



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

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

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

PURPOSE:

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

POLICY ANALYSIS:

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

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

EXECUTIVE SUMMARY:

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

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

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

CAO RECOMMENDATIONS:

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

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

Respectfully submitted,



David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

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

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

DISCUSSION:

BUDGET OVERVIEW:

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

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

CHART 1: City of Courtenay 2015 Operating Expenditures

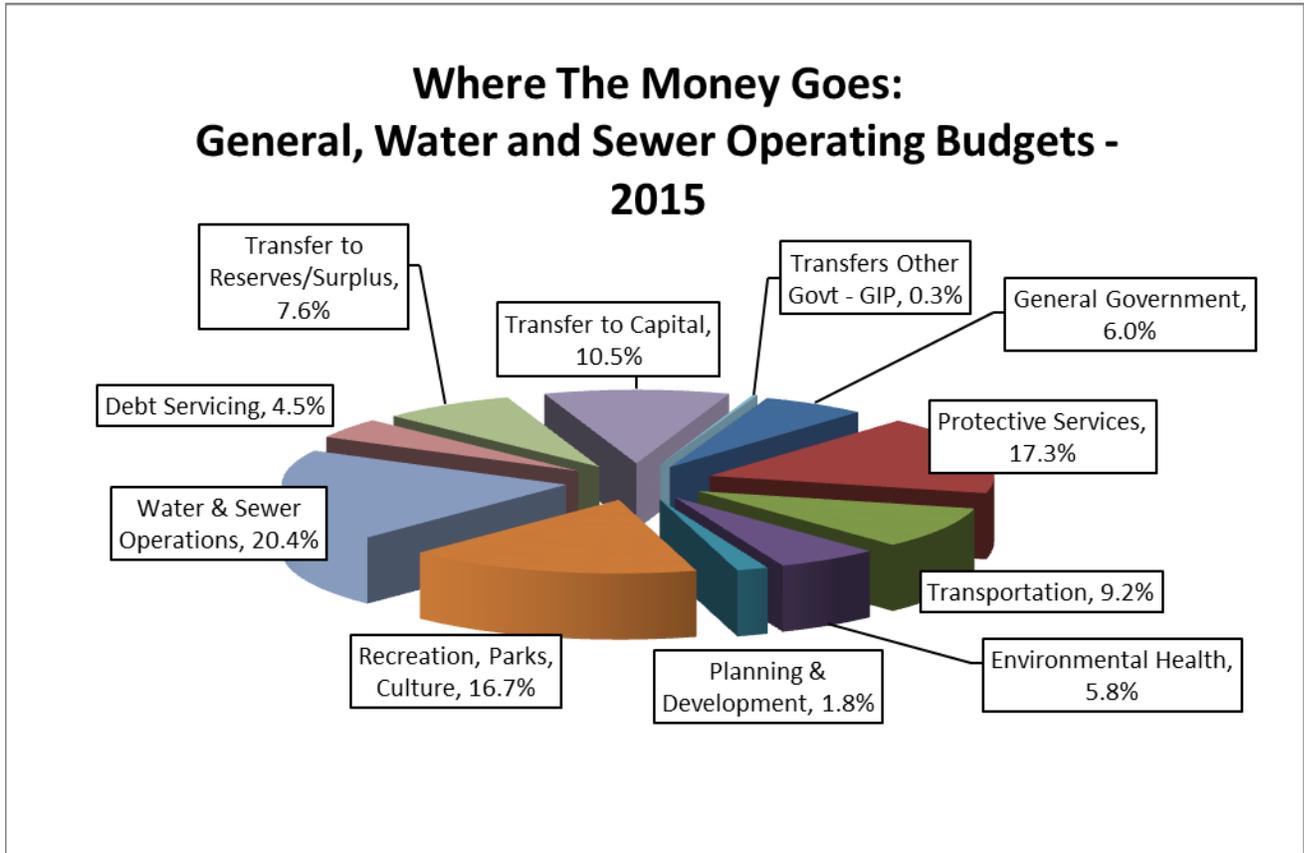
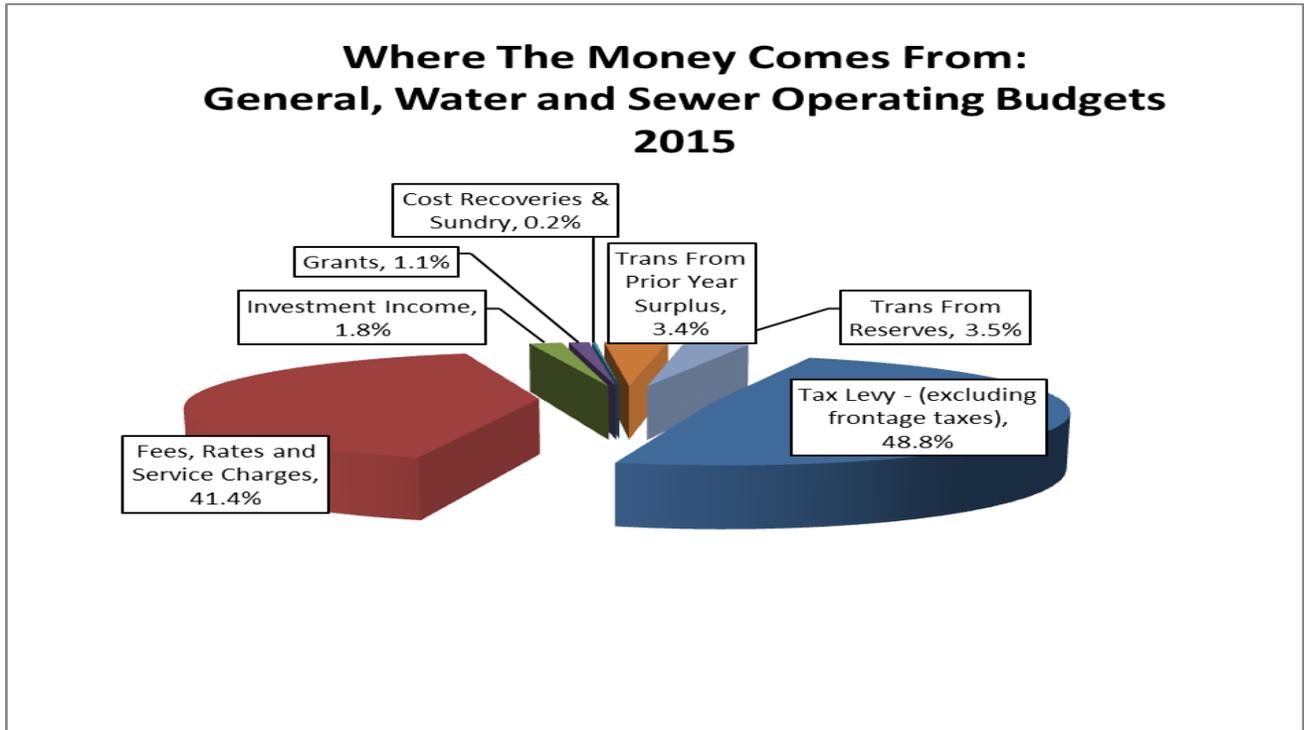
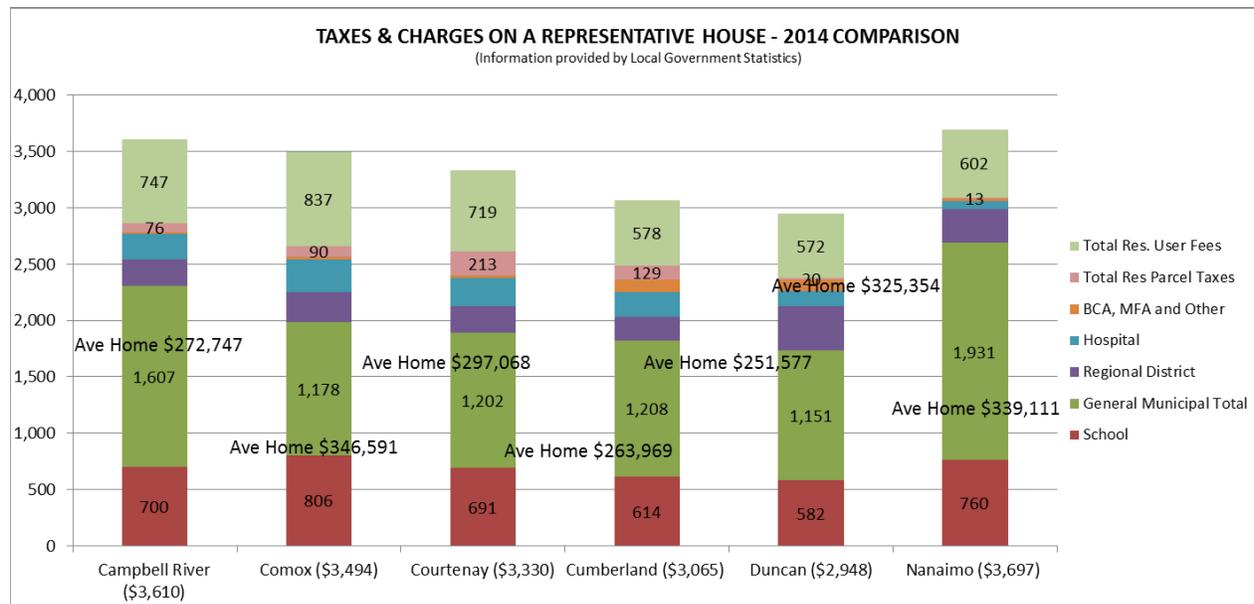


CHART 2: City of Courtenay 2015 Operating Revenues



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

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



2015 GENERAL OPERATING BUDGET

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

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

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

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

EXPENDITURES

2015 Cost Drivers and Changes in Budgeted Expenditures

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

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

1. General Government:
 - a. Courtenay 100 year Centennial celebration, planning/events
 - b. 2015 hosting of the Association of Vancouver Island Coastal Communities annual conference.
 - c. Increase in technical Staff to support growth of existing City systems as well as support the new initiatives of corporate capacity/time tracking, asset management and related GIS data compilation, website redevelopment, human resources information system, and document management.

2. Protective Services:
 - a. The budgeted level of established strength for police protection has been maintained as 30.4 members, with an anticipated vacancy pattern of 2 members.
 - b. Provision for Emergency Operations Centre training for Council and staff

3. Transportation Services:
 - a. Engineering
 - i. DCC Bylaw Review and Update
 - ii. Subdivision Bylaw Review and Update
 - iii. Road Network Analysis
 - iv. Complete Streets Pilot Project planning
 - b. Asset Management Planning
 - i. Condition Assessment – Roads/Asphalt
 - ii. Condition Assessment – Storm Drainage
 - iii. Condition Assessment – Sidewalks
 - iv. Condition Assessment – Fuel System
 - v. Condition Assessment – Traffic Signals
 - vi. Condition Assessment – Buildings and Facilities

4. Recreation Programs and Facilities:
 - a. Lewis Centre Recreation Facility – An increase in revenues has been forecasted, particularly for fitness room use. Related facility and program costs have been included. The net

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

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

5. Facilities

- a. Facilities energy efficiency reviews/audits

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

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

RESERVES, GRANTS, AND SURPLUS FUNDS

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

Community Works Fund – Gas Tax Grant Revenues

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

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

Gaming Funds

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

Traffic Fine Revenue Sharing Grant

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

General Fund Surplus/Proposed New Reserves

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

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

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

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

1. Infrastructure Renewal Reserve \$200,000

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

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

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

DEBT

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

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

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

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

ADMINISTRATIVE IMPLICATIONS:

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

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

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

STRATEGIC PLAN REFERENCE:

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

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

OFFICIAL COMMUNITY PLAN REFERENCE:

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

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

REGIONAL GROWTH STRATEGY REFERENCES:

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

Goal 1 – Housing

Goal 2 – Ecosystems, Natural Areas and Parks.

Goal 3 – Local Economic Development

Goal 4 – Transportation.

Goal 5 – Infrastructure.

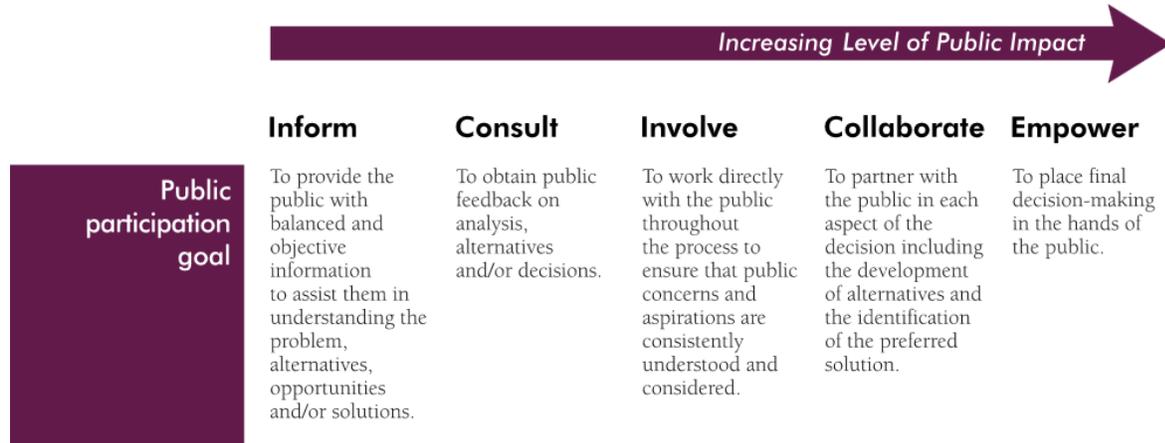
Goal 7 - Public Health and Safety.

Goal 8- Climate Change.

CITIZEN/PUBLIC ENGAGEMENT:

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

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



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

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

OPTIONS:

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

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

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

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

Prepared by:

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Manager of Financial Planning

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

¹ Government Finance Officers Association: Financial Policies, Shayne C. Kavanaugh, 2012

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

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

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

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

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

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

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

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

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

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

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

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

Recreation Services	Number of Responses	35	31	30	96
	Percent of Respondents	36%	32%	31%	100%

Transportation Services	Number of Responses	19	44	37	100
	Percent of Respondents	19%	44%	37%	100%

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

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

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

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

QUESTION: What are the top five issues facing Courtenay?

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

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

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

City of Courtenay

Citizen Budget - Freeform Comments

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

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

City of Courtenay

Citizen Budget - Freeform Comments

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

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

City of Courtenay

Citizen Budget - Freeform Comments

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

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

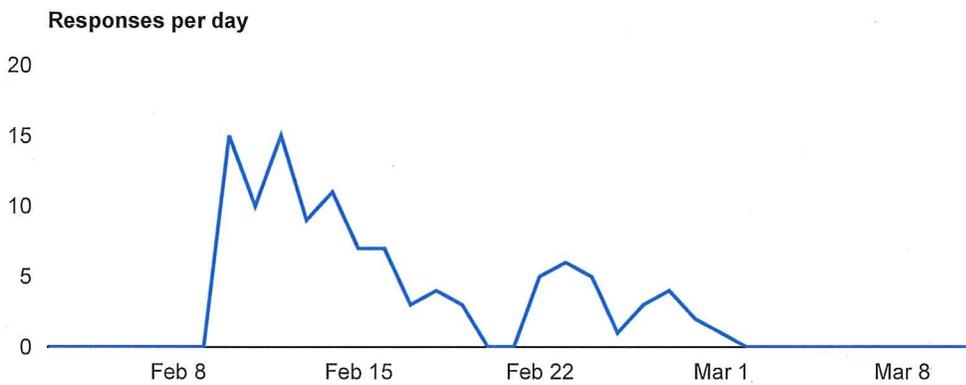
Citizen Budget

Summary

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

Prepared by Open North for: City of Courtenay

111 Responses
 6 minutes Median time to complete

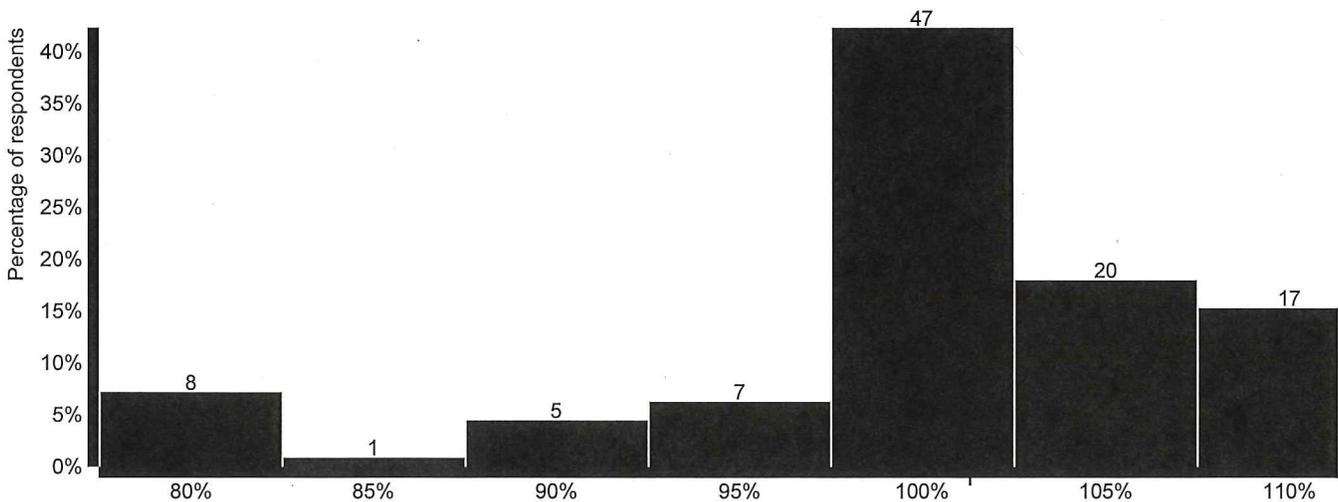


Trends

Responses for each question

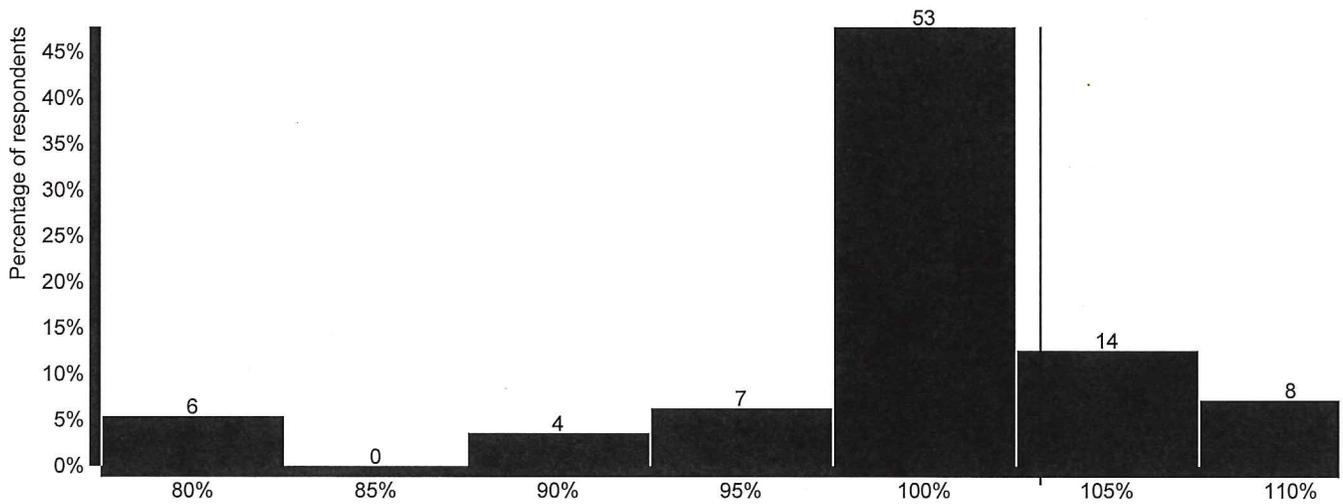
Police Services

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



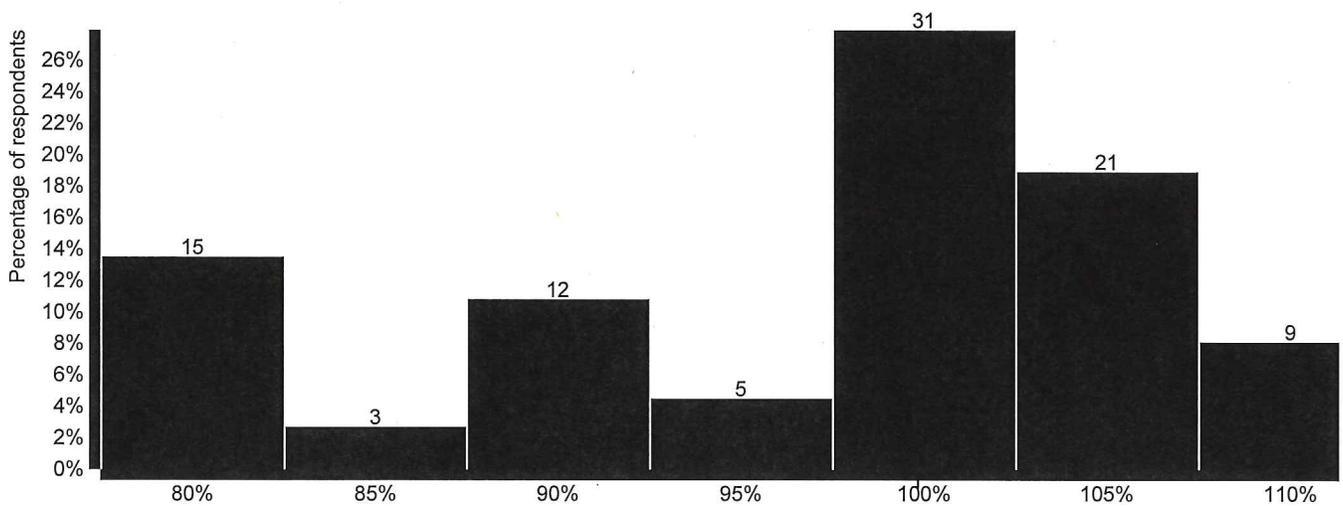
Fire Services

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



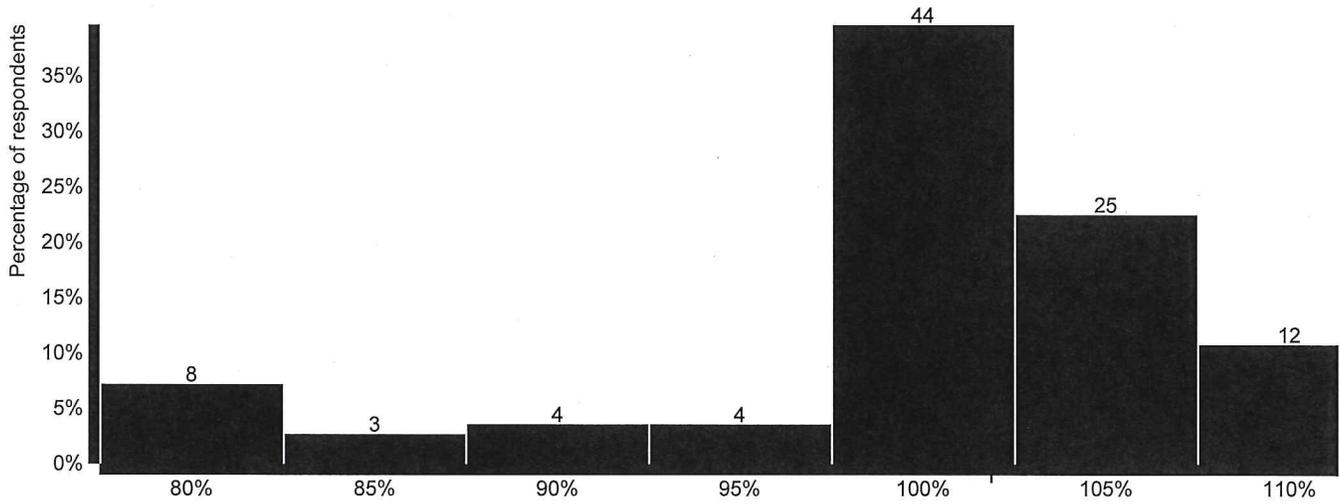
Recreation Services

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



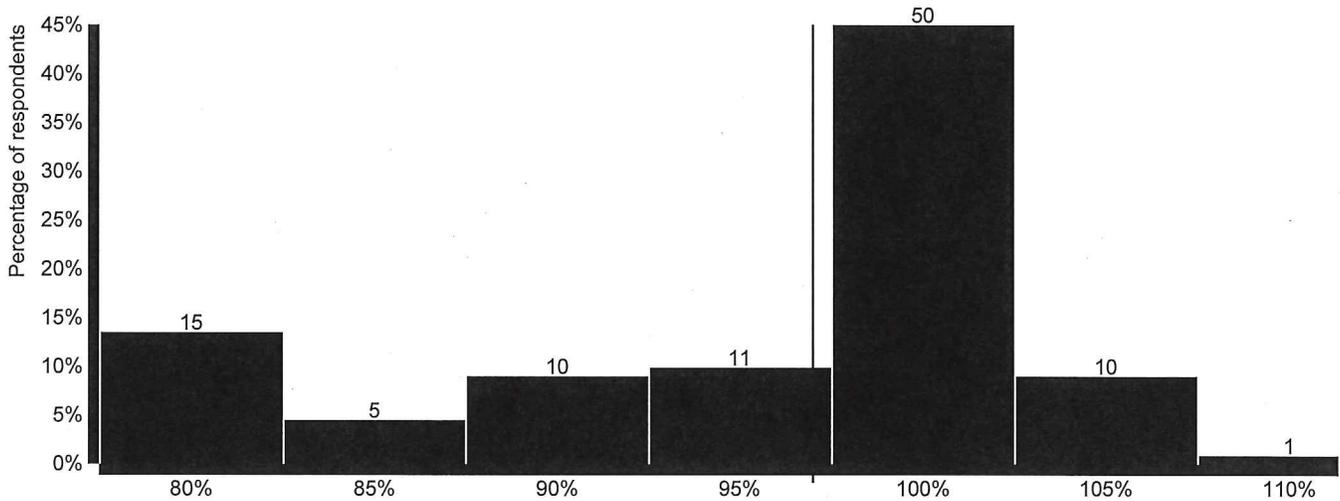
Transportation Services

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



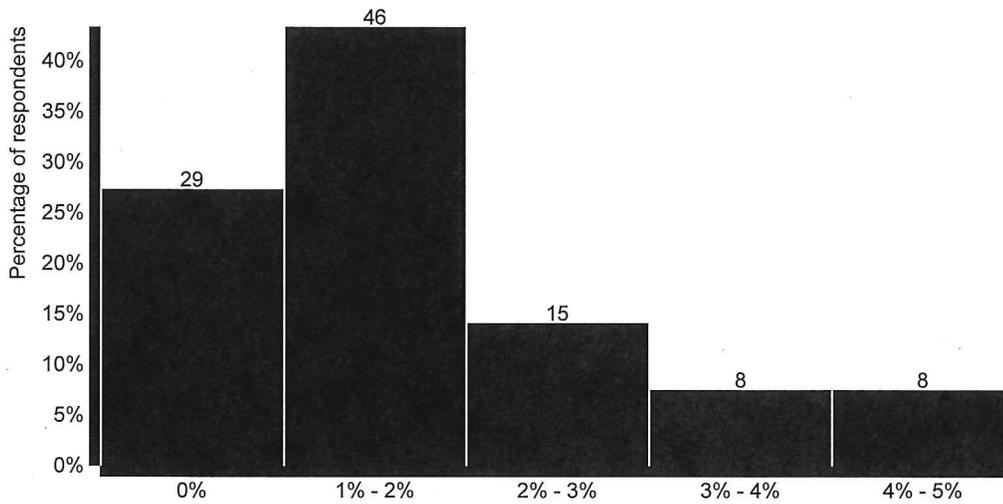
General Government Services

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



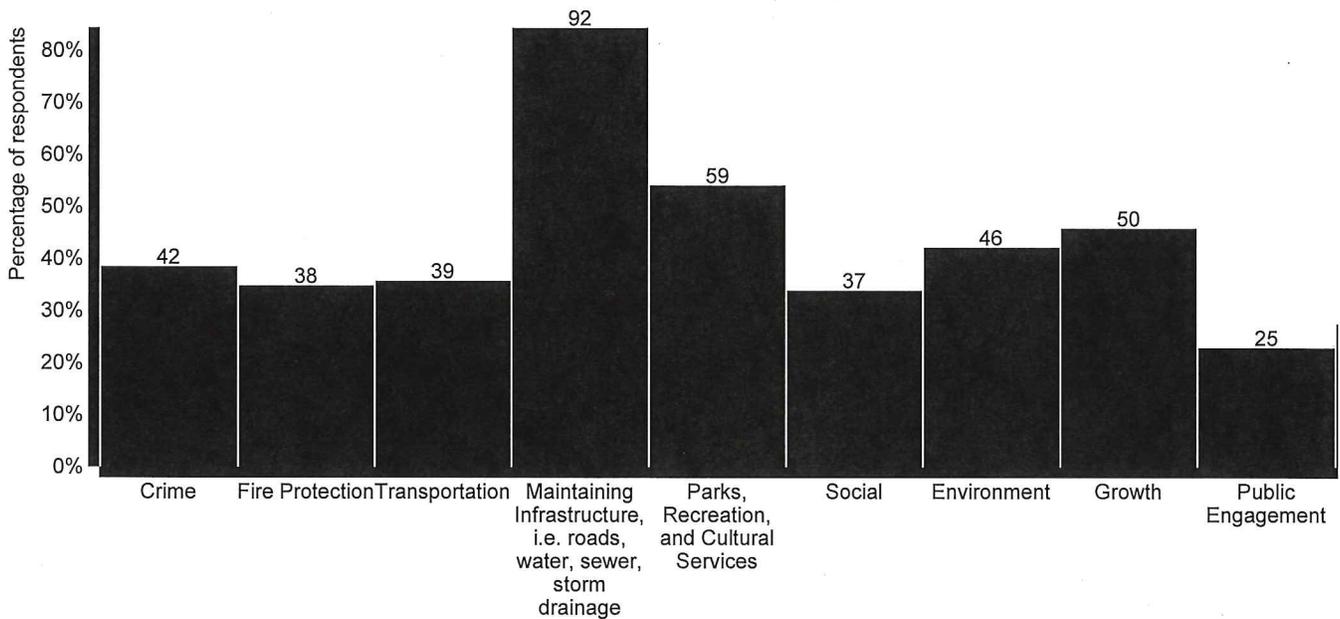
2015 General Municipal Property Taxes

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



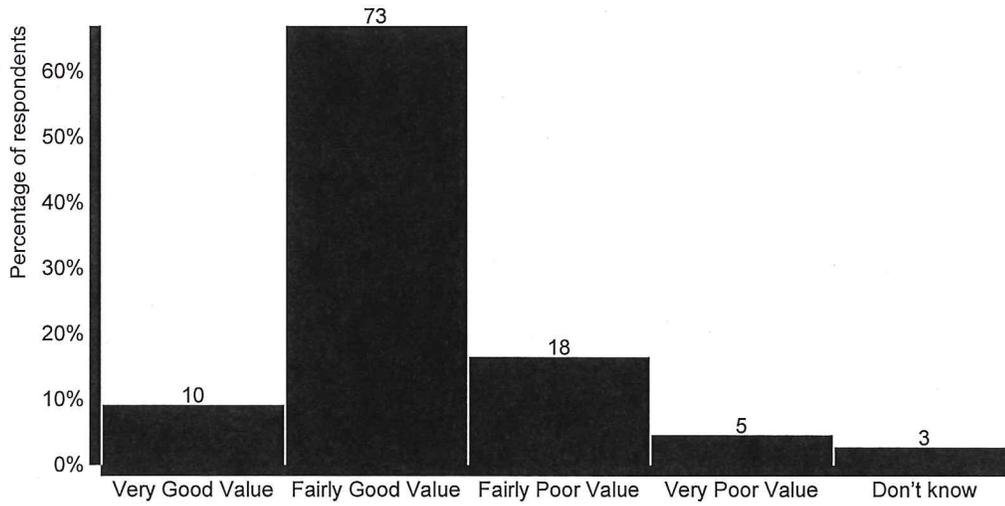
Important Issues

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



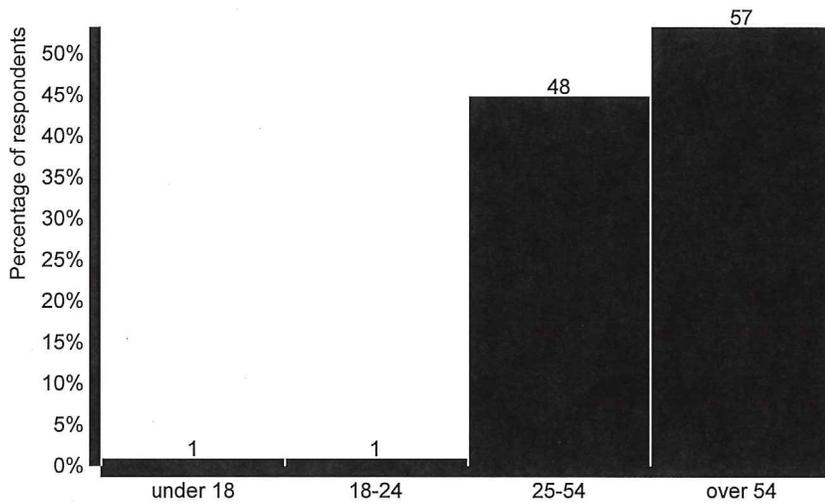
Overall Customer Satisfaction

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

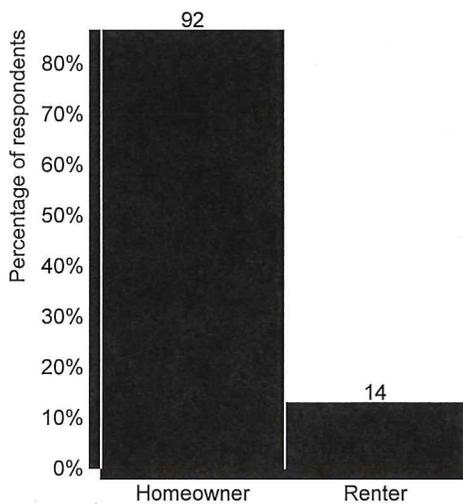


Other data collection:

9 Age



10 Housing



11 How long have you lived in the City?

