

CITY OF VERNON

— 2019 —

ANNUAL
REPORT

Fiscal Year Ended
December 31, 2019
Vernon, British Columbia



2019 ANNUAL REPORT

For the Fiscal Year Ended December 31, 2019 | Vernon, British Columbia



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**City of Vernon
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2018

Christopher P. Morrell

Executive Director/CEO

Prepared and submitted by: Financial Services | City of Vernon

CITY HALL | 3400 30 STREET | VERNON BC, V1T 5E6 | TEL 250-545-1361 | FAX 250-545-7876 | www.vernon.ca

INTRODUCTORY SECTION

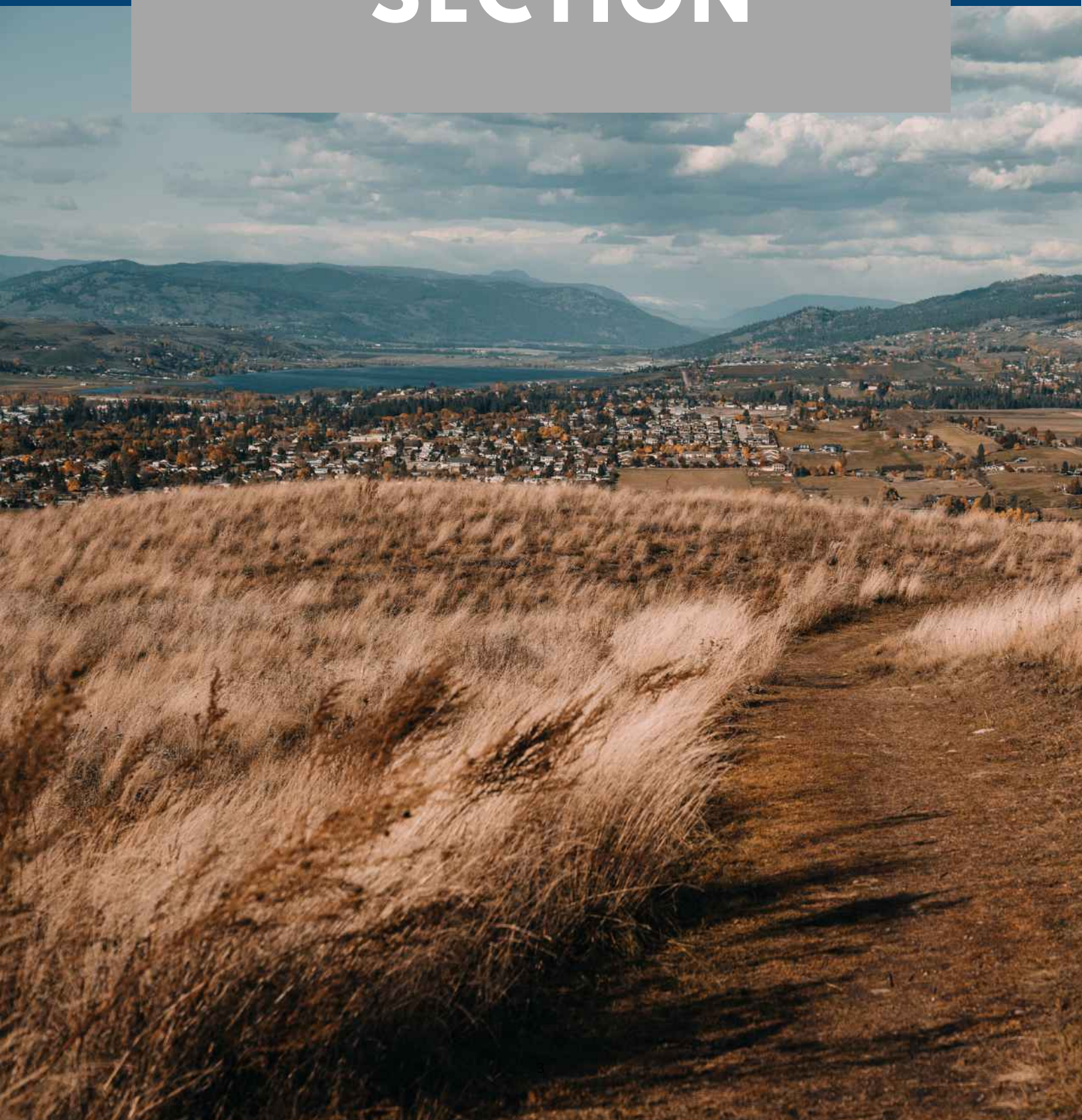


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VERNON CITY COUNCIL



Mayor Victor Cumming

mayor@vernon.ca

Mayor Cumming is involved in the following committees:

- Audit Committee
- Biosolids Advisory Committee
- Economic Development
- Emergency Measures Policy/ Planning
- Finance and Tax Review Panel
- Greater Vernon Advisory Committee
- North Okanagan Regional District
- Okanagan Basin Water Board
- Columbia Shuswap North Okanagan Regional Hospital Board
- Drought Response Team
- Fire Training Centre – Policy Board
- OKIB/ First Nations Liaison
- Ribbons of Green Trail Committee



Councillor Scott Anderson

sanderson@vernon.ca

Councillor Anderson is involved in the following committees:

- Biosolids Advisory Committee
- Canada Day Committee
- Liquid Waste Management Plan Public Advisory Committee
- Municipal Insurance Association
- O'Keefe Ranch and Historical Society



Councillor Kari Gares

kgares@vernon.ca

Councillor Gares is involved in the following committees:

- Affordable Housing Advisory Committee
- Audit Committee
- Finance and Tax Role Review Panel
- Arts Council of North Okanagan
- Chamber of Commerce Liaison
- North Okanagan Regional Library
- Regional Growth Management Committee
- School District No. 22 – Revenue Generation/ Service Efficiency Review Committee
- Vernon Winter Carnival Liaison



Councillor Kelly Fehr

kfehr@vernon.ca

Councillor Fehr is involved in the following committees:

- Affordable Housing Advisory Committee
- Greater Vernon Advisory Committee
- North Okanagan Regional Advisory Committee (Okanagan College)



Councillor Dalvir Nahal

dnahal@vernon.ca

Councillor Nahal is involved in the following committees:

- North Okanagan Regional District
- Columbia Shuswap North Okanagan Regional Hospital Board
- Tourism Advisory Committee
- Arts Council of North Okanagan
- Regional Agricultural Advisory Committee



Councillor Akbal Mund

amund@vernon.ca

Councillor Mund is involved in the following committees:

- Advisory Planning Committee
- Audit Committee
- Finance and Tax Role Review Panel
- Greater Vernon Advisory Committee
- North Okanagan Regional District
- Columbia Shuswap North Okanagan Regional Hospital Board
- CEDI Working Group
- Funtastic Sports Society Liaison
- Kelowna Airport Committee



Councillor Brian Quiring

bquiring@vernon.ca

Councillor Quiring is involved in the following committees:

- Climate Action Advisory Committee
- North Okanagan Regional District
- Columbia Shuswap North Okanagan Regional Hospital Board
- Climate Action Task Force
- Downtown Vernon Association



MISSION STATEMENT

To deliver effective and efficient, local government services that benefit our citizens, our businesses, our environment and our future.



MESSAGE FROM THE MAYOR

May 31, 2020



On behalf of Council, it is my pleasure to present to you the 2019 Annual Report. A new Council was elected in late October 2018, and promptly reviewed and approved the 2019 Budget. Reflected here is the quality work of the new Council and the previous one, as most of these accomplishments are years in the making.

You will see in this report many solid trends and accomplishments realized during 2019. There were small to large visual projects designed to improve the quality of Vernon, e.g. short connector sidewalks, a new downtown public washroom, segregated walk and cycle paths along 15th Street from Highway 6 to Vernon Senior Secondary, opening of Hurlburt and Lakeshore Parks on Okanagan Lake, lake access at Beachcomber Bay, separating the dog (now off-leash possible) and walking areas from the sports fields at Marshall Fields with fencing, new walking trails and roads resurfaced in the City. There were many – not so visual – completions of rebuilt water lines, sewer lines and stormwater drainage systems that are critical to minimizing emergency maintenance and reinvestment in the life of our underground systems. Completed capital works projects exceeded \$7.5 million.

Our community continues to grow in population and even quicker in residential dwellings. Residential construction activity continues to surpass previous years with \$91.1 million in building permits creating 458 new residential units during the year. These units spanned the spectrum from much needed fully subsidized social housing to large single family dwellings in resort style areas, providing supply in all segments including purpose built rental apartments. Major projects include the Creekview Heights (216 units), Diamond Way duplexes at Predator Ridge (18 units), townhouses at Middleton Mountain (25 units), duplexes at Silver Pine Estates (12 units), and townhouses at Okanagan Ridge (16 units). Housing projects, approved earlier, opened in 2019 including The Hub (57 units), Rockwood Landing (60 units), and My Place (52 units) bringing much needed supply onto the market. Commercial and industrial development was led by the new Best Western Premier hotel started in 2019 (116 rooms) and the indoor cannabis production facility on Kosmina Rd. The Municipal Regional District Tax (MRDT) provided marketing funds based on hotel room revenue was up again in 2019 over previous years, generating over \$1 million based on overnight accommodation stays. Council dealt with 21 cannabis retail applications, as it became legal, with 6 retail operations opening during the year. Clearly the private sector, with total issued building permit values of \$126.5 million, continues to see the advantage of investing in, and operating businesses in Vernon.

Through the efforts of all City staff, we were able to continue our success in achieving the Certificate of Recognition through WorkSafe BC and the BC Municipal Safety Association. The monies realized from this program are utilized to encourage safety in the workplace and provide additional health and safety tools for City staff. Also, our Finance staff were presented with the 2019 Distinguished Budget Presentation and 2018 Financial Reporting awards once again. The City has also continued the process of finding ways to decrease its greenhouse gas emissions with our awarding winning acquisition of electric bikes for staff, another electric vehicle added to the City fleet and a heating system upgrade servicing City Hall, Community Services Building, Museum and RCMP buildings. Our Climate Action Plan is in full development with numerous actions planned for 2020 and 2021. The plan will be completed later in 2020. The City has been successful in many other ways, including Bylaw and RCMP being more visible in the downtown core, a successful compost diversion pilot and increasing public transit assisted by the opening of a new transit exchange at the Village Green Mall.

Council continues to move forward with its 2019-2022 Strategic Plan, while remaining responsive to its citizens, businesses and community leaders. I thank staff on another year of hard work, dedication, commitment to our community and successful operations and strategic direction.

A handwritten signature in black ink that reads "Victor L. Cumming". The signature is stylized with a large, sweeping 'V' and a cursive 'L'.

Victor Cumming
Mayor

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

May 31, 2020



An urban municipality in British Columbia has a relatively small number of required core responsibilities that are key to a City's success.... or failure. The provision of a safe urban environment through police, fire and bylaw resources; the planning, design, construction and maintenance of a road and transportation network; the provision of storm water systems, the provision of safe potable water and the collection and treatment of wastewater. Beyond these, the residents of most urban municipalities expect a range of recreation and wellness opportunities through pools, arenas, parks, playgrounds and sport facilities. Most residents would expect responsible planning and development leadership such that urban neighbourhoods are attractive, cohesive and complimentary.... that residential areas provide a range of housing forms, that commercial areas are grouped and accessible, that business and industrial areas are sufficient and well serviced to attract and support local employment and investment.

It is a reasonable expectation of residents and businesses that the assets of the City, collectively owned by the taxpayers, are managed in a manner that is cost effective, are functional and are safe. And ultimately, that the City is in a sound financial position to deliver to these expectations now, and into the foreseeable future.

The City of Vernon has focused on these roles and responsibilities over the last eight years, building the means to deliver core services, to construct and reinvest in our fundamental infrastructure, to respond to the reasonable expectations of our residents and businesses.

The Infrastructure Investment Program has positioned the City so there are reliable, sufficient resources to rebuild and maintain roads, public buildings, parks, storm and sewer systems. The City is well positioned to access senior government grant programs, when available, to maximize the impact of local tax dollars.

This does not mean there are no potholes. It does mean that as a road approaches the end of its useful lifecycle, it can be and will be repaired. It means that wise reinvestment maximizes the useful life of public buildings, our parks and recreation facilities. After eight focused years, the City is in a sound financial position. The consolidated financial statements and the independent auditors' report speak to this. The City is well prepared to manage public assets and services, as well as dealing with unforeseeable events.... not the least of which is a global pandemic.

The City has had many successes in 2019. The Mayor's letter within the Annual Report speaks to some of these. The Chief Financial Officer, Ms. Debra Law, speaks to the sound financial position and wise fiscal management policy direction of Council.

A handwritten signature in blue ink, appearing to read 'Will Pearce'.

Will Pearce
Chief Administrative Officer

MESSAGE FROM THE CHIEF FINANCIAL OFFICER

May 31, 2020



I am pleased to present the City of Vernon's Annual Report for the year ended December 31, 2019. This report contains the 2019 audited consolidated financial statements and an update of the City's goals and objectives, pursuant to Section 98 and 167 of the *Community Charter*.

The City's 2018 Annual Report was recognized with the Canadian Award for Financial Reporting by the Government Finance Officers Association for the tenth year in a row. Through the efforts of all staff during the past 10 years, the City has achieved international recognition for financial reporting that reflects a commitment to accountability and transparency. The 2019 Annual Report will also be submitted for this award to provide Council and the public with assurance that we continue to meet these international standards.

The City continued to strengthen its net financial position in 2019 as its net financial assets reached \$69.2 (2018 - \$49.2M) and cash and investments increased to \$105.9 (2018 - \$84.1M). After 2020, the City's only outstanding debt will be related to its sewer treatment plant. The City invested \$12.5M in tangible capital assets which exceeded the cost of amortization by \$1.1M, (2018 - \$4.6M), resulting in a net increase in total tangible capital assets. The equipment under capital lease agreement expired in 2019 and resulted in the City receiving a termination payment of \$13.0M, representing the asset's net book value.

Revenues for 2019 totalled \$89.1M (2018 - \$94.3M) and expenses totalled \$81.3M (2018 - \$82.1M). Overall, most revenues remained stable. The decrease in government transfer revenue and Recreation expenses is due to the completion of the Kal Tire Place expansion. The federal government paid the City an additional Community Works federal gas tax grant in 2019 which equaled the regular annual grant. These funds have been set aside for future capital projects. While the City did well with its investment strategy in 2019, reductions in debt resulted in reduced actuarial revenues. Developer contributions of assets were less than budgeted, but are directly related to the progress of capital projects.

Some actual expenses exceed budgeted expenses. In some areas, unbudgeted revenues were received, such as the Airport and Sanitary Sewer. In other areas, the additional expenses represent projects that were funded by reserves. In limited circumstances, Administration has recognized the need to overspend in one function, but have underspent in another to ensure the City did not exceed its authority to spend.

Reserves increased overall to \$77.5M (2018 - \$60.0M). Of this balance, \$36.0M (2018 - \$33.5M) is committed to fund projects to be completed in 2020. The existence of unspent budgets at the end of the year and uncommitted reserves will assist the City in addressing the challenges presented in 2020 related to the COVID-19 pandemic. While funds are available for the initial response, the City is not in a position to fund revenue deficits for an extended period of time.

The Statistical section of the Annual Report shows a five year comparison of several key measurements utilized by the City to determine its financial health. Net Financial Assets and Debt Capacity continue to move in a positive direction. Property Assessment Values are growing as a result of a desire to live in our beautiful community and the building activity shown in the Building Permits graphs. Council continues to be committed to a 1.9% infrastructure tax levy which is ensuring the City's infrastructure will be available to residents well into the future.

There are also schedules showing the Taxes Levied for Other Agencies, Number of Employees, Property Assessment Values and Principal Corporate Taxpayers. I encourage Council and the public to review these pages to see the City's positive five year trends in some of these key areas. All trends indicate the City is in a healthy, financially stable condition as of December 31, 2019.

A handwritten signature in dark ink, appearing to read 'Debra Law'.

Debra Law, CPA, CMA
Director Financial Services
Chief Financial Officer

Revenue Policy Targets and Results 2019

The following revenue targets were adopted under the 2019-2023 Financial Plan and are shown with their actual results:

Measure	2019 Target	2019 Actual
Business to Residential Property Tax Rate Ratio	3.20 to 1	2.85 to 1
Taxation Levy Increase for Infrastructure Projects	1.9%	1.9%
Taxation as a Proportion of Total Revenue	46.2%	47.5%
Service Fees as a Proportion of Total Revenue	30.7%	29.9%
Other Revenue as a Proportion of Total Revenue	23.1%	22.6%
Specified Area Parcel Taxes as a Proportion of Total Revenue	Less than 1%	Less than 1%

Capital Asset Deficit 2019*

(in \$1,000's)

Asset Category	Capital Investment	Annual Amortization	Capital Asset Surplus/ (Deficit)	Net Book Value of Disposals	Decrease in Depreciable Assets
BUILDINGS	\$ 2,241	\$ (1,671)	\$ 570	\$ (8)	\$ 562
VEHICLES	2,501	(638)	1,863	(5)	1,858
MISCELLANEOUS EQUIPMENT	680	(175)	505	-	505
INFORMATION TECHNOLOGY	465	(188)	277	(18)	259
TRANSPORTATION INFRASTRUCTURE	6,129	(5,575)	554	(192)	362
STORM SEWER INFRASTRUCTURE	(420)	(1,057)	(1,477)	(61)	(1,538)
SANITARY SEWER INFRASTRUCTURE	(745)	(1,289)	(2,034)	(29)	(2,063)
IRRIGATION WATER INFRASTRUCTURE	-	(106)	(106)	-	(106)
NATURAL GAS SYSTEM LEASE	-	(722)	(722)	(13,009)	(13,731)
	\$ 10,851	\$ (11,421)	\$ (570)	\$ (13,322)	\$ (13,892)

*Amounts are shown on the basis of historical cost and do not represent replacement values.

CONNECT WITH US

The City of Vernon's goal is to use open, two-way communication to purposefully engage with our residents, businesses, stakeholders and visitors. We use a variety of online and offline tools to provide up-to-date information and engagement opportunities to stay connected with you - our valued citizens.

City of Vernon

City Hall: 3400 - 30th Street, Vernon, BC V1T 5E6
250-545-1361 | Vernon.ca

Emergency contacts

RCMP Emergency: 911
Vernon Fire Rescue: 911
Bylaw Compliance: 250-550-3505
City Utility Emergencies - Weekdays: 250-549-6757
City Utility Emergencies - After hours: 250-542-5361

Council Meetings

City of Vernon Council meetings are held twice a month (except for July and August, when meetings are held once monthly) in Council Chambers at City Hall. Council meetings are a great way to learn more about what is taking place in your community. Council meetings and Public Hearings are video recorded and posted to our website at Vernon.ca/council-agendas.

Engage Vernon

Activate your voice! One of Council's strategic priorities is to increase public participation in the development of City strategies and plans. You can be part of the process by visiting the City's online engagement hub: EngageVernon.ca.

Community Calendar

The Greater Vernon area is buzzing with activity and new things to try every day. Check out the City's community events calendar on our website to learn about activities taking place in Vernon and the surrounding area.

Council Advisory Committees

The primary role of an Advisory Committee is to provide advice, recommendations and a community perspective on municipal initiatives and programs. Learn more about committees, and how to get involved, by visiting Vernon.ca/council-committees.



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linkedin.com/company/cityofvernon





COMMUNITY PROFILE

Make our story a part of your story. There is more than enough here to share. In the spring, you'll find fields and valleys bursting with blooms. Summer is the time to enjoy our warm and inviting lakes. In the fall, experience a harvest season like no other. In the winter, take home tales of champagne powder snow and horse drawn sleighs. We have activities for all seasons!

Get outdoors and breathe in the fresh Okanagan air as the sun kisses your cheeks. No matter what the season, there's something to do outdoors in Vernon.



COMMUNITY PROFILE

Bring your bike, or rent one and enjoy our separated bike lanes. Cycle along 30th Street from City Hall to Highway 6. These lanes connect Downtown Vernon to Polson Park. You can continue on from there to Kalamalka Lake Road.

If golf is more to your liking, then get out on a course and perfect your swing. In the warmer months, grasp the importance of 'me time' while exploring one of our lakes in your kayak or canoe. Test your balance on a standup paddleboard and investigate the wonders of our coves and inlets.

The fish are usually biting here, so grab your licence and your gear, and head out to some of the best fishing spots in BC.

Once the snow flies, it's time to strap on the skis, snowboard or snowshoes and explore.

There's nothing like a day on the lake to make life all the sweeter. Come and enjoy the rush of the wind in your hair and feel your adrenaline pump as you waterski or wakeboard on Okanagan Lake. Experience bouncing across the surface on an inner tube or try wake surfing as you whisk across the lake. Bring your own boat, or rent one. We have everything you need here from boats to skis and life jackets.





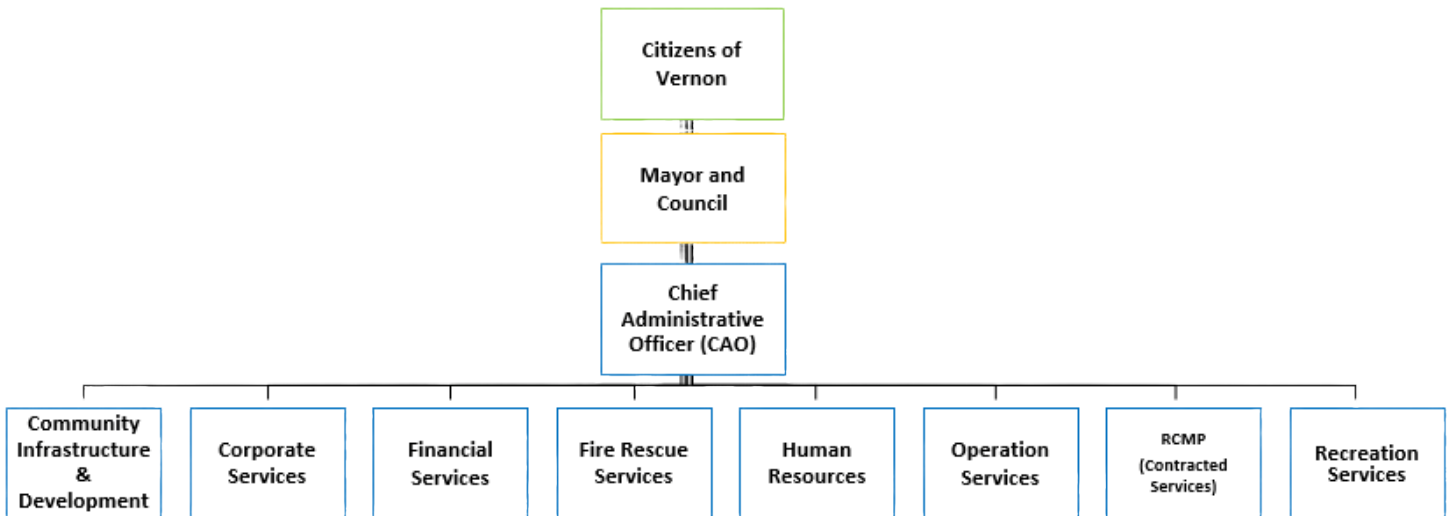
COMMUNITY PROFILE

For something a little more laid back, hop in a canoe or kayak and explore our many coves and inlets.

Nestled on the northeastern shore of Okanagan Lake, Ellison Provincial Park has 220 ha (543 ac) of forested benchlands above a rocky shoreline of scenic headlands and sheltered coves with three beaches. This is where you'll find the only marine dive park in the Okanagan for snorkelling and scuba diving. Come and delve into the secret underwater world of Okanagan Lake. You might even get a glimpse of the Ogopogo, Okanagan Lake's elusive lake monster.

Get in some quiet time at Swan Lake. It's a shallower and quieter lake for those who love a nature hike. The surrounding wetlands have some of the best bird watching in BC. It's a breeding, nesting, and migration haven for ducks, waterfowl, marsh birds and more. Don't be surprised if you see American White Pelicans and Trumpeter Swans in the spring and fall.

ORGANIZATIONAL STRUCTURE



Will Pearce
Chief Administrative Officer
wpearce@vernon.ca



Shawna Baher, Superintendent
RCMP
shawna.baher@rcmp-grc.gc.ca



Patti Bridal, Director
Corporate Services
pbridal@vernon.ca



Kim Flick, Director
Community Infrastructure & Development
kflick@vernon.ca



Debra Law, Director
Financial Services
dlaw@vernon.ca



David Lind, Fire Chief
Fire Rescue Services
dlind@vernon.ca



Raeleen Manjak, Director
Human Resources
rmanjak@vernon.ca



Chris Ovens, Acting Director
Operation Services
covens@vernon.ca



Doug Ross, Director
Recreation Services
dross@vernon.ca

SERVICES PROVIDED TO RESIDENTS

- Collection authority for other taxing jurisdictions
- Airport operation
- Boulevard and other landscape maintenance
- Building approval and inspection
- Bylaw compliance
- Cemetery operation
- Drainage system maintenance
- Economic development
- Emergency preparedness planning and co-ordination
- Engineering services
- Environmental protection services
- Fire rescue protection
- Garbage and yard recycling services
- Legislative (adoption of bylaws; approval of development permits; adoption of corporate policies and procedures)



- Parking control and parkade operation
- Parks maintenance and operation
- Planning services
- Policing
- Public transit, including HandiDart operation
- Recreation programs and facilities operation and maintenance
- Safeguarding of assets
- Sanitary sewer collection system operation, maintenance and construction
- Street lighting
- Street, sidewalk, and lane maintenance, construction and reconstruction
- Tourism
- Traffic signal operation
- Water systems operation on behalf of the Regional District of North Okanagan

COUNCIL'S STRATEGIC PLAN 2019 – 2022

SUMMARY of Strategic Priorities, Actions and Measures of Success

The following table summarizes all the required actions identified in the Strategic Plan.

Strategic Priority Area	Actions Required to Achieve Vision	How We Measure Success
Recreation, Parks & Open Space	<ul style="list-style-type: none"> • Complete Recreation Feasibility Study • Commence construction of priority recreation facilities at Kin Park • Complete Polson Park Master Plan • Commence priority Polson Park projects • Develop and implement a strategy for acquisition of hilltop parks • Develop a minimum of one lake access site per year 	<ul style="list-style-type: none"> • Annual investment in Kin Park and Polson Park • Establishment of an off-leash dog park • Acquisition of natural park areas on mountaintops in acres • Number of lake access sites developed annually
Affordable & Attainable Housing	<ul style="list-style-type: none"> • Develop a comprehensive Vernon Housing Strategy • Continue to partner with BC Housing, not-for-profits and the development community on affordable housing, including the use of City-owned land • Review and streamline residential development approval process • Complete a Housing Needs Assessment to inform the Affordable and Attainable Housing Strategy and the next Official Community Plan review 	<ul style="list-style-type: none"> • Increased vacancy rate • Number of new units by type and neighbourhood • % of all homes within 500 m of active transportation, services and parks • Time to process a single family building permit and a multi family development permit
Vibrant Downtown	<ul style="list-style-type: none"> • Additional incentives to encourage redevelopment and upgrades to existing buildings • Increase events and amenities in the Downtown • Investigate the potential closure of 30th Avenue to vehicular traffic from 29th Street to 35th Street • Create parking for the Okanagan Rail Trail in the redevelopment of the Civic Arena site • Support economic development initiatives that attract skilled labour to the area • Identify and implement actions to address drug use, vagrancy and safety concerns, the role of Bylaw Compliance & increased RCMP presence • Evaluate and seek Council direction on the impact of retail cannabis stores Downtown • Promote the Okanagan Rail Trail through marketing, trail connections and other initiatives • Support the Folks on Spokes program and other clean up initiatives in the Downtown core 	<ul style="list-style-type: none"> • Annual investment in public events and amenities and event attendance • Private investment in new development and building upgrades • Number of calls for Bylaw Services • Number of new housing units in the City Centre, by type and value

Strategic Priority Area	Actions Required to Achieve Vision	How We Measure Success
Organization Priorities	<ul style="list-style-type: none"> • Increase public participation in the development of strategies and plans • Investigate new approaches to engage citizens (e.g. on-line platforms) • Investigate opportunities to enhance the transparency of decision making • Review application processes to ensure they are efficient as possible • Implement more on-line application types • Develop a learning and development framework for the organization • Develop a learning and development framework and coaching and mentoring programs for the organization • Support continued implementation of health and wellness initiatives • Investigate options to provide additional space for the RCMP • Prioritize staff recruitment 	<ul style="list-style-type: none"> • Number of people engaged in public participation annually • Number of processes reviewed annually • Number of new on-line applications annually and number received annually • Number of learning and development opportunities provided to/accessed by staff • Number of staff vacancies
Regional Relationships	<ul style="list-style-type: none"> • Continue and build upon CEDI partnership with OKIB • Improve communication/consultation with RDNO • Work with RDNO on the acquisition of natural parkland in the city • Obtain RDNO approval to consult with City staff on In Camera issues at RDNO 	<ul style="list-style-type: none"> • Number of activities between the City and OKIB annually • Acquisition of natural parkland in the City of Vernon by RDNO, in acres
Sustainability Priorities	<ul style="list-style-type: none"> • Investigate methods to increase recycling & alternatives to recycling, including an organics diversion plan • Support the provision of affordable childcare • Promote transit oriented mixed use development • Adopt a Climate Action Plan • Encourage initiatives to support green buildings, including the BC Energy Step Code • Update the Landscaping Standards Bylaw to require sustainable and Fire Smart landscaping • Identify ways to foster innovation in technology and manufacturing (business retention and expansion) • Continue to implement Fire Smart principles in the wildfire interface area and improve communication with residents throughout the year in addition to emergency events • Review and implement the Fire and Rescue Services Strategic Plan • Undertake drainage studies, risk and threat assessments and related bylaw amendments • Continued commitment to the development and implementation of asset management plans • During the next review of the Master Transportation Plan, revisit the highway bypass and explore alternatives to transit in low density areas • Support the extension of water along Eastside Road 	<ul style="list-style-type: none"> • Number of new residential units within walking distance of a transit stop • Number of new jobs in the technology and manufacturing sectors • Tonnage of organics and recycling diverted from the landfill, annually • Number of childcare spaces in the community, by age group • Tonnage of GHGe emitted annually, corporately and community-wide • Number of acres treated to reduce fuel load (wildlands/City lands)

Recreation, Parks and Natural Spaces

VISION

The comprehensive plan for the Kin Park lands is completed, informed by the Recreation Master Plan feasibility study and public participation. New recreation facilities are under development on the site. A new fenced off-leash dog park has just opened. The Polson Park Master Plan is complete and improvements are underway to better showcase the jewel of the Vernon urban parks system to the many residents and visitors that use the park and as a connection to the Okanagan Rail Trail. New natural area parks are being acquired at Turtle Mountain, Adventure Bay, the Foothills and the Commonage, supported by our regional partners where possible.

SPECIFIC GOALS

- Develop a comprehensive plan for the Kin Race Track lands: explore a recreation and/or aquatic centre and consider additional uses such as housing and commercial
- Develop a new multi purpose Recreation Centre
- Develop a fenced off leash dog park in the City
- A new playing surface for Kal Tire Place North
- Review and Update the Polson Park Master Plan
- Establish four new hilltop parks (Turtle Mountain, Adventure Bay, the Foothills (Jackass Mountain), Commonage Ridge)
- Develop a minimum of one lake access site per year
- Continued implementation of the Parks Master Plan
- Involve Electoral Areas B and C, Coldstream and the Okanagan Indian Band



ACTIONS REQUIRED

- Complete Recreation Feasibility Study
- Commence construction of priority recreation facilities at Kin Park
- Complete Polson Park Master Plan
- Commence construction of priority Polson Park projects
- Develop and implement a strategy for acquisition of hilltop parks
- Develop a minimum of one lake access site per year

HOW DO WE MEASURE SUCCESS?



Annual investment in
Kin Park and Polson Park



of Parks

Establish an off-leash
dog park



of Acres

Acquisition of mountaintop
natural park area in acres



of Sites

Number of lake access
sites developed annually

Affordable Housing

VISION

Finding affordable and attainable housing has gotten easier. The vacancy rate is up and there are new housing options available across the continuum. The City has partnered with BC Housing, local not-for-profits and the development community on new affordable rental units on City-owned land. A streamlined residential development approval process is helping private developers deliver new units more efficiently. New family housing options are provided close to services and active transportation routes, and upscale options are under development in the Downtown.



SPECIFIC GOALS

- Create accessible and attainable housing for families with annual income below \$70,000
- Develop a comprehensive Vernon Housing Strategy
- Develop affordable housing partnerships, including the use of City lands
- Streamline the residential development approval process

ACTIONS REQUIRED

- Develop a comprehensive Vernon Housing Strategy
- Continue to partner with BC Housing, not-for-profits and the development community on affordable housing, including the use of City-owned land
- Review and streamline the residential development approval process
- Complete a Housing Needs Assessment to inform the Affordable and Attainable Housing Implementation Strategy and the next Official Community Plan review

HOW DO WE MEASURE SUCCESS?



Increased
vacancy rate



of Units

Number of new units by
type and neighbourhood



% of all homes within 500m
of active transportation,
services and parks



of Days

Time to process a single family
building permit and a multi
family development permit

Vibrant Downtown

VISION

The Downtown is bustling with shoppers and employees enjoying the many outdoor patios, events and amenities. The new multi family units in the City Centre have increased the number of residents in the area, including families and more affluent residents. Crime has been trending down and the streets are free from litter and unwanted graffiti. New mixed use development is complemented by the investment business owners have taken in their buildings, all contributing to a vibrant Downtown. Fully connected into the Okanagan Rail Trail, the Downtown has seen a surge of new tourists enjoying our many restaurants, stores and amenities.



SPECIFIC GOALS

- Foster more residential development in the Downtown, including upscale options
- Implement additional incentives to encourage upgrades to existing buildings
- Increase the vibrancy of Downtown, including the provision of new amenities and events
- Investigate the potential closure of 30th Avenue to vehicular traffic from 29th Street to 35th Street
- Provide parking for the Okanagan Rail Trail in the Downtown core
- Focus development in the City Centre, including mixed use and multi family
- Address safety concerns including drug use, vagrancy, communicating role of Bylaw Services & increased RCMP presence
- Identify mechanisms to attract skilled labour to the area
- Cannabis retail stores in the Downtown shall have no ill effect
- Address sharps and Downtown cleanliness

ACTIONS REQUIRED

- Additional incentives to encourage redevelopment and upgrades to existing buildings
- Increase events and amenities in the Downtown
- Investigate the potential closure of 30th Avenue to vehicular traffic from 29th Street to 35th Street
- Create parking for the Okanagan Rail Trail in the redevelopment of the Civic Arena site
- Support economic development initiatives that attract skilled labour to the area
- Identify and implement actions to address drug use, vagrancy and safety concerns, the role of Bylaw Compliance and increased RCMP presence
- Evaluate and seek Council direction on the impact of retail cannabis stores in the Downtown
- Promote the Okanagan Rail Trail through marketing, trail connections and other initiatives
- Support the Folks on Spokes program and other clean up initiatives in the Downtown core

HOW DO WE MEASURE SUCCESS?



Annual investment in public events and amenities and event attendance



Private investment in new development and building upgrades



Number of calls for Bylaw Services and RCMP



Number of new housing units in the City Centre, by type and value

Organization Priorities

VISION

The City of Vernon is a customer focused organization. Decision making is increasingly transparent and accountable through the use of various tools, including those on-line. Citizens are offered lots of opportunities for participation in the development of strategies and plans. Application processes have been reviewed and streamlined where possible, including the increased use of on-line applications. Staff vacancies are at a minimum and learning and development are fostered across the organization to ensure that we have a capable and contemporary workforce.

SPECIFIC GOALS

- Enhance transparency of decision making, including the use of new or expanded tools and on-line platforms
- Increased public participation in decision making
- Streamline red tape to facilitate more development
- Implement more on-line applications
- Have a full staff complement
- Foster learning and development across the organization
- Look at options to provide additional space for the RCMP
- Cultivate and promote a respectful, diverse, and inclusive Corporate culture
- Continue the unwavering commitment to a safe and healthy work environment
- Optimize municipal wastewater services in support of community growth and economic development

ACTIONS REQUIRED

- Increase public participation in the development of strategies and plans
- Investigate new approaches to engage citizens (e.g. on-line platforms)
- Investigate opportunities to enhance the transparency of decision making
- Review application processes to ensure they are efficient as possible
- Implement on-line applications for more application types
- Develop a learning and development framework and coaching and mentoring programs for the organization
- Support continued implementation of health and wellness initiatives
- Investigate options to provide additional space for the RCMP
- Prioritize staff recruitment

HOW DO WE MEASURE SUCCESS?



Participants

Number of people engaged in public participation annually



Reviewed

Number of processes reviewed annually



On-line

Number of new on-line applications annually, and number received annually



L&D

Number of learning and development opportunities provided to/accessed by staff



Vacancies

Number of staff vacancies

Regional Relationships

VISION

Vernon residents believe their voice is better reflected in decisions by the Regional District of North Okanagan (RDNO) Board. Water issues are resolved to everyone's satisfaction and progress is made on issues of mutual concern. The new Cultural Centre is under construction in the downtown. Productive relationships support the acquisition of major natural areas. The City and the Okanagan Indian Band are continuing to build on the relationship established through the Community Economic Development Initiative.

SPECIFIC GOALS

- Take a stronger stand at RDNO on water issues, consultation, etc.
- Enhance relationships and improve communications with regional partners including the Okanagan Indian Band
- Support an amalgamation study if requested by at least one other partner
- Council able to consult with City staff on In Camera issues at the RDNO

ACTIONS REQUIRED

- Continue and build upon the CEDI partnership with the Okanagan Indian Band (OKIB)
- Improve communication and consultation with RDNO
- Work with RDNO on the acquisition of natural parkland in the city
- Obtain RDNO approval to consult with City staff on In Camera issues at the RDNO



HOW DO WE MEASURE SUCCESS?

Activities

Number of joint activities
between the City and
OKIB annually

Acres

Acquisition of natural parkland
in the City of Vernon by
RDNO, in acres

Sustainability Priorities

VISION

Vernon is promoting best practices in sustainable infrastructure, agriculture and landscaping, including updated bylaw standards. Fire Smart principles are utilized more widely in the city, reducing our risk of wildfires. Water is being extended down Eastside Road to better protect against fire in this area. Vernon residents have been trying out a pilot organics diversion plan while recycling options have been expanded. New childcare spaces are making it easier for families to find affordable options to meet their needs. Transit oriented housing and mixed use development is putting more households within walking distance of a transit stop. New jobs are being created, particularly in the technology and manufacturing sectors locally and regionally, to continue to diversify our employment base.

SPECIFIC GOALS

- Investigate methods to increase recycling and alternatives to recycling
- Implementation of an organics diversion plan
- Support the provision of affordable childcare
- Promote transit oriented housing and mixed use development
- Work towards a sustainable Vernon – environmentally, economically and socially
- Encourage sustainable infrastructure, agriculture and landscaping
- Be a leader in economic development
- Foster innovation in technology and manufacturing (business retention and expansion)
- Continue to implement Fire Smart principles in the wildfire interface area and improve communication with residents
- Address existing and pending stormwater issues
- Continued commitment to asset management
- During the next review of the Master Transportation Plan, revisit the highway bypass and explore alternatives to transit in low density areas
- Support the extension of water along Eastside Road



Sustainability Priorities Continued

ACTIONS REQUIRED

- Investigate methods to increase recycling and alternatives to recycling, including an organics diversion plan
- Support the provision of affordable childcare
- Promote transit oriented mixed use development
- Adopt and implement a Climate Action Plan and amend Official Community Plan accordingly
- Encourage green buildings, including the BC Energy Step Code
- Update the Landscaping Standards Bylaw to require sustainable and Fire Smart landscaping
- Identify ways to foster innovation in technology and manufacturing (business retention and expansion)
- Continue to implement Fire Smart principles in the wildfire interface area and improve communication with residents throughout the year in addition to emergency events
- Review and implement the Fire and Rescue Services Strategic Plan
- Undertake drainage studies, risk and threat assessments and related bylaw amendments
- Continued commitment to the development and implementation of asset management plans
- Revisit the highway bypass and explore alternatives to transit in low density areas in next Transportation Plan update
- Support the extension of water along Eastside Road



HOW DO WE MEASURE SUCCESS?

Units

Number of new residential units within walking distance of a transit stop

Jobs

New jobs in the technology and manufacturing sectors

Tonnes

Tonnage of organics and recycling diverted from the landfill, annually

Spaces

Number of childcare spaces in the community, by age group

Tonnes

Tonnage of GHGe emitted annually, corporately and community-wide

Acres

Number of acres treated to reduce fuel load (wildland/City lands)

Council's Action Plan 2019-2020

* **Bold indicates Goals or Actions voted on by 2 or more Councillors**

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Affordable and Attainable Housing	* Continue to partner with BC Housing, not-for-profits and the development community on affordable housing, including the use of City-owned land	Investigate and pursue opportunities, as appropriate Identify any available parcels of land in advance of the Spring 2020 BC Housing call for funding Lease and Housing Agreement for 4005 Pleasant Valley Rd. in partnership with BC Housing and Vernon Land Trust	Investigate and pursue opportunities, as appropriate In conjunction with Social Planning Council, identify potential City owned lands
Affordable and Attainable Housing	* Develop a comprehensive Vernon Housing Strategy	Adopt Housing Strategy Implementation Plan Commence short term rentals policy/bylaw consultation	Housing Strategy Implementation Plan priorities Develop short term rentals policy/bylaw for Council's consideration Complete review of impediments to secondary suites, tiny homes and carriage homes
Affordable and Attainable Housing	* Review and streamline residential development approval process	Participate in provincial review of development requirements	Assess residential development approval process and identify areas to streamline
Affordable and Attainable Housing	Complete a Housing Needs Assessment to inform the Affordable and Attainable Housing Strategy and the next Official Community Plan review	Working with RDNO Project Team to oversee regional housing assessment.	Integrate outcomes of housing needs assessment into Housing Strategy Implementation Plan, as required.
Affordable and Attainable Housing	Create accessible and attainable housing for families with annual income below \$70,000	TBD pending development of Housing Strategy Implementation Plan	TBD pending development of Housing Strategy Implementation Plan
Organization Priorities	* Develop capacity building through a learning and development framework (including coaching and mentoring programs)	Create Financial Competency Framework to guide staff training in City financial systems	Create staff training workshops utilizing Financial Competency Framework

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* Bold indicates Goals or Actions voted on by 2 or more Councillors

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Organization Priorities	* Develop capacity building through a learning and development framework (including coaching and mentoring programs)	Development and launch of a City of Vernon Learning and Development Framework	City of Vernon Learning and Development Framework has been launched and HR is working on several outcomes that are articulated throughout the document and vested in the four core objectives that foster capacity building; talent acquisition and retention; respectful, diverse, and inclusive workplace; and an unwavering commitment to a safe and healthy work environment. Develop internal communication framework to support learning and development activities and promote opportunities for staff Carry out "lunch & learn" sessions put on by staff, local consultants and webinars
Organization Priorities	* Investigate options to provide additional space for the RCMP	Space Allocation Team reviewing Corporate and RCMP needs (North Okanagan Traffic terminating lease of December 31, 2019 in the annex area of City Hall)	Provision of space to be determined in vacated NOTS area in City Hall for municipal staff and COV RCMP
Organization Priorities	* Investigate options to provide additional space for the RCMP	Space Allocation Team reviewing Corporate and RCMP needs (North Okanagan Traffic terminating lease of December 31, 2019 in the annex area of City Hall)	Provision of space to be determined in vacated NOTS area in City Hall for municipal staff and COV RCMP
Organization Priorities	* Optimize municipal wastewater services in support of community growth and economic development	High Strength Waste Treatment Facility at VWRC (Anaerobic Digester) Conveyance line from VWRC to Okanagan Spring Brewery Chemical Dosing Facility at VWRC (alum) Construction and commissioning of Septage Receiving Station at VWRC	Construction and commissioning of high strength waste facility at VWRC (anaerobic digester) Construction of conveyance line from VWRC to Okanagan Spring Brewery Registration with Municipal Wasterwater Regulations (MWR) Reviewing and implementing new sewer rates Implementation of pilot project for biomass planting to provide for sustainable feedstock for Regional Biosolids Composting Facility Prepare for release to lake

Council's Action Plan 2019-2020

* Bold indicates Goals or Actions voted on by 2 or more Councillors

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Organization Priorities	Continue the unwavering commitment to a safe and healthy work environment	VFRS maintains an Occupational Health & Safety program and is formalizing programs for breathing air, personal protective equipment, confined space rescue, hazardous materials response, decontamination, battery maintenance, etc. Fire and Rescue Services are provided in line with industry best practices and safety standards VFRS providing "Project All In" program and a presentation for members regarding mental health and building resiliency (this supplements the existing Critical Incident Stress program) Work to address gaps in WSBC coverage for ESS volunteers	VFRS maintains an Occupational Health & Safety program and is formalizing programs for breathing air, personal protective equipment, confined space rescue, hazardous materials response, decontamination, battery maintenance, etc. Fire and Rescue Services are provided in line with industry best practices and safety standards Work to address gaps in WSBC coverage for ESS volunteers
Organization Priorities	Continue the unwavering commitment to a safe and healthy work environment	Annual review of Bullying and Harassment Policy and bi-annual review of Fit for Work Policy Activate Mental Wellness Initiative using the Guarding Minds survey to establish benchmarks and programming guidelines Day of Mourning Event Employee Wellness Fair Return to Work/Stay at Work - Employee Care Coordination	Develop partnerships with Mercer to apply to WorkSafe BC for funding to research, develop, and design a multi-dimensional ACTIVATE wellness program, specific to City of Vernon requirements. This is a unique and innovative partnership opportunity to address and capture City of Vernon specific needs using the City of Vernon ACTIVATE Guarding Minds (R) Survey data along with trending research to compliment this approach Continue with the provincial Mobile Response Team (MRT) Training to City staff for outreach and short term psychosocial support education Annual review of Bullying and Harassment Policy City of Vernon Annual Day of Mourning Recognition Event City of Vernon Annual Employee Wellness Fair Priority on Return to Work/Stay at Work - Employee Care Coordination
Organization Priorities	Cultivate and promote a respectful, diverse and inclusive Corporate culture	VFRS has developed shared core values, mission, vision and a philosophy of operations reflective of the CoV mission statement; VFRS management team has participated in <i>Social Styles</i> training to better understand personal communication styles and how to more effectively communicate with people with different styles	

Council's Action Plan 2019-2020

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STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Organization Priorities	Cultivate and promote a respectful, diverse and inclusive Corporate culture	Corporate Values Workshop Attracting, engaging, and retaining talent from different backgrounds, age groups, genders, and nationalities <i>Development of a Coaching Program</i>	City of Vernon Values follow-up and launch Corporate call for mentors/mentees to test the City of Vernon Mentoring Program Framework <i>Develop and write City of Vernon Coaching</i>
Organization Priorities	Enhance transparency of decision making, including the use of new or expanded tools and on-line platforms	Vernon Fire Rescue Services Eight Year Strategic Plan 2018 - 2025 is provided on the department's web page	
Organization Priorities	Enhance transparency of decision making, including the use of new or expanded tools and on-line platforms	Added video of COW Meetings and Public Hearings Initiated one year pilot for radio advertising through Beach Radio Provide Vernon Connect app	
Organization Priorities	Enhance transparency of decision making, including the use of new or expanded tools and on-line platforms	Investigate options to replace the City's HR/Payroll systems and ERP (Financials)	Implement Project Management principles and methodology to procurement of capital projects
Organization Priorities	Enhance transparency of decision making, including the use of new or expanded tools and on-line platforms	Investigate options to replace the City's HR/Payroll systems and ERP (Financials)	
Organization Priorities	Enhance transparency of decision making, including the use of new or expanded tools and on-line platforms	Integrate online calendar for mobile vendors	Utilize engagevernon.ca for large planning processes and small "check ins" with the community Use engagevernon.ca for the flood mapping study
Organization Priorities	Foster capacity building (learning and development) across the organization	Emergency Program and Emergency Operations Center training is ongoing throughout the organization	Emergency Program and Emergency Operations Centre training is ongoing throughout the organization Conduct staff lunch & learns to share learning and discuss emerging topics
Organization Priorities	Foster capacity building (learning and development) across the organization	Survey and gap analysis on strategic (capacity) development and leadership at the senior management, management, and supervisory levels Development of City of Vernon Module Three Strategic Capacity and Leadership Development Program	Development and Delivery of City of Vernon Module Three Strategic Capacity and Leadership Development Program Delivery of Managing Yourself to Manage Your Time Delivery of HR Literacy (fundamentals) Program Development and delivery of Public Speaking and Presentation Workshop Development of a City of Vernon Train the Trainer Workshop Recommitment to City of Vernon Performance Leadership Planning Process Conduct staff lunch & learns to share learning and discuss emerging topics

Council's Action Plan 2019-2020

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STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Organization Priorities	Foster capacity building (learning and development) across the organization	Include staff in Climate Action Planning process	Continue to include staff in Climate Action Planning process Conduct staff lunch & learns to share learning and discuss emerging topics
Organization Priorities	Have a full staff complement		Hire two full time career firefighters Conduct a hiring intake for paid-per-call members
Organization Priorities	Have a full staff complement		Hire a Drainage Engineer
Organization Priorities	Have a full staff complement	Allocation and refinement of resources to manage high volume requirements related to talent acquisition Refine and/or redefine a City of Vernon Employee Recognition Program	
Organization Priorities	Implement more on-line application types	VFRS auxiliary application process is being revised to allow for submission of applications on line at the applicants convenience (intake then takes place spring and/or fall)	
Organization Priorities	Implement more on-line application types	Expand use of EFT payments, eHOG applications, PAWS payments, Utility auto-debits Investigate eTax (electronic mailing of property tax notice)	Pilot project implementing electronic mailing of property tax notice Investigate Tempest for e-billing business license renewals
Organization Priorities	Increase public participation in the development of strategies and plans	Implementing new ways of engaging community members for the development of the Climate Action Plan	Implement formal Capital Strategic Communications Plan, identifying key external stakeholders, objectives and tactics to build relationships and identify opportunities for collaboration and public participation Public engagement for Civic Arena park, Kin Park and Polson Park Ensure the public is engaged in the Capital design process and not just "after the fact" to inform them. Empower local residence with the ability to accept or reject sewer projects in the Okanagan Landing area
Organization Priorities	Increased public participation in decision making	Council held a Town Hall Meeting on June 4, 2019	
Organization Priorities	Increased public participation in decision making		Vernon Emergency Program Support committee is providing direct feedback and information exchange from public stakeholder groups to the Vernon Emergency Program

Council's Action Plan 2019-2020

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STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Organization Priorities	Investigate new approaches to engage citizens (e.g. on-line platforms)	Budget survey in May and September if Council directed	Budget survey in May and September if Council directed Create informational videos for public to explain MyCity and Utility billing Develop a Stakeholder Engagement Template so Capital project managers consider key aspects of the engagement process before engaging citizens
Organization Priorities	Investigate new approaches to engage citizens (e.g. on-line platforms)	Budget survey in May and September if Council directed	Budget survey in May and September if Council directed Create informational videos for public to explain MyCity and Utility billing
Organization Priorities	Other	Complete roll out and implementation of the Electronic Records Management System - Recreation Division Templates are currently being created by Contractor with immediately launch to follow - Fire Services SOW is next scheduled work which will be done 'in house' by our IT Staff due to the small number of templates required, immediate launch will follow - Operations template build & launch scheduled for completion December 2019 Summer Grant Workers (Jul/August) scanned 10 Full Shelving Units of permanent property file records into LF with paper records destroyed thereafter (securing records and creating storage space) Cyber Security Review Infrastructure Equipment Upgrades to City's Information Systems	Hire IS Security Technician as completion of the reorganizational structure within existing budget Hire a Land Agent to assist within the Real Estate Department to negotiate and secure statutory right of ways and road dedications, in support of capital projects, storm drainage projects and new sewer projects Hire Exempt Assistant Manager - Protective Services to assist manager with staffing, scheduling, budget, investigation, service delivery, work with community partners - position would be a developmental opportunity for succession planning and provides necessary resources to Division Provide funding for RCMP to accommodate additional resources to provide for the decrease in service of SE District Operational Communication Centre for taking 'calls' as Vernon Detachment will be responsible for 24 hours per day call taking and file creation.
Organization Priorities	Other	Update financial policies to reflect contemporary practices: Reserve Management Policy and Purchasing Policy Ensure financial reporting meets all new legislative and public sector accounting standards	Update financial policies to reflect contemporary practices: Reserve Management Policy, Purchasing Policy and Investment Policy Ensure financial reporting meets all new legislative and public sector accounting standards
Organization Priorities	Prioritize staff recruitment (talent acquisition and retention support to ensure a full staff complement)		Hire two full time career firefighters Conduct a hiring intake for paid-per-call members

Council's Action Plan 2019-2020

* **Bold indicates Goals or Actions voted on by 2 or more Councillors**

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Organization Priorities	Prioritize staff recruitment (talent acquisition and retention support to ensure a full staff complement)	Allocation and refinement of resources to manage high volume requirements related to talent acquisition Development of a City of Vernon Employee Retention Framework Refine and/or redefine a City of Vernon Employee Recognition Program	Ensure appropriate resource allocation and that adequate staffing is in place and available to manage and deal with high volume/gap requirements Launch revised and refined City of Vernon Employee Recognition Program Development of a City of Vernon Talent Acquisition and Retention Framework
Organization Priorities	Review application processes to ensure they are efficient as possible	Participate in provincial review of development approval processes Review development processes and develop materials for public to increase awareness of processes and timelines	Review development processes and develop materials for public to increase awareness of processes and timelines
Organization Priorities	Streamline red tape to facilitate more development	Complete DCC Bylaw update Mobile Vending Policy Update	Zoning Bylaw #5000 Update (e.g. several housekeeping and relatively minor updates) Assess residential development approval process and identify areas to streamline
Organization Priorities	Support continued implementation of health and wellness initiatives	VFRS providing "Project All In" program and a presentation for members regarding mental health and building resiliency (this supplements the existing Critical Incident Stress program)	
Organization Priorities	Support continued implementation of health and wellness initiatives	Construct sidewalks and multi-use paths and install additional bike parking	
Organization Priorities	Support continued implementation of health and wellness initiatives	Introduction of the provincial Mobile Response Team (MRT) Training to City staff for outreach and short term psychosocial support education	Continue with of the provincial Mobile Response Team (MRT) Training to City staff for outreach and short term psychosocial support education Support initiatives with increased internal communication campaigns
Recreation, Parks and Natural Areas	* A new playing surface for Kal Tire Place North	Purchase Event Deck dry floor for Kal Tire Place North that can be used for trade shows and events and as a sub floor beneath a sport flooring system for dry floor sporting events	Purchase a sport flooring system for Kal Tire Place and Kal Tire Place North that can be used to host dry floor sporting events
Recreation, Parks and Natural Areas	* Complete Polson Park Master Plan		Develop planning process to update Polson Park Master Plan, for implementation late 2020/early 2021

Council's Action Plan 2019-2020

* **Bold indicates Goals or Actions voted on by 2 or more Councillors**

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Recreation, Parks and Natural Areas	* Complete Recreation Feasibility Study for new Active Living Centre and the enhancement and renovation of the existing Vernon Aquatic Centre.	Release RFP to acquire a consultant to conduct the feasibility study and conduct public consultation to determine what specific recreation facilities the community wants and can afford	Continue with public engagement as part of the feasibility study process and release the draft results to the Greater Vernon elected officials and the public Revise the draft after receiving feedback and provide the elected officials and the public with a final report including a preferred option in the spring Request approval of the preferred option by resolution from all Greater Vernon partners (the City of Vernon, the District of Coldstream and Electoral Areas B & C)
Recreation, Parks and Natural Areas	* Develop a fenced off leash dog park in the City	Complete fencing of Marshall Field off leash area	Plan for new fenced off leash park
Recreation, Parks and Natural Areas	* Develop a fenced off leash dog park in the City	Ensure Dog Control bylaw can be implemented through contract with RDNO	
Recreation, Parks and Natural Areas	* Develop a new multi purpose Active Living Centre		Conduct a public information campaign and working in conjunction with the Regional District hold a referendum on the funding and construction of a new multi purpose Active Living Centre and the renovation and enhancement of the existing Vernon Aquatic Centre in the fall
Recreation, Parks and Natural Areas	* Develop a comprehensive plan for the Kin Race Track lands: explore a recreation and/or aquatic centre and consider additional uses such	Design the planning process for Kin Race Track Lands Consider residential component to development of site	Conduct the planning process for Kin Race Track Lands incorporating the results of the Recreation Feasibility Study
Recreation, Parks and Natural Areas	Commence construction of priority recreation facilities at Kin Park	Include residential component in development plan	Consultation, planning and funding required prior to construction.
Recreation, Parks and Natural Areas	Commence construction of priority recreation facilities at Kin Park	Complete the demolition of Kin Race Track buildings/area	
Recreation, Parks and Natural Areas	Commence priority Polson Park projects		Consultation, planning and funding required prior to construction.
Recreation, Parks and Natural Areas	Continued implementation of the Parks Master Plan		Complete Canadian Lakeview Estates upgrades, Pottery Ravine Park improvements, Whitecourt to Foothills Place Trail Connections, Civic Park Purchase of park land as appropriate
Recreation, Parks and Natural Areas	Continued implementation of the Parks Master Plan		Complete DND Washroom Renovations

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* **Bold indicates Goals or Actions voted on by 2 or more Councillors**

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Recreation, Parks and Natural Areas	Develop a minimum of one lake access site per year	Complete priority lake access improvements - Beachcomber Bay Road and 8797 Okanagan Landing Road Seek Council approval in principle for next three sites Lands support for removal of encroachments	Location to be determined through the Budget 2020 process Requires support for removal of encroachments
Recreation, Parks and Natural Areas	Establish four new hilltop parks (Turtle Mountain, Adventure Bay, the Foothills (Jackass Mountain), Commonage Ridge)	Work with parties on the potential for new parkland Parks DCC Bylaw Adopted	Work with parties on the potential for new parkland
Recreation, Parks and Natural Areas	Involve Electoral Areas B and C, Coldstream and the Okanagan Indian Band	Involvement of OKIB in development of Polson Park Master Plan	Involvement of OKIB in development of Polson Park Master Plan Involve Electoral Areas B and C in drainage improvement studies and works where impacts are cross boundary
Recreation, Parks and Natural Areas	Other	Apply for BC-Canada Recreation Infrastructure Grant for Lakeview Pool revitalization	Dependant on the outcome of the BC-Canada Recreation Infrastructure Grant application, undertake Lakeview Pool revitalization with design work in the spring and begin project with demolition and site prep work in fall Continue to implement the recommendations in the Recreation Master Plan
Regional Relationships	* Support an amalgamation study if requested by at least one other partner	Support if brought forward.	Support if brought forward
Regional Relationships	Continue and build upon CEDI partnership with OKIB	CEDI Workshop #4 held June 6 and 7, 2019 CEDI monthly working group meetings	CEDI monthly working group meetings
Regional Relationships	Enhance relationships and improve communications with regional partners including the Okanagan Indian Band	C2C Meeting with OKIB (tentatively December 2019)	

Council's Action Plan 2019-2020

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STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Regional Relationships	Enhance relationships and improve communications with regional partners including the Okanagan Indian Band	Continuation of the CEDI Partnership with OKIB	Involve a cultural monitor in construction projects to identify objects of cultural and archaeological significance Share the Capital Plan with OKIB and RDNO Continuation of the CEDI partnership with OKIB until completion March 31, 2020 Look into naming opportunities of streets and creeks that incorporate First Nations history and culture Consult with OKIB on the BX Creek project
Regional Relationships	Enhance relationships and improve communications with regional partners including the Okanagan Indian Band	Work with BX/ Swan Lake Fire Rescue and Coldstream Fire Rescue to develop "Automatic Aid" in areas where another's resources are located to better serve the area	
Regional Relationships	Improve communication/consultation with RDNO	Participate with regional Emergency Program Coordinators meetings Host ESS capacity building conference Meet regularly with RDNO staff and participate in joint working groups	Host Emergency Program Regional Seasonal Workshop Meet regularly with RDNO staff and participate in joint working groups
Regional Relationships	Improve communication/consultation with RDNO	Meet regularly with RDNO staff and participate in joint working groups Continue open and effective communication with RDNO regarding operation and maintenance of the Water Distribution infrastructure within the City and Electoral Areas B, and C	Meet regularly with RDNO staff and participate in joint working groups Continue open and effective communication with RDNO regarding operation and maintenance of the Water Distribution infrastructure within the City and Electoral Areas B, and C
Regional Relationships	Obtain RDNO approval to consult with City staff on In Camera issues at RDNO	Resolution of RDNO Board (May 22, 2019) providing members to share In Camera Items from RDNO and GVAC at respective jurisdiction In Camera meetings	
Regional Relationships	Take a stronger stand at RDNO on Water issues, consultation, etc.		Address outstanding issues related to water meter location, development charges and pending Water DCC Bylaw rate increases
Regional Relationships	Work with RDNO on the acquisition of natural parkland in the city	Connect around opportunities as they arise	Connect around opportunities as they arise

Council's Action Plan 2019-2020

* **Bold indicates Goals or Actions voted on by 2 or more Councillors**

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Sustainability Priorities	* Continue to implement Fire Smart principles in the wildland urban interface and improve communication with residents throughout the year in addition to emergency events	<p>Hold stakeholder meeting, door-to door information, and media release regarding a prescribed burn in the Foothills</p> <p>Provide "The Era of Mega Fires" presentation to Council and Fire Services personnel to increase awareness</p> <p>Provide regular fire safety messaging through the CoV website and PSAs</p> <p>Conduct FireSmart Community Champions Workshop and facilitate FireSmart community registration programs</p> <p>FireSmart community sessions integrated into Sustainability Events and Climate Action Planning</p> <p>Vernon Emergency Program Support (VEPS) is providing direct feedback and information exchange from public stakeholder groups to the Vernon Emergency Program</p> <p>Inspect and complete FireSmart work adjacent to cemetery maintenance building and storage area</p> <p>Integrate FireSmart principles into landscape bylaw update</p>	<p>Application for Forest Enhancement Grant funding to address City owned lands WUI fuel loads and leverage the project to encourage Provincial (Ellison Park), private land owners, and stratas to address the wildfire risk at the far end of EastSide Road</p> <p>Seek to treat MOTI lands adjacent to EastSide Road to decrease the likelihood of a road blockage due to downed power lines or trees during a wildfire</p> <p>CARIP grant application to address WUI fuel treatment of City owned lands at Predator ridge</p> <p>FireSmart community sessions integrated into Sustainability Events and Climate Action Plan</p> <p>Review Tree Protection Bylaw #4152 to better encourage FireSmart practices</p> <p>Develop year-round FireSmart messaging campaigns for social and traditional media channels</p> <p>Complete Landscape Standards Bylaw review</p>
Sustainability Priorities	* During the next review of the Master Transportation Plan, revisit the highway bypass and explore alternatives to transit in low density areas		<p>Work with BC Transit and regional partners on updating the 2014 Transit Future Plan including reviewing density and changes to travel patterns after the new Ride Sharing / Taxi Licensing changes anticipated to be made September 2019</p> <p><i>(Note: the Highway 97 bypass is the responsibility of MOTI)</i></p>
Sustainability Priorities	* Support the provision of affordable childcare	Secured provincial grant to look at establishing additional childcare facility	<p>Complete needs analysis</p> <p>Apply for two \$3 million provincial grants</p>
Sustainability Priorities	Address existing and pending storm water issues		Complete Flood Risk Study
Sustainability Priorities	Address existing and pending storm water issues	Lands support for acquisition of SRWs to protect infrastructure	Lands support for SRWs required

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* Bold indicates Goals or Actions voted on by 2 or more Councillors

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Sustainability Priorities	Adopt a Climate Action Plan	Under development with the Climate Action Advisory Committee Interim recommendations to Council	Adoption of Plan Development of Implementation Strategy Infrastructure: Support climate adaption through the drainage study and flood mapping studies and conducting vulnerability assessments on different classes of City infrastructure Infrastructure: Support the study through GIS and mapping Infrastructure: Look at low carbon footprint alternatives in municipal infrastructure construction (e.g. warm mix asphalt, alternative landscaping materials to concrete, etc.)
Sustainability Priorities	Be a leader in economic development	Continued focus on Business Retention & Expansion, Labour Force Recruitment and facilitating new development Explore opportunities related to the Hidden Professional sector Continue collaboration with Community Futures on Innovation Centre. Feasibility study and business plan to be completed in Fall 2019	Continued focus on Business Retention & Expansion, Labour Force Recruitment and facilitating new development Implement Rural and Northern Immigration Pilot Program to attract Skilled Labour Potential implementation of Innovation Centre Infrastructure: Ensure that a steady stream of capital projects are tendered yearly to retain the healthy marketplace for civil contractors, establish Vernon as a recognized local leader in infrastructure renewal that will attract the best consultants and competent contractors
Sustainability Priorities	Continued commitment to asset management	Establish base funding for fire apparatus reserve	Install direct connection of Fire IS equipment with City system Amend SDSB#3843 to address carbon footprint of development to minimize new assets provided.
Sustainability Priorities	Continued commitment to asset management		Infrastructure: Continue asset management program improvements and implementation Infrastructure: Continue collecting data to make informed decisions
Sustainability Priorities	Continued commitment to the development and implementation of asset management plans		Infrastructure: Support Parks Planning and Operations in the development of a Parks Asset Management Plan Infrastructure: Refine and improve the existing Roads Asset Management Program Infrastructure: Adopt new asset management software to improve productivity and data management.

Council's Action Plan 2019-2020

* Bold indicates Goals or Actions voted on by 2 or more Councillors

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Sustainability Priorities	Continued commitment to the development and implementation of asset management plans	VWRC and SI Asset Management Plan Continuation and completion of the Phase 1 Airport Improvements: apron expansion and rehabilitation project	
Sustainability Priorities	Encourage initiatives to support green buildings, including the BC Energy Step Code	Implement the Step Code for housing into the Building Bylaw Sustainability events includes sponsoring a workshop(s) for Step Code and Air Tightness	Implement the Step Code for housing into the Building Bylaw Sustainability events to support development community in transition to Step Code
Sustainability Priorities	Encourage initiatives to support green buildings, including the BC Energy Step Code	Complete design for the replacement of the boilers in City hall (these boilers are an important part of the City's infrastructure; they supply heat to City Hall, RCMP, Fire Hall #1 and Museum; switching to high efficiency will reduce our natural gas consumption. BC Hydro created a Strategic Energy Cohort to assist eligible customers to identify potential energy savings; VWRC is participating in this program for 2019.	
Sustainability Priorities	Encourage sustainable infrastructure, agriculture and landscaping	Increase the use of lining technology/ trenchless technology for sanitary laterals to reduce the GHG from the large equipment used in the excavations and restorative works Okanagan Landing sewer expansion program implementation Update Landscape Standards Bylaw	Increase the use of lining technology/ trenchless technology for sanitary laterals to reduce the GHG from the large equipment used in the excavations and restorative works Okanagan Landing sewer expansion program implementation Obtain better data on roads for asset management Update Landscape Standards Bylaw
Sustainability Priorities	Encourage sustainable infrastructure, agriculture and landscaping	Leachate Containment at Regional Bio solids Composting Facility Municipal Wastewater Regulation (MWR) registration Construction of an alum chemical dosing building at the VWRC To ensure permit compliance for treated effluent discharged to Okanagan Lake, should the need arise Update Landscape Standards Bylaw VWRC: complete the design and start construction of a dedicated anaerobic treatment process to deal specifically with high strength waste	Municipal Wastewater Regulation (MWR) registration Construction of an alum chemical dosing building at the VWRC To ensure permit compliance for treated effluent discharged to Okanagan Lake, should the need arise Update Landscape Standards Bylaw VWRC: complete the design and start construction of a dedicated anaerobic treatment process to deal specifically with high strength waste
Sustainability Priorities	Identify ways to foster innovation in technology and manufacturing (business retention and expansion)	Partnering with Community Futures on a feasibility study and business plan for an Innovation Centre (project to begin July 8, 2019)	

Council's Action Plan 2019-2020

* **Bold indicates Goals or Actions voted on by 2 or more Councillors**

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Sustainability Priorities	Investigate methods to increase recycling & alternatives to recycling, including an organics diversion plan	Pilot organics bins in place, assessing success and reviewing options to expand the program	Phase 2 of Compost Pilot Explore community wide composting program Explore other opportunities for regional organics diversion, including with RDNO to provide community organics collection program
Sustainability Priorities	Investigate methods to increase recycling & alternatives to recycling, including an organics diversion plan	Investigate methods of increasing boulevard and roadside recycling options	
Sustainability Priorities	Promote transit oriented housing and mixed use development	Ongoing implementation of OCP growth strategy supports this goal Update of DCC Bylaw intended to further encourage growth in City Centre and Neighbourhood Districts	Ongoing implementation of OCP growth strategy supports this goal Update of DCC Bylaw intended to further encourage growth in City Centre and Neighbourhood Districts
Sustainability Priorities	Review and implement the Fire and Rescue Services Strategic Plan	Modernization of the fire prevention program with updated process and electronic inspection tools Utilize new technology to provide safe and environmentally friendly fire extinguisher training Purchase fire/rescue and ladder truck, removing end of life engine, rescue, and ladder from service	Establish fleet reserve base funding Hire two career fire fighters Provide auto extrication equipment Purchase Command (Squad 701), forestry/brush (WUI) truck and sprinkler protection unit
Sustainability Priorities	Undertake drainage studies, risk and threat assessments and related bylaw amendments	Complete drainage studies for south slope catchment area, Tassie Creek, Smith Road Complete risk and threat assessment of Vernon Creek (grant funding secured) Climate Action Plan includes detailed review of hazards related to climate change as well as action planning to address hazards	Hire a Drainage Engineer, complete the Flood Risk Assessment with maps to set the basis for future bylaws Undertake study of Okanagan Lake Shore North
Sustainability Priorities	Update the Landscaping Standards Bylaw to require sustainable and Fire Smart landscaping		Completion of implementation of updated Landscaping Standards Bylaw
Sustainability Priorities	Update the Landscaping Standards Bylaw to require sustainable and Fire Smart landscaping	Provide Fire Smart training for two managers Fire Prevention, Planning and Operations to collaborate regarding implementation of Fire Smart principles to City lands and buildings Stations 1 & 2: remove dead cedars and trim others to be more inline with Fire Smart	Completion of implementation of updated Landscaping Standards Bylaw

Council's Action Plan 2019-2020

* **Bold indicates Goals or Actions voted on by 2 or more Councillors**

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Sustainability Priorities	Work towards a sustainable Vernon – environmentally, economically and socially	Completion of Cemetery Master Plan Upgrade the City fleet's GPS system with a focus on the ability to monitor idle emissions, route planning, vehicle usage, to reduce fuel consumption Purchase of second all electric vehicle	
Sustainability Priorities	Work towards a sustainable Vernon – environmentally, economically and socially	Sustainability event program Development of Climate Action Plan Sustainability Grants Program Implementation of OCP growth strategy to prevent sprawl Addition of electric bikes to fleet	Sustainability events program Development of Climate Action Plan Sustainability Grants Program Continued implementation of OCP growth strategy to prevent sprawl Study the impacts of flooding and drainage and plan for it
Vibrant Downtown	* Additional incentives to encourage redevelopment and upgrades to existing buildings	Provide Council update on the Revitalization Tax Exemption Program	Explore other incentive opportunities (e.g. façade improvement grants) Continue collaboration efforts with BC Hydro to identify opportunities to underground overhead wires Continue road and utility upgrade projects radiating from the downtown core including 30th Street and 32nd Avenue
Vibrant Downtown	* Foster more residential development in the Downtown, including upscale options	Continue to promote infill and redevelopment opportunities in the City Centre	32nd Ave rehabilitation including improved street lights, sidewalks, and road 30th Street road improvement and utility reconstruction to improve the area around downtown and relieve traffic in the downtown core Continue to promote infill and redevelopment opportunities in the City Centre
Vibrant Downtown	* Identify and implement actions to address drug use, vagrancy and safety concerns, the role of Bylaw Compliance & increased RCMP presence	Installation of downtown public washroom and replacement of existing Civic Washroom Facility	
Vibrant Downtown	* Identify and implement actions to address drug use, vagrancy and safety concerns, the role of Bylaw Compliance & increased RCMP presence	Increase visibility of Bylaw and RCMP with joint patrols on foot and bike Business outreach through DVA and Chamber to provide "Who to call information"	Expanded joint patrols with RCMP in hot spots and parks close to downtown core and the BIA Increase funding for Bylaw's part time Seasonal Enforcement Unit (.5 position) from 4 hours per day to 7 hours per day to enable additional service delivery hours Saturdays to Tuesdays Continued outreach to businesses and residents to address concerns Continued collaboration with service providers to connect clients to available services

Council's Action Plan 2019-2020

* **Bold indicates Goals or Actions voted on by 2 or more Councillors**

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Vibrant Downtown	* Identify and implement actions to address drug use, vagrancy and safety concerns, the role of Bylaw Compliance & increased RCMP presence	Increase visibility of Bylaw and RCMP with joint patrols on foot and bike	Expanded joint patrols with RCMP in hot spots and parks close to downtown core and the BIA Continued outreach to businesses and residents to address concerns Continued collaboration with service providers to connect clients to available services
Vibrant Downtown	* Investigate the potential closure of 30th Avenue to vehicular traffic from 29th Street to 35th Street	Meet with Downtown Vernon Association and business owners to discuss opportunity	Through Sustainability Program, trial closure for a period of at least a week Ensure adequate access for the provision of emergency services is maintained
Vibrant Downtown	* Other	Investigate alternative aggregate products for grit application during snow and ice control season to reduce dust and air quality issues in the downtown Study the feasibility of removing snow in the downtown core using the new sidewalk machine with a high chute snow blower CCTV inspect the city's sanitary and storm mains in the downtown core including all service lines/catch basin leads to assist with asset management plan	Purchase of new sweeper to focus on removal of surface dust particles and improve air quality as well as providing higher level of service for street sweeping in the downtown Implement improved aggregate products for winter maintenance to reduce dust and improve air quality
Vibrant Downtown	* Support economic development initiatives that attract skilled labour to the area	Participate in Rural and Northern Immigration Pilot Program (RNIP) to attract skilled workers to Vernon. Three year program launches January 2020.	Participate in Rural and Northern Immigration Pilot Program (RNIP) to attract skilled workers to Vernon. Three year program launches January 2020.
Vibrant Downtown	Address sharps and Downtown cleanliness	Support to Anti-Tag team program with compliance letters and enforcement when necessary Continue to find locations for sharps drop boxes on COV buildings and properties to expand coverage and support the Folks on Spokes and Street Clinic Weekly Clean Ups	Continued funding of Anti-Tag Team based on a measured success of pilot project through business feedback and reduced visual impact
Vibrant Downtown	Create parking for the Okanagan Rail Trail in the redevelopment of the Civic Arena site	Civic Arena Park consultation and planning	Finish planning work for Civic Park and begin construction; pursue tender parking lot work with the 29th/30th St Transportation Corridor Project to save time and money
Vibrant Downtown	Evaluate and seek Council direction on the impact of retail cannabis stores Downtown	Collaborate with the Province's Community Safety Unit (CSU) to direct enforcement toward unlicensed retailers and monitor licensed stores for compliance	Collaborate with the Province's Community Safety Unit (CSU) to direct enforcement toward unlicensed retailers and monitor licensed stores for compliance

Council's Action Plan 2019-2020

* **Bold indicates Goals or Actions voted on by 2 or more Councillors**

STRATEGIC PRIORITY AREA	GOALS & COUNCIL IDENTIFIED ACTIONS	2019	2020
Vibrant Downtown	Focus development in the City Centre, including mixed use and multi family	Continue investment in City Centre capital projects Continue with Revitalization Tax Exemption	Continue investment in City Centre capital projects Continue with Revitalization Tax Exemption
Vibrant Downtown	Identify mechanisms to attract skilled labour to the area	Participation in Rural and Northern Immigration Pilot Program (RNIP) to attract skilled workers to Vernon	Participation in Rural and Northern Immigration Pilot Program (RNIP) to attract skilled workers to Vernon
Vibrant Downtown	Identify mechanisms to attract skilled labour to the area	Host Emergency Vehicle Technician Association British Columbia conference (third consecutive year)	
Vibrant Downtown	Identify mechanisms to attract skilled labour to the area		Host 2020 Fire Chiefs Association conference
Vibrant Downtown	Increase the vibrancy of Downtown, including the provision of new amenities and events	Increase in DVA Maintenance Funding Work with DVA to enhance the downtown core with new signage of parking, planters at 29th street parking lot and other enhancements	Promote new City DCC Bylaw and work to minimize increases in RDNO Water DCC Bylaw rates Continue investment in City Centre Capital projects Trial closure of 30th Avenue to vehicular traffic
Vibrant Downtown	Increase the vibrancy of Downtown, including the provision of new amenities and events	Work with Canada Day Society to limit liability and enable safe fireworks display	
Vibrant Downtown	Increase the vibrancy of Downtown, including the provision of new amenities and events	Replace downtown washroom facility with Portland Loo Complete annual mural maintenance including cleaning and protective coatings as required	
Vibrant Downtown	Promote the Okanagan Rail Trail through marketing, trail connections and other initiatives	Successful application to Destination BC for Okanagan Rail Trail promotion in partnership with ORTC, TOTA and Tourism Kelowna	New Okanagan Rail Trail website to be launched through ORTC. Additional Rail Trail promotion to be included in Tourism Vernon 2020 Marketing Plan.
Vibrant Downtown	Provide parking for the Okanagan Rail Trail in the Downtown core	Identify potential parking lot locations based on parking congestion Collect on and off-street parking data over the summer	Explore parking for the Civic Arena park as a shared use parking lot that serves the park, Visitor Information Centre and the Okanagan Rail Trail
Vibrant Downtown	Support the Folks on Spokes program and other clean up initiatives in the Downtown core	Provide off hours sharps pickup when needed Monitor Folks on Spokes program	Continue funding of Folks on Spokes and the TPC weekly clean ups based on a measured success of pilot project through community feedback Continue off hours support for pickup Increase promotion of Folks on Spokes program through traditional and social media channels

2019 ACHIEVEMENTS

Downtown Washroom Installed



The locally-produced washrooms have been designed to increase safety and reduce vandalism. They feature a graffiti-resistant coating on the walls and open slats at the top and bottom, offering privacy, but still allowing Police and Bylaw to ensure there is only one person inside at a time and to see whether or not the user is in distress. Units are located at 30th Avenue and 35th Street and at the Downtown Bus Terminus on 31st Avenue.

New Fire Trucks



On October 3, 2019, VFRS received delivery of two new Pierce fire apparatus. A new fire engine will perform a dual function and replace both a 34-year-old engine and a 17-year-old rescue truck. The new ladder truck replaces its 28-year-old predecessor. Vernon Fire Rescue celebrated two new fire trucks with a push-in ceremony, which involves members of Council and firefighters pushing the apparatus into the bay, remembering the days when horse drawn fire engines had to be pushed back into their stations after a fire.

Hurlburt Park



On August 2, 2019, the City officially opened the new Hurlburt Park. For more than 80 years, Camp Hurlburt was the highlight of summer vacation for many children. Now the camp has become a City park and the City of Vernon invited the community to discover the newest gem in Vernon's lakeside collection. The park features a natural setting, sandy beach, great swimming and room for picnics.

Folks on Spokes



The Folks on Spokes Pilot Project launched April 8, 2019 to assist businesses with the clean-up of improperly discarded needles and garbage. There are two parts to the program; one is the activation of the Sharps Hotline, a dedicated phone line where people can report improperly discarded needles for pick up. The second part is the daily clean up, where a team focused on known hot spots in the Downtown. The program was staffed by peers (people with lived experience of substance use), to help build awareness of the impact of discarded needles in the community.

2019 ACHIEVEMENTS

2019 Bylaw Officer of the Year - Al Harrison



At the 49th annual Licence Inspectors and Bylaw Officers Association of B.C. (LIBOA) conference, City of Vernon's Al Harrison was named *Bylaw Officer of the Year*. Harrison has been a Bylaw officer for 11 years and was selected because he exhibits kindness, compassion and generosity toward his co-workers and members of the public. He exhibits professionalism in the way he conducts himself and interacts with the public, and he's a role model and mentor for his colleagues.

Lifesaving Society National Trainer - Gary Lefebvre



Gary Lefebvre has achieved the highest level of certification attainable in the Lifesaving Society. National Trainers acts as a key resource on drowning prevention in the Thompson/Okanagan Region. Lefebvre plays a vital role in sharing drowning prevention messages and ensuring quality education is provided to the public on how to recognize when someone is in trouble and safely perform water rescues.

City of Vernon Long Service Awards
25 years: Cole Tucker
30 years: Kevin Korol, Ed Stranks
35 years: Doug Ross

LGMA Professional Service Award in Leadership - Raeleen Manjak



The *Professional Service Award for Leadership* recognizes outstanding service to local government through the development of significant management procedures or the identification of cost-savings or efficiencies. Dr. Raeleen Manjak, HR Director, courageously brings diversity and inclusion, cultural competency and anti-oppression, as well as health and wellness, to the forefront of the culture at the City of Vernon.

2019 Distinguished Budget Presentation & 2018 Canadian Financial Reporting Award



The Government Finance Officers Association of the United States and Canada (GFOA) awarded the City of Vernon the GFOA's *Distinguished Budget Presentation Award* for its 2019 Financial Plan and 2018 Canadian Award for Financial Reporting (CanFr). This award represents a significant achievement by the City. This reflects the City of Vernon commitment to meeting the highest principles of government budgeting and reporting.

PERMISSIVE TAX EXEMPTIONS

DBA Name	Folio	Civic Address	Total Exemption
Churches and Houses of Worship			
Alexis Park Church	05560.000	3906 35a St	\$ 1,766
All Saints Anglican	00093.000	3205 27 St	4,626
Christian Reformed Church of Vernon	05480.000	3605 12 St	1,881
Church of God of Prophecy	06464.000	4300 Bella Vista Rd	406
Emmanuel Fellowship Baptist	05287.003	3412 15 Ave	3,378
Faith Baptist Church	01975.000	3910 27a St	5,497
Faith Baptist Church	02007.000	3909 28 St	906
First Baptist Church	02997.000	1406 32 Ave	2,304
German Church of God	02264.007	4312 25 St	1,293
Jesus Christ of Latter Day Saints	03709.001	1506 35 St	1,506
Knox Presbyterian Church	00866.000	3701 32 Ave	1,670
Living Word Lutheran Church	07357.550	6525 Okanagan Landing Rd	1,632
N.O. Sikh Cultural Society	03714.025	3800 Commonage Cres	1,019
New Apostolic Church	02565.020	4203 Pleasant Valley Rd	1,101
Okanagan Assembly Centre for Jehovah	05287.002	1424 Mission Rd	9,853
Our Lady of Peace	04092.000	3016 37 St	976
Peace Lutheran Congregation	06029.001	1204 30 Ave	2,811
Salvation Army Community Church	00844.005	3303 32 Ave	5,456
Slavic Christians of Evangelical Faith	01913.110	2306 40 Ave	2,223
St James Roman Catholic Church	00517.000	2607 27 St	3,127
St Josaphats Ukrainian Catholic	02546.000	2210 40 Ave	2,286
Trinity United Church	04158.100	3300 Alexis Park Dr	6,887
Ukrainian Greek Othodox Church	01920.010	4105 27 St	2,337
Vernon Alliance Church	02245.005	4301 27 St	2,478
Vernon Alliance Church	02249.000	4305 27 St	1,124
Vernon Alliance Church	02253.000	2601 43 Ave	3,329
Vernon Christadelphian	06099.020	19-2200 40 St	1,662
Vernon Christian Fellowship	02402.000	4507 29 St	2,319
Vernon Christian Fellowship	04451.002	4506 29 St	2,033
Vernon Church of Christ	02534.007	4107 Pleasant Valley Rd	475
Vernon Family Church	03820.005	3508 25 Ave	5,715
Vernon Full Gospel Tabernacle	07401.340	5871 Okanagan Landing Rd	1,855
Vernon Gospel Chapel	02563.015	4106 Pleasant Valley Rd	1,455
Vernon Japanese Cultural Society	07433.200	4895 Bella Vista Rd	1,171
Vernon Muslim Assoc	03725.000	3414 17 Ave	935
Educational Institution			
PV Christian Academy	02590.001	1802A-1802 45 Ave	8,487
PV Christian Academy	02590.001	1802A-1802 45 Ave	2,320
St James School	00502.000	2700 28 Ave	10,138
Social Services			
Abbeyfield House	03907.001	3511 27 Ave	\$ 3,834
Archway Society for Domestic Peace	00570.001	2603 26 St	5,024
Archway Society for Domestic Peace	02464.000	3502 19 St	3,464

Permissive Tax Exemptions | Continued

DBA Name	Folio	Civic Address	Total Exemption
Social Services Continued			
Canadian Mental Health Assoc	00090.000	3305 27 St	\$ 1,588
Canadian Mental Health Assoc	01399.000	3003 28 Ave	597
Canadian Mental Health Assoc	01445.000	3100 28 Ave	18,733
Canadian Mental Health Assoc	03384.000	3405 Okanagan Ave	1,679
Canadian Mental Health Assoc	03821.006	3605 24 Ave	2,009
Canadian Mental Health Assoc	03826.001	3610 25 Ave	1,165
Canadian Mental Health Assoc	04230.001	4206 Alexis Park Dr	5,261
Canadian Mental Health Assoc	04487.034	2201 53 Ave	6,240
Good Samaritan Canada	04484.005	4904 20 St	26,430
Good Samaritan Canada	04484.010	4900 20 St	17,018
Kindale Developmental Assoc	03831.101	1-4100 25 Ave	577
Kindale Developmental Assoc	03831.102	2-4100 25 Ave	1,108
Kindale Developmental Assoc	03831.106	6-4100 25 Ave	577
Kindale Developmental Assoc- Seaton Centre	06133.020	1340 Polson Dr	6,229
Kindale Developmental Assoc	05482.010	902 35 Ave	2,570
N.O. Community Life Society	02357.005	2400 46 Ave	10,416
N.O. Community Life Society	02534.071	1307 40 Ave	1,258
N.O. Community Life Society	02563.010	4102 Pleasant Valley Rd	1,725
N.O. Community Life Society	07090.036	5813 Richfield Pl	1,883
N.O. Friendship Centre Society	01353.000	2902 29 Ave	3,664
N.O. Friendship Centre Society	01355.000	2904 29 Ave	3,704
N.O. Neurological Assoc	01205.000	2802 34 St	36,350
N.O. Neurological Assoc	01207.002	3405 28 Ave	8,711
N.O. Youth & Family Services	00963.000	3100 32 Ave	11,581
N.O. Youth & Family Services	01921.000	4107 27 St	1,549
N.O. Youth & Family Services	01922.000	4109 27 St	1,889
Okanagan Comm - Columbus Court	04048.018	3003 Gateby Pl	6,878
People Place	01552.105	3402 27 Ave	29,468
People Place	01552.110	3400 27 Ave	5,732
Salvation Army - North Thrift	04490.010	1-5400 24 St	18,003
Salvation Army D/Town Thrift	01382.000	3102 29 Ave	6,220
Schubert Centre Society	04048.040	3505 30 Ave	21,468
Turning Points Collaborative	01578.001	3301 24 Ave	5,632
Upper Room Mission	01538.000	3405 27 Ave	2,235
Upper Room Mission	01539.000	3403 27 Ave	9,633
V&D Community Land Trust Society	03859.000	3502 27 Ave	5,318
V&D Hospice Society	03856.001	3506 27 Ave	5,177
VDACL - 26 St Group Home	00060.000	3307 26 St	2,124
VDACL - 23 St Venture Training	02672.002	4607 23 St	3,684
VDACL - 3601 36a St Group Home	04159.021	3601 36a St	1,406
VDACL - 39 St Group Home	03959.000	2803 39 St	1,939
VDACL - 4240 Alexis Park Dr	03925.000	3601 27 Ave	4,901
VDACL - Hawthorn House	03787.012	4217 16 Ave	1,497
VDACL- Venture Training	04230.100	4240 Alexis Park Dr	2,057
VDACL- Venture Training	04230.100	4240 Alexis Park Dr	11,007
VDACL - Willow House	06011.000	1812 22 St	1,528
Vernon Native Housing Project	03805.008	4305 19 Ave	6,779
Vernon Restholm	03917.000	2808 35 St	9,009

Permissive Tax Exemptions | Continued

DBA Name	Folio	Civic Address	Total Exemption
Cultural			
Powerhouse Theatrical Society	01826.010	2901 35 Ave	\$ 5,399
Vernon Music School	02869.000	1705 32 Ave	3,512
Vernon Music School - Coach	02868.000	1705 32 Ave	3,213
Educational			
Allan Brooks Nature Centre	05289.004	250 Allan Brooks Way	2,044
Allan Brooks Nature Centre	05289.004	250 Allan Brooks Way	1,559
Okanagan Science Centre	00635.000	2704 Hwy 6	7,384
Okanagan Science Centre	00635.000	2704 Hwy 6	21,472
Mixed and Unique			
Army Navy & Airforce Veterans	02366.003	2500 46 Ave	2,976
Boys & Girls, Curling & Halina Clubs	04135.010	3310 37 Ave	50,694
Boys & Girls, Curling & Halina Clubs	04135.010	3310 37 Ave	22,784
Boys & Girls	04135.011	3300 37 Ave	8,123
Heronry Protection Covenant	04486.000	5104 20 St	788
Heronry Protection Covenant	04486.000	5104 20 St	900
Paddlewheel Park Foreshore	07871.000	7815 Okanagan Landing Rd	1,433
Okanagan Landing Community Assoc	07815.000	7813 Okanagan Landing Rd	9,647
Heronry - 53 Ave	04487.047	107-2200 53 Ave	135
Heronry - 53 Ave	04487.048	108-2200 53 Ave	135
Heronry - 53 Ave	04487.049	109-2200 53 Ave	135
Okanagan Boys & Girls Clubs - Teen Junction	01850.002	3104 37 Ave	1,441
St Johns Ambulance	02676.002	1905-1901 47 Ave	6,939
Sunnyvale Restholm Society	02255.007	4306 25 St	175
Sunnyvale Restholm Society	02255.009	4308 25 St	99
Sunnyvale Restholm Society	02255.015	4304 25 St	662
Vernon & Area Pro Life Society	01067.000	3102 31 Ave	2,697
Vernon Pensioners - McCollough	01196.001	3400 Coldstream Ave	909
Vernon Pensioners - McCollough	01196.001	3400 Coldstream Ave	618
New 2019			
Community Dental Access Centre	00980.020	C-3107 31 Ave	154
N.O. Childcare & Montessori	03933.005	2711 38 St	98
N.O. Community Life Society	06049.004	3917 13 St	164
			<hr/>
			\$ 615,252

DBA Name	Folio	Civic Address	Total 2019 Exemption
Revitalization Tax Exemption			
Tax Exemption Granted: 2014-2024			
0821153 BC Ltd	01072.011	1 - 3126 31 Ave	\$ 2,309
0821153 BC Ltd	01072.012	2 - 3126 31 Ave	2,713
0821153 BC Ltd	01072.013	3 - 3126 31 Ave	642
0821153 BC Ltd	01072.014	4 - 3126 31 Ave	4,773
0821153 BC Ltd	01072.015	5 - 3126 31 Ave	4,609
0821153 BC Ltd	01072.016	6 - 3126 31 Ave	4,667
0821153 BC Ltd	01072.017	7 - 3126 31 Ave	4,590
Ortho Terra Holdings	002036.011	1 – 4010 27 St	4,070
Ortho Terra Holdings	02036.012	2 – 4010 27 St	1,607
Ortho Terra Holdings	02036.013	3 – 4010 27 St	4,070
Rex Corvelay Inc	01408.000	2801 32 St	191
			<u>34,241</u>
Tax Exemption Granted: 2015-2025			
0944125 BC Ltd	02207.000	4101 32 St	9,863
0976816 BC Ltd	02038.005	4012 27 St	2,117
Jeruth Holdings Ltd	01528.000	3412 28 Ave	865
			<u>12,844</u>
Tax Exemption Granted: 2016-2026			
Hewitt, Mathew & Robin	02028.012	4077 28 St	844
Screen, Chantal	02028.002	2720 41 Ave	1,175
Larsen, Sheryl & Richard	02096.010	101 – 4107 29 St	500
Larsen, Sheryl & Richard	02096.020	102 – 4107 29 St	500
Larsen, Sheryl & Richard	02096.030	201 – 4107 29 St	516
Larsen, Sheryl & Richard	02096.040	202 – 4107 29 St	516
			<u>4,052</u>
Tax Exemption Granted: 2017-2027			
Mcdonald, Jill	02028.007	4073 28 Street	966
Froste, Amber	02028.008	4069 28 Street	1,020
0934088 BC Ltd	01791.005	2710 39 Avenue	22,754
Denoa Holdings Ltd	01703.001	1 - 3705 27 Street	2,319
Denoa Holdings Ltd	01703.002	2 - 3705 27 Street	2,155
Smith, Tod & Gloria	02031.007	3924 28 Street	497
Smith, Tod & Gloria	02031.006	3926 28 Street	558
Smith, Tod & Gloria	02031.004	3928 28 Street	544
Smith, Tod & Gloria	02031.005	3930 28 Street	456
Burke, Chrstopher & Melinda	02028.016	4061 28 Street	1,011
Martin, Brian & Courts, Camillia	02028.014	4065 28 Street	1,133
			<u>33,412</u>
Tax Exemption Granted: 2018-2028			
1054401 BC Ltd	02211.000	3005 41 Avenue	2,020
			<u>2,020</u>
Tax Exemption Granted: 2019-2029			
Dedora, Taylor & Kimberly	02121.000	4010 31 Street	1,634
Sleeman Breweries Ltd	00482.000	2801 27A Street	71,815
Marten Holdings Ltd	01044.000	2933 30 Avenue	440
			<u>73,448</u>
Total			<u><u>\$ 160,017</u></u>

COUNCIL REMUNERATION AND EXPENSES

NAME	OFFICE	2019 REMUNERATION	EXPENSES*	TOTAL
Anderson, Scott	Councillor	\$ 33,362	\$ 5,692	\$ 39,054
Cumming, Victor	Mayor	88,910	4,695	93,065
Fehr, Kelly	Councillor	32,699	1,709	34,408
Gares, Kari	Councillor	32,288	4,207	36,495
Mund, Akbal	Councillor	33,393	3,164	36,558
Nahal, Dalvir	Councillor	32,493	749	33,243
Quiring, Brian F *	Councillor	33,393	44	33,438
	Total	\$ 286,539	\$ 20,261	\$ 306,800

RELATED PARTY AMOUNTS

**MQN Architects	\$ 10,000	Child Care Program Analysis
	1,058	Recreation Centre
	19,303	Multi-Use Facility Expansion
	\$ 30,360	

EMPLOYEE REMUNERATION AND EXPENSES

EMPLOYEE NAME	DIVISION	GROSS EARNINGS	EXPENSES (NET OF TAX)	TOTAL
Abbott, Susan	Community Infrastructure & Development	\$ 89,011	\$ 110	\$ 89,121
Adkins, Ian J	Operation Services	93,421	2,430	95,851
Archer, Heath	Operation Services	76,460	1,139	77,599
Bandy, Brett	Corporate Services	104,852	806	105,658
Banning, Neil D	Operation Services	82,778	554	83,332
Barker, Cindy	Financial Services	101,718	1,003	102,722
Beauregard, Michel	Operation Services	102,511	32	102,543
Bedard, Richard R	Community Infrastructure & Development	83,952	570	84,522
Blakely, Susan E	Corporate Services	100,382	1,182	101,564
Bond, Brent H	Fire Rescue Services	92,275	30	92,305
Borisenko, Regan J	Corporate Services	80,992	2,799	83,791
Bouchard, Martin R	Operation Services	88,911	1,360	90,271
Box, Harold John	Community Infrastructure & Development	84,092	3,615	87,707
Bradley, Jodie D	Fire Rescue Services	102,994	133	103,127
Bridal, Patricia	Corporate Services	162,843	5,003	167,847
Bridge, Sheila K	Community Infrastructure & Development	83,047	354	83,400
Briggs, Geordie A T	Operation Services	78,616	369	78,985
Broadbent, Angela M	Community Infrastructure & Development	78,605	1,511	80,116
Broderick, Craig A	Community Infrastructure & Development	109,340	5,149	114,488
Browne, Ryan W P	Operation Services	92,635	1,069	93,703
Calder, Shawn	Fire Rescue Services	77,939	66	78,006
Carter, Bryan W A	Fire Rescue Services	77,379	347	77,726
Cecchini, Darren	Fire Rescue Services	131,068	193	131,261
Chamberlain, Keltie	Community Infrastructure & Development	82,018	1,183	83,201
Chew, Angeline S	Community Infrastructure & Development	98,734	28,641	127,375
Chirkoff, Paul	Operation Services	89,017	257	89,273
Clarke, Colin A	Fire Rescue Services	130,460	59	130,519
Clary, Joanie	Human Resources Services	92,815	4,275	97,090
Clerke, Tomas P	Operation Services	78,320	3,852	82,172
Cleverley, Curtis	Operation Services	95,610	1,280	96,890
Cooper, Lorne F	Operation Services	78,640	925	79,565
Cordell, Laurie	Community Infrastructure & Development	93,478	8,809	102,287
Cover, Dave	Operation Services	107,857	343	108,200
Crawford, Bradley J	Fire Rescue Services	107,143	2,541	109,683
Croy, Ellen S	Community Infrastructure & Development	95,496	2,012	97,508
Cucheran, Robert M	Fire Rescue Services	120,092	20	120,112
Donker, Barend	Corporate Services	91,236	2,228	93,463
Doorman, John W	Fire Rescue Services	105,315	105	105,420
Dowhaniuk, Mark	Community Infrastructure & Development	81,491	3,508	84,998

Employee Remuneration and Expenses | Continued

EMPLOYEE NAME	DIVISION	GROSS EARNINGS	EXPENSES (NET OF TAX)	TOTAL
Flick, Kimberly S	Community Infrastructure & Development	\$ 161,075	\$ 4,583	\$ 165,658
Foster, Anne Marie	Corporate Services	112,714	457	113,171
Fredin, Clayton C W	Human Resources Services	98,775	4,075	102,850
Fugel, Tom G	Operation Services	80,596	575	81,171
Fuhr, Daniel R	Operation Services	79,978	219	80,197
Gaucher, Geoffrey W	Corporate Services	94,272	1,988	96,260
Gaythorpe, Glen	Operation Services	97,495	1,668	99,162
Gilroy, Chad	Fire Rescue Services	104,570	1,663	106,233
Hackworth, Mark	Operation Services	79,074	32	79,106
Hawn, Bryan	Recreation Services	75,457	2,033	77,490
Hawthorne, Mark	Operation Services	87,520	1,160	88,680
Hemstad, Scott P	Fire Rescue Services	132,021	9,597	141,618
Holloway, Ryan E B	Operation Services	80,275	529	80,804
Holman, Kevin J	Operation Services	78,861	724	79,585
Holtz, Collin	Operation Services	79,379	289	79,668
Howard, Stephen M	Operation Services	82,174	394	82,568
Ikesaka, Wayne	Corporate Services	77,315	438	77,754
Imrich, Douglas R	Fire Rescue Services	138,468	161	138,629
Irwin, Sean A	Operation Services	105,440	8,315	113,755
Jacobson, Kathryn Y	Corporate Services	89,216	-	89,216
Jameson, Kevin	Operation Services	82,825	1,707	84,532
Keast, Mathew G	Community Infrastructure & Development	82,911	1,834	84,746
Keenan, Trevor J	Fire Rescue Services	110,187	309	110,496
Klymchyk, Michael D	Community Infrastructure & Development	83,497	354	83,850
Koenig, Shirley A	Operation Services	161,219	272	161,491
Kozin, Serge	Operation Services	100,107	4,449	104,556
Kruysifix, Derek	Fire Rescue Services	107,485	1,597	109,082
Kryszak, Kendra S	Operation Services	90,604	1,289	91,894
Kulak, Chris	Fire Rescue Services	126,231	2,024	128,255
Law, Debra L	Financial Services	139,920	5,255	145,175
Lefebvre, Gary P	Recreation Services	88,702	1,422	90,124
Liefke, Carie-Ann N	Community Infrastructure & Development	76,315	1,473	77,788
Lind, David W	Fire Rescue Services	157,387	9,284	166,671
Low, Richard B	Operation Services	81,887	584	82,471
Luxton, Jillian	Corporate Services	80,718	438	81,156
Manjak, Raeleen M	Human Resources Services	161,150	6,175	167,325
Markel, Marvin A	Operation Services	93,505	2,863	96,368
Martens, Terence C	Financial Services	98,071	4,550	102,621
Mcgiverin, Ryan E	Fire Rescue Services	109,897	133	110,030
McLuckie, Paula M	Human Resources Services	115,301	2,987	118,288
Mitchell, Stanley E	Recreation Services	94,468	332	94,799
Morrison, Nicholas P	Operation Services	78,608	953	79,561

Employee Remuneration and Expenses | Continued

EMPLOYEE NAME	DIVISION	GROSS EARNINGS	EXPENSES (NET OF TAX)	TOTAL
Mulligan, Geoffrey S	Community Infrastructure & Development	\$ 76,830	\$ 2,625	\$ 79,455
Nadeau, Daniel D	Fire Rescue Services	103,442	124	103,566
Olson, Greg W	Operation Services	89,901	37	89,938
Olson, Matthew B	Fire Rescue Services	108,174	99	108,273
Ovens, Chris C	Operation Services	100,867	2,329	103,196
Parker, Ryan	Operation Services	95,755	560	96,315
Parsons, Brian G	Fire Rescue Services	119,331	353	119,684
Patterson, Sarah M	Human Resources Services	83,875	4,341	88,217
Pearce, William C	City Administration	219,868	9,453	229,321
Pearson, Joel M	Fire Rescue Services	109,553	403	109,956
Poole, Kevin W	Community Infrastructure & Development	117,617	10,530	128,147
Pope, Carson J	Operation Services	75,318	584	75,902
Powell, Ryan	Operation Services	79,424	1,574	80,998
Price, Eric A	Operation Services	79,743	1,301	81,044
Pshyk, Scott J	Fire Rescue Services	104,469	6	104,476
Reich, Allyson	Fire Rescue Services	114,145	163	114,308
Reichlin, Guido	Fire Rescue Services	108,967	554	109,520
Rice, James D	Operation Services	131,190	692	131,882
Robinson, Chris	Fire Rescue Services	120,817	111	120,929
Robinson, David W	Fire Rescue Services	78,309	163	78,472
Roesler, Darren	Operation Services	90,385	344	90,729
Ross, Doug	Recreation Services	154,517	1,921	156,438
Satchell, Kris D	Corporate Services	98,131	4,171	102,302
Schikowski, Trevor	Operation Services	90,074	407	90,481
Sengotta, Ray G	Operation Services	83,414	856	84,270
Seymour, Larry Dwight	Fire Rescue Services	101,906	12,244	114,149
Sheel, Christopher M	Financial Services	103,620	10,428	114,048
Sibilleau, Dale R	Fire Rescue Services	108,059	2,662	110,721
Sissons, Douglas J	Operation Services	79,748	444	80,191
Stoll, Michael	Fire Rescue Services	112,066	143	112,209
Story, Brian	Recreation Services	91,456	127	91,583
Stowards, Blaine R	Operation Services	83,385	1,720	85,105
Stranks, Ed J	Community Infrastructure & Development	116,314	1,791	118,104
Strobel, Richard D	Operation Services	105,533	1,001	106,534
Stuart, Aaron C	Financial Services	104,141	3,020	107,161
Sykes, Ashton	Fire Rescue Services	77,666	36	77,702
Taylor, Dennis	Operation Services	91,638	800	92,438
Thomas, Jamie	Operation Services	93,334	314	93,648
Thompson, Greg	Community Infrastructure & Development	84,273	372	84,645
Toopitsin, Henry	Operation Services	93,337	2,275	95,612
Tucker, Cole	Operation Services	83,175	277	83,451
Van Der Gulik, Angela S	Corporate Services	79,751	498	80,249

Employee Remuneration and Expenses | Continued

EMPLOYEE NAME	DIVISION	GROSS EARNINGS	EXPENSES (NET OF TAX)	TOTAL
Van Dyke, William	Operation Services	\$ 87,181	\$ 105	\$ 87,286
Vienneau, Richard M	Operation Services	81,834	13	81,847
Wakefield, Dean	Fire Rescue Services	128,445	343	128,788
Walker, Dan	Fire Rescue Services	128,075	6,350	134,425
Walker, Leah E	Recreation Services	76,990	2,880	79,870
Walters, Kevin A	Operation Services	84,036	396	84,432
Watson, Amanda	Community Infrastructure & Development	114,616	5,336	119,952
Wright, Shayne J	Recreation Services	89,438	1,566	91,004
Wycott, Curtis C	Operation Services	80,964	257	81,221
Zubick, Rachael L	Corporate Services	79,723	652	80,375
		<u>\$ 13,174,026</u>	<u>\$ 278,800</u>	<u>\$ 13,452,826</u>
All Other Employees		<u>\$ 12,684,623</u>	<u>\$ 165,471</u>	<u>\$ 12,850,093</u>
Grand Total		<u>\$ 25,858,649</u>	<u>\$ 444,270</u>	<u>\$ 26,302,919</u>

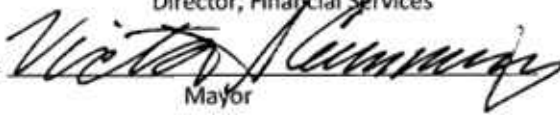
STATEMENT OF SEVERANCE AGREEMENTS

In accordance with the requirements of the *Financial Information Act* below is a schedule of Severance Agreements and equivalent's month range of compensation for the year 2019 for which severance payments commenced in 2019.

Number of Severance Agreements: One
Range of equivalent's months pay: Three months

Approved by: 
Director, Financial Services

Dated: May 25, 2020

Approved by Council: 
Mayor

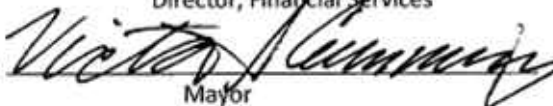
Dated: May 25, 2020

STATEMENT OF GUARANTEES

In accordance with the requirements of the *Financial Information Act* below is a summary of Guarantees in effect for the year 2019. The City of Vernon has issued an irrevocable letter of credit in favour of the Agricultural Land Commission (ALC) as a guarantee to fund works required by the ALC as a condition of a property being removed from the Agricultural Land Reserve. The amount of the guarantee is \$716,000. As of December 31, 2019 no drawing on the letter of credit has occurred.

Approved by: 
Director, Financial Services

Dated: May 25, 2020

Approved by Council: 
Mayor

Dated: May 25, 2020

GRANTS TO ORGANIZATIONS

PAYEE	2019	2018	GRANT TYPE
Abbyfield Houses of Vernon Society	\$ -	\$ 15,000	Council Discretionary Grant
Buoyant Buddies North Okanagan Boat Society	504	-	Council Discretionary Grant
Canadian Mental Health Association	5,000	-	Council Discretionary Grant
Caetani Cultural Center Society	-	6,970	Council Discretionary Grant
Chippendale, Sean	500	479	Heritage Retention Incentive Grant
Downtown Vernon Association	50,000	37,000	Downtown Landscaping Maintenance
Downtown Vernon Association	8,000	8,000	Civic Sounds Grant
Food Action Society of the North Okanagan	2,000	-	Council Discretionary Grant
Food Action Society of the North Okanagan	750	-	Sustainability Grant
Helping Out People Exploited (HOPE) Outreach	2,000	-	Council Discretionary Grant
Kidsport	3,538	-	Kidsport Grants
Koole, Joanne B	-	3,000	Heritage Retention Incentive Program
Lang, Eva-Lena	750	-	Sustainability Grant
McGinn, Shelagh A	-	210	Heritage Retention Incentive Program
N & T Properties Ltd	-	129,000	Rental Housing Grant
North Okanagan Canada Day Society	10,000	10,000	Canada Day Grants In Aid
North Okanagan Canada Day Society	2,000	2,000	Canada Week Grant
North Okanagan Cycling Society	-	4,930	Council Discretionary Grant
North Okanagan Youth & Family Services	800	-	Community Clean up
North Okanagan Youth & Family Services	672	-	Kindness Meter Grant Payment
North Okanagan Youth & Family Services	-	15,000	Council Discretionary Grant
North Okanagan Youth & Family Services	-	2,000	Grant in Aid
O'Keefe Ranch Heritage Society	100,000	94,903	Operating and Capital Grants
O'Keefe Ranch Heritage Society	-	23,573	Consulting Repayment
Okanagan Chapter of BC Sustainable Energy Association	750	-	Sustainability Grant
Okanagan Landing & District Community Association	3,587	-	Council Discretionary Grant
Okanagan Quality Life Society	289	2,100	Council Discretionary Grant
Okanagan Regional Library	25,296	22,285	Sunday Library Opening Grant
Regional District of North Okanagan	-	5,829	Age Friendly Program Grant In Aid
Roze Des Ordons, Jenna	-	500	Heritage Retention Incentive Program
Shaw, M & P	500	500	Heritage Retention Incentive Program
Southern Interior Safe Boating Society	2,500	-	Council Discretionary Grant
Soverign Lake Nordic Club	10,000	-	Council Discretionary Grant returned to City in 2020
Stass Reiner	2,940	-	Heritage Retention Incentive Program
Thomson Okanagan Tourism	2,500	2,500	OCCP Partner Core Fund Grant
Upper Room Mission	3,138	-	Council Discretionary Grant
Vanzeaajj, R & M	-	500	Heritage Retention Incentive Grant
Vernon & Area 2017 +55 Games Society	-	15,000	Grants in Aid 55+ Senior Games
Vernon & District Assn for Community Living	2,500	2,500	Council Discretionary Grant
Vernon Community Music School Association	5,000	-	Council Discretionary Grant
Vernon Concert Band Society	800	500	Council Discretionary Grant
Vernon Horseshoe Club	6,000	-	Council Discretionary Grant
Vernon Native Housing Society	3,000	3,000	Council Discretionary Grant
Vernon North Okanagan Police Youth Academy	6,000	6,000	Jean Minguy Youth Academy Grant
Vernon Paddling Centre Society	1,406	-	Council Discretionary Grant
Vernon Pickleball Association	8,246	-	Pickleball Facility Grants
Vernon Winter Carnival Society	10,000	10,000	Winter Carnival Grant
Vernon Youth Triathlon Society	1,100	-	Council Discretionary Grant
Witvoet Steve	118	426	Heritage Retention Incentive Grant
Total Grants	\$282,184	\$423,704	

PAYMENTS TO VENDORS IN EXCESS OF \$25,000

VENDOR NAME	2019	2018*	PURPOSE
0863668 BC LTD	\$ 125,701	\$ -	Refund Cash Security & Property tax payments
0872355 BC Ltd DbA Speedpro Signs	48,968	49,041	Purchase signs and decals
0942304 BC Ltd	28,677	-	Refund Cash Security
1 & 2 Electric Ltd	40,560	159,953	Contractor for electrical various buildings
1030716 BC Ltd DbA Hancon Constructors	27,631	85,641	Vernon Airport Terminal Renovation
5 Point Operations Inc	42,792	81,153	Snow clearing & deicing/sanding various Civic Buildings
6-4 Building Maintenance Ltd	51,361	29,970	Contractor for janitorial services for downtown washroom facilities
A & D Asphalt Solutions Ltd	500,721	437,746	Contractor for paving
A & G Supply Ltd	100,504	176,681	Contractor for commercial cleaning products
Accurate Fence & MFG	40,525	-	Various fence maintenance & repairs
Acrodex Inc DBA PCM Canada	54,650	-	Supply & deliver Microsoft Licensing
Advanced Powerlines Ltd	33,189	-	Contractor for electrical various buildings
Advantage Asset Tracking Inc	53,686	102,818	GPS units for fleet and monitoring for the year
Aecom Canada Ltd	287,513	150,366	Consultant for High Water Strength study
Alberta Sales Auto Quip	54,795	-	Purchase of mobile lifts for Fleet
Aldebaran Enterprises	-	102,810	Refund Cash Security
All in Bin Rentals Ltd	33,844	-	Bin rentals for various locations
Allied Universal Security Services of Canada Co	-	31,418	Security Patrol at various civic properties
Allpro Tree & Landscape Services Inc	56,426	74,235	Contractor for tree maintenance
Alpine Building Maintenance Inc	71,902	58,021	Contractor of janitorial services Civic buildings
Andrew Sheret Ltd	188,165	159,895	Purchase supplies for building maintenance
Armstrong Machine Shop Ltd	-	32,048	12" Gravel Box & Hydraulic Cylinder
Associated Environmental Consultants Inc	245,986	333,884	Environmental services and projects
Associated Fire & Safety	74,345	78,637	Firefighter turnout gear
ATS Electric & Technical Service LTD	105,397	79,568	Contractor for electrical and lighting for recreation centers
AZD100 Enterprises LTD Longhorn Pub & Liquor	-	25,351	Refund Cash Security
Bannister Chev-Olds Inc	40,835	70,099	Purchase fleet
BC Assessment Authority - Taxation	496,137	474,899	Transfer BC assessment taxes collected
BC Housing Management Commission	52,394	-	Refund Cash Security
BC Hydro & Power Authority	2,439,759	2,650,381	Electric utility, pole relocates and contributions in aid
BC Ltd 580245 DbA Valleyview Contracting	-	60,811	Lawn mowing
BC Transit	2,766,617	2,412,689	Contractor for transit services
Bentall Kennedy(Canada) LP	227,485	-	Reassessment of taxes
Biomaxx Wastewater Solutions Inc	-	63,666	Purchase supplies for sanitary sewer operation
Black Press Group Ltd	97,284	153,722	Local newspaper advertising
Brandt Tractor Ltd	175,119	-	Purchase of Backhoe, & fleet repairs and maintenance
Brenntag Canada Inc	-	84,989	Purchase chlorine products
Busy Bee Pest Control	41,265	41,081	Contractor for weed control
Cabin Forestry Services Ltd	-	53,209	Design for Becker Park
Cale Systems Inc	-	48,319	Purchase solar powered parking meters and monthly fees
Canada Post Corporation	79,431	72,506	Postage
Canada Safety Equipment Ltd	82,308	85,733	Purchase safety equipment
Canadian National Railway Co	25,196	-	Rail crossing maintenance
Canadian Professional Management Services Inc	102,006	153,730	Management consulting fees
Canreal Management Corporation	35,978	-	Reassessment of taxes
Capri Insurance	407,604	398,310	City facility and fleet insurance
Care Systems Services Ltd	52,820	-	Contractor for heating, ventilating & air conditioning services
Carlisle Developments Inc	816,551	464,613	Refund Cash Securities
Caro Analytical Services	35,398	25,826	Contractor for analytical testing
Catherine Gardens Life Lease Ltd Partnership	-	64,070	Refund Cash Security
CDW Canada Inc	111,958	65,804	City network and hardware upgrades

Payments to Vendors in Excess of \$25,000 | Continued

VENDOR NAME	2019	2018*	PURPOSE
Centralsquare-Tempest Development Group	\$ 45,640	\$ 92,674	Maintenance Renewal & Cash Consult
Centralsquare-Vadim Computer Management Group	-	62,851	Maintenance Renewal
CGL Contracting Ltd	1,892,926	1,358,833	Contractor for 30th Street upgrade & 32 Ave Rehabilitation
Chances Bulk Unloading	36,690	45,654	Purchase road de-icing salt
Charter Telecom Inc	-	28,590	Cisco System Upgrade
City of Kelowna	1,165,865	680,771	Cost sharing regional bio-solids facility and wastewater contributions
CivicInfo BC	-	35,094	Memberships and Job Postings
Cleartech Industries Inc	46,489	-	Purchase sulphate products
Coldstream Construction	-	101,221	Renovation new ESS Building
Commercial Truck Equipment CO	2,267,789	-	Purchase of new fire trucks
Complete Climate Control Inc	-	39,859	Arena compressor servicing
Corix Water Products Limited Partnership	-	186,209	Purchase supplies and materials for water system
Corporate Express	53,338	68,544	Purchase office supplies
Corus Sales Inc	78,755	-	Tourism marketing
Crowdriff Inc	37,485	-	Tourism marketing
CTV a division of Bell Media	155,633	37,078	Tourism campaign
Cummins Canada Ulc	27,881	-	Purchase of generator & supplies
Dakota Reclamators Ltd	217,285	417,661	Demolition of the Civic Arena
Darin's Plumbing Ltd	-	25,753	Plumbing Services
Davidson Pringle LLP	-	75,838	Legal fees and land purchase
Deloitte LLP	-	55,971	Supply Check Point Firewall Hardware, Software and Training
Destination Think Professional Services Inc	290,655	86,986	Tourism marketing
Devon Transport Ltd	37,790	34,548	Truck Rentals for Bylaws, Parks & Public Works
Direct Energy Marketing	-	80,919	Natural gas utility
District of Coldstream	48,042	34,837	Monthly transit service
DLA Piper (Canada) Llp in Trust	50,650	-	Legal fees and land purchase
Downtown Vernon Association (DVA)	447,630	506,381	Transfer business improvement area taxes and other
Dreamland Holdings Ltd	-	80,246	Tax Sale Redemption
Durning Directions & Services Ltd	205,100	194,494	Contractor for tourism office operation
Dynamic Asphalt Services Inc	98,266	180,479	Crack Sealing Spray Patching Services
E Lees & Associates Consulting Ltd	-	60,521	Development of Cemetery Master Plan
E/E Electrical Enterprise Ltd	28,891	-	Contractor for Electrical services
Eagle Industries Ltd	104,984	-	Design & fabrication of outdoor bathroom
EB Horsman & Son Ltd	157,014	130,681	Purchase inventoried parts and supplies
Econolite Canada Inc	73,397	92,352	Purchase supplies for traffic control and street lights
ECS Environmental Solutions	27,660	-	Purchase odour control unit for trial
EMCO Corporation	54,895	53,231	Purchase supplies for various water related products
EMPS Electric Motor & Pump Service Ltd	58,079	99,293	Contractor for pump supply and service
ESRI Canada Limited	53,955	43,940	Contractor for software maintenance
Evergreen Building Maintenance Inc	52,965	60,318	Contractor for tree maintenance
Evoqua Water Technologies Ltd	67,590	-	Purchase of Bioxide
Executive Flight Centre Fuel Services Ltd	403,767	487,781	Purchase jet and aviation fuel for resale at airport
Faulknerbrowns Architecture Inc	61,142	-	Supply feasibility study for Active Living Centre
Fletcher Paine Associates Engineering Ltd	101,019	118,685	Engineering services - various projects
Foothills Developments Ltd	235,644	-	Refund cash security
Fortis BC	700,023	466,345	Natural gas utility
FP TELESET	30,000	30,000	Postage Payment for Postage Machine
Franz, Maria Anna	1,691,094	202,084	Tax Sale Redemption
Gatewood Homes Ltd	-	72,751	Refund Cash Security
Gilbert Parts Depot	86,188	86,781	Purchase supplies for City fleet
Gilmore, Terry	-	30,303	Repairs to Burn Building Fire Training Center
Golder Associates Ltd	-	38,055	Sediment Removal from BX Creek
Goode Properties Inc	240,306	-	Tax Sale Redemption
Gotraffic Management Inc	75,899	-	Provide traffic control
Great West Equipment	-	40,754	Purchase Heavy Equipment Parts

Payments to Vendors in Excess of \$25,000 | Continued

VENDOR NAME	2019	2018*	PURPOSE
Grizzly Curb & Concrete Ltd	\$ 299,455	\$ 142,853	Contractor for curb, gutter and sidewalk projects
Grounds Guys Landscape Management	729,485	600,911	Contractor for cemetery and parks maintenance
Guillevin International Co	58,254	593,002	Purchase inventoried parts and supplies
Gunther Robert	105,127	-	Tax Sale Redemption
Habitat Systems Inc	-	28,438	Purchase playground equipment
Hach Sales & Service Canada Ltd	65,735	66,788	Purchase supplies for Water Reclamation Plant
Handy Guys Home Renovation	-	37,145	Various repair and renovation projects
Hewberry Alarms Ltd	42,891	-	Alarm Systems for various locations
Highstreet Creekview Heights Apartments Ltd	738,505	225,324	Refund Cash Securities
Hi-Pro Sporting Goods Ltd	132,701	-	Provide event deck flooring & other supplies
Home Building Center-Vernon	50,285	35,572	Purchase Supplies
Home Depot	56,598	38,941	Purchase supplies
Home Depot Holdings INC	-	34,721	Prior years property tax supplementary adjustment
Howard Industries (2010) Ltd	-	38,756	Contractor for meals to RCMP detachment
Iconix Waterworks	127,215	-	Purchase inventoried parts and supplies
Innov8 Digital Solutions Inc	99,525	41,800	Monthly Copy Usage for Civic Buildings
Integral Group Consulting	36,472	-	Consulting services for Climate Change Adaption & Planning
Insurance Corporation of British Columbia (ICBC)	88,935	79,606	City fleet insurance
Interior Instrument Engineering Services Ltd	-	49,728	Tern Lift Station Electrical Kiosk
Inter-Mtn Enterprises Inc	-	25,058	Supply Park Signs
Interprovincial Traffic Services Ltd	27,552	-	Purchase supplies for traffic signals
IRL International Truck Center Ltd	47,927	78,457	Purchases for fleet supplies
Ironclad Developments Vernon Inc	162,154	-	Refund Cash Securities
Ironman Directional Drilling Ltd	218,182	176,913	Contractor for Okanagan Ave Drainage
Jack, John	71,813	303,188	Land Lease Vernon Regional Airport
Jacobson Ford Sales	-	39,147	Purchase 2019 Ford F-250 XL
James E Dorsey Law Corporation	26,547	-	Legal Fees
Jaydon Thiessen Electric	56,117	-	Contractor for electrical various buildings
JKW Holdings	43,635	-	Refund Cash Securities
Justice Institute of BC	-	28,408	Post-Secondary Educational Institution Safety
Kal Tire Ltd	54,941	60,918	Purchase tires for City fleet
Kalamalka Security & Investigations Inc	43,821	38,792	Security Patrol at various civic properties
Kelowna's TNT Trucking Ltd	140,582	-	Provide biosolid hauling
Kelpin, Charles	35,240	381,394	Tax sale redemption
Kendrick Equipment Ltd	-	28,664	Purchase 2017 Vac/Flush truck
Kerr Wood Leidal Associates Ltd	-	25,856	Engineering services - various projects
KES Resource Enterprise Ltd	-	26,222	Purchase Railroad Crossing Material
Ki Communications	28,875	41,445	Professional media relations services
Knight's Vacuum Services Ltd	-	83,028	Bio solids disposal
KPMG LLP T4348	41,790	50,873	Financial statement audit
KTI Limited	139,460	133,226	Purchase Meters
Lafrentz Road Marking-Div of Cdn Road Builders	319,646	270,075	Contractor for Line Painting Services
Laing Roofing Ltd	62,487	145,168	Contractor for Roofing Services
Lake City Law Corporation	-	82,999	Refund Cash Security & Works Contribution Agreement
Landmark Solutions Ltd	-	30,523	Contractor Okanagan Ave Drainage
LB Chapman Construction Ltd	94,191	1,685,464	Contractor Kalamalka Lake Rd Improvements
Leko Pre Cast Ltd	40,910	49,670	Purchase inventoried parts and supplies
Lever Mechanical Ltd	-	38,629	Contractor for Boilers & Industrial Gas Service
Lidstone & Company	432,272	419,635	Legal fees
Links Lawn & Yard Services	68,427	65,278	Contractor for landscaping and snow removal at various locations
London Drugs	67,568	76,436	Information services supplies
Loughran Cavan	31,864	-	Tax sale redemption
LRM Contracting Ltd	138,390	-	Demolition of Kin Race Track
Manulife Financial	1,656,049	1,486,360	Employee benefits includes employee paid long term disability
Mearl's Machine Works Ltd	90,640	-	Provide machining services
Medical Services Plan of BC	229,625	197,958	Employee benefits

Payments to Vendors in Excess of \$25,000 | Continued

VENDOR NAME	2019	2018*	PURPOSE
Mequipco Ltd	\$ 27,071	\$ -	Purchase chlorine gas feed equipment
Metro Motors Ltd	-	35,196	Vehicle purchases
Michelin North America (Canada) Inc	26,773	26,370	Purchase tires for City fleet
Microserve	66,591	-	Purchase desktop computers and accessories
Minister of Finance	9,524,190	9,339,094	Transfer of school taxes collected & Employee Health Tax
Modern Energy Management Ltd	52,789	99,354	Contractor for Arenas Compressor Service
Monaghan Engineering & Consulting Ltd	493,191	570,342	Engineering services - various projects
Mountain Top Power Services Inc	-	25,704	Contractor for Lift & Pump Stations service and testing
MQN Architects	30,360	156,782	Consulting and architectural fees for recreation facilities
Municipal Insurance Assoc of BC	330,609	375,355	Liability insurance - premiums and deductibles
Municipal Pension Plan	4,424,492	4,103,993	Remittance employer and employee portions of pension contributions
N & T Properties Ltd	98,129	150,737	Contractor for VWRC septage receiving station
N O Columbia-Shuswap Regional Hospital	3,304,445	2,678,188	Transfer regional hospital taxes collected
Natures Fare Natural Foods Ltd	29,774	-	Refund Cash Security
Napp Enterprises Ltd	-	40,375	Demolition & Hazard Abatement Services for CPO Building
Nedco Division of Rexel Canada Electrical Inc	29,418	-	Purchase inventoried parts and supplies
Nielsen Roofing & Sheet Metal Ltd	-	31,273	Contractor roofing for Firehall 1 & 2
Northwest Hydraulic Consultants Ltd	113,529	-	Consulting service for flood plain mapping
Nor-Val Rentals Ltd	25,386	-	Machine and tool rental
Oakcreek Golf & Turf LP	105,068	153,542	Purchase Large Area Rotary Mower
Okanagan Regional Library	1,856,928	1,792,331	Transfer Regional Library taxes collected
Okanagan Ridge Lp	27,343	-	Refund Cash Security
Okanagan Traffic Control Professionals Inc	76,768	82,513	Contractor for traffic control services
O'Keefe Ranch & Historical Society	174,171	128,557	Grant in aid
Omega Communications Ltd	51,456	146,579	Contractor for communication supplies and services
Open Storage Solutions	102,272	-	Supply nimble storage system
Organized Crime Agency of BC	30,388	-	DNA analysis services
Outland Design Landscape Architecture	-	28,787	Contractor Design and Construction for 4 Lake Access Sites
Oxbow Activated Carbon LLC	-	68,040	Purchase Carbon for Order Scrubbers VWRC
Pacific Newspaper Group Inc	-	27,489	Tourism campaign
Pacific Restaurant Supply & Design House	69,397	-	Purchase of concession equipment
Parkwood Retirement Resort Ltd	-	227,320	DCC Refund
Perfectmind Inc	50,546	-	Recreation software maintenance
Petrovalue Products Canada Inc	407,788	250,868	Purchase aviation fuel
Petrusich, Joseph Richard	461,083	-	Tax sale redemption
Postill Nixon Earthworks	140,300	624,105	Contractor for heavy duty equipment services
Powerland Computers Ltd	69,187	-	Purchase terminal services
Predator Ridge Limited Partnership	101,283	57,193	Snow removal, street sweeping, and refund DCC overpayments
Provincial Rental Housing Corp	111,770	-	Road dedication purchase
Pure Technologies Ltd	-	36,591	Purchase pipe for Mackay reservoir
Pyramid Excavation Corporation	34,559	2,754,592	Contractor Okanagan Landing Improvements
Quantum Graphics & Consulting Inc	33,222	30,731	Purchase Tourism Visitor Guide and Summer Guide
Questica Inc	28,227	-	Purchase of subscription & maintenance
R E Postill & Sons Ltd	328,050	468,477	Purchase aggregate, winter sand, and snow removal
R L Walker Contracting Ltd	-	146,879	Contractor for snow hauling
R W Gray Consulting Ltd	31,994	-	Consulting for wildlife mitigation project
R355 Enterprises Ltd	1,438,909	2,266,527	Contractor for various road improvement projects
RC Strategies Inc	-	103,546	Consulting Service Recreation Center Master Plan
Receiver General for Canada	16,888,397	14,319,223	Employee source deductions, municipal policing, and lease payments
Redpoint Media Group	38,141	-	Advertising and promotion
Regional District of North Okanagan	28,983,554	26,581,930	Debt payments, annual regional tax requisition, and transfer of water revenue
Restorative Justice Society of North Okanagan	44,858	44,858	Contractor for restorative justice services
Ricoh Canada Inc	84,241	110,479	Purchase office equipment

Payments to Vendors in Excess of \$25,000 | Continued

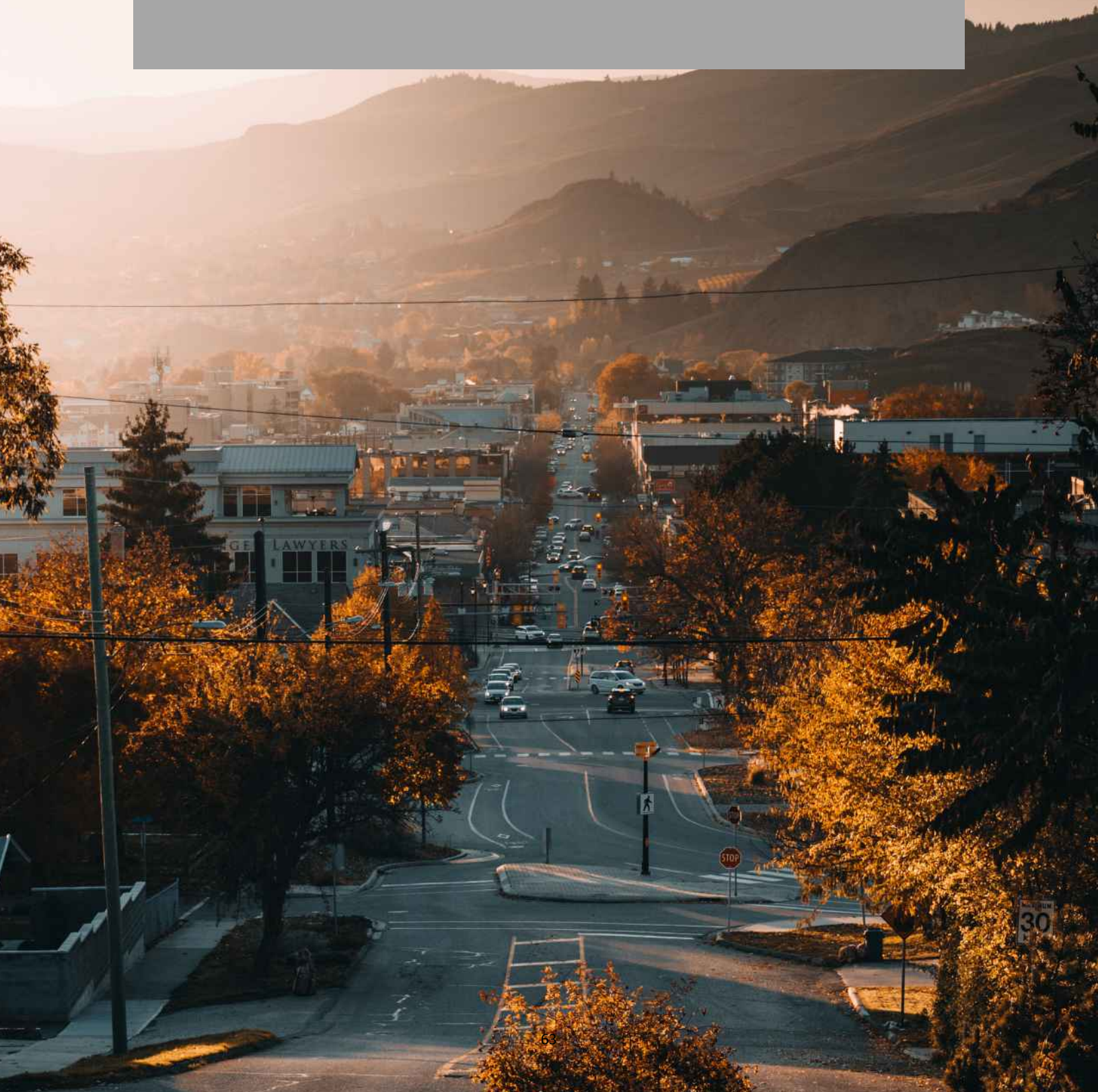
VENDOR NAME	2019	2018*	PURPOSE
Rider Ventures	\$ 27,833	\$ -	Provide services for multiple projects
Rjames Management Group Ltd	31,614	-	Purchase of inventory supplies for fleet
Robert Steffen DBA Robin Hood Security	42,590	36,947	Provide security Polson Park
Rogers Media Inc	86,519	-	Tourism campaign
Safety 1ST Traffic Control Inc	-	47,456	Contractor for Traffic Control Services
Savoy Equipment Ltd	25,832	-	Purchase of supplies
Schwartz Tyler	351,533	-	Tax sale redemption
Scotiabank Orchard Place	63,579	-	RRSP Contributions on behalf of Employee
Scout Properties (BC/Yukon)	-	28,875	Purchase of Scout Building 1901 47 Ave
Scuka Enterprises Ltd	163,273	-	Refund Cash Security
Seal Tec Industries Ltd	175,474	231,294	Contractor for crack sealing airport
Seekers Media	56,837	40,898	Tourism Media Campaign Spring 2018 & Winter 2019
Sel Surveys/Douglas R Jacobi	137,584	178,735	Surveying
Seymour Glen	55,241	-	Tax sale redemption
Sherine Industries Ltd	-	28,616	Purchase various Signs
Shaw Cablesystems Gp	79,062	-	Reallocate 30th Street connection
Sherwin-Williams Canada Inc	26,698	-	Purchase paint supplies
Sierra Landscaping Ltd	68,678	-	Contractor for Beachcomber Bay landscape improvements
Silver Pine Estates	-	53,984	Contractor Silver Star Rd storm sewer
Silverrock Land Corp	25,258	-	Refund Cash Security & Works Contribution
Skogies Enterprises Vernon Ltd	27,641	-	Refund tax payment
Social Planning Council for the North Okanagan	68,551	66,607	Contractor for crime prevention and responsible gaming initiative
Softchoice Lp	36,116	-	Purchase goods for information services
Source Office Furniture & Systems Ltd	50,195	33,589	Purchase Office Furnishing
Sparkling Hill Wellness Hotel Ltd	26,329	-	Tourism campaign
Spencer Navigation Maintenance	41,446	-	Purchase automated weather observation station
Stantec Consulting Ltd	222,053	128,191	Consulting Service 30 St Reconstruction Design
Stephanie Tambellini Design Studio Inc	43,573	48,909	Contractor for tourism promotion and advertising
Summit Trailer Ltd	63,756	-	Purchase dump trailer
Sun Life Financial	-	30,000	RRSP Contributions on behalf of Employee
Suncor Energy Products Partnership	482,119	502,110	Purchase fuel for City fleet
Sunset West Mechanical Ltd	375,783	66,658	Contractor for HVAC at various locations
Sunstone Holdings Inc	37,740	-	Reassessment of taxes
Sunterra Homes Ltd	39,632	-	Refund Cash Securities
Super Save Disposal Inc	53,555	-	Contractor for garbage removal at City facilities
Superior City Services Ltd	-	48,980	Contractor for 2016 Storm & Sanitary Utility Rehab
Sysco Food Services of Kelowna Ltd	34,813	34,326	Kal Tire & Recreation Center concession food supplies
Telus Communications Inc	128,692	309,977	Telephone utility
Telus Mobility Cellular Inc	105,008	91,160	Telephone utility
Telus Services Inc	-	78,482	Telephone utility
Terracom Systems Ltd	-	217,321	Contractor supply and install Avigilon Surveillance System
Tetra Tech Canada Inc (EBA Inc)	65,078	53,902	Engineering services for pre-treatment facility and airport runway
The Hub Enterprises Corp	114,817	-	Refund Cash Securities
The Web Advisors	85,352	49,033	Tourism website maintenance and updates
Trek Developments Ltd	55,807	-	Refund Cash Security
Tribus Services	44,243	41,924	Water meter reads
True Consulting (Kelowna) Ltd	324,357	444,338	Contractor for OK Landing Sewer and OK Ave drainage
Turn-Key Controls Ltd	-	25,688	Contractor for upgrade Scada Winncc @ VWRC
Twisted Mops Cleaning Company	74,081	78,710	Contractor for Parks Washroom cleaning services
Ultimate Door Services Ltd	103,319	-	Supply & install new fire station doors
Unifirst Canada Ltd	35,529	26,940	Contractor for delivery and rental of coveralls and mats
Union of BC Municipalities (UBCM)	26,729	25,756	Annual dues and remittance of license decal fees
Urban Heights Holding Vernon Ltd	25,220	105,013	Refund Cash Security
Urban Systems Ltd	182,540	133,524	Consultant for asset management, and various analysis and studies

Payments to Vendors in Excess of \$25,000 | Continued

VENDOR NAME	2019	2018*	PURPOSE
Ursus Heritage Consulting	28,096	-	Contractor for archaeological monitoring
Vernon & District Association for Community Living	100,901	102,812	Contractor for landscaping at various areas
Vernon Civic Employees Union - Local 626	295,578	257,759	Remittance of employee union dues
Vernon Firefighters Association Local 1517	131,044	76,178	Remittance of firefighter union dues
Vernon Line Painting Ltd	54,153	29,602	Contractor for various line painting
Vernon Lock and Safe	36,007	26,776	Contractor for locks and security various buildings
Vernon On Site Fencing Ltd	247,928	255,154	Contract for snow removal and fencing
Vernon Paving Ltd	575,191	500,503	Contractor for paving
Vernon Pickleball Association	-	243,810	Forwarding of third-party donations and loan for Pickleball Court
Vimar Equipment Ltd	54,455	40,427	Purchase of equipment parts and materials
VVI Construction Ltd	69,843	8,244,776	Contractor for Multi-Use Facility expansion construction
Waste Connections of Canada Inc	1,860,678	1,807,329	Contractor residential garbage collection and recycling
Waterhouse Environmental Services Corporation	96,897	62,944	Purchase supplies for water reclamation plant and Duteau Creek plant
Wayside Press Ltd		44,325	Purchase commercial printing
West Jet	43,280	-	Various travel purchases
Western Equipment Ltd	32,883	-	Purchase inventoried parts and supplies
Western Road Distribution Inc	59,603	69,840	Purchase calcium chloride for Operations Yard
Western Water Associates Ltd	32,532	74,926	Vernon Creek baseline study
WFR Wholesale Fire & Rescue Ltd	-	62,120	Purchase Fire department equipment
Wholesale Grafix Distribution & Signage	-	25,863	Supply and install signs
Williams Machinery Ltd	-	147,873	Purchase various equipment
Wise Wildlife Control Service	59,111	58,788	Contractor for wildlife control at airport
Wise Wood Tree Care Ltd	34,419	-	Contractor for tree maintenance
Wolseley Waterworks Group	-	41,018	Purchase supplies for water reclamation plant
Worksafe BC	432,785	474,251	Remittance of employee WCB benefits
WSP Canada Inc	33,424	144,435	Engineering services and consulting - various projects
Young Anderson Barristers & Solicitors	28,718	58,179	Legal fees
Total	107,909,630	108,702,416	
All Others Under \$25,000	16,209,128	5,522,223	
Grand Total Payments To Vendors	124,118,758	114,224,639	

* 2018 amounts are only those amounts appearing in the 2018 Vendor Payment Report. Vendors showing 2018 amounts as zero may have received payments from the City in 2018 but were below the threshold of \$25,000.

FINANCIAL STATEMENTS





THE CORPORATION OF THE
CITY OF VERNON
3400 - 30TH STREET
VERNON, BC V1T 5E6

P:250-545-1361
F:250-545-7876

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying financial statements of The Corporation of the City of Vernon (the "City") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting standards for local governments established by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The City's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by the City. The accompanying independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the City's financial statements.

A handwritten signature in black ink, consisting of a stylized 'C' followed by a horizontal line.

Chief Administrative Officer

A handwritten signature in black ink, appearing to read "Law".

Director of Financial Services

May 11, 2020



KPMG LLP
3205-32 Street
3rd Floor
Credit Union Building
Vernon BC
V1T 9A2
Telephone (250) 503-5300
Fax (250) 545-6440
www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To Mayor and Council of the Corporation of the City of Vernon

Opinion

We have audited the consolidated financial statements of the Corporation of the City of Vernon (the City), which comprise:

- the consolidated statement of financial position as at December 31, 2019
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2019, and its consolidated results of operations, its consolidated changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.



Independent Auditors Report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

May 11, 2020

Vernon, Canada

The Corporation of the City of Vernon
Consolidated Statement of Financial Position
Statement A



December 31, 2019 (in thousands of dollars)

2019

2018

Financial Assets

Cash and cash equivalents	Note 2	\$ 105,912	\$ 84,108
Accounts receivable	Note 3	17,127	19,695
Loans receivable	Note 4	112	-
Municipal Finance Authority cash deposits	Note 5	429	857
Land held for resale	Note 6	4,254	4,748
		<u>127,834</u>	<u>109,408</u>

Liabilities

Accounts payable and accrued liabilities	Note 7	29,433	29,814
Deferred charges	Note 8	16,571	13,086
Deferred revenue	Note 9	1,565	1,806
Debt	Note 10 & 11	10,859	15,375
Landfill remediation liability	Note 12	178	130
		<u>58,606</u>	<u>60,211</u>

Net Financial Assets

	<u>69,228</u>	<u>49,197</u>
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Non-financial Assets

Tangible capital assets	Note 13	562,845	575,083
Inventory of supplies		483	453
Prepaid expenses		657	692
		<u>563,985</u>	<u>576,228</u>

Accumulated Surplus

Note 14	\$ 633,213	\$ 625,425
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Commitments and contingencies

Note 20 & 22

Subsequent events

Note 26

Approved by:

Director of Financial Services

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the City of Vernon
Consolidated Statement of Operations
Statement B



		Budget 2019 Note 25	Actual 2019	Actual 2018
For the year ended December 31, 2019 (in thousands of dollars)				
Revenue				
Taxation	Note 15	\$ 42,580	\$ 42,362	\$ 39,491
Government transfers	Note 16	13,366	11,281	17,473
Services provided to other governments		3,203	3,199	3,192
Sale of services:				
Sewer fees and charges		9,661	9,840	9,645
Environmental health		2,138	2,347	2,307
Recreation fees		2,782	2,938	2,390
Public transit and parking		2,186	2,299	2,241
Fines and rentals		1,411	1,345	1,544
Licences and permits		1,525	1,892	2,064
Airport		967	1,284	1,255
Other		1,150	1,412	1,572
Development fees		151	115	195
Fiscal services:				
Penalties, interest earned and actuarial adjustments		1,399	3,451	4,924
Natural gas system lease agreement	Note 17	1,874	1,832	1,874
Developer contributions of assets	Note 13	4,268	3,551	4,128
		88,661	89,148	94,295
Expenses				
	Note 19 & 24			
General government and common services		11,247	10,864	10,150
Bylaw compliance and parking control		1,397	1,514	1,391
Protective Services:				
Police		12,953	12,465	11,262
Fire rescue		6,195	6,546	6,176
Emergency measures		216	205	291
Planning and building inspection		2,964	2,695	2,649
Engineering		4,389	3,877	2,731
Operations Services:				
Road transportation		17,146	16,903	16,391
Sanitary sewer		10,609	10,691	9,981
Solid waste and recycling		1,861	1,961	1,899
Park services		2,258	2,569	2,151
Storm drainage		1,383	1,506	1,571
Airport		1,126	1,417	1,180
Other		475	671	668
Cemetery		287	292	384
Recreation		7,074	7,184	13,239
		81,580	81,360	82,114
Annual surplus		7,081	7,788	12,181
Accumulated surplus, beginning of year		625,425	625,425	613,244
Accumulated surplus, end of year	Note 14	\$ 632,506	\$ 633,213	\$ 625,425

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the City of Vernon
Consolidated Statement of Change in Net
Financial Assets

Statement C



For the year ended December 31, 2019 (in thousands of dollars)	Budget 2019 Note 25	2019	2018
Annual Surplus	\$ 7,081	\$ 7,788	\$ 12,181
Amortization of tangible capital assets	12,116	11,421	11,133
Net loss on sales of assets	-	23	165
Proceeds on sale of tangible capital assets	-	13,299	82
Acquisition of tangible capital assets	-	(9,269)	(13,597)
Acquired tangible capital assets from developers Note 13	-	(3,236)	(2,177)
	12,116	12,238	(4,394)
Consumption of supplies inventories	-	977	1,027
Use of prepaid expenses	-	826	913
Acquisition of supplies inventories	-	(1,007)	(988)
Acquisition of prepaid expenses	-	(791)	(1,326)
	-	5	(374)
Increase in net financial assets	19,199	20,029	7,413
Net financial assets, beginning of year	-	49,197	41,784
Net financial assets, end of year	\$ 19,199	\$ 69,228	\$ 49,197

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the City of Vernon
Consolidated Statement of Cash Flows
Statement D



For the year ended December 31, 2019 (in thousands of dollars)

	2019	2018
Operating Activities		
Annual surplus	\$ 7,788	\$ 12,181
Non-cash items included in annual surplus:		
Amortization of tangible capital assets	11,421	11,133
Net loss on disposal of tangible capital assets	23	165
Developer contributions of assets	(3,236)	(2,177)
Increase in landfill remediation liability	48	26
Change in non-cash operating items:		
Decrease/(increase) in accounts receivable	2,568	(957)
(Decrease) in accounts payable and accrued liabilities	(381)	(3,771)
Increase/(decrease) in deferred charges	3,485	(81)
(Decrease) in deferred revenue	(241)	(341)
Actuarial adjustments on debt	(1,657)	(1,508)
(Increase)/decrease in supplies inventories	(30)	39
Decrease/(increase) in prepaid expenses	35	(413)
Decrease in Municipal Finance Authority cash deposits	428	1,598
(Decrease) in Municipal Finance Authority reserves	-	(2,455)
(Increase) in loans receivable	(112)	-
	<u>20,139</u>	<u>13,439</u>
Investing Activities:		
Decrease in portfolio investments	-	5,414
Decrease in land under development	494	30
	<u>494</u>	<u>5,444</u>
Financing Activities:		
Principal payments on debt	(1,800)	(1,798)
Gain on retirement of debt	(1,059)	-
	<u>(2,859)</u>	<u>(1,798)</u>
Capital Activities:		
Proceeds on sale of tangible capital assets	13,299	82
Acquisition of tangible capital assets	(9,269)	(13,597)
	<u>4,030</u>	<u>(13,515)</u>
Increase in cash and cash equivalents	<u>21,804</u>	<u>3,570</u>
Cash and cash equivalents, beginning of year	<u>84,108</u>	<u>80,538</u>
Cash and cash equivalents, end of year	\$ 105,912	\$ 84,108

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies:

The Corporation of the City of Vernon (the "City") is incorporated and operates under the provisions of the Local Government Act and Community Charter of British Columbia. The City provides local government services to residents of its incorporated area including administrative, protective, transportation, sewer, storm drainage, park maintenance, recreation, community development and environmental.

a) Basis of Accounting:

The consolidated financial statements of the City are prepared by management in accordance with Public Sector Accounting Standards ("PSAS") established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Professional Accountants.

All revenue is recognized on an accrual basis. Property taxes are recognized as revenue in the year they are levied. Utility charges are recognized as revenue in the period earned. Expenses are recorded in the period in which the goods or services are acquired and a liability is incurred.

b) Basis of Consolidation:

The consolidated statements include all funds of the City and its wholly-owned other government organization subsidiaries. Inter-fund revenues, expenses, assets, and liabilities have been eliminated. The following controlled entities have been consolidated:

CBW Development Corp.	100%
Hesperia Development Corp.	100%

c) Measurement Uncertainty:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets, estimating provisions for accrued liabilities and contingent liabilities, the carrying value of the landfill remediation liability, measurement of contaminated site liabilities (if identified), and in performing valuations of employee future benefits. Actual results could differ from those estimates and adjustments, if any, will be reflected in the period of settlement or upon a change in the estimate.

d) Cash and Cash Equivalents:

Management classifies all highly liquid investments with maturity of one year or less at acquisition as cash equivalents.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies: (continued)

e) Land Held for Resale:

Land held for resale is valued at the lower of cost and net realizable value.

f) Deferred Charges:

Deferred charges are comprised of levied and unused Development Cost Charges and Works Contribution funds. These funds are recorded as revenue in the year they are used to fund tangible capital asset acquisitions or eligible operating expenses.

g) Deferred Revenue:

Deferred revenue represents property taxes, permits and other fees that have been collected, but for which the related taxes have not yet been levied and services or inspections have yet to be performed. These amounts will be recognized in revenue in the fiscal year taxes are levied, services are performed, or revenues are earned. Deferred revenue amounts are included in Accounts Payable and Accrued Liabilities (note 7), Deferred Charges (note 8) and Deferred Revenue (note 9).

h) Debt:

Debt principal payments are not charged against current operating revenue pursuant to PSAS. Interest is recorded on an accrual basis. Gross interest paid on long term debt in 2019 was \$1,026,000, (\$1,065,000 in 2018). Gains or losses on repayment of debt is recorded in the Statement of Operations.

i) Landfill Closure and Post-Closure Liability:

The estimated cost for closure and post-closure care for the Hesperia landfill is based on estimated future expenses in current dollars and charged as an expense in the reporting period that the landfill site's capacity is used. There is significant measurement uncertainty in the estimate for the closure liability as it does not include a cost for obtaining suitable material for the final cover. This material is anticipated to be obtained at no charge as some materials that are discharged at the landfill are suitable to be used for the final cover and are diverted and stored to be used for progressive closure activities.

During 2018 the City's consultants responsible for reporting to the Province determined there were some discrepancies with the 2016 Closure plan ("the Plan") prepared for the City by external consultants. A revised Operating and Closure plan will be prepared; however, the original Plan will be used for the purposes of calculating the closure and post-closure liability (note 12) until the revised plan is prepared. Due to the identified discrepancies there is additional measurement uncertainty regarding the estimated closure costs and lifespan of the landfill.

j) Liability for Contaminated Sites:

A liability for remediation of contaminated sites is recognized when all the following criteria are met: an environmental standard exists, contamination exceeds the environmental standard, the City is directly responsible or accepts responsibility, and a reasonable estimate of the amount can be made. The liability is recorded net of any expected recoveries. The City currently has not identified any contaminated sites.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies: (continued)

k) Non-Financial Assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus/deficit, provides the consolidated change in net financial assets for the year.

l) Tangible Capital Assets and Amortization:

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, and site preparation costs. The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on the basis of straight-line or declining balance over the estimated useful life of the tangible capital asset, as follows:

Transportation Infrastructure:		
Roads (surface)	Straight-line	25 years
Roads (base)	Straight-line	75 years
Bridges	Straight-line	50 to 75 years
Sidewalks	Straight-line	25 to 50 years
Traffic signals	Straight-line	15 years
Street lighting	Declining Balance	5%
Parking meters	Declining Balance	10%
Storm Drainage Infrastructure	Straight-line	75 years
Sanitary Sewer Infrastructure	Straight-line	75 years
Buildings	Straight-line	35 to 60 years
Vehicles	Straight-line	7 to 29 years
Miscellaneous Equipment	Straight-line	10 to 30 years
Information Technology	Declining Balance	40%
Natural Gas System	Straight-line	35 years

m) Reserves:

Statutory reserve funds are used for future capital expenses as designated by bylaw and City Council. Non-statutory reserves are amounts set aside from past and current operations and are not governed by bylaw.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies: (continued)

n) Employee Future Benefits:

The City and its employees make contributions to the Municipal Pension Plan. As this plan is a multi-employer plan, the City's contributions are expensed as incurred.

Sick leave and other retirement benefits are also available to the City's employees. The costs of these benefits are determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn future benefits.

o) Government Transfers:

Government transfers are recognized as revenue in the period in which the event giving rise to the transfer occurs, provided the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Transfers received in the current year that do not meet these criteria are recorded as accrued liabilities.

p) Budget Figures:

The budget figures are from the annual Financial Plan Bylaw. They have been reallocated to conform to PSAS financial statement presentation requirements where appropriate. Subsequent amendments have been authorized by City Council to reflect changes in the budget. Such amendments are not reflected in the financial statement budget figures (note 25).

q) Segment Disclosures:

Segmented financial information is presented in groups of distinguishable activities in a similar approach to the City's internally reported cost centres. These segments are structured in a fashion to assist users of financial statements in understanding and identifying the resources allocated to support commonly recognized functions of the City. Segments are identified primarily by function and secondarily by organizational relationship. Revenues are allocated to segments when there is a direct cause and effect relationship to the expenses of those segments. Revenues that cannot be reasonably allocated in such a manner are considered common to the City as a whole and reported in general government (note 23).

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

2. Cash and Cash Equivalents:

	2019	2018
Restricted:		
Deferred charges	\$ 16,571	\$ 13,086
Deferred revenue	1,565	1,806
Statutory reserves	3,519	3,442
	21,655	18,334
Unrestricted:	84,257	65,774
	\$ 105,912	\$ 84,108

The City has access to an operating line of credit not exceeding \$2.0 million (2018 - \$2.0 million). Interest is accrued based on Bank of Montreal's prime lending rate. As of December 31, 2019, this line of credit was not being utilized (2018- \$0).

3. Accounts Receivable:

	2019	2018
Property taxes	\$ 3,313	\$ 3,724
Utility billings	7,424	7,037
Other governments	3,328	6,237
Trade and other receivables	3,164	2,822
	17,229	19,820
Allowance for doubtful trade accounts receivable	(102)	(125)
	\$ 17,127	\$ 19,695

4. Loans Receivable

The City has a loan receivable in the amount of \$112,000 (2018 - \$0) from the Vernon Pickleball Association to assist in financing the construction of a Pickleball facility. The loan receivable does not bear interest and is to be repaid in full by December 31, 2029.

5. Municipal Finance Authority Cash Deposits:

The City's debt is issued through the Municipal Finance Authority ("MFA"). As a condition of these borrowings, the City is obligated to lodge security by means of demand notes and interest bearing cash deposits based on the amount of the borrowing. The deposits are included in the City's financial statements as Municipal Finance Authority Cash deposits. If the debt is repaid without default, the deposits are refunded to the City. The demand notes, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default. As at December 31, 2019, there were contingent demand notes of \$723,000 (2018 - \$1,608,000) which are not recorded in the financial statements (note 22(b)). Upon the maturity of a debt issue, the demand notes are released and deposits refunded to the City.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

6. Land held for resale

In 2014, land was transferred back to the City from its wholly owned subsidiary Hesperia Development Corporation and is being held for resale. In 2017, the City entered into a Land Purchase and Development Framework agreement for the sale of another parcel of City owned land. The accumulated value of these lands is \$4,254,000 (2018 - \$4,748,000) which is comprised of the historical cost of the lands plus all prior improvements. Such costs have not been included in tangible capital assets since the land and improvements are subject to resale.

7. Accounts Payable and Accrued Liabilities:

	2019	2018
Trade accounts payable and other accrued liabilities	\$ 15,896	\$ 14,984
Salaries, wages and related costs	5,457	5,055
	<u>21,353</u>	<u>20,039</u>
Deferred revenue		
Prepaid property taxes	4,537	3,969
Deposits and holdbacks	3,409	5,694
Prepaid fees and charges	134	112
	<u>8,080</u>	<u>9,775</u>
	<u>\$ 29,433</u>	<u>\$ 29,814</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

8. Deferred Charges:

Deferred Charges include Works Contribution funds and Development Cost Charges ("DCC's"). Works Contribution funds are charged to developers through a works contribution agreement requiring the City to use funds for future work to, or adjacent to, each property. DCC's are collected to pay for 95% of the general capital costs due to development and 90% of utility capital costs on specified projects. In accordance with the Local Government Act, these funds must be deposited into a separate reserve fund. DCC's are deferred and recognized as revenue when the related costs are incurred.

	2019	2018
Deferred charges		
DCC - roads	\$ 7,027	\$ 4,363
DCC - storm	2,065	1,915
DCC - sewer	5,380	4,724
DCC - parks	14	-
Works Contributions	2,085	2,084
	<u>\$ 16,571</u>	<u>\$ 13,086</u>
Deferred charges, beginning of year	\$ 13,086	\$ 13,167
DCC's levied during the year	3,943	1,586
Works Contributions received	70	97
Investment income	317	187
Contributions available	<u>17,416</u>	<u>15,037</u>
Less: Capital transfers	520	1,697
Less: Operating transfers	325	254
Deferred charges, end of year	<u>\$ 16,571</u>	<u>\$ 13,086</u>

9. Deferred Revenue:

	2019	2018
Recreation Facility Major Maintenance	\$ 1,565	\$ 1,726
Recreation Facility Replacement (Civic)	-	33
Recreation Facility Operating	-	47
	<u>\$ 1,565</u>	<u>\$ 1,806</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

10. Debt:

	Purpose of Bylaw	Interest Rate %	Year of Maturity	Gross Debt	Sinking Fund Asset	2019 Net Debt	2018 Net Debt
<u>General Purposes:</u>							
4717	Fortis BC Gas Lease *	2.10 %	2019	\$ 24,500	\$ 24,500	\$ -	\$ 2,069
4718	Fortis BC lease*	1.95 %	2037	1,185	1,185	-	1,081
4624	Downtown Revitalization	1.80 %	2020	388	355	33	65
4625	Downtown Revitalization	1.80 %	2020	128	117	11	22
4728	Downtown Revitalization	1.80 %	2020	211	193	18	36
4739	Various	1.80 %	2020	4,675	4,274	401	788
				31,087	30,624	463	4,061
<u>Sewer Purposes:</u>							
4889	Reclaimed Water Line	1.80 %	2020	1,061	970	91	179
4680	Treatment Plant Phase I	1.75 %	2027	5,000	2,707	2,293	2,521
4680	Treatment Plant Phase II	2.40 %	2028	2,038	1,010	1,028	1,116
4791	Water Reclamation Plant	1.80 %	2030	12,556	5,572	6,984	7,498
				20,655	10,259	10,396	11,314
				\$ 51,742	\$ 40,883	\$ 10,859	\$ 15,375

* See Note 17 for capital lease liabilities.

11. Future Payments and Sinking Fund Additions:

	General	Sewer	Total
2020	\$ 290	\$ 541	\$ 831
2021	-	484	484
2022	-	484	484
2023	-	484	484
2024	-	484	484
2025 & thereafter	-	2,504	2,504
	290	4,981	5,271
Actuarial adjustments	173	5,415	5,588
	\$ 463	\$ 10,396	\$ 10,859

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

12. Landfill Remediation Liability

a) Landfill Remediation Liability

The City operates its Hesperia landfill as a demolition, land clearing and construction material disposal facility under an Operational Certificate ("OC") issued by the Province of BC's Ministry of Environment ("MOE"). The OC excludes domestic refuse, plastics, rubber, contaminated soils and other non-construction waste. The Hesperia landfill only accepts waste from City projects and does not accept public waste.

The liability for closure and post-closure care is recognized based on the 2016 Operating and Closure Plan ("the Plan"). The Plan estimates closure costs based on the assumption that the landfill will be closed at the end of its predetermined useful life; however, some of the estimated closure costs will be expended sooner as the landfill is anticipated to be closed progressively.

The closure liability estimated in the Plan is in current dollars and has been inflated to the end of the landfill's useful life using an inflation rate of 1.5% (2018 - 1.5%) and then discounted to the financial reporting date at 1.90% (2018 - 2.31%), which is the City's cost of capital on debt outstanding as of the same date.

The liability for closure and post-closure care at December 31, 2019 is \$178,000 (2018 - \$130,000), the estimated total expenditures for closure and post-closure care are \$1,626,000 (2018 - \$1,281,000), which leaves \$1,448,000 (2018 - \$1,151,000) remaining to be recognized. The landfill is estimated to have remaining capacity of 855,068 cubic meters (89%) and remaining life of 51 years.

The City has implemented a tipping fee charged to internal projects that discharge waste at the landfill with net proceeds contributed to a reserve to pay for closure related expenses. On December 31, 2019 the balance of this reserve is \$312,000 (2018 - \$312,000).

When the landfill closes at the end of its useful life it is estimated that post-closure care will be required for 25 years. The reported liability is based on estimates and assumptions with respect to anticipated events over the expected remaining service life of the landfill. Management periodically performs an assessment of the underlying assumptions and utilizes the expertise of a qualified firm of engineers external to the City in forming the estimate.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

13. Tangible Capital Assets:

Cost	December 31, 2018	Additions	Disposals / Writedowns	December 31, 2019
Land	\$ 266,781	\$ 1,654	\$ -	\$ 268,435
Buildings	65,200	2,241	62	67,379
Vehicles	13,723	2,501	42	16,182
Miscellaneous equipment	4,934	680	-	5,614
Information technology	2,706	465	139	3,032
Transportation infrastructure	230,491	6,129	702	235,918
Storm drainage infrastructure	80,222	(420)	107	79,695
Sanitary sewer infrastructure	105,375	(745)	50	104,580
Equipment under capital lease	25,295	-	25,295	-
	<u>\$ 794,727</u>	<u>\$ 12,505</u>	<u>\$ 26,397</u>	<u>\$ 780,835</u>
Accumulated Amortization	December 31, 2018	Amortization	Disposals	December 31, 2019
Buildings	\$ 28,497	\$ 1,671	\$ 54	\$ 30,114
Vehicles	8,283	638	37	8,884
Miscellaneous equipment	1,289	175	-	1,464
Information technology	2,236	188	121	2,303
Transportation infrastructure	113,183	5,575	510	118,248
Storm drainage infrastructure	24,097	1,057	46	25,108
Sanitary sewer infrastructure	30,495	1,395	21	31,869
Equipment under capital lease	11,564	722	12,286	-
	<u>\$ 219,644</u>	<u>\$ 11,421</u>	<u>\$ 13,075</u>	<u>\$ 217,990</u>
Net Book Value	December 31, 2018			December 31, 2019
Land	\$ 266,781			\$ 268,435
Buildings	36,703			37,265
Vehicles	5,440			7,298
Miscellaneous equipment	3,645			4,150
Information technology	470			729
Transportation infrastructure	117,308			117,671
Storm drainage infrastructure	56,125			54,586
Sanitary sewer infrastructure	74,880			72,711
Equipment under capital lease	13,731			-
	<u>\$ 575,083</u>			<u>\$ 562,845</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

13. Tangible Capital Assets: (continued)

a) Work-in-progress

Work-in-progress is comprised of costs related to projects currently under planning, development or construction that will result in a finished asset at a future date. Such costs are capitalized until such time as the property is ready for use. Work-in-progress having a value of \$12,717,000 (2018 - \$17,583,000) has not been amortized. Amortization of these assets will commence the year following when each specific asset is put into service.

b) Contributed Tangible Capital Assets

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$3,236,000 (2018 - \$2,177,000) comprised of transportation infrastructure in the amount of \$1,194,000 (2018 - \$128,000), storm drain infrastructure in the amount of \$315,000 (2018 - \$64,000) and sanitary sewer infrastructure in the amount of \$1,727,000 (2018 - \$49,000) and land in the amount of \$nil (2018 - \$1,936,000).

c) Tangible Capital Assets Disclosed at Nominal Values

Where an estimate of fair value is not determinable, the tangible capital asset is recognized at a nominal value.

d) Intangible Assets

The City manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at city sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

e) Write-down of Tangible Capital Assets

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services. Any impairment is accounted for as an expense in the consolidated statement of operations. No impairments were identified or recorded during the year ended December 31, 2019 and 2018.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

14. Accumulated Surplus:

Accumulated surplus consists of individual fund surpluses and reserves. Operating surplus for the City is as follows:

	2019	2018
Accumulated surplus per Statement of Financial Position	\$ 633,213	\$ 625,425
Less:		
Tangible capital assets	(562,845)	(575,083)
Debt	10,859	15,375
Inventory of supplies	(483)	(453)
Prepaid expenses	(657)	(692)
	<u>80,087</u>	<u>64,572</u>
Non-Statutory Reserves		
Budget Carryover Reserve General	5,407	2,522
Budget Carryover Reserve Sewer	87	87
Capital Reserves General	16,076	13,202
Capital Reserves Sewer	11,242	12,567
Operating Reserves General	156	207
Tax Equalization Reserves General	5,383	5,439
Tax Equalization Reserves Sewer	14,263	11,587
Special Purpose Reserves	7,312	7,820
Fortis BC Lease Legacy Reserve	13,586	3,092
	<u>73,512</u>	<u>56,523</u>
Statutory Reserve Funds		
Highway Access to Water Reserve	645	630
Land Sale Reserve	436	485
Local Improvement Reserve	886	864
Parkland Reserve	244	238
Recreation Facility Operating Reserve	1,308	1,225
	<u>3,519</u>	<u>3,442</u>
Total Restricted Funds	<u>77,031</u>	<u>59,965</u>
Unappropriated Surplus	<u>\$ 3,056</u>	<u>\$ 4,607</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

15. Taxation Revenue:

Total tax revenue net of transfers of taxes collected for other governments and agencies were as follows:

	2019	2018
Specific assessments:		
Residential	\$ 26,751	\$ 24,370
Business	12,860	12,381
Utilities	301	291
Light industrial	585	551
Non-profit	152	144
Farm land	4	4
	<u>40,653</u>	<u>37,741</u>
Payments in lieu of taxes	1,549	1,544
Specified area taxes and other	160	206
	<u>\$ 42,362</u>	<u>\$ 39,491</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

16. Transfers from Other Governments

	2019	2018
Federal government transfers		
Transportation infrastructure	\$ 3,782	\$ 1,958
Sanitary infrastructure	236	2,156
Recreational initiatives	-	-
Storm infrastructure	298	-
	<u>4,316</u>	<u>4,114</u>
Provincial government transfers		
Transit subsidy	2,341	2,304
Casino revenue sharing	1,859	1,516
Hotel tax	1,107	1,035
Traffic fine revenue sharing	475	461
Keep of Prisoners	182	337
Carbon tax rebate	109	85
Other Transfers	98	4
Union of British Columbia Municipalities grants	69	29
Certificate of Recognition safety program	62	63
Insurance Corporation of BC	56	20
Municipal Insurance Association	31	7
Transportation infrastructure	30	437
Tourism BC	25	25
Emergency Management BC	(4)	94
	<u>6,440</u>	<u>6,417</u>
Other government transfers		
Recreational initiatives	336	6,509
Okanagan Basin Water Board	91	90
Regional initiatives	71	4
Community development initiatives	27	339
	<u>525</u>	<u>6,942</u>
Total transfers from other governments	<u>\$ 11,281</u>	<u>\$ 17,473</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

17. Natural Gas System Lease Agreements:

The City had entered into an agreement with BC Gas Utility Ltd. (now known as Fortis BC Gas Inc. and hereafter referred to as "Fortis BC") which resulted in the creation of the Natural Gas Legacy Fund.

a) Leased tangible capital assets:

Under the terms of the agreement, the City entered into a 35-year lease of tangible capital assets commencing December 1, 2002 for the natural gas distribution system within the City boundary. The City prepaid \$23,750,000 of the capital lease obligation and financed the prepayment through debenture debt (Debt Bylaw # 4717, note 10). The remaining obligation, which was included in debt, required the City to make annual lease payments of \$127,884 including interest based on Fortis BC-approved pre-tax weighted average cost of capital of 9.85%. During 2019 Fortis BC exercised their termination option, based on the terms of the lease, and made a payment to the City equal to the unamortized portion of the City's \$23,750,000 prepayment of the leased tangible capital assets, which was \$12,239,000. The remaining obligation, which was included in debt, was forgiven by Fortis BC upon termination of the operating lease, and had a balance of \$1,059,000.

b) Operating Lease:

The City had entered into a 17-year operating lease that commenced December 1, 2002 whereby the City leased back to Fortis BC the operation of the gas distribution system. Under the operating lease, Fortis BC was obligated to make annual lease payments to the City that was calculated by a formula specified in the agreement based on the total annual revenue generated by the transaction. The lease revenue in 2019 was \$1,832,000, (\$1,874,000 in 2018).

18. Long-term Agreements with the Regional District of North Okanagan (the "Regional District"):

a) Water Agreement

The City has entered into a five-year agreement with the Regional District for the operation of the water system in Vernon and Electoral Areas B and C and owned by the Regional District. This agreement replaces a 5-year agreement expiring January 31, 2018. Under this agreement, the City is responsible for the day-to-day operation of the water system within the City and Areas B and C, and is wholly reimbursed by the Regional District for the operating expenses made to undertake these duties. The agreement expires January 31, 2023.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

18. Long-term Agreements with the Regional District of North Okanagan (the "Regional District"): (continued)

b) Parks Agreements

The City entered into an agreement with the Regional District to assume responsibility for the management and operation of local parks commencing January 1, 2018. This agreement transfers the legal interest in Vernon fields and beaches (previously designated as "sub-regional parks") to the City. As per the requirements of the agreement, the City has a Parks DCC bylaw approved by the Ministry of Housing and Municipal Affairs ("the Ministry"). Prior to the City's Parks DCC bylaw being approved by the Ministry, Parks DCCs were collected under the Regional District's Parks DCC bylaw with an allocation based on contributions from each jurisdiction. The amount allocated to the City as of December 31, 2019 was \$6,518,000 (2018 - \$4,379,000), which is not recognized in the financial statements.

c) Recreation Agreements

The City has entered into a 5-year agreement with the Regional District to assume the responsibility for the management and operation of local recreational facilities commencing January 1, 2019. The new agreement maintains the commitment to transfer recreation facilities and related land from the Regional District to the City to re-align responsibility for the facilities and programming to the City. As at December 31, 2014 the Regional District transferred to the City recreation facilities and land with fair market value approximating \$1,487,000. Facilities and land owned by the Regional District with fair market value approximating \$47,883,000 (2018 \$36,582,000) have not yet been transferred to the City as of December 31, 2019. The agreement expires December 31, 2023.

19. Expenses by Object:

	2019	2018
Salaries and wages	\$ 30,289	\$ 27,622
Contracted services	18,596	22,219
RCMP contract	9,672	8,337
Amortization of tangible assets	11,421	11,132
Supplies, materials and other	3,610	5,157
Bank charges and net loss on capital assets	1,251	1,351
Utilities, telephone and insurance	4,352	4,271
Equipment charges	2,169	2,025
	<u>\$ 81,360</u>	<u>\$ 82,114</u>

20. Commitments:

The City has entered into a lease agreement for a transit maintenance facility with BC Transit for 40 years with two 10 year renewal options. The 40-year lease was paid in full in the amount of \$1,310,000 upon occupancy by BC Transit of the site in November 2011 and is included in note 7 as an accrued liability.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

21. Cemetery Care Trust Fund:

The City owns and maintains Pleasant Valley Cemetery. Pursuant to provincial legislation, a Cemetery Care Trust Fund was established to ensure continuity of cemetery maintenance. A portion of all plot sales and memorial setting fees is credited to this Fund. Although the Fund balance is not included in the consolidated financial statements, all investment earnings during the year are transferred into general revenue as permitted by law.

	2019	2018
Trust Fund Continuity:		
Balance, beginning of year	\$ 848	\$ 813
Interest earned	22	16
Proceeds from plot sales and memorial settings	32	35
Transfers to general fund for maintenance	(22)	(16)
Balance, end of year	\$ 880	\$ 848

22. Contingent Liabilities:

a) Regional District:

The City is responsible as a member of the Regional District for its proportional share of operating deficits related to functions in which it participates. Under the provisions of the Local Government Act, the Regional District's debt is a joint and several liability of the Regional District and each of its member municipalities including the City.

b) MFA Demand Notes:

Debentures are covered by a loan agreement with the MFA which provides that, if at any time the payments provided for in the agreement are not sufficient to meet the authority's obligations in respect of such borrowings, the resulting deficiency becomes a proportional liability of each member local government, including the City. As these demand notes are contingent in nature, no liability is recorded.

c) Municipal Insurance Association:

In 1987, the City entered into a self-liability insurance plan with several other local governments in British Columbia forming the Municipal Insurance Association of B.C. The City is obligated under the plan to pay a percentage of its fellow insured's losses. The City pays an annual premium, which is anticipated to be adequate to cover any losses incurred.

d) Legal Claims:

The City has been named defendant in several uninsured legal actions. No reserve or liability has been recorded regarding any of the legal actions and any possible claims because the amount of loss, if any, is not determinable. Settlement, if any, made with respect to these actions, will be accounted for as an expense in the period in which realization is known.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

22. Contingent Liabilities: (continued)

e) Pension Liability:

The City and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustees pension plan. The board of trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2018, the Plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local government.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The City paid \$2,391,000 (2018 - \$2,217,000) for employer contributions while employees contributed \$2,033,000 (2018 - \$1,884,000) to the Plan in fiscal 2019.

The next valuation will be as at December 31, 2020, with results available in 2022.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the Plan.

f) Letter of Credit:

In 2007, the City issued an Irrevocable Letter of Credit in favour of the Agricultural Land Commission (ALC) of British Columbia as a guarantee to fund works required by the ALC as a condition of the property being removed from the Agricultural Land Reserve. The property was being developed by the wholly-owned subsidiary, the Hesperia Development Corporation. The amount of the Letter of Credit is \$716,000. As of December 31, 2019, no drawing on the Letter of Credit has occurred (2018 - \$0).

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

23. Segmented Information:

Segmented information has been grouped into related department functions or service areas for segment reporting purposes provided in note 24 which shows the associated revenues and expenses for each segment. The various segments are described as follows:

a) General Government:

This segment is comprised of all general government and common services provided within the City. It includes legislative services, corporate administration, City Clerk's office, tourism, finance, human resources, information services, civic building maintenance, bylaw compliance, parking control, and subsidiary corporations.

- Legislative services and corporate administration are responsible for general government administration including council support, conducting elections and records management.
- Tourism is responsible for tourism marketing and managing the City's tourist booth location.
- Finance is responsible for the oversight of all financial matters including financial planning, collection of revenues, purchasing and financial reporting.
- Human resources are responsible for staff recruiting, payroll processing, occupational health and safety and labour relations.
- Information services are responsible for planning, maintaining and operating the City's information systems.
- The GIS department catalogues the city's infrastructure geographically for use by the City and its citizens.
- Civic building maintenance is responsible for maintaining all buildings owned by the City.
- Bylaw compliance and parking control is responsible for administering and encouraging compliance to regulatory bylaws, patrolling City owned/leased paid parking lots, residential permit zones and restricted parking areas. They also patrol and maintain almost 1,000 parking meters. This function focuses on community security and safety programs in conjunction with police services.
- The City's subsidiary corporations are 100% owned.
- Revenues associated with this segment include all those amounts that can not be attributed directly to other segments including taxation, grants in lieu, interest revenue and property rental revenue.

b) Protective Services:

This segment is comprised of police services, plus fire and rescue and emergency measures services.

- Police services are contracted to the RCMP with support assistance from municipal staff. The City is home to regional detachment for the North Okanagan. The City has a proactive community policing group that provides programs for its citizens and businesses such as citizens on patrol, crime stoppers, block watch and safety patrols.
- Fire and rescue services provide fire response, investigation and prevention services within the City's fire department.
- Emergency measures is responsible for emergency planning within the community and is engaged when more than one individual member is affected by an emergency situation.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

23. Segmented Information: (continued)

c) Community Infrastructure:

This segment is comprised of community development, planning, building inspections services and the capital works program.

- Community development is responsible for sustainable development throughout the City including environmental, economic and social development.
- Planning is responsible for land use planning – long term and short term – plus the administration of the Official Community Plan and zoning bylaws.
- Buildings inspections is responsible for issuing permits for any developments in the City including building permits, rezoning and development permits.
- Engineering is responsible for the planning and implementation of the capital works program for all infrastructure - storm, sewer and transportation. They work in conjunction with Planning and Operations.

d) Operations:

This segment is responsible for the operation and maintenance of the city's infrastructure assets including roads, sidewalks and storm drains. Other components include public transit, solid waste and recycling, cemetery and airport.

- Road transportation encompasses year round maintenance of roads, street lights, signs and sidewalks; plus the public transit system which is contracted with BC Transit with subsidies provided from the Province
- Storm drainage includes the maintenance of storm infrastructures including mains, manholes and catch basins.
- The Vernon Regional Airport provides services to small aircraft and executive jets in the region and includes a paved lighted runway, hangars, jet and regular air fuel dispensing.
- Solid waste and recycling services are contracted with the Regional District of North Okanagan.
- The City has one cemetery whose operation is overseen by the Operations group. Other services provided within the City include; overseeing fleet activities and support for the Regional District water services and parks and recreation services.

e) Sanitary Sewer Operations:

This segment is responsible for the entire sanitary sewer operation and maintenance of the sewer infrastructures including mains, manholes, catch basins and lift stations. Plus, it is responsible for the operation and maintenance of the Vernon Water Reclamation Centre and spray irrigation system.

f) Recreation:

This segment is responsible for the management, maintenance and operation of all recreation facilities within the City. This includes planning and delivery of recreation programs for all ages of citizens, maintenance and operation of all arenas and indoor pool. As well as operating two outdoor pools in the summer.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2019
(tabular amounts in thousands of dollars)

24. Segmented Disclosure:

	General Government	Protective Services	Community Infrastructure	Recreation	Operations Services	Sanitary Sewer	2019	2018
Revenue								
Taxation	\$ 42,305	\$ -	\$ -	\$ 35	\$ -	\$ 22	\$ 42,362	\$ 39,491
Sale of services	2,435	238	2,036	3,718	5,133	9,913	23,473	23,213
Government transfers	6,690	788	283	353	2,839	328	11,281	17,473
Fiscal services	3,451	-	-	-	-	-	4,668	4,924
Developer contributions of assets	-	-	153	-	1,463	1,934	3,550	4,128
Services to other governments	641	286	232	1,127	416	497	3,199	3,192
Natural gas system agreement	1,832	-	-	-	-	-	1,832	1,874
	\$ 57,354	\$ 1,312	\$ 2,704	\$ 5,233	\$ 9,851	\$ 12,694	\$ 89,148	\$ 94,295
Expenses								
Salaries and wages	8,175	7,895	3,974	4,097	3,767	2,381	30,289	27,622
Contracted services	2,611	513	2,127	1,116	10,582	1,647	18,596	22,219
RCMP contract	-	9,672	-	-	-	-	9,672	8,337
Amortization of tangible assets	1,707	342	-	26	6,708	2,638	11,421	11,132
Supplies, materials and other	(1,456)	370	370	629	1,465	2,232	3,610	5,157
Bank fees and net loss on assets	511	-	-	47	281	412	1,251	1,351
Utilities, telephone and insurance	725	203	11	1,213	1,202	998	4,352	4,271
Equipment charges	106	221	90	56	1,313	383	2,169	2,025
	12,379	19,216	6,572	7,184	25,318	10,691	81,360	82,114
Excess (deficiency) revenue over expenses	\$ 44,975	\$ (17,904)	\$ (3,868)	\$ (1,951)	\$ (15,467)	\$ 2,003	\$ 7,788	\$ 12,181

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements

Year Ended December 31, 2019

(tabular amounts in thousands of dollars)

25. Budget Data:

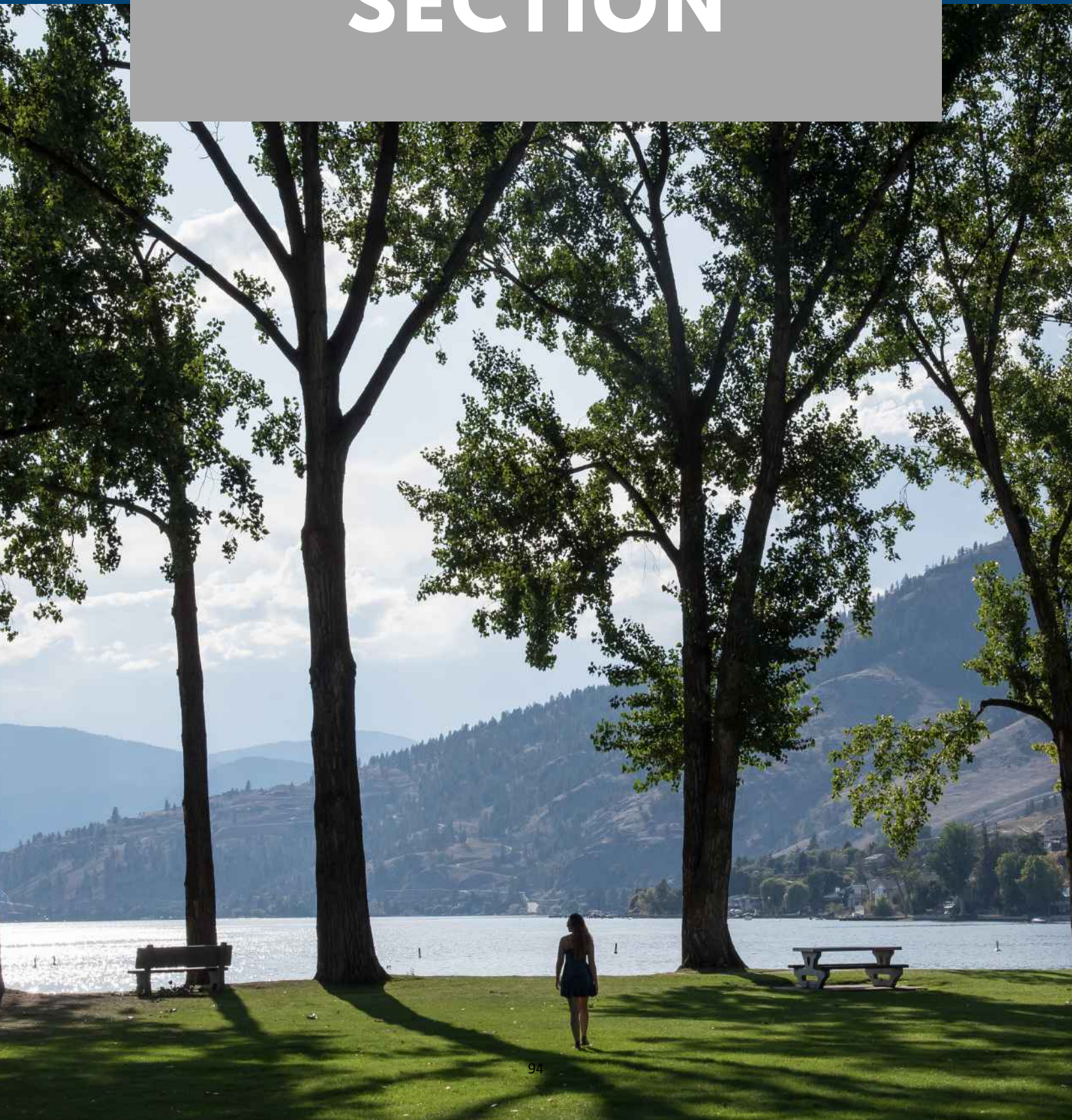
The budget data presented in these consolidated financial statements is based upon the 2019 operating and capital budgets approved by Council on January 27, 2019. The schedule below reconciles the approved budget in bylaw #5732 to the budget figures reported in these consolidated financial statements.

	Budget Amount
Revenue:	
Operating budget	\$ 116,039
Capital budget	17,505
	<u>133,544</u>
Less:	
Transfers from other funds and reserves	11,850
Collections for other governments	33,033
	<u>(44,883)</u>
Total Revenue	<u>88,661</u>
Expenses:	
Operating budget	125,029
Capital budget	21,902
	<u>146,931</u>
Less:	
Capital expenses	21,902
Transfers to other funds and reserves	8,616
Debt principal payments	1,800
Collections for other governments	33,033
	<u>(65,351)</u>
Total Expenses	<u>81,580</u>
Annual Surplus	<u>\$ 7,081</u>

26. Subsequent Events

Subsequent to December 31, 2019 the coronavirus disease (COVID-19) was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including Canada, to enact emergency measures to combat the spread of COVID-19. The Province of British Columbia declared a State of Emergency which, combined with various orders by the Province's public health officer, has caused material disruption to businesses throughout the Province. The current situation is dynamic and the duration and financial impact of COVID-19 on the economy and the City is not known, an estimate of the financial effect on the City is not practicable at this time.

STATISTICAL SECTION



Summary of Financial Results

(In \$1,000's)

	2015	2016	2017	2018	2019
FINANCIAL POSITION					
Financial Assets	\$ 84,831	\$ 95,782	\$ 111,923	\$ 109,408	\$ 127,834
Liabilities	62,473	62,538	70,139	60,211	58,606
Net Financial Assets (Debt)	22,358	33,244	41,784	49,197	69,228
Non-financial Assets	573,939	571,692	571,460	576,228	563,985
Accumulated Surplus, end of year	\$ 596,297	\$ 604,936	\$ 613,244	\$ 625,425	\$ 633,213

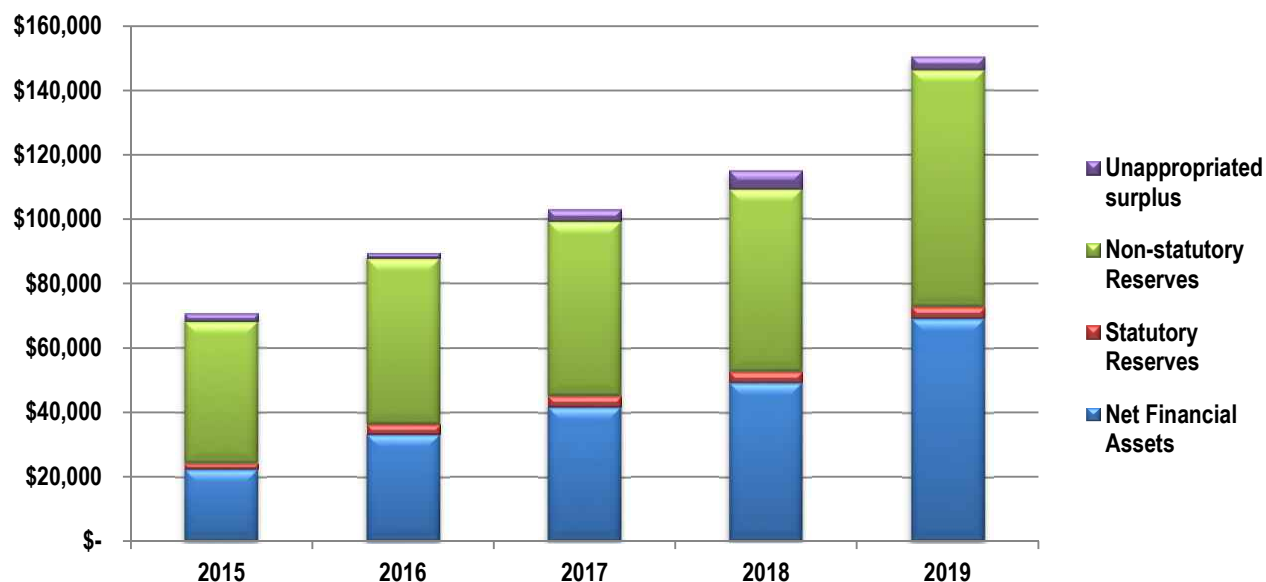
STATEMENT OF OPERATIONS

Revenue	\$ 83,248	\$ 77,638	\$ 90,233	\$ 94,295	\$ 89,148
Expenses	69,151	68,999	81,925	82,114	81,360
Annual Surplus	14,097	8,639	8,308	12,181	7,788
Accumulated Surplus, beginning of year	582,200	596,297	604,936	613,244	625,425
Accumulated Surplus, end of year	\$ 596,297	\$ 604,936	\$ 613,244	\$ 625,425	\$ 633,213

ACCUMULATED SURPLUS

Equity in Tangible Capital Assets	\$ 548,102	\$ 548,807	\$ 552,009	\$ 559,708	\$ 551,986
Statutory reserves	1,792	3,040	3,370	3,442	3,519
Non-statutory reserves	43,911	51,411	54,084	56,523	73,512
Unappropriate surplus	2,492	1,678	3,781	5,752	4,196
Accumulated Surplus, end of year	\$ 596,297	\$ 604,936	\$ 613,244	\$ 625,425	\$ 633,213

Summary of Financial Results (in \$1,000's)

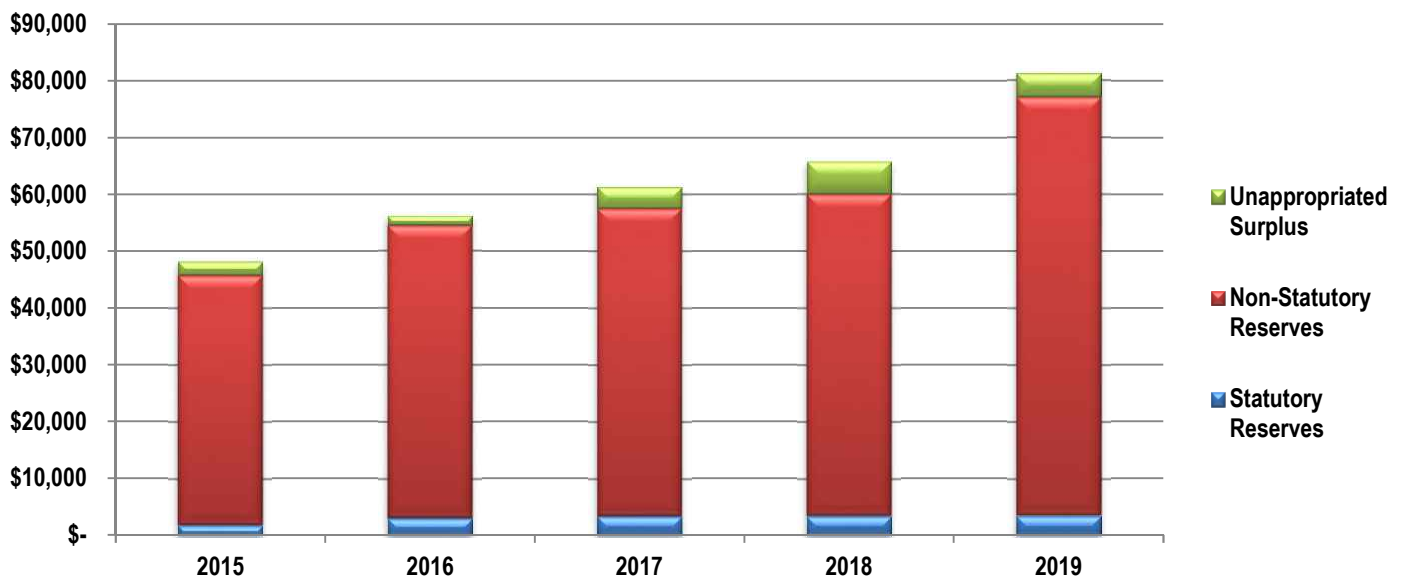


Accumulated Surplus

(In \$1,000's except for per-capita figures)

	2015	2016	2017	2018	2019
Equity in Tangible Capital Assets:					
General	\$ 459,584	\$ 461,609	\$ 464,127	\$ 469,841	\$ 462,767
Sewer	88,518	87,198	87,882	89,867	89,219
	<u>\$ 548,102</u>	<u>\$ 548,807</u>	<u>\$ 552,009</u>	<u>\$ 559,708</u>	<u>\$ 551,986</u>
Non-Capital Accumulated Surplus:					
Statutory Reserves	\$ 1,792	\$ 3,040	\$ 3,370	\$ 3,442	\$ 3,519
Non-Statutory Reserves:					
Funds Committed for Uncompleted Projects	2,489	1,557	2,241	2,609	5,494
Capital Purposes	20,476	24,887	27,160	25,769	27,318
Operating Purposes	5,567	7,490	7,378	8,027	7,468
Tax & User Rate Equalization	12,651	14,380	13,887	17,026	19,646
Natural Gas System Lease Legacy	2,728	3,097	3,418	3,092	13,586
	<u>43,911</u>	<u>51,411</u>	<u>54,084</u>	<u>56,523</u>	<u>73,512</u>
Unappropriated surplus	2,492	1,678	3,781	5,752	4,196
	<u>\$ 48,195</u>	<u>\$ 56,129</u>	<u>\$ 61,235</u>	<u>\$ 65,717</u>	<u>\$ 81,227</u>
NON-CAPITAL ACCUMULATED SURPLUS (FINANCIAL EQUITY) PER CAPITA					
	<u>\$ 1,181</u>	<u>\$ 1,348</u>	<u>\$ 1,452</u>	<u>\$ 1,541</u>	<u>\$ 1,875</u>
TOTAL ACCUMULATED SURPLUS					
	<u>\$ 596,297</u>	<u>\$ 604,936</u>	<u>\$ 613,244</u>	<u>\$ 625,425</u>	<u>\$ 633,213</u>

Non-Capital Accumulated Surplus (Financial Equity) (in \$1,000's)



Property Tax Revenue

(in \$1,000's)

	2015	2016	2017	2018	2019
Residential	\$ 20,585	\$ 21,817	\$ 23,085	\$ 24,370	\$ 26,751
Commercial	10,919	11,299	11,599	12,381	12,860
Light Industrial	518	492	523	551	585
Utility & Other	414	413	407	439	457
	\$ 32,436	\$ 34,021	\$ 35,614	\$ 37,741	\$ 40,653

Excludes specified area taxation (included in Revenue by Source schedule).

RATIO OF TAX RATES - COMMERCIAL TO RESIDENTIAL (General Taxes Only)

2.74 2.72 2.73 2.85 2.85

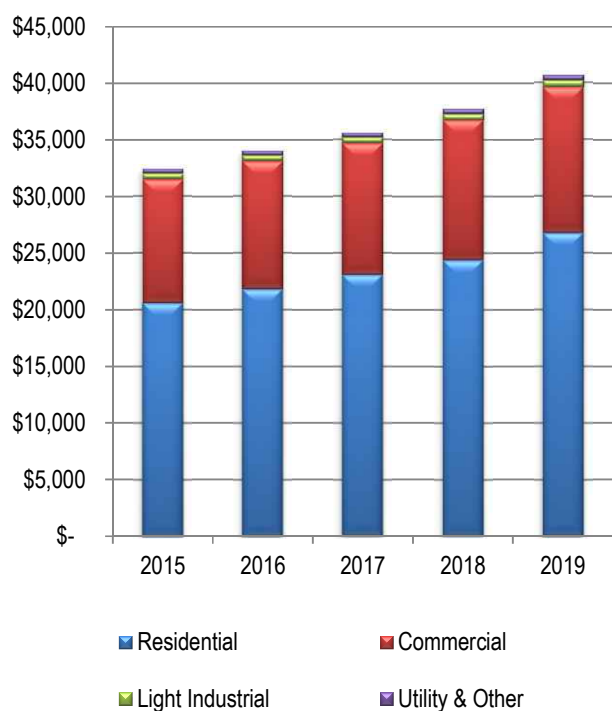
TOTAL PROPERTY TAXES COLLECTED \$ 66,394 \$ 66,051 \$ 65,532 \$ 67,637 \$ 70,924

% OF CURRENT TAXES COLLECTED 97.41% 97.20% 97.25% 97.51% 97.56%

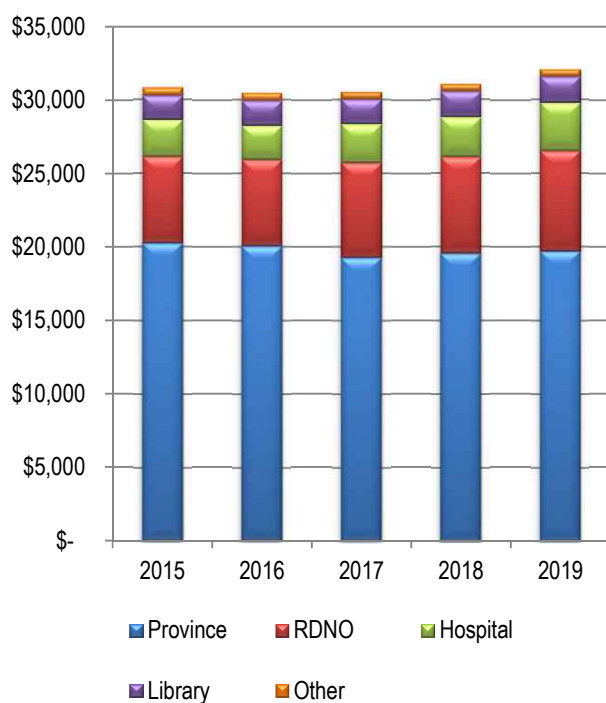
TAXES LEVIED FOR OTHER AGENCIES

Provincial School Taxes	\$ 20,246	\$ 20,049	\$ 19,271	\$ 19,553	\$ 19,711
Regional District of North Okanagan	5,882	5,898	6,461	6,568	6,817
Regional Hospital Districts	2,519	2,301	2,618	2,676	3,281
Okanagan Regional Library	1,638	1,702	1,694	1,767	1,760
Other	547	526	465	477	476
	\$ 30,832	\$ 30,476	\$ 30,509	\$ 31,041	\$ 32,045

Property Tax Revenue - General & Fire (in \$1,000's)



Taxes Levied For Other Agencies (in \$1,000's)

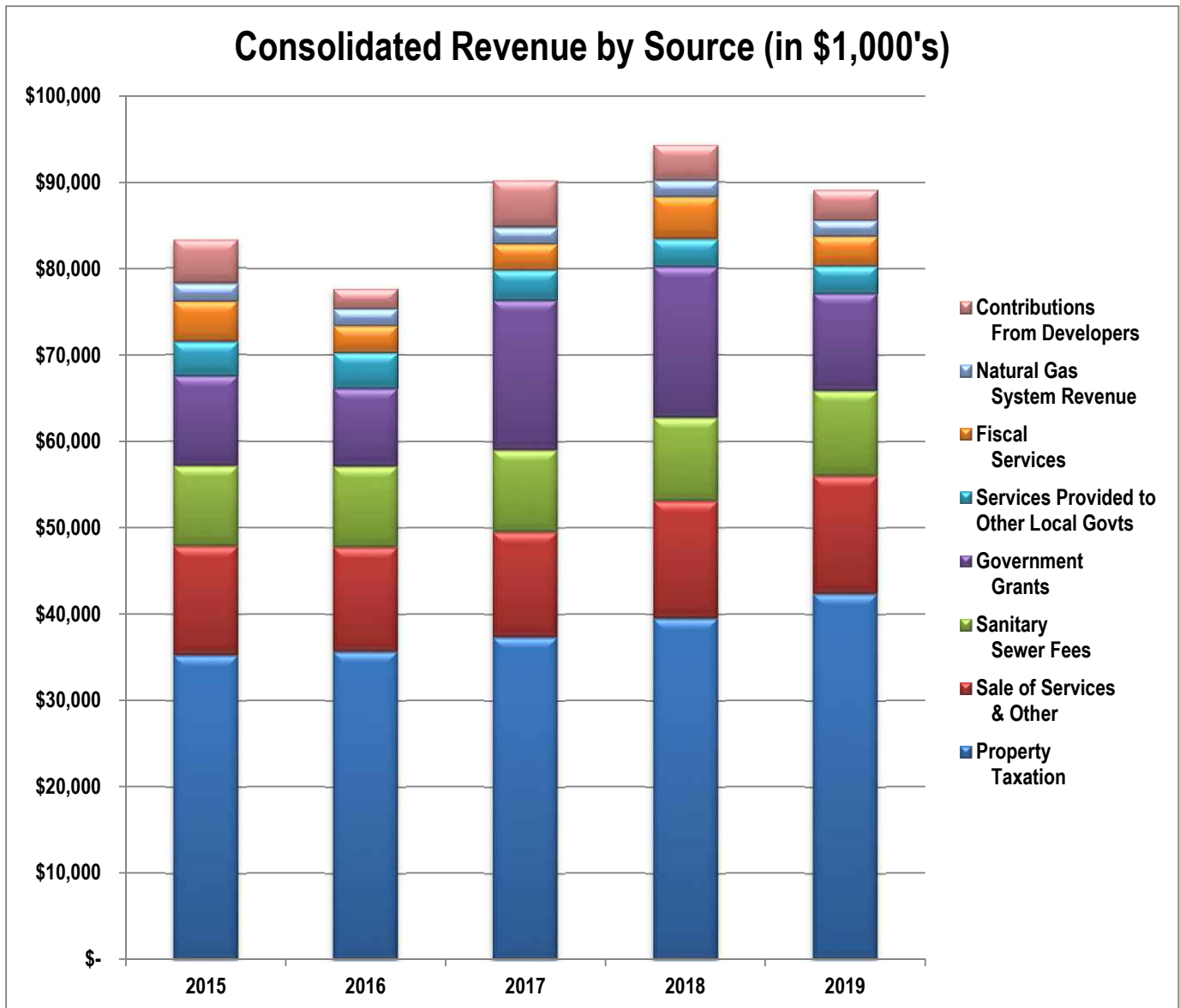


Consolidated Revenue by Source

(In \$1,000's)

	2015	2016	2017	2018	2019
Property Taxation*	\$ 35,195	\$ 35,642	\$ 37,333	\$ 39,491	\$ 42,362
Sale of Services & Other	12,636	12,077	12,177	13,568	13,632
Sanitary Sewer Fees	9,278	9,360	9,453	9,645	9,840
Government Grants	10,431	9,015	17,357	17,473	11,281
Services Provided to Other Local Govts	3,896	4,137	3,495	3,192	3,199
Fiscal Services	4,712	3,117	3,041	4,924	3,451
Natural Gas System Revenue	2,017	1,960	1,911	1,874	1,832
Contributions From Developers	5,083	2,330	5,466	4,128	3,551
	<u>\$ 83,248</u>	<u>\$ 77,638</u>	<u>\$ 90,233</u>	<u>\$ 94,295</u>	<u>\$ 89,148</u>

*Includes specified area taxation (not included in Property Tax Revenue schedule).



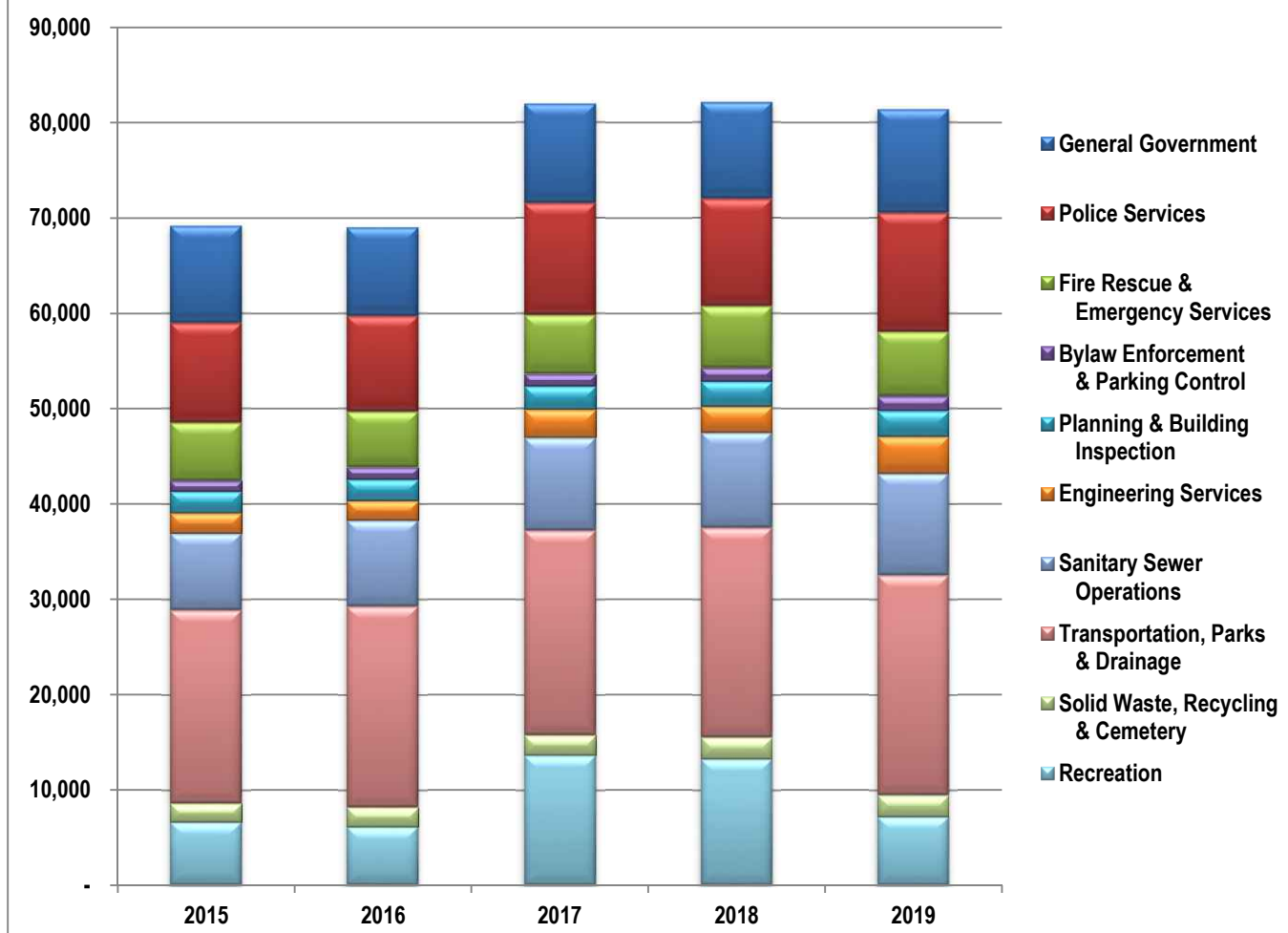
Consolidated Expenses by Function

(In \$1,000's)

	2015	2016	2017	2018	2019
General Government	\$ 10,194	\$ 9,322	\$ 10,408	\$ 10,150	\$ 10,864
Police Services	10,460	10,021	11,733	11,262	12,465
Fire, Rescue & Emergency Services	6,096	5,822	6,175	6,467	6,751
Bylaw Enforcement & Parking Control	1,097	1,265	1,263	1,391	1,514
Planning & Building Inspection	2,283	2,256	2,456	2,649	2,695
Engineering Services	2,138	2,054	2,973	2,731	3,877
Sanitary Sewer Operations	8,045	9,038	9,741	9,981	10,691
Transportation, Parks & Drainage	20,264	21,053	21,448	21,961	23,066
Solid Waste, Recycling & Cemetery	1,956	2,058	2,096	2,283	2,253
Recreation	6,618	6,110	13,632	13,239	7,184
	\$ 69,151	\$ 68,999	\$ 81,925	\$ 82,114	\$ 81,360

Derived from the General Fund, Sewer Fund, Statutory Reserve Funds, and wholly-owned subsidiaries. For purposes of this table, all interest, fiscal service expenses, and amortization have been integrated in their respective functions.

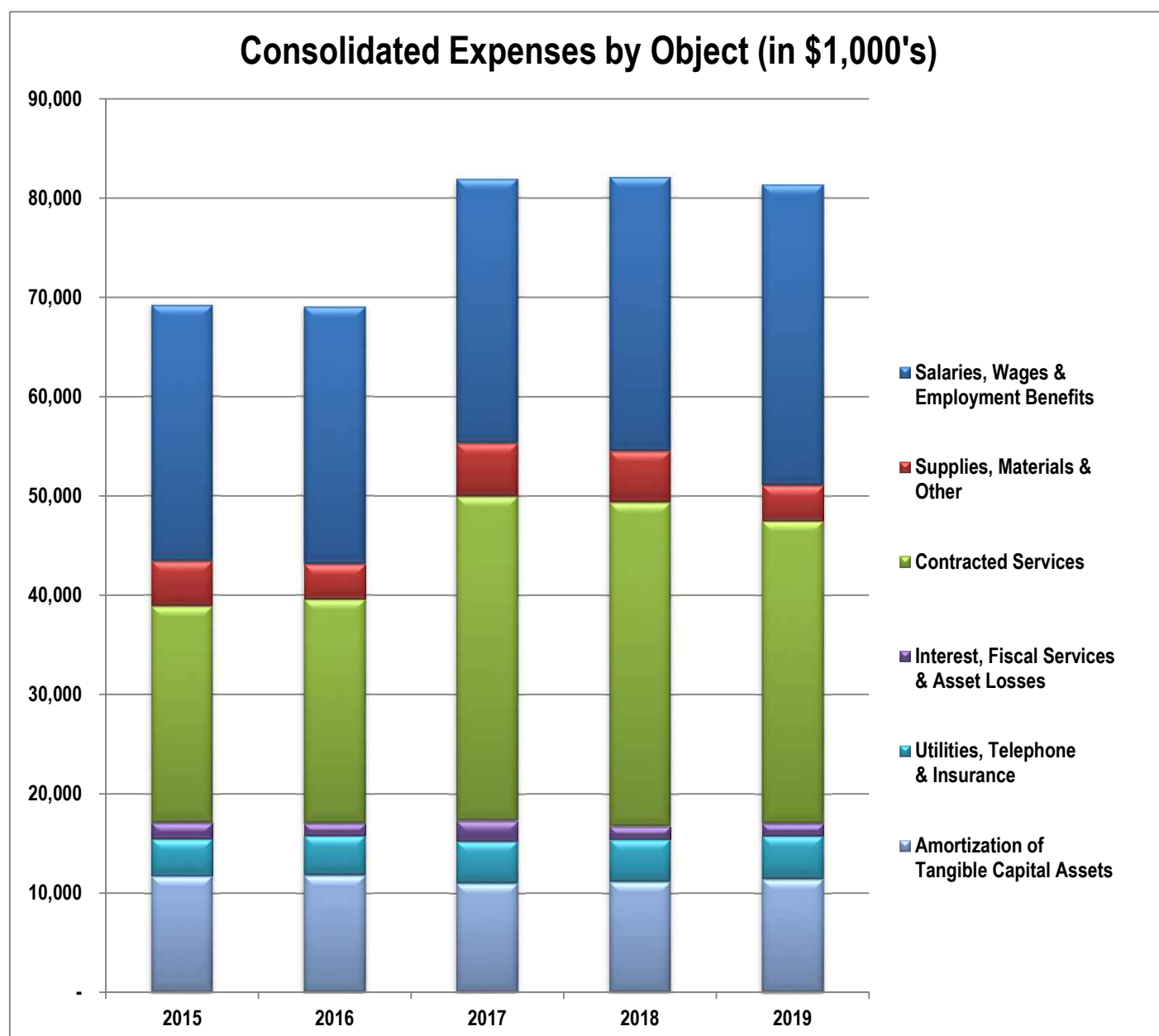
Consolidated Expenses by Function (in \$1,000's)



Consolidated Expenses by Object

(In \$1,000's)

	2015	2016	2017	2018	2019
Salaries, Wages & Employment Benefits	\$ 25,771	\$ 25,901	\$ 26,609	\$ 27,622	\$ 30,289
Supplies, Materials & Other	4,525	3,534	5,363	5,157	3,610
Contracted Services	21,774	22,535	32,662	32,581	30,437
Interest, Fiscal Services & Asset Losses	1,631	1,255	2,067	1,351	1,251
Utilities, Telephone & Insurance	3,759	3,993	4,250	4,271	4,352
Amortization of Tangible Capital Assets	11,691	11,781	10,974	11,132	11,421
	<u>\$ 69,151</u>	<u>\$ 68,999</u>	<u>\$ 81,925</u>	<u>\$ 82,114</u>	<u>\$ 81,360</u>



Number of Employees (Full-time Equivalents)

Number of Employees (Full-time Equivalents)*

	2015	2016	2017	2018	2019
Administration & Corporate Services:					
General Administration	2.0	2.0	2.0	2.0	2.0
Legislative Services	8.5	8.0	7.5	8.9	10.0
Human Resources	7.4	8.1	8.3	10.0	10.0
Information Services	9.6	9.6	10.3	8.9	9.4
Bylaw Enforcement	11.0	12.9	13.5	13.3	13.2
Community Policing Office	3.8	3.0	3.0	3.0	3.0
Financial Services	16.8	16.1	16.5	17.3	19.0
Engineering & GIS	15.2	14.9	17.4	16.9	18.0
Community Development	18.7	20.8	19.6	19.1	20.7
Fire Rescue Services	39.1	38.2	39.1	36.9	37.3
RCMP (Municipal Support Services)	30.7	30.5	29.1	29.9	31.2
Operations:					
Operations Administration	2.9	3.6	4.0	4.9	4.6
Sanitary & Storm Sewer	17.5	19.7	18.0	19.2	18.7
Water **	13.3	11.8	12.0	12.4	14.7
Public Works	24.7	24.2	22.9	29.0	29.0
Parks	10.8	12.2	12.1	12.2	15.3
Fleet & Building Services	11.9	12.7	12.3	11.6	12.3
Vernon Water Reclamation Centre	13.5	12.2	11.6	11.7	12.9
Airport	1.6	1.7	1.7	1.7	1.7
Recreation	55.2	56.3	58.7	56.4	56.3
Gross Number of Employees	314.2	318.5	319.6	325.3	339.3

* Full-time equivalent (FTE) is based on the total number of hours worked as a function of standard full-time hours.

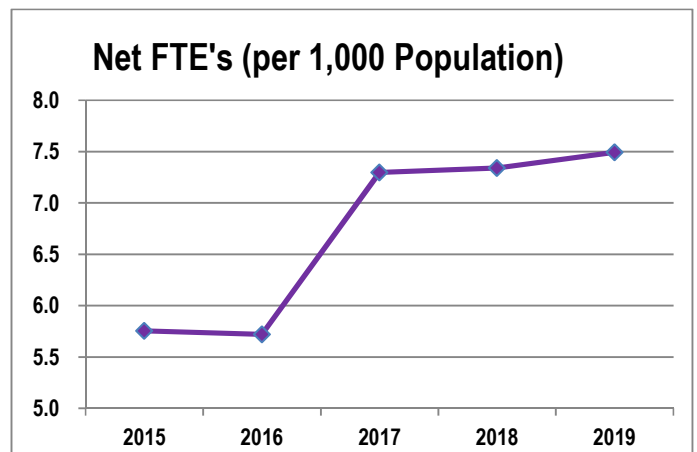
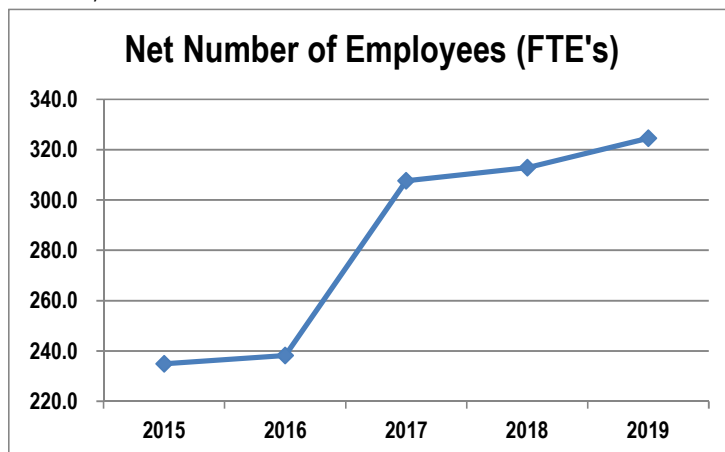
** Less: Number of employees for which full employment costs are recovered by the RDNO for Water

(79.3) (80.3) (12.0) (12.4) (14.7)

Net Number of Employees (relating to total employment costs recorded by the City of Vernon)

	2015	2016	2017	2018	2019
Net Number of Employees	234.9	238.2	307.6	312.9	324.6
Gross FTE Positions per 1,000 Population	7.7	7.6	7.6	7.6	7.8
Net FTE Positions per 1,000 Population	5.8	5.7	7.3	7.3	7.5

Source: City of Vernon Human Resources

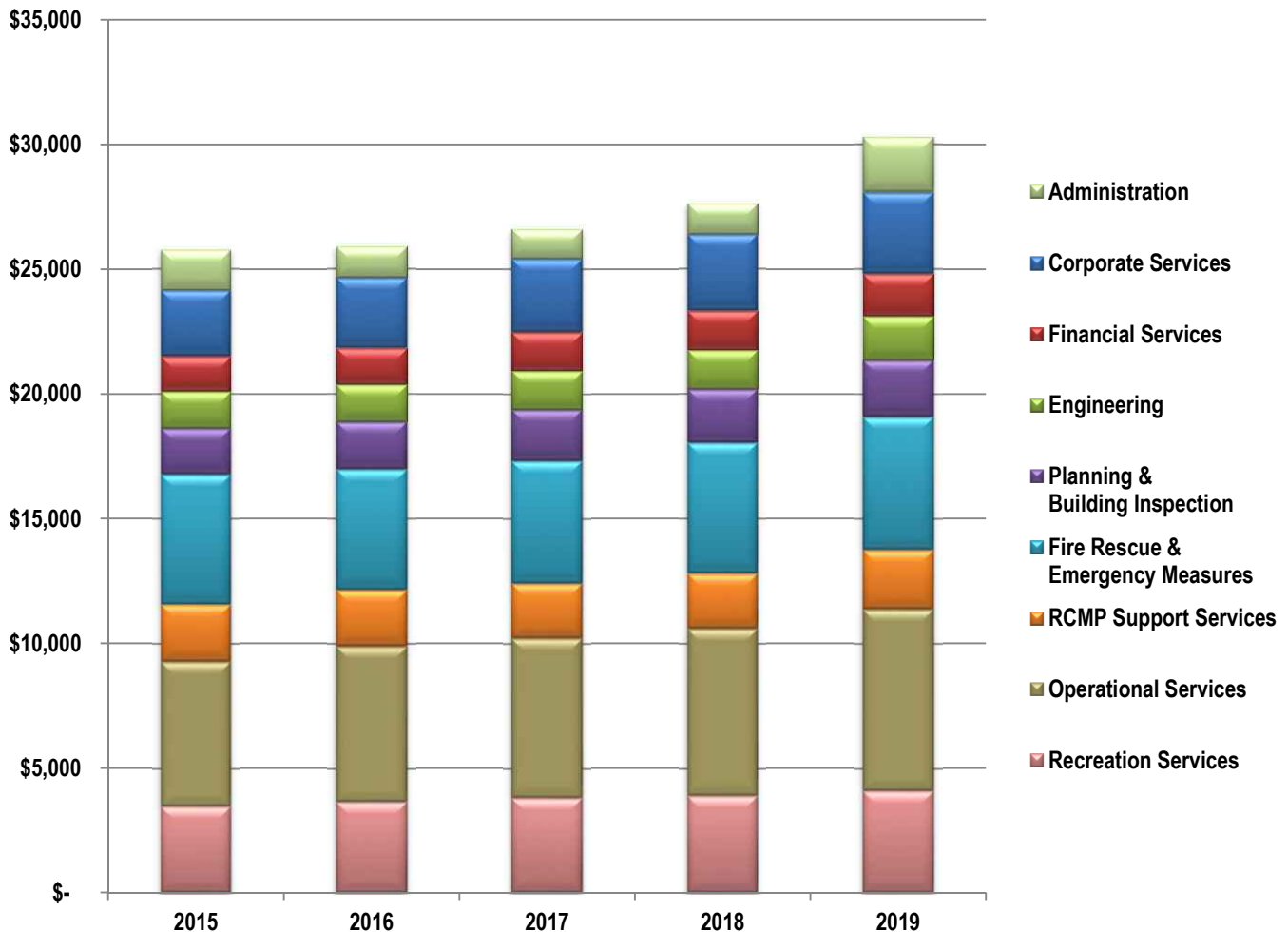


Cost of Salaries, Wages and Benefits

(In \$1,000's)

	2015	2016	2017	2018	2019
Administration	\$ 1,621	\$ 1,255	\$ 1,198	\$ 1,245	\$ 2,223
Corporate Services	2,659	2,817	2,939	3,057	3,262
Financial Services	1,392	1,472	1,546	1,575	1,701
Engineering	1,484	1,487	1,548	1,570	1,749
Planning & Building Inspection	1,854	1,907	2,071	2,149	2,289
Fire Rescue & Emergency Services	5,201	4,825	4,909	5,236	5,316
RCMP Support Services	2,293	2,255	2,187	2,206	2,383
Operational Services	5,799	6,234	6,394	6,690	7,269
Recreation Services	3,467	3,649	3,817	3,894	4,097
	\$ 25,770	\$ 25,901	\$ 26,609	\$ 27,622	\$ 30,289

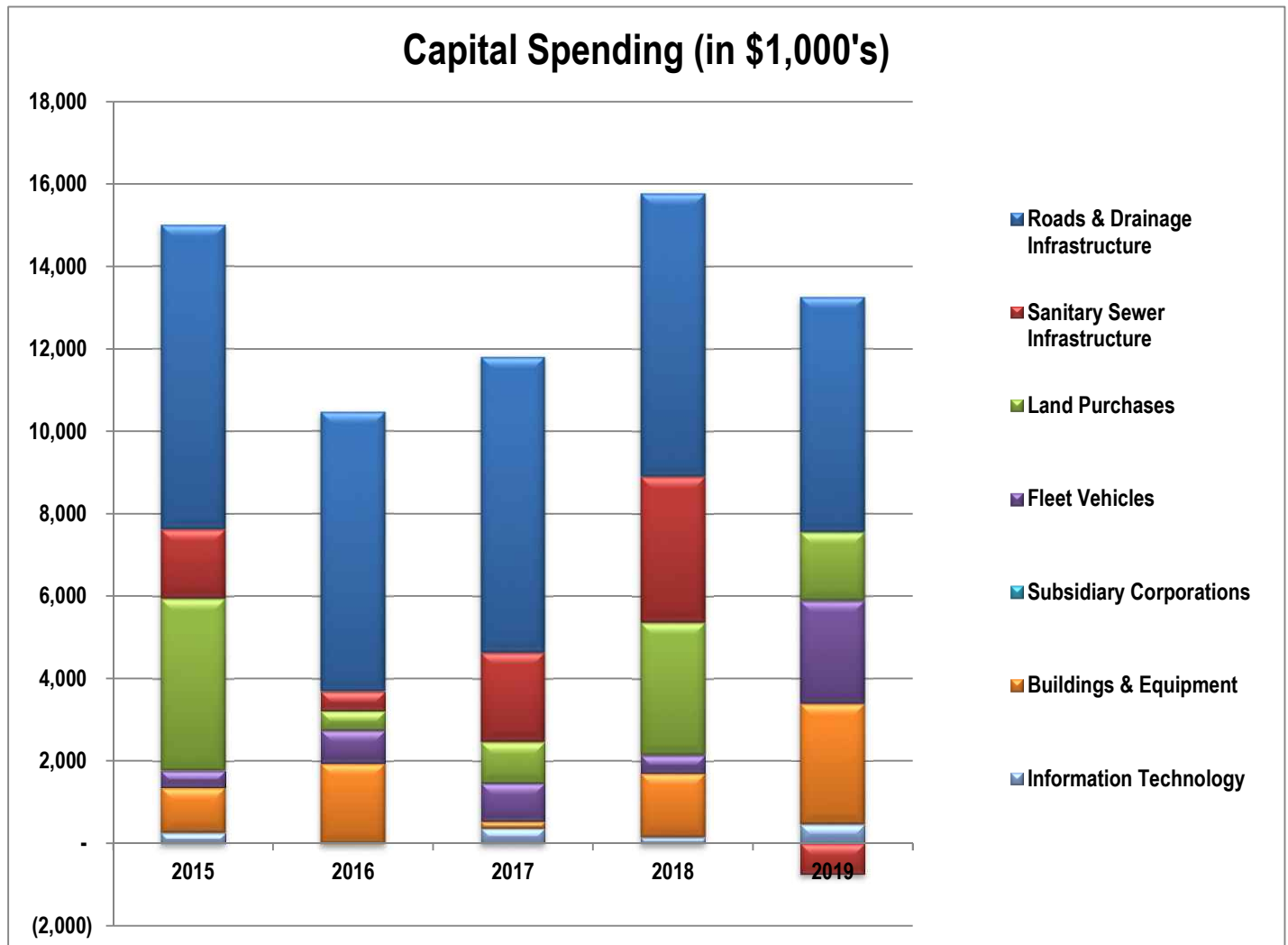
Net Cost of Salaries, Wages & Benefits (in \$1,000's)



Capital Spending

(In \$1,000's)

	2015	2016	2017	2018	2019
Roads & Drainage Infrastructure	\$ 7,379	\$ 6,775	\$ 7,166	\$ 6,871	\$ 5,709
Sanitary Sewer Infrastructure	1,683	478	2,165	3,546	(745)
Land Purchases	4,166	461	990	3,206	1,654
Vehicle Fleet	409	806	930	447	2,501
Subsidiary Corporations	6	8	-	-	-
Buildings & Equipment	1,091	1,938	164	1,548	2,921
Information Technology	266	-	379	156	465
	\$ 15,000	\$ 10,466	\$ 11,794	\$ 15,774	\$ 12,505



Capital Funding by Source

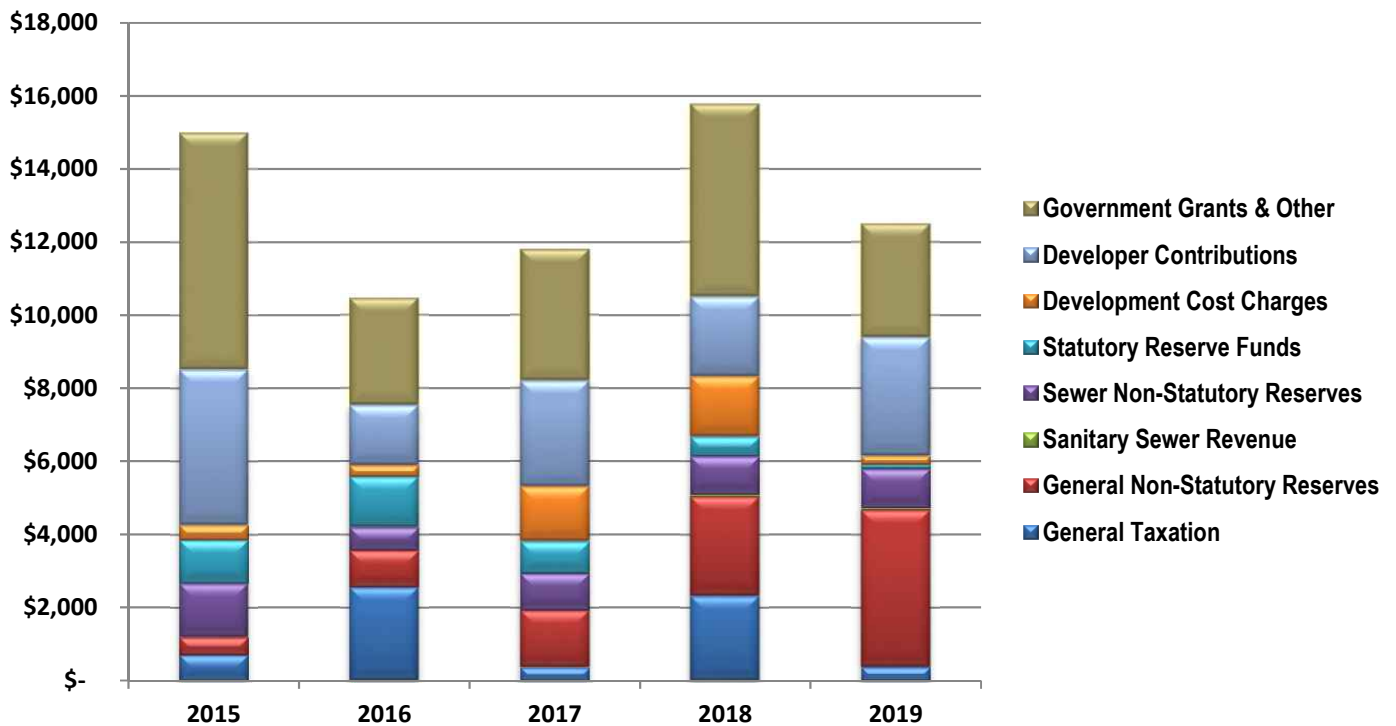
(In \$1,000's)

	2015	2016	2017	2018	2019
General Taxation	\$ 711	\$ 2,559	\$ 368	\$ 2,319	\$ 371
General Non-Statutory Reserves	481	1,009	1,556	2,718	4,297
Sanitary Sewer Revenue	-	-	-	55	55
Sewer Non-Statutory Reserves	1,473	631	1,011	1,049	1,073
Statutory Reserve Funds	1,184	1,376	870	535	112
Development Cost Charges	407	314	1,502	1,649	245
Developer Contributions	4,260	1,645	2,889	2,177	3,236
Government Grants & Other	6,478	2,924	3,598	5,272	3,116
	\$ 14,994	\$ 10,458	\$ 11,794	\$ 15,774	\$ 12,505

PROPORTIONAL BREAKDOWN OF CAPITAL FUNDING

General Taxation	4.7%	24.5%	3.1%	14.7%	3.0%
Sanitary Sewer Revenue	0.0%	0.0%	0.0%	0.3%	0.4%
Reserves	20.9%	28.8%	29.1%	27.3%	43.8%
Developers	31.1%	18.7%	37.2%	24.3%	27.8%
Government Grants & Other	43.2%	28.0%	30.5%	33.4%	24.9%
	100.0%	100.0%	100.0%	100.0%	100.0%

Capital Funding by Source (in \$1,000's)



Long Term Debt by Function and Sources of Funding

(In \$1,000's except for per-capita figures)

LONG-TERM DEBT BY FUNCTION

	2015	2016	2017	2018	2019
Sanitary Sewer	\$ 13,879	\$ 13,055	\$ 12,198	\$ 11,315	\$ 10,396
Natural Gas System	8,840	7,036	5,141	3,149	-
Roads & Drainage	1,568	1,276	973	660	336
General Government	303	247	188	128	65
Downtown Beautification	291	236	181	123	62
	\$ 24,881	\$ 21,850	\$ 18,681	\$ 15,375	\$ 10,859

DEBT PER CAPITA

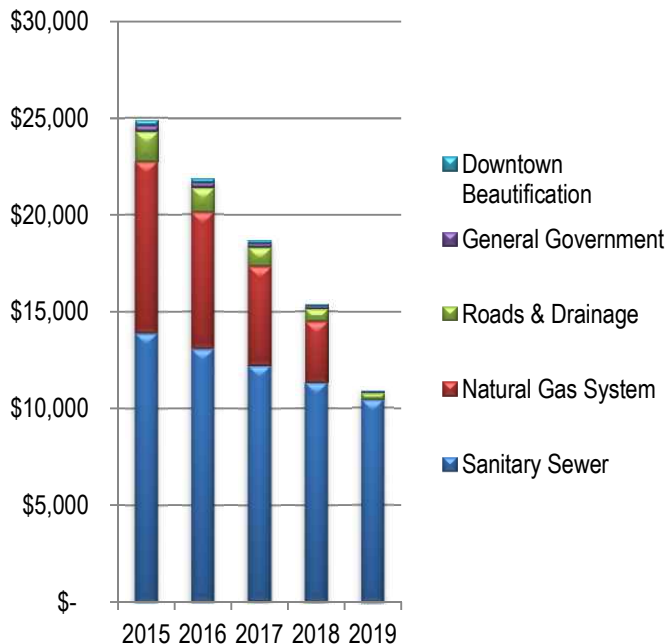
	\$ 609	\$ 525	\$ 443	\$ 361	\$ 251
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PROPORTIONAL FUNDING SOURCES FOR

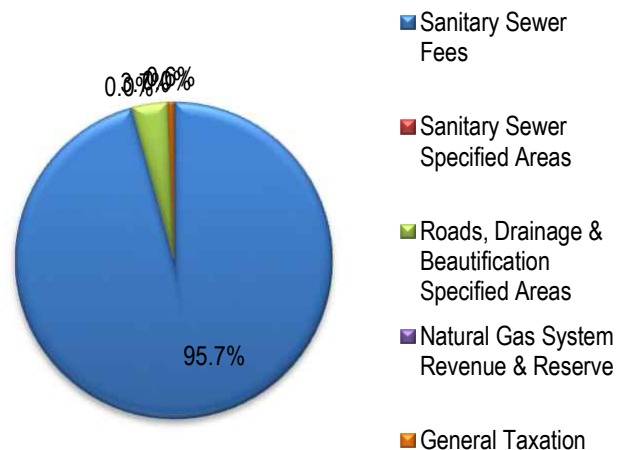
LONG-TERM DEBT

Sanitary Sewer Fees	55.6%	59.6%	65.2%	73.5%	95.7%
Sanitary Sewer Specified Areas	0.1%	0.1%	0.1%	0.0%	0.0%
Roads, Drainage & Beautification Specified Areas	8.2%	7.9%	7.5%	6.9%	3.7%
Natural Gas System Revenue & Reserve	40.0%	38.0%	35.5%	32.2%	0.0%
General Taxation	1.3%	1.3%	1.2%	1.2%	0.6%
	100.0%	100.0%	100.0%	100.0%	100.0%

Long-Term Debt by Function (in \$1,000's)



Long-Term Debt Funding



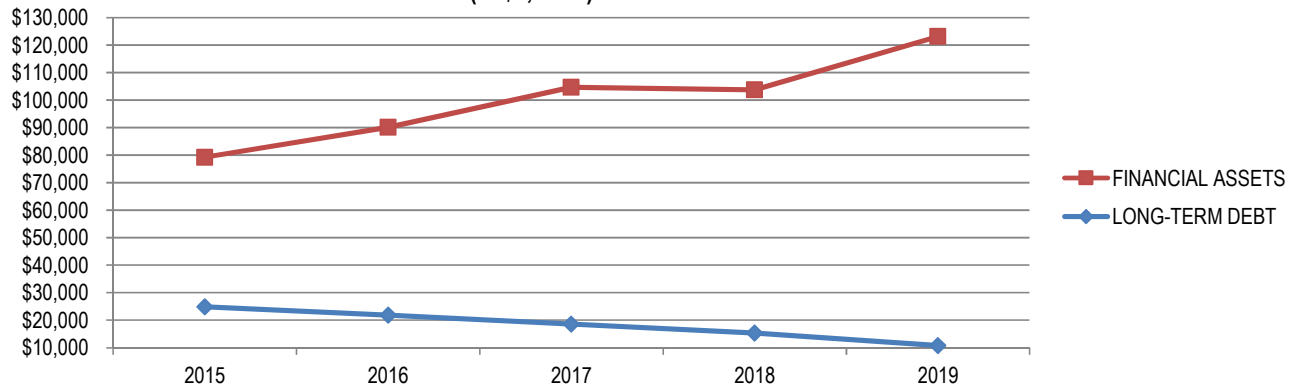
Debt Capacity

(In \$1,000's)

	2015	2016	2017	2018	2019
FINANCIAL ASSETS	\$ 79,261	\$ 90,182	\$ 104,690	\$ 103,803	\$ 123,151
LONG-TERM DEBT	\$ 24,881	\$ 21,850	\$ 18,681	\$ 15,375	\$ 10,859
RATIO OF FINANCIAL ASSETS TO LONG TERM DEBT	3.19	4.13	5.60	6.75	11.34
The City's ability to borrow funds (debt capacity) is based on a calculation to determine the maximum principal and interest payments (liability servicing) allowed in a year. The liability servicing limit is calculated based on a percentage of applicable Municipal Revenues determined by the Province.					
MUNICIPAL REVENUES	\$ 65,851	\$ 68,263	\$ 70,357	\$ 73,737	\$ 75,736
Less:					
Actuarial adjustments on long term debt	(1,137)	(1,233)	(1,369)	(1,508)	(1,657)
TOTAL NET MUNICIPAL REVENUES	\$ 64,714	\$ 67,030	\$ 68,988	\$ 72,229	\$ 74,079
Liability Servicing factor	25%	25%	25%	25%	25%
LIABILITY SERVICING LIMIT	\$ 16,179	\$ 16,758	\$ 17,247	\$ 18,057	\$ 18,520
LIABILITY SERVICING COST					
Debt Servicing for Authorized and Issued Debt	\$ 3,322	\$ 3,004	\$ 2,905	\$ 2,865	\$ 3,502
Estimated Debt Servicing for Unissued Debt	219	219	270	270	223
TOTAL LIABILITY SERVICING COST	\$ 3,541	\$ 3,223	\$ 3,175	\$ 3,135	\$ 3,725
LIABILITY SERVICING CAPACITY AVAILABLE	\$ 12,638	\$ 13,535	\$ 14,072	\$ 14,922	\$ 14,795

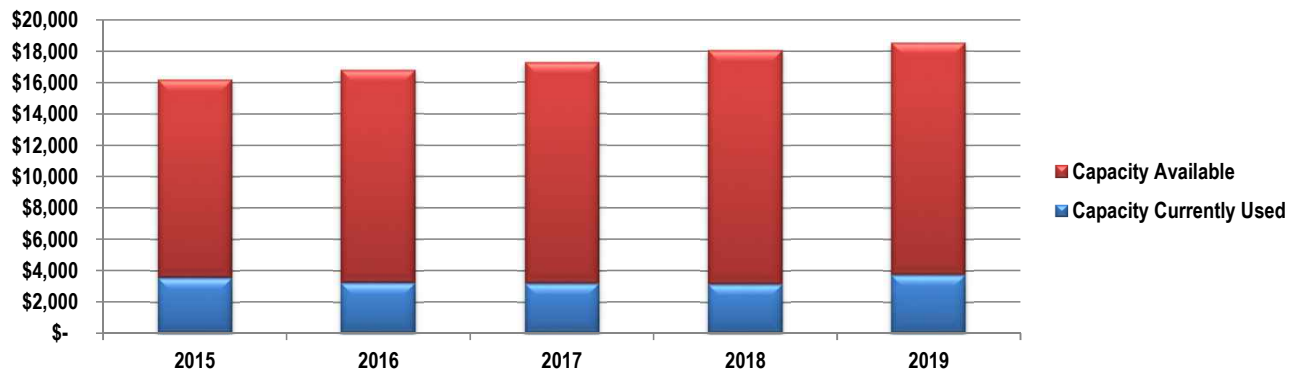
Financial Assets vs Long Term Debt

(in \$1,000's)



Annual Debt Servicing Capacity

(in \$1,000's)



Property Assessments

(in \$1,000's)

	2015	2016	2017	2018	2019
Residential	\$ 5,665,492	\$ 5,939,468	\$ 6,389,094	\$ 7,165,968	\$ 7,919,882
Commercial	1,097,231	1,131,080	1,194,869	1,305,469	1,328,300
Light Industrial	35,712	37,813	38,661	44,907	42,920
Recreation & Non-Profit	23,904	22,982	22,951	22,694	23,491
Utility	7,466	7,385	7,213	7,674	7,982
Farm Land & Managed Forest	3,947	3,988	3,715	3,606	3,268
	\$ 6,833,752	\$ 7,142,716	\$ 7,656,503	\$ 8,550,318	\$ 9,325,843

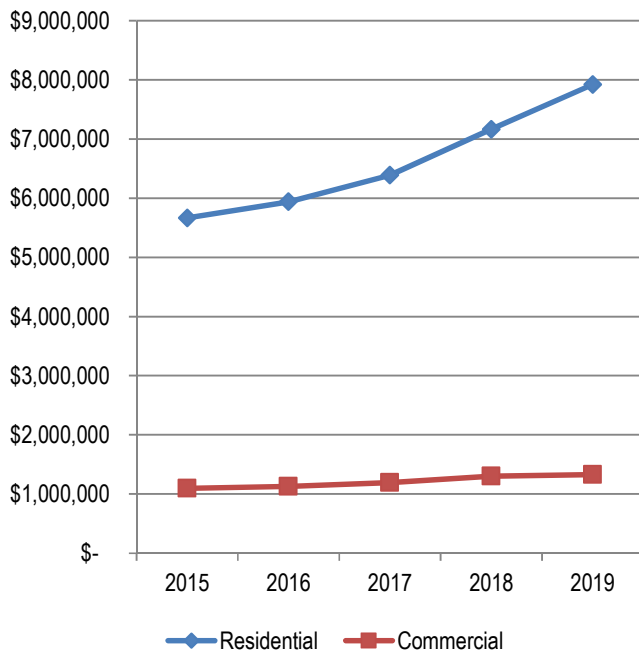
% Change From Prior Year	5.4%	4.5%	7.2%	11.7%	9.1%
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AVERAGE SINGLE FAMILY RESIDENTIAL ASSESSED VALUES

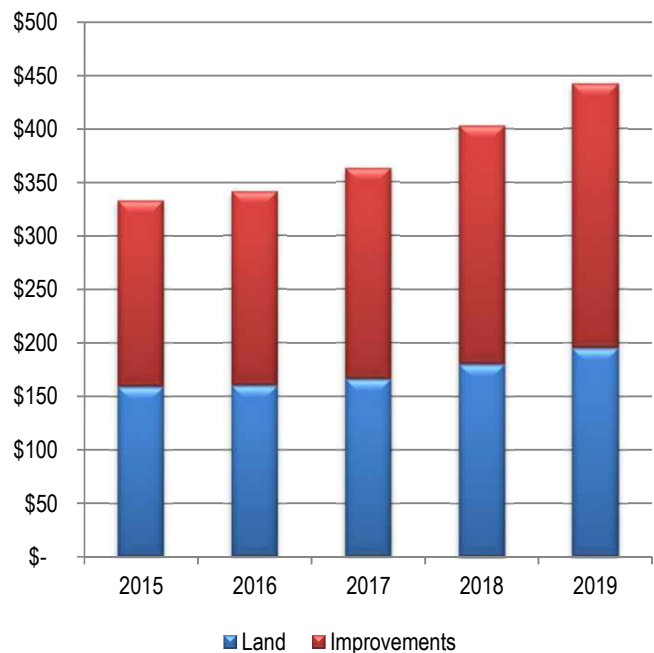
Land	\$ 159	\$ 160	\$ 166	\$ 180	\$ 195
Improvements	174	181	197	223	247
	\$ 333	\$ 341	\$ 363	\$ 403	\$ 442

% Change From Prior Year	5.0%	2.4%	6.5%	11.0%	9.7%
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Total Property Assessments Residential & Commercial (in \$1,000's)



Average Single Family Residential Assessed Values (in \$1,000's)



Principal Corporate Taxpayers

(in \$1,000's)

Rank	Category	Property Owner	Common Name	General Tax Levy	2018 Rank
1	Retail	Village Green Shopping Centre Inc.	Village Green Mall	\$ 745	1
2	Retail	Calloway REIT (Vernon) Inc.	Vernon Smart Centre (Including Wal-Mart)	659	2
3	Retail	CP REIT BC Properties Ltd	Real Canadian Superstore	350	3
4	Hotel	460463 BC Ltd	Sparkling Hills Resort	292	4
5	Retail	Sunstone Holdings Inc.	Shops at Polson Park	260	5
6	Retail	Realfund Investments (BC) Ltd	Vernon Square (Northern Portion)	233	6
7	Office	N & T Properties Ltd	Kal Tire - Corporate Office	199	7
8	Retail	Home Depot Holdings Inc	The Home Depot	164	8
9	Retail	Canadian Tire Corporation Ltd	Canadian Tire	139	9
10	Retail	Fruit Union Plaza Holdings Ltd	Fruit Union Plaza	134	10
11	Retail	5601 Anderson Way Holdings Ltd	The Brick & Red Robin	131	12
12	Office	Timber Facility Ltd	Tolko Industries - Corporate Office	131	11
13	Retail	Snowcat Property Holdings Ltd	Vernon Square Safeway (Southern Portion)	119	15
14	Retail	4246551 Canada Inc	Rona	117	13
15	Entertainment	Gateway Casinos & Entertainment Ltd	Gateway Casino & Entertainment	113	16
16	Hotel	Jassi Holdings Ltd	Holiday Inn (Including Ricky's Grill)	105	17
17	Retail	D C Investments Ltd	Landing Plaza	94	19
18	Retail	Loblaw Properties West Inc.	Real Canadian Wholesale Club	92	18
19	Hotel	The Hollypark Organization Inc	Fairfield Inn & Suites by Marriott	91	New
20	Manufacturer	Protect Holdingd Ltd	Tekmar Control Systems Ltd	85	New

Total General & Fire Tax Revenue - Top Twenty

\$ 4,253

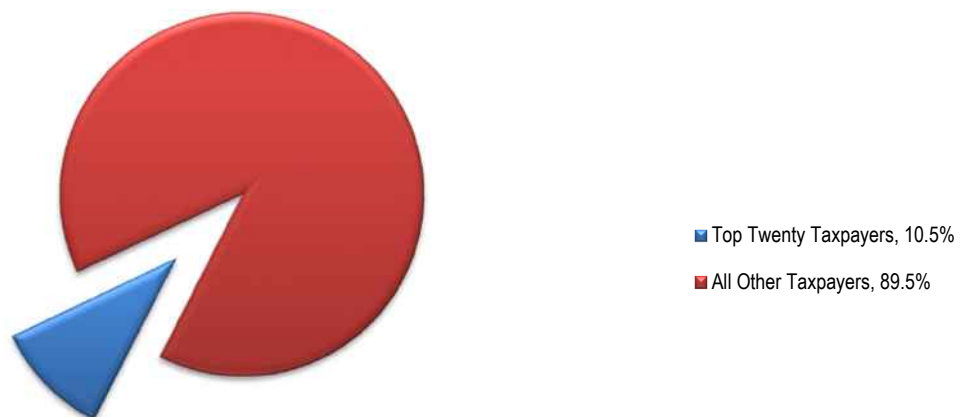
Total General & Fire Tax Revenue - City Wide

\$ 40,653

Proportion of Taxes Paid by Top Twenty

10.5%

Tax Contribution from Principal Corporate Taxpayers



Building Permits and Business Licences

(In \$1,000's)

Building Permit Construction Values

	2015	2016	2017	2018	2019
Residential	\$ 69,131	\$ 76,036	\$ 107,007	\$ 117,151	\$ 97,107
Commercial	39,105	26,445	11,531	12,197	24,593
Institutional	1,478	19,878	11,575	17,971	248
Industrial	60	340	-	1,558	2,460
	\$ 109,774	\$ 122,699	\$ 130,113	\$ 148,877	\$ 124,408

Building Permit Fees

	\$ 992	\$ 1,108	\$ 1,311	\$ 1,339	1,185
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Number of Building Permits Issued

	381	394	433	407	371
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Business Licence Fees

	\$ 586	\$ 582	\$ 532	\$ 640	\$ 656
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Number of Licenced Businesses

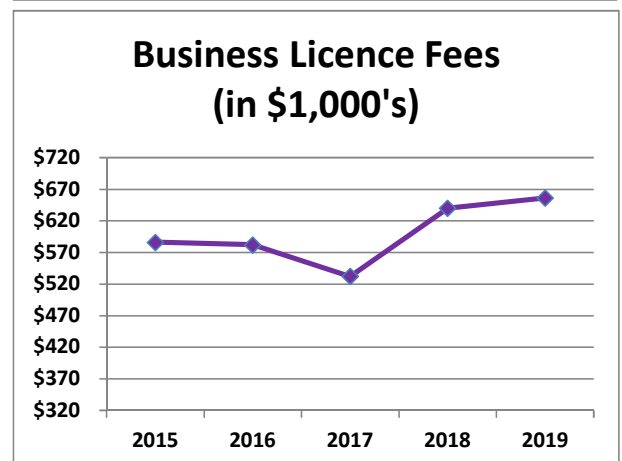
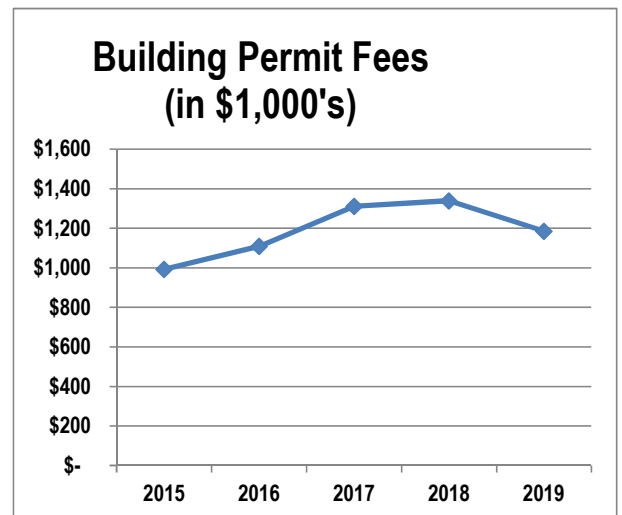
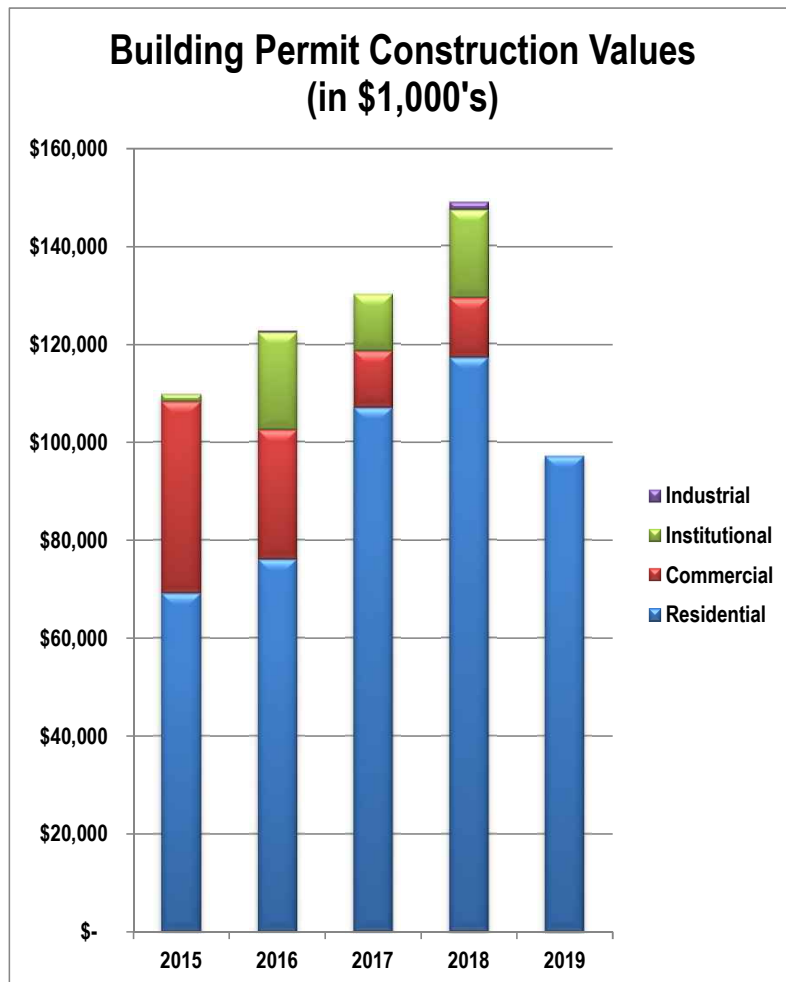
	3,129	3,767	3,580	3,623	3,266
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Number of Land Use Applications Processed *

	151	177	193	201	190
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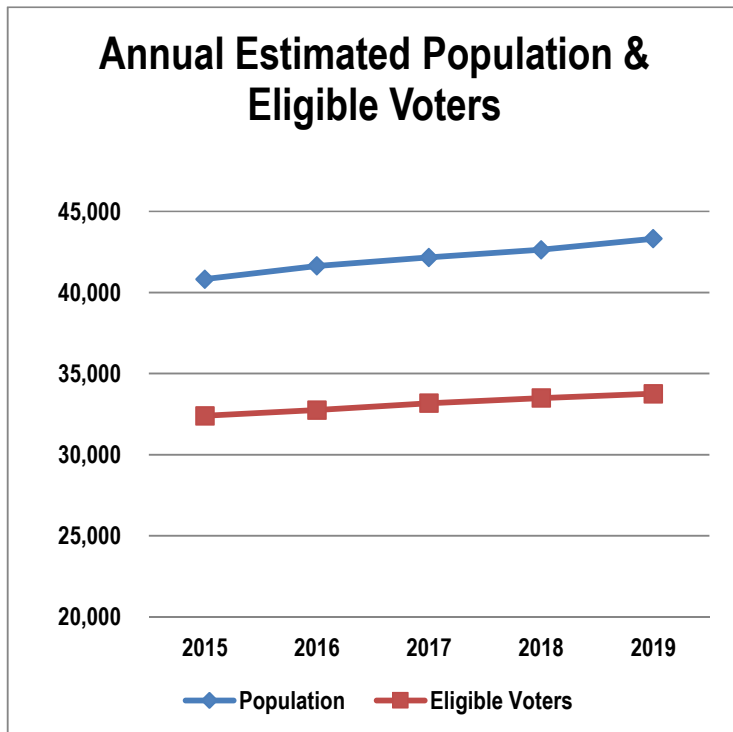
* Includes applications for Rezoning, OCP Amendment, Development Permit, Development Variance Permit, Board of Variance, ALR, and Subdivision

Source: City of Vernon Planning & Building Division



Population Demographics

	2015	2016	2017	2018	2019
Annual Estimated Population (Source: BC Statistics)	40,824	41,638	42,160	42,632	43,315
Population Growth Rates	4.2%	2.0%	1.3%	1.1%	1.6%
Annual Estimated Eligible Voters (based on population estimate)	32,397	32,749	33,180	33,494	33,762



Selected Statistics:

Taxable Area (hectares)	7,745
Total Area (hectares)	11,765
Paved Roads (kilometers)	300
Number of Fire Hydrants	1,288
Storm Sewer Pipes (kilometers)	200
Sanitary Sewer Pipes (kilometers)	276
Residential Sewer Connections	9,779
Commercial & Other Sewer Connections	1,229
Sewer System Average Daily Flow (cubic metres/day)	12,259

2016 and 2011 Census (Source: Statistics Canada)

	Total	0 - 14	15 - 24	25 - 44	45 - 64	65+
2016	40,116	5,670	4,040	8,760	11,420	10,226
2011	38,155	5,370	4,430	8,505	11,050	8,800
Total Net Growth	1,961	300	(390)	255	370	1,426
Percent Growth	5.1%	5.6%	-8.8%	3.0%	3.3%	16.2%



— 2019 —

ANNUAL REPORT

The Corporation of the City of Vernon

City Hall
3400 30 Street
Vernon, BC
TEL: 250 545 1361