

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

DATE: July 18, 2016
PLACE: City Hall Council Chambers
TIME: 4:00 p.m.

1.00 ADOPTION OF MINUTES

1. Adopt July 4, 2016 Regular Council meeting minutes

2.00 INTRODUCTION OF LATE ITEMS

3.00 DELEGATIONS

Pg #

1. Angela Holmes, SD 71 Sustainability Coordinator re: active transportation

STAFF REPORTS/PRESENTATIONS

(a) Recreation and Cultural Services

(b) CAO and Legislative Services

1. Annual Municipal Report (viewable on City's website www.courtenay.ca)

Recommendation: That pursuant to section 99 of the *Community Charter*, Council consider the 2015 Annual Municipal Report.

(c) Development Services

- 1 2. Development Variance Permit No. 1408 – 519 12th Street

(d) Financial Services

- 19 3. Consideration of 2017 Permissive Property Tax Exemptions
- 37 4. 2017/2018 RCMP Municipal Policing Contract-Approval in Principle

(e) Engineering Services

(f) Public Works Services

5.00 EXTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

6.00 INTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

- 71 1. Staff Memo: Social Procurement Policy
- 73 2. Briefing Note: Anderton Dike Wall-Project Update

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

8.00 RESOLUTIONS OF COUNCIL

- 1. In Camera Meeting:

That notice is hereby given that a Special In-Camera meeting closed to the public will be held July 18, 2016 at the conclusion of the Regular Council Meeting pursuant to the following sub-sections of the *Community Charter*:

- 90 (1)(a) personal information about an identifiable individual who holds or is being considered for a position of an officer, employee or agent of the municipality or another position appointed by the municipality; and
- 90 (1)(b) personal information about an identifiable individual who is being considered for a municipal award or honour, or who has offered to provide a gift to the municipality on condition of anonymity.

9.00 UNFINISHED BUSINESS

10.00 NOTICE OF MOTION

11.00 NEW BUSINESS

- 75 1. CVRD “Comox Valley Economic Development Services Conversion Bylaw No. 345”

Recommendation: That the City of Courtenay consent to the adoption of Comox Valley Regional District Bylaw No. 345 being “Comox Valley Economic Development Service Conversion Bylaw No. 345, 2016” under section 346 of the *Local Government Act* (RSBC 2015 c. 1).

- 133 2. Comox Strathcona Hospital Board Re: Parking at new hospital sites

12.00 BYLAWS

13.00 ADJOURNMENT



STAFF REPORT

To: Council
From: Deputy Chief Administrative Officer
Subject: Development Variance Permit No. 1408 - 519 12th Street

File No.: 3090-20-1408

Date: July 18, 2016

PURPOSE:

The purpose of this report is to consider a Development Variance Permit to reduce the side yard setback to accommodate the construction of a 1650 ft² single family dwelling on the property located at 519 12th Street.

CAO RECOMMENDATIONS:

That based on the July 18, 2016 staff report "Development Variance Permit No. 1408 – 519 12th Street" Council approve Development Variance Permit No. 1408 (OPTION 1).

Respectfully submitted,

John Ward, CMC
Deputy CAO

BACKGROUND:

The subject property is located at 519 12th Street at the intersection of Fitzgerald and 12th Street. The applicant is proposing to construct a two storey 1650 ft² single family dwelling and a 320 ft² accessory building (i.e. a workshop).

The property is 458 m², is zoned R-2B (Residential Two B Zone), is vacant and partially treed. The primary access to the property is off 12th Street. Regarding topography, the property is generally level.

A review of the City's development files indicates that in 2014 the property owner successfully rezoned the parent parcel located at 531 12th Street from R-2 to R-2B and subdivided the parent parcel into two lots. The subdivision was completed so that the owner could construct a single family residential dwelling at 519 12th Street. The application for variance was made at the same time; however there was a lengthy delay by the applicant in providing building plans necessary to bring forward the variance application.



Figure 1. Aerial view of subject property (outlined in red)



Figure 2. Street view of subject property from Fitzgerald Avenue

A review of the applicant's building plans suggests the proposed single family dwelling will be "heritage" style but unlike the Old Orchard area which has design guidelines requiring development to reflect the heritage character, this neighbourhood is not subject to a Development Permit Area.

The proposed dwelling will include an articulated gabled roofline with the principal entrance to the dwelling recessed and defined by a porch with columns decorated with wood shingles. Exterior finishes will include wood trim around exterior windows and doors, board and batten and hardie cement siding. The proposed dwelling replicates the architectural styles within this older neighbourhood of the City which is characterized by one or one-and-a-half storey single family homes built primarily in the 1930's to 1960's. Houses in this neighbourhood are a modest size and located on narrower lots that have mature landscaping. Parking is generally accommodated in the front yard although some of the homes in the neighbourhood have side yard driveways or driveways in the rear yard where lane access is available.

The proposed single family dwelling will include approximately 1200 ft² of floor space on the main level and 433 ft² on the upper level. The home will include three bedrooms, two bathrooms, an open concept living/dining room, a kitchen, office space and storage space. Additionally, the applicant is proposing a 320 ft² accessory building in the rear yard.

DISCUSSION:

Within residential neighbourhoods the intent of regulating building setbacks is to minimize the impact that building or structures have on the surrounding neighbourhood including visual character.

Development Variance permits are sometimes sought in situations where a proposed building cannot comply with the requirements of the Zoning Bylaw such as on a narrow lot or an irregularly shaped parcel where strict compliance with the setbacks could place hardship on an owner.

The table below summarizes the required setbacks within the R-2B zone and the variance sought by the applicant.

Summary of Requested Variances

Yard	Required	Requested	Variance Sought
Side Yard (Flanking Fitzgerald Avenue)	4.5 m	3.0 m	1.5 m

The applicant has applied to vary Section 8.2.27 (3) of Zoning Bylaw No. 2500, 2007 to reduce the side yard setback from 4.5 m to 3.0 m in order to accommodate the siting of a new single family dwelling. The western side yard flanks Fitzgerald Avenue and the minimum building setback is 4.5 m when a side yard flanks a street.

A review of parcel frontages along on 12th Street and within the immediate neighbourhood suggests that the subject parcel is slightly narrower (with 15 m of road frontage) than surrounding parcels. A majority of the parcels in the immediate area have 16 metres or more of road frontage. Additionally an easement area is located in the eastern side yard along the property line. This access and sewer easement was registered on the owner's land title at the time of subdivision and the easement area cannot be built on.

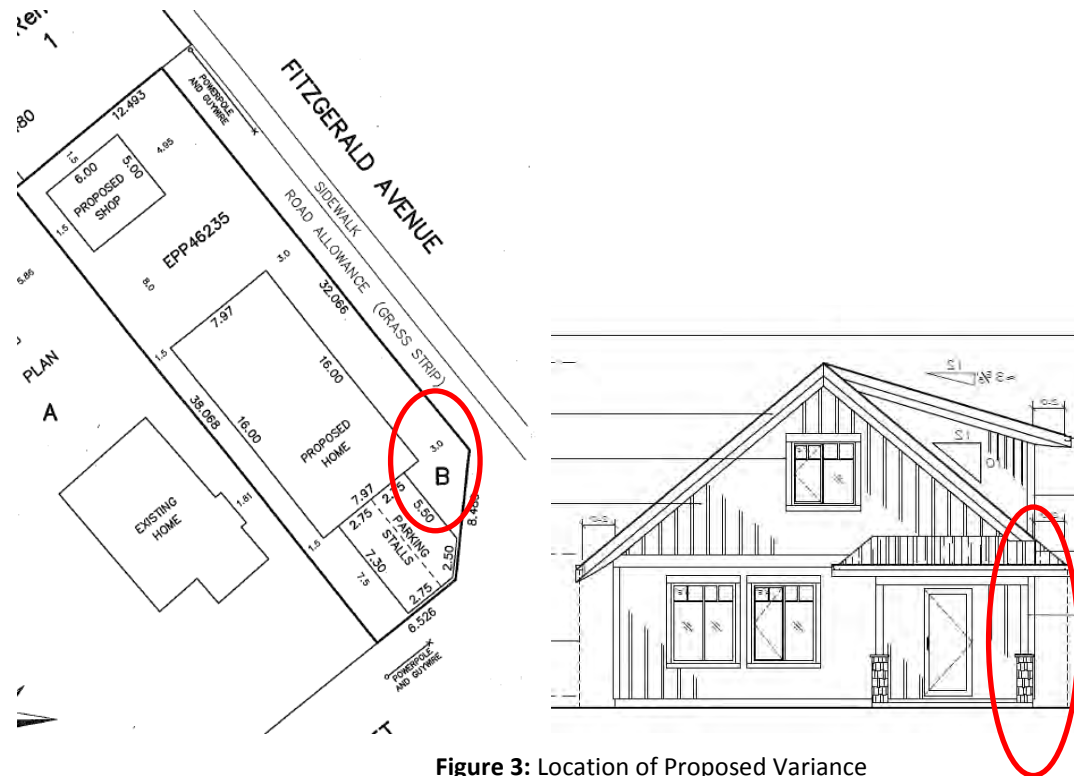
The narrow width of the parcel coupled with a registered legal agreement that places no build restrictions on a portion of the land presents some challenges for establishing a building envelope on this lot.

The applicant has requested a 1.5 metre variance to the eastern side yard setback so that the lot can accommodate a 26 foot wide home. From a site planning and building design perspective the owner wishes to maximize the building footprint; make efficient use of interior living space including the installation of wider doorways and appropriate bathroom clearances while enhancing the aesthetic character of the neighbourhood.

When the property was purchased the City owned a 2.3 metre wide grass strip between the edge of the sidewalk ending at the eastern property line, this grass strip has since been converted to road allowance. If one were to apply the required 4.5 metre setback from the edge of the sidewalk to the edge of the proposed dwelling the dwelling would be located 6.8 m from the sidewalk on Fitzgerald Avenue. If this variance application is approved and the building setback is reduced from 4.5 m to 3.0 m it would result in the proposed dwelling being located 5.3 metres from the edge of the sidewalk to the edge of the dwelling.

A review of current building setbacks in the neighbourhood suggests that many of setbacks for single family homes fall within 1.8 metre to 4.2 metres of the sidewalk on Fitzgerald Avenue. There are no immediate neighbours to the east of the property so the proposed dwelling will not infringe or impact an immediate neighbour's use or enjoyment of their land and the development is in keeping with the established visual character of the neighbourhood.

The applicant is proposing to access the property off of 12th Street and has sited two parking spaces which comply with required by Division 7, Off-Street Parking and Loading Spaces in Zoning Bylaw No. 2500. No variances are required for the siting of the proposed workshop in the rear yard.



OCP Review

The applicant's development plan is consistent with several goals and objectives of the Official Community Plan (OCP) including: the provision of housing options to meet evolving demographic needs; creating inclusive neighbourhoods for housing; encouraging housing opportunities in close proximity to services,

public facilities, shopping and employment opportunities and ensuring redevelopment proposals preserve the character of existing residential neighbourhoods.

The OCP contains policies that encourage residential infill if the development preserves the character and scale of the existing neighbourhood. Infill development on vacant inner City parcels is often employed as a land use strategy because it reduces urban sprawl, creates inclusive neighbourhoods for housing; renews housing stocks, offsets costs associated with sprawling neighbourhoods and allows City services to reach more residents at lower costs.

Development Variance Permit application No. 1408 represents a residential infill development on an undeveloped parcel in a well-established neighbourhood. The proposed development acts to retain the character of the area, makes use of existing municipal infrastructure and services and supports local transportation options. Infill developments are beneficial because they inject new life into communities and increase property values without altering the character of the neighborhood.

Zoning Review

The R-2B Zone permits low density residential development. A review of the development plans for the property indicates that the proposed dwelling meets the requirements in the R-2B Zone with regards to land use, parcel coverage, lot frontage and building height. The applicant also meets the parking requirements for single family residential use. The workshop proposed to be located in the rear yard also meets the zoning requirements for height, building area and setbacks.

Public Information Meeting

The applicant held a public information meeting on May 23, 2014 at the subject property. At this information meeting the public was informed in detail about the applicant's rezoning application, subdivision application and proposed Development Variance permit for the siting of this new dwelling.

At the information meeting the public was made aware that a Development Variance Permit would be sought in order to site the new single family dwelling 3.0 metres from the eastern property line. The public had an opportunity to review the applicant's development plans and provide feedback on all aspects of the applicant's current and future development plans for the property.

When this Development Variance Permit application was submitted in 2014 Development Services Staff made a decision to waive the requirement for the applicant to hold a second public information meeting for the application. Staff feels that the public information meeting held in 2014 met the applicant's duty to consult with the public.

A summary of the public information meeting and plans provided to the public at the meeting is included in Attachment No. 3

If Council feels that a second public information meeting should be held specifically for Development Variance Permit Application No. 1408 Option 2 provides Council with an option to defer its decision until a public information meeting on the application.

Notwithstanding the meeting held in 2014, the *Local Government Act* requires that the City give notice to the owners and occupiers of properties within a specified distance of the property prior to Council consideration of the variance. The City uses a 30m radius for this notice which was delivered 10 days in advance of the Council meeting as required by the legislation. Any results of this notification will be provided to Council.

FINANCIAL IMPLICATIONS:

Should Development Variance Permit No. 1408 be approved, the applicant would be required to apply for a building permit and subsequent inspections. Building permit fees are \$7.50 for every \$1000.00 of construction value. In addition to property taxes, the City would also collect utility fees on the new dwelling on 12th Street.

Development Cost Charges (DCC's) are applicable to the development if the value of work authorized by the building permit exceeds \$50,000. Development Cost Charges will be collected for the single family home construction at a rate of \$16,624.07 per unit. The City of Courtenay's portion of these DCC charges is \$6,942.07 per unit and the Comox Valley Regional District's portion is \$9,682 per unit.

ADMINISTRATIVE IMPLICATIONS:

The processing of development applications is included in the current work plan as a statutory component. Staff has spent 17 hours reviewing the application, conducting a site visit and meeting with the applicant to request additional information. The City incurs costs related to mailing out notices and registering the notice of the permit with land titles.

If approved, there will be approximately one additional hour of staff time required to prepare the notice of permit, have it registered on title and close the file. Additional staff time will be required for review building permit applications and to perform the required building inspections.

ASSET MANAGEMENT IMPLICATIONS:

There are no direct asset management implications related to this application.

STRATEGIC PRIORITIES REFERENCE:

Development applications fall within Council's area of control and specifically align with the strategic priority to support meeting the fundamental corporate and statutory obligations of the City. This application also meets the goal to support densification aligned with community input and the regional growth strategy.

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.

OFFICIAL COMMUNITY PLAN REFERENCE:

The proposed development is consistent with OCP policies regarding: providing housing options to meet evolving demographic needs; creating inclusive neighbourhoods for housing and ensuring redevelopment proposals preserve the integrity and character of existing residential areas.

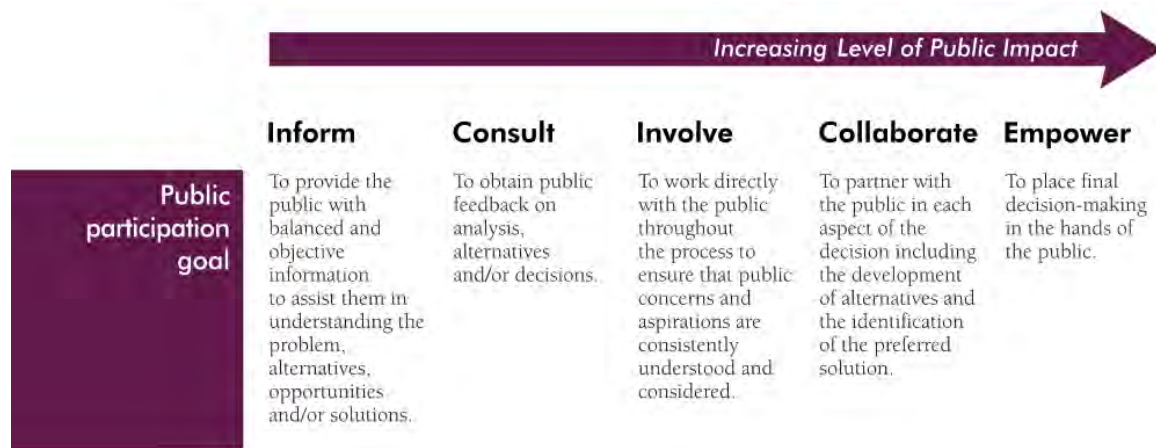
REGIONAL GROWTH STRATEGY REFERENCE:

The subject property is located within a Core Settlement Area. As mandated by the Regional Growth Strategy, the majority of growth and development should be concentrated in these areas to provide the efficient use of land. The proposed development is consistent with the RGS objective to ensure a diversity of housing options to meet evolving demographics and needs and to locate housing in core settlement areas close to existing services.

CITIZEN/PUBLIC ENGAGEMENT:

Staff consulted based on the public based on the IAP2 Spectrum of Public Participation:

http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum_vertical.pdf



OPTIONS:

OPTION 1 That Council approve Development Variance Permit No. 1408. (Recommended)

OPTION 2: That Council defer consideration of Development Variance Permit No. 1408 until the applicant holds a public information meeting on Development Variance Permit No. 1408.

OPTION 3: That Council not approve Development Variance Permit No. 1408.

Prepared by:



Dana Leitch, MCIP, RPP
Planner 1

Reviewed by:



Ian Buck, MCIP, RPP
Director of Development Services

Attachments:

1. *Attachment No. 1: Development Variance Permit and Associated Schedules*
2. *Attachment No. 2: Applicant's Rationale and Written Submissions*
3. *Attachment No. 3: Summary of Public Information Meeting, May 23, 2014*

THE CORPORATION OF THE CITY OF COURTENAY

Permit No. 3060-20-1408

DEVELOPMENT VARIANCE PERMIT

July 18, 2016

To issue a Development Permit

To: Name: Brent and Helena Curtain
Address: 531 12th Street
Courtenay, British Columbia
V9N 1T8

Property to which permit refers:

Legal: Lot B, Section 69, Comox District, Plan EPP46235
Civic: 519 – 12th Street

Conditions of Permit:

Permit issued to allow the siting of a single family residential dwelling with the following variance to the City of Courtenay Zoning Bylaw No. 2500, 2007:

- *Section 8.2.27 (3)* – reduce the eastern side yard building setback from 4.5 metres to 3.0 metres for the siting of a new single family dwelling.

Development Variance Permit No. 1408 is subject to the following conditions:

- a) Development must be in conformance with the plans and elevations contained in **Schedule No. 1**;
- b) Parking areas must be developed in accordance with *Zoning Bylaw No. 2500, 2007*, Division 7, Off-Street Parking and Loading Spaces.
- c) Every off-street motor vehicle parking area that accommodates two or more vehicles shall be surfaced with a bituminous or other dust-free surface.

Time Schedule of Development and Lapse of Permit

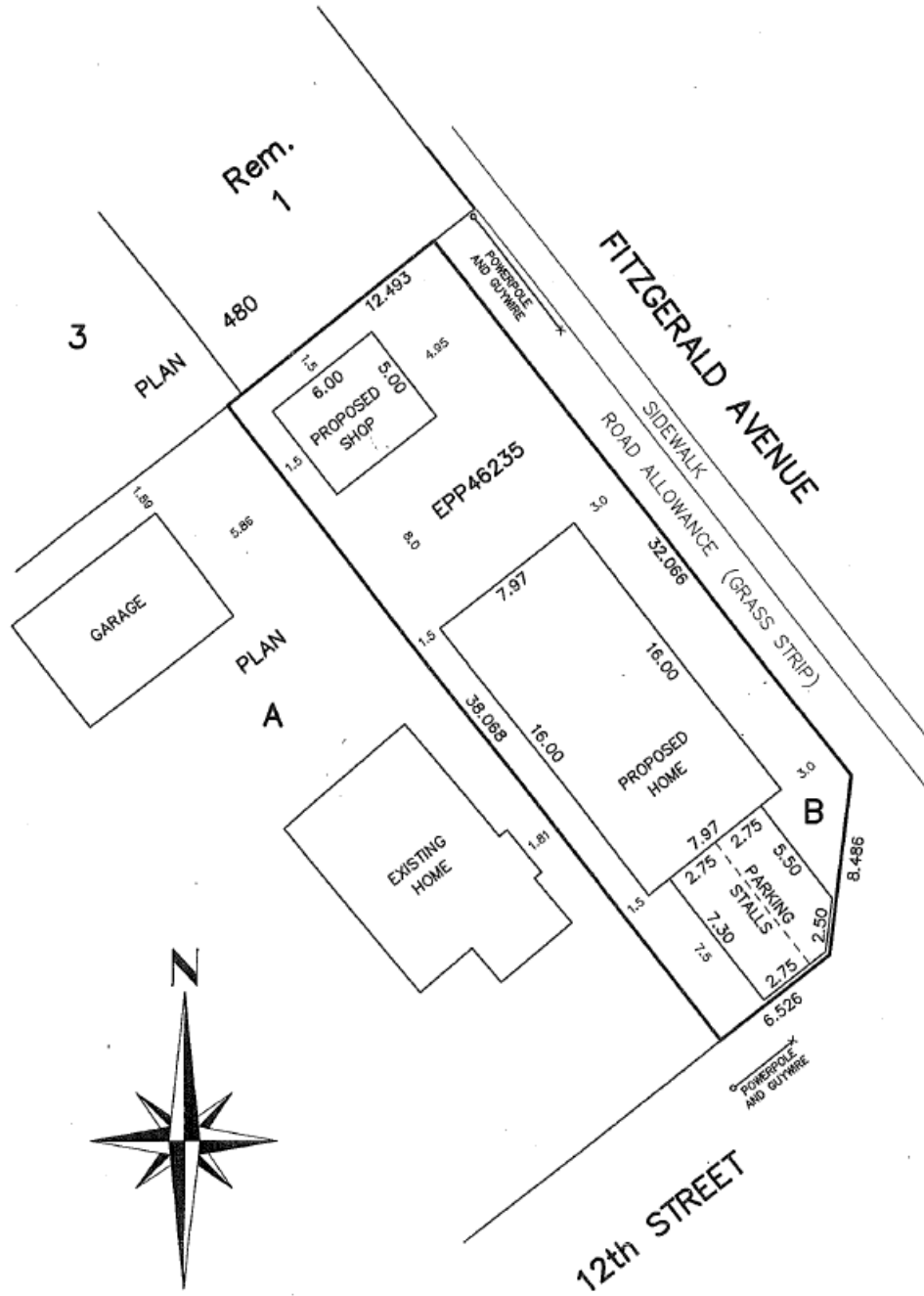
That if the permit holder has not substantially commenced the construction authorized by this permit within (12) months after the date it was issued, the permit lapses.

Date

Director of Legislative Services

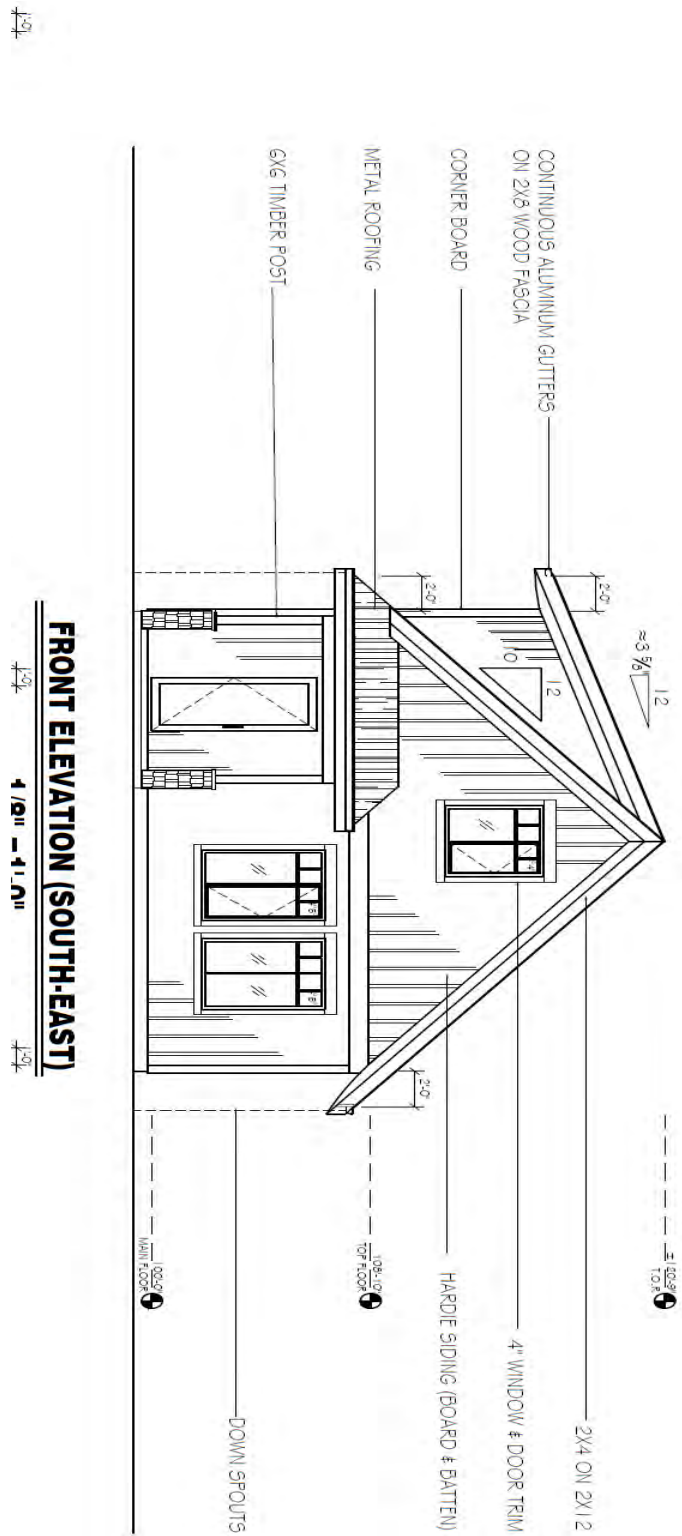
PROPOSED PLAN OF CONSTRUCTION ON LOT B,
SECTION 69, COMOX DISTRICT, PLAN EPP46235.

519 - 12th STREET, COURTENAY
SCALE 1 : 250 (METRIC)

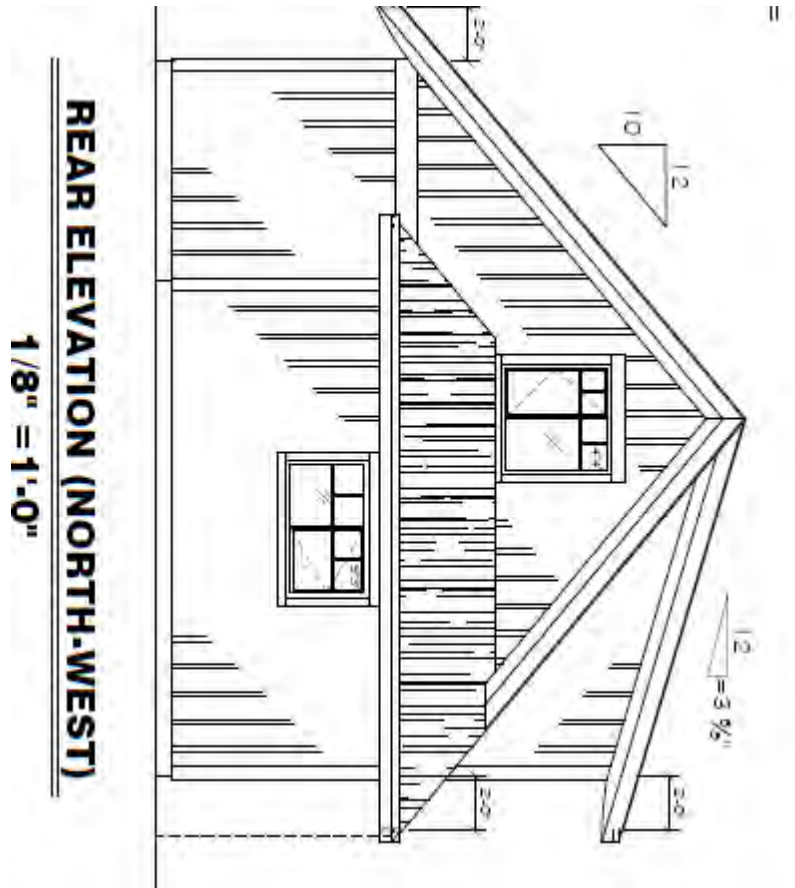


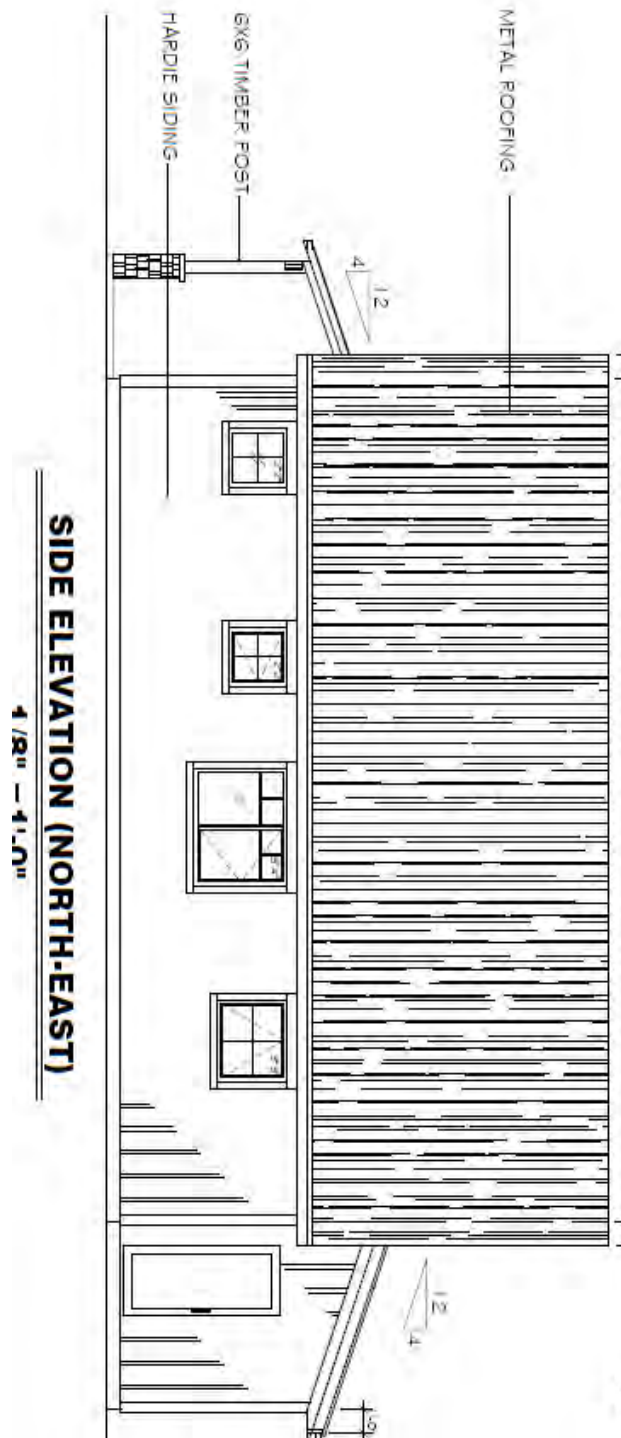
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JANUARY 19, 2016 B.C.L.S.

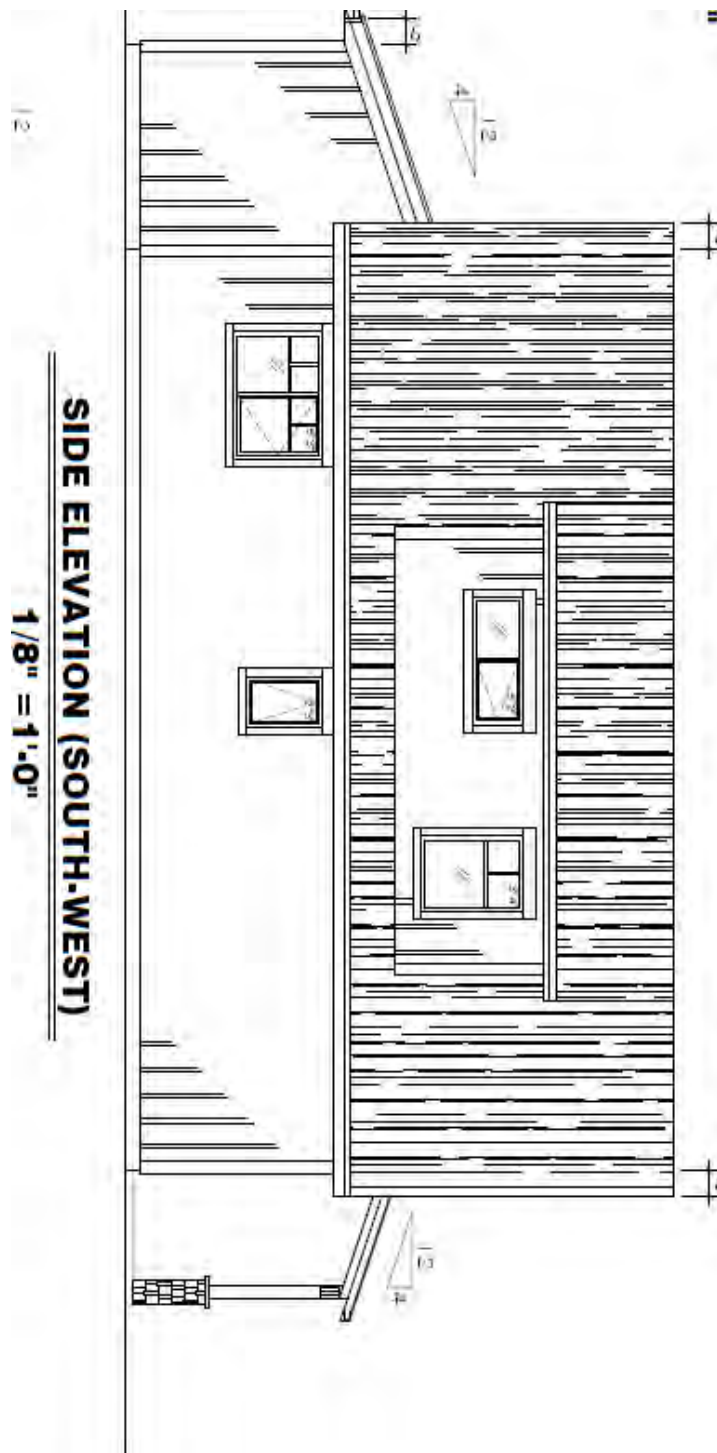
HOERBURGER LAND SURVEYORS
COURTENAY, B.C.
250 890-0100
FILE: C635PR4
MARCH 9 2016

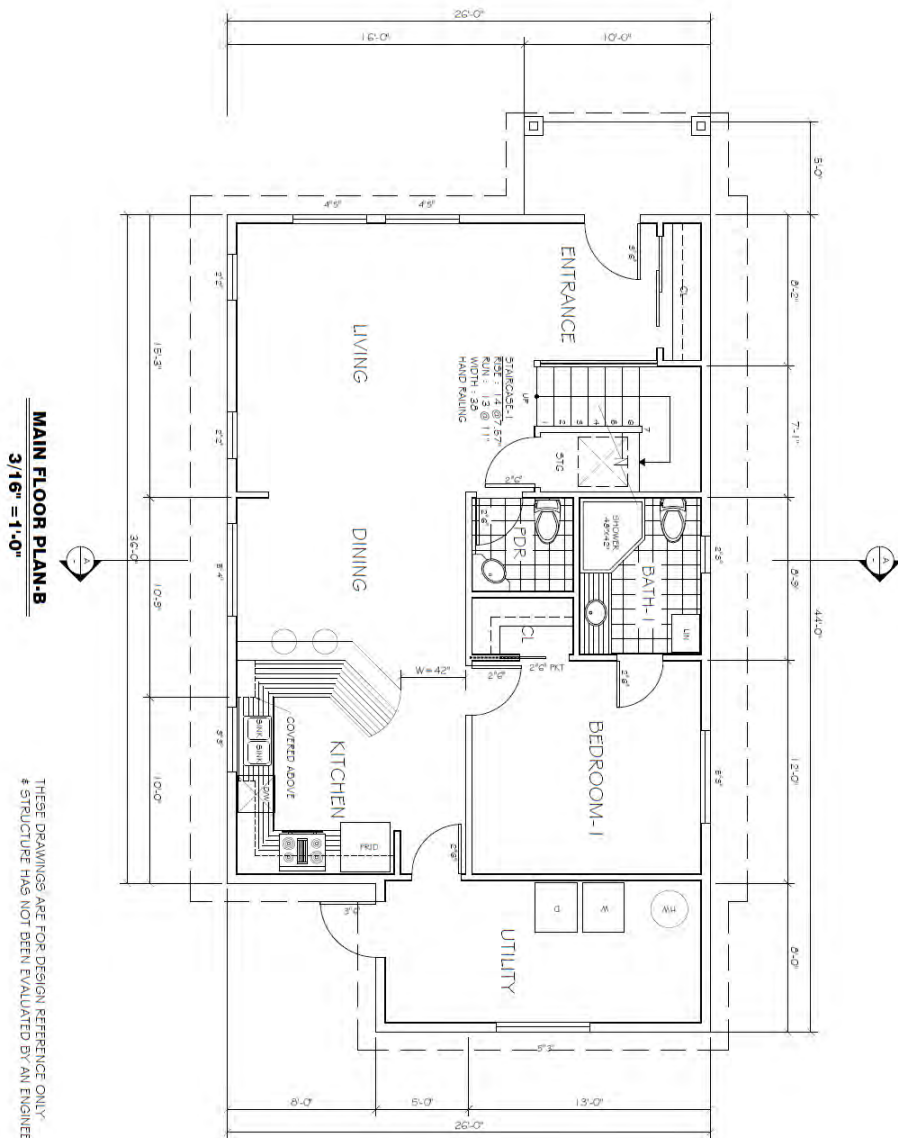


FRONT ELEVATION (SOUTH-EAST)
 1/8" = 1'-0"

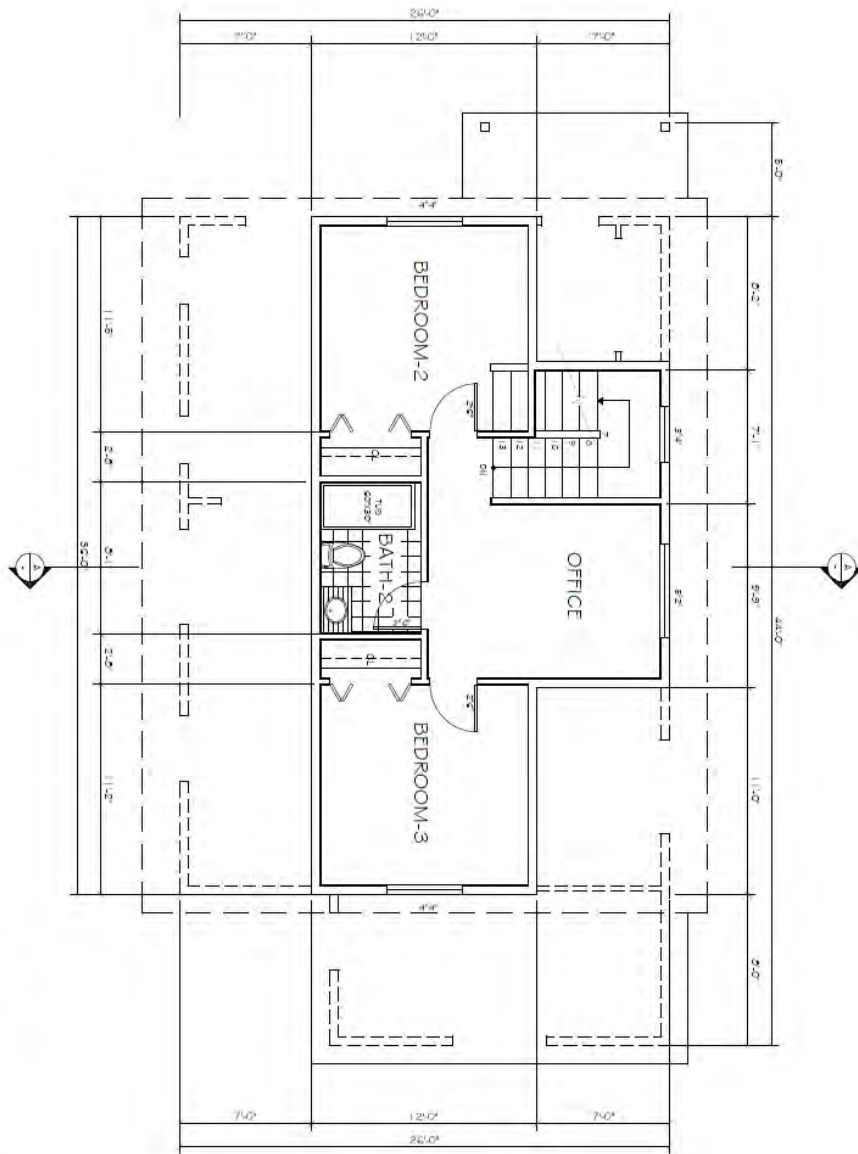








519 12TH ST
 JUNEZ-16
SHIZEN HOME DESIGN



TOP FLOOR PLAN
3/16" = 1'-0"

THESE DRAWINGS ARE FOR DESIGN REFERENCE ONLY.
* STRUCTURE HAS NOT BEEN EVALUATED BY AN ENGINEER.



Attachment No. 2:
*Applicant's
Rationale*

Rationale for Variance: 519 - 12th St., Courtenay

The variance application for the proposed new residential house build on 519-12th St. contains the following: ***Setback reduction for the side yard adjacent to Fitzgerald from 4.5m to 3.0m***

Back when this lot was rezoned in 2014, plans were provided to the city to demonstrate a house build that was approximately 8m wide. This width would allow the builder to have additional options with house plans that could accompany Adaptable Housing Standards as part of the BC Building Code.

With an approved variance for setback reduction, a house that is approximately 7.97m (26ft) wide can be built. **Without** the approved variance, the house width will be reduced to 6.47m (21ft).

Although house plans can be developed to accompany the 21ft wide house, it will be difficult to accompany portions of the Adaptable Housing Standards (wider doorways, bathroom clearances, etc.), which is the wish of the lot owner and home builder. These housing standards are considered advantageous for those with mobility issues due to age, illness or disability. The lots proximity to downtown makes this a logical building option for the new house.

The following rationales provide a background into the proposal for a reduction to the side yard setback from 4.5m to 3m:

1 - As part of a land purchase many decades ago, the City of Courtenay already owned an approx. 2.3m wide grass strip (which is now been converted to road allowance) from the sidewalk edge to the property line of the lot, running parralel to Fitzgerald Ave.. The resultant setback from the sidewalk edge to the new house edge, including the official setback at 4.5m **plus** new road allowance at 2.3m, would total over 6.8m from the sidewalk on Fitzgerald.

2 - In consideration of point 1 above, an approved variance with reduced sideyard setback from 4.5m to 3m will produce a total setback from the sidewalk to the house edge of 5.3m. This still provides substantial space between Fitzgerald Ave and the new house.

3 - The rationale above is focusing on distance from the sidewalk edge to the edge of the new house. The reason for this is due to the many homes within the downtown core that are much closer to the sidewalk already. Two homes within a block of 519-12th St. have homes that fall within 1.8m to 4.2m of the sidewalk on Fitzgerald. ***Even with an approved variance, the house built on 519-12th will still be 5.3m from the sidewalk on Fitzgerald.***

4 - Looking at recent builds downtown, many newly constructed homes (like the new character homes on 3rd St.) are built within 3.35m of the sidewalk that run parallel along streets/avenues and those builders also received approved variances to reduce the sideyard setback and widen their build widths.

Considering the rationale above, our hope is that council and the City will find our request provides additional building room without setting an unreasonable precedent for the proposed character home at 519-12th St.. The reduced setback in this proposed variance still has a far greater setback from Fitzgerald than many of the existing homes running parallel to the road/sidewalk in the immediate vicinity. We appreciate your time to consider this variance application.

Brent and Helena Curtain

Attachment No. 3
(1 of 2)
*Summary of Public
Information
Meeting held in
May 2014*

Meeting Summary Report for 531-12th St.

We held a public meeting regarding our zoning amendment on Friday, May 23 from 4:30 to 6:00pm under blue skies at the site of the proposed amendment on 531-12th St..

The meeting was an informal question and answer session, where we had a table and tent set-up in front of our rezoning sign, for anybody in the neighbourhood that was interested in the proposal. By meetings end, we had 6 individuals from the neighbourhood attend and ask questions. 3 people signed our attendance list:

Lynn Joseph from 532 11th St.
Bobby Boyd from 579 12th St.
Amy Wells from 579 12th St.

RECEIVED
MAY 26 2014

CITY OF COURTENAY

We notified our local neighbours (all within the 100m radius as per the list provided by the City of Courtenay) by hand-delivering a two-page notification at least 10 days before the actual meeting day on the 23rd. For those further afield, we placed their notifications in the mail. The notification (file is attached in the email with this summary) explained the rezoning proposal and included contact information, maps and a basic site plan to give people an idea of what we're trying to accomplish.

During the delivery of the notifications, we met with a few of our closest neighbours to say hi and explain the proposal. All were in favour and thought the proposal would benefit the neighbourhood. We chatted to Patrick Parrish of 1125 Fitzgerald Ave., Kathleen Flint of 448 12th St. and Helen and Richard Pidcock of 539 12th St..

Pre-meeting, Lynn Joseph from 532 11th St. and Wendy and Chris from 13th St. (no last name provided) emailed us after receiving the notification to voice support and provide feedback on the fir trees.

The trees received the most comments as we expected. Most would like to see the trees retained, as we do, but understand that we must now consult a certified arborist to determine viability. Some neighbours voiced concerns about the height and stability of some of the larger trees and are pleased we are having somebody look at them. We already notified the neighbours that one tree has to come down regardless after receiving word from a faller that there is rot at the site of where one tree was topped years ago. Our hope is to retain the majority of the small grove.

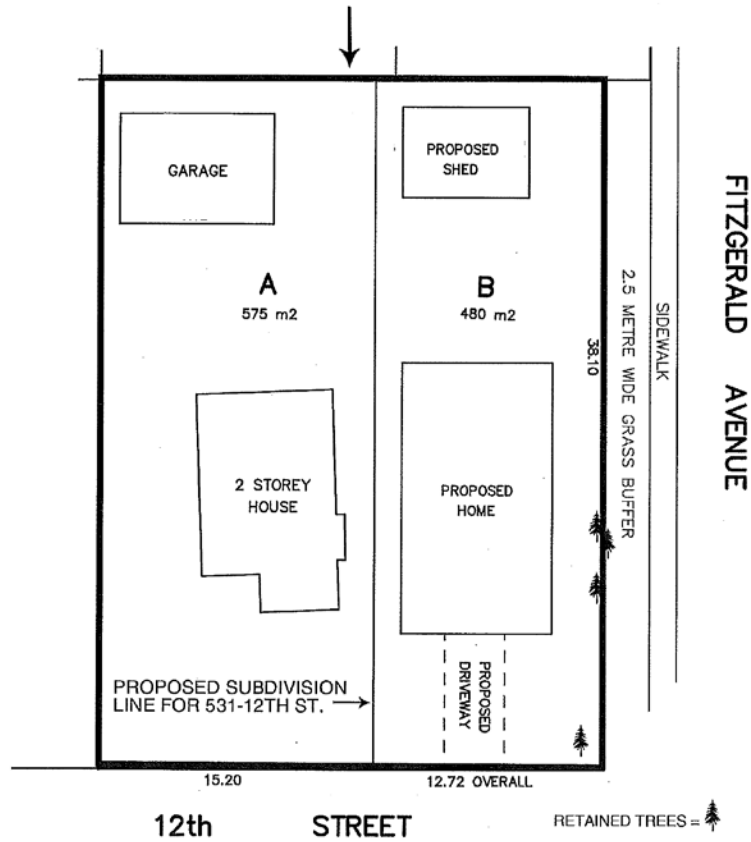
Other than the trees, comments and questions were directed at lot size in general and what our plan was for building. All of the feedback regarding the subdivision was very positive and all were extremely pleased that we were retaining the original house and planning to build a newer A-frame heritage-style house if the rezoning is successful. Neighbours thanked us for trying to improve the quality of homes in the neighbourhood.

The neighbours we heard from were the ones we expected to hear from. We know the neighbourhood well and lived in the area 10 out of the last 12 years. Apart from that, we found most in the area to be apathetic to the proposal.

Attachment No. 3
 (2 of 2)
 Plan Shown at
 Public Information
 Meeting held in
 May 2014



**PROPOSED SUBDIVISION
 AT 531-12TH STREET**





THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Mayor and Council

File No.: 1960-20 [2017]

From: Deputy Chief Administrative Officer

Date: July 18, 2016

Subject: Consideration of 2017 Permissive Property Tax Exemptions

PURPOSE:

To consider the permissive property tax exemptions for 2017.

POLICY ANALYSIS:

Section 224 of the *Community Charter* provides Council with the authority to exempt certain properties from property taxation.

Policy 1960.01 (Rev #1) – Permissive Property Tax Exemption was prepared in accordance with Section 224 of the *Community Charter* and approved by Council in May 2013.

EXECUTIVE SUMMARY:

The permissive tax exemption bylaws are considered by Council on an annual basis and must be adopted before October 31st each year in order to take effect for the following taxation year. Staff have compiled and reviewed all applications received for the 2017 taxation year and have prepared a summary report for Council consideration.

CAO RECOMMENDATIONS:

That based on the July 18, 2016 staff report “2017 Permissive Property Tax Exemptions”, Council approve OPTION 1 as follows:

That Council consider the list of new applications for permissive exemptions from taxation in 2017 as detailed on Schedule A attached to this report;

That Council approve exemptions for new applicants as recommended in Schedule A;

That Council direct staff to prepare the applicable bylaws for permissive tax exemption in 2017 based on the attached schedules A, B, C, D and E; and

That statutory notice of the proposed permissive exemption bylaws pursuant to Section 227 of the *Community Charter* be published for two consecutive weeks prior to final adoption of the bylaws.

Respectfully submitted,

John Ward, CMC
Deputy CAO

BACKGROUND:

Section 224 of the *Community Charter* provides Council with the authority to grant permissive exemption to land and improvements owned, or held by, certain other organizations that meet legislatively prescribed conditions.

In May 2013 Council approved several revisions to Policy 1960.01, Permissive Property Tax Exemption. In particular, there are two provisions of note which guide consideration of new applications going forward:

1. The total value of all permissive exemptions must not exceed 2% of the total municipal portion of the property tax levy.
2. When the activities of an organization are not confined to the City of Courtenay, a maximum exemption of 40% applies.

DISCUSSION:

A permissive tax exemption is a means for Council to support not-for-profit organizations within the community which furthers Council's objectives of enhancing quality of life for the citizens of the City while being responsible with municipal funding. Approval of an exemption or partial exemption is entirely within Council's discretion.

Each year there are requests from local organizations for funding assistance, either by way of requests for grants, or by way of requests for exemption from property taxation. While it is noted that the applicants all provide worthy services, provision of an exemption from taxation results in an increase of the tax burden for the remaining taxable property owners in the City and can become cost prohibitive.

As a result, Council updated the City's permissive exemption policy in 2013 by placing a cap on the value of exemptions that can be approved. In addition, a maximum exemption of 40% applies for applicants who provide activities and services to people who reside outside the boundaries of the City.

The following schedules and information are provided for Council consideration.

Permissive Exemptions – Schedule Summary:

In accordance with Policy 1960.01, the exemption value limit for 2017 has been calculated as 2% of the value of the 2016 municipal property tax levy. The cumulative value limit for 2017 exemptions is \$417,156.

Schedule A: New Applications

The City received eight new applications for exemption from taxation in 2017. These are as follows:

Tax Roll # 89.000 – Comox Valley Transition Society – Thrift Shop

The Comox Valley Transition Society supports women and children affected by violence and addiction. In 2016, the Society received a 40% property tax exemption on their administration office located at 576 England Avenue. They are seeking an additional exemption on 367 6th Street from which they operate the "Too Good to be Threw" thrift shop. Funding from the Thrift shop assists Society activities. Over the past six years, Council has reviewed and denied this application as it is one of many for-profit and not-for-profit used goods stores within Courtenay.

Staff continues to recommend denial of an exemption for this property.

Tax Roll #1038.000 – The John Howard Society of North Island

The John Howard Society of North Island provides services to youth, children, adults and families with diverse needs in the Comox Valley. They are seeking a property tax exemption on their property leased from Luck's Dental Laboratory Ltd located at 1455 Cliffe Avenue. The John Howard Society of North Island estimates that 66% of those they service are City of Courtenay residents.

Staff recommends a 40% exemption for this property in keeping with Section 5 of the Permissive Property Tax Exemption Policy No. 1960.01.

Tax Roll # 1113.000 – L’Arche Comox Valley

L’Arche Comox Valley offers a group home for adults with developmental disabilities. L’Arche Comox Valley currently receives a 75% property tax exemption on the property located at 534 19th Street. They are seeking an additional exemption on their property at 1465 Grieve Avenue where they recently started the construction of a new centre which will hold the I Belong Centre, the administrative office and the Outreach Centre. L’Arche Comox Valley estimates that 90% of those they service are City of Courtenay residents.

The Permissive Property Tax Exemption Policy No. 1960.01 is unclear as to how to proceed when organizations who were grandfathered with an exemption greater than 40%, and who are not solely proprietary to the City of Courtenay, change location and level of services they provide.

As a result, Staff recommends a 40% exemption for this property in keeping with Section 5 of the Permissive Property Tax Exemption Policy No. 1960.01.

Tax Roll #1376.000 – Comox Valley Children’s Day Care Society

The Comox Valley Children’s Day Care Society has submitted an application for exemption. In 2009, Council reviewed this application in detail and in relation to the number of other for-profit and not-for-profit day-cares that operate within Courtenay. Since 2009, Council has denied an exemption to this property.

For 2017 Staff recommends denial of an exemption for this property.

Tax Roll #1464.100, 1465.000, 1467.000 and 1472.016 – Comox Valley Regional District

The Comox Valley Regional District currently leases premises and parking on Comox Road in Courtenay. Since the properties are not directly owned by the CVRD they do not receive a statutory exemption from property taxes. Instead, the mechanism available for tax exemption of these properties is vested with Council via approval of a permissive exemption from taxation.

The CVRD received a 40% tax exemption on two properties leased as office and meeting space on Comox Road from 2012 to 2014. For the 2015 and 2016 taxation year, the CVRD also applied to receive an additional exemption on a third property located at 656 Comox Road, which is leased for additional parking for their office and meeting space. Council requested further information from staff on the cost impact to Courtenay taxpayers in regards to permissive tax exemptions for all three properties leased by the CVRD.

After reviewing the additional information it was concluded that with the approval of the permissive tax exemption, the tax load would increase for City of Courtenay taxpayers and decrease for Areas A, B, C, Comox, and Cumberland. Therefore, Council denied all three applications in 2015 and 2016.

For 2017, the CRVD has also submitted an application for exemption for a fourth property located at 750 Comox Road and leased as office space.

Staff continues to recommend denial of an exemption on these properties.

Schedule B: Annual Bylaw – Not for Profit Organizations

Schedule B exemption recipients are those who have been previously approved in the annual permissive exemption bylaw. Updated applications, financial statements and other relevant documentation have been reviewed and verified by staff.

Schedule B provides a detailed list of the 2016 exemption recipients along with the estimated 2017 value of the approved exemptions.

Tax Roll # 170.002 – Comox Valley Transition Society ‘Amethyst House’

The Amethyst House provides residential stabilization and supportive recovery programs for women. They estimate that 75% of those they service are City of Courtenay residents. In 2016 Amethyst House received a 40% permissive tax exemption. However, Council, on October 5, 2015, also approved utilizing Gaming Funds (under the category of Council Initiatives and Projects) to fund the remaining 60% of 2016 property taxes for Amethyst House.

Based on the Permissive Tax Policy, Staff recommends approval of a 40% exemption for this property in 2017.

Tax Roll # 409.000 – Comox Valley Transition Society

The Comox Valley Transition Society supports women and children affected by violence and addiction. In January 2016, the Society purchased Secret Venture Holdings Ltd for the sole purpose of acquiring the property of 625 England Avenue in order to relocate its community offices. The Comox Valley Transition Society is now seeking an exemption for 625 England Avenue. They estimate that 75% of those they service are City of Courtenay residents. From 2010 – 2016, Council has approved a 40% property tax exemption on the Society administration offices located at 576 England Ave.

Staff recommends approval of a 40% exemption for 625 England Avenue.

Tax Roll #1577.018 – Comox Valley Pregnancy Care Centre

The Comox Valley Pregnancy Care Centre provides services in the Comox Valley and has applied for a property tax exemption on their new property located at #4 204 Island Highway North. The Comox Valley Pregnancy Care Centre estimates that 65% of those they service are City of Courtenay residents. Since 2005, they have received a 100% property tax exemption.

The Permissive Property Tax Exemption Policy No. 1960.01 is unclear about whether the level of property tax exemption remains the same when entities change locations or their levels of service. As a result, Staff recommends a 40% exemption for this property in keeping with Section 5 of the Permissive Property Tax Exemption Policy No. 1960.01.

Schedule C: Annual Bylaw – Churches

While Church buildings and the footprint of the buildings receive a statutory exemption from taxation, all of the area surrounding the buildings would be taxable unless it is provided with a permissive exemption from taxation by Council. The portion of church property used in commercial activities or as a manse/residence is not eligible for exemption from taxes.

The attached Schedule C details the church properties within the City, and the estimated value of the permissive exemption for 2017 on the lands surrounding the building.

Schedule D: Five Year Bylaw – City owned properties managed by Societies

This schedule details the value of taxation exemption for these properties and is authorized by a five-year exemption bylaw which expires in 2019.

Schedule E: Ten Year Bylaw – Island Corridor Foundation

The properties owned by the Island Corridor Foundation have been provided with a ten year exemption from taxation. Schedule E provides a detailed list of the properties along with the estimated value of the exemptions for the 2017 year. The authorizing bylaw expires in 2021.

FINANCIAL IMPLICATIONS:

The estimated cumulative value of the municipal portions of the new and grandfathered exemptions for the 2017 taxation year totals \$334,336. This is within the calculated 2017 limit of \$417,156, as prescribed in Policy 1960.01 – Permissive Exemption from Property Taxation.

	2017 City Only	<u>2017 Other Authorities</u>	<u>2017 Total Exemption</u>
Schedule A: new applicants, as per recommendations	\$2,279	\$2,168	\$4,447
Schedule B: Annual Bylaw, Not-for-Profit Organizations	133,945	134,588	268,533
Schedule C: Annual Bylaw, Churches – land surrounding the building	15,760	19,893	35,653
Schedule D: Five Year Bylaw, City owned facilities - Managed by Societies (bylaw expires 2019)	162,012	152,367	314,379
Schedule E: Ten Year Bylaw, Island Corridor Foundation (ten-year bylaw – expires 2021)	<u>20,340</u>	<u>17,428</u>	<u>37,768</u>
Total	<u>\$ 334,336</u>	<u>\$326,444</u>	<u>\$660,780</u>

ADMINISTRATIVE IMPLICATIONS:

Preparation of the annual tax exemption bylaws for consideration by Council is an annual task undertaken by staff in the Financial Services Department.

Subsequent to Council approval of the above recommended property tax exemptions, the next steps to complete include:

- a) Preparation of the required bylaws and providing them to Council for three readings
- b) Arranging for the statutory advertising of the proposed bylaws
- c) Returning the bylaws to Council for final adoption
- d) Preparation of letters of notification to the applicants
- e) Forwarding the bylaws to the BC Assessment Authority no later than October 31, 2016

STRATEGIC PLAN REFERENCE:

There are two strategic areas of control that apply:

- a). Providing services at a level that people are willing to pay; and,
- b). Continuing to engage and partner with service organizations for community benefit.

We focus on organizational and governance excellence

- We support and encourage initiatives to improve efficiencies
- We support meeting the fundamental corporate and statutory obligations
- We recognize staff capacity is a finite resource
- Communication with our community is a priority, and is considered in all decisions we make
- We responsibly provide services at a level which the people we serve are willing to pay

We invest in our key relationships

- We value and recognize the importance of our volunteers
- We will continue to engage and partner with service organizations for community benefit
- △ We actively engage with our K'ómoks First Nation neighbours on issues of mutual interest and concern
- △ We advocate and cooperate with other local governments and senior governments on regional issues affecting our city



● 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:

Not applicable.

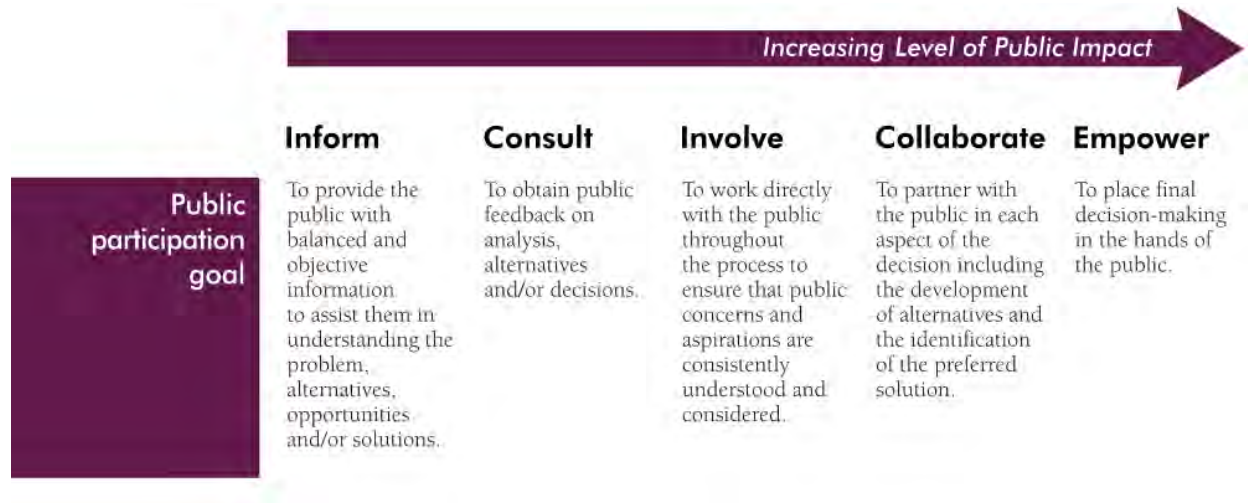
REGIONAL GROWTH STRATEGY REFERENCE:

Not applicable.

CITIZEN/PUBLIC ENGAGEMENT:

Pursuant to Section 227 of the *Community Charter*, statutory notice of the proposed permissive exemption bylaws must be published for two consecutive weeks prior to final adoption.

This is based on the "inform" level of the IAP2 Spectrum of Public Participation adopted as an element of Sound Project Design for the Corporate Workplan.



OPTIONS:

OPTION 1: That Council consider the list of new applications for permissive exemptions from taxation in 2017 as detailed on Schedule A attached;
That Council approve exemptions for new applicants as recommended in Schedule A;
That Council direct staff to prepare the applicable bylaws for permissive tax exemption in 2017 based on the attached schedules A, B, C, D and E; and
That statutory notice of the proposed permissive exemption bylaws pursuant to Section 227 of the *Community Charter* be published for two consecutive weeks prior to final adoption of the bylaws. (Recommended)

OPTION 2: That Council defer endorsing the proposed 2017 permissive tax exemptions for further discussion at a later Council meeting.

While Option 2 provides time for further discussion, it also impacts the schedule required for the 2017 permissive tax exemption process. There is a statutory requirement to have the bylaws adopted by October 31st each year in order to take effect for the following taxation year.

Prepared by:

Annie Bérard, CPA, MBA
Financial Analyst

Concurrence:

Brian Parschauer, BA, CPA, CMA
Director of Financial Services

Attachments: Schedules A – E
Policy #1960.00.01

City of Courtenay

New Applications for 2017 consideration

Calculation of Amounts based on 2016 Assessments and 2016 Rates

2016 Tax Rates

	City	Other Auth.	Total
1	4.0414	4.2398	8.2812
2	28.2899	23.2296	51.5195
6	11.3160	10.6082	21.9242

Roll #	Registered Owner	Leasee/Society Applying for Exemption	Civic Address	Use of Property	Requested 2016 Exemption	% of services - Courtenay residents	Comm Charter	Cl.	2016 Assessed Value	% Occupied Space	2016 Property Tax with 100 % Exemption			Recommended 2017 Exemption			
											City	Other Authorities	Total	%	City	Other Auth.	Total
89.000	Sea Mountain Investments Ltd	Comox Valley Transition Society	367 6th Street	Has been denied exemption in prior years as this is one of several for-profit and not-for-profit thrift stores within Courtenay	100%	75%	224(2)(a)	6	936,000	100%	10,592	9,929	20,521	0%	-	-	-
1038.000	Luck's Dental Laboratory Ltd.	John Howard Society of North Island	1455 Cliffe Avenue	New application for 2017. 100% occupied by the John Howard Society. Social Services Building.	100%	66%	224(2)(a)	6	441,000	100%	4,990	4,678	9,669	40%	1,996	1,871	3,867
1113.000	L'Arche Comox Valley	L'Arche Comox Valley	1465 Grieve Avenue	Additional location. The property WILL be used (construction just starting) for the I Belong Centre which as of this time next year will hold our L'Arche Office, the Outreach Centre (day programs for adults with disabilities) and 6 semi-independent community living residential suites. It will be used 100% by the L'Arche community however the day programs are offered to the public. Current location 534 - 19th Street approved at 75%	100%	90%	224(2)(a)	1	175,000	100%	707	742	1,449	40%	283	297	580
1376.000	Comox Valley Children's Day Care Society	Comox Valley Children's Daycare Society	1000 Cumberland Rd	Has been denied exemption in prior years as this is one of several for-profit and not-for-profit daycares within Courtenay	100%	100%	224(2)(a)	1	281,000	100%	1,136	1,191	2,327	0%	-	-	-
1464.100	Mutsy Holdings Ltd	Comox Valley Regional District	550 Comox Rd	Regional District Meeting Space Occupy 4617 sq. ft. of 8306 sq. ft. bldg (56%)	100%	30%	224(2)(a)	6	1,121,000	56%	7,104	6,659	13,763	0%	-	-	-
1465.000	Mutsy Holdings Ltd	Comox Valley Regional District	600 Comox Rd	CVRD Office Space Occupies 100% (approx 10,16 sq. ft.)	100%	30%	224(2)(a)	6	1,561,000	100%	17,664	16,559	34,224	0%	-	-	-
1467.000	George's Food Bar Ltd.	Comox Valley Regional District	656 Comox Road	Comox Valley Regional District Parking. Office/Meeting Space	100%	30%	224(2)(a)	6	355,000	100%	4,017	3,766	7,783	0%	-	-	-
1472.016	Appollo Real Estate Holdings Ltd	Comox Valley Regional District	211D-750 Comox Road	CVRD Occupies 896 of 3404 sq. ft. (26%)	100%	30%	224(2)(a)	6	594,000	26%	1,748	1,638	3,386	0%	-	-	-
											\$ 47,958	\$ 45,164	\$ 93,122	\$ 2,279	\$ 2,168	\$ 4,447	

City of Courtenay

2017 Annual Bylaw, based on 2016 exemptions approved

Calculation of Amounts based on 2016 Assessments and 2016 Rates

2016 Tax Rates

	City	Other Auth.	Total
1	4.0414	4.2398	8.2812
2	28.2899	23.2296	51.5195
6	11.3160	10.6082	21.9242
8	4.0414	5.1199	9.1613

Roll #	Registered Owner	Civic Address	Use of Property	% of services -Courtenay residents	Comm Charter	Class	2016 Assessed Value	S220 Stat & other excluded	Net Assess before Exempt	% exempt	Exempt Assessment	PROPERTY TAXES		
												City	Other Authorities	2017 Est Tax Levy
100% Exemption														
49-000	Eureka Support Society	280-4th st	community facility for adults with mental illness)	95%	224(2)(a)	6	233,000		233,000	100%	233,000	2,637	2,472	5,108
122-000	Royal Canadian Legion, Courtenay Branch (Pacific) No. 17	367 Cliffe Ave	facility to support veterans, promote remembrance, act in service of the community	90%	224(2)(a)	6	424,000		424,000	100%	424,000	4,798	4,498	9,296
						8	520,000		520,000	100%	520,000	2,102	2,662	4,764
1650.000	Royal Canadian Legion, Courtenay Branch (Pacific) No. 17	101 Island Highway	Cenotaph		224(2)(a)	8	35,900		35,900	100%	35,900	145	184	329
163-000	Comox Valley Child Development Association	237 - 3rd St	Office to serve children with special needs	65%	224(2)(a)	6	827,000		827,000	100%	827,000	9,358	8,773	18,131
164-000	Comox Valley Child Development Association	243 - 3rd St	1/3 Child Play area, 2/3 handicap park for families visiting	65%	224(2)(a)	1	117,000		117,000	100%	117,000	473	496	969
165-000	Comox Valley Child Development Association	255 - 3rd St	1/3 Child Play area, 2/3 handicap park for families visiting	65%	224(2)(a)	1	117,000		117,000	100%	117,000	473	496	969
348-000	Alano Club of Courtenay	543 - 6th St	community facility assisting recovering alcoholics and addicts	90%	224(2)(a)	6	220,000		220,000	100%	220,000	2,490	2,334	4,823
400-000	West Island Capital Corp	A1-310 8th Street	leased to City of Courtenay for IT Office Space	100%	224(2)(a)	6	5,396,000	5,109,000	287,000	100%	287,000	3,248	3,045	6,292
513-000	Old Church Theatre Society	755 Harmston Ave	Community theatre	majority	224(2)(a)	6	479,000		479,000	100%	479,000	5,420	5,081	10,502
750-020	Comox Valley Recovery Centre Society (City of Courtenay)	641 Menzies Ave	Residential drug/alcohol recovery facility	75%	224(2)(a)	1	1,027,000		1,027,000	100%	1,027,000	4,151	4,354	8,505
1037-000	Comox Valley Family Services Association	1415 Cliffe Ave	Child, youth & family community and victim services	90%	224(2)(a)	6	397,800		397,800	100%	397,800	4,502	4,220	8,721
1494-000	Glacier View Lodge Society	2470 Back Road	Seniors long-term care		224(2)(j)	1	1,289,000		1,289,000	100%	1,289,000	5,209	5,465	10,674
1494-010	Glacier View Lodge Society	2470 Back Road	Seniors long-term care		224(2)(j)	1	1,286,000		1,286,000	100%	1,286,000	5,197	5,452	10,650
1494-050	Glacier View Lodge Society	2450 Back Road	Seniors long-term care		224(2)(j)	1	8,109,000		8,109,000	100%	8,109,000	32,772	34,381	67,152
1960.300	The Nature Trust of British Columbia	Sandpiper Drive	Parkland - Was exempt in past years as ownership was incorrectly coded as Provincial lands by BCAA, corrected and recategorized by BCAA for 2013 and no longer receives "statutory exemption"		224(2)(a)	1	1,326,000		1,326,000	100%	1,326,000	5,359	5,622	10,981

City of Courtenay

2017 Annual Bylaw, based on 2016 exemptions approved

Calculation of Amounts based on 2016 Assessments and 2016 Rates

2016 Tax Rates

	City	Other Auth.	Total
1	4.0414	4.2398	8.2812
2	28.2899	23.2296	51.5195
6	11.3160	10.6082	21.9242
8	4.0414	5.1199	9.1613

Roll #	Registered Owner	Civic Address	Use of Property	% of services -Courtenay residents	Comm Charter	Class	2016 Assessed Value	S220 Stat & other excluded	Net Assess before Exempt	% exempt	Exempt Assessment	PROPERTY TAXES		
												City	Other Authorities	2017 Est Tax Levy
2016-007	Stepping Stones Recovery House for Women Society (Richard Pizzey)	1571 Burgess Rd	Leased by Stepping Stones Recovery House for Women Society	60%	224(2)(a)	1	251,000		251,000	100%	251,000	1,014	1,064	2,079
2200-044	Courtenay & District Historical Society In Trust	2564 Cumberland Rd	Heritage Property	50%	224(2)(a)	1	466,000		466,000	100%	466,000	1,883	1,976	3,859
3200-072	Comox Valley Curling Club (CVRD)	4835 Headquarters Rd	Curling Club Recreation facility	60%	224(2)(i)	6	1,079,000		1,079,000	100%	1,079,000	12,210	11,446	23,656
112.000	Boys and Girls Club (City of Courtenay)	243-4th Street	Youth Program Facilitator	100%	224(2)(a)	6	248,000	124,000	124,000	100%	124,000	1,403	1,315	2,719
75% Exemption														
750-100	St. John the Divine Abbeyfield House Society	994 - 8th Street	seniors supported living housing	100%	224(2)(a)	1	1,062,400		1,062,400	75%	797,000	3,221	3,379	6,600
757.000	Comox Valley Kiwanis Village Society	1061 8th Street	housing for low-income seniors	70%	224(2)(a)	1	760,100		760,100	75%	571,000	2,308	2,421	4,729
757.001	Comox Valley Kiwanis Village Society	1051 8th Street	housing for low-income seniors	70%	224(2)(a)	1	2,072,600		2,072,600	75%	1,555,000	6,284	6,593	12,877
758.000	Comox Valley Kiwanis Village Society	635 Pidcock Ave	housing for low-income seniors	70%	224(2)(a)	1	1,269,000	859,667	409,333	75%	307,000	1,241	1,302	2,542
1286-045	L'Arche Comox Valley	534 - 19th Street	Supported group home for adults with developmental disabilities	90%	224(2)(a)	1	292,200		292,200	75%	219,000	885	929	1,814
40% Exemption														
34.000	Courtenay Elks' Lodge No. 60 of the Benevolent and Protective Order of Elks Canada Inc. No. S4640	231 6th Street	Facility to promote and support community. Raises funds for several children and community charities	95%	224(2)(e)	6	342,200		342,200	40%	137,100	1,551	1,454	3,006
						8	228,600		228,600	40%	91,500	370	468	838
170.002	Comox Valley Transition Society (Four Paws Investments LTD)	280 2nd Street	"Amethyst House", Residential stabilization and supportive recovery program for women.	75%	224(2)(a)	1	481,100		481,100	40%	192,100	776	814	1,591
166.000	Comox Valley Child Development Association	267 - 3rd Street	1/3 Child play area, 2/3 handicap park for families (purch in 2011)	65%	224(2)(a)	1	130,300		130,300	40%	53,300	215	226	441
459.000	Upper Island Women of Native Ancestry	956 Grieve Ave	office; support worker; early childhood development and cultural awareness programs	95%	224(2)(a)	1	435,300		435,300	40%	174,300	704	739	1,443

City of Courtenay

2017 Annual Bylaw, based on 2016 exemptions approved

Calculation of Amounts based on 2016 Assessments and 2016 Rates

2016 Tax Rates

	City	Other Auth.	Total
1	4.0414	4.2398	8.2812
2	28.2899	23.2296	51.5195
6	11.3160	10.6082	21.9242
8	4.0414	5.1199	9.1613

Roll #	Registered Owner	Civic Address	Use of Property	% of services -Courtenay residents	Comm Charter	Class	2016 Assessed Value	S220 Stat & other excluded	Net Assess before Exempt	% exempt	Exempt Assessment	PROPERTY TAXES		
												City	Other Authorities	2017 Est Tax Levy
1516.004	Canadian Red Cross Society (leased from 660511 BC / Ltd Georges's Food Bar TLD)	464 Puntledge Rd	occupy 100% of property	63%	224(2)(a)	6	432,700		432,700	37%	160,700	1,818	1,705	3,523
1960.006	Aaron House Ministries (Leased from Fernco Development Ltd)	2946 Kilpatrick Ave	christian worship/teaching centre - occupy 12.7% of property	75%	224(2)(a)	6	2,963,500	2,530,829	432,671	40%	173,500	1,963	1,841	3,804
2024.009	Habitat for Humanity Vancouver Island North Society	1755 - 13th Street	Restore (5,000 sf) and Administration (2,000 sf)	(29% of space for Admin office x 40% exemption = 12% net exemption) - 100% serves City of Courtenay	224(2)(a)	6	538,900	471,807	67,093	40%	26,900	304	285	590
3200.032	Youth for Christ Comox Valley	4729 Headquarters Rd	occupy 97.5% of property	95%	224(2)(a)	1	422,900	11,587	411,313	40%	165,200	668	700	1,368
1960.004	Salvation Army Cornerstone Community and Family Services (Fernco Development LTD)	Unit 8, 468 29th Street	Emergency services to community members (Excludes thrift store operations)	52%	224(2)(a)	6	5,373,300	4,728,504	644,796	40%	258,300	2,923	2,740	5,663
2091.136	Saltwater Education Society (Spacial Holdings Inc)	2398 Rosewall Crescent	Kindergarten to Grade 2 Certification by Ministry of Ed.	33%	224(2)(a)	6	346,500		346,500	40%	138,900	1,572	1,473	3,045
1577.018	Comox Valley Pregnancy Care Centre	#4 - 204 Island Hwy N	Women's crisis pregnancy services.	65%	224(2)(a)	1	155,600		155,600	40%	62,240	252	264	515
409.000	Comox Valley Transition Society	625 England Ave	Community Offices. Secret Venture Holdings Ltd owned by CVTS	75%	224(2)(a)	6	452,000		452,000	40%	180,800	2,046	1,918	3,964
Total							42,834,000	14,718,172	28,115,828		24,018,841	\$ 133,945	\$ 134,588	\$ 268,533

City of Courtenay

Annual Bylaw - Church Properties

Calculation of Amounts based on 2016 Assessments and 2016 Rates

2016 Tax Rates			
	City	Other Auth.	Total
1	4.0414	4.2398	8.2812
6	11.3160	10.6082	21.9242
8	4.0414	5.1199	9.1613

Roll #	Registered Owner	Civic Address	Class	Net Remain Assess	% exempt	Sec.224 Permiss Ex Value (Est)	PROPERTY TAXES		
							City	Other Auth.	2017 Est Tax Levy
143-000	GRACE BAPTIST CHURCH	467 - 4th Street	8	34,700	100%	34,700	140	178	318
313-100	ANGLICAN SYNOD DIOCESE OF B.C.	591 - 5th Street	8	259,000	100%	259,000	1,047	1,326	2,373
336-000	CENTRAL EVANGELICAL FREE CHURCH	505 Fitzgerald Avenue	8	98,700	100%	98,700	399	505	904
341-000	ELIM GOSPEL HALL	566 - 5th Street	8	135,000	100%	135,000	546	691	1,237
342-000	ELIM GOSPEL HALL	576 - 5th Street	1	82,400	100%	82,400	333	349	682
346-000	ST. GEORGE'S CHURCH	505 - 6th Street	8	164,000	100%	164,000	663	840	1,502
618-220	RIVER HEIGHTS CHURCH SOCIETY	2201 Robert Lang Drive	8	205,000	100%	205,000	828	1,050	1,878
1074-050	SALVATION ARMY CANADA WEST	1580,1590 Fitzgerald Ave	8	79,900	100%	79,900	323	409	732
1166-000	LUTHERAN CHURCH	771 - 17th Street	8	173,000	100%	173,000	699	886	1,585
1211-004	VALLEY UNITED PENTACOSTAL CHURCH OF BC	1814 Fitzgerald Avenue	8	115,000	100%	115,000	465	589	1,054
1524-102	BISHOP OF VICTORIA - CATHOLIC CHURCH	1599 Tunner Drive	8	237,000	100%	237,000	958	1,213	2,171
1594-000	KINGDOM HALL OF JEHOVAH WITNESSES	1581 Dingwall Road	8	154,000	100%	154,000	622	788	1,411
1691-030	SEVENTH DAY ADVENTIST CHURCH	4660 Headquarters	8	150,000	100%	150,000	606	768	1,374
1691-044	ANGLICAN SYNOD DIOCESE OF B.C.	4634 Island Hwy	8	97,900	100%	97,900	396	501	897
1691-046	ANGLICAN SYNOD DIOCESE OF B.C.	1514 Dingwall Road	8	143,000	100%	143,000	578	732	1,310
2005-000	LDS CHURCH	1901 - 20th Street	8	333,000	100%	333,000	1,346	1,705	3,051
2005-000	LDS CHURCH-PRIVATE SCHOOL	1901 - 20th Street	6	0	100%	0	-	-	-
2017-034	FOURSQUARE GOSPEL CHURCH OF CANADA	1640 Burgess Road	8	1,246,000	100%	1,246,000	5,036	6,379	11,415
2200.088	COURTENAY FELLOWSHIP BAPTIST CHURCH	2963 Lake Trail Rd	8	192,000	100%	192,000	776	983	1,759
				\$ 3,899,600		3,899,600	\$ 15,760	\$ 19,893	\$ 35,653

SCHEDULE D

2016 Tax Rates

	City	Other Auth.	Total
1	4.0414	4.2398	8.2812
6	11.3160	10.6082	21.9242

City of Courtenay

5 Year Bylaw - City Owned Properties

Calculation of Amounts based on 2016 Assessments and 2016 Rates

Current Bylaw in effect 2015-2019. Bylaw No. 2801, 2014

Roll #	Registered Owner	Civic Address	Use of Property	Comm Charter	LGA Ref: Cl.	2016 Assessed Value	Net 2008 Assess	% exempt	Permiss Ex. Assess. Value	PROPERTY TAXES		
										City	Other Authorities	2017 Est Tax Levy
City owned properties: Facilities operated for the City												
<u>100% Exemption</u>												
29.002	City of Courtenay	580 Duncan Ave	Arts Centre/Gallery	224(2)(b)	6	2,138,000	2,138,000	100%	2,138,000	24,194	22,680	46,874
63-000	City of Courtenay	442 Cliffe Avenue	Sid Williams Theatre	224(2)(b)	341(2)(i) 6	1,998,000	1,998,000	100%	1,998,000	22,609	21,195	43,805
113-000	City of Courtenay	207 - 4th St	Courtenay & District Museum	224(2)(b)	341(2)(i) 6	1,726,000	1,726,000	100%	1,726,000	19,531	18,310	37,841
261-006	City of Courtenay/ Nature Trust of BC	3rd Street	McPhee Meadows	224(2)(b)	341(2)(b) 1	462,000	462,000	100%	462,000	1,867	1,959	3,826
1200-000	City of Courtenay	2040 Cliffe Ave	Marina	224(2)(b)	341(2)(b) 6	916,300	916,300	100%	916,300	10,369	9,720	20,089
1941-000	City of Courtenay	100 - 20th St	Airpark	224(2)(b)	341(2)(b) 6	7,152,000	7,152,000	100%	7,152,000	80,932	75,870	156,802
2023.014	City of Courtenay/ Nature Trust of BC	656 Arden Road	Morrison Nature Park	224(2)(b)	341(2)(i) 1	621,000	621,000	100%	621,000	2,510	2,633	5,143
						\$15,013,300	\$15,013,300		\$15,013,300	\$ 162,012	\$ 152,367	\$ 314,379

City of Courtenay

10 Year Bylaw - Island Corridor Foundation

Calculation of Amounts based on 2016 Assessments and 2016 Rates

		2016 Tax Rates		
		City	Other Auth.	Total
2	28.2899	23.2296	51.5195	
6	11.3160	10.6082	21.9242	

Current Bylaw in effect 2012-2021. Bylaw No. 2802, 2014

Bylaw Expires 2021

Roll #	Registered Owner	Civic Address	Use of Property	Comm Charter	LGA Ref:	Cl.	2016 Assessed Value	S 220 Stat & other excluded	Net 2016 Assess	% exempt	Assessed Value of Exemption	PROPERTY TAXES			
												City	Other Authorities	2017 Est	
467-000	Island Corridor Foundation		railway corridor		224(2)(a)	341(2)(b)	2	27,800	27,800	100%	27,800	786	646	1,432	
467-100	Island Corridor Foundation		railway corridor		224(2)(a)	341(2)(b)	2	5,900	5,900	100%	5,900	167	137	304	
613-100	Island Corridor Foundation		railway corridor		224(2)(a)	341(2)(b)	2	4,900	4,900	100%	4,900	139	114	252	
1012-205	Island Corridor Foundation	South Courtenay Boundary Extension 2013	railway corridor		224(2)(a)	341(2)(b)	2	208,200	208,200	100%	208,200	5,890	4,836	10,726	
2154-000	Island Corridor Foundation	Cumberland Road	railway corridor		224(2)(a)	341(2)(b)	2	249,200	249,200	100%	249,200	7,050	5,789	12,839	
2154-001	Island Corridor Foundation		railway corridor		224(2)(a)	341(2)(b)	6	6,700	6,700	100%	6,700	76	71	147	
2154-003	Island Corridor Foundation		railway corridor		224(2)(a)	341(2)(b)	6	209,000	209,000	100%	209,000	2,365	2,217	4,582	
2154.013	Island Corridor Foundation	Island Corridor Foundation	railway corridor / Train Station	Request to add to main list approved in previous years.	224(2)(a)	341(2)(b)	2	2,300	2,300	100%	2,300	65	53	118	
				Request to add to main list approved in previous years.	224(2)(a)	341(2)(b)	6	336,000	336,000	100%	336,000	3,802	3,564	7,367	
								\$ 1,050,000				\$ 1,050,000	\$ 20,340	\$ 17,428	\$ 37,768

Section 5 - Finance	Policy #	1960.00.01
Subject: Permissive Property Tax Exemption	Revision #	1

SCOPE:

A permissive tax exemption is a means for Council to support not-for-profit organizations within the community which further Council's objectives of enhancing quality of life (economic, social, cultural) and delivering services economically. 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. This policy guides identification of organizations meeting Council's objectives.

POLICY**1. Overall Amount**

A projected amount of revenue to be foregone by Permissive Tax Exemptions will be set by Council annually during the development of the Financial Plan. This amount will be used to calculate the following year's tax exemption for approved organizations based on the current year's assessment and tax rates. The actual amount of the exemption may vary according to the following year's assessment and tax rates.

The cumulative estimated value of the exemptions may not exceed 2% of the total tax levy in the previous year. The bylaw for exemptions for any given year must be adopted and submitted before any assessment or tax rate information is available for that year. The 2% amount will therefore be calculated based on the previous year's assessment and tax rate information.

2. Process

Council will consider applications for permissive tax exemptions annually. Reminder letters to re-apply will be mailed annually or as the term of the exemption expires to current tax exemption recipients. In addition, application packages will be available at any time from the Municipal Office or on our website at www.courtenay.ca.

Applications must be submitted to the Director of Financial Services, using the prescribed application form. The Director will review the applications for completeness, and arrange contact with applicants for additional information as necessary.

Application submissions must include:

- Copies of audited financial statements for last three (3) years for first time applicants, and for the last year for current tax exemption recipients.
- Copy of state of title certificate or lease agreement, as applicable.

AUTHORIZATION:	Council R13/2013	DATE:	May 13, 2013
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Section 5 - Finance	Policy #	1960.00.01
Subject: Permissive Property Tax Exemption	Revision #	1

- In the case of a lease agreement for premises rather than ownership, documents are required which indicate that the applicant will benefit by the exemption. Documents should demonstrate that the lease is currently, or will, on approval of the exemption, be reduced by the amount of the exemption, or that other considerations will be provided by the landlord equivalent to the value of the exemption.
- Description of programs/services/benefits delivered from the subject lands/improvements including participant numbers, volunteer hours, benefiting groups/individuals/special needs populations, fees charged for participation
- Description of any 3rd party use of the subject land/improvements including user group names, fees charged conditions of use.
- Information as to the extent to which the activities of the applicant are regional or local (within the City of Courtenay) in nature.
- Financial information on how the tax exemption amount is put back into the community through charitable means or reduced fees paid by the general population of the City of Courtenay.
- Confirmation that the organization’s activities do not compete with any other duly licensed business in the Municipality.

The Director of Financial Services will present a summary report of the applications, relative to the eligibility criteria, to Council and arrange for delegations to Council by applicants as necessary.

3. Criteria

- a) Subject Property must be one of:
 - Land and/or improvements owned by the applicant
 - Land and/or improvements leased under an agreement
 - Land and/or improvements ancillary to a statutory exemption under section 220 of the *Community Charter (Statutory Exemptions)*

- b) Nature of Organization must meet the requirements of *Division 7 of the Community Charter (Permissive Exemptions)* which includes:
 - Non-profit organization
 - Charitable/philanthropic organization
 - Athletic or Service Club/Association
 - Care facility/licensed private hospital
 - Partner of the municipality by agreement under s. 225 (Partnering, heritage, riparian and other special exemption authority) of the *Community Charter*

AUTHORIZATION:	Council R13/2013	DATE:	May 13, 2013
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Section 5 - Finance	Policy #	1960.00.01
Subject: Permissive Property Tax Exemption	Revision #	1

- Other local authority
 - Organization eligible under *Section 220 of the Community Charter* statutory exemption (e.g. place of public worship, cemetery, library, Indian land, senior’s homes, hospital, etc.)
- c) The applicant organization’s use of the land/improvements must benefit the community in one or more of the following ways:
- provides recreational facilities for public use
 - provides recreation programs to the public
 - provides programs to and/or facilities used by youth, seniors or other special needs groups
 - preserves heritage important to the community character
 - preserves an environmentally, ecologically significant area of the community
 - offers cultural or educational programs to the public which promote community spirit, cohesiveness and/or tolerance
 - offers services to the public in formal partnership with the municipality
 - [other]
- d) All accounts for fees and charges levied by the City of Courtenay to the applicant must be current.

4. Duration of Exemption

Eligible organizations may be considered for tax exemptions exceeding one year (to a maximum of 10 years) where it is demonstrated that the services/benefits they offer to the community are of a duration exceeding one year (i.e. for the period of the tax exemption).

5. Extent, Conditions, and Penalties

- a) The following activities and circumstances will be not be considered as eligible for exemption by Council. Exemptions will exclude the portion of land/improvements where the following circumstances exist:
- land/improvements used by the private sector and/or organizations not meeting Council’s exemption criteria
 - land/improvements used for commercial or for-profit activities by the not-for-profit organization
 - the activities of the organization are not confined to the City of Courtenay. Council has designated a maximum exemption of 40% for regional service organizations. This policy will not be applied retroactively, and regional

AUTHORIZATION:	Council R13/2013	DATE:	May 13, 2013
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Section 5 - Finance	Policy #	1960.00.01
Subject: Permissive Property Tax Exemption	Revision #	1

service organizations that have previously been approved by bylaw will be grandfathered into the exemption bylaw at those prescribed percentages.

- The applicant already receives grant-in-aid from the municipality and/or other sources
- b) Council may impose **conditions** on the exempted land/improvements with the applicant organization, including but not limited to:
- registration of a covenant restricting use of the property
 - an agreement committing the organization to continue a specific service/program
 - an agreement committing the organization to have field/facilities open for public use for certain times or a total amount of time
 - an agreement committing the organization to offer use of the field/facility to certain groups free of charge or at reduced rates
 - an agreement committing the organization to immediately disclose any substantial increase in the organization’s revenue or anticipated revenue or any change in the status of the property
 - [other]
- c) Council may impose **penalties** on an exempted organization for knowing breach of conditions of exemption, including but not limited to:
- revoking exemption with notice
 - disqualifying any future application for exemption for specific time period
 - requiring repayment of monies equal to the foregone tax revenue
 - [other]

AUTHORIZATION:	Council R13/2013	DATE:	May 13, 2013
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THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council

File No.: 1660-20

From: Deputy Chief Administrative Officer

Date: July 18, 2016

Subject: 2017/2018 RCMP Municipal Policing Contract: Approval in Principle

PURPOSE:

The purpose of this report is for Council to provide “approval in principle” for the municipal policing expenditure for the 2017/2018 contract year.

POLICY ANALYSIS:

In April 2012, the City of Courtenay renewed its Provincial Municipal Police Unit Agreement for the employment of the Royal Canadian Mounted Police in the provision of policing services within the City. This Agreement has a twenty year term and will provide policing in the City until March 31, 2032. In order to secure the 10% Federal share of the Contract, Council’s “approval in principle” of the contract expenditure cap is required each year.

EXECUTIVE SUMMARY:

For the RCMP 2017/2018 Contract Year, Council has been requested by RCMP “E” Division to consider providing “approval in principle” to an RCMP Municipal Policing Expenditure of \$6,020,724 which provides for a full-time complement of 31.4 members, an increase of one member from 2016/17.

During the upcoming 2017 budget deliberations, Council will have the opportunity to revisit this approval in principle and provide final approval by May 2017 for the 2017/18 policing contract year.

CAO RECOMMENDATIONS:

That based on the July 18, 2016 staff report “2017/2018 RCMP Municipal Policing Contract: Approval in Principle”, Council approve OPTION 1 which provides “approval in principle” for a one-man increase in the established strength and an expenditure cap of \$6,020,724 for the 2017/18 Municipal Policing Contract of which Courtenay is responsible for 90% (\$5,418,651.).

Respectfully Submitted,

John Ward, CMC
Deputy CAO

BACKGROUND:

The Comox Valley RCMP detachment is a combined Provincial/Municipal detachment which provides police protection services for the entire Comox valley. Of the 61 members currently staffed in the detachment, 19 are funded by the Province, 30.4 are funded by Courtenay, and 11.6 are funded by Comox.

DISCUSSION:

Under the terms of the Municipal Policing Agreement, the letter of “approval in principle” for the 2017/18 Municipal Policing Expenditure Cap is due by June 10, 2016. Staff have requested an extension to the aforementioned date so that Council has an opportunity to discuss this matter before submitting the requested correspondence.

The estimated 2017/18 budget costs for increasing the contract strength from 30.4 members to 31.4 members have been provided by E-Division and are as follows.

TABLE 1 – City of Courtenay, RCMP Contract Expenditure Cap: 2017/18 Projections

	Approved 2016/17	Estimated 2017/18
Established Strength (since 2011)	30.4	31.4
Expenditure Cap (100%)	\$5,718,416	\$6,020,724
Courtenay Share (90%)	\$5,146,574	\$5,418,651
<i>Cost Increase based on 31.4 members at 90% cost share, and zero vacancies (per Schedule 1 of attachments)</i>		\$272,077

The RCMP note the following cost drivers that are impacting the 2017/18 Contract year:

- Retroactive pay increases plus related CPP, EI and Pension costs estimate \$178,200;
- Division administration increases to provide for estimated share of Green Timbers and severance liquidation costs (these are still under discussion with the Federal government);
- Vehicle and equipment replacement-Closed Circuit Video Equipment.

In discussions with Inspector Walton of the RCMP, he notes that it is becoming increasingly difficult to provide the same level of service to the community with limited resources. If he is to continue to provide a standard level of service for the community he will require additional resources, particularly in the realm of staffing.

FINANCIAL IMPLICATIONS:

The City funds two of its officers from host gaming revenues, two officers from the Provincial traffic fine revenue sharing grant, and the remaining 26.4 members are funded from general property taxation. To more accurately reflect anticipated costs, the City also budgets for a projected “position vacancy pattern”. These vacancies occur when positions have not yet been filled due to members on leave for a variety of reasons.

In order to meet the increased financial contract of \$272,077, a property tax increase of 1.5% would be required (a 1% increase is equal to approximately \$182,000). Staff suggest that additional funding from Gaming Revenue should be used to offset these costs and to keep the impact of this increase below 0.50% (which is below \$91,000).

Council is reminded that these estimates are preliminary, and that Council will make the final decision on the contract expenditure cap during the 2017 budget deliberations set to occur in the latter part of 2016.

ADMINISTRATIVE IMPLICATIONS:

On Council’s decision, Staff will provide the RCMP with the “approval in principle” confirmation letter for the 2017/18 Municipal Policing Contract year.

ASSET MANAGEMENT IMPLICATIONS:

There are no asset management implications.

STRATEGIC PRIORITIES REFERENCE:

As noted below, the focus is on meeting statutory obligations at a cost acceptable to the general public.

We focus on organizational and governance excellence

We responsibly provide services at a level which the people we serve are willing to pay

We support meeting the fundamental corporate and statutory obligations



OFFICIAL COMMUNITY PLAN REFERENCE:

4.11.4 Police Protection

Policing services are provided by the RCMP with the detachment located on Ryan Road.

3. The City supports all residents and businesses within the area served by the local RCMP detachment pay on an equal basis.

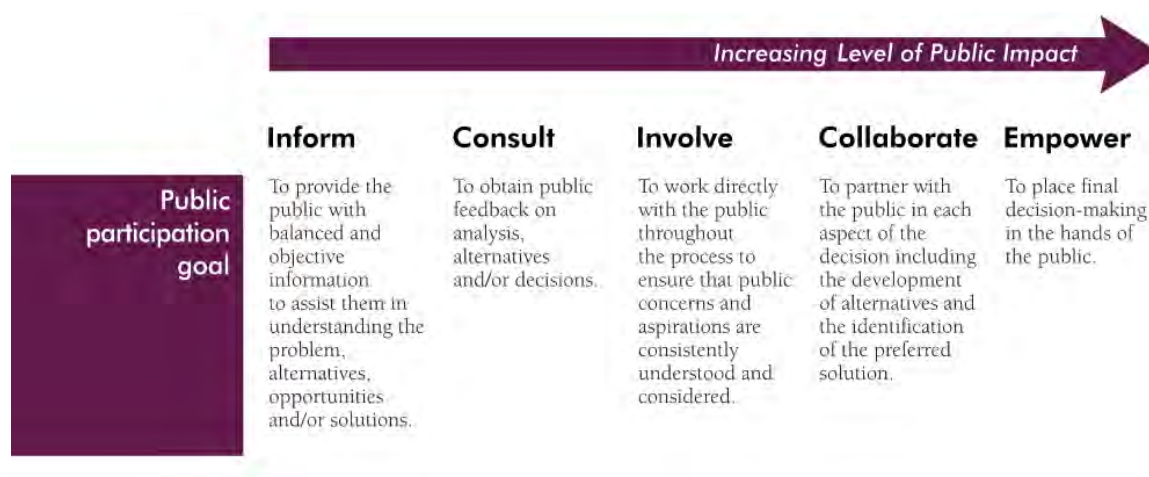
REGIONAL GROWTH STRATEGY REFERENCE:

There is no applicable reference in the Regional Growth Strategy.

CITIZEN/PUBLIC ENGAGEMENT:

The public will be informed of the outcome of Council’s consideration of approval in principle for the 2017/18 RCMP Contract expenditure budget. This is based on level one of the IAP2 Spectrum of Public Participation adopted as an element of Sound Project Design for the Corporate Workplan. In addition, during the 2017-2021 budget process, the public will be consulted on the financial plan as a whole and will be able to provide feedback for Council’s consideration.

http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum_vertical.pdf



OPTIONS:

OPTION 1: That Council provide “approval in principle” for a one-man increase in the established strength and an expenditure cap of \$6,020,724 for the 2017/18 Municipal Policing Contract of which Courtenay is responsible for 90% (\$5,418,651). (Recommended)

OPTION 2: That Council defer “Approval in Principle” of the 2017/18 Municipal Policing Contract for further discussion.

While Option 2 is presented as an alternative, Council must be aware that, under the terms of the Municipal Policing Agreement, Approval in Principle must be provided to the RCMP as soon as possible.

Prepared by:

Brian Parschauer, BA, CPA CMA
Director of Finance

Attachments: 2017/18 RCMP Expenditure Forecast



Royal Canadian Mounted Police
 Gendarmerie royale du Canada

Security Classification/Designation
 Classification/désignation sécuritaire

Unclassified

May 11, 2016

David Allen
 Chief Administrative Officer
 Corp. of the City of Courtenay
 830 Cliffe Ave.
 Courtenay, BC V9N 2J7

Your File Votre

Our File Notre
 E753-28-1

Dear Mr. Allen:

Re: Municipal Contract Policing Multi-Year Plan – (2017/18)

In keeping with the *Municipal Police Service Agreement* of 2012, we are communicating with our Municipal Partners to establish projections of our human and financial resource needs in **2017/18**.

We are asking that you meet with your Detachment Commander to discuss the police service needs of the community and the related human and financial resource requirements.

For this 5-year plan cycle, we have included the items listed in the attached schedule prepared by the Local Government Contract Management Committee (see Appendix A). It should be noted that this document will be updated as changes become known and is current as of May 9, 2016.

Many of these initiatives have been discussed at different meetings/forums such as the Government Finance Officers Association of BC's (GFOABC) annual budget meetings, Lower Mainland CAO/PPC meetings, and local presentations before Mayor and Council. The next GFOABC meeting is on June 2, 2016 in Whistler, BC. We hope to see you or your representative there. If you have questions, or would like a custom presentation on your 5-year municipal plan, please contact Autumn Longley, Financial Manager Municipal Contracts at 778-290-4804.

Attached for your information are:

- a. Our five year budget for your RCMP Municipal Policing costs. This is a detailed listing of actual costs for fiscal year 2014/15, pre-final costs for 2015/16, a revised estimate for the current year (2016/17) and budget estimates for 2017 – 2022 inclusive (see Schedules 1, 2 and 3 for 2017/18).
- b. Five year budget for Division Administration Costs (Schedule 4);

- c. Sample Response Letter (Schedule 5)
- d. Sample Request Letter to Decrease/Increase Authorized Strength (Schedule 6)

A number of items remain under discussion between the Provincial and Federal Governments, including:

Division Administration costs associated to Green Timbers: While this item is currently still under discussion, the provisional amount of \$900 per member has been included in the Division Administration estimate.

Severance Liquidation: As of April 1, 2012, severance no longer accumulates for members who resign or retire, but will continue to accrue for lay-off, death, and disability. For budgeting purposes, an estimated amount of \$1,023 per full time equivalent (FTE) has been included. The payment amount and schedule for severance liquidation is currently being discussed between the Provincial and Federal Governments.

In addition, the RCMP's most recent salary agreement expired on December 31, 2014. An estimated pay increase of 2.5% per year has been included in the five year budget for RCMP members. An estimated pay increase of 0.5% per year has been included for federal public servants. These increases are reflected from 2016/17 onwards. The included pay raise amounts are not based on final negotiations and do not necessarily represent amounts requested or proposed. Once new agreements are reached, retroactive payments may be made in the 2016/17 fiscal year. A provision for retroactive pay has not been included, but this does not preclude a municipality from setting aside contingencies for this possibility. (Sample per-member impact scenarios are provided in Appendix B.)

We would also like to inform you that, going forward, installation and equipment costs for Closed Circuit Video Equipment (CCVE) will be eligible for cost-sharing through the municipal police services agreement, as per the most recent Cost Allocation Matrix discussed by the Contract Management Committee.

We recognize that your calendar year Budget Cycles are not synchronized with the Government of Canada's fiscal year, however, we are requesting that you provide information earlier than the Municipal Budget Cycle normally requires. This is to ensure that the Federal Treasury Board can secure their share of the Municipal Contract costs within the federal budget cycle time lines.

Please submit a "Letter of Approval in Principle" by **June 10, 2016**. The letter should address all increases for fiscal year 2017/18, including:

- Proposed establishment increase in regular and/or civilian members;
- Estimated Municipal Policing Budget at 100% costs;
- If applicable, estimates for Integrated Units, RTIC and Accommodation at 100% costs; and

If applicable, approval in principle and basis of payments for any equipment costing \$150,000 or more per item.

We would like to emphasize that this "Letter of Approval in Principle" ("AIP") is for **planning purposes only** to address the Federal Government's Annual Reference Level Update (ARLU) process. It is important to include any anticipated increases in establishment at the AIP stage, as this impacts both recruitment and financial planning at the federal government level. However, the AIP is not a final commitment on your part for the additional personnel or for the increased financial budget indicated. A copy of a sample response is provided for your reference (Schedule 5).

To affect an actual change in authorized strength, a letter to the provincial minister requesting an amendment to Annex A of the Agreement(s) to increase/decrease strength is required (Sample provided as Schedule 6).

First Reply Letter:

Approval in Principle Letter for 2017/18

Due: June 10, 2016

A) Please address the letter to:

Mr. Clayton Pecknold
Assistant Deputy Minister and Director of Police Services
Ministry of Justice
P.O. Box 9285 Stn Prov Govt.
Victoria, BC V8W 9J7

B) Please forward a copy to the RCMP addressed to:

Mr. Max Xiao
Regional Director of Finance, RCMP "E" Division
Mailstop #908, 14200 Green Timbers Way
Surrey, BC Canada V3T 6P3

Second Reply Letter:

Final Confirmation Letter for 2017/18

Due: May 1, 2017

By **May 1, 2017**, please forward a second letter to confirm the 2017/18 budget to:

A) **Assistant Deputy Minister and Director of Police Services**

B) **Regional Director of Finance, RCMP "E" Division**

Third Reply Letter: Annex A Letter

Due on: Authorized Strength Change

When you decide to change human resources (authorized strength changes) to your detachment strength, please be advised that a third letter is required that outlines your request. (Sample provided as Schedule 6).

A) Please address the letter to:

The Honourable Mike Morris
Solicitor General & Minister of Public Safety
P.O. Box 9010 Stn Prov Gov't.
Victoria, BC V8W 9L5

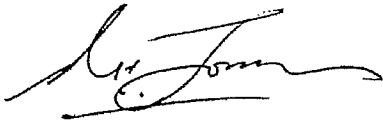
B) Please forward a copy of the letter to:

a) **Regional Director of Finance, RCMP "E" Division**

b) **C/Supt. Ray Bernoties, District Commander, Island District**

If you have any questions regarding your municipal budget or your contractual obligations, please contact Autumn Longley, Financial Manager Municipal Contracts at 778-290-4804.

Yours truly,



Robert H. Jorssen
Executive Director,
Corporate Management & Comptrollership Branch
Royal Canadian Mounted Police, Pacific Region
Mailstop # 906, 14200 Green Timbers Way
Surrey, BC Canada V3T 6P3

Cc: Mayor Larry Jangula, Corp. of the City of Courtenay
C/Supt. Ray Bernoties, District Commander, Island District
OIC Comox Valley Detachment
~~Max Xiao, Regional Director of Finance, RCMP "E" Division~~

Canada

RCMP E Division
Finance Section, Mailstop #908
14200 Green Timbers Way
Surrey, BC Canada V3T 6P3

List of Potential RCMP Policing Costs/Savings to RCMP "E" Division Municipalities
As at May 9, 2016

Appendix A

Item	Estimated Incremental Cost/Savings per FTE OR per Item @100%	Notes/Status	Included in 5-year Plan?
Severance Liquidation	\$0	Status: Ongoing negotiations between Province and Canada. Federal initiative - eff. March 31, 2012, termination of RCMP Members' entitlement to accumulate Severance Pay for voluntary resignations and retirements; Members were offered payout options for accumulated entitlement up to March 30, 2012. The latest figure in MYP and for billing is \$1,023/FTE (slightly less than historical per year cost), under the assumption that total cost can be amortized over 20 years. In other words, Severance savings are not significant in the 1st 20 yrs but will yield approx. \$1K savings per Member after Severance payout is concluded from Year 21 onward.	Yes.
Green Timbers - Div. Admin.	\$600/FTE	Status: Ongoing negotiations between Province and Canada - Div. Admin. impact to all RCMP municipalities. Based on the latest RCMP estimate, incremental cost is \$900/FTE less \$300/FTE prior to move = \$600/FTE.	Yes.
Green Timbers - LMD Integrated Teams' Occupancy (only applicable to LMD Integrated Teams' participating agencies)	\$9,400/FTE	Status: Ongoing negotiation between Province and Canada - impact on LMD Integrated Teams for occupying space in Green Timbers. Based on the latest RCMP estimate, incremental cost = \$15,000/FTE less \$5,600/FTE prior to move = \$9,400/FTE.	Yes.
*Cadet Training/Recruiting	\$1,418/FTE	Status: Under Directed Review by external consultant. Cost was \$3,500/FTE for 3 years from 2012/13 to 2014/15. 2017/18 projected rates of \$3,560/FTE for Cadet Training and \$1,358/FTE for recruiting were included in the Municipal 5-Year Plan. Estimated incremental cost = \$4,918/FTE (\$3,560 + \$1,358) less \$3,500/FTE = \$1,418/FTE.	Yes. Next 5-year plan will have updated rates.
Police Dogs Service Training (only applicable to Municipalities with police dogs)	\$25,233/team	Status: Under review by CMC's National Programs Standing Committee. Projected rate of \$27,788 per team for 2016/17 and \$25,233 for 2017/18 were included in the Municipal 5-Year Plan.	Yes. Next 5-year plan will have updated rates.
RCMP Members' Pay Increase		Status: Pending Fed. TB decision. Compensation package expired Dec. 31, 2014; MYP placeholder of 2.5% per year pay raise. RCMP "E" Division will provide cost impact estimate when the new rates are settled.	Yes. Estimate of 2.5% per year included.
RCMP PSEs' Pay Increase (impact mainly through Div. Admin.)		Status: Pending settlement of new collective agreements. Majority of PSEs are PSAC (Public Service Alliance of Canada) union members; collective agreement expired June 20, 2014. Impact to majority of RCMP municipalities on Div. Admin. Additional impact to municipalities that have PSEs. RCMP "E" Division will provide cost impact estimate when the new contract is settled.	Yes. Estimate of 0.5% per year included.
*Shared Services Canada (considered a local issue and "Concluded" item in CMC Matrix by PSC/RCMP; P/Ts are of different view)		Status: Ongoing. Includes telephones, pagers, computer comm., comm. equip. rentals - should equal what municipalities have been paying all along. Some costs are shifted from Div. Admin. to SSC ("E" Div. staff transferred to SSC). In the long run, it should generate savings through efficiencies, but effect is unknown at this time. PTs disagreed that SSC costs and service delivery are local issues and, continue to pursue transparency of cost details such as basket of goods and cost allocation methodology as well as resolutions for general service delivery concerns.	Yes. \$721 per FTE. Next 5-year plan will have updated rates.
*Other Consolidated Services - internal within RCMP (already in place)		Status: Ongoing monitoring by CMC's FCC (Finance & Cost Containment) Standing Committee. Accounting Ops and Members' Compensation Service centralized in 2012/13 in RCMP NHQ (Ottawa); contract partners have been charged within Div. Admin. based on 2011/12 Actuals for 2012/13 and 2013/14. Eff. 2014/15 actual costs were being charged (\$332.71/FTE for Acct'g Ops and, \$392.60/FTE for Members' Compensation Service). In addition, NCO Promotions was centralized in Surrey in 2012/13. Impact of all 3 programs should be zero or very minimal as contract partners have been paying for these services through Div. Admin. and, in the long run, should generate savings due to efficiencies.	Yes. Next 5-year plan will have updated rates.

Item	Estimated Incremental Cost/Savings per FTE OR per Item @100%	Notes/Status	Included in 5-year Plan?
*Other Consolidated Services - internal within RCMP (planned implementation 2016/17)		Status: Ongoing monitoring of costs/benefits. While they agreed that the Disability Mgmt Program (DMP) is a good modernized approach that will build on best practices including early intervention, case management and return-to-work planning, PTs believe that the existing Return to Work Coordinators (RTWC) program and its resources can be rolled over to support the new program. As well, the efficiencies realized should offset any incremental costs within the current Div. Admin. rate. Should DMP be successful as planned, additional savings on OT will likely be achieved, as Members are expected to return to work sooner.	No.
*Other Consolidated Services - external (already in place)		Status: Ongoing. 1) PSEs' Compensation Service centralized in Miramichi, NB in Sept. 2013; have been charged within Div. Admin. based on 2011/12 Actuals. New rate of \$610.48/FTE for 2014/15. Projected rates of \$568.29 and \$492.70 respectively for the following 2 years show potential savings due to efficiencies. 2) Eff. April 1, 2013 RCMP's in-house program, Employee Assistance Services, was discontinued; all RCMP Members & PSEs are now supported by Health Canada. Contract partners were charged \$42.99/FTE for 2014/15 and projected rates for the following 2 years are: \$42.80 and \$42.38 respectively, which also show a downward trend in cost. 3) Eff. Nov. 2014, consolidation of federal employees' learning services through Canada School of Public Service, based on common curriculum that's grouped into Foundational, Specialized, Management and Executive Development. Implementation will occur in 3 phases over 3 years. Financial impact is being reviewed but should be minimal. Same as other Consolidated Services, CMC's FCC Standing Committee will be monitoring these costs vs the Div. Admin. offsets.	Yes. Next 5-year plan will have updated rates.
*Admin. Support Position Review (ASPR) - Phase II of Detachment Clerk position review	\$4,700/affected PSE position	Status: Pending finalization of review. About 800 RCMP admin. support positions are being reviewed across Canada (mostly federal, ~253 positions related to contract policing). It's expected that most positions will be upgraded by 1 level with retro payment based on the eff. dates of the upgrades. Possibility of a few downgrades. Impact to municipalities will be minimal and, it will only affect those municipalities with PSEs.	No.
*MacNeil Report (Moncton)		Status: Ongoing implementation. Comprehensive and critical assessment of the tragic events in Moncton NB (June 4, 2014) was released in January 2015. The report has 64 recommendations broken down into 5 key areas (Supervision, Training, Technology/Equipment, Communications and Aftercare); 42 already been implemented, e.g. expedite rollout of carbines, while 10 will be implemented by Apr. 2016. Many of the 12 remaining recommendations which require more complex assessment/consultation to be implemented by the end of Mar. 2017.	No.
Bluetooth in Police Cars	\$430/unit	Status: Installation of Bluetooth (hands free) devices to comply with applicable provincial legislation. Already included in some models of police vehicles; for those that don't have it, it's an "Option Orderable" item.	No.
*Emergency Response Team (ERT) outside of LMD and New ERT Carbines	\$1,500/new ERT carbine	Status: Consultation stage - National ERT Review; Implementation stage - new ERT carbines. Currently full time teams are already in existence in LMD. Firearms Modernization - converting existing ERT carbines to .300 Blackout which will result in efficiencies in operations, training and in the long run, will reduce costs for weapons and ammunition. Expected completion of rollout of new weapons by end of 2016/17.	No.
*Holster Replacement	\$106/unit	Status: Planned implementation eff. Apr. 1, 2016. As a result of numerous occupational health & safety complaints about the difficulty in removing the 9mm sidearm pistol from the current holster when the holster was very wet, a new holster was piloted with 121 Members in "E" and "H" Divisions. It's decided that the new holster will replace the old ones and Members will receive training in its use during their annual firearms qualifications in 2016/17. Cost of a new holster is \$105.99 (slightly less expensive than the current holster: \$108.97), with a significantly longer life expectancy. There will be a one-time replacement cost in 2016/17.	No, not in 16/17 5-year plan but would be updated in the forecast

Item	Estimated Incremental Cost/Savings per FTE OR per Item @100%	Notes/Status	Included in 5-year Plan?
*Patrol Carbines & Training	\$4,608	Status: Expedite rollout as a result of MacNeil recommendations. PTs requested this item to be brought back into the CMC Matrix for monitoring. All Divisions to train 25% front line members by March 31, 2016 (30% achieved). Carbine cost incl. carrying case, lock and vehicle rack, excl. training. Commencing with the July 6, 2015 graduated troop, all cadets will receive carbine training at Depot after graduation; ongoing discussions to incl. this training as part of the Cadet Training Program.	Yes.
Potential Costs/Savings in the more distant future (most cost impacts are unknown at this time):			
*Auxiliary Cst. Program		Status: Consultation stage. The shooting of an unarmed, uniformed Canadian Forces member in Ottawa in Oct., 2014 led to proposed policy changes in: supervision of uniformed Auxiliary Cst.; uniform options for non-supervised crime prevention activities; firearms familiarization training. Working group was established with 1st meeting on Nov. 17, 2015. On Jan. 11, 2016 recommendations were presented to and approved by SEC: ride-alongs and firearms familiarization training will be discontinued eff. Jan. 25/16; National Activity Matrix describing the role of Auxiliary Cst. and National Training Standard will be developed; National Policy will be updated and, Uniform options will be reviewed. RCMP auxiliary coordinators met in Feb. 2016 to develop proposed changes which have been included in the consultation package to Divisions on Mar. 9/16. RCMP consultation with contract partners and auxiliaries at the divisional level underway.	No.
*RCMP Labour Relations		Status: Exploratory stage. MPAO (Mounted Police Association of Ontario) v. Attorney General of Canada - Supreme Court ruled on Jan. 16, 2015 the exclusion of RCMP Members from PSLRA (Public Service Labour Relations Act) deemed unconstitutional. Fed. Gov't was given one year (Public Safety Canada/RCMP was granted an extension to May 2016) to implement changes to allow Members the right to collective bargaining. Cost impact, if any, is unknown at this time.	No.
Relocation Transformation		Status: Phase-in approach to replace 3rd party service provider; Exploratory stage on relocation benefits. RCMP administers the program in-house eff. Dec. 1, 2015 for 1 year. Governance Committee is established to oversee progress. Cost neutral at this point, but in the long run should generate savings through Div. Admin., due to efficiencies (single point of contact, ability to take corrective actions when errors are noted, etc.). Relocation benefits will also be revisited.	No.
In car Video System (ICVS)	\$4,300*/unit	Status: Continued research, and pending Privacy Impact Assessment. Possible added costs associated with mgmt. and retention of info.; \$4,300 is estimated cost of ICVS per police vehicle, exclusive of "back office solution" cost for data storage. Exploring possibly using the Cloud for storage.	No.
Body Worn Video (BWV)		Status: Final exploratory stage. The latest CMC Tracking Matrix indicates final report has been published by Defence Research and Development Canada (DRDC) in Oct. 2015, and, Office of the Privacy Commissioner (OPC) provided recommendations. Final report on feasibility study was completed in Dec. 2015, while RCMP Chief Info. Officer continues to research on Cloud storage option - recommendations to senior Mgmt. expected by end of Mar. 2016. Cost projections not yet available.	No.
*Extended Range Impact Weapon (ERIW) (40mm; less lethal)	approx. \$3,000/weapon + optic \$500 to \$750	Status: Exploratory stage. In 2014 "E" Div. commenced a pilot project to issue ERIW to supervisors at one detachment, in response to reviews/inquiries (e.g. Iacobucci Inquiry in Toronto) recommending the use of less-lethal weapons by front line police officers. ERT and Public Order are moving to a 40mm ERIW as it allows for short range and long range less-lethal ammunitions. Having ERT, Public Order and General Duty Members using the same ERIW will streamline training requirements. A pilot project will commence in the fall of 2016 for General Duty Members. Other benefits include elimination of possibilities of a lethal round being accidentally fired, will be more effective and will increase officer and public safety due to the increased effective distance of this ERIW.	No

Item	Estimated Incremental Cost/Savings per FTE OR per Item @100%	Notes/Status	Included in 5-year Plan?
*eMCM Renewal - Major Case Mgmt. Software Update		Status: Ongoing. In March 2015 eMCM project team completed an analysis of "needs" and "gaps", solution requirement report, in-depth options analysis which identifies and validates possible solutions (Phase I). This system replaces the current E&R (Evidence and Reporting) System and interfaces with other RCMP Records Mgmt. Systems; standardizes operations by implementing a centralized solution to better support police operations in managing major cases; facilitates responding to escalating demands for info. sharing with policing and law enforcement partners. This new system may require additional staff for data input. Phase II is underway which involves development of project plan, RFP, TB submission and selection of eMCM solution.	No.
*Employer's Contribution to Members' Superannuation		Status: Ongoing. Currently set at the rate of 22.7% of pensionable earnings for 3 FYs 2015/16 to 2017/18 and, included in each Municipality's 5-year Plan. It's expected that the Pension Panel will reconvene and, based on actuarial valuation, recommend a new rate eff. April 1, 2018 to CMC.	Yes.
Savings:			
General Savings from Deficit Reduction Action Plan (DRAP) and Efficiencies Reviews with *Update on OCA (Operational Clothing Allowance - replaced Plain Cloths/Kit Upkeep Allowances eff. Apr. 1, 2013)	Total OCA Savings: (\$1.06M) per year	Status: Ongoing monitoring by various CMC Standing Committees. Other savings shown in RCMP's presentation decks that are not already included in this Matrix are: OCA; IM/IT Mgmt.; AFD Streamlining; Fleet Mgmt.; Re-engineering of Procurement; Travel; OT; maternal/parental leave backfill. *Update on OCA - a review of OCA entitlements caused the payout of 3 years' retro payments in 2015/16. However, OCA will continue to generate savings; even though the savings is slightly lower than the original savings of \$1.18M, "E" Div. Municipalities continue to save approx. \$1.06M per year on clothing allowance.	Yes. Ongoing savings reflected.

Other Potential Costs/Savings:

Conversion of Civilian Members: *Bill C-42* is set to move RCMP Civilian Members (CMs) to Public Service Employees (PSEs). Some Indirect Costs such as Div. Admin. are currently allocated on a formula basis including Regular and Civilian Members (RM+CM) in the calculation. In addition, municipalities that have CMs will be paying for the converted CMs (deemed PSEs) @100%. P/T/Ms (Provinces/Territories/Municipalities) reps have worked successfully with Public Safety Canada/RCMP and found an acceptable (cost neutral) way of allocating these costs.

No. Treatment not yet finalized.

In addition, the *Economic Action Plan 2014 Act, No. 2* received Royal Assent in Dec. 2014. This included proposed changes to the public service pension plan in order to accommodate CMs who will be deemed as PSEs. Division 31 of this Act allows the transfers of pensionable service from the *RCMP Superannuation Act* to the *Public Service Superannuation Act* - deemed date has yet to be determined. Currently RCMP is showing a small potential savings of \$325K (@100%) in total for "E" Div. municipalities due to the lower employer's pension contribution rate for PSEs. However, net savings cannot be ascertained until the Pension Panel examines the impact of the pension transfer and re-assesses the employer's pension contribution rate for RMs, when the deemed date (tentatively set ~mid 2017/18) is determined by Fed. TB.

No. Not yet determined.

Note: * = new items or updates added to the previous Matrix

Pay Raise Impact Scenarios Table

Examples are estimates based on the top rate of pay for a Constable (\$84,000)

Estimated pay raise	One time Retro 16/17	One time Increment 16/17	Annual Increment 17/18 & ongoing
2.5%	\$3,881	n/a	n/a
3.0%	\$4,661	\$1,202	\$1,783
3.5%	\$5,443	\$2,412	\$3,587

As shown in the above table, annual increments for a 2.5% pay increase are included in the forecasts, while the one-time retro payment is not.

Please Note: There would also be retro pay related to overtime, which is not included in the table. Some allowances (e.g., Service Pay, Senior Constable Allowance) may change in the new pay package and there could be related retro payments, which are not included in the table.

Illustration:

A pay raise of 3.0% (vs 2.5% budget) would increase budget needs by approximately \$1,200 per member in 2016/17 in addition to a retro component of \$4,660 per member, which would not be in the 16/17 budget. There would also be an additional \$1,800 per member in future years. Furthermore, overtime and allowances could add another 15% to the above estimates. **For a city with 100 RMs, the impact of a 3% pay raise in 16/17 may require a contingency of \$6,739 per RM or \$673,900.**

Calculations Details

The following estimates are based on the assumption of a 2.5% pay raise per year and are provided for planning purposes.

Retro pay from January 1, 2015 to December 31, 2015:

$2.5\% * 84,000 = \$2,100$ per member

Pension impact = $\$2,100 * 22.70\% = \477

Total = $\$2,100 + \$477 = \$2,577$ per member

Retro pay from January 1, 2016 to March 31, 2016

$\$86,100 * 2.5\% * .25 = \538 for January 2016 raise

\$525 per member for January 2015 raise

Pension impact = $(\$538 + \$525) * 22.70\% = \$241$

Total = $\$525 + \$538 + \$241 = \$1,304$

Total Retro Pay Estimate

Total = $\$2,577 + \$1,304 = \$3,881$ per member estimated retro in 2016/17

COURTENAY 2016-17 to 2017-18 Fiscal Estimates	16/17 Budget	17/18 Estimates	\$ Change	% Change	Notes
Contract Strength	30.4	31.4		3.3%	
Funded Strength	30.4	31.4		3.3%	
COST ELEMENT GROUP (CEG)					
01 - PERSONNEL					
REGULAR PAY	2,716,109	2,873,538	157,429	5.8%	Estimated pay increase of 2.5% + 1 additional FTE
OVERTIME - MEMBERS	305,325	312,958	7,633	2.5%	
PAYROLL ALLOWANCES *	183,760	189,980	6,200	3.4%	
OTHER PAYROLL ITEMS	116,500	119,285	2,785	2.4%	
01 - PERSONNEL: TOTAL	3,321,694	3,495,741	174,047	5.2%	
02 - TRANSPORT & TELECOM	65,912	72,479	6,567	10.0%	Increase in training related travel
03 - INFORMATION	775	775	0	-	
04 - PROFESSIONAL & SPEC SVCS	139,440	157,738	18,298	13.1%	Increase in training costs for IARD (immediate Action Rapid Deployment), OST and carbine training
05 - RENTALS	11,274	11,612	338	3.0%	
06 - PURCHASE, REPAIR AND MAINT	90,500	92,015	1,515	3.0%	
07 - UTIL, MATERIAL AND SUPP	170,040	175,141	5,101	3.0%	
08 - MACHINERY & EQUIPMENT	208,449	161,305	(47,144)	(22.6%)	Decrease in vehicle forecast in 17/18
12 - OTHER SUBSIDIES & PMTS	5,000	5,000	0	-	
TOTAL DIRECT COST	3,973,095	4,131,807	158,723	4.0%	
COST OF RM PENSIONS	647,769	684,101	36,332	5.6%	Increase in pensionable earnings
COST OF DIVISIONAL ADMINISTRATION	750,880	828,980	78,080	10.4%	Increase in Div Admin rate from \$24,700 to \$26,400
COST OF OTHER INDIRECT COSTS	346,682	375,856	29,173	8.4%	Primarily due to increase in training and recruiting rates from \$4,373 to \$4,916
TOTAL INDIRECT COST	1,745,331	1,888,916	143,585	8.2%	
TOTAL COSTS (Direct + Indirect)	5,718,419	6,020,724	302,308	5.3%	
FEDERAL COST 10 %	571,842	602,072	30,231	5.3%	
MUNICIPAL POLICING COSTS 90%	5,146,574	5,418,651	272,077	5.3%	
ESTIMATED COST PER RM (90%)	169,295	172,569	3,273	1.9%	
TOTAL MUNICIPAL POLICING COSTS 90%	5,146,574	5,418,651	272,077	5.3%	

ACCOMMODATION & PSE COSTS 100%	
MUNICIPAL COST 90% from above	5,418,651
PUBLIC SERVICE EMPLOYEE COSTS 100%	591,603
ACCOMMODATION 100%	285,986
TOTAL MUNICIPAL BUDGET CAP	6,296,240

based on 9 FTEs

* Allowances and Benefits Include: Service Pay, Senior Constable, Occupational Clothing, and Shift Differential
 ** 2016/17 budgets do not include an amount for Retroactive Pay. Please refer to Appendix B for information to assist in estimating your Retroactive Pay liability.

COURTENAY 2017/18 to 2021/22 Fiscal Estimates	COURTENAY 14/15 Final	COURTENAY 15/16 Pre-Final	COURTENAY 16/17 Budget	COURTENAY 17/18 Estimates	COURTENAY 18/19 Estimates	COURTENAY 19/20 Estimates	COURTENAY 20/21 Estimates	COURTENAY 21/22 Estimates
CONTRACT STRENGTH	30.4	30.40	30.4	31.4	32.4	32.4	32.4	32.4
ACTUAL / FUNDED STRENGTH	25.77	27.12	30.4	31.4	32.4	32.4	32.4	32.4
COST ELEMENT GROUP (CEG)								

STD OBJ. 01 - PERSONNEL

CE 500100 REGULAR PAY F/T IND. PSE								
CE 500102 RETRO PAY CURRENT YEAR								
CE 500104 VACATION ADVANCE PAYMENTS								
CE 500105 BILINGUALISM BONUS								
CE 500107 EMERGENCY SALARY ADVANCE								
CE 500120 I.P. ENVIRONMENTAL ALLOW. IND. - PSE								
CE 500129 I.P. ENVIRONMENTAL ALLOW. - TERM PSE								
CE 500131 PAY OUT OF VACATION LEAVE - ACTIVE								
CE 500132 SHELTER COST DIFFERENTIAL - PSE								
CE 500136 REG. PAY P/T IND. PSE								
CE 500141 PSE CASUALS								
CE 500142 PSE TERM > 6 MONTHS								
CE 500143 PSE TERM < 6 MONTHS								
CE 500155 PAY EQUITY ALLOWANCE								
CE 500173 VACATION PAY - P/T EMPLOYEES								
CE 500178 I.P. LIVING COST DIFF. - IND. PSE								
CE 50179 I.P. LIVING COST DIFF - TERM PSE								
CE 500180 VACATION PAY TERM/CASUAL Not Subject to Collective Agreement								
CE 500182 LUMP SUM SETTLEMENT (Not Subject to Superannuation)								
CE 500184 I.P. FUEL & UTILITIES ALLOW. - IND. PSE								
CE 500185 IPA FIXED RATE VTA PAYMENT								
CE 500186 I.P. FUEL - TERM PSE								
CE 500301 PREMIUM PAY - PSE								
CE 501100 CHARGES FOR SECONDMENTS PSE-OGD								
CE 501106 PAY - Students								
CE 501107 EXPENSES/CHARGES FOR INTERCHANGE CANADA								
CE 501122 OTHER TERMINATION BENEFITS (NON MEMBERS)								
CE 501154 GOVERNMENT EMPLOYEES COMPENSATION - HRSDC								
CE 501181 OTHER ALLOWANCES AND BENEFITS (PSE)								
CE 502099 RECOVERIES FOR SECONDMENTS NON-OGD								
CE 502100 RECOVERIES FOR SECONDMENTS (CREDITS) PSE - OGD								
CE 502105 ADDITIONAL OR SPECIFIC DUTIES PERFORMED (NON-MEMBERS)								
CE 502202 RETROACTIVE PAY - PRIOR YEAR								
CEG 10 - PAY - PUBLIC SERVICE EMPLOYEES - TOTAL:								
CEG 11 - OVERTIME - P/S								
CE 500106 SEVERANCE PAY								
CE 500134 MAT/PAT ALLOW								
CE 501158 PAY IN LIEU OF LEAVE								
CE 501169 PAY IN LIEU OF SEVERANCE								
CE 501070 TRANSITION PAYMENT								
CEG 12 - ALLOWANCES P/S: Incl. CE 500169 LIQUIDA								
CEG 13 - STUDENT PROGRAMS - PS & MEMBERS								
CE 500108 MEAL ALLOWANCE (OVERTIME)								
CE 500109 MEAL ALLOWANCE (G.S. GROUP)								
CE 500189 PARKING ALLOWANCE SENIOR MANAGEMENT								
CE 500190 RETENTION PAY TRANSFERABLE								
CE 500191 RETENTION PAYMENT NON-TRANSFERABLE								
CE 500192 TURNKEY PAYMENT TRANSFERABLE								
CE 500193 TURNKEY PAYMENT NON - TRANSFERABLE								
CE 500194 CONTRACTING OUT PAYMENT TRANSFERABLE								
CE 500195 CONTRACTING OUT PAYMENT NON - TRANSFERABLE								
CE 500196 PAY IN LIEU OF UNFULFILLED SURPLUS PERIOD								
CE 500197 SEPARATION BENEFIT TRANSFERABLE								
CE 500198 SEPARATION BENEFIT NON - TRANSFERABLE								
CEG 14 - PAY PUBLIC SERVICE - OTHER								
CE 500144 TEMPORARY / CIVILIAN EMPLOYEE (TCE)								
CE 500145 PAY OUT OF VACATION (TCE)								
CE 500147 SHIFT DIFFERENTIAL (TCE)								
CE 500156 TEMPORARY CIVILIAN EMPLOYEE (TCE) < 6	-2,255							
CE 500165 I.P. ENVIRONMENT ALLOWANCE (TCE)								
CE 500166 I.P. LIVING COST DIFFERENTIAL (TCE)								
CE 500167 I.P. FUEL AND UTILITIES (TCE)								
CE 500169 PAY EQUITY ALLOWANCE (TCE)								
CE 500170 RETRO PAY (TCE)								
CE 501139 BILINGUAL BONUS (TCE)								
CE 501140 VACATION PAY (TCE)								
CE 501141 OVERTIME (TCE)								
CE 501144 PAY - RESERVIST (see CEG 1194)								
CEG 20 - TEMP. CIVILIAN EMPLOYEES & CASUALS	-2,255							
CEG 21 - GUARDS & MATRONS								
CE 500149 REGULAR PAY INT. MONITORS > 6 MONTHS	102233.53							
CE 500187 REGULAR PAY INT. MONITORS < 6 MONTHS	99978.71							
CE 501160 BILINGUAL BONUS - INT. MONITORS								
CE 501161 OVERTIME - INT. MONITORS								
CE 501162 RETRO PAY - INT. MONITORS								
CE 501163 VACATION PAY - INT. MONITORS								
CE 501164 PAY OUT OF VACATION - INT. MONITORS								
CE 501165 SHIFT DIFF. - INT. MONITORS								
CE 501166 CREDITS - INT. MONITORS								
CEG 22 - INTELLIGENCE MONITORS								
CEG 30 - PAY - MEMBERS:								
CE 500110 - REGULAR PAY	2,177,984	2,287,096	2,716,109	2,873,538	3,037,141	3,113,069	3,190,896	3,270,668
CE 500112 - RETROACTIVE PAY								
CE 500113 - ACTING PAY	3,391	13,928	9,000	9,135	9,272	9,411	9,552	9,696
CE 500114 - SERVICE PAY	65,954	66,024	70,000	73,500	77,175	81,034	85,085	89,340
CE 500117 - SHIFT DIFFERENTIAL	40,304	32,441	38,760	39,535	40,326	41,132	41,955	42,794
CE 500118 - EMERGENCY SALARY ADVANCE - MEMBE								
CE 500119 - PERFORMANCE AWARD								
CE 500121 - PLAINCLOTHES								
CE 500122 - KIT UPKEEP								

COURTENAY 2017/18 to 2021/22 Fiscal Estimates	COURTENAY 14/15 Final	COURTENAY 15/16 Pre-Final	COURTENAY 16/17 Budget	COURTENAY 17/18 Estimates	COURTENAY 18/19 Estimates	COURTENAY 19/20 Estimates	COURTENAY 20/21 Estimates	COURTENAY 21/22 Estimates
CONTRACT STRENGTH ACTUAL / FUNDED STRENGTH	30.4 25.77	30.40 27.12	30.4 30.4	31.4 31.4	32.4 32.4	32.4 32.4	32.4 32.4	32.4 32.4
COST ELEMENT GROUP (CEG)								
CE 500123 - FOREIGN SERVICE - MEMBERS								
CE 500130 - AIRCREW RESPONSIBILITY - MEMBERS								
CE 500148 - CADET ALLOWANCE								
CE 500154 - DESIGNATED PAID HOLIDAYS - PART TIME		9,848	10,000	10,150	10,302	10,457	10,614	10,773
CE 500160 - LP: ENVIRO. ALLOWANCE-MEMBERS								
CE 500161 - LP: LIVING COST DIFF. - MEMBERS								
CE 500162 - LP: FUEL AND UTILITIES - MEMBERS								
CE 500163 - LOCAL MARKET ALLOWANCE								
CE 500164 - SENIOR CST ALLOWANCE	57,243	60,100	65,000	66,625	68,291	69,998	71,748	73,542
CE 500168 - YELLOWKNIFE ACCOM. ALLOWANCE								
CE 500171 - PAY EQUITY ALLOWANCE - C/M								
CE 501102 - CHARGES FOR SECONDMENTS IN - OGD								
CE 501105 - EDUCATION ALLOW. - NURSES								
CE 501115 - WFA PAYMENTS								
CE 501127 - RETRO PAY - PRIOR YEARS								
CE 501131 - CADET TRAINDER ALLOWANCE		1,029						
CE 501133 - TERMINABLE ALLOWANCE - MEMBERS								
CE 501134 - PAY IN LIEU OF LEAVE - ACTIVE MEMBER								
CE 501138 - CADET INSURANCE								
CE 501157 - LUMP SUM PAYMENT ON APPT. - SENIOR C								
CE 501159 - IPA FIXED RATE VTA PAYMENT - MEMBER								
CE 501167 - EDUCATION ASSISTANCE / ALLOWANCE								
CE 501194 - REGULAR TIME RESERVISTS	102,234	120,827	95,000	100,000	103,000	106,090	109,273	112,551
CE 501198 - BILINGUAL BONUS - Current		2,697	2,500					
CE 501200 - SHELTER COST DIFFERENTIAL								
CE 502102 - RECOVERIES FOR SECONDMENTS OUT								
CE 502103 - OPERATIONAL CLOTHING ALLOWANCE	3,471	15,532	10,000	10,300	10,600	10,600	10,600	10,600
CE 502104 - OTHER PAY ALLOWANCES								
MISC. CE's incl. under CEG 30		10,871	10,000	10,150	10,302	10,457	10,614	10,773
CEG 30 - PAY - MEMBERS - TOTAL	2,450,580	2,609,515	3,016,369	3,182,783	3,356,106	3,441,791	3,529,723	3,619,963
CEG 31 - OVERTIME - MEMBERS	227,109	328,574	305,325	312,958	320,782	328,802	337,022	345,447
CEG 32 - PAY - MEMBERS (POLICY CENTRE) Credit Item	49,137	7,881						
CEG 33 - RCMP PAY - OTHER								
CE 500124 - LANGUAGE								
CE 500126 - HOME LEAVE								
CE 500138 - ACDP INCIDENTAL EXPENSES								
CE 500139 - RETRO NON-REPORTABLE DEATH SET								
CE 500188 - PARKING ALLOWANCE SR: MANAGEME								
CE 501125 - NON-ELIGIBLE RETIRING ALLOWANCE								
CE 501129 - SHIFT DIFFERENTIAL - PRIOR YEAR								
CE 501132 - CADET TRAINDER ALLOW. ADJUSTMEN								
MISC. CE's incl. under CEG 33								
CEG 33 - PAY - MEMBERS - OTHER - TOTAL:								
CEG 40 - ALLOWANCES - INTRA MEMBERS (Credit Item)	21,519	21,177						
CEG 41 - ALLOWANCES - INTER MEMBERS (Credit Item)	6,842							
CEG 45 - PERSONNEL - OPERATIONAL CONTINGENCY								
TOTAL STD OBJ. 01 - PERSONNEL	2,752,933	2,967,148	3,321,694	3,495,741	3,676,889	3,770,593	3,866,745	3,965,410

STD OBJ. 02 - TRANSPORTATION & TELECOM

CEG 50 - TRAVEL	16,329	21,307	28,840	29,705	30,596	31,514	32,460	33,433
CEG 51 - TRAVEL ADVANCES								
CEG 52 - TRAINING TRAVEL (DCCEG)	15,552	23,519	17,000	22,100	22,900	23,700	24,500	25,400
CEG 53 - TRAINING TRAVEL (POST)	4,542	7,862	11,592	11,940	12,298	12,667	13,047	13,438
CEG 54 - IPA & FSD TRAVEL								
CEG 55 - CENTRALIZED TRAINING TRAVEL								
CEG 60 - RELOCATION - OFFICER STAFFING								
CEG 61 - RELOCATION - REGIONAL DIV. STAFFING	129,667	175,775						
CEG 62 - RELOCATION - INTERNATIONAL								
CEG 63 - RELOCATION - CENTRALIZED STAFFING								
CEG 64 - RELOCATION - RECRUITS								
CEG 65 - INTRANSIT INS/LONG TERM STORAGE/HEAR	2,081	474						
CEG 66 - TEMPORARY DUAL RESIDENCE ALLOWANC								
CEG's 60-66 - TRANSFER COSTS (Credit Item)	131,749	176,249						
CEG 70 - FREIGHT, POSTAGE, ETC.	4,458	7,538	8,480	8,734	8,996	9,266	9,544	9,831
CE 500226 - TELEPHONE & OTHER VOICE SERVICES								
CE 500227 - TELEPHONE GTIS								
CE 500228 - ALL TELEPHONE CONFERENCING EXPENS								
CE 500229 - DIGITAL COMMUNICATIONS SERVICES								
CE 500230 - DATA COMM. SVCS (excl. COMMON CARRI								
CE 500231 - VOICE COMMUNICATIONS SVCS								
CE 500232 - DATA COMM. SVCS								
CE 500233 - IMAGE/VIDEO COMMUNICATIONS SVCS								
CEG 100 - TELEPHONE SERVICES (DCCEG)								
CE 500235 - TOLLS - (incl. FAX)								
CE 500236 - CELL PHONE EXPENSES								
CEG 101 - TELEPHONE SERVICES (POST)								
CEG 140 - COMPUTER COMM SERVICES								
TOTAL STD OBJ. 02 - TRANSPORT & TELECOM	172,629	236,474	65,912	72,479	74,791	77,147	79,551	82,102

STD OBJ. 03 - INFORMATION

CEG 120 - ADVERTISING	1,025	580	600	600	600	600	600	600
CEG 130 - PUBLICATIONS SERVICES	791	154	175	175	175	175	175	175
TOTAL STANDARD OBJ. 03 - INFORMATION	1,815	735	775	775	775	775	775	775

STD OBJ. 04 - PROFESSIONAL & SPEC. SVCS

CEG 160 - LEGAL SERVICES (Credit Item)	29,784	17,823						
CEG 170 - CONTRACTED SERVICES (DCCEG)	0							
CEG 171 - CONTRACTED SERVICES (Post)								
CEG 190 - TRAINING & SEMINARS (DCCEG)	23,207	53,881	40,000	55,000	56,900	58,900	61,000	63,100
CEG 191 - TRAINING & SEMINARS (POST)	3,338	92	3,000	3,090	3,183	3,278	3,377	3,478
CEG 192 - OFFICIAL LANGUAGE TRAINING								
CEG 200 - HEALTH SERVICES MEMBERS (Credit Item)								
CEG 201 - HEALTH SERVICES - OTHERS (Credit Item)								
CEG 202 - HEALTH SERVICES - PENSIONERS (Credit Item)								

COURTENAY 2017/18 to 2021/22 Fiscal Estimates	COURTENAY 14/15 Final	COURTENAY 15/16 Pre-Final	COURTENAY 16/17 Budget	COURTENAY 17/18 Estimates	COURTENAY 18/19 Estimates	COURTENAY 19/20 Estimates	COURTENAY 20/21 Estimates	COURTENAY 21/22 Estimates
CONTRACT STRENGTH	30.4	30.40	30.4	31.4	32.4	32.4	32.4	32.4
ACTUAL / FUNDED STRENGTH	25.77	27.12	30.4	31.4	32.4	32.4	32.4	32.4
COST ELEMENT GROUP (CEG)								
CEG 210 - PROTECTION SERVICES								
CEG 213 - CORPS OF COMMISSIONAIRES								
CEG 218 - CONTAMINATED SITES								
CEG 219 - PROFESSIONAL SERVICES	37,960	32,296	50,000	51,500	53,045	54,636	56,275	57,964
CEG 220 - OTHER SERVICES	6,430	6,906	6,600	6,798	7,002	7,212	7,428	7,651
CE 500472 - IM/IT COMPUTER SERVICES								
CE 500476 - IM/IT CONSULTING SERVICES								
CE 502451 - INTERNET SERVICES (SSC)								
CE 500453 - IT CONSULTANTS DCE								
CE 500454 - IT CONSULTANTS - ADDM								
CE 500456 - IT CONSULTANTS - IT SECURITY SERVICES								
CE 500457 - IT CONSULTANTS - IT PROGRAM MGMT, SVCS								
CE 500470 - IT SOLUTIONS/DELIVERABLES - DCE								
CE 500471 - IT SOLUTIONS/DELIVERABLES - ADDM								
CE 500472 - IT SOLUTIONS/DELIVERABLES - IT SECURITY SVCS								
CE 500473 - IT CONSULTING - IT PROG. IT MGMT.SVCS								
CE 500474 - IM CONSULTANTS								
CE 502477 - SOFTWARE MAINTENANCE								
CE 500478 - SSC INFORMATION TECHNOLOGY SERVICES								
CEG 221 - OTHER SERVICES IM/IT	2,201	2,517	2,500	2,550	2,601	2,653	2,706	2,760
CEG 223 - RADIO COMMUNICATION SYSTEMS	31,049	38,215	37,340	38,800	39,576	40,368	41,175	41,998
CEG 228 - CADC SPENDING OF PROCEEDS								
CEG 229 - CADC ALLOCATED (Credit Item)	-1,525	-9,915						
CEG 230 - DIV FUND TRANSFER								
CEG 231 - DCM FUND TRANSFER								
CEG 232 - O&M OPERATIONAL CONTINGENCY								
CEG 233 - CORPORATE CONTINGENCY								
TOTAL STANDARD OBJ. 04 - PROFESSIONAL & SPEC SVCS	132,444	141,816	139,440	157,738	162,307	167,047	171,961	176,951

STD OBJ. 05 - RENTALS

CEG 240 - RENTAL-LAND,BLDG & WORKS (DCCEG)								
CEG 241 - RENTAL-LAND,BLDG & WORKS (POST)	3,675							
CEG 250 - RENTAL COMNS EQUIP (DCCEG)								
CEG 251 - RENTAL COMNS. EQUIP (POST)								
CEG 258 - RENTAL MOTORIZED VEHICLES	138	1,015						
CEG 260 - RENTAL OF CONVEYANCE								
CEG 261 - LEASING OF AIRCRAFT								
CEG 265 - LEASED VEHICLES								
CEG 280 - RENTAL COMPUTER EQUIP	434	1,813	2,000	2,060	2,122	2,185	2,251	2,319
CEG 290 - RENTAL - OTHERS	8,577	6,739	9,274	9,552	9,839	10,134	10,438	10,751
TOTAL STANDARD OBJ. 05 - RENTALS	12,824	9,567	11,274	11,612	11,961	12,320	12,689	13,070

COURTENAY 2017/18 to 2021/22 Fiscal Estimates	COURTENAY 14/15 Final	COURTENAY 16/16 Pre-Final	COURTENAY 16/17 Budget	COURTENAY 17/18 Estimates	COURTENAY 18/19 Estimates	COURTENAY 19/20 Estimates	COURTENAY 20/21 Estimates	COURTENAY 21/22 Estimates
CONTRACT STRENGTH	30.4	30.40	30.4	31.4	32.4	32.4	32.4	32.4
ACTUAL / FUNDED STRENGTH	25.77	27.12	30.4	31.4	32.4	32.4	32.4	32.4
COST ELEMENT GROUP (CEG)								

STD OBJ. 06 - PURCHASE, REPAIR AND MAINT

CEG 310 - REPAIR OF BUILDINGS & WORKS								
CEG 311 - REPAIR OF BUILDINGS & WORKS								
CEG 350 - REPAIR SHIPS & BOATS								
CEG 360 - REPAIR OF AIRCRAFT								
CEG 370 - REPAIR OF VEHICLES	42,850	35,586	45,000	46,350	47,741	49,173	50,648	52,167
CEG 380 - REPAIR OF OFFICE & LAB EQUIP	315							
CEG 390 - REPAIR OF MISC. EQUIP	3,951	5,075	5,000	5,150	5,305	5,464	5,628	5,796
CEG 392 - REPAIR OF AFIS EQUIP								
CEG 393 - REPAIR OF EDP EQUIPMENT	62	468	500	515	530	546	563	580
TOTAL STANDARD OBJ. 06 - PURCHASE, REPAIR AND MAINT	47,178	41,129	50,500	52,015	53,575	55,183	56,838	58,543

STD OBJ. 07 - UTIL, MATERIAL AND SUPPLIES

CEG 400 - UTILITIES	0	0	0	0	0	0	0	0
CEG 430 - FUEL	57,386	50,572	60,000	61,800	63,654	65,564	67,531	69,556
CEG 470 - PHOTOGRAPHIC GOODS	1,135	391	1,440	1,483	1,528	1,574	1,621	1,669
CEG 500 - STATIONERY	13,671	14,345	25,500	26,265	27,053	27,865	28,700	29,561
CEG 510 - CLOTHING & KIT	15,512	12,566	19,350	19,931	20,528	21,144	21,779	22,432
CEG 530 - LAB SUPPLIES								
CEG 540 - POST BUDGET EXPENDITURES	18,648	32,580	63,750	65,663	67,632	69,661	71,751	73,904
CEG 541 - ACQUISITION CREDIT CARDS								
CEG 550 - HOUSE FURNISHINGS								
CEG 630 - MESS PURCHASES								
CEG 640 - MESS CREDITS								
TOTAL STD OBJ. 07 - UTIL, MATERIAL AND SUPP	106,352	110,454	170,040	175,141	180,396	185,807	191,382	197,123

STANDARD OBJ. 08 - CONSTR./ACQ. OF BLDGS. & WORKS FOR ASSET OF ACQ. < 10K OR ASSETS UNDER CONSTR.:

- CEG 700 - ACQUISITION OF LAND
- CEG 710 - ACQUISITION AND/OR CONSTRUCTION OF WORKS
- CEG 720 - ACQUISITION AND/OR CONSTRUCTION OF ADMIN. BUILDINGS
- CEG 730 - ACQUISITION AND/OR CONSTRUCTION OF OPERATIONAL BUILDINGS
- CEG 740 - ACQUISITION AND/OR CONSTRUCTION OF RESIDENTIAL BUILDINGS
- CEG 799 - CAPITAL LEASES BUILDINGS

TOTAL STANDARD OBJ. 08 - CONSTR./ACQ. OF BLDGS. & WORKS FOR ASSET OF ACQ. < 10K OR ASSETS UNDER CONSTR.:

STD OBJ. 09 - MACHINERY & EQUIP ACQ<\$10,000

CEG 440 - TRANSPORT SUPPLIES	11,912	557	5,464	5,573	5,684	5,798	5,914	6,032
CEG 441 - VEHICLE CHANGEOVERS	9,703	18,112	48,690	24,750	25,500	26,250	26,250	26,250
CEG 450 - COMMS PARTS & CONSUMABLES	989	2,551	2,700	2,781	2,864	2,950	3,039	3,130
CEG 480 - FIREARMS & AMMUNITION	8,398	20,118	6,156	9,418	9,701	9,992	10,292	10,600
CEG 770 - COMMS. SYSTEMS (CAPITAL)	5,664	14,538	16,000	16,480	16,974	17,484	18,008	18,548
CEG 771 - COMMS. EQUIPMENT	182	341	405	417	429	442	455	469
CEG 810 - LABORATORY EQUIP.								
CEG 811 - SOFTWARE DEVELOPMENT - NON SALARY								
CEG 812 - SOFTWARE DEVELOPMENT - SALARY								
CEG 820 - PHOTOGRAPHIC EQUIP								
CEG 821 - AFIS EQUIP		24,250						
CEG 822 - IDENT EQUIP.								
CEG 830 - FURNITURE & FIXTURES								
CEG 840 - COMPUTER EQUIPMENT (CAPITAL)								
CEG 841 - COMPUTER EQUIP.	34,662	11,905	16,300	16,600	17,098	17,611	18,139	18,683
CEG 842 - COMPUTER S/WARE - INFORMATICS								
CEG 845 - SPECIALIZED EQUIPMENT								
CEG 850 - AUDIO VISUAL AIDS								
CEG 860 - INVESTIGATIONAL EQUIP.	9,693		5,000	5,150	5,305	5,464	5,628	5,796
CEG 870 - SHIPS AND BOATS (CAPITAL)								
CEG 871 - MISC. BOATS								
CEG 880 - AIRCRAFT (CAPITAL)								
CEG 890 - VEHICLES (CAPITAL)	93,148	105,935	94,000	66,000	68,000	70,000	70,000	70,000
CEG 891 - MISC. VEHICLES								
CEG 900 - OTHER EQUIP.	915		4,371	4,502	4,637	4,776	4,919	5,067
CEG 910 - OFFICE MACHINES	9,708	6,912	8,239	8,486	8,741	9,003	9,273	9,551
CEG 920 - SECURITY EQUIP.	53,513		1,126	1,148	1,171	1,194	1,218	1,243
TOTAL STD OBJ. 09 - MACHINERY & EQUIPMENT	238,487	205,218	208,449	181,305	166,104	170,964	173,136	175,371

STD OBJ. 12 - OTHER SUBSIDIES & PAYMENTS

CEG 570 - PRISONER EXPENSES								
CEG 580 - SECRET EXPENSES	2,850	3,393	5,000	5,000	5,000	5,000	5,000	5,000
CEG 581 - SPECIAL "I" EXPENDITURES								
CEG 590 - MISC EXPEND	-163	26						
CEG 591 - DISCOUNT FOR EARLY PAYMENT								
CEG 592 - PAYMENT IN LIEU OF TAXES	0							
CEG 600 - FOREIGN SERVICE								
CEG 620 - CLAIMS and COMP.SETTLEMENTS (Credit Item)		191,389						
CEG 650 - WRITE-OFF								
TOTAL STD OBJ. 12 - OTHER SUBSIDIES & PMTS	2,686	194,809	5,000	5,000	5,000	5,000	5,000	5,000

TOTAL DIRECT COSTS (Before Credits & Adjustments):	3,467,349	3,907,349	3,973,085	4,131,807	4,331,797	4,444,836	4,558,076	4,674,346
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LESS - YEAR TO DATE CREDITS

SO 01 - CEG 32 - Medical Leave / Suspension > 30 days	49,137	7,881						
SO 01 - CEG 40 & 41 -Transfer Allowances	28,362	21,177						
SO 02 - CEG's 60-66 Transfer Cost	131,749	176,249						
100% SHARED SERVICES CANADA - (Various CEGs)								
SO 04 - CEG 160 - Legal Services	29,784	17,823						
SO 04 - CEG's 200, 201 & 202 - Health Services								
SO12 - CEG 620 - Compensation Claims/Ex-Gratia		191,389						
ICBC Repairs to Police Vehicles Credit								
Refund of Credits under CE 1691								
TOTAL CREDITS	239,031	414,520						

COURTENAY 2017/18 to 2021/22 Fiscal Estimates	COURTENAY 14/15 Final	COURTENAY 15/16 Pre-Final	COURTENAY 16/17 Budget	COURTENAY 17/18 Estimates	COURTENAY 18/19 Estimates	COURTENAY 19/20 Estimates	COURTENAY 20/21 Estimates	COURTENAY 21/22 Estimates
CONTRACT STRENGTH	30.4	30.40	30.4	31.4	32.4	32.4	32.4	32.4
ACTUAL / FUNDED STRENGTH COST ELEMENT GROUP (CEG)	25.77	27.12	30.4	31.4	32.4	32.4	32.4	32.4
TOTAL DIRECT COSTS	3,228,318	3,492,829	3,973,085	4,131,807	4,331,797	4,444,836	4,558,076	4,674,346

COURTENAY 2017/18 to 2021/22 Fiscal Estimates	COURTENAY 14/15 Final 30.4	COURTENAY 15/16 Pre-Final 30.40	COURTENAY 16/17 Budget 30.4	COURTENAY 17/18 Estimates 31.4	COURTENAY 18/19 Estimates 32.4	COURTENAY 19/20 Estimates 32.4	COURTENAY 20/21 Estimates 32.4	COURTENAY 21/22 Estimates 32.4
CONTRACT STRENGTH ACTUAL / FUNDED STRENGTH COST ELEMENT GROUP (CEG)	25.77	27.12	30.4	31.4	32.4	32.4	32.4	32.4
ADJUSTMENTS TO DIRECT COSTS (See 'A' below)	-14,619							
TOTAL DIRECT COSTS AFTER ADJUSTMENTS:	3,213,699	3,492,829	3,973,085	4,131,807	4,331,797	4,444,836	4,558,076	4,674,346
INDIRECT COSTS (Summary)								
1) RM Pensions	465,529	548,413	647,769	684,101	722,452	740,951	759,935	779,416
2) RM CPP	62,857	67,700	77,725	82,343	87,090	89,267	91,499	93,786
3) Employer's Contr. to E.I. for RM's	28,824	31,039	35,723	37,753	39,929	40,928	41,951	43,000
4) Division Administration (per cap x avg.# RM's)	581,459	648,289	750,880	828,960	887,760	920,160	955,800	991,440
5) Recruitment & Training	90,197	105,915	132,939	154,425	163,944	163,944	163,944	163,944
6) National Programs	64,735	68,518	76,873	79,496	82,112	82,198	82,285	82,374
7) Police Dog Service Training		19,588	19,452	17,663	17,450	17,450	17,450	17,450
8) Amortization of Equipment > \$150,000 @ 10%								
9) Reservists - CPP & EI	3,816	5,043	3,969	4,174	4,299	4,428		
TOTAL INDIRECT COST	1,297,415	1,494,505	1,745,331	1,888,916	2,005,036	2,059,326	2,112,863	2,171,409
TOTAL COSTS (Direct + Indirect) @ 100%	4,511,114	4,987,333	5,718,416	6,020,724	6,336,833	6,504,162	6,670,939	6,845,755
FEDERAL COST 10 %	451,111	498,733	571,842	602,072	633,683	650,416	667,094	684,576
MUNICIPAL POLICING COSTS 90%	4,060,003	4,488,600	5,146,574	5,418,651	5,703,150	5,853,745	6,003,845	6,161,180
SPECIALIZED POLICE OPERATIONS 90%								
MUNICIPAL COSTS - 100 % (Schedule 3B & 3C)	754,833	776,570	835,760	877,589	881,977	886,386	890,818	895,273
TOTAL MUNICIPAL POLICING COSTS 90% & 100%	4,814,836	5,265,170	5,982,334	6,296,240	6,585,126	6,740,132	6,894,664	7,056,452

5,146,574

FTE - FULL TIME EQUIVALENTS

RM / CM - ESTABLISHED	25.77	27.12	30.4	31.4	32	32	32	32
RM / CM - FUNDED								
IM's								
TCE's	(0.04)	-	-	-	-	-	-	-
RESERVISTS	1.14	1.32	1.02	1.04	1.05	1.05	1.06	1.06
PSE's	7.31	8.25	8.25	8.25	8.25	8.25	8.25	8.25

SPECIALIZED POLICE OPERATIONS

INTEGRATED TEAMS								
IHIT								
LMD ERT								
LMD FIS								
LMD PDS								
ISLAND ICARS								
LMD III								
TOTAL INTEGRATED TEAMS - 90%								
** Estimated net billing reduction if IHIT is billed under the Provincial Contract @ 70%								
REAL TIME INTELLIGENCE CENTRE (RTIC)								
TOTAL SPECIALIZED POLICE OPERATIONS								

INDIRECT COSTS - REGULAR & CIVILIAN MEMBERS

1) Pensions (Total Pensionable Earnings)	2,301,181	2,415,917	2,853,609	3,013,663	3,182,606	3,264,101	3,347,729	3,433,550
Pension Rate	20.23%	22.70%	22.70%	22.70%	22.70%	22.70%	22.70%	22.70%
Total Cost of RM/CM Pension	465,529	548,413	647,769	684,101	722,452	740,951	759,935	779,416
2) CPP (Pensionable Earnings) on a Per Capita Cost	2,439	2,496	2,557	2,622	2,688	2,755	2,824	2,895
Total Cost (Per Capita x FTE Utilization)	62,857	67,700	77,725	82,343	87,090	89,267	91,499	93,786
3) Employer's Contr. to E.I. on a Per Capita Cost	1,118	1,144	1,175	1,202	1,232	1,263	1,295	1,327
Total Cost (Per Capita x FTE Utilization)	28,824	31,039	35,723	37,753	39,929	40,928	41,951	43,000
4) Division Administration on a Per Capita Cost	22,563	23,902	24,700	26,400	27,400	28,400	29,500	30,600
Total Cost of Div. Administration	581,459	648,289	750,880	828,960	887,760	920,160	955,800	991,440
5) Recruitment & Training								
Per Capita Cost of Recruitment	3,500	2,880	3,192	3,560	3,661	3,661	3,661	3,661
Per Capita Cost of Training	1,025	1,025	1,181	1,358	1,399	1,399	1,399	1,399
Total Cost of Recruitment & Trng	90,197	105,915	132,939	154,425	163,944	163,944	163,944	163,944
6) Other National Indirects Per Capita (Addendum 'A')	2,512	2,526	2,529	2,532	2,534	2,537	2,540	2,542
Total Cost (Per Capita x FTE Utilization)	64,735	68,518	76,873	79,496	82,112	82,198	82,285	82,374
7) Police Dog Svc. Trng. as a Per Cap. cost	-	27,983	27,788	25,233	24,928	24,928	24,928	24,928
Total Cost (Per cap X PD Teams) - COURTENAY=70%		19,588	19,452	17,663	17,450	17,450	17,450	17,450
8) Amortization of Equipment costing > \$150,000								
10% of Original Acquisition Cost								
b. Interest on Unpaid Equipment Balance								
Interest @ 10%								
10) Cost of ERC/PCC								
Total Cost of E.R.C./P.C.....								
TOTAL INDIRECT COSTS - RM's & CM's	1,293,600	1,489,461	1,741,362	1,884,743	2,000,737	2,054,897	2,112,863	2,171,409

INDIRECT COSTS - RESERVISTS	FTE	1.14	1.32	1.02	1.04	1.05	1.05	1.06	1.06
a) Cost of TCE/IM Pensions (pensionable items)		(2,255)	-	-	-	-	-	-	-
x Pension Rate		11.80%	12.70%	11.80%	11.80%	11.80%	11.80%	11.80%	11.80%
Total Cost of TCE/IM Pension.....		(266)	-	-	-	-	-	-	-
a) CPP for Reservist on a Per Capita Cost..									
a) CPP for Reservist on a Per Capita Cost..		2,439	2,496	2,557	2,622	2,688	2,755	2,824	2,895

COURTENAY 2017/18 to 2021/22 Fiscal Estimates	COURTENAY 14/15 Final	COURTENAY 15/16 Pre-Final	COURTENAY 16/17 Budget	COURTENAY 17/18 Estimates	COURTENAY 18/19 Estimates	COURTENAY 19/20 Estimates	COURTENAY 20/21 Estimates	COURTENAY 21/22 Estimates
CONTRACT STRENGTH ACTUAL / FUNDED STRENGTH COST ELEMENT GROUP (CEG)	30.4 25.77	30.40 27.12	30.4 30.4	31.4 31.4	32.4 32.4	32.4 32.4	32.4 32.4	32.4 32.4
Total Cost (Per Capita x FTE)	2,673	3,306	2,598	2,736	2,818	2,903	2,990	3,080
b) Employer's Contr. to E.I. on a Per Capita Cost..	1,285	1,311	1,350	1,378	1,412	1,448	1,484	1,521
Total Cost (Per Capita x FTE)	1,408	1,737	1,372	1,438	1,481	1,525	1,571	1,618
TOTAL INDIRECT COSTS - RESERVISTS	3,816	5,043	3,969	4,174	4,299	4,428	4,561	4,698
TOTAL INDIRECT COSTS	1,297,415	1,494,505	1,745,331	1,888,916	2,005,036	2,059,326	2,117,424	2,176,107

ADDENDUM 'A'								
NATIONAL PROGRAMS:								
Cadet Training (effective 2015/16)								
Cadet Recruiting (effective 2015/16)								
Police Dog Service Training (see Indirects above)								
OTHER INDIRECT COSTS								
Public Complaints Committee (PCC)	476	494	494	494	494	494	494	494
Legal Advisory Services	167	169	172	174	177	179	182	185
Enhanced Reporting & Accountability	120	120	120	120	120	120	120	120
Estimated Annual Severance	1,023	1,023	1,023	1,023	1,023	1,023	1,023	1,023
CONSOLIDATED SERVICES								
Shared Services Canada (SSC)	726	721	721	721	721	721	721	721
Accounting Operations								
Pay & Compensation								
TOTAL PER CAPITA COST (Indirects #6)	2,512	2,526	2,529	2,532	2,534	2,537	2,540	2,542

FISCAL YEAR TO CALENDAR YEAR CONVERSION TABLE								
Calendar Year	2014	2015	2016	2017	2018	2019	2020	2021
Fiscal Year Total Current	4,814,836	5,265,170	5,982,334	6,296,240	6,585,126	6,740,132	6,894,664	7,056,452
Fiscal per Qtr Current	1,203,709	1,316,293	1,495,584	1,574,060	1,646,282	1,685,033	1,723,666	1,764,113
Fiscal Year Total Prior Year	3,504,318	4,814,836	5,265,170	5,982,334	6,296,240	6,585,126	6,740,132	6,894,664
Fiscal per Qtr Prior Year	876,080	1,203,709	1,316,293	1,495,584	1,574,060	1,646,282	1,685,033	1,723,666

Calendar								
Jan - Mar	876,080	1,203,709	1,316,293	1,495,584	1,574,060	1,646,282	1,685,033	1,723,666
Apr - June	1,203,709	1,316,293	1,495,584	1,574,060	1,646,282	1,685,033	1,723,666	1,764,113
Jul - Sept	1,203,709	1,316,293	1,495,584	1,574,060	1,646,282	1,685,033	1,723,666	1,764,113
Oct - Dec	1,203,709	1,316,293	1,495,584	1,574,060	1,646,282	1,685,033	1,723,666	1,764,113
City Calendar Year Total	4,487,206	5,152,587	5,803,043	6,217,764	6,512,905	6,701,381	6,856,031	7,016,005

Colour Legend

Red = Post Budget CEG controlled by OIC

Black = Division Controlled CEG (DCCEG)

Blue lettering = Standard Object (SO)

Blue background = CEG credited to Direct Costs

**NOTES & ASSUMPTIONS for 2017/18
Municipal Contracts**

Our terminology for the grouping of General Accounts:

- Cost Element Group (CEG)
- Cost Element (CE)

NOTES ON DIRECT COSTS

CEG 30 - RCMP Members Pay

CE 110 - Regular Pay

- 2.50% estimated salary increase for each future year
- Beginning in 2014/15, the majority of intelligence monitors are included in Member Pay. Indirects will be charged based on FTE equivalent at Member rates.
- The Civilian Member (CM) category of employee will be eliminated, as per Bill C-42. The timing and impacts of this change are uncertain, therefore CMs have been forecasted based on the status quo.
- New cadets spend an additional two weeks at Depot receiving additional training, which is charged to the receiving unit.

CE 1127 – Retro Pay – Prior Years

Once new pay agreements are reached, retroactive payments may be made in the 2016/17 fiscal year. A provision for this was not included in the 2016/17 budget, but it was communicated in the 2016/17 Multi-Year Plan package. Please see Appendix B for a per member estimate of retroactive pay.

CE 2103 - Operational Clothing Allowance

On January 13, 2016, the Treasury Board of Canada Secretariat approved the new list of job codes eligible for the Operational Clothing Allowance (OCA), retroactive to April 1, 2013. This will result in slightly decreased savings going forward. Average retroactive impact is under \$10,000 for 95% of municipalities.

CEG 052 – Travel – Training

Significant increase over 2016/17 budget is due to new training requirements for Immediate Action Rapid Deployment (IARD) and carbine training. On average, the increase is 20% from 2015/16 to 2017/18.

CEG 190 – Training

Significant increase over 2016/17 budget is due to new training requirements following recommendations of recent critical incidents such as the Moncton shootings. This training includes Immediate Action Rapid Deployment (IARD), Operational Skills Training, and carbine training. New enhanced training will begin in 2016-17 but will be absorbed in the already-approved budget by reducing other discretionary training. Going forward, all new cadets will be fully trained at Depot for carbines and IARD instead of having to return for additional training. The receiving unit will pay for these training costs, as they do for

SCHEDULE 2

members of their detachment. The budget for increased training requirements has been put into 2017/18. On average, the increase is 20% from 2015/16 to 2017/18.

CEG 480 – Firearms/Ammunition

Increase budget allotted in 2017/18 due to continued carbine deployment and expected increases in ammunition used for practice and training requirements.

CEG 221 – Other Services IMIT

The forecast includes the Central Transcription Unit (CTU) costs. CTU was formed in 2006 to provide 24/7 Helpdesk and Transcription services.

CEG 223 – Radio Communications

Forecasts for ECOMM and PRIME are included here. Those municipalities on ECOMM will see a slight increase related to replacing loan radios. Municipal radio repair technician positions are also included here.

CEG 920 – Security Equipment

Installation and equipment costs for Closed Circuit Video Equipment (CCVE) will be included here.

DIRECT COST DEDUCTIONS

These are deducted from the Total Direct Cost for each municipality.

Non-billable costs are deducted and paid by the Federal Government:

- CEGs 40 & 41 - Transfer Allowances.
- CEGs 60-66 – Relocation Costs.
- CEG 160 - Legal Services.
- CEG 620 - Claims and Compensation Settlements.

These costs are deducted and included in the Division Administration Costs in the Indirect Costs:

- CEG 32 – Pay Members (Severance, Maternity and Parental allowances).
- CEGs 200-202 - Health Services.

INDIRECT COSTS

With the exception of Member Pension, all costs listed below are charged on a per FTE basis for members.

- Member Pension – 22.70% of pensionable cost element items
- Member Canada Pension Plan - \$2,622
- Employment Insurance - \$1,202

SCHEDULE 2

- Division Administration - \$26,400 – (Please refer to attached schedule 4) - Includes an estimate for E Division HQ @ \$900 per FTE
- A separate calculation is listed for EI and CPP with respect to Reservists (if used).

- Other Indirect Costs:
 - Civilian Review and Complaints Commission (formerly PCC) - \$494
 - Legal Advisory Services - \$174
 - Enhanced Reporting & Accountability - \$120
 - Estimated Annual Severance – Based on annual liability - \$1,023

- Shared Services Canada (SSC) - \$721 – SSC provides telecommunication and email services, networks, data centres, and servers to the RCMP. This rate is based on the historical costs for certain covered services. Units requesting additional services will be billed separately for those services.

Training & Recruiting: Forecasted as a national program starting in 2015/16. For 2017/18 rates are estimated at \$3,560 per FTE for the Cadet Training Program and \$1,358 per FTE for recruiting.

Police Dog Service Training: Forecasted as a national program starting 2015/16 based on established PDS teams in each contract jurisdiction. For 2017/18, the cost is estimated at \$25,233 per PDS team. For Lower Mainland District municipalities, this cost will be included in the Integrated Teams budget.

COSTS BILLABLE AT 100%

The following are some of the items that are billable at 100% per the policing contract:

- Accommodation costs (including occupancy charge) for municipal units in federally owned buildings.
- PS Support staff costs (including backfills, overtime, severance, pension, CPP, etc.).
- Furniture and fixtures.
- House Furnishings
- Prisoner costs (including mattresses and blankets for cells).
- Kit and Clothing for auxiliaries.

Courtenay - 2015-16 Average Salary Data

The table below contains 2015-16 data from Salary Forecasting Tool (SFT) extracted April 2016. It calculates the average salaries incurred by rank for the specific detachment for the fiscal year.

Average Salaries from this table are then grossed up by the annual wage increase percentages to estimate future year average salaries by rank, shown in the following table.

Rank & Step	Data	FTE	Average Salary
1a.RM		26.24	84,745
CST		19.96	82,108 * Adjusted Below
5		19.96	82,108
CPL		3.92	90,361
1		0.59	86,621
2		3.33	91,020
SGT		2.37	97,659
1		0.28	95,153
2		2.09	97,999
1b.CM		0.70	82,171
ADM		0.70	82,171
3		0.70	82,171
Grand Total		26.95	84,677

* CST Salary Rate Adjustment:	% of Max	Salary
(a) Estimated Top CST rate Jan 2015	100.00%	84,160
(b) Avg CST Salary 2014-15:	97.56%	82,108
CST Salary for Forecast *	98.78%	83,134 = (a + b) / 2

* This calculation grosses up the average CST salary due to anticipated lower cadet intake by reducing the variance from AVG CST to TOP COST by 50%

Courtenay - 5 Year Salary Forecast

	2015-16		2016-17		2017-18		2018-19		2019-20		2020-21		
Annual Raise	2.50%		2.50%		2.50%		2.50%		2.50%		2.50%		
Effective Increment for F	2.50%		2.50%		2.50%		2.50%		2.50%		2.50%		
<i>(April to March: applying 9 months @ current year raise + 3 months following year raise)</i>													
	Avg Salary	FTE	Avg Salary	Cost	FTE	Avg Salary	Cost	FTE	Avg Salary	Cost	FTE	Avg Sal	Cost
Regular Members		31.40		\$ 2,803,452	32.40		\$ 2,963,064	33.40		\$ 3,128,905	33.40		\$ 3,207,128
Spl CST	-	-	-	-	-	-	-	-	-	-	-	-	-
CST	85,212	25.40	87,343	2,218,504	26.40	89,526	2,363,492	27.40	91,764	2,514,344	27.40	94,058	2,577,203
CPL	92,620	4.00	94,936	379,743	4.00	97,309	389,237	4.00	99,742	398,967	4.00	102,235	408,942
SGT	100,100	2.00	102,603	205,205	2.00	105,168	210,335	2.00	107,797	215,594	2.00	110,492	220,983
SGT MAJ	-	-	-	-	-	-	-	-	-	-	-	-	-
S/SGT	-	-	-	-	-	-	-	-	-	-	-	-	-
S/SGT MAJ	-	-	-	-	-	-	-	-	-	-	-	-	-
INSP	-	-	-	-	-	-	-	-	-	-	-	-	-
SUPT	-	-	-	-	-	-	-	-	-	-	-	-	-
C/SUPT	-	-	-	-	-	-	-	-	-	-	-	-	-
Civilian Members													
ADM	84,226	-	86,331	-	-	88,490	-	-	90,702	-	-	92,969	-
CMP	-	-	-	-	-	-	-	-	-	-	-	-	-
GTE	-	-	-	-	-	-	-	-	-	-	-	-	-
LIN	-	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total		31.40		\$ 2,803,452	32.40		\$ 2,963,064	33.40		\$ 3,128,905	33.40		\$ 3,207,128
% Variance				5.80%			5.69%			5.60%			2.50%
Average \$/FTE				\$ 89,282			\$ 91,453			\$ 93,680			\$ 96,022
													\$ 98,422

COURTENAY

Incremental estimated costs associated with FTE increase from 16/17 to 17/18

		2017/18
		Cost Per FTE
<u>SALARY & ALLOWANCE PAY</u>		
	Average Cst Salary	89,526
	Allowances	3,500
TOTAL SALARY & ALLOWANCE		\$ 93,026
<u>OPERATING COST</u>		
		40,000
TOTAL COSTS (before Indirect Costs)		\$ 133,026
<u>INDIRECT COSTS</u>		
1) Pensions (Total Pensionable Earnings)		89,526
Pension Rate		22.70%
Total Cost of RM/CM Pension...		\$ 20,322
2) CPP (Pensionable Items) based on a Per Capita Cost of...		2,557
3) Employer's Contributions to EI based on a Per Capita Cost of...		1,175
4) Division Administration based on a Per Capita Cost of...		24,700
5) Total Per Capita Cost of Recruitment & Training...		4,373
6) Cost of National Programs, Other Indirects & Consolidated Services...		2,529
	INDIRECT COSTS	55,656
GRAND TOTAL (at 100%)		\$ 188,682
MUNICIPAL COST TOTAL (at 90%)		\$ 169,814

** The above costs have been incorporated in the 17/18 5yr plan

**COURTENAY
PUBLIC SERVICE EMPLOYEES (100% Recoverable)**

	2015/16 FINAL	2016/17 BUDGET	2017/18 ESTIMATE
FTEs	8.25	9.0	9.0
DIRECT COSTS:			
CEG 10 - PAY - PUBLIC SERVICE EMPLOYEES			
CE 500100 REGULAR PAY F/T IND. PSE	302,863	360,000	361,800
CE 500131 - PAY OUT OF VACATION			
CE 500136 REG. PAY P/T IND. PSE	48,578	50,000	50,250
CE 500141 PSE CASUALS	53,979	55,000	55,275
CE 500142 PSE TERM > 6 MONTHS	-		-
CE 500180 VACATION PAY TERM/CASUAL	2,121		
CE 500301 PREMIUM PAY & ALLOWANCES	6,028		
CEG 11 - OVERTIME - PS	30,711	33,000	33,165
CEG 12 - PSE ALLOWANCES	21,096		
TOTAL DIRECT COSTS	465,376	498,000	500,490
INDIRECT COSTS:			
A) COST OF PS PENSIONS (CE 100, 136,142)			
PENSION RATE	11.80%	11.80%	11.80%
TOTAL COST OF PS PENSIONS	41,470	48,380	48,622
B) COST OF PS CPP			
AS A PER CAPITA COST	2,496.04	2,558.44	2,622.40
X PSE UTILIZATION	8.25	9.0	9.0
TOTAL COST OF PS CPP	20,588	23,026	23,602
C) COST OF EMPLOYERS CONTRIB. to E.I.			
AS A PER CAPITA COST	1,311.39	1,344.17	1,377.78
X PSE UTILIZATION	8.25	9.0	9.0
TOTAL COST OF E.I. CONTRIBUTIONS	10,817	12,098	12,400
D) COST OF SHARED SERVICES			
AS A PER CAPITA COST	721	721	721
X PSE UTILIZATION	8.25	9.0	9.0
TOTAL COST OF SSC	5,947	6,489	6,489
TOTAL INDIRECT COSTS	78,822	89,992	91,113
TOTAL COST OF PUBLIC SERVICE EMPLOYEES	544,197	587,992	591,603

**Municipal Contract Accommodation Final Estimate 2017-18
as of March 31, 2016**

City of Courtenay

Direct Operating Costs:

CEG		2015-16 PRE-FINAL	2016-17 ORG. EST	2016-17 FORECAST	2017-18 ESTIMATE
700170	Contracted Services - Real Property	49,685	73,500	73,500	70,000
700171	Contracted Services - Real Property - Unit Commander Authority	1,206	-	-	-
700218	Contaminated Sites	-	-	-	-
700240	Rental of Buildings, Land & Works	4,866	6,200	6,200	5,600
700310	Repair of Buildings & Works	1,114	10,000	10,000	14,000
700311	Repair of Buildings & Works - Unit Commander Authority	577	-	-	-
700400	Utilities	22,569	19,500	19,500	20,000
700592	Payment in Lieu of Taxes	23,189	25,300	25,300	26,100
Total O&M Charge		103,206	134,500	134,500	135,700

Occupancy Charge Calculation:

RCMP Municipal Contract EST	33.7	31.4	33.7	39.4
Municipal Employee EST	4.5	4.5	4.5	4.5
Total Municipal EST (RM plus ME)	38.2	35.9	38.2	43.9
Total EST in building (RM plus support)	105.0	102.0	105.0	121.0
Municipal percentage of total building EST	36.4%	35.2%	36.4%	36.3%
Building Gross Interior Space (sq. m)	1,683.2	1,683.2	1,683.2	1,936.6
Prorated space charged to Municipal Contract	612.4	592.4	612.4	702.6
x Provincial rate per square meter	213.90	213.90	213.90	213.90
Occupancy Charge	130,992	126,714	130,992	150,286

Total Property Cost Estimates for Municipal Contract:	234,198	261,214	265,492	285,986
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NOTES:

- (1) 2016-17 original estimate from Municipal Contract Policing Resource Requests - was prepared and sent in May 2015
- (2) 2017-18 - The basis of calculations will change to be consistent with the PPSA/MPSA and reflect the actual establishment for Courtenay (30.4 RM + 4.5 PS). In previous years and up to 2016/17, the establishment was adjusted down by approximately 6 positions due to a previous detachment level arrangement that should have ended in 2011/12 for location 130B 19th Ave .

RCMP - E Div - Divisional Administration

Schedule 4

	Final 2014/15	Pre-Final 2015/16	Forecast 2016/17	Budget 2017/18	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22
A. Administration & Overhead Costs	\$ 48,518,521	\$ 45,162,741	\$ 50,063,459	\$ 50,409,094	\$ 51,113,923	\$ 51,553,613	\$ 52,323,333	\$ 52,798,253
B. Special Leave Costs	\$ 69,864,777	\$ 79,625,934	\$ 83,452,935	\$ 87,467,510	\$ 91,678,892	\$ 96,096,763	\$ 100,731,278	\$ 105,593,081
C. Health Services Costs	\$ 20,294,341	\$ 22,794,959	\$ 23,934,707	\$ 25,131,442	\$ 26,388,015	\$ 27,707,415	\$ 29,092,786	\$ 30,547,425
Total Costs	\$ 138,677,638	\$ 147,583,634	\$ 157,451,102	\$ 163,008,046	\$ 169,180,829	\$ 175,357,792	\$ 182,147,397	\$ 188,938,759
Administration & Overhead Costs Per Capita Rate	\$ 7,894	\$ 7,314	\$ 8,108	\$ 8,164	\$ 8,278	\$ 8,349	\$ 8,474	\$ 8,551
Special Leave Costs Per Capita Rate	\$ 11,367	\$ 12,896	\$ 13,516	\$ 14,166	\$ 14,848	\$ 15,563	\$ 16,314	\$ 17,101
Health Services Costs Per Capita Rate	\$ 3,302	\$ 3,692	\$ 3,876	\$ 4,070	\$ 4,274	\$ 4,487	\$ 4,712	\$ 4,947
Total Per Capita Rate	\$ 22,563	\$ 23,902	\$ 25,500	\$ 26,400	\$ 27,400	\$ 28,400	\$ 29,500	\$ 30,600

Details

A. Administration & Overhead:								
Pay, O&M and Capital (Divisional Units)	31,686,084	28,335,963	32,148,430	31,930,040	32,547,375	32,897,945	33,576,885	33,959,334
Accounting Operations	2,426,310	2,536,216	2,511,120	2,511,120	2,511,120	2,511,120	2,511,120	2,511,120
RM Compensation	2,520,220	2,184,209	2,359,961	2,332,879	2,332,879	2,332,879	2,332,879	2,332,879
PSE Compensation	679,848	576,184	606,941	601,199	601,199	601,199	601,199	601,199
Shared Services Canada	1,053,276	1,053,276	1,053,276	1,053,276	1,053,276	1,053,276	1,053,276	1,053,276
Employee Assistance Services	315,661	315,149	314,704	311,595	311,595	311,595	311,595	311,595
NCO Promotion Unit	640,871	667,421	790,323	784,068	784,068	784,068	784,068	784,068
Disability Management Program - Note 1			707,200	1,227,515	1,227,515	1,227,515	1,227,515	1,227,515
Members Pension/ CPP/EI	2,134,097	2,170,209	2,205,674	2,241,744	2,278,429	2,315,741	2,353,691	2,392,291
PSEs Pension/ CPP/EI	2,736,340	2,654,154	2,703,023	2,752,852	2,803,660	2,855,468	2,908,298	2,962,169
E Div HQ Accommodations - Note 2	5,017,864	5,097,807	5,097,807	5,097,807	5,097,807	5,097,807	5,097,807	5,097,807
Non-Billable & Credits (Legal, Interdivision, Prior Year Refund)	(692,049)	(427,846)	(435,000)	(435,000)	(435,000)	(435,000)	(435,000)	(435,000)
Total Administration & Overhead	48,518,521	45,162,741	50,063,459	50,409,094	51,113,923	51,553,613	52,323,333	52,798,253
B. Special Leave:								
Mat/Pat	7,890,492	7,588,717	7,968,153	8,366,561	8,784,889	9,224,133	9,685,340	10,169,607
Pay in Lieu of Leave	3,274,856	3,169,800	3,229,031	3,288,821	3,349,089	3,409,736	3,470,646	3,531,681
Medical Leave, Gradual Return to Work, Other LWP	47,303,774	54,402,461	57,122,584	59,978,713	62,977,649	66,126,531	69,432,858	72,904,501
Members Pension/EI/ CPP (on Leave)	11,395,655	14,464,956	15,133,168	15,833,415	16,567,265	17,336,363	18,142,435	18,987,293
Total Special Leave Cost	69,864,777	79,625,934	83,452,935	87,467,510	91,678,892	96,096,763	100,731,278	105,593,081
C. Total Health Services Costs	20,294,341	22,794,959	23,934,707	25,131,442	26,388,015	27,707,415	29,092,786	30,547,425
Total Costs	138,677,638	147,583,634	157,451,102	163,008,046	169,180,829	175,357,792	182,147,397	188,938,759
Divisional Component FTEs (RM / CM) - Note 3	6,146	6,175	6,175	6,175	6,175	6,175	6,175	6,175
Divisional Component of Per Capita Div Admin Rate	22,563	23,902	25,500	26,400	27,400	28,400	29,500	30,600

Reference Information	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Estimated Annual Severance Liability	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766
Estimated Annual Severance Per Capita Rate - Note 4	1,023	1,023	1,023	1,023	1,023	1,023	1,023	1,023

RCMP - E Div - Divisional Administration

Schedule 4

Variables (Growth)	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Personnel	1.02	1.02	1.02	1.02	1.02	1.02
O&M	1.02	1.02	1.02	1.02	1.02	1.02
Mat/Pat	1.05	1.05	1.05	1.05	1.05	1.05
Pay in Lieu of Leave	1.02	1.02	1.02	1.02	1.02	1.02
Medical Leave, Gradual Return to Work, Other LWP	1.05	1.05	1.05	1.05	1.05	1.05
Health Services Costs	1.05	1.05	1.05	1.05	1.05	1.05

Note 1: Forecast for 16/17 onwards includes Disability Management Program (DMP). RCMP/CMC is working with the Province toward creating a DMP unit focused on reducing long term leave.

Note 2: Forecast for 14/15 onwards includes E-Division Headquarters Building which is still under discussion.

Note 3: Divisional FTEs = Total Members (RM / CM) less Members on Leave (RM / CM) less Div Admin Members (RM / CM).

Note 4: Severance - For budgeting purposes, we are continuing to identify an annual estimate of the severance liability.

Schedule 5

City of XXXXXXX
XXXXX Ave
XXXXXX, BC

**Municipality Over 15,000
Sample Response**

June 10, 2016

Mr. Clayton Pecknold
Assistant Deputy Minister and Director of Police Services
Ministry of Justice
P.O. Box 9285 Stn Prov Govt,
Victoria, British Columbia
V8W 9J7

Dear Sir:

Re: Municipal Contract Policing Resource Request – 2017 /18

This Letter of Approval in Principle is issued to conform to the Federal Treasury Board requirements to enable the Federal Government to set aside sufficient financial resources to cover their share of the Municipal RCMP contract costs.

The City of XXXXXXX anticipates that we will require the addition of ### (#) members to our detachment strength of ## to bring the total detachment strength to ## for the 2017/18 fiscal year. The budget estimate that is approved in principle is \$XX.X million at 100% (that our municipality is responsible for the 90%). It includes \$XXX of capital equipment costing (>\$150K).

As outlined above, this letter provides an “approval in principle” and is issued for planning purposes only. It should not be taken as approval to add the anticipated ## of members to the detachment. City Council will be meeting on XXX, 2016 to confirm the 2017/18 budget and the number of additional human resources. We will inform you of that decision once it is made.

If you have any questions, please give me a call at 604-XXX-XXXX.

Sincerely,

John Doe
Treasurer/Deputy Administrator

cc: XXXXXXXX RCMP Detachment
Max Xiao, Regional Director, Finance Section, E & M Divisions, Corporate Management & Comptrollership Branch

Schedule 6

The Honourable Mike Morris
Solicitor General & Minister of Public Safety
P.O. Box 9010 Prov. Govt.
Victoria, British Columbia V8W 9L5

Dear Minister Morris:

RE: Request for Decrease/Increase in Member(s) to [Municipality Name] Authorized Strength

The Council of the [Municipality Name] has authorized a decrease/increase of one (1) regular member to its municipal policing establishment for the 2017/2018 fiscal year, effective September 1, 2017. The current [Municipality Name] establishment is nine (9) members. With the increase/decrease of one position, the authorized establishment will be ten (10).

I confirm our incremental financial commitment for the costs for the requested increase/decrease.

Since establishment increases/decreases require amendments to Annex "A" of the Federal/Provincial Agreement, please take the necessary steps to amend the Annex "A" by contacting the Solicitor General of Canada.

Thank you for your attention to this matter.

[Name/signature]

Cc:

Officer in Charge, [Local Detachment]
Michelle Lee, Establishment Coordinator, RCMP "E" Division Headquarters
Max Xiao, Regional Director, Financial Management, RCMP "E" Division Headquarters



THE CORPORATION OF THE CITY OF COURTENAY

MEMORANDUM

To: Council
From: Chief Administrative Officer
Subject: Social Procurement Policy

File No.: 1200-00
Date: July 18, 2016

ISSUE:

This memo is an update with respect to options for the implementation of a social procurement policy for the City of Courtenay.

BACKGROUND:

- On October 19, 2015, Council passed a motion requesting staff to investigate and provide a report to Council regarding options for a Social procurement policy.
- On May 30, 2016, two representatives from Urban Systems and Sandra Hamilton a social procurement consultant, met with Committee of the Whole to present and discuss the implementation of a social procurement policy for the City. The Committee of the Whole agenda included a Social Procurement Discussion Paper dated November 2015.
- As a follow up, a half-day workshop has been proposed with the Urban Systems team and City Staff to consider options for a social procurement pilot project.

OUTCOME:

Following the workshop a staff report on the outcomes from the workshop, and options for a pilot project will be provided to Council.

Respectfully submitted,

Brian Parschauer, BA, CPA-CMA
Director of Finance



BRIEFING NOTE

To: Council
From: Deputy Chief Administrative Officer
Subject: **Anderton Dike Wall – Project Update**

File No.: 5225-04-20
Date: July 12, 2016

ISSUE:

The purpose of this briefing note is to update Council on the status of the Anderton Dike Wall project and the upcoming construction schedule.

BACKGROUND:

Following the December 2014 flood event, inspections of the City's dike wall infrastructure identified some issues with the sheet pile retaining wall adjacent to the properties at 426 and 440 Anderton Avenue that required further investigation. The City engaged engineering consultants, McElhanney Consulting Services Ltd. (McElhanney), to conduct geotechnical and structural assessments of both the retaining wall and the adjacent private buildings. These assessments have revealed deterioration in the condition of the retaining wall requiring immediate remedial action. A short-term repair has been designed and construction is scheduled to start construction the week of July 25th, 2016.

KEY CONSIDERATIONS:

The City's consulting engineers (McElhanney) have prepared a detailed engineering design to construct a rock buttress structure approximately 3 meters high against the existing sheet pile wall and 5 metres wide into the river channel at the toe of the wall. It will extend approximately 90 metres along the river channel. This rock structure will stabilize the wall while longer-term, permanent repairs are designed. A permanent solution is expected to be completed within the next five years.

Construction Schedule and Permitting

The City of Courtenay has awarded the construction to J.R. Edgett Excavating and Leighton Contracting. Work is scheduled to begin on Monday, July 25, 2016 with a planned completion date of Monday, August 15, 2016. This work will be conducted at low tides, twice daily, and therefore will be ongoing 24 hours a day.

Estimated Project Schedule:

- **Week of July 25 - Site preparation for construction**
- **August 1 to 10 - Construction in the river**
- **August 11 to 15 - Site Clean-up**

The City of Courtenay is working with the BC Ministry of Forests, Lands, & Natural Resources Operations and the Department of Fisheries & Oceans to complete all necessary permits. Both jurisdictions have been collaborative and accommodating in support of the project advancing. Permits are anticipated to be in place in time for the construction window. The Section 11 emergency permitting process under the Water Sustainability Act with the Ministry of Environment is not anticipated to be necessary at the time of the preparation of this Briefing Note, as the work is being done under the Dike Maintenance Act.

Construction Logistics

The construction zone for the project is predominantly in the Courtenay River, with equipment and worker access from the green space on the north side of the 5th Street Bridge at Anderton Avenue and Anderton Lift Station Parking lot with some staging of materials on Anderton Avenue. Site preparation and in-stream environmental works will begin on or about July 25th, followed by construction of a river access and then rock placement. There will be significant noise related to this activity and possibly vibration as a result of the equipment movement and rock placement. Although every reasonable effort will be made to minimize the impact of this necessary construction operation, disruption will be unavoidable.

Road closures along Anderton Avenue and parking restrictions will be in effect to support the construction activities. Access to the Anderton Arms apartment building (426 Anderton Avenue) and the Cona Hostel (440 Anderton Avenue) will be limited at times during the construction. The residents of the Anderton Arms and owners of the Cona Hostel have been provided with a separate project update detailing the construction operations. Traffic control personnel will be on site to direct vehicles, pedestrians and cyclists around the work area. However, the work area will be strictly limited to local traffic only. Access to the Filberg Centre will also be restricted to the upper parking lot. Riverside Fit Park will not be accessible during construction.

Access to the river from the stairs in Lewis Park nearest the 5th Street Bridge will be restricted during this time. The stairs further north will remain open.

Arrangements have been made through the CVRD for BC Transit buses (routes 4, 5, 6, 11, 12, 34 and 99) to be temporarily rerouted during the project. The transit stop on Anderton Avenue will be inactive for the duration of the project. Transit users wishing to access or exit buses will need to use the Downtown Exchange on Cliffe Avenue next to the Courtenay Museum.



Project signage is being prepared for placement in Lewis Park and adjacent to the construction site. Newspaper and radio advertising is being coordinated to broadcast the information provided above. Construction notices have been circulated to a breadth of residences and business along the Anderton Avenue corridor from Home Hardware to the Puntledge RV and Campground; and from the Courtenay River to Cliffe Avenue.

Prepared by,

Lesley Hatch, P.Eng.
Director of Engineering Services

File: 3900-02

June 29, 2016

Via e-mail: jward@courtenay.ca

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

Attention: Mr. John Ward, Director of Legislative Services

Dear Mr. Ward:

Re: Bylaw No. 345 being “Comox Valley Economic Development Service Conversion Bylaw No. 345, 2016”

The Comox Valley Regional District board of directors approved the following motion at its June 28, 2016 meeting:

“THAT Bylaw No. 345 being “Comox Valley Economic Development Service Conversion Bylaw No. 345, 2016” be forwarded to the board for consideration of first, second and third readings;

AND FURTHER THAT the bylaw be submitted to the City of Courtenay, the Town of Comox and the Village of Cumberland requesting municipal consent to adoption of the bylaw;

AND FURTHER THAT the bylaw be submitted to the directors of Electoral Area ‘A’ (Baynes Sound – Denman/Hornby Islands), Electoral Area ‘B’ (Lazo North) and Electoral Area ‘C’ (Puntledge – Black Creek) requesting written consent to adoption of the bylaw;

AND FINALLY THAT the bylaw be submitted to the inspector of municipalities, Ministry of Community, Sport and Cultural Development, for approval prior to final adoption.”

As way of background information, please find the staff report dated June 23, 2016, which was presented at the June 28, 2016 board meeting. The proposed bylaw is an attachment to the staff report.

The board requests your council to consent to the bylaw under section 346 of the *Local Government Act* by considering the following resolution:

“THAT the City of Courtenay consent to the adoption of Comox Valley Regional District Bylaw No. 345 being “Comox Valley Economic Development Service Conversion Bylaw No. 345, 2016” under section 346 of the *Local Government Act* (RSBC, 2015, c.1)”.

If you have any questions, please contact me by telephone at 250-334-6007 or via email at kkenney@comoxvalleyrd.ca.

We look forward to hearing from you at your earliest convenience.

Sincerely,

K. Kenney

Kelly Kenney
Manager of Legislative Services

Attachments: Staff report dated June 23, 2016

DATE: June 23, 2016

FILE: 3900-02

TO: Chair and directors
Regional district board

FROM: Debra Oakman, CPA, CMA
Chief Administrative Officer

RE: Comox Valley economic development service bylaw

Purpose

The purpose of this report is to introduce a conversion bylaw for the Comox Valley economic development service following the completion of the service review in 2014 and the Village of Cumberland service withdrawal in March 2016.

Policy analysis

The Comox Valley Regional District (CVRD) delivers the Comox Valley economic development service under letters patent and Bylaw No. 2395 being “Comox Valley Economic Development Commission Establishment Bylaw No. 2395, 2001”.

A service review was initiated in 2013, based in part on automatic review requirements in Bylaw No. 2395, and resulted in the Urbanics report dated March 2014 (CVRD: Economic Development Service Function Review) (appendix C) that included a series of recommendations on the service establishing bylaw. In January 2015, the Village of Cumberland initiated a service withdrawal under the *Local Government Act*, which concluded in March 2016 with the Village of Cumberland withdrawing from the service in 2016 and paying \$40,000 each year in 2016, 2017, 2018 and 2019 for a total payment of \$160,000.

The 2015 to 2018 board strategic priorities includes the economic development as a “NOW” action assigned to the corporate services branch.

Executive summary

Bylaw No. 345 being “Comox Valley Economic Development Service Conversion Bylaw No. 345, 2016” (appendix B) is presented to the board for consideration of adoption and is based on

- a) a committee of the whole resolution from June 2014, which responded to the Urbanics report dated March 2014; and
- b) the service withdrawal parameters from March 2016.

The bylaw must receive three readings, written consent from each electoral area director and municipal council and inspector of municipalities’ approval before it can be considered for adoption.

Recommendation from the chief administrative officer:

THAT Bylaw No. 345 being “Comox Valley Economic Development Service Conversion Bylaw No. 345, 2016” be forwarded to the board for consideration of first, second and third readings;

AND FURTHER THAT the bylaw be submitted to the City of Courtenay, the Town of Comox and the Village of Cumberland requesting municipal consent to adoption of the bylaw;

AND FURTHER THAT the bylaw be submitted to the directors of Electoral Area ‘A’ (Baynes Sound – Denman/Hornby Islands), Electoral Area ‘B’ (Lazo North) and Electoral Area ‘C’ (Puntledge – Black Creek) requesting written consent to adoption of the bylaw;

AND FINALLY THAT the bylaw be submitted to the inspector of municipalities, Ministry of Community, Sport and Cultural Development, for approval prior to final adoption;

Respectfully:

D. Oakman

Debra Oakman, CPA, CMA
Chief Administrative Officer

Background/current situation

A service review of the Comox Valley economic development service was conducted in 2013 and 2014. Urbanics Consultants Ltd. Developed the following in response to the service review:

- CVRD: Economic Development Service Function Review (appendix C).

The report is available on the CVRD economic development website at:

<http://www.comoxvalleyrd.ca/EN/main/business/economic-development.html>

The service delivery review report describes the operational and policy elements of the service and makes recommendations on governance, collaboration, the Comox Valley Economic Development Society (CVEDS) operations, setting priorities and implementation. Many of the recommendations are incorporated into the current CVRD and CVEDS service agreement, also available at the website above.

The service function review examines the CVRD economic development service and makes recommendations on the service establishment bylaw. At its June 2014 meeting the committee of the whole approved the following:

THAT staff report back to a future committee of the whole meeting with an updated Bylaw No. 2395 being "Comox Valley Economic Development Commission Establishment Bylaw No. 2395, 2001" that follows the recommendations as contained in the economic development service function review dated March 2014 submitted by Urbanics Consultants Ltd. with a modification that the service be reviewed at least every four years.

The Village of Cumberland initiated service withdrawal under the *Local Government Act* in January 2015, pre-empting further consideration of the updated Bylaw No. 2395. At its March 2016 meeting, the board and service participants resolved the service withdrawal process with the Village of Cumberland withdrawing from the service in 2016 and paying \$40,000 each year in 2016, 2017, 2018 and 2019 for a total payment of \$160,000.

In order to implement the recommendations from the Urbanics Consultants Ltd. “CVRD: Economic Development Service Function Review” report and to apply the service withdrawal outcome, proposed Bylaw No. 345 is presented for consideration.

Options

The recommendation in this staff report is to consider adoption of Bylaw No. 345. Two outcomes are achieved by adoption of Bylaw No. 345:

- the service withdrawal parameters from March 2016, which are mandatory, can be applied; and
- the service review recommendations from March 2014, which are optional, can be integrated with the Comox Valley economic development service.

The primary changes in the draft Bylaw No. 345, when compared with existing Bylaw No. 2395, are:

- an expanded responsibility and purpose section;
- review of the service function to be conducted at least every four years;
- clarification with regard to members roles and responsibilities;
- updated bylaw language to reflect current contractual relationship for economic development third party service delivery; and
- potential terms of reference for a future structure if CVRD assumes service delivery (note: to determine the alignment between the CVEDS constitution and the potential terms of reference, a copy of the CVEDS constitution was requested however not obtained before finalizing this report).

Governance principles being considered include:

- Members (local governments) control over constitution bylaw changes (versus Comox Valley Airport Commission governance model);
- Member appointed directors from the community versus political appointments
- Director knowledge, skills and experience components in considering appointments

Alternatively, the committee may consider:

- 1) making additional changes to proposed Bylaw No. 345, based on the “CVRD: Economic Development Service Function Review” report; or
- 2) limiting the changes to be made to the service establishment bylaw by only including the withdrawal of the Village of Cumberland from the service.

Note, by proceeding with option 2, none of the recommendations from the “CVRD: Economic Development Service Function Review” report would be integrated into the service.

Financial factors

There are no direct financial implications from this report. The recommendations in the “CVRD: Economic Development Service Function Review” report relate to improvements in governance and representation. The withdrawal of the Village of Cumberland impacts the economic development service, however those impacts were considered during the service withdrawal process. The financial implication of continuing the service without the Village of Cumberland must be considered in the future as the CVRD contemplates ongoing service delivery for the economic development service.

Legal factors

Adopting proposed Bylaw No. 345 to apply the service withdrawal outcome is mandatory. The outcome has been formally agreed to by the service participants. Integrating the recommendations from the “CVRD: Economic Development Service Function Review” report into the service establishment bylaw is optional, though is recommended given the clarity that will be achieved with the new bylaw language.

Bylaw No. 345 requires three readings from the CVRD board, written consent from each electoral area director and municipal council and inspector of municipalities approval before it can be considered for adoption. The recommendation in this staff report would initiate that process. Should the board approve the recommendation, which includes a rise and report to bring this matter including this staff report into the public, letters will be sent to each municipality seeking council consent before the bylaw is submitted to the inspector for approval. It is anticipated that:

- council and electoral area director consent could be received before the end of July
- the bylaw could be read three times at the July board meeting
- inspector approval obtained in August and
- adoption of the bylaw at the August or September board meeting.

A graphic illustrating the bylaw adoption process is provided in appendix A.

Regional growth strategy implications

Goal three of the Comox Valley regional growth strategy relates to local economic development and is to “achieve a sustainable, resilient and dynamic local economy that supports Comox Valley businesses and the region’s entrepreneurial spirit.” A variety of principles and policies are described in efforts to achieve the stated goal. The clarity identified in proposed Bylaw No. 345 further seeks to achieve the stated goal.

Intergovernmental factors

The Comox Valley economic development service includes the Town of Comox, City of Courtenay and Electoral Areas ‘A’, ‘B’ and ‘C’ as participants. Denman and Hornby Islands and the Village of Cumberland are not included in the geographic boundaries of the service. From a service delivery, service policy and regional district governance perspective, the CVRD’s committee of the whole and board provide governance oversight for the service. The CVRD’s chief administrative officer liaises with senior officials at the Town of Comox and the City of Courtenay to consider policy topics relating the service. CVEDS, as the service provider under contract, delivers the service to the community. The CVRD committee of the whole and board can provide input to CVEDS on goals, priorities and outcomes through its contractual agreement with the society.

Interdepartmental involvement

The CVRD’s executive management branch administers the contract between the CVRD and CVEDS and also monitors performance requirements and deliverables associated with the contract. The planning and development services branch collaborates with CVEDS on specific projects, as required.

Citizen/public relations

No communications plan is presented for this project. Should the board approve the recommendation in this report, a formal letter will be sent to each municipal council seeking consent.

For public interest, the CVRD website includes links to the current service bylaw, agreement between the CVRD and CVEDS, Urbanics reports and other relevant information.

<http://www.comoxvalleyrd.ca/EN/main/business/economic-development.html>

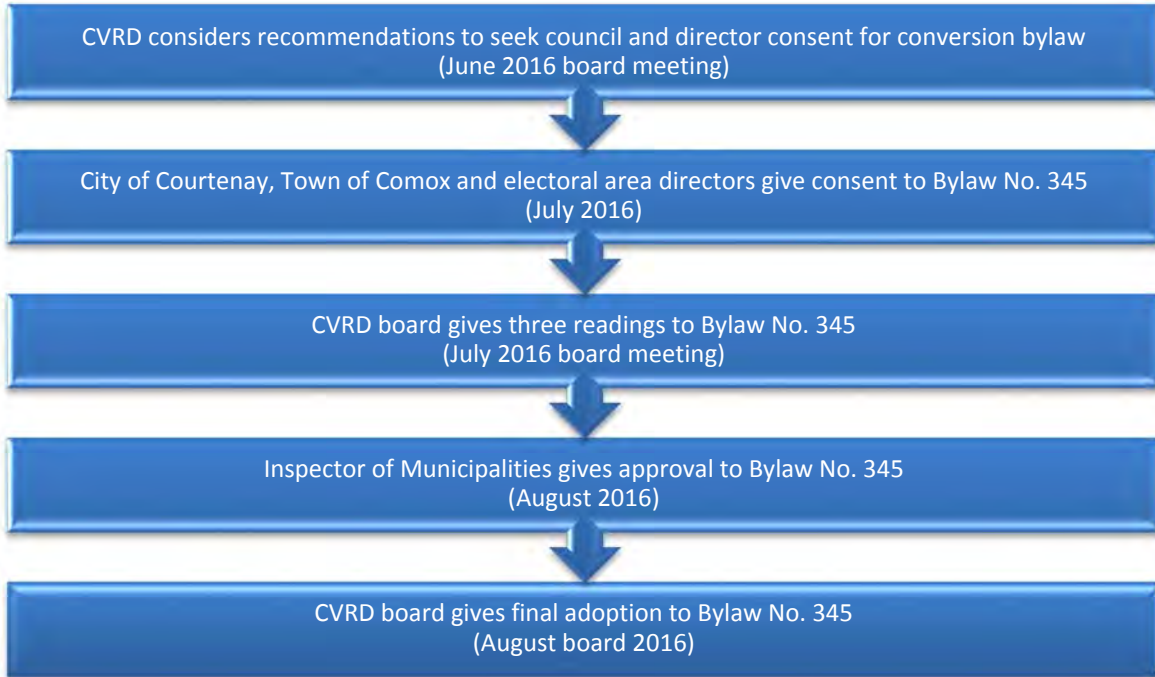
Prepared by:

J. Warren

James Warren
General Manager of Corporate
Services

Attachments: Appendix A – Bylaw adoption process
Appendix B – Proposed Bylaw No. 345 being “Comox Valley Economic
Development Service Conversion Bylaw No. 345, 2014”
Appendix C – CVRD Economic Development Service Function Review, Urbanics
Consultants Ltd., March 2014

Appendix A – Bylaw Adoption Process for Bylaw No. 345 being “Comox Valley Economic Development Service Conversion Bylaw No. 345, 2016”



COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 345

A bylaw to convert and establish the Comox Valley economic development service to encourage and provide for the responsible expansion of the Comox Valley economic base as well as enhance wealth and employment opportunities

WHEREAS the board of the Comox Valley Regional District (CVRD) may, by bylaw, under section 341(3) of the *Local Government Act* (RSBC, 2015, c.1) convert a service provided by the regional district in accordance with section 341(5) of the *Local Government Act* (RSBC, 2015, c.1) and by the same bylaw amend the power to the extent that it could if the power were in fact exercised under the authority of an establishing bylaw under the *Local Government Act* (RSBC, 2015, c.1) provided that the bylaw meets the requirements of section 339 and is adopted in accordance with section 349 of the *Local Government Act* (RSBC, 2015, c.1);

AND WHEREAS the board wishes to convert the Comox Valley economic development service established under letters patent dated June 30, 1976 to a regional district service;

AND WHEREAS the board wishes to integrate elements of the service review conducted in 2013 and 2014 to address the service purpose, clarity and roles;

AND WHEREAS the board wishes to implement the outcome of the service withdrawal dated March 2016 where the Village of Cumberland has withdrawn from the service and the Village of Cumberland is to pay to the service \$40,000 each year in 2016, 2017, 2018 and 2019 for a total of \$160,000;

AND WHEREAS pursuant to section 342 of the *Local Government Act* (RSBC, 2015, c.1), the approval of the Inspector of Municipalities has been obtained;

AND WHEREAS pursuant to section 346 of the *Local Government Act* (RSBC, 2015, c.1), the councils of the City of Courtenay, the Town of Comox and the Village of Cumberland have given consent on behalf of the electors within the municipal participating areas to adoption of this bylaw;

AND WHEREAS pursuant to section 347 of the *Local Government Act* (RSBC, 2015, c.1), the directors of Electoral Areas A, B and C have given consent in writing on behalf of the electors within the electoral participating areas to adoption of this bylaw;

NOW THEREFORE the board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Service

1. (1) The service converted and established by this bylaw is the Comox Valley economic development service.
- (2) The service shall be known as the Comox Valley economic development service (the 'service').

Definition of economic development

2. A short definition provided by the International Economic Development Council suggests that "the main goal of economic development is improving the economic wellbeing of a community through efforts that entail job creation, job retention, tax base enhancements and quality of life."

Purpose

3. The service is to encourage the responsible expansion of the Comox Valley economic base as well as enhance wealth and employment opportunities through:
 - (a) Promoting, marketing and facilitating economic development in the Comox Valley;
 - (b) Developing and implementing economic development strategies for the Comox Valley;
 - (c) Developing and/or assisting in the development of properties and facilities which create or expand economic, investment or employment activity in the Comox Valley;
 - (d) Developing and maintaining timely information on economic activity and economically-relevant statistics in the Comox Valley;
 - (e) Partnering with business and other organizations within the Comox Valley;
 - (f) Supporting specific sector based economic activities, studies and other economic development activities specifically approved by the CVRD board.

Boundaries

4. The boundaries of this service shall be the boundaries of Baynes Sound (Electoral Area A (excluding Denman and Hornby Islands)), Lazo North (Electoral Area B), Puntledge/Black Creek (Electoral Area C) and inclusive of the City of Courtenay and the Town of Comox.

Participating local governments 'Members'

5. The participants of this service are Baynes Sound (Electoral Area A, excluding Denman and Hornby Islands), Lazo North (Electoral Area B), Puntledge/Black Creek (Electoral Area C), the City of Courtenay and the Town of Comox.

Cost recovery

6. As provided in section 378 of the *Local Government Act* (RSBC, 2015, c.1), the annual cost for this service shall be recovered by one or more of the following:
 - (a) property value taxes;
 - (b) fees and charges imposed under section 397 of the *Local Government Act* (RSBC, 2015, c.1);
 - (c) revenues raised by other means authorized by the *Local Government Act* (RSBC, 2015, c.1) or another Act; and
 - (d) revenues received by way of agreement, enterprises, gift, grant or otherwise.

Village of Cumberland withdrawal payments

7. (1) As a condition of withdrawing from the Comox Valley economic development service in March 2016, the Village of Cumberland agrees to pay to the service \$40,000 each year in 2016, 2017, 2018 and 2019 for a total payment of \$160,000.
- (2) This section 7 (Village of Cumberland withdrawal payments) is removed from this bylaw on January 1, 2020 and the following subsections are renumbered accordingly.

Maximum requisition

8. In accordance with section 339(1)(e) of the *Local Government Act* (RSBC, 2015, c.1), the maximum amount that may be requisitioned annually for the cost of the service is \$0.278 per \$1,000 applied to the net taxable value of land and improvements for regional hospital district purposes.

Borrowing

9. No debt, other than temporary current borrowing shall be incurred for the purposes of the service.

Service delivery

10. (1) The service may be provided by an agency or agencies under contract to the CVRD pursuant to section 263 of the *Local Government Act* (RSBC, 2015, c.1).
(2) If at any time the CVRD must reconsider its service delivery model and define a commission or other body to deliver economic development services, that commission or other body shall adopt a terms of reference that is not dissimilar to the terms of reference in schedule ‘A’ of this bylaw.

Service review

11. All aspects of the Comox Valley economic development service function shall be reviewed at least every four years, with the first review occurring in 2020.

Citation

This Bylaw No. 345 may be cited as "Comox Valley Economic Development Service Conversion Bylaw No. 345, 2016".

Read a first and second time this day of **2016.**

Read a third time this day of **2016.**

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 345 being "Comox Valley Economic Development Service Conversion Bylaw No. 345, 2016" as read a third time by the board of the Comox Valley Regional District on the day of 2016.

Corporate Legislative Officer

Electoral Area 'A' director written consent
obtained this day of **2016.**

Electoral Area 'B' director written consent
obtained this day of **2016.**

Electoral Area 'C' director written consent
obtained this day of **2016.**

City of Courtenay council resolution
given this day of **2016.**

Town of Comox council resolution
given this day of **2016.**

Village of Cumberland council resolution
given this day of **2016.**

Approved by the
Inspector of Municipalities this day of **2016.**

Adopted this day of **2016.**

Chair

Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 345 being "Comox Valley Economic Development Service Conversion Bylaw No. 345, 2016" as adopted by the board of the Comox Valley Regional District on the day of 2016.

Corporate Legislative Officer

Schedule ‘A’

Terms of Reference – Comox Valley Economic Development Governance Structure

Directors:

VOTING:

- Four (4) as appointed by City of Courtenay council
- Two (2) as appointed by Town of Comox council
- One (1) as appointed by Area A director
- One (1) as appointed by Area B director
- One (1) as appointed by Area C director
- One (1) as appointed by the K’omoks First Nation
- One (1) as appointed by Comox Valley Chamber of Commerce
- One (1) as appointed by another local organization

A quorum would consist of a majority of the voting directors plus one, or seven directors.

NON-VOTING:

- Commission immediate past-president

Members:

- City of Courtenay
- Town of Comox
- Comox Valley Regional District representing electoral areas:
 - Baynes Sound (Area A excluding Denman and Hornby Island)
 - Lazo North (Area B)
 - Puntledge/Black Creek (Area C)

Member’s roles and responsibilities: the participating local governments are named as members in the constitution bylaw with the responsibility of appointing directors to the board and the sole discretion to amend/change constitution/bylaws.

Appointments to consider knowledge, skills and experience include: demonstrated interest in society; governance; leadership; strategic planning; finance and accounting; legal; political processes; business management; community knowledge and stakeholder relations; connections with senior government stakeholders; communication and public relations/media; economic development; and logistics and transportation.

A commission formed pursuant to the BC *Society Act* (RSBC, 1996, c. 433) is a separate legal entity. A commission formed to provide the Comox Valley Regional District members with economic development services shall include in the bylaws language to protect the interests of the members and shall require the members’ approval to amend the governance model.

**COMOX VALLEY REGIONAL DISTRICT
ECONOMIC DEVELOPMENT
SERVICE FUNCTION REVIEW**

**Submitted by:
URBANICS CONSULTANTS LTD.**

MARCH 2014

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Executive Summary

Urbanics Consultants was retained by the Comox Valley Regional District to perform the review of its economic development service function as required by Bylaw 2395.

Section 8 of Bylaw No. 2395, being “Comox Valley Economic Development Commission Establishment Bylaw No. 2395, 2001,” states:

“All aspects of the Comox Valley economic development service shall be reviewed every five years, with the first review occurring in 2012.”

The following is considered as ‘all aspects’ as approved by the CVRD board on July 30, 2013. All aspects include:

- Review of the service establishment documents including letters patent, conversion bylaw and amendment bylaw. The consultant shall recommend improvements to the service establishment bylaw that will reflect the Comox Valley Regional District and any other recommendations that would improve the bylaw language.
- Review of the requisition limits, section 3 of Bylaw No. 2395.
- Review of cost recovery methods, section 4 of Bylaw No. 2395.
- Review of borrowing, section 5 of Bylaw No. 2395.
- Review of composition, section 6 and 7 of Bylaw No. 2395.
- Review of elected officials role on Comox Valley Economic Development Society board with respect to Court of Appeal decision in Schlenker v. Torgrimson, 2013 BCCA 9

After reviewing the pertinent legislation and literature, we established an initial peer group of nine other communities and their respective economic development organizations where we examined the following aspects: activities undertaken, administrative structure, staff size, governance structure, role of elected officials, funding methods, requisition limits, cost recovery methods and borrowing practices.

The peer group consisted of:

REGIONAL DISTRICT	ECONOMIC DEVELOPMENT ORGANIZATION	ORGANIZATION TYPE
<i>Comox Valley</i>	<i>Comox Valley Economic Development Society</i>	<i>Society/Commission</i>
Alberni-Clayoquot	City of Port Alberni Economic Development	Government Department
Central Kootenay	Nelson and Area Economic Development Partnership	Chamber (partnership)
Cowichan Valley	Cowichan Valley Economic Development Commission	Government Department
Fraser Valley	Chilliwack Economic Partners Corporation (CEPCO)	City-owned Corporation
Fraser-Fort George	Initiatives Prince George (IPG)	City-owned Corporation
Kootenay Boundary	Lower Columbia Initiatives Corporation (via LCCDTS)	Society/Commission
North Okanagan	City of Vernon Economic Development Office	Government Department
Okanagan-Similkameen	City of Penticton Economic Development Department	Government Department
Strathcona	Rivercorp (Campbell River Economic Development Corporation)	City-owned Corporation

We reviewed the available literature and conducted over 60 telephone and in-person interviews with various stakeholders and experts. Based on this research we arrived at the following findings and recommendations:

Requisition Limits – Comox Valley has a higher requisition limit than most communities that set a limit, but not as high as others. We see no reason to change the current requisition limit at this time.

Tax Requisitions – Comox Valley economic development costs the taxpayers more per-capita than the average of the peer group, but consistent with the broader programs operating in the larger communities.

Overall Budget – Comox Valley economic development spends more per-capita than the average of the peer group, but consistent with broader programs operating in the larger communities.

Funding and Cost Recovery –Larger programs tend to make greater use of outside funding sources (i.e. in addition to revenues from tax requisitions), than do smaller programs. Comox Valley performs in a manner consistent with the larger programs, but other programs do seem to make more use of grants or funding from senior government.

Borrowing Practices – We found that borrowing aside from current debt was not an issue in any of the communities we explored. We see no reason to change the current policy at this time.

Staffing Sizes – Comox Valley, while employing a larger staff than the average, was similar to those with broader programs. We did not see this as a particular concern.

Activities Taken –We did not find Comox Valley to be lacking in its overall breadth of services offered.

Roles of Elected Officials – We found that Comox Valley economic development had the highest involvement of elected officials of any of the programs using an arms-length structure. We recommend that the CVEDS board be changed such that elected officials no longer serve as directors, but rather as “liaisons” that are still able to attend all board meetings.

Economic Development Structure – After consideration of the merits and disadvantages of each economic development organization structure, we recommend that the current structure of an arms-length commission be maintained, and that CVEDS continue as a quasi-independent commission mandated to serve the City of Courtenay, the Town of Comox, the Village of Cumberland and electoral areas Baynes Sound (Area A), Lazo North (Area B) and Puntledge/Black Creek (Area C); – funded by all six members on a proportionate basis.

Establishment Bylaw – We see an opportunity to amend the existing bylaw to help provide greater clarity as to the role of the economic development organization.

Introduction

Urbanics Consultants has been retained by the Comox Valley Regional District to perform the review of its economic development service function as required by Bylaw 2935. The review intended to accomplish the following:

1. Review the economic development activities in communities comparably-sized with the Comox Valley Regional District,
 - Establish a peer group of economic development programs in comparably-sized communities in the Province of British Columbia;
 - Examine and compare the requisition limits, cost recovery methods and borrowing practices in comparable economic development programs in the peer group;
 - Examine and compare the administrative structure, staff sizes, composition, governance structure, role of elected officials, funding methods, and activities undertaken by economic development programs in the peer group.
2. Compare the Comox Valley economic development service with others in its peer group based on certain criteria,
 - Rank the Comox Valley economic development service with respect to communities in terms of the requisition limits, cost recovery methods, borrowing practices and composition;
 - Identify the differences as well as advantages and disadvantages of the economic development service models used in other communities;
 - Present findings from these analyses that identify the differences between Comox Valley economic development service and the service models found elsewhere.
3. Make recommendations based upon the findings revealed by research,
 - Recommend specific changes, if required, to the legal wording of the service establishment documents;
 - Recommend specific changes, as necessary, to requisition limits, cost recovery, borrowing, governance and accountability;
 - Recommend necessary changes in light of the Schlenker decision.

Methodology

This review was informed by the insights gathered from public and primary sources. Public sources included the Supplemental Letters Patent, the service establishment bylaws for Comox Valley Regional District and many other jurisdictions, as well as reports available through various levels of government.

These information sources were supplemented through extensive primary research. From late November 2013 to early March 2014, we interviewed dozens of stakeholders about economic development in the Comox Valley. This included a cross-section of:

- Local politicians (including the three Mayors and nearly all of the Councilors of Courtenay, Comox and Cumberland);
- Regional politicians (the Directors of Electoral Areas A, B and C);
- Senior municipal and regional staff;
- CVEDS staff and board members;
- Members of the Comox Valley business community and community groups.

Limitations

Due to the differences inherent in each community, economic development model and local economy, this review was, by necessity, highly qualitative in nature. As there is no one way to deliver economic development services, we often needed to use our discretion and judgement to reduce the dissimilarity between concepts being compared. Furthermore, economic development organizations generally tend to be somewhat opaque and often do not make all of their information publicly available. Though we did our best to work around these limitations, we acknowledge that our information may be incomplete. That said, all the recommendations offered herein were made based more on overall trends and patterns observed rather than on specific metrics or incidents.

About Economic Development

Economic development is typically understood to encompass a number of goals and activities in furtherance of a higher standard of living for a community, a concept which itself is defined in any number of different ways. Accordingly, the following two definitions have been provided to provide a clearer insight into what is felt to be an appropriate understanding of economic development. The first is from the World Bank, as follows:

“To build up the economic capacity of a local area to improve its economic future and the quality of life for all residents. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.”

An alternative understanding of economic development could include the following:

“Economic development occurs when wealth is created for citizens, businesses, and government. Each part supports the opportunities of the other. Citizens purchase goods and they work at firms. Business provides jobs and pay taxes. These activities enable citizens to maintain an improving standard of living, resulting in government support of the services necessary to sustain a community over the long term.”

Economic development is thus about communities continually enhancing their competitiveness, increasing sustainable growth, improving their investment climate, retaining jobs and improving incomes, and ensuring that growth is inclusive of the community in which it occurs. It encompasses a range of disciplines including physical planning, economics and marketing. It also incorporates many local government and private sector functions including business development, infrastructure provision, real estate development and finance.

Ideally, the development of an economic development strategy should be an integral part of the broader strategic planning process for a municipality or, if applicable, a region. Economic development at any cost or to the benefit of only

a select few industries or individuals is no longer an acceptable option in most communities, particularly if social and environmental values are compromised.

Communities respond to their economic development needs in many ways, and a variety of approaches can be taken that include:

- Ensuring that the local investment climate is functional;
- Supporting local enterprises;
- Encouraging the formation of new enterprises;
- Promoting economic diversification;
- Attracting external investment;
- Investing in both hard and soft infrastructure;
- Supporting the growth of particular industries or clusters of businesses.

Funding an economic development strategy is often very difficult. One of the reasons for this is that local authorities often do not have the ability to leverage public funds to deliver economic development services. When it comes to budgeting, economic development is competing for scarce resources with roads, sewers, city beautification, etc. Sometimes, it is difficult for local officials to justify spending scarce resources on economic development efforts because they often require longer time horizons to produce appreciable benefits.

Indeed, we have often seen governments underfund or altogether defund their economic development activities when they did not produce immediate results. This is ironic in that one of the very reasons for engaging in economic development is to help create more public funds and to generate higher and more cost-effective public revenues, allowing government to provide better services to the community.

Sources of funding for economic development initiatives typically include:

- Local authority revenue raised from the usual sources including property taxes, business license fees, and user fees (such as hotel room taxes);
- Sale or rental of municipally-owned buildings and land;
- Federal, provincial, and regional government inter-governmental transfers;
- Private sector funding such as corporate donations.

In selecting particular economic development programs and projects, as well as the overall economic development budget itself, care needs to be taken to ensure that funds are available for the entire length of each project as projects

can range anywhere from several months to several years. Thus, long-term commitments of funding and political support are essential to the success of these efforts. Additionally, forward or exit strategies should also be developed in case economic or political circumstances change considerably over the course of time.

Economic development makes the most sense when applied at the level of the entire local economy, not necessarily contained within easy political boundaries. Economic development consultant Jamie Vann Struth provided this insight in the recent Strategic Plan Update for CVEDS:

“The most relevant geographic unit for regional economic analysis is the local labour market area or commutershed. This is an area where most people living in the area also work in the area and it usually consists of a central urban area and surrounding rural areas, often covering multiple individual municipalities and/or unincorporated areas. The Comox Valley functions as a separate economic unit in exactly this way.”

This is a good way to encapsulate why approaching economic development at the regional district level makes sense. Because the jurisdictions within the CVRD are economically linked it makes less sense for each to compete against one another for investment and growth opportunities. In other words, from a strictly economic perspective, the political boundaries within the region are irrelevant. By approaching economic development as a region each jurisdiction benefits from the economy of scale in pursuing initiatives as well as from the results, regardless of how localized they appear to be.

Over the course of our primary research, we found that most people we spoke with agreed that the regional approach was preferable to each municipality pursuing its own initiatives.

Review of Economic Development Activities across Comparable Communities

Comparing any professional activity to industry benchmarks is standard practice in the business world. Since there is no single set of best practices for economic development activities in a community one needs to identify criteria for comparison. This section seeks to: first, find a peer group for the economic development service function in Comox Valley, and; second, compare that function to its counterparts within that group.

Identification of Economic Development Organizations in Comparable Communities

Comox Valley is a compact Regional District with a relatively high population density and population centres within close proximity to each other. Unlike many regional districts, all of the population centres in Comox Valley are integrated into a single economy; no constituent community operates in economic isolation from the others. Thus, we began our analysis by identifying communities comparable with the Comox Valley Regional District in terms of overall population as well as economic density.

We identified the regional districts with populations ranging from 30,000 to 100,000 or from roughly half to roughly double the population of Comox Valley. We then disregarded those without sizable population centres, or those in very remote parts of the Province. For example, a regional district such as Cariboo may have 62,000 residents, but its population centres are separated by significant distances, thus creating an economic landscape substantially different from that of Comox Valley. Similarly, the Peace River Regional District, though home to over 58,000 residents, was too remote and too sparsely populated to yield a good comparison to Comox Valley. As such, our research of economic development service functions across British Columbia included the following regional districts:

Table 1: Regional Districts comparable with Comox Valley and their Populations

REGIONAL DISTRICT	POP (2011)	REGIONAL DISTRICT	POP (2011)
<i>Comox Valley</i>	63,538	Central Kootenay	58,441
Fraser-Fort George	91,879	East Kootenay	56,685
North Okanagan	81,237	Strathcona	43,252
Okanagan-Similkameen	80,742	Kootenay Boundary	31,138
Cowichan Valley	80,332	Alberni-Clayoquot	31,061

Source: Statistics Canada

We then identified the dominant economic development organization in each of the districts. Some districts had a single organization provide economic development services to the entire district, some districts had several organizations operating in different jurisdictions, while others had no regional-scale economic development function of any kind. To add to the comparison, we also considered the economic development services of two cities serving communities with roughly the same population as Comox Valley. They are Prince George, with a population of about 72,000 and Chilliwack, with a population of about 78,000.

The economic development organizations we explored are shown below:

Table 2: Comparable Regional Districts and their main Economic Development Groups

REGIONAL DISTRICT	ECONOMIC DEVELOPMENT ORGANIZATION	ORGANIZATION TYPE
<i>Comox Valley</i>	<i>Comox Valley Economic Development Society</i>	<i>Society/Commission</i>
Alberni-Clayoquot	City of Port Alberni Economic Development	Government Department
Central Kootenay	Nelson and Area Economic Development Partnership	Chamber (partnership)
Cowichan Valley	Cowichan Valley Economic Development Commission	Government Department
Fraser Valley	Chilliwack Economic Partners Corporation (CEPCO)	City-owned Corporation
Fraser-Fort George	Initiatives Prince George (IPG)	City-owned Corporation
Kootenay Boundary	Lower Columbia Initiatives Corporation (via LCCDTS)	Society/Commission
North Okanagan	City of Vernon Economic Development Office	Government Department
Okanagan-Similkameen	City of Penticton Economic Development Department	Government Department
Strathcona	Rivercorp (Campbell River Economic Development Corporation)	City-owned Corporation

Source: Urbanics Consultants

Comparison of Governance Structures and Roles of Officials

The communities we will compare utilize three of the four typical economic development organizational structures. Note that the Society or City-owned Corporation models are two forms of the same type of “arms-length” delivery model where the local or regional government has mandated an economic

development commission. We will discuss each type in detail in a later section, but the way the economic development organization is structured could have broader ramifications in light of the relatively recent BC Court of Appeals decision in the Schlenker v. Torgrimson case.

The Schlenker decision concluded that elected officials could not serve on a board of a society or other organization while they also served on a board or council which provides funding to the former. The Court ruled that such a situation presented a conflict of interests such that the public interest could be compromised. Elected officials were required to either relinquish their post with the society or face removal from office. Rural directors from the Comox Valley found themselves in such a position as their office requires them to serve on both the CVRD Board as well as the Board for CVEDS, which receives a significant amount of its funding from CVRD.

The following are brief descriptions of the jurisdictions, governance structures and roles of elected officials of each of the economic development services compared:

Comox Valley Economic Development Society (CVEDS) – CVEDS is a non-profit society serving as the Economic Development Commission in the Comox Valley Regional District. The society provides economic development services to the Regional District's three municipalities and the three rural areas and is overseen by a thirteen-member Board of Directors. Six Board members are elected officials: one Councilor each from the municipalities of Courtenay, Comox and Cumberland and the three Area Directors from Electoral Areas A, B and C. One member represents the K'omoks First Nation. The remaining six Board members are chosen by the six elected Board members from local industry. The immediate past-president of the Board serves in an ex-officio capacity. The staff of CVEDS report to the CVEDS Board. In light of the Schlenker decision, the three Area Directors were required to step down from the CVEDS Board and appoint replacements of their own choosing. Any other elected officials are not required to serve on both Boards simultaneously. It is worth noting that CVEDS has the highest level of involvement by elected officials among the arms-length (i.e. non-municipal) economic development organizations.

Chilliwack Economic Partners Corporation (CEPCO) – CEPCO is a private corporation owned by the City of Chilliwack to provide economic development services for that city. The staff of CEPCO ultimately report to a seventeen-member Board of Directors whose members represent the private sector, including the president of the Chilliwack Chamber of Commerce. The Chilliwack City Council appoints all other board members. Recently, in light of the Schlenker decision, all elected officials have been redesignated as non-voting “liaisons” rather than directors. As a result, elected officials, though freely allowed to attend meetings of the CEPCO Board, are not involved in the governance or operation of CEPCO, thus eliminating any potential conflicts of interest.

City of Penticton Economic Development Department – This organization is a department of the city government in Penticton, ultimately reporting to the City Manager. Penticton recently brought economic development “in-house” after the function had been previously contracted to the local Chamber of Commerce. The contract was awarded in early 2012 to the Penticton Business Development Society, which collapsed after only two months of operation. Penticton City Hall has stated their intent to keep the economic development department at arms-length from the political process. Regardless, as a department of government, avoids potential conflicts of interests as defined by the Schlenker decision.

City of Port Alberni Economic Development – As a department of city government, the Port Alberni Economic Development Department does not have an advisory body per se, but does receive direction from Mayor and Council. The department is led by the Economic Development Manager, who reports to the City Manager of Port Alberni. The department provides economic development services to both the city and the Alberni-Clayoquot Regional District, receiving funding from both entities. Since Economic Development is part of government and not a separate society or corporation, the involvement of elected officials does not carry the potential for conflicts of interest as defined by the Schlenker decision.

Cowichan Valley Economic Development Commission – Economic Development Cowichan (EDC) provides economic development services to all the municipalities and rural areas of the Cowichan Valley Regional District. The economic development officer of EDC reports directly to the CAO of the Regional District. A thirteen-member commission provides guidance and reviews the

EDC's annual strategic plan. Two are political appointees, five are the heads of the local Chambers of Commerce and others represent First Nations bands. The rest of the members are selected by the aforementioned members. While two members of the EDC Board are elected officials, it merely an advisory body to a unit of government and thus poses no conflict of interest with respect to the Schlenker decision.

Initiatives Prince George (IPG) – Board of nine members whose composition collectively reflects the important sectors of the Prince George economy. Others, including two members of government, serve in an ex-officio capacity: one is the CAO of the Fraser Fort George Regional District and the other the City Manager of the City of Prince George. IPG has no elected officials involved in its governance or operation, and thus avoids the potential for conflicts of interest as defined by the Schlenker decision.

Nelson and Area Economic Development Partnership (NAEDP) – The NAEDP is a partnership between the Nelson Chamber of Commerce and Community Futures to provide economic development services on behalf of the City of Nelson and Electoral Areas E and F in the Regional District of Central Kootenay (RDCK). Elected officials from RDCK and the City serve on advisory committees, but not on the Board of the Chamber. In this way NAEDP avoids the potential for conflicts of interest as defined by the Schlenker decision.

Rivercorp (Campbell River Economic Development Corporation) – Rivercorp is a private corporation owned by the City of Campbell River, and under the direction of a nine-member volunteer board from private industry, to which the CEO of Rivercorp reports. Rivercorp has no elected officials involved in its governance or operation, and thus avoids the potential for conflicts of interest as defined by the Schlenker decision.

Comparison of Service Function Metrics

One may compare the structures and processes of economic development service functions by reviewing legislation, which may contain some language governing quantifiable items such as requisition limits. When one wants to compare staffing levels, or the costs of providing those services, one must also consider the way that service is delivered. This section compares various aspects of economic development service functions across several communities. In the cases where the service function establishment does not inform the comparison required, we used the current service delivery agency.

Comparison of Requisition Limits

The service establishment bylaw for economic development in the Comox Valley Regional District specifies that the tax requisition shall not exceed \$0.278 per every \$1,000 of assessed property value. While the intent was to benchmark this figure against those of other regional districts, most other jurisdictions, especially those where economic development is enabled by the Community Charter, do not set limits on what the taxpayers can pay for this service. We reviewed the economic service establishment bylaws from around the Province and found that only a few communities set requisition limits of any kind. Typically, such communities were small, often subsets of regional districts and they usually set their requisition limits quite low. Of the bylaws reviewed, only the Regional District of North Okanagan and certain areas in the Regional District of Central Kootenay had requisition limits higher than that of Comox Valley. The regional districts where we found requisition limits for economic development codified in a service establishment bylaw are shown below:

Table 3: Requisition Limits found in Economic Development Service Bylaws across BC

REGIONAL DISTRICT (SUB-AREAS)	REQUISITION LIMIT
<i>Comox Valley</i>	<i>\$0.278 per \$1000</i>
Central Kootenay (New Denver, Silverton, Slocan, H)	\$0.34 per \$1000
East Kootenay (Invermere, Radium Hot Springs, F, G)	maximum of \$100,000
Nanaimo (Northern Community)	maximum of \$50,000
North Okanagan	\$7.50 per capita
Okanagan Similkameen (Area D)	\$0.04 per \$1000 (later omitted)
Okanagan Similkameen (Karameos, B, G, H)	maximum of \$50,000
Squamish-Lillooet (Pemberton, C)	\$0.0808 per \$1000

Sources: Various regional districts and municipalities

The general trend among communities in British Columbia is to either set a relatively low limit or no limit at all. In fact, Section 800.1(2)(d) of the Local Government Act states that “an economic development service is exempted from the requirement for a maximum requisition amount.” Among those which do set limits, Comox Valley sets a relatively high limit. It is worth noting, that the amount actually requisitioned each year in Comox Valley is only \$0.1055 per \$1000, just more than a third of the maximum.

Comparison of tax requisitions

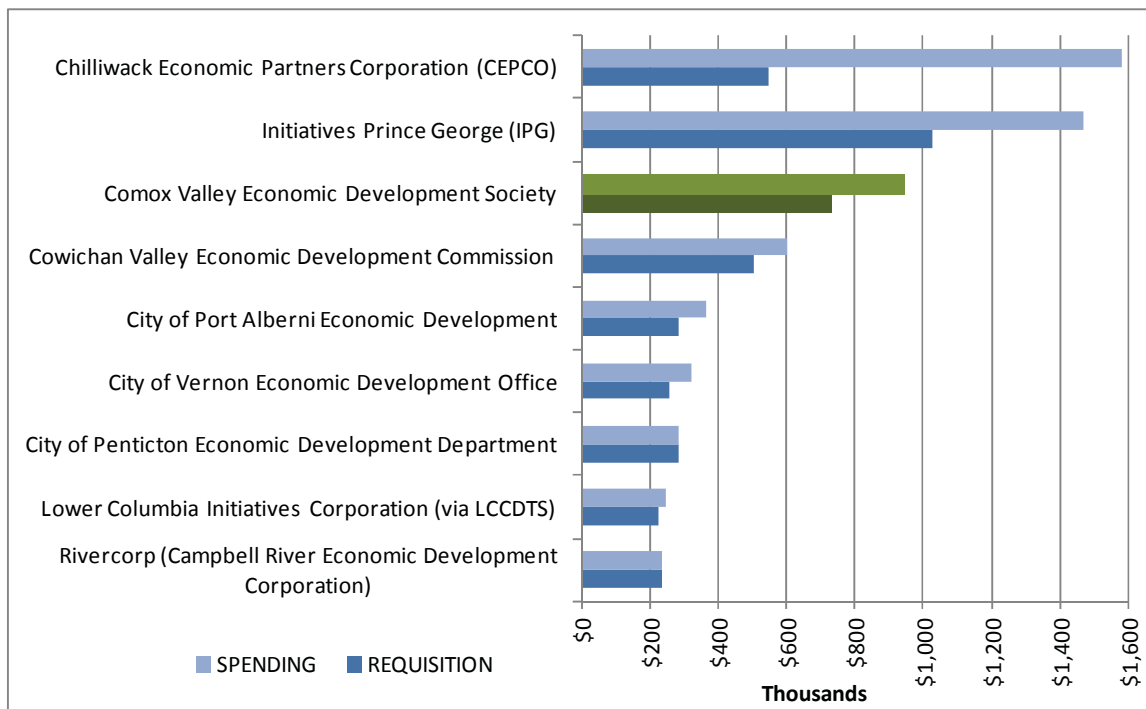
In the absence of a significant amount of information on requisition limits, we chose to also compare the per-capita tax collected for economic development services in our comparable communities. While no two communities are alike, determining the per-capita requisition helps establish a basic level of understanding as to which economic development programs are more costly from the perspective of the taxpayer. It is important to note that how much an economic program costs the taxpayers is affected by several factors, including: the level of service provided by the program, the number and scope of the initiatives attempted by the program, the complexity of the political environment, and the overall efficiency of the economic development organization. An economic development service is a cost, but also an investment.

In the tables below we isolated the budgets and requisitions for just economic development services of the communities comparable to Comox Valley. Some of these organizations also handle tourism and visitor centre initiatives, and we have excluded those figures from these tables. All figures are from 2012 unless otherwise specified. Note that the figures for Comox Valley are from CVEDS

2013 budget and exclude Revenues and Expenses of initiative associated with AHRT, CVAC or the Visitor Centre. The figures do, however, include revenues and expenses associated with destination marketing, which arguably falls under the category of business investment and attraction. The aim was to separate economic development from tourism, as many of the comparable communities have organizations other than their economic development services handling their tourism-related initiatives. We can see that at \$11.81 per-capita, the Comox Valley economic development service requisition is higher than average, second to Initiatives Prince George and comparable to Kootenay Boundary’s LCIC.

Table 4: Tax Requisitions for Comparable Economic Development Services (excl. tourism)

ECONOMIC DEVELOPMENT ORGANIZATION	POP	REQUISITION	CAPITA
Initiatives Prince George (IPG)	72,000	\$1,025,000	\$14.24
Comox Valley Economic Development Society	63,000	\$724,250	\$11.50
Lower Columbia Initiatives Corporation (via LCCDTS)	19,500	\$224,000	\$11.49
City of Port Alberni Economic Development	31,000	\$284,000	\$9.16
Rivercorp (Campbell River Economic Dev'ment Corp.)	31,000	\$235,000	\$7.58
Chilliwack Economic Partners Corporation (CEPCO)	78,000	\$550,000	\$7.05
City of Penticton Economic Development Department	43,000	\$284,000	\$6.60
Cowichan Valley Economic Development Commission	80,500	\$505,000	\$6.27
City of Vernon Economic Development Office	58,000	\$257,000	\$4.43

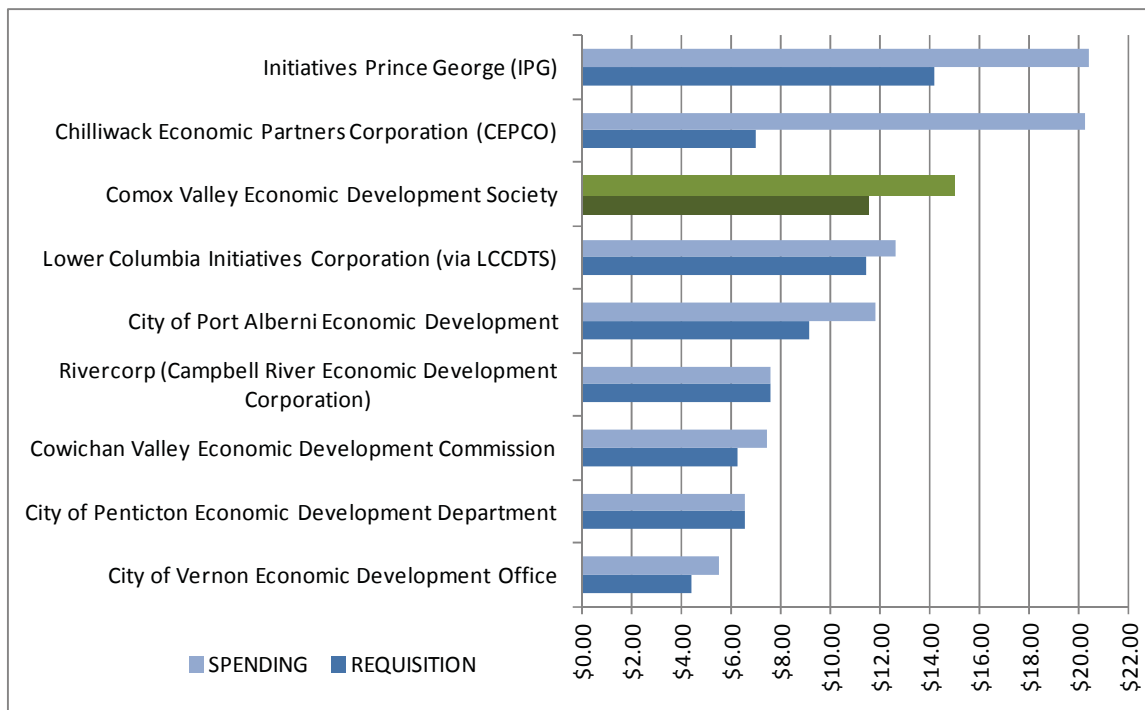


Sources: Municipal annual reports and financial statements

When taking into account the total budgets for economic development, Comox Valley at \$14.97 per-capita is significantly above the mean of \$11.92 but within the same realm as the larger programs, as shown below. Again, Initiatives Prince George commands the highest budget per-capita for economic development among the communities compared.

Table 5: Overall Budgets for Comparable Economic Development Services (excl. Tourism)

ECONOMIC DEVELOPMENT ORGANIZATION	POP	BUDGET	CAPITA
Initiatives Prince George (IPG)	72,000	\$1,471,000	\$20.43
Chilliwack Economic Partners Corporation (CEPCO)	78,000	\$1,580,000	\$20.26
Comox Valley Economic Development Society	63,000	\$943,000	\$14.97
Lower Columbia Initiatives Corporation (via LCCDTS)	19,500	\$246,000	\$12.62
City of Port Alberni Economic Development	31,000	\$367,000	\$11.84
Rivercorp (Campbell River Economic Dev'ment Corp.)	31,000	\$235,000	\$7.58
Cowichan Valley Economic Development Commission	80,500	\$600,000	\$7.45
City of Penticton Economic Development Department	43,000	\$284,000	\$6.60
City of Vernon Economic Development Office	58,000	\$320,000	\$5.52



Sources: Municipal and economic development organization annual reports and budgets

Such differences between per-capita expenditures and per-capita requisitions transition us to a brief exploration of funding and cost recovery.

Comparison of cost recovery and funding methods

The stronger the financial position of an economic development organization, the more that organization can do to grow the local economy and/or improve the well-being of its community. Ideally, the taxpayer will not need to shoulder the entire burden for economic development. Section 803 of the Local Government Act allows for regional districts to recover the costs of its service functions through property and parcel taxes, fees and charges or by “way of agreement, enterprise, gift, grant or otherwise.” The economic development entities in Comox Valley and in many of its comparable communities have managed to provide at least a fraction of their budgets from sources other than taxes. This information is shown in the table below.

Table 6: Cost Recovery for Comparable Economic Development Services (excl. Tourism)

ECONOMIC DEVELOPMENT ORGANIZATION	BUDGET	REQUISITION	FROM TAX
Chilliwack Economic Partners Corporation (CEPCO)	\$1,580,000	\$550,000	35%
Initiatives Prince George (IPG)	\$1,471,000	\$1,025,000	70%
Comox Valley Economic Development Society	\$943,000	\$724,250	77%
City of Port Alberni Economic Development	\$367,000	\$284,000	77%
City of Vernon Economic Development Office	\$320,000	\$257,000	80%
Cowichan Valley Economic Development Commission	\$600,000	\$505,000	84%
Lower Columbia Initiatives Corporation (via LCCDTS)	\$246,000	\$224,000	91%
City of Penticton Economic Development Department	\$284,000	\$284,000	100%
Rivercorp (Campbell River Economic Dev'ment Corp.)	\$235,000	\$235,000	100%

Sources: Municipal and economic development organization annual reports and budgets

Again, the figures for Comox Valley are based upon what was provided by CVEDS for 2013 in its 2014 budget submission. These figures included some spending and cost recovery associated with destination marketing, which helped defer the overall cost of operations. While it can be debated whether Destination Marketing is more tourism than economic development, we see such activity as having an economic development function in Comox Valley. Without including Destination Marketing, CVEDS recovers its costs for economic development exclusively through tax requisitions.

Other organizations use a variety of other means to shield their local taxpayers from the full cost of their operations. In Chilliwack, CEPCO receives well over \$800,000 annually from rent on its real estate assets. Also, Initiatives Prince George receives substantial funding from the Federal Government, the Northern Development Initiatives Trust and from private partnerships.

Comparison of Borrowing Practices

Our research revealed no borrowing beyond short-term current debt in any of the economic development organizations that were not private corporations. The economic development service establishment bylaw for the Comox Valley Regional District was the only bylaw which included any language regarding borrowing practices. Generally speaking, borrowing does not play an appreciable role with the economic development organizations examined here.

Comparison of Staff Sizes

Another metric that we can compare across communities is the staffing size for each economic development organization. While it would make sense that organizations serving larger communities or engaged in a broader range of services would naturally have more staff and higher staffing budgets, we also compared the number of staff in proportion to the populations of the communities which they serve. Doing this we found that the number of residents served per staff member in Comox Valley, while lower than average when compared across all the communities, remains similar to those among the larger communities. Again, different communities also place different priority on economic development. The details are shown in the table below:

Table 7: Staffing Metrics for Comparable Economic Development Services

ECONOMIC DEVELOPMENT ORGANIZATION	STAFF	FTE	POP/FTE	MEAN
City of Penticton Economic Development Department	\$106,000	1	43,000	\$106,000
City of Vernon Economic Development Office	\$155,000	1.5	38,667	\$103,333
Cowichan Valley Economic Development Commission	\$279,500	3.75	21,467	\$74,533
City of Port Alberni Economic Development	\$148,000	1.5	20,667	\$98,667
Chilliwack Economic Partners Corporation (CEPCO)	\$520,000	5	15,600	\$104,000
Comox Valley Economic Development Society	\$406,000	5	12,600	\$81,200
Initiatives Prince George (IPG)	\$530,000	7	10,286	\$75,714
Rivercorp (Campbell River Economic Dev'ment Corp.)	\$210,000	4	7,750	\$52,500

Sources: Economic development organization annual reports and budgets

It should be noted that CVEDS, like most economic development organizations also engage contractors and consultants as the needs arise. Typically those expenditures are denoted on a separate line item apart from those for the wages and benefits of staff directly employed. Comparisons with other organizations of contractor expenditures were not made due to the inconsistent availability of such information.

Comparison of activities undertaken across communities

Economic development organizations generally focus on at least some of the same broad categories of activities, including: Business Retention and Expansion; Business Investment and Relocation; Small Business Creation and Support; Local Asset Promotion (such as aquaculture); Workforce Readiness; Downtown Revitalization; and Information Support. Insofar as the overall comprehensiveness of providing these services is concerned, the Comox Valley Economic Development Society is comparable to those of the larger communities examined here.

Table 8: Comparison of Activities across Comparable Economic Development Services

BUSINESS DEVELOPMENT & SUPPORT	CVEDS	CEPCO	IPG	EDC
Business Investment and Attraction	X	X	X	X
Business Retention and Expansion	X	X	X	X
Export Development	X		X	
New Business Setup	X		X	X
Small Business Support	X	X	X	
LOCAL ASSET DEVELOPMENT	CVEDS	CEPCO	IPG	EDC
Downtown Revitalization	X	X	X	
Workforce Development	X	X	X	
Educational Partnerships	X	X	X	X
Agricultural/Agribusiness Development	X		X	X
Manufacturing Development		X	X	
Forestry Development			X	
Mining/Oil/Gas Development			X	
Green Business Development	X	X	X	X
INFORMATION SUPPORT	CVEDS	CEPCO	IPG	EDC
Economic Profile/Market Research Stats	X	X	X	X
Regular Economic Information Dissemination			X	
Development Economic Impact Analysis	X			
Sectoral Marketing Campaigns	X		X	X
Available Land Database			X	X

Sources: Economic development organization annual reports

It is worth noting that an economic development organization may appear to be providing services that are duplicative of those provided by other local organizations, such as a Chamber of Commerce or a Business Improvement Association (BIA). We feel that an economic development organization is an ideal platform to leverage and coordinate the efforts of these other supporting organizations; it is positioned between the government and the business

communities and is able to view the regional economy holistically. Because of these relationships, it may sometimes appear that there is an “overlap” of services provided. We feel this is a necessary thing, provided that the economic development organization does not *needlessly* attempt to duplicate all of a supporting organization’s functions.

Differences between Economic Development Service Models

Though the exact details of their configurations may differ across communities, economic development service functions nearly always conform to one of four basic structures:

- As a department or agency of the municipal government;
- As a semi-independent Economic Development Commission mandated by the municipal or regional government;
- As a Chamber of Commerce or other local organization assuming responsibility for economic development;
- As a private agency or corporation contracted on a fee-for-service basis.

These four models represent a continuum of governmental oversight and involvement, ranging from total control to no control. What follows is a brief description of each type and how it might pertain to Comox Valley:

Economic Development as a department within municipal government – A common model for delivering economic development services in many mid-sized B.C. communities has been to operate from within municipal government, ultimately reporting to a City Manager or Chief Administrative Officer. Obviously, this model has the highest level of governmental oversight and accountability of the models for economic development. Although this structure generally achieves closer cooperation with other municipal departments, its working relationship with outside agencies can be compromised. Political interference and micro-managing from the municipal government can also complicate economic development operations, and the lack of political consistency over the life of the mandate can be detrimental. This model typically works best for serving a single jurisdiction (i.e. the municipality alone), as the inclusion of other jurisdictions can dramatically complicate the mandate of such a position. Given that CVEDS

delivers services to the municipalities of Courtenay, Comox and Cumberland, as well as three Electoral Areas, this model would probably be challenged to adequately address the needs of each individual member. It is worth noting, however, that the Cowichan Valley (via Economic Development Cowichan) does use this model at the regional district level to provide services to all of its constituent communities. Perhaps this model works well there because no one jurisdiction is significantly larger or more dominant than any other; based on our observations of the political realities in Comox Valley, we do not think the region could support economic development as a governmental office under CVRD.

While such a model in theory could work for the Regional District's rural areas or for individual municipalities, the tight economic integration of the communities within the Comox Valley would reduce the effectiveness of such a plan. In essence, such an officer would be competing with the other jurisdictions within the same regional economy for many of the same investment resources while failing to leverage the economy of scale gained from utilizing a region-wide service.

Economic Development Commission mandated by government – Another model is the use of a separate organization, an economic development commission, to take responsibility for economic development. The services of this commission are then usually “outsourced” to a non-profit society or a development corporation. There are numerous successful examples of this approach in the Province, and CVEDS, a non-profit Society fits into this category. Interestingly, Economic Development Cowichan technically uses this model as well, with the notable exception that the services have been “insourced” to a department within regional district government.

The economic development commission or non-profit society models are used to remove a degree of political interference, freeing the commission to more freely and fully engage with the outside community. They may also allow for greater financial involvement of the private sector. This model has less direct governmental control and involvement than the previous model, but the local government is still able to define the terms of what economic development entails as well as demand accountability from the party ultimately carrying out this directive. These bodies are also commonly used in situations where multiple government jurisdictions wish to pursue economic development together. They

jointly fund the organization and provide input into its operation through a board of directors. Development corporations represent another variety of the economic development commission model, with Chilliwack Economic Partners Corporation and Initiatives Prince George being prominent examples.

This model suffers from the fact that there is sometimes difficulty in coordinating its efforts with the municipal or regional governments. The distance from governmental oversight also introduces a potential for reduced communication, accountability and public participation. A surprisingly common public complaint about this model is that executives and officers are not required to disclose their salaries, as are many public employees. Furthermore, being an outside body means that funding commitments and political support might fluctuate substantially over the life-time of the commission, which can complicate or obstruct its effective operation.

Chamber of Commerce being responsible for local economic development – Another possible, but less common, model involves the assignment of lead responsibility for economic development to the Chamber of Commerce. This approach has been used by some BC communities over time but has generally been less successful than other organizational models. Chambers of Commerce are membership-driven business organizations and thus are oriented toward the interests of their membership rather than the interests of the entire community. Moreover, Chambers often count just a fraction of local businesses among their membership; for instance the Comox Valley Chamber of Commerce counts only about one fourth of the region's businesses as members. Chambers are also more removed from the development process, from planning, and from other municipal functions that are complementary to economic development. For these reasons, we do not see adopting this model as being within Comox Valley's interests.

Furthermore, communities that have adopted this model have often moved the economic development function back into the municipality after a period of time. While Chambers of Commerce can perform a valuable supporting role in economic development, and are better suited than municipal government to undertake some activities (such as business counselling), this approach is generally only recommended for very small communities. Of the communities

explored by this review, only the Nelson and Area Economic Development Partnership fits this model.

Private agency contracted on a fee-for-service basis – The fourth approach involves contracting economic development services to a private sector body on a fee-for-service basis. Such structures would be presented as being more streamlined and provide better value-for-money than having such a position “in-house” – for instance, by reducing costs, by better involving the rest of the private sector in its efforts, and by reducing the involvement of any municipal or regional bureaucracy in its internal operations. There is little evidence to support that such a structure would be more efficient than an arms-length economic development commission, at least in mid-sized communities. It is possible that such a model may be ideally suited for a large conurbation with so many jurisdictions that meaningfully coordinating between them would be too unwieldy.

This structure is rarely used, but may become more prominent as local and regional governments place more emphasis on harnessing the capabilities and efficiencies of the private sector when it comes to promoting economic development.

Though it is by no means comprehensive, the table below provides a brief summary of the merits and disadvantages of each approach:

Table 9: Comparison of Different Economic Development Structures

STRUCTURE	PROS	CONS
Government Department	<ul style="list-style-type: none"> · High degree of coordination with other municipal departments. · Relatively consistent funding commitments · Clearer jurisdictional mandate 	<ul style="list-style-type: none"> · Potentially subject to political interference from Council · Lesser degree of coordination with agencies outside of municipal government (e.g. Chambers of Commerce, etc.)
Arms-Length Commission or Society	<ul style="list-style-type: none"> · Independence from government can mitigate political interference. · Greater potential for engaging with outside community and private sector 	<ul style="list-style-type: none"> · Amount and time-frame of Economic Development funding less certain. · Lower degree of coordination with municipal or regional governments
Chamber of Commerce	<ul style="list-style-type: none"> · Avoids some duplication of overhead. · Promotes coordination with other local businesses 	<ul style="list-style-type: none"> · Typically Economic Development would be outside of the mandate and expertise of the Chamber · Potential for perceived conflict of interest and skewed benefits · Lower degree of coordination with local and regional government departments
Private Corporation or Agency	<ul style="list-style-type: none"> · Potential for cost savings and efficiencies · Long-term contract provides clear indication of funds available for the function · Takes advantage of private sector expertise · Less hindered by bureaucratic or political interference · Promotes buy-in from other private sector companies. 	<ul style="list-style-type: none"> · Capacity must be available locally. · Lack of local competition will affect ability to secure appropriate price for services · An outside agency may not be in-tune with local attitudes towards economic development

Source: Urbanics Consultants

Summary of Findings and Recommendations

Based on the criteria established by the service review, we found the economic development service in Comox Valley to be generally comparable to those in similarly-sized communities. The following summarizes what we observed and our related recommendations.

Requisition Limits – The Local Government Act actually exempts economic development from requiring a requisition limit, and thus we found that relatively few jurisdictions employ requisition limits for economic development. Communities setting such limits tend to be smaller and set those limits quite low, severely curtailing the capabilities of the economic development function. Comox Valley has a higher requisition limit than most communities that set a limit, but not as high as others. Regardless, the actual tax amount requisitioned is well below the limit set by the service establishment bylaw. We see no reason to change the current requisition limit at this time.

Tax Requisitions – We found that when examined on a per-capita basis, Comox Valley economic development costs the taxpayers more than the average of the nine communities compared, but consistent with broader programs operating in the larger communities.

Overall Budget – We found that when examined on a per-capita basis, Comox Valley economic development spends more than the average of the nine communities compared, but consistent with broader programs operating in the larger communities.

Funding and Cost Recovery – We found that the larger programs tended to make greater use of outside funding sources (i.e. in addition to revenues from tax requisitions), than do smaller programs. Comox Valley performs in a manner consistent with the larger programs, but other programs do seem to make more use of grants or funding from senior government. The Comox Valley economic development service has begun to develop additional streams of revenue, primarily related to tourism initiatives, but could benefit from identifying new sources of funding. In none of these economic development operations being

compared did the service establishment legislation specify a preference for any particular kind of cost recovery.

Borrowing Practices – We found that borrowing aside from current debt was not an issue in any of the communities we explored. We see no reason to change the current policy at this time.

Staffing Sizes – When we examined staffing levels in proportion with the sizes of the communities served, we found that Comox Valley, while higher than the average, was similar to those with broader programs. We did not see this as a particular concern.

Activities Taken – We found that in the larger communities each of the programs engaged in the full spectrum of activities typical for an economic development service. We did not find Comox Valley to be lacking in its overall breadth of services offered. This is not meant to indicate a level of satisfaction with any specific activity, just that Comox Valley economic development covers all the bases one would expect of a program of its size.

Roles of Elected Officials – We found that Comox Valley economic development had the highest involvement of elected officials of any of the programs using an arms-length structure. Other communities have specifically changed their Board structures such that elected officials served only in an advisory “liaison” capacity in response to the Schlenker decision; such officials are permitted to attend board meetings but have no voting powers. The Schlenker decision discusses the pecuniary interest that board *directors* have in their respective societies, thus the UBCM recommends that elected officials serve as nothing more than liaisons (or observers), allowing them to better carry out their duties promoting the interests of their constituencies. More on the Schlenker decision can be found in the Appendix.

In light of this and other factors uncovered by our primary research, we recommend that the CVEDS board be changed such that no elected officials serve as directors, but rather as “liaisons” that are still able to attend all board meetings. Instead, we feel that board members should be chosen by the councils of each member municipality in general proportion to their funding level. In the case of the Electoral Areas, each area director would appoint a single director to

the CVEDS board. Ideally, Board members would be selected based on what they can bring to the organization. Initiatives Prince George uses a competency matrix to take stock of the skills possessed by the members of its Board and help them determine areas where they might need additional expertise. Such a matrix could be used to help municipal councils and area directors select the members of the CVEDS Board.

Regarding elected officials, we feel that each municipal Council should select a member to serve as a Liaison to the Commission and each Electoral Area should send its Area Director to serve as a Liaison to the Commission. An additional thought is to also include the four CAOs as liaison or otherwise non-voting members of the Board. A sample reconfiguration of the Board as well as the Board selection matrix used by Initiatives Prince George may be found in the Appendix.

Moving Forward – After consideration of the merits and disadvantages of each structure, we recommend that the current structure of an arms-length commission be maintained, and that CVEDS continue as a quasi-independent commission mandated to serve the City of Courtenay, the Town of Comox, the Village of Cumberland and electoral areas Baynes Sound (Area A), Lazo North (Area B) and Puntledge/Black Creek (Area C); – funded by all six members on a proportionate basis.

Recommendations for Changes to the Service Establishment Bylaw

This section shows the differences between the existing bylaw and a potential updated version which incorporates applicable recommendations. Some of the recommended changes may be better placed in a service delivery agreement, but that would be the decision of the Legislative Officer.

Service Establishing Bylaw Authority

Authority for the Comox Valley economic development service is vested in supplementary letters patent dated 1976 and 1980. The current Comox Valley economic development service commission bylaw, No. 2395, describes the service, participants and commission role. On the policy advice of the Provincial government in 2002, Bylaw No. 2395 was not given inspector approval when it was adopted and therefore the authority for this service continues to rest with the supplementary letters patent. The province, Ministry of Community, Sports and Culture, has advised that an amendment to the service would require Inspector approval. Should any amendments be considered to the service as described further in this report, inspector approval would be sought to then vest the authority for the service in a new service establishment / conversion bylaw. The conversion bylaw would require:

- three readings by the CVRD board;
- written consent from each electoral area director and municipal council;
and
- inspector of municipalities approval

before it can be adopted.

Possible Changes to the Service Establishment Bylaw

We can look to other communities for ideas on how we might improve the economic development service establishment bylaw. Because of the political similarities between the Comox Valley and Cowichan Valley Regional Districts, several modifications were based on what can be seen in the bylaw used by the Cowichan Valley Economic Development Commission. Using this bylaw and

others from around British Columbia, we recommended several changes intended to accomplish the following:

- Better and more clearly define what economic development means conceptually and the overall role of the Economic Development Commission;
- Modify the composition of the Economic Development Commission (as presently manifested by the CVEDS Board) in order to remove any possible conflict of interest as per the Schlenker decision;
- Modify the composition of the Economic Development Commission (as presently manifested by the CVEDS Board) in order to depoliticize the Commission.

As such, we suggest the following language; bolded text indicates an addition or modification of the original:

WHEREAS under the provisions of the Local Government Act, Section 796, a regional district may, by bylaw, establish and operate any service the Board considers necessary or desirable service for all or part of the Regional District;

AND WHEREAS the Board of the Regional District wishes to establish a regional economic development service within the Comox Valley Regional District;

AND WHEREAS pursuant to section 801 of the Local Government Act, the approval of the Inspector of Municipalities has been obtained;

AND WHEREAS pursuant to section 801.4 of the Local Government Act, the Councils of the City of Courtenay, the Town of Comox and the Village of Cumberland have given consent on behalf of the electors within the municipal participating areas, to adoption of this Bylaw;

AND WHEREAS pursuant to section 801.5 of the Local Government Act, the Directors of Electoral Areas A, B and C have given consent

on behalf of the electors within the electoral participating areas, to adoption of this Bylaw;

NOW THEREFORE, the Board of the Comox Valley Regional District, in open meeting assembled, enacts as follows:

Establishment

1. An Economic Development Commission to be known as the Comox Valley Regional Economic Development Commission (the "Commission") is hereby established.

Responsibility and Purpose

2. **The responsibility of this Commission is to encourage the responsible expansion of the Comox Valley economic base as well as enhance wealth and employment opportunities through:**
 - a. **Promoting, marketing and facilitating economic development in the Comox Valley;**
 - b. **Developing and implementing economic development strategies for the Comox Valley;**
 - c. **Developing and/or assisting in the development of properties and facilities which create or expand economic, investment or employment activity in the Comox Valley;**
 - d. **Developing and maintaining timely information on economic activity and economically-relevant statistics in the Comox Valley;**
 - e. **Partnering with business and other organizations within the Comox Valley.**

Service Boundaries and Participants

3. **The boundaries of this Service shall be the boundaries of Electoral Areas A (excluding Denman and Hornby Islands), Areas B and C, and inclusive of the City of Courtenay, the Town of Comox and the Village of Cumberland.**
4. **The participants of this Service are Electoral Areas A, B and C, the City of Courtenay, the Town of Comox and the Village of Cumberland.**

Cost Recovery

5. As provided in Section 803 of the Local Government Act, the annual cost of providing the Service shall be recovered by one or more of the following:
 - a. property value taxes imposed in accordance with Division 4.3 of Part 24 of the Local Government Act;
 - b. fees and charges imposed under section 797.2 of the Local Government Act;
 - c. revenues raised by other means authorized by the Local Government Act or another Act;
 - d. revenues received by way of agreement, enterprise, gift, grant or otherwise.

Requisition Limits

6. The requisition limits are not to exceed the product of \$0.278 per \$1,000.00 applied to the net taxable value of land and improvement in the participating area.

Borrowing

7. No debt, other than temporary current borrowing shall be incurred for the purposes of the Commission.

Composition

8. The services of the Commission may be provided by an agency or agencies under contract to the Regional District pursuant to section 176(1)(a) of the Local Government Act.
9. If at any time the Regional District assumes operation of the Commission, terms of reference for the structure and operation of the Commission shall be prepared and appended to this Bylaw as Schedule "A".

Service Review

- 10. All aspects of the Comox Valley economic development service shall be reviewed every three years, with the first review occurring in 2017.**

Citation

11. This Bylaw may be cited for all purposes as "Comox Valley Regional Economic Development Commission Establishment Bylaw No. XXXX, 2014"

Appendices

Current Service Establishment Bylaw

The need to readopt the bylaw presents an opportunity to introduce improvements that help clarify the service being established as well as improve the overall effectiveness of the function.

The existing bylaw reads as follows:

COMOX STRATHCONA REGIONAL DISTRICT
BYLAW NO. 2395

A bylaw to establish an economic development commission for the Comox Valley area of the Comox Strathcona Regional District

WHEREAS pursuant to supplementary letters patent dated the 30th day of June, 1976, the Regional Board may establish, maintain and operate an Economic Development Commission on behalf of the consenting member municipalities and Electoral Areas or defined areas thereof;

AND WHEREAS the regional board deems it desirable to establish an Economic Development Commission for member municipalities and Electoral Areas which consent to participate;

AND WHEREAS the Councils of the City of Courtenay, the Town of Comox and the Village of Cumberland have each by resolution consented to becoming a participating member municipality in an Economic Development Commission;

AND WHEREAS the Board of Directors representing Electoral Areas "A", "B", and "C" have given written consent to becoming participating members in an Economic Development Commission;

NOW THEREFORE the regional board of the Comox Valley Regional District, in open meeting assembled, enacts as follows:

Establishment

1. An Economic Development Commission to be known as the Comox Valley Economic Development Commission (the "Commission") is hereby established.

Membership

2. The members of the service are the Town of Comox, the Corporation of the City of Courtenay, the Corporation of the Village of Cumberland and Electoral Areas 'A', 'B' and 'C'.

Requisition limits

3. The requisition limits are not to exceed the product of \$0.278 per \$1,000.00 applied to the net taxable value of land and improvement in the participating area.

Cost Recovery

4. As provided in Section 803 of the Local Government Act, the annual cost of providing the Service shall be recovered by one or more of the following:

- a) property value taxes imposed in accordance with Division 4.3 of Part 24 of the Local Government Act;
- b) fees and charges imposed under section 797.2 of the Local Government Act;
- c) revenues raised by other means authorized by the Local Government Act or another Act;
- d) revenues received by way of agreement, enterprise, gift, grant or otherwise.

Borrowing

5. No debt, other than temporary current borrowing shall be incurred for the purposes of the Commission.

Composition

6. The services of the Commission may be provided by an agency or agencies under contract to the Regional District pursuant to section 176(1)(a) of the Local Government Act.

7. If at any time the Regional District assumes operation of the Commission, terms of reference for the structure and operation of the Commission shall be prepared and appended to this Bylaw as Schedule "A".

Service Review

8. All aspects of the Comox Valley economic development service shall be reviewed every five years, with the first review occurring in 2012.

Repeal

9. Bylaw No. 731 cited as "Economic Development Service Unit Function Bylaw, 1984" is hereby repealed.

Citation

10. This Bylaw may be cited for all purposes as "Comox Valley Economic Development Commission Establishment Bylaw No. 2395, 2001".

One Possible Restructuring of the CVEDS Board

Our recommendations included altering the structure of the Board to better comply with the BC Court of Appeals decision in Schlenker v. Torgrimson. This change would likely require altering the CVEDS Constitution and/or be included in future service delivery agreements. One possible reconfiguration of the CVEDS (or other organization fulfilling the duties of the Comox Valley Economic Development Commission) is as follows:

Directors:

- Four (4) as appointed by Courtenay City Council
- Two (2) as appointed by Comox Town Council
- One (1) as appointed by Cumberland Village Council
- One (1) as appointed by Area A Director
- One (1) as appointed by Area B Director
- One (1) as appointed by Area C Director
- One (1) as appointed by the K'omoks First Nation
- One (1) as appointed by Comox Valley Chamber of Commerce
- One (1) as appointed by another local organization (to be decided later)

Liaisons (or Observers):

- One member of the Courtenay City Council
- One member of the Comox Town Council
- One member of the Cumberland Village Council
- The Area A Director
- The Area B Director
- The Area C Director

Ex-Officio Members:

- Immediate Past-President of CVEDS Board
- The CAO from the City of Courtenay
- The CAO from the Town of Comox
- The CAO from the Village of Cumberland
- The CAO from the CVRD

A quorum would consist of a majority of the Directors plus one, or seven (7) Directors.

Board Member Competency Matrix (via Initiatives Prince George)

	Board Member									
Knowledge/Skills/Experience										
Demonstrated Interest in IPG's Mission										
Governance										
Leadership										
Strategic Planning										
Policy Development										
Finance and Accounting										
Legal										
Political Processes										
Business Management										
Community Knowledge and Stakeholder Relations										
Connections with Senior Government Stakeholders										
Communications and Public Relations / Media										
Economic Development										
Logistics and Transportation										
Other (identify)										

The Schlenker Decision and Comox Valley Economic Development

The decision in the Schlenker versus Torgrimson case by the BC Court of Appeals in January 2013 has some far-reaching implications, even affecting the nature of how elected officials in the CVRD serve overseeing the Economic Development Society. In summary, we recommend changing the board structure such that elected officials serve as “liaisons” to the Board.

The law firm of Bull Houser summarizes the situation:

“In the recent decision in Schlenker v. Torgrimson, 2013, BCCA 9, the British Columbia Court of Appeal held that where an elected official serves as a director of a society, such elected official may have conflicting responsibilities as a local government councilor and as a director. Irrespective of whether the elected social receives any personal financial gain in their capacity as the director, the elected official may have a pecuniary conflict of interest if the society receives a monetary benefit from the local government. The basis for the pecuniary conflict of interest is in the fulfillment of the director’s fiduciary obligations to the society which are different and may conflict with their obligations as a local councilor.”

The law firm of Stewart McDannold Stuart further explains:

“This decision should be a cause of concern to elected officials who are also directors of not-for-profit societies that serve the broader community interest. As a result of this ruling, a decision that involves the financial interests of the not for profit society may be found to give rise to an indirect pecuniary conflict of interest on the part of an elected official and, accordingly, to create grounds for disqualification from office under s.101(3) of the Community Charter. The Court did not address the question of mere membership in a society, but was concerned with persons who occupy roles as directors of the corporation.”

The Court of Appeals has explained their ruling in depth. Below are the excerpts from Justice Donald’s explanation of the ruling which we found to be most relevant to Comox Valley Economic Development.

[3] The pecuniary interest of the respondents lies in the fulfillment of their fiduciary obligation to their societies. When they voted for the expenditure of public money on the two contracts, which master were they serving, the public

or the societies? In these circumstances, a reasonable, fair-minded member of the public might well wonder who got the better bargain.

[50] As directors of the Societies, the respondents were under a fiduciary duty to put the Society's interests first. Directors of societies, by virtue of their position, have an indirect interest in any contract a society is awarded. When the respondents moved and voted in favour of resolutions that benefitted their Societies through the granting of contracts, arguably contracts the Societies might not have been awarded had the councilors not also been directors, their duties as directors to put the Society's interests first were in direct conflict with their duties as councilors to put the public's interests first. These circumstances encompass the mischief the legislation was aimed at, namely, a conflict of interest in deciding money resolutions. The public is disadvantaged by the conflict, whether the respondents derived any personal gain or not, because the public did not have the undivided loyalty of their elected officials.

[49] In several ways in the course of these reasons, I have endeavoured to make the point that so long as the "matter" involves the expenditure of public funds and the respondents have "an interest" in the matter which a well-informed elector would conclude conflicts with their duty as councilors, it makes no difference that they put no money in to their own pockets.

[34] The object of the legislation is to prevent elected officials from having divided loyalties in deciding how to spend the public's money. One's own financial advantage can be a powerful motive for putting the public interest second but the same could also be said for the advancement of the cause of the non-profit entity, especially by committed believers in the cause, like the respondents, who as directors were under a legal obligation to put the entity first.

[44] There is little difference in the duties of a director of a business corporation and a society.

[45] Directors of societies have a fiduciary duty of loyalty to "act honestly and in good faith and in the best interests of the society": s. 25(1)(a) of the Society Act. This fiduciary duty is the same duty that directors owe to corporations under the Business Corporations Act at s. 142(1)(a), which provides that directors of a company (defined as a corporation recognized as a company under that Act), when exercising the powers and performing the functions of a director of the company must act honestly and in good faith with a view to the best interests of the company, as well as the federal Canada Business Corporations Act under s.

122(1)(a), which provides that every director of a corporation in exercising their powers and discharging their duties shall act honestly and in good faith with a view to the best interests of the corporation . Therefore, case law relating to the fiduciary duty of directors of corporations is analogous to the fiduciary duty of directors of societies.

The Union of BC Municipalities recommends some practical steps. They write:

Elected officials and their local governments may want to consider what steps could be taken to avoid or minimize the risk in situations that might be considered a conflict of interest under the BCCA decision – whether by clarifying roles or by taking care in designing relationships with nonprofit societies. While there can be no guarantees that particular actions will prevent a conflict of interest situation, the following are a few practical steps to consider:

Regarding societies to which the local government has traditionally appointed elected officials as Directors:

- **Consider having an elected official be a nonvoting “observer” or “liaison” on the society’s board rather than appointing them as a director, and provide clear terms of reference for that observer/liaison role;**
- **Consider alternatives to appointing elected officials – e.g. appoint citizen representatives to the society’s board;**
- **Consider alternatives to board appointments – e.g. set out in an agreement with the society the council/board’s expectations and monitor the society’s performance based on that agreement.**

Regarding societies on which elected officials choose to be directors:

- To ensure that elected officials understand the rules, e.g. have orientations and regular legal refreshers for council/board members on conflict of interest generally, the BCCA decision and the rules for disclosing conflicts and absenting themselves from discussions;
- To encourage elected officials to carefully consider the risks in retaining directorships in nonprofit societies seeking financial support or other decisions from the local government.

Regarding a local government’s ongoing membership in a society:

- Consider separating the council/board’s decision on its membership (and membership dues) from any decisions on whether to provide grants or other forms of financial assistance to the society.

Acknowledgements

We express our sincere gratitude to those who generously gave their time to speak candidly about their experiences with CVEDS and its initiatives. We also thank the representatives from economic development organizations who shared what they could about their operations. Lastly, we appreciate the help provided by the staffs of CVEDS and CVRD.

Elected Officials

Ms. Leslie Baird	Mayor, Village of Cumberland
Mr. Paul Ives	Mayor, Town of Comox
Mr. Larry Jangula	Mayor, City of Courtenay
Mr. Jon Ambler	Director, CVRD Board; Councillor, City of Courtenay
Mr. Bill Anglin	Director, CVRD Board; Councillor, City of Courtenay
Mr. Connor Copeman	Councillor, Village of Cumberland
Ms. Patti Fletcher	Director, CVRD Board; Councillor, Town of Comox
Mr. Jim Gillis	Director, CVRD Board; Area B Director
Mr. Ken Grant	Councillor, Town of Comox; CVEDS Board Executive
Mr. Tom Grant	Director, CVRD Board; Councillor, Town of Comox
Ms. Kate Greening	Councillor, Village of Cumberland
Mr. Edwin Grieve	Director, CVRD Board; Area C Director
Mr. Bruce Jolliffe	Director, CVRD Board; Area A Director
Mr. Roger Kishi	Councillor, Village of Cumberland
Ms. Barbara Price	Councillor, Town of Comox
Ms. Gwyn Sproule	Director, CVRD Board; Councillor, Village of Cumberland
Ms. Maureen Swift	Councillor, Town of Comox
Mr. Manno Theos	Director, CVRD Board; Councillor, City of Courtenay
Ms. Starr Winchester	Director, CVRD Board; Councillor, City of Courtenay

Senior Local Government Staff

Mr. David Allen	Chief Administrative Officer, City of Courtenay
Mr. Richard Kanigan	Chief Administrative Officer, Town of Comox
Mr. Sundance Topham	Chief Administrative Officer, Village of Cumberland
Ms. Debra Oakman	Chief Administrative Officer, CVRD

Members of the Community and Local Business

Mr. Roger Albert	Comox Valley Social Planning Society
Mr. Fred Bigelow	CEO, Comox Valley Airport
Mr. Bruce Brautigam	Executive Director, Creative Employment Action Society
Mr. Don Cameron	Director, CVEDS Board
Mr. Brian Charlton	Citizen Voice Project; Various Civic Organizations
Mr. Doug Cox	Executive Producer, Vancouver Island MusicFest
Ms. Meaghan Cursons	Community Animator; Various Civic Organizations
Mr. Marty Douglas	Former Director, Comox Valley Tourism
Mr. Patrick Evans	Owner, Evansdale Farms & Shellter Point Distillery
Mr. Richard Hardy	Vice-President, CVEDS Board
Ms. Dianne Hawkins	President, Comox Valley Chamber of Commerce
Ms. Lisa Henderson	Better Mousetrap
Mr. Mark Herring	Exec Director, North Island College International Program
Ms. Haideh Jordan	Director, CVEDS Board, Area B Appointee
Ms. Melinda Knox	K'omoks First Nation
Mr. Edd Moyes	Owner, Blackfin Pub
Mr. Murray Presley	Past-President, CVEDS Board
Mr. Justin Rigsby	Secretary, CVEDS Board
Ms. Kate Rogers	Tartan Group
Ms. Jill Rushton	General Manager, Old House Village Hotel and Spa
Mr. Bob Scales	Past-President, Comox Valley Chamber of Commerce
Mr. Jamie Vann Struth	Principal, Vann Struth Consulting
Mr. Ian Whitehead	President, CVEDS Board
Mr. Andy Whyte	President, Comox Valley Bed & Breakfast Association

Economic Development Professionals

Mr. John Watson	Executive Director, CVEDS
Ms. Heather Oland	CEO, Initiatives Prince George
Mr. Brian Coombes	President, Chilliwack Economic Partners
Mr. Tom Thomson	Executive Director, Nelson Chamber of Commerce (NAEDP)
Mr. Pat Deakin	Economic Development Manager, Port Alberni
Mr. Geoff Millar	Econ. Development Officer, Economic Development Cowichan



File: NIHP

June 27, 2016

Sent via email: dallen@courtenay.ca

Mr. David Allen
Chief Administrative Officer
City of Courtenay
830 Cliffe Ave
Courtenay, BC V9N 9J7

Dear Mr. Allen:

Re: Parking at the new Campbell River and Comox Valley hospital sites

The Comox Strathcona Regional Hospital District approved a motion at its June 16, 2016 board meeting that other regional districts, municipalities and stakeholders within the catch basin for both the Campbell River and Comox Valley hospitals be approached to enquire if there is an appetite to participate in a tax requisition to cover the cost of operating a free parking facility at both the new Campbell River and Comox Valley hospital sites.

As way of background material, please find attached the staff report dated May 18, 2016 that was considered by the board at its June 16, 2016 meeting.

Some patients will be travelling far distances to the hospitals and in many cases patients have mobility issues. The CSRHD board debated the issue of patients potentially bearing the burden of paying for parking when in need of medical care. The CSRHD board also recognized that patients rely heavily on family members for support and when faced with medical issues of loved ones, paying for parking becomes a concern. Other impacts in the surrounding community may also arise as parking spaces that are meant for businesses and/or institutions may be used by 'hospital users' in an effort to avoid the cost of paying for parking.

As the hospitals project is nearing completion in the next two years, kindly advise if the City of Courtenay would be willing to support a tax requisition to cover the cost of operating a parking facility at both the new Campbell River and Comox Valley hospital sites.

For your information, the chair of the Comox Strathcona Regional Hospital District board has offered to attend board meetings of the adjacent regional hospital districts of Mount Waddington and Powell River to speak to the above noted matter.

Sincerely,

D. Oakman

Debra Oakman, CPA, CMA
Chief Administrative Officer

cc: Dr. Brendan Carr, President & Chief Executive Officer, Island Health
Majit Sidhu, Assistant Deputy Minister of Health

Enclosure: Staff report dated May 18, 2016



Staff Report

DATE: May 18, 2016

FILE: H-MP-NIHP

TO: Chair and directors
Regional Hospital District board

FROM: Debra Oakman, CPA, CMA
Chief Administrative Officer

RE: Option Analysis – no user pay parking system at the North Island Hospitals (one hospital – two campus model: Campbell River and Comox Valley)

Purpose

To report back to the board with the results of staff's option analysis research with regard to a no user pay parking system at the North Island hospitals (one hospital – two campus model: Campbell River and Comox Valley).

Policy analysis

Provincial Legislation

The following excerpt from the *Hospital District Act* highlights the eligible purposes for regional hospital districts.

Hospital District Act – Part 3 – Division 1 – 20 - Purposes

20(1) The purposes of a regional hospital district are the following:

- (a) to establish, acquire, construct, reconstruct, enlarge, operate and maintain hospitals and hospital facilities;
- (b) to grant aid for the establishment, acquisition, reconstruction, enlargement, operation and maintenance of hospitals and hospital facilities;

Local Government Policy

The Comox Strathcona Regional Hospital board (CSRHD) adopted a financial planning policy to guide its decisions with regard to local taxation contributions for hospitals and named hospital facilities (appendix A). The 2011 policy requires amending to reflect the 2016 board direction to increase grants to named hospital facilities from \$2,500.00 to \$5,000.00 per year. Should the CSRHD board determine to enter into an agreement with the Vancouver Island Health Authority (VIHA) to make an annual grant contribution towards operating and maintenance costs for a 'no-user pay' parking system, the financial planning policy would require updating.

At the February 11, 2016 board meeting the following motion was adopted:

“THAT staff be directed to meet with Island Health to provide the Comox Strathcona Regional Hospital District board with options to provide free parking at the Campbell River and the Comox Valley hospitals and that staff bring a report to the June 16, 2016 CSRHD board meeting.”

At the September 17, 2015 board meeting the following motions were adopted:

“THAT the Comox Strathcona Regional Hospital District write to Island Health to request that all on-site parking at our new hospitals sites be provided “free of charge” to patients and family members, thereby allowing patients and visitors throughout our very large geographic service area to have easy and open access to our hospitals and would enhance positive health outcomes for the people of our service area.”

“THAT Island Health be invited to a future Comox Strathcona Regional Hospital District board meeting to present information on and hold a discussion regarding the proposed paid parking model at the new hospital sites.”

VIHA provided a response letter dated October 22, 2015 (appendix B) and Mr. Joe Murphy, vice president, planning and operations support, attended the CSRHD board meeting on November 15th, 2015 to present additional information (appendix C).

Executive summary

With regards to the option analysis research conducted for a ‘no-user’ pay parking system at the North Island hospitals, staff reviewed the information provided from VIHA, letters to and from the Minister of Health as well as The Corporation of Delta (Delta) zoning amendment bylaw regarding prohibition of pay parking at hospital facilities. In addition, staff met with Joe Murphy, VIHA vice president, planning and operations support, to review additional information provided and had a follow-up meeting with both Mr. Manjit Sidhu, Ministry of Health (MoH) assistant deputy minister, corporate and finance and Mr. Murphy on May 2, 2016. This research has been carefully considered and staff have identified some options for board discussion. The major concern from a long-term sustainable MoH operations perspective is the need for the estimated parking revenue of between \$900k to \$1M to offset the costs of the operations and maintenance of the North Island hospitals facilities.

It is clear that any option the CSRHD board wants to advance will need to consider funding impacts on health care if user pay parking is eliminated, as this would result in VIHA diverting health care funds to meet the annual facility maintenance and operations costs of approximately \$8.9M.

Both VIHA and the MoH recommend the CSRHD board consider supporting the ‘user pay parking system’ to partially fund the annual operations and maintenance costs of the North Island hospital facilities recognizing that Minister Lake’s letter dated April 4, 2016 identifies several exemptions, a system for financial hardship, emergency parking and parking permit in-hospital system.

Any other option would require a commitment from local government to provide a grant for assistance to offset the loss of revenue from the user pay parking system.

Four options have been identified for board discussion.

Recommendation from the chief administrative officer:

None – Report presents findings from research and options as requested by the board.

Respectfully:

D. Oakman

Debra Oakman, CPA, CMA
Chief Administrative Officer

History/background factors

The CSRHD has funded 40 per cent of the capital cost of the North Island hospitals that serve the catchment area of Mount Waddington and Powell River regional hospital districts. There has been no funding contributions from these two other North Island hospital districts towards the Campbell River and Comox Valley \$600M capital hospitals project.

The Mayor of The District of Port Hardy has requested the Minister of Health to implement free parking at the Campbell River hospital facility (appendix F). MoH is clear on the provincial practice with regard to user pay parking at hospital facilities (MoH's response to Mayor of Port Hardy's correspondence included in appendix F). VIHA is clear on their intent to implement pay parking at all VIHA hospital facilities (attached letter from Mr. Joe Murphy (appendix G).

The parking fee rates are anticipated to be the lower of the Nanaimo Regional General Hospital and the Capital Regional Hospital (Royal Jubilee). The Nanaimo Regional Hospital District and the Capital Regional Hospital District do not contribute funding towards reducing or eliminating parking fees. Parking fees are established in most hospitals in BC.

The City of Campbell River has directed staff to research how Delta regulated no cost parking at the hospital located within their municipality. Staff's preliminary research indicates that Delta introduced a zoning bylaw amendment in 2004 that prohibits the charging for parking at hospitals. It should be noted that the 2004 staff report indicates that pay parking may be appropriate where there has been an expenditure of capital funds for multi-level parking structure; this is not the case in Delta.

The CSRHD financial planning policy supports funding contributions towards acute care hospitals and hospital facilities capital projects and equipment. The *Hospital District Act* supports CSRHDs grant-in-aid towards operating and maintenance of hospitals and named facilities.

Options

Options analysis with regard to 'user pay' and 'no-user pay' parking system:

1. The Comox Strathcona, Mt Waddington and Powell River regional hospital districts could consider a cost sharing agreement with VIHA to provide \$1M in annual funding for the purposes of implementing 'no-user' pay parking at the North Island hospitals, the agreement could be reviewed every five years.
2. The Strathcona Regional District and the Comox Valley Regional District could independently consider establishing a community health care service and enter into individual agreements with VIHA to fund specific regional interests such as a 'no user pay parking system at the hospital in the region.
3. Municipalities could consider establishing regulations for a no user pay parking system within their jurisdictions.
4. Support the MoH and VIHA user pay parking system at hospitals recognizing that the policy includes several exemptions.

In summary, option one identifies the three primary regional hospital district catchment areas that the North Island hospitals serve and acknowledges the pay parking concerns raised by the Mayor of Port Hardy and the resolution presented by the Village of Tahsis at the Association of Vancouver Island and Coastal Communities (AVICC) with regard to unique demographic needs of the North Island area (AVICC resolution that was not endorsed appendix H).

Option two identifies an alternative for regional districts to consider specific funding of community health needs within their region. This alternative provides flexibility for regional areas to determine individual priorities and how best to apply tax collected.

Option three may provide for individual municipalities to consider regulating pay parking through zoning. To staffs knowledge there are no municipalities on the island that have zoning in place that prohibits the implementation of user pay parking. The City of Campbell River is investigating this option.

Option four is preferred by MoH and VIHA as it directly offsets the annual costs of facility maintenance and operations and includes exemptions

Other factors to consider include:

- Implementation difficulty, eg: additional administration, VIHA has identified that implementing any partial type of system eg: ‘no-user’ pay for patients and ‘user’ pay for staff will only create an additional administrative burden such as increased staff cost to monitor and enforce.
- Sustainable funding source for hospital maintenance and operations.

Financial factors

VIHA has identified that annual revenue from user pay parking is estimated between \$900,000 and \$1M dollars. The MoH and VIHA have implemented user pay parking across the island health service areas and have confirmed (appendix G) the revenue from user pay parking is required to fund facility maintenance and repairs. Staff have been advised that the annual facilities maintenance cost to maintain and operate the North Island hospitals is approximately \$8.9M.

Should the North Island wish to provide a local tax revenue grant for operating and maintenance of the North Island hospitals, a formal letter would be required requesting VIHA to enter into an agreement to provide a grant for assistance for hospitals operating and maintenance in exchange for establishing a no-user pay parking system.

Parking stall analysis:

Staff have prepared ‘parking revenue estimates’ (appendix I) based on parking space information provided by VIHA and estimates of parking revenue to assist the board with their discussions on whether to pursue a no-user pay parking system grant agreement.

Joe Murphy, vice president, planning and operations support, Island Health, has reviewed staff’s parking revenue estimates (appendix I) and has advised that Island Health anticipates “no greater than 80% compliance in the parking program by 2019 year end and as such we estimate “gross” revenues between \$900,000 and \$1,200,000 annually depending on fluctuating compliance, specifically in the first two years of operations. Our calculations also suggest “net” revenues no greater than \$850,000 compared to your calculations of \$1,000,000. Therefore our assumption is that your estimates assume 100% compliance in the parking program.”

Mr. Murphy further advised that Island Health has “yet to determine the exact parking rates at each location. That said we are committed, as previously communicated, to providing the lowest of the rates at either St. Josephs or Nanaimo hospital. At this time our estimates reflect our lived experience at NRGH based on our standard of 70% Staff and 30% Public parking stall split. Our estimates also do not currently include ancillary expenses such as Island Health’s

contribution to BC Transit Propass, which at the moment is \$17.50 per period or \$455 per year per employee enrolled.”

Local tax levy analysis:

Staff have prepared ‘CSRHD requisition calculation for raising \$1M through taxation’ (appendix J) to assist the board with their discussion on whether to pursue funding a no-user pay parking system.

CSRHD financial analysis:

The CSRHD taxation revenue is currently applied to fund the long-term borrowing (10 years) for the North Island hospital facilities. In addition there is an annual allocation of \$1.8M for capital projects and equipment. With the new hospitals being commissioned in fall 2017, there is the potential of allocating up to \$1M of this annual funding towards the operating and maintenance of the north island hospital facilities in exchange for VIHA to implement a no-user pay parking system.

Legal factors

The CSRHD financial planning policy supports funding contributions towards acute care hospitals and hospital facilities capital projects and equipment. The *Hospital District Act* supports CSRHD’s grant-in-aid towards operating and maintenance of hospitals and named facilities.

The CSRHD board financial planning policy would require an amendment in order to reflect the expanded funding role from capital equipment and projects to include operating and maintenance of hospitals and named hospital facilities.

2016/17 Hospitals and Named Facilities	2018 Hospitals and Named Facilities
Campbell River and District General Hospital	North Island Hospitals – one hospital – two campus model: <ul style="list-style-type: none"> ✓ Campbell River Hospital ✓ Comox Valley Hospital
St Joseph’s General Hospital	
Cumberland Regional Hospital Laundry	Cumberland Regional Hospital Laundry
Cortes Health Centre	Cortes Health Centre
Gold River Health Clinic	Gold River Health Clinic
Kyuquot Health Centre	Kyuquot Health Centre
Tahsis Health Centre	Tahsis Health Centre
Zeballos Health Centre	Zeballos Health Centre
Sayward Health Centre	Sayward Health Centre

Sustainability implications

Should the CSRHD board determine to ask VIHA to consider entering into an agreement for a no-user pay parking system, the agreement should include an annual reporting of parking analysis with a review of the agreement in a three to five year period.

Intergovernmental factors

The request by the Village of Tahsis to AVICC for a special resolution regarding free parking at the new North Island hospitals was not supported by the membership. Additional hospital pay parking research is provided for information as appendix K.

Interdepartmental involvement

The CVRD administration and financial department staff provide support services to the CSRHD.

Citizen/public relations

Pay parking at hospital facilities is of interest to the public, it is unclear whether the tax payers of the CSRHD support local tax revenue being diverted from hospital capital equipment and projects towards hospital operating and maintenance costs with the objective of requesting VIHA to implement a system of no-user pay parking system. The CSRHD board could consider a referendum on the matter.

Prepared by:

D. Oakman

Debra Oakman
Chief Administrative Officer

Attachments:

- Appendix A – CSRHD Financial Planning, Policy, 2011
- Appendix B – Correspondence from VIHA to CSRHD dated October 22, 2015 in response to CSRHD correspondence dated September 28, 2015
- Appendix C – Presentation from VIHA to November 15, 2015 CSRHD board meeting
- Appendix D – Correspondence from Ministry of Health to MLA, North Island dated November 26, 2015 in response to MLA's letter to Vancouver Island Health Authority dated September 30, 2015
- Appendix E – Correspondence from Ministry of Health dated April 4, 2016 in response to SRD letter dated January 19, 2016
- Appendix F – Correspondence from Ministry of Health dated April 4, 2016 in response to District of Port Hardy letter dated January 14, 2016
- Appendix G – Correspondence from Island VIHA to CSRHD dated March 24, 2016
- Appendix H – Resolution considered and defeated at AVICC 2016 conference
- Appendix I – Parking revenue estimates
- Appendix J – CSRHD requisition calculation for raising \$1,000,000 through taxation
- Appendix K – Hospital pay parking research



Subject: Comox Strathcona Regional Hospital District Financial Planning Policy	
Branch: Executive Management Branch	
Department: Financial Services	Policy Reference: H-B

Purpose

To establish a policy that guides the budget process for the Comox Strathcona Regional Hospital District (CSRHD).

Scope

This policy provides a framework for the development, communication and approval process of the CSRHD annual budget and ensures that the process complies with the provisional and annual budget requirements under section 23 of the Hospital District Act. The policy also guides the overall fiscal planning and management of the CSRHD.

The CSRHD provides capital funding, cost shared with the provincial government on a 60/40 basis, with the hospital district portion being 40 per cent, with the exception of the Cumberland Regional Hospital Laundry Society which is 20 per cent. The hospitals and named hospital facilities that the CSRHD funds are: Campbell River & District General Hospital, St. Joseph's Hospital, Cumberland Regional Hospital Laundry Society, Gold River Health Clinic, and the health centres on Cortes, and in Kyuquot, Tahsis and Zeballos.

In 2011 the CSRHD supported the naming of Sayward Primary Health Centre as a named hospital facility pending the approval of the Minister of Health.

Statement of purpose

Regional hospital districts are governed by the *Hospital District Act*. The Comox Strathcona Regional Hospital District's purpose as stated in the *Act*:

- to establish, acquire, construct, reconstruct, enlarge, operate and maintain hospitals and hospital facilities;
- to grant aid for the establishment, acquisition, reconstruction, enlargement, operation and maintenance of hospitals and hospital facilities;
- to assume obligations of any member municipality, or any improvement district not within the definition "municipality", or any hospital corporation, with respect to the repayment of money borrowed and provided for the financing of hospital projects and interest on it, or to provide reimbursement to a municipality, improvement district or hospital corporation for money provided for financing hospital projects that were raised or obtained otherwise than by borrowing.

Guiding principles

- Budget decisions are made for the common good of Comox-Strathcona Regional District residents and are focused on regional outcomes.
- Financial strategies are sustainable over the long term.
- The annual budget is presented in a format that enables the board to make informed decisions.
- Trust is built through ongoing respect of the work performed by board members and staff.

Policy statement

1. **Balanced budget**

The annual and provisional budgets must be balanced with revenues available to cover planned expenditures.

2. **Annual budget**

The annual budget is a one year plan as per Section 23 (1) of the *Hospital District Act*. The annual budget is to include the operating requirements as well as a list of capital expenditures with a description of each project for the following year.

3. **Annual grant**

An annual grant of \$2,500 is awarded directly to hospital facilities named pursuant to section 49 of the *Hospital District Act*

4. **Annual operating costs**

Annual operating costs shall be reviewed using a zero-based budgeting approach. Directors' board remuneration and expense bylaw and all contract commitments are to be reviewed annually to ensure the budget reflects any changes.

Annual operating costs shall be funded from the annual tax requisition. Commitments not expended as of December 31st shall be accrued and carried forward to be included in the next year annual budget.

5. **Equipment/project grants \$5,000 to \$1,500,000**

A annual amount of \$1,850,000 shall be included in the budget as a provision for hospital and hospital facilities grants for equipment and projects greater than \$5,000 and less than \$1.5 million subject to the required submission from VIHA as listed in appendix 'A'.

Equipment/project grants \$5,000 to \$1,500,000 shall be funded from the annual tax requisition. Commitments not expended as of December 31st shall be accrued and carried forward to be included in the next annual budget.

6. **Equipment/project grants greater than \$1,500,000**

Grants for hospital and hospital facilities equipment and projects greater than \$1.5 million require a presentation by VIHA before consideration of the board.

Debt funding may be required for CSRHD board approved projects over \$1,500,000. The debt repayment schedule shall be no longer than the useful life of the funded asset.

7. **Debt management**

As a sustainable and long term funding strategy, the operating as well as the capital equipment/projects under \$1,500,000 budgets in any year are funded from that year's tax levies.

8. **Legal obligations**

As per section 23(1) of the Hospital District Act, a provisional budget is to be adopted by a prescribed date each year for the following calendar year. For the CSRHD, this date is December 31st. On or before March 31 in each year, the board must adopt, by bylaw, the annual budget.

9. Strategic alignment

- The CSRHD’s cost shares with the VIHA for eligible capital equipment and projects for eligible facilities on an approved annual basis;
- Is guided by a long term financial strategy that provides for an annual fixed allocation towards VIHA’s annual equipment/project needs under \$1.5 million for eligible facilities;
- The CSRHD board will consider major projects greater than \$1,500,000 for eligible facilities on a case-by-case basis;
- Establishes a sustainable tax rate that supports the strategic objectives of the board which take into consideration affordability and life cycle costing;
- The CSRHD is in a capital funding partnership with VIHA and seeks to collaboratively fund capital health facility priorities for the Comox-Strathcona region while respecting VIHA’s responsibility for the delivery of health services to Vancouver Island communities.

10. Timeline and schedule

Budget Type	Timeline	Time Period	Content
Provisional	Adopted by December 31 of current year	1 year	<ul style="list-style-type: none"> • New budget year summary & details • Previous 4 years of comparative actual figures (years 1-3 audited, year 4 actual to date). (Appendix B)
Recommended	March of new budget year	1 year	<ul style="list-style-type: none"> • Budget summary & details
Adopted	March of new budget year ¹	1 year	<ul style="list-style-type: none"> • Budget summary • Annual budget bylaw • Capital expenditure bylaw

¹ The annual budget must be adopted by March 31st as per section 23 (5) of the *Hospital District Act*.

11. Presentation of the annual budget

- The annual budget is provided to the CSRHD board in open session.
- The one year provisional budget includes budget details.
- Budget documentation includes audited comparative actual figures for previous four years prior to the year being budgeted. See appendix B for sample report.

12. Accountability

The annual budget is presented in open session and posted on the CSRHD website at the provisional, recommended and adopted stages.

13. Administration fee for corporate and administrative support

The CSRHD is charged an annual administration fee by the CVRD for the provision of corporate and administrative supports (including the services of the CAO for the CSRHD).

14. Approvals

This policy recognizes the Comox Strathcona Regional Hospital District board as the governance body for the Comox Strathcona Regional Hospital District. The CSRHD board has the authority and responsibility for the approval and adoption of the CSRHD annual budget no later than March 31st each year.

Approval history

Policy adopted:	September 2011
Policy amended:	November 2011
Policy amended	June 2012

Appendix A – “Annual Funding allocation”

Appendix B – “Sample Budget Departmental Report”

Appendix 'A'

Annual funding allocation to the Vancouver Island Health Authority.

By October 31st each year, the CSRHD will advise VIHA of the recommended annual funding allocation for the next year. Funding will be subject to final budget adoption in March each year.

By **January 31st** each year, VIHA will advise the CSRHD as to how the annual allocation will be distributed by equipment/project category.

1. **Category 1**

- (i) Equipment > \$100,000 (i) \$ per VIHA Submission
- (ii) Capital Improvement Projects >\$100,000 (ii) \$ per VIHA Submission

The dollars allocated to Category No. 1 are to be prioritized and recommended by North Island Capital Planning Committee. The CSRHD will issue a cheque upon receipt of invoices. A quarterly status report of all active projects is to be submitted to the CSRHD.

2. **Category 2**

- Equipment >\$5,000 and < \$100,000 \$ per VIHA Submission
- and (A combined total for the category)
- Minor Capital Projects > \$5,000 and < \$100,000

VIHA must submit to the CSRHD a quarterly report of the equipment purchased or completed projects along with a request for payment of the 40% RHD cost share, with the exception of the Cumberland Regional Hospital Laundry Society which is 20 per cent. (Progress payments must be a minimum of \$10,000). The report will be in a format determined by CSRHD. A cheque will be issued upon receipt of quarterly reporting requirements.

3. **Category**

Unconditional Grant - for 'Other named facilities' only. Annual allocation of \$2,500 per other named facility. Cheques will be issued by August 15th each year. No reporting is required.

Cumberland Regional Laundry	\$2,500.00
Gold River Health Centre	\$2,500.00
Tahsis Health Centre	\$2,500.00
Cortes Island Health Centre	\$2,500.00
Kyuquot Health Clinic	\$2,500.00
Zeballos Health Clinic	\$2,500.00
Sayward Community Health Clinic	\$2,500.00

Appendix 'B'

Comox-Strathcona Regional Hospital Distr

GL5290A Page: 1
Date: Aug 18, 2011 Time: 11:24 am

Budget Departmental by Class

From Category: 0 To Category: 0
Account Code: 57-7-7-7?? To: 57-7-7-7??

Account Code	Account Description	2008 Actual Values	2008 Budget Values	2009 Actual Values	2009 Budget Values	2010 Actual Values	2010 Budget Values	2011 Actual Values	2011 Budget Values
GENERAL REVENUE FUND									
50-1-0-005	GRANTS IN LIEU OF TAXES	190,494	82,000	221,910	82,000	237,018	82,000	2,773	82,000
50-1-0-015	REQUISITION - ELECTORAL AREAS	4,492,516	4,519,503	5,537,465	5,542,532	5,406,526	5,542,532	5,564,993	5,661,652
50-1-0-020	REQUISITION - MUNICIPAL	6,578,287	6,551,299	8,266,848	8,261,781	8,397,787	8,261,781	8,890,726	8,794,066
50-1-0-120	INTEREST REVENUE	593,142	60,000	340,204	60,000	628,151	60,000	58,395	60,000
50-1-0-126	DEBENTURE REFUNDS	76,576	0	536,033	0	951,469	0	181,454	0
50-1-0-128	OTHER REVENUE	0	38,400	0	38,400	217	0	0	0
50-1-0-150	SURPLUS PRIOR YEAR	345,001	335,000	572,649	572,684	380,731	380,700	257,965	257,964
REVENUE Total		12,276,015	11,586,202	15,475,109	14,657,397	16,001,698	14,327,013	14,956,306	14,855,682
50-2-0-200	ADMINISTRATION EXPENSE	403,688	403,688	395,688	395,688	395,688	395,688	0	395,688
50-2-0-220	GOVERNANCE EXPENSES	6,479	112,000	27,887	112,000	22,400	54,000	13,158	54,000
50-2-0-221	SALARIES & WAGES	0	0	0	0	0	120,000	0	0
50-2-0-225	BENEFITS	0	0	54	0	19	32,700	0	2,700
50-2-0-238	WCB	0	0	0	0	0	2,400	0	0
50-2-0-246	BANK CHARGES	0	0	298	0	302	500	253	500
50-2-0-284	MEETING EXPENSE	0	0	3,559	0	3,243	15,000	1,879	15,000
50-2-0-320	TRAVEL	0	0	5,558	0	4,868	18,000	2,111	18,000
50-2-0-335	ADVERTISING	0	0	544	0	114	5,000	239	5,000
50-2-0-381	LEGAL FEES	0	0	0	0	3,933	10,000	0	10,000
50-2-0-387	PROFESSIONAL FEES	0	0	15,034	8,000	6,477	8,000	13,732	128,500
50-2-0-480	TRANSFER TO CAPITAL	15,000	965,000	213,278	1,375,000	115,926	1,683,388	59,091	1,633,205
50-2-0-485	FUNDS FOR FUTURE EXPENDITURES	991,234	63,308	1,714,730	38,400	3,310,972	220,845	370,808	370,808
50-2-0-486	FUNDS FOR FUTURE MAJOR PROJECTS	7,411,014	7,000,000	9,982,236	9,733,511	9,661,232	9,100,000	10,500,000	10,500,000
50-2-0-500	BANK/LOAN INTEREST OPERATING	0	22,000	0	22,000	0	22,000	0	22,000
50-2-0-501	TEMPORARY BORROWING INTEREST	0	60,000	0	60,000	0	60,000	0	0
50-2-0-505	LONG TERM DEBT PRINCIPAL	1,161,484	1,161,487	1,138,202	1,138,205	1,078,887	1,124,006	314,883	835,016
50-2-0-506	LONG TERM DEBT INTEREST	1,714,468	1,798,719	1,597,311	1,674,593	1,139,873	1,455,486	564,273	865,285
EXPENSES Total		11,703,366	11,586,202	15,094,378	14,657,397	15,743,934	14,327,013	11,840,427	14,855,682
GENERAL REVENUE FUND Total		572,649	0	380,731	0	257,964	0	3,115,879	0
Report Total -->		572,649	0	380,731	0	257,964	0	3,115,879	0

Appendix 'B'

Comox-Strathcona Regional Hospital Distr

06200A Page: 2
Date: Aug 18, 2011 Time: 11:24 am

Budget Departmental by Class

From Category : 0 To Category : 0
Account Code : 57-77-777 To : 57-77-777

Account Code	Account Description	2008 Actual Values	2008 Budget Values	2009 Actual Values	2009 Budget Values	2010 Actual Values	2010 Budget Values	2011 Actual Values	2011 Budget Values
CAPITAL & LOAN FUND									
61-1-0-146	TRANSFER FR RESERVE	557,610	2,249,393	1,182,122	2,757,723	750,435	2,488,406	1,079,480	6,287,487
61-1-0-148	TRANSFER FR GENERAL	15,000	965,000	213,278	1,375,000	115,926	1,683,388	59,091	1,633,205
61-1-0-148	DEBT PROCEEDS	607,476	1,523,507	697,925	947,289	0	0	0	0
61-1-0-160	UNEXPENDED DEBT PROCEEDS PRIOR YR	655,576	655,576	844,834	844,834	709,704	709,704	300,725	300,725
REVENUE Total		1,835,663	5,393,476	2,938,159	5,924,846	1,576,065	4,881,498	1,439,296	8,221,417
61-2-0-470	CAPITAL GRANTS FUNDED BY DEBT	407,587	2,152,421	820,842	1,775,546	408,979	709,704	215,893	300,725
61-2-0-471	CAPITAL GRANTS FUNDED BY OPERATING	0	950,000	198,278	1,360,000	100,926	1,668,388	44,091	1,618,205
61-2-0-472	GLOBAL GRANTS FUNDED BY OPERATING	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
61-2-0-473	CAPITAL GRANTS FUNDED BY RESERVES	557,610	1,860,393	1,182,122	2,368,723	750,435	2,488,406	1,079,480	6,287,487
61-2-0-478	CAPITAL BUILDING	0	389,000	0	389,000	0	0	0	0
61-2-0-602	DEB DISCOUNT/ISSUE EXPENSE	10,631	26,662	12,214	16,577	0	0	0	0
EXPENSES Total		990,829	5,393,476	2,228,455	5,924,846	1,275,340	4,881,498	1,354,465	8,221,417
CAPITAL & LOAN FUND Total		844,834	0	709,704	0	300,725	0	84,831	0
Report Total ->		844,834	0	709,704	0	300,725	0	84,831	0

Excellent health and care, for everyone,
everywhere, every time.



October 22, 2015

Charles Cornfield
Chair
Comox Strathcona Regional Hospital District
600 Comox Road
Courtenay BC V9N 3P6

Dear Mr. Cornfield:

Thank you for your letter notifying Island Health of the motion passed by the Comox Strathcona Regional Hospital District with respect to pay parking at the new Comox Valley and Campbell River hospitals.

As you may be aware, the current hospital in the Comox Valley, St. Joseph's General Hospital, has had pay parking in effect for a number of years. When the two new hospitals open in the Comox Valley and Campbell River in 2017, Island Health will be extending pay parking to the Campbell River Hospital.

The new hospitals will have over 1,110 parking spaces and pay parking is necessary to ensure funds to maintain and improve parking facilities. Parking revenues pay for services such as snow removal and de-icing, painting, repaving, pothole repairs, parkade repairs, equipment, lighting costs, security and future parking supply. Parking fees also offset environmental costs such as catch basin and oil interceptor cleaning. Without pay parking, these costs would have to come from Island Health's global budget, which includes the health care services and programs we provide.

Subsidized parking to patients and families in cases of true financial hardship will be available. Hospital staff will assist patients in financial distress to recommend a Financial Hardship permit or an alternative transportation option. In addition, a discount seven consecutive day weekly permit will be offered to visitors at all pay parking sites.

Parking will remain free to auxiliary members, volunteers, Pastoral Care members, family caregivers and renal patients. Our staff, physicians and contractors will be paying for parking.

Island Health recognizes that pay parking in hospitals is not popular; however pay parking is standard practice in the vast majority of care facilities in urban areas. While the parking rates are still being determined, they will be based on the parking rates in effect at Nanaimo and St Joseph's hospitals. We are confident that the waiver availability, discount option and exempted groups will mitigate the impact of pay parking.

.../2

Comox Valley Regional District
Ref # 17004

RECEIVED

File: H-NIHP

Nov 2015

to: Weber

cc: D. Oakman
J. Warren

Executive Office

Located at: 2101 Richmond Road | Victoria, BC V8R 4R7 Canada

Mailing address: 1952 Bay Street | Victoria, BC V8R 1J8 Canada

Tel: 250-370-8699 | Fax: 250-370-8750

viha.ca

I would be pleased to meet to discuss this further, and have accepted an invitation to attend the Comox Strathcona Regional Hospital District board meeting on November 5.

Thank you again for writing.

Sincerely,



Joe Murphy
Vice President
Planning and Operations Support

COMOX STRATHCONA
REGIONAL HOSPITAL DISTRICT



September 28, 2015

File: H-NIHP

Sent via email only: ann.bozoian@viha.ca

Chair Hubbard and Board of Directors
Island Health
1952 Bay Street
Victoria, BC V8R 1J8

Dear Chair Hubbard and Directors:

Re: North Island hospitals project

At their September 17, 2015 meeting the Comox Strathcona Regional Hospital District board of directors adopted the following resolution:

THAT the Comox Strathcona Regional Hospital District write to Island Health to request that all on-site parking at our new hospitals sites be provided "free of charge" to patients and family members, thereby allowing patients and visitors throughout our very large geographic service area to have easy and open access to our hospitals and would enhance positive health outcomes for the people of our service area.

Some patients will be travelling far distances to the hospitals and in many cases patients have mobility issues. We believe that patients should not have to bear the extra burden of paying for parking when in need of medical care. Patients also rely heavily on family members for support and when faced with medical issues of loved ones, parking should not be a concern.

In light of the above, and on behalf of the board of directors, I respectfully request your consideration to provide parking free of charge at the new hospital sites in Campbell River and Comox.

Sincerely,

Charles J. Cornfield
Chair

600 Comox Road, Courtenay, BC V9N 3P6
Tel: 250-334-6000 • Fax: 250-334-4358 • Toll-free: 1-800-331-6007



North Island Hospitals Project



New Comox Valley and Campbell River hospitals will have pay parking

2015-10-05

Like other health authorities in the province, Island Health intends to charge for parking at all new facilities with substantial parking infrastructure. This includes the new Campbell River and Comox Valley hospitals when they open in late 2017.

The new Comox Valley Hospital will have more than 700 stalls in parkade and surface parking.

The new Campbell River Hospital will have more than 430 stalls in parkade and surface parking.

Island Health sites with insubstantial parking infrastructure, such as Cowichan District Hospital, will remain non-paying sites until such a time that an investment is made in a new hospital or parking facilities are substantially improved. This is similar to other new hospital construction projects such as Abbotsford, Kamloops, Vernon and Prince George where paid parking was implemented upon completion of the facilities.

Fees:

- Fees will be determined by Island Health Parking Services based on parking rates at [Joseph's General Hospital](#) and [Nanaimo Regional General Hospital](#).
- A seven consecutive day weekly permit is offered to visitors at all pay parking sites.
- Island Health provides subsidized parking in cases of true financial hardship. (See below).
- Revenue Canada Agency allows certain transportation allowances that provide for parking charges to be claimed.

About pay parking:

- Pay parking is introduced at sites with challenging enforcement issues and the cost of that must be recovered.
- Pay parking is already in effect at St. Joseph's General Hospital. There is also pay parking at many other Island Health hospitals that has been in place for many decades.
- Pay parking provides regulated parking areas for patients, staff, physicians and visitors.
- Pay parking provides revenue for parking lot maintenance and improvement costs for parking facilities, signage, lighting, closed circuit television, cycling facilities and snow removal/de-icing.
- Revenue from parking supports environmental stewardship (for example, catch basin and oil interceptor cleaning) and the development and maintenance of transportation alternatives (for example, bicycle compounds and racks, BC Transit products and ProPass Program, and commuting options).
- Without pay parking revenue, parking lot maintenance and security costs would need to be taken from Island Health's annual operating budget which includes funding for patient care and services.
- Surplus revenue generated is used to purchase medical equipment for patient care.

Parking fees apply to:

- Pay parking will apply to all hospital staff, physicians, patients, visitors, students, contractors and service providers.
- Hardship provisions are in place to either waive or reduce parking fees where they pose a genuine financial challenge to patients and families. A unit social worker will work with the patient and family if they are in

financial distress to recommend a Financial Hardship permit or an alternative transportation option. Hardship provisions are not applicable to staff, physicians or contractors.

Pay parking does not apply to: hospital volunteers, hospital auxiliary members, spiritual/pastoral care providers, renal patients or family caregivers.

If the answer to your parking related question is not on this Fact Sheet, please email NIHPParking@viha.ca.

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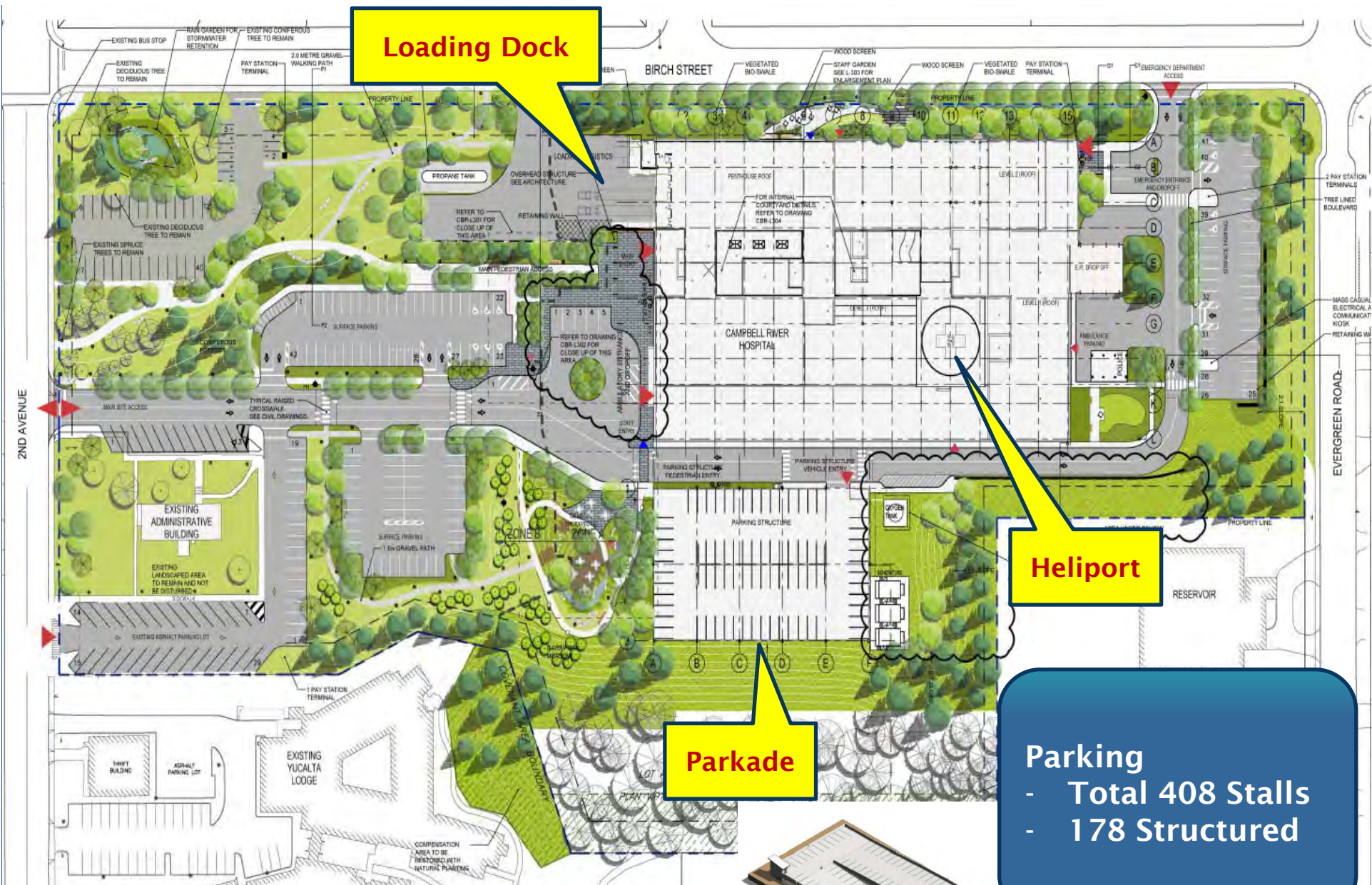
Archives

- › [October 2015 \(2\)](#)
- › [September 2015 \(6\)](#)
- › [August 2015 \(3\)](#)
- › [July 2015 \(3\)](#)
- › [June 2015 \(5\)](#)
- › [May 2015 \(6\)](#)

Island Health Pay Parking Program

Comox/Strathcona RHD Board Meeting

Joe Murphy
Vice President, Planning and Operations Support
November 5, 2015

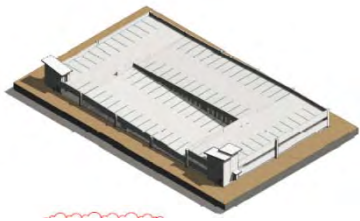


Campbell River Hospital Site Elements

viha.ca

Parking

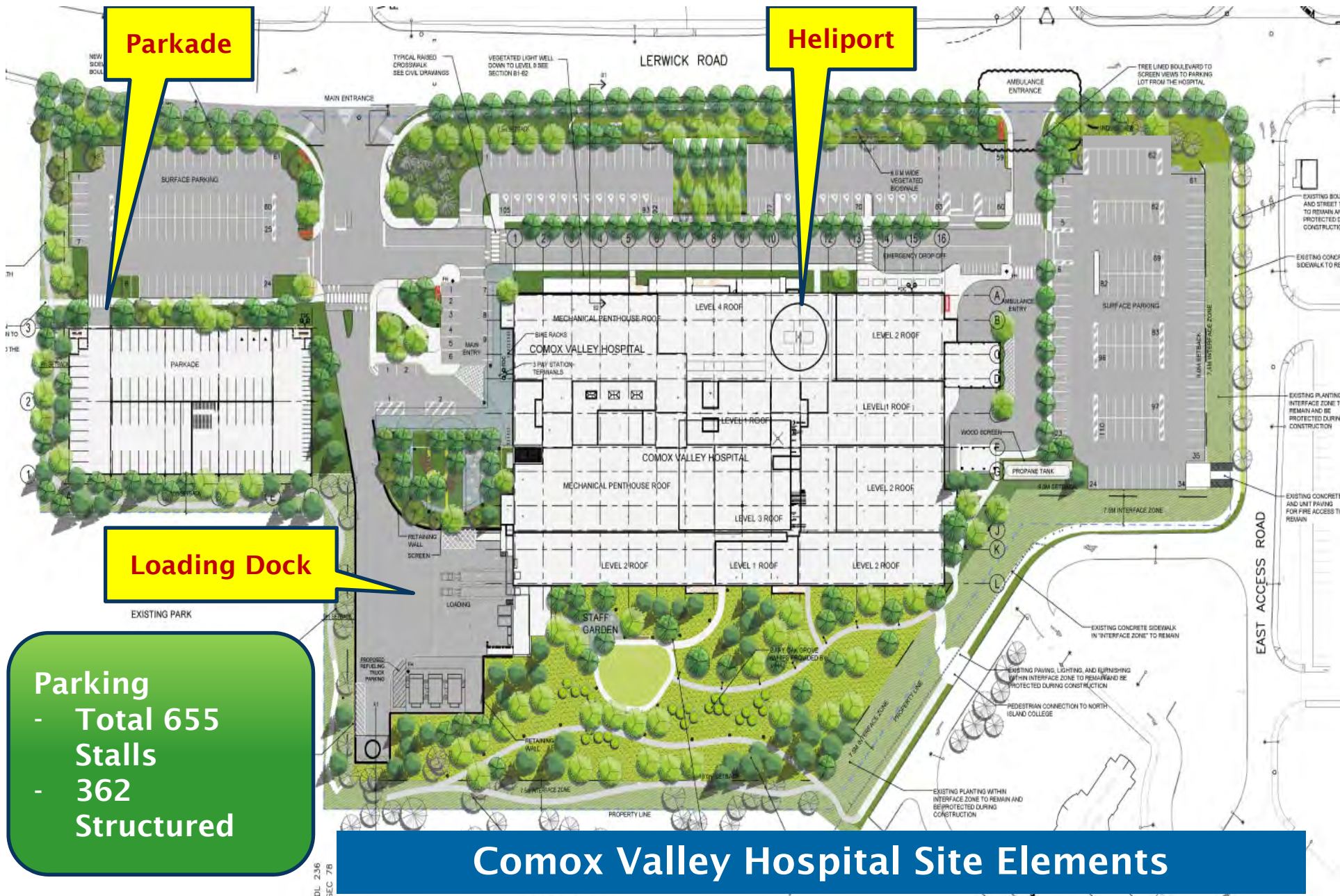
- Total 408 Stalls
- 178 Structured



Campbell River Design Specifications

- Parking – Total 408 parking stalls (including 178 structured)
 - 265 stalls for physicians / staff
 - 143 stalls for patients / visitors
 - Including: 13 stalls for disabled persons
- In addition:
 - 2 HandyDART bus transit stops on site
 - 4 main door drop-off spaces
 - 1 taxi stand
 - 25 motorcycle stalls
 - 50 staff bicycle stalls
 - 30 public bicycle stalls
 - Bus stop





Comox Valley Design Specifications

- Parking – Total 655 parking stalls (including 362 structured):
 - 425 stalls for physicians / staff
 - 230 stalls for patients / visitors
 - Including: 24 stalls for disabled persons



Comox Valley Design Specifications

- In addition to the 655 stalls:
 - 2 handyDART bus transit stops on site
 - 9 main door drop-off spaces
 - 2 taxi stands
 - 35 motorcycle stalls
 - 50 staff bicycle stalls
 - Working closely with *CV Cycling Coalition*
 - 30 public bicycle stalls
 - Bus stop



Pay Parking Strategy

Island Health intends to charge for parking at all new facilities with a substantial parking infrastructure.

Locations with limited parking infrastructure will remain non-paying sites until such time that an investment is made in either a new hospital or parking facilities are significantly improved.

This strategy is in line with our Provincial colleagues.

Provincial Pay Parking Snapshot

Other hospitals that have implemented pay parking upon completion of their projects include:

- Abbotsford
- Kamloops
- Vernon
- Prince George

About Pay Parking

- Balances the supply and demand of parking at 11 sites, ensuring parking facilities and equipment are functional and accessible
- Provides regulated parking areas for patients, staff, physicians and visitors
- Provides revenue for parking lot maintenance
- Without parking revenue, maintenance costs would be taken from annual operating budgets
- Surplus revenue is used to purchase medical equipment for patient care

Public Parking Rates

Will be based on the lower of existing rates at SJGH and NRGH Hospitals

SJGH – Public		NRGH – Public	
15 minutes	n/a	15 minutes	\$0.25
1-hour	\$1.50	1-hour	n/a
2-hours	\$2.25	2-hours	\$2.25
daily	\$7.00	daily	n/a
weekly	\$25.00	weekly	\$26.75

Note:

- the average length of stay for a parked vehicle is 1.7 hours
- parking rates have not been raised since July 2010

Staff and Physician Parking Rates

Will be based on the lower of existing rates at SJGH and NRGH Hospitals

SJGH – Staff	
annual	\$372.06
5 days	n/a
monthly	\$ 31.00
reserved	n/a

NRGH – Staff	
annual	\$298.48
5 days	\$ 10.50
monthly	n/a
reserved	\$466.97

SJGH – Physicians	
annual	\$372.00
monthly	\$ 31.00

NRGH – Physicians	
annual Level 1	\$456.97
annual Level 2	\$114.24

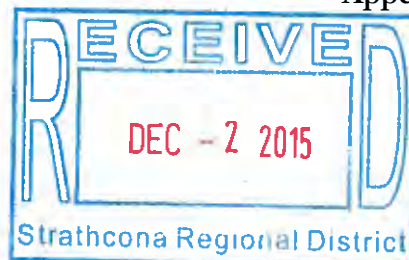
Pay Parking Exclusions

- Patients and families experiencing financial hardship
- Renal Patients requiring life sustaining dialysis
- Primary caregivers of residents in our long term care facilities
- Volunteers, auxiliary and pastoral care

Thank you.
Questions?



BRITISH
COLUMBIA



NOV 26 2015

1040890

Ms. Claire Trevena
MLA, North Island
908 Island Hwy
Campbell River BC V8W 2C3

Dear Ms. Trevena: *Claire*

Thank you for your letter of September 30, 2015, regarding the introduction of parking fees at the new Campbell River Hospital. I apologize for the delayed response.

I appreciate your taking the time to bring your constituents' interest in this matter to my attention. I understand that the residents of Campbell River and surrounding communities have enjoyed the benefits of free parking; however, as I trust you will appreciate, the Ministry of Health (the Ministry) and the health authorities have been entrusted with the task of delivering high-quality health care in a manner that is fiscally responsible and financially sustainable. This means that, from time to time, difficult decisions must be made. Our priority is always patient care.

Hospital parking is made available for the convenience of patients, visitors and hospital staff. While the individual health authorities are responsible for making decisions about applying and collecting parking fees, revenues collected from all pay parking sites provide capital for maintaining, improving and expanding parking facilities at the 11 Island Health facilities with paid parking. This includes snow removal and de-icing, painting, repaving, pothole repairs, parkade repairs, equipment, lighting costs, security and future parking supply. Parking fees also offset environmental costs such as catch basin and oil interceptor cleaning. This allows hospitals to focus their financial resources on patient care and any surpluses from parking revenues are used to improve health care resources throughout the health authority. Because Campbell River Hospital has been a non-paying site to date, maintenance and other costs associated with the parking facilities have been born out of general health authority funding which can now be better directed toward patient care.

For those patients who face financial challenges, I would like to assure you that there are options in place to help. Island Health does provide subsidized parking to patients and families in cases where fees may result in financial hardship, and a social worker connected to the hospital can recommend a Financial Hardship permit or an alternative transportation option. Additionally, Canada Revenue Agency (CRA) allows certain transportation allowances that provide for parking charges to be claimed. More information is available on CRA's website at: www.cra-arc.gc.ca/tx/ndvdl/tpcs/ncm-tx/rtrn/cmpltng/ddctns/lns300-350/330/lwbltrvl-eng.html.

...2

Finally, I can confirm that parking at the new hospital will remain free for auxiliary members, volunteers, Pastoral Care members, family caregivers and renal patients.

I trust the information provided is useful and has answered your questions; however, should you have further questions or concerns, I encourage you to contact Mr. James Hanson, Corporate Director of Logistics and Operations for Island Health, as he is best able to provide you with more information. You may reach Mr. Hanson by telephone at: 250 370-8116 or via email at: James.Hanson@viha.ca.

Again, thank you for writing. I appreciate the opportunity to respond.

Sincerely,



Terry Lake
Minister

pc: His Worship Michael Berry, Mayor, Alert Bay
His Worship Andy Adams, Mayor, City of Campbell River
His Worship Brad Unger, Mayor, Village of Gold River
Her Worship Jan Allen, Mayor, Village of Port Alice
His Worship Hank Bood, Mayor, City of Port Hardy
Her Worship Shirley Ackland, Mayor, Town of Port McNeill
His Worship John MacDonald, Mayor, Village of Sayward
Her Worship Jude Schooner, Mayor, Village of Tahsis
His Worship Donnie Cox, Mayor, Village of Zeballos
Mr. Jim Abram, Chair, Strathcona Regional District
Mr. Dave Rushton, Chair, Mt. Waddington Regional District
Mr. James Hanson, Corporate Director of Logistics and Operations, Island Health
Citizens for Quality Healthcare

Claire Trevena
North Island
Parliament Buildings
Victoria BC V8V 1X4
Phone (250) 387-3655
Fax (250) 387-4680



Constituency Office
908 Island Hwy
Campbell River BC V9W 2C3
Phone (250) 287-5100
Fax (250) 287-5105

September 30, 2015

Dr. Brendan Carr,
President and CEO
Vancouver Island Health Authority
3rd Floor, Begbie Hall
1952 Bay Street
Victoria, BC V8R 1J8

Dear Dr. Carr,

People are watching with interest the building of the new hospital in Campbell River and anticipating its opening in two years.

However it has come to the attention of many that when the hospital does open, people will have to pay for parking. Further, it is understood that the money raised through parking fees will not be used directly by the Campbell River hospital, rather it will be directed to general revenues.

While a number of hospitals around BC charge for parking, I would hope that you exempt Campbell River from this for a number of reasons.

The new hospital will continue to be a regional resource, a hub for rural and remote communities. People already travel to Campbell River for medical treatment either from up island or from one of the outer islands; the way most people come is by car or truck. A handful may use Wheels for Wellness and fewer come for treatment would travel by bus or taxi. In other words accessing hospital care entails car usage. The Mayors and councils of a number of municipalities in the northern part of the island have already raised their concerns about this.

There is already stress when an individual or a family member is in hospital; knowing there will be a cost to access that health care will add further stress. Further, people who are on a low, or even moderate, income simply will find the cost of paying for parking day after day, to visit and support friends or family, untenable.

There is the additional concern about how the parking revenues will be used. People clearly resent the notion of paying to access their health care through parking fees but this is exacerbated by the knowledge that the money will not be used by Campbell River hospital. There is huge community support for the Hospital Auxillary and for the Hospital Foundation, both of which contribute to the fabric of healthcare. People would expect that monies raised from parking be kept for local use.

Finally it should be noted that Campbell River traditionally has very limited paid parking. The airport authority introduced parking charges at Campbell River Airport, just a couple of years ago. The Wei Wai Kum Nation has recently started to charge for parking on some land off Highway 19A. That is it. So bringing in paid parking would be an anomaly for our community.

At a time when we all want people to have free access to health care, introducing parking fees would be a retrograde step. I would urge you to reconsider the decision.

I look forward to hearing your response.

Yours sincerely,



Claire Trevena,
MLA North Island

Cc Citizens for Quality Healthcare
Michael Berry, Mayor, Alert Bay
Andy Adams, Mayor, City of Campbell River
Brad Unger, Mayor, Village of Gold River
Jan Allen, Mayor, Village of Port Alice
Hank Bood, Mayor, City of Port Hardy
Shirley Ackland, Mayor, Town of Port McNeill
John MacDonald, Mayor, Village of Sayward
Jude Schooner, Mayor, Village of Tahsis
Donnie Cox, Mayor, Village of Zeballos
Jim Abram, Chair, Strathcona Regional District
Dave Rushton, Chair, Mt. Waddington Regional District



APR 04 2016

1047554

Mr. John MacDonald
Chair
Strathcona Regional District
301 - 990 Cedar St
Campbell River BC V9W 7Z8

Dear Mr. MacDonald:

Thank you for your letter of January 19, 2016, sharing the concerns of the Strathcona Regional District with respect to parking fees at the new Campbell River Hospital.

Pay parking systems are in place at most BC hospitals for a few important reasons. Pay parking revenues allow the health authority to pay for parking lot management, maintenance and security, rather than using other hospital funds that are better spent on direct patient care. Because Campbell River Hospital has been a non-paying site to date, the costs associated with the parking facilities have been born out of general health authority funding, which can now be better directed toward patient care.

In general, parking rates reflect the local market, are well below rates charged in other sectors, and are comparable to those in other cities across Canada.

I understand the concern that the introduction of pay parking at the Campbell River Hospital may add to the duress of patients and their families who are already in a difficult situation. I would like to assure you that all health authorities, including Island Health, have provisions in place to waive fees where they will post a genuine financial hardship to families. Staff at Island Health facilities will work with those patients and families to recommend a Financial Hardship permit or alternative transportation options, if appropriate.

I also understand that at times of emergency, patients and their caregivers do not want to worry about parking. Parking fees are regularly waived in emergency situations, such as when a patient who has driven to the emergency department is informed they need to be admitted. In most cases, hospital emergency staff notifies site security and the patient's vehicle is flagged with parking enforcement to not ticket. In addition, Pay by Space parking will allow visitors to pay at a terminal inside or close to the hospital entrance without having to return to their vehicle to place a ticket on the dash. Users will be able to top up parking at any station, allowing them to focus on the important task of tending to a loved one. In the case of a longer stay, a seven consecutive day weekly permit is offered at all pay parking sites for patients and families.

...2

Parking at the new Campbell River Hospital will remain free for auxiliary members, volunteers, Pastoral Care members, family caregivers and renal patients.

I trust this helps to allay the Regional Board's concerns. If you have further questions about the implementation of pay parking at the new hospital, I encourage you to contact Mr. James Hanson, Corporate Director of Logistics and Operations for Island Health. Mr. Hanson can be reached at 250 370-8116, or via email at james.hanson@viha.ca.

Thank you again for taking the time to bring the Regional Board's concerns to my attention. I appreciate the opportunity to respond.

Sincerely,



Terry Lake
Minister

pc: Honourable Rachel Blaney, MP (Rachel.Blaney@parl.gc.ca)
James Hanson (james.hanson@viha.ca)



OFFICE OF THE CHAIR

File No. 0400

January 19, 2016

Sent via email only: terry.lake.MLA@leg.bc.ca

The Honourable Terry Lake
Minister of Health
Room 337, Parliament Buildings
Victoria, BC V8V 1X4

Dear Minister Lake:

RE: CAMPBELL RIVER HOSPITAL PARKING FEES

At its regular meeting held on January 13, 2016 the Regional Board considered your reply to MLA Claire Trevena regarding the imposition of parking fees at the new Campbell River Hospital.

The Regional Board believes that hospital parking fees, far from being simply a revenue source for parking lot maintenance, represent a further step towards a user pay health care system. Many people accessing the hospital are already under duress and have enough to worry about without having to ensure that they have parking funds on hand in their time of crisis. In addition, many residents throughout northern Vancouver Island must spend considerable time and incur significant expense simply to access the medical services available at the hospital.

It is the Board's belief that parking fees may discourage loved ones and friends from visiting patients who are in the hospital and may also discourage patients from seeking the medical attention they require. In the end it's the patient who will most likely be punished by imposition of such fees.

The Canadian Medical Association Journal published an editorial on November 28, 2011, which stated that hospital parking fees should be abolished. The editorial claimed the fees contradicted the principle of Canada's universal health care system.

We sincerely encourage you to reevaluate the imposition of parking fees at the new Campbell River Hospital.

Yours truly,

A handwritten signature in black ink that reads "John MacDonald".

John MacDonald
Chair

Cc Rachel Blaney, MP
Claire Trevena, MLA
Vancouver Island Health Authority

301-990 Cedar Street
Campbell River, BC V9W 7Z8
Toll free: 1-877-830-2990 www.strathconard.ca



APR 04 2016

1047243

His Worship Hank Bood
 Mayor of the District of Port Hardy
 7360 Columbia Street
 PO Box 68
 Port Hardy BC V0N 2P0

Dear Mayor Bood:

Thank you for your letter of January 14, 2015, regarding the cost of hospital parking and accessibility of health care to North Island residents.

As I confirmed in my letter to MLA Claire Trevena, health authorities in BC are responsible for setting parking rates at their facilities.

I assure you, I understand your concerns that introducing pay parking at the Campbell River Hospital will cause financial duress to patients and their families, and that some patients may find it difficult to request special treatment. Staff at Island Health facilities will work with those patients and families to recommend a Financial Hardship Permit or alternative transportation options, if warranted.

Island Health has assured me that parking will remain free for auxiliary members, volunteers, Pastoral Care members, family caregivers and renal patients.

I appreciate that many patients will be required to travel a significant distance to receive treatment at this hospital, and that the Medical Services Plan will not reimburse for these travel costs. There are several programs and services offered through the government, the regional health authorities, and community agencies to help patients make travel arrangements to attend medical appointments. I have listed some of these services below.

The Travel Assistance Program (TAP BC) helps alleviate some of the transportation costs for eligible BC residents who must travel within the province for non-emergency medical specialist services not available in their own community. The program is coordinated by the Ministry of Health and the transportation partners who agree to waive or discount their regular fees. Information about TAP BC may be found at: www2.gov.bc.ca/gov/content/health/accessing-health-care/tap-bc/travel-assistance-program-tap-bc.

...2

In addition, the Ministry of Social Development and Social Innovation (SDSI) may provide funding for transportation to medical appointments to individuals who receive income assistance or Person with Disabilities assistance under certain conditions. Information about when this may apply is at: www.gov.bc.ca/meia/online_resource/general_supplements/sts/policy.html.

For those for whom bus transport is an option, SDSI also offers annual bus passes at a reduced cost to low income seniors and individuals receiving disability assistance under their Bus Pass Program. More information about this program is available at: www.sd.gov.bc.ca/programs/bus-pass.html.

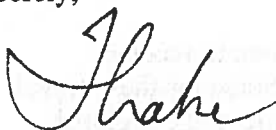
TransLink provides a paratransit service for individuals who are unable to use public transit without assistance because of physical or cognitive disabilities. More information can be found at: <http://bctransit.com/campbell-river/schedules-and-maps/handydart>.

Finally, the Wheels for Wellness Society provides transportation to centralized medical appointments for those requiring it. They will take patients to any out of town medical appointment. Information about Wheels for Wellness Society is online at: www.wheelsforwellness.com.

If you have further questions about Island Health's parking policies, I encourage you to contact Mr. James Hanson, Corporate Director of Logistics and Operations, who is in the best position to provide you with additional information. You may reach Mr. Hanson by email at: james.hanson@viha.ca.

Again, thank you for taking the time to bring your concerns to my attention.

Sincerely,



Terry Lake
Minister

pc: Dr. Brendan Carr, CEO, Island Health
Citizens for Quality Health Care, Campbell River
Mayor and Council Alert Bay
Mayor and Council Campbell River
Mayor and Council Gold River
Mayor and Council Port Alice
Mayor and Council Port McNeill
Mayor and Council Sayward
Mayor and Council Tahsis
✓ Chair and Directors Strathcona Regional District
Chair and Directors Mount Waddington Regional District
Mr. James Hanson, Corporate Director of Logistics and Operations



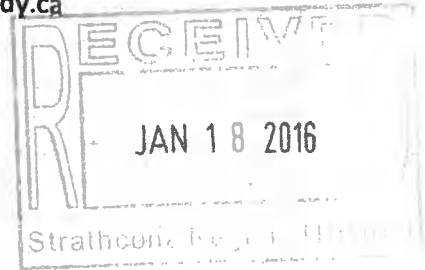
District of Port Hardy

7360 Columbia Street • PO Box 68
Port Hardy BC V0N 2P0 Canada
Telephone: (250) 949-6665 • Fax (250) 949-7433
Email: general@porthardy.ca • www.porthardy.ca



January 14, 2016

Honourable Terry Lake, Minister of Health
PO Box 9050 Stn Prov Govt
Victoria, BC
V8W 9E2



RE: NEW CAMPBELL RIVER HOSPITAL PARKING FEES

Dear Minister Lake,

Thank you for your response to MLA Trevena, dated November 26, 2015 regarding parking fees at the Campbell River Hospital. Council reviewed this letter at its regular meeting of Council January 12, 2016.

Council feels the need to bring to your attention that there are other hospitals in the province that have free parking for their patients. While we realize that there are costs associated with having a facility like this and providing adequate parking for its users, it is unreasonable to expect that in an area where most of its patients will be travelling by car with no other options to access the facility will create a huge burden.

It is also unreasonable to expect people to request forgiveness due to their financial challenges, most people with financial challenges don't want to ask for special treatment, let alone know of the opportunity or even have the capacity to request forgiveness.

I am sure that you are aware of the need for specialized services, especially in remote communities. People are driving up to 3 hours just to access required medical services, we know that it is impossible to predict how long you may be waiting for treatment at the hospital, paying additional fees in parking tickets for lapsed time is not acceptable. Not to mention, the cost of fuel or the cost of accommodations (both of which cannot be recovered from Medical Services Plan) while attending the various services at the only location with services available to North Island residents.

On behalf of Council, I urge you to reevaluate the parking fees at the Campbell River Hospital and make the access to required services available with as little hardship to our North Island residents as possible.

Sincerely,
The District of Port Hardy

Hank Bood
Mayor

cc: **Dr. Brendan Carr, CEO, Island Health**
MLA Claire Trevena, Northern Vancouver Island
Citizens for Quality Health Care, Campbell River
Mayor and Council Alert Bay
Mayor and Council Campbell River
Mayor and Council Gold River
Mayor and Council Port Alice
Mayor and Council Port McNeill
Mayor and Council Sayward
Mayor and Council Tahsis
Chair and Directors Strathcona Regional District
Chair and Directors Mount Waddington Regional District

Excellent care, for everyone,
everywhere, every time.



March 24, 2016

Ref # 17415

Comox Strathcona Regional Hospital District (CSRHD)
Attn: Debra Oakman, Chief Administrative Officer
600 Comox Road
Courtenay, BC V9N 3P6

Dear Debra Oakman:

I am writing to you to follow up on the ongoing questions that have been raised regarding Island Health's plans to introduce pay parking at Campbell River Hospital when the new hospital opens in 2017. It should be noted that pay parking will also be in effect at the new Comox Valley Hospital; however as you are aware, pay parking has been in effect at St. Joseph's General Hospital for many years, and as such this is not a change for this community.

Island Health recognizes that pay parking at hospitals and other care facilities is not popular; however it is a decision supported by the Ministry of Health and is a practice that is standard in most care facilities across Canada, the US and in Europe. Pay parking helps offset Island Health's ongoing operational costs, including those associated with maintaining parking infrastructure.

As you know the design and construction cost of the two new hospitals is \$606 million. Of this amount, the Comox Strathcona Regional Hospital District is covering 40%, or \$242 million. While this capital contribution is of enormous importance in bringing the two new hospitals to Comox and Campbell River, it covers the design and construction costs only. It does not cover the ongoing operating costs of the two new hospitals over the course of the 33 year agreement with the private sector partner.

While the maintenance of the parking infrastructure at the new hospitals will be the responsibility of the private sector partner, Island Health will still be paying the partner for this service (and other services) through the contractual Annual Service Payment (ASP). As such, the ASP does not reduce the need for Island Health to generate revenue to help offset the ongoing payments over the 33 years of the agreement.

Island Health estimates pay parking at the two hospitals will generate gross revenues of between \$900,000 and \$1 million annually. Without the parking revenue a portion of the ASP, parking management/enforcement and security costs will have to be assumed from Island Health's global operating budget, which will impact on the funding available for other, more direct, health care services.

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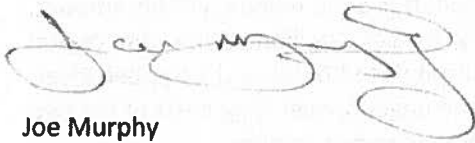
While the parking fees have not yet been established, they will be based upon the lower of either St. Joseph's or Nanaimo Regional General Hospital's current rates. Island Health recognizes pay parking may present a hardship for some individuals, regardless of the community in which they live. To that end, compassionate discount or no-cost parking is available through special dispensation (hardship provisions). These provisions will also be available to future visitors of the new hospitals in Campbell River and the Comox Valley.

In addition, hospital volunteers, hospital auxiliary members, spiritual/pastoral care providers, renal patients or family caregivers will not have to pay for parking.

Island Health is extremely grateful for the partnership with the Comox Strathcona Regional Hospital District that has resulted in the construction of these state-of-the-art hospitals in Campbell River and Comox. We also appreciate regional government's ongoing efforts to mitigate any impact pay parking may have on hospital patients and visitors.

We trust that the above explanation around the ongoing operational costs of the hospitals and the ASP over the life of the agreement clarifies how revenues from parking will reduce the need to access global operating budgets and allow more funding to be directed towards patient care programs and services.

Yours truly,



Joe Murphy
Vice President
Planning and Operations Support

cc: James Hanson, Corporate Director, Logistics and Operations
Tom Sparrow, Chief Project Officer, North Island Hospitals Project
Suzanne Germain, Director, Communications

RESOLUTION CONSIDERED AT AVICC 2016 CONFERENCE

R15 New North Island Hospitals Parking Fees Strathcona RD, Village of Tahsis

Whereas the Minister of Health has advised that he is supporting the imposition of parking fees at the new North Island Hospitals in Campbell River and Courtenay,

And whereas our geographic service area is vast and requires many patients and families to travel hundreds of miles, across multiple ferries, etc.,

Therefore be it resolved that AVICC support the North Island in requesting that the Ministry of Health eliminate parking fees at the new North Island Hospitals.

ON MOTION, was NOT ENDORSED

Parking revenue estimates

Parking stall type	Campbell River # of stalls	Campbell River Revenue	Comox Valley # of stalls	Comox Valley Revenue	Total stalls	Total Revenue	Island Health Parking policy	Value used in calculation
Physicians \$414/Staff \$335	265	88,775	425	142,375	690	231,150	Pay	\$335 per year
Patients/Visitors	130	332,150	206	526,330	336	858,480	Pay	\$7 per day per spot
Disabled	13	33,215	24	61,320	37	94,535	Pay	\$7 per day per spot
	408	\$ 454,140	655	\$ 730,025	1063	\$ 1,184,165		
Motorcycle	30	76,650	50	127,750	80	204,400	Pay	\$7 per day per spot
Secured Bicycle	50		50		100	-	??	
Unsecured bicycle	30		30		60	-	No cost	
Handydart Bus Stops	2		2		4	-	No cost	
Maindoor drop off spaces	4		10		14	-	No cost	
Taxi stands	2		2		4	-	No cost	
Ambulance Parking	2		2		4	-	No cost	
Emergency Drop off	2		3		5	-	No cost	
Police	1		0		1	-	No cost	
Transit Drop Off	0		1		1	-	No cost	
	531	\$ 530,790	805	\$ 857,775	1336	\$ 1,388,565		
Current stalls	255		438					
Exception estimate						(388,565)		
Net estimated revenue for facility operations and maintenance						\$ 1,000,000		
Annual facility maintenance fee (including grounds, hard & soft costs)						\$8.9 million		

Parking Rates

St Joseph's Surface Lot parking Machines - \$1.50./1 hr; \$2.25/2 hours; daily \$7.00
 St Joseph's Weekly \$25.00
 Nanaimo has street meters \$.25 for 15 minutes
 Nanaimo Surface Lot parking Machines - \$2.25 first 2 hours, each addl hour \$1.25
 Nanaimo Weekly permits \$26.75
 Royal Jubilee has street meters \$.25 for 10 minutes
 Royal Jubilee Surface Lot parking Machines - \$2.75 first 2 hours, each addl hour \$1.50
 Royal Jubilee Parkade - \$2.25 first 2 hours, each addl hour \$1.25; Maximum daily \$16.00
 Royal Jubilee Weekly permits \$26.75 (not for use in parkade)

Island Health Policy Exemptions (no cost parking)

Family caregiver are for residential care - 1 permit for family/can be shared
 Renal Dialysis patients
 Volunteers
 Hospital Auxilliary members
 Spiritual/Pastoral care providers
 Special Dispensation (hardship provisions)

CSRHD Requisition calculation for raising \$1,000,000 through taxation

Participant	2016 Completed Converted Assessments	Levy
Comox Valley Regional District		
Comox	224,880,487	108,072
Courtenay	494,832,822	237,805
Cumberland	54,796,967	26,334
Area A Baynes Sd-Denman/Hornby	200,508,557	96,360
Area B Lazo	144,725,963	69,552
Area C Puntledge-Black Creek	185,156,818	88,982
	1,304,901,614	627,104
Strathcona Regional District		
Campbell River	521,922,337	250,823
Area A Kyuquot-Nootka	17,522,790	8,421
Area A Sayward Valley	19,915,029	9,571
Area B Cortes	29,881,550	14,360
Area D Oyster Bay-Buttle Lake	95,557,239	45,922
Area C Discovery Islands-Mainland Inlets	70,853,680	34,051
Gold River	12,134,946	5,832
Sayward	3,108,135	1,494
Tahsis	3,581,598	1,721
Zeballos	1,458,268	701
	775,935,572	372,896
	2,080,837,186	1,000,000

Hospital pay parking research

Federal Government

Excerpt of article from The London Free Press, January 18, 2016

Ontario requiring hospitals to cut fees for people parking five days in a row or more

What Ontario Liberals promised in the last campaign:

“We will work with hospitals to cap or cut parking fees for those who must visit the hospital frequently, either due to a medical condition or to regularly visit a loved one.”

New limits on parking rates:

- Starts Oct. 1 at 36 hospitals that charge more than \$10 a day.
- 5-, 10- and 30-day passes must be no more than 50 per cent the daily rate.
- Passes must be transferable between patients and caregivers, allow in-and-out privileges and be good for one year from purchase.

Article from the Toronto Star dated January 18, 2016

Ontario freezes hospital parking fees

Hospitals will also have to sell multi-day passes that are 50 per cent cheaper than the daily rate for lots that cost more than \$10 a day, health minister says.

Ontario’s health minister is taking a scalpel to hospital parking rates with 50 per cent discounts for longer stays starting in October.

The directive, which also prevents hospitals from raising any parking rates for three years and then only by the rate of inflation, applies to lots and garages charging more than \$10 daily, Eric Hoskins said Monday.

People should be taking care of their own health or that of a loved one and “not worried about how they’re going to afford parking,” he said at Women’s College Hospital, making good on a 2014 election promise from Premier Kathleen Wynne to tackle the thorny issue.

“Parking fees should not be a barrier to access in health care,” he added. “When patients are surrounded by loved ones they get better, faster.”

The change does not apply to what Hoskins described as “a minority” of hospitals that do not own their parking facilities, such as Sick Kids, Baycrest and the William Osler Health System, although they will be asked to give motorists a break.

Hospitals would have to provide passes good for five, 10 and 30 days that are 50 per cent cheaper than the daily rate, providing it is more than \$10, and to make the passes transferable between patients and caregivers, allow in-and-out privileges and good for one year from the date of purchase.

Hoskins said hospitals in Ontario earn about \$100 million a year from parking and that the impact of the cuts for patients and visitors who park regularly or frequently will be a “tiny portion” of their budgets.

The Ontario Hospital Association acknowledged there many families face “challenges” with parking but noted the government has encouraged hospitals to generate their own revenue to help cover the rising costs of delivering health care.

“The decision to cut revenues could not come at a worse time,” said Anthony Dale, chief executive of the association.

“After four years without an increase in base operating funding, hospitals are now at a turning point,” he added in a statement, calling for an increase in Finance Minister Charles Sousa’s spring budget.

“It is increasingly difficult for them to invest in other important health care priorities, such as capital improvements to their buildings, new medical and diagnostic equipment, and information and communications technology.”

Provincial Court Case

In 2013 a claim was brought by a cancer patient in Newfoundland against Eastern Health regarding pay parking at hospitals. He argued that the parking fees were against the Canada Health Act. Eastern Health sought an application to dismiss the case from the Newfoundland Supreme Court which subsequently granted the application for dismissal so that court case was not won by the patient.

Excerpts from news articles regarding the claim:

Jan 7, 2013

A cancer patient in St. John's has taken his fight over the cost of parking at hospitals to court.

Tom Badcock has filed a statement of claim against Eastern Health, and had his first hearing on Monday morning.

He said the health authority's parking fees break the Canada Health Act, which says there should be no financial barrier to access healthcare

An official at Eastern Health, which oversees the Health Sciences Centre, said the board has no information to indicate it is in contravention of the Canada Health Act by charging to park at some of its facilities in St. John's.

February 15, 2013

Newfoundland Supreme Court has put the parking brake on Tom Badcock's drive to get an injunction preventing him from being ticketed at parking lots of Eastern Health hospitals.

Newfoundland Supreme Court today granted an application by Eastern Health to dismiss Badcock's application for an injunction to prevent him from getting any more parking tickets at Eastern Health facilities.

The ruling was made this afternoon.

Canadian Medical Association Journal

CBC article dated November 28, 2011 regarding editorial published November 28, 2011 by Canadian Medical Association Journal

Canadian hospitals should follow Scotland and Wales and abolish hospital parking fees because they burden patients, a medical journal editorial argues.

"Parking fees amount to a user fee in disguise," Dr. Rajendra Kale, editor in chief of the Canadian Medical Association Journal, wrote Monday.

"Those opposed to scrapping parking fees for patients need to recognize that such fees are, for all practical purposes, user fees and a barrier to health care. Using revenue generated from such surrogate user fees for health care is against the health policy objective of the Canada Health Act and could become the subject of a legal challenge," he concluded.

Kale said Canada needs patient-friendly politicians such as Nicola Sturgeon or Edwina Hart, who he called instrumental in abolishing parking fees in public hospitals in Scotland and Wales.

The British politicians recognized that parking fees are a barrier to health care that add avoidable stress to patients, Kale said.

The running meter is a distraction that interferes with medical appointments, he argued.

"I think that parking fees can — and sometimes do — interfere with the quality of the interaction physicians have with patients," Kale said in an interview, noting he's seen parking fees affect the interaction he has with patients at the Ottawa Hospital.

Patients who have often waited weeks to see a doctor may try to end a consultation abruptly when they realize they'll have to pay for another hour of parking.

"This is parking-centred health care, which is not compatible with patient-centred health."

What's more, Canadian patients who visit hospitals may have to travel great distances where local public transportation is not an option, the editorial said.

Contrary to what hospital administrators may claim, phasing out parking fees wouldn't be a wallop for hospital pocketbooks, Kale suggested.

At the Ottawa Hospital, parking fees are projected to bring in about \$10.8 million out of a \$1.16 billion revenue stream (excluding revenue from parking).

Tom Closson, who has run several large hospitals and is CEO of the Ontario Hospital Association, countered that parking fees do help finance patient care.

Tom Closson's rebuttal letter dated March 6, 2012

In Ontario, the provincial government funds 74% of the cost of operating hospitals. Hospitals generate the remaining 26% of operating funds themselves, and parking fees are one of the most common ways of making up the difference. If 1% of hospital revenue comes from parking, as the interim editor of *CMAJ* suggests,¹ then eliminating that revenue would create a funding hole as deep as \$230 million in Ontario alone. With Ontario's provincial government running a deficit of more than \$16 billion this year, while also signalling a major tightening of health spending into the future, eliminating crucial revenues that hospitals use to fund clinical research and front-line patient care should be a non-starter, particularly for the nation's leading medical journal.

Canada is in a very difficult economic period and health care across the country faces serious challenges in terms of funding, affordability and accountability (particularly in primary care, which has high costs and almost no publicly reported accountability or performance metrics). Surely *CMAJ* has something to say about these and other more relevant issues, instead of banging away on the populist drum about parking fees.