

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.

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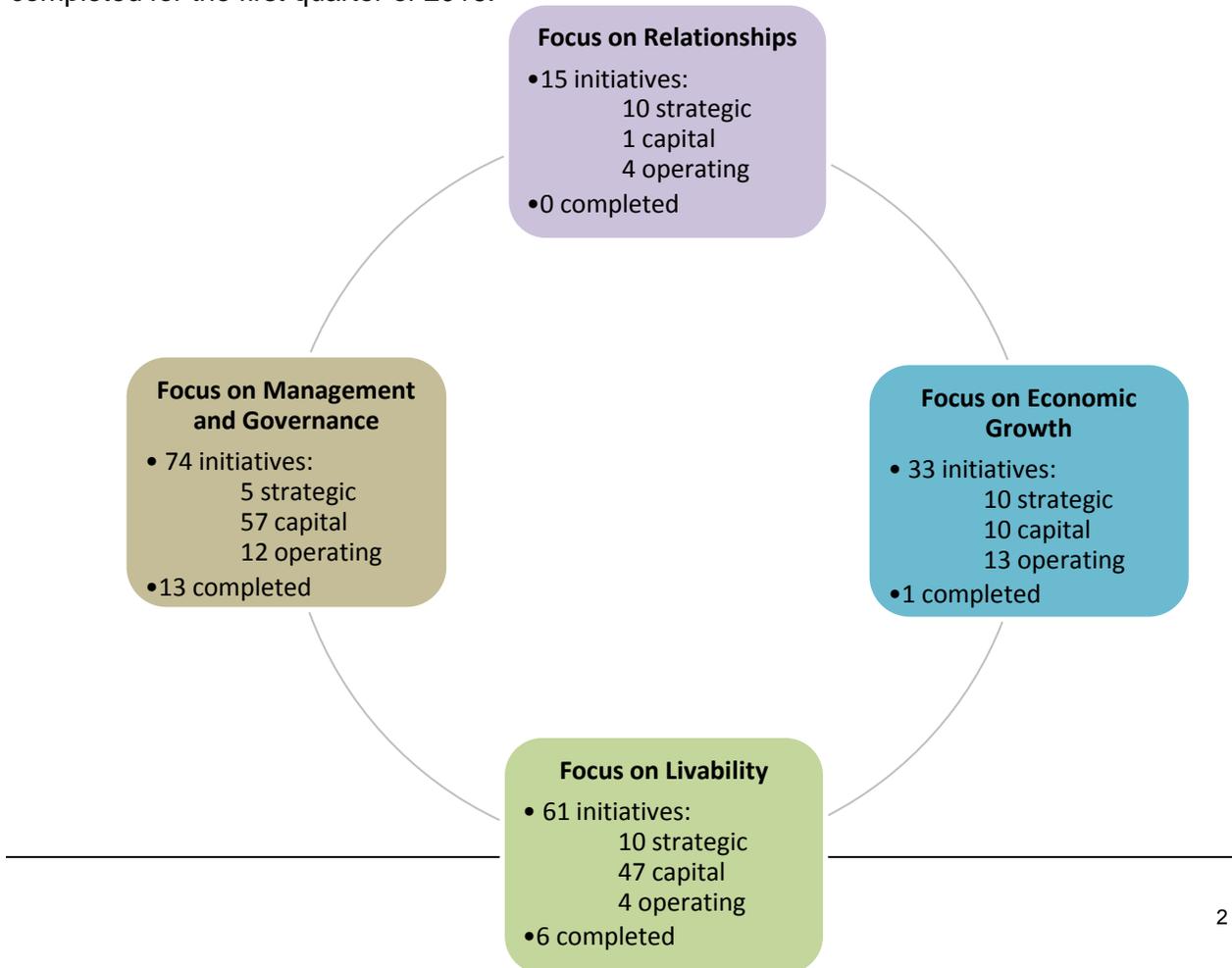
With the vision to advance on-the-ground projects in the remainder of the year, first quarter planning activities include the Official Community Plan and Zoning Bylaw Review, Urban Forest Management Plan, Asset Management Strategy, Tourism Review, Airport Master Plan, Economic Development Restructure, 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.

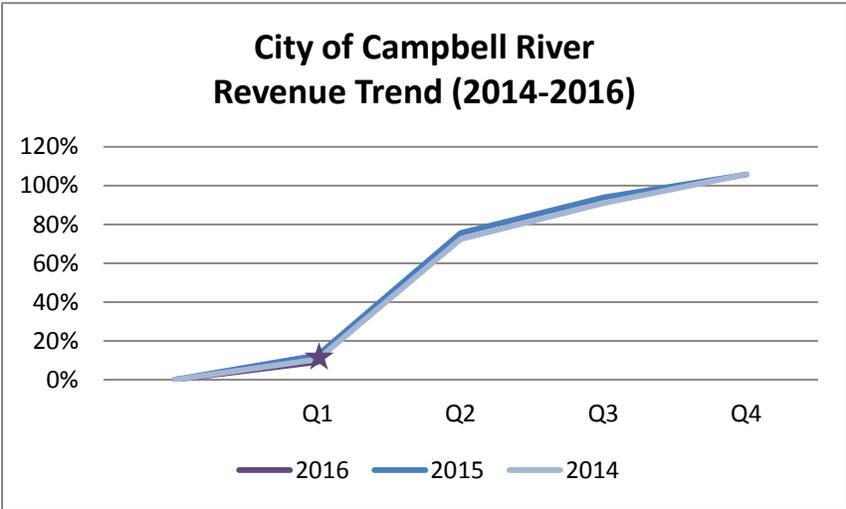
Fund	Q1	Budget	% of Budget
General	\$57,188	\$1,204,170	5%
Airport	6,664	130,000	5%
Sewer	12,708	295,000	4%
Water	-	55,500	0%
Total	\$76,560	\$1,684,670	5%

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:

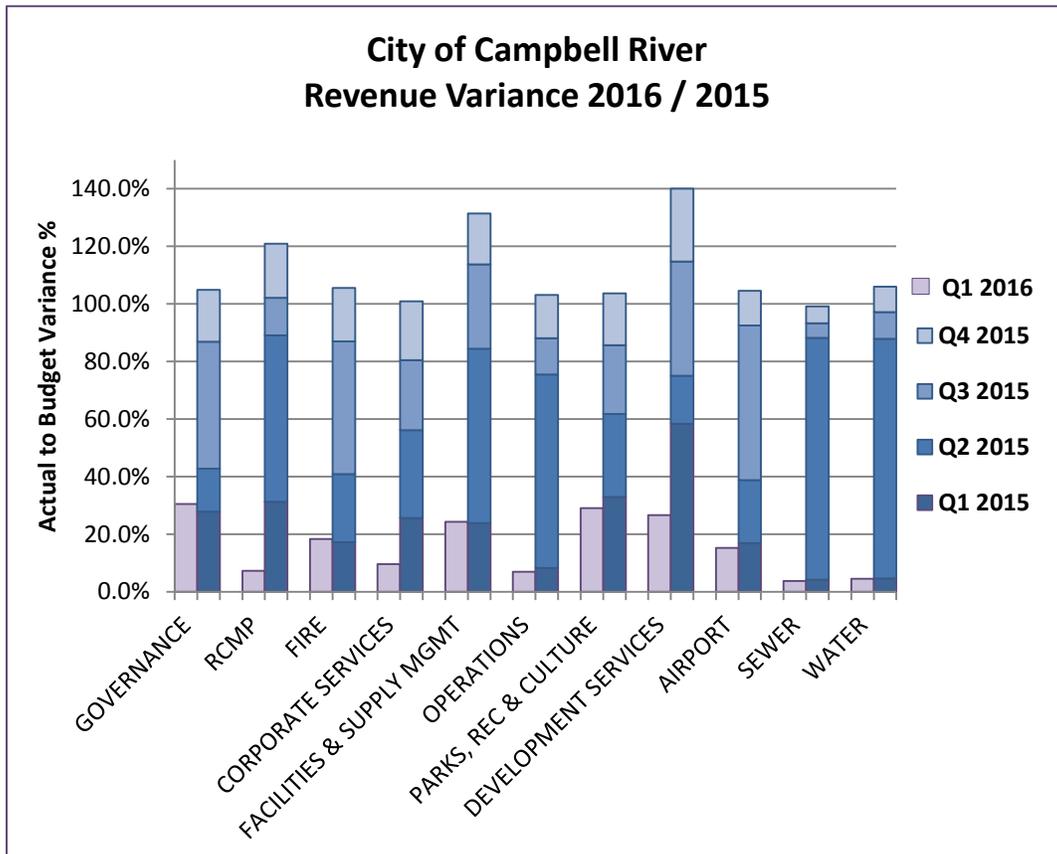
As at March 31, 2016 only 9% of the annual budget has been collected. Activity this quarter is not a concern of management, as results are within the expected cyclical activity of the City and revenue is typically lower for local governments in the first quarter. The below chart compares how actual to 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:

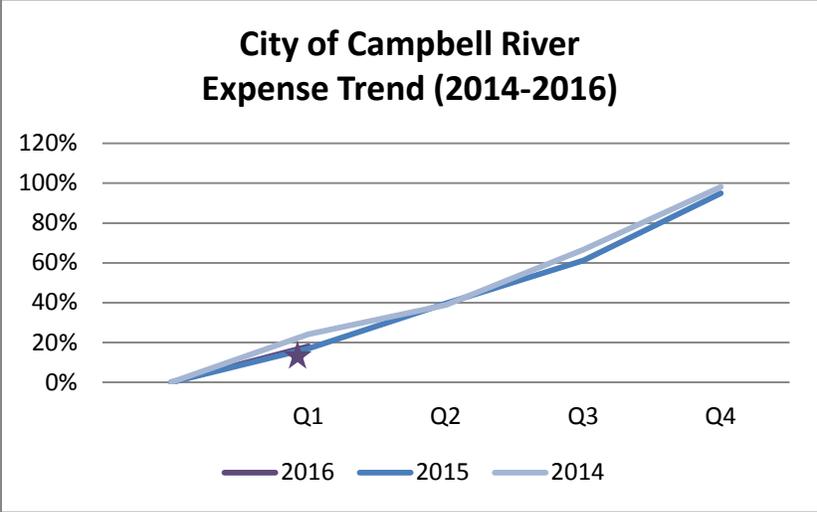
- Governance is trending higher than expected due to additional animal control license fees collected in the first quarter.
- RCMP is trending less than anticipated due to a timing difference with the receipt of provincial funds for traffic fine revenue from the strategic community investment fund.
- 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:

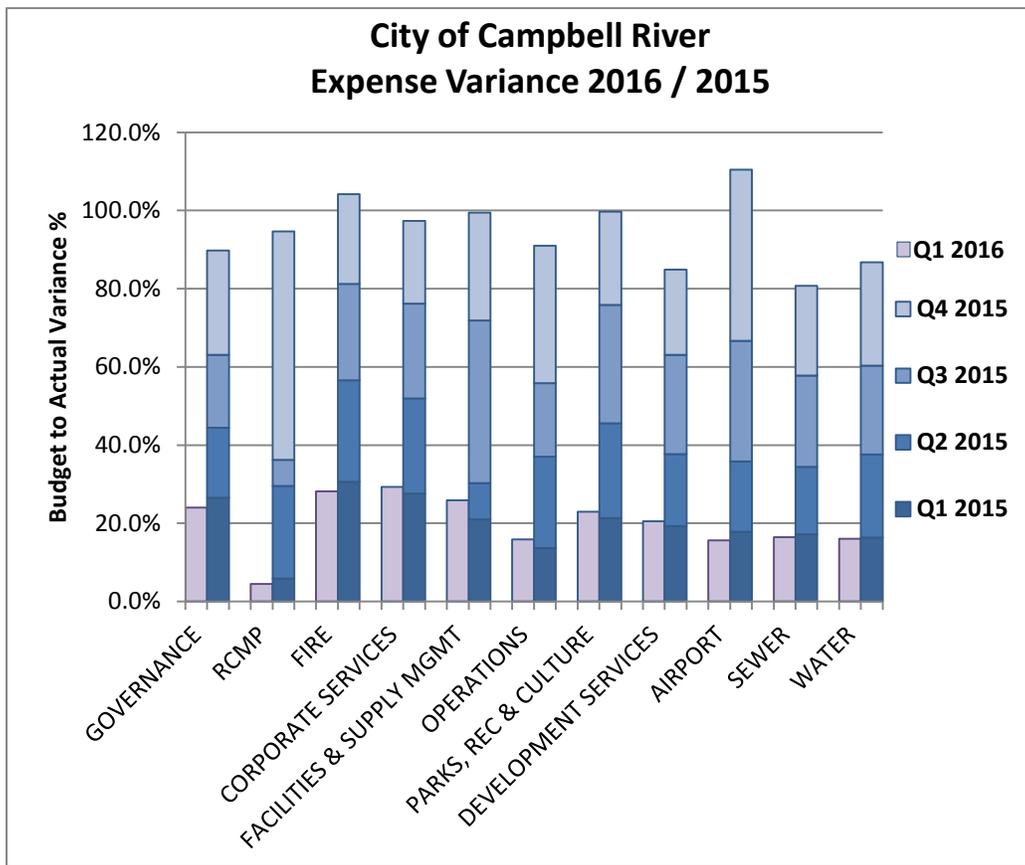
Overall, operating expenses are low to date at 18% of the annual budget. There are several expenses related to planned future activity which are the result of seasonal operations. The majority of these expenses are anticipated to take place in the second and third quarter, as depicted in the below graph 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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GM Corporate Services

Attachment: Corporate Progress Report – Q1 2016 (Appendices 1-4)

Appendix 1
Ongoing Strategic Initiatives - Q1

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.			

Appendix 1
Ongoing Strategic Initiatives - Q1

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.

Appendix 1
Ongoing Strategic Initiatives - Q1

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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 Tyee 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.

Appendix 1
Ongoing Strategic Initiatives - Q1

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.

**Appendix 1
Ongoing Strategic Initiatives - Q1**

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.

**Appendix 2
Capital Projects - Q1**

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

**Appendix 2
Capital Projects - Q1**

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

**Appendix 2
Capital Projects - Q1**

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

**Appendix 2
Capital Projects - Q1**

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	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

**Appendix 2
Capital Projects - Q1**

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

**Appendix 2
Capital Projects - Q1**

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

**Appendix 3
Operating Projects - Q1**

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

**Appendix 3
Operating Projects - Q1**

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

**Appendix 4
Operating Financials - Q1**

	2015 Q1	2016 Q1	2016 Budget	2016 Variance \$	2016 Variance %	2015 Variance %
Revenue						
GOVERNANCE	(34,545)	(40,045)	(131,350)	(91,305)	30.5%	27.9%
RCMP	(205,788)	(48,446)	(667,345)	(619,044)	7.3%	31.3%
FIRE	(264,804)	(295,627)	(1,608,689)	(1,313,062)	18.4%	17.2%
CORPORATE SERVICES	(205,690)	(240,241)	(2,485,260)	(2,245,537)	9.7%	9.1%
FACILITIES & SUPPLY MANAGEMENT	(79,987)	(94,883)	(389,599)	(294,716)	24.4%	23.9%
OPERATIONS	(272,442)	(228,673)	(3,303,413)	(3,074,740)	6.9%	8.3%
PARKS, RECREATION & CULTURE	(303,673)	(261,952)	(901,850)	(639,898)	29.0%	32.9%
DEVELOPMENT SERVICES	(687,219)	(272,259)	(1,020,300)	(748,041)	26.7%	71.4%
AIRPORT	(356,586)	(320,322)	(2,106,630)	(1,786,259)	15.2%	17.0%
SEWER	(245,188)	(232,623)	(6,166,421)	(5,933,798)	3.8%	4.2%
WATER	(267,779)	(285,169)	(6,334,207)	(6,049,038)	4.5%	4.7%
Revenue Total	(2,923,701)	(2,320,241)	(25,115,064)	(22,795,438)	9.2%	12.3%
Expense						
GOVERNANCE	560,402	571,901	2,383,041	1,811,146	24.0%	26.5%
RCMP	514,492	394,728	8,890,820	8,496,399	4.4%	5.9%
FIRE	1,530,800	1,444,887	5,125,175	3,684,916	28.2%	30.6%
CORPORATE SERVICES	918,624	1,040,333	3,550,190	2,510,789	29.3%	27.6%
FACILITIES & SUPPLY MANAGEMENT	635,521	870,947	3,365,778	2,498,293	25.9%	21.0%
OPERATIONS	941,352	1,137,673	7,149,078	6,013,584	15.9%	13.7%
PARKS, RECREATION & CULTURE	1,177,519	1,328,163	5,794,892	4,471,243	22.9%	21.3%
DEVELOPMENT SERVICES	451,059	569,193	2,776,819	2,207,665	20.5%	19.3%
AIRPORT	335,454	309,143	1,974,669	1,666,723	15.7%	17.8%
SEWER	423,248	414,389	2,514,236	2,100,964	16.5%	17.2%
WATER	427,451	490,012	3,057,109	2,571,257	16.0%	16.4%
Expense Total	7,915,923	8,571,369	46,581,807	38,032,977	18.4%	18.0%
Grand Total	4,992,222	6,251,129	21,466,743	15,237,540	29.1%	24.8%

Financial Report Legend

Governance - City Manager, External Committees, Mayor & Council, Legislative Services, Risk Management, Bylaw Enforcement, Animal Control

RCMP - RCMP, Police Protection, Victim Services

Fire - Fire Protection, E911

Corporate Services - GM Corporate Services, Communications, Human Resources, Finance, Information Technology, Corporate Fiscal Services

Facilities & Supplies Management - GM Facilities & Supply Management, Supply Management, Property Management, Fleet, Capital Works, Stores, Facilities

Operations - GM Operations, Transportation, Roads, Public Transit, Storm Drains, Solid Waste

Parks, Recreation & Culture - GM Parks, Recreation & Culture, Parks, Recreation & Culture, Cemeteries

Development Services - Economic Development, Community Planning & Development Services

Airport

Sewer

Water