600	2,460,700	3,361,600	2,958,200	2,225,100
<b>Funding from Debt</b>					
	-	-	-	-	758,600
<b>Total Revenues</b>	<b>\$ 1,855,600</b>	<b>\$ 2,460,700</b>	<b>\$ 3,361,600</b>	<b>\$ 2,958,200</b>	<b>\$ 2,983,700</b>
<b>Debt</b>					
Interest - Debenture Debt	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000
Principal - Debenture Debt	20,100	20,100	20,100	20,100	20,100
	48,100	48,100	48,100	48,100	48,100
<b>Capital Assets</b>					
Engineering Structures - Renew	1,512,500	2,405,000	3,313,500	2,910,100	2,935,600
Engineering Structures - New	295,000	7,600	-	-	-
	1,807,500	2,412,600	3,313,500	2,910,100	2,935,600
<b>Total Expenditures</b>	<b>\$ 1,855,600</b>	<b>\$ 2,460,700</b>	<b>\$ 3,361,600</b>	<b>\$ 2,958,200</b>	<b>\$ 2,983,700</b>
<b>Surplus (Deficit)</b>	-	-	-	-	-

# 2016 Five Year Financial Plan



*photo by:  
Picture BC/Boomer Jerritt*



CITY OF  
**COURTENAY**  
Financial Services

**Minutes of a City of Courtenay Heritage Advisory Commission meeting held March 23 2016 at 10:00 a.m. at the City of Courtenay.**

**Present:** L. Burns J. Hagen J. Fortin R. Dingwall D.Griffiths  
R. Smith A. Ireson

**Absent:** L. Grant C. Piercy

*For info*

**MINUTES** Moved by R. Dingwall and seconded by R. Smith that the February 23 2016 minutes be adopted.

**Carried**

**OLD BUSINESS**

**40 HOUSES**

Plaque wording to be discussed at next workshop.

**REPORT OF CENTENNIAL COMMITTEE**

Lawrence reported that the Spring Social fundraiser was well attended. The card of appreciation to the City has been sent.

**1085 5<sup>th</sup> ST PRESENTATION**

Tabled again.

**WORKSHOPS**

Information has now been gathered for the Heritage BC mapping project of war memorials in the province and photos of the cairns have been taken. The information has now been sent to Heritage BC, and is available in the Courtenay museum. The project has raised awareness of military memorials in the city. Future workshop topics: a downtown heritage business inventory, city boundary extensions heritage inventory. Next workshop on March 30, 10am. at the museum.

**RIVERFRONT DEVELOPMENT**

Activity on this project has been reported in local media.

**TRAIN STATION**

There was discussion of the item on the Rotary Clubs page in the March 18 2016 issue of the Echo newspaper, re the Rotary restoration of the station, and also of the Heritage Commission's role in the process noted in the agreement drafted by Deb. The subcommittee meeting with Ian Buck is still pending. It was noted that the station is on the National Heritage Register – should it be included on Courtenay's Heritage Register?

**DOWNTOWN REVITALISATION**

Julie reported on the first stage of the Design Charette held on March 7. Online submissions close March 25, and a report will be forthcoming.

**FIFTH STREET**

Nothing further on the proposed letter to the ICF now in the hands of Ian Buck re the freight depot building condition.

## NEW BUSINESS

### MUSEUM REPORT

Deb reported that "Watershed Moments" has been nominated for an award. The publication on the First Nation's fish weirs in the estuary is now available.

There is an exhibition on the 102<sup>nd</sup> Battalion at Comox Archives. Catherine Quinn, a film maker who used to live locally, is interested in interviewing old-timers. Lawrence will contact her to give us a short presentation.

### FYI

There have been 2 suggestions for letters of appreciation for heritage building maintenance received.

The owners of 1080 5<sup>th</sup> Street have asked for heritage information about the house.

Judy noted that a headstone for the Rev. Willemar was dedicated at the Anglican Church cemetery.

### CORRESPONDENCE

From Heritage BC about the conference May 5.

Moved by J. Hagen, seconded by R. Smith that Ross Dingwall replace Lawrence Burns as delegate with Andrew Ireson to the conference.

### **Carried**

Next Meeting: April 25 2016 at 10 a.m.

The meeting adjourned at 12.30 pm.

  
Chair





THE CORPORATION OF THE CITY OF COURTENAY

## MEMORANDUM

**To:** Council

**File No.:** 0730-02

**From:** Chief Administrative Officer

**Date:** April 25, 2016

**Subject:** RV parking for Square Dance event Labour Day long weekend

### ISSUE:

Through consultation with the Ocean Waves Square Dance Club, an agreed location for RV parking for the Labour Day square dance event has been found. The club agrees to utilize the north parking area at City hall on a pilot basis for the Labour Day long weekend.

### BACKGROUND:

On February 9, 2016, staff took a report to council regarding a request from the square dance club to allow RV parking at the Filberg Centre. The report identified operational and safety reasons to show that RV parking at the Filberg Centre was a concern. Council asked staff to consider other options.

### KEY CONSIDERATIONS:

This will be a pilot project to determine if there are significant positive impacts on the event through the provision for nearby RV parking. The RVs would arrive around noon on Friday and depart around four pm on Sunday. It is anticipated that this site will facilitate a maximum of thirteen RVs of a length no greater than 24 feet. The square dance club will take reservations for RVs and will ensure that total numbers and RV sizes will comply with these limitations. The square dance club will provide parking assistance on the Friday and Sunday.

The existing parking permit holders would be notified of the interruption. Signage will be posted to identify this as event parking.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM  
Chief Administrative Officer

Prepared by,

Dave Snider, BCSLA  
Director of Recreation and Cultural Services





## MEMORANDUM

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**To:** Council  
**From:** Chief Administrative Officer  
**Subject:** Pilot Project for Crown Isle Bench Program

**File No.:** 6280-01  
**Date:** April 22, 2016

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### ISSUE:

A pilot project has been initiated for Crown Isle residents to donate funds toward the installation of road side benches.

### BACKGROUND:

In 2015 a group of Crown Isle residents came to the Mayor to ask for additional benches along Crown Isle streets for the purpose of rest stops as they walk to nearby shopping. The group was interested in collecting funds toward this purpose so that existing City resources would not be impacted.

Staff worked with the group to establish a pilot program to facilitate this request.

### KEY CONSIDERATIONS:

The group has been given a form and criteria which stipulates the following parameters:

- Donations will be via cheque to City Hall with a minimum donation of \$50
- Receipts will be issued by February 28 of the following year
- Differing from a memorial bench program, there will not be donated plaques attached to these benches
- The group and staff have agreed to a priority sequence of bench locations
- Benches will be installed by City staff in sequence as funds accumulate
- Public Works will install bench pads as part of the sidewalk improvement fund
- The benches will become a regular part of the City infrastructure upon installation
- The bench chosen conforms to City standards and is made of recycled materials

The pilot program will be assessed after the first 6 benches are installed to determine if there are broader applications of this model.

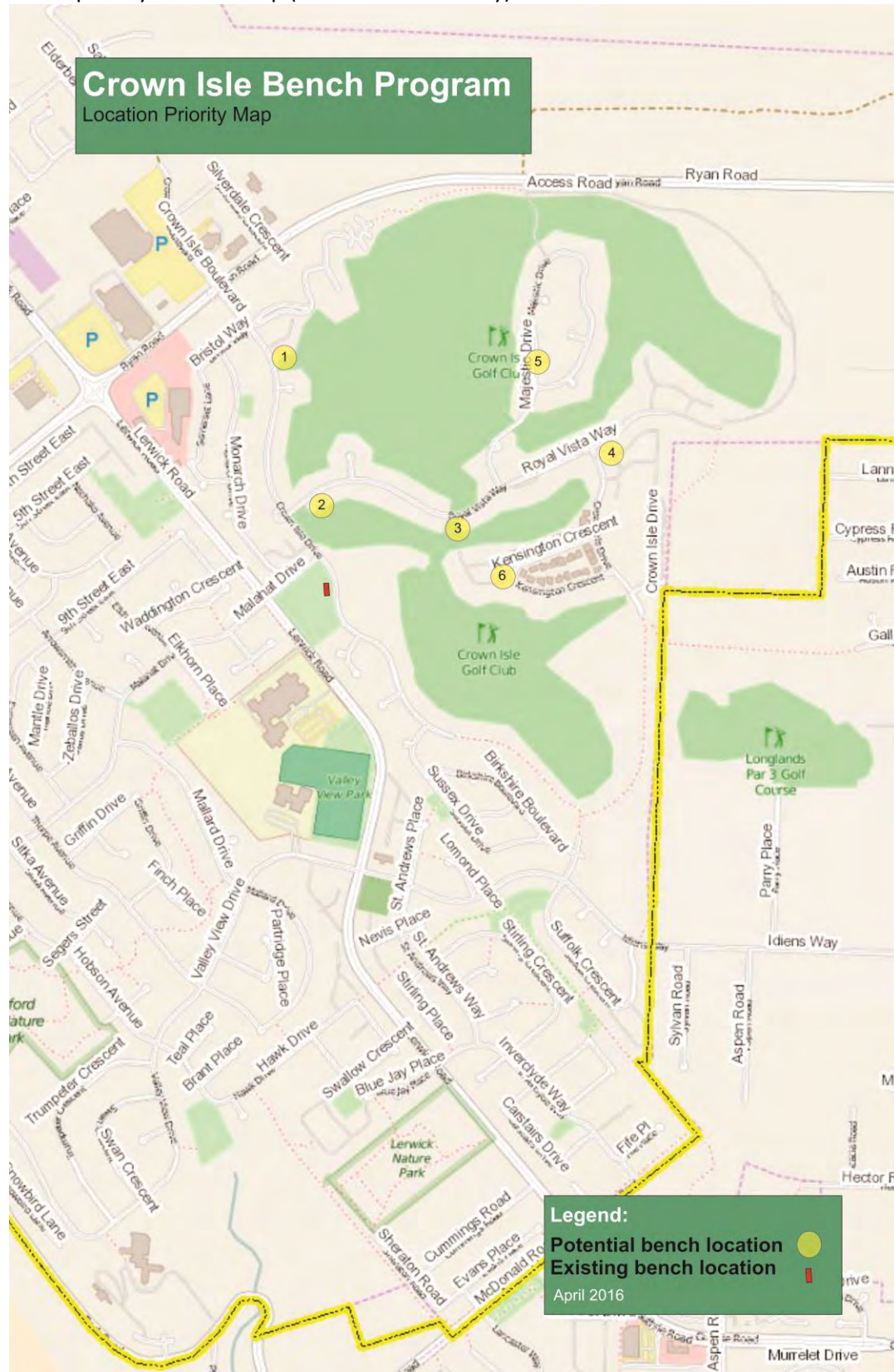
Respectfully submitted,

David Allen, BES, CLGEM, SCLGM  
Chief Administrative Officer

Prepared by,

Dave Snider, MBCSLA  
Director of Recreation and Cultural Services

Bench priority location map (To be used internally)



### Sample form for donations



## Crown Isle Bench Program

City of Courtenay  
830 Cliffe Avenue, Courtenay, BC V9N 2J7

### Introduction

- The City of Courtenay encourages and supports its citizens' enjoyment of various outdoor activities through its network of wheelchair accessible sidewalks, paved and natural pathways and scenic trails throughout the community.
- The City has developed a neighborhood Bench Program to establish a series of benches located at strategic sites along these routes to offer walkers and joggers resting points to catch their breath and recharge their energy levels.
- A Pilot Project is underway in the Crown Isle area.
- Donations will be housed in a dedicated account. Benches will be installed as the fund matures.
- The benches and pads created through this program will become City property. The City will maintain these items as part of its regular inventory, at no further cost to the Donor.
- The City reserves the right to relocate the donated Bench, if necessary. If a change to the City's infrastructure requires that the Bench be removed, the City will make an effort to replace it within a reasonable proximity to the original location.
- Benches are manufactured in Canada and are made of 100% recycled materials.

### Donated Bench Program

- Individuals, companies and community groups are encouraged to contribute to this program by donating cash to support City approved bench locations.
- Minimum donation amount is \$50.00 by Cheque ONLY. Drop cheques off at City Hall, Monday through Friday from 8:30 am – 4:30 pm. Please make cheques out to 'City of Courtenay' with notation: *Crown Isle Bench Program*.
- Receipts will be issued by February 28 of the following year.



DONOR INFORMATION:	
First Name: _____	Last Name: _____
Company Name/Community Group: <i>(if applicable)</i> _____	
Address: _____	
City: _____	Prov: _____ Postal Code: _____
Phone (H): _____ (W) _____	Email: _____
Donation Amount: \$ _____	OFFICE USE ONLY: Date Received: _____ RECEIPT: Date Issued _____, # _____

Contact the City of Courtenay Recreation & Cultural Services Department for more information  
250-334-4441 or via email at [communityservices@courtenay.ca](mailto:communityservices@courtenay.ca)

g:\rsc\culture\crown isle bench\form - city3.docx





## BRIEFING NOTE

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**To:** Council **File No.:** 8620-01; 16009  
**From:** Chief Administrative Officer **Date:** April 21, 2016  
**Subject:** 5<sup>th</sup> Street Complete Streets Pilot Project – Schedule and Consultation Opportunities

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### ISSUE:

This Briefing Note is to update Council on the refined schedule for the upcoming public and stakeholder engagement process for the 5th Street Complete Streets Pilot Project.

### BACKGROUND:

City Council identified Complete Streets as a 'Council NOW Priority' in the 2015 Strategic Priorities. Implementing complete streets also builds on the City's 25 Year Vision for Multi-modal Transportation Strategy and subsequent Complete Streets project options' evaluation.

Council further supported multi-modal transportation in the City of Courtenay's 2016-2018 Strategic Priorities: "As we build new or replace existing transportation infrastructure, we are consistent with what we learn from our Complete Streets Pilot Project."

At the April 4<sup>th</sup>, 2016 Regular Council Meeting, Council considered the staff's report and resolved that:

*Moved by Hillian and seconded by Wells that based on the April 4, 2016 staff report entitled "5th Street Complete Streets Pilot Project – Update and Presentation from Urban Systems Ltd," and presentation Council approve Option 1 and direct staff to proceed with public engagement as described in this report.*

### KEY CONSIDERATIONS:

Subsequent to the above referenced Council resolution, staff has organized and prepared for several key stakeholder workshops and a Public Information Session. The details of these events are provided for Council's information below.

Event	Date	Activity
Stakeholder Engagement	May 4 and 5, 2016  6 workshops over 2 days  City of Courtenay Council Chambers	Meetings with key stakeholders including adjacent property owners, businesses, transportation groups, environment and accessibility, to review the Complete Streets approach and involve stakeholders in the design considerations and options for the 5 <sup>th</sup> Street corridor.

<b>Public Information Session #1</b>	May 5, 2016 6:00 to 8:00 PM Native Sons Hall Upper Floor	Information Session with display boards to provide information on the Complete Streets approach, and to consult with the community on design considerations and options for the 5 <sup>th</sup> Street corridor. Interactive displays, including a survey, and the opportunity to design a possible cross-section, will be used to collect input.
<b>On-line Public Consultation</b>	May 2016	Complete Streets and 5 <sup>th</sup> Street corridor information posted on the City of Courtenay website with opportunity to provide feedback.

Prepared by:



Lesley Hatch, P.Eng.  
Director of Engineering Services





## MEMORANDUM

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**To:** Council  
**From:** Chief Administrative Officer  
**Subject:** User Fee Rates – Suites in Single Family Dwellings

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**File No.:** 1705-20 / 1830-05

**Date:** April 26, 2016

### ISSUE:

This is in response to Councillor Frisch's inquiry regarding user fee rates and the impact on Single Family Dwellings.

### BACKGROUND:

The City charges double the total utility rates for any single family dwelling that has a legal suite in it. This has been the protocol for many years based on the premise that these types of dwellings generate more garbage, sewer and use more water.

### KEY CONSIDERATIONS:

Research through City documents, plus discussion with Finance Staff and the Director of Planning and Development revealed that a previous planning report to council commented on legal suites. It noted that:

*"Secondary suites place an additional demand on municipal services. Accordingly, properties with legal secondary suites are currently charged a second utility fee for sewer, water and garbage collection....there is documentation that shows secondary suites use approximately 40% more services than homes without suites."*

Current Water and Sewer bylaws would need to be amended to:

- Account for lost revenue. City would need to increase rates or change levels of service to recover this revenue loss. Preference is to delay this matter to the 2017 budget deliberations.
- Define "Owner or occupier of real property" as defined in the Water Regulations and Rates Bylaws 1700, 1994. City's opinion is that a legal suite is another "occupier of real property" therefore should be charged.


Reducing user fees for legal suites would delay finalization of the 2016 water and sewer utility budgets and result in lost revenue. There are 234 registered legal suites that are billed by the City. If the rate structure for these properties changes from 2 times the total user rates down to the same as any dwelling with no suites, the projected losses in revenue would be as follows:

1. Sewer - \$57,000;
2. Water - \$84,000;
3. Garbage \$36,600.

Total impact approximately \$177,600;

As this matter has significant financial consequences to the organization and requires clarification on what the City should do in these situations, Staff request that this be discussed after the completion of the 2016 budget process.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brian Parschauer". The signature is fluid and cursive, with a large initial "B" and "P".

Brian Parschauer, BA, CPA-CMA  
Director of Finance

## **PROPOSED MOTION FOR COUNCIL:**

### **Background:**

Adult Basic Education, which until recently included tuition-free secondary school level courses, assists many residents of Courtenay and British Columbia, including new immigrants, single parents, and young workers who didn't finish high school.

Adult Basic Education is essential in helping people to access post-secondary school, qualify for skills and trades programs, and realize careers that pay a living wage.

In December 2014, the Province of British Columbia reversed its policy to offer free basic education to adults. As of January 1 2015, colleges and universities can charge for secondary school classes and as of May 1, 2015 school districts will no longer be able to offer classes to high school graduates who would like to take classes to upgrade their marks or take classes to further their study or work.

### **Motion:**

Be it resolved that Council requests the Mayor to write a letter to Minister Andrew Wilkinson stating support for Adult Basic Education and requesting the Ministry to reinstate funding for Adult Basic Education programs and that the letter be copied to the Canadian Federation of Students BC and the North Island Students' Union.



# Adult Basic Education in BC

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*NEW FINANCIAL BARRIERS WILL FURTHER RESTRICT ACCESS*

## What is Adult Basic Education?

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Adult basic education (ABE) is the provision of elementary and secondary level education to adults through BC's K-12 school system and most public post-secondary institutions.

ABE provides access to a variety of courses and skills training ranging from basic literacy to adult high school graduation. It also supports learners in improving their employability and life skills in addition to helping adult learners attain basic upgrading in preparation for further education. The post-secondary system is used as a delivery method for adult basic education in recognition that many adults achieve a higher rate of success and seek further education when studying in a college or university environment.

Adult basic education is an integral component of BC's education system and economic prosperity, providing a wide range of programs to students who require additional training or skills upgrading in order to participate fully in society and the economy. ABE also plays an important role in increasing adult literacy and improving high school completion and post-secondary participation rates within BC's Aboriginal population.

To be effective, adult basic education must be accessible to all who need it. Recognizing this, the BC Liberals eliminated tuition fees for ABE in 2007. In December 2014, Christy Clark's Liberal government announced they would be ending this policy, no longer requiring that adult basic education be tuition fee-free. Following years of declining investment by the provincial government, a \$15 million funding cut to adult basic education programming was also announced, further eroding these programs.<sup>1</sup>

**\$15.9 Million**

Following years of declining investment by the provincial government, a \$15.9 million funding cut to adult basic education programming was also announced, further eroding these programs.

**“High school is free, but further upgrading is not. I think it is reasonable to expect adults who've already graduated to contribute to these costs.”**

– PETER FASSBENDER, MINISTER OF EDUCATION, 2014

## A Short History of Access to ABE in BC

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*“We are helping people upgrade their education so they can take advantage of our growing economy and enjoy rewarding careers... by offering free tuition for adult basic education, whether students have graduated from high school or not. We’re also going beyond that by helping more adult learners pay for books, transportation and child care.”*

–FORMER BC LIBERAL ADVANCED EDUCATION MINISTER MURRAY COELL, 2007

As far back as back as 1976, the provincial government viewed ABE as a “high priority special program”.<sup>2</sup> At the time, both federal and provincial governments were involved with vocational training and adult basic education. In 1986, responsibility for the majority of adult basic education was transferred to the newly created Ministry of Advanced Education and Labour Market Development, where it remains today (now known simply as the Ministry of Advanced Education).<sup>3</sup>

In 1988, tuition fees were abolished for adult learners without a high school diploma, followed by an abolishment of tuition fees for all fundamental ABE programming in 1991.<sup>4</sup> The provincial government took a further step in 1998, with the announcement that all ABE would be tuition-fee free in the post-secondary system.<sup>5</sup>

This policy change was short lived, as the change in government in 2002 also brought a change in policy: the provincial government once again gave public post-secondary institutions the ability to charge tuition fees for adult learners taking ABE courses if they already had a high school diploma. Fundamental level ABE programs remained tuition-fee free, however, which remains the case today.

After extensive research and consultation on the importance of ABE to the province, and the impact of tuition fees on the majority of those adult learners attempting to access the system,

the provincial government again announced a reversal in policy in 2007: all ABE courses in both the K-12 and post-secondary systems became tuition-fee free for all learners, regardless of their high school graduation status starting in 2008.

On December 4, 2014, the Ministries of Education and Advanced Education made an unexpected announcement that the provincial government would be cutting \$6.9 million in funding to ABE programming at post-secondary institutions, and an additional \$9 million from the K-12 system. In order to compensate for this cut, post-secondary institutions would be allowed to charge up to \$1600 per term for all ABE courses offered on their campuses.” Tuition remains free for students working toward their high school diploma in the K-12 sector, or those taking basic, introductory courses not at a post-secondary campus. Beginning May 1, 2015, the provincial government will no longer be providing funding to school districts for tuition-free upgrading courses for adults who already hold a high school diploma.<sup>6</sup>

As with other increases to tuition fees across the province, the introduction of tuition fees for ABE has always followed a period of underfunding or funding model changes. These policies provide an excuse for the provincial government to allow institutions to charge fees, and overwhelmingly punish adult learners who are already in the system or those planning to enroll in upgrading courses.

## Who are Adult Basic Education Students?

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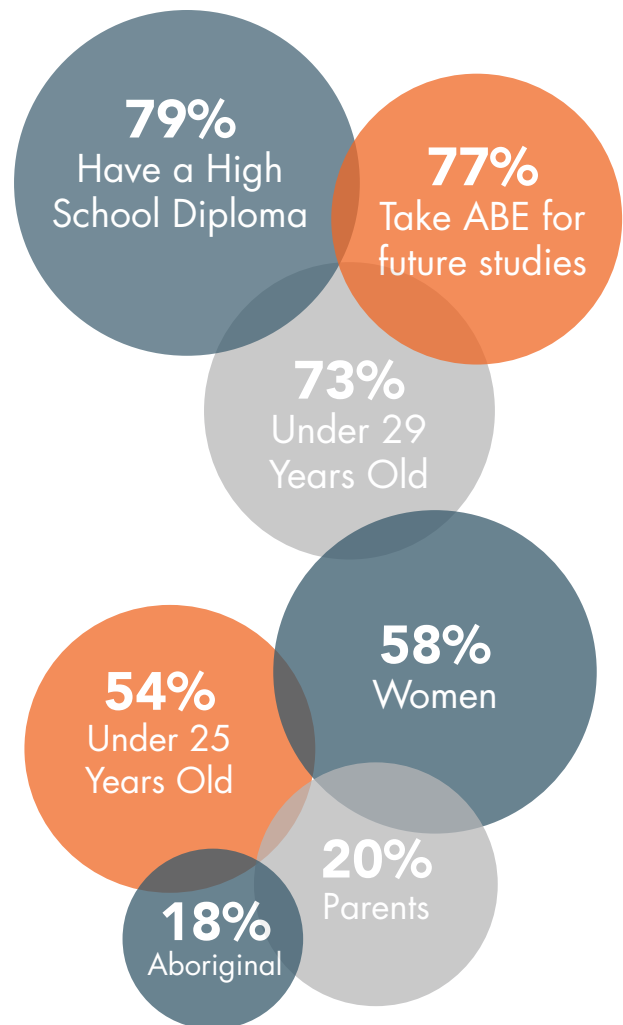
The vast majority of adult basic education students are low-income earners, enrolling in programs in order to qualify for entry into trades or college and university programs.

Adult basic education students fall into three basic categories: those seeking to upgrade their high school courses to qualify for employment opportunities or entry into post-secondary education, those seeking to complete their high school studies, and those with developmental disabilities enrolled in adult special education programs. Other ABE students include those wishing to simply improve their basic literacy or numeracy, or those taking English as a second language courses.

The majority of adult basic education students (79 percent) have already completed high school, and return to primary or secondary-level education in order to qualify for employment or post-secondary education (83 percent).<sup>7</sup> In many cases, these adults take basic education courses because their high school courses are no longer relevant, due to the length of time since they attended high school. This is often the case in math and science courses. In other cases, adults must change their employment and take secondary level courses required in their new position.

The vast majority of adult basic education students are low-income earners, enrolling in programs in order to qualify for entry into trades or college and university programs.

### ABE Students by Demographic





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Six-year high school completion rates for Aboriginal youth stand at 59.4 percent, compared to 83.6 percent for non-Aboriginal students. As a result, the proportion of Aboriginal students in adult basic education is higher (at 18 percent) than in the traditional K-12 system (at 10 percent).

### A Socio-Economic Equalizer?

Six-year high school completion rates for Aboriginal youth stand at 59.4 percent, compared to 83.6 percent for non-Aboriginal students. As a result, the proportion of Aboriginal students in adult basic education is higher (at 18 percent) than in the traditional K-12 system (at 10 percent).<sup>8</sup>

Women also make up a slightly higher proportion of adult basic education students than in traditional K-12 (58 percent versus 49 percent)<sup>9</sup> and 20 percent of adult basic education students support a family while pursuing post-secondary education. Overall, the number of students studying while working full-time has increased since 2012 (from 22 to 29 percent), with over half (55 percent) being employed while taking classes.<sup>10</sup>

Education and employment outcomes for former ABE students are high, with 70 percent of students continuing their studies after ABE (48 percent in certificate/diploma programs, 43 percent pursuing degrees) and 88 percent of former ABE students no longer studying actively participating in the labour force.<sup>11</sup> Accessible adult basic education is not, therefore, simply important to meeting BC's objectives of a knowledge-based economy and being the most literate jurisdiction in North America. Adult basic education also has a strong social justice component, addressing social inequality and increasing economic stability for marginalized groups.

## Former ABE Students

Education and employment outcomes for former ABE students are high, with 70 percent of students continuing their studies after ABE (48 percent in certificate/diploma programs, 43 percent pursuing degrees) and 88 percent of former ABE students no longer studying actively participating in the labour force.

## The Barriers

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### Tuition Fees

Public education from K-12 is free in Canada, as for several generations governments everywhere have understood it as the foundation for a strong economy and society.

As noted, in 2002, the BC government began allowing post-secondary institutions to charge tuition fees for basic education courses to adults who have a certificate of high school graduation – the overwhelming majority of those participating in adult basic education courses. Under pressure from students, this decision was wisely reversed in 2007, with the government committing to providing tuition free education for adult learners. The 2007 decision to eliminate tuition fees for ABE was an outcome of the BC government’s Campus 2020 Report,<sup>12</sup> and followed months of research and consultation. The Report determined that the provision of cost-free upgrading programs is key to providing a strong economic future for British Columbia and greater access to the labour market for a diversity of citizens.

In December 2014, Christy Clark’s BC Liberal government announced a reversal on their previous policy, removing the tuition fee-free mandate. Tuition fees are a significant barrier to accessing adult basic education, creating financial difficulty for those seeking to upgrade their high school courses in order to qualify for employment or entry into post-secondary education. As seen from past experience, tuition fees charged for ABE in the mid-2000s represented a small source of revenue for institutions. Yet, when this cost was downloaded onto individual students as opposed to being paid for by the provincial government, it amounted to a significant impact on individual learners.

## Tuition Fees

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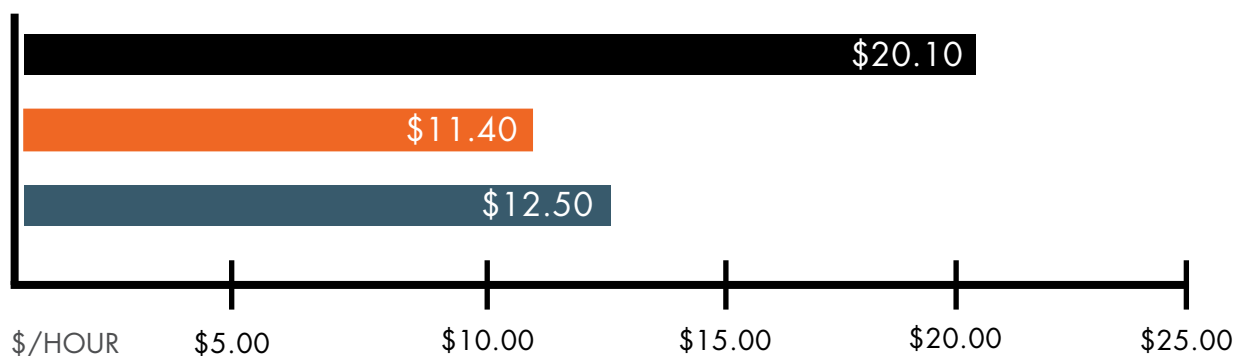
## Adult Upgrading Grant




It deserves noting that the provincial government funds a specific grant for adult learners attempting to access and participate in adult basic education. The Adult Upgrading Grant (AUG) – formerly known as the Adult Basic Education Student Assistance Program (ABESAP) – provides a nominal amount of money to very low-income earners in order to offset the costs of pursuing education.

In order to counteract the cost of tuition fees, the BC government announced increased funding to the Adult Upgrading Grant to assist with the costs of tuition fees, books, supplies, childcare, and transportation. The income threshold cut-off in order to qualify for a grant has also been changed slightly, with adult learners earning up to 10 percent more than the income threshold cut-off being eligible to apply for a grant to cover only half of their tuition fees.<sup>13</sup>

Unfortunately, the income threshold for even being eligible to apply for a grant is so low that many adult learners will not qualify (for example, a student working full-time making \$11.40 per hour is the cut-off for a single family size to receive the full grant, or \$12.50 per hour to be eligible to receive a grant to cover a maximum of 50 percent of tuition fees).<sup>14</sup> This is far below the estimated living wage for Metro Vancouver of \$20.10.<sup>15</sup> Further, it is up to institutions to distribute the grants, and concerns have been expressed that the expenses the grants are meant to cover (including transportation and childcare) will not be funded due to lack of adequate funding of the grant program.

### INCOME THRESHOLD CUTOFF



-  METRO VANCOUVER LIVING WAGE
-  SINGLE FAMILY CUT OFF FOR FULL GRANT
-  SINGLE FAMILY CUT OFF FOR 50% GRANT

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## Funding Cuts

Over the last decade, operating budgets for BC's colleges and universities have been more or less frozen, making it difficult for institutions to maintain free ABE offerings to meet demand. In response, some institutions have limited adult basic education enrolment (e.g. Thompson Rivers University) or re-classified several high school credits as university transfer courses in order to charge tuition fees (e.g. Camosun College). The result of provincial and federal funding cuts is a wide variance in the quality of and access to adult basic education throughout the province.

Funding cuts have also essentially guaranteed that institutions will opt for the highest amount of tuition fees allowable in order to make up for the shortfall in government funding. The provincial government maintains that tuition-fee free adult basic education is no longer sustainable due to an increase in delivery costs, and that charging tuition fees will ensure the post-secondary programs remain "sustainable".<sup>16</sup> However, the funding shortfall is a direct result of irresponsible government policy. To ensure an effective system, adequate and targeted funding must be made available to institutions to offer high-quality adult basic education.

Funding cuts have also essentially guaranteed that institutions will opt for the highest amount of tuition fees allowable in order to make up for the shortfall in government funding.

## Restrictive Income Assistance Policy

In 2002, the BC government changed social assistance rules to disallow those on income assistance (with the exception of those with disabilities) from attending post-secondary education. This includes adult basic education.

The change was made as part of the government's plan to reduce income assistance recipients by focusing on having them secure immediate employment. This strategy neglects the importance of meaningful training and skills development to the acquisition of sustained and adequate employment.

In light of the trend towards a knowledge-based economy in BC, there is a strong economic argument to be made for encouraging individuals on income assistance to enrol in adult basic education, post-secondary education, and skills training. The government's current income assistance policy does the exact opposite.

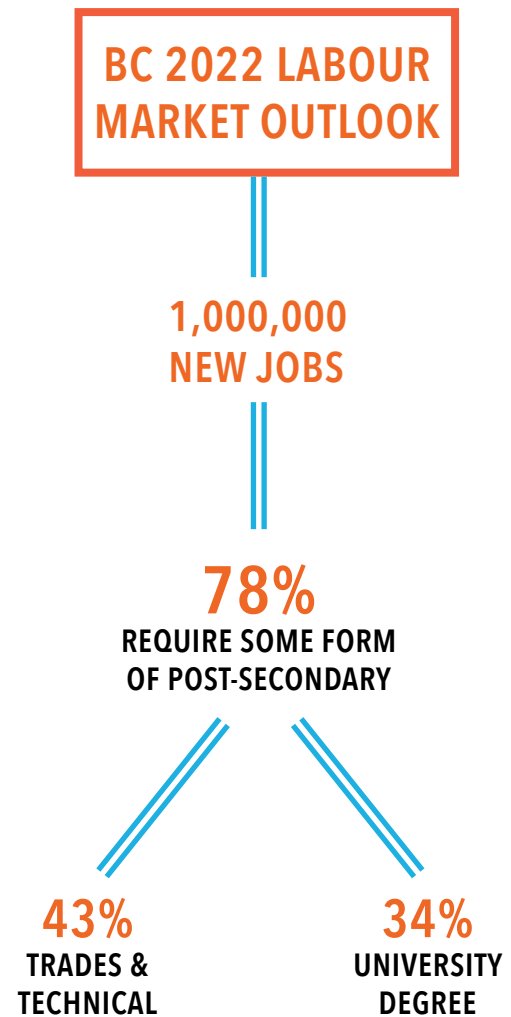
# The Consequences

## Skills Shortage

BC is facing a major skills shortage as “baby boomers” retire and levels of new labour market participants are declining. According to the BC 2022 Labour Market Outlook, in less than one decade, it is estimated that almost one million new jobs will be available in BC,<sup>17</sup> and 78 percent of these new jobs will require some form of post-secondary education or training (43 percent will require a trades or technical training, and 34 percent will require a university degree).<sup>18</sup> At the same time, it is estimated that approximately 530,000 young people will enter the job market over the next ten years,<sup>19</sup> leaving many already in the workforce left to fill the new jobs being created. Without access to the proper training and education, the gap between the number of people entering the labour force and those retiring will continue to increase.

Government policies of allowing tuition fees to be charged for adult basic education and restricting access for income assistance recipients directly contribute to this shortage. Reducing access to high school completion or upgrading for the purpose of re-training threatens the supply of new participants in BC’s skilled economy and workforce.

Education and training is key to economic growth in the province. Improving adult education levels, and thereby increasing the size of BC’s skilled workforce is an integral component to supporting economic development in all regions.



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## Low Completion Rates

Completion rates for adult basic education have been identified as an area of concern by the government, despite overall high completion rates for adult basic education students. Counter-intuitively, some college administrators have stated that charging tuition fees provides an incentive to complete, arguing that many students will not take their classes seriously, otherwise. In fact, many students do not complete because of the financial burden of taking courses.

A truly effective solution to low completion rates is to eliminate the barriers to accessing adult basic education, including tuition fees, and develop positive incentives that encourage completion and the pursuit of post-secondary education.

**A high proportion of adults in BC are illiterate. A province-wide literacy organization estimates that 40 percent of BC adults have difficulty reading a newspaper, filing out a work application form, reading a map or understanding a lease.**

## High Illiteracy

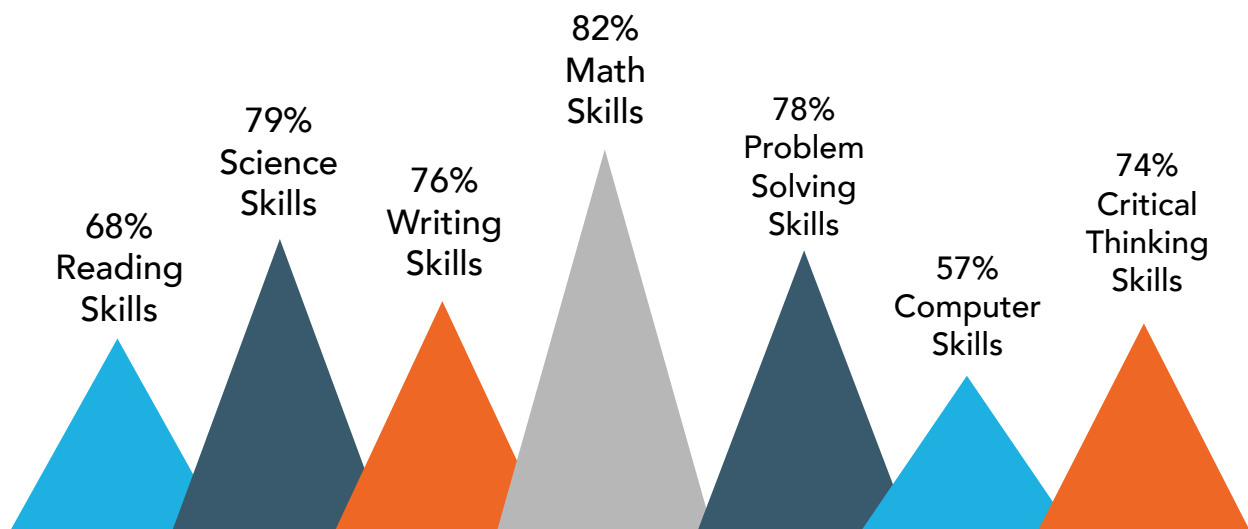
A high proportion of adults in BC are illiterate. A province-wide literacy organization estimates that 40 percent of BC adults have difficulty reading a newspaper, filing out a work application form, reading a map or understanding a lease. Similarly, 49 percent of BC adults do not have the skills necessary to calculate a tip, create a budget, calculate sales tax, or understand credit card interest rates.<sup>20</sup> These difficulties include functionality in a variety of areas, such as reading, writing, computer skills, and other areas that are important for full participation in a knowledge-based economy.

Access to adult basic education impacts all of these areas. Students have reported that ABE has been helpful in development of their math skills (82 percent) and their science skills (79 percent), and over three-quarters of former students have reported that ABE was helpful or very helpful to their development of independent learning skills and problem solving skills.<sup>21</sup>

Financial barriers to adult basic education inhibit the improvement of adult literacy by reducing the ability of potential learners to access the system.

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## ABE Students Report an Increase in Skills:



### Enrolment Declines

BC's post-secondary education system saw significant drops in enrolment when tuition fees were implemented in 2002. Many students who were already in the adult basic education system were forced to end their studies. A 2005 survey conducted by the Ministry of Advanced Education showed that 21 percent of those who planned on taking more courses but did not cited lack of financial resources as a reason, 25 percent cited the decision to work, and 18 percent cited personal circumstances, which included circumstances such as lack of childcare.<sup>22</sup> Of course, all three of these choices are inextricably linked to financial resources.

## Conclusion

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Adult basic education is an important component of building a skilled workforce, addressing socio-economic marginalisation, and has a profound affect on the individuals who need to access it. Overwhelmingly, adult basic education students credit their courses with developing their literacy, numeracy, and computer skills, as well as self-confidence and social skills.

To accomplish these goals, ABE must be accessible to all who need it, regardless of economic status. Tuition fees will negate the assistance provided by grants to adult learners in accessing ABE. In the past, students who accessed the grant were able to use it toward addressing the costs of textbooks, transportation, and childcare, all of which continue to present significant barriers to many adult basic education students. Now, the majority of it will now go toward paying for tuition fees.

Experience has shown that charging tuition fees for adult basic education reduces enrolment, and has a significant impact on the learners who are currently enrolled or plan to be. The provincial government itself admits that many of the learners accessing ABE programs face unique challenges accessing the labour market.<sup>23</sup>

With BC's 2015 Budget projecting a three-year \$879 million surplus,<sup>24</sup> it is clear there is no justification for cutting funding to basic education and asking students and their families to pay more. The new fees to high school and upgrading courses will only create financial barriers to adults returning to school, preventing them from meaningfully accessing the labour market.

The BC government made an important decision in 2007 to re-introduce free adult basic education, determining that free ABE was key to the province's future. This conclusion is equally true today as it was then.

**Experience has shown that charging tuition fees for adult basic education reduces enrolment, and has a significant impact on the learners who are currently enrolled or plan to be. The provincial government itself admits that many of the learners accessing ABE programs face unique challenges accessing the labour market.**



- 1 "Adult upgrading courses supported by grants for low-income learners", December 4, 2014, BC Government Media Release: <http://www.newsroom.gov.bc.ca/2014/12/adult-upgrading-courses-supported-by-grants-for-low-income-learners.html>.
  - 2 Adult Basic Education: A Guide to Upgrading in British Columbia's Public Post-Secondary Institutions, An Articulation Handbook, 2014/15 Edition: <http://www.aved.gov.bc.ca/abe/docs/handbook.pdf>.
  - 3 Ibid.
  - 4 Ibid. Note that both changes in policy were as a result of recommendations provided through provincial research and consultation processes – the 1988 changes stemming from a recommendation of the 1988 Report of the Royal Commission on Education, and the 1991 change as a result of a recommendation in the Provincial Literacy Advisory Committee's 1989 Report.
  - 5 Ibid.
  - 6 "Adult upgrading courses supported by grants for low-income learners", December 4, 2014, BC Government Media Release: [www.newsroom.gov.bc.ca/2014/12/adult-upgrading-courses-supported-by-grants-for-low-income-learners.html](http://www.newsroom.gov.bc.ca/2014/12/adult-upgrading-courses-supported-by-grants-for-low-income-learners.html).
  - 7 BC Ministry of Advanced Education, 2013 Developmental Student Outcomes Survey: Report of Findings, BC Student Outcomes.
  - 8 Note these numbers are at an all-time high. "Aboriginal completion rate shows continued improvement", November 20, 2013, BC Government Media Release: <http://www.newsroom.gov.bc.ca/2013/11/aboriginal-completion-rate-shows-continued-improvement.html>.
  - 9 BC Ministry of Education, Student Statistics (2014-15): [https://www.bced.gov.bc.ca/reports/pdfs/student\\_stats/prov.pdf](https://www.bced.gov.bc.ca/reports/pdfs/student_stats/prov.pdf)
  - 10 BC Ministry of Advanced Education, 2013 Developmental Student Outcomes Survey: Report of Findings, BC Student Outcomes.
  - 11 Ibid. Note this includes students both employed and actively looking for employment.
  - 12 Campus 2020 Thinking Ahead: The Report, April 2007: <http://www.aved.gov.bc.ca/publications/docs/campus2020-thinkingahead-report.pdf>.
  - 13 "Adult upgrading courses supported by grants for low-income learners", December 4, 2014, BC Government Media Release: [www.newsroom.gov.bc.ca/2014/12/adult-upgrading-courses-supported-by-grants-for-low-income-learners.html](http://www.newsroom.gov.bc.ca/2014/12/adult-upgrading-courses-supported-by-grants-for-low-income-learners.html). (continued...)
- Note the "Adult Upgrading Grant" was previously called the "Adult Basic Education Student Assistance Plan (ABESAP)".
- 14 Adult upgrading courses and grants, March 20, 2015, BC Government Factsheet: <http://www.newsroom.gov.bc.ca/ministries/advanced-education/factsheets/factsheet-adult-upgrading-courses-and-grants.html>.
  - 15 "Working for a Living Wage" 2014 Update, Canadian Centre for Policy Alternatives: [https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2014/04/CCPA-BC\\_Living\\_Wage\\_Update\\_2014\\_revJul15.pdf](https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2014/04/CCPA-BC_Living_Wage_Update_2014_revJul15.pdf).
  - 16 "Funding to support transition to new adult upgrading model", February 13, 2015, BC Government Media Release: [www.newsroom.gov.bc.ca/2015/02/funding-to-support-transition-to-new-adult-upgrading-model.html](http://www.newsroom.gov.bc.ca/2015/02/funding-to-support-transition-to-new-adult-upgrading-model.html).
  - 17 British Columbia 2022 Labour Market Outlook, WorkBC: <https://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/BC-LM-Outlook-2012-2022.pdf>.
  - 18 B.C.'s Skills for Jobs Blueprint: Re-Engineering Education and Training, 2014: [https://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/Booklet\\_BCsBlueprint\\_web\\_140428.pdf](https://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/Booklet_BCsBlueprint_web_140428.pdf).
  - 19 BC Skills for Jobs Blueprint website, accessed April 7, 2015: <https://www.workbc.ca/Job-Seekers/Skills-and-Training/B-C-'s-Skills-for-Jobs-Blueprint.aspx>.
  - 20 The Importance of Literacy, 2015 Factsheet, Decoda Literacy Solutions: [http://decoda.ca/wp-content/uploads/OnePager12\\_01\\_2015\\_FactSheet\\_Importance\\_of\\_Literacy.pdf](http://decoda.ca/wp-content/uploads/OnePager12_01_2015_FactSheet_Importance_of_Literacy.pdf).
  - 21 BC Ministry of Advanced Education, 2013 Developmental Student Outcomes Survey: Report of Findings, BC Student Outcomes.
  - 22 BC Ministry of Advanced Education, 2005 ABE Survey: Report of Findings, 2006. Note these same statistics were not compiled in the most recent 2013 survey on outcomes, however, 14% of respondents in the 2013 survey noted that they had to interrupt their studies due to financial reasons.
  - 23 "Funding to support transition to new adult upgrading model", February 13, 2015, BC Government Media Release: [www.newsroom.gov.bc.ca/2015/02/funding-to-support-transition-to-new-adult-upgrading-model.html](http://www.newsroom.gov.bc.ca/2015/02/funding-to-support-transition-to-new-adult-upgrading-model.html).
  - 24 2015 BC Budget Speech: [http://bcbudget.gov.bc.ca/2015/speech/2015\\_Budget\\_Speech.pdf](http://bcbudget.gov.bc.ca/2015/speech/2015_Budget_Speech.pdf)



**THE CORPORATION OF THE CITY OF COURTENAY**

**BYLAW NO. 2847**

**A bylaw to amend Business Licence Bylaw No. 2523, 2008**

WHEREAS Council may, pursuant to Section 8(6) of the *Community Charter*, regulate in relation to business;

AND WHEREAS pursuant to Section 15(1) of the *Community Charter*, Council may provide terms and conditions that may be imposed for obtaining, continuing to hold or renewing a licence, permit or approval and specify the nature of the terms and conditions and who may impose them;

AND WHEREAS Council has given notice of its intention to adopt this bylaw and has provided an opportunity for persons who consider they are affected by this bylaw to make representations to Council pursuant to Section 59 of the *Community Charter*,

NOW THEREFORE the Council of the City of Courtenay in open meeting assembled, hereby ENACTS AS FOLLOWS:

1. This Bylaw may be cited as "**Business Licence Amendment Bylaw No. 2847, 2016**".

2. "Business Licence Bylaw No. 2523, 2008 is hereby amended as follows:

(a) By deleting the following definitions from Section 1.2 DEFINITIONS:

**"Mobile Stores and Restaurants"** means a vehicle registered to operate on a highway, which is used in carrying on a business as a mobile store or a mobile restaurant.

**"Mobile Vending Push Cart"** means a vehicle not registered to operate on a highway, which is designed for use as a food and beverage vending outlet.

(b) By adding the following definitions to Section 1.2 DEFINITIONS:

**"Food Cart"** means a non-motorized mobile cart with a maximum area of 4.65m<sup>2</sup>, from which food and/or drink is dispensed, and where the entire stock of goods offered for sale is carried and contained in the cart and which may change locations from time to time, and which is not located in a permanent building or structure, and is removed from public access when not in use.

**"Food Truck"** means a motorized, mobile, self-contained vehicle that is equipped to cook, prepare and/or serve food or beverages but does not include food trailers or food carts.

**"Food Trailer"** means a portable, self-contained trailer that is equipped to cook, prepare and/or serve food or beverages but does not include food carts.

"**Mobile Food Vending**" means the operation of a food service business from a food cart, food trailer or food truck.

(c) **SECTION 10 MOBILE STORE, MOBILE RESTAURANTS AND MOBILE VENDING PUSH CARTS** is deleted in its entirety and replaced with the following:

**10. MOBILE FOOD VENDING**

10.1 All business entities carrying on a Mobile Food Vending business within the City of Courtenay must first obtain and maintain a valid Mobile Mobile Food Vending licence for each mobile food vending unit in operation. Licences will be issued on a first come first served basis. Depending on demand for Mobile Food Vending units on Public Property, time limits on the duration of stay may be imposed by the licence inspector.

10.2 Proof that the following permissions have been obtained, and regulations met, must be provided prior to the issuance of the Mobile Food Vending Licence:

- (a) Island Health Approval;
- (b) BC Safety Authority Approval;
- (c) Proof of Motor Vehicle Insurance (Food Trucks and Food Trailers);
- (d) Proof of Liability Insurance coverage which meets the following minimum requirements:
  - i. Inclusive limit of \$2,000,000 and Public Liability & Property Damage;
  - ii. Cross Liability Clause
  - iii. City of Courtenay named as joint insured under the policy
  - iv. Provide that the coverage under the policy cannot be canceled or any provisions changed or deleted unless thirty days' prior written notice is given to the City by the Insurer.
- (e) A Discharge Management Plan satisfactory to the City of Courtenay that describes how and where fats, oils and grease will be disposed.

10.3 No form of music or voice amplifying device shall be allowed for a Mobile Food Vending business.

10.4 No goods other than food and beverages shall be sold from a Mobile Food Vending business.

10.5 Mobile Food Vending businesses are permitted to operate in the following locations:

- (a) Private Property zoned for Restaurant Use with the Mobile Food Business being at least a distance of 30 metres from an existing permanent food service establishment.

(b) City property and park locations as specified in Schedule 'B' attached hereto and forming part of this bylaw.

10.6 Before commencing operations on private property, a Mobile Food Vending business must first supply the Licence Inspector with a written letter of permission from the owner of the property on which the vendor will be locating.

10.7 A business entity must not carry on a Mobile Food Vending business on public property unless located in a location specified in Schedule 'B' attached hereto and forming part of this bylaw, or under a permit issued by the City for Special Events.

10.8 A business entity carrying on a Mobile Food Vending business must comply with the regulations set out in Schedule 'C' attached hereto and forming part of this Bylaw.

(d) By adding the following to Schedule 'A':

- 22. Mobile Food Vendor on private property.....\$150.00  
(fees will not be prorated)
- 23. Mobile Food Vendor on Public Property.....\$450.00  
(fees will not be prorated)

3. If any section, paragraph or phrase in this Bylaw is for any reason held to be invalid by a decision of a Court of competent jurisdiction, that portion shall be severed and the remainder of this Bylaw shall continue in full force and effect.

4. This Bylaw shall come into full force and effect on adoption.

Read a first time this 2<sup>nd</sup> day of May, 2016

Read a second time this 2<sup>nd</sup> day of May, 2016

Read a third time this 2<sup>nd</sup> day of May, 2016

Finally passed and adopted this day of , 2016

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Director of Legislative Services

## SCHEDULE 'B'

### Mobile Restaurant Locations on Public Property

Mobile Restaurants may operate on Public Property only in the following locations:

Location	Total Food Truck spots	Details
Lewis Park	4	2 west of playing field near river and washrooms  2 north of playing field to the right of the park entrance <i>(On selected dates, food truck spots would be unavailable due to special events in the park)</i>
Airpark	2	Grassy median off Mansfield Drive, south of Rotary Skypark
Standard Park	1	Gravel parking area

Specific locations are shown on the following maps.



Food Truck Location: Airpark near Rotary Skypark (two spots)



Food Truck Location: Lewis Park entrance (two spots)





Food Truck Location: Lewis Park west - near washrooms (two spots)



Food Truck Location: Standard Park (one site)

## SCHEDULE 'C'

### 1. GENERAL REGULATIONS

- 1.1 The mobile food vending unit shall be maintained at all times in good sanitary condition and the standard of appearance must always be aesthetically pleasing.
- 1.2 The mobile food vending unit shall supply its own power and water source. Generators used to provide power are only permitted if they, in the opinion of the City, do not create a disturbance.
- 1.3 No form of music or voice amplifying device will be permitted. All soliciting will be done at a level speaking voice with no shouting.
- 1.4 Vendors shall provide proper waste and recycling receptacles adequate to ensure the cleanliness of the adjacent area, clean up within a 10 metre radius after service at a location, and shall be responsible for removal of all collected garbage from the location.
- 1.6 Clearance on all sides of the mobile food vending unit must be maintained such that pedestrians are able to easily and safely pass by without congestion.
- 1.7 Operation of the mobile food vending unit shall be conducted in a manner that does not restrict or interfere with the ingress or egress of the adjacent property owner or constitute an obstruction to adequate access by fire, police, or sanitation vehicles.
- 1.8 Vendors shall attend the mobile food vending unit at all times.
- 1.9 Overnight storage of the mobile food vending unit on public property is prohibited.
- 1.10 A location log that tracks the time and duration of the food truck/trailer at each location shall be maintained by the mobile food vendor. This location log must be made available to a Bylaw Officer upon request.
- 1.11 Mobile food vending in public locations will be permitted during the following hours:  
  
Public Property: 7:00 a.m. to 10:00 p.m.  
Park opening hours.
- 1.12 Mobile Food Vending Units shall not operate within:
  - (a) 30 metres of an existing permanent food service establishment;
  - (b) 100 metres of any elementary school;
  - (c) 150 metres of a special event or festival (except where permission from the event coordinator has been obtained); and

- (e) Residentially zoned areas unless approved by the Licence Inspector for a special event such as a Block Party.

## 2. FOOD TRUCKS & FOOD TRAILERS

### Size and Configuration:

- 2.1 The food truck/trailer shall be no more than:
  - (a) 2.5 metres in width; and
  - (b) 8 metres in length.

**CITY OF COURTENAY**  
**BYLAW REFERENCE FORM**

**BYLAW TITLE**

2016-2020 Financial Plan Bylaw No. 2848, 2016

**REASON FOR BYLAW**

**STATUTORY AUTHORITY FOR BYLAW**

Section 165(2) of the *Community Charter*

**OTHER APPROVALS REQUIRED**

**STAFF COMMENTS AND/OR REPORTS**

**OTHER PROCEDURES REQUIRED**

May 2, 2016

B. Parschauer  
Staff Member



THE CORPORATION OF THE CITY OF COURTENAY

BYLAW NO. 2848

**A bylaw to adopt the five year financial plan**

WHEREAS the *Community Charter*, being SBC Chapter 26, 2003, requires a five year financial plan that is adopted annually;

AND WHEREAS the financial plan shall by bylaw be adopted before the annual property tax bylaw is adopted;

AND WHEREAS the planning period for a financial plan is five years, being the year in which it is specified to come into force and the following 4 years;

AND WHEREAS the Community Charter, being SBC Chapter 26, 2003, Section 173, requires that a municipality must not make an expenditure other than one authorized and provided for in the financial plan;

NOW THEREFORE the Council of the Corporation of the City of Courtenay, in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as **"The 2016 – 2020 Financial Plan Bylaw No. 2848, 2016"**.
2. Schedule "A" attached hereto and made part of this bylaw is hereby adopted as the 2016 – 2020 statement of objectives and policies for the proportion of total revenue from property value taxes, parcel taxes, fees and charges, borrowing, and other funding sources.
3. Schedule "B" attached hereto and made part of this bylaw is hereby adopted as the 2016 – 2020 statement of the distribution of property value taxes among the property classes.
4. Schedule "C" attached hereto and made part of this bylaw is hereby adopted as the 2016 – 2020 statement of the use of permissive tax exemptions.
5. Schedule "D" attached hereto and made part of this bylaw is hereby adopted as the 2016 – 2020 Consolidated Financial Plan.
6. Schedule "E" attached hereto and made part of this bylaw is hereby adopted as the 2016 – 2020 General Operating Fund Financial Plan.
7. Schedule "F" attached hereto and made part of this bylaw is hereby adopted as the 2016 – 2020 Sewer Operating Fund Financial Plan.
8. Schedule "G" attached hereto and made part of this bylaw is hereby adopted as the 2016 – 2020 Water Operating Fund Financial Plan.

9. Schedule "H" attached hereto and made part of this bylaw is hereby adopted as the 2016 – 2020 General Capital Fund Financial Plan.
10. Schedule "I" attached hereto and made part of this bylaw is hereby adopted as the 2016 – 2020 Sewer Capital Fund Financial Plan.
11. Schedule "J" attached hereto and made part of this bylaw is hereby adopted as the 2016 – 2020 Water Capital Fund Financial Plan.
12. "The Final 2015-2019 Financial Plan Bylaw No. 2814, 2015" is hereby repealed.

Read a first time this    day of    , 2016

Read a second time this    day of    , 2016

Read a third time this    day of    , 2016

Finally passed and adopted this    day of    , 2016

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Mayor

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Director of Legislative Services



City of Courtenay  
 BYLAW NO. 2848, 2016  
 A Bylaw To Adopt the Five Year Financial Plan of the  
 City of Courtenay for the Years 2016 - 2020  
 Schedule A

**Objectives and Policies for Schedule “A” Bylaw 2848**

*Proportion of Revenue by Source*

Property Tax Policies

- ❖ The City of Courtenay will attempt to keep the proportional share of revenue from property taxes at a level similar to the average of comparable municipalities.
- ❖ Where new sources of revenue are made available to the City from senior governments, wherever possible these revenues will be used to reduce dependency on property taxation revenue.

Parcel Tax Policies

- ❖ Parcel taxes will be used whenever Council determines that they are more appropriate than property taxes.

Fees & Charges

- ❖ Wherever possible, fees & charges will be used to assign costs to those who benefit from the service provided. The proportion of costs recovered by fees and charges will vary with the nature of the service provided.

Proceeds of Borrowing

- ❖ Borrowing will be considered when determining the funding sources of large capital projects that provide benefits to taxpayers over a long period of time.

Other Sources of Revenue

- ❖ The City will continue to seek other sources of revenue in order to reduce reliance on property taxes.

Revenue Source	2014		2015		2016	
	Amount	% Total Revenue	Amount	% Total Revenue	Amount	% Total Revenue
Property Value Taxes	21,095,354	39.5%	21,920,748	35.4%	22,677,200	38.0%
Parcel Taxes	2,523,322	4.7%	2,592,311	4.2%	2,655,500	4.5%
Fees and Charges	11,224,107	21.0%	11,942,340	19.3%	16,077,600	27.0%
Other Sources	8,206,268	15.4%	9,769,237	15.8%	4,504,400	7.6%
Borrowing	-	0.0%	-	0.0%	-	0.0%
Reserves/Surpluses	10,363,192	19.4%	15,650,558	25.3%	13,648,600	22.9%
<b>TOTAL</b>	<b>53,412,243</b>	<b>100.0%</b>	<b>61,875,194</b>	<b>100.0%</b>	<b>59,563,300</b>	<b>100.0%</b>

City of Courtenay  
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 Schedule B

**Objectives and Policies for Schedule “B” Bylaw 2848**

*Distribution of property value taxes among the property classes*

- ❖ The City of Courtenay will attempt to keep the percentage of property taxes received from residential taxpayers at a level comparable to the average of similar municipalities.

The City has set tax rates in order to maintain tax stability, by maintaining the proportionate relationship between the property classes. This practice allows the various taxpayers in the municipality to be confident that, in any year, their property tax bill will only increase as much as their proportion of the increase in tax revenue required year over year.

- ❖ The City will attempt, over time, to reduce the commercial tax rate where necessary to ensure that Courtenay remains a competitive location for commercial activity.

Each year, Council has considered whether to reduce the commercial rate multiple, which effectively shifts tax load from the commercial class to the residential class taxpayer.

Property Class	2014		2015		2016	
	Rate Multiple	% Property Value Tax	Rate Multiple	% Property Value Tax	Rate Multiple	% Property Value Tax
01 Residential	1.00	60.10%	1.00	60.60%	1.00	61.80%
02 Utilities	7.00	0.27%	7.00	0.27%	7.00	0.27%
04 Major Industry	3.90	0.00%	3.90	0.00%	3.90	0.00%
05 Light Industry	3.90	0.33%	3.90	0.36%	3.90	0.38%
06 Business	2.80	39.19%	2.80	38.65%	2.80	37.45%
08 Recreation/Non-Profit	1.00	0.08%	1.00	0.08%	1.00	0.08%
09 Farm	1.00	0.03%	1.00	0.03%	1.00	0.03%
<b>TOTAL</b>		<b>100.00%</b>		<b>100.00%</b>		<b>100.00%</b>

City of Courtenay  
 BYLAW NO. 2848, 2016  
 A Bylaw To Adopt the Five Year Financial Plan of the  
 City of Courtenay for the Years 2016 - 2020  
 Schedule C

**Objectives and Policies for Schedule “C” Bylaw 2848**

*Permissive Tax Exemptions*

- ❖ A permissive tax exemption is strictly at the discretion of the City of Courtenay Council. After careful consideration of all applications Council may approve a full, a partial, or no tax exemption. The tax exemption may vary for the different applicants.
- ❖ The cumulative value of permissive tax exemptions shall not exceed 2% of the total tax levy of the previous year.

Permissive Property Tax Exemptions	2014 Property Tax Revenue Exempted	2015 Property Tax Revenue Exempted	2016 Property Tax Revenue Exempted
City owned properties/managed by not-for-profit groups	\$ 171,609	\$ 173,376	\$ 175,040
Not-for Profit Organizations	158,505	149,925	133,867
Churches	14,224	15,184	15,486
TOTAL	344,338	\$338,485	324,393
Prior year total tax levy for municipal purposes	20,289,153	21,095,354	21,920,748
Exemptions as a percentage of total tax levy	1.7%	1.6%	1.5%

City of Courtenay  
 BYLAW NO. 2848, 2016  
 A Bylaw To Adopt the Five Year Financial Plan of the  
 City of Courtenay for the Years 2016 - 2020  
 Schedule D

Consolidated Financial Plan	Budget				
	2016	2017	2018	2019	2020
<b>Revenues</b>					
<b>Taxes</b>					
General Property Taxes	\$ 22,011,300	\$ 22,988,000	\$ 24,133,500	\$ 26,155,900	\$ 27,941,500
Collections for Other Governments	20,783,500	21,748,900	22,635,600	23,039,200	23,441,800
Total Property Taxes	42,794,800	44,736,900	46,769,100	49,195,100	51,383,300
Frontage & Parcel Taxes	2,655,500	2,668,600	2,965,100	2,978,300	2,991,700
Grants in Place of Property Taxes	406,900	415,100	423,300	431,700	440,400
% of Revenue Tax	385,500	393,200	401,100	409,100	417,300
Total Taxes Collected	46,242,700	48,213,800	50,558,600	53,014,200	55,232,700
Less: Transfers to Other Governments	(20,910,000)	(21,877,900)	(22,767,300)	(23,173,500)	(23,578,800)
<b>Net Taxes for Municipal Purposes</b>	<b>25,332,700</b>	<b>26,335,900</b>	<b>27,791,300</b>	<b>29,840,700</b>	<b>31,653,900</b>
<b>Other Revenues</b>					
Fees and Charges	16,077,600	16,841,500	17,735,800	18,414,200	19,123,100
Revenue from Other Sources	2,611,500	5,466,500	6,264,100	3,042,300	2,654,200
Other Contributions	25,100	377,700	276,500	7,900	-
Transfers from Other Govt & Agencies	1,867,800	1,904,500	1,942,000	1,980,200	2,019,300
Total Other Revenues	20,582,000	24,590,200	26,218,400	23,444,600	23,796,600
<b>Total Operating Revenues</b>	<b>45,914,700</b>	<b>50,926,100</b>	<b>54,009,700</b>	<b>53,285,300</b>	<b>55,450,500</b>
<b>Transfers From Reserves and Surplus</b>					
From Reserves	7,921,200	6,767,600	10,144,200	4,947,400	4,116,500
From Surplus	5,727,400	659,600	101,600	250,000	2,000
<b>Total from Reserves and Surplus</b>	<b>13,648,600</b>	<b>7,427,200</b>	<b>10,245,800</b>	<b>5,197,400</b>	<b>4,118,500</b>
<b>Funding from Debt</b>					
	-	1,926,500	15,012,000	9,567,800	32,018,700
<b>Total Revenues</b>	<b>59,563,300</b>	<b>60,279,800</b>	<b>79,267,500</b>	<b>68,050,500</b>	<b>91,587,700</b>
<b>Equity in Capital Assets</b>	<b>4,425,000</b>	<b>4,425,000</b>	<b>4,425,000</b>	<b>4,425,000</b>	<b>4,425,000</b>
	<b>\$ 63,988,300</b>	<b>\$ 64,704,800</b>	<b>\$ 83,692,500</b>	<b>\$ 72,475,500</b>	<b>\$ 96,012,700</b>
<b>Expenses</b>					
<b>Operating Expenses</b>					
General Government	\$ 3,273,300	\$ 3,316,500	\$ 3,521,400	\$ 3,572,300	\$ 3,738,000
Protective Services	9,086,300	9,046,700	9,217,500	9,401,000	9,587,700
Transportation Services	4,398,700	4,299,600	4,356,400	4,346,600	4,437,900
Environmental Health Services	13,704,000	13,682,200	14,249,300	14,737,700	15,235,500
Public Health Services	239,800	244,400	249,200	254,000	259,500
Development Services	1,357,400	1,256,100	1,263,600	1,273,100	1,296,300
Parks, Recreation & Cultural Services	8,301,100	8,323,300	8,483,800	8,609,800	8,771,900
Amortization	40,360,600	40,168,800	41,341,200	42,194,500	43,326,800
	4,425,000	4,425,000	4,425,000	4,425,000	4,425,000
<b>Total Operating Expenses</b>	<b>44,785,600</b>	<b>44,593,800</b>	<b>45,766,200</b>	<b>46,619,500</b>	<b>47,751,800</b>
<b>Capital Transactions</b>					
<b>Capital Assets</b>					
Land and Improvements	830,900	541,000	476,500	450,000	410,000
Buildings	798,800	622,000	4,111,000	6,167,000	30,086,000
Equipment	1,020,000	1,218,000	1,014,500	778,000	708,000
Engineering Structures - Renewal	5,846,500	9,696,000	22,215,900	9,111,600	6,241,300
Engineering Structures - New	515,500	979,500	2,663,000	-	-
Other Capital Assets	665,000	250,000	115,000	30,000	50,000
Debt for Capital Assets	9,676,700	13,306,500	30,595,900	16,536,600	37,495,300
Interest	758,900	757,600	910,800	1,213,600	1,495,700
Principal	950,500	951,200	1,311,500	1,991,000	2,421,600
Total Capital Transactions	11,386,100	15,015,300	32,818,200	19,741,200	41,412,600
<b>Transfers to Reserves &amp; Surplus</b>					
To Reserves	7,792,100	4,740,800	5,009,000	5,449,900	6,161,900
To Appropriated Surplus	24,500	354,900	99,100	664,900	686,400
<b>Total to Reserves and Surplus</b>	<b>7,816,600</b>	<b>5,095,700</b>	<b>5,108,100</b>	<b>6,114,800</b>	<b>6,848,300</b>
	<b>\$ 63,988,300</b>	<b>\$ 64,704,800</b>	<b>\$ 83,692,500</b>	<b>\$ 72,475,500</b>	<b>\$ 96,012,700</b>

Schedule D

City of Courtenay  
 BYLAW NO. 2848, 2016  
 A Bylaw To Adopt the Five Year Financial Plan of the  
 City of Courtenay for the Years 2016 - 2020  
 Schedule E

General Operating Fund	2016	2017	Budget 2018	2019	2020
<b>REVENUES</b>					
<b>Taxes</b>					
General Municipal Taxes	\$ 22,011,300	\$ 22,988,000	\$ 24,133,500	\$ 26,155,900	\$ 27,941,500
Collections for Other Governments	20,783,500	21,748,900	22,635,600	23,039,200	23,441,800
<b>Total Taxes Collected</b>	<b>42,794,800</b>	<b>44,736,900</b>	<b>46,769,100</b>	<b>49,195,100</b>	<b>51,383,300</b>
<b>Less:</b>					
Property Taxes for Other Governments	(20,783,500)	(21,748,900)	(22,635,600)	(23,039,200)	(23,441,800)
Portion of Grants in Place of Taxes	(126,500)	(129,000)	(131,700)	(134,300)	(137,000)
	<b>(20,910,000)</b>	<b>(21,877,900)</b>	<b>(22,767,300)</b>	<b>(23,173,500)</b>	<b>(23,578,800)</b>
<b>Net Municipal Taxes</b>	<b>21,884,800</b>	<b>22,859,000</b>	<b>24,001,800</b>	<b>26,021,600</b>	<b>27,804,500</b>
Grants in Lieu of Taxes	406,900	415,100	423,300	431,700	440,400
% of Revenue Tax	385,500	393,200	401,100	409,100	417,300
<b>Taxes for Municipal Purposes</b>	<b>22,677,200</b>	<b>23,667,300</b>	<b>24,826,200</b>	<b>26,862,400</b>	<b>28,662,200</b>
<b>Fees and Charges</b>	<b>7,206,400</b>	<b>7,388,000</b>	<b>7,652,000</b>	<b>7,929,700</b>	<b>8,221,800</b>
<b>Revenue from Other Sources</b>	<b>1,792,000</b>	<b>1,816,300</b>	<b>1,840,500</b>	<b>1,855,300</b>	<b>1,870,400</b>
<b>Transfers from Other Govt &amp; Agencies</b>	<b>1,867,800</b>	<b>1,904,500</b>	<b>1,942,000</b>	<b>1,980,200</b>	<b>2,019,300</b>
<b>Transfers-Reserves</b>	<b>1,364,500</b>	<b>839,000</b>	<b>839,000</b>	<b>839,000</b>	<b>839,000</b>
<b>Transfers-Surplus</b>	<b>1,707,100</b>	<b>380,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Equity in Capital Assets</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>
	<b>\$40,615,000</b>	<b>\$39,995,100</b>	<b>\$41,099,700</b>	<b>\$43,466,600</b>	<b>\$45,612,700</b>
<b>EXPENDITURES</b>					
<b>Operating Expenditures</b>					
General Government	\$ 3,273,300	\$ 3,316,500	\$ 3,521,400	\$ 3,572,300	\$ 3,738,000
Protective Services	9,086,300	9,046,700	9,217,500	9,401,000	9,587,700
Transportation Services	4,398,700	4,299,600	4,356,400	4,346,600	4,437,900
Environmental Health Services	2,972,000	3,151,500	3,347,500	3,562,600	3,798,200
Public Health Services	239,800	244,400	249,200	254,000	259,500
Development Services	1,357,400	1,256,100	1,263,600	1,273,100	1,296,300
Parks, Recreation & Cultural Services	8,301,100	8,323,300	8,483,800	8,609,800	8,771,900
Total Operating Expenses	29,628,600	29,638,100	30,439,400	31,019,400	31,889,500
<b>Amortization</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>
Total Expenses	33,628,600	33,638,100	34,439,400	35,019,400	35,889,500
<b>Transfer to Capital Fund</b>	<b>3,436,300</b>	<b>2,365,100</b>	<b>2,193,100</b>	<b>3,141,700</b>	<b>4,364,300</b>
<b>Transfer to Reserve Funds</b>	<b>3,550,100</b>	<b>3,991,900</b>	<b>4,467,200</b>	<b>4,908,200</b>	<b>5,356,600</b>
<b>Transfer to Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>397,300</b>	<b>2,300</b>
	<b>6,986,400</b>	<b>6,357,000</b>	<b>6,660,300</b>	<b>8,447,200</b>	<b>9,723,200</b>
	<b>\$40,615,000</b>	<b>\$39,995,100</b>	<b>\$41,099,700</b>	<b>\$43,466,600</b>	<b>\$45,612,700</b>

City of Courtenay  
 BYLAW NO. 2848, 2016  
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<b>Sewer Operating Fund</b>	Budget				
	2016	2017	2018	2019	2020
<b>Revenues</b>					
<b>Operating</b>					
Frontage & Parcel Taxes	\$ 1,946,400	\$ 1,956,000	\$ 2,249,000	\$ 2,258,700	\$ 2,268,500
Sale of Services	3,895,700	4,299,500	4,745,400	4,955,100	5,174,100
Revenue from Own Sources	1,200	1,100	1,100	1,000	900
Total Operating Revenues	5,843,300	6,256,600	6,995,500	7,214,800	7,443,500
<b>Reserves &amp; Surplus</b>					
Future Expenditure Reserve	260,000	-	-	-	-
Surplus	2,000,000	-	-	-	-
	2,260,000	-	-	-	-
<b>Equity in Capital Assets</b>					
	125,000	125,000	125,000	125,000	125,000
	125,000	125,000	125,000	125,000	125,000
<b>Total Revenues</b>	<b>\$ 8,228,300</b>	<b>\$ 6,381,600</b>	<b>\$ 7,120,500</b>	<b>\$ 7,339,800</b>	<b>\$ 7,568,500</b>
<b>Expenses</b>					
<b>Operating</b>					
General Administration	1,391,800	1,118,000	1,108,400	1,091,300	1,054,100
CVRD	3,484,700	3,693,800	3,915,400	4,150,300	4,399,300
Collection	481,700	440,200	449,300	458,300	468,400
	5,358,200	5,252,000	5,473,100	5,699,900	5,921,800
Amortization	125,000	125,000	125,000	125,000	125,000
Total Operating Expenses	5,483,200	5,377,000	5,598,100	5,824,900	6,046,800
<b>Transfers to Other Funds</b>					
Sewer Capital Fund	514,300	236,400	1,218,500	1,190,700	678,600
	514,300	236,400	1,218,500	1,190,700	678,600
<b>Transfers to Reserves</b>					
Asset Management Reserve	2,125,000	332,100	125,000	125,000	388,700
Machinery/Equip Reserve	75,000	75,000	75,000	75,000	75,000
MFA Reserve Fund	800	700	700	600	500
Carbon Offsets Reserve	5,500	5,500	5,500	5,500	5,500
Total Transfers	2,206,300	413,300	206,200	206,100	469,700
<b>Transfer to Appropriated Surplus</b>					
Surplus contingency	24,500	354,900	97,700	118,100	373,400
	24,500	354,900	97,700	118,100	373,400
<b>Total Expenses</b>	<b>\$ 8,228,300</b>	<b>\$ 6,381,600</b>	<b>\$ 7,120,500</b>	<b>\$ 7,339,800</b>	<b>\$ 7,568,500</b>
<b>Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

City of Courtenay  
 BYLAW NO. 2848, 2016  
 A Bylaw To Adopt the Five Year Financial Plan of the  
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 Schedule G

<b>Water Operating Fund</b>	Budget				
	2016	2017	2018	2019	2020
<b>Revenues</b>					
<b>Operating</b>					
Frontage & Parcel Taxes	709,100	712,600	716,100	719,600	723,200
Sale of Services	4,975,500	5,154,000	5,338,400	5,529,400	5,727,200
Revenue from Own Sources	113,900	117,300	120,700	124,300	128,000
Total Operating Revenues	<u>5,798,500</u>	<u>5,983,900</u>	<u>6,175,200</u>	<u>6,373,300</u>	<u>6,578,400</u>
<b>Reserves</b>					
Future Expenditure	143,400	12,100	-	-	-
Water Efficiency	6,500	6,500	6,500	6,500	6,500
	<u>149,900</u>	<u>18,600</u>	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>
<b>Surplus</b>					
Surplus	1,870,000	24,300	-	-	-
Total Transfers	<u>2,019,900</u>	<u>42,900</u>	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>
<b>Equity in Assets</b>					
	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
<b>Total Revenues</b>	<b><u>8,118,400</u></b>	<b><u>6,326,800</u></b>	<b><u>6,481,700</u></b>	<b><u>6,679,800</u></b>	<b><u>6,884,900</u></b>
<b>Expenses</b>					
<b>Operating</b>					
General Administration	1,474,500	1,333,800	1,340,000	1,338,600	1,330,000
CVRD - Supply	3,163,500	3,194,600	3,323,200	3,356,100	3,389,400
Transmission and Distribution	735,800	750,300	765,500	780,500	796,100
	<u>5,373,800</u>	<u>5,278,700</u>	<u>5,428,700</u>	<u>5,475,200</u>	<u>5,515,500</u>
Amortization	300,000	300,000	300,000	300,000	300,000
Total Operating Expenses	<u>5,673,800</u>	<u>5,578,700</u>	<u>5,728,700</u>	<u>5,775,200</u>	<u>5,815,500</u>
<b>Transfers to Other Funds</b>					
Water Capital Fund	408,900	412,500	416,000	419,500	423,100
	<u>408,900</u>	<u>412,500</u>	<u>416,000</u>	<u>419,500</u>	<u>423,100</u>
<b>Transfers to Reserves</b>					
Asset Management	300,000	300,000	300,000	300,000	300,000
Water Utility	1,700,000	-	-	-	-
Water Machinery & Equip	30,000	30,000	30,000	30,000	30,000
MFA	200	100	100	100	100
Carbon Offsets	5,500	5,500	5,500	5,500	5,500
	<u>2,035,700</u>	<u>335,600</u>	<u>335,600</u>	<u>335,600</u>	<u>335,600</u>
<b>Transfer to Appropriated Surplus</b>					
Contingency	-	-	1,400	149,500	310,700
Total Transfers	<u>2,035,700</u>	<u>335,600</u>	<u>337,000</u>	<u>485,100</u>	<u>646,300</u>
<b>Total Expenses</b>	<b><u>8,118,400</u></b>	<b><u>6,326,800</u></b>	<b><u>6,481,700</u></b>	<b><u>6,679,800</u></b>	<b><u>6,884,900</u></b>
<b>Surplus (Deficit)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Courtenay  
 BYLAW NO. 2848, 2016  
 A Bylaw To Adopt the Five Year Financial Plan of the  
 City of Courtenay for the Years 2016 - 2020  
 Schedule H

<b>General Capital Fund</b>	2016	2017	Budget 2018	2019	2020
<b>Revenues</b>					
<b>Revenues</b>					
Other Revenues	\$ 324,500	\$ 1,311,000	\$ 1,318,300	\$ 876,800	\$ 513,900
Grant and Contributions	379,900	2,220,800	2,983,500	184,900	141,000
	704,400	3,531,800	4,301,800	1,061,700	654,900
<b>Transfers</b>					
Operating Funds	3,436,300	2,365,100	2,193,100	3,141,700	4,364,300
	3,436,300	2,365,100	2,193,100	3,141,700	4,364,300
<b>Reserves</b>					
Gaming Funds Reserve	435,000	20,000	-	-	-
Other Reserve Funds	4,217,500	3,697,100	2,491,400	1,448,000	771,000
	4,652,500	3,717,100	2,491,400	1,448,000	771,000
<b>Funding from Debt</b>					
	-	1,426,500	10,557,000	9,567,800	31,260,100
<b>Total Revenues</b>	<b>\$ 8,793,200</b>	<b>\$11,040,500</b>	<b>\$19,543,300</b>	<b>\$15,219,200</b>	<b>\$37,050,300</b>
<b>Expenditures</b>					
<b>Debt</b>					
Interest	\$ 665,400	\$ 664,100	\$ 705,600	\$ 1,008,400	\$ 1,290,600
Principal	855,200	855,900	951,600	1,631,100	2,061,700
	1,520,600	1,520,000	1,657,200	2,639,500	3,352,300
<b>Capital Assets</b>					
Land and improvements	830,900	541,000	476,500	450,000	410,000
Buildings	798,800	622,000	4,111,000	6,167,000	30,086,000
Equipments / Furnitures / Vehicles	887,000	1,218,000	1,014,500	778,000	708,000
Engineering Structures - Renewal	4,090,900	6,889,500	12,169,100	5,154,700	2,444,000
Other Tangible Capital Assets	665,000	250,000	115,000	30,000	50,000
	7,272,600	9,520,500	17,886,100	12,579,700	33,698,000
<b>Total Expenditures</b>	<b>\$ 8,793,200</b>	<b>\$11,040,500</b>	<b>\$19,543,300</b>	<b>\$15,219,200</b>	<b>\$37,050,300</b>
<b>Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



City of Courtenay  
 BYLAW NO. 2848, 2016  
 A Bylaw To Adopt the Five Year Financial Plan of the  
 City of Courtenay for the Years 2016 - 2020  
 Schedule I

<b>Sewer Capital Fund</b>	Budget				
	2016	2017	2018	2019	2020
<b>Revenues</b>					
<b>Funding from Revenue &amp; Operating Fund</b>					
Other Revenues	15,800	226,400	88,200	4,800	-
Sewer Operating Fund	514,300	236,400	1,218,500	1,190,700	678,600
	<u>530,100</u>	<u>462,800</u>	<u>1,306,700</u>	<u>1,195,500</u>	<u>678,600</u>
<b>Reserves &amp; Surplus</b>					
Sewer Operating Surplus	110,500	255,300	101,600	87,000	-
Sewer Capital Surplus	21,700	-	-	-	-
General Reserve Funds	-	50,000	1,150,000	-	700,000
Gas Tax Reserve Fund	75,000	246,000	2,900,000	281,300	-
	<u>207,200</u>	<u>551,300</u>	<u>4,151,600</u>	<u>368,300</u>	<u>700,000</u>
<b>Funding from Debt</b>	-	500,000	4,455,000	-	-
<b>Total Revenues</b>	<u><b>\$ 737,300</b></u>	<u><b>\$ 1,514,100</b></u>	<u><b>\$ 9,913,300</b></u>	<u><b>\$ 1,563,800</b></u>	<u><b>\$ 1,378,600</b></u>
<b>Expenditures</b>					
<b>Debt</b>					
Interest - Debenture Debt	65,500	65,500	177,200	177,200	177,100
Principal - Debenture Debt	75,200	75,200	339,800	339,800	339,800
	<u>140,700</u>	<u>140,700</u>	<u>517,000</u>	<u>517,000</u>	<u>516,900</u>
<b>Capital Assets</b>					
Equipment	133,000	-	-	-	-
Engineering Structures - Renewal	243,100	401,500	6,733,300	1,046,800	861,700
Engineering Structures - New	220,500	971,900	2,663,000	-	-
	<u>596,600</u>	<u>1,373,400</u>	<u>9,396,300</u>	<u>1,046,800</u>	<u>861,700</u>
<b>Total Expenditures</b>	<u><b>\$ 737,300</b></u>	<u><b>\$ 1,514,100</b></u>	<u><b>\$ 9,913,300</b></u>	<u><b>\$ 1,563,800</b></u>	<u><b>\$ 1,378,600</b></u>
<b>Surplus (Deficit)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Courtenay  
 BYLAW NO. 2848, 2016  
 A Bylaw To Adopt the Five Year Financial Plan of the  
 City of Courtenay for the Years 2016 - 2020  
 Schedule J

<b>Water Capital Fund</b>	Budget				
	2016	2017	2018	2019	2020
<b>Revenues</b>					
<b>Funding from Operating Fund, Reserves and Surplus</b>					
Other Revenues	\$ 9,300	\$ 151,300	\$ 188,300	\$ 3,100	\$ -
Water Operating Fund	408,900	412,500	416,000	419,500	423,100
	<u>418,200</u>	<u>563,800</u>	<u>604,300</u>	<u>422,600</u>	<u>423,100</u>
<b>Reserves &amp; Surplus</b>					
Water Surplus	18,100	-	-	163,000	2,000
Community Works (Gas Tax)	250,000	1,200,000	1,952,000	1,202,500	1,200,000
Other Reserves	1,169,300	696,900	805,300	1,170,100	600,000
	<u>1,437,400</u>	<u>1,896,900</u>	<u>2,757,300</u>	<u>2,535,600</u>	<u>1,802,000</u>
<b>Funding from Debt</b>	-	-	-	-	758,600
<b>Total Revenues</b>	<u><b>\$ 1,855,600</b></u>	<u><b>\$ 2,460,700</b></u>	<u><b>\$ 3,361,600</b></u>	<u><b>\$ 2,958,200</b></u>	<u><b>\$ 2,983,700</b></u>
<b>Expenditures</b>					
<b>Debt</b>					
Interest - Debenture Debt	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000
Principal - Debenture Debt	20,100	20,100	20,100	20,100	20,100
	<u>48,100</u>	<u>48,100</u>	<u>48,100</u>	<u>48,100</u>	<u>48,100</u>
<b>Capital Assets</b>					
Engineering Structures - Renewal	1,512,500	2,405,000	3,313,500	2,910,100	2,935,600
Engineering Structures - New	295,000	7,600	-	-	-
	<u>1,807,500</u>	<u>2,412,600</u>	<u>3,313,500</u>	<u>2,910,100</u>	<u>2,935,600</u>
<b>Total Expenditures</b>	<u><b>\$ 1,855,600</b></u>	<u><b>\$ 2,460,700</b></u>	<u><b>\$ 3,361,600</b></u>	<u><b>\$ 2,958,200</b></u>	<u><b>\$ 2,983,700</b></u>
<b>Surplus (Deficit)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CITY OF COURTENAY**  
**BYLAW REFERENCE FORM**

**BYLAW TITLE**

Tax Rates Bylaw No. 2849, 2016

**REASON FOR BYLAW**

To establish the property value taxation rates for 2016

**STATUTORY AUTHORITY FOR BYLAW**

Section 197 of the *Community Charter*

**OTHER APPROVALS REQUIRED**

**STAFF COMMENTS AND/OR REPORTS**

**OTHER PROCEDURES REQUIRED**

May 2, 2016

B. Parschauer  
Staff Member



THE CORPORATION OF THE CITY OF COURTENAY

BYLAW NO. 2849

**A bylaw to impose rates on all  
taxable lands and improvements**

Whereas pursuant to the provisions of the *Community Charter* the Council must each year, by bylaw, impose property value taxes on all land and improvements according to the assessed value thereof, by establishing rates for:

- a. the municipal revenue proposed to be raised for the year from property value taxes, as provided in the financial plan, and
- b. the amounts to be collected for the year by means of rates established by the municipality to meet its taxing obligations in relation to another local government or other public body;

Therefore, the Council of the Corporation of the City of Courtenay in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as **"Tax Rates Bylaw No. 2849, 2016"**.
2. The following rates are hereby imposed and levied for the year 2016:
  - (a) For all lawful general purposes of the municipality, on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "A" of the schedule attached hereto and forming a part of this bylaw hereof;
  - (b) For debt purposes, on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "B" of the schedule attached hereto and forming a part of this bylaw hereof;
  - (c) For purposes of the Vancouver Island Regional Library on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "C" of the schedule attached hereto and forming a part of this bylaw hereof;
  - (d) For purposes of the Comox Valley Regional District on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "D" of the schedule attached hereto and forming a part of this bylaw hereof;
  - (e) For purposes of the Comox Valley Regional District on the assessed value of land and improvements taxable for general hospital purposes, rates appearing in Column "E" of the schedule attached hereto and forming a part of this bylaw hereof;
  - (f) For purposes of the Comox-Strathcona Regional Hospital District on the assessed value of land and improvements taxable for hospital purposes, rates appearing in column "F" of the schedule attached hereto and forming a part of this bylaw hereof;

(g) For purposes of the Downtown Courtenay Business Improvement Area on the assessed value of land and improvements for general municipal purposes, rates appearing in column "G" of the schedule attached hereto and forming a part of this bylaw hereof.

3. As soon as is practicable after the 2<sup>nd</sup> day of July, 2016, there shall be added to the unpaid taxes of the current year, in respect of each parcel of land and its improvements on the property tax roll, ten percent of the amount unpaid as of the 2<sup>nd</sup> day of July, 2016; and the said unpaid taxes together with the amount added as aforesaid, shall be deemed to be taxes of the current year due on such land and improvements.

Read a first time this    day of    , 2016

Read a second time this    day of    , 2016

Read a third time this    day of    , 2016

Finally passed and adopted this    day of    , 2016

\_\_\_\_\_  
Mayor

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Director of Legislative Services

BYLAW NO. 2849, 2016

SCHEDULE

Tax Rates (dollars of tax per \$1000 taxable value)

Property Class	A General Municipal	B Debt	C Library	D Regional District (rates applied to general assessment)	E Regional District (rates applied to hospital assessment)	F Regional Hospital District	G Downtown Courtenay Business Improvement Area
1. Residential	3.7754	0.2660	0.2307	0.4409	0.4762	0.8721	0.0000
2. Utilities	26.4280	1.8619	1.6149	3.0862	1.6666	3.3619	0.0000
3. Supportive Housing	3.7754	0.2660	0.2307	0.4409	0.4762	0.8178	0.0000
4. Major Industry	14.7242	1.0373	0.8997	1.7194	1.6190	3.2802	0.0000
5. Light Industry	14.7242	1.0373	0.8997	1.7194	1.6190	2.9382	1.2577
6. Business / Other	10.5712	0.7448	0.6460	1.2345	1.1666	2.1612	1.2577
8. Recreation / Non-Profit	3.7754	0.2660	0.2307	0.4409	0.4762	0.8721	0.0000
9. Farm	3.7754	0.2660	0.2307	0.4409	0.4762	0.8721	0.0000





**CITY OF COURTENAY**

**BYLAW REFERENCE FORM**

**BYLAW TITLE**

Development Cost Charges No. 2840, 2016

**REASON FOR BYLAW**

To impose and collect Development Cost Charges

**STATUTORY AUTHORITY FOR BYLAW**

Section 933 of the *Local Government Act*

**OTHER APPROVALS REQUIRED**

Second and Third Readings of the Bylaw were passed by Council on March 21, 2016.  
Statutory Approval from the Deputy Inspector of Municipalities (Ministry of Community, Sport and Cultural Development) was received on April 15, 2016.

**STAFF COMMENTS AND/OR REPORTS**

**OTHER PROCEDURES REQUIRED**

Final Reading of Bylaw No. 2840 is required.

April 26, 2016

L.Hatch, P.Eng.  
Director of Engineering Services



**THE CORPORATION OF THE CITY OF COURTENAY**

**BYLAW NO. 2840**

**A bylaw to impose Development Cost Charges**

**WHEREAS** pursuant to the *Local Government Act*, the Council of The Corporation of City of Courtenay may, by Bylaw, impose development cost charges;

**AND WHEREAS** development cost charges may be imposed for the sole purpose of providing funds to assist the City of Courtenay to pay the capital costs of

- (a) providing, constructing, altering or expanding sewage, water, drainage and highway facilities, other than off-street parking facilities; and
- (b) providing and improving park land to service, directly or indirectly, the development for which the charge is being imposed;

**AND WHEREAS** the Council has deemed the charges imposed by this Bylaw:

- (a) are not excessive in relation to the capital cost of prevailing standards of service in the municipality;
- (b) will not deter development in the municipality; and,
- (c) will not discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land in the municipality.

**AND WHEREAS** in fixing development cost charges imposed by this Bylaw, Council has taken into consideration future land use patterns and development, the phasing of the works and services, the provision and improvement of parkland, and considers the charges will

- (a) not be excessive in relation to the capital cost of prevailing standards of service in the City,
- (b) not deter development;
- (c) not discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land in the City; or
- (d) not discourage the development or redevelopment of commercial or industrial properties, which would otherwise provide employment and economic diversity and stability in the community;

**THEREFORE BE IT RESOLVED**, that the Council of the Corporation of the City of Courtenay in open meeting assembled enacts as follows:

1. This Bylaw may be cited for all purposes as “Development Cost Charges Bylaw No. 2840, 2016”.
2. In this Bylaw:

“**Building permit**” means any permit required by the City that authorizes the construction, alteration or extension of a building or structure.

“**City**” means the Corporation of the City of Courtenay.

“**Commercial**” means any commercial use as permitted under the authority of the City’s Zoning Bylaw.

“**Congregate Care**” means an institutional use of a building with four or more sleeping units where permanent residential accommodation is provided and has a common living area, common kitchen and dining area where meals are provided, and common area where health care, cultural and social services may be provided.

“**Council**” means the Council of the Corporation of the City of Courtenay.

“**Dwelling Unit**” means a self-contained residential unit including a cooking facility and consisting of one or more habitable rooms designed and used for the accommodation of only one person or family.

“**Total Floor Area**” means the sum of the floor areas, as defined in the City’s Zoning Bylaw, of a building or structure.

“**Industrial**” means any industrial use as permitted under the authority of the City’s Zoning Bylaw.

“**Institutional**” means a building or structure used or intended to be used only on a non-profit basis for cultural, recreational, social, religious, governmental, health or educational purposes.

“**Multi-Family Residential**” means a development that results in two or more dwelling units on a single property.

“**Per hectare**” means the area specified for development as stated in a Development Permit application pursuant to the City of Courtenay Official Community Plan Bylaw No. 2387, 2005 as amended.

“**Single Family Residential**” means any detached building with the principal use of a dwelling unit, or a detached building consisting of a combination of one principal dwelling unit and one secondary suite.

“**Subdivision**” means a subdivision of land into two or more parcels, whether by plan, apt descriptive words or otherwise, under the *Land Title Act* or the *Strata Property Act*.

“**Zoning Bylaw**” means the City of Courtenay Zoning Bylaw No. 2500, 2007 as amended.

3. Every person who obtains:

- (a) approval of a subdivision of a parcel of land under the *Land Title Act* or the *Strata Property Act*;  
or
- (b) a building permit authorizing the construction or alteration of a building or structure; including a building permit that authorizes the construction or alteration of a building or part of a building that will, after the construction or alteration, contain one or more self-contained dwelling units;

shall pay to the City, prior to the approval of the subdivision or the issuance of the building permit, as the case may be, the applicable development cost charges as set out in Schedule “A” hereto attached.

4. The amount of development cost charges payable in relation to a mixed use type of development shall be calculated separately for each portion of the development, according to the separate use types, which are included in the building permit application and shall be the sum of the

charges payable for each type.

5. Where Development Cost Charges are payable in accordance with paragraph 3 above and are in excess of \$50,000.00, the developer may elect to pay them by installments, subject to the terms and conditions set out below:

- (a) one third (1/3) of the total Development Cost Charges owing in accordance with this Bylaw shall be paid at the time of subdivision or building permit issuance;
- (b) one half (1/2) of the remaining balance shall be paid within one year after the date of approval of subdivision or the granting of the building permit;
- (c) the remaining balance shall be paid in full within 2 years after the time of approval of subdivision or building permit issuance;
- (d) where a developer elects to pay the charge by installments and fails to pay an installment within any time required for payment herein, the total balance of the charge becomes due and payable immediately;
- (e) no interest is payable on the unpaid balance of a charge until it becomes due and payable, but when it does, it is a condition of election under this section that interest is payable from that date until payment at the rate or rates prescribed under section 11(3) of the *Taxation (Rural Area) Act*, for the period of non-payment;
- (f) a developer electing to pay a charge by installments must deposit with the City at the same time as the payment of the first installment:
  - I. an irrevocable letter of credit or undertaking from a bank, credit union or trust company registered under the *Financial Institutions Act*;
  - II. a bond or surety licensed under the *Insurance Act*; or
  - III. a security duly assigned

which ensures to the satisfaction of the City that upon default the balance of the unpaid charge will be recoverable from the person, the bank, the surety or from the proceeds of the realization of the security, as the case may be.

6. No development cost charge is payable where:

- (a) the building permit authorizes the construction, alteration or extension of a building or part of a building that is, or will be, after the construction, alteration or extension, exempt from taxation under section 220 (1) (h) or 224 (2) (f) of the *Community Charter*;
- (b) The building permit authorizes the construction or alteration of a building where the value of the work authorized by permit does not exceed \$50,000;
- (c) The size of the dwelling unit is 29 square metres or less; or
- (d) a development cost charge has previously been paid for the same development unless, as a result of further development, new capital cost burdens will be imposed on the City.

7. Notwithstanding S.933(4)(b) of the *Local Government Act*, a Development Cost Charge is payable for construction, alteration or extension of a building that will, after the construction, alteration or extension, contain fewer than 4 self-contained dwelling units.
8. This bylaw shall come into full force and effect and be binding on persons upon final adoption hereof.
9. “Development Cost Charges Bylaw No. 2426, 2005” and any and all amendments thereto is hereby repealed.
10. This Bylaw may be cited for all purposes as “Development Cost Charges Bylaw No. 2840, 2016.

Read a first time this 1<sup>st</sup> day of February, 2016.

Read a second time this 21<sup>st</sup> day of March, 2016.

Read a third time this 21<sup>st</sup> day of March, 2016.

Approved by the Inspector of Municipalities on the 15<sup>th</sup> day of April, 2016.

Reconsidered, finally passed and adopted this day of, 2016.

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Mayor

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Director of Legislative Services

Schedule "A"

City of Courtenay Development Cost Charge Bylaw 2840, 2016

**Development Cost Charge Schedule**

	<b>Collection basis</b>	<b>Transportation</b>	<b>Water</b>	<b>Sanitary Sewer</b>	<b>Drainage</b>	<b>Park Acquisition and Development</b>	<b>Total</b>
Single Family Residential	Per lot or per dwelling unit	\$2,744.20	\$456.08	\$1,427.30	\$1,439.01	\$875.48	\$6,942.07
Multi-Family Residential	Per m <sup>2</sup> of total floor area	\$15.42	\$3.22	\$10.08	\$4.32	\$6.18	\$39.22
Commercial	Per m <sup>2</sup> of total floor area	\$36.14	\$1.19	\$3.71	\$6.47	n/a	\$47.51
Institutional	Per m <sup>2</sup> of total floor area	\$36.14	\$1.19	\$3.71	\$6.47	n/a	\$47.51
Congregate Care	Per m <sup>2</sup> of total floor area	\$7.71	\$1.61	\$5.04	\$2.16	n/a	\$16.52
Industrial	Per hectare	\$29,480.62	\$7,625.05	\$23,862.45	\$24,464.43	n/a	\$85,432.56

