

**Special Council Meeting**  
to be held at  
**City of Penticton Council Chambers**  
171 Main Street, Penticton, B.C.

**Tuesday, February 26, 2019**  
**at 9:00 a.m.**

1. **Call Special Council Meeting to Order**
2. **Adoption of Agenda**
3. **Business Plan & Financial Plan Overview** – Jim Bauer, Chief Financial Officer
4. **Community Engagement Overview** – Philip Cooper, Communication Manager
5. **Public Comment** (30 minutes)
6. **2019 Budget Deliberations**

| Time                    | Department                         | Presenters                   | Business Plan | Financial Plan | PowerPoint   |
|-------------------------|------------------------------------|------------------------------|---------------|----------------|--------------|
| 10:15 a.m. – 10:30 a.m. | <b>BREAK</b>                       |                              |               |                |              |
| 10:30 a.m. – 11:00 a.m. | Bylaw Services                     | Tina Siebert & Jim Bauer     | 39 – 42       | 161-162        | Presentation |
| 11:00 a.m. – 11:30 a.m. | RCMP                               | Ted De Jager & Jim Bauer     | 60-64         | 166-167        | Presentation |
| 11:30 a.m. – 11:45 a.m. | Recreation/Facilities              | Bregje Kozak & Jim Bauer     | 110-112       | 195-197        | Presentation |
| 11:45 p.m. – 12:00 p.m. | Facilities                         | Bregje Kozak & Jim Bauer     | 113-115       | 150            | Presentation |
| 12:00 p.m. – 1:00 p.m.  | <b>LUNCH</b>                       |                              |               |                |              |
| 1:00 p.m. – 1:15 p.m.   | Recreation - Operations & Business | Bregje Kozak & Jim Bauer     | 116-118       | 196-197        | Presentation |
| 1:15 p.m. – 1:25 p.m.   | Recreation – Sport and Event       | Bregje Kozak & Jim Bauer     | 119-121       | 196-197        | Presentation |
| 1:25 p.m. – 1:40 p.m.   | Museum                             | Dennis Oomen & Jim Bauer     | 122-124       | 204-205        | Presentation |
| 1:40 p.m. – 2:00 p.m.   | Development Services               | Anthony Haddad & Jim Bauer   | 31-34         | 187            | Presentation |
| 2:00 p.m. – 2:10 p.m.   | Development Engineering            | Michael Hodges & Jim Bauer   | 31-34         | 188            | Presentation |
| 2:10 p.m. – 2:25 p.m.   | Economic Development               | Jennifer Vincent & Jim Bauer | 43-47         | 185            | Presentation |
| 2:25 p.m. – 2:40 p.m.   | <b>BREAK</b>                       |                              |               |                |              |
| 2:40 p.m. – 2:50 p.m.   | Planning & Land Use                | Blake Laven & Jim Bauer      | 51-54         | 191-192        | Presentation |
| 2:50 p.m. – 3:05 p.m.   | Land Management                    | Sheri Raposo & Jim Bauer     | 48-50         | 189-190        | Presentation |
| 3:05 p.m. – 3:30 p.m.   | Building & Licensing               | Ken Kunka & Jim Bauer        | 35-38         | 160            | Presentation |

7. **Public Question Period**
8. **Adjourn**

# 2019

## Corporate Business Plan



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# OVERVIEW





## PLAN PURPOSE

Each year, the City of Penticton carefully deliberates on community programming, services, goals and overall allocation of resources for the coming year. This process involves weighing the needs and requests of the community and ensuring these service levels can be met within the annual budget. For 2019, the City has enhanced its approach to this process, aiming to provide more visibility into the operations of the City by preparing a 2019 City of Penticton Corporate Business Plan.

This plan is made up of formal business plans for each department that include recent achievements, the 2019 initiatives for the department and how they align to Corporate Priorities, as well as how the City of Penticton's 2019-2023 Financial Plan is being used to make it all happen.

## CORPORATE PRIORITIES

The City has identified six priorities that are fundamental to delivering municipal services. All initiatives and priorities identified in each of the department's business plans are required to align with at least one of these six priorities.



### GOOD GOVERNANCE

Good governance refers to the system of municipal government in its role as a democratic institution, a public policy maker and a provider of public services.



### COMMUNITY BUILDING

Community building views the City as a whole and focuses on the investment of services and infrastructure, which are fundamental to quality of life.



### FISCAL SUSTAINABILITY

Good fiscal sustainability refers to the City's ability to maintain programs and services while funding its infrastructure commitments and future growth.



### SOCIAL DEVELOPMENT

Social development encompasses principles of social equity, social well-being and citizen engagement, and support of a healthy community and quality of life.



### ECONOMIC VITALITY

Economic vitality refers to the City's economy, economic development and creating policy that promotes investment and economic sustainability.



### ENVIRONMENTAL SUSTAINABILITY

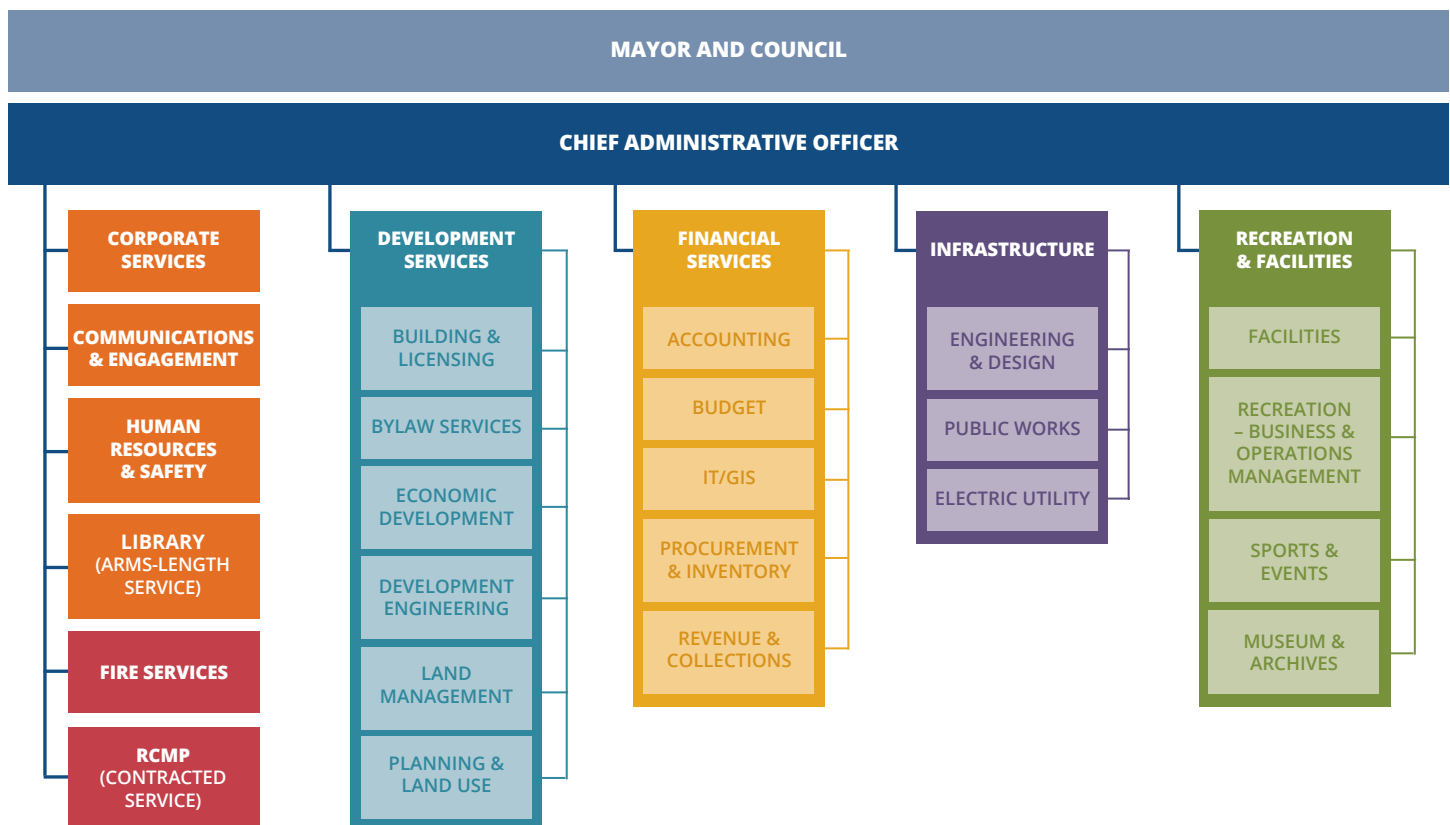
The way we operate has an impact on the environment. The City is committed to integrating environmentally sustainable practices into policy development.

## OVERVIEW OF THE ORGANIZATION

In order to support City Council and the needs of the community, the City is led by the Chief Administrative Officer, with support from Corporate Services, Communications & Engagement and Human Resources. Most programs and services provided through the City are organized under four major divisions, each with a number of supporting departments, as well

as Fire Services as a separate department. The City also has contracted policing services through the RCMP, and arms-length services offered through the Penticton Public Library and the operations of the South Okanagan Events Centre by Spectra Venue Management Inc.

*Colours align with sections in this business plan*



## BUSINESS PLAN STRUCTURE

The City's Business Plan is organized by Division where applicable and broken out by department. This allows residents to see how the priorities align with various aspects of the organization and the budgets associated with specific programs and services. Within each department's business plan, you'll find the following:

- What we do overall and on a daily basis
- Staffing
- 2018 Achievements – Supporting Corporate Priorities
- Challenges and Opportunities
- 2019 Initiatives
- 2019 Proposed Budget
- Council Decision Requests

## BUSINESS PLAN AREAS OF FOCUS

While Corporate Priorities relate to the core services and fundamental responsibilities for the organization, the City has also identified four primary focus areas for 2019. These focus areas are essential for tackling the key challenges facing the City based on risk assessments, identified needs in our community and external factors affecting how we operate and allocate resources.

### PUBLIC SAFETY AND SECURITY

In some cases, increased prevalence of social issues in the City have changed residents' perceptions of safety in the community. As a result, the City has prioritized a number of initiatives to address these issues and help citizens feel safer in the city. The City is directing additional resources towards the RCMP by adding an additional officer and offering continued support of the Community Assistance Support Team and Community Safety Enforcement Team. In addition, two Community Safety Officers are being added to Bylaw Services. Other priorities include:

- Mayor's Safety and Security Task Force
- Downtown Bylaw/RCMP Office
- Strategic Lighting Projects

### PLANNING FOR GROWTH AND DEVELOPMENT

The City has recently completed its Parks and Recreation Master Plan and is nearing completion of its Official Community Plan (OCP). The OCP will guide the development of Penticton over the next 20 years, helping the City make decisions in the face of some of the strongest development pressures in the community in the past 10 to 20 years. In 2019, the City will start implementing plans that will guide sustainable and balanced development as well as our future transportation and mobility networks, and maintain our natural environment to ensure the vibrancy of the community for current and future generations. Specific priority initiatives include:

- Develop Land Management Strategy
- Implement Economic Development Strategic Plan
- Develop Skaha Lake Park Master Plan
- Develop Downtown Parking Strategy
- Develop Arena Development Plan
- Develop South Okanagan Events Centre (SOEC) Parking Strategy



### ASSET MANAGEMENT

As the City's infrastructure continues to age, proactive steps are required to ensure necessary investment is made in its roads, facilities, electrical lines, water and sewer pipes and other assets to ensure infrastructure can meet existing and future needs. Specifically, the City will continue expanding systems to support asset management, such as migrating parks and facilities data into its Geographic Information System (GIS), implementing asset management software and updating the Asset Management Investment Plan. The City will continue to increase its annual contribution to the asset sustainability reserve, allotting \$1.8 million in 2019. The Utility Rate Review will also be completed, helping ensure utility rates are set to provide sustainable electrical, water and sanitary sewer utilities.

*Business Plan Areas of Focus  
continued on next page*



## PUBLIC ACCOUNTABILITY & FINANCIAL TRANSPARENCY

In 2019, the City has established public business plans to clearly establish priorities and initiatives, and will report on these quarterly. The City continues to increase its financial transparency by enhancing its financial reporting to Council and the public with improvements to the 2019-23 financial plan such as implementing full cost accounting and greater reserve transfer disclosure.

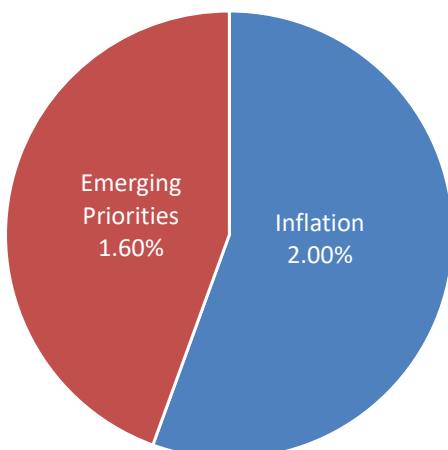
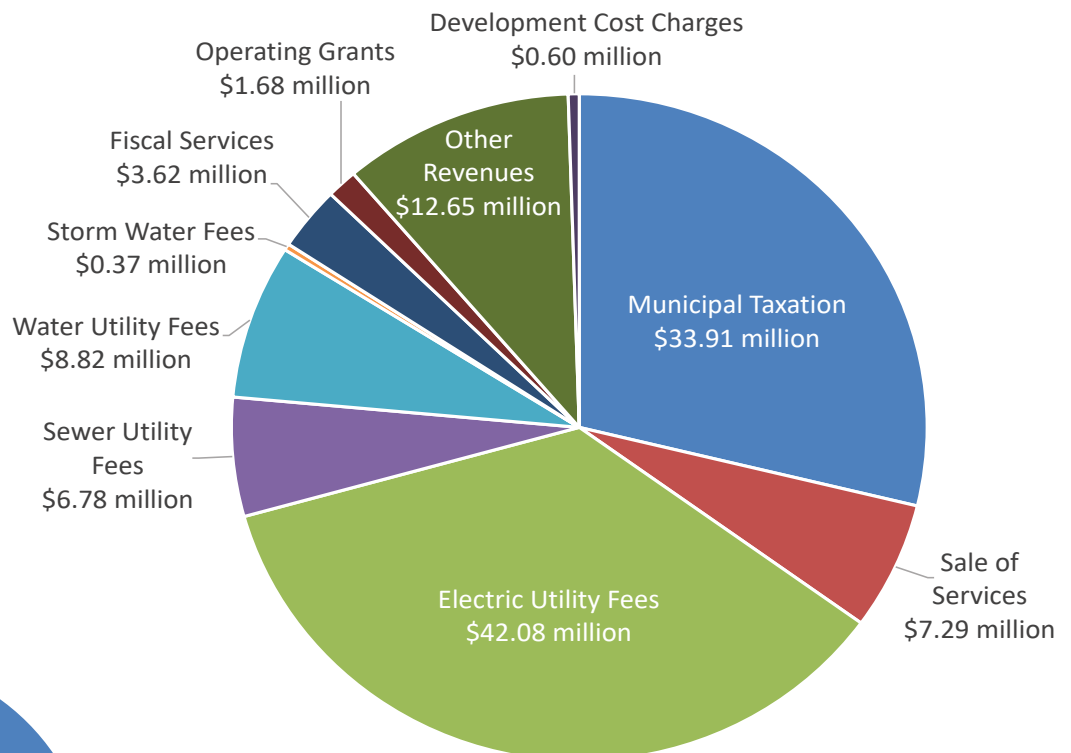
Other priorities include:

- Establish Mayor and Council Remuneration Task Force
- Develop Reserve Policy
- Develop Nominal Lease Policy
- Update Permissive Tax Exemption Policy
- Recreation Cost Sharing Review

## BUDGET AT A GLANCE

### REVENUES

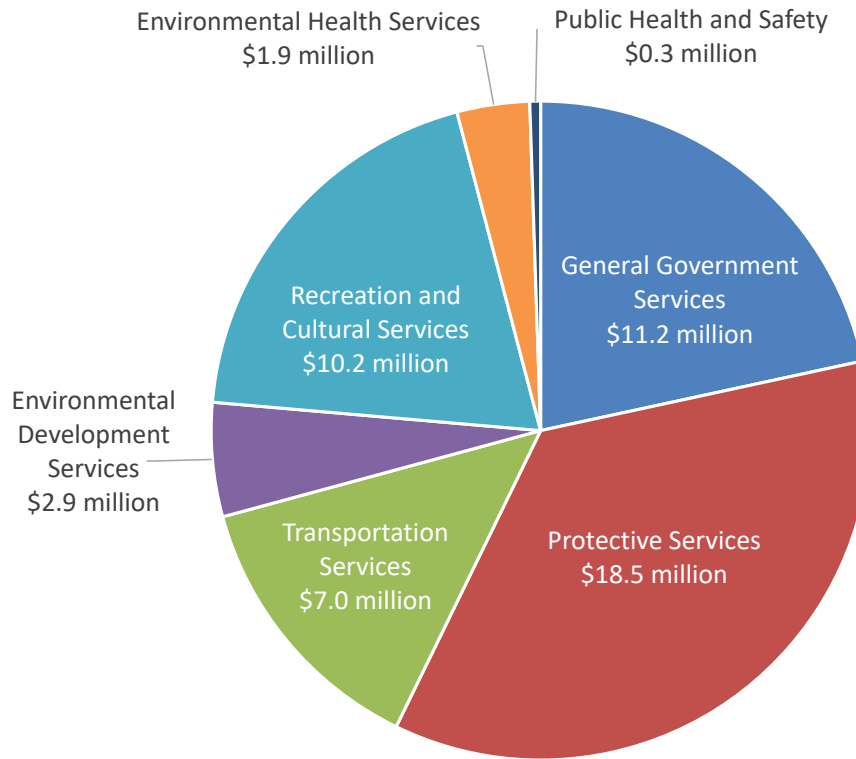
The City generates revenues through taxation, utility fees and other means. City revenues total \$117.8 million, net of tax flows. The net budgeted revenue increase is \$4.8 million or 4.1%.



The City has proposed a 3.6% tax increase to address emerging priorities.

## EXPENSES

The City takes a responsible and prudent approach to funding for programs and services. City general fund expenses total \$52 million, net of tax flows. The net budgeted expense increase is \$2.1 million or 4.2%.



## Key Expense Increases

Key expense increases consist of the following:

| AREA                                                                          | \$ MILLIONS  |
|-------------------------------------------------------------------------------|--------------|
| Non discretionary/Inflation                                                   | 2.024        |
| Public Safety and Security                                                    | .535         |
| Critical Staffing                                                             | .366         |
| Growth and Development Initiatives                                            | .246         |
| Various Initiatives                                                           | .225         |
| Offset by: Reductions such as municipal grants/partnerships and debt interest | (1.301)      |
| <b>TOTAL</b>                                                                  | <b>2.095</b> |

## Staffing Levels

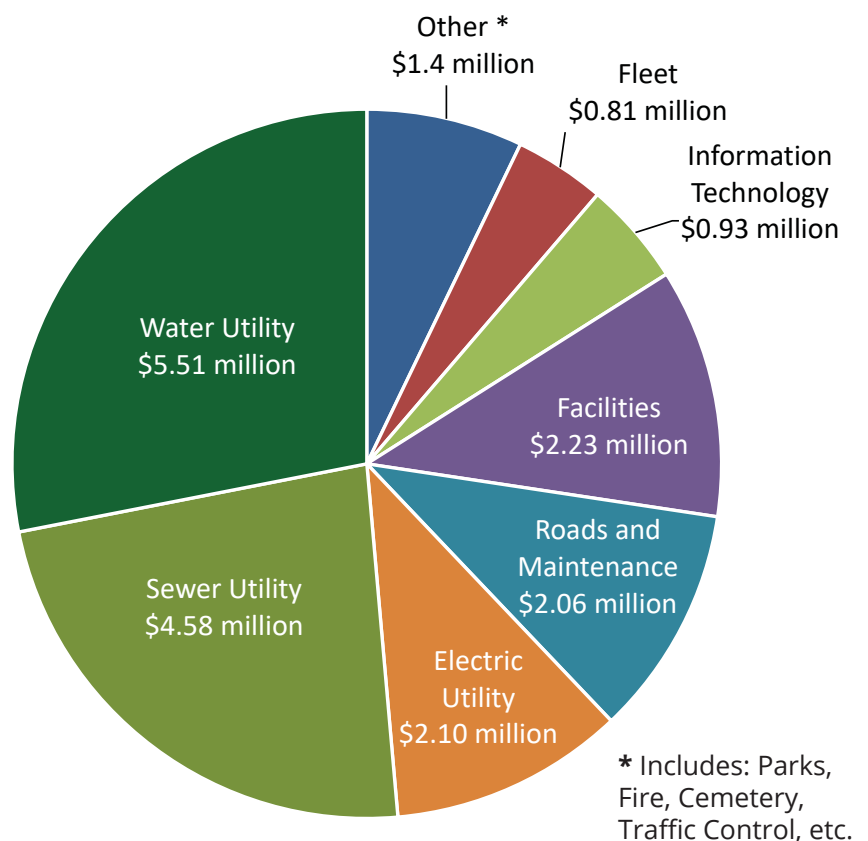
The City has a diverse workforce with unique challenges. While the City works hard to maintain its existing staffing levels, increasing workload, impending retirements, and greater legislative and regulatory requirements have necessitated increases in a number of departments. The full-time equivalent\* staffing levels and increases from 2018 to 2019 are reflected below.

| DEPARTMENT                                         | 2018       | 2019         | NEW        | COMMENTS                                                     |
|----------------------------------------------------|------------|--------------|------------|--------------------------------------------------------------|
| Corporate Services and Communications & Engagement | 8.5        | 9.5          | 1          | Records Management (EDRMS) position                          |
| Development Services                               | 29.5       | 32           | 2.5        | Bylaw Officers, 0.5 Ec Dev                                   |
| Infrastructure                                     | 100        | 103          | 3          | 2 Clean Team (=1FTE), Utility Supervisor and Service Advisor |
| Finance                                            | 34         | 34           |            |                                                              |
| Fire Services – General                            | 39         | 39           |            |                                                              |
| Human Resources                                    | 5          | 5            |            |                                                              |
| Facilities, Recreation & Culture                   | 46         | 47           | 1          | Facilities Administrator                                     |
| RCMP                                               | 25         | 25           |            |                                                              |
| <b>TOTAL</b>                                       | <b>287</b> | <b>294.5</b> | <b>7.5</b> |                                                              |

\* Note: Full-time equivalent (FTE) is the industry standard to reflect staffing levels for local government. One FTE is equivalent to one staff working full-time.

## CAPITAL

As our infrastructure ages, the City needs to continue making a significant investment into refurbishing roads, facilities and utilities, making a \$19.6 million investment in 2019.



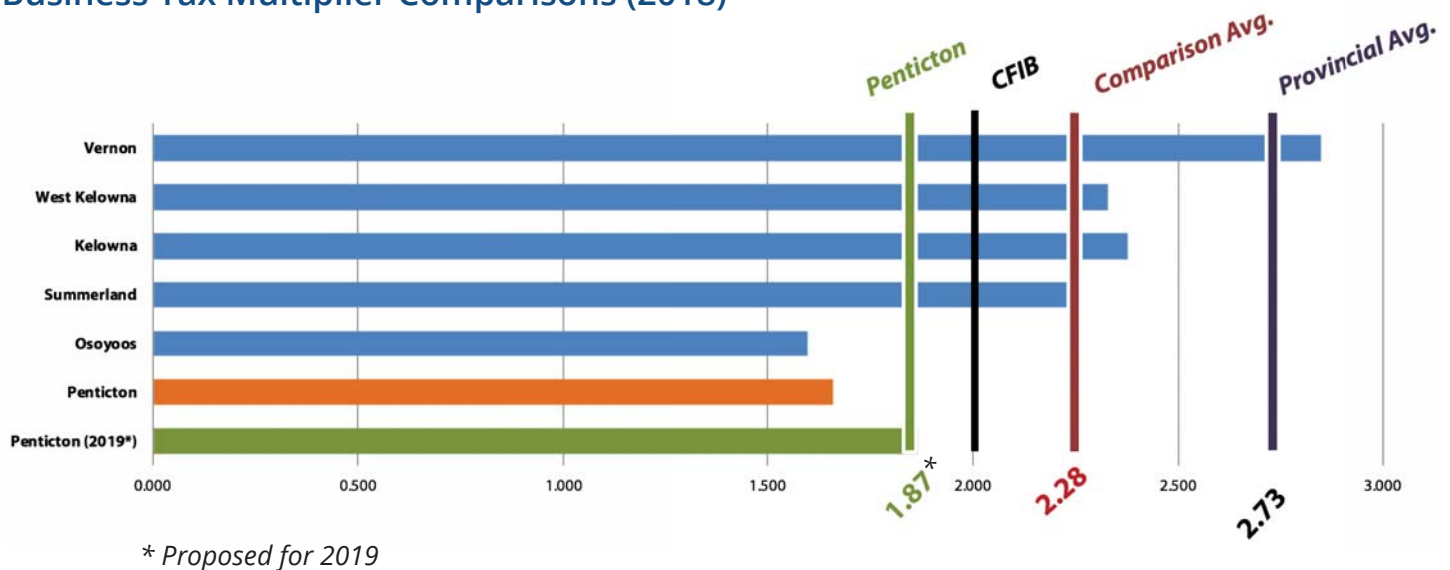
## WHAT IT MEANS TO OUR RESIDENTS ...

The City has taken a responsible approach to the proposed tax and utility rate change, aiming to establish an affordable increase that maintains the level of services the community expects.

As with all municipalities in BC, finding a way to equitably distribute the tax burden between residents and businesses is no easy task. The business tax multiplier is the mechanism used by municipalities to set different tax rates between residents and businesses. In Penticton the multiplier is lower than most comparable municipalities (2.28) and the provincial average (2.73). The Canadian Federation of Independent Business recommends the multiplier to be no more than 2. The table below compares Penticton to others.

Municipalities use business tax multipliers to set different tax rates between residents and businesses, as a way to equitably distribute the tax burden.

### Business Tax Multiplier Comparisons (2018)



The current business tax multiplier in 2019 for Penticton will be 1.73; however, consideration will be undertaken to adjust it to 1.87 when tax rates are set later in spring. If this higher business tax multiplier is set, it will result in a smaller impact to residential properties.

The tables on the next page show the impact to residents and businesses of proposed tax and utility rate increases based on the two business tax multipliers.



## Impact of Tax and Utility Increases with Multiplier

## TYPICAL RESIDENTIAL PROPERTY (\$451,567)

|                                          | GENERAL MUNICIPAL TAXES   | STORM WATER | ELECTRIC UTILITY | WATER UTILITY            | SEWER UTILITY          | TOTAL \$ CHANGE |
|------------------------------------------|---------------------------|-------------|------------------|--------------------------|------------------------|-----------------|
|                                          | <b>Estimated Increase</b> | \$11        | \$0              | \$30                     | \$58                   |                 |
| <b>2019 Business Tax Multiplier 1.73</b> | \$59                      |             |                  |                          |                        | \$158           |
| <b>2019 Business Tax Multiplier 1.87</b> | \$18                      |             |                  |                          |                        | \$117           |
| <b>Assumptions:</b>                      |                           |             | 914 kwh/mo       | (3/4")<br>1,060 cu ft/mo | 532 cu ft/mo in winter |                 |

## TYPICAL BUSINESS PROPERTY (\$1,177,047)

|                                          | GENERAL MUNICIPAL TAXES   | STORM WATER | ELECTRIC UTILITY | WATER UTILITY              | SEWER UTILITY  | TOTAL \$ CHANGE |
|------------------------------------------|---------------------------|-------------|------------------|----------------------------|----------------|-----------------|
|                                          | <b>Estimated Increase</b> | \$32        | \$0              | \$53                       | \$303          |                 |
| <b>2019 Business Tax Multiplier 1.73</b> | \$266                     |             |                  |                            |                | \$654           |
| <b>2019 Business Tax Multiplier 1.87</b> | \$658                     |             |                  |                            |                | \$1,046         |
| <b>Assumptions:</b>                      |                           |             | 5,000 kwh/mo     | (1 1/2")<br>7,060 cu ft/mo | 7,060 cu ft/mo |                 |

## COUNCIL DECISION REQUESTS

In the departmental business plans, there are a total of 24 decision requests for Council. The financial implications of these initiatives are contained within the proposed budget. The list below summarizes these requests for new operating funding. For details on these requests and how they support goals to benefit the community, visit the applicable department plan.

| DEPARTMENT BUSINESS PLAN               | REQUEST                                                                                                                                   | VALUE     |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| <b>GENERAL FUND</b>                    |                                                                                                                                           |           |
| Communications & Engagement Department | Develop new City website                                                                                                                  | \$125,000 |
|                                        | Citizen community survey                                                                                                                  | \$8,000   |
| Corporate Services Department          | Purchase and implement an electronic documents records system (EDRMS) with an FTE position to support digitization and records management | \$75,000  |
| Bylaw Services Department              | Two Community Safety Officers                                                                                                             | \$155,000 |
|                                        | New centralized downtown Bylaw/RCMP office                                                                                                | \$30,000  |
| Land Management Department             | Skaha Park Master Plan                                                                                                                    | \$75,000  |
|                                        | Land Management Strategy                                                                                                                  | \$15,000  |
| Planning & Land Use Department         | Comprehensive Development Plan to establish the City's future land use vision                                                             | \$130,000 |
|                                        | Downtown Parkade Feasibility Study                                                                                                        | \$26,000  |
|                                        | Land Use Contracts termination to meet provincial rules and requirements                                                                  | \$15,000  |
| Procurement & Inventory Department     | Research and implement a contract management platform to address maintenance and tracking of City contracts                               | \$30,000  |
| Public Works Department                | Public Works Utility Supervisor (Note: Total cost is \$126,000 with \$66,000 funded from Water and Sewer Utilities)                       | \$60,000  |
|                                        | Two cleaning and maintenance staff                                                                                                        | \$66,000  |
|                                        | Service Advisor Coordinator to address fleet growth                                                                                       | \$100,000 |
| Electrical Department                  | Strategic area lighting and pedestrian crossing lighting                                                                                  | \$200,000 |
| Recreation & Facilities Division       | Facilities Administrative Support                                                                                                         | \$65,000  |
|                                        | Recreation Cost Sharing Review                                                                                                            | \$30,000  |
|                                        | Public Art Officer and initiatives (Note: not shown as a supported line item in budget)                                                   | \$150,000 |
| Museum & Archives                      | Revamp the First Peoples display area to complete the diorama portion of the exhibit                                                      | \$3,000   |
| RCMP                                   | One new RCMP Officer for 2019                                                                                                             | \$150,000 |
| <b>LIBRARY</b>                         |                                                                                                                                           |           |
| Library                                | Increase hours of cataloguer position in relation to the expansion of outreach services                                                   | \$7,000   |
|                                        | Increase online services                                                                                                                  | \$5,000   |
| <b>ELECTRIC UTILITY</b>                |                                                                                                                                           |           |
| Electric Utility                       | Investigate power generation possibilities                                                                                                | \$75,000  |
| <b>WATER UTILITY</b>                   |                                                                                                                                           |           |
| Engineering Department                 | Phase II Drought Management Plan                                                                                                          | \$100,000 |

# CORPORATE ADMINISTRATION

The following departments provide leadership and support services to the organization and the community:

CORPORATE SERVICES

COMMUNICATIONS & ENGAGEMENT

HUMAN RESOURCES & SAFETY

Penticton provides organizational support to the Penticton Public Library, a partner organization. This section also includes Library Services.



# Corporate Services



## WHAT WE DO

Corporate Services is the primary link between City Council, staff and the community. We support Council as it sets policy and strategic priorities, and we provide leadership to support the implementation of Council's directives.



## STAFFING

The Corporate Services Department consists of six full-time equivalent staff, including the Chief Administrative Officer, one Director and one Manager.



## ON A DAILY BASIS, WE...

- Act as the City liaisons: the Chief Administrative Officer (CAO) and other members of the department interact with community groups and other government agencies such as federal, First Nations, provincial and regional agencies as well as social agencies that serve the community;
- Provide administrative support to Mayor, Council and the Council Committees;
- Prepare and organize the agendas and minutes for Council and Committee meetings;
- Manage, maintain and provide access to corporate records including City bylaws;
- Maintain and preserve all of the City's records and manage Freedom of Information and Protection of Privacy issues and requests; and
- Conduct local government elections.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



## GOOD GOVERNANCE

- Increased voter opportunity options and turnout for the 2018 General Election.
- Updated and improved the orientation for Council to ensure they have the tools to be effective leaders and decision makers and created all new Committee orientation materials to help committees respond effectively to Council requests.
- Improved business processes for corporate records management and initiated preparations for a new electronic records management system to increase efficiency and provide improved public access to requested records.

- Updated and added new bylaws and policies that will direct how the City conducts business.
- Rebuilt the Corporate Services team with the departure/transfer of staff.



## COMMUNITY BUILDING

- Coordinated City events for Ikeda Sister City visit and Canada Day Drummers and liaised with Downtown Penticton Association and the Prime Minister of Canada's office to coordinate Prime Minister Justin Trudeau and wife Sophie Gregoire Trudeau's visit for BC Day.

*Achievements continued on next page*



## FISCAL SUSTAINABILITY

- Enhanced the 2017 Annual Report to focus on Council Priorities and organizational achievements and future goals.



## ECONOMIC VITALITY

- Initiated planning for the Federation of Canadian Municipalities Board meeting with 150 delegates to be hosted by the City of Penticton in the Spring of 2019.

# CHALLENGES AND OPPORTUNITIES

## RECORDS MANAGEMENT

The City must comply with the Freedom of Information and Protection of Privacy Act, including providing records as requested, or face fines and/or court challenges which can be costly. The difficulty is that the number and complexity of Freedom of Information requests is increasing and the number of electronic documents continues to increase exponentially, tripling every three years and adding 1.9 million new documents in the last three years alone. Searching for documents consumes a lot of staff time.

## NEW COUNCIL

We see the election of a new Council as an opportunity, and there is a need to provide Council with orientation information and support to ensure new and returning Council members have the information and background they require to make decisions over the next four years.

## BYLAWS AND POLICIES

Some Penticton bylaws and policies were adopted many years ago. The City needs to review older bylaws/policies to ensure they are not in conflict with current legislation or other bylaws/policies, and that they are still relevant and applicable.

## EVENTS

Penticton has the advantage of hosting many events and it's important for the City to support these events by ensuring Council members are aware of them and able to attend. Currently, there is no coordinated calendar to outline known events, which makes it difficult to plan and allocate resources as needed.

## ISSUES MANAGEMENT

When citizens advise the City of concerns or identify issues related to municipal responsibilities, it's important to ensure these issues are resolved. Without an effective tracking system there is a risk that some complaints may not be handled consistently or in a timely way. An additional challenge is that some issues relate to other governments or jurisdictions and are outside of the control of the City. However, when these outside issues are not addressed, citizens blame the City as they may not understand the City's role.



## 2019 INITIATIVES

### 1. Implement an Electronic Document and Records Management Plan

An electronic document and records management system (EDRMS) will provide a more efficient way to store and retrieve records and will reduce risks associated with legal challenges to the City by: ensuring documents are retained as required by law, regulation, statute or best practice; providing quick and reliable access to documents for FOI requests and court cases as needed; and, preventing documents from being destroyed prior to the required retention period. An EDRMS also improves efficiency by making it easier and quicker for staff to retrieve documents when needed.

**ESTIMATED COMPLETION:** Plan for and select a system - December 2019; Implementation through 2020



GOOD  
GOVERNANCE

### 2. Formalize Council 2019 Deliverables and Structure Spring 2020-2022 Plan

Council has identified priorities they want addressed and these have been actioned or added to business plans for 2019 and beyond. The next step is to complete a Strategic Plan for the remainder of the Council term to capture their vision.

**ESTIMATED COMPLETION:** May 2019



GOOD  
GOVERNANCE

### 3. Implement New Council Orientation

With a newly-elected Council, it's essential to ensure Council members have all the information and training required to fulfill their roles and make sound decisions. A full orientation began in late 2018 and will carry into 2019.

**ESTIMATED COMPLETION:** March 2019



GOOD  
GOVERNANCE

### 4. Update Bylaws and Policies

Bylaws and policies are the instruments for conducting City business. Often bylaws and policies become obsolete and need upgrading due to changing legislation or changing practices. Penticton will review its bylaws and policies and complete updates, or create new bylaws and policies as needed, as part of ongoing management best practice.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE

### 5. Implement an Events Tracking Calendar including Council Invitations

Staff will identify as many events requiring Council participation as possible and develop an events calendar, and corresponding planning materials, for what is required (type of attendance, need to purchase tickets, etc.), and ensure all of those event invitations are shared with Council as applicable.

**ESTIMATED COMPLETION:** March 2019 (with event tracking and invitations to Council as an ongoing practice)



GOOD  
GOVERNANCE



COMMUNITY  
BUILDING

*Initiatives continued on next page*

## 6. Implement an Issues Management Program



By developing an Issues Management Program to log and monitor all issues raised by the public and/or Council, City staff will be able to respond to and track issues more effectively. The system will list when the complaint is received, staff involved in responding and the resolution or outcome, as well as help identify trends and look for consistent, long-term solutions to repetitive problems. There is an opportunity to work with Communications & Engagement to ensure the public is aware of municipal roles and responsibilities as opposed to federal, First Nation or provincial jurisdictions.

**ESTIMATED COMPLETION:** June 2019

## CORPORATE SERVICES – BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

| EXPENSES                     | 2018 BUDGET    | 2018 FORECAST    | 2019 BUDGET    |
|------------------------------|----------------|------------------|----------------|
| Goods and Services           | 141,631        | 131,329          | 90,600         |
| Legal                        | 176,500        | 276,014          | 240,000        |
| Salaries and Benefits        | 704,497        | 857,388          | 817,000        |
| Internal Allocation In       | 16,388         | 20,689           | 7,500          |
| Internal Allocation Out      | -95,000        | -155,014         | -165,000       |
| Recoveries – FOIPPA          | -100           | -150             | -100           |
| <b>NET OPERATING EXPENSE</b> | <b>943,916</b> | <b>1,130,256</b> | <b>990,000</b> |

### KEY BUDGET CHANGES FOR 2019

- › The 2018 municipal election increased expenses in the Corporate Services Department. As there is no election planned for 2019, the net operating costs are lower than in 2018; however, this is offset due to the proposed records management position.



## MAYOR &amp; COUNCIL – BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

| EXPENSES                       | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET    |
|--------------------------------|----------------|----------------|----------------|
| Supplies and Memberships       | 34,394         | 39,015         | 34,000         |
| Travel and Conferences         | 25,000         | 13,956         | 40,000         |
| Salaries and Benefits          | 208,079        | 209,000        | 215,000        |
| Internal Allocation In         | 11,000         | 11,000         | 11,000         |
| <b>TOTAL OPERATING EXPENSE</b> | <b>278,473</b> | <b>272,971</b> | <b>300,000</b> |

## KEY BUDGET CHANGES FOR 2019

- Net operating expenses are increasing in 2019 due to Council orientation expenses and cost of living increase to the Mayor and Council's annual indemnity.

## COUNCIL DECISION REQUEST

| BUDGET REQUEST                                                       | BENEFIT                                                                                                                                                                                                                                                                                                                                                                         | OPERATING BUDGET REQUEST                                                                                                                                                                                             | CAPITAL BUDGET REQUEST                              |
|----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
| Electronic Document and Records Management System and Staff Position | Enables the City to manage the security, efficient retrieval, and retention of City records, and provide a means of collaboration between departments and people. It will help satisfy Freedom of Information requests for City documents and help avoid costly legal action against the City. It also reduces costs by decreasing staff time required to search for documents. | <b>Year 1</b><br>\$75,000 (Records Management System position for 8 months and consulting fees)                                                                                                                      |                                                     |
|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                 | <b>Year 2</b><br>\$83,000 (annual Records Management System position)<br>\$45,600 (annual software licence cost)<br><i>*Information Technology staff support will be required in year 1 and year 2, and ongoing.</i> | <b>Year 2</b><br>\$400,000 (one time software cost) |

\* We estimate the current cost of time wasted as staff search for documents is approximately \$372,096/year, based on 15 minutes per day by 170 staff with an average wage of \$36.48/hr over 240 working days.

If funding for a new document management system is not approved, staff will still need to find a way to clean up City records, set naming conventions and train staff to use the current systems and standards in a fashion that supports more efficient searches for records and FOI requests. This will require additional staff resources.

# Communications & Engagement



## WHAT WE DO

In Communications & Engagement we are focused on keeping our residents informed about operations in the City and new decisions and directions from Council, as well as engaging with residents to seek input and help inform Council about community interests and priorities.



## STAFFING

The Communications & Engagement Department consists of 2.5 full-time equivalent staff, including one Manager.



## ON A DAILY BASIS, WE...

- Work internally with staff and externally with stakeholders to make information on City services, events or topics of public interest available and accessible via our website, social media, newsletters, news releases and other channels;
- Partner with staff to develop and execute a process to involve the community in decisions that matter to them and to provide Council with information about community views to assist with their decision making; and
- Work with local and regional media.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



## GOOD GOVERNANCE

- Continued growth of social media channels. Revised social media strategy for engagement. Increased diversity of social media content.
- Continued growth of registrations on [shapeyourcitypenticton.ca](http://shapeyourcitypenticton.ca) and participation in engagement activities.
- Significantly increased the number of news releases issued. 170 were issued in 2018 compared to approximately 50 for previous years.
- Revised City newsletter. The focus was on ensuring content was relevant to residents by capturing key announcements from previous months and including tips on utility consumption and recreation services.
- Revised emergency management communication materials and on-site live training.
- Introduced greater rigor on proactive communication and engagement with respect to internal planning and preparedness.



## CHALLENGES AND OPPORTUNITIES

### LONG-RANGE PLANNING

Given the speed by which information is distributed via popular social media channels, combined with the dominant role these channels play in circulating information and news, communication planning is required more than ever, while the time to organize it is less and less. By identifying repeating cycles of annual work, services or decisions, the majority of the City's operational communications (which comprise the largest portion of the City's yearly announcement schedule) can be effectively planned for in advance.

### LISTENING TO RESIDENTS

Despite the City's success in increasing occasions for public engagement, the actual topics of engagement remain primarily set by Council and staff. The opportunity exists for the City to expand its current engagement program to include feedback on topics and issues for which there is currently no established political or administrative attention.

### BUILDING STAFF EXPERTISE

The expanding array of communication channels and opportunities to send out information is placing considerable pressure on the designated communication resources, making it difficult to be actively engaged and responsive.

The opportunity exists through internal staff education and new technology to decentralize some aspects of the City's communication function in order to better serve the expectations of residents.





## 2019 INITIATIVES

### 1. Launch New Version of Penticton.ca

Penticton.ca has reached the end of its functional service life as the primary conduit for accessing online information about the City, the services it supplies or the decisions its elected officials and staff make. Developments in internet technology, combined with new devices by which the internet is accessed, have further reduced the functionality of the current website. The time has come to create and relaunch Penticton.ca.

**ESTIMATED COMPLETION:** October 2019



GOOD  
GOVERNANCE



COMMUNITY  
BUILDING

### 2. Develop a Community Engagement Framework

At this time the City's popular engagement program and activities are without a set of defined policies and processes to articulate the City's commitment to community engagement. With this initiative, Council, staff and the community will have a shared understanding of the purpose of community engagement and what to expect from the program.

**ESTIMATED COMPLETION:** June 2019



GOOD  
GOVERNANCE



SOCIAL  
DEVELOPMENT

### 3. Implement Citizen-led Engagement Program

Successful community engagement programs include processes and occasions that enable residents to lead the conversation. With achievement of this initiative, the City will have a better understanding of what is important to the community and greater participation from a wider and more inclusive audience. The community will have a regular forum to discuss topics of importance with the City through PenTALKton evenings, where citizens select the topic in advance and drive the conversation.

**ESTIMATED COMPLETION:** Three times in each of the first three quarters



GOOD  
GOVERNANCE



SOCIAL  
DEVELOPMENT

### 4. Introduce Continuous Improvement Initiatives

Improving the effectiveness of the City's engagement program by way of aligning existing efforts to industry best practices can lead to a variety of quick wins. Through this initiative, various steps taken will reduce barriers to participation and introduce measures to gauge the effectiveness of the program.

**ESTIMATED COMPLETION:** August 2019



GOOD  
GOVERNANCE

### 5. Introduce the News Release Creator Tool

This tested and proven piece of technology will be rolled out by the end of 2019 in an effort to better manage the writing, approval, posting and issuing of City news releases. When installed, the application provides a wide range of benefits to select staff, while also addressing a notable short-fall of knowledge surrounding the City's current website Content Management System (CMS). The application's availability during EOC activations will also provide a notable improvement in the time it takes to issue critical information to the public.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE

## BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

| EXPENSES                       | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET    |
|--------------------------------|----------------|----------------|----------------|
| Communications                 | 281,942        | 287,600        | 326,160        |
| Community Relations            | 42,000         | 42,900         | 1,000          |
| Publications                   | 29,300         | 26,506         | 92,000         |
| Print                          | 50,000         | 52,000         | 0              |
| Radio                          | 2,000          | 0              | 0              |
| Online                         | 15,000         | 6,500          | 1,500          |
| Internal Allocation In         | 15,000         | 12,840         | 13,000         |
| Internal Allocation Out        | -21,000        | -21,400        | -23,000        |
| <b>TOTAL OPERATING EXPENSE</b> | <b>414,242</b> | <b>406,946</b> | <b>410,660</b> |

## KEY BUDGET CHANGES FOR 2019

- › No material changes between 2018 Forecast and 2019 Budget.

## COUNCIL DECISION REQUESTS

| BUDGET REQUEST                                        | BENEFIT                                                                                                                                                               | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|
| New website to replace existing Penticton.ca platform | Addresses current issues with searchability, lack of a mobile screen platform, limited content management system and other performance issues on the current website. | \$125,000*               |                        |
| Community survey by contractor                        | Provides expertise and capacity to complete an assessment of initiatives to reduce barriers and improve public participation                                          | \$8,000                  |                        |

\* This budget request resides in the IT cost centre; however, the Communications & Engagement Department would lead the project.

# Human Resources & Safety



## WHAT WE DO

In Human Resources & Safety, we strive to balance the needs of all City staff by developing and managing corporate programs. These include recruitment, labour relations, collective bargaining, training, staff development, payroll and benefits, and health and safety.



## STAFFING

The Human Resources & Safety Department consists of five full-time equivalent staff, including one Manager.



## ON A DAILY BASIS, WE...

- Handle the recruitment of staff, including posting, interviewing and on-boarding;
- Manage labour relations, including the handling of all union matters and negotiating collective agreements;
- Process the payroll, benefits and pensions of City employees;
- Create, implement and oversee internal policies;
- Ensure the health and safety of City staff by educating employees on safe work practices; and
- Provide advice to managers and supervisors to support effective communication and cooperation with their staff.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



## GOOD GOVERNANCE

- Created a Five Year Succession Planning Master Plan to ensure that the City is ready for staffing changes.
- Improved the Safety Management System within the City (i.e. Personal Protective Equipment and Safety Training).
- Implemented a City-wide Performance Management Tool focused on Employee Development.

### NOTE:

*The Human Resources & Safety Department handles a number of private and confidential matters. For this reason, several of the Department's Achievements and Initiatives could not be listed in this Business Plan.*

## CHALLENGES AND OPPORTUNITIES

### EMPLOYER IMPLICATIONS OF LEGALIZED CANNABIS

In October 2018, the use of recreational cannabis was legalized in Canada, creating the need for the Human Resources & Safety Department to prepare for the various challenges the City may face related to the use of cannabis products for medical/non-medical use in the workplace. The City will follow the published experiences of employers regarding cannabis use and will have the safety of staff as its paramount concern.

### COLLECTIVE BARGAINING OF THREE AGREEMENTS

The collective agreements for three of the City's four unions expired on December 31, 2018. This affects the Canadian Union of Public Employees (CUPE), the International Brotherhood of Electrical Workers (IBEW) and CUPE – Library. Collective bargaining is now required for the next contracts, which is a labour-intensive undertaking for both management and unions.

## 2019 INITIATIVES

### 1. Implement the Five Year Succession Planning Master Plan

The City will implement its Five Year Succession Planning Master Plan to ensure up-and-coming staff vacancies are handled with limited disruption to staffing levels and overall productivity.

**ESTIMATED COMPLETION:** July 2019



### 2. Achieve Certificate of Recognition (COR) and The Partners in Injury and Disability Prevention Program (PIR)

Both COR and PIR are voluntary programs that operate through the combined efforts of WorkSafeBC, the Ministry of Labour, industry partners, safety associations, employers and labour groups. By completing (and maintaining) COR and PIR, the City will be eligible for significant WorkSafeBC refunds.

**ESTIMATED COMPLETION:** December 2019



### 3. Ratification of Three Expired Collective Agreements

The Human Resources & Safety Department will aim to successfully negotiate and achieve union ratification of the three collective agreements that expired at the end of 2018. Strong collective agreements are to the mutual benefit of both the City and its unions and will support the City's mandate of being an employer of choice.

**ESTIMATED COMPLETION:** July 2019



### 4. Support Mayor and Council Remuneration Advisory Task Force

A 'Mayor and Council Remuneration Advisory Task Force' will be established to review the current compensation levels and make recommendations related to salary and benefits. The Human Resources, Payroll and Health & Safety Manager will support the work done by the Advisory Task Force.

**ESTIMATED COMPLETION:** April 2019





## BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

| EXPENSES                     | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET    |
|------------------------------|----------------|----------------|----------------|
| Goods and Services           | 160,480        | 105,342        | 162,000        |
| Salaries and Benefits        | 509,610        | 498,249        | 556,080        |
| Legal                        | 15,000         | 66,150         | 35,000         |
| Internal Allocation In       | 47,538         | 69,781         | 49,920         |
| <b>NET OPERATING EXPENSE</b> | <b>732,629</b> | <b>739,523</b> | <b>803,000</b> |

### KEY BUDGET CHANGES FOR 2019

- Net operating expenses are increasing in 2019 primarily as a result of union negotiations and the filling of a prolonged staff vacancy in 2018.





# Library Services

## WHAT WE DO

At the Penticton Public Library, we have a mandate to promote literacy, meet the information needs of our community and offer programming opportunities for residents of all ages. In addition to physical and digital book collections, which are the most traditional service offered at a library, we also offer technical services such as the Integrated Library System (Catalogue), information technology training and support, and reference services to assist with research. We also offer programs for adults, youth and children.



## STAFFING

The Penticton Public Library consists of 16 full-time equivalent staff.



## ON A DAILY BASIS, WE...

- Provide library services to residents of the City of Penticton;
- Enhance digital access to those residents without a home computer;
- Ensure information needs are met through a well-planned and maintained non-fiction collection and reference service;
- Enable life-long learning goals of residents by providing access to learning databases; and
- Deliver innovative and sustainable programming for children, young adults and adults of all ages.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



## GOOD GOVERNANCE

- Conducted outcome-based evaluations of home delivery service, Borrow-a-Librarian and Science, Technology, Engineering, Arts, Math (STEAM) programs. The three services that were evaluated based on this methodology have been identified as providing ongoing added value to library services.
- Introduced three-dimensional printing programs and service development that provides the community with up-to-date technology.
- Evaluated and refined digital resources to stay relevant.
- Adopted SirsiDynix Horizon Enterprise System for a patron-focused catalogue. This online access catalogue is more user friendly for patrons than the previous catalogue – making it easier for patrons to find what they're looking for.

- Continued with essential updates to the library's collection of printed and digital books and other resources to ensure the library's collections are up to date and relevant to library patrons, contributing to a vibrant and active library community. This includes discarding items that are no longer in use by patrons, are damaged and cannot be repaired, or are inaccurate to make space for new items.



## SOCIAL DEVELOPMENT

- Developed STEAM programming for children eight to 12 years old. These programs have been very well received by participants and parents, and have achieved the outcomes assessed in the early

## CHALLENGES AND OPPORTUNITIES

### CAPACITY

It is challenging to maintain staffing levels in the face of increasing workloads. The Library has had up to a six-month backlog in cataloguing due to staffing shortages. Programming attendance stats are up by 15% (all ages), which puts pressure on the programmers in terms of satisfactory delivery. STEAM programming has been tremendously successful – doubling attendance at Tween programs; however, we are limited by equipment and by our ability to manage groups.

### INCREASED COSTS

The rising cost of materials (physical and digital) is posing challenges for our budgeting process. According to Statistic Canada, the cost of reading material has risen 5.7% since 2017 and the average e-book costs libraries three to five times more than the amount it costs consumers. The Library's purchasing budget line has not increased at all in the past seven years.

### AGING INFRASTRUCTURE AND A LACK OF SPACE

Our security (theft prevention) system is failing and we do not have sufficient work space for staff needs. Service desks are not ergonomically correct and the information desk has been assessed as a potential safety hazard for staff dealing with difficult or upset patrons. Further, the Library lacks space for storage both of the public collection and of materials used in our work.

### LESSENING OF INTERNAL INCOME DUE TO FEES AND FINES

The Library has not met its budgeted internal revenue for several years due to a decrease of patrons returning their materials late, and a decrease of lost or damaged items. However, ongoing collection maintenance due to lack of space has increased our revenue from discarded or donated book sales.

### STRATEGIC PLANNING

The Library has come to the end of the 2014-2018 strategic plan and will be engaged in planning through the first quarter of 2019. While this is a positive step in planning for our future, it requires staff time.

### INFORMATION TECHNOLOGY

The ongoing growth and developments in information technology have added to the scope of work. Our patrons expect to be able to have seamless access to resources via the Library. As such, we will be adding further resources and providing services to ease the usage of the Library virtually. However, we also must continue to meet the challenge of assisting those individuals who struggle to use consumer grade technology.

## 2019 INITIATIVES

### 1. Expand Outreach Services

The Library is committed to fostering increased community engagement and lifelong learning. As part of that, we have a well-established home delivery service for patrons who are unable to come into the Library. In 2018, an assessment of this service indicated that its continuation remained an important part of our secondary services. However, it also became apparent that the Library could be doing more to reach under-served members of our community. In 2019, we will be expanding on our outreach services informed by our strategic planning process. Expanded outreach meets community needs with both traditional and new services, in dynamic and changing environments. Whether providing services to those who can't come to the Library, or reaching out to those who are underserved, this outreach and community engagement ensures equitable delivery of the Library's services to all people.

**ESTIMATED COMPLETION:** September 2019



COMMUNITY  
BUILDING



SOCIAL  
DEVELOPMENT

#### LIBRARY BOARD STRATEGIC GOALS:

Increased Community  
Engagement

Fostering Lifelong  
Learning

### 2. Adjust Online Services

Online services from ebooks (Library2Go, RBD digital) to learning platforms (Mango Languages, Lynda.com) are being increasingly used and sought by residents. Our usage statistics continue to rise, depending on the database, from 20% to 197%. Previously the costs of these services were split between our materials budget and online services. By adjusting our budget allocation to better reflect usage patterns it will normalize the Library's spending on items in high demand by our users while maintaining our current budget for books.

**ESTIMATED COMPLETION:** December 2019



FISCAL  
SUSTAINABILITY



SOCIAL  
DEVELOPMENT

#### LIBRARY BOARD STRATEGIC GOALS:

Put the Patron  
Experience First

Fostering Lifelong  
Learning

## BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

|                                 | 2018 BUDGET      | 2018 FORECAST    | 2019 BUDGET      |
|---------------------------------|------------------|------------------|------------------|
| <b>REVENUES</b>                 | <b>-257,212</b>  | <b>-248,067</b>  | <b>-257,612</b>  |
| Goods and Services              | 481,800          | 462,451          | 499,300          |
| Salaries and Benefits           | 852,000          | 886,096          | 914,004          |
| <b>TOTAL OPERATING EXPENSES</b> | <b>1,333,800</b> | <b>1,348,547</b> | <b>1,413,304</b> |
| Total Internal Allocation In    | 0                | 0                | 113,400          |
| <b>NET OPERATING EXPENSES</b>   | <b>1,076,588</b> | <b>1,100,480</b> | <b>1,269,092</b> |

### KEY BUDGET CHANGES FOR 2019

- Increase in net operating costs due to facilities area allocating in operating expenses of the library building and contractual labour increases, and increased online and outreach services.

## COUNCIL DECISION REQUESTS

| BUDGET REQUEST                                                                     | BENEFIT                                                                                                                                                                                | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|
| Increase hours of LTI Cataloguer in relation to the expansion of outreach services | This enables the Library to continue valuable outreach services to meet the needs of our community, particularly those who are unable to come to the Library and who are under-served. | \$7,000                  |                        |
| Increase online services                                                           | This will enable the Library to maintain digital services and meet the increasing needs of the community for these services.                                                           | \$5,000                  |                        |

# DEVELOPMENT SERVICES

The Development Services Division includes six departments:

BUILDING & LICENSING

BYLAW SERVICES

DEVELOPMENT ENGINEERING

ECONOMIC DEVELOPMENT

LAND MANAGEMENT

PLANNING & LAND USE





# Development Services

## Including Development Engineering

### WHAT WE DO

In the Development Services Division, we are responsible for Economic Development, Land Management, Planning & Land Use, Development Engineering, Building & Licensing and Bylaw Services. We have a unique situation in that we see many municipal processes from creation to implementation. With the addition of Economic Development in 2017 and Land Management in 2018, we have the ability to positively impact new investment from the approval processes all the way to enforcement of bylaws.

This plan includes Development Engineering, while details on the other departments can be found in their individual plans.

### STAFFING

The Development Services Division consists of 32 full-time equivalent staff, including one Director, five Managers and one Supervisor.

### ON A DAILY BASIS, WE...

- Support business retention and attraction efforts;
- Manage the sale, purchase, licence and lease of municipal land;
- Lead the development of the Official Community Plan;
- Conduct rezoning, development permit and subdivision application reviews;
- Issue building permits;
- Issue building licences;
- Provide consistent interpretation and enforcement of City bylaws related to developers to ensure requirements are adhered to during development projects;
- Enforce compliance with municipal bylaws, with regards to individuals and organizations;
- Ensure City infrastructure associated with new development is complete and in compliance with City bylaws; and
- Enforce compliance with City construction standards regardless of whether the City or a developer is funding and carrying out the work.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Oversaw programs related to community awareness and education of the development process.
- Conducted prioritization review of Bylaw Services.
- Completed Master Plan for Parks and Recreation, which included development of the Park Dedication Bylaw, Park Land Protection and Use Policy and Park Zoning amendments.
- Worked with Development Services Advisory Committee to create the new Building Bylaw and update the Subdivision and Development Bylaw.
- Monitored and managed works under construction with a focus on process improvement and maintenance of work quality.
- Managed infrastructure repairs for Project Falcon (TELUS fibre optic rollout).

*Achievements continued on next page*



## COMMUNITY BUILDING

- Engaged the community through the development of an Official Community Plan.
- Implemented a Parking Strategy with Bylaw Services.
- Managed community concerns regarding the impact on surrounding residents of earthworks undertaken by the developer of the Dartmouth Subdivision.
- Completed a detailed analysis of the servicing options for the potential subdivision as part of the Upper Wiltse Area Plan.



## ECONOMIC VITALITY

- Responded positively to increased levels of development activity.
- Co-led the Smart City Challenge application.
- Created an Economic Development Strategy and implemented action items related to: communication, collaboration, retention and expansion, attraction and organizational excellence.

## CHALLENGES AND OPPORTUNITIES

### DEVELOPMENT LEVELS

Penticton has undergone one of the most active development cycles in the City's history over the past five years, putting pressure on all departments. With a committed team of professionals across the Development Services Division, we have been able to respond efficiently to the needs of our community, development industry and range of customers. However, with increased activity, we have identified stressors on our systems along with the need for continual improvement to ensure we are able to respond to increasing community expectations.

### MANAGEMENT OF DEVELOPMENT INFRASTRUCTURE REQUIREMENTS AND COMMUNICATION WITH DEVELOPERS

Infrastructure upgrades required for new developments can be very costly so we work hard to ensure developers are aware of the total scope and cost of any required works to allow them to factor those in to their costs. Open and honest communication is key for this. Completing infrastructure upgrades based on the size of development is a goal that is not always achievable because the cost is sometimes too significant for the size of the development. As a result, we strive to determine and communicate upgrade allocations in a fair, transparent and consistent manner to ensure good relations with all of our developers.

### COMPLEX SOCIAL ISSUES

2018 saw continued positive momentum in all Development Services departments with each team responding to a variety of complex issues and completing a number of strategically important projects for the organization. Bylaw Services saw the most challenging issues with the community demanding the prioritization of dealing with the social and criminal issues in the community. Bylaw's partnership with the RCMP and the community's social organizations will need to continue in 2019 to prepare for and respond to similar issues.

### COMMUNITY ENGAGEMENT

Finding innovative ways to ensure community involvement is critical to success of the Development Services team, whether it be through the development of new policy, creation of new processes or implementation of new bylaws. Looking out to 2019, the momentum built around engaging our community in the work we do will need to continue moving forward.

## 2019 INITIATIVES

### 1. Community Priorities

Development Services oversees departments that assist in creating a sustainable, vibrant and active city for our community. The influence and impact of these departments are far reaching, largely focused on moving the community forward through economic opportunity, land use and development.

Strategic projects falling under the direction of the Development Services Director, working closely with departmental managers will include:

- Completion of Official Community Plan  
**ESTIMATED COMPLETION:** June 2019
- Land Management Strategy  
**ESTIMATED COMPLETION:** June 2019
- Modernization of Business Licence Bylaws  
**ESTIMATED COMPLETION:** December 2019
- Economic Development 2nd Year Operational Plan  
**ESTIMATED COMPLETION:** December 2019
- Skaha Park Master Plan  
**ESTIMATED COMPLETION:** December 2019



**GOOD  
GOVERNANCE**



**COMMUNITY  
BUILDING**



**ECONOMIC  
VITALITY**

### 2. Infrastructure & Servicing Analysis

As our community grows, our development engineering team will ensure that new growth areas and existing infill areas are provided with the appropriate infrastructure to ensure sustainable development of our community.

Work will include completing the servicing and infrastructure analysis for the City's future growth areas and new subdivision applications, including:

- Skaha Bluffs
- Dartmouth Green subdivision
- 157 Abbott Street
- North Wiltse
- Spiller Road
- OCP Implementation – Comprehensive Development Plan review

**ESTIMATED COMPLETION:** Throughout 2019



**GOOD  
GOVERNANCE**



**COMMUNITY  
BUILDING**



**ENVIRONMENTAL  
SUSTAINABILITY**

## DEVELOPMENT SERVICES – BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                                  | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET    |
|----------------------------------|----------------|----------------|----------------|
| Goods and Services               | 70,500         | 42,685         | 55,125         |
| Carmi Landfill Monitoring        | 5,000          | 5,000          | 5,000          |
| Salaries and Benefits            | 261,033        | 253,221        | 258,110        |
| Internal Allocation In - Revenue | -73,000        | -11,000        | -61,000        |
| Internal Allocation In - Expense | 369,039        | 440,756        | 440,765        |
| <b>NET OPERATING EXPENSE</b>     | <b>632,573</b> | <b>730,662</b> | <b>698,000</b> |

## KEY BUDGET CHANGES FOR 2019

- › Net operating expenses are decreasing due to increase in inspection fee revenue allocated in from the Development Engineering Department.

## DEVELOPMENT ENGINEERING – BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                              | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET    |
|------------------------------|----------------|----------------|----------------|
| <b>REVENUE</b>               | <b>-73,000</b> | <b>-11,000</b> | <b>-61,000</b> |
| DCC Bylaw Update             | 5,000          | 456            | 0              |
| Subdivision & Dev. Bylaw     | 8,000          | 17,000         | 12,000         |
| Engineering Bylaw Review     | 5,000          | 0              | 0              |
| Salary and Wages             | 266,082        | 280,300        | 273,235        |
| Operational Expense          | 284,082        | 297,756        | 285,235        |
| <b>NET OPERATING EXPENSE</b> | <b>211,082</b> | <b>286,756</b> | <b>224,235</b> |

## KEY BUDGET CHANGES FOR 2019

- › Net operating expenses are decreasing due to increase in projected inspection fee revenue.

# Building & Licensing

## WHAT WE DO

In Building and Licensing, we help to ensure that buildings are safe and that there are consistent standards for construction and development in Penticton. We also use licensing and other regulations to guide where various types of businesses may operate, and some specialized uses such as liquor licensing. We interact regularly with residents, local businesses and other stakeholders, and provide information and education on how to meet the City's and provincial regulations, and we enforce these requirements as needed.

## STAFFING

The Building & Licensing Department consists of 10 full-time equivalent staff.

## ON A DAILY BASIS, WE...

- Assist in pre-construction developments and business proposals;
- Review and issue demolition, mechanical and building permits – issued 915 in 2018;
- Review and issue business licences, including home-based operations – 3055 active business licences, 117 non-profit licences and 152 active vacation rentals in 2018;
- Conduct on-site inspections of construction projects and business operations – completed 4,452 inspections in 2018;
- Review and issue storefront and sidewalk use permits;
- Review liquor applications for local government input;
- Provide education to building industry and owners on codes, permits and licensing; and
- Enforce regulatory bylaws pertaining to construction, businesses and land uses – 162 case files initiated in 2018.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



## GOOD GOVERNANCE

- Completed the new Building Bylaw 2018-01 and related enforcement bylaws and policy, which were all adopted by Council. City staff have also improved their relationship with external partners such as regional building and licensing departments, the Municipal Insurance Association of BC (MIABC), the BC Building and Safety Standards Branch and the Building Officials Association.
- Updated application forms, webpages and guides to support the new Building Bylaw 2018-01.
- Reduced time to complete permit reviews for residential and small commercial projects by more than 50%, while permit volumes remain consistent with previous years.
- Enhanced reporting tools, data management and mobile inspections through improvements to the City's permit software system.
- Developed a new, online tool to allow residents to apply for new business licences and amend existing licences. This new self-service tool will be available to residents in 2019.

*Achievements continued on next page*



- Updated the City's short-term rental vacation program to reflect community priorities, increase education about how the program works, and provide enforcement, including contracting with a third party to help track vacation rentals.
- Saved costs and time for issuing new business licences and renewals by updating online services and the MyCity self-user.
- Addressed unlicensed cannabis retail operations within Penticton through enforcement , resulting in the closure of all non-compliant operations.
- Expanded customer service support for proposed development under a pre-application review process.

## CHALLENGES AND OPPORTUNITIES

### CONSTRUCTION AND BUSINESS DEVELOPMENT

Continued high levels of construction activity and business development, including increasingly complex building projects and more diverse business interests, put pressure on staff time. It's a challenge to balance high work volumes with process improvement, customer service and regulatory enforcement. For 2019, staff will work with our building community and promote the pre-development application meetings to help guide property and business owners by continuing to invest in process efficiencies.

### TECHNOLOGY DELAYS

The new online eApply Service for Business Licence applications has been delayed due to challenges with the software system provider and information technology (IT) support staff workloads. In 2019, clear priorities have been established for projects, along with increased role clarity and collaboration between IT and other City departments.

### GAPS IN CITY LICENSING AND PERMIT PROGRAM

Following investigations into illegal suite complaints, poorly maintained rentals and problems with short-term vacation rentals, the City's current rental licensing and permitting program needs to be expanded to address these issues.

Opportunities exist to review best practices with other communities in an effort to improve public safety, increased revenue and affordable housing opportunities.

### NEW BUILDING REGULATIONS AND DEVELOPMENT COMMUNITY IMPACTS

Increasing building permit applications and inspection volumes combined with changes to building regulations has challenged staff and the design and development community, resulting in permit review delays and re-inspections, as well as increased liability risks for some projects. Staff are having to educate the development community and manage permits in detail to ensure proper closure. Staff will continue to work on developing relationships with our local building community to increase the quality of permits applications and code knowledge through education workshops and guides. The implementation of a Home Owner (below) awareness program is another opportunity to assist our local building community to enhance the review process.

### FILE MANAGEMENT

The current file management system is a mix of hard copy storage in six locations and a fragmented digital file system. This can result in delays to find and provide information to prospective property and business owners. Staff have initiated an in-house process of digitizing new permit and license records in conjunction with improved policy and procedures in preparation for the City's proposed file management systems update.

### REGULATORY CHANGES

Changes to provincial government regulations have caused some gaps in consistency and miscommunication between departments and within the Building and Licensing team. There is an opportunity to work with a third-party provider, and build stronger working relationships with other local jurisdictions along with streamlined and consistent processes.

## 2019 INITIATIVES

### 1. Building Department Accreditation



To improve efficiency and customer service, while also reducing liability exposure, the City will be working with a third party to assess its policies and procedures and become accredited by the International Accreditation Service (IAS). With IAS Accreditation, Penticton's Building Department will:

- Implement best practices for public safety;
- Meet nationally recognized standards;
- Use a performance tool that helps departments proactively establish and assess goals for public safety, customer service, budgeting, professional development and other related functions.
- Enhance the public and professional image of building departments.

Currently the City of Kelowna is the only jurisdiction in the province to have gone through and been accredited to this international standard (2016).

**ESTIMATED COMPLETION:** December 2019

### 2. Implement Homeowner Permit Awareness Campaign



To help address lack of awareness and current problems with permits and licensing not being applied consistently by residents, the City will develop and launch a new information campaign to educate homeowners about requirements. This will also help to reduce staff time required to complete plan reviews and site inspections when permit requirements are completed correctly.

**ESTIMATED COMPLETION:** June 2019

### 3. Modernize Business Licence Bylaws



Many of the City's existing bylaws are more than 15 years old and require updating to meet current legislation and reflect business practices. Working with a regional peer advisory group and the City's Economic Development team, staff will restructure core bylaws and procedures for consistency and improved efficiency for the City and business owners. Staff will work with legal counsel to prepare bylaw updates and liaise with other regional and provincial partners.

**ESTIMATED COMPLETION:** December 2019

### 4. Expand Long-Term Residential Rental Program



Building and Bylaw Services have seen a significant increase in the number of complaints related to illegal rental suites and poorly maintained rental buildings and homes. It is estimated that there are several hundred illegal long-term rental suites, putting occupants at risk and negatively impacting the quality of rental units in the city. Also there are no mechanisms in place to ensure apartment buildings are maintained beyond minimum safety standards such as exits, smoke alarm or fire alarm systems. Staff would like to evaluate and consider the benefits (safety and revenues) and challenges (affordable housing) in regulating all long-term rental accommodations in Penticton.

**ESTIMATED COMPLETION:** December 2019



## BUDGET OVERVIEW

## BUILDING – PROPOSED OPERATING BUDGET

|                              | 2018 BUDGET       | 2018 FORECAST     | 2019 BUDGET       |
|------------------------------|-------------------|-------------------|-------------------|
| <b>BUILDING - REVENUES</b>   | <b>-1,085,000</b> | <b>-1,361,400</b> | <b>-1,185,000</b> |
| Salaries and Benefits        | 636,499           | 650,000           | 744,796           |
| Remedial Action              | 25,000            | 12,229            | 25,000            |
| Permit Modernization Project | 150,000           | 75,000            | 65,000            |
| Goods and Services           | 30,650            | 36,677            | 44,800            |
| <b>NET OPERATING SURPLUS</b> | <b>-242,851</b>   | <b>-587,494</b>   | <b>-305,404</b>   |

## LICENSING – PROPOSED OPERATING BUDGET

|                                          | 2018 BUDGET     | 2018 FORECAST   | 2019 BUDGET     |
|------------------------------------------|-----------------|-----------------|-----------------|
| <b>LICENSE - REVENUES</b>                | <b>-577,500</b> | <b>-577,375</b> | <b>-588,500</b> |
| Salaries and Benefits                    | 122,000         | 125,000         | 151,580         |
| Goods and Services                       | 1,500           | 2,750           | 12,000          |
| Bylaw Consultation                       | 5,000           | 3,891           | 10,000          |
| Business Licensing Modernization Project | 100,000         | 50,000          | 70,000          |
| <b>NET OPERATING SURPLUS</b>             | <b>-349,000</b> | <b>-395,734</b> | <b>-344,920</b> |

## SUMMARY – PROPOSED OPERATING BUDGET

|                                       | 2018 BUDGET     | 2018 FORECAST   | 2019 BUDGET     |
|---------------------------------------|-----------------|-----------------|-----------------|
| Building Operating Surplus            | -242,851        | -587,494        | -305,404        |
| Licensing Operating Surplus           | -349,000        | -395,734        | -344,920        |
| Total Internal Allocations In         | 16,500          | 16,900          | 122,000         |
| <b>NET OPERATING SURPLUS COMBINED</b> | <b>-575,351</b> | <b>-966,328</b> | <b>-528,324</b> |

## KEY BUDGET CHANGES FOR 2019

- Net operating surplus is reduced in 2019 due to the Fire Services Department allocating in costs of supporting building inspections and the anticipation of lower building permit revenues in 2019.

# Bylaw Services

## WHAT WE DO

Bylaw Services provides citizens with a variety of services related to regulatory issues, with the purpose of enhancing community safety and livability, and to be a complement to police services. We are committed to the delivery of professional bylaw education and enforcement in a timely and effective manner, and in accordance with Council direction.

## STAFFING

The Bylaw Services Department consists of seven full-time equivalent staff.

## ON A DAILY BASIS, WE...

- Educate and enforce municipal bylaws;
- Enhance public safety through foot, bike and vehicle patrols; and
- Manage behavioural and nuisance issues to promote a harmonious living environment.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Completed internal process improvements – triaging calls for service and hiring of Bylaw Intake Administrator.
- Launched new deployment strategy to address changing priorities related to community and social issues, including expanded hours of service, downtown foot patrols and bike deployment.
- Conducted Bylaw Officer job duty risk assessments and overall officer safety procedures.



### COMMUNITY BUILDING

- Conducted a prioritization planning session involving community partners who helped to identify and prioritize bylaw services in our community and begin the development of a Community Safety Framework.
- Developed and implemented a parking strategy work plan.
- Implemented the 'See Something, Say Something' public safety awareness campaign. Over 20 highly visible signs were installed throughout the city, along with radio messaging. Over 160 downtown businesses were personally contacted with the awareness flyer and stickers. Particular attention was drawn to the after-hours Bylaw Officer phone number. There was a joint response between Bylaw Services and the RCMP to address both criminal and social issues, as well as respective roles and responsibilities. The results of this awareness campaign included increased bylaw calls for service from the public and enhanced public support.



### SOCIAL DEVELOPMENT

- Participated and engaged in action with a community strategy (with Interior Health, Downtown Penticton Association, RCMP etc.) for the safe disposal of sharps to support harm reduction efforts. This included the installation and education/awareness of sharps containers on City property.
- Participated in Community Active Support Table.



## CHALLENGES AND OPPORTUNITIES

### DEMAND VERSUS RESOURCES

It is an ongoing challenge to reduce operating costs while maintaining high levels of bylaw services.

### EXPANDING SOCIAL AND CRIMINAL ISSUES

Drug addiction, mental health and homelessness have led to a myriad of social and criminal justice issues across the province. The recent opioid overdose crisis has resulted in an even more distorted understanding of what is socially acceptable behaviour in public spaces. As a result, the role of a Bylaw Enforcement Officer in our community has expanded well beyond parking/traffic enforcement, which puts a strain on resources.

### REDEFINED ROLE

Utilizing 'Community Safety Officers' to address social issues, while ensuring that other bylaws that generate revenue are still being enforced (i.e. Traffic Bylaw-paid parking, etc.) presents a valuable opportunity that Bylaw Services is exploring.

### LOCAL PARTNERSHIPS

We have a unique opportunity and the ability to jump start a community safety program, and ensure it is in tune with community needs and specific local issues. Bylaw Enforcement Officers complement police services by diverting a volume of lower level nuisance calls for service. The Bylaw Enforcement Officers' presence in public spaces has aided in the deterrence of illicit activities while acting as the municipality's public ambassadors. Over the past year, Bylaw Enforcement Officers have received enhanced training and educational opportunities to be well prepared and equipped to do the job safely. They stay informed with mental health, drug addiction and homelessness issues our community is facing while building a stronger relationship with the RCMP.

The outcome is a reduction in the workload assigned to police services, alleviating valuable police resources to prioritize criminal matters, while still meeting public demand and ensuring the following service expectations are met: *enhancing community safety, livability and quality of life.*





## 2019 INITIATIVES

### 1. Review and Update Role of Bylaw Officers

Modernization of the Bylaw Officer role as a 'Community Safety Officer' will be explored for the purpose of enhancing safety, livability, quality of life and to complement police services. Defensive intervention options will include researching and reviewing best practice across the province for enhanced officer safety options, branding and improving standards for the safety of the community and officers.

**ESTIMATED COMPLETION:** March 2019



GOOD  
GOVERNANCE



COMMUNITY  
BUILDING

### 2. Enhance Service Provision with Staff Additions

A request for two additional full-time positions, Community Safety Officers, is being made to maintain call response times, enhanced hours of service/operation on evenings and weekends, and support increased calls for service and meet public expectations.

**ESTIMATED COMPLETION:** March 2019



GOOD  
GOVERNANCE



COMMUNITY  
BUILDING

### 3. Utilize Geographic Information Systems (GIS) to Improve Service

In partnership with the Information Technology Department, we plan to use GIS mapping for strategic deployment purposes. Using historical calls for service data will allow us to determine trends in complaint locations, hot spot mapping, responses, etc. and to look for long-term solutions and repetitive issues.

**ESTIMATED COMPLETION:** April 2019



GOOD  
GOVERNANCE

### 4. Implement Dog Control Service Changes

We will develop a joint deployment strategy with general Bylaw Enforcement Officers throughout parks, trails, beaches, etc., to proactively educate and enforce the Responsible Dog Owner Bylaw. In addition, we plan to develop public messaging, video and responsible dog owner information with the new Dog Control Officer.

**ESTIMATED COMPLETION:** April-May 2019



GOOD  
GOVERNANCE



COMMUNITY  
BUILDING

### 5. Update Good Neighbour Bylaw

A full review, benchmark assessment and legal review of the Good Neighbour Bylaw will be conducted to amend sections related to social disorder violations (panhandling, relieving oneself in public, etc.). A public education and awareness campaign will be conducted to ensure residents understand their rights and responsibilities.

**ESTIMATED COMPLETION:** June 2019



GOOD  
GOVERNANCE



COMMUNITY  
BUILDING

### 6. Relocate Office/New Deployment

We will relocate the Bylaw Services Department office to a new centralized downtown location with RCMP. The joint deployment location will allow for increased visibility and an enhanced relationship and response with RCMP.

**ESTIMATED COMPLETION:** May-June 2019



GOOD  
GOVERNANCE



COMMUNITY  
BUILDING

## BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                              | 2018 BUDGET     | 2018 FORECAST   | 2019 BUDGET     |
|------------------------------|-----------------|-----------------|-----------------|
| <b>REVENUES</b>              | <b>-573,450</b> | <b>-498,815</b> | <b>-590,956</b> |
| General Bylaw                | 270,896         | 305,250         | 319,019         |
| Training/Support Costs       | 4,940           | 6,900           | 6,400           |
| Parking meters               | 2,700           | 12,200          | 2,700           |
| Equipment                    | 24,695          | 18,440          | 18,000          |
| Uniforms and supplies        | 12,000          | 21,750          | 6,500           |
| Monthly Parking              | 5,900           | 15,427          | 9,050           |
| Bylaw Enforcement Operations | 300,901         | 300,000         | 458,470         |
| <b>TOTAL EXPENSES</b>        | <b>622,033</b>  | <b>679,968</b>  | <b>820,139</b>  |
| Total Allocations In         | 15,114          | 16,100          | 28,500          |
| <b>NET OPERATING EXPENSE</b> | <b>63,697</b>   | <b>197,253</b>  | <b>257,684</b>  |

## KEY BUDGET CHANGES FOR 2019

- 2019 net operating expenses increasing due to increased bylaw officer presence, increased security presence, and lease costs for new office space.

## COUNCIL DECISION REQUESTS

| BUDGET REQUEST                                                                                                        | BENEFIT                                                                                                                                                                                                                                                                                                                               | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|-----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|
| Proposed two full-time Community Safety Officer positions                                                             | Enables the City to maintain call response times, offer enhanced hours of service and provide weekend shift coverage. In addition, this will enable the City to meet public expectations and support resident engagement as a result of the See Something, Say Something campaign which saw a 1.5% increase in calls from the public. | \$155,000                |                        |
| Relocation of Bylaw Services Department Office to new centralized downtown location with RCMP (lease of new location) | This will provide operational efficiencies and an increased enforcement presence in the downtown core.                                                                                                                                                                                                                                | \$30,000                 |                        |

# Economic Development

## WHAT WE DO

In Economic Development, our mandate is to increase the economic vitality of Penticton. To do this, we work with stakeholders, such as businesses in our community and potential investors, as well as with Council and City staff to identify opportunities and determine how to remove barriers that affect economic growth. We follow a Five-Year Strategic Plan that is focused on developing a resilient and prosperous community for the future.

## STAFFING

The Economic Development Department consists of 1.5 full-time equivalent staff.

## ON A DAILY BASIS, WE...

- Collect and communicate economic data and review the current and projected economic forecasts to develop programs that help Penticton businesses address challenges to business growth and retention;
- Facilitate communication amongst key stakeholder groups within the community; and
- Implement initiatives to meet goals set out in the 2018-2022 Strategic Plan and build Penticton's reputation as a place to invest and grow a business.



## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



## GOOD GOVERNANCE

- Completed a Business Climate Survey to inform strategic goals.
- Provided input into modernization of the Business Licensing process, developing an online application procedure using the existing integrated software.



## FISCAL SUSTAINABILITY

- Completed stakeholder research to identify local priority areas for businesses in Penticton to focus economic development initiatives.
- Issued the 2018 *Start Here Okanagan* magazine.
- Amalgamated the Penticton Works and Start Here Okanagan websites for efficiency and cost savings.



## COMMUNITY BUILDING

- Launched the Business Highlights Public Relations Strategy to increase media coverage on core community themes.
- Developed a Quarterly Reporting Framework to bring regular updates to Council and to highlight key topics. As part of each report, three local business owners were invited to speak about their businesses as a way of tying the civic work to the community being supported.
- Developed the Penticton Economic Development Partnership, a formal agreement between 12 organizations to share strategic goals and seek alignment where possible.
- Launched a data portal website for businesses: [PentictonBizToolkit.com](http://PentictonBizToolkit.com).
- Developed a Five-Year Strategic Plan, with an engagement and approval process focused on five key topics.



## ECONOMIC VITALITY

- Provided support for the community-led engagement Smart Cities Challenge process in order to prepare the application for submission to Infrastructure Canada.
- Developed a University of British Columbia Okanagan (UBCO) Capstone research project in partnership with UBCO Faculty of Management students to identify best practices for collecting and reporting community economic indicators from a variety of sources (a project proposed in the Smart Cities Challenge application).
- Hosted the inaugural FutureBiz Penticton Economic Outlook Forum, a half-day event that attracted 175 participants and was designed to provide Penticton residents with a comprehensive outlook on local, regional and international economics and provide insight on upcoming challenges.
- Supported development of the regional application for funding from BC Ministry of Agriculture for an Okanagan Agricultural Innovation Centre.
- Took part in developing a funding application for Okanagan College to develop a technical access centre in Penticton for sustainable agri-fruit beverage research and innovation.



## CHALLENGES AND OPPORTUNITIES

### STRATEGIC COMMUNICATION TO HELP LOCAL BUSINESSES

Greater expectations are being placed on the City to provide key messaging and reporting to our internal and external stakeholders. In an increasingly competitive global landscape, it is critical that the Economic Development Department be forward-looking in developing strategies to help local businesses make better decisions faster by providing ready access to localized data and expert insights. Projections clearly show that the overall aging Canadian population, and expected massive changes in technology, will present both challenges and opportunities for our business community. Penticton's messaging and reputation must be compelling in order to attract the skilled labour that our businesses require to grow.

### GAPS IN CITY LICENSING AND BUSINESS RETENTION AND EXPANSION

An important element of any city's economic vitality and fiscal sustainability is a healthy business community that includes both existing active businesses plus opportunities for new businesses to establish. A strong business culture attracts new investment and business relocation while also maintaining a resilient and prosperous local economy. By identifying Penticton's strongest sectors and industry clusters, our department's efforts can be directed to create a recognizable brand for the City and support overall business growth. Retention and expansion efforts also include regular two-way communication with the local business community to such that arising challenges and opportunities can be addressed quickly in such capacity as the City is able to offer, such as informing City Council and other policy makers, making connections to support organizations or prioritizing development of key support programs.

### COLLABORATION ACROSS THE COMMUNITY

With a small departmental team, developing and enhancing relationships is important to set the scene for long-term collaboration and success in all community areas. Strategic partnerships offer the opportunity of knowledge-sharing and working towards common goals across the community while also reducing the possibility of duplication.

### ATTRACTING LABOUR AND BUSINESS

Attracting new businesses and investment, as well as necessary skilled workers, is significant to Penticton's economic vitality and fiscal sustainability. Skilled workers are needed to maintain and grow existing City businesses, as well as to provide staff for new business ventures and business investment in the area. With a sharp decline in the Canadian workforce due to our aging population, attracting talent is becoming increasingly competitive, requiring a strategic approach to ensure Penticton is attractive to quality candidates who have many options. Developing Industry Clusters is one way to create momentum and identity for Penticton, which is attractive to both skilled labour and new business investment.

### PRACTISING ORGANIZATIONAL EXCELLENCE

In a time where many of the conventions of economics and technology are experiencing rapid change, it is critical for the City to stay informed of the latest trends and opportunities. Knowledge-sharing with stakeholders and the business community is a good way to develop resilience and support strategic decision-making. The department can ensure that priority topics such as workforce availability, innovations in housing, emerging economies and disruptive technology are included in strategic planning, and key learnings are shared internally and externally. We aim to offer organizational excellence and internal alignment in strategic planning as a critical component of our service to the community.



## 2019 INITIATIVES

### 1. Host a Business Community Forum

Hiring and housing remain the two highest-priority concerns in our business community – a difficult situation where businesses are struggling to fill positions with skilled people from outside our community, many of whom are challenged to find affordable and suitable housing options in the Penticton area. In addition, businesses are facing increasing competition for skilled labour as workforce supply is affected by both the retiring Baby Boomer generation, and the growth of business in general. With employers competing further afield from Penticton in their recruiting, the Hiring and Housing Forum is an opportunity to discuss all of the key issues at a one-day event designed to catalyze thoughtful discussions, present innovative recruitment strategies and highlight ways to develop great workplace culture.

**ESTIMATED COMPLETION:** September 2019



### 2. Host the 2nd Annual FutureBiz Penticton: Economic Outlook Forum

This year's program builds on the 2018 inaugural event, a half-day forum aimed at providing the business community an overview of the year just past, paired with a comprehensive economic outlook for the year(s) ahead from a cohort of expert speakers, analysts and economists. The 2019 forum will expand the format to allow for breakout sessions on key topics related to priority industries and economic themes through partnership with local economic development partner organizations.

**ESTIMATED COMPLETION:** December 2019



### 3. Develop an Economic Development Newsletter

This program builds on feedback from a recent Business Climate Survey where many businesses requested regular information from the department be provided to them. A monthly digital newsletter is a common output for economic development organizations, enabling the City to communicate about upcoming events, resources, local statistics and news. This will be a digital-only campaign which will be issued regularly and archived on the City's website.

**ESTIMATED COMPLETION:** September 2019



### 4. Develop a Welcome Package for New Residents and New Business Licences

Two distinct basic welcome packages are recommended: one for new residents and a different one for new business license holders. The intention is to create a concise document for welcoming someone to the business or general community and provide helpful information to assist with settling in quickly and successfully. The package should reduce the time that various front counter staff and managers spend answering common questions as well as create a unified answer to those questions so the whole customer service team is delivering a unified response. The digital versions can live on a website and be downloadable or emailed out. The print packages can double as handouts at various events and be available at our front counters and places where new residents first make contact with City staff (utilities, cashiers, recreation centre, Development Services). Each package will encourage people to sign up for ShapeYourCity, MyCity and departmental newsletters.

**ESTIMATED COMPLETION:** September 2019



*Initiatives continued on next page*

## 5. Priority Clusters Impact and Opportunity Assessments



This program builds on the work done to identify priority focus areas – or priority clusters – for local businesses, along with findings from the 2016 Foreign Direct Investment report. In 2019, the goal is to issue request for proposals for an assessment of the impacts and opportunities stemming from these four priority clusters:

- Manufacturing
- Technology
- Tourism
- Wine, Beer, Spirits Production

**ESTIMATED COMPLETION:** September 2019

## BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

|                                 | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET    |
|---------------------------------|----------------|----------------|----------------|
| Special Programs                | 35,500         | 12,500         | 30,000         |
| Strategic Communication         | 81,000         | 73,000         | 52,000         |
| Collaboration                   | 17,000         | 12,902         | 10,000         |
| Retention & Expansion           | 50,000         | 50,000         | 90,000         |
| Attraction                      | 105,000        | 86,000         | 110,000        |
| Organizational Excellence       | 10,000         | 7,000          | 9,000          |
| Salaries and benefits           | 90,000         | 90,000         | 85,000         |
| <b>TOTAL OPERATING EXPENSES</b> | <b>388,500</b> | <b>331,402</b> | <b>386,000</b> |
| Internal Allocation In          | 5,000          | 5,000          | 5,000          |
| <b>NET OPERATING EXPENSE</b>    | <b>393,500</b> | <b>336,402</b> | <b>391,000</b> |

### KEY BUDGET CHANGES FOR 2019

- › Net operating expenses increasing as several projects budgeted in 2018 either came in under budget in 2018 and a few were deferred to future years.

# Land Management

## WHAT WE DO

The Land Management Department administers over 500 City properties. We are responsible for easements, licenses, license-to-use, and residential tenancies as well as negotiation of land sales and purchases. Our staff ensures legal requirements are met for various land transactions. We draft, negotiate, attend to execution of land sales and register statutory right of ways and other various legal Land Title Office documents. We are also relied upon to provide legal research, data, and title and company searches to all City departments.

## STAFFING

The Land Management Department consists of three full-time equivalent staff.

## ON A DAILY BASIS, WE...

- Complete and manage license-to-use and easements of municipal land including residential tenancies;
- Register right-of-ways to protect City infrastructure;
- Manage all City land sales purchases; and
- Administer the beach vending and mobile vending programs.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Completed a map identifying all City-owned land.



### FISCAL SUSTAINABILITY

- Completed and implemented the Land Disposition and Acquisition Policies.
- Achieved and surpassed the City's land sales goal of one million dollars.
- Strategically purchased eight properties and two land swap properties.

## CHALLENGES AND OPPORTUNITIES

### CAPACITY

The Land Management Department is faced with managing an ongoing multitude of daily inquiries and tasks from other City departments and from Council and citizens. These tasks and inquiries need to be done within a timely fashion, while ensuring we adhere to

accuracy and quality work. The Land Management Department will continue to find ways to improve to ensure that we are able to respond to the expectations of staff and the community.

## 2019 INITIATIVES

### 1. Develop a Comprehensive Land Management Strategy

The development of a Strategic Plan and Land Management Strategy is required to determine priorities for the use, management, acquisition and disposition of municipal owned land. The Land Management Strategy will involve City staff, GIS, community engagement and input from the work coming out of the Official Community Plan. This will ensure that departments within the City are planning ahead to determine their future land needs, and that the City is in a position to acquire property as needed, when needed.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE

### 2. Develop a Parks Master Plan for Skaha Park

This project will commence the implementation of the recently adopted Parks and Recreation Master Plan. The Master Plan process identified the need to look at a master plan for Skaha Lake Park. In 2019 completion of the park's planning processes will be undertaken. This will involve significant community engagement to identify the long-term needs for this community asset.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE

### 3. Establish Department Efficiencies

As the Land Management Department has undergone recent restructuring, it is imperative that new processes and procedures are developed to help manage the multitude of inquiries from other City departments and externally. It is imperative that we create new processes and procedures to deal with the ongoing demands of the department.

**ESTIMATED COMPLETION:** June 2019



GOOD  
GOVERNANCE

### 4. Feature the Land Management Department on City Website

The internet has undoubtedly become a huge part of our lives and many people rely it to seek out information. Currently the Land Management Department is not featured on the City's website. Creating a presence there would allow the Land Management Department to feature land-related information and be more accessible to the public.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE

*Initiatives continued on next page*

## 5. Establish a Nominal Lease Policy



The City currently has 20 not-for-profit leases and license-to-use agreements. For most of these agreements the City provides the building for no fee, and the repairs, maintenance and daily expenses are paid for by the not-for-profit organization. Many of these not-for-profit organizations benefit from other grants within the City. Currently the City does not have a policy in place to provide staff direction for the renewal of such leases and license-to-use agreements. It is vital that the City has policies in place to provide staff direction and consistency.

**ESTIMATED COMPLETION:** June 2019

## BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

|                                | 2018 BUDGET       | 2018 FORECAST     | 2019 BUDGET       |
|--------------------------------|-------------------|-------------------|-------------------|
| <b>REVENUES</b>                | <b>-1,286,766</b> | <b>-1,242,099</b> | <b>-1,114,398</b> |
| Goods and Services             | 187,375           | 234,801           | 314,475           |
| Salaries and Benefits          | 251,938           | 263,106           | 310,323           |
| <b>TOTAL OPERATING EXPENSE</b> | <b>439,313</b>    | <b>497,907</b>    | <b>624,798</b>    |
| Internal Allocation Out        | 2,500             | 2,500             | 2,500             |
| <b>NET OPERATING SURPLUS</b>   | <b>-844,953</b>   | <b>-741,692</b>   | <b>-487,100</b>   |

### KEY BUDGET CHANGES FOR 2019

- Decrease in net operating surplus due to Parks Master Plan and Land Management Strategy initiatives commencing in 2019, as well as Okanagan Hockey Group lease revenues being recorded in the South Okanagan Events Centre area beginning in 2019 allocation, as well as payroll costs being reallocated to operating in 2019 from capital in 2018.

## COUNCIL DECISION REQUESTS

| BUDGET REQUEST                                                        | BENEFIT                                                                                                                                                                  | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|-----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|
| Support for the Skaha Park Master Plan                                | This will provide opportunities for community engagement to ensure the best plan is created for our community.                                                           | \$75,000                 |                        |
| Consulting services for strategic planning and real estate management | This will enable realization of the Land Management Strategy; required to determine priorities for use, management, acquisition and disposition of municipal owned land. | \$15,000                 |                        |



# Planning & Land Use

## WHAT WE DO

Within Planning & Land Use, we manage the long-range land use policy for the City, with the goal of achieving a livable city with a high quality of life. We are often the first point of contact for development in the City. We ensure that all development takes place in alignment with the City's adopted bylaws and policies. In addition, Planning also oversees the community sustainability program, including climate action commitments.

## STAFFING

The Planning & Land Use Department consist of six full-time equivalent staff.

## ON A DAILY BASIS, WE...

- Process all land development applications including zoning and Official Community Plan (OCP) amendments, development permits and subdivision applications among others;
- Monitor development to ensure it happens in-line with adopted policies and bylaws and is in the best interest of the community;
- Advise City Council and other City departments on land use issues;
- Monitor the City's Climate Action commitments; and
- Coordinate and manage special projects as directed, including policy development on affordable housing, downtown revitalization and other issues.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Created a cannabis regulatory framework preparing the community for cannabis legalization.
- Developed an addressing and street naming policy and bylaw.
- Reviewed carriage house regulations and recommended amendments.
- Conducted research into urban deer and the options for Council's consideration.
- Participated in the Regional District of Okanagan Similkameen Emergency Operations Centre (EOC) for response to the 2018 spring flooding.



### COMMUNITY BUILDING

- Continued the preparation of an updated Official Community Plan, anticipated to be adopted in early 2019.
- Conducted efficient processing of a high volume of land development applications.
- Carried out a boundary adjustment to bring 300 acres of land into the city limits, with over 160 acres of that land being parkland.

*Achievements continued on next page*



## SOCIAL DEVELOPMENT

- Coordinated an Affordable Housing Forum.



## ENVIRONMENTAL SUSTAINABILITY

- Maintained carbon neutral status of the City.

## CHALLENGES AND OPPORTUNITIES

### OFFICIAL COMMUNITY PLAN (OCP) IMPLEMENTATION

Coming out of the OCP update work done in 2017 and 2018, several bylaws and policies will need to be written or updated based on the vision illustrated in the new OCP. First of these will be a need to revise the City's Comprehensive Development Plan, ensuring our infrastructure decisions are in line with the OCP growth projections.

### GROWTH MANAGEMENT

Development activity in Penticton has been happening at near record levels for the past few years; in some cases, causing tension with existing residents. The Planning & Land Use Department is investigating new ways to engage with the community to ensure the development process is as transparent as possible and so that the benefits of development are shared among all citizens of the city.

### SUPPORTING THE DOWNTOWN

Downtown Penticton is the commercial centre for Penticton and the South Okanagan. To become a true employment hub, additional new office space is required. Staff have heard from several firms that it is the lack of structured parking in the downtown that is deterring development of new office construction. The City has a unique opportunity to invest in parking in the downtown to stimulate commercial development.

### CLIMATE ACTION CHARTER RESPONSIBILITIES

In 2012, the City was a signatory municipality to the provincial Climate Action Charter, with a commitment to reduce overall corporate and community GHG (Greenhouse Gas) and GHG equivalent emissions. The City as a corporation has been carbon neutral since 2016, one of only a dozen or so municipalities in B.C. Maintaining carbon neutrality at a corporate level will still be a challenge every year, but focus now needs to turn to community wide initiatives to reduce overall climate effecting emissions. This will begin with reporting in 2019.

## 2019 INITIATIVES

### 1. Create a Comprehensive Development Plan (CDP)

Flowing from the direction of the new Official Community Plan, the City's Comprehensive Development Plan provides a high-level overview of infrastructure needs to implement the City's future land use vision. The CDP will inform and also takes direction from the individual utility master planning documents (transportation, sewer, storm, domestic water, parks etc.). The CDP will ultimately inform changes to the Development Cost Charge (DCC) program. The development of the CDP will be contracted out, with the Planning & Land Use Department being project lead.

**ESTIMATED COMPLETION:** March 2020



### 2. Complete a Downtown Parkade Feasibility Study

The lack of a purpose-built parking facility in the downtown is limiting investment in commercial office space in the city centre. This project will look at the feasibility of the construction of a municipal parkade in the downtown, looking at demand, location, financing options etc. This may lead to a capital request in 2020.

**ESTIMATED COMPLETION:** September 2019



### 3. Develop and Implement Plan for Land Use Contract Termination

Land use contracts are historic planning tools used in the 1970s that gave development rights to property owners that would normally be empowered through zoning bylaw regulations. According to provincial rules, as of 2024 LUC will no longer have effect. Local Governments are required to have zoning in place for all properties covered by a land use contract prior to termination. There are 189 individual property titles in Penticton that entered into land use contracts and still remain active and registered on title. This project will evaluate the impact of this provincial requirement and begin to work with all properties that have LUC listed on their titles to have them removed.

**ESTIMATED COMPLETION:** December 2019



### 4. Purchase Carbon Off-sets to Retain Carbon Neutrality

Since 2016, the City has been certified by the provincial government as carbon neutral in our corporate operations. What this means is that as an organization we have successfully off-set the impacts of our corporate greenhouse gas emissions through various means. We have done this through a mixture of environmental initiatives including tree planting, conversion of lighting to LED lighting and land use protections of forested lands within the city among other items. Through review of available ways to offset our greenhouse gas emissions, it is anticipated that we will not retain our carbon neutral status without the purchase of carbon off-sets in 2019. This project will investigate the right off-sets to purchase.

**ESTIMATED COMPLETION:** June 2019



## BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                                | 2018 BUDGET     | 2018 FORECAST   | 2019 BUDGET     |
|--------------------------------|-----------------|-----------------|-----------------|
| Revenues                       | -253,000        | -293,764        | -278,000        |
| CARIP Grant                    | -48,000         | -52,320         | -48,000         |
| <b>TOTAL REVENUES</b>          | <b>-301,000</b> | <b>-346,084</b> | <b>-326,000</b> |
| Goods and Services             | 37,800          | 44,085          | 221,975         |
| Affordable Housing             | 15,000          | 6,000           | 2,500           |
| Salaries and Benefits          | 623,969         | 624,909         | 663,537         |
| <b>TOTAL OPERATING EXPENSE</b> | <b>676,769</b>  | <b>674,994</b>  | <b>888,012</b>  |
| Internal Allocation In         | 5,000           | 5,000           | 0               |
| <b>NET OPERATING EXPENSE</b>   | <b>380,769</b>  | <b>333,910</b>  | <b>562,012</b>  |

## KEY BUDGET CHANGES FOR 2019

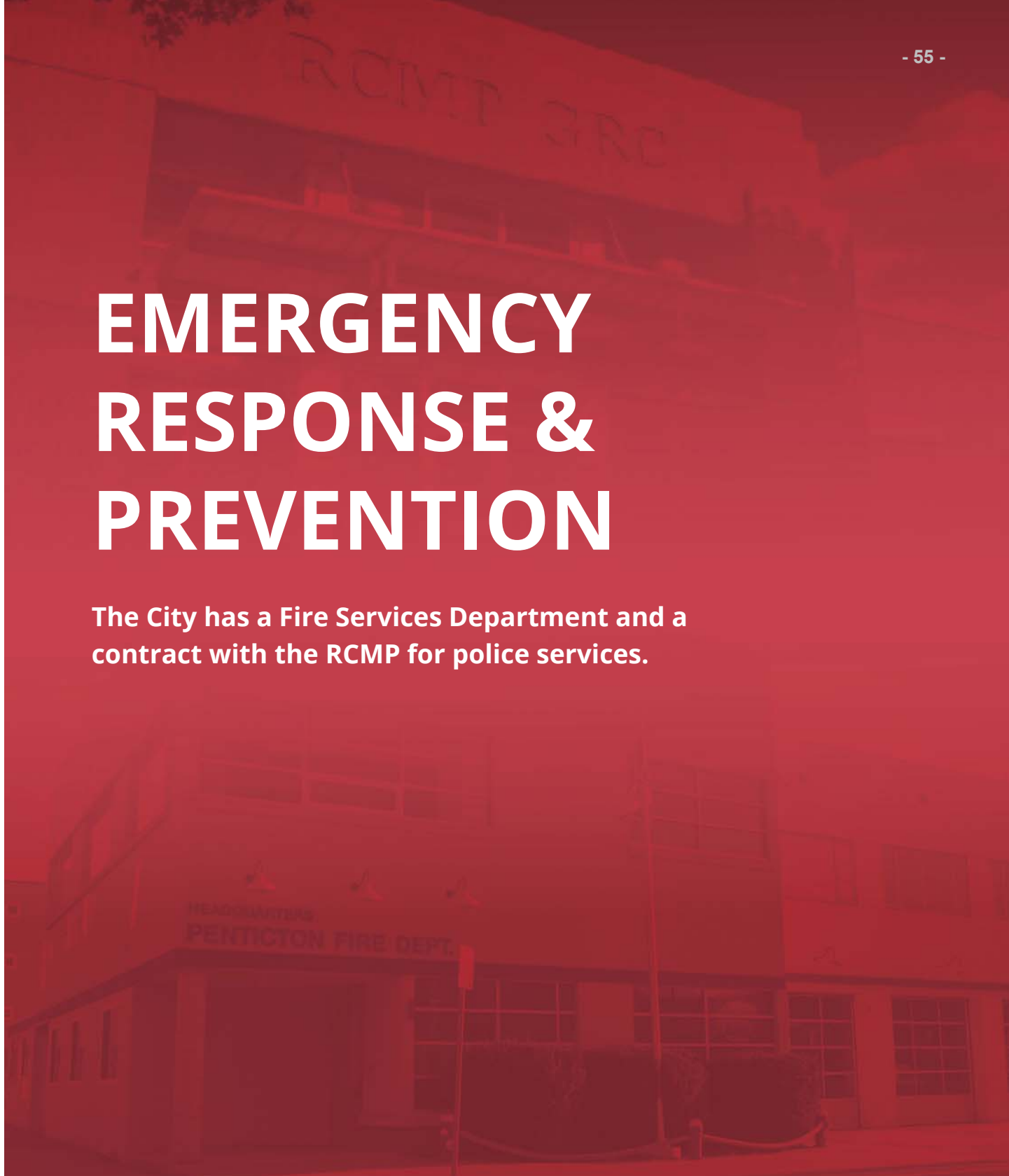
- › Increase in net operating expenses due to Comprehensive Development Plan and Downtown Parkade Feasibility Study commencing in 2019, as well as payroll costs being reallocated to operating in 2019 from capital.

## COUNCIL DECISION REQUESTS

| BUDGET REQUEST                                  | BENEFIT                                                                                                                                                                                                                      | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|
| Review of City's Comprehensive Development Plan | Enables adoption of a new, comprehensive plan based on a realistic growth rate and urban development pattern for Penticton. It is an important component for giving direction to the City's Development Cost Charge Program. | \$130,000                |                        |
| Downtown Parkade Feasibility Study              | The construction of a parkade could attract increased development in downtown of City; a positive move forward for the economy and community.                                                                                | \$26,000                 |                        |
| Land Use Contract termination                   | Land Use Contracts will no longer have effect as of 2024; being proactive will enable the City to be prepared for this change and ensure timely and appropriate changes are made.                                            | \$15,000                 |                        |

# EMERGENCY RESPONSE & PREVENTION

The City has a Fire Services Department and a contract with the RCMP for police services.





# Fire Services

## WHAT WE DO

We support a safe community and enhance the quality of life for our citizens by responding to emergencies including fires and motor vehicle accidents to help minimize injuries and loss of life or damage to property. We also help prevent fires and other emergencies through public education and inspections to ensure properties meet fire regulations and other safety requirements.

## STAFFING

The Fire Services Department consists of 39 full-time equivalent staff including one Fire Chief and two Deputy Fire Chiefs.

## ON A DAILY BASIS, WE...

- Provide fire suppression, fire prevention education and fire inspection services;
- Provide first responder medical services;
- Respond to motor vehicle accident rescues, water and marine emergencies, high angle and technical rope rescue;
- Provide emergency scene management, including identifying dangerous goods and isolating hazardous materials;
- Respond to airport crashes with rescue and fire suppression services;
- Manage pre-emergency planning;
- Operate a fire services training centre, delivering basic to advanced fire service training; and
- Lead City emergency management and manage the Emergency Operations Centre (EOC).

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### COMMUNITY BUILDING

- Conducted a Youth Fire Academy to expose young people to the Fire Services as a profession.
- Hosted the first annual Wildfire Urban Interface (WUI) Training Symposium in Penticton.
- Increased our public education and safety programs.
- Established an additional three new FireSmart Canada recognized neighbourhoods in Penticton: Riddle Road, Sendero Canyon and Spiller Drive.
- Built Penticton Fire Services Department's first Structure Protection Unit and Wildland Quick Response Unit.

- Assisted in staffing the Emergency Operations Centre (EOC) through the Regional District of Okanagan-Similkameen for the 2018 floods.
- Responded to and supported provincial wildfires.



### GOOD GOVERNANCE

- Created a 2018 Flood Response and Preparedness Plan to establish lessons learned and be better prepared in the future.
- Received the British Columbia Local Government FireSmart Community Protection Achievement Award.

*Achievements continued on next page*



## FISCAL SUSTAINABILITY

- Received \$66,500 in Flood Mitigation grant funding.
- Received \$25,000 in Emergency Support Services (ESS) grant funding.
- Received \$25,000 in EOC grant funding.
- Received grant approval for \$750,000 Structural Flood Mitigation from Emergency Management BC.

## CHALLENGES AND OPPORTUNITIES

### WILDFIRE

As wildfires grow in scale and duration throughout B.C., Wildland Urban Interface (WUI) communities such as Penticton are increasingly being affected. Wildland fire impacts are often described in terms of lives threatened, structures and homes lost or damaged, overall suppression costs, and damage to the natural resource base on which the City of Penticton relies.

Over the past few years, we have bolstered staffing levels to help mitigate the impact of wildfires on our community and enable pre-planning and patrolling the WUI area in preparation for the highest wildfire threat of the year. We continue to educate people living in these risk areas in ways they can take action to make their home and community FireSmart compliant and will continue to work with the community and provincial government towards an increasingly fire adaptive community.

### CITY GROWTH

With the dynamic growth of the City of Penticton, it is challenging to maintain current service levels that meet the needs of our growing community. Large, tall and highly populated buildings pose a much greater challenge to a fire department with limited resources like Penticton. We will strive to maintain today's service level to our growing community and always advocate for fire safety.

### TRAINING

We have developed a comprehensive training program and facility that we use to train our firefighters to the highest levels recognized in our industry. We also open the facility to other users – including other city departments, regional fire departments, RCMP and the B.C. provincial government. While this facility saves the City money as firefighters can be trained locally and generates funding by hosting others, it is challenging to deliver the volume of training required.

## 2019 INITIATIVES

### 1. Fire Hall Replacement

The two City fire halls require replacement due to the aging infrastructure, additional space requirements and general deterioration of the facilities. To help reduce costs for taxpayers and allow for faster completion of a new fire hall, Penticton will conduct a feasibility analysis into partnering with the private sector to build a new fire hall and will need to complete an assessment of this option. Partnering with the private sector may manage risks associated with construction, financing and operations related to replacing fire halls.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE

*Initiatives continued on next page*

## 2. Hazardous Materials Response Evaluation and Mitigation Strategy



GOOD GOVERNANCE

To help improve response to risks stemming from hazardous materials in the community, Penticton Fire Services Department will complete an internal risk assessment to evaluate the City's response to hazardous materials spills, leaks or other catastrophic hazardous materials incidents and develop a business case for potential solutions and ways to implement them.

**ESTIMATED COMPLETION:** December 2019

## 3. Develop Pre-incident Plans for Wildfire in Penticton



GOOD GOVERNANCE

Fire crews have patrolled the Wildland Urban Interface areas over the last two summers, conducting pre-incident data analysis. In 2019, the goal is to develop a comprehensive pre-plan for wildfires in Penticton. If disaster strikes, this plan will be provided electronically to fire crews coming from out of area, so they can feel comfortable with all elements that affect wildfire operations.

The plan and map will look much like a Google Earth file, with detailed information required to fight a wildfire disaster in the Penticton area. In the plan, the City is divided into various areas to make attempting to control either a fire threat or actual fire more manageable. Residences that have combustible and non-combustible roofs will be identified as will alternate water supplies in the event our power supply goes down. Key information such as staging areas, identified GPS coordinates and civic addresses as well as access and egress routes will also be elements of this plan.

**ESTIMATED COMPLETION:** December 2019

## 4. FireSmart - Wildland Urban Interface



GOOD GOVERNANCE

The Strategic Wildfire Prevention Initiative has transitioned to a new Community Resiliency Investment (CRI) Program, which will be informed by the recommendations of the recent BC Flood and Wildfire Review and other after-action reviews. The CRI is currently under development and will contain two funding categories: (1) Community Funding and Supports and (2) Landscape Level Priorities.

Community Funding and Supports is dedicated funding for First Nations and Local Governments to participate in prevention activities, including on public and private land. Landscape Level Priorities is targeted towards funding fuel treatments on Crown land and is focused on high-value assets.

**ESTIMATED COMPLETION:** December 2019

## 5. Complete the City's Flood Risk Assessment and Build a Flood Mitigation Plan



GOOD GOVERNANCE

The City applied for a Flood Risk Assessment grant in 2017 for the first phase of the project. This part of the project was completed in late 2018. The second phase of this project is developing a Flood Mitigation Plan. A grant funding application to cover 100% of the costs was made in early 2019, with the project expected to be completed by the end of the year.

The \$900,000 Ellis Creek Structural Flood Mitigation project will start in 2019 and is expected to complete in 2020. This project has received approved funding of \$750,000 to cover the majority of the project cost.

**ESTIMATED COMPLETION:** December 2019

*Initiatives continued on next page*

## 6. Establish a Business Continuity Plan for the City

There's a real risk that the regular delivery of City services may be interrupted if its facilities, staff or systems are impacted by a natural or manmade disaster. By establishing a business continuity plan, the City can identify and prioritize its services to ensure City operations can be returned to normal, based on the needs of the community.



GOOD  
GOVERNANCE

**ESTIMATED COMPLETION:** December 2019

## BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

|                               | 2018 BUDGET      | 2018 FORECAST    | 2019 BUDGET      |
|-------------------------------|------------------|------------------|------------------|
| Operational Costs             | 408,127          | 367,344          | 320,275          |
| Amortization                  | 46,250           | 46,250           | 46,250           |
| Salaries and Benefits         | 5,130,137        | 5,430,633        | 5,535,940        |
| Training                      | 43,798           | 44,385           | 63,164           |
| Recoveries                    | -621,985         | -790,765         | -600,985         |
| Total Internal Allocation In  | 300,947          | 343,023          | 512,100          |
| Total Internal Allocation Out | 0                | 0                | -100,000         |
| <b>NET OPERATIONS</b>         | <b>5,307,274</b> | <b>5,440,871</b> | <b>5,776,744</b> |

### PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION                                      | BUDGET         |
|----------------------------------------------------------|----------------|
| Protective Clothing                                      | 80,500         |
| Self-Contained Breathing Apparatus Equipment Replacement | 310,000        |
| Various Equipment Replacement & Audio Visual             | 52,000         |
| <b>TOTAL</b>                                             | <b>442,500</b> |

### KEY BUDGET CHANGES FOR 2019

- 2019 net operating expenses increasing due to facilities area allocating in expenses for operating fire halls, and increases in contractual labour obligations.

# RCMP



## WHAT WE DO

Our mission as Penticton RCMP service is to serve and protect the community, and work in partnership with the community to deliver a responsive and progressive police service. We promote respect for rights and freedoms, the law and democratic traditions, and we treat all people equally and with respect in accordance with our core values.



## STAFFING

The Penticton RCMP consists of 46 officers and 25 full-time equivalent staff.



## ON A DAILY BASIS, WE...

- Execute general duty policing 24 hrs per day 7 days per week;
- Conduct serious crime investigations;
- Engage in management and interdiction of prolific offenders;
- Undertake forensic identification services;
- Manage police dog services;
- Conduct traffic enforcement;
- Engage in community policing programming;
- Develop and implement strategic planning and reporting; and
- Serve as headquarters to the South Okanagan RCMP detachments of Summerland, Oliver, Osoyoos, Keremeos and Princeton.



## GUIDING PRINCIPLES

Five guiding principles underlie this plan, and the work that our employees undertake every day, as we serve Penticton:

1. **Adapt to Emerging Trends** – Plan and prepare for new and emerging issues, crime trends and legislation that may impact the way our services are delivered in the future.
2. **Engage Our Communities** – More accountable policing and the promotion of safer communities - to engage, listen and be responsive to all communities, and offer opportunities for people to connect with us.
3. **Equity, Diversity and Inclusion** – Support and foster a healthy and respectful work environment, and ensure our programs and services are responsive to the needs of the communities we serve.
4. **Innovation and Transformative Change** – Innovate and adapt to lead transformative change to improve services, streamline and enhance internal processes and resources, with greater cost effectiveness.
5. **Leverage Partnerships and Collaboration** – Continue to contribute and work closely with our federal, provincial and municipal partners, local community organizations and service providers, and other stakeholders, to provide effective and efficient services.



## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### COMMUNITY BUILDING

- Reduced violent crime and direct property crime such as residential break and enters through significant efforts by the Targeted Enforcement Unit on prolific offenders.
- Created a Community Safety Enforcement Team by realigning resources to provide Community Response Officers for traffic enforcement, mental health liaison and youth programs to address community issues.
- Developed and implemented proactive community engagement opportunities by holding a community forum in Penticton to better understand community issues and interests. In addition, monthly Coffee with a Cop was initiated to provide citizens with the opportunity to interact with RCMP members.
- Initiated a Penticton RCMP Twitter account.
- Initiated enhanced patrols for increased visibility and enforcement in the downtown and tourist areas. We deployed ATVs, bikes and UTV to increase our ability to target hotspots all over the community.



### FISCAL SUSTAINABILITY

- Continued to strengthen the statistics and analytical approach for crime reporting and analysis in order to forecast, anticipate and allocate resources to crime patterns within the region. The majority of crime is committed by a small percentage of the population who are very mobile. ComStat allows police to target active criminals throughout the region.



### SOCIAL DEVELOPMENT

- Obtained a \$50,000 grant to create the Community Active Support Table (CAST), which is a multi-disciplinary team made up of RCMP, Bylaw Services, Probation, Mental Health, Interior Health, BC Housing, South Okanagan Women In Need Society (SOWIN), Okanagan Friendship Center, School District 67, Pathways and many others. CAST meets weekly to identify individuals with acute risk factors and then creates intervention teams to support them before they become a risk to our community.

## CHALLENGES AND OPPORTUNITIES

### PERCEPTIONS, RESPONSIBILITIES AND THE LAW

Police are guided by Canadian statutes and the Charter of Rights and Freedoms. Public perceptions of the role of police and Crown Counsel should be managed in terms of realistic expectations. Preventable crimes fall to all residents of Penticton to be active in security and to look out for each other through programs such as Block Watch and Lock Out Auto Crime.

### MENTAL HEALTH AND ADDICTIONS

An increasing burden due to social disorder is evident in the increased call load on the Penticton RCMP Detachment. Although it can be argued that this falls to the police, it is more accurate to state these issues should fall to a collective of local government and social agencies working in collaboration with the police. The mental health picture in this community is growing in complexity, emphasizing the need for a model such as the Community Active Support Table (CAST).

### ROAD SAFETY

Despite educational and engagement programs, driving behaviours on our streets continue to be a leading cause of injury and property damage in our community.

### INCREASING COSTS

The costs to deliver policing services continue to increase due to technological, legislative and societal changes. While some of the increased cost is due to inflation there are also growing expectations of improved and enhanced services. The RCMP needs to continue to explore innovative ways to deliver policing services, such as working with other local agencies, continuing evaluating and streamlining processes and ensuring the delivery of services in the most efficient and cost-effective manner.

### PROGRESSIVE NATURE OF SERVICE DELIVERY

Technology touches every aspect of our lives today. The same holds true for the RCMP as technology plays an integral part in the delivery of services to citizens and requires ongoing training and increased familiarity with different platforms and software.



## 2019 INITIATIVES

### 1. Reduce Crime Related to Drug Use

We plan to reduce the impact of prolific offenders in our community by creating a drug task force, improving our crown court submissions for prolific offenders and targeting violent offenders.

**ESTIMATED COMPLETION:** June 2019



### 2. Increase Transparency and Accessibility to Police

Through a community forum and open house, the introduction of a Community Response Officer for youth, implementing standing patrols in hot spots and redeploying CSET to the downtown location, we plan to focus on community engagement as a means to support our mission.

**ESTIMATED COMPLETION:** June 2019



### 3. CAST - Increase Awareness and Expand to South Okanagan

The Community Active Support Table was well received in 2018 completing 27 situations that were collaboratively addressed within our community. All 22 community partners are committed and actively looking for solutions to assist with the mental health and addiction challenges we are facing. Our goal in 2019 is to expand CAST within the South Okanagan.

**ESTIMATED COMPLETION:** November 2019



### 4. Increase Road Safety

We continue to be challenged by the increase in poor driving behaviours so we will have an increased focus on enforcement initiatives incorporated in all aspects of operations in the coming year. These will include a road safety blitz, targeting of repeat offenders of impaired driving in partnership with South Okanagan Traffic Services and expanded speed enforcement initiatives.

**ESTIMATED COMPLETION:** December 2019



### 5. Ensure Accountability and Financial Transparency

The RCMP will manage and administer its financial and human resources in an efficient and effective manner that supports the public's need for transparency and accountability. We are particularly focused on clear financial reporting, accountability and consultation. To meet this goal E Division plans to make a Council presentation on contract costs, and we plan to invite the Mayor and Council to tour the RCMP Depot in Regina.

**ESTIMATED COMPLETION:** June 2019



### 6. Conduct Organizational Reviews

The RCMP strives to build and promote a culture of organizational excellence. Recognizing the importance of adequately staffing our organization with skilled and engaged employees, we make every effort to maintain a healthy and respectful workplace, and to provide employees with the tools and resources they need to fulfill their potential to provide the best possible service to the public. With this in mind we will conduct reviews of support services and detachment space utilization, expand our ComStat reporting and expand our regular employee recognition efforts.

**ESTIMATED COMPLETION:** June 2019



## BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

| EXPENSES               | 2018 BUDGET      | 2018 FORECAST    | 2019 BUDGET      |
|------------------------|------------------|------------------|------------------|
| Salaries & Benefits    | 1,787,864        | 1,696,932        | 1,763,419        |
| Community Policing     | 63,060           | 79,634           | 77,250           |
| Cell Block Operating   | 38,714           | 36,600           | 38,100           |
| Policing Agreement     | 7,413,760        | 7,065,797        | 7,737,010        |
| Internal Allocation In | 13,576           | 12,500           | 287,400          |
| Recoveries             | -518,730         | -542,995         | -501,029         |
| <b>TOTAL</b>           | <b>8,798,244</b> | <b>8,348,467</b> | <b>9,402,150</b> |

### KEY BUDGET CHANGES FOR 2019

- › Increase in net operating expenses due to the addition of a new officer, contractual labour increases, allocation in of expenses from facilities for operating costs of the RCMP building, the allocation in of expenses from the finance area for debt servicing costs, and officer vacancies in 2018.

## COUNCIL DECISION REQUEST

| BUDGET REQUEST                               | BENEFIT                                                                                                                                                                                                                                                                                                                                                                                                                                    | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|
| Add one RCMP Officer per year<br>2018 - 2022 | A five-year plan to increase one RCMP Officer per year was endorsed in principal in 2017. This is required to maintain pace with population growth, demographic and societal needs as well as enhance operational efficiency. Members anticipated to improve service levels in Downtown and Drug enforcement, Forensic Identification, Youth & Mental Health as well as Investigative services. The net benefit is reduced overtime costs. | \$150,000                |                        |

# FINANCIAL SERVICES

The Financial Services Division includes the following departments:

ACCOUNTING

BUDGET

INFORMATION TECHNOLOGY & GEOGRAPHIC  
INFORMATION SYSTEMS (IT/GIS)

PROCUREMENT & INVENTORY SERVICES

REVENUE & COLLECTIONS





# Financial Services

## Including Accounting and Budget

### WHAT WE DO

In Financial Services, we are responsible for the financial administration of the City and the delivery of innovative information technology services. The Financial Services Division includes Accounting, Budget, Revenue & Collections, Procurement & Inventory Services and Information Technology/Geographic Information Systems.

This business plan contains the activities for the Chief Financial Officer's Office, Accounting and Budget Departments. Separate business plans follow for Revenue & Collections, Procurement & Inventory Services, and IT/GIS.

### STAFFING

The Finance Division consists of 34 full-time equivalent staff, including the Chief Financial Officer and seven Managers and Supervisors.

### ON A DAILY BASIS, WE...

- Provide overall financial leadership to the City and financial advice to City Council;
- Lead the development of the City's five-year financial plan and ensure compliance with the City's budget;
- Ensure effective stewardship and control over the City's assets;
- Maintain effective accounting records and prepare annual financial statements for the City;
- Provide innovative and secure information technology services throughout the City and online services to the community;
- Collect revenues owed to the City including utility billing;
- Procure goods and services for the City cost effectively;
- Administer the Municipal Grant Program;
- Administer risk management and insurance for the City; and
- Coordinate business planning and reporting.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Re-established the City Risk Management Committee, which has resulted in the development of a draft Risk Management Framework and Policy that will be brought forward for Council approval in 2019.
- Formalized the City's claims handling process to ensure a clear, understandable and efficient approach is being followed on claims raised against the City.
- Refined the Municipal Grant Program, including updating the Municipal Grants Policy and implementation of grant management software.
- Prepared response claims for emergency events.

*Achievements continued on next page*



## FISCAL SUSTAINABILITY

- Continued to strengthen the policy-based approach for City financial administration by conducting a financial policy review and establishing two critical City policies – the Year End Surplus Policy and a Financial Management Policy.
- Continued further implementation of the Capital Prioritization Framework to provide greater rationale and a consistent and visible approach to making capital project decisions.



## ECONOMIC VITALITY

- Co-led the Smart City Challenge Application that resulted in greater collaboration between the City and business community in identifying and exploring issues facing the community and innovative solutions to address these issues.
- Renegotiated the triathlon agreement with MB Events for the final two years of the original five-year agreement.

## CHALLENGES AND OPPORTUNITIES

### PUBLIC ACCOUNTABILITY

Community members have increasing expectations for transparency related to how the City proposes to achieve Council's priorities and how tax dollars are being spent. There is an opportunity to improve transparency by continuing to strengthen the City's integrated planning and reporting practices. This includes the development of the City's business plan for Council and the community, and provide progress reports to Council throughout the year on achievement of these goals.

### FINANCIAL TRANSPARENCY

Along with greater public accountability comes the expectation that financial information will be readily available to citizens, with details on how City funds are being spent and assurance that services are being delivered in a cost-effective manner. The opportunity exists for the City to continue to enhance its existing annual public financial reports, including the financial plan and statements, and also provide additional financial reports by establishing quarterly financial reporting to Council.

### INCREASING COSTS

The costs to deliver City services continue to increase. While some of this is due to inflation, there are also growing expectations for improved and enhanced services such as online services and the use of geographic information systems (GIS) for citizens to interact with the City and also receive real-time information on demand. The City needs to continue to explore innovative ways to deliver City services, such as working with other local agencies, evaluating and streamlining its business processes and ensuring the delivery of City services are provided in the most efficient and cost-effective manner.

### MAXIMIZING ALL REVENUE SOURCES

With City costs continuing to rise, taxpayers should not be expected to absorb more than non-discretionary increases. Other revenue sources need to be explored. Exploring opportunities for non-taxation revenue includes examining all the City's user fees and charges to ensure they either recover the cost to deliver services or there is a clear understanding of level of subsidization that is being provided. The City is also exploring opportunities for grants from senior levels of government to support projects and new initiatives.

*Challenges and Opportunities  
continued on next page*

## RISK MANAGEMENT

With the growing complexity of City operations, the City is faced with numerous risks that create uncertainty and could limit the City's ability to achieve its goals. The City needs to create a culture of risk management within the organization to help staff be more aware of their risks and to take steps to manage and mitigate those risks. This will ensure the City can continue to deliver services to its citizens in a successful manner.

## UNPREDICTABLE INFORMATION REQUESTS

Numerous information requests can have a significant impact on staff time. Proactive disclosure and public education of the City's finances should help increase efficiencies in preparing Freedom of Information (FOI) requests and minimize the number of reactive requests.

## PERVASIVE NATURE OF INFORMATION TECHNOLOGY

Technology touches every aspect of our lives today. The same holds true for the City as technology plays an integral part in the delivery of services to citizens. It is critical that the City takes a deliberate and strategic approach to deploy technology in a reliable, cost-effective and secure manner to maximize the delivery of services to its citizens.

## 2019 INITIATIVES

### 1. Establish a Risk Management Framework and Policy

The increasingly complex business environment faced by the City creates risks that cause uncertainty in terms of the City's ability to achieve its business goals and Council's priorities. Creating a clear framework and a City Council approved policy will provide clear, consistent and formalized direction in how the City will identify, evaluate and mitigate or manage risks that arise throughout all City operations.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE

### 2. Implement Integrated Business Planning and Financial Reporting to Council

Now that formalized department business planning is underway, the City also needs to report its progress towards goals and its financial results to City Council and the public. This goal will establish a quarterly report process that will be brought to City Council to demonstrate progress on its business plan goals and the financial resources used to achieve these results.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE

### 3. Establish a Formalized Grant-seeking Framework

To help ensure the City maximizes opportunities for grant funding offered by senior levels of government, the goal is to establish a Grant-seeking Framework to identify grants that become available that align with the priorities and key projects for the City to ensure the City secures grants wherever possible.

**ESTIMATED COMPLETION:** December 2019



FISCAL  
SUSTAINABILITY

*Initiatives continued on next page*

#### 4. Policy Updates and Development

Staff have identified the need to update financial policies and develop a formal Reserve Policy to provide guidance and direction for the development, maintenance, and the use of City's reserve and funds. The City is also continuing to refine and amend its Municipal Grant Policy and process, which provides funding support to many community organizations, to ensure this process is effective for both applicants and the City. This includes a review of the cash versus in-kind request process to establish a set practice in distinguishing what requests fall under these categories.

**ESTIMATED COMPLETION:** September 2019



#### 5. Develop a Long-term Revenue Model

As part of ensuring the City is applying a long-term, fiscally sustainable approach to its financial management, and to address continuous increases in costs while limiting impact on taxpayers, the City needs to explore alternate revenue options beyond taxes. By developing a Long-term Revenue Model, the City will have a framework to identify opportunities and guide decisions.

**ESTIMATED COMPLETION:** September 2019



## BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

|                                        | 2018 BUDGET       | 2018 FORECAST     | 2019 BUDGET       |
|----------------------------------------|-------------------|-------------------|-------------------|
| <b>REVENUE</b>                         | <b>-2,380,000</b> | <b>-1,858,533</b> | <b>-2,380,000</b> |
| Goods and Services                     | 303,900           | 281,423           | 342,615           |
| Insurance                              | 566,900           | 1,147,712         | 710,000           |
| Interest and fees                      | 22,695            | 43,050            | 42,700            |
| Debt Interest                          | 2,809,877         | 2,817,853         | 1,817,916         |
| Debt Principal                         | 2,982,421         | 2,982,421         | 2,333,054         |
| Foreign Exchange                       | 10,000            | 0                 | 10,000            |
| Operating Provision                    | 315,000           | 0                 | 315,000           |
| Salaries and Benefits                  | 949,172           | 984,697           | 970,107           |
| <b>TOTAL OPERATING EXPENSE</b>         | <b>7,959,965</b>  | <b>8,257,156</b>  | <b>6,541,393</b>  |
| Internal Allocation In                 | 2,658             | 2,658             | 2,702             |
| Internal Allocation Out                | -2,222,805        | -2,195,820        | -2,611,257        |
| Debt Principal                         | -1,985,241        | -1,985,241        | -1,365,859        |
| <b>NET OPERATING (SURPLUS)/EXPENSE</b> | <b>1,374,577</b>  | <b>2,220,220</b>  | <b>186,978</b>    |

## 2019 BUDGET – REVENUE

| REVENUE                        | 2018 BUDGET       | 2018 FORECAST     | 2019 BUDGET       |
|--------------------------------|-------------------|-------------------|-------------------|
| Casino - HFAA                  | -2,000,000        | -1,450,000        | -2,000,000        |
| Traffic Fine Revenue Sharing   | -380,000          | -385,881          | -380,000          |
| <b>Sub-total</b>               | <b>-2,380,000</b> | <b>-1,835,881</b> | <b>-2,380,000</b> |
| Transfers to other Governments | 200,000           | 145,000           | 200,000           |
| <b>TOTAL</b>                   | <b>-2,180,000</b> | <b>-1,690,881</b> | <b>-2,180,000</b> |

## KEY BUDGET CHANGES FOR 2019

- › The Financial Services Division is seeing a significant drop in net operating expenses due to decreased debt servicing expenses for South Okanagan Events Centre, and the allocating out of debt servicing expenses to other areas. In addition, casino revenue was adversely affected by a strike in 2018, and staff expect that this will normalize in 2019. Lastly, insurance claims were higher than anticipated in 2018, and the 2019 budget is significantly lower as staff has based the 2019 budget on historical trends.





# Information Technology & Geographic Information Systems

## WHAT WE DO

In the Information Technology/Geographic Information Systems (IT/GIS) Department, we manage the City's technology hardware and software infrastructure, enabling departments to deliver timely, efficient services to residents and customers. We provide IT services and support to more than 400 users in City departments and affiliated organizations, including Spectra Venue Management, Okanagan Hockey Group, Penticton Vees, Interior Health Authority, RCMP and Tourism Penticton. These users are spread across 16 buildings and connected through a City-owned fibre optic network.

## STAFFING

The IT/GIS Department consists of 10 full-time equivalent staff.

## ON A DAILY BASIS, WE...

- Support City departments and other affiliated organizations with their daily use of IT services through top-notch customer service;
- Provide new and enhanced technology solutions that are cost-effective and focused on improving process and creating efficiency;
- Provide a secure and stable technology infrastructure to deliver reliable IT services; and
- Offer guidance and advice on the best use of current and future technologies.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Implemented the GIS Strategic Plan for continued development and sustainability of this key municipal information system that supports our operations through data analysis and visual access to location-based information.
- Planned the renewal of the IT server and data storage infrastructure to continue delivering reliable IT services.
- Adopted an IT and GIS governance process with best practices to better align these technology services with organizational goals and objectives.

- Supported the 2018 municipal election.
- Received the 2018 Award of Excellence for outstanding achievement in GIS from ESRI Canada in recognition of the implementation of our Roads and Highways GIS project.



### FISCAL SUSTAINABILITY

- Continued the centralization of facility video surveillance and building access control systems to improve efficiency and secure management of these facilities.

## CHALLENGES AND OPPORTUNITIES

### INCREASING DEMAND FOR IT SERVICES AND SUPPORT

As City departments continue to embrace technology and consider ways of using it more in their day-to-day work to create efficiencies, and save time and money, there is increased demand for IT services to enable and support these initiatives. The newly developed IT governance structure will help keep IT focused on the projects that are most important to the organization.

### BALANCING WORKLOAD

IT staff are challenged by trying to balance the day-to-day support and administration of existing IT services with new IT project work that moves the organization forward towards its goals. Implementing best practices to streamline daily operations will assist with balancing the work to make both responsibilities achievable.

### KEEPING THE CITY'S NETWORK SECURE

Increased use of technology and connected services adds to an ever-increasing cyber security risk. We reduce risks by following best practices, staying informed of the latest threats, implementing new tools and regularly auditing the current environment.



## 2019 INITIATIVES

### 1. Continued Implementation of IT Governance

Aligning IT's work with the strategic and operational goals of the organization is our number one goal. Not only do we provide daily support and delivery of IT services, we work closely with the organization to solve business problems, reduce risks and realize returns. As part of an IT governance structure created in 2018, we've created an oversight committee that sets the direction and helps the department align its available capacity with the organizational priorities.

**ESTIMATED COMPLETION:** September 2019



### 2. Continued Implementation of IT Service Management (ITSM)

Information Technology Service Management is the practice of adopting best practices in the areas of people, processes, and technology to deliver IT services and support to internal customers as efficiently as possible.

**ESTIMATED COMPLETION:** June 2019



### 3. Core IT Network Refresh and Redesign

Redesigning and refreshing the core IT networking infrastructure will better support the delivery of reliable, secure and cost-effective IT services.

**ESTIMATED COMPLETION:** September 2019



### 4. Develop a High-level Disaster Recovery Plan

With so much of the organization relying on digital technologies to communicate and operate, making sure that our information systems and infrastructure are available, even in the event of an emergency, has never been more important. A Disaster Recovery Plan is an analysis of the impact, risks and recovery strategies that will help to determine the procedures to ensure the City is able to get IT services back up and running as quickly as possible in the event of a disaster.

**ESTIMATED COMPLETION:** September 2019



### 5. Data Migration of Parks, Facilities and Parking Information

Moving parks, facilities and parking information into the GIS system will enable staff to make decisions based off the most up-to-date information for these assets in the community. The City has already been successful at receiving grants for the parks and facilities projects.

**ESTIMATED COMPLETION:** September 2019



### 6. Development of an Open Data Policy and Public Open Data Portal

Publicly accessible data can support research, innovation, product development and decision-making, which means there is an exciting opportunity to be able to open up City data through an easy-to-use web portal. The goal is to create a policy to support our open data initiative, followed by developing a web portal for the public to access the information.

**ESTIMATED COMPLETION:** April 2019



## BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                              | 2018 BUDGET      | 2018 FORECAST    | 2019 BUDGET      |
|------------------------------|------------------|------------------|------------------|
| Goods and Services           | 1,191,862        | 1,167,036        | 1,569,697        |
| Equipment Amortization       | 213,855          | 213,855          | 213,700          |
| Salaries and Benefits        | 822,664          | 794,500          | 807,500          |
| Recoveries                   | -62,202          | -73,836          | -57,370          |
| Internal Allocation In       | 5,500            | 5,500            | 5,500            |
| Internal Allocation Out      | -92,228          | -100,935         | -390,027         |
| <b>NET OPERATING EXPENSE</b> | <b>2,079,452</b> | <b>2,006,120</b> | <b>2,149,000</b> |

## KEY BUDGET CHANGES FOR 2019

- Net operating costs are increasing in 2019, primarily due to increased GIS initiatives and the development of a new City website.

## PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION               | BUDGET         |
|-----------------------------------|----------------|
| Hardware                          | 320,000        |
| Infrastructure                    | 165,000        |
| Software                          | 100,000        |
| Geographic Information System     | 196,014        |
| Service Management Implementation | 75,000         |
| IT Capital - SOEC/PTCC            | 75,000         |
| <b>TOTAL</b>                      | <b>931,014</b> |

# Procurement & Inventory Services

## WHAT WE DO

In Procurement & Inventory Services we assist departments with purchasing products and services to support City operations. We establish policies and procedures to ensure a competitive process that enables the City to get the best value, and we provide assurance of fair treatment for all businesses who work with the City. We also manage the inventory of a wide variety of products used by City departments to ensure products are readily available when required.

## STAFFING

The Procurement & Inventory Services Department consists of six full-time equivalent staff.

## ON A DAILY BASIS, WE...

- Ensure that all purchases follow an established competitive process, including coordinating requests for proposals and bids for contracts;
- Ensure that the purchasing process is fair, open and transparent;
- Manage the City inventory to deliver consistent and efficient service; and
- Dispose of City assets when they have reached the end of their life cycle or are obsolete.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Continued planning and resourcing a bar coding system for inventory with anticipated implementation in 2019.
- Standardized requests for proposal (RFP) and contract documents in collaboration with the Okanagan Valley Purchasing Managers. The documents are designed to provide ease and consistency across the Okanagan Valley for businesses to work with local governments.
- Drafted an updated Procurement Policy to align with the Auditor General for Local Government recommendations, increase spending authority and align with Okanagan Valley purchasing policies. The amended policy will be presented to the Council in 2019.
- Organized and labelled warehouse inventory and removed overflow items from the floor and heavy items from top shelves. The organization creates consolidation of inventory, safe access in the aisles and easier identification of items to be issued from inventory.
- Identified areas for improvement to service levels and improved efficiencies in the department through an audit. This included identifying the opportunity to streamline the process for issuing purchase orders.
- Implemented a new process for issuing purchase orders, resulting in an estimated time saving of 8.5 days per calendar year.
- Implemented a new procedure to post bid results on the City's website, eliminating the need to send out more than 300 non-award letters per year. This has resulted in an estimated time saving of 3.8 days per calendar year.

*Achievements continued on next page*





## ECONOMIC VITALITY

- Sold recycled pavers from the 300 block of Main Street revitalization project, generating \$8,770, which was donated to the South Okanagan Similkameen Medical Foundation for the Patient Care Tower hospital expansion project.
- Implemented the Bonfire online procurement portal, which enables vendors to be notified of and electronically respond to the City's bidding opportunities. The program has been well received from the supplier community. Submissions are electronically evaluated, requiring evaluators to provide comments justifying scores. A consensus score from all evaluators is provided identifying the vendor with the highest score or lowest price.

## CHALLENGES AND OPPORTUNITIES

### SPRING FLOOD

The 2018 spring flood events increased the Procurement staff workload when the City Yards became the holding area for sandbags used by the City and the Regional District of Okanagan-Similkameen. The opportunity exists to work more closely with the Regional District to improve communication for enhanced efficiencies for all agencies involved.

### INCREASED ELECTRICAL INVENTORY

Expansion of the Penticton Regional Hospital and development of two major subdivisions along with advancing technology resulted in a substantial increase of electrical inventory requirements. The opportunity exists for improved inter-departmental communications and collaboration to consider and minimize impacts on other departments.

## 2019 INITIATIVES

### 1. Implement Bar Coding System

Working with the IT/GIS Department, this initiative involves implementing a bar coding system for the City's inventory. Use of bar codes greatly reduces the possibility of human error, is faster than manually entering data and ensures inventory is identified for re-ordering to replenish stock as required.

**ESTIMATED COMPLETION:** September 2019



### 2. Amend Purchasing Policy

The Purchasing Policy will be amended to maintain efficient and compliant procurement and best practices and to provide clarity on procedures and authorizations.

**ESTIMATED COMPLETION:** March 2019



### 3. Research and Implement a Contract Management System

A contract management system uses an information technology program to track contracts and provide a quick and convenient method of retrieving and reviewing contracts. This will establish and enhance contract management practices.

**ESTIMATED COMPLETION:** March 2020



## BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

| EXPENSES                     | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET    |
|------------------------------|----------------|----------------|----------------|
| Goods and Services           | 94,068         | 85,070         | 76,600         |
| Forklift Amortization        | 3,250          | 3,250          | 3,250          |
| Salaries and Benefits        | 427,037        | 394,550        | 496,107        |
| Internal Allocation In       | 11,200         | 18,500         | 60,700         |
| <b>NET OPERATING EXPENSE</b> | <b>535,555</b> | <b>501,370</b> | <b>636,657</b> |

## KEY BUDGET CHANGES FOR 2019

- Net operating expenses are increasing in 2019 due to having the Assistant Procurement Manager for a full year (the position was hired in the fall of 2018) and the proposed implementation of the Contract Management System software.

## COUNCIL DECISION REQUEST

| BUDGET REQUEST                                                | BENEFIT                                                             | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|---------------------------------------------------------------|---------------------------------------------------------------------|--------------------------|------------------------|
| Research, purchase and implement a Contract Management System | Will provide efficiencies and enhance contract management practices | \$30,000                 |                        |



# Revenue & Collections



## WHAT WE DO

In Revenue & Collections, we are responsible for billing and collecting a variety of service fees and taxes. These include fees for the City's electricity, water and sewage as well as property taxes. We also provide collection services on behalf of a number of external organizations as their taxes are included in our property tax notices.



## STAFFING

The Revenue & Collections Department consists of nine full-time equivalent staff.



## ON A DAILY BASIS, WE...

- Manage the billing and collection of the City's dog licencing program;
- Provide customer service for incoming inquiries, payments and applications for City services through telephone, email or in-person communication;
- Administer the collection of overdue accounts such as business licencing and municipal tickets;
- Develop the annual general municipal property tax rates for fair collection of taxes across the City's property classes, in accordance with direction from Council;
- Report to senior levels of government and other taxing authorities regarding property taxation, provincial Home Owner Grant applications, and the provincial Property Tax Deferral program;
- Administer the City's Permissive Tax Exemption program, which may allow eligible properties to be exempted from property taxation for a specified period of time, in accordance with direction from Council; and
- Perform the annual Municipal Tax Sale in accordance with the *Local Government Act*.
- Manage the billing and collection of the City's electric, water, and sewer utility services;
- Manage the billing and collection of property taxes, including those for the School District, the Regional District of Okanagan-Similkameen, the Okanagan-Similkameen Hospital District, the Municipal Finance Authority and BC Assessment;

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



## GOOD GOVERNANCE

- Adopted and implemented a new Property Tax Policy that distributes taxes more equitably across the various classes.
- Improved the Revenue & Collections public web pages and enhanced service delivery, which reduced processing times and costs.
- Enhanced utility bill design to increase information provided and readability to ensure City services are customer focused, sustainable and effective.

- Provided training to front-line staff for interacting with the public and understanding mental health challenges.



## COMMUNITY BUILDING

- Formalized the equal payment plan program in Utilities to help customers balance their payments throughout the year.

## CHALLENGES AND OPPORTUNITIES

### MAXIMIZING STAFF RESOURCES TO INCREASE SERVICE WITHOUT ADDING STAFF

While increased housing in Penticton results in increased revenue opportunities for the City through taxes and other fees, it also increases the amount of work required by Revenue & Collections staff. The department is exploring self-service options to provide timely service to residents without adding staff.

### STAFF TURNOVER BRINGS A VARIETY OF IMPACTS

Many of the staff in the department have less than five years' experience in their current roles due to recent staff retirements.

While the loss of historical knowledge is a challenge, we've found employees new to their roles are more likely to question processes and identify non-value-added activities.

### SUPPORTING OTHER DEPARTMENTS OFFERS COMMUNICATION OPPORTUNITIES

Changes made in other departments sometimes create additional work for Revenue & Collections, especially when those changes impact the general public or require a change in billing for a service. The additional work presents an opportunity to increase communication between divisions.

## 2019 INITIATIVES

### 1. Update the Permissive Tax Exemption Policy

Revenue & Collections will prepare an updated policy covering online applications and incorporating the best practices of peer municipalities. We hope to receive Council endorsement to implement updates for a more efficient application process as well as a balanced and sustainable approach to granting permissive tax exemptions for future years.

**ESTIMATED COMPLETION:** April 2019



FISCAL  
SUSTAINABILITY

### 2. Deliver the 2019 Tax Rate Bylaw to Council

The annual Tax Rate Bylaw will be delivered to Council, with an emphasis on reviewing current tax ratios to continue striving for an equitable distribution of property taxes amongst the classes.

**ESTIMATED COMPLETION:** May 2019



FISCAL  
SUSTAINABILITY

### 3. Implement Enhanced Online Payments Options

Although the City currently accepts online payments for a number of services, these enhancements will allow credit card payments for utility fees.

**ESTIMATED COMPLETION:** June 2019



FISCAL  
SUSTAINABILITY



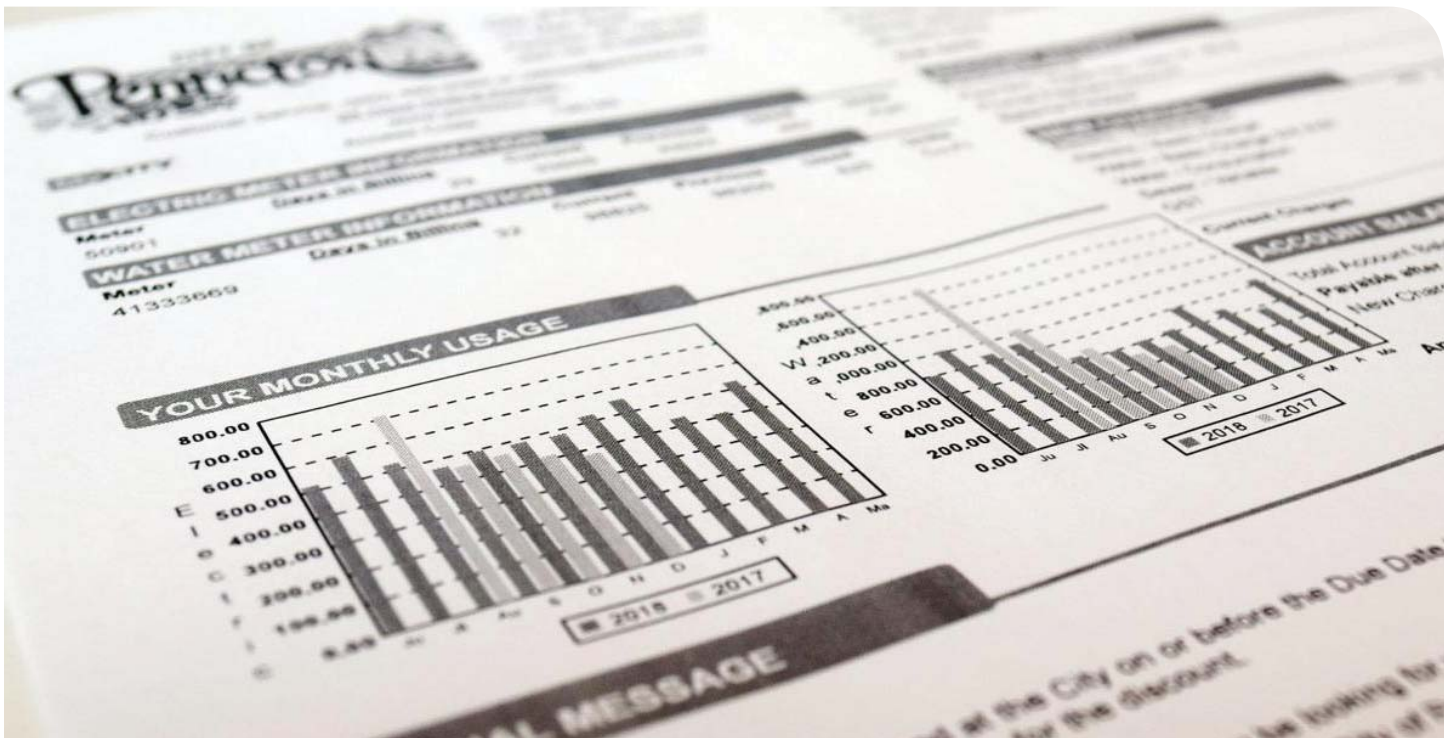
## BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

| EXPENSES                     | 2018 BUDGET     | 2018 FORECAST   | 2019 BUDGET     |
|------------------------------|-----------------|-----------------|-----------------|
| <b>REVENUE</b>               | <b>-142,800</b> | <b>-147,900</b> | <b>-148,000</b> |
| Goods and Services           | 245,500         | 239,319         | 256,550         |
| Salaries and Benefits        | 697,300         | 697,300         | 709,637         |
| Internal Allocation In       | 9,337           | 9,337           | 9,513           |
| <b>NET OPERATING EXPENSE</b> | <b>809,337</b>  | <b>798,056</b>  | <b>827,700</b>  |

## KEY BUDGET CHANGES FOR 2019

- Net operating expenses are modestly increasing due to contractual labour increases and an increase in postage expenses.





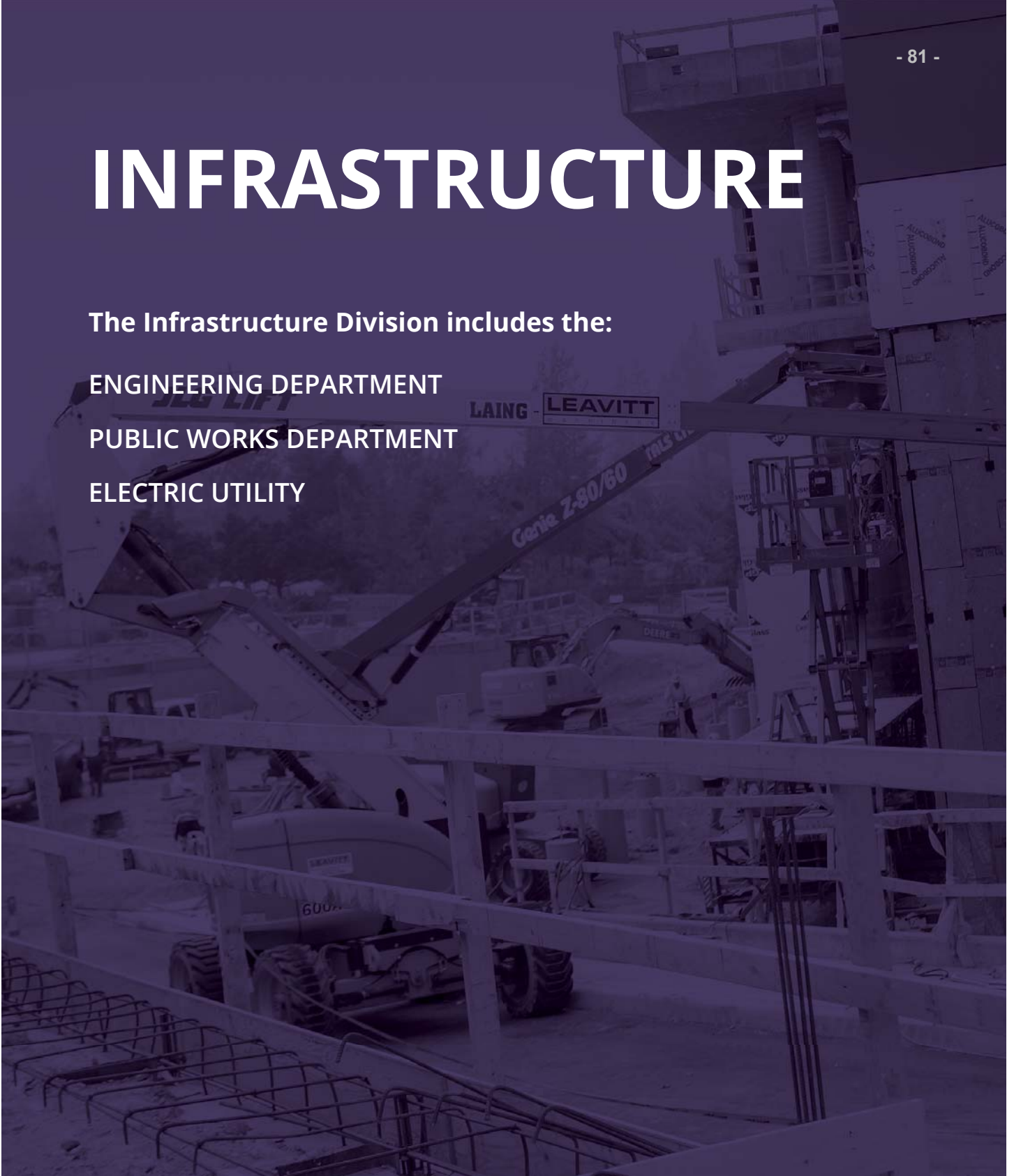
# INFRASTRUCTURE

The Infrastructure Division includes the:

ENGINEERING DEPARTMENT

PUBLIC WORKS DEPARTMENT

ELECTRIC UTILITY



# Infrastructure



## WHAT WE DO

The Infrastructure Division is responsible for overseeing many of the City's operations that enable our residents to go about their daily life. We plan, design, construct, operate and maintain road and pedestrian networks, provide for clean drinking water and sewer management, support electrical services and oversee contracts for services like garbage and recycling and transit. Our division consists of the Electric Utility, Engineering Department and the Public Works Department.



## STAFFING

The Infrastructure Division consists of 100 full-time equivalent staff including the General Manager, three Managers and seven Supervisors.



## ON A DAILY BASIS, WE...

- Lead the management of infrastructure assets like roads, bridges, water and sewer systems;
- Lead utility rate setting;
- Administer, through contract, conventional and custom transit; and
- Operate, maintain and undertake construction projects on the road and pedestrian networks, water distribution system, waste water collection system, the drainage system, parks and electrical distribution system (*See Business Plans for the Engineering Department, Public Works and Electric Utility for more detail*).

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Undertook significant flood mitigation measures on Okanagan Lake, Penticton and Ellis Creeks.
- Managed the Upper Carmi Storm Sewer blockage and debris slide.
- Managed the Campbell Mountain drainage issues.
- Worked with Tetrattech to complete the first phase of the Penticton Flood Risk Assessment.



### COMMUNITY BUILDING

- Worked with Aarde Environmental to obtain permits to sleeve the CN Tug piles at the SS Sicamous.
- Applied for a lease expansion for the CN Tug.
- Worked with the RDOS and BC Transit to obtain approval for a Penticton to West Kelowna/ Kelowna Route twice per day Monday to Friday.

*Achievements continued on next page*



## FISCAL SUSTAINABILITY

- Completed risk assessment of City infrastructure assets and updated the Asset Management Investment Plan.
- Completed the expression of interest process for Asset Management software.
- Commenced work on the Utility Rate review with InterGroup Consultants and the Utility Rate Review Committee.
- Implemented a Storm Water Rate for the 2018 tax year.
- Obtained a Council Resolution to build road projects to the bylaw standard width thereby reducing future asset management costs.

- Completed research on Special Area Bylaws.
- Issued a request for proposals for transit amenities and advertising.
- Worked with a grant writer to submit grants for the Ridgedale Reservoir detail design and construction as well as for the Penticton Creek 3A and 3B detail design.



## ENVIRONMENTAL SUSTAINABILITY

- Completed a request for proposal process for Penticton Creek Reach 12A detail design.
- Completed a request for proposal process for Ellis Creek Master Plan.

## CHALLENGES AND OPPORTUNITIES

### FLOOD RESPONSE

The Spring of 2018 presented infrastructure protection challenges related to addressing high snow pack, high Okanagan Lake levels and high flows in Penticton and Ellis Creeks. This resulted in Infrastructure Division staff having to spend a considerable amount of time addressing flood issues as well as complete planned capital and operating projects. While the flood response was managed effectively, it has delayed other projects within the division.

### RESOURCE LIMITATIONS

The Infrastructure Division is challenged by lack of time and staff resources required to complete key tasks, including the implementation of best practices, policy development and long-range strategic plans.

### BEST PRACTICES

There are many best practices related to infrastructure management that the Infrastructure Division is responsible for that are not being completely implemented due to lack of time to plan and implement. The opportunity exists to improve best practices with respect to water and sewer main flushing, cleaning of the drainage system, valve exercising, pavement management strategies, inspections, improved record keeping, mapping and health and safety hazard risk assessments.

## 2019 INITIATIVES

### 1. Complete the 2018 Utility Rate Review

One of the key solutions to address long-term infrastructure management issues is to have sustainable utility rates. This project will determine what rates are needed for domestic water, agricultural water, sanitary sewer and electrical to achieve 100% cost recovery and sustainability, maintain required minimum reserve balances and include the required annual spend for asset management purposes. The project will be done with the assistance of InterGroup Consulting and the Utility Rate Review Committee, and will involve comparisons to other municipalities and public engagement. The ultimate goal is to create a phased-in rate structure to achieve sustainability and full cost recovery.

**ESTIMATED COMPLETION:** September 2019



### 2. Implement Asset Management Software

In order to improve decision making on where to spend our limited financial resources for the highest benefit, the City needs a tool to evaluate and analyse different scenarios on asset management spends. The purchase, installation and implementation of Asset Management Software will achieve this. It will allow the City to maintain all information with respect to our many assets in one location and to undertake evaluations and scenario analysis to determine where work should be done on our assets based on age, condition, risk and available budget. The software will provide information to create strategic long-range asset replacement plans and will allow the City to see the long-range implications of spending decisions on the health of our infrastructure. Invitational proposals will be solicited from the highest ranked proponents from the 2018 expression of interest process.

**ESTIMATED COMPLETION:** December 2020



### 3. Implement the Penticton-to-Kelowna Transit Route

Citizens of the Regional District and Penticton will benefit from having the option to take transit to Kelowna. This project will see the City working with the Regional District of Okanagan Similkameen to implement two round trips per day Monday to Friday from Penticton to West Kelowna/Kelowna. This route was one of the top priorities from the 2015 Transit Future Plan.

**ESTIMATED COMPLETION:** September 2019



### 4. Update the 1968 Special Area Bylaw

Another key solution to address long-term infrastructure asset management issues is to increase funding for infrastructure projects through the use of a Local Area Service Bylaw. This project will see the 1968 Special Area Bylaw rescinded and updated. The current bylaw is woefully out of date and needs to be replaced with a new bylaw that considers how other communities address funding for reconstruction and will assist with providing alternate funding to address asset management issues.

**ESTIMATED COMPLETION:** September 2019



*Initiatives continued on next page*

## 5. Update the Asset Management Investment Plan

Having the best data in our Asset Management Investment Plan increases the accuracy of long-range planning. The City will have more up to date information on our Parks and Facility infrastructure once it has been entered into the Geographic Information System (GIS). The next step is to update the Asset Management Investment Plan. This will make the plan as complete and up to date as possible.

**ESTIMATED COMPLETION:** December 2019



## INFRASTRUCTURE – BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

| EXPENSES                       | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET    |
|--------------------------------|----------------|----------------|----------------|
| Goods and Services             | 3,200          | 2,605          | 3,050          |
| Salaries and Benefits          | 205,182        | 203,560        | 207,194        |
| <b>OPERATING EXPENSE</b>       | <b>208,382</b> | <b>206,165</b> | <b>210,244</b> |
| Internal Allocation In         | 0              | 0              | 5,000          |
| Internal Allocation Out        | -205,182       | -203,729       | -215,244       |
| <b>TOTAL OPERATING EXPENSE</b> | <b>3,200</b>   | <b>2,436</b>   | <b>0</b>       |

### KEY BUDGET CHANGES FOR 2019

› No material changes between 2018 Forecast and 2019 Budget.

### PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION                     | BUDGET          |
|-----------------------------------------|-----------------|
| Asset Management Investment Plan Update | 20,000          |
| Asset Management Software               | 200,000         |
| <b>TOTAL</b>                            | <b>220,000*</b> |

\* Funded by general capital fund and utility capital funds based on asset values. See financial plan for details.

*Budgets continued on next page*



## TRANSIT – BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                              | 2018 BUDGET      | 2018 FORECAST    | 2019 BUDGET      |
|------------------------------|------------------|------------------|------------------|
| <b>REVENUES</b>              | <b>-606,700</b>  | <b>-668,500</b>  | <b>-684,610</b>  |
| Goods and Services           | 35,450           | 28,431           | 31,560           |
| Contract - Municipal Share   | 1,761,000        | 1,744,300        | 2,035,190        |
| Fleet                        | 950              | 2,442            | 1,740            |
| <b>SALARIES AND BENEFITS</b> | <b>6,930</b>     | <b>16,862</b>    | <b>12,050</b>    |
| Total Operating Expense      | 1,804,330        | 1,792,035        | 2,080,540        |
| Internal Allocation In       | 13,360           | 13,360           | 14,000           |
| <b>NET OPERATING EXPENSE</b> | <b>1,210,990</b> | <b>1,136,895</b> | <b>1,409,930</b> |

|                          | 2018 BUDGET      | 2018 FORECAST    | 2019 BUDGET      |
|--------------------------|------------------|------------------|------------------|
| Net Conventional Transit | 1,028,400        | 955,100          | 1,217,890        |
| Net Custom Transit       | 130,700          | 125,900          | 138,000          |
| Public Works Support     | 51,890           | 55,895           | 54,040           |
| <b>NET TOTAL TRANSIT</b> | <b>1,210,990</b> | <b>1,136,895</b> | <b>1,409,930</b> |

## KEY BUDGET CHANGES FOR 2019

- Increase in net operating expenses due to the new transit contract and the addition of the route from Penticton to Kelowna.

# Engineering

## WHAT WE DO

The Engineering Department consists of the Design Branch, Water Treatment Branch and Waste Water Treatment Branch. We are responsible for the planning, design and construction administration of the road and pedestrian network, water distribution system, waste water collection system and the drainage system.

## STAFFING

The Engineering Department (including the Water Treatment Plant and Advanced Waste Water Treatment Plant) consists of 26 full-time equivalent staff.

## ON A DAILY BASIS, WE...

- Plan, design and administer construction on water, sanitary, storm, road and pedestrian networks;
- Operate, maintain, plan and administer design and construction projects for the water treatment plant, water reservoirs and water pump stations;
- Operate, maintain, plan and administer design and construction projects for the waste water treatment plant and lift stations;
- Keep record drawings;
- Provide comments on development through the Technical Planning Committee; and
- Provide professional engineering advice to the Council and staff.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Completed the construction of a failed retaining wall on the Kettle Valley Railway trail.
- Completed annual asset management review and planning as per the recently completed asset management plan by our outside engineering consultant, AECOM.
- Continued monthly water quality reporting to provincial and federal regulatory bodies.
- Completed Phase I of the Drought Management Plan.
- Undertook Flood Protection Measures on Okanagan Lake, Penticton and Ellis Creeks for the 2018 freshet.
- Completed repair work at Okanagan Lake, Ellis and Penticton Creeks from damage caused by the 2017 flood and freshet.
- Completed crosswalk and walking area improvements at Uplands Elementary School.
- Selected a consultant and commenced work on detail design for storm water management on Campbell Mountain and Carmi Road.
- Purchased and installed new programmable logic controllers for the water treatment plant.
- Installed new updated instrumentation to continue to ensure water quality is maintained at a high standard.
- Worked on the installation of flow monitoring devices on Penticton and Ellis Creeks.
- Assisted in the Upper Carmi Storm Sewer blockage and 2018 Flood mitigation works.
- Lobbied WorkSafe BC to open the confined space entry regulations for a full regulation review.

*Achievements continued on next page*



## COMMUNITY BUILDING

- Completed significant capital projects in the Design Branch including infrastructure and streetscape improvements, and downtown revitalization and water transmission system improvements on Ridgedale Avenue.
- Completed utility and road upgrades on: Gahan Avenue, King Street, Killarney Street, Nelson Street, Toronto Avenue and Skaha Lake Road; and Repaved Government Street, Industrial Avenue and Dawson Avenue.
- Completed crosswalk improvements at South Main Street and Pineview Road, Government Street and the crossing of the Kettle Valley Railway with Eckhardt Avenue and Pickering Street.
- In conjunction with the Public Works Department completed work at Campbell Mountain: Mountain bike parking lot expansion, signage, crosswalk



## FISCAL SUSTAINABILITY

- Participated in the National Water and Waste Water Benchmarking initiative.



## ENVIRONMENTAL SUSTAINABILITY

- Completed the naturalization of Penticton Creek Reach 3A Lower.
- Implemented energy management hardware and software changes to reduce cost and improve efficiency.
- Assisted with the selection of a consultant and commenced work on the Ellis Creek Master Plan.
- Assisted with the selection of a consultant and commenced work on the detail design for Penticton Creek Reach 12A.
- Started an educational campaign on the flushable wipes in sewers issues.

## CHALLENGES AND OPPORTUNITIES

### FLOOD RESPONSE

Challenges in the form of the protection and repair of City assets along Okanagan Lake, Penticton and Ellis Creeks caused a significant draw on human resources in the Engineering Department. This stretched staff to not only deal with flood related activities but to still undertake and complete planned operational and capital works during the year. The Engineering Department responded admirably, protected and repaired City assets and formed solid working relationships with the Fire Services Department, Public Works Department, the Province of BC and Engineering Consultants. Based on the learnings over the past two years, the City is taking proactive and mitigating steps wherever possible to be better positioned for these unplanned events.

### PUBLIC SAFETY

The number and complexity of issues related to road, public safety and security have been increasing. There are numerous requests related to traffic calming, cross walks, traffic signals, parking and bike lanes. However, the Engineering Department lacks the staff and capital budget to adequately deal with all these challenges. Through risk analysis and prioritization the City will focus on those issues that are of highest risk.

*Challenges and Opportunities  
continued on next page*

## GEOGRAPHIC INFORMATION SYSTEM (GIS)

Managing the changing workflows and data collection issues related to the City's GIS has proved to be a challenge. With the addition of the Infrastructure GIS Analyst, the Engineering Department and the City are starting to better reap the benefits from GIS.

## CONFINED SPACE REGULATIONS

WorkSafeBC (WSBC) confined space regulations are not aligned with existing Advanced Wastewater Treatment Plant design. This issue was brought to WSBC attention by the City of Penticton and other local governments. The regulation has been opened up for a full regulation review, which is expected to be completed by 2019/2020. The City of Penticton sits on the review panel and the opportunity exists for the City to work with WSBC to create regulations that will work.

## OUTDATED INSTRUMENTATION

Programmable logic control and instrumentation systems at the Water Treatment Plant are no longer supported and replacement parts are no longer available. Steps are being taken to make the necessary investment to ensure instrumentation is up to date and current.

## FLUSHABLE WIPES

The Wastewater Treatment Plant has been challenged with addressing flushable wipes that are being introduced into the sanitary sewer system. This adds significant operating expenditures to the utility. In 2019 the Waste Water Treatment Plant will be taking further steps to educate the public to help prevent the issue.

## MOBILE WORKFORCE TECHNOLOGY AND ENERGY MANAGEMENT

Efficiency is not optimal at this point and the opportunity to improve at the Waste Water Treatment Plant will happen through the adoption and installation of mobile workforce technology and energy management techniques.

## 2019 INITIATIVES

### 1. Develop Ellis Creek Master Plan

The City will complete the first step toward flood protection and environmental sustainability on Ellis Creek by completing a Master Plan. This document will set a long-term direction for actions required to address flood control measures, erosion and deposition issues, and naturalization and habitat improvements on Ellis Creek. In addition, a prioritization plan and budget will be created.

**ESTIMATED COMPLETION:** December 2019



ENVIRONMENTAL  
SUSTAINABILITY

### 2. Design and Implement Penticton Creek Reach 12 Revitalization

The City has received grant funding to design and construct the Penticton Creek Revitalization Project, Reach 12. This project will address identified flood issues and improve habitat. Design and permitting will occur in 2019 followed by construction in 2020.

**ESTIMATED COMPLETION:** September 2020



GOOD  
GOVERNANCE



ENVIRONMENTAL  
SUSTAINABILITY

*Initiatives continued on next page*

### 3. Replace Aging and Small Water Mains

The City will improve fire flow and reduce risk by replacing undersized and aging water mains before they fail.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE



FISCAL  
SUSTAINABILITY

### 4. Improve Capacity of South Main Sanitary Sewer and Water

Improvements to the South Main sanitary sewer and water mains will be made to increase capacity and provide for future development.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE



FISCAL  
SUSTAINABILITY

### 5. Complete Main Street Upgrade Okanagan Avenue to Warren Avenue

The construction of two storm sewer diversions will free up capacity in the Main Street storm sewer and the replacement of aging and high-risk water and sanitary sewer mains crossing Ellis Creek will be completed.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE



FISCAL  
SUSTAINABILITY

### 6. Upgrade and Install Pedestrian Crosswalks

Pedestrian safety enhancements will be made at three locations on Government Street and at one location on Kinney Avenue at MacKenzie. The work will see the following completed:

- Government and Forestbrook: Install a pedestrian activated signal, repaint the crosswalk lines and relocate the crosswalk signs.
- Government and Nelson: Repaint the crosswalk lines, relocate the crosswalk signs and examine the installation of a sidewalk on the south side of Nelson Avenue.
- Government and Penticton: Install overhead reflective signage and down lighting.
- Kinney and MacKenzie: Install overhead reflective signage and down lighting.

**ESTIMATED COMPLETION:** June 2019



GOOD  
GOVERNANCE

### 7. Finalize Phase II Drought Management Plan

This project will align the City with other Okanagan municipalities in terms of how our water resources are responsibly protected and used during drought conditions. A set of drought response triggers and responses will be created that are similar on a valley-wide basis.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE

### 8. Implement Chlorine and Sulphur Dioxide Gas Removal from the Water Treatment Process

This project will improve public and staff safety by eliminating the risks associated with gaseous chlorine. The work will remove and replace the aging chlorination system with one that eliminates the use of gaseous chlorine and sulphur dioxide from the water treatment process.

**ESTIMATED COMPLETION:** June 2019



GOOD  
GOVERNANCE



FISCAL  
SUSTAINABILITY

*Initiatives continued on next page*



## 9. Upgrade Okanagan Lake Pump Station Electric and Pump Motor

Reliability, efficiency and cost saving improvements will be realized by the replacement of the aging electric system components and pump motors at the City of Penticton's only Raw Water Pump Station located on Okanagan Lake.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE



FISCAL  
SUSTAINABILITY

## 10. Implement 2019 Actions of the Asset Management Renewal Plan

The detailed Asset Management Renewal plan developed by AECOM will continue to be implanted to replace Waste Water Treatment Plant assets in a prioritized manner that are at or past their service life.

**ESTIMATED COMPLETION:** September 2029



GOOD  
GOVERNANCE



FISCAL  
SUSTAINABILITY

# ENGINEERING – BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

| EXPENSES                       | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET    |
|--------------------------------|----------------|----------------|----------------|
| Goods and Services             | 48,250         | 66,961         | 108,450        |
| Salaries and Benefits          | 166,450        | 101,100        | 102,000        |
| <b>NET OPERATING EXPENSE</b>   | <b>214,700</b> | <b>168,061</b> | <b>210,450</b> |
| Internal Allocation In         | 196,469        | 153,633        | 74,100         |
| Internal Allocation Out        | -214,700       | -168,061       | -284,550       |
| <b>TOTAL OPERATING EXPENSE</b> | <b>196,469</b> | <b>153,633</b> | <b>0</b>       |

## KEY BUDGET CHANGES FOR 2019

- Net operating expenses reduced due to the increased allocations out to other areas.

## PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION               | BUDGET           |
|-----------------------------------|------------------|
| Parks                             | 100,000          |
| Roads and Maintenance             | 1,964,253        |
| <b>TOTAL GENERAL FUND CAPITAL</b> | <b>2,064,253</b> |
| Sewer Fund Capital                | 1,888,800        |
| Water Fund Capital                | 2,658,000        |
| <b>TOTAL ENGINEERING CAPITAL</b>  | <b>6,611,053</b> |

*Budgets continued on next page*

## WATER TREATMENT PLANT – BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

|                              | 2018 BUDGET       | 2018 FORECAST     | 2019 BUDGET        |
|------------------------------|-------------------|-------------------|--------------------|
| Total Operational Revenues   | -8,479,637        | -8,461,692        | -8,812,919         |
| Total Operating Expenses     | 1,666,696         | 1,647,906         | 1,731,040          |
| <b>NET OPERATING SURPLUS</b> | <b>-6,812,941</b> | <b>-6,813,786</b> | <b>-7,081,880*</b> |

\* Note: Please see the financial plan for details on how the net operating surplus from the Water Treatment Plant funds the water distribution area, allocated costs into the water utility, and the annual transfer to the water capital fund.

### KEY BUDGET CHANGES FOR 2019

- › Increase in net operating surplus due to increased user fees.

### PROPOSED CAPITAL BUDGET

|                       | BUDGET    |
|-----------------------|-----------|
| Water Treatment Plant | 2,484,200 |

## ADVANCED WASTE WATER TREATMENT PLANT – BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

|                              | 2018 BUDGET       | 2018 FORECAST     | 2019 BUDGET        |
|------------------------------|-------------------|-------------------|--------------------|
| Total Revenues               | 2,300,066         | 2,279,413         | 2,208,818          |
| Total Expenses               | -5,945,939        | -5,976,636        | -7,112,680         |
| <b>NET OPERATING SURPLUS</b> | <b>-3,645,873</b> | <b>-3,697,223</b> | <b>-4,903,862*</b> |

\* Note: Please see the financial plan for details on how the net operating surplus from the AWWTP funds the sewer collection area, allocated costs into the sewer utility, and the annual transfer to the sewer capital fund.

### KEY BUDGET CHANGES FOR 2019

- › Increase in net operating surplus due to increased user fees.

### PROPOSED CAPITAL BUDGET

|                                      | BUDGET    |
|--------------------------------------|-----------|
| Advanced Waste Water Treatment Plant | 1,684,000 |

## COUNCIL DECISION REQUESTS

| BUDGET REQUEST                    | BENEFIT                                                                                                                                                                                                          | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|
| Drought Management Plan Phase 2   | A continuation of a previous phase of drought planning: Create drought response triggers and response actions consistent with valley-wide approach.                                                              | \$100,000                |                        |
| Bike lane planning and bike racks | Planning for a lake-to-lake separated bike route forming the spine of a safe cycling corridor that welcomes and encourages a wider group of cyclists. Plus installation of 50 bike racks at strategic locations. |                          | \$55,000               |
| SS Sicamous area improvements     | Realignment and replacement of existing walkway across frontage of SS Sicamous by extending the multi-use waterfront walkway to the Rose Gardens with associated revisions to the parking.                       |                          | \$100,000              |



# Public Works

## WHAT WE DO

In Public Works, we keep our community safe by providing clean, safe drinking water, a reliable sanitary sewer system, and storm-water drainage to help prevent flooding. We manage the roads in our community, as well as the parks and cemetery, and we collect your garbage and recycling. To help support these services, as well as those delivered by other departments, we also manage the City's fleet of vehicles.

## STAFFING

The Public Works Department consists of 58 full-time equivalent staff.

## ON A DAILY BASIS, WE...

- Manage the operations, maintenance and construction of the road and pedestrian network, water distribution system, waste water collection system, drainage system and parks;
- Manage the operations, maintenance, planning, design and construction of the City-owned dams;
- Install and maintain the City's water meters;
- Maintain, purchase and coordinate the City's vehicle and equipment fleet;
- Administer, through contract, garbage and recycling collection;
- Operate the waste water solids composting facility;
- Administer, through contract, the Lakeview Cemetery operation, and we design and construct cemetery expansion and upgrades;
- Maintain the Fairview Cemetery; and
- Maintain and upgrade bus stops.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES

### GOOD GOVERNANCE

- Completed recruitment, training and mentoring of the new Parks Supervisor, Public Works Technologist, Utility Technician and Parks Technician.
- Successfully managed extreme winter conditions to mitigate extreme challenges from ensuing spring runoff conditions.
- Completed the dredging and operational gate replacement at the Ellis Creek Diversion Dam.

- Completed the Campbell Mountain Diversion Dam Upgrades.
- Reviewed options to address waste water solids management.
- Undertook 2018 flood mitigation measures on Okanagan Lake, Penticton and Ellis Creeks.
- Addressed the Upper Carmi storm sewer blockage and debris slide.
- Managed the Campbell Mountain drainage issue.

*Achievements continued on next page*



## COMMUNITY BUILDING

- Implemented the Clean Team to address maintenance in key areas during the peak season.
- Worked with the Planning Department to complete the Parks and Recreation Masterplan, Park Land Protection and Use Policy, Park Dedication Bylaw and Zoning Bylaw Amendments to identify different Park types and uses.
- Completed the re-write of the Cemetery Management Bylaw and related Fees and Charges Bylaw.



## ENVIRONMENTAL SUSTAINABILITY

- Achieved carbon reduction in the fleet area by using hybrid vehicles and equipment.
- Completed the expansion and upgrades to the Lakeview Cemetery including the development of a natural burial section.
- Delivered community education program on best recycling practices.
- Renewed the Recycle Collection Contract with Recycle BC for a second five-year term.



## FISCAL SUSTAINABILITY

- Completed all Capital Fleet replacements.
- Installed and commissioned a new Fuel Management System / Fleet Maintenance System.
- Reviewed the Fleet and Equipment Replacement Fund.
- Implemented the new seven-year Solid Waste and Recycle Collection contract in July 2018.
- Developed a Council Policy for Residential Automated Waste Collection Service Levels and Standards.

## CHALLENGES AND OPPORTUNITIES

### FLOOD RESPONSE

Flood protection and repairs monopolize staff time, making it difficult to complete planned projects.

### BEST PRACTICES DELAYS

There are many best practices in water/sewer management, roads and other public works functions that are not being completed due to lack of resources to plan and implement.

### LIABILITY RISKS

With aging infrastructure such as roads, bridges, sanitary sewers and water systems, there is a growing risk of failures that could result in liability for the City. Clearly defined maintenance standards and policies are required.

### INFORMATION AND DATA OVERLOAD

Managing the changing workflows, data collection and paper record keeping leads to duplication of tasks and puts a strain on available human resources.

*Challenges and Opportunities continued on next page*



## CHALLENGES AND OPPORTUNITIES

### GAPS IN RESOURCES AND EXPERTISE

The department is challenged by a steady loss of knowledge and experience due to a significant number of people retiring along with a growing need for specialized skills and expertise to address increasingly complex operations in areas such as sanitary sewer, roads and drainage. Staff shortages are affecting fleet maintenance, as the number of fleet vehicles and equipment has increased significantly over the past decade. The City also needs a dedicated position to manage contracted services such as transit, cemeteries and composting operations. There is also a need for trained staff with required safe work experience and protective equipment to assist with the clean-up of homeless camps.

### NOT MEETING REGULATIONS

Penticton's existing water and sewer infrastructure cannot meet the confined space regulations set by WorkSafeBC (WSBC). This issue has been brought to WSBC's attention, and the regulation is being reviewed, with expected completion by 2019/2020.

The sewer residuals compost site does not meet the Organic Matter Recycling Regulation (OMRR) and sales of compost have declined significantly to the point where the stock piles are affecting operations. One potential solution is somewhat dependant on the Regional District of Okanagan Similkameen. The final solution may be costly. There are also constant challenges with compliance requirements for water distribution and sewer collection regulations including Environmental Operator Certification requirements.

## 2019 INITIATIVES

### 1. Restructure Work Areas to Address Gaps in Resources and Expertise

Restructuring is needed in a number of areas to meet regulatory requirements and address challenges such as gaps expertise and capacity.

**Works Branch:** The current staffing and configuration of the Works Branch includes both water/ sewer utilities and roads and drainage management; however, these are distinctly different areas of expertise areas that each require specific skills, policies and best practices. With this restructuring, the Works area will become more efficient and compliant with the Environmental Operator Certificate Program by splitting the branch into a Utilities Branch (Water/Sewer) and a Roads & Drainage Branch. The new structure will allow for a more focused approach to the various aspects of the work and some duties can be transferred from the Parks Branch to Works Branch, resulting in a more balanced distribution of work load. It will also ensure the legislated Water Distribution and Sewer Collection Operator requirements are met.

**ESTIMATED COMPLETION:** June 2019

**Fleet Branch:** The increase in the size and maintenance requirements for the City's fleet can no longer be managed with existing staff. A new Service Advisor Coordinator full-time position is recommended to support the Fleet Supervisor and the Mechanical Technicians.

**ESTIMATED COMPLETION:** September 2019



*Initiatives continued on next page*

## 2. Create Permanent Clean Team

While the new Clean Team summer staff positions addressed needs in the high tourist season, there is a continued need for trained teams to assist with homeless camp clean up, snow and ice control and other general support to keep Penticton streets, parks and other public areas clean and safe. This permanent crew would provide services year-round, including after-hours calls on weekends during the day. This will result in lower overtime costs and improved service. In addition there will also be savings as the City will no longer need to contract services for homeless camp cleanup.

**ESTIMATED COMPLETION:** June 2019



GOOD  
GOVERNANCE

## 3. Complete and Begin Implementing a Waste Water Solids Management Plan

To bring the City into compliance with the Organic Matter Recycling Regulation, a Waste Water Solids Management Review was conducted by AECOM Engineering to identify the steps required to meet regulatory requirements. In 2019, the design for the new requirements will be completed, with construction in later years, which may involve significant costs, which will be determined in part during the design development.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE



FISCAL  
SUSTAINABILITY

## 4. Create a Parks & Recreation Advisory Committee

Parks and recreation are a big part of why Penticton is a great place to live and visit; however, the City needs a plan for how to manage and expand these assets in future. It's important to have input from the community to develop these plans, which will be accomplished in part through the creation of a Parks & Recreation Advisory Committee.

**ESTIMATED COMPLETION:** March 2019



COMMUNITY  
BUILDING

## 5. Parks Master Plans for Skaha Lake Park

Skaha Lake Park has tremendous potential for creating recreation opportunities that benefit the community and visitors. A Parks Master Plan for Skaha Lake Park will ensure that the new direction for developing the park and marina reflect community priorities and best practices in park planning.

**ESTIMATED COMPLETION:** December 2019



COMMUNITY  
BUILDING

## 6. Implementation of the Parks GIS / Asset Management

The City requires extensive information related to mapping and other data to manage its parks, roads and other infrastructure assets, which is currently a manual process involving multiple records and potential for incomplete or inaccurate/outdated data. Using GIS technology will improve accuracy and access to reliable data that can be used to manage infrastructure assets more efficiently. The City has a grant for the consultation portion of the project and staff will collect the required data.

**ESTIMATED COMPLETION:** September 2019



FISCAL  
SUSTAINABILITY

## PUBLIC WORKS – BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

| PUBLIC WORKS NET OPERATING EXPENSES | 2018 BUDGET      | 2018 FORECAST    | 2019 BUDGET      |
|-------------------------------------|------------------|------------------|------------------|
| Roads                               | 1,637,993        | 1,773,115        | 1,861,292        |
| Solid Waste                         | (611,117)        | (688,805)        | (649,743)        |
| Storm Water                         | 71,238           | 104,157          | 58,300           |
| Water Distribution                  | 948,459          | 1,034,282        | 867,700          |
| Sewer Collection                    | 801,414          | 778,523          | 746,420          |
| <b>TOTAL NET OPERATING EXPENSES</b> | <b>2,847,987</b> | <b>3,001,272</b> | <b>2,883,969</b> |

## KEY BUDGET CHANGES FOR 2019

- › The roads area has seen increasing cost trends in asphalt repairs, road marking, snow clearing, street and sidewalk cleaning, and vandalism in the past few years and have built these trends into the 2019 budget. Further, the roads area will see an increase in cost allocations in from the Public Works area to account for a portion of the new Utilities Supervisor.
- › Increasing net operating costs in solid waste is due to increase in residential and curbside collection expenses.
- › The Storm Water area is seeing less reliance on funding from the general fund in 2019 due to increasing rates from 2018 to 2019. It is anticipated that the Storm Water Utility will be able to fully cover its operational expenses in 2020.
- › Increased net operating expenses in the Water Distribution and Sewer Collection areas due to increased allocations in from the public works area for the proposed Utilities Supervisor, new expenses allocated in from the facilities area for a portion of the costs of operating the yards, and increased allocation expenses from the engineering area due to supporting more operational initiatives rather than capital projects in 2019.

## SEWER COLLECTION – PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION       | BUDGET    |
|---------------------------|-----------|
| Compost Site Improvements | 1,000,000 |

## WATER DISTRIBUTION – PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION                   | BUDGET         |
|---------------------------------------|----------------|
| Ellis 4 Dam - Consulting and Upgrades | 225,000        |
| Irrigation Meter Program              | 140,000        |
| <b>TOTAL</b>                          | <b>365,000</b> |

*Budgets continued on next page*

## PARKS – BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

| EXPENSES                           | 2018 BUDGET      | 2018 FORECAST    | 2019 BUDGET      |
|------------------------------------|------------------|------------------|------------------|
| Beach Maintenance                  | 200,650          | 207,540          | 242,600          |
| Parks Maintenance                  | 521,670          | 453,930          | 531,450          |
| Sports Fields                      | 216,000          | 229,050          | 216,385          |
| Trail Maintenance                  | 107,800          | 75,300           | 98,300           |
| Boulevards & City Lots             | 313,370          | 320,640          | 317,150          |
| Undeveloped Lots and Natural Areas | 17,406           | 18,860           | 18,000           |
| Support Services                   | 259,085          | 289,600          | 264,500          |
| Salaries and Benefits              | 399,309          | 429,382          | 384,300          |
| <b>OPERATING EXPENSE</b>           | <b>2,035,291</b> | <b>2,024,302</b> | <b>2,072,686</b> |
| Internal Allocation In             | 142,235          | 143,360          | 590,384          |
| Internal Allocation Out            | -11,579          | -11,579          | -11,000          |
| <b>NET OPERATING EXPENSE</b>       | <b>2,165,947</b> | <b>2,156,083</b> | <b>2,652,070</b> |

### KEY BUDGET CHANGES FOR 2019

- Increase in net operating costs due to facilities area allocating in operating expenses of parks washrooms, finance allocating in relevant debt servicing costs, and contractual labour increases.

### PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION                       | BUDGET         |
|-------------------------------------------|----------------|
| Bleacher - Table Replacement              | 12,000         |
| Okanagan Lake Park - Concrete Replacement | 50,000         |
| Wage Allocations                          | 57,000         |
| 3 Mile Stair Replacement                  | 80,000         |
| Irrigation Upgrades                       | 50,000         |
| Backstop Upgrades                         | 12,500         |
| Barton Court Walkway                      | 85,000         |
| <b>PARKS CAPITAL TOTAL</b>                | <b>346,500</b> |

*Budgets continued on next page*

## CEMETERY – BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                              | 2018 BUDGET     | 2018 FORECAST   | 2019 BUDGET     |
|------------------------------|-----------------|-----------------|-----------------|
| <b>REVENUE</b>               | <b>-370,000</b> | <b>-322,000</b> | <b>-345,000</b> |
| Fairview Cemetery            | 7,000           | 4,610           | 6,100           |
| Lakeview Cemetery            | 176,660         | 178,136         | 177,200         |
| Internal Allocation In       | 18,989          | 18,989          | 91,700          |
| <b>NET OPERATING SURPLUS</b> | <b>-167,351</b> | <b>-120,265</b> | <b>-70,000</b>  |

## KEY BUDGET CHANGES FOR 2019

- › Increase in net operating costs due to finance allocating in relevant debt servicing costs.

## PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION                  | BUDGET |
|--------------------------------------|--------|
| Lakeview Cemetery Irrigation Upgrade | 60,000 |

## FLEET – BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                                | 2018 BUDGET       | 2018 FORECAST     | 2019 BUDGET       |
|--------------------------------|-------------------|-------------------|-------------------|
| <b>REVENUES</b>                | <b>-1,884,500</b> | <b>-1,996,100</b> | <b>-2,124,850</b> |
| Goods and Services             | 695,585           | 946,085           | 885,385           |
| Fleet Internal Charges         | 334,200           | 341,700           | 335,500           |
| Fuel                           | 280,000           | 330,000           | 290,000           |
| Insurance                      | 80,000            | 80,000            | 80,000            |
| Amortization                   | 550,000           | 550,000           | 425,000           |
| Salaries and Benefits          | 569,169           | 576,298           | 682,471           |
| <b>TOTAL OPERATING EXPENSE</b> | <b>2,508,954</b>  | <b>2,824,083</b>  | <b>2,698,356</b>  |
| Internal Allocation In         | 26,357            | 26,357            | 56,167            |
| Internal Allocation Out        | -590,700          | -638,700          | -637,500          |
| <b>NET OPERATING EXPENSE</b>   | <b>60,111</b>     | <b>215,640</b>    | <b>-7,827</b>     |

*Fleet Budget continued on next page*



## KEY BUDGET CHANGES FOR 2019

- ▶ Though a new fleet advisor is proposed to be added in 2019, net operating expenses are decreasing due to an increase in fleet rates and reduced amortization expenses.

## PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION                      | BUDGET         |
|------------------------------------------|----------------|
| Van to Replace Unit 9                    | 32,000         |
| 1/2 Ton Pickup to Replace Unit 21        | 32,000         |
| Sewer Flush Truck to Replace Unit 42     | 350,000        |
| Digger Derrick Aerial to Replace Unit 50 | 250,000        |
| 1/2 Ton Pickup to Replace Unit 123       | 32,000         |
| 3/4 Ton Pickup to Replace Unit 127       | 35,000         |
| 3/4 Ton Pickup to Replace Unit 135       | 40,000         |
| Various Other                            | 41,950         |
| <b>TOTAL</b>                             | <b>812,950</b> |



## COUNCIL DECISION REQUESTS

| BUDGET REQUEST                                                                                      | BENEFIT                                                                                                                                                          | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|
| Proposed New Utility Supervisor Position – Works Branch                                             | Provides required expertise and helps meet regulatory requirements.                                                                                              | \$60,000*                |                        |
| New Service Advisor Coordinator – Fleet Branch                                                      | Addresses increased fleet requirements, providing more hands-on mechanical time.                                                                                 | \$100,000                |                        |
| Proposed Extension Clean Team to year-round service                                                 | Expands the summer season clean up to year-round service and will eliminate contract costs and further reduce weekend overtime costs for homeless camp clean up. | \$66,000                 |                        |
| Develop a Sewer Residuals Management Plan and detailed design of the sewer residual handling system | Helps meet regulatory requirements.                                                                                                                              |                          | \$1,000,000**          |

\*Total cost of position is \$126,000 with \$66,000 funded from utilities.

\*\* Note that costs are funded from sewer utilities and may vary. The 2020 construction costs will depend on the method selected. The City is exploring the most appropriate approach, however the overall cost could be significant. Along with the most appropriate method, the City will also explore how this may be phased in to achieve an affordable approach.





# Electric Utility

## WHAT WE DO

The Electric Utility Department is responsible for overseeing the operations, maintenance and ongoing improvement of the City of Penticton's electrical systems. We manage all electric services from infrastructure and electrical distribution to metering, traffic signals and street lighting.

## STAFFING

The Electric Utility Department consists of 15 full-time equivalent staff.

## ON A DAILY BASIS, WE...

- Operate, maintain, plan, design and construct the electrical distribution system;
- Plan and maintain the City's electrical meters;
- Plan, maintain, operate, design and construct the City's traffic signal system; and
- Plan, maintain, design and construct the City's street lighting system.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Negotiated a new multi-year power purchase agreement with FortisBC.
- Sponsored training by Technical Safety BC for all electricians and their managers to ensure compliance with various electrical safety code requirements.
- Nearly completed the update to the Electrical Bylaw, awaiting final revisions prior to adoption.
- Audited all Instrument Metered accounts and introduced a number of practices to guarantee the accuracy of electrical energy billing.



### COMMUNITY BUILDING

- Improved traffic intersections safety and pedestrian and vehicle movements by: replacing a number of aged traffic controllers; increasing the number of uninterruptible power supplies; and modifying pedestrian signals to better serve the visually impaired.
- Added area lighting in a number of strategic areas in the downtown core.
- Reviewed lighting standards and commenced work on a multi-year improvement plan to address lighting issues for pedestrian crossings city-wide.

*Achievements continued on next page*



## FISCAL SUSTAINABILITY

- Completed the voltage conversion at the substation level by providing a 12kV supply at the Carmi Substation. This will now allow the City to move into the last phase of its multi-decade plan to operate the entire electrical distribution system on the same voltage.
- Completed system reliability improvements including: the addition of the hospital switchgear to the supervisory control and data acquisition (SCADA) system and creating a multi-year plan to deploy faulted circuit indicators, all of which will reduce outage times and related response costs.
- Completed various Electrical Master Plan Projects including: conductor upgrades for Westminster and Power Street; elimination of customer owned high voltage powerlines for Naramata Bench, Dawson and Yorkton Avenue; and elimination of at-risk #6 copper hazardous conductors from the distribution system.

- Continued with the multi-year program of replacing first generation digital meters with a view to reducing future meter reading costs.
- Grew the City's fibre network by adding FortisBC as a customer.
- Further consolidated electrical inventory items through standardization and the removal of obsolete switchgear.



## ECONOMIC VITALITY

- Completed underground civil work for rebuilding the east lane of the 200-block Main Street.
- Provided a new electrical connection to the hospital.
- Finished pole and anchor replacements necessitated by the TELUS Pure Fibre initiative.

## CHALLENGES AND OPPORTUNITIES

### BALANCING DEMANDS

Development in the city has been very busy over the last few years creating competing demands to provide electrical service to new developments and complete the planned electrical distribution work. The opportunity exists to put more resources toward addressing the problem within approved budgets.

### PUBLIC SAFETY ISSUES

The number and complexity of issues related to public safety and security have been increasing. There are numerous requests related to cross walks, traffic signals, increased area lighting and maintenance of additional downtown vendor pedestal and electrical park infrastructure. Lack of staff and or sufficient capital budget to adequately deal with these increasing demands is a significant challenge.

### BEST PRACTICES

There are many best practices that the Electrical Department is responsible for that are not being completely implemented due to lack of time to plan and implement. The opportunity exists to improve best practices with respect to record keeping, mapping and health and safety hazard risk assessments.

### GEOGRAPHIC INFORMATION SYSTEM (GIS)

The Electric Utility Department will continue to leverage the information and software we have now to expand the GIS to better understand the City's infrastructure assets and to better identify the needs of the community.

*Challenges and Opportunities continued on next page*

## MOBILE TECHNOLOGY

Mobile workforce technology will continue to be implemented to improve operational efficiencies.

## IMPROVE PUBLIC SAFETY

Public safety and security improvements consisting of replacing aged traffic control equipment, adding area lighting in strategic areas and improving lighting for pedestrian crossings will be made.

## VOLTAGE CONVERSION

The last phase of the voltage conversion process for the electrical distribution system will be commenced. This project is scheduled to be completed in 2020 and will see the entire City on one common electrical voltage served by four substations resulting in a more robust and reliable electrical distribution system.

## 2019 INITIATIVES

### 1. Complete the 200-block Main Street East Lane Electrical Rebuild

To enhance public safety and economic vitality, the electrical rebuild in the East Lane of the 200-block Main Street will be completed. The infrastructure is nearing its end of life, the style of construction is dated, and it doesn't meet current standards with respect to clearances. The restricted clearances limit development, pose safety risks and are unsightly. The rebuild will address all of these issues.

**ESTIMATED COMPLETION:** June 2019



ECONOMIC  
VITALITY

### 2. Complete Voltage Conversion

To provide for a more reliable and robust electrical distribution system it is necessary commence the last phase of the voltage conversion project that started decades ago. The overall project is scheduled for completion in 2020 and will see the entire city converted to one voltage, 12KV. The intention is to convert all or portions of the R12, R34, R10 and R11 feeders.

**ESTIMATED COMPLETION:** December 2020



FISCAL  
SUSTAINABILITY

### 3. Investigate and Report on Power Generation Possibilities

Alternative power generation initiatives could allow the City to reduce its dependence on the purchase of FortisBC electricity. A consultant will be engaged through an RFP process to: examine what other municipalities have done to produce power, how it was funded and what the payback period was; update studies into electricity generation that were previously done; and consider new electricity generation techniques that could be implemented. The initiatives identified will then be costed, power generation capabilities determined and ranked according to criteria that will include Return on Investment, Payback Period, Impact on the Environment, etc.

**ESTIMATED COMPLETION:** December 2019



FISCAL  
SUSTAINABILITY



ENVIRONMENTAL  
SUSTAINABILITY

### 4. Improve Strategic Area Lighting and Pedestrian Crossing Lighting City Wide

To increase safety the Electric Utility Department will install security lighting and lighting at pedestrian crosswalks. This project involves a phased and prioritized plan expected to conclude in 2023.

**ESTIMATED COMPLETION:** December 2019



COMMUNITY  
BUILDING



## ELECTRIC UTILITY – BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                                | 2018 BUDGET        | 2018 FORECAST      | 2019 BUDGET        |
|--------------------------------|--------------------|--------------------|--------------------|
| <b>REVENUES</b>                | <b>-42,084,311</b> | <b>-42,053,747</b> | <b>-42,092,690</b> |
| Goods and Services             | 33,826,413         | 30,899,499         | 32,077,396         |
| Fleet                          | 76,402             | 61,902             | 76,402             |
| Salaries and Benefits          | 1,442,886          | 1,380,203          | 1,459,912          |
| Total Internal Allocations In  | 1,841,723          | 1,855,562          | 1,908,062          |
| Total Internal Allocations Out | -12,000            | -15,500            | -12,365            |
| <b>NET OPERATING SURPLUS</b>   | <b>-4,908,887</b>  | <b>-7,872,082</b>  | <b>-6,583,283*</b> |

\* Please see the financial plan for details on how the net operating surplus funds the general capital dividend, and the annual transfer to the electrical capital fund.

## KEY BUDGET CHANGES FOR 2019

- Decrease in net operating surplus due to lower than expected power costs in 2018, increased power distribution system maintenance in 2019 and the proposed commencement of a power generation study.

## PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION             | BUDGET           |
|---------------------------------|------------------|
| Non-Discretionary               | 1,365,867        |
| Non-Discretionary - Sustainment | 1,812,391        |
| Enhancement                     | 473,780          |
| Departmental Tools              | 41,200           |
| <b>TOTAL CAPITAL EXPENSE</b>    | <b>3,693,238</b> |
| Recoveries                      | -1,593,005       |
| <b>NET CAPITAL EXPENSE</b>      | <b>2,100,233</b> |

## STREET LIGHTING – BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

| EXPENSES                            | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET     |
|-------------------------------------|----------------|----------------|-----------------|
| Vandalism                           | 3,546          | 2,750          | 3,622           |
| City Parking Lots                   | 1,000          | 0              | 1,020           |
| Light Standard Condition Assessment | 15,450         | 6,550          | 0               |
| Street Lighting Projects            | 10,000         | 54,000         | 200,000         |
| Repairs                             | 67,993         | 33,500         | 69,625          |
| Electricity                         | 120,560        | 120,560        | 160,761         |
| <b>NET OPERATING EXPENSE</b>        | <b>218,549</b> | <b>217,360</b> | <b>435,028*</b> |

\* Funded by general taxation, but managed by the electrical utility.

Budgets continued on next page

## KEY BUDGET CHANGES FOR 2019

- › Increase in net operating expenses due to increased costs of streetlighting power, increase in light standard replacements, and an increase in special streetlighting projects.

## TRAFFIC CONTROL – BUDGET OVERVIEW

### PROPOSED OPERATING BUDGET

| EXPENSES                     | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET     |
|------------------------------|----------------|----------------|-----------------|
| Annual Condition Assessment  | 17,922         | 17,922         | 18,460          |
| Vandalism/Hit and Run Damage | 2,045          | 19,300         | 2,106           |
| Electricity                  | 12,723         | 12,723         | 13,944          |
| Repairs                      | 78,101         | 79,010         | 79,924          |
| <b>NET OPERATING EXPENSE</b> | <b>110,791</b> | <b>128,955</b> | <b>114,435*</b> |

\* Funded by general taxation, but managed by the electrical utility.

## KEY BUDGET CHANGES FOR 2019

- › Increase in vandalism expenses in 2018, are not expected to occur in 2019.

## COUNCIL DECISION REQUESTS

| BUDGET REQUEST                                                                                                                 | BENEFIT                                                                                                                                                                                  | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|
| Investigation of power generation possibilities                                                                                | Alternative power generation options could reduce the City's reliance on FortisBC and eventually reduce costs.                                                                           | \$75,000                 |                        |
| Purchase and installation of strategic area lighting, along with investigation and improvement of pedestrian crossing lighting | Improved safety is incredibly important in our growing community and this effort will contribute greatly to ensuring pedestrians and anyone outside in public areas is sufficiently lit. | \$200,000                |                        |

# RECREATION & FACILITIES

The Recreation & Facilities Division includes:

FACILITIES

RECREATION BUSINESS & OPERATIONS

SPORTS & EVENTS

PENTICTON MUSEUM & ARCHIVES



# Recreation & Facilities

## WHAT WE DO

Contributing to a healthy community and enhancing quality of life are the overarching priorities for Recreation & Facilities. We welcome residents and visitors to our many recreation facilities and parks, where we deliver a wide range of recreation programs and services for people of all ages. We design, operate and maintain City-owned buildings and through the Museum & Archives, we support preservation of the heritage and history of our community. Our Sports & Events office markets and promotes the City as an event destination.

## STAFFING

The Recreation & Facilities Division consists of 47 full-time equivalent staff including one Director, two Managers and three Supervisors.

## ON A DAILY BASIS, WE...

- Plan, manage and deliver recreation, sport events and active living opportunities that include aquatic programming, swim lessons and public access to our pool and fitness centre;
- Provide public safety, first aid and emergency response education;
- Ensure City facilities are maintained to required operational standards;
- Provide reception services to assist customers at the community centre pool and fitness room;
- Promote the City of Penticton as an event destination, contributing to a healthy and vibrant community, particularly through signature and shoulder season events that create a strong economic return for the City;
- Offer presentation, preservation and interpretation services for Penticton's history and heritage as well as serving as an important resource for researchers and city staff through the Penticton Museum & Archives; and
- Plan, design, construct, operate and maintain City-owned buildings for City departments and lessees as part of overall asset management.



## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Restructured the Recreation Department and introduced a Recreation Business Supervisor to take overall responsibility for recreation programs, marketing and revenues, and hired a Sport and Event Project Manager.



### ECONOMIC VITALITY

- Secured a \$6 million funding grant towards the Arena Development project.
- Secured a long-term operating agreement with Spectra Venue Management for operating and maintaining the South Okanagan Events Centre campus including the Penticton Trade and Convention Centre, Okanagan Hockey Training Centre and Memorial Arena.



### COMMUNITY BUILDING

- Completed the Parks & Recreation Master Plan, providing clear direction for the City's parks and recreation areas.
- Completed Phase 2 of the Arena Development Strategy including preparing a business case for the development of the twin ice sheet project and the Memorial field house concept. The business case includes revenue and operational analysis as well as life cycle costing.
- Conducted a detailed arch assessment of glulam wood beams at Memorial Arena and developed and implemented a rehabilitation strategy.
- Prepared a South Okanagan Event Centre (SOEC) parking strategy to address community concerns regarding parking at the site. Prepared by a third-party consultant with input from the community through extensive engagement sessions, the strategy will be implemented in 2019.

## CHALLENGES AND OPPORTUNITIES

### RECREATION REVENUES

Penticton taxpayers enjoy a wide array of recreational programs and facilities, but they are the sole funding source for these services. There is a fine balance between setting rates that the community can afford and maximizing cost recovery for these services. A recreation revenue and cost sharing review is planned for 2019 to help guide rate setting, recreation business practices and review opportunities for regional cost sharing.

### FACILITIES AGING INFRASTRUCTURE

The City's facilities infrastructure is aging and underfunded, with most of our facilities more than 40 years old and requiring continued investment to keep them operational over the long term. The Arena Development strategy is one of the key priorities, as significant investment is required into both Memorial and McLaren arenas in order to keep them operational,

even in the short term. A decision must be made in 2019 on the future of the arenas so short- and long-term plans can be developed.

### FACILITIES SUPPORT

With ever increasing usage of our City facilities combined with aging building systems and infrastructure, the Facilities Department is busier than ever. The department currently employs administrative support through a temporary position. A large department with an annual budget of over \$5 million and 16 staff requires consistent processes, procedures and communication to ensure that the City is providing high quality, safe and well operated facilities for our community to enjoy. A dedicated, permanent resource will allow the Director to focus on higher-level, strategic work and the Supervisor to be more hands on with his staff ensuring quality work and customer service.



## 2019 INITIATIVES

### 1. Implementation of South Okanagan Event Centre (SOEC) Parking Strategy

This will provide a phased approach for the various recommendations coming out of the SOEC Parking Strategy study, that was developed in consultation with Council and the community.

**ESTIMATED COMPLETION:** December 2019



### 2. Finalize Arena Development Strategy Business Case

The Arena Development Strategy business case will inform the next phase of the arena development initiative. Along with better understanding of the revenue and expense opportunities for the new arenas, the business case will provide a funding strategy for capital investment and ongoing operational funding requirements.

**ESTIMATED COMPLETION:** December 2019



### 3. Recreation Revenue and Cost Sharing Review

As recommended in the Parks and Recreation Master Plan, a recreation revenue/rate review will be undertaken in 2019 to analyze the current situation and identify the true cost of recreational programs and service delivery. This work will provide us with the data to have discussions around regional cost-sharing opportunities.

**ESTIMATED COMPLETION:** December 2019



### 4. Parks and Recreation Advisory Committee

The Parks and Recreation Advisory Committee will be responsible for master planning of Skaha Park, including the marina, with staff participation to ensure timely execution of planning studies and project implementation to guide future infrastructure planning.

**ESTIMATED COMPLETION:** December 2019



**NOTE:**

The budget for the Recreation & Facilities plan is contained in the Recreation Business & Operations section.

## COUNCIL DECISION REQUESTS

| BUDGET REQUEST                                                                     | BENEFIT                                                                                                                                                                                                                                                                                    | OPERATING BUDGET REQUEST                                                                                    | CAPITAL BUDGET REQUEST |
|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------|
| Facilities Administrative Support                                                  | This position will provide administrative support to the Facilities team to enable high-quality and responsive delivery of services through consistent processes, procedures and communication with other departments and the community.                                                   | \$65,000*                                                                                                   |                        |
| Recreation Revenue and Cost-Sharing Review                                         | The data collected will help to determine the true cost of delivering recreational programs and services and identify opportunities for revenue-sharing in the region.                                                                                                                     | \$30,000**                                                                                                  |                        |
| Creation of a 10-year strategic plan for arts and culture in the City of Penticton | This request was initiated by the 2018 Arts, Culture and Creative Innovations Committee with the objective to provide a dedicated City-funded resource to raise the profile of Arts and Culture in our City and to develop a strategy to integrate Arts into all aspects of our community. | \$100,000 for a one-year Arts Officer contract***<br><br>\$50,000 for the development of the strategic plan |                        |

\* Budget resides in the Facilities cost centre.

\*\* Budget resides in the Recreation Business & Operations section.

\*\*\* Not shown as a supported line item in budget.

# Facilities

## WHAT WE DO

The Facilities Department is responsible for planning, design, construction, operations and maintenance of over 30 City-owned buildings. We ensure they operate at optimum efficiency to enable other City departments and lessees to effectively deliver services and programs to the community.



## STAFFING

The Facilities Department consists of 16 full-time equivalent staff.



## ON A DAILY BASIS, WE...

- Consult, inspect, and conduct repairs and maintenance on City buildings;
- Plan, design, construct and operate buildings for their best use;
- Ensure buildings are maintained to all regulations and bylaws;
- Regularly review Penticton's diverse collection of facilities, including everything from the Peach on the Beach, to the Trade and Convention Centre and the SS Sicamous; and
- Support a high quality work environment for City staff and superior quality of life for residents by providing venues to support arts, culture, sports and entertainment in our community.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



## GOOD GOVERNANCE

- Completed all key 2018 capital projects: Penticton Trade and Convention Centre (PTCC) mechanical upgrades, PTCC roof replacement, Memorial Arena operational upgrades, City Hall structural upgrades, Westminster Centre renovations, Skaha Marina upgrade, South Okanagan Events Centre (SOEC) hockey glass and suite upgrades.
- Completed pool operations training for all Facilities staff.
- Engaged third party security services to monitor some of our highest use facilities and those that were subject to vandalism and affected by issues stemming from homelessness. A lot of staff time was spent dealing with clean up and repairs resulting from undesirable use and vandalism in our city-owned Facilities. The total cost of the security services was more than \$50,000 higher than budgeted due to these unforeseen issues.



## COMMUNITY BUILDING

- Improved cleanliness and community experience in high traffic zones in and around downtown area.



## ENVIRONMENTAL SUSTAINABILITY

- Optimized efficiencies through building automation controls.

## CHALLENGES AND OPPORTUNITIES

### FUNDING

The Facilities Department continues to be challenged by limited funding relative to our aging infrastructure. The community's service expectations keep increasing and facility operation and maintenance requirements must keep up with those demands.

### INCREASED VANDALISM AND SOCIAL ISSUES

Occurrences of vandalism and undesirable behaviours in our City facilities continues to increase, creating additional costs and the need for both training and staff resources to deal with these situations. The frequency and severity of the issue is causing strain on our operational budgets and resources.

## 2019 INITIATIVES

### 1. Convert Conventional Lighting Systems to LED

Converting existing fixtures and bulbs to LED results in energy saving, adherence to our environmental principles and reduced operating costs. This will also contribute to improved working environments for staff and an enhanced experience for the public.

**ESTIMATED COMPLETION:** June 2019



### 2. Complete Annual Shutdown of McLaren Arena and the Community Centre

Annual repairs and maintenance are required for preventative maintenance items and the necessary repairs to our pools, basins and equipment. With these temporary closures, the facilities are maintained at high standard, which helps to ensure our patrons have a positive customer experience on an ongoing basis.

**ESTIMATED COMPLETION:** September 2019



## BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

| EXPENSES                     | 2018 BUDGET      | 2018 FORECAST    | 2019 BUDGET    |
|------------------------------|------------------|------------------|----------------|
| Goods and Services           | 1,134,678        | 1,280,411        | 1,093,650      |
| Fleet                        | 41,286           | 56,813           | 39,550         |
| Salaries and Benefits        | 1,195,569        | 1,358,050        | 1,275,800      |
| Utilities                    | 722,587          | 732,000          | 763,000        |
| Internal Allocation In       | 32,533           | 33,500           | 33,000         |
| Internal Allocation Out      | 0                | 0                | -2,421,850     |
| Recoveries                   | 0                | -4,632           | 0              |
| <b>NET OPERATING EXPENSE</b> | <b>3,126,653</b> | <b>3,456,142</b> | <b>783,150</b> |

## KEY BUDGET CHANGES FOR 2019

- › The Facilities Department is seeing a significant drop in net operating expenses due to the allocating out of building operating expenses to other areas. In addition, 2018 saw an increase in security costs in the downtown area, and for 2019 these costs have been centralized in the Bylaw Services Department, resulting in reduced costs in the Facilities Department.

## PROPOSED CAPITAL BUDGET

| PROJECT DESCRIPTION                          | BUDGET           |
|----------------------------------------------|------------------|
| Memorial Arena New Roof                      | 500,000          |
| Penticton Trade & Convention Centre Upgrades | 380,000          |
| City Hall - Mechanical & Envelope            | 300,000          |
| Bylaw/RCMP Building Renovations              | 300,000          |
| SOEC Parking Upgrades & LED Lighting         | 190,000          |
| Bus Barn Roof Repair                         | 80,000           |
| Community Centre - Emergency Generator       | 75,000           |
| RCMP Office/Furniture Upgrades               | 72,000           |
| OHTC - Spare Compressor                      | 50,000           |
| Skaha Marina Repairs                         | 50,000           |
| Various Other                                | 235,500          |
| <b>TOTAL</b>                                 | <b>2,232,500</b> |



# Recreation Business & Operations

## WHAT WE DO

In Recreation Business & Operations, we promote and contribute to a healthy community and enhance the quality of life for Penticton residents and visitors through planning, management and delivery of recreation, sport events and active living opportunities. We partner with volunteers, community members and private sector providers to support recreation opportunities in our city.



## STAFFING

The Recreation Business & Operations Department consists of 24 full-time equivalent staff.



## ON A DAILY BASIS, WE...

- Provide Community Centre reception services;
- Plan and deliver aquatic programs and provide service supervision, instruction and facilitation;
- Offer recreation programs and services at multiple locations for all ages and interests;
- Market and promote all recreation programs; and
- Manage the operation of the Cleland Theatre.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



### GOOD GOVERNANCE

- Recruited and trained two new Recreation Coordinators.



### FISCAL SUSTAINABILITY

- Continued improvements to admissions control to ensure service fees are paid and there is a fair and consistent admission process for all patrons.



### COMMUNITY BUILDING

- Completed a full upgrade and replacement of pool's sound system speakers.
- Facilitated a staff workshop on pediatric water therapy to develop skills required to provide programs to clients with disabilities.
- Implemented the 2nd Penticton Public Sculpture Exhibit.



### ECONOMIC VITALITY

- Hosted the 2018 Swim BC Tier 1 Championships.

*Achievements continued on next page*



## SOCIAL DEVELOPMENT

- Partnered with the Penticton and District Seniors Centre, which resulted in two free events for the 50+ age group, support with marketing services for the Seniors Centre and an invitation to collaborate on more opportunities.
- Increased the variety and diversity of recreation program offerings, introducing new programs such as Parkour and a Kids Community Hockey Club.
- Implemented free older-adult wellness programming through the 2018 Age-Friendly Communities Grant.

## CHALLENGES AND OPPORTUNITIES

### OUTDATED RECREATION SOFTWARE

The software currently used for recreation services is outdated and unsupported, which limits the ability to provide good quality and up-to-date customer service. Replacement software will help guide new policy, procedures and recreation business practices.

### QUALIFIED STAFF RECRUITMENT AND RETENTION

There is regularly a high turnover rate in part-time staff and qualified program contractors in the department, making it difficult to support increased demands for recreation programs and services.

### INTERNAL COMMUNICATION MANAGEMENT

There is no formal internal communication process to ensure departments working within the Penticton Community Centre have access to consistent and up-to-date information.

## 2019 INITIATIVES

### 1. Implementation of New Recreation Software (PerfectMind)

The current recreation software, CLASS, is no longer supported technologically so it is imperative that we implement the new software, PerfectMind, as soon as possible. PerfectMind will enhance our ability to communicate more efficiently with other departments and provide modern customer service experiences.

**ESTIMATED COMPLETION:** September 2019



*Initiatives continued on next page*

## 2. Enhance Partnerships with Community Service Groups

Building strong partnerships with community services and stakeholders, including the arts community, social support services and community service providers, is essential to the Recreation Business & Operations Department. This collaboration on vital community projects, programs and services produces efficiencies and enables sharing of resources.

**ESTIMATED COMPLETION:** December 2019



SOCIAL  
DEVELOPMENT

## 3. Create and Facilitate a Shared Community Centre Incident Reporting System

A consistent and shared incident reporting system will enable us to track incidents across departments in all areas of the Community Centre building. By analyzing these incidents, we'll develop a clearer picture of the key issues and be able to make decisions around staff training and support, security requirements (if any) and other actions to be taken for maximum effectiveness.

**ESTIMATED COMPLETION:** December 2019



GOOD  
GOVERNANCE

## 4. Lifeguard Surveillance Evaluation and Enhancement Program

Formalizing the aquatics in-house public safety surveillance program will provide sustainable, effective and relevant best practices for lifeguarding, ensuring the public is protected to the highest standard possible at all times.

**ESTIMATED COMPLETION:** December 2019



COMMUNITY  
BUILDING

# BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                                 | 2018 BUDGET       | 2018 FORECAST     | 2019 BUDGET       |
|---------------------------------|-------------------|-------------------|-------------------|
| <b>REVENUES</b>                 | <b>-2,090,000</b> | <b>-2,190,209</b> | <b>-2,170,035</b> |
| Recreation                      | 591,019           | 643,440           | 626,286           |
| Aquatics                        | 868,206           | 827,232           | 839,870           |
| Facility Rentals                | 85,800            | 88,064            | 90,800            |
| Programs                        | 454,102           | 453,450           | 472,431           |
| Recreation General              | 137,650           | 115,047           | 160,700           |
| Sport & Events                  | 129,193           | 135,000           | 148,750           |
| Expenses Related to Recoveries  | 90,000            | 57,454            | 90,000            |
| <b>TOTAL OPERATING EXPENSES</b> | <b>2,355,970</b>  | <b>2,319,686</b>  | <b>2,428,837</b>  |
| Internal Allocation In          | 28,565            | 26,805            | 1,870,599         |
| <b>NET OPERATING EXPENSES</b>   | <b>294,536</b>    | <b>156,282</b>    | <b>2,129,401</b>  |

## KEY BUDGET CHANGES FOR 2019

- › Increase in net operating costs due to Facilities Department allocating in operating expenses of the recreation facility, finance allocating in relevant debt servicing costs, and contractual labour increases.

# Sports & Events

## WHAT WE DO

As the Sports & Events team, we promote the City of Penticton as an event destination and contribute to a healthy and vibrant community by attracting, developing and managing events in the City.



## STAFFING

The Sports & Events Department consists of two full-time equivalent staff.



## ON A DAILY BASIS, WE...

- Focus specifically on signature and shoulder season events that create a strong economic return for Penticton; and
- Foster and maintain strong relationships between events rights holders, sport organizations and event organizers. This includes connecting and working with Travel Penticton, Spectra Venue Management and other businesses and venues in Penticton.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



## GOOD GOVERNANCE

- Improved internal communications tools and established external events hotline.



## ECONOMIC VITALITY

- Continued development of a Sports and Event tourism strategy.
- Implemented existing events in the City to help promote Penticton as an 'event destination' city.
- Continued to develop Penticton's event hosting potential beyond peak season.
- Hosted 2018 Scotties Tournament of Hearts.
- Completed Economic Impact Assessments for PeachFest and Scotties Tournament of Hearts.

## CHALLENGES AND OPPORTUNITIES

### LACK OF RESOURCES AND CAPACITY

A limiting factor in attracting new and larger events is a considerable lack of resources and capacity. Accommodations are limited both in number and quality. Some venues require upgrades in order to host high level events.

### IMPACTS FROM WEATHER AND WILDFIRES

Increased fires/smoke in the area creates reluctance from event organizers to commit to hosting events in summer (particularly in August), and hesitation from participants to participate or spectate at those events.

### RECENT TURNOVER

We're experiencing challenges due to recent staff turnover and changing job descriptions within the Sports & Events management area.

## 2019 INITIATIVES

### 1. Develop a Sport and Event Tourism Strategy

This strategy will establish the value of sport tourism for the City of Penticton and define target events to pursue for hosting, based on capacity, demand and long-term vision.

**ESTIMATED COMPLETION:** December 2019



### 2. Improve Existing Event-hosting Processes

By improving existing procedures for reserving, hosting and resourcing events, we'll be able to enhance service delivery and create a standard of high quality events in Penticton.

**ESTIMATED COMPLETION:** December 2019



### 3. Develop a Signature Triathlon Event

By determining a long-term strategy for 2020 and beyond to promote, enhance, and resource signature triathlon race opportunities, we'll be able to build a plan to support a signature triathlon event for the next three to five years.

**ESTIMATED COMPLETION:** September 2019



### 4. Develop Other Signature Event(s)

We want to determine a strategy to attract and resource signature event opportunities, with a focus on shoulder season opportunities. In partnership with Spectra Venue Management and Travel Penticton, we plan to focus on marquee events to attract participants and spectators.

**ESTIMATED COMPLETION:** September 2019



*Initiatives continued on next page*



## 5. Attract New Events and Event Hosts

Using a Sport Tourism Strategy, we plan to identify opportunities for new events, particularly beyond peak season and establish relationships with event hosting groups for long-term involvement.

**ESTIMATED COMPLETION:** December 2019



## 6. Develop a Special Event Road Closure Policy

Develop a road closure policy to provide clear guidelines to event organizers, to ensure participant and public safety during road closures, and to minimize risk and liability exposure to the City.

**ESTIMATED COMPLETION:** August 2019



### NOTE:

*The budget for the Sports & Events plan is contained in the Recreation Business & Operations section.*



# Museum & Archives

## WHAT WE DO

At the Penticton Museum & Archives, we are committed to the presentation, preservation and interpretation of Penticton's history and heritage. We work with many local heritage and natural history groups and we are active in heritage and museum affairs provincially. Within the Archives, we collect and preserve the documentary and photographic history of the region and serve as an important resource for researchers and City staff.



## STAFFING

The Museum & Archives consists of three full-time equivalent staff.



## ON A DAILY BASIS, WE...

- Offer programs to a wide variety of museum and archives users including school groups, home schooling groups, clubs, seniors and community groups;
- Collect, preserve and interpret a growing collection that is mostly donated by local residents;
- Curate a wide variety of temporary exhibits, showcasing our own collection as well as exhibits borrowed from other museums;
- Welcome visitors to the archives and handle 400 research requests submitted online and in person; and
- Keep our common history accessible to all Penticton residents.

## 2018 ACHIEVEMENTS – SUPPORTING CORPORATE PRIORITIES



## COMMUNITY BUILDING

- Completed phase two of the Hands-on-Heritage Lab, which provides a free or low-cost space for children and caregivers to engage in hands-on activities in basic science concepts, natural history and local history. The lab was built, in part, to address a lack of low cost activities for families in Penticton; a problem that was identified by the Community Foundation.
- Increased collaboration with Penticton Indian Band (PIB).
- Installed new natural history kiosks in the museum.
- Partnered with the Penticton Regional Hospital and Mr. David Kampe to choose approximately 100 images from our archival collection of over 20,000 historical photos to be displayed in public areas and patient rooms of the new hospital wing.



## SOCIAL DEVELOPMENT

- Conceptualized, designed and constructed a child-centered space with interactive components and exhibits at the Museum.
- Mounted two new exhibits – *The Social Life of Water*, borrowed from the Kelowna Museums, and *Nature in Focus*, produced in cooperation with the South Okanagan Naturalists Club.

## CHALLENGES AND OPPORTUNITIES

### PUBLIC ENGAGEMENT

We are continually looking for new ways to engage the public and attract new participants to our programs and displays. By developing initiatives like our new Hands-on-Heritage Lab, we hope to continue to attract families to an ever-changing array of interesting activities and programs.

### RELEVANCE TO COMMUNITY

We are similar to many museums and cultural organizations in that finding innovative programming and exhibits to maintain relevancy within the community is both our biggest challenge and largest opportunity.

## 2019 INITIATIVES

### 1. Curate and Build Two New Off-site Museum Displays

This will increase the profile of the museum and archives in the community, reminding people that we are an important community asset offering valuable services.

**ESTIMATED COMPLETION:** November-December 2019



### 2. Revamp the First Peoples Display Area

The original display area is dated and ineffective in conveying Indigenous culture. By redoing this area in full collaboration with the Penticton Indian Band, we hope to strengthen ties between the two communities and improve the museum's understanding and interpretive skills when dealing with indigenous culture.

**ESTIMATED COMPLETION:** September-December 2019



### 3. Establish a Cultural Engagement Framework with Penticton Indian Band

Create a cultural engagement framework document with the Penticton Indian Band that will codify procedures and approaches to collaboration between the Band and the Penticton Museum & Archives. This document will clarify expectations, establish roles and assert the right of the Penticton Indian Band to be involved in the planning of exhibits and programs that portray their culture and history.

**ESTIMATED COMPLETION:** May 2019





## BUDGET OVERVIEW

## PROPOSED OPERATING BUDGET

|                                 | 2018 BUDGET    | 2018 FORECAST  | 2019 BUDGET    |
|---------------------------------|----------------|----------------|----------------|
| <b>REVENUES</b>                 | <b>-49,710</b> | <b>-57,305</b> | <b>-42,250</b> |
| Goods and Services              | 34,320         | 31,697         | 18,000         |
| Salaries and Benefits           | 206,482        | 213,864        | 228,750        |
| <b>TOTAL OPERATING EXPENSES</b> | <b>240,802</b> | <b>245,561</b> | <b>246,750</b> |
| Internal Allocation In          | 2,500          | 1,000          | 78,100         |
| Net Operating Expenses          | 193,592        | 189,256        | 282,600        |
| <b>NET OPERATING EXPENSES</b>   | <b>193,592</b> | <b>189,256</b> | <b>282,600</b> |

## KEY BUDGET CHANGES FOR 2019

- Net operating expenses increasing due to Facilities Department allocating in building operating costs beginning in 2019.

## COUNCIL DECISION REQUEST

| BUDGET REQUEST                                                                       | BENEFIT                                                                                                                                                                                                                                                                           | OPERATING BUDGET REQUEST | CAPITAL BUDGET REQUEST |
|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|
| Revamp the First Peoples display area to complete the diorama portion of the exhibit | This exhibit will increase cultural awareness and understanding, build community relationships, and create opportunities for innovative ways to engage the community.s money would go towards materials and outside contract work to complete the diorama portion of the exhibit. | \$3,000                  |                        |





To view the 2019-2023 Financial Plan, please visit:

[www.penticton.ca/EN/main/departments/finance/financial-plan-2019.html](http://www.penticton.ca/EN/main/departments/finance/financial-plan-2019.html)



# City of Penticton

## 2019 - 2023 Financial Plan



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## Schedule A

|                                  | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Revenue</b>                   |                |                    |                    |                    |                    |
| Taxation                         | (56,091,125)   | (57,816,797)       | (60,027,316)       | (62,324,767)       | (64,710,612)       |
| Sale of Services                 | (7,290,528)    | (7,263,736)        | (7,248,673)        | (7,335,369)        | (7,460,288)        |
| Electric Utility Fees            | (42,083,551)   | (42,300,494)       | (42,518,685)       | (42,738,137)       | (42,958,859)       |
| Sewer Utility Fees               | (6,784,578)    | (7,528,926)        | (8,380,443)        | (9,305,377)        | (10,313,395)       |
| Water Utility Fees               | (8,822,919)    | (9,162,419)        | (9,515,154)        | (9,881,640)        | (10,262,413)       |
| Storm Water Fees                 | (367,000)      | (558,000)          | (753,000)          | (950,000)          | (1,150,000)        |
| Fiscal Services                  | (3,621,925)    | (3,665,398)        | (3,665,685)        | (3,665,980)        | (3,666,283)        |
| Operating Grants                 | (1,677,995)    | (1,647,326)        | (1,647,326)        | (1,647,326)        | (1,647,326)        |
| Other Revenues                   | (12,650,931)   | (12,659,169)       | (12,662,895)       | (12,716,286)       | (12,762,787)       |
| Development Cost Charges         | (600,000)      | (600,000)          | (600,000)          | (600,000)          | (600,000)          |
| Donations                        | -              | -                  | -                  | -                  | -                  |
|                                  | (139,990,553)  | (143,202,264)      | (147,019,176)      | (151,164,881)      | (155,531,964)      |
| <b>Expense</b>                   |                |                    |                    |                    |                    |
| General Operating                | 73,720,430     | 75,613,569         | 77,471,869         | 79,543,809         | 81,383,500         |
| Electric Operating               | 35,509,407     | 36,756,740         | 37,119,323         | 38,136,398         | 39,334,021         |
| Sewer Operating                  | 4,569,471      | 4,972,334          | 4,947,239          | 4,758,148          | 4,808,606          |
| Water Operating                  | 4,268,086      | 4,438,707          | 4,374,180          | 4,437,183          | 4,498,347          |
| Storm Water Operating            | 425,300        | 407,864            | 468,990            | 376,178            | 380,930            |
|                                  | 118,492,693    | 122,189,214        | 124,381,600        | 127,251,716        | 130,405,405        |
| Annual Operating Surplus         | (21,497,860)   | (21,013,051)       | (22,637,576)       | (23,913,166)       | (25,126,559)       |
| <b>Capital</b>                   |                |                    |                    |                    |                    |
| General Capital                  | 7,445,397      | 17,247,389         | 11,058,480         | 10,104,745         | 6,614,599          |
| Electric Capital                 | 2,100,233      | 1,457,951          | 2,022,080          | 2,083,091          | 1,511,057          |
| Sewer Capital                    | 4,577,800      | 4,818,900          | 8,032,700          | 7,269,050          | 2,407,000          |
| Water Capital                    | 5,512,200      | 5,485,403          | 4,283,100          | 3,979,310          | 5,785,800          |
|                                  | 19,635,630     | 29,009,643         | 25,396,360         | 23,436,195         | 16,318,456         |
| Debt Proceeds                    | (1,000,000)    | (7,463,497)        | -                  | -                  | -                  |
| Land Proceeds                    | -              | -                  | -                  | -                  | -                  |
| Principal repayments             | 2,333,054      | 2,507,992          | 2,677,215          | 2,687,215          | 2,680,992          |
| Capital Grant Funding            | (535,000)      | (375,000)          | (1,450,000)        | (562,500)          | -                  |
| Transfer to/from surplus/reserve | 1,064,176      | (2,666,087)        | (3,986,000)        | (1,647,745)        | 6,127,111          |
| <b>Financial Plan Balance</b>    | -              | -                  | -                  | -                  | -                  |



## General Operating Fund Summary

|                                        | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Revenue</b>                         |                |                |                |                  |                |                    |                    |                    |                    |
| Taxation                               | (26,929,404)   | (30,668,586)   | (32,026,536)   | (31,934,884)     | (33,368,395)   | (34,266,991)       | (35,617,479)       | (37,021,932)       | (38,482,507)       |
| Taxation - Collection for Other Gov'ts | (20,489,113)   | (20,060,922)   | (21,375,873)   | (21,375,873)     | (22,178,855)   | (23,005,931)       | (23,865,962)       | (24,758,960)       | (25,684,230)       |
| Sale of Service                        | (21,885,220)   | (25,058,826)   | (15,768,532)   | (16,616,968)     | (16,792,647)   | (16,951,428)       | (17,178,807)       | (17,493,444)       | (17,841,143)       |
| Fiscal Services                        | (3,487,540)    | (4,491,295)    | (3,027,330)    | (3,519,612)      | (3,612,655)    | (3,655,850)        | (3,655,850)        | (3,655,850)        | (3,655,850)        |
| Rentals/Leases                         | (581,343)      | (1,179,702)    | (1,097,474)    | (1,056,052)      | (1,084,626)    | (1,096,422)        | (1,110,551)        | (1,125,025)        | (1,139,853)        |
| Other Revenue                          | (5,796,535)    | (2,337,257)    | (2,072,445)    | (1,606,308)      | (2,637,090)    | (2,643,507)        | (2,650,661)        | (2,658,638)        | (2,667,530)        |
| Grants                                 | (2,057,628)    | (2,190,610)    | (1,677,398)    | (1,756,048)      | (1,677,995)    | (1,647,326)        | (1,647,326)        | (1,647,326)        | (1,647,326)        |
| Development Cost Charges               | (186,019)      | (1,086,797)    | (300,000)      | (300,000)        | (300,000)      | (300,000)          | (300,000)          | (300,000)          | (300,000)          |
| Donations                              | (18,214)       | (99,939)       | (10,000)       | (20,815)         | -              | -                  | -                  | -                  | -                  |
|                                        | (81,431,017)   | (87,173,933)   | (77,355,587)   | (78,186,559)     | (81,652,264)   | (83,567,454)       | (86,026,636)       | (88,661,175)       | (91,418,439)       |
| <b>Expense</b>                         |                |                |                |                  |                |                    |                    |                    |                    |
| General Government Services            | 34,168,871     | 35,468,836     | 36,239,584     | 36,963,203       | 33,409,441     | 34,141,640         | 35,159,300         | 36,145,944         | 37,205,260         |
| Protective Services                    | 15,199,058     | 16,326,876     | 17,080,219     | 16,904,103       | 18,507,013     | 19,216,890         | 19,810,280         | 20,490,400         | 21,038,082         |
| Transportation Services                | 5,242,393      | 5,699,555      | 6,011,801      | 6,461,121        | 7,047,618      | 7,444,116          | 7,672,837          | 7,682,454          | 7,822,314          |
| Environmental Development Service:     | 2,857,619      | 2,714,693      | 2,646,125      | 2,701,097        | 2,904,310      | 2,746,678          | 2,665,513          | 2,789,824          | 2,714,621          |
| Recreation and Cultural Services       | 6,515,402      | 6,851,678      | 7,335,106      | 7,275,712        | 10,150,992     | 10,275,347         | 10,394,010         | 10,528,898         | 10,657,728         |
| Environmental Health Services          | 1,446,528      | 1,547,071      | 1,732,723      | 1,788,034        | 1,851,357      | 1,917,969          | 1,954,685          | 1,992,635          | 2,030,834          |
| Public Health and Safety               | 200,798        | 198,347        | 202,649        | 201,735          | 275,000        | 278,792            | 284,235            | 289,833            | 295,590            |
|                                        | 65,630,669     | 68,807,055     | 71,248,207     | 72,295,005       | 74,145,730     | 76,021,433         | 77,940,859         | 79,919,987         | 81,764,430         |
| Surplus                                | 15,800,348     | 18,366,878     | 6,107,380      | 5,891,554        | 7,506,534      | 7,546,022          | 8,085,777          | 8,741,188          | 9,654,010          |
| Debt Principal Repayments              | 3,225,102      | 3,232,873      | 1,985,241      | 1,985,241        | 1,365,859      | 1,346,882          | 1,216,105          | 1,226,105          | 1,219,882          |
| Transfer to surplus/reserve            | 17,881,522     | 17,435,918     | 6,605,926      | 6,339,011        | 7,799,912      | 8,284,135          | 8,721,567          | 9,315,008          | 10,001,987         |
| Transfer from surplus/reserve          | (5,306,276)    | (2,301,913)    | (2,483,788)    | (2,432,698)      | (1,659,237)    | (2,084,995)        | (1,851,895)        | (1,799,925)        | (1,567,859)        |
| Surplus (Deficit)                      | -              | -              | -              | -                | -              | -                  | -                  | -                  | -                  |



## General Capital Fund Summary

|                                        | 2019<br>Budget     | 2020<br>Projection  | 2021<br>Projection  | 2022<br>Projection  | 2023<br>Projection |
|----------------------------------------|--------------------|---------------------|---------------------|---------------------|--------------------|
| <b>Expense</b>                         |                    |                     |                     |                     |                    |
| Asset Management                       | 110,000            | -                   | -                   | -                   | -                  |
| Facilities                             | 2,232,500          | 5,228,075           | 3,882,620           | 3,089,412           | 2,493,670          |
| Information Technology                 | 931,014            | 1,973,832           | 858,657             | 1,053,399           | 539,811            |
| Engineering                            | 2,064,253          | 6,208,950           | 3,528,690           | 4,396,230           | 2,392,230          |
| Fire Services                          | 442,500            | 100,300             | 103,100             | 105,700             | 108,500            |
| Cemetery                               | 60,000             | 60,000              | 46,200              | 129,375             | 60,000             |
| Fleet                                  | 812,950            | 2,969,450           | 2,195,200           | 1,013,750           | 782,100            |
| Parks                                  | 346,500            | 341,595             | 269,191             | 117,286             | 112,382            |
| Roads                                  | -                  | 195,000             | -                   | 20,000              | -                  |
| Traffic Control                        | 445,680            | 170,187             | 174,823             | 179,593             | 125,907            |
| <b>Total General Capital Projects</b>  | <b>7,445,397</b>   | <b>17,247,389</b>   | <b>11,058,480</b>   | <b>10,104,745</b>   | <b>6,614,599</b>   |
| <b>Funding Sources &amp; Transfers</b> |                    |                     |                     |                     |                    |
| Transfer to/from Marina Reserve        | (50,000)           | -                   | -                   | -                   | -                  |
| Electrical Dividend                    | (3,165,733)        | (3,159,622)         | (3,159,622)         | (3,159,622)         | (3,159,622)        |
| Transfer to/from Gas Tax Reserve       | (1,680,950)        | (1,507,826)         | (1,507,826)         | (1,507,826)         | (1,507,826)        |
| Transfer to/from DCC storm sewer       | (98,303)           | -                   | -                   | -                   | -                  |
| Transfer to/from Capital Reserve       | (253,211)          | (5,978,641)         | (1,888,032)         | (2,548,697)         | (73,151)           |
| Transfer to/from Equipment Reserve     | (1,524,950)        | (2,647,000)         | (2,909,000)         | (1,728,000)         | (1,728,000)        |
| Transfer to/from RCMP Reserve          | (137,250)          | -                   | -                   | -                   | -                  |
| Transfer to/from Storm Operating       | -                  | (150,136)           | (284,010)           | (573,822)           | (769,070)          |
| Transfer to/from Storm Reserve         | -                  | 7,136               | 140,010             | (24,278)            | 623,070            |
| Penticton & Ellis Creek Grant Funding  | (535,000)          | (375,000)           | (1,450,000)         | (562,500)           | -                  |
| Debt Financing                         | -                  | (3,436,300)         | -                   | -                   | -                  |
| <b>Total Funding Sources</b>           | <b>(7,445,397)</b> | <b>(17,247,389)</b> | <b>(11,058,480)</b> | <b>(10,104,745)</b> | <b>(6,614,599)</b> |
| <b>Balance General Capital Fund</b>    | <b>-</b>           | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>           |

## General Government Segment

### General Government Segment Summary

|                                   | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Taxation                          | (28,447,588)   | (30,186,207)   | (31,582,017)   | (31,501,007)     | (33,368,395)   | (34,266,991)       | (35,617,479)       | (37,021,932)       | (38,482,507)       |
| General Government                | (9,448,448)    | (9,338,018)    | (7,571,050)    | (8,048,585)      | (7,961,157)    | (7,982,045)        | (7,983,045)        | (7,984,045)        | (7,985,045)        |
| Grants                            | (1,439,404)    | (1,458,679)    | (1,439,404)    | (1,439,404)      | (1,507,826)    | (1,507,826)        | (1,507,826)        | (1,507,826)        | (1,507,826)        |
| FOIPPA Requests                   | (116)          | (550)          | (100)          | (150)            | (100)          | (100)              | (100)              | (100)              | (100)              |
| HFAA Gaming Funds                 | (1,678,348)    | (1,982,787)    | (2,000,000)    | (1,450,000)      | (2,000,000)    | (2,000,000)        | (2,000,000)        | (2,000,000)        | (2,000,000)        |
| Provincial Grant (CARIP)          | (42,920)       | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| DAC Gaming Funds                  | (2,885,282)    | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Revenue Sharing-Traffic Fines     | (401,411)      | (381,557)      | (380,000)      | (385,881)        | (380,000)      | (380,000)          | (380,000)          | (380,000)          | (380,000)          |
| Information Technology            | (43,761)       | (41,449)       | (62,202)       | (73,836)         | (57,370)       | (58,231)           | (59,104)           | (59,991)           | (60,890)           |
| Revenue & Collections             | (148,353)      | (143,568)      | (142,800)      | (147,900)        | (148,000)      | (150,960)          | (153,979)          | (157,059)          | (160,200)          |
| Development Cost Charges          | -              | -              | (300,000)      | (300,000)        | (300,000)      | (300,000)          | (300,000)          | (300,000)          | (300,000)          |
| Collections for Other Governments | (20,507,207)   | (20,078,257)   | (21,375,873)   | (21,375,873)     | (22,178,855)   | (23,005,931)       | (23,865,962)       | (24,758,960)       | (25,684,230)       |
|                                   | (65,042,837)   | (63,611,072)   | (64,853,445)   | (64,722,636)     | (67,901,703)   | (69,652,084)       | (71,867,495)       | (74,169,912)       | (76,560,799)       |
| Corporate Administration          | 711,094        | 858,039        | 944,016        | 1,130,406        | 990,100        | 1,014,932          | 1,020,779          | 1,026,742          | 1,032,825          |
| Mayor and Council                 | 260,396        | 252,490        | 278,473        | 272,971          | 300,000        | 290,360            | 295,827            | 308,904            | 314,592            |
| Finance                           | 4,706,945      | 4,834,997      | 3,754,577      | 4,078,753        | 2,566,978      | 2,584,620          | 2,601,435          | 2,618,767          | 2,635,625          |
| Procurement                       | 405,560        | 432,986        | 535,555        | 501,370          | 636,657        | 609,150            | 616,774            | 624,529            | 632,420            |
| Revenue & Collections             | 945,484        | 900,166        | 952,137        | 945,956          | 975,700        | 992,782            | 1,010,205          | 1,027,977          | 1,046,105          |
| Municipal Grants/Partnerships     | 739,342        | 974,347        | 1,173,776      | 1,160,675        | 672,970        | 672,970            | 672,970            | 672,970            | 672,970            |
| Communications                    | 209,519        | 339,659        | 414,242        | 406,946          | 410,660        | 412,670            | 414,720            | 416,811            | 418,944            |
| General Government                | 792,082        | 855,935        | 810,000        | 810,000          | 885,000        | 855,000            | 855,000            | 855,000            | 855,000            |
| Collections for Other Governments | 20,486,789     | 20,018,950     | 21,375,873     | 21,375,873       | 22,178,855     | 23,005,931         | 23,865,962         | 24,758,960         | 25,684,230         |
| Facilities                        | 3,119,002      | 3,354,672      | 3,126,653      | 3,460,774        | 783,150        | 795,054            | 807,207            | 819,611            | 832,275            |
| Human Resources                   | 660,039        | 983,952        | 732,629        | 739,523          | 803,000        | 807,740            | 823,795            | 840,170            | 856,874            |
| Information Technology            | 1,505,219      | 1,662,643      | 2,141,653      | 2,079,956        | 2,206,370      | 2,100,430          | 2,174,627          | 2,175,502          | 2,223,401          |
|                                   | 34,541,469     | 35,468,836     | 36,239,584     | 36,963,203       | 33,409,441     | 34,141,640         | 35,159,300         | 36,145,944         | 37,205,260         |
| Net Operations                    | (30,501,368)   | (28,142,236)   | (28,613,861)   | (27,759,433)     | (34,492,263)   | (35,510,444)       | (36,708,195)       | (38,023,968)       | (39,355,538)       |

## Corporate Administration

### Corporate Services - Operating Budget

|                                       | 2016<br>Actual | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------|----------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                    | 38,498         | 46,815           | 141,631          | 131,329          | 90,600           | 44,982             | 45,882             | 46,799             | 47,735             |
| Legal                                 | 168,981        | 231,365          | 176,500          | 276,014          | 240,000          | 244,800            | 249,696            | 254,690            | 259,784            |
| Salaries and Benefits                 | 542,928        | 756,825          | 704,497          | 857,388          | 817,000          | 819,800            | 822,656            | 825,569            | 828,541            |
|                                       | 750,408        | 1,035,006        | 1,022,628        | 1,264,731        | 1,147,600        | 1,109,582          | 1,118,234          | 1,127,058          | 1,136,059          |
| Recoveries                            | (116)          | (550)            | (100)            | (150)            | (100)            | (100)              | (100)              | (100)              | (100)              |
| <b>Net Operating Expense</b>          | <b>750,292</b> | <b>1,034,456</b> | <b>1,022,528</b> | <b>1,264,581</b> | <b>1,147,500</b> | <b>1,109,482</b>   | <b>1,118,134</b>   | <b>1,126,958</b>   | <b>1,135,959</b>   |
| <b>Internal Allocations Out</b>       |                |                  |                  |                  |                  |                    |                    |                    |                    |
| Engineering Services                  | 233            | 41,228           | 25,000           | 30,014           | 25,000           | 25,500             | 26,010             | 26,530             | 27,061             |
| Development Services                  | 58,211         | 148,016          | 70,000           | 125,000          | 140,000          | 122,400            | 124,848            | 127,345            | 129,892            |
| <b>Total Internal Allocations Out</b> | <b>58,443</b>  | <b>189,245</b>   | <b>95,000</b>    | <b>155,014</b>   | <b>165,000</b>   | <b>147,900</b>     | <b>150,858</b>     | <b>153,875</b>     | <b>156,953</b>     |
| <b>Internal Allocations In</b>        |                |                  |                  |                  |                  |                    |                    |                    |                    |
| Finance - Procurement                 | 585            | 223              | -                | -                | -                | -                  | -                  | -                  | -                  |
| Information Technology                | 4,188          | 5,609            | 7,689            | 7,689            | 7,500            | 53,250             | 53,403             | 53,559             | 53,718             |
| Safety - City Hall                    | 14,357         | 6,447            | 8,698            | 13,000           | -                | -                  | -                  | -                  | -                  |
| <b>Total Internal Allocations In</b>  | <b>19,130</b>  | <b>12,278</b>    | <b>16,388</b>    | <b>20,689</b>    | <b>7,500</b>     | <b>53,250</b>      | <b>53,403</b>      | <b>53,559</b>      | <b>53,718</b>      |
| Add back Recoveries                   | (116)          | (550)            | (100)            | (150)            | (100)            | (100)              | (100)              | (100)              | (100)              |
| <b>Total Operating Expense</b>        | <b>711,094</b> | <b>858,039</b>   | <b>944,016</b>   | <b>1,130,406</b> | <b>990,100</b>   | <b>1,014,932</b>   | <b>1,020,779</b>   | <b>1,026,742</b>   | <b>1,032,825</b>   |
| <b>Outputs and Outcomes</b>           |                |                  |                  |                  |                  |                    |                    |                    |                    |
| <b>Net Operating Expense</b>          | <b>710,978</b> | <b>857,489</b>   | <b>943,916</b>   | <b>1,130,256</b> | <b>990,000</b>   | <b>1,014,832</b>   | <b>1,020,679</b>   | <b>1,026,642</b>   | <b>1,032,725</b>   |
| Cost per capita                       | 21.63          | 26.08            | 28.71            | 34.38            | 29.32            | 30.06              | 30.23              | 30.41              | 30.59              |
| % of property tax                     | 2.64%          | 2.80%            | 2.95%            | 3.54%            | 2.97%            | 2.96%              | 2.87%              | 2.77%              | 2.68%              |
| Change 2018 forecast to 2019 budget   |                |                  |                  |                  |                  |                    |                    |                    |                    |
| \$ change                             | (140,256)      |                  |                  |                  |                  |                    |                    |                    |                    |
| % change                              | -12.41%        |                  |                  |                  |                  |                    |                    |                    |                    |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                            | \$ change | % change |
|----------------------------------------------------------------------------|-----------|----------|
| Municipal election held in 2018, no election planned for 2019              | (121,592) | -10.76%  |
| Legal expenses expected to decrease from 2018 levels                       | (36,014)  | -3.19%   |
| Increase in allocations out to Dev Services for records amangement support | (15,000)  | -1.33%   |
| City Hall safety allocation now included in HR budget                      | (13,000)  | -1.15%   |
| New RMS position proposed, incremental cost of \$65K                       | 65,000    | 5.75%    |

Corporate Services - Operating Budget by Project

|                           | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Advisory Committee        | 5,841          | 444            | 6,357          | 6,357            | 6,500          | 6,630              | 6,763              | 6,898              | 7,036              |
| Council Catering          | 9,938          | 9,695          | 10,171         | 6,000            | 9,000          | 9,180              | 9,364              | 9,551              | 9,742              |
| Legal                     | 169,966        | 235,901        | 179,144        | 277,014          | 242,500        | 247,350            | 252,297            | 257,343            | 262,490            |
| Municipal Elections       | 197            | 647            | 109,952        | 121,592          | -              | -                  | -                  | -                  | -                  |
| Records Management        | -              | 31,779         | 12,000         | 10,709           | 95,000         | 76,500             | 78,030             | 79,591             | 81,182             |
| Safety (City Hall)        | 1,719          | 1,294          | 1,400          | 1,400            | 1,400          | 1,428              | 1,457              | 1,486              | 1,515              |
| FCM Meeting Host Expenses | -              | -              | -              | -                | 26,500         | -                  | -                  | -                  | -                  |
| Salary and Benefits       | 547,414        | 736,022        | 690,890        | 819,441          | 742,000        | 743,300            | 744,626            | 745,979            | 747,358            |
| Supplies                  | 12,651         | 16,216         | 7,628          | 17,218           | 9,200          | 9,384              | 9,572              | 9,763              | 9,958              |
| Travel and Training       | 2,681          | 3,007          | 5,086          | 5,000            | 15,500         | 15,810             | 16,126             | 16,449             | 16,778             |
|                           | 750,408        | 1,035,006      | 1,022,628      | 1,264,731        | 1,147,600      | 1,109,582          | 1,118,234          | 1,127,058          | 1,136,059          |
| Recoveries                | (116)          | (550)          | (100)          | (150)            | (100)          | (100)              | (100)              | (100)              | (100)              |
|                           | 750,292        | 1,034,456      | 1,022,528      | 1,264,581        | 1,147,500      | 1,109,482          | 1,118,134          | 1,126,958          | 1,135,959          |

## Mayor and Council

### Mayor and Council - Operating Budget

|                                      | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                   | 28,818         | 34,216         | 34,394         | 44,265           | 34,000         | 34,560             | 35,131             | 35,714             | 36,308             |
| Training, Travel and Conferences     | 23,620         | 19,041         | 25,000         | 13,956           | 40,000         | 25,500             | 26,010             | 34,030             | 34,561             |
| Salaries and Benefits                | 196,958        | 188,234        | 208,079        | 203,750          | 215,000        | 219,300            | 223,686            | 228,160            | 232,723            |
| <b>Net Operating Expense</b>         | <b>249,396</b> | <b>241,490</b> | <b>267,473</b> | <b>261,971</b>   | <b>289,000</b> | <b>279,360</b>     | <b>284,827</b>     | <b>297,904</b>     | <b>303,592</b>     |
| <b>Internal Allocations In</b>       |                |                |                |                  |                |                    |                    |                    |                    |
| Fleet                                | 11,000         | 11,000         | 11,000         | 11,000           | 11,000         | 11,000             | 11,000             | 11,000             | 11,000             |
| <b>Total Internal Allocations In</b> | <b>11,000</b>  | <b>11,000</b>  | <b>11,000</b>  | <b>11,000</b>    | <b>11,000</b>  | <b>11,000</b>      | <b>11,000</b>      | <b>11,000</b>      | <b>11,000</b>      |
| <b>Total Operating Expenses</b>      | <b>260,396</b> | <b>252,490</b> | <b>278,473</b> | <b>272,971</b>   | <b>300,000</b> | <b>290,360</b>     | <b>295,827</b>     | <b>308,904</b>     | <b>314,592</b>     |

| <b>Outputs and Outcomes</b> | <b>2016<br/>Actual</b> | <b>2017<br/>Actual</b> | <b>2018<br/>Budget</b> | <b>2018<br/>Forecast</b> | <b>2019<br/>Budget</b> | <b>2020<br/>Projection</b> | <b>2021<br/>Projection</b> | <b>2022<br/>Projection</b> | <b>2023<br/>Projection</b> |
|-----------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Cost per capita             | 7.92                   | 7.68                   | 8.47                   | 8.30                     | 8.89                   | 8.60                       | 8.76                       | 9.15                       | 9.32                       |
| % of property tax           | 0.97%                  | 0.82%                  | 0.87%                  | 0.85%                    | 0.90%                  | 0.85%                      | 0.83%                      | 0.83%                      | 0.82%                      |

Change 2018 forecast to 2019 budget

|           |               |
|-----------|---------------|
| \$ change | <u>27,029</u> |
| % change  | <u>9.90%</u>  |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                        | <u>\$ change</u> | <u>% change</u> |
|--------------------------------------------------------|------------------|-----------------|
| New Council orientation costs will be incurred in 2019 | 15,000           | 5.50%           |
| Labour increases                                       | 11,250           | 4.12%           |



Mayor and Council - Operating Budget by Project

|                               | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Supplies                      | 8,486          | 8,560          | 12,894         | 14,015           | 12,000         | 12,120             | 12,242             | 12,367             | 12,495             |
| Dues and Memberships          | 15,903         | 20,826         | 21,500         | 25,000           | 22,000         | 22,440             | 22,889             | 23,347             | 23,813             |
| Training, Conferences, Travel | 23,620         | 19,041         | 25,000         | 13,956           | 40,000         | 25,500             | 26,010             | 34,030             | 34,561             |
| Annual Indemnity              | 201,387        | 193,064        | 208,079        | 209,000          | 215,000        | 219,300            | 223,686            | 228,160            | 232,723            |
| <b>Net Operating Expense</b>  | <b>249,396</b> | <b>241,490</b> | <b>267,473</b> | <b>261,971</b>   | <b>289,000</b> | <b>279,360</b>     | <b>284,827</b>     | <b>297,904</b>     | <b>303,592</b>     |

DRAFT

## Finance

## Finance - Operating Budget

|                                       | 2016             | 2017             | 2018             | 2018             | 2019             | 2020              | 2021              | 2022              | 2023              |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|
|                                       | Actual           | Actual           | Budget           | Forecast         | Budget           | Projection        | Projection        | Projection        | Projection        |
| Goods and Services                    | 118,650          | 539,131          | 303,900          | 281,423          | 342,615          | 345,467           | 348,377           | 351,344           | 354,371           |
| Insurance                             | 998,059          | 1,292,008        | 566,900          | 1,147,712        | 710,000          | 724,205           | 738,695           | 753,475           | 768,550           |
| Interest and fees                     | 10,701           | 13,299           | 22,695           | 43,050           | 42,700           | 42,914            | 43,132            | 43,355            | 43,582            |
| Debt Interest                         | 3,855,538        | 3,568,707        | 2,809,877        | 2,817,853        | 1,817,916        | 1,877,459         | 1,765,775         | 1,741,775         | 1,709,123         |
| Debt Principal                        | 4,258,572        | 4,230,053        | 2,982,421        | 2,982,421        | 2,333,054        | 2,507,992         | 2,677,215         | 2,687,215         | 2,680,992         |
| Foreign Exchange                      | 11,252           | (9,270)          | 10,000           | -                | 10,000           | 10,200            | 10,404            | 10,612            | 10,824            |
| Transfer To Reserves                  | 119,333          | -                | -                | -                | -                | -                 | -                 | -                 | -                 |
| Operating Provision                   | -                | -                | 315,000          | -                | 315,000          | 315,000           | 315,000           | 315,000           | 315,000           |
| Salaries and Benefits                 | 1,013,521        | 596,776          | 949,172          | 984,697          | 970,107          | 977,890           | 985,829           | 993,926           | 1,002,186         |
|                                       | 10,385,626       | 10,230,705       | 7,959,965        | 8,257,156        | 6,541,393        | 6,801,128         | 6,884,427         | 6,896,702         | 6,884,628         |
| Revenue                               | (5,029,900)      | (2,525,146)      | (2,380,000)      | (1,858,533)      | (2,380,000)      | (2,380,000)       | (2,380,000)       | (2,380,000)       | (2,380,000)       |
| <b>Net Operating Expense</b>          | <b>5,355,727</b> | <b>7,705,559</b> | <b>5,579,965</b> | <b>6,398,623</b> | <b>4,161,393</b> | <b>4,421,128</b>  | <b>4,504,427</b>  | <b>4,516,702</b>  | <b>4,504,628</b>  |
| <b>Internal Allocations Out</b>       |                  |                  |                  |                  |                  |                   |                   |                   |                   |
| Electric                              | 2,781            | 1,486            | 3,000            | 3,000            | 3,000            | 3,000             | 3,000             | 3,000             | 3,000             |
| Debt Interest - Cemetery              | -                | -                | -                | -                | 72,500           | 72,500            | 72,500            | 72,500            | 72,500            |
| Debt Interest - Parks                 | -                | -                | -                | -                | 96,510           | 96,510            | 95,059            | 95,059            | 92,045            |
| Debt Interest - RCMP                  | -                | -                | -                | -                | 84,000           | 84,000            | -                 | -                 | -                 |
| Debt Interest - Recreation            | -                | -                | -                | -                | 482,742          | 482,742           | 480,509           | 480,509           | 475,871           |
| Sewer                                 | 1,445,849        | 1,339,616        | 1,348,887        | 1,321,902        | 1,091,587        | 1,352,712         | 1,637,712         | 1,622,712         | 1,607,712         |
| Water                                 | 1,061,676        | 870,918          | 870,918          | 870,918          | 780,918          | 780,918           | 780,918           | 780,918           | 780,918           |
| Gen Gov't - Debt Interest Accruals    | (55,185)         | (46,715)         | -                | -                | -                | -                 | -                 | -                 | -                 |
| <b>Total Internal Allocations Out</b> | <b>2,455,120</b> | <b>2,165,305</b> | <b>2,222,805</b> | <b>2,195,820</b> | <b>2,611,257</b> | <b>2,872,382</b>  | <b>3,069,698</b>  | <b>3,054,698</b>  | <b>3,032,046</b>  |
| <b>Internal Allocations In</b>        |                  |                  |                  |                  |                  |                   |                   |                   |                   |
| Finance - Procurement                 | 1,239            | 331              | -                | -                | -                | -                 | -                 | -                 | -                 |
| Information Technology                | 301              | 2,139            | 2,658            | 2,658            | 2,702            | 2,756             | 2,811             | 2,867             | 2,925             |
| <b>Total Internal Allocations In</b>  | <b>1,540</b>     | <b>2,470</b>     | <b>2,658</b>     | <b>2,658</b>     | <b>2,702</b>     | <b>2,756</b>      | <b>2,811</b>      | <b>2,867</b>      | <b>2,925</b>      |
| Add back Revenue                      | (5,029,900)      | (2,525,146)      | (2,380,000)      | (1,858,533)      | (2,380,000)      | (2,380,000)       | (2,380,000)       | (2,380,000)       | (2,380,000)       |
| Less Debt Principal                   | 3,225,102        | 3,232,873        | 1,985,241        | 1,985,241        | 1,365,859        | 1,346,882         | 1,216,105         | 1,226,105         | 1,219,882         |
| <b>Total Operating expense</b>        | <b>4,706,945</b> | <b>4,834,997</b> | <b>3,754,577</b> | <b>4,078,753</b> | <b>2,566,978</b> | <b>2,584,620</b>  | <b>2,601,435</b>  | <b>2,618,767</b>  | <b>2,635,625</b>  |
| <b>Outputs and Outcomes</b>           | <b>2016</b>      | <b>2017</b>      | <b>2018</b>      | <b>2018</b>      | <b>2019</b>      | <b>2020</b>       | <b>2021</b>       | <b>2022</b>       | <b>2023</b>       |
|                                       | <b>Actual</b>    | <b>Actual</b>    | <b>Budget</b>    | <b>Forecast</b>  | <b>Budget</b>    | <b>Projection</b> | <b>Projection</b> | <b>Projection</b> | <b>Projection</b> |
| <b>Net Operating Expense</b>          | <b>(322,955)</b> | <b>2,309,851</b> | <b>1,374,577</b> | <b>2,220,220</b> | <b>186,978</b>   | <b>204,620</b>    | <b>221,435</b>    | <b>238,767</b>    | <b>255,625</b>    |
| Cost per capita                       | - 9.82           | 70.26            | 41.81            | 67.53            | 5.54             | 6.06              | 6.56              | 7.07              | 7.57              |
| % of property tax                     | -1.20%           | 7.53%            | 4.29%            | 6.95%            | 0.56%            | 0.60%             | 0.62%             | 0.64%             | 0.66%             |
| Change 2018 forecast to 2019 budget   |                  |                  |                  |                  |                  |                   |                   |                   |                   |
| \$ change                             | (2,033,242)      |                  |                  |                  |                  |                   |                   |                   |                   |
| % change                              | -91.58%          |                  |                  |                  |                  |                   |                   |                   |                   |

Changes in net operating budget from 2018 forecast to 2019 budget are primarily due to:

|                                                                                    | \$ change | % change |
|------------------------------------------------------------------------------------|-----------|----------|
| Reduction of interest payments                                                     | (999,937) | -45.04%  |
| Decrease in casino revenue in 2018 due to strike, anticipated to normalize in 2019 | (495,000) | -22.30%  |
| Increase in cost allocations out to other cost centers                             | (388,452) | -17.50%  |
| 2018 insurance claims more than 2019 budget                                        | (519,434) | -23.40%  |
| Management Provision budgeted in Finance, expensed in other areas                  | 315,000   | 14.19%   |

## Finance Accounting- Operating Budget by Project

|                                               | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-----------------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Audit & Consulting                            | 67,281           | 41,693           | 72,500           | 90,000           | 100,000          | 102,000            | 104,040            | 106,121            | 108,243            |
| Equipment Repairs and Maintenance             | -                | 3,994            | 4,000            | 3,700            | 4,000            | 4,080              | 4,162              | 4,245              | 4,330              |
| Insurance Claims                              | 568,088          | 1,039,285        | 120,000          | 647,675          | 210,000          | 214,200            | 218,484            | 222,854            | 227,311            |
| Property Insurance                            | 316,554          | 325,864          | 320,000          | 360,000          | 360,000          | 367,200            | 374,544            | 382,035            | 389,675            |
| Liability Insurance                           | 153,417          | 126,859          | 126,900          | 140,037          | 140,000          | 142,806            | 145,667            | 148,587            | 151,564            |
| Operating Provision                           | -                | -                | 315,000          | -                | 315,000          | 315,000            | 315,000            | 315,000            | 315,000            |
| Salary and Benefits                           | 1,016,617        | 609,700          | 949,172          | 976,522          | 970,107          | 977,890            | 985,829            | 993,926            | 1,002,186          |
| Conferences & Training                        | 16,157           | 10,313           | 18,100           | 14,940           | 28,315           | 28,881             | 29,459             | 30,048             | 30,649             |
| Dues & Memberships                            | 3,750            | 3,475            | 4,000            | 4,550            | 5,000            | 5,100              | 5,202              | 5,306              | 5,412              |
| Supplies                                      | 1,049            | 530              | 1,000            | 3,517            | 1,100            | 1,122              | 1,144              | 1,167              | 1,191              |
| Bank Fees, Charges and Interest               | 21,333           | 3,053            | 32,795           | 41,817           | 52,700           | 53,114             | 53,536             | 53,967             | 54,406             |
| Secure courier - deposit services             | 4,478            | 5,265            | 4,200            | 5,000            | 4,200            | 4,284              | 4,370              | 4,457              | 4,546              |
| Shared Services Project                       | 18,000           | (4,772)          | -                | 1,472            | -                | -                  | -                  | -                  | -                  |
| Sewer - debenture payments, interest          | 762,770          | 764,560          | 773,830          | 746,845          | 546,515          | 613,725            | 598,725            | 583,725            | 568,725            |
| sewer operating - trans. to equip. rep. res.  | 108,022          | -                | -                | -                | -                | -                  | -                  | -                  | -                  |
| Debt - interest - RCMP building               | 84,000           | 84,000           | 84,000           | 84,000           | 84,000           | 84,000             | -                  | -                  | -                  |
| Debt - interest - Public Works                | 174,478          | 126,064          | 131,732          | 131,732          | 67,354           | 61,687             | 61,687             | 61,687             | 61,687             |
| Debt - interest - Facilities                  | 466,672          | 462,812          | 452,419          | 472,501          | 426,742          | 426,742            | 424,509            | 424,509            | 419,871            |
| Debt - interest - integrated waterfront       | 87,971           | 86,626           | 76,251           | 76,251           | 62,910           | 62,910             | 61,459             | 61,459             | 58,445             |
| Debt - interest - parkland acquisition        | 97,975           | 33,600           | 33,600           | 33,600           | 33,600           | 33,600             | 33,600             | 33,600             | 33,600             |
| Debt - interest - Cemetery                    | 64,375           | 128,750          | 128,750          | 128,750          | 72,500           | 72,500             | 72,500             | 72,500             | 72,500             |
| Debt - interest - sports fields               | 141,760          | 56,000           | 56,000           | 56,000           | 56,000           | 56,000             | 56,000             | 56,000             | 56,000             |
| Debt - interest - SOEC project                | 1,377,500        | 1,377,500        | 624,500          | 624,500          | 79,500           | 79,500             | 79,500             | 79,500             | 79,500             |
| Debt - interest - 300 Block Main              | -                | -                | -                | 14,879           | 30,000           | 28,000             | 19,000             | 10,000             | -                  |
| Debt - interest - accrual on outstanding      | (61,479)         | (46,715)         | -                | -                | -                | -                  | -                  | -                  | -                  |
| Water - debenture payments, interest          | 591,951          | 448,795          | 448,795          | 448,795          | 358,795          | 358,795            | 358,795            | 358,795            | 358,795            |
| Debt - principal - RCMP building              | 132,597          | 132,597          | 132,597          | 132,597          | 132,597          | 132,597            | -                  | -                  | -                  |
| Debt - principal - Public Works               | 203,435          | 203,435          | 203,435          | 203,435          | 108,483          | 89,214             | 89,214             | 89,214             | 89,214             |
| Debt - principal - Facilities                 | 360,319          | 361,341          | 362,389          | 362,389          | 363,464          | 363,464            | 364,566            | 364,566            | 366,856            |
| Debt - principal - integrated waterfront      | 109,594          | 110,258          | 110,940          | 110,940          | 111,638          | 111,638            | 112,355            | 122,355            | 113,843            |
| Debt - principal - parkland acquisition       | 50,808           | 50,808           | 50,808           | 50,808           | 50,808           | 50,808             | 50,808             | 50,808             | 50,808             |
| Debt - principal - Cemetery                   | 83,954           | 83,954           | 83,955           | 83,955           | 83,955           | 83,954             | 83,955             | 83,955             | 83,954             |
| Debt - principal - sports fields              | 107,462          | 107,462          | 107,462          | 107,462          | 107,462          | 107,462            | 107,462            | 107,462            | 107,462            |
| Debt - principal - SOEC project               | 2,183,019        | 2,183,019        | 933,655          | 933,655          | 100,745          | 100,745            | 100,745            | 100,745            | 100,745            |
| Debt - principal - 300 Block Main             | -                | -                | -                | -                | 306,707          | 307,000            | 307,000            | 307,000            | 307,000            |
| Sewer - debenture payments, principal         | 575,057          | 575,057          | 575,057          | 575,057          | 545,072          | 738,987            | 1,038,987          | 1,038,987          | 1,038,987          |
| Water - debenture payments, principal         | 458,414          | 422,123          | 422,123          | 422,123          | 422,123          | 422,123            | 422,123            | 422,123            | 422,123            |
| water operating - trans. to res. - future exp | 11,311           | -                | -                | -                | -                | -                  | -                  | -                  | -                  |
| Asset Management/Framework                    | 5,000            | (2,950)          | -                | -                | -                | -                  | -                  | -                  | -                  |
| Provincial - Climate Action (CARIP)           | (42,920)         | -                | -                | -                | -                | -                  | -                  | -                  | -                  |
| Municipal Proceeds - Gaming HFAA              | (1,678,348)      | (1,982,787)      | (2,000,000)      | (1,450,000)      | (2,000,000)      | (2,000,000)        | (2,000,000)        | (2,000,000)        | (2,000,000)        |
| Municipal Proceeds - Gaming DAC               | (2,885,282)      | -                | -                | -                | -                | -                  | -                  | -                  | -                  |
| Transfer to other government                  | -                | 155,548          | 200,000          | 145,000          | 200,000          | 200,000            | 200,000            | 200,000            | 200,000            |
| Revenue Sharing - Traffic Fines               | (401,411)        | (381,557)        | (380,000)        | (385,881)        | (380,000)        | (380,000)          | (380,000)          | (380,000)          | (380,000)          |
| <b>Net Operating Expense</b>                  | <b>5,355,727</b> | <b>7,705,559</b> | <b>5,579,965</b> | <b>6,398,623</b> | <b>4,161,393</b> | <b>4,421,128</b>   | <b>4,504,427</b>   | <b>4,516,702</b>   | <b>4,504,628</b>   |

## Procurement and Inventory Services

### Procurement - Operating Budget

|                                       | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                    | 58,345         | 67,104         | 94,068         | 85,070           | 76,600         | 77,500             | 78,418             | 79,354             | 80,309             |
| Forklift Amortization                 | 845            | 868            | 3,250          | 3,250            | 3,250          | 3,250              | 3,250              | 3,250              | 3,250              |
| Salaries and benefits                 | 368,993        | 375,452        | 427,037        | 394,550          | 496,107        | 501,700            | 507,406            | 513,225            | 519,161            |
| <b>Net Operating Expense</b>          | <b>428,182</b> | <b>443,424</b> | <b>524,355</b> | <b>482,870</b>   | <b>575,957</b> | <b>582,450</b>     | <b>589,074</b>     | <b>595,829</b>     | <b>602,720</b>     |
| <b>Internal Allocations Out</b>       |                |                |                |                  |                |                    |                    |                    |                    |
| Corporate Administration              | 585            | 223            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Animal Control                        | 3,028          | 60             | -              | -                | -              | -                  | -                  | -                  | -                  |
| Building & Licence                    | 150            | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Bylaw Enforcement                     | 3,264          | 519            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Operations                            | 685            | 429            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Facilities & Recreation               | 300            | 184            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Communications                        | 60             | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Economic Development                  | 390            | 60             | -              | -                | -              | -                  | -                  | -                  | -                  |
| Electric Utility                      | 2,084          | 5,995          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Engineering                           | 2,713          | 1,676          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Facilities                            | 2,176          | 2,495          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Finance                               | 1,239          | 331            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Development Services                  | 600            | 605            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Fire Services                         | 480            | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Human Resources                       | -              | 153            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Information Technology                | 1,823          | 276            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Planning                              | 210            | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Fleet                                 | 2,023          | 1,676          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Public Works General                  | 2,659          | 1,556          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Parks                                 | 479            | 603            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Roads & Maintenance                   | 319            | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Solid Waste & Recycling               | 60             | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| RCMP                                  | 845            | 814            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Recreation                            | 780            | 1,125          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Sewer                                 | 1,694          | 2,687          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Water                                 | 690            | 240            | -              | -                | -              | -                  | -                  | -                  | -                  |
| <b>Total Internal Allocations Out</b> | <b>29,334</b>  | <b>21,705</b>  | <b>-</b>       | <b>-</b>         | <b>-</b>       | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           |
| <b>Internal Allocations In</b>        |                |                |                |                  |                |                    |                    |                    |                    |
| Information Technology                | 3,712          | 8,209          | 8,200          | 15,000           | 57,700         | 23,700             | 24,700             | 25,700             | 26,700             |
| Mayor & Council                       | -              | 59             | -              | -                | -              | -                  | -                  | -                  | -                  |
| Fleet                                 | 3,000          | 3,000          | 3,000          | 3,500            | 3,000          | 3,000              | 3,000              | 3,000              | 3,000              |
| <b>Total Internal Allocations In</b>  | <b>6,712</b>   | <b>11,267</b>  | <b>11,200</b>  | <b>18,500</b>    | <b>60,700</b>  | <b>26,700</b>      | <b>27,700</b>      | <b>28,700</b>      | <b>29,700</b>      |
| <b>Total Operating Expense</b>        | <b>405,560</b> | <b>432,986</b> | <b>535,555</b> | <b>501,370</b>   | <b>636,657</b> | <b>609,150</b>     | <b>616,774</b>     | <b>624,529</b>     | <b>632,420</b>     |

Procurement - Operating Budget (Con't)

| Outputs and Outcomes | 2016 Actual | 2017 Actual | 2018 Budget | 2018 Forecast | 2019 Budget | 2020 Projection | 2021 Projection | 2022 Projection | 2023 Projection |
|----------------------|-------------|-------------|-------------|---------------|-------------|-----------------|-----------------|-----------------|-----------------|
| Cost per capita      | 12.34       | 13.17       | 16.29       | 15.25         | 18.86       | 18.04           | 18.27           | 18.50           | 18.73           |
| % of property tax    | 1.51%       | 1.41%       | 1.67%       | 1.57%         | 1.91%       | 1.78%           | 1.73%           | 1.69%           | 1.64%           |

Change 2018 forecast to 2019 budget

|           |         |
|-----------|---------|
| \$ change | 135,287 |
| % change  | 26.98%  |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                                   | \$ change | % change |
|---------------------------------------------------------------------------------------------------|-----------|----------|
| 2019 is first full year with assistant procurement manager, other minor salary and wage increases | 85,387    | 17.03%   |
| Increase in allocations in from IT for procurement of software & related licenses                 | 42,700    | 8.52%    |



## Procurement - Operating Budget by Project

|                               | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Logistics                     | 318,796        | 340,054        | 499,337        | 469,370          | 554,757        | 561,250            | 567,874            | 574,629            | 581,520            |
| Mayor & Council               | -              | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Communications                | 60             | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Operations                    | 685            | 429            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Finance                       | 190            | 210            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Facilities & Recreation       | 300            | 184            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Information Technology        | 1,823          | 276            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Human Resources               | -              | 153            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Development Services          | 600            | 605            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Corporate Admin               | 585            | 223            | -              | -                | -              | -                  | -                  | -                  | -                  |
| RCMP                          | 845            | 814            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Fire Hall 1                   | 480            | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Water                         | 690            | 240            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Public Works                  | 2,659          | 1,556          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Engineering                   | 2,713          | 1,676          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Waste Water                   | 1,694          | 2,687          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Finance - Accounting          | 1,050          | 121            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Training, Dues, & Conferences | 80,053         | 81,665         | 25,018         | 13,500           | 21,200         | 21,200             | 21,200             | 21,200             | 21,200             |
| Facilities                    | 2,176          | 2,495          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Recreation                    | 780            | 1,125          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Bylaw                         | 3,264          | 519            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Planning                      | 210            | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Building                      | 150            | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Roads and Maintenance         | 319            | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Parks                         | 479            | 603            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Fleet                         | 2,023          | 1,676          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Waste Disposal                | 60             | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Animal Control                | 3,028          | 60             | -              | -                | -              | -                  | -                  | -                  | -                  |
| Economic Development          | 390            | 60             | -              | -                | -              | -                  | -                  | -                  | -                  |
| Electric                      | 2,084          | 5,995          | -              | -                | -              | -                  | -                  | -                  | -                  |
|                               | 428,182        | 443,424        | 524,355        | 482,870          | 575,957        | 582,450            | 589,074            | 595,829            | 602,720            |

## Revenue and Collections

### Revenue & Collections - Operating Budget

|                                                                                  | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                                                               | 289,115        | 237,250        | 245,500        | 239,319          | 256,550        | 261,401            | 266,349            | 271,396            | 276,544            |
| Salaries and Benefits                                                            | 651,038        | 658,362        | 697,300        | 697,300          | 709,637        | 721,793            | 734,192            | 746,839            | 759,739            |
| Total Operating Expense                                                          | 940,153        | 895,612        | 942,800        | 936,619          | 966,187        | 983,194            | 1,000,541          | 1,018,235          | 1,036,283          |
| Recoveries                                                                       | (148,353)      | (143,568)      | (142,800)      | (147,900)        | (148,000)      | (150,960)          | (153,979)          | (157,059)          | (160,200)          |
| Net operating expense                                                            | 791,800        | 752,044        | 800,000        | 788,719          | 818,187        | 832,234            | 846,562            | 861,176            | 876,083            |
| Internal Allocations In                                                          |                |                |                |                  |                |                    |                    |                    |                    |
| Communications                                                                   | -              | 268            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Information Technology                                                           | 5,331          | 4,287          | 9,337          | 9,337            | 9,513          | 9,588              | 9,664              | 9,743              | 9,822              |
| Total Internal Allocations In                                                    | 5,331          | 4,554          | 9,337          | 9,337            | 9,513          | 9,588              | 9,664              | 9,743              | 9,822              |
| Add back Revenue                                                                 | (148,353)      | (143,568)      | (142,800)      | (147,900)        | (148,000)      | (150,960)          | (153,979)          | (157,059)          | (160,200)          |
| Total Operating Expense                                                          | 945,484        | 900,166        | 952,137        | 945,956          | 975,700        | 992,782            | 1,010,205          | 1,027,977          | 1,046,105          |
| Outputs and Outcomes                                                             | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
| Net Operating Expense                                                            | 797,131        | 756,598        | 809,337        | 798,056          | 827,700        | 841,822            | 856,226            | 870,919            | 885,905            |
| Cost per capita                                                                  | 24.25          | 23.01          | 24.62          | 24.27            | 24.52          | 24.93              | 25.36              | 25.80              | 26.24              |
| % of property tax                                                                | 2.96%          | 2.47%          | 2.53%          | 2.50%            | 2.48%          | 2.46%              | 2.40%              | 2.35%              | 2.30%              |
| Change 2018 forecast to 2019 budget                                              |                |                |                |                  |                |                    |                    |                    |                    |
| \$ change                                                                        | 29,644         |                |                |                  |                |                    |                    |                    |                    |
| % change                                                                         | 3.71%          |                |                |                  |                |                    |                    |                    |                    |
| Changes in net operating budget from 2018 forecast to 2019 are primarily due to: |                |                |                |                  |                |                    |                    |                    |                    |
|                                                                                  |                |                |                |                  | \$ change      | % change           |                    |                    |                    |
| Staff achieving max pay and holiday levels per contractual agreement             |                |                |                |                  | 12,337         | 1.55%              |                    |                    |                    |
| Allowance for bad debt budgeted annually, minimally used in 2018                 |                |                |                |                  | 9,000          | 1.13%              |                    |                    |                    |
| Increase in postage expenses                                                     |                |                |                |                  | 3,900          | 0.49%              |                    |                    |                    |

Revenue & Collections - Operating Budget by Project

|                              | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Allowance for Bad Debt       | 59,085         | 2,336          | 10,000         | 1,000            | 10,000         | 10,000             | 10,000             | 10,000             | 10,000             |
| Collection Costs             | 840            | 811            | 1,000          | 1,050            | 1,350          | 1,350              | 1,350              | 1,350              | 1,350              |
| Commissions                  | 4,398          | 3,344          | 3,400          | 1,950            | 1,950          | 1,950              | 1,950              | 1,950              | 1,950              |
| Land Title Fees              | 482            | 615            | 500            | 350              | 700            | 700                | 700                | 700                | 700                |
| Postage                      | 188,651        | 201,873        | 192,600        | 192,600          | 196,500        | 200,430            | 204,439            | 208,527            | 212,698            |
| Salaries and Benefits        | 652,647        | 658,757        | 697,300        | 697,300          | 709,637        | 721,793            | 734,192            | 746,839            | 759,739            |
| Conferences & Training       | 2,032          | 3,740          | 4,500          | 1,750            | 4,500          | 4,590              | 4,682              | 4,775              | 4,871              |
| Supplies                     | 32,017         | 24,116         | 33,500         | 40,719           | 41,550         | 42,381             | 43,229             | 44,093             | 44,975             |
|                              | 940,153        | 895,592        | 942,800        | 936,719          | 966,187        | 983,194            | 1,000,541          | 1,018,235          | 1,036,283          |
| Recoveries                   | (148,353)      | (143,548)      | (142,800)      | (148,000)        | (148,000)      | (150,960)          | (153,979)          | (157,059)          | (160,200)          |
| <b>Net Operating Expense</b> | <b>791,800</b> | <b>752,044</b> | <b>800,000</b> | <b>788,719</b>   | <b>818,187</b> | <b>832,234</b>     | <b>846,562</b>     | <b>861,176</b>     | <b>876,083</b>     |

## Civic Grants

### Civic Grants - Operating Budget

|                    | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Municipal Grants   | 592,905        | 476,146        | 533,776        | 530,675          | 532,970        | 532,970            | 532,970            | 532,970            | 532,970            |
| Civic Partnerships | 146,437        | 498,200        | 640,000        | 630,000          | 140,000        | 140,000            | 140,000            | 140,000            | 140,000            |
|                    | 739,342        | 974,347        | 1,173,776      | 1,160,675        | 672,970        | 672,970            | 672,970            | 672,970            | 672,970            |

| Outputs and Outcomes | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Cost per capita      | 22.49          | 29.64          | 35.70          | 35.30            | 19.93          | 19.93              | 19.93              | 19.93              | 19.93              |
| % of property tax    | 2.75%          | 3.18%          | 3.67%          | 3.63%            | 2.02%          | 1.96%              | 1.89%              | 1.82%              | 1.75%              |

Change 2018 forecast to 2019 budget

\$ change (487,705)

% change -42.02%

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                          | \$ change | % change |
|----------------------------------------------------------|-----------|----------|
| 2018 Scotties Tournament of Hearts not returning in 2019 | (200,000) |          |
| 2018 YES Project Contribution was a one-time grant       | (300,000) |          |

## Civic Grants - Operating Budget

|                                                    | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| B.C. Schizophrenia Society - Penticton             |                |                |                |                  | -              |                    |                    |                    |                    |
| Branch (Mental Wellness Centre)                    | 18,000         | 18,000         | 18,000         | 18,000           | -              |                    |                    |                    |                    |
| BC Winter Games                                    | 94,826         | -              | -              | -                | -              |                    |                    |                    |                    |
| Canada 150 Mosaic Initiative                       | 4,500          | -              | -              | -                | -              |                    |                    |                    |                    |
| Canada Day Celebrations                            | -              | -              | 2,500          | -                | -              |                    |                    |                    |                    |
| Canadian Mental Health Association                 | 2,000          | 2,000          | 2,000          | 2,000            | -              |                    |                    |                    |                    |
| Canadian Sport School Hockey League                | -              | 10,000         | 10,000         | 10,000           | -              |                    |                    |                    |                    |
| CFSOS - Yes Project (Youth Engagement Strategy)    | 8,750          | 8,750          | -              | -                | -              |                    |                    |                    |                    |
| Community Arts Council                             | 13,600         | 12,312         | 12,312         | 12,312           | -              |                    |                    |                    |                    |
| Community Foundation of the South Okanagan S       | 25,000         | 25,000         | 25,000         | 25,000           | -              |                    |                    |                    |                    |
| SOICS - Cleland Theatre for Citizenship Ceremony   | -              | 413            | -              | -                | -              |                    |                    |                    |                    |
| DPA - BC Family Day                                | 1,505          | 947            | 2,100          | 2,100            | -              |                    |                    |                    |                    |
| DPA - Block Parties                                | -              | -              | 1,950          | 1,400            | -              |                    |                    |                    |                    |
| DPA - Canada Day Celebration                       | 7,893          | 5,493          | 5,500          | 5,500            | -              |                    |                    |                    |                    |
| DPA - Canada Day Fireworks                         | -              | 1,500          | -              | -                | -              |                    |                    |                    |                    |
| DPA - Fall Fair                                    | 2,194          | -              | -              | -                | -              |                    |                    |                    |                    |
| DPA - Night Markets Summer Concert Series          | 15,382         | 8,000          | 10,300         | 10,300           | -              |                    |                    |                    |                    |
| DPA & SOIS - Penticton's Birthday                  | 560            | -              | -              | -                | -              |                    |                    |                    |                    |
| Get Bent Active Arts Society                       | -              | -              | 450            | 450              | -              |                    |                    |                    |                    |
| Literacy Now - South Okanagan Similkameen (SD)     | 350            | -              | -              | -                | -              |                    |                    |                    |                    |
| Miss Penticton Royalty                             | 9,024          | 9,193          | 9,150          | 9,150            | -              |                    |                    |                    |                    |
| OK Similkameen Comm Fndtn - Neighbourhood S        | -              | 500            | -              | -                | -              |                    |                    |                    |                    |
| OK Thunderchairs (BC Storm Power Soccer Tourn      | 900            | -              | -              | -                | -              |                    |                    |                    |                    |
| Okanagan Fruit Tree Project Society                | 6,700          | 3,400          | -              | -                | -              |                    |                    |                    |                    |
| Canadian Sport Hockey League                       | 10,000         | -              | -              | -                | -              |                    |                    |                    |                    |
| Okanagan International Children's                  | -              | -              | -              | -                | -              |                    |                    |                    |                    |
| Okanagan Motorcycle Association                    | 441            | 450            | 500            | 500              | -              |                    |                    |                    |                    |
| Okanagan Similkameen Healthy Living Fair Societ    | 7,838          | 5,852          | 3,921          | 3,921            | -              |                    |                    |                    |                    |
| Okanagan Simlkameen Conservation Alliance - M      | 3,500          | 1,750          | -              | -                | -              |                    |                    |                    |                    |
| Okanagan Symphony                                  | 5,000          | -              | -              | -                | -              |                    |                    |                    |                    |
| Okanagan Trestle Tours                             | 1,092          | -              | -              | -                | -              |                    |                    |                    |                    |
| Other                                              | 4,125          | 733            | -              | 1,200            | 522,970        | 532,970            | 532,970            | 532,970            | 532,970            |
| PDMS dba SOICS - South Okanagan Immigrant &        |                |                |                |                  | -              |                    |                    |                    |                    |
| Community Services (Citizenship Ceremony)          | 512            | -              | -              | -                | -              |                    |                    |                    |                    |
| PDCRS - Recovery Coaching                          | -              | 5,000          | -              | -                | -              |                    |                    |                    |                    |
| Services (June 2016 Welcoming Communities          | 7,500          | -              | 15,700         | 15,700           | -              |                    |                    |                    |                    |
| PACA - Bike Valet                                  | -              | -              | 782            | 782              | -              |                    |                    |                    |                    |
| Peach Festival Society                             | 41,868         | 40,595         | 44,000         | 44,000           | 10,000         |                    |                    |                    |                    |
| Peach Festival Society - float refurbishment       | 10,000         | -              | -              | -                | -              |                    |                    |                    |                    |
| Penticton & Area Access Society                    | 5,000          | 4,299          | 4,300          | 4,300            | -              |                    |                    |                    |                    |
| Penticton Amateur Radio Club                       | -              | -              | 666            | 666              | -              |                    |                    |                    |                    |
| Penticton Arts Council - Arts Rising               | -              | 438            | 5,000          | 5,000            | -              |                    |                    |                    |                    |
| Penticton & Area Cycling Association - 3 Blind Mic | -              | 20,745         | -              | -                | -              |                    |                    |                    |                    |
| Penticton BMX                                      | -              | -              | 1,252          | -                | -              |                    |                    |                    |                    |
| Penticton Ikeda Sister City                        | -              | -              | 200            | 200              | -              |                    |                    |                    |                    |
| Penticton Tennis Club (in-kind LTU)                | -              | -              | 4,200          | 4,200            | -              |                    |                    |                    |                    |
| World Curling Tour                                 | -              | 39             | 14,000         | 14,000           | -              |                    |                    |                    |                    |
| parade participant insurance                       | 175            | -              | -              | -                | -              |                    |                    |                    |                    |
| Parkrun                                            | -              | -              | 2,500          | 2,500            | -              |                    |                    |                    |                    |
| Penticton Art Gallery Society                      | 95,000         | 105,000        | 125,000        | 125,000          | -              |                    |                    |                    |                    |
| Penticton Cycling Association                      | 2,500          | 2,500          | 2,500          | 2,500            | -              |                    |                    |                    |                    |
| Penticton Dragonboat Festival Society              | 13,439         | 10,724         | 12,752         | 12,752           | -              |                    |                    |                    |                    |
| Penticton Elvis Festival                           | -              | 4,107          | 5,000          | 5,000            | -              |                    |                    |                    |                    |
| Penticton Historic Automobile Assn                 | 6,782          | 6,655          | 7,000          | 7,000            | -              |                    |                    |                    |                    |
| Penticton Jazz Festival                            | 12,333         | 9,307          | 9,700          | 9,700            | -              |                    |                    |                    |                    |
| Penticton Kiwanis Music Festival                   | 5,500          | 5,000          | 5,000          | 5,000            | -              |                    |                    |                    |                    |
| Penticton Minor Hockey                             | -              | -              | -              | -                | -              |                    |                    |                    |                    |
| Penticton Scottish Festival Society                | 6,764          | 4,000          | 4,000          | 4,000            | -              |                    |                    |                    |                    |
| Penticton Search & Rescue                          | -              | 12,435         | 12,435         | 12,435           | -              |                    |                    |                    |                    |
| RCMP Youth Academy                                 | -              | -              | 3,000          | 3,000            | -              |                    |                    |                    |                    |
| Rotary Club of Penticton                           | 9,358          | 4,825          | 5,807          | 5,807            | -              |                    |                    |                    |                    |
| Royal Cdn Legion - Facility Rent                   | 2,900          | 3,000          | 3,000          | 3,000            | -              |                    |                    |                    |                    |
| Salvation Army - Facility Rent                     | 6,525          | -              | -              | -                | -              |                    |                    |                    |                    |
| School District reciprocal agreement               | 5,215          | -              | 6,000          | 6,000            | -              |                    |                    |                    |                    |
| Shatford Building - OSA                            | 10,000         | 10,000         | 10,000         | 10,000           | -              |                    |                    |                    |                    |
| Skaha Bluffs Park Watch Society                    | 15,456         | 13,000         | 13,000         | 13,000           | -              |                    |                    |                    |                    |
| South Okanagan Genealogical Society                | 3,003          | 721            | -              | -                | -              |                    |                    |                    |                    |
| South Okanagan Seniors Wellness Society            | 12,000         | 13,000         | 13,000         | 13,000           | -              |                    |                    |                    |                    |
| South Okanagan Similkameen Volunteer Centre S      | -              | -              | 20,000         | 20,000           | -              |                    |                    |                    |                    |
| SS Sicamous - Operating                            | 45,000         | 45,000         | 45,000         | 45,000           | -              |                    |                    |                    |                    |
| SS Sicamous - Utilities                            | 19,920         | 22,000         | 20,000         | 20,000           | -              |                    |                    |                    |                    |
| The Penticton Centre for Exceptional Learning      | 1,500          | -              | 1,500          | 1,500            | -              |                    |                    |                    |                    |
| United Way Emergency Transportation Assistance     | 5,400          | 6,345          | -              | -                | -              |                    |                    |                    |                    |
| Upperdeck Veas Hockey                              | 6,075          | 14,120         | 8,800          | 8,800            | -              |                    |                    |                    |                    |
| YoungLife                                          | -              | -              | 5,000          | 5,000            | -              |                    |                    |                    |                    |
| <b>Total Municipal Grants</b>                      | <b>592,905</b> | <b>476,146</b> | <b>533,776</b> | <b>530,675</b>   | <b>532,970</b> | <b>532,970</b>     | <b>532,970</b>     | <b>532,970</b>     | <b>532,970</b>     |



## Civic Grants - Operating Budget

|                                                   | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|---------------------------------------------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|----------------|----------------|
| Civic Partnerships - Challenge Penticton          | 110,064        | 29,896         | -              | -                | -              | -              | -              | -              | -              |
| Civic Partnerships - Western Canada Cup           | -              | 10,000         | -              | -                | -              | -              | -              | -              | -              |
| Civic Partnerships - Rogers Hometown Hockey       | 7,473          | -              | -              | -                | -              | -              | -              | -              | -              |
| Civic Partnerships - 2017 ITU Multisport          | -              | 330,104        | -              | -                | -              | -              | -              | -              | -              |
| Civic Partnerships - Scotties Tournament of Heart | -              | 212            | 200,000        | 200,000          | -              | -              | -              | -              | -              |
| Civic Partnerships - Triathlon                    | -              | -              | 110,000        | 100,000          | 110,000        | 110,000        | 110,000        | 110,000        | 110,000        |
| Civic Partnerships - Gran Fondo                   | 28,900         | 27,988         | -              | -                | -              | -              | -              | -              | -              |
| Civic Partnerships - Gran Fondo                   | -              | -              | 30,000         | 30,000           | 30,000         | 30,000         | 30,000         | 30,000         | 30,000         |
| Civic Partnerships - YES Project                  | -              | 100,000        | 300,000        | 300,000          | -              | -              | -              | -              | -              |
| <b>Total Civic Partnerships</b>                   | <b>146,437</b> | <b>498,200</b> | <b>640,000</b> | <b>630,000</b>   | <b>140,000</b> | <b>140,000</b> | <b>140,000</b> | <b>140,000</b> | <b>140,000</b> |

## Communications and Engagement

### Communications - Operating Budget

|                                       | 2016           | 2017           | 2018           | 2018            | 2019           | 2020              | 2021              | 2022              | 2023              |
|---------------------------------------|----------------|----------------|----------------|-----------------|----------------|-------------------|-------------------|-------------------|-------------------|
|                                       | Actual         | Actual         | Budget         | Forecast        | Budget         | Projection        | Projection        | Projection        | Projection        |
| <b>Operations by Object</b>           |                |                |                |                 |                |                   |                   |                   |                   |
| Goods and Services                    | 56,242         | 66,128         | 188,500        | 165,506         | 143,500        | 145,410           | 147,358           | 149,345           | 151,372           |
| Communications                        | 74,526         | 107,494        | -              | -               | -              | -                 | -                 | -                 | -                 |
| Salaries and Benefits                 | 97,805         | 163,030        | 231,742        | 250,000         | 277,160        | 277,160           | 277,160           | 277,160           | 277,160           |
| <b>Total Operations by Object</b>     | <b>228,574</b> | <b>336,652</b> | <b>420,242</b> | <b>415,506</b>  | <b>420,660</b> | <b>422,570</b>    | <b>424,518</b>    | <b>426,505</b>    | <b>428,532</b>    |
| <b>Operations by Project</b>          |                |                |                |                 |                |                   |                   |                   |                   |
| Communications                        | 110,025        | 111,682        | 281,942        | 287,600         | 326,160        | 326,660           | 327,170           | 327,690           | 328,221           |
| Public Relations                      | 50,595         | 127,737        | 42,000         | 42,900          | 1,000          | 1,000             | 1,000             | 1,000             | 1,000             |
| Publications                          | 20,523         | 28,941         | 29,300         | 26,506          | 92,000         | 93,380            | 94,788            | 96,223            | 97,688            |
| Print                                 | 43,564         | 66,888         | 50,000         | 52,000          | -              | -                 | -                 | -                 | -                 |
| Radio                                 | 2,235          | 704            | 2,000          | -               | -              | -                 | -                 | -                 | -                 |
| Online                                | 1,631          | 700            | 15,000         | 6,500           | 1,500          | 1,530             | 1,561             | 1,592             | 1,624             |
| <b>Total Operations by Project</b>    | <b>228,574</b> | <b>336,652</b> | <b>420,242</b> | <b>415,506</b>  | <b>420,660</b> | <b>422,570</b>    | <b>424,518</b>    | <b>426,505</b>    | <b>428,532</b>    |
| <b>Internal Allocations Out</b>       |                |                |                |                 |                |                   |                   |                   |                   |
| Building and License                  | -              | 4,271          | -              | 400             | -              | -                 | -                 | -                 | -                 |
| Economic Development & Tourism        | -              | -              | 5,000          | 5,000           | 5,000          | 5,000             | 5,000             | 5,000             | 5,000             |
| Engineering Services                  | 427            | 500            | 8,000          | 8,000           | 10,000         | 10,000            | 10,000            | 10,000            | 10,000            |
| Facilities                            | 60             | -              | -              | -               | -              | -                 | -                 | -                 | -                 |
| Finance - Revenue and Collections     | -              | 268            | -              | -               | -              | -                 | -                 | -                 | -                 |
| Development Services                  | -              | 683            | 8,000          | 8,000           | 8,000          | 8,160             | 8,323             | 8,490             | 8,659             |
| Sewer                                 | 18,628         | -              | -              | -               | -              | -                 | -                 | -                 | -                 |
| <b>Total Internal Allocations Out</b> | <b>19,115</b>  | <b>5,721</b>   | <b>21,000</b>  | <b>21,400</b>   | <b>23,000</b>  | <b>23,160</b>     | <b>23,323</b>     | <b>23,490</b>     | <b>23,659</b>     |
| <b>Internal Allocations In</b>        |                |                |                |                 |                |                   |                   |                   |                   |
| Finance - Procurement                 | 60             | -              | -              | -               | -              | -                 | -                 | -                 | -                 |
| Information Technology                | -              | 8,728          | 15,000         | 12,840          | 13,000         | 13,260            | 13,525            | 13,796            | 14,072            |
| <b>Total Internal Allocations In</b>  | <b>60</b>      | <b>8,728</b>   | <b>15,000</b>  | <b>12,840</b>   | <b>13,000</b>  | <b>13,260</b>     | <b>13,525</b>     | <b>13,796</b>     | <b>14,072</b>     |
| <b>Net Operating Expense</b>          | <b>209,519</b> | <b>339,659</b> | <b>414,242</b> | <b>406,946</b>  | <b>410,660</b> | <b>412,670</b>    | <b>414,720</b>    | <b>416,811</b>    | <b>418,944</b>    |
| <b>Outputs and Outcomes</b>           | <b>2016</b>    | <b>2017</b>    | <b>2018</b>    | <b>2018</b>     | <b>2019</b>    | <b>2020</b>       | <b>2021</b>       | <b>2022</b>       | <b>2023</b>       |
|                                       | <b>Actual</b>  | <b>Actual</b>  | <b>Budget</b>  | <b>Forecast</b> | <b>Budget</b>  | <b>Projection</b> | <b>Projection</b> | <b>Projection</b> | <b>Projection</b> |
| Cost per capita                       | 6.37           | 10.33          | 12.60          | 12.38           | 12.16          | 12.22             | 12.28             | 12.35             | 12.41             |
| % of property tax                     | 0.78%          | 1.11%          | 1.29%          | 1.27%           | 1.23%          | 1.20%             | 1.16%             | 1.13%             | 1.09%             |
| Change 2018 forecast to 2019 budget   |                |                |                |                 |                |                   |                   |                   |                   |
| \$ change                             | 3,714          |                |                |                 |                |                   |                   |                   |                   |
| % change                              | 0.91%          |                |                |                 |                |                   |                   |                   |                   |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|  |           |          |
|--|-----------|----------|
|  | \$ change | % change |
|--|-----------|----------|

No material changes between 2018 Forecast and 2019 Budget.

## General Government

## General Government - Operating Budget

|                                                   | 2016                | 2017                | 2018                | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                |
|---------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                                   | Actual              | Actual              | Budget              | Forecast            | Budget              | Projection          | Projection          | Projection          | Projection          |
| <b>General Government Revenues</b>                |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Taxation Revenue</b>                           |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| General Property Tax Levy                         | (28,296,843)        | (29,995,068)        | (31,368,142)        | (31,287,132)        | (33,197,395)        | (34,095,991)        | (35,446,479)        | (36,850,932)        | (38,311,507)        |
| Local Improvement Levy                            | (150,745)           | (191,139)           | (213,875)           | (213,875)           | (171,000)           | (171,000)           | (171,000)           | (171,000)           | (171,000)           |
| <b>Total Taxation Revenue</b>                     | <b>(28,447,588)</b> | <b>(30,186,207)</b> | <b>(31,582,017)</b> | <b>(31,501,007)</b> | <b>(33,368,395)</b> | <b>(34,266,991)</b> | <b>(35,617,479)</b> | <b>(37,021,932)</b> | <b>(38,482,507)</b> |
| <b>Development Cost Charge (DCC) Revenue</b>      |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| DCC - Storm Water                                 | (72,145)            | (44,650)            | (100,000)           | (100,000)           | (100,000)           | (100,000)           | (100,000)           | (100,000)           | (100,000)           |
| DCC - Roads                                       | (114,051)           | (70,585)            | (100,000)           | (100,000)           | (100,000)           | (100,000)           | (100,000)           | (100,000)           | (100,000)           |
| DCC - Public Open Space                           | (161,789)           | (100,130)           | (100,000)           | (100,000)           | (100,000)           | (100,000)           | (100,000)           | (100,000)           | (100,000)           |
| <b>Total DCC Revenue</b>                          | <b>(347,985)</b>    | <b>(215,365)</b>    | <b>(300,000)</b>    | <b>(300,000)</b>    | <b>(300,000)</b>    | <b>(300,000)</b>    | <b>(300,000)</b>    | <b>(300,000)</b>    | <b>(300,000)</b>    |
| <b>Grant Revenue</b>                              |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Community Works Fund Grant Revenue                | (1,439,404)         | (1,458,679)         | (1,439,404)         | (1,439,404)         | (1,507,826)         | (1,507,826)         | (1,507,826)         | (1,507,826)         | (1,507,826)         |
| <b>Total Grant Revenue</b>                        | <b>(1,439,404)</b>  | <b>(1,458,679)</b>  | <b>(1,439,404)</b>  | <b>(1,439,404)</b>  | <b>(1,507,826)</b>  | <b>(1,507,826)</b>  | <b>(1,507,826)</b>  | <b>(1,507,826)</b>  | <b>(1,507,826)</b>  |
| <b>Misc. Other Revenue</b>                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Tax Penalties                                     | (196,217)           | (175,955)           | (198,000)           | (201,948)           | (200,000)           | (200,000)           | (200,000)           | (200,000)           | (200,000)           |
| Tax Arrears Interest                              | (34,209)            | (29,812)            | (14,000)            | (17,331)            | (17,000)            | (17,000)            | (17,000)            | (17,000)            | (17,000)            |
| Tax Delinquent Interest                           | (11,490)            | (9,020)             | (10,000)            | (9,000)             | (9,000)             | (9,000)             | (9,000)             | (9,000)             | (9,000)             |
| Payment in Lieu of Taxes - Federal                | (102,790)           | (104,075)           | (129,421)           | (137,888)           | (135,000)           | (135,000)           | (135,000)           | (135,000)           | (135,000)           |
| Payment in Lieu of Taxes - Provincial             | (188,813)           | (171,613)           | (125,098)           | (112,724)           | (200,000)           | (200,000)           | (200,000)           | (200,000)           | (200,000)           |
| 3% Franchise Fees                                 | (297,247)           | (263,810)           | (297,000)           | (326,457)           | (325,000)           | (325,000)           | (325,000)           | (325,000)           | (325,000)           |
| 1% Franchise Fees                                 | (245,342)           | (229,839)           | (194,000)           | (216,154)           | (234,000)           | (234,000)           | (234,000)           | (234,000)           | (234,000)           |
| General Fund Interest Earned                      | (2,557,154)         | (2,808,693)         | (989,830)           | (1,400,000)         | (1,356,805)         | (1,400,000)         | (1,400,000)         | (1,400,000)         | (1,400,000)         |
| RCMP Facilities Rental                            | (70,000)            | (70,000)            | (80,000)            | (53,001)            | (80,000)            | (80,000)            | (80,000)            | (80,000)            | (80,000)            |
| Tax Searches                                      | (46,925)            | (46,885)            | (26,000)            | (45,098)            | (40,000)            | (40,000)            | (40,000)            | (40,000)            | (40,000)            |
| Debt - interest - accrual on outstanding          | (61,479)            | (46,715)            | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| RDOS - Community Center Bylaw                     | (20,000)            | (20,000)            | (20,000)            | (20,000)            | (20,000)            | (20,000)            | (20,000)            | (20,000)            | (20,000)            |
| SOEC Recoveries                                   | (28,617)            | (21,447)            | (32,412)            | -                   | (45,238)            | (45,238)            | (45,238)            | (45,238)            | (45,238)            |
| SOEC Facility Fee Revenue                         | (74,461)            | (152,366)           | (93,215)            | (81,965)            | -                   | -                   | -                   | -                   | -                   |
| SOEC Property Insurance                           | (63,760)            | (65,899)            | (73,000)            | (66,700)            | (70,000)            | (70,000)            | (70,000)            | (70,000)            | (70,000)            |
| Depreciation Offset                               | (913,264)           | (705,082)           | (900,000)           | (900,000)           | (900,000)           | (900,000)           | (900,000)           | (900,000)           | (900,000)           |
| Electric Administration Fee                       | (2,060,080)         | (1,881,457)         | (1,702,834)         | (1,702,834)         | (1,524,211)         | (1,345,588)         | (1,345,588)         | (1,345,588)         | (1,345,588)         |
| Library Administration Fee                        | (188,800)           | (188,800)           | (188,800)           | (188,800)           | (188,800)           | (188,800)           | (188,800)           | (188,800)           | (188,800)           |
| Sewer Administration Fee                          | (465,587)           | (557,594)           | (649,601)           | (649,601)           | (741,608)           | (833,615)           | (833,615)           | (833,615)           | (833,615)           |
| Storm Water Administration Fee                    | -                   | -                   | (75,000)            | (75,000)            | (76,000)            | (77,000)            | (78,000)            | (79,000)            | (80,000)            |
| Water Administration Fee                          | (543,372)           | (629,430)           | (715,488)           | (715,488)           | (801,546)           | (887,604)           | (887,604)           | (887,604)           | (887,604)           |
| Misc Revenue                                      | (86,937)            | 31,116              | (247,351)           | (318,596)           | (111,949)           | (89,200)            | (89,200)            | (89,200)            | (89,200)            |
| <b>Total Misc. Other Revenue</b>                  | <b>(8,256,543)</b>  | <b>(8,147,376)</b>  | <b>(6,761,050)</b>  | <b>(7,238,585)</b>  | <b>(7,076,157)</b>  | <b>(7,097,045)</b>  | <b>(7,098,045)</b>  | <b>(7,099,045)</b>  | <b>(7,100,045)</b>  |
| <b>Revenue Flow-Throughs - Other Gov'ts</b>       |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| School Tax Levy - Residential                     | (9,979,556)         | (9,602,637)         | (10,245,400)        | (10,245,400)        | (10,659,724)        | (11,086,539)        | (11,530,444)        | (11,992,123)        | (12,472,288)        |
| School Tax Levy - Non Residential                 | (6,079,190)         | (5,715,911)         | (6,473,220)         | (6,473,220)         | (6,734,997)         | (7,004,667)         | (7,285,133)         | (7,576,830)         | (7,880,207)         |
| Regional Hospital Levy                            | (2,378,286)         | (2,483,961)         | (2,558,818)         | (2,558,818)         | (2,662,296)         | (2,768,894)         | (2,879,761)         | (2,995,067)         | (3,114,989)         |
| Municipal Finance Authority Levy                  | (1,508)             | (1,614)             | (1,508)             | (1,508)             | (1,568)             | (1,631)             | (1,696)             | (1,764)             | (1,835)             |
| B.C. Assessment Authority Levy                    | (438,770)           | (392,230)           | (463,752)           | (463,752)           | (482,507)           | (501,826)           | (521,919)           | (542,817)           | (564,551)           |
| Regional District (RDOS) General Levy             | (1,154,578)         | (1,354,085)         | (1,168,126)         | (1,168,126)         | (1,171,431)         | (1,174,751)         | (1,178,087)         | (1,181,438)         | (1,181,438)         |
| RDOS SIR Parcel Tax Levy                          | (34,396)            | (35,174)            | (36,575)            | (36,575)            | (36,575)            | (36,575)            | (36,575)            | (36,575)            | (36,575)            |
| RDOS 911 Levy                                     | (251,951)           | (304,437)           | (254,853)           | (254,853)           | (256,137)           | (257,428)           | (258,726)           | (258,726)           | (258,726)           |
| RDOS SIR Levy                                     | (170,879)           | (170,871)           | (173,620)           | (173,620)           | (173,620)           | (173,620)           | (173,620)           | (173,620)           | (173,620)           |
| <b>Total Revenue Flow-Throughs - Other Gov'ts</b> | <b>(20,489,113)</b> | <b>(20,060,922)</b> | <b>(21,375,873)</b> | <b>(21,375,873)</b> | <b>(22,178,855)</b> | <b>(23,005,931)</b> | <b>(23,865,962)</b> | <b>(24,758,960)</b> | <b>(25,684,230)</b> |
| <b>Revenue Flow-Throughs to Others</b>            |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Business Improvement Area Levy                    | (178,681)           | (206,691)           | (190,000)           | (190,000)           | (215,000)           | (215,000)           | (215,000)           | (215,000)           | (215,000)           |
| Hotel Room Tax (MRDT) Levy                        | (580,181)           | (610,005)           | (590,000)           | (590,000)           | (640,000)           | (640,000)           | (640,000)           | (640,000)           | (640,000)           |
| Cemetery Perpetual Care Fund Revenues             | (30,000)            | (22,800)            | (30,000)            | (30,000)            | (30,000)            | (30,000)            | (30,000)            | (30,000)            | (30,000)            |
| <b>Total Revenue Flow-Throughs to Others</b>      | <b>(788,862)</b>    | <b>(839,495)</b>    | <b>(810,000)</b>    | <b>(810,000)</b>    | <b>(885,000)</b>    | <b>(885,000)</b>    | <b>(885,000)</b>    | <b>(885,000)</b>    | <b>(885,000)</b>    |
| <b>Total General Government Revenue</b>           | <b>(59,769,495)</b> | <b>(60,908,044)</b> | <b>(62,268,344)</b> | <b>(62,664,869)</b> | <b>(65,316,233)</b> | <b>(67,062,793)</b> | <b>(69,274,312)</b> | <b>(71,572,763)</b> | <b>(73,959,608)</b> |

|                                                   | 2016<br>Actual      | 2017<br>Actual      | 2018<br>Budget      | 2018<br>Forecast    | 2019<br>Budget      | 2020<br>Projection  | 2021<br>Projection  | 2022<br>Projection  | 2023<br>Projection  |
|---------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Expense Flow-Throughs - Other Gov'ts</b>       |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| School Tax Remittance - Residential               | 9,990,638           | 9,594,724           | 10,245,400          | 10,245,400          | 10,659,724          | 11,086,539          | 11,530,444          | 11,992,123          | 12,472,288          |
| School Tax Remittance - Non-Resident              | 6,081,360           | 5,715,911           | 6,473,220           | 6,473,220           | 6,734,997           | 7,004,667           | 7,285,133           | 7,576,830           | 7,880,207           |
| Regional Hospital Remittance                      | 2,381,140           | 2,484,196           | 2,558,818           | 2,558,818           | 2,662,296           | 2,768,894           | 2,879,761           | 2,995,067           | 3,114,989           |
| Municipal Finance Authority Remittance            | 1,497               | 1,614               | 1,508               | 1,508               | 1,568               | 1,631               | 1,696               | 1,764               | 1,835               |
| B.C. Assessment Authority Remittance              | 439,121             | 392,220             | 463,752             | 463,752             | 482,507             | 501,826             | 521,919             | 542,817             | 564,551             |
| RDOS Remittance                                   | 1,613,032           | 1,864,681           | 1,633,174           | 1,633,174           | 1,637,763           | 1,642,374           | 1,647,008           | 1,650,359           | 1,650,359           |
| <b>Total Expense Flow-Throughs - Other Gov'ts</b> | <b>20,506,789</b>   | <b>20,053,346</b>   | <b>21,375,873</b>   | <b>21,375,873</b>   | <b>22,178,855</b>   | <b>23,005,931</b>   | <b>23,865,962</b>   | <b>24,758,960</b>   | <b>25,684,230</b>   |
| <b>Net Flow-Throughs - Other Gov'ts</b>           | <b>17,676</b>       | <b>(7,576)</b>      | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| <b>Expense Flow-Throughs to Non-Gov't</b>         |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Business Improvement Area Remittance              | 178,681             | 206,691             | 190,000             | 190,000             | 215,000             | 215,000             | 215,000             | 215,000             | 215,000             |
| Transfer to Cemetery Care Fund                    | 33,220              | 39,240              | 30,000              | 30,000              | 30,000              | 30,000              | 30,000              | 30,000              | 30,000              |
| Hotel Room Tax (MRDT) Remittance                  | 580,181             | 610,005             | 590,000             | 590,000             | 640,000             | 640,000             | 640,000             | 640,000             | 640,000             |
| <b>Total Expense Flow-Throughs to Non-Gov't</b>   | <b>792,082</b>      | <b>855,935</b>      | <b>810,000</b>      | <b>810,000</b>      | <b>885,000</b>      | <b>885,000</b>      | <b>885,000</b>      | <b>885,000</b>      | <b>885,000</b>      |
| <b>Net Flow-Throughs - Other Entities</b>         | <b>3,220</b>        | <b>16,440</b>       | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| <b>Transfers from Reserves</b>                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Transfer From Electric Rev. (Dividend Portion)    | -                   | -                   | (252,500)           | (252,500)           | -                   | -                   | -                   | -                   | -                   |
| Transfer from Asset Sustainability Reserve        | -                   | -                   | -                   | -                   | (263,826)           | (260,000)           | (251,000)           | (242,000)           | (232,000)           |
| Transfer from storm DCC (princ. payments)         | (58,099)            | (58,099)            | (58,099)            | (58,099)            | (58,099)            | (58,099)            | (58,099)            | (58,099)            | (58,099)            |
| Transfer to/from DCC reserve - Park Acquisition   | (10,207)            | (10,207)            | (10,207)            | (10,207)            | (10,207)            | (10,207)            | (10,207)            | (10,207)            | (10,207)            |
| Trans. from Pub. Open Sp. Res. DCC (princ. pmts)  | -                   | (107,462)           | (107,462)           | (107,462)           | (107,462)           | (107,462)           | (107,462)           | (107,462)           | (107,462)           |
| Transfer from MMBC Reserve                        | -                   | -                   | (222,000)           | (222,000)           | (246,000)           | (246,000)           | (246,000)           | (246,000)           | (246,000)           |
| Transfer from Election Reserve                    | -                   | -                   | (70,952)            | (70,952)            | -                   | -                   | -                   | (120,000)           | -                   |
| Transfer From Public Art Reserve                  | (2,000)             | (19,740)            | (27,500)            | (27,500)            | -                   | -                   | -                   | -                   | -                   |
| Transfer to/from Building Reserve                 | -                   | -                   | (100,000)           | (55,000)            | (45,000)            | -                   | -                   | -                   | -                   |
| Transfer to/from Wine/Info Center Reserve         | -                   | -                   | -                   | -                   | (13,150)            | -                   | -                   | -                   | -                   |
| Transfer to/from Gaming Reserve                   | (3,258,882)         | (3,172,441)         | (1,559,978)         | (1,559,978)         | (811,352)           | (810,617)           | (809,864)           | (809,091)           | (809,091)           |
| Misc. Transfers from/to reserves                  | (120,830)           | (831,708)           | (2,000)             | -                   | -                   | -                   | -                   | -                   | -                   |
| <b>Total transfers from Reserves</b>              | <b>(3,450,018)</b>  | <b>(4,199,657)</b>  | <b>(2,410,698)</b>  | <b>(2,363,698)</b>  | <b>(1,555,096)</b>  | <b>(1,492,385)</b>  | <b>(1,482,632)</b>  | <b>(1,592,859)</b>  | <b>(1,462,859)</b>  |
| <b>Transfers to Reserves</b>                      |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Transfer to/from General Surplus                  | -                   | -                   | 27,293              | -                   | -                   | 487,610             | (264,263)           | (102,066)           | 188,029             |
| Transfer to Local Improvement Reserve             | -                   | -                   | 213,875             | 213,875             | 171,000             | 171,000             | 171,000             | 171,000             | 171,000             |
| Transfer to Community Works (Gas Tax) Reserve     | 1,466,813           | 1,470,787           | 1,439,404           | 1,439,404           | 1,507,826           | 1,507,826           | 1,507,826           | 1,507,826           | 1,507,826           |
| Transfer to DCC reserve - Storm Water             | 132,083             | 229,832             | 100,000             | 100,000             | 100,000             | 100,000             | 100,000             | 100,000             | 100,000             |
| Transfer to DCC reserve - Roads                   | 286,346             | 522,032             | 100,000             | 100,000             | 100,000             | 100,000             | 100,000             | 100,000             | 100,000             |
| Transfer to DCC reserve - Public Open Space       | 229,778             | 334,932             | 100,000             | 100,000             | 100,000             | 100,000             | 100,000             | 100,000             | 100,000             |
| Transfer to/from Investment Income Reserve        | -                   | -                   | 414,879             | -                   | 450,000             | 450,000             | 450,000             | 450,000             | 450,000             |
| Transfer to Equipment Replacement Reserve         | 1,124,570           | 1,154,652           | 900,000             | 900,000             | 900,000             | 900,000             | 900,000             | 900,000             | 900,000             |
| Transfer to Asset Sustainability Reserve          | 300,000             | 900,000             | 1,200,000           | 1,200,000           | 1,800,000           | 2,100,000           | 2,400,000           | 2,700,000           | 3,000,000           |
| Transfer to CARIP Reserve                         | 42,920              | 48,073              | 43,000              | 48,000              | 48,000              | 48,000              | 48,000              | 48,000              | 48,000              |
| Transfer to/from Marinas Reserve                  | 30,298              | 57,923              | 61,580              | 61,580              | 61,170              | 61,170              | 61,170              | 61,170              | 61,170              |
| Transfer to Gaming Reserve                        | 4,563,630           | 1,982,787           | 1,800,000           | 1,305,000           | 1,800,000           | 1,800,000           | 1,800,000           | 1,800,000           | 1,800,000           |
| Transfer to MMBC Reserve                          | 467,109             | 467,109             | 466,740             | 466,740             | 492,000             | 466,740             | 466,740             | 466,740             | 466,740             |
| Transfer to/from Election Reserve                 | 23,803              | 23,353              | (39,000)            | (39,000)            | 30,000              | 30,000              | 30,000              | 30,000              | 30,000              |
| Transfer to Public Art Reserve                    | 25,000              | 32,000              | 75,000              | 75,000              | -                   | 25,000              | 25,000              | 25,000              | 25,000              |
| <b>Total transfers to Reserves</b>                | <b>8,692,350</b>    | <b>7,223,480</b>    | <b>6,848,185</b>    | <b>5,970,600</b>    | <b>7,559,996</b>    | <b>7,372,126</b>    | <b>7,895,473</b>    | <b>8,357,670</b>    | <b>8,947,765</b>    |
| <b>Total General Government</b>                   | <b>(33,228,293)</b> | <b>(36,974,941)</b> | <b>(35,644,984)</b> | <b>(36,872,095)</b> | <b>(36,247,478)</b> | <b>(37,292,121)</b> | <b>(38,110,509)</b> | <b>(39,163,992)</b> | <b>(39,905,472)</b> |

|                                       | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                    | 1,669,789        | 1,812,613        | 1,134,678        | 1,280,411        | 1,093,650        | 1,115,708          | 1,138,215          | 1,161,183          | 1,184,620          |
| Fleet                                 | 39,282           | 43,753           | 41,286           | 56,813           | 39,550           | 40,341             | 41,148             | 41,971             | 42,810             |
| Salaries and Benefits                 | 1,240,053        | 1,336,074        | 1,195,569        | 1,358,050        | 1,275,800        | 1,297,377          | 1,319,385          | 1,341,833          | 1,364,731          |
| Utilities                             | 122,460          | 127,888          | 722,587          | 732,000          | 763,000          | 778,260            | 793,825            | 809,702            | 825,896            |
|                                       | 3,071,583        | 3,320,328        | 3,094,120        | 3,427,274        | 3,172,000        | 3,231,685          | 3,292,573          | 3,354,689          | 3,418,056          |
| Gain on Sale of Assets                | (3,236)          | -                | -                | -                | -                | -                  | -                  | -                  | -                  |
| Recoveries                            | (7,349)          | (3,455)          | -                | (4,632)          | -                | -                  | -                  | -                  | -                  |
| <b>Net Operating Expense</b>          | <b>3,060,998</b> | <b>3,316,873</b> | <b>3,094,120</b> | <b>3,422,642</b> | <b>3,172,000</b> | <b>3,231,685</b>   | <b>3,292,573</b>   | <b>3,354,689</b>   | <b>3,418,056</b>   |
| <b>Internal Allocations Out</b>       |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| Animal Control                        | -                | -                | -                | -                | 12,600           | 12,852             | 13,109             | 13,371             | 13,639             |
| Fire                                  | -                | -                | -                | -                | 171,900          | 175,338            | 178,845            | 182,422            | 186,070            |
| RCMP                                  | -                | -                | -                | -                | 189,900          | 193,700            | 197,576            | 201,530            | 205,562            |
| Public Works                          | -                | -                | -                | -                | 175,700          | 179,214            | 182,798            | 186,454            | 190,183            |
| Parks                                 | -                | -                | -                | -                | 323,500          | 329,972            | 336,573            | 343,306            | 350,173            |
| Recreation                            | -                | -                | -                | -                | 1,359,250        | 1,386,435          | 1,414,163          | 1,442,446          | 1,471,295          |
| Library                               | -                | -                | -                | -                | 113,400          | 115,668            | 117,981            | 120,341            | 122,748            |
| Museum                                | -                | -                | -                | -                | 75,600           | 77,112             | 78,654             | 80,227             | 81,832             |
| <b>Total Internal Allocations Out</b> | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>2,421,850</b> | <b>2,470,291</b>   | <b>2,519,700</b>   | <b>2,570,098</b>   | <b>2,621,502</b>   |
| <b>Internal Allocations In</b>        |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| Communications                        | 60               | -                | -                | -                | -                | -                  | -                  | -                  | -                  |
| Logistics                             | 2,176            | 2,495            | -                | -                | -                | -                  | -                  | -                  | -                  |
| IT                                    | -                | (487)            | -                | -                | -                | -                  | -                  | -                  | -                  |
| Fleet                                 | 41,042           | 31,998           | 27,000           | 29,000           | 28,000           | 28,560             | 29,131             | 29,714             | 30,308             |
| Safety                                | 4,141            | 338              | 5,533            | 4,500            | 5,000            | 5,100              | 5,202              | 5,306              | 5,412              |
| <b>Total Internal Allocations In</b>  | <b>47,418</b>    | <b>34,344</b>    | <b>32,533</b>    | <b>33,500</b>    | <b>33,000</b>    | <b>33,660</b>      | <b>34,333</b>      | <b>35,020</b>      | <b>35,720</b>      |
| <b>Total Operating Expense</b>        | <b>3,119,002</b> | <b>3,354,672</b> | <b>3,126,653</b> | <b>3,460,774</b> | <b>783,150</b>   | <b>795,054</b>     | <b>807,207</b>     | <b>819,611</b>     | <b>832,275</b>     |
| <b>Outputs and Outcomes</b>           |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| <b>Net Operating Expense</b>          | <b>3,108,416</b> | <b>3,351,217</b> | <b>3,126,653</b> | <b>3,456,142</b> | <b>783,150</b>   | <b>795,054</b>     | <b>807,207</b>     | <b>819,611</b>     | <b>832,275</b>     |
| Cost per capita                       | 94.55            | 101.93           | 95.10            | 105.12           | 23.20            | 23.55              | 23.91              | 24.28              | 24.65              |
| % of property tax                     | 11.54%           | 10.93%           | 9.76%            | 10.82%           | 2.35%            | 2.32%              | 2.27%              | 2.21%              | 2.16%              |
| Change 2018 forecast to 2019 budget   |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| \$ change                             | (2,677,624)      |                  |                  |                  |                  |                    |                    |                    |                    |
| % change                              | -77.37%          |                  |                  |                  |                  |                    |                    |                    |                    |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                                           | \$ change   | % change |
|-----------------------------------------------------------------------------------------------------------|-------------|----------|
| Allocations Out to other areas starting in 2019                                                           | (2,421,850) | -69.98%  |
| Bathroom security costs incurred in 2018 were budgeted in Bylaw area in 2019                              | (45,000)    | -1.30%   |
| Facility security costs budgeted in 2019 are lower than the 2018 forecast due to increased bylaw presence | (30,000)    | -0.87%   |
| Major one-time pool repair required in 2018                                                               | (15,000)    | -0.43%   |
| Extra staffing was required for 2018 major events                                                         | (90,000)    | -2.60%   |
| Bus Barn roof repairs and air quality upgrades                                                            | (11,000)    | -0.32%   |
| 2018 vandalism costs were more than historical average                                                    | (11,000)    | -0.32%   |
| 2018 RCMP building repairs more than budgeted in 2019                                                     | (40,850)    | -1.18%   |



## Facilities - Operating Budget by Project

|                                                        | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Facilities - General                                   | 300,751          | 368,517          | 458,176          | 360,723          | 357,200          | 360,584            | 364,045            | 367,584            | 371,204            |
| Non-Recreational Facilities - City Hall                | 143,329          | 153,171          | 195,054          | 171,564          | 188,800          | 192,576            | 196,428            | 200,356            | 204,363            |
| Non-Recreational Facilities - City Houses              | 11,296           | 16,016           | 10,168           | 12,094           | 9,400            | 9,588              | 9,780              | 9,975              | 10,175             |
| Non-Recreational Facilities - Shelter                  | 1,592            | 21,532           | 11,600           | 11,150           | 12,600           | 12,852             | 13,109             | 13,371             | 13,639             |
| Non-Recreational Facilities - Emergency Measures       | 1,773            | 684              | -                | 1,100            | -                | -                  | -                  | -                  | -                  |
| Non-Recreational Facilities - Fire Hall # 1            | 39,288           | 48,950           | 58,837           | 42,100           | 89,500           | 91,290             | 93,116             | 94,978             | 96,878             |
| Non-Recreational Facilities - Fire Hall # 2            | 25,148           | 46,363           | 38,281           | 43,050           | 39,900           | 40,698             | 41,512             | 42,342             | 43,189             |
| Non-Recreational Facilities - Misc Sites               | 186,398          | 101,195          | 86,240           | 127,050          | 97,600           | 99,552             | 101,543            | 103,574            | 105,646            |
| Non-Recreational Facilities - RCMP Building            | 208,857          | 230,592          | 192,185          | 230,750          | 189,900          | 193,700            | 197,576            | 201,530            | 205,562            |
| Non-Recreational Facilities - Yards & Warehouse        | 182,725          | 221,964          | 167,761          | 218,100          | 175,700          | 179,214            | 182,798            | 186,454            | 190,183            |
| Recreational Facilities - 500 Edmonton Ave             | 1,167            | 224              | -                | 550              | -                | -                  | -                  | -                  | -                  |
| Recreational Facilities - Bathhouse                    | 293,141          | 357,383          | 324,118          | 403,050          | 323,500          | 329,972            | 336,573            | 343,306            | 350,173            |
| Recreational Facilities - Community Centre             | 928,819          | 1,013,727        | 889,665          | 1,131,034        | 997,000          | 1,016,940          | 1,037,279          | 1,058,024          | 1,079,184          |
| Recreational Facilities - Curling Club Building        | 4,321            | 2,959            | -                | 4,965            | 2,000            | 2,040              | 2,081              | 2,122              | 2,165              |
| Recreational Facilities - Edmonton Ave Centre          | 4,147            | 7,623            | 5,387            | 5,200            | 5,500            | 5,610              | 5,722              | 5,837              | 5,953              |
| Recreational Facilities - Gyro Bandshell               | 9,989            | 11,260           | 9,895            | 2,750            | 9,000            | 9,180              | 9,364              | 9,551              | 9,742              |
| Recreational Facilities - Indoor Soccer Facility       | 31,473           | 16,069           | 26,300           | 17,900           | 19,000           | 19,380             | 19,768             | 20,163             | 20,566             |
| Recreational Facilities - Old Soccer Club House        | 2,316            | -                | -                | -                | -                | -                  | -                  | -                  | -                  |
| Recreational Facilities - Jubilee Pavilion             | 10,470           | 19,405           | 22,229           | 14,550           | 19,700           | 20,094             | 20,496             | 20,906             | 21,324             |
| Recreational Facilities - Lawn Bowling Club            | 109              | -                | -                | -                | -                | -                  | -                  | -                  | -                  |
| Recreational Facilities - Library/Museum Complex       | 168,797          | 227,601          | 181,137          | 189,110          | 189,000          | 192,780            | 196,636            | 200,569            | 204,580            |
| Recreational Facilities - Marina - Okanagan            | -                | -                | -                | 2,112            | -                | -                  | -                  | -                  | -                  |
| Recreational Facilities - Marina - Skaha               | 667              | 11,986           | -                | 1,650            | -                | -                  | -                  | -                  | -                  |
| Recreational Facilities - McLaren Arena                | 394,930          | 360,867          | 318,158          | 348,875          | 341,250          | 348,075            | 355,036            | 362,137            | 369,380            |
| Recreational Facilities - Mobile Concession/Washroom   | 25,459           | 12,189           | 24,561           | 11,700           | 21,000           | 21,420             | 21,848             | 22,285             | 22,731             |
| Recreational Facilities - 675 Marina Way Bldg          | 2,159            | 335              | 6,639            | 1,850            | 6,500            | 6,630              | 6,763              | 6,898              | 7,036              |
| Recreational Facilities - New Wine/visitor Info Centre | 34,521           | 2,510            | -                | -                | -                | -                  | -                  | -                  | -                  |
| Recreational Facilities - Sicamous Boathouse           | 2,794            | 3,004            | 1,200            | 3,650            | 3,700            | 3,774              | 3,849              | 3,926              | 4,005              |
| Recreational Facilities - Walking Pier                 | 4,319            | 4,259            | 7,631            | 3,175            | 9,000            | 9,180              | 9,364              | 9,551              | 9,742              |
| Recreational Facilities - Westminster Centre           | 16,492           | 21,473           | 24,297           | 29,275           | 27,200           | 27,744             | 28,299             | 28,865             | 29,442             |
| Non-Recreational Facilities - Property Taxes           | 23,752           | 35,013           | 34,600           | 33,565           | 38,050           | 38,812             | 39,590             | 40,383             | 41,193             |
| <b>Net Operating Expense</b>                           | <b>3,060,998</b> | <b>3,316,872</b> | <b>3,094,120</b> | <b>3,422,642</b> | <b>3,172,000</b> | <b>3,231,685</b>   | <b>3,292,573</b>   | <b>3,354,689</b>   | <b>3,418,056</b>   |

## Facilities - Capital Budget

|                                                 | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Art Gallery Structural                          | 5,000            | -                  | -                  | -                  | -                  |
| City Yards- Roof Replacement                    | -                | -                  | 20,000             | 250,000            | 200,000            |
| City Hall - Misc. Renovations                   | 38,000           | -                  | -                  | -                  | -                  |
| City Hall - Mechanical & Envelope               | 300,000          | 1,170,000          | -                  | -                  | -                  |
| City Hall - Furniture                           | 25,000           | -                  | -                  | -                  | -                  |
| Community Centre - Emergency Generator          | 75,000           | -                  | -                  | -                  | -                  |
| Community Centre - Door Replacements            | -                | 20,000             | -                  | -                  | -                  |
| Library/Museum - Mechanical                     | 25,000           | 150,000            | 150,000            | 150,000            | 150,000            |
| McLaren Arena - Roofing                         | -                | -                  | 260,000            | -                  | -                  |
| McLaren Arena - Refrigeration                   | 15,000           | 1,075,000          | -                  | -                  | -                  |
| Memorial Arena New Roof                         | 500,000          | -                  | -                  | -                  | -                  |
| Memorial Arena Upgrades                         | -                | 310,000            | 1,025,000          | 150,000            | 450,000            |
| Penticton Trade & Convention Centre Mechanical  | -                | 148,750            | 150,000            | 250,000            | -                  |
| RCMP Office/Furniture Upgrades                  | 72,000           | 85,000             | 85,000             | 85,000             | 10,000             |
| Recreation Capital                              | 26,500           | 20,000             | 20,000             | 20,000             | 20,000             |
| SOEC Parking Upgrades & LED Lighting            | 190,000          | 100,000            | -                  | -                  | -                  |
| Penticton Trade & Convention Centre Upgrades    | 380,000          | 663,625            | 439,000            | 300,000            | 330,000            |
| Dog Shelter Fence Repair                        | 18,500           | -                  | -                  | -                  | -                  |
| City Wide Security                              | 40,000           | 40,000             | 20,000             | -                  | -                  |
| Fire Station Dorm Room Upgrades                 | 7,500            | -                  | -                  | -                  | -                  |
| Gyro Bandshell Concrete Apron                   | 15,000           | -                  | -                  | -                  | -                  |
| OHTC - Spare Compressor                         | 50,000           | -                  | -                  | -                  | -                  |
| PEP Search & Rescue Power Distribution Upgrades | 10,000           | -                  | -                  | -                  | -                  |
| Bylaw/RCMP Building Renovations                 | 300,000          | -                  | -                  | -                  | -                  |
| Facilities Master Plan Projects                 | -                | 1,445,700          | 1,713,620          | 1,884,412          | 1,333,670          |
| Bus Barn Roof Repair                            | 80,000           | -                  | -                  | -                  | -                  |
| Skaha Marina Repairs                            | 50,000           | -                  | -                  | -                  | -                  |
| Okanagan Lake Washroom Upgrade                  | 10,000           | -                  | -                  | -                  | -                  |
| <b>Total Facilities Capital</b>                 | <b>2,232,500</b> | <b>5,228,075</b>   | <b>3,882,620</b>   | <b>3,089,412</b>   | <b>2,493,670</b>   |

## Human Resources

### Human Resources - Operating Budget

|                                      | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                   | 113,078        | 114,695        | 160,480        | 105,342          | 162,000        | 153,920            | 156,898            | 159,936            | 163,035            |
| Salaries and Benefits                | 480,369        | 512,803        | 509,610        | 498,249          | 556,080        | 567,202            | 578,545            | 590,116            | 601,919            |
| Legal                                | 24,367         | 81,553         | 15,000         | 66,150           | 35,000         | 35,700             | 36,414             | 37,142             | 37,885             |
| <b>Net Operating Expense</b>         | <b>617,814</b> | <b>709,052</b> | <b>685,090</b> | <b>669,742</b>   | <b>753,080</b> | <b>756,821</b>     | <b>771,858</b>     | <b>787,195</b>     | <b>802,839</b>     |
| <b>Internal Allocations In</b>       |                |                |                |                  |                |                    |                    |                    |                    |
| Logistics                            | -              | 153            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Information Technology               | 9,477          | 5,880          | 414            | 414              | 420            | 428                | 437                | 446                | 455                |
| Fleet                                | -              | -              | 5,500          | 5,500            | -              | -                  | -                  | -                  | -                  |
| Safety                               | 32,749         | 268,868        | 41,624         | 63,867           | 49,500         | 50,490             | 51,500             | 52,530             | 53,580             |
| <b>Total Internal Allocations In</b> | <b>42,225</b>  | <b>274,901</b> | <b>47,538</b>  | <b>69,781</b>    | <b>49,920</b>  | <b>50,918</b>      | <b>51,937</b>      | <b>52,975</b>      | <b>54,035</b>      |
| <b>Net Operating Expense</b>         | <b>660,039</b> | <b>983,952</b> | <b>732,629</b> | <b>739,523</b>   | <b>803,000</b> | <b>807,740</b>     | <b>823,795</b>     | <b>840,170</b>     | <b>856,874</b>     |

| <b>Outputs and Outcomes</b> | <b>2016<br/>Actual</b> | <b>2017<br/>Actual</b> | <b>2018<br/>Budget</b> | <b>2018<br/>Forecast</b> | <b>2019<br/>Budget</b> | <b>2020<br/>Projection</b> | <b>2021<br/>Projection</b> | <b>2022<br/>Projection</b> | <b>2023<br/>Projection</b> |
|-----------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Cost per capita             | 20.08                  | 29.93                  | 22.28                  | 22.49                    | 23.78                  | 23.93                      | 24.40                      | 24.89                      | 25.38                      |
| % of property tax           | 2.45%                  | 3.21%                  | 2.29%                  | 2.32%                    | 2.41%                  | 2.36%                      | 2.31%                      | 2.27%                      | 2.23%                      |

Change 2018 forecast to 2019 budget

\$ change 63,477

% change 8.58%

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                             | \$ change | % change |
|-----------------------------------------------------------------------------|-----------|----------|
| Staff vacancy in 2018 lowered 2018 expenses, position is now filled         | 16,610    | 2.246%   |
| New initiatives in 2019 such as implementing applicant tracking software    | 11,000    | 1.487%   |
| Union contracts will be negotiated in 2019, resulting in increased expenses | 30,000    | 4.057%   |
| Long service awards to be recognized in 2019                                | 5,000     | 0.676%   |

## Human Resources - Operating Budget by Project

|                                   | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Human Resources - general         | 461,200        | 517,324        | 588,930        | 566,749          | 635,680        | 637,173            | 649,917            | 662,915            | 676,173            |
| Labour relations                  | 32,308         | 83,294         | 50,600         | 63,530           | 67,500         | 68,850             | 70,227             | 71,632             | 73,064             |
| Employee assistance & recognition | 31,412         | 38,992         | 41,300         | 37,912           | 46,500         | 47,330             | 48,177             | 49,040             | 49,921             |
| Human Resources                   | 92,893         | 71,373         | 4,260          | 2,200            | 3,400          | 3,468              | 3,537              | 3,608              | 3,680              |
| Recoveries                        | -              | (1,931)        | -              | (650)            | -              | -                  | -                  | -                  | -                  |
| <b>Net Operating Expense</b>      | <b>617,814</b> | <b>709,052</b> | <b>685,090</b> | <b>669,742</b>   | <b>753,080</b> | <b>756,821</b>     | <b>771,858</b>     | <b>787,195</b>     | <b>802,839</b>     |

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## Information Technology

### Information Technology - Operating Budget

|                                       | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                    | 657,267          | 846,108          | 1,191,862        | 1,167,036        | 1,569,697        | 1,477,151          | 1,529,493          | 1,506,061          | 1,526,851          |
| Equipment Amortization                | 213,855          | 158,525          | 213,855          | 213,855          | 213,700          | 213,700            | 213,700            | 213,700            | 213,700            |
| Salaries and benefits                 | 675,684          | 722,243          | 822,664          | 794,500          | 807,500          | 829,680            | 854,043            | 880,893            | 910,581            |
| Total Operating Expense               | 1,546,805        | 1,726,877        | 2,228,381        | 2,175,391        | 2,590,897        | 2,520,531          | 2,597,236          | 2,600,654          | 2,651,132          |
| Recoveries                            | (43,761)         | (41,449)         | (62,202)         | (73,836)         | (57,370)         | (58,231)           | (59,104)           | (59,991)           | (60,890)           |
| <b>Net Operating Expense</b>          | <b>1,503,044</b> | <b>1,685,427</b> | <b>2,166,180</b> | <b>2,101,555</b> | <b>2,533,527</b> | <b>2,462,301</b>   | <b>2,538,132</b>   | <b>2,540,664</b>   | <b>2,590,241</b>   |
| <b>Internal Allocations Out</b>       |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| Corporate Administration              | 4,188            | 5,609            | 7,689            | 7,689            | 7,500            | 53,250             | 53,403             | 53,559             | 53,718             |
| Bylaw Enforcement                     | -                | 213              | 414              | 1,400            | 1,000            | 1,000              | 1,000              | 1,000              | 1,000              |
| Operations                            | -                | -                | -                | -                | 5,000            | 27,500             | 27,500             | 27,500             | 27,500             |
| Communications                        | -                | 8,728            | 15,000           | 12,840           | 13,000           | 13,260             | 13,525             | 13,796             | 14,072             |
| Electric Utility                      | 2,155            | 7,417            | 8,300            | 8,300            | 188,770          | 188,903            | 189,038            | 189,176            | 189,317            |
| Engineering                           | -                | -                | 1,020            | -                | 5,100            | 5,202              | 5,306              | 5,412              | 5,520              |
| Facilities                            | -                | (487)            | -                | -                | -                | -                  | -                  | -                  | -                  |
| Finance                               | 301              | 2,139            | 2,658            | 2,658            | 2,702            | 2,756              | 2,811              | 2,867              | 2,925              |
| Finance - Procurement                 | 3,712            | 8,209            | 8,200            | 15,000           | 57,700           | 23,700             | 24,700             | 25,700             | 26,700             |
| Revenue & Collections                 | 5,331            | 4,287            | 9,337            | 9,337            | 9,513            | 9,588              | 9,664              | 9,743              | 9,822              |
| Fire Services                         | 2,835            | 2,436            | 8,323            | 10,523           | 7,700            | 7,974              | 8,258              | 8,553              | 8,859              |
| Development Services                  | 7,538            | 9,189            | 6,958            | 10,000           | 7,530            | 7,681              | 7,834              | 7,991              | 8,151              |
| Human Resources                       | 9,477            | 5,880            | 414              | 414              | 420              | 428                | 437                | 446                | 455                |
| Museum                                | 349              | 465              | 2,500            | 1,000            | 2,500            | 2,550              | 2,601              | 2,653              | 2,706              |
| Storm Water                           | -                | -                | -                | -                | 20,000           | 20,000             | 20,000             | 20,000             | 20,000             |
| Fleet                                 | 4,232            | 3,076            | 6,426            | 6,426            | 6,555            | 6,686              | 6,819              | 6,956              | 7,095              |
| Public Works General                  | 2,943            | 2,819            | 5,940            | 5,940            | 5,940            | 5,940              | 5,940              | 5,940              | 5,940              |
| Recreation                            | 4,851            | 8,096            | 6,942            | 7,300            | 6,984            | 7,028              | 7,072              | 7,118              | 7,164              |
| Sewer                                 | 643              | 1,562            | 1,857            | 1,857            | 21,864           | 21,901             | 21,939             | 21,978             | 22,018             |
| Water                                 | 356              | 372              | 250              | 250              | 20,250           | 20,255             | 20,260             | 20,265             | 20,271             |
| <b>Total Internal Allocations Out</b> | <b>48,909</b>    | <b>70,009</b>    | <b>92,228</b>    | <b>100,935</b>   | <b>390,027</b>   | <b>425,601</b>     | <b>428,109</b>     | <b>430,652</b>     | <b>433,231</b>     |
| <b>Internal Allocations In</b>        |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| Finance - Procurement                 | 1,823            | 276              | -                | -                | -                | -                  | -                  | -                  | -                  |
| Fleet                                 | 5,500            | 5,500            | 5,500            | 5,500            | 5,500            | 5,500              | 5,500              | 5,500              | 5,500              |
| <b>Total Internal Allocations In</b>  | <b>7,323</b>     | <b>5,776</b>     | <b>5,500</b>     | <b>5,500</b>     | <b>5,500</b>     | <b>5,500</b>       | <b>5,500</b>       | <b>5,500</b>       | <b>5,500</b>       |
| <b>Total Operating Expense</b>        | <b>1,505,219</b> | <b>1,662,643</b> | <b>2,141,653</b> | <b>2,079,956</b> | <b>2,206,370</b> | <b>2,100,430</b>   | <b>2,174,627</b>   | <b>2,175,502</b>   | <b>2,223,401</b>   |
| <b>Outputs and Outcomes</b>           |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| <b>Net Operating Expense</b>          | <b>1,461,458</b> | <b>1,621,194</b> | <b>2,079,452</b> | <b>2,006,120</b> | <b>2,149,000</b> | <b>2,042,200</b>   | <b>2,115,523</b>   | <b>2,115,512</b>   | <b>2,162,510</b>   |
| Cost per capita                       | 44.45            | 49.31            | 63.25            | 61.02            | 63.65            | 60.49              | 62.66              | 62.66              | 64.05              |
| % of property tax                     | 5.43%            | 5.29%            | 6.49%            | 6.28%            | 6.44%            | 5.96%              | 5.94%              | 5.71%              | 5.62%              |
| Change 2018 forecast to 2019 budget   |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| \$ change                             | 142,880          |                  |                  |                  |                  |                    |                    |                    |                    |
| % change                              | 7.12%            |                  |                  |                  |                  |                    |                    |                    |                    |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                      | \$ change | % change |
|--------------------------------------------------------------------------------------|-----------|----------|
| Increase in GIS costs to capture Electrical Utility Initiative:                      | 180,470   | 9.00%    |
| Increase in allocations out to Electrical department as GIS is now centralized in IT | (180,470) | -9.00%   |
| Increase in allocations out to other departments                                     | (108,623) | -5.41%   |
| IT initiatives shifting to GIS initiatives in 2019                                   | (162,643) | -8.11%   |
| GIS Initiatives increasing in 2019 with new staff capacity                           | 205,064   | 10.22%   |
| New City website being developed in 2019                                             | 125,000   | 6.23%    |
| Increased software maintenance costs                                                 | 47,564    | 2.37%    |



## Information Technology - Operating Budget by Project

|                                  | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Information technology - general | 571,858          | 632,152          | 593,398          | 610,200          | 570,100          | 578,900            | 587,876            | 597,031            | 606,370            |
| Equipment maintenance and rental | 311,010          | 259,025          | 314,089          | 340,855          | 336,700          | 323,850            | 328,201            | 330,764            | 335,549            |
| Software maintenance             | 235,664          | 253,860          | 250,279          | 258,186          | 305,750          | 325,490            | 336,954            | 348,912            | 361,389            |
| Contract services                | 82,942           | 40,264           | 38,000           | 24,500           | 133,200          | 18,405             | 18,615             | 18,831             | 19,051             |
| Telephone and fax                | 165,918          | 170,918          | 152,600          | 169,250          | 145,500          | 142,800            | 139,076            | 135,783            | 133,883            |
| Training                         | 6,040            | 2,837            | 10,000           | 7,500            | 9,200            | 9,384              | 9,572              | 9,763              | 9,958              |
| IT Strategy                      | -                | 185,746          | 453,430          | 381,643          | 219,000          | 199,000            | 194,000            | 194,000            | 194,000            |
| GIS                              | -                | -                | 291,766          | 239,036          | 444,100          | 459,234            | 516,410            | 495,930            | 518,141            |
| Communications                   | -                | 8,728            | 15,000           | 12,840           | 13,000           | 13,260             | 13,525             | 13,796             | 14,072             |
| Operations - AMIP Software       | -                | -                | -                | -                | 5,000            | 27,500             | 27,500             | 27,500             | 27,500             |
| Information Technology           | 130,505          | 114,356          | 32,591           | 21,300           | 37,320           | 37,867             | 38,423             | 38,987             | 39,560             |
| Human Resources                  | 3,437            | 3,590            | 414              | 414              | 420              | 428                | 437                | 446                | 455                |
| Development Services             | 7,538            | 9,189            | 6,958            | 10,000           | 7,530            | 7,681              | 7,834              | 7,991              | 8,151              |
| Corporate Admin                  | 4,188            | 5,609            | 7,689            | 7,689            | 7,500            | 53,250             | 53,403             | 53,559             | 53,718             |
| Fire Hall 1 (Downtown)           | 2,835            | 2,436            | 8,323            | 8,323            | 7,700            | 7,974              | 8,258              | 8,553              | 8,859              |
| Water                            | 356              | 372              | 250              | 250              | 20,250           | 20,255             | 20,260             | 20,265             | 20,271             |
| Public Works                     | 2,943            | 2,819            | 5,940            | 5,940            | 5,940            | 5,940              | 5,940              | 5,940              | 5,940              |
| Engineering                      | -                | -                | 1,020            | -                | 5,100            | 5,202              | 5,306              | 5,412              | 5,520              |
| Waste Water                      | 643              | 1,562            | 1,857            | 1,857            | 41,864           | 41,901             | 41,939             | 41,978             | 42,018             |
| Finance - Revenue                | 5,331            | 4,287            | 9,337            | 9,337            | 9,513            | 9,588              | 9,664              | 9,743              | 9,822              |
| Finance - Accounting             | 301              | 2,139            | 2,658            | 2,658            | 2,702            | 2,756              | 2,811              | 2,867              | 2,925              |
| Finance - Logistics              | 3,712            | 8,209            | 8,200            | 15,000           | 57,700           | 23,700             | 24,700             | 25,700             | 26,700             |
| Facilities                       | -                | (487)            | -                | -                | -                | -                  | -                  | -                  | -                  |
| Museum                           | 349              | 465              | 2,500            | 1,000            | 2,500            | 2,550              | 2,601              | 2,653              | 2,706              |
| Recreation                       | 4,851            | 8,096            | 6,942            | 7,300            | 6,984            | 7,028              | 7,072              | 7,118              | 7,164              |
| Bylaw                            | -                | 213              | 414              | 1,400            | 1,000            | 1,000              | 1,000              | 1,000              | 1,000              |
| Public Works - Fleet             | 4,232            | 3,076            | 6,426            | 6,426            | 6,555            | 6,686              | 6,819              | 6,956              | 7,095              |
| Electric                         | 2,155            | 7,417            | 8,300            | 8,300            | 188,770          | 188,903            | 189,038            | 189,176            | 189,317            |
|                                  | 1,546,805        | 1,726,877        | 2,228,381        | 2,151,205        | 2,590,897        | 2,520,531          | 2,597,236          | 2,600,654          | 2,651,132          |
| Recoveries                       | (43,761)         | (41,449)         | (62,202)         | (49,650)         | (57,370)         | (58,231)           | (59,104)           | (59,991)           | (60,890)           |
| <b>Net Operating Expense</b>     | <b>1,503,044</b> | <b>1,685,427</b> | <b>2,166,180</b> | <b>2,101,555</b> | <b>2,533,527</b> | <b>2,462,301</b>   | <b>2,538,132</b>   | <b>2,540,664</b>   | <b>2,590,241</b>   |

Information Technology - Capital Budget

|                                                  | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Information Technology - Hardware                | 320,000        | 216,000            | 191,000            | 166,000            | 161,000            |
| Cleland Theatre Sound/Lighting Upgrades          | -              | 10,000             | 10,000             | 10,000             | 10,000             |
| Information Technology - Infrastructure          | 165,000        | 100,000            | 75,000             | 50,000             | 25,000             |
| Information Technology - Software                | 100,000        | 524,000            | 148,200            | 612,610            | 167,241            |
| Information Technology - GIS                     | 196,014        | 145,832            | 109,457            | 114,789            | 76,570             |
| Service Management Implementation                | 75,000         | 300,000            | 225,000            | -                  | -                  |
| IT Capital - SOEC/PTCC                           | 75,000         | 678,000            | 100,000            | 100,000            | 100,000            |
| <b>Total IT Capital</b>                          | <b>931,014</b> | <b>1,973,832</b>   | <b>858,657</b>     | <b>1,053,399</b>   | <b>539,811</b>     |
| <b>Allocation out to Electric Utility</b>        |                |                    |                    |                    |                    |
| GIS Implementation & Conversion                  | 50,000         | -                  | -                  | -                  | -                  |
| <b>Total IT Capital Including Allocation Out</b> | <b>981,014</b> | <b>1,973,832</b>   | <b>858,657</b>     | <b>1,053,399</b>   | <b>539,811</b>     |

## Protective Services Segment

### Protective Services Segment Summary

|                              | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Revenue</b>               |                |                |                |                  |                |                    |                    |                    |                    |
| Dog Control                  | (99,108)       | (94,151)       | (78,369)       | (93,349)         | (94,400)       | (96,288)           | (98,214)           | (100,178)          | (102,182)          |
| Building and License         | (2,379,090)    | (2,481,120)    | (1,662,500)    | (1,938,775)      | (1,773,500)    | (1,683,170)        | (1,588,413)        | (1,604,269)        | (1,620,781)        |
| Bylaw Enforcement            | (558,966)      | (598,967)      | (573,450)      | (498,815)        | (590,956)      | (602,773)          | (614,827)          | (627,122)          | (639,663)          |
| Fire Services                | (460,116)      | (771,029)      | (621,985)      | (790,765)        | (600,985)      | (600,985)          | (600,985)          | (600,985)          | (600,985)          |
| RCMP                         | (490,452)      | (548,820)      | (518,730)      | (542,995)        | (501,029)      | (471,833)          | (476,139)          | (480,530)          | (485,007)          |
|                              | (3,987,732)    | (4,494,087)    | (3,455,034)    | (3,864,699)      | (3,560,870)    | (3,455,049)        | (3,378,578)        | (3,413,084)        | (3,448,617)        |
| <b>Expenses</b>              |                |                |                |                  |                |                    |                    |                    |                    |
| Dog Control                  | 108,056        | 106,711        | 109,690        | 112,490          | 132,290        | 134,936            | 137,634            | 140,387            | 143,195            |
| Building and License         | 736,587        | 727,459        | 1,087,149      | 972,447          | 1,245,176      | 1,158,586          | 1,177,504          | 1,196,954          | 1,216,963          |
| Bylaw Services               | 404,861        | 446,599        | 637,147        | 696,068          | 848,639        | 831,884            | 845,395            | 859,175            | 873,231            |
| Fire Services                | 5,210,356      | 6,033,641      | 5,929,259      | 6,231,636        | 6,377,729      | 6,561,559          | 6,759,932          | 6,952,963          | 7,150,766          |
| RCMP                         | 8,739,198      | 9,012,466      | 9,316,974      | 8,891,462        | 9,903,179      | 10,529,925         | 10,889,814         | 11,340,920         | 11,653,927         |
|                              | 15,199,058     | 16,326,876     | 17,080,219     | 16,904,103       | 18,507,013     | 19,216,890         | 19,810,280         | 20,490,400         | 21,038,082         |
| <b>Net Operating Expense</b> | 11,211,326     | 11,832,788     | 13,625,185     | 13,039,403       | 14,946,144     | 15,761,841         | 16,431,701         | 17,077,316         | 17,589,465         |
| <b>Cost per Capita</b>       | 341            | 360            | 414            | 397              | 443            | 467                | 487                | 506                | 521                |
| <b>% of Property Taxes</b>   | 41.63%         | 38.58%         | 42.54%         | 40.83%           | 44.79%         | 46.00%             | 46.13%             | 46.13%             | 45.71%             |

## Dog Control

### Dog Control - Operating Budget by Project

|                                 | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Operations by Project</b>    |                |                |                |                  |                |                    |                    |                    |                    |
| House Rental                    | 14,400         | 14,400         | 15,000         | 15,000           | 15,000         | 15,300             | 15,606             | 15,918             | 16,236             |
| Tags and Supplies               | 1,339          | 1,798          | 1,700          | 4,500            | 1,700          | 1,734              | 1,769              | 1,804              | 1,840              |
| Brochures                       | -              | 853            | 250            | 250              | 250            | 255                | 260                | 265                | 271                |
| Commission to SPCA for tag sale | 540            | 507            | 540            | 540              | 540            | 551                | 562                | 573                | 585                |
| Officer contract                | 87,472         | 89,046         | 90,000         | 90,000           | 100,000        | 102,000            | 104,040            | 106,121            | 108,243            |
| Uniforms and ID Badges          | 895            | 46             | 1,000          | 1,000            | 1,000          | 1,020              | 1,040              | 1,061              | 1,082              |
| Seminars                        | 383            | -              | 1,000          | 1,000            | 1,000          | 1,020              | 1,040              | 1,061              | 1,082              |
| Office Supplies                 | -              | -              | 200            | 200              | 200            | 204                | 208                | 212                | 216                |
| <b>Total Expense</b>            | <b>105,028</b> | <b>106,651</b> | <b>109,690</b> | <b>112,490</b>   | <b>119,690</b> | <b>122,084</b>     | <b>124,525</b>     | <b>127,016</b>     | <b>129,556</b>     |
| Dogs - Ticketing Revenue        | (7,005)        | (1,855)        | (3,000)        | (5,505)          | (4,000)        | (4,080)            | (4,162)            | (4,245)            | (4,330)            |
| Dog Licences                    | (81,703)       | (81,896)       | (64,969)       | (77,444)         | (80,000)       | (81,600)           | (83,232)           | (84,897)           | (86,595)           |
| Dog Kennels                     | (10,400)       | (10,400)       | (10,400)       | (10,400)         | (10,400)       | (10,608)           | (10,820)           | (11,037)           | (11,257)           |
| <b>Net Operating Expense</b>    | <b>5,920</b>   | <b>12,500</b>  | <b>31,321</b>  | <b>19,141</b>    | <b>25,290</b>  | <b>25,796</b>      | <b>26,312</b>      | <b>26,838</b>      | <b>27,375</b>      |

#### Internal Allocations In

|                                      |              |           |          |          |               |               |               |               |               |
|--------------------------------------|--------------|-----------|----------|----------|---------------|---------------|---------------|---------------|---------------|
| Facilities                           | -            | -         | -        | -        | 12,600        | 12,852        | 13,109        | 13,371        | 13,639        |
| Finance - Procurement                | 3,028        | 60        | -        | -        | -             | -             | -             | -             | -             |
| <b>Total Internal Allocations In</b> | <b>3,028</b> | <b>60</b> | <b>-</b> | <b>-</b> | <b>12,600</b> | <b>12,852</b> | <b>13,109</b> | <b>13,371</b> | <b>13,639</b> |

|                  |          |          |          |          |          |          |          |           |           |
|------------------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|
| Add back Revenue | (99,108) | (94,151) | (78,369) | (93,349) | (94,400) | (96,288) | (98,214) | (100,178) | (102,182) |
|------------------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|

|                                |                |                |                |                |                |                |                |                |                |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Total Operating Expense</b> | <b>108,056</b> | <b>106,711</b> | <b>109,690</b> | <b>112,490</b> | <b>132,290</b> | <b>134,936</b> | <b>137,634</b> | <b>140,387</b> | <b>143,195</b> |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

| Outputs and Outcomes         | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Operating Expense</b> | <b>8,948</b>   | <b>12,560</b>  | <b>31,321</b>  | <b>19,141</b>    | <b>37,890</b>  | <b>38,648</b>      | <b>39,421</b>      | <b>40,209</b>      | <b>41,013</b>      |
| Cost per capita              | 0.27           | 0.38           | 0.95           | 0.58             | 1.12           | 1.14               | 1.17               | 1.19               | 1.21               |
| % of property tax            | 0.03%          | 0.04%          | 0.10%          | 0.06%            | 0.11%          | 0.11%              | 0.11%              | 0.11%              | 0.11%              |

Change 2018 forecast to 2019 budget

|           |        |
|-----------|--------|
| \$ change | 18,749 |
| % change  | 97.95% |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|  | \$ change | % change |
|--|-----------|----------|
|--|-----------|----------|

|                                                                               |        |        |
|-------------------------------------------------------------------------------|--------|--------|
| Officer contract negotiated in fall of 2018, price increase reflected in 2019 | 10,000 | 52.24% |
| Facilities department allocating in costs to run facility                     | 12,600 | 65.83% |

|                              | 2015  | 2016  | 2017  | 2018  |
|------------------------------|-------|-------|-------|-------|
| Dog Tags sold                | 2,344 | 2,147 | 2,500 | 2,900 |
| Bylaw offense notices issued | 174   | 211   | 132   | 100   |
| Number of dogs impounded     | 152   | 147   | 132   | 160   |
| Complaint files opened       | 402   | 232   | 200   | 849   |

## Building and License

### Building and License - Operating Budget

|                                         | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-----------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Operations by Object</b>             |                |                |                |                  |                |                    |                    |                    |                    |
| Goods and Services                      | 43,959         | 30,023         | 312,150        | 160,547          | 206,800        | 105,006            | 108,416            | 112,048            | 115,923            |
| Salaries and Benefits                   | 673,228        | 673,916        | 758,499        | 795,000          | 916,376        | 931,580            | 947,088            | 962,906            | 979,041            |
| Total Expenses                          | 717,187        | 703,939        | 1,070,649      | 955,547          | 1,123,176      | 1,036,586          | 1,055,504          | 1,074,954          | 1,094,963          |
| Revenues                                | (2,379,090)    | (2,481,120)    | (1,662,500)    | (1,938,775)      | (1,773,500)    | (1,683,170)        | (1,588,413)        | (1,604,269)        | (1,620,781)        |
| <b>Net Operating Surplus</b>            | (1,661,903)    | (1,777,181)    | (591,851)      | (983,228)        | (650,324)      | (646,584)          | (532,909)          | (529,315)          | (525,818)          |
| <b>Operations by Project - Building</b> |                |                |                |                  |                |                    |                    |                    |                    |
| Salaries and Benefits                   | 610,549        | 560,049        | 636,499        | 650,000          | 744,796        | 757,168            | 769,788            | 782,660            | 795,790            |
| Bylaw Consultation                      | 4,125          | 7,712          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Permit Modernization Project            | -              | -              | 150,000        | 75,000           | 65,000         | 20,000             | 20,000             | 20,000             | 20,000             |
| Remedial Action                         | 4,799          | 1,595          | 25,000         | 12,229           | 25,000         | 25,500             | 26,010             | 26,530             | 27,061             |
| Goods and Services                      | 30,899         | 19,146         | 30,650         | 36,677           | 44,800         | 47,066             | 49,517             | 52,172             | 55,048             |
|                                         | 650,372        | 588,503        | 842,149        | 773,906          | 879,596        | 849,734            | 865,315            | 881,362            | 897,899            |
| Revenues                                | (1,864,450)    | (1,925,168)    | (1,085,000)    | (1,361,400)      | (1,185,000)    | (1,080,100)        | (970,202)          | (970,306)          | (970,412)          |
| <b>Net Building by Project</b>          | (1,214,078)    | (1,336,665)    | (242,851)      | (587,494)        | (305,404)      | (230,366)          | (104,887)          | (88,944)           | (72,513)           |
| <b>Licensing</b>                        |                |                |                |                  |                |                    |                    |                    |                    |
| Salaries and Benefits                   | 62,680         | 113,866        | 122,000        | 125,000          | 151,580        | 154,612            | 157,704            | 160,858            | 164,075            |
| Business Lic. Modernization Project     | -              | -              | 100,000        | 50,000           | 70,000         | 10,000             | 10,000             | 10,000             | 10,000             |
| Liquor License                          | 800            | -              | -              | 750              | -              | -                  | -                  | -                  | -                  |
| Goods and Services                      | 1,921          | 1,359          | 1,500          | 2,000            | 12,000         | 12,240             | 12,485             | 12,734             | 12,989             |
| Bylaw Research and Consultation         | 1,415          | 211            | 5,000          | 3,891            | 10,000         | 10,000             | 10,000             | 10,000             | 10,000             |
|                                         | 66,816         | 115,436        | 228,500        | 181,641          | 243,580        | 186,852            | 190,189            | 193,592            | 197,064            |
| Revenues                                | (514,640)      | (555,952)      | (577,500)      | (577,375)        | (588,500)      | (603,070)          | (618,211)          | (633,963)          | (650,369)          |
| <b>Net Licensing by Project</b>         | (447,825)      | (440,516)      | (349,000)      | (395,734)        | (344,920)      | (416,218)          | (428,023)          | (440,371)          | (453,305)          |
| <b>Net Building and Licence</b>         | (1,661,903)    | (1,777,181)    | (591,851)      | (983,228)        | (650,324)      | (646,584)          | (532,909)          | (529,315)          | (525,818)          |
| <b>Internal Allocations In</b>          |                |                |                |                  |                |                    |                    |                    |                    |
| Communications                          | -              | 4,271          | -              | 400              | -              | -                  | -                  | -                  | -                  |
| Finance - procurement                   | 150            | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Fire                                    | -              | -              | -              | -                | 100,000        | 100,000            | 100,000            | 100,000            | 100,000            |
| Fleet                                   | 19,250         | 19,250         | 16,500         | 16,500           | 22,000         | 22,000             | 22,000             | 22,000             | 22,000             |
| <b>Total Internal Allocations In</b>    | 19,400         | 23,521         | 16,500         | 16,900           | 122,000        | 122,000            | 122,000            | 122,000            | 122,000            |
| Add back Revenue                        | (2,379,090)    | (2,481,120)    | (1,662,500)    | (1,938,775)      | (1,773,500)    | (1,683,170)        | (1,588,413)        | (1,604,269)        | (1,620,781)        |
| <b>Total Operating Expense</b>          | 736,587        | 727,459        | 1,087,149      | 972,447          | 1,245,176      | 1,158,586          | 1,177,504          | 1,196,954          | 1,216,963          |
| <b>Outputs and Outcomes</b>             |                |                |                |                  |                |                    |                    |                    |                    |
| <b>Net Operating Surplus</b>            | (1,642,503)    | (1,753,661)    | (575,351)      | (966,328)        | (528,324)      | (524,584)          | (410,909)          | (407,315)          | (403,818)          |
| Cost per capita                         | - 49.96        | - 53.34        | - 17.50        | - 29.39          | - 15.65        | - 15.54            | - 12.17            | - 12.06            | - 11.96            |
| % of property tax                       | -6.10%         | -5.72%         | -1.80%         | -3.03%           | -1.58%         | -1.53%             | -1.15%             | -1.10%             | -1.05%             |

Change Budget forecast to Budget budget

\$ change 438,004

% change -45.33%

Changes in net operating budget from Budget forecast to Budget are primarily due to:

|                                                                                        | \$ change | % change |
|----------------------------------------------------------------------------------------|-----------|----------|
| Fire Department starting to allocate costs of performing building inspections in 2019  | 100,000   | -10.35%  |
| Anticipating less Building Permit Revenues in 2019                                     | 175,000   | -18.11%  |
| Increased license modernization project budget in 2019                                 | 20,000    | -2.07%   |
| Staff wages reflected in projects in 2019, were classified as goods & services in 2018 | 60,000    | -6.21%   |
| Staff priority restructuring, certification and contractual union labour increase      | 61,376    | -6.35%   |



## Bylaw Services

### Bylaw Services - Operating Budget

|                                | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services             | 73,223         | 75,556         | 172,937        | 123,717          | 150,650        | 122,123            | 123,626            | 125,158            | 126,721            |
| Salaries and benefits          | 320,125        | 364,811        | 449,096        | 556,250          | 669,489        | 680,711            | 692,158            | 703,834            | 715,743            |
| Total Expenses                 | 393,347        | 440,367        | 622,033        | 679,968          | 820,139        | 802,834            | 815,784            | 828,992            | 842,464            |
| Revenues                       | (558,966)      | (598,967)      | (573,450)      | (498,815)        | (590,956)      | (602,773)          | (614,827)          | (627,122)          | (639,663)          |
| <b>Net Operating Surplus</b>   | (165,618)      | (158,601)      | 48,583         | 181,153          | 229,184        | 200,061            | 200,957            | 201,870            | 202,801            |
| <b>Internal Allocations In</b> |                |                |                |                  |                |                    |                    |                    |                    |
| Finance - Procurement          | 3,264          | 519            | -              | -                | -              | -                  | -                  | -                  | -                  |
| IT - printing                  | -              | 213            | 414            | 1,400            | 1,000          | 1,000              | 1,000              | 1,000              | 1,000              |
| PW - fleet                     | 8,250          | 5,500          | 14,700         | 14,700           | 27,500         | 28,050             | 28,611             | 29,183             | 29,767             |
| <b>Total Allocations In</b>    | 11,514         | 6,232          | 15,114         | 16,100           | 28,500         | 29,050             | 29,611             | 30,183             | 30,767             |
| Add back Revenue               | (558,966)      | (598,967)      | (573,450)      | (498,815)        | (590,956)      | (602,773)          | (614,827)          | (627,122)          | (639,663)          |
| <b>Total Operating Expense</b> | 404,861        | 446,599        | 637,147        | 696,068          | 848,639        | 831,884            | 845,395            | 859,175            | 873,231            |

| Outputs and Outcomes                | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Operating Expense</b>        | (154,104)      | (152,369)      | 63,697         | 197,253          | 257,684        | 229,111            | 230,568            | 232,053            | 233,568            |
| Cost per capita                     | - 4.69         | - 4.63         | 1.94           | 6.00             | 7.63           | 6.79               | 6.83               | 6.87               | 6.92               |
| % of property tax                   | -0.57%         | -0.50%         | 0.20%          | 0.62%            | 0.77%          | 0.67%              | 0.65%              | 0.63%              | 0.61%              |
| Change 2018 forecast to 2019 budget |                |                |                |                  |                |                    |                    |                    |                    |
| \$ change                           |                |                |                |                  | 60,431         |                    |                    |                    |                    |
| % change                            |                |                |                |                  | 30.64%         |                    |                    |                    |                    |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                     | \$ change | % change |
|-----------------------------------------------------|-----------|----------|
| Increased bylaw officer presence                    | 113,239   | 57.41%   |
| Expected revenue Increase due to increased presence | (92,141)  | -46.71%  |
| Increase in seasonal security                       | 27,000    | 13.69%   |
| New lease fee for new bylaw space                   | 30,000    | 15.21%   |
| Decrease in uniform purchases budget                | (14,750)  | -7.48%   |

Bylaw Services - Operating Budget by Project

|                             | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-----------------------------|------------------|------------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| General Bylaw               | 199,530          | 200,616          | 270,896        | 305,250          | 319,019        | 291,732            | 294,499            | 297,321            | 300,200            |
| Training/Support Costs      | 16,126           | 17,103           | 4,940          | 6,900            | 6,400          | 6,488              | 6,578              | 6,669              | 6,763              |
| Parking meters              | 2,668            | 4,159            | 2,700          | 12,200           | 2,700          | 2,754              | 2,809              | 2,865              | 2,923              |
| Equipment                   | 21,513           | 18,926           | 24,695         | 18,440           | 18,000         | 18,360             | 18,727             | 19,102             | 19,484             |
| Uniforms and supplies       | 1,414            | 2,708            | 5,500          | 21,750           | 6,500          | 6,630              | 6,763              | 6,898              | 7,036              |
| Monthly Parking             | 3,363            | 6,842            | 5,900          | 15,427           | 9,050          | 9,231              | 9,416              | 9,604              | 9,796              |
| Bylaw Enforcement Operation | 147,919          | 190,014          | 300,901        | 300,000          | 451,470        | 460,500            | 469,710            | 479,104            | 488,686            |
|                             | 392,533          | 440,367          | 615,533        | 679,968          | 813,139        | 795,694            | 808,501            | 821,563            | 834,887            |
| Revenue                     | (558,151)        | (598,967)        | (566,950)      | (498,815)        | (583,956)      | (595,633)          | (607,544)          | (619,693)          | (632,086)          |
| <b>Operating Surplus</b>    | <b>(165,618)</b> | <b>(158,600)</b> | <b>48,583</b>  | <b>181,153</b>   | <b>229,184</b> | <b>200,061</b>     | <b>200,957</b>     | <b>201,870</b>     | <b>202,801</b>     |

## Fire Services

### Fire Services - Operating Budget

|                              | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Operational Costs            | 261,083          | 331,788          | 451,925          | 411,730          | 383,439          | 388,318            | 393,302            | 398,393            | 403,595            |
| Equipment Amortization       | 46,250           | 36,865           | 46,250           | 46,250           | 46,250           | 46,250             | 46,250             | 46,250             | 46,250             |
| Salaries and Benefits        | 4,621,717        | 5,336,152        | 5,130,137        | 5,430,633        | 5,535,940        | 5,711,030          | 5,900,475          | 6,084,386          | 6,272,874          |
| Total Operating Expense      | 4,929,050        | 5,704,805        | 5,628,312        | 5,888,613        | 5,965,629        | 6,145,597          | 6,340,026          | 6,529,029          | 6,722,719          |
| Recoveries                   | (459,616)        | (684,410)        | (611,985)        | (780,765)        | (600,985)        | (600,985)          | (600,985)          | (600,985)          | (600,985)          |
| Grant & Donations            | (500)            | (86,619)         | (10,000)         | (10,000)         | -                | -                  | -                  | -                  | -                  |
| <b>Net Operating Expense</b> | <b>4,468,934</b> | <b>4,933,776</b> | <b>5,006,327</b> | <b>5,097,847</b> | <b>5,364,644</b> | <b>5,544,612</b>   | <b>5,739,041</b>   | <b>5,928,044</b>   | <b>6,121,734</b>   |

#### Internal Allocations In

|                                     |                |                |                |                |                |                |                |                |                |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Corporate Admin                     | 57             | -              | -              | -              | -              | -              | -              | -              | -              |
| Facilities                          | -              | -              | -              | -              | 171,900        | 175,338        | 178,845        | 182,422        | 186,070        |
| Procurement - Fire Hall 1           | 480            | -              | -              | -              | -              | -              | -              | -              | -              |
| IT - Fire Services                  | -              | -              | 8,323          | 10,523         | 7,700          | 7,974          | 8,258          | 8,553          | 8,859          |
| IT - Implement FDM software         | 2,835          | 2,436          | -              | -              | -              | -              | -              | -              | -              |
| Fleet                               | 272,965        | 326,184        | 285,000        | 325,000        | 325,000        | 325,000        | 325,000        | 325,000        | 325,000        |
| HR Safety                           | 4,969          | 217            | 7,624          | 7,500          | 7,500          | 7,650          | 7,803          | 7,959          | 8,118          |
| <b>Total Internal Allocation In</b> | <b>281,306</b> | <b>328,836</b> | <b>300,947</b> | <b>343,023</b> | <b>512,100</b> | <b>515,962</b> | <b>519,906</b> | <b>523,934</b> | <b>528,048</b> |

#### Internal Allocations Out

|                     |   |   |   |   |         |         |         |         |         |
|---------------------|---|---|---|---|---------|---------|---------|---------|---------|
| Building Department | - | - | - | - | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
|---------------------|---|---|---|---|---------|---------|---------|---------|---------|

|                  |           |           |           |           |           |           |           |           |           |
|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Add back Revenue | (460,116) | (771,029) | (621,985) | (790,765) | (600,985) | (600,985) | (600,985) | (600,985) | (600,985) |
|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

|                                |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Total Operating Expense</b> | <b>5,210,356</b> | <b>6,033,641</b> | <b>5,929,259</b> | <b>6,231,636</b> | <b>6,377,729</b> | <b>6,561,559</b> | <b>6,759,932</b> | <b>6,952,963</b> | <b>7,150,766</b> |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|

| Outputs and Outcomes         | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Operation Expense</b> | <b>4,750,240</b> | <b>5,262,612</b> | <b>5,307,274</b> | <b>5,440,871</b> | <b>5,776,744</b> | <b>5,960,574</b>   | <b>6,158,947</b>   | <b>6,351,978</b>   | <b>6,549,781</b>   |
| Cost per capita              | 144.49           | 160.07           | 161.43           | 165.49           | 171.11           | 176.55             | 182.43             | 188.15             | 194.00             |
| % of property tax            | 17.64%           | 17.16%           | 16.57%           | 17.04%           | 17.31%           | 17.39%             | 17.29%             | 17.16%             | 17.02%             |

Change 2018 forecast to 2019 budget

\$ change 335,873

% change 6.17%

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                  | \$ change | % change |
|----------------------------------------------------------------------------------|-----------|----------|
| Facilities area allocating costs for fire buildings                              | 171,900   | 3.16%    |
| Increase in union labour contractual obligations                                 | 149,257   | 2.74%    |
| Standby pay budgeted for full year in 2019, was introduced half way through 2018 | 27,262    | 0.50%    |
| PIB and West bench revenue higher than expected in 2018                          | 47,529    | 0.87%    |
| Fire department allocating time to support building permits                      | (100,000) | -1.84%   |

## Fire Services - Operating Budget by Project

|                              | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Communications               | 8,763            | 12,981           | 14,407           | 14,838           | 9,200            | 9,384              | 9,572              | 9,763              | 9,958              |
| Depreciation                 | 46,250           | 36,865           | 46,250           | 46,250           | 46,250           | 46,250             | 46,250             | 46,250             | 46,250             |
| Emergency Training Centre    | 11,437           | 36,365           | 20,883           | 16,871           | 21,800           | 22,236             | 22,681             | 23,134             | 23,597             |
| Incidental Fire Expenses     | 4,845            | 4,537            | 3,499            | 2,200            | 3,600            | 3,672              | 3,745              | 3,820              | 3,897              |
| Wages, Benefits & Standby    | 4,681,801        | 5,303,005        | 5,178,154        | 5,447,985        | 5,655,940        | 5,831,030          | 6,020,475          | 6,204,386          | 6,392,874          |
| PEP Building                 | 3,974            | 10,166           | 7,718            | 10,825           | 8,000            | 8,160              | 8,323              | 8,490              | 8,659              |
| Grant Expenditures           | -                | -                | 160,500          | 155,464          | 24,000           | 24,000             | 24,000             | 24,000             | 24,000             |
| Prevention                   | 12,524           | 29,712           | 13,943           | 25,025           | 10,200           | 10,389             | 10,582             | 10,778             | 10,979             |
| Training Costs               | 69,862           | 77,506           | 43,798           | 44,385           | 63,164           | 64,427             | 65,716             | 67,030             | 68,371             |
| Uniform & Safety Equipment   | 72,822           | 97,306           | 129,160          | 120,641          | 123,475          | 126,049            | 128,683            | 131,377            | 134,134            |
|                              | 4,912,278        | 5,608,443        | 5,618,312        | 5,884,484        | 5,965,629        | 6,145,597          | 6,340,026          | 6,529,029          | 6,722,719          |
| Donations                    | (500)            | (86,619)         | (10,000)         | (10,000)         | -                | -                  | -                  | -                  | -                  |
| Recoveries                   | (442,844)        | (588,048)        | (601,985)        | (776,636)        | (600,985)        | (600,985)          | (600,985)          | (600,985)          | (600,985)          |
| <b>Net Operating Expense</b> | <b>4,468,934</b> | <b>4,933,776</b> | <b>5,006,327</b> | <b>5,097,847</b> | <b>5,364,644</b> | <b>5,544,612</b>   | <b>5,739,041</b>   | <b>5,928,044</b>   | <b>6,121,734</b>   |

Fire Services - Capital Budget

|                                    | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Fire Hose Replacement Program      | -              | 12,800             | 13,600             | 14,200             | 15,000             |
| Protective Clothing                | 80,500         | 34,000             | 34,500             | 35,000             | 35,500             |
| Classroom Furnishings/Audio Visual | 10,000         | 10,500             | 11,000             | 11,500             | 12,000             |
| SCBA Equipment                     | 310,000        | -                  | -                  | -                  | -                  |
| Equipment Replacement              | 42,000         | 43,000             | 44,000             | 45,000             | 46,000             |
| <b>Total Fire Capital</b>          | <b>442,500</b> | <b>100,300</b>     | <b>103,100</b>     | <b>105,700</b>     | <b>108,500</b>     |



## RCMP

## RCMP - Operating Budget

|                                     | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                  | 69,609           | 72,932           | 101,774          | 179,314          | 115,350          | 106,571            | 106,795            | 107,022            | 107,252            |
| Policing Agreement                  | 7,028,967        | 7,284,879        | 7,413,760        | 7,002,717        | 7,737,010        | 8,347,104          | 8,751,143          | 9,161,602          | 9,433,151          |
| Salaries and Benefits               | 1,624,151        | 1,642,669        | 1,787,864        | 1,696,932        | 1,763,419        | 1,785,000          | 1,820,699          | 1,857,113          | 1,894,255          |
| Total Operating Expense             | 8,722,727        | 9,000,480        | 9,303,398        | 8,878,962        | 9,615,779        | 10,238,675         | 10,678,637         | 11,125,737         | 11,434,658         |
| Revenue                             | (490,452)        | (548,820)        | (518,730)        | (542,995)        | (501,029)        | (471,833)          | (476,139)          | (480,530)          | (485,007)          |
| <b>Net Operating Expense</b>        | <b>8,232,275</b> | <b>8,451,661</b> | <b>8,784,668</b> | <b>8,335,967</b> | <b>9,114,750</b> | <b>9,766,842</b>   | <b>10,202,498</b>  | <b>10,645,207</b>  | <b>10,949,652</b>  |
| <b>Internal Allocations In</b>      |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| Facilities                          | -                | -                | -                | -                | 189,900          | 193,700            | 197,576            | 201,530            | 205,562            |
| Finance - Debt Interest             | -                | -                | -                | -                | 84,000           | 84,000             | -                  | -                  | -                  |
| Finance - procurement               | 845              | 814              | -                | -                | -                | -                  | -                  | -                  | -                  |
| Fleet                               | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000             | 11,000             | 11,000             | 11,000             |
| Safety                              | 4,627            | 171              | 2,576            | 1,500            | 2,500            | 2,550              | 2,601              | 2,653              | 2,706              |
| <b>Total Internal Allocation In</b> | <b>16,471</b>    | <b>11,985</b>    | <b>13,576</b>    | <b>12,500</b>    | <b>287,400</b>   | <b>291,250</b>     | <b>211,177</b>     | <b>215,183</b>     | <b>219,268</b>     |
| Add back Revenue                    | (490,452)        | (548,820)        | (518,730)        | (542,995)        | (501,029)        | (471,833)          | (476,139)          | (480,530)          | (485,007)          |
| <b>Total Operating Expense</b>      | <b>8,739,198</b> | <b>9,012,466</b> | <b>9,316,974</b> | <b>8,891,462</b> | <b>9,903,179</b> | <b>10,529,925</b>  | <b>10,889,814</b>  | <b>11,340,920</b>  | <b>11,653,927</b>  |

| Outputs and Outcomes                | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Operation Expense</b>        | <b>8,248,746</b> | <b>8,463,646</b> | <b>8,798,244</b> | <b>8,348,467</b> | <b>9,402,150</b> | <b>10,058,092</b>  | <b>10,413,675</b>  | <b>10,860,390</b>  | <b>11,168,920</b>  |
| Cost per capita                     | 250.90           | 257.43           | 267.61           | 253.93           | 278.49           | 297.92             | 308.45             | 321.68             | 330.82             |
| % of property tax                   | 30.63%           | 27.60%           | 27.47%           | 26.14%           | 28.18%           | 29.35%             | 29.24%             | 29.34%             | 29.02%             |
| Change 2018 forecast to 2019 budget |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| \$ change                           | <u>1,053,683</u> |                  |                  |                  |                  |                    |                    |                    |                    |
| % change                            | <u>12.62%</u>    |                  |                  |                  |                  |                    |                    |                    |                    |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                              | \$ change | % change |
|--------------------------------------------------------------|-----------|----------|
| Contractual Union Labour increases                           | 66,487    | 0.80%    |
| RCMP Agreement Increases including one new RCMP member       | 323,250   | 3.87%    |
| Actual utilized officers below authorized strenght in 2018   | 347,963   | 4.17%    |
| New allocation in from facilities for costs of RCMP building | 189,900   | 2.27%    |
| New allocation in from finance for debt servicing costs      | 84,000    | 1.01%    |

The COP Detachment consists of:

- 46 Police Officers – MUN funded
- 9 Police Officers – PROV funded
- 2 Police Officers – PROV/FED funded. (FN)
- 22 Municipal Civilian Support Staff
- 2 PROV Public Servants Support Staff
- 6 Reserve Constables
- 6 Auxiliary Constables
- 35 Volunteers

## RCMP - Operating Budget by Project

|                              | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| RCMP - General               | 5,799          | 6,362          | 7,060          | 6,050            | 7,050          | 7,161              | 7,274              | 7,389              | 7,506              |
| Crimestoppers                | -              | 115            | -              | 6,000            | -              | -                  | -                  | -                  | -                  |
| RCMP - Crime Prevention      | 14,639         | 22,617         | 54,500         | 44,176           | 67,700         | 58,785             | 58,871             | 58,958             | 59,045             |
| RCMP - Victim services       | 2,794          | 2,834          | 1,500          | 23,408           | 2,500          | 2,525              | 2,550              | 2,576              | 2,602              |
| RCMP - Prisoner expense      | 46,377         | 41,005         | 38,714         | 36,600           | 38,100         | 38,100             | 38,100             | 38,100             | 38,100             |
| RCMP - Policing agreement    | 7,028,967      | 7,284,880      | 7,413,760      | 7,065,797        | 7,737,010      | 8,347,104          | 8,751,143          | 9,161,602          | 9,433,151          |
| Salaries and Benefits        | 1,624,151      | 1,642,669      | 1,787,864      | 1,696,932        | 1,763,419      | 1,785,000          | 1,820,699          | 1,857,113          | 1,894,255          |
|                              | 8,722,727      | 9,000,480      | 9,303,398      | 8,878,962        | 9,615,779      | 10,238,675         | 10,678,637         | 11,125,737         | 11,434,658         |
| RCMP - recoveries            | (490,452)      | (548,820)      | (518,730)      | (542,995)        | (501,029)      | (471,833)          | (476,139)          | (480,530)          | (485,007)          |
| <b>Net Operating Expense</b> | 8,232,275      | 8,451,661      | 8,784,668      | 8,335,967        | 9,114,750      | 9,766,842          | 10,202,498         | 10,645,207         | 10,949,652         |

## Transportation Services Segment

### Transportation Services Segment Summary

|                            | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Revenue</b>             |                |                |                |                  |                |                    |                    |                    |                    |
| Fleet Recoveries           | (1,817,138)    | (1,934,341)    | (1,884,500)    | (1,996,100)      | (2,124,850)    | (2,126,350)        | (2,127,880)        | (2,129,441)        | (2,131,032)        |
| Roads and Maintenance      | (7,944)        | (175)          | -              | 66               | -              | -                  | -                  | -                  | -                  |
| Storm Water                | -              | -              | (172,729)      | (182,729)        | (367,000)      | (558,000)          | (753,000)          | (950,000)          | (1,150,000)        |
| Transit                    | (635,042)      | (629,862)      | (606,700)      | (668,500)        | (684,610)      | (692,220)          | (728,130)          | (738,840)          | (740,750)          |
|                            | (2,460,124)    | (2,564,377)    | (2,663,929)    | (2,847,263)      | (3,176,460)    | (3,376,570)        | (3,609,010)        | (3,818,281)        | (4,021,782)        |
| <b>Expenses</b>            |                |                |                |                  |                |                    |                    |                    |                    |
| Fleet                      | 1,814,983      | 1,891,733      | 1,944,611      | 2,211,740        | 2,117,023      | 2,127,314          | 2,137,810          | 2,148,515          | 2,159,434          |
| Operations                 | 76,245         | 61,685         | 3,200          | 2,436            | -              | -                  | -                  | -                  | -                  |
| Public Works General       | 77,789         | 48,558         | 35,000         | 35,300           | -              | -                  | -                  | -                  | -                  |
| Roads and Maintenance      | 1,529,973      | 1,673,689      | 1,637,993      | 1,773,049        | 1,861,292      | 2,155,694          | 2,045,495          | 1,964,712          | 1,997,864          |
| Street Lighting            | 124,145        | 143,899        | 218,549        | 217,360          | 435,028        | 455,407            | 477,367            | 517,938            | 543,843            |
| Traffic Control            | 59,439         | 60,014         | 110,791        | 128,955          | 114,435        | 117,707            | 121,146            | 124,765            | 128,578            |
| Storm Water                | 118,339        | 130,432        | 243,967        | 286,886          | 425,300        | 407,864            | 468,990            | 376,178            | 380,930            |
| Transit                    | 1,652,925      | 1,689,545      | 1,817,690      | 1,805,395        | 2,094,540      | 2,180,130          | 2,422,030          | 2,550,345          | 2,611,665          |
|                            | 5,453,837      | 5,699,555      | 6,011,801      | 6,461,121        | 7,047,618      | 7,444,116          | 7,672,837          | 7,682,454          | 7,822,314          |
|                            | 2,993,713      | 3,135,178      | 3,347,872      | 3,613,858        | 3,871,158      | 4,067,546          | 4,063,827          | 3,864,173          | 3,800,532          |
| <b>Cost per Capita</b>     | <b>91.06</b>   | <b>95.36</b>   | <b>101.83</b>  | <b>109.92</b>    | <b>114.66</b>  | <b>120.48</b>      | <b>120.37</b>      | <b>114.46</b>      | <b>112.57</b>      |
| <b>% of Property Taxes</b> | <b>11.12%</b>  | <b>10.22%</b>  | <b>10.45%</b>  | <b>11.32%</b>    | <b>11.60%</b>  | <b>11.87%</b>      | <b>11.41%</b>      | <b>10.44%</b>      | <b>9.88%</b>       |

## Public Works - Fleet

## Public Works Fleet - Operating Budget

|                                       | 2016             | 2017             | 2018             | 2018             | 2019             | 2020             | 2021             | 2022             | 2023             |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                       | Actual           | Actual           | Budget           | Forecast         | Budget           | Projection       | Projection       | Projection       | Projection       |
| Goods and Services                    | 721,788          | 755,519          | 695,585          | 946,085          | 885,385          | 885,556          | 885,729          | 885,905          | 886,084          |
| Fleet Internal Charges                | 326,812          | 416,107          | 334,200          | 341,700          | 335,500          | 336,610          | 337,742          | 338,897          | 340,075          |
| Fuel                                  | 265,139          | 278,997          | 280,000          | 330,000          | 290,000          | 290,000          | 290,000          | 290,000          | 290,000          |
| Insurance                             | (1,857)          | -                | 80,000           | 80,000           | 80,000           | 80,000           | 80,000           | 80,000           | 80,000           |
| Amortization                          | 547,341          | 501,011          | 550,000          | 550,000          | 425,000          | 425,000          | 425,000          | 425,000          | 425,000          |
| Salaries and Benefits                 | 509,224          | 524,108          | 569,169          | 576,298          | 682,471          | 691,898          | 701,514          | 711,322          | 721,326          |
| <b>Operating Expense</b>              | <b>2,368,447</b> | <b>2,475,742</b> | <b>2,508,954</b> | <b>2,824,083</b> | <b>2,698,356</b> | <b>2,709,064</b> | <b>2,719,985</b> | <b>2,731,124</b> | <b>2,742,485</b> |
| Recoveries                            | (1,817,138)      | (1,934,341)      | (1,884,500)      | (1,996,100)      | (2,124,850)      | (2,126,350)      | (2,127,880)      | (2,129,441)      | (2,131,032)      |
| <b>Net Operating Expense</b>          | <b>551,309</b>   | <b>541,401</b>   | <b>624,454</b>   | <b>827,983</b>   | <b>573,506</b>   | <b>582,714</b>   | <b>592,105</b>   | <b>601,684</b>   | <b>611,452</b>   |
| <b>Internal Allocations Out</b>       |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Building And License                  | 19,250           | 19,250           | 16,500           | 16,500           | 22,000           | 22,000           | 22,000           | 22,000           | 22,000           |
| Bylaw Enforcement                     | 8,250            | 5,500            | 14,700           | 14,700           | 27,500           | 28,050           | 28,611           | 29,183           | 29,767           |
| Electric                              | 48,000           | 39,750           | 39,500           | 39,500           | 45,000           | 45,000           | 45,000           | 45,000           | 45,000           |
| Engineering Services                  | 13,750           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           |
| Facilities                            | 41,042           | 31,998           | 27,000           | 29,000           | 28,000           | 28,560           | 29,131           | 29,714           | 30,308           |
| Finance - Purchasing                  | 3,000            | 3,000            | 3,000            | 3,500            | 3,000            | 3,000            | 3,000            | 3,000            | 3,000            |
| Fire Services - General               | 272,965          | 326,184          | 285,000          | 325,000          | 325,000          | 325,000          | 325,000          | 325,000          | 325,000          |
| Human Resources                       | -                | -                | 5,500            | 5,500            | -                | -                | -                | -                | -                |
| Information Technology                | 5,500            | 5,500            | 5,500            | 5,500            | 5,500            | 5,500            | 5,500            | 5,500            | 5,500            |
| Mayor And Council                     | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           |
| Public Works - General                | 45,190           | 50,250           | 11,450           | 11,450           | 11,450           | 11,450           | 11,450           | 11,450           | 11,450           |
| Public Works - Parks                  | 29,815           | 36,000           | 38,000           | 38,000           | 38,000           | 38,000           | 38,000           | 38,000           | 38,000           |
| Public Works - Solid Waste Disposal   | -                | -                | 5,500            | 5,500            | 5,500            | 5,500            | 5,500            | 5,500            | 5,500            |
| RCMP                                  | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           |
| Recreation                            | 14,015           | 16,681           | 11,000           | 16,500           | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           |
| Sewer                                 | 18,154           | 21,378           | 43,525           | 43,525           | 48,025           | 48,025           | 48,025           | 48,025           | 48,025           |
| Water                                 | 35,691           | 18,362           | 51,525           | 51,525           | 34,525           | 34,525           | 34,525           | 34,525           | 34,525           |
| <b>Total Internal Allocations Out</b> | <b>576,621</b>   | <b>606,853</b>   | <b>590,700</b>   | <b>638,700</b>   | <b>637,500</b>   | <b>638,610</b>   | <b>639,742</b>   | <b>640,897</b>   | <b>642,075</b>   |
| <b>Internal Allocations In</b>        |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Finance - procurement                 | 2,023            | 1,676            | -                | -                | -                | -                | -                | -                | -                |
| Information Technology                | 4,232            | 3,076            | 6,426            | 6,426            | 6,555            | 6,686            | 6,819            | 6,956            | 7,095            |
| Public Works - General                | -                | -                | 19,931           | 19,931           | 49,612           | 50,174           | 50,748           | 51,333           | 51,929           |
| Roads and Maintenance                 | 16,903           | 18,092           | -                | -                | -                | -                | -                | -                | -                |
| <b>Total Internal Allocations In</b>  | <b>23,157</b>    | <b>22,844</b>    | <b>26,357</b>    | <b>26,357</b>    | <b>56,167</b>    | <b>56,860</b>    | <b>57,567</b>    | <b>58,288</b>    | <b>59,024</b>    |
| <b>Total Operating Expense</b>        | <b>1,814,983</b> | <b>1,891,733</b> | <b>1,944,611</b> | <b>2,211,740</b> | <b>2,117,023</b> | <b>2,127,314</b> | <b>2,137,810</b> | <b>2,148,515</b> | <b>2,159,434</b> |
| <b>Outputs and Outcomes</b>           |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>Net Operating Expense</b>          | <b>(2,156)</b>   | <b>(42,608)</b>  | <b>60,111</b>    | <b>215,640</b>   | <b>(7,827)</b>   | <b>964</b>       | <b>9,930</b>     | <b>19,075</b>    | <b>28,402</b>    |
| Cost per capita                       | (0.06)           | (1.26)           | 1.78             | 6.39             | (0.23)           | 0.03             | 0.29             | 0.56             | 0.84             |
| % of property tax                     | -0.01%           | -0.14%           | 0.19%            | 0.68%            | -0.02%           | 0.00%            | 0.03%            | 0.05%            | 0.07%            |
| Change 2018 forecast to 2019 budget   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| \$ change                             | (223,468)        |                  |                  |                  |                  |                  |                  |                  |                  |
| % change                              | -103.63%         |                  |                  |                  |                  |                  |                  |                  |                  |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                    | \$ change | % change             |
|------------------------------------------------------------------------------------|-----------|----------------------|
| New Fleet Advisor FTE                                                              | 100,000   |                      |
| Increase in fleet rates                                                            | (139,750) |                      |
| Equipment reaching the end of its useful life results in less amortization expense | (125,000) |                      |
| Our fleet consists of:                                                             |           |                      |
| City Fleet Mobile Units – 171                                                      |           | City Generators – 20 |
| City Fleet Small Equipment – 124                                                   |           | RCMP Fleet - 34      |
| City Fire Dept – 14 licensed – 36 small equipment                                  |           | RDOS Fleet – 20      |

## Public Works Fleet - Operating Budget by Project

|                                | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Fleet Revenue                  | (1,475,131)    | (1,500,634)    | (1,550,500)    | (1,585,100)      | (1,724,850)    | (1,724,850)        | (1,724,850)        | (1,724,850)        | (1,724,850)        |
| Fleet - Overhead               | 811,796        | 833,929        | 1,878,169      | 2,145,298        | 2,026,471      | 2,035,898          | 2,045,514          | 2,055,322          | 2,065,326          |
| Public Works - Fleet - general | 932,117        | 976,312        | -              | -                | -              | -                  | -                  | -                  | -                  |
| City Hall                      | 11,000         | 11,000         | 11,000         | 11,000           | 11,000         | 11,000             | 11,000             | 11,000             | 11,000             |
| Facilities & Recreation        | 14,015         | 16,681         | 11,000         | 16,500           | 11,000         | 11,000             | 11,000             | 11,000             | 11,000             |
| Information Technology         | 5,500          | 5,500          | 5,500          | 5,500            | 5,500          | 5,500              | 5,500              | 5,500              | 5,500              |
| Human Resources                | -              | -              | 5,500          | 5,500            | -              | -                  | -                  | -                  | -                  |
| RCMP                           | 11,000         | 11,000         | 11,000         | 11,000           | 11,000         | 11,000             | 11,000             | 11,000             | 11,000             |
| Water                          | 35,597         | 18,362         | 51,525         | 51,525           | 34,525         | 34,525             | 34,525             | 34,525             | 34,525             |
| Public Works                   | 45,190         | 50,250         | 11,450         | 11,450           | 11,450         | 11,450             | 11,450             | 11,450             | 11,450             |
| Engineering                    | 13,750         | 11,000         | 11,000         | 11,000           | 11,000         | 11,000             | 11,000             | 11,000             | 11,000             |
| Waste Water                    | 18,154         | 21,378         | 43,525         | 43,525           | 48,025         | 48,025             | 48,025             | 48,025             | 48,025             |
| Finance - Logistics            | 3,000          | 3,000          | 3,000          | 3,500            | 3,000          | 3,000              | 3,000              | 3,000              | 3,000              |
| Facilities                     | 41,042         | 31,998         | 27,000         | 29,000           | 28,000         | 28,560             | 29,131             | 29,714             | 30,308             |
| Bylaw                          | 8,250          | 5,500          | 14,700         | 14,700           | 27,500         | 28,050             | 28,611             | 29,183             | 29,767             |
| Building                       | 19,250         | 19,250         | 16,500         | 16,500           | 22,000         | 22,000             | 22,000             | 22,000             | 22,000             |
| Public Works - Parks           | 29,815         | 36,000         | 38,000         | 38,000           | 38,000         | 38,000             | 38,000             | 38,000             | 38,000             |
| Public Works - Fleet           | 33,829         | 27,753         | 40,085         | 40,085           | 34,385         | 34,556             | 34,729             | 34,905             | 35,084             |
| Electric                       | 48,000         | 39,750         | 39,500         | 39,500           | 45,000         | 45,000             | 45,000             | 45,000             | 45,000             |
| Solid Waste                    | -              | -              | 5,500          | 5,500            | 5,500          | 5,500              | 5,500              | 5,500              | 5,500              |
| RCMP Revenue                   | (37,943)       | (42,950)       | (27,000)       | (40,000)         | (35,000)       | (35,700)           | (36,414)           | (37,142)           | (37,885)           |
| RDOS Revenue                   | (16,922)       | (33,677)       | (22,000)       | (46,000)         | (40,000)       | (40,800)           | (41,616)           | (42,448)           | (43,297)           |
| <b>Net Operating Expense</b>   | <b>551,309</b> | <b>541,401</b> | <b>624,454</b> | <b>827,983</b>   | <b>573,506</b> | <b>582,714</b>     | <b>592,105</b>     | <b>601,684</b>     | <b>611,452</b>     |



Fleet - Capital Budget

|                                                | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Fleet Future Capital Purchases                 | -              | 2,169,450          | 2,195,200          | 1,013,750          | 782,100            |
| Parks Small Equipment                          | 8,450          | -                  | -                  | -                  | -                  |
| Garage Equipment Replacement                   | 25,000         | -                  | -                  | -                  | -                  |
| Van to Replace Unit 9                          | 32,000         | -                  | -                  | -                  | -                  |
| 1/2 Ton Pickup to Replace Unit 21              | 32,000         | -                  | -                  | -                  | -                  |
| Sewer Flush Truck to Replace Unit 42           | 350,000        | -                  | -                  | -                  | -                  |
| Digger Derrick Aerial to Replace Unit 50       | 250,000        | -                  | -                  | -                  | -                  |
| 1/2 Ton Pickup to Replace Unit 123             | 32,000         | -                  | -                  | -                  | -                  |
| 3/4 Ton Pickup to Replace Unit 127             | 35,000         | -                  | -                  | -                  | -                  |
| 3/4 Ton Pickup to Replace Unit 135             | 40,000         | -                  | -                  | -                  | -                  |
| Fire Rescue Truck                              | -              | 800,000            | -                  | -                  | -                  |
| Parks - Line Painter - Replaces Unit 9475      | 5,000          | -                  | -                  | -                  | -                  |
| Parks - Small Lawn Tractor - Replaces Unit 951 | 3,500          | -                  | -                  | -                  | -                  |
| <b>Total Fleet Capital</b>                     | <b>812,950</b> | <b>2,969,450</b>   | <b>2,195,200</b>   | <b>1,013,750</b>   | <b>782,100</b>     |

## Infrastructure

|                                       | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                    | 3,100          | 2,329          | 3,200          | 2,605            | 3,050          | 3,111              | 3,173              | 3,237              | 3,301              |
| Salaries and Benefits                 | 207,439        | 197,733        | 205,182        | 203,560          | 207,194        | 211,338            | 215,565            | 219,876            | 224,273            |
| <b>Operating Expense</b>              | <b>210,540</b> | <b>200,061</b> | <b>208,382</b> | <b>206,165</b>   | <b>210,244</b> | <b>214,449</b>     | <b>218,738</b>     | <b>223,113</b>     | <b>227,575</b>     |
| <b>Internal Allocations In</b>        |                |                |                |                  |                |                    |                    |                    |                    |
| Finance - procurement                 | 685            | 429            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Information Technology                | -              | -              | -              | -                | 5,000          | 27,500             | 27,500             | 27,500             | 27,500             |
| <b>Total Internal Allocations in</b>  | <b>685</b>     | <b>429</b>     | <b>-</b>       | <b>-</b>         | <b>5,000</b>   | <b>27,500</b>      | <b>27,500</b>      | <b>27,500</b>      | <b>27,500</b>      |
| <b>Internal Allocations Out</b>       |                |                |                |                  |                |                    |                    |                    |                    |
| Electric                              | 41,288         | 42,458         | 62,786         | 62,278           | 67,000         | 77,000             | 78,000             | 79,000             | 80,000             |
| Engineering Services                  | 14,292         | 14,697         | 21,749         | 21,558           | 23,000         | 25,000             | 26,000             | 27,000             | 28,000             |
| Storm Sewer                           | -              | 8,165          | 12,106         | 11,976           | 12,500         | 15,000             | 15,000             | 15,000             | 15,500             |
| Roads and Maintenance                 | 12,704         | 13,064         | 19,287         | 19,162           | 19,744         | 21,949             | 22,238             | 23,113             | 24,075             |
| Solid Waste Disposal                  | 7,940          | 8,165          | 12,106         | 12,106           | 13,000         | 15,000             | 15,000             | 15,500             | 15,500             |
| Sewer                                 | 33,348         | 26,128         | 38,574         | 38,325           | 40,000         | 44,000             | 45,000             | 45,500             | 46,000             |
| Water                                 | 25,408         | 26,128         | 38,574         | 38,325           | 40,000         | 44,000             | 45,000             | 45,500             | 46,000             |
| <b>Total Internal Allocations Out</b> | <b>134,980</b> | <b>138,805</b> | <b>205,182</b> | <b>203,729</b>   | <b>215,244</b> | <b>241,949</b>     | <b>246,238</b>     | <b>250,613</b>     | <b>255,075</b>     |
| <b>Total Operating Expense</b>        | <b>76,245</b>  | <b>61,685</b>  | <b>3,200</b>   | <b>2,436</b>     | <b>-</b>       | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           |

| <b>Outputs and Outcomes</b> | <b>2016<br/>Actual</b> | <b>2017<br/>Actual</b> | <b>2018<br/>Budget</b> | <b>2018<br/>Forecast</b> | <b>2019<br/>Budget</b> | <b>2020<br/>Projection</b> | <b>2021<br/>Projection</b> | <b>2022<br/>Projection</b> | <b>2023<br/>Projection</b> |
|-----------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Cost per capita             | 2.32                   | 1.88                   | 0.10                   | 0.07                     | -                      | -                          | -                          | -                          | -                          |
| % of property tax           | 0.28%                  | 0.20%                  | 0.01%                  | 0.01%                    | 0.00%                  | 0.00%                      | 0.00%                      | 0.00%                      | 0.00%                      |

Change 2018 forecast to 2019 budget

\$ change (2,436)

% change -100.00%

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

\$ change % change

There are no material changes to note in this cost center.

Operations – Capital Budget

|                           | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Asset Management Software | 100,000        | -                  | -                  | -                  | -                  |
| AMIP Update               | 10,000         | -                  | -                  | -                  | -                  |
| <b>Total</b>              | <b>110,000</b> | -                  | -                  | -                  | -                  |

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## Public Works – General

## Public Works General – Operating Budget

|                                       | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Training, Dues, Conferences           | 22,274         | 24,740         | 43,200         | 43,500           | 9,950          | 10,149             | 10,352             | 10,559             | 10,770             |
| Fleet                                 | 6,273          | 5,494          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Salaries and Benefits                 | 23,900         | 27,247         | 532,926        | 532,926          | 761,850        | 761,850            | 761,850            | 761,850            | 761,850            |
| <b>Operating Expense</b>              | <b>52,446</b>  | <b>57,481</b>  | <b>576,126</b> | <b>576,426</b>   | <b>771,800</b> | <b>771,999</b>     | <b>772,202</b>     | <b>772,409</b>     | <b>772,620</b>     |
| Recoveries                            | (21,916)       | (60,568)       | -              | -                | -              | -                  | -                  | -                  | -                  |
| <b>Net Operating Expense</b>          | <b>30,530</b>  | <b>(3,087)</b> | <b>576,126</b> | <b>576,426</b>   | <b>771,800</b> | <b>771,999</b>     | <b>772,202</b>     | <b>772,409</b>     | <b>772,620</b>     |
| <b>Internal Allocations Out</b>       |                |                |                |                  |                |                    |                    |                    |                    |
| Electric                              | -              | -              | -              | -                | 43,925         | 44,803             | 45,700             | 46,614             | 47,546             |
| Storm Sewer                           | -              | -              | 50,461         | 50,461           | 69,900         | 69,900             | 69,900             | 69,900             | 69,900             |
| Cemetery                              | -              | -              | 7,410          | 7,410            | 8,200          | 8,200              | 8,200              | 8,200              | 8,200              |
| Fleet                                 | -              | -              | 19,931         | 19,931           | 49,612         | 50,174             | 50,748             | 51,333             | 51,929             |
| Parks                                 | -              | -              | 14,820         | 14,820           | 35,727         | 36,114             | 36,508             | 36,910             | 37,320             |
| Roads and Maintenance                 | -              | -              | 140,566        | 140,566          | 182,532        | 183,272            | 184,026            | 184,796            | 185,581            |
| Transit                               | -              | -              | 13,360         | 13,360           | 14,000         | 14,000             | 14,000             | 14,000             | 14,000             |
| Solid Waste Disposal                  | -              | -              | 36,968         | 36,968           | 45,700         | 45,700             | 45,700             | 45,700             | 45,700             |
| Sewer                                 | -              | -              | 145,833        | 145,833          | 222,897        | 223,635            | 224,388            | 225,155            | 225,938            |
| Water                                 | 23,019         | 9,105          | 145,833        | 145,833          | 308,897        | 309,635            | 310,388            | 311,155            | 311,938            |
| <b>Total Internal Allocations Out</b> | <b>23,019</b>  | <b>9,105</b>   | <b>575,182</b> | <b>575,182</b>   | <b>981,390</b> | <b>985,433</b>     | <b>989,557</b>     | <b>993,763</b>     | <b>998,054</b>     |
| <b>Internal Allocations In</b>        |                |                |                |                  |                |                    |                    |                    |                    |
| Finance - procurement                 | 2,659          | 1,556          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Facilities                            | -              | -              | -              | -                | 175,700        | 179,214            | 182,798            | 186,454            | 190,183            |
| Information Technology                | 2,943          | 2,819          | 5,940          | 5,940            | 5,940          | 5,940              | 5,940              | 5,940              | 5,940              |
| Fleet                                 | 45,190         | 50,250         | 11,450         | 11,450           | 11,450         | 11,450             | 11,450             | 11,450             | 11,450             |
| Safety                                | 19,486         | 6,125          | 16,666         | 16,666           | 16,500         | 16,830             | 17,167             | 17,510             | 17,860             |
| <b>Total Internal Allocations in</b>  | <b>70,278</b>  | <b>60,750</b>  | <b>34,056</b>  | <b>34,056</b>    | <b>209,590</b> | <b>213,434</b>     | <b>217,355</b>     | <b>221,354</b>     | <b>225,433</b>     |
| <b>Total Operating Expense</b>        | <b>77,789</b>  | <b>48,558</b>  | <b>35,000</b>  | <b>35,300</b>    | <b>-</b>       | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           |
| <b>Outputs and Outcomes</b>           |                |                |                |                  |                |                    |                    |                    |                    |
| Cost per capita                       | 2.37           | 1.48           | 1.06           | 1.07             | -              | -                  | -                  | -                  | -                  |
| % of property tax                     | 0.29%          | 0.16%          | 0.11%          | 0.11%            | 0.00%          | 0.00%              | 0.00%              | 0.00%              | 0.00%              |

Change 2018 forecast to 2019 budget

\$ change (35,300)

% change -100.00%

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                                                                                                                                                                                         | \$ change | % change |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|
| In 2018, the original net operating costs for this department was \$0 as all costs are allocated out to other areas, as they are in 2019. In 2018, there was a budget amendment done for a one time expense related to flood prevention at Ellis Creek. | (35,300)  | -100.00% |

## Public Works – Roads and Maintenance

## Public Works – Roads and Maintenance – Operating Budget

|                                       | 2016             | 2017             | 2018             | 2018             | 2019             | 2020             | 2021             | 2022             | 2023             |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                       | Actual           | Actual           | Budget           | Forecast         | Budget           | Projection       | Projection       | Projection       | Projection       |
| <b>Operations by Object</b>           |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Goods and Services                    | 621,406          | 721,079          | 696,660          | 711,196          | 715,200          | 729,318          | 743,719          | 758,407          | 773,390          |
| Fleet                                 | 242,439          | 236,919          | 236,500          | 276,874          | 251,600          | 251,600          | 251,600          | 251,600          | 251,600          |
| Salaries and Benefits                 | 981,689          | 1,094,293        | 522,980          | 599,750          | 685,051          | 698,761          | 712,746          | 727,010          | 741,561          |
| Total Operating Expense               | 1,845,533        | 2,052,291        | 1,456,140        | 1,587,820        | 1,651,851        | 1,679,679        | 1,708,064        | 1,737,018        | 1,766,550        |
| Recoveries                            | (7,944)          | (175)            | -                | 66               | -                | -                | -                | -                | -                |
| <b>Net Operating Expense</b>          | <b>1,837,590</b> | <b>2,052,116</b> | <b>1,456,140</b> | <b>1,587,887</b> | <b>1,651,851</b> | <b>1,679,679</b> | <b>1,708,064</b> | <b>1,737,018</b> | <b>1,766,550</b> |
| <b>Operations by Project</b>          |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Roads and Related Infrastructure      | 1,057,843        | 1,139,082        | 1,201,610        | 1,265,393        | 1,303,101        | 1,324,824        | 1,346,981        | 1,369,582        | 1,392,635        |
| Sidewalks and Walkways                | 195,635          | 177,477          | 204,620          | 186,100          | 218,250          | 222,119          | 226,066          | 230,092          | 234,199          |
| Support Services                      | 70,714           | 189,944          | 42,450           | 131,175          | 123,100          | 125,188          | 127,318          | 129,490          | 131,706          |
| Salaries and Benefits                 | 513,397          | 545,613          | 7,460            | 5,218            | 7,400            | 7,548            | 7,699            | 7,853            | 8,010            |
| <b>Net Operating Expense</b>          | <b>1,837,590</b> | <b>2,052,116</b> | <b>1,456,140</b> | <b>1,587,887</b> | <b>1,651,851</b> | <b>1,679,679</b> | <b>1,708,064</b> | <b>1,737,018</b> | <b>1,766,550</b> |
| <b>Internal Allocations Out</b>       |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Electric Utility                      | -                | -                | -                | -                | 3,750            | 3,750            | 3,750            | 3,750            | 3,750            |
| Storm Water                           | -                | 41,405           | -                | -                | -                | -                | -                | -                | -                |
| Cemetery                              | 6,356            | 6,795            | -                | -                | -                | -                | -                | -                | -                |
| Fleet                                 | 16,903           | 18,092           | -                | -                | -                | -                | -                | -                | -                |
| Parks                                 | 12,712           | 13,591           | -                | -                | -                | -                | -                | -                | -                |
| Transit                               | 8,870            | 9,496            | -                | -                | -                | -                | -                | -                | -                |
| Solid Waste Disposal                  | 29,136           | 30,786           | -                | -                | -                | -                | -                | -                | -                |
| Sewer                                 | 141,309          | 148,726          | -                | -                | 15,750           | 15,750           | 15,750           | 15,750           | 15,750           |
| Water                                 | 132,705          | 139,275          | -                | -                | 15,750           | 15,750           | 15,750           | 15,750           | 15,750           |
| <b>Total Internal Allocations Out</b> | <b>347,991</b>   | <b>408,166</b>   | <b>-</b>         | <b>-</b>         | <b>35,250</b>    | <b>35,250</b>    | <b>35,250</b>    | <b>35,250</b>    | <b>35,250</b>    |
| <b>Internal Allocations In</b>        |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Operations                            | 12,704           | 13,064           | 19,287           | 19,162           | 19,744           | 21,949           | 22,238           | 23,113           | 24,075           |
| Electric - radios                     | 9,408            | 6,500            | 12,000           | 15,500           | 12,365           | 12,613           | 12,865           | 13,122           | 13,385           |
| Engineering Design                    | 10,000           | 10,000           | 10,000           | 10,000           | 30,050           | 293,432          | 153,551          | 41,913           | 43,523           |
| Finance - Procurement                 | 319              | -                | -                | -                | -                | -                | -                | -                | -                |
| Public Works - General                | -                | -                | 140,566          | 140,566          | 182,532          | 183,272          | 184,026          | 184,796          | 185,581          |
| <b>Total Internal Allocations In</b>  | <b>32,431</b>    | <b>29,564</b>    | <b>181,853</b>   | <b>185,228</b>   | <b>244,691</b>   | <b>511,265</b>   | <b>372,681</b>   | <b>262,944</b>   | <b>266,563</b>   |
| Add back recoveries                   | (7,944)          | (175)            | -                | 66               | -                | -                | -                | -                | -                |
| <b>Total Operating Expense</b>        | <b>1,529,973</b> | <b>1,673,689</b> | <b>1,637,993</b> | <b>1,773,049</b> | <b>1,861,292</b> | <b>2,155,694</b> | <b>2,045,495</b> | <b>1,964,712</b> | <b>1,997,864</b> |
| <b>Outputs and Outcomes</b>           |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>Net Operating Expense</b>          | <b>1,522,030</b> | <b>1,673,514</b> | <b>1,637,993</b> | <b>1,773,115</b> | <b>1,861,292</b> | <b>2,155,694</b> | <b>2,045,495</b> | <b>1,964,712</b> | <b>1,997,864</b> |
| Cost per capita                       | 46.29            | 50.90            | 49.82            | 53.93            | 55.13            | 63.85            | 60.59            | 58.19            | 59.18            |
| % of property tax                     | 5.65%            | 5.46%            | 5.11%            | 5.55%            | 5.58%            | 6.29%            | 5.74%            | 5.31%            | 5.19%            |
| Change 2018 forecast to 2019 budget   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| \$ change                             | 88,177           |                  |                  |                  |                  |                  |                  |                  |                  |
| % change                              | 4.97%            |                  |                  |                  |                  |                  |                  |                  |                  |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                           | \$ change | % change |
|-----------------------------------------------------------|-----------|----------|
| Net increase in allocations in/out from other departments | 24,213    | 1.37%    |
| Increase in sign & barracade construction costs           | 13,800    | 0.78%    |
| Increase in vandalism budget based on historical trends   | 23,979    | 1.35%    |
| Increase in sidewalk maintenance including snow clearing  | 26,250    | 1.48%    |

|                            |                                       |
|----------------------------|---------------------------------------|
| 198 km of asphalt roadways | 500 metres of public access stairways |
| 45 km of asphalt lanes     | 88 km of storm pipe                   |
| 131 km of sidewalks        | 2,150 storm catch basins              |
| 12.5 km of walkways        |                                       |

## Roads and Maintenance - Operating Budget by Project

|                                       | 2016             | 2017             | 2018             | 2018             | 2019             | 2020             | 2021             | 2022             | 2023             |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                       | Actual           | Actual           | Budget           | Forecast         | Budget           | Projection       | Projection       | Projection       | Projection       |
| Standby after hrs. call               | 11,125           | 10,640           | 12,500           | 12,500           | 32,000           | 32,641           | 33,295           | 33,963           | 34,643           |
| Tools & Supplies                      | 12,316           | 11,702           | 10,500           | 8,750            | 10,500           | 10,560           | 10,621           | 10,684           | 10,747           |
| Yards Grounds                         | 12,281           | 5,841            | 4,500            | 5,716            | 4,600            | 4,662            | 4,725            | 4,790            | 4,856            |
| Sign and barricade construction       | 7,993            | 7,040            | 4,700            | 2,950            | 16,750           | 17,079           | 17,414           | 17,756           | 18,105           |
| Safety Equipment                      | 1,815            | -                | -                | -                | -                | -                | -                | -                | -                |
| Vandalism                             | 20,997           | 24,698           | 22,000           | 24,521           | 48,500           | 49,331           | 50,178           | 51,042           | 51,924           |
| Emergency support                     | 1,154            | 130,023          | 750              | 71,888           | 4,750            | 4,815            | 4,882            | 4,949            | 5,018            |
| Subdivision and capital works callbac | 3,034            | -                | 5,000            | 4,850            | 6,000            | 6,100            | 6,202            | 6,307            | 6,413            |
| Lanes                                 | 64,822           | 64,455           | 68,220           | 72,950           | 75,500           | 76,943           | 78,415           | 79,916           | 81,447           |
| Streets                               | 468,586          | 571,585          | 527,750          | 611,446          | 577,501          | 586,696          | 596,074          | 605,640          | 615,397          |
| Bridges                               | 39,626           | 19,522           | 54,790           | 32,012           | 42,500           | 43,272           | 44,059           | 44,861           | 45,680           |
| Parking Lots                          | 28,688           | 50,011           | 34,500           | 38,128           | 43,500           | 44,160           | 44,833           | 45,519           | 46,219           |
| Street scape                          | 29,975           | 26,896           | 50,400           | 38,800           | 46,600           | 47,376           | 48,168           | 48,975           | 49,799           |
| Street and sidewalk cleaning          | 204,089          | 179,214          | 203,450          | 261,245          | 268,500          | 272,508          | 276,596          | 280,767          | 285,020          |
| Traffic control                       | 222,057          | 227,399          | 245,000          | 210,812          | 249,000          | 253,870          | 258,837          | 263,904          | 269,072          |
| Sidewalks                             | 174,327          | 162,060          | 175,350          | 158,300          | 184,550          | 187,837          | 191,190          | 194,610          | 198,099          |
| Walkways                              | 21,308           | 15,417           | 29,270           | 27,800           | 33,700           | 34,282           | 34,876           | 35,482           | 36,100           |
| Unallocated salaries and benefits     | 513,397          | 545,613          | 7,460            | 5,218            | 7,400            | 7,548            | 7,699            | 7,853            | 8,010            |
| <b>Net Operating Expense</b>          | <b>1,837,590</b> | <b>2,052,116</b> | <b>1,456,140</b> | <b>1,587,887</b> | <b>1,651,851</b> | <b>1,679,679</b> | <b>1,708,064</b> | <b>1,737,018</b> | <b>1,766,550</b> |



Roads and Maintenance - Capital Budget

|                                              | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Christmas Decorations - D/T Core             | -              | 75,000             | -                  | -                  | -                  |
| Waste and Recycling Receptacles              | -              | 20,000             | -                  | 20,000             | -                  |
| Main St. - 200 Blk Breeze Way Upgrade        | -              | 100,000            | -                  | -                  | -                  |
| <b>Total Roads &amp; Maintenance Capital</b> | -              | 195,000            | -                  | 20,000             | -                  |

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## Public Works – Street Lighting

### Street Lighting - Operating Budget

|                                     | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Operations by Object</b>         |                |                |                |                  |                |                    |                    |                    |                    |
| Goods and Services                  | 102,403        | 120,629        | 188,445        | 195,110          | 324,469        | 343,181            | 363,441            | 402,278            | 426,414            |
| Fleet                               | 4,254          | 3,194          | 7,350          | 3,250            | 27,350         | 27,350             | 27,350             | 27,350             | 27,350             |
| Salaries and benefits               | 17,488         | 20,077         | 22,754         | 19,000           | 83,209         | 84,876             | 86,576             | 88,310             | 90,079             |
| <b>Net Operating Expense</b>        | <b>124,145</b> | <b>143,899</b> | <b>218,549</b> | <b>217,360</b>   | <b>435,028</b> | <b>455,407</b>     | <b>477,367</b>     | <b>517,938</b>     | <b>543,843</b>     |
| <b>Operations by Project</b>        |                |                |                |                  |                |                    |                    |                    |                    |
| Vandalism                           | 579            | 6,033          | 3,546          | 2,750            | 3,622          | 3,688              | 3,755              | 3,823              | 3,893              |
| City Parking Lots                   | -              | 716            | 1,000          | -                | 1,020          | 1,036              | 1,053              | 1,070              | 1,088              |
| Light Standard Condition Assessment | 952            | 1,200          | 15,450         | 6,550            | -              | -                  | -                  | 16,888             | 17,225             |
| Light Standard Replacements         | 21,783         | 23,121         | 67,993         | 33,500           | 69,625         | 70,881             | 72,163             | 73,470             | 74,804             |
| Street Lighting Power               | 100,831        | 112,829        | 120,560        | 120,560          | 160,761        | 176,194            | 193,109            | 211,648            | 231,966            |
| Special Street Lighting Projects    | -              | -              | 10,000         | 54,000           | 200,000        | 203,607            | 207,287            | 211,040            | 214,868            |
| <b>Total Operating Expense</b>      | <b>124,145</b> | <b>143,899</b> | <b>218,549</b> | <b>217,360</b>   | <b>435,028</b> | <b>455,407</b>     | <b>477,367</b>     | <b>517,938</b>     | <b>543,843</b>     |

| <b>Outputs and Outcomes</b> | <b>2016<br/>Actual</b> | <b>2017<br/>Actual</b> | <b>2018<br/>Forecast</b> | <b>2018<br/>Budget</b> | <b>2019<br/>Budget</b> | <b>2020<br/>Projection</b> | <b>2021<br/>Projection</b> | <b>2022<br/>Projection</b> | <b>2023<br/>Projection</b> |
|-----------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Cost per capita             | 3.78                   | 4.38                   | 6.65                     | 6.61                   | 12.89                  | 13.49                      | 14.14                      | 15.34                      | 16.11                      |
| % of property tax           | 0.46%                  | 0.47%                  | 0.68%                    | 0.68%                  | 1.30%                  | 1.33%                      | 1.34%                      | 1.40%                      | 1.41%                      |

Change 2018 forecast to 2019 budget

\$ change 217,668

% change 100.14%

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                              | \$ change | % change |
|--------------------------------------------------------------|-----------|----------|
| Increase in costs of street lighting power                   | 40,201    | 18.50%   |
| Increase in special streetlight projects in 2019             | 146,000   | 67.17%   |
| Increase in standard replacements, including LED conversions | 36,125    | 16.62%   |

3,281 street lights: 1,763 mounted on power poles  
1,518 on steel standards

## Public Works - Traffic Control

### Traffic Control - Operating Budget

|                                | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Operations by Object</b>    |                |                |                |                  |                |                    |                    |                    |                    |
| Goods and Services             | 31,665         | 24,378         | 64,480         | 64,255           | 67,254         | 69,659             | 72,214             | 74,931             | 77,825             |
| Fleet                          | 713            | 2,615          | 2,837          | 3,600            | 2,837          | 2,837              | 2,837              | 2,837              | 2,837              |
| Salaries and benefits          | 27,061         | 33,021         | 43,474         | 61,100           | 44,343         | 45,211             | 46,095             | 46,997             | 47,916             |
| <b>Total Operating Expense</b> | <b>59,439</b>  | <b>60,014</b>  | <b>110,791</b> | <b>128,955</b>   | <b>114,435</b> | <b>117,707</b>     | <b>121,146</b>     | <b>124,765</b>     | <b>128,578</b>     |
| <b>Operations by Project</b>   |                |                |                |                  |                |                    |                    |                    |                    |
| Annual Condition Assessment    | 4,453          | 9,660          | 17,922         | 17,922           | 18,460         | 18,829             | 19,205             | 19,590             | 19,981             |
| Provincial Cost Sharing        | 5,388          | 5,583          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Vandalism/Hit & Run Damage     | 2,710          | 7,297          | 2,045          | 19,300           | 2,106          | 2,149              | 2,192              | 2,236              | 2,280              |
| Traffic Control Electricity    | 5,000          | 7,643          | 12,723         | 12,723           | 13,944         | 15,283             | 16,750             | 18,358             | 20,121             |
| Repairs                        | 41,887         | 29,831         | 78,101         | 79,010           | 79,924         | 81,446             | 82,999             | 84,582             | 86,196             |
| <b>Total Operating Expense</b> | <b>59,439</b>  | <b>60,014</b>  | <b>110,791</b> | <b>128,955</b>   | <b>114,435</b> | <b>117,707</b>     | <b>121,146</b>     | <b>124,765</b>     | <b>128,578</b>     |

| <b>Outputs and Outcomes</b> | <b>2016<br/>Actual</b> | <b>2017<br/>Actual</b> | <b>2018<br/>Forecast</b> | <b>2018<br/>Budget</b> | <b>2019<br/>Budget</b> | <b>2020<br/>Projection</b> | <b>2021<br/>Projection</b> | <b>2022<br/>Projection</b> | <b>2023<br/>Projection</b> |
|-----------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Cost per capita             | 1.81                   | 1.83                   | 3.37                     | 3.92                   | 3.39                   | 3.49                       | 3.59                       | 3.70                       | 3.81                       |
| % of property tax           | 0.22%                  | 0.20%                  | 0.35%                    | 0.40%                  | 0.34%                  | 0.34%                      | 0.34%                      | 0.34%                      | 0.33%                      |

Change 2018 forecast to 2019 budget

\$ change (14,520)

% change -11.26%

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                | \$ change | % change |
|--------------------------------------------------------------------------------|-----------|----------|
| Vandalism costs greatly exceeded budget in 2018, not expected to recur in 2019 | (17,194)  | -13.33%  |

36 full traffic signals

7 pedestrian activated half-signals

3 pedestrian crossing signals

Traffic Control - Capital Budget

|                                                 | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Traffic signalization - Upgrade Controllers     | 102,680        | 105,436            | 108,271            | 111,188            | 55,594             |
| Traffic Signals - New Traffic Detection Devices | 63,000         | 64,750             | 66,552             | 68,405             | 70,313             |
| Pedestrian Cross Walks                          | 280,000        | -                  | -                  | -                  | -                  |
| <b>Total Traffic Control Capital</b>            | <b>445,680</b> | <b>170,187</b>     | <b>174,823</b>     | <b>179,593</b>     | <b>125,907</b>     |

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## Public Works - Transit

### Transit - Operating Budget

|                                | 2016<br>Actual         | 2017<br>Actual         | 2018<br>Budget         | 2018<br>Forecast         | 2019<br>Budget         | 2020<br>Projection         | 2021<br>Projection         | 2022<br>Projection         | 2023<br>Projection         |
|--------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Goods and Services             | 25,551                 | 32,785                 | 35,450                 | 28,431                   | 31,560                 | 32,180                     | 32,810                     | 33,450                     | 34,090                     |
| Contract - Municipal Share     | 1,609,661              | 1,639,432              | 1,761,000              | 1,744,300                | 2,035,190              | 2,119,880                  | 2,360,870                  | 2,488,260                  | 2,548,650                  |
| Fleet                          | 806                    | 923                    | 950                    | 2,442                    | 1,740                  | 1,770                      | 1,800                      | 1,835                      | 1,865                      |
| Salaries and benefits          | 8,036                  | 6,909                  | 6,930                  | 16,862                   | 12,050                 | 12,300                     | 12,550                     | 12,800                     | 13,060                     |
| <b>Total Operating Expense</b> | <b>1,644,055</b>       | <b>1,680,049</b>       | <b>1,804,330</b>       | <b>1,792,035</b>         | <b>2,080,540</b>       | <b>2,166,130</b>           | <b>2,408,030</b>           | <b>2,536,345</b>           | <b>2,597,665</b>           |
| Revenue                        | (635,042)              | (629,862)              | (606,700)              | (668,500)                | (684,610)              | (692,220)                  | (728,130)                  | (738,840)                  | (740,750)                  |
| <b>Net Operating Expense</b>   | <b>1,009,013</b>       | <b>1,050,188</b>       | <b>1,197,630</b>       | <b>1,123,535</b>         | <b>1,395,930</b>       | <b>1,473,910</b>           | <b>1,679,900</b>           | <b>1,797,505</b>           | <b>1,856,915</b>           |
| <b>Internal Allocations In</b> |                        |                        |                        |                          |                        |                            |                            |                            |                            |
| PW - Wage Allocation           | -                      | -                      | 13,360                 | 13,360                   | 14,000                 | 14,000                     | 14,000                     | 14,000                     | 14,000                     |
| PW - Wage Allocation           | 8,870                  | 9,496                  | -                      | -                        | -                      | -                          | -                          | -                          | -                          |
|                                | 8,870                  | 9,496                  | 13,360                 | 13,360                   | 14,000                 | 14,000                     | 14,000                     | 14,000                     | 14,000                     |
| Add back Revenue               | (635,042)              | (629,862)              | (606,700)              | (668,500)                | (684,610)              | (692,220)                  | (728,130)                  | (738,840)                  | (740,750)                  |
| <b>Total Operating Expense</b> | <b>1,652,925</b>       | <b>1,689,545</b>       | <b>1,817,690</b>       | <b>1,805,395</b>         | <b>2,094,540</b>       | <b>2,180,130</b>           | <b>2,422,030</b>           | <b>2,550,345</b>           | <b>2,611,665</b>           |
| <b>Outputs and Outcomes</b>    | <b>2016<br/>Actual</b> | <b>2017<br/>Actual</b> | <b>2018<br/>Budget</b> | <b>2018<br/>Forecast</b> | <b>2019<br/>Budget</b> | <b>2020<br/>Projection</b> | <b>2021<br/>Projection</b> | <b>2022<br/>Projection</b> | <b>2023<br/>Projection</b> |
| <b>Net Operating Expense</b>   | <b>1,017,883</b>       | <b>1,059,684</b>       | <b>1,210,990</b>       | <b>1,136,895</b>         | <b>1,409,930</b>       | <b>1,487,910</b>           | <b>1,693,900</b>           | <b>1,811,505</b>           | <b>1,870,915</b>           |
| Cost per capita                | 30.96                  | 32.23                  | 36.83                  | 34.58                    | 41.76                  | 44.07                      | 50.17                      | 53.66                      | 55.42                      |
| % of property tax              | 3.78%                  | 3.46%                  | 3.78%                  | 3.56%                    | 4.23%                  | 4.34%                      | 4.76%                      | 4.89%                      | 4.86%                      |
| <b>Conventional Transit</b>    |                        |                        |                        |                          |                        |                            |                            |                            |                            |
| Total Cost per ride            | 5.65                   | 5.93                   | 6.16                   | 6.30                     | 6.83                   | 7.27                       | 7.87                       | 8.11                       | 8.24                       |
| Municipal Cost per ride        | 2.07                   | 2.19                   | 2.16                   | 2.21                     | 2.42                   | 2.82                       | 3.23                       | 3.36                       | 3.44                       |
| Passenger Count                | 436,663                | 420,614                | 420,614                | 416,671                  | 423,214                | 438,314                    | 466,614                    | 471,647                    | 471,647                    |
| <b>Custom Transit</b>          |                        |                        |                        |                          |                        |                            |                            |                            |                            |
| Total Cost per ride            | 8.36                   | 13.42                  | 13.83                  | 16.32                    | 17.56                  | 17.91                      | 18.27                      | 18.63                      | 19.01                      |
| Municipal Cost per ride        | 2.72                   | 4.55                   | 4.55                   | 5.39                     | 5.84                   | 5.98                       | 6.12                       | 6.26                       | 6.40                       |
| Passenger Count                | 34,572                 | 23,212                 | 22,616                 | 22,382                   | 22,382                 | 22,382                     | 22,382                     | 22,382                     | 22,382                     |

Change 2018 forecast to 2019 budget

\$ change 273,035

% change 24.02%

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                              | \$ change | % change |
|------------------------------------------------------------------------------|-----------|----------|
| Increases to level of service reflected in contract increase from BC Transit | 224,868   | 19.78%   |
| Increases to level of service - Kelowna route                                | 66,022    | 5.81%    |
| Increased revenue as a result of increased service levels                    | (16,110)  | -1.42%   |

2018 same service level as 2017, increase reflects change to City BC Transit Contract from fuel costs and anticipated operating cost increases from going to request for proposals

#### Conventional Transit

8 buses in service  
5 routes Monday to Saturday, 1 night route and 1 Sunday route  
423,214 rides  
Funding: City 38%, BC Transit 42%, Fares 20%  
2018 status quo level of service

#### Custom Transit

3 buses in service including 1 spare  
Door to door service for people with disabilities, no set route  
22,382 rides  
Funding: City 34%, BC Transit 61%, Fares 5%  
Status quo level of service

## Transit - Operating Budget by Project

|                                    | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Electricity                        | 3,068            | 3,249            | 3,290            | 3,200            | 3,300            | 3,400              | 3,500              | 3,600              | 3,700              |
| Maintenance Bus Shelters & Benches | 26,929           | 32,149           | 35,240           | 39,335           | 36,740           | 37,440             | 38,150             | 38,875             | 39,605             |
| Municipal Expense                  | 1,609,661        | 1,639,432        | 1,761,000        | 1,744,300        | 2,035,190        | 2,119,880          | 2,360,870          | 2,488,260          | 2,548,650          |
| Taxi Supplements                   | 22               | 9                | 200              | 200              | 200              | 200                | 200                | 200                | 200                |
| Coin Processing                    | 4,374            | 4,525            | 3,900            | 4,300            | 4,400            | 4,490              | 4,580              | 4,670              | 4,760              |
| <b>Total Expenses</b>              | <b>1,644,055</b> | <b>1,679,364</b> | <b>1,803,630</b> | <b>1,791,335</b> | <b>2,079,830</b> | <b>2,165,410</b>   | <b>2,407,300</b>   | <b>2,535,605</b>   | <b>2,596,915</b>   |
| Recoveries                         | (635,042)        | (629,176)        | (606,000)        | (667,800)        | (683,900)        | (691,500)          | (727,400)          | (738,100)          | (740,000)          |
| <b>Net Operating Expenses</b>      | <b>1,009,013</b> | <b>1,050,188</b> | <b>1,197,630</b> | <b>1,123,535</b> | <b>1,395,930</b> | <b>1,473,910</b>   | <b>1,679,900</b>   | <b>1,797,505</b>   | <b>1,856,915</b>   |



## Storm Water Utility

### Storm Water - Operating Budget

|                                      | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget  | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------------|----------------|----------------|-----------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Salaries and Benefits                | 47,305         | 42,026         | 54,150          | 73,150           | 89,900           | 83,401             | 84,932             | 79,494             | 81,087             |
| Goods and Services                   | 71,034         | 38,836         | 52,250          | 76,298           | 157,000          | 142,563            | 144,158            | 112,784            | 114,443            |
| <b>Operating Expense</b>             | <b>118,339</b> | <b>80,862</b>  | <b>106,400</b>  | <b>149,448</b>   | <b>246,900</b>   | <b>225,964</b>     | <b>229,090</b>     | <b>192,278</b>     | <b>195,530</b>     |
| Revenues                             | -              | -              | (172,729)       | (182,729)        | (367,000)        | (558,000)          | (753,000)          | (950,000)          | (1,150,000)        |
| <b>Net Operating Expense</b>         | <b>118,339</b> | <b>80,862</b>  | <b>(66,329)</b> | <b>(33,281)</b>  | <b>(120,100)</b> | <b>(332,036)</b>   | <b>(523,910)</b>   | <b>(757,722)</b>   | <b>(954,470)</b>   |
| <b>Expenses by Project</b>           |                |                |                 |                  |                  |                    |                    |                    |                    |
| Flushing Mains                       | 17,341         | 6,334          | 30,000          | 15,700           | 30,500           | 31,111             | 31,735             | 32,371             | 33,019             |
| CB Cleaning                          | 21,251         | 7,682          | 21,500          | 40,020           | 21,750           | 22,186             | 22,630             | 23,084             | 23,547             |
| TV Inspection                        | 8,191          | 9,605          | 10,000          | -                | 10,000           | 10,200             | 10,405             | 10,613             | 10,826             |
| Main Repairs                         | 813            | 2,477          | 5,000           | 1,808            | 5,000            | 5,100              | 5,202              | 5,307              | 5,413              |
| Man Hole Repairs                     | 3,054          | 9,798          | 4,650           | 4,220            | 4,650            | 4,743              | 4,838              | 4,935              | 5,034              |
| Detention pond maintenance           | 32,351         | 22,748         | 20,000          | 32,500           | 15,500           | 15,811             | 16,127             | 16,451             | 16,780             |
| Ditching / General Maintenance       | 17,977         | 22,217         | 15,250          | 55,200           | 65,500           | 66,813             | 68,152             | 69,517             | 70,910             |
| Storm Water Utility General          | 17,360         | -              | -               | (10,000)         | -                | -                  | -                  | -                  | -                  |
| Service Confirmation                 | -              | -              | -               | -                | 40,000           | 40,000             | 40,000             | -                  | -                  |
| Trunk Line Cleaning                  | -              | -              | -               | -                | 30,000           | 30,000             | 30,000             | 30,000             | 30,000             |
| Athens Creek Storm System Ditching   | -              | -              | -               | -                | 24,000           | -                  | -                  | -                  | -                  |
| <b>Total Expenses by Project</b>     | <b>118,339</b> | <b>80,862</b>  | <b>106,400</b>  | <b>139,448</b>   | <b>246,900</b>   | <b>225,964</b>     | <b>229,090</b>     | <b>192,278</b>     | <b>195,530</b>     |
| <b>Revenues by Project</b>           |                |                |                 |                  |                  |                    |                    |                    |                    |
| User Fees                            | -              | -              | (172,729)       | (172,729)        | (367,000)        | (558,000)          | (753,000)          | (950,000)          | (1,150,000)        |
| <b>Net Operating Expense</b>         | <b>118,339</b> | <b>80,862</b>  | <b>(66,329)</b> | <b>(33,281)</b>  | <b>(120,100)</b> | <b>(332,036)</b>   | <b>(523,910)</b>   | <b>(757,722)</b>   | <b>(954,470)</b>   |
| <b>Internal Allocations In</b>       |                |                |                 |                  |                  |                    |                    |                    |                    |
| Operations                           | -              | 8,165          | 12,106          | 11,976           | 12,500           | 15,000             | 15,000             | 15,000             | 15,500             |
| Engineering                          | -              | -              | -               | -                | -                | -                  | 57,000             | -                  | -                  |
| IT                                   | -              | -              | -               | -                | 20,000           | 20,000             | 20,000             | 20,000             | 20,000             |
| PW - Wage Allocation                 | -              | 41,405         | 50,461          | 50,461           | 69,900           | 69,900             | 69,900             | 69,900             | 69,900             |
| Administration                       | -              | -              | 75,000          | 75,000           | 76,000           | 77,000             | 78,000             | 79,000             | 80,000             |
| <b>Total Internal Allocations In</b> | <b>-</b>       | <b>49,570</b>  | <b>137,567</b>  | <b>137,438</b>   | <b>178,400</b>   | <b>181,900</b>     | <b>239,900</b>     | <b>183,900</b>     | <b>185,400</b>     |
| <b>Total Operating Expense</b>       | <b>118,339</b> | <b>130,432</b> | <b>243,967</b>  | <b>286,886</b>   | <b>425,300</b>   | <b>407,864</b>     | <b>468,990</b>     | <b>376,178</b>     | <b>380,930</b>     |
| <b>Transfer to Storm Reserve</b>     | <b>-</b>       | <b>-</b>       | <b>-</b>        | <b>-</b>         | <b>-</b>         | <b>150,136</b>     | <b>284,010</b>     | <b>573,822</b>     | <b>769,070</b>     |
| <b>Outputs and Outcomes</b>          |                |                |                 |                  |                  |                    |                    |                    |                    |
| <b>Net Operating Expense</b>         | <b>118,339</b> | <b>130,432</b> | <b>71,238</b>   | <b>104,157</b>   | <b>58,300</b>    | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           |
| Cost per capita                      | 3.60           | 3.97           | 2.17            | 3.17             | 1.73             | -                  | -                  | -                  | -                  |
| % of property tax                    | 0.44%          | 0.43%          | 0.22%           | 0.33%            | 0.17%            | 0.00%              | 0.00%              | 0.00%              | 0.00%              |
| Change 2018 forecast to 2019 budget  |                |                |                 |                  |                  |                    |                    |                    |                    |
| \$ change                            | (45,857)       |                |                 |                  |                  |                    |                    |                    |                    |
| % change                             | -44.03%        |                |                 |                  |                  |                    |                    |                    |                    |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                        | \$ change | % change |
|--------------------------------------------------------|-----------|----------|
| Increase in user fee revenue                           | (184,271) | -176.92% |
| Increase in cost allocations in form other departments | 40,962    | 39.33%   |
| 2019 initiatives not undertaken in 2018:               |           |          |
| Service Confirmation                                   | 40,000    | 38.40%   |
| Trunk Line Cleaning                                    | 30,000    | 28.80%   |
| Athens Creek Storm System Ditching                     | 24,000    | 23.04%   |

## Environmental Development Segment

### Environmental Development Services Summary

|                                | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Revenue Summary</b>         |                |                |                |                  |                |                    |                    |                    |                    |
| Economic Development           | (75,253)       | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Development Engineering        | (37,027)       | (138,171)      | (73,000)       | (11,000)         | (61,000)       | (62,220)           | (63,464)           | (64,734)           | (66,028)           |
| Land Management                | (1,026,258)    | (1,247,881)    | (1,286,766)    | (1,242,099)      | (1,114,398)    | (1,132,393)        | (1,153,454)        | (1,175,677)        | (1,199,167)        |
| Climate Action Reporting Grant | -              | (48,073)       | (48,000)       | (52,320)         | (48,000)       | (48,000)           | (48,000)           | (48,000)           | (48,000)           |
| Planning                       | (212,274)      | (316,275)      | (253,000)      | (293,764)        | (278,000)      | (278,000)          | (278,000)          | (278,000)          | (278,000)          |
|                                | (1,350,812)    | (1,750,400)    | (1,660,766)    | (1,599,182)      | (1,501,398)    | (1,520,613)        | (1,542,919)        | (1,566,411)        | (1,591,195)        |
| <b>Expenditure Summary</b>     |                |                |                |                  |                |                    |                    |                    |                    |
| Economic Development           | 763,066        | 373,592        | 393,500        | 336,402          | 391,000        | 398,728            | 406,610            | 414,651            | 422,852            |
| Tourism                        | 354,000        | 354,000        | 300,000        | 300,000          | 300,000        | 300,000            | 300,000            | 300,000            | 300,000            |
| Development Services           | 514,681        | 660,221        | 632,573        | 730,662          | 698,000        | 688,586            | 694,284            | 800,095            | 706,021            |
| Land Management                | 410,821        | 432,889        | 441,813        | 500,407          | 627,298        | 635,138            | 543,035            | 545,990            | 549,004            |
| Planning                       | 544,381        | 661,666        | 681,769        | 679,994          | 888,012        | 724,226            | 721,584            | 729,089            | 736,744            |
| Engineering                    | 144,432        | 232,324        | 196,469        | 153,633          | -              | -                  | -                  | -                  | -                  |
|                                | 2,731,381      | 2,714,693      | 2,646,125      | 2,701,097        | 2,904,310      | 2,746,678          | 2,665,513          | 2,789,824          | 2,714,621          |
| <b>Net Operating expense</b>   | 1,380,569      | 964,293        | 985,359        | 1,101,915        | 1,402,912      | 1,226,065          | 1,122,594          | 1,223,413          | 1,123,427          |
| <b>Cost Per Capita</b>         | <b>41.99</b>   | <b>29.33</b>   | <b>29.97</b>   | <b>33.52</b>     | <b>41.55</b>   | <b>36.32</b>       | <b>33.25</b>       | <b>36.24</b>       | <b>33.28</b>       |
| <b>% of Property Taxes</b>     | <b>5.13%</b>   | <b>3.14%</b>   | <b>3.08%</b>   | <b>3.45%</b>     | <b>4.20%</b>   | <b>3.58%</b>       | <b>3.15%</b>       | <b>3.30%</b>       | <b>2.92%</b>       |

## Economic Development

### Economic Development - Operating Budget

|                                               | 2016               | 2017               | 2018               | 2018                 | 2019               | 2020                   | 2021                   | 2022                   | 2023                   |
|-----------------------------------------------|--------------------|--------------------|--------------------|----------------------|--------------------|------------------------|------------------------|------------------------|------------------------|
|                                               | Actual             | Actual             | Budget             | Forecast             | Budget             | Projection             | Projection             | Projection             | Projection             |
| Special Programs                              | 52,163             | -                  | 35,500             | 12,500               | 30,000             | 30,600                 | 31,212                 | 31,836                 | 32,473                 |
| Small bus development                         | 48,514             | 53,802             | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Promo material-commun                         | 58,563             | 27,995             | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Office supplies                               | 113                | 788                | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Auto & mileage                                | 305                | -                  | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Miscellaneous                                 | 7,061              | 1,271              | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Minor Projects                                | 16,428             | 2,624              | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Remote Worker & Business Attraction           | 82,253             | 51,675             | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Biking                                        | 25,211             | 3,329              | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Event Sport Tourism                           | 10,221             | 2,500              | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Labour market partnership agreement           | 13,508             | 20,007             | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| VFX/Animation Industry Attract                | -                  | 5,613              | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Wine/Viticulture Industry Expand.             | -                  | 16,375             | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| South OK FDI Group Formation                  | -                  | 5,113              | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Agri-Tech Industry Develop                    | -                  | 5,000              | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Strategic Outreach                            | -                  | 18,848             | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Welcoming Community                           | -                  | 3,922              | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Community Branding                            | -                  | 2,929              | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Start Here Magazine                           | -                  | 10,364             | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Tourism - external consultants                | 18,279             | -                  | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Gateway Casino                                | 20,023             | 6,730              | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Event Sport Tourism - General Expenses        | 3,534              | 505                | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Scotties Tournament of Hearts                 | 4,952              | -                  | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| Penticton Business Toolkit                    | -                  | -                  | 20,000             | 20,000               | 22,000             | 22,441                 | 22,891                 | 23,349                 | 23,817                 |
| Exposure Advertising                          | -                  | -                  | 15,000             | 15,000               | 20,000             | 20,400                 | 20,808                 | 21,224                 | 21,649                 |
| Internal/External Communication               | -                  | -                  | 5,000              | 4,000                | 10,000             | 10,200                 | 10,404                 | 10,612                 | 10,824                 |
| Business Climate Survey                       | -                  | -                  | 21,000             | 19,000               | -                  | -                      | -                      | -                      | -                      |
| Communications/Exposure                       | -                  | -                  | 20,000             | 15,000               | -                  | -                      | -                      | -                      | -                      |
| Governmental Relationships                    | -                  | -                  | 2,000              | 1,250                | -                  | -                      | -                      | -                      | -                      |
| Process Improvement                           | -                  | -                  | 5,000              | 1,902                | -                  | -                      | -                      | -                      | -                      |
| EIZ Bylaw Review                              | -                  | -                  | 2,000              | -                    | -                  | -                      | -                      | -                      | -                      |
| PIB Economic Development Relationship         | -                  | -                  | 1,000              | 1,500                | -                  | -                      | -                      | -                      | -                      |
| Operational Partnership Agreement             | -                  | -                  | 2,000              | 2,000                | 2,000              | 2,040                  | 2,081                  | 2,122                  | 2,165                  |
| Welcoming Community                           | -                  | -                  | 5,000              | 6,250                | 8,000              | 8,160                  | 8,324                  | 8,491                  | 8,661                  |
| Priority Clusters - Retention & Expansion     | -                  | -                  | 30,000             | 30,000               | -                  | -                      | -                      | -                      | -                      |
| Penticton Works Platform                      | -                  | -                  | 20,000             | 20,000               | -                  | -                      | -                      | -                      | -                      |
| Hiring & Housing Forum                        | -                  | -                  | -                  | -                    | 50,000             | 51,002                 | 52,024                 | 53,067                 | 54,130                 |
| FutureBiz Economic Forum                      | -                  | -                  | -                  | -                    | 20,000             | 20,401                 | 20,810                 | 21,227                 | 21,652                 |
| Welcome Package                               | -                  | -                  | -                  | -                    | 20,000             | 20,401                 | 20,810                 | 21,227                 | 21,652                 |
| Priority Clusters - Attraction                | -                  | -                  | 15,000             | 15,000               | -                  | -                      | -                      | -                      | -                      |
| Penticton Works Platform                      | -                  | -                  | 35,000             | 35,000               | -                  | -                      | -                      | -                      | -                      |
| Start Here Okanagan Magazine                  | -                  | -                  | 17,000             | -                    | -                  | -                      | -                      | -                      | -                      |
| Start Here Okanagan Platform                  | -                  | -                  | 30,000             | 29,000               | 35,000             | 35,700                 | 36,414                 | 37,142                 | 37,885                 |
| Penticton Works/Start Here Okanagan Amalg.    | -                  | -                  | 8,000              | 7,000                | -                  | -                      | -                      | -                      | -                      |
| Priority Clusters - Impact/Opportunity Report | -                  | -                  | -                  | -                    | 75,000             | 76,503                 | 78,036                 | 79,600                 | 81,195                 |
| Training, Conferences & Dues                  | 2,713              | 5,317              | 10,000             | 7,000                | 9,000              | 9,180                  | 9,364                  | 9,551                  | 9,742                  |
| Salaries and wages                            | 323,582            | 128,826            | 90,000             | 90,000               | 85,000             | 86,700                 | 88,434                 | 90,203                 | 92,007                 |
|                                               | 687,423            | 373,532            | 388,500            | 331,402              | 386,000            | 393,728                | 401,610                | 409,651                | 417,852                |
| <b>Internal Allocations In</b>                |                    |                    |                    |                      |                    |                        |                        |                        |                        |
| Communications                                | -                  | -                  | 5,000              | 5,000                | 5,000              | 5,000                  | 5,000                  | 5,000                  | 5,000                  |
| Procurement                                   | 390                | 60                 | -                  | -                    | -                  | -                      | -                      | -                      | -                      |
| <b>Total Internal Allocations In</b>          | 390                | 60                 | 5,000              | 5,000                | 5,000              | 5,000                  | 5,000                  | 5,000                  | 5,000                  |
| <b>Total Operating Expense</b>                | 687,813            | 373,592            | 393,500            | 336,402              | 391,000            | 398,728                | 406,610                | 414,651                | 422,852                |
| <b>Outputs and Outcomes</b>                   | <b>2016 Actual</b> | <b>2017 Actual</b> | <b>2018 Budget</b> | <b>2018 Forecast</b> | <b>2019 Budget</b> | <b>2020 Projection</b> | <b>2021 Projection</b> | <b>2022 Projection</b> | <b>2023 Projection</b> |
| <b>Net Operating Expense</b>                  | 687,813            | 373,592            | 393,500            | 336,402              | 391,000            | 398,728                | 406,610                | 414,651                | 422,852                |
| Cost per capita                               | 20.92              | 11.36              | 11.97              | 10.23                | 11.89              | 12.13                  | 12.37                  | 12.61                  | 12.86                  |
| % of property tax                             | 2.55%              | 1.22%              | 1.23%              | 1.05%                | 1.17%              | 1.16%                  | 1.14%                  | 1.12%                  | 1.10%                  |

## Tourism

### Tourism - Operating Budget

|                           | 2016          | 2017          | 2018          | 2018            | 2019          | 2020          | 2021          | 2022          | 2023          |
|---------------------------|---------------|---------------|---------------|-----------------|---------------|---------------|---------------|---------------|---------------|
| <u>Tourism Funding</u>    | <u>Actual</u> | <u>Actual</u> | <u>Budget</u> | <u>Forecast</u> | <u>Budget</u> | <u>Budget</u> | <u>Budget</u> | <u>Budget</u> | <u>Budget</u> |
| Travel Penticton Contract | 354,000       | 354,000       | 300,000       | 300,000         | 300,000       | 300,000       | 300,000       | 300,000       | 300,000       |
| Cost per capita           | 10.77         | 10.77         | 9.12          | 9.12            | 9.12          | 9.12          | 9.12          | 9.12          | 9.12          |
| % of property tax         | 1.31%         | 1.15%         | 0.94%         | 0.94%           | 0.90%         | 0.88%         | 0.84%         | 0.81%         | 0.78%         |

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## Development Services

### Development Services - Operating Budget

|                                       | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------|------------------|------------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                    | 40,226           | 51,292           | 70,500         | 42,685           | 55,125         | 56,115             | 57,124             | 58,153             | 59,203             |
| Carmi Landfill Monitoring             | 5,000            | 5,000            | 5,000          | 5,000            | 5,000          | 5,000              | 5,000              | 5,000              | 5,000              |
| Salaries and benefits                 | 343,078          | 309,746          | 261,033        | 253,221          | 258,110        | 258,110            | 258,110            | 258,110            | 258,110            |
| Total Operating Expense               | 388,304          | 366,039          | 336,533        | 300,906          | 318,235        | 319,225            | 320,234            | 321,263            | 322,313            |
| Development Cost Charges              | (496,862)        | (938,388)        | (200,000)      | (200,000)        | (200,000)      | (200,000)          | (200,000)          | (200,000)          | (200,000)          |
| <b>Net Operating Expense</b>          | <b>(108,559)</b> | <b>(572,349)</b> | <b>136,533</b> | <b>100,906</b>   | <b>118,235</b> | <b>119,225</b>     | <b>120,234</b>     | <b>121,263</b>     | <b>122,313</b>     |
| <b>Transfer to DCC Reserve</b>        | <b>496,862</b>   | <b>938,388</b>   | <b>200,000</b> | <b>200,000</b>   | <b>200,000</b> | <b>200,000</b>     | <b>200,000</b>     | <b>200,000</b>     | <b>200,000</b>     |
| <b>Internal Allocations Out</b>       |                  |                  |                |                  |                |                    |                    |                    |                    |
| Planning                              | 4,377            | -                | -              | -                | -              | -                  | -                  | -                  | -                  |
| <b>Total Internal Allocations Out</b> | <b>4,377</b>     | <b>-</b>         | <b>-</b>       | <b>-</b>         | <b>-</b>       | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           |
| <b>Internal Allocations In</b>        |                  |                  |                |                  |                |                    |                    |                    |                    |
| Land Administration                   | (8,500)          | -                | -              | -                | -              | -                  | -                  | -                  | -                  |
| Development Engineering Fees          | (8,047)          | (138,171)        | (73,000)       | (11,000)         | (61,000)       | (62,220)           | (63,464)           | (64,734)           | (66,028)           |
| Development Engineering Expense       | 80,954           | 273,859          | 284,082        | 297,756          | 285,235        | 293,341            | 296,508            | 399,739            | 303,035            |
| Corporate Services                    | 58,211           | 148,016          | 70,000         | 125,000          | 140,000        | 122,400            | 124,848            | 127,345            | 129,892            |
| Communications                        | -                | 683              | 8,000          | 8,000            | 8,000          | 8,160              | 8,323              | 8,490              | 8,659              |
| Finance - Procurement                 | 600              | 605              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Information Technology                | 7,538            | 9,189            | 6,958          | 10,000           | 7,530          | 7,681              | 7,834              | 7,991              | 8,151              |
| <b>Total Internal Allocations In</b>  | <b>130,755</b>   | <b>294,182</b>   | <b>296,039</b> | <b>429,756</b>   | <b>379,765</b> | <b>369,361</b>     | <b>374,049</b>     | <b>478,831</b>     | <b>383,709</b>     |
| Add back Recoveries                   | -                | -                | (273,000)      | (11,000)         | (61,000)       | (62,220)           | (63,464)           | (64,734)           | (66,028)           |
| <b>Total Operating Expense</b>        | <b>514,681</b>   | <b>660,221</b>   | <b>632,573</b> | <b>730,662</b>   | <b>698,000</b> | <b>688,586</b>     | <b>694,284</b>     | <b>800,095</b>     | <b>706,021</b>     |

| Outputs and Outcomes                | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Operating Expense</b>        | <b>514,681</b> | <b>660,221</b> | <b>632,573</b> | <b>730,662</b>   | <b>698,000</b> | <b>688,586</b>     | <b>694,284</b>     | <b>800,095</b>     | <b>706,021</b>     |
| Cost per capita                     | 15.24          | 19.56          | 18.74          | 21.64            | 20.67          | 20.40              | 20.56              | 23.70              | 20.91              |
| % of property tax                   | 1.91%          | 2.15%          | 1.98%          | 2.29%            | 2.09%          | 2.01%              | 1.95%              | 2.16%              | 1.83%              |
| Change 2018 forecast to 2019 budget |                |                |                |                  |                |                    |                    |                    |                    |
| \$ change                           |                |                |                |                  | (32,662)       |                    |                    |                    |                    |
| % change                            |                |                |                |                  | -4.47%         |                    |                    |                    |                    |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                      | \$ change | % change |
|------------------------------------------------------|-----------|----------|
| Increase in expected development engineering revenue | (50,000)  | -6.84%   |
| Increase in legal expenses based on historical trend | 15,000    | 2.05%    |

Development Engineering

|                              | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| DCC Bylaw Update             | -              | -              | 5,000          | 456              | -              | -                  | -                  | 100,000            | -                  |
| Subdivision & Dev. Bylaw     | -              | 11,807         | 8,000          | 17,000           | 12,000         | 12,240             | 12,485             | 12,734             | 12,989             |
| Engineering Bylaw Review     | -              | -              | 5,000          | -                | -              | 5,000              | 5,000              | 5,000              | 5,000              |
| Salary and Wages             | 80,954         | 262,052        | 266,082        | 280,300          | 273,235        | 276,101            | 279,023            | 282,005            | 285,046            |
|                              | 80,954         | 273,859        | 284,082        | 297,756          | 285,235        | 293,341            | 296,508            | 399,739            | 303,035            |
| Fees                         | (37,027)       | (138,171)      | (73,000)       | (11,000)         | (61,000)       | (62,220)           | (63,464)           | (64,734)           | (66,028)           |
| <b>Net Operating Expense</b> | <b>43,927</b>  | <b>135,689</b> | <b>211,082</b> | <b>286,756</b>   | <b>224,235</b> | <b>231,121</b>     | <b>233,044</b>     | <b>335,006</b>     | <b>237,007</b>     |



## Land Management

### Land Management - Operating Budget

|                              | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services           | 209,877          | 262,823          | 187,375          | 228,801          | 314,475          | 319,475            | 224,475            | 224,475            | 224,475            |
| Legal                        | 7,517            | 17,737           | -                | 6,000            | -                | -                  | -                  | -                  | -                  |
| Salaries and benefits        | 202,852          | 219,535          | 251,938          | 263,106          | 310,323          | 313,163            | 316,060            | 319,015            | 322,029            |
| Total Operating Expense      | 420,247          | 500,095          | 439,313          | 497,907          | 624,798          | 632,638            | 540,535            | 543,490            | 546,504            |
| Revenue                      | (1,026,258)      | (1,247,881)      | (1,286,766)      | (1,242,099)      | (1,114,398)      | (1,132,393)        | (1,153,454)        | (1,175,677)        | (1,199,167)        |
| <b>Net Operating Surplus</b> | <b>(606,012)</b> | <b>(747,786)</b> | <b>(847,453)</b> | <b>(744,192)</b> | <b>(489,600)</b> | <b>(499,754)</b>   | <b>(612,919)</b>   | <b>(632,187)</b>   | <b>(652,662)</b>   |

#### Internal Allocations Out

|                                       |              |               |                |                |                |                |                |                |                |
|---------------------------------------|--------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Development Services                  | (8,500)      | -             | -              | -              | -              | -              | -              | -              | -              |
| General Government                    | (30,533)     | (2,405)       | (2,500)        | (2,500)        | (2,500)        | (2,500)        | (2,500)        | (2,500)        | (2,500)        |
| Planning                              | 48,459       | 69,610        | -              | -              | -              | -              | -              | -              | -              |
| <b>Total Internal Allocations Out</b> | <b>9,426</b> | <b>67,205</b> | <b>(2,500)</b> | <b>(2,500)</b> | <b>(2,500)</b> | <b>(2,500)</b> | <b>(2,500)</b> | <b>(2,500)</b> | <b>(2,500)</b> |

|                  |             |             |             |             |             |             |             |             |             |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Add back Revenue | (1,026,258) | (1,247,881) | (1,286,766) | (1,242,099) | (1,114,398) | (1,132,393) | (1,153,454) | (1,175,677) | (1,199,167) |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|

|                                |                |                |                |                |                |                |                |                |                |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Total Operating Expense</b> | <b>410,821</b> | <b>432,889</b> | <b>441,813</b> | <b>500,407</b> | <b>627,298</b> | <b>635,138</b> | <b>543,035</b> | <b>545,990</b> | <b>549,004</b> |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

| Outputs and Outcomes         | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Operating Surplus</b> | <b>(615,438)</b> | <b>(814,992)</b> | <b>(844,953)</b> | <b>(741,692)</b> | <b>(487,100)</b> | <b>(497,254)</b>   | <b>(610,419)</b>   | <b>(629,687)</b>   | <b>(650,162)</b>   |

|                   |   |        |   |        |   |        |   |        |   |        |   |        |   |        |   |        |   |        |
|-------------------|---|--------|---|--------|---|--------|---|--------|---|--------|---|--------|---|--------|---|--------|---|--------|
| Cost per capita   | - | 18.23  | - | 22.15  | - | 25.10  | - | 22.04  | - | 14.50  | - | 14.80  | - | 18.15  | - | 18.73  | - | 19.33  |
| % of property tax |   | -2.29% |   | -2.66% |   | -2.64% |   | -2.32% |   | -1.46% |   | -1.45% |   | -1.71% |   | -1.70% |   | -1.69% |

Change 2018 forecast to 2019 budget

\$ change 254,592

% change -34.33%

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                       | \$ change | % change |
|---------------------------------------------------------------------------------------|-----------|----------|
| Interior Health & Okanagan Hockey School lease revenue now reflected in SOEC schedule | 160,290   | 21.61%   |
| Parks Master Plan commencing in 2019                                                  | 75,000    | 10.11%   |
| Land Management Strategy to commence in 2019                                          | 15,000    | 2.02%    |
| 0.5 FTE budgeted to operations in 2019, was budgeted to a                             |           |          |

## Land Management - Operating Budget by Project

|                                          | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Planning                                 |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| Land Lease Costs                         | 57,000           | 87,051           | 82,000           | 71,000           | 82,000           | 82,000             | 82,000             | 82,000             | 82,000             |
| Goods and Services                       | 25,571           | 31,805           | -                | -                | -                | -                  | -                  | -                  | -                  |
| Land Management Strategy                 | -                | -                | -                | -                | 15,000           | -                  | -                  | -                  | -                  |
| Parks Master Plan                        | -                | -                | -                | -                | 75,000           | 95,000             | -                  | -                  | -                  |
| Land Registration, Appraisals and Survey | 23,352           | 43,622           | 53,800           | 58,800           | 58,800           | 58,800             | 58,800             | 58,800             | 58,800             |
| Salaries and Benefits                    | 202,852          | 217,201          | 251,938          | 260,000          | 310,323          | 313,163            | 316,060            | 319,015            | 322,029            |
| Misc. Revenue                            | (48,409)         | (119,260)        | (159,147)        | (116,250)        | (159,747)        | (159,747)          | (159,747)          | (159,747)          | (159,747)          |
| Training, Dues & Memberships             | 2,805            | 3,673            | 5,900            | 500              | 5,000            | 5,000              | 5,000              | 5,000              | 5,000              |
| Land Mgmt - City Leases                  | (528,748)        | (666,491)        | (730,435)        | (705,312)        | (551,173)        | (564,571)          | (578,845)          | (594,081)          | (610,378)          |
| Land Mgmt - License to Use               | (135,922)        | (159,430)        | (179,297)        | (160,471)        | (161,133)        | (163,276)          | (165,462)          | (167,691)          | (169,964)          |
| Land Mgmt - Tenancy                      | (119,467)        | (110,161)        | (104,603)        | (91,911)         | (96,670)         | (96,583)           | (98,535)           | (100,526)          | (102,556)          |
| Land Mgmt - Other                        | (85,047)         | (75,797)         | (67,608)         | (60,548)         | (67,000)         | (69,540)           | (72,191)           | (74,958)           | (77,846)           |
| <b>Net Operating Surplus</b>             | <b>(606,012)</b> | <b>(747,786)</b> | <b>(847,453)</b> | <b>(744,192)</b> | <b>(489,600)</b> | <b>(499,754)</b>   | <b>(612,919)</b>   | <b>(632,187)</b>   | <b>(652,662)</b>   |

## Planning and Land Use

### Planning - Operating Budget

|                                      | 2016<br>Actual         | 2017<br>Actual         | 2018<br>Budget         | 2018<br>Forecast         | 2019<br>Budget         | 2020<br>Projection         | 2021<br>Projection         | 2022<br>Projection         | 2023<br>Projection         |
|--------------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Goods and Services                   | 20,108                 | 24,119                 | 37,800                 | 44,085                   | 221,975                | 51,494                     | 42,024                     | 42,565                     | 43,116                     |
| Affordable Housing                   | 31,000                 | 15,310                 | 15,000                 | 6,000                    | 2,500                  | 2,500                      | 2,500                      | 2,500                      | 2,500                      |
| Salaries and benefits                | 420,227                | 542,627                | 623,969                | 624,909                  | 663,537                | 670,231                    | 677,059                    | 684,024                    | 691,128                    |
| Urban Forestry Plan                  | 10,000                 | -                      | -                      | -                        | -                      | -                          | -                          | -                          | -                          |
| <b>Total Operating Expense</b>       | <b>481,335</b>         | <b>582,055</b>         | <b>676,769</b>         | <b>674,994</b>           | <b>888,012</b>         | <b>724,226</b>             | <b>721,584</b>             | <b>729,089</b>             | <b>736,744</b>             |
| Revenue                              | (212,274)              | (316,275)              | (253,000)              | (293,764)                | (278,000)              | (278,000)                  | (278,000)                  | (278,000)                  | (278,000)                  |
| CARIP Grant                          | -                      | (48,073)               | (48,000)               | (52,320)                 | (48,000)               | (48,000)                   | (48,000)                   | (48,000)                   | (48,000)                   |
| <b>Net Operating Expense</b>         | <b>269,061</b>         | <b>217,707</b>         | <b>375,769</b>         | <b>328,910</b>           | <b>562,012</b>         | <b>398,226</b>             | <b>395,584</b>             | <b>403,089</b>             | <b>410,744</b>             |
| <b>Internal Allocations In</b>       |                        |                        |                        |                          |                        |                            |                            |                            |                            |
| Land Management                      | 48,459                 | 69,610                 | -                      | -                        | -                      | -                          | -                          | -                          | -                          |
| Development Services                 | 4,377                  | -                      | -                      | -                        | -                      | -                          | -                          | -                          | -                          |
| Engineering Design                   | 10,000                 | 10,000                 | 5,000                  | 5,000                    | -                      | -                          | -                          | -                          | -                          |
| Finance - Procurement                | 210                    | -                      | -                      | -                        | -                      | -                          | -                          | -                          | -                          |
| <b>Total Internal Allocations In</b> | <b>63,046</b>          | <b>79,610</b>          | <b>5,000</b>           | <b>5,000</b>             | <b>-</b>               | <b>-</b>                   | <b>-</b>                   | <b>-</b>                   | <b>-</b>                   |
| Add back Revenues                    | (212,274)              | (316,275)              | (253,000)              | (293,764)                | (326,000)              | (326,000)                  | (326,000)                  | (326,000)                  | (326,000)                  |
| <b>Total Operating Expense</b>       | <b>544,381</b>         | <b>661,666</b>         | <b>681,769</b>         | <b>679,994</b>           | <b>888,012</b>         | <b>724,226</b>             | <b>721,584</b>             | <b>729,089</b>             | <b>736,744</b>             |
| <b>Outputs and Outcomes</b>          | <b>2016<br/>Actual</b> | <b>2017<br/>Actual</b> | <b>2018<br/>Budget</b> | <b>2018<br/>Forecast</b> | <b>2019<br/>Budget</b> | <b>2020<br/>Projection</b> | <b>2021<br/>Projection</b> | <b>2022<br/>Projection</b> | <b>2023<br/>Projection</b> |
| <b>Net Operating Expense</b>         | <b>332,108</b>         | <b>297,317</b>         | <b>380,769</b>         | <b>333,910</b>           | <b>562,012</b>         | <b>398,226</b>             | <b>395,584</b>             | <b>403,089</b>             | <b>410,744</b>             |
| Cost per capita                      | 9.84                   | 8.81                   | 11.28                  | 9.89                     | 16.65                  | 11.80                      | 11.72                      | 11.94                      | 12.17                      |
| % of property tax                    | 1.23%                  | 0.97%                  | 1.19%                  | 1.05%                    | 1.68%                  | 1.16%                      | 1.11%                      | 1.09%                      | 1.07%                      |
| Change 2018 forecast to 2019 budget  |                        |                        |                        |                          |                        |                            |                            |                            |                            |
| \$ change                            | 228,102                |                        |                        |                          |                        |                            |                            |                            |                            |
| % change                             | 68.31%                 |                        |                        |                          |                        |                            |                            |                            |                            |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                         | \$ change | % change |
|-----------------------------------------------------------------------------------------|-----------|----------|
| Comprehensive development plan commencing in 2019                                       | 130,000   | 38.93%   |
| Downtown Parkade feasibility study commencing in 2019                                   | 26,000    | 7.79%    |
| 0.5 FTE budgeted to operations in 2019, was budgeted to a capital project (OCP) in 2018 | 73,500    | 22.01%   |

## Planning - Operating Budget by Project

|                                           | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Public Notification                       | 7,182          | 11,969         | 10,000         | 10,000           | 12,000         | 12,240             | 12,485             | 12,734             | 12,989             |
| Policy Review                             | 524            | 2,000          | 5,000          | 4,000            | 15,000         | 15,000             | 5,000              | 5,000              | 5,000              |
| Affordable Housing                        | 31,000         | 15,310         | 15,000         | 6,000            | 2,500          | 2,500              | 2,500              | 2,500              | 2,500              |
| Climate action                            | 7,011          | 10,330         | 37,385         | 10,000           | 53,617         | 38,617             | 38,617             | 38,617             | 38,617             |
| Downtown Parkade Feasibility Study        | -              | -              | -              | -                | 26,000         | -                  | -                  | -                  | -                  |
| Comprehensive Development Plan            | -              | -              | -              | -                | 130,000        | -                  | -                  | -                  | -                  |
| Urban Forestry Plan                       | 10,000         | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Conferences, Training, Dues & Memberships | 5,607          | 4,316          | 7,800          | 15,300           | 13,975         | 14,254             | 14,540             | 14,830             | 15,127             |
| Salaries and Wages                        | 420,011        | 538,131        | 601,584        | 624,909          | 634,920        | 641,614            | 648,442            | 655,407            | 662,511            |
|                                           | 481,335        | 582,055        | 676,769        | 670,209          | 888,012        | 724,226            | 721,584            | 729,089            | 736,744            |
| Recoveries                                | (212,274)      | (364,348)      | (301,000)      | (341,299)        | (326,000)      | (326,000)          | (326,000)          | (326,000)          | (326,000)          |
| <b>Net Operating Expense by Project</b>   | <b>269,061</b> | <b>217,707</b> | <b>375,769</b> | <b>328,910</b>   | <b>562,012</b> | <b>398,226</b>     | <b>395,584</b>     | <b>403,089</b>     | <b>410,744</b>     |

## Engineering Services

### Engineering - Operating Budget

|                                       | 2016<br>Actual         | 2017<br>Actual         | 2018<br>Budget           | 2018<br>Forecast       | 2019<br>Budget         | 2020<br>Projection         | 2021<br>Projection         | 2022<br>Projection         | 2023<br>Projection         |
|---------------------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Goods and Services                    | 27,018                 | 49,740                 | 48,250                   | 66,961                 | 108,450                | 606,450                    | 280,450                    | 118,450                    | 118,450                    |
| Salaries and Benefits                 | 164,998                | 192,483                | 166,450                  | 101,100                | 102,000                | 133,280                    | 144,785                    | 156,521                    | 168,491                    |
| <b>Net Operating Expense</b>          | <b>192,017</b>         | <b>242,223</b>         | <b>214,700</b>           | <b>168,061</b>         | <b>210,450</b>         | <b>739,730</b>             | <b>425,235</b>             | <b>274,971</b>             | <b>286,941</b>             |
| <b>Internal Allocations In</b>        |                        |                        |                          |                        |                        |                            |                            |                            |                            |
| Corporate Administration              | 233                    | 41,228                 | 25,000                   | 30,014                 | 25,000                 | 25,500                     | 26,010                     | 26,530                     | 27,061                     |
| Engineering Design                    | 113,153                | 148,587                | 129,700                  | 83,061                 | -                      | -                          | -                          | -                          | -                          |
| Operations                            | 14,292                 | 14,697                 | 21,749                   | 21,558                 | 23,000                 | 25,000                     | 26,000                     | 27,000                     | 28,000                     |
| Communications                        | 427                    | 500                    | 8,000                    | 8,000                  | 10,000                 | 10,000                     | 10,000                     | 10,000                     | 10,000                     |
| Finance - Procurement                 | 2,713                  | 1,676                  | -                        | -                      | -                      | -                          | -                          | -                          | -                          |
| Information Technology                | -                      | -                      | 1,020                    | -                      | 5,100                  | 5,202                      | 5,306                      | 5,412                      | 5,520                      |
| Fleet                                 | 13,750                 | 11,000                 | 11,000                   | 11,000                 | 11,000                 | 11,000                     | 11,000                     | 11,000                     | 11,000                     |
| <b>Total Internal Allocations In</b>  | <b>144,568</b>         | <b>217,688</b>         | <b>196,469</b>           | <b>153,633</b>         | <b>74,100</b>          | <b>76,702</b>              | <b>78,316</b>              | <b>79,942</b>              | <b>81,581</b>              |
| <b>Internal Allocations Out</b>       |                        |                        |                          |                        |                        |                            |                            |                            |                            |
| Electric                              | 10,000                 | 10,000                 | 15,000                   | 15,000                 | 22,000                 | 28,000                     | 32,000                     | 35,000                     | 37,000                     |
| Engineering Services                  | 113,153                | 148,587                | 129,700                  | 83,061                 | -                      | -                          | -                          | -                          | -                          |
| Planning                              | 10,000                 | 10,000                 | 5,000                    | 5,000                  | -                      | -                          | -                          | -                          | -                          |
| Storm                                 | -                      | -                      | -                        | -                      | -                      | -                          | 57,000                     | -                          | -                          |
| Parks                                 | 10,000                 | 10,000                 | 10,000                   | 10,000                 | 10,500                 | 12,000                     | 14,000                     | 16,000                     | 17,000                     |
| Roads and Maintenance                 | 10,000                 | 10,000                 | 10,000                   | 10,000                 | 30,050                 | 293,432                    | 153,551                    | 41,913                     | 43,523                     |
| Sewer                                 | 17,000                 | 17,000                 | 20,000                   | 20,000                 | 111,000                | 242,000                    | 124,000                    | 131,000                    | 136,000                    |
| Water                                 | 17,000                 | 17,000                 | 20,000                   | 20,000                 | 111,000                | 241,000                    | 123,000                    | 131,000                    | 135,000                    |
| <b>Total Internal Allocations Out</b> | <b>192,153</b>         | <b>227,587</b>         | <b>214,700</b>           | <b>168,061</b>         | <b>284,550</b>         | <b>816,432</b>             | <b>503,551</b>             | <b>354,913</b>             | <b>368,523</b>             |
| <b>Total Operating expense</b>        | <b>144,432</b>         | <b>232,324</b>         | <b>196,469</b>           | <b>153,633</b>         | <b>-</b>               | <b>-</b>                   | <b>-</b>                   | <b>-</b>                   | <b>-</b>                   |
| <b>Outputs and Outcomes</b>           | <b>2016<br/>Actual</b> | <b>2017<br/>Actual</b> | <b>2018<br/>Forecast</b> | <b>2018<br/>Budget</b> | <b>2019<br/>Budget</b> | <b>2020<br/>Projection</b> | <b>2021<br/>Projection</b> | <b>2022<br/>Projection</b> | <b>2023<br/>Projection</b> |
| Cost per capita                       | 4.28                   | 6.88                   | 5.82                     | 4.55                   | -                      | -                          | -                          | -                          | -                          |
| % of property tax                     | 0.54%                  | 0.76%                  | 0.61%                    | 0.48%                  | 0.00%                  | 0.00%                      | 0.00%                      | 0.00%                      | 0.00%                      |
| Change 2018 forecast to 2019 budget   |                        |                        |                          |                        |                        |                            |                            |                            |                            |
| \$ change                             |                        |                        |                          |                        | (153,633)              |                            |                            |                            |                            |
| % change                              |                        |                        |                          |                        | -100.00%               |                            |                            |                            |                            |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|  | \$ change | % change |
|--|-----------|----------|
|--|-----------|----------|

Net change to internal allocations in/out to other departments.

As engineering is a support department, 100% of the costs

have been allocated out to the departments they support. (196,022) -127.59%

## Engineering - General Capital Budget

|                                                                                 | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------------------------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Facilities</b>                                                               |                  |                    |                    |                    |                    |
| Rainfall Monitoring - Budget - Gen Cap                                          | -                | 16,000             | -                  | -                  | -                  |
| <b>Storm Drainage</b>                                                           |                  |                    |                    |                    |                    |
| Storm Water Management - Liquid Waste Management Plan                           | -                | 84,000             | 85,000             | 86,000             | 87,000             |
| Oxbow Drainage Improvements                                                     | -                | 59,000             | 59,000             | 59,000             | 59,000             |
| Huth Ave. Storm Sewer Construction - Gen Cap Portion                            | -                | -                  | -                  | 453,100            | -                  |
|                                                                                 | -                | 143,000            | 144,000            | 598,100            | 146,000            |
| <b>Parks</b>                                                                    |                  |                    |                    |                    |                    |
| SS Sicamous Walkway Extension                                                   | 100,000          | -                  | -                  | -                  | -                  |
| <b>Roads and Maintenance</b>                                                    |                  |                    |                    |                    |                    |
| Orchard Avenue Reconstruction - Gen Cap Portion                                 | -                | -                  | -                  | 1,022,532          | 551,300            |
| Orchard Avenue Reconstruction - DCC Portion                                     | -                | -                  | -                  | 38,868             | -                  |
| East Penticton Interceptor - Fairway Ave to Treatment Plant - Budget - Gen Cap  | -                | -                  | -                  | 589,000            | -                  |
| Main Street Upgrades - Industrial Avenue to Warren Avenue - Budget - Gen Cap    | 280,000          | -                  | -                  | -                  | -                  |
| Main Street Upgrades - Industrial Avenue to Warren Avenue - Budget - DCC        | 98,303           | -                  | -                  | -                  | -                  |
| Aging Storm Sewer Infrastructure Replacement and Upgrades - Gen Cap Portion     | -                | -                  | -                  | 530,000            | 530,000            |
| Overland Drainage Improvements - Budget - Gen Cap                               | 150,000          | -                  | -                  | -                  | -                  |
| Point Intersection Kinney & South Main - Re-Align Galt Avenue - Gen Cap Portion | -                | 350,000            | -                  | -                  | -                  |
| Point Intersection Kinney & South Main - Re-Align Galt Avenue - Financing       | -                | 3,436,300          | -                  | -                  | -                  |
| Pavement Management: Rehabilitation - Gen Cap Portion                           | 520,000          | 612,150            | 253,190            | 636,230            | 649,280            |
| Downtown On Street Parking Design                                               | 5,000            | -                  | -                  | -                  | -                  |
| Woodstock Road Reconstruction - Gen Cap Portion                                 | -                | 273,000            | -                  | -                  | -                  |
| Penticton Creek Revitalization - Reach 3 - Gen Cap Portion                      | 160,000          | 453,000            | 1,450,000          | 187,500            | 275,000            |
| Penticton Creek Revitalization - Grant Portion                                  | -                | -                  | -                  | 562,500            | -                  |
| Penticton Creek Revitalization - Reach 3 - Grant Funding                        | 160,000          | -                  | 1,450,000          | -                  | -                  |
| Penticton Creek Revitalization - Reach 12 - Grant Funding                       | 375,000          | 375,000            | -                  | -                  | -                  |
| Intersection and Road Marking Improvements - Gen Cap Portion                    | -                | 210,000            | 51,500             | 51,500             | 60,650             |
| Dewdney Crescent Storm Upgrades - Budget - Gen Cap                              | -                | 75,000             | -                  | -                  | -                  |
| South Main Street Sanitary Sewer - Budget - Gen Cap                             | 160,950          | -                  | -                  | -                  | -                  |
| Bike Network Planning & Infrastructure                                          | 55,000           | -                  | -                  | -                  | -                  |
| Sidewalks, Curbs and Gutter Projects                                            | -                | 125,000            | 125,000            | 125,000            | 125,000            |
| Traffic Calming Program                                                         | -                | 140,500            | 55,000             | 55,000             | 55,000             |
| <b>Total Engineering - Roads &amp; Maintenance</b>                              | <b>1,964,253</b> | <b>6,049,950</b>   | <b>3,384,690</b>   | <b>3,798,130</b>   | <b>2,246,230</b>   |
| <b>Total Engineering General Capital</b>                                        | <b>2,064,253</b> | <b>6,208,950</b>   | <b>3,528,690</b>   | <b>4,396,230</b>   | <b>2,392,230</b>   |



## Recreation and Cultural Services Segment

### Recreation and Culture Segment Summary

|                            | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Revenue</b>             |                |                |                |                  |                |                    |                    |                    |                    |
| Recreation                 | (2,047,297)    | (2,224,346)    | (2,090,000)    | (2,190,209)      | (2,170,035)    | (2,183,441)        | (2,205,282)        | (2,227,561)        | (2,286,711)        |
| SOEC                       | -              | -              | -              | -                | (234,461)      | (234,832)          | (235,205)          | (235,579)          | (235,956)          |
| Parks                      | (41,004)       | (9,215)        | -              | (22,620)         | -              | -                  | -                  | -                  | -                  |
| Library                    | (133,942)      | (137,299)      | (252,212)      | (244,367)        | (245,612)      | (245,612)          | (245,612)          | (245,612)          | (245,612)          |
| Library Grants             | (137,320)      | (131,396)      | (5,000)        | (3,700)          | (12,000)       | (12,000)           | (12,000)           | (12,000)           | (12,000)           |
| Museum and Archives        | (34,565)       | (41,919)       | (49,710)       | (57,305)         | (42,250)       | (39,700)           | (42,100)           | (42,600)           | (43,100)           |
|                            | (2,394,128)    | (2,544,174)    | (2,396,922)    | (2,518,201)      | (2,704,358)    | (2,715,585)        | (2,740,199)        | (2,763,352)        | (2,823,378)        |
| <b>Expenses</b>            |                |                |                |                  |                |                    |                    |                    |                    |
| Recreation                 | 2,107,712      | 2,209,918      | 2,384,536      | 2,346,491        | 4,299,436      | 4,352,429          | 4,414,448          | 4,479,986          | 4,542,197          |
| SOEC                       | 1,255,015      | 1,101,073      | 1,180,228      | 1,155,410        | 1,461,332      | 1,468,638          | 1,475,981          | 1,483,361          | 1,490,778          |
| Parks                      | 1,986,105      | 1,992,281      | 2,165,947      | 2,178,703        | 2,652,070      | 2,700,399          | 2,733,657          | 2,779,265          | 2,821,777          |
| Library                    | 1,296,202      | 1,318,182      | 1,361,093      | 1,348,547        | 1,413,304      | 1,424,249          | 1,435,414          | 1,446,801          | 1,458,416          |
| Museum and Archives        | 212,343        | 230,224        | 243,302        | 246,561          | 324,850        | 329,632            | 334,510            | 339,485            | 344,560            |
|                            | 6,857,377      | 6,851,678      | 7,335,106      | 7,275,712        | 10,150,992     | 10,275,347         | 10,394,010         | 10,528,898         | 10,657,728         |
| Net Operating Expense      | 4,463,249      | 4,307,504      | 4,938,184      | 4,757,511        | 7,446,634      | 7,559,763          | 7,653,811          | 7,765,546          | 7,834,349          |
| <b>Cost Per Capita</b>     | <b>135.76</b>  | <b>131.02</b>  | <b>150.20</b>  | <b>144.71</b>    | <b>220.57</b>  | <b>223.92</b>      | <b>226.71</b>      | <b>230.02</b>      | <b>232.05</b>      |
| <b>% of Property Taxes</b> | <b>16.57%</b>  | <b>14.05%</b>  | <b>15.42%</b>  | <b>14.90%</b>    | <b>22.32%</b>  | <b>22.06%</b>      | <b>21.49%</b>      | <b>20.98%</b>      | <b>20.36%</b>      |

## Recreation

### Recreation - Operating Budget

|                                | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services             | 344,806          | 379,125          | 404,043          | 379,147          | 449,520          | 443,420            | 447,399            | 451,457            | 455,596            |
| Fleet                          | 1,727            | 2,119            | -                | 2,059            | -                | -                  | -                  | -                  | -                  |
| Salaries and benefits          | 1,731,415        | 1,800,289        | 1,951,927        | 1,938,481        | 1,979,317        | 2,010,968          | 2,043,253          | 2,076,183          | 2,109,771          |
| <b>Total Operating Expense</b> | <b>2,077,947</b> | <b>2,181,533</b> | <b>2,355,970</b> | <b>2,319,686</b> | <b>2,428,837</b> | <b>2,454,389</b>   | <b>2,490,651</b>   | <b>2,527,640</b>   | <b>2,565,367</b>   |
| Recoveries                     | (2,047,297)      | (2,224,346)      | (2,090,000)      | (2,190,209)      | (2,170,035)      | (2,183,441)        | (2,205,282)        | (2,227,561)        | (2,286,711)        |
| <b>Net Operating Expense</b>   | <b>30,651</b>    | <b>(42,813)</b>  | <b>265,970</b>   | <b>129,477</b>   | <b>258,802</b>   | <b>270,948</b>     | <b>285,369</b>     | <b>300,079</b>     | <b>278,657</b>     |

#### Internal Allocations Out

|        |   |   |   |   |   |   |   |   |   |
|--------|---|---|---|---|---|---|---|---|---|
| Museum | - | 6 | - | - | - | - | - | - | - |
|--------|---|---|---|---|---|---|---|---|---|

#### Internal Allocations In

|                                      |               |               |               |               |                  |                  |                  |                  |                  |
|--------------------------------------|---------------|---------------|---------------|---------------|------------------|------------------|------------------|------------------|------------------|
| Safety                               | 10,119        | 2,489         | 10,623        | 3,005         | 10,623           | 10,836           | 11,053           | 11,274           | 11,499           |
| Facilities                           | -             | -             | -             | -             | 1,359,250        | 1,386,435        | 1,414,163        | 1,442,446        | 1,471,295        |
| Finance - Debt Interest              | -             | -             | -             | -             | 482,742          | 482,742          | 480,509          | 480,509          | 475,871          |
| Finance - Procurement                | 780           | 1,125         | -             | -             | -                | -                | -                | -                | -                |
| Information Technology               | 4,851         | 8,096         | 6,942         | 7,300         | 6,984            | 7,028            | 7,072            | 7,118            | 7,164            |
| Fleet                                | 14,015        | 16,681        | 11,000        | 16,500        | 11,000           | 11,000           | 11,000           | 11,000           | 11,000           |
| <b>Total Internal Allocations In</b> | <b>29,765</b> | <b>28,391</b> | <b>28,565</b> | <b>26,805</b> | <b>1,870,599</b> | <b>1,898,040</b> | <b>1,923,797</b> | <b>1,952,347</b> | <b>1,976,829</b> |

|                  |             |             |             |             |             |             |             |             |             |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Add back Revenue | (2,047,297) | (2,224,346) | (2,090,000) | (2,190,209) | (2,170,035) | (2,183,441) | (2,205,282) | (2,227,561) | (2,286,711) |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|

|                                |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Total Operating Expense</b> | <b>2,107,712</b> | <b>2,209,918</b> | <b>2,384,536</b> | <b>2,346,491</b> | <b>4,299,436</b> | <b>4,352,429</b> | <b>4,414,448</b> | <b>4,479,986</b> | <b>4,542,197</b> |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|

| Outputs and Outcomes         | 2016<br>Actual | 2017<br>Actual  | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|----------------|-----------------|----------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Operating Expense</b> | <b>60,416</b>  | <b>(14,428)</b> | <b>294,536</b> | <b>156,282</b>   | <b>2,129,401</b> | <b>2,168,988</b>   | <b>2,209,166</b>   | <b>2,252,425</b>   | <b>2,255,486</b>   |

|                   |       |        |       |       |       |       |       |       |       |
|-------------------|-------|--------|-------|-------|-------|-------|-------|-------|-------|
| Cost per capita   | 1.84  | (0.44) | 8.96  | 4.75  | 64.77 | 65.97 | 67.19 | 68.51 | 68.60 |
| % of property tax | 0.22% | -0.05% | 0.92% | 0.49% | 6.38% | 6.33% | 6.20% | 6.08% | 5.86% |

#### Change 2018 forecast to 2019 budget

|           |           |
|-----------|-----------|
| \$ change | 1,973,119 |
| % change  | 1262.54%  |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                                                                 | \$ change | % change |
|---------------------------------------------------------------------------------------------------------------------------------|-----------|----------|
| Facilities department is allocating costs to operate recreation buildings starting in 2019                                      | 1,359,250 | 869.74%  |
| Finance department is allocating in debt servicing costs beginning in 2019                                                      | 482,742   | 308.89%  |
| Misc. revenue such as donations and grants were received in 2018 but not budgeted for in 2019 due to their unpredictable nature | 34,726    | 22.22%   |
| Contractual labour increases                                                                                                    | 40,836    | 26.13%   |
| Strategic Planning Initiative commencing in 2019                                                                                | 30,000    | 19.20%   |

Recreation - Operating Budget by Project

|                              | 2016<br>Actual     | 2017<br>Actual     | 2018<br>Budget     | 2018<br>Forecast   | 2019<br>Budget     | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>              |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Recreation                   | 429,839            | 515,799            | 591,019            | 643,440            | 626,286            | 632,962            | 639,771            | 646,716            | 653,801            |
| Aquatics                     | 877,717            | 814,810            | 868,206            | 827,232            | 839,870            | 856,467            | 873,397            | 890,665            | 908,278            |
| Facility Rentals             | 57,811             | 77,910             | 85,800             | 88,064             | 90,800             | 92,480             | 94,194             | 95,941             | 97,724             |
| Programs                     | 414,641            | 417,209            | 454,102            | 453,450            | 472,431            | 471,680            | 481,113            | 490,736            | 500,550            |
| Recreation General           | 81,163             | 74,843             | 108,700            | 93,947             | 143,200            | 144,354            | 145,531            | 146,732            | 147,956            |
| Sport & Events               | -                  | -                  | 129,193            | 135,000            | 148,750            | 148,750            | 148,750            | 148,750            | 148,750            |
| Sport Tourism                | -                  | 105,664            | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Recreation                   | 107,751            | 97,700             | 28,950             | 21,100             | 17,500             | 17,696             | 17,896             | 18,100             | 18,308             |
| Recoveries - Recreation      | 109,025            | 77,599             | 90,000             | 57,454             | 90,000             | 90,000             | 90,000             | 90,000             | 90,000             |
| <b>Total Expenses</b>        | <b>2,077,947</b>   | <b>2,181,533</b>   | <b>2,355,970</b>   | <b>2,319,686</b>   | <b>2,428,837</b>   | <b>2,454,389</b>   | <b>2,490,651</b>   | <b>2,527,640</b>   | <b>2,565,367</b>   |
| <b>Revenue</b>               |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Aquatics                     | (858,294)          | (953,492)          | (907,000)          | (918,320)          | (933,945)          | (947,566)          | (952,862)          | (958,263)          | (989,377)          |
| Facility Rentals             | (682,253)          | (767,308)          | (706,500)          | (743,809)          | (745,320)          | (737,529)          | (746,348)          | (755,344)          | (775,341)          |
| Programs                     | (351,927)          | (358,946)          | (355,500)          | (409,887)          | (378,770)          | (386,345)          | (394,072)          | (401,954)          | (409,993)          |
| Recreation General           | (29,620)           | (39,890)           | (21,000)           | (16,013)           | (12,000)           | (12,000)           | (12,000)           | (12,000)           | (12,000)           |
| Recoveries - Recreation      | (125,203)          | (104,710)          | (100,000)          | (102,180)          | (100,000)          | (100,000)          | (100,000)          | (100,000)          | (100,000)          |
| <b>Total Revenue</b>         | <b>(2,047,297)</b> | <b>(2,224,346)</b> | <b>(2,090,000)</b> | <b>(2,190,209)</b> | <b>(2,170,035)</b> | <b>(2,183,441)</b> | <b>(2,205,282)</b> | <b>(2,227,561)</b> | <b>(2,286,711)</b> |
| <b>Net Operating Expense</b> | <b>30,651</b>      | <b>- 42,813</b>    | <b>265,970</b>     | <b>129,477</b>     | <b>258,802</b>     | <b>270,948</b>     | <b>285,369</b>     | <b>300,079</b>     | <b>278,657</b>     |

# South Okanagan Events Centre (SOEC)

## SOEC - Operating Budget

|                                     | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Revenues</b>                     |                |                |                |                  |                |                    |                    |                    |                    |
| City Leases - Interior Health       |                |                |                |                  | (26,030)       | (26,030)           | (26,030)           | (26,030)           | (26,030)           |
| City Leases - Okanagan Hockey Group |                |                |                |                  | (134,260)      | (134,260)          | (134,260)          | (134,260)          | (134,260)          |
| Facility Fee Revenue                |                |                |                |                  | (74,171)       | (74,542)           | (74,915)           | (75,289)           | (75,666)           |
| <b>Total Revenue</b>                |                |                |                |                  | (234,461)      | (234,832)          | (235,205)          | (235,579)          | (235,956)          |
| Operating Contract - SOEC           | -              | -              | -              | -                | 1,111,212      | 1,116,768          | 1,122,352          | 1,127,963          | 1,133,603          |
| Operating Contract - PTCC           | -              | -              | -              | -                | 354,059        | 355,829            | 357,608            | 359,396            | 361,193            |
| Operating Contract - OHS            | -              | -              | -              | -                | (88,462)       | (88,904)           | (89,349)           | (89,796)           | (90,244)           |
| Operating Contract - Memorial       | -              | -              | -              | -                | 84,523         | 84,946             | 85,370             | 85,797             | 86,226             |
| Incentive Payments                  | 84,672         | 71,991         | -              | -                | -              | -                  | -                  | -                  | -                  |
| Operating Contract                  | 1,170,043      | 1,028,898      | 1,180,228      | 1,155,410        | -              | -                  | -                  | -                  | -                  |
| Procurement Services                | 300            | 184            | -              | -                | -              | -                  | -                  | -                  | -                  |
| <b>Total Operating Expense</b>      | 1,255,015      | 1,101,073      | 1,180,228      | 1,155,410        | 1,461,332      | 1,468,638          | 1,475,981          | 1,483,361          | 1,490,778          |
| <b>Internal Allocations In</b>      |                |                |                |                  |                |                    |                    |                    |                    |
| Purchasing                          | 300            | 184            | -              | -                | -              | -                  | -                  | -                  | -                  |
| <b>Net Operating Expense</b>        | 1,254,715      | 1,100,889      | 1,180,228      | 1,155,410        | 1,226,871      | 1,233,807          | 1,240,777          | 1,247,782          | 1,254,822          |
| Cost per capita                     | 38.16          | 33.49          | 35.90          | 35.14            | 37.32          | 37.53              | 37.74              | 37.95              | 38.17              |
| % of property tax                   | 3.67%          | 3.10%          | 3.26%          | 3.13%            | 3.67%          | 3.61%              | 3.53%              | 3.45%              | 3.37%              |
| Change 2018 forecast to 2019 budget |                |                |                |                  |                |                    |                    |                    |                    |
| \$ change                           | 71,461         |                |                |                  |                |                    |                    |                    |                    |
| % change                            | 6.18%          |                |                |                  |                |                    |                    |                    |                    |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                                                       | \$ change | % change |
|-----------------------------------------------------------------------------------------------------------------------|-----------|----------|
| Increase in operating contract                                                                                        | 305,922   | 26.48%   |
| Interior Health & Okanagan Hockey School lease revenue now reflected in SOEC schedule rather than the land department | (160,290) | -13.87%  |
| Facility fee revenue now reflected in this schedule rather than Gen Gov't                                             | (74,171)  | -6.42%   |

## Public Works - Parks

### Public Works Parks - Operating Budget

|                                | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services             | 270,458          | 322,105          | 319,385          | 365,025          | 336,000          | 347,626            | 344,385            | 351,279            | 358,311            |
| Fleet                          | 353,564          | 315,372          | 347,200          | 333,241          | 350,050          | 350,128            | 350,208            | 350,289            | 350,372            |
| Salaries and Benefits          | 1,243,565        | 1,240,099        | 1,368,705        | 1,348,656        | 1,386,635        | 1,412,233          | 1,438,344          | 1,464,977          | 1,492,144          |
| <b>Total Operating Expense</b> | <b>1,867,587</b> | <b>1,877,576</b> | <b>2,035,291</b> | <b>2,046,922</b> | <b>2,072,686</b> | <b>2,109,988</b>   | <b>2,132,937</b>   | <b>2,166,546</b>   | <b>2,200,828</b>   |
| Recoveries                     | (41,004)         | (9,215)          | -                | (22,620)         | -                | -                  | -                  | -                  | -                  |
| <b>Net Operating Expense</b>   | <b>1,826,582</b> | <b>1,868,362</b> | <b>2,035,291</b> | <b>2,024,302</b> | <b>2,072,686</b> | <b>2,109,988</b>   | <b>2,132,937</b>   | <b>2,166,546</b>   | <b>2,200,828</b>   |

#### Internal Allocations Out

|          |        |        |        |        |        |        |        |        |        |
|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Cemetery | 10,557 | 11,233 | 11,579 | 11,579 | 11,000 | 11,220 | 11,444 | 11,673 | 11,907 |
|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|

#### Internal Allocations In

|                                      |                |                |                |                |                |                |                |                |                |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Irrigation - sewer                   | -              | 30,000         | 33,900         | 33,900         | 38,985         | 40,178         | 41,407         | 42,674         | 43,980         |
| Engineering Design                   | 10,000         | 10,000         | 10,000         | 10,000         | 10,500         | 12,000         | 14,000         | 16,000         | 17,000         |
| Irrigation - water                   | 55,000         | 31,325         | 36,140         | 36,140         | 37,693         | 39,199         | 40,765         | 42,394         | 44,088         |
| Communications                       | 2,211          | -              | -              | -              | -              | -              | -              | -              | -              |
| Facilities                           | -              | -              | -              | -              | 323,500        | 329,972        | 336,573        | 343,306        | 350,173        |
| Finance - Debt Interest              | -              | -              | -              | -              | 96,510         | 96,510         | 95,059         | 95,059         | 92,045         |
| Procurement                          | 479            | 603            | -              | -              | -              | -              | -              | -              | -              |
| Fleet                                | 29,815         | 36,000         | 38,000         | 38,000         | 38,000         | 38,000         | 38,000         | 38,000         | 38,000         |
| Public Works - General               | -              | -              | 14,820         | 14,820         | 35,727         | 36,114         | 36,508         | 36,910         | 37,320         |
| PW - Wage Allocation                 | 12,712         | 13,591         | -              | -              | -              | -              | -              | -              | -              |
| HR - Safety                          | 18,858         | 4,419          | 9,376          | 10,500         | 9,469          | 9,659          | 9,852          | 10,049         | 10,250         |
| <b>Total Internal Allocations In</b> | <b>129,075</b> | <b>125,937</b> | <b>142,235</b> | <b>143,360</b> | <b>590,384</b> | <b>601,631</b> | <b>612,164</b> | <b>624,393</b> | <b>632,857</b> |

|                     |          |         |   |          |   |   |   |   |   |
|---------------------|----------|---------|---|----------|---|---|---|---|---|
| Add Back Recoveries | (41,004) | (9,215) | - | (22,620) | - | - | - | - | - |
|---------------------|----------|---------|---|----------|---|---|---|---|---|

|                                |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Total Operating Expense</b> | <b>1,986,105</b> | <b>1,992,281</b> | <b>2,165,947</b> | <b>2,178,703</b> | <b>2,652,070</b> | <b>2,700,399</b> | <b>2,733,657</b> | <b>2,779,265</b> | <b>2,821,777</b> |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|

| Outputs and Outcomes         | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Operating Expense</b> | <b>1,945,101</b> | <b>1,983,066</b> | <b>2,165,947</b> | <b>2,156,083</b> | <b>2,652,070</b> | <b>2,700,399</b>   | <b>2,733,657</b>   | <b>2,779,265</b>   | <b>2,821,777</b>   |

|                   |       |       |       |       |       |       |       |       |       |
|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Cost per capita   | 59.16 | 60.32 | 65.88 | 65.58 | 80.67 | 82.14 | 83.15 | 84.54 | 85.83 |
| % of property tax | 7.22% | 6.47% | 6.76% | 6.75% | 7.95% | 7.88% | 7.68% | 7.51% | 7.33% |

#### Change 2018 forecast to 2019 budget

|           |         |
|-----------|---------|
| \$ change | 495,987 |
| % change  | 23.00%  |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|  | \$ change | % change |
|--|-----------|----------|
|--|-----------|----------|

|                                                                                        |         |        |
|----------------------------------------------------------------------------------------|---------|--------|
| Facilities department allocating in costs to maintain park washrooms beginning in 2019 | 323,500 | 15.00% |
| Finance department allocating in costs to service debt beginning in 2019               | 96,510  | 4.48%  |
| Contractual Labour increases                                                           | 37,980  | 1.76%  |
| Fleet Cost Increases                                                                   | 16,809  | 0.78%  |
| Trails expenses came in under budget in 2018                                           | 23,000  | 1.07%  |

## Public Works Parks - Operating Budget by Project

|                               | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Parks - General               | 320,990          | 319,032          | 399,309          | 429,382          | 384,300          | 394,670            | 390,147            | 395,734            | 401,432            |
| A - Standard - Beaches        | 124,438          | 115,395          | 134,400          | 143,350          | 176,850          | 179,443            | 182,088            | 184,786            | 187,539            |
| A - Standard - Parks          | 385,294          | 379,289          | 380,300          | 329,850          | 385,950          | 392,267            | 398,710            | 405,282            | 411,986            |
| B - Standard - Beaches        | 39,518           | 48,565           | 57,600           | 55,090           | 56,950           | 57,635             | 58,334             | 59,048             | 59,775             |
| B - Standard - Parks          | 117,733          | 103,271          | 127,870          | 113,030          | 131,850          | 133,944            | 136,080            | 138,259            | 140,482            |
| Boulevards                    | 205,404          | 216,947          | 200,550          | 216,570          | 203,650          | 206,792            | 209,998            | 213,267            | 216,602            |
| C - Standard - Beaches        | 7,512            | 2,746            | 8,650            | 9,100            | 8,800            | 8,924              | 9,051              | 9,180              | 9,312              |
| C - Standard - Parks          | 10,514           | 9,922            | 13,500           | 11,050           | 13,650           | 13,863             | 14,081             | 14,303             | 14,530             |
| Natural Green Belts           | 13,411           | 10,727           | 15,006           | 15,960           | 15,000           | 15,244             | 15,494             | 15,748             | 16,008             |
| Parking Lots                  | 4,300            | 5,355            | 13,400           | 7,100            | 13,400           | 13,603             | 13,810             | 14,020             | 14,235             |
| Parks City Owned Buildings    | 66,698           | 93,158           | 99,420           | 96,970           | 100,100          | 101,746            | 103,426            | 105,138            | 106,886            |
| School District               | 14,337           | 17,085           | 18,100           | 14,650           | 18,250           | 18,561             | 18,877             | 19,201             | 19,530             |
| Sports Fields                 | 200,015          | 203,389          | 216,000          | 229,050          | 216,385          | 219,979            | 223,645            | 227,385            | 231,199            |
| Trails                        | 59,015           | 61,828           | 107,800          | 75,300           | 98,300           | 99,991             | 101,717            | 103,476            | 105,272            |
| Undeveloped Lots              | 1,243            | 1,231            | 2,400            | 2,900            | 3,000            | 3,046              | 3,093              | 3,141              | 3,190              |
| Parks - Tools and Equipment   | 3,310            | 3,888            | 3,000            | 3,600            | 3,000            | 3,060              | 3,121              | 3,184              | 3,248              |
| Parks - Garbage and Recycling | 124,602          | 138,309          | 136,500          | 140,500          | 133,000          | 135,052            | 137,144            | 139,279            | 141,457            |
| Parks - snow and ice control  | 57,310           | 63,118           | 54,000           | 75,000           | 61,000           | 61,977             | 62,974             | 63,991             | 65,028             |
| Parks - wildlife control      | 20,499           | 24,811           | 20,500           | 19,000           | 20,500           | 20,871             | 21,249             | 21,635             | 22,028             |
| Parks - porta toilets         | 5,942            | 5,430            | 6,000            | 6,850            | 7,000            | 7,140              | 7,283              | 7,429              | 7,578              |
| Parks - fountains             | 2,189            | 3,346            | 2,100            | 12,750           | 2,150            | 2,185              | 2,221              | 2,257              | 2,295              |
| Parks - other accounts        | 14,969           | 9,824            | 8,800            | 8,800            | 9,500            | 9,690              | 9,885              | 10,083             | 10,285             |
| Public Works - Parks          | 27,338           | 31,695           | 10,085           | 8,450            | 10,100           | 10,302             | 10,508             | 10,718             | 10,933             |
| <b>Net Operating Expense</b>  | <b>1,826,582</b> | <b>1,868,362</b> | <b>2,035,291</b> | <b>2,024,302</b> | <b>2,072,686</b> | <b>2,109,988</b>   | <b>2,132,937</b>   | <b>2,166,546</b>   | <b>2,200,828</b>   |

The Parks department maintains:

|                                |                           |
|--------------------------------|---------------------------|
| 365 Acres Open Space           | 25 Km of Trails/Walkways  |
| 75 Acres of Turf               | 5,000 Inventoried Trees   |
| 100 + Irrigation Systems       | 200 + Litter Receptacles  |
| 16 Sports Fields               | 70 + Pet Stands           |
| 6 Beaches (sand, buoys, rafts) | 6 Off-Leash Dog Areas     |
| 2 Skate & 2 Water Parks        | 500 + Pieces of Furniture |
| 9 Play Grounds                 | 25,000 m2 Landscape       |
|                                | 140 Hanging Baskets       |



Parks - Capital Budget

|                                           | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Irrigation Upgrades                       | 50,000         | 100,000            | 90,000             | 35,000             | 30,000             |
| Wage Allocations                          | 57,000         | 57,095             | 57,191             | 57,286             | 57,382             |
| Bleacher - Table Replacement              | 12,000         | -                  | 12,000             | -                  | -                  |
| Leir House Landscape Design               | -              | -                  | 50,000             | -                  | -                  |
| Parkway Field Fence Upgrades              | -              | 60,000             | -                  | -                  | -                  |
| Okanagan Lake Park - Concrete Replacement | 50,000         | -                  | -                  | -                  | -                  |
| 3 Mile Stair Replacement                  | 80,000         | -                  | -                  | -                  | -                  |
| Backstop Upgrades                         | 12,500         | 12,500             | -                  | -                  | -                  |
| Mobility Challenged Beach Upgrades        | -              | 12,000             | 15,000             | -                  | -                  |
| Barton Court Walkway                      | 85,000         | -                  | -                  | -                  | -                  |
| Tennis Court Upgrades                     | -              | 100,000            | 45,000             | 25,000             | 25,000             |
| <b>Total Parks Capital</b>                | <b>346,500</b> | <b>341,595</b>     | <b>269,191</b>     | <b>117,286</b>     | <b>112,382</b>     |

## Library

### Library - Operating Budget

|                                     | 2016<br>Actual         | 2017<br>Actual         | 2018<br>Budget         | 2018<br>Forecast         | 2019<br>Budget         | 2020<br>Projection         | 2021<br>Projection         | 2022<br>Projection         | 2023<br>Projection         |
|-------------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Goods and Services                  | 486,882                | 478,101                | 481,800                | 462,451                  | 499,300                | 499,300                    | 499,300                    | 499,300                    | 499,300                    |
| Salaries and benefits               | 809,320                | 840,082                | 879,293                | 886,096                  | 914,004                | 924,949                    | 936,114                    | 947,501                    | 959,116                    |
| <b>Total Operating Expense</b>      | <b>1,296,202</b>       | <b>1,318,182</b>       | <b>1,361,093</b>       | <b>1,348,547</b>         | <b>1,413,304</b>       | <b>1,424,249</b>           | <b>1,435,414</b>           | <b>1,446,801</b>           | <b>1,458,416</b>           |
| Recoveries                          | (133,942)              | (137,299)              | (252,212)              | (244,367)                | (245,612)              | (245,612)                  | (245,612)                  | (245,612)                  | (245,612)                  |
| Grants                              | (137,320)              | (131,396)              | (5,000)                | (3,700)                  | (12,000)               | (12,000)                   | (12,000)                   | (12,000)                   | (12,000)                   |
| <b>Net Operations</b>               | <b>1,024,940</b>       | <b>1,049,488</b>       | <b>1,103,881</b>       | <b>1,100,480</b>         | <b>1,155,692</b>       | <b>1,166,637</b>           | <b>1,177,802</b>           | <b>1,189,189</b>           | <b>1,200,804</b>           |
| <b>Internal Allocations In</b>      |                        |                        |                        |                          |                        |                            |                            |                            |                            |
| Facilities                          | -                      | -                      | -                      | -                        | 113,400                | 115,668                    | 117,981                    | 120,341                    | 122,748                    |
| <b>Outputs and Outcomes</b>         | <b>2016<br/>Actual</b> | <b>2017<br/>Actual</b> | <b>2018<br/>Budget</b> | <b>2018<br/>Forecast</b> | <b>2019<br/>Budget</b> | <b>2020<br/>Projection</b> | <b>2021<br/>Projection</b> | <b>2022<br/>Projection</b> | <b>2023<br/>Projection</b> |
| <b>Operating Subsidy</b>            | <b>1,024,940</b>       | <b>1,049,488</b>       | <b>1,103,881</b>       | <b>1,100,480</b>         | <b>1,269,092</b>       | <b>1,282,305</b>           | <b>1,295,783</b>           | <b>1,309,530</b>           | <b>1,323,552</b>           |
| Cost per capita                     | 31.17                  | 31.92                  | 33.58                  | 33.47                    | 38.60                  | 39.00                      | 39.41                      | 39.83                      | 40.26                      |
| % of property tax                   | 3.81%                  | 3.42%                  | 3.45%                  | 3.45%                    | 3.80%                  | 3.74%                      | 3.64%                      | 3.54%                      | 3.44%                      |
| Change 2018 forecast to 2019 budget |                        |                        |                        |                          |                        |                            |                            |                            |                            |
| \$ change                           |                        |                        |                        |                          | 168,612                |                            |                            |                            |                            |
| % change                            |                        |                        |                        |                          | 15.32%                 |                            |                            |                            |                            |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                                          | \$ change | % change |
|----------------------------------------------------------------------------------------------------------|-----------|----------|
| Facilities department is allocating the operating costs of running the library building starting in 2019 | 113,400   | 10.30%   |
| Contractual Labour increases & Increase to Labour Load Rate                                              | 27,908    | 2.54%    |
| Increaseing outreach and online services                                                                 | 12,000    | 1.09%    |
| Book purchases less than anticipated in 2018                                                             | 10,098    | 0.92%    |

## Library - Operating Budget by Project

|                                        | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Library costs - Library legacy fund    | -                | 435              | -                | -                | -                | -                  | -                  | -                  | -                  |
| Library costs - postage & freight      | 4,835            | 3,408            | 4,000            | 1,028            | 3,000            | 3,000              | 3,000              | 3,000              | 3,000              |
| Library costs - program support        | 3,785            | 13,529           | 10,000           | 7,605            | 10,000           | 10,000             | 10,000             | 10,000             | 10,000             |
| Library costs - equipment maintenance  | 1,196            | 2,232            | 2,000            | 4,199            | 2,500            | 2,500              | 2,500              | 2,500              | 2,500              |
| Library costs - equipment              | 10,840           | 3,842            | 10,000           | 9,332            | 15,000           | 15,000             | 15,000             | 15,000             | 15,000             |
| Library costs - building & admin costs | 188,800          | 188,800          | 188,800          | 188,800          | 188,800          | 188,800            | 188,800            | 188,800            | 188,800            |
| Library costs - ILS system maintenance | 37,954           | 26,960           | 25,000           | 38,564           | 30,000           | 30,000             | 30,000             | 30,000             | 30,000             |
| Library costs - office supplies        | 39,148           | 32,135           | 30,000           | 28,329           | 32,000           | 32,000             | 32,000             | 32,000             | 32,000             |
| Library costs - book purchases         | 134,026          | 158,258          | 145,000          | 134,902          | 145,000          | 145,000            | 145,000            | 145,000            | 145,000            |
| Library costs - audio books            | 77               | 1,516            | -                | -                | -                | -                  | -                  | -                  | -                  |
| Library costs - software               | 726              | 1,021            | 1,000            | 954              | 1,500            | 1,500              | 1,500              | 1,500              | 1,500              |
| Library costs - online databases       | 13,919           | 11,008           | 12,500           | 13,905           | 20,000           | 20,000             | 20,000             | 20,000             | 20,000             |
| Library costs - videos                 | 4,185            | 3,657            | 10,000           | 2,930            | 5,000            | 5,000              | 5,000              | 5,000              | 5,000              |
| Library costs - periodicals            | 21,684           | 14,257           | 18,000           | 13,083           | 18,000           | 18,000             | 18,000             | 18,000             | 18,000             |
| Library costs - vehicle allowance      | 288              | 930              | 1,500            | 1,070            | 1,500            | 1,500              | 1,500              | 1,500              | 1,500              |
| Library costs - internet               | 1,628            | 5,535            | 5,000            | -                | 6,000            | 6,000              | 6,000              | 6,000              | 6,000              |
| Library costs - planning               | 784              | 431              | 3,000            | 2,247            | 3,000            | 3,000              | 3,000              | 3,000              | 3,000              |
| Library costs - marketing              | 6,608            | 1,200            | 5,000            | 1,877            | 5,000            | 5,000              | 5,000              | 5,000              | 5,000              |
| Library costs - wellness               | 966              | 931              | 1,000            | 123              | 1,000            | 1,000              | 1,000              | 1,000              | 1,000              |
| Library costs - recruitment            | 3,126            | -                | -                | -                | -                | -                  | -                  | -                  | -                  |
| Library Costs - training               | 12,994           | 11,701           | 10,000           | 13,503           | 12,000           | 12,000             | 12,000             | 12,000             | 12,000             |
| Dues and Memberships                   | 729              | -                | -                | -                | -                | -                  | -                  | -                  | -                  |
| Salary and benefits                    | 807,907          | 836,395          | 879,293          | 886,096          | 914,004          | 924,949            | 936,114            | 947,501            | 959,116            |
| Library - Grant Revenue                | (137,320)        | (131,396)        | (130,712)        | (129,836)        | (137,712)        | (137,712)          | (137,712)          | (137,712)          | (137,712)          |
| Library - Sales and service fees       | (60,987)         | (63,480)         | (64,500)         | (53,496)         | (55,900)         | (55,900)           | (55,900)           | (55,900)           | (55,900)           |
| Library - Other contributions          | (72,955)         | (73,818)         | (62,000)         | (64,735)         | (64,000)         | (64,000)           | (64,000)           | (64,000)           | (64,000)           |
| <b>Net Operations</b>                  | <b>1,024,940</b> | <b>1,049,488</b> | <b>1,103,881</b> | <b>1,100,480</b> | <b>1,155,692</b> | <b>1,166,637</b>   | <b>1,177,802</b>   | <b>1,189,189</b>   | <b>1,200,804</b>   |

## Museum and Archives

### Museum and Archives - Operating Budget

|                                      | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                   | 23,411         | 29,641         | 34,320         | 31,697           | 18,000         | 18,360             | 18,727             | 19,102             | 19,484             |
| Salaries and Benefits                | 188,582        | 200,117        | 206,482        | 213,864          | 228,750        | 231,610            | 234,527            | 237,503            | 240,538            |
|                                      | 211,994        | 229,758        | 240,802        | 245,561          | 246,750        | 249,970            | 253,254            | 256,604            | 260,021            |
| Recoveries                           | (34,565)       | (41,919)       | (49,710)       | (57,305)         | (42,250)       | (39,700)           | (42,100)           | (42,600)           | (43,100)           |
| <b>Net Operating Expense</b>         | 177,429        | 187,840        | 191,092        | 188,256          | 204,500        | 210,270            | 211,154            | 214,004            | 216,921            |
| <b>Internal Allocations In</b>       |                |                |                |                  |                |                    |                    |                    |                    |
| Facilities                           | -              | -              | -              | -                | 75,600         | 77,112             | 78,654             | 80,227             | 81,832             |
| IT - Printing/Software               | 349            | 465            | 2,500          | 1,000            | 2,500          | 2,550              | 2,601              | 2,653              | 2,706              |
| <b>Total Internal Allocations In</b> | 349            | 465            | 2,500          | 1,000            | 78,100         | 79,662             | 81,255             | 82,880             | 84,538             |
| Add back Revenue                     | (34,565)       | (41,919)       | (49,710)       | (57,305)         | (42,250)       | (39,700)           | (42,100)           | (42,600)           | (43,100)           |
| <b>Total Operating Expenses</b>      | 212,343        | 230,224        | 243,302        | 246,561          | 324,850        | 329,632            | 334,510            | 339,485            | 344,560            |

|                                     | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net Operating Expense</b>        | 177,778        | 188,305        | 193,592        | 189,256          | 282,600        | 289,932            | 292,410            | 296,885            | 301,460            |
| Cost per capita                     | 5.41           | 5.73           | 5.89           | 5.76             | 8.60           | 8.82               | 8.89               | 9.03               | 9.17               |
| % of property tax                   | 0.66%          | 0.61%          | 0.60%          | 0.59%            | 0.85%          | 0.85%              | 0.82%              | 0.80%              | 0.78%              |
| Change 2018 forecast to 2019 budget |                |                |                |                  |                |                    |                    |                    |                    |
| \$ change                           |                |                |                |                  | 93,344         |                    |                    |                    |                    |
| % change                            |                |                |                |                  | 49.32%         |                    |                    |                    |                    |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|  | \$ change | % change |
|--|-----------|----------|
|--|-----------|----------|

Facilities department allocating in costs to maintain the building starting in 2019

|  |        |        |
|--|--------|--------|
|  | 75,600 | 39.95% |
|--|--------|--------|

15,000 visits in 2017  
70 programming events  
24,000 images in digital photo library  
500 + inquiries for public/archive research

## Museum and Archives - Operating Budget by Project

|                               | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Admin & Office                | 944            | 459            | 2,500          | 1,500            | 1,000          | 1,020              | 1,040              | 1,061              | 1,082              |
| Archives                      | 28,256         | 30,314         | 28,000         | 37,250           | 25,000         | 25,500             | 26,010             | 26,530             | 27,061             |
| Collections Management        | 14,152         | 7,834          | 16,000         | 10,650           | 7,500          | 7,650              | 7,803              | 7,959              | 8,118              |
| Events                        | 3,418          | 995            | 4,000          | 1,750            | 1,000          | 1,020              | 1,040              | 1,061              | 1,082              |
| Exhibits                      | 19,960         | 25,905         | 23,500         | 37,963           | 3,500          | 3,570              | 3,641              | 3,714              | 3,789              |
| Gift Shop                     | 598            | 330            | 300            | -                | -              | -                  | -                  | -                  | -                  |
| Marketing                     | 2,663          | 1,942          | 4,500          | 2,200            | 3,500          | 3,570              | 3,641              | 3,714              | 3,789              |
| Operations & Equipment        | 2,020          | 2,163          | 4,500          | 4,104            | 1,000          | 1,020              | 1,040              | 1,061              | 1,082              |
| Programs & Projects           | 10,742         | 8,776          | 10,000         | 6,300            | 5,000          | 5,100              | 5,202              | 5,306              | 5,412              |
| Staff & Volunteers            | 2,297          | 3,227          | 7,500          | 1,700            | 5,000          | 5,100              | 5,202              | 5,306              | 5,412              |
| Steamfest                     | (8,791)        | 169            | -              | -                | -              | -                  | -                  | -                  | -                  |
| Hands On Heritage Lab         | 1,359          | 10,731         | -              | -                | -              | -                  | -                  | -                  | -                  |
| Office Supplies               | 290            | 16             | 1,000          | 100              | 750            | 765                | 780                | 796                | 812                |
| Conferences                   | 47             | 166            | 1,900          | 1,000            | 1,650          | 1,683              | 1,717              | 1,751              | 1,786              |
| Dues and Memberships          | -              | -              | 620            | -                | 600            | 612                | 624                | 637                | 649                |
| Salaries and Benefits         | 131,100        | 136,732        | 136,482        | 141,043          | 191,250        | 193,360            | 195,512            | 197,707            | 199,947            |
|                               | 209,054        | 229,758        | 240,802        | 245,560          | 246,750        | 249,970            | 253,254            | 256,604            | 260,021            |
| Donations - Door              | (7,070)        | (9,064)        | (6,500)        | (10,700)         | (7,000)        | (7,000)            | (7,200)            | (7,500)            | (7,800)            |
| Donations - Specific Projects | (400)          | (200)          | -              | (500)            | (10,500)       | (5,000)            | (5,000)            | (5,000)            | (5,000)            |
| Archival/Environment Research | (1,344)        | (1,840)        | (1,500)        | (1,250)          | (1,500)        | (1,600)            | (1,700)            | (1,800)            | (1,900)            |
| Museum Programs               | (1,134)        | (2,425)        | (2,500)        | (2,801)          | (2,500)        | (2,600)            | (2,700)            | (2,800)            | (2,900)            |
| Gift Shop Revenues            | (319)          | (103)          | (300)          | (500)            | (500)          | (500)              | (500)              | (500)              | (500)              |
| Provincial Grant              | (20,000)       | (20,000)       | (20,000)       | (18,000)         | (18,000)       | (18,000)           | (20,000)           | (20,000)           | (20,000)           |
| Federal Grants                | -              | -              | (15,910)       | (20,000)         | -              | -                  | -                  | -                  | -                  |
| Other Grants                  | (1,359)        | (8,287)        | (3,000)        | (1,300)          | -              | (5,000)            | (5,000)            | (5,000)            | (5,000)            |
| Great War                     | -              | -              | -              | (2,254)          | (2,250)        | -                  | -                  | -                  | -                  |
| <b>Net Operating Expense</b>  | <b>177,429</b> | <b>187,840</b> | <b>191,092</b> | <b>188,255</b>   | <b>204,500</b> | <b>210,270</b>     | <b>211,154</b>     | <b>214,004</b>     | <b>216,921</b>     |

## Public Works - Cemetery

### Cemetery - Operating Budget

|                                      | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                   | 171,629        | 175,211        | 175,120        | 176,475          | 174,450        | 178,630            | 183,703            | 188,924            | 194,297            |
| Fleet                                | 1,518          | 1,009          | 2,500          | 1,122            | 2,000          | 2,020              | 2,040              | 2,061              | 2,083              |
| Salaries and benefits                | 5,475          | 4,098          | 6,040          | 5,148            | 6,850          | 6,222              | 6,347              | 6,474              | 6,604              |
| <b>Total Operating Expense</b>       | 178,622        | 180,319        | 183,660        | 182,746          | 183,300        | 186,872            | 192,090            | 197,459            | 202,983            |
| Recoveries                           | (363,357)      | (493,556)      | (370,000)      | (322,000)        | (345,000)      | (345,000)          | (345,000)          | (345,000)          | (345,000)          |
| <b>Net Operating Surplus</b>         | (184,735)      | (313,237)      | (186,340)      | (139,254)        | (161,700)      | (158,128)          | (152,910)          | (147,541)          | (142,017)          |
| <b>Internal Allocations In</b>       |                |                |                |                  |                |                    |                    |                    |                    |
| Finance - Debt Interest              | -              | -              | -              | -                | 72,500         | 72,500             | 72,500             | 72,500             | 72,500             |
| Public Works Wage Allocation         | -              | -              | 7,410          | 7,410            | 8,200          | 8,200              | 8,200              | 8,200              | 8,200              |
| Parks                                | 10,557         | 11,233         | 11,579         | 11,579           | 11,000         | 11,220             | 11,444             | 11,673             | 11,907             |
| Roads and maintenance                | 6,356          | 6,795          | -              | -                | -              | -                  | -                  | -                  | -                  |
| <b>Total Internal Allocations In</b> | 16,913         | 18,028         | 18,989         | 18,989           | 91,700         | 91,920             | 92,144             | 92,373             | 92,607             |
| Add back Revenue                     | (363,357)      | (493,556)      | (370,000)      | (322,000)        | (345,000)      | (345,000)          | (345,000)          | (345,000)          | (345,000)          |
| <b>Total Operating Expense</b>       | 195,535        | 198,347        | 202,649        | 201,735          | 275,000        | 278,792            | 284,235            | 289,833            | 295,590            |

| Outputs and Outcomes | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Net surplus</b>   | (167,822)      | (295,209)      | (167,351)      | (120,265)        | (70,000)       | (66,208)           | (60,765)           | (55,167)           | (49,410)           |

|                   |        |        |        |        |        |        |        |        |        |
|-------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Cost per capita   | (5.10) | (8.98) | (5.09) | (3.66) | (2.13) | (2.01) | (1.85) | (1.68) | (1.50) |
| % of property tax | -0.62% | -0.96% | -0.52% | -0.38% | -0.21% | -0.19% | -0.17% | -0.15% | -0.13% |

Change 2018 forecast to 2019 budget

\$ change 50,265

% change -41.80%

Changes in net operating budget from forecast to are primarily due to:

|                                                                                                   | \$ change | % change |
|---------------------------------------------------------------------------------------------------|-----------|----------|
| Finance department is allocating debt servicing costs beginning in 2019                           | 72,500    | -60.28%  |
| Columbarium sales were lower than expected in 2018, budgeted based on historical average for 2019 | (23,000)  | 19.12%   |

Lakeview Cemetery is 14.7 acres and has 7,500 plots, 1,500 cremation plots, 1,525 niches in the columbarium and 45 in the mausoleum



## Public Works Cemetery - Operating Budget by Project

|                                   | 2016<br>Actual   | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Fairview Cemetery - Maintenance   | 5,117            | 4,734            | 7,000            | 4,610            | 6,100            | 6,202              | 6,306              | 6,413              | 6,521              |
| Lakeview Cemetery - Annual        |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| Maintenance & Service Contract    | 150,070          | 150,521          | 150,070          | 150,070          | 150,070          | 154,572            | 159,209            | 163,986            | 168,905            |
| Grave Liners                      | 11,354           | 11,891           | 11,000           | 11,000           | 11,000           | 11,220             | 11,445             | 11,675             | 11,909             |
| Irrigation - Annual Water Charges | 483              | 123              | 2,300            | 6,500            | 2,300            | 2,300              | 2,300              | 2,300              | 2,300              |
| Miscellaneous Labour & Supplies   | 4,090            | 2,797            | 5,540            | 2,500            | 5,500            | 5,610              | 5,723              | 5,837              | 5,954              |
| Columbarium - Niche Plates        | 6,411            | 9,600            | 3,500            | 4,775            | 3,500            | 3,570              | 3,642              | 3,715              | 3,789              |
| Niche Vases                       | 318              | 59               | 250              | 2,000            | 250              | 255                | 260                | 265                | 271                |
| Concrete Lantern Tablets          | -                | -                | -                | 1,291            | 1,500            | -                  | -                  | -                  | -                  |
| Advertising                       | -                | -                | 4,000            | -                | 3,080            | 3,142              | 3,205              | 3,269              | 3,334              |
|                                   | 177,843          | 179,724          | 183,660          | 182,746          | 183,300          | 186,872            | 192,090            | 197,459            | 202,983            |
| Plot Sales                        | (35,796)         | (38,451)         | (40,000)         | (40,000)         | (40,000)         | (40,000)           | (40,000)           | (40,000)           | (40,000)           |
| Grave Open/Close                  | (87,271)         | (93,406)         | (75,000)         | (82,000)         | (80,000)         | (80,000)           | (80,000)           | (80,000)           | (80,000)           |
| Grave Marker Maintenance          | (28,387)         | (28,460)         | (25,000)         | (28,500)         | (25,000)         | (25,000)           | (25,000)           | (25,000)           | (25,000)           |
| Grave Liners                      | (19,578)         | (19,969)         | (16,000)         | (15,000)         | (16,000)         | (16,000)           | (16,000)           | (16,000)           | (16,000)           |
| Carefund                          | (33,220)         | (39,240)         | (30,000)         | (31,000)         | (30,000)         | (30,000)           | (30,000)           | (30,000)           | (30,000)           |
| Reservation Fee                   | (1,493)          | (1,981)          | (2,000)          | (2,000)          | (2,000)          | (2,000)            | (2,000)            | (2,000)            | (2,000)            |
| Columbarium Sales                 | (154,455)        | (269,640)        | (180,000)        | (120,000)        | (150,000)        | (150,000)          | (150,000)          | (150,000)          | (150,000)          |
| Lantern Concrete Tablet Sales     | (2,379)          | (1,815)          | (2,000)          | (3,500)          | (2,000)          | (2,000)            | (2,000)            | (2,000)            | (2,000)            |
| <b>Net Operating Surplus</b>      | <b>(184,735)</b> | <b>(313,237)</b> | <b>(186,340)</b> | <b>(139,254)</b> | <b>(161,700)</b> | <b>(158,128)</b>   | <b>(152,910)</b>   | <b>(147,541)</b>   | <b>(142,017)</b>   |

Cemetery - Capital Budget

|                                      | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|--------------------------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| Lakeview Cemetery Irrigation Upgrade | 60,000         | 60,000             | 46,200             | 129,375            | 60,000             |
| <b>Total Cemetery Capital</b>        | <b>60,000</b>  | <b>60,000</b>      | <b>46,200</b>      | <b>129,375</b>     | <b>60,000</b>      |

DRAFT

## Public Works – Solid Waste Disposal

### Solid Waste - Operating Budget

|                                      | 2016<br>Actual         | 2017<br>Actual         | 2018<br>Budget         | 2018<br>Forecast         | 2019<br>Budget         | 2020<br>Projection         | 2021<br>Projection         | 2022<br>Projection         | 2023<br>Projection         |
|--------------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Goods and Services                   | 1,342,745              | 1,421,186              | 1,586,800              | 1,620,762                | 1,712,500              | 1,746,450                  | 1,781,079                  | 1,816,401                  | 1,852,430                  |
| Fleet                                | 1,493                  | 1,527                  | 1,500                  | 1,875                    | 1,750                  | 1,765                      | 1,780                      | 1,796                      | 1,812                      |
| Salaries and Benefits                | 10,822                 | 80,407                 | 84,850                 | 105,824                  | 72,907                 | 103,554                    | 105,625                    | 107,738                    | 109,892                    |
| <b>Total Operating Expense</b>       | <b>1,355,060</b>       | <b>1,503,120</b>       | <b>1,673,150</b>       | <b>1,728,461</b>         | <b>1,787,157</b>       | <b>1,851,769</b>           | <b>1,888,485</b>           | <b>1,925,935</b>           | <b>1,964,134</b>           |
| Recoveries                           | (1,998,781)            | (2,117,627)            | (1,877,100)            | (2,010,099)              | (2,009,100)            | (2,049,180)                | (2,090,061)                | (2,131,760)                | (2,174,293)                |
| MMBC                                 | (467,109)              | (467,109)              | (466,740)              | (466,740)                | (492,000)              | (492,000)                  | (492,000)                  | (492,000)                  | (492,000)                  |
| <b>Net Operating Surplus</b>         | <b>(1,110,830)</b>     | <b>(1,081,616)</b>     | <b>(670,690)</b>       | <b>(748,379)</b>         | <b>(713,943)</b>       | <b>(689,410)</b>           | <b>(693,576)</b>           | <b>(697,825)</b>           | <b>(702,159)</b>           |
| <b>Internal Allocations In</b>       |                        |                        |                        |                          |                        |                            |                            |                            |                            |
| Operations                           | 7,940                  | 8,165                  | 12,106                 | 12,106                   | 13,000                 | 15,000                     | 15,000                     | 15,500                     | 15,500                     |
| Finance - Procurement                | 60                     | -                      | -                      | -                        | -                      | -                          | -                          | -                          | -                          |
| Engineering Design                   | 5,000                  | 5,000                  | 5,000                  | 5,000                    | -                      | -                          | -                          | -                          | -                          |
| PW - Fleet                           | -                      | -                      | 5,500                  | 5,500                    | 5,500                  | 5,500                      | 5,500                      | 5,500                      | 5,500                      |
| PW - Wage Allocations                | -                      | -                      | 36,968                 | 36,968                   | 45,700                 | 45,700                     | 45,700                     | 45,700                     | 45,700                     |
| PW - Roads and Maintenance           | 29,136                 | 30,786                 | -                      | -                        | -                      | -                          | -                          | -                          | -                          |
| <b>Total Internal Allocations In</b> | <b>42,136</b>          | <b>43,951</b>          | <b>59,573</b>          | <b>59,573</b>            | <b>64,200</b>          | <b>66,200</b>              | <b>66,200</b>              | <b>66,700</b>              | <b>66,700</b>              |
| Add back Revenue                     | (2,465,890)            | (2,584,736)            | (2,343,840)            | (2,476,839)              | (2,501,100)            | (2,541,180)                | (2,582,061)                | (2,623,760)                | (2,666,293)                |
| <b>Total Operating Expense</b>       | <b>1,397,196</b>       | <b>1,547,071</b>       | <b>1,732,723</b>       | <b>1,788,034</b>         | <b>1,851,357</b>       | <b>1,917,969</b>           | <b>1,954,685</b>           | <b>1,992,635</b>           | <b>2,030,834</b>           |
| <b>Outputs and Outcomes</b>          | <b>2016<br/>Actual</b> | <b>2017<br/>Actual</b> | <b>2018<br/>Budget</b> | <b>2018<br/>Forecast</b> | <b>2019<br/>Budget</b> | <b>2020<br/>Projection</b> | <b>2021<br/>Projection</b> | <b>2022<br/>Projection</b> | <b>2023<br/>Projection</b> |
| <b>Net Operating Surplus</b>         | <b>(1,068,694)</b>     | <b>(1,037,665)</b>     | <b>(611,117)</b>       | <b>(688,805)</b>         | <b>(649,743)</b>       | <b>(623,210)</b>           | <b>(627,376)</b>           | <b>(631,125)</b>           | <b>(635,459)</b>           |
| Cost per capita                      | (32.51)                | (31.56)                | (18.59)                | (20.95)                  | (19.76)                | (18.96)                    | (19.08)                    | (19.20)                    | (19.33)                    |
| % of property tax                    | -3.97%                 | -3.38%                 | -1.91%                 | -2.16%                   | -1.95%                 | -1.82%                     | -1.76%                     | -1.70%                     | -1.65%                     |

Change 2018 forecast to 2019 budget

|           |        |
|-----------|--------|
| \$ change | 39,062 |
| % change  | 5.67%  |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                  | \$ change | % change |
|------------------------------------------------------------------|-----------|----------|
| Projected increase in residential & curbside collection expenses | 67,888    | 9.86%    |
| Projected increase in MMBC incentive                             | (25,260)  | -3.67%   |

Annually, Penticton residents generate approximately 4,050 metric tonnes of waste, 1,100 metric tonnes of recyclables and 1,400 metric tonnes of yard waste

# Solid Waste - Operating Budget by Project

|                                                | 2016<br>Actual     | 2017<br>Actual     | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------------------------|--------------------|--------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| City Clean Up                                  | 5,809              | 9,143              | 6,450            | 7,900            | 9,000            | 9,160              | 9,323              | 9,490              | 9,659              |
| Residential & Rural Curbside Collection        | 303,654            | 333,250            | 356,350          | 353,112          | 421,000          | 429,420            | 438,008            | 446,768            | 455,704            |
| Garbage Tags                                   | 2,597              | 967                | 500              | 2,000            | 500              | 510                | 520                | 531                | 541                |
| Tipping Fees                                   | 387,210            | 420,381            | 473,000          | 490,000          | 470,000          | 479,400            | 488,987            | 498,767            | 508,743            |
| Yard Waste Program                             | 129,033            | 130,233            | 172,500          | 193,000          | 247,000          | 251,940            | 256,979            | 262,118            | 267,361            |
| Tipping Fees - Yard Waste Program              | 35,909             | 44,412             | 66,000           | 66,000           | 66,000           | 67,320             | 68,666             | 70,040             | 71,440             |
| Spring Bulky Item Pickup Program               | 9,837              | 9,976              | 10,000           | 10,000           | 16,000           | 16,321             | 16,648             | 16,981             | 17,322             |
| Tipping Fees - Bulky Item Tipping/Environ Fee  | 8,876              | 9,340              | 11,000           | 14,582           | 13,000           | 13,260             | 13,525             | 13,796             | 14,072             |
| Xmas Tree Recycle                              | 1,333              | 1,325              | 1,750            | 1,750            | 2,000            | 2,040              | 2,081              | 2,122              | 2,165              |
| Recycling - Residential & Rural Curbside Coll. | 320,673            | 294,065            | 293,000          | 293,000          | 275,000          | 280,500            | 286,110            | 291,832            | 297,669            |
| Recycling - Multi-family Bi-Weekly Collection  | 131,812            | 134,082            | 134,000          | 134,000          | 136,000          | 138,720            | 141,494            | 144,324            | 147,211            |
| Recycling - Multi-family Weekly Collection     | 4,704              | 6,541              | 7,500            | 10,000           | 15,000           | 15,300             | 15,606             | 15,918             | 16,236             |
| Recycling - Calender Production & Mailer       | 6,401              | 5,220              | 8,500            | 5,580            | 8,500            | 8,670              | 8,843              | 9,020              | 9,201              |
| Recycling Education General                    | 7,211              | 11,397             | 20,000           | 14,812           | 38,500           | 39,270             | 40,055             | 40,856             | 41,674             |
| Cart Maintenance Contract                      | -                  | 22,121             | 14,000           | 22,000           | 14,500           | 14,790             | 15,086             | 15,388             | 15,695             |
| Cart Maintenance Parts                         | -                  | 153                | 5,000            | 500              | 2,000            | 2,040              | 2,081              | 2,122              | 2,165              |
| Cart Maintenance New Purchases                 | -                  | -                  | 25,000           | 20,225           | 15,000           | 15,000             | 15,000             | 15,000             | 15,000             |
| Solid Waste Sustainable Community Coord.       | -                  | 66,316             | 68,600           | 85,000           | 38,157           | 68,109             | 69,472             | 70,861             | 72,278             |
|                                                | 1,355,060          | 1,498,922          | 1,673,150        | 1,723,461        | 1,787,157        | 1,851,769          | 1,888,485          | 1,925,935          | 1,964,134          |
| User Fee Garbage Rates Revenue                 | (1,255,443)        | (1,351,432)        | (1,347,000)      | (1,464,160)      | (1,460,000)      | (1,489,200)        | (1,518,984)        | (1,549,363)        | (1,580,350)        |
| Garbage Tag Sales Revenue                      | (4,738)            | (8,028)            | (4,500)          | (5,650)          | (5,000)          | (5,100)            | (5,202)            | (5,306)            | (5,412)            |
| User Fee Recycling                             | (738,524)          | (746,516)          | (518,500)        | (533,690)        | (539,000)        | (549,780)          | (560,775)          | (571,991)          | (583,431)          |
| MMBC Recycle Program Financial Incentive       | (467,109)          | (467,109)          | (466,740)        | (466,740)        | (492,000)        | (492,000)          | (492,000)          | (492,000)          | (492,000)          |
| Applications For Curbside Collections          | (76)               | (312)              | (100)            | (100)            | (100)            | (100)              | (100)              | (100)              | (100)              |
| Cart Maintenance Administration Fee            | -                  | (7,140)            | (7,000)          | (1,500)          | (5,000)          | (5,000)            | (5,000)            | (5,000)            | (5,000)            |
| <b>Net Operating Surplus</b>                   | <b>(1,110,830)</b> | <b>(1,081,616)</b> | <b>(670,690)</b> | <b>(748,379)</b> | <b>(713,943)</b> | <b>(689,410)</b>   | <b>(693,576)</b>   | <b>(697,825)</b>   | <b>(702,159)</b>   |

## Electric Utility

### Electric Utility - Operating Budget

|                                        | 2016<br>Actual      | 2017<br>Actual     | 2018<br>Budget     | 2018<br>Forecast   | 2019<br>Budget     | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                     | 27,292,585          | 33,422,411         | 33,826,413         | 30,899,499         | 32,077,396         | 33,457,000         | 33,829,206         | 34,810,691         | 35,973,088         |
| Fleet                                  | 39,985              | 172,906            | 76,402             | 61,902             | 76,402             | 76,402             | 76,402             | 76,402             | 76,402             |
| Salaries and Benefits                  | 1,339,173           | 2,026,886          | 1,442,886          | 1,380,203          | 1,459,912          | 1,489,292          | 1,519,266          | 1,549,844          | 1,581,040          |
| <b>Total Operating Expense</b>         | <b>28,671,744</b>   | <b>35,622,203</b>  | <b>35,345,701</b>  | <b>32,341,604</b>  | <b>33,613,710</b>  | <b>35,022,694</b>  | <b>35,424,874</b>  | <b>36,436,937</b>  | <b>37,630,530</b>  |
| Recoveries                             | (40,107,931)        | (45,219,172)       | (42,084,311)       | (42,053,747)       | (42,092,690)       | (42,309,910)       | (42,528,388)       | (42,748,135)       | (42,969,161)       |
| <b>Balance</b>                         | <b>(11,436,187)</b> | <b>(9,596,969)</b> | <b>(6,738,610)</b> | <b>(9,712,143)</b> | <b>(8,478,980)</b> | <b>(7,287,216)</b> | <b>(7,103,515)</b> | <b>(6,311,198)</b> | <b>(5,338,631)</b> |
| <b>Internal Allocations Out</b>        |                     |                    |                    |                    |                    |                    |                    |                    |                    |
| Roads and Maintenance                  | 9,408               | 6,500              | 12,000             | 15,500             | 12,365             | 12,613             | 12,865             | 13,122             | 13,385             |
| <b>Internal Allocations In</b>         |                     |                    |                    |                    |                    |                    |                    |                    |                    |
| Operations                             | 41,288              | 42,458             | 62,786             | 62,278             | 67,000             | 77,000             | 78,000             | 79,000             | 80,000             |
| Finance - POS and Banking Fees         | 2,781               | 1,486              | 3,000              | 3,000              | 3,000              | 3,000              | 3,000              | 3,000              | 3,000              |
| Finance - Procurement                  | 2,084               | 5,995              | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Engineering Design                     | 10,000              | 10,000             | 15,000             | 15,000             | 22,000             | 28,000             | 32,000             | 35,000             | 37,000             |
| IT - Printing/Software/GIS             | 2,155               | 7,417              | 8,300              | 8,300              | 188,770            | 188,903            | 189,038            | 189,176            | 189,317            |
| PW - Fleet                             | 48,000              | 39,750             | 39,500             | 39,500             | 45,000             | 45,000             | 45,000             | 45,000             | 45,000             |
| Facilities                             | -                   | -                  | -                  | -                  | 43,925             | 44,803             | 45,700             | 46,614             | 47,546             |
| PW - Barricade/Signage Rep.            | -                   | -                  | -                  | -                  | 3,750              | 3,750              | 3,750              | 3,750              | 3,750              |
| Overhead Allocation                    | 2,076,635           | 1,893,431          | 1,702,834          | 1,714,884          | 1,524,211          | 1,345,588          | 1,300,000          | 1,300,000          | 1,300,000          |
| HR - Safety                            | 14,375              | 5,085              | 10,303             | 12,600             | 10,406             | 10,614             | 10,826             | 11,043             | 11,264             |
|                                        | <b>2,197,318</b>    | <b>2,005,623</b>   | <b>1,841,723</b>   | <b>1,855,562</b>   | <b>1,908,062</b>   | <b>1,746,658</b>   | <b>1,707,314</b>   | <b>1,712,582</b>   | <b>1,716,876</b>   |
| <b>Total Operating Expense</b>         | <b>30,859,654</b>   | <b>37,621,326</b>  | <b>37,175,423</b>  | <b>34,181,666</b>  | <b>35,509,407</b>  | <b>36,756,740</b>  | <b>37,119,323</b>  | <b>38,136,398</b>  | <b>39,334,021</b>  |
| <b>Net Operating Surplus</b>           | <b>(9,229,461)</b>  | <b>(7,584,846)</b> | <b>(4,908,887)</b> | <b>(7,872,082)</b> | <b>(6,583,283)</b> | <b>(5,553,171)</b> | <b>(5,409,066)</b> | <b>(4,611,738)</b> | <b>(3,635,140)</b> |
| <b>Transfers to Surplus/Reserve</b>    |                     |                    |                    |                    |                    |                    |                    |                    |                    |
| Electric Surplus                       | 4,850,061           | 3,017,817          | (1,568,256)        | -                  | -                  | -                  | -                  | -                  | -                  |
| Transfer To/(From) Electric Capital    | 2,672,393           | 2,526,959          | 3,305,287          | 4,700,226          | 3,417,550          | 2,393,549          | 2,264,066          | 1,466,738          | 490,140            |
| Reserve For Future Expenditures        | (1,362,733)         | (1,137,922)        | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| General Revenue Operating Fund         | 23,000              | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| General Revenue Capital (Dividend)     | 3,046,740           | 3,177,992          | 3,171,856          | 3,171,856          | 3,165,733          | 3,159,622          | 3,145,000          | 3,145,000          | 3,145,000          |
| <b>Balance Electric Operating Fund</b> | <b>-</b>            | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           |

15 FTE

This department is responsible for providing safe, efficient and reliable electrical service to our residential, commercial and industrial customers

There are 4 substations feeding 18 distribution circuits, 362 km of overhead power lines, 166 km of underground cable, 4,086 power poles (3,035 wood, 1,051 steel), 2,664 distribution transformers and 17,342 active customer accounts

Change 2018 forecast to 2019 budget

|           |           |
|-----------|-----------|
| \$ change | 1,288,799 |
| % change  | -16.37%   |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                       | \$ change   | % change |
|---------------------------------------------------------------------------------------|-------------|----------|
| Energy purchase costs were lower than expected in 2018, budgeted for increase in 2019 | 2,757,122   | 35.02%   |
| Carmi substation project completed in 2018                                            | (1,750,037) | -22.23%  |
| Increase in power distribution system maintenance repairs                             | 142,690     | 1.81%    |
| Power generation study commencing in 2019                                             | 75,000      | 0.95%    |
| Crew training budget increased in 2019                                                | 34,813      | 0.44%    |

## Electric Utility - Operating Budget by Project

|                                         | 2016<br>Actual      | 2017<br>Actual     | 2018<br>Budget     | 2018<br>Forecast   | 2019<br>Budget     | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-----------------------------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expense by Project</b>               |                     |                    |                    |                    |                    |                    |                    |                    |                    |
| Billing And Damage                      | 83,738              | 1,268,339          | 48,694             | 48,694             | 49,920             | 51,253             | 52,623             | 54,033             | 55,482             |
| Power Distribution                      | 352,939             | 195,798            | 730,459            | 620,259            | 748,285            | 766,591            | 785,392            | 804,701            | 824,532            |
| Electric - Non-Productive Costs         | 368,786             | 330,587            | 399,201            | 248,680            | 341,651            | 324,412            | 339,421            | 315,549            | 341,800            |
| Carmi Substation                        | 1,099               | 3,397,290          | 1,809,055          | 1,759,055          | 9,018              | 9,289              | 49,567             | 9,855              | 10,150             |
| Customer Billing and Collections        | 27,057              | 29,766             | 33,494             | 40,000             | 34,082             | 34,682             | 35,295             | 35,921             | 36,560             |
| General Electrical                      | 742,515             | 941,210            | 1,037,761          | 1,081,256          | 1,250,508          | 1,322,682          | 1,128,563          | 1,153,863          | 1,279,757          |
| Huth Substation                         | 11,489              | 3,087              | 38,755             | 38,755             | 47,773             | 9,289              | 9,568              | 9,855              | 49,855             |
| Meter Testing and Maintenance           | 117,233             | 112,435            | 325,000            | 325,000            | 205,200            | 610,540            | 216,024            | 221,656            | 228,326            |
| Turn-Ons and Cut-Offs                   | 76,927              | 71,656             | 80,000             | 80,000             | 81,400             | 82,829             | 84,288             | 85,778             | 87,298             |
| Waterford Substation                    | 753                 | 5,883              | 8,755              | 19,000             | 9,018              | 9,289              | 9,567              | 49,854             | 10,150             |
| Westminster Substation                  | 2,506               | 313                | 8,755              | 8,755              | 9,018              | 49,289             | 9,567              | 9,854              | 10,150             |
| Bulk Energy Purchases                   | 26,842,757          | 29,226,324         | 30,757,122         | 28,000,000         | 30,757,122         | 31,679,836         | 32,630,231         | 33,609,138         | 34,617,412         |
| Two-Way Radios                          | 9,408               | 6,500              | 12,000             | 15,500             | 12,365             | 12,613             | 12,865             | 13,122             | 13,385             |
| Energy Retrofit Loan Program            | 34,537              | 33,017             | 56,650             | 56,650             | 58,349             | 60,100             | 61,903             | 63,760             | 65,673             |
| <b>Total Expenses</b>                   | <b>28,671,744</b>   | <b>35,622,203</b>  | <b>35,345,701</b>  | <b>32,341,604</b>  | <b>33,613,710</b>  | <b>35,022,694</b>  | <b>35,424,874</b>  | <b>36,436,937</b>  | <b>37,630,530</b>  |
| <b>Revenue</b>                          |                     |                    |                    |                    |                    |                    |                    |                    |                    |
| Electric - Other Revenues               | (39,861,438)        | (43,899,666)       | (41,768,519)       | (41,758,956)       | (41,769,719)       | (41,979,532)       | (42,190,426)       | (42,402,406)       | (42,615,479)       |
| Pole Contacts                           | (192,903)           | (165,639)          | (206,598)          | (185,598)          | (210,736)          | (214,881)          | (219,107)          | (223,417)          | (227,811)          |
| Recoveries - Billing And Damage         | (7,895)             | (1,110,341)        | (48,694)           | (48,694)           | (49,920)           | (51,313)           | (52,745)           | (54,219)           | (55,734)           |
| Energy Retrofit Loan Program            | (45,696)            | (43,526)           | (60,500)           | (60,500)           | (62,315)           | (64,184)           | (66,110)           | (68,093)           | (70,136)           |
|                                         | (40,107,931)        | (45,219,172)       | (42,084,311)       | (42,053,747)       | (42,092,690)       | (42,309,910)       | (42,528,388)       | (42,748,135)       | (42,969,161)       |
| <b>Net Operating Surplus by Project</b> | <b>(11,436,187)</b> | <b>(9,596,969)</b> | <b>(6,738,610)</b> | <b>(9,712,143)</b> | <b>(8,478,980)</b> | <b>(7,287,216)</b> | <b>(7,103,515)</b> | <b>(6,311,198)</b> | <b>(5,338,631)</b> |



Electric Utility - Capital Budget

|                                                         | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Carmi Substation                                        | 100,000          | -                  | -                  | -                  | -                  |
| SCADA Upgrades - New Dual PC, PowerLink Upgrade         | 53,584           | 55,057             | 56,573             | 58,132             | 59,735             |
| CIS Software                                            | 10,000           | 10,000             | 125,000            | 10,000             | 10,000             |
| Asset Management Software & AMIP Update                 | 39,600           | -                  | -                  | -                  | -                  |
| Non Discretionary - Estimated New/Upgraded Services     | 1,109,789        | 1,138,865          | 1,168,756          | 1,199,485          | 1,231,076          |
| Non Discretionary - Flat Rate New/Upgrade Services      | 102,029          | 104,109            | 106,240            | 108,424            | 110,661            |
| Non Discretionary - New UG Subdivision                  | 154,049          | 158,216            | 162,503            | 166,915            | 171,453            |
| Distribution System - Voltage Conversion/System Rebuild | 1,622,791        | 646,533            | 671,258            | 697,010            | 723,835            |
| System Reliability Improvements                         | 410,196          | 420,678            | 431,450            | 442,520            | 453,896            |
| New Westminster Carmi Substation Tie                    | -                | -                  | 500,000            | 525,000            | -                  |
| Departmental Tools- PLT & Engineering Tools             | 41,200           | 42,436             | 43,709             | 45,020             | 46,370             |
| Fiber System Redundancy                                 | -                | 100,000            | -                  | 100,000            | -                  |
| <b>Total Electrical Capital Expenses</b>                | <b>3,643,238</b> | <b>2,675,894</b>   | <b>3,265,489</b>   | <b>3,352,505</b>   | <b>2,807,027</b>   |
| Recoveries                                              | (1,593,005)      | (1,217,943)        | (1,243,409)        | (1,269,415)        | (1,295,971)        |
| <b>Subtotal</b>                                         | <b>2,050,233</b> | <b>1,457,951</b>   | <b>2,022,080</b>   | <b>2,083,091</b>   | <b>1,511,057</b>   |
| GIS Implementation & Conversion                         | 50,000           | -                  | -                  | -                  | -                  |
| <b>Total Electrical Capital Expense</b>                 | <b>2,100,233</b> | <b>1,457,951</b>   | <b>2,022,080</b>   | <b>2,083,091</b>   | <b>1,511,057</b>   |
| Transfer to/(from) Electric Operating Fund              | (3,417,550)      | (2,393,549)        | (2,264,066)        | (1,466,738)        | (490,140)          |
| Transfer to/(from) Electric Capital Reserve/Surplus     | 1,317,317        | 935,598            | 241,986            | (616,353)          | (1,020,917)        |
| <b>Electrical Utility Capital Fund</b>                  | <b>-</b>         | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           |

## Sewer Utility

### Sanitary Sewer - Operating Budget

|                                             | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------------|----------------|----------------|----------------|------------------|----------------|--------------------|--------------------|--------------------|--------------------|
| <b>Advanced Waste Water Treatment Plant</b> |                |                |                |                  |                |                    |                    |                    |                    |
| Goods and Services                          | 821,549        | 1,156,770      | 1,256,434      | 1,252,534        | 1,237,372      | 1,319,953          | 1,400,280          | 1,191,586          | 1,223,907          |
| Salaries and Benefits                       | 853,745        | 917,166        | 1,043,632      | 1,026,879        | 971,446        | 988,634            | 1,006,165          | 1,024,047          | 1,042,287          |
| Total Operating Expense                     | 1,675,295      | 2,073,936      | 2,300,066      | 2,279,413        | 2,208,818      | 2,308,587          | 2,406,445          | 2,215,633          | 2,266,194          |
| Fees                                        | (6,188,644)    | (5,273,531)    | (5,945,939)    | (5,976,636)      | (7,112,680)    | (7,852,481)        | (8,638,998)        | (9,563,932)        | (10,571,950)       |
| <b>Operating Surplus</b>                    | (4,513,349)    | (3,199,595)    | (3,645,873)    | (3,697,223)      | (4,903,862)    | (5,543,894)        | (6,232,553)        | (7,348,299)        | (8,305,756)        |
| <b>Internal Allocations Out</b>             |                |                |                |                  |                |                    |                    |                    |                    |
| Parks                                       | -              | 30,000         | 33,900         | 33,900           | 38,985         | 40,178             | 41,407             | 42,674             | 43,980             |
| <b>Internal Allocations In</b>              |                |                |                |                  |                |                    |                    |                    |                    |
| <b>Revenue</b>                              |                |                |                |                  |                |                    |                    |                    |                    |
| Collection System Revenue                   | (26,305)       | (23,150)       | (15,000)       | (15,000)         | (10,000)       | (10,000)           | (10,000)           | (10,000)           | (10,000)           |
| DCC                                         | (1,017,068)    | (2,312,404)    | (100,000)      | (100,000)        | (100,000)      | (100,000)          | (100,000)          | (100,000)          | (100,000)          |
|                                             | (1,043,373)    | (2,335,554)    | (115,000)      | (115,000)        | (110,000)      | (110,000)          | (110,000)          | (110,000)          | (110,000)          |
| <b>Expenses</b>                             |                |                |                |                  |                |                    |                    |                    |                    |
| Operations                                  | 33,348         | 26,128         | 38,574         | 38,325           | 40,000         | 44,000             | 45,000             | 45,500             | 46,000             |
| Communications                              | 18,628         | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Engineering                                 | 17,000         | 17,000         | 20,000         | 20,000           | 111,000        | 242,000            | 124,000            | 131,000            | 136,000            |
| Debt Interest                               | 762,770        | 764,560        | 773,830        | 746,845          | 546,515        | 613,725            | 598,725            | 583,725            | 568,725            |
| Debt Principal*                             | 575,057        | 575,057        | 575,057        | 575,057          | 545,072        | 738,987            | 1,038,987          | 1,038,987          | 1,038,987          |
| Procurement                                 | 1,694          | 2,687          | -              | -                | -              | -                  | -                  | -                  | -                  |
| Development Services                        | (26)           | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| Information Technology                      | 643            | 1,562          | 1,857          | 1,857            | 21,864         | 21,901             | 21,939             | 21,978             | 22,018             |
| Fleet Allocation                            | 18,154         | 21,378         | 43,525         | 43,525           | 48,025         | 48,025             | 48,025             | 48,025             | 48,025             |
| Public Works - General                      | -              | -              | 145,833        | 145,833          | 222,897        | 223,635            | 224,388            | 225,155            | 225,938            |
| Roads and Maintenance Allocation            | 141,309        | 148,726        | -              | -                | 15,750         | 15,750             | 15,750             | 15,750             | 15,750             |
| Overhead Allocation                         | 465,587        | 557,594        | 649,601        | 649,601          | 741,608        | 833,615            | 833,615            | 833,615            | 833,615            |
| Capital Exp Under Threshold                 | 560,021        | 439,719        | -              | -                | -              | -                  | -                  | -                  | -                  |
| Collection System Expense                   | 607,472        | 693,188        | 816,414        | 793,523          | 756,420        | 765,604            | 774,976            | 784,542            | 794,305            |
| Safety                                      | 4,295          | 3,699          | 5,504          | 5,504            | 5,559          | 5,670              | 5,783              | 5,899              | 6,017              |
| <b>Total Allocations In</b>                 | 3,205,952      | 3,251,296      | 2,955,195      | 2,905,070        | 2,944,710      | 3,442,912          | 3,621,189          | 3,624,177          | 3,625,380          |
| <b>Total Operating Expense</b>              | 4,306,190      | 4,720,176      | 4,646,304      | 4,575,526        | 4,569,471      | 4,972,334          | 4,947,239          | 4,758,148          | 4,808,606          |
| <b>Net Operating Surplus</b>                | (2,350,770)    | (2,313,852)    | (724,578)      | (826,053)        | (1,998,137)    | (2,141,160)        | (2,652,772)        | (3,766,797)        | (4,724,357)        |
| <b>Transfers to/from Surplus/Reserves</b>   |                |                |                |                  |                |                    |                    |                    |                    |
| Transfer to/(from) Sewer DCC                | 1,017,068      | 2,304,144      | 100,000        | 100,000          | 100,000        | 100,000            | 100,000            | 100,000            | 100,000            |
| Transfer to/(from) Sewer Operating Surplus  | 1,225,680      | (1,680,649)    | (2,017,422)    | (1,915,947)      | -              | -                  | -                  | -                  | -                  |
| Transfer to/(from) Sewer Reserve            | (2,156,826)    | (1,031,396)    | -              | -                | -              | -                  | -                  | -                  | -                  |
| Transfer to Sewer Capital                   | 2,156,826      | 2,721,753      | 2,642,000      | 2,642,000        | 1,898,137      | 2,041,160          | 2,552,772          | 3,666,797          | 4,624,357          |
| Transfer to Sewer Equip Reserve             | 108,022        | -              | -              | -                | -              | -                  | -                  | -                  | -                  |
| <b>Sewer Operating Fund</b>                 | -              | -              | -              | -                | -              | -                  | -                  | -                  | -                  |

\*Debt principal is not included in total operating expense

Operations are maintained 24 hours a day

Change 2018 forecast to 2019 budget

|           |             |
|-----------|-------------|
| \$ change | (1,172,084) |
| % change  | 141.89%     |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                                                                                      | \$ change   | % change |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------|
| Increase in user fees based on utility rate review designed to capture projected operating, maintenance & replacement costs for sewer infrastructure | (1,136,044) | -137.53% |
| Decrease in compost facility planning expenses                                                                                                       | (47,225)    | -5.72%   |

# Sanitary Sewer - Operating Budget by Project Advanced Waste Water Treatment Plant

|                              | 2016<br>Actual     | 2017<br>Actual     | 2018<br>Budget     | 2018<br>Forecast   | 2019<br>Budget     | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection  |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| AWWTP                        | 1,491,057          | 1,838,411          | 2,079,907          | 2,075,334          | 1,978,353          | 2,072,845          | 2,115,295          | 1,968,943          | 2,013,826           |
| Sanitary Lift Stations       | 111,656            | 119,827            | 129,526            | 122,075            | 127,041            | 129,896            | 132,817            | 135,807            | 138,867             |
| Septage Receiving            | 35,317             | 40,062             | 33,235             | 24,606             | 40,927             | 41,687             | 42,463             | 43,258             | 44,071              |
| AWWTP Training & Conferences | 37,265             | 41,066             | 23,498             | 23,498             | 23,512             | 23,982             | 24,462             | 24,951             | 25,450              |
| Asset Management Plan        | -                  | -                  | -                  | -                  | -                  | -                  | 50,000             | -                  | -                   |
| Parks Reclaimed Water        | -                  | 30,000             | 33,900             | 33,900             | 38,985             | 40,178             | 41,407             | 42,674             | 43,980              |
| <b>Total Expenses</b>        | <b>1,675,295</b>   | <b>2,069,365</b>   | <b>2,300,066</b>   | <b>2,279,413</b>   | <b>2,208,818</b>   | <b>2,308,587</b>   | <b>2,406,445</b>   | <b>2,215,633</b>   | <b>2,266,194</b>    |
| Sewer Fees                   | (5,972,822)        | (5,053,139)        | (5,730,121)        | (5,760,818)        | (6,904,622)        | (7,645,970)        | (8,432,487)        | (9,357,421)        | (10,365,439)        |
| Grants                       | (215,822)          | (215,822)          | (215,818)          | (215,818)          | (208,058)          | (206,511)          | (206,511)          | (206,511)          | (206,511)           |
| <b>Total Revenue</b>         | <b>(6,188,644)</b> | <b>(5,268,960)</b> | <b>(5,945,939)</b> | <b>(5,976,636)</b> | <b>(7,112,680)</b> | <b>(7,852,481)</b> | <b>(8,638,998)</b> | <b>(9,563,932)</b> | <b>(10,571,950)</b> |
| <b>Net Operating Surplus</b> | <b>(4,513,349)</b> | <b>(3,199,595)</b> | <b>(3,645,873)</b> | <b>(3,697,223)</b> | <b>(4,903,862)</b> | <b>(5,543,894)</b> | <b>(6,232,553)</b> | <b>(7,348,299)</b> | <b>(8,305,756)</b>  |
| Change forecast to budget    |                    |                    |                    |                    |                    |                    |                    |                    |                     |
| \$ change                    |                    | (1,206,639)        |                    |                    |                    |                    |                    |                    |                     |
| % change                     |                    | 32.64%             |                    |                    |                    |                    |                    |                    |                     |

See the sanitary sewer operating page for a summary of changes in the sewer fund.

This department is responsible for maintenance of the treatment plant, lift stations, and treatment of waste water to required standards. Generation of treated effluent for irrigation and generation of bio-solids for compost production, processing 675 loads which equals 8,187 cubic metres of material

The AWWTP is a budget centre of the sewer utility fund. The plant is budgeted and managed by our waste water supervisor with a staff of 10 FTE's.

In 2018 the AWWTP:

Treated 4,452 million liters of waste water

Recycled 481 million litres of treated effluent used to irrigate sports fields and a golf course, reducing the demand on the treated potable water system equivalent to 12% of the total plant flow

Processed 8,187,000kg of bio solids in 2018 = 223kg per person

## Sanitary Sewer - Collection System

|                                        | 2016<br>Actual | 2017<br>Actual | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|----------------------------------------|----------------|----------------|----------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Operations by Project</b>           |                |                |                |                  |                  |                    |                    |                    |                    |
| Collection system                      | 158,146        | 178,690        | 177,200        | 172,500          | 183,850          | 186,285            | 188,768            | 191,302            | 193,886            |
| Sewer Service Repairs                  | 103,403        | 151,214        | 87,800         | 117,800          | 111,000          | 112,840            | 114,717            | 116,631            | 118,584            |
| Sewer Main Repairs                     | 10,390         | 2,202          | 25,500         | 8,500            | 25,000           | 25,440             | 25,889             | 26,347             | 26,813             |
| Sewer Main Blockages                   | 1,035          | 2,411          | 2,000          | 1,100            | 2,050            | 2,079              | 2,109              | 2,139              | 2,170              |
| Video Inspection                       | 67,900         | 69,497         | 103,550        | 103,551          | 103,850          | 105,917            | 108,025            | 110,176            | 112,369            |
| Manholes                               | 4,066          | 3,483          | 3,024          | 4,838            | 3,300            | 3,360              | 3,421              | 3,484              | 3,547              |
| Vandalism                              | 195            | 139            | 1,010          | -                | 1,020            | 1,036              | 1,051              | 1,067              | 1,084              |
| Compost facility                       | 224,609        | 253,476        | 374,550        | 342,725          | 295,500          | 297,204            | 298,948            | 300,732            | 302,557            |
| Tools                                  | 11,688         | 9,944          | 10,500         | 11,300           | 10,500           | 10,710             | 10,924             | 11,143             | 11,366             |
| Consulting                             | -              | -              | 10,000         | 10,696           | 10,000           | 10,200             | 10,404             | 10,612             | 10,824             |
| Standby                                | 11,578         | 10,088         | 11,400         | 11,532           | -                | -                  | -                  | -                  | -                  |
| Effluent collection system             | 201            | -              | 1,730          | 581              | 1,800            | 1,832              | 1,865              | 1,898              | 1,932              |
| Sewer system                           | 14,262         | 12,045         | 8,150          | 8,400            | 8,550            | 8,701              | 8,855              | 9,012              | 9,172              |
|                                        | 607,472        | 693,188        | 816,414        | 793,523          | 756,420          | 765,604            | 774,976            | 784,542            | 794,305            |
| Recoveries - Compost                   | (26,305)       | (23,150)       | (15,000)       | (15,000)         | (10,000)         | (10,000)           | (10,000)           | (10,000)           | (10,000)           |
| <b>Net Operations by Project</b>       | <b>581,167</b> | <b>670,038</b> | <b>801,414</b> | <b>778,523</b>   | <b>746,420</b>   | <b>755,604</b>     | <b>764,976</b>     | <b>774,542</b>     | <b>784,305</b>     |
| Allocations In Related to              |                |                |                |                  |                  |                    |                    |                    |                    |
| Sewer Collection                       | 141,309        | 148,726        | 145,833        | 145,833          | 319,647          | 320,385            | 321,138            | 321,905            | 322,688            |
| <b>Total Cost for Sewer Collection</b> | <b>722,476</b> | <b>818,764</b> | <b>947,247</b> | <b>924,356</b>   | <b>1,066,067</b> | <b>1,075,989</b>   | <b>1,086,114</b>   | <b>1,096,447</b>   | <b>1,106,993</b>   |

There is 171 KM of sanitary sewer pipe with 8,550 service connections  
5.4 KM of sewer effluent irrigation pipe

Change 2018 forecast to 2019 budget

|           |         |
|-----------|---------|
| \$ change | 141,711 |
| % change  | 18.20%  |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                                                                                                                     | \$ change | % change |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|
| Decrease in compost facility planning expenses                                                                                                                                      | (47,225)  | 5.11%    |
| Increase in allocation in from other areas as a result of new Utilities Supervisor, new allocations from facilities for operating costs of yards, and increased engineering expense | 173,814   | -18.80%  |

## Sewer Utility – Capital Budget

|                                                                                 | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------------------------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Engineering - Sewer Capital</b>                                              |                  |                    |                    |                    |                    |
| Asset Management Software & AMIP Update - Sewer                                 | 33,000           | -                  | -                  | -                  | -                  |
| East Penticton Interceptor - Fairview Ave to Treatment Plant - San Cap          | -                | -                  | 75,000             | 1,186,050          | -                  |
| Aging Sanitary Sewer Infrastructure Replacement and Upgrades - San Cap Portion  | 75,000           | 1,086,000          | -                  | 1,213,000          | 1,317,000          |
| North Penticton Interceptor - Fairway Road to Treatment Plant - DCC Portion     | -                | -                  | 973,544            | -                  | -                  |
| North Penticton Interceptor - Fairway Road to Treatment Plant - San Cap Portion | 35,000           | 90,000             | 2,006,656          | -                  | -                  |
| Small Sanitary Sewer Upsizing - San Cap Portion                                 | 40,000           | 712,900            | -                  | -                  | -                  |
| Main Street Upgrades - Industrial Avenue to Warren Avenue - Sewer Cap Funding   | 755,800          | -                  | -                  | -                  | -                  |
| Point Intersection Kinney & South Main - Re-Align Galt Avenue - San Cap Portion | -                | 250,000            | -                  | -                  | -                  |
| South Main Street Sanitary Sewer - Budget - Sewer Cap                           | 500,000          | -                  | -                  | -                  | -                  |
| 50mm and 100mm Water Main Replacement Program                                   | 125,000          | -                  | -                  | -                  | -                  |
| Aging Sewer Main Replacement Program                                            | 325,000          | -                  | -                  | -                  | -                  |
| <b>Total Engineering Sewer Capital Projects</b>                                 | <b>1,888,800</b> | <b>2,138,900</b>   | <b>3,055,200</b>   | <b>2,399,050</b>   | <b>1,317,000</b>   |
| <b>Advanced Waste Water Treatment Plant</b>                                     |                  |                    |                    |                    |                    |
| Advanced Waste Water Treatment Plant Expansion and Upgrades                     | -                | 350,000            | 4,000,000          | 1,500,000          | -                  |
| Liquid Waste Management Plan Review                                             | -                | -                  | -                  | 100,000            | -                  |
| Wonderware efficiencies                                                         | 35,000           | 35,000             | 35,000             | 35,000             | 35,000             |
| CCTV cameras                                                                    | 10,000           | -                  | -                  | -                  | -                  |
| AWWTP - Bioreactor Gate Replacement                                             | -                | 500,000            | -                  | -                  | -                  |
| AWWTP - Bioreactor Mixer Replacement                                            | -                | 130,000            | -                  | -                  | -                  |
| AWWTP - Spectrophotometer                                                       | 18,000           | -                  | -                  | -                  | -                  |
| AWWTP - Fine air socks replacement/bio baffles                                  | 35,000           | -                  | -                  | -                  | -                  |
| AWWTP - BIOREM Filter for filter plus install                                   | 35,000           | -                  | -                  | -                  | -                  |
| AWWTP - PME expand to older MCC's                                               | 65,000           | -                  | -                  | -                  | -                  |
| AWWTP - Change management Software                                              | 35,000           | -                  | -                  | -                  | -                  |
| AWWTP - Install screw Pump #2, 3rd of 3 to be replaced                          | 120,000          | -                  | -                  | -                  | -                  |
| AWWTP - Replace one cake pump                                                   | 145,000          | -                  | -                  | -                  | -                  |
| AWWTP - CMMS (Asset Management software)                                        | -                | 60,000             | -                  | -                  | -                  |
| AWWTP - Server replacement WWTTP Industrial servers                             | 100,000          | -                  | -                  | -                  | -                  |
| AWWTP - A/C headwork's control                                                  | 10,000           | -                  | -                  | -                  | -                  |
| AWWTP - 7a rotorks and DO probe                                                 | 40,000           | -                  | -                  | -                  | -                  |
| AWWTP - Main breaker PDC replacement                                            | 60,000           | -                  | -                  | -                  | -                  |
| AWWTP - 2nd DAF pump (DAG)                                                      | 55,000           | -                  | -                  | -                  | -                  |
| AWWTP - Asset Management Renewal                                                | 370,000          | -                  | -                  | -                  | -                  |
| AWWTP - Chemsan                                                                 | 110,000          | -                  | -                  | -                  | -                  |
| AWWTP - Disk filter cloth replacement                                           | 80,000           | -                  | -                  | -                  | -                  |
| AWWTP - Wilson LS flow meter and Genset Marina Way flow meter Design            | 25,000           | 100,000            | -                  | -                  | -                  |
| AWWTP - Cub Cadet                                                               | 25,000           | -                  | -                  | -                  | -                  |
| AWWTP - Dehumidifier for polymer room                                           | 6,000            | -                  | -                  | -                  | -                  |
| AWWTP - Shop crane                                                              | 10,000           | -                  | -                  | -                  | -                  |
| AWWTP - Bin room modifications                                                  | 30,000           | -                  | -                  | -                  | -                  |
| AWWTP - Test Bench                                                              | 10,000           | -                  | -                  | -                  | -                  |
| AWWTP - Bioreactor Waste Pump Replacement                                       | 225,000          | -                  | -                  | -                  | -                  |
| Asset Management Renewal Assessment                                             | -                | -                  | 750,000            | 3,100,000          | 750,000            |
| Asset Management Renewal Assessment - Lift Stations                             | 30,000           | -                  | 30,000             | 30,000             | 200,000            |
| <b>Total Advanced Waste Water Treatment Plant Capital Projects</b>              | <b>1,684,000</b> | <b>1,175,000</b>   | <b>4,815,000</b>   | <b>4,765,000</b>   | <b>985,000</b>     |
| <b>Sewer Collection System Capital Projects</b>                                 |                  |                    |                    |                    |                    |
| Sanitary Sewer Relining                                                         | -                | -                  | 100,000            | 100,000            | 100,000            |
| Compost Site Improvements                                                       | 1,000,000        | 1,500,000          | -                  | -                  | -                  |
| <b>Total Sewer Collection Capital Projects</b>                                  | <b>1,000,000</b> | <b>1,500,000</b>   | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     |
| CIS Software Upgrades - Sewer Portion                                           | 5,000            | 5,000              | 62,500             | 5,000              | 5,000              |
| <b>Total Sewer Capital</b>                                                      | <b>4,577,800</b> | <b>4,818,900</b>   | <b>8,032,700</b>   | <b>7,269,050</b>   | <b>2,407,000</b>   |
| <b>Funding Source</b>                                                           |                  |                    |                    |                    |                    |
| Development Cost Charges                                                        | -                | (125,000)          | (973,544)          | -                  | -                  |
| Transfer To/From Sewer Reserve/Surplus                                          | (1,679,663)      | (1,152,740)        | (4,506,384)        | (3,602,253)        | 2,217,357          |
| Transfer from Sewer Operating Fund                                              | (1,898,137)      | (2,041,160)        | (2,552,772)        | (3,666,797)        | (4,624,357)        |
| Debt Financing - Compost Site Improvements                                      | (1,000,000)      | (1,500,000)        | -                  | -                  | -                  |
| <b>Sewer Utility Capital Fund</b>                                               | <b>-</b>         | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           |

## Water Utility

### Water - Operating Budget

|                                          | 2016<br>Actual     | 2017<br>Actual     | 2018<br>Budget     | 2018<br>Forecast   | 2019<br>Budget     | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Goods and Services                       | 721,839            | 753,404            | 921,685            | 886,389            | 957,556            | 880,962            | 905,764            | 932,076            | 960,017            |
| Salaries and Benefits                    | 730,819            | 715,870            | 745,011            | 761,517            | 773,484            | 786,348            | 799,470            | 812,854            | 826,507            |
| <b>Total Operating Expense</b>           | <b>1,452,658</b>   | <b>1,469,273</b>   | <b>1,666,696</b>   | <b>1,647,906</b>   | <b>1,731,040</b>   | <b>1,667,310</b>   | <b>1,705,235</b>   | <b>1,744,930</b>   | <b>1,786,523</b>   |
| Fees                                     | (8,125,802)        | (8,548,527)        | (8,479,637)        | (8,461,692)        | (8,812,919)        | (9,152,419)        | (9,505,154)        | (9,871,640)        | (10,252,413)       |
| <b>Net Operating Surplus</b>             | <b>(6,673,144)</b> | <b>(7,079,254)</b> | <b>(6,812,941)</b> | <b>(6,813,786)</b> | <b>(7,081,880)</b> | <b>(7,485,109)</b> | <b>(7,799,919)</b> | <b>(8,126,710)</b> | <b>(8,465,890)</b> |
| <b>Internal Allocations Out</b>          |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Parks                                    | 55,000             | 31,325             | 36,140             | 36,140             | 37,693             | 39,199             | 40,765             | 42,394             | 44,088             |
| <b>Internal Allocations In - Revenue</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Development Services-DCC                 | (496,837)          | (938,365)          | (200,000)          | (200,000)          | (200,000)          | (200,000)          | (200,000)          | (200,000)          | (200,000)          |
| Other Water DCC's                        | (58,286)           | (125,782)          | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| West Bench Transfer                      | (78,336)           | (78,336)           | (78,336)           | (78,336)           | (78,336)           | (78,336)           | (78,336)           | (78,336)           | (78,336)           |
| PW - Water Distribution Revenue          | (25,445)           | (32,628)           | (5,000)            | (13,554)           | (10,000)           | (10,000)           | (10,000)           | (10,000)           | (10,000)           |
| Debt Proceeds                            | -                  | -                  | -                  | -                  | -                  | (2,527,197)        | -                  | -                  | -                  |
|                                          | (658,904)          | (1,175,111)        | (283,336)          | (291,890)          | (288,336)          | (2,815,533)        | (288,336)          | (288,336)          | (288,336)          |
| <b>Internal Allocations In - Expense</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Debt Principal Repayments*               | 458,414            | 422,123            | 422,123            | 422,123            | 422,123            | 422,123            | 422,123            | 422,123            | 422,123            |
| Operations                               | 25,408             | 26,128             | 38,574             | 38,325             | 40,000             | 44,000             | 45,000             | 45,500             | 46,000             |
| Debt Interest                            | 591,951            | 448,795            | 448,795            | 448,795            | 358,795            | 358,795            | 358,795            | 358,795            | 358,795            |
| Finance - Procurement                    | 690                | 240                | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Engineering Design                       | 17,000             | 17,000             | 20,000             | 20,000             | 111,000            | 241,000            | 123,000            | 131,000            | 135,000            |
| IT - printing/software                   | 356                | 372                | 250                | 250                | 20,250             | 20,255             | 20,260             | 20,265             | 20,271             |
| Fleet Allocation                         | 35,691             | 18,362             | 51,525             | 51,525             | 34,525             | 34,525             | 34,525             | 34,525             | 34,525             |
| Public Works - General                   | 23,019             | 9,105              | 145,833            | 145,833            | 308,897            | 309,635            | 310,388            | 311,155            | 311,938            |
| Roads and Maintenance Allocation         | 132,705            | 139,275            | -                  | -                  | 15,750             | 15,750             | 15,750             | 15,750             | 15,750             |
| Overhead Allocation                      | 543,372            | 629,430            | 715,488            | 715,488            | 801,546            | 887,604            | 887,604            | 887,604            | 887,604            |
| Office Supplies                          | 334                | 794                | 750                | 750                | 750                | 765                | 780                | 796                | 812                |
| Capital Exp. Under Threshold             | 554,548            | 961,357            | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| PW - Water Distribution Expense          | 718,753            | 988,602            | 953,459            | 1,047,835          | 877,700            | 892,631            | 907,860            | 923,393            | 939,236            |
| HR - Safety                              | 2,113              | 931                | 5,471              | 5,471              | 5,526              | 5,636              | 5,749              | 5,864              | 5,981              |
| <b>Total Allocations In</b>              | <b>3,104,354</b>   | <b>3,662,514</b>   | <b>2,802,268</b>   | <b>2,896,395</b>   | <b>2,996,862</b>   | <b>3,232,719</b>   | <b>3,131,833</b>   | <b>3,156,770</b>   | <b>3,178,035</b>   |
| <b>Total Operating Expense</b>           | <b>4,043,598</b>   | <b>4,678,340</b>   | <b>4,010,701</b>   | <b>4,086,038</b>   | <b>4,268,086</b>   | <b>4,438,707</b>   | <b>4,374,180</b>   | <b>4,437,183</b>   | <b>4,498,347</b>   |
| <b>Net Operating Surplus</b>             | <b>(4,282,693)</b> | <b>(4,623,176)</b> | <b>(4,330,149)</b> | <b>(4,245,420)</b> | <b>(4,411,047)</b> | <b>(7,107,122)</b> | <b>(4,997,187)</b> | <b>(5,300,670)</b> | <b>(5,620,279)</b> |
| <b>Transfers to/from Surplus/Reserve</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Transfer to Reserve                      | 11,311             | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Transfer From Reserve                    | (1,274,380)        | (860,822)          | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Transfer to/(from) Water Surplus         | 2,633,139          | 332,125            | 811,786            | 813,790            | -                  | -                  | -                  | -                  | -                  |
| Transfer to DCC reserve                  | 555,123            | 1,064,147          | 100,000            | 100,000            | 200,000            | 200,000            | 200,000            | 200,000            | 200,000            |
| Transfer to/(from) Water Capital         | 2,357,501          | 4,087,725          | 3,418,363          | 3,331,630          | 4,211,047          | 6,907,122          | 4,797,187          | 5,100,670          | 5,420,279          |
|                                          | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |

\*Debt principal is not included in total operating expense

Change 2018 forecast to 2019 budget

\$ change (165,626)

% change -3.90%

7.5 FTE

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                 | \$ change | % change |
|---------------------------------------------------------------------------------|-----------|----------|
| Higher than expected water main repairs occurred in 2018                        |           | (33,055) |
| Ellis Creek dredging and silt removal occurred in 2018, not necessary in 2019   |           | (59,700) |
| More water meter maintenance required in 2018 than in expected in 2019          |           | (31,478) |
| More south irrigation system maintenance required in 2018 than expected in 2019 |           | (9,000)  |



## Water - Water Treatment Plant Operating Budget by Project

|                              | 2016<br>Actual     | 2017<br>Actual     | 2018<br>Budget     | 2018<br>Forecast   | 2019<br>Budget     | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Water Treatment Plant</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Cross Connection             | 42,673             | 38,214             | 53,935             | 53,935             | 56,228             | 57,353             | 58,500             | 59,670             | 60,863             |
| Duncan Pump Station          | 7,235              | 6,044              | 7,725              | 8,525              | 7,850              | 8,008              | 8,168              | 8,331              | 8,498              |
| Okanagan Lake Pump Station   | 275,764            | 281,977            | 230,595            | 230,074            | 229,750            | 230,085            | 230,427            | 230,775            | 231,131            |
| Ridgedale Pump Station       | 25,291             | 22,128             | 39,760             | 39,760             | 40,214             | 42,744             | 45,484             | 48,453             | 51,670             |
| Small Reservoirs             | 33,658             | 41,295             | 48,949             | 48,949             | 48,500             | 49,470             | 50,460             | 51,469             | 52,498             |
| Warren Ave Well              | 2,928              | 3,368              | 5,975              | 5,975              | 5,350              | 5,571              | 5,807              | 6,060              | 6,332              |
| Water Conservation           | 51,219             | 24,141             | 52,287             | 52,287             | 46,000             | 46,920             | 47,858             | 48,816             | 49,792             |
| Water Treatment Plant        | 847,354            | 878,869            | 1,093,054          | 1,109,560          | 1,141,754          | 1,169,906          | 1,199,350          | 1,230,179          | 1,262,493          |
| Water - general              | 85,398             | 89,931             | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Parks - other accounts       | 55,000             | 31,431             | 36,140             | 36,140             | 37,693             | 39,199             | 40,765             | 42,394             | 44,088             |
| Drought Management           | 8,333              | 3,813              | 85,575             | 50,000             | 100,000            | -                  | -                  | -                  | -                  |
| Water                        | 38,822             | 41,509             | 12,700             | 12,700             | 17,700             | 18,054             | 18,415             | 18,783             | 19,159             |
|                              | 1,473,675          | 1,462,719          | 1,666,696          | 1,647,906          | 1,731,040          | 1,667,310          | 1,705,235          | 1,744,930          | 1,786,523          |
| Recoveries - Water           | (418,993)          | (431,874)          | (441,436)          | (423,491)          | (437,114)          | (451,632)          | (466,776)          | (482,571)          | (499,047)          |
| Water - sales                | (7,727,826)        | (8,110,098)        | (8,038,201)        | (8,038,201)        | (8,375,806)        | (8,700,787)        | (9,038,378)        | (9,389,068)        | (9,753,366)        |
| <b>Net Operating Surplus</b> | <b>(6,673,144)</b> | <b>(7,079,254)</b> | <b>(6,812,941)</b> | <b>(6,813,786)</b> | <b>(7,081,880)</b> | <b>(7,485,109)</b> | <b>(7,799,919)</b> | <b>(8,126,710)</b> | <b>(8,465,890)</b> |

This department maintains the water treatment plant, 6 reservoirs and 5 pump stations in accordance with mandated standards.

The WTP is a budget centre of the water utility fund. The plant is budgeted and managed by our water supervisor with a staff of 7.5 FTE's.

Change 2018 forecast to 2019 budget

\$ change (268,094) See the water operating page for a summary of changes in the water fund.

% change 3.93%

The WTP treated between 7,750 and 37,200 cubic metres of water every day with peak capacity of 88,000 cubic metres per day.

## Water - Distribution by Project

|                                               | 2016<br>Actual | 2017<br>Actual   | 2018<br>Budget   | 2018<br>Forecast | 2019<br>Budget   | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|-----------------------------------------------|----------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Hydrant Connection Boxes                      | (23,938)       | (30,803)         | (5,000)          | (26,638)         | (10,000)         | (10,000)           | (10,000)           | (10,000)           | (10,000)           |
| Transmission and distribution                 | 62,970         | 62,179           | 51,012           | 87,046           | 68,250           | 69,405             | 70,583             | 71,785             | 73,010             |
| Hydrant Maintenance                           | 61,725         | 64,312           | 151,480          | 150,559          | 151,400          | 154,027            | 156,706            | 159,438            | 162,224            |
| Valve Maintenance                             | 17,793         | 9,411            | 33,650           | 19,950           | 39,850           | 40,480             | 41,123             | 41,778             | 42,447             |
| PRV Maintenance                               | 29,184         | 10,549           | 12,550           | 4,770            | 39,000           | 39,660             | 40,333             | 41,020             | 41,720             |
| Water Main Repairs                            | 53,882         | 392,475          | 80,000           | 113,655          | 80,600           | 81,912             | 83,250             | 84,615             | 86,008             |
| Water Service Repairs                         | 102,015        | 110,010          | 122,000          | 133,073          | 123,000          | 124,860            | 126,757            | 128,692            | 130,666            |
| Renew Fire Hydrants                           | 13,647         | 14,065           | 15,600           | 19,200           | 15,700           | 15,984             | 16,274             | 16,569             | 16,871             |
| Hydrant Connection Boxes                      | 10,157         | 8,414            | 6,250            | 5,300            | 7,250            | 7,390              | 7,533              | 7,678              | 7,827              |
| Meters / Customer Billing and Collections     | 149,553        | 137,309          | 219,700          | 211,428          | 179,950          | 183,220            | 186,555            | 189,957            | 193,428            |
| Meter Pit Installations and maint             | 32,146         | 13,092           | 31,500           | 32,143           | 16,000           | 16,270             | 16,545             | 16,826             | 17,113             |
| Water - tools                                 | 9,063          | 10,225           | 18,500           | 20,208           | 18,500           | 18,870             | 19,247             | 19,632             | 20,025             |
| Water damage vandalism                        | 573            | -                | 500              | 365              | 500              | 507                | 514                | 521                | 529                |
| Penticton Creek - Greyback Dam                | 19,900         | 17,407           | 19,780           | 23,100           | 11,100           | 11,292             | 11,488             | 11,688             | 11,891             |
| Penticton Creek - Howard Lake Dam             | 1,143          | 3,620            | 2,069            | 2,130            | 1,600            | 1,612              | 1,624              | 1,637              | 1,649              |
| Penticton Creek - Campbell Mountain Diversion | 12,907         | 8,471            | 10,750           | 10,500           | 8,900            | 9,048              | 9,199              | 9,353              | 9,510              |
| Penticton Creek - Penticton 2 Dam             | 5,509          | 5,194            | 4,750            | 4,000            | 9,250            | 9,430              | 9,614              | 9,801              | 9,992              |
| Penticton Creek - General Maintenance         | 6,847          | 4,242            | 4,250            | 1,200            | 3,800            | 3,861              | 3,923              | 3,987              | 4,051              |
| Ellis Creek - Ellis 2 Dam                     | 10,882         | 7,660            | 8,250            | 6,200            | 4,500            | 4,570              | 4,641              | 4,714              | 4,789              |
| Ellis Creek - Ellis 4 Dam                     | 9,303          | 6,663            | 9,250            | 5,500            | 6,950            | 7,069              | 7,190              | 7,314              | 7,440              |
| Ellis Creek - Ovid Dam                        | 442            | -                | 350              | 967              | 350              | 356                | 362                | 368                | 375                |
| Ellis Creek - Ellis Intake                    | 4,991          | 5,101            | 35,350           | 64,150           | 4,450            | 4,524              | 4,599              | 4,676              | 4,755              |
| Ellis Creek - General Maintenance             | 4,268          | 3,712            | 2,600            | 4,600            | 2,000            | 2,030              | 2,061              | 2,092              | 2,124              |
| Water - general                               | 37,952         | 40,259           | 29,516           | 54,473           | 16,100           | 16,392             | 16,690             | 16,994             | 17,304             |
| North irrigation system                       | 44,726         | 38,602           | 57,602           | 57,000           | 48,000           | 48,820             | 49,656             | 50,510             | 51,380             |
| South irrigation system                       | 14,501         | 13,803           | 25,500           | 29,000           | 20,000           | 20,330             | 20,667             | 21,010             | 21,360             |
| Penticton Creek - Corporation Lake Dam        | 661            | -                | 350              | 403              | 350              | 356                | 362                | 368                | 375                |
| Penticton Creek - Reed Lake Dam               | 505            | -                | 350              | -                | 350              | 356                | 362                | 368                | 375                |
| <b>Net Operating Expense</b>                  | <b>693,308</b> | <b>955,974</b>   | <b>948,459</b>   | <b>1,034,282</b> | <b>867,700</b>   | <b>882,631</b>     | <b>897,860</b>     | <b>913,393</b>     | <b>929,236</b>     |
| Allocations In Related to Water Distribution  | 155,724        | 148,380          | 145,833          | 145,833          | 405,647          | 406,385            | 407,138            | 407,905            | 408,688            |
| <b>Total Cost for Water Distribution</b>      | <b>849,032</b> | <b>1,104,355</b> | <b>1,094,292</b> | <b>1,180,115</b> | <b>1,273,347</b> | <b>1,289,016</b>   | <b>1,304,997</b>   | <b>1,321,298</b>   | <b>1,337,925</b>   |

This department maintains the dams, and the distribution system

There is 192 KM of domestic water pipe, 985 fire hydrants, 8,653 water meters, 33 KM of

Change 2018 forecast to 2019 budget

|           |        |
|-----------|--------|
| \$ change | 93,232 |
| % change  | 9.01%  |

Changes in net operating budget from 2018 forecast to 2019 are primarily due to:

|                                                                                                                                                                                      | \$ change | % change |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|
| Increase in allocation in from other areas as a result of new Utilities Supervisor, new allocations from facilities for operating costs of yards, and increased engineering expenses | 259,814   |          |
| Higher than expected water main repairs occurred in 2018                                                                                                                             | (33,055)  |          |
| Ellis Creek dredging and silt removal occurred in 2018, not necessary in 2019                                                                                                        | (59,700)  |          |
| More water meter maintenance required in 2018 than in expected in 2019                                                                                                               | (31,478)  |          |
| More south irrigation system maintenance required in 2018 than expected in 2019                                                                                                      | (9,000)   |          |

## Water Utility - Capital Budget

|                                                               | 2019<br>Budget     | 2020<br>Projection | 2021<br>Projection | 2022<br>Projection | 2023<br>Projection |
|---------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Engineering Water Capital Projects</b>                     |                    |                    |                    |                    |                    |
| Asset Management Software & AMIP Update - Water               | 37,400             | -                  | -                  | -                  | -                  |
| 50mm and 100mm Water Main Replacement Program                 | 388,500            | 883,200            | 900,800            | 918,400            | 933,900            |
| Aging Water Main Replacement Program                          | 976,300            | 468,400            | 588,600            | 763,800            | 778,800            |
| Orchard Avenue Reconstruction - Water Portion                 | -                  | -                  | -                  | 400,000            | 160,000            |
| Riddle Road Improvements - Water Service & Fire Protection    | -                  | -                  | -                  | -                  | 1,428,100          |
| Industrial Area Fire Flow Upgrades - Water Cap Portion        | -                  | -                  | 1,436,200          | -                  | -                  |
| Ridgedale Reservoir Upgrade - Budget - DCC Portion            | -                  | 144,803            | -                  | -                  | -                  |
| Ridgedale Reservoir Upgrade - Water Cap Portion               | 75,000             | 250,000            | -                  | -                  | -                  |
| East Pentiction Interceptor - Fairview Ave to Treatment Plant | -                  | -                  | 75,000             | 350,000            | -                  |
| Main Street Upgrades - Industrial Avenue to Warren Avenue     | 755,800            | -                  | -                  | -                  | -                  |
| Point Intersection Kinney & South Main - Re-Align Galt Avenue | -                  | 250,000            | -                  | -                  | -                  |
| Downtown Revitalization - Main Street - Water Cap Portion     | -                  | -                  | -                  | -                  | -                  |
| Woodstock Road Reconstruction - Water Cap Portion             | -                  | 52,000             | -                  | -                  | -                  |
| South Main Street Sanitary Sewer - Budget - Water Cap         | 350,000            | -                  | -                  | -                  | -                  |
| Irrigation System - Infrastructure Renewals                   | 75,000             | 375,000            | 375,000            | 455,000            | 455,000            |
| <b>Total Engineering Water Capital Projects</b>               | <b>2,658,000</b>   | <b>2,423,403</b>   | <b>3,375,600</b>   | <b>2,887,200</b>   | <b>3,755,800</b>   |
| <b>Water Treatment Plant Capital Projects</b>                 |                    |                    |                    |                    |                    |
| Bulk Liquid Chlorine System                                   | 633,500            | -                  | -                  | -                  | -                  |
| Asset Management Equipment Replacement                        | 50,000             | 50,000             | 50,000             | 50,000             | 50,000             |
| WTP Reservoir Mixing Improvements                             | -                  | -                  | -                  | 25,000             | 655,000            |
| WTP Pressure Reducing Station Equipment                       | -                  | 1,527,000          | -                  | -                  | -                  |
| WTP optimization projects                                     | 15,000             | 15,000             | 15,000             | 15,000             | 15,000             |
| PLC Equipment Replacement                                     | 80,000             | 80,000             | 80,000             | 80,000             | 80,000             |
| Replace aging electrical equipment Okanagan Lake Pump Stn     | 1,575,700          | -                  | -                  | -                  | -                  |
| WTP Rotork Valve Replacement                                  | 60,000             | 60,000             | 60,000             | 60,000             | 60,000             |
| WTP Filter Gallery Valve Replacement                          | 30,000             | 30,000             | 30,000             | 30,000             | 30,000             |
| Booster Station Communication Upgrades                        | 15,000             | -                  | 15,000             | -                  | 15,000             |
| WTP Avigilon Door Replacement                                 | 20,000             | -                  | -                  | -                  | -                  |
| Replace portable gas detectors and software                   | -                  | -                  | -                  | 10,000             | -                  |
| Replace (2) process computers/update software                 | 5,000              | 5,000              | 5,000              | 5,000              | 5,000              |
| Source Protection Plan & Assessment                           | -                  | 100,000            | -                  | -                  | -                  |
| Roof replacement WTP                                          | -                  | -                  | -                  | 467,110            | -                  |
| Air unit replacement program                                  | -                  | 50,000             | 50,000             | 100,000            | 100,000            |
| <b>Total Water Treatment Plant Capital Projects</b>           | <b>2,484,200</b>   | <b>1,917,000</b>   | <b>305,000</b>     | <b>842,110</b>     | <b>1,010,000</b>   |
| <b>Water Distribution System Capital Projects</b>             |                    |                    |                    |                    |                    |
| Irrigation Meter Program                                      | 140,000            | 140,000            | 140,000            | 140,000            | 140,000            |
| Ellis 2 Dam - Consulting & Upgrades                           | -                  | -                  | 250,000            | 100,000            | 750,000            |
| Ellis 4 Dam - Consulting and Upgrades                         | 225,000            | 1,000,000          | -                  | -                  | -                  |
| Ellis Creek Diversion Dam - Consulting & Upgrades             | -                  | -                  | -                  | -                  | 125,000            |
| Dam Safety Review - Legislated                                | -                  | -                  | 150,000            | 5,000              | -                  |
| <b>Total Water Distribution System Capital Projects</b>       | <b>365,000</b>     | <b>1,140,000</b>   | <b>540,000</b>     | <b>245,000</b>     | <b>1,015,000</b>   |
| CIS Software Upgrades - Water Portion                         | 5,000              | 5,000              | 62,500             | 5,000              | 5,000              |
| <b>Total Water Utility Capital Projects</b>                   | <b>5,512,200</b>   | <b>5,485,403</b>   | <b>4,283,100</b>   | <b>3,979,310</b>   | <b>5,785,800</b>   |
| <b>Funding Source</b>                                         |                    |                    |                    |                    |                    |
| DCC                                                           | -                  | (244,803)          | -                  | -                  | -                  |
| Transfer to/(from) Water Reserve/Surplus                      | (1,301,153)        | 1,666,522          | 514,087            | 1,121,360          | (365,521)          |
| Transfer to/(from) Water Operating Fund                       | (4,211,047)        | (6,907,122)        | (4,797,187)        | (5,100,670)        | (5,420,279)        |
|                                                               | <b>(5,512,200)</b> | <b>(5,485,403)</b> | <b>(4,283,100)</b> | <b>(3,979,310)</b> | <b>(5,785,800)</b> |
| <b>Water Utility Capital Fund</b>                             | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           |



To view the 2019-2023 Financial Plan, please visit:

[www.penticton.ca/EN/main/departments/finance/financial-plan-2019.html](http://www.penticton.ca/EN/main/departments/finance/financial-plan-2019.html)

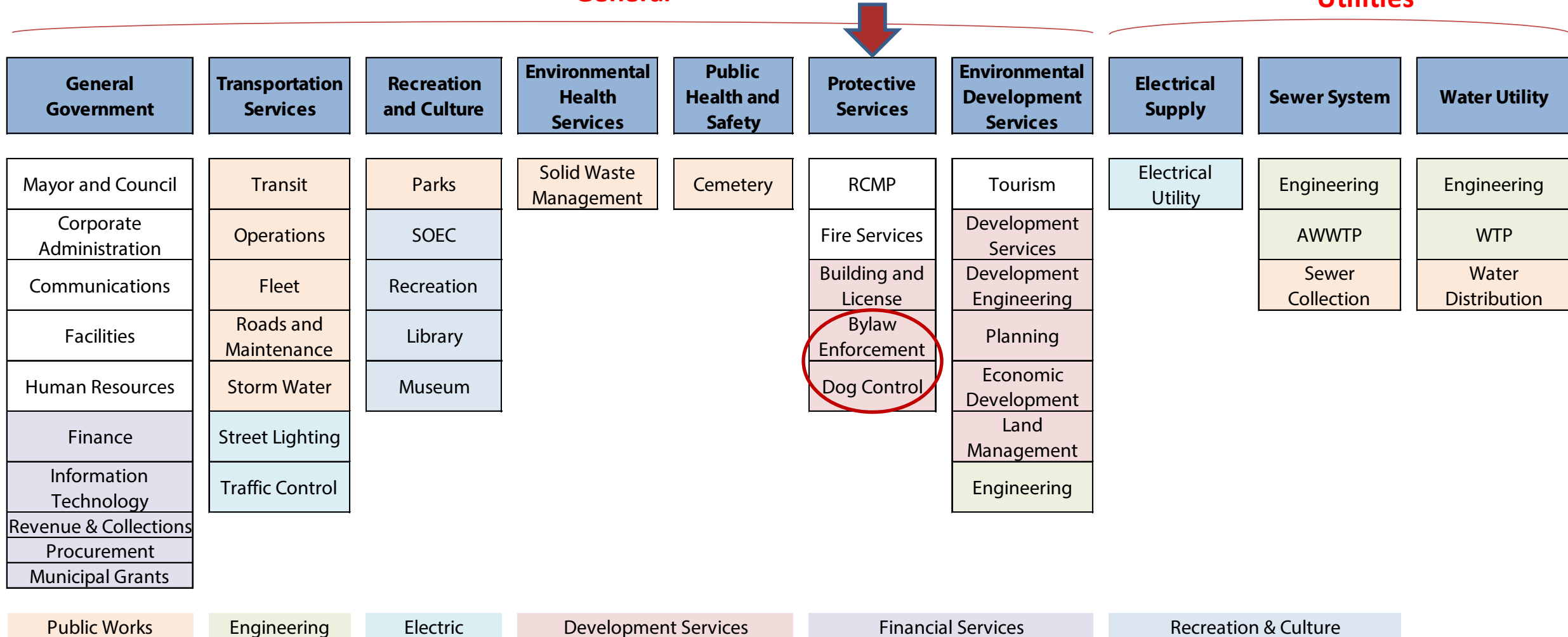
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# City of Penticton: Financial Plan Reporting Structure

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## General

## Utilities



penticton.ca



# Bylaw Services Department



Newly formed Bylaw Bike Team



Working with property owners to ensure we have a clean city





# Overview

Bylaw Services provides education and enforcement of municipal bylaws with a commitment to the delivery of fair, reasonable, and transparent service in a timely and professional manner, and in accordance with Council direction.

- 10,000 Customer Inquiries about Bylaws
- Over 3,000 Complaint files opened
- Over 300 unauthorized camping/check on welfare requests with efforts to connect to social services
- 4,500 Bylaw Offence Notices/tickets issued

- 150 Unsafe parking calls from Transit Operators
- \$95,000 in ticketing revenue
- Paid parking generates the most revenue for city revitalization and enhancement projects (\$342,500)
- Over \$2,000 donated to Kindness Meter
- Collected over 1,000 used needles

# 2018 Accomplishments

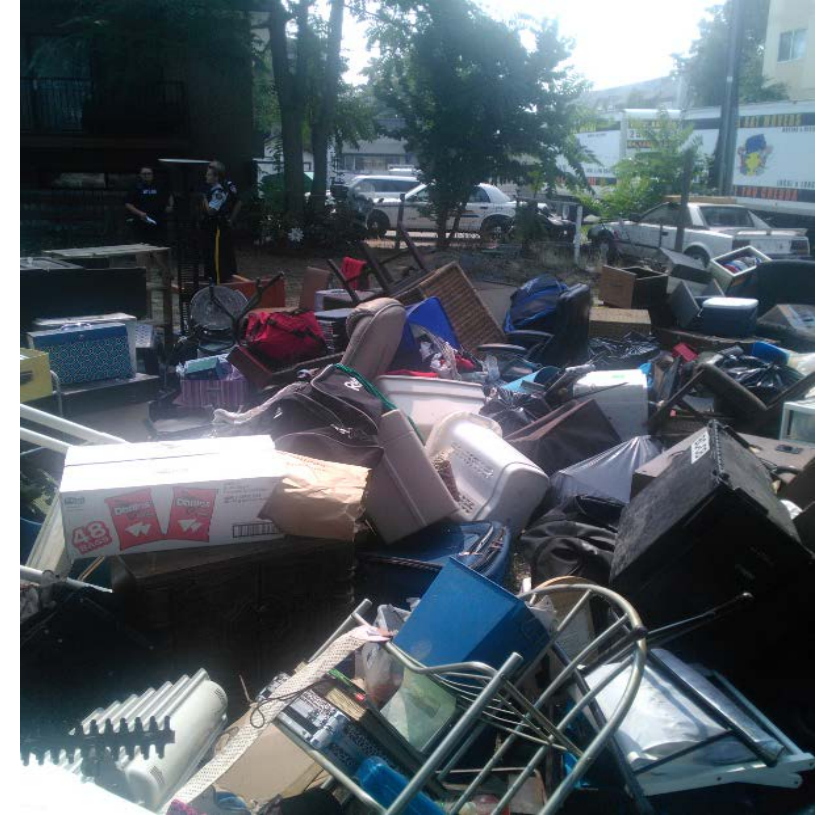
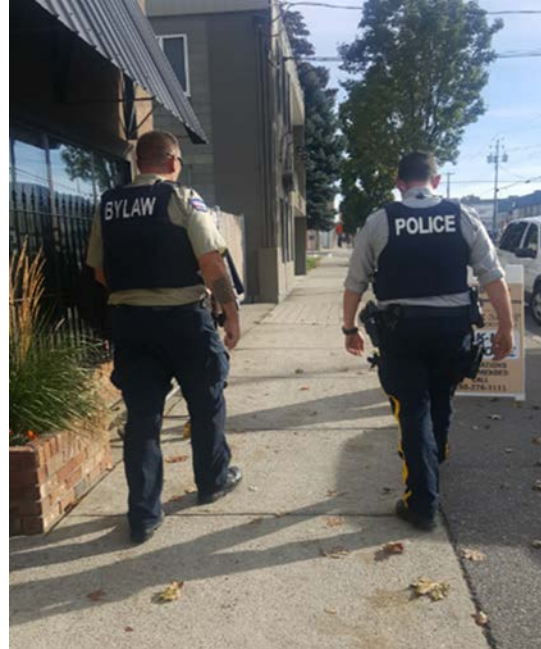
- ✓ Continuation of Parking Strategy work plan/implementation
- ✓ Bylaw Officer job duty risk assessments and 'Safe Work' procedures
- ✓ New deployment strategy/changing priorities-zone deployment, community/social issues/DT foot patrols
- ✓ Community Safety Committee action items-collaborative protective services response to target nuisance properties and areas
- ✓ Community strategy (IH, DPA, RCMP) for safe disposal of sharps/harm reduction
- ✓ 'Community Active Support Table' participation



# Challenges & Opportunities

*Protective Services*  
- 227 -  
*Bylaw Services*

- Demand Versus Capacity
- Redefined Role





# Challenges & Opportunities

- **Social Issues** redefining the role of a Bylaw Enforcement Officer
- **Safety Framework/Local Partnerships**

## Penticton Community Safety Framework



# 2019 Initiatives

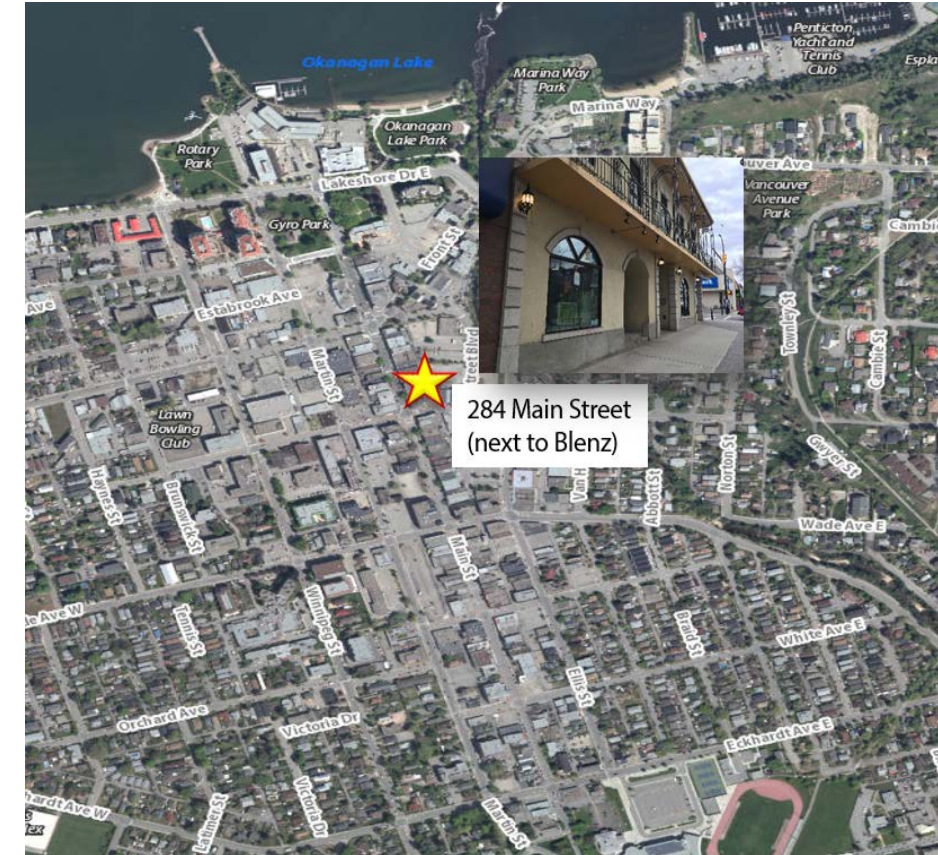
- Community Safety Officer-modernization of the Bylaw role
- GIS data- zone deployment, community/social issues/DT foot and bike patrols
- Dog Control Services operational changes
- Good Neighbor Bylaw amendments-legal reviews





# 2019 Initiatives

- Relocation of Bylaw Dept Office with RCMP (Community Policing & CSET)
- Centralized deployment
- Community response
- 284 Main Street – 10 Yr lease term
  - Operating (\$30k annual lease)
  - Capital (\$280k – tenant improvements)





# Staffing

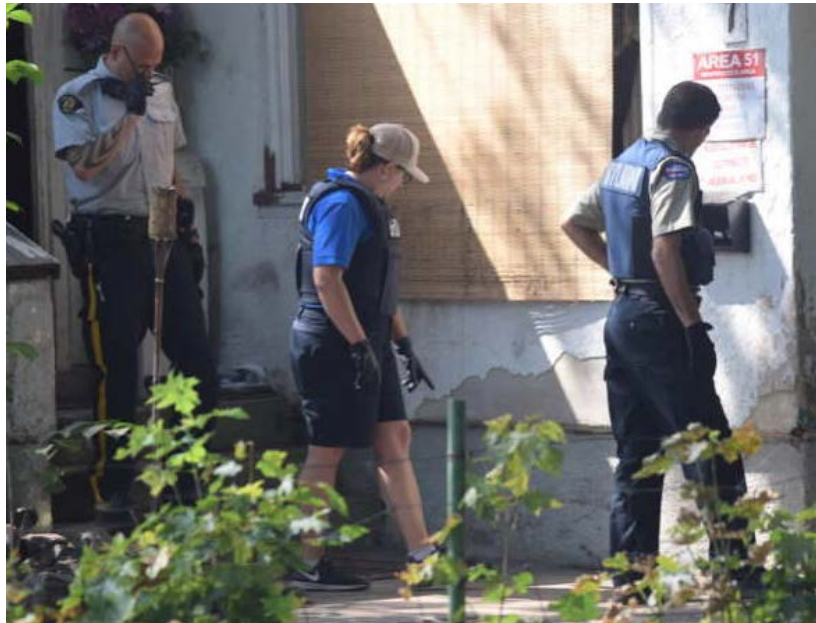
| <u>2018</u> | <u>2019</u> |
|-------------|-------------|
| 5           | 7           |





# Staff Changes

**Community Safety Officer** – is a modernized bylaw officer employed for the purpose of community safety, livability and to be a complement to RCMP services by diverting a volume of lower level nuisances





# Community Safety Officer

*Protective Services*  
- 233 -  
*Bylaw Services*

Duties include:

- Proactive patrols on foot and bike in high complaint locations
- Respond to safety and security issues that do not require a police response (ie. Homeless issues, panhandling, nuisances in public places, special events, etc)
- Security functions- duties currently being tasked to third party security companies (ie. Washroom checks)
- Provide educational information to the community- businesses, schools, etc.



# Highlights

|                               | 2019<br>Budget | %<br>change | Trend |
|-------------------------------|----------------|-------------|-------|
| Total Revenue                 | -590,956       | 18.5%       | ↑     |
| Operational Expense           | 820,139        | 20.6%       | ↑     |
| Total Internal Allocation In  | 28,500         |             | ↑     |
| Total Internal Allocation Out | <u>0</u>       |             | →     |
| Net Operating Expense         | 257,684        |             | ↑     |
| Total Capital                 | 0              |             | ↓     |
| Cost per Capita               | 7.63           |             | ↑     |
| % of Property Tax             | 0.77%          |             | ↑     |

# 2019 Budget

| Expenses                        | 2018<br>Budget  | 2018<br>Forecast       | 2019<br>Budget         | 2020<br>Budget  | 2021<br>Budget  | 2022<br>Budget  | 2023<br>Budget  |
|---------------------------------|-----------------|------------------------|------------------------|-----------------|-----------------|-----------------|-----------------|
| General Bylaw                   | 270,896         | <b>305,250</b>         | <b>319,019</b>         | 291,732         | 294,499         | 297,321         | 300,200         |
| Training/Support<br>Costs       | 4,940           | <b>6,900</b>           | <b>6,400</b>           | 6,488           | 6,578           | 6,669           | 6,763           |
| Parking meters                  | 2,700           | <b>12,200</b>          | <b>2,700</b>           | 2,754           | 2,809           | 2,865           | 2,923           |
| Equipment                       | 24,695          | <b>18,440</b>          | <b>18,000</b>          | 18,360          | 18,727          | 19,102          | 19,484          |
| Uniforms and<br>supplies        | 12,000          | <b>21,750</b>          | <b>6,500</b>           | 6,630           | 6,763           | 6,898           | 7,036           |
| Monthly Parking                 | 5,900           | <b>15,427</b>          | <b>9,050</b>           | 9,231           | 9,416           | 9,604           | 9,796           |
| Bylaw Enforcement<br>Operations | <u>300,901</u>  | <b><u>300,000</u></b>  | <b><u>458,470</u></b>  | <u>467,640</u>  | <u>476,992</u>  | <u>486,532</u>  | <u>496,263</u>  |
| Total Expenses                  | 622,033         | <b>679,968</b>         | <b>820,139</b>         | 802,834         | 815,784         | 828,992         | 842,464         |
| Total Allocations In            | 15,114          | <b>16,100</b>          | <b>28,500</b>          | 29,050          | 29,611          | 30,183          | 30,767          |
| Revenues                        | <u>-573,450</u> | <b><u>-498,815</u></b> | <b><u>-590,956</u></b> | <u>-602,773</u> | <u>-614,827</u> | <u>-627,122</u> | <u>-639,663</u> |
| Net Operating<br>Expense        | 63,697          | <b>197,253</b>         | <b>257,684</b>         | 229,111         | 230,568         | 232,053         | 233,568         |



# 2019 Budget - Revenue

| Revenue Type           | 2018 Budget      | 2018 Forecast    | 2019 Budget      |
|------------------------|------------------|------------------|------------------|
| Coin Meter Revenue     | (225,000)        | (215,000)        | (230,000)        |
| Parking Fines          | (125,000)        | (55,084)         | (135,000)        |
| Monthly Parking Rental | (75,000)         | (80,000)         | (85,000)         |
| Other Bylaw Fines      | (50,000)         | (40,000)         | (50,000)         |
| PayStation Revenue     | (50,000)         | (47,500)         | (50,000)         |
| Misc. Other            | <u>(48,950)</u>  | <u>(43,976)</u>  | <u>(40,956)</u>  |
| <b>Total</b>           | <b>(573,950)</b> | <b>(481,560)</b> | <b>(590,956)</b> |



# 2019 Budget – Dog Control

*Protective Services*  
- 237 -  
*Bylaw Services*

| Expenses                   | 2018<br>Budget | 2018<br>Forecast      | 2019<br>Budget        | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget  | 2023<br>Budget  |
|----------------------------|----------------|-----------------------|-----------------------|----------------|----------------|-----------------|-----------------|
| House Rental               | 15,000         | <b>15,000</b>         | <b>15,000</b>         | 15,300         | 15,606         | 15,918          | 16,236          |
| Supplies                   | 3,150          | <b>5,950</b>          | <b>3,150</b>          | 3,213          | 3,277          | 3,343           | 3,410           |
| Officer Contract           | 90,000         | <b>90,000</b>         | <b>100,000</b>        | 102,000        | 104,040        | 106,121         | 108,243         |
| Commission to SPCA         | 540            | <b>540</b>            | <b>540</b>            | 551            | 562            | 573             | 585             |
| Seminars                   | 1,000          | <b>1,000</b>          | <b>1,000</b>          | 1,020          | 1,040          | 1,061           | 1,082           |
| Internal Allocations<br>In | 0              | <b>0</b>              | <b>12,600</b>         | 12,852         | 13,109         | 13,371          | 13,639          |
| Revenue                    | <u>-78,369</u> | <u><b>-93,349</b></u> | <u><b>-94,400</b></u> | <u>-96,288</u> | <u>-98,214</u> | <u>-100,178</u> | <u>-102,182</u> |
| Net Operating<br>Expense   | 31,321         | <b>19,141</b>         | <b>37,890</b>         | 38,648         | 39,421         | 40,209          | 41,013          |



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# 2019 Budget – Dog Control

| Expenses                | 2018<br>Budget | 2018<br>Forecast     | 2019<br>Budget       | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|-------------------------|----------------|----------------------|----------------------|----------------|----------------|----------------|----------------|
| Dog Licence Sales       | -64,969        | <b>-77,444</b>       | <b>-80,000</b>       | -81,600        | -83,232        | -84,897        | -86,595        |
| Shelter Use Agreement   | -10,400        | <b>-10,400</b>       | <b>-10,400</b>       | -10,608        | -10,820        | -11,037        | -11,257        |
| Ticketing Revenue       | <u>-3,000</u>  | <b><u>-5,505</u></b> | <b><u>-4,000</u></b> | <u>-4,080</u>  | <u>-4,162</u>  | <u>-4,245</u>  | <u>-4,330</u>  |
| Total Operating Revenue | -78,369        | <b>-93,349</b>       | <b>-94,400</b>       | -96,288        | -98,214        | -100,178       | -102,182       |

# Decision Request

- Request for 2 additional full time Bylaw officers (\$155,000 total) – trending towards a 1.5% increase in Calls for service
- Relocation of Bylaw Dept Office with RCMP to manage downtown issues- centralized deployment/lease (\$30,000)



# Decision Request

What we will see with additional officers:

- Increased response to Community priorities
- Extended hours (evenings/weekends) high visibility and faster response times
- Patrol city facilities/city public ambassador- Rec Center, Library, public washrooms (reduce contract security costs)
- Dedicated relief officers and 1-2 FT officers to conduct parking/traffic enforcement resulting in increased revenues



# Questions

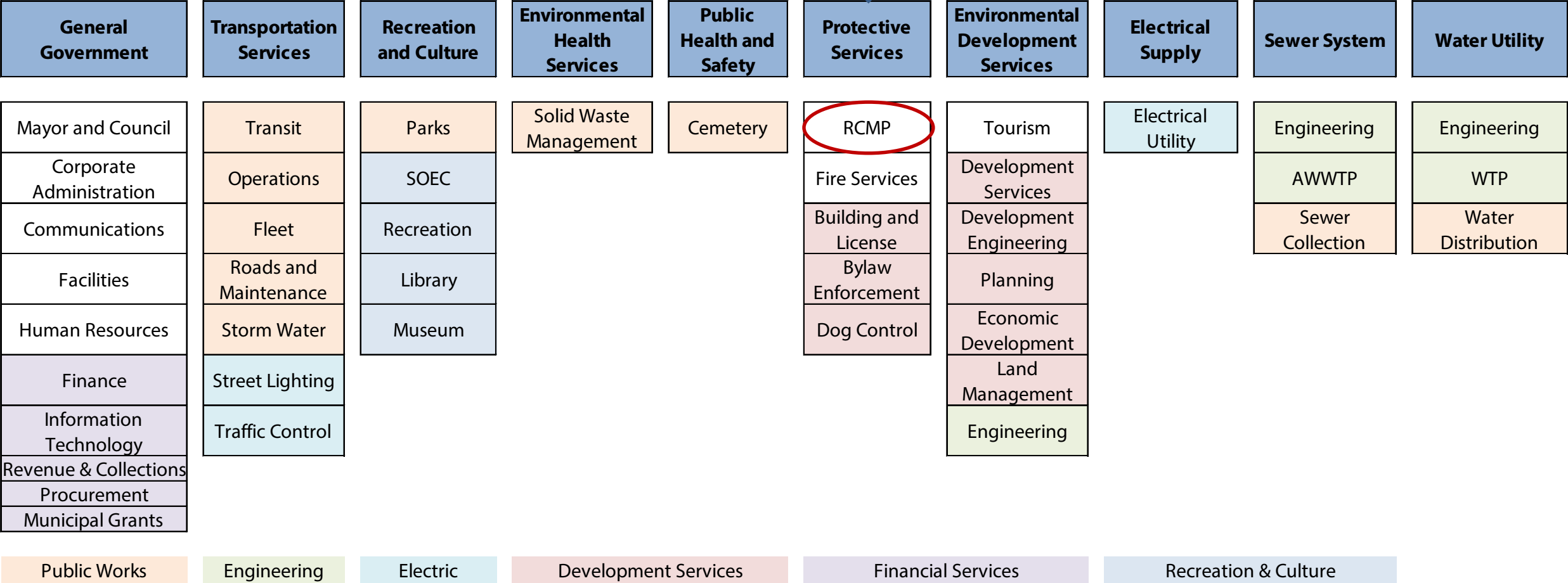




# City of Penticton: Financial Plan Reporting Structure

## General

## Utilities







# Penticton RCMP Mission Statement



The mission of the Penticton RCMP is:

In partnership with the community, share in the delivery of a sensitive and progressive police service.

Serve and protect the community.

Treat all people equally and with respect.

Promote respect for rights and freedoms, the law and democratic traditions



[penticton.ca](http://penticton.ca)



# RCMP Guiding Principles

Five guiding principles underlie the work that our employees undertake every day, as we serve Penticton:

- 1. Adapt to Emerging Trends**
- 2. Engage Our Communities**
- 3. Equity, Diversity and Inclusion**
- 4. Innovation and Transformative Change**
- 5. Leverage Partnerships and Collaboration**





# 2018 Achievements



- ✓ **Prolific Offender Management**
- ✓ **Community Safety Enforcement Team  
(Downtown Enforcement)**
- ✓ **Proactive Community Engagement**



# 2018 Achievements

- ✓ **Enhanced Patrols**
- ✓ **Regional ComStat**
- ✓ **Community Active Support Table**





# Challenges & Opportunities

- **Perceptions, Responsibilities and the Law**
- **Mental Health and Addictions**
- **Road Safety**
- **Increasing costs**
- **Progressive Nature of Service Delivery**







# 2019 Initiatives

## Enhanced Public Safety

Keeping Penticton safe, increasing the overall sense of security and reducing crime are at the forefront; four issues emerge as priorities:

- o **Crime Reduction**
- o **Community Engagement**
- o **Community Support**
- o **Road Safety**





# 2019 Initiatives

## Accountability

The RCMP will manage and administer its financial and human resources in an efficient and effective manner that supports the public's need for transparency and accountability. Two areas of focus:

- **Financial Reporting**
- **Accountability and Consultation**



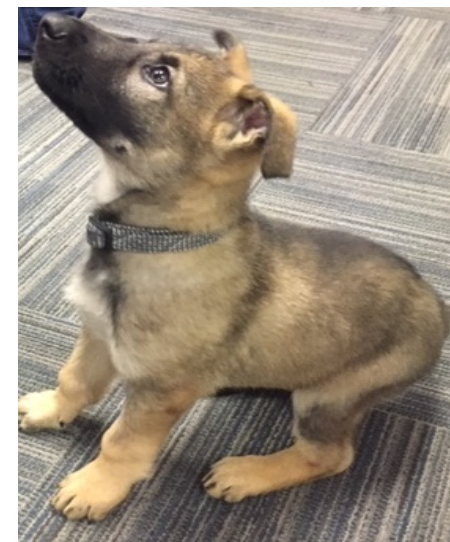


# 2019 Initiatives

## Organizational Excellence

The RCMP strives to build and promote a culture of organizational excellence. Four areas of focus:

- o **Employee Engagement**
- o **Healthy and Respectful Workplace**
- o **Staffing levels**
- o **Skills and Tools**



# Staffing



|                                    | 2017      | 2018      | 2019      | 2020      | 2021      | 2022      |
|------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Police Officers - Municipal</b> | <b>45</b> | <b>46</b> | <b>47</b> | <b>48</b> | <b>49</b> | <b>50</b> |
| <b>- Provincial</b>                | <b>11</b> | <b>11</b> | <b>11</b> | <b>13</b> | <b>13</b> | <b>13</b> |
| <b>- First Nations</b>             | <b>2</b>  | <b>2</b>  | <b>2</b>  | <b>2</b>  | <b>2</b>  | <b>2</b>  |
| <b>Support Staff - Municipal</b>   | <b>23</b> | <b>23</b> | <b>23</b> | <b>25</b> | <b>25</b> | <b>25</b> |
| <b>- Provincial</b>                | <b>2</b>  | <b>2</b>  | <b>2</b>  | <b>2</b>  | <b>2</b>  | <b>2</b>  |
| <b>Reserve Constables</b>          | <b>6</b>  | <b>6</b>  | <b>6</b>  | <b>6</b>  | <b>6</b>  | <b>6</b>  |
| <b>Auxiliary Constables</b>        | <b>3</b>  | <b>3</b>  | <b>6</b>  | <b>6</b>  | <b>6</b>  | <b>6</b>  |
| <b>Volunteers</b>                  | <b>35</b> | <b>30</b> | <b>30</b> |           |           |           |

# 2018 Overtime



| 2018 Overtime Penticton | Hours | Cost      |     |
|-------------------------|-------|-----------|-----|
| Backfill                | 1,157 | 95,269    | 30% |
| Investigations          | 1,245 | 89,586    | 29% |
| Downtown Patrols        | 765   | 62,952    | 20% |
| Court                   | 424   | 33,194    | 11% |
| Recoverable             | 271   | 21,718    | 7%  |
| Warrants                | 141   | 10,439    | 3%  |
| Police Dog Services     | 32    | 2,207     | 1%  |
| Total                   | 4,034 | \$313,158 |     |



# Province of BC - Municipal Police Statistics - 2016



| <i>Municipality</i>           | <i>Penticton</i> | <i>Campbell River</i> | <i>Mission</i> | <i>Vernon</i> |
|-------------------------------|------------------|-----------------------|----------------|---------------|
| <i>Population</i>             | 33,964           | 33,395                | 38,711         | 40,497        |
| <i>Auth. Strength</i>         | 45               | 43                    | 55             | 56            |
| <i>Population Per Officer</i> | 755              | 777                   | 704            | 723           |
| <i>Total Costs</i>            | \$8,357,087      | \$8,328,473           | \$9,815,864    | \$10,634,380  |
| <i>Total Criminal Code</i>    | 4,419            | 3,406                 | 3,880          | 5,028         |
| <i>Case Load per Officer</i>  | 95               | 75                    | 84             | 84            |





# Highlights



|                               | 2019<br>Budget | %<br>change | Trend |
|-------------------------------|----------------|-------------|-------|
| Total Revenue                 | -501,029       | -7.7%       | ↓     |
| Operational Expense           | 9,615,779      | 8.3%        | ↑     |
| Total Internal Allocation In  | 287,400        |             | ↑     |
| Total Internal Allocation Out | <u>0</u>       |             | →     |
| Net Operating Expense         | 9,402,150      |             | ↑     |
| Total Capital                 | 0              |             | →     |
| Cost per Capita               | 278.49         |             | ↑     |
| % of Property Tax             | 28.18%         |             | ↑     |



# 2019 Budget



| Description            | 2018 Budget     | 2018 Forecast          | 2019 Budget            | 2020 Budget     | 2021 Budget     | 2022 Budget     | 2023 Budget     |
|------------------------|-----------------|------------------------|------------------------|-----------------|-----------------|-----------------|-----------------|
| Salaries & Benefits    | 1,787,864       | <b>1,696,932</b>       | <b>1,763,419</b>       | 1,785,000       | 1,820,699       | 1,857,113       | 1,894,255       |
| Community Policing     | 63,060          | <b>79,634</b>          | <b>77,250</b>          | 68,471          | 68,695          | 68,922          | 69,152          |
| Cell Block Operating   | 38,714          | <b>36,600</b>          | <b>38,100</b>          | 38,100          | 38,100          | 38,100          | 38,100          |
| Policing Agreement     | 7,413,760       | <b>7,065,797</b>       | <b>7,737,010</b>       | 8,347,104       | 8,751,143       | 9,161,602       | 9,433,151       |
| Internal Allocation In | 13,576          | <b>12,500</b>          | <b>287,400</b>         | 291,250         | 211,177         | 215,183         | 219,268         |
| Recoveries             | <u>-518,730</u> | <u><b>-542,995</b></u> | <u><b>-501,029</b></u> | <u>-471,833</u> | <u>-476,139</u> | <u>-480,530</u> | <u>-485,007</u> |
| TOTAL                  | 8,798,244       | <b>8,348,467</b>       | <b>9,402,150</b>       | 10,058,092      | 10,413,675      | 10,860,390      | 11,168,920      |





# Decision Request

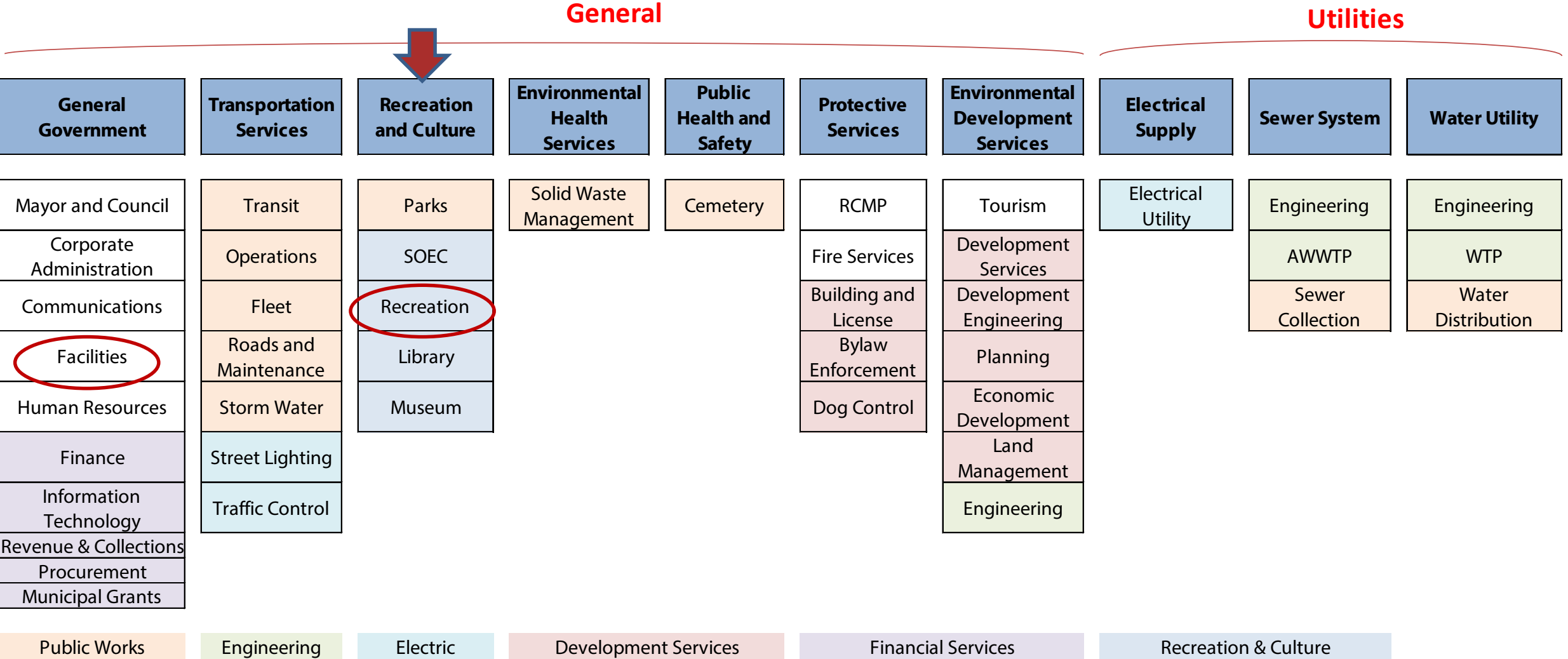
A five-year plan to increase one Regular Member per year was endorsed in principal in 2017.

- Required to maintain pace with population, demographic and societal needs.
- Anticipated to improve services in Downtown and Drug enforcement, Forensic Identification, Youth & Mental Health as well as Investigative services.
- Net benefit in reduced overtime.



# Questions

# City of Penticton: Financial Plan Reporting Structure





# Recreation & Facilities Division





# Overview

The Recreation and Facilities Department consists of:

- Recreation
  - Business Services
  - Recreation Operations
- Sports and Events
- Museum
- Facilities

# 2018 Achievements

- ✓ Completed the Parks & Recreation Master Plan
- ✓ Completed Phase 2 of the Arena Development Strategy
- ✓ Secured a \$6M funding grant towards the Arena Development project
- ✓ Conducted a detailed arch assessment of glulam wood beams at Memorial Arena and developed a rehabilitation strategy
- ✓ Preparation of an SOEC parking strategy
- ✓ Secured a long term operating agreement with Spectra Venue Management
- ✓ Restructure of Recreation Department: Recreation Business Supervisor and hiring of a Sport and Event Project Manager

# Challenges & Opportunities

## *Recreation & Facilities*

- 263 -

- **Identify true cost of providing Recreation services** and identifying revenue and cost sharing opportunities
- **Safety and vandalism** in City facilities impacts physical and operational areas of the City.
- **Community Engagement** is critical to the success of the Recreation and Facilities
- **Facilities Team Support** – Dedicated administrative support required to ensure continued quality of service and building operations.



# 2019 Initiatives

## *Recreation & Facilities*

- 264 -

- Implementation of SOEC Parking Strategy
- Finalize Arena Development Strategy business case
- Recreation rate/cost sharing review
- Parks and Recreation Advisory Committee – Skaha Park Master Plan
- Hire dedicated administrative support for the Facilities Department
- Implement 2019 Facilities capital program



# Decision Request

## *Recreation & Facilities*

- \$65,000 FTE for Facilities Support Position: The Facilities department consists of 16 full-time staff, manages over \$5M in annual capital and operating budget and requires dedicated administrative support to ensure consistent, high quality services and operations.
- \$30,000 for Recreation Cost Sharing Review: Identify true cost of providing Recreation services , review of fee structures and cost sharing opportunities.



# Decision Request

## *Recreation & Facilities*

Request as per council resolution 436/2018:

It was MOVED and SECONDED

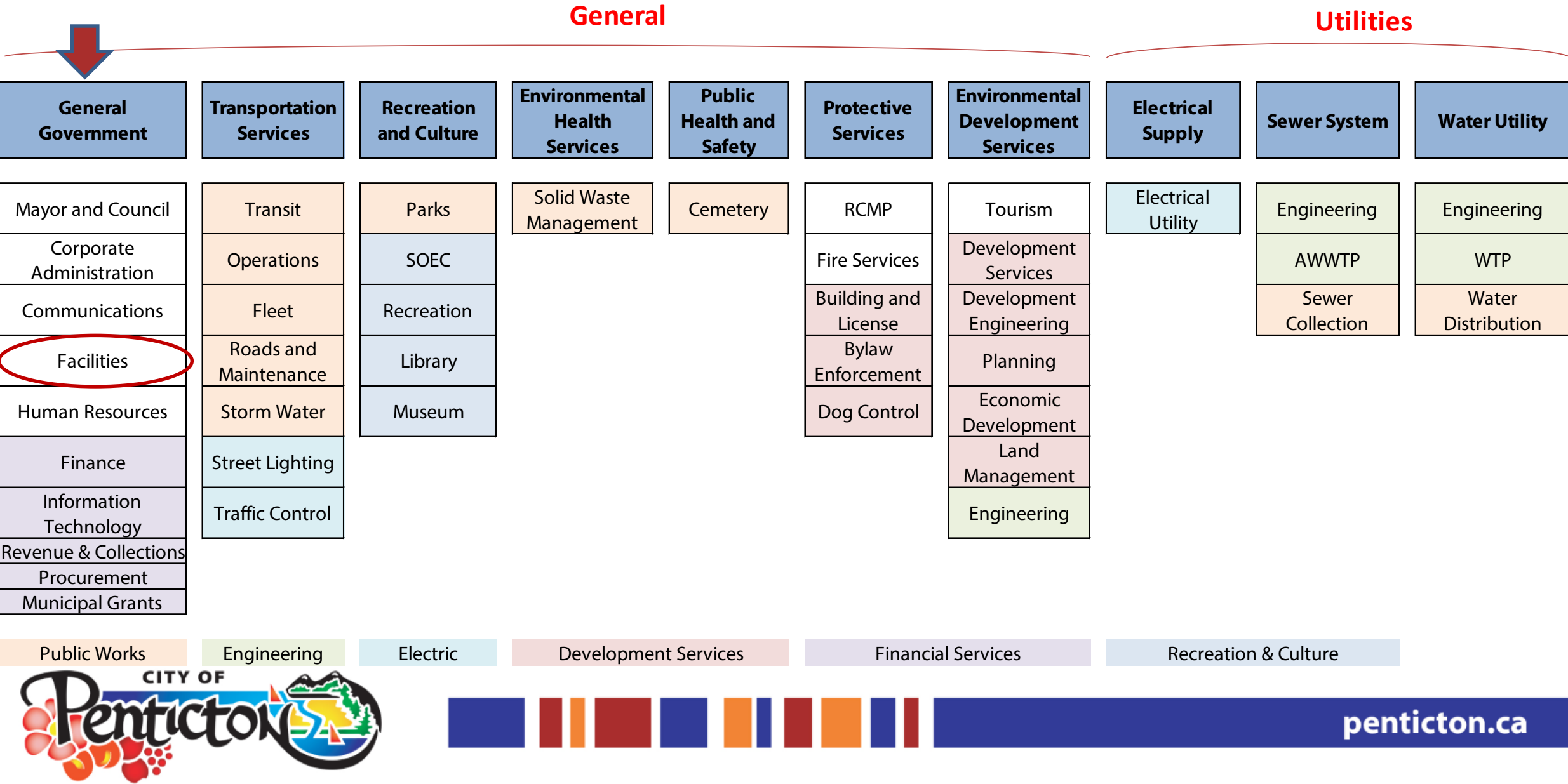
- THAT Council refer the recommendation from the Arts, Creative and Cultural Innovations Committee for funding of \$150,000 in 2019 to support the creation of a 10-year strategic plan for Arts & Culture in the City of Penticton; AND THAT \$100,000 of the budget fund a one (1) year Arts Officer contract; AND THAT \$50,000 of the budget fund the development of the strategic plan to 2019 budget cycle.



# Questions?



# City of Penticton: Financial Plan Reporting Structure



# General Government: Facilities



# Overview

- The Facilities Department plans, designs, builds, manages, operates and maintains City owned buildings to support delivery of programs and services to our community.

## City of Penticton owned facility portfolio:

- |                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• 3 Community Arenas</li><li>• 1 Event Centre/Spectator Arena</li><li>• Adidas Sportsplex and Clubhouse</li><li>• Curling Rink</li><li>• Penticton Trade &amp; Convention Centre</li><li>• Community Centre/Aquatic Facility</li><li>• Penticton Yacht &amp; Tennis Club</li><li>• Leir House</li><li>• Public Library and Museum</li><li>• 2 Fire Halls</li></ul> | <ul style="list-style-type: none"><li>• PEP Search &amp; Rescue</li><li>• City Hall</li><li>• City Yards</li><li>• Waste Water Treatment Plant</li><li>• Water Treatment Plant</li><li>• RCMP building</li><li>• Westminster Centre</li><li>• Edmonton Avenue Centre</li><li>• Beach Concessions</li><li>• Public Washrooms</li><li>• City Houses</li></ul> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



# 2018 Achievements

- ✓ Completion of all key 2018 capital projects with a total value of approximately \$2.5M
- ✓ Optimized efficiencies through building automation controls
- ✓ Completed pool ops training for all Facilities staff
- ✓ Improved cleanliness and community experience in 'Gold Zone'
- ✓ Successful completion of planned maintenance shut-downs for Community Centre and McLaren Arena
- ✓ Responded to significant increase in security, vandalism and nuisance call to City owned properties



# Challenges & Opportunities

- **Asset Management** - continued need for adequate funding to deal with aging facilities.
- **Security and Vandalism** – Impact to training, budget and staff resources
- **Facilities Team Support** – Dedicated administrative support required to ensure continued quality of service and building operations.
- **Strategic Resource Allocation** – effective use of resources to meet operational hours and seasonal demands for our facilities

# 2019 Initiatives

- Converting conventional lighting systems to LED at Library and RCMP buildings
- Continue to pursue energy savings and minimize our carbon footprint through management of digital building controls
- Improved scheduling and completion of annual maintenance shutdown for McLaren Arena and the Community Centre
- Work with Bylaw to manage impact of vandalism and undesirable behaviour in our Facilities
- Hire dedicated administrative support for the Facilities Department

# Staffing

2018      2019

16

17



# Highlights

|                               | 2019<br>Budget    | %<br>change | Trend |
|-------------------------------|-------------------|-------------|-------|
| Total Revenue                 | 0                 | 0.0%        | →     |
| Operational Expense           | 3,172,000         | -7.4%       | ↓     |
| Total Internal Allocation In  | 33,000            |             | →     |
| Total Internal Allocation Out | <u>-2,421,850</u> |             | ↑     |
| Net Operating Expense         | 783,150           |             | ↓     |
| Total Capital                 | 2,232,500         |             | ↑     |
| Cost per Capita               | 23.20             |             | ↓     |
| % of Property Tax             | 2.35%             |             | ↓     |

# 2019 Budget

| Expenses                 | 2018<br>Budget | 2018<br>Forecast     | 2019<br>Budget    | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|--------------------------|----------------|----------------------|-------------------|----------------|----------------|----------------|----------------|
| Goods and Services       | 1,134,678      | <b>1,280,411</b>     | <b>1,093,650</b>  | 1,115,708      | 1,138,215      | 1,161,183      | 1,184,620      |
| Fleet                    | 41,286         | <b>56,813</b>        | <b>39,550</b>     | 40,341         | 41,148         | 41,971         | 42,810         |
| Salaries and Benefits    | 1,195,569      | <b>1,358,050</b>     | <b>1,275,800</b>  | 1,297,377      | 1,319,385      | 1,341,833      | 1,364,731      |
| Utilities                | 722,587        | <b>732,000</b>       | <b>763,000</b>    | 778,260        | 793,825        | 809,702        | 825,896        |
| Internal Allocation In   | 32,533         | <b>33,500</b>        | <b>33,000</b>     | 33,660         | 34,333         | 35,020         | 35,720         |
| Internal Allocation Out  | 0              | <b>0</b>             | <b>-2,421,850</b> | -2,470,291     | -2,519,700     | -2,570,098     | -2,621,502     |
| Recoveries               | <u>0</u>       | <b><u>-4,632</u></b> | <b><u>0</u></b>   | <u>0</u>       | <u>0</u>       | <u>0</u>       | <u>0</u>       |
| Net Operating<br>Expense | 3,126,653      | <b>3,456,142</b>     | <b>783,150</b>    | 795,054        | 807,207        | 819,611        | 832,275        |

# 2019 Capital Budget – City Facilities

| Project description                   | Budget         | Comments                                                                                                                                          |
|---------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| City Hall - Misc. Renovations         | 38,000         | Misc office upgrades and furniture, 2nd floor bathroom renovations                                                                                |
| City Hall - Furniture                 | 25,000         |                                                                                                                                                   |
| City Hall - Mechanical & Envelope *   | 300,000        | City Hall west side curtain wall requires replacement. Mechanical upgrade to be completed at same time in order to minimize impact to operations. |
| Bus Barn Roof Repair                  | <u>80,000</u>  | Required to accommodate future tenant                                                                                                             |
| <b>Total City Facilities Projects</b> | <b>443,000</b> |                                                                                                                                                   |

\* Preapproved by Council December 5, 2018





# 2019 Capital Budget – Recreation

| Project description                      | Budget         | Comments                                                                                                                                                    |
|------------------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Art Gallery Structural                   | 5,000          | Structural reinforcement of timbers                                                                                                                         |
| Community Centre - Emergency Generator * | 75,000         | Emergency generator has reached end of life and requires replacement                                                                                        |
| Recreation Capital                       | 26,500         | Replacement of pool and fitness equipment                                                                                                                   |
| Memorial Arena New Roof *                | 500,000        | Roofing upgrades: Replace flat roof and apply coating to metal roof to prevent moisture from entering building and creating possible water damage to arches |
| McLaren Arena - Refrigeration            | 15,000         | Cooling Plant Assessment                                                                                                                                    |
| Gyro Bandshell Concrete Apron            | 15,000         | New concrete is required as current condition is a safety concern                                                                                           |
| Okanagan Lake Washroom Upgrade           | 10,000         | Replace flush valves                                                                                                                                        |
| Skaha Marina Repairs                     | 50,000         | Misc. Repairs until permanent operator found                                                                                                                |
| Library/Museum - Mechanical              | <u>25,000</u>  | Review HVAC conditions and develop upgrade plan                                                                                                             |
| <b>Total Recreation Projects</b>         | <b>721,500</b> |                                                                                                                                                             |



\* Preapproved by Council December 5, 2018

# 2019 Capital Budget – Public Safety

| Project description                             | Budget         | Comments                                                            |
|-------------------------------------------------|----------------|---------------------------------------------------------------------|
| RCMP Office/Furniture Upgrades                  | 72,000         | New door locks and workstations                                     |
| City Wide Security                              | 40,000         | Re-key city facilities                                              |
| Fire Station Dorm Room Upgrades                 | 7,500          | New dorm room for female firefighters                               |
| PEP Search & Rescue Power Distribution Upgrades | 10,000         | Power distribution is reaching end of life and needs to be replaced |
| Dog Shelter Fence Repair                        | 18,500         | Fence needed around compound for site security                      |
| Bylaw/RCMP Building Renovations                 | <u>300,000</u> | To accommodate increased downtown presence                          |
| <b>Total Public Safety Projects</b>             | <b>448,000</b> |                                                                     |

# 2019 Capital Budget – SOEC Complex *Facilities*

| Project description                           | Budget                | Comments                                                                                                            |
|-----------------------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------|
| SOEC Parking Upgrades & LED Lighting          | 190,000               | -Phase 1 of implementation for SOEC parking upgrades<br>-Replace down lighting in aisles to address safety concerns |
| Penticton Trade & Convention Centre Upgrades* | 380,000               | Replace carpet in PTCC lobby, ballrooms and meeting rooms                                                           |
| OHTC - Spare Compressor                       | <u>50,000</u>         | Rebuild a compressor for ice plant                                                                                  |
| <b>Total SOEC Complex Projects</b>            | <b><u>620,000</u></b> |                                                                                                                     |
| <b>Grand Total Facilities Capital Budget</b>  | <b>2,232,500</b>      |                                                                                                                     |



\* Preapproved by Council December 5, 2018



# Questions

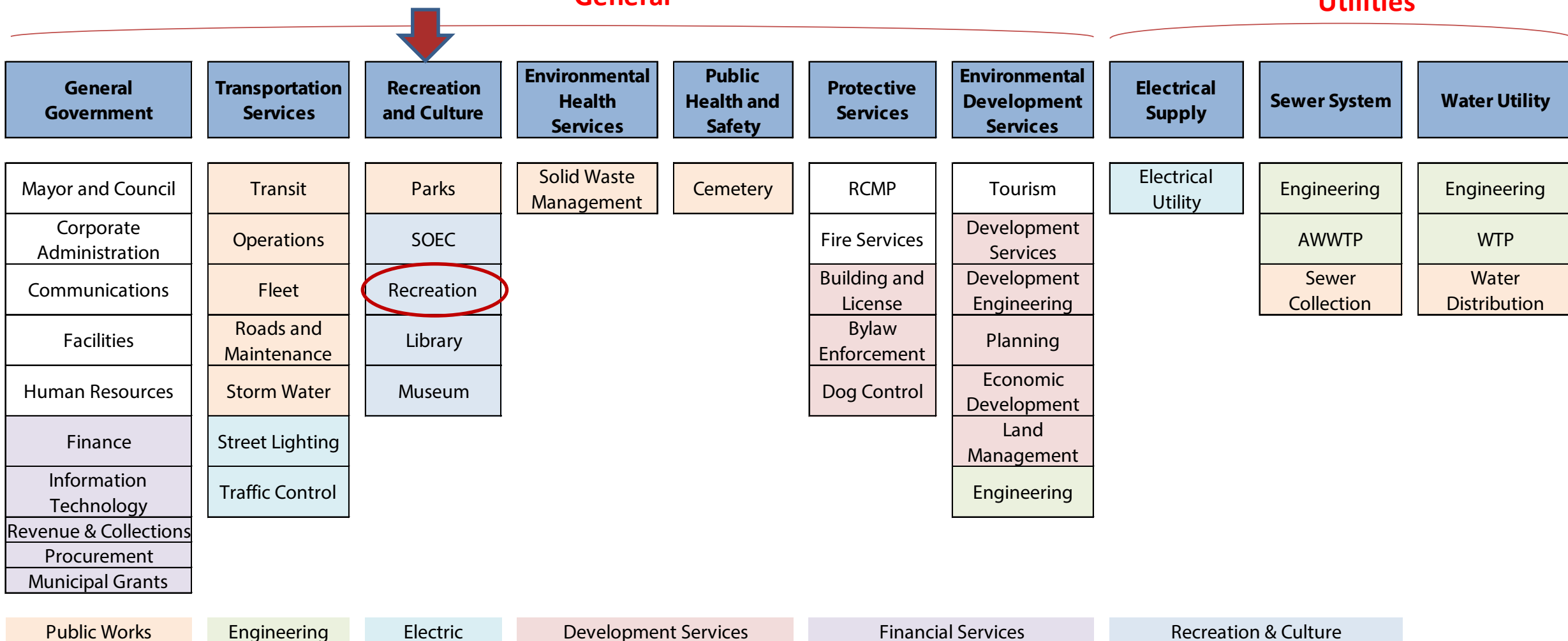


# City of Penticton: Financial Plan Reporting Structure

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## General

## Utilities



penticton.ca



# Recreation & Culture: Recreation





# Overview

The Recreation Department is responsible for:

- Community Centre operation and reception services
- Aquatic programs and service supervision, instruction and facilitation
- Recreation programs and services at multiple locations for all ages (infants, preschoolers, children, youth, adults and older adults)
- Operation of the Cleland Theatre
- Annual Penticton Public Sculpture Exhibit
- Recreation business development
- Recreation marketing and promotion

# Overview

## 2018 Statistics:

**2,550 programs offered in 2018**

- 1,265 – Recreation based
- 1,285 - Aquatic based

**7,822 individual registrations in programs**

**17,845 drop ins to structured programs**

**73,351 visits to the Fitness Room**

**11,222 Facility & Park Bookings in 2018**

**38,000 Recreation Guides distributed**

# 2018 Achievements

- ✓ Full upgrade and replacement of the pool's sound system speakers
- ✓ Hosted the 2018 Swim BC Tier 1 Championships
- ✓ Continued improvements to admissions control
- ✓ Facilitated a staff workshop on pediatric water therapy to develop skills needed to provide programs to clients with disabilities
- ✓ Implemented the 2<sup>nd</sup> annual Penticton Public Sculpture Exhibit
- ✓ Secured \$15,000 through the Age-Friendly Communities Grant to implement free older-adult wellness programming (Fit Start)

## **Additional Achievements**

- ✓ Recruited and trained two new Recreation Coordinators
- ✓ Partnered with the Penticton and District Seniors Centre to host two free events for the 50+ community
- ✓ Increased the variety and diversity of recreation program offerings



# Challenges & Opportunities

- **Outdated Recreation Software:** The Department is currently working with outdated and unsupported recreation software.
- **High Part Time Staff & Program Contractor Turnover:** The Department experiences a high turnover rate in part time staff and qualified program contractors.
- **Internal Communication Management:** There is no formal internal communication process to ensure departments working within the Community Centre have access to consistent information.

# 2019 Initiatives

- **Implementation of new Recreation Software (PerfectMind)**
- **Enhance Partnerships with Community Service Groups**
- **Create & Facilitate a Shared Community Centre Incident Reporting System**
- **Lifeguard Surveillance Evaluation & Enhancement Program**

# Staffing

| <u>2018</u> | <u>2019</u> |
|-------------|-------------|
| 24          | 24          |





# Highlights

|                               | 2019<br>Budget | %<br>change | Trend |
|-------------------------------|----------------|-------------|-------|
| Total Revenue                 | -2,170,035     | -0.9%       | →     |
| Total Expense                 | 2,428,837      | 4.7%        | ↑     |
| Total Internal Allocation In  | 1,870,599      |             | ↑     |
| Total Internal Allocation Out | <u>0</u>       |             | →     |
| Net Operating Expense         | 2,129,401      |             | ↑     |
| Total Capital                 | 0              |             | →     |
| Cost per Capita               | 63.07          |             | ↑     |
| % of Property Tax             | 6.38%          |             | ↑     |

# 2019 Budget

| Description              | 2018<br>Budget    | 2018<br>Forecast         | 2019<br>Budget           | 2020<br>Budget    | 2021<br>Budget    | 2022<br>Budget    | 2023<br>Budget    |
|--------------------------|-------------------|--------------------------|--------------------------|-------------------|-------------------|-------------------|-------------------|
| Goods and Services       | 404,043           | <b>381,206</b>           | <b>449,520</b>           | 443,420           | 447,399           | 451,457           | 455,596           |
| Salaries and Benefits    | <u>1,951,927</u>  | <u><b>1,938,481</b></u>  | <u><b>1,979,317</b></u>  | <u>2,010,968</u>  | <u>2,043,253</u>  | <u>2,076,183</u>  | <u>2,109,771</u>  |
| Total Operating Expenses | 2,355,970         | <b>2,319,686</b>         | <b>2,428,837</b>         | 2,454,389         | 2,490,651         | 2,527,640         | 2,565,367         |
| Internal Allocation In   | 28,565            | <b>26,805</b>            | <b>1,870,599</b>         | 1,898,040         | 1,923,797         | 1,952,347         | 1,976,829         |
| Revenues                 | <u>-2,090,000</u> | <u><b>-2,190,209</b></u> | <u><b>-2,170,035</b></u> | <u>-2,183,441</u> | <u>-2,205,282</u> | <u>-2,227,561</u> | <u>-2,286,711</u> |
| Net Operating Expenses   | 294,536           | <b>156,282</b>           | <b>2,129,401</b>         | 2,168,988         | 2,209,166         | 2,252,425         | 2,255,486         |

# 2019 Budget

| Expenses                       | 2018<br>Budget | 2018<br>Forecast     | 2019<br>Budget       | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|--------------------------------|----------------|----------------------|----------------------|----------------|----------------|----------------|----------------|
| Recreation                     | 591,019        | <b>643,440</b>       | <b>626,286</b>       | 632,962        | 639,771        | 646,716        | 653,801        |
| Aquatics                       | 868,206        | <b>827,232</b>       | <b>839,870</b>       | 856,467        | 873,397        | 890,665        | 908,278        |
| Facility Rentals               | 85,800         | <b>88,064</b>        | <b>90,800</b>        | 92,480         | 94,194         | 95,941         | 97,724         |
| Programs                       | 454,102        | <b>453,450</b>       | <b>472,431</b>       | 471,680        | 481,113        | 490,736        | 500,550        |
| Recreation General             | 137,650        | <b>115,047</b>       | <b>160,700</b>       | 162,050        | 163,427        | 164,832        | 166,264        |
| Sport & Events                 | 129,193        | <b>135,000</b>       | <b>148,750</b>       | 148,750        | 148,750        | 148,750        | 148,750        |
| Expenses Related to Recoveries | <u>90,000</u>  | <b><u>57,454</u></b> | <b><u>90,000</u></b> | <u>90,000</u>  | <u>90,000</u>  | <u>90,000</u>  | <u>90,000</u>  |
| Total Operating Expense        | 2,355,970      | <b>2,319,686</b>     | <b>2,428,837</b>     | 2,454,389      | 2,490,651      | 2,527,640      | 2,565,367      |

# 2019 Budget

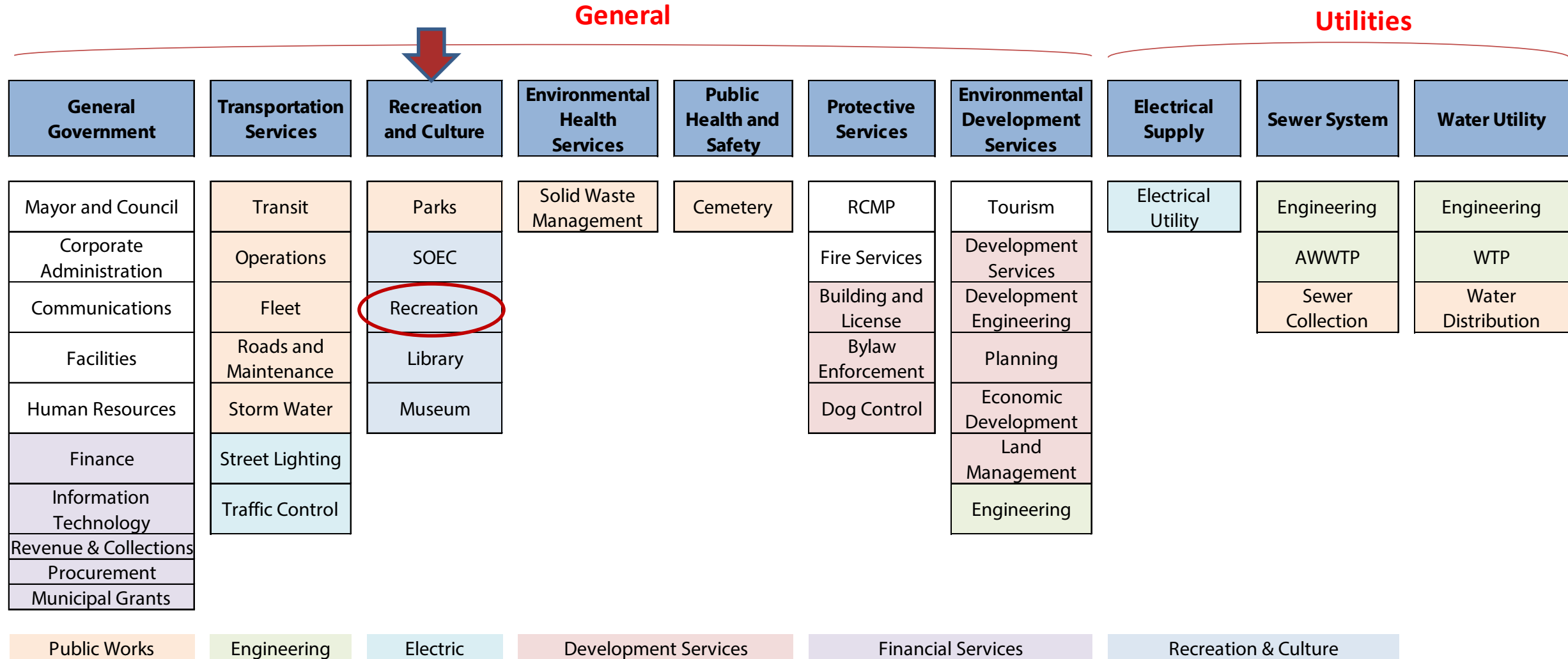
| Revenue            | 2018<br>Budget  | 2018<br>Forecast       | 2019<br>Budget         | 2020<br>Budget  | 2021<br>Budget  | 2022<br>Budget  | 2023<br>Budget  |
|--------------------|-----------------|------------------------|------------------------|-----------------|-----------------|-----------------|-----------------|
| Aquatics           | -907,000        | <b>-918,320</b>        | <b>-933,945</b>        | -947,566        | -952,862        | -958,263        | -989,377        |
| Facility Rentals   | -706,500        | <b>-743,809</b>        | <b>-745,320</b>        | -737,529        | -746,348        | -755,344        | -775,341        |
| Programs           | -355,500        | <b>-409,887</b>        | <b>-378,770</b>        | -386,345        | -394,072        | -401,954        | -409,993        |
| Recreation General | -21,000         | <b>-16,013</b>         | <b>-12,000</b>         | -12,000         | -12,000         | -12,000         | -12,000         |
| Recoveries         | <u>-100,000</u> | <u><b>-102,180</b></u> | <u><b>-100,000</b></u> | <u>-100,000</u> | <u>-100,000</u> | <u>-100,000</u> | <u>-100,000</u> |
| Total Revenue      | -2,090,000      | <b>-2,190,209</b>      | <b>-2,170,035</b>      | -2,183,441      | -2,205,282      | -2,227,561      | -2,286,711      |

# Questions?



# City of Penticton: Financial Plan Reporting Structure

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# Recreation & Culture: Sports & Events





# Overview

The Sport and Event Project Manager promotes the City of Penticton as an event destination and contributes to a healthy and vibrant community by attracting, developing and managing events in the City.

- Focus on signature and shoulder season events
- Create strong economic return for Penticton
- Work closely with Travel Penticton, Spectra, etc.



# 2018 Achievements

- ✓ Continuing development of a Sport and Event Tourism Strategy
- ✓ Continuing to develop Penticton's event hosting beyond peak season
- ✓ Host 2018 Scotties Tournament of Hearts
- ✓ Complete Economic Impact Assessments for PeachFest and Scotties Tournament of Hearts
- ✓ Successful implementation of existing events in the City
- ✓ Improve internal communications tools and establish external events hotline



# 2018 Outdoor Event Schedule

|           | Sporting Events | Community Events | Major Events | Total Events |
|-----------|-----------------|------------------|--------------|--------------|
| May       | 9               | 11               | 0            | 20           |
| June      | 6               | 6                | 4            | 16           |
| July      | 3               | 6                | 3            | 12           |
| August    | 2               | 6                | 2            | 10           |
| September | 4               | 6                | 1            | 11           |

# Challenges & Opportunities

- Limited resources and capacity (i.e. accommodations, venue standards, facility requirements, etc.)
- Fire/smoke
- Recent staff turnover and evolving job descriptions



# 2019 Initiatives

- Develop a Sport and Event Tourism Strategy
- Improve Existing Event Hosting Processes
- Develop a Signature Triathlon Event
- Develop Other Signature Event(s)
  - In partnership with Spectra and Travel Penticton
- Attract New Events and Event Hosts
- Develop a Special Event Road Closure Policy





# Staffing

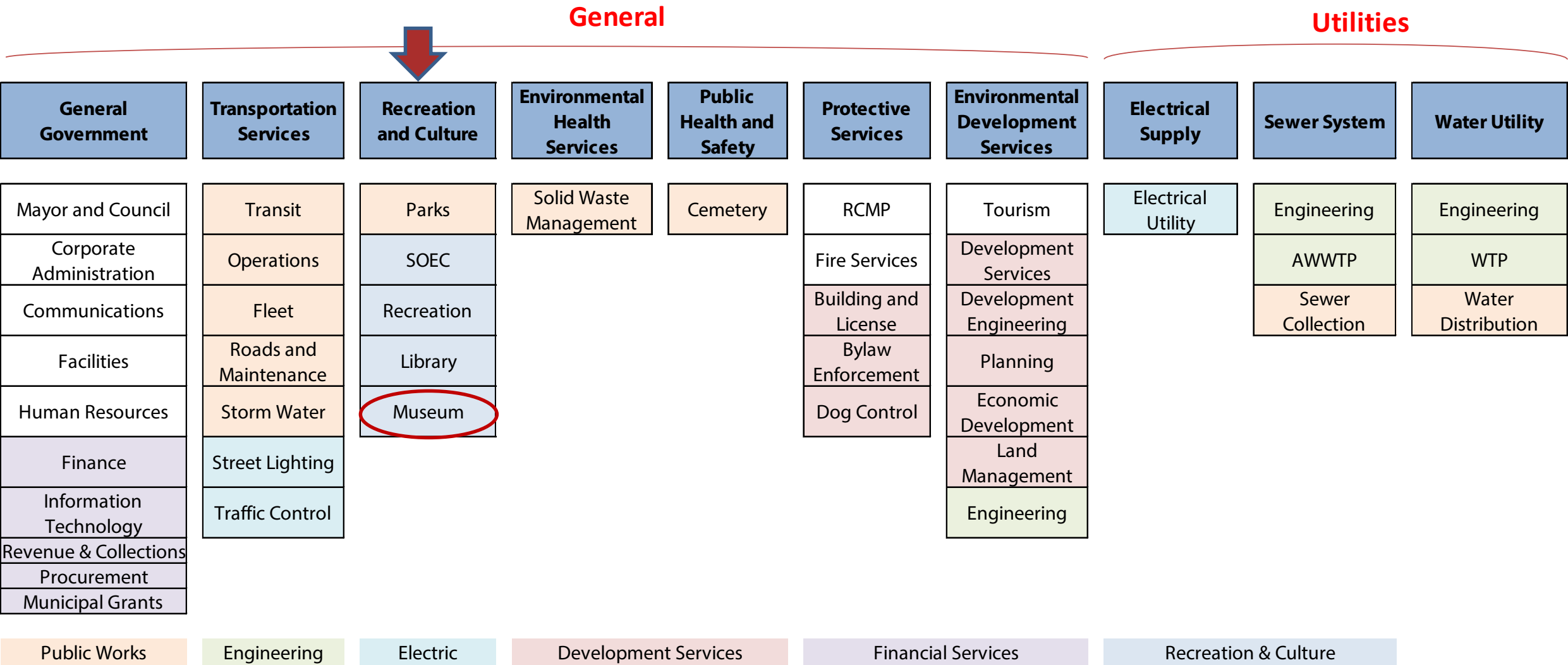
| <u>2018</u> | <u>2019</u> |
|-------------|-------------|
| 2           | 2           |



# Questions?



# City of Penticton: Financial Plan Reporting Structure



# Recreation & Culture: Museum



# Overview

- The Penticton Museum & Archives present, preserve and interpret Penticton's history and heritage. The museum works with many local heritage and natural history groups and is active in heritage and museum affairs provincially. We also offer an array of programs to school groups and the general public.
- The Archives collects and preserves the documentary and photographic history of the region and serves as an important resource for researchers and city staff.

**14,715 museum visits**  
**1,002 archives visitors**  
**92 programming events**  
**43 school presentations**  
**3 exhibits**  
**annual Community Warm-Up Event**

**24,000 images in digital photo library**  
**400+ inquiries for public/archive or research**  
**24+ volunteers provide valuable support in archival and museum operations**

# 2018 Achievements

- ✓ Two new exhibits planned and displayed
- ✓ Phase two of Hands on Heritage lab completed
- ✓ Conceptualize, design, and construct a child-centered space with interactive components and exhibits at the Museum
- ✓ Increased collaboration with Penticton Indian Band
- ✓ New natural history kiosks to be installed

## **Additional Achievements**

- ✓ The Penticton Museum & Archives is pleased to be a partner with the Penticton Regional Hospital and Mr. David Kampe in choosing approximately 100 images from our archival collection to be displayed in the public areas and patient rooms of the new hospital wing. The images will be selected from our archival collection of over 20,000 historical photos.





# Challenges & Opportunities

- The Penticton Museum & Archives is continually looking for new ways to engage the public and attract new participants to its programs and displays. Our new Hands-on-Heritage Lab gives the museum a new means to attract families. Unlike static museum displays, the Heritage Lab can be described as an ongoing project where new activities and programs can be planned and introduced.
- For the Penticton museum, staying relevant to the community through innovative programming and exhibits remains our biggest challenge and largest opportunity. We collaborate with the Penticton Public Library, the Shatford Centre and other institutions and groups to develop innovative and collaborative programs, exhibits and events.

# 2019 Initiatives

- **Consult with the Penticton Indian Band on a revamping of the First Peoples display area, and secure grants to fund this initiative.**
- **Work with Penticton Indian Band to establish a First Peoples Heritage Garden.**
- **Curate and build two new off-site museum displays.**

# Staffing

2018      2019

3

3



# Highlights

|                               | 2019<br>Budget | %<br>change | Trend |
|-------------------------------|----------------|-------------|-------|
| Total Revenue                 | -42,250        | -26.3%      | ↓     |
| Total Expense                 | 246,750        | 0.5%        | →     |
| Total Internal Allocation In  | 78,100         |             | ↑     |
| Total Internal Allocation Out | <u>0</u>       |             | →     |
| Net Operating Expense         | 282,600        |             | ↑     |
| Total Capital                 | 0              |             | →     |
| Cost per Capita               | 8.37           |             | ↑     |
| % of Property Tax             | 0.85%          |             | ↑     |

# 2019 Budget

| Expenses                 | 2018<br>Budget | 2018<br>Forecast      | 2019<br>Budget        | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|--------------------------|----------------|-----------------------|-----------------------|----------------|----------------|----------------|----------------|
| Goods and Services       | 34,320         | <b>31,697</b>         | <b>18,000</b>         | 18,360         | 18,727         | 19,102         | 19,484         |
| Salaries and Benefits    | <u>206,482</u> | <b><u>213,864</u></b> | <b><u>228,750</u></b> | <u>231,610</u> | <u>234,527</u> | <u>237,503</u> | <u>240,538</u> |
| Total Operating Expenses | 240,802        | <b>245,561</b>        | <b>246,750</b>        | 249,970        | 253,254        | 256,604        | 260,021        |
| Internal Allocation In   | 2,500          | <b>1,000</b>          | <b>78,100</b>         | 79,662         | 81,255         | 82,880         | 84,538         |
| Internal Allocation Out  | 0              | <b>0</b>              | <b>0</b>              | 0              | 0              | 0              | 0              |
| Revenues                 | <u>-49,710</u> | <b><u>-57,305</u></b> | <b><u>-42,250</u></b> | <u>-39,700</u> | <u>-42,100</u> | <u>-42,600</u> | <u>-43,100</u> |
| Net Operating Expenses   | 193,592        | <b>189,256</b>        | <b>282,600</b>        | 289,932        | 292,410        | 296,885        | 301,460        |

# Revenues

| Revenues                      | 2018<br>Budget | 2018<br>Forecast    | 2019<br>Budget  | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|-------------------------------|----------------|---------------------|-----------------|----------------|----------------|----------------|----------------|
| Donations - Door              | 6,500          | <b>10,700</b>       | <b>7,000</b>    | 7,000          | 7,200          | 7,500          | 7,800          |
| Donations - Specific Projects | 0              | <b>500</b>          | <b>10,500</b>   | 5,000          | 5,000          | 5,000          | 5,000          |
| Archival/Environment Research | 1,500          | <b>1,250</b>        | <b>1,500</b>    | 1,600          | 1,700          | 1,800          | 1,900          |
| Museum Programs               | 2,500          | <b>2,801</b>        | <b>2,500</b>    | 2,600          | 2,700          | 2,800          | 2,900          |
| Gift Shop Revenues            | 300            | <b>500</b>          | <b>500</b>      | 500            | 500            | 500            | 500            |
| Provincial Grant              | 20,000         | <b>18,000</b>       | <b>18,000</b>   | 18,000         | 20,000         | 20,000         | 20,000         |
| Federal Grants                | 15,910         | <b>20,000</b>       | <b>0</b>        | 0              | 0              | 0              | 0              |
| Great War                     | 0              | <b>2,254</b>        | <b>2,250</b>    | 0              | 0              | 0              | 0              |
| Other Grants                  | <u>3,000</u>   | <u><b>1,300</b></u> | <u><b>0</b></u> | <u>5,000</u>   | <u>5,000</u>   | <u>5,000</u>   | <u>5,000</u>   |
| Total                         | 49,710         | <b>57,305</b>       | <b>42,250</b>   | 39,700         | 42,100         | 42,600         | 43,100         |



# Decision Request

- The revamping of the First Peoples display area would require extra funding in the amount of \$3,000. This money would go towards materials and outside contract work to complete the diorama portion of the exhibit.

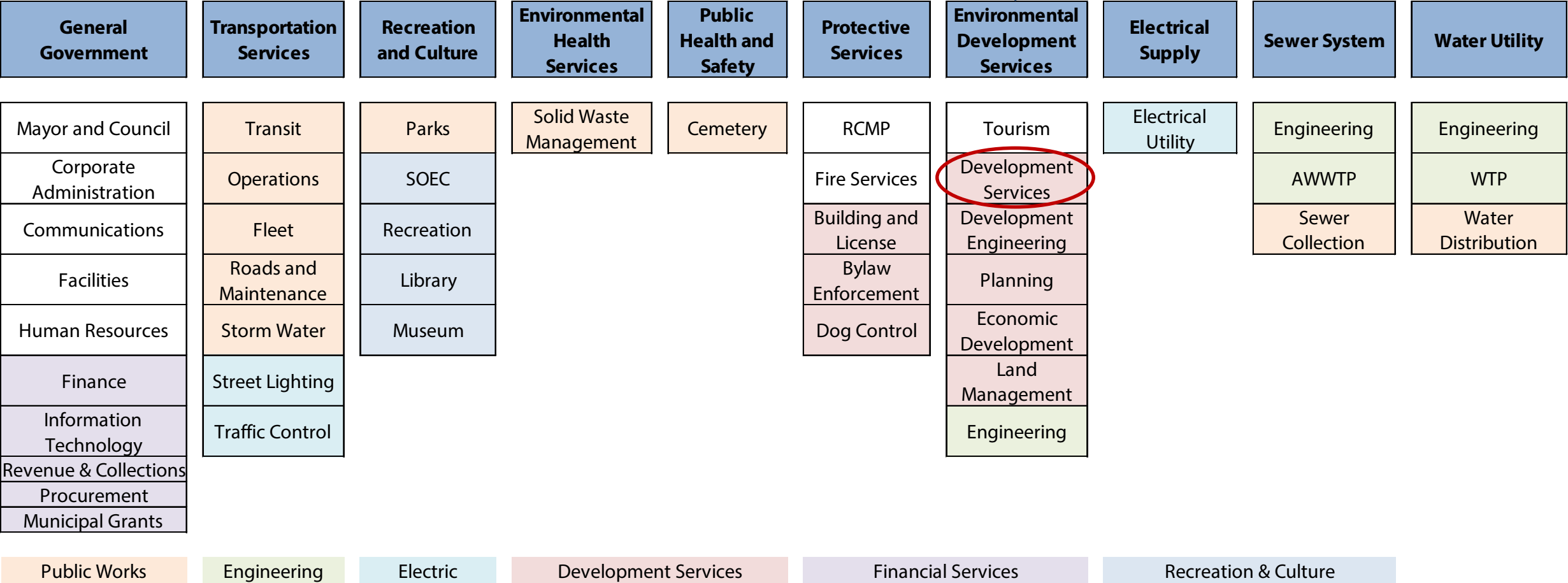
# Questions



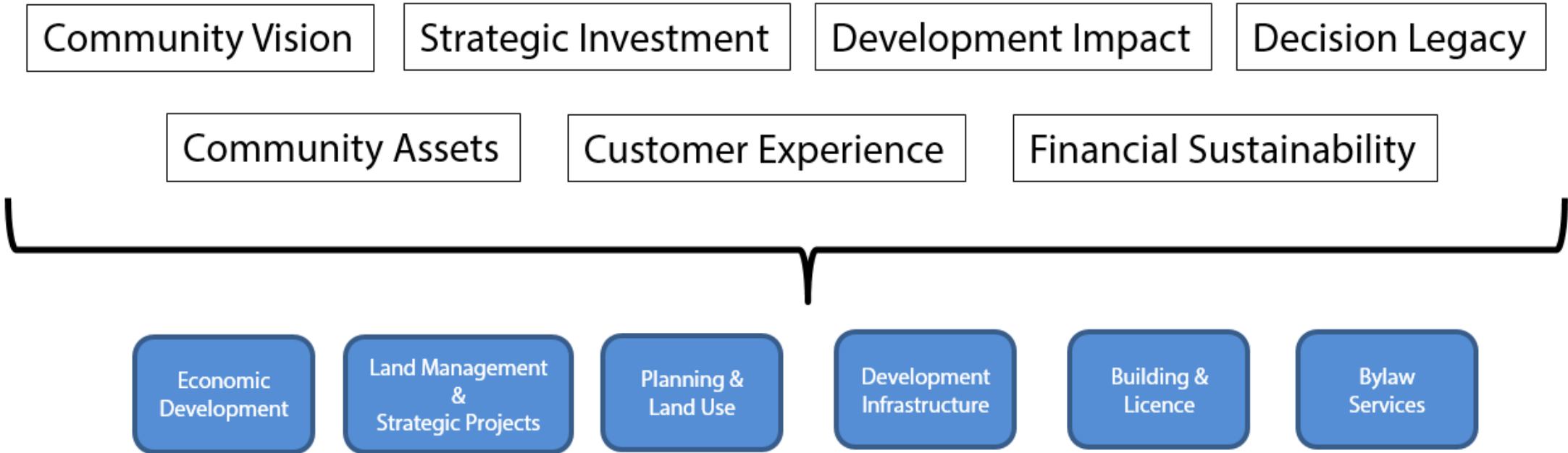
# City of Penticton: Financial Plan Reporting Structure

## General

## Utilities



## Department Influence



# Overview

Key functions within the Division include:

- Business retention and attraction support
- Sale, purchase, licence and lease of municipal land
- Leading the development of the Official Community Plan & Implementation
- Rezoning, Development Permit & Subdivision application review
- Issuing building permits
- Issuing business licences
- Enforcing municipal bylaws
- Community relationships

# 2018 Achievements

- ✓ Continue to respond to increased levels of development activity
- ✓ Official Community Plan – community engagement
- ✓ Bylaw Services – prioritization review
- ✓ Parks & Recreation Master Plan completion
- ✓ System Modernization
- ✓ Economic Development Strategy



# Challenges & Opportunities

*Environmental Development Services*  
- 320 -  
*Development Services*

- We are a growing community
- Community safety
- Continue building momentum
- Community engagement
- Relationships & Partnerships



[penticton.ca](http://penticton.ca)

# 2019 Initiatives

**Departments to provide overview of key initiatives:**

- **Official Community Plan implementation**
- **Economic Development Strategic Plan**
- **Bylaw Enforcement Strategy**
- **Business Licence Modernization**
- **Infrastructure & Servicing growth and development**
- **Land Management Strategy**
- **Respond to increasing levels and complexity of development activity**

# Staffing

| <u>2018</u> | <u>2019</u> |
|-------------|-------------|
| 2           | 2           |

# Highlights

## Development Services

|                               | 2019<br>Budget | %<br>change | Trend |
|-------------------------------|----------------|-------------|-------|
| Total Revenue                 | -61,000        | 454.55%     | ↑     |
| Operational Expense           | 318,235        | 5.76%       | ↑     |
| Total Internal Allocation In  | 440,765        |             | →     |
| Total Internal Allocation Out | <u>0</u>       |             | →     |
| Net Operating Expense         | 698,000        |             | ↓     |
| Total Capital                 | 0              |             | →     |
| Cost per Capita               | 20.67          |             | ↓     |
| % of Property Tax             | 2.09%          |             | ↓     |

# 2019 Budget

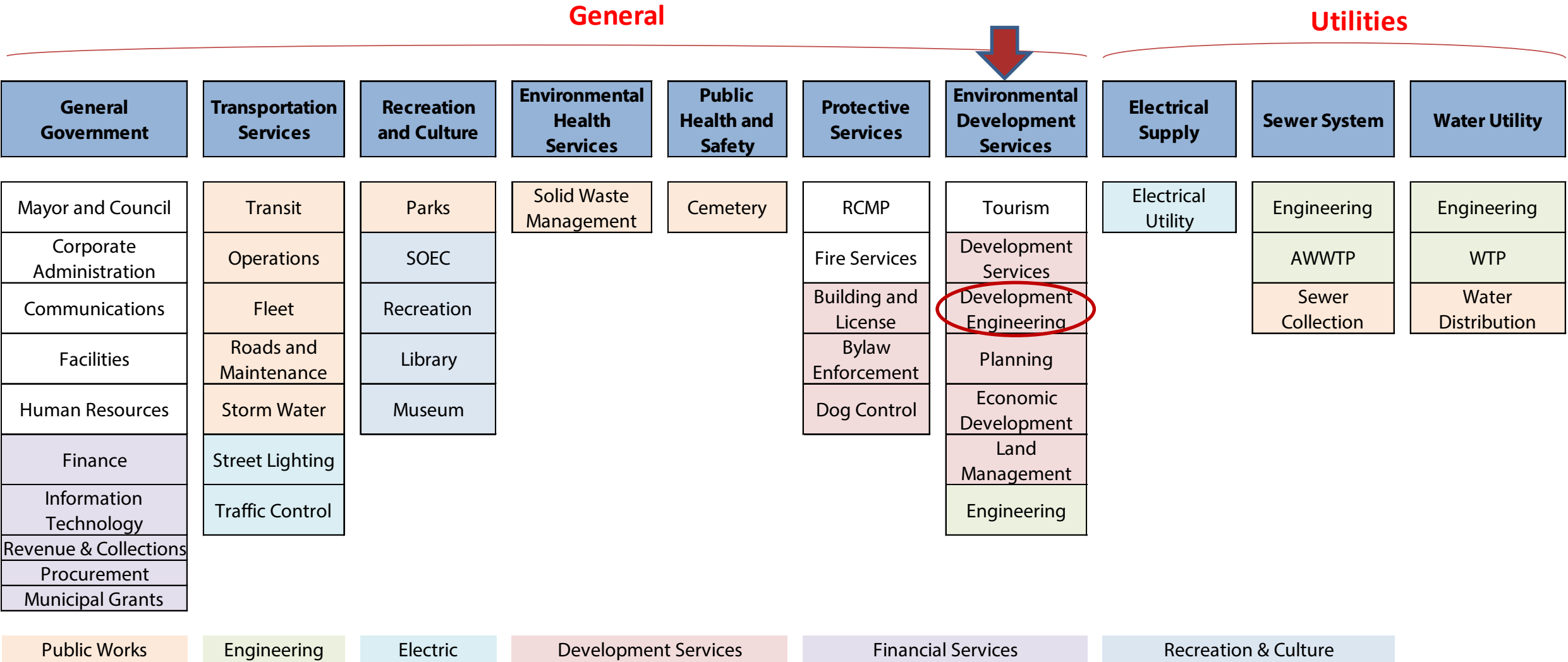
|                                     | 2018<br>Budget | 2018<br>Forecast | 2019<br>Budget | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|-------------------------------------|----------------|------------------|----------------|----------------|----------------|----------------|----------------|
| Goods and Services                  | 70,500         | <b>42,685</b>    | <b>55,125</b>  | 56,115         | 57,124         | 58,153         | 59,203         |
| Carmi Landfill Monitoring           | 5,000          | <b>5,000</b>     | <b>5,000</b>   | 5,000          | 5,000          | 5,000          | 5,000          |
| Salaries and Benefits               | 261,033        | <b>253,221</b>   | <b>258,110</b> | 258,110        | 258,110        | 258,110        | 258,110        |
| Internal Allocation In -<br>Revenue | -73,000        | <b>-11,000</b>   | <b>-61,000</b> | -62,220        | -63,464        | -64,734        | -66,028        |
| Internal Allocation In -<br>Expense | 369,039        | <b>440,756</b>   | <b>440,765</b> | 431,581        | 437,514        | 543,565        | 449,737        |
| Internal Allocation Out             | <u>0</u>       | <u>0</u>         | <u>0</u>       | <u>0</u>       | <u>0</u>       | <u>0</u>       | <u>0</u>       |
| Net Operating Expense               | 632,573        | <b>730,662</b>   | <b>698,000</b> | 688,586        | 694,284        | 800,095        | 706,021        |

# Questions





# City of Penticton: Financial Plan Reporting Structure



# Overview

The Development Engineering is a key function within Development Services

## Key functions

- Providing a consistent interpretation of the City bylaws,
- providing a clear scope of required upgrades and
- holding the developers to these requirements as the projects progress.

Our fundamental role is to ensure the City infrastructure associated with new development is complete and complies with City Bylaws to reduce ongoing operation costs and maintenance challenges.

# 2018 Achievements

- ✓ We focused on process improvement and maintaining quality of works. Through continual site monitoring of works under construction.

## Additional Achievements

- ✓ Project Falcon (TELUS)
- ✓ Dartmouth Drive Subdivision.
- ✓ Analysis of potential subdivisions



# Challenges & Opportunities

- The cost of infrastructure upgrades can be a very significant cost to any development.
- The allocation of upgrades required for new developments needs to be made in a transparent and consistent manner.
- Balancing the ability to require the development to upgrade City infrastructure against the need to not unfairly burden the developer is a challenge.

# 2019 Initiatives

- 2019 Focus will be on refining the existing procedures and ensuring that the customer experience is enhanced.
- The review of subdivision and building applications and the auditing of the developer driven construction of City infrastructure will continue in 2019.
- Major subdivisions in 2019
  - Skaha Bluffs
  - Dartmouth Green subdivision
  - 157 Abbott Street
  - North Wiltse
  - Spiller Road
  - OCP Implementation – Comprehensive Development Plan review

# Staffing Summary

| <u>2018</u> | <u>2019</u> |
|-------------|-------------|
| 2.5         | 2.5         |





# Highlights

|                               | 2019<br>Budget | %<br>change | Trend |
|-------------------------------|----------------|-------------|-------|
| Total Revenue                 | -61,000        | 454.55%     | ↑     |
| Operational Expense           | 285,235        | -4.21%      | ↓     |
| Total Internal Allocation In  | 0              |             | →     |
| Total Internal Allocation Out | <u>0</u>       |             | →     |
| Net Operating Expense         | 224,235        |             | ↓     |
| Total Capital                 | 0              |             | →     |
| Cost per Capita               | 6.64           |             | ↑     |
| % of Property Tax             | 0.67%          |             | →     |

# 2019 Budget

|                          | 2018<br>Budget | 2018<br>Forecast      | 2019<br>Budget        | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|--------------------------|----------------|-----------------------|-----------------------|----------------|----------------|----------------|----------------|
| DCC Bylaw Update         | 5,000          | <b>456</b>            | <b>0</b>              | 0              | 0              | 100,000        | 0              |
| Subdivision & Dev. Bylaw | 8,000          | <b>17,000</b>         | <b>12,000</b>         | 12,240         | 12,485         | 12,734         | 12,989         |
| Engineering Bylaw Review | 5,000          | <b>0</b>              | <b>0</b>              | 5,000          | 5,000          | 5,000          | 5,000          |
| Salary and Wages         | <u>266,082</u> | <b><u>280,300</u></b> | <b><u>273,235</u></b> | <u>276,101</u> | <u>279,023</u> | <u>282,005</u> | <u>285,046</u> |
| Operational Expense      | 284,082        | <b>297,756</b>        | <b>285,235</b>        | 293,341        | 296,508        | 399,739        | 303,035        |
| Revenue                  | -73,000        | <b><u>-11,000</u></b> | <b><u>-61,000</u></b> | <u>-62,220</u> | <u>-63,464</u> | <u>-64,734</u> | <u>-66,028</u> |
| Net Operating Expense    | 211,082        | <b>286,756</b>        | <b>224,235</b>        | 231,121        | 233,044        | 335,006        | 237,007        |

# Questions



# City of Penticton: Financial Plan Reporting Structure

## General

## Utilities

| General Government       | Transportation Services | Recreation and Culture | Environmental Health Services | Public Health and Safety | Protective Services  | Environmental Development Services | Electrical Supply  | Sewer System     | Water Utility      |
|--------------------------|-------------------------|------------------------|-------------------------------|--------------------------|----------------------|------------------------------------|--------------------|------------------|--------------------|
| Mayor and Council        | Transit                 | Parks                  | Solid Waste Management        | Cemetery                 | RCMP                 | Tourism                            | Electrical Utility | Engineering      | Engineering        |
| Corporate Administration | Operations              | SOEC                   |                               |                          | Fire Services        | Development Services               |                    | AWWTP            | WTP                |
| Communications           | Fleet                   | Recreation             |                               |                          | Building and License | Development Engineering            |                    | Sewer Collection | Water Distribution |
| Facilities               | Roads and Maintenance   | Library                |                               |                          | Bylaw Enforcement    | Planning                           |                    |                  |                    |
| Human Resources          | Storm Water             | Museum                 |                               |                          | Dog Control          | Economic Development               |                    |                  |                    |
| Finance                  | Street Lighting         |                        |                               |                          |                      | Land Management                    |                    |                  |                    |
| Information Technology   | Traffic Control         |                        |                               |                          |                      | Engineering                        |                    |                  |                    |
| Revenue & Collections    |                         |                        |                               |                          |                      |                                    |                    |                  |                    |
| Procurement              |                         |                        |                               |                          |                      |                                    |                    |                  |                    |
| Municipal Grants         |                         |                        |                               |                          |                      |                                    |                    |                  |                    |

Public Works

Engineering

Electric

Development Services

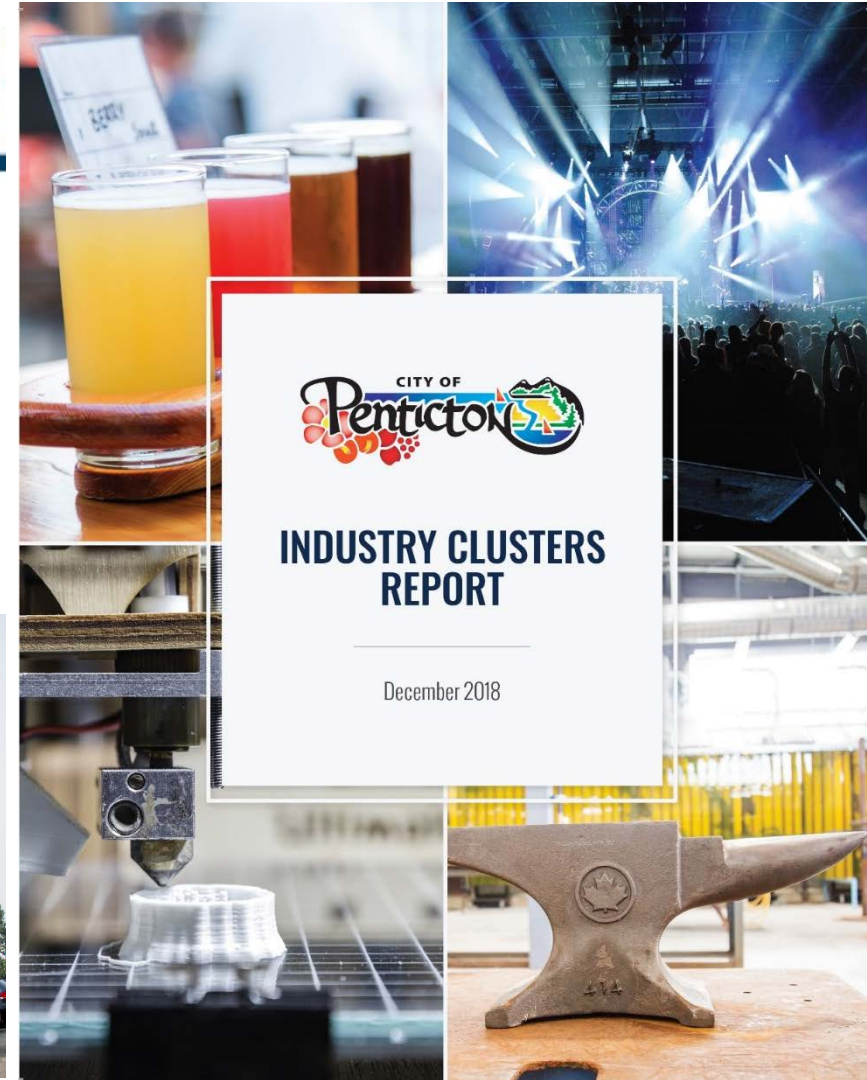
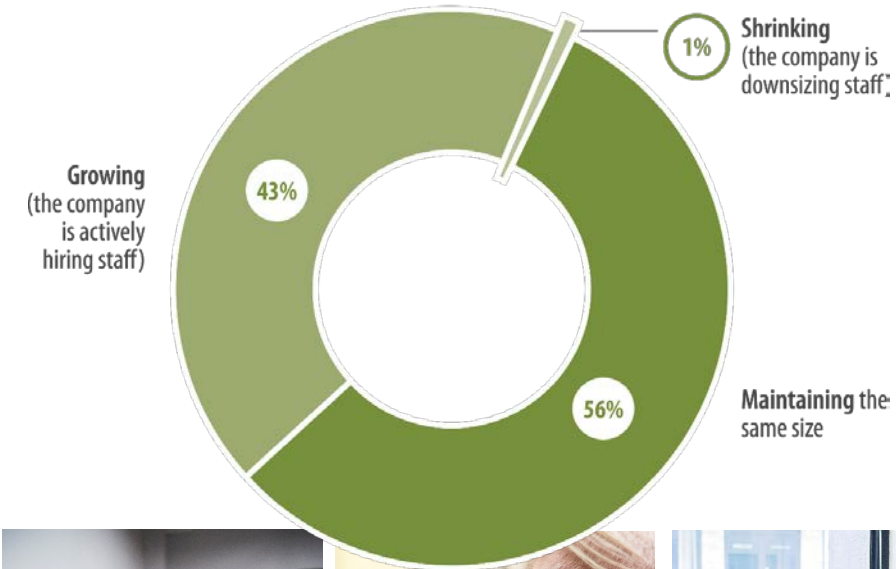
Financial Services

Recreation & Culture



# Environmental Development Service: Economic Development

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[penticton.ca](http://penticton.ca)



# Overview

The Economic Development Department's mandate is to increase the Economic Vitality of Penticton. In 2018, Economic Development worked with key stakeholders, Mayor and Council, and City departments to develop a 5-year Strategic Plan to develop a resilient and prosperous community for the future.

- Business licence growth
- Business contact / assistance
- Investment Attraction
- Process navigation assistance
- Penticton brand and reputation-building
- Quarterly Reporting / Annual Report

- Partnership growth
- Okanagan College initiatives
- Penticton Indian Band
- Penticton Airport
- Event / Tourism assistance
- New Resident assistance





# 2018 Achievements

- ✓ Completion of Business Climate Survey
- ✓ 5-Year Strategic Plan Engagement & Approval
- ✓ Development of Quarterly Reporting Framework
- ✓ Launch of Business Highlights PR Strategy
- ✓ Development of the Penticton Economic Development Partnership
- ✓ Business Resources: PentictonBizToolkit.com and Communications Tool Kit
- ✓ Priority Industry Clusters identification
- ✓ Publication of 2018 Start Here Okanagan Magazine
- ✓ Amalgamation of PentictonWorks & StartHereOkanagan websites



# 2018 Achievements

## Additional Achievements

- ✓ **Smart Cities Challenge:** co-led application to Infrastructure Canada competition
- ✓ **UBCO Capstone Project:** Smart Cities Project exploration
- ✓ **FutureBiz Penticton: Economic Outlook Forum**
- ✓ **Business Education** workshops:
  - ✓ Tech Dev 101, Social Enterprise Fundamentals, Intro to B Corps
- ✓ **Okanagan Agricultural Innovation Centre** Business Plan support
- ✓ **Sustainable Agri-Fruit Beverage Research & Innovation** funding application
- ✓ **Business licensing e-apply** development process

# Challenges & Opportunities

*Environmental Development Services*  
- 340 -  
*Economic Development*

**WORKFORCE:** Aging national age demographic is reducing available labour across Canada

**HOUSING:** The housing market remains tight in all aspects of the housing continuum

**AGING POPULATION:** Penticton's has a high median age and an undersupply of youth

**CHANGING WORLD:** Technology & global economics impacting competitive advantages/disadvantages

**POLICY & ALIGNMENT:** Alignment of business needs with policy & regulatory requirements

**FOCUSED RESOURCES:** Support economic vitality with limited resources and a diverse business community



[penticton.ca](http://penticton.ca)

# 2019 Initiatives

## Priority Cluster Impact & Opportunity Assessments:

- Manufacturing
  - Technology
  - Tourism/SOEC/Events/Arts & Culture
  - Wine, Beer, Spirits Production
- **Hiring & Housing Forum** for business community
  - 2<sup>nd</sup> Annual **FutureBiz Penticton** Economic Outlook Forum
  - Economic Development **Newsletter**
  - **Welcome Package** for new residents & new business licenses



# Staffing

| <u>2018</u>   | <u>2019</u> |
|---------------|-------------|
| 1             | 1.5         |
| (+consulting) |             |



# Highlights

## Economic Development

|                               | 2019<br>Budget | %<br>change | Trend |
|-------------------------------|----------------|-------------|-------|
| Total Revenue                 | 0              | 0.00%       | →     |
| Operational Expense           | 386,000        | 16.47%      | ↑     |
| Total Internal Allocation In  | 5,000          |             | →     |
| Total Internal Allocation Out | <u>0</u>       |             | →     |
| Net Operating Expense         | 391,000        |             | ↑     |
| Total Capital                 | 0              |             | →     |
| Cost per Capita               | 11.58          |             | ↑     |
| % of Property Tax             | 1.17%          |             | ↑     |



# 2019 Budget

*Environmental Development Services*  
- 344 -  
*Economic Development*

| Expenses                  | 2018<br>Budget | 2018<br>Forecast     | 2019<br>Budget       | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|---------------------------|----------------|----------------------|----------------------|----------------|----------------|----------------|----------------|
| Special Programs          | 35,500         | <b>12,500</b>        | <b>30,000</b>        | 30,600         | 31,212         | 31,836         | 32,473         |
| Strategic Communication   | 81,000         | <b>73,000</b>        | <b>52,000</b>        | 53,041         | 54,103         | 55,186         | 56,290         |
| Collaboration             | 17,000         | <b>12,902</b>        | <b>10,000</b>        | 10,200         | 10,405         | 10,613         | 10,826         |
| Retention & Expansion     | 50,000         | <b>50,000</b>        | <b>90,000</b>        | 91,804         | 93,643         | 95,520         | 97,434         |
| Attraction                | 105,000        | <b>86,000</b>        | <b>110,000</b>       | 112,203        | 114,450        | 116,742        | 119,080        |
| Organizational Excellence | 10,000         | <b>7,000</b>         | <b>9,000</b>         | 9,180          | 9,364          | 9,551          | 9,742          |
| Salaries and benefits     | <u>90,000</u>  | <b><u>90,000</u></b> | <b><u>85,000</u></b> | <u>86,700</u>  | <u>88,434</u>  | <u>90,203</u>  | <u>92,007</u>  |
| Operating Expense         | 388,500        | <b>331,402</b>       | <b>386,000</b>       | 393,728        | 401,610        | 409,651        | 417,852        |
| Internal Allocation In    | <u>5,000</u>   | <b><u>5,000</u></b>  | <b><u>5,000</u></b>  | <u>5,000</u>   | <u>5,000</u>   | <u>5,000</u>   | <u>5,000</u>   |
| Net Operating Expense     | 393,500        | <b>336,402</b>       | <b>391,000</b>       | 398,728        | 406,610        | 414,651        | 422,852        |



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# Questions



# City of Penticton: Financial Plan Reporting Structure

## General

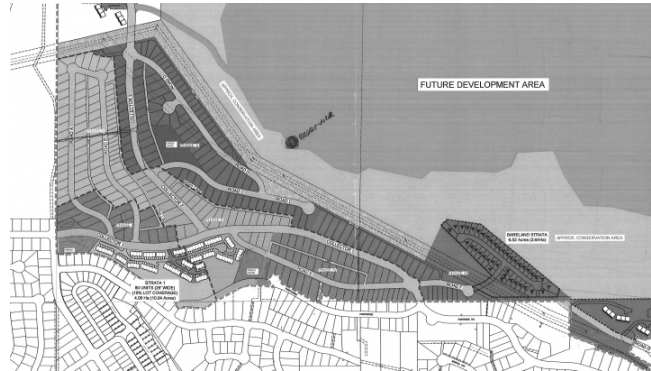
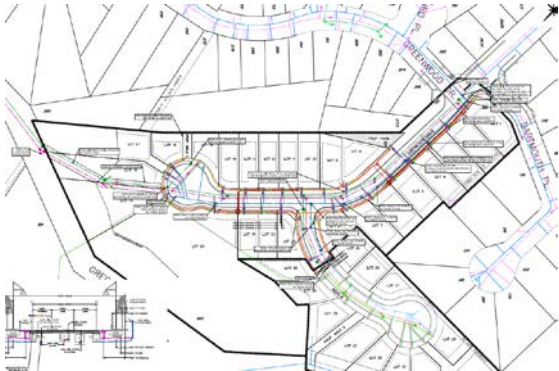
## Utilities



| General Government       | Transportation Services | Recreation and Culture | Environmental Health Services | Public Health and Safety | Protective Services  | Environmental Development Services | Electrical Supply  | Sewer System     | Water Utility      |
|--------------------------|-------------------------|------------------------|-------------------------------|--------------------------|----------------------|------------------------------------|--------------------|------------------|--------------------|
| Mayor and Council        | Transit                 | Parks                  | Solid Waste Management        | Cemetery                 | RCMP                 | Tourism                            | Electrical Utility | Engineering      | Engineering        |
| Corporate Administration | Operations              | SOEC                   |                               |                          | Fire Services        | Development Services               |                    | AWWTP            | WTP                |
| Communications           | Fleet                   | Recreation             |                               |                          | Building and License | Development Engineering            |                    | Sewer Collection | Water Distribution |
| Facilities               | Roads and Maintenance   | Library                |                               |                          | Bylaw Enforcement    | Planning                           |                    |                  |                    |
| Human Resources          | Storm Water             | Museum                 |                               |                          | Dog Control          | Economic Development               |                    |                  |                    |
| Finance                  | Street Lighting         |                        |                               |                          |                      | Land Management                    |                    |                  |                    |
| Information Technology   | Traffic Control         |                        |                               |                          |                      | Engineering                        |                    |                  |                    |
| Revenue & Collections    |                         |                        |                               |                          |                      |                                    |                    |                  |                    |
| Procurement              |                         |                        |                               |                          |                      |                                    |                    |                  |                    |
| Municipal Grants         |                         |                        |                               |                          |                      |                                    |                    |                  |                    |
| Public Works             | Engineering             | Electric               | Development Services          | Financial Services       | Recreation & Culture |                                    |                    |                  |                    |



# Environmental Development Services: Planning



# Overview

The Planning Department is often the first point of contact for development in the city. We Process all land development applications, ensuring development happens in-line with adopted policies and bylaws and is in the best interest of the community. We advise City Council and other city departments on land use issues as well as monitoring the City's Climate Action commitments and coordinating and managing special projects as directed, including policy development on affordable housing, downtown revitalization and other issues.

- **218 land use planning applications received**
- **Revenues in surplus**
- **Maintained carbon neutral status**

**Expecting similar levels of activity for 2019**  
**Long range planning work on OCP continues**

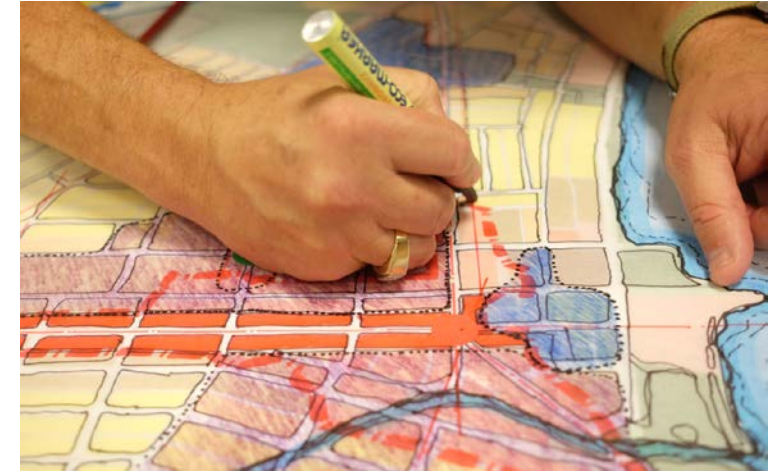


# 2018 Achievements

- ✓ Official Community Plan development
- ✓ Efficient processing of high volume of land development applications
- ✓ Boundary adjustment to bring 300 acres of land into the City limits
- ✓ Cannabis regulatory framework created
- ✓ Affordable Housing Forum
- ✓ Maintained carbon neutral status
- ✓ Addressing and street naming policy and bylaw

## Additional Achievements

- ✓ Review of carriage house regulations and recommended amendments
- ✓ Research into urban deer and options for Council's consideration
- ✓ Planning staff participated in RDOS Emergency Operations Centre (EOC) for the state-of—local-emergency during the 2018 Spring flooding





# Challenges & Opportunities

- **Official Community Plan (OCP) Implementation**
  - Bylaw updates
  - Comprehensive Development Plan (DCC Precursor)
- **Growth Management**
  - Engagement
- **Support the Downtown**
  - Parkade Study
- **Climate Action Charter Responsibilities**
  - Maintain neutrality
  - Offset purchase program

# 2019 Initiatives

## 1. Comprehensive Development Plan

- OCP implementation project to align City's infrastructure spending to the new growth plan

## 2. Downtown Parkade Feasibility Study

## 3. Land Use Contract Termination

## 4. Purchase of carbon off-sets to retain carbon neutrality



# Staffing

| <u>2018</u> | <u>2019</u> |
|-------------|-------------|
| 6           | 6           |



# Highlights

|                               | 2019<br>Budget | %<br>change | Trend |
|-------------------------------|----------------|-------------|-------|
| Total Revenue                 | -326,000       | -5.80%      | ↓     |
| Operational Expense           | 888,012        | 31.56%      | ↑     |
| Total Internal Allocation In  | 0              |             | ↓     |
| Total Internal Allocation Out | <u>0</u>       |             | →     |
| Net Operating Expense         | 562,012        |             | ↑     |
| Total Capital                 | 0              |             | ↓     |
| Cost per Capita               | 16.65          |             | ↑     |
| % of Property Tax             | 1.68%          |             | ↑     |

# 2019 Budget

|                         | 2018<br>Budget | 2018<br>Forecast      | 2019<br>Budget        | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|-------------------------|----------------|-----------------------|-----------------------|----------------|----------------|----------------|----------------|
| Goods and Services      | 37,800         | <b>44,085</b>         | <b>221,975</b>        | 51,494         | 42,024         | 42,565         | 43,116         |
| Affordable Housing      | 15,000         | <b>6,000</b>          | <b>2,500</b>          | 2,500          | 2,500          | 2,500          | 2,500          |
| Salaries and Benefits   | <u>623,969</u> | <b><u>624,909</u></b> | <b><u>663,537</u></b> | <u>670,231</u> | <u>677,059</u> | <u>684,024</u> | <u>691,128</u> |
| Total Operating Expense | 676,769        | <b>674,994</b>        | <b>888,012</b>        | 724,226        | 721,584        | 729,089        | 736,744        |
| Internal Allocation In  | 5,000          | <b>5,000</b>          | <b>0</b>              | 0              | 0              | 0              | 0              |
| Revenues                | -253,000       | <b>-293,764</b>       | <b>-278,000</b>       | -278,000       | -278,000       | -278,000       | -278,000       |
| CARIP Grant             | <u>-48,000</u> | <b><u>-52,320</u></b> | <b><u>-48,000</u></b> | <u>-48,000</u> | <u>-48,000</u> | <u>-48,000</u> | <u>-48,000</u> |
| Net Operating Expense   | 380,769        | <b>333,910</b>        | <b>562,012</b>        | 398,226        | 395,584        | 403,089        | 410,744        |

# Decision Requests

- **\$130,000** - Comprehensive Development Plan (CDP) review
- **\$26,000** - Downtown parking feasibility study
- **\$15,000** - Land Use Contract (LUC) termination



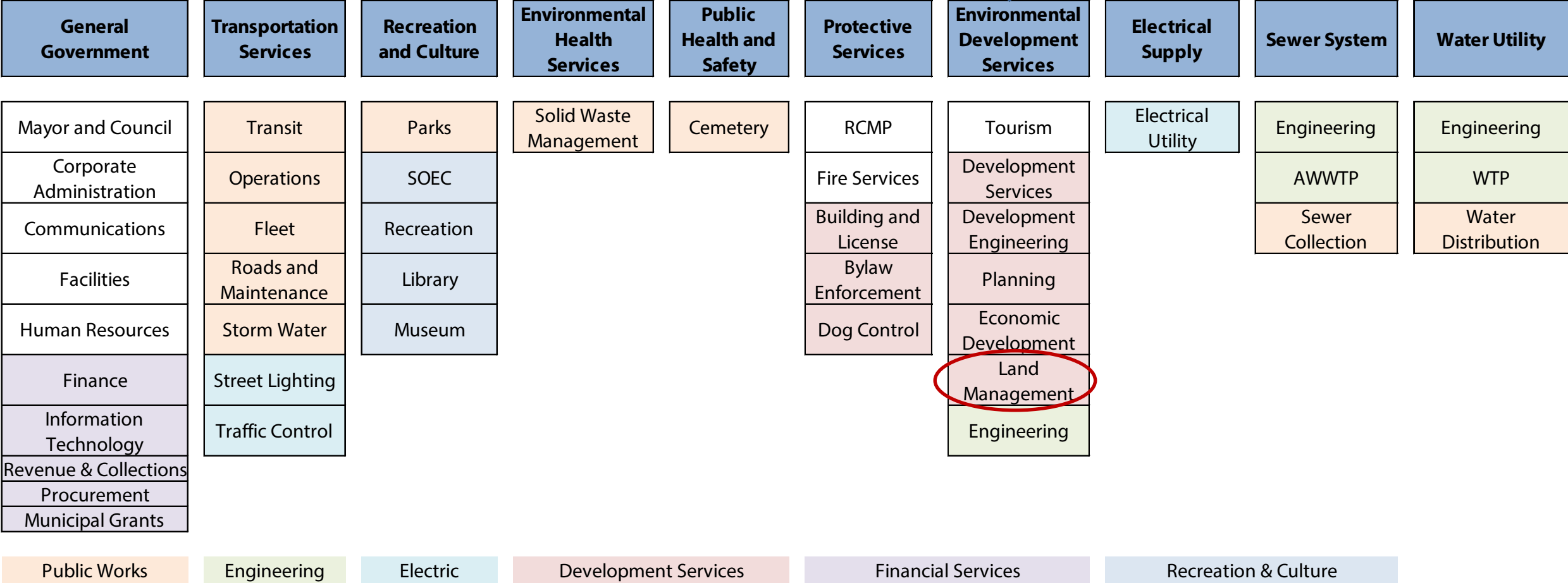
# Questions



# City of Penticton: Financial Plan Reporting Structure

## General

## Utilities



# Environmental Development Services: Land Management



# Overview

## *Environmental Development Services* *Land Management*

- The Land department ensures legal requirements are met for various land transactions. Staff draft, negotiate, attend to execution and register Statutory Right of Ways and other various legal Land Title Office documents.
- They are also relied upon to provide legal research, data, and title and company searches to all City departments.

100 Licences/Leases  
16 Residential Tenancies  
Administers Over 500 City properties

14 Beach vendors in 23 vending spots  
5 concessions 2 Mobile Trucks  
Completed 62 Land Titles Registrations

# 2018 Achievements

Environmental Development Services  
*Land Management*

- ✓ **Completed and implemented Land Disposition and Acquisition Policies**
- ✓ **Achieved land sales goal of \$1M as part of 2018 budget**
- ✓ **Completion of City-owned land map**
- ✓ **Rebuilding of the Land Department**



[penticton.ca](http://penticton.ca)



# Challenges & Opportunities

*Environmental Development Services  
Land Management*

- Managing the ongoing multitude of inquiries from other City departments and externally within a timely fashion
- Not having a clear vision of land department duties/responsibilities
- Opportunity to align with Development Services functions and build Land Management Strategy



# 2019 Initiatives

- Establish department efficiencies/cross train staff
- Skaha Lake Park Master Plan
- Land Management Strategy
- Feature the Land Department on our City website
- Establish a Nominal Lease Policy /renew the many not for profit leases that are currently at the end of their term
- Secure temporary short term operator for the Skaha Marina

*Environmental Development Services  
Land Management*

# Staffing

| <u>2018</u> | <u>2019</u> |
|-------------|-------------|
| 3           | 3           |



# Highlights

|                               | 2019<br>Budget | %<br>change | Trend |
|-------------------------------|----------------|-------------|-------|
| Total Revenue                 | -1,114,398     | -10.28%     | ↓     |
| Operational Expense           | 624,798        | 25.48%      | ↑     |
| Total Internal Allocation In  | 0              |             | →     |
| Total Internal Allocation Out | <u>2,500</u>   |             | →     |
| Net Operating Surplus         | -487,100       |             | ↓     |
| Total Capital                 | 0              |             | →     |
| Cost per Capita               | -14.43         |             | ↑     |
| % of Property Tax             | -1.46%         |             | ↑     |

# 2019 Budget

## *Environmental Development Services Land Management*

|                         | 2018<br>Budget | 2018<br>Forecast      | 2019<br>Budget        | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|-------------------------|----------------|-----------------------|-----------------------|----------------|----------------|----------------|----------------|
| Goods and Services      | 187,375        | <b>234,801</b>        | <b>314,475</b>        | 319,475        | 224,475        | 224,475        | 224,475        |
| Salaries and Benefits   | <u>251,938</u> | <b><u>263,106</u></b> | <b><u>310,323</u></b> | <u>313,163</u> | <u>316,060</u> | <u>319,015</u> | <u>322,029</u> |
| Total Operating Expense | 439,313        | <b>497,907</b>        | <b>624,798</b>        | 632,638        | 540,535        | 543,490        | 546,504        |
| Revenues                | -1,286,766     | <b>-1,242,099</b>     | <b>-1,114,398</b>     | -1,132,393     | -1,153,454     | -1,175,677     | -1,199,167     |
| Internal Allocation Out | <u>2,500</u>   | <b><u>2,500</u></b>   | <b><u>2,500</u></b>   | <u>2,500</u>   | <u>2,500</u>   | <u>2,500</u>   | <u>2,500</u>   |
| Net Operating Surplus   | -844,953       | <b>-741,692</b>       | <b>-487,100</b>       | -497,254       | -610,419       | -629,687       | -650,162       |



# Decision Requests

- **\$75,000 for the Skaha Lake Park Master Plan**
- **\$15,000 for strategic planning and real estate management to develop the Land Management Strategy**



# Questions

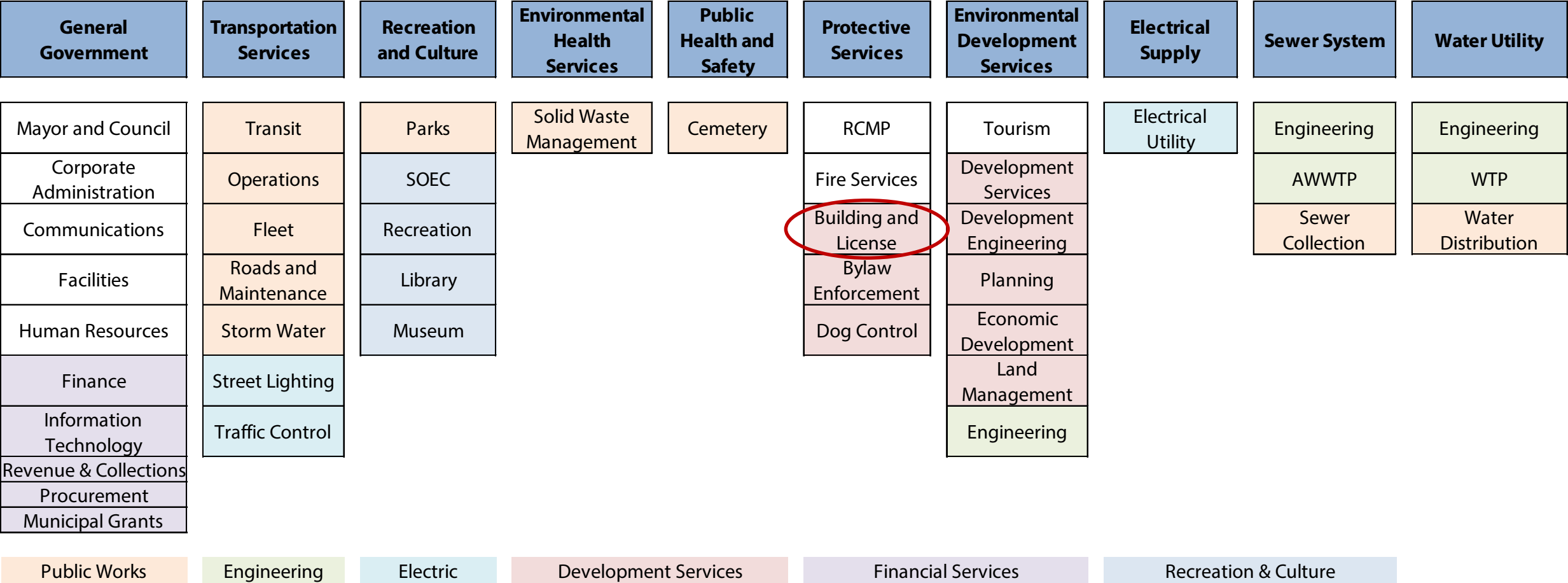




# City of Penticton: Financial Plan Reporting Structure

## General

## Utilities



# Building and Licensing

Advances the City as a livable , thriving, safe and sustainable City by guiding how buildings are constructed, occupied and businesses operate.

This is achieved by creating a quality business and development climate in order to grow the business & tax base.



# Building and Licensing

## Building Department

- Building/Plumbing/Mechanical Permits
- Demolition and Vacant Building Permits
- Property Use Inspections for Business Licences
- Enforcement of building and land use regulatory bylaws
- Cross Connection Control

## Business Licences

- New and amended Licences and Non-Profit Registrations
- Sidewalk Café's and Sales Areas
- New and amended liquor license reviews
- Assist Economic development with development indicators



# 2018 Accomplishments

## 2018 Building and Licensing Modernization Project

- ✓ Update Bylaws and policies,
- ✓ Improve customer service support,
- ✓ Improve efficiencies,
- ✓ Continue permit & code education.





# 2018 Accomplishments

- ✓ Introduced new Building Bylaw (2018-01),
- ✓ Permit reviews times reduced by more than 50%,
- ✓ 99% compliance with City's annual backflow testing program,
- ✓ Enhancements to permit software systems,
- ✓ Improved customer service support

# 2018 Accomplishments

- ✓ Updated Online Services and MyCity self-user portals
- ✓ Development of an eApply for Business Licensing system (ready for 2019)
- ✓ Improvements to city's short term vacation rental program,
- ✓ Compliance enforcement of unlicensed cannabis stores,
- ✓ Expanded business planning support





# 2018 Accomplishments

## *Building and Licensing*

### Permits, Licenses and Enforcement files

|                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>2017</p> <ul style="list-style-type: none"> <li>• \$197,876,905 Construction Value</li> <li>• 1093 Building Permit Issued</li> <li>• 3568 Inspections completed</li> <li>• 774 permits closed</li> <li>• 2976 Total Active Business Licences<br/>(130 active Vacation Rentals)</li> <li>• 165 Enforcement case files (Bldg. &amp; Lic.)</li> </ul> | <p>2018</p> <ul style="list-style-type: none"> <li>• \$145,111,923 Construction Value</li> <li>• 915 Building Permit Issued</li> <li>• <b><u>4452 Inspections completed</u></b></li> <li>• <b><u>1335 permits closed</u></b></li> <li>• 3055 active Business License<br/>(152 active Vacation Rentals)</li> <li>• 162 Enforcement case files (Bldg. &amp; Lic.)</li> </ul> |
| <p>2017 Permit and Licencing Revenue<br/>\$ 2,476,632</p>                                                                                                                                                                                                                                                                                             | <p>2018 Permit and Licencing Revenue<br/>\$ 1,935,671</p>                                                                                                                                                                                                                                                                                                                  |

# Challenges & Opportunities

## *Building and Licensing*

- **Construction and Business Development:**
  - Balancing customer service, education and regulations
- **Technology Delays:**
  - Staffing resources & software limitations
- **New Regulations:**
  - Building & Business Community impacts, consistency & public safety
- **File Management:**
  - Hard and digital copies in multiple locations
- **Gaps in City Licensing and Permit Programs (Long Term Rentals):**
  - Staff resourcing and safety

# Challenges & Opportunities

## *Building and Licensing*

- Enhance policies and procedures
- Improve the use of technology
- Cost share to develop a regional best practice approach
- Improve building practices and develop “safe” affordable housing opportunities.

# 2019 Initiatives

## Building Department Accreditation

- Improve department efficiency & customer service
- Increase Accountability
- Reduce liability exposure



# 2019 Initiatives

## Implementation of Home Owner Permit Awareness campaign

### Education & Enforcement.

- Improve department efficiency
- Improve building project quality
- Reduce underground economy



# 2019 Initiatives

## Modernization of Business Licence Bylaws

- Modernize bylaws and policies
- Regional best practice
- Review fee structures





# 2019 Initiatives

## Long Term Residential Rental Program

- Assess levels of non-compliance
- Review best practices
- Review affordable housing opportunities
- Improve safety and maintenance
- Implementation proposed 2020



### Long-term rental business licence

To rent a residential property you own for 30 days or more at a time, you need a rental property business licence. Even if you hire a property manager.

### 377 Winnipeg evicted

Colin Dacre - Aug 14, 2018 / 12:32 pm



Colin Dacre

# Staffing

## *Building and Licensing*

2018

10

2019

10

# 2019 Highlights

## Building and License

|                               | 2019<br>Budget | %<br>change | Trend |
|-------------------------------|----------------|-------------|-------|
| Total Revenue                 | -1,773,500     | -8.5%       | ↓     |
| Operational Expense           | 1,123,176      | 21.8%       | ↑     |
| Total Internal Allocation In  | 122,000        |             | ↑     |
| Total Internal Allocation Out | <u>0</u>       |             | →     |
| Net Operating Surplus         | -528,324       |             | ↓     |
| Total Capital                 | 0              |             | →     |
| Cost per Capita               | -15.65         |             | ↑     |
| % of Property Tax             | -1.58%         |             | ↑     |

# 2019 Budget

| Summary                           | 2018<br>Budget | 2018<br>Forecast     | 2019<br>Budget        | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|-----------------------------------|----------------|----------------------|-----------------------|----------------|----------------|----------------|----------------|
| Building Operating Surplus        | -242,851       | <b>-587,494</b>      | <b>-305,404</b>       | -230,366       | -104,887       | -88,944        | -72,513        |
| Licensing Operating Surplus       | -349,000       | <b>-395,734</b>      | <b>-344,920</b>       | -416,218       | -428,023       | -440,371       | -453,305       |
| Total Internal Allocations In     | <u>16,500</u>  | <u><b>16,900</b></u> | <u><b>122,000</b></u> | <u>122,000</u> | <u>122,000</u> | <u>122,000</u> | <u>122,000</u> |
| Net Operating Surplus<br>Combined | -575,351       | <b>-966,328</b>      | <b>-528,324</b>       | -524,584       | -410,909       | -407,315       | -403,818       |

# 2019 Budget

| Building                           | 2018<br>Budget | 2018<br>Forecast      | 2019<br>Budget        | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|------------------------------------|----------------|-----------------------|-----------------------|----------------|----------------|----------------|----------------|
| Building - Revenues                | -1,085,000     | <b>-1,361,400</b>     | <b>-1,185,000</b>     | -1,080,100     | -970,202       | -970,306       | -970,412       |
| Salaries and Benefits              | 636,499        | <b>650,000</b>        | <b>744,796</b>        | 757,168        | 769,788        | 782,660        | 795,790        |
| Remedial Action                    | 25,000         | <b>12,229</b>         | <b>25,000</b>         | 25,500         | 26,010         | 26,530         | 27,061         |
| Permit<br>Modernization<br>Project | 150,000        | <b>75,000</b>         | <b>65,000</b>         | 20,000         | 20,000         | 20,000         | 20,000         |
| Goods and Services                 | <u>30,650</u>  | <b><u>36,677</u></b>  | <b><u>44,800</u></b>  | <u>47,066</u>  | <u>49,517</u>  | <u>52,172</u>  | <u>55,048</u>  |
| Total Operating<br>Exenses         | <u>842,149</u> | <b><u>773,906</u></b> | <b><u>879,596</u></b> | <u>849,734</u> | <u>865,315</u> | <u>881,362</u> | <u>897,899</u> |
| Net Operating<br>Surplus           | -242,851       | <b>-587,494</b>       | <b>-305,404</b>       | -230,366       | -104,887       | -88,944        | -72,513        |

# 2019 Budget

| Licensing                              | 2018<br>Budget | 2018<br>Forecast      | 2019<br>Budget        | 2020<br>Budget | 2021<br>Budget | 2022<br>Budget | 2023<br>Budget |
|----------------------------------------|----------------|-----------------------|-----------------------|----------------|----------------|----------------|----------------|
| License - Revenues                     | -577,500       | <b>-577,375</b>       | <b>-588,500</b>       | -603,070       | -618,211       | -633,963       | -650,369       |
| Salaries and Benefits                  | 122,000        | <b>125,000</b>        | <b>151,580</b>        | 154,612        | 157,704        | 160,858        | 164,075        |
| Goods and Services                     | 1,500          | <b>2,750</b>          | <b>12,000</b>         | 12,240         | 12,485         | 12,734         | 12,989         |
| Bylaw Consultation                     | 5,000          | <b>3,891</b>          | <b>10,000</b>         | 10,000         | 10,000         | 10,000         | 10,000         |
| Business Lic.<br>Modernization Project | <u>100,000</u> | <b><u>50,000</u></b>  | <b><u>70,000</u></b>  | <u>10,000</u>  | <u>10,000</u>  | <u>10,000</u>  | <u>10,000</u>  |
| Total Operating Expenses               | <u>228,500</u> | <b><u>181,641</u></b> | <b><u>243,580</u></b> | <u>186,852</u> | <u>190,189</u> | <u>193,592</u> | <u>197,064</u> |
| Net Operating Surplus                  | -349,000       | <b>-395,734</b>       | <b>-344,920</b>       | -416,218       | -428,023       | -440,371       | -453,305       |



# Questions

