



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council
From: Chief Administrative Officer
Subject: 2019–2023 General Operating Financial Plan

File No.: 1705-20/1715-20

Date: April 3, 2019

PURPOSE:

The purpose of this report is for Council to consider the proposed 2019–2023 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 2019–2023 General Operating Financial Plan is the largest and final document to be incorporated into the City's 2019–2023 Consolidated Financial Plan.

The 2019-2023 General Operating 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 proposed 2019 General Operating Financial Plan includes a total of \$44.6 million in planned City expenditures, inclusive of transfers to reserves and other funds such as the general capital fund and amortization.

The current financial plan proposes an increase of 2.75% in municipal property taxation for general operations and debt, as well as a 1.0% increase for capital infrastructure renewal. The global proposed increase for 2019 is 3.75%. The proposed financial plan includes \$34.4 million for general operating expenditures and \$3.1 million in funding for capital expenditures and debt payments. The proposed General Operating Financial Plan also includes a contribution of \$2.9 million to various reserves for future utilization.

2019 BC Assessment information states that the average assessed value of a single-family residential property in Courtenay is \$436,000. The annual impact of a 3.75% property tax increase to the property owner of this home will be approximately \$52.

CAO RECOMMENDATIONS:

That based on the April 3, 2019 staff report “2019–2023 General Operating Financial Plan”, Council approve OPTION 1, and proceed with the recommended 2019-2023 General Operating Financial Plan; and

That Council approve a 3.75% property tax increase for 2019, which includes a 1% 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 *Community Charter*. The proposed 2019–2023 General Operating Financial Plan defines the service priorities and operating budget for each 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 2019–2023 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 makes all of the foregoing transparent to public officials and citizens alike. Finally, the budget dictates how Council will meet the community’s needs and maintain expected levels of service.

2019 General Operating Fund

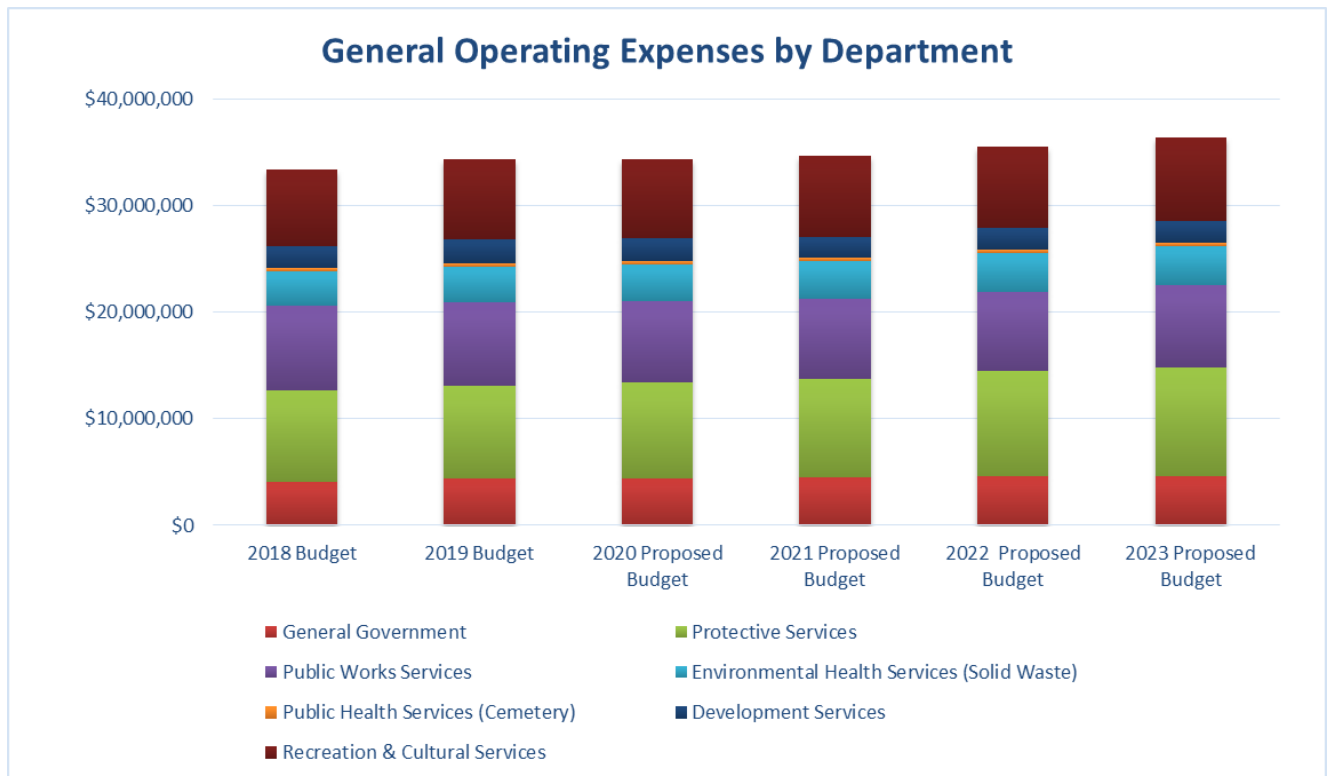
Similar to the Water and Sewer Budgets, the 2019 General Operating Budget was prepared from departmental submissions as well as from consideration of multiple external sources, cost drivers and spending patterns. The City’s Asset Management Policy also assisted with the definition of sustainable operation 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 \$34.4 million for 2019, an increase of \$1.0 million from the 2018 budget, which represents a 3.1% increase. Graph 1 illustrates the budget per department

from 2018 to 2023. The detailed expenses by department is provided in Schedule 3.

Graph 1: General Operating Expenses by Department 2018 – 2023 Budget



The 2019 General Operating Expenses are detailed by economic segment in Table 1.

Table 1: General Operating Expenses by Economic Segment

Operating Expenditures by Economic Segment (excluding amortization)	2018 Budget	2019 Budget	Variance	Variance %
Council Indemnity, Allowance, Benefits	208,400	231,000	22,600	10.8%
Personnel	14,313,800	15,424,900	1,111,100	7.8%
General Services	14,021,600	13,927,600	(94,000)	-0.7%
Insurance	509,900	524,000	14,100	2.8%
Goods	1,882,600	1,843,800	(38,800)	-2.1%
Utilities	1,030,000	1,061,600	31,600	3.1%
Grants	483,200	500,400	17,200	3.6%
Transfers / Interdepartment Charges	786,800	964,600	177,800	22.6%
Other Government - CVRD	1,408,200	1,407,000	(1,200)	-0.1%
Library Requisition	1,255,000	1,340,800	85,800	6.8%
Sub-total	35,899,500	37,225,700	1,326,200	3.7%
Interfund charges	(2,545,800)	(2,845,900)	(300,100)	11.8%
Total	33,353,700	34,379,800	1,026,100	3.1%

Personnel

The increase to personnel costs in 2019 are related to the following factors:

New Employer Health Tax – The employer health tax is a new annual tax on an employer's B.C. remuneration paid to employees in a calendar year. Effective January 1, 2019 the City is responsible for paying 1.95% of total wages across the organization, which amounts to approximately \$250,000 in the general operating fund.

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 2019 in the General Fund. Mayor and Council salaries were also adjusted by \$22,600 in order to compensate for the loss of the one-third personal tax exemption allowance in 2019.

An increase of \$215,000 is also included related to benefits paid on behalf of employees such as extended health and dental, Pension contributions, WCB, MSP, CPP and EI premiums.

Increased preventative maintenance – As part of Asset Management for sustainable service delivery, the City has implemented a preventative maintenance program to extend the life of in-service assets and therefore reduce long term annual capital replacement expenditures. It is expected that programs such as these will extend the life of assets by 10-15% saving significant capital expenditures in future years. In addition, the City receives contributed assets through development which increases the number of assets to maintain. Labour is a significant component of preventative maintenance and the impact on the 2019 budget amounts to approximately \$161,000.

Filling Vacancies and Supporting Council Strategic Priorities

In the 2018 Budget there were some position vacancies that are now filled in 2019. In addition, a new position has been incorporated into the Development Services budget to support community and sustainability planning. The total impact of filling these vacancies and the new position total approximately \$235,000.

General Services and Goods

Overall general services are reduced in the general operating budget by \$94,000. This is related to a combination of a number of one time projects wrapping up from previous years such as the election, some asset condition assessments, Urban Forest Management Plan, and Land Use Strategy; offset by projects continuing on and starting in 2019 such as the OCP, Dike Replacement Strategy, Transportation Master Plan, and Integrated Rainwater Management Plan. Most of these projects are funded by Gas Tax revenue which has no impact on property taxes.

In addition the RCMP contract falls into this category and is expected to impact the 2019 general operating budget with an increase of \$86,500. This is based on Council's approval in principle for the 2019/2020 contract, which approves a strength of 31.4 members and takes into account a projected 4 member vacancy. The last few years the RCMP has experienced a 5 to 6 person actual vacancy rate. Council will have an opportunity to revisit the RCMP contract later in April and provide final approval to

the 2019/2020 contract. In recognition of the need to provide for unanticipated fluctuations in RCMP vacancies and special investigations, the City created a dedicated reserve in 2017.

Solid Waste, Recyclables, and Yard Waste

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. Council approved the 2019-2023 Municipal Solid Waste, Recyclables, and Yard Waste Financial Plan on January 21, 2019 and authorized a 2% increase to the user fee for 2019.

Internal Allocations

Internal allocations is a percentage of the General Government, Public Works, and fleet expenses transferred to the Water and Sewer Funds. The intent is to transfer a reasonable amount for General Government and Public Works expenditures (personnel, utilities, materials, insurance, contracted services and fleet costs) as recognition of the administrative costs necessary to provide those services. A transfer for engineering staff time to capital projects is also included in this segment.

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 \$2.9 million for 2019 as listed in Table 2. This includes reinstating the annual 1% special levy in 2019 for infrastructure renewal reserve. Schedule 4 provides an estimate of the surplus and reserve balances.

Table 2: Transfers to General Fund Reserves

General Operating Fund Transfers to Reserves		2018 Budget	2019 Budget	Variance	%
	To Reserves				
	To Machinery and Equip Reserve Fund	600,000	650,000	50,000	8.3%
	To New Works	405,000	430,013	25,013	6.2%
	To Infrastructure Reserve (special levy)	-	220,787	220,787	
	To Public Parking Reserve	6,600	6,600	-	0.0%
	To MFA Reserve Fund	8,300	6,500	(1,800)	-21.7%
	To Reserve Funds - Interest	80,800	150,000	69,200	85.6%
	To New Works Bylaw 1835	1,362,000	1,405,000	43,000	3.2%
	To Cemetery Care Fund	11,000	11,000	-	0.0%
	To Carbon Offsets Reserve	18,800	18,800	-	0.0%
		2,492,500	2,898,700	406,200	16.3%

Other Cost Drivers

Utilities and Insurance

BC Hydro recently announced rate increases of an estimated 8.1% over the next five years which have been incorporated in this Financial Plan. In addition, the City recently underwent an insurance appraisal on its buildings and facilities in late 2018, which resulted in higher replacement costs and impacting insurance premiums in 2019. The overall impact to both amounts to \$45,700.

Comox Valley Emergency and Vancouver Island Regional Library Requisitions

The City's contribution to the Comox Valley Emergency Service is increasing by \$17,400 in 2019. This payment is made to the Comox Valley Regional District.

The requisition to Vancouver Island Regional Library is also increasing by \$85,800 in 2019. This increase is recovered by an equivalent increase in the library levy revenue.

Innovation

Implementation of a new Recreation software and new systems to streamline the financial processes in the organization also impact the general operating budget in 2019. Additional resources are required to either backfill frontline staff or provide support through consultation. The impact of these costs total approximately \$80,000. This excludes the software purchase cost included in the general capital budget.

General Revenues

Property Taxes

The proposed increase in property tax for general municipal and debt purposes, excluding new construction revenues, is 3.75% for 2019. This increase is comprised of funding for the following purposes:

General & Debt Levy	2.75%
Special Levy – Infrastructure Renewal Reserve	<u>1.00%</u>
Total	3.75%

Comparison to consumer price index CPI, average 2.7% for British Columbia for 2019.

Other Revenue Sources

Table 3 provides a summary of the revenue included in the 2019 Budget. Further detail is available in Schedule 2.

Table 3: General Operating Revenues

General Operating Fund Revenue	Budget 2018	Budget 2019	Variance \$
Taxes			
General Municipal Taxes	24,024,400	25,416,800	1,392,400
Portion of Grants in Place of Taxes	(143,700)	(165,800)	(22,100)
Net Municipal Taxes	23,880,700	25,251,000	1,370,300
Grants in Lieu of Taxes	462,400	489,000	26,600
% of Revenue Tax	399,500	410,000	10,500
Taxes for Municipal Purposes	24,742,600	26,150,000	1,407,400
Fees and Charges	7,435,300	7,714,000	278,700
Revenue from Other Sources	1,050,100	1,178,500	128,400
Transfers from Other Govt & Agencies	1,880,900	1,683,400	(197,500)
Transfers-Reserves	1,756,600	1,504,500	(252,100)
Transfers-Surplus	1,791,700	2,100,300	308,600
	38,657,200	40,330,700	1,673,500

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 projects as required. In 2019, \$585,000 of Gas Tax Funds are being utilized to fund the following eligible projects that support Asset Management in the General Operating Fund:

Asset Condition Assessments	\$220,000
Transportation Master Plan	70,000
Dike Replacement Strategy	150,000
Integrated Rainwater Management Plan	<u>145,000</u>
Total	\$585,000

This will leave an estimated balance of \$1,425,300 in the Gas Tax Reserve at December 31, 2019.

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”. Table 4 outlines the recommended use of the Gaming Funds for 2019 only. This funding pattern is based on the 2016-2018 approved spending matrix and takes into account funds that have already been committed by Council in 2019 through the Grant-in-Aid program and other Council resolutions.

Table 4: Proposed Use of Gaming Funds in 2019

	2019 Proposed Budget
Revenues	
Host gaming revenue 2019	1,000,000
Carry forward committed funds	46,000
Total Revenues prior to distribution	1,046,000
Distribution Categories:	
<u>Societies Managing City Arts/Culture Facilities</u>	
Courtenay & District Museum	(50,000)
CV Art Gallery Society	(65,000)
Sid Williams Theatre Society	(105,000)
Downtown cultural events (DCBIA-elevate the arts)	(5,000)
Sid Theatre, Art Gallery and Museum Strategic planning part of 2018-2019 budget	(21,000)
	(246,000)
<u>Council Initiatives/Projects</u>	
Purple Ribbon Campaign	(3,500)
Nov 19, 2018 Resolution - Heritage Refurbish Clocks	(25,000)
2019 Grants-in-Aid	(110,000)
Other Council Initiatives/Projects	(56,500)
	(195,000)
<u>Public Safety/Security</u>	
RCMP Contract Funding	(405,000)
<u>Social/Societal Initiatives</u>	
Supportive Housing	(15,000)
Jan7, 2019 Resolution CV Coalition to end Homelessness Delegation Request	(35,000)
	(50,000)
<u>Infrastructure Works</u>	(100,000)
<u>Green Capital Projects / Innovation</u>	(50,000)
Total Distribution of Funds	(1,046,000)

For financial planning purposes only, staff have continued a similar funding pattern in the general operating fund through the next four years. However, Council will have an opportunity to revisit the 2020-2023 Gaming Fund spending matrix and refine it in 2019 based on their 2019-2022 strategic priorities. The gaming fund has an unaudited surplus balance of \$1,762,200 at the end of December 31, 2018. 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 2019, the City is expecting to receive approximately \$450,000 in additional taxation revenues from new construction. BC Assessment is also projecting potential supplementary adjustments that the City might expect in 2019 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 \$270,000 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 services.

Operating Surplus

Unlike the federal and provincial governments in Canada, municipalities are not permitted to operate with a deficit. In order to balance the 2019 General Budget and keep property tax rates reasonable, staff are recommending the use of \$1,331,300 in prior year surplus. The 2018-2022 Financial Plan identified the use of \$1,791,700 of prior year surplus in 2018, which staff are projecting based on unaudited year end balances, will not need to be utilized and will carry forward for use in 2019 and future years. Pending the final 2018 audited balances, the remaining surplus funds held in 2019 for the general operating fund are projected to total \$4 million. The proposed 2019-2023 Financial Plan uses \$3 million of this balance over the next three years to assist with keeping keep property tax rates within a reasonable range and phases out reliance by 2021. 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 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.

FINANCIAL IMPLICATIONS:

In order to balance the proposed 2019-2023 General Operating Financial Plan, a 3.75% increase to property taxation is required amounting to approximately \$595,000 in additional revenue to cover 2019 expenses and \$220,000 to contribute to the infrastructure renewal reserve.

Assessment Trends

- Residential Assessment (Class 01) Average property value *increase* = 16.48%
(from \$373,988 to \$435,616)
- Commercial Assessment (Class 06) Average property value *increase* = 5.13%
(from \$779,382 to \$819,332)

What this means to the Taxpayer:

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

Residential Class

The annual property tax increase for an "average" 2019 residential property, valued at \$435,616, is estimated to be an increase of \$52 for the municipal taxation portion of the tax notice.

Table 5 provides the estimated impact of all rates, fees, and tax increases for the average Courtenay residential property assuming a 3.75% taxation increase for the City of Courtenay portion of the tax notice only.

Table 5: Impact of 3.75% tax increase on Average Residential Property assessed at \$435,616

Total of All Increases:	
<i>General Fund</i> Property Tax Increase	\$ 51.83
Water Fund User Fee Increase	\$ 30.39
Water Fund Frontage Increase	
Sewer Fund User Fee Increase	\$ 16.21
Sewer Fund Frontage Increase	\$ -
Solid Waste Utility Fee Increase	\$ 3.23
Impact of All City Increases	\$ 101.66

These are preliminary estimates based on the current rate methodology and assessment information. Council will still have the opportunity to review the commercial rate multiplier and finalize all tax rates in the near future once the total property tax revenue percentage increase has been approved.

ADMINISTRATIVE IMPLICATIONS:

Subsequent to Council endorsement of the proposed 2019-2023 General Operating Fund Financial Plan, the schedules will become part of the 2019-2023 Financial Plan Bylaw. This bylaw will be brought forward for Council consideration in mid-April 2019.

For the April 15, 2019 Council meeting, staff will bring forward information in regards to property tax rates and setting the commercial tax rate multiplier for 2019.

Both the 2019-2023 Financial Plan Bylaw and the 2019 Property Tax Rates Bylaw must be finally adopted no later than May 15, 2019.

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 2019 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 2019 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 2019–2023 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 2019–2023 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:

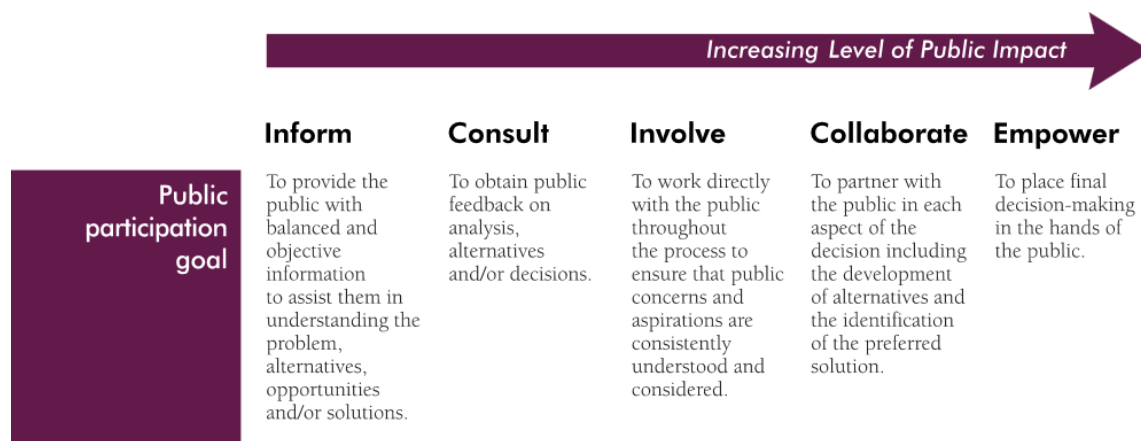
- ❖ Ecosystems, Natural Areas and Parks
- ❖ Transportation and Infrastructure
- ❖ Local Economic Development
- ❖ Climate Change

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 consults with the public about the 2019-2023 Financial Plan through regular and special council meetings, media webcasts, and information posted on the City’s website. In addition, further public consultation will occur prior to three readings of 2019-2023 Financial Plan Bylaw.

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



OPTIONS:

- OPTION 1: That Council approves the 2019-2023 General Operating Financial Plan as proposed, and directs staff to include the schedules in the 2019-2023 Financial Plan Bylaw.
- OPTION 2: That Council amends the proposed 2019-2023 General Operating Financial Plan, and directs staff to include the amended schedules in the 2019-2023 Financial Plan Bylaw.
- OPTION 3: That Council defer the endorsement of the proposed 2019-2023 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, 2019 deadline to adopt a five year financial plan and therefore impact the City's ability to generate tax notices on time.

Prepared by:

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Attachments:

- Schedule 1 – General Operating Fund Summary 2019-2023
- Schedule 2 – General Operating Revenues Detail 2019-2023
- Schedule 3 – General Operating Expenses by Department 2019-2023
- Schedule 4 – General Surplus, Reserves and DCC 2019-2023

General Operating Fund	Budget 2018	Budget 2019	2020	Proposed Budget 2021	Proposed Budget 2022	Proposed Budget 2023
Tax rate increase						
General Taxation	1.50%	2.75%	3.00%	3.25%	3.00%	2.50%
Debt Levy	0.00%	0.00%	0.95%	3.53%	2.15%	0.22%
	1.50%	2.75%	3.95%	6.78%	5.15%	2.72%
Infrastructure Reserve Levy	0.00%	1.00%	1.25%	1.25%	1.50%	1.75%
	1.50%	3.75%	5.20%	8.03%	6.65%	4.47%
REVENUES						
Taxes						
General Municipal Taxes	24,024,400	25,416,800	26,732,000	28,836,500	30,675,300	31,902,500
Collections for Other Governments (Estimate)	21,021,800	21,941,800	22,654,600	23,108,900	23,567,000	23,948,300
Total Taxes Collected	45,046,200	47,358,600	49,386,600	51,945,400	54,242,300	55,850,800
Less:						
Property Taxes for Other Governments (Estimate)	(21,021,800)	(21,941,800)	(22,654,600)	(23,108,900)	(23,567,000)	(23,948,300)
Portion of Grants in Place of Taxes	(143,700)	(165,800)	(169,200)	(172,500)	(176,000)	(179,600)
	(21,165,500)	(22,107,600)	(22,823,800)	(23,281,400)	(23,743,000)	(24,127,900)
Net Municipal Taxes	23,880,700	25,251,000	26,562,800	28,664,000	30,499,300	31,722,900
Grants in Lieu of Taxes	462,400	489,000	498,800	508,800	518,900	529,200
% of Revenue Tax	399,500	410,000	418,200	426,700	435,200	444,000
Taxes for Municipal Purposes	24,742,600	26,150,000	27,479,800	29,599,500	31,453,400	32,696,100
Fees and Charges	7,435,300	7,714,000	7,866,800	8,035,000	8,207,400	8,382,700
Revenue from Other Sources	1,050,100	1,178,500	1,157,600	1,136,900	1,116,000	1,095,400
Transfers from Other Govt & Agencies	1,880,900	1,683,400	1,719,200	1,755,700	1,793,200	1,830,900
Transfers-Reserves	1,756,600	1,504,500	1,063,500	748,500	673,500	673,500
Transfers-Surplus	1,791,700	2,100,300	1,140,800	553,800	150,000	150,000
	38,657,200	40,330,700	40,427,700	41,829,400	43,393,500	44,828,600
Equity in Capital Assets	4,000,000	4,250,000	4,250,000	4,250,000	4,250,000	4,250,000
	42,657,200	44,580,700	44,677,700	46,079,400	47,643,500	49,078,600
EXPENDITURES						
Operating Expenditures						
General Government	4,132,200	4,392,500	4,412,400	4,471,300	4,618,500	4,628,900
Protective Services	8,579,100	8,735,100	9,003,400	9,266,000	9,932,600	10,241,500
Public Works Services	7,925,000	7,859,300	7,686,300	7,551,000	7,387,200	7,633,300
Environmental Health Services	3,197,400	3,296,700	3,385,700	3,481,800	3,581,200	3,683,700
Public Health Services	305,600	345,300	350,900	356,500	362,400	368,600
Development Services	2,021,600	2,239,900	2,101,100	1,984,600	2,019,400	2,054,500
Parks, Recreation & Cultural Services	7,192,800	7,511,000	7,423,500	7,549,300	7,674,100	7,805,200
Total Operating Expenses	33,353,700	34,379,800	34,363,300	34,660,500	35,575,400	36,415,700
Amortization	4,000,000	4,250,000	4,250,000	4,250,000	4,250,000	4,250,000
Total Expenses	37,353,700	38,629,800	38,613,300	38,910,500	39,825,400	40,665,700
Transfer to Capital Fund	2,811,000	3,052,200	3,041,300	4,050,600	4,264,100	4,098,700
Transfer to Reserve Funds	2,492,500	2,898,700	3,023,100	3,118,300	3,252,900	3,418,200
Transfer to Surplus	-	-	-	-	301,100	896,000
	5,303,500	5,950,900	6,064,400	7,168,900	7,818,100	8,412,900
	42,657,200	44,580,700	44,677,700	46,079,400	47,643,500	49,078,600

General Operating Revenues	2018 Budget	2019 Budget	2020 Proposed Budget	2021 Proposed Budget	2022 Proposed Budget	2023 Proposed Budget
PROPERTY TAXES						
GENERAL PROPERTY TAXES	21,111,900	22,245,100	23,376,000	24,548,700	25,697,200	26,749,600
GENERAL PROPERTY TAXES - New Construction	400,000	450,000	400,000	400,000	400,000	400,000
INFRASTRUCTURE & ASSET MANAGEMENT LEVY	-	220,800	288,700	302,200	380,200	463,700
B.I.A. TAX	60,000	60,000	60,000	60,000	60,000	60,000
DEBT LEVY	1,272,500	1,250,100	1,477,200	2,369,900	2,956,100	3,020,700
GEN TAX SUPPLEMENTARY ADJ	(75,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
LIBRARY	1,255,000	1,340,800	1,280,100	1,305,700	1,331,800	1,358,500
Total Municipal Property Taxes	24,024,400	25,416,800	26,732,000	28,836,500	30,675,300	31,902,500
TAXES COLLECTED FOR OTHER AUTHORITIES (Estimate)	21,021,800	21,941,800	22,654,600	23,108,900	23,567,000	23,948,300
Total Property Taxes	45,046,200	47,358,600	49,386,600	51,945,400	54,242,300	55,850,800
GRANTS IN PLACE OF PROPERTY TAXES	462,400	489,000	498,800	508,800	518,900	529,200
1% REVENUE TAX	399,500	410,000	418,200	426,700	435,200	444,000
Total Taxes	45,908,100	48,257,600	50,303,600	52,880,900	55,196,400	56,824,000
Less:						
TAXES COLLECTED FOR OTHER AUTHORITIES (Estimate)	(21,021,800)	(21,941,800)	(22,654,600)	(23,108,900)	(23,567,000)	(23,948,300)
PORTION OF GRANTS IN PLACE OF TAXES	(143,700)	(165,800)	(169,200)	(172,500)	(176,000)	(179,600)
	(21,165,500)	(22,107,600)	(22,823,800)	(23,281,400)	(23,743,000)	(24,127,900)
Net Municipal Taxes	24,742,600	26,150,000	27,479,800	29,599,500	31,453,400	32,696,100
SALES OF SERVICES						
GENERAL GOVERNMENT	18,000	20,000	20,400	20,800	21,200	21,600
PROTECTIVE SERVICES	740,500	728,200	742,700	757,500	772,700	788,000
PUBLIC WORKS SERVICES	2,000	2,000	2,000	2,000	2,000	2,000
ENVIRONMENTAL HEALTH (Solid waste)	2,827,400	2,999,100	3,088,000	3,180,800	3,276,200	3,373,400
PUBLIC HEALTH (Cemetery)	74,000	75,500	77,000	78,500	80,100	81,700
RECREATION & CULTURAL SERVICES	1,703,400	1,802,800	1,837,300	1,871,900	1,907,400	1,943,400
	5,365,300	5,627,600	5,767,400	5,911,500	6,059,600	6,210,100
REVENUE FROM OWN SOURCES						
GENERAL GOVERNMENT SERVICES	44,000	44,000	44,700	45,400	46,200	47,000
PROTECTIVE SERVICES	129,000	127,700	130,100	132,700	135,400	138,100
PUBLIC WORKS SERVICES	35,300	20,700	20,900	21,200	21,500	21,700
ENVIRONMENTAL HEALTH	371,200	385,000	385,000	385,000	385,000	385,000
PUBLIC HEALTH	75,000	76,500	78,000	79,600	81,100	82,800
DEVELOPMENT SERVICES	1,350,100	1,364,600	1,371,600	1,389,000	1,406,800	1,424,700
RECREATION & CULTURAL SERVICES	65,400	67,900	69,100	70,600	71,800	73,300
INVESTMENT, PENALTIES AND GENERAL REVENUE	1,050,100	1,178,500	1,157,600	1,136,900	1,116,000	1,095,400
	3,120,100	3,264,900	3,257,000	3,260,400	3,263,800	3,268,000
TRANSFER FROM OTHER GOVERNMENTS AND AGENCIES	7,435,300	7,714,000	7,866,800	8,035,000	8,207,400	8,382,700
FEDERAL GOVERNMENT & AGENCIES	1,415,800	1,265,000	1,290,300	1,316,100	1,342,400	1,369,200
PROVINCIAL GOVERNMENTS & AGENCIES	368,200	316,000	322,300	328,700	335,300	341,900
LOCAL GOVERNMENT AND OTHER AGENCIES	96,900	102,400	106,600	110,900	115,500	119,800
	1,880,900	1,683,400	1,719,200	1,755,700	1,793,200	1,830,900
TRANSFERS FROM OTHER FUNDS						
RESERVES	1,756,600	1,504,500	1,063,500	748,500	673,500	673,500
PRIOR YEARS SURPLUS	1,791,700	1,331,300	1,140,800	553,800	150,000	150,000
RESERVE FOR FUTURE EXPENDITURE	-	769,000	-	-	-	-
Total Surplus	1,791,700	2,100,300	1,140,800	553,800	150,000	150,000
Total Other Funds	3,548,300	3,604,800	2,204,300	1,302,300	823,500	823,500
TOTAL REVENUES	38,657,200	40,330,700	40,427,700	41,829,400	43,393,500	44,828,600

General Operating Fund Expenses		2018 Final	2019 Final	2020 Proposed	2021 Proposed	2022 Proposed	2023 Proposed
		Budget	Budget	Budget	Budget	Budget	Budget
EXPENSES							
OPERATING & OTHER EXPENDITURES							
General Government Services							
Legislative Services		269,900	329,800	314,500	319,400	324,300	349,300
Corporate Administration		2,172,700	2,223,200	2,186,100	2,228,400	2,279,200	2,289,600
Financial Services		1,906,400	1,943,800	1,977,800	2,012,500	2,048,300	2,084,400
Information Technology		1,140,600	1,156,500	1,222,000	1,217,500	1,261,700	1,256,100
Common Services		159,500	157,900	159,100	160,900	162,300	164,300
Other General Government		(51,400)	79,200	68,400	68,600	130,300	69,000
Subtotal		5,597,700	5,890,400	5,927,900	6,007,300	6,206,100	6,212,700
Allocation to Water and Sewer Fund		(1,465,500)	(1,497,900)	(1,515,500)	(1,536,000)	(1,587,600)	(1,583,800)
		4,132,200	4,392,500	4,412,400	4,471,300	4,618,500	4,628,900
Protective Services							
Police Protection		6,439,900	6,523,800	6,772,100	6,997,300	7,227,700	7,494,300
Fire Protection		1,836,300	1,887,500	1,903,000	1,936,200	2,367,800	2,400,900
Emergency Management		78,100	97,800	97,800	97,800	97,900	102,700
Animal Control		68,200	69,500	70,900	72,300	73,900	75,300
Bylaw Enforcement		92,900	91,700	93,400	94,900	96,500	98,200
Parking Control		63,700	64,800	66,200	67,500	68,800	70,100
		8,579,100	8,735,100	9,003,400	9,266,000	9,932,600	10,241,500
Public Works Services							
Public Works		1,280,000	1,350,100	1,465,400	1,381,100	1,397,000	1,414,000
Engineering		924,600	1,094,700	1,011,300	775,500	709,200	718,100
Asset Management		818,600	574,100	375,300	361,600	368,000	539,600
Roads & Streets		1,634,100	1,737,100	1,729,100	1,742,100	1,754,800	1,767,800
Storm Sewers		629,400	633,700	640,500	647,700	654,800	662,000
Bridges		67,000	70,200	71,400	72,600	73,800	75,100
Transit Shelters		6,900	7,600	7,800	7,900	8,100	8,200
Street Lighting		727,400	742,600	749,900	763,900	768,200	787,400
Traffic Signals		95,100	91,500	91,900	92,200	92,500	93,100
Civic Properties Maintenance		408,900	334,500	356,700	481,500	335,600	341,100
Parks		2,413,300	2,571,200	2,597,300	2,626,000	2,653,500	2,683,300
Subtotal		9,005,300	9,207,300	9,096,600	8,952,100	8,815,500	9,089,700
Internal Allocation / Fleet Recovery		(1,080,300)	(1,348,000)	(1,410,300)	(1,401,100)	(1,428,300)	(1,456,400)
		7,925,000	7,859,300	7,686,300	7,551,000	7,387,200	7,633,300
Environmental Health Services							
Residential Collection		3,024,500	3,131,900	3,255,700	3,350,600	3,448,500	3,549,800
Dog Stations		32,300	28,200	28,500	28,700	29,100	29,300
Miscellaneous		9,000	6,500	6,500	6,600	6,700	6,700
Litter Baskets - City Crew		131,600	130,100	95,000	95,900	96,900	97,900
		3,197,400	3,296,700	3,385,700	3,481,800	3,581,200	3,683,700
Public Health Services							
Cemetery		305,600	345,300	350,900	356,500	362,400	368,600
		305,600	345,300	350,900	356,500	362,400	368,600
Development Services							
Planning and Zoning		861,800	1,083,400	1,029,100	894,800	911,300	927,700
Subdivision Development & Servicing		506,000	493,200	401,500	408,100	414,800	421,600
Building Inspection		591,200	600,700	607,900	619,100	630,700	642,600
Other Community Development		62,600	62,600	62,600	62,600	62,600	62,600
		2,021,600	2,239,900	2,101,100	1,984,600	2,019,400	2,054,500

General Operating Fund Expenses	2018	2019	2020	2021	2022	2023
	Final	Final	Proposed	Proposed	Proposed	Proposed
	Budget	Budget	Budget	Budget	Budget	Budget
Recreation & Culture						
Recreation Administration	1,123,600	1,201,600	1,123,600	1,141,000	1,158,700	1,176,700
Childrens Programs	419,800	420,400	425,800	431,400	437,000	442,800
Adults Programs	496,300	500,400	508,700	517,400	526,200	535,100
Youth Programs	232,700	241,700	245,800	249,900	254,100	258,300
Outdoor Pool Programs	117,500	121,100	123,400	125,800	128,100	130,600
Preschool Programs	86,000	83,700	85,300	86,800	88,500	90,100
July 1st Commission	50,400	64,800	65,100	65,200	65,400	65,700
Special Events	42,700	39,900	40,200	40,400	40,700	40,900
Courtenay Recreation Association	75,800	48,300	48,300	48,300	48,300	48,300
Adapted Programs	118,900	121,600	123,800	125,900	128,000	130,200
Summer Camps Programs	279,100	302,400	306,200	310,200	314,200	318,300
Lewis Centre	1,236,300	1,351,200	1,314,200	1,339,500	1,363,700	1,390,800
Filberg Centre	709,200	716,600	727,800	739,700	751,000	763,700
Outdoor Pool	126,500	136,400	137,200	139,400	141,400	143,600
Youth Centre	74,300	86,900	87,300	88,600	89,600	90,800
Native Sons Hall	67,900	69,600	70,100	71,000	71,700	72,800
Recreation	5,257,000	5,506,600	5,432,800	5,520,500	5,606,600	5,698,700
Sid Williams Theatre	320,100	317,500	315,800	321,200	326,700	332,200
Museum	228,100	214,800	211,500	215,400	219,600	223,500
Library	1,285,800	1,367,100	1,394,000	1,421,800	1,449,800	1,478,500
Art Gallery	66,000	64,600	58,500	59,200	60,200	61,100
Civic Square & Heritage Church	35,800	40,400	10,900	11,200	11,200	11,200
Cultural Services	1,935,800	2,004,400	1,990,700	2,028,800	2,067,500	2,106,500
	7,192,800	7,511,000	7,423,500	7,549,300	7,674,100	7,805,200
Total Operating Expenses	33,353,700	34,379,800	34,363,300	34,660,500	35,575,400	36,415,700

GENERAL	Unaudited	Budget		Proposed Budget		
Surplus, Reserves and DCC Summary	2018	2019	2020	2021	2022	2023
General Operating Surplus						
Prior Year Surplus	4,072,800	2,741,500	1,600,700	1,046,900	1,198,000	1,944,000
Sid Williams Theatre Society	285,900	275,900	265,900	260,900	255,900	260,900
Gaming Funds	1,762,200	1,762,200	1,587,200	1,587,200	1,587,200	1,587,200
	6,120,900	4,779,600	3,453,800	2,895,000	3,041,100	3,792,100
General Capital Surplus						
Surplus Reserve for Future Expenditures	769,000	-	-	-	-	-
Unexpended Debt	1,668,464	1,322,878	70,492	6,293	6,293	6,293
	2,437,464	1,322,878	70,492	6,293	6,293	6,293
Total General Surplus	8,558,364	6,102,478	3,524,292	2,901,293	3,047,393	3,798,393
General Operating Reserves						
Risk Reserve	102,300	102,300	102,300	102,300	102,300	102,300
Assessment Appeals	50,700	50,700	50,700	50,700	50,700	50,700
Police Contingency	560,200	360,200	365,000	374,700	389,400	409,200
Trees	4,500	4,500	4,500	4,500	4,500	4,500
	717,700	517,700	522,500	532,200	546,900	566,700
General Capital Reserves						
Machinery and Equipment	1,211,200	1,214,700	1,389,700	1,589,700	814,700	924,700
Land Sale	152,600	69,100	69,100	69,100	69,100	69,100
New Works and Equipment	3,577,800	2,026,900	1,570,400	1,486,800	1,472,700	1,630,300
New Works - Community Gas Tax Funds	1,954,700	1,425,300	1,030,300	885,300	550,200	310,200
Infrastructure Reserve	663,000	560,200	248,000	153,900	310,400	669,500
Housing Amenity	669,500	669,500	565,800	565,800	565,800	565,800
Park Amenity	554,800	554,800	454,800	254,800	54,800	54,800
Public Parking	53,700	60,300	67,000	73,800	80,600	87,500
Parkland Acquisition	271,700	271,700	271,700	271,700	271,700	271,700
	9,109,000	6,852,500	5,666,800	5,350,900	4,190,000	4,583,600
Total General Reserves	9,826,700	7,370,200	6,189,300	5,883,100	4,736,900	5,150,300
Total General Surplus and Reserves	18,385,064	13,472,678	9,713,592	8,784,393	7,784,293	8,948,693
Development Cost Charges (DCC)						
Highways Facilities	3,239,800	2,757,200	2,147,500	1,653,300	1,276,300	884,300
Storm Drain Facilities	1,504,800	1,504,800	1,504,800	1,480,800	1,480,800	1,480,800
Park Land Acquisition	370,700	364,500	166,500	33,000	33,000	33,000
Total DCC	5,115,300	4,626,500	3,818,800	3,167,100	2,790,100	2,398,100