



CITY OF
Vernon

2018 Annual Report City of Vernon, BC

Fiscal Year Ended December 31, 2018

2018 Annual Report

For the Fiscal Year Ending December 31, 2018 | **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, 2017

Christopher P. Morrell

Executive Director/CEO



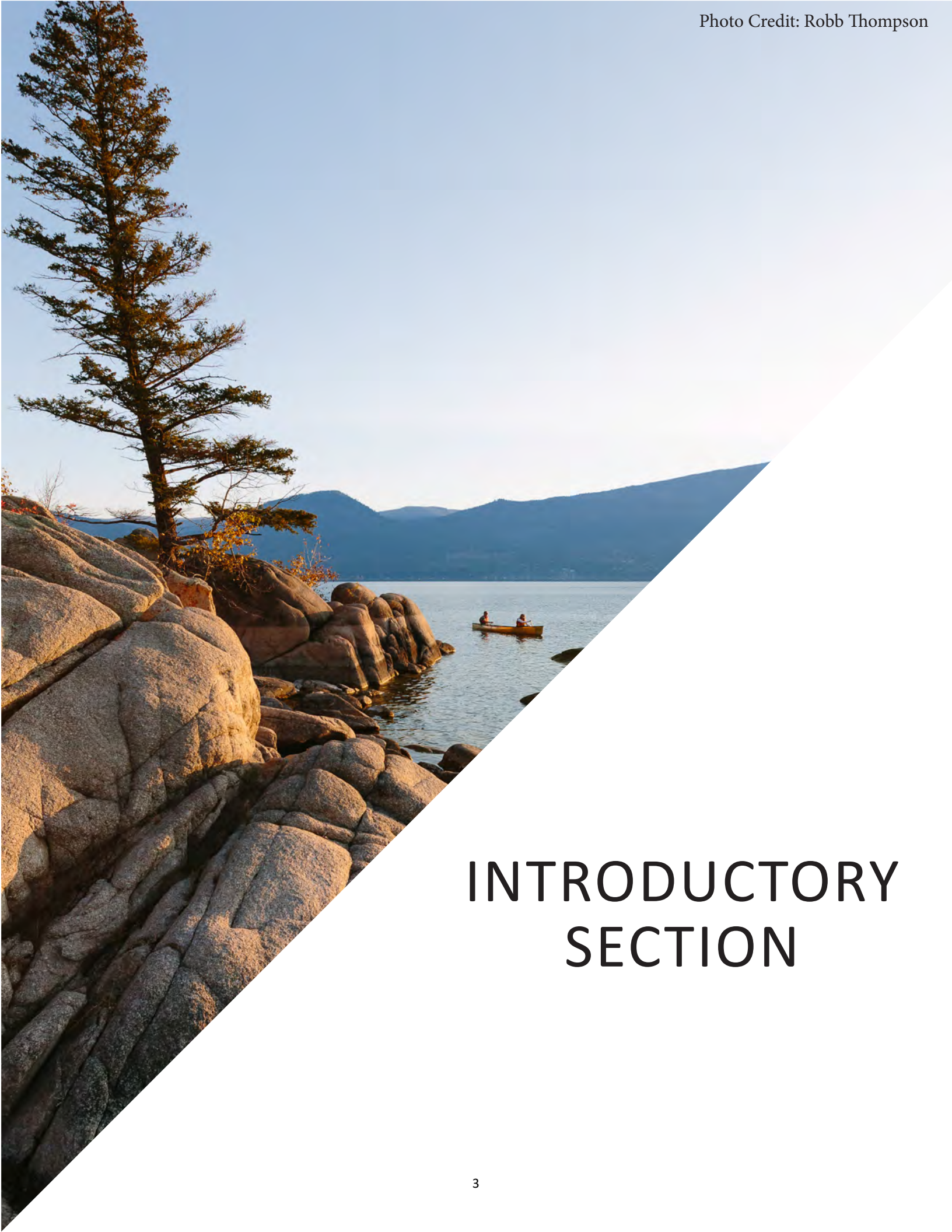
In memory of Councillor Spiers who passed away on June 25, 2018

Bob was first elected to Vernon Council in 2008. During his tenure he served on many important City committees including the Advisory Planning Committee, the Audit Committee, the Finance Committee, the Greater Vernon Advisory Committee, the Heritage Advisory Committee and the Environmental Advisory Committee, among others. He was an active and dedicated member of Council. He was known for his diligence in all financial matters, always with the goal of getting the best value for residents' tax dollars.

Prepared and submitted by: Financial Services | City of Vernon

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www.vernon.ca



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Vernon City Council



(Back, L-R) Councillor Scott Anderson, Councillor Brian Quiring, Councillor Akbal Mund, Councillor Kelly Fehr
(Front, L-R) Councillor Kari Gares, Mayor Victor Cumming, Councillor Dalvir Nahal

VERNON CITY COUNCIL CONTACTS

Victor Cumming	Mayor	mayor@vernon.ca
Scott Anderson	Councillor	sanderson@vernon.ca
Kelly Fehr	Councillor	kfehr@vernon.ca
Kari Gares	Councillor	kgares@vernon.ca
Akbal Mund	Councillor	amund@vernon.ca
Dalvir Nahal	Councillor	dnahal@vernon.ca
Brian Quiring	Councillor	bquiring@vernon.ca

SENIOR MANAGEMENT TEAM CONTACTS

Will Pearce	Chief Administrative Office	wpearce@vernon.ca
Debra Law	Director of Financial Services	dlaw@vernon.ca
Patti Bridal	Director of Corporate Services	pbridal@vernon.ca
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Shirley Koenig	Director of Operation Services	skoenig@vernon.ca
Doug Ross	Director of Recreation Services	dross@vernon.ca

OUR 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 13, 2019



On behalf of Council, it is my pleasure to present to you the 2018 Annual Report. In early November 2018, a Council term ended and a new Council term began. Reflected here is the quality work of the previous Council. They accomplished a lot in their four years for the citizens of, and visitors to Vernon while continuing to build the financial stability of the City.

You will see in this report many exciting trends and accomplishments realized during 2018. Significant completions were: the Kalamalka Road multi-use path connecting Polson Park (and downtown) with Kalamalka Beach (\$3.6 million) and the new Okanagan Rail Trail from Coldstream to Kelowna's lakefront, the signing of a relationship accord with the Okanagan Indian Band plus follow-up activities, and completing the process of bringing Parks within the City, under City control.

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 2018 Distinguished Budget Presentation and 2017 Financial Reporting awards.

The City continues to increase investment in its existing capital infrastructure including sewer lines, storm drainage and road development. Some projects that were completed this year include: Okanagan Landing Sewer Extension Project - \$3.8 million – extending sewer services to 100 properties in the Okanagan Landing and providing sewer trunk lines to other neighbourhoods in the Okanagan Landing. The 30th Street and 35th Avenue Intersection Reconstruction (\$2.2 million) that connects the 30th Street and 35th Avenue corridors.

Our community continues to grow in population and even quicker in residential dwellings. Construction activity continues to surpass previous years with \$148.8 million in building permits in 2018 creating 507 new residential units. Major projects include the Highlands (43 units), The Hub (57 units), Rockwood Landing (60 units), My Place (52 units) and many other residential, commercial and industrial buildings. The new Kal Tire Place North facility with a regulation-size 200'x85' sheet of ice, and seating for 400 spectators, opened in September 2018 featuring a dryland training facility, multi-purpose room, additional office space and new parking area. The Municipal Regional District Tax (MRDT) providing significant funds for marketing, based on hotel room revenue, has continued to grow year over year (over \$1 million in 2018).

For the upcoming year, Council will move forward with its new 2019-2022 Strategic Plan, while remaining responsive to its citizens, businesses and community leaders. I congratulate Administration on another great year of hard work, dedication and commitment to our community.

A handwritten signature in black ink that reads "Victor L. Cumming". The signature is fluid and stylized, with a large, sweeping flourish at the end.

Victor Cumming
Mayor

Message from the Chief Administrative Officer

May 13, 2019



The City of Vernon continued to solidify its financial position through 2018 while addressing key issues important to residents and businesses alike. This was important, as it sets the stage for retention and development of local business, attracting new investment, creating and protecting employment opportunities and progressively managing local public infrastructure including roads, boulevards, parks, municipal buildings, sanitary and storm sewer systems. This positions Vernon to weather regional, national and international economic fluctuations. Market confidence is based, at least in part, on sound policy direction by Council, with a clear focus on cost effective governance and wise decisions.

2018 was the last year of Council's four year term and in November the community elected into office a new Mayor, two new councillors and re-elected four councillors (including former Mayor Akbal Mund) from the previous Council. This is an eclectic team of new and experienced councillors, both enthusiastic and smart and are led by a new Mayor with over 30 years global experience in economic development, business development and First Nations enhancement. A Council well positioned to take on the inevitable challenges of the next four years.

Both the former and new Council face complex challenges common to urban municipalities including: the opioid crisis; homelessness; and support for other populations in need. These issues are not unique to Vernon as they are shared by urban communities in the Okanagan, Lower Mainland, most of British Columbia and across Canada. Regardless of where these issues arise, they are complex, difficult to address and require the commitment of all levels of government to work together. Accessible, safe housing; "wrap around" support to those most in need; addictions and mental health services within the full continuum of health services; public safety services through policing and bylaw enforcement, are all necessary. There is no easy or cheap answer.

That said, Council is facing the issues, building strong relationships with Provincial and Federal Ministries, ramping up resources in the RCMP Detachment and Bylaw Compliance and has implemented numerous new programs going into 2019 to keep the downtown safe and vibrant.

Through 2018 and now with the new Council, the City remains committed to a progressive infrastructure renewal program. Reinvestment in roads, parks, public buildings, the corporate fleet, and major city owned utilities continues. The City is rebuilding, replacing and renewing our public assets to ensure functional, cost effective services to our residents and businesses with minimal downtime.

In September we celebrated the opening of Kal Tire North, our new arena to compliment Kal Tire Place. This new facility serves thousands of youth, young adults, and somewhat more mature clients. It is a facility contributing to the future and subsequent health of our community. The arena build was brought in on time and on budget.

A sound fiscal position; progressive and industry leading asset management; reinvestment in parks and recreation facilities; increased commitment to community safety through policing, bylaw compliance, fire services, emergency management, restorative justice and safe communities; networking with Provincial and Federal Ministries to realize a significant increase in safe, accessible and supported housing; social planning and social development action teams; business retention and attraction; job creation and welcoming new investment into a strong local economy; this is Vernon.

A handwritten signature in blue ink, appearing to be 'W. Pearce'.

Will Pearce
Chief Administrative Officer

Message from the Chief Financial Officer

May 13, 2019



I am pleased to present the City of Vernon's Annual Report for the year ended December 31, 2018. This report contains the 2018 consolidated financial statements, auditors' report and an update of the City's services and projects, pursuant to Section 98 and 167 of the Community Charter.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards. Our external auditors, KPMG LLP, have conducted an independent examination and have expressed the opinion that the "financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2018, and its consolidated results of operations, its consolidated changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards".

The City was recognized with the Canadian Award for Financial Reporting by the Government Finance Officers Association for the ninth year in a row for the 2017 Annual Report. The 2018 Annual Report will also be submitted for this award to provide Council and the public with assurance that we continue to meet internationally recognized standards for financial reporting.

The City continued to strengthen its financial position in 2018. The City's net financial assets reached \$49.2M (2017 - \$41.8M) and cash and investments increased to \$84.1M (2017 - \$80.5M). The City made a net investment of \$14.8M in tangible capital assets realizing a net book value increase to \$575.1M (2017 - \$570.7M). The City's net investment in capital assets exceeded the cost of amortization \$11.1M, (2017 - \$11.0M) resulting in an overall increase in total tangible capital assets.

Revenues for 2018 totalled \$94.3M (2017 - \$90.2M) and expenses were \$82.1M (2017 - \$81.9M). The revenue increase was due to various factors including a second year of Regional District funding for Kal Tire Place expansion, increased interest earned on investments and increased taxation for the capital program. Starting in 2018, the City and Regional District commenced a new five-year Parks agreement; then during the year they renewed the Recreation agreement commencing January 1, 2019, also for a five-year period. These important agreements will continue to provide excellent Parks and Recreation services to our citizens and visitors.

Expenses remained stable overall with small variances within most departments. In Fire Rescue there was an increase due to the settlement of the IAFF contract until December 31, 2019. Road transportation increases were the result of an increase in transit services to the public plus a higher than expected winter snowfall season. The reduction in Airport expenses in 2018 is due to the completion in 2017 of some major runway upgrades.

Reserves, which represent funds available for future investments in tangible capital assets or unanticipated expenditures for unforeseen events increased overall to \$60.0 (2016 - \$57.5M). Of this balance, \$33.5M (2017 - \$24.5M) is committed to fund projects planned in 2019.

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 the Building activity shown in the Building Permits graphs. Council continues to be committed to a 1.9% Infrastructure tax levy which is insuring the City's infrastructure will be available to its Citizens well into the future.

There are also schedules showing the Taxes Levied for Other Agencies, Number of Employees 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 conditions at the end of the fiscal year.

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

Debra Law, CPA, CMA
Chief Financial Officer

Revenue Policy Targets and Results 2018

The following revenue targets were adopted under the 2018-2022 Financial Plan and are shown with their actual results:

Measure	2018 Target	2018 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	49.8%	41.7%
Service Fees as a Proportion of Total Revenue	33.5%	24.6%
Other Revenue as a Proportion of Total Revenue	16.7%	33.7%
Specified Area Parcel Taxes as a Proportion of Total Revenue	Less than 1%	Less than 1%

Capital Asset Surplus 2018*

(in \$1,000's)

Asset Category	Annual Amortization	Capital Investment	Capital Asset Deficit/ (Surplus)	Net Book Value of Disposals	Decrease in Depreciable Assets
BUILDINGS	\$ 1,667	\$ (284)	\$ 1,951	\$ 26	\$ 1,977
VEHICLES	594	447	147	27	174
MISCELLANEOUS EQUIPMENT	100	1,832	(1,732)	-	(1,732)
INFORMATION TECHNOLOGY	237	156	81	42	123
TRANSPORTATION INFRASTRUCTURE	5,405	6,147	(742)	77	(665)
STORM SEWER INFRASTRUCTURE	1,046	723	323	62	385
SANITARY SEWER INFRASTRUCTURE	1,254	3,546	(2,292)	14	(2,278)
IRRIGATION WATER INFRASTRUCTURE	106	-	106	-	106
NATURAL GAS SYSTEM LEASE	723	-	723	-	723
	\$ 11,132	\$ 12,567	\$ (1,435)	\$ 248	\$ (1,187)

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

Community Profile



Golf Vernon

→ The Rise – Fred Couples Signature Golf Course

Immerse yourself in the scenery at The Rise Golf Course; the only Fred Couples signature golf course in the Okanagan Valley. You'll be challenged by the course's fairways carved through rugged rock and pristine wetlands. Prepare to be distracted by the awesome lake views 400 metres (1300 ft.) below. www.therise.ca

→ Hillview Golf Course

Get out on this fast playing 18-hole golf course with short and challenging holes. Enjoy eight relaxing lakes connected by a wandering creek. www.hillviewgolf.ca

→ Predator Ridge Resort

Predator Ridge is rich in history and tradition. There are very few settings in North America as breathtaking as this one. Play your shot, then pause and take in your surroundings. The rolling hills and mountains of the north Okanagan unfold around you while granite outcroppings protect fairways and greens. The award-winning golf courses here offer two distinctly challenging yet playable layouts for golfers of all levels. www.predatorridge.com

→ Vernon Golf & Country Club

The championship par 72 course has challenged golfers for over a century. At the Vernon Golf & Country Club, the towering Lombardi poplars and mature weeping willows stand guard in a beautiful parkland setting. The inside five at Vernon Golf & Country Club is known to have one of the strongest finishes in the Okanagan. www.vernongolf.com



Vernon's Best Beaches

Vernon has several beaches to choose from. Mark your spot at one of the beaches with full amenities, or find a quiet place in a cove. You choose which beach you want to visit and Mother Nature will supply the weather.

→ Ellison Provincial Park – Okanagan Lake

Ellison's pebbled shoreline and underwater dive park (the only one in the Okanagan) in Otter Bay is beautiful with its tree-lined shores. There's even a dog beach (Sandy Beach) where you and your best friend can play in the water.

→ Kin Beach – Okanagan Lake

Broad, sandy beaches gently slope down into the inviting water. There is a fully outfitted playground at Kin Beach, making it a favourite for young families.

→ Paddlewheel Park- Okanagan Lake

Paddlewheel Park beach is right between Okanagan Landing Road and Okanagan Lake. It has a play park, sandy beach, grass, shade, and public washrooms. The park also has basketball, tennis and beach-volleyball courts, and a boat-launch.



Community Profile

Hiking Trails



Grey Canal Trail: Take a city trail that follows the route of the historical Grey Canal irrigation channel, or walk the cedar-lined trails of the riparian zone that borders BX Creek and Falls Trail.

Okanagan Rail Trail: No matter what the season, the Rail Trail is a great place to explore. This spectacular lakefront route had its official opening in September of 2018. Come explore 50 km (31 mi) of level, discontinued rail corridor now upgraded for public use for all abilities. There are 22 parks and 21 recreational and cultural points of interest within a five to six-minute walk of the trail, making it easy for walkers, hikers, and bikers to access.

Swan Lake Nature Reserve Trail: Swan Lake is a shallower and quieter lake for those who love a nature hike. The surrounding wetlands provide some of the best bird watching in BC.

Turtle Mountain Trail: check out the views of Middleton Mountain, Swan Lake and Silver Star while watching raptors soar above

Family Day Activities

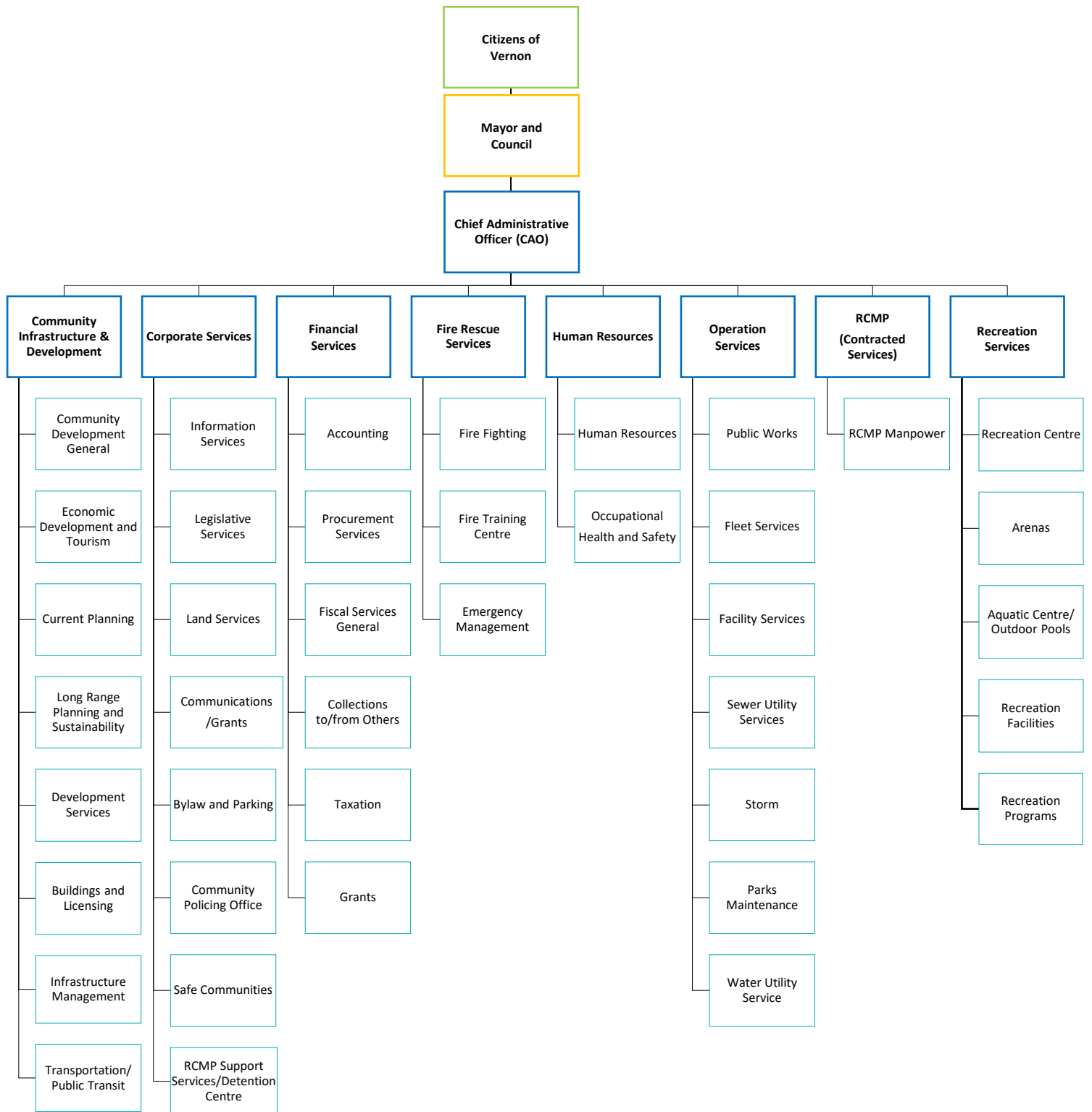
Family Field Trips: Everyone loves a field trip! Grab the family and point your compass toward the Historic O'Keefe Ranch, Davison Orchards, or the Okanagan Science Centre. Roam Davison Orchards on a vintage apple train, uncover the mysteries of the universe at the Okanagan Science Centre's hands-on exhibits, or head out to O'Keefe Ranch's summer day camp and be a pioneer for the day. It's a great way to disconnect from the everyday and reconnect with each other.

A Family Time Out: There's nothing like a day at the beach in Vernon; and we have lots to choose from! Find the perfect spot for you and your family. Pick a quiet fishing hole, a hidden cove for a family picnic, or a beachside playground. Vernon abounds with options for a well-deserved family time out. There are numerous beaches within minutes of Vernon on Kalamalka and Okanagan lakes. There are beaches for people and beaches for dogs. We have beaches that are perfect for SUP and others perfect for sitting under the shade of a tree and watching the world go by. We have a beach with a pebbled shoreline and we have the only underwater dive park in the Okanagan. Beaches aren't just for the summer either. There's something soothing about watching the water lap the shores in the cooler months too. Remember, aside from the larger lakes, there are 100 smaller lakes, all about an hour's drive away.

Family Fun at Polson Park: Spend the day at Polson Park. Tennis courts, football, soccer, and picnic areas are here for you to enjoy. On site washrooms and great walking/hiking trails make this a fun place to spend the day. The Polson Spray Park is open to the public at no charge. It is tremendously popular with locals and visitors alike. It's great summer fun for kids of all ages and has a wheelchair accessible playground. The park is open every day from mid-June to early September from 10 am to 7 pm. Children must be supervised.



Organizational Structure





Services Provided to Our Residents

Photo Credit: Tambellini Design Studio

- Acting as collection authority for other taxing jurisdictions
- Airport operation
- Boulevard and other landscape maintenance
- Building approval and inspection
- Bylaw enforcement
- 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



Progress Report on Council's Strategic Plan 2015 – 2018

September 2018



Council's Vision Summer 2018



At its strategic planning session on February 2, 2015, Council identified the following vision for the City of Vernon, as envisioned for the summer of 2018.

The City has taken a leadership role in economic development. Investment is happening in the Waterfront, with a new park and private development. Investment is happening in the Downtown: there are fewer vacant storefronts and a new office building is opening. There are new apartments under construction, and redevelopment in the surrounding neighbourhoods provides new family homes. More jobs in the technology sector, tourism and health care are providing more opportunities for young professionals and their families to move to Vernon.

Investments in parks and recreation provide supporting reasons for young families to move to Vernon. The new ice sheet at Kal Tire Place just opened, and a new multi use park is being planned for the adjacent Kin Race Track lands. The Rec Centre and Polson Park are both being revitalized, and the Civic Arena block is being transformed into a park. More biking and walking options include the newly opened portions of the Rail Trail from Lumby Junction to Kelowna.

The City has a strong and productive relationship with the Regional District of North Okanagan (RDNO) where issues of mutual concern are addressed to the benefit of all residents. This includes resolution of the Master Water Plan, including funding and equitable rates that are supported by the public. The future of both the Art Gallery and the Museum are determined, including locations and funding. Should Coldstream, Electoral Area B or C come forward and wish to explore the benefits and costs of amalgamation, the City of Vernon would agree to support a provincially funded study.

The City focuses on efficient, front line service delivery. Tax rates have been kept at or below inflation, as have municipal operating expenses. The City actively engages and consults with the community on new initiatives, and conducts business in a transparent manner.

Council's Goals 2015 – 2018

Facilitate Regional Collaboration	Target Date	Status	Lead	Notes
Referendum to twin Kal Tire Place	November 2015	Complete	Recreation Services	<p>A successful referendum was held on November 28, 2015 with 56% approval for borrowing to twin the arena. Through the Design, Build, Operate, Maintain Agreement with our community partners the District of Coldstream, Area B & Area C, the City of Vernon was solely responsible for the project to twin Kal Tire Place.</p> <p>Construction got underway in April of 2017 and the project will be completed on time and on budget. The new Kal Tire Place North arena will open on September 4, 2018.</p>
Resolve specific funding and cost sharing arrangements with RDNO (including the Library, Transit, Fire Services and gateway signage)	December 2015	Complete	As Required	<p>Discussions regarding joint fire service purchasing occurs on an on-going basis through the North Okanagan Emergency Services Advisory Group and the Fire Training Centre (FTC) operations. In May 2016, the FTC acquired a retired apparatus from West Kelowna Fire, which will be utilized by all regional firefighters. Fire Training Centre 5-Year Extension has been implemented as of January 1, 2018.</p> <p>A full review of the Emergency Program occurred at the end of 2015, specifically to ensure the funding model protected Vernon's rate payers. 2016 was a transition year for the program and the Emergency Services Agreement/Bylaw was terminated December 2016. As of January 1, 2017 the City has operated a stand-alone emergency program. In 2017, the Emergency Operations Center was activated several times to address flooding in the City and to support Emergency Social Services in the management of reception centers and group lodging facilities for evacuees from other communities. To date, in 2018 the Emergency Program has supported efforts to manage the flood threats within the City of Vernon.</p> <p>A mutual aid agreement for fire department emergency resources with the RDNO, Armstrong, Enderby, Coldstream, Spallumcheen and Vernon has been renewed. This agreement helps to leverage emergency resources available in the region for large or multiple events. A fee for service agreement has been renewed with Lumby for fire inspection and investigation through to June 2020.</p> <p>Fee for service agreements are in place with Armstrong and Enderby to provide response to ammonia/chlorine/sulphur dioxide at identified facilities.</p> <p>Sub Regional Parks responsibility and funding agreement completed through GVAC in May 2017. All remaining parks within the City municipal limits came under the City's jurisdiction as of January 1, 2018. This concludes the comprehensive divestiture (from RDNO to the City) of the local parks system.</p> <p>Gateway signage undertaken in entirety by City of Vernon. Gateway signage demolition and removal May 2017. Replacement "Welcome to Vernon" signs completed in the Fall 2017.</p> <p>Recreation Services Agreement in place January 2013. Renewal Agreement (5 year, effective January 1, 2019) endorsed by all parties.</p>

				<p>Core funding for the Okanagan Regional Library is provided by Vernon, Coldstream and Electoral Areas B & C, with Vernon and Coldstream funding additional Sunday hours of operation.</p> <p>Arena Agreement (twin Kal Tire Place) executed, including funding and responsibilities.</p> <p>Comprehensive transit service funding review undertaken in 2017 with BC Transit and regional partners. The issues associated with the historical funding arrangements for Transit have been resolved. Two Memoranda of Understanding have been signed by all the transit funding partners regarding revenue sharing and Custom Transit cost allocation. The new Transit fare structure developed in partnership with Coldstream and RDNO was implemented on April 1, 2018.</p> <p>GVAC reviewing "Pay to Play" and SIR program funding/participation (current).</p>
Establish a working group with the Okanagan Indian Band to develop a servicing plan for IR#6 (with grant funding)	June 2016	Complete	As Required	<p>Joint application for Community Economic Development Initiative (CEDI) federal program to explore mutually agreed upon projects was submitted in May 2016. Received letter on April 28, 2017 notifying that OKIB and Vernon had been tentatively selected for the program. Joint CEDI workshop #1 with Okanagan Indian Band was held December 20, 2017. On February 26, 2018 Council declassified their January 22, 2018 resolution agreeing to participate in the CEDI program to March 31, 2020.</p> <p>CEDI workshop #2 with Okanagan Indian Band was held April 12 and 13, 2018. Several priorities, including a collaborative approach to waterfront planning, have emerged from the partnership. Both OKIB and City of Vernon Councils endorsed the CEDI Working Group Terms of Reference and a Relationship Accord at their respective meetings in August 2018.</p>
Develop a boundary extension and servicing plan for the Swan Lake Corridor to facilitate development and redevelopment	2016	On Hold	As Required	<p>This goal was driven by a desire to provide sewer services to support more intensive development leading to additional employment along the Swan Lake Corridor as per the Regional Growth Strategy. RDNO has initiated a planning process for the Swan Lake Corridor that includes a sewer servicing strategy separate from the Vernon system. This process is expected to be concluded in Fall 2018.</p>
Determine future locations of the Art Gallery and Museum, with consideration of a combined facility	2017	Complete	Administration	<p>The Greater Vernon Cultural Implementation Advisory Team (IAT) is reviewing the new facility development plan for the Vernon Public Art Gallery and the Greater Vernon Museum and Archives. At the June 25, 2018 meeting, Council chose the Vernon Block as the preferred site for the combined Museum/Art Gallery Cultural Facility. RDNO will have a referendum on the October 20, 2018 ballot to borrow \$25 million of the \$40 million estimated cost.</p>
Review the Master Water Plan and associated DCC Bylaw and working agreements with RDNO/GVW, with due consideration for equitable rates for agricultural, residential and commercial users	2017	Underway	As Required	<p>The 2017 Master Water Plan was adopted by the RDNO Board on November 15, 2017. As the Master Water Plan has been completed, a comprehensive DCC bylaw update can be undertaken. The timing of the DCC bylaw update is unknown.</p>
If Electoral Area B, Electoral Area C and/or Coldstream requests an amalgamation study, agree to support it	If Required	On Hold	As Required	

Be a Leader in Economic Development	Target Date	Status	Lead	Notes
Bring forward a resolution to increase the business tax exemption from \$10,000 to \$50,000 to SILGA/UBCM	March 2015	Complete	Community Infrastructure & Development	Resolution endorsed by SILGA on April 30, 2015; forwarded to UBCM for consideration at its 2015 convention, where it was not endorsed.
Develop and promote inventories of vacant commercial properties to reduce the downtown vacancy rate to 10% or less	December 2015	Complete	Community Infrastructure & Development	November 2015 vacancy rate in the downtown was 7.9%. Staff to work with Downtown Vernon Association to update the vacancy rate in Fall 2018. Vacancies over 5,000 sq ft are being promoted on City of Vernon website.
Engage realtors in the promotion of economic opportunities	December 2015	Complete	Community Infrastructure & Development	Attend annual ICSC Tradeshow in Whistler in January for realtors and developers. Information sessions held with local real estate offices in 2016 (Century 21, Sutton Realty and Royal LePage). Offered has been made to all local real estate firms. Annual presentation to Okanagan Mainline Real Estate Board (2016 and 2017). Sponsored UDI luncheon in Kelowna on October 26, 2017.
Endorse and implement the Industrial Lands Action Plan	June 2016	Complete	Community Infrastructure & Development	Regional Employment Lands Action Plan adopted by Regional District on May 18, 2016. A regional workshop was held on October 12, 2016 to discuss next steps. Focus has been on the potential creation of a Rural Economic Development function that would be complementary to the City of Vernon. Subsequent regional session was held on October 12, 2017 and a funding application was submitted by the staff of RDNO to the Rural Dividend Fund. Funding application was unsuccessful. Rural communities and electoral areas are exploring options and next steps.
Support sustainable urban development by reducing off site costs and reviewing parking requirements for infill development and undergrounding of overhead utilities in the City Centre to increase development potential	Annually	Complete	Community Infrastructure & Development	<p>Report regarding parking in-lieu endorsed by Council in 2015. Further investigations to be taken to the DVA and Chamber of Commerce in August 2018 with proposed bylaw amendments to Council for consideration in September 2018.</p> <p>Council supported undergrounding of overhead utilities as part of the 30th Street capital project and Bennet lot redevelopment. BC Hydro beautification funding received for undergrounding of services on the Vernon Block in conjunction with capital projects in the area. A report to Council to establish a Municipal Fee Bylaw to collect funds from benefitting properties adjacent to the works is scheduled for the September 4, 2018 Regular Meeting of Council.</p> <p>At its Regular Meeting of February 27, 2017, Council adopted bylaw amendments to facilitate overhead wiring retention in small scale residential infill. In April 2018, Council supported amendments to the SDSB #3843 Sched A in principle to enable overhead servicing for small lot infill re-development. At its Regular Meeting of August 13, 2018, Council gave Third Reading to Schedule A amendments.</p> <p>Council has supported numerous parking variances to facilitate redevelopment in the City Centre. DVPs supported and presented to Council that are consistent with intent of ITF. Required offsite (road) works limited to provision of sustainable infrastructure necessary to support proposed development and site specific conditions. Council supported the reduction of the number of off-street parking spaces for the following projects:</p> <ul style="list-style-type: none"> ○ five storey 119 unit seniors assisted housing facility with some commercial ground floor space at 5500 24th Street ○ 4,844m² expansion of the Kal Tire Place multi-use facility at 3445 43rd Avenue ○ conversion of a single family dwelling into five dwelling units and a small commercial area at 3503 27th Street

				<ul style="list-style-type: none"> ○ conversion of a single family dwelling into a rooming house with eight sleeping units at 3214 35th Street ○ conversion of a single family dwelling into five dwelling units at 3911 29th Avenue ○ four storey 42 unit rental apartment at 3802A 27th Avenue ○ four storey 32 unit rental apartment at 3800 27th Avenue ○ four storey 39 unit rental apartment at 3802 27th Avenue ○ nine unit non-profit rental townhouse project at 3304 Alexis Park Drive ○ phased multi-storey seniors residential care, seniors supportive housing and apartment facility with some commercial ground floor space at 3050 29th Avenue ○ 43 unit purpose built rental project at 1803 31A Street ○ 38 unit non-profit rental project at 5545 27th Avenue (to be considered June 25, 2018) ○ Zoning Bylaw amendments to reduce residential parking rates in the City Centre will be presented to Council at its Regular Meeting of September 4, 2018. <p>The Rolling 4 Year Capital Plan has many of the projects focused on downtown, thus reducing off site costs in key redevelopment areas.</p>
Prioritize implementation of the Airport Master Plan once complete in 2016, including necessary capital improvements or upgrades	January 2017	Complete	Community Infrastructure & Development	The Airport Master Plan has been adopted. Staff will explore designating lands to the north for Light Industrial/Service Commercial uses and the redesignation of adjacent properties no longer identified for acquisition from Airport Industrial to Light Industrial / Service Commercial. Construction completed within budget for turning 'D', visual indicators, creek bank stabilization and runway overlay (BCAAP grant funding utilized).
Be a technology friendly and supportive community, and undertake initiatives to promote and support the technology sector	Annually	Complete	As Identified	<p>Economic Development staff attended BC Tech Show in Vancouver (January 2016); working with Co-Work Vernon, Start-up Vernon, Okanagan Innovation Institute and other partners to further promote and foster growth in the technology sector.</p> <p>Information Services has worked with local telecommunication carriers to facilitate significant upgrades in the area. The TELUS Optik project has seen 100% Vernon buildout completed (except West Side road expansion). 29% of Vernon homes have signed on where Purefibre is offered. 36% of businesses have signed on where Purefibre is offered. This project is complete in the Vernon area.</p>
Cut red tape by ensuring we have a competitive development review process	Annually	Ongoing	Community Infrastructure & Development	Continue to improve application process, internal procedures and access to information where feasible and as opportunities arise. A joint Housing Forum was held with Big Red in the fall of 2016 to discuss potential improvements in the development approval process. Administration will provide follow up in 2018.
Support sustainable neighbourhoods by implementing and updating neighbourhood plans and the OCP	Annually	Complete	As Identified	<p>Since 2015, the following has been undertaken:</p> <ul style="list-style-type: none"> • Predator Ridge Neighbourhood Plan Update • OCP Update – Transportation Master Plan, Parks Master Plan, Community Wildfire Protection Plan • Airport Master Plan completed • Parks Master Plan completed • City Centre Neighbourhood Plan implementation: <ul style="list-style-type: none"> ○ Capital projects prioritization ○ Wayfinding signage ○ Public art projects – Respectfest Mosaic ○ Mobile vendor policy review initiated ○ Cash-in-lieu of parking program development initiated

				<ul style="list-style-type: none"> • Rezoning of Commonage Properties to conform to OCP land use designations completed. • Waterfront Neighbourhood Centre Plan implementation to be undertaken. This will focus on the following: <ul style="list-style-type: none"> ○ Lakeshore Park design and construction tendered ○ Refining the proposed road network ○ Initiating Local Area Service (LAS) ○ Exploring new zoning options • The North Vernon Neighbourhood Plan is being investigated to expand servicing concepts necessary to address development and the recent boundary extension in that area. <p>McMechan Reservoir Lands development applications underway to create a 173 small lot residential neighbourhood.</p>
Prioritize capital projects in the Downtown	Annually	Complete	As Identified	<p>Rolling 4 Year Capital Plan has been presented to Council in both 2015 and 2016 focusing on capital improvements in the Downtown including projects that focus on the continuation of the transportation and utility improvements on 30th Street from Polson Park to the Civic Area, 35th Avenue from Pleasant Valley Road to 34th Street, and 32nd Avenue from 31st street to 35th Avenue as well as road and utility reconstruction on 28th Avenue, 29th Avenue, and 31st Avenue. The plan will be updated annually to add an additional year to the plan. The next update will be presented to Council in September 2018.</p>
Work with community partners and the Affordable Housing Advisory Committee to create more affordable housing	Annually	Complete	As Identified	<p>Journey Inn conversion to assisted units complete.</p> <p>Rental Housing Incentive Grant Program policy was adopted by Council on May 25, 2015.</p> <p>City assisted with the Housing Forum in 2016.</p> <p>A grant of \$31,346.79 in lieu of City DCCs was approved for a nine unit non-profit rental housing complex at 3304 Alexis Park Drive.</p> <p>A grant of \$15,244.00 in lieu of City DCCs was approved for three rental units in a 47 unit apartment complex at 3010 – 35th Street. The three rental units are owned by a non-profit housing society and the other 44 units are life lease ownership.</p> <p>A grant of \$129,000 was approved for a private sector 86 unit rental apartment and commercial unit complex at 2501 – 48th Avenue.</p> <p>Rezoning bylaw and development variance permit approval granted to allow for a single private sector single family dwelling at 3214 – 35th Street to be converted into a rooming house with eight rental sleeping units.</p> <p>Rezoning bylaw and development variance permit approval granted to allow for a private sector single family dwelling at 3503 – 27th Street to be converted into five rental dwelling units and a commercial area.</p> <p>Rezoning bylaw and development variance permit approval granted to allow for a private sector single family dwelling at 3911 – 29th Avenue to be converted into five rental dwelling units.</p> <p>OCP amendment bylaw and rezoning bylaw approvals granted for a strata titled apartment to be constructed at 3900 – 30th Avenue.</p>

			<p>The approvals required a tenant displacement compensation covenant be registered on the title. The associated tenant compensation agreement would be implemented prior to apartment construction commencing.</p> <p>Rezoning completed for City owned site on Pleasant Valley Road to facilitate an affordable housing project comprised of duplexes.</p> <p>Social Planning Council successfully applied for grant funding to undertake a review of the Affordable Housing Strategy and the Homelessness Strategy. A consultant has been retained and the work is underway. The study is expected to be completed by April 2019.</p> <p>Administration currently working with local service providers and BC Housing on a number of shelter units/beds and affordable housing options, as follows:</p> <ul style="list-style-type: none"> • Construction of 52 unit affordable housing project at 27th Avenue and 35th Street • Replacement shelter units at John Howard Facility at 2307 43rd Street • Purchase of two affordable housing apartments at 3800/3802 27th Avenue and construction of an additional 41 unit purpose built affordable rental housing project. <p>McMechan Reservoir Lands development proposal includes seven to ten perpetually attainable rental units for families with household income levels below the median annual household income for Vernon.</p>
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Create a Vibrant Parks and Recreation System	Target Date	Status	Lead	Notes
Find resolution to Kin Race Track issues	December 2015	Complete	CAO	Judgement in favor of City and RDNO on May 15, 2018. Judgement has been appealed by Equestrian Society. If the appeal proceeds, the lands will be tied up thru mid-2019.
Update lake access plan, including implementation schedule and budget	August 2016	Underway	Community Infrastructure & Development	A draft Lake Access Plan was presented to Council in late 2016 and the P2 process was completed in February 2017. Following Council direction in January 2018, Administration will be bringing a revised plan to Council for its consideration in September 2018. Council resolved to have ten lake accesses constructed in 2017 and 2018. This has since been reduced by Council to four, and preparation for construction in 2018 is underway.
Host 2017 BC Seniors Games	September 2017	Complete	Recreation Services	Successfully hosted over 3500 athletes for the 30 th Anniversary Vernon & Area 55+ BC Games September 12-16, 2017. 27 sports and activities were hosted in 35 venues and supported by 1365 volunteers. The games created over \$66,000 in legacy for local organizations and generated an economic impact of \$3.3M to the local economy.
Develop plan for Kin Park	2019	On Hold	Community Infrastructure & Development	Following resolution of outstanding legal issues, a proposed process for developing the lands as parkland will be presented to Council.
Develop plan for Civic Arena Block Park once ice surface is removed (consider repurposing the Arena building)	June 2018	Underway	Community Infrastructure & Development	Council has resolved to undertake demolition of the Civic Arena. Administration will provide a process for determining future use of the site for Council's consideration in December 2018.

Renegotiate Recreation Agreement	May 2018	Complete	Recreation Services	The current agreement expires on December 31, 2018. Partners to the agreement had until December 31, 2017 to supply written notice that they wish to renegotiate the agreement. The City of Vernon notified the community partners that they wished to negotiate two clauses in the agreement. A new five (5) year agreement was negotiated and approved by all partners in August 2018. The new agreement begins January 1, 2019 and expires December 31, 2023.
Update draft Polson Park Plan and undertake improvements	2018	Underway	Community Infrastructure & Development	The process for the development of the Polson Park Master Plan was endorsed by Council in 2016, with the first P2 sessions held that year. However, given the increased concerns regarding homelessness, drug activity and safety in the park, Administration will be exploring new approaches to undertaking this project to address those concerns. A proposed process will be presented to Council in Fall 2018.
Develop plan for Lakeshore Park and undertake improvements	2018	Underway	Community Infrastructure & Development	Construction of the park is underway.
New Aquatic Centre planning	Begin in 2018	Underway	Recreation Services	The Greater Vernon Recreation Master Plan process is underway. Public consultation including open houses, surveys and stakeholder meetings have taken place. A workshop for elected officials to review initial results was held on June 4, and a draft plan is being presented to all Partners of the Recreation Agreement on September 4 & 6, with the goal of having the final plan endorsed in October 2018. A new aquatic facility was the most requested facility identified in the Master Plan based on all surveys conducted. Recommendations include consideration of planning a new facility in the short term (one to four years).
New Seniors Centre planning	Begin in 2018	Underway	Recreation Services	The topic of a new 55+ Activity Centre was included in the Greater Vernon Recreation Master Plan surveys and several stakeholder groups, including the Halina Centre and Schubert Centre, were interviewed. Results indicated that the planning for a 55+ Activity Centre should be considered in the mid to long term (five to fifteen year timeframe).
Purchase lakeshore properties for future park	As available	Complete	Corporate Services	2602 Lakeshore Road purchased June 2015. Contacted three remaining property owners (not ready to sell).
Remove existing encroachments in lake accesses	As identified	Underway	Corporate Services	Have resolved encroachments at Lake Access #39 (Delcliffe) and #6 (between 8392 – 8402 Tronson Rd). Working with legal counsel to develop a strategy regarding encroachments in lake access sites, including license agreements, where appropriate.

Provide Effective Protective Services	Target Date	Status	Lead	Notes
VFRS 125 Anniversary celebration and bell tower restoration project unveiling	May 2016	Complete	Fire & Rescue Services	The Bell Restoration Project was completed and unveiled May 7, 2016 and the old fire bell rang for the first time in more than 50 years. The project was completed with donated and in kind sponsorship by community supporters and approved 2016 divisional budget funds.
Explore expansion of VFRS fee for service agreements	May 2016	Complete	Fire & Rescue Services	The fee for service agreement with IR#6 was renegotiated to bring the fee in line with the rate paid by CoV rate payers. The new Agreement resulted in increased revenue for VFRS for the five year term and provides a fuller scope of services to IR#6, including First Medical Responder.
Facility improvements at Station #2	December 2016	Underway	Fire & Rescue Services	A multi-purpose office and dorm space has been constructed to provide flexibility in staffing and deployment models. Fire Code and safety elements of the facility have been addressed as part of the

				scope of the renovation. This component of the facility improvement has been completed. A multipurpose ESS reception center and CoV meeting/training facility is being developed utilizing the garage/shop behind Fire Station 2. The RFQ process has been completed and construction is 90% complete. End of August is the in-service target.
Plan and finance new RCMP building (forecast, plan, funding, grants)	2017	On Hold	As Required	This initiative has been deferred.

Deliver Efficient, Effective and Proactive Municipal Services	Target Date	Status	Lead	Notes
Develop public engagement protocols to increase public (and youth) engagement (webtools, surveys, social media, resident feedback, etc.)	December 2015	Complete	Corporate Services	Public Participation (P2) Strategy completed with adoption by Council in July 2016. Training for Council, staff and external consultants and contractors on P2 practices and techniques completed in February 2017. 2017 and 2018 projects assessed for appropriate P2 engagement. City of Vernon engagement site (www.engagevernon.ca) launched May 1, 2017. The site is used for many different public outreach opportunities. Third participatory budget for City occurred in May 2018.
Develop a plan to expand sewer services in Okanagan Landing through the investment of \$2 million per year for the next ten years	June 2017	Complete	Community Infrastructure & Development	Council endorsed the Okanagan Landing Sewer extension strategy at its May 8, 2017 Regular Meeting. Properties adjacent to the CWWF project being completed in 2017 and 2018 will have the option to connect via the municipal fee process. The remaining unserved neighbourhoods in the Okanagan Landing will go through the Local Area Service process (Council initiated subject to counter petition). If the LAS process is successful (less than 50% of residents and property value petition against the project) then the participation and payment is mandatory, although actual connection is not. Council endorsed the phasing plan that prioritizes high risk onsite septic areas at its August 14, 2017 Regular Meeting. The LAS areas and project estimates will be brought forward as part of the Rolling 4 Year Capital Plan and more detailed costs and petition details in future reports as each project goes to petition. The first project in the Dallas/Willow area is not proceeding. The next area planned to be petitioned is the Cameo Road area in Fall 2018.
Develop a strategy for use of legacy funds from the BC Gas/LILO Agreement	2017	Complete	Financial Services	Funds have been budgeted for 2018 for the following projects: Hurlburt Park Development (\$500,000) Civic Arena Demolition (\$900,000) and Fire Ladder Truck (\$1,400,000). Remaining funds will be decided during future budget year deliberations.
Celebrate 125 Anniversary	2017	Complete	As Required	Recreation Services started the anniversary celebration with the Vernon 125 Kick Off Event at the Vernon Recreation Centre January 1 and 2, 2017. Various community groups developed plans for the 125 anniversary celebrations (Allan Brooks Nature Centre; Canada Day Society – enhanced celebration). Vernon 125 logo developed and used throughout 2017 on various City of Vernon communication materials, including website, banners and letterhead. Manager of Facilities created decals that were applied to all facility entrances. A Community BBQ led by Mayor and Council was held August 10 in conjunction with DVA “Music In the Park” event and was very successful.

Operational budget not to rise faster than 1.8% per annum for the period 2016 – 2018 inclusive	Annually	Complete	As Required	Achieved in 2013, 2014, 2015, 2016, 2017, 2018 budgets Note: Council responded to community concerns and increased RCMP contract services by 6 positions. RCMP Budget adjusted by 14% 2018 over 2017.
Support the continued 1.9% infrastructure tax increase to support the Sustainable Infrastructure Plan (SIIP)	Annually	Complete	Community Infrastructure & Development	Council continues to support the cumulative 1.9% Infrastructure Levy through the support of the annual capital budget and annual updates to the 4 Year Rolling Capital Plan. The 1.9% Infrastructure Levy funding is as follows for Council's term: 2015 –\$1,749,422 2016 - \$2,346,305 2017 - \$2,995,266 2018 - \$3,710,891 The City is now six years into the cumulative 1.9% Infrastructure Levy that started in 2013. In 2012, the City was funding \$154,000 of tax dollars to the Capital Program. After 10 years of the cumulative 1.9% Infrastructure Levy the City is projecting to spend around \$7million of tax funding on infrastructure renewal. Council endorsed the Rolling 4 Year Capital Plan at its Committee of the Whole Meeting of December 12, 2016. A revised Rolling 4 Year Capital Plan will be brought forward in September 2018 for Council's consideration.
Focus investment and resources on the delivery of front line services	Annually		As Identified	Community Infrastructure and Development added 0.2 FTE Counter Clerk and 1.0 FTE Plans Examiner within 1.8% and increased permit revenue. Both positions 100% focused on building permits and development applications.
New FTE positions are to be for the delivery of services and accommodated within the organization's overall budget increase of no more than 1.8% per annum	As Identified		As Identified	Economic Development and Tourism added 1.0 FTE Tourism Coordinator (funded by the MRDT) and 1.0 Admin Assistant funded 50% by the MRDT and 50% from the Economic Development budget, within 1.8%. Infrastructure Management added 1.0 FTE funded by CWWF funding in 2018 and the 1.9% infrastructure levy thereafter. Operations Services added 1.0 FTE for Operations Clerk and 1.0 VWRC Technician. The FTE in Recreation Services dropped in 2018 from 56 to 54.2. Minor adjustments to various positions to increase resources within the 1.8%

Create a Safe, Efficient and Sustainable Transportation Network	Target Date	Status	Lead	Notes
Update Master Transportation Plan (MTP) including a review of truck and hazardous materials routes and a time frame to consider the option of a highway bypass	April 2015	Complete	Community Infrastructure & Development	MTP update completed and endorsed by Council at its Regular Meeting of August 10, 2015. A Transport of Dangerous Goods Bylaw was drafted and after consultation was sent to the Ministry of Transportation & Infrastructure for approval in December 2017.
Implement new strategy for bus stops and shelter maintenance	July 2015	Complete	Financial Services	Bus bench advertising contracts are in place; Venture Training has been engaged to update all existing bus benches and offer repair and maintenance services on an ongoing basis.
Amend bylaws to implement the Integrated Transportation Framework (ITF)	December 2017	Underway	Community Infrastructure & Development	The updated Traffic Bylaw is being presented to Council on September 4, 2018 for First, Second and Third Readings. The final bylaw will be presented to Council for adoption in October 2018. At its Regular Meeting of May 14, 2018, Council supported amendments to SDSB #3842 Sched A and B in principle. At its Regular Meeting of August 13, 2018 Council gave First, Second and Third Readings to the Schedule A amendments.
Support transit oriented and mixed use development	As identified	Complete	As Identified	Recent redevelopment in key areas of the city that support transit oriented and/or mixed use development include: <ul style="list-style-type: none"> • five storey 119 unit seniors assisted housing facility with some commercial ground floor space at 5500 – 24th Street (on hold)

				<ul style="list-style-type: none"> • five storey 57 unit strata title apartment with strata title commercial ground floor space at 3407 – 28th Avenue (under construction) • four storey 86 unit rental apartment with some commercial ground floor space at 2455 – 48th Avenue (under construction) • four storey 56 unit apartment at 3010 – 35th Street (completed) • two storey 9 unit non-profit rental townhouse project at 3304 Alexis Park Drive (completed) • The Hamlets mixed use supportive care project on 29 Avenue in City Centre (completed) • Continued implementation of the Revitalization Tax Exemption Program in the City Centre and Waterfront Neighbourhood Centre. • Development of new ground oriented multifamily infill development along the future 29th/30th Street transit corridor and throughout the core area. <p>60 rental apartments located at 3400 Centennial Drive (under construction)</p>
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Foster Community Development through Social Planning	Target Date	Status	Lead	Notes
Work with agencies and senior governments to develop and maintain comprehensive, accessible and affordable childcare	Sept 2016	Complete	As Identified	Resolution in support of comprehensive affordable, accessible childcare endorsed at the 2016 UBCM Convention.
Continue to support the Social Planning Council in the provision of social planning services to the City, including programs and initiatives to address homelessness, childcare, attainable housing, food security and neighbourhood safety	Annually	Ongoing	As Identified	<p>The Social Planning Council and Partners in Action have been involved in many projects, including, but not limited to:</p> <ul style="list-style-type: none"> • Homelessness and Housing <ul style="list-style-type: none"> ○ Green Valley Motel closure and subsequent BC Housing acquisition of the Journey Inn property. ○ COOL Team, working with homeless campers to monitor safety, health and connect them to services ○ Organized Housing Forum in 2016. ○ Social Planning Council is working closely with the City and other key stakeholders in addressing the challenges of homeless camps in the city, including implementation of the City's bylaw regulating sheltering in parks. Social Planning Council successfully applied for grant funding to undertake a review of the Affordable Housing Strategy and the Homelessness Strategy in 2018 and 2019. ○ Administration currently working with local service providers and BC Housing on a number of shelter units/beds and affordable housing options, as follows: construction of 52 unit affordable housing project at 27th Avenue and 35th Street; replacement shelter units at John Howard Facility at 2307 43rd Street; purchase of two affordable housing apartments at 3800/3802 27th Avenue and construction of an additional 41 unit purpose built affordable rental housing project. ○ Arising from the Activate Safety Task Force recommendations, investigating service agreement for weekly downtown cleanup programs and an appropriate washroom facility available 24/7/365. • Harm Reduction <ul style="list-style-type: none"> ○ Sharps Action Team working to prevent the spread of disease and to prevent sharps from ending up in public

				<p>spaces. Community clean ups organized to collect used needles.</p> <ul style="list-style-type: none"> ○ Public Spaces Action Team developing strategies for working with street population to provide information and resources to assist with challenging behaviors. ○ Arising from the Activate Safety Task Force recommendations, placement of four new sharps containers and investigating potential partners for a needle refund program. • Accessibility, Inclusiveness and Multiculturalism <ul style="list-style-type: none"> ○ RespectFest successfully implemented in September 2017. ○ Continuing the Understanding Reconciliation Journey Team to learn more about First Nations history and culture. ○ Facilitated the Respect Lives Here program. ○ In partnership with the Local Immigration Partnerships Council, developed an Immigration and Settlement Strategy for Vernon. ○ Developing a communication plan in partnership with the City following a high profile incident of racism or hate. • Poverty and Food Security <ul style="list-style-type: none"> ○ Working with Upper Room Mission to develop a program to distribute food to housebound clients. <p>At its Regular Meeting of April 9, 2018, Council resolved to extend the contract with the Social Planning Council for five years.</p>
Work with community groups and agencies to support youth and senior oriented initiatives	Annually	Complete	As Identified	<p>Assisted in the successful delivery of the Cities Fit for Children conference. RespectFest undertaken in 2017.</p> <p>Draft Youthful Vernon Strategy presented to Council at its Meeting of April 23, 2018.</p>
Actively engage youth in stewardship opportunities	Annually	Complete	As Identified	<p>Engaged youth in sustainability outreach and stewardship programs and events such as the Yellow Fish Road stormwater conservation program, supporting educational opportunities for youth and students through the Planet Protector program (a BC curriculum-linked educational resource that focuses on climate change, energy conservation and sustainability), and engaging youth to demonstrate sustainability leadership during events such as Earth Day and Environment Week.</p> <p>Built upon the Sustainability Awards program to further engage and encourage new participation for sustainable action through the Sustainability Grants Program. Several projects supported by the program are directly related to sustainability initiatives in Vernon Schools.</p> <p>Included active and voting youth membership opportunities as part of the Climate Action Task Force.</p> <p>Hosted events at schools as part of Bike to Work/School Week.</p>
Identify opportunities to include youth in consultation processes	As needed	Complete	As Identified	<p>Youth were specifically included in numerous consultation events in the development of the Parks Master Plan.</p> <p>Youth provided input in the design process for playground replacements at Mission Hill, Heritage and Alexis Park and the Becker Bike Skills Park.</p> <p>Youth were meaningfully engaged in the planning and coordination of the Cities Fit for Children (CF4C) Summit hosted in Vernon in 2015, including setting the Summit agenda and speaker topics.</p>

				<p>Youth helped create a number of the “I AM” art boards project installed downtown. The Respectfest Public Art project includes specific engagement sessions where youth will help design the art piece.</p> <p>A PlanH Healthy Communities Capacity Building Fund application has been submitted to support the work of the Child, Youth and Family Friendly Vernon working committee. Council also supported this committee with a \$5,000 Discretionary Grant. The committee engaged children and youth the development of the Youthful Vernon Strategy, which outlines proposed policies and plans to make Vernon a more youth friendly city.</p>
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Council’s Deliverables 2015 – 2018

Facilitate Regional Collaboration	Target Date	Status	Lead	Notes
Establish a working group with the Okanagan Indian Band to develop a servicing plan for IR#6 (with grant funding)	June 2016	Complete	As Required	<p>Joint application for Community Economic Development Initiative (CEDI) federal program to explore mutually agreed upon projects was submitted in May, 2016. Received letter on April 28, 2017 notifying that OKIB and Vernon have been tentatively selected for the program. Joint CEDI workshop #1 with Okanagan Indian Band was held December 20, 2017. On February 26, 2018 Council declassified its January 22, 2018 In Camera resolution agreeing to participate in the CEDI program to March 31, 2020.</p> <p>CEDI workshop #2 with Okanagan Indian Band was held April 12 and 13, 2018. Several priorities, including a collaborative approach to waterfront planning, have emerged from the partnership. Both OKIB and City of Vernon Councils endorsed the CEDI Working Group Terms of Reference and a Relationship Accord at their respective meetings in August 2018.</p>
Participate in the review of Master Water Plan options with regional partners	2017	Complete	Community Infrastructure & Development	The 2017 Master Water Plan was adopted by the RDNO Board on November 15, 2017.
Develop a boundary extension and servicing plan for the Swan Lake Corridor with regional partners to facilitate development	2019	On Hold	As Required	This goal was driven by a desire to provide sewer services to support more intensive development leading to additional employment along the Swan Lake Corridor as per the Regional Growth Strategy. RDNO has initiated a planning process for the Swan Lake Corridor that includes a sewer servicing strategy separate from the Vernon system. This process is expected to be concluded in Fall 2018.
Commence GVW contract renegotiation January 31, 2016 as per the terms of the contract (contract expires January 31, 2018)	January 2018	Complete	Operation Services	Internal meetings have occurred to identify potential issues; negotiations planned for completion in Fall 2017. Contract and Protocols reviewed by internal team in spring and summer of 2017. Meetings with Coldstream/RDNO occurred throughout 2017. Final documents presented to GVAC. Agreement completed and executed.
Initiate Biosolids Management Plan in 2015 and recommend long term treatment of biosolids from Vernon and Kelowna as per the partnership	2018	Underway	Operation Services	Draft report submitted by consultants. Consultants now reviewing other options for extending capacity at facility including process modifications and biomass program.

agreement, to be negotiated prior to expiration of current agreement in 2018				
Explore additional regional partnerships in information technology	As required	Complete	Corporate Services	<p>Discussion on shared phone service with City of Enderby: Enderby has not responded further; we are assuming they are considering other options.</p> <p>Internet replacement (TELUS/Shaw), partnership for redundancy with RDNO: Both jurisdictions have moved to separate internet services. Redundancy in case of failure should be possible, and will be reviewed further this winter.</p> <p>North Okanagan Map: this sharing of data sets from each of the host municipalities has reduced duplication of information and improved the quality of data available to the public.</p> <p>Cityworks: Upon further review, Administration did not pursue any further sharing of the City's Cityworks product, as it would result in a decrease of service levels to the City of Vernon and an initial capital cost with increased ongoing costs. Benefits would have been access to more licensing, however those licenses are not required at this time.</p> <p>Research into a Joint RDNO/COV WAN replacement: LOU for the use of Silver Star Foothills for the City's last mile wireless test is signed and in place. Infrastructure has been purchased and installed and is being tested.</p> <p>City phone system: City invited RDNO to continue to partner on the Cisco IP Phone solution. RDNO declined, deciding to move in another direction. COV Cisco phone solution has been upgraded, and RDNO is now on a separate product.</p> <p>Reached an agreement with RDNO on the upgrade of our Fractional PRI system; upgrade will provide both parties with 100% increase in capacity, and reduce costs by 5.6%.</p> <p>Working with RDNO on the development of an app that will provide subscribers access to notifications based on their preferences.</p> <p>Cancellation of Telus/RDNO WAN contract. RDNO has approved in principle: will await signed confirmation, redundancy will be achieved through an RDNO installed pure fibre internet connection.</p>

Be a Leader in Economic Development	Target Date	Status	Lead	Notes
Pursue renewal of industrial Lands MOU	February 2015	Complete	Community Infrastructure & Development	<p>Endorsed by Council at its Regular Meeting of January 26, 2015.</p> <p>RDNO currently exploring Rural Economic Development Function to be complementary to current City of Vernon service. Should a function be endorsed, staff recommend a MOU between the City of Vernon and the Region be created to ensure service is complementary to that of City of Vernon.</p>

Develop and implement Wayfinding strategy phase one for the City Centre (parking directional signage)	April 2015	Complete	Community Infrastructure & Development	Phase one of the Wayfinding Strategy, which included parking directional signage that reflects the City's colours and logo, was completed in Spring 2015.
Develop marketing materials for the City Centre (printed brochure and online distribution)	October 2016	Underway	Community Infrastructure & Development	To be included in the online map projected to be launched in the Summer 2018.
Report to Council with proposed approach to community branding	June 2015	Complete	Community Infrastructure & Development	New community branding endorsed by Council at its Regular Meeting of June 22, 2015.
Report to Council identifying the proposed four year capital project list	Annually	Complete	Community Infrastructure & Development	Rolling 4 Year Capital Plan has been presented to Council in both 2015 and 2016 focusing on capital improvements in the Downtown including projects that focus on the continuation of the transportation and utility improvements on 30 th Street from Polson Park to the Civic Area, 35 th Avenue from Pleasant Valley Road to 34 th Street, and 32 nd Avenue from 31 st street to 35 th Avenue as well as road and utility reconstruction on 28 th Avenue, 29 th Avenue, and 31 st Avenue. The plan will be updated annually to add an additional year. The next update will be presented to Council in September 2018 for its consideration.
In conjunction with the Downtown Vernon Association, create an inventory of available space in the downtown	September 2015	Complete	Community Infrastructure & Development	Endorsed by Council at its Regular Meeting of December 14, 2015. Vacant space over 5,000 sq ft complete being promoted on City of Vernon website.
In conjunction with property owners, identify lands available for redevelopment in the downtown	Annually	Complete	Community Infrastructure & Development	To be done annually in June in conjunction with Employment Lands Inventory Update.
Undertake an inventory of technology companies and related resources in Vernon to be featured on the InvestVernon website	September 2015	Complete	Community Infrastructure & Development	Complete and uploaded to website in 2016 including seven company profiles.
Implement Wayfinding strategy phase two for the City Centre (amenities and key destinations)	September 2015	Complete	Community Infrastructure & Development	Phase Two of the Wayfinding Strategy, which included directional signs for the amenities and key destinations, was completed in July 2015.
Report to Council with results of the Expression of Interest process for the rear portion of the Visitor Information Centre	September 2015	Complete	Community Infrastructure & Development	Received by Council at its Regular Meeting of May 25, 2015. Back space was utilized by the 55+ Games Committee and is currently used for storage. Staff to report back to Council with additional options for long term use of back space once Council endorses plan for Civic Arena site.
Consultation, technical review and development of draft Airport Master Plan	September 2015	Complete	Community Infrastructure & Development	Council endorsed the final Airport Master Plan at its Regular Meeting of November 14, 2016.
Undertake an inventory of underutilized industrial and commercial lands within the City of Vernon	Annually	Complete	Community Infrastructure & Development	Administration has completed the vacant lands inventory as part of the Employment Lands Inventory and updates this on an annual basis (June). Administration is currently reviewing underutilized industrial and commercial lands that may be available for redevelopment. The inventory is anticipated to be completed in Winter 2018.
Create an inventory of available building space in the City of Vernon for large industrial or commercial clients	November 2015	Complete	Community Infrastructure & Development	Completed in May 2017 and promoted through City of Vernon website.

Host annual seminar with real estate companies on promotional opportunities beyond commercial listing service	Annually	Complete	Community Infrastructure & Development	Information sessions held with local real estate offices in 2016 (Century 21, Sutton Realty and Royal LePage). Offer has been made to all local real estate firms to do additional presentations in future. Annual presentation to Okanagan Mainline Real Estate Board (2016 and 2017).
Create business profiles of five technology companies to be featured on InvestVernon website	November 2015	Complete	Community Infrastructure & Development	Seven profiles completed (AVS, Beacon Studios, Epicor, Flex Dealer, Meyer Sound, Protocol Technologies and Sproing Creative).
Finalize standard operating procedures for all planning and development applications	May 2017	Complete	Community Infrastructure & Development	Completed July 2017.
Report to Council with proposed parking in lieu strategy and Zoning Bylaw amendments	December 2015	Complete	Community Infrastructure & Development	Report endorsed by Council at its Committee of the Whole Meeting of December 14, 2015; implementation of identified initiatives to take place in 2018/2019.
Project design, tendering and administration of 2015 Capital program	December 2015	Complete	Community Infrastructure & Development	Regular updates have been provided to Council throughout 2016 and 2017 through Administration Updates on the Regular Meeting agendas. The capital budget also now includes parks, airport and civic building projects that include increased maintenance, renewal and improvements.
Design capital projects for 2016	December 2015	Complete	Community Infrastructure & Development	Projects are typically designed in the year prior to construction in an effort to tender projects as early as possible. This strategy has successfully attracted competitive tender pricing.
Actively promote City owned properties to the development community	2015-2016	Complete	Community Infrastructure & Development	Bennet Lot – Sold for development on January 7, 2016. The McMechan Reservoir lands are currently being explored for rezoning and a phased development agreement. If successful, the development will achieve approximately 173 small lot units.
Explore possible LAS for the Waterfront (report to Council on results of preliminary consultation with property owners)	2019	Underway	Community Infrastructure & Development	Engineering update of 2013 servicing and road preplan design complete. Options to reduce costs and encourage development will be explored as time permits.
Develop and adopt the 2016 – 2020 Tourism Strategy	February 2016	Complete	Community Infrastructure & Development	Strategy endorsed by Council at its Committee of the Whole Meeting of June 27, 2016. Document identifies 23 strategies for Tourism Vernon. Priority has been implementing a 3% hotel tax for the City of Vernon, which was approved by Cabinet on September 29, 2017 and began on January 1, 2018.
Report to Council to review parking requirements in the City Centre	December 2018	Underway	Community Infrastructure & Development	Council endorsed proposed approach to parking requirements in December 2015. Draft bylaw amendments will be presented to Council September 2018.
Report to Council to amend the Sign Bylaw to conform with City Centre Neighbourhood Plan	2019	Underway	Community Infrastructure & Development	The Sign Bylaw was amended August 14, 2017 to permit the installation of Low Profile Freestanding Signs. The Sign Bylaw overall requires an update with regard to modern sign standards, specifications, design and regulations. The Bylaw will also be brought into consistency with the OCP and specifically the City Centre Neighbourhood Plan. This is being undertaken as time permits.
Promote land and building inventory on the Invest Vernon website	June 2016	Complete	Community Infrastructure & Development	Vacant building space complete in May 2017 and promoted through City of Vernon website. Land inventory updated and added in June 2017.

Working with industry, government agencies, industry associations and service providers, explore opportunities for a technology incubator in Vernon	June 2016	Underway	Community Infrastructure & Development	Working with Start-Up Vernon, Co-Work Vernon, Okanagan Innovation Institute and Community Futures on a variety of opportunities.
Adoption of rezoning amendments by Council to bring non conforming Commonage properties into compliance with the Official Community Plan	June 2017	Complete	Community Infrastructure & Development	Rezoning bylaw adopted at Council's Regular Meeting of September 5, 2017.
Adoption of Airport Master Plan	August 2016	Complete	Community Infrastructure & Development	The Airport Master Plan has been adopted. Staff will explore designating lands to the north for Light Industrial / Service Commercial uses and the redesignation of adjacent properties no longer identified for acquisition from Airport Industrial to Light Industrial / Service Commercial.
Adoption of an Integrated Community Sustainability Plan	2018	No longer required	Community Infrastructure & Development	An ISCP is no longer required as part of the renewed Gas Tax Agreement. Efforts are focused on the development of specific, targeted policies and programs as part of next OCP Review. At its Regular Meeting of May 23, 2017, Council endorsed developing a process to update the City's GHG emission reduction targets. The City's new Climate Action Task Force will be a part of that process.
Explore additional incentives to increase redevelopment in the City Centre	Annually	Underway	Community Infrastructure & Development	The Rolling 4 Year Capital Plan has many of the projects focused on downtown, thus reducing off site costs in key redevelopment areas. The Revitalization Tax Exemption remains in effect. Additional incentives to be explored. Annual review of potential locations for BC Hydro Beautification funding projects in coordination with capital projects to minimize costs for redevelopment and maximize development potential.
Report on results of customer satisfaction survey for building and development	Annually	Complete	Community Infrastructure & Development	Council received the 2017 survey information at its Regular Meeting of February 13, 2018.
Through the Economic Development Advisory Committee's task force on Technology, continue to promote, facilitate and enhance Vernon's growing technology sector	Annually	Complete	Community Infrastructure & Development	Administration works with Co-Work Vernon, Start-up Vernon, the Okanagan Innovation Institute and other partners to further promote and foster growth in the technology sector. Seven company profiles have been completed and uploaded to the website along with an overview of the technology sector in Vernon.
Meet with a minimum of four major or emerging employers each year to discuss locating or expanding in the downtown	Annually	Complete	Community Infrastructure & Development	Several successes to date including the relocation of SQM Group to the Silver Rock Professional Building downtown in April 2017, the Cap-it store at 220-2801 35 Ave, Okanagan Innovation Institute at 101-3306 32 Ave and Enterprize Challenge Winner, Jolly Good Spuds at 2908 31 Ave.
Target specific companies that may be interested in locating in Vernon	Annually	Complete	Community Infrastructure & Development	Staff are constantly working with a variety of companies that are exploring Vernon and researching our current economic conditions. These become public at issuance of a business licence.
In conjunction with industry, identify and attend technology related trade shows and events	Annually	Complete	Community Infrastructure & Development	2016 BC Technology Summit. Staff were unable to attend 2017 and 2018 BC Technology Summit due to other commitments.

Create a Vibrant Parks and Recreation System	Target Date	Status	Lead	Notes
Create policy and procedures framework to complete transition of recreation services to the City	May 2015	Complete	Community Infrastructure & Development	Policies and procedures for transition complete. Recreation Services staff participated in Vision and Mission Statement workshops and established the mission statement that "Through Recreation, we improve quality of life". This statement establishes the foundation for all policy and procedures moving forward.
Complete administrative transition of Recreation Services from RDNO to the City of Vernon	June 2015	Complete	Recreation Services	The City of Vernon assumed responsibility for Recreation in January 2014. By June 2015, Recreation Services was fully transitioned to the City of Vernon.
Submit bid for hosting 2017 BC Seniors Games	June 2015	Complete	Recreation Services	The bid was submitted in June 2015 and the Games were awarded to Vernon and Area in September 2015
Complete public consultation and revise draft parks plan, as appropriate	October 2015	Complete	Community Infrastructure & Development	Parks Master Plan endorsed by Council at its Regular Meeting of September 14, 2015. The Parks Master Plan will be revised following the subregional parks agreement transferring the responsibility of remaining fields and beaches to the City as of January 1, 2018.
Upgrade the Recreation Centre kitchen exhaust system and lighting, and replace the Aquatic Centre flooring and boards in the PV Arena	December 2015	Complete	Recreation Services	All work was completed by April 2016 greatly improving the appearance and usability of the facilities.
Complete parks project list for the creation of the Parks DCC Bylaw	April 2016	Complete	Community Infrastructure & Development	Parks project list is complete and includes projects being planned for Kin Beach, Marshall Fields, DND, and Paddlewheel Park. Council endorsed the Parks Development Cost Charge Program and the bylaw has received First, Second and Third Readings and is with the Province for review.
Begin contract negotiations prior to June 30, 2016 for sub regional parks and trails service agreement (contract expires Dec 31, 2016)	June 2016	Complete	Operation Services	One year contract extension was in place until the end of 2017. Terms for a five year agreement effective January 1, 2018 have been completed.
Update lake access plan, including implementation schedule and associated budget	July 2018	Underway	Community Infrastructure & Development	A draft Lake Access Plan was presented to Council in late 2016 and the P2 process was completed in February 2017. Following Council direction in January 2018, Administration will be bringing a revised plan to Council for its consideration in September 2018. Council resolved to have ten lake accesses constructed in 2017 and 2018. This has since been reduced by four, and preparation for construction is underway.
Renovate Recreation Centre bridge, entrances and lobby	September 2016	Complete	Recreation Services	The Recreation Centre has been significantly upgraded with improvements to many of the buildings major mechanical systems and revitalized with a new front façade, expanded lobby, café area, front desk, disabled accessible entryways and outdoor patio area creating a welcoming environment and allowing the building to accommodate a growing population.
Develop a Recreation Services Master Plan for facilities and programming	September 2016	Underway	Recreation Services	The Greater Vernon Recreation Master Plan process is underway. Public consultation including open houses, surveys and stakeholder meetings have taken place. Over 60 stakeholder groups were interviewed along with open house type interactive displays for youth at Okanagan College, Fulton, Kalamalka, Seaton and Vernon Secondary Schools. Open houses were also held at the Recreation Centre, Kal Tire Place, Coldstream Elementary, BX Elementary and the Village Green Centre. A workshop for elected officials to review initial results was held on June 4, and a draft plan is being presented to all Partners of the Recreation Agreement on September 4 & 6, with the goal of having the final plan endorsed in October 2018.

Develop plan for Civic Arena Block Park once ice surface is removed (consider repurposing the Arena building)	June 2018	Underway	Community Infrastructure & Development	Council has resolved to undertake demolition of the Civic Arena and Administration will provide a process for determining future use of the site to Council in December 2018. Consideration will be given to salvaging and reusing the building's wood trusses.
Update and adopt the Polson Park Master Plan	December 2018	Underway	Community Infrastructure & Development	The process for the development of the Polson Park Master Plan was endorsed by Council in 2016, with the first P2 sessions held that year. However, given the increased concerns regarding homelessness, drug activity and safety in the park, Administration will be exploring new approaches to undertaking this project to address those concerns. A proposed process will be presented to Council in Fall 2018.
Develop plan for Kin Park (on the Kin Race Track lands)	2018	On Hold	Community Infrastructure & Development	Following resolution of outstanding legal issues, a proposed process for developing the lands as parkland will be presented to Council.
Develop a plan for Lakeshore Park	2017	Complete	Community Infrastructure & Development	Phase 1 of Lakeshore Park is under construction.
Purchase lakeshore properties for future park	As Available	Complete	Corporate Services	2602 Lakeshore Rd purchased June 2015. Contacted three remaining property owners on Lakeshore (not ready to sell). Will pursue as available and identified in the Parks Master Plan.
Remove existing encroachments in lake accesses	As Identified	Underway	Corporate Services	Have resolved encroachments at Lake Access #39 (Delcliffe) and #6 (between 8392 – 8402 Tronson Rd). Working with legal counsel to develop a strategy regarding encroachments in lake access sites, including license agreements, where appropriate.

Provide Effective Protective Services	Target Date	Status	Lead	Notes
Commission Station #3 (Predator Ridge) and begin operations	Nov. 2018	Underway	Fire & Rescue Services	Station #3 construction was completed in January 2015. A new fire engine is required to meet Fire Underwriters Survey requirements for fire services (approximately \$700,000). The initial stages of the purchase are underway and will carry into 2019.
Complete overall Fire response policy once Station #3 is operational	January 2021	Underway	Fire & Rescue Services	A sustainable staffing model is required to provide consistent fire service from Station #3. The last recruitment of VVFA members in early 2018 did not yield enough new candidates to address this challenge. Efforts to address the challenge are ongoing and it is reasonable to expect it will be several years until a contemporary fire fighting force can be established in the Station #3 service area.
Review VFRS Fleet replacement and reserve planning and order water tender	December 2017	Underway	Fire & Rescue Services	Water tender in service May 2016. Initial fleet assessment identifies the immediate need for replacement of a ladder truck (\$1.4 million) and a replacement engine (\$700,000). A detailed fleet replacement plan was completed in 2017. The fleet plan requires revision for 2019 as Council did not approve ongoing contributions to an apparatus reserve in 2018 and did provide \$1.4 million from the BC LILLO reserve for a new ladder truck and \$700,000 for an engine from the fire services apparatus reserve. A revised fleet plan was developed in Spring 2018. A funding source will be required to address this ongoing need. Recommendations will be provided to Council.
Update Emergency Plan operations, deployment and service delivery to align with new inter-municipal agreement <i>[there is no longer an inter-municipal agreement]</i>	June 2015 and ongoing	Complete	Fire & Rescue Services	As of January 1, 2017 CoV has a stand-alone emergency program. The CoV Emergency Plan was completed in 2018. The 2017 EOC training program has been completed, and ongoing training is being provided to the EOC team.

				<p>In 2017, the EOC had several activations in response to flooding. In 2017 Emergency Social Services had several Level 1 and Level 3 activations. A full scale emergency exercise was completed in April 2017 to meet requirements of Transport Canada. COV, RCMP, VFRS and BCAS participated in the exercise at the Vernon Airport. Lessons learned have been shared with all stakeholders.</p> <p>In 2018, to date, the EOC has been activated to Level 1 in support of anticipated flooding and ESS continues to provide support to community members who experience emergencies such as home fires, flooding, and evacuation.</p> <p>Development of contemporary evacuation plans is underway and targeted for completion August 31, 2018.</p> <p>An Emergency Program Coordinator was contracted in July 2017. An Emergency Management Secretary (0.5 FTE) position has been filled.</p>
Complete public consultation on the Community Wildfire Protection Plan (CWPP) and prepare amendments for the OCP, Rezoning and Fire Prevention Bylaws	June 2015	Complete	Community Infrastructure & Development	OCP Amended on November 14, 2016 to incorporate direction of the CWPP.
Inter-agency cooperative fuel modification projects with MOF and in alignment with CWPP recommendations	August 2015 and ongoing	Ongoing	Fire & Rescue Services	<p>Ministry of Forests crews and resources have helped complete fuel load reduction in Deer Park.</p> <p>A FireSmart community grant was received for Predator Ridge in 2016 and 2017. Predator Ridge received a Fire Smart award from Fire Smart Canada in May of 2017 and has completed more fire smart projects in 2018.</p> <p>A Fire Ecologist has been contracted to lead efforts to secure provincial and federal funding for significant fuel load reduction projects within the CoV. VFRS fire fighters continue to maintain wildland fire qualifications and conduct prescribed burns to maintain skills and manage some fuel loads on City owned properties.</p> <p>VFRS hosted a public presentation on the Era of Megafires on May 14, 2018 to increase public understanding of the wildfire problem in BC and to provide a platform to inform the public of CoV efforts to manage the associated risks. VFRS will also be presenting at a second Era of Megafires presentation at Predator Ridge in August 2018.</p>
Complete restructure of the RCMP ME Department	2015	Underway	Corporate Services	<p>Organizational chart completed; minor reporting modification completed.</p> <p>New Manager of Records and Client Services position approved by Council has been filled and funded in 2016 through existing operational budget.</p> <p>Job descriptions are under review in consultation with Human Resources Learning and Development. 25% of the job description reviews are completed and approved by the Job Evaluation Committee and 50% have been reviewed and are pending a final review in consultation with Human Resources.</p>

				<p>Workflow modification business case approved and Reader/Analyst position job description updated. Job descriptions blended and approved by Job Evaluation Committee. Business case prepared and pending Labour Management Approval for extended hours to accommodate workflow modifications.</p> <p>90% of internal cross-training has been successfully implemented. Succession planning continuing and 75% complete.</p> <p>Integration of the Vernon/North Okanagan RCMP Court Liaison support services function (bringing all court services for the integrated detachment into the Vernon office).</p>
Renew agreements for Vernon Volunteer Firefighters Association, IR #6 Fire Suppression (RDNO), Fire Investigation and Inspection for Lumby and Coldstream and Chlorine Ammonia Sulphur Dioxide for the Enderby water treatment plant, well and arena	2015	Complete	Fire & Rescue Services	All completed.
Complete update of the hazard risk vulnerability assessment and subsequent update of the emergency plan	June 2016	Complete	Fire & Rescue Services	HRVA training for two staff completed in the spring of 2016. The HRVA was updated in late 2017.
Renew Fire Training Centre Inter Municipal Bylaw agreement	September 2017	Complete	Fire & Rescue Services	The FTC Agreement expired December 31, 2017. FTC Operations Committee and Policy Committee both involved in review of the agreement. Terms of the new agreement were implemented Fall 2017.
Restructure Bylaw Compliance, Safe Communities and Community Policing into a Protective Services Department	2015 – 2016	Complete	Corporate Services	<p>Successful Implementation of a Senior Bylaw Compliance Officer through existing positions.</p> <p>Community Policing and Safe Communities reporting to Manager, Bylaw Compliance.</p> <p>RCMP Volunteers (Citizens On Patrol) working cooperatively with Bylaw Compliance Officers to patrol areas of concern and respond to special event requests such as Funtastic, Winter Carnival (Parade) and Canada Day celebrations.</p> <p>Bylaw/Combined Events radio channel developed with Fire - Emergency Services, RCMP Volunteers, Safety Ambassadors and Bylaw Compliance Officers to allow improved communication between these groups. MOU with RCMP has been completed. RCMP radio techs have added this channel to RCMP vehicle and portable radios which allows better communication and safety.</p> <p>Rebranding of Community Policing to Community Safety taking place with the move and grand opening at the Toppers site by the Community Policing Office.</p>
Increase community safety and awareness programs through new Protective Services Department	2015 – Ongoing	Underway	Corporate Services	<p>Developing an ongoing stronger education presence in the media related to Community Safety initiatives and bylaw regulations.</p> <p>Continue to seek grant funding to allow new and improved programs such as the graffiti prevention program. Grant obtained for 2015/2016 program. Several grant opportunities reviewed as they become available. CPTED training done for 5 staff through RCMP grant obtained in a similar manner.</p>

				<p>Increased presence in schools and other community organizations by Community Safety and Crime Prevention components have increased Bylaw Compliance Officer participation. Bylaw Officers assist Community Policing in provision of bicycle and scooter safety programs. Officers also assist with Crime Free Multi Housing Tenant sessions, Block Watch Captain sessions and training of new RCMP Volunteers. In addition, the WITS (Walk away, Ignore, Talk it out, SeeK help) program has been rolled out at Beairsto Elementary and involves Protective Services staff (both Community Safety and Bylaw Compliance).</p> <p>The Community Safety Coordinator, with participation from Bylaw Compliance Officers, are providing a graffiti education and prevention program in schools as part of a grant program. Completed and very successful. May be looked at as an ongoing curriculum item by the schools without grant funding.</p> <p>Panhandling Strategy and Kindness meters developed and rolled out in 2016. Continued education of public and media regarding use. PayByPhone implementation has been successful as a donation method.</p> <p>Seasonal Enforcement programs have provided an increased Officer presence in public areas and increased opportunities for public education and awareness around homelessness.</p> <p>Collaboration with service providers like John Howard Society and the Upper Room Mission is ongoing to determine the availability of shelter beds to move some of the homeless out of temporary shelters.</p> <p>Ongoing involvement with the Sharps Action Team and the COOL Team as well as the Social Planning Council of the North Okanagan to address homelessness.</p> <p>The development of relationships with main media personalities have allowed increased opportunities for educational opportunities. An example would be Castanet and a noxious weed public service announcement that they conducted on our behalf last year.</p> <p>Bylaw Compliance Department to relocate to the vacant office space on the ground floor of the Parkade to provide greater visibility and presence for pro-active enforcement in the BIA to the west side of Hwy 97. Expected to be conducted in October 2018.</p>
Explore opportunities with the Justice Institute of BC for local educational partnerships, mentoring and internships	2016	Complete	Fire & Rescue Services	Completed and embedded in program practices.
Deliver specific programs for fire and fall safety to seniors at risk	Annually	Complete	Fire & Rescue Services	Grit box trial program complete and boxes are now part of regular operations.
Prepare for and complete bargaining of IAFF Collective Agreement	As required	Underway	Human Resources	MOU to the end of 2015 endorsed. Bargaining of the new collective agreement has been initiated. New bargaining dates to be established.

Deliver Efficient, Effective and Proactive Municipal Services	Target Date	Status	Lead	Notes
Review and develop a new employee financial orientation training program	March 2015 and ongoing thereafter	Complete	Financial Services	Introduction to Financial Services for Employee developed and launched. Other Finance Training developed and launched – General Ledger training, Accounts Payable Training, Accounts Receivable Training, Purchase Order Training. Training is offered a minimum of two times per year.
Complete feasibility analysis, initial project costs and preliminary design for OSB pre treatment facility, and tender for design build construction	April 2015	Complete	Operation Services	High Strength Waste Implementation Strategy and funding approved by Council in June 2018.
Submit 2015 Financial Plan final version to GFOA International, Distinguished Budget Presentation Award program (consider annually, subject to Council direction during the budget process)	June 2015 and annually thereafter	Complete	Financial Services	The Financial Plan has been submitted to GFOA International each year since with Council approval; each year we have been successful in achieving this award.
Construction of canopy for vehicles in Operations' Yard	June 2015	Complete	Operation Services	Existing shed has been converted to vehicle garage and is presently able to provide parking/storage for 8 tandem axle trucks.
Develop preventative maintenance program for lift stations	July 2015	Complete	Operation Services	Staff presently using preventative maintenance program to determine priority repairs/maintenance in sanitary lift stations.
Initiate/tender inflow and infiltration program study (Liquid Waste Management Plan)	June 2018	On Hold	Community Infrastructure & Development	RFP is in draft state but this project is on hold until other strategic priorities are complete.
Restructure Utilities to improve efficiencies and better align duties and responsibilities	July 2015	Complete	Operation Services	Phase I and II of re-structuring complete.
Implement a new model for bus stop/shelter maintenance and advertising	July 2015	Complete	Financial Services	Bus bench advertising contracts are in place; Venture Training has been engaged to update all existing bus benches and offer repair and maintenance services on an ongoing basis.
Implement Tempest Prospero for accounts receivable	July 2015	Complete	Financial Services	Transition of all accounts receivable transactions is done (except Cemetery).
Refine the budget development and review process	August 2015	Complete	Financial Services	New expedited timetable established; new updated training package launched June 2015; Financial Plan adopted January 11, 2016, January 9, 2017 and January 22, 2018.
Prioritize high risk onsite septic areas and work with residents to initiate LAS projects (Liquid Waste Management Plan)	Fall 2017	Complete	Community Infrastructure & Development	Council endorsed the Okanagan Landing Sewer extension strategy at the May 8, 2017 Regular Council Meeting. The remaining unserved neighbourhoods in the Okanagan Landing will go through the Local Area Service process (Council initiated subject to counter petition). Properties to the east of Okanagan Lake (referred to as Area 1 in the Council report) have been given priority for the Council initiated LAS process. Council endorsed the phasing plan that prioritizes high risk onsite septic areas at its August 14, 2017 Regular Meeting. The LAS areas and project estimates will be brought forward as part of the Rolling 4 Year Capital Plan and more detailed costs and petition details in future reports as each project goes to petition. The first project in the Dallas/Willow area is not proceeding due to a lack of resident support. The next area planned to be petitioned is the Cameo Road area in Fall 2018.

Report to Council with proposed policy extending City sanitary sewer system into the unserved areas of the City (Liquid Waste Management Plan)	June 2017	Complete	Community Infrastructure & Development	Council endorsed the Okanagan Landing Sewer extension strategy at the May 8, 2017 Regular Council Meeting. Properties adjacent to the CWWF project being completed in the 2017 and 2018 will have option to connect via the municipal fee process. The remaining unserved neighbourhoods in the Okanagan Landing will go through the Local Area Service process (Council Initiated subject to counter petition). If the LAS process is successful (less than 50% of residents and property value petition against the project) then the participation and payment is mandatory, although actual connection is not. Council endorsed the phasing plan that prioritizes high risk onsite septic areas at its August 14, 2017 Regular Meeting.
Submit 2014 Annual Report to the GFOA International report review program(consider annually, subject to Council direction during the budget process)	August 2015 and annually thereafter	Complete	Financial Services	Submitted annually as per Council direction provided each year and received award each time.
Design, deliver and conclude a strategic capacity development program	September 2015	Complete	Human Resources	The Human Resource Division can report on the successful completion of strategic, capacity building within the management group. Supplementary training occurred in 2016 and 2017 and will also take place as a refresher in 2018.
Report to Council with proposed amendments for the Soil Removal and Deposition Bylaw	November 2017	Complete	Community Infrastructure & Development	Amendments adopted by Council on February 26, 2018.
Develop a strategic infrastructure plan for buildings, including lifecycle replacement strategy and budget implications	October 2015	Complete	Operation Services	Building Condition Asset Management Plan, completed in March 2017, will form basis for future civic building rehabilitation works.
Initiate/tender DCC stormwater cost share analysis (Liquid Waste Master Plan)	2019	Underway	Community Infrastructure & Development	This is being completed as part of the DCC Bylaw update. Amendments to DCC Bylaw projects currently being reviewed by Administration. Internal review of DCC Bylaw projects is near completion and a report on amendments to the Bylaw is anticipated in September 2018.
Sani dump reconstruction and relocation on the Civic Arena block	November 2015	Complete	Operation Services	Project, including landscaping, is complete.
Report to Council with proposed Erosion and Sediment Control Bylaw	November 2017	Complete	Community Infrastructure & Development	Amendments to SDSB#3843 Sched F supported in principle by Council on February 26, 2018. First, Second and Third Readings will be sought at Council's Regular Meeting of September 4, 2018.
Report to Council with proposed amendments for the Subdivision and Development Servicing Bylaw	December 2017	Complete	Community Infrastructure & Development	Update of Schedule G street lighting was presented to Council in Fall 2017 and adopted on November 14, 2017. Amendments to SDSB#3843 Sched F supported in principle by Council on February 26 2018. Report to Council on May 14, 2018 with amendments to SDSB #3842 Sched A, and B. At its Regular Meeting of August 13, 2018 Council supported proposed amendments to Schedule F, A and B, and gave First, Second and Third Readings to the Schedule A amendments.
Expand electronic payment capability to vendors	December 2015 and ongoing thereafter	Complete	Financial Services	634 Vendors enrolled as of May 25, 2018. Staff continue to promote this program on an ongoing basis.
Develop public engagement protocols, including identification of new resources	December 2015	Complete	Corporate Services	Public Participation (P2) Strategy completed with adoption by Council in July 2016. Training for staff and external consultants and contractors on P2 practices and techniques completed in February 2017. Engage Vernon webpage (www.engagevernon.ca) launched May 1, 2017.

Update City of Vernon Mission Statement	December 2015	Complete	Corporate Services	Mission Statement adopted by Council at its Regular Meeting of November 23, 2015. Education, awareness and signage are ongoing. Mission statement signs installed in City meeting rooms.												
Continue to research and implement energy reduction initiatives	December 2015	Underway	Operation Services	Climate Action Funding Policy and list of potential projects to be presented to Council in September 2018. Opportunities for GHG reduction projects to be included in the report.												
Develop an employee fall protection program	December 2015	Complete	Human Resources	The Human Resource Division has augmented the current program with roof top assessments. Training commenced in June of 2016 as part of the City of Vernon’s standardized training program. Training will now continue on a revolving basis as part of the City of Vernon’s standardized training programs specific to Health and Safety.												
Review financial system software for future reporting and functionality	December 2017	Underway	Financial Services	The review of financial system software had been delayed. Administration is in the process of creating a plan to proceed with this project. A Request for Information was published on June 29 and closed July 19. An evaluation of the submissions is underway and a report to Council will occur in Fall 2018.												
Continue development of financial variance reporting for division directors	December 2015	Complete	Financial Services	Reporting tools in place; user training completed.												
Resolve issues impeding full implementation of electronic billing of utility bills	December 2015	Complete	Financial Services	Major issues are resolved. Software updates have streamlined the handling of rejected ebills. There are 2573 customers signed up as of September 30, 2017.												
Complete the Internal Certificate of Recognition or COR Audit to maintain our standing and access to annual rebates	December 2015 December 2016 December 2017	Complete	Human Resources	The Human Resource Division can report successful audits have been completed for both the 2015 and 2016 year. The 2017 Audit will not be complete until year end. Audit success has resulted in the following COR Rebate cheques received by the City to support and augment Health and Safety initiatives. <table><tr><td>Year Certified</td><td>Cheque received</td><td>Cheque Amount</td></tr><tr><td>2014</td><td>2015</td><td>\$49,370.84</td></tr><tr><td>2015</td><td>2016</td><td>\$61,052.80</td></tr><tr><td>2016</td><td>2017</td><td>\$65,000.00</td></tr></table> The City of Vernon is one of only 19 districts or municipalities that have maintained standing and are currently certified.	Year Certified	Cheque received	Cheque Amount	2014	2015	\$49,370.84	2015	2016	\$61,052.80	2016	2017	\$65,000.00
Year Certified	Cheque received	Cheque Amount														
2014	2015	\$49,370.84														
2015	2016	\$61,052.80														
2016	2017	\$65,000.00														
Redesign City of Vernon website	2015 – 2016	Complete	Corporate Services	New website went live December 22, 2015.												

Electronic Records Management System conversion of all City records	2015 – Ongoing	Underway	Corporate Services	<p>Finance Division launch is complete. New repository is open for Finance Division Use.</p> <p>Community Infrastructure and Development Division repository and templates are built and training is underway with small groups in this division to implement use. Training should be complete by end of September 2018.</p> <p>Corporate Services repository and templates are now built. Training is taking place with small groups (in between CIDS training) and should be complete by October 2019.</p> <p>Operations Laserfiche ‘discovery’ is now complete. A ‘Statement of Work’ to build templates and repository is currently being prepared.</p> <p>Recreation Services ‘discovery’ is complete and will be included in the ‘Statement of Work’ to build Operations and Fire Services repository and templates.</p> <p>Fire Services Laserfiche ‘discovery’ is now complete and will be included in the ‘Statement of Work’ to build Operations and Recreation repository and templates.</p> <p>Human Resources will be the last division to launch. Due to the confidential nature of HR records and the availability of Laserfiche workflow products that may be able to streamline their processes, the ‘discovery’ for HR will be more complex and require more involvement from the service provider. Preliminary meeting have begun to review requirements for HR repository and templates, with projected completion in 2019.</p> <p>Currently investigating a method to OCR documents during the evening hours to speed filing time for all Divisions during the day.</p> <p>Program Upgrade is needed and will be completed once IS has full staff complement.</p>
Increase resources to grants program to increase City’s access to grants	2015 – 2016	Complete	Corporate Services	City grants process refined to improve application process. All staff receive regular updates on potential grants as identified COV may qualify for.
Identify corporate goals and initiatives regarding economic, environmental and social responsibility and prepare Corporate Sustainability Plan	2019	On Hold	Community Infrastructure & Development	Target date pushed back from original goal of June 2016 due to workloads.
Update internal and external communications plan	2015 – Ongoing	Complete	Corporate Services	Council adopted the updated 2016-2018 Strategic Communications Plan on October 10, 2016; Strategic Communication Plan to be updated as required. Continuing to work with City managers for consistent branding and messaging. Internal Communication Plan updated in 2016.

Consult, design and implement an exempt performance management program	December 2016	Complete	Human Resources	<p>The Human Resource Division launched The City of Vernon Performance Planning (Exempt) process January 1, 2017. 2017 was a year of “testing and assessing” the enhanced process to nurture and support a high achieving, contemporary, and disciplined learning organization.</p> <p>The City has now an exempt performance management program that assists in the alignment and maximizes performance with the goals of the organization and Council’s Strategic Plan.</p>
Implement a bargained environment performance management program	December 2017	Underway	Human Resources	The Human Resource Division has initiated the process to establish a new Performance Planning process for the bargained environment. The Process has been drafted and is in internal review. Once the Performance Planning process has concluded internal review, training will be undertaken regarding the new process and a year of “testing and assessing” will take place over 2018.
Prepare for and complete bargaining prior to expiration of current Collective Agreement in December 2018	December 2018	Underway	Human Resources	The Human Resource Division has started preparing for bargaining and anticipates that a new collective agreement will be negotiated prior to the expiry at year end 2018.
Consult, design and implement a human resource (succession) plan	December 2018	Underway	Human Resources	<p>The Human Resource Division is completing the first round of data analysis provided through the Performance Planning (Exempt) process. This analysis is being used to identify trends specific to gap areas, learning and development requirements, and employee development.</p> <p>The data has assisted in developing a framework (living document) which will be used to further human resource planning within the City of Vernon. This framework is currently in draft form and will be presented to the Senior Management Team for input prior to actioning the next steps outlined in the document.</p>
Gain Employer of Choice designation	2018	Underway	Human Resources	The City of Vernon continues to invest in our employees and work toward building a high achieving, contemporary, and disciplined learning organizational culture that embraces and develops the capacity of our entire corporation. We continue to work toward the goal of making application for this designation.
Continue with detailed infrastructure assessment and develop replacement priority criteria based on ancillary benefit, risk assessment and risk management	Annually	Complete	Community Infrastructure & Development	In 2016 a Pipe Video Inspection system was purchased to provide internal City capacity for assessing underground sanitary and storm infrastructure. The road condition assessments were also updated in 2016 for Arterial and Collector Roads. Prioritization of sanitary collection infrastructure projects was completed in 2016. The updated Asset Management Policy was endorsed by Council at its Regular Meeting of April 23, 2018.

Create a Safe, Efficient and Sustainable Transportation Network	Target Date	Status	Lead	Notes
Report to Council with updated Master Transportation Plan and related OCP amendments	April 2015	Complete	Community Infrastructure & Development	Plan endorsed by Council at its Regular Meeting of August 10, 2015; OCP amendments adopted by Council in 2016.
Report to Council with proposed amendments to the Traffic Bylaw	November 2017	Complete	Community Infrastructure & Development	The updated Traffic Bylaw was approved in principle by Council on February 26, 2018 and was reviewed by the Transportation Advisory Committee on April 5, 2018. The final bylaw will be presented to Council for adoption in September 2018 following legal review. Access requirements are being relocated to SDSB #3843.

Information report to Council about the staff travel plan	November 2018	Underway	Community Infrastructure & Development	Staff travel surveys will be undertaken to be used in the development of the Staff (workplace) Travel Plan options. Report to Council in late 2018.
Complete DCC Bylaw review of transportation projects	July 2018	Underway	Community Infrastructure & Development	Review of projects is near completion and a consultant has initiated review of the proposed amendments. Anticipated to have feedback from the consultant in time to report to Council in September 2018 with proposed amendments to the DCC Bylaw.
Amend bylaws to implement the Integrated Transportation Framework (ITF)	July 2018	Underway	Community Infrastructure & Development	At its Regular Meeting of August 13, 2018 Council supported amendments to SDSB #3843 Schedules A and B with amendments to Schedule A given First, Second and Third Readings at the Regular Meeting of August 13, 2018. Zoning Bylaw Schedule B is under review and anticipated to be updated in the fall of 2018. The final Traffic Bylaw will be presented to Council for adoption in September 2018.

Foster Community Development through Social Planning	Target Date	Status	Lead	Notes
Submit resolution to SILGA and UBCM regarding the need to develop and maintain comprehensive, accessible and affordable childcare	September 2016	Complete	Community Infrastructure & Development	Resolution in support of comprehensive affordable, accessible childcare endorsed at the 2016 UBCM Convention.
Where possible, support community groups and agencies in the provision of youth and senior oriented initiatives	Annually	Complete	Community Infrastructure & Development	<p>Assisted in the successful delivery of the Cities Fit for Children Conference.</p> <p>Recreation Services took a leadership role in assisting the Halina Senior Citizens Society in the operation of the Halina Centre, the updating and development of policies, procedures, bylaws and their constitution as well as assisting them with Board development and elections.</p> <p>Collaborated with RDNO to obtain a \$19,400 age friendly grant to improve accessibility to the Vernon Community Garden and develop new programming to engage seniors and encourage them to use the space. Grant was announced on March 12, 2017.</p> <p>Staff have regular involvement in the North Okanagan Early Years Council and the Child, Youth and Family Friendly Vernon working committee.</p> <p>The Seniors Action Network and North Okanagan Childcare Society were specifically consulted in the development of the Park Master Plan.</p> <p>Youth were involved in the development of the Youthful Vernon Strategy, which outlines proposed policies and plans to make Vernon a more youth friendly city.</p>
Ensure City events, such as sustainability and Active Transportation events, actively engage youth	Annually	Complete	Community Infrastructure & Development	Sustainability and Active Transportation programs continue to actively engage youth through a diversity of communications and programs. For example, the City has expanded digital media engagement to better reach youth, and sponsored sustainability related materials through the Planet Protectors education program directly within local schools.

Consider the needs of youth and seniors when prioritizing sidewalk and multi-use trail connections	Annually	Complete	Community Infrastructure & Development	The adoption of the Master Transportation Plan on November 14, 2016 lead to the start of the curb let down program in 2017. This will upgrade existing let down ramps to improve accessibility of the sidewalks.
Support the Social Planning Council in the provision of social planning services to the City, including programs and initiatives to address homelessness, childcare, attainable housing, food security and neighbourhood safety	As needed	Underway	Community Infrastructure & Development	<p>The Social Planning Council and Partners in Action have been involved in many projects, including, but not limited to:</p> <p>Homelessness and Housing</p> <ul style="list-style-type: none"> - Green Valley Motel closure and subsequent BC Housing acquisition of the Journey Inn property. - COOL Team, working with homeless campers to monitor safety, health and connect them to services - Organized Housing Forum in 2016. - Social Planning Council is working closely with the City and other key stakeholders in addressing the challenges of homeless camps in the city, including implementation of the City's bylaw regulating sheltering in parks. - Administration currently working with local service providers and BC Housing on a number of shelter units/beds and affordable housing options, as follows: construction of 52 unit affordable housing project at 27th Avenue and 35th Street; replacement shelter units at John Howard Facility at 2307 43rd Street; purchase of two affordable housing apartments at 3800/3802 27th Avenue and construction of an additional 41 unit purpose built affordable rental housing project. - Supported the City in the provision of attainable rental housing units on the McMechan Lands and helped facilitate a partnership with Vernon and District Community Land Trust for the management of the housing program. - Social Planning Council successfully applied for grant funding to undertake a review of the Affordable Housing Strategy and the Homelessness Strategy. A consultant has been retained and the work is underway. The study is expected to be completed by April 2019. - Arising from the Activate Safety Task Force recommendations, investigating service agreement for weekly downtown cleanup programs and an appropriate washroom facility available 24/7/365. <p>Harm Reduction</p> <ul style="list-style-type: none"> - Sharps Action Team working to prevent the spread of disease and to prevent sharps from ending up in public spaces. Community clean ups organized to collect used needles. - Public Spaces Action Team developing strategies for working with street population to provide information and resources to assist with challenging behaviors. - Arising from the Activate Safety Task Force recommendations, placement of four new sharps containers and investigating potential partners for a needle refund program. <p>Accessibility, Inclusiveness and Multiculturalism</p> <ul style="list-style-type: none"> - RespectFest successfully implemented in September 2017. - Continuing the Understanding Reconciliation Journey Team to learn more about First Nations history and culture. - Facilitated the Respect Lives Here program. - In partnership with the Local Immigration Partnerships Council, developed an Immigration and Settlement Strategy for Vernon.

				<ul style="list-style-type: none"> - Developing a communication plan in partnership with the City following a high profile incident of racism or hate. - Poverty and Food Security. - Working with Upper Room Mission to develop a program to distribute food to housebound clients. <p>At its Regular Meeting of April 9, 2018, Council resolved to extend the contract with the Social Planning Council for five years.</p>
Specifically identify opportunities to include youth in consultation processes	As needed	Complete	As Needed	<ul style="list-style-type: none"> • Human Resources: hosted three practicum students from Okanagan College in June 2015; presentations to various organizations, as requested • Community Infrastructure & Development: ongoing implementation of School Travel Plans <p>Community Infrastructure & Development: youth were specifically included in the Parks Master Plan consultation process and subsequent planning for specific parks and playgrounds, in the Sustainability Awards Review consultation process and the development of the Youthful Vernon Strategy.</p>

Achievements

Superintendent Baher – Meritorious Service Award

City of Vernon's Superintendent Shawna Baher received an award for Meritorious Service which recognizes her for the work and leadership in identifying the opioid / fentanyl crisis and ensuring all RCMP officers are authorized and trained to carry Naloxone, a medication to block the effects of opioids, especially during an overdose. Superintended Baher started her work around the opioid / fentanyl crisis while working for the Surrey RCMP detachment and continues the important work and education surrounding this topic here in the Community.



Fire Smart Community Recognition – Predator Ridge

The FireSmart program has recognized the Predator Ridge community for its good work in reducing wildfire risks for the 3rd straight year. The program encourages communities to work together in reducing fire hazards. As part of their activities, the Predator Ridge FireSmart organizing committee held two fuel clean-up days where residents gathered fire fuel from their property and laddered trees (cutting off the lower tree branches to reduce the possibility that a fire will climb to the treetops).



Certificate of Recognition (COR)

The City of Vernon passed the Certificate of Recognition (COR) audit in 2018 for the 8th consecutive year. This continues to support the City's unwavering commitment to the Health and Safety of its workers.



2018 Distinguished Budget Presentation & 2017 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 2018 Financial Plan and the 2017 Canadian Award for Financial Reporting (CanFR). The award represents a significant achievement by the City. This reflects the City of Vernon's commitment to meeting the highest principles of governmental budgeting and reporting.



Grand Opening of Kal Tire Place - North

The Kal Tire Place North project started on April 24, 2017 with an official sod turning event. In under a year and a half the project team managed to build a wonderful new asset for the Greater Vernon community. The project came in on time and on budget and the reviews have been very positive. The new facility has a regulation-size 200' x 85' sheet of ice, seating for 400 spectators, two lease spaces for dryland training facilities, multi-purpose room, and additional office space.

Achievements



Okanagan Indian Band & City of Vernon Sign Historic Relationship Accord

Okanagan Indian Band and the City of Vernon are one of 9 partnerships that were selected in Canada to participate in the Community Economic Development Initiative (CEDI). The resources provided by the CEDI program assist in facilitating priorities set out in bi-annual workshops in order to achieve joint community economic development success. The Band and City Councils have agreed on priorities for the communities, which include joint land use planning, infrastructure and tourism opportunities. The ceremonial signing of the Relationship document celebrates the communities' collective knowledge with a goal to build a better future for our children and generations to follow.



Trevor Sproule – Lifesaving Society Awards

Trevor Sproule, Aquatic Leader for City of Vernon Recreation Services has received an Instructor Recognition Award for instructing the Most National Lifeguard candidates taught by a new instructor in the Thompson/ Okanagan Region. Trevor was also recognized for proving Invaluable service to the Lifesaving Society for two years of volunteer service.

City of Vernon Long Service Awards

30 years of service

- Allan Martin
- Brett Stenberg

25 years of service

- James Rice
- Lyle Enns



IAFF 1517 New Collective Agreement

The City of Vernon and the International Association of Fire Fighters Local 1517 signed a four year collective agreement for Jan. 1, 2016 to Dec. 31, 2019. The terms of the new collective agreement continue the terms of the previous agreement, which expired on Dec. 31, 2015, with the exception of a small number of negotiated clauses as well as a revised pay schedule. The agreement makes provision for a 2.5 per cent salary increase for each year, retroactive to January 1, 2016.



Committees and Boards 2018

Advisory Planning Committee

Council Representative: Juliette Cunningham
Alternate: Bob Spiers

Affordable Housing Advisory Committee

Council Representative: Juliette Cunningham
Council Representative Brian Quiring
Alternate: Scott Anderson

Audit Committee

Council Representative: Catherine Lord
Council Representative: Bob Spiers
Council Representative: Juliette Cunningham
Alternate: All other members of Council

Biosolids Advisory Committee

Council Representative: Scott Anderson
Council Representative: Catherine Lord
Alternate: Dalvir Nahal

Economic Development

Council Representative: Catherine Lord
Alternate: Brian Quiring

Emergency Measures Policy/Planning

Council Representative: Mayor Mund

Finance Committee

Council Representative: Mayor Mund
Council Representative: Catherine Lord
Council Representative: Bob Spiers
Alternates: All other members of Council

Greater Vernon Advisory Committee

Director: Mayor Mund
Director: Bob Spiers
Director: Juliette Cunningham
Alternate: Catherine Lord
Alternate: Scott Anderson

North Okanagan Regional District

Director: Mayor Mund
Director: Catherine Lord
Director: Juliette Cunningham
Director: Brian Quiring
Alternate: All other members of Council

Okanagan Basin Water Board

*Appointments to this Committee are by recommendation –
Board Chair will make appointment from the members on the Board.*
Council Representative: Juliette Cunningham
Alternate: Scott Anderson

Tourism Advisory Committee

Council Representative: Mayor Mund
Alternate: Catherine Lord

Transportation Advisory Committee

Council Representative: Brian Quiring
Alternate: Scott Anderson

External Council Appointments:

Arts Council of North Okanagan

Dalvir Nahal
Alternate: Catherine Lord

Canada Day Committee

Scott Anderson

Chamber of Commerce Liaison

Catherine Lord
Alternate: Brian Quiring

Downtown Vernon Association

Brian Quiring

Drought Response Team

Catherine Lord
Alternate: Juliette Cunningham

Funtastic Sports Society Liaison

Mayor Mund

Kelowna Airport Advisory Committee

Mayor Mund

Library – North Okanagan Regional Library

Catherine Lord
Alternate: Juliette Cunningham

Liquid Waste Management Plan Public Advisory Committee

Scott Anderson
Alternate: Juliette Cunningham

Municipal Insurance Association

Scott Anderson
Alternate: Juliette Cunningham

North Okanagan Early Years Council

Juliette Cunningham

North Okanagan Regional Advisory Committee (OK College)

Brian Quiring
Alternate: Juliette Cunningham

O'Keefe Ranch and Historical Society

Scott Anderson

OKIB/First Nations Liaison

Mayor Mund

Regional Growth Management Committee

Juliette Cunningham
Alternate: Catherine Lord

Regional Agricultural Advisory Committee

Juliette Cunningham

Ribbons of Green Trail Committee

Catherine Lord

Vernon Winter Carnival Liaison

Mayor Mund

Permissive Tax Exemptions

DBA Name	Folio	Civic Address	Total Exemption
Churches and Houses of Worship			
ALEXIS PARK CHURCH	05560.000	3906 35A ST	\$ 1,592
ALL SAINTS ANGLICAN	00093.000	3205 27 ST	3,951
CHRISTIAN REFORMED CHURCH OF VERNON	05480.000	3605 12 ST	1,283
CHURCH OF GOD OF PROPHECY	06464.000	4300 BELLA VISTA RD	372
EMMANUEL FELLOWSHIP BAPTIST	05287.003	3412 15 AVE	2,665
FAITH BAPTIST CHURCH	01975.000	3910 27A ST	5,659
FAITH BAPTIST CHURCH	02007.000	3909 28 ST	778
FIRST BAPTIST CHURCH	02997.000	1406 32 AVE	1,761
GERMAN CHURCH OF GOD	02264.007	4312 25 ST	1,085
JESUS CHRIST OF LATTER DAY SAINTS	03709.001	1506 35 ST	1,218
KNOX PRESBYTERIAN CHURCH	00866.000	3701 32 AVE	1,449
LIVING WORD LUTHERAN CHURCH	07357.550	6525 OKANAGAN LANDING RD	1,472
NEW APOLSTOLIC CHURCH	02565.020	4203 PLEASANT VALLEY RD	770
N.O. SIKH CULTURAL SOCIETY	03714.025	3800 COMMONAGE CRES	321
OKAN ASSEMBLY CTR FOR JEHOVAH	05287.002	1424 MISSION RD	8,477
OUR LADY OF PEACE	04092.000	3016 37 ST	846
PEACE LUTHERAN CONGREGATION	06029.001	1204 30 AVE	2,020
SALVATION ARMY COMMUNITY CHURCH	00844.005	3303 32 AVE	5,614
SLAVIC CHRISTIANS OF EVANGELIC	01913.110	2306 40 AVE	800
ST JAMES ROMAN CATHOLIC CHURCH	00517.000	2607 27 ST	2,671
ST JOSAPHATS UKRAINIAN CATHOLIC	02546.000	2210 40 AVE	1,174
TRINITY UNITED CHURCH	04158.100	3300 ALEXIS PARK DR	6,205
UKRAINIAN GREEK OTHODOX CHURCH	01920.010	4105 27 ST	2,026
VERNON ALLIANCE CHURCH	02245.005	4301 27 ST	2,147
VERNON ALLIANCE CHURCH	02249.000	4305 27 ST	969
VERNON ALLIANCE CHURCH	02253.000	2601 43 AVE	2,857
VERNON CHRISTADELPHIAN	06099.020	19-2200 40 ST	1,498
VERNON CHRISTIAN FELLOWSHIP	02402.000	4507 29 ST	2,011
VERNON CHRISTIAN FELLOWSHIP	04451.002	4506 29 ST	1,606
VERNON CHURCH OF CHRIST	02534.007	4107 PLEASANT VALLEY RD	427
VERNON FAMILY CHURCH	03820.005	3508 25 AVE	5,408
VERNON FULL GOSPEL TABERNACLE	07401.340	5871 OKANAGAN LANDING RD	1,672
VERNON GOSPEL CHAPEL	02563.015	4106 PLEASANT VALLEY RD	1,217
VERNON JAPANESE CULTURAL SOCIETY	07433.200	4895 BELLA VISTA RD	1,018
VERNON MUSLIM ASSOC	03725.000	3414 17 AVE	825
Educational Institution			
PV CHRISTIAN ACADEMY	02590.001	1802A-1802 45 AVE	7,839
PV CHRISTIAN ACADEMY	02590.001	1802A-1802 45 AVE	2,090
ST JAMES SCHOOL	00502.000	2700 28 AVE	8,195
Recreational			
OK LANDING COMMUNITY ASSOC	07815.000	7813-7811 OKANAGAN LANDING RD	2,685

Permissive Tax Exemptions | Continued

DBA Name	Folio	Civic Address	Total Exemption
Social Services			
ABBNEYFIELD HOUSE	03907.001	3511 27 AVE	\$ 3,428
CANADIAN MENTAL HEALTH ASSOC	00090.000	3305 27 ST	1,452
CANADIAN MENTAL HEALTH ASSOC	01445.000	3100 28 AVE	18,182
CANADIAN MENTAL HEALTH ASSOC	03384.000	3405 OKANAGAN AVE	1,473
CANADIAN MENTAL HEALTH ASSOC	03821.006	3605 24 AVE	1,810
CANADIAN MENTAL HEALTH ASSOC	04230.001	4206 ALEXIS PARK DR	4,286
CANADIAN MENTAL HEALTH ASSOC	04487.034	2201 53 AVE	5,178
FIRST NATIONS FRIENDSHIP CTR	01353.000	2902 29 AVE	3,430
FIRST NATIONS FRIENDSHIP CTR	01355.000	2904 29 AVE	3,469
GOOD SAMARITAN CANADA	04484.005	4904 20 ST	26,672
GOOD SAMARITAN CANADA	04484.010	4900 20 ST	15,867
JOHN HOWARD SOCIETY	03840.100	2307 43 ST	5,476
KINDALE - SEATON CTR	06133.020	1340 POLSON DR	5,678
KINDALE DEVELOPMENTAL ASSOC	03831.101	1-4100 25 AVE	499
KINDALE DEVELOPMENTAL ASSOC	03831.102	2-4100 25 AVE	962
KINDALE DEVELOPMENTAL ASSOC	03831.106	6-4100 25 AVE	499
VERNON WOMEN'S TRANSITION HOUSE	02357.005	2400 46 AVE	10,119
N.O. COMMUNITY LIFE SOCIETY	07090.036	5813 RICHFIELD PL	1,708
N.O. COMMUNITY LIFE SOCIETY	02534.071	1307 40 AVE	1,133
N.O. COMMUNITY LIFE SOCIETY	02563.010	4102 PLEASANT VALLEY RD	1,514
N.O. NEUROLOGICAL ASSOC	01205.000	2802 34 ST	35,282
N.O. YOUTH & FAMILY SERVICES	00963.000	3100 32 AVE	7,227
N.O. YOUTH & FAMILY SERVICES	01921.000	4107 27 ST	1,184
N.O. YOUTH & FAMILY SERVICES	01922.000	4109 27 ST	1,452
OK COMM - COLUMBUS COURT	04048.018	3003 GATEBY PL	5,865
PEOPLE PLACE	01552.105	3402 27 AVE	27,545
PEOPLE PLACE	01552.110	3400 27 AVE	5,585
SALVATION ARMY - NORTH THRIFT	04490.010	1-5400 24 ST	17,270
SALVATION ARMY D/TOWN THRIFT	01382.000	3102 29 AVE	5,301
SCHUBERT CENTRE SOCIETY	04048.040	3505 30 AVE	18,118
UPPER ROOM MISSION	01538.000	3405 27 AVE	2,170
UPPER ROOM MISSION	01539.000	3403 27 AVE	8,390
V&D HOSPICE SOCIETY	03856.001	3506 27 AVE	4,725
V&D COMMUNITY LAND TRUST SOCIETY	03859.000	3502 27 AVE	4,610
VDACL - 26 ST GROUP HOME	00060.000	3307 26 ST	1,908
VDACL - 3601 36A ST GROUP HOME	04159.021	3601 36A ST	1,357
VDACL - 39 ST GROUP HOME	03959.000	2803 39 ST	1,725
VDACL - 4240 ALEXIS PARK DR	03925.000	3601 27 AVE	4,712
VDACL - VENTURE TRAINING	04230.100	4240 ALEXIS PARK DR	10,246
VERNON NATIVE HOUSING PROJECT	03805.008	4305 19 AVE	6,656
VERNON RESTHOME	03917.000	2808 35 ST	8,062
WOMEN'S TRANSITION HOUSE	00570.001	2603 26 ST	4,467
WOMEN'S TRANSITION HOUSE	02464.000	3502 19 ST	2,885
Cultural			
POWERHOUSE THEATRICAL SOCIETY	01826.010	2901 35 AVE	5,211
VERNON MUSIC SCHOOL	02869.000	1705 32 AVE	3,300
VERNON MUSIC SCHOOL - COACH	02868.000	1705 32 AVE	2,871

Permissive Tax Exemptions | Continued

DBA Name	Folio	Civic Address	Total Exemption
Educational			
ALLAN BROOKS NATURE CTR	05289.004	250 ALLAN BROOKS WAY	\$ 1,882
ALLAN BROOKS NATURE CTR	05289.004	250 ALLAN BROOKS WAY	1,399
OKANAGAN SCIENCE CTR	00635.000	2704 HWY 6	6,821
OKANAGAN SCIENCE CTR	00635.000	2704 HWY 6	20,318
Mixed and Unique			
ARMY NAVY & AIRFORCE VETERANS	02366.003	2500 46 AVE	2,552
B&G, CURLING & HALINA CLUBS	04135.010	3310 37 AVE	56,961
B&G, CURLING & HALINA CLUBS	04135.010	3310 37 AVE	24,959
PADDLEWHEEL PARK FORESHORE	07871.000	7815 OKANAGAN LANDING RD	1,356
HERONRY PROTECTION COVENANT	04486.000	5104 20 ST	694
HERONRY PROTECTION COVENANT	04486.000	5104 20 ST	794
RDNO HERONRY	04487.047	107-2200 53 AVE	116
RDNO HERONRY	04487.048	108-2200 53 AVE	116
RDNO HERONRY	04487.049	109-2200 53 AVE	131
ST JOHNS AMBULANCE	02676.002	1905-1901 47 AVE	3,946
SUNNYVALE RESTHOME SOCIETY	02255.007	4306 25 ST	151
SUNNYVALE RESTHOME SOCIETY	02255.009	4308 25 ST	85
SUNNYVALE RESTHOME SOCIETY	02255.015	4304 25 ST	616
VERNON & AREA PRO LIFE SOCIETY	01067.000	3102 31 AVE	1,914
VERNON PENSIONERS - MCCOLLOUGH	01196.001	3400 COLDSTREAM AVE	521
VERNON PENSIONERS - MCCOLLOUGH	01196.001	3400 COLDSTREAM AVE	800
VDACL - 23RD ST VENTURE TRAIN	02672.002	4607 23 ST	3,452
New 2016			
JOHN HOWARD SOCIETY	01578.001	3301 24 AVE	3,606
KINDALE DEVELOPMENTAL ASSOC	05482.010	902 35 AVE	1,478
New 2017			
VDACL HAWTHORN HOUSE	03787.012	4217 16 AVE	281
VDACL WILLOW HOUSE	06011.000	1812 22 ST	299
New 2018			
CANADIAN MENTAL HEALTH ASSOCIATION - MELROSE	01399.000	3003 28 AVE	122
CANADIAN MENTAL HEALTH ASSOCIATION - ALBERT	03826.001	3610 25 AVE	237
NORTH OKANAGAN NEUROLOGICAL ASSOCIATION	01207.002	3405 28 AVE	2,050
OKANAGAN BOYS AND GIRLS CLUBS	01850.002	3104 37 AVE	328
			<hr/>
			\$ 548,773

Permissive Tax Exemptions | Continued

DBA Name	Folio	Civic Address	Total Exemption
Revitalization Tax Exemptions			
0821153 BC LTD	01072.011	1 - 3126 31 AVE	\$ 2,695
0821153 BC LTD	01072.012	2 - 3126 31 AVE	3,254
0821153 BC LTD	01072.013	3 - 3126 31 AVE	654
0821153 BC LTD	01072.014	4 - 3126 31 AVE	5,700
0821153 BC LTD	01072.015	5 - 3126 31 AVE	5,497
0821153 BC LTD	01072.016	6 - 3126 31 AVE	5,574
0821153 BC LTD	01072.017	7 - 3126 31 AVE	5,487
ORTHO TERRA HOLDINGS	002036.011	1 – 4010 27 ST	4,004
ORTHO TERRA HOLDINGS	02036.012	2 – 4010 27 ST	1,522
ORTHO TERRA HOLDINGS	02036.013	3 – 4010 27 ST	4,004
CORVELAY INC	01408.000	2801 32 ST	120
			<u>38,511</u>
0944125 BC LTD	02207.000	4101 32 ST	9,840
0976816 BC LTD	02038.005	4012 27 ST	2,035
	01528.000	3412 28 Avenue	871
			<u>12,746</u>
SILVER CITY HOLDINGS INC	01189.010	3412 COLDSTREAM AVE	-
SCHNEIDER,ROBIN & KATIE	02028.012	4077 28 ST	750
0776928 BC LTD	02028.002	2720 41 AVE	1,073
LARSEN, SHERYL & RICHARD	02096.010	101 – 4107 29 ST	504
LARSEN, SHERYL & RICHARD	02096.020	102 – 4107 29 ST	504
LARSEN, SHERYL & RICHARD	02096.030	201 – 4107 29 ST	520
LARSEN, SHERYL & RICHARD	02096.040	202 – 4107 29 ST	520
1058570 BC LTD	01380.000	3100 29 AVE	-
1058570 BC LTD	01381.000	3100 A 29 AVE	-
			<u>3,871</u>
MCDONALD, JILL	02028.007	4073 28 Street	875
FROSTE, AMBER	02028.008	4069 28 Street	920
0934088 BC LTD	01791.005	2710 39 Avenue	22,827
DENOA HOLDINGS LTD	01703.001	1 - 3705 27 Street	2,239
DENOA HOLDINGS LTD	01703.002	2 - 3705 27 Street	2,075
SMITH, TOD & GLORIA	02031.007	3924 28 Street	500
SMITH, TOD & GLORIA	02031.006	3926 28 Street	561
SMITH, TOD & GLORIA	02031.004	3928 28 Street	548
SMITH, TOD & GLORIA	02031.005	3930 28 Street	459
BURKE, CHRSTOPHER & MELINDA	02028.016	4061 28 Street	937
MARTIN, BRIAN & COURTS, CAMILLIA	02028.014	4065 28 Street	1,049
			<u>32,990</u>
1054401 BC LTD	02211.000	3005 41 Avenue	1,018
			<u>1,018</u>
Total			<u>\$ 89,136</u>

Council Remuneration and Expenses

NAME	OFFICE	2018 REMUNERATION		EXPENSES*	TOTAL
				\$	\$
Anderson, Scott	Councillor	\$	24,979	4,109	29,088
Cumming, Victor	Mayor		10,558	3,136	13,694
Cunningham, Juliette	Councillor		22,966	3,569	26,535
Fehr, Kelly	Councillor		3,906	393	4,299
Gares, Kari	Councillor		3,906	2,936	6,843
Lord, Catherine	Councillor		20,713	625	21,338
Mund, Akbal	Mayor/Councillor		67,180	5,503	72,683
Nahal, Dalvir	Councillor		24,079	208	24,287
Quiring, Brian F *	Councillor		24,975	119	25,094
Spiers, Robert	Councillor		12,084	-	12,084
Total		\$	219,097	27,668	246,765

RELATED PARTY AMOUNTS:

**MQN Architects

155,732 Vernon Multi-Use facility expansion

1,050 Recreation Centre garbage enclosure

\$ 156,782



Photo Credit: Ryan and Danelle Fouché

Employee Remuneration and Expenses

EMPLOYEE NAME	DIVISION	GROSS EARNINGS	EXPENSES (NET OF TAX)	TOTAL
Abbott, Susan	Community Infrastructure & Development	\$ 87,811	\$ -	\$ 87,811
Adkins, Ian J	Operation Services	93,653	281	93,934
Bandy, Brett	Corporate Services	105,083	440	105,523
Banning, Neil D	Operation Services	80,373	-	80,373
Barker, Cindy	Financial Services	99,051	3,188	102,239
Beauregard, J C Michel	Operation Services	93,614	87	93,701
Bedard, Richard R	Community Infrastructure & Development	81,523	3,293	84,817
Blakely, Susan E	Corporate Services	93,505	661	94,166
Borisenko, Regan J	Corporate Services	78,142	2,676	80,819
Bouchard, Martin R	Operation Services	88,361	95	88,456
Box, Harold John	Community Infrastructure & Development	75,065	4,806	79,871
Bradley, Jodie D	Fire Rescue Services	116,526	1,617	118,143
Bridal, Patricia	Corporate Services	154,808	6,380	161,189
Bridge, Sheila K	Community Infrastructure & Development	80,832	418	81,251
Briggs, Geordie A T	Operation Services	76,661	857	77,518
Broadbent, Angela M	Community Infrastructure & Development	76,616	1,841	78,457
Broderick, Craig A	Community Infrastructure & Development	103,589	6,601	110,189
Cecchini, Darren	Fire Rescue Services	148,737	1,484	150,221
Chew, Angeline S	Community Infrastructure & Development	92,618	25,762	118,380
Chirkoff, Paul	Operation Services	85,540	-	85,540
Clarke, Colin A	Fire Rescue Services	151,362	2,376	153,738
Clary, Joanie	Human Resources Services	88,020	5,686	93,706
Cleverley, Curtis	Operation Services	85,524	1,356	86,879
Cooper, Lorne F	Operation Services	76,299	4,562	80,861
Cover, Dave	Operation Services	106,455	3,210	109,665
Crawford, Bradley J	Fire Rescue Services	127,290	1,385	128,674
Croy, Ellen S	Community Infrastructure & Development	89,486	3,988	93,474
Cucheran, Robert M	Fire Rescue Services	136,343	1,250	137,592
Deleff, Suzanne R	Fire Rescue Services	78,820	55	78,875
Dobbins, Craig	Operation Services	83,384	456	83,840
Donker, Barend	Corporate Services	88,214	1,415	89,629
Doorman, John W	Fire Rescue Services	109,325	554	109,878
Dowhaniuk, Mark	Community Infrastructure & Development	113,668	2,157	115,825
Enns, Lyle	Operation Services	84,857	162	85,019
Flick, Kimberly S	Community Infrastructure & Development	152,167	5,829	157,996
Foster, Anne Marie	Corporate Services	108,977	491	109,468
Fredin, Clayton C W	Human Resources	97,546	2,767	100,313
Fugel, Tom G	Operation Services	75,724	437	76,161
Fuhr, Daniel R	Operation Services	77,252	124	77,377

Employee Remuneration and Expenses | Continued

EMPLOYEE NAME	DIVISION		GROSS EARNINGS	EXPENSES (NET OF TAX)	TOTAL
Gaucher, Geoffrey W	Corporate Services	\$	88,409	\$ 515	\$ 88,924
Gaythorpe, Glen	Operation Services		84,248	1,751	86,000
Gilroy, Chad	Fire Rescue Services		119,054	1,639	120,693
Goolia, Nigel H	Operation Services		76,807	1,309	78,116
Hawthorne, Mark	Operation Services		87,007	2,094	89,101
Hemstad, Scott P	Fire Rescue Services		125,176	5,315	130,491
Holman, Kevin J	Operation Services		79,559	1,583	81,142
Ikesaka, Wayne	Corporate Services		121,047	3,006	124,052
Imrich, Douglas R	Fire Rescue Services		139,547	834	140,381
Irwin, Sean A	Operation Services		113,002	1,760	114,763
Jacobson, Kathryn Y	Corporate Services		85,794	-	85,794
Keast, Mathew G	Community Infrastructure & Development		77,984	5,001	82,986
Keenan, Trevor J	Fire Rescue Services		123,639	1,207	124,847
Klymchyk, Michael D	Community Infrastructure & Development		81,082	345	81,427
Knuhtsen, Shawn	Community Infrastructure & Development		102,679	1,924	104,603
Koenig, Shirley A	Operation Services		152,091	2,672	154,763
Kozin, Serge	Operation Services		94,713	419	95,132
Kruysifix, Derek	Fire Rescue Services		118,416	802	119,218
Kryszak, Kendra S	Community Infrastructure & Development		94,214	4,673	98,887
Kulak, Chris	Fire Rescue Services		132,023	5,159	137,182
Law, Debra L	Financial Services		126,235	4,061	130,295
Lefebvre, Gary P	Recreation Services		84,740	1,309	86,049
Lind, David W	Fire Rescue Services		141,484	10,673	152,157
Low, Richard B	Operation Services		77,924	843	78,767
Manjak, Raeleen M	Human Resources		151,942	7,447	159,390
Mann, Reinhard	Fire Rescue Services		100,423	647	101,070
Markel, Marvin A	Operation Services		114,050	3,982	118,031
Martens, Terence C	Financial Services		90,300	6,231	96,531
Mcgiverin, Ryan E	Fire Rescue Services		110,805	859	111,663
Mcluckie, Paula M	Human Resources		106,912	5,007	111,919
Mihalicz, D Wayne	Recreation Services		85,172	1,556	86,727
Mitchell, Stanley E	Recreation Services		88,753	106	88,859
Moore, Janet L	Corporate Services		97,143	412	97,555
Morrison, Nicholas P	Operation Services		77,577	1,361	78,939
Nadeau, Daniel D	Fire Rescue Services		121,321	1,681	123,002
Niu, Jing Wen	Community Infrastructure & Development		75,087	1,627	76,714
Nuriel, Roy	Community Infrastructure & Development		87,332	1,753	89,084
Olson, Greg W	Operation Services		89,077	-	89,077
Ovens, Chris C	Operation Services		88,920	3,386	92,307
Parker, Ryan	Operation Services		89,734	2,315	92,049
Parsons, Brian G	Fire Rescue Services		133,249	1,406	134,655
Patterson, Sarah M	Human Resources		78,798	3,146	81,944


Employee Remuneration and Expenses | Continued

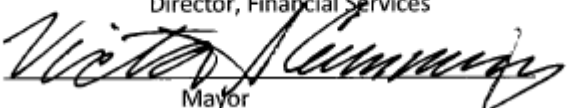
EMPLOYEE NAME	DIVISION	GROSS EARNINGS	EXPENSES (NET OF TAX)	TOTAL
Pearce, William C	City Administration	\$ 213,093	\$ 6,769	\$ 219,862
Pearson, Joel M	Fire Rescue Services	124,862	1,691	126,553
Poole, Kevin W	Community Infrastructure & Development	115,364	4,730	120,094
Powell, Ryan	Operation Services	77,893	2,273	80,166
Pshyk, Scott J	Fire Rescue Services	110,475	790	111,265
Reich, Allyson	Fire Rescue Services	118,391	2,017	120,407
Reichlin, Guido	Fire Rescue Services	130,460	1,800	132,260
Rice, James D	Operation Services	128,652	404	129,056
Robinson, Chris	Fire Rescue Services	133,445	474	133,918
Roesler, Darren	Operation Services	87,544	214	87,758
Ross, Doug	Recreation Services	148,010	2,338	150,348
Satchell, Kris D	Corporate Services	88,664	2,351	91,015
Sengotta, Ray G	Operation Services	79,560	-	79,560
Sheel, Christopher M	Financial Services	101,816	4,908	106,724
Sibilleau, Dale R	Fire Rescue Services	123,465	1,027	124,492
Sissons, Douglas J	Operation Services	82,826	-	82,826
Stoll, Michael	Fire Rescue Services	123,818	1,026	124,845
Stowards, Blaine R	Operation Services	79,976	165	80,141
Stranks, Ed J	Community Infrastructure & Development	117,094	116	117,211
Strobel, Richard D	Operation Services	102,729	427	103,156
Stuart, Aaron C	Financial Services	97,125	3,681	100,805
Taylor, Dennis	Operation Services	91,730	471	92,201
Thomas, Jamie	Operation Services	103,374	124	103,498
Thompson, Greg	Community Infrastructure & Development	82,026	3,812	85,838
Toopitsin, Henry	Operation Services	87,974	-	87,974
Tucker, Cole	Operation Services	84,936	245	85,181
Van Dyke, William	Operation Services	86,281	-	86,281
Wakefield, Dean	Fire Rescue Services	128,543	-	128,543
Walker, Dan	Fire Rescue Services	148,270	7,839	156,109
Watson, Amanda	Community Infrastructure & Development	107,493	3,214	110,707
Wright, Shayne J	Recreation Services	93,395	885	94,280
Wycott, Curtis C	Operation Services	82,475	1,766	84,241
Zubick, Rachael L	Corporate Services	76,913	-	76,913
		\$ 11,839,769	\$ 256,669	\$ 12,096,437
All Other Employees		\$ 12,299,239	\$ 162,657	\$ 12,461,896
Grand Total		\$ 24,139,008	\$ 419,325	\$ 24,558,333

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 2018 for which severance payments commenced in 2018.


Number of Severance Agreements: One
Range of equivalent's months pay: 4 months

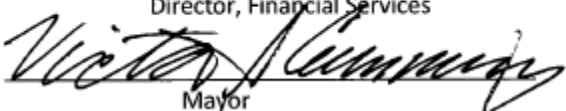
Approved by:  Dated: May 27, 2019
Director, Financial Services

Approved by Council:  Dated: May 27, 2019
Mayor

Statement of Guarantees

In accordance with the requirements of the *Financial Information Act* below is a summary of Guarantees in effect for the year 2018. 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 property is being developed by the City. The amount of the guarantee is \$716,000. As of December 31, 2018 no drawing on the letter of credit has occurred.

Approved by:  Dated: May 27, 2019
Director, Financial Services

Approved by Council:  Dated: May 27, 2019
Mayor

Grants to Organizations

PAYEE	2018	2017	GRANT TYPE
Abbyfield Houses of Vernon Society	\$ 15,000	\$ -	Council Discretionary Grant
Age Action Society of BC	-	2,000	Council Discretionary Grant
Barton Rebecca	-	165	Heritage Restoration Grant
Caetani Cultural Center Society	6,970	-	Council Discretionary Grant
Chippendale, Sean	479	500	Heritage Retention Incentive Grant
Downtown Vernon Association	-	6,547	Council Discretionary Grant - Mural Maintenance
Downtown Vernon Association	37,000	37,000	Downtown Landscaping Maintenance
Downtown Vernon Association	8,000	8,000	Civic Sounds Grant
Entner, Ryan and Shelby	-	500	Heritage Retention Incentive Grant
Family Resource Center Society for N Okanagan	-	3,500	Council Discretionary Grant
Strong, Gabrielle	15,000	-	Grants in Aid Art Mosaic River
Greater Vernon Museum-Archives Society	-	3,500	Council Discretionary Grant
Helping Out People Exploited (HOPE) Outreach	-	1,000	Council Discretionary Grant
Koole, Joanne B	3,000	-	Heritage Retention Incentive Program
McGinn, Shelagh A	210	5,100	Heritage Retention Incentive Program
N & T Properties Ltd	129,000	-	Rental Housing Grant
Nexus BC Community Resource Center	-	10,000	Council Discretionary Grant
Nobrega, Darren	-	500	Heritage Retention Incentive Program
North Okanagan Youth & Family Services	15,000	-	Council Discretionary Grant
North Okanagan Youth & Family Services	2,000	-	Grant in Aid
North Okanagan Canada Day Society	10,000	15,000	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
Okanagan Collaborative Conservation Program	-	5,000	OCCP Partner Core Funding
Okanagan Quality Life Society	2,100	-	Council Discretionary Grant
Okanagan Regional Library	22,285	21,848	Sunday Library Opening Grant
O'Keefe Ranch Heritage Society	94,903	176,447	Operating and Capital Grants
O'Keefe Ranch Heritage Society	23,573	-	Consulting Repayment
Predator Ridge Community Firesmart	-	5,837	Predator Fire Smart
Regional District of North Okanagan	5,829	-	Age Friendly Program Grant In Aid
Roze Des Ordons, Jenna	500	5,000	Heritage Retention Incentive Program
Schubert Center Society	-	15,244	Catherine Gardens Affordable Housing Grant
Schubert Center Society	-	4,300	Council Discretionary Grant
Shaw Murray Shaw PJ Ryley	500	-	Heritage Retention Incentive Program
Spec-Team Assessment Society	-	10,000	Council Discretionary Grant
Spiers, Bob	-	5,000	Heritage Retention Incentive Program
Theater BC	-	2,500	Council Discretionary Grant
Thomson Okanagan Tourism	2,500	-	OCCP Partner Core Fund Grant
United Way North Okanagan Columbia Shuswap	-	5,000	Council Discretionary Grant
Upper Room Mission	-	1,799	Panhandling Strategy
Vanzeaajj R & M	500	-	Heritage Retention Incentive Grant
Vernon & Area 2017 +55 Games Society	15,000	37,565	Grants in Aid 55+ Senior Games
Vernon & District Assn for Community Living	2,500	-	Council Discretionary Grant
Vernon Concert Band Society	500	-	Council Discretionary Grant
Vernon Elks Lodge # 45	-	2,500	Council Discretionary Grant
Vernon Live Well Clinic	-	500	Council Discretionary Grant
Vernon Native Housing Society	3,000	-	Council Discretionary Grant
Vernon North Okanagan Police Youth Academy	6,000	6,000	Jean Minguy Youth Academy Grant
Vernon Winter Carnival Society	10,000	10,000	Winter Carnival Grant
Vernon Women's Transition House Society	-	7,500	Council Discretionary Grant
Witvoet Steve	426	-	Heritage Retention Incentive Grant
Total Grants	\$438,704	\$417,352	

Payments to Vendors in Excess of \$25,000

VENDOR NAME	2018	2017*	PURPOSE
0872355 BC Ltd DbA Speddpro Signs	\$ 49,041	\$ 32,109	Purchase signs and decals
0942304 BC Ltd	-	87,703	Refund Cash Security ZON00244
1 & 2 Electric Ltd	159,953	75,555	Contractor for electrical various buildings
1018545 BC Ltd	-	46,839	Refund Cash Security ZON00242
1030716 BC Ltd DbA Hancon Constructors	85,641	-	Vernon Airport Terminal Renovation
5 Point Operations Inc	81,153	-	Snow clearing & deicing/sanding various Civic Buildings
610771 BC LTD dba Aquanot 03	-	68,705	Platinum Series Generator for emergency procurement
6-4 Building Maintenance Ltd	29,970	26,182	Contractor for janitorial services for downtown washroom facilities
A & D Asphalt Solutions Ltd	437,746	424,824	Contractor for paving
A & G Supply Ltd	176,681	73,640	Contractor for commercial cleaning products
Acklands Grainger	-	30,342	Purchase of Inventory and operational supplies
Advantage Asset Tracking Inc	102,818	64,043	GPS units for fleet and monitoring for the year
Aecom Canada Ltd	150,366	105,419	Consultant for High Water Strength study
AJH Developments	-	165,342	Refund Cash Security SUB00635, SUB00599
Aldebaran Enterprises	102,810	-	Refund Cash Security-SUB00571
Allied Universal Security Services of Canada Co	31,418	41,009	Security Patrol at various civic properties
Allpro Tree & Landscape Services Inc	74,235	68,230	Contractor for tree maintenance
Alpine Building Maintenance Inc	58,021	-	Contractor of janitorial services Civic buildings
Anderson Subdivision Holdings Ltd	-	120,933	Refund Cash Securities SUB00671, SUB00669, SUB0066, SUB00647
Andrew Sheret Ltd	159,895	113,518	Purchase supplies for building maintenance
Armstrong Machine Shop Ltd	32,048	-	12" Gravel Box & Hydraulic Cylinder
Associated Environmental Consultants Inc	333,884	103,150	Environmental services and projects
Associated Fire & Safety	78,637	63,566	Firefighter turnout gear
ATS Electric & Technical Service LTD	79,568	102,168	Contractor for electrical and lighting for recreation centres
Avalon Event Rentals Inc	-	26,436	Rental of emergency tents and signage
Avanti Investments Ltd	-	30,219	Refund Demolition Agreement , property tax payment for park right away
AZD100 Enterprises LTD Longhorn Pub & Liquor	25,351	-	Refund Cash Security BP006120
Bannister Chev-Olds Inc	70,099	-	Purchase 2 2019 Chevrolet Colorado Crew Cab
Barricade Environmental Inc	-	26,504	Services at the Airport
BC Assessment Authority - Taxation	474,899	469,056	Transfer BC assessment taxes collected
BC Hydro & Power Authority	2,650,381	2,367,297	Electric utility, pole relocates and contributions in aid
BC Ltd 580245 DbA Valleyview Contracting	60,811	58,511	Lawn mowing
BC Transit	2,412,689	2,585,998	Contractor for transit services
Biomaxx Wastewater Solutions Inc	63,666	87,702	Purchase supplies for sanitary sewer operation
Black Press Group Ltd	153,722	105,091	Local newspaper advertising
Brenntag Canada Inc	84,989	62,416	Purchase chlorine products
Busy Bee Pest Control	41,081	38,929	Contractor for weed control
Cabin Forestry Services Ltd	53,209	53,351	Design for Becker Park
Cale Systems Inc	48,319	33,981	Purchase solar powered parking meters and monthly fees
Canada Post Corporation	72,506	72,014	Postage
Canada Safety Equipment Ltd	85,733	50,046	Purchase safety equipment
Canadian National Railway Co	-	33,811	Rail crossing maintenance
Canadian Professional Management Services Inc	153,730	182,714	Management consulting fees
Capri Insurance	398,310	411,094	City facility and fleet insurance
Carlisle Developments Inc	464,613	-	Refund Cash Security SUB00594, MP003744
Caro Analytical Services	25,826	49,491	Contractor for analytical testing
Carter Dodge Chrysler Ltd	-	27,176	Purchase 2017 dodge Caravan
Catherine Gardens Life Lease Ltd Partnership	64,070	-	Refund Cash Security BP005074
CDW Canada Inc	65,804	95,524	City network and hardware upgrades
Centralsquare-Tempest Development Group	92,674	-	Maintenance Renewal & Cash Consult

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

VENDOR NAME	2018	2017*	PURPOSE
Centralsquare-Vadim Computer Management Group	\$ 62,851	\$ -	Maintenance Renewal
CGL Contracting Ltd	1,358,833	1,955,483	Contractor for 30th Street upgrade & 32 Ave Rehabilitation
Chances Bulk Unloading	45,654	34,409	Purchase road de-icing salt
Charter Telecom Inc	28,590	105,239	Cisco System Upgrade
CIMA Canada Inc	-	45,024	Design & Construction of 35 ST Rd Utility
City of Kelowna	680,771	630,412	Cost sharing regional bio-solids facility and wastewater contributions
CivicInfo BC	35,094	38,991	Memberships and Job Postings
Clearview Demolition Ltd	-	566,142	Demolition New Delhi, Open Door & VIP Warehouse
Coldstream Construction	101,221	-	Renovation new ESS Building
Commercial Aquatic Supplies	-	28,294	Recreation centre parts and supplies
Commercial Truck Equipment CO	-	41,668	MCV Spreader and supplies for fleet
Complete Climate Control Inc	39,859	48,414	Arena compressor servicing
Corix Utilities Inc	-	64,390	Water meter reads
Corix Water Products Limited Partnership	186,209	156,635	Purchase supplies and materials for water system
Corporate Express	68,544	43,803	Purchase office supplies
CP REIT BC Properties Ltd	-	126,498	Property tax supplementary adjustment refund and interest for 2015-2017
CSL Masonry	-	25,442	Lakers Clubhouse Stucco
CTV a division of Bell Media	37,078	122,178	Tourism campaign
D Webb Contracting Ltd	-	393,214	Contractor for Curling Rink Parking Lot
Dakota Reclamators Ltd	417,661	-	Demolition of the Civic Arena
Darin's Plumbing Ltd	25,753	-	Plumbing Services
Davidson Lawyers LLP / Davidson Pringle LLP	75,838	96,788	Legal fees and land purchase
Deloitte LLP	55,971	-	Supply Check Point Firewall Hardware, Software and Training
Destination Think Professional Services Inc	86,986	201,839	Tourism marketing
Devon Transport Ltd	34,548	-	Truck Rentals for Bylaws, Parks a& Public Works
Direct Energy Marketing	80,919	80,140	Natural gas utility
District of Coldstream	34,837	43,439	Monthly transit service
Downtown Vernon Association (DVA)	506,381	328,077	Transfer business improvement area taxes and other
Dreamland Holdings Ltd	80,246	-	Tax Sale Redemption 01748.000
Durning Directions & Services Ltd	194,494	173,705	Contractor for tourism office operation
Dynamic Asphalt Services Inc	180,479	-	Crack Sealing Spray Patching Services
E Lees & Associates Consulting Ltd	60,521	-	Development of Cemetery Master Plan
E/E Electrical Enterprise Ltd	-	41,426	Contractor for Electrical services
EB Horsman & Son Ltd	130,681	133,571	Purchase inventoried parts and supplies
Econolite Canada Inc	92,352	105,465	Purchase supplies for traffic control and street lights
EMA Consulting Ltd	-	38,258	Contractor for Curling Rink Parking Lot
EMCO Corporation	53,231	30,825	Purchase supplies for various water related products
EMPS Electric Motor & Pump Service Ltd	99,293	80,945	Contractor for pump supply and service
Esporta Wash Systems Inc	-	57,275	Purchase Washer/Extractor for Firehall
ESRI Canada Limited	43,940	177,111	Contractor for software maintenance
Evergreen Building Maintenance Inc	60,318	170,339	Contractor for tree maintenance
Executive Flight Centre Fuel Services Ltd	487,781	220,706	Purchase jet and aviation fuel for resale at airport
Falcon Equipment Ltd	-	59,688	Purchase snow plow and other equipment for fleet
Fireworks Consulting Inc	-	113,258	Emergency Incident Management Training
Fletcher Paine Associates Engineering Ltd	118,685	171,634	Engineering services - various projects
Flynn Canada Ltd	-	339,812	Contractor for roofing services RCMP building
Foothills Developments Ltd	-	109,890	Refund cash security
Forma Construction Ltd	-	57,702	Contractor for Arena Dashboards
Fortis BC	466,345	352,460	Natural gas utility
FP TELESET	30,000	-	Postage Payment for Postage Machine
Franz, Maria Anna	202,084	-	Tax Sale Redemption 02534.025
Frontline Traffic Control Services Inc	-	91,995	Traffic control at various projects
Gatewood Homes Ltd	72,751	-	Refund Cash Security ZON00277
Gilbert Parts Depot	86,781	66,848	Purchase supplies for City fleet
Gilmore, Terry	30,303	-	Repairs to Burn Building Fire Training Center

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

VENDOR NAME	2018	2017*	PURPOSE
Golder Associates Ltd	\$ 38,055	\$ -	Sediment Removal from BX Creek
Great West Equipment	40,754	-	Purchase Heavy Equipment Parts
Grizzly Curb & Concrete Ltd	142,853	71,200	Contractor for curb, gutter and sidewalk projects
Grounds Guys Landscape Management	600,911	421,389	Contractor for cemetery and parks maintenance
Guillevin International Co	593,002	75,268	Purchase inventoried parts and supplies
Habitat Systems Inc	28,438	63,985	Purchase playground equipment
Hach Sales & Service Canada Ltd	66,788	48,188	Purchase supplies for water reclamation plant
Handy Guys Home Renovation	37,145	37,070	Various repair and renovation projects
Highstreet Creekview Heights Apartments Ltd	225,324	-	Refund Cash Security ZON00291
Home Building Center-Vernon	35,572	-	Purchase Supplies
Home Depot	38,941	31,938	Purchase supplies
Home Depot Holdings INC	34,721	147,676	Property tax supplementary adjustment refund plus interest for 2015-2017
Houle Electric Limited	-	84,267	Contractor for Recreation Center
Howard Industries (2010) Ltd	38,756	36,985	Contractor for meals to RCMP detachment
Husky Oil Marketing Company	-	58,760	Purchase supplies for City fleet
Innov8 Digital Solutions Inc	41,800	-	Monthly Copy Usage for Civic Buildings
Insurance Corporation of British Columbia (ICBC)	79,606	82,446	City fleet insurance
Interior Instrument Engineering Services Ltd	49,728	-	Tern Lift Station Electrical Kiosk
Inter-Mtn Enterprises Inc	25,058	-	Supply Park Signs
IRL International Truck Center Ltd	78,457	54,319	Purchase supplies for traffic signals
Ironman Directional Drilling Ltd	176,913	288,154	Contractor for Okanagan Ave Drainage
Irvine, Sharon	-	79,300	Refund DCC and Works Contribution SUB00580
Jack, John	303,188	-	Land Lease Vernon Regional Airport
Jacobson Ford Sales	39,147	-	Purchase 2019 Ford F-250 XL
JSF Foster Corporation	-	27,759	Purchase Solar Crosswalk Kal Lake Rd, Curling Rink
Justice Institute of BC	28,408	-	Post-Secondary Educational Institution Safety
KES Resource Enterprise Ltd	26,222	-	Purchase Railroad Crossing Material
Kal Tire Ltd	60,918	47,461	Purchase tires for City fleet
Kalamalka Security & Investigations Inc	38,792	63,126	Security Patrol at various civic properties
Kelpin, Charles	381,394	203,552	Tax sale redemption
Kendrick Equipment Ltd	28,664	397,423	Purchase 2017 Vac/Flush truck
Kerr Wood Leidal Associates Ltd	25,856	91,792	Engineering services - various projects
Ki Communications	41,445	38,198	Professional media relations services
Knight's Vacuum Services Ltd	83,028	82,957	Bio solids disposal
Kon Kast Products (2005) Ltd	-	53,849	Purchase HWY Barriers various locations
KPMG LLP T4348	50,873	25,804	Financial statement audit
KTI Limited	133,226	47,734	Purchase Meters
LB Chapman Construction Ltd	1,685,464	-	Contractor Kalamalka Lake Rd Improvements
Lafrentz Road Marking-Div of Cdn Road Builders	270,075	-	Contractor for Line Painting Services
Laing Roofing Ltd	145,168	-	Contractor for Roofing Services
Lake City Law Corporation	82,999	-	Refund Cash Security DP000620, Return of Works Contribution Agreement
Landmark Solutions Ltd	30,523	274,703	Contractor Okanagan Ave Drainage
LB Chapman Construction Ltd	-	1,732,578	Contractor Kal Lake rd Improvements
Leko Pre Cast Ltd	49,670	26,645	Purchase inventoried parts and supplies
Lever Mechanical Ltd	38,629	-	Contractor for Boilers & Industrial Gas Service
Lidstone & Company	419,635	141,157	Legal fees
Line West Ltd	-	180,481	Line painting
Links Lawn & Yard Services	65,278	116,195	Contractor for landscaping and snow removal at various locations
London Drugs	76,436	76,040	Information services supplies
Manulife Financial	1,486,360	1,345,578	Employee benefits includes employee paid long term disability
Maxim Constructors Inc	-	127,370	Contractor for CPO upgrade
McColman & Sons Demolition Ltd	-	108,857	Contractor demolition of The Flower Shop
Mearl's Machine Works Ltd	-	25,207	Purchase equipment and service for VWRC
Medical Services Plan of BC	197,958	417,780	Employee benefits
Metro Motors Ltd	35,196	141,708	Vehicle purchases

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

VENDOR NAME	2018	2017*	PURPOSE
Michelin North America (Canada) Inc	\$ 26,370	\$ 28,022	Purchase tires for City fleet
Microserve	-	51,091	Purchase hardware and service Veeam Essentials
Minister of Finance	9,339,094	11,030,410	Transfer of school taxes collected
Mitchell Press	-	28,882	Purchase 2017 Visitor guides
Modern Energy Management Ltd	99,354	-	Contractor for Arenas Compressor Service
Monaghan Engineering & Consulting Ltd	570,342	521,699	Engineering services - various projects
Mountain Rock Stabilization Inc	-	114,306	Contractor Rock stabilization lakeshore Rd
Mountain Top Power Services Inc	25,704	-	Contractor for Lift & Pump Stations service and testing
MQN Architects	156,782	315,719	Consulting and architectural fees for recreation facilities
Municipal Insurance Assoc of BC	375,355	87,353	Liability insurance - premiums and deductibles
Municipal Pension Plan	4,103,993	4,092,189	Remittance employer and employee portions of pension contributions
Murphy & Mcallister Barristers & Solicitors	-	122,617	Legal fees
N & T Properties Ltd	150,737	321,584	Refund cash security & Rental Housing Grant
N O Columbia-Shuswap Regional Hospital	2,678,188	2,644,933	Transfer regional hospital taxes collected
Napp Enterprises Ltd	40,375	-	Contractor for demolition & Hazard Abatement Services for CPO Building
Nielsen Roofing & Sheet Metal Ltd	31,273	254,524	Contractor roofing for Firehall 1 & 2
Nor-Val Rentals Ltd	-	64,675	Machine and tool rental
Oakcreek Golf & Turf LP	153,542	-	Purchase Large Area Rotary Mower
Okanagan Aggregates Ltd	-	152,523	Purchase aggregate
Okanagan Regional Library	1,792,331	1,781,132	Transfer regional library taxes collected
Okanagan Traffic Control Professionals Inc	82,513	51,664	Contractor for traffic control services
O'Keefe Ranch & Historical Society	128,557	179,165	Grant in aid
Omega Communications Ltd	146,579	28,295	Contractor for communication supplies and 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
Parkwood Retirement Resort Ltd	227,320	-	DCC Refund BP005626
Perfectmind Inc	-	69,715	Purchase new management software
Petrovalue Products Canada Inc	250,868	273,341	Purchase aviation fuel
Petrusich, Joseph Richard	-	325,952	Tax sale redemption
Postill Nixon Earthworks	624,105	278,107	Contractor for heavy duty equipment services
Predator Ridge Golf Club Ltd	-	33,924	Supplemental Cycle payments
Predator Ridge Limited Partnership	57,193	43,560	Snow removal, street sweeping, and refund DCC overpayments
Project Management Center of Excellence Consulting	-	30,660	Project management training courses
Prospera Credit Union	-	61,085	RRSP contributions on behalf of employees
Pure Technologies Ltd	36,591	54,886	Purchase pipe for Mackay reservoir
Pyramid Excavation Corporation	2,754,592	-	Contractor Ok Landing Improvements
Quantum Graphics & Consulting Inc	30,731	-	Purchase Tourism Visitor Guide and Summer Guide
R E Postill & Sons Ltd	468,477	329,655	Purchase aggregate, winter sand, and snow removal
R L Walker Contracting Ltd	146,879	111,016	Contractor for snow hauling
R355 Enterprises Ltd	2,266,527	558,313	Contractor for various road improvement projects
RC Strategies Inc	103,546	-	Consulting Service Recreation Center Master Plan
Receiver General for Canada	14,319,223	15,057,070	Employee source deductions, municipal policing, and lease payments
Redpoint Media Group	-	45,528	Advertising and promotion
Regional District of North Okanagan	26,581,930	25,730,659	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	110,479	102,541	Purchase office equipment
Robert Steffen DBA Robin Hood Security	36,947	31,711	Provide security Polson Park
Safety 1ST Traffic Control Inc	47,456	-	Contractor for Traffic Control Services
Schell Motel (Vernon Ltd)	-	155,501	Refund culvert deposit less expenses
Schubert Center Society	-	26,227	Rental of facility for various meetings and training
Scout Properties(BC/Yukon)	28,875	-	Purchase of Scout Building 1901 47 Ave
Seal Tec Industries Ltd	231,294	207,487	Contractor for crack sealing airport
Seekers Media	40,898	-	Tourism Media Campaign Spring 2018 & Winter 2019

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

VENDOR NAME	2018	2017*	PURPOSE
Sel Surveys/Douglas R Jacobi	\$ 178,735	\$ 144,547	Surveying
Sherine Industries Ltd	28,616	-	Purchase various Signs
Sierra Landscaping Ltd	-	224,462	Contractor for landscaping projects and boulevards
Silver Pine Estates	53,984	109,321	Contractor Silver Star Rd storm sewer
Siteone Landscape Supply LLC	-	25,945	Contractor for landscape services
Social Planning Council for the North Okanagan	66,607	66,432	Contractor for crime prevention and responsible gaming initiative
Source Office Furniture & Systems Ltd	33,589	-	Purchase Office Furnishing
Special T Cleaning (2012) Ltd	-	101,369	Contractor for Sanitary and Sewer inspections various locations
Sproing Creative	-	29,539	Purchase web and tech support various locations
Stantec Consulting Ltd	128,191	-	Consulting Service 30 St Reconstruction Design
Stephanie Tambellini Design Studio Inc	48,909	43,817	Contractor for tourism promotion and advertising
Sun Life Financial	30,000	-	RRSP Contributions on behalf of Employee
Suncor Energy Products Partnership	502,110	407,507	Purchase fuel for City fleet
Sunset West Mechanical Ltd	66,658	75,311	Contractor for HVAC at various locations
Super Save Disposal Inc	-	25,397	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	34,326	42,406	Kal Tire & Recreation Center concession food supplies
TD Waterhouse	-	123,536	RRSP Contributions on behalf of Employee
Telus Communications Inc	309,977	127,323	Telephone utility
Telus Mobility Cellular Inc	91,160	97,238	Telephone utility
Telus Services Inc	78,482	83,225	Telephone utility
Terracom Systems Ltd	217,321	-	Contractor supply and install Avigilon Surveillance System
Tetra Tech Canada Inc (EBA Inc)	53,902	196,883	Engineering services for pre-treatment facility and airport runway
The Get Go Inc	-	31,023	Video vehicle detection systems
The Web Advisors	49,033	26,782	Tourism website maintenance and updates
Thompson Okanagan Tourism	-	55,543	Tourism advertising
Tribus Services	41,924	-	Water meter reads
True Consulting (Kelowna) Ltd	444,338	295,259	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	78,710	-	Contractor for Parks Washroom cleaning services
Unifirst Canada Ltd	26,940	-	Contractor for delivery and rental of coveralls and mats
Union of BC Municipalities (UBCM)	25,756	-	Annual dues and remittance of license decal fees
Urban Heights Holding Vernon Ltd	105,013	-	Refund Cash Security BP006268
Urban Systems Ltd	133,524	52,005	Consultant for asset management, and various analysis and studies
Vernon & Area 2017 BC Games Society	-	37,565	Financial Contribution for 2017 games
Vernon & District Association for Community Living	102,812	69,783	Contractor for landscaping at various areas
Vernon Civic Employees Union - Local 626	257,759	245,839	Remittance of employee union dues
Vernon Firefighters Association Local 1517	76,178	63,169	Remittance of firefighter union dues
Vernon Line Painting Ltd	29,602	54,742	Contractor for various line painting
Vernon Lock And Safe , Vernon	26,776	-	Contractor for locks and security various buildings
Vernon On Site Fencing Ltd	255,154	142,460	Contract for snow removal and fencing
Vernon Paving Ltd	500,503	1,109,223	Contractor for paving
Vernon Pickleball Association	243,810	-	Forwarding of third-party donations and loan for Pickleball Court
Vimar Equipment Ltd	40,427	306,957	Purchase of equipment parts and materials
VVI Construction Ltd	8,244,776	4,833,732	Contractor for Multi-Use Facility expansion construction
Waste Connections of Canada Inc	1,807,329	1,704,316	Contractor residential garbage collection and recycling
Waterhouse Environmental Services Corporation	62,944	96,566	Purchase supplies for water reclamation plant and Duteau Creek plant
Watkin Motors	-	77,905	Purchase parts and materials for fleet
Wayside Press Ltd	44,325	-	Purchase commercial printing
Wesclean Equipment & Cleaning Supplies	-	32,497	Purchase equipment and cleaning supplies
Western Road Distribution Inc	69,840	-	Purchase calcium chloride for Operations Yard
Western Water Associates Ltd	74,926	46,252	Vernon Creek baseline study
Westridge Quarries	-	26,418	Purchase stone for various areas
WFR Wholesale Fire & Rescue Ltd	62,120	-	Purchase Fire department equipment
Wholesale Grafix Distribution & Signage	25,863	39,362	Supply and install signs

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

VENDOR NAME	2018	2017*	PURPOSE
Williams Machinery Ltd	\$ 147,873	\$ -	Purchase various equipment
Wilson, Gordon	-	150,958	Tax sale redemption
Wise Wildlife Control Service	58,788	52,446	Contractor for wildlife control at airport
Wishbone Industries Ltd	-	40,121	Purchase of benches and picnic tables for various parks
Wisner & Rawlings Electric Ltd	-	34,162	Supply and install relays for pump McKay Reservoir
Wolseley Waterworks Group	41,018	130,299	Purchase supplies for water reclamation plant
Woodland Equipment Ltd	-	50,862	Emergency excavator rental
Worksafe BC	474,251	414,833	Remittance of employee WCB benefits
WSP Canada Inc	144,435	426,296	Engineering services and consulting - various projects
Young Anderson Barristers & Solicitors	58,179	38,612	Legal fees
Zeemac Vehicle Lease Ltd	78,435	-	Purchase vehicles
Total	108,702,416	101,877,791	
All Others Under \$25,000	5,522,223	4,789,283	
Grand Total Payments To Vendors	\$ 114,224,639	\$ 106,667,075	

* 2017 amounts are only those amounts appearing in the 2017 Vendor Payment Report. Vendors showing 2017 amounts as zero may have received payments from the City in 2017 but were below the threshold of \$25,000.

DEPARTMENT SUMMARIES



ADMINISTRATIVE SERVICES

Will Pearce
Chief Administrative Officer
Wpearce@vernon.ca



City Administration

Purpose

The Chief Administrative Officer (CAO) directs and coordinates the general management of business affairs of the corporation, in accordance with the bylaws, policies and plans approved by Council; to ensure the delivery of high quality services and facilities which preserve or enhance the social, economic and physical well being of the community. The CAO is responsible to ensure that innovative programs and services are developed and implemented to meet the ever changing needs of the community, while ensuring fiscal responsibility.

Highlights

Administration focused on completing deliverables in Council's 2015-2018 Strategic Plan. Achievements through 2015, 2016, 2017 and 2018 have been reported in open public meetings of Council approximately every six months. The final report card was released September 2018. Key deliverables in 2018 include: securing 6 additional RCMP regular member positions, complete construction of arena, achieved GFOA International Awards for 2017 Annual Report and 2018 Financial Plan, continue aggressive recapitalization program to protect integrity of municipal infrastructure (roads, storm and sewer systems, buildings, fleet), prioritized capital projects in downtown, position the City to attract investment and desirable development, fastest growing accommodation room revenue in the Thompson Okanagan for five years running, secured 3% MRDT and continue implementation of key elements in the Tourism Vernon – Business Strategic Plan, complete and initiate implementation of Vernon Fire Rescue Services Eight Year Strategic Plan, including contracting out dispatch services and hiring additional fire fighters, capacity building within the Administration through learning and development including Diversity and Inclusion, Project Management, Intentional Leadership.

Outlook

The immediate focus of the 2019 Budget remains operating costs restraint and reinvestment into public municipal infrastructure in accordance with the Council endorsed Strategic Infrastructure Investment Plan. The Corporation continues to focus on investment attraction, supporting growth of existing businesses, continual improvement of the business environment and facilitating Council endorsed development. Administration operates under Council's policy direction through Council's four year Strategic Plan. The Strategic Plan cites Council's priority deliverables. Administration will assist Council early in 2019 to develop and subsequently implement the 2019-2022 Four Year Strategic Plan.

Council

Purpose

City Council consists of six Councillors and one Mayor elected for a term of four years. The organizational purpose of an elected Councillor is to provide leadership through policy and bylaws for delivery of City services.

Highlights

Council focused on fiscal restraint while protecting the scope and levels of municipal services historically enjoyed by residents and visitors to the community. Council pushed towards completion of its 2015-2018 Strategic Plan. Final report on 2015-2018 Council Strategic Plan submitted to open public meeting September 2018. There were 170+ deliverables.

Outlook

The community will look to Council for overall budget policy direction and strategic deliverables for the 2019-2022 term.



Corporate Services - General

Purpose

Corporate Services provides the communication link between Council, City Divisions and the general public. Responsible for Legislative Services, Communications and Grants, Real Estate & Land, Information Services, , RCMP Municipal Staff, Detention Facility, and the Protective Services Department (Bylaw Compliance, Crime Prevention and Community Safety).

Highlights

As provided in the highlights of each department within Corporate Services. Continued support to Chief Administrative Officer in role as Deputy.

Outlook

Electronic Records Management (ERMS) implementation continues with anticipated completion 2019/2020. The focus on providing each Department within the Division guidance and support as we continue to review services and structure to gain efficiency in our delivery of service to staff and the citizens of our community. Continue to migrate through the realignment of organizational chart for continued delivery of for the Municipal Staff at Vernon/North Okanagan Detachment (VNOD) providing services to City of Vernon members. Municipal elections in October 2018 which will trigger the Council Orientation Workshops in November and a Strategic Planning Session, in early 2019, for Council to determine their strategic goals and priorities for Administration for the term 2018 - 2022.

Communications/ Grants

Purpose

This area coordinates all aspects of media and public relations and engagement, crisis communications, internal communications, online communications tools, grant coordination and program research. The Manager, Communications & Grants works with Administration and elected officials to enhance and maintain the Corporate image. Responsible for grant monitoring in consultation with staff. Responsible for maintaining positive relationships with Provincial and Federal local elected officials and ministry grant program staff.

Highlights

In 2018, Communications focused on enhancing emergency communication preparedness on several fronts. Staff have successfully completed the BC Emergency Management EOC Essentials and Information Officer courses. Online emergency notifications were enhanced through a campaign to increase the number of email subscribers to our Emergency Alert function (from under 300 to over 860 subscribers); building our audience on Facebook and Twitter (25% increase); and introducing the VernonConnect app, which allows the City to “push” emergency alerts to subscribers. The new app provides citizens with a regional calendar of events, meetings, news releases and an option to report a concern to the City. VFRS team rolled out new values, vision and mission, which had been developed with assistance from Communications staff.

Training of City staff in the use of the EngageVernon website continues, with six learners attending training events so far in 2018. EngageVernon was developed in early 2017 and is used by City staff to engage residents on numerous City initiatives. These efforts will enhance Council's ability to gauge public interest when deciding important matters. For example, the third Citizen Budget exercise was completed in May 2018 and helped provide Council with information regarding the 2019 budget.

A staff profile initiative is underway to increase internal engagement on Jostle, along with upcoming initiatives to enhance the user experience, and to drive more users to Jostle. Ongoing Jostle ambassador meetings support the breakdown of organizational silos and smooth the flow of information.

Use of the centralized grants database that tracks, advises and reports available grants and grants-in-process, continues.

The section was without staff for approximately six months.

Outlook

The City will continue to develop capacity in public participation (P2) skills and strategies to effectively engage members of the public using various in-person and web tools, such as EngageVernon website and other P2 techniques, to provide a deep and broad spectrum of opinions from Vernon residents. These efforts will enhance Council's ability to gauge public interest when deciding important matters.

Continued application of organizational communication strategy to guide staff and council on effective engagement and communication strategies. These protocols are part of Council's Strategic Plan (2015-2018) to develop consistent communications and public consultation processes and procedures that increase public engagement.

Development of a City of Vernon brand book will help support and maintain the City's established branding guidelines, ensuring continuity, consistency and standardized application of all elements of the City's brand, including logos, fonts, colour palette, corporate clothing, internal documents, signage, taglines and all graphic representations.

The section will continue to actively pursue grants through the Management Team with a focus on large-scale projects and funding programs.

The Communications section's scope expanded with the additional responsibility of the City's websites and app being transferred to Communications from IS, along with one FTE and accompanying budget.

Information Services

Purpose

Information Services (IS) provides strategic planning, management, technical and administrative support for the City of Vernon's network infrastructure and websites. The City's IS Department supports 49 Servers, 29 Enterprise software products, 410 work stations, 250 mobile devices, Cisco IP based telephony solution with 292 sets, 2 PBX systems, 49 switches, and manages 44 contracts with a value of over \$400,000 annually.

Highlights

Information Services primary focus of 2018 was the completion of the last mile wireless connection, that will successfully replace the City's dependence on TELUS WAN points, lowering our overall fibre costs by approximately \$45,000 annually.

Outlook

Information Services will continue to explore cost saving initiatives with infrastructure changes, partnerships and licensing reviews, while ensuring the digital infrastructure continues to be redundant and secure.

In August of 2018 the City transferred the responsibility of Web management along with the Web developer from Information Services to the Communications Department. In 2019 the City will complete the transfer of Web related responsibilities with the transfer of all costs associated with the website from Information Services to the Communication Department.

Land Services – Property Rentals

Purpose

A reserve has been set up to receive net income from park lands where there currently is a residential or commercial tenant. The reserves will help fund demolition of the houses, or buildings, at a future date, as directed by Council.

Highlights

Land Services facilitated the demolition of the house at 2606 Lakeshore Rd. in conjunction with Parks and Buildings Services, in preparation for Phase 1 of Lakeshore Park.

Outlook

Land Services will manage the following parks properties that currently have residential tenants, with the assistance of a property management contractor: 2807 39 St, 2901 39 St and 2903 39 St and Land Services will manage the commercial building at 3005 31 St.

Land Services

Purpose

Land Services provides management of City owned lands, including: commercial leases, residential property rentals, leases of spray irrigation lands, crown leases, airport land leases and tie-downs, and responsibility for negotiating the acquisition and sale of property on behalf of the City. Land Services assists Planning and Engineering in securing Statutory Right of Ways and Road Dedications. Land Services assists numerous City Departments with encroachments on City lands and roads. In addition, Land Services provides recommendations for Council and other City Departments, regarding legal considerations involving real estate.

Highlights

In 2018, Land Services facilitated the proposed sale of the McMechan Reservoir Lands as directed by Council in late 2017. Land Services provided revenue to the City through management of City owned lands and buildings including: commercial lands and buildings, the airport – commercial, infield, and tie-down lands, undeveloped park lands, and spray irrigation lands. Land Services facilitated the demolition of the building 2900 32nd Ave. (Old CSB Bldg.) and public parking to be installed and the demolition of 2606 Lakeshore Rd. for the first phase of Lakeshore Park. Land Services facilitated the transfer of sub-regional parks from RDNO to the City including: the DND sports fields and Paddlewheel Park including the City tenure on those lands and licensed user groups. In conjunction with the Director of Recreation Services and the Facilities Manager the Pursuit of Excellence Hockey Academy and the Training House committed to use agreements at Kal Tire Place North including non prime time summer ice. Cash-in-lieu payments for parkland were facilitated. Land Services provided assistance to Engineering, Planning, Operations, Facilities, Economic Development, and Administration - providing valuations, acquiring land for roads and sidewalks, and negotiating Statutory Right of Ways to protect infrastructure. Encroachments on City Lake Access Sites have been removed in conjunction with capital improvements. The purchase of the Scout Hut for Operations was facilitated.

Outlook

Land Services will continue to provide revenue to the City through the management of City owned lands, including: commercial land and building leases, parks and facilities properties that currently have residential or commercial tenants, airport land and hangar leases and tie-down rentals, leases of spray irrigation lands, new parking lot installations and license fees for use of City lands. Land Services will continue responsibility for negotiating the acquisition and sale of property on behalf of the City. Land Services will continue to evaluate encroachments on City lands - including lake access sites scheduled for capital improvements and facilitate removal and remediation. In addition, recommendations will be provided and negotiations facilitated at the request of Council, and on an on-going basis for: Operations, Engineering, Planning, Facilities, Parks, Economic Development, and Administration. Targeted projects for Land Services in 2019 include: recommendations to Council regarding the development potential and interim use of the City owned Vernon Block and the Hesperia Lands. Revenues and expenses generated relating to Surface Parking Lots have been reallocated to Operations. Future direct costs for Land Services relating to capital projects will be reflected in the capital budgets.

Legislative Services

Purpose

The Legislative Services Department is responsible for the statutory duties of the Corporate Officer (Director of Corporate Services) including the preparation and preservation of all minute books and records of Council business, custody of City bylaws, administrative support to Council and its Committees, preparation of Council and Committee agendas, management of the City's Records Management Systems, including the Electronic Records Management System, Management of Freedom of Information (FOI) requests, and conducting local government elections or referendums. The primary function of the Legislative Services Department is supporting the legislative matters and decisions of Council, retention of agreements, Land Title documents, records management, FOI management, and items requiring secure storage in the vault.

The Legislative Services Department is the communications link between Council, other City Departments and the general public, providing assistance and advice to citizens with respect to Council/Committee processes, reporting procedures and decisions.

Legislative Services consists of the Deputy Corporate Officer, Legislative Committee Clerk, Records Coordinator, Receptionist and Secretary/Receptionist.

Highlights

Discovery process, template build, and launch of Electronic Records Management System (ERMS) completed in Finance and Community Infrastructure and Development Divisions. Discoveries and template builds for Corporate Services, Recreation Services, Fire Services and Operations was also completed. Staff began the Discovery process for Human Resources Division. The 2018 Local Government Election preparation and process was completed. Continual review of processes to move to electronic communications in order to reduce postage costs and save staff time is ongoing. Much time and effort has been directed toward working closely with all Divisions to organize existing electronic records into approved records management filing system and to apply approved retention schedules. Continual effort directed at training and educating all staff in the importance of records keeping and freedom of information / protection of privacy issues. With the launch of laserfiche almost complete Leg Services is now considering a migration plan for the scanning and storing of historic paper records into Laserfiche. This migration will take several years to complete.

Outlook

A major focus for Legislative Services in 2019 will be assisting the newly elected Council through their first year in office. Continued support of Director of Corporate Services in the legislative requirements as outlined in the Community Charter and implementing updated efficient processes as they arise. The implementation of the Electronic Records Management System (ERMS) with all Divisions should be completed in 2019, per our launch schedule. Management of increasingly complex FOI Requests, an increasing number of Privacy Impact Assessments, and maintaining the Personal Information Bank as required by Provincial legislation are also priorities.

Protective Services

Bylaw and Parking

Purpose

This Department oversees the administration and compliance for approximately 40 Regulatory Bylaws, Council directives and policies within the City of Vernon. Education encouraging voluntary compliance is a Department priority. Bylaw staff provide services to other City Divisions in the area of business licensing, sign bylaw, zoning bylaw, etc. Staff patrol and maintain approximately 930 parking meters located along 19 kilometers of sidewalk, 6 City owned parking lots, the Parkade and signed restricted parking areas. In addition staff provide security and compliance services to the downtown core, City Parks, facilities and the City's lake access sites. The Division also provides a community safety initiative through education and compliance related to the Parks and Public Places bylaw, the Motor Vehicle Act which include restricted parking, abandoned vehicles, and enforcement of the City's Safe Premises bylaw.

Highlights

High levels of cooperation with community partners such as the RCMP, Gateway Shelter, Turning Points Collaborative Society, Partners for a Safe Community, Ministry of Forests Land and Natural Resource Management continue and relationships strengthened. Joint patrols daily with DEU and "E" Watch continues to increase the presence of the Bylaw Division and police in the community, particularly in the west side of the BIA. Staff continue to work with social agencies to ensure that transient clientele are awarded every opportunity to avail themselves of local services. Increased transient populations, lack of shelter and affordable housing spaces and increased use of intravenous drugs continue to provide challenges to staff in dealing with the higher volumes of public complaints and City staff concerns. The relocation of Bylaw Division to the Parkade will increase the profile and visibility of of Bylaw Compliance Division in the downtown core and in the high call volume hot spot areas around the Upper Room Mission, old Legion property and Linear Park.

Outlook

Revenues from on street parking remain stable. Ticketing revenues continue to reflect Council's customer service initiatives for free parking, extended grace periods and warning tickets. Officer presence and response in relation to Parks and Public Places bylaw enforcement (alcohol, hazardous activities, and improper behavior) both in Parks, City Facilities and the City Centre continues to be important to the residential customer and business community. Substantially increased file volumes and additional need for safety and security services related to homelessness, transient populations, temporary overnight shelters and substance abuse have necessitated a request to continue 2017's provisional funding for seasonal additions to staffing. Seasonal Enforcement staff providing additional coverage starting at 7:30 am throughout the downtown core, mission area and Polson Park is proving to be effective to reduce the impact of homelessness on business owners and users of the parks. Shift start and end times vary as the seasons change in order to deal with temporary overnight shelters. Seasonal enforcement officers were provided with a vehicle for use in 2018 and again in 2019 as displacement of the street entrenched to locations throughout the community made it impossible to patrol on foot.

Community Safety & Crime Prevention

Purpose

Community Safety and Crime Prevention is responsible for programs and people that help create and promote, through education and active community participation, a safer environment for the residents of Vernon.

Responsibilities include:

Coordinate Crime Free MultiHousing Program

Coordinate over 65 Block Watch Neighbourhoods, whose residents act as "eyes and ears" for each other and the RCMP

Crime Prevention through Environmental Design "CPTED" reviews of existing complexes and submitted development permits

Work with Emergency Management Services to maintain a state of readiness and current training for any emergency

Hire, train and coordinate 60 RCMP Volunteers conducting:

- City Mobile Patrols
- Speed Watch Operations
- Theft from Vehicle Crime Prevention
- Special Event Foot Patrols
- Urban Searches/evacuation w/ Vernon Search and Rescue
- Emergency Quick Deployment Response Teams
- Vessel Safety equipment checks
- Invasive mussel inspections of both boat hulls and trailers
- Distracted Driving Operations
- Manage, on contract, the Citizens Patrol Program for the Village of Lumby

Highlights

2018 has been the year of Block Watch. There has been an increase in the demand for this Program which shows a healthy proactive community interested in doing something about thefts from vehicles and target hardening their homes from B & E's. The value in this Program is everlasting as they are trained on what to look for and how to deal with criminal activity. Our RCMP Volunteer Program was hit with quite a few retirements this year, not unexpected, but causing a four month reduction in services until the last intake of Candidates obtains their enhanced security clearance. We will be holding one more Core Training class in early fall to bring our Group up to full strength. This group has been engaged in additional training with Vernon Search and Rescue to assist in Urban Searches and in the case of emergencies, evacuation assistance on behalf of the RCMP.

In addition to the Marine Vessel Safety Check program, Volunteers are investigating each vessel and trailer for possible invasive mussels and provide public education around this environmental concern to keep our lakes protected and safe.

The Block Watch Program increased by 8 Groups this past year. I also became the President of the Block Watch Society of British Columbia and have moved the Block Watch Administration and office to the City of Vernon.

The Crime Free Multi-Housing program continues to be a valuable source of interaction with participating apartment complexes.

Both this Group and the Block Watch Groups are now calling in incidences of crime in their neighborhoods allowing the RCMP to better respond. They truly work as the "eyes and ears" for the RCMP in the City of Vernon.

Outlook

2019 will see a marked increase in Vernon Block Watch neighbourhoods. There is an increasing need for neighbourhoods to feel they have some control over their environment and believe the Block Watch Program helps to bring their neighbours together in being part of the solution to observing and reporting suspected suspicious behavior to the RCMP.

We are continuing to expand and strengthen the Vernon RCMP Volunteer Program by introducing new structure to the training which is resulting in better prepared new Volunteers patrolling our streets. This ensures the value and productivity they bring to the City and the RCMP. With the additional and innovative ways we engage our Volunteers we have established a high level of Professionalism setting the goal for Communities across BC. As one of our key partners, ICBC, remains steadfast in promoting and assisting the Vernon RCMP Volunteers with training and updated equipment.

2019 will also see an increase in calls for service as the crime prevention role of the Coordinator becomes higher profile due to community needs.

Goals for the upcoming year are to shift the time spent managing volunteers and continuous reporting occupying 66% of my time to 33% which will allow more time to spend in the Community educating and activating people and groups to be proactive in Crime Prevention.

Safe Communities – Community Policing Office

Purpose

The Community Safety Office (CSO) is a storefront operation that provides information for multiple crime prevention programs, projects and community initiatives. Staffed by volunteers, the purpose of the CSO is to allow community members a place to access information on core Protective Services programs such as the Citizens on Patrol, Speed Watch, Block Watch, Bylaws as well as access information on drug & drug house awareness and reporting, how to safely handle and dispose of improperly discarded sharps, bully awareness, cyber bullying prevention, personal, home and business safety and frauds, cons and scams. Citizens can also be directed to community agencies that meet their immediate needs. The CSO assists the RCMP with delivering community policing programs and the distribution of completed Police Information Checks.

Highlights

The CSO continues to be a hub of safety education information. Cyber bullying; drug awareness; frauds, cons and scams; personal safety for all ages, and bike skill/ and scooter safety presentations continue to be in high demand. Participation in community and City initiatives such as Partners in Action, the COOL Team and Sharps Action Team have become vital as we continue to experience difficult socioeconomic challenges in our community. The visibility and effectiveness of added street and parks uniformed presence of the Safety Ambassador Program, at a time when some in our community have felt that there has been an increase in social disorder, has successfully provided a heightened feeling of safety. Neighborhood Councils such as the Centreville are collaboratively addressing difficult issues in the area; the Homelessness Strategy and Harm Reduction Evaluation Action Teams and the Public Spaces Action team are ongoing as needed. The location move has increased the visibility and vitality of the CSO.

Outlook

The CSO will continue to offer programming to meet the challenges of our diverse community. Topics such as the safe handling and disposal of sharps and other drug paraphernalia, cyber citizenry, bullying and internet safety; personal & home safety; fraud, cons and scam awareness education; situational awareness and crime prevention for businesses and other community members; pedestrian, bike and scooter safety for all ages are always available. The office will continue to assist the RCMP delivering community safety programs and the distribution of completed Police Information Checks. With the recent recommendations of the Activate Safety Task force the CSO anticipates restoring the Anti-Tag Team to address unwanted graffiti and tagging in the community. The CPO is budgeting \$80.00 per volunteer for volunteer appreciation.

RCMP Services

RCMP Detention Centre

Purpose

The RCMP Detention Center Department ensures the safety and security of all incarcerated individuals brought into the Vernon RCMP Detachment Detention Facility. This includes persons arrested and detained by the Vernon RCMP, the court system, and municipal, provincial and federal inmates. The

Detention Facility staff are responsible for the routine facility maintenance, assisting with booking, fingerprinting and photographing of charged individuals and for the processing of subjects required for court and escort.

- Projected number of prisoners for 2019: 2000-2250
- Daily average of prisoners: 5/6
- Criminal fingerprints processed: 950-1050 per year.
- Civilian fingerprints processed: 1500 -1900 per year.

Highlights

Prisoner meal contract expired and negotiations resulted in reduced menus and 20% increased cost, process modified to frozen food effective November 1st, 2018. Vernon prisoner numbers have increased 17% from 2017, including the Provincial intermittent prisoners. (The total intermittent visits have increased 125%). The Keep of Prisoner Revenue for 2018 Quarter 2 reflects a 25% increase. On June 21st, 2018 the Labour Relations Board notified the City of Vernon of the Vernon Detention jail guard certification, the guard salaries are currently reflected in accordance with the existing exempt contracts and are subject to job evaluation.

Outlook

Prisoner laundry contract expires December 31st, 2018 and is going to market as a request for quotes in October. Guard salary to be determined by job evaluation. Detention cost recovery proposal for inclusion with the District of Coldstream's Lease Agreement renewal includes \$8,750 (1.9%) based on 2017 data.

RCMP Support Services

Purpose

The RCMP Support Services Department provides clerical and administrative support to the employees of the Vernon/Coldstream component of the North Okanagan RCMP Detachment. The support services include client services, court liaison, exhibits, administrative support and records management throughout the life cycle of all police records. The support services are provided in a respectful workplace, working as a team focused on client services in support of police and public safety for our community.

Highlights

The Vernon/North Okanagan RCMP Detachment is undergoing decentralization of the support services while maintaining an integrated policing model. The RCMP Auxiliary Program remains on hiatus pending the RCMP's review of the program.

Outlook

The restructuring and reorganization of the Municipal Support Services Employees at the RCMP Detachment continues with updated Standard Operating Procedures and a continued focus of superior, effective and efficient support service delivery to the Vernon and Coldstream RCMP regular members and the citizens of these communities.

COMMUNITY INFRASTRUCTURE & DEVELOPMENT

Kim Flick
Director
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Community Infrastructure and Development – General

Purpose

Community Infrastructure and Development - General is the umbrella for those departments primarily engaged in the development process, infrastructure, transportation and implementation of the City's growth strategy as outlined in the Official Community Plan. These departments include Building and Licensing, Current Planning, Economic Development and Tourism (including the Municipal and Regional District Tax funds), Development Services, Infrastructure Management, Long Range Planning and Sustainability, and Transportation. Costs that are common to the Division (software, fleet, mailing, legal and some memberships) are covered in Community Infrastructure and Development - General (210).

Highlights

Community Infrastructure and Development - General staff provide all reporting, reception and support services, overall project coordination and ensure the successful integration of all departments within the division. The specific project highlights for 2018 are contained within each Department's description.

Overall, 2018 was one of the busiest years of development in the City's history. Investment in infrastructure included major projects in the City Centre and the expansion of sanitary sewer service to unserved areas in Okanagan Landing. Significant investment in improving public access to Okanagan Lake included the construction of Lakeshore Park (first phase), design and tendering of Hurlburt Park and the development of lake access points. 7,000 additional hours of service were added to the transit system.

Outlook

Growth and development in the City Centre Neighbourhood Plan area, adopted neighbourhood plans and neighbourhood centres are the priority for the City, as embodied in Council's Strategic Plan 2015 - 2018 and the Official Community Plan. This growth strategy supports the City's approach to Asset Management, as contained in the Sustainable Infrastructure Investment Program and Integrated Transportation Framework. The 4 Year Capital Plan, as endorsed by Council, soundly balances maintenance, renewal and development priorities.

Economic Development continues to be a key priority for the entire division. Economic Development and Tourism is being bolstered with new staff resources in order to keep pace with strong MRDT growth (also referred to as the Hotel Tax). Efforts will continue to improve the development approval process and reduce costs. Development was very strong in 2018, with 411 units and \$116.2m in building permit revenue as of September 30, 2018.

Long range planning efforts in 2019 are expected to focus on climate action task force, Polson Park and the Civic Arena block.

Building and Licensing

Purpose

Building and Licensing is a department of the Community Infrastructure and Development Services Division and is responsible for the administration and enforcement of the B.C. Building Regulations and other applicable development regulations. The Department is primarily responsible for the review and issuance of building permits, field reviews and inspections of construction projects, and general assistance

to the citizens of Vernon. The regulatory framework is contained in Building and Plumbing Bylaw #4900. This Department is also responsible for Business Licensing.

Highlights

Construction activity was strong in 2018, exceeding forecasted projections of 2017. Building permit revenues have been boosted with the substantial increase in the number of purpose built rental apartments such as the Ironclad Development projects located at 31A Street (43 units) and Centennial Dr (60 units) totaling \$21.2 million. Other large projects include the addition to the School Board Office at \$7.5 million and the Vernon Jubilee Hospital renovation to the MRI suite at \$2.5 million. Construction of single family dwellings has remained steady.

Outlook

Administration anticipates that the current development trend may begin to wane in 2019. Business Licenses revenue has been adjusted closer to the past five year actual results. A CID Records Coordinator/Screening Officer has been added to support CID staff and administer the Municipal Ticketing appeals. The MTI Screening Officer duties are occupying increasing amounts of the Counter Clerk's time, detracting from development support. In addition, increasing FOI, routine release and filing have gradually eroded staff time. Additional resources are required to permit technical staff to focus on their primary duties.

Current Planning

Purpose

Current Planning is responsible for the implementation of municipal bylaws and policies related to development, planning and sustainable growth of the community. The primary responsibilities of the Department include residential land use planning and related policy development, subdivision, rezoning and development permit applications, variance applications, affordable housing, heritage planning and community outreach. The Department works with all City divisions and regional partners in the delivery of these services.

Highlights

The Current Planning Department has seen significant development activity in 2018 with overall year to date figures showing a substantial increase over 2017. Single family detached starts remain steady but not as strong as 2017. Multi-family development, especially purpose built rental, has been significantly stronger than 2017, with increasing redevelopment in the City Centre and surrounding area. Several multi-family projects were started in 2018 and others are expected to start in 2019. Similarly, commercial investment in the community is expected to be strong in 2019 with several projects progressing through the approval process - mostly in Vernon's north end. Overall volume of development related applications (i.e. rezoning, Development Variances, Development Permits, subdivision) continues to trend higher year over year with 2018 looking to exceed 2017.

In conjunction with the Social Planning Council, BC Housing and a number of community partners, several affordable and attainable housing units are underway, including:

- 46 beds - Our Place Shelter, Turning Point Collaborative
- 52 units - My Place Apartment, Turning Point Collaborative
- 38 units – Vernon Native Housing Society
- 41 units – Vancouver Resource Society

In addition, at least three local non-profit housing organizations will be applying for the upcoming BC Housing Request for Proposals in the Fall of 2018. Social Planning Council has also been assisting with the two City owned properties targeting moderate income earners, the Pleasant Valley Road project as well as the Highlands of East Hill development.

Outlook

Efforts continue to streamline the development approval process and to reduce costs and time for approvals to the developer, particularly for infill and development in the City's target redevelopment areas, as well as development in the adopted neighbourhood plan areas in the Hillside Residential and Agricultural District. Current Planning works closely with Economic Development to ensure application processing occurs as efficiently as possible. Reallocation of 1.0 FTE from within the division will result in a Subdivision Control Officer position within Current Planning. The role of the Subdivision Control Technician is to focus on subdivisions from application through to registration. This will allow applicants to have one point of contact while allowing other staff to focus on other planning duties. A Planner has been retained on contract for 2- 3 days as needed per week to assist with workload.

Economic Development

Purpose

Economic Development is responsible for managing, coordinating and promoting economic development activities within the City of Vernon. The Economic Development Department also oversees the Tourism function for the City of Vernon.

Strategic direction is provided by the Council Strategic Plan with the assistance of the Economic Development

Highlights

One of the key priorities within the Council Strategic Plan 2015-18 is to be a leader in economic development. As such, the staff priority for Economic Development was to concentrate on processing current development applications and implement the many Economic Development deliverables identified within Council's Strategic Plan. Many of the Council projects are either underway, ongoing or have been completed. These include completion of the Employment Lands Action Plan, profiles of technology companies, the vacancy inventory for the downtown, inventory of underutilized industrial and commercial lands, identification of key redevelopment sites throughout the community and leading the Community Economic Development Initiative (CEDI) in partnership with the Okanagan Indian Band.

Additional projects for 2018 included a survey of "hidden professionals", further support for the Moving to Vernon webpage and the continued implementation of the Business Walks Program taking place in October 2018. In 2017, the Economic Development Department led 26 volunteers to undertake the Business Walks Program that interviewed 132 businesses in Vernon. The program provides an excellent opportunity to gain insight from local businesses on challenges and opportunities pertaining specifically to their business.

Outlook

After robust growth in BC of 3.9% in 2017, the latest economic reports (August 2018) forecast BC's growth will moderate through 2018 and finish between 2.4% and 2.9%. BC's economy, which has been one of the strongest in Canada over the past four years, is expected to continue to ease throughout 2019. As much of the anticipated slowdown is connected to a slowing housing market, Vernon is likely to see an easing in residential building permit activity.

Vernon has experienced significant growth over the past few years. This growth has translated into sustained building permit activity in Vernon, with YTD (August 2018) building permits surpassing \$100 million. Although it is difficult to predict if this trend will continue through 2019, the Economic Development Department has a goal of ensuring Vernon capitalizes on continued interest from developers, investors and new residents. The Department has a variety of strategies to target investors, from attending sector specific tradeshows such as the International Council of Shopping Centres tradeshow to the BC Technology Summit. The Department continues to work with local partners on programs such as the Welcome to Vernon project, while exploring others like an Ambassador Program. This three pronged approach would welcome new business to the community, leverage key business professionals travelling abroad and assist with investors in the exploratory stage of the community.

Staff will continue to implement the Economic Development deliverables within Council's Strategic Plan, while continuing core services such as facilitating commercial, industrial and institutional development applications, coordinating the Business Retention and Expansion Program, providing statistical information to investors and leveraging partnerships to attract new businesses and skilled labour to the community.

Tourism

Purpose

The Tourism Department (Tourism Vernon) is responsible for the external promotion of the community, driving traffic to tourism stakeholders and creating awareness for Vernon as a four season destination. The function oversees the operation of the year round Visitor Information Centre (VIC) that was centralized in the City Centre in 2014. Tourism Vernon is part of the Economic Development Department and falls within the Community Infrastructure and Development Division.

The majority of the revenue for the Tourism function is derived from accommodation providers in the city through the 3% Municipal Regional District Tax (MRDT), otherwise known as the Hotel Tax. As such, one of the primary goals for the function is to increase overnight stays in the community by promoting activities, attractions, events and the natural surroundings of the Vernon area.

The newly formed Tourism Commission plays an active role in ensuring the success of the function with the ability to approve campaigns/initiatives that are within the Council approved annual marketing plan and budget. The Tourism Commission also provides insight into emerging market trends and long term strategic direction as set out in the 2018-22 Tourism Vernon Business Strategic Plan.

Highlights

One of the key highlights for 2018 was Tourism Vernon's participation in several Destination BC open pool and sector funding programs. Tourism Vernon was able to participate in seven projects with 17 partners in three sectors (mountain biking, golf and BC Ale Trail) and four open pool programs (#OkanaganExploring, Trails promotion with the Shuswap and Kamloops, Visual Content and Influencer Campaign and a Circle Mural Cities Tour). Tourism Vernon has contributed \$75,000 while leveraging \$271,000 worth of marketing efforts.

Staff continue to implement the five year Tourism Vernon Business Strategic Plan, which involved participation from our Tourism partners for product and destination development and identified Vernon's unique selling points. Tourism Vernon hosted their first open house for stakeholder engagement which include presentations on Vernon's DNA, how Visitor Services can help your business, marketing programs along with governance structure and the economic impact of tourism for Vernon. In addition, staff have been participating in regional strategy sessions with Destination BC and the Thompson Okanagan Tourism Association for destination and product development, travel trade, media collaboration and marketing campaigns.

Other projects include increased media relations that have leveraged over 350 stories for over \$11 million in equivalent advertising value with a total reach of 2.5 billion since the program began back in 2015. Highlights in 2018 include an episode of Seeing Canada which will be filmed in Vernon and broadcast on PBS in Canada and the US with an audience of 46 million. The media relations program continues to increase partnerships with major stakeholders and attractions such as Predator Ridge Resort, Sparkling Hill Resort, Silver Star Mountain Resort, Davison Orchards, Okanagan Spirits, Kalavida Surf Shop, North Okanagan Cycling Society, Sovereign Lake Nordic Centre and BX Press Cidery and Orchard.

The Visitor Information Centre continues to be key to front line services for tourists visiting the area, and is evolving to engage visitors digitally and with our mobile outreach initiatives. The Visitor Services team provides day to day support for digital and social media programs that drive awareness for events, local tourism businesses and support marketing campaigns.

2018 continues to see challenges as we attempt to collect pertinent data from our accommodators through the accommodation survey. With the continued growth in revenues from May to October, hotel partners have been met with resource challenges and have had a difficult time participating in the survey. The survey, done in partnership with Destination BC, assists Tourism in identifying priority markets, trends and overall occupancy rates, while providing accommodators benchmarking information.

Room revenue generated by accommodators in Vernon continues to remain strong. Year to date room revenue (end of June) is pacing at 5.6% growth over 2017. This equates to approximately \$850,000 in increased hotel room revenue generated in Vernon. With the move from a 2% MRDT to a 3% MRDT in January 2018, revenue for Tourism Vernon has grown by approximately \$150,000 in the first half of the year. Despite a strong start to the year, smoke from forest fires could significantly impact revenues for August, which is the peak season for accommodators and typically accounts for approximately 15% of yearly room revenue.

Outlook

In January 2018, accommodators in Vernon began collecting a 3% MRDT, up from the previous 2% that had been in place since 2010. Of this, Vernon receives 2.8% with the remaining 0.2% going to the Provincial Events Program. The five year agreement with Destination BC and the Province of BC is in place until December 31, 2022 providing stability for the Tourism function in Vernon for the next several years.

Tourism in BC continues to grow with increased visitorship from international travellers, especially from the Asia Pacific region which has increased by 7.4% YTD (May). Other indicators, such as room revenue and passenger volume at airports remain positive, with Kelowna International Airport continuing to experience a record number of passengers and is up 9.5% over 2017 (July).

The challenge for communities throughout BC is mitigating two years of record wildfires, which has negatively impacted travel plans for many tourists looking to explore the province. This, coupled with flooding in many regions including the Okanagan, has created challenges in promoting Vernon attractions. Tourism Vernon continues to engage with stakeholders and support agencies to assist in joint marketing efforts where possible.

Development Services

Purpose

The Development Services Department is responsible for the implementation of municipal services, bylaws and policies related to offsite infrastructure required as a condition of development approval. The Department works closely with the Regional District of North Okanagan (RDNO), other City Departments and various agencies to provide these services in an efficient and timely manner. The mandate of this Department is to hold paramount the safety, welfare and quality of life of the public and the protection of the environment through fiscally responsible management of public infrastructure.

Highlights

In 2018 the Department undertook several amendments to SDSB #3843 to address sustainability concerns raised as part of SIIP and ITF, including Schedule A (Overhead and Underground servicing), Schedule A and B (Highways), Schedule F (Drainage) and Schedule O (Standard Drawings associated with other noted bylaw amendments). Bylaw amendments to the Soil Removal and Deposition Bylaw #5259 were also provided to address issues such as protecting sensitive areas, erosion and sedimentation practices and blasting. Major offsite infrastructure projects processed by the Department include: 20th Street extension as part of the Stickle Road Intersection Upgrade by MoTI, Silver Star Road Development Cost Charge (DCC) improvements in the Foothills, new lots and roads in Foothills, Predator Ridge and Middleton.

Outlook

The Department supports Council's Strategic Plan and the Official Community Plan through implementation of the Strategic Infrastructure Investment Plan (SIIP), Integrated Transportation Framework (ITF), Liquid Waste Management Plan (LWMP) and Master Transportation Plan (MTP). Subdivision and Servicing Bylaw (SDSB) #3843 is maintained by this Department. The Department will monitor the implementation of SDSB amendments completed in 2018, including minor amendments if required. The Department will continue to work with RDNO regarding potential amendments to Bylaw #2650 to promote water system sustainability and improvements in application processing. The Department is returning to previous staffing levels with a reduction of one FTE in 2019. Larger projects anticipated for 2019 include construction of the 20th Street extension works by the Ministry of Transportation and Infrastructure (including the ultimate creek crossing of BX Creek) and significant offsite works in the Foothills, Tavistock and The Rise.

Infrastructure Management

Purpose

The Infrastructure Management Department is responsible for identifying the highest priority projects and completing them through the implementation of the 4 Year Capital Plan, as endorsed by Council. Based on the City's Asset Management Plan, the Department plans reconstruction projects that renew the City's aging infrastructure. The selected projects are reflected in updates to the rolling 4 Year Capital Plan and the annual capital projects managed by this Department. The Department further advances the

development of the City's Asset Management Plan through additional condition assessments and risk analysis that better inform and prioritize the City's projects. The majority of the City's asset information is housed in the City's Geographical Information Service (GIS) that is maintained and refined by Department staff. The Infrastructure Management Department provides further support to both internal staff, partner utilities, senior levels of government and the public for support related to infrastructure planning, drainage, sanitary sewer, roads, maintenance management, service extensions, grant applications and asset management.

Highlights

The 2017 highlights for the Infrastructure Management Department included several successful capital projects, as follows:

- Completion of the road improvements and utility reconstruction on 30th Street (30th Avenue to 34th Avenue) and 35th Avenue (24th Street to 27th Street).
- Successfully securing the CWWF grant of over \$3 million to kick start the Okanagan Landing Sewer Extension and Council endorsement of the strategy to extend sewer to each of the neighborhoods that still require service.

Further advancements in the City's Asset Management program made in 2017 continue to better inform the annual capital program and the Rolling 4 Year Capital Plan through the advancement of the following work:

- Development of an updated Asset Management Policy for Council's consideration.
- Working cooperatively with Operations for the setup of a Video Inspection System.
- Working cooperatively with Operations to implement a mobile (paperless) work order process through CityWorks.

Outlook

For the Infrastructure Management Department, staff will look to align the Infrastructure Management deliverables with Council's new Strategic Plan in 2019. Completing projects carried over from 2018, delivering 2019 capital projects, completing the design for 2020 projects and continuing to refine the City's Asset Management program are other priorities for 2019. The largest capital projects planned for 2019 include:

- the 30th Street, 29th Street and 39th Avenue Improvement and Utility Rehabilitation project that will complete over a decade of work to create the north/south transportation connection of 30th Street and 29th Street for pedestrians, cyclist, transit and vehicles;
- advancement of sewer extension to Okanagan Landing through the Cameo and Aquarius neighborhoods should the petitioning process favor sewer extension;
- the 48th Avenue Road Improvement and Utility Reconstruction (29th to Highway 97) that will rehabilitate the drainage infrastructure in 48th Avenue and add a multi-use path on 48th Avenue from 29th Street to Highway 97 and commercial and hotels in the Anderson way subdivision; and
- the Upper BX Creek Sedimentation Basin provides resiliency to seasonal sediment transport and flooding in the Upper BX Creek.

Further projects will include the continued refinement of the City's Asset Management Plan as Infrastructure Management staff complete the Drainage Infrastructure Prioritization Study funded by the Federal Gas Tax Strategic Priorities Asset Management Fund and continue to work cooperatively with Operations on CCTV video inspections and further implementing City Works and GIS for collecting and accessing asset information.

Transportation

Purpose

The Transportation Department is responsible for the management and development of the road, transit, pedestrian and cycle networks to enable people and goods to be moved in a safe, efficient and sustainable manner. Having a multi-modal transportation system allows all the networks to grow while functioning in a convenient, attractive and safe manner for all users of all ages, income levels and mobility levels in a financially sustainable manner. The Department is the primary contact and liaison with the Ministry of Transportation and Infrastructure, and responds to requests for traffic and parking management and road safety improvements from the community. The Department has four FTEs: Manager, Transportation Planner, Transportation Technician and Active Transportation Coordinator.

Highlights

T On April 1, 2018 a new higher frequency Core Transit Route #9 – North End route started service and is seeing good ridership levels. Two other routes also had changes to make them more efficient. The second phase of the Kalamalka Lake Road Multi-use Path was completed between Polson Park and the City boundary with the District of Coldstream. Active Transportation initiatives in 2018 included city-wide events related to Bike to Work and School Week, Walk to School Month and Carpool Month. After eight years, the City once again participated in the Commuter Challenge, placing first for communities across Canada with populations between 25,000 and 50,000. Partnering with the Regional District of Central Okanagan, the residents of Vernon will take part in the Household Travel Survey that will show their travel patterns and behaviours compared to 2013.

Outlook

2019 is expected to see the continuation of annual capital projects to make crosswalk ramps more accessible, construct new sidewalks and missing short sections of sidewalk to create complete routes so walking becomes an increasingly viable travel option. The final connection of the northern section of the Transportation Corridor on 29th Street to its southern section on 30th Street through the Civic Arena site will create a key north-south spine through the City for pedestrians, cyclists, transit and vehicles between Polson Park and the Village Green Centre. To further enhance the connections between tourist accommodation in Vernon and the Okanagan Rail Trail, new cycle and pedestrian facilities will be constructed on 48th Avenue (Highway 97 to 29th Street) and improvements will be made to the paths through Polson Park to Kalamalka Lake Road.

Public Transit Conventional

Purpose

The conventional transit system operates 12 conventional buses within Vernon and Coldstream. The conventional transit system continues to contribute to more economically vibrant, liveable, and sustainable community. Having efficient attractive transit is increasingly important due to factors such as climate change, population growth, an aging demographic, and availability of affordable transportation choices for all. Future growth of the city will place increasing pressure on the existing transportation system and transit will play a key role in addressing this challenge. The conventional transit system is managed by the Transportation Department.

Highlights

The service changes and expansion included two new buses and an additional 7,000 service hours. Starting on April 1, 2018 a new higher frequency Core Transit Route #9 - North End operates connecting the Downtown Exchange to the commercial and retail areas to the north. The service changes included changes to the existing Routes #2 and #3 to remove service overlaps and improve efficiency. Routes #7 and #8 had minor alterations to improve frequency on Heritage Drive and Allenby Way. The Service change and expansion was designed to increase the transit service area making transit a more attractive, realistic travel option. The transit reserve funds were utilized to partially cover the increased service costs. Reflecting these improvements the fares were increased, the first time since 2004, and simplified by removing fare zones and reducing the number of fare products from fourteen to five. All designed to make it more convenient to use transit.

The conventional service operates nine routes using twelve 9 metre (30 foot) two door Vicinity diesel buses. Having two doors enables passengers to board and alight at the same time thereby improving efficiency. The on-line Trip Planner is available enabling anyone to use the map based tool to plan their trip using transit.

Outlook

Proposed budget reflects Conventional Transit system levels of service as at 2018 following the service changes and expansion implemented on April 1, 2018. The transit reserve funds will be utilized to partially cover the increased service costs in 2019.

Public Transit Custom

Purpose

Custom Transit is part of the family of transit services and includes HandyDART, Taxi Saver and Taxi Supplement. The Custom Transit service contract is held by the City of Vernon and, through funding partnerships, provides service to residents within the Service Area in Vernon, Coldstream and Electoral Areas B & C in the Regional District of North Okanagan. The application registration process for all new applicants includes an in-person assessment with a mobility coordinator in order to match the applicant's needs with the most appropriate type of transit service available. The process takes into account each individual's travel needs in addition to their abilities with regard to using the conventional bus. BC Transit

is continuing its roll out of the new process across the province for all new applicants following the success of the pilot project in Vernon. The custom transit system is managed by the Transportation Department.

Highlights

The fare review was completed and implemented on April 1, 2018 and included a increase phased over two years of the Custom Fare (last increase was 1996). On April 1, 2018 it rose from \$1.75 to \$2.00. To extend the benefits achieved to date the possibility of extending the new registration process to all existing users remains under investigation. This would require all existing registrants who have not completed the new application process to undertake the new in-person assessment. While this was originally planned to be the final phase of the BC Transit pilot project, BC Transit is still focusing on implementing the new registration process for all new applicants in all communities.

Outlook

The 2018 fare review included a phased increase over two years for the Custom Transit fares. On April 1, 2019 the fare will increase from \$2.00 to \$2.50. There are no planned expansions for this service in 2019.

Long Range Planning

Purpose

Long Range Planning and Sustainability is responsible for the development of the Official Community Plan (OCP), neighbourhood plans, parks planning, environmental management, sustainability programs and events and other growth management initiatives. The Department actively engages all sectors of the community in the development of these plans and policies. The Department also manages OCP amendment, ALR exclusion and boundary extension applications. The City's contract with the Social Planning Council is administered through this Department.

Highlights

Responding to the high rate of development activity, a significant amount of time from this Department has been spent managing and/or assisting with development applications to reduce processing times. A key initiative of the Department was developing the comprehensive zoning and phased development agreement for the McMechan Reservoir lands. Other significant policy work included development of a Climate Action Revolving Fund policy for Council's consideration and initiation of consultation for the BC Energy Step Code in conjunction with the Building Department and other jurisdictions throughout the Okanagan Valley.

The Department undertook an Asset Management Strategy for the parks system, which was identified as a key deliverable of the Parks Master Plan. 2018 saw the construction of the first phase of Lakeshore Park, trails in the Foothills and the design and tendering completed for Hurlburt Park. Work continued on developing lake access points along Okanagan Lake and the Bike Skills Park at Becker Park was completed. The City's first Parks DCC Bylaw was developed.

Arising from Canada's 150th anniversary celebrations, the Respectfest mosaic was installed in Cenotaph Park. The City's Youthful Vernon Strategy was developed with community partner organizations, youth, UBCO and public participation, and endorsed by Council. Stewardship events in 2018 included yellow fish road stormwater protection and workshops for pollinators, waste reduction, composting and water sustainability through the Sustainability grants program.

The Social Planning Council is contracted by the City to provide social planning services. A key ongoing initiative for that service is coordination of the Partners in Action group and its many action teams to address issues in the community as they arise. Several of the recommendations of the Activate Safety Task Force are being actioned by Social Planning, including looking at increased community cleanups and a 24/7 washroom facility in the downtown.

The Moving to Vernon Website was developed under the Local Immigration Partnership Council In conjunction with the City's Economic Development Department to meet a marketing gap identified by major employers in the community. In order to attract workers and their families to the area, local HR recruiters requested a “one stop” information portal to help promote the community. The Social Planning Council assisted the City of Vernon to design and develop the webpage and continues to assist with marketing the web tool to local employers.

Outlook

Implementation of the Parks Master Plan will continue in 2019, including the completion of the Polson Park Master Plan under a new approach and development of the Civic Arena Park Master Plan. Work on updating the City's greenhouse gas (GHG) targets and developing climate change mitigation and adaptation strategies will be underway, driven by the creation of the new Climate Action Task Force in 2018. The Sustainability Program, as endorsed by Council in 2017, will continue to be implemented.

FINANCIAL SERVICES

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Financial Services - General

Purpose

The Financial Services - Accounting department is responsible for all financial administration matters of the City of Vernon. This includes financial planning and reporting, revenue billing and collection, payment for goods and services, cemetery administration, financial asset safekeeping, cash investments, risk management claims administration and debt administration.

Highlights

During 2018 the Permissive Tax Exemption policy was reviewed and updated, Finance orientation presentations were created and will be presented to the newly-elected Mayor and Council, preparation was ongoing for new accounting standards related to Asset Retirement Obligations, RFP for Banking Services was issued and awarded, RFI for Enterprise Software was issued and results compiled, Procurement processes increasingly utilizing Bonfire application for greater efficiency and more consistent evaluations. The Finance Division is committed to utilizing electronic processes as much as feasible. We continually promote electronic payments for vendors, and by our customers; the project for electronic reading of utility meters continues and enhanced delivery of information through videos is pursued.

Outlook

The focus for the Financial Services Division in 2019 is to continue the process of replacing its current Enterprise Resource Planning (ERP) software. This is a multi-year project with several stages for implementation - HR/Payroll, General Ledger, Purchase Orders/Inventory, Accounts Payable, Accounts Receivable and Cemetery Administration. This budget includes the addition of one exempt position. Due to the increasing workloads and expectations another manager overseeing day to day operations is required. A reduction in the transfer to data processing reserve has been realized due to an expectation that funding for a new financial software system will be lower than initially anticipated..

Procurement Services

Purpose

Procurement Services (PS) is a department within Financial Services Division. This team provides centralized, professional, and cost effective procurement services which include; acquisition of goods and services, logistics, asset investment recovery and inventory management of Central Stores. Services are provided to all user groups across the organization and support both capital and operational requirements.

Highlights

This has increased the departments capacity and allows time to address a broader range of subjects for more departments in more detail. The year introduced a major increase in Finance Division communication and information sharing. It is expected activity will remain consistently high for the balance of the year with increasingly more previously "non-controlled" subjects being harnessed by Contracted Agreements and with the ongoing Infrastructure Capital Program. Formal City of Vernon Purchasing Policy training was executed City wide with Certificate of Compliance sign off completed by staff in appropriate authority positions. The City was presented the BC Construction Procurement Excellence award for the Tendering of Kal Tire Place, a project that is scheduled for completion in 2018.

Procurement Services is well on its way to fulfilling its 2018 priority goals and has achieved an almost a complete migration from paper to electronic operations.

Outlook

2019 will continue the transition from paper to electronic platforms like Bonfire & BMO Spend Dynamics Purchasing Card (P-Card).

The Finance Efficiency Review, staff position reallocation and process improvements will lead Procurement Services further into best-practices and capitalize on reallocating more of our valuable resource time from tactical to strategic. Procurement Services will continue its constant vigilance to keep City projects compliant with City Policy and the NEW Trade Treaty requirements that have emerged in 2018.

Procurement expects its 2019 activities to increase over 2018 volumes; all with the continual goal of achieving best value, mitigating risk & keeping staff in compliance with City of Vernon Purchasing Policy. Work has expanded in depth & scope with the Fire Rescue Services division. Recreation Service contracts continue to be amalgamated and merged with the City. The Infrastructure Capital Program continues to expand and flow through Procurement Services. Increased tendering requirements are coming from CIDS-Planning as Parks and Lakeshore accesses reach construction phase.

Procurement expects to review, improve and bid upon many existing subject files with a continued focus on standardization. Bonfire implementation continues with improved Vendor Pre-Qualifications, Vendor Performance Management and Contract Administration.

Fiscal Services – General

Purpose

This department contains the group of accounts related to debt financing, capital transactions, 1% Utility taxes, General fund LAS taxes and federal/provincial grants in lieu of taxes (GIL's).

RDNO Recoveries represents the base annual overhead fee included in the Water agreement with the Regional District.

Funds received for the Community Works Gas Tax and Gaming Grant, along with the corresponding transfers to the capital reserves are recorded here to fund capital infrastructure in the future.

The Fortis BC Gas operating lease and franchise fees are recorded here to fund the related MFA debt with the remainder transferred directly to a reserve for future consideration by Council.

MFA debt payments and interest and other miscellaneous transfers to reserves are also recorded in this department.

Common Service allocations represents a portion of the 15% charge to sewer for overhead expenditures.

Highlights

This budget has seen moderate changes that better align the budget to anticipated actuals. The most significant change is the 2018 transfer from the Rate Stabilization reserve - these monies are no longer available.

Outlook

2019 is the last year of the City's debt payments related to the Fortis BC lease agreement. Currently the net proceeds from the Fortis BC capital lease, operating lease and debt payments are transferred to the Fortis BC Legacy reserve for future Council consideration.

Collections to/from others

Purpose

This department tracks the collection and remittance of taxes for other taxing authorities according to the terms of each of their requisitions. The other taxing authorities include:

- Provincial School Tax
- Regional District of North Okanagan
- Regional Hospital District
- Okanagan Regional Library
- Municipal Finance Authority
- BC Assessment

Outlook

The revenues in these accounts represents the amounts levied. The associated expenditures represent the amounts requisitioned and expensed to the other taxing authorities and are not within the control of or subject to approval from the City of Vernon.

In 2019 there is an anticipated increase in the RDNO requisition for the City's portion of the debt for Kal Tire Place North.

Taxation

Purpose

This department includes only those fees collected per the annual Tax Rates Bylaw. Taxation is the non-service fee required to fund City services authorized by Council.

Highlights

Taxation revenues are subject to taxpayers appealing tax assessments, as well as tax shifts (tax payers appealing to have their assessment classification changed to gain the benefit of a lower mill rate for the new classification). The City must assess these types of adjustments into taxation in the following tax year. As a result, the budgeted taxation revenue can vary between Classes. As of August 31, 2018 budgeted vs actual taxation revenues resulted in the following net variances between classes.

	2017 Actual	2017 Budget	2017 Difference
Class 1 - Residential	24,373,567	24,328,130	-45,437
Class 2 - Utility	291,412	365,906	74,494
Class 5 - Light Industrial	551,000	554,243	3,243
Class 6 - Business	12,647,384	12,625,815	-21,569
Class 8 - Recreation/Non Profit	144,458	144,17	284
Class 9 & 7 - Farm/ Other	3,566	3,463	-93
Totals	38,011,377	38,021,731	10,354

Outlook

Administration has estimated taxation increases based on the proposed increases in net operating expenditures, funding for the 2018 one-time transfer from the Rate Stabilization Reserve (\$534,924), plus a 1.9% increase for infrastructure investment.

Non market-value growth (NMG) in taxation from new development has been estimated at \$500,000 for 2019, proportionally estimated at \$330,000 for the residential class, and \$170,000 for business class.

Summary of Proposed Changes in Taxation from 2018 to 2019:

	Amount \$	Amount %
2018 Taxation Total	38,021,731	
2019 Net Operating Expenditures Increase	354,597	0.93%
2019 Net Operating Change Requests	407,148	1.07%
2018 Transfer from Rate Stabilization Reserve	534,924	1.41%
2019 Infrastructure Investment Increase	722,411	1.90%
2019 Taxation Prior to NMG Taxation	40,040,811	5.31% *
2019 NMG Taxation	500,000	1.32%
2019 Taxation Total	40,540,811	6.63% **

*Actual % increase over 2018 Taxation

**as reported in Department Summary above

Grants

Purpose

This department records City of Vernon grants paid to other organizations during the year.

Outlook

Most grants to other organizations have been maintained from the prior year (2018):

- O'Keefe Ranch direct funding has been reduced from \$100,000 to \$50,000 per Council resolution July 17, 2017. As per Council resolution October 9, 2018 a change request has been submitted to maintain this grant at \$100,000 for 2019.
- The DVA requested an increase in the Downtown Maintenance grant from \$37,000 to \$50,000 - a change request has been submitted for this.
- The Weekly City Centre cleanup initiative has been added as a change request as per Council resolution in 2018.

Highlights

The remaining grant of \$18,475 was provided to O'Keefe Ranch to complete a comprehensive business plan.

All Council Discretionary grants in the amount of \$50,000 were awarded during the Spring 2018 intake.

FIRE RESCUE SERVICES

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Fire Department General

Purpose

Vernon Fire Rescue is responsible for the delivery of emergency services and public safety programs. These services include: rescue, fire suppression, fire prevention, hazardous materials response, public education, first medical response, administration of the regions fire training centre, management of the City's emergency program, and emergency support services.

Fire General (320) provides for Vernon Fire Rescue Services (VFRS) administration salaries, uniforms and professional development, fire hydrant maintenance, supplies, and other administrative functions.

Highlights

- Contracted out dispatch services in order to re-assign resources to emergency response, improving the response model for the City of Vernon as per the Eight (8) Year Strategic Plan.
- Continued improvements of the self contained breathing air system (SCBA).
- Improvements to storage and maintenance areas including construction of the drying system for PPE.
- Supported the application funding for fuel load reduction projects.
- Completed construction of Fire Station 2 (Okanagan Landing) auxiliary building to provide Emergency Support Services (ESS) reception centre, work stations and board room/training room.
- Completed the renovation of Fire Station 2 (Okanagan Landing) to provide office and dorm rooms, enabling further development of predictable and reliable deployment models.
- Recruitment of an Deputy Chief.
- Management of the Regional Fire Training Centre (FTC) and implementation of facility improvements.
- Maintenance of Fee for Service Agreements for some regional services including Hazardous Materials, Confined Space and Dispatch
- Established a committee of key stakeholders focused on improved fire services resource deployment.

Outlook

The 2019 Fire Department General (320) budget enables VFRS to:

- Continue with implementation of VFRS Eight (8) Year Strategic Plan initiatives,
- Continue interface fuel load management projects in accordance with the CoV Community Wildfire Protection Plan, FireSmart and other initiatives pending successful application for provincial and federal grants,
- Fully staff fire administrative positions,
- Implement a deployment strategy which will better utilize available resources to strengthen initial response to emergencies,
- Continued development of administrative team through work planning, education and team building exercises, and

- Negotiate and implement cost neutral mutual response agreements with BX, Coldstream, and Armstrong/Spallumcheen Fire Services to improve services in areas where boundaries are contiguous or where another municipality's fire services may be geographically closer to the customer.

Fire Fighting

Purpose

Vernon Fire Rescue is responsible for the delivery of emergency services and public safety programs. These services include: rescue, fire suppression, fire prevention, hazardous materials response, public education, first medical response, administration of the regions fire training centre, management of the City's emergency program, and emergency support services.

Fire Fighting (321) represents the direct cost of providing fire and rescue services. The cost center contains wages for full time and paid-per-call staff, their training, equipment and other service delivery related costs. This cost center includes the funds available to provide service from Station 1 (Downtown), Station 2 (Okanagan Landing), and Station 3 (Predator Ridge).

Highlights

- Emergency response to fires, rescues, First Medical Response (FMR) and hazardous materials incidents.
- Completion of fire safety inspections.
- Recruitment and hiring of career firefighters.
- Recruitment and hiring of paid-per-call firefighters.
- Completion of annual training plan.
- Completion of the officer mentorship program.
- Implementation of the Blue Card training system.
- Completion of SCBA fit testing training and fit testing.
- Participation in community events throughout the City such as, charity events, festivals, and celebrations etc.
- Provision of public education and safety services such as car seat inspections, fire hall tours, CPR and fire extinguisher training.
- Wildland fuel load reduction projects.

Outlook

The 2019 Fire Fighting (321) budget will enable VFRS to:

- respond safely and efficiently to emergencies,
- to provide firefighters with required personal protective equipment (PPE) (firefighting turn out gear),
- to complete fire safety inspections,
- to provide professional development and professional certifications to firefighters,
- to replace worn and damaged tools and equipment, and
- to fund capital reserves for equipment.

Emergency Management

Purpose

This department provides funding for the emergency program, as required by provincial legislation. Grant funding and task recovery from Emergency Management British Columbia (EMBC) is also utilized to off set one time projects, emergency activations.

Highlights

In 2018 the Emergency Program supported:

- Emergency program web-pages to include dedicated event specific information,
- Completion of the City of Vernon's Emergency Plan,
- Completion of the City of Vernon's Evacuation Plan,
- Successful grant applications for Emergency Support Services, Emergency Operations Centre and Community Preparedness,
- Evacuation route planning application,
- Implementation of a volunteer software program,
- established the Vernon Emergency Program Sub-committee (VEPs) to provide a platform to share information, resources and opportunities for stakeholders in neighbourhood groups, non-government offices, business/industry, government offices and subject matter experts,
- Developed an emergency management training/tracking system for City of Vernon staff members,
- Conducted joint training with the Okanagan Indian Band,
- Attendance at the Victoria Emergency Preparedness conference,
- Electronic EOC staff absence calendar,
- Emergency Support Services training, and
- Emergency Operations Centre staff training.

Outlook

In 2019 the Emergency Program will provide training, emergency exercises and public education. These activities support the efficient and effective delivery of Emergency Support Services (ESS), Emergency Operations and helps build a more resilient community.

Fire Training Center

Purpose

This grouping of accounts is for managing the Regional Fire Training Centre (FTC) and includes the proportionate shares from Regional partners showing as Inter-Municipal Recoveries. Revenue from outside customers and participant user fees is reflected in the Fire Training Fees and Internal Revenue reflects the City of Vernon's share. Overall management of the FTC is in accordance with the Inter-Municipal arrangements, and initial annual budget approval mechanism is through the representatives on the FTC Operations Committee and Policy Board. In addition to the annual operating expenses, the participants reserve, held by the City, has been allocated over time, to fund facility improvement projects authorized by the Policy Board.

Highlights

In 2018, as per the direction from participating departments, the training program was enhanced and expanded to offer training that meets the NFPA 1001 standard. Several roof props were built to provide this expanded training.

Facility improvements in 2018 included an engineering assessment, burn building repairs and reinforcements, installation of a roof and creation of a new website.

The theft of the facility's skidsteer and its accessories had a negative impact on the operational budget as well as operations of the facility for a short term.

Outlook

The Fire Training Centre will continue to provide standardized training locally and realize an economy of scale for fire training costs for all participants. Training offered will continue to meet the requirements of the Office of the Fire Commissioner Playbook standards as well as NFPA standards.

As per the requirements outlined in an engineering assessment, significant repairs to the burn building will continue in 2019 which will ensure the safe use of the facility for years to come. Other projects that are planned include purchasing a forcible entry prop for training, asphalt repairs and replacing an aging hot water tank.

HUMAN RESOURCES

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Human Resources General

Purpose

The Human Resource (HR) Division provides leadership, programs, services, and guidance to the Divisions within the City of Vernon. The HR Division promotes excellence in human resource management to enable achievement of Council's Strategic Priorities.

The HR Division takes a proactive approach to position and strengthen the City of Vernon's ability to attract and retain a diverse, talented, engaged, and productive workforce. We partner with stakeholders to ensure that they have the right tools and resources to manage employees in the most effective manner. The City of Vernon's Human Resource Strategic Plan provides for a consistent City-wide approach to the continuous improvement of its employees, programs, and services.

The HR Division undertook a strategic planning process that led to our mission statement: "Moving the organization forward using consistent, predictable, and contemporary practice...in other words, Success through People!" Our focus is to provide effective and innovative leadership to ensure the alignment of human resource strategies and activities to support critical decision-making by Council and the City's business operations. This ensures effective delivery of programs and services to our citizenry.

The HR Division is a strategic partner with its Corporate and Division stakeholders focused in the areas of workforce planning, organizational effectiveness, organizational development, talent acquisition and retention, occupational health and safety, and building organizational capacity for collaborative and effective employee and labour relations.

The HR Division also provides strategic leadership in the areas of compensation, job evaluation, management of HR data, reporting, development and monitoring of corporate human resource policies, learning and development, human resource planning, change management, and leadership development. Employees that are actively engaged and committed to the organization, at all levels, are the essence of civic service excellence.

The HR Division acts as the primary contact for applicants, community educational institutions, community employment agencies, and community service groups.

Highlights

The Human Resource Division continues to focus on the delivery of Council's Strategic Priorities. We continue to evolve in order to provide the leadership and support required to acquire, hire, and retain top performance talent that will support the City of Vernon. Along our path to excellence, we must first get the basics right and continue our focus on becoming excellent through our evolution, not revolution.

Successes Include:

- Successful completion of Certificate of Recognition (COR) Audit (2014 – 2017) resulting in 238,691.16
- Annual City of Vernon Appreciation Event
- City of Vernon NAOSH Week Health and Wellness Fair
- City of Vernon Day of Mourning Recognition Event
- Completion and Implementation of Market Review Results
- Completion of City of Vernon Learning and Development Framework

- Development of City of Vernon Mentoring Program
- Development and Staff Presentation of City of Vernon Job Description Project
- Development and Staff Presentation of City of Vernon HR 101 Sessions
- Continued work on Strategic Capacity and Leadership Development Program
- Emergency Payroll Request Program
- Needs Analysis for Occupational Health and Safety Learning and Development Initiatives
- Cultural Competency and Anti-Oppression Program
- Sharing of City of Vernon Successes as Invitee to Speak at National Conference
- Sharing of City of Vernon Successes as Invitee to Speak at Union of British Columbia Municipalities (UBCM)
- Publications on City of Vernon Successes Related to Diversity and Inclusion and Cultural Competency and Anti-Oppression, Inclusion, and Communicating Across Differences
- Professional Development Opportunities and Successes Include Completion of Certificates, Diplomas (with Distinction), and Degrees (with Distinction)

Various Occupational Health and Safety training Initiatives, which include:

624.25 person hours from January to August:

- First Aid (x4)
- Crane and Rigging
- Confined Space
- Arc Flash
- Transportation of Dangerous Goods
- WHMIS
- WHMIS 2015

And additional 600-800 person hours anticipated from September to December:

- First Aid (x3)
- Prevention of Violence in the Workplace (x2)
- Confined Space Entrant
- Contractor Safety Management
- Shoring and Excavation Training
- Biohazard Awareness

Outlook

The deliverables that will impact the Human Resource Division budget for 2019 include continued work and implementation of the City of Vernon's Human Resource Strategic Plan (performance planning, human resource planning, talent acquisition and retention), continuation of collective bargaining for IAFF, and anticipated collective bargaining for CUPE, continued diligence related to compliance, work environment(s), employee health and safety, and a focus on mental wellness through the City of Vernon's Activate Mental Health Initiatives. The City of Vernon has an unwavering commitment to health and safety and to everyone going home safe and healthy, every day.

Human Resources Corporate

Purpose

The Human Resource (HR) Division provides leadership, programs, services, and guidance to the Divisions within the City of Vernon. The HR Division promotes excellence in human resource management to enable achievement of Council's Strategic Priorities.

The HR Division takes a proactive approach to position and strengthen the City of Vernon's ability to attract and retain a diverse, talented, engaged, and productive workforce. We partner with stakeholders to ensure that they have the right tools and resources to manage employees in the most effective manner. The City of Vernon's Human Resource Strategic Plan provides for a consistent City-wide approach to the continuous improvement of its employees, programs, and services.

The HR Division undertook a strategic planning process that led to our mission statement: "Moving the organization forward using consistent, predictable, and contemporary practice...in other words, Success through People!" Our focus is to provide effective and innovative leadership to ensure the alignment of human resource strategies and activities to support critical decision-making by Council and the City's business operations. This ensures effective delivery of programs and services to our citizenry.

The HR Division is a strategic partner with its Corporate and Division stakeholders focused in the areas of workforce planning, organizational effectiveness, organizational development, talent acquisition and retention, occupational health and safety, and building organizational capacity for collaborative and effective employee and labour relations.

The HR Division also provides strategic leadership in the areas of compensation, job evaluation, management of HR data, reporting, development and monitoring of corporate human resource policies, learning and development, human resource planning, change management, and leadership development. Employees that are actively engaged and committed to the organization, at all levels, are the essence of civic service excellence.

The HR Division acts as the primary contact for applicants, community educational institutions, community employment agencies, and community service groups.

Highlights

As per Human Resource Division General Highlights.

In 2019 the City of Vernon will have to pay both the new Payroll Health Tax (1.9%) plus MSP Premiums totaling about \$212,000. The cost of the MSP premiums will end after 2019. As such, one time funding has been utilized to pay for this one year cost.

Outlook

The deliverables that will impact the Human Resource Division budget for 2019 include continued work and implementation of the City of Vernon's Human Resource Strategic Plan (performance planning, human resource planning, talent acquisition and retention), continuation of collective bargaining for IAFF, and anticipated collective bargaining for CUPE, continued diligence related to compliance, work environment(s), employee health and safety, and a focus on mental wellness through the City of Vernon's Activate Mental Health Initiatives. The City of Vernon has an unwavering commitment to health and safety and to everyone going home safe and healthy, every day.

Occupational Health and Safety

Purpose

The focus of the Occupational Health and Safety (OH&S) Department is to ensure the City of Vernon is in compliance with WorkSafe BC (WSBC) Regulation and Industry best practices. This Department is responsible for developing, maintaining, and improving the City Safety Management System (SMS) which encompasses safety programs, such as, Workplace Violence, Hazard Identification and Control, Confined Space Entry, De-energization and Lockout, Accident Investigation, Contract Coordination, and Excavation Safety. This Department also manages occupational injury claims (WSBC), which involve implementation

of Modified Graduated Return to Work (MGRTW) Plans. These Plans benefit the organization by reducing WSBC insurance premiums.

Highlights

The Department of Occupational Health and Safety has had a full year of learning and development opportunities which consisted of:

624.25 person hours from January to August:

- First Aid (x4)
- Crane and Rigging
- Confined Space
- Arc Flash
- Transportation of Dangerous Goods
- WHMIS
- WHMIS 2015

And additional 600-800 person hours anticipated from September to December:

- First Aid (x3)
- Prevention of Violence in the Workplace (x2)
- Confined Space Entrant
- Contractor Safety Management
- Shoring and Excavation Training
- Biohazard Awareness

Additional highlights of the year include continued advancement of the Joint Occupational Health and Safety Committee (JOHSC) and Committee participation in annual professional development requirements; Annual event coordination of the Day of Mourning, NAOSH Week Health and Wellness Fair; preparation for the 2018 COR Audit; revision of safety program and policy work; Stay at Work/Return to Work (SAW/RTW) coordination; and continued attention to ensure that the City of Vernon's focus and commitment to a healthy and safe workplace is renewed daily (through attendance at crew talks, tail gate meetings, and safety meetings).

Outlook

The focus for Occupational Health and Safety (OH&S) in 2019 is to continue to implement and revise mandatory safety training and programs. This will ensure the City of Vernon maintains the Certificate of Recognition (COR) through WSBC and the BC Municipal Safety Association (BCMSA), which was first achieved in December 2011. The maintenance of COR will ensure incentive cheques continue to be received from WSBC, which provides support for the City of Vernon's safety programming and initiatives.

Certificate of Recognition (COR Program)

Purpose

In December 2011, the City of Vernon participated in an audit of its Safety Management System (SMS) as part of the WorkSafe BC (WSBC) Certificate of Recognition (COR) program. Upon successful completion of the audit, the City of Vernon was issued COR certification and became eligible for a 10% rebate based on insurance premiums paid to WSBC. Stay at Work/Return to Work (SAW/RTW) following in 2013 and provided an additional 5% rebate based on insurance premiums paid to WSBC. In early 2012, Council directed that the COR rebates received by the City of Vernon from WSBC be maintained in the Occupational Health & Safety (OH&S) budget for use in future safety initiatives.

Highlights

Highlights of the 2018 safety initiatives implemented across various departments within the City of Vernon include, continued Asbestos Inventory for City owned facilities, Sit/Stand desks for ergonomic

issues, Vernon Fire Rescue Service (VFRS) Qualitative Fit Test Instrument, Public Works Parks Mower Cabin Upgrade, Municipal Guard Patron Hazard Identification System, Kal Tire Place/Priest Valley Arena Ammonia Alarm Upgrades, Personal Ammonia Gas Monitoring System, and Automated External Defibrillator Upgrades.

These highlights continue to emphasize the high value that the City of Vernon places on the health and safety of our employees. Opportunities to support the corporation through supplementing health and safety initiatives by accessing COR funding renews the dedication to a workplace that is safe and secure.

Outlook

The City of Vernon will undertake a COR audit in October 2018 for both the Safety Management System (SMS) and Stay at Work/Return to Work (SAW/RTW) Programs. Continued success will result in the City of Vernon's eligibility for a 15% incentive cheque from WSBC, 10% for the SMS, and 5% for the SAW/RTW.

The City of Vernon's unwavering commitment to health and safety demonstrates leadership, commitment to continual improvement, and a dedication to our employee's health and safety. Each year that the City of Vernon successfully passes the auditing requirements there is a renewed demonstration to our employees, our industry peers, and the public that the City of Vernon values a workplace that is safe and secure from injury, illness, and disease. This commitment translates to a safer and healthier workforce and work environment and ensures our workers go home safe and healthy every day.

This budget will be used to fund safety initiatives across the organization directly related to worker safety and organizational compliance with WorkSafe BC (WSBC) policy and regulation. The range of projects include safe workplace initiatives, practices that will improve employee health and wellness, and initiatives that enhance the workplace environment. These initiatives include the physical environment, the workplace environment, and the health and wellness environment, which align with the City of Vernon's unwavering commitment to a safe and healthy workplace.

OPERATION SERVICES

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Operations General

Purpose

The Operation Services Division manages, directs, and coordinates the activities of the Public Works, Parks, Airport, Utilities (including Sanitary, Storm & Water), Fleet, Building Services, Vernon Water Reclamation Centre and Spray Irrigation departments. This division covers Operations administration budget and includes general on-call, software maintenance and evergreen charges.

Highlights

In 2018 the Operations' Division were involved in the following projects:

- Continued implementation of the Building Facilities Asset Management Plan
- Review of Municipal Sewer Regulations (MSR) registration
- Initiated Asset Management Plan for VWRC and SI program
- Completion of High Strength Waste Implementation Strategy
- Completion of SI Optimization strategy
- Initiated review of Biomass program for Commonage lands
- Initiated design for relocation of Septage Receiving Station at VWRC
- Submitted grant application for anaerobic digester and chemical dosing system
- Completed Cemetery Master Plan

Outlook

The Operations' Division will continue to provide a high level of service to the residents of the City of Vernon in 2019. There will be a continued emphasis on finding operational efficiencies throughout the Division to ensure that service levels are maintained despite increasing costs due to expanding infrastructure, material and labour costs.

Projects for 2019 will include:

- Continued implementation of the Building Facilities Asset Management Plan
- Pursuing Municipal Sewer Regulations (MSR) registration for the VWRC and Spray Irrigation program
- Piloting Biomass project on Commonage lands
- Construction of anaerobic digester at the VWRC to address high strength waste issues
- Construction of chemical dosing system at VWRC
- Continued implementation of strategies related to optimizing the spray irrigation program
- Relocation of Septage Receiving Station to VWRC
- Design and construction of new sedimentation pond for BX Creek
- Creek Assessment for BX Creek
- Completion of Asset Management Plan for VWRC and SI program

Facilities General

Purpose

Under the direction of the Building Services Manager, this department is responsible for the operation and maintenance of all City facilities and attached grounds, including: City Hall, City Yards, Community Services Building, Fire Halls 1, 2 & 3, RCMP Station, Vernon Water Reclamation Center, Community Safety Office, Parkade, and Tourist Information Booth as well as many rental buildings. This department also oversees energy management for the City of Vernon. The Building Services department is responsible for

ensuring that the City of Vernon takes a lead role in supporting the mandate of sustainability, including educating staff, promoting energy conservation and ensuring that City facilities are operated and maintained as efficiently as possible. In addition to general maintenance and operation of the City facilities, the department will also provide 'in-house' construction services for renovations and modifications within City owned buildings. This budget includes general expenses related to facilities as well as Building Services Manager's salary.

Highlights

- Coordinated demolition of former CPO office
- Coordinated demolition of Civic Arena and 2 adjacent houses
- Coordinated demolition of house on Lakeshore Drive
- Completed renovations at City Yards, Community Services, Firehall 2, City Hall and Community Development Services buildings
- Constructed Emergency Social Services facility at Firehall 2
- Modifications to Scout Building to allow for use by Building Facilities and Parks' departments
- Completed upgrades as identified in Building Facilities Asset Management Plan including new flooring and lighting

Outlook

- Maintain our current level of service for 2019.
- Execute projects identified in the Building Facilities Asset Management Plan (BFAMP) for 2019, including: upgrades to compressors in Garage, upgrades exhaust system in Garage, exterior door replacements in RCMP and Operations, window upgrades in City Hall, upgraded HVAC in City Hall and Council Chambers, Boiler upgrades in City Hall.

Fleet General

Purpose

Fleet Services is responsible for the operation and management of the City fleet. This department provides for the purchase, maintenance, repair and disposal of city owned vehicles and equipment (Fleet - 205 units, with an additional 26 Stationary generators and other related small power tools). Fleet Services maintains and repairs Fire Rescue and Recreation Services vehicles. Replacement of Fire Rescue and Recreation Services vehicles are budgeted separately.

This department budget includes an annual transfer to the Vehicle and Equipment Reserve to fund future vehicle and equipment replacements.

Highlights

The Fleet Replacement Strategy resulted in replacing 10 units due to end of lifecycle and postponing 10 units to subsequent years. Efforts to reduce costs and Carbon impact included procurement of two pre-owned low use units, resulting in cost savings. Fleet Services replaced one diesel powered tractor with an electric UTV to be used in Parks. Fleet Services replaced two full size pickup trucks with compact pickups to reduce the Cities carbon footprint.

The planned upgrade to Global Positioning System (GPS) hardware is underway and a reduction in GPS monitoring fees has been negotiated. Fleet Services continued to provide comprehensive Fleet maintenance services to Fire Rescue and Recreation Services vehicles and equipment. New shop equipment added this year included a new glass bead machine for paint and rust removal.

Outlook

2019 continues with Fleet Replacement Strategy with the focus on ensuring the Vehicle and Equipment Operating Reserve is funded at a sustainable rate with an anticipated one time requirement for additional funds in 2021 of approximately \$500,000 sourced outside of the reserve. Fleet Services will continue providing effective preventive maintenance service for the fleet of vehicles and equipment with the goal of reducing the City's Fleet carbon footprint Greenhouse Gas (GHG) emissions and fuel consumption. New acquisitions will focus on the right size vehicles and follow Vehicle Replacement Policy for life cycle replacements. Alternative fuel technologies will continually be evaluated for opportunities to introduce these to the fleet. A new GPS monitoring contract is in place.

Public Works

Local Parks

Purpose

The City is responsible for the care, control, and funding of local parks within the City's jurisdiction. Included in this department is partial funding for the General Manager of Public Works (15%) and the Manager of Parks and Public Spaces (25%), as well as a funding allocation required for general items that can't be directly charged to individual parks. Vehicle charges for the Parks Foreman position and insurance and permit fees as well as the repair and purchase of small tools are also included in this department.

Highlights

The following general items were completed in 2018:

- MacDonald Park – New roof on the washroom/soccer building
- Armoury Park, Polson, Heron Glen - New playground spinners
- Polson Park – Decking replaced on bridge at start of board walk
- Polson Park – The golf cart was replaced with new ATV
- Miscellaneous Parks – 3 irrigation controllers were replaced
- Miscellaneous Parks – New turf matts were purchased
- Miscellaneous Parks – 2 Steel soccer nets were replaced with safer aluminum nets

Outlook

In 2019, the focus of the Parks Department will be ensuring that a consistent level of service is provided to our Local Parks system with a focus on lake accesses, beaches and sports fields. A number of new parks and open spaces are schedule to be available to the public in 2019 including Hurlburt Park and Lakeshore Park.

Sub-Regional Parks

Purpose

The City is responsible for complete care and control of Sub-Regional sports fields and beaches located within the City of Vernon. The RDNO contributes to the maintenance of these parks through an annual grant as defined in the Greater Vernon Parks Sports Fields and Beaches Agreement that came into effect January 1 2018. Included in this Department is partial funding for the General Manager of Public Works (15%), the Manager of Parks and Public Spaces (50%) and the Parks Foreman (40%) as well as equipment charges for this position. Insurance, operations overhead, permit fees and security for all Sub-Regional sports field and beaches is also included in this department.

Highlights

The City and the Okanagan Indian Band signed a Beach Lands Service Agreement in 2018 for the OKIB beach adjacent to Kin Beach. City forces will provide garbage collection, “No Dog” signage, daily beach harrowing, deep sand cleaning and debris removal until October 31, 2018.

Outlook

A number of projects are proposed for 2019.

Public Works General

Purpose

The Manager of Roads, Drainage, and Airport oversees the operation and maintenance works relating to roads including pavement, sidewalks, street lights, traffic signals, traffic signs, garbage collection, boulevard landscaping and weed control, street trees, snow and ice control, ditching and drainage, and cemetery maintenance. The Manager of Roads, Drainage, and Airport is also responsible for the construction of the ‘in-house’ capital works road and sidewalk projects.

Highlights

- Completion of the road rehabilitation project on 27th Street from 32th Avenue to 39th Avenue.
- Completion of the 24th Avenue sidewalk construction project from 39th Avenue to 43rd Avenue.
- Completion of the Pottery Road reconstruction project from 15th Street to the City boundary.
- Completion of a variety of flood mitigation works and repairs associated with spring creek flooding.
- Completion of the Cemetery Master Plan.

Outlook

The focus for Public Works in the upcoming year will be the completion of the next phase of the 27th Street rehabilitation project south of 32th Avenue and the implementation of the Cemetery Master Plan that is scheduled to be completed in 2018.

Sewer Operations General

Purpose

The Sewer Operations General Department is responsible for the administration of the Sanitary Utility which includes the allocation of wages for management & CUPE B employees, training costs, licenses, software requirements, fleet charges and Common Service allocations. Common Service allocations are charges incurred for Administration and the use of Operations Yards and Facilities.

Highlights

- Continued operator certification
- Addition of mobile tablets for issuing and closing work orders in the field

Outlook

- Increase number of portable tablets for access to Cityworks in the field
- Continue to train operators in order to meet certification requirements

Storm System

Purpose

Under the direction of the Manager Utilities, this department is responsible for the daily operation, maintenance and repair of storm infrastructure within the City of Vernon, including storm mains, manholes, culverts, catch basins, creek channels, ditches and storm retention facilities. The department is also responsible for the construction of ‘in-house’ capital works storm projects.

In addition to the above, the department is involved with Infrastructure Asset Management investigation for short-term and future capital programs.

Highlights

- Repaired or replaced catch basins as identified last year.
- Extensive resources expended due to flood events in spring of 2018.
- Replaced failing check valve on 48 Avenue
- Maintenance and inspection captured on CityWorks (using tablets) for storm structures, creek inspections and catch basin repair
- Basin cleaning and further studies funded from Capital Budget

Outlook

- Identify areas that require upgrades due to the increase of storm events.
- Increased camera inspections to identify damaged pipes.
- Maintain existing infrastructure to existing service levels
- Minor operational budget increase supplemented by funds identified in Capital Budget
- Additional basin maintenance and increases in service level will be funded from Capital program as identified in LWMP and further engineering studies

Water Department General

Purpose

The Manager, Utilities oversees the daily operation (by contract with Greater Vernon Water) of the water system and is responsible for the maintenance and repair of the water infrastructure (transmission, distribution and storage) which includes water mains, hydrants, valves, residential and commercial services, 18 pump stations and 11 reservoirs; within the City of Vernon and Areas B and C.

Highlights

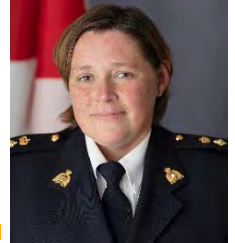
- Continued to use improved excavation procedures utilizing shoring and the new remote compactor to increase efficiency
- City crews continue to install all water services
- Continued with the installation of Encoded Receiver Transmitter (ERT) water meter units
- Constructed water main replacement on Allenby Crescent
- Constructed water main replacement on Pottery Road
- Began 5 year Water Distribution Operation Maintenance Repair Agreement (DOMRA) (2018-2023)
- Implemented Water On-Call

Outlook

- Continuation of unidirectional flushing and valve exercising program
- Ongoing operational changes to optimize pressure zones and eliminate others where possible
- Completion of Encoded Receiver Transmitter (ERT) program
- Large Meter Replacement Program

RCMP CONTRACT

Shawna Baher
Superintendent
Shawna.baher@rcmp-grc.gc.ca



Purpose

Vernon North Okanagan is a Regional RCMP Detachment providing policing services to 6 distinct policing jurisdictions encompassing Armstrong, Spallumcheen, Enderby (including the Splotsin First Nations Lands), Falkland, Lumby, Vernon rural (including Okanagan First Nations Lands) and the City of Vernon (including the Municipal contract for the District of Coldstream).

The employees of the RCMP are committed to our communities through:

- Unbiased and respectful treatment of all people
- Accountability
- Mutual problem solving
- Cultural sensitivity
- Enhancement of public safety
- Partnerships and consultation
- Open and honest communication
- Effective and efficient use of resources
- Quality and timely service

Vernon/North Okanagan RCMP are committed to providing World-Class Policing Services guided by our core values of honesty, integrity, professionalism, compassion, accountability and respect. Our dedication to these core values and steadfast pursuit of our Core Policing Activities of service, prevention, protection, enforcement and intelligence is enhancing public safety and helping to build “A Safe and Secure Canada”.

Highlights

With calls for service on the increase, the Vernon North Okanagan Detachment (VNOD) membership rose to the challenge and reported many highlights in 2018. Early in the year, VNOD was approved by Council for an establishment increase of six regular member positions – one Corporal in Sex Crimes, one Constable for the Prolific Offender Unit and four Constables in general duty. Staffing action is in progress to fill these positions. As communication with our supervisors and stakeholders is of importance, the Senior Management Team sought consultation early in the year with regards to our Strategic Plan and initiatives. It was determined that we remain committed to the priorities of crime reduction, communication and road safety.

VNOD continues to utilize a COMPSTAT policing model which is evidence based, targeted and provides a collaborative enforcement effort to direct our operational response. COMPSTAT has proven effective in targeting policing issues in an effort to reduce crime and achieve other detachment goals. COMPSTAT emphasizes information sharing, responsibility, accountability and improving effectiveness. The core components consist of 1) Timely and accurate information or intelligence, intelligence developed by our Crime Analyst with input from our officers; 2) Effective deployment of resources to identified areas of concern; 3) Follow-up and performance management through accountability.

In order to maximize our current police resources, VNOD has re-deployed general duty members to peak hours to address the continual increase in calls for service. This initiative is working to increase service levels to the public as well as decrease response time to priority calls. As well, we anticipate an increase our officer’s ability to conduct pro-active policing in hotspot and problem areas as directed by COMPSTAT. With regards to the General Duty Staffing Analysis (GDSAC), we have reached the less than 30% error rate and are moving forward with 12 months of data collection for the RCMP Business Intelligence Unit to use in the preparation of a report to council on recommended general duty staffing levels.

For the 19th year, the VNOD School Resource Officer facilitated the Jean Minguy Memorial Youth Academy for over 40 participants and plans are already underway for 2019.

Outlook

The RCMP Contract Department (310) costs have been distributed among major expenditure areas in order to provide more information to Council. Traffic Fine Revenue and RCMP contract costs are included in this department. Projected salary increases combined with increased costs related to vehicle replacement, vehicle equipment fit-ups, member allowances and benefits have resulted in a forecasted budget increase of 2.02% for 2019. Expected traffic fine grant revenue for 2019 has been assigned to the RCMP contract budget. These revenues are forecasted to be \$489,790 based on the prior three year actuals. Potential costs in the future include a re-fit of electronic monitoring equipment for the four detachment interview rooms projected at \$15,000 per room for a total of \$60,000 and a portable containerized incinerator in order to destroy toxic exhibits in a safe manner projected at \$7500. Future possible equipment expenditures could include in-car video systems at \$4300/car for 12 marked units, Extended Range Impact Weapons (ERIW) at approximately \$3500/weapon; however, it is not known at this time when VNOD will procure these items. This budget does not allow for any expenses related to extraordinary items or investigations requiring high cost specialized police techniques or resources.

RECREATION SERVICES

Doug Ross
Director
dross@vernon.ca



Recreation General

Purpose

Recreation Services mission statement is "through recreation, we improve quality of life". To carry out this mission, Recreation Services operates the Vernon Recreation Centre including the Vernon Aquatic Centre, Recreation Centre Auditorium, Dogwood and Priest Valley Gymnasiums, Halina Senior Citizens Centre and in the spring and summer months lease the Vernon Curling Club. In addition to these facilities Recreation Services also operates the Priest Valley Arena, Centennial Outdoor Rink, Kal Tire Place and the newly opened Kal Tire Place North Arena. Recreation Services supplies administrative support, registrations and customer service through offices located at the Recreation Centre and at Kal Tire Place. In the summer months Recreation Services also operates the Lakeview and Lavington outdoor pools. Over 1700 programs are offered in these facilities and in the community through our Aquatics and Program Divisions.

Highlights

2018 was the fifth year of the five year Greater Vernon Recreation Facilities & Programming Agreement with Areas B & C of the Regional District of North Okanagan and the District of Coldstream. The 2018 budget was based on the 2017 budget plus 1.4% CPI for Canada August as contained in the Agreement.

2018 has been another exciting year for Recreation Services starting with the announcement in January that the community would be playing host to the 2019 Special Olympics Winter Games with our facilities featuring prominently in the games. 2018 was the first full year with the newly launched Perfect Mind Recreation Management system that allows the public to register for programs online in real time. Public engagement for the Greater Vernon Recreation Master Plan got underway early in the year and after receiving significant public input from individual citizens and stakeholder groups the final plan was presented to the elected officials in early October. 94% of respondents to the master plan surveys indicated that they agreed that recreation is a "must have" service (73% strongly agreed, 21% somewhat agreed). The Recreation Master Plan will provide guidance and a focused direction for recreation for the next fifteen years.

In August, the new five year Greater Vernon Recreation Facilities & Programming Agreement was reached with our Greater Vernon Partners ensuring that the City of Vernon would continue to operate Recreation Services for the next five years, with the goal of providing the service for the long term. In September the brand new Kal Tire Place North Arena opened to rave reviews, on time and on budget. A weekend-long celebration was held including a ribbon cutting ceremony, season opening game for the Vernon Vipers, a concert featuring Loverboy and Platinum Blonde, a public market, free ice times for the public and minor sports groups and a music festival.

Outlook

2019 will be the first year of the newly agreed to five year Greater Vernon Recreation Facilities & Programming Agreement; a fee for service agreement with Areas B & C of the Regional District of North Okanagan and the District of Coldstream. The 2019 budget is based on the 2018 budget plus 2.8% CPI for Canada, August, as agreed to in the Agreement. One small change in the new Agreement is that the proportional contribution formula was changed so that the City of Vernon is now providing 68.4% of the funding and the Partners to the Agreement are providing 31.6%.

Over the first five years of the Agreement, significant improvements have been made in the facilities and to the operation of Recreation Services. In 2019 we will continue to supply services at or above historic

levels, reinvest in our recreation facilities and begin carrying out the recommendations put forward in the Greater Vernon Recreation Master Plan by bringing forward an action plan early in the new year. Moving forward it will become increasingly challenging to maintain the operation, facilities and programs at historic levels of service as the annual funding increases based on the CPI are losing ground to the increase in costs to operate the service. As identified in the Recreation Master Plan, additional funding for the service will be required in the future to achieve some of the recommendations and allow the service to continue to grow with community demands.

The 2019 budget includes adjustments that were made to exempt compensation following market comparisons with benchmark communities in 2018 and also includes significant increases for our excluded non-union employees due to the increases in the minimum wage as mandated by the Province and an increase in payroll loading costs of 4%. The increase to the base minimum wage also requires increases to other excluded wages due to compression. These increases impact all areas of the budget that use excluded employees for programs and events. Other items impacting the budget are an increase in the cost of snow removal due to the significant snow falls that have been occurring in recent years and increased costs in the operation of the refrigeration plants in the arenas as a result of new regulations from Technical Safety BC and WorkSafe BC following the tragic incident in Fernie in 2017.



FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

December 31, 2018



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 blue ink, appearing to be "B.", written over a horizontal line.

Chief Administrative Officer

A handwritten signature in blue ink, appearing to be "Law", written over a horizontal line.

Director of Financial Services

May 13, 2019



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3205-32 Street
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Vernon BC
V1T 9A2
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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 Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2018
- 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 Entity as at December 31, 2018, and its consolidated results of operations, its consolidated changes in net financial assets 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 Entity's internal control.



- 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 Entity'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 Entity 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, flowing style. Below the signature is a long, horizontal, slightly curved line that extends to the right.

Chartered Professional Accountants

May 13, 2019

Vernon, Canada

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



December 31, 2018 (in thousands of dollars)

2018

2017

Financial Assets

Cash and cash equivalents	Note 2	\$ 84,108	\$ 80,538
Portfolio investments	Note 3	-	5,414
Accounts receivable	Note 4	19,695	18,738
Municipal Finance Authority cash deposits	Note 5	857	2,455
Land under development	Note 6	4,748	4,778
		<u>109,408</u>	<u>111,923</u>

Liabilities

Accounts payable and accrued liabilities	Note 7	29,814	33,585
Deferred charges	Note 8	13,086	13,167
Deferred revenue	Note 9	1,806	2,147
Municipal Finance Authority reserves	Note 5	-	2,455
Debt	Note 10 & 11	15,375	18,681
Landfill remediation liability	Note 12	130	104
		<u>60,211</u>	<u>70,139</u>

Net Financial Assets

49,197 41,784

Non-financial Assets

Tangible capital assets	Note 13	575,083	570,690
Inventory of supplies		453	492
Prepaid expenses		692	278
		<u>576,228</u>	<u>571,460</u>

Accumulated Surplus

Note 14 \$ 625,425 \$ 613,244

Commitments and contingent liabilities

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 2018 Note 25	Actual 2018	Actual 2017
For the year ended December 31, 2018 (in thousands of dollars)				
Revenue				
Taxation	Note 15	\$ 39,923	\$ 39,491	\$ 37,368
Government transfers	Note 16	8,275	17,473	17,322
Services provided to other governments		3,172	3,192	3,495
Sale of services:				
Sewer fees and charges		9,468	9,645	9,453
Environmental health		2,080	2,307	2,173
Recreation fees		2,429	2,390	2,370
Public transit and parking		2,050	2,241	2,008
Fines and rentals		1,491	1,544	1,676
Licenses and permits		1,397	2,064	1,856
Airport		1,014	1,255	945
Other		1,068	1,572	1,015
Development fees		147	195	134
Fiscal services:				
Penalties, interest earned and actuarial adjustments		1,239	4,924	3,041
Natural gas system lease agreements	Note 17	1,930	1,874	1,911
Developer contributions of assets	Note 13	1,528	4,128	5,466
		77,211	94,295	90,233
Expenses				
	Note 19 & 24			
General government and common services		10,116	10,150	10,408
Bylaw compliance and parking control		1,274	1,391	1,263
Protective Services:				
Police		12,844	11,262	11,733
Fire rescue		5,815	6,176	5,583
Emergency measures		209	291	592
Planning and building inspection		2,746	2,649	2,456
Engineering		3,961	2,731	2,973
Operations Services:				
Road transportation		16,395	16,391	15,193
Sanitary sewer		10,288	9,981	9,741
Solid waste and recycling		1,827	1,899	1,801
Park services		2,123	2,151	1,928
Storm drainage		1,336	1,571	1,509
Airport		1,089	1,180	2,278
Other		553	668	540
Cemetery		277	384	295
Recreation		6,197	13,239	13,632
		77,050	82,114	81,925
Annual surplus		161	12,181	8,308
Accumulated surplus, beginning of year		613,244	613,244	604,936
Accumulated surplus, end of year	Note 14	\$ 613,405	\$ 625,425	\$ 613,244

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, 2018 (in thousands of dollars)	Budget 2018 Note 25	2018	2017
Annual Surplus	\$ 161	\$ 12,181	\$ 8,308
Amortization of tangible capital assets	11,901	11,133	10,974
Net loss on sales of assets	-	165	743
Proceeds on sale of tangible capital assets	-	82	44
Acquisition of tangible capital assets	(13,431)	(13,597)	(8,905)
Acquired tangible capital assets from developers Note 13	-	(2,177)	(2,889)
	(1,530)	(4,394)	(33)
Consumption of supplies inventories	-	1,027	773
Use of prepaid expenses	-	913	878
Acquisition of supplies inventories	-	(988)	(768)
Acquisition of prepaid expenses	-	(1,326)	(618)
	-	(374)	265
Increase in net financial assets	(1,369)	7,413	8,540
Net financial assets, beginning of year	41,784	41,784	33,244
Net financial assets, end of year	\$ 40,415	\$ 49,197	\$ 41,784

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, 2018 (in thousands of dollars)

	2018	2017
Operating Activities		
Annual surplus	\$ 12,181	\$ 8,308
Non-cash items included in annual surplus:		
Amortization of tangible capital assets	11,133	10,974
Net loss on disposal of tangible capital assets	165	743
Developer contributions of assets	(2,177)	(2,889)
Increase in landfill remediation liability	26	13
Change in non-cash operating items:		
(Increase) in accounts receivable	(957)	(696)
Decrease in Municipal Finance Authority cash deposits	1,598	-
(Decrease) / increase in accounts payable and accrued liabilities	(3,771)	10,330
(Decrease) / increase in deferred charges	(81)	752
(Decrease) in deferred revenue	(341)	(335)
(Decrease) in Municipal Finance Authority reserves	(2,455)	-
Actuarial adjustments on debt	(1,508)	(1,369)
Decrease in supplies inventories	39	5
(Increase) / decrease in prepaid expenses	(413)	260
	<u>13,439</u>	<u>26,096</u>
Investing Activities:		
Decrease / (increase) in portfolio investments	5,414	(13)
Decrease / (increase) in land under development	30	(1,623)
	<u>5,444</u>	<u>(1,636)</u>
Financing Activities:		
Principal payments on debt	(1,798)	(1,800)
	<u>(1,798)</u>	<u>(1,800)</u>
Capital Activities:		
Proceeds on sale of tangible capital assets	82	44
Acquisition of tangible capital assets	(13,597)	(8,905)
	<u>(13,515)</u>	<u>(8,861)</u>
Increase in cash and cash equivalents	<u>3,570</u>	<u>13,799</u>
Cash and cash equivalents, beginning of year	<u>80,538</u>	<u>66,739</u>
Cash and cash equivalents, end of year	<u>\$ 84,108</u>	<u>\$ 80,538</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(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 accounting standards established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Professional Accountants ("PSAS").

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, 2018

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies: (continued)

e) Land Under Development:

Land under development is valued at the lower of cost and net realizable value. Costs of inventory include the original land costs and design, engineering and other related costs associated with holding the property.

f) Deferred Charges:

Deferred charges are comprised of levied and unused Development Cost Charges and Sidewalk Gifting 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 debt in 2018 was \$1,065,000, (\$1,108,000 in 2017).

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 Operations and Closure Plan (the "Plan") prepared for the City by external consultants. A revised Operations and Closure Plan will be prepared; however, the original Plan will be used for the purposes of calculating the closure and post-closure liability 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 (Note 12).

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, 2018

(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

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies: (continued)

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.

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 PSAB 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) Comparative Figures:

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

r) 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, 2018

(tabular amounts in thousands of dollars)

2. Cash and Cash Equivalents:

	2018	2017
Restricted:		
Deferred charges	\$ 13,086	\$ 13,167
Deferred revenue	1,806	2,147
Statutory reserves	3,442	3,370
	18,334	18,684
Unrestricted:	65,774	61,854
	<u>\$ 84,108</u>	<u>\$ 80,538</u>

The City has access to an operating line of credit not exceeding \$2.0 million (2017 - \$2.0 million). Interest is accrued based on Bank of Montreal's prime lending rate. As of December 31, 2018, this line of credit was not being utilized (2017- \$0).

3. Portfolio Investments:

Portfolio investments are comprised of pooled investments in the Municipal Finance Authority ("MFA") Bond Fund. As of December 31, 2018, all such investments related to development cost charges. Portfolio investments are recorded at their cost and written down to reflect losses in value that are other than temporary.

4. Accounts Receivable:

	2018	2017
Property taxes	\$ 3,724	\$ 4,259
Utility billings	7,037	7,112
Other governments	6,237	4,342
Trade and other receivables	2,822	3,150
	19,820	18,863
Allowance for doubtful trade accounts receivable	(125)	(125)
	<u>\$ 19,695</u>	<u>\$ 18,738</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(tabular amounts in thousands of dollars)

5. Municipal Finance Authority – Deposits and Reserves:

The City issues most of its debt through the MFA. As a condition of the borrowing, 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 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, 2018, there were contingent demand notes of \$1,608,000 (2017 - \$1,598,000) 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.

6. Land Under Development:

In 2008, development activity began for both Hesperia Development Corporation and CBW Development Corporation. In 2017, the City entered into a Land Purchase and Development Framework agreement for the conditional sale of City owned land (note 26). The accumulated value of \$4,748,000 (2017 - \$4,778,000) is comprised of the historical cost of the land plus all design, engineering, and related costs incurred to date. Such costs have not been included in tangible capital assets since the land and improvements are subject to resale upon completion of the development.

7. Accounts Payable and Accrued Liabilities:

	2018	2017
Trade accounts payable and other accrued liabilities	\$ 14,984	\$ 14,660
Multi-Use Facility expansion unspent deposit	-	6,060
Salaries, wages and related costs	5,055	4,669
	<u>20,039</u>	<u>25,389</u>
Deferred revenue		
Prepaid property taxes	3,969	3,696
Deposits and holdbacks	5,694	4,401
Prepaid fees and charges	112	99
	<u>9,775</u>	<u>8,196</u>
	<u>\$ 29,814</u>	<u>\$ 33,585</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(tabular amounts in thousands of dollars)

8. Deferred Charges:

Deferred Charges include Sidewalk gifting funds and Development Cost Charges ("DCC's"). Sidewalk gifting funds are charged to developers through a works contribution agreement requiring the City to use funds for future sidewalks 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.

	2018	2017
Deferred charges		
DCC - roads	\$ 4,364	\$ 5,098
DCC - storm	1,915	1,776
DCC - sewer	4,724	4,306
Sidewalk gifting funds	2,084	1,987
	<u>13,086</u>	<u>13,167</u>
Deferred charges, beginning of year	13,167	12,415
DCC's levied during the year	1,586	2,610
Sidewalk gifting funds received	97	208
Investment income	187	84
	<u>15,037</u>	<u>15,317</u>
Contributions available		
Capital transfers	(1,697)	(1,731)
Operating transfers	(254)	(419)
	<u>\$ 13,086</u>	<u>\$ 13,167</u>

9. Deferred Revenue:

	2018	2017
Recreation Facility Major Maintenance	\$ 1,726	\$ 1,746
Recreation Facility Replacement (Civic)	33	301
Recreation Facility Operating	47	100
	<u>\$ 1,806</u>	<u>\$ 2,147</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(tabular amounts in thousands of dollars)

10. Debt:

	Purpose of Bylaw	Interest Rate %	Year of Maturity	Gross Debt	Sinking Fund Asset	2018 Net Debt	2017 Net Debt
<u>General Purposes:</u>							
4717	Fortis BC Gas Lease *	2.10 %	2019	\$24,500	\$22,430	\$ 2,069	\$ 4,041
4718	Fortis BC Gas Lease *	1.95 %	2037	1,185	104	1,081	1,100
4624	Downtown Revitalization	1.80 %	2020	388	323	65	96
4625	Downtown Revitalization	1.80 %	2020	128	106	22	32
4728	Downtown Revitalization	1.80 %	2020	211	175	36	52
4739	Various	1.80 %	2020	4,675	3,887	788	1,161
				31,087	27,025	4,061	6,482
<u>Sewer Purposes:</u>							
4889	Reclaimed Water Line	1.80 %	2020	1,061	882	179	264
4680	Treatment Plant Phase I	1.75 %	2027	5,000	2,479	2,521	2,740
4680	Treatment Plant Phase II	2.40 %	2028	2,038	922	1,116	1,201
4791	Water Reclamation Plant	1.80 %	2030	12,556	5,058	7,498	7,994
				20,655	9,341	11,314	12,199
				\$51,742	\$36,366	\$15,375	\$18,681

* See note 17 for capital lease liabilities.

11. Future Payments and Sinking Fund Additions:

	General	Sewer	Total
2019	\$ 1,260	\$ 541	\$ 1,801
2020	314	541	855
2021	26	484	510
2022	28	484	512
2023	31	484	515
2024 & thereafter	950	2,988	3,938
	2,609	5,522	8,131
Actuarial adjustments	1,452	5,792	7,244
	\$ 4,061	\$ 11,314	\$ 15,375

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(tabular amounts in thousands of dollars)

12. 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 wastes. 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") (Note 1(i)). 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% (2017 - 1.5%) and then discounted to the financial reporting date at 2.31% (2017 - 2.49%), 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, 2018 is \$130,000 (2017 - \$104,000), the estimated total expenditures for closure and post-closure care are \$1,281,000 (2017 - \$1,151,000), which leaves \$1,151,000 (2017 - \$1,047,000) remaining to be recognized. The landfill is estimated to have remaining capacity of 862,760 cubic meters (90%) and remaining life of 52 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, 2018 the balance of this reserve is \$312,000 (2017 - \$292,000).

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, 2018

(tabular amounts in thousands of dollars)

13. Tangible Capital Assets:

Cost	December 31, 2017	Additions	Disposals / Write-downs	December 31, 2018
Land	\$ 263,575	\$ 3,206	\$ -	\$ 266,781
Buildings	65,567	(284)	83	65,200
Vehicles	13,467	447	191	13,723
Miscellaneous equipment	3,102	1,832	-	4,934
Information technology	2,744	156	194	2,706
Transportation infrastructure	224,688	6,148	345	230,491
Storm drainage infrastructure	79,623	723	124	80,222
Sanitary sewer infrastructure	101,867	3,546	38	105,375
Equipment under capital lease	25,295	-	-	25,295
	<u>\$ 779,928</u>	<u>\$ 15,774</u>	<u>\$ 975</u>	<u>\$ 794,727</u>

Accumulated Amortization	December 31, 2017	Amortization	Disposals	December 31, 2018
Buildings	\$ 26,886	\$ 1,667	\$ 56	\$ 28,497
Vehicles	7,853	594	164	8,283
Miscellaneous equipment	1,189	100	-	1,289
Information technology	2,151	237	152	2,236
Transportation infrastructure	108,046	5,406	269	113,183
Storm drainage infrastructure	23,113	1,046	62	24,097
Sanitary sewer infrastructure	29,159	1,360	24	30,495
Equipment under capital lease	10,841	723	-	11,564
	<u>\$ 209,238</u>	<u>\$ 11,133</u>	<u>\$ 727</u>	<u>\$ 219,644</u>

Net Book Value	December 31, 2017	December 31, 2018
Land	\$ 263,575	\$ 266,781
Buildings	38,681	36,703
Vehicles	5,614	5,440
Miscellaneous equipment	1,913	3,645
Information technology	593	470
Transportation infrastructure	116,642	117,308
Storm drainage infrastructure	56,510	56,125
Sanitary sewer infrastructure	72,708	74,880
Equipment under capital lease	14,454	13,731
	<u>\$ 570,690</u>	<u>\$ 575,083</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(tabular amounts in thousands of dollars)

13. Tangible Capital Assets: (continued)

a) Work-in-progress (continued)

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 \$17,853,000 (2017 - \$13,551,000) has not been amortized. Amortization of these assets will commence 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 \$2,177,000 (2017 - \$2,889,000) comprised of transportation infrastructure in the amount of \$128,000 (2017 - \$1,436,000), storm drain infrastructure in the amount of \$64,000 (2017 - \$808,000) and sanitary sewer infrastructure in the amount of \$49,000 (2017 - \$645,000) and land in the amount of \$1,936,000 (2017 - \$nil).

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, 2018 and 2017.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(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:

	2018	2017
Accumulated surplus per Statement of Financial Position	\$ 625,425	\$ 613,244
Less:		
Tangible capital assets	(575,083)	(570,690)
Debt	15,375	18,681
Inventory of supplies	(453)	(492)
Prepaid expenses	(692)	(278)
	64,572	60,465
Non-Statutory Reserves		
Budget Carryover Reserve General	2,522	2,192
Budget Carryover Reserve Sewer	87	49
Capital Reserves General	13,202	13,213
Capital Reserves Sewer	12,567	13,947
Operating Reserves General	207	213
Tax Equalization Reserves General	5,439	6,201
Tax Equalization Reserves Sewer	11,587	8,697
Special Purpose Reserves	7,820	6,154
Fortis BC Lease Legacy Reserve	3,092	3,418
	56,523	54,084
Statutory Reserve Funds		
Highway Access to Water Reserve	630	619
Land Sale Reserve	485	841
Local Improvement Reserve	864	850
Parkland Reserve	238	221
Recreation Facility Operating Reserve	1,225	839
	3,442	3,370
Total Restricted Funds	59,965	57,454
Unappropriated Surplus	\$ 4,607	\$ 3,011

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(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:

	2018	2017
Specific assessments:		
Residential	\$ 24,370	\$ 23,085
Business	12,381	11,599
Utilities	291	272
Light industrial	551	523
Non-profit	144	132
Farm land	4	3
	37,741	35,614
Payments in lieu of taxes	1,544	1,270
Specified area taxes and other	206	484
	<u>\$ 39,491</u>	<u>\$ 37,368</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(tabular amounts in thousands of dollars)

16. Transfers from Other Governments

	2018	2017
Federal government transfers		
Sanitary infrastructure	\$ 2,156	\$ -
Transportation infrastructure	1,958	1,798
Recreational initiatives	-	80
	<u>4,114</u>	<u>1,878</u>
Provincial government transfers		
Transit subsidy	2,304	2,095
Casino revenue sharing	1,516	1,960
Hotel tax	1,035	738
Traffic fine revenue sharing	461	486
Transportation infrastructure	437	824
Keep of prisoners	337	272
Emergency Management BC	94	419
Carbon tax rebate	85	82
Certificate of Recognition safety program	63	63
UBCM grants	29	14
Tourism BC	25	25
Insurance Corporation of BC	20	149
Municipal Insurance Agency	7	13
Other transfers	4	10
Sanitary infrastructure	-	666
BC Hydro initiatives	-	1
	<u>6,417</u>	<u>7,817</u>
Other government transfers		
Recreational initiatives	6,509	7,235
Community development initiatives	339	6
Okanagan Basin Water Board	90	93
Regional initiatives	4	293
	<u>6,942</u>	<u>7,627</u>
Total transfers from other governments	<u>\$ 17,473</u>	<u>\$ 17,322</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(tabular amounts in thousands of dollars)

17. Natural Gas System Lease Agreements:

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

a) Leased tangible capital assets:

Under the terms of the agreement, the City has 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 has prepaid \$23,750,000 of the capital lease obligation and has financed the prepayment through debenture debt (Debt Bylaw # 4718, note 10). The remaining obligation, which is included in debt, will be paid with annual lease payments of \$127,884 including interest based on Fortis BC-approved pre-tax weighted average cost of capital of 9.85%.

b) Operating Lease:

The City has also entered into a 17-year operating lease that commenced December 1, 2002 whereby the City leases back to Fortis BC the operation of the gas distribution system. Under the operating lease, Fortis BC is obligated to make annual lease payments to the City that are calculated by a formula specified in the agreement which is based on the total annual revenue generated by the transaction. The lease revenue in 2018 was \$1,874,000, (\$1,911,000 in 2017). At the end of the 17-year term, Fortis BC has the option of making a termination payment equal to the unamortized portion of the City's \$23,750,000 prepayment under the lease of tangible capital assets (which is estimated to be \$12,214,000) or negotiate a new 18-year operating lease with a continuation of the annual lease payments which existed under the previous 17-year operating lease agreement.

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

a) Water Agreement

The City 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. 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.

b) Parks Agreements

The City entered into a five year agreement with the Regional District to assume responsibility for the management and operation of all parks within its boundaries 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 submitted a Parks DCC bylaw to the Ministry of Community, Sport and Cultural Development for approval. Until Ministry approval is received, Parks DCC's are 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, 2018 was \$4,379,000 (2017 - \$3,410,000), which is not recognized in the financial statements.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(tabular amounts in thousands of dollars)

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

c) Recreation Agreements

The City has entered into a five-year agreement with the Regional District to assume the responsibility for the management and operation of local recreational facilities commencing January 1, 2014. The agreement also involves the transfer of 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 \$36,582,000 plus facilities substantially complete on these lands, with construction costs to date approximating \$13,477,000 have not yet been transferred to the City as of December 31, 2018. This agreement was renewed for a five-year period commencing January 1, 2019.

19. Expenses by Object:

	2018	2017
Salaries and wages	\$ 27,622	\$ 26,609
Contracted services	22,219	21,915
RCMP contract	8,337	8,921
Amortization of tangible assets	11,132	10,974
Supplies, materials and other	5,157	5,363
Bank charges and net loss on capital assets	1,351	2,067
Utilities, telephone and insurance	4,271	4,250
Equipment charges	2,025	1,826
	<u>\$ 82,114</u>	<u>\$ 81,925</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 prepaid in full in the amount of \$1,310,000 upon occupancy by BC Transit of the site in November 2011 (see note 7).

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(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.

	2018	2017
Trust Fund Continuity:		
Balance, beginning of year	\$ 813	\$ 783
Interest earned	16	8
Proceeds from plot sales and memorial settings	35	30
Transfers to general fund for maintenance	(16)	(8)
Balance, end of year	<u>\$ 848</u>	<u>\$ 813</u>

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, 2018

(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 "Pension Plan"), a jointly trustees pension plan. The board of trustees, representing plan members and employers, is responsible for administering the Pension 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, 2017, the Pension Plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 contributors from local government.

Every three years, an actuarial valuation is performed to assess the financial position of the Pension Plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the Pension 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 Pension 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, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The City paid \$2,217,000 (2017 - \$2,137,000) for employer contributions while employees contributed \$1,884,000 (2017 - \$1,812,000) to the Pension Plan in fiscal 2018.

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 Pension Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the Pension 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 is 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, 2018, no drawing on the Letter of Credit has occurred (2017 - \$0).

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(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 linear 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 corporation is 100% owned.
- Revenues associated with this segment include all those amounts that cannot 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 a 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 services include a contract to provide services within other jurisdictions of the North Okanagan. This program is responsible for emergency planning within the community and is engaged when more than one individual member may be affected by an emergency situation.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2018

(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 Services:

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, 2018
(tabular amounts in thousands of dollars)

24. Segmented Disclosure:

	General Government	Protective Services	Community Infrastructure	Recreation	Operations Services	Sanitary Sewer	2018	2017
Revenue								
Taxation	\$ 39,432	\$ -	\$ -	\$ 35	\$ -	\$ 24	\$ 39,491	\$ 37,368
Government Transfers	4,476	918	206	6,510	3,116	2,247	17,473	17,322
Services to other governments	578	411	216	1,100	429	458	3,192	3,495
Sale of services	2,417	274	2,269	3,452	4,946	9,855	23,213	21,268
Fiscal services	4,537	-	-	51	-	336	4,924	3,041
Developer contributions of assets	-	-	10-	-	3,815	303	4,128	5,466
Natural gas system agreement	1,874	-	-	-	-	-	1,874	2,273
	\$ 53,314	\$ 1,603	\$ 2,701	\$ 11,148	\$ 12,306	\$ 13,223	\$ 94,295	\$ 90,233
Expenses								
Salaries and wages	6,586	7,802	3,709	3,904	3,676	1,945	27,622	26,609
Contracted services	2,297	537	1,181	7,209	9,644	1,351	22,219	21,915
RCMP contract	-	8,337	-	-	-	-	8,337	8,921
Amortization of tangible assets	1,810	186	-	15	6,518	2,603	11,132	10,974
Supplies, materials and other	(773)	453	392	898	1,817	2,370	5,157	5,363
Bank fees and net loss on assets	777	-	-	39	138	397	1,351	2,067
Utilities, telephone and insurance	748	205	13	1,113	1,190	1,002	4,271	4,250
Equipment charges	96	209	85	61	1,261	313	2,025	1,826
	11,541	17,729	5,380	13,239	24,244	9,981	82,114	81,925
Excess (deficiency) revenue over expenses	\$ 41,773	\$ (16,126)	\$ (2,679)	\$ (2,091)	\$ (11,938)	\$ 3,242	\$ 12,181	\$ 8,308

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements

Year Ended December 31, 2018

(tabular amounts in thousands of dollars)

25. Budget Data:

The budget data presented in these consolidated financial statements is based upon the 2018 consolidated financial plan approved by Council on January 22, 2018. The schedule below reconciles the approved budget in Bylaw #5666 to the budget figures reported in these consolidated financial statements.

	Budget Amount
Revenue:	
Operating budget	\$ 111,861
Capital budget	9,757
	<u>121,618</u>
Less:	
Transfers from other funds and reserves	13,071
Collections for other governments	31,336
	<u>(44,407)</u>
Total Revenue	<u>77,211</u>
Expenses:	
Operating budget	119,423
Capital budget	13,431
	<u>132,854</u>
Less:	
Capital expenses	13,431
Transfers to other funds and reserves	9,242
Debt principal payments	1,795
Collections for other governments	31,336
	<u>(55,804)</u>
Total Expenses	<u>77,050</u>
Annual Surplus	<u>\$ 161</u>

26. Subsequent Events

In 2017, the City entered into a Land Purchase and Development Framework agreement (the "agreement") for the conditional sale of City owned land. The agreement was for the City to sell the lands to a developer with an option for the City to enter into a partnership with the developer. If the option is exercised then a partnership between the City and the developer would be created and the lands would be transferred to the partnership as the City's contribution. The option expires 60 days after the issuance of the development permit. After December 31, 2018 the City declined the option and will sell the lands to the developer at the agreed upon price of \$6,493,000.

STATISTICAL SECTION



Summary of Financial Results

(In \$1,000's)

FINANCIAL POSITION

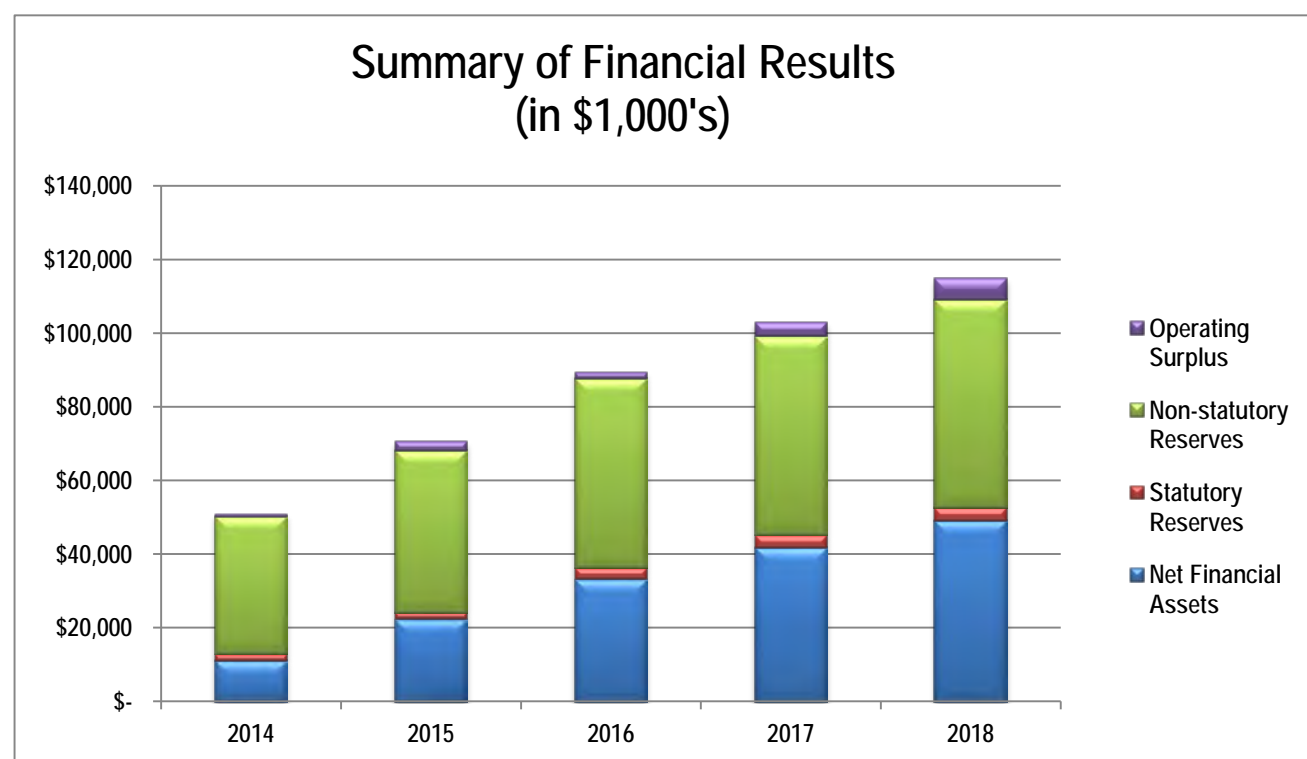
	2014	2015	2016	2017	2018
Financial Assets	\$ 76,102	\$ 84,831	\$ 95,782	\$ 111,923	\$ 109,408
Liabilities	65,020	62,473	62,538	70,139	60,211
Net Financial Assets (Debt)	11,082	22,358	33,244	41,784	49,197
Non-financial Assets	571,118	573,939	571,692	571,460	576,228
Accumulated Surplus, end of year	\$ 582,200	\$ 596,297	\$ 604,936	\$ 613,244	\$ 625,425

STATEMENT OF OPERATIONS

Revenue	\$ 90,125	\$ 83,248	\$ 77,638	\$ 90,233	\$ 94,295
Expenses	65,987	69,151	68,999	81,925	82,114
Annual Surplus	24,138	14,097	8,639	8,308	12,181
Accumulated Surplus, beginning of year	558,062	582,200	596,297	604,936	613,244
Accumulated Surplus, end of year	\$ 582,200	\$ 596,297	\$ 604,936	\$ 613,244	\$ 625,425

ACCUMULATED SURPLUS

Tangible capital assets	\$ 542,454	\$ 548,102	\$ 548,807	\$ 552,009	\$ 559,708
Statutory reserves	1,804	1,792	3,040	3,370	3,442
Non-statutory reserves	37,249	43,911	51,411	54,084	56,523
Operating surplus	693	2,492	1,678	3,781	5,752
Accumulated Surplus, end of year	\$ 582,200	\$ 596,297	\$ 604,936	\$ 613,244	\$ 625,425



Accumulated Surplus

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

Equity in Tangible Capital Assets:

	2014	2015	2016	2017	2018
General	\$ 453,924	\$ 459,584	\$ 461,609	\$ 464,127	\$ 469,841
Sewer	88,530	88,518	87,198	87,882	89,867
	\$ 542,454	\$ 548,102	\$ 548,807	\$ 552,009	\$ 559,708

Non-Capital Accumulated Surplus:

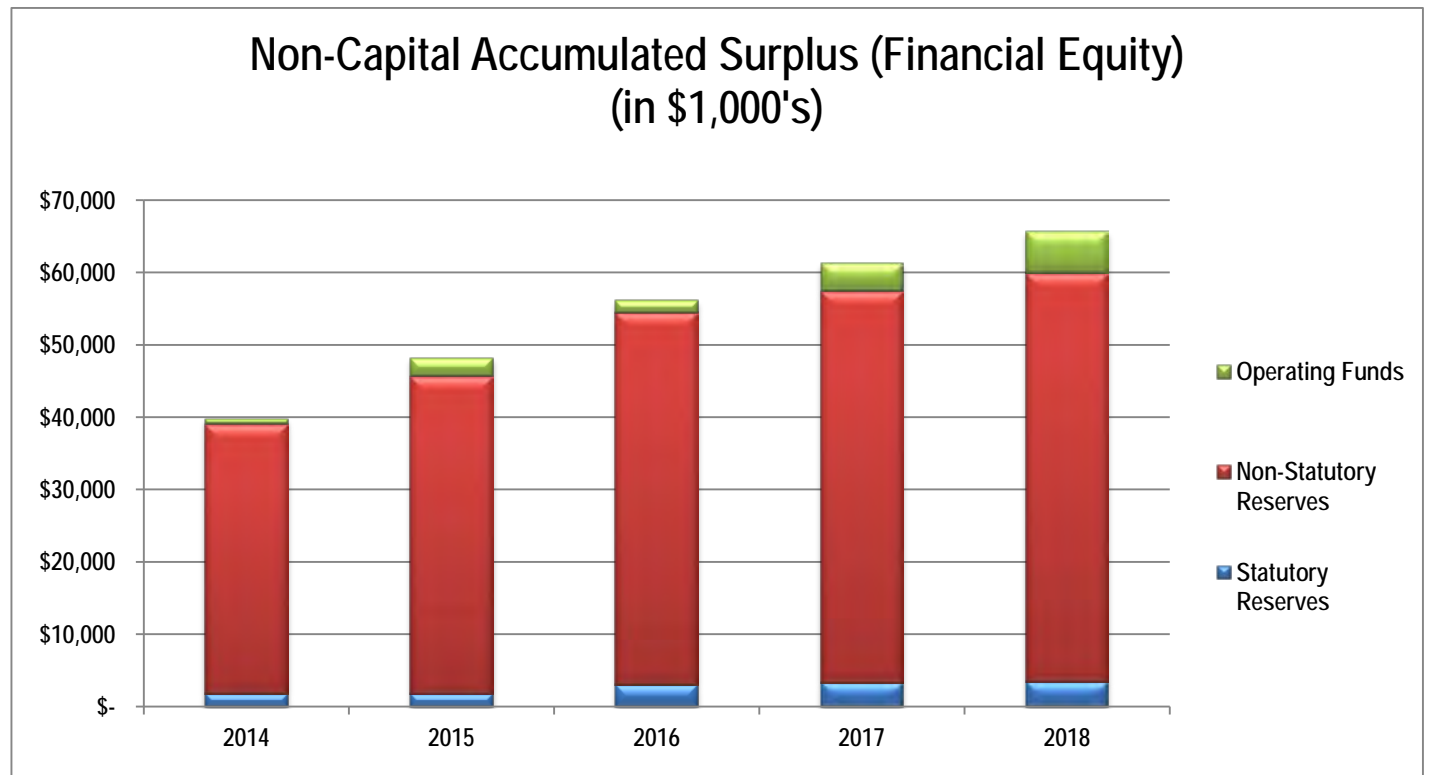
Statutory Reserves	\$ 1,804	\$ 1,792	\$ 3,040	\$ 3,370	\$ 3,442
Non-Statutory Reserves:					
Funds Committed for Uncompleted Projects	1,196	2,489	1,557	2,241	2,609
Capital Purposes	19,055	20,476	24,887	27,160	25,769
Operating Purposes	5,327	5,567	7,490	7,378	8,027
Tax & User Rate Equalization	9,369	12,651	14,380	13,887	17,026
Natural Gas System Lease Arrangement	2,302	2,728	3,097	3,418	3,092
	37,249	43,911	51,411	54,084	56,523
Operating Funds	693	2,492	1,678	3,781	5,752
	\$ 39,746	\$ 48,195	\$ 56,129	\$ 61,235	\$ 65,717

NON-CAPITAL ACCUMULATED SURPLUS (FINANCIAL EQUITY) PER CAPITA

	\$ 1,015	\$ 1,190	\$ 1,399	\$ 1,451	\$ 1,544
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TOTAL ACCUMULATED SURPLUS

	\$ 582,200	\$ 596,297	\$ 604,936	\$ 613,244	\$ 625,425
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Property Tax Revenue

(in \$1,000's)

	2014	2015	2016	2017	2018
Residential	\$ 18,065	\$ 20,585	\$ 21,817	\$ 23,085	\$ 24,370
Commercial	9,379	10,919	11,299	11,599	12,381
Light Industrial	444	518	492	523	551
Utility & Other	392	414	413	407	439
	\$ 28,280	\$ 32,436	\$ 34,021	\$ 35,614	\$ 37,741

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

RATIO OF TAX RATES - COMMERCIAL TO

RESIDENTIAL (General Taxes Only)

2.57	2.74	2.72	2.73	2.85
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TOTAL PROPERTY TAXES COLLECTED

\$ 62,567	\$ 66,394	\$ 66,051	\$ 65,532	\$ 67,637
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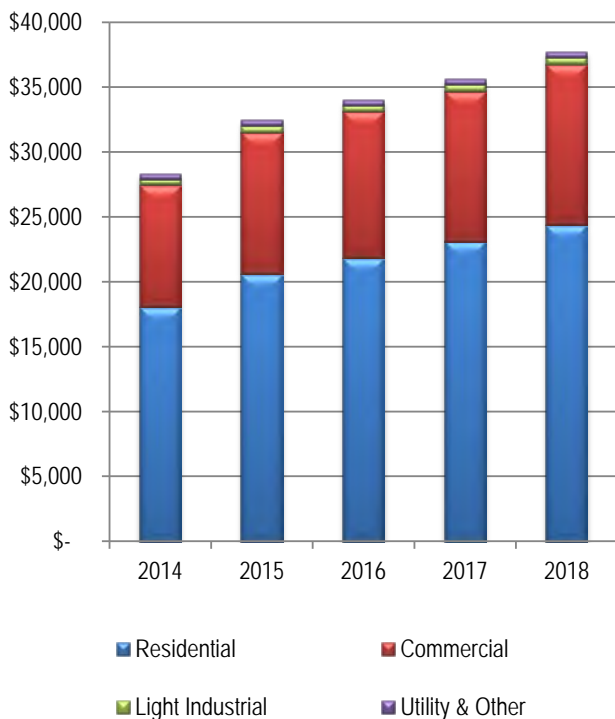
% OF CURRENT TAXES COLLECTED

97.91%	97.41%	97.20%	97.25%	97.51%
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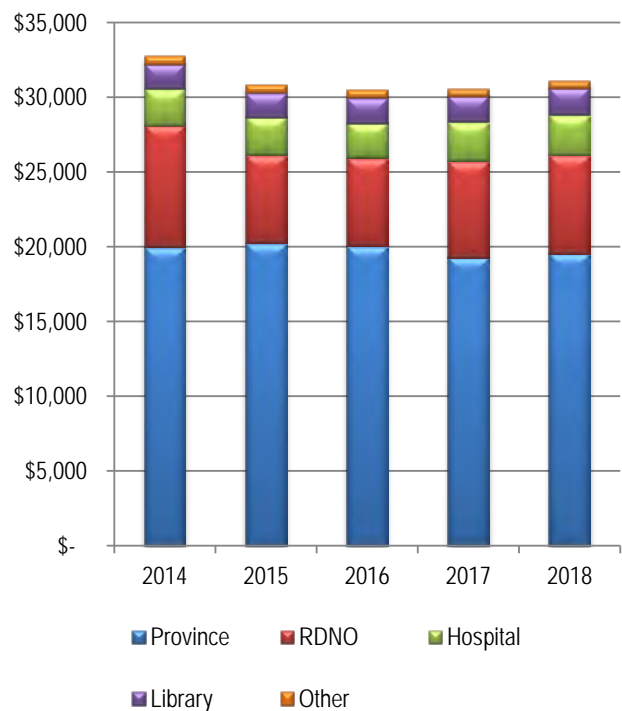
TAXES LEVIED FOR OTHER AGENCIES

Provincial School Taxes	\$ 19,994	\$ 20,246	\$ 20,049	\$ 19,271	\$ 19,553
Regional District of North Okanagan	8,107	5,882	5,898	6,461	6,568
Regional Hospital Districts	2,449	2,519	2,301	2,618	2,676
Okanagan Regional Library	1,632	1,638	1,702	1,694	1,767
Other	545	547	526	465	477
	\$ 32,727	\$ 30,832	\$ 30,476	\$ 30,509	\$ 31,041

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



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

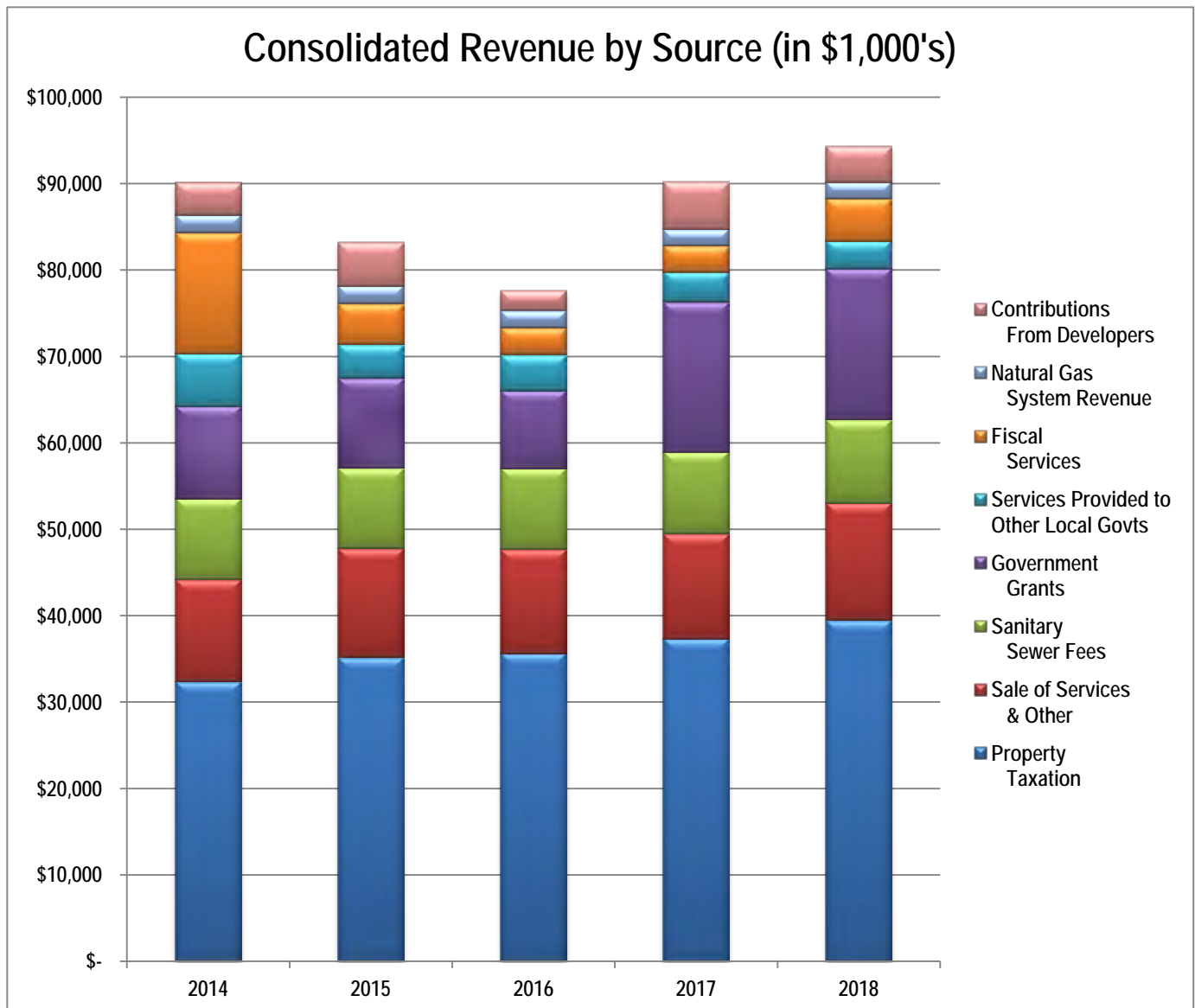


Consolidated Revenue by Source

(In \$1,000's)

	2014	2015	2016	2017	2018
Property Taxation*	\$ 32,413	\$ 35,195	\$ 35,642	\$ 37,333	\$ 39,491
Sale of Services & Other	11,794	12,636	12,077	12,177	13,568
Sanitary Sewer Fees	9,357	9,278	9,360	9,453	9,645
Government Grants	10,721	10,431	9,015	17,357	17,473
Services Provided to Other Local Govts	6,088	3,896	4,137	3,495	3,192
Fiscal Services	13,961	4,712	3,117	3,041	4,924
Natural Gas System Revenue	2,069	2,017	1,960	1,911	1,874
Contributions From Developers	3,722	5,083	2,330	5,466	4,128
	\$ 90,125	\$ 83,248	\$ 77,638	\$ 90,233	\$ 94,295

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

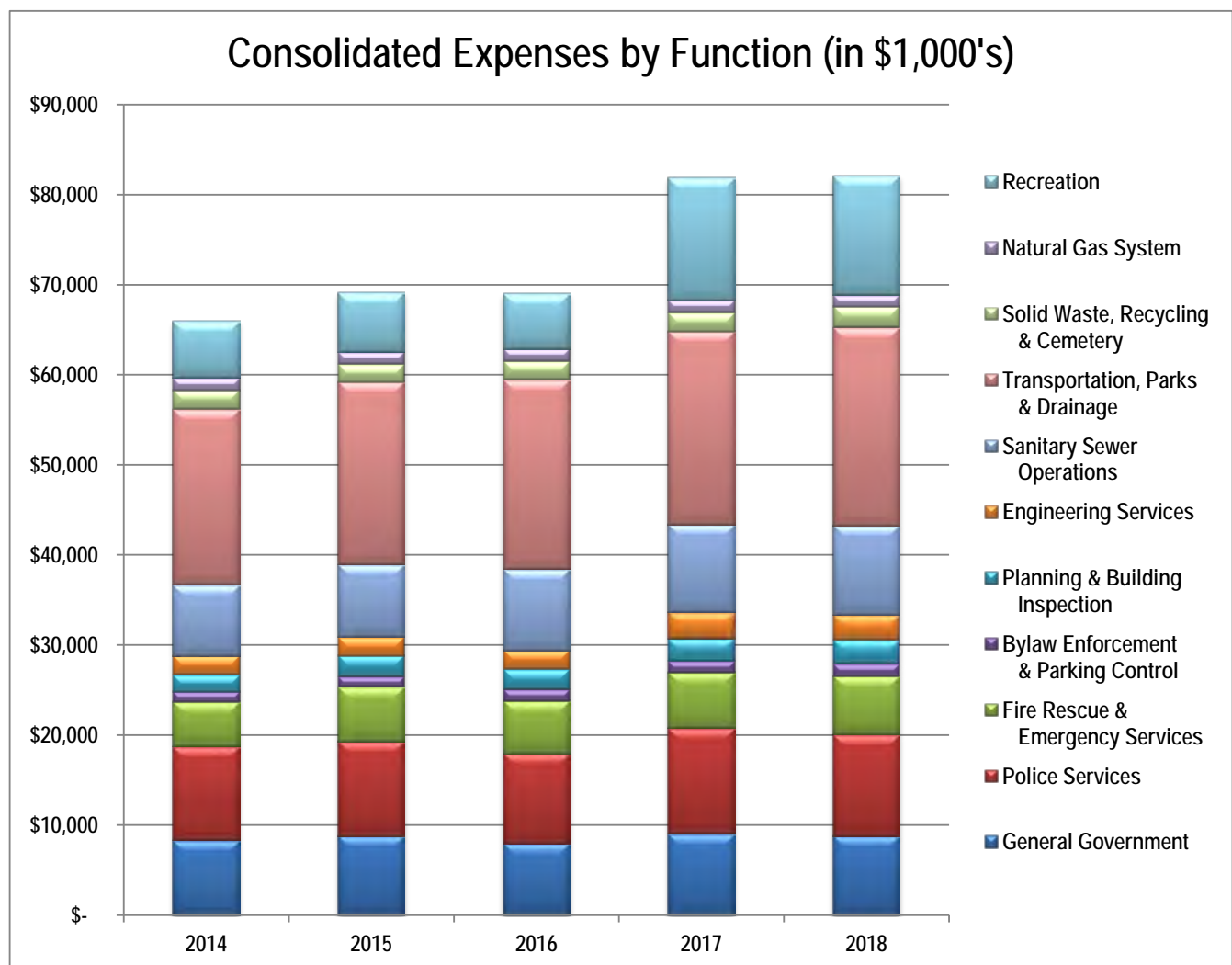


Consolidated Expenses by Function

(In \$1,000's)

	2014	2015	2016	2017	2018
General Government	\$ 8,328	\$ 8,842	\$ 7,972	\$ 9,060	\$ 8,841
Police Services	10,417	10,460	10,021	11,733	11,262
Fire, Rescue & Emergency Services	4,970	6,096	5,822	6,175	6,467
Bylaw Enforcement & Parking Control	1,118	1,097	1,265	1,263	1,391
Planning & Building Inspection	1,861	2,283	2,256	2,456	2,649
Engineering Services	2,079	2,138	2,054	2,973	2,731
Sanitary Sewer Operations	7,924	8,045	9,038	9,741	9,981
Transportation, Parks & Drainage	19,472	20,264	21,053	21,448	21,961
Solid Waste, Recycling & Cemetery	2,120	1,956	2,058	2,096	2,283
Recreation	6,346	6,618	6,110	13,632	13,239
Natural Gas System	1,352	1,352	1,350	1,348	1,309
	\$ 65,987	\$ 69,151	\$ 68,999	\$ 81,925	\$ 82,114

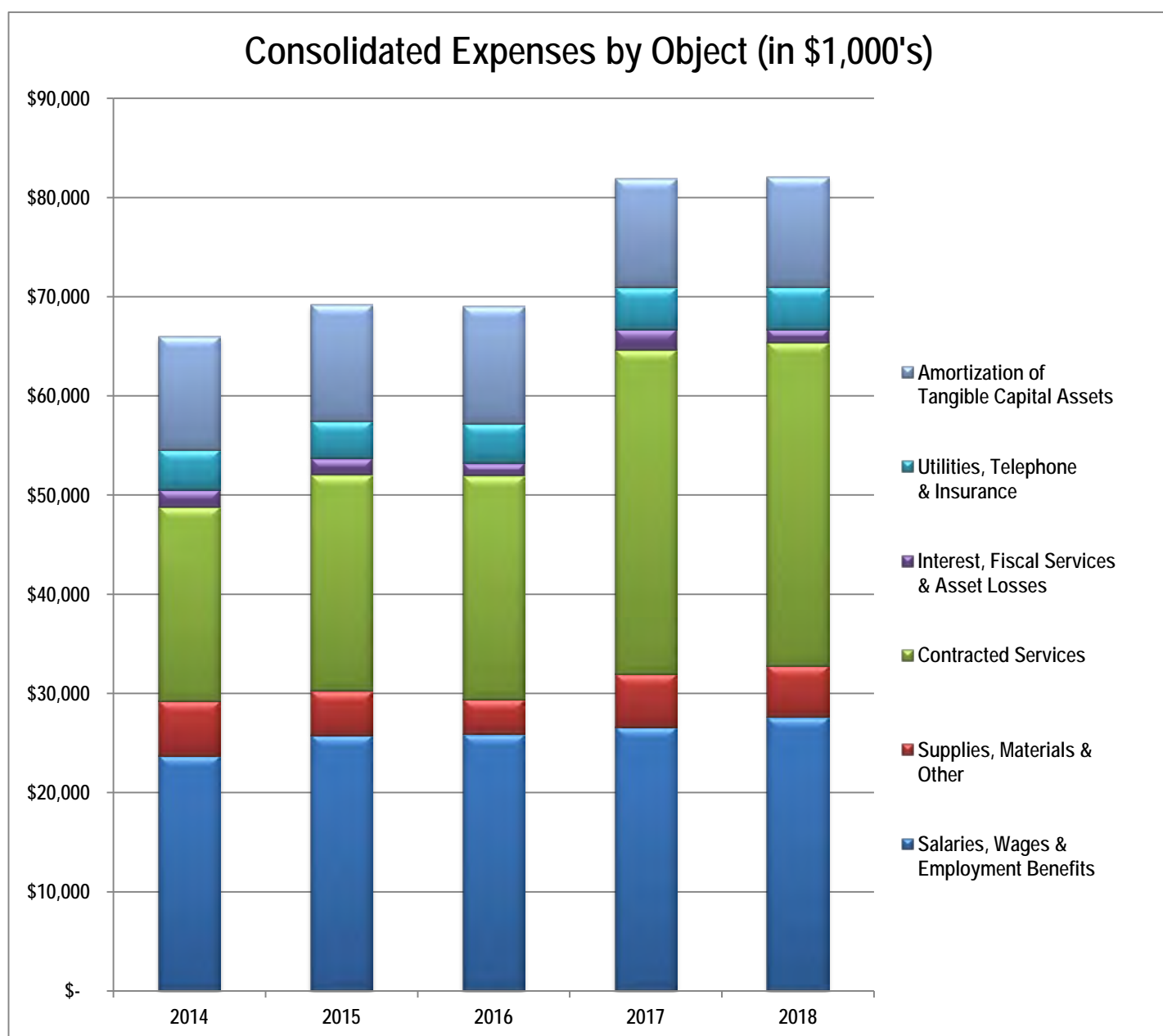
Derived from the General Fund, Sewer Fund, Statutory Reserve Funds, and wholly-owned subsidiaries. For purposes of this table, all interest, fiscal service expenses, and amortization have been integrated in their respective functions.



Consolidated Expenses by Object

(In \$1,000's)

	2014	2015	2016	2017	2018
Salaries, Wages & Employment Benefits	\$ 23,740	\$ 25,771	\$ 25,901	\$ 26,609	\$ 27,622
Supplies, Materials & Other	5,502	4,525	3,534	5,363	5,157
Contracted Services	19,546	21,774	22,535	32,662	32,581
Interest, Fiscal Services & Asset Losses	1,728	1,631	1,255	2,067	1,351
Utilities, Telephone & Insurance	4,049	3,759	3,993	4,250	4,271
Amortization of Tangible Capital Assets	11,422	11,691	11,781	10,974	11,132
	<u>\$ 65,987</u>	<u>\$ 69,151</u>	<u>\$ 68,999</u>	<u>\$ 81,925</u>	<u>\$ 82,114</u>

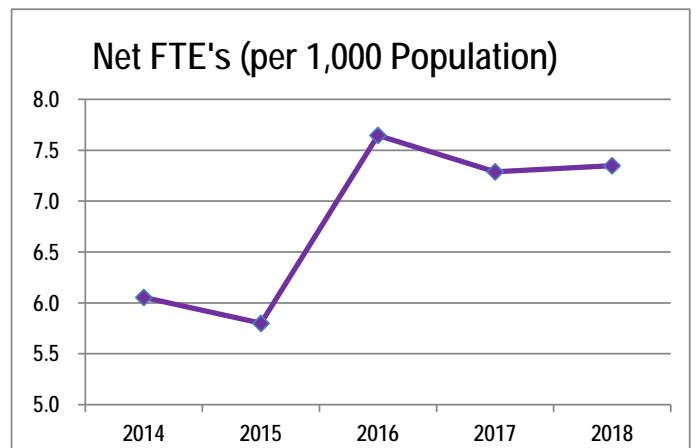
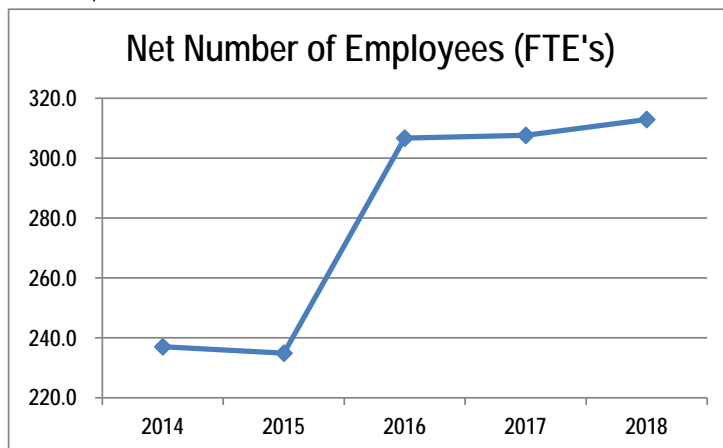


Number of Employees (Full-time Equivalents)

Number of Employees (Full-time Equivalents)*

	2014	2015	2016	2017	2018
Administration & Corporate Services:					
General Administration	2.0	2.0	2.0	2.0	2.0
City Clerk's Office	7.9	8.5	8.0	7.5	8.9
Human Resources	7.3	7.4	8.1	8.3	10.0
Information Services	9.4	9.6	9.6	10.3	8.9
Bylaw Enforcement	11.5	11.0	12.9	13.5	13.3
Community Policing Office	5.0	3.8	3.0	3.0	3.0
Finance & Purchasing	17.7	16.8	16.1	16.5	17.3
Engineering & GIS	16.0	15.2	14.9	17.4	16.9
Community Development	16.7	18.7	20.8	19.6	19.1
Fire & Rescue	40.2	39.1	38.2	39.1	36.9
Police (civilian staff)	32.0	30.7	30.5	29.1	29.9
Operations:					
Operations Administration	3.0	2.9	3.6	4.0	4.9
Sanitary & Storm Sewers	14.6	17.5	19.7	18.0	19.2
Water **	16.4	13.3	11.8	12.0	12.4
Public Works	28.5	24.7	24.2	22.9	29.0
Parks	10.2	10.8	12.2	12.1	12.2
Fleet & Facilities	11.5	11.9	12.7	12.3	11.6
Vernon Water Reclamation Plant	12.2	13.5	12.2	11.6	11.7
Airport	1.6	1.6	1.7	1.7	1.7
Recreation	52.9	55.2	56.3	58.7	56.4
Gross Number of Employees	316.6	314.2	318.5	319.6	325.3
* 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	(79.5)	(79.3)	(11.8)	(12.0)	(12.4)
Net Number of Employees (relating to total employment costs recorded by the City of Vernon)	237.1	234.9	306.7	307.6	312.9
Gross FTE Positions per 1,000 Population	8.1	7.8	7.9	7.6	7.6
Net FTE Positions per 1,000 Population	6.1	5.8	7.6	7.3	7.3

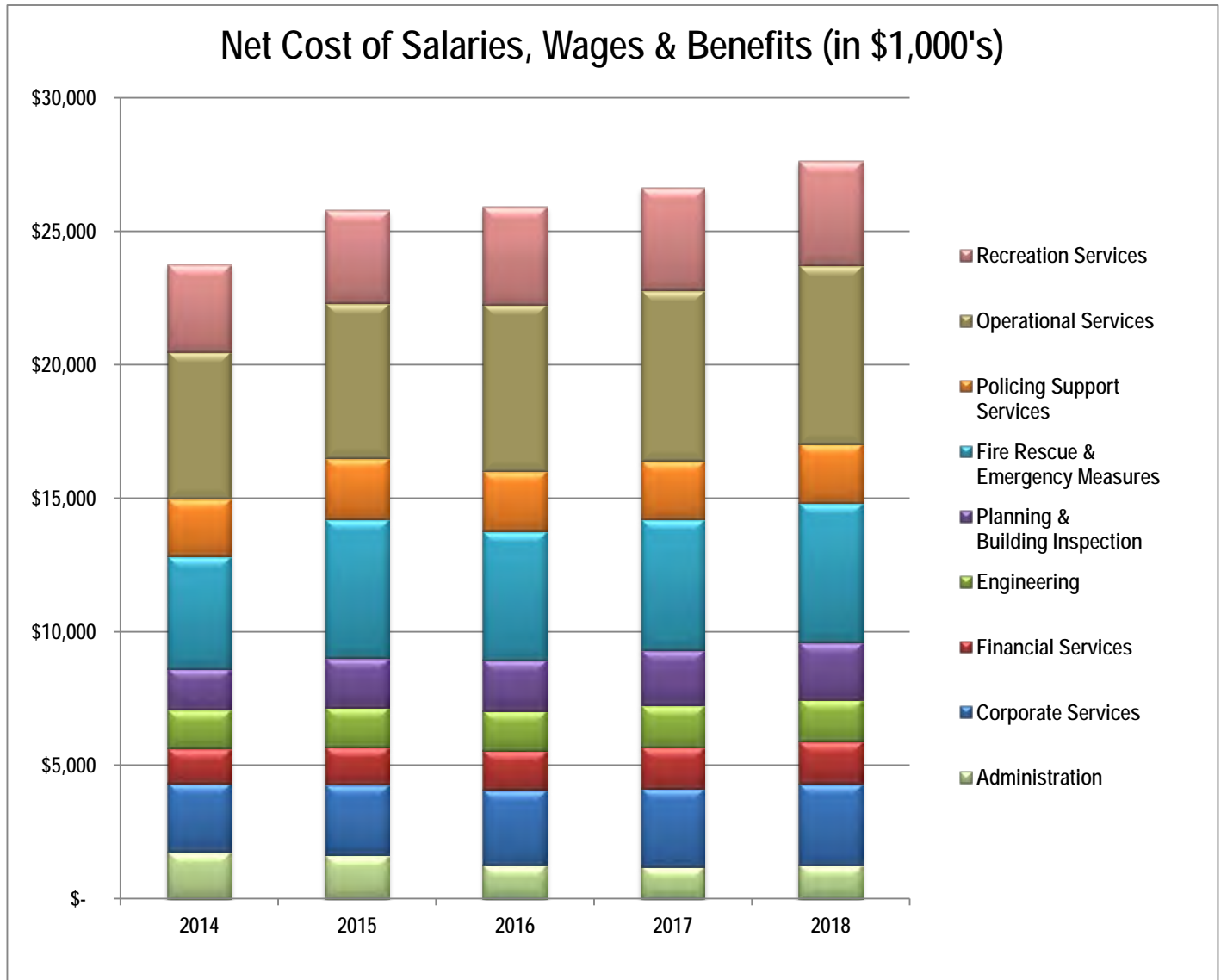
Source: City of Vernon Human Resources



Cost of Salaries, Wages and Benefits

(In \$1,000's)

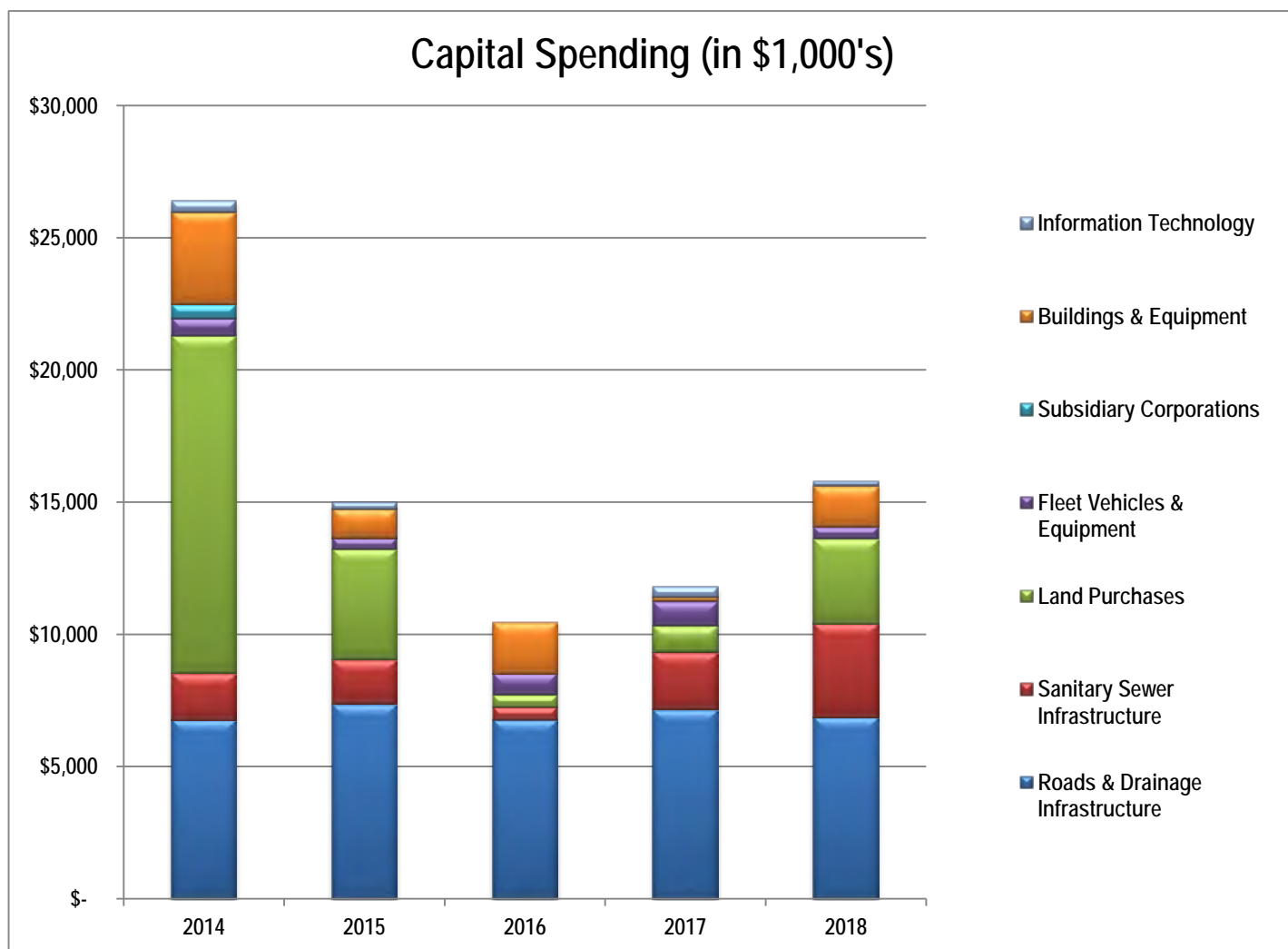
	2014	2015	2016	2017	2018
Administration	\$ 1,756	\$ 1,621	\$ 1,255	\$ 1,198	\$ 1,245
Corporate Services	2,570	2,659	2,817	2,939	3,057
Financial Services	1,308	1,392	1,472	1,546	1,575
Engineering	1,438	1,484	1,487	1,548	1,570
Planning & Building Inspection	1,547	1,854	1,907	2,071	2,149
Fire, Rescue & Emergency Measures	4,204	5,201	4,825	4,909	5,236
Policing Support Services	2,160	2,293	2,255	2,187	2,206
Operational Services	5,501	5,799	6,234	6,394	6,690
Recreation Services	3,256	3,467	3,649	3,817	3,894
	\$ 23,740	\$ 25,770	\$ 25,901	\$ 26,609	\$ 27,622



Capital Spending

(In \$1,000's)

	2014	2015	2016	2017	2018
Roads & Drainage Infrastructure	\$ 6,777	\$ 7,379	\$ 6,775	\$ 7,166	\$ 6,871
Sanitary Sewer Infrastructure	1,758	1,683	478	2,165	3,546
Land Purchases	12,765	4,166	461	990	3,206
Vehicle Fleet	649	409	806	930	447
Subsidiary Corporations	537	6	8	-	-
Buildings & Equipment	3,482	1,091	1,938	164	1,548
Information Technology	419	266	-	379	156
	<u>\$ 26,387</u>	<u>\$ 15,000</u>	<u>\$ 10,466</u>	<u>\$ 11,794</u>	<u>\$ 15,774</u>



Capital Funding by Source

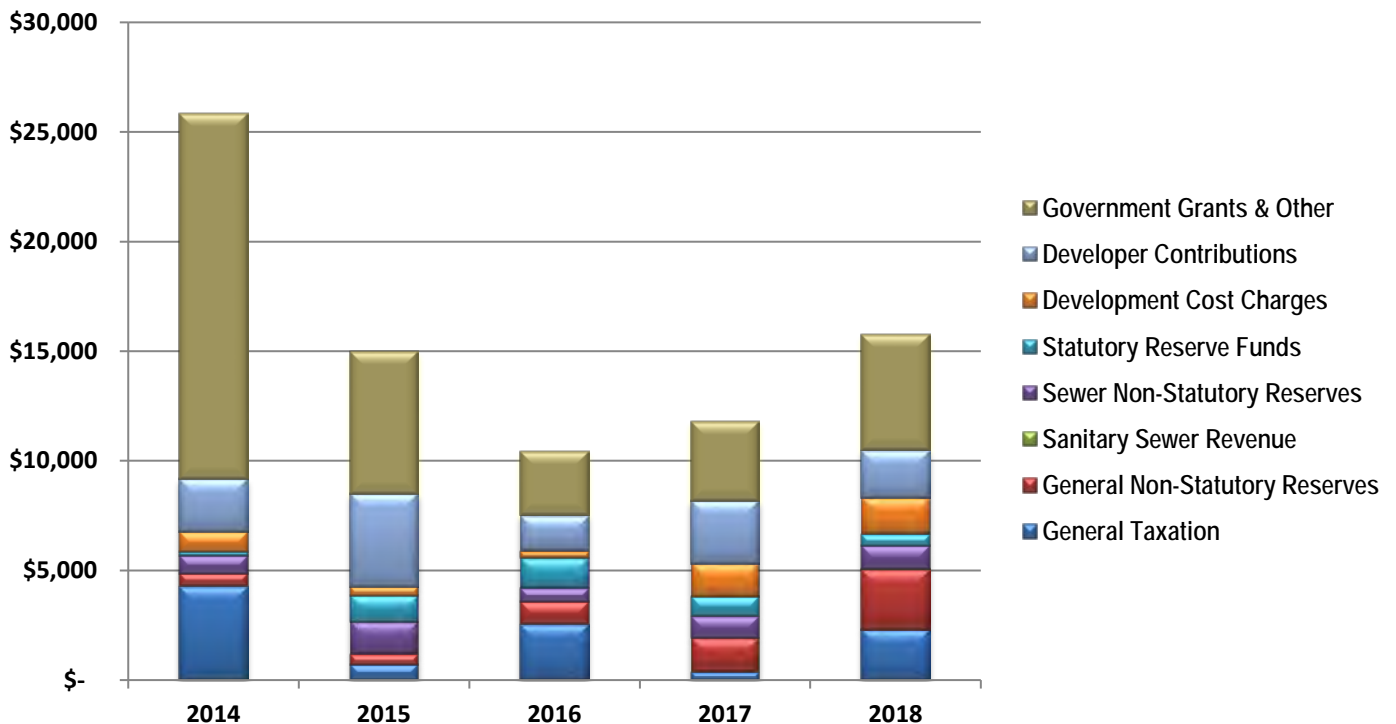
(In \$1,000's)

	2014	2015	2016	2017	2018
General Taxation	\$ 4,288	\$ 711	\$ 2,559	\$ 368	\$ 2,319
General Non-Statutory Reserves	576	481	1,009	1,556	2,718
Sanitary Sewer Revenue	-	-	-	-	55
Sewer Non-Statutory Reserves	815	1,473	631	1,011	1,049
Statutory Reserve Funds	191	1,184	1,376	870	535
Development Cost Charges	903	407	314	1,502	1,649
Developer Contributions	2,408	4,260	1,645	2,889	2,177
Government Grants & Other	16,669	6,478	2,924	3,598	5,272
	\$ 25,850	\$ 14,994	\$ 10,458	\$ 11,794	\$ 15,774

PROPORTIONAL BREAKDOWN OF CAPITAL FUNDING

General Taxation	16.6%	4.7%	24.5%	3.1%	14.7%
Sanitary Sewer Revenue	0.0%	0.0%	0.0%	0.0%	0.3%
Reserves	6.1%	20.9%	28.8%	29.1%	27.3%
Developers	12.8%	31.1%	18.7%	37.2%	24.3%
Government Grants & Other	64.5%	43.2%	28.0%	30.5%	33.4%
	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

	2014	2015	2016	2017	2018
Sanitary Sewer	\$ 14,651	\$ 13,879	\$ 13,055	\$ 12,198	\$ 11,315
Natural Gas System	10,558	8,840	7,036	5,141	3,149
Roads & Drainage	1,847	1,568	1,276	973	660
General Government	357	303	247	188	128
Downtown Beautification	343	291	236	181	123
	\$ 27,756	\$ 24,881	\$ 21,850	\$ 18,681	\$ 15,375

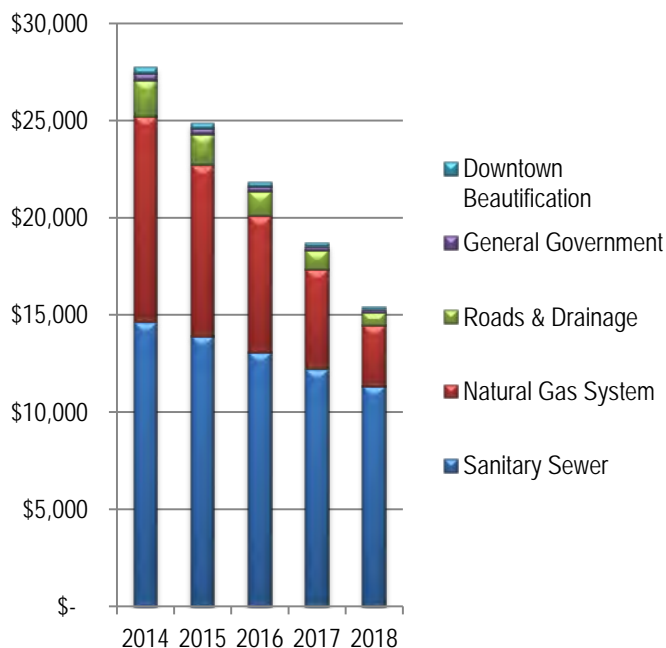
DEBT PER CAPITA

	\$ 709	\$ 614	\$ 545	\$ 443	\$ 361
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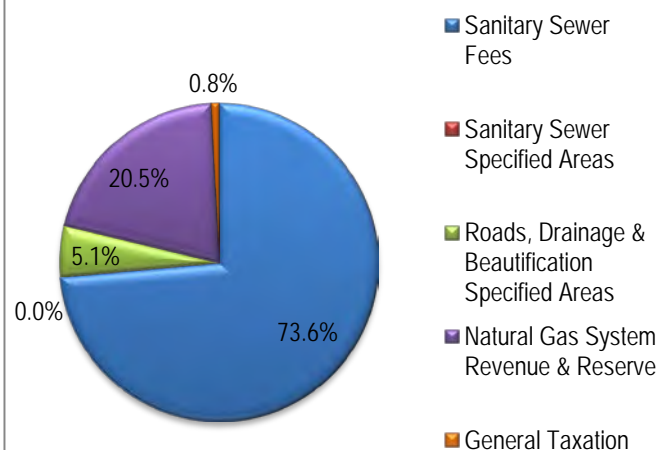
PROPORTIONAL FUNDING SOURCES FOR LONG-TERM DEBT

Sanitary Sewer Fees	52.7%	55.7%	59.6%	65.2%	73.6%
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%	5.1%
Natural Gas System Revenue & Reserve	40.0%	38.0%	35.5%	32.2%	20.5%
General Taxation	1.3%	1.3%	1.2%	1.2%	0.8%
	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)

FINANCIAL ASSETS

LONG-TERM DEBT

RATIO OF FINANCIAL ASSETS TO LONG TERM DEBT

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

Less:

Actuarial adjustments on long term debt

TOTAL NET MUNICIPAL REVENUES

Liability Servicing factor

LIABILITY SERVICING LIMIT

LIABILITY SERVICING COST

Debt Servicing for Authorized and Issued Debt

Estimated Debt Servicing for Unissued Debt

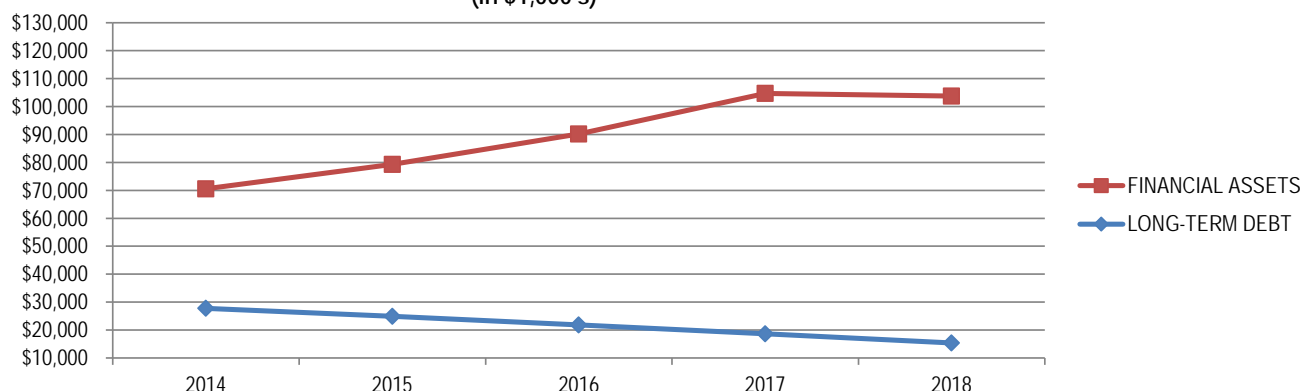
TOTAL LIABILITY SERVICING COST

LIABILITY SERVICING CAPACITY AVAILABLE

	2014	2015	2016	2017	2018
FINANCIAL ASSETS	\$ 70,567	\$ 79,261	\$ 90,182	\$ 104,690	\$ 103,803
LONG-TERM DEBT	\$ 27,756	\$ 24,881	\$ 21,850	\$ 18,681	\$ 15,375
RATIO OF FINANCIAL ASSETS TO LONG TERM DEBT	2.54	3.19	4.13	5.60	6.75
MUNICIPAL REVENUES	\$ 66,340	\$ 65,851	\$ 68,263	\$ 70,357	\$ 73,737
Less: Actuarial adjustments on long term debt	(1,005)	(1,137)	(1,233)	(1,369)	(1,508)
TOTAL NET MUNICIPAL REVENUES	\$ 65,335	\$ 64,714	\$ 67,030	\$ 68,988	\$ 72,229
Liability Servicing factor	25%	25%	25%	25%	25%
LIABILITY SERVICING LIMIT	\$ 16,334	\$ 16,179	\$ 16,758	\$ 17,247	\$ 18,057
LIABILITY SERVICING COST					
Debt Servicing for Authorized and Issued Debt	\$ 3,359	\$ 3,322	\$ 3,004	\$ 2,905	\$ 2,865
Estimated Debt Servicing for Unissued Debt	219	219	219	270	270
TOTAL LIABILITY SERVICING COST	\$ 3,578	\$ 3,541	\$ 3,223	\$ 3,175	\$ 3,135
LIABILITY SERVICING CAPACITY AVAILABLE	\$ 12,756	\$ 12,638	\$ 13,535	\$ 14,072	\$ 14,922

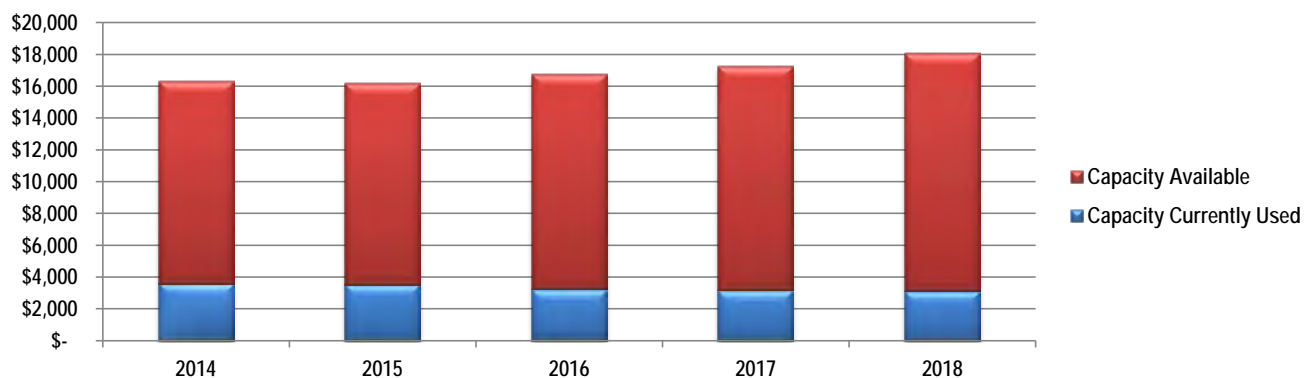
Financial Assets vs Long Term Debt

(in \$1,000's)



Annual Debt Servicing Capacity

(in \$1,000's)



Property Assessments

(in \$1,000's)

	2014	2015	2016	2017	2018
Residential	\$ 5,320,195	\$ 5,665,492	\$ 5,939,468	\$ 6,389,094	\$ 7,165,968
Commercial	1,093,901	1,097,231	1,131,080	1,194,869	1,305,469
Light Industrial	37,214	35,712	37,813	38,661	44,907
Recreation & Non-Profit	23,375	23,904	22,982	22,951	22,694
Utility	7,333	7,466	7,385	7,213	7,674
Farm Land & Managed Forest	3,988	3,947	3,988	3,715	3,606
	\$ 6,486,006	\$ 6,833,752	\$ 7,142,716	\$ 7,656,503	\$ 8,550,318

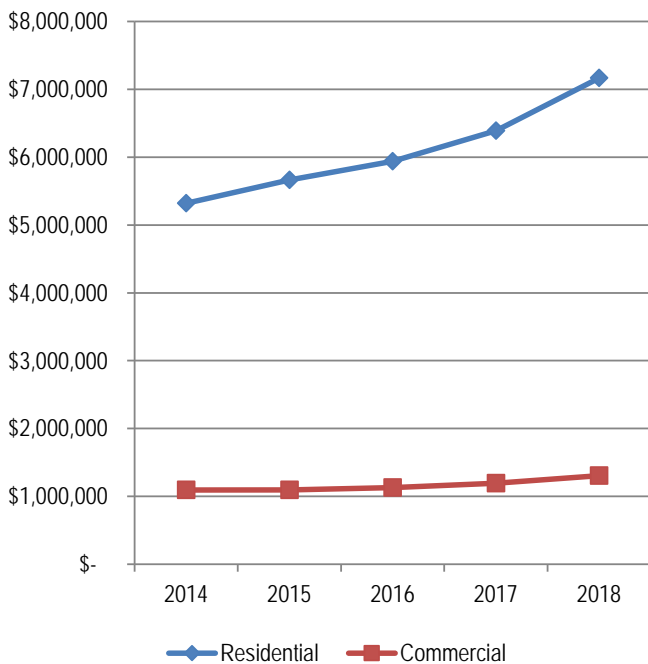
% Change From Prior Year	-3.8%	5.4%	4.5%	7.2%	11.7%
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AVERAGE SINGLE FAMILY RESIDENTIAL ASSESSED VALUES

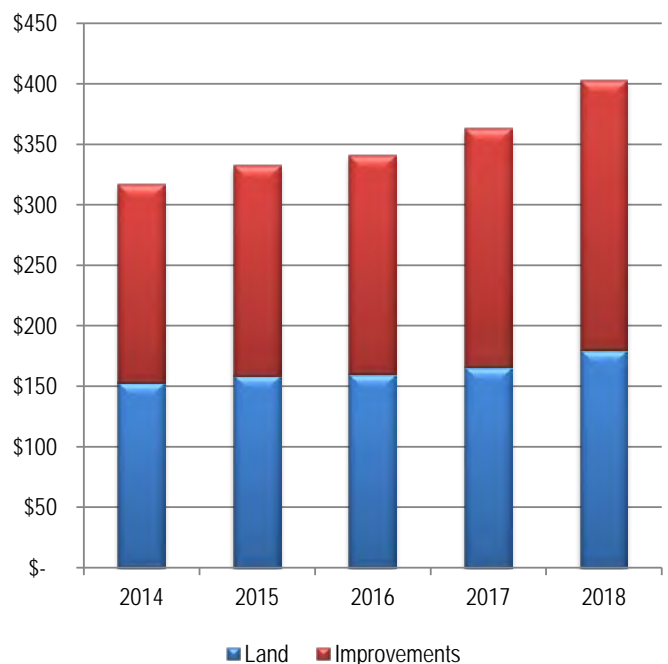
Land	\$ 153	\$ 159	\$ 160	\$ 166	\$ 180
Improvements	164	174	181	197	223
	\$ 317	\$ 333	\$ 341	\$ 363	\$ 403

% Change From Prior Year	-5.1%	5.0%	2.4%	6.5%	11.0%
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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	2017 Rank
1	Retail	Village Green Shopping Centre Inc.	Village Green Shopping Centre	\$ 756	1
2	Retail	Calloway REIT (Vernon) Inc.	Vernon Smart Centre (Including Wal-Mart)	692	2
3	Retail	CP REIT BC Properties Ltd	Real Canadian Superstore	381	3
4	Hotel	460463 BC Ltd	Sparkling Hills Resort	286	5
5	Retail	Sunstone Holdings Inc.	Shops at Polson Park	276	4
6	Retail	Realfund Investments (BC) Ltd	Vernon Square (Northern Portion)	255	6
7	Office	N & T Properties Ltd	Kal Tire - Corporate Office	200	7
8	Retail	Home Depot Holdings Inc	The Home Depot	179	8
9	Retail	Canadian Tire Corporation Ltd	Canadian Tire gas bar & former store	152	9
10	Retail	Fruit Union Plaza Holdings Ltd	Fruit Union Plaza	146	11
11	Office	Timber Facility Ltd	Tolko Industries - Corporate Office	132	10
12	Retail	5601 Anderson Way Holdings Ltd	Anderson Crossing	130	13
13	Retail	4246551 Canada Inc	Rona	126	14
14	Brewery	Sleeman Breweries Ltd	Okanagan Spring Brewery	126	16
15	Retail	Snowcat Property Holdings Ltd	Vernon Square Safeway (Southern Portion)	125	12
16	Entertainment	Gateway Casinos & Entertainment Ltd	Gateway Casino & Entertainment	115	15
17	Hotel	Jassi Holdings Ltd	Holiday Inn	103	18
18	Retail	Loblaw Properties West Inc.	Real Canadian Wholesale Club	100	17
19	Retail	D C Investments Ltd	Landing Plaza	99	New
20	Retail	Home Hardware Stores Ltd	Home Hardware	85	19

Total General & Fire Tax Revenue - Top Twenty

\$ 4,464

Total General & Fire Tax Revenue - City Wide

\$ 37,742

Proportion of Taxes Paid by Top Twenty

11.8%

Tax Contribution from Principal Corporate Taxpayers



■ Top Twenty Taxpayers, 11.8%

■ All Other Taxpayers, 88.2%

Building Permits and Business Licences

(In \$1,000's)

Building Permit Construction Values

	2014	2015	2016	2017	2018
Residential	\$ 66,057	\$ 69,131	\$ 76,036	\$ 107,007	\$ 117,151
Commercial	7,248	39,105	26,445	11,531	12,197
Institutional	18,632	1,478	19,878	11,575	17,971
Industrial	250	60	340	-	1,558
	\$ 92,187	\$ 109,774	\$ 122,699	\$ 130,113	\$ 148,877

Building Permit Fees

\$ 479	\$ 992	\$ 1,108	\$ 1,311	\$ 1,339
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Number of Building Permits Issued

316	381	394	433	407
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Business Licence Fees

\$ 441	\$ 586	\$ 582	\$ 532	\$ 640
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Number of Licenced Businesses

3,240	3,129	3,767	3,580	4,015
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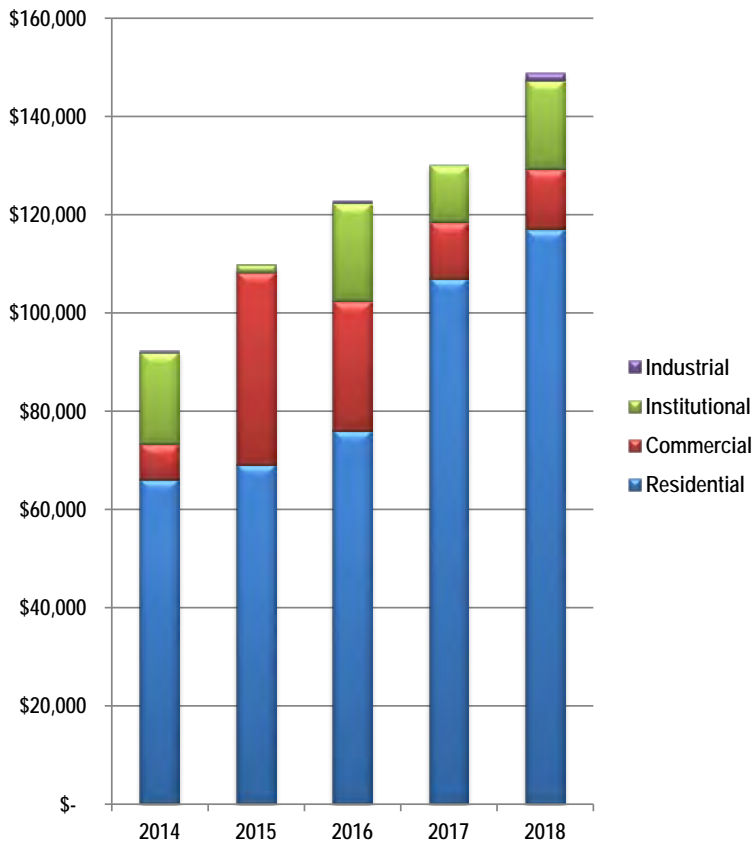
Number of Land Use Applications Processed *

150	151	177	193	201
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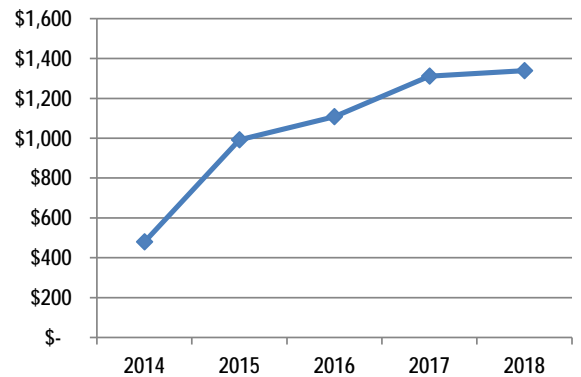
* Includes applications for Rezoning, OCP Amendment, Development Permit, Development Variance Permit, Board of Variance, ALR, and Subdivision

Source: City of Vernon Planning & Building Division

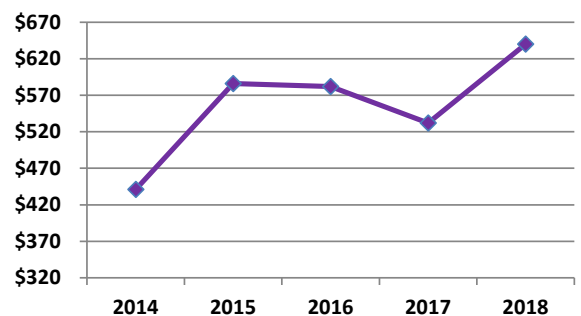
Building Permit Construction Values (in \$1,000's)



Building Permit Fees (in \$1,000's)



Business Licence Fees (in \$1,000's)



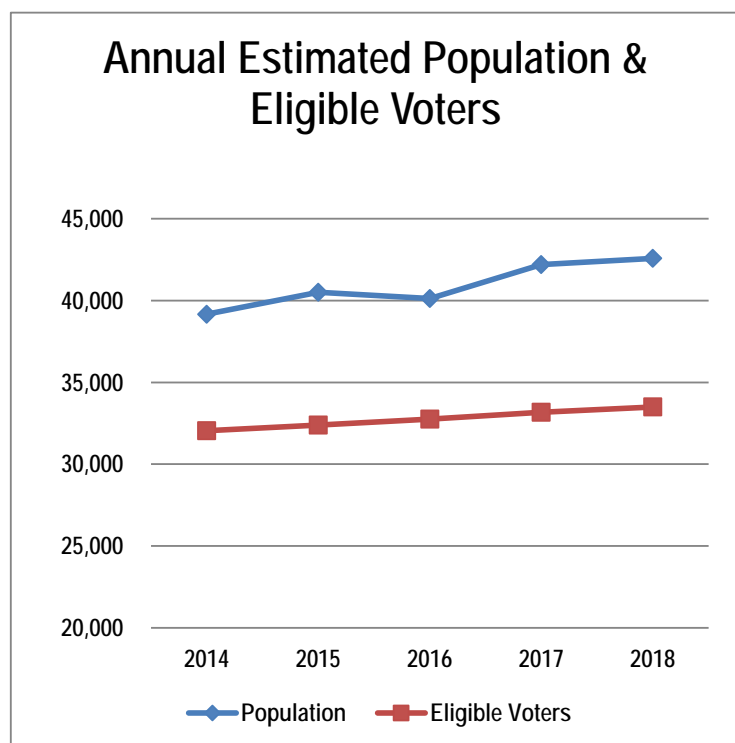
Population Demographics

Annual Estimated Population (Source: BC Statistics)

Population Growth Rates

Annual Estimated Eligible Voters (based on population estimate)

2014	2015	2016	2017	2018
39,167	40,497	40,116	42,199	42,574
0.7%	3.4%	-0.9%	5.2%	0.9%
32,045	32,397	32,749	33,180	33,494



Selected Statistics:

Taxable Area (hectares)	7,636
Total Area (hectares)	11,765
Paved Roads (kilometers)	331
Number of Fire Hydrants	1,263
Storm Sewer Pipes (kilometers)	198
Sanitary Sewer Pipes (kilometers)	269
Residential Sewer Connections	14,423
Commercial & Other Sewer Connections	1,913
Sewer System Average Daily Flow (cubic metres/day)	12,800

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%

2018 Annual Report

The Corporation of the City of Vernon, BC



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