



City of
**Campbell
River**

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2016-2025 Financial Plan

City of Campbell River Mayor and City Council



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City of Campbell River 2016-2025 Financial Plan

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Executive Summary

The City has faced significant financial challenges in past years. The City is rich in forestry history and is the home to many of British Columbia's (BC's) leaders in the logging sector. In early 2000's, BC's coastal forestry economy took a steep dive which for Campbell River, culminated with the closure of its pulp and paper mill in 2012. The community lost many high-paying jobs and the City itself dealt with the 25% loss in property taxation. Residential property owners took on some of this burden, but the remainder involved an internal review of the City's operations and related cuts to service levels, cuts to capital funding and the use of existing reserve funds to balance the budget. Since 2012 the City has continued to hold the line on the budget while continuing to review the budget for reductions where possible. This has led to a strained and highly publicized Financial Planning process with pressure on City Council and staff to maintain service with little to no tax increase followed by large one-time increases to offset the ongoing increases to costs.

The 2016 Financial Plan was a strategic and foundational process that was focused on developing long-term financial stability for the City. The City could no longer continue to hold taxation and maintain services and infrastructure; reserves continued to be depleted with minimal annual replenishment, therefore the City decided to forge a new path. This included an assessment of the current financial realities and developing a program that would provide for long-term stability and resiliency for the City's citizens and eliminate the volatility in the annual tax increases.

Many new initiatives were undertaken in the 2016 Financial Planning process which resulted in a comprehensive program the City has named the *Financial Resilience and Stability Program*. This program includes many foundational components that ensure the City is using its resources in the most efficient manner and produces a stable annual tax increase. The key components include: a ten year financial plan, annual budget parameters, reserve restructure and net funding model, reserve waterfall structure, business case decision making, and zero based operational budgeting.

The City's commitment to developing a long-term sustainable path included expanding the financial plan from a five year to a ten year plan. This resulted in more realistic budgets; therefore, reducing the pressure of finding funding, while providing a long-term financial planning focus.

Out of the long-term plan and the focus on stability, annual budget parameters were developed for each component of the City's Financial Plan. The parameters consider base operating budget, service level increases, and capital investment. The base operating budget tax increase is at 1.5-2% annual tax increase, which is to cover base inflationary costs such as wage contract settlements, fuel, and insurance. There is pressure for local governments to maintain services at a 0 or 1% tax increase, which ultimately results in spikes in taxes every few years to catch up to the annual cost increases or results in cuts to service. Therefore, the base operating budget parameter is key to long-term stability in the budget. There are many demands for new or enhanced services on local governments however in order

to maintain stability in the budget the City had to make some tough decisions as it relates to deciding which services would be added while maintaining the annual budget parameter of 0-0.5% tax increase. Lastly, the annual parameter for capital funding is 0.5-1% tax increase which in itself is not a significant amount of funding in any one year; however the annual capital funding will continue to build. The budget parameters developed, and approved by Council, ensure that the City has adequate funding to maintain services with slight enhancements, including the maintenance of capital infrastructure, with a 2.5-3.5% annual tax increase over the ten year plan. This provides ongoing stability and certainty for Council, staff and the citizens moving away from the annual financial pressure and uncertainty the City has faced during Financial Planning in recent years.

The City has many reserve accounts set aside for specific purposes which has been a significant benefit in the financial constraints of recent years; however, the reserves established were done on an ad hoc basis and the City did not have a reserve policy to manage these reserves. A reserve policy development and reserve restructure was undertaken in the fall of 2015. The restructure established minimum and maximum balances and resulted in the categorization of four main categories of reserves: accumulated surplus, operating & opportunity reserves, capital reserves and mandatory reserves. The core change was reducing the number of risk related reserves including insurance, legal, snow clearing into a financial stabilization reserve that covers off any emergent or unplanned risk issue in any one year. The efficient use of reserve funds is also encompassed in the net funding model where annual reserve contributions are allocated where needed as it relates to capital to ensure funds are not sitting idle and the City can complete works as necessary.

The waterfall system developed in the reserve restructure ensures the annual surplus is utilized to cover key financial needs of the City through the reserve structure. The annual surplus flows into the accumulated surplus account to cover working capital or cash flow to pay bills until taxation revenue is collected, any excess is then transferred to the financial stabilization reserve in the event of an emergent issue, then excess is transferred to the capital reserves net funding model to fund the infrastructure deficit.

2016 Financial Planning was the first year that the business case development was used to analyze key capital projects. Debt funded or key revenue generation projects were reviewed with full analysis on alternatives, with both operational and financial impacts. This aids Council's decision making during Financial Planning and ensures the City is allocating scarce resources to the best outcome.

The major wins for the City are the stability provided by a long-term planning horizon coupled with the consistency, surety and risk reduction regarding future services. For our elected officials the *Financial Resilience and Stability program* offers huge political wins as the local government is viewed as a leader in sound fiscal practices. Impact on public confidence cannot be understated. Internally, good governance goes a long way to increase staff morale and promotes the local government as a great employer. The 2016 Financial Planning process was a pivotal year for the City setting a new path and a new way of doing business that sets the City up for long-term success and to moving past its past challenges and instead focusing on successful future.

City of Campbell River Community Profile

Named one of the top five quality of life destinations in North America by Foreign Direct Investment Magazine, Campbell River offers a balanced lifestyle surrounded by nature. With the waters of Discovery Passage at our shoreline and majestic mountains as a backdrop, Campbell River is located at the 50th parallel on the east coast of northern Vancouver Island. We are the third largest city on the island, with a population of 32,000, and the urban service centre and hub community for approximately 60,000 people living and working in our region.

Campbell River is located midway along Vancouver Island's eastern shore. Natural beauty and community amenities here offer an unparalleled lifestyle that gives residents, businesses and visitors room to grow and space to breathe.

From eco-adventures and internationally renowned salmon fishing to skiing at Mount Washington, safe streets to cultural treasures, fine dining to golfing, boutique shopping to advanced educational opportunities, community festivals to parks and trails for all ages and abilities, Campbell River has it all!

As the thriving central hub of the northern Vancouver Island and central coast region, Campbell River is a city with friendly small-town character. Which makes us a natural home for companies looking for a highly accessible location, abundant natural resources and first-class transportation and communication networks. Add a skilled labour force and a talented pool of experienced managers, and this is one of the most advantageous environments in the Pacific Northwest

Employment by Sector

Sector	Number	% of Population
Agriculture and Other Resource Industries	1,970	12.9%
Construction	985	6.5%
Manufacturing	1,505	9.8%
Wholesale Trade	335	2.2%
Retail Trade	2,210	14.5%
Finance and Real Estate	645	4.2%
Health Care and Social Services	1,305	8.6%
Educational Services	875	5.7%
Business Services	4,635	30.4%
Other Services	775	5.0%
Total	15,240	100.0%

Source: Financial Post Canadian Market Demographics, 2011 (Economic Development sourced document)

Historical Highlights



Incorporated as a Village in 1947 and later designated a Municipal District, Campbell River became a City in 2005. In 1948, the Elk Falls John Hart Dam hydro development project changed the landscape of Campbell River, enabling the growing community to prosper.

In 1958, a national heritage event “rocked” Campbell River. The Ripple Rock explosion removed the top of a marine hazard in Seymour Narrows that had claimed at least 114 lives. The spectacular blast moved 100,000 tons of rock and water, allowing larger vessels through the passage. At the time, the Ripple Rock blast was the world’s largest man-made explosion.

These and other interesting historical facts are showcased on more than 20 information panels found around the Museum and in the downtown area of the city.



Photograph by R.E. Olsen

Campbell River’s motto “Enriched by Land and Sea” describes the city’s spectacular setting and abundant natural resources: the ocean, river, forests and earth that have helped build our community for more than a century. Campbell River is accessible by land, sea and air and is a great base for recreation and industry throughout the North Island and Central Coast. With our rich natural resource background, integrated social services, a number of stewardship firsts, award winning drinking water quality and a world-class reputation as a tourism destination, the city’s economy is set for high levels of investment and even more diversity.



Demographics

Selected Census Characteristics	
Campbell River	
Characteristics	2011 Census Data
Total population in private households by citizenship	30,725
Canadian citizens	30,075
Canadian citizens aged under 18	6,135
Canadian citizens aged 18 and over	23,940
Not Canadian citizens	650
Labour Force (15+years)	15,810
Employed	14,365
Unemployed	1,440
Participation rate (ppt.=percentage points)	61.5%
Employment rate	55.9%
Unemployment rate	9.1%
Total Population 25 to 64 years by education	17,220
No certificate, diploma, or degree	2,270
High school certificate or equivalent	5,090
Post-secondary certificate, diploma or degree	9,855
Apprenticeship/trades certificate or diploma	3,015
College, CEGEP or other certificate or diploma	4,140
Certificate or diploma below bachelor level	590
University certificate, diploma or degree	2,100
Bachelor's degree	1,365
Certificate diploma or degree above bachelor	735
Median Income (2010)	28,329
Males	39,201
Females	21,537
Median Family Income of economic families (2010)	69,484
Dwellings	13,425
Owned	9,975
Rented	3,450

2011 Census Profiles can be found at www12.statcan.gc.ca

Source: Statistics Canada. Notes: statistics are from the 2011 Census

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Non-Financial Goals

Corporate Vision, Values and Mission

“This is what we strive to achieve as we move towards 2025”

Vision 2025

ECONOMIC PROSPERITY

Looking back over our history, Campbell River needs economic prosperity in order for the community to thrive and grow. That means diversification and growth of industry, with business opportunities supported by an appreciation that we have come from a background of resource extraction and must now find ways to seek economic prosperity through sustainable economic directions and trends.

NATURAL ENVIRONMENT

Throughout the visioning exercise, the one thing that all people brought forward was the element that sets Campbell River apart: our natural environment. The recently completed Strategic Parks Plan references that we are the gateway to the wilderness. We cherish those values that support a thriving natural environment.

RECREATION

In order to be a healthy, thriving and safe community, we need to provide recreation opportunities for our residents. This is something that we have to continue to pursue in the future.

INCLUSIVITY AND DIVERSITY

We need to be inclusive of all peoples, types and ages in Campbell River to make it a dynamic community that reaches its full potential. We must expand our opportunities for inclusivity and work with all social elements to improve the lives of all Campbell Riverites, no matter their economic station, ethnic background or when they came to the community. We must simultaneously support and nurture our diversity.

CULTURE AND HERITAGE

Campbell River has an interesting and unique culture and heritage that needs to be nurtured and supported. This must be a focus in our vision for the future. We need to build from our past strengths as we create a new future for Campbell River, thus enriching our culture and heritage.

HEALTH AND SAFETY

Campbell River has a vision to be the major urban centre on North Vancouver Island. To do that, we need to ensure that we are a healthy and safe community. This means provisions for health care and public safety through community effort to make this the safest and healthiest community on Vancouver Island.

EXCELLENCE IN LOCAL GOVERNMENT

Seeking excellence in the provision of local government sets a high standard for the future, and we should aspire to provide the best local government based on our resources that we can. This will ensure that we are open, responsive, responsible and accountable.

DYNAMIC FAMILIES

A community and business culture in Campbell River that attracts, supports and retains families will be integral to the future prosperity of our City. We need to ensure all of our families have the opportunity to thrive. By including child and family priorities in policies, planning, services and programs, we will ensure all of our children have the best possible start. Dynamic families are created through social connectedness, promoting diversity and economic security and providing healthy and safe home and work environments.

MISSION STATEMENT

The mission of the Corporation of the City of Campbell River is to deliver quality services in a fiscally responsible manner that promotes prosperity and social, economic and environmental health for current and future generations.

CORPORATE VISION STATEMENT

The Corporation of the City of Campbell River is:

- well run
- results oriented
- accountable
- inclusive
- responsive
- innovative
- an adaptive organization
- a great place to work and work with



CORPORATE VALUES

Communication | Both internal and external communication that is timely, constructive, concise, honest, clear and respectful is valued.

Ethics | Integrity, honesty and professionalism are valued.

Empowerment | Staff is empowered to innovate and be creative in performing duties. Effort and achievement are appreciated and recognized.

Teamwork | Teamwork, including mentoring, cooperation, support and participation is valued.

Respect | Council and staff respect and value the democratic process and each other's contribution to it, the corporation and the community.

Professionalism | Learning, professional development and mentoring are valued and supported by both Council and staff.

Safe and Healthy Workplace | A safe and healthy workplace is promoted and supported.



Strategic Plan 2015-2019

“EACH AND EVERY DECISION COUNCIL MAKES WILL BE APPROACHED IN A FISCALLY RESPONSIBLE MANNER THAT PROMOTES PROSPERITY AND SOCIAL, ECONOMIC AND ENVIRONMENTAL HEALTH FOR CURRENT AND FUTURE GENERATIONS.”



FOCUS ON RELATIONSHIPS

- We recognize our role as a regional hub and offer services to neighbouring communities in a manner that is financially responsible and sustainable for our residents.
- We value our first nations neighbours and seek alignment and opportunities to work together
- We understand that a community is strengthened through diversity and is defined by how it treats its most vulnerable.



FOCUS ON ECONOMIC GROWTH

- We will align our internal processes in support of economic health within the community.
- We want a vibrant and prosperous downtown core.
- We support our tourism industry in attracting visitors and business to the city.



FOCUS ON LIVABILITY

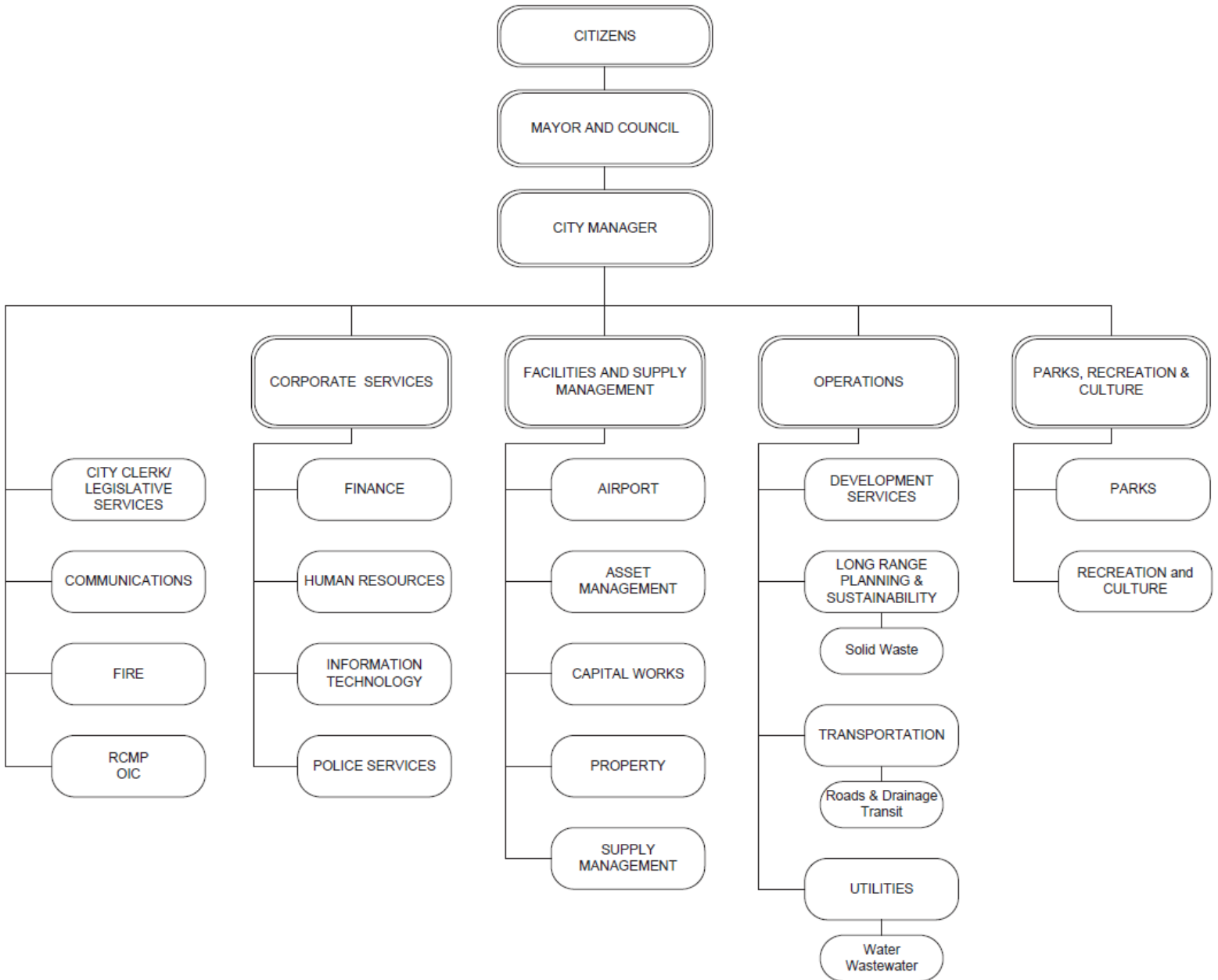
- We will address community safety issues for transportation and infrastructure in campbell river
- We recognize access to recreational and cultural amenities as key to a healthy, vibrant and livable community.
- We will ensure a marine and river waterfront that is open and accessible.

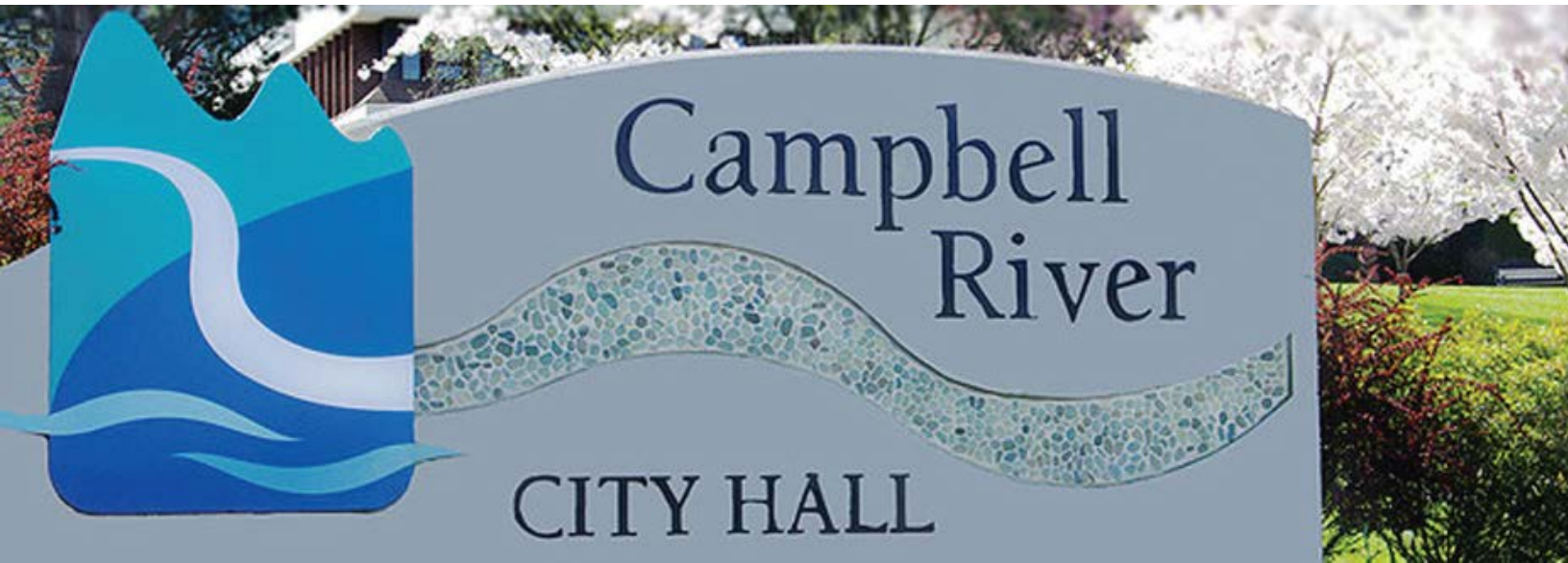


FOCUS ON MANAGEMENT AND GOVERNANCE

- We actively support a regional solution for management and reduction of solid waste.
- We plan proactively for the long term costs of maintaining our critical infrastructure.
- We value community input and will be disciplined in defining the scope of advisory groups etc.

Organization Chart





Departmental Reviews and Goals

The City Manager assists Council in establishing its strategic direction for the City, promotes Council teambuilding and acts as the liaison for the Mayor. The City Manager also provides recommendations to Council that reflects relevant facts, options and professional opinion pertaining to issues considered by Council.

The City Manager's Office takes the lead role in managing the implementation of policy direction that has been established by Council. It provides managerial leadership, control and direction to all City departments and operations. It is responsible for planning and implementing policies necessary for sustaining excellence in City operations and staffing.

Legislative Services & Bylaw Enforcement

Legislative Services serves as the communication hub between Council, its advisory bodies, staff and the public. The department also serves as the City's historian, responsible for maintaining the City's official records. Legislative Services manages the City's liability claim files and provides risk management advice to all City departments. Bylaw Enforcement is responsible for administering and enforcing the City's regulatory bylaws, including management of the animal control and parking enforcement contracts.

Legislative Services

- City Hall reception and switchboard
- Preparation, administration, maintenance and execution of official City records
- Agendas, minutes and action reports
- Bylaws
- Contracts and agreements
- Policies and procedures
- Corporate records management and access to information
- Commission/committee staff support
-



Bylaw Enforcement/Animal Control

- Respond to complaints
- Education and advice
- Enforcement, including remedial action and prosecution
- Parking enforcement
- Animal control
- Pound services

Risk Claims Management

- Risk management advice to all City departments
- Claims management
- Insurance administration

2015-2016 Objectives

- Implement paperless agendas for senior management and council
- Ongoing revision/improvements to regulatory bylaws
- Ongoing preparation of new policies and agreements as identified
- Provide ongoing support for Council's commissions and committees
- Assist the Mayor's office with the creation and support of three new task forces
- Phase 2 evaluation and recommendations for the City's corporate records management system
- Recruit second bylaw enforcement officer
- Implement new vacant building regulations
- Update the Regional District contract for animal control in Area D
- Renew the City's five-year property equipment break down and fidelity insurance brokerage agreement

Communications Department

This department is responsible for corporate communications initiatives, including corporate branding, news releases and citizen surveys, and ensuring that information is distributed to employees and community members, using multiple methods, to promote positive working relationships.

Working with other City departments, Communications helps research, plan and develop materials to provide clear, consistent and complete information about City programs, events and initiatives as well as the local government decision-making process. The goal: to share information with Campbell River citizens – and to encourage valuable feedback that helps us improve City services.

2015-2016 Objectives

- Launch last of the series online promotional videos
- Crisis Communications team training
- E-newsletter for community
- Plan for information sharing through screens in facilities, on-hold messages
- Review and update advertising policy
- Downtown Revitalization video

Fire Department

The Fire Department strives to deliver quality services in a fiscally responsible manner to citizens of Campbell River and under contract with the three local First Nation communities and the area south of Campbell River in the Strathcona Regional District. Service delivery is supported through a well-established safety and training program.

Services provided:

- Fire suppression; vehicle extrication; hazardous material mitigation; environmental protection; confined space rescue, technical rope rescue, structural collapse rescue and pre-hospital medical emergency care
- Fire inspections of multi-residential, public assembly, industrial and commercial properties; promotion of compliance to the Provincial Fire and Building Codes and local Municipal Bylaws
- Public education and awareness
- Dispatching of 51 fire departments through a cost-sharing contract with the North Island 911 Corporation

**2015-2016 Objectives**

- Council approval of Fire Services Plan
- Acquire property for relocation of No. 1 Fire Hall
- Implement new records management system
- Implement bar code system for asset management
- Provide Leadership Insights training to City staff
- Assist with online Material Safety Data Sheet system implementation
- Train and certify staff to National Fire Protection Association Aerial Operations Standard.
- Auxiliary recruitment to maintain membership at No. 1 & No. 2 halls
- Negotiate and sign mutual aid agreement with all Strathcona Regional District fire departments
- Take delivery of 100-foot ladder truck aerial apparatus
- Update Fire Services Bylaw

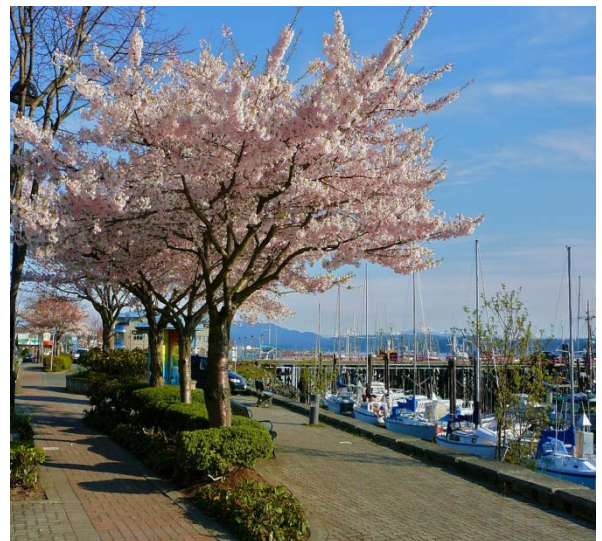
Led by the General Manager, the Corporate Services division consists of the following departments:

- Finance
- Human Resources
- Information Technology
- Police Services

Finance Department

The core services provided by the Finance Department are:

- Financial reporting
- Financial planning and budgeting
- Investments
- Debt management
- Grant management
- Tangible capital assets
- Property taxes levy and collection



- Utility billing
- Accounts receivable
- Accounts payable
- Payroll

2015-2016 Objectives

Implementation of electronic funds transfer system for payment of suppliers and contractors

Implementation of electronic remittance of payroll source deductions and GST/PST

Reserve restructuring and analysis to ensure reserve levels and structure are appropriate

Develop a 10-year capital plan for financial planning

Manage cash flows and debt levels with significant capital projects including, water supply system

Human Resources

The Human Resources Department is responsible for providing a variety of services, including:

- Workforce planning, including staffing and recruitment, to meet current and anticipated workforce needs
- Maintaining effective relationships between the organization and its employees including the collective bargaining process and union relations
- Ensuring competitive alignment and internal equity of employee benefits and compensation
- Facilitation of training and development opportunities to meet current and future organization needs
- Continuous focus on occupational health and safety

2015-2016 Objectives

- Collaborate actively with all City departments to optimize organizational structure and performance
- Successfully negotiate renewal of IAFF collective agreement (expires Dec. 31, 2015)
- Utilize HRIS technology to improve efficiency and enhance value-added service
- Develop corporate and department plans to address issues identified in the HR department review
- Continue to enhance workplace health & safety program, utilizing Certification of Recognition (COR) framework and implementation of audit recommendations

Information Technology

This department delivers the following services to the City and taxpayers:

- Provides strategic planning and coordination for all City of Campbell River technology initiatives

- Keeps all network services operational so that staff can communicate internally and with residents
- Keeps the major business applications operational to meet City's business requirements
- Keep current with new technology and implement to improve efficiency and cost-reduction
- Supports City websites and interactive maps

2015-2016 Objectives

- Replace internet gateway
- Complete agreement for access to City infrastructure for TELUS Mini-Cell rollout
- Implement new phone system at Sportsplex
- Expand virtualization of server environment
- Relocate Water department
- Replace Citrix with VM View
- Complete Mobility Request for Proposal (RFP)
- Complete CLASS replacement RFP
- Implement Mobile Device Management solution
- Implement Council paperless agendas
- Complete implementation of Human Resources Information System (InfoHR)
- Implement new Tempest Business Licensing module
- Complete Public Sector Accounting Board statement of assets
- Complete documentation of Standard Operating Procedures for all GIS Functions
- Implement citizen engagement mobile application
- Establish Data Sharing Policy
- Complete Cartegraph, Vadim and Tempest application data integration and collaboration



Police Services

Policing and protective services address crimes related to substance abuse, property and traffic law enforcement, as well as crime reduction strategies and initiatives. Services include, but are not limited to:

- Community Policing
- Victim Services
- Restorative Justice Program
- Crime Stoppers
- First Nations Policing
- School Liaison
- Summer Bike Patrol

- D.A.R.E. Program
- Citizens on Patrol
- Auxiliary Constable Program
- Crime-Free Multi-Housing Program
- Community Response Unit (CRU)

2015-2016 Objectives

- **Police/Community Relations:** The RCMP is committed to continue to be active within the community by participating in as many events as possible.
- **Drug Enforcement:** The RCMP is committed to combatting the negative effects of alcohol/drug use within the community. This will be achieved by teaching DARE to all Grade 6-7 students. In addition, police are committed to targeting those individuals within the community who sell drugs.
- **Traffic Enforcement:** The RCMP is committed to making our roads safer by focusing on distracted driving as well as impaired driving throughout Campbell River.
- **First Nations Policing:** The RCMP has the objective to contribute to safer and healthier First Nation Communities. This will be achieved through both proactive enforcement as well as cultural sensitivity training.
- **Crime Reduction:** The RCMP will continue to focus on crime reduction strategies specifically targeting the downtown core of Campbell River. The RCMP will try to decrease the effects of alcohol abuse in this area by decreasing the number of incidents of Cause Disturbance/ Drunk in a Public Place. This will be achieved through a number of initiatives, including foot and bike patrols.
- **Implementation of Live Scan criminal fingerprint system.**
- **Civil forfeiture of property believed to represent the proceeds of crime and other unlawful activity.**
- **Continued Crime Reduction Strategies and crime analysis forecasting to proactively reduce calls for service.**

The Facilities and Supply Management Division works closely with all City departments and building tenants.

- Campbell River's YBL is a safe and cost-effective airport.
- Asset Management manages the City's facilities and fleet.
- Capital Works handles all capital projects.

- Property Services manages real estate transactions and civic properties.
- Supply Management manages all major purchasing and contracting competitions for City goods and services.

Airport

The Campbell River Airport is governed by a City Council appointed Airport Authority. The Airport Authority has implemented a governance policy framework that sets out the guiding principles for the operation of the airport.

The Campbell River Airport Authority provides a safe and efficient airport for the general benefit of the public at a cost similar to airports of comparable size and service characteristics.

The Campbell River airport (YBL) operates 24 hours a day, seven days per week.

Maintenance staff is on site from 5:30 a.m. to 11 p.m. daily, and are responsible for ensuring the airport operates in compliance with Canadian Aviation Regulations.

Services include:

Runway maintenance

- Snow and ice control
- Pavement sweeping, painting and edging
- Runway lighting
- Wildlife control

Field maintenance

- Mowing
- Ditch maintenance
- Drainage management

Safety and Security

- Security for commercial apron and airside lands
- Field checks

Airport Buildings

- Terminal building



- Airport administration and maintenance shops

2015-2016 Objectives

- Complete new low visibility lighting system for aircraft
- Promote expanded passenger service
- Review opportunity for increased charter flights
- Continue to actively market the YBL advantage
- Prepare Request for Proposal for aviation fuel facility
- Prepare Master Plan

Asset Management Department

The Asset Management Department ensures City facilities and fleet vehicle assets are managed and maintained in a safe, efficient, cost-effective and sustainable manner. The department is also responsible for Stores inventory and central dispatch out of the Dogwood Operations Centre.

City facilities include:

- City Hall
- Centennial Building (Art Gallery, Visitor Info Centre)
- Centennial Pool
- Community Centre
- Cultural Buildings
- Discovery Pier
- Dogwood Operations Centre
- Enterprise Centre
- Fire Halls No. 1 & 2
- Maritime Heritage Centre
- Museum
- Parks Outbuildings
- RCMP Building
- Pound
- Sportsplex
- Sybil Andrews Cottage
- Tidemark Theatre



The City's fleet consists of approximately 110 pieces of rolling stock (General Fleet – 74, Airport – 20, Fire Dept. – 16) as well as approximately 100 additional pieces of auxiliary equipment, trailers, small engines, pumps, tow-behind equipment and small tools.

The City's Stores operation stocks approximately 1600 SKUs (stock keeping units) at an approximate value of \$250,000, providing goods, materials and services to many City departments.

2015-2016 Objectives

- Centralize fleet maintenance and management activities across the City's entire vehicle and equipment portfolio
- Work with a variety of City departments to develop long-term asset management strategy for physical assets including all City facilities
- Implement a GPS tracking system for the general fleet providing improved response times, fleet management and staff safety
- Undertake a number of capital projects including a new digital surveillance system within the Police and Public Safety Building, emergency power systems at City Hall, the Community Centre, and Sportsplex and the acquisition of a new sewer/vacuum truck

Capital Works Department

The Capital Works Department focuses on the consistent delivery of all of the major capital projects approved for construction in the City's Long Range Capital Plan.

Services provided by the department align with the phases of major project delivery, evolving from a support role early on in the project life cycle to the lead role when the project goes into design and construction, followed by support during the maintenance period. The department work effort peaks during the construction process to ensure all necessary support and controls are in place and that the project is delivered in accordance with the objectives and constraints.

Department tasks can generally be described as:

- Long-range strategic planning: identifying project priorities and aligning with overall delivery schedule in coordinated effort with departmental project sponsors
- Design development: increasingly the department is being relied upon to manage the design development process ensuring project objectives are clearly understood and translated into effective and efficient design packages.
- Development of project completion plans describing methodology to be used delivering the work. The project completion plans are then used in refining and updating budget estimates and act as a means of evaluating a project's readiness to advance.
- Financial controls: defined, implemented and managed by the department, ensuring accurate cost tracking, records management and reporting is maintained through the design and construction phases.
- Contract administration: securing and management of all contracts associated with the construction phase, including the design and contract administrators and their associated

teams, the general contractors and their related subcontractors and all associated miscellaneous support contracts. For smaller projects (<\$1M), the contract administrator function has now been delivered entirely with in-house resources.

- Site inspection: continuous on-site presence during construction activities to assist in ensuring project objectives are met in an efficient manner and to provide contact and information to affected area residents and partners
- Communications: development and implementation of project communications plans ensuring all affected stakeholders are provided with timely and accurate information on project impacts and progress
- Progress reporting: accurate and timely reporting to all stakeholders within and outside the organization
- Project close-out: requires final acceptance and assurance that objectives have been achieved and all necessary reporting and external partner claims have been completed and all project record information has been received, validated and incorporated into the City's records management system.
- Maintenance period: once a project is complete and in service, the department manages the maintenance period requirements and supports the project sponsor.
- This department also provides a significant amount of support to operational departments throughout the organization; including updating and maintaining all base mapping information with project digital records. This department is also relied upon to support the procurement process with heavy reliance on reviewing contract and procurement terms for other areas of the organization to ensure compliance and best practices.

2015-2016 Objectives

Complete design and construction for the following projects:

- Campbell River Water Supply Phase 1
- Campbell River Water Supply Phase 2
- NVEC upgrade: Phase 2
- Water Treatment Facility Project
- Robron Park Artificial Turf Project
- Lift Station No.11
- Highway 28 Water Service Renewal

Property Services Department

This department strives to create and maintain sustainable land based resources, both land inventory and land reserve funds. This is done by strategic acquisition and disposition of land in a way that ensures

maximum benefit to the community now and in the future. Management of these real estate assets and civic properties includes: leases, operating agreements, purchase and sale negotiations, rights-of-way, easements, and acquisitions/disposal of real property as well as addressing issues arising from occupants of City-owned property and managing all property issues that arise from City capital projects.

2015-2016 Objectives

- Complete waterfront acquisition strategy
- Complete downtown parking strategy
- Continue internal review of lease agreements for City-owned property
- Continue transition of records to an electronic format to streamline department workflow
- Create digital catalogue of City property for website
- Continue to identify and market surplus City properties
- Coordinate land acquisitions in support of capital projects and key waterfront sites
- Continue to negotiate land access agreements to facilitate the capital project for City water treatment centre

Supply Management Department

Supply Management is an essential professional service tasked with ensuring that best value is found and that purchasing decisions are made without bias or favour. This department also manages the disposal of surplus equipment in a legally compliant, ethical and cost-effective manner. By maintaining and adhering to a strict purchasing policy and following bylaws and domestic and international trade agreements, the department ensures that purchases are accountable and maintains high standards for goods and services procured using public funds.

2015-2016 Objectives

- Consolidate the City's office supply and paper purchases with one supplier to achieve greater efficiencies and reduce costs
- Prepare an updated purchasing policy for Council's consideration
- Tender all approved major capital projects.
- Review current corporate purchasing card program, financial banking and audit services providers
- Review project requirements with staff members to ensure purchasing procedures deliver best value to all departments
- Centralize city-wide purchases with Stores operations to realize cost savings and improve supply requirements
- Review the purchasing process to improve approval requirements

The City's Operations Division consists of the:

Development Services Department
 Long Range Planning and Sustainability Department
 Transportation Department
 Utilities Department



Development Services Department

A single point of service related to:

- Business Licensing
- Development Engineering Review
- Current planning—Development Applications (Official Community Plan amendment, rezoning, subdivision, development permits, variance permits and Agricultural Land Reserve applications)
- Building Permits and Inspections

2015-2016 Objectives

- Complete Soil Deposition Bylaw update
- Complete further Building Bylaw updates
- Complete Planning Procedures Bylaw update
- Complete Subdivision & Development Servicing Bylaw update
- Complete Board of Variance Bylaw update
- Initiate Sign Bylaw Review
- Update Business Licence Bylaw, Policies and software
- Complete Zoning Bylaw update
- Complete Waterfront Development Permit Guidelines
- Undertake minor updates to the Official Community Plan
- Deliver the Downtown Façade Improvement Program
- Support the development of Campbellton Neighbourhood Association's community garden and Riverfront viewing platform projects

Long Range Planning & Sustainability Department

The Long Range Planning & Sustainability Department's objectives are to ensure that the City's actions and decisions consider social, environmental and economic community values. While an important focus is the

City's corporate actions, the department also provides a support and educational role in influencing community actions and decisions.

Key duties include:

- Implementing and providing leadership around the City's Integrated Community Sustainability Plan
- Ensuring corporate Climate Action Charter compliance and greenhouse gas reduction planning
- Community-wide energy planning and conservation (including pursuit of alternative energy opportunities)
- Solid waste diversion, reduction and public education
- Management of the curbside garbage, recycling and yard waste collection programs
- Fostering and supporting community environmental stewardship groups in their initiatives
- Ensuring corporate alignment with environmental regulations and best management practices
- Participating in provincial sea level rise regulatory review and implementation
- Implementing the City's Agriculture Plan
- Corporate Green Team facilitation
- Pursuing funding opportunities for community and corporate sustainability and environmental projects
- Providing support, as required, for the City's Advisory Planning and Environment Commission
- Reviewing land use development applications
- Overseeing long range planning and social planning

2015-2016 Objectives

- Complete Annual Climate Action Charter Reporting
- Support the Parks Department in meeting the annual terms and conditions of the Foreshore agreement with the Department of Fisheries and Oceans (updated action plan, updated beach nourishment monitoring program and updated vegetation management plan)
- Begin climate adaptation planning for Campbell River
- Administer the Provincial Woodstove Exchange Program.
- Complete Invasive Plant Management Summary and five-Year Implementation Plan: City of Campbell River Municipal Lands and Environmentally Sensitive Areas
- Develop and implement an education program to support the Environmental Protection Bylaw
- Continue to address noxious weeds (knotweed and yellow flag iris) with project partners
- Continue to work with the stewardship community on the breadth of their programming from Canada Goose banding to stream and beaver management

- Provide ongoing development application review
- Continue participation in the Green Building Leaders Program
- Continue energy upgrades to City facilities
- Continue to increase waste diversion through education programs and service improvements
- Complete Phase 2 of the Urban Forest Management Plan with the Parks Department
- Continue to support the Youth Action Committee
- Develop and roll out Phase 2 of Power Down Campbell River community energy retrofit program

Solid Waste

Responsible for curbside collection of garbage, recyclables and yard waste for single family and duplex residential properties, as well as optional services for triplexes and fourplexes, and the delivery of waste reduction education and programs.

2015-2016 Objectives

- Apply to the Strategic Priorities Fund for development of an organics facility and move forward with development of a regional facility in Campbell River
- Expand the curbside yard waste collection program
- Increase waste diversion through the Multi-Material BC (MMBC) recycling program
- Continue to encourage diversion of material from the landfill through participation in curbside recycling, yard waste collection and yard waste drop-off centre
- Review options for expansion of curbside collection program to include curbside organics
- Begin to review and evaluate options for curbside collection services to ensure adequate consideration of available options prior to expiration of current collection contract at the end of 2016
- Participate in Regional Solid Waste Management Advisory Committee

Transportation Department

Responsible for the overall coordinated management of the City's road network and public transit systems.



Drainage

The Drainage Department manages storm water runoff in the city.

2015-2016 Objectives

- Complete the Woodburn/Park Road Drainage project
- Update the Integrated Storm Water Management Plans
- Establish a Storm Water Utility
- Continue to expand the storm pipe inspection and flushing program

Public Transit

Public Transit is provided in Campbell River and portions of Electoral Area D of the Strathcona Regional District through partnership between BC Transit, Watson and Ash Transportation Ltd., the Strathcona Regional District (SRD) and the City of Campbell River. Service includes both conventional transit service and custom service for specialized transportation needs.

The central transit exchange is located in the downtown core, with seven bus bays on Cedar Street and 11th Avenue next to the Community Centre.



2015-2016 Objectives

- Continue to implement short-term recommendations of the Transit Futures Plan
- Initiate development of new transit routes, including local transit hubs in Campbellton and Willow Point
- Promote and market the Transit Pro-Pass
- Develop regional U-Pass
- Increase community awareness of transit services

Roads

The City's Roads Department is responsible for maintenance of the City's road network. Duties include:

- Road and sidewalk maintenance
- Snow and ice control
- Regulatory signage
- Traffic signals
- Street lighting
- Public parking lot maintenance
- Provision of labour and equipment for sewer and water system repairs/upgrades
- Provision of day-to-day drainage maintenance and operations
- Miscellaneous small scale capital works projects

2015-2016 Objectives

- Develop an asphalt rehabilitation program

- Continue with the LED streetlight initiative
- Add additional solar pedestrian signals
- Review Winter Maintenance Policy
- Continue with the streetlight preventive re-lamping maintenance program
- Continue with the sidewalk infill program
- Undertake improvements and traffic calming along Alder Street

Utilities Department

The Utilities Department is responsible for the overall coordinated management of the City's water and wastewater systems.

Water Department

The City of Campbell River aims to consistently meet community service expectations with cost-effective and sustainable delivery of safe, adequate, secure, reliable and aesthetically pleasing potable water.

The City of Campbell River owns and operates a water distribution system that provides high-quality potable water and water flow for fire protection to more than 30,000 City residents. The City also provides bulk water delivery to three First Nations and Area D of the Strathcona Regional District.

The water system includes protection of a 1,800-square-kilometre watershed and dual disinfection methods (ultra violet [UV] and chlorination) to produce the highest quality water possible. Water is delivered to the community through more than 290 kilometres of watermain, including three reservoirs, two UV/chlorination stations, three pump stations, more than 30 pressure-reducing stations and many valves and fire hydrants.

2015-2016 Objectives

- Construction of new water supply main from John Hart Lake
- Construction of new on-site sodium hypochlorite generation system
- Watermain renewal on Highway 28 (north of Doyle)
- Programmable Logic Controllers (PLC) renewal program
- SCADA upgrades
- Design of new booster pump station

Wastewater Department

This department provides both collection and treatment of sanitary sewage within the City of Campbell River and the three First Nations communities within City boundaries to protect public health and safety and minimize environmental impact. Wastewater treatment is provided via the Norm Wood Environmental Centre (NVEC) – a secondary treatment facility – and via the Industrial Park lagoon. Sewage collection is done through a series of 15 sewage pumping stations and more than 260 kilometres of sewer main.

2015-2016 Objectives

- Construction of headworks improvements at NVEC
- Complete design of waterfront sewer forcemain replacement (LS#7 to Hidden Harbour)
- Electrical Upgrades at lift station #11
- Odour control upgrades at Maritime Heritage Centre
- Aesthetic improvements at sewer facilities adjacent to Maritime Heritage Centre
- Pump replacements at Lift Stations #10 and #12
- Replacement of sewer combination sewer flushing/ vacuum truck
- Upgrades to the two original clarifiers at NVEC
- New automated wet well cleaning system in Lift Station #14
- Installation of online analyzers for process monitoring at NVEC
- Installation of generators at multiple sewage lift stations

Parks, Recreation and Culture oversees the operation of the Sportsplex, Community Centre, Centennial Pool, McIvor Lake and all of Campbell River's parks, sports fields, trails, dog parks, public open spaces and cemeteries. This City division works to enhance the lifestyle and health of people in the community through a variety of quality programs and services based on public consultation.

Parks, Recreation and Culture is committed to providing recreation and parks services for people of all ages, stages and abilities. To meet this goal in 2015, the division worked with the Community Services, Recreation and Culture Commission, Campbell River Access Awareness Committee, 50-plus Club, Greenways Land Trust, community sports groups, community service associations and a variety of focus groups specific to program interests.

Parks Department

The Parks Operations function within the Parks Department is responsible for the day-to-day management of parks, sports fields, trails, public open spaces and cemetery operations.

The Parks Projects function within the Parks Department is responsible for the implementation of the Strategic Parks Plan, parks and green space planning, implementation of Parks Parcel Tax projects as approved by City Council and liaison with various community members, groups and committees regarding matters relating to parks.

2016 Objectives

- Continue to implement Strategic Parks Plan
- Complete annual foreshore restoration project
- Develop two dog off-leash areas
- Complete Frank James Park Master Plan
- Complete Seawalk upgrade & repairs
- Complete Walter Morgan Shed refurbishment
- Facilitate development of the Willow Point bike park
- Facilitate fundraising for and construction of the Robron Park Field House
- Install Light Canopy at Tidemark/Library courtyard
- Complete installation shade sails at Willow Point Splash Park
- Complete detailed design and construction of phase 1 of the Elk Falls Cemetery upgrade project
- Complete Nunns Park Master Plan
- Develop 2017 Action Plan Active Plan for the Urban Forest Management Plan
- Complete Robron Park artificial turf project
- Complete construction of the Maryland Neighborhood Park and trail project
- Complete construction of the Dogwood Street Trail
- Install new swings at Campbellton Neighborhood Park
- Complete installation of new Ostler Park playground
- Complete detailed design for the Ostler Park upgrade project
- Install Spirit Square flag poles
- Install permanent outdoor washrooms at Baikie Island Park
- Complete upgrade of Nunns Creek Park electrical system
- Complete replacement of Logger Mike

Recreation and Culture Department

Providing a wide variety of recreation and culture services for people of all ages, stages and abilities, we focus on community engagement and partners with many different organizations to provide services to keep residents active and healthy.

2015-2016 Objectives

- Hire Marketing and Administration Supervisor.
- Implement marketing plan
- Develop customer service enhancement plan
- User Rates and Fees review
- Research potential for weight room expansion
- Conduct group RFP process for recreation management software replacement
- Establish public art sub-committee and develop financing strategy for Public Art Policy
- Develop policies to secure financial contribution for recreation and cultural facilities from outlying areas



2015 Strategic Planning Calendar

APRIL	MAY	JUNE
		June 1 Finance begins preparation on 2016 budget labour model documents.
JULY	AUGUST	SEPTEMBER
July 2 Finance begins preparation on 2016 budget base model documents.	Aug. 1 Finance begins preparation on 2016 all capital plans and service level change request (SLCR) documents. Aug. 20 Council Survey due	Sept. 1 All budget documents distributed to management (base budgets, labour models, capital plans and SLCRs). Sept. 8 Finance - Budget preparation presentation to management. Sept. 25 Base and labour models due to Finance.
OCTOBER	NOVEMBER	DECEMBER
Oct. 9 SLCR requests due to Finance. Oct. 23 10-Year Capital models due to Finance.	Nov. 2 Operating and capital cfwd's due to Finance. Nov. 3 Council Pre-Budget Workshop #1. Nov. 9 Management Budget Review - Base Budget. Nov. 10 Management Budget Review - SLCRs. Nov. 12 Management Budget Review – Capital. Nov. 16 SMT Final Budget Review with General Managers. Nov. 24 Council Pre-Budget Workshop #2. Nov. 30 Budget package distributed to Council.	Dec. 7-9 Financial Planning Deliberations.

Council Survey

Council was surveyed in August 2015 to ensure that Council was satisfied with the Financial Planning process. Below are the results that set the foundation for 2016 Financial Planning.

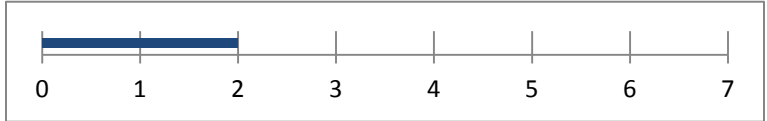
2016 Financial Planning Survey Summary of Results from Council

1. Would you prefer to have more, less or the same quantity of information provided for each of the following:

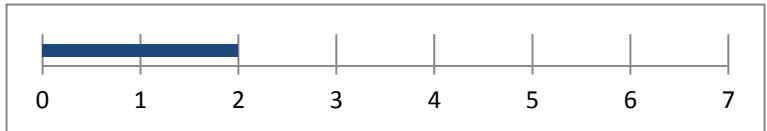
	Less	Same	More	No response
Base Budget	-	4	2	1
Capital Projects	-	3	4	-
Service Level Change Requests (SLCRs)	-	4	3	-
Comments:				
	<i>"More detail by department as to what work plan drives the budget."</i>			
	<i>"Relevant comparisons so we can make good judgment decisions for the future."</i>			

2. How do you prefer the budget information/package to be presented?

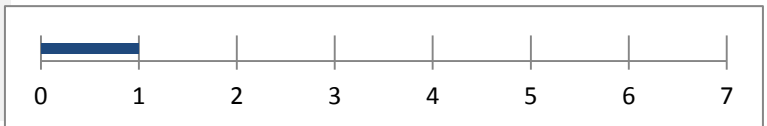
Summarized – all projects listed together on one page in consolidated format (similar to 2015 Financial Planning).



Segmented by department – budgets and projects grouped together by department (similar to 2014 Financial Planning).



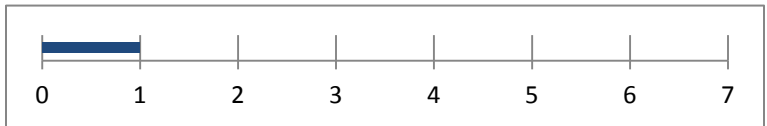
Each project displayed on one page (to include more information).



Presented by priority (these include business case, improved services, legislative, repair and maintenance).



Segmented by Council's strategic plan key priorities (relationships, economic growth, livability, management and governance).



Comments:

"I would also like to see some segmentation by Council strategic priorities."
"Would like to see where funding is combined from different reserves, utilities, etc. that are being used for one larger project. (there have been occasions where Council is not given the full picture of a project)."
"Need to see examples before deciding."

3. Overall, how would you rate each of the following:

	Exceeds Expecta- tions	Satisfactory	Needs Improvement	Poor
Timeliness of information	1	6	-	-
Comments:	<i>"There are times when the budgets are amalgamated to complete a project which goes beyond the Council allocation but has been approved within segmented budget lines. These should come before Council prior to proceeding."</i>			
Layout of information	1	6	-	-
Usefulness of information	2	5	-	-
Accuracy	2	5	-	-
Comments:	<i>"I expect accurate information with no mistakes." "Very good."</i>			
Written communication of information (i.e. Reports to Council)	-	7	-	-
Comments:	<i>"Need to be simple to understand and easy to compare data." "Some require clarity on use of funding."</i>			
Staff delivery of information during Financial Planning	3	3	1	-
Comments:	<i>"Would be useful to have the people who actually do the work to explain why they feel their part of the budget is important."</i>			
Opportunities for discussion during deliberations	-	6	1	-
Opportunities for public input throughout Financial Planning process	-	6	1	-
Alignment of budget information to Council's strategic plan	-	5	2	-

Overall ease of understanding 2015 budget

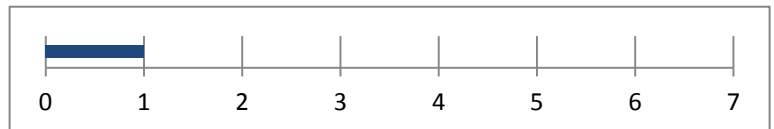
- 7 - -

Comments:

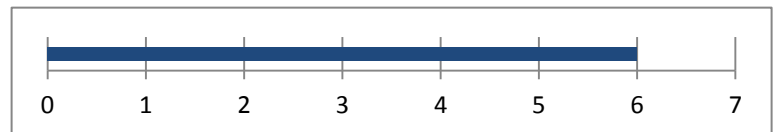
"I would like to see additional opportunities for discussion they could include a set time each week for any Council member(s) who want to come in and meet with staff to discuss an item or receive additional clarification."

4. Would you prefer to focus less on day-to-day operations (Base budget), while focusing more on long term strategic decisions that relate to Council's strategic plan (SLCRs and Capital projects)? This includes community safety issues for transportation and infrastructure, recreation and cultural amenities, marine and river waterfront accessibility, maintenance of critical infrastructure, reduction of solid waste and recognition as a regional hub with a focus on diversity, supporting those most vulnerable and obtaining community input and alignment with First Nations and other advisory groups.

Yes



Status Quo



Comments:

"No neither of the above. But survey require an answer. Need to ensure base budget aligns with council strategic goals and is not padded once that is done then move on to nice to do. We need to have a separate financial planning process that looks at long term financial requirements for infrastructure and base budget."

"I've left it at status quo but we need to be doing both. This needs to be a balance where we are making very strategic decisions that will impact future projects but at the same time have confidence in the base budget decision making process."

"Need to understand base budget AND SLCRs and Capital projects."

"Like to see a little more talk on the base budget."

5. Which of the following would be useful to you for 2016 pre-Financial Planning?

Budget basics (the process and steps of Financial Planning and what to expect)



Theory based educational workshops (i.e. reserves, debt, capital vs operating, etc.)



Strategic discussions on key issues (i.e. Fire hall, 16th Ave, Willis Rd, land purchases, social housing and programs, etc.)



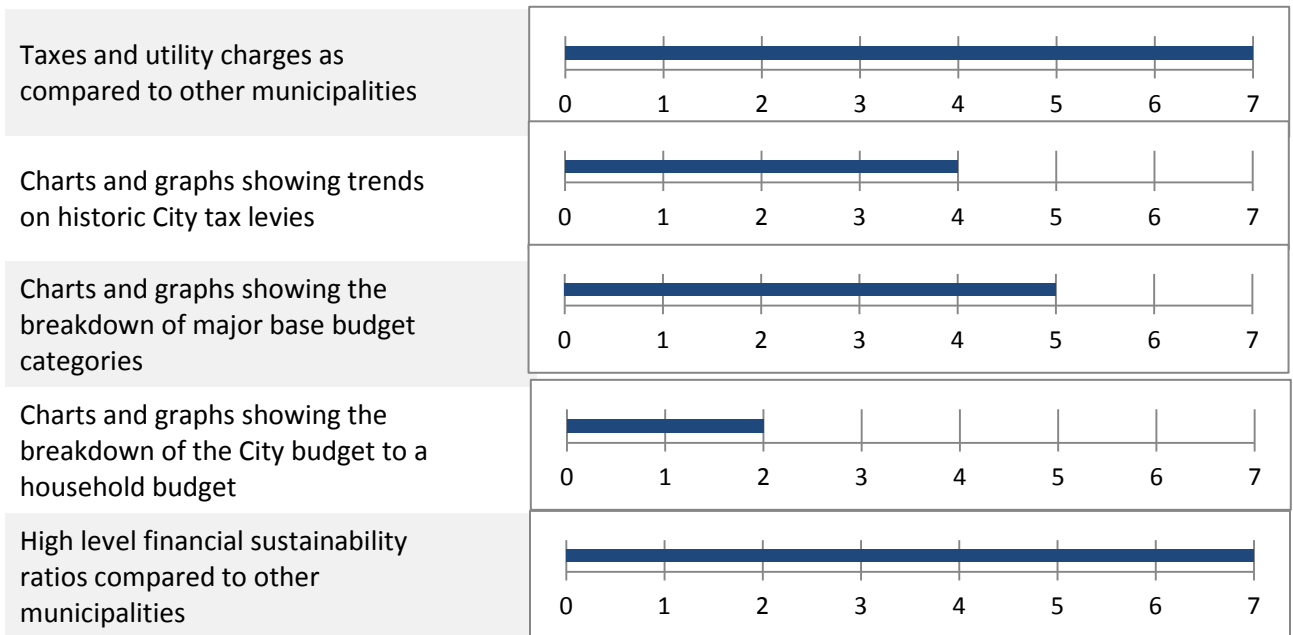
Strategic discussions on Council priorities and projects



Comments:

"Key issues should be the same as council priorities though they seldom are."

6. As a key decision maker for our community, are there specific financial indicators or trends that you would find helpful in making informed decisions during budget deliberations?

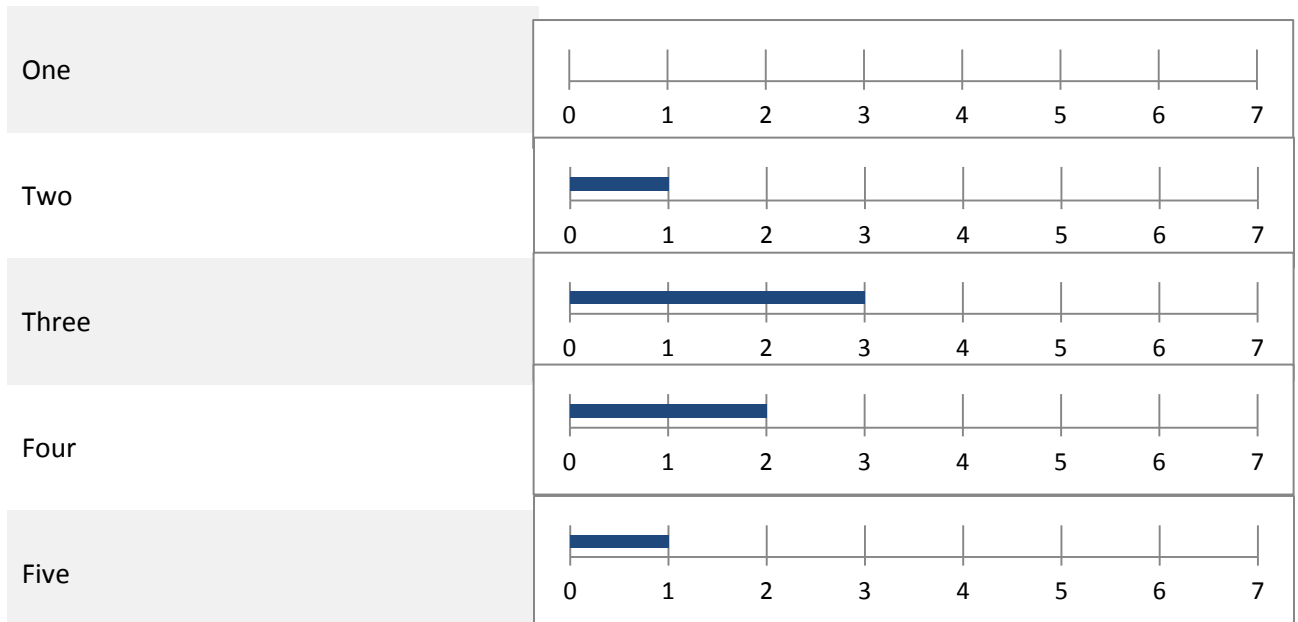


Comments:

"Actuals compared to budget and budget expenses per capita over time."

"I like to have access to information that I can choose how in-depth I need to go for specific items to make an informed decision."

7. How many days should formal budget deliberations in 2016 take? (2015 Financial Planning took 3 days)



Comments:

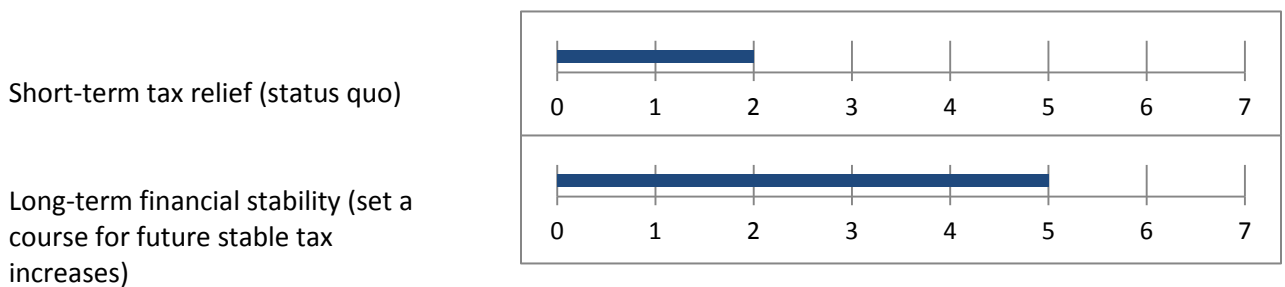
"Let's look at something different. As much time as required to get it right. Rather spend more time than less. Spread it out so it is not a marathon. Tired people don't make good decisions."

"As long as it takes to fulfill our role as a Council but typically 3-4 days should provide that."

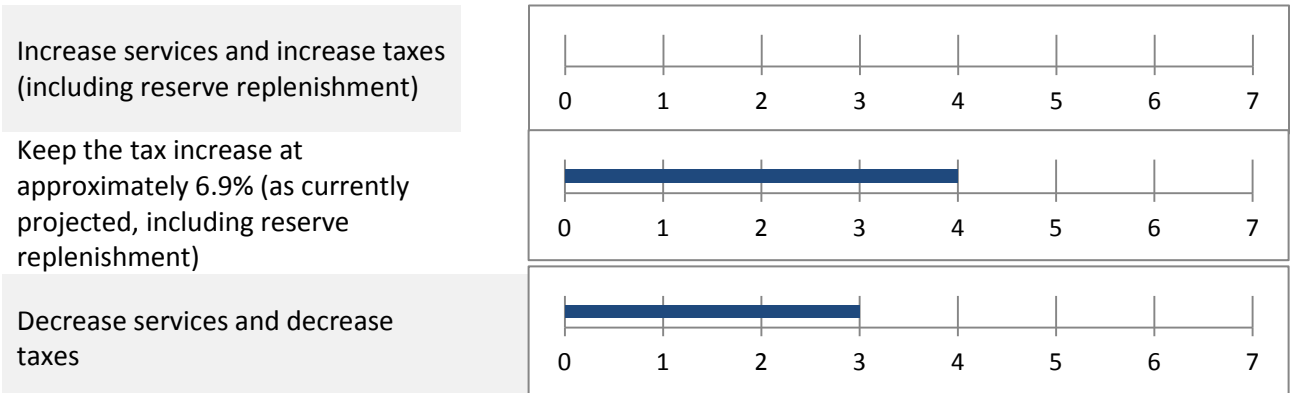
"2 to 3 max."

"3 max."

8. For 2016, should the budget focus on:



9. The five-year Financial Plan currently has a 6.9% tax increase for 2016. Which of these options do you consider the highest priority?



Comments:

"Staff need to be creative and innovative. Learn to deliver high quality services for less cost. Increase revenues from outside sources. "

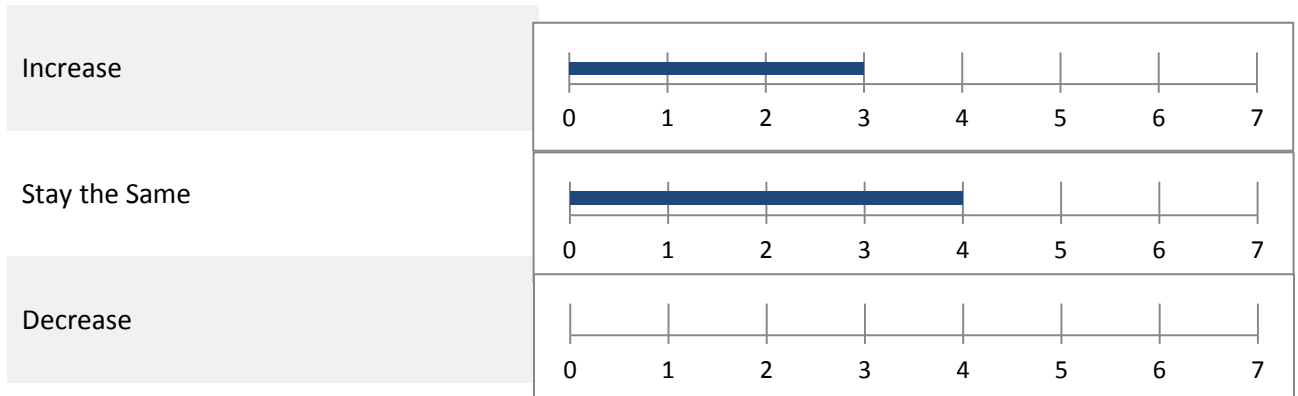
"There are significant infrastructure needs that the public needs to be informed of to ensure we can move towards long-term financial stability and future stable tax increases starting 2017."

"6.9% is not an option. Need a breakdown what is the makeup of this and where new revenues are being allocated."

"6.9% is not realistic. Capital Projects will have to be deferred."

"Increase services and keep taxes around 2%."

10. To assist with Financial Planning, the City invites public feedback via OCP engagement, Ipsos Reid citizen satisfaction surveys, Council meeting delegation opportunities and open Financial Planning meetings, to name a few. We also actively share information (through advertising, news releases and website documents and FAQs). The level of public involvement and communication related to Financial Planning should:



Comments:

"Suggest publicizing charts & graphs of how we compare to other municipalities."

11. Please share any other feedback to be considered for 2016 Financial Planning. Thank you!

Comments:

"I believe we need to move towards long term financial stability but the timing and process for how that happens needs to be a separate and well-deliberated discussion in addition to the annual financial planning process for 2016. I would appreciate having a schedule 'hour' set aside during the financial planning process that I know I can bring my questions to staff for input and support. I can then schedule my time around those dedicated resource times. Thank you."

"Base budget to be approved by early December with Capital and SLCR to be done by mid January."

"You did a great job on the 2015 Budget."

"I felt that the 2015 Financial Planning was well done. Thanks. We do need to look at the longer term to ensure a sustainable City."

2016 Financial Planning Overview

The City must prepare a five year financial plan each year based on the following legislation in the *Community Charter*.

- Section 165 of the *Community Charter* states that “The total of the proposed expenditures and transfers to other funds for a year must not exceed the total of the proposed funding sources and transfers from other funds for the year,” meaning that Municipal budgets are required to be balanced.
- Section 165 of the *Community Charter* also states that “A municipality must have a financial plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted.” The financial plan bylaw can be adopted at any time in the fiscal year.
- 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.”
- Section 197 of the *Community Charter* states that, after the adoption of the financial plan, Council must adopt the Tax Rates by Bylaw before May 15th of each year.

In addition to legislation, the City must follow its finance policy, which includes additional direction for debt, reserves, tangible capital assets and various other guiding principles to ensure the City is in compliance with its Bylaw (see Appendix 2).

Budget Process

As the above Strategic Planning Calendar for 2015 outlines, the Finance department begins preparing budget documents early in 2015 for management input in the fall. Once management has set their budgets it goes through a review process with finance and senior management. Finance and senior management want to ensure that zero budget increases occur, with the exception of inflationary items. Service level change requests and capital projects are discussed as a management team, which allows for collaboration between departments on relating projects. This aids in the delivery of Council’s strategic plan. Council will deliberate the 2016 financial plan in December, prior to the next fiscal year. The financial plan bylaw must be adopted prior to the adoption of the annual property tax bylaw before May 15, 2016. Section 165(9) of the *Community Charter* commonly referred to as the “no deficit rule,” requires that the total of proposed expenditures and transfers to funds must not exceed the total of funding sources and transfers from funds. Upon Council’s approval, the appropriate reporting will be provided to the Province. At any time subsequent to the original adoption, an amended to the financial plan can be adopted by Council that year.

Budget Parameters

The focus for 2016 financial planning is moving to long-term strategic planning from a short-term year by year focus. A financial plan has been developed that provides stability for the City's citizens while providing adequate funding for all levels of City services.

The 2016 Council Financial Planning Survey identified that Council would like to focus on long-term financial stability versus short-term tax relief for the 2016 budget process. The question was also asked whether the current 2015-2019 financial plan which included a 6.9% tax increase for 2016, which includes reserve replenishment, was palatable to Council. The overall feedback received was 6.9% was not an option or realistic. Therefore, budget parameters were developed as they relate to the different components of the budget which focus on a long-term strategy that will maintain service levels and invest in infrastructure on a gradual process.

The financial plan for the City is presented based on different components of the budget; base operating budget, service level increases and capital investment. Prior to Financial Planning, Staff proposed budget parameters, which Council approved to guide Financial Planning:

Budget Parameter 1 (a) – Taxation Base Inflation

In order to maintain services in the base operating budget the total estimated tax increase for base inflationary costs for contractual increases is estimated at 2% or approximately \$500,000 annually.

Budget Parameter 1 (b) – Taxation Service Level Changes (SLCR's)

The City has many requests from the public for increased service levels, however to ensure costs are maintained an annual cap on increased services of approximately 0% to 0.5% annual tax increase or up to \$125,000 per year for new service. In order to manage the demands and requests for new services while managing the budget, the City will also perform ongoing service level reviews to ensure that resources are being allocated where Council priorities and community needs are.

Budget Parameter 1 (c) – Taxation Capital Infrastructure Deficit

The City has an inventory of specialized machinery, equipment, technology and infrastructure that are necessary for efficient delivery of service. Adequate reserve contributions allow the City to provide ongoing spending to invest to maintain and upgrade our infrastructure. It is well documented by Federation of Canadian Municipalities that North America has a significant infrastructure deficit; Campbell River is one of those cities that also faces the need to complete significant upgrades to its capital infrastructure. However, considering the impact to the citizens on large one-time tax increases, an annual 0.5% to 1% increase to taxation will gradually undertake the deficit. Part of effective delivery of service is the investment and maintenance in the capital investment program.

Budget Parameter 2 – Net Funding to Capital

As per direction from Council to be strategic with any additional revenue sources, any new revenue outside of base operating are allocated to the capital investment program. This is assuming the base operating budget inflationary increases can be managed within the 2% parameter. Therefore, including the annual tax increase capital investment suggestion, Forts BC revenues, Downtown Revitalization Exemptions and Debt Servicing Retirement Costs estimates the annual capital investment will gradually increase and result in significant dollars in the long-term without requiring significant one-time tax increases that could overburden the citizens (see the Net Funding Schedule in Appendix 3).

Budget Parameter 3 – One-time Operating Projects

Operating projects or one-time Service Level Increases (SLCR's) are for one-time projects therefore they currently exist in the budget and do not have any tax increase effect if the amount invested annually is capped by a parameter. The parameter is 0.5% of a tax increase or \$125,000.

By developing parameters around the different components of the budget for base operating, service level increases and capital investment as it relates to the tax increase, staff can prioritize projects and services based on these parameters and adjust their work plans and expectations given suggested parameters. This significantly aids the budget process to ensure that staff present a financial plan that meets Council's strategic and financial goals.

As a result, budget parameters have been used to provide fiscal stability and maintain service levels. These parameters provide stability while providing an annual budget to account for inflationary costs to maintain base service levels, moderate service level increases and ongoing investment in the City's capital infrastructure. Further, by implementing the discussed long-term budget parameters it provides stability to the citizens and help remove the volatility in the annual budget process. Setting budget parameters demonstrates to Campbell River that it is continuously working towards financial health and stability which supports overall economic growth and investment in the community.

Financial Planning Presentation and Timeline

The budget has been broken down into three distinct phases:

- Base Operating Budget
- Capital Budget
- Service Level Change Requests (SLCRs)

The budget deliberations schedule has been established as follows:

Date	Time	Topic
Monday, December 7 th	9-3pm	<ul style="list-style-type: none"> • Public Presentations (5 minutes each) • Financial Planning Overview • Base Budget Presentation
Tuesday, December 8 th	9-3pm	<ul style="list-style-type: none"> • Public Presentations (5 minutes each) • Capital Budget Presentation
Wednesday, December 9 th	9-11:30am 1:30-3pm	<ul style="list-style-type: none"> • SLCR Budget Presentation <i>(Afternoon Optional)</i>
Thursday, December 10 th	9-2pm	<ul style="list-style-type: none"> • Financial Planning Summary <i>(Optional Meeting)</i>

Taxation

The primary funding sources for local governments to maintain service levels are taxation and user fees. There are other available funding sources the City can utilize, including other revenues, grants and debt. Reserves are a key funding source for maintaining and upgrading the City's capital infrastructure. This capital infrastructure allows the City to sustain and enhance service levels, and the funding sources for reserves are transfers from taxation and grants. Sound financial management focuses on ongoing investment in City infrastructure from own source funds without the reliance on external grant funding. The City is moving to long-term financial planning, which will support a stable and sound financial path.

Over the past few years the City has been recovering from the closure of the Catalyst mill and the resulting significant decrease in taxation for the major industrial tax class. As can be seen in the below table, Class 4 (Industrial) used to make up a significant portion of the overall tax levy with gradual decreases from 2009 to 2011, and a large decrease from 2011 to 2012 upon closure of the mill site. This resulted in some base service cuts and reduction in funding for the capital program, in addition to a significant residential tax class increase in 2012.

Year	Tax Levy Residential Class 1	Tax Levy Utilities Class 2	Tax Levy Industrial Class 4	Tax Levy Business Class 6	Tax Levy Managed Forest Class 7	Total Tax Levy All Classes
2009	\$12,874,994	\$1,009,524	\$4,650,477	\$4,971,988	\$1,026,445	\$24,825,940
2010	\$14,209,599	\$563,148	\$3,534,262	\$4,903,185	\$4,211	\$23,528,740
2011	\$15,049,279	\$569,448	\$2,161,149	\$4,876,910	\$22,320	\$23,049,305
2012	\$17,278,427	\$554,765	\$74,645	\$5,106,562	\$23,583	\$23,398,368
2013	\$18,203,724	\$545,755	\$54,429	\$5,060,310	\$29,058	\$24,294,640
2014	\$19,067,471	\$593,843	\$53,919	\$5,327,649	\$52,880	\$25,498,854
2015	\$19,654,397	\$743,467	\$54,788	\$5,525,725	\$101,351	\$26,486,131

In 2014, Council made the decision to increase property tax rates for Class 2 (Utility) and Class 7 (Managed Forest) in order to bring the rates in effect for those two classes in line with the provincial average rates. Class 2 is being increased over four years (2014-2017) and Class 7 over three year (2014-2016). The increases in taxation revenue from this decision has provided additional funding outside of the annual tax increase.

Year	Class 2 (Utilities) Additional Revenue	Class 7 (Managed Forest) Additional Revenue	Total Increase in Property Tax Revenues
2014	\$60,000	\$35,000	\$95,000
2015	120,000	35,000	\$155,000
2016	120,000	35,000	\$155,000
2017	120,000	-	\$120,000
Total	\$420,00	\$105,000	\$525,000

Non-market changes in the tax assessment base are related primarily to growth and development in the community. Campbell River has seen significant growth in recent years, both residentially and commercially. The residential non-market change has been the primary driver of additional tax revenues from new development in recent years, with 2014 as a peak year; however, there has been a gradual decrease since 2014.

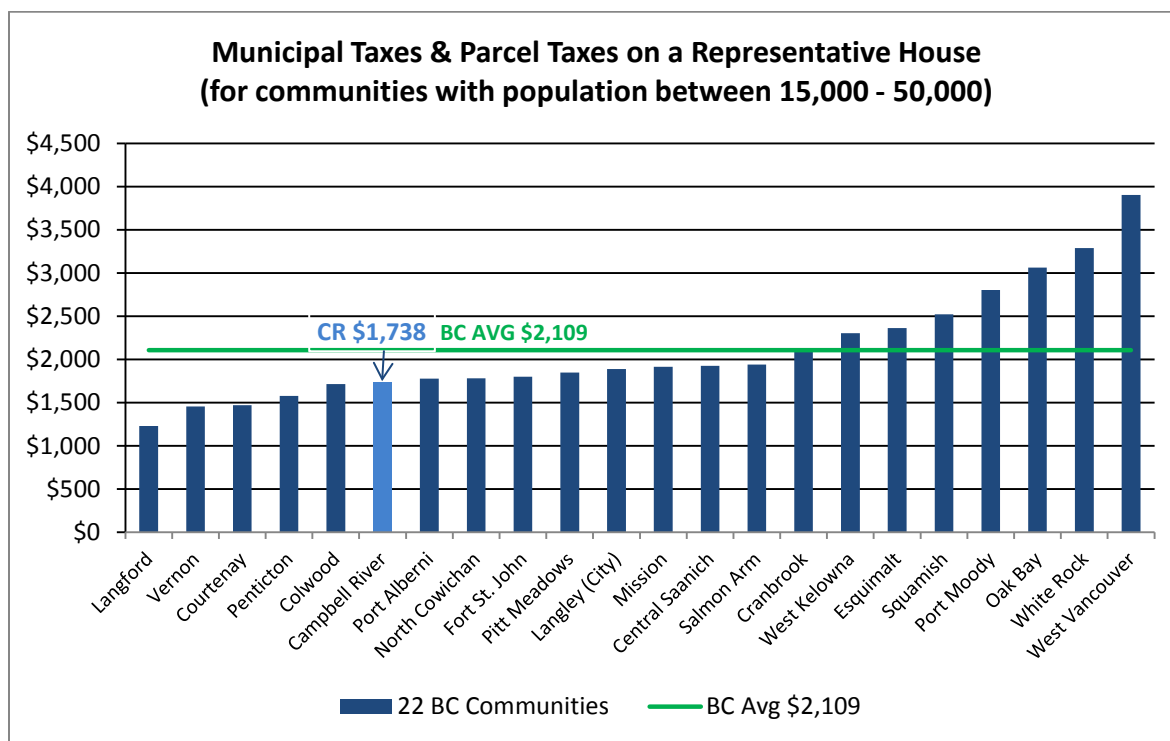
As can be seen in the table below, the 2016 estimated non-market change is much lower than in past years due to a slight decrease in residential construction as well as a couple of key changes in the business class 6; one related to the hotel moving to the downtown revitalization exemption bylaw for five years starting in 2016, in addition to a significant loss in assessment related to a large commercial store closure (the former Target) in the City.

Year	Non-Market Change Increased Tax Revenue
2013	\$253,000
2014	\$467,000
2015	\$316,000
2016	\$170,000

A 1% tax rate increase in 2016 provides for an estimated increase in taxation revenues of approximately \$250,000.

Since 2012, the City has struggled to maintain and enhance services with increased demand for services by the community and with downloading from senior governments. The annual tax percentage increase in recent years has been:

Year	Annual Tax Increase
2011	4.1%
2012	13.6%
2013	3.9%
2014	2.9%
2015	1.7%



The focus for 2016 financial planning has been to stabilize the annual tax rate increase for current and future years, while providing ongoing funding to maintain base service levels, allowing for moderate increases in service levels and also to provide funding for ongoing maintenance and investment in capital infrastructure. As such, the budget parameters include a conservative annual allocation for each component of the City's budget and replaces the large swings in tax increases with consistent and predictable values.

The move to long-term financial planning and providing stability in the annual budget and tax increase will ensure citizens can appropriately budget their finances and will allow the City to maintain expected service levels and funding needed to sustain and enhance the City's amenities and necessary infrastructure. This will help ensure that Campbell River continues to grow and prosper as a community

and be a place that residents feel proud to live in; in turn, promoting construction and economic development that provides economic returns for all citizens, as well as the City.

Reserve Restructure

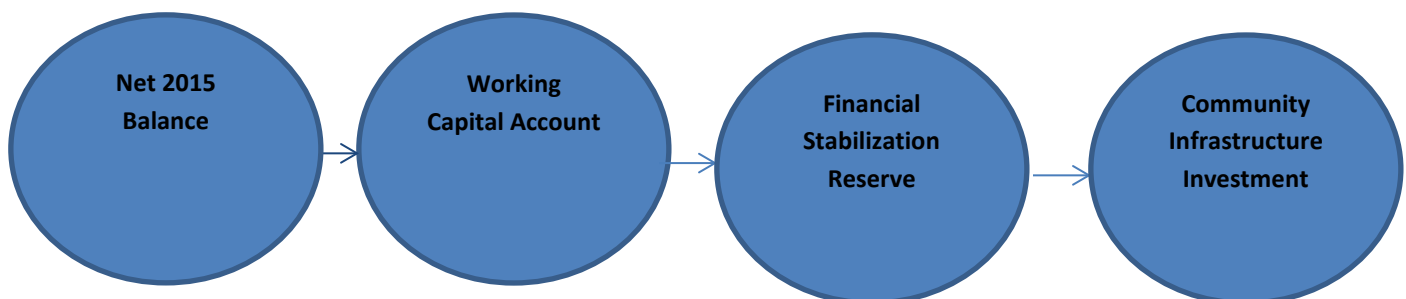
As part of the move to long-term financial planning and per request of Council, staff developed and presented to Council a Reserves and Surplus Policy (see Appendix 2), which includes a restructure of some of the reserves. Reserves are internal funds which have been set aside for a specific purpose.

The policy as presented to Council in early November does not provide a structure that is significantly different from what is currently in place. However, the key outcome of the review undertaken by staff is that this policy provides guidance on what reserves are needed, their purpose and adequate balances to be maintained. This policy also ensures the City can proactively plan to fund our service delivery needs in a cost effective manner.

Financial Stabilization Reserve

The key transfers between reserves were in the financial stabilization reserve. As per the policy, the financial stabilization reserve has been categorized as a risk mitigation and opportunity reserve. This reserves main purpose is to stabilize the annual tax increase by buffering the impacts of emergent risk issues and offset unrealized or significant decreases in revenue in any one year. Additionally, if funding allows this reserve can be used to fund one-time initiatives and projects that will not affect the annual tax increase.

Included in the policy is a waterfall system where the net revenue and expense balance for the year transfers into the accumulated surplus working capital account. The working capital account that is used to pay for operating expenses before property taxes and other revenues are collected. It is recommended a balance of \$4,000,000 is maintained; therefore, any excess is transferred to the financial stabilization reserve. The recommended balance for the financial stabilization reserve is \$1,900,000. Any excess of the maximum recommended balance is transferred to the capital reserves as required to fund the capital program. This model ensures that funds are not sitting idle in any one account and all funds are maximized to their needed source.



Gaming Reserve

The gaming reserve is funded by 10% of gross casino revenues and is used to support Council's strategic priorities and other social initiatives. Annual ongoing commitments to this reserve are:

Program	Amount
Centennial Pool Operations / Recreation Summer Programs	\$300,000
Council Contingency	150,000
Downtown Façade Program	25,000
Carbon Offset Reserve Contribution	40,000
Cleanliness Grants	40,000
Total Gaming Reserve Annual Allocation	\$555,000

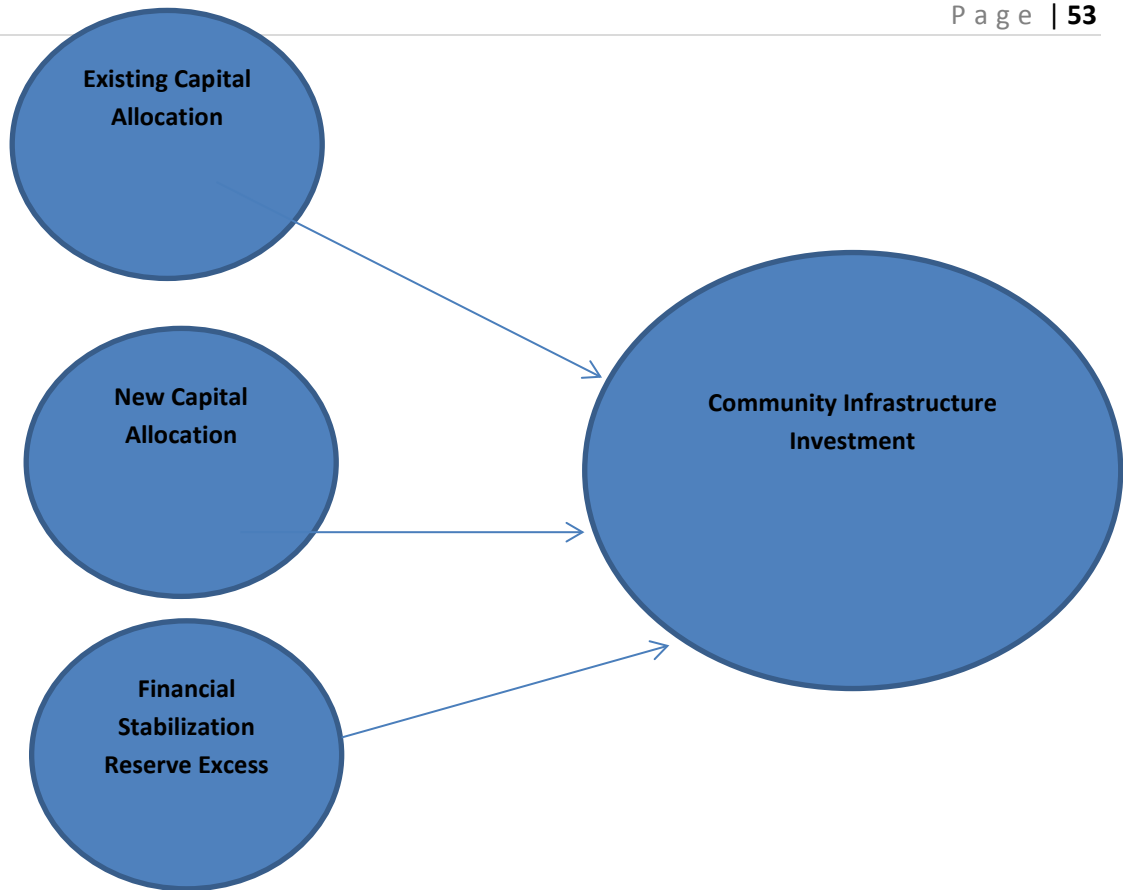
The annual funding received for gaming is approximately \$650,000 therefore this provides approximately \$100,000 annually for Council to use for other initiatives. Staff have focused on not relying on this reserve to fund the capital program, however it is recommended using this reserve for a couple of other programs that appear to fall in line with Council strategic priorities including public art and other downtown initiatives. This reserve has an accumulated opening balance therefore this provides some additional funding for these initiatives outside of the annual allocation for Council.

Community Works Fund

Community works fund is another reserve to not be used for ongoing capital maintenance activities, but instead used this reserve for ongoing community enhancement and green initiatives in the capital program.

Capital Reserves

The capital reserves of the City fund the ongoing maintenance and upgrades to existing City infrastructure. The reserves have been set up to match the asset categories. Ongoing capital funding allocations ensure the capital program can be funded on an ongoing basis. Funding has been allocated to each capital reserve on an as needed basis to ensure funding is not sitting idle in each reserve and is instead used to fund the overall capital program. The 2016 capital plan is funded by existing capital allocations, new capital allocations and excess balance from the financial stabilization reserve.



The financial plan for 2016 has focused on some new initiatives that provide parameters, a long-term outlook and ensuring that the City is maximizing funding available through stable and strategic budgets. The three components that build the budget, which are base operating, service level change requests (SLCR's) and capital plan have been allocated an ongoing stable funding parameter to ensure the City is providing for current and future prosperity across the City.

Issues turned into Opportunity: Financial Resilience and Stability Program

In early 2015, a newly elected City Council stated in its Strategic Plan “We plan proactively for the long-term costs of maintaining our critical infrastructure.” In a subsequent planning session presentation Council authorized the creation of a new financial path for the City; one that results in neither a reduction of services nor large tax increase, while tackling a growing infrastructure deficit. The culmination of a series of financial policies and practices – collectively known as the *Financial Resilience and Stability Program* has accomplished this challenging directive. The success of this program is particularly astounding given the financial constraints imposed on City operations.

In early 2000's, BC's coastal forestry economy took a steep dive which for Campbell River, culminated with the closure of its pulp and paper mill in 2009. The community lost many high-paying jobs as the City itself dealt with a 25% loss in property taxation. Residential property owners took on some of this burden but the remainder involved an internal review of the City's operations. For a period,

accumulated reserves allowed the City time to reflect on its finances. After an initial cut-the-fat program, the traditional decision of cut services or raise taxes was contemplated. Faced with tough choices the City began, instead, to forge an alternative path.

The City of Campbell River's *Financial Resilience and Stability Program* is the sum of various 2015 initiatives and addresses many issues the community was facing in prior budget years:

- 1) **Long-Term Budgeting** – The 2016 financial plan was a significant year moving from a five year, short-term focused budget, to a ten year plan. Staff spent a significant amount of time reviewing the base budget to ensure all areas were reviewed for spikes or volatility in the future to no one-time tax increase would come unplanned in the future. New service levels and capital projects over a long horizon required managers to review their work plans and prioritize projects. “Below the line” concept was introduced which allowed managers and Council to create a realistic financial plan that put items that required additional information or were unfunded to be on the radar but not included in the financial plan. Moving to a ten year horizon really provided for more strategic budgeting and making more stable and sound decisions.
- 2) **Budget Parameters** – Moving from a short-term budget process focused on the current year tax increase to long-term stability, the City developed budget parameters as they relate to the different components of the budget which maintain service levels and invest in infrastructure on a gradual process.

In order to maintain services in the base operating budget the total estimated tax increase for base inflationary costs was estimated at a 1.5-2% annual tax increase. The City has many requests from the public for increased service levels, however to ensure costs are maintained An annual cap on increased services of approximately 0% to 0.5% annual tax increase per year or \$125,000 is recommended. Lastly, the last parameter is 0.5% to 1% annually into the capital investment program.

These parameters provide funding for all components of the budget to ensure ongoing sustainability to maintain service levels today and in the future. The budget parameters also ensure ongoing stability in the annual tax increase and removes annual volatility and uncertainty; this in turn provides stability for citizens and investors alike to live and build businesses in our community.

- 3) **Property Taxation Smoothing** – Previously, the City had variable tax rates. The 10 year financial plan for 2016-2025, using budget parameters, provides a stable annual tax increase between 2.5%-3.5%. The bubble that has been following the City since the closure of the Catalyst Mill has been removed; instead the City has smoothed out the annual increases to palatable increases that the citizens can understand and stand behind knowing Council is making sound and stable decisions.

Property taxation smoothing is not new to municipal government; however, the City Council's commitment has three distinctive outcomes:

- 1) It helps remove the politics from setting tax levels;
 - 2) It provides surety to taxpayers for their business or personal financial planning; and
 - 3) It provides the City an ability to accurately plan for future service levels and risk.
- 4) **Zero-Base Operational Budgeting** – The base operating budget provides annual funding to ongoing City services. The City had a long standing policy since 2012, to maintain base zero increase in the departmental operating budgets, excluding contractual increases mainly related to collective agreements and other significant contracts. Direction provided to management when building their budgets is to be fiscally conservative. The new way of business is to be leaner, more efficient, do less with more and to become innovative to manage costs.
- 5) **Capital Asset Investment Commitment (see Appendix 3)** –The City had previously made limited contributions to capital reserves and infrastructure renewal. Adequate reserve contributions allow the City to provide ongoing spending to invest to maintain and upgrade our infrastructure. However, considering the impact to the citizens on large, one-time tax increases, it is recommended that an annual 0.5% to 1% increase to taxation will gradually undertake the City’s infrastructure deficit. This does not provide significant funding to the capital program in any one year but cumulatively this will result in significant ongoing investment in the capital program to ensure effective delivery of service. Further, any new found revenue is targeted towards the capital program.
- 6) **Reserve Waterfall Structure**– In Fall 2015 the City developed a reserve policy (see Appendix 2), which includes a waterfall system where the current year surplus is transferred into the working capital accumulated surplus account, excess balances are transferred to the financial stabilization reserve account and then any excesses flow into the capital reserves to fund the capital program. The working capital account is used to pay for operating expenses before property taxes and other revenues are collected. The financial stabilization reserves’ main purpose is to stabilize the annual tax increase by buffering the impacts of emergent risk issues and offset unrealized or significant decreases in revenue in any one year. This waterfall structure ensures that funds are not sitting idle in any one account and all funds are maximized to their needed source.
- 7) **Business Case Decision Making** – All requests for new service and capital projects require a description and justification which essentially a mini business case which explains what each request is and the justification or implication of not approving which aides Council in reviewing the many requests during budget. Starting in 2016, key projects required a detailed full business case analysis which were presented to Council in a pre-budget workshop. The skills and tools learned by staff during this process will be utilized in subsequent budget cycles as well as ongoing review of analyzing City initiatives for best outcomes with limited funding available. The City will continue to develop business cases as part of financial planning to ensure sound financial and operational decisions are made with limited available resources. See Appendix 4 for a sample business case presented to Council during a pre-budget workshop as part of the financial planning process.

- 8) **Asset Infrastructure Management Strategy** – The local government industry has recently become aware of the upward trend of the municipal infrastructure deficit¹. Developing an asset management plan is a common strategy to ensure science-based decisions are used to protect critical infrastructure and maximize the use of scarce financial resources. A particular obstacle in implementing an asset management plan in Campbell River was the hierarchal culture of City’s functions. To break down these barriers the City created a staff-lead team to lead the charge. The Asset and Infrastructure Management (AIM) Committee is made up of department heads with large capital asset responsibilities and a finance representative. With less than six months under their belt, the AIM Committee has created an AIM Strategy to implement a corporate-wide, integrated asset management plan and long-term financing strategy by 2021.

This program has changed the outlook of the City and the annual pressure on the financial planning process and related community focus on the annual tax increase. Council and staff can now plan for the future with a positive outlook and strategically set priorities based on the vision for the community moving forward. Campbell River has had some significant financial challenges since one of its main taxpayers and employers left the community and the future of the City was unknown. The 2016 financial planning process and *Financial Resilience and Stability Program* has moved the City from a backward looking organization to a proactive and forward looking organization and community. This sets the tone for the City to be successful in the future as it redefines itself from the “mill town” it once was.

The next step in the City’s *Financial Resilience and Stability Program* is to develop a debt policy. The debt policy will establish parameters for the total debt the City is willing to take on, the related debt servicing the City can bear given annual budget parameters and the type of projects the City will borrow for. The City has been consistently paying down its debt in recent years and currently has very little long-term debt; however, there are a few significant capital projects on the horizon that will require debt financing, therefore, a debt review and policy will ensure Council feels comfortable borrowing for these needed projects and that the City does not over burden itself with significant debt payments affecting future funding availability and stability.

In and of themselves the initiatives that make up the *Financial Resilience and Stability Program* are not particularly unique. How they have been used, the change brought on and their collective impact is where innovation is prevalent.

The practice of committing new funding sources to tackling the infrastructure deficit is an innovative practice that provides positive impact without upset taxpayers.

Making capital investment decisions using formal business cases requires both management and Council to consider all options, including lifecycle costing, before making a commitment. This new decision tool is forging great decision making.

The small planning window of mandated five-year budgeting does not produce sustainable financial plans i.e. it is too easy to put that mandatory project in year six where it is unfunded. Moving to a ten or fifteen year plan forces discussion on critical infrastructure needs versus “nice to haves.”

Establishing budget parameters has allowed City management to “pull the band-aid off” from the 2009 mill closure. Budgets can now be crafted knowing what funding is going to be available instead of the prior practice of hoping Council will finally approve “x” project. This surety facilitates a changed way of budgeting and managing.

Local governments have traditionally been conservative regarding taking on debt. This was a good practice when infrastructure was new; however, the long-term infrastructure outlook is for a heavy replacement schedule in the coming 10 to 20 years. The City’s new policy will change our current conservative debt policy with a proactive public engagement process.

Initially, the City’s zero-base budgeting practice was to trim out excess budgets – and it was successful. Continuing this practice under less restrictive rules is seeking efficiencies. It is sparking innovation, use of technology and other science-based decisions.

Base Budgeting

The focus for 2016 financial planning is moving to long-term strategic planning from a short-term year by year focus. Staff have been developing a financial plan that provides stability for the City’s citizens while providing adequate funding for all levels of City services. This includes funding for:

- Base operating inflationary costs,
- Moderate increases to service levels,
- One time operating projects and initiatives, and
- The City’s capital program.

As a result, budget parameters have been used to provide fiscal stability and maintain service levels. The budget parameters established to maintain service levels in the general operating budget are within an approximate 2% of a general taxation increase per year or \$500,000. This provides stability while providing an annual budget to account for inflationary costs for contractual obligations.

The City provides a variety of services to the community including:

- Drinking water and sewer services
- Garbage, recycling and yard waste collection
- Flood protection
- Streets, sidewalks and traffic control
- Transit and airport services
- Parks, recreation and culture programs and facilities
- Planning, development and building inspection
- Policing and fire protection services
- Sustainability and green initiatives
- Economic development and downtown revitalization

Base Budget Service Levels

During this phase of budget deliberations, Council is being asked to provide guidance and direction with regards to the assessment of current service levels provided to the community. Council should consider:

- What services to provide?
- What level of service does Council wish to provide?
- What are the costs of providing these levels of service?

These considerations need to be balanced with Council's strategic priorities, the increased demand for services from citizens, and the increased services due to downloading from the Province, as well as region wide services that are paid for by the City.

Base Budget Principles

The base operating budget provides annual funding to ongoing City services. There has been an increased demand on service levels while the City has maintained base zero increases in the departmental operating budgets, excluding the contractual increases mainly related to collective agreements and other significant contracts such as Transit, RCMP and Solid Waste.

Direction provided to staff when building their budgets was to be fiscally conservative. No new or altered services were to be included and any increases were to be confined to:

- Wage and benefit,
- Contractual,
- Utility,
- Changes imposed on the City through legislation,
- Obligations that the City does not have every year (such as collective agreement negotiations and the municipal election that occurs every four years).

The basis of budgeting uses modified accrual accounting methods. Year-end financial statements reconcile the difference between the statement of operations and the financial plan by reconciling non-cash items, debt proceeds, principal repayments, transfers to and from reserves and unappropriated surplus exist above. The financial statements use accrual basis of accounting, which recognizes the effect of transactions and events in the period in which they occur, regardless of whether there has been a receipt or payment of cash or its equivalent. These methods for budgeting and financial statements minimize reconciliations at year-end that are required from the financial plan bylaw (see Appendix 5).

In 2016, the focus was setting long-term financial stability, which included developing parameters for all components of the budget. For the base operating budget, the focus was isolating the operating revenues and expenses which relate primarily to maintaining the operating budget.

With an emphasis on sound sustainable financial management, any ongoing service level is recommended to be funded by ongoing operating revenues, such as taxation rather than using reserve or other one-time funds to provide these services.

Another principle within the base budget is that the Solid Waste function will be operated as a utility; therefore, any departmental surpluses will be transferred to the Solid Waste Reserve to offset future rate increases to balance the departmental budget.

Funding for Base Budget

The primary funding source for the base operating budget is taxation, and as such, there is a significant focus on the annual tax increase. There are other funding sources that balance the operating budget including user fees, sale of services, grants and other revenue.

A summary of the recommended funding sources for departmental operating budgets are:

Fund	Recommended Funding
General	Taxation, Sale of Services, User Fees, Grants, Other Revenue
Airport	User Fees, Sale of Services, Fuel Sales, Other Revenue
Sewer	Utility Fees, Parcel Taxes, Grants
Water	Utility Fees, Other Revenues, Grants

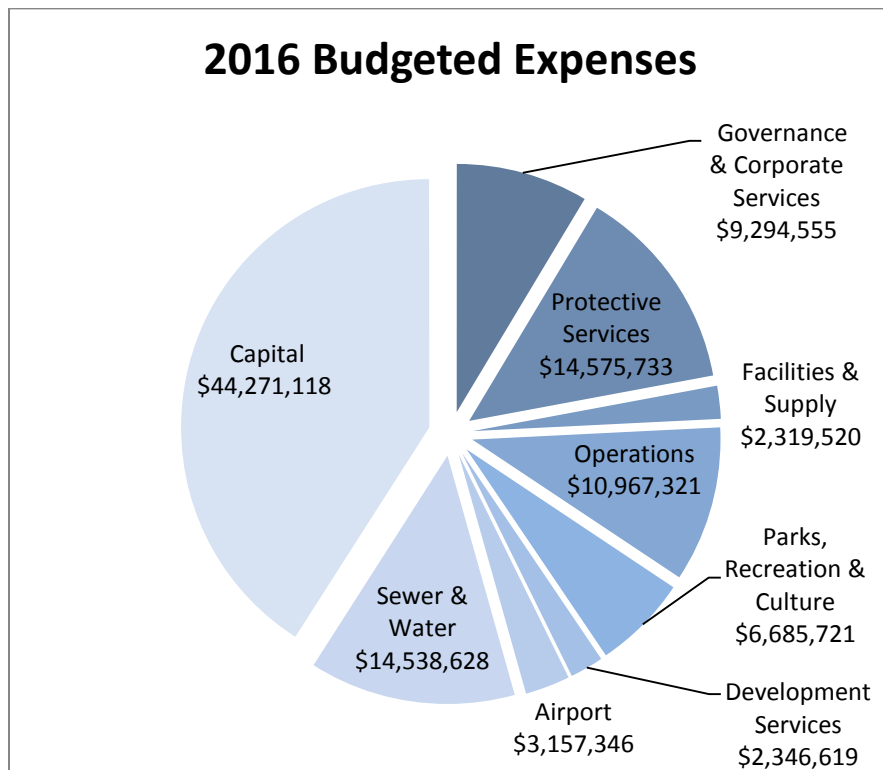
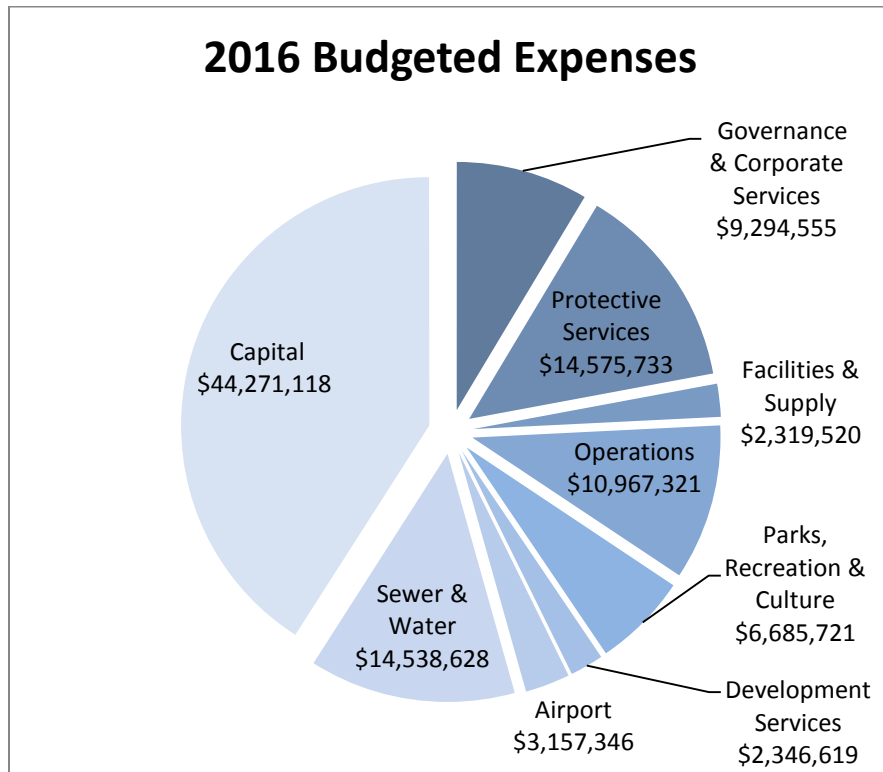
Accumulated Surpluses (Unappropriated Surplus)

The City needs to maintain accumulated surplus balances in its four operating funds (general, airport, sewer, and water) for working capital or cash flow purposes. Maintaining minimum working capital funds eliminates the need to borrow externally and/or internally to cover operating expenses before property taxes, user fees and other revenues are collected.

Surplus funds in excess of adequate levels of the finance reserve policy will be transferred to a reserve fund. For general fund, excess will be transferred to the financial stabilization reserve. The airport is funded by general fund therefore the accumulated surplus will be maintained in general accumulated surplus. For sewer and water accumulated surplus; excess funds will be transferred to the respective capital reserves for these funds. See Appendices 2 and 3 for further details and fund balances.

Analysis of Base Operating Budget Results

The City's 2016 operating budget is approximately \$63.4 million, which is comprised of the general, airport, water and sewer funds. This has increased slightly from 2015 from \$63.3 million.



General Fund

The general operating fund encompasses the majority of the City's services, including governance, RCMP, fire, corporate services, general fiscal services, facilities and supply management, operations and parks and recreation and culture segments.

The overall net increase in the general fund base operating budget as presented is \$355,440 or a 1.4% tax increase as summarized in below.

Additional tax revenue projected for 2016 included in the net operating budget are:

Additional Tax Revenue	Amount
Class 2 – Utility (4 year transition, ending 2017)	\$120,000
Class 7 – Managed Forests (3 year transition, ending 2016)	35,000
Non-Market Change Estimated	170,000
Total Additional Tax Revenue for 2016	\$325,000

The 2016 budget also includes the grants-in-aid and permissive tax exemptions that Council has already approved:

City CPC Programs	2015	2016
Grants in Aid	\$603,479	\$644,043
Permissive Exemptions	\$456,690	\$406,263

Overall costs have been maintained at 2015 levels; increases in expenses relate to contractual obligations primarily related to collective agreements. Major contracts such as RCMP and Transit can also be drivers of the budget; however for 2016 these contract budgets have been maintained. Transit is up for renewal in 2017, therefore the budget will be re-evaluated at that time. RCMP has been within or under budget in recent years; consequently, the budget has been maintained for 2016.

The additional tax revenues, as noted above, as well as the maintained costs for key contracts, has resulted in a general operating budget well within the 2% annual tax increase parameter.

Airport Fund

The Airport, managed by the Airport Authority, has been striving to become a profit driven operation and maintain its operations without the need for support from the City's general fund to balance its budget. The Airport charges landing fees, passenger fees, and property leases to assist with offsetting the department's operating expenses. Currently, to accomplish budget neutrality, a subsidy is required from the General Operating Fund to balance the Airport's budget. The subsidy required for 2016 to balance the Airport operating budget is \$66,716. The subsidy in the past two years has decreased

significantly from \$241,316 in 2014 due to increased jet fuel sales mainly related to the Ministry of Forests fire tanker base at the Airport. The Airport continues to focus on obtaining a balanced budget and becoming a net profit entity.

Sewer and Water Operating Funds

Sewer and Water operations are generally funded through user fees and parcel taxes levied on properties within the City's boundaries. It is important to note that these funds are self-balancing and segregated for purposes of carrying on specific activities in accordance with specific regulations, restrictions and limitations.

Both funds are showing large surpluses with large transfers to the capital funds. Sewer and water are in significant need of infrastructure upgrades and therefore user fees were increased by 6% for sewer and 10% for water for each year from 2013-2017 to fund these infrastructure upgrades as well as pay for long-term debt repayments.

Carry Forwards (CFwd)

Included in the capital plan (see Appendix 6) and in the below base budget section there are listings of projects and initiatives that were committed to, but not yet complete within 2015 fiscal year; therefore, staff have requested to carry the related funding into 2016 to complete these projects.

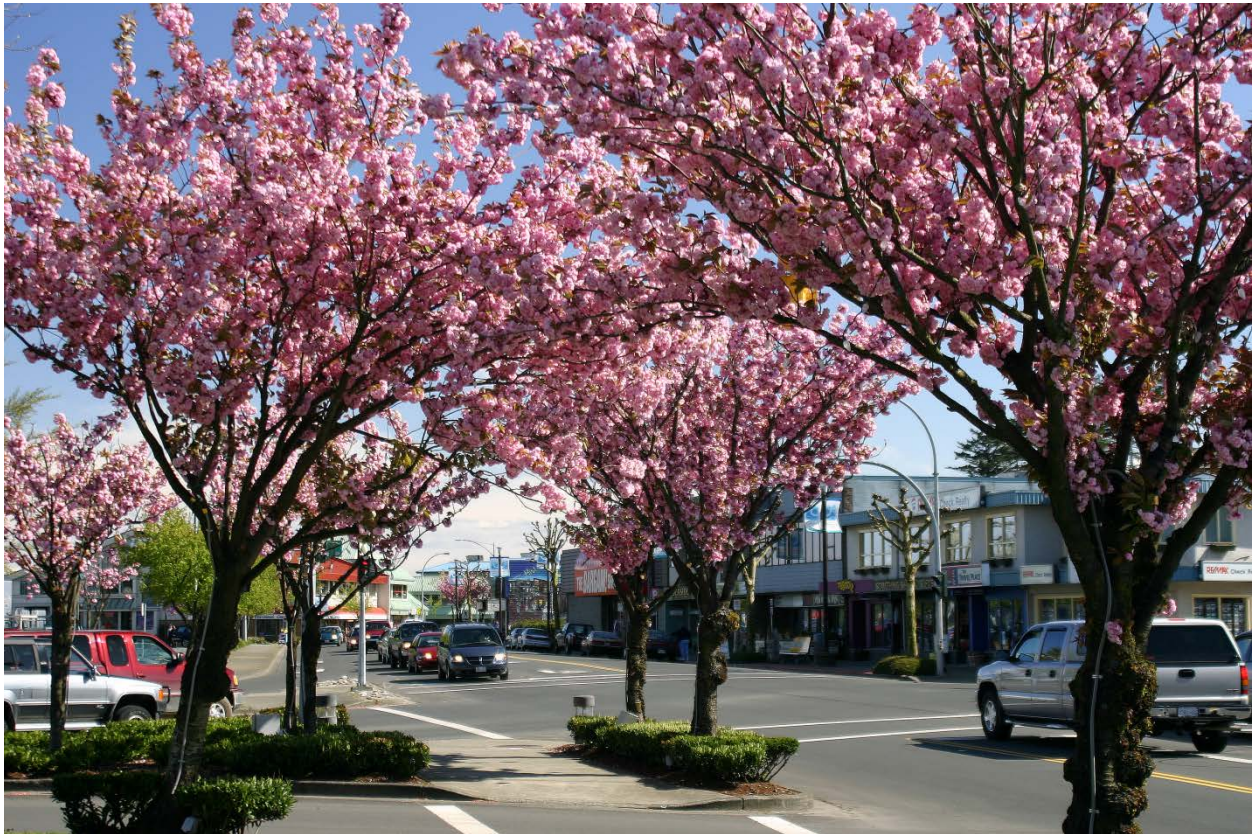
THREE YEAR CONSOLIDATED AND FUND FINANCIAL SCHEDULES

	2016 Budget	2015 Budget	2015 Actual	2014 Budget	2014 Actual	2013 Budget	2013 Actual
REVENUE							
Taxes & parcel taxes	29,347,784	28,103,863	28,391,778	27,015,270	27,227,568	25,981,440	26,005,255
Payments in lieu of taxes	521,400	517,764	590,540	499,000	569,140	506,000	568,115
Sale of services	21,087,275	19,678,569	20,710,274	18,250,320	19,287,076	16,487,526	17,497,894
Services provided to other governments	1,229,376	1,567,449	1,624,517	1,502,654	1,510,112	1,440,509	1,422,977
Transfers from other governments	1,306,049	1,044,022	1,237,933	1,180,459	1,156,518	801,599	1,062,139
Investment and other income	506,000	521,408	771,521	493,493	1,080,288	375,400	964,224
Other revenue	286,000	224,500	272,134	465,500	429,516	1,891,760	890,378
Gain/(loss) on disposal of tangible capital assets	-	-	268,994	-	(24,925)	-	(500,634)
	54,283,884	51,657,575	53,867,691	49,406,696	51,235,293	47,484,234	47,910,348

EXPENSES

General government	6,720,471	5,865,563	5,693,530	6,595,548	5,529,108	6,649,962	5,448,781
Protective services	15,411,642	15,182,892	14,753,271	14,289,475	14,941,469	13,711,176	13,329,484
Transportation services	12,483,895	12,203,250	12,110,793	12,259,523	12,140,483	11,704,415	11,575,139
Environmental health services	2,366,749	2,308,143	2,264,760	2,015,964	2,051,050	1,689,878	1,863,417
Public health services	167,824	162,120	151,203	160,397	152,762	162,957	111,867
Development services	1,738,912	1,430,495	1,573,849	1,522,724	1,454,792	1,654,895	1,530,670
Parks, recreation and cultural services	7,837,052	7,459,166	7,437,259	6,681,720	7,312,246	6,319,401	6,253,243
Sewer utility services	4,188,863	4,045,332	3,728,203	3,758,427	3,531,645	3,325,793	3,152,298
Water utility services	4,751,395	4,293,304	3,963,008	4,296,972	3,796,049	3,883,662	3,716,868
	55,666,803	52,950,265	51,675,876	51,580,750	50,909,604	49,102,139	46,981,767

*Note: Funds do not reconcile as some non-cash items, debt proceeds, principal repayments, transfers to and from reserves and unappropriated surplus exist above. Year-end financial statements reconcile the difference between statement of operations and the financial plan.



Department / Fund Relationship

General Fund	City Manager Mayor & Council Legislative Services Risk Management Bylaw Enforcement Animal Control
	RCMP Police Protection Victim Services
	Fire Protection E911
	Communications Human Resources Finance Information Technology GM Corporate Services
	Reserves Fiscal Services Taxation Corporate Services
	GM Facilities & Supply Management Supply Management Property Management Fleet Capital Works Stores Facilities
	GM Operations Transportation Roads Public Transit Storm Drains Solid Waste
	GM Parks, Recreation & Culture Parks Recreation & Culture Management Recreation & Culture Cemeteries
	Economic Development Community Planning & Development Services
	AIRPORT FUND
SEWER FUND	Sewer
WATER FUND	Water

2016 BASE OPERATING BUDGET SUMMARY

The focus of the 2016 financial planning process was developing parameters for each component of the budget, including the base operating budget, and providing for inflationary cost increases to maintain service levels. The net general operating budget increase for 2016 is well below the parameter of a 2% overall tax increase, at 1.4%. This is mainly due to additional tax revenues to be received in 2016 as well as static costs for the City's major contracts in the coming year including RCMP and Transit.

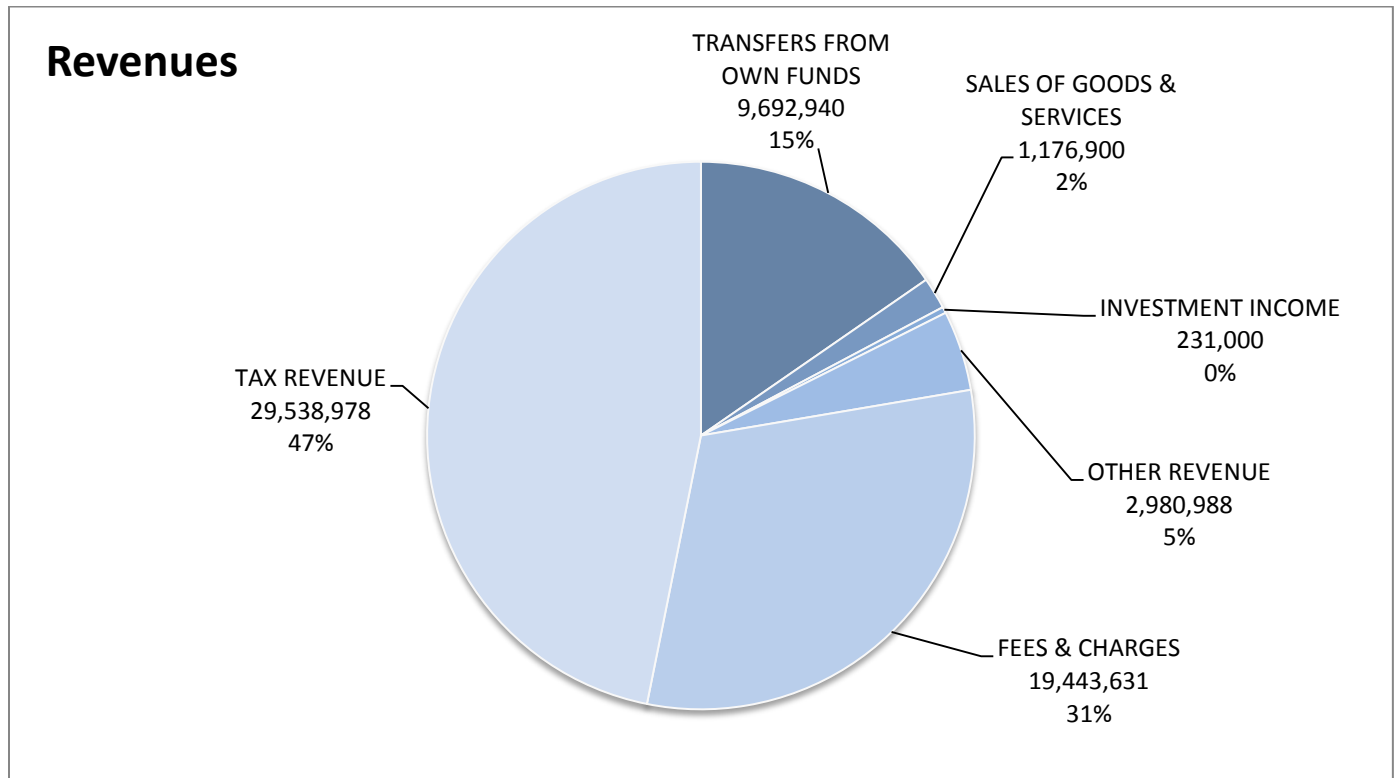
Providing for base budget inflationary costs ensures financial stability for all taxpayers, while maintaining existing service levels to ensure long term prosperity for this community.

Consolidated Budget by Fund:

	2015 Final Budget	2016 Final Budget
1 - Revenue		
AIRPORT OPERATING	(3,203,424)	(3,157,346)
GENERAL OPERATING	(46,284,055)	(45,368,463)
SEWER OPERATING	(6,928,185)	(7,042,421)
WATER OPERATING	(6,882,841)	(7,496,207)
1 - Revenue Total	(63,298,505)	(63,064,437)
2 - Expense		
AIRPORT OPERATING	3,203,424	3,157,346
GENERAL OPERATING	46,284,055	45,723,903
SEWER OPERATING	6,928,185	7,042,421
WATER OPERATING	6,882,841	7,496,207
2 - Expense Total	63,298,505	63,419,877
Grand Total	-	355,440

Revenue

Revenue is budgeted based upon trend analysis from prior years and estimates based on analysis of projected activity. Main sources of revenue for the City include taxation and fees and charges. The budget's key assumption is that user fees will grow by an estimated 0.5%. Water and sewer rates are also increasing 10% and 6% respectively until 2017 per the User Fee and Charges bylaw, with no known increase after 2017.



Expenses

The base operating budget provides annual funding to ongoing City services. There has been an increased demand on service levels while the City has maintained base zero increases in the departmental operating budgets, excluding the contractual increases mainly related to collective agreements and other significant contracts such as Transit, RCMP and Solid Waste.

No new or altered services were to be included and any increases were confined to:

- Wage and benefit,
- Contractual,
- Utility,
- Changes imposed on the City through legislation,
- Obligations that the City does not have every year (such as collective agreement negotiations and the municipal election that occurs every four years).

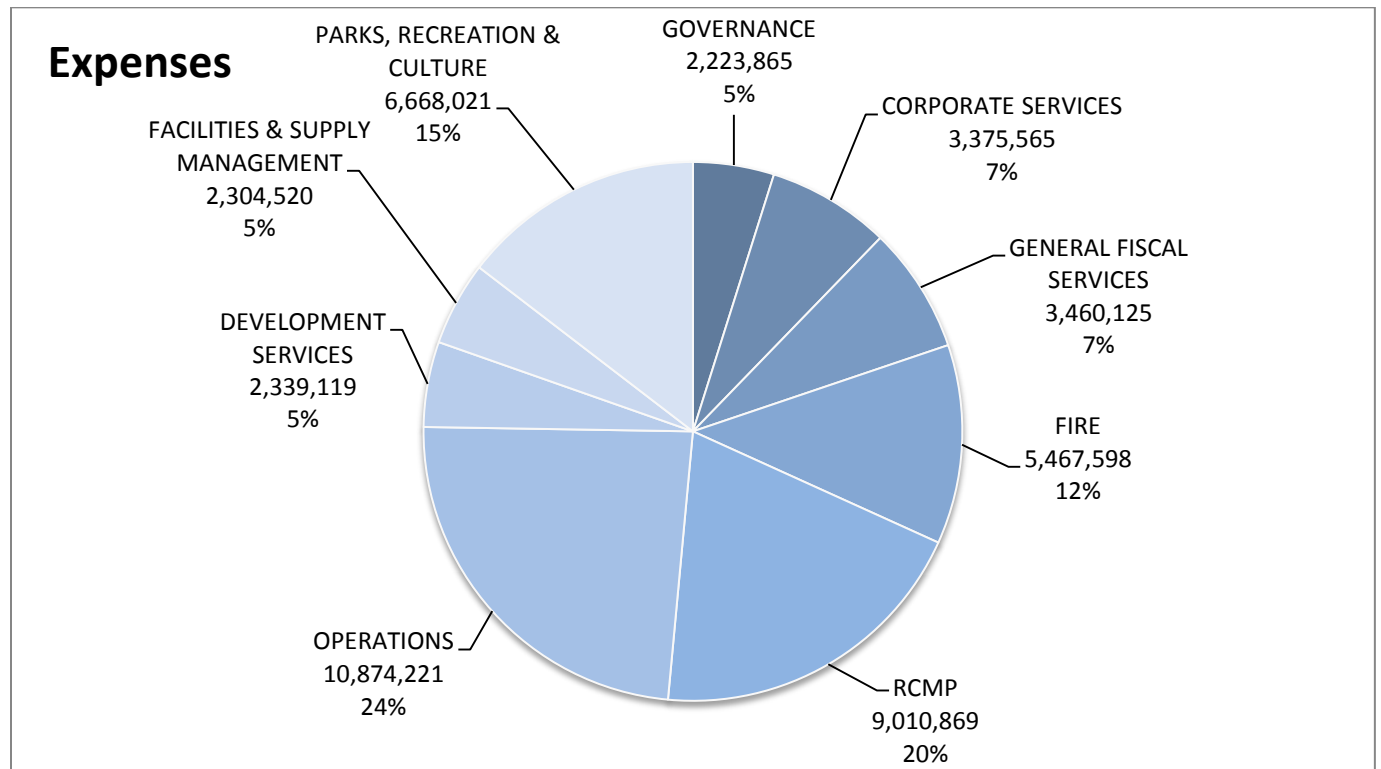
The City has maintained the significant demand to increase service levels with our growing community with the following FTE counts:

	2013 FTE	2014 FTE	2015 FTE	Projected 2016 FTE
Total	207.1	208.2	211.5	214.98

The FTE count has been relatively stable since 2011 which is very positive given the growth and change our community has gone through, as well as the increased initiatives and demand for services. Changes for staffing levels in 2016 are for service level change requests relating to:

- 0.57 FTE for police information check services
- 0.4 FTE for major crime services
- 0.51 FTE for video analysis services
- 2 FTEs utility services

Detailed variance descriptions are identified below for each segment.



The 2016 Council Budget Survey identified that Council would like the same or more information on the base operating budget; therefore, staff have provided departmental budgets at the function level, accompanied by a detailed narrative of the service levels and activities performed by the departments. These items serve to provide Council a more comprehensive picture of the services provided by the City.

Division	2015	2016	Variance
Governance	\$ 2,017,832	\$ 2,092,515	\$ 74,683
RCMP	8,296,567	8,343,524	46,957
Fire	3,820,576	3,858,909	38,333
Corporate Services	2,950,517	3,199,605	249,088
General Fiscal Services	(33,489,387)	(33,758,332)	(268,945)
Facilities & Supply Management	2,033,190	1,914,921	(118,269)
Operations	7,482,675	7,570,808	88,133
Parks, Recreation & Culture	5,518,719	5,766,171	247,452
Development Services	1,369,311	1,367,319	(1,992)
Overall Variance (Net Increase)			\$355,440

Department Budget by Function

GOVERNANCE SEGMENT

Includes the following departments: City Manager, Mayor & Council, Legislative Services, Risk Management, Bylaw Enforcement and Animal Control.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
GOVERNANCE SEGMENT	2,017,832	2,092,515	74,683	
1 - Revenue				
Fees & Charges	(100,636)	(113,850)	(13,214)	13.13%
Investment Income	(18,108)	(15,000)	3,108	-17.16%
Other Revenue	(5,000)	(2,500)	2,500	-50.00%
1 - Revenue Total	(123,744)	(131,350)	(7,606)	6.15%
2 - Expense				
Amortization Expense	5,200	5,000	(200)	-3.85%
Contracted Services	240,250	238,425	(1,825)	-0.76%
Insurance	135,180	144,790	9,610	7.11%
Other Operating Expenses	607,376	604,608	(2,768)	-0.46%
Utilities	59,850	59,610	(240)	-0.40%

Wages & Benefits	1,093,720	1,171,432	77,712	7.11%
2 - Expense Total	2,141,576	2,223,865	82,289	3.84%

2016 Variance Description	Amount
Increase to license fees and alarm/parking fine revenue	\$ (13,214)
Net decrease to MIA insurance dividends and bylaw enforcement remedial action recoveries	5,608
Increase for wages & benefits	77,712
Increase to public liability and building insurance	9,610
Net decrease for amortization, utilities and other operating expenses	(5,033)
Overall Divisional Variance - net increase	\$ 74,683

Department 101 – City Manager

The City Manager assists Council in establishing its strategic direction for the City, promotes Council teambuilding, and acts as the liaison for the Mayor. The City Manager provides recommendations to Council that reflects relevant facts, options and professional opinion pertaining to issues considered by Council. The City Manager's Office takes the lead role in managing the implementation of policy direction, which has been established by Council. It provides managerial leadership, control and direction to all City departments and operations. The department is responsible for planning and implementing policies necessary for sustaining excellence in City operations and staffing.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
101 - CITY MANAGER				
2 - Expense				
111395 - CITY MANAGER	277,205	407,409	130,204	46.97%
2 - Expense Total	277,205	407,409	130,204	46.97%
101 - CITY MANAGER Total	277,205	407,409	130,204	46.97%

Department 310 – Mayor & Council

Encompasses Council's budget which includes statutory notification requirements, webcasting council meetings, travel and conferences, training and development and memberships to various external organizations, such as FCM, UBCM and AVICC. This department also includes Council's contingency budget which allows expenditures for additional initiatives.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
310 - MAYOR & COUNCIL				
2 - Expense				
101725 - COUNCIL REPRESENTATION	67,900	67,900	-	0.00%
101755 - COUNCILLORS	200,211	172,870	(27,341)	-13.66%
104500 - MAYOR	79,983	79,521	(462)	-0.58%
111680 - CONTINGENCY	150,000	150,000	-	0.00%
111690 - COMMUNITY LAND DEV	100,000	100,000	-	0.00%
2 - Expense Total	598,094	570,291	(27,803)	-4.65%
310 - MAYOR & COUNCIL Total	598,094	570,291	(27,803)	-4.65%

Department 311 – Legislative Services

Oversees City Hall Reception, Risk/Claims Management, Bylaw Enforcement, Animal Control, and acts as the communication hub between Council, its advisory bodies, staff and the public. Legislative Services staff are responsible for the preparation, maintenance and execution of agendas and minutes, bylaws, contracts, policies and procedures, corporate records management and access to information. Staff provides support for an average of 35 Council and Committee of the Whole meetings and 34 Council commission and committee meetings annually, including the Advisory Planning & Environment Commission, Community Services, Recreation & Culture Commission, Community Partnership Commission, Public Safety Sub-Committee and School Board/City Joint Liaison Committee.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
311 - LEGISLATIVE SERVICES				
2 - Expense				
111365 - CLERK	244,439	245,181	742	0.30%
114150 - LEGAL	52,000	67,000	15,000	28.85%
150130 - ADMIN SUPPORT CITY HALL	317,182	247,635	(69,547)	-21.93%
151440 - CIVIC OFFICES SHARED	69,300	68,700	(600)	-0.87%
SER				
163065 - ELECTIONS	200	215	15	7.50%
2 - Expense Total	683,121	628,731	(54,390)	-7.96%
311 - LEGISLATIVE SERVICES Total	683,121	628,731	(54,390)	-7.96%

Department 316 – Risk Management

Coordinates the City's response to all property and liability claims by utilizing City staff, private adjusters, legal counsel and the City's insurers. Provides advice to all City departments on insurance

requirements and agreement wording. Responsible to develop and implement policies and procedures aimed at reducing exposure to the City. The City averages approximately 25-30 claims per year.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
316 - RISK MANAGEMENT				
1 - Revenue				
415670 – LIABILITY INSURANCE	(18,108)	(15,000)	3,108	-17.16%
1 - Revenue Total	(18,108)	(15,000)	3,108	-17.16%
2 - Expense				
155670 - PUBLIC LIABILITY INSURANCE	202,380	227,813	25,433	12.57%
2 - Expense Total	202,380	227,813	25,433	12.57%
316 - RISK MANAGEMENT Total	184,272	212,813	28,541	15.49%

Department 327 – Bylaw Enforcement

The Bylaw Enforcement Department is responsible for the investigation and enforcement of a number of regulatory bylaws. Enforcement of bylaws is complaint generated, with the exception of infractions regarding health or safety issues. The goal of Bylaw Enforcement is to gain compliance with City regulatory bylaw requirements using the following means: inform, educate, and as a last resort, enforce. The bylaw enforcement department averages approximately 500 new files per year and administers the City's downtown parking enforcement contract with Robbins Parking.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
327 - BYLAW ENFORCEMENT				
1 - Revenue				
220910 - BYLAW ENFORCEMENT	(14,000)	(25,600)	(11,600)	82.86%
220930 - BYLAW REMEDIAL ACTION	(5,000)	(2,500)	2,500	-50.00%
1 - Revenue Total	(19,000)	(28,100)	(9,100)	47.89%
2 - Expense				
270910 - BYLAW ENFORCEMENT	188,367	190,150	1,783	0.95%
270930 - BYLAW REMEDIAL ACTION	5,000	5,000	-	0.00%
2 - Expense Total	193,367	195,150	1,783	0.92%
327 - BYLAW ENFORCEMENT Total	174,367	167,050	(7,317)	-4.20%

Department 328 – Animal Control

Responsible for the administration of the City's animal control and pound services contract with Coastal Animal Control Services of BC. Deals with inquiries, concerns and complaints include barking and noisy dogs, dogs running at large, unleashed dogs, impounded dogs, vicious or dangerous dogs, deceased animals on City roads. In 2014, 2,200 dog licenses were processed.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
328 - ANIMAL CONTROL				
1 - Revenue				
220430 - ANIMAL CONTROL	(86,636)	(88,250)	(1,614)	1.86%
1 - Revenue Total	(86,636)	(88,250)	(1,614)	1.86%
2 - Expense				
280430 - ANIMAL CONTROL	175,101	182,363	7,262	4.15%
280439 - ANIMAL COST	7,108	7,108	-	0.00%
RECOVERY				
289100 - ANIMAL SHELTER TCA	5,200	5,000	(200)	-3.85%
2 - Expense Total	187,409	194,471	7,062	3.77%
328 - ANIMAL CONTROL Total	100,773	106,221	5,448	5.41%

RCMP SEGMENT

Includes the following departments: RCMP, Police Protection and Victim Services.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
RCMP SEGMENT	8,296,567	8,343,524	46,957	
1 - Revenue				
Fees & Charges	(62,656)	(62,056)	600	-0.96%
Other Revenue	(568,734)	(580,789)	(12,055)	2.12%
Sales of Goods & Services	(26,500)	(24,500)	2,000	-7.55%
1 - Revenue Total	(657,890)	(667,345)	(9,455)	1.44%
2 - Expense				
Amortization Expense	212,000	207,000	(5,000)	-2.36%
Contracted Services	6,683,753	7,073,972	390,219	5.84%
Insurance	11,600	13,503	1,903	16.41%
Other Operating Expenses	115,675	113,075	(2,600)	-2.25%
Utilities	55,650	54,165	(1,485)	-2.67%
Wages & Benefits	1,875,779	1,549,154	(326,625)	-17.41%
2 - Expense Total	8,954,457	9,010,869	56,412	0.63%

2016 Variance Description	Amount
Net increase to police protection revenues	\$ (9,455)
Net decrease to MIA insurance, utilities and other operating expenses	(2,182)
Net decrease for wages & benefits due to guard changes	(326,625)
Increase to contracted services for Commissionaires contract	390,219
Decrease to amortization expense	(5,000)
Overall Divisional Variance - net increase	\$ 46,957

Department 320 – RCMP

The City contracts the RCMP for police protection services through a Municipal Police Unit Agreement with the Province. The RCMP, through policing initiatives, address crimes related to substance abuse, property and traffic law enforcement, as well as crime reduction strategies. The City pays 90% of policing costs and the federal government funds the other 10%.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
320 - RCMP				
1 - Revenue				
323621 - SCIF	(303,512)	(308,549)	(5,037)	1.66%
1 - Revenue Total	(303,512)	(308,549)	(5,037)	1.66%
2 - Expense				
215285 - POLICE PROTECTION	6,665,603	6,665,603	-	0.00%
2 - Expense Total	6,665,603	6,665,603	-	0.00%
320 - RCMP Total	6,362,091	6,357,054	(5,037)	-0.08%

Department 321 – Police Protection

As required by the Municipal Police Unit Agreement, the Police Services Department provides services to the RCMP, supporting their administrative and operational needs to provide effective police services to the citizens of Campbell River at 100% of the cost. Administrative support services include court liaison, records, exhibits, typing, and quality assurance as required for provincial and federal statistical reporting. As at October 31, 2015, approximately 1,380 police statements have been transcribed by staff in 2015 for a total of approximately 1,600 hours of typing.

The department also provides and maintains jail and lock-up facilities for the care and keeping of municipal, provincial, and federal prisoners, inclusive of custodial services, as well as supports the RCMP's overall custodial and building maintenance needs. In 2014, the jail processed 1,955 prisoners:

86.5% municipal, 13.2% provincial, and .3% federal. As at June 2015, the jail processed 1,012 prisoners: 86.4% municipal, 13.5% provincial, and 0.1% federal. The City recovers approximately \$6.94 per hour of remand from the Province for provincial prisoners processed in its jail facility.

Quality customer service is provided to the citizens of Campbell River and community partners in relation to general inquiries, Police Information Checks, requests for information, and other general administrative services, as well as police support programs such as Restorative Justice and Crime Stoppers. The department processes an average of 1,760 Police Information Checks annually: 35% paid and 65% volunteer.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
321 - POLICE PROTECTION				
1 - Revenue				
225285 - POLICE PROTECTION	(294,822)	(299,240)	(4,418)	1.50%
1 - Revenue Total	(294,822)	(299,240)	(4,418)	1.50%
2 - Expense				
210115 - POLICE PROTECTION	1,186,169	1,277,764	91,595	7.72%
ADMIN				
211605 - COMMUNITY POLICING	104,214	104,680	466	0.45%
215296 - POLICE BUILDING	278,037	246,311	(31,726)	-11.41%
OPERATIONS				
215345 - PRISONER DETENTION & CUST	409,538	408,869	(669)	-0.16%
219100 - POLICE PROTECTION TCA	212,000	207,000	(5,000)	-2.36%
2 - Expense Total	2,189,958	2,244,624	54,666	2.50%
321 - POLICE PROTECTION Total	1,895,136	1,945,384	50,248	2.65%

Department 356 – Victim Services

The City partners with the Ministry of Justice for joint funding to provide a Victim Services Program to the community. The Victim Services personnel provide crisis intervention, and immediate follow-up assistance to victims and witnesses of crime and trauma in accordance with the service deliverables established from time to time by the Minister of Justice and Attorney General.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
356 - VICTIM SERVICES				
1 - Revenue				
258205 - CONTRACT FEES	(59,556)	(59,556)	-	0.00%
1 - Revenue Total	(59,556)	(59,556)	-	0.00%
2 - Expense				
568205 - VICTIMS SERVICES	98,896	100,642	1,746	1.77%

2 - Expense Total	98,896	100,642	1,746	1.77%
356 - VICTIM SERVICES Total	39,340	41,086	1,746	4.44%

FIRE SEGMENT

Includes the following departments: Fire Protection and E-911.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
FIRE SEGMENT	3,820,576	3,858,909	38,333	
1 - Revenue				
Fees & Charges	(1,521,651)	(1,592,309)	(70,658)	4.64%
Other Revenue	(16,568)	(16,380)	188	-1.13%
1 - Revenue Total	(1,538,219)	(1,608,689)	(70,470)	4.58%
2 - Expense				
Amortization Expense	162,000	150,000	(12,000)	-7.41%
Contracted Services	233,300	233,550	250	0.11%
Insurance	36,514	41,816	5,302	14.52%
Other Operating Expenses	497,569	505,892	8,323	1.67%
Utilities	17,990	18,050	60	0.33%
Wages & Benefits	4,411,422	4,518,290	106,868	2.42%
2 - Expense Total	5,358,795	5,467,598	108,803	2.03%

Description	Amount
Net increase to fire protection revenues for shared services contracts	\$ (70,658)
Net increase to auxiliary training per regulation	8,323
Increase for wages & benefits	106,868
Net increase for utilities, ICBC/MIA insurance and miscellaneous expenses	5,800
Decrease to amortization expense	(12,000)
Overall Divisional Variance - net increase	\$ 38,333

Department 322 – Fire Protection

Campbell River Fire Department delivers quality efficient services that promote a safe and vibrant community. These services are delivered to the citizens of Campbell River, including three First Nation communities and the area of the Strathcona Regional District south of Campbell River to Oyster Bay.

Services provided:

- Fire Suppression, Emergency Management, Vehicle Extrication, Hazardous Material Response, Environmental Protection, Pre-Hospital Emergency Medical Care, Confined Space Rescue, Technical High Angle Rope Rescue, Structural Collapse Rescue and Shore-based Swift Water Rescue.
- Fire Inspections & Code Enforcement.
- Public Fire & Life Safety Education.
- Enforcement of Fire Services Bylaw 2612, Clean Air Bylaw 3293, and Fireworks Regulation Bylaw 3297.
- After hours call taking & callout of City Operations Division.
- Fire Protection Services are maintained 24 hours a day and are currently handled by 20 Career Firefighters, 1 Fire Prevention Officer.

Achievements:

- We estimate for 2015 the department will have responded to 2,900 incidents for an increase of 13% over 2014.
- To date, the City has saved \$1,806,000 of property value at risk in 2015.
- For 2013, the most recent data available, the avoided cost of insurance due to our fire services was \$5,195,656. This extrapolates to a cost benefit of \$1.52 for every \$1.00 spent on fire protection, or a savings of \$164 per person for our community.
- On target to complete 929 of 1397 inspections in 2015.
- Attended 51 Public Education events in 2015 with outreach to 1,286 citizens.
- Received over \$500,000 in revenue for contracted provision of fire services to First Nations and Strathcona Regional District.

Focus areas for 2016 are:

- A fire services plan that addresses service levels to the citizens of Campbell River.
- Auxiliary firefighter training & compensation.
- Fleet mechanical services.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
322 - FIRE PROTECTION				
1 - Revenue				
223285 - FIRE PROTECTION	(445,188)	(519,680)	(74,492)	16.73%
1 - Revenue Total	(445,188)	(519,680)	(74,492)	16.73%
2 - Expense				
220115 - FIRE PROTECTION ADMIN	456,354	468,025	11,671	2.56%
221515 - FIRE COM & DISPATCH	178,414	180,654	2,240	1.26%
223215 - FIRE TRAINING FACILITY	3,840	3,600	(240)	-6.25%
223285 - FIRE PROTECT & SUPPRESS	2,687,873	2,781,725	93,852	3.49%
223295 - FIRE FIGHTING EQUIPMENT	84,000	84,000	-	0.00%

223315 - FIRE TECHNICAL SERVICES	188,213	203,462	15,249	8.10%
223375 - FIRE FLEET & EQUIPMENT	186,624	190,764	4,140	2.22%
223975 - FIRE INVEST & PREVENTION	146,023	143,936	(2,087)	-1.43%
229100 - FIRE PROTECTION TCA	162,000	150,000	(12,000)	-7.41%
229990 - FIRE PROTECT W&B ALLOC	192,423	192,423	-	0.00%
2 - Expense Total	4,285,764	4,398,589	112,825	2.63%
322 - FIRE PROTECTION Total	3,840,576	3,878,909	38,333	1.00%

Department 323 – E-911 Fire Dispatch

Campbell River Fire Department continues to deliver effective and highly regarded fire dispatch services to communities throughout the North Island and Powell River region. The City is engaged in a contract with the North Island 9-1-1 Corporation (NI 911) to provide this service to six regional governments and has done so since 1995.

Services provided:

- The delivery of "Full Service" Fire Dispatch operations to 50 Fire departments through a cost sharing agreement with the North Island 911 Corporation.
- Fire Dispatch operations are maintained 24 hours a day and are delivered by 10 Dispatch staff managed by a deputy fire chief.

Achievements:

- The dispatch of estimated 9,500 emergency incidents for NI 911 Fire Departments for an increase of 5% over 2014 dispatched incidents.
- Continued compliance with National Fire Protection Association (NFPA) Standard 1221 - Standard for the Installation, Maintenance, and Use of Emergency Services Communications Systems, as well as, NFPA Standard 1061 - Professional Qualifications for Public Safety Telecommunications Personnel.

Focus areas for 2016 are:

- Increased fiscal efficiency using existing staffing model.
- Increase the number of fire departments within current service delivery area.
- Expanded service delivery area.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
323 - E-911				
1 - Revenue				
222500 - E-911	(1,093,031)	(1,089,009)	4,022	-0.37%
1 - Revenue Total	(1,093,031)	(1,089,009)	4,022	-0.37%
2 - Expense				
230115 - E911 ADMINISTRATION	138,266	139,657	1,391	1.01%

231515 - E911 COM & DISPATCH	917,000	908,687	(8,313)	-0.91%
233315 - E911 FIRE TECH SERVICES	17,765	20,665	2,900	16.32%
2 - Expense Total	1,073,031	1,069,009	(4,022)	-0.37%
323 - E-911 Total	(20,000)	(20,000)	-	0.00%

CORPORATE SERVICES SEGMENT

Includes the following departments: Communications, Human Resources, Finance, Information Technology and GM Corporate Services.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
CORPORATE SERVICES SEGMENT	2,950,517	3,199,605	249,088	
1 - Revenue				
Fees & Charges	(156,500)	(154,570)	1,930	-1.23%
Other Revenue	(26,660)	(21,390)	5,270	-19.77%
1 - Revenue Total	(183,160)	(175,960)	7,200	-3.93%
2 - Expense				
Contracted Services	160,200	172,500	12,300	7.68%
Other Operating Expenses	465,253	609,965	144,712	31.10%
Utilities	47,456	32,951	(14,505)	-30.57%
Wages & Benefits	2,460,768	2,560,149	99,381	4.04%
2 - Expense Total	3,133,677	3,375,565	241,888	7.72%

2016 Variance Description	Amount
Net decrease to admin fees and recoverable IT work orders	\$ 7,200
Increase for community survey (approved 2013 SLCR)	8,000
Increase to legal fees for human resources	74,000
Increase in human resources for union contract negotiations, survey, and disability management	24,500
Increase for printing of tax notices, bank charges, PAWs advertising and postage	13,507
Increase in IT software licenses and network support	37,000
Decrease for IT telecommunications	(14,500)
Increase in wages & benefits	99,381
Overall Divisional Variance - net increase	\$ 249,088

Department 111 – Communications

The Communications department is responsible for corporate communications initiatives, including news releases, website and social media postings, advertising, citizen surveys and branding, and ensures that information is distributed to employees and community members to promote positive working relationships. Working with other City departments, Communications helps research, plan and develop materials to provide clear, consistent and complete information about City programs, events and initiatives, as well as the local government decision-making process. Our goal: to share information with Campbell River citizens – and to encourage valuable feedback that helps improve City services.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
111 - COMMUNICATIONS				
2 - Expense				
111514 - COMMUNICATIONS	134,859	150,405	15,546	11.53%
2 - Expense Total	134,859	150,405	15,546	11.53%
111 - COMMUNICATIONS Total	134,859	150,405	15,546	11.53%

Department 114 – Human Resources

The Human Resources department provides professional services in order to attract, retain, support, and develop City employees so that they can serve the public in a way that earns the trust, respect and confidence of our community. Key Human Resource services include workforce planning; recruitment and retention; labour and employee relations; compensation and benefits administration; health and safety; ability management; learning and development; policy development; records management; and organizational relationships.

Over the past 5 years the City has experienced 45% staff turnover and welcomed over 100 new faces to our team. The City currently employs 224 people in permanent positions with 69% represented by CUPE and 14% by the IAFF. In addition, there are approximately 100 support/seasonal CUPE staff working in auxiliary roles throughout the year. The diverse staffing needs in a local government setting adds complexity to the recruitment process, particularly with competitive markets for specialized positions.

In 2016 the Human Resources team will continue to focus on the strategic needs of the organization in order to create a resilient and responsive workforce to deliver on the priorities of Council and the community.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
114 - HUMAN RESOURCES				
2 - Expense				
140115 - HUMAN RESOURCES	418,143	452,718	34,575	8.27%
143085 - EMPLOYEE PROGRAMS	53,000	53,000	-	0.00%
146430 - SAFETY	6,500	6,500	-	0.00%

148110 - UNION NEGOTIATIONS	19,500	103,500	84,000	430.77%
2 - Expense Total	497,143	615,718	118,575	23.85%
114 - HUMAN RESOURCES Total	497,143	615,718	118,575	23.85%

Department 212 – Finance

The Finance department delivers services to both the public and all 50 City departments. The department oversees a \$63 million annual operating budget and the annual capital budget (2015 - \$27 million for 106 capital projects). A key function of the department is regular financial reporting which aides in decision making and managing the City's finances according to budget; financial reporting generated from the departments includes monthly reporting to management, quarterly reporting to Council, and annual reporting to statutory authorities. Annual reporting includes preparing the audited financial statements and the Ministry required LGDE and SOFI filings. The department currently manages 22 grant files for funds received from external organizations, as well as the internal reserve and investment funds. Tangible Capital Asset ledger maintenance is under the responsibility of finance as well as the management of external debt financing.

The department manages payroll for 3 pay groups: Exempt, CUPE and IAFF. Payroll and benefit administration totals \$20 million annually. The City is the tax collector for many other governments such as the Regional District, School and Hospital resulting in taxes collected of \$63 million annually for which 15,000 tax notices are prepared. The department administers the provincial tax deferral program and provincial Home Owner Grant (HOG) programs. Customers served at the finance front counter average 150-200 per week, and up to 1,500-2,000 per week during tax time in May and June. 2,000 utility bills for metered customers are prepared, processed and delivered annually. The City issues and collects approximately 250 general receivable invoices annually, and processes approximately 10,000 accounts payable annually.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
212 - FINANCE				
2 - Expense				
123185 - EXTERNAL AUDIT	57,500	50,300	(7,200)	-12.52%
123255 - FINANCE	1,168,771	1,233,513	64,742	5.54%
ADMINISTRATION				
2 - Expense Total	1,226,271	1,283,813	57,542	4.69%
212 - FINANCE Total	1,226,271	1,283,813	57,542	4.69%

Department 213 Information Technology

The Information Technology department delivers the following services to the City and taxpayers:

- Provides strategic planning and coordination for all City of Campbell River technology initiatives;

- Supports all network operational services to allow electronic internal and external communication;
- Supports all operational business applications to meet City's business requirements.
- Implements new technology to improve efficiency and cost-reduction;
- Supports City websites and Geographical Information Systems;
- Technical support for Royal Canadian Mounted Police – Campbell River detachment;
- Supports cost sharing agreement with the SRD.

The Information Technology department has seen a significant increase in support requirements between 2009 and 2015. Tangible statistics are detailed below:

- Helpdesk support requests: 2009 - 1826, 2015 - 4224
- Workstations: 2009 - 286, 2015 - 401
- Peripheral devices: 2009 - 143, 2015 - 581

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
213 - INFORMATION TECHNOLOGY				
1 - Revenue				
213900 - ADMIN FEES-IT	(176,260)	(174,330)	1,930	-1.09%
215900 - RECOVERABLE WORK	(6,900)	(1,630)	5,270	-76.38%
ORDERS				
1 - Revenue Total	(183,160)	(175,960)	7,200	-3.93%
2 - Expense				
130115 - INFORMATION SERVICES	428,815	431,790	2,975	0.69%
ADMIN				
130820 - BUSINESS APPLICATIONS	8,000	8,500	500	6.25%
133560 - GIS SUPPORT	168,514	173,574	5,060	3.00%
134700 - NETWORK SUPPORT	486,992	517,436	30,444	6.25%
135900 - RECOVERABLE WORK	900	660	(240)	-26.67%
ORDERS				
2 - Expense Total	1,093,221	1,131,960	38,739	3.54%
213 - INFORMATION TECHNOLOGY Total	910,061	956,000	45,939	5.05%

Department 300 – GM Corporate Services

Oversight of the Corporate Services division and member of the senior management team.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
300 - GM CORPORATE SERVICES				
2 - Expense				
113500 - GM CORPORATE	182,183	193,669	11,486	6.30%

SERVICES				
2 - Expense Total	182,183	193,669	11,486	6.30%

GENERAL FISCAL SERVICES SEGMENT

Includes the following departments: Reserves, Fiscal Services, Taxation and Corporate Services.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
GENERAL FISCAL SERVICES SEGMENT	(33,489,387)	(33,758,332)	(268,945)	
1 - Revenue				
Fees & Charges	(973,000)	(1,015,000)	(42,000)	4.32%
Investment Income	(135,000)	(130,000)	5,000	-3.70%
Other Revenue	(641,800)	(849,300)	(207,500)	32.33%
Tax Revenue	(28,223,627)	(28,829,933)	(606,306)	2.15%
Transfers from own funds	(8,294,196)	(6,394,224)	1,899,972	-22.91%
1 - Revenue Total	(38,267,623)	(37,218,457)	1,049,166	-2.74%
2 - Expense				
Contracted Services	40,000	45,000	5,000	12.50%
Debt Servicing	1,038,001	766,900	(271,101)	-26.12%
Other Operating Expenses	(474,535)	(448,376)	26,159	-5.51%
Transfers from own funds	4,074,770	3,041,601	(1,033,169)	-25.36%
Wages & Benefits	100,000	55,000	(45,000)	-45.00%
2 - Expense Total	4,778,236	3,460,125	(1,318,111)	-27.59%

2016 Variance Description	Amount
Net increase to investment income and CRIB contract	\$ (35,000)
Decrease in transfer from Facility reserve to fund SLCRs	106,000
Increase for repayment of Robron Artificial Turf	(200,000)
Net decrease for transfer to capital lending reserve	550,000
Net increase in property taxes, PILTS, PPT and BIA	(585,000)
Decrease for employee sick reserve transfer	(150,000)
Increase for allocation to capital reserves	320,000
Decrease for wage adjustment allocations	(45,000)
Decrease to operating contingency	(79,000)
Increase to transfer rental income to Parkland Aq.	37,000
Net reduction in debt servicing	(271,000)

Net increase grants in aid budget	41,000
Increase transfer to Airport Fund to balance deficit	46,000
Decrease to various other reserve transfers	(3,945)
Overall Divisional Variance (net decrease)	\$ (268,945)

Department 218 – Reserves

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
218 - RESERVES				
1 - Revenue				
906110 - MMBC	(124,000)	(34,674)	89,326	-72.04%
907961 - FACILITY	(106,284)	-	106,284	-100.00%
907962 - FLEET	(200,000)	(200,000)	-	0.00%
907963 - FD REPAY	(3,784)	-	3,784	-100.00%
FLEET				
908023 - PARKS PRCL	(110,550)	(205,550)	(95,000)	85.93%
TAX				
908025 - STORM PRCL	(25,000)	-	25,000	-100.00%
TAX				
908051 - CEMETERY	(5,600)	(5,600)	-	0.00%
917930 - GAMING REV	(659,913)	(555,000)	104,913	-15.90%
1 - Revenue Total	(1,235,131)	(1,000,824)	234,307	-18.97%
2 - Expense				
097971 - GENERAL	-	15,000	15,000	
FUTURE				
227962 – EQUIPMENT	3,784	-	(3,784)	-100.00%
902002 - CARBON	40,000	40,000	-	0.00%
OFFSETS				
906110 - MMBC	124,000	-	(124,000)	-100.00%
907900 - CAPITAL	332,765	220,000	(112,765)	-33.89%
WORKS				
907901 - CAPITAL	1,405,550	359,085	(1,046,465)	-74.45%
LENDING				
907961 - FACILITIES	190,000	190,000	-	0.00%
907962 - FLEET EQUIP	400,000	400,000	-	0.00%
907963 - EQUIP	3,784	-	(3,784)	-100.00%
POOLFLEET				
907964 - IT RESERVE	51,000	51,000	-	0.00%
907966 - LEISURE EQPT	15,000	15,000	-	0.00%

907967 - ISHIKARI	5,000	5,000	-	0.00%
RESERVE				
908023 - PARKS PARCEL	495,500	511,200	15,700	3.17%
908025 - STORM DRAIN	159,900	163,000	3,100	1.94%
917920 - EMPLOYEE	150,000	-	(150,000)	-100.00%
SICK				
917930 - CAPITAL	600,000	650,000	50,000	8.33%
GAMING				
917950 - INSURANCE	-	35,600	35,600	-
917951 - CAPITAL	-	320,000	320,000	-
ALLOC				
2 - Expense Total	3,976,283	2,974,885	(1,001,398)	-25.18%
218 - RESERVES Total	2,741,152	1,974,061	(767,091)	-27.98%

Department 219 – Fiscal Services

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
219 - FISCAL SERVICES				
1 - Revenue				
907901 - ACC SURPLUS GEN OP	(1,687,400)	-	1,687,400	-100.00%
999998 - TRSF FROM EQUITY TCA	(5,371,665)	(5,393,400)	(21,735)	0.40%
1 - Revenue Total	(7,059,065)	(5,393,400)	1,665,665	-23.60%
2 - Expense				
098003 - AIRPORT OPERATING	20,509	66,716	46,207	225.30%
999999 - ACCUMULATED SURPLUS	77,978	-	(77,978)	-100.00%
2 - Expense Total	98,487	66,716	(31,771)	-32.26%
219 - FISCAL SERVICES Total	(6,960,578)	(5,326,684)	1,633,894	-23.47%

Department 230 – Taxation

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
230 - TAXATION				
1 - Revenue				
017500 - TAX LEVY-GENERAL	(26,186,563)	(26,791,433)	(604,870)	2.31%
PURPOSES				
017530 - TAX LEVY-1% UTILITY	(478,900)	(482,700)	(3,800)	0.79%
REVENUE				
034345 - LOCAL SERVICE TAXES	(23,500)	(19,800)	3,700	-15.74%
034870 - PARCEL TAXES-STORM	(159,900)	(163,000)	(3,100)	1.94%
DRAIN				
064285 - LOCAL SERVICE TAXES-BIA	(61,500)	(65,400)	(3,900)	6.34%

074850 - PARCEL TAXES-PARKS	(495,500)	(511,200)	(15,700)	3.17%
115080 - PAYMENTS IN LIEU- FEDERAL	(31,500)	(33,700)	(2,200)	6.98%
115095 - PAYMENTS IN LIEU- PROVINCIAL	(486,264)	(487,700)	(1,436)	0.30%
1 - Revenue Total	(27,923,627)	(28,554,933)	(631,306)	2.26%
2 - Expense				
193750 - HEART OF THE CITY BIA	41,790	44,715	2,925	7.00%
198800 - WILLOW POINT BIA	19,710	20,651	941	4.77%
2 - Expense Total	61,500	65,366	3,866	6.29%
230 - TAXATION Total	(27,862,127)	(28,489,567)	(627,440)	2.25%

Department 231 – Corporate Services

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
1 - Revenue				
210940 - CR INDIAN BAND CONTRACT	(895,000)	(940,000)	(45,000)	5.03%
213255 – ADMIN FEES-FINANCE	(79,800)	(76,800)	3,000	-3.76%
213500 - ADMINISTRATION FEES	(40,000)	(25,000)	15,000	-37.50%
213505 – ADMIN FEES-CITY MERCH	-	(2,500)	(2,500)	
313620 - PROVINCIAL GRANTS	(600,000)	(650,000)	(50,000)	8.33%
414000 - INVESTMENTS	(105,000)	(100,000)	5,000	-4.76%
417600 - TAXES-CURRENT PENALTIES	(300,000)	(275,000)	25,000	-8.33%
417630 - TAXES-ARREARS	(30,000)	(30,000)	-	0.00%
417631 – FORTIS FRANCHISE FEES	-	(55,000)	(55,000)	-
735375 - COMMUNITY WORKS	-	(115,000)	(115,000)	-
FUNDS				
1 - Revenue Total	(2,049,800)	(2,269,300)	(219,500)	10.71%
2 - Expense				
193350 - FISCAL SERVICES	3,000	-	(3,000)	-100.00%
193510 - GRANTS IN AID	603,749	629,043	25,294	4.19%
193650 - CORPORATE SERVICES	80,000	85,000	5,000	6.25%
197540 - TAX PREPAYMENTS	6,000	-	(6,000)	-100.00%
199985 - COST ALLOC RECOVERIES	(1,182,784)	(1,182,785)	(1)	0.00%
917960 - GENERAL FUTURE	100,000	55,000	(45,000)	-45.00%
OPERATING				
2 - Expense Total	(390,035)	(413,742)	(23,707)	6.08%
231 - CORPORATE SERVICES Total	(2,439,835)	(2,683,042)	(243,207)	9.97%

FACILITIES & SUPPLY MANAGEMENT SEGMENT

Includes the following departments: GM Facilities & Supply Management, Supply Management, Property Management, Fleet, Capital Works, Stores and Facilities.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
FACILITIES & SUPPLY MGMT SEGMENT	2,033,190	1,914,921	(118,269)	
1 - Revenue				
Other Revenue	(334,534)	(389,599)	(55,065)	16.46%
1 - Revenue Total	(334,534)	(389,599)	(55,065)	16.46%
2 - Expense				
Amortization Expense	456,515	419,000	(37,515)	-8.22%
Contracted Services	814,317	854,976	40,659	4.99%
Insurance	100,473	112,011	11,538	11.48%
Other Operating Expenses	(519,212)	(676,140)	(156,928)	30.22%
Utilities	163,392	174,491	11,099	6.79%
Wages & Benefits	1,352,239	1,420,182	67,943	5.02%
2 - Expense Total	2,367,724	2,304,520	(63,204)	-2.67%

2016 Variance Description	Amount
Increase to property rental income	\$ (55,000)
Increase to wages & benefits	67,943
Net increase to utilities & building insurance	22,637
Increase for GPS on fleet	24,000
Increase to various facility contracted services	16,000
Decrease for one-time SLCRs and Carry Forwards	(91,000)
Increase to fleet recovery costs	(54,000)
Net decrease to supplies, postage and various other operating expenses	(13,334)
Decrease to amortization expense	(37,515)
Overall Divisional Variance (net decrease)	\$ (118,269)

Department 400 – GM Facilities & Supply Management

Oversight of the Facilities & Supply Management division and member of the senior management team.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
400 - GM FACILITIES & SUPPLY MANAGEMENT				
2 - Expense				
153500 - GM FACILITIES & SUPPLY MGMT	175,905	188,226	12,321	7.00%
2 - Expense Total	175,905	188,226	12,321	7.00%
400 - GM FACILITIES & SUPPLY MGMT Total	175,905	188,226	12,321	7.00%

Department 445 – Supply Management

Supply Management is an essential professional service to ensure best value is found and that purchasing decisions are made without bias or favour while managing the disposal of surplus equipment in an ethical and cost-effective manner. By maintaining a strict purchasing policy and following domestic and international trade agreements this ensures that purchases are accountable, and maintains high standards for goods and services that are procured using public funds thus ensuring the best possible value.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
445 - SUPPLY MANAGEMENT				
2 - Expense				
155850 - PURCHASING OPS	136,762	137,675	913	0.67%
2 - Expense Total	136,762	137,675	913	0.67%
445 - SUPPLY MANAGEMENT Total	136,762	137,675	913	0.67%

Department 446 – Property Management

The Property Services department is responsible for the management of real estate assets and civic properties, including road closures, leases, purchase and sale negotiations, rights-of-way, and acquisition of and disposal of real estate, issues arising from occupants of City-owned property, and manages all property issues that arise from City capital projects. Each Land Disposition involves:

- Extensive historical research;
- Consultation with legal counsel;
- Consultation with staff and local stakeholders;
- Consideration of the Community Charter effects and constraints;
- Consideration of the Land Titles Act effects and constraints;
- Consideration of Council Policies and Procedures effects and constraints;
- Council Reports;
- Purchase and Sale, or Land Transfer Agreements standard clauses and conditions precedent;

- Follow-up with legal counsel, staff, stakeholders, Purchaser / Vendor / Agent.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
446 - PROPERTY MANAGEMENT				
1 - Revenue				
211425 - ENTERPRISE CENTRE LEASE	(16,387)	(16,387)	-	0.00%
213500 - ADMINISTRATION FEES	(10,050)	(10,050)	-	0.00%
228065 - TYEE SPIT LEASES	(119,366)	(119,366)	-	0.00%
266210 - RENTAL HOUSING	(21,600)	(74,400)	(52,800)	244.44%
271575 - COMMUNITY CENTRE	(14,894)	(14,896)	(2)	0.01%
271895 - DISCOVERY PIER	(16,675)	(15,500)	1,175	-7.05%
273500 - LIBRARY	(135,562)	(139,000)	(3,438)	2.54%
1 - Revenue Total	(334,534)	(389,599)	(55,065)	16.46%
2 - Expense				
155210 - PROPERTIES ADMIN	261,949	269,132	7,183	2.74%
2 - Expense Total	261,949	269,132	7,183	2.74%
446 - PROPERTY MANAGEMENT Total	(72,585)	(120,467)	(47,882)	65.97%

Department 447 – Fleet

The Fleet department ensures that City fleet vehicle assets are operated and maintained in a safe, efficient, cost-effective and sustainable manner.

The City's fleet consists of approximately 127 pieces of rolling stock (General Fleet–89, Airport–22, Fire Department–16), as well as approximately 100 additional pieces of auxiliary equipment, small engines, pumps, tow-behind equipment and small tools with a total replacement value of approximately \$15 million. The department also services and maintains the City's various back-up power systems for the Utilities and Facilities departments. The department continually explores options to green and seek efficiencies within the fleet. The City currently operates two electric vehicles and 6 hybrids while the number of vehicles/equipment in the general equipment pool has actually decreased by two (91 to 89) since 2006.

The department's primary focus for 2016 will be to continue efforts to centralize management of the City's three distinct (General, Fire, Airport) vehicle and equipment fleets.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
447 - FLEET				
2 - Expense				
153323 - ROADS SERVICE FLEET	13,108	13,633	525	4.01%
153376 - FLEET & EQUIPMENT	834,537	869,014	34,477	4.13%

OPS					
153390 - FLEET COST ALLOCATION	(1,144,500)	(1,196,400)	(51,900)	4.53%	
306930 - COMMON SVCS	11,387	11,378	(9)	-0.08%	
SMTTOOLS					
319100 - FLEET TCA	152,875	138,000	(14,875)	-9.73%	
2 - Expense Total	(132,593)	(164,375)	(31,782)	23.97%	
447 - FLEET Total	(132,593)	(164,375)	(31,782)	23.97%	

Department 448 – Capital Works

The Capital Works Department focuses on the consistent delivery of all of the major capital projects approved for construction in the City's Long Range Capital Plan.

Services provided by the department align with the phases of major project delivery, evolving from a support role early on in the project life cycle to the lead role when the project goes into design and construction, followed by support during the maintenance period. The department work effort peaks during the design/construction process to ensure all necessary support and controls are in place and that the project is delivered in accordance with its objectives and constraints.

Since completion of the first major projects in 2011, which included the most recent Highway 19A upgrades and Airport Runway and Terminal Building expansions, the department has successfully completed 23 major capital projects with cumulative total value of work delivered exceeding \$41.5 million. Projects range in nature from municipal infrastructure renewals to unique initiatives such as the Sybil Andrews Cottage restoration and also include community partner projects such as the splash park and lacrosse box. To date all projects have been delivered on or ahead of schedule and on or under budget with total cumulative savings of approximately \$2.0M equalling a combined project budget under run of approximately 4.5%.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
448 - CAPITAL WORKS				
2 - Expense				
151110 - CAPITAL WORKS MGMT	148,238	166,599	18,361	12.39%
2 - Expense Total	148,238	166,599	18,361	12.39%
448 - CAPITAL WORKS Total	148,238	166,599	18,361	12.39%

Department 449 – Stores

The City's Stores operation stocks approximately 1600 SKU's (stock keeping units) at a value of \$250,000, providing goods, materials and services to many City departments. This department is responsible for managing the City's internal parts and materials inventory which are critical to the City's operations, particularly in the stocking of repair clamps, pipes, and fittings that are used in emergency

repair and which are not readily available locally. The function allows the City to save costs through bulk purchasing as well as saving departmental staff time by having a centralized and focused buyer.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
449 - STORES				
2 - Expense				
157050 - STORES	87,429	90,795	3,366	3.85%
159985 - COST ALLOCATION	(32,795)	(32,795)	-	0.00%
2 - Expense Total	54,634	58,000	3,366	6.16%
449 - STORES Total	54,634	58,000	3,366	6.16%

Department 450 – Facilities

The Facilities department ensures that all staffed/public use City facilities are operated and maintained in a safe, efficient, cost-effective and sustainable manner while considering the long-term lifespan of the asset. The department manages a portfolio of 30+ mixed use office, recreational, operational, cultural and residential structures with a total replacement value of approximately \$80 million totaling approximately 300,000 sq. ft. The department also works closely to manage relationships and support external (non-profit) tenants in City owned facilities.

Major City owned buildings include:

- City Hall and the Enterprise Centre
- Dogwood Operations Centre
- Fire Halls No. 1 & 2
- RCMP Building
- Animal Control Building

- Heritage Buildings including Sybil Andrews Cottage, Haig Brown House, the Big House Pavilion and others.
- Centennial Building (Art Gallery, Visitor Info Centre)
- Community Centre , Sportsplex and Centennial Pool
- Discovery Pier and the Maritime Heritage Centre
- Cultural buildings including the Tidemark Theatre, Museum and Library

This department also manages Station 1 dispatch at the Dogwood Operations Centre, which acts as the City's primary operations reporting line handling approximately 6500 public calls per year and 4500 requests for service.

The department's focus for 2016 will be on major condition renewals as well as the beginning steps towards a robust facilities asset management program.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
450 - FACILITIES				
2 - Expense				
151426 - CIVIC OFFICES OPERATIONS	162,510	171,141	8,631	5.31%
151428 - CIVIC OFFICES R&M	81,294	90,227	8,933	10.99%
153210 - FACILITIES ADMINISTRATION	209,131	171,968	(37,163)	-17.77%
153216 - SOCIAL FACILITIES	7,500	5,000	(2,500)	-33.33%
156470 - DWNTWN SECURITY PATROL	48,000	48,000	-	0.00%
158068 - TYEE SPIT LEASED REPAIRS	7,121	7,094	(27)	-0.38%
159100 - GEN GOVT TCA	303,640	281,000	(22,640)	-7.46%
215297 - POLICE BUILDING GROUNDS	8,130	8,951	821	10.10%
215298 - POLICE BUILDING REPAIRS	119,160	50,864	(68,296)	-57.31%
223216 - FIRE FACILITIES OPERATIONS	61,664	63,715	2,051	3.33%
223218 - FIRE FACILITIES R&M	41,399	45,231	3,832	9.26%
280436 - ANIMAL SHELTER OPERATIONS	8,050	8,836	786	9.76%
280438 - ANIMAL SHELTER REPAIRS	12,119	14,593	2,474	20.41%
303216 - COMMON SVCS FACILITIES OPS	78,652	80,287	1,635	2.08%
303217 - COMMON SVCS FAC GROUNDS	6,193	5,644	(549)	-8.86%
303218 - COMMON SVCS FAC REPAIRS	68,889	53,186	(15,703)	-22.79%
626210 - RENTAL HOUSING	22,719	31,531	8,812	38.79%
741308 - CENTENNIAL POOL REPAIRS	26,684	34,104	7,420	27.81%
741578 - COMMUNITY CENTRE REPAIRS	32,740	33,214	474	1.45%
741896 - DISCOVERY PIER OPERATIONS	11,412	12,282	870	7.62%
741898 - DISCOVERY PIER REPAIRS	45,119	18,093	(27,026)	-59.90%
746978 - SPORTSPLEX REPAIRS & MAINT	43,533	48,008	4,475	10.28%
781276 - CENTENNIAL BUILDING (VIC)	7,468	8,357	889	11.90%
781278 - CENTENNIAL BUILDING REPAIR	13,059	6,546	(6,513)	-49.87%
781796 - CULTURAL BUILDINGS-OTHER	125	387	262	209.60%
781798 - CULTURAL BUILDINGS-REPAIRS	15,000	15,000	-	0.00%
783736 - HAIG BROWN HOUSE OPS	28,250	12,250	(16,000)	-56.64%
784176 - LIBRARY BUILDING	4,358	4,668	310	7.11%
784178 - LIBRARY BUILDING REPAIRS	26,060	52,547	26,487	101.64%
784436 - MARITIME HERITAGE CENTRE	13,024	10,823	(2,201)	-16.90%
784438 - MHC BUILDING R&M	18,758	17,545	(1,213)	-6.47%
784666 - MUSEUM BUILDING OPS	119,200	120,093	893	0.75%
784668 - MUSEUM BUILDING REPAIRS	29,057	57,044	27,987	96.32%
787686 - TIDEMARK THEATRE OPS	8,748	9,486	738	8.44%

787688 - TIDEMARK THEATRE REPAIRS	34,063	51,548	17,485	51.33%
2 - Expense Total	1,722,829	1,649,263	(73,566)	-4.27%
450 - FACILITIES Total	1,722,829	1,649,263	(73,566)	-4.27%

OPERATIONS SEGMENT

Includes the following departments: General Manager of Operations, Transportation, Roads, Public Transit, Storm Drains and Solid Waste.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
OPERATIONS SEGMENT	7,482,675	7,570,808	88,133	
1 - Revenue				
Fees & Charges	(2,766,711)	(2,786,913)	(20,202)	0.73%
Investment Income	(1,000)	(1,000)	-	0.00%
Other Revenue	(481,400)	(485,500)	(4,100)	0.85%
Sales of Goods & Services	(28,000)	(30,000)	(2,000)	7.14%
1 - Revenue Total	(3,277,111)	(3,303,413)	(26,302)	0.80%
2 - Expense				
Amortization Expense	3,344,510	3,386,000	41,490	1.24%
Contracted Services	4,062,839	4,044,876	(17,963)	-0.44%
Insurance	500	400	(100)	-20.00%
Other Operating Expenses	876,595	857,777	(18,818)	-2.15%
Utilities	915,600	979,306	63,706	6.96%
Wages & Benefits	1,559,742	1,605,862	46,120	2.96%
2 - Expense Total	10,759,786	10,874,221	114,435	1.06%

2016 Variance Description	Amount
Increase for solid waste collection revenue	\$ (15,000)
Increase for Transit fees, garbage tags and other revenue	(11,000)
Increase to yard waste, garbage and recycling contract	20,000
Decrease for one-time storm drains SLCR and CFwd	(52,000)
Net decrease to catch basin cleaning and brushing contracted services	(25,477)
Increase to wages & benefits	46,120

Net increase to various operating expenses	9,000
Increase to solid waste tipping fees	45,000
Increase to utilities (electricity)	17,000
Increase to amortization expense	41,490
Overall Divisional Variance - net increase	\$ 88,133

Department 500 – General Manager of Operations

Oversight of the Operations division, member of the senior management team and Deputy City Manager.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
500 - GM OPERATIONS				
2 - Expense				
303500 - GM OPERATIONS	105,417	104,229	(1,188)	-1.13%
2 - Expense Total	105,417	104,229	(1,188)	-1.13%
500 - GM OPERATIONS Total	105,417	104,229	(1,188)	-1.13%

Department 501 – Transportation

The Transportation Department is responsible for the overall coordination and management of the City's road networks, pedestrian and cycling networks, storm drainage, and the public transit systems.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
501 - TRANSPORTATION				
2 - Expense				
300115 - TRANSPORTATION	208,286	219,453	11,167	5.36%
2 - Expense Total	208,286	219,453	11,167	5.36%
501 - TRANSPORTATION Total	208,286	219,453	11,167	5.36%

Department 532 – Roads

The City's Roads Department is responsible for maintenance of the City's roads and transportation networks. This department maintains over 265 km of paved road surfaces, 47 km of sidewalk, 56 km of active cycling lanes, 37 traffic lights, 25 pedestrian crossing lights, 3,600 street lights, 1,200 downtown parking spaces, 5,000 signs, and paints up to 200 km of road markings annually.

Duties include:

- Roads, sidewalks, laneways and cycling network maintenance
- Winter road maintenance
- Street sweeping
- Bridge inspection and maintenance
- Transit stops and shelter maintenance
- Regulatory and informational signage, road markings
- Traffic signals, pedestrian signals and street lighting
- Public parking and parks facilities parking lot maintenance
- Provision of labour and equipment for facilities, parks, sewer and water system repairs/upgrades
- Small scale capital works projects.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
532 - ROADS				
1 - Revenue				
233500 - GENERAL ADMINISTRATION	(1,000)	(1,000)	-	0.00%
235900 - RECOVERABLE WORK ORDERS	(40,000)	(40,000)	-	0.00%
333640 - TRANSFERS REGIONAL	(50,000)	(50,000)	-	0.00%
DISTRICT				
1 - Revenue Total	(91,000)	(91,000)	-	0.00%
2 - Expense				
306430 - COMMON SVCS SAFETY	57,020	58,083	1,063	1.86%
309100 - WORKSHOPS & YARDS TCA EXP	236,500	208,000	(28,500)	-12.05%
320115 - ROADS ADMINISTRATION	669,190	676,738	7,548	1.13%
320120 - FOREMAN OH & ADMIN	26,732	27,791	1,059	3.96%
320125 - ROADS SURFACE MGMT	286,828	290,895	4,067	1.42%
320130 - ROADSIDE MGMT	73,874	76,463	2,589	3.50%
320700 - BRIDGES	40,888	41,661	773	1.89%
320730 - BRUSHING	115,908	98,023	(17,885)	-15.43%
324910 - PARKING LOTS RENEWAL	16,134	27,254	11,120	68.92%
325900 - RECOVERABLE WORK ORDERS	29,175	29,708	533	1.83%
326260 - ROAD MARKING	145,882	147,696	1,814	1.24%
326290 - ROAD SHOULDERING	68,368	70,588	2,220	3.25%
326380 - ROADS-LANES MAINTENANCE	20,572	24,332	3,760	18.28%
326915 - SIDEWALK/CURBS/WALLS REP	143,733	148,062	4,329	3.01%
326940 - SNOW CLEARING	110,017	112,980	2,963	2.69%
327230 - STREET CLEANING & SEALING	54,131	56,185	2,054	3.79%
327320 - ROADS STUDIES & PLANNING	20,000	20,000	-	0.00%
329100 - ROADS & SIDEWALKS TCA EXP	2,133,380	2,167,000	33,620	1.58%

344205 - LIGHTING-CITY OWNED	186,190	190,868	4,678	2.51%
344215 - LIGHTING-BC HYDRO LEASED	335,563	348,985	13,422	4.00%
347240 - STREET SIGNS	69,211	71,065	1,854	2.68%
347840 - TRAFFIC SIGNALS	52,881	53,471	590	1.12%
347870 - TRAFFIC SIGNALS-SENS LOOPS	126	131	5	3.97%
349100 - LIGHTING-OVERHEAD TCA EXP	384,830	390,000	5,170	1.34%
365748 - PUBLIC TRANSIT STOP MAINT	24,275	25,689	1,414	5.82%
2 - Expense Total	5,301,408	5,361,668	60,260	1.14%
532 - ROADS Total	5,210,408	5,270,668	60,260	1.16%

Department 536 – Public Transit

Public Transit is provided throughout the City of Campbell River and portions of Electoral Area D of the Strathcona Regional District through partnerships between BC Transit, Watson and Ash Transportation Ltd., the Strathcona Regional District and the City of Campbell River. Service includes both conventional transit service (scheduled routes) and custom service (non-scheduled handi-dart service) for specialized transportation needs. The central transit exchange is located in the downtown core, with seven bus bays on both Cedar Street and 11th Avenue, next to the Community Centre. Inter-regional transit service is also provided to the Comox Valley transit system with connections at the Oyster River.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
536 - PUBLIC TRANSIT				
1 - Revenue				
235700 - PUBLIC TRANSIT	(875,936)	(878,338)	(2,402)	0.27%
1 - Revenue Total	(875,936)	(878,338)	(2,402)	0.27%
2 - Expense				
360115 - PUBLIC TRANSIT ADMIN	1,555,526	1,556,396	870	0.06%
365790 - PUBLIC TRANSIT-CUST	225,000	225,000	-	0.00%
SERV				
369100 - TRANSIT SHELTERS TCA	16,800	17,000	200	1.19%
369990 - PUBLIC TRANSIT COST	49,932	49,932	-	0.00%
CHARGES				
2 - Expense Total	1,847,258	1,848,328	1,070	0.06%
536 - PUBLIC TRANSIT Total	971,322	969,990	(1,332)	-0.14%

Department 539 – Solid Waste

The City's Solid Waste function is managed by the Community Planning & Development Services Department. Services include curbside recycling; yard waste and garbage collection; new initiatives to promote waste diversion and public education. The City's diversion rate from the landfill is currently 54%. Through a contractor, curbside collection services are provided to 10,035 homes. Approximately

3,700 tonnes of garbage, 1,300 tonnes of recycling and 3,200 tonnes of yard waste are collected annually.

Citizens currently receive:

- Weekly garbage and recycling collection
- Yard waste collection (March 1 to November 30)
- Year round yard waste drop off centre
- Information on recycling for large items, appliances and materials not accepted at the curbside (see - www.campbellriverrecycles.ca)
- Waste reduction tips provided in local media, brochures, and via social media.
- Liaison with Regional District Solid Waste Management Service
- Participation in Multi-Material BC recycling incentive program

The City is also working on development of a curbside organics collection program and in 2015 submitted a funding application to the Strategic Priorities Fund for development of a regional scaled Organics Facility at Norm Wood Environmental Centre.

2016 Initiatives include:

- Development of new solid waste contract
- Roll out of requirements for multi-family buildings to provide recycling (in partnership with MMBC recycling incentive program)
- Next steps for Organics Facility Development

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
539 - SOLID WASTE				
1 - Revenue				
243470 - GARBAGE COLLECTION	(1,155,400)	(1,168,600)	(13,200)	1.14%
246110 - RECYCLING COLLECTION	(776,775)	(784,475)	(7,700)	0.99%
246130 - MMBC PROGRAM	(376,000)	(379,000)	(3,000)	0.80%
1 - Revenue Total	(2,308,175)	(2,332,075)	(23,900)	1.04%
2 - Expense				
423470 - GARBAGE COLLECTION	1,188,067	1,239,323	51,256	4.31%
466110 - RECYCLING COLLECTION	397,750	402,750	5,000	1.26%
466130 - MMBC RECYCLING	106,078	106,678	600	0.57%
468900 - YARD WASTE COLLECTION	539,750	541,500	1,750	0.32%
499990 - COST ALLOCATION	76,498	76,498	-	0.00%
2 - Expense Total	2,308,143	2,366,749	58,606	2.54%
539 - SOLID WASTE Total	(32)	34,674	34,706	

Department 550 – Storm Drains

The City's Storm Drain Department is responsible for maintenance of the City's storm drainage networks. This department is responsible for over 169 km of storm pipe, 35 km of ditches, 3,675 catch basins, 2,510 storm manholes, 12 detention ponds, 1,275 culverts, 3 dissipation chambers, and 54 storm outfalls. Work (maintenance and rehabilitations) in a number of areas is affected by fish habitat.

Duties include:

- Repair and maintenance of storm lines
- Annual maintenance of storm ditches
- Line inspections and flushing of lines
- Cleaning and maintaining storm ponds
- Cleaning and maintaining storm catch basins

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
550 - STORM DRAINS				
1 - Revenue				
237165 - STORM DRAINS	(1,000)	(1,000)	-	0.00%
437165 - STORM DRAINS INTEREST	(1,000)	(1,000)	-	0.00%
1 - Revenue Total	(2,000)	(2,000)	-	0.00%
2 - Expense				
330125 - STORM DRAINS ADMIN	77,507	51,724	(25,783)	-33.27%
331160 - CATCH BASINS CLEANING	71,881	60,181	(11,700)	-16.28%
331170 - CATCH BASIN REPAIR	27,117	27,827	710	2.62%
331180 - CULVERTS	37,361	38,534	1,173	3.14%
334375 - STORM DRAINS CLEAN & VIDEO	56,967	29,844	(27,123)	-47.61%
335900 - RECOVERABLE WORK	912	707	(205)	-22.48%
ORDERS				
337070 - STORM DETENTION	13,479	25,816	12,337	91.53%
PONDS				
337168 - STORM DRAINS REPAIRS	127,550	129,361	1,811	1.42%
337320 - STORM DRAINS STUDIES	3,500	5,800	2,300	65.71%
339100 - DRAINAGE TCA EXP	573,000	604,000	31,000	5.41%
2 - Expense Total	989,274	973,794	(15,480)	-1.56%
550 - STORM DRAINS Total	987,274	971,794	(15,480)	-1.57%

PARKS, RECREATION & CULTURE SEGMENT

Includes the following departments: GM Parks, Recreation & Culture, Parks, Recreation & Culture Management, Recreation & Culture and Cemeteries.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
PARKS, REC & CULTURE SEGMENT	5,518,719	5,766,171	247,452	
1 - Revenue				
Fees & Charges	(680,200)	(646,550)	33,650	-4.95%
Other Revenue	(177,264)	(187,900)	(10,636)	6.00%
Sales of Goods & Services	(65,800)	(67,400)	(1,600)	2.43%
1 - Revenue Total	(923,264)	(901,850)	21,414	-2.32%
2 - Expense				
Amortization Expense	1,191,440	1,226,400	34,960	2.93%
Contracted Services	585,690	468,260	(117,430)	-20.05%
Insurance	17,130	19,316	2,186	12.76%
Other Operating Expenses	768,792	807,422	38,630	5.02%
Utilities	199,783	209,279	9,496	4.75%
Wages & Benefits	3,679,148	3,937,344	258,196	7.02%
2 - Expense Total	6,441,983	6,668,021	226,038	3.51%

2016 Variance Description	Amount
Decrease to legacy landmark revenue	27,500
Increase to building insurance and utilities	11,682
Increase to amortization expense	34,960
Contracted services for parks and cemeteries moved to in-house labour	(93,100)
Net increase to wages & benefits	258,196
Decrease in recreation programming expenses and for old Class software operating costs	(25,500)
Increase for recreation advertising (includes summer guide)	11,000
2015 approved operating expense increase for Robron	28,000
Net decreases to contracted services	(5,286)
Overall Divisional Variance - net increase	\$ 247,452

Department 700 – GM Parks, Recreation & Culture

Oversight of the GM Parks, Recreation & Culture division, member of the senior management team.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
700 - GM PARKS, RECREATION & CULTURE				
2 - Expense				
703500 - GM PARKS REC & CULTURE	158,969	173,933	14,964	9.41%
2 - Expense Total	158,969	173,933	14,964	9.41%
700 - GM PARKS, REC & CULTURE Total	158,969	173,933	14,964	9.41%

**Department 720 – Parks and
Department 752 – Cemeteries**

The Parks department is responsible for the day-to-day management of 337 acres of parks, sports fields, trails, public open spaces, and cemetery operations. Along with the management of the 337 acres, the Parks department is responsible for the following:

- banner program
- decorative lighting
- maintenance of 24 permanent washrooms and oversee the cleaning contract of the washrooms
- maintenance of 209 garbage receptacles and overseeing the contract of their collection
- Parks facilities (splash park, playgrounds, tennis courts, Robron Park, Willow Point Park etc.)
- 2 boat ramps
- 43 km of pedestrian walkways within subdivisions and trails
- sea walk
- marine foreshore restoration program
- burials at the two cemeteries
- legacy landmarks program
- City's Urban Forest which also consists of over 3,000 street trees to date

Within the 337 acres there are 74 active parks and two cemeteries that require a maintenance program in turf, irrigation, horticulture and general appearance. The department also manages the implementation of the Strategic Parks Plan, parks and green space planning, implementation of Parks Parcel Tax projects as approved by City Council, participation and liaison with various community members, users groups and committees regarding matters relating to parks.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
720 - PARKS				
1 - Revenue				
275040 - PARKS-SPORTSFIELDS	(40,000)	(34,000)	6,000	-15.00%
674120 - LEGACY LANDMARK	(37,500)	(10,000)	27,500	-73.33%
1 - Revenue Total	(77,500)	(44,000)	33,500	-43.23%
2 - Expense				
720115 - PARKS ADMINISTRATION	319,736	359,349	39,613	12.39%

720120 - COMMUNITY AMENITIES	139,196	127,515	(11,681)	-8.39%
720125 - PARKS FACILITIES	162,147	170,534	8,387	5.17%
720130- GARBAGE COLLECTION	87,584	95,033	7,449	8.50%
720135 - GREEN SPACE	762,314	836,387	74,073	9.72%
720140 - HORTICULTURE	399,112	401,091	1,979	0.50%
720145 - PEDESTRIAN WALKWAYS	56,274	33,084	(23,190)	-41.21%
720150 - URBAN FORESTRY	26,013	27,312	1,299	4.99%
720990 - PARKS AMORTIZATION	543,160	584,000	40,840	7.52%
721123 - ROADS SVC PARKS	2,621	2,727	106	4.04%
2 - Expense Total	2,498,157	2,637,032	138,875	5.56%
720 - PARKS Total	2,420,657	2,593,032	172,375	7.12%

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
752 - CEMETERIES				
1 - Revenue				
251200 - CEMETERY-HWY 19	(2,800)	(2,600)	200	-7.14%
251230 - CEMETERY-HWY 28	(61,764)	(63,200)	(1,436)	2.32%
1 - Revenue Total	(64,564)	(65,800)	(1,236)	1.91%
2 - Expense				
520115 - CEMETERY ADMIN	800	800	-	0.00%
521204 - CEMETERY-HWY 19	2,376	2,399	23	0.97%
BURIAL				
521208 - CEMETERY-HWY 19 R&M	20,663	19,594	(1,069)	-5.17%
521234 - CEMETERY-HWY 28	18,648	19,150	502	2.69%
BURIAL				
521238 - CEMETERY-HWY 28 R&M	20,337	20,839	502	2.47%
529100 - CEMETERY TCA	400	400	-	0.00%
2 - Expense Total	63,224	63,182	(42)	-0.07%
752 - CEMETERIES Total	(1,340)	(2,618)	(1,278)	95.37%

**Department 740 – Recreation & Culture and
Department 730 – Recreation & Culture Management**

The Recreation and Culture Department is all about people and our mission is; *“To inspire and support our community and individual well-being by working in collaboration to provide diverse recreation and culture opportunities for all ages, stages and abilities”*. These opportunities are provided at the Community Centre (30,020 sq. ft.), the Sportsplex (33,035 sq. ft.), Centennial Outdoor Pool, Spirit Square, and throughout the community. A staff of 75-110 (depending on the season), provide services in the areas of programming, administration and facility services (custodial). In addition to the recreation

facilities, the department is also responsible for facility services at City Hall and the Enterprise Centre, which is the addition of 37,600 square feet, one labourer, and 50+ internal clients.

The department operates 7 days/week, 355 days/year and has two front desks open to the public 124 hours/week. Programs, special events and rentals generate more than 250,000 visits/year (700+ visits/day), and almost \$800,000 in revenue. Program staff work with over 50 community partners (i.e.: VIHA, Success by Six, Senior's Society, BC Housing, etc.) to provide programs and special events throughout the community. Staff also work with committees such as: Campbell River Access Awareness, Youth Advisory, Senior's Advisory, Canada Day, Community Special Events and Public Art. There are 39 private renters that book regular space in our facilities (i.e.: Tae Kwon Do, Tai Chi, Toastmasters, etc.) and there were 77 large city/community events held in our facilities in the past year (i.e.: Blood Donor Clinics, National Child Day, Fireman's Ball, Cameron's Cause, Toy & Craft Sale, etc.). The department also takes care of city and school district park and field bookings which totaled 1,589 bookings last year. There are currently 1,254 fitness, weight room and court memberships, 770 50+ memberships, and 794 LIFE (A program for people who are financially challenged) memberships, which entitle clients to 52 free drop-in passes and three 50% off programs/year. New this September is a Tots to Teens Pass which offers 10 drop-in visits to many child and youth programs for \$25 (\$2.50/visit) and it is proving popular with 236 passes sold within two months.

Serving all facets of the community is challenging and recent efforts to maintain our relevancy included a large scale public consultation, realignment of program staff positions, the creation of a marketing plan, and the addition of a marketing position. Recent increases in program registration, facility bookings and revenue indicate that our work to provide relevant service delivery to the community is on track.

Challenges for 2016 will include transitioning to new Recreation Management software, completing a comprehensive user fees and charges review, supporting increased facility usage, assessing how to meet changing service priorities for the community (i.e.: the need for more fitness space and programming, the desire for more mid-week rentals and programming at the Sportsplex), and providing enhanced customer service.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
740 - RECREATION & CULTURE				
1 - Revenue				
270115 - ADMINISTRATION FEES-REC	(9,000)	(11,000)	(2,000)	22.22%
271305 - CENTENNIAL POOL	(33,000)	(39,500)	(6,500)	19.70%
271575 - COMMUNITY CENTRE	(74,000)	(80,500)	(6,500)	8.78%
276010 - REC PROGRAMS-ADULT	(227,000)	(249,450)	(22,450)	9.89%
276030 - REC PROGRAMS-CHILDREN	(183,000)	(152,000)	31,000	-16.94%
276050 - REC PROGRAMS-SENIOR	(44,000)	(43,000)	1,000	-2.27%
276060 - REC PROGRAMS-SPECIAL	(16,000)	(20,000)	(4,000)	25.00%
NEEDS				
276080 - RECREATION PROGRAMS-	(101,000)	(97,900)	3,100	-3.07%

TEENS					
276975 - SPORTSPLEX	(87,200)	(93,700)	(6,500)	7.45%	
373620 - PROV GRANTS-PARKS REC &	(7,000)	(5,000)	2,000	-28.57%	
CUL					
1 - Revenue Total	(781,200)	(792,050)	(10,850)	1.39%	
2 - Expense					
724220 - SP SQ MGT & PRGRMING	54,000	54,000	-	0.00%	
740115 - RECREATION ADMINISTRATION	1,341,894	1,385,306	43,412	3.24%	
741306 - CENTENNIAL POOL	152,850	164,133	11,283	7.38%	
OPERATIONS					
741576 - COMMUNITY CENTRE OPS	394,848	420,660	25,812	6.54%	
741579 - COMMUNITY CENTRE EQP	7,500	7,500	-	0.00%	
REPAIR					
746010 - RECREATION PROGRAMS-	190,574	206,744	16,170	8.48%	
ADULT					
746030 - RECREATION PROGRAMS-	241,541	224,599	(16,942)	-7.01%	
CHILD					
746050 - RECREATION PROGRAMS-SR	34,222	32,406	(1,816)	-5.31%	
746060 - RECREATION PROGRAMS-	31,124	37,450	6,326	20.33%	
SPECIAL					
746080 - RECREATION PROGRAMS-	152,191	131,980	(20,211)	-13.28%	
TEENS					
746950 - RECREATION SPECIAL EVENTS	12,192	10,757	(1,435)	-11.77%	
746976 - SPORTSPLEX OPERATIONS	302,591	309,417	6,826	2.26%	
746979 - SPORTSPLEX EQUIPMENT	10,500	10,500	-	0.00%	
REPAIRS					
747320 - RECREATION STUDIES	5,000	5,000	-	0.00%	
749100 - RECREATION ASSETS TCA	412,160	420,000	7,840	1.90%	
780970 - CANADA DAY CELEBRATION	12,500	12,500	-	0.00%	
789100 - CULTURAL ASSETS TCA	235,720	222,000	(13,720)	-5.82%	
730115 - REC & CULTURE MGMT	130,226	138,922	8,696	6.68%	
2 - Expense Total	3,721,633	3,793,874	72,241	1.90%	
740 - RECREATION & CULTURE Total	2,940,433	3,001,824	61,391	2.05%	

Development Services Segment

Includes the following departments: Economic Development and Community Planning and Development Services.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
DEVELOPMENT SERVICES SEGMENT	1,369,311	1,367,319	(1,992)	
1 - Revenue				
Fees & Charges	(769,800)	(763,300)	6,500	-0.84%
Other Revenue	(186,210)	(198,500)	(12,290)	6.60%
Sales of Goods & Services	(22,500)	(10,000)	12,500	-55.56%
1 - Revenue Total	(978,510)	(971,800)	6,710	-0.69%
2 - Expense				
Contracted Services	721,180	745,680	24,500	3.40%
Other Operating Expenses	226,695	151,605	(75,090)	-33.12%
Utilities	5,200	5,300	100	1.92%
Wages & Benefits	1,394,746	1,436,534	41,788	3.00%
2 - Expense Total	2,347,821	2,339,119	(8,702)	-0.37%

2016 Variance Description	Amount
Increase for building permit fees	\$ (20,000)
Net decrease for subdivision, plumbing, sign, property access and storm drain permit fees	27,220
Decrease for 2015 one-time approved LiDAR and Campbellton SLCR	(51,000)
Increase to wages & benefits	41,788
Overall Divisional Variance (net decrease)	\$ (1,992)

Department 264 – Economic Development

Economic development and tourism service delivery which is currently being restructured.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
264 - ECONOMIC DEVELOPMENT				
2 - Expense				
643005 - ECONOMIC DEVELOPMENT	576,180	576,180	-	0.00%
2 - Expense Total	576,180	576,180	-	0.00%
264 - ECONOMIC DEVELOPMENT Total	576,180	576,180	-	0.00%

Department 502 – Community Planning & Development Services

The Community Planning & Development Services department provides a single point of service related to uses of private property, development and building projects, environmental services, and the City's sustainability and long range planning initiatives. Services provided include:

- Business Licensing
- Building Permits and Inspections
- Development Servicing
- Current planning —Development Applications (OCP amendment, rezoning, subdivision, development permits, variance permits and ALR applications)
- Long Range Planning
- Climate Action Charter compliance and energy/greenhouse gas reduction planning
- Environmental management, stewardship and protection of natural resources
- Management of solid waste program
- Implementation of the City's Integrated Community Sustainability Plan

Highlights of our services/initiatives include:

- Supported Front Counter Inquiries:
 - 200 property file requests (monthly)
 - 60 cash transactions (monthly)
 - 350 general counter inquiries (monthly)
 - 700 phone calls (monthly)
- Wrote 105 Council/Commission/Minor Development Permit Reports
- Processed 190 building permits (2015 estimate to year end)
- Performed 1,395 building inspections (2015 estimate to year end)
- Processed 76 development applications (2015 estimate to year end)
- Of interest: the total construction value in the community for 2015 is approx. \$152,111,000.
- Hosted building and development forums
- Bylaw updates/development: Planning Procedures; Building; Environmental Protection; Soil Deposition;
- Special Programs: Woodstove Exchange Program; Downtown Façade Improvement Program; Youth Action Committee; Climate Action Charter Reporting
- Plan Development: Invasive Species Management Plan; Urban Forest Management Plan (supporting Parks);
- Updated Business Licensing software
- Support Council with Downtown Strategic Planning
- Highlights of 2016 initiatives include a review of the City's OCP/Zoning Bylaw; update to the Sign Bylaw; Business License Review; Downtown Strategic Planning; Energy Retrofit Programs

This department was created from an amalgamation of the Development Services and Sustainability Departments.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
502 - COMMUNITY PLAN & DEV SVCS				
1 - Revenue				
213500 - ADMIN FEES	(1,000)	(3,000)	(2,000)	200.00%
260790 - BUILDING PERMITS	(380,000)	(400,000)	(20,000)	5.26%
260880 - BUSINESS LICENCES	(280,000)	(280,000)	-	0.00%
261590 - DEVELOPMENT FEES	(134,000)	(94,800)	39,200	-29.25%
261610 - COM LAND DEV FEES	(100,000)	(100,000)	-	0.00%
333601 - TRANSFERS-CWF	(16,510)	-	16,510	-100.00%
333621 - TRANSFERS CARIP	(27,000)	(59,000)	(32,000)	118.52%
343620 - PROV GRANTS-ENVIRO	(40,000)	(10,000)	30,000	-75.00%
643610 - GRANTS- ENVIRO	-	(25,000)	(25,000)	-
1 - Revenue Total	(978,510)	(971,800)	6,710	-0.69%
2 - Expense				
153115 - SUSTAINABILITY ADMIN	462,767	447,233	(15,534)	-3.36%
153120 - SUSTAINABILITY STUDIES	35,000	-	(35,000)	-100.00%
153155 - SUSTAINABILITY PRGMS	105,040	118,165	13,125	12.50%
260760 - BUILDING INSPECTIONS	337,238	346,340	9,102	2.70%
620115 - DEV SERVICES MGMT	266,667	233,435	(33,232)	-12.46%
620116 - DEV SERVICES ADMIN	169,269	192,358	23,089	13.64%
621885 - DEV SERVICING	103,538	118,507	14,969	14.46%
625225 - CURRENT PLANNING	197,477	199,601	2,124	1.08%
625255 - LONG RANGE PLANNING	91,345	104,000	12,655	13.85%
670880 - BUSINESS LICENCES	3,300	3,300	-	0.00%
2 - Expense Total	1,771,641	1,762,939	(8,702)	-0.49%
502 - COMMUNITY PLAN & DEV SVCS Total	793,131	791,139	(1,992)	-0.25%

AIRPORT SEGMENT

Includes the following departments: Airport and Airport Fiscal Services.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
AIRPORT SEGMENT	-	-	-	
1 - Revenue				
Fees & Charges	(810,500)	(815,500)	(5,000)	0.62%
Other Revenue	(247,730)	(246,130)	1,600	-0.65%

Sales of Goods & Services	(1,045,000)	(1,045,000)	-	0.00%
Transfers from own funds	(1,100,194)	(1,050,716)	49,478	-4.50%
1 - Revenue Total	(3,203,424)	(3,157,346)	46,078	-1.44%
2 - Expense				
Amortization Expense	986,684	984,000	(2,684)	-0.27%
Contracted Services	100,280	100,280	-	0.00%
Insurance	31,300	36,770	5,470	17.48%
Other Operating Expenses	1,212,881	1,136,631	(76,250)	-6.29%
Transfers from own funds	120,000	120,000	-	0.00%
Utilities	64,068	64,068	-	0.00%
Wages & Benefits	688,211	715,597	27,386	3.98%
2 - Expense Total	3,203,424	3,157,346	(46,078)	-1.44%

Description	Amount
Net increase to landing fees and misc. revenues	\$ (3,400)
Increase to electrical, surface structures R&M, and fleet supplies for aging equipment	20,000
Decrease to various operating expenses	(2,663)
Increase to wages & benefits	27,386
Decrease to one-time SLCRs for runway crack sealing, line painting and business opportunity fund	(93,000)
Increase for Aon Insurance	5,470
Increase in transfer from General Operating Fund	46,207
Overall Divisional Variance	\$ 0

Department 570 – Airport

The Campbell River airport (YBL) operates 24 hours a day, seven days per week. Maintenance staff is on-site from 5:30 a.m. to 11 p.m. daily, responsible for ensuring the airport operates in compliance with Canadian Aviation Regulations. Duties include:

- Runway maintenance
- Snow and ice control
- Aircraft refueling
- Pavement sweeping, painting and edging
- Runway lighting
- Wildlife control
- Field maintenance and mowing
- Ditch maintenance
- Drainage management

- Safety and Security
- Security for commercial apron and airside lands
- Field checks
- Airport Buildings
- Terminal building
- Airport administration and maintenance shops.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
570 - AIRPORT				
1 - Revenue				
230115 - AIRPORT	(1,300)	(1,300)	-	0.00%
ADMINISTRATION				
230220 - AIRPORT CONCESSIONS	(127,100)	(126,500)	600	-0.47%
230250 - AIRPORT FUEL SALES	(1,045,000)	(1,045,000)	-	0.00%
230320 - AIRPORT INDUSTRIAL	(138,000)	(138,000)	-	0.00%
LAND				
230360 - AIRPORT SERVICE FEES	(745,830)	(750,830)	(5,000)	0.67%
230405 - AIRPORT TERMINAL	(46,000)	(45,000)	1,000	-2.17%
BUILDING				
1 - Revenue Total	(2,103,230)	(2,106,630)	(3,400)	0.16%
2 - Expense				
380115 - AIRPORT	238,074	254,072	15,998	6.72%
ADMINISTRATION				
380145 - AIRPORT AUTHORITY	4,250	4,250	-	0.00%
380250 - AIRPORT FUEL SALES	762,371	783,990	21,619	2.84%
380406 - AIRPORT BUILDINGS	156,068	156,068	-	0.00%
OPERATIONS				
383070 - ELECTRICAL SYSTEMS	90,047	94,100	4,053	4.50%
383375 - AIRPORT FLEET &	140,065	94,264	(45,801)	-32.70%
EQUIPMENT				
384465 - AIRPORT MARKETING	68,500	500	(68,000)	-99.27%
386406 - SURFACE STRUCTURES	375,326	419,146	43,820	11.68%
386408 - SURFACE STRUCTURES	7,000	12,000	5,000	71.43%
REPAIRS				
386940 - SNOW CLEARING	46,362	26,279	(20,083)	-43.32%
389100 - AIRPORT ASSETS AMORT	986,684	984,000	(2,684)	-0.27%
EXP				
389990 - COST ALLOCATION	208,677	208,677	-	0.00%
CHARGES				
2 - Expense Total	3,083,424	3,037,346	(46,078)	-1.49%
570 - AIRPORT Total	980,194	930,716	(49,478)	-5.05%

Department 570 – Airport Fiscal Services

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
579 - AIRPORT FISCAL SERVICES				
1 - Revenue				
907981 - AIRPORT IMPROVEMENT	(93,000)	-	93,000	-100.00%
FEE				
908001 - GENERAL OPERATING	(20,509)	(66,716)	(46,207)	225.30%
999998 - TRSF FROM EQUITY IN TCA	(986,685)	(984,000)	2,685	-0.27%
1 - Revenue Total	(1,100,194)	(1,050,716)	49,478	-4.50%
2 - Expense				
907981 - AIRPORT IMPROVEMENT	120,000	120,000	-	0.00%
FEE				
2 - Expense Total	120,000	120,000	-	0.00%
579 - AIRPORT FISCAL SERVICES Total	(980,194)	(930,716)	49,478	-5.05%

SEWER SEGMENT

Includes the following departments: Sewer, Sewer Debt and Sewer Fiscal Services.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
SEWER SEGMENT	-	-	-	-
1 - Revenue				
Fees & Charges	(4,879,200)	(5,193,676)	(314,476)	6.45%
Investment Income	(51,300)	(65,000)	(13,700)	26.71%
Other Revenue	(203,000)	(3,000)	200,000	-98.52%
Tax Revenue	(702,000)	(704,745)	(2,745)	0.39%
Transfers from own funds	(1,092,685)	(1,076,000)	16,685	-1.53%
1 - Revenue Total	(6,928,185)	(7,042,421)	(114,236)	1.65%
2 - Expense				
Amortization Expense	967,145	1,076,000	108,855	11.26%
Contracted Services	724,950	699,000	(25,950)	-3.58%
Debt Servicing	90,519	84,519	(6,000)	-6.63%
Insurance	33,909	37,041	3,132	9.24%
Other Operating Expenses	1,014,174	679,527	(334,647)	-33.00%
Transfers from own funds	2,832,962	3,137,486	304,524	10.75%
Utilities	325,700	348,629	22,929	7.04%
Wages & Benefits	938,826	980,219	41,393	4.41%
2 - Expense Total	6,928,185	7,042,421	114,236	1.65%

2016 Variance Description	Amount
Increase to sewer user fees	\$ (314,476)
Net increase to investment interest and other rev.	(16,475)
Increase for utilities and insurance	26,061
Net increase for amortization expense	92,170
Increase to wages & benefits	41,393
Decrease for NWECC upgrades (delayed)	(100,000)
Increase for pump repairs/inspections and 2015 approved op. costs for SCADA and auto-cleaning	60,000
Decrease for approved one-time SLCRs and CFWDs	(109,500)
Increase for 2015 Council approved operating expenses for SCADA and lift station auto cleaning	25,000
Net decrease in debt servicing and other expenses	(8,697)
Increase in transfer to sewer capital funds	304,524
Overall Divisional Variance	\$ 0

Department 580 – Sewer

The Sewer department is responsible for the collection and treatment of sanitary sewage from properties within the City of Campbell River and from three First Nations communities. The collections system includes more than 260 kilometres of sewer main, 15 sewage pumping stations, 3038 manholes, and 14,209 service connections. The waste is treated at either the Norm Wood Environmental Centre or the Industrial Park Sewage Lagoon before being discharged to the marine environment. Trucked septic waste is also accepted for treatment at the Norm Wood Environmental Centre.

Departmental duties include:

- Operation and maintenance of sewage collection and treatment systems
 - Flushed 52km of sewer main in 2015 (28km in 2014)
 - Inspected 22km of sewer main and 323 manholes in 2015
 - Cut roots in 1,500m of sewer main in 2015
 - 1,200m of sewer mains grouted in 2015
 - Responded to 77 sewer facility alarms (to Nov. 11) in 2015
 - Sampling, testing, and monitoring throughout treatment process
 - Quarterly reporting of effluent quality and quantity to provincial and federal agencies
- Wastewater source control
- Investigating problems in the sewer system (sewage backups, odour, etc.)
 - 290 service requested created in 2015 (to Nov 11) compared to 221 for all of 2014
 - Investigated 43 plugged services in 2015 (to Nov. 11)
- Providing vac truck services to other City departments (450 hours in 2015)

- Input and operational support in the design, construction and commissioning of sewer capital and development projects.
 - Pulled plugs from 40 new services in 2015 (22 in 2014)

In addition to regular operation and maintenance duties, the sewer department will focus on the following areas in 2016:

- Updating the Liquid Waste Management Plan
- Inspection of the Industrial Park Lagoon marine outfall (required every 5 years)
- Receiving Environment Monitoring for the NVEC outfall (required every 3 years)
- Odour Control Study

Operational support for the construction and commissioning of several large capital projects (NVEC Upgrades Phase 2, Lift Station #11 Upgrade).

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
SEWER	-	-	-	-
580 - SEWER				
1 - Revenue				
084860 - PARCEL TAXES	(698,000)	(700,745)	(2,745)	0.39%
280115 - OTHER REVENUE	(203,000)	(3,000)	200,000	-98.52%
288140 - UTILITY USER FEES	(4,883,200)	(5,197,676)	(314,476)	6.44%
484000 - INVESTMENTS	(51,300)	(65,000)	(13,700)	26.71%
1 - Revenue Total	(5,835,500)	(5,966,421)	(130,921)	2.24%
2 - Expense				
800115 - SEWER ADMINISTRATION	1,155,196	1,289,331	134,135	11.61%
800120 - UTILITIES	278,953	207,314	(71,639)	-25.68%
807320 - SEWER STUDIES &	44,000	40,000	(4,000)	-9.09%
PLANNING				
826520 - SEWER CLEANING	4,000	5,500	1,500	37.50%
826550 - SEWER SYSTEM	192,000	222,000	30,000	15.63%
INFILTRATION				
826580 - SEWER SYSTEM	140,590	70,000	(70,590)	-50.21%
INSPECTIONS				
826718 - SEWER SYSTEM REPAIRS	45,000	45,000	-	0.00%
827320 - STUDIES & PLANNING	200,000	-	(200,000)	-100.00%
829100 - SEWER COLLECTION SYS	967,145	1,076,000	108,855	11.26%
AMORT				
846656 - SEWER SYSTEM LIFT	87,050	151,600	64,550	74.15%
STATIONS				
866750 - SEWER TREATMENT	82,035	96,062	14,027	17.10%
BIOSOLIDS				
866786 - SEWER TREATMENT	401,290	228,793	(172,497)	-42.99%
PLANT OPS				

866787 - SEWER TREATMENT	2,000	500	(1,500)	-75.00%
PLANT GRDS				
866788 - SEWER TRTMT FACIL	16,300	16,000	(300)	-1.84%
REPAIRS				
868578 - METER COST ALLOCATION	44,934	27,894	(17,040)	-37.92%
870123 - ROADS SVC WASTEWATER	5,244	5,454	210	4.00%
899990 - COST ALLOCATION	338,967	338,968	1	0.00%
CHARGES				
2 - Expense Total	4,004,704	3,820,416	(184,288)	-4.60%
580 - SEWER Total	(1,830,796)	(2,146,005)	(315,209)	17.22%

Department 585 – Sewer Debt

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
585 - SEWER DEBT				
2 - Expense				
894570 - MFA DEBENTURES	90,519	84,519	(6,000)	-6.63%
2 - Expense Total	90,519	84,519	(6,000)	-6.63%
585 - SEWER DEBT Total	90,519	84,519	(6,000)	-6.63%

Department 589 – Sewer Fiscal Services

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
589 - SEWER FISCAL SERVICES				
1 - Revenue				
907905 - ACC SURPLUS SEW OP	(125,540)	-	125,540	-100.00%
999998 - TRSF FROM EQUITY IN TCA	(967,145)	(1,076,000)	(108,855)	11.26%
1 - Revenue Total	(1,092,685)	(1,076,000)	16,685	-1.53%
2 - Expense				
098006 - SEWER CAPITAL	2,832,962	3,137,486	304,524	10.75%
2 - Expense Total	2,832,962	3,137,486	304,524	10.75%
589 - SEWER FISCAL SERVICES Total	1,740,277	2,061,486	321,209	18.46%

WATER SEGMENT

Includes the following departments: Water, Water Debt and Water Fiscal Services.

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
WATER SEGMENT	-	-	-	-
1 - Revenue				
Fees & Charges	(5,709,686)	(6,299,907)	(590,221)	10.34%
Investment Income	(16,000)	(20,000)	(4,000)	25.00%
Other Revenue	(600)	-	600	-100.00%
Tax Revenue	(2,700)	(4,300)	(1,600)	59.26%
Transfers from own funds	(1,153,855)	(1,172,000)	(18,145)	1.57%
1 - Revenue Total	(6,882,841)	(7,496,207)	(613,366)	8.91%
2 - Expense				
Amortization Expense	1,153,855	1,172,000	18,145	1.57%
Contracted Services	461,276	342,740	(118,536)	-25.70%
Debt Servicing	142,924	-	(142,924)	-100.00%
Insurance	35,317	38,938	3,621	10.25%
Other Operating Expenses	1,147,188	1,241,086	93,898	8.19%
Transfers from own funds	2,524,613	3,042,209	517,596	20.50%
Utilities	137,955	166,473	28,518	20.67%
Wages & Benefits	1,279,713	1,492,761	213,048	16.65%
2 - Expense Total	6,882,841	7,496,207	613,366	8.91%

2016 Variance Description	Amount
Increase to water user fees	\$ (590,221)
Net increase to investment income and other revenue	(6,200)
Increase for approved hypochlorite generation operating expenses	25,000
Increase to wages & benefits	213,048
Increase to utilities and insurance	32,139
Decrease in water debt servicing costs	(142,924)
Decrease for delayed watermain inspection program (to occur in 2018)	(50,000)
Net change to other operating expenses	1,562
Increase in transfer to water capital fund	517,596
Overall Divisional Variance	\$ 0

Department 590 – Water

The Water department is responsible for the treatment and distribution of potable water to meet drinking water standards and fire protection needs to properties within the City of Campbell River and to three First Nations communities and Area D of the Strathcona Regional District. The City's water system includes a 1,800-square-kilometre watershed, 2 ultra-violet disinfection facilities, 3 chlorine

disinfection facilities, 290 kilometres of watermain, 3 reservoirs, 3 pump stations, 51 pressure-reducing valves, 12,106 valves, 14,304 service connections, 586 water meters, and 1,222 fire hydrants. The City also provides operational and maintenance services to Area D through a servicing contract.

Departmental duties include:

- Management of the community's watershed to maintain high quality raw water and avoid the requirement for filtration
 - In 2014, quarterly sampling was done at 9 sample points within the watershed
- Operation and maintenance of the water disinfection and distribution systems
 - In 2014, 815 service requests were created.
 - 685 for water services (includes investigations and repairs)
 - 41 for Area D
 - 58 for water facility maintenance
 - 31 for water facility alarms
 - In 2015, we are projecting 1,832 service requests will have been created
 - 1,072 for water services
 - 52 for Area D
 - 627 for water facility maintenance
 - 57 for water facility alarms
- Investigating problems in the water system (leaks, breaks, water quality, etc.)
 - In 2014, the water Department received 121 call-outs
 - In 2015, the water Department is projecting 141 call-outs
- Water quality assurance and control through effective monitoring
 - In 2014 within the two water distribution systems,
 - 440 samples were collected and tested for total coliform and *E.coli*
 - 624 samples were collected and tested for free Chlorine, pH, turbidity, and other indicators
- Management of the peak water demand through watering restrictions
 - In 2014, 28 watering permits were issued and 22 courtesy letters were delivered
 - In 2015, 94 watering permits were issued and 91 courtesy letters were delivered
- Meter repair/replacement (non-capital)
 - In 2014, 6 water meter replacements and 24 repair service requests
 - In 2015, 10 water meter replacements and 26 repair service requests
- Management of the SCADA system for sewer and water
 - In 2015, 108 service requests were created:
 - 55 for the Water Department
 - 38 for the Waste Water Department
 - 6 for Capital work
 - 9 for Utilities (SCADA server fails)

In addition to regular operation and maintenance duties, the water department will focus on the following areas in 2016:

- Increased focus on preventative maintenance
- Completion of the Watershed Management Plan
- Operational support for the construction and commissioning of the new water supply project

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
590 - WATER				
1 - Revenue				
280115 - OTHER REVENUE	(600)	-	600	-100.00%
291685 - CONTRACTED SERVICES	(78,786)	(81,149)	(2,363)	3.00%
298140 - UTILITY USER FEES	(5,633,600)	(6,223,058)	(589,458)	10.46%
494000 - INVESTMENTS	(16,000)	(20,000)	(4,000)	25.00%
1 - Revenue Total	(5,728,986)	(6,324,207)	(595,221)	10.39%
2 - Expense				
900112 - WATER CUPE LABOUR SUSPENSE	-	91,802	91,802	-
900115 - WATER GENERAL	1,225,974	1,565,831	339,857	27.72%
900120 - UTILITIES	354,590	217,039	(137,551)	-38.79%
907320 - WATER SYSTEM STUDIES	90,000	10,000	(80,000)	-88.89%
920900 - WATERSHED MGT OPERATIONS	47,324	34,982	(12,342)	-26.08%
927320 - WATERSHED MGT STUDIES	10,000	10,000	-	0.00%
928660 - WATER PURCHASE	170,000	170,000	-	0.00%
940900 - WATER TREATMENT OPS	70,500	95,000	24,500	34.75%
948386 - WATER TREATMENT FACILITIES	180,000	180,000	-	0.00%
949100 - WATER TREATMENT AMORT	1,153,855	1,172,000	18,145	1.57%
960900 - WATER DISTRIBUTION OPS	145,000	165,000	20,000	13.79%
968290 - CATHODIC PROTECTION	7,500	7,500	-	0.00%
968355 - CROSS CONNECTION	13,500	13,500	-	0.00%
CONTROL				
968420 - HYDRANTS	53,652	53,652	-	0.00%
968488 - MAINS/SERVICE REPAIR	85,000	65,000	(20,000)	-23.53%
968520 - VALVES	10,000	10,000	-	0.00%
968578 - METERS	44,933	27,894	(17,039)	-37.92%
968690 - WATER QUALITY	70,600	70,600	-	0.00%
MONITORING				
970123 - ROADS SVC WATER	102,239	102,260	21	0.02%
980900 - WATER DEMAND MGT OPS	36,662	49,963	13,301	36.28%
987320 - WATER DEMAND MGT STUDIES	2,000	-	(2,000)	-100.00%
999990 - COST ALLOCATION CHARGES	341,975	341,975	-	0.00%

2 - Expense Total	4,215,304	4,453,998	238,694	5.66%
590 - WATER Total	(1,513,682)	(1,870,209)	(356,527)	23.55%

Department 595 – Water Debt

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
595 - WATER DEBT				
2 - Expense				
994570 - MFA DEBENTURES	142,924	-	(142,924)	-100.00%
2 - Expense Total	142,924	-	(142,924)	-100.00%
595 - WATER DEBT Total	142,924	-	(142,924)	-100.00%

Department 599 – Water Fiscal Services

	2015 Budget	2016 Budget	Variance (\$)	Variance (%)
599 - WATER FISCAL SERVICES				
1 - Revenue				
999998 - TRSF FROM EQUITY TCA	(1,153,855)	(1,172,000)	(18,145)	1.57%
1 - Revenue Total	(1,153,855)	(1,172,000)	(18,145)	1.57%
2 - Expense				
098008 - WATER CAPITAL	2,524,613	3,042,209	517,596	20.50%
2 - Expense Total	2,524,613	3,042,209	517,596	20.50%
599 - WATER FISCAL SERVICES Total	1,370,758	1,870,209	499,451	36.44%

Carry Forward Requests from 2015 Budget

Department	Project Name / Description	CFwd Request	Reason for CFwd Request
213 - Information Technology	Downtown Fibre Optics	\$20,000	Council approved business development initiative commitment to be fulfilled in 2016.
310 - Mayor and Council	Council Three New Task Forces	\$30,000	SLCR approved in 2015, Task Forces still to be formed.
310 - Mayor and Council	Council Contingency	\$60,000	Carry forward for funds already committed from 2014/15 projects.

450 - Facilities	MHC Deck Repairs	\$30,000	Unanticipated repair, work to be complete in Dec. but may not be complete prior to Dec. 31. RFQ 15-36 awarded.
502 - Planning & Development	Downtown Façade Improvement Program	\$19,000	Performance Agreements signed, work to be completed in 2016 due to winter weather.
502 - Planning & Development	Campbellton Neighbourhood Association	\$7,500	Campbellton is still in process of securing funding and plans to do a project with VIU in 2016 and has requested this money for use in 2016. No formal proposal submitted yet.
502 - Planning & Development	Building Review	\$18,000	Building Review deferred by Council, but award anticipated to be issued following Nov 25 COW meeting.
502 - Planning & Development	Fire Separation Building Code Compliance	\$30,000	Bringing two houses into compliance with new fire separation set-back requirements. City is responsible for costs due to timing of building permits. Construction will carry over into 2016.
502 - Planning & Development	OCP/Zoning Bylaw Update - Part A	\$50,000	RFP is issued and will be awarded before end of year. Delayed due to Council review and staff resource shortages.
502 - Planning & Development	Pacific Institute for Climate Solutions COOP Funding	\$10,000	COOP student being recruited for a Jan 1 start date and the project was delayed due to labour resource shortages in department.
502 - Planning & Development	OCP/Zoning Bylaw Update - Part B	\$27,500	RFP is issued and will be awarded before end of year. Delayed due to Council review and staff resource shortages altering work plan.
532 - Roads	Surface Improvement - Asphalt Patching	\$120,000	There are a number of locations ready to be repaired, but are being delayed by the City's paving contractor. The has an exclusive contact with Tayco and we are at their whim related to scheduling and weather delay.

532 - Roads	Bridge Inspection Program	\$19,670	This work was budgeted in 2015 but will now be done in the spring of 2016.
550 - Storm Drains	ISWMP Update	\$25,000	The work will be completed in 2016. The RFQ for this project has been delayed and will be issued early in 2016.
580 - Sewer	Liquid Waste Management Plan	\$200,000	Grant received; revenue and associated expenses to be brought forward in 2016.

Reserve Restructure

Council has been requesting a reserves policy for many years to provide direction and guidance on the maintenance and use of the City's reserve funds. After extensive research and review of other local government policies and Government Finance Officers Association materials to determine best practice as well as meet the needs of the City, staff presented a reserves and surplus policy to Council at a 2016 pre-budget workshop in early November (see Appendix 2 for policy).

The 2016 budget process incorporated the proposed policy with the restructure included in the 2016-2025 financial plan package (see Appendix 3 for restructured reserves). The policy provided for efficient and straightforward funding for operational and capital needs of the City during budget deliberations. The reserve restructure, as well as the budget parameters and waterfall funding model, ensured that all funds available were used in an efficient and cost effective manner.

The key outcome of this policy is it provides guidance on what reserves are needed, their purpose and adequate balances to be maintained. This policy also ensures the City can proactively plan to fund our service delivery needs in a cost effective manner.

Council Strategic Priority Reserves

Gaming reserve has been recommended for Council strategic priority and social initiatives related to operating. Staff had proposed approximately \$100,000 per year available for new Council operating initiatives.

Community works gas tax reserve has been recommended for ongoing capital programs that provide enhancements or betterments to the community for livability and green initiatives such as cycling upgrades, pedestrian signal crossing, LED light conversion program, and marine foreshore restoration. Additionally, staff proposed this fund be used for capital projects related to Council's strategic priorities. Staff had proposed approximately \$650,000 per year available for new Council capital initiatives.

Risk Reserve

The financial stabilization reserve has been categorized as a risk mitigation and opportunity reserve. This reserve's main purpose is to stabilize the annual tax increase by buffering the impacts of emergent risk issues and offset unrealized or significant decreases in revenue in any one year. Additionally, if funding allows this reserve can be used to fund one-time initiatives and projects that will not affect the annual tax increase. Staff proposed approximately \$125,000 per year available for one-time operational projects. It is recommended that this reserve is maintained at the maximum balance to ensure adequate funding is maintained to avoid a one-time large tax increase to replenish this reserve in the instance of a significant event.

Capital Reserves

A capital reserve structure is based on asset category. This ensures that there are no orphan assets and all services of the City are considered. And moving forward this will ensure that adequate funding is obtained for all service needs.

Capital works reserve has been maintained in the final reserves and surplus policy; staff had originally proposed this be changed to the roads reserve as that is the asset category that this reserve primarily funds. However, during the finalization of the budget it was determined that it is preferable to maintain one capital reserve that has flexibility in what it can fund for unusual or unexpected opportunities.

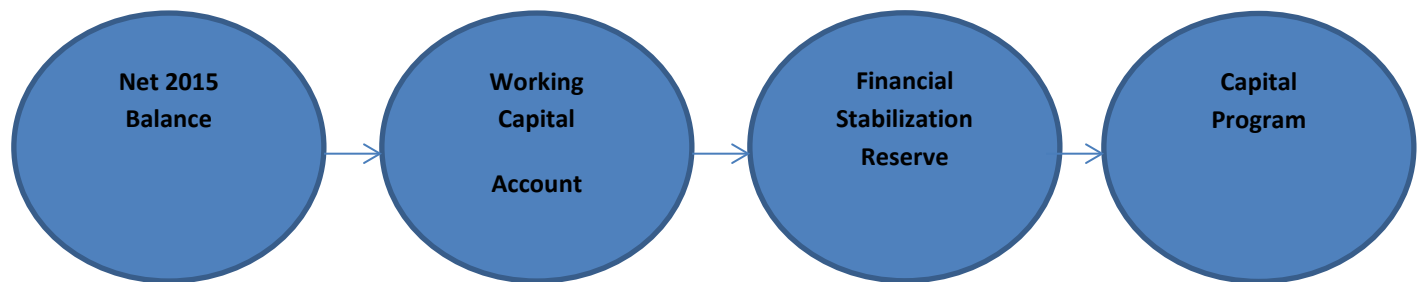
Note that the capital reserves have flexibility in that operational projects related to maintaining the asset categories can be funded by said reserves.

Mandatory Reserves

The Community Charter is very specific when it comes to the use of funds received on the sale of land, whether parkland or other parcels. For parcels other than parkland, the Charter states that these proceeds must be used to purchase land, improvements, or other capital assets. Staff had originally proposed to allocate 50% of land proceeds to the existing capital lending reserve with the remaining 50% to a newly created land reserve which was to allow Council flexibility in the sale and purchase of City parcels. However, it was identified during the budget process that with the new capital funding model developed in 2016 budget, that the flexibility was provided for in the existing system and a land reserve was not required. Council can sell and purchase land with the existing capital lending reserve and consider payback either through existing or future capital allocations. As such, the land reserve has been deleted from the final proposed policy.

Waterfall System

Included in the policy is a waterfall system where the net revenue and expense balance for the year transfers into the accumulated surplus working capital account. The working capital account that is used to pay for operating expenses before property taxes and other revenues are collected. The staff recommended balance is \$4,000,000 therefore any excess is transferred to the financial stabilization reserve. The recommended balance for the financial stabilization reserve is \$1,900,000. Any excess of the maximum recommended balance is transferred to the capital reserves as required to fund the capital program. This model ensures that funds are not sitting idle in any one account and all funds are maximized to their needed source. This system worked well during financial planning by utilizing all available funding, particularly in 2016 when available capital funding was limited.



Additionally, having a policy ensures that reserve funds are being used efficiently by the use of minimum and optimum balances and the waterfall system with any excess from the accumulated surplus accounts transferred to cover our risk in the financial stabilization reserve, while any excess is then transferred to the capital reserves to fund the capital program which ensures no funds are sitting idle and all funds available are maximized.

Lastly, this reserve policy is the start of the asset management process in ensuring the City has adequate funding available for all asset categories and service needs. This policy is a key step in moving towards long-term financial planning.

Departmental Business Plans

Council identified in the 2016 Council Budget Survey that they would like pre-budget workshops on key capital projects. After review of many capital projects in the proposed capital plan for 2016-2025, staff identified projects in 2016 that required additional analysis for alternative review and additional information for Council to make decisions during deliberation week.

Significant time was invested in incorporating business cases with detailed analysis and alternatives for projects as part of 2016 Financial Planning. This is another key initiative in moving to long-term financial planning. The intent is to provide Council with greater clarity and alternatives in decision making to ensure sound financial and community impact decisions are made during Financial Planning. The skills and tools learned by staff during this process will be utilized in subsequent budget cycles as well as ongoing review of analyzing City initiatives for best outcomes with limited funding allocated.

Business cases as a part of financial planning are gaining momentum within local governments due to the lack of financial resources for funding and many demands for increasing municipal service levels. Business cases are considered best practice and is something the AGLG (Auditors for Local Government) have enquired about in their capital procurement and asset management audit process of which the City is part of. The City expects a final report on this audit in 2016. Therefore, the business cases provided for 2016 Financial Planning are a significant step forward to strategic financial management. See Appendix 4 for sample business cases presented to Council during the pre-budget workshops.

Fund Balances

The new Reserves and Surplus Policy has consolidated a few of the reserves, however for the most part the structure is not significantly different. The key outcome of this policy is that it defines what the purpose of the different funds are whether for cash flow, risk coverage, opportunity or capital needs. Additionally, having a policy ensures that reserve funds are being used efficiently by the use of minimum and optimum balances and the waterfall system with any excess from the accumulated surplus accounts transferred to cover our risk in the financial stabilization reserve, while any excess is then transferred to the capital reserves to fund the capital program which ensures no funds are sitting idle and all funds available are maximized.

As of 2015, fund balances were as follows:

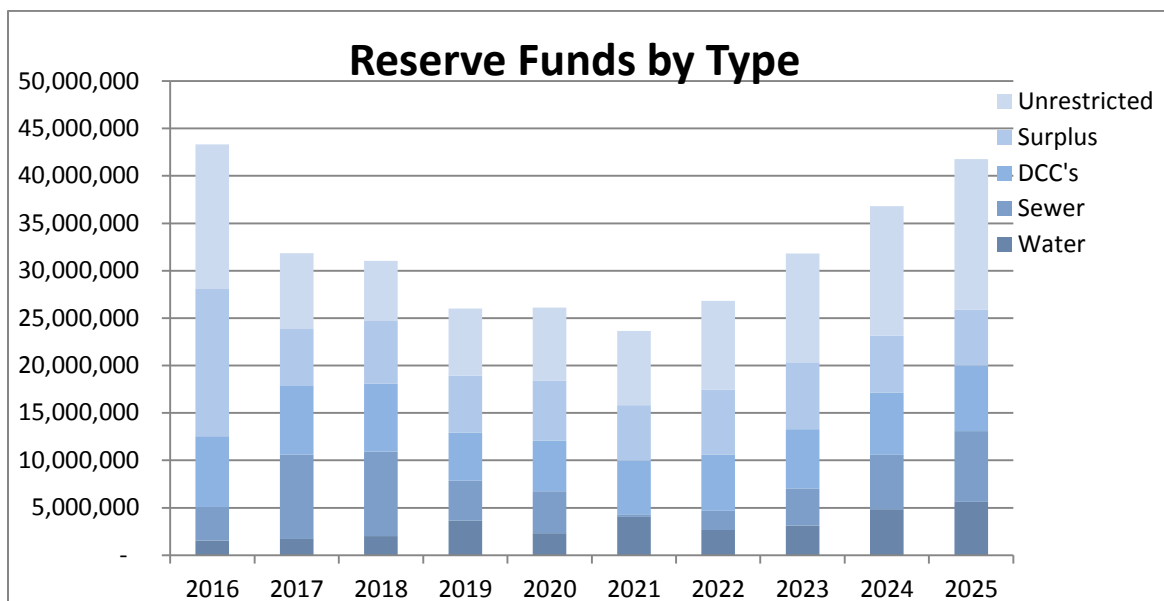
Accumulated surplus

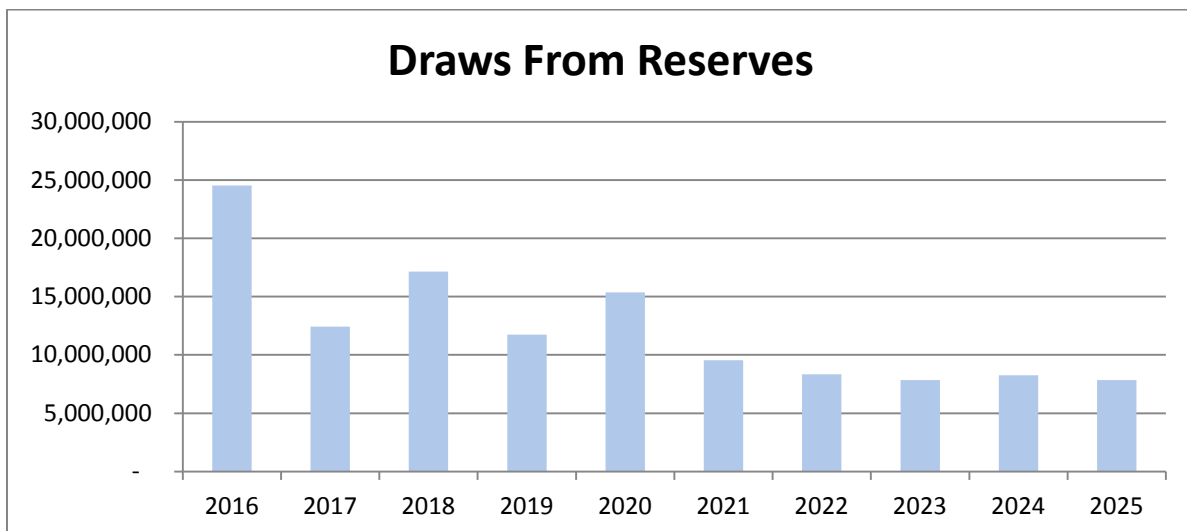
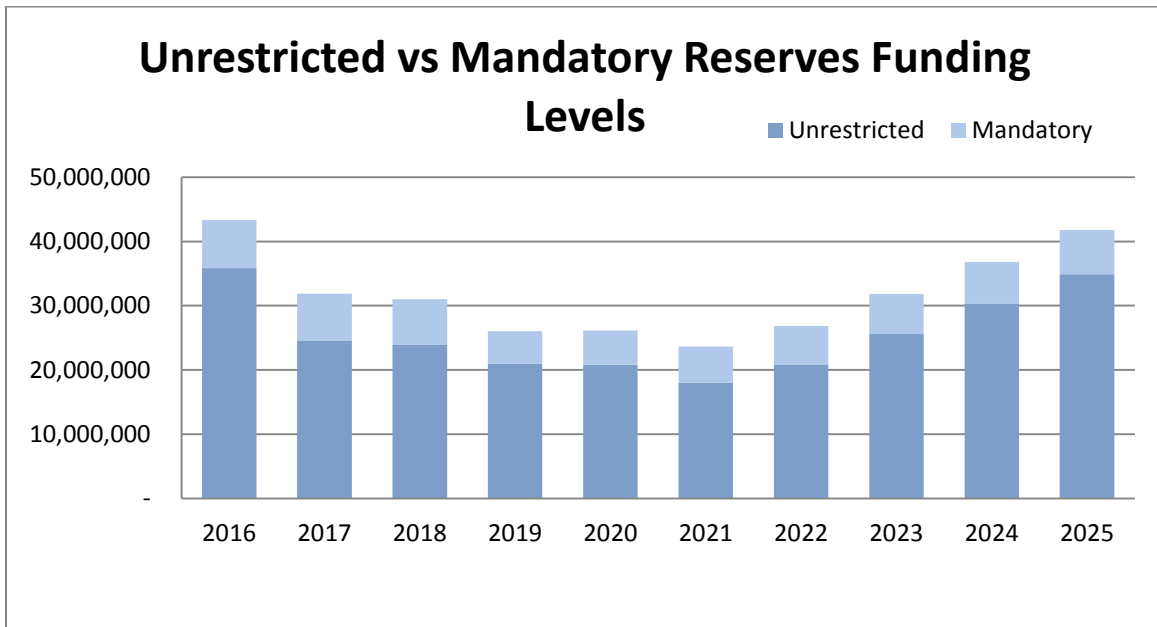
	2015	2014
Unappropriated surplus		
General	7,067,379	5,418,936
Sewer	12,339,728	9,443,402
Water	6,688,619	5,131,410
	26,095,726	19,993,748
Non-statutory reserves		
General	8,536,375	9,184,042
Airport	441,704	441,440
Sewer	901,724	928,614
Water	270,459	270,143

	10,150,262	10,824,240
Statutory reserves		
Capital lending	2,043,282	2,538,438
Parkland acquisition & development Facility	514,808	866,225
	-	18,655
	2,558,090	3,423,318
Investment in tangible capital assets		
General	136,979,685	134,652,191
Airport	11,742,498	12,099,682
Sewer	36,689,229	37,477,159
Water	41,426,093	36,514,900
	226,837,505	220,743,931
Total	265,641,583	254,985,237

Detailed fund balances and the City's fund structure for 2016-2025 Financial Planning, can be seen in Appendix 3. Funds that have major decreases are related to major capital projects planned from 2016-2025, especially in water and sewer (see Appendix 6 for a detailed list of capital projects and funding sources).

The Financial Resilience and Stability program allocates 1% of taxation to capital projects starting in 2016; this accumulation of these funds can be seen below as unrestricted reserve funds grow (see Appendix 3 for detail on future reserve contributions).





Debt Management Strategy

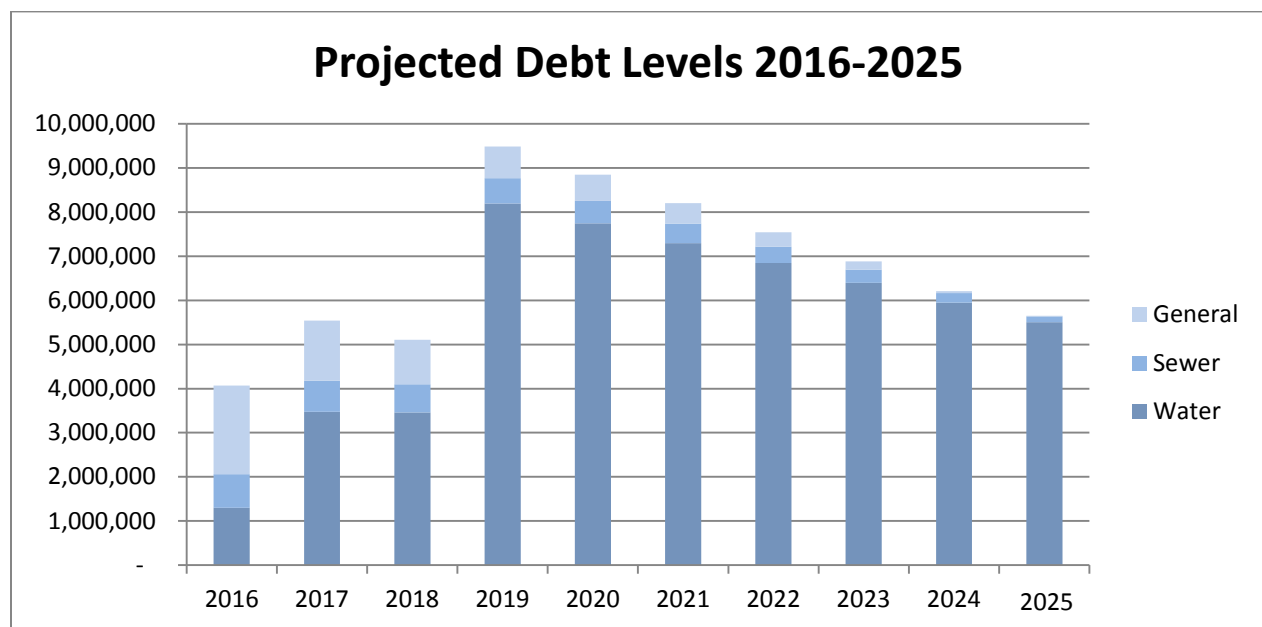
Debt charges (principle and interest) of the General Revenue Fund are considered to be an acceptable cost when contained at no more than 20% of its net revenues. Should debt charges of the General Revenue Fund at any time exceed 20% of net revenues the Chief Financial Officer must report, in writing, to Council, advising of the current situation along with options as to how Council can correct the current policy violation.

Debt servicing costs of the water and sewer utility revenue funds or any other operational enterprise of the City should not exceed 50% of the total revenues of each utility or enterprise. All proposed capital

construction works that require financing through external borrowing should be considered suspended whenever interest rates exceed 13%.

Short-term financing is secured through the Municipal Finance Authority of BC for capital initiatives approved under loan authorizations. Interest is calculated daily on a variable rate basis at prime less 1.28%. In 2015 the rate was 1.59%. Short-term borrowing is replaced by long-term debt periodically when balances and interest rates are considered appropriate.

All long-term debt is borrowed from the Municipal Finance Authority of BC (MFA). Interest payments and actuarial earnings related to long-term debt obligations are recorded on an accrual basis. Actuarial revenue is investment earnings on the City's principal payments made to, and invested by, the MFA, prior to the MFA using these funds to retire the related debt. The actuarial interest rate is set when the debt is issued to the City and may be adjusted by MFA during the term of the debt if market conditions dictate that the rate can no longer be achieved. The rates of interest on outstanding debt are 3.25% to 5.15% as disclosed on Schedule 1.



General Fund

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Interest	293,677	180,391	159,314	82,527	82,527	82,527	82,527	78,005	12,430	6,916
Principal	473,223	258,265	209,033	84,846	84,846	84,846	84,846	84,846	15,928	9,260

Airport Fund

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Interest	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-

Sewer Fund

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Interest	34,628	34,628	34,628	34,628	34,628	34,628	34,628	34,628	34,628	17,843
Principal	49,891	49,891	49,891	49,891	49,891	49,891	49,891	49,891	49,891	27,418

Water Fund

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Interest	18,500	111,978	251,454	251,454	251,454	251,454	251,454	251,454	251,454	251,454
Principal	-	180,092	448,805	448,805	448,805	448,805	448,805	448,805	448,805	448,805

Capital Planning

The focus for 2016 financial planning is moving to long-term strategic planning from a short-term year by year focus (see Appendix 6 the 2016-2025 capital plan and capital project narratives). The 2016 financial plan provides stability for the City's citizens while providing adequate funding for all levels of City services. This includes funding for:

- Base operating inflationary costs,
- Moderate increases to service levels,
- One time operating projects and initiatives, and
- The City's capital program.

As a result, budget parameters have been used to provide fiscal stability and maintain service levels. Due to ongoing budget constraints since 2012, increases in funding for the capital plan have been minimal. This has compounded the infrastructure deficit due to aging infrastructure in the City, as is

faced by most other local governments. Therefore, a main focus of the 2016 Financial Plan was identifying sources of funding for capital that would not have significant impact on taxpayers either through large one-time tax increases or significant increases in the base budget.

The budget parameter established for providing ongoing capital funding for the capital plan in the general fund is approximately 0.75% of a general taxation increase per year, or approximately \$190,000 per year of increased funding. This amount in any one year is not significant; however, cumulatively this \$190,000 increase per year will provide a stable, dedicated funding source for the capital plan (see Appendix 3). Investing regularly in maintaining City infrastructure ensures that service levels can be maintained, and also provides for slight increases to service levels through new asset inventory.

The City's capital plan includes the purchase of capital assets, construction of facilities and infrastructure, as well as the upgrade and replacement of existing capital assets.

The City's tangible capital asset (TCA) Policy defines capital as non-financial assets having physical substance that (see Appendix 2):

- Are held for use in production or supply of goods and services,
- Have useful economic lives extending beyond one year,
- Are to be used on a continuing basis, and
- Are not for sale in the ordinary course of City operations.

Additionally, one of the key criteria staff use when determining whether a purchase is operating or capital is the dollar value of the purchase. Per the TCA Policy, the thresholds used to determine whether a purchase is capital are:

Asset Category	\$ Thresholds
Land	Capitalize Only
Land Improvements	\$10,000
Buildings	\$50,000
Building Improvements	\$10,000
Machinery and Equipment	\$5,000
Vehicles	\$10,000
Information Technology Infrastructure	\$5,000
Infrastructure (e.g. Roads, Storm Water, Sewer, Water)	\$50,000

2016-2025 Capital Plan

In the City's move to long-term financial planning, the 2016 financial plan includes a 10-year capital plan. This is a significant step in providing stability for work plans, funding resource allocations, and most importantly facilitating long-term strategic decisions.

Appendix 6 includes all capital project submissions summarized in a consolidated format for all departments, as well as includes detailed descriptions and justifications for projects in the capital plan. For 2016 the Capital Plan totals \$44,157,198. A break-down of projects and funding sources can be seen in Appendix 6. One of Council’s key strategic priorities is downtown revitalization; as such, capital projects related to downtown revitalization have been grouped at the top of the capital plan by area of downtown to aid Council in tying the projects together. The proposed capital plan includes many projects that will have substantial impact on the look and feel of downtown during Council’s remaining term from 2016 to 2018.

It is important to note that some capital projects have an associated operating cost to maintain and / or operate these asset inventory additions. These costs are identified in Appendix 6 on the right hand of the schedule per applicable project. The operating costs of recommended capital projects that result in increases to departmental base budgets are:

Fund	Amount
General	\$56,600
Sewer	186,065
Water	23,065
Total	\$265,730

In addition to the 10-year capital plan from 2016 – 2025, carry-forwards from the 2015 financial plan have been included. These projects have been started but not completed in 2015; contractual obligations and financial commitments are outstanding for these projects.

Included with the capital plan is the recommended funding source for each request. This provides some direction on the type of funding that staff recommend as most appropriate for each request. For 2016 the focus is to not rely on Community Works Funds for capital maintenance projects wherever possible and have instead used the fund for ongoing capital project programs that provide enhancements to livability or green initiatives with the City.

Below the Line

Another new initiative developed in 2016 financial planning is “Below the Line,” which is identified at the bottom of Appendix 6. Below the line requests are those that are important to the City, but fall outside the annual capital funding allocation.

Projects below the line include those that do not currently have adequate funding or require additional discussion and/or analysis. Significant projects requiring debt or unsecured grant funding have been presented below the line. Other more strategic projects that are outside of regular maintenance

activities have been included below the line for Council to consider for inclusion in the capital plan by using the annual community works fund reserve allocation.

The 2016-2025 capital plan provides Council a long-term picture of projects and the impact on services and enhancements throughout the City, particularly in the downtown. Ongoing investment in the capital program will ensure the City can maintain and enhance service levels to the community within stable taxation parameters. Amenities and upgraded infrastructure are a key indicator of financial and community health and will ensure ongoing investment in the community by residents and businesses alike.

Service Level Change Requests

As a result, budget parameters have been used to provide fiscal stability and maintain service levels. The budget parameters established for general fund SLCRs are an approximate 0.5% of a general taxation increase per year or \$125,000. This provides stability while providing an annual budget for demands on service levels.

There are many demands for increases in service that the City provides to its citizens. The requests listed for 2016 Financial Planning SLCRs have been separated into:

- One-time Projects
- Ongoing / New Services

A detailed listing and description of all SLCRs can be found in Appendix 7.

One-time Projects

One-time projects are operating projects that are for a particular initiative or outcome. Requests can be for strategic initiatives, maintenance activities, or multi-year operating projects. Once these projects have been completed they are removed from the departmental operating budgets.

Downtown Initiatives – One-time Projects

Downtown is a key strategic priority for Council therefore at the top of Appendix 7 it is grouped downtown initiatives with the main focus on downtown concept plans and reviews for major infrastructure works to ensure the City is ready for the next steps in downtown revitalization and can respond strategically to any future developments.

Financial Stabilization – One-time Projects

Using the budget parameter of \$125,000 per year the Financial Stabilization Reserve is used for funding one-time projects in the general fund. The purpose of the Financial Stabilization Reserve is to stabilize the tax increase. As such, if the City has a significant risk event in one year or does not have adequate annual surplus, then funding for one-time projects would not be available.

Other Funds – One-time Projects

For other funds outside of general, specific funding parameters have not been established.

In addition to downtown revitalization, staff are focusing on asset management, determining the condition of assets, and how to provide adequate service levels with aging assets; thus 2016, 2017 and 2018 include condition and space assessments, as well as resource management plans.

Below the Line – One-time Projects

Another new initiative developed in 2016 financial planning is “Below the Line,” which is identified at the bottom of the SLCR Appendix 7. Below the line requests are those that are important to the City, but fall outside the annual funding parameters.

Summary of Funding – One-time Projects

A summary of the recommended funding sources for one-time projects are:

One-time Project Funding Sources	Recommended Use of Funding
Financial Stabilization Reserve	\$125,000 Annual General Fund One-time Projects
Gaming Reserve	Council Strategic Priority One-time Projects
Asset Type Capital Reserves	One-time Projects for Studies / Assessments Related to Assets (IT, Airport, Storm Drain, Sewer, Water)
CWF / Carbon Neutral Reserves	Green / Energy Efficient Initiatives
Taxation	Requests Over and Above Annual Parameter

Ongoing / New Services

Ongoing / new services are increases to base budget for increased or new service levels. Once approved, these requests become part of the base budget and are therefore considered ongoing.

Taxation – New Services

Approved ongoing / new service SLCRs are typically funded by taxation in the general fund, because these requests are increases to departmental operating budgets. In order to maintain a stable tax increase, an annual parameter of 0.5% of a tax increase or approximately \$125,000 per year for new or increased services has been budgeted.

Staff had difficult decisions to make when determining the recommended new services funded by taxation for 2016, 2017 and into 2018. In order to fulfill Council's strategic priorities and service the public, internal support positions are to be funded in 2016 and 2017. These positions are expected to provide internal efficiencies which will allow many staff to spend additional resources servicing the community. In 2018, focus for new or increased services is on beautification and increasing livability across the City.

For 2019 and future years it is difficult to determine the needs of the City for new or increased services, therefore in order to provide stability for the budget bylaw, \$125,000 of new or increased services is included and funded by taxation annually to allow for future expected increases to service levels.

Other Funds – New Services

In some cases, Community Works Funds would be appropriate for ongoing services if the programs relate to green or energy efficient initiatives.

For other funds these ongoing base increase requests would be funded by utility fees in sewer and water; specific parameters have not been established for other funds, however the same policy of maintaining stability and fiscal responsibility has been used. The SLCRs recommended for utility fees are to fulfill the operating costs of capital projects, as previously discussed by Council. Utility user fees have approved annual increases from 2013-2017, 10% water and 6% sewer. As a result, the recommended SLCRs would not result in a user fee rate increase, but would reduce the available funding for future capital projects.

Below the Line – New Services

"Below the Line" identified at the bottom of Appendix 7 are requests that are important to the City needs, but fall outside the annual funding parameters.

Summary of Funding – Ongoing / New Services

A summary of the recommended funding sources for ongoing / new services are:

Ongoing / New Services Funding Sources	Recommended Use of Funding
Taxation	Ongoing Base Service Increases to General Fund
Utility Fees	Ongoing Base Service Increases to Sewer / Water
CWF	Green / Energy Efficient Initiatives
Airport Reserve	Annual Business Opportunity Fund

Performance Measures

Once Financial Planning is completed, the management team identifies specific strategic initiatives and associated reporting measures to ensure that staff meet goals and work towards achieving the City's strategic plan. Strategic initiatives are isolated from management's work plan and reported on directly in quarterly progress reporting. In addition to performance measures associated with ongoing strategic initiatives, operating financials and all approved capital and operating projects approved during Financial Planning are reported to Council. For a sample of quarterly progress reports see Appendix 8 (performance measures are specifically reported in the on-going strategic initiatives appendix of this report).

Appendix 1 – Definitions and Acronyms

Accumulated Surplus

Means the accumulated excess of revenues over expenses from prior years which has not been set aside for specific purposes.

AIM

Asset and Infrastructure Management.

AM

Asset management.

Annual Surplus

Means the accumulated excess of revenues over expenses for the current year.

Assets

Resources owned or held by the City which have monetary value.

BC Assessment

The organization responsible for the assessed property values in British Columbia.

CARIP

Climate action revenue incentive program. This is a conditional grant program that provides funding to BC Climate Action Charter signatories.

Community Charter

British Columbia Act that governs municipalities.

Carry Forward

An operating or capital project that was not completed in the previous year, where funds are required to finish the project so that work can continue to be carried out.

CUPE

The Canadian Union of Public Employees.

CWF

Community Works Funds, which is a grant provided by the Union of BC Municipalities.

DCC

Development cost charges, which is a fee imposed on new development. This fee helps to fund future services required from the growth resulting from the new development.

Debt Servicing

Annual principal and interest payments on debt.

FCM

Federation of Canadian Municipalities.

Financial Plan

Under Section 165 of the *Community Charter*, Council must adopt a five-year financial plan bylaw before May 15th each year.

FTE

Full time equivalent.

Fund

A fund is a self-balancing set of accounts which records assets and liabilities, residual equity balances and resulting changes. Funds are segregated to carry out specific purposes in accordance with legislation.

Grant

A monetary contribution to or from governments.

IAFF

International Association of Fire Fighters.

LGMA

Local Government Act, which provides the legal framework for local governments.

Mandatory Reserve Funds

Means funds set aside for specified purposes as required by and pursuant to specific legislation. These reserves are established via City bylaws and are nondiscretionary on the part of Council.

MHC

Maritime Heritage Centre.

PILTs

Payment in Lieu of Taxes. These payments are received in lieu of paying property taxes.

PSAB

Public sector accounting board.

Reserves

Means all of the City’s reserve funds and mandatory reserve funds.

Reserve Funds

Means funds that are set aside for a specified purpose by Council pursuant to section 188 (1) of the *Community Charter*. These reserves are established via City bylaws and are discretionary on the part of Council.

Tax Rates

Annual charges for levying property taxes to properties within the City. Rates are applied against each \$1,000 of assessed value.

TCA

Tangible Capital Assets

SLCR

Service Level Change Request.

UBCM

Union of BC Municipalities.

APPENDIX 2 - FINANCE POLICY

Amended: Mar 21-01; Sept 11-01; Oct 9-01; Jun 9-03; May 10-04; Sept 28-04; Sept 22-05; Jan 24-06, Oct 2-06, Nov 6-06, Aug 11-09, Aug 25-09, Nov 08-11, Mar 27-12, Aug 14-12, Oct 16-12, Jun 25-13, Jan 29-14

2. FINANCE

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2.1 DEBT MANAGEMENT STRATEGY

Amendment Oct 09/01 Res. #01-0698

Debt charges (principle and interest) of the General Revenue Fund are considered to be an acceptable cost when contained at no more than 20% of its net revenues. Should debt charges of the General Revenue Fund at anytime exceed 20% of net revenues the Chief Financial Officer must report, in writing, to Council, advising of the current situation along with options as to how Council can correct the current policy violation.

Debt servicing costs of the water and sewer utility revenue funds or any other operational enterprise of the City should not exceed 50% of the total revenues of each utility or enterprise.

All proposed capital construction works that require financing through external borrowing should be considered suspended whenever interest rates exceed 13%.

The Corporate Services Director is to provide the Audit, Finance & Personnel Committee annually, in February of each year, a report on current and proposed debt servicing over the next 10 years and a projection on how the City is meeting its debt servicing cap objective.

2.2 GENERAL REVENUE FUND SURPLUS

Amendment July 16/01 Res.#01-0203

A minimum General Revenue Fund surplus retention of 4.0% of total annual expenditures based on the average of the last three years actual expenses is established and each year the Chief Financial Officer shall present to Council at its annual Budget Meetings a report on the status of the General Revenue Fund surplus.

Amendment June 9/03 Res #03-0599 Section 2.3 and 2.4/ Amend. Jan 24/06 Res#06-0167 Sec. 2.3

2.3 GRANTS

2.3.1 PURPOSE

The Community Partnership Program is designed to support community groups with the delivery of major events and/or services. These groups assist the City in fulfilling the principle and objective of promoting a dynamic arts and cultural community, and the promotion of a positive community spirit in Campbell River.

This policy will provide an effective method for determining the appropriateness and suitability of proposals for operating funds.

2.3.2 AUTHORIZATION

Council is authorized to provide certain kinds of assistance under the Community Charter.

Amended Nov 08/11 Res #11-0578

2.3.3 FUNDING

- i. The City of Campbell River will work toward an amount of 1.7% of its General Revenue Operating Budget, excluding debt and transfers to other funds and governments based on the previous year's budget, in support of eligible community groups.
- ii. A consultative process will be entered into to consider repairs, maintenance and long-term replacement or refurbishment of City owned facilities. Funding for this will be in addition to Community Partnership grants.
- iii. Loan guarantees are not included in the annual percentage.
- iv. Council delegates to the Community Partnership Commission the authority to approve grants up to \$1000.

No request for funding will be forwarded for consideration unless all applicable information has been provided and staff has confirmed completion of the application.

2.3.4 PROCESS

The Budget will be approved for a term of 3 to 5 years, however a budget and financial statement must be submitted on an annual basis. A performance review will be done by the Commission as part of this process. Discretionary groups must submit a report within 90 days of the event.

2.3.5 CATEGORIES

Category 1 - Core - Fee for Service

Community groups which provide ongoing services use city land and/or buildings and require ongoing long term funding:

Inclusion in this group does not obligate or guarantee that funding will be forthcoming for a particular year.

Category 2 - Core - Special Event and/or Service

Community groups which provide for an ongoing major event and/or service.

Category 3 - Discretionary

Community groups which provide an infrequent "one-off" major event and/or service:

This category would include travel grants for representatives of local organizations and where the individuals are attending provincial, national or international championships and can be reasonably considered ambassadors of the City of Campbell River. Such grants will be paid only to the supporting organization.

Category 4 - Recreation Facility Rentals

Community groups which require the use of City facilities while hosting athletic, social or cultural events:

The available subsidy will cover no more than 50% of the rent to a maximum of \$500, based on the availability of facilities.

A total of \$10,000 has been set aside to fund events and/or services for Categories (3) and (4).

Amended Oct 16/12 Res #12-0347

The Royal Canadian Legion is authorized use of the Campbell River Community Centre for up to four hours free of charge on November 11 of each year for the purpose of Remembrance Day activities and that the operating cost of this in-kind contribution, be taken from Council Contingency.

2.3.6 SPONSORSHIP OF CONVENTIONS

The City will only consider requests for financial sponsorship of convention functions in the case of Fee for Service groups and other such groups that are directly related to the Municipal Council or Municipal staff (e.g. Association of Vancouver Island Municipalities/Local Government Managers Association).

2.3.7 TRANSIT FEES – STUDENT REDUCTION

Consideration may be given to reduce Transit fees for student group fares for those persons associated with non-profit community activities.

2.3.8 ELIGIBILITY

A community group may apply for funding and/or subsidized rent if they and the event and/or service comply with all applicable criteria:

- i. be a benefit to the whole community, or the greatest number of Campbell River residents as reasonably possible;
- ii. demonstrate they will not create a dependency after the assistance ceases;
- iii. provide a worthwhile service or facility to the community and not duplicate or compete with existing services or facilities;
- iv. demonstrate that every effort has been made to earn or acquire funding from other sources prior to applying for municipal assistance. Applicants are expected to have greater than 50% of required funding coming from other sources;

- v. produce a total and full accounting of present funding and up-to-date financial statements in order to demonstrate a financial need for the funds;
- vi. the community group is based in Campbell River and its management is made up of citizens of Campbell River;
- vii. must be in compliance with and adhere to all bylaws and policies of the City of Campbell River.

Each Fee for Service group will have an operating agreement with the City, which will define their eligibility requirements.

A community group may not apply for assistance, or the application will not be accepted, if:

- i. it is for a for-profit organization;
- ii. it is for an event that is/or has been under the funding jurisdiction of other levels of government, government agencies, affiliates and crown corporations;
- iii. it is for a purpose which is disallowed by the Community Charter;
- iv. it is for a purpose which, in the City’s opinion, could expose the City to an unacceptable level of risk of liability;
- v. it is for an individual;
- vi. it is to pay for City services, i.e. property taxes, development fees.

2.3.9 MERIT

Applications for funding of Categories 2 and 3 will be judged on the following merits. A rating of up to 15 points will be applied to merits 1 to 6. Merit 7 will receive a rating of up to 10 points. The maximum total rating is 100 points. Scoring will be done by the Community Partnership Commission. Council will provide final approval for Category 2 and 3 applications.

	Description	Score	Maximum
1	The Organization’s goals, objectives and activities, and how closely they are aligned with the City’s goals, and objectives		15
2	The service the organization provides to the community		15
3	Demonstrated need for financial assistance		15

4	The benefits to the community as a result of the assistance		15
5	The degree of community/volunteer support		15
6	Demonstrated level of effective performance in previous year(s), if applicable		15
7	Other features which may be deemed to be relevant		10
	Total Score		100

A minimum score of 70% is required to qualify for funding. Approvals may be for 100% of funds requested or a portion thereof.

Applications for funding of Category 4 Recreation Facility Rentals will be reviewed and approved by the Parks & Recreation Manager. The Parks & Recreation Manager will provide a quarterly report on subsidized rent applications/approvals to the Operations Director.

Approval of all applications will be based on the City of Campbell River's ability to pay the requested funding.

2.3.10 CONDITIONS OF FUNDING

Community groups are expected to meet all applicable conditions of funding.

- i. The applicant must acknowledge the support of the City of Campbell River in its promotional material related to the event, including banners and signs on site during the event.
- ii. The event must be open to all members of the public.
- iii. Funds must be used for the purpose for which they were requested. The City funds cannot be used to issue grants or to provide any type of financial assistance to other organizations.
- iv. If the event is a fundraiser, it is run by a local not for profit group and 100% of money raised through the event stays in Campbell River.
- v. At the completion of the project/service, the applicant must submit a final report within 90 days which includes the following:

Category 1 - Core - Fee for Service (after year end)

Agency annual report, including financial statements from the previous year (audited if available);

Category 2- Special Event and/or Service,

Category 3 - Discretionary

Category 4 – Recreation Facility Rentals

At the completion of the project, the applicant must submit a final report within 90 days which includes:

- i. a brief evaluation of the event;
- ii. a financial statement of actual revenue and expenses for the event (where applicable)
- iii. attendance figures (where applicable)
- iv. number of participants in the event; and
- v. an evaluation of the impact on the community.
- vi. In the case that the event is not completed, the City of Campbell River reserves the right to request all or part of the funds returned.

2.3.11 APPLICATION

Applicants will be notified regarding Council’s schedule for consideration of Community Partnership Program Grant Applications and of the decisions made with respect to their applications. Council may request the organization or group to speak in support of their application.

Category 1 - Core - Fee for Service

A full application must be made once every three years. Budget for funding must be forwarded to the Financial Planning Manager by January 15. The budget will be approved for a term of three years, however, a budget must be submitted every year. Budget reviews for Years 2 and 3 will be based on an exception basis to justify any increase or major variations to the Year 1 funding request. Costs for standard and special maintenance on City building(s) occupied by applicant needs to be included in the budget. A delegation for the applicant must appear before the Community Partnership Program Commission as part of the City’s Financial Planning consultation process to present specific justification for the funding requested.

Category 2 -Core — Special Event and/or Service

Applications will be available from the Finance Department. Application for funding must be forwarded to the Financial Planning Manager by January 15. A “full” application will be based on the specific event the funds are requested for.

Category 3 - Discretionary Events and/or Services

Applications will be available from the Finance Department. Application for funding will be handled on a first come first served basis and should be forwarded to the Finance Manager 60 days before funding is required.

Category 4 - Recreational Facility Rental

Applications will be available from the Parks & Recreation Manager. Application for subsidized rental will be handled on a first come first served basis and should be forwarded to the Parks & Recreation Manager. The applicant is responsible for ensuring that the space/facility required has been reserved for the required times.

2.3.12 DEFINITIONS/DESCRIPTIONS

“Community Group” - A registered non-profit society, charity or bona fide non-profit organization in good standing.

“Community Partnership Commission” - Made up of 6 members of the community at large to be selected by Council. A staff liaison person will be appointed to this Commission.

Deleted Jan. 24-06 Res #06-0167 Sec. 2.4

2.4 GRANTS-IN-AID FOR RECREATION FACILITY RENTALS

Deleted Incorporated into Section 2.3

2.5 CITY DAMAGE REWARDS

The City will provide rewards for information leading to the conviction of a person or persons found guilty of vandalism or theft of public property to a maximum of \$1,000.00.

2.6 TAXATION

Oct 2/06 Res #06-0683, Jun 25-13 Res #13-0268

2.6.1 PERMISSIVE PROPERTY TAX EXEMPTIONS

2.6.1.1 PURPOSE

Permissive tax exemptions are designed to support non-profit community groups that add to Campbell River’s quality of life by delivering economic, social and cultural programs and which, under ordinary circumstances, would be subject to property tax.

The Community Partnership Commission will review all applications for tax exemption and make recommendations to Council, which can include a full, partial, or no exemption.

Emphasis will be given to facilities that provide services that may otherwise be expected to be provided by the City. Care must be taken to ensure that when a non-profit service is offered that competes with a licensed business that the non-profit service targets a sector of the community not served by business.

2.6.1.2 PROCESS

Council will consider applications for permissive tax exemptions annually. The opportunity to apply will be advertised two (2) times in the local newspaper and by letters mailed to current tax exemption recipients. In addition, application packages will be available at any time from the City Hall or website at www.campbellriver.ca.

Applications must be submitted to the General Manager, Corporate Services, using the prescribed application form noted under Section 2.6.4, before June 30th each year. The General Manager, Corporate Services or designate will review the applications for completeness, and arrange contact with applicants for additional information as necessary.

Application submissions must include:

- Copies of financial statements for last three (3) years for first time applicants, and for the last year for current tax exemption recipients.
- Copy of state of title certificate or lease agreement, as applicable.
- Description of programs/services/benefits delivered from the subject lands/improvements including participant numbers, volunteer hours, benefiting groups/individuals/special needs populations, fees charged for participation
- Description of any 3rd party use of the subject land/improvements including user group names, fees charged and conditions of use.
- Financial information on how the tax exemption amount is put back into the community through charitable means or reduced fees paid by the general population of the City of Campbell River.
- Confirmation that the organization's activities do not compete with any other duly licensed business in the Municipality.

The Chair of the Community Partnership Committee with the assistance of the General Manager, Corporate Services or designate, will present a summary report of the applications and recommendations, relative to the eligibility criteria, to Council.

2.6.1.3.CRITERIA

Subject Property must be one of:

- Land and/or improvements owned by the applicant
- Land and/or improvements leased under an annual agreement
- Land and/or improvements ancillary to a statutory exemption under s.220 of the Community Charter (Statutory Exemptions)
- Nature of Organization must be:
 - Non-profit organization
 - Charitable/philanthropic organization
 - Athletic or Service Club/Associations
 - Care facility/licensed private hospital
 - Partner of the municipality by agreement under s. 225 (Partnering, heritage, riparian and other special exemption authority) of the Community Charter
 - Other local authority
 - Organization eligible under s. 220 statutory exemption (e.g. place of public worship, cemetery, library, Indian land, senior's homes, hospital, etc.)
- The applicant organization's use of the land/improvements must benefit the community in one or more of the following ways:
 - Provides recreational facilities for public use
 - Provides recreation programs to the public
 - Provides programs to and/or facilities used by youth, seniors or other special needs groups
 - Preserves heritage important to the community character
 - Preserves an environmentally, ecologically significant area of the community
 - Offers cultural or educational programs to the public which promote community spirit, cohesiveness and/or tolerance
 - Offers services to the public in formal partnership with the municipality

All accounts for fees and charges levied by the City of Campbell River to the applicant must be current.

The following information will be considered when determining whether to grant a permissive tax exemption:

- size of organization - operating budget in relation to requested tax exemption
- whether or not alternate sources of funding are available to the organization
- does the organization's financial statements indicate an operating surplus
- how or how much the community benefits from the organization

2.6.1.4. DURATION OF EXEMPTION

Eligible organizations may be considered for tax exemptions exceeding one year (to a maximum of 4 years) where it is demonstrated that the services/benefits they offer to the community are of a duration exceeding one year (i.e. for the period of the tax exemption).

2.6.1.5. EXTENT, CONDITIONS AND PENALTIES

- Council may designate only a portion of the land/improvements as exempted where the following circumstances exist:
 - A portion of the land/improvements is used by the private sector and/or organizations not meeting Council's exemption criteria
 - The applicant already receives grant-in-aid from the municipality and/or other sources
 - only that part of the property used for non-profit activities will be considered for exemption. Commercial activities will be excluded. For clarity, society administration is considered part of the non-profits program delivery
- Council may impose conditions on the exempted land/improvements with the applicant organization, including but not limited to:
 - registration of a covenant restricting use of the property
 - an agreement committing the organization to continue a specific service/program
 - an agreement committing the organization to have field/facilities open for public use for certain times or a total amount of time
 - an agreement committing the organization to offer use of the field/facility to certain groups free of charge or at reduced rates

- an agreement committing the organization to immediately disclose any substantial increase in the organization’s revenue or anticipated revenue or any change in the status of the property
- Council may impose penalties on an exempted organization for knowing breach of conditions of exemption, including but not limited to:
 - revoking exemption with notice
 - disqualifying any future application for exemption for specific time period
 - requiring repayment of monies equal to the foregone tax revenue

Permissive tax exemptions approved will be eligible for up to the following exemptions:

Culture & Recreation	Health & Housing Community Services	Property used for City Purposes	Churches
100%	100%	100%	100%

Property Used for City Purposes:

Permissive exemptions at a 100% level shall be granted where Council considers the land and improvements are used for a purpose that is directly related to the purposes of the corporation – such that operations which are largely funded by City of Campbell River taxpayers shall not be burdened by taxation that would not otherwise occur.

Occupiers of City owned property shall be included in the City’s permissive exemption bylaws.

2.6.2 PERMISSIVE TAX EXEMPTION APPLICATION FORM



PERMISSIVE PROPERTY TAX EXEMPTION APPLICATION

_____ <i>Name of Organization</i>	_____ <i>Contact Person</i>
_____ <i>Mailing Address</i>	_____ <i>Telephone</i>
_____ <i>Civic Address (if different from mailing address)</i>	_____ <i>Email Address</i>
_____ <i>Legal Address of Subject Property</i>	
_____ <i>Legal Address of Subject Property Cont'd</i>	_____ <i>PID Number</i>

Permissive property tax application for:

- Area of land surrounding a church or church hall
- charitable, philanthropic or non-profit community organization
- municipality, regional district or other local authority

Please note that applications for permissive tax exemption must include the following documentation:

- copies of financial statements for the last 3 years (for first time applicants) and for the last year for current tax exemption applicants
- copy of state of title certificate or lease agreement, as applicable
- Letter addressed to the Community Partnership Committee including:
 1. description programs/services/benefits delivered from the subject lands/improvements including participant numbers, volunteer hours, benefiting groups/individuals/special needs populations and fees charged for participation
 2. description of any 3rd party use of the subject land/improvements including user group names, fees charged and conditions of use.
 3. financial information on how the tax exemption amount is put back into the community through charitable means or reduced fees paid by the general population of the City of Campbell River
 4. confirmation that the organization's activities do not compete with any other duly licensed business in the Municipality
- If the property is leased, a separate letter of understanding signed by the landlord and tenant providing written confirmation that the applicant will receive the tax exemption benefit.

Certification by authorized signatory:

I hereby certify that I have read the attached City of Campbell River's Council Finance Policy, Section 2.6.1, that this application complies with Policy requirements, and that the information contained in this application is complete and correct:

_____ <i>Name: (please print)</i>	_____ <i>Title:</i>
_____ <i>Signature</i>	_____ <i>Date</i>

For information or clarification on the application process, contact the City Clerk at 250-286-5700. The contents of this application are considered public information and may be released upon request.

APPLICATION DEADLINE: June 30th

301 St. Ann's Road, Campbell River, B.C. V9W 4C7
 Telephone: 250.286.5700; Fax: 250.286.5760 email: front.reception@campbellriver.ca

2.6.3 TAX SALES (CITY MANAGER AUTHORIZED TO BID)

The City Manager is authorized to bid on tax sale properties on behalf of the City up to a maximum of 50% of assessed values.

2.6.4 PARCEL TAX NOTICES

Parcel Tax notices will only be mailed where new property owners have been added or changes have been made to the Parcel Tax Roll.

2.7 EMERGENCY EXPENDITURES

2.7.1 EMERGENCY EXPENDITURES ARE DEFINED AS:

Expenditures not included with the current year Financial Plan, which are necessary for the following reasons:

- For the safety and or welfare of the citizens and property of the City of Campbell River.
- To prevent waste of resources, such as when the required expenditure would be greater if deferred and is unavoidable.
- To preserve the assets of the City of Campbell River.
- To maintain operations of the City of Campbell River when other economical solutions cannot be reasonably implemented.
- Expenditures of opportunity when funding sources from outside may be lost, or when making the expenditure may affect quantifiable cost savings.

2.7.2 AUTHORITY FOR MAKING EMERGENCY EXPENDITURE

- i. Council by resolution when the amount is over \$50,000.
- ii. The City Manager and Chief Financial Officer jointly when the amount is below \$50,000 but above \$10,000.
- iii. The Directors or Acting Director when the amount is below \$10,000.

2.7.3 PROCEDURE FOR MAKING EMERGENCY EXPENDITURE

- i. The proper authority must first be obtained and the expenditure must be able to be offset by reducing expenditures elsewhere in the organization or by new revenues which must be firm and identifiable such as a senior level of government providing written confirmation of funding.

- ii. The details of the emergency expenditure and funding sources must be made to the Council of the City of Campbell River at its next regularly scheduled meeting.
- iii. Not less than four months following the emergency expenditure a bylaw amending the Financial Plan must be prepared, advertised and brought before the Council for consideration.
- iv. In all cases, purchase orders and other methods of documenting the Expenditure must be used.”

New Oct 9/01 Res. #01-0697

2.8 INVESTMENTS

2.8.1 PURPOSE AND OBJECTIVE OF POLICY

To provide the framework for investment portfolio management.

To provide the optimal blend of investment security and rate of return while meeting the operational requirements of the City while maintaining compliance with restrictions imposed by the Community Charter.

2.8.2 SCOPE OF POLICY AND DEFINITIONS

2.8.2.1 SCOPE OF POLICY

This policy shall apply to all cash assets of the City of Campbell River not required for immediate operational needs.

- **Short Term Investments:**

Any investment for which the initial term is one year or less and for which the investment can be considered immediately liquid – i.e.: redeemable or convertible to cash on short notice.

- **Long Term Investments:**

Any cash or liquid security, which has a maturity, date or term at the time of purchase of greater than one year.

- **Chief Financial Officer:**

The Chief Financial Officer or in his absence, the Finance Manager, under the authority of the Officer’s Designation and Establishment of Powers, Duties and Responsibilities Bylaw No. 3177, 2005 is assigned duties for financial administration

as described under Section 149 of the Community Charter. Where the words “Chief Financial Officer” are used they shall be deemed to also mean “Finance Manager” when acting in the absence of the Chief Financial Officer.

2.8.3 PURPOSE AND OBJECTIVES OF INVESTMENTS

The investment of City funds must reflect a conservative management philosophy based on three fundamental objectives in the following order of priority and in consideration of the concept of prudence.

2.8.3.1 PRESERVATION OF CAPITAL

Investments shall be made to ensure the preservation of capital and will be accomplished through placement of funds with credit worthy institutions and through portfolio diversification within the confines of this policy. Diversification is considered to be desirable to maximize the yield from a blend of financial products in certain market conditions.

2.8.3.2 LIQUIDITY

The investment portfolio shall remain sufficiently liquid to meet all reasonable anticipated operating requirements.

2.8.3.3 RETURN ON INVESTMENT

The investment portfolio shall be designed with the objective of maximizing rate of return subject to investment risk constraints and liquidity requirements.

2.8.4 STANDARDS OF CARE

2.8.4.1 PRUDENCE:

Investments shall be made with judgment and care, under circumstances then prevailing, as they would by a “prudent person” who would use discretion and intelligence as they would in their own affairs. Investments shall not be made for speculation, but for investment, considering the probable safety of the capital as well as the income to be derived.

The Chief Financial Officer acting in accordance with written procedures and investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual securities credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

2.8.4.2 ETHICS AND CONFLICTS OF INTEREST

The Chief Financial Officer shall refrain from personal business activity that could conflict with the proper delivery of the investment policy or which could impair their ability make impartial investment decisions. The Chief Financial Officer or Finance Manager shall disclose any material financial interests in financial institutions and/or investment dealers that conduct business with the City.

2.8.4.3 DELEGATION OF AUTHORITY

Authority to manage the City of Campbell River investment program is derived from Section 149 of the Community Charter as follows:

Section 149: One of the municipal officer positions must be assigned the responsibility of financial administration, which includes the following powers, duties and functions:

(c) investing municipal funds, until required, in authorized investments;

Under the “Officers Designation and Establishment of Powers, Duties and Responsibilities Bylaw No. 3177, 2005” Section 3.3.1 a) the responsibility of financial administration for the Municipality, which includes the statutory powers, duties and functions specified in Section 149 of the Community Charter.

The Chief Financial Officer will ensure that the objectives and intent of this policy are adhered to and will establish and maintain control over the investment process. No person shall engage in an investment transaction except as provided under the terms of this policy and under the direct supervision of either the Chief Financial Officer or Finance Manager.

2.8.4.4 CREDIT RISK MONITORING

In addition to in-house credit analysis, the City shall rely on the credit analysis of the Dominion Bond Rating Service. Reliance shall also be placed on advice and information obtained from representatives of the Municipal Finance Authority. Advice from investment dealers must be supplemented by in house analysis and reference to other outside sources. It is recognized that the monitoring of credit risk is not a guarantee of safety of principal.

When it becomes known that an investment has been downgraded to below the minimum levels set out in the Investment Credit Risk Limits the investment should be analyzed as to the continued risk of holding it with respect to the time to maturity and the risk of any further loss. Where there is significant risk of further loss the investment should be disposed of as expeditiously as possible without compromising

the integrity of the portfolio. Any financial loss must be immediately reported to Council.

2.8.5 AUTHORIZED AND SUITABLE INVESTMENTS

2.8.5.1 SECTION 183 OF THE COMMUNITY CHARTER

Section 183 of the Community Charter restricts Investments to the following types of Investments:

183 Money held by a municipality that is not immediately required may only be invested or reinvested in one or more of the following:

- a) securities of the Municipal Finance Authority;
- b) pooled investment funds under section 16 of the Municipal Finance Authority Act;
- c) securities of Canada or of a province;
- d) securities guaranteed for principal and interest by Canada or by a province;
- e) securities of a municipality, regional district or greater board;
- f) investments guaranteed by a chartered bank;
- g) deposits in a savings institution, or non-equity or membership shares of a credit union;
- h) other investments specifically authorized under this or another Act.

2.8.5.2 AUTHORIZED INVESTMENT DEALERS AND INSTITUTIONS

Notwithstanding the limitations placed by Section 183 of the Community Charter on the investment portfolio the Chief Financial Officer shall maintain and adhere to the credit risk limits set out in this policy.

2.8.6 INVESTMENT PARAMETERS

2.8.6.1 DIVERSIFICATION

The investment portfolio shall be diversified to reduce the risk of loss associated from concentration of assets in a specific maturity, a specific institution, or a specific class of securities. Diversification strategies shall be determined and revised periodically by the Chief Financial Officer. In selecting diversification strategy, maturities selected

shall provide for stability of income and reasonable liquidity in consideration of the end use of funds selected.

2.8.6.2 MATURITIES AND RATES OF RETURN

To the extent practical the Chief Financial Officer shall attempt to match investments with anticipated cash flow requirements. Municipal Finance Authority Money Market Funds and other readily available funds will be utilized for ensuring that ample funds for cash flow requirements are easily accessed.

The City of Campbell River will typically not invest operating funds in investments with a maturity beyond a one-year time frame unless the sum of all available investment funds in the operational funds (general, water, sewer, and airport) exceeds the budgeted operational expenditures for the year.

Funds held in reserves that are not needed in the near term as determined by the five-year financial plan may be invested for terms of up to five years. In the event that funds are required sooner than expected funds may be transferred from operating investments to provide the necessary cash. In this case the liquidity of operating investments may be temporarily impaired and it is recognized that a short-term borrowing may be more beneficial than an early redemption of a fixed term investment. In the unlikely event that a short-term borrowing is required due to a fixed term investment a short-term borrowing bylaw will be required.

Funds held in trust may be invested in longer term maturities where it is known that the funds cannot be used for operational purposes and where the interest on the funds placed are paid out at least annually.

An interest premium is expected for long term maturities. As a guideline the rate earned on the Municipal Finance Authority money market fund for the month prior to investment plus 50 basis points for each year is considered acceptable.

The frequency of interest payments shall be taken into consideration when making investment decisions.

2.8.6.3 INTERNAL FINANCING

Where specific reserve funds are authorized to be used, by bylaw, for a purpose for which the City of Campbell River would ordinarily borrow funds. The funds will normally be repaid at market rates for what the borrowing would have cost and charged to operations as if external borrowing had been undertaken and the said reserve funds replenished together with interest as the scheduled payments come

due. The details of any internal financing shall be spelled out in detail in any bylaw authorizing such financing.

2.8.6.4 COMPETITIVE BIDS

Whenever investments other than in the Municipal Finance Authority Money Market Fund are contemplated competitive bids from at least three institutions for investments of similar terms and quality shall be obtained. The investment offering the greatest return within the constraints of preservation of capital and liquidity requirements at the time shall be purchased.

At least quarterly, quotes shall be requested of three financial institutions to purchase treasury bills or other fixed rate guaranteed investments as a method of benchmarking the performance of the Municipal Finance Authority and identifying any opportunistic investment purchases. As a guideline short-term investments of approximately 90 days are expected to exceed the MFA money market fund for the previous month by at least 20 basis points at the time of purchase. When Investment Dealers identify opportunities the opportunity shall be gauged by referencing MFA money market performance the previous month and by requesting quotes from at least two of the Schedule A chartered banks one of which shall be the City's principal banker.

2.8.6.5 SAFEKEEPING AND CUSTODY

Physical possession of the security purchased is required except where the issue is book based and registered with the Canadian Depository for Securities as in the case of treasury bills, or when the security is held by a third party and a safekeeping receipt has been issued. Settlement for the purchase is to be by City cheque except in the case of Municipal Finance Authority transactions for which fax and electronic arrangements have been made.

Any security, which may be registered, must be in the name of City of Campbell River and no bearer bonds or similar instruments are to be purchased.

2.8.7 CREDIT RISK GUIDELINES AND INVESTMENT LIMITS

The investment Portfolio shall be limited in content and distribution in accordance with the following schedule:

INVESTMENT TYPE	MAXIMUM TERM TO MATURITY	MINIMUM DBRS RATING	MAXIMUM LONG TERM AMOUNT	MAXIMUM TOTAL PER INSTITUTION
Government Of Canada and Securities Guaranteed By The Government Of Canada	1 Year Or Less 5 Year Or Less	R-1 High AAA	No Limit No Limit	No Limit
Provincial Governments and Securities Guaranteed By The Provincial Governments	1 Year Or Less 1 Year Or Less 5 Years Or Less	R-1 High R-1 Middle AA	\$10 Million \$10 Million \$10 Million	\$20 Million
Major Schedule A Banks or Guaranteed By Them	1 Year Or Less	R-1 High R-1 Middle Aa Low	\$10 Million \$10 Million \$5 Million	\$20 Million
Credit Unions	1 Year Or Less	R-1 High	\$5 Million	\$5 Million
Municipal or Regional City Securities	5 Years Or Less	N/A	\$5 Million	\$5 Million
MFA Bond Fund	5 Years Or Less	N/A	\$5 Million	\$5 Million
MFA Money Market Fund	1 Year Or Less	N/A	No Limit	No Limit
MFA Intermediate Fund	5 Years Or Less	N/A	\$5 Million	\$5 Million

New May 10/04 Res #04-0594

2.9 EQUIPMENT REPLACEMENT POLICY

2.9.1 PURPOSE OF POLICY

To provide a rational method of determining when vehicles are to be purchased, replaced, and disposed of as well as to provide a rational method of financing the acquisition of same and to place limits on reserve fund balances that meet the needs of the City both operationally and financially.

2.9.2 FIRE DEPARTMENT EQUIPMENT REPLACEMENT RESERVE

There shall be a reserve for the Fire Department known as the Fire Department Equipment Replacement Reserve.

2.9.3 LEVEL OF RESERVE

2.9.3.1 FIRE DEPARTMENT CONTRIBUTIONS AND CEILING

The Fire Department Reserve shall be maintained by an annual contribution of \$110,000, which shall be reduced by a sum equivalent to the annual cost of leases or repayments to the Public Works Equipment Replacement Reserve. The Fire Department Replacement Reserve shall not exceed the amount expected to be required to accommodate the scheduled replacements for the following five years as determined by an annual review.

2.9.3.2 FIRE DEPARTMENT RESERVE CONTRIBUTION INCREASES

When annual reviews or projections show that the Fire Department Reserve cannot be maintained for a period ten years into the future the Financial Plan will be amended to accommodate such increase as is necessary to keep the reserve positive such increase to be supported by a report from the Finance Manager or Corporate Services Director and Fire Chief.

2.9.4 FIRE DEPARTMENT EQUIPMENT CHARGE OUT RATES

2.9.4.1 FIRE DEPARTMENT

Equipment purchased on behalf of the Fire Department shall not be required to have charge out rates established as the annual contribution to reserve is intended to reflect the average equipments expected life (amortization) and cost of operating for a single purpose department.

2.9.4.2 REVIEW OF FIRE DEPARTMENT CHARGE OUT RATES

Equipment purchased by the Fire Department Equipment Replacement Reserve may occasionally be charged out to third parties. The portion that equates to a rate established, equivalent to the equipments expected life (amortization) and cost of operating, shall be credited to the reserve.

2.9.4.3 ANNUAL REVIEW

A team made up of the Finance Manager, Materials Manager and Fire Chief shall review charge out rates annually at a time convened by the Finance Manager

2.9.5 PURCHASE OF EQUIPMENT

2.9.5.1 DEMONSTRATED NEED

Equipment shall only be purchased when there is business case for the equipment and then only when the financing of the equipment will not cause reserve balances to fall below the established thresholds. Demonstrated need shall include the requirement of a justification report. All new additions to the fleet shall require a formal report to Council, which shall include at a minimum, estimated cost and utilization with a comparison to the likely cost of hiring privately owned equipment. For a scheduled replacement the justification may be limited to a verbal discussion at Financial Plan meetings

2.9.5.2 REPLACEMENT OF VEHICLES

Replacements will be done on a priority basis taking into account a vehicle assessment and scoring system, which shall be overseen by the Materials Manager.

2.9.5.3 COUNCIL APPROVAL

Council will approve inclusion of the purchase either as part of the Five-Year Financial Plan or by Amendment thereto. Purchases shall be subject to the City's Purchasing Policy.

2.9.5.4 LEASE ALTERNATIVE FOR FIRE DEPARTMENT

Purchases of Fire Department Vehicles shall be by either lease through the Municipal Finance Authority or internally financed as detailed in section 2.9.7.3.

2.9.6 PUBLIC WORKS EQUIPMENT REPLACEMENT RESERVE

There shall be a Reserve for the Public Works Fleet known as the Public Works Equipment Replacement Reserve.

2.9.7 LEVEL OF RESERVE

2.9.7.1 PUBLIC WORKS CONTRIBUTIONS

The Public Works Equipment Replacement Reserve shall be maintained through charge out rates.

2.9.7.2 PUBLIC WORKS VARIABLE LEVELS

The Public Works Equipment Replacement Reserve level shall be maintained by reference to the current replacement cost of the fleet and shall be allowed to fluctuate at 15% to 25% of that balance. The optimum level is considered to be 20%

2.9.7.3 PUBLIC WORKS – AVAILABILITY OF FUNDS FOR INTERNAL FINANCING

When the balance rises above 20% funds may be considered as an alternative to MFA Lease financing for Fire Department Equipment provided that in doing so future replacements of Public Works Fleet are not to be jeopardized, the financing rates available, the rate of return on the City's investments and the ability of other departments to make repayment.

2.9.8 PUBLIC WORKS EQUIPMENT CHARGE OUT RATES

2.9.8.1 REVIEW OF PUBLIC WORKS CHARGE OUT RATES

Equipment purchased by the Public Works Equipment Replacement Reserve shall be charged out to operations and third parties at a rate established equivalent to the equipments expected life (amortization) and cost of operating.

2.9.8.2 ANNUAL REVIEW

A team made up of the Finance Manager, Materials Manager and Public Works Manager shall review charge out rates annually at a time convened by the Finance Manager.

2.9.9 PURCHASE OF EQUIPMENT

2.9.9.1 DEMONSTRATED NEED

Equipment shall only be purchased when there is business case for the equipment and then only when the financing of the equipment will not cause reserve balances to fall below the established thresholds. Demonstrated need shall include the requirement of a justification report. All new additions to the fleet shall require a formal report to Council, which shall include at a minimum, estimated cost and utilization with a comparison to the likely cost of hiring privately owned equipment. For a scheduled replacement the justification may be limited to a verbal discussion at Financial Plan meetings

2.9.9.2 REPLACEMENT OF VEHICLES

Replacements will be done on a priority basis taking into account a vehicle assessment and scoring system, which shall be overseen by the Materials Manager.

2.9.9.3 COUNCIL APPROVAL

Council will approve inclusion of the purchase either as part of the Five-Year Financial Plan or by Amendment thereto. Purchases shall be subject to the City's Purchasing Policy

2.9.10 AIRPORT EQUIPMENT REPLACEMENT

There is no established reserve specifically for Airport Vehicle Replacements as the Airport is a self funding operation and the overriding criteria is maintenance of a predetermined surplus level.

2.9.11 PURCHASE OF EQUIPMENT

2.9.11.1 DEMONSTRATED NEED

Equipment shall only be purchased when there is business case for the equipment and then only when the financing of the equipment will not cause surplus balances to fall below the established thresholds. Demonstrated need shall include the requirement of a justification report. All new additions to the fleet shall require a formal report to Council, which shall include at a minimum, estimated cost and utilization with a comparison to the likely cost of hiring privately owned equipment. For a scheduled replacement the justification may be limited to a verbal discussion at Financial Plan meetings.

2.9.11.2 REPLACEMENT OF VEHICLES

Replacements will be done on a priority basis taking into account a vehicle assessment and scoring system, which shall be overseen by the Materials Manager.

2.9.11.3 COUNCIL APPROVAL

Council will approve inclusion of the purchase either as part of the Five-Year Financial Plan or by Amendment thereto. Purchases shall be subject to the City's Purchasing Policy.

New Apr /04 Res. #04-0494

2.10 BUILDING RENTAL DEMOLITION AND RECLAMATION

2.10.1 PURPOSE

To provide a method of setting aside funds for the demolition and reclamation of building on rental properties and specify acceptable use of funds accumulated in the reserve.

2.10.2 BUILDING RENTAL DEMOLITION AND RECLAMATION RESERVE

There shall be a reserve known as the Building Rental Demolition and Reclamation Reserve.

2.10.3 LEVEL OF RESERVE

The Building Rental Demolition and Reclamation Reserve shall be maintained through a contribution of the difference between annual rental housing revenues and expenditures whenever the revenues exceed the expenditures at the end of the fiscal year.

2.10.4 AUTHORIZED USE OF RESERVE FUNDS

Accumulated funds in the Building Rental Demolition and Reclamation Reserve shall be used to fund the costs relating to rental properties, to the extent that the current year rental revenues are insufficient to meet current year expenses, including the costs of property taxes, utilities, insurance, repairs and maintenance, demolition and reclamation.

Amd Aug 11-09 Res. #09-0326 Sec. 2.11 & 2.11.1, Mar 27-12 Res.# fc12-0131 Sec. 2.11.1 & 2.11.2, Jan 29-14 Res.# 14-0067, Sec. 2.11

2.11 CAPITAL RESERVES

2.11.1 CAPITAL WORKS RESERVE

- The Capital Works Reserve was established for the use of surplus repayments by the Municipal Finance Authority of British Columbia for general purposes.
- Funds in the Capital Works Reserve shall be utilized for capital infrastructure related to the General Fund (including the Airport).

2.11.2 CAPITAL LENDING RESERVE

- The Capital Lending Reserve is established for the use of the net proceeds from the sale of eligible land, (as set out in the following paragraph):
- Except for tax sale proceeds and other money from the sale of lands that are specified by legislation to be deposited into a specified account, all net proceeds received from the sale of land and improvements shall be deposited to the Capital Lending Reserve for the acquisition of land, improvements and other replacement assets of a capital nature.
- Funds in the Capital Lending Reserve shall be utilized for capital infrastructure.
- Funds in the Capital Lending Reserve may only be loaned for capital projects or acquisitions related to the General Fund (including the Airport).
- Funds in the Capital Lending Reserve may only be loaned for capital projects or acquisitions with a value of greater than \$200,000.

- The maximum amount to be used for any one project shall not exceed 75% of the remaining reserve balance.
- The Capital Lending Reserve lending term shall not exceed fifteen (15) years.
- The interest rate will be fixed to the Municipal Finance Authority interim financing rate at the time of borrowing, calculated annually.
- Principal and interest payments will be on an annual basis. Principal repayments funded by taxation shall be in equal annual installments throughout the term of the loan. Interest paid remains in the reserve fund.
- Borrowing from the Capital Lending Reserve may be repaid at any time before maturity without prepayment penalty.

New Aug 25-09 Res. 09-0350

2.12 ACCOUNTS RECEIVABLE POLICY

2.12.1 PURPOSE

The purpose of the Accounts Receivable Policy is to establish:

- i. The process for granting credit;
- ii. To establish practices for collecting outstanding accounts receivable;
- iii. To delegate authority to staff when accounts receivable are deemed uncollectible; and,
- iv. To manage receivables created by City forces performing work on private lands.

2.12.2 SCOPE

This policy is intended to cover all operations of the City. The Campbell River Airport operates under Bylaw No. 3321 for determining amounts receivable. This policy will apply to the Campbell River Airport for accounts receivable and write off procedures.

Development Cost Charge receivables are governed by Provincial statute and are not covered under this policy.

2.12.3 DEFINITIONS

CITY	Shall mean the City of Campbell River;
COMMUNITY CHARTER	Chapter 26, Statutes of British Columbia;
COUNCIL	Shall mean the elected Municipal Council of the City of Campbell River;
DEVELOPMENT COST CHARGE	A charge set by bylaw for new developments to pay for anticipated future costs of existing and new infrastructure;
PRIVATE LAND OR IMPROVEMENTS	Land and/or improvements not owned by a government body.

2.12.4 EXTENSION OF CREDIT

Credit will only be extended under the following conditions or in the following circumstances, where credit approval has been granted and if an established charge account is up to date or current:

- i. For work done or services provided to private land and/or improvements or any other amounts which can be transferred to property taxes and collected as such under the provisions of the Community Charter, including property related bylaw infractions;
- ii. For emergency work and/or services that are required for repairs to roads or utilities as a result of damage by a contractor, utility company, or property owner, emergency cleanups, ICBC claims etc.;
- iii. Amounts due under a lease, rental or other contractual agreements that have credit arrangements and that have been approved by Council;
- iv. For goods and services provided to other governments, governmental agencies, departments or bodies (including the RCMP), crown corporations, regulated utility companies, the School District, and the Strathcona Regional District;
- v. Goods and/or services provided by the City where a deposit or prepayment has been taken and the costs exceed the prepaid amount;
- vi. For property related information provided to banks or other financial institutions;

- vii. Companies and non-profit groups or organizations that provide services on behalf of the City of Campbell River;
- viii. For surplus goods that are sold through an auction company under an agreement;
- ix. Other specific or unique circumstances that are approved by the Finance Manager or the General Manager, Financial Services.

2.12.5 CREDIT APPLICATION AND APPROVAL

A credit application will be required in certain instances or cases as determined by the Finance Manager or the General Manager, Financial Services. Completed credit applications will be reviewed by the Finance Manager. Approved credit applications will be granted a credit account with an appropriate amount. If the search results on the credit application are unsatisfactory then credit will be refused.

2.12.6 WITHDRAWAL OF CREDIT PRIVILEGES

Continued extension of credit is contingent on the person or organization maintaining its account in good standing. Credit privileges will be withdrawn when any charge on an account remains unpaid for 60 days. In the event that credit privileges are withdrawn, prepayment will be required for all further goods provided or services rendered until the account is brought up to date. The City may also choose not to provide further goods and/or services on outstanding accounts. If non-payment persists or if an account is repeatedly over due credit privileges will be permanently withdrawn.

2.12.7 NON-SUFFICIENT FUND CHEQUES & OTHER DISHONoured PAYMENTS

Any payments (cheques, preauthorized debit, credit cards, etc.) that are not honoured and that result in a charge back to the City's bank account will be treated as accounts receivable and will be assessed a \$30 service charge.

2.12.8 ADMINISTRATIVE COST RECOVERY FEE AND INTEREST CHARGES

A 5% administrative cost recovery fee will be charged on accounts receivable billings, based on the gross invoice total before any applicable taxes, with the exception of pre-established or set fee billings determined by bylaw, policy or agreement. This administrative fee partially covers the City's administrative costs (general accounting, office supplies, postage, etc.) that are incurred as a result of billings.

Invoices are net 30 days. Interest at a non-compounding rate of 2% per month will be charged on all overdue amounts starting on the 31st day from the invoice date and thereafter until payment is received.

2.12.9 PAYMENT TERMS AND COLLECTIONS

The following payment terms and collection process shall be followed:

- i. Payments will be due within 30 days from the invoice date with interest accumulated after 30 days.
- ii. Statements will be issued, at a minimum, on a quarterly basis;
- iii. If any amount that is payable by the City to a party with an overdue account the amount that is due from the other party will be contracted or deducted from the amount payable by the City.
- iv. All outstanding amounts that can be collected as property taxes under the provisions of the Community Charter will be transferred to the applicable property tax account at year end.
- v. Certain overdue accounts, as determined by the Finance Manager, will be turned over to a collection agency for collection purposes.

2.12.10 ALLOWANCE FOR DOUBTFUL ACCOUNTS

An allowance for doubtful accounts will be set up on an annual basis at year end, in accordance with generally accepted accounting principles, with the accounts and amounts to be determined by the Finance Manager and approved by the General Manager, Financial Services.

2.12.11 AUTHORIZATION TO WRITE OFF ACCOUNTS RECEIVABLE

Authorization to write off accounts receivable deemed to be uncollectible is as follows:

- \$0.01 to \$500.00 Finance Manager
- \$500.01 to \$1,000.00 General Manager, Financial Services
- \$1,000.00 + City Council Approval

2.12.12 REPORTING OF BAD DEBTS

A written report will be prepared quarterly to obtain approval for items over \$1,000 and summarizing all other accounts receivable write offs.

2.12.13 IMPLEMENTATION OF POLICY

This policy shall become effective immediately upon approval by City Council.

2.13 TANGIBLE CAPITAL ASSETS POLICY

2.13.1 PURPOSE

This Capital Asset Policy (Policy) promotes sound corporate management of capital assets and complies with the Public Sector Accounting Board guidelines.

2.13.2 SCOPE

This policy applies to all City departments, boards and commissions, agencies and other organizations falling within the reporting entity of the City, including the Campbell River Economic Development Corporations (Rivercorp).

All tangible property owned by the City, either through donation or purchase and which qualifies as capital assets are addressed in this policy. In accordance with PSAB 3150, tangible capital assets (TCA) are non-financial assets having physical substance that:

- i. are held for use in the production or supply of goods or services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- ii. have useful economic lives extending beyond an accounting period (1 year);
- iii. are to be used on a continuing basis; and
- iv. are not for sale in the ordinary course of city operations.

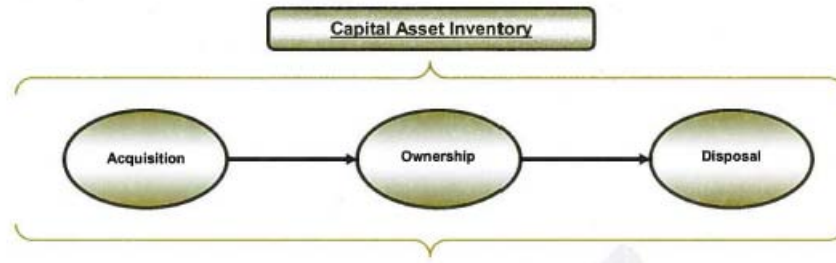
2.13.3 PRINCIPLES

Principles in this policy provide guidance for policy development and assist with interpretation of the policy once applied.

- i. The purpose of this policy is for the benefit of the City as a whole; for the users of the City's financial statements and managers of the City's tangible capital assets.
- ii. Only capital items meeting the capital asset criteria in this policy will be budgeted as capital.
- iii. Materiality (threshold) is considered.
- iv. The City complies with current legislative requirements.

2.13.4 POLICY

A framework is established for the management and control of the City's capital assets. Included in this framework is proper recognition, measurement, thresholds, aggregation, segregation, amortization, reporting, safeguarding and disposal. Additional guidelines relating to the purchase of assets are found in the City's Procurement Policy.



2.13.4.1 TCA INVENTORY - ACQUISITION

Tangible Capital Assets are recorded at historical cost. TCA's are recognized as assets on the City's Statement of Financial Position on date of receipt for capital goods or when the asset is put into use for capital projects.

2.13.5 COST

Cost as defined by PSAB 3150, is the gross amount of consideration given up to acquire, construct, develop or better a TCA, and includes all costs directly attributable to acquisition, construction, development or betterment of the TCA, including installing the asset at the location and in the condition necessary for its intended use. The cost of a contributed TCA, including a TCA in lieu of a developer charge, is considered to be equal to its fair value at the date of contribution. Capital grants are not netted against the cost of the related TCA. The cost of a leased TCA is determined in accordance with Public Sector Guidelines for Leased Tangible Capital Assets.

For assets owned by the City but not paid for by the City including contributions gifts, and donations, valuation may be assessed by fair value. **FAIR VALUE** is the amount of the consideration that would be agreed upon in an arms length transaction between knowledgeable, willing parties who are under no compulsion to act.

2.13.5.1 THRESHHOLDS

Thresholds are established for a minimum dollar value and number of years of useful life. Thresholds help to determine whether expenditures are to be capitalized as assets and amortized or treated as a current year expense. For financial reporting purposes thresholds are set fairly high, however, details may be useful for the City's capital asset management program. Therefore, an optimal threshold for each asset category is a balance between the two. Threshold values should be reviewed periodically and adjusted for inflation.

Asset Category	Threshold
Land	Capitalize Only
Land Improvements	\$10,000
Buildings	\$50,000
Building Improvements	\$10,000
Machinery and Equipment	\$5,000
Vehicles	\$10,000
IT Infrastructure	\$5,000
Infrastructure (e.g. water, electrical wastewater, roads etc.)	\$50,000

Thresholds apply to capital goods purchased and capital projects constructed with the total cost of the good or project meeting the threshold criteria. Long term assets not individually meeting threshold limits, when purchased in sufficient volume to meet the limit are to be capitalized. Group purchases are purchases that are individually insignificant items but when purchased together, the invoice amount meets or exceeds the threshold for that asset category.

Improvements are capitalized or expensed in accordance with PSAB 3150.

2.13.5.2 CLASSIFICATION, AGGREGATION & SEGMENTATION

The level of detail required in the capital asset inventory is a balance between cost of data collection, tracking and analysis and the beneficial use of the information gathered. The full cost of preparing a TCA for its intended use is considered the aggregate cost of the capital asset. The aggregate cost may be further segmented into elemental components based on useful life.

- LAND - Land owned by the City includes parkland, land for City owned facilities and land under roads and sidewalks. All land owned by the City is segmented by each parcel held. City parkland and the land for City facilities and leased facilities is quantified and included in the City's land database.

Due to the age of the land under roads and sidewalks, existing City land under roads and sidewalks is considered to have a nominal value of \$1.

- LAND IMPROVEMENTS - Parks infrastructure includes playground equipment, outdoor pools, fencing, trails, irrigation systems, etc. Each asset when capitalized is recorded separately with an attached useful life.
- BUILDINGS - Buildings owned by the City include the City Hall, Community Centre, and any other buildings the City holds or acquires, including leaseholds. New buildings may be segmented by envelope, roof and equipment and other significant component parts based on useful life. This treatment provides for capital replacement of each component over the years of ownership
- BUILDING IMPROVEMENTS - Building improvements include furniture, fixtures along with interior fit-outs required to make the building ready for use. Furniture, fixtures, equipment and fit-outs are capitalized if purchased in volume and the volume exceeds the threshold limit or if the individual cost of individual items exceeds the threshold.
- CONSTRUCTION IN PROGRESS - Construction in progress contains capital projects underway but not yet complete or in use. Upon completion, these projects are transferred to the appropriate category and amortized based on the date they are put into service.
- VEHICLES, MACHINERY AND EQUIPMENT - Mobile vehicle fleet and all machinery and equipment used in normal city operations.
- IT INFRASTRUCTURE - IT infrastructure includes hardware, infrastructure, computers, printers, scanners, photocopiers and the telephone network. This IT infrastructure is capitalized if each purchase, group purchase, or project meets threshold limits.
- INFRASTRUCTURE
 - WATER - The water system components may be segmented by asset type, for example water mains, valves, hydrants and services. Aggregation for threshold purposes is by capital project. Capital projects when complete are recorded as assets by allocating costs to each component part.

- SEWER AND DRAINAGE - The sewer and drainage system components may be segmented by sewer mains, lift stations, manholes, catch basins and services. Aggregation for threshold purposes is by capital project. Capital projects when complete are recorded as assets by allocating costs to each component part.
- TRANSPORTATION - Transportation assets includes all linear assets associated with roads and may be segmented by roads, lanes, sidewalks, traffic intersections, street lights, signage and structures. Aggregation for threshold purposes is by capital project. Capital projects when complete are recorded as assets by allocating costs to each component part.

2.13.5.3 TCA INVENTORY - OWNERSHIP

Ownership of assets requires safeguarding, maintenance, amortization for replacement and possibly write-downs. These requirements are addressed in this section.

It is the responsibility of department managers to ensure capital assets assigned to his or her custody are maintained and safeguarded in coordination with the asset management and facilities department.

Amortization is an annual charge to expenditures for the use of a capital asset. The City sets amortization rates on a straight line basis based on the number of years in service. The asset categories are amortized as follows:

Asset Category	Amortization of Cost
Land	Not amortized
Land Improvements	Straight line over useful life of each asset unit
Buildings	Straight line over useful life of each asset unit
Building Improvements	Straight line over useful life of each asset unit
Construction in Progress	Not amortized
Vehicles, Machinery and Equipment	Straight line over useful life of each asset unit
Infrastructure (e.g. water, wastewater, roads etc.)	Straight line over average useful life of each segment

Amortization is calculated at 50% of the rate for the first year the asset is placed in service and at the full annual rate thereafter. Economic useful life is used for amortization rather than physical useful life. Attachment IV provides a general guide for useful life.

A write down of assets occurs when reduction in future economic benefit is expected to be permanent and the value of future economic benefit is less than the TCA's net book value. A write down should not be reversed.

2.13.5.4 TCA INVENTORY - DISPOSAL

Disposal procedures for capital assets are in accordance with the City's Procurement Policy. All disposals of TCAs are recorded in the City's financial statements in accordance with accounting standards.

ATTACHMENT I
ASSET USEFUL LIFE – General Guidelines

ASSET TYPE	DEPRECIABLE LIFE IN YEARS
Land Improvements	
Playground Equipment	15
Washrooms, Concessions, Picnic Shelters	40-50
Outdoor pools, Splash pads	50-60
Tennis Courts	15
Fencing	15
Irrigation System	20
Other Land Improvement Structures	15-60
Buildings	20-75
Building Improvements	
Exterior Envelope	30-40
HVAC systems	10-12
Roofs	15-20
Electrical/Plumbing/Fire	15-20
Site works - Asphalt, water/sewer lines	10-100
Other Building Improvements	10-100
Machinery & Equipment	
General Equipment	5-10
Ground Machinery & Equipment	10-15
Heavy Construction Equipment	5-10
Other Machinery & Equipment	5-20
Vehicles	
Cars and Light Trucks	5-10
Vehicles - Medium	8
Vehicles - Heavy	15
Fire Trucks	15-25
Other Vehicles	5-25
IT Infrastructure	
Hardware	3-5
Software	3-5
Telephone System	5-7

Other IT Infrastructure	3-7
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Infrastructure	
Water	10-100
Sewer	10-100
Drainage	10-100
Transportation	10-100
Other Infrastructure	10-100

APPENDIX 3 - RESERVE FUND BALANCE

A	B	C	D	E	H	K	N	Q	T	W	Z	AC	AF
	2016	2016	2016	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Opening	Input	Expense	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing	Closing
Unrestricted Reserves:													
Airport Reserve	322,213	120,312	(411,007)	31,518	6,960	23,819	43,371	37,869	42,412	62,150	56,836	71,669	116,950
Allowance for Assessment Appeals	260,750	-	-	260,750	260,750	260,750	-	-	-	-	-	-	-
Capital Lending Reserve	3,246,854	454,428	(2,787,408)	913,874	776,950	1,505,324	2,240,981	2,015,335	2,616,932	3,224,545	3,838,234	4,152,493	4,313,817
Capital Surplus Reserve	1,041,934	(1,041,934)	-	-	-	-	-	-	-	-	-	-	-
Capital Works Reserve	2,174,367	1,322,428	(3,113,108)	383,687	124,624	103,390	319,344	793,227	1,332,739	2,498,156	3,768,728	5,392,255	7,277,168
Carbon Neutral Reserve	215,262	68,248	(130,500)	153,010	103,770	172,208	241,330	311,143	381,654	452,871	524,800	597,448	670,822
Community Partnership Committee Reserve	28,814	15,288	-	44,102	59,543	75,138	90,889	106,798	122,866	139,095	155,486	172,041	188,761
Community Works Fund Reserve	2,807,651	1,337,574	(2,290,295)	1,854,930	1,181,840	944,237	816,368	687,221	683,032	678,801	674,528	670,212	744,945
Economic Development Twinning Relationship Reserve	27,342	(27,342)	-	-	-	-	-	-	-	-	-	-	-
Erickson Road Reserve	14,672	-	(14,672)	-	-	-	-	-	-	-	-	-	-
Facilities Capital Reserve	173,545	833,824	(1,002,019)	5,350	45,350	91,254	31,254	51,254	41,254	41,254	41,254	41,254	41,254
Financial Stabilization Reserve	2,089,677	874,601	(250,000)	2,714,278	2,615,171	2,515,073	2,413,974	2,311,864	2,208,733	2,104,570	1,999,366	1,893,110	1,785,791
Fire Equipment Reserve	5,509	691,390	(470,000)	226,899	11,899	51,332	55,765	60,198	64,631	69,064	73,497	59,082	69,082
Fire Reserve	66,390	(66,390)	-	-	-	-	-	-	-	-	-	-	-
Fleet & Heavy Equipment Reserve	990,895	404,463	(944,576)	450,782	450,240	454,742	449,189	453,681	458,218	614,300	448,743	655,230	520,382
Furniture & Equipment Reserve	43,409	45,042	(54,175)	34,276	9,826	5,976	6,376	2,726	5,826	6,976	3,776	9,026	6,126
Gaming Reserve	599,338	654,351	(856,694)	396,995	376,790	356,458	335,923	315,182	294,234	308,426	322,760	337,238	381,860
Information Technology	38,443	451,816	(407,818)	82,441	65,085	55,636	56,192	69,884	70,583	36,949	57,518	62,133	37,504
Insurance Claims Reserve	393,013	(393,013)	-	-	-	-	-	-	-	-	-	-	-
International Relationship Reserve	10,922	32,501	-	43,423	48,857	29,096	34,387	39,731	45,128	50,579	30,835	36,143	41,504
Legacy Landmark Reserve	70,781	708	-	71,489	72,204	72,926	73,655	74,392	75,136	75,887	76,646	77,412	78,186
MHC Repair & Maintenance Reserve	10,209	(10,209)	-	-	-	-	-	-	-	-	-	-	-
Parks Capital Reserve	448,938	711,200	(1,017,217)	142,921	109,696	325,898	436,899	437,228	804,897	1,028,480	1,460,036	1,495,644	2,018,438
Payroll Liabilities Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Snow and Ice Control Reserve	57,173	(57,173)	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Reserve	90,276	1,250	(34,674)	56,852	-	-	-	-	-	-	-	-	-
SPCA Building Reserve	2,940	-	(2,940)	-	-	-	-	-	-	-	-	-	-
Storm Water Capital Reserve	25,000	293,080	(180,000)	138,080	26,341	39,734	53,261	66,924	80,723	94,660	108,737	122,954	137,314
TOTAL	15,256,317	6,716,443	(13,967,103)	8,005,657	6,345,896	7,082,991	7,699,158	7,834,657	9,328,998	11,486,763	13,641,780	15,845,344	18,429,904
Sewer/Water Funds:													
Norm Wood Future Capital	50,616	506	-	51,122	51,633	52,149	52,670	53,197	53,729	54,266	54,809	55,357	55,911
Sewer Capital Reserve	3,114,749	10,857,865	(5,117,249)	8,855,365	8,852,365	4,187,365	4,367,365	217,365	1,972,365	3,872,365	5,672,365	7,422,365	9,272,365
Sewer Future Capital	357,865	(357,865)	-	-	-	-	-	-	-	-	-	-	-
Water Future Capital	37,601	(37,601)	-	-	-	-	-	-	-	-	-	-	-
Water Capital Reserve	1,516,171	4,637,601	(5,414,171)	739,601	1,071,601	2,666,601	1,346,601	3,096,601	1,709,101	2,159,101	3,909,101	4,659,101	5,009,101
TOTAL	5,077,002	15,100,506	(10,531,420)	9,646,088	9,975,599	6,906,115	5,766,636	3,367,163	3,735,195	6,085,732	9,636,275	12,136,823	14,337,377
Mandatory:													
DCC Parkland Acquisition	34,447	48,824	-	83,271	132,584	182,390	232,694	283,501	334,816	386,644	438,990	491,860	545,259
DCC Parkland Development	547,498	32,123	(62,219)	517,402	461,471	493,356	525,560	558,086	590,937	624,116	657,627	691,473	725,658
DCC Sewer	591,172	73,622	(400,000)	264,794	339,152	414,254	490,107	566,718	644,095	722,246	801,178	880,900	961,419
DCC Storm Drain Quinsam	602,879	6,029	-	608,908	614,997	621,147	627,358	633,632	639,968	646,368	652,832	659,360	665,954
DCC Transportation	2,934,974	134,150	(125,000)	2,944,124	2,953,365	2,962,699	2,972,126	2,981,647	2,991,263	3,000,976	3,010,786	3,020,694	3,030,701
DCC Water	2,357,430	141,744	-	2,499,174	2,314,086	31,397	149,881	269,550	390,416	512,490	635,785	760,313	886,086
Parkland Acquisition Reserve (Mandatory)	386,149	3,277	(58,400)	331,026	334,336	337,679	341,056	344,467	347,912	351,391	354,905	358,454	362,039
TOTAL	7,454,549	439,769	(645,619)	7,248,699	7,149,991	5,042,922	5,338,782	5,637,601	5,939,407	6,244,231	6,552,103	6,863,054	7,177,116
Surplus Reserves:													
General Accumulated Surplus	4,352,428	29,242	(352,670)	4,029,000	4,029,000	4,029,000	4,029,000	4,029,000	4,029,000	4,029,000	4,029,000	4,029,000	4,029,000
Sewer Accumulated Surplus	8,376,676	(7,401,254)	-	975,422	843,086	793,428	852,452	893,992	933,558	901,794	933,932	968,582	929,087
Water Accumulated Surplus	2,793,263	(1,799,688)	-	993,575	1,724,389	1,203,589	1,474,340	935,773	1,882,815	2,120,458	1,046,098	958,749	1,107,393
TOTAL	15,522,367	(9,171,700)	(352,670)	5,997,997	6,596,475	6,026,017	6,355,792	5,858,765	6,845,373	7,051,252	6,009,030	5,956,331	6,065,480
GRAND TOTAL	38,233,233	(2,015,488)	(14,965,392)	21,252,353	20,092,362	18,151,930	19,393,732	19,331,023	22,113,778	24,782,246	26,202,913	28,664,729	31,672,500

	A	B	C	D	E	F	G	H	I	J	K	L	M
1													
2			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
3													
4	Existing Capital Allocation To Reserves												
5	Facilities Reserve		190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	1,900,000
6	Fire Reserve		-	-	-	-	-	-	-	-	-	-	-
7	Fleet Reserve		200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,000,000
8	Furniture & Equipment Reserve		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	150,000
9	IT Reserve		51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	510,000
10	Storm Parcel Tax		163,000	163,000	163,000	163,000	163,000	163,000	163,000	163,000	163,000	163,000	1,630,000
11	Parks Parcel Tax		511,200	514,900	518,600	522,300	526,000	529,700	533,400	537,100	540,800	544,500	5,278,500
12	Capital Works		220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	2,200,000
13	Airport		120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	1,200,000
14			1,470,200	1,473,900	1,477,600	1,481,300	1,485,000	1,488,700	1,492,400	1,496,100	1,499,800	1,503,500	14,868,500
15													
16	Revenue Allocated to Community Infrastructure												
17	0.75% Annual Taxation		190,000	380,000	380,000	570,000	760,000	950,000	950,000	1,140,000	1,330,000	1,520,000	8,170,000
18	Downtown Revitalization Funds		-	-	2,000	2,000	239,000	318,000	354,000	354,000	354,000	354,000	1,977,000
19	Debt Retirement Costs		265,000	590,000	665,000	865,000	865,000	865,000	865,000	870,000	1,005,000	1,015,000	7,870,000
20	Fortis Franchise Fees		55,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	1,495,000
21	Financial Stabilization Excess		1,300,000	-	-	-	-	-	-	-	-	-	1,300,000
22			1,810,000	1,130,000	1,207,000	1,597,000	2,024,000	2,293,000	2,329,000	2,524,000	2,849,000	3,049,000	20,812,000
23													
24	Additional Capital Allocation to Reserves												
25	Facilities Reserve		640,000	400,000	-	350,000	425,000	400,000	410,000	410,000	410,000	410,000	3,855,000
26	Fire Reserve		175,000	25,000	400,000	325,000	325,000	375,000	375,000	325,000	-	325,000	2,650,000
27	Fleet Reserve		200,000	150,000	175,000	250,000	100,000	140,000	-	25,000	-	-	1,040,000
28	Furniture & Equipment Reserve		30,000	10,000	20,000	45,000	35,000	45,000	45,000	25,000	60,000	35,000	350,000
29	IT Reserve		400,000	75,000	15,000	25,000	50,000	70,000	-	20,000	30,000	-	685,000
30	Storm Water Reserve		130,000	-	-	-	-	-	-	-	-	-	130,000
31	Parks Reserve		200,000	120,000	-	-	-	-	-	-	-	-	320,000
32	Capital Works		-	-	597,000	527,000	1,089,000	1,213,000	1,499,000	1,719,000	2,149,000	2,279,000	11,072,000
33	Airport		-	30,000	-	75,000	-	50,000	-	-	200,000	-	355,000
34	Capital Lending		35,000	320,000	-	-	-	-	-	-	-	-	355,000
35	Sewer		-	-	-	-	-	-	-	-	-	-	-
36			1,810,000	1,130,000	1,207,000	1,597,000	2,024,000	2,293,000	2,329,000	2,524,000	2,849,000	3,049,000	20,812,000

Project Title: Aircraft Fueling Facility Replacement

Situation Analysis:

The purchase of an Aircraft Fueling Facility was approved in the 2014 financial plan in the amount of \$700,000. This amount was carried over and increased to \$740,000 for 2015. The scope of the \$740,000 capital project was a complete AV Gas and Jet Fuel system with significant infrastructure costs associated with providing an AV Gas facility that was essentially a self-serve system.

The Fuel Facility was sent out for a Request for Proposal in the spring of 2015. After the RFP process the best bid came in at two times the budget due to increased scope and facility costs for the Av Gas infrastructure.

The Airport/City applied to the BC Air Access Program (BCAAP) in September for \$750,000, but did not succeed. The next application period for this program is January 1, 2016. The BCAAP was advised that fuel trucks are not eligible therefore, only fuel tanks are eligible.

Current Situation

The existing fuel system has the City operating as an Imperial Oil (Esso) Dealer. Esso loans the facility for our use, the City runs the system, and is responsible for fuel quality and testing, pumping, and billing customers. Esso charges the City for fuel delivered (Jet and AV Gas) at a rate they deem fair, but this rate has been found to be less competitively priced than buying on the open market. Jet fuel is branded, but on Vancouver Island all “brands” are sourced from one supplier in Nanaimo.

Jet fuel sales generate over 90% of airport revenue. These are sales to Ministry of Forests Air Tankers, Pacific Coastal Airlines, Central Mountain Air, and Corporate Jets. AV Gas sales are to smaller piston aircraft often referred to as General Aviation (GA).

Staff have met with Imperial Oil representatives who acknowledge the existing system is near the end of life and the probability of Imperial Oil replacing this system is unlikely. Esso has generally been withdrawing from the Airport Fuel business at smaller airports.

Recently Sealand Aviation, operating as Sealand Flight, started Flight School operations airside. There is interest in providing AV Gas for resale as an amenity to Sealand Aviation and its business centered on maintenance repair and overhaul at the Airport. Given this option to have an alternate provider of AV Gas to general aviation, the infrastructure costs associated with replacing the AV Gas system, and the nominal contribution to the Airport's bottom line, the Fuel Facility proposal is being revised.

Many options have been considered with 6 described here; note that the attached financial analysis includes options 1-4 regarding Jet fuel as well as analysis on AV Gas for additional information.

1. **DO NOTHING** - Do nothing until Imperial Oil closes the facility. Current infrastructure has reached the end of its life cycle and one underground tank is permanently out of service. Staff are currently researching time limits with Imperial Oil. This option would not cost anything currently, however at the point

of Imperial Oil closing the facility a solution would need to be determined. The Airport generates approximately \$364,000 a year for Jet fuel sales and \$33,000 per year for AV Gas under this arrangement or \$397,000 annually. This option is currently very profitable however there is a time limit where Imperial Oil will no longer maintain this arrangement due to the age of the tank. The agreement allows 90 days notice for cancellation therefore the City would need to act quickly if Imperial cancelled the contract and removed the tanks.

2. **JET ONLY SUPPLIER – TWO TRUCKS, ONE TANK** - Purchase of a Jet fuel tank and two delivery trucks including repavement of corporate jet parking area where existing tanks currently reside for a total cost of \$1,205,000. This option includes contracting out the sale of AV Gas component, which was included as a City responsibility in the previous RFP's. This option would generate estimated net profits of \$441,000 per year on jet fuel; with \$5,000 for AV Gas contracted fuel sales or \$446,000 annually. After Capital Lending Reserve payback of \$76,000 per year for 15 years the annual net profits are \$371,000.
3. **JET ONLY SUPPLIER – TWO TRUCKS, LEASE TO OWN TANK** - Purchase two delivery trucks only at a cost of \$955,000. Enter into an agreement for fuel supply of Jet fuel (supplier invests in tank, we sign a five year agreement to keep full) this option does not consider the purchase of the AV Gas component which was included in the previous RFP's. This option does not provide the full maximization of revenue generation as we would be paying an additional cost to the supplier for tank infrastructure of \$0.075 per litre. The net profits under this option would be \$348,000 per year; with \$5,000 for AV Gas contracted fuel sales or \$353,000 annually. After Capital Lending Reserve payback of \$59,000 per year for 15 years the annual net profits are \$294,000.
4. **CONTRACT SERVICES** – The City could move out of providing fuel services directly and instead allow private sales at the Airport and receive a concession fee. The repavement of the existing tank area would still be incurred at a cost of \$205,000. As per our research (Smithers, Nanaimo, and Victoria Airports), this would result in no capital cost however would significantly reduce revenues to \$15,000 per year for Jet fuel and \$5,000 per year for AV Gas or \$20,000 annually. This option has been analyzed in the attached finance schedule and is not recommended due to the significant reduction in profitability and the lack of ability to maintain Airport operations. After Capital Lending Reserve payback of \$7,000 per year for 15 years the annual net profits are \$13,000 per year.
5. **JET ONLY SUPPLIER – ONE TRUCK, ONE TANK** - This option is the purchase of a tank and delivery truck for jet fuel only, estimated cost (class C) of \$600,000. This option does not consider the purchase of the AV Gas component which was included in the previous RFPs. As per the rationale in the above option this also has the real potential of reducing the customer service we currently provide. The timing of refueling our truck and the ability to dispense product is regulated to a one hour wait. During the peak season when we have many customers and it is not unusual to sell 30,000 liters of fuel per day, this would mean an additional five hours of wait time to our customers. Due to the reduction in customer service and risk of losing jet customers and the future profitability of the Airport this option with one truck has not been further analyzed.

6. **JET AND AV GAS SUPPLIER – ONE TRUCK, TWO TANKS WITH CARD LOCK ETC.** - Purchase of the complete existing fuel facility as approved in 2015 Financial Planning at a cost of \$1,500,000. RFP estimates only considered one truck and results in reduction in levels of service for our most profitable customers. We could not rationalize the capital cost of AV Gas infrastructure with any reasonable payback schedule. Due to the reduction in customer service and risk of losing jet customers and the future profitability of the Airport this option with one truck has not been further analyzed.

Decision Criteria and Measures:

The main factors in deciding the best solution are:

1. Profit maximization/payback
2. Customer service
3. Reducing environmental risks
4. Improved staff deployment
5. Additional aircraft parking
6. Reducing small aircraft traffic problems (conflicts)
7. End of life cycle of existing Esso service

Profit Maximization/Payback

The current mode with the Imperial Oil dealer agreement is very profitable for the airport as identified above; however, moving to the Airport owning its own facility allows for competitive purchasing of fuel and provides the highest margins. However, providing AV Gas infrastructure does not provide a payback given the investment required for card lock, aircraft taxiway and apron, lighting, electrical and inside the fence tanks. See attached appendix for financial analysis of Av Gas profitability.

\$100,000 of Airport Improvement Fee Reserve has been allocated to this project with the remaining budget to be funded by the Capital Lending Reserve with a payback over fifteen years. The trucks and tank are expected to have a useful life of 20-25 years. The profitability versus payback has been reviewed for overall impact on the Airport business operations. Option 2 and 3 would have an impact on profitability of the Airport due to the change in fuel margins and the payback of the capital investment from the Capital Lending Reserve.

Annual profitability for option 1 is \$397,000 per year, \$371,000 per year for option 2 and \$294,000 per year for option 3. The investment in option 2 or 3 will result in an effect on general taxation or available funding for capital at the Airport in that the fuel profitability currently used to balance the airport operating budget will be partially used to payback the Capital Lending Reserve for the new fueling facility. Option 2 would decrease estimated fuel profits by \$26,000 and option 3 would be an estimated reduction of \$103,000 from the status quo option 1 Imperial Oil dealer agreement.

Overall, the return on investment is the same for option 2 or option 3 at 30%; the capital investment is higher in option 2, however the net profits are higher. Alternatively, for option 3 the capital investment is lower, but the net profits are also lower.

Customer Service

The Airport currently provides a high level of service to numerous different clientele we serve, including the Ministry of Forest air tankers (#1 priority during fire season) commercial airlines, corporate aviation and finally general aviation. This service would decline if only one Jet fuel truck was employed as per the original RFP for approved budget in 2015. Past experience with only one truck has resulted in up to a five hour fueling delay during peak season (as the truck after being emptied and refilled requires one hour for settling of fuel and then testing before dispensing.) During peak season the Airport has sold 30,000 liters of fuel in a day the settling time alone would add five hours to our customers wait times.

Reducing Environmental Risks

It is desired that private fuel tanks be reduced at the airport for both Jet fuel and Av Gas. Having control on Jet fuel purchasing provides an opportunity with the major holder of Jet fuel or lease land (Helifor) to have them arrange to buy fuel for the City. A private seller of AV Gas would also have an incentive to be a lower cost seller of AV Gas encouraging the tenants to buy from the AV Gas retailer and the removal of their own fuel tanks.

Improved Staff Deployment

Airports are increasingly regulated, which requires more staff time. Removing the Av Gas Fueling portion from the staff work does not decrease staffing level requirements for safe airport operations but does permit us to keep up with maintenance and defer further staffing needs generated by increased regulatory burdens (e.g. Safety Management System).

Additional Aircraft Parking

The proposals for Jet fuel only have the fuel storage groundside and the existing Esso facility being removed will provide 20% more Apron space and about 40% more capacity for corporate customers since the existing facility is in the middle of the parking area and the existing fuel facility has to have a buffer zone. In the past during peak season the Airport has had to send away customers due to lack of available parking. Note that the cost to repave this area where the fuel facility is currently located will cost an estimated \$205,000.

Reduce Small Aircraft Traffic Problems

There is a significant benefit to relocating small aircraft away from the North grass parking area (near Seymour Pacific's Hangar). Recent developments with Seymour Pacific have resulted in their helicopter operations being in conflict with small general aviation refueling under the past proposed facility and the remaining parking area.

End of Life Cycle of Existing Service

The Airport/City has to be prepared for the likely withdrawal of Esso. Planning for this likelihood will be more cost effective than reacting to a crisis if Esso announces an end to fuel service. The existing dealer agreement permits them to give 90 day's notice.

Viable Alternative Solutions:

1. **DO NOTHING.** Do nothing until Imperial Oil closes the facility, current infrastructure has reached life cycle, and one underground tank is permanently out of service. Staff are currently researching time limits with Imperial Oil. This option would not currently cost anything; however, at the point of Imperial Oil closing the facility a solution would need to be determined. This option is currently very profitable; however, there is a time limit where Imperial Oil will no longer maintain this arrangement due to the age of the tank.

2. **JET ONLY SUPPLIER – TWO TRUCKS, ONE TANK.** Purchase a Jet fuel tank system and two delivery trucks only. This option provides the best solution for retaining a high level of service and the best option to maximize all potential fuel revenues by shopping for the lowest fuel supply costs daily. Estimated costs \$250,000 for tank (class “C”) and \$750,000 for two trucks (tendered price for trucks) and \$205,000 for repaving the current fueling facility area. This will provide additional parking and capacity for corporate customers during peak summer season. Total cost of this option is \$1,205,000.

3. **JET ONLY SUPPLIER – TWO TRUCKS, LEASE TO OWN TANK.** Purchase two Jet trucks and enter into a five agreement with a fuel supplier for a tank and supply agreement. This option retains the high level of service, but not the ability to maximize a lower fuel supply cost. Lower capital investment is needed \$750,000 (tendered price for trucks) and \$205,000 for repaving the current fueling facility area. This will provide additional parking and capacity for corporate customers during peak summer season. Total cost of this option is \$955,000.

Financial Evaluation of Alternatives:

1. The current arrangement requires no capital investment until Imperial Oil cancels the arrangement. Profitability is strong in this arrangement at approximately \$397,000 per year.

2. The second option to replace the existing fueling facility with two jet fuel trucks and a jet tank is estimated at \$1,205,000. Profitability is stronger than option 1; however, payback to the capital lending reserve for the capital investment is \$76,000 per year for fifteen years. This payback will result in a slight offset to general taxation to offset reduced fuel profits or a reduction in available capital funding.

3. The third option is to replace the existing fueling facility with two jet fuel tracks and enter into a five year agreement to lease to own a tank which would reduce initial capital investment by \$250,000; however, it would reduce annual profitability through a concession fee on fuel sales. The total cost of this option is \$952,000. Profitability is strong in this option; however, payback to the Capital Lending Reserve for the capital investment is \$59,000 per year for fifteen years. This payback will result in an offset to general taxation to offset reduced fuel profits or a reduction in available capital funding.

Recommendation:

Based on the above analysis, the recommended option is option 2 to purchase two jet trucks and one jet fuel tank and move Av Gas to a private seller with a small concession fee. Of option 2 or 3 this option has the greatest profitability results and flexibility to manage the main revenue driver of the Airport. This option allows the Airport to focus on their core Jet customers by providing top customer service through quick service and the capacity to provide service to additional customers.

Option 1 which is the current dealer agreement is very profitable however Imperial has communicated the existing tank is at the end of its useful life and will not be replaced. The agreement provides a 90 day cancellation clause, therefore the Airport will need to move quickly when Imperial decides to remove the existing tanks. The estimated time to complete the tender, construction, delivery, and installation of two jet trucks and one jet tank is up to a year therefore staff are recommending approval of option 2 in 2016 Financial Planning to start this process.

Implementation Plan:

If Option 2 is implemented, the City would need to change the airport fuel policy to allow sales of AV Gas on site to one supplier and recoup a slight profit from a contract fee.

Additionally, staff will apply to BCAPP for funding for the Jet tank, this program could provide funding up to 75% or \$187,500 of estimated tank costs of \$250,000. The project is not contingent on this funding but if approved it would further reduce our costs and required payback making option 2 even more profitable.



City of Campbell River
2016 Financial Planning
Airport Fueling Facility - Financial Analysis

	JET				AVGAS	
	Option 1 JET STATUS QUO	Option 2 JET ONLY SUPPLIER 2 TRUCKS, CITY TANK	Option 3 JET ONLY SUPPLIER 2 TRUCKS, LEASE TANK	Option 4 JET CONTRACT SERVICES	Option 1 AVGAS STATUS QUO	Option 2/3/4 AVGAS - CONTRACT
Annual Sales Volume - Litres	753,000	753,000	753,000	753,000	67,000	67,000
Selling Price per litre	1.55	1.55	1.55	0.02	2.04	0.075
Total Revenue	1,167,150	1,167,150	1,167,150	15,060	136,680	5,025
Cost of Fuel						
Base Price	0.9329	0.83	0.8793		1.3441	
Excise Tax	0.04	0.04	0.04		0.11	
Carbon Tax	0.0738	0.0738	0.0738		0.0738	
Prov Fuel Tax	0.02	0.02	0.02		0.02	
Cost per litre	1.0667	0.9638	1.0131	-	1.5479	-
Total Cost of Fuel	803,225	725,741	762,864	-	103,709	-
Concession Rate	-	-	0.075	-	-	-
Concession Paid	-	-	56,475	-	-	-
Gross Margin	363,925	441,409	347,811	15,060	32,971	5,025
Capital Investment Required						
2 Jet Trucks	-	750,000	750,000	-	-	-
Fuel Tank	-	250,000	-	-	-	-
Repave Parking Area	-	205,000	205,000	205,000	-	-
Less: Funding from Airport Reserve	-	1,205,000	955,000	205,000	-	-
	-	(100,000)	(100,000)	(100,000)	-	-
	-	1,105,000	855,000	105,000	-	-
Annual Payback - 15 years	-	(75,877)	(58,710)	(7,210)	-	-
Net Margin	363,925	365,532	289,101	7,850	32,971	5,025

Option 1 STATUS QUO JET & AVGAS DEALER AGREEMENT	Option 2 JET ONLY SUPPLIER 2 TRUCKS, CITY TANK AVGAS CONTRACT	Option 3 JET ONLY SUPPLIER 2 TRUCKS, LEASE TANK AVGAS CONTRACT	Option 4 CONTRACT SERVICES JET & AVGAS
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Total capital investment	-	1,205,000	955,000	205,000
Net Margins				
Jet Gross Margin	363,925	441,409	347,811	15,060
AvGas Gross Margin	32,971	5,025	5,025	5,025
Total Fuel Gross Margin	396,896	446,434	352,836	20,085
Capital Lending Payback - 15 years	-	(75,877)	(58,710)	(7,210)
Net Margin	396,896	370,557	294,126	12,875
Change in fuel sales profitability (from status quo - option 1)	-	(26,339)	(102,770)	(384,021)
Return on Investment (ROI)	N/A	31%	31%	6%



2016 - 2025 TEN YEAR
FINANCIAL PLAN

BYLAW 3606, 2016

BYLAWS



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Cover photo by Toni Falk



The “QR code” to the left provides quick access to the Campbell River website <http://www.campbellriver.ca> using a mobile QR code reader app.



2016 - 2025 Ten Year Financial Plan Bylaw 3606, 2016

ADOPTED February 22, 2016

PURPOSE

A Bylaw for the City of Campbell River to authorize the ten year financial plan for the years 2016 to 2025.

The Council of the City of Campbell River enacts as follows:

PART 1: Title

1.0 This bylaw may be cited for all purposes as **2016 - 2025 Ten Year Financial Plan Bylaw No. 3606, 2016.**

PART 2: Ten Year Financial Plan

2.0 Schedules 'A' and 'B' attached hereto and being part of this Bylaw are hereby adopted and compromise the Ten Year Financial Plan for the years 2016 to 2025. This bylaw replaces the Financial Plan for the years 2015 to 2019 adopted by Bylaw No. 3583, 2015.

PART 3: Expenses

3.0 The expenses set forth in Schedule 'A' are hereby authorized.

READ THE FIRST TIME this 25th day of January, 2016

READ THE SECOND TIME this 25th day of January, 2016

READ THE THIRD TIME this 9th day of February, 2016

ADOPTED this 22nd day of February, 2016

Signed by the Mayor and City Clerk this 24th day of February 2016


CITY CLERK


MAYOR

SCHEDULE 'A'

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
OPERATIONAL REVENUES										
Revenue from Property Taxes	28,494,239	29,580,788	30,307,512	31,161,431	32,205,029	33,095,392	33,840,850	34,699,418	35,495,236	36,529,229
Revenue from Parcel Taxes	1,374,945	1,378,645	1,382,345	1,386,045	1,389,745	1,393,445	1,397,145	1,400,845	1,404,545	1,408,245
Revenue from Fees & Charges	19,627,335	20,703,825	20,870,984	21,012,881	21,172,417	21,330,891	21,516,343	21,665,757	21,834,645	21,965,621
Revenue from Other Sources	4,786,984	4,619,723	5,459,725	4,559,344	4,573,635	4,583,045	4,597,579	4,612,009	4,626,560	4,562,920
Surplus/Reserve Accounts	3,764,878	1,407,531	1,582,669	1,582,669	1,477,044	1,447,044	1,437,044	1,412,044	1,161,477	1,053,168
Transfers from Other Funds	66,716	79,163	91,583	105,452	119,848	134,244	148,598	164,614	181,228	198,458
Amortization Offset	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479
	66,740,576	66,395,154	68,320,297	68,433,301	69,563,197	70,609,540	71,563,038	72,580,166	73,329,170	74,343,120
OPERATIONAL EXPENSES										
General Operating Expenses	37,872,122	37,861,754	38,503,763	39,193,522	39,873,355	40,631,327	41,442,591	42,159,329	42,881,937	43,781,306
Airport Operating Expenses	2,183,346	2,176,327	2,199,334	2,223,843	2,278,932	2,274,074	2,299,227	2,326,097	2,383,618	2,381,809
Sewer Operating Expenses	3,078,156	2,953,482	2,998,339	3,067,415	3,037,778	3,092,752	3,117,203	3,181,546	3,257,399	3,259,832
Water Operating Expenses	3,560,895	3,757,938	3,798,327	3,841,161	3,885,038	3,929,162	3,973,467	4,020,552	4,068,796	4,118,234
Interest Payment on Debt	346,805	326,998	445,397	368,608	368,608	368,608	368,608	364,085	298,511	292,998
Principal Payment on Debt	523,114	488,248	707,729	583,542	583,542	583,542	583,542	583,542	514,624	507,956
Transfers to Other Funds	10,550,659	10,204,928	11,041,929	10,529,731	10,910,465	11,104,596	11,152,921	11,319,536	11,298,806	11,375,506
Amortization	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479	8,625,479
	66,740,576	66,395,154	68,320,297	68,433,301	69,563,197	70,609,540	71,563,038	72,580,166	73,329,170	74,343,120
Annual Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-
CAPITAL FUNDING										
Grants	23,219,723	2,525,250	1,453,500	820,000	1,200,000	2,405,000	1,170,000	1,645,000	4,495,000	695,000
DCC & Other Revenue	587,219	537,500	2,525,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Statutory Reserves	3,657,475	1,372,500	120,000	230,000	1,320,000	70,000	220,000	20,000	420,000	20,000
Surplus/Reserves	15,185,003	7,273,200	10,602,350	8,480,600	11,106,650	6,680,400	5,323,850	5,049,200	5,351,750	5,533,900
Proceeds from Borrowing	3,475,000	-	5,185,000	-	-	-	-	-	-	-
	46,124,420	11,708,450	19,885,850	9,655,600	13,751,650	9,280,400	6,838,850	6,839,200	10,391,750	6,373,900
CAPITAL EXPENSES										
General Capital Expenses	17,796,495	5,073,450	2,905,850	3,080,600	4,351,650	3,172,900	3,038,850	2,839,200	3,391,750	3,073,900
Airport Capital Expenses	1,468,584	1,120,000	550,000	100,000	400,000	1,800,000	500,000	1,000,000	4,000,000	-
Sewer Capital Expenses	5,422,249	3,340,000	7,940,000	2,955,000	7,350,000	1,420,000	1,350,000	1,350,000	1,350,000	1,350,000
Water Capital Expenses	21,437,092	2,175,000	8,490,000	3,520,000	1,650,000	2,887,500	1,950,000	1,650,000	1,650,000	1,950,000
	46,124,420	11,708,450	19,885,850	9,655,600	13,751,650	9,280,400	6,838,850	6,839,200	10,391,750	6,373,900
Net Capital	-	-	-	-	-	-	-	-	-	-
Financial Plan Balance										
	-	-	-	-	-	-	-	-	-	-

SCHEDULE 'B'

Financial Plan Objectives and Policies

A. Funding Sources

Over the term of the plan funding sources as defined in S(165)(7) of the Community Charter, are derived as shown in Table 1; amounts and proportions shown for fiscal 2016.

Table 1: Funding Sources, Fiscal 2016

Property taxes	28,494,239	42.69%
Parcel taxes	1,374,945	2.06%
Fees & charges	19,627,335	29.41%
Other sources	4,786,984	7.17%
Surplus/reserve accounts	3,764,878	5.64%
Transfers from other funds	66,716	0.10%
Amortization Offset	8,625,479	12.92%
	66,740,576	100.00%

Objectives and Policies:

- Seek and identify alternative revenue sources.
- Reduce dependency on taxation.

B. Distribution of Municipal Property Taxes Across Property Classes

Over the term of the plan municipal property taxes are distributed across eight property tax classes as shown in Table 2; amounts and proportions shown for fiscal 2016.

Table 2: Distribution of Municipal Property Taxes, Fiscal 2016

Class 1 - Residential	20,034,826	73.11%
Class 2 - Utilities	980,474	3.58%
Class 4 - Major Industry	58,942	0.22%
Class 5 - Light Industry	313,121	1.14%
Class 6 - Business & Other	5,756,496	21.01%
Class 7 - Managed Forest	153,685	0.56%
Class 8 - Recreation/Non-Profit	105,932	0.39%
Class 9 - Farm	1,464	0.01%
	27,404,939	100.00%

Objectives and Policies:

- Tax rates are fully adjusted to eliminate the impact of changes in assessment due only to market changes as identified by the BC Assessment Authority. Accordingly, the tax rates are not adjusted for non-market changes which include depreciation on Class 4 Major Industry taxable assessment.
- Attract and sustain commercial and industrial development to/in the City.
- Maintenance of the following tax rate ratios:
 - Class 2 Utilities tax rate to be brought up to the Provincial average rate for the class over 4 years, with half the annual necessary increase applied in 2016.
 - Class 5 Light Industry tax rate to equal Class 6 Business tax rate.
 - Class 6 Business and Other pays 21% of the overall general tax levy.
 - Class 7 Managed Forests tax rate to be brought up to the Provincial average rate for the class over 3 years.
 - Class 9 Farm tax rate to equal Class 1 Residential tax rate.
- New revenues related to the downtown permissive exemption bylaw will be allocated to the capital program.

C. Permissive Tax Exemptions

The Annual Report for 2015 will contain a list of permissive exemptions granted for the taxation year and the amount of revenue foregone. The list demonstrates the policy of council that permissive exemptions are granted to not-for-profit institutions that form a valuable part of our community.

Objectives and Policies:

- To ensure permissive exemptions are utilized to maximize the benefit to the municipality and citizens.
- To maintain permissive exemptions for religious institutions, recreational facilities, and service organizations.



City of
**Campbell
River**

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APPENDIX 6 - 2016-2025 CAPITAL PLAN

Index	Department	Capital Project Name	CC#	CFwd	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Operating Costs	Funding Source
Overall Downtown Initiatives:																
1	Recreation	Public Art Funding	9903	22,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000		Gaming
Downtown Total:				22,500	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000		
St. Ann's to Dogwood / Shopper's Row																
CFwd1	Facilities	Tidemark Catwalk (CFwd)	4024	60,519												Facilities Reserve
2	Facilities	Tidemark Theatre Lower Roof Replacement	4035		20,000											Facilities Reserve
3	Parks	Logger Mike	9020		25,000											Parks Reserve
St. Ann's to Dogwood / Shopper's Row Total:				60,519	45,000	-	-	-	-	-	-	-	-	-		
Maritime Heritage Center to Pier Street																
4	Facilities	Discovery Pier/MHC Main Sign Replacement	4036		50,000											Facilities Reserve
5	Facilities	MHC Railing Replacement	4037		10,500											Facilities Reserve
6	Facilities	Discovery Pier Structural Repairs and Refurbishment	4038		225,000											Facilities Reserve
7	Facilities	MHC Envelope Repairs	NEW			60,000										Facilities Reserve
8	Roads	Seagull Walkway Repairs (CFwd)	6009	194,778	400,000											Capital Works Reserve
9	Roads	Pier Street and MHC Entrance Improvements (CFwd)	6017	25,000		250,000										Capital Works Reserve
10	Sewer	Lift Station #10 Upgrades	5016		130,000											Sewer Reserve
11	Sewer	MHC Sewer Chamber Replacement and Aesthetic Improvements	5015		230,000											Sewer Reserve
Maritime Heritage Center to Pier St. Total:				219,778	1,045,500	310,000	-	-	-	-	-	-	-	-		
St. Ann's to Roberts Reach																
12	Facilities	Big House Pavilion Structural Repairs	4039		60,000											Facilities Reserve
13	Roads	Ferry Terminal Access Improvements (CFwd)	6016	25,000			250,000									Capital Works Reserve
14	Parks	Ostler Park Playground Replacement	9013		100,000											\$50K Grants / \$50K Parks Reserve
15	Parks	Ostler Park Redevelopment	9002		400,000	839,000										\$999K CWF / \$115K Parks Reserve
St. Ann's to Roberts Reach Total:				25,000	560,000	839,000	250,000	-	-	-	-	-	-	-		
Other Capital Projects																
CFwd2	IT	PRI Phone System - Sportsplex (CFwd)	2008	25,000												IT Reserve
CFwd3	IT	Recreation Management Software (CFwd)	2006	206,119												IT Reserve
16	IT	Dogwood DOC Phone System	2012		35,000									2,000		IT Reserve
17	IT	Plotter Replacement	2013		32,000	7,000										IT Reserve
18	IT	Vadim E3 Upgrade	2014		6,000	7,000	9,000									IT Reserve
19	IT	Printer/Peripheral Replacement	2001		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000		IT Reserve
20	IT	Workstation/Laptop Replacement	2002		36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000		IT Reserve
21	IT	Scheduled Photocopier Replacement	2015		9,000		16,000		20,000	70,000	9,000		9,000			IT Reserve
22	IT	GIS Orthophotos	2016		17,000				17,000				17,000			IT Reserve
23	IT	Cartegraph Operational Management System (OMS)	NEW			155,000									24,250	IT Reserve / Sewer Reserve / Water Reserve
	IT	WiFi at MHC, Museum, Spirit Square & Plex	2017		7,310											Gaming
CFwd4	Fire	Ladder Truck Replacement (CFwd)	1000	1,150,369												Capital Works Reserve
CFwd5	Fire	#1 Fire Station Replacement (CFwd)	1006	269,181		225,000										Fire Equipment Reserve
24	Fire	Small Equipment Replacement	1004		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000		Fire Reserve
25	Fire	Refurbish Existing Ladder Truck	1007		180,000											Fire Reserve
26	Fire	Pumper Rescue Replacement	NEW			890,000			890,000							Capital Lending Reserve
27	Fire	Small Vehicle Replacement	NEW				40,000			50,000	50,000					Fire Reserve
28	Fire	SCBA Replacement	NEW											300,000		Fire Reserve
136-IC	Properties	Island Hwy Property Purchase	4054		58,400											Parkland Acquisition
29	Fleet	Fleet Replacement Plan	4009	429,576	515,000	355,000	375,000	460,000	300,000	340,000	450,000	395,000	400,000	340,000		Equip. (Fleet)
30	CPDS	Building Inspector Vehicle	4051		30,000										8,400	Capital Works
CFwd6	Facilities	RCMP Front Counter	4018	20,000												Facilities Reserve
CFwd7	Facilities	City Hall Emergency Power Generator	4014	77,125												CWF
CFwd7	Facilities	Transfer Switch - City Hall (Generator)	4026													
CFwd7	Facilities	Transfer Switch - CRCC (Generator)	4027													
CFwd7	Facilities	Transfer Switch - Sportsplex (Generator)	4028													
31	Facilities	Electrical Operating Permit Repairs	4040		50,000											Facilities Reserve

Index	Department	Capital Project Name	CC#	CFwd	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Operating Costs	Funding Source
32	Facilities	Abatement and Demo of Two 10th Ave Houses	4041		45,000											Facilities Reserve
33	Facilities	DOC 2 Post Hoist Replacement	4042		60,000											Facilities Reserve
34	Facilities	DOC Washout Bay	4043		40,000											Facilities Reserve
35	Facilities	Roof Replacement 1180 Fir Street	4044		13,000											Facilities Reserve
36	Facilities	Video Surveillance Cameras	4045		20,000											Facilities Reserve
37	Facilities	Council Chambers Renovations Design	4046		23,000											Facilities Reserve
38	Facilities	Library Air Handler Replacement	4049		15,000	150,000										Facilities Reserve
39	Facilities	City Facilities Fall Protection Audit	4048		40,000	200,000										Facilities Reserve
40	Facilities	Small Equipment	4050		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000		Furniture & Equipment Reserve
53-SLCR	Facilities	Energy and Water Consumption Reduction Projects	4052		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		CFW
41	Facilities	Mobile Column Lifts for Airport Maintenance Shop	NEW			90,000										Facilities Reserve
42	Facilities	ERT Materials Transfer Pit Site Improvements	NEW			50,000	50,000									Facilities Reserve
43	Facilities	City Hall 2nd Floor Foyer Service Improvements	NEW				50,000									Facilities Reserve
44	Facilities	Willow Point Park / Sportsplex Entrance Signage	NEW				45,000									Facilities Reserve
45	Facilities	Sportsplex Roof Replacement	NEW					350,000								Facilities Reserve
46	Facilities	Museum Roof Replacement	NEW					250,000								Facilities Reserve
47	Facilities	City Hall Seismic Upgrades	NEW						130,000							Facilities Reserve
49	Facilities	Police and Public Safety Building Roof Replacement	NEW						300,000							Facilities Reserve
50	Facilities	Facilities Annual Capital Projects	NEW						165,000	600,000	600,000	600,000	600,000	600,000		Facilities Reserve
143	Facilities	Dick Murphy Park Viewing Platform Construction	4047		45,000											CFW
51	Roads	Parking Lot Improvements (CFwd)	6018	8,308	40,000	40,000	25,000	25,000	25,000						500	Capital Works Reserve
52	Roads	Transit Bus Shelters (CFwd)	6007	32,145	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	250	CFW
53	Roads	LED Light Conversion (CFwd)	6008	100,000		50,000	50,000	50,000	50,000							CFW
54	Roads	Cycling Infrastructure	6001		25,000	25,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000		CFW
55	Roads	Pedestrian Signal Crossing Lights	6012		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	250	CFW
56	Roads	Sidewalk Infill	6006		250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000		CFW / DCC
57	Roads	Asphalt Overlays	6025		500,000	500,000	500,000	600,000	800,000	800,000	800,000	800,000	800,000	800,000		Capital Works Reserve / CWF
58	Roads	Street Light Infill	6024		90,000		90,000		90,000		90,000		90,000		100	Capital Works Reserve
59	Roads	Intersection Improvements	NEW					20,000	245,000	225,000		20,000	225,000		500	Capital Works Reserve
60	Roads	Alder Street Upgrades	NEW				300,000									Capital Works Reserve
61	Roads	Traffic Control Upgrades - Replacement	6020	197,459				200,000		200,000		200,000		200,000		Capital Works Reserve
18-SLCR	Roads	Sidewalk Improvements - Willis Road	6023		100,000											CFW
62	Solid Waste	Organics Facility	4053		7,000,000											\$1M CWF / Grants
63	Storm	Annual Drainage Improvements	6501		125,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000		Storm Reserve
64	Airport	Airport Forklift	3006		20,000											Airport Reserve
CFwd8	Airport	Airport Sign (CFwd)	3001	77,000												Airport Reserve
CFwd21	Airport	Reduced Visibility Lighting (CFWD)	3004	103,584												Grants / Airport Reserve
65	Airport	Aircraft Tug	3007		40,000											Airport Reserve
66	Airport	Fueling Facility	3005		1,205,000											\$100K Airport Reserve / Capital Lending Reserve
67	Airport	Parking Machine	3008		20,000											Airport Reserve
68	Airport	4 x 4 Pickup Replacement	NEW			45,000										Airport Reserve
69	Airport	Runway Wet/Dry Deicer	NEW			110,000										Grants / Airport Reserve
70	Airport	Snowblower	NEW			190,000										Grants / Airport Reserve
71	Airport	Runway Sweeper	NEW			250,000										Grants / Airport Reserve
72	Airport	Airside Concrete Parking	NEW			525,000										Grants / Airport Reserve
73	Airport	Airside Drive Upgrade	NEW				550,000									Grants / Airport Reserve
74	Airport	4 x 4 Tractor Replacement	NEW					100,000								Airport Reserve
75	Airport	Loader	NEW						400,000							Grants / Airport Reserve
76	Airport	ATB Apron Expansion (North)	NEW							1,800,000						Grants / Airport Reserve
77	Airport	Taxiway "C" Widening	NEW								500,000					Grants / Airport Reserve
78	Airport	Extend Taxi B	NEW									1,000,000				Grants / Airport Reserve

Index	Department	Capital Project Name	CC#	CFwd	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Operating Costs	Funding Source
79	Airport	Lower Maintenance Shop Replacement	NEW										4,000,000			Grants / Airport Reserve
CFwd9	Sewer	Lift Station #11 Upgrade (CFwd)	5003	520,877												Sewer Reserve
CFwd10	Sewer	NWEC Upgrade Phase 2 (CFwd)	5005	2,354,669												\$2M Sewer Reserve / \$400K Sewer DCC
CFwd11	Sewer	NWEC Clarifier Upgrade (CFwd)	5012	110,832												Sewer Reserve
CFwd12	Sewer	NWEC Online Analyzers (CFwd)	5014	79,595												Sewer Reserve
80	Sewer	Waterfront Sewer Forcemain (CFwd)	5002	169,825			6,650,000		6,200,000							Sewer Reserve
81	Sewer	NWEC Boiler / DDC Replacement	5017		60,000											Sewer Reserve
82	Sewer	NWEC Upgrades Phase 3	5006		300,000	2,000,000								180,000		Sewer Reserve
83	Sewer	Lift Station Generators	5009		100,000	50,000										Sewer Reserve
84	Sewer	Sewer Main Replacement	5018		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000		Sewer Reserve
85	Sewer	NWEC Basin Liner Replacement	NEW			90,000	140,000	140,000								Sewer Reserve
86	Sewer	NWEC Oxidation Ditch Diffuser - Replacement & Update	NEW			50,000		75,000								Sewer Reserve
87	Sewer	Lift Station Pump Replacement	5001					90,000								Sewer Reserve
88	Sewer	Reclaimed Water System	NEW					300,000								Sewer Reserve
89	Sewer	NWEC Generator	NEW					1,200,000								Sewer Reserve
90	Sewer	Industrial Park Lagoon Liner Replacement	NEW							70,000						Sewer Reserve
91	Sewer	Sewer Facility Renewal	NEW							200,000	200,000	200,000	200,000	200,000		Sewer Reserve
CFwd13	Water	CR Water Supply Admin	7003	44,077												Water Reserve / Grants
CFwd13	Water	CR Water Supply - Hwy 28	7006	108,254												Water Reserve / Debt / Grants
CFwd13	Water	CR Water Supply - Intake	7007	11,695,307												Grants
CFwd13	Water	CR Water Supply - Additional City Work	7019	4,474,022												Debt / Water Reserve
CFwd13	Water	Water Facility Renewal OSHG	7011	1,314,303												Water Reserve
CFwd13	Water	Snowden Intake Upgrade	7014		2,000,000											Water Reserve
CFwd14	Water	Hwy 28 Water Service Renewal (CFwd)	7018	20,481												Water Reserve
CFwd15	Water	Water Service Truck (CFwd)	7015	34,838												Water Reserve
CFwd16	Water	SCADA Platform (CFwd)	8000	114,865												Water Reserve
CFwd16	Sewer	SCADA Platform (CFwd)	8000	114,865												Sewer Reserve
92	Water	Leak Detection Equipment	7020		35,000											Water Reserve
93	Water	Dogwood Operations Centre Backflow/Meter	7021		125,000											Water Reserve
94	Water	Beaver Lodge Reservoir Security	7022		100,000										2,000	Water Reserve
95	Water	WM Cathodic Protection	7025		35,000	125,000										Water Reserve
96	Water	Walworth Booster Pump Station	7012	496,278			5,185,000									Debt
97	Water	Area D Backflow Prevention	7023		20,000	220,000										Grant
98	Water	Petersen PRV	7024		40,000	335,000										Water Reserve
99	Water	Evergreen Reservoir Lining	7030		70,000			370,000								Water Reserve
100	Water	Fire Hydrant Renewal	7026		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		Water Reserve
101	Water	Water Service Renewal	7027		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		Water Reserve
102	Water	Watermain Renewal	7028		300,000	1,000,000		1,300,000	1,000,000	1,000,000	1,300,000	1,000,000	1,000,000	1,300,000		Water Reserve
103	Water	Beaver Lodge Reservoir Expansion	NEW			325,000	2,575,000								\$15K yr. 1 \$30K thereafter	Water DCC / Water Reserve
104	Water	CRIB/CCR Water Improvements	NEW			20,000	80,000	1,000,000								Water Reserve
105	Water	Water Facility Renewal	NEW				500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000		Water Reserve
106	Water	Willow Street Transmission Main	NEW					100,000		712,500						Water Reserve
107	Water	Rockland Road Transmission Main	NEW					100,000		525,000						Water Reserve
108	Water	PLC Replacement Program	8004		7,500											Water Reserve
108	Sewer	PLC Replacement Program	8004		7,500											Sewer Reserve
109	Sewer	Meter Renewal	8002		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		Sewer Reserve
55-SLCR	Sewer	Service Truck	8005		30,000											Sewer Reserve
109	Water	Meter Renewal	8002		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		Water Reserve
55-SLCR	Water	Service Truck	8005		30,000											Water Reserve
CFwd17	Parks	Dog Park Developments (CFwd)	9006	20,093											13,475	Parks Reserve
CFwd18	Parks	Maryland Linear and Park Construction (CFwd)	9014	12,633												Parkland Development DCC
CFwd19	Parks	Nunn's Creek Master Plan (CFwd)	9015	89,347												Parks Reserve
CFwd21	Parks	Robron Park Upgrade - Artificial Turf	9010	174,551												Capital Lending Reserve
CFwd22	Parks	Robron Park Upgrade - Equipment Purchase	9019	20,372												Parks Reserve
CFwd20	Parks	Hwy 28 Elk Falls Cemetery Expansion (CFwd)	9009	21,969	175,000										15,000	Capital Works Reserve
110	Parks	Shade Sails Installation	9021		29,000											Parks Reserve
111	Parks	Baikie Island Permanent Washroom	9022		16,000											Parks Reserve
112	Parks	Campbellton Swing Set	9023		10,000											Parks Reserve

Index	Department	Capital Project Name	CC#	CFwd	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Operating Costs	Funding Source
113	Parks	Frank James Park Design	9027		35,000	175,000										50% Parks Reserve / 50% Parkland DCC
114	Parks	Pave Robron Parking Lot	9024		140,000											Parks Reserve
75	Parks	Big Rock Boat Ramp	9018		1,000,000											\$500k Grants / \$250k Capital Lending / \$250k Parks Reserve
116	Parks	Nunn's Creek Park Electric Upgrade	9028		60,000	250,000										Parks Reserve
117	Parks	Seawalk Improvements	9030		97,000		111,000									CFW
118	Parks	Incorporate 503 Island Highway into Sequoia Park	9031		25,000			100,000								Parks Reserve
119	Parks	Robron Pump House Replacement	NEW			30,000										Parks Reserve
120	Parks	Marine Foreshore Restoration	9008		150,000		150,000	150,000	150,000	75,000	75,000	75,000	75,000	75,000		CFW
121	Parks	Parks Information and Sign Program	NEW			25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000		CFW
122	Parks	Willow Point Park Skatepark Lighting	NEW						85,000						4,000	Parks Reserve
123	Parks	Fence Upgrades and Replacements	NEW				20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000		Parks Reserve
124	Parks	Parks Irrigation Strategy	NEW				35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000		CFW
125	Parks	City Hall Side Hill Improvement	NEW					50,000								Parks Reserve
126	Parks	Nunn's Creek Backstop Replacement	NEW					60,000								Parks Reserve
127	Parks	Willow Point Rock Dust Field Upgrade	NEW				100,000									Parks Reserve
128	Parks	Willow Point Lights	NEW						300,000							Parks Reserve
129	Parks	Willow Point In Field Mix Replacement	NEW						25,000							Parks Reserve
130	Parks	Mclvor Lake Upgrades	NEW							50,000	200,000					Parks Reserve
131	Parks	Maryland to Jubilee Greenway Loop	NEW										400,000			Parks Reserve
29-SLCR	Parks	Seniors Equipment	9032		50,000										6,500	50% CWF / 50% Grants
37-SLCR	Parks	Maritime Heritage Centre Property (Pocket Beach Upgrades)	9025		20,000											CFW
36-SLCR	Parks	Stairway between Dogwood and Cedar	9026		20,000											CFW
26-SLCR	Parks	Flag Poles - Spirit Square	9033		15,000											Gaming
152	Parks	Entrance Sign Jubilee	9029		100,000	40,000										CFW
132	Recreation	Recreation Equipment	9900	4,122	13,150	19,450	8,850	29,600	23,650	26,900	28,850	13,200	39,750	22,900		Furniture & Equipment Reserve
141	Recreation	Walter Morgan Studio - Rehabilitation	9904		75,000											CFW
Other Capital Projects Total:					24,692,041	17,461,860	10,534,450	19,610,850	9,630,600	13,726,650	9,255,400	6,813,850	6,814,200	10,366,750	6,348,900	
TOTAL ANNUAL PROJECT COSTS					\$ 25,019,838	\$ 19,137,360	\$ 11,708,450	\$ 19,885,850	\$ 9,655,600	\$ 13,751,650	\$ 9,280,400	\$ 6,838,850	\$ 6,839,200	\$ 10,391,750	\$ 6,373,900	

BELOW THE LINE (Excluded from Financial Plan)

Overall Downtown Initiatives:

133	Roads / Storm / Sewer / Water	Beech Street Upgrade			300,000	3,000,000									20,000	TBD
Downtown Total:					-	300,000	3,000,000	-	-	-	-	-	-	-	-	-

St. Ann's to Dogwood / Shopper's Row

134	Facilities	Tidemark Theatre & Library Façade Improvements Project / Spirit Square Stage 3				80,000	800,000									TBD
135	Facilities	City Hall Façade Improvements			60,000	600,000										TBD
St. Ann's to Dogwood / Shopper's Row Total:					-	60,000	680,000	800,000	-	-	-	-	-	-	-	-

Other Capital Projects

136	Fire	#1 Fire Station Replacement			1,000,000			9,000,000								TBD
137	Fire	Brush Truck Replacement				185,000										TBD
138	Fire	Water Tender				275,000										TBD
139	Fire	Pumper Rescue - New											890,000			TBD
140	Fire	Small Vehicle Replacement - New										50,000				TBD
142	Facilities	Council Chambers Renovations				250,000										TBD
144	Roads	Dogwood Street Intersection			400,000			6,600,000								TBD
145	Roads	Transit Maintenance Facility							7,000,000							TBD
146	Storm Drains	Nunns Creek (16th Ave) Creek Crossing				200,000	1,766,000									TBD
147	Airport	Expand ATB Parking					500,000									TBD
148	Airport	NW Development Area Construction						3,200,000						4,800,000		TBD
149	Sewer	Sani-station					115,000	70,000							15,000	TBD
150	Water	Water Filtration Facility												70,000,000	500,000	TBD
151	Water	Merecroft Reservoir and Transmission Mains			500,000			400,000		15,350,000					\$15K yr. 1 \$30K thereafter	TBD
153	Parks	Robron Field House			1,000,000											TBD

Index	Department	Capital Project Name	CC#	CFwd	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Operating Costs	Funding Source
154	Roads / Storm / Sewer / Water	16th Ave LIP (CFwd)		100,000			130,000	6,667,000								TBD
155	Roads / Storm / Sewer / Water	Highway 19A - Build Canada				1,700,000	8,700,000									TBD
156	Roads	Willis Road Connector				1,000,000	13,000,000	16,000,000								TBD
Other Capital Projects:				<u>100,000</u>	<u>2,900,000</u>	<u>3,610,000</u>	<u>24,211,000</u>	<u>41,937,000</u>	<u>7,000,000</u>	<u>15,350,000</u>	<u>-</u>	<u>50,000</u>	<u>890,000</u>	<u>74,800,000</u>		

Index	Department	Capital Project Name	Capital Project Description	Capital Project Justification	Relation to Strategic Priorities	Funding Source
Overall Downtown Initiatives:						
1	740 - Recreation	Public Art (CFwd)	Funding for Public Art.	The Public Art Sub-Committee has been formed and is responsible for managing the public art program. These funds will allow the committee to pursue public art installations for the City.	3. Focus on Livability	Gaming Reserve
St. Ann's to Dogwood / Shopper's Row						
2	450 - Facilities	Tidemark Theatre Lower Roof Replacement	Replacement of a section of the lower roof on the Tidemark Theatre.	Roof is expected to be approaching the end of its serviceable life.	4. Focus on Management and Governance	Facilities Reserve
3	720 - Parks	Logger Mike	Replacement of Logger Mike with new carving.	Logger Mike is made of wood and is over 15 years old. Logger Mike was upgraded prior to Spirit Square being built, however the carving has continued to deteriorate and needs to be replaced.	2. Focus on Economic Growth	Parks Reserve
Maritime Heritage Center to Pier Street						
4	450 - Facilities	Discovery Pier/MHC Main Sign Replacement	Replacement of the main Highway 19A signage for Discovery Pier / MHC. Sign to potentially include lighting, a scrolling marquis, advertising for all public amenities in the area including Discovery Pier, MHC, Farmers Market, Aquarium and any MHC tenants. Project costs include underground electrical servicing.	Project was budgeted in 2014 but deferred after initial discussions indicated stakeholders envisioned something beyond a basic sign. Significant stakeholder engagement will be required. In its current condition the existing sign is extremely worn with some pieces missing and or broken. Sign is not clearly visible from Highway 19A and provides no options for Discovery Pier, Pier St. Farmer's Market or the Maritime Heritage Centre (including tenants) to provide short-term advertising. Tenants have requested upgraded signage for a number of years. The existing sign provides a poor entryway to one of the City's premiere tourist attractions.	3. Focus on Livability	Facilities Reserve
5	450 - Facilities	MHC Railing Replacement	Replacement of deck railings and hand rails at the Maritime Heritage Centre.	Existing railings require ongoing painting and are costly to maintain due to the building's exposed location. Stainless steel or powder coated aluminum railings would keep with the marine theme of the building and require significantly less ongoing maintenance.	4. Focus on Management and Governance	Facilities Reserve
6	450 - Facilities	Discovery Pier Structural Repairs and Refurbishment	Major structural repairs and a full scale refurbishment of Discovery Pier including piling replacements, superstructure repairs, decking and railing replacements, a new roof for the concession/washroom building, refurbished public washrooms, repairs and refurbishment of the commercial kitchen, replaced signage and replaced garbage cans.	Structural repairs were identified and recommended in a structural condition assessment completed by a professional engineer in 2015. The concession/washroom building and roof are original to the building, 26 years old and both require significant upgrade including the floor and fixtures in the leased concession. The remaining garbage cans, signage, and washrooms simply require modernization to ensure the Pier is maintained in a state that properly respects the structure's place as one of the City's premiere tourist destinations.	3. Focus on Livability	Facilities Reserve
7	450 - Facilities	MHC Envelope Repairs	Repairs to the envelope of the Maritime Heritage Centre including re-fitting of the front glazing which is exhibiting ongoing leaking.	The envelope on the building requires repair as it is already exhibiting leaking.	4. Focus on Management and Governance	Facilities Reserve
8	532 - Roads	Seagull Walkway Repairs (CFwd)	In the 2011 Bridge and Culvert inspection, the pilings associated with the Pier Street walkway (near the fisherman's wharf) were identified as needing replacing in 3-5 years. A follow up inspection was performed in 2013 that identified a number of immediate and significant issues that will need to be dealt with over the next year to two years (this is required for public safety and extend the useful life of this structure). Some basic remedial work was done in 2014 but major work is required to insure that the walkway does not fail as the substructure is being washed away. This work is also limited by the Fisheries window.	A number pilings under the walkway on Pier Street (near fisherman's wharf) require replacing. Inspection in 2013 confirmed that this work needs to be done and there is liability associated with this failing infrastructure. The batter boards (or facing wooden plates) are failing and the base material under the walkway is eroding. This void space needs to be replaced with new fill and the facing boards or a concrete retaining wall installed on the face of the walkway.	3. Focus on Livability	Capital Works Reserve
9	532 - Roads	Pier Street and MHC Entrance Improvements (CFwd)	Access to the Maritime Heritage Centre, Fisherman's Wharf and the south entrance to downtown has been somewhat convoluted over the years and needs to be rebuilt to address safety issues and provide for a defined entrance to the area. This project would consolidate three entrances into one and provide for some traffic calming as you enter the downtown area.	This project will address safety concerns (consolidate three entrances into one), define the southern boundary of downtown (Pier St) and improved the aged pedestrian crossing signal in this area.	4. Focus on Management and Governance	Capital Works Reserve

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10	580 - Sewer	Lift Station #10 Upgrades	Upgrades to Lift Station #10 (south of Maritime Heritage Centre) to address existing deficiencies and provide for future improvements (SCADA, generator). The completed project will also address existing aesthetic concerns of the facility.	This facility is located in a very public location adjacent to the Maritime Heritage Centre and pocket beach. If the aesthetics are not addressed, the existing facility will continue to be an eye-sore and interfere with the use of the surrounding space. Design work completed in 2015 for pump replacement and relocation of the electrical panel identified deficiencies with the existing electrical components that also need to be addressed at this time. The final project will also allow for future upgrades (SCADA and generator).	2. Focus on Economic Growth	Sewer Reserve
11	580 - Sewer	MHC Sewer Chamber Replacement and Aesthetic Improvements	Replacement of the junction chamber located on the north side of the Maritime Heritage Centre and site improvements to address aesthetic concerns associated with odour control infrastructure.	The existing chamber has significant corrosion and is in poor structural condition and must be replaced. The existing odour control facilities are unsightly and distracts from the aesthetic value of the Maritime Heritage Centre and adjacent waterfront.	4. Focus on Management and Governance	Sewer Reserve
St. Ann's to Roberts Reach						
12	450 - Facilities	Big House Pavilion Structural Repairs	Replacement of the cedar shake roof and repair of decaying structural columns on the Big House Pavilion Structure in Ostler Park.	The existing roof is showing signs of decay and requires replacement. Several of the wood columns are exhibiting decay and/or termite damage and require assessment by a professional engineer and potential repair or replacement. Several of the benches are also exhibiting signs of rot and one has rotted out completely, requiring replacement.	3. Focus on Livability	Facilities Reserve
13	532 - Roads	Ferry Terminal Access Improvements (CFwd)	The MTP has identified the need to address access issues with the ferry terminal that could include the addition/modification of the turning lanes and the additional of traffic lights. The design of the work would occur in 2016 (CFwd funds) with construction in 2017.	To support the recommendations of the MTP and address ongoing issue with access to the ferry terminal.	4. Focus on Management and Governance	Capital Works Reserve
14	720 - Parks	Ostler Park Playground Replacement	Replacement of existing playground equipment in Ostler Park.	The Ostler Park playground is heavily used and has been identified by the Parks Department's certified playground inspectors as not meeting current safety regulations. Due to the age of the structure, repair or replacement of playground parts is not possible and the structure should be replaced or removed. Grant funding in the amount of \$50,000 has been received to support replacement with a handicapped accessible playground.	3. Focus on Livability	\$50K Grants / \$50K Parks Reserve
15	720 - Parks	Ostler Park Redevelopment	The planned work for Ostler Park - soft shore; requires the upgrading of the existing Storm System/discharge in the park. With the work planned, the existing storm line thru the park is to be replaced and a dissipation chamber and oil separator installed. This will leave a section from the CIBC corner to the tie-in manhole in the park with old, failing pipe. Once replaced, this system will be upgraded to match the work done upstream (Beech St) and downstream (Ostler Park).	By not undertaking this additional work, the system will have a weak point (aged infrastructure) under one of the busier intersections of the City.	3. Focus on Livability	\$999K CWF / \$125K Storm Reserve / \$115K Parks Reserve
Other Capital Projects						
16	213 - IT	Dogwood DOC Phone System	DOC phone system upgrade.	Upgrade DOC phone system to VOIP. Current system is over 10 years old and subject to failure. Telus will drop support of old system in 2017.	4. Focus on Management and Governance	IT Reserve
17	213 - IT	Plotter Replacement	Replacement of plotters in Capital Works and DOC (purchased in 2003); as well as a photocopier Community Centre (purchased in 2010).	Equipment is failing on a consistent basis. Support costs are rising and business workflow is subjected to constant disruption.	4. Focus on Management and Governance	IT Reserve
18	213 - IT	Vadim E3 Upgrade	Upgrade the City's enterprise accounting, purchasing & payroll software to required new version.	Vadim has provided notice that support will be ending for the existing V2 version of the City's enterprise accounting, purchasing and payroll software. Upgrades are required to maintain support, and will be rolled out over a 3-year period from 2016-2018.	4. Focus on Management and Governance	IT Reserve
19	213 - IT	Printer/Peripheral Replacement	Annual renewal of City wide IT equipment.		4. Focus on Management and Governance	IT Reserve

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20	213 - IT	Workstation/Laptop Replacement	Annual renewal of City wide IT equipment.		4. Focus on Management and Governance	IT Reserve
21	213 - IT	Scheduled Photocopier Replacement	Scheduled replacement of photocopiers.	Photocopier life expires after 8 years of use.	4. Focus on Management and Governance	IT Reserve
22	213 - IT	GIS Orthophotos	10cm and 30cm orthophotos.	Orthophotos should be refreshed every 4 years to capture to evolution of development with the city boundaries.	4. Focus on Management and Governance	IT Reserve
23	213 - IT	Cartegraph Operational Management System (OMS)	Cartegraph Operations Management Software.	Software upgrade for Cartegraph Navigator. Support for Navigator will end in 2017.		50% IT Reserve / 25% Sewer Reserve / 25% Water Reserve
24	322 - Fire	Small Equipment Replacement	Purchase includes replacement of 1 portable fire pump which has exceeded its useful life cycle, replacement of fire hose that has exceeded its replacement cycle in accordance to NFPA Standards, SCBA face masks for additional auxiliary fire fighters including voice amplifiers, the purchase of an interactive projector for public education during station tours and the addition of a thermal imaging camera.	The Current portable pump in service is beyond life expectancy. Portable fire pumps are an important piece of equipment for fire fighting operations where water supply is needed in areas where fire apparatus can not access or access is limited. Fire hose in both No 1 & No 2 Fire Halls are over 40 years old and failing testing requirements and requires replacement. NFPA Standards recommend replacement of fire attack and supply hose if purchased before July 1987. Addition of auxiliary fire fighters requires additional SCBA Face Masks with voice amplification. Duty crews conduct numerous public education station tours at No 1 fire hall using an old tube television and vcr/dvd player, the procurement of an interactive projector will enable the public and school children to engage interactively with the public education lessons. The Fire Dept is working to provide thermal imaging cameras on all fire apparatus. Thermal imaging cameras assist in preventing fire fighters from falling through burned out floors or becoming disoriented in low visibility. They are also instrumental in locating victims and downed fire fighters more effectively and efficiently.	3. Focus on Livability	Fire Reserve
25	322 - Fire	Refurbish Existing Ladder Truck	Refurbish of 1993 Smeal Ladder Truck as a reserve ladder truck for deployment to No 2 Fire Hall in the south end of the City. The 1993 ladder truck was proposed to be refurbished in 2014. This process will require the apparatus to be out of service for 90-120 days.	Fire Underwriters recommend the City establish a reserve ladder truck as one of the City's four apparatus companies. This reserve ladder should be available for service for an additional fifteen years following refurbish.	4. Focus on Management and Governance	Fire Reserve
26	322 - Fire	Pumper Rescue Replacement	Purchase new Pumper/Rescue.	A new pumper/rescue truck will provide a rated pumper/rescue for 1st line response at No 2 Fire Hall that meets the requirements for Fire Underwriter ratings and insurance grading. The current pumper rescue at No 2 hall is beyond frontline status recommendations and will need to be moved to 2nd line status.	3. Focus on Livability	Capital Lending Reserve
27	322 - Fire	Small Vehicle Replacement	Replacement of fire department small fleet vehicles at end of service life.	Fire small fleet vehicles have a service life of 10-15 years. These fleet vehicles are due for replacement.	3. Focus on Livability	Fire Reserve
28	322 - Fire	SCBA Replacement	Replacement of Self Contained Breathing Apparatus (SCBA) for 2025.	The replacement of SCBA is a predictable capital expense and should be planned for operationally in order to meet regulatory replacement requirements. The replacement cycle on SCBA cylinders is 15 years.	4. Focus on Management and Governance	Fire Reserve
29	447 - Fleet	Fleet Renewal (CFwd)	Renewal of the general vehicle and equipment fleet. Six replacements and one re-fit in 2016.	Staff undertake annual condition assessments of all City fleet and equipment assets using a scoring algorithm to grade assets on mileage, service type, risk of in-service failure, lifespan, and ongoing repair costs. This scoring system is then used to determine annual vehicle replacements with the highest scoring vehicles being replaced sooner. Vehicles scoring above 30 should be considered for replacement due to the increased cost of ownership/maintenance. The 7 vehicles being proposed for replacement/refit in 2016 score an average of 45.	4. Focus on Management and Governance	Fleet Reserve
30	502 - Planning & Development	Building Inspector Vehicle - New	Purchase of an additional Building Inspector Vehicle.	An additional vehicle will allow for both inspector positions to perform inspections and site visits, increasing the departments capacity and turn around time for inspections. Currently daily inspections are limited due to only one vehicle being available for two inspectors.	2. Focus on Economic Growth	Capital Works Reserve

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31	450 - Facilities	Electrical Operating Permit Repairs	Repairs to a variety of City owned electrical infrastructure in facilities, utility buildings and parks.	The City was subject to a full audit of our electrical operating permits in October 2015 by the authority having jurisdiction in BC, the BC Safety Authority. The City has received deficiency notices for a variety of issues requiring correction at many City owned facilities. While many of these are minor, several will require significant repair and cumulatively they need to be addressed.	3. Focus on Livability	Facilities Reserve
32	450 - Facilities	Abatement and Demo of Two 10th Ave Houses	Hazardous materials abatement and demolition of the City's two newly acquired residential houses on 10th Avenue.	The houses were acquired November 2nd, 2015 and are not in a suitable condition for rental. As both houses would require extensive repairs to bring into a rentable condition staff is recommending demolition. Aside from aesthetic purposes, leaving the houses in a boarded up state poses a liability risk from potential squatters or fire.	2. Focus on Economic Growth	Facilities Reserve
33	450 - Facilities	DOC 2 Post Hoist Replacement	Replacement of the existing 2 post heavy duty vehicle hoist at the Dogwood Operations Centre.	The existing hoist was installed circa 1977 and is at the end of its serviceable life. It does not provide the safety functionality and lockout features found in modern hoists. This hoist is used for servicing a wide variety of City equipment, particularly heavy equipment used in snow clearing, water and sewer repair and general construction.	3. Focus on Livability	Facilities Reserve
34	450 - Facilities	DOC Washout Bay	The installation of a new vehicle/equipment washout bay at the Dogwood Operations Centre.	Many of the City's operating equipment and vehicles require daily cleaning and washout including vehicles that accumulate significant amounts of debris during their normal operation such as parks mowers and the City's street sweeper. The current practice involves washing down vehicles in an open dirt area which causes frequent backing up of the storm sewer and material to be discharged into the storm drain directly. This practice creates a hazard to staff in the winter due to ice buildup in the apron area and provides no filtration for particulate entering the storm drain and eventually making its way into Simms Creek. The addition of an engineered washout pit with a water/oil separator which can be cleaned out periodically would resolve this ongoing issue.	4. Focus on Management and Governance	Facilities Reserve
35	450 - Facilities	Roof Replacement 1180 Fir Street	Replacement of the roof on the City owned commercial building at 1180 Fir St.	The roof is believed to be original to the building and ~35 years old, exceeding the anticipated life of a bituminous membrane roof. It is in very poor condition and experiencing bubbling and alligatoring, two indicators that the roof is facing potential imminent failure. The previous owner reported leaks in previous years and staff recommend replacement of the roof before a major leak develops which will potentially incur additional costs for interior repairs.	4. Focus on Management and Governance	Facilities Reserve
36	450 - Facilities	Video Surveillance Cameras	Addition of 5 new surveillance cameras at City Hall, Enterprise Centre, CRCC, and DOC.	Additional video surveillance in these areas have been generally recommended by RCMP or identified by staff in order to increase the City's security presence in and around City owned facilities for both the public and City staff. The City's networked IP based surveillance system is well used and subject to frequent requests by the RCMP.	3. Focus on Livability	Facilities Reserve
37	450 - Facilities	Council Chambers Renovations Design	Re-design of Council Chambers at City Hall to accommodate universal design standards, technological improvements including paperless agendas, increased seating, and aesthetic improvements based off the City's wood first policy.	The general existing layout and aesthetics of Council Chambers date to the building's original construction in 1982. The space provides only limited accessibility for persons with mobility issues. The space is aesthetically dated and requires modernization. The technological amenities in chambers are currently limited with much of the power and network services run through surface mounted conduit or using floor runners. The existing space is not well configured for ancillary uses including as the City's EOC base, staff or public meetings, or as a rental space.	4. Focus on Management and Governance	Facilities Reserve
38	450 - Facilities	Library Air Handler Replacement	Replacement of the central air handler at the Campbell River Library. Engineering and design completed in 2016, construction in 2017. Design will also consider upgraded controls for building DDC (direct digital control).	The air handler is ~25-30 years old and is well beyond its intended service life with significant potential for an in-service failure. New heating equipment will not only provide improved reliability but also significant energy savings through modern equipment efficiencies.	3. Focus on Livability	Facilities Reserve
39	450 - Facilities	City Facilities Fall Protection Audit	Audit of all City facilities for proper fall protection systems for staff or contractors that are required to work on rooftops or other areas of the building at height.	Most City facilities have limited fall protection anchor points for staff or contractors that are required to work or conduct maintenance on roofs or other areas where they require fall protection making it difficult to comply with WorkSafe BC regulations. Funding provided would allow staff to retain the services of a professional engineer to assess all City facilities for proper fall protection systems or anchor points and make recommendations for upgrades in 2017. In recent years WorkSafe BC has noted the significance of fall related injuries and the City is exposed to non-compliance for workers undertaking a high-risk category of work.	4. Focus on Management and Governance	Facilities Reserve
40	450 - Facilities	Small Equipment	The Roads and Parks Department requires the use of a number of unique or non fleet related equipment to undertake work specific to this area. In the past, these pieces of equipment would be budgeted when required through the operating budget. With the new TCA Policy, a number of these purchases exceed the threshold and are required to be purchased as capital items. This annual amount will also the purchase of equipment to support the operations and their road in the operation of the City.	There are a number of pieces of equipment that the Roads and Parks Department require for their operations that exceed the threshold of the TCA Policy. Purchases from this fund are for new, non fleet related pieces of equipment. Items are purchased to support the operations and increase the efficiency of the operation and long term with the goal of reducing operation cost (rental fees, etc.).	4. Focus on Management and Governance	Furniture & Equipment Reserve

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41	450 - Facilities	Mobile Column Lifts for Airport Maintenance Shop	Replacement of the failed two post vehicle hoist at the Campbell River Airport with a set of six (6) mobile column lift hoists, capable of lifting up any piece of City owned equipment including Fire Department equipment off-site.	The existing two post hoist has failed and undertaking major repairs on heavy equipment is made significantly more difficult. The existing hoist cannot be repaired. The acquisition of mobile column lifts would allow the hoists to be utilized at other City repair shops if needed (Fire Department 1/2, DOC) and provides the City much more flexibility and independence as it relates to repairing its fleet assets in house. Additionally, other City departments require funding for furniture and equipment purchases.	4. Focus on Management and Governance	Facilities Reserve
42	450 - Facilities	ERT Materials Transfer Pit Site Improvements	Development of a long-term plan and site improvements at the City's materials transfer site (ERT Pit).	The City's ERT Materials Transfer Site is used as a staging area and materials storage site for the City's Operations and Parks Departments. The site hosts large dirt spoil and wood debris piles that need to be addressed. A long range plan needs to be developed for re-use of existing stock, proper storage and screening of materials going forward, site access, and drainage. A significant site clean-up needs to be undertaken to address the large spoil pile including potentially levelling the site.	4. Focus on Management and Governance	Facilities Reserve
43	450 - Facilities	City Hall 2nd Floor Foyer Service Improvements	Improvements to the 2nd floor foyer at City Hall including replacement of the dated reception desk, noise reduction, new guest furniture, and a small meeting area for use by building inspectors / planners.	The existing counter is dated and provides poor functionality from a customer service standpoint. The foyer as a whole presents a sub-standard image to the visiting public and requires whole scale improvements. Currently building inspectors and planning staff must discuss projects at the counter which limits confidentiality. The current desk also provides poor ergonomics for reception staff.	2. Focus on Economic Growth	Facilities Reserve
44	450 - Facilities	Willow Point Park / Sportsplex Entrance Signage	Replacement of the aging main entrance signs at the Sportsplex with two new signs. One at the north end would be a two-sided digital sign (similar to the main sign at the Community Centre) with ability to advertise events at any of the facilities on site. The sign would include provisions for directing visitors to the Sportsplex, Willow Point Park, skate park, splash park, disc golf course, and potentially the bike skills park if it is developed in the proposed location. The south entrance sign would be replaced with a smaller but illuminated sign.	The existing signage at the Sportsplex is not illuminated and does not provide any information on the other amenities available on the site. It is difficult to see at night. It also does not provide any ability to advertise current or upcoming events at one of the City's premier recreation destinations.	3. Focus on Livability	Facilities Reserve
45	450 - Facilities	Sportsplex Roof Replacement	Replacement of the Sportsplex roof.	Roof is expected to be approaching the end of its serviceable life. There is potential for the roof to be repaired and mechanically re-affixed at a reduced cost. This roof has exhibited ongoing leaks.	4. Focus on Management and Governance	Facilities Reserve
46	450 - Facilities	Museum Roof Replacement	Replacement of the Museum roof.	Roof is expected to be approaching the end of its serviceable life.	4. Focus on Management and Governance	Facilities Reserve
47	450 - Facilities	City Hall Seismic Upgrades	Completion of seismic upgrades at City Hall as specified by a 2013 seismic assessment of the building.	City Hall was built in 1980. Damage to the building's exterior during the earthquake in Sept, 2011 have led to speculation as to the structural integrity of the building in a large earthquake. An assessment of the building's compliance with current building code requirements has recommended upgrades to the building to improve its seismic resilience.	4. Focus on Management and Governance	Facilities Reserve
48	450 - Facilities	City Hall Flag Poles	Installation of two additional flag poles at City Hall (making a total of 3).	Currently only one flag can be flown at City Hall which can create conflicts when there are overlapping desires to fly multiple flags including the City of Campbell River, British Columbia and Canada flags. As the addition of new flag poles beside the current flag pole may not meet seismic requirements, a 3 flag assembly may need to be installed at ground level in the upper section of City Hall Park. The existing flag pole is 32 years old and the mechanical components require replacement.	4. Focus on Management and Governance	Facilities Reserve
49	450 - Facilities	Police and Public Safety Building Roof Replacement	Replacement of the Police and Public Safety Building Roof.	Roof is already showing signs of failure and is expected to be at the end of its serviceable life.	4. Focus on Management and Governance	Facilities Reserve
50	450 - Facilities	Facilities Annual Capital Projects	Annual capital renewal budget for maintenance of staffed City facilities, approximate replacement value of \$75 million.	Ongoing renewal of City owned facility assets.	4. Focus on Management and Governance	Facilities Reserve

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51	532 - Roads	Parking Lot Improvements (CFwd)	Council has identified areas for improvement for parking lot maintenance and some enhancements in the future. This funding would allow for minor enhancements and some expansion (Cedar St) to improve the Downtown Parking areas. There are additional parking areas Downtown and along the water front that could also use improvements and enhanced maintenance. Work planned for 2016 will see the expansion of the parking lot on Cedar Street that will include improved lighting, drainage and hard surfacing additional parking areas. See attached maps in Appendix 3.	Council has provided direction in the 2015 to see improvements to Beech St, Cedar St and the MHC parking lots. Some work was completed in 2015, but there is still a fair amount of work required to address Councils' goal to improved these and other locations where the City provides parking.	4. Focus on Management and Governance	Capital Works Reserve
52	532 - Roads	Transit Bus Shelters (CFwd)	The Transit Master Plan indicates the need to evaluate and install shelters where required in the community. The City continues to improve services for those using transit services. In order to assist with this, the City has, over the past 6 years have installed a number of shelters to provide protection from the weather. Currently, BC Transit offers a cost sharing program for the capital cost to install shelters (47%/53% - this program will continue into 2016 and possibly beyond). With this grant funding, the City can install up to 6 shelters a year. The focus on shelter locations will continue to be on the primary routes where the most people can benefit from these facilities. Locations being reviewed for this year include: south bound -Dogwood at CARHI High school (oversized shelter), south bound – Alder at 7th; south bound – Dogwood at Pinecrest; north bound- Alder and 7th; east bound- Hilchey at Timberline Village; east bound – Hilchey west of Alder. See attached maps in Appendix 3.	The City continues to improve services for those using transit services. In order to assist with this, the City has, over the past 6 years installed a number of shelters to provide protection from the weather. In 2012 and 2013, the City received partnership funding from BC Transit (47% of the cost). This program will continue into 2016 and possibly beyond.	3. Focus on Livability	CWF
53	532 - Roads	LED Light Conversion (Cfwd)	This program undertakes an annual replacement of existing HPS lights with new LED lights. The focus in the past for this work was on arterial and collector roadways on City owned lights. The City has also approached BC Hydro to retrofit some of the City's lease lights (at this time BCH is not ready to undertake a LED conversion program). The work planned for 2016 will focus on City owned lighting in both residential and primary roadways on the south end of the community. The results of this will see longer lasting infrastructure and reduced operating costs over the long term for the City owned street lighting. See attached maps in Appendix 3.	This program will show long term savings to the City thru reduced operating cost and longer life for the luminaire (estimated 2x). Light quality is better with the LED vs. the HPS lights.	4. Focus on Management and Governance	CWF
54	532 - Roads	Cycling Infrastructure	The MTP has identified \$330,000 of cycling worth of short term cycling infrastructure upgrades for the City. These upgrades will include the addition of cycling lanes, re-establishment of existing cycling lanes, introduction of way-finding signage and associated infrastructure to support cycling and pedestrians. Work planned for 2016 will include widened/improved shoulders and signage on Evergreen (west of McPhedran); widened/improved shoulders and signage on Petersen (north of Willis); additional bike racks downtown and a few ocean side parks; additional way-finding signs. See attached maps in Appendix 3.	The cycling infrastructure upgrades will assist the City to provide alternative forms of transportation. They will also help in the promotion of the reduction of the City's carbon emissions while promoting active transportation within the community. YAC prepared a draft recommendation report that will be considered as well as part of the on going work plan.	3. Focus on Livability	CWF
55	532 - Roads	Pedestrian Signal Crossing Lights	The City continues to insure that all of the traffic lights area accessible and provide services to assist pedestrians in using the facility. Work planned for 2016 includes the replacement of the existing signal on Hilchey at Penfield; and installing a new ped crossing light at Larwood and Hyw 19A. See attached maps in Appendix 3.	This annual program supports public safety by providing enhanced safety features to assist pedestrians. Warrants prior to 2014 work will need to be updated.	3. Focus on Livability	CWF
56	532 - Roads	Sidewalk Infill	Over the past number of years the City has completed a number of projects to increase the conductivity of the pedestrian network in the Community. This year will continue to focus on connecting links to arterial and collector roadway. Work planned for 2016 includes a sidewalk on the east side of McPhedran (Merecroft to south of Cortez); sidewalk on the south side of Cottonwood Drive (Alder to Galerno). See attached maps in Appendix 3.	There are a number of locations identified in the MTP. This year the goal will be to try in fill in any obvious gaps in the system and provide better access to bus stops where an existing sidewalk may not be. Sites will be reviewed in the Spring to confirm the locations for this years work.	3. Focus on Livability	50% CWF / 50% DCC

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57	532 - Roads	Asphalt Overlays	<p>Arterial/Collector Roadways: Asphalt Overlays are required in a number of locations of the Community. A review done in 2013 (updated review in 2015) identified nearly \$4 million in works that needs to be undertaken in the next few years. There are additional arterial and collector roadways not included in this inventory that will need to be addressed within the next 5 to 15 years. Work to be done in 2016 under the arterial/collector roads overlay program will be reviewed in the spring of 2016. Currently, the work plan includes Evergreen Road- east of McPhedran; and Dogwood between 4th and 7th Ave on the south bound lanes and intersections. See attached maps in Appendix 3.</p> <p>Local Roadways: Asphalt Overlays are required in a number of locations of the Community. A review done in 2013 (updated review in 2015) identified nearly \$4 million in works that needs to be undertaken in the next few years. There are additional roads not included in this inventory that will need to be addressed within the next 5 to 15 years. It has been at least 6 years without a supported local road overlay program. If this continues, the costs to overlay will be absorbed in complete road rebuilds where costs are typically 2 to 3 times higher. Work to be done in 2016 under the local roads overlay program will be reviewed in the spring of 2016. Currently, the work plan includes part of Woodburn (east of Spring); Coho, and Steelhead (Dolly Varden to Park). See attached maps in Appendix 3.</p>	<p>There is a number of locations in the City where the asphalt has already failed or is rapidly near it end of a serviceable life. The Roads department has not undertaken a road overlay program for over 5 years and is rapidly falling behind on dealing with important pavement issues. Staff will provide a list of areas and cost to undertake these projects on an annual basis (updated in the spring).</p> <p>There is over \$10 million in required overlay/road rebuilds required in the community. The City has been at least 5 years without a supported road overlay program. If this continues, the costs to overlay will be absorbed in the rebuild costs that are typically 2 to 3 times as much.</p>	4. Focus on Management and Governance	Capital Works Reserve / CWF
58	532 - Roads	Street Light Infill	<p>This is part of the street light infill program is to insure that areas that have been deemed to be deficient or lacking in adequate lighting are addressed. This is an ongoing problem and is re-evaluated regularly to identify the locations where lights could be installed. There are a number of areas that could use additional street lights to insure safer public use, primarily along arterial and collector roadways. The City also receives a number of requests for street lights to be added. The cost to provide this service varies depending on if they are new City owned lights or the installation of additional lease lights. City owned lights are more capital intensive but less to operate, whereas lease lights (wooden poles) from BC Hydro have a lower initial capital cost, the long term operational costs are much greater than the City owned lights. The City currently has a large request of the Campbellton area for additional lease lights which would be the focus on the 2016 budget request. See attached maps in Appendix 3.</p>	<p>The City has a number of areas that could use additional street lights to insure safer public use, primarily along arterial and collector roadways.</p>	4. Focus on Management and Governance	Capital Works Reserve
59	532 - Roads	Intersection Improvements	<p>The MTP identified a number potential locations for upgrades to the traffic control at intersections. This was reviewed by staff and determined the priority as follows: 2017 - 2nd & Alder 2020 - 2nd & Hyw19A (design work for the next potential intersection year prior to installation).</p> <p>The MTP has identified a number of upgrades for consideration to Alder St. The long term plans include traffic control at Mercroft, improvements to walkways and transit stops and consideration for bike lanes. A design process and public consultations must be undertaken to produce the long term plan for this area. The Review of the corridor was completed late in 2014. Recommendations focus on pedestrian improvements and transit access improvements.</p>	<p>These intersections currently meet the warrants to have additional traffic control installed. They will be re-evaluated to confirm the priorities annually.</p>	3. Focus on Livability	Capital Works Reserve
60	532 - Roads	Alder Street Upgrades	<p>The MTP has identified a number of upgrades for consideration to Alder St. The long term plans include traffic control at Mercroft, improvements to walkways and transit stops and consideration for bike lanes. A design process and public consultations must be undertaken to produce the long term plan for this area. The Review of the corridor was completed late in 2014. Recommendations focus on pedestrian improvements and transit access improvements.</p>	<p>Alder St has been identified for a number of years as a minor arterial roadway and improvements must be made to accommodate the growth and changes in this area. Works are required to insure conductivity for pedestrians along this corridor and for their safety. Consideration will also be given for the 2018 sidewalk infill work to be done in conjunction with the pedestrian safety recommendations.</p>	4. Focus on Management and Governance	Capital Works Reserve
61	532 - Roads	Traffic Control Upgrades - Replacement	<p>The City has an inventory of 33 traffic lights in the community. These systems have a serviceable life of 20 to 25 years before they need replacement or major upgrades to the systems. Currently the City has a number of intersections that are at the point of needing replacement.</p>	<p>In order to address the need to replace aging and failing infrastructure, the budget below represents the bi-annual replacement of a single intersection. While this it not sustainable over the long term, it will address the immediate concerns at this time.</p>	3. Focus on Livability	Capital Works Reserve

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62	539 - Solid Waste	Organics Facility	This \$1 Million is for the Organics Facility capital contribution as a place holder as per the City's financial contribution outlined in the RFP. If Council elects to proceed with the facility, additional budget will need to be put together for consulting fees, legal fees, and staffing to administer organics program development.	This will need to move forward if Council elects (in early January) to proceed with an Organics facility. If they choose not to proceed, this should be pulled from the budget.	4. Focus on Management and Governance	\$1M CWF / Grants
63	550 - Storm Drains	Annual Drainage Improvements	The City has a number of areas that require drainage improvements both small and large scale. This work would include rebuilding ditches, upsizing/replacing failing culverts, replacement of storm piping, etc. Works is limited to the annual funding and is prioritized annually in the spring. This is an on-going annual program to deal with the replacement and repair to critical storm water infrastructure. Projects are based on on-going evaluations of existing systems and experience related to past storm events. Work planned for 2016 includes on-going drainage improvements in the Willis/Petersen area, work on Cheviot and Hopkins; culvert replacement in the Discovery Passage area; and further investigation of long term drainage solutions for the ERT/upper Nunns Creek system. See attached maps in Appendix 3.	This is an Ongoing annual program to deal with the replacement and repair to critical storm water infrastructure. Projects are based on Ongoing evaluations of existing systems and experience related to past storm events.	3. Focus on Livability	Storm Reserve
64	570 - Airport	Airport Forklift	Acquisition of a forklift for the Airport (used).	Currently the Airport rents a forklift during peak maintenance periods and is required to borrow a forklift from Airport tenants at other times when necessary. Rental costs are \$2,000 annually. Acquiring a used forklift would provide improved independence, assist with repair and maintenance activities, and allow the Airport significantly increased self-sufficiency especially relating to accepting deliveries.	4. Focus on Management and Governance	Airport Reserve
65	570 - Airport	Aircraft Tug	Aircraft Tug.	Not enough physical parking space for aircraft, this provides ability to park in a tight formation reducing potential for a nasty touchpoint.	4. Focus on Management and Governance	Airport Reserve
66	570 - Airport	Fueling Facility	Purchase of a Jet fuel tank and two delivery trucks including repavement of corporate jet parking area where existing tanks currently reside	Jet fuel sales generate over 90% of airport revenue. These are sales to Ministry of Forests Air Tankers, Pacific Coastal Airlines, Central Mountain Air, and Corporate Jets. AV Gas sales are to smaller piston aircraft often referred to as General Aviation (GA). Staff have met with Imperial Oil representatives who acknowledge the existing system is near the end of life and the probability of Imperial Oil replacing this system is unlikely. Esso has generally been withdrawing from the Airport Fuel business at smaller airports. Recently Sealand Aviation, operating as Sealand Flight, started Flight School operations airside. There is interest in providing AV Gas for resale as an amenity to Sealand Aviation and its business centered on maintenance repair and overhaul at the Airport. Given this option to have an alternate provider of AV Gas to general aviation, the infrastructure costs associated with replacing the AV Gas system, and the nominal contribution to the Airport's bottom line, the Fuel Facility proposal is being revised. Purchase of a Jet fuel tank and two delivery trucks including repavement of corporate jet parking area where existing tanks currently reside for a total cost of \$1,205,000. This option includes contracting out the sale of AV Gas component, which was included as a City responsibility in the previous RFP's. This option would generate estimated net profits of \$441,000 per year on jet fuel; with \$5,000 for AV Gas contracted fuel sales or \$446,000 annually. After Capital Lending Reserve payback of \$76,000 per year for 15 years the annual net profits are \$371,000.	2. Focus on Economic Growth	\$100K Airport Reserve / Capital Lending Reserve
67	570 - Airport	Parking Machine	Parking machine.	4 year old machine update to user friendly model.	2. Focus on Economic Growth	Airport Reserve
68	570 - Airport	4 x 4 Pickup Replacement	4 x 4 Pickup.	Replacement of 1995 pickup.	4. Focus on Management and Governance	Airport Reserve

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69	570 - Airport	Runway Wet/Dry Deicer	Runway Wet/Dry Deicer.	Currently the City does not have the ability to quickly remove ice from aircraft maneuvering areas.	4. Focus on Management and Governance	Grants / Airport Reserve
70	570 - Airport	Snowblower	Snowblower.	Existing old unit 70 years old, the new unit is 30 years old.	4. Focus on Management and Governance	Grants / Airport Reserve
71	570 - Airport	Runway Sweeper	Runway Sweeper.	Replacing life cycled equipment.	4. Focus on Management and Governance	Grants / Airport Reserve
72	570 - Airport	Airside Concrete Parking	Airside Concrete Parking.	Existing aircraft parking stands are 20 years old, pavement is deforming leaving ruts.	4. Focus on Management and Governance	Grants / Airport Reserve
73	570 - Airport	Airside Drive Upgrade	Airside Concrete Parking.	Last road upgrade completed in 1997, need to continue paving program to the North.	4. Focus on Management and Governance	Grants / Airport Reserve
74	570 - Airport	4 x 4 Tractor Replacement	4 x 4 Tractor Replacement.	Life cycle replacement.	4. Focus on Management and Governance	Airport Reserve
75	570 - Airport	Loader	Loader.	Life cycle replacement.	4. Focus on Management and Governance	Grants / Airport Reserve
76	570 - Airport	ATB Apron Expansion (North)	ATB Apron Expansion (North).	Using low projection for growth the existing infrastructure needs expansion, masterplan document.	2. Focus on Economic Growth	Grants / Airport Reserve
77	570 - Airport	Taxiway "C" Widening	Taxiway "C" Widening.	Masterplan document.	4. Focus on Management and Governance	Grants / Airport Reserve
78	570 - Airport	Extend Taxi B	Extend Taxi B.	Masterplan document.	4. Focus on Management and Governance	Grants / Airport Reserve
79	570 - Airport	Lower Maintenance Shop Replacement	Lower Maintenance Shop Replacement.	Existing building was constructed in 1968.	4. Focus on Management and Governance	Grants / Airport Reserve
80	580 - Sewer	Waterfront Sewer Forcemain (CFwd)	Replacement of existing waterfront sewer forcemain between Rockland Road and Maritime Heritage Centre. Project also includes upgrade/replacement of Lift Stations #5 and 6.	Existing forcemain is undersized and in poor condition. Frequent breaks result in raw sewage to the beach and ocean. Project will also increase capacity to allow for growth in the southern portion of the community.	4. Focus on Management and Governance	Sewer Reserve / \$2.7M Debt (2018)
81	580 - Sewer	NWEC Boiler / DDC Replacement	Replacement of the existing natural gas boiler and heating controls at NWEC.	The existing boiler is at the end of its serviceable life and is likely to experience an in-service failure in the next 1-2 years. Replacement of the boiler with a modern high efficiency condensing boiler and replacing the existing controls should result in energy savings.	4. Focus on Management and Governance	Sewer Reserve

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82	580 - Sewer	NWEC Upgrades Phase 3	Scope and budget depends on whether organics facility proceeds. If organics facility proceeds, biosolids dewatering will be required. If organics facility is not proceeding, digester needs upgrading as per NWEC - Priority 1 items from 2009 Dayton & Knight Pre-design report.	Digester (if no organics facility) - Upgrades required to address existing capacity, redundancy, operational and condition issues as identified in pre-design report. Dewatering Facility (if organics facility proceeds) - dewatering needed to deliver sludge to the facility as per terms of the RFP.	4. Focus on Management and Governance	\$300K Sewer DCC / \$2M Debt
83	580 - Sewer	Lift Station Generators	Installation of emergency generators at sewage lift stations. 2016 = LS #12, 14, 15; 2017 = LS #8, 9 and 10.	Required to ensure that lift stations continue to operate during power outages.	4. Focus on Management and Governance	Sewer Reserve
84	580 - Sewer	Sewer Main Replacement	Replacement of sewer mains - as identified by condition assessment or as part of larger revitalization projects. Annual construction expenditure of \$1,000,000 (plus \$100,000/year for design) to keep up with aging infrastructure.	Aging sewers have reached the end of their service life. If old mains are not renewed/replaced, maintenance costs, risk of failure, and liability will increase .	4. Focus on Management and Governance	Sewer Reserve
85	580 - Sewer	NWEC Basin Liner Replacement	Replacement of liners for the two oxidation ditches, digester and biosolids storage basin. A condition assessment is planned for 2016 and timing of works will be adjusted based on condition. The budget presented is to design for all 4 basins and install one oxidation ditch in 2017, digester lining and second ox ditch in 2018, and the biosolid basin in 2019. Biosolids basin and digester relining may not be required depending on outcome of organics facility.	The basin liners installed in the two oxidation ditches, the digester and the biosolid storage basin are nearing their life span of 20 years. These liners are essential components of the structural integrity of the basins. They are exposed to sunlight, sewage and damage due to the O&M of the basins.	4. Focus on Management and Governance	Sewer Reserve
86	580 - Sewer	NWEC Oxidation Ditch Diffuser Upgrade	Replacement of diffusers in oxidation ditches exact timing will depend on condition. Budget is to purchase for both ditches in 2017. Installation is targeted to coordinate with liner replacement (2017/2018). Note: Digester diffusers also need replacement, but not included in this budget, as the digester will either be upgraded or abandoned depending on organics facility.	Diffusers are critical to the treatment process and are anticipated to need replacement. Exact timing will depend on condition.	4. Focus on Management and Governance	Sewer Reserve
87	580 - Sewer	Lift Station Pump Replacement	To replace lift station pumps that have reached the end of life. 2019: LS # 14 and # 15.	Useful lives of pumps are generally between 15-20 years. The pumps in LS #14 and 15 were installed in 1999 and so replacement is anticipated to be required in 2019.	4. Focus on Management and Governance	Sewer Reserve
88	580 - Sewer	Reclaimed Water System	Installation of a system to use reclaimed effluent for non-potable applications at NWEC.	Potable water from the City's water system is used at Norm Wood Environmental Centre for required operations and maintenance (process water, equipment cleaning, flushing, etc). The use of reclaimed water at NWEC will reduce the reliance on the City's water system, freeing up capacity in the water system that could be used to support increased demand elsewhere. This could result in the deferral of planned capital upgrades to the water system to meet existing and future peak demands. Reducing the use of potable water at NWEC would also result in less effluent being discharged to the marine environment and reduced operating costs. Reduction in the use of potable water is also a goal of the City's Integrated Community Sustainability Plan.	4. Focus on Management and Governance	Sewer Reserve
89	580 - Sewer	NWEC Generator	Installation of backup generator at NWEC.	Will keep NWEC fully operational during power outages - currently only minimal operation and not able to sustain lengthy outages.	4. Focus on Management and Governance	Sewer Reserve
90	580 - Sewer	Industrial Park Lagoon Liner Replacement	Replacement of liner in Industrial Park Lagoon.	The basin liner at the Industrial Park Lagoon is expected to reach the end of its service life and will need replacement.	4. Focus on Management and Governance	Sewer Reserve
91	580 - Sewer	Sewer Facility Renewal	Annual allowance for renewal of sewer facility infrastructure (lift station and treatment facilities) due to condition.	Aging infrastructure has a high risk of failure resulting in increased maintenance costs , service disruptions, liability, and the risk of release of untreated sewage to the environment.	4. Focus on Management and Governance	Sewer Reserve
92	590 - Water	Leak Detection Equipment	Purchase of leak detection equipment.	Leaks decrease the availability of water for domestic and fire fighting purposes. Unattended leaks lead to an increase of O & M costs. The leak detection equipment will assist with the detecting leaks within the water system enabling us to have a proactive approach and reduce water losses.	4. Focus on Management and Governance	Water Reserve

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93	590 - Water	Dogwood Operations Centre Backflow/Meter	Installation of backflow prevention and water meter at Dogwood Operations Centre.	To adequately protect the City's water supply, all properties must have a backflow protection device as per the Water Regulation Bylaw No. 3216, 2006 to protect the City water supply from potential contamination. The Dogwood Operations Centre does not comply with the bylaw for both backflow and water meter. Becoming compliant with the bylaw will protect the quality of the City's potable water and ensure accurate billing for water and sewer. If this project does not proceed, the City increased its liability risk and it will be difficult to have other customers comply with the bylaw.	3. Focus on Livability	Water Reserve
94	590 - Water	Beaver Lodge Reservoir Security	Installation of security measures at the Beaver Lodge Reservoir.	The Beaver Lodge Reservoir is an unsecured potable water reservoir located inside the Beaver Lodge Lands. This site is remote and the target of frequent vandalism. An assessment was completed with the RCMP in 2015 and recommendations were made for security improvements. If left unsecured, the City's drinking water will be at risk and liability issues could arise due to non-compliance with drinking water regulations.	3. Focus on Livability	Water Reserve
95	590 - Water	WM Cathodic Protection	Replacement of the existing cathodic protection at Rockland (behind Springbok near Rockland) and Maple Street IC bed (replace anodes). 2016: design, 2017: construction.	A number of factors affect the longevity of a water main such as quality of construction, cathodic protection, nature of the environment, operating conditions, etc. Cathodic protection helps maintain the integrity of a buried water main since it is subject to constant corrosive attack due to a wet environment. Lack of cathodic protection on steel pipes can result in corrosion which could lead to an increase in watermain breaks and decreased life of these critical transmission watermains.	4. Focus on Management and Governance	Water Reserve
96	590 - Water	Walworth Booster Pump Station	New booster pump station on the 750mm transmission main at Evergreen/Walworth. Project also includes the installation of a new check valve on the existing 400mm dia main on Dogwood north of Evergreen. (WSSAP Project #4A and 4B).	The peak hour flows and high velocities in the existing transmission mains result in substantial pressure losses during peak flows. The proposed booster pump station will improve the pressures available to provide water and fire protection to the community. If the project does not proceed, community growth may be limited.	2. Focus on Economic Growth	Debt
97	590 - Water	Area D Backflow Prevention	Backflow prevention will ensure that water quality within the City's system is protected from any water quality issues that may occur in Area D - fully funded by Area D.	Backflow prevention will ensure that water quality within the City's system is protected from any water quality issues that may occur in Area D - fully funded by Area D.	4. Focus on Management and Governance	Water Reserve
98	590 - Water	Petersen PRV	Install new PRV at Petersen and 14th Avenue. WSSAP Project #6.	The proposed PRV will provide redundancy in case the existing Cheviot PRV is unable to supply the required flows due to mechanical failure or scheduled maintenance.	4. Focus on Management and Governance	Water Reserve
99	590 - Water	Evergreen Reservoir Lining	Lining of Evergreen Reservoir. For 2016, the City proposes to line the under drains to decrease water losses. For 2019, the City proposes to line the reservoir.	The City has observed leakage from the under drain of the Evergreen reservoir. Lining of pipes, drains, and reservoir will reduce the amount of leakage from the site and increase the efficiency of the reservoir	4. Focus on Management and Governance	Water Reserve
100	590 - Water	Fire Hydrant Renewal	Replacement of existing fire hydrants which have reached the end of their operational life (40 years).	Hydrant renewal will increase the reliability for emergency services thus decreasing the liability for the City. Increasing maintenance costs for aging hydrants will be avoided.	4. Focus on Management and Governance	Water Reserve
101	590 - Water	Water Service Renewal	Replacement of existing water services that are failing. This renewal program would enable us to be pro-active and change 5 to 7 water services a year.	Currently, the City is responsible for over 14,000 water services both residential and commercials. In the past few years the City has observed an increase in water services failing due to corrosion from pipe age, pipe material, surrounding soil conditions, and ground movement. If the City continues its current reactive approach and repairing all water service failures as they occur, the water department's overall O&M costs will increase as will the service interruptions.	4. Focus on Management and Governance	Water Reserve
102	590 - Water	Watermain Renewal	Annual program to replace watermains that are reaching the end of useful life. A three-year cycle is proposed for the program which will result in a single design effort for 3-years of construction projects. The exact distribution of the construction funding for each year will depend on the logical phasing of the larger project. Project locations are determined based on pipe condition and priorities for larger revitalization projects.	Aging watermains have a high frequency of breaks resulting in increased maintenance costs , service disruptions, and liability.	4. Focus on Management and Governance	Water Reserve
103	590 - Water	Beaver Lodge Reservoir Expansion	Duplicate reservoir at Beaver Lodge site (additional volume of 5,500 m3). WSSAP Project #7.	The current storage at the Beaver Lodge Reservoir is not sufficient to meet the peaking and fire flow storage requirements in the south end of Campbell River.	2. Focus on Economic Growth	Water Reserve / \$175K Debt

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Index	Department	Capital Project Name	Capital Project Description	Capital Project Justification	Relation to Strategic Priorities	Funding Source
104	590 - Water	CRIB/CCR Water Improvements	Separation of CRIB/CCR water systems. Includes meters, backflow prevention, and watermain upgrades. Related to CRIB agreement. 2017 - Concept, 2018 - Design, 2019 - Construction.	Full separation of CRIB and CCR water systems will protect CCR water quality by installing backflow prevention at all points of connection to CRIB water system. Project will also allow for adequate billing for water and sewer as well as a financial incentive for water conservation within CRIB lands.	3. Focus on Livability	Water Reserve
105	590 - Water	Water Facility Renewal	Annual allowance for renewal of water facility infrastructure (PRV's, pumps, disinfection, etc.) due to condition.	Aging infrastructure has a high risk of failure resulting in increased maintenance costs , service disruptions, and liability.	4. Focus on Management and Governance	Water Reserve
106	590 - Water	Willow Street Transmission Main	Installation of a duplicate 750mm diameter watermain on Willow Street between Highway 28 to 14th Avenue. WSSAP Project #12.	Increased water demands are resulting in high velocities in existing transmission mains which creates high pressure losses in the water system. Increasing pipe capacity will decrease velocities and mitigate pressure loss.	2. Focus on Economic Growth	Water Reserve
107	590 - Water	Rockland Road Transmission Main	Installation of a duplicate 350mm diameter watermain on Rockland Road from Simms Creek to South Alder. WSSAP Project #13.	Increased water demands are resulting in high velocities in existing transmission mains which creates high pressure losses in the water system. Increasing pipe capacity will decrease velocities and mitigate pressure loss.	2. Focus on Economic Growth	Water Reserve
108	Sewer / Water	PLC Replacement Program	Programmable logic controller (PLC) is a small computer with a built-in operating system that handles incoming events in real time. Within the water and wastewater departments, PLCs have a crucial role such as determining when to fill a water reservoir, or when a pump at a lift station should start or stop. The City currently has 14 PLCs total in both departments. Half were replaced in 2015. The remaining will be replaced in 2016.	The existing PLC's are all past their average life expectancy of 7 years. Due to their crucial role in operations, the City cannot run to failure with these components. If failure occurs, the equipment they are associated with will stop working which could cause issues with the water supply, water quality and sewage backups.	4. Focus on Management and Governance	Sewer / Water Reserve
109	Sewer / Water	Meter Renewal	Replacement of existing water meters (aging infrastructure) to ensure accuracy in water and sewer billing.	Failing meters underestimate water consumption resulting in a loss of revenue.	4. Focus on Management and Governance	Sewer / Water Reserve
110	720 - Parks	Shade Sails Installation	Supply and installation of Shade Sails for the Splash Park.	The Splash Park was built in 2014 and is very popular with families during the hot summer months. The addition of shade sails at the site will provide much needed shade for families with young children.	3. Focus on Livability	Parks Reserve
111	720 - Parks	Baikie Island Permanent Washroom	To construct a permanent washroom at the trail entrance into Baikie Island.	The completion of Baikie Island Rehabilitation Project has resulted in a substantial increase in the number of people using the Baikie Island and Raven Park trails. Permanent washrooms are needed at the site to service this increase in use.	3. Focus on Livability	Parks Reserve
112	720 - Parks	Campbellton Swing Set	With the second phase of the community garden at Campbellton to get under way in 2016, the existing old swing set needs to be removed and replaced.	The first phase of the Campbellton Community Garden has been very successful. The group is ready to move to phase two of the project which requires relocation of the existing swing set at the site. The existing swing set is too large to be relocated within the phase two design and is very old and needs to be replaced. A new and smaller swing set needs to be purchased for children to use while parents use the community garden.	3. Focus on Livability	Parks Reserve
113	720 - Parks	Frank James Park Design	To redevelop Frank James Park which integrates the three properties to the south of the Park including Sybil Andrews Cottage.	A comprehensive design for upgrading Frank James Park, including the Sybil Andrews Cottage property and adjacent properties, needs to be undertaken. The site has great potential for hosting events such as the Carving Competition and other events. A redeveloped Frank James Park will provide a feature park in the south end of the City and serve as a destination park similar to Ostler Park in the downtown core.	2. Focus on Economic Growth	Parks Reserve
114	720 - Parks	Pave Robron Parking Lot	Pave Robron Parking Lot.	With the Completion of the Synthetic Turf field at Robron Park, there will be an increased need for parking. The current gravel lot needs to be realigned and paved to provide much needed parking for the new facility.	3. Focus on Livability	Parks Reserve
115	720 - Parks	Big Rock Boat Ramp	Re-Construction of Big Rock Boat Ramp.	A design for the re-construction of the Big Rock Boat Ramp (BRBR) facility is in place and external funding applications have been made.	3. Focus on Livability	\$500k Grants / \$250k Capital Lending / \$250k Parks Reserve

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116	720 - Parks	Nunn's Creek Park Electric Upgrade	Minor renovation of the concession building housing the electrical system panels and design for future upgrade to the system to meet current electrical code requirements.	At present, components of the park's electrical power supply are located within the CRMBA concession building in storage areas used by the association. This situation has been identified as a significant safety hazard including the risk of arc flash. This funding will provide a temporary renovation to the facility (\$10,000) to eliminate the safety hazard and an electrical upgrade design to bring the system up to current electrical code requirements. Without this temporary solution and future upgrade, the lighting system at Nunn's Creek Park will have to be taken out of service.	3. Focus on Livability	Parks Reserve
117	720 - Parks	Seawalk Improvements	Seawalk Improvements.	Repairs and Maintenance need to continue along the seawalk for pedestrian safety reasons and to protect critical City infrastructure.	3. Focus on Livability	CWF
118	720 - Parks	Incorporate 503 Island Highway into Sequoia Park	Design work for incorporating 501 and 503 Island Hwy into Sequoia Park.	Council purchased 503 island Hwy in 2012 as an addition, along with the 501 Island Hwy property, to Sequoia Park. Demolition of the house at 503 Island Hwy was completed in 2013. Design work is now needed to incorporate the properties into Sequoia Park.	3. Focus on Livability	Parks Reserve
119	720 - Parks	Robron Pump House Replacement	Replacement of Old Existing Pumphouse.	The building was built in 1995 and the wood structure needs to be replaced. Water is getting into the building which is damaging the pump and electrical wiring.	3. Focus on Livability	Parks Reserve
120	720 - Parks	Marine Foreshore Restoration	Rebuilding damaged areas of the foreshore to proactively prevent or minimize future erosion damage by using soft shores approach. The majority of the material used for the restorations are sediments (beach gravels) collected and removed from Big Rock and Ken Forde boat Ramps.	Restoring and preserving the foreshore is critical to maintaining and upgrading City infrastructure, particularly Hwy 19a and Rotary Seawalk. The City's marine environment is integral to its community culture. The restoration plan provides a comprehensive and proactive management plan for the foreshore.	4. Focus on Management and Governance	CWF
121	720 - Parks	Parks Information and Sign Program	To replace existing Park signs.	The Parks signs have not been replaced in over 25 years. There is a new parks standards for signs and replacing them will bring them into line with the new standard.	3. Focus on Livability	CWF
122	720 - Parks	Willow Point Park Skatepark Lighting	Purchase and installation of lights for the Willow Point Skatepark.	The Willow Point Skatepark has been a popular facility since it's completion in 2007. The original design included lighting, however lighting was not installed at the time for financial reasons. Installation of lighting will add 760 useable hours from November to March annually. Lighting the park will significantly extend the hours of use, increase user safety and reduce vandalism.	3. Focus on Livability	Parks Reserve
123	720 - Parks	Fence Upgrades and Replacements	Replacement of existing fences.	Many of the City's parks that have fencing are over 25 years old and are in need of replacement. They are starting to fall into private property and are not enclosing the park which can allow small children to wander onto road ways and private properties.	3. Focus on Livability	Parks Reserve
124	720 - Parks	Parks Irrigation Strategy	The continuation of the implementation of the Parks Irrigation Strategy.	All parks are being brought online with a central control system and upgraded to reduce water use.	3. Focus on Livability	CWF
125	720 - Parks	City Hall Side Hill Improvement	To design and build a new landscape area at city hall below the 9th aver street and above the upper parking lot.	This area is a steep grassed slope that is difficult and unsafe to mow. There have been several incidents where the mower operator has lost control of the machine posing a risk of injury to staff or the public and damage to vehicles in the adjacent parking lot. A landscaping design needs to be developed and installed for this area that eliminates the safety hazard and minimizes maintenance.	4. Focus on Management and Governance	Parks Reserve
126	720 - Parks	Nunn's Creek Backstop Replacement	Replacement of Pee Wee Field Backstop at Nunn's Creek park.	The backstop at the Pee Wee field at Nunn's Creek is starting to fall over. For years netting was tied off from the backstop poles to hang netting over bleachers. This has caused the backstop to be damaged and the result is the structure is starting to fall over.	3. Focus on Livability	Parks Reserve
127	720 - Parks	Willow Point Rock Dust Field Upgrade	Convert the rock dust field into a natural grass field.		3. Focus on Livability	Parks Reserve
128	720 - Parks	Willow Point Lights	Upgrade the existing Lighting System on the Willow Point lighted fields.		3. Focus on Livability	Parks Reserve
129	720 - Parks	Willow Point In Field Mix Replacement	Replace the old red infield material with the City's new standard for in field mix material.		3. Focus on Livability	Parks Reserve
130	720 - Parks	Mclvor Lake Upgrades	Upgrades to Mclvor Lake from the Master Plan.		3. Focus on Livability	Parks Reserve
131	720 - Parks	Maryland to Jubilee Greenway Loop	Finish Off the greenway loop in the south end of the City; install walkway, retaining wall and complete loop.		3. Focus on Livability	Parks Reserve
132	740 - Recreation	Recreation Equipment (CFwd)	Equipment Replacement - Recreation.	This is a reserve fund for replacement of weight room and cardio equipment, custodial equipment and tables and chairs.	3. Focus on Livability	Furniture & Equipment Reserve

Index	Department	Capital Project Name	Capital Project Description	Capital Project Justification	Relation to Strategic Priorities	Funding Source
BELOW THE LINE (Excluded from Financial Plan)						
Overall Downtown Initiatives:						
133	Roads / Storm / Sewer / Water	Beech Street Upgrade	Downtown Initiative.		2. Focus on Economic Growth	TBD
St. Ann's to Dogwood / Shopper's Row						
134	450 - Facilities	Tidemark Theatre & Library Façade Improvements Project / Spirit Square Stage 3	Improvements to the façade of the Tidemark Theatre and Library, as well as a redesign of the courtyard area and an extension of spirit square. Improvements would include major frontage improvements with improved 'West Coast Design' elements from the City's design guidelines found in the SOCP. Improvements could include rain screening, wood or stone elements, cladding, extension of the entryway, improvements to the courtyard and landscaping, etc.	The existing façade of the Theatre is becoming dated and while there is a desire to retain the art deco feel of the exterior, the existing frontage and surrounding areas do not present a modern, inviting entryway to the building. The envelope is also experiencing failure in several areas. Staff are recommending the Theatre be included as a landmark example of the City's own downtown facade improvement program, making good use of the City's own design guidelines while resolving the existing issues with the envelope at the same time. A preliminary conceptual design for a redeveloped Theatre/Library and adjacent courtyard has already been developed.	2. Focus on Economic Growth	TBD
135	450 - Facilities	City Hall Façade Improvements	Façade improvements to City Hall using west coast design elements consistent with the OCP. Work would include repairs to the envelope, replacement of the leaking front aggregate entryway, rain screening, wood elements, upgraded signage, and upgraded doors/windows throughout.	City Hall was built in 1982 and the existing envelope / façade is essentially unchanged in 33 years. Signage requires updating and the building's façade does not fit with the west coast design elements the City is promoting in the downtown core. Additionally, entrance doors and a number of windows should be considered for replacement as they are approaching end of life. Minor water ingress through the envelope and front entryway deck would also be addressed concurrently.	2. Focus on Economic Growth	TBD
Other Capital Projects						
136	322 - Fire	#1 Fire Station Replacement	Replacement of current main fire station built in 1978 with post disaster constructed fire station complete with: fire administration offices, 9-1-1 Fire Dispatch Centre, Emergency Operations Centre, and Information Technology Department space. This facility would be designed to operate for extended periods during disaster events as a regional emergency services centre.	Present fire station is not appropriate for emergency services building. Presently it houses NI9-1-1 Fire Dispatch Centre (serving 50 fire departments in 6 regional districts) and the majority of the City's fire and rescue response capabilities. The first seismic assessment (Associated Engineering 1995) and the second geotechnical & seismic assessment (Amec Earth & Environmental 2003) of #1 Fire Station found seismic upgrading of the present building to be impractical. As well the building is located in a flood plain within the 200 year flood level having one metre of water at street level.	3. Focus on Livability	TBD
137	322 - Fire	Brush Truck Replacement	Replace existing 1980 Brush Truck with smaller multi-purpose brush truck with crew carrying capacity.	Improve the City's resources for wildland fire fighting and to improve its access abilities to interface areas. Current brush truck is 36 years old and beyond its useful life span. Current maintenance costs exceed the value of the apparatus. A new smaller crew cab brush truck equipped with a fire pump and water tank would provide enhanced capabilities for wildland fires in and around the City. This vehicle would also serve as a utility vehicle capable of transporting crew and equipment to emergency scenes allowing the department to reduce its fleet vehicles by not replacing a 1996 GMC Pickup which is beyond its life cycle.	3. Focus on Livability	TBD
138	322 - Fire	Water Tender	Purchase a Water Tender at the mid point of service life of present tender to increase capability to shuttle water to areas without hydrants to two tenders.	Improve ability to shuttle water to areas without hydrant service. Presently the City requires the Oyster River Fire Department to respond with their water tender for shuttle operations as a minimum of two tenders is required for this situation. Increasing the fleet to include two water tender trucks improves the City's reliability to shuttle water when needed. Service life for water tenders is 30 years.	3. Focus on Livability	TBD
139	322 - Fire	Pumper Rescue - New	Purchase new Pumper/Rescue.	A new pumper/rescue truck will provide a rated pumper/rescue for 1st line response at No 2 Fire Hall that meets the requirements for Fire Underwriter ratings and insurance grading. The current pumper rescue at No 2 hall is beyond frontline status recommendations and will need to be moved to 2nd line status.	3. Focus on Livability	TBD
140	322 - Fire	Small Vehicle Replacement - New	Replacement of fire department small fleet vehicles at end of service life.	Fire small fleet vehicles have a service life of 10-15 years. These fleet vehicles are due for replacement.	3. Focus on Livability	TBD

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141	450 - Facilities	Walter Morgan Studio - Rehabilitation	Restoration of the Walter Morgan Studio on the Sybil Andrews Heritage site.	The Frank James ultimate park design includes the preservation and rehabilitation of the Sybil Andrews Cottage and Walter Morgan Studio, which have both been placed on the Community Heritage Register. To date, the cottage has been fully rehabilitated and the Rotary Club installed a new roof on the studio. The Sybil Andrews Heritage Society has requested to work with staff to complete restoration of the studio. A conservation plan and cost estimate for this work has been completed. City funding for this project would help to leverage funds from the Heritage Legacy Fund for which this project is eligible.	3. Focus on Livability	TBD
142	450 - Facilities	Council Chambers Renovations Design	Re-design of Council Chambers at City Hall to accommodate universal design standards, technological improvements including paperless agendas, increased seating, and aesthetic improvements based off the City's wood first policy.	The general existing layout and aesthetics of Council Chambers date to the building's original construction in 1982. The space provides only limited accessibility for persons with mobility issues. The space is aesthetically dated and requires modernization. The technological amenities in chambers are currently limited with much of the power and network services run through surface mounted conduit or using floor runners. The existing space is not well configured for ancillary uses including as the City's EOC base, staff or public meetings, or as a rental space.	4. Focus on Management and Governance	TBD
143	450 - Facilities	Dick Murphy Park Viewing Platform Construction	Construction of a new viewing platform at the northwest corner of Dick Murphy Park, replacing the viewing platform that was removed in early 2015 due to its deteriorated condition.	14-0460 - "THAT Council direct staff to proceed with the removal of all unsafe elements of the viewing platform on the north end of Dick Murphy Park at a total cost not to exceed \$10,000 and that Council consider the design of an upgraded viewing platform on the Tyee Spit as part of the 2015-2019 Financial Plan" Conceptual designs were developed in 2015 with input from the Community Services, Parks, Recreation and Culture Commission with the recommended design seeing a slightly increased platform with a covered portion and including Parks furniture.	3. Focus on Livability	TBD
144	532 - Roads	Dogwood Street Intersection	The MTP has addressed the need to upgrade Dogwood related to future growth of this north south corridor. This upgrade would include the installation of turning bays at Dogwood and the following: Mercroft, Evergreen, 2nd, 4th, 7th and 9th Ave.	The addition of dedicated turn lanes will need to be installed to support future growth along this corridor. This will require land purchase and the widening out of the existing roadways to accommodate the dedicated turn lanes. The time frame to complete this would begin in the next 4 to 6 years.	4. Focus on Management and Governance	TBD
145	532 - Roads	Transit Maintenance Facility	The City will be in a position to expand the capacity of the existing transit maintenance and storage capacity to meet the future needs of the service as identified in the Transit Futures Plan. Currently the facility is being provided as part of the contract with Watson & Ash. (This contract ends March 31, 2017 at which time the City "may" need to either provide space or be in the planning/construction phase for a new facility).	As noted above, the City maybe in a position to provide a new transit maintenance facility for the next contract. This is a project that would be cost shared with BC Transit. It is "assumed" the funding share would be based on the current agreement where BCT covers 47% of the cost and the City would incur long term debt for the balance of the term (20 years). This options has additional components that are not noted here.	3. Focus on Livability	TBD
146	550 - Storm Drains	Nunns Creek (16th Ave) Creek Crossing	This project is to deal with the on going issue of flood at the culvert and the area of Nunns Creek on 16th Ave. Design is required and other funding sources are required to complete this project.	This project is to deal with localized flooding issues on 16 Ave (grants have been previously applied for and staff will continue to explore alternative funding sources). This issue also requires work on the two downstream culverts - one on the old highway thru CRIB Lands and the second on Highway 19A. Both downstream culverts are too small and cause an upstream back up in the creek.	3. Focus on Livability	TBD
147	570 - Airport	Expand ATB Parking	Expand ATB Parking.	Projected increase in users, current summer parking runs 85-90%.	2. Focus on Economic Growth	TBD
148	570 - Airport	NW Development Area Construction	NW Development Area Construction.	Future development area, included in masterplan document.	2. Focus on Economic Growth	TBD
149	580 - Sewer	Sani-station	Construction of a new sani-station to replace the 17th Ave. sani-station that was closed in 2013.	Provide a location where RV'ers can dispose of sewage.	4. Focus on Management and Governance	TBD
150	590 - Water	Water Filtration Facility	Construction of a water filtration facility.	The City's water system is currently operating with a filtration deferral. Should the quality of the source water degrade or legislation change, it will be required to filter the community's drinking water.	3. Focus on Livability	TBD

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151	590 - Water	Merecroft Reservoir and Transmission Mains	New water reservoir at Merecroft / Hwy 19, includes new transmission main between proposed Walworth Pump Station and Reservoir. 2015 = Land purchase (MOU for purchase in place) 2021 = Construction (TBC) WSSAP Project #11.	Storage is required to provide the 134m and 107m zones with balancing and fire storage, rather than relying on transmission mains. If reservoir is not constructed, reliance on transmission mains will continue, limiting available capacity for domestic purposes without risking fire flow - development will be limited. MOU for property purchase with existing owner is not tied to the land, so if the land is sold, the City will have no guarantee that the new owner would sell.	2. Focus on Economic Growth	TBD
152	720 - Parks	Entrance Sign Jubilee	Development of a low maintenance city welcoming sign at the south entrance to the City.	In order to assist with reducing annual maintenance requirements, a new welcome sign with low maintenance landscape display will be created to replace the labour intensive annual floral display.	3. Focus on Livability	TBD
153	720 - Parks	Robron Field House	Construction of Robron Field House Washrooms.	The CR Minor Soccer association has come forward with a proposal to construct a Field House at Robron Park to complement the new artificial turf field. The Soccer Association is willing to lead a fundraising effort to fund construction of the facility. While the design is not yet complete, it is anticipated that this funding will cover the cost of constructing the public washroom areas within the building.	3. Focus on Livability	TBD
154	Roads / Storm / Sewer / Water	16th Ave LIP (CFwd)	LIP of 16th Ave from Dogwood thru to Ironwood that would see the complete rebuild of the underground and surface of this section of the roadway. Note: this is an over \$7 million project that includes roads, sewer and water.	This project has been on the capital works plan for a number of years and is currently at 50% design phase for construction. There is a need to upgrade the underground and surface infrastructure in this area.	4. Focus on Management and Governance	TBD
155	Roads / Storm / Sewer / Water	Highway 19A - Build Canada	Grant application to be resubmitted in the Spring of 2016.		3. Focus on Livability	TBD

APPENDIX 7 - 2016-2025 SERVICE LEVEL CHANGE REQUESTS

Index	Department	SLCR Name	CC3	One-Time / Ongoing	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Funding Source
Downtown Initiatives															
1	502 - Planning & Development	Downtown Revitalization - Concept Plan & Design	S063	One-Time	\$ 125,000										Financial Stabilization
2	550 - Storm Drains	Downtown Readiness Review – Storm Drainage	S064	One-Time	30,000										Storm Water Reserve
3	580 - Sewer	Downtown Readiness Review - Sewer	S065	One-Time	40,000										Sewer Reserve
4	590 - Water	Downtown Readiness Review - Water	S066	One-Time	30,000										Water Reserve
5	502 - Planning & Development	Downtown Small Initiatives Fund	S067	One-Time	50,000										Gaming Reserve
6	502 - Planning & Development	Downtown Signage Incentive Program	N/A	One-Time		35,000	35,000	35,000	35,000	35,000					Gaming Reserve
Downtown Initiatives Total:					275,000	35,000	35,000	35,000	35,000	35,000	-	-	-	-	
Financial Stabilization - One Time Projects															
8	720 - Parks	Baikie Island Bridge Re-Decking	N/A	One-Time		15,000									Financial Stabilization
9	720 - Parks	Parks Resource Management Plan	N/A	One-Time		40,000	40,000								Financial Stabilization
6a	310-Mayor & Council	Homelessness Count	N/A			2,000									Financial Stabilization
		Future Expected Projects	N/A	One-Time		68,000	85,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	Financial Stabilization
Financial Stabilization Total:					-	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	
Other Funds - One Time Projects															
7	264 - Economic Development	2017 AVICC Convention Hosts	N/A	One-Time		15,000									Taxation (Ec Dev Base Budget)
10	570 - Airport	Flight Way Clearing	S068	One-Time	30,000				30,000				30,000		Airport Reserve
11	502 - Planning & Development	Community Energy Efficiency Projects	S069	One-Time	110,000	140,000									Carbon Neutral Reserve / Grant
12	450 - Facilities	Facilities Master Plan / Condition Assessment	S070	One-Time	225,000										Facility Reserve
13	740 - Recreation & Culture	Sportsplex Space Assessment - Conceptual Design	S071	One-Time	25,000										Facility Reserve
14	213 - IT	Network Security Audit	S072	One-Time	25,000			25,000			25,000			25,000	IT Reserve
15	580 - Sewer	Reclaimed Water Study	S073	One-Time	30,000										Sewer Reserve
16	580 - Sewer	Lift Station Auto - Cleaning	S055	One-Time	25,000	25,000	25,000	15,000							Sewer Reserve
17	590 - Water	Water Conservation Plan	S074	One-Time	25,500										Water Reserve / \$10K Grant
18	502 - Planning & Development	Campbellton Planning Projects	S054	One-Time	7,500	7,500									Gaming
20	311 - Legislative Services	Records Management Review Complete Stage 1	S080	One-Time	10,000										Gaming
24	310 - Mayor & Council	Waterfront Area Design - 3 1/2 Acre Site	S076	One-Time	15,000										Gaming
32	310 - Mayor & Council	Beautification Grants - Cleanliness	S053	One-Time	40,000										Gaming
39	310 - Mayor & Council	Forestry Task Force Operating Budget	S059	One-Time	25,000										Gaming
Other Funds Total:					593,000	187,500	25,000	40,000	30,000	-	25,000	-	30,000	25,000	
Approved SLCRs Added to Capital Plan															
26	310 - Mayor & Council	Flag Poles - Spirit Square		Capital	15,000										Gaming
29	310 - Mayor & Council	Senior's Exercise Equipment		Capital	50,000										50% CWF / 50% Grants
31	310 - Mayor & Council	Sidewalk Improvements - Willis Road		Capital	100,000										CWF
36	310 - Mayor & Council	Stairway between Dogwood and Cedar		Capital	20,000										CWF
35	310 - Mayor & Council	Maritime Heritage Property (Pocket Beach Upgrades)		Capital	20,000										CWF
					205,000	-	-	-	-	-	-	-	-	-	

BELOW THE LINE (Excluded from Financial Plan)

Index	Department	SLCR Name	CC3	One-Time / Ongoing	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Funding Source
19	311 - Legislative Services	Records Management Implement Privacy Policy		One-Time	10,000	10,000	10,000	10,000							TBD
20	311 - Legislative Services	Records Management Review Complete Stage 1		One-Time		10,000	10,000	10,000							Gaming

Index	Department	SLCR Name	CC3	One-Time / Ongoing	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Funding Source
21	322 - Fire	Auxiliary Fire Fighter Uniforms		One-Time		15,000									TBD
22	450 - Facilities	Tidemark Theatre Projects		One-Time	TBD										TBD
23	446 - Property Management	Hospice Servicing Costs		One-Time	45,500										TBD
25	310 - Mayor & Council	Waterfront Area Construction - 3 1/2 Acre Site		One-Time	TBD										TBD
27	310 - Mayor & Council	Waterfront Trail - Baikie to Painter's Lodge		One-Time	TBD										TBD
28	310 - Mayor & Council	Centennial Park Improvements		One-Time	TBD										TBD
30	310 - Mayor & Council	Sidewalk Improvements - Dogwood (12th & Evergreen)		One-Time	TBD										TBD
33	310 - Mayor & Council	New Community Scorecard		One-Time	TBD										TBD
34	310 - Mayor & Council	Wooden Boardwalk 19A - Roberts Reach to Ferrv		One-Time	TBD										TBD
37	310 - Mayor & Council	Maritime Heritage Centre to Hwy 19A Trail		One-Time	TBD										TBD
38	310 - Mayor & Council	City Hall Parking Lot		One-Time	TBD										TBD
					\$ 55,500	\$ 35,000	\$ 20,000	\$ 20,000	-	-	-	-	-	-	

Index	Department	SLCR Name	CC3	One-Time / Ongoing	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Funding Source
Taxation - Ongoing / New Service															
40	321 - Police Protection	Police Information Check and Fingerprinting Support / Administrative Services	N/A	Ongoing	35,963										Taxation
41	311 - Legislative Services	Information, Privacy & Records Management Services	N/A	Ongoing		93,989									Taxation
42	450 - Facilities	Discovery Pier Services	N/A	Ongoing		11,000									Taxation
43	114 - Human Resources	Strategic Human Resource Management	N/A	Ongoing			101,519								Taxation
44	740 - Recreation & Culture	City Hall and Enterprise Centre Facility Services	N/A	Ongoing		14,012									Taxation
45	212 - Finance	Increased Tax Communications	N/A	Ongoing			2,500								Taxation
46	740 - Recreation & Culture	Youth Ambassador Program	N/A	Ongoing			37,606								Taxation
47	532 - Roads	Weed Control and Street Cleaning	N/A	Ongoing	26,500										Taxation
48	Roads/Parks	Parking Lots - Enhanced Maintenance	N/A	Ongoing	10,000										Taxation
49	502 - Planning & Development	Invasive Species Management Plan Implementation	N/A	Ongoing			40,000								Taxation
51	720 - Parks	Integrated Pest Management Program	N/A	Ongoing				44,618							Taxation
58	321 - Police Protection	Major Crime and General Investigation Support / Administrative Services	N/A	Ongoing	26,303										Taxation
59	321 - Police Protection	Increase to Video Analysis Services	N/A	Ongoing	35,000										Taxation
62	450 - Facilities	Increased Security for Downtown Core	N/A	Ongoing	15,000										Taxation
69	740 - Recreation & Culture	Spirit Square Programming	N/A	Ongoing	7,200										Taxation
		Expected Future New Services Funded by Taxation	N/A	Ongoing				80,382	125,000	125,000	125,000	125,000	125,000	125,000	Taxation
Taxation Total:					155,966	119,001	181,625	125,000	125,000	125,000	125,000	125,000	125,000	125,000	
Other Funds - Ongoing / New Service															
52	570 - Airport	Business Development Opportunity Fund	S015	Ongoing	100,000										Airport Reserve
54	590 - Water	Utilities Public Outreach	N/A	Ongoing	85,000										Utility Fees
55	590 - Water	Water Supply Project Operational Costs and Additional SCADA, Electrical, and Instrumentation Support (note: \$60K for truck is capital)	N/A	Ongoing	261,300										Utility Fees
56	590 - Water	Water Preventative Maintenance Improvements	N/A	Ongoing		162,750									Utility Fees
72	310 - Mayor & Council	Social Grants	S078	Ongoing	25,000										Gaming
Other Funds Total:					471,300	162,750	-	-	-	-	-	-	-	-	
					\$ 627,266	\$ 281,751	\$ 181,625	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	
SLCR's Approved and Added to Capital Plan															
53	450 - Facilities	Energy and Water Consumption Reduction Projects		Capital	50,000										CWF
55	590 - Water	Water Supply Project Truck Purchase		Capital	60,000										
Capital Plan Total:					110,000	-	-	-	-	-	-	-	-	-	
BELOW THE LINE (Excluded from Financial Plan)															
57	213 - IT	Increase IT Client Services		Ongoing	68,136										Taxation
59	321 - Police Protection	Increase to Video Analysis Services		Ongoing	69,344										Taxation
60	322 - Fire	Auxiliary Fire Fighter Compensation		Ongoing	20,000										Taxation
61	322 - Fire	Increase to Firefighting Services at #2 Hall		Ongoing	522,326										Taxation
63	502 - Planning & Development	Front Counter Resourcing Service		Ongoing	62,686										Taxation

Index	Department	SLCR Name	CC3	One-Time / Ongoing	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Funding Source
64	720 - Parks	Trail / Walkway Maintenance Program		Ongoing	10,400										Taxation
65	720 - Parks	Parks Arborist Services		Ongoing	86,057										Taxation
66	720 - Parks	Spirit Square Washroom Maintenance		Ongoing	66,320										Taxation
67	720 - Parks	Centennial Park Washroom Services		Ongoing	10,700										Taxation
68	740 - Recreation & Culture	Additional Facility Services at Sportsplex		Ongoing	9,986										Taxation
69	740 - Recreation & Culture	Spirit Square Maintenance		Ongoing	7,200										Taxation
70	322 - Fire	Auxiliary Fire Fighter Critical Illness Coverage		Ongoing		9,986									Taxation
71	322 - Fire	Increase to Fire Prevention Services		Ongoing		133,511									Taxation
73	310 - Mayor & Council	New Social Procurement Policy		Ongoing	TBD										Taxation
74	310 - Mayor & Council	Snow Removal - Major Sidewalks and Transit Stops		Ongoing	TBD										Taxation
					\$ 933,155	\$ 143,497	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
Downtown Initiatives							
1	502 - Planning & Development	Downtown Revitalization - Concept Plan & Design	A development readiness/public investment strategy including a conceptual design for streetscape improvements, public spaces and amenities in the downtown is needed for the City to strategically move forward on downtown revitalization efforts. This will enable the City to strategically action capital projects in conjunction with new developments in the downtown and to work toward comprehensive efforts for downtown revitalization. It will include 1) Conceptual Design 2) Public & Business Consultation 3) Implementation Plan.	Developing a conceptual design & strategy will enable the City to pursue coordinated and focused land development activities and capital improvement projects founded on a compelling, catalytic vision of revitalizing the downtown. The strategy is essential for working with developers, negotiating public amenities, planning new capital projects and ensuring consistent form & character in the downtown. The strategy's design work/artistic renderings will provide a visual tool for the City to chart its course for improvements, and public/stakeholder engagement will ensure that the City's aims for the downtown are consistent with public/business interests.	2. Focus on Economic Growth	One-Time	Financial Stabilization
2	550 - Storm Drains	Downtown Readiness Review – Storm Drainage	The downtown storm system has had a number of issues over the past number of years. The system is showing its age and has been affected over the years by development and re-development of within the downtown areas. The demand has not only increased, but have changed based on a number of factors that include increased surface run off, aging pipes in poor condition, storm influences that include intensity of rain fall, and weather conditions that create storm surges that restrict the outflow of the water into the ocean. The review of the system will include looking at the overall condition, sizing and structure of the systems with a focus on identifying areas of immediate concern, as well as areas that require upgrading due to failing infrastructure. Events over the past few years have increased the risk to damage properties and public safety. This report will assist in providing one of the key components to the planning for the long term revitalization of the downtown area.	The storm system in the downtown areas needs to be re-evaluated to determine and develop a replacement plan. The City knows from storm water line flushing and cameraing; a number of the lines in this area that have deterioration of the CS pipes, infiltration at connections and minor breaks in the system, and potentially undersized for the application. By undertaking this readiness review, a plan can be developed to confirm what work should be done and a schedule and cost estimate developed.	2. Focus on Economic Growth	One-Time	Storm Water Reserve
3	580 - Sewer	Downtown Readiness Review - Sewer	Study to assess the sewer system to identify existing deficiencies and required upgrades to accommodate anticipated redevelopment of the downtown area.	The City does not have a plan that identifies existing capacity constraints and how the downtown sewer system will need to be upgraded to accommodate development in the downtown area. Without this plan, decisions on servicing needs are made without the benefit of a comprehensive plan that considers the big picture for downtown development. This may result in future capacity constraints that will limit development in the downtown area.	2. Focus on Economic Growth	One-Time	Sewer Reserve
4	590 - Water	Downtown Readiness Review - Water	Study to assess the water system to identify existing deficiencies and required upgrades to accommodate anticipated redevelopment of the downtown area.	The City does not have a plan that identifies existing capacity constraints and how the water system will need to be upgraded to accommodate development in the downtown area. Without this plan, decisions on servicing needs are made without the benefit of a comprehensive plan that considers the big picture for downtown development. This may result in future capacity constraints that will limit development in the downtown area.	2. Focus on Economic Growth	One-Time	Water Reserve
5	502 - Planning & Development	Downtown Small Initiatives Fund	Small Initiatives Fund for Downtown Projects.	Downtown revitalization is one of Council's strategic priorities. This fund will enable Council to select several small initiatives to undertake to improve the streetscape and community spaces in the downtown. Examples of projects may include: seating, utility box wrapping with photos, developing a parklet, wayfinding signage, improved lighting, public art or other initiatives as determined by Council.	3. Focus on Livability	One-Time	Gaming Reserve
6	502 - Planning & Development	Downtown Signage Incentive Program	Signage incentive program will focus on signage improvements in the downtown and village centers to upgrade existing signage to a higher standard, consistent with the form & character objectives of the City's OCP/Downtown Façade Improvement Program. This will be rolled out in conjunction with the update to the City's Sign Bylaw.	The City is updating its Sign Bylaw and the community has many poor signs. Downtown revitalization is a Council priority and signage improvements are one tool for improving the look of the downtown. Good quality signage adds to community character.	2. Focus on Economic Growth	One-Time	Gaming Reserve
6a	310 - Mayor & Council	Homelessness Count					

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
Financial Stabilization - One Time Projects							
7	311 - Legislative Services	2017 AVICC Convention Hosts	Provide meeting facilities & staff assistance to host the 2017 AVICC Convention.	Back in 2012 Council directed staff to submit an application to host the AVICC Convention in 2015 or 2016. Campbell River was not successful but was given first opportunity to host in 2017. The AVICC Board awarded the 2017 convention to Campbell River in June 2015. The Host City is responsible to provide the facilities free of charge and staff assistance during the convention.	1. Focus on Relationships	One-Time	Economic Development Base Budget (Taxation)
8	720 - Parks	Baikie Island Bridge Re-Decking	The bridge that is used to gain access to Baikie Island for fire fighting equipment needs to be re-decked.	The decking on the access bridge to Baikie Island has deteriorated and needs to be replaced to ensure safe access for fire fighting equipment to Baikie Island. Increased use of the Baikie Island trails has increased the risk of wildfire during the hot summer months and safe access for firefighting equipment is essential.	3. Focus on Livability	One-Time	Financial Stabilization
9	720 - Parks	Parks Resource Management Plan	A Parks Maintenance Strategy is needed to enable Senior Management and Council to determine the level of maintenance for various parts of parks and streetscapes and to identify the resources necessary to deliver this service.	The Parks Maintenance Strategy will provide a GIS and data platform for annual maintenance and staff planning. It would provide a direct linkage between desired maintenance "level of service" standards and required maintenance budgeting and staffing. The result will be a strategic support platform to assist with system wide decisions on maintenance priorities. This process would have transparency on how maintenance results and maintenance staffing are directly linked, thus promoting consensus, and managing expectations, on an appropriate level of maintenance in locations in the City.	3. Focus on Livability	One-Time	Financial Stabilization
Other Funds - One Time Projects							
10	570 - Airport	Flight Way Clearing	Cut trees around airport as per Transport Canada Zoning Regulations.	Remove obstacles as per Transport Canada regulations.	4. Focus on Management and Governance	One-Time	Airport Reserve
11	502 - Planning & Development	Community Energy Efficiency Projects	BC Hydro funding for Energy Efficiency Program Management.	This initiative will enable the City to proceed with implementation of the Community Energy and Emissions Plan and work toward our Climate Action Charter commitments by offering a community energy retrofit program. The City has been selected as a pilot community for this program and consequently this initiative has the equivalent of matching funding available through BC Hydro, Fortis BC; and IN KIND time from Quest Canada and the Community Energy Association (600 hours valued at \$40K). As a pilot community with a new BC Hydro and Fortis BC initiative, the utilities will provide energy retrofit rebates directly to Campbell River customers (matching the City's contributions), as well as \$45,000 in direct funding toward the program. The City has a target of 2% of all buildings being retrofit on an annual basis by 2020 to become more energy efficient. This program will help work toward the City's greenhouse gas emission reduction targets. Rebates will be offered for energy efficiency improvements to homes, installation of air source heat pumps/renewable energy/energy audits/conversion to more energy efficient heating systems. This will help to stimulate the economic sector in the building retrofit sector. Note if this SLCR goes ahead, COOP funding of \$45,771 for energy retrofits will be removed from the base budget in 2017, as this project will take place in lieu of a COOP student for energy projects. COOP student funding remains in the 2016 budget with 50% funding from PICS/BC Hydro.	2. Focus on Economic Growth	One-Time	Carbon Neutral Reserve / Grant
12	450 - Facilities	Facilities Master Plan / Condition Assessment	Development of a long-term civic facilities master plan including 10 year space needs assessment as well as detailed condition/capital asset planning reports for all staffed City owned facilities assessing current condition of all major building components including envelope, mechanical HVAC, roofing, electrical, etc.	The City currently owns or operates 30+ staffed or occupied facilities/buildings with a combined area of ~300,000 sq ft and a replacement value of ~\$75,000,000. The City's operations and administrative buildings are facing ongoing space challenges both for office space and operating requirements. The study would involve assessing the City's facility space needs for the next decade. The condition and lifecycle information generated from this report would lead to the development of a long-term asset management and financing plan for the majority of the City's facility assets going out 25+ years, allowing for strategically planned end-of-life replacements for major building components and better overall management of these major capital investments.	4. Focus on Management and Governance	One-Time	Facility Reserve

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
13	740 - Recreation & Culture	Sportsplex Space Assessment - Conceptual Design	Space Assessment and Conceptual Design for Sportsplex.	The Sportsplex has some space and infrastructure issues that need to be addressed as the result of an aging facility and changing community priorities. Issues include an inadequate HVAC system for the current weight room, the need for a roof replacement, insufficient storage, office and first aid space, poor ergonomics at the front desk, the lack of a staff room, and an expanding need for fitness service provision which has required taking over one of the squash courts and an activity room for additional fitness program space. A space assessment and conceptual design is required to determine how the space can be reconfigured or expanded, and how any changes should be phased in with the roof and HVAC system replacement as planned by the Asset Management Supervisor. A conceptual design will come with a Class C cost estimate which will be necessary for any potential recreation infrastructure grant applications.	3. Focus on Livability	One-Time	Facility Reserve
14	213 - IT	Network Security Audit	Network Security Audit - An independent review of the City of Campbell River's technology network to identify security vulnerabilities, preventative requirements and payment system compliance.	With recent security intrusions experienced by several municipalities in 2014, a mandatory requirement for a network security audit has been identified. CCR's technology network has never undergone a security audit by an independent certified agency. Compounding this issue is the additional requirement to support a growing demand for online payment processing as provided in the city's Tempest ecommerce interface (dog licenses, parking tickets, etc.) and planned replacement for our recreation registration software (CLASS) which will feature online registration and payment processing. Recent legislation for PCI (Payment Card Interface) compliance also requires that a network security audit take place on a scheduled basis.	4. Focus on Management and Governance	One-Time	IT Reserve
15	580 - Sewer	Reclaimed Water Study	A study to investigate the possibility of installing a reclaimed water system that would allow the use of reclaimed effluent for non-potable applications at NWECC. The study will also assess opportunities to use the reclaimed water for irrigation and other non-potable uses at NWECC and within the community.	Potable water from the City's water system is used at Norm Wood Environmental Centre for required operations and maintenance (process water, equipment cleaning, flushing, etc). If a reclaimed water system can be used at NWECC, reliance on the City's water system would be reduced, freeing up capacity in the water system that could be used to support increased demand elsewhere. This could result in the deferral of planned capital upgrades to the water system to meet existing and future peak demands. Reducing the use of potable water at NWECC would also result in less effluent being discharged to the marine environment and reduced operating costs. Reduction in the use of potable water is also a goal of the City's Integrated Community Sustainability Plan.	4. Focus on Management and Governance	One-Time	Sewer Reserve
16	580 - Sewer	Lift Station Auto - Cleaning	Installation of automatic wet well cleaning equipment in the lift stations. 2016- two units in #7 2017 -#17 and #2 2018-#12 and #14 2019-#13 See Appendix 3-Sanitary Sewer Collections System map for lift station locations.	Wet wells are currently washed-down manually to keep them free of grease and debris that builds up on the walls and pumps. This process is labour intensive and sometime involves confined space entry. The automatic cleaners would reduce the amount of labour and water required for wet well cleaning. Other benefits of this new process includes odour reduction, protection of equipment and wet wells, aeration (provides some pre-treatment, reducing the overall loading of the treatment plant), and improved operator safety.	4. Focus on Management and Governance	One-Time	Sewer Reserve
17	590 - Water	Water Conservation Plan	To create a water conservation plan.	A water conservation plan will enable the City to identify ways to effectively reduce water consumption and manage peak demands. These actions will result in decreased operating costs and deferred capital costs. Since the City of Campbell River has a water system that can only handle so much demand at any given time, a water conservation plan would enable us to manage the City's peak water demand more effectively, ensure sufficient water supply is available for fire protection, defer upgrades on infrastructure, and save on operational costs. A water conservation plan is an eligibility requirement for most senior government grant programs for water and wastewater projects. This plan will enable the City to apply for these grants in the future. Water has been identified through the Integrated Community Sustainability Plan as an integrated goal which is linked to the City's sustainability priorities such as climate and energy, ecosystem integrity, local economy, health and food sufficiency. The City has secured an Infrastructure Planning grant for \$10,000 (maximum, based on total project cost).	4. Focus on Management and Governance	One-Time	Water Reserve / \$10K Grant

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
BELOW THE LINE (Excluded from Financial Plan)							
18	502 - Planning & Development	Campbellton Planning Projects	The Campbellton Neighbourhood Association has requested \$7,500 for 2016 and \$7,500 for 2017 to continue to partner with Vancouver Island University to implement the Campbellton Neighbourhood Association Action Plan.	Campbellton Neighbourhood Association is looking for funding to partner with Vancouver Island University students to implement their neighbourhood action plan.	3. Focus on Livability	One-Time	TBD
19	311 - Legislative Services	Records Management Implement Privacy Policy	Implement recommendations of Privacy Assessment as a result of the Privacy Audit completed in the fall of 2015.	A Privacy Assessment will be completed this fall and the next steps will be to implement a Privacy Policy. NOTE: if a Records Management Coordinator Position is approved it will be their responsibility to oversee implementation of the Privacy Policy and this SLCR would not be required.	4. Focus on Management and Governance	One-Time	TBD
20	311 - Legislative Services	Records Management Review Complete Stage 1	Professional records management consultant to complete Stage 1 recommend solutions -Policy and Procedures to upgrade the City's corporate records management and filing system.	Council approved a \$20,000 one-time SLCR to hire a professional records management consultant to review, diagnose and recommend solutions to upgrade the City's corporate records management and filing system. The Consultant's report was completed in August, 2014 with recommendations and next steps for continued development of a new system. The balance of \$10,000 was carried over to 2015 to implement Policy and Procedures, however, this amount has been redirected to conduct a Privacy Assessment this fall as identified as a priority by staff. This will require an additional \$10,000 to implement Policy and Procedures for moving forward with step 2 of the development of a new records management system. NOTE: if a Records Management Coordinator Position is approved it will be their responsibility to oversee development of a new system and this SLCR would not be required.	4. Focus on Management and Governance	One-Time	TBD
21	322 - Fire	Auxiliary Fire Fighter Uniforms	To provide Auxiliary firefighters dress uniform consistent with career staff uniforms.	Currently dress uniforms are only provided to career staff and auxiliary officers. Providing standard dress uniforms to all auxiliary members is a strategic element for retention of auxiliary members. Enhancing retention of auxiliary members will lower operational costs long term.	3. Focus on Livability	One-Time	TBD
22	450 - Facilities	Tidemark Theatre Projects	Various improvements to signage and facade.		1. Focus on Relationships	One-Time	
23	446 - Property Management	Hospice Servicing Costs		Council deferred the following motion at the November 23, 2015 meeting: THAT Council approve an additional grant to the Campbell River Hospice Society in the amount of \$45,500 to off-set the increased utility servicing costs with the funds to be provided from Council Contingency; AND THAT Council approve an additional grant of \$12,803 to off-set the DCC's and Building permit fee for the expanded facility with the funds to be paid from the Community Land Development Account.	1. Focus on Relationships	One-Time	TBD
24	310 - Mayor & Council	Waterfront Area Design - 3 1/2 Acre Site	Detailed design and business plan based on Task Force recommendation.		2. Focus on Economic Growth	One-Time	TBD
25	310 - Mayor & Council	Waterfront Area Construction - 3 1/2 Acre Site	Develop the site per the design and business plan.		2. Focus on Economic Growth	One-Time	TBD
26	310 - Mayor & Council	Flag Poles - Spirit Square	Flag poles for Canada (tallest), British Columbia (medium), and changing community flag (shortest).		1. Focus on Relationships	One-Time	TBD
27	310 - Mayor & Council	Waterfront Trail - Baikie to Painter's Lodge	Design and extend trail from Raven Trail, through Baikie Island and Painter's Lodge.		3. Focus on Livability	One-Time	TBD
28	310 - Mayor & Council	Centennial Park Improvements	Pave the path and improve the hill.		3. Focus on Livability	One-Time	TBD
29	310 - Mayor & Council	Senior's Exercise Equipment	Add equipment to two parks.		3. Focus on Livability	One-Time	CWF/Matching Funds
30	310 - Mayor & Council	Sidewalk Improvements - Dogwood (12th & Evergreen)	Upgrade the sidewalks on Dogwood Street between 12th Avenue and Evergreen Road.		3. Focus on Livability	One-Time	TBD
31	310 - Mayor & Council	Sidewalk Improvements - Willis Road	Willis Road pedestrian improvements.		3. Focus on Livability	One-Time	TBD

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
32	310 - Mayor & Council	Beautification Grants - Cleanliness	Replace the existing grant-in-aid program with a matching-fund policy for the four area associations to access the \$10,000 grants. (No additional cost).		3. Focus on Livability	One-Time	TBD
33	310 - Mayor & Council	New Community Scorecard	A new reporting systems similar to the Vital Signs program in Victoria. The report will score Campbell River on it's livability and workability.		2. Focus on Economic Growth	One-Time	TBD
34	310 - Mayor & Council	Wooden Boardwalk 19A - Roberts Reach to Ferry	Temporary structure over existing sidewalk. It would be wider, more appealing, and can be removed or reused when long term upgrades to this section of road are done.		3. Focus on Livability	One-Time	TBD
35	310 - Mayor & Council	Maritime Heritage Centre Property	The City owned property immediately south of Maritime Heritage Centre.		3. Focus on Livability	One-Time	TBD
36	310 - Mayor & Council	Stairway between Dogwood and Cedar	Stairway between Dogwood and Cedar.		3. Focus on Livability	One-Time	TBD
37	310 - Mayor & Council	Maritime Heritage Centre to Hwy 19A Trail	To connect the pocket beach.		3. Focus on Livability	One-Time	TBD
38	310 - Mayor & Council	City Hall Parking Lot	To complete the Loop.		3. Focus on Livability	One-Time	TBD
39	310 - Mayor & Council	Forestry Task Force Operating Budget	Operating budget for the Forestry Task Force.		1. Focus on Relationships	One-Time	TBD

Taxation - New Services

40	321 - Police Protection	Police Information Check and Fingerprinting Support / Administrative Services	Administrative support services for Police Information Check and fingerprinting services.	Police Services processes an average of 12 paid employment PICs and 22 volunteer PICs weekly and each check takes approximately one hour to complete. The annual cost of resources to provide this service is \$65,101, and far exceeds the revenues recovered for paid checks (no fee for volunteer checks) of approximately \$25,000. This service is provided by one full-time Administrative Assistant which is secondary to the switchboard and reception services that the City is contractually required to provide under the Municipal Police Agreement. Due to increased switchboard and reception service demands, the processing time for PICs can take up to 12+ weeks. In addition, the Police Services department provides civil fingerprinting services required for employment, adoption, international travel, volunteer work, citizenship, name change, student placement or to obtain a record suspension (formerly pardon), and processes an annual average of 380 prints. Due to quality assurance checks integrated in the scanning software and the requirement to take separate prints for each individual application (i.e.. one set of prints each application for same person applying for employment and volunteer) the time to process prints has increased from 10-15 minutes for ink prints to 30-45 minutes for scanned prints. As resources are drawn from other operational areas to provide this service, the hours for this service are limited and people are required to return to the detachment the next day due to processing delays. There are no revenues to offset the approximate annual cost of \$9,000 to provide this service. The ongoing delays for PICs and fingerprinting have a direct impact on employment opportunities and student placement in the community, and loss of interest in volunteering.	1. Focus on Relationships	Ongoing	Taxation
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Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
41	311 - Legislative Services	Information, Privacy & Records Management Services	<p>Reporting to the City Clerk, the Information, Privacy & Records Management Coordinator will lead the develop of programs, policies, standards, procedures and bylaws in order to implement, manage and support a corporate-wide records and information management system and privacy framework that will meet the needs of the City, the public and the requirements of the Freedom of Information and Protection of Privacy Act (FOIPPA), including all other applicable legislation governing information, access, privacy and records.</p> <p>This position will develop, implement and maintain and support a corporate-wide records management system, including the classification, retention, retrieval and disposal of both the City's physical and electronic records throughout their lifecycle. The position will also be responsible to design and oversee implementation of an organizational-wide information and privacy framework to ensure adherence to applicable legislation governing information, access, privacy and records. The principal responsibilities of this position include ensuring compliance with provincial information and privacy legislation and established records retention standards; developing related policies and procedures; training of staff; and analysis of records and privacy requirements for municipal departments. This position will also manage the records archives and assist with archival research and Freedom of Information requests.</p>	<p>The City's records management database system is out of date and dis-jointed; it is run on a program (Microsoft Access) that will not meet the needs of the organization. Only two departments are currently using the correct classification system which has led to organizational inefficiencies in which multiple departments are spending unnecessary amounts of time locating historic documents. There is currently no records management bylaw or procedures and no means to search and locate all documents through a coordinated corporate-wide record management system. This has created risk management issues in which staff have been unable to locate records or have provided incomplete information. Developing and implementing a corporate wide records management and filing system will result in operational efficiencies and will reduce the City's exposure to loss.</p> <p>In addition to the City's records management system, the City is currently non-compliant with provincial privacy protection legislation. The City needs to implement policy, procedures and staff training related to the protection of privacy as legislated by the provincial government and have personnel that have the ability to coordinate and complete privacy impact assessments (PIAs) and provide advice and training to departments on privacy impacts and compliance issues with FOIPPA, where required.</p>	4. Focus on Management and Governance	Ongoing	Taxation
42	450 - Facilities	Discovery Pier Services	In-camera.	In-camera.	2. Focus on Economic Growth	Ongoing	Taxation
43	114 - Human Resources	Strategic Human Resource Management	<p>Fill organizational need for updated human resources programs and services in order to:</p> <ol style="list-style-type: none"> Focus efforts on staff development to build organizational resiliency, including workforce planning, in a sustainable manner; Build sufficient HR specialist expertise within a generalist model to support service expectations; Generate cost-savings as a result of a reduction in staff turnover, quicker response time to fill vacancies, improved labour relations and fostering a more engaged, productive workforce. 	<p>The demand for HR services has never been greater. The organization depends on HR to ensure suitable resources are in place to meet current and future strategic goals and operational plans. Workforce planning strategies, including learning and development plans and succession planning, have not been fully developed that are needed to create the resilient and responsive workforce required to deliver on the priorities of Council and the community. The nature of work that City staff perform is diverse, dynamic and changing and today's workforce needs to be able to respond to that. There are capacity issues across the organization and it is imperative that all staff are engaged, skilled and able to contribute at optimal levels.</p> <p>Labour Relations matters will continue to require a significant amount of focus, although hopefully it will move in a more strategic manner going forward. The City continues to work through the record number of CUPE grievances that were moved to arbitration in 2014 and 2015. In addition, changing legislation and workplace environment requires the City to ensure policies and procedures are in place and followed related to workplace conduct and that matters are followed up appropriately. Responding to these regulatory requirements and legal proceedings will mean that HR will continue to operate in a reactionary, process driven model that will result in reduced service levels throughout the organization.</p>	4. Focus on Management and Governance	Ongoing	Taxation

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
44	740 - Recreation & Culture	City Hall and Enterprise Centre Facility Services	Increase services in City Hall and the Enterprise Centre.	Currently, there is one FT Facility Services labourer working 40 hours/week at City Hall (CH) and the Enterprise Centre (EC). The Facility Services Supervisor conducted an evaluation of the cleaning and maintenance service level at these 2 buildings and according to the Association of Physical Plant Administrators (APPA) guidelines the minimum recommended standard of Level 2 (Ordinary) for public buildings is not being met. An additional 8 hours/week of labour is required to bring the standard up from a currently funded Level 4 (Moderate) to a minimum of a Level 3(Casual). Level 4 represents an environment that is lacking normal cleanliness, Level 3 represents a lowering of normal expectations and Level 2 represents the base level of cleanliness that should be maintained in a public building.	4. Focus on Management and Governance	Ongoing	Taxation
45	212 - Finance	Increased Tax Communications	In 2016, Finance would like to re-instate a professional graphically designed tax communication pamphlet that is included with the tax notice which will include Message from the Mayor, value added information on where tax dollars go, and on the back of the pamphlet an interactive map of Campbell River showing what is provided for services in the City including walking trails and parks. In future years these funds could be used to increase newspaper and radio advertising for PAWS and other tax communications, increasing the financial planning public outreach and other interactive communication strategies related to value for taxpayer dollars.	The Finance department is striving to increase taxpayer awareness of what City property taxes fund, how property tax rates in CR compare to other communities, and to correct common misperceptions around the annual tax notice.	1. Focus on Relationships	Ongoing	Taxation
46	740 - Recreation & Culture	Youth Ambassador Program	Youth Ambassador Program to promote youth leadership development and enhance safety and security at youth facilities.	The Recreation & Culture Department would like to provide a Youth Leadership development opportunity, which will start at the skate park and could potentially expand out to other outdoor facilities. Youth feedback from the public consultation conducted in 2014 expressed the need for free, drop-in, unstructured activities, at outdoor facilities that are well-maintained and safe environments. Unfortunately, multiple recorded incidents and anecdotal evidence from parents and youth, are indicating that the skate park is not a safe and welcoming environment, with drug smoking, drug selling, and aggressive behaviors being the kinds of incidents most often complained about. A skate park ambassador program would help to alleviate some of the negative behaviors and provide the opportunity for leadership and skill development, both for the ambassadors and for patrons who could benefit from instruction in skate boarding and BMX'ing from the ambassadors. This is a key step to creating a positive culture, especially prior to the bike skills park being added into the same area.	3. Focus on Livability	Ongoing	Taxation
47	532 - Roads	Weed Control and Street Cleaning	Council has expressed a concern with community aesthetics in the past. The Roads crews started 3 years ago a curbside cleaning program that includes the spraying of roadside/cub/sidewalk weeds on our main corridors. While this program is seeing some success, there could be additional work done. Staff are proposing additional spraying of these corridors and expanding the program in the future as budget allows. To assisting in this process, the City needs to insure on the ground follow-up and removal of the weeds once killed and additional street sweeping to assist in this process. While aesthetics are the visible benefit of this work, this also prolongs the life of the infrastructure by reducing the cracking and separating of the curbs and sidewalks.	Expanding this program will continue to make headway in dealing with roadside weed control and improved community aesthetics. The current program of spraying the weeds is starting to kill off the weeds, but without addition effort, re-growth and the spreading of the weeds will continue to happen.	3. Focus on Livability	Ongoing	Taxation

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
48	532 - Roads	Parking Lots - Enhanced Maintenance	The Roads Department maintains all of the parking lots in the City (regular and winter services). These services for Parks and Recreation Facilities were not previous included in the Roads budget. There is an increased expectation of both the public users if the facilities to see a higher level of service being performed and delivered. These additional services include addition grading and graveling of multiple parking lots, dust control at some facilities, and increased level of winter ice and snow control. The amount requested will allow the Roads Dept. to increase this level of service and deal with addition works requested. Service levels will be reviewed annually to insure funding supports this work plan. This budget was lowered approximately \$40,000 in 2011 to reduce operational budgets at that time. The level of service, at the reduced budgeted rate no long appears to meet the expectations of care, as well as the added services of the parking areas for Recreation and Parks.	The annual budget for parking lot maintenance does not cover the additional work required to deal with a number of the park's parking lots and facilities. The additional funds will allow for extra work and requests; and to be proactive at maintaining some of the areas that area of regular concern.	3. Focus on Livability	Ongoing	Taxation
49	502 - Planning & Development	Invasive Species Management Plan Implementation	Implementation of the Invasive Species Management Plan. The plan was adopted by Council in July 2015 and a resolution was passed to bring forward the implementation budget for discussion during budget deliberations.	Implementation of the Invasive Species Management Plan requires a budget for a part-time coordinator position (to be contracted, potentially in partnership with Greenways Land Trust - \$25 K), and funding for chemical control of knotweed; additional event pick up and disposal efforts as outlined in the Strategy; IAPP data entry catch up for previously treated sites (\$15 K/year first year; \$10 K/year for subsequent years). Focus is on addressing environmentally sensitive areas along the marine foreshore/estuary and in riparian areas. Not proceeding with these actions could lead to invasive species taking over environmentally sensitive areas and choking out native species in riparian areas. This would likely result in increased restoration costs in the long run (as has been the experienced of other communities).	3. Focus on Livability	Ongoing	Taxation
50	720 - Parks	Parking Lots - Landscape Maintenance	An increase to horticultural maintenance level standards at high profile parking lots to ensure public safety and appearance at these sites.	City owned parking lots (Maritime Heritage Centre, Cedar Street, Community Centre, Larwood Park, Rotary Park) need an increase in horticultural maintenance standards. Current service levels are leaving the parking lots unsightly and unsafe due to obstructed sightlines for public access and egress.	3. Focus on Livability	Ongoing	Taxation
51	720 - Parks	Integrated Pest Management Program	Additional resources are required to implement the Integrated Pest Management (IPM) program for turf management. At present the department does not have the resources necessary to properly implement the program. The City's IPM program for turf involves a number of components but the most important tasks are aeration, fertilization, top dressing, over-seeding and monitoring. When this IPM program is being performed the results are healthy turf grass, and safe and sustainable playing surfaces for sports and tournaments. Over the last few years the IPM has not been carried out due to lack of resources.	The result has been that the Parks Department has had to close fields to spray herbicides on our sports fields over the last two years to control turf disease and weed out breaks. Spraying herbicides are part of the IPM program but it is the last resort of the program, and does not look good for the City. With the continued lack of resources, spraying herbicides will need to done with increasing frequency becoming more and more a common maintenance item in our IPM program. Our sport fields were first to be affected, but if the Parks Department continues not applying the IPM program other turf areas will also be affected thus these areas will need to be spray with herbicides also.	3. Focus on Livability	Ongoing	Taxation
Other Funds - New Services							
52	570 - Airport	Business Development Opportunity Fund	Funding sensitive business ventures that will improve the airport and City operations.	In 2013 Council requested that funds be available to the Airport for ongoing business development opportunities.	2. Focus on Economic Growth	Ongoing	Airport Reserve
53	450 - Facilities	Energy and Water Consumption Reduction Projects	Retrofits to City facilities for the reduction of energy or water use.	Funding in the amount of \$100,000 from the Community Works Fund has been budgeted for small-medium sized energy retrofit projects on Civic facilities annually. This funding is excessive to the amount of projects that can realistically be undertaken each year. The reduced ongoing funding will also allow for projects that reduce water consumption and allow the City to leverage opportunities (particularly grant opportunities) that arise mid-year. As a signatory to the Climate Action Charter the City has committed to reduce our carbon footprint and GHG emissions. This funding allows for continual progress towards those targets.	4. Focus on Management and Governance	Ongoing	CWF

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
54	Water / Sewer	Utilities Public Outreach	<p>By using various types of programmatic tools and resources, the Utilities department wants to build public outreach partnerships to contribute to the broad public understanding of water and waste water issues and services. The selected topics for 2016 are sanitary sewer source control (fats, oil & grease issues), water demand and consumption (home water use audit kits, seasonal water demand & use), backflow prevention (water quality protection), source (water) protection (watershed clean-up, tours,...). These topics will be featured through different media such as website, printed material, newspaper, public events, etc.</p>	<p>Utilities departments in many communities are challenged by the disconnect that most residents have with the services they receive (water and sewer services) and the actual behind the scene activities that enable these services.</p> <p>The outcomes of a utilities public outreach program in Campbell River include reduced operational and maintenance costs, deferral of capital projects (upgrades, water treatment plant), public acceptance for infrastructure improvements, development of community partnerships, and most importantly creation of an awareness of local issues relating to our utilities. Feedback from funding programs indicates that communities with public outreach programs in place are more likely to receive grant funding for water and wastewater related projects, so this program will also increase opportunities for senior government funding for water and wastewater projects.</p>	2. Focus on Economic Growth	Ongoing	Utility Fees
55	Water / Sewer	Water Supply Project Operational Costs and Additional SCADA, Electrical, and Instrumentation Support	Additional operational costs for the new water supply facility plus additional SCADA, instrumentation, and electrical support for the water and wastewater systems. The first year includes a vehicle purchase; therefore, subsequent years will have less operating costs.	<p>The new Water Supply project will add new infrastructure to the City's water system that does not currently exist – water intake, pumps, an additional UV reactor, and on-site sodium hypochlorite generation. These new components require additional resources (labour, supplies, electricity, contractors) to operate and maintain. The new tasks include preventative maintenance, reactive maintenance, product delivery and handling, sodium hypochlorite solution preparation, operational monitoring, process control, and facility maintenance.</p> <p>In addition, the amount of SCADA, instrumentation, and electrical equipment from other new and recently completed water and sewer projects has increased. As a result, the resources required for adequately qualified personnel to perform regular preventative maintenance, troubleshoot problems, and complete repairs of this equipment has also increased. The existing workload is beyond the capacity of the existing resources, resulting in a backlog of work that will continue to grow as more technology is incorporated into the water and wastewater facilities, unless additional support is provided. These components are critical to the operation of the City's water and wastewater facilities and if not maintained adequately, can result in the failure of system components and increase the chances of improperly treated drinking water and wastewater, service disruptions to customers, release of untreated sewage to the environment, and increased operational costs associated with emergency responses.</p>	4. Focus on Management and Governance	Ongoing	Utility Fees
56	590 - Water	Water Preventative Maintenance Improvements	Requested funding is needed to increase preventative maintenance in the water system. First year includes vehicle purchase.	<p>An assessment of the required tasks for the maintenance of the water system has identified a significant gap in resources available to complete the workplan. Specific tasks that are not resourced adequately include:</p> <ul style="list-style-type: none"> -watermain flushing (improves water quality) -valve exercising, inspection and maintenance (ensures that valves are functional, minimizes loss of service, decreases damages due to main breaks, reduces delays for capital and development projects). <p>If the additional funding is not approved, there is continued risk of loss of service, increased risk of failure, potential for decreased water quality within distribution system.</p> <p>The assessment also compared the cost of contracting vs. using internal resources. Due to the nature of the work, only a small portion of the work could be contracted out and the estimated cost to contract out this work is approximately double what it would cost to resource internally.</p>	4. Focus on Management and Governance	Ongoing	Utility Fees

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
BELOW THE LINE (Excluded from Financial Plan)							
57	213 - IT	Increase IT Client Services	To meet the growing demand for technology service delivery and support, the IT department is requesting additional resources for client support services. This position will provide support to meet the growing demand on helpdesk support and GIS.	The last staff increase for the IT department was in 2009. Since 2009, helpdesk support requests have more than doubled (2009 - 1826, 2015 - 4224 estimated). Workstation (2009 - 286, 2015 - 400) and device (ex: printers, tablets, smart phones, etc.) support (2009 -143, 2015 - 581) has also increased substantially during this period. This marked increase continued even with the reassignment of the city's telemetry support to the Water department in 2013. Overtime and auxiliary (student) costs continue to rise due to the increased demand for helpdesk and GIS support. City IT staff have continued to maintain an effective response time for high priority support requests, alternatively, medium and low priority request response time has degraded to a challenging level and will degrade further in 2016 based on current staffing. Support staff vs. service delivery requirements will reach unsustainable levels in 2016 with the increased demand for service level support due to planned technology initiatives (ex: Municipal Broadband Network, city supported WIFI in facilities, paperless agendas, mobile device deployment, SCADA, etc).	4. Focus on Management and Governance	Ongoing	Taxation
58	321 - Police Protection	Major Crime and General Investigation Support / Administrative Services	Additional Administrative services for clerical and administrative support for the RCMP Major Crime Unit and General Investigation Section.	Due to recent court rulings, the requirement for document disclosure by Crown and defence counsel on police investigation files has increased exponentially. This entails reviewing and vetting all documentation for third-party information due to privacy legislation, as well as photocopying and scanning for large scale disclosure packages. This work is currently performed by RCMP officers working in the Major Crime Unit and General Investigation Section. It is estimated that officers spend approximately 15 hours per week preparing large scale disclosure packages, which represents a 0.4 FTE of the 43 members that the City currently funds to provide direct policing services to the community at an estimated cost of \$63,446 within the RCMP contract. The tasks being performed are clerical in nature and can be performed by an Administrative Assistant at an annual cost of \$26,580, which would allow the RCMP to maximize their ability to provide proactive policing services to the community within the approved contract strength. The impact of the current business model is a reduction of funded and staffed resources to provide policing services to the community.	2. Focus on Economic Growth	Ongoing	Taxation
59	321 - Police Protection	Increase to Video Analysis Services	Additional resources for video analysis services for extrapolation of video footage from CCVE systems installed at RCMP detachment and Dogwood Operations Center, and download and extrapolation of video footage from in-car cameras installed in police vehicles for retention and disclosure purposes.	The installation of the Closed Circuit Video Equipment (CCVE) in all areas where prisoners are dealt was completed in 2015 in compliance with direction from the Solicitor General of BC. As a result of new security requirements governing access to the system, the storage location is outside of the cellblock area and access is limited to a designated individual for extrapolation and downloading of the footage. This work was previously performed by Police Guards at their workstation in the cellblock and is now being performed by an RCMP officers. There are approximately 52 requests for footage processed annually and it takes anywhere from 45 minutes up to many hours to download video footage depending on how long the identified prisoner is in the building and which cameras have recorded them. In addition to the CCVE system at the RCMP, City staff at the Dogwood Operation Center process approximately 50 requests annually for video from the IP based network video surveillance cameras installed at various locations throughout the City. These requests tripled from 2012 to 2013 onwards as a result of requests from the RCMP for footage from cameras installed in areas where criminal activity is high (i.e.. graffiti and vandalism at Sportsplex) in support of recommending charges to Crown. These requests take many hours of staff time, especially in the instance where they are looking for specific activity that may have occurred sometime over a span of days. Lastly, as part of its policing operations, the RCMP is required to download and extrapolate video footage from the cameras installed in each police vehicle for legislated retention and disclosure purposes. This work is currently performed by an RCMP officer. It is estimated that the officer spends approximately 10 hours per week performing this task. These video tasks being performed by RCMP officers could be performed by a Video Analyst at approximately 48% of the cost of an RCMP officer, which would allow the RCMP to maximize their ability to provide proactive policing services to the community within the approved contract strength.	2. Focus on Economic Growth	Ongoing	Taxation
60	322 - Fire	Auxiliary Fire Fighter Compensation	Increase to Auxiliary fire fighter compensation for fire practices to align with our comparable communities.	As part of the fire planning process it was identified that the department needs to focus on recruitment and retention of the auxiliary fire fighting force as they are an important element of the composite fire service model. Current compensation of \$13.25hr for auxiliary fire fighters and \$13.50hr for auxiliary officers is well below the average of \$17-\$20 per hour our comparable communities compensate.	3. Focus on Livability	Ongoing	Taxation

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
61	322 - Fire	Increase to Firefighting Services at No 2 Hall	Staff No 2 Fire Station with a four person crew; 24 hours per day, 7 days per week.	The fire planning process identified critical service level issues in the southern portion of the City. Currently the No 2 Fire Station is comprised of auxiliary on call fire fighters only. In 2014, 27% of emergency incidents (all during day time hours) in the #2 Fire Station service area resulted in no response from the auxiliary members. Implementing an innovative, cost effective staffing model consisting of a 2 person crew during day time hours will eliminate the critical service level gap during day time hours. In addition, eventual staffing No 2 fire station 24 hours a day will reduce response times below the 10 minute limiting distance requirements for the BC Building Code and eliminate the need for developments to meet the BC Building Code requirements for limiting distance where fire response is over 10 minutes in the south end of the City.	3. Focus on Livability	Ongoing	Taxation
62	450 - Facilities	Increased Security for Downtown Core	Increase in the number of hours of private security patrol in the downtown core from ~2,500 annually to 3,300 annually, an increase of 15 hours per week.	The existing budget for the downtown security patrol allows for 56 hours of roving coverage per week in the summer and 48 hours per week in the winter (no patrol on Sundays). There has been a perceived increase in the need for security services in the downtown core for 2015, particularly in the cultural precinct and in City owned facilities, namely the CRCC, Library, outdoor downtown washrooms and Spirit Square. RCMP reports a steady and significant increase in public intoxication calls in the downtown core since 2010 including a 39.5% increase in 2015 over the previous year. While additional security allows for additional "eyes on the street" and a level of comfort to staff and the public in the downtown core where problems persist relating to homelessness, public intoxication and loitering, it does not address the problems themselves.	2. Focus on Economic Growth	Ongoing	Taxation
63	502 - Planning & Development	Front Counter Resourcing Service	Administrative support services for Community Planning and Development Services department.	On a monthly basis, the Community Planning & Development Services Department front reception currently services: 200 property file requests; 60 cash transactions; 350 general counter inquiries; 700 phone calls. To provide this service with an average wait time of under 5 minutes per customer (prior to being serviced), this requires at least two staff at the front counter at all times. To meet these service needs in 2015, the department has been relying on auxiliary staff. With the existing staffs core duties (planning application processing, business licensing and building permit application processing) and the volume of front counter inquiries, the department requires 161.75 hours/week of staff time and currently only has the capacity of 105 hours/week. An additional staff person would provide an additional 35 hours/week, and would help the department to continue to offer this level of service. Without an additional position, land use/development inquiries will have to take a number and could be waiting as much as 10 to 15 minutes before receiving service. As well, technical staff (building/planning/engineering staff) will have to take on core administrative duties such as application processing, statistic tracking, invoicing and other tasks. This will result in a reduction of internal policy development, planning projects and special project work and may include the need to cancel or reduce programs such as the Youth Action Committee, Downtown Revitalization Tax Exemption and Downtown Façade Improvement Program, and some of the City's waste, energy and environmental programs. Without additional front counter resources, existing staff will likely experience increased stress and burn-out.	2. Focus on Economic Growth	Ongoing	Taxation
64	720 - Parks	Trail / Walkway Maintenance Program	To provide safe and hazard-free Trails/Walkways throughout the community with a maintenance program.	The Parks Department is responsible for the 43km of City trails and walkways within the community. With the increase in the number of seniors and active people in the community, trails and walkways are being used at an increasing rate every year. At present, the Parks Department has no budget to do annual maintenance and inspections. This situation exposes the City to a liability risk from injuries to the public. The maintenance program is important to the long term viability of the trail systems.	3. Focus on Livability	Ongoing	Taxation
65	720 - Parks	Parks Arborist Services	To protect and maintain the City's large investment in urban forest infrastructure.	The urban forest is a critical component in the overall aesthetic of the community and makes a significant contribution to quality of life for our citizens. The urban forest also contributes to sustainability through carbon capture. Included in the urban forest inventory are street trees in the downtown core and business areas, street trees in residential developments, boulevards and parks, and trees on city owned right-of-ways. This inventory continues to grow annually with new residential development and downtown revitalization projects such as the Alder/St. Ann's project. Funding for the Alder/St. Ann's project has been allocated but the Parks Department does not have any resources or budget to maintain and manage other areas. Funding for Arborist services within the Parks Department will enable the Department to properly maintain and protect this important asset.	3. Focus on Livability	Ongoing	Taxation

Index	Department	SLCR Name	SLCR Description	SLCR Justification	Relation to Strategic Priorities	One-Time / Ongoing	Funding Source
66	720 - Parks	Spirit Square Washroom Maintenance	With the increase of homeless population in the downtown core, Spirit Square washroom cleaning service levels need to be increased from two times a day to eight times a day.	At present the Spirit Square washrooms are cleaned twice a day by a contractor. The City receives complaints from the public about the condition of the cleanliness of the washrooms. Cleaning every two hours will provide the public with clean and safe washrooms. These washrooms also are often vandalized and repairs are needed to keep them in service.	3. Focus on Livability	Ongoing	Taxation
67	720 - Parks	Centennial Park Washroom Services	To provide better customer service to park users by increasing the number of months Centennial Park washrooms are open.	Centennial Park is very active from April to October. At present the washrooms are open when the out door pool is open which is normally from mid June to the end of August. Increasing the opening of the washrooms in the Centennial Pool building from three months to seven months will provide washroom service when the pool is closed for the season.	3. Focus on Livability	Ongoing	Taxation
68	740 - Recreation & Culture	Additional Facility Services at Sportsplex	An additional 6 hours/week of facility services labour.	Based on feedback from the public consultation conducted in 2014, program staff are offering differently timed programs for the community at the Sportsplex and currently, there are no facility service workers scheduled to accommodate for these changes. The supervisor has provided a band aid solution which involves cutting back on some weekend cleaning time to provide staff for the programs and rentals mid-week and this is not a sustainable solution. An additional 6 hours/week of facility services labour would accommodate the changing service needs mid-week and allow for the regular maintenance schedule to be maintained.	4. Focus on Management and Governance	Ongoing	Taxation
69	740 - Recreation & Culture	Spirit Square Maintenance	The Recreation and Culture Commission considers Spirit Square programming to be integral to the social and cultural fabric of the community. Spirit Square has proven to be a very positive venue for the development of local artists, fund raising for local community organizations and socializing for the many different and diverse demographics of our community. The Commission believes additional funding will build on this success and further enhance the positive contribution Spirit Square programming make to our community.	Increase to the Spirit Square budget for 2016 in order to continue to enhance the contributions Spirit Square programming makes to our community.	1. Focus on Relationships	Ongoing	Taxation
70	322 - Fire	Auxiliary Fire Fighter Critical Illness Coverage	Auxiliary firefighters critical illness health insurance.	The fire planning process identified that the department needs to focus on recruitment and retention of the auxiliary fire fighting force as they are an important element of the composite fire service model. The auxiliary members play an integral part of the composite fire model, ensuring the Department protects its members health and wellness related to the work environment is very important. The implementation of a critical illness health insurance program will support retention strategies and lower long term operational costs.	3. Focus on Livability	Ongoing	Taxation
71	322 - Fire	Increase to Fire Prevention Services	Additional fire prevention services.	The fire planning process identified the need to improve fire prevention services to the community in order to meet important legislative mandates under the Fire Services Act. The current fire inspector is unable to meet the specialized fire prevention needs of the community. The majority of code compliance inspections are being conducted by fire crews who split up enabling them to complete 3 times the number of inspections done by one inspector. Specialized fire prevention activities including development review, fire safety plan review, fire investigation, and public education programs are compromised due to prioritized high risk property code compliance inspections.	3. Focus on Livability	Ongoing	Taxation
72	310 - Mayor & Council	New Social Grants	A new grant-in-aid program for community social initiatives.		3. Focus on Livability	Ongoing	Taxation
73	310 - Mayor & Council	New Social Procurement Policy	Proactively leverage existing spending to improve social outcomes in the community.		2. Focus on Economic Growth	Ongoing	Taxation
74	310 - Mayor & Council	Snow Removal - Major Sidewalks and Transit Stops	Snow removal of major sidewalks and transit stops.		3. Focus on Livability	Ongoing	Taxation

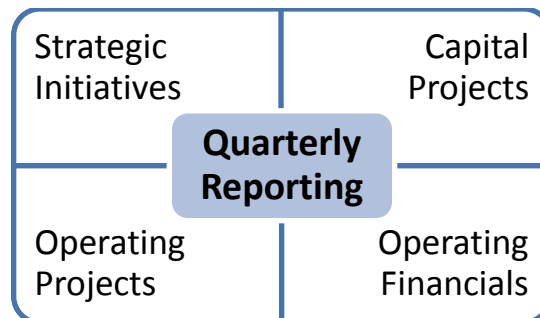
To: City Manager
From: Ron Bowles, GM Corporate Services
Authored By: Alaina Maher, Finance Reporting Supervisor
Date: May 16, 2016
Subject: **Corporate Progress Report – Q1 2016**

Recommendation:

THAT the Corporate Progress report for the first quarter (January 1-March 31) of 2016 be received for information.

Background:

In an effort to support Council's strategic plan and commitment towards long-term financial planning, staff will provide regular progress updates to Council. Previously, quarterly financial and strategic reporting was provided separately. Staff have streamlined reporting to formulate one quarterly report to update Council on all City initiatives, which include ongoing strategic initiatives, capital and operating projects, and operating financials. As a result of this consolidation, any strategic initiatives that were approved as operating or capital projects during financial planning can be found in the corresponding Appendix.



Discussion:

Strategic Overview from the City Manager

The City's efforts in the first quarter of 2016 have focused on laying the foundation for delivering the next phases of Council's ambitious strategic plan. With a fully prescribed program there is very little room to manage unanticipated issues that arise. In the first quarter of 2016 unanticipated issues included the homeless protest camp and marijuana dispensaries opening in Campbell River. It is anticipated that the 2nd quarter of 2016 will require further analysis of projects and priorities in order to ensure that Council and staff can most effectively deliver the 2016 capital and operational program.

Setting the stage for success in delivering upon the 2015-2019 Strategic Plan has been the predominant effort early in the year as many high-level plans are being updated or developed.

Continued...

With the vision to advance on-the-ground projects in the remainder of the year, first quarter planning activities include the Official Community Plan and Zoning Bylaw Review, Urban Forest Management Plan, Asset Management Strategy, Tourism Review, Airport Master Plan, Economic Development Restructure, Public Arts Committee initiation, Waterfront Task Force Terms of Reference, Forestry Task Force, Fire Services Plan, Downtown Small Initiatives Program and a Corporate Strategic Plan Review. Council and management staff worked tirelessly on these initiatives resulting in a very productive first quarter.

Winter infrastructure project work has also been active with progress on the water supply project, sewer treatment facility upgrade, municipal fleet renewals and many others. On the community service delivery front, the City has been successful in receiving additional resources from BC Housing to address the homelessness situation, negotiating a much-improved recreation booking software contract and developing a business plan for a municipal broadband network.

With the stage set in the first quarter with a strong foundation of plans and new initiatives, I am confident that 2016 will be a progressive year for the City of Campbell River.

Deborah Sargent, City Manager

Reporting for strategic initiatives and operating and capital projects has been segmented into Council's four strategic pillars (see Appendices 1-3). The diagram below summarizes the number of initiatives in each pillar and identifies how many of the initiatives have been completed for the first quarter of 2016.

Ongoing Strategic Initiatives Report (Appendix 1)

Staff have committed to quarterly progress reporting for strategic initiatives that support Council’s 2015-2019 Strategic Plan. The reported strategic initiatives are foundational ongoing endeavors focused on achieving Council’s strategic long-term goals. These are not necessarily ‘business as usual’ tasks, they are critical initiatives which are key to improving the City’s delivery of Council’s Strategic Plan. As such, capital and operating projects, as well as minor tasks are excluded from this report. Appendix 1 provides specific tasks, measures, and results of strategic initiatives to ensure Council is apprised of progress made towards its strategic plan.

Staff have used the following legend to identify phases of an initiative and/or project lifecycle (see Appendices 1-3).

Project Status	Description
A	Not Started
B	Planning / Request for Proposal / Design
C	In Construction / In Progress
D	Completed / In Use
Z	Delayed

Capital Projects (Appendix 2)

As at March 31st, the total capital spend is at \$2,843,314 compared to the approved budget of \$44,157,198 (6% of the 2016 capital plan). First quarter capital expenditures are trending higher than in 2015 where there was \$1,040,156 spend from a total budget of \$27,000,560 (4% of the 2015 capital plan).

It should be noted that Fire’s ladder truck replacement went over budget by \$401,195 (see Appendix 2, index 21); however, the majority of this variance has been covered by offsetting foreign exchange gains as the City purchased USD in 2014 when the truck was ordered. Specifically, the budget variance is comprised of \$306,343 of USD exchange gains and \$94,852 related to PST and additional required equipment purchases. Canadian public sector accounting standards require the truck to be recorded at the cost when acquired; as such, the 2016 capital expense is higher due to the rapid decline in the Canadian dollar with an offsetting foreign exchange gain in operations (see Appendix 4).

The majority of construction for capital projects occurs during the summer months, resulting in an active second and third quarter. Please see Appendix 2 for further comments in regards to project activity.

Fund	Q1	Budget	% of Budget
General	\$2,234,833	\$16,118,526	14%
Airport	23,415	1,465,584	2%
Sewer	294,228	5,358,163	5%
Water	290,838	21,214,925	1%
Total	\$2,843,314	\$44,157,198	6%

Operating Projects (Appendix 3)

Given the strategic importance of one-time service level change requests (SLCRs), quarterly reporting will now include additional detailed reporting on these projects. Operating project status updates, comments and financials are provided in Appendix 3.

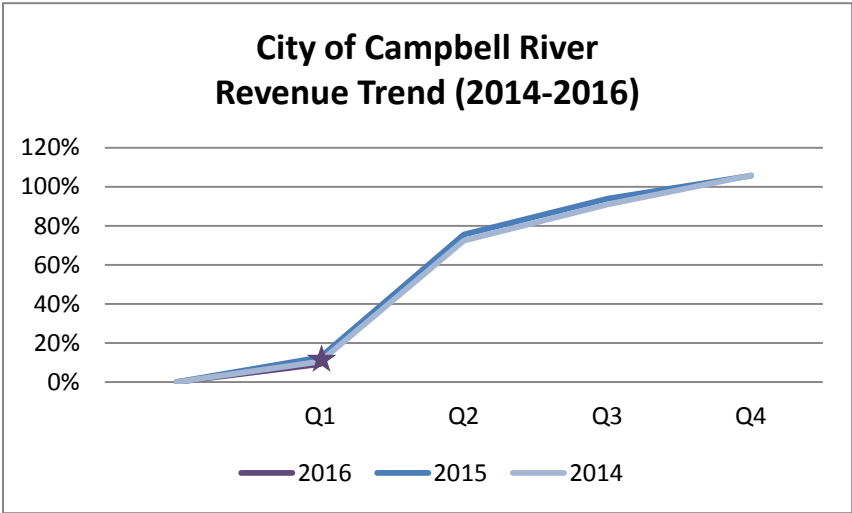
Fund	Q1	Budget	% of Budget
General	\$57,188	\$1,204,170	5%
Airport	6,664	130,000	5%
Sewer	12,708	295,000	4%
Water	-	55,500	0%
Total	\$76,560	\$1,684,670	5%

Operating Financial Report (Appendix 4)

As a prudent means of fiscal management and good financial controls, quarterly financial reporting is provided to Council. Appendix 4 provides operating results for the City and contains 2016 budget figures, 2016 and 2015 actual results as at March 31st, as well as budget variance percentages. This is included to give Council an overview of how operating revenue and expenses have been managed, with the general expectation that approximately 25% will be earned and expended in the first quarter. This is an approximation and variance may occur based upon unanticipated changes to operations, as well as the cyclical nature of revenue and expenses; therefore, a trend analysis between 2015 and 2016 is also provided for comparison. It is important to note that the report does not include financial information that provides minimal value on quarterly basis. Excluded data includes: tax revenue, cost allocations/internal administration charges, debt servicing and amortization.

Revenues:

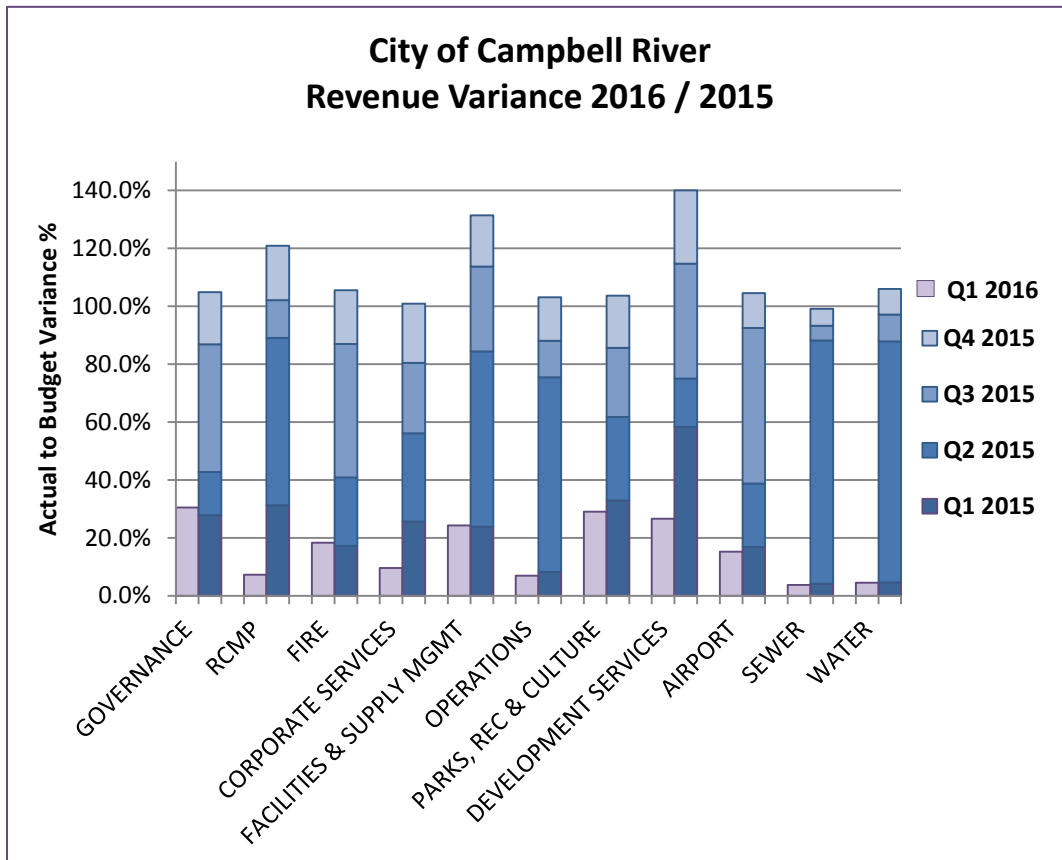
As at March 31, 2016 only 9% of the annual budget has been collected. Activity this quarter is not a concern of management, as results are within the expected cyclical activity of the City and revenue is typically lower for local governments in the first quarter. The below chart compares how actual to budget variance percentage for City revenue has trended from 2014 to 2016; as of the first quarter of 2016, revenue is on trend with previous years.



Operating revenues with a variance greater or less than 5% have been analyzed below:

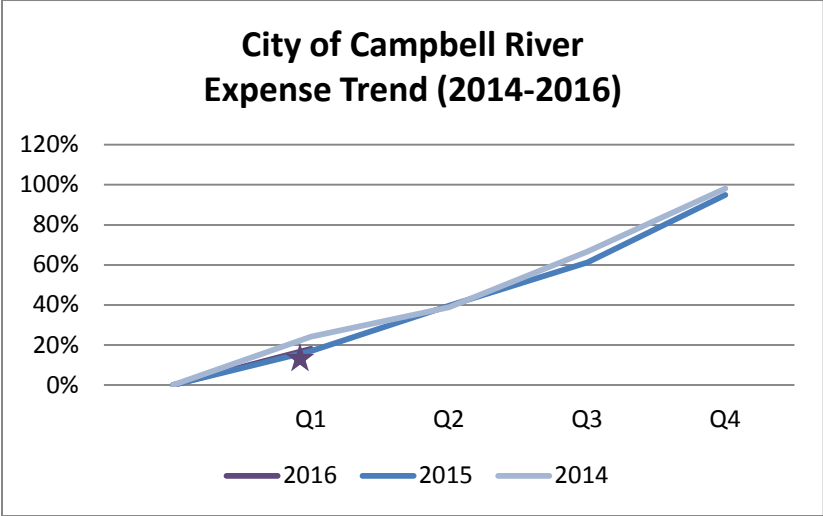
- Governance is trending higher than expected due to additional animal control license fees collected in the first quarter.
- RCMP is trending less than anticipated due to a timing difference with the receipt of provincial funds for traffic fine revenue from the strategic community investment fund.
- Fire revenue for services rendered has not been received in full, this is similar to 2015. Payments are received in the second and third quarter from First Nations and the Strathcona Regional District.
- Corporate Services is trending similarly to 2015. Campbell River Indian Band servicing agreement fees are historically received in June, causing revenue to be low in the first quarter.
- Development Services is within expectation. It is trending lower in 2016 due to additional revenue collected in 2015 from the hospital building permit.
- Airport revenue is expected to increase in summer months due to heightened activity. Revenue is trending comparably to 2015.
- Flat rate user fees for Water, Sewer and Solid Waste have not yet been collected causing revenue to be low in the first quarter. There is also a \$200,000 grant budgeted in Sewer for the Liquid Waste Management Plan that has not yet been received.

The below chart compares how each segment's actual to budget variance percentage is trending as of the first quarter in 2016 compared to 2015. The first quarter of 2016 is trending similarly to 2015; therefore, it is anticipated that the City will meet budgeted revenue by the end of the fiscal year.



Expenses:

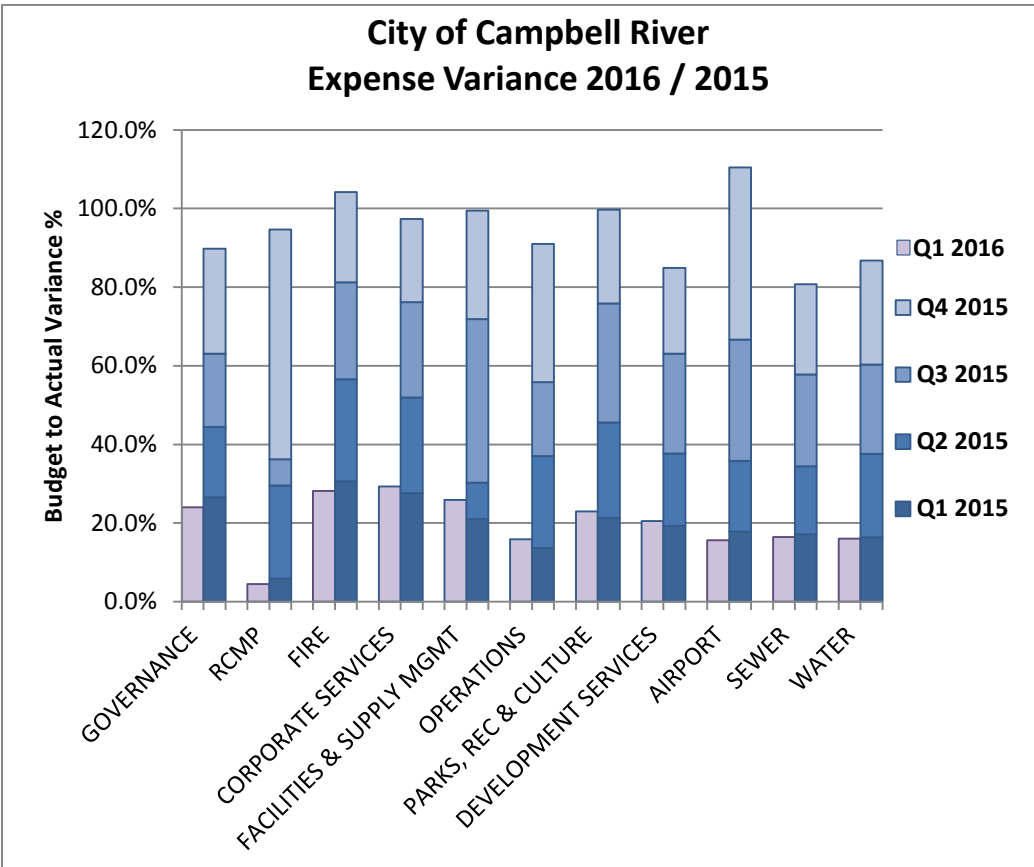
Overall, operating expenses are low to date at 18% of the annual budget. There are several expenses related to planned future activity which are the result of seasonal operations. The majority of these expenses are anticipated to take place in the second and third quarter, as depicted in the below graph outlining budget to actual variance percentage from 2014 to 2016. Additionally, the City budgets its labour in full; consequently, labour vacancies have caused operating budgets to be underspent.



Operating expenses with a variance greater or less than 5% have been analyzed below:

- RCMP is trending similarly to 2015 due to a timing difference with the first quarter invoice for police protection having not yet been received/processed. It is anticipated that expenses will align with budgeted figures.
- Corporate Services variance is slightly higher than expected due to the purchase of IT software licenses. This is on trend with 2015, as the majority of licenses are expensed at the beginning of the year.
- The Operations segment has timing differences for transit and solid waste contract services, as well as supply variances for anticipated projects that will begin in April; this is on trend with 2015. Labour vacancies and the seasonal nature of work completed in Roads and Transportation, are also contributing to the variance.
- Airport expenses are lower due to decreased purchase of fuel. This will increase in correlation with fuel sales in the summer. There is additional seasonal work that will be completed during the second and third quarter, which is on trend with 2015.
- Sewer is under budget as a result of operational projects that are planned to start in future quarters (e.g. Downtown Readiness Review, Chemical Grouting, CCTV Inspections, Biosolids land application, Receiving Environment Monitoring, Liquid Waste Management Plan).
- Water is under budget due to projects that are planned to begin in the second and third quarters (e.g. public outreach, water conservation plan, downtown Readiness Review). Several labour vacancies are also contributing to the variance.

Management has not identified any concerns to bring to Council's attention. Financial results are within expectation and expenses are trending similarly to 2015, as depicted in the below graph. It is anticipated that the City will be on budget by the end of the fiscal year.



Conclusion:

It is important for Council to be kept apprised of City initiatives; therefore, Staff have continued to develop and enhance reporting tools provided to Council by revising quarterly reporting for 2016. The quarterly report provides Council with a comprehensive overview of the City's progress towards strategic initiatives and projects, including financial results for the first quarter. The report is a good source of project specific information, provides financial management by comparing actual results against approved budgets, and measures the City's performance on its progress towards achieving Council's strategic priorities.

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Attachment: Corporate Progress Report – Q1 2016 (Appendices 1-4)

Index	Dept	Strategic Action	Status	Measures	Results (as at May 16, 2016)
Focus on Relationships					
1	Executive Leadership	Improved Communications with First Nations	C	Shared information sources.	Various meetings held; communities now receiving Council meeting updates.
2	Finance	Grant Policy	B	Develop a corporate grant policy; include social grants.	Completed some preliminary planning on types of grants provided by the City and reviewing other local government policies for best practice. Expected completion by Fall 2016.
3	Mayor & Council	Community Health Network	C	Maintain representation and ensure City interests are heard. Establish relationships and partnerships.	Attended the January Community Health Network meeting.
4	Multi - Department	Sobering Assessment Centre	C	Identify suitable location and provide land. Operational facility.	Discussions taking place; reviewing appropriate location for facility.
5	Multi - Department	User Fee Review	D	✓ RCMP fees reviewed.	Fees reviewed; Council motion passed that current fees and charges remain in effect.
			C	Sport field user fees reviewed.	Report provided to Council; review underway and discussions taking place with field user groups.
			A	Parks and outdoor facility fees reviewed.	2017 initiative.
			A	Indoor recreation facility fees reviewed.	2017 initiative.
			A	Recreation program and membership fee review.	2017 initiative.
			A	Water user fees reviewed.	2017 initiative.
			A	Sewer user fees reviewed.	2017 initiative.
			B	Storm user fees reviewed.	Preliminary work is underway to establish a storm water utility to provide sustainable financing for long term improvements to the system.
			A	Solid Waste user fees reviewed.	Contract extension approved until end of 2017. Fee review will be completed with new contract in 2018.
			D	✓ Airport fees reviewed.	Review completed in February, rates to remain the same.
A	Recreation – resident vs. non-resident user fees reviewed.	2017 initiative.			

Index	Dept	Strategic Action	Status	Measures	Results (as at May 16, 2016)
6	Multi - Department	Municipal Service & Maintenance Agreements	B	Servicing Agreements with First Nations.	In discussions.
			B	Area D Water Supply.	Discussions to be continued with new CAO.
			A	Area D Water Maintenance.	Not started.
			B	Area D Transit.	Discussions to be continued with new CAO.
			A	Area D Fire Services.	No work has occurred on this issue.
			D ✓	SRD IT Support.	1 year term contract renewed in March 2016.
			B	Pacific Regeneration Technologies (PRT) Growing Services.	Planning taking place, agreement to be reviewed in Q3/Q4.
			D ✓	Capital Power.	Agreement approved by Council. Completed
7	RCMP	First Nations engagement	B	Update letter of expectations with Bands.	To be completed in June.
			B	Involvement with Bands in youth activities / presentations / programs.	In progress.
			C	Ongoing communication with Bands (First Nations Policing member and Detachment Management).	Monthly completion of Aboriginal Policing Reports.
8	Rec & Culture	Recreation Infrastructure – Financial Inequities	A	Recreation delivery model review completed. Develop financing strategy.	2017 initiative.
9	Rec & Culture	Collaboration with Wei Wai Kum Youth Programs	C	One combined activity per month.	Partnered on Youth Week event, as well as on Gathering Place Weekly (an average of 7 Wei Wai Kum youth attend weekly).
10	Rec & Culture	Community Centre Risk Management Working Group	C	Reduce number of incidents involving vulnerable sector from prior month.	Banned two individuals. Incidents in April have increased over prior month (January - 10 incidents, February - 22 incidents, March - 11 incidents, April – 15 incidents).
Focus on Economic Growth					
11	Airport	Airport Master Plan Review	C	Plan endorsed.	Joint working session held between the Commission and Council; awaiting final edits on Master Plan.
12	Economic Development	Economic Development Restructure	C	Recruit new Economic Development Officer (EDO). Bring function in-house. Develop budget. Transition planning with Campbell River Economic Development Corporation.	EDO starting May 16; budget approved in March.

Index	Dept	Strategic Action	Status	Measures	Results (as at May 16, 2016)
13	Economic Development	Restructure Tourism Function	C	Identify options for service delivery. MRDT application.	Consultants have held two meetings with Council; community consultation underway.
14	Multi - Department	Graffiti Control	C	Bylaw amendment. Increase responsiveness for graffiti removal.	Bylaw amendment completed to include graffiti removal from dumpsters on private property. Seasonal staff currently undertake greater removal in the Spring and Summer.
15	Multi - Department	Sign Bylaw Update	B	Bylaw endorsed by Advisory Planning and Environment Commission (APEC) & adopted by Council. Guidebook developed. Sign incentive program developed in 2017.	Community survey complete and project underway in conjunction with downtown planning.
16	Planning & Development	Development & Building Application Processing Review	C	Building development and community engagement. Survey Completed. Analyze data. Amend processes.	Building Applications currently being revamped based on review. Planning Applications updated. Building Function review commencing with external building consultant.
17	Planning & Development	Business Licence Review	B	Survey sent to 2,200 businesses. Determine appropriate fee structure. Report to Council.	Survey sent out April 25 to businesses with follow up email blast on April 29.
18	Planning & Development	Building Bylaw Update	B	Align bylaw with Building Act. Reviews City processes. Identifies resource management strategy.	Bylaw review scheduled for fall 2016/early 2017.
19	Planning & Development	Builders & Developers Forum	C	Quarterly forums with 10 or more participants.	One forum has been held in 2016 on the Building Code and Energy Efficiency. Close to 50 builders attended and the feedback was positive. Staff anticipate holding quarterly Builder & Developer forums.
20	Planning & Development	Downtown Revitalization Tax Exemption Application	C	One new development application per year.	Discovery Sound Investment Holdings Inc. application received for Tye Plaza Residential; Council has resolved to enter into agreement for tax exemption.
Focus on Livability					
21	Parks	Urban Forest Management Plan	D ✓	Action plan developed and adopted.	Plan approved in principle by Council, staff coming back to Council with recommendations for actions.
22	Parks	Bike Park	C	Supply land. Review plans. Support society.	Willow Point location approved by Council. Frisbee golf hole #10 relocated.

Index	Dept	Strategic Action	Status	Measures	Results (as at May 16, 2016)
23	Planning & Development	Soil Deposition Bylaw Update	B	Technical review. Engagement through advisory commissions. New Bylaw is approved and easily understood by the community.	Draft Soil Deposition Bylaw has been reviewed by APEC.
24	Planning & Development	OCP/Zoning updates	B	Active community involvement in consultation process (4 public consultation events for OCP and 3 for Zoning Bylaw). Proposed amendments reviewed and endorsed by APEC.	Two public consultation meetings completed.
25	Planning & Development	Campbellton Riverfront Viewing Platform	D ✓	Plan completed.	Plan completed by Campbellton Neighbourhood Association. Additional consultation is required.
26	Planning & Development	Waterfront Development Permit Guidelines (3.5 acre site)	B	Waterfront Task Force to review Waterfront Development Permit Guidelines. Staff to present to CRIB for review (2017).	Draft guidelines completed and needs to be incorporated into the OCP.
27	Rec & Culture	Age-Friendly Steering Committee	C	Age-Friendly Assessment and Action Plan.	RFP issued by steering committee for consultant to conduct the work.
28	Rec & Culture	Move for Health and Active Age Programs	B	Obtain data to measure baseline activity level and mobility in senior program participants. Obtain research final results.	Measurement of initial mobility completed. Final measurements to be obtained at end of program (June for Active Age and September for Move for Health).
29	Sewer	Odour Control Study	A	Odour Control Study complete. Recommendations for improvement incorporated into budget and work plan.	Awaiting consultant report to define the scope of the project.
30	Water	Formalize Cross-Connection Control Program	B	City facilities completed. Formalized program developed.	Formalized program developed. Plumber registered, standardized documentation completed and existing City devices in compliance. DOC, database and gap identification pending.
Focus on Management and Governance					
31	Finance	Financial Stability and Resiliency Program	C	Develop a debt policy.	Debt policies for other municipalities researched; City debt policy being developed with expected completion by early Fall 2016.
			A	Review City's investment policy.	Not yet started, expected completion early Fall 2016.

Index	Dept	Strategic Action	Status	Measures	Results (as at May 16, 2016)
32	Fire	Fire Services Review	D ✓	Fire Services Review received by Council (1st Stage); individual Strategic Issues with plans endorsed by Council (2nd Stage).	Full day workshop held to clarify findings of staff review. Fire Services Review document forwarded to Council for receipt.
33	Multi - Department	Asset Management Plan	B	AM strategy adopted. Implementation plan adopted. Identified centralized data storage platform.	Draft strategy formulated, presenting to Council for approval.
34	Multi - Department	Community Engagement	D ✓	Develop recognition process. Host annual awards event.	Community builder awards presented.
35	Multi - Department	Pursue Customer Service Improvement program	B	Review customer service certification options. Recommendations for implementation.	No suitable off-the-shelf programs for local government have been confirmed. Research on options continues.

Index	Dept	Capital Project Name	Status	Comments (as at May 16, 2016)	YTD	2016 Budget
Focus on Relationships						
1	IT	Recreation Management Software	C	Signing contract for implementation December 2016.	889	206,119
					\$ 889	\$ 206,119
Focus on Economic Growth						
2	Airport	Airport Sign	C	In construction, estimated completion in Q2.	-	77,000
3	Airport	Fueling Facility	B	In design phase.	7,593	1,205,000
4	Airport	Parking Machine	A	Not started.	-	20,000
5	Planning & Development	Building Inspector Vehicle	C	Vehicle ordered.	-	30,000
6	Facilities	Abatement and Demo of Two 10th Ave Houses	C	Tender closed; to be demolished in May.	1,885	45,000
7	Parks	Big Rock Boat Ramp	Z	Grant application for funding denied. Referred to 2017 financial planning.	-	1,000,000
8	Parks	Logger Mike	B	Wood acquired, carver recruitment in final stages, public relations initiated.	1,412	25,000
9	Parks	Frank James Park Design	C	Design tender out; combined with Nunns Creek park master planning process.	-	35,000
10	Sewer	Lift Station #10 Upgrades	B	Completing design, fall construction.	1,948	130,000
11	Water	Walworth Booster Pump Station	B	Pending water system strategic action plan update; location, size, and timing to be confirmed	-	496,278
					\$ 12,837	\$ 3,063,278
Focus on Livability						
12	Airport	Reduced Visibility Lighting	D ✓	Final report submitted.	15,822	103,584
13	Facilities	Discovery Pier/MHC Main Sign Replacement	Z	Project deferred per Council; budget allocated to space planning.	-	50,000
14	Facilities	Discovery Pier Structural Repairs and Refurbishment	B / C	Garbage can replacement and cleaning started; structural repairs to take place in the fall. Concession/washroom renovation scheduled for Fall in conjunction with RFEI for 2017 concession services in summer 2016.	14,028	225,000
15	Facilities	Big House Pavilion Structural Repairs	B	Received structural report back; engaging First Nations on project. Project is bigger than anticipated, awaiting consultant information for next steps.	-	60,000
16	Facilities	Electrical Operating Permit Repairs	C	Repairs have begun.	4,559	50,000

Index	Dept	Capital Project Name	Status	Comments (as at May 16, 2016)	YTD	2016 Budget
17	Facilities	DOC 2 Post Hoist Replacement	B	Evaluating design parameters.	-	60,000
18	Facilities	Video Surveillance Cameras	Z	Project deferred per Council; budget allocated to space planning.	-	20,000
19	Facilities	Dick Murphy Park Viewing Platform Construction	B	Tender and drawings ready; engaging professionals and external organizations for partnership.	-	45,000
20	Facilities	Library Air Handler Replacement	B	Design underway.	-	15,000
21	Fire	Ladder Truck Replacement	D ✓	Truck in service, supplier addressing minor deficiencies. 10% holdback not paid at this time.	1,551,564	1,150,369
22	Fire	#1 Fire Station Replacement	B	Radio & Environment studies completed. Awaiting seismic study on Telus Tower adjacent to site.	4,185	269,181
23	Fire	Refurbish Existing Ladder Truck	B	RFP being created for release in June 2016.	-	180,000
24	Fire	Pumper Rescue Replacement	B	RFP in development expect issuing in July 2016.	3,942	-
25	Parks	Ostler Park Redevelopment	B	Design/Engineering/CA vendor selected; report going to Council for approval; design complete in 2016, construction 2017.	-	400,000
26	Parks	Dog Park Developments	B	Report to Council in May recommending locations.	-	20,093
27	Parks	Hwy 28 Elk Falls Cemetery Expansion	B	Detailed design nearing completion; phase one scheduled to be complete by end of October.	9,659	196,969
28	Parks	Robron Park Upgrade - Artificial Turf	D ✓	Maintenance period.	474	174,551
29	Parks	Ostler Park Playground Replacement	C	Vendor selected for assembly of playground; location determined.	-	100,000
30	Parks	Maryland Linear and Park Construction	D ✓	Completed.	11,608	12,633
31	Parks	Nunns Creek Master Plan	B	Design tender out; combined with Frank James master planning process.	5,011	89,347
32	Parks	Robron Park Upgrade - Equipment Purchase	C	Equipment has been ordered.	13,389	20,372
33	Parks	Shade Sails Installation	C	Rotary funding committed; in process of purchasing sails; to be complete at through end of July.	-	29,000
34	Parks	Baikie Island Permanent Washroom	C	Purchase underway, to be completed in May.	-	16,000

Index	Dept	Capital Project Name	Status	Comments (as at May 16, 2016)	YTD	2016 Budget
35	Parks	Campbellton Swing Set	C	Will be complete at the end of July.	-	10,000
36	Parks	Pave Robron Parking Lot	C	Completed.	-	140,000
37	Parks	Maritime Heritage Centre Property (Pocket Beach Upgrades)	A	Coordinating with other MHC projects.	-	20,000
38	Parks	Nunns Creek Park Electric Upgrade	C	To be complete at the end of October.	-	60,000
39	Parks	Entrance Sign Jubilee	B	Planning underway, to be complete at the end of October.	-	100,000
40	Parks	Seawalk Improvements	B	Location to be determined pending notification of Hwy 19A grant application.	-	97,000
41	Parks	Incorporate 503 Island Highway into Sequoia Park	B	Concept analysis underway.	-	25,000
42	Parks	Seniors Equipment	A / Z	External funding dependent.	-	50,000
43	Property Mgmt	Property Purchase	C	Contract in place, finalizing execution of details.	-	58,400
44	Rec & Culture	Public Art Funding	B	Planning taking place; inventory of art in progress.	-	47,500
45	Rec & Culture	Walter Morgan Studio - Rehabilitation	A / B	Plan to start the project in October.	-	75,000
46	Rec & Culture	Recreation Equipment	C	Equipment order to be placed.	701	17,272
47	Roads	Cycling Infrastructure	B	Working on plans for Willis Road.	-	25,000
48	Roads	Sidewalk Infill	B	RFP to be issued in May for construction in June/July.	17,298	250,000
49	Roads	Transit Bus Shelters	B / C	2 CFwd shelters received, install in spring. Waiting for new BC transit plan for additional shelters.	-	72,145
50	Roads	Seagull Walkway Repairs	B	Larger project than anticipated/budgeted, Council direction required.	-	594,778
51	Roads	Pedestrian Signal Crossing Lights	B	Needing to formalize locations.	-	30,000
52	Roads	Parking Lot Improvements	B	Determining location of work on Beach/Cedar street.	-	48,308
53	Roads	Traffic Control Upgrades - Replacement	B	16th & Dogwood RFP to be issued in May for summer work to take place.	-	197,459
54	Roads	Sidewalk Improvements - Willis Road	B	Design review on ditch pipe; working within fisheries window for July-August work to take place.	-	100,000
55	Storm	Annual Drainage Improvements	B	Coordinating with Willis & Petersen projects.	-	125,000

Index	Dept	Capital Project Name	Status	Comments (as at May 16, 2016)	YTD	2016 Budget
56	Water	CR Water Supply	C D ✓ B B B B	CR Water Supply project is in construction; Highway 28 is complete (phase 1) ; Intake awarded, construction Q3/4; Pump Station/Treatment Building design 90% complete, Tender Q3, Construction commence Q4; Snowden Intake is still in planning phase.	182,217	19,635,963
57	Water	Dogwood Operations Centre Backflow/Meter	B	Coordinating with other departments.	-	125,000
58	Water	Beaver Lodge Reservoir Security	C	In construction.	34,245	100,000
					\$ 1,868,700	\$ 25,290,924
Focus on Management and Governance						
59	Airport	Aircraft Tug	C	RFP completed, going back to marketplace as there were no qualified bids.	-	40,000
60	Airport	Airport Forklift	C	Award received for purchase.	-	20,000
61	Facilities	City Hall Emergency Power Generator	D ✓	Completed; wraps to be finalized.	30,595	77,125
62	Facilities	RCMP Front Counter	D ✓	Completed.	26,837	20,000
63	Facilities	Tidemark Catwalk	B / C	Working with Tidemark to finalize design.	-	60,519
64	Facilities	Tidemark Theatre Lower Roof Replacement	A	Fall 2016 project.	-	20,000
65	Facilities	MHC Railing Replacement	D ✓	Completed.	-	10,500
66	Facilities	DOC Washout Bay	B	Coordinating with other departments.	-	40,000
67	Facilities	Roof Replacement 1180 Fir Street	A	Coordinating with other approved roof replacements.	-	13,000
68	Facilities	Council Chambers Renovations Design	B	Design stage. Preliminary meetings with architect initiated.	-	23,000
69	Facilities	City Facilities Fall Protection Audit	B	To be incorporated into master facilities plan/condition assessment project.	-	40,000
70	Facilities	Small Equipment	B	Stakeholder input completed. In RFO/pricing phase.	-	30,000
71	Facilities	Energy and Water Consumption Reduction Projects	B / C	Ongoing annual project; have undertaken a few upgrades to date.	2,854	50,000
72	Fire	Small Equipment Replacement	C	Meeting to coordinate and prioritize with other departments.	-	15,000
73	Fleet	Fleet Replacement Plan	B	5/7 replacements tendered; 2/7 in pre-tender specification stage.	436,777	944,576
74	IT	Printer/Peripheral Replacement	B	On-going.	2,584	15,000

Index	Dept	Capital Project Name	Status	Comments (as at May 16, 2016)	YTD	2016 Budget
75	IT	Workstation/Laptop Replacement	B	On-going.	9,113	36,000
76	IT	PRI Phone System - Sportsplex	D ✓	Completed - awaiting final invoice.	-	25,000
77	IT	Dogwood DOC Phone System	A	Scheduled for Q4.	-	35,000
78	IT	Plotter Replacement	B	Scheduled implementation - Q2.	-	32,000
79	IT	Vadim E3 Upgrade	D ✓	E3 Foundations implemented.	4,973	6,000
80	IT	Scheduled Photocopier Replacement	B	Schedule implementation - Q3.	-	9,000
81	IT	GIS Orthophotos	B	Scheduled implementation - Q3.	-	17,000
82	IT	WiFi at MHC, Museum, Spirit Square & Plex	B	Scheduled completion of all sites - Q3.	3,245	7,310
83	Parks	Marine Foreshore Restoration	B	Location to be determined pending notification of Hwy 19A grant application.	1,709	150,000
84	Parks	Stairway between Dogwood and Cedar	D ✓	Completed.	14,056	20,000
85	Parks	Flag Poles - Spirit Square	C	Ordering of flag poles underway, anticipated completion end of May.	-	15,000
86	Roads	LED Light Conversion	D ✓	Completed.	61,488	100,000
87	Roads	Ferry Terminal Access Improvements	B	RFP issued for design services; fall project.	-	25,000
88	Roads	Pier Street and MHC Entrance Improvements	B	Work to be completed in the fall.	-	25,000
89	Roads	Street Light Infill	B	Getting estimates from BC Hydro, work to take place from May-July.	-	90,000
90	Roads	Asphalt Overlays	B	Starting in May.	-	500,000
91	Sewer	Waterfront Sewer Forcemain	B	Report being reviewed.	-	169,825
92	Sewer	Lift Station #11 Upgrade	C	In construction.	4,522	520,877
93	Sewer	NWEC Upgrade Phase 2	C	In construction, estimated completion Q4.	187,291	2,354,669
94	Sewer	NWEC Upgrades Phase 3	A	Dependent on organics facility.	-	300,000
95	Sewer	Lift Station Generators	B	Design underway; to be completed Q3. Construction TBD.	-	100,000
96	Sewer	NWEC Clarifier Upgrade	C	Awaiting delivery; to be installed in the summer.	-	110,832
97	Sewer	NWEC Online Analyzers	C	Purchased for April install.	61,014	79,595

Index	Dept	Capital Project Name	Status	Comments (as at May 16, 2016)	YTD	2016 Budget
98	Sewer	MHC Sewer Chamber Replacement and Aesthetic Improvements	B	Design Q2/3; construction Q3/4.	-	230,000
99	Sewer	NWEC Boiler / DDC Replacement	B	Currently being evaluated.	-	60,000
100	Sewer	Sewer Main Replacement	B	Design complete; preparing tender, construction Q3/4.	-	1,100,000
101	Solid Waste	Organics Facility	B	Council recommended CVRD to apply for Build Canada fund.	-	7,000,000
102	Water	Water Service Truck	D ✓	Purchased and in use.	26,547	34,838
103	Water	Hwy 28 Water Service Renewal	D ✓	Completed.	-	20,481
104	Water	Leak Detection Equipment	B	Currently working on RFP.	-	35,000
105	Water	Area D Backflow Prevention	A	Awaiting discussions with SRD.	-	20,000
106	Water	Petersen PRV	B	RFP in draft form pending outcome of water system model update being completed as per CR Water Supply project.	-	40,000
107	Water	WM Cathodic Protection	B	Difficulty resourcing expertise; RFO to be issued.	-	35,000
108	Water	Fire Hydrant Renewal	C	Ongoing annual project.	4,487	50,000
109	Water	Water Service Renewal	C	Ongoing annual project.	3,890	50,000
110	Water	Watermain Renewal	B	Cedar St. design complete; preparing tender, construction Q3.	-	300,000
111	Water	Evergreen Reservoir Lining	B / Z	Deferred to coordinate with 2019 project.	-	70,000
112	Water / Sewer	SCADA Platform	B	Purchased, requires programming of equipment.	-	229,730
113	Water	Meter Renewal	C	Ongoing annual project.	69,286	100,000
114	Water	PLC Replacement Program	D ✓	Completed.	9,619	15,000
115	Water / Sewer	Service Truck	C	Purchased, on order.	-	60,000
					\$ 960,887	\$ 15,596,877
TOTAL ANNUAL PROJECT COSTS					\$ 2,843,314	\$ 44,157,198

Index	Dept	Project Name	Project Type	Status	Comments (as at May 16, 2016)	YTD	2016 Budget
Focus on Relationships							
1	Mayor & Council	2014 & 2015 Council Contingency Projects	CFwd	C	Dependent on community organizations to complete projects.	6,351	80,000
2	Multi - Department	Development Advisory Task Force	CFwd	Z	No application received.	152	10,000
3	Multi - Department	Forestry Task Force	SLCR	B	Task force formed and meetings initiated.	-	35,000
4	Planning & Development	Campbellton Neighborhood Association	SLCR	A	No new projects initiated for 2016.	-	15,000
						\$ 6,503	\$ 125,000
Focus on Economic Growth							
5	Airport	Business Development Opportunity Fund	SLCR	B	Advertising underway; silver sponsor for BC Aviation Council; sponsoring electrical workshop. Hosting Wings and Wheels in July.	6,664	100,000
6	IT	Downtown Fibre Optics	CFwd	B	Business plan completed and approved; implementation pending Council funding approval.	20,000	20,000
7	Facilities	Increased Security for Downtown Core	SLCR	D ✓	Increased security hours in effect Jan 1, 2016.	15,000	15,000
8	Multi - Department	Waterfront Task Force - 3 1/2 Acre Site	SLCR	B	RFP drafted; terms of reference endorsed by Council.	-	25,000
9	Planning & Development	Downtown Façade Improvement Program	CFwd	B	Program launched for 2016.	-	19,000
10	Planning & Development	Building Review	CFwd	B	Consultant engaged.	-	18,000
11	Planning & Development	Fire Separation Building Code Compliance	CFwd	B	Project underway.	-	30,000
12	Planning & Development	OCP/Zoning Bylaw Update - Part A and B	CFwd	B	Community Consultation underway.	15,685	77,500
13	Planning & Development	Downtown Revitalization - Concept Plan & Design	SLCR	B	Consultant engaged. Project underway.	-	125,000
14	Planning & Development	Community Energy Efficiency Projects	SLCR	B	Realtor and builders workshops held and rebate program launching in June.	-	110,000
15	Sewer	Downtown Readiness Review - Sewer	SLCR	B	Engaging consultant.	-	40,000
16	Storm	Downtown Readiness Review – Storm Drainage	SLCR	B	Engaging consultant.	-	30,000
17	Water	Downtown Readiness Review - Water	SLCR	B	Engaging consultant.	-	30,000
						\$ 57,349	\$ 639,500
Focus on Livability							
18	Multi - Department	Beautification Grants - Cleanliness	SLCR	A	Not Started.	-	40,000

Index	Dept	Project Name	Project Type	Status	Comments (as at May 16, 2016)	YTD	2016 Budget
19	Multi - Department	Social Grants	SLCR	B	Draft guidelines presented to Committee of the Whole; further review and development taking place.	-	25,000
20	Planning & Development	Downtown Small Initiatives Fund	SLCR	B	Projects underway.	-	50,000
21	Rec & Culture	Sportsplex Space Assessment - Conceptual Design	SLCR	B	Submissions have been evaluated and sent back to purchasing for review.	-	25,000
						\$ -	\$ 75,000
Focus on Management and Governance							
22	Airport	Flight Way Clearing	SLCR	B	First phase completed; after second survey another cut will take place in the fall.	-	30,000
23	Facilities	Facilities Master Plan / Condition Assessment	SLCR	B	Finalizing RFP details.	-	225,000
24	Facilities	MHC Deck Repairs	CFwd	D ✓	Completed; awaiting final invoices.	-	30,000
25	IT	Network Security Audit	SLCR	B	Scheduled for Q3.	-	25,000
26	Leg Services	Records Management Review Complete Stage 1	SLCR	B	To take place in Q3.	-	10,000
27	Roads	Surface Improvement - Asphalt Patching	CFwd	B/ C	Work started. To be completed by end of October.	-	120,000
28	Roads	Bridge Inspection Program	CFwd	B	Tender issues - work to be completed by September.	-	19,670
29	Sewer	Liquid Waste Management Plan	CFwd	B	Scope being confirmed.	-	200,000
30	Sewer	Reclaimed Water Study	SLCR	B	Engaging consultant.	-	30,000
31	Sewer	Lift Station Auto - Cleaning	SLCR	C	Equipment delivered, awaiting installation.	12,708	25,000
32	Storm	ISWMP Update	CFwd	B	To take place in the summer/fall.	-	25,000
33	Water	Water Conservation Plan	SLCR	A	Not Started.	-	25,500
						\$ 12,708	\$ 765,170
TOTAL ANNUAL OPERATING PROJECT COSTS:						\$ 76,560	\$ 1,684,670