

# THE CORPORATION OF THE CITY OF COURTENAY

## NOTICE OF COMMITTEE OF THE WHOLE MEETING

*We respectfully acknowledge that the land on which we gather is the  
unceded traditional territory of the K'ómoks First Nation*

**DATE:** Monday, February 24, 2020  
**PLACE:** City Hall Council Chambers  
**TIME:** 4:00 p.m.

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## AGENDA

### K'OMOKS FIRST NATION ACKNOWLEDGEMENT

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#### 1.00 STAFF REPORTS/PRESENTATIONS

##### (a) Financial Services

- |    |    |   |
|----|----|---|
| 1  | 1. | 2020 - 2024 General Capital Financial Plan and Presentation   |
| 15 | 2. | 2020 - 2024 General Operating Financial Plan and Presentation |

#### 2.00 ADJOURNMENT





THE CORPORATION OF THE CITY OF COURTENAY

## STAFF REPORT

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**To:** Council

**File No.:** 1705-20

**From:** Chief Administrative Officer

**Date:** February 24, 2020

**Subject:** 2020-2024 General Capital Financial Plan

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### **PURPOSE:**

The purpose of this report is to consider the proposed 2020-2024 General Capital Financial Plan.

### **POLICY ANALYSIS:**

Section 165 of the *Community Charter* requires a municipality to have a five year financial plan. The 2020-2024 General Capital Financial Plan is a component of the annual City of Courtenay five year financial plan bylaw and has been prepared in accordance with Council's Asset Management Policy 1670.00.02 and newly adopted Asset Management Bylaw 2681.

The 2020-2024 General Capital Financial Plan has been guided by Council's Asset Management Policy. Sound Asset Management practices enable sustainable service delivery by integrating community values, priorities and an informed understanding of the trade-offs between risks, costs, service levels, and the public's willingness to pay.

Section 166 of the *Community Charter* requires that "A council must undertake a process of public consultation regarding the proposed financial plan before it is adopted".

### **EXECUTIVE SUMMARY:**

The five year general capital financial plan is prepared annually and sources of funding are determined each year. A determination of the level of funding required from general property taxation is important, as an increase in capital funding required from taxation results directly in an increase in property tax rates to supply the funds required.

The 2020 financial plan year proposes a total of \$6,223,700 million in planned capital expenditures, excluding debt servicing cost. Capital project funding sourced from taxation is \$542,500, which is a decrease of \$396,700 from the 2019 budget requirement of \$939,200.

### **CAO RECOMMENDATIONS:**

That based on the February 24, 2020 staff report "2020-2024 General Capital Financial Plan" Council approve the 2020-2024 General Capital Financial Plan", and

That staff be directed to include the 2020-2024 General Capital Financial Plan into the 2020-2024 Financial Plan Bylaw.

Respectfully submitted,



David Allen, BES, CLGEM, SCLGM  
Chief Administrative Officer

**BACKGROUND:**

Consideration and approval of a five year financial plan is an annual requirement under the *Community Charter*. The proposed Financial Plan for the general capital fund presented at the February 24, 2020 Council Meeting provides detail for the 2020 year, as well as projections for the four years following.

The general capital financial plan is partially funded from the general property taxation levy. With Council's approval, the proposed capital projects will be included in the 2020-2024 Financial Plan Bylaw.

**DISCUSSION:**

The proposed 2020 – 2024 General Capital Financial Plan has been constrained to a scope and scale that recognizes the City's capacity to realistically complete the planned capital projects within existing staff and financial capacity, and with priority given to finalization of in-progress 2019 projects which complete in 2020. Other identified asset renewal projects or new capital projects have been identified and reviewed by the Asset Management Working Group, approved by the Chief Administrative Officer, and included in the proposed General Capital Financial Plan.

The 2020 financial plan year includes a total of \$6,223,700 in projected capital expenditures. Capital funding for the 2020 projects are sourced from a variety of reserves, prior year unexpended funds, grants, developer contributions, general taxation, and prior years surplus.

Attached are Schedule 1 – 2020-2024 General Capital Expenditures and Schedule 2 – General Capital Expenditures for 2020 with Source of Funding, providing with detailed capital project lists at the departmental level. Senior staff from each of the departments will be in attendance to speak and respond to queries for each of their respective areas of responsibility.

The following provides additional information in regards to special capital funding sources.

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

The Community Works Fund – Gas Tax Grant Revenues are used to fund a variety of operating and capital projects. Staff propose to use those funds as primary source of funding for the capital projects listed in Table 1. In the general operating fund, Gas Tax Grant Revenues are also used for the asset management condition assessment and for the master plans.

In July 2019, the City of Courtenay received a one-time Gas Tax Grant bonus payment of \$1,119,960, which remains available to fund future year eligible projects.

Table 1: Use of the Gas Tax Grant funding proposed in the 2020 budget year:

2020 Gas Tax Fed Grant		
Department	Project description	Total
Engineering	STORM DRAINAGE - 200 Back Rd Storm Inlet improvement	175,000
Public Works - Transportation	ROAD PAVING - Grind and Pave program	1,190,000
<b>Grand Total</b>		<b>1,365,000</b>

**Future Borrowing**

No new borrowing is proposed for the current 2020 budget year. The potential capital projects listed for 2021 in Table 2 are intended to be primary funded by borrowing, which requires a lengthy statutory process including public approval prior to proceeding.

Table 2: Use of borrowing in the proposed General Capital Financial Plan for 2021

2021 Debt		
Department	Project description	Total
Engineering	MAJOR ROAD CONS - 5th St Bridge Rehabilitation	3,400,000
Public Works	PUBLIC WORKS - New Public Works Building	5,400,000
Fire Department	FIRE DEPT - Ladder Truck (replacement truck #12)	600,000
<b>Grand Total</b>		<b>9,400,000</b>

The City currently utilizes approximately 12.6% of its total allowable debt servicing capacity. The total allowable debt servicing capacity represents 25% of the prior year operating revenues.

Borrowing is the principal source of funding for several large projects included in the general capital plan, for a total of \$25.9 million over 4 years as detailed in Schedule 3. Including the new debt for Water (\$3 million) and Sewer (\$7 million) projects included for the next 4 years, the City would then be using an estimated 24% of its allowable debt servicing capacity by the end of 2024.

**FINANCIAL IMPLICATIONS:**

Capital project expenditures planned and proposed for 2020 total \$6,223,700 dollars. Schedule 4 attached provides the projected general capital reserve and surplus balances for the next five years.

**ADMINISTRATIVE IMPLICATIONS:**

Subsequent to Council approval of the proposed 2020-2024 General Fund Capital Plan, the schedules will be included in the consolidated financial plan and form part of the 2020-2024 Financial Plan Bylaw which will be brought forward for Council consideration and adoption later in April 2020.

The financial plan information will be posted on the City’s website for review and comment, and all public feedback will be provided to Council prior to adoption of the Financial Plan bylaw.

**ASSET MANAGEMENT IMPLICATIONS:**

The Asset Management Working Group collects and analyses information provided by condition and risk assessments of the City’s infrastructure. Preventative maintenance programs extend the life of the infrastructure and future years capital costs can be deferred. The General Capital financial plan includes

use of funds for renewal projects prioritized by the Asset Management Working Group, and as approved by the Chief Administrative Officer.

**STRATEGIC PLAN REFERENCE:**

In preparing the 2020 General Fund Capital budget staff considered Council’s 2019-2022 Strategic Priorities, the capacity of staff to deliver services and projects in a timely manner, and also considered the public’s willingness to pay. The following strategic priorities informed the preparation of the proposed 2020 General Fund Capital budget.

**We focus on organizational and governance excellence**

- Recognize staff capacity is a finite resource and support staff training and development
- Communicate appropriately with our community in all decisions we make
- Responsibly provide services at levels which the people we serve are willing to pay

**We proactively plan and invest in our natural and built environment**

- Focus on asset management for sustainable service delivery

**We plan and invest in methods of multi-modal transportation**

- Move forward with implementing the City's Transportation Master Plan
- ▲■ Collaborate with regional and senior government partners to provide cost-effective transportation solutions
- ▲ Explore opportunities for Electric Vehicle Charging Stations

**We support diversity in housing and reasoned land use planning**

- Continue to develop and revisit all infrastructure master plans

- **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 that are outside Council's jurisdictional authority to act

**OFFICIAL COMMUNITY PLAN REFERENCE:**

The 2020–2024 General Fund Capital Plan touches several of the OCP Goals including:

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

**REGIONAL GROWTH STRATEGY REFERENCE:**

The 2020–2024 General Fund Capital Plan is presented to encourage sound financial management of City assets in order to provide services to all residents within the municipality and region. It touches on:

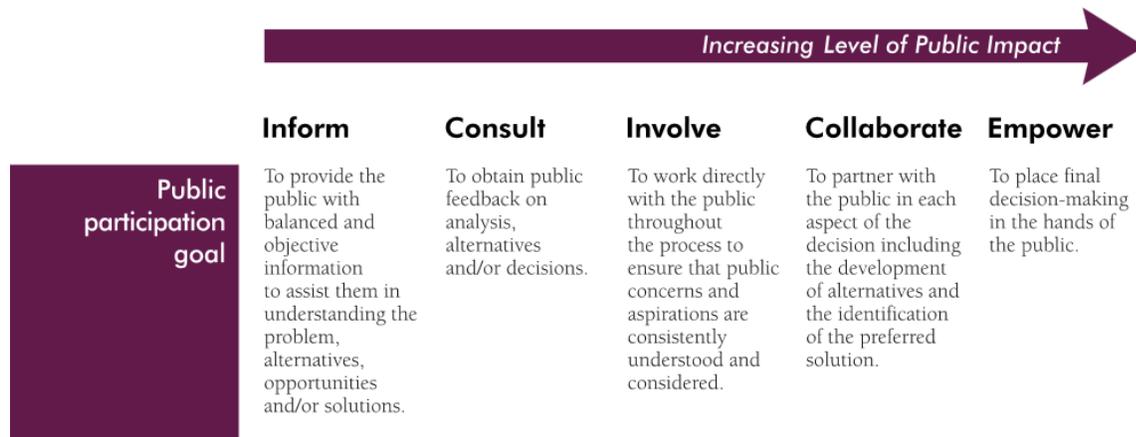
- ❖ Ecosystems, Natural Areas and Parks
- ❖ Transportation and Infrastructure
- ❖ Local Economic Development
- ❖ Climate Change

**CITIZEN/PUBLIC ENGAGEMENT:**

Section 166 of the *Community Charter* requires that “A council must undertake a process of public consultation regarding the proposed financial plan before it is adopted”.

The City of Courtenay will ‘**inform**’ the public about the 2020-2024 Financial Plan through regular and special council meetings, media webcasts, and information posted on the City’s website. In addition, the City will ‘**consult**’ the public prior to final adoption of the 2020-2024 Financial Plan Bylaw.

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



**OPTIONS:**

- OPTION 1: That Council approves the 2020-2024 General Capital Financial Plan as proposed, and directs staff to include the capital schedules in the 2020-2024 Financial Plan Bylaw.
- OPTION 2: That Council amends the proposed 2020-2024 General Capital Financial Plan, and directs staff to include the amended capital schedules in the 2020-2024 Financial Plan Bylaw.
- OPTION 3: That Council defer the endorsement of the proposed 2020-2024 General Capital Financial Plan for further discussion at a later Council meeting.

Prepared by:



Annie Bérard, CPA, CMA, MBA

Manager of Financial Planning, Payroll  
and Business Performance

Concurrence:



Jennifer Nelson, CPA, CGA

Director of Financial Services

Attachments: Schedule 1 – General Capital Expenditures 2020-2024

Schedule 2 – General Capital Expenditures for 2020 with Source of Funding

Schedule 3 – General Capital Borrowing and Debt Servicing Costs

Schedule 4 – General Capital Surplus and Reserves

Department Responsible	Department	Category	Project description	2020 Proposed Budget	2021 Proposed Budget	2022 Proposed Budget	2023 Proposed Budget	2024 Proposed Budget	Total 2020-2024 Budget
PW	Public Works	New	PUBLIC WORKS - New Public Works Building	3,700	5,400,000	-	-	-	5,403,700
<b>PW Total</b>				<b>3,700</b>	<b>5,400,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,403,700</b>
PW - Fleet	Fleet	Equipment	FLEET MANAGEMENT - PW SERV - HEAVY VEHICLES	350,000	350,000	350,000	350,000	350,000	1,750,000
			FLEET MANAGEMENT - PW SERV - LIGHT VEHICLES	173,000	350,000	350,000	350,000	350,000	1,573,000
		New	2 Electric car charging stations EV DC Fast Charger 440V	200,000	-	-	-	-	200,000
			2 Double Electric car charging stations Level 1 220V	100,000	-	-	-	-	100,000
		FLEET MANAGEMENT - NEW ASK for 2020	110,000	-	-	-	110,000		
<b>PW - Fleet Total</b>				<b>933,000</b>	<b>700,000</b>	<b>700,000</b>	<b>700,000</b>	<b>700,000</b>	<b>3,733,000</b>
PW - Roads	Road Paving	Renewal	ROAD PAVING - Grind and Pave program	1,400,000	1,400,000	1,500,000	1,600,000	1,600,000	7,500,000
	Storm Drainage	New	Braidwood Affordable Housing - Storm & Road Servicing	103,700	-	-	-	-	103,700
	Bike Lane	Land and improvements	Cycling Network Plan Improvements	100,000	-	-	-	-	100,000
<b>PW - Roads Total</b>				<b>1,603,700</b>	<b>1,400,000</b>	<b>1,500,000</b>	<b>1,600,000</b>	<b>1,600,000</b>	<b>7,703,700</b>
PW - Civic Properties	Art Gallery	Buildings	ART GALLERY - Hydraulic Passenger Elevator replacement	86,300	-	-	-	-	86,300
	City Hall	Buildings	CITY HALL - Building Energy Reduction (roof ventilation)	10,000	-	-	-	-	10,000
			CITY HALL - Roof Replacement	21,000	-	-	-	-	21,000
			Renovation of City Hall - Foyer area	100,000	-	-	-	-	100,000
	Filberg Centre	Buildings	FILBERG - Hydraulic Passenger Elevator replacement	92,000	-	-	-	-	92,000
	Fire	Buildings	FIRE HALL - Roof Replacement	-	-	-	-	500,000	500,000
	Lewis Centre	Buildings	LEWIS CENTRE - Roof Replacement	-	-	250,000	-	-	250,000
			LEWIS CENTRE - Squash Court Floor Replacement	-	80,000	-	-	-	80,000
			LEWIS CENTRE - Squash Court Wall Replacement	-	72,000	-	-	-	72,000
	Library	Buildings	LIBRARY - Building Energy Reduction	55,500	-	-	-	-	55,500
	Memorial Pool	Buildings	MEMORIAL POOL - INFRASTRUCTURE ASSESSMENT	50,000	-	-	-	-	50,000
			MEMORIAL POOL - MECH/ELEC UPGRADES HEAT/CHEMICAL	20,000	20,000	20,000	25,000	25,000	110,000
			MEMORIAL POOL - New Pool Covers	10,000	-	25,000	-	-	35,000
			MEMORIAL POOL - REPAIR CRACKS MAIN POOL	-	20,000	-	20,000	20,000	60,000
	Museum	Buildings	MEMORIAL POOL - VIHA INFRA/STRUCTURE UPGRADES	20,000	20,000	20,000	25,000	25,000	110,000
			MUSEUM - Hydraulic Freight Elevator replacement	-	-	-	40,300	178,300	218,600
	Native Sons Hall	Buildings	MUSEUM - Replace windows	-	50,000	50,000	-	-	100,000
			NATIVE SONS HALL - Roof Replacement	50,000	-	-	-	-	50,000
	Parks	Buildings	Lewis Washroom - Roof Replacement	-	-	-	25,000	-	25,000
			Woodcote Park - Roof Replacement	45,000	-	-	-	-	45,000
Park Café - Roof Replacement			-	75,000	-	-	-	75,000	
Public Works	Buildings	CARPENTRY SHOP - Carpenter / Electrician Bay	265,500	-	-	-	-	265,500	
Sid Theatre	Buildings	SID THEATRE - Hydraulic Vertical Platform Lift replacement (elevator)	-	10,000	125,000	-	-	135,000	
		SID THEATRE - Stage Lift replacement (elevator)	-	10,000	125,000	-	-	135,000	
Youth Centre	Buildings	YOUTH CENTRE - Heating System Replacement	50,000	-	-	-	-	50,000	
		YOUTH CENTRE - Roof Replacement	-	-	-	250,000	-	250,000	
<b>PW - Civic Properties Total</b>				<b>875,300</b>	<b>357,000</b>	<b>615,000</b>	<b>385,300</b>	<b>748,300</b>	<b>2,980,900</b>
PW - Parks	Cemetery	Land and improvements	CEMETERY - CEMETERY GENERAL WORK	50,000	40,000	60,000	50,000	50,000	250,000
			CEMETERY - IRRIGATION	10,000	-	-	15,000	15,000	40,000
			CEMETERY - LAWN CRYPTS	-	35,000	35,000	35,000	35,000	140,000
			CEMETERY - NEW PLANTINGS	30,000	-	-	-	-	30,000
			CEMETERY - NICHE DESIGN/DEVELOPMENT	70,000	40,000	40,000	40,000	40,000	230,000
	Parks	Land and improvements	Anderton Park Exercise equipment	-	-	-	100,000	-	100,000
			Bill Moore - Irrigation System Replacement	-	-	-	150,000	-	150,000
			Woodcote - Irrigation System Replacement	-	-	-	-	80,000	80,000
			Spray park resurfacing	-	80,000	-	-	-	80,000
			Misc Playground (1 replacement every second year)	-	120,000	-	120,000	-	240,000
	New	New	Tarling Park (Lake Trail / Arden Trail construction)	-	-	257,000	-	-	257,000
			Sheffield Park (located in Crown Isle)	25,000	-	-	-	-	25,000

Department Responsible	Department	Category	Project description	2020 Proposed Budget	2021 Proposed Budget	2022 Proposed Budget	2023 Proposed Budget	2024 Proposed Budget	Total 2020-2024 Budget
PW - Parks	Walkways & Bikeways	Buildings	Lagoon Walkway Lookouts - Roof Replacement	-	-	30,000	-	-	30,000
		Land and improvements	Pedestrian Bridges replacement program	35,000	35,000	35,000	35,000	35,000	175,000
			Millard Trail Boardwalk Replacement	20,000	-	-	-	-	20,000
			Valleyview Greenway Erosion Remediation	50,000	50,000	-	-	-	100,000
		New	Buckstone to Island Hwy Trail	110,000	-	-	-	-	110,000
<b>PW - Parks Total</b>				<b>400,000</b>	<b>400,000</b>	<b>457,000</b>	<b>545,000</b>	<b>255,000</b>	<b>2,057,000</b>
Engineering	Major Road Construction	New	MAJOR ROAD CONS - 6th St Bridge	-	-	4,000,000	-	-	4,000,000
		Renewal	MAJOR ROAD CONS - Cousins Ave - 20th to Willemar	-	-	-	-	3,224,000	3,224,000
	Road Paving	Renewal	MAJOR ROAD CONS - 5th St Bridge Rehabilitation	375,000	6,300,000	-	-	-	6,675,000
		Renewal	MAJOR ROAD CONS - 13 St - Burgess to Willemar Road Reconstruction	-	-	25,000	570,000	-	595,000
	Storm Drainage	Renewal	Braidwood Road Design - Storm & Road	93,200	-	-	3,250,000	-	3,343,200
			STORM DRAINAGE - Willemar Culvert	-	180,000	1,500,000	-	-	1,680,000
			STORM DRAINAGE - 13 St - Burgess to Willemar Storm Reconstruction	-	-	25,000	570,000	-	595,000
			STORM DRAINAGE - Woods Ave Out Fall Renewal	-	-	-	-	850,000	850,000
			STORM DRAINAGE - 200 Back Rd Storm Inlet improvement	175,000	-	-	-	-	175,000
	Traffic Projects	Renewal	TRAFFIC PROJECTS - Signal Controller Renewal - 8th St and Cliffe Ave	-	160,000	-	-	-	160,000
			TRAFFIC PROJECTS - Signal Controller Renewal - 5th St and Cliffe Ave	-	20,000	220,000	-	-	240,000
			TRAFFIC PROJECTS - Signal Controller Renewal - Old Island Highway at Comox Road	-	20,000	75,000	-	-	95,000
			TRAFFIC PROJECTS - Signal Controller Renewal - 8th and Fitzgerald	-	180,000	-	-	-	180,000
	Bike Lane	New	Bike Lane Hobson Neighbourhood Route	50,000	-	-	-	-	50,000
	<b>Engineering Total</b>				<b>693,200</b>	<b>6,860,000</b>	<b>5,845,000</b>	<b>4,390,000</b>	<b>4,074,000</b>
Rec & Culture	Filberg Centre	Buildings	FILBERG CENTRE - Drive Thru Repair / Renovation	35,000	-	-	-	-	35,000
	Lewis Centre	Equipment	LEWIS CENTRE - Equipments > 5k	45,000	45,000	45,000	45,000	45,000	225,000
		New	LEWIS CENTRE - Shower Lift (accessibility funding)	20,000	-	-	-	-	20,000
	Museum	Buildings	MUSEUM - Loading Dock Storage & Fencing	-	-	-	-	50,000	50,000
	Parks	Land and improvements	Tarling Park gate, fencing and Hydro service	8,100	-	-	-	-	8,100
			Marina Storage Compound Relocation	10,000	110,000	-	-	-	120,000
		New	Park Development - McPhee Meadows	50,000	-	-	-	-	50,000
			Rotary Trail Extension North 5th St to McPhee Meadows	-	20,000	-	-	-	20,000
			Partners in Parks	50,000	50,000	50,000	50,000	50,000	250,000
		Totem Pole at the Airpark	10,000	-	-	-	-	10,000	
	Sid Theatre	Buildings	SID THEATRE - Future year estimation	-	20,000	20,000	20,000	20,000	80,000
			SID THEATRE - LIGHTING UPGRADE - LED THEATRE LIGHTS	25,000	-	-	-	-	25,000
			SID THEATRE - THEATRE CAPITAL EQUIPMENT	10,000	10,000	10,000	-	-	30,000
	Walkways & Bikeways	New	Access and Parking to McPhee Meadows	-	-	30,000	200,000	-	230,000
			Courtenay Riverway South Extension Sandpiper to Beachwood - Phase 1	302,200	-	-	-	-	302,200
		Courtenay Riverway South Extension Beachwood to City Park - Phase 2	-	45,000	400,000	-	-	445,000	
		Courtenay Riverway South Extension City Park to Regional Trail - Phase 3	-	-	-	100,000	400,000	500,000	
		Dingwall to Muir Road trail development - stairs	25,000	250,000	-	-	-	275,000	
<b>Rec &amp; Culture Total</b>				<b>590,300</b>	<b>550,000</b>	<b>555,000</b>	<b>415,000</b>	<b>565,000</b>	<b>2,675,300</b>

Department Responsible	Department	Category	Project description	2020 Proposed Budget	2021 Proposed Budget	2022 Proposed Budget	2023 Proposed Budget	2024 Proposed Budget	Total 2020-2024 Budget
IT	IT	Equipment	LARGE FORMAT PLOTTER	-	30,000	-	30,000	-	60,000
			PHOTOCOPIERS	40,000	40,000	40,000	40,000	40,000	200,000
			SERVER REPLACEMENT	25,000	20,000	20,000	20,000	20,000	105,000
		Other Tangible Assets	*Hyper-Convergence Software (complement to back up solution)	30,000	35,000	35,000	35,000	35,000	170,000
			IT security (PEN Test)	14,000	-	-	-	-	14,000
			New softwares	50,000	50,000	50,000	50,000	50,000	250,000
			OFFSITE BACKUP DEVELOPMENT	36,000	40,000	40,000	40,000	40,000	196,000
		Recreation Software	55,000	-	-	-	-	55,000	
<b>IT Total</b>			<b>250,000</b>	<b>215,000</b>	<b>185,000</b>	<b>215,000</b>	<b>185,000</b>	<b>1,050,000</b>	
Purchasing / IT	IT	Other Tangible Assets	ProFuel	-	20,000	-	-	-	20,000
<b>Purchasing / IT Total</b>				<b>-</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,000</b>
Fire Department	Fire	Equipment	FIRE DEPT - Ladder Truck (replacement truck #12)	-	1,830,000	-	-	-	1,830,000
			FIRE DEPT LIGHT VEHICLES	65,000	-	-	140,000	-	205,000
		New	FIRE - NEW SATELLITE FIREHALL	94,500	-	483,000	6,000,000	-	6,577,500
<b>Fire Department Total</b>			<b>159,500</b>	<b>1,830,000</b>	<b>483,000</b>	<b>6,140,000</b>	<b>-</b>	<b>8,612,500</b>	
Finance / IT	IT	Other Tangible Assets	Great Plain Electronic Workflow	15,000	-	-	-	-	15,000
			Organization Wide Software	-	100,000	-	-	-	100,000
<b>Finance / IT Total</b>			<b>15,000</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>115,000</b>
Corporate Services	Corporate Services	New	Strategic Land Acquisition	500,000	-	-	-	-	500,000
<b>Corporate Services Total</b>				<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,000</b>
Development Services	DCC Projects	Renewal	Road, Storm, Parks DCC Projects	200,000	200,000	200,000	200,000	200,000	1,000,000
<b>Development Services Total</b>				<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>1,000,000</b>
<b>Grand Total</b>				<b>6,223,700</b>	<b>18,032,000</b>	<b>10,540,000</b>	<b>14,590,300</b>	<b>8,327,300</b>	<b>57,713,300</b>

Project Manager	Department	Category	Project description	2020 Proposed Budget	2020 General Revenues	2020 New Works Reserve	2020 Reserve for Future Expenditures	2020 Unexpended Funds	2020 DCC Reserve	2020 Fed / Prov Funding	2020 Gas Tax Fed Grant	2020 Gaming Fund	2020 CVRD Grant	2020 Proceeds - Asset Sales	2020 Other Contributions
PW	Public Works	New	PUBLIC WORKS - New Public Works Building	3,700	-	-	3,700	-	-	-	-	-	-	-	-
<b>PW Total</b>				<b>3,700</b>	<b>-</b>	<b>-</b>	<b>3,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
PW - Fleet	Fleet	Equipment	FLEET MANAGEMENT - PW SERV - HEAVY VEHICLES	350,000	-	350,000	-	-	-	-	-	-	-	-	-
			FLEET MANAGEMENT - PW SERV - LIGHT VEHICLES	173,000	49,100	123,900	-	-	-	-	-	-	-	-	-
		New	2 Electric car charging stations EV DC Fast Charger 440V	200,000	-	-	-	-	-	50,000	-	150,000	-	-	-
			2 Double Electric car charging stations Level 1 220V	100,000	-	-	-	-	-	75,000	-	25,000	-	-	-
			FLEET MANAGEMENT - NEW ASK for 2020	110,000	110,000	-	-	-	-	-	-	-	-	-	-
<b>PW - Fleet Total</b>				<b>933,000</b>	<b>159,100</b>	<b>473,900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125,000</b>	<b>-</b>	<b>175,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
PW - Roads	Road Paving	Renewal	ROAD PAVING - Grind and Pave program	1,400,000	-	-	-	-	210,000	-	1,190,000	-	-	-	-
	Storm Drainage	New	Braidwood Affordable Housing - Storm & Road Servicing	103,700	-	103,700	-	-	-	-	-	-	-	-	-
	Bike Lane	Land and improvements	Cycling Network Plan Improvements	100,000	100,000	-	-	-	-	-	-	-	-	-	-
<b>PW - Roads Total</b>				<b>1,603,700</b>	<b>100,000</b>	<b>103,700</b>	<b>-</b>	<b>-</b>	<b>210,000</b>	<b>-</b>	<b>1,190,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
PW - Civic Properties	Parks	Buildings	Woodcote Park - Roof Replacement	45,000	-	45,000	-	-	-	-	-	-	-	-	-
				45,000	-	45,000	-	-	-	-	-	-	-	-	-
	City Hall	Buildings	CITY HALL - Building Energy Reduction (roof ventilation)	10,000	-	10,000	-	-	-	-	-	-	-	-	-
			CITY HALL - Roof Replacement	21,000	-	21,000	-	-	-	-	-	-	-	-	-
			Renovation of City Hall - Foyer area	100,000	-	-	100,000	-	-	-	-	-	-	-	-
				131,000	-	31,000	100,000	-	-	-	-	-	-	-	-
	Public Works	Buildings	CARPENTRY SHOP - Carpenter / Electrician Bay	265,500	-	-	265,500	-	-	-	-	-	-	-	-
				265,500	-	-	265,500	-	-	-	-	-	-	-	-
	Art Gallery	Buildings	ART GALLERY - Hydraulic Passenger Elevator replacement	86,300	-	86,300	-	-	-	-	-	-	-	-	-
	Filberg Centre	Buildings	FILBERG - Hydraulic Passenger Elevator replacement	92,000	-	92,000	-	-	-	-	-	-	-	-	-
	Library	Buildings	LIBRARY - Building Energy Reduction	55,500	-	55,500	-	-	-	-	-	-	-	-	-
	Memorial Pool	Buildings	MEMORIAL POOL - INFRASTRUCTURE ASSESSMENT	50,000	-	-	-	-	-	-	-	-	50,000	-	-
			MEMORIAL POOL - MECH/ELEC UPGRADES HEAT/CHEMICAL	20,000	-	-	-	-	-	-	-	-	20,000	-	-
			MEMORIAL POOL - New Pool Covers	10,000	-	-	-	-	-	-	-	-	10,000	-	-
			MEMORIAL POOL - VIHA INFRA/STRUCTURE UPGRADES	20,000	-	-	-	-	-	-	-	-	20,000	-	-
	Native Sons Hall	Buildings	NATIVE SONS HALL - Roof Replacement	50,000	-	50,000	-	-	-	-	-	-	-	-	-
	Youth Centre	Buildings	YOUTH CENTRE - Heating System Replacement	50,000	-	-	50,000	-	-	-	-	-	-	-	-
<b>PW - Civic Properties Total</b>				<b>433,800</b>	<b>-</b>	<b>283,800</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>-</b>
				875,300	-	359,800	415,500	-	-	-	-	-	100,000	-	-
PW - Parks	Cemetery	Land and improvements	CEMETERY - CEMETERY GENERAL WORK	50,000	-	-	-	-	-	-	-	-	50,000	-	-
			CEMETERY - IRRIGATION	10,000	-	-	-	-	-	-	-	-	10,000	-	-
			CEMETERY - NEW PLANTINGS	30,000	-	-	-	-	-	-	-	-	30,000	-	-
			CEMETERY - NICHE DESIGN/DEVELOPMENT	70,000	-	-	-	-	-	-	-	-	70,000	-	-
				160,000	-	-	-	-	-	-	-	-	160,000	-	-
	Parks	New	Sheffield Park (located in Crown Isle)	25,000	25,000	-	-	-	-	-	-	-	-	-	-
	Walkways & Bikeways	Land and improvements	Pedestrian Bridges replacement program	35,000	35,000	-	-	-	-	-	-	-	-	-	-
			Millard Trail Boardwalk Replacement	20,000	20,000	-	-	-	-	-	-	-	-	-	-
			Valleyview Greenway Erosion Remediation	50,000	23,300	-	14,300	-	12,400	-	-	-	-	-	-
		New	Buckstone to Island Hwy Trail	110,000	-	-	-	-	-	-	-	-	-	-	110,000
<b>PW - Parks Total</b>				<b>240,000</b>	<b>103,300</b>	<b>-</b>	<b>14,300</b>	<b>-</b>	<b>12,400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>160,000</b>	<b>110,000</b>
				400,000	103,300	-	14,300	-	12,400	-	-	-	160,000	-	110,000
Engineering	Major Road Construction	Renewal	MAJOR ROAD CONS - 5th St Bridge Rehabilitation	375,000	-	375,000	-	-	-	-	-	-	-	-	-
	Storm Drainage	Renewal	Braidwood Road Design - Storm & Road	93,200	-	-	93,200	-	-	-	-	-	-	-	-
			STORM DRAINAGE - 200 Back Rd Storm Inlet improvement	175,000	-	-	-	-	-	-	175,000	-	-	-	-
	Bike Lane	New	Bike Lane Hobson Neighbourhood Route	50,000	-	31,800	-	-	-	18,200	-	-	-	-	-
<b>Engineering Total</b>				<b>693,200</b>	<b>-</b>	<b>406,800</b>	<b>93,200</b>	<b>-</b>	<b>-</b>	<b>18,200</b>	<b>175,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
				693,200	-	406,800	93,200	-	-	18,200	175,000	-	-	-	-

Project Manager	Department	Category	Project description	2020 Proposed Budget	2020 General Revenues	2020 New Works Reserve	2020 Reserve for Future Expenditures	2020 Unexpended Funds	2020 DCC Reserve	2020 Fed / Prov Funding	2020 Gas Tax Fed Grant	2020 Gaming Fund	2020 CVRD Grant	2020 Proceeds - Asset Sales	2020 Other Contributions		
Rec & Culture	Parks	Land and improvements	Tarling Park gate, fencing and Hydro service	8,100	-	-	8,100	-	-	-	-	-	-	-	-		
			Marina Storage Compound Relocation	10,000	10,000	-	-	-	-	-	-	-	-	-	-	-	
	New	Parks	Park Development - McPhee Meadows	50,000	43,700	-	6,300	-	-	-	-	-	-	-	-	-	
			Partners in Parks	50,000	50,000	-	-	-	-	-	-	-	-	-	-	-	-
			Totem Pole at the Airpark	10,000	10,000	-	-	-	-	-	-	-	-	-	-	-	-
	Walkways & Bikeways	New	Courtenay Riverway South Extension Sandpiper to Beachwood - Phase 1 Dingwall to Muir Road trail development - stairs	302,200	41,400	100,000	22,200	-	138,600	-	-	-	-	-	-	-	
				25,000	25,000	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Subtotal</b>				<b>455,300</b>	<b>180,100</b>	<b>100,000</b>	<b>36,600</b>	<b>-</b>	<b>138,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	Filberg Centre	Buildings	FILBERG CENTRE - Drive Thru Repair / Renovation	35,000	-	-	35,000	-	-	-	-	-	-	-	-	-	
	Lewis Centre	Equipment	LEWIS CENTRE - Equipments > 5k	45,000	-	45,000	-	-	-	-	-	-	-	-	-	-	
		New	LEWIS CENTRE - Shower Lift (accessibility funding)	20,000	-	12,200	-	-	-	7,800	-	-	-	-	-	-	
	Sid Theatre	Buildings	SID THEATRE - LIGHTING UPGRADE - LED THEATRE LIGHTS SID THEATRE - THEATRE CAPITAL EQUIPMENT	25,000	-	25,000	-	-	-	-	-	-	-	-	-	-	
				10,000	-	10,000	-	-	-	-	-	-	-	-	-	-	-
<b>Rec &amp; Culture Total</b>				<b>590,300</b>	<b>180,100</b>	<b>192,200</b>	<b>71,600</b>	<b>-</b>	<b>138,600</b>	<b>7,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
IT	IT	Equipment	PHOTOCOPIERS	40,000	-	40,000	-	-	-	-	-	-	-	-	-		
			SERVER REPLACEMENT	25,000	-	25,000	-	-	-	-	-	-	-	-	-	-	
		Other Tangible Assets	*Hyper-Convergence Software (complement to back up solution)	30,000	-	30,000	-	-	-	-	-	-	-	-	-	-	
			IT security (PEN Test)	14,000	-	14,000	-	-	-	-	-	-	-	-	-	-	
			New softwares	50,000	-	50,000	-	-	-	-	-	-	-	-	-	-	
			OFFSITE BACKUP DEVELOPMENT	36,000	-	36,000	-	-	-	-	-	-	-	-	-	-	
Recreation Software	55,000	-	55,000	-	-	-	-	-	-	-	-	-	-	-			
<b>IT Total</b>				<b>250,000</b>	<b>-</b>	<b>250,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
Finance / IT	IT	Other Tangible Assets	Great Plain Electronic Workflow	15,000	-	15,000	-	-	-	-	-	-	-	-	-		
<b>Finance / IT Total</b>				<b>15,000</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
Fire Department	Fire	Equipment	FIRE DEPT LIGHT VEHICLES	65,000	-	65,000	-	-	-	-	-	-	-	-	-		
			65,000	-	65,000	-	-	-	-	-	-	-	-	-	-		
	Fire	New	FIRE - NEW SATELLITE FIREHALL	94,500	-	-	4,000	90,500	-	-	-	-	-	-	-		
<b>Fire Department Total</b>				<b>159,500</b>	<b>-</b>	<b>65,000</b>	<b>4,000</b>	<b>90,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
Coporate Services	Corporate Services	New	Strategic Land Acquisition	500,000	-	199,000	-	-	-	-	-	-	-	301,000	-		
<b>Coporate Services Total</b>				<b>500,000</b>	<b>-</b>	<b>199,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>301,000</b>	<b>-</b>		
Development Services	DCC Projects	Renewal	Road, Storm, Parks DCC Projects	200,000	-	-	-	-	200,000	-	-	-	-	-	-		
<b>Development Services Total</b>				<b>200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Grand Total</b>				<b>6,223,700</b>	<b>542,500</b>	<b>2,065,400</b>	<b>602,300</b>	<b>90,500</b>	<b>561,000</b>	<b>151,000</b>	<b>1,365,000</b>	<b>175,000</b>	<b>260,000</b>	<b>301,000</b>	<b>110,000</b>		

General Capital Borrowing

Area	Project description	Total 2020-2024 Budget	2020 Debt	2021 Debt	2022 Debt	2023 Debt	2024 Debt	Total Debt
Infrastructure	MAJOR ROAD CONS - 5th St Bridge Rehabilitation	6,675,000	-	3,400,000	-	-	-	3,400,000
	MAJOR ROAD CONS - 6th St Bridge	4,000,000	-	-	2,000,000	-	-	2,000,000
	STORM DRAINAGE - Willemar Culvert	1,680,000	-	-	750,000	-	-	750,000
	Braidwood Road Design - Storm & Road	3,343,200	-	-	-	3,250,000	-	3,250,000
	STORM DRAINAGE - 13 St - Burgess to Willemar Storm Reconstruction	595,000	-	-	-	500,000	-	500,000
	MAJOR ROAD CONS - 13 St - Burgess to Willemar Road Reconstruction	595,000	-	-	-	500,000	-	500,000
	MAJOR ROAD CONS - Cousins Ave - 20th to Willemar	3,224,000	-	-	-	-	3,000,000	3,000,000
<b>Infrastructure Total</b>		<b>20,112,200</b>	<b>-</b>	<b>3,400,000</b>	<b>2,750,000</b>	<b>4,250,000</b>	<b>3,000,000</b>	<b>13,400,000</b>
Public Works	PUBLIC WORKS - New Public Works Building	5,403,700	-	5,400,000	-	-	-	5,400,000
<b>Public Works Total</b>		<b>5,403,700</b>	<b>-</b>	<b>5,400,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,400,000</b>
Property Services	FIRE - NEW SATELLITE FIREHALL	6,577,500	-	-	483,000	6,000,000	-	6,483,000
<b>Property Services Total</b>		<b>6,577,500</b>	<b>-</b>	<b>-</b>	<b>483,000</b>	<b>6,000,000</b>	<b>-</b>	<b>6,483,000</b>
Fire Services	FIRE DEPT - Ladder Truck (replacement truck #12)	1,830,000	-	600,000	-	-	-	600,000
<b>Fire Services Total</b>		<b>1,830,000</b>	<b>-</b>	<b>600,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>600,000</b>
<b>Grand Total</b>		<b>33,923,400</b>	<b>-</b>	<b>9,400,000</b>	<b>3,233,000</b>	<b>10,250,000</b>	<b>3,000,000</b>	<b>25,883,000</b>

General Capital Debt Servicing Costs

Department	Category	2020 Proposed Budget	2021 Proposed Budget	2022 Proposed Budget	2023 Proposed Budget	2024 Proposed Budget
Debt	Debt Interest	463,700	454,500	391,500	372,300	344,200
	Debt Principal	840,200	790,500	715,600	637,700	615,600
<b>Debt Total</b>		<b>1,303,900</b>	<b>1,245,000</b>	<b>1,107,100</b>	<b>1,010,000</b>	<b>959,800</b>
New Debt	Debt Interest	-	136,200	317,000	503,000	685,900
	Debt Principal	-	-	368,000	494,500	895,800
<b>New Debt Total</b>		<b>-</b>	<b>136,200</b>	<b>685,000</b>	<b>997,500</b>	<b>1,581,700</b>
<b>Grand Total</b>		<b>1,303,900</b>	<b>1,381,200</b>	<b>1,792,100</b>	<b>2,007,500</b>	<b>2,541,500</b>

**City of Courtenay**  
**City of Courtenay for the Years 2020 - 2024**

<b>GENERAL CAPITAL Surplus, Reserves and DCC Summary</b>	Estimated Actual	Budget	Proposed Budget			
Estimated Closing Balances	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>General Capital Surplus</b>						
Reserve For Future Expenditure (Unspent Capital 2019)	602,300	-	-	-	-	-
Unexpended Debt	1,413,500	1,322,300	737,600	673,400	673,400	673,400
	<b>2,015,800</b>	<b>1,322,300</b>	<b>737,600</b>	<b>673,400</b>	<b>673,400</b>	<b>673,400</b>
<b>General Capital Reserves</b>						
Machinery and Equipment	1,409,100	1,545,200	765,200	1,023,500	1,150,200	1,425,200
Land Sale	269,400	70,400	70,400	70,400	70,400	70,400
New Works and Equipment	3,114,900	2,890,000	2,850,000	2,885,000	2,875,000	2,925,000
New Works - Community Gas Tax Funds	3,194,200	2,534,200	2,414,200	2,259,200	2,019,200	1,179,200
Infrastructure Reserve	451,700	302,800	138,200	170,400	718,900	892,100
Housing Amenity	774,200	670,500	670,500	670,500	670,500	670,500
Park Amenity	612,900	512,900	412,900	312,900	212,900	112,900
Public Parking	54,600	59,700	64,900	70,200	75,600	81,000
Parkland Acquisition	309,800	309,800	309,800	309,800	309,800	309,800
	<b>10,190,800</b>	<b>8,895,500</b>	<b>7,696,100</b>	<b>7,771,900</b>	<b>8,102,500</b>	<b>7,666,100</b>
<b>Total General Capital Surplus and Reserves</b>	<b>12,206,600</b>	<b>10,217,800</b>	<b>8,433,700</b>	<b>8,445,300</b>	<b>8,775,900</b>	<b>8,339,500</b>
<b>Development Cost Charges (DCC)</b>						
Highways Facilities	3,570,000	3,160,000	2,487,300	2,062,300	1,622,300	1,050,100
Storm Drain Facilities	1,719,000	1,719,000	1,719,000	1,719,000	1,695,000	1,695,000
Park Land Acquisition	558,500	407,500	395,100	297,100	260,000	233,900
<b>Total DCC</b>	<b>5,847,500</b>	<b>5,286,500</b>	<b>4,601,400</b>	<b>4,078,400</b>	<b>3,577,300</b>	<b>2,979,000</b>





THE CORPORATION OF THE CITY OF COURTENAY

## STAFF REPORT

**To:** Council  
**From:** Chief Administrative Officer  
**Subject:** 2020–2024 General Operating Financial Plan

**File No.:** 1705-20/1715-20

**Date:** February 24, 2020

### **PURPOSE:**

The purpose of this report is for Council to consider the proposed 2020-2024 General Operating Financial Plan.

### **POLICY ANALYSIS:**

Section 165 of the *Community Charter* requires a municipality to have a five year financial plan adopted annually by May 15 each year. The 2020-2024 General Operating Financial Plan is the largest and final document to be incorporated into the City's 2020–2024 Consolidated Financial Plan.

The 2020-2024 General Operating Financial Plan has been guided by Council's Asset Management Bylaw, which was adopted December 2<sup>nd</sup> 2019. Sound Asset Management practices enable sustainable service delivery by integrating community values, priorities and an informed understanding of the trade-offs between risks, costs, service levels, and the public's willingness to pay.

Section 166 of the *Community Charter* requires that "A council must undertake a process of public consultation regarding the proposed financial plan before it is adopted".

### **EXECUTIVE SUMMARY:**

The proposed 2020 General Operating Financial Plan includes a total of \$45.4 million in planned City expenditures, inclusive of transfers to reserves and other funds such as the general capital fund and amortization.

The proposed financial plan proposes an increase in 2020 of 3.45% in municipal property taxation for general operations and debt, as well as a 0.50% increase for capital infrastructure renewal, for a total proposed increase of 3.95%. This includes \$36.1 million for general operating expenditures and \$0.6 million in funding for capital expenditures and \$1.3 million for debt payments. The proposed General Operating Financial Plan also includes a contribution of \$3.2 million to various reserves for future utilization.

2020 BC Assessment information states that the average assessed value of a single-family residential property in Courtenay is \$453,000. The annual impact of a 3.95% property tax increase to the property owner of this home will be approximately \$55.

It's important to note that expenditures are not all funded from taxation. For the proposed 2020 General Operating Financial Plan taxation is planned to contribute \$26.5 million of a \$41.9M operating budget, and fees for services are forecast to contribute \$7.6 million. Additional details on General Operating

Revenues are outlined in Table 11 of this report on page 13.

**CAO RECOMMENDATIONS:**

That based on the February 24, 2020 staff report “2020–2024 General Operating Financial Plan”, Council approve OPTION 1, and proceed with the recommended 2020-2024 General Operating Financial Plan; and

That Council approve a 3.95% property tax increase for 2020, which includes a 0.50% contribution to the infrastructure renewal reserve.

Respectfully submitted,



David Allen, BES, CLGEM, SCLGM  
Chief Administrative Officer

**BACKGROUND:**

Consideration and approval of a five year financial plan is an annual requirement under the BC *Community Charter*. The proposed 2020–2024 General Operating Financial Plan defines and seeks Council approval for the service priorities and operating budget for each City department for the current year, and presents the projection for the following next four years.

Once the General Operating Budget receives Council’s approval, all budget documents for the Water, Sewer, and General Fund will be incorporated into the City’s 2020–2024 Consolidated Financial Plan.

**DISCUSSION:**

The operating budget is one of the most important public documents a local government produces, as it establishes the government’s taxing and spending direction. It is Council’s primary policy document and establishes explicit service priorities. As an operation guide, it identifies departments that will be responsible for achieving the service priorities and that will be accountable for spending. It is also a communication tool that strives to make all of the foregoing transparent to public officials and citizens alike. Finally, the budget establishes how Council will meet the community’s needs and maintain expected levels of service.

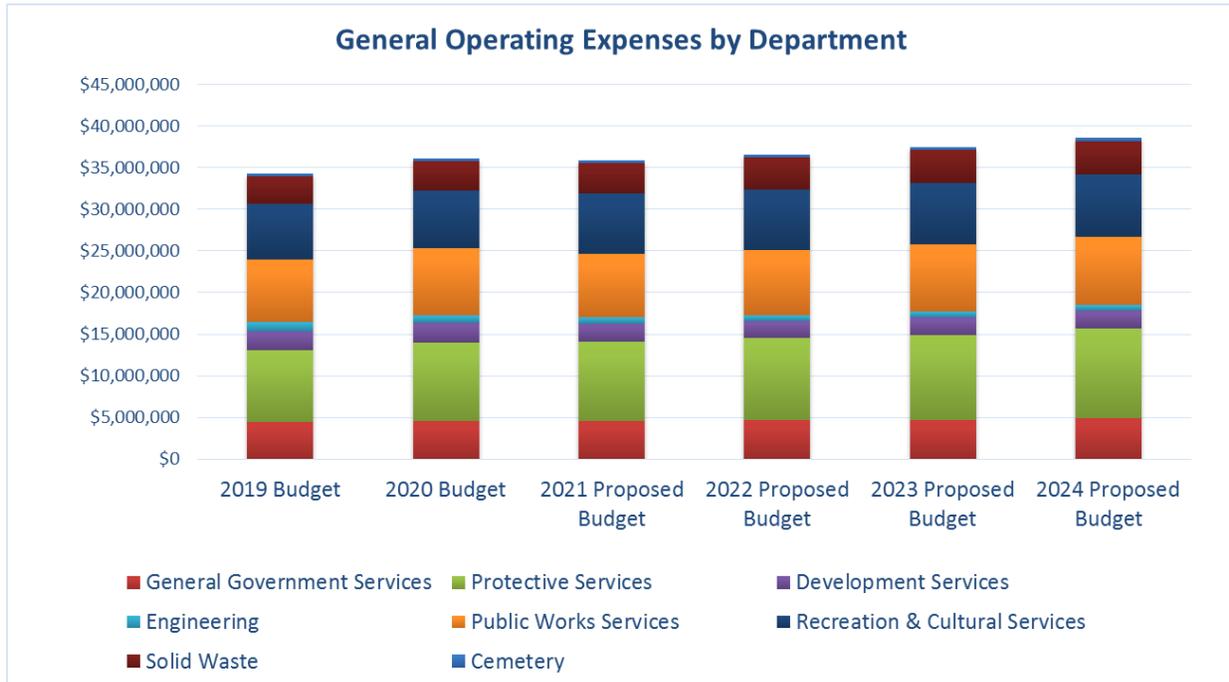
**2020 General Operating Fund**

Similar to the Water and Sewer Budgets, the 2020 General Operating Budget was prepared from departmental submissions as well as from consideration of multiple external sources, cost drivers and spending patterns. The City’s Asset Management Bylaw also assisted with the definition of sustainable operation and maintenance needs of the City. General Operating Fund revenues and expenditures were evaluated on the basis of public acceptance, sustainable delivery, corporate risk, financial risk and staff capacity.

**General Operating Expenses**

The proposed general operating expenses budget totals \$36.1 million for 2020, an increase of \$1.8 million from the 2020 budget, which represents a 5.2% increase. Graph 1 illustrates the budget per department from 2019 to 2024. The detailed expenses by department is provided in Schedule 3.

Graph 1: General Operating Expenses by Department 2019 – 2024 Budget



The 2020 General Operating Expenses are detailed by economic segment in Table 1 and by departments in Table 2.

Table 1: General Operating Expenses by Economic Segment

Segment	2019 BUDGET	Unaudited 2019 ACTUAL*	2020 BUDGET	Variance	
				2020 Budget - 2019 Budget	Variance %
Personnel	15,606,600	15,642,597	<b>16,209,500</b>	602,900	3.9%
General Services	14,491,600	12,687,999	<b>15,334,900</b>	843,300	5.8%
Materials and Supplies	1,871,600	1,894,751	<b>2,012,600</b>	141,000	7.5%
Utilities	1,253,900	1,067,203	<b>1,285,100</b>	31,200	2.5%
Training and Conference	365,600	192,063	<b>321,600</b>	(44,000)	-12.0%
Travel, Hotel and Meals	217,600	149,795	<b>227,400</b>	9,800	4.5%
Insurance	442,400	460,254	<b>501,000</b>	58,600	13.2%
Grants and Donations	514,400	503,862	<b>522,800</b>	8,400	1.6%
Financial Charges	101,100	64,327	<b>105,700</b>	4,600	4.5%
Requisition	1,340,800	1,340,716	<b>1,407,900</b>	67,100	5.0%
Fleet Expenses	(174,700)	(198,626)	<b>(157,300)</b>	17,400	-10.0%
Internal Transfer	(1,711,100)	(1,299,830)	<b>(1,677,800)</b>	33,300	-1.9%
<b>Grand Total</b>	<b>34,319,800</b>	<b>32,505,407</b>	<b>36,093,400</b>	<b>1,773,600</b>	<b>5.2%</b>

\* 2019 actuals are not finalized and don't include all 2019 expenses and year-end adjustments

### Cost Drivers

Various internal and external cost drivers have an impact on the different department budgets. The main cost drivers are: contractual salary and wage increases, BC Provincial minimum wages, increases in insurance premiums and Consumer Price Index (CPI).

#### Contract Salary and Benefit Increases

The impact relating to annual contractual salary and wage increases for unionized, exempt staff, Volunteer firefighters, and Council amounts to approximately \$250,000 in 2020 in the General Fund. This increase also proportionally impacts benefit costs, raising them by about \$125,000.

#### Increase in minimum wage

The Province of British Columbia is increasing the minimum wage from \$13.85 to \$14.60 an hour as of June 1, 2020. This impacts significantly the wages for instructor and summer staff working for Recreation Services, with an estimated impact of \$105,000.

#### Insurance and Utilities

An average increase of 5% is included for the 2020 insurance expenses. This is largely related to increased insured values of City assets and market conditions, for an overall impact of \$58,600.

Electricity expenses are stable, in line with BC Hydro proposal of a 1% rate reduction effective April 2020. An increase is only included for the electricity needed for street lighting in the new subdivisions.

#### Consumer Price Index (CPI)

The average CPI increase for the Province of British Columbia and Canada for 2019 is estimated at 2.2%. Some budget for goods and services were adjusted to reflect such an increase in 2020.

Table 2: General Operating Expenses by Department

Department	2019 BUDGET	Unaudited 2019 ACTUAL*	2020 BUDGET	Variance 2020 Budget	
				2019 Budget	Variance %
General Government Services	4,392,500	3,979,302	<b>4,604,300</b>	211,800	4.8%
Protective Services	8,735,100	7,995,023	<b>9,418,000</b>	682,900	7.8%
Development Services	2,207,500	1,828,649	<b>2,331,900</b>	124,400	5.6%
Public Works Services	7,588,400	8,168,548	<b>8,060,400</b>	472,000	6.2%
Engineering	1,097,300	908,395	<b>904,000</b>	(193,300)	-17.6%
Recreation & Cultural Services	6,657,000	6,163,976	<b>6,986,200</b>	329,200	4.9%
Solid Waste	3,296,700	3,151,349	<b>3,432,900</b>	136,200	4.1%
Cemetery	345,300	310,164	<b>355,700</b>	10,400	3.0%
<b>Grand Total</b>	<b>34,319,800</b>	<b>32,505,407</b>	<b>36,093,400</b>	<b>1,773,600</b>	<b>5.2%</b>

\* 2019 actuals are not finalized and don't include all 2019 expenses and year-end adjustments

### General Government Services

The General Government Services are the centralized services common to all functions of the organization. This includes the offices of Council, the CAO, Corporate Services, Communications, Human Resources, Financial Services, Purchasing, Stores, Information Technology, GIS, and other general services.

Table 3: General Government Services Budget by Sub Departments

Department	Sub Department	2019 BUDGET	Unaudited 2019 ACTUAL*	2020 BUDGET	Variance 2020 Budget	
					2019 Budget	Variance %
General Government	City Council	329,800	320,948	<b>324,800</b>	(5,000)	-1.5%
	Corporate Services	821,600	793,207	<b>872,700</b>	51,100	6.2%
	Corporate Communications	244,900	228,748	<b>251,200</b>	6,300	2.6%
	Finance	1,554,100	1,367,040	<b>1,574,400</b>	20,300	1.3%
	Business Performance	211,100	95,183	<b>160,700</b>	(50,400)	-23.9%
	Purchasing	389,700	364,859	<b>400,800</b>	11,100	2.8%
	Human Resources	542,100	390,049	<b>537,200</b>	(4,900)	-0.9%
	Occupational Health Safety	200,600	180,852	<b>211,700</b>	11,100	5.5%
	IT	1,156,500	1,004,175	<b>1,449,600</b>	293,100	25.3%
	Strategic Initiatives	202,900	177,665	<b>181,500</b>	(21,400)	-10.5%
	Other General Government	81,700	77,614	<b>67,900</b>	(13,800)	-16.9%
	City Hall Property Maintenance	155,400	188,703	<b>157,200</b>	1,800	1.2%
	Interfund Allocation	(1,497,900)	(1,209,741)	<b>(1,585,400)</b>	(87,500)	5.8%
<b>General Government Services Total</b>		<b>4,392,500</b>	<b>3,979,302</b>	<b>4,604,300</b>	<b>211,800</b>	<b>4.8%</b>

\* 2019 actuals are not finalized and don't include all 2019 expenses and year-end adjustments

The key variances between the 2019 and 2020 budget are detailed below.

**Corporate Services**

A new budget of \$50,000 is included to support the property management activities now regrouped under Corporate Services.

**Finance and Business Performance**

The Finance department includes additional coverage for a summer student during tax time. Business performance was also adjusted to reflect the combination of the positions of Manager of Financial Planning and Payroll and Manager of Business Performance.

**Information Technologies**

The budget for the computer and tablet annual replacement program is now included in this section and was previously included in the general capital budget. It totals \$60,000 for 2020. An additional \$43,000 is included for the replacement of the Fire Department tablets. Those expenses are funded by the office and equipment reserve.

An amount of \$21,500 is included for new software designed to protect the City’s network. The licensing fees are also increased by about \$50,000, to reflect more users utilizing more systems throughout the City.

**Strategic Initiatives**

This department includes a reduction in the services required in the last few years to complete the land disposition and acquisition study.

**Internal Allocations**

Internal allocations represent a percentage of the General Government expenses transferred to the Water and Sewer Funds for administrative and operational support of these services. The intent is to transfer a reasonable amount for General Government expenditures (personnel, utilities, materials, insurance, contracted services and fleet costs) that support the provision of water and sewer services.

*Protective Services*

Protective Services includes policing, fire, emergency measures, bylaw enforcement and animal control. Table 4 shows the Protective Services budget for each sub-department.

Table 4: Protective Services Budget by Sub Departments

Department	Sub Department	2019 BUDGET	Unaudited		Variance	
			2019 ACTUAL*	2020 BUDGET	2020 Budget	2019 Budget
Protective Services	Police Protection	6,523,800	5,917,115	<b>7,170,400</b>	646,600	9.9%
	Fire Protection	1,887,500	1,804,771	<b>1,914,600</b>	27,100	1.4%
	Other Protective Services	323,800	273,137	<b>333,000</b>	9,200	2.8%
<b>Protective Services Total</b>		<b>8,735,100</b>	<b>7,995,023</b>	<b>9,418,000</b>	<b>682,900</b>	<b>7.8%</b>

\* 2019 actuals are not finalized and don't include all 2019 expenses and year-end adjustments

Most of the increases shown in Table 4 for 2020 is related to Policing, with no significant change to the Fire Protection projected expenses.

#### Policing Services

The policing budget is based on Council's approval in principle, on July 2 2019, for the City's 2020/2021 RCMP contract which approves a 1 member increase to 31.4 members. The detachment is estimating a reduction in the number of vacancies to 2 members in 2020 as they fill positions. Previous financial plans incorporated a 4 member vacancy, which was based on historical vacancy patterns. The 2020 policing contract budget includes an increase of \$540,500, of which \$345,000 relates to reducing the expected vacancy rate by 2 members and \$195,500 for other increases in the cost to provide the service. Part of this increase will be offset by carrying forward \$200,000 from unused prior year surplus relating to policing contract vacancies in 2019.

Council will have an opportunity to revisit the RCMP contract later in April and provide final approval to the 2020/2021 contract.

#### Drug Strategy Committee

An amount of \$57,500 is included for the Comox Valley Overdose Working Group and is entirely funded by a grant from the Canadian Mental Health Association (CMHA).

#### Development Services

The Development Services Department provides current and long range planning, building inspection, business licensing, subdivision and the servicing of land development. Providing guidance to City Council, applicants and to the general public, the Development Services Department ensures that land development reflects the public's interest and follows the City's adopted land development policies and regulatory documents.

The Planning and Zoning Division was restructured in 2019 leading to the creation of Community and Sustainability Planning which is currently leading an extensive update of the City's 15 year old Official Community Plan. Table 5 shows the Development Services budget by Division.

Table 5: Development Services Budget by Sub Departments

Department	Sub Department	2019 BUDGET	Unaudited 2019 ACTUAL*	2020 BUDGET	Variance	
					2019 Budget	Variance %
Development Services	Building Inspections	600,700	550,060	<b>653,200</b>	52,500	8.7%
	Planning and Zoning	1,083,400	799,466	<b>640,000</b>	(443,400)	-40.9%
	Subdivision and Development Servicing	493,200	473,891	<b>562,900</b>	69,700	14.1%
	Community and Sustainability Planning	-	-	<b>450,300</b>	450,300	#DIV/0!
	Heritage Committee	30,200	5,231	<b>25,500</b>	(4,700)	-15.6%
<b>Development Services Total</b>		<b>2,207,500</b>	<b>1,828,649</b>	<b>2,331,900</b>	<b>124,400</b>	<b>5.6%</b>

\* 2019 actuals are not finalized and don't include all 2019 expenses and year-end adjustments

There is no significant change to the Development Services 2020 budget, other than anticipated salary, wage and benefit increase.

### Public Works and Engineering

Public Works Services is responsible for operations and maintenance for a significant majority of in-service capital assets, including the water and sewer utility infrastructure, storm water collection, civic facilities, parks, and transportation network for the City. Services include maintenance of trails, transit, water, sewer and solid waste collection, capital projects, cemetery maintenance, fleet maintenance, flood protection and dike maintenance.

Engineering oversees the renewal of all civic infrastructures, such as water, waste water, drainage, flood protection structures and transportation services. Table 6 shows the Public Works and Engineering budget by Division.

Table 6: Public Works and Engineering Services Budget by Sub Departments

Department	Sub Department	2019 BUDGET	Unaudited 2019 ACTUAL*	2020 BUDGET	Variance 2020 Budget 2019 Budget	Variance %
Public Works Services	Public Works Administration	205,200	217,367	<b>197,700</b>	(7,500)	-3.7%
	Public Works Operations	922,000	1,080,533	<b>954,300</b>	32,300	3.5%
	Asset Management	574,100	510,459	<b>605,300</b>	31,200	5.4%
	Transportation Services	2,652,500	3,003,106	<b>2,994,700</b>	342,200	12.9%
	Storm Sewer	633,700	627,957	<b>638,400</b>	4,700	0.7%
	Parks	2,485,900	2,592,972	<b>2,577,700</b>	91,800	3.7%
	Parks - Cultural Facilities Grounds Maintenance	8,600	11,231	<b>8,700</b>	100	1.2%
	Parks - Recreation Facilities Grounds Maintenance	44,000	38,296	<b>43,100</b>	(900)	-2.0%
	Property Maintenance	204,100	241,529	<b>216,700</b>	12,600	6.2%
	Property Maintenance - Carpentry Shop	33,400	33,657	<b>32,100</b>	(1,300)	-3.9%
	Property Maintenance - Recreation Facilities	502,200	538,702	<b>511,500</b>	9,300	1.9%
	Property Maintenance - Cultural Facilities	275,200	276,823	<b>370,600</b>	95,400	34.7%
	Property Maintenance - Miscellaneous Buildings	95,100	93,498	<b>109,100</b>	14,000	14.7%
	Property Maintenance - Park Buildings	77,500	75,690	<b>81,100</b>	3,600	4.6%
	Public Works Interfund Allocation	(1,125,100)	(1,173,272)	<b>(1,280,600)</b>	(155,500)	13.8%
<b>Public Works Services Total</b>		<b>7,588,400</b>	<b>8,168,548</b>	<b>8,060,400</b>	<b>472,000</b>	<b>6.2%</b>
<b>Engineering Total</b>		<b>1,097,300</b>	<b>908,395</b>	<b>904,000</b>	<b>(193,300)</b>	<b>-17.6%</b>

\* 2019 actuals are not finalized and don't include all 2019 expenses and year-end adjustments

#### Public Works Operations

A new amount of \$17,500 is included in the Public Works Operations to account for the increased traffic control services for events in the Downtown Courtenay Business Improvement Association (DCBIA). This service level increase was previously ratified by Council in 2019.

#### Asset Management

The Asset Management budget includes \$250,000 in 2020 to complete the storm sewer condition assessment, which represents an increase of \$25,000 from 2019 budget. This project will be funded by gas tax.

#### Transportation Services

The budget for Roads and Streets includes \$60,000 for a Downtown Parking study approved by Council on Oct 28, 2019.

The Sidewalks Maintenance budget includes an additional \$15,000 for an increase in contracted services for repair of deficiencies identified in the City's inspection program. The Street Lighting includes \$20,000 for material for the Re-lamp Program and an additional \$30,000 in electricity costs pending BC Hydro street lights inventory review that is underway. With rapid greenfield growth, Asset Management Technical Services has undertaken reconciliation of BC Hydro assets.

The Street Signs and Lines budget includes \$40,000 for Wayfinding signs (Downtown playbook obligation) and an additional \$25,000 to maintain the newly constructed bike lane lines in a phased approach.

An increase is also included in Transportation Services for the contractual salary, wage and benefit increases.

#### Parks

There are no significant changes to the 2020 Parks budget, other than contractual salary, wage and benefit increases.

#### Property Maintenance

\$94,900 is included for the floor refurbishing at the Museum and the exterior painting at the Sid Williams Theatre and Native Sons Hall. These projects are a result of the 2019 Civic Buildings Condition Assessments.

#### Internal Allocations

Similar to the General Government internal allocations, a percentage of the Public Works and fleet expenses is transferred to the Water and Sewer Funds. The intent is to transfer a reasonable amount of expenditures (personnel, utilities, materials, insurance, contracted services and fleet costs) as recognition of the administrative costs necessary to provide those services.

#### Engineering

The reduction in the Engineering budget is explained by the completion in 2019 of the Transportation Master Plan and significant progress made on the Dike Replacement and Flood Protection Strategy project, which is funded by the UBCM Community Emergency Preparedness Fund. This project is expected to be completed in 2021.

\$165,000 is included in the budget for the continuation of the Integrated Rain Water Master Plan. This project is funded by Gas tax and is anticipated to be complete by 2021.

#### *Recreation and Cultural Services*

The Recreation and Cultural Services Department is responsible for providing quality recreation, leisure and cultural opportunities in a healthy and safe environment. Recreation and cultural services also oversees inclusive programming, special events, park and sport field bookings, recreation facility bookings and is responsible for long term planning for parks, recreation and cultural services to meet the diverse interests of the community. Table 7 presents the Recreation and Cultural Services budget.

Table 7: Recreation and Cultural Services Budget by Division

Department	Sub Department	Activity	2019 BUDGET	Unaudited 2019 ACTUAL*	2020 BUDGET	Variance 2020 Budget - 2019 Budget	Variance %	
Recreation & Cultural Services	Recreation Admin	Recreation Admin	1,201,600	1,063,310.01	<b>1,260,900</b>	59,300	4.9%	
		July 1st Commission	64,800	64,220.19	<b>63,600</b>	(1,200)	-1.9%	
		Special Events	39,900	32,685.81	<b>41,200</b>	1,300	3.3%	
	<b>Recreation Admin Total</b>			<b>1,306,300</b>	<b>1,160,216.01</b>	<b>1,365,700</b>	<b>59,400</b>	<b>4.5%</b>
	Recreation Services - Programming	Adults Programs	500,400	423,246.55	<b>545,900</b>	45,500	9.1%	
		Childrens Programs	418,200	361,195.64	<b>439,900</b>	21,700	5.2%	
		Youth Centre Programs	241,200	244,218.63	<b>270,800</b>	29,600	12.3%	
		Adapted Programs	121,600	113,819.19	<b>232,300</b>	110,700	91.0%	
		Summer Programs	302,400	273,353.90	<b>226,700</b>	(75,700)	-25.0%	
		Pool Programs	121,100	116,790.75	<b>147,800</b>	26,700	22.0%	
		Preschool Programs	83,700	90,721.65	<b>103,000</b>	19,300	23.1%	
		Childrens Programs - Volunteer Development	2,200	1,094.01	<b>4,200</b>	2,000	90.9%	
		<b>Recreation Services - Programming Total</b>			<b>1,790,800</b>	<b>1,624,440.32</b>	<b>1,970,600</b>	<b>179,800</b>
	Recreation Services - Operations	Lewis Centre Operations	1,076,800	1,029,276.54	<b>1,090,100</b>	13,300	1.2%	
		Filberg Operations	615,200	565,240.75	<b>630,200</b>	15,000	2.4%	
		Pool Operations	58,100	16,417.43	<b>59,100</b>	1,000	1.7%	
		Youth Centre Operations	43,600	29,912.20	<b>42,900</b>	(700)	-1.6%	
		Washrooms	7,800	5,807.56	<b>6,000</b>	(1,800)	-23.1%	
	<b>Recreation Services - Operations Total</b>			<b>1,801,500</b>	<b>1,646,654.48</b>	<b>1,828,300</b>	<b>26,800</b>	<b>1.5%</b>
	Cultural Services - Administration	Library Administration	1,343,600	1,343,636.84	<b>1,411,000</b>	67,400	5.0%	
		Sid Williams Theatre Administration	234,800	217,712.96	<b>235,200</b>	400	0.2%	
		Museum Administration	148,100	145,361.01	<b>148,400</b>	300	0.2%	
		Arts Centre Administration	15,400	9,577.03	<b>9,900</b>	(5,500)	-35.7%	
		Native Sons Administration	8,300	8,937.29	<b>9,400</b>	1,100	13.3%	
	<b>Cultural Services - Administration Total</b>			<b>1,750,200</b>	<b>1,725,225.13</b>	<b>1,813,900</b>	<b>63,700</b>	<b>3.6%</b>
	Cultural Services - Operations	Native Sons Operations	8,200	7,440.37	<b>7,700</b>	(500)	-6.1%	
	<b>Cultural Services - Operations Total</b>			<b>8,200</b>	<b>7,440.37</b>	<b>7,700</b>	<b>(500)</b>	<b>-6.1%</b>
<b>Recreation &amp; Cultural Services Total</b>			<b>6,657,000</b>	<b>6,163,976.31</b>	<b>6,986,200</b>	<b>329,200</b>	<b>4.9%</b>	

### Recreation Administration

This budget includes new funds for the Recreation Fees and Charges study (\$20,000) and the Greenspace Connectivity Plan (\$30,000). \$25,000 is also carried forward from 2019 to complete the Parks and Recreation Master Plan implementation plan phase.

### Recreation Services – Operations

There is no significant change to the 2020 budget, other than contractual salary, wage and benefit increases for the custodians and staff working at the reception.

### Recreation Services – Programming

The major impact to the Programming budget is related to the increase in minimum wage, previously discussed in the cost driver section of this report. An additional week of training is also included for the pool staff to allow appropriate time for orientation, safety training and the needed equipment / site preparation to meet regulatory requirements. Finally, two positions were moved from Summer programs to Adapted Programs with minimal impact overall.

### Cultural Services

The requisition to the Vancouver Island Regional Library is increasing by 5.0% or \$67,100 in 2020. This increase is recovered by an equivalent increase in the library tax levy revenue.

### *Solid Waste, Recyclables, and Yard Waste*

Through contract with a private sector provider, the City provides weekly curbside pickup of Municipal Solid Waste (MSW) and yard waste, bi-weekly pickup of recyclables for residential properties, and scheduled MSW/cardboard pickup for commercial properties. Although this service is included in the general operating budget, it is fully funded by other revenues and user fees and has no impact on taxation.

The solid waste 2020 budget, shown in Table 8, has been adjusted to reflect the increase in regional landfill tipping fees for disposal of mixed waste: from \$130 to \$140 per ton effective September 1, 2020. The cost of the solid waste and recyclables collection contract has increased by 7.5% in 2020. This is largely due to increased labour, fuel, and insurance costs faced by the contractor. Council reviewed and approved the detailed 2020-2024 Solid Waste Financial Plan on February 18, 2020, which includes a 5.5% increase to the user fee for 2020.

Table 8: Solid Waste Budget by Activity

Department	Activity	2019 BUDGET	Unaudited 2019 ACTUAL*	2020 BUDGET	Variance 2020 Budget 2019 Budget	Variance %
Solid Waste	Solid Waste	3,133,400	3,005,890	<b>3,304,300</b>	170,900	5.5%
	Dog Stations/Bags	28,200	21,387	<b>28,500</b>	300	1.1%
	Pesticide Awareness	5,000	-	<b>5,000</b>	-	0.0%
	Trash Cleanup	130,100	124,072	<b>95,100</b>	(35,000)	-26.9%
<b>Solid Waste Total</b>		<b>3,296,700</b>	<b>3,151,349</b>	<b>3,432,900</b>	<b>136,200</b>	<b>4.1%</b>

\* 2019 actuals are not finalized and don't include all 2019 expenses and year-end adjustments

### *Cemetery*

This includes the cost of the cemetery administration, maintenance, grave preparation, niche wall maintenance and new construction at the City's cemetery. The 2020 budget presented in Table 9 has been adjusted for the contractual increase in salaries, wages and benefits.

Table 9: Cemetery Budget by Activity

Department	Activity	2019 BUDGET	Unaudited 2019 ACTUAL*	2020 BUDGET	Variance 2020 Budget 2019 Budget	Variance %
Cemetery	Cemetery Administration	94,600	87,924	<b>93,800</b>	(800)	-0.8%
	Cemetery Maintenance	184,100	162,483	<b>195,500</b>	11,400	6.2%
	Cemetery Graves	59,000	55,719	<b>59,500</b>	500	0.8%
	Cemetery Building - R & M	4,400	1,947	<b>4,400</b>	-	0.0%
	Cemetery Building Utilities	3,200	2,091	<b>2,500</b>	(700)	-21.9%
<b>Cemetery Total</b>		<b>345,300</b>	<b>310,164</b>	<b>355,700</b>	<b>10,400</b>	<b>3.0%</b>

\* 2019 actuals are not finalized and don't include all 2019 expenses and year-end adjustments

## Transfers to Reserves

Contributions are made every year to the various reserves, such as the machinery and equipment, the new works and the infrastructure renewal reserves. Those reserves provide funding for capital projects and in some cases for operating projects. Staff recommend increasing the transfers to maintain the reserves and provide sufficient funds for future projects. The transfers to reserves total \$3.2 million for 2020 as listed in Table 10. This includes a contribution to the infrastructure renewal reserve equivalent to approximately 1.50% of the taxation, partly funded by the Gaming Fund. Schedule 4 provides an estimate of the surplus and reserve balances.

On February 18<sup>th</sup> 2020 Council approved an extension to the term and mandate of the City's Finance Select Committee, including the review of policies on surpluses and reserves.

Table 10: Transfers to General Fund Reserves

Segment	DESC	2019 BUDGET	2020 BUDGET	Variance	
				2020 Budget - 2019 Budget	Variance %
Transfer to Reserve	TRANSFER TO RESERVES	1,405,000	<b>1,406,800</b>	1,800	0.1%
	TRANS TO GENERAL NEW WORKS	650,800	<b>791,200</b>	140,400	21.6%
	TRANS. TO GENERAL MACH. & EQUIP. RESERVE	650,000	<b>675,000</b>	25,000	3.8%
	TRF TO INTERFUND INTEREST	150,000	<b>300,000</b>	150,000	100.0%
	CARBON OFFSETS	18,800	<b>18,800</b>	-	0.0%
	TRANS TO M.F.A.RESERVE	6,500	<b>6,600</b>	100	1.5%
	TRANS TO GENERAL PUBLIC PARKING	6,600	<b>5,100</b>	(1,500)	-22.7%
<b>Transfer to Reserve Total</b>		<b>2,898,700</b>	<b>3,218,500</b>	<b>319,800</b>	<b>11.0%</b>
<b>Grand Total</b>		<b>2,898,700</b>	<b>3,218,500</b>	<b>319,800</b>	<b>11.0%</b>

**General Revenues***Property Taxes*

The proposed increase in property tax for general municipal and debt purposes, excluding new construction revenues, is 3.95% for 2020. This increase is comprised of funding for the following purposes:

General & Debt Levy	3.45%
Special Levy – Infrastructure Renewal Reserve	<u>0.50%</u>
Total	3.95%

*Other Revenue Sources*

Table 11 provides a summary of the revenue included in the 2020 Budget. Further detail is available in Schedule 2.

Table 11: General Operating Revenues

General Operating Revenues	2019 BUDGET	2020 BUDGET	Variance	
			2020 Budget - 2019 Budget	Variance %
Taxation - Municipal Purposes	25,136,000	<b>26,648,000</b>	1,512,000	6.0%
Portion of Grants in place of Taxes	(165,800)	<b>(169,200)</b>	(3,400)	2.1%
<b>Net Municipal Taxes</b>	<b>24,970,200</b>	<b>26,478,800</b>	<b>1,508,600</b>	<b>6.0%</b>
Grants-in-Lieu of Taxes	489,000	<b>493,500</b>	4,500	0.9%
1 % Revenue Tax	410,000	<b>415,700</b>	5,700	1.4%
<b>Taxes for Municipal Purposes</b>	<b>25,869,200</b>	<b>27,388,000</b>	<b>1,518,800</b>	<b>5.9%</b>
Revenue from Own Sources	7,323,600	<b>7,663,300</b>	339,700	4.6%
Revenue from Other Governments & Agencies	2,174,700	<b>2,135,700</b>	(39,000)	-1.8%
Investment and Penalty Revenue	1,031,900	<b>996,800</b>	(35,100)	-3.4%
Revenue from Other Sources	45,700	<b>139,000</b>	93,300	204.2%
Transfer from Reserve	1,725,300	<b>1,894,700</b>	169,400	9.8%
Transfer from Surplus	2,100,300	<b>1,718,100</b>	(382,200)	-18.2%
<b>Grand Total</b>	<b>40,270,700</b>	<b>41,935,600</b>	<b>1,664,900</b>	<b>4.1%</b>

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

The City of Courtenay receives approximately \$1.1 million per year in Federal Gas Tax revenue through the Community Works Fund administered by the Union of BC Municipalities (UBCM). These funds are deposited into a reserve and used to fund eligible capital and operating projects as required. In 2020, \$415,000 of Gas Tax Funds are being utilized to fund the following eligible operating projects that support Asset Management in the General Operating Fund:

Asset Condition Assessments	\$250,000
Integrated Rainwater Management Plan	<u>165,000</u>
Total	\$415,000

This will leave an estimated balance of \$2,500,000 in the Gas Tax Reserve at December 31, 2020.

#### *Gaming Funds*

As a host local government of a gaming facility, the City receives a 10% share of the net gaming revenues every year, which may be used for “any purpose within their legal authority”. The gaming fund distribution matrix was recently reviewed on November 15, 2019 by the Finance Select Committee and endorsed by Council on February 18, 2020. Attachment 5 provides a summary of the recommended use of these funds over the next four years. All changes incorporated in the matrix from previous years has been highlighted with descriptions as necessary.

The Finance Select Committee has recommended to direct \$220,000 per year into the Infrastructure reserve to help offset the impact of the infrastructure levy, which Council chose to do in 2019. This will not eliminate the recommended infrastructure levy over the 2020-2024 financial plan, however will reduce it significantly and help to alleviate the impact on taxpayers.

The gaming fund has an unaudited surplus balance of \$1,804,800 at the end of December 31, 2019. Past practice has been to leave one year worth of revenue in the fund.

#### *Other Funding Sources*

The City of Courtenay receives approximately \$240,000 of Traffic Fine Revenue each year from the Province. These funds go directly towards funding the cost of policing.

#### *Non Market Change and Supplementary Adjustments*

Based on the latest Non Market Change report provided by BC Assessment for 2020, the City is expecting to receive approximately \$550,000 in additional taxation revenues from new construction. BC Assessment is also projecting potential supplementary adjustments that the City might expect in 2020 which staff estimate could result in a reduction to taxation revenue of approximately \$150,000.

Additional annual tax revenue from new construction has increased by \$390,000 since 2015. This additional annual revenue is accumulative and is used to support the cost of new City infrastructure, services and staff necessary to operate and maintain these levels of service due to growth.

#### *Operating Surplus*

Unlike the federal and provincial governments in Canada, municipalities are not permitted to operate with a deficit. In order to balance the 2020 General Budget and keep property tax rates reasonable, staff are recommending the use of \$1,115,800 in prior year surplus, which is consistent with the amount budgeted to utilize in 2020 in the 2019-2023 Financial Plan. Pending the final 2019 audited balances, the remaining surplus funds held in 2020 for the general operating fund are projected to total approximately \$3 million. The proposed 2020 - 2024 Financial Plan uses \$1.9 million of this balance over the next two years to assist with keeping property tax rates within a reasonable range and phases out reliance by 2022. Schedule 4 provides an estimate of the surplus balance for the next five years.

Prior year surplus is accumulated from past years where the city operations have been under-budget, more revenue was received than anticipated, or capital budgets have been deferred or cancelled pending prioritization based on condition assessment data. Under-budget situations can occur for a variety of reasons such as unanticipated staff vacancies and insufficient capacity to complete projects, years where anticipated snow and ice control resources have been budgeted but have not been needed, or the receipt of higher or unanticipated departmental revenues or grants. Currently the City takes a precautionary approach to avoid the risk of potential cash flow and deficit situations.

Staff recommends that policy guidance be adopted by Council in regards to the prior year surplus and reserves management. Ideally, a surplus and reserves policy would define the appropriate level and use of surplus and reserves in order to maintain funds available for contingency and provide stable funding for anticipated capital renewal needs. Council has established "Financial Policies" as one of their Financial Services operational strategic priorities. The Finance Select Committee will be working with staff to develop these policies for Council consideration during the course of 2020.



**ADMINISTRATIVE IMPLICATIONS:**

Subsequent to Council endorsement of the proposed 2020 - 2024 General Operating Fund Financial Plan, the schedules will become part of the 2020 - 2024 Financial Plan Bylaw. This bylaw will be brought forward for Council consideration in mid-April 2020.

Staff will bring forward information in regards to property tax rates and setting the commercial tax rate multiplier for 2020 in late March.

Both the 2020 - 2024 Financial Plan Bylaw and the 2020 Property Tax Rates Bylaw must be finally adopted no later than May 15, 2020.

**ASSET MANAGEMENT IMPLICATIONS:**

The Asset Management Working Group collects and analyses information provided by condition and risk assessments of the City's infrastructure. Preventative maintenance programs extend the life of the infrastructure and future years capital costs can be deferred. The financial plan includes use of general operating funds for renewal projects prioritized by the Asset Management Working Group, and as approved by the Chief Administrative Officer.

**STRATEGIC PLAN REFERENCE:**

In preparing the 2020 General Fund Operating budget staff considered Council's 2019-2022 Strategic Priorities, the capacity of staff to deliver services and projects in a timely manner, and also considered the public's willingness to pay. The following strategic priorities informed the preparation of the proposed 2020 General Fund Operating budget.

**We focus on organizational and governance excellence**

- Support and encourage initiatives to improve efficiencies
- Recognize staff capacity is a finite resource and support staff training and development
- Communicate appropriately with our community in all decisions we make
- Responsibly provide services at levels which the people we serve are willing to pay
- ▲ Value community safety and support our protective services

**We proactively plan and invest in our natural and built environment**

- Focus on asset management for sustainable service delivery
- ▲ Look for regional infrastructure solutions for shared services

**We actively pursue vibrant economic development**

- ▲ Continue to support Arts and Culture

**We plan and invest in methods of multi-modal transportation**

- Move forward with implementing the City's Transportation Master Plan
- ▲■ Collaborate with regional and senior government partners to provide cost-effective transportation solutions
- ▲ Explore opportunities for Electric Vehicle Charging Stations

**We support diversity in housing and reasoned land use planning**

- Complete an update of the City's OCP and Zoning Bylaws
- Continue to develop and revisit all infrastructure master plans

**We continually invest in our key relationships**

- Value and recognize the importance of our volunteers

- **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 that are outside Council's jurisdictional authority to act

**OFFICIAL COMMUNITY PLAN REFERENCE:**

The 2020–2024 General Fund Operating Financial Plan touches several of the OCP Goals including:

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

**REGIONAL GROWTH STRATEGY REFERENCE:**

The 2020–2024 General Fund Operating Financial Plan is presented to encourage sound financial management of City assets in order to provide services to all residents within the municipality and region. It touches on:

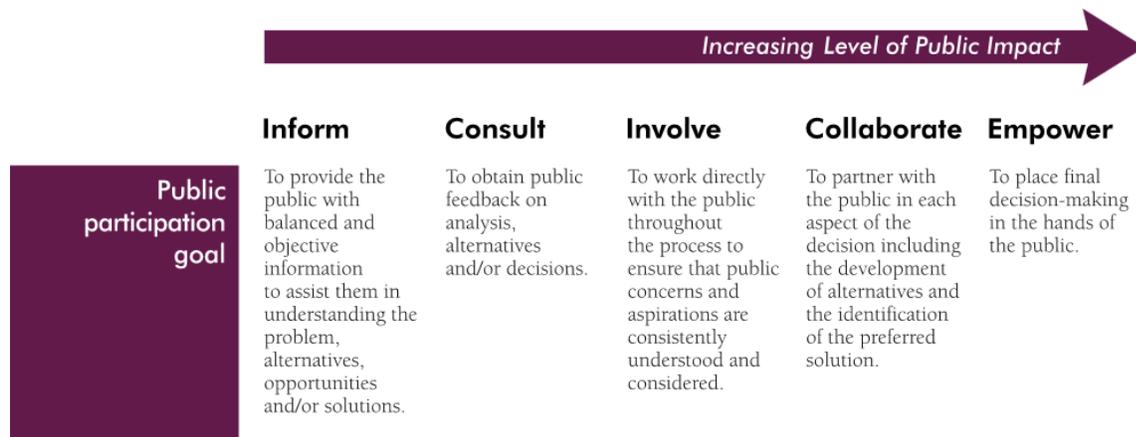
- ❖ Ecosystems, Natural Areas and Parks
- ❖ Transportation and Infrastructure
- ❖ Local Economic Development
- ❖ Climate Change

**CITIZEN/PUBLIC ENGAGEMENT:**

Section 166 of the Community Charter requires that “A council must undertake a process of public consultation regarding the proposed financial plan before it is adopted”.

The City of Courtenay will ‘inform’ the public about the 2020-2024 Financial Plan through regular and special council meetings, media webcasts, and information posted on the City’s website. In addition, the City will ‘consult’ the public prior to final adoption of the 2020-2024 Financial Plan Bylaw.

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



**OPTIONS:**

OPTION 1: That Council approves the 2020-2024 General Operating Financial Plan as proposed, and directs staff to include the schedules in the 2020-2024 Financial Plan Bylaw.

OPTION 2: That Council amends the proposed 2020-2024 General Operating Financial Plan, and directs staff to include the amended schedules in the 2020-2024 Financial Plan Bylaw.

OPTION 3: That Council defer the endorsement of the proposed 2020-2024 General Operating Financial Plan for further discussion at a later Council meeting.

It should be noted that deferring endorsement of this financial plan may hinder Council’s ability to meet the May 15, 2020 deadline to adopt a five year financial plan and therefore impact the City’s ability to generate tax notices on time.

Prepared by:



Annie Bérard, CPA, CMA, MBA

Manager of Financial Planning, Payroll  
and Business Performance

Concurrence:



Jennifer Nelson, CPA, CGA

Director of Financial Services

*Attachments:*

- Schedule 1 – General Operating Fund Summary 2020-2024
- Schedule 2 – General Operating Revenues Detail 2020-2024
- Schedule 3 – General Operating Expenses by Department 2020-2024
- Schedule 4 – General Surplus, Reserves and DCC 2020-2024
- Schedule 5 – 2020-2023 Proposed Schedule of Annual Gaming Funds Distribution

General Operating Fund	Budget	Budget	2021	Proposed Budget		
	2019	2020		2022	2023	2024
<b>Tax rate increase</b>						
General Taxation	2.75%	<b>3.45%</b>	3.20%	2.95%	2.95%	2.95%
Debt Levy	0.00%	<b>0.00%</b>	0.54%	2.05%	1.10%	1.95%
Infrastructure Reserve Levy	0.00%	<b>0.50%</b>	0.75%	1.00%	1.00%	1.00%
	<u>2.75%</u>	<u><b>3.95%</b></u>	<u>4.48%</u>	<u>6.00%</u>	<u>5.04%</u>	<u>5.90%</u>
<b>REVENUES</b>						
<b>Taxes</b>						
General Municipal Taxes	25,136,000	<b>26,648,000</b>	28,047,300	29,844,300	31,371,900	33,214,200
Collections for Other Governments (Estimate)	22,001,800	<b>22,876,600</b>	23,330,900	23,789,000	24,170,300	24,170,300
Total Taxes Collected	47,137,800	<b>49,524,600</b>	51,378,200	53,633,300	55,542,200	57,384,500
<b>Less:</b>						
Property Taxes for Other Governments (Estimate)	(22,001,800)	<b>(22,876,600)</b>	(23,330,900)	(23,789,000)	(24,170,300)	(24,170,300)
Portion of Grants in Place of Taxes	(165,800)	<b>(169,200)</b>	(172,500)	(176,000)	(179,600)	(179,600)
	<u>(22,167,600)</u>	<u><b>(23,045,800)</b></u>	<u>(23,503,400)</u>	<u>(23,965,000)</u>	<u>(24,349,900)</u>	<u>(24,349,900)</u>
Net Municipal Taxes	24,970,200	<b>26,478,800</b>	27,874,800	29,668,300	31,192,300	33,034,600
Grants in Lieu of Taxes	489,000	<b>493,500</b>	508,800	503,500	518,900	513,500
% of Revenue Tax	410,000	<b>415,700</b>	415,700	415,700	415,700	415,700
Taxes for Municipal Purposes	<b>25,869,200</b>	<b>27,388,000</b>	<b>28,799,300</b>	<b>30,587,500</b>	<b>32,126,900</b>	<b>33,963,800</b>
Fees and Charges	7,323,600	<b>7,663,300</b>	7,890,900	8,135,800	8,345,400	8,495,700
Revenue from Other Sources	1,077,600	<b>1,135,800</b>	1,114,100	1,092,100	1,070,400	1,072,700
Transfers from Other Govt & Agencies	2,174,700	<b>2,135,700</b>	2,023,400	2,046,600	2,068,700	2,091,100
Transfers-Reserves	1,725,300	<b>1,894,700</b>	1,078,500	1,028,500	1,028,500	1,073,500
Transfers-Surplus	2,100,300	<b>1,718,100</b>	780,800	150,000	100,000	50,000
	40,270,700	<b>41,935,600</b>	41,687,000	43,040,500	44,739,900	46,746,800
Equity in Capital Assets	4,250,000	<b>4,800,000</b>	4,800,000	4,800,000	4,800,000	4,800,000
	<u><b>44,520,700</b></u>	<u><b>46,735,600</b></u>	<u><b>46,487,000</b></u>	<u><b>47,840,500</b></u>	<u><b>49,539,900</b></u>	<u><b>51,546,800</b></u>
<b>EXPENDITURES</b>						
<b>Operating Expenditures</b>						
General Government	4,392,500	<b>4,604,300</b>	4,558,100	4,689,900	4,715,800	4,866,300
Protective Services	8,735,100	<b>9,418,000</b>	9,581,600	9,812,700	10,154,000	10,776,100
Public Works Services	8,685,700	<b>8,964,400</b>	8,478,800	8,501,500	8,794,200	8,848,200
Environmental Health Services	3,296,700	<b>3,432,900</b>	3,627,100	3,812,000	3,940,100	4,071,400
Public Health Services	345,300	<b>355,700</b>	360,800	366,100	371,600	373,000
Development Services	2,207,500	<b>2,331,900</b>	2,086,300	2,112,900	2,149,100	2,185,800
Recreation & Cultural Services	6,657,000	<b>6,986,200</b>	7,214,800	7,248,600	7,362,300	7,465,600
Total Operating Expenses	34,319,800	<b>36,093,400</b>	35,907,500	36,543,700	37,487,100	38,586,400
Amortization	4,250,000	<b>4,800,000</b>	4,800,000	4,800,000	4,800,000	4,800,000
Debt Servicing Costs	1,369,500	<b>1,303,900</b>	1,381,200	1,792,100	2,007,500	2,541,500
	39,939,300	<b>42,197,300</b>	42,088,700	43,135,800	44,294,600	45,927,900
Transfer to Capital Fund	1,682,700	<b>1,319,800</b>	1,082,100	773,100	1,025,600	930,700
Transfer to Reserve Funds	2,898,700	<b>3,218,500</b>	3,316,200	3,394,900	3,461,800	3,529,700
Transfer to Surplus	-	-	-	536,700	757,900	1,158,500
	4,581,400	<b>4,538,300</b>	4,398,300	4,704,700	5,245,300	5,618,900
	<u><b>44,520,700</b></u>	<u><b>46,735,600</b></u>	<u><b>46,487,000</b></u>	<u><b>47,840,500</b></u>	<u><b>49,539,900</b></u>	<u><b>51,546,800</b></u>

General Operating Fund Revenues	Budget	Budget	2021	Proposed Budget		
	2019	2020		2022	2023	2024
<b>REVENUES</b>						
<b>Property Taxes</b>						
General Property Taxes	22,245,100	<b>23,539,400</b>	24,915,700	26,080,200	27,351,400	28,617,200
General Property Taxes - New Construction	450,000	<b>550,000</b>	400,000	400,000	400,000	400,000
Infrastructure & Asset Management Levy	-	<b>116,200</b>	183,700	257,200	268,800	281,500
Debt Levy	1,250,100	<b>1,184,500</b>	1,261,800	1,792,100	2,007,600	2,541,500
General Tax Supplementary Adjustment	(150,000)	<b>(150,000)</b>	(150,000)	(150,000)	(150,000)	(150,000)
Library	1,340,800	<b>1,407,900</b>	1,436,100	1,464,800	1,494,100	1,524,000
Total Municipal Property Taxes	25,136,000	<b>26,648,000</b>	28,047,300	29,844,300	31,371,900	33,214,200
Collections for Other Governments (Estimate)	22,001,800	<b>22,876,600</b>	23,330,900	23,789,000	24,170,300	24,170,300
Total Property Taxes	47,137,800	<b>49,524,600</b>	51,378,200	53,633,300	55,542,200	57,384,500
<b>Less:</b>						
Property Taxes for Other Governments (Estimate)	(22,001,800)	<b>(22,876,600)</b>	(23,330,900)	(23,789,000)	(24,170,300)	(24,170,300)
Portion of Grants in Place of Taxes	(165,800)	<b>(169,200)</b>	(172,500)	(176,000)	(179,600)	(179,600)
	(22,167,600)	<b>(23,045,800)</b>	(23,503,400)	(23,965,000)	(24,349,900)	(24,349,900)
Net Municipal Taxes	24,970,200	<b>26,478,800</b>	27,874,800	29,668,300	31,192,300	33,034,600
Grants in Lieu of Taxes	489,000	<b>493,500</b>	508,800	503,500	518,900	513,500
% of Revenue Tax	410,000	<b>415,700</b>	415,700	415,700	415,700	415,700
Taxes for Municipal Purposes	<b>25,869,200</b>	<b>27,388,000</b>	<b>28,799,300</b>	<b>30,587,500</b>	<b>32,126,900</b>	<b>33,963,800</b>
<b>Fees and Charges</b>						
Cemetery	152,000	<b>174,000</b>	177,100	180,200	183,500	183,500
Development Services	975,900	<b>1,033,400</b>	1,043,000	1,052,800	1,062,500	1,062,500
General Government Services	586,400	<b>588,500</b>	600,100	611,800	623,800	623,800
Protective Services	846,000	<b>839,300</b>	856,000	873,100	890,500	904,300
Public Works Services	2,000	<b>17,000</b>	17,100	17,100	17,100	17,100
Recreation & Cultural Services	1,762,200	<b>1,822,500</b>	1,833,100	1,867,600	1,902,900	1,906,800
Solid Waste	2,999,100	<b>3,188,600</b>	3,364,500	3,533,200	3,665,100	3,797,700
Total Fees and Charges	<b>7,323,600</b>	<b>7,663,300</b>	<b>7,890,900</b>	<b>8,135,800</b>	<b>8,345,400</b>	<b>8,495,700</b>
Interests and Penalties	1,031,900	<b>996,800</b>	972,200	947,500	922,800	922,800
Revenue from Other Sources	45,700	<b>139,000</b>	141,900	144,600	147,600	149,900
Transfers from Other Govt & Agencies	2,174,700	<b>2,135,700</b>	2,023,400	2,046,600	2,068,700	2,091,100
<b>Transfers from Other Funds</b>						
Transfers-Reserves	1,725,300	<b>1,894,700</b>	1,078,500	1,028,500	1,028,500	1,073,500
Transfers-Reserves for Future Expenditures	769,000	<b>602,300</b>	-	-	-	-
Transfers-Prior Year Surplus	1,331,300	<b>1,115,800</b>	780,800	150,000	100,000	50,000
Total Transfers from Other Funds	<b>3,825,600</b>	<b>3,612,800</b>	<b>1,859,300</b>	<b>1,178,500</b>	<b>1,128,500</b>	<b>1,123,500</b>
	40,270,700	<b>41,935,600</b>	41,687,000	43,040,500	44,739,900	46,746,800
Equity in Capital Assets	4,250,000	<b>4,800,000</b>	4,800,000	4,800,000	4,800,000	4,800,000
	<b>44,520,700</b>	<b>46,735,600</b>	<b>46,487,000</b>	<b>47,840,500</b>	<b>49,539,900</b>	<b>51,546,800</b>

General Operating Fund Operating Expenses	Budget	Budget		Proposed Budget		
	2019	2020	2021	2022	2023	2024
<b>OPERATING EXPENDITURES</b>						
<b>General Government</b>						
City Council	329,800	<b>324,800</b>	330,300	335,600	360,900	346,200
Corporate Services	821,600	<b>872,700</b>	876,500	889,500	902,700	915,200
Corporate Communications	244,900	<b>251,200</b>	253,300	257,500	261,700	266,100
Finance	1,554,100	<b>1,574,400</b>	1,601,900	1,630,100	1,658,400	1,682,700
Business Performance	211,100	<b>160,700</b>	164,800	169,000	173,400	177,700
Elections	-	-	-	61,500	-	-
Purchasing	389,700	<b>400,800</b>	408,000	415,200	422,700	430,200
Human Resources	542,100	<b>537,200</b>	503,200	510,300	517,500	560,000
Occupational Health Safety	200,600	<b>211,700</b>	223,500	218,000	221,500	233,300
IT	1,156,500	<b>1,449,600</b>	1,371,800	1,419,500	1,415,700	1,506,500
Strategic Initiatives	202,900	<b>181,500</b>	183,400	186,400	190,100	193,300
Other General Government	81,700	<b>67,900</b>	68,200	68,500	68,800	68,900
City Hall Property Maintenance	155,400	<b>157,200</b>	159,100	160,500	162,700	163,000
Sub-total	5,890,400	<b>6,189,700</b>	6,144,000	6,321,600	6,356,100	6,543,100
Interfund Allocation	(1,497,900)	<b>(1,585,400)</b>	(1,585,900)	(1,631,700)	(1,640,300)	(1,676,800)
<b>Total General Government</b>	<b>4,392,500</b>	<b>4,604,300</b>	<b>4,558,100</b>	<b>4,689,900</b>	<b>4,715,800</b>	<b>4,866,300</b>
<b>Protective Services</b>						
Police Protection	6,523,800	<b>7,170,400</b>	7,296,200	7,489,400	7,787,800	7,988,000
Fire Protection	1,887,500	<b>1,914,600</b>	1,947,900	1,981,200	2,014,700	2,434,600
Animal Control	69,500	<b>71,100</b>	72,600	74,200	75,700	75,800
Bylaw Enforcement	91,700	<b>99,400</b>	101,100	102,800	104,600	106,300
Emergency Programs	97,800	<b>96,800</b>	96,800	96,900	101,700	101,700
Parking Control	64,800	<b>65,700</b>	67,000	68,200	69,500	69,700
<b>Total Protective Services</b>	<b>8,735,100</b>	<b>9,418,000</b>	<b>9,581,600</b>	<b>9,812,700</b>	<b>10,154,000</b>	<b>10,776,100</b>
<b>Public Works Services</b>						
Public Works Administration	205,200	<b>197,700</b>	194,900	194,700	199,700	204,800
Public Works Operations	922,000	<b>954,300</b>	963,400	972,500	982,600	986,900
Asset Management	574,100	<b>605,300</b>	361,600	367,900	539,300	545,900
Transportation Services	2,652,500	<b>2,994,700</b>	2,946,600	2,968,000	3,005,000	3,014,400
Storm Sewer	633,700	<b>638,400</b>	645,500	652,600	659,800	661,600
Parks	2,485,900	<b>2,577,700</b>	2,608,100	2,638,000	2,670,200	2,677,600
Parks - Cultural Facilities Grounds Maintenance	8,600	<b>8,700</b>	9,000	9,100	9,300	9,300
Parks - Recreation Facilities Grounds Maintenance	44,000	<b>43,100</b>	43,400	43,800	44,300	44,300
Property Maintenance	204,100	<b>216,700</b>	219,500	222,200	225,100	227,800
Property Maintenance - Carpentry Shop	33,400	<b>32,100</b>	32,500	32,900	33,500	33,500
Property Maintenance - Recreation Facilities	502,200	<b>511,500</b>	516,500	522,000	530,900	535,700
Property Maintenance - Cultural Facilities	275,200	<b>370,600</b>	271,800	274,600	277,700	277,900
Property Maintenance - Miscellaneous Buildings	95,100	<b>109,100</b>	94,000	95,400	97,600	98,800
Property Maintenance - Park Buildings	77,500	<b>81,100</b>	78,800	79,400	80,300	80,300
Sub-Total	8,713,500	<b>9,341,000</b>	8,985,600	9,073,100	9,355,300	9,398,800
Public Works Interfund Allocation	(1,125,100)	<b>(1,280,600)</b>	(1,280,600)	(1,280,600)	(1,280,600)	(1,280,600)
<b>Total Public Works Services</b>	<b>7,588,400</b>	<b>8,060,400</b>	<b>7,705,000</b>	<b>7,792,500</b>	<b>8,074,700</b>	<b>8,118,200</b>
<b>Engineering</b>	<b>1,097,300</b>	<b>904,000</b>	<b>773,800</b>	<b>709,000</b>	<b>719,500</b>	<b>730,000</b>
<b>Development Services</b>						
Building Inspections	600,700	<b>653,200</b>	643,100	655,400	668,000	680,600
Planning and Zoning	1,083,400	<b>640,000</b>	647,100	656,500	668,500	680,900
Subdivision and Development Servicing	493,200	<b>562,900</b>	469,700	476,600	483,600	490,600
Community and Sustainability Planning	-	<b>450,300</b>	321,300	319,300	323,900	328,600
Heritage Committee	30,200	<b>25,500</b>	5,100	5,100	5,100	5,100
<b>Total Development Services</b>	<b>2,207,500</b>	<b>2,331,900</b>	<b>2,086,300</b>	<b>2,112,900</b>	<b>2,149,100</b>	<b>2,185,800</b>

General Operating Fund Operating Expenses	Budget	Budget		Proposed Budget		
	2019	2020	2021	2022	2023	2024
<b>Recreation &amp; Cultural Services</b>						
<b>Recreation Admin</b>						
Recreation Admin	1,201,600	<b>1,260,900</b>	1,238,100	1,195,900	1,213,700	1,232,100
July 1st Commission	64,800	<b>63,600</b>	63,900	86,900	88,700	90,200
Special Events	39,900	<b>41,200</b>	41,400	41,600	41,800	42,100
Recreation Admin Total	1,306,300	<b>1,365,700</b>	1,343,400	1,324,400	1,344,200	1,364,400
<b>Recreation Services - Operations</b>						
Lewis Centre Operations	1,076,800	<b>1,090,100</b>	1,108,900	1,128,000	1,147,500	1,158,400
Filberg Operations	615,200	<b>630,200</b>	640,200	650,400	660,900	663,200
Youth Centre Operations	43,600	<b>42,900</b>	42,900	42,900	43,000	43,000
Pool Operations	58,100	<b>59,100</b>	59,800	60,400	61,100	61,100
Washrooms	7,800	<b>6,000</b>	6,000	6,000	6,000	6,000
Recreation Services - Operations Total	1,801,500	<b>1,828,300</b>	1,857,800	1,887,700	1,918,500	1,931,700
<b>Recreation Services - Programming</b>						
Childrens Programs	418,200	<b>439,900</b>	445,800	451,700	457,800	464,100
Summer Programs	302,400	<b>226,700</b>	229,100	231,500	234,000	236,500
Youth Centre Programs	241,200	<b>270,800</b>	258,600	262,900	267,300	268,700
Adults Programs	500,400	<b>545,900</b>	555,200	564,700	574,500	583,200
Adapted Programs	121,600	<b>232,300</b>	236,600	241,200	245,800	249,900
Preschool Programs	83,700	<b>103,000</b>	104,900	106,800	108,700	110,700
Pool Programs	121,100	<b>147,800</b>	150,600	153,500	156,500	159,500
Childrens Programs - Volunteer Development	2,200	<b>4,200</b>	4,200	4,200	4,200	4,200
Recreation Services - Programming Total	1,790,800	<b>1,970,600</b>	1,985,000	2,016,500	2,048,800	2,076,800
<b>Cultural Services - Administration</b>						
Museum Administration	148,100	<b>148,400</b>	166,500	157,300	158,100	161,500
Sid Williams Theatre Administration	234,800	<b>235,200</b>	255,100	247,800	250,500	255,900
Arts Centre Administration	15,400	<b>9,900</b>	80,200	69,100	68,000	69,500
Native Sons Administration	8,300	<b>9,400</b>	9,800	10,200	10,600	11,000
Library Administration	1,343,600	<b>1,411,000</b>	1,439,300	1,468,100	1,497,500	1,527,500
Comox Valley Arts Council Administration	-	-	70,000	59,800	58,400	59,600
Cultural Services - Administration Total	1,750,200	<b>1,813,900</b>	2,020,900	2,012,300	2,043,100	2,085,000
<b>Cultural Services - Operations</b>						
Native Sons Operations	8,200	<b>7,700</b>	7,700	7,700	7,700	7,700
Cultural Services - Operations Total	8,200	<b>7,700</b>	7,700	7,700	7,700	7,700
<b>Total Recreation &amp; Cultural Services</b>	<b>6,657,000</b>	<b>6,986,200</b>	<b>7,214,800</b>	<b>7,248,600</b>	<b>7,362,300</b>	<b>7,465,600</b>
<b>Environmental Health Services (Solid Waste)</b>						
Solid Waste	3,133,400	<b>3,304,300</b>	3,497,400	3,680,900	3,807,800	3,939,100
Dog Stations/Bags	28,200	<b>28,500</b>	28,700	29,100	29,300	29,300
Pesticide Awareness	5,000	<b>5,000</b>	5,100	5,100	5,100	5,100
Trash Cleanup	130,100	<b>95,100</b>	95,900	96,900	97,900	97,900
<b>Total Environmental Health Services</b>	<b>3,296,700</b>	<b>3,432,900</b>	<b>3,627,100</b>	<b>3,812,000</b>	<b>3,940,100</b>	<b>4,071,400</b>
<b>Public Health Services (Cemetery)</b>						
Cemetery Administration	94,600	<b>93,800</b>	95,200	96,600	98,000	99,400
Cemetery Maintenance	184,100	<b>195,500</b>	198,500	201,600	204,800	204,800
Cemetery Graves	59,000	<b>59,500</b>	60,200	60,900	61,700	61,700
Cemetery Building - R & M	4,400	<b>4,400</b>	4,400	4,500	4,500	4,500
Cemetery Building Utilities	3,200	<b>2,500</b>	2,500	2,500	2,600	2,600
<b>Total Public Health Services</b>	<b>345,300</b>	<b>355,700</b>	<b>360,800</b>	<b>366,100</b>	<b>371,600</b>	<b>373,000</b>
<b>Total Operating Expenses</b>	<b>34,319,800</b>	<b>36,093,400</b>	<b>35,907,500</b>	<b>36,543,700</b>	<b>37,487,100</b>	<b>38,586,400</b>

City of Courtenay  
City of Courtenay for the Years 2020 - 2024

<b>GENERAL</b>	Estimated	<b>Budget</b>	Proposed Budget			
<b>Surplus, Reserves and DCC Summary</b>	Actual					
Estimated Closing Balances	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>General Operating Surplus</b>						
Prior Year Surplus	2,888,300	<b>1,772,500</b>	991,700	1,378,400	2,036,300	3,144,800
Gaming Funds	1,804,800	<b>1,538,000</b>	1,274,500	1,183,500	1,092,500	1,001,500
	<u>4,693,100</u>	<u><b>3,310,500</b></u>	<u>2,266,200</u>	<u>2,561,900</u>	<u>3,128,800</u>	<u>4,146,300</u>
<b>General Capital Surplus</b>						
Reserve For Future Expenditure (Unspent Capital 2019)	529,100	<b>25,400</b>	25,400	-	-	-
Unexpended Debt	1,413,500	<b>1,322,300</b>	737,600	673,400	673,400	673,400
	<u>1,942,600</u>	<u><b>1,347,700</b></u>	<u>763,000</u>	<u>673,400</u>	<u>673,400</u>	<u>673,400</u>
<b>Total General Surplus</b>	<u><b>6,635,700</b></u>	<u><b>4,658,200</b></u>	<u><b>3,029,200</b></u>	<u><b>3,235,300</b></u>	<u><b>3,802,200</b></u>	<u><b>4,819,700</b></u>
<b>General Operating Reserves</b>						
Risk Reserve	104,000	<b>104,000</b>	104,000	104,000	104,000	104,000
Assessment Appeals	151,500	<b>151,500</b>	151,500	151,500	151,500	151,500
Police Contingency	574,819	<b>379,619</b>	389,319	404,019	423,819	448,819
Trees	58,500	<b>58,500</b>	58,500	58,500	58,500	58,500
	<u>888,819</u>	<u><b>693,619</b></u>	<u>703,319</u>	<u>718,019</u>	<u>737,819</u>	<u>762,819</u>
<b>General Capital Reserves</b>						
Machinery and Equipment	1,409,100	<b>1,545,200</b>	765,200	1,023,500	1,150,200	1,425,200
Land Sale	269,400	<b>70,400</b>	70,400	70,400	70,400	70,400
New Works and Equipment	3,114,900	<b>2,890,000</b>	2,850,000	2,885,000	2,875,000	2,925,000
New Works - Community Gas Tax Fund	3,194,200	<b>2,534,200</b>	2,414,200	2,259,200	2,019,200	1,179,200
Infrastructure Reserve	451,700	<b>302,800</b>	138,200	170,400	718,900	892,100
Housing Amenity	774,200	<b>670,500</b>	670,500	670,500	670,500	670,500
Park Amenity	612,900	<b>512,900</b>	412,900	312,900	212,900	112,900
Public Parking	54,600	<b>59,700</b>	64,900	70,200	75,600	81,000
Parkland Acquisition	309,800	<b>309,800</b>	309,800	309,800	309,800	309,800
	<u>10,190,800</u>	<u><b>8,895,500</b></u>	<u>7,696,100</u>	<u>7,771,900</u>	<u>8,102,500</u>	<u>7,666,100</u>
<b>Total General Reserves</b>	<u><b>11,079,619</b></u>	<u><b>9,589,119</b></u>	<u><b>8,399,419</b></u>	<u><b>8,489,919</b></u>	<u><b>8,840,319</b></u>	<u><b>8,428,919</b></u>
<b>Total General Surplus and Reserves</b>	<u><b>17,715,319</b></u>	<u><b>14,247,319</b></u>	<u><b>11,428,619</b></u>	<u><b>11,725,219</b></u>	<u><b>12,642,519</b></u>	<u><b>13,248,619</b></u>
<b>Development Cost Charges (DCC)</b>						
<b>BYLAW #2755 RESERVE</b>						
Highways Facilities	3,570,000	<b>3,160,000</b>	2,487,300	2,062,300	1,622,300	1,050,100
Storm Drain Facilities	1,719,000	<b>1,719,000</b>	1,719,000	1,719,000	1,695,000	1,695,000
Park Land Acquisition	58,500	<b>407,500</b>	395,100	297,100	260,000	233,900
<b>Total DCC</b>	<u><b>5,847,500</b></u>	<u><b>5,286,500</b></u>	<u><b>4,601,400</b></u>	<u><b>4,078,400</b></u>	<u><b>3,577,300</b></u>	<u><b>2,979,000</b></u>

City of Courtenay  
2020 - 2023 PROPOSED Schedule of Annual Gaming Funds Distribution

Gaming Funds Balance, December 31, 2018	\$	1,808,181
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FINANCE SELECT COMMITTEE PREFERRED OPTION

Distribution: Major Categories		2019 Approved	2020 Proposed	2021 Proposed	2022 Proposed	2023 Proposed
<b>Estimated Annual Funds Available</b>		<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Support Downtown Arts and Culture</b>	<b>Annual Grants:</b>					
	CV Art Gallery	65,000	65,000	65,000	65,000	65,000
	Ctrny & Dist Historical Society	50,000	50,000	50,000	50,000	50,000
	Sid Williams Theatre Society	105,000	105,000	105,000	105,000	105,000
	Downtown cultural events	5,000	5,000	5,000	5,000	5,000
	Sid Theatre, Art Gallery and Museum Strategic planning (2018 carry forward)	21,000				
		<b>246,000</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>
<b>Council Initiatives &amp; Projects</b>	Purple ribbon Campaign	3,500	3,500	3,500	3,500	3,500
	Feb 19, 2019 Resolution - LUSH Community Garden <b>Annual Grant</b>	10,000	10,000	10,000	10,000	10,000
	Nov 19, 2018 Resolution - Heritage Refurbish Clocks (2018 carry forward)	25,000				
	July 2, 2019 Resolution - Down Town Event Traffic Control	15,000				
	Annual Grants-in-Aid (Reduction per Finance Select Committee Recommendation)	105,650	50,000	50,000	50,000	50,000
	Annual Grants-in-Aid (Management Fee to Comox Valley Community Foundation)			2,500	2,500	2,500
	Other Council Initiatives/Projects - (Increase and amalgamate Social/Green/Council Initiatives)	25,850	75,000	75,000	75,000	75,000
		<b>185,000</b>	<b>138,500</b>	<b>141,000</b>	<b>141,000</b>	<b>141,000</b>
<b>Public Safety / Security</b>	RCMP Contract Funding	<b>405,000</b>	<b>405,000</b>	<b>405,000</b>	<b>405,000</b>	<b>405,000</b>
<b>Social / Societal Initiatives</b>	Removed Annual \$50K allocation					
	April 15, 2019 St. Georges United Church Kitchen Renovation	25,000				
	Jan 7, 2019 Resolution CV Coalition to end Homelessness Delegation Request	35,000				
		<b>60,000</b>	-	-	-	-
<b>Infrastructure Works</b>	Annual Provision to Infrastructure Reserve	100,000	100,000	100,000	100,000	100,000
	Infrastructure Levy Reduction (1%)	220,800	220,000	220,000	220,000	220,000
		<b>320,800</b>	<b>320,000</b>	<b>320,000</b>	<b>320,000</b>	<b>320,000</b>
<b>Green Capital Projects / Innovation</b>	Removed Annual \$50K allocation	50,000				
	Electric Charging Stations - Committed 2019-2023 Fin Plan		175,000			
		<b>50,000</b>	<b>175,000</b>	-	-	-
<b>Total Annual Distribution</b>		<b>1,266,800</b>	<b>1,263,500</b>	<b>1,091,000</b>	<b>1,091,000</b>	<b>1,091,000</b>
<b>Projected Gaming Fund Balance</b>	\$	<b>1,808,181</b>	<b>1,541,381</b>	<b>1,277,881</b>	<b>1,186,881</b>	<b>1,004,881</b>

