

**THE CORPORATION OF THE CITY OF VERNON**

**2006 - 2010 FINANCIAL PLAN**



**COUNCIL APPROVED BUDGET**

**MARCH 13, 2006**

**THE CORPORATION OF THE CITY OF VERNON  
2006 - 2010 FINANCIAL PLAN  
COUNCIL APPROVED  
MARCH 13, 2006**

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**THE CORPORATION OF THE CITY OF VERNON  
2006 - 2010 FINANCIAL PLAN  
COUNCIL APPROVED  
MARCH 13, 2006**

**SUMMARY**

The 2006 – 2010 Financial Plan has been adopted by Council at their regular meeting of March 13, 2006. The Financial Plan for 2006 provides for the following major items:

- An overall tax increase of 1.46%. The actual tax rates will not be developed until April, 2006 when all the assessment information is available. It is during this process that Council will determine the allocation of taxes between residential and commercial properties.
- An increase of 2% for garbage and recycling fees. This increase is made to reflect the increased cost charged by the City's contractor for providing the service.
- An increase of 7.2% for sanitary sewer rates. Because of the financing savings associated with the new \$29,000,000 treatment plant, the actual increase is much lower than the previously forecasted 13.8% rate increase requirement.
- Capital works totaling more than \$9,000,000 from the general fund. This includes the expenditure of almost \$600,000 in Gas Tax Rebates earned from the Federal Government.
- Capital works totaling almost \$9,500,000 from the sanitary sewer fund. This includes a \$2,300,000 allocation for the joint venture project with the City of Kelowna to develop composting facility to deal with the biosolids from the new treatment plant.
- An increase of 4 RCMP officers in keeping with Council's commitment to address the policing needs of the community.
- A continuation of the high level of revenue generated from new development. The 2006 budget provides for development revenues to be at 90% of what was actually achieved in 2005.

THE CORPORATION OF THE CITY OF VERNON

BYLAW NUMBER 4994

A bylaw to adopt the "Financial Plan"  
for the Years 2006 – 2010

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WHEREAS Section 165 of the *Community Charter* requires the Council to prepare and adopt a Financial Plan for a five year period for the years 2006 to 2010.

NOW THEREFORE as the Council of The Corporation of the City of Vernon desires to adopt the 2006 Financial Plan and amend the 2005 Financial Plan, the Council, in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as the "City of Vernon 2006 Financial Plan Bylaw Number 4994, 2006".
2. That Schedule "A" attached hereto and forming part of this bylaw is hereby adopted and shall be the 2006 Financial Plan and the 2005 Amended Financial Plan for The Corporation of the City of Vernon.

READ A FIRST TIME this 27<sup>th</sup> day of February, 2006.

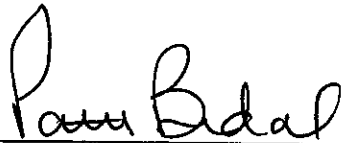
READ A SECOND TIME this 27<sup>th</sup> day of February, 2006.

READ A THIRD TIME this 27<sup>th</sup> day of February, 2006.

Public Consultation held this 12<sup>th</sup> day of January, 2006, pursuant to Section 166 of the *Community Charter*.

ADOPTED this 13<sup>th</sup> day of March, 2006.

\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
City Clerk

THE CORPORATION OF THE CITY OF VERNON  
2006 FIVE YEAR FINANCIAL PLAN

**SCHEDULE "A"**  
Attached hereto and forming  
part of Bylaw # 4994

	AMENDED	2005	2006	2007	2008	2009	2010
<b>GENERAL REVENUE FUND</b>							
<b>REVENUES</b>							
TAXATION	\$ 17,851,007	\$ 19,198,757	\$ 19,749,047	\$ 20,527,079	\$ 21,464,245	\$ 22,463,012	
GRANTS IN LIEU OF TAXES	271,102	276,000	278,000	283,560	289,231	295,016	
SERVICES PROVIDED OTHER GOV'TS	1,476,379	1,616,872	1,750,721	1,837,221	1,815,526	1,843,209	
SALES OF SERVICES	17,787,513	17,527,412	18,066,805	18,635,003	19,052,130	19,492,196	
REFUND EXCESS SINKING FUND	125,000	125,000	200,000	150,000	350,000	100,000	
CONTRIBUTION FROM DEVELOPERS	1,592,000	4,926,700	1,000,000	1,150,000	1,000,000	2,600,000	
PROCEEDS FROM SALES	1,370,000	3,000,000	1,000,000	2,000,000	750,000	500,000	
CONDITIONAL TRANSFERS - OTHER GOV'TS	1,625,581	1,951,200	1,268,000	1,043,000	1,158,000	1,586,000	
UNCONDITIONAL TSFS - OTHER GOV'TS	2,286,947	2,764,931	2,534,215	3,120,373	3,471,324	3,102,403	
TRANSFER FROM TRUST FUND	23,000	23,000	23,000	23,500	24,000	24,500	
<b>TOTAL REVENUES</b>	<b>44,408,529</b>	<b>51,409,872</b>	<b>45,869,788</b>	<b>48,769,736</b>	<b>49,374,456</b>	<b>52,006,336</b>	
<b>EXPENDITURES</b>							
GENERAL GOVERNMENT SERVICES	4,987,559	5,175,117	5,287,780	5,599,426	5,664,906	5,871,014	
PROTECTIVE SERVICES	9,119,659	10,844,986	10,936,946	11,219,442	11,479,118	11,720,528	
TRANSPORTATION SERVICES	6,964,273	8,114,652	8,036,870	8,212,788	8,595,520	8,782,300	
ENVIRONMENTAL HEALTH SERVICES	4,581,939	4,439,168	4,600,501	4,721,050	4,838,593	4,965,354	
PUBLIC HEALTH SERVICES	152,132	158,554	163,150	167,882	172,436	177,449	
ENVIRONMENTAL DEV. SERVICES	567,379	503,103	503,207	505,842	507,010	508,213	
DEBT AND BANK CHARGES	3,583,565	5,025,197	5,094,379	4,986,174	5,088,487	5,271,920	
FINANCING CHARGES	125,000	6,000	60,000	140,000	23,100	45,000	
PURCHASE OF CAPITAL ASSETS	12,868,426	19,761,353	12,222,000	18,557,000	9,482,000	10,867,000	
<b>TOTAL EXPENDITURES</b>	<b>42,949,932</b>	<b>54,028,130</b>	<b>46,904,833</b>	<b>54,109,604</b>	<b>45,851,170</b>	<b>48,208,778</b>	
<b>NET REVENUE FOR THE YEAR</b>	<b>1,458,597</b>	<b>(2,618,258)</b>	<b>(1,035,045)</b>	<b>(5,339,868)</b>	<b>3,523,286</b>	<b>3,797,558</b>	
DEBT ISSUED	19,066,820	310,000	3,000,000	13,000,000	2,000,000	1,500,000	
DEBT PRINCIPLE REPAYMENTS	(3,014,984)	(3,606,226)	(4,067,849)	(4,023,534)	(4,198,534)	(4,856,554)	
<b>CHANGE IN FUND BALANCE</b>	<b>\$ 17,510,433</b>	<b>\$ (5,914,484)</b>	<b>\$ (2,102,894)</b>	<b>\$ 3,636,598</b>	<b>\$ 1,324,752</b>	<b>\$ 441,004</b>	

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THE CORPORATION OF THE CITY OF VERNON  
2006 APPROVED BUDGET - GENERAL REVENUE FUND

	2005 APPROVED BUDGET	2005 UNAUDITED ACTUAL	2006 PROVISIONAL BUDGET	2006 APPROVED BUDGET	2007 PROV. BUDGET	2008 FINANCIAL PLAN	2009 FINANCIAL PLAN	2010 FINANCIAL PLAN
<b>REVENUES</b>								
TAXATION - GENERAL TAX	13,843,920.00	13,846,911.00	14,174,626.00	14,182,564.00	14,394,978.55	15,278,452.30	15,977,152.89	16,660,662.31
GENERAL TAX INCREASE	0.00	0.00	348,000.00	207,000.00	531,300.00	420,000.00	436,000.00	437,000.00
TAXATION - FIRE PROTECTION	2,804,865.00	2,849,481.00	3,107,295.00	2,978,580.00	2,982,404.78	2,991,167.57	2,999,485.05	3,008,375.87
TAXATION - OTHER TAXES	1,474,521.00	1,218,418.00	2,018,666.00	2,006,706.18	2,030,262.73	2,140,871.67	2,370,404.40	2,692,067.15
GRANTS IN LIEU OF TAX	276,000.00	271,102.00	278,000.00	276,000.00	278,000.00	283,560.00	289,231.20	295,015.82
SERVICES FOR OTHER GOV.	1,145,495.00	1,011,390.00	1,250,107.00	926,220.00	950,946.40	968,665.09	987,758.67	1,007,163.92
SALE OF SERVICES	2,487,399.00	2,805,880.00	2,539,744.00	2,564,400.00	2,661,410.00	2,736,344.00	2,871,403.32	2,943,490.22
OTHER REVENUE, OWN SOURCES	5,842,875.00	7,189,885.00	5,712,464.00	6,279,300.00	6,175,225.00	6,019,271.00	5,962,502.87	5,981,842.78
UNCONDIT. TRANSFERS - OTHERS	335,000.00	677,698.00	341,700.00	1,311,018.00	891,160.00	1,406,151.80	1,710,687.50	1,695,000.00
TRANSFERS - OTHER FUNDS	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	23,500.00	24,000.00	24,500.00
COND. TRANSFERS - OTHERS	2,286,785.00	3,058,766.00	2,339,732.00	2,514,000.00	2,698,000.00	2,548,000.00	2,713,000.00	2,791,000.00
TRANSFERS FROM RESERVES								
PUBLIC WORKS RESERVE	420,000.00	211,300.00	0.00	1,821,900.00	250,000.00	200,000.00	100,000.00	0.00
EQUIPMENT RESERVE	231,500.00	275,800.00	310,000.00	300,000.00	310,000.00	320,000.00	330,000.00	340,000.00
FIRE EQUIPMENT RESERVE	35,000.00	31,742.00	0.00	0.00	0.00	800,000.00	300,000.00	300,000.00
CASINO RESERVE	0.00	0.00	0.00	0.00	250,000.00	100,000.00	0.00	0.00
OTHER RESERVES	20,000.00	0.00	885,000.00	935,668.00	670,000.00	820,000.00	260,000.00	330,000.00
<b>TOTAL CITY REVENUES</b>	<b>31,226,360</b>	<b>33,471,373</b>	<b>33,328,334</b>	<b>36,326,356</b>	<b>35,096,687</b>	<b>37,055,983</b>	<b>37,331,626</b>	<b>38,506,118</b>
<b>COLLECTIONS FOR OTHERS</b>	<b>24,862,362</b>	<b>25,096,825</b>	<b>24,700,650</b>	<b>25,910,900</b>	<b>26,380,900</b>	<b>27,190,900</b>	<b>28,500,900</b>	<b>29,830,900</b>
<b>TOTAL REVENUES</b>	<b>\$56,088,722</b>	<b>\$58,568,198</b>	<b>\$58,028,984</b>	<b>\$62,237,256</b>	<b>\$61,477,587</b>	<b>\$64,246,883</b>	<b>\$65,832,526</b>	<b>\$68,337,018</b>
<b>EXPENDITURES</b>								
LEGISLATIVE	290,826	397,620	297,693	371,367	329,203	331,956	340,543	344,120
CITY ADMINISTRATOR	265,023	297,350	584,422	639,447	633,547	629,247	635,947	636,647
GM - CORPORATE SERVICES	315,316	379,375	0	0	0	0	0	0
GM - COMMUNITY SERVICES	186,478	172,125	192,072	0	0	0	0	0
CITY HALL BUILDINGS	205,971	283,049	202,570	220,516	228,509	234,820	239,964	245,263
CLERKS DIVISION	290,531	309,080	283,414	362,634	332,634	362,634	332,634	332,634
HUMAN RESOURCES	511,416	501,089	523,975	643,626	622,158	634,454	649,772	649,246
FINANCE	678,468	705,411	728,993	992,645	1,141,418	1,141,289	1,143,832	1,148,786
AIRPORT OPERATION	355,049	355,864	397,985	355,049	397,985	435,000	330,000	325,000
RISK MGMT/ BUS. PLANNING	405,814	316,712	409,123	436,227	439,691	448,018	455,227	462,582
INFORMATION TECHNOLOGY	888,695	858,487	956,153	1,003,238	983,510	1,022,467	1,013,709	1,027,373
SERVICE RECOVERIES	(357,000)	(356,328)	(363,455)	(364,100)	(371,382)	(378,810)	(386,386)	(394,114)
OTHER GENERAL GOVERNMENT	347,247	745,630	336,050	492,468	528,507	716,351	887,664	1,071,477
<b>TOTAL ADMINISTRATION</b>	<b>4,383,834</b>	<b>4,965,464</b>	<b>4,548,995</b>	<b>5,153,117</b>	<b>5,265,780</b>	<b>5,577,426</b>	<b>5,642,906</b>	<b>5,849,014</b>

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	2005 APPROVED BUDGET	2005 UNAUDITED ACTUAL	2006 PROVISIONAL BUDGET	2006 APPROVED BUDGET	2007 PROV. BUDGET	2008 FINANCIAL PLAN	2009 FINANCIAL PLAN	2010 FINANCIAL PLAN
PROTECTIVE SERVICES COSTS								
POLICE - RCMP CONTRACT	5,026,158	4,531,414	5,764,991	5,737,271	5,876,130	6,034,555	6,240,914	6,436,458
POLICE - SAFE COMMUNITIES	379,626	363,651	378,553	399,761	407,512	482,450	491,754	501,426
POLICE - SUPPORT SERV.	979,061	1,076,683	1,006,833	1,219,640	1,180,092	1,206,109	1,237,549	1,259,447
FIRE PROTECTION	2,700,871	2,722,491	2,790,811	2,955,449	2,970,097	2,986,701	3,000,946	3,015,905
BUILDING INSPECTION	249,034	269,378	256,504	327,645	297,595	303,863	302,191	301,528
BUSINESS LIC. & BYLAW ENF.	168,107	156,042	197,464	205,220	205,520	205,764	205,764	205,764
TOTAL PROTECTIVE SERVICES	9,502,857	9,119,659	10,395,156	10,844,986	10,936,946	11,219,442	11,479,118	11,720,528
COMMON SERVICES RECOVERY	(396,000)	(396,000)	(403,920)	(403,000)	(411,060)	(419,281)	(427,667)	(436,220)
PD & E DIVISION								
P, D & E COMMON SERVICES	562,376	763,198	630,458	838,403	586,219	588,095	590,024	592,011
ENGINEERING DEPARTMENT	449,989	409,850	476,905	518,940	543,776	546,631	547,519	548,430
ENVIRONMENTAL SERVICES	56,755	106,077	58,457	64,353	64,457	64,564	64,675	64,789
PLANNING EXPENSES	409,536	461,302	421,822	438,750	438,750	441,278	442,335	443,424
TOTAL PD & E DIVISION	1,478,656	1,740,427	1,587,642	1,860,446	1,633,202	1,640,568	1,644,553	1,648,654
PUBLIC WORKS								
OPERATIONS MANAGER		13,092		105,100	110,980	110,980	110,980	110,980
OPERATIONS ADMINISTRATION	695,520	776,926	714,268	695,527	699,098	704,330	709,724	715,263
OK LND'ING & BLUE JAY MTCE.	255,877	151,489	263,025	203,995	209,255	214,671	220,252	226,001
PAVED ROADS MAINTENANCE	176,024	129,368	183,066	209,055	217,113	225,529	234,312	243,487
ROAD REHABILITATION	1,068,000	987,259	975,000	1,175,000	995,000	1,015,000	1,035,000	1,065,000
OTHER STREETS & DOWNTOWN	193,970	221,731	189,730	255,413	261,512	267,991	274,646	281,501
SIDEWALK MAINTENANCE	49,157	38,877	51,124	50,549	52,555	54,651	56,839	59,126
DRAINAGE MAINTENANCE	204,717	157,172	211,406	212,476	218,758	225,302	232,116	239,217
STREET CLEANING	167,985	168,200	174,703	193,249	200,413	207,884	215,677	223,810
SNOW CONTROL & REMOVAL	410,011	322,557	426,411	380,259	394,985	410,364	426,421	443,193
LANDSCAPE & WEED CONTROL	81,660	77,187	84,110	143,457	147,400	151,267	155,250	159,353
TRAFFIC SIGNAGE & CONTROLS	213,731	196,291	222,281	211,800	220,244	229,068	238,285	247,922
ON STREET PARKING OPERATION	224,341	281,846	195,644	208,178	207,186	208,444	209,742	211,079
STREET LIGHTING	365,514	372,507	380,135	377,012	394,660	413,167	432,570	452,921
TOTAL PUBLIC WORKS	4,106,507	3,894,502	4,070,903	4,421,070	4,329,159	4,438,648	4,551,814	4,678,853
OTHER OPERATING EXPENSES								
PUBLIC TRANSIT	1,560,850	1,505,313	1,607,046	1,635,000	1,875,000	1,935,000	2,200,000	2,255,000
PARKADE OPERATION	95,558	126,544	98,020	105,724	105,588	107,931	110,340	112,811
GARBAGE COLL./RECYCLING	1,090,925	1,121,266	1,123,654	1,159,127	1,195,172	1,231,429	1,266,627	1,304,525
CEMETERY EXPENSES	161,376	152,132	162,103	158,554	163,150	167,882	172,436	177,449
TOTAL OTHER OPERATING EXP.	2,908,709	2,905,255	2,990,823	3,058,405	3,338,910	3,442,242	3,749,403	3,849,785
TOTAL OPERATING EXPENDITURES	21,984,563	22,229,307	23,189,599	24,935,024	25,092,937	25,899,045	26,640,128	27,310,614

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	2005 APPROVED BUDGET	2005 UNAUDITED ACTUAL	2006 PROVISIONAL BUDGET	2006 APPROVED BUDGET	2007 PROV. BUDGET	2008 FINANCIAL PLAN	2009 FINANCIAL PLAN	2010 FINANCIAL PLAN
DEBT COSTS	4,185,659	4,008,463	4,593,327	4,015,952	3,895,611	3,926,893	3,928,706	4,103,099
BIA TRANSFER	263,015	262,987	276,165	276,165	289,973	304,472	319,696	335,680
TRANSFERS TO RESERVES								
PUBLIC WORKS RESERVE	75,000	1,067,309	75,000	75,000	75,000	75,000	75,000	150,000
BC GAS LILO RESERVE	276,034	244,727	276,034	276,034	276,034	212,539	150,631	90,271
RETIREMENT/SEV. RESERVE	200,000	0	150,000	0	0	0	0	0
EQUIPMENT RESERVE	300,000	400,000	375,000	375,000	375,000	380,000	380,000	390,000
FIRE EQUIPMENT RESERVE	290,000	290,000	296,900	290,000	296,900	301,638	306,471	311,400
OFF-STREET PARKING RES.	0	0	0	0	0	0	0	0
LAND SALE RES. FUND CONTR.	0	0	0	0	0	0	0	0
TRANSFER TO SEWER CAPITAL FUND	0	0	0	0	0	0	0	0
OTHER RESERVES	350,000	1,340,000	300,000	392,000	500,000	350,000	350,000	200,000
CAPITAL EXPENDITURES FROM CURRENT FUNDS								
CITY HALL	383,509	538,046	400,000	649,193	400,000	400,000	425,000	450,000
LIBRARY FURNISHINGS					0	500,000	0	0
PROTECTIVE SERVICES	53,437	63,197	65,000	80,500	65,000	685,000	350,000	650,000
PUBLIC WORKS	2,449,750	2,704,890	2,980,000	3,266,160	2,780,000	2,445,000	2,500,000	2,550,000
CYCLING/PATH NETWORK				200,000	200,000	200,000	200,000	200,000
GAS TAX INFRASTRUCTURE WORKS	0	0	0	1,217,200	500,000	1,000,000	1,300,000	1,350,000
CEMETERY	0	0	0	0	0	75,000	75,000	75,000
VEHICLES AND EQUIPMENT	409,500	275,708	350,000	275,000	350,000	300,000	330,000	340,000
TOTAL FISCAL EXPENDITURES	9,235,904	11,195,327	10,137,426	11,388,204	10,003,518	11,155,542	10,690,503	11,195,450
TOTAL CITY EXPENDITURES	31,220,467	33,424,634	33,327,025	36,323,228	35,096,455	37,054,587	37,330,631	38,506,064
COLLECTIONS FOR OTHER GOV.	24,862,362	25,096,825	24,700,650	25,910,900	26,380,900	27,190,900	28,500,900	29,830,900
TOTAL EXPENDITURES	\$56,082,829	\$58,521,459	\$58,027,675	\$62,234,128	\$61,477,355	\$64,245,487	\$65,831,531	\$68,336,964
NET SURPLUS (LOSS)	\$5,893	\$46,739	\$1,309	\$3,128	\$232	\$1,396	\$995	\$54
OVERALL TAX INCREASE	1.80%		2.46%	1.46%	3.69%	2.75%	2.73%	2.62%

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# CITY OF VERNON - SANITARY SEWER FUND 2006 FINANCIAL PLAN

	2004		2005		2006		2007		2008		2009		2010	
	ACTUAL	APPROVED BUDGET	ACTUAL	PROVISIONAL BUDGET	APPROVED BUDGET	PROVISIONAL BUDGET	BUDGET	PROVISIONAL BUDGET	FINANCIAL PLAN	FINANCIAL PLAN	FINANCIAL PLAN	FINANCIAL PLAN	FINANCIAL PLAN	FINANCIAL PLAN
<b>REVENUES</b>														
SALES OF SERVICE														
USER CHARGES	6,491,690	6,603,989	7,183,592	7,373,829	7,374,875	8,078,782	8,078,782	8,801,358	9,353,971	9,679,811				
USER DISCOUNTS/INTEREST EARNED	(263,262)	16,510	23,015	18,435	18,437	20,197	22,003	22,003	23,385	24,200				
PROPOSED RATE INCREASE	0	590,000	0	1,026,000	530,000	550,000	550,000	560,000	250,000	255,000				
MUNICIPAL USE	3,933	5,730	1,311	5,902	5,902	6,079	6,079	6,079	6,079	6,251				
CROP/EFFLUENT SALES	55,391	67,634	73,349	68,310	68,310	68,993	68,993	69,683	70,380	73,084				
<b>TOTAL SALES OF SERVICES</b>	<b>6,287,742</b>	<b>7,283,863</b>	<b>7,281,267</b>	<b>8,486,476</b>	<b>7,997,524</b>	<b>8,724,051</b>	<b>8,724,051</b>	<b>9,359,123</b>	<b>9,683,815</b>	<b>10,018,556</b>				
OTHER REVENUE														
SEWER CONNECTIONS	44,005	46,143	72,002	47,527	47,527	48,953	48,953	50,421	51,934	53,492				
COLDSTREAM CONTRACT	446,260	573,378	453,740	663,962	690,652	799,775	799,775	868,556	827,767	836,045				
INTEREST INCOME - MFA	19,289	24,375	19,115	25,471	25,471	26,617	26,617	27,815	29,067	30,375				
OTHER INCOME	19,257	2,151	2,840	2,215	2,215	2,281	2,281	2,350	2,420	2,493				
SEPTIC SITE FEES	142,364	155,571	111,618	160,238	160,238	0	0	0	0	0				
<b>TOTAL OTHER REVENUES</b>	<b>671,175</b>	<b>801,618</b>	<b>659,315</b>	<b>899,413</b>	<b>926,103</b>	<b>877,626</b>	<b>877,626</b>	<b>949,142</b>	<b>911,188</b>	<b>922,405</b>				
CONDITIONAL TRANSFERS														
SPECIFIED AREA TAX	259,320	100,072	199,184	100,072	100,072	100,072	100,072	0	0	0				
PROVINCIAL DEBT GRANT	35,129	21,000	27,866	0	0	0	0	0	0	0				
OBWB DEBT GRANT	193,122	190,000	26,949	215,000	60,000	145,000	145,000	145,000	145,000	145,000				
SPECIFIC GOVERNMENT GRANTS	0	0	0	0	0	0	0	0	0	0				
<b>TOTAL CONDITIONAL TRANSFERS</b>	<b>487,571</b>	<b>311,072</b>	<b>253,999</b>	<b>315,072</b>	<b>160,072</b>	<b>245,072</b>	<b>245,072</b>	<b>145,000</b>	<b>145,000</b>	<b>145,000</b>				
OTHER TRANSFERS														
TRANSFERS FROM RESERVES	80,000	1,065,000	0	1,415,000	2,920,000	600,000	600,000	100,000	100,000	125,000				
TRANSFERS FROM ACC. SURPLUS	0	0	0	400,000	0	0	0	0	0	0				
<b>TOTAL OTHER TRANSFERS</b>	<b>80,000</b>	<b>1,065,000</b>	<b>0</b>	<b>1,815,000</b>	<b>2,920,000</b>	<b>600,000</b>	<b>600,000</b>	<b>100,000</b>	<b>100,000</b>	<b>125,000</b>				
<b>TOTAL REVENUE</b>	<b>7,526,488</b>	<b>9,461,553</b>	<b>8,194,581</b>	<b>11,515,961</b>	<b>12,003,699</b>	<b>10,446,750</b>	<b>10,553,265</b>	<b>10,840,004</b>	<b>11,210,760</b>					
<b>EXPENDITURES</b>														
ADMINISTRATION														
ADMINISTRATION RECOVERIES	0	(5,050)	0	(5,101)	0	0	0	0	0	0				
COMMON SERVICES ALLOCATION	127,164	128,435	117,733	118,910	129,719	131,016	131,016	132,326	131,017	133,650				
INSURANCE	13,200	70,000	11,305	70,000	70,000	70,000	70,000	72,000	72,000	72,000				
<b>TOTAL ADMINISTRATION</b>	<b>140,364</b>	<b>193,385</b>	<b>129,038</b>	<b>183,809</b>	<b>199,719</b>	<b>201,016</b>	<b>201,016</b>	<b>204,326</b>	<b>203,017</b>	<b>205,650</b>				
SEWAGE COLLECTION														
MAINS MAINTENANCE	158,554	166,102	206,211	171,866	224,253	231,492	231,492	239,211	247,263	255,669				
BLOCKAGE REMOVAL	4,048	7,646	6,618	7,875	7,818	7,875	7,875	8,062	8,256	8,455				
SERVICES MAINTENANCE	85,793	121,735	48,666	125,389	90,381	93,224	93,224	96,075	99,067	102,204				
LIFT STATION MAINTENANCE	93,843	96,541	79,732	97,118	111,646	104,062	104,062	105,393	106,951	108,560				
SMALL TOOLS	6,848	0	6,606	0	0	0	0	0	0	0				

# CITY OF VERNON - SANITARY SEWER FUND 2006 FINANCIAL PLAN

	2004	2005	2005	2006	2006	2007	2008	2009	2010
	ACTUAL	APPROVED BUDGET	ACTUAL	PROVISIONAL BUDGET	APPROVED BUDGET	PROVISIONAL BUDGET	FINANCIAL PLAN	FINANCIAL PLAN	FINANCIAL PLAN
<b>LIFT STATION UTILITIES</b>	26,649	30,600	34,797	31,518	37,300	38,419	39,571	40,758	41,980
<b>COLDSTREAM METER</b>	5,753	8,252	5,162	8,501	8,449	8,669	8,900	9,142	9,397
<b>TOTAL SEWAGE COLLECTION</b>	<b>381,488</b>	<b>430,876</b>	<b>387,792</b>	<b>442,267</b>	<b>479,847</b>	<b>483,741</b>	<b>497,212</b>	<b>511,437</b>	<b>526,265</b>
<b>SEWAGE TREATMENT PLANT</b>									
ADMINISTRATION	48,535	9,500	21,999	9,690	9,548	9,834	10,129	10,433	10,746
OPERATION	185,671	70,750	324,231	72,165	286,109	294,692	303,533	312,639	322,018
MAINTENANCE	158,660	58,435	79,663	59,604	94,436	97,269	100,187	103,193	106,289
2005 START-UP COSTS			104,307						
BUILDING & GROUNDS MTCE.	19,781	16,080	26,655	16,402	44,333	43,518	44,473	45,463	46,477
EFFLUENT MONITORING	19,021	20,625	89,314	21,038	37,394	38,516	39,671	40,861	42,087
CHLORINATION	43,397	19,965	0	20,364	0	0	0	0	0
BIO-SOLIDS	111,262	202,000	443,169	206,040	431,156	444,091	457,413	471,136	485,270
TERTIARY TREATMENT	390	0	0	0	0	0	0	0	0
RV DISPOSAL SITE	846	0	217	0	0	0	0	0	0
PREDATOR RIDGE WWTP	11,150	11,250	10,568	11,250	6,538	0	0	0	0
UTILITIES	179,813	169,140	421,746	172,523	266,905	274,912	283,160	291,654	300,404
OVERTIME	14,434	9,789	8,801	9,789	14,438	14,438	14,438	14,438	14,438
SEWAGE REDUCTION PROGRAM	43,327		64,009						
COMMON SERVICES ALLOCATION	217,013	220,558	203,880	220,558	220,558	220,558	224,969	229,469	234,058
TRAINING		4,045	5,580	4,126	11,397	11,739	12,091	12,454	12,827
SALARIES	0	598,694	623,086	616,449	660,300	730,210	730,553	730,906	731,270
<b>TOTAL SEWAGE TREATMENT PLANT</b>	<b>1,053,300</b>	<b>1,410,831</b>	<b>2,427,225</b>	<b>1,439,998</b>	<b>2,083,112</b>	<b>2,179,777</b>	<b>2,220,617</b>	<b>2,262,646</b>	<b>2,305,884</b>
<b>SPRAY IRRIGATION FIELD OPERATION</b>									
ADMINISTRATION	45,563	3,550	9,971	4,621	3,000	3,090	3,183	3,278	3,377
OPERATION	113,620	68,805	64,543	70,181	66,526	68,521	70,577	72,694	74,875
EQUIPMENT MAINTENANCE	70,633	41,875	11,926	42,713	40,774	41,998	43,258	44,555	45,892
FIELD MAINTENANCE	8,460	24,500	8,513	24,990	25,615	26,383	27,175	27,990	28,830
OFFICE & COMPOUND	4,345	2,580	4,378	2,632	2,705	2,786	2,870	2,956	3,045
SOIL & WATER MONITORING	0	0	0	0	0	0	0	0	0
THORLAKSEN CONTRACT	19,220	21,420	0	21,848	0	0	0	0	0
POPLAR PROJECT	101	5,000	119	5,100	5,228	5,384	5,546	5,712	5,884
VEHICLE LEASES	10,086	0	8,125	6,120	0	0	0	0	0
NORD SEPTIC SITE	0	6,000	5,607	6,120	0	0	0	0	0
TRAINING	0	500	0	510	1,000	1,030	1,061	1,093	1,126
RESERVOIR MAINTENANCE	1,901	13,000	1,240	13,260	13,594	14,002	14,422	14,855	15,300
COMMON SERVICES ALLOCATION	324,216	302,940	256,647	261,780	308,999	315,179	321,483	327,912	334,470
SALARIES	0	146,426	117,872	149,354	146,760	144,647	145,064	145,494	145,936
<b>TOTAL WW FIELD OPERATION</b>	<b>598,145</b>	<b>636,596</b>	<b>488,941</b>	<b>603,109</b>	<b>614,201</b>	<b>623,020</b>	<b>634,639</b>	<b>646,539</b>	<b>658,735</b>

# CITY OF VERNON - SANITARY SEWER FUND 2006 FINANCIAL PLAN

	2005		2006		2006		2007		2008		2009		2010	
	ACTUAL	APPROVED BUDGET	ACTUAL	PROVISIONAL BUDGET	APPROVED BUDGET	PROVISIONAL BUDGET	APPROVED BUDGET	PROVISIONAL BUDGET	FINANCIAL PLAN	FINANCIAL PLAN	FINANCIAL PLAN	FINANCIAL PLAN	FINANCIAL PLAN	FINANCIAL PLAN
<b>PUMP SYSTEM</b>														
ADMINISTRATION	22,051	0	0	0	0	0	0	0	0	0	0	0	0	0
SALARIES	18,791	56,319	36,265	57,445	101,954	101,954	101,954	101,954	101,954	101,954	101,954	101,954	101,954	101,954
OPERATION	22,723	3,450	3,639	3,519	0	0	0	0	0	0	0	0	0	0
MAINTENANCE	281,747	96,750	22,814	98,685	96,205	99,092	99,092	99,092	102,064	105,126	105,126	108,280	108,280	108,280
ELECTRIC ENERGY	312	266,000	353,454	271,320	382,000	393,460	393,460	393,460	405,264	417,422	417,422	429,944	429,944	429,944
COMMUNICATION		12,000	1,559	12,240	8,869	9,135	9,135	9,135	9,409	9,692	9,692	9,983	9,983	9,983
<b>TOTAL PUMP SYSTEM OPERATION</b>	<b>345,624</b>	<b>434,519</b>	<b>417,731</b>	<b>443,209</b>	<b>589,028</b>	<b>603,641</b>	<b>603,641</b>	<b>603,641</b>	<b>618,691</b>	<b>634,194</b>	<b>634,194</b>	<b>650,161</b>	<b>650,161</b>	<b>650,161</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>2,518,921</b>	<b>3,106,207</b>	<b>3,850,727</b>	<b>3,112,392</b>	<b>3,965,907</b>	<b>4,091,195</b>	<b>4,091,195</b>	<b>4,175,485</b>	<b>4,257,833</b>	<b>4,346,695</b>	<b>4,346,695</b>	<b>4,346,695</b>	<b>4,346,695</b>	<b>4,346,695</b>
<b>FISCAL SERVICES</b>														
INTEREST ON DEBT	1,245,468	2,800,000	1,362,597	2,800,000	2,200,000	2,800,000	2,800,000	2,800,000	2,290,000	2,790,000	2,790,000	2,690,000	2,690,000	2,690,000
PRINCIPLE PAYMENTS	653,612	950,000	633,803	950,000	990,000	1,340,000	1,340,000	1,340,000	1,250,000	1,340,000	1,340,000	1,240,000	1,240,000	1,240,000
PAYMENT ON NEW DEBT	0	900,000	0	3,364,000	286,000	0	0	0	580,000	0	0	300,000	300,000	300,000
MFA DEBT RESERVE	19,289	24,375	19,115	25,471	25,471	26,617	26,617	26,617	27,815	29,067	29,067	30,375	30,375	30,375
LINE/EQUIPMENT REPLACEMENTS	659,182	1,283,541	1,591,110	750,000	1,496,800	1,450,000	1,450,000	1,450,000	1,550,000	1,600,000	1,600,000	1,750,000	1,750,000	1,750,000
OTHER CAPITAL	103,754	397,300	143,469	450,000	2,721,300	725,000	725,000	725,000	750,000	800,000	800,000	850,000	850,000	850,000
TRANSFERS TO RESERVE	2,260,800	0	550,000	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL FISCAL SERVICES</b>	<b>4,942,105</b>	<b>6,355,216</b>	<b>4,300,094</b>	<b>8,339,471</b>	<b>8,033,571</b>	<b>6,341,617</b>	<b>6,341,617</b>	<b>6,367,815</b>	<b>6,559,067</b>	<b>6,860,375</b>	<b>6,860,375</b>	<b>6,860,375</b>	<b>6,860,375</b>	<b>6,860,375</b>
<b>TOTAL EXPENDITURES</b>	<b>7,461,026</b>	<b>9,461,423</b>	<b>8,150,821</b>	<b>11,451,863</b>	<b>11,999,478</b>	<b>10,432,812</b>	<b>10,432,812</b>	<b>10,543,300</b>	<b>10,816,899</b>	<b>11,207,070</b>	<b>11,207,070</b>	<b>11,207,070</b>	<b>11,207,070</b>	<b>11,207,070</b>
<b>NET ANNUAL SURPLUS</b>	<b>65,462</b>	<b>130</b>	<b>43,760</b>	<b>64,097</b>	<b>4,221</b>	<b>13,937</b>	<b>13,937</b>	<b>9,965</b>	<b>23,104</b>	<b>3,691</b>	<b>3,691</b>	<b>3,691</b>	<b>3,691</b>	<b>3,691</b>
<b>RATE INCREASE PER 2006 FINANCIAL PLAN</b>				<b>13.8%</b>	<b>7.2%</b>	<b>6.8%</b>	<b>6.8%</b>	<b>5.2%</b>	<b>2.5%</b>	<b>2.4%</b>	<b>2.5%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>
<b>RATE INCREASE PER 2005 FINANCIAL PLAN</b>				<b>13.8%</b>	<b>13.8%</b>	<b>13.8%</b>	<b>13.8%</b>	<b>7.6%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>

CITY OF VERNON

OVERALL EFFECT OF TAX AND FEE CHANGES

2006 FINANCIAL PLAN

BASED ON AN "AVERAGE" RESIDENTIAL CITY PROPERTY

	2005 COST TO PROPERTY OWNER	2006 BUDGET INCREASE	ANTICIPATED 2006 COST	ADDITIONAL 2006 ANNUAL COST
<b>TAXATION</b>				
City general tax	\$ 655	1.46%	\$ 665	\$ 9.56
"Old" City fire protection tax	\$ 138	2.50%	\$ 141	\$ 3.45
<b>UTILITY COSTS</b>				
Sanitary Sewer	\$ 523	7.20%	\$ 561	\$ 37.66
Garbage collection	\$ 73	2.00%	\$ 74	\$ 1.46
Recycling	\$ 18	2.00%	\$ 18	\$ 0.36
<b>TOTAL CITY OF VERNON COSTS</b>	<b>\$ 1,407</b>	<b>3.73%</b>	<b>\$ 1,459</b>	<b>\$ 52.49</b>
<b>WATER UTILITY PROJECTION</b>	<b>\$ 500</b>	<b>5.00%</b>	<b>\$ 525</b>	<b>\$ 25.00</b>
<b>OVERALL COST TO TAXPAYER</b>	<b>\$ 1,907</b>	<b>4.06%</b>	<b>\$ 1,984</b>	<b>\$ 77.49</b>



THE CORPORATION OF THE CITY OF VERNON

**INTERNAL MEMORANDUM**

**TO:** Mayor and all Councillors  
**PC:**  
**FROM:** Manager Finance  
**SUBJECT:** 2006 SANITARY SEWER USER RATES – BYLAW #5007

**FILE:**  
**DATE:** March 7, 2006

The 2006 Financial Plan provided for a 7.2% increase in the sewer utility rates for 2006. In order to enact this change Council is being presented with Bylaw #5007 for first, second and third readings with adoption planned for the meeting of March 27, 2006.

The new rates will be implemented with the billings for the first quarter of 2006 which are scheduled to be mailed by April 19, 2006.

In summary the changes are as follows:

	<u>EXISTING</u>	<u>NEW</u>
Base residential rate	\$ 42.60	\$ 45.60
Residential consumption charge (per cubic meter in excess of 20 cubic meters)	\$ 2.13	\$ 2.28
Non-metered residential flat charge	\$ 61.19	\$ 65.60
Commercial non-metered flat rate	\$108.54	\$116.35

In addition the outside City limits charge of \$652.80 is being increased by the proposed 2006 average tax increase of 1.46% resulting in a 2006 charge of \$662.30.

The bylaw combines the previous multi-family rate section with the residential rate section as the two are billed on the residential basis.

The bylaw also provides for the implementation of the residential consumption charge on the actual consumption for the first quarter billing period. In prior years the first quarter consumption was not used for the sewer billing until the second billings for the year.

B. H. Fehrmann



THE CORPORATION OF THE CITY OF VERNON

**INTERNAL MEMORANDUM**

**TO:** Mayor and all Councillors  
**PC:**  
**FROM:** Manager Finance  
**SUBJECT:** 2006 GARBAGE COLLECTION AND RECYCLING USER RATES

**FILE:**  
**DATE:** March 7, 2006

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The 2006 Financial Plan provided for a 2.0% increase in the garbage and recycling rates for 2006. In order to enact this change Council is being presented with Bylaw #5008 for first, second and third readings with adoption planned for the meeting of March 27, 2006.

The new rates will be implemented with the billings for the first quarter of 2006 which are scheduled to be mailed by April 19, 2006.

In summary the changes to the quarterly rates are as follows:

	EXISTING	NEW
Garbage residential rate	\$ 18.15	\$ 18.52
Recycling residential rate	\$ 4.40	\$ 4.50
Commercial loose pick-up rate	\$ 71.00	\$ 72.40

B. H. Fehrmann



THE CORPORATION OF THE CITY OF VERNON

**MEMORANDUM**

**TO:** Mayor and all Councillors  
**FROM:** Manager Finance  
**DATE:** February 24, 2006  
**SUBJECT:** 2006 Budget – School tax and Homeowner Grant announcements

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As part of the Provincial Government budget, the Province has announced that the annual homeowner grant is being increased by \$100.00 for the regular grant and the senior's/disability grant.

The budget also made an announcement regarding the school tax for 2006. According to the UBCM circular, the school tax is to be set to provide for a 2% increase.

Based on this information an estimate of an average taxpayer's total tax has been made as shown on the attached calculation. Please understand that this is an estimate only as not all jurisdictions have set the tax requirement for 2006.

However, based upon the assumptions made to arrive at the individual amounts, it is clear that, for an average taxpayer, the net amount that they will pay in 2006 will likely be less than that paid in 2005.

Individual taxpayers will likely have a tax effect different than the average based upon their individual assessment increase. The average residential assessment increase for 2006 is approximately 18%.

Those residential properties not eligible for a homeowner grant and all commercial properties will not receive the benefit of the change in homeowner grants provided by the Provincial Government.

Signed:

B. H. Fehrmann

CITY OF VERNON

EXAMPLE OF PROPERTY TAX ON AN AVERAGE RESIDENTIAL PROPERTY

JURISDICTION	2006 ESTIMATED TAX	2005 ON SAME PROPERTY	DOLLAR INCREASE 2006/2005	PERCENT INCREASE 2006/05
CITY GENERAL LEVY	\$664.47	\$654.91	\$9.56	1.5%
SCHOOL	687.66	674.18	\$13.48	2.0%
HOSPITAL	40.68	39.89	\$0.80	2.0%
LIBRARY	50.86	49.38	\$1.48	3.0%
ASSESSMENT AUTHORITY	17.36	17.36	\$0.00	0.0%
FINANCE AUTHORITY	0.04	0.04	\$0.00	0.0%
REGIONAL DISTRICT				
RATE 1 (STERILE INSECT PROGRAM)	10.45	10.45	\$0.00	0.0%
RATE 2 (GVPRD & NEW FACILITIES)	327.11	311.53	\$15.58	5.0%
RATE 3 (ALL OTHER SERVICES)	62.95	61.72	\$1.23	2.0%
TOTAL REGIONAL DISTRICT	400.51	383.70	\$16.81	4.4%
OVERALL TOTAL TAX - Excluding Specified area charges	\$1,861.59	\$1,819.45	\$42.14	2.3%
Fire Protection - "Old City"	\$141.91	\$138.45	\$3.46	2.5%
Gross Taxes	\$2,003.50	\$1,957.90	\$45.60	2.3%
Regular Homeowner Grant	\$ 570.00	\$ 470.00	\$100.00	21.3%
Net tax Payable	<b>\$ 1,433.50</b>	<b>\$ 1,487.90</b>	<b>\$ (54.40)</b>	<b>-3.7%</b>
Seniors/disabled grant	\$845.00	\$745.00	\$100.00	13.4%
Net tax payable - seniors/disabled	<b>\$ 1,158.50</b>	<b>\$ 1,212.90</b>	<b>\$ (54.40)</b>	<b>-4.5%</b>

Please note that these calculations are estimates only for 2006

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