

Penticton. Reimagined.



2017  
ANNUAL  
REPORT





## CITY OF PENTICTON ANNUAL REPORT | 2017

© 2018 City of Penticton

All rights reserved. No part of this publication, including ideas and designs herein, may be reproduced by any means, mechanically or electronically, without written permission from the publisher. No liability is assumed with respect to the use of the information herein, nor is endorsement of any product or service implied or intended.

### City of Penticton

PENTICTON.ca

INFO@PENTICTON.ca

171 Main St. | Penticton, BC | V2A 5A9

# CONTENTS

<b>VISION</b>	<b>4</b>	<b>DEVELOPMENT SERVICES</b>	<b>36</b>
<b>MESSAGE FROM THE MAYOR</b>	<b>5</b>	Economic Development	37
<b>CITY COUNCIL &amp; HIGHLIGHTS</b>	<b>6</b>	Planning & Land Use	38
<b>CITY BY THE NUMBERS</b>	<b>12</b>	Development Engineering	39
<b>COUNCIL PRIORITIES</b>	<b>13</b>	Building	40
Good Governance	14	Business Licensing	41
Community Building	16	Bylaw Services	42
Fiscal Sustainability	18	<b>INFRASTRUCTURE</b>	<b>43</b>
Social Development	20	Electrical	43
Economic Vitality	22	Engineering	44
Environmental Sustainability	24	Design Branch	44
<b>CITY DEPARTMENTS</b>	<b>26</b>	Water Treatment Plant (WTP)	45
<b>ADMINISTRATION</b>	<b>27</b>	Advanced Wastewater Treatment Plant (AWWTP)	45
Corporate Services	27	Public Works	46
Communications & Engagement	28	Parks	47
Human Resources	29	<b>RECREATION &amp; FACILITIES</b>	<b>48</b>
<b>FINANCE</b>	<b>30</b>	Recreation	48
Accounting / Budget	31	Facilities	49
Revenue & Collections	32	Museum & Archives	50
Procurement & Inventory Services	33	<b>PROTECTIVE SERVICES</b>	<b>52</b>
Land Administration	34	Fire Department	52
Information Technology (IT and GIS)	35	RCMP	53
		<b>MUNICIPAL GRANT PROGRAMS</b>	<b>54</b>
		<b>FINANCIAL STATEMENTS</b>	<b>57</b>





A vibrant, innovative, **HEALTHY** waterfront city focused on sustainability, **community** and economic **opportunity.**





Forty years is a long time and the relationship is symbolic of the city's commitment to be an inclusive and diverse community.

2017 also focused on social issues from safety to homelessness to addiction. We've been working to be proactive, facilitating interested parties and fostering partnerships to address the issues and we are starting to see some positive momentum. We've made progress with affordable housing, but the biggest success is the YES (Youth Engagement Strategy). The YES project purchased a location for a youth center and also received funding for programming.

The community was introduced to our new RCMP Superintendent, Ted De Jager, who organized a town hall meeting to hear concerns and unveil his policing priorities. We did see a drop in violent crime and we launched a new Community Safety and Enforcement Team to help deal with some of our social issues and prolific offenders. The Fire Department also updated their water safety tools with a new Rescue boat and watercrafts to maneuver on the lakes and up the river channel.

We had an arena task force, made up of community stakeholders and subject matter experts, make recommendations on our 66 year old Memorial Arena. Penticton has a very proud hockey history so the recommendation to keep Memorial as a dry floor space allows for the building to extend its benefit to the community and continue its historic value.

Staff also continued with community engagement and consultation with our Parks and Recreation Master Plan plus we started updating our Official Community Plan. Shapeyourcitypenticton.ca has been an exceptional tool to share information and capture a broad cross section of the community on various initiatives or concerns.

The City has never been so inviting and accessible to help shape how our future should look like. It is encouraging to see community pride and interest taking shape with our engagement initiatives. Each report to Council has a summary of how many people participated along with the good, bad and the ugly of what people thought.

There are many things that each City department should be proud of and as a community we should celebrate. I hope you enjoy the following detailed year end reports as we continue to build Penticton to be the best that it can be.

Andrew Jakubeit

Another year in the books and, as we look back, the City certainly has had some newsworthy events. The high water and smoke dominated our spring and summer overshadowing many positives to celebrate. We deployed over 230,000 sandbags and, while the beach along Okanagan Lake almost disappeared, the beaches at Skaha Lake remained pristine.

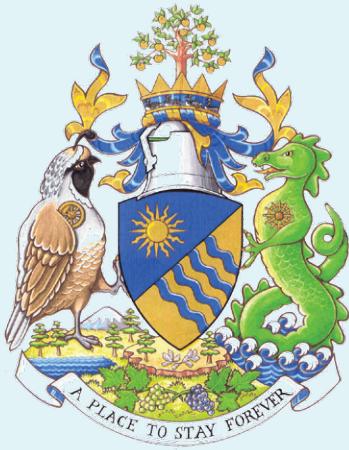
2017 was another record year for construction activity in the community with building values just under \$198 million dollars. The David E Kampe Hospital tower has really taken shape and many other large, medium and small projects can be seen scattered all throughout our City.

Penticton was the inaugural host for the International Triathlon Union World Multi-Sport championship that welcomed over 3600 athletes from 42 countries over a ten day period. Our signature community festival, Peach Festival, celebrated 70 years and is one of Canada's largest free festivals. We also welcomed Cascades Casino to their new location by the South Okanagan Events Center, solidifying it as an entertainment hub.

2017 was the first year that Arts and Culture in our community saw some significant exposure. It started with the Canada 150 Mosaic project, followed by the Penticton Public Sculpture Exhibition along Okanagan Lake, local art on display at the hospital and the inaugural Arts Rising festival, which showcased every discipline of the arts.

This year we also celebrated 40 years as a sister City to Ikeda Japan. I joined a small delegation to visit Japan and was amazed by the similarities in topography, climate, and friendliness of the residents. The Japanese garden by our Art Gallery is a beautiful public space for serenity, relaxation and special moments. It is the most obvious legacy or benefit from our sister city relationship.

# YOUR CITY COUNCIL



**Back row, from left:**  
Councillors: Andre Martin, Campbell Watt, Max Picton, Tarik Sayeed

**Front Row, from left:**  
Councillor Helena Konanz, Mayor Andrew Jakubeit, Councillor Judy Sentes

## COUNCIL'S ROLES

During the Council Strategic Planning sessions in 2016, Council identified their key roles for leading the community, and these are consistent now and into the future:

- › Make informed decisions for and in the interest of the community
- › Anticipate and provide for the community's local service needs
- › Determine policies and programs for the community
- › Set priorities to guide staff and committees
- › Be fiscally prudent and accountable
- › Be open and transparent
- › Champion and advocate for Penticton
- › Have an "enabling effect" through bylaws and regulations
- › Develop a foundation for economic development
- › Actively promote the diversity and growth of the community and local economy
- › Expand relationships with First Nations, other levels of government and other agencies
- › Bring people together through committees, volunteer opportunities and events
- › Support and recognize volunteer efforts



# COUNCIL HIGHLIGHTS 2017

## Council met with Provincial Ministry Representatives to:

- To provide multi-year funding (e.g. Foundry founding) for BC Integrated Youth Services in Penticton
- Request that a coordinated effort be made and funding provided to support a framework for early identifying people at risk, providing education, establishing service integration and alignment with the intent of creating a safe and healthy community
- Select Penticton as a City to pilot project to address homelessness, e.g. first phase transitional housing (modular units)
- The Official Community Plan review was kicked off with a focus on public engagement
- The development of the Parks and Recreation Master Plan, Park Land Protection and Use Policy and Park Dedication bylaw by the Parks and Recreation Master Plan Committee was supported by Council
- Downtown Revitalization of the 200 Block Main Street was completed
- There was a restructure of the Economic Development Department
- Flood Recovery Repairs were authorized by Council for repair works to areas along the Okanagan Waterfront damaged from the May 2017 high water levels, that include the SS Sicamous, Yacht Club parking lot, dog beach retaining wall, steel sheet piled wall west of the boardwalk and walkway pavers

*Continued on page 8*



## COUNCIL HIGHLIGHTS 2017

- › Council approved the City Parking Strategy that included extensive community engagement resulting in many changes to parking Downtown, along Lakeshore Drive and Resident Only Parking areas
- › Council approved an interest free loan and cash grant for the SS Sicamous Marine Heritage Society for the construction of a walkway along the south side of the SS Sicamous. Council adopted the Penticton Creek master plan with solutions that address land issues, fish habitat, archaeological features, flood protection and a strategy to meet objectives within a 20 year horizon
- › Council approved the amendments to the Municipal Grant Policy by simplifying the application process for organizations and increasing the transparency of the decision-making process for Council
- › Council directed staff to extend the Energy Retrofit Loan Program (HELP) until the end of 2019. Since 2013, HELP has been offering loans to residential customers to retrofit their homes to be more energy efficient. The program was scheduled to conclude on December 31, 2017
- › Council approved the City entering into a Memorandum of Understanding with BC Housing for the development of modular housing in Penticton as part of the provincial Rapid Housing Response Program
- › Council approved the Travel Penticton Society (TPS) funding agreement for the provision of visitor information and tourism services and destination marketing
- › Council endorsed a public awareness campaign for the Smoking Bylaw including restrictions on smoking in public spaces and places
- › Council supported the installation of a Kindness Meter – a converted parking meter colorfully painted and repurposed to collect donations to support organizations that support the homeless
- › Council approved sponsorships for the 2017 Canadian Sport School Hockey League Championships and the 2017 Western Canada Cup
- › Council approved the installation of three non-motorized boat launch sites to service the Okanagan Lake waterfront
- › Based on a recommendation from the Arts, Creative and Cultural Innovations Committee, Council approved the allocation of \$18,000 from the Public Art Reserve Fund to the Valley First Public Sculpture project
- › Applied for the Skaha Bluffs Area Boundary Extension
- › Through UBCM resolution Council lobbied for legislative changes to allow for other than print advertising to reach the public
- › In discussions with Ministries, Council lobbied for Homeless Housing & Services and Youth Services (YES Project)





# COUNCIL COMMITTEES FOR 2017

## **Affordable Community Task Force**

Mayor Andrew Jakubeit  
Councillor Judy Sentes

---

## **Agriculture Advisory Committee**

Councillor Andre Martin

---

## **Arts, Creative & Cultural Innovations Committee**

Councillor Campbell Watt

---

## **Community Revitalization Select Committee**

Councillor Judy Sentes  
Councillor Campbell Watt

---

## **Development Services Advisory Committee**

Councillor Campbell Watt

---

## **Economic Development & Prosperity Task Force**

Mayor Andrew Jakubeit

---

## **Heritage & Museum Committee**

Councillor Judy Sentes

## **Official Community Plan Task Force**

Mayor Andrew Jakubeit  
Councillor Judy Sentes

---

## **Mayor's Task Force on Homelessness, Addiction and Mental Health**

Mayor Andrew Jakubeit

---

## **Parks & Recreation Master Plan Steering Committee**

Mayor Andrew Jakubeit  
Councillor Judy Sentes

---

## **Penticton Creek Restoration Committee**

Councillor Helena Konanz

---

## **Transportation Advisory Committee**

Councillor Tarik Sayeed





## SUPPORTING FLOOD PROTECTION

In 2017 Mother Nature sent a challenge Penticton's way. The rising waters threatened the City, but many people stepped up and helped to reduce the potential damage and keep everyone safe. For 36 days dedicated volunteers, City staff and BC Forestry personnel stepped in wherever help was needed, showing community support for this place we call home. Over 230,000 sandbags were filled and placed to protect the City as well as emergency dams and gabions put into place to hold back the water. The City spent \$1.07M on all emergencies in 2017 including flood prevention, Ellis creek watermain repairs/upgrades, fighting the highland fire and Emergency Social Services centre activation but we recovered \$900,000 through Provincial emergency funding.

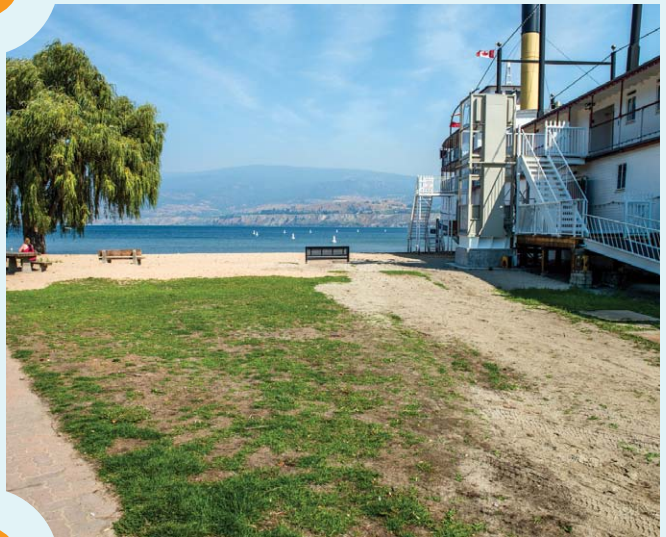




## BEFORE



## AFTER

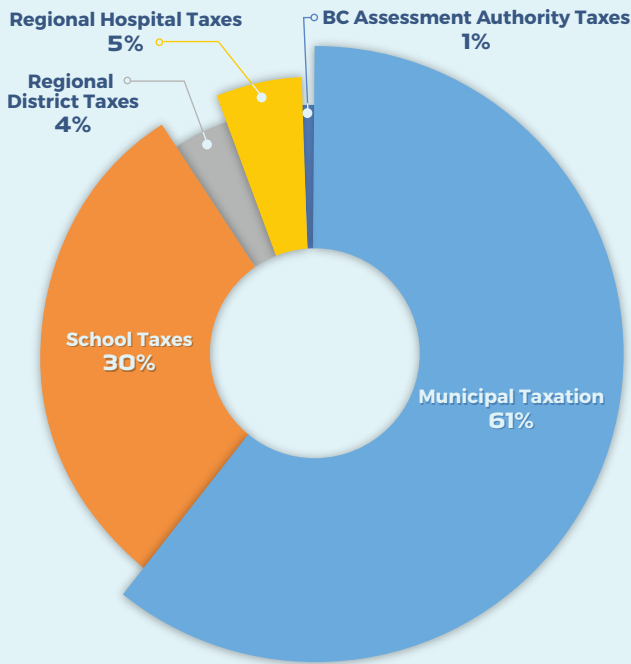
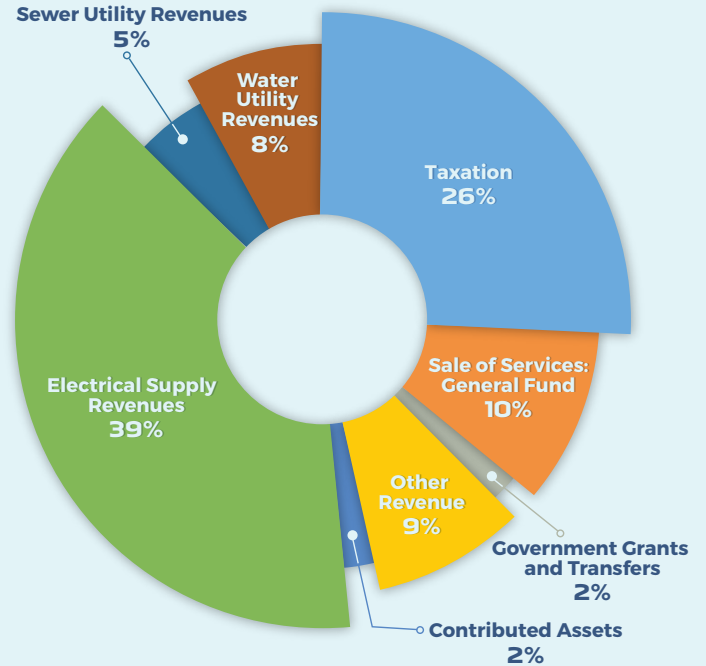




# YOUR CITY BY THE NUMBERS

## WHERE DOES CITY REVENUE COME FROM?

The city has a number of sources of revenue to fund the essential services the City provides. Over 38% of its revenues comes from the sale of electricity to its Citizens, followed by 26% in taxes collected from its residents and businesses. The sale of sewer and water services makes up a further 12% with 10% coming from the user fees collected for various areas including use of City facilities such as the recreation centre, garbage and recycling fees, building and licensing fees, transit and parking fees.

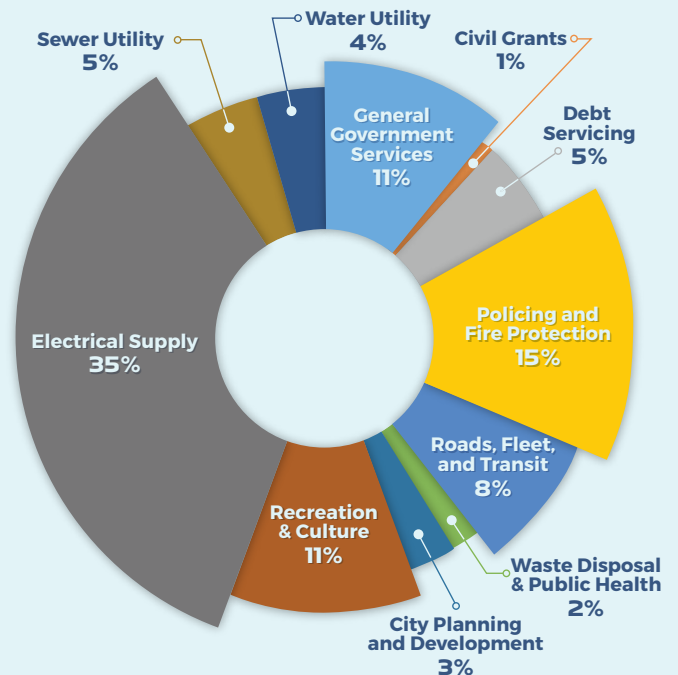


## TAXES

Did you know that the City collects taxes on behalf of other levels of government? Only 61% of your taxes goes to the City with the remaining 39% going to the School District, regional District and hospital.

## WHAT DO YOUR TAX DOLLARS FUND?

The City provides a range of services to its citizens, including critical infrastructure like streets, water, sewer and electricity. The City also provides police and fire protection services, operates the recreation and cultural facilities and provides development services to assist businesses. The chart to the right shows where the city spends its money to provide these services.

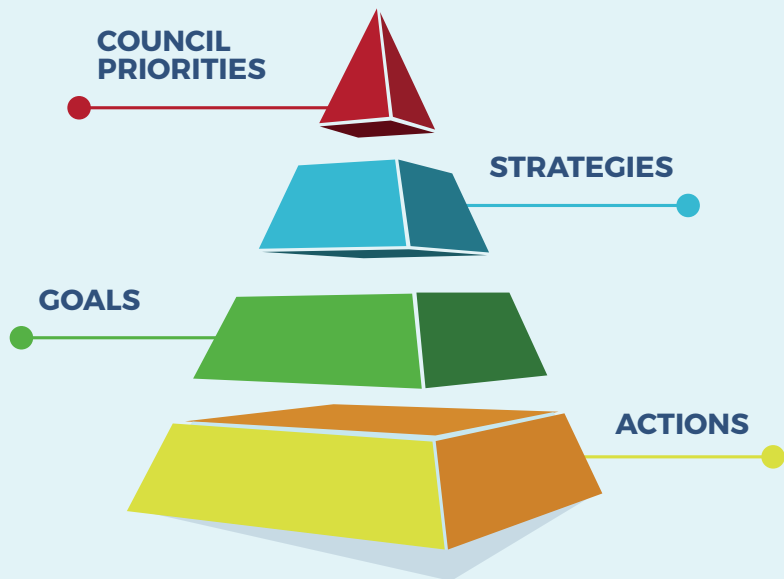




# PRIORITIES FOR THE CITY

## ACCOMPLISHMENTS AND GOALS

In 2017 Council identified six Priorities for the City (as shown to the right of this page). These Priorities are supported by Strategies related to each Priority (see the following pages 14 thru 25). This high level strategic direction provides staff with guidance in establishing goals and actions. Within this Annual Report, you will see how staff are achieving goals and setting future goals that align with Priorities established by Council.



**Note:** See Accomplishments and Goals on pages 14 thru 25.

### GOOD GOVERNANCE

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



### COMMUNITY BUILDING

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



### FISCAL SUSTAINABILITY

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



### SOCIAL DEVELOPMENT

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



### ECONOMIC VITALITY

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



### ENVIRONMENTAL SUSTAINABILITY

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



# GOOD GOVERNANCE

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



- > Provide services that support quality of life, protect our health, enhance public safety, and promote economic and the social well-being of our community
- > Engage with the community in the major decisions or development of policies that impact the interests of residents and stakeholders
- > Implement workforce development, employee support programs and succession plans

## HERE'S WHAT WE DID - KEY CITY ACHIEVEMENTS FROM 2017

- 🏆 Completed first full year of Community Engagement program with 14 projects, 24 in-person events, 15 surveys and polls and 14,300 visits to [shapeyourcitypenticton.ca](http://shapeyourcitypenticton.ca)
- 🏆 Received citizen feedback which influenced many projects including decisions about pay parking and the future of Penticton's Arenas
- 🏆 Expanded Parks & Recreation Master Plan scope to include greater community collaboration and building a framework for a Park Protection and Use Policy, revision of the Parks dedication bylaw
- 🏆 Responded to multiple emergency events (Fires, Floods), placing 230,000 sandbags and effectively managed the 2017 Wildfire Season with zero property loss
- 🏆 Improved citizen engagement with Financial Planning and hosting multiple Budget Open Houses
- 🏆 Development of the GIS Strategy that will govern investments in the computer system and data that supports the daily and emergency operations of the city, management of the City's physical infrastructure and initiatives to enhance public engagement, economic development and local innovation
- 🏆 Implemented mobile parking payment program to make it easier for citizens
- 🏆 Council adopted the Arena Task Force recommendation for long term arena development strategy
- 🏆 Funded through donation the new Marine Rescue 201 boat on Okanagan Lake
- 🏆 Fire Department Training Facility received donated building from Ellis Don Construction for our training facility
- 🏆 Fire season emergency response strategy resulted in zero property losses within Penticton
- 🏆 Supported Provincial demands for wildfires throughout the Province with Penticton Fire Department resources and command staff
- 🏆 Established updated Digital Records Management System to better manage City documents
- 🏆 Began review of City policies for best practises and alliance with current legislation; updated major Bylaws such as Cemetery, Electrical, Zoning
- 🏆 Implemented a new City-wide online Performance Management System for staff
- 🏆 Conducted a Campaign to Encourage citizen use of electronic opportunities such as **MyCity** through: front line staff direct interaction with customers to promote the benefits for the customer; brochures; online promotion; and added information on paper billings
- 🏆 Optimized business processes with the aim of cost reduction and/or improved customer service through streamlining functions within the utilities software, including database cleanup, enabling staff to perform faster searches and improving collections on outstanding accounts
- 🏆 Established a Community Support and Enforcement Team to address rising mental health and social chronic issues in our community
- 🏆 First annual Policing Forum to engage with the community
- 🏆 Targeted enforcement of prolific offenders resulted in a significant drop in violent crime and the foundation for a continuing drop in property crime
- 🏆 Foundation of the Community Active Support Table put in place for implementation in 2018



# GOOD GOVERNANCE

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



- Further develop the City communications strategy internally, externally and regionally
- Employ management principles and technology to enhance service delivery, reduce processing times and costs
- Enhance performance measurement and reporting to Council and the community

## HERE'S WHAT WE PLAN TO ACHIEVE IN 2018

- ✔ Establish structured engagement strategy to better define public participation in policy development and decision making
- ✔ Establish lessons learned 2018 Flood Response and Preparedness Plan to be better prepared in the future
- ✔ Develop Wildfire Mitigation and Fuel Management Strategy
- ✔ Establish policy on the regulation and management of Cannabis sales
- ✔ Implement the Geographical Information Systems Strategy (GIS) for more accurate and detailed mapping of City infrastructure, streets and buildings
- ✔ Establish a 5 Year Staff Succession Master Plan
- ✔ Conduct 2018 Local Government Election
- ✔ Update and add new policies that will direct how the City conducts business
- ✔ Implement the Community Active Support Table (CAST) and engage community partners including: RCMP, City of Penticton, Interior Health, Safety, Education sectors, Addictions service providers, Housing providers and Support Partners



# COMMUNITY BUILDING



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

- Ensure that long term planning and development is aligned with the Official Community Plan
- Ensure City services are customer focused, sustainable, effective and relevant

## HERE'S WHAT WE DID - KEY CITY ACHIEVEMENTS FROM 2017

- 🏆 Commencement of the development of the City's new Official Community Plan and public engagement
- 🏆 Record number of planning and land use applications in 2018 (see department stats)
- 🏆 Identified gaps in permit efficiencies and reduced average permit review times by half
- 🏆 Processing of Annexation application for the addition of 300 acres in the City limits
- 🏆 Continued strong residential development
- 🏆 Developed a new vacation rental program resulting in 130 registered units
- 🏆 Completed designs for the 300 Block of Main Street revitalization
- 🏆 Created Bylaw Intake Administrator position to accept, triage, prioritize and assign calls for service from the public
- 🏆 Modernized the electrical bylaw with the most up-to-date business practices
- 🏆 Development of the Parks and Recreation Master Plan to protect parks and encourage recreation
- 🏆 Expanded Museum programming with 3 temporary exhibits, Vimy Ridge Commemoration Lecture Series, school and public programming, and the initiation of Hands on Heritage lab
- 🏆 Commenced planning to replace the Recreation software system with PerfectIMIND in 2019
- 🏆 Installed crosswalks at South Main Street, South Beach Drive, Vancouver Place and Quebec Street
- 🏆 Installed traffic calming around Columbia Elementary School
- 🏆 Installed sidewalk at Lawrence Avenue and storm sewer extension to Sunset Place
- 🏆 Arena Task Force conducted additional studies and data gathering to seek Council direction on the future of Penticton's arenas
- 🏆 Community Centre achieved operational efficiencies due to rescheduling of maintenance staff and hiring of a new foreman which allowed us to improve our service delivery, create consistent building management procedures and minimize the need for relief and overtime work
- 🏆 Playground surface upgrades completed on Lion's Park
- 🏆 Additional upgrades completed to the Fairview Cemetery
- 🏆 Construction of the Penticton Cycling Pump Track near KVR Trail for cycling skill development
- 🏆 Construction of BMX track adjacent to Munson Mountain
- 🏆 Established a Five Year funding agreement with Travel Penticton that provides stability and certainty





# COMMUNITY BUILDING

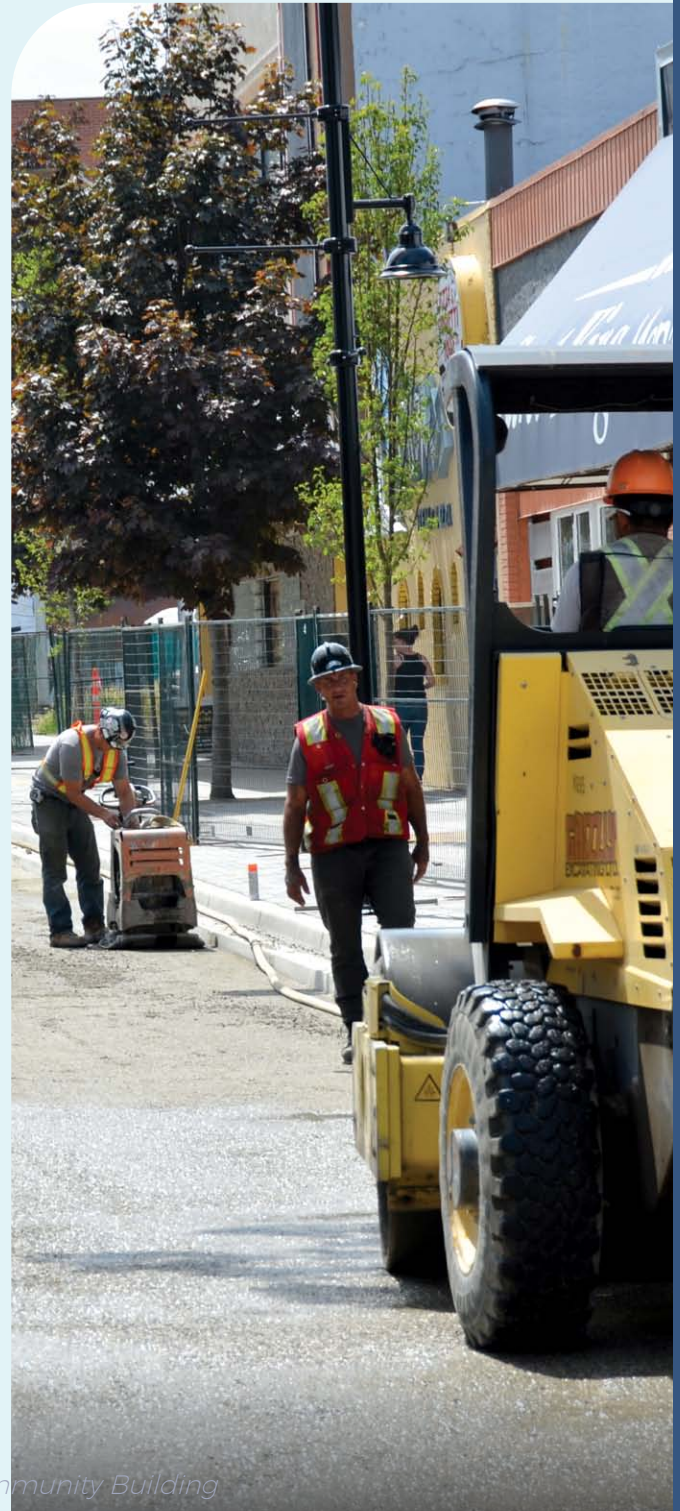


Community building views the city as a whole and focuses on the investment of services and infrastructure, which are fundamental to quality of life.

- Invest in the long term planning of indoor and outdoor parks and recreational infrastructure
- Invest in attractiveness, streetscape and beautification of the community
- Establish a long term active transportation strategy

## HERE'S WHAT WE PLAN TO ACHIEVE IN 2018

- ✔ Complete the Official Community Plan that will guide the long term growth, development and changes for our City
- ✔ Adopt and implement new Property Tax Policy that will more equitably distribute taxes across the various classes
- ✔ Complete the Parks & Recreation Masterplan, Park Land Protection and Use Policy, Park Dedication Bylaw and Zoning Bylaw Amendments to identify different Park types and uses
- ✔ Complete the business case on the development of twin ice sheet project and the field house concept for the future of Memorial Arena
- ✔ Complete and implement the South Okanagan Event Centre (SOEC) Campus Parking Strategy
- ✔ Complete the 300 Block downtown infrastructure project that will upgrade older infrastructure and beautify the downtown core
- ✔ Modernize Business Licence & Building Permit Programs to make them more customer friendly, easy to access and efficient
- ✔ Establish Equalized Utility Billing (Average Monthly Billing) to help citizens balance their payments throughout the year



# FISCAL SUSTAINABILITY



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

- > Align Council's priorities with a sustainable long term financial planning
- > Undertake asset management to ensure the sustainability of municipal infrastructure

## HERE'S WHAT WE DID - KEY CITY ACHIEVEMENTS FROM 2017

- 🏆 Piloted the Capital Prioritization Framework (CPF) to uniformly prioritize capital projects by scoring them based on set criteria
- 🏆 Streamlined accounting processes by introducing a simplified workflow system for Accounts Payable, reviewing and providing a solution to make the Electrical invoicing process more efficient and creating a capital asset flow chart to assist in determining if projects are capital or operating
- 🏆 Maintained a competitive business tax multiplier encouraging economic growth
- 🏆 Implemented an efficient digital on-line bidding process for bids coming into the City
- 🏆 Saved \$3.95M by obtaining quotes (Issued 48 Request for Quotes, Proposals and Tenders)
- 🏆 Generated \$91,000 disposing of surplus/obsolete material and equipment
- 🏆 Completed a comprehensive Recreation fees and charges review, ensuring fees are consistent with neighboring communities
- 🏆 Continued with Asset Management Plan by determining asset conditions, life expectancy, anticipated replacement costs and planning for investing to cover future costs of infrastructure maintenance and replacement
- 🏆 Upgraded security equipment at the water plant for increased building surveillance
- 🏆 Continued with optimization and review of equipment to determine replacement or rebuilding to extend life cycles





# FISCAL SUSTAINABILITY



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

- Ensure City Services are delivered in an economical and sustainable way
- Identify opportunities to increase revenues from non-taxpayer sources
- Establish a long term balanced fiscal strategy i.e. grants, Permissive Tax, Exemptions, Nominal Lease

## HERE'S WHAT WE PLAN TO ACHIEVE IN 2018

- ✔ Commence the 2018 Utility Rate Review
- ✔ Complete the Asset Management Risk & Investment Assessment to ensure we are planning now for the future infrastructure needs of the community
- ✔ Restructure the lands department, standardize practices, and develop a land management strategy including GIS property mapping
- ✔ Conduct a financial policy review, focusing on year end surpluses, financial management and reserves balances
- ✔ Complete city wide grants strategy to focus on external revenue opportunities
- ✔ Identify and implement software to streamline the preparation of the annual Financial Plan
- ✔ Establish a tax policy that ensures an equitable distribution of the taxes between residents and businesses
- ✔ Refine and strengthen the use of the capital prioritization framework to assist Council in making capital project funding decisions
- ✔ Review City land inventory and identify properties that are non-core and available for disposition



# SOCIAL DEVELOPMENT



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

- > In partnership we advocate for youth, families, seniors, health services, education and affordable housing
- > Remove physical and social barriers which impede the full participation of all citizens

## HERE'S WHAT WE DID - KEY CITY ACHIEVEMENTS FROM 2017

- 🏆 Created easier process for community groups to access municipal grants
- 🏆 Approval of new affordable housing projects
- 🏆 Kindness Meter initiative: \$3000 generated for 100 Homes Penticton
- 🏆 Added an additional downtown washroom facility to support the weekly Farmers' Market and downtown shops and customers in the parking lot between Main and Backstreet on the 200 block
- 🏆 Negotiated Brunswick Avenue Affordable Housing Lease
- 🏆 Partnership with BC Housing and 100 Homes Penticton (a society working to provide housing and supports to 100 vulnerable people in Penticton) to find solutions to homelessness



YEAR (PERMITS ISSUED)	SINGLE FAMILY DWELLINGS	SECONDARY SUITES	DUPLEX UNITS	MULTI-FAMILY UNITS
2014	92	8	20	42
2015	69	9	96	39
2016	83	33	50	221
2017	93	41	64	249
2018 (end of April)	45	21	30	143
<b>TOTAL*</b>	<b>382</b>	<b>112</b>	<b>220</b>	<b>694</b>

\* 1,408 housing units have been approved from 2014 - 2018 (end of April)



# SOCIAL DEVELOPMENT

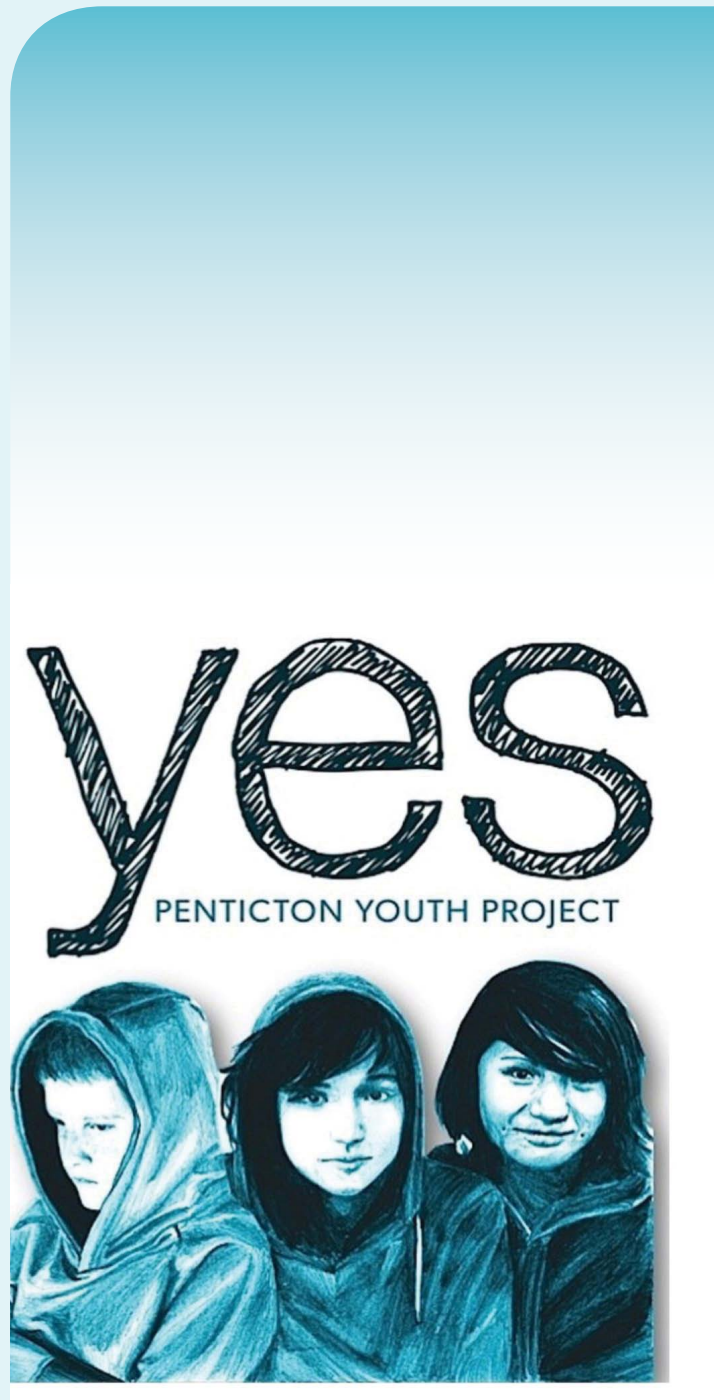


Social development encompasses principles of social equity, social well-being & citizen engagement, and support of a healthy community & quality of life.

> Advocate for those impacted by homelessness, poor mental health and addictions

## HERE'S WHAT WE PLAN TO ACHIEVE IN 2018

- ✔ Support the Yes Project in the establishment of the Foundry Partnership with a focus on providing mental health support, basic needs and offering a safe place for youth in Penticton
- ✔ Engage and communicate with Seniors on use of City services
- ✔ Collaborate with BC Housing and the local non-profit housing industry on the provision of new rental housing units including housing for all ends of the non-market housing spectrum, from those experiencing homelessness to underemployed working singles and families and the City's growing seniors population
- ✔ Endeavor to understand the City's housing needs along all ends of the housing spectrum, through ongoing needs assessments and monitoring
- ✔ Conduct accessibility assessment of City facilities to ensure access to all levels of physical abilities
- ✔ Apply for the Rick Hansen/BC Accessibility Grant Program to investigate the accessibility of existing pathways and parks
- ✔ Apply for JumpStart grants to upgrade accessibility in children's playgrounds
- ✔ Conceptualize, design, and construct a child-centered space with interactive components and exhibits at the Museum
- ✔ Conduct Youth Fire Academy to ready young people to join the Fire Department
- ✔ Provide training to front line staff for dealing with the public and understanding mental health
- ✔ Establish a "fire safety for seniors" group



# ECONOMIC VITALITY

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



- Develop business and investment friendly policies, processes and initiatives
- Develop policy that supports business development, attracts investment and diversifies our economy
- Fully develop Penticton's event hosting potential beyond peak season

## HERE'S WHAT WE DID - KEY CITY ACHIEVEMENTS FROM 2017

- 🏆 Development of 5 Year Strategic Plan for Economic Development, with a focus on business retention and expansion within our existing industries
- 🏆 Realignment of the Economic Development function into the Development Services Division to align with community priorities
- 🏆 Engaged the Business Community by conducting 100 interviews revealing business owners' challenges, opportunities, and business forecasts and indicating that overall, the business climate is optimistic with 96% of businesses forecasting sales growth and 43% are expecting to grow their workforce in the next 12 months - Businesses enjoy being in the City with their success driven by the Penticton people (customers/employees/suppliers/community feeling) and the benefits of our location. Challenges included: lack of availability of housing restricting workforce growth; the seasonal nature of Penticton; and a feeling of inconsistent or 'siloe'd' communication from the City to the community, and also between the businesses
- 🏆 Reviewed and implemented new Beach vending program and Concession award practices resulting in a more transparent and competitive process
- 🏆 Hosted Western Canada's 5 best Junior 'A' hockey for the Western Canada Cup
- 🏆 Hosted the 2017 ITU multi-sport and celebrated its biggest Peach Festival line-up ever in recognition of its 70th year





# ECONOMIC VITALITY

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



- > Develop the Penticton event and vacation City brand and community destination marketing strategy
- > Invest in the development of strategic partnerships locally, regionally with First Nations, governments, industry and the business community

## HERE'S WHAT WE PLAN TO ACHIEVE IN 2018

- ✔ Review of the Economic Investment Zone program to determine benefits and/or alternatives for moving forward
- ✔ Establish clear roles and responsibilities between the events planning, Downtown Penticton Association, Chamber, SOEC, Trade & Convention Centre, Lakeside Convention Centre and Travel Penticton to best manage internal and external marketing of the community events, facilities and destination spots
- ✔ Develop a Sport and Event Tourism management plan to attract more events and tourists to Penticton
- ✔ Co-Lead the Smart City Challenge Application for a \$10M grant



# ENVIRONMENTAL SUSTAINABILITY



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

- > Ensure the sustainability of the environment and the ecosystems within our community
- > Integration of environmental and socioeconomic values in decision making processes

## HERE'S WHAT WE DID - KEY CITY ACHIEVEMENTS FROM 2017

- 🏆 Climate Action Planning to achieve Carbon Neutrality
- 🏆 Completed design and construction of next section of Penticton Creek naturalization to bring it back to its natural state
- 🏆 Liquid Waste Management review completed to identify best means to process liquid waste
- 🏆 Participated in national benchmarking program to identify strengths and weaknesses for Waste Water Treatment Plant
- 🏆 Investigated viable alternative to bio-solids composting
- 🏆 Focused on solid waste reduction and climate action reporting
- 🏆 Prioritization of capital projects based on six factors, including public health and safety and environmental risk or enhancement
- 🏆 Continuation of the Home Energy Loan Program for homeowners in Penticton for eligible energy efficiency upgrades
- 🏆 Energy efficient cooling unit installed at Leir House, City Hall
- 🏆 Continuation of Net Metering Program for electrical customers who generate extra power
- 🏆 Conducted Ellis Creek landscaping project, which removed non-native plant species, and replaced with native plant species
- 🏆 Installation of rain gardens along the 100 block of Main Street
- 🏆 Conducted curbside recycling and yard waste audits to help identify common contaminants entering the solid waste stream
- 🏆 Increased the number of recycling facilities in the downtown core, parks and recreation areas
- 🏆 Route planning through GPS to maximize travel efficiency
- 🏆 Installed new plumbing technology increasing energy savings and decreasing chemical (Polymer) use





# ENVIRONMENTAL SUSTAINABILITY



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

- Establish energy monitoring systems and emissions reduction strategies in line with direction from the City's Corporate and Community Climate Action Plans

## HERE'S WHAT WE PLAN TO ACHIEVE IN 2018

- ✔ Implement the BC Energy Step Code - an incremental and consistent approach to achieving more energy-efficient buildings by establishing a series of measurable, performance-based energy-efficiency requirements for construction
- ✔ Penticton Creek Master Plan - provide increased flood protection while restoring the creek to a more natural state
- ✔ Promote Fortis BC's Rebate Program and energy efficiency practices for residents
- ✔ Implement Energy reduction program for the HVAC system at the Penticton Trade and Convention Centre
- ✔ Create a natural burial section at Lakeview Cemetery to reduce chemicals and foreign materials
- ✔ Increase tree planting by 75 trees in parks, boulevards and the 300 block of Main Street
- ✔ Utilize Integrated Pest Management (IPM) principles to minimize use of pesticide and use of vinegars and soaps as control agents
- ✔ Continue to audit curbside recycling and yard waste program to identify common contaminants entering the solid waste stream
- ✔ Deliver community education program on best recycling practices
- ✔ Establish fleet carbon reduction program



# DEPARTMENTS CONTENTS

<b>ADMINISTRATION</b>	<b>27</b>	<b>INFRASTRUCTURE</b>	<b>43</b>
Corporate Services	27	Electrical	43
Communications & Engagement	28	Engineering	44
Human Resources	29	Design Branch	44
		Water Treatment Plant (WTP)	45
<b>FINANCE</b>	<b>30</b>	Advanced Wastewater Treatment Plant (AWWTP)	45
Accounting / Budget	31	Public Works	46
Revenue & Collections	32	Parks	47
Procurement & Inventory Services	33		
Land Administration	34	<b>RECREATION &amp; FACILITIES</b>	<b>48</b>
Information Technology (IT and GIS)	35	Recreation	48
		Facilities	49
<b>DEVELOPMENT SERVICES</b>	<b>36</b>	Museum & Archives	50
Economic Development	37		
Planning & Land Use	38	<b>PROTECTIVE SERVICES</b>	<b>52</b>
Development Engineering	39	Fire Department	52
Building	40	RCMP	53
Business Licensing	41		
Bylaw Services	42	<b>MUNICIPAL GRANT PROGRAMS</b>	<b>54</b>
		<b>FINANCIAL STATEMENTS</b>	<b>57</b>



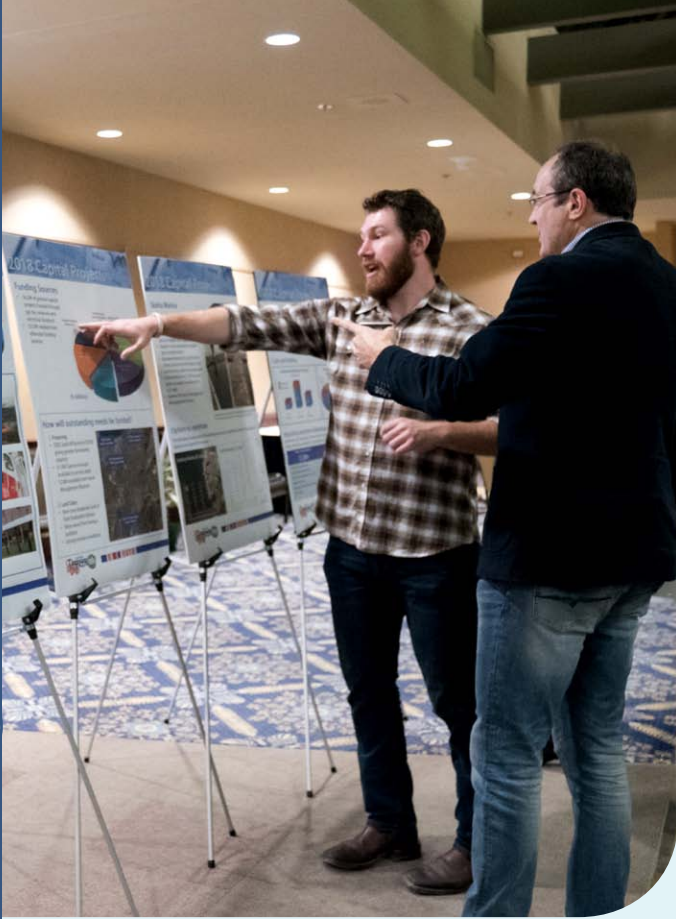
# CORPORATE SERVICES

The Corporate Services department is the primary link between City Council, staff and the community, responsible for providing administrative support to Mayor, Council and the committees; organizing the agendas and minutes for Council and committee meetings; maintenance and access to corporate records including City bylaws; and conducting local government elections. Through the Chief Administrative Officer (CAO) the department does liaise with community groups and other government agencies such as Federal, First Nations, Provincial and Regional agencies. Corporate Services is also responsible for maintaining and preserving all of the City's records and for managing the Freedom of Information and Protection of Privacy issues and requests.

## FACTS & STATS

- › **18** Public hearings
- › **17** Committee of the Whole meetings
- › Managed the process for **45** open Council meetings, **23** regular meetings and **4** special Council meetings
- › Council meetings encompassed **172** hours
- › Council agenda packages included **7282** pages of materials
- › Processed **42** Freedom of Information Requests
- › Processed **80** bylaws
- › There are **12** active Council committees logging almost **52** meetings
- › **13** recommendations received from Council Committees and **10** of those recommendations were approved by Council





# COMMUNICATIONS & ENGAGEMENT

The Communications and Engagement Department is responsible for the flow of information to and from the residents of Penticton. The engagement function is often seen at public events and information sessions gathering feedback in advance of future decision-making while the communications function works internally with staff and externally with stakeholders to make information on City services, events or topics of public interest available and accessible via our website, social media, newsletters, news releases and other channels. Both functions also work with local and regional media.

## FACTS & STATS

### WEBSITE

- › **510,460** Visits
- › **252,040** Users
- › Mobile Usage **40.29%**
- › ShapeYourCity – almost **35,600** visits, over **2,700** registered participants.



[shapeyourcitypentiction.com](http://shapeyourcitypentiction.com)

### SOCIAL MEDIA

- › **3,284** Facebook Likes (up to **880** new likes or an increase of **36.61%**)
- › **4,047** Twitter Followers

### INCREASED CITIZEN ENGAGEMENT

- › 2018 Council Highlights
- › Budget
- › Downtown Parking and Transportation
- › Penticton Arenas Vision
- › Penticton Creek Master Plan
- › Skaha Bluffs Boundary Extension

### FLOOD AND FIRE COMMUNICATIONS

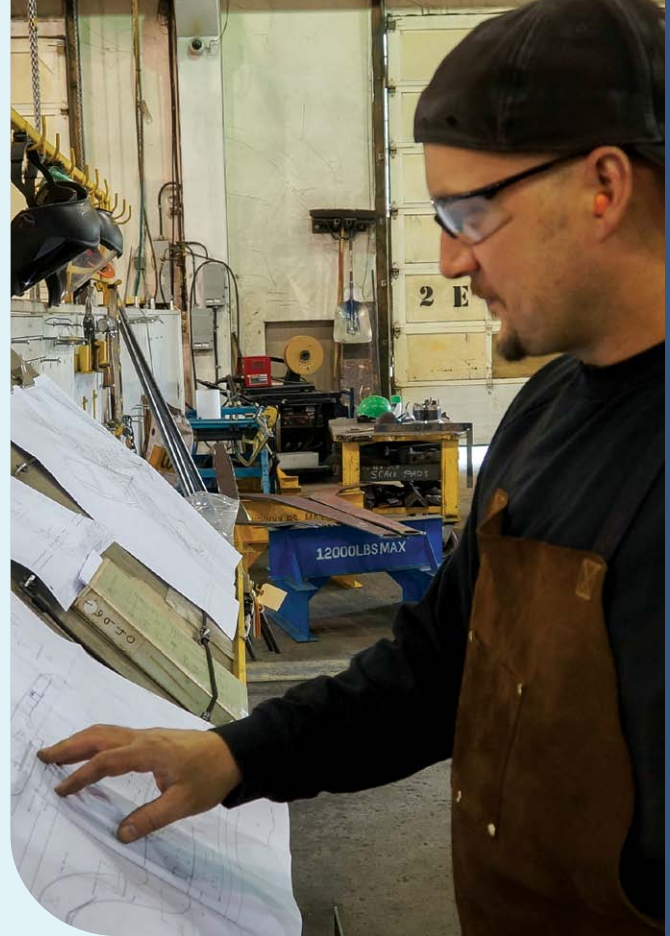




# HUMAN RESOURCES

The Human Resources (HR) department balances the needs of its customers – City employees, supervisors and managers – by developing and managing corporate programs, such as recruitment, labour relations, collective bargaining, training, staff development, payroll and benefits. The department fosters good health and wellness among employees through the Wellness Opportunities in the Workplace (WOW) program.

The City takes the health and safety of its staff and its citizen's very seriously. To that end, the HR department welcomed a new Occupational Health and Safety Advisor in September of 2017. Immediate steps were taken to reduce potential safety issues for the workforce that might result in lost time and injuries.



## FACTS & STATS

- › Approximately **450** general resumes submitted
- › Approximately **1,500** resume's submitted directly to internal and external job postings
- › **80** positions – **37** filled internally – **32** filled externally – **9** moved into 2018
- › **9** retirements
- › Posted all external City job opportunities on **StartHereOkanagan.com**

## HEALTH AND SAFETY INITIATIVES

- › Sharps training to front-line staff
- › Engagment with the various safety committees
- › Hosted in-house fall protection sessions
- › Provided ½ mask respiratory protection training
- › Conducted ergonomic assessments



# FINANCE

The Finance Division is comprised of Accounting, Budgeting, Revenue and Collection, Procurement and Inventory Services, Information Technology, and Land Administration. The Finance Division is responsible for:

- › Providing overall financial leadership to the City and ensuring compliance with the City's budget
- › Ensuring effective stewardship and control over the City's Assets
- › Maintaining effective accounting records of the City
- › Providing innovative and secure information technology services throughout the City
- › Prudent collection of revenues owed to the City including utility billing
- › Effective administration of City properties including leases, licenses to use and residential tenancies
- › Cost effective procurement of goods and services for the City
- › Administration of Municipal Grant Program
- › Administration of Risk Management and Insurance

## FACTS & STATS

- › Saved over **\$3,950,000** by obtaining competitive quotes for purchase of goods and services
- › Distributed over **\$983,000** to community organizations that deliver cultural, recreational and social programs and events to the community
- › Continued to grow the Asset Sustainability Reserve to set aside funds to address the infrastructure deficit. In 2017, **\$900,000** was added to this reserve
- › Completed development of a Strategic Plan for the Geographic Information System
- › Established appropriate reserves to set aside funds for future needs within the City





## ACCOUNTING

The Accounting Department provides strategic financial leadership to the City as well as delivering transactional services and relevant reporting to both internal and external users for their decision making purposes and maintaining controls to safeguard the City's financial resources.

### FACTS & STATS

- › Processed **13,000** Accounts Payable invoices
- › Produced **7,000** Cheques
- › Billed **1,100** Sales Invoices totalling **\$6** million
- › Recovered over **\$900,000** in emergency related costs for **8** claims

## BUDGET

The Budget Department is responsible for coordinating with each City department to establish a 5 Year Financial Plan and ensures spending compliance with the Financial Plan. The Budget Department also coordinates end of year forecasts, annual updates to Fees and Charges, and annual Budget presentations to Council.

### FACTS & STATS

- › Established **5** Year Financial Plan
- › Ensure Spending Compliance with Financial Plan
- › Coordinating Year End forecast and Council Budget Presentations
- › Coordinate Annual Update to Fees and Charges
- › The City's reserves totaled **\$76.3M** at the end of 2017, a **14.32%** increase from 2016
- › The City's long term debt balance at the end of 2017 was **\$37.2M**, a **15.98%** reduction from 2016. The City's financing costs represents approximately 29% of the city's borrowing capacity with the MFA







## REVENUE & COLLECTIONS

The Revenue & Collections department is responsible for the collection of all incoming City revenues, as well as billing of utility and property tax accounts. The department also acts as liaison to other City departments, other government agencies such as BC Assessment, RDOS, Municipal Affairs, etc. and outside interests.

### FACTS & STATS

- **147,706** utility bills were mailed
- **68,221** utility bills were E-billed
- On average, over **2,097** phone calls per month are received through the Utilities general line
- Between June 1st and July 31st 2017, **9,656** Home Owner Grants and **257** Tax Deferrals were processed
- **7,764** utility accounts on pre-authorized payment at December 31, 2017
- **3,074** property tax accounts on the monthly prepayment pre-authorized withdrawal plan at December 31, 2017
- Average of **6,857** online payments received each month for Utilities, Property Tax, and Business Licenses
- On average, there are **5,020** walk-in payments through the Cashiers, with the month of July peaking at **11,984** customers
- In 2017, **178** delinquent Utility accounts were collected and **\$40,940** was refunded to landlords that had paid on their outstanding tenant utilities





## PROCUREMENT & INVENTORY SERVICES

The Procurement and Inventory Services Department provides procurement services to all City departments. The staff ensures all purchases follow an established competitive process while maintaining a fair, open and transparent process. This department is also responsible for the management of City yards and warehouse inventory in order to deliver consistent and efficient service and is responsible for asset disposition.

### FACTS & STATS

- › In 2017 the following major procurements were issued:
  - › **20** requests for proposal
  - › **25** requests for quotations
  - › **19** Tenders
- › Cost Savings – by obtaining quotes for goods and services, the City saved over **\$3.95** million dollars
- › Generated over **\$108,000** in asset disposals

## LAND ADMINISTRATION

The Land department administers over 500 City properties. Responsible for leases, licenses to use and residential tenancies as well as negotiation of land sales and purchases. The Land department ensures legal requirements are met for various land transactions. Staff draft, negotiate, attend to execution and register Statutory Right of Ways and other various legal Land Title Office documents. They are also relied upon to provide legal research, data, and title and company searches to all City departments.

### FACTS & STATS

- › Registered **62** documents with Land Titles Office
- › Prepared Agreements For:
  - › **13** Beach Vendors in **23** Vending Locations
  - › **5** Concessions
  - › **9** Residential Tenancies
  - › **15** Crown Leases/Licenses of Occupation
  - › **27** Leases
  - › **70** License to Use Agreements
- › Drafted and administered **110** Leases/ License to Use Agreements
- › All available City properties were leased, licensed or rented in 2017



# INFORMATION TECHNOLOGY (IT)

## GEOGRAPHICAL INFORMATION SYSTEMS (GIS)

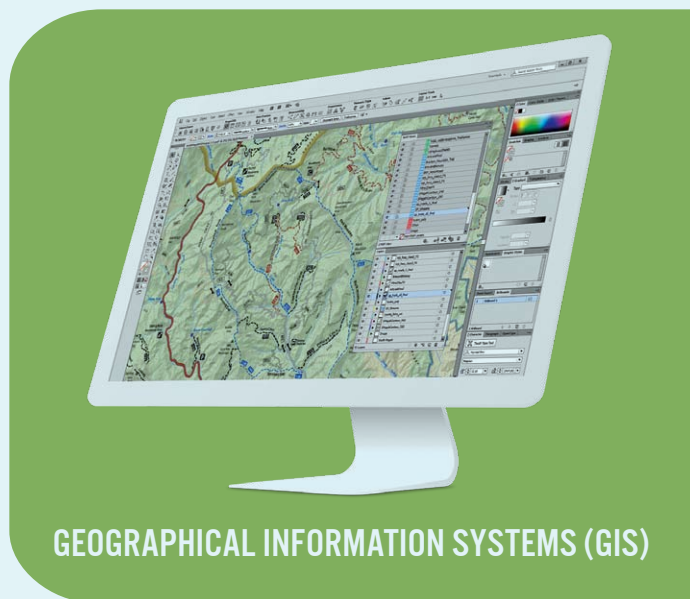
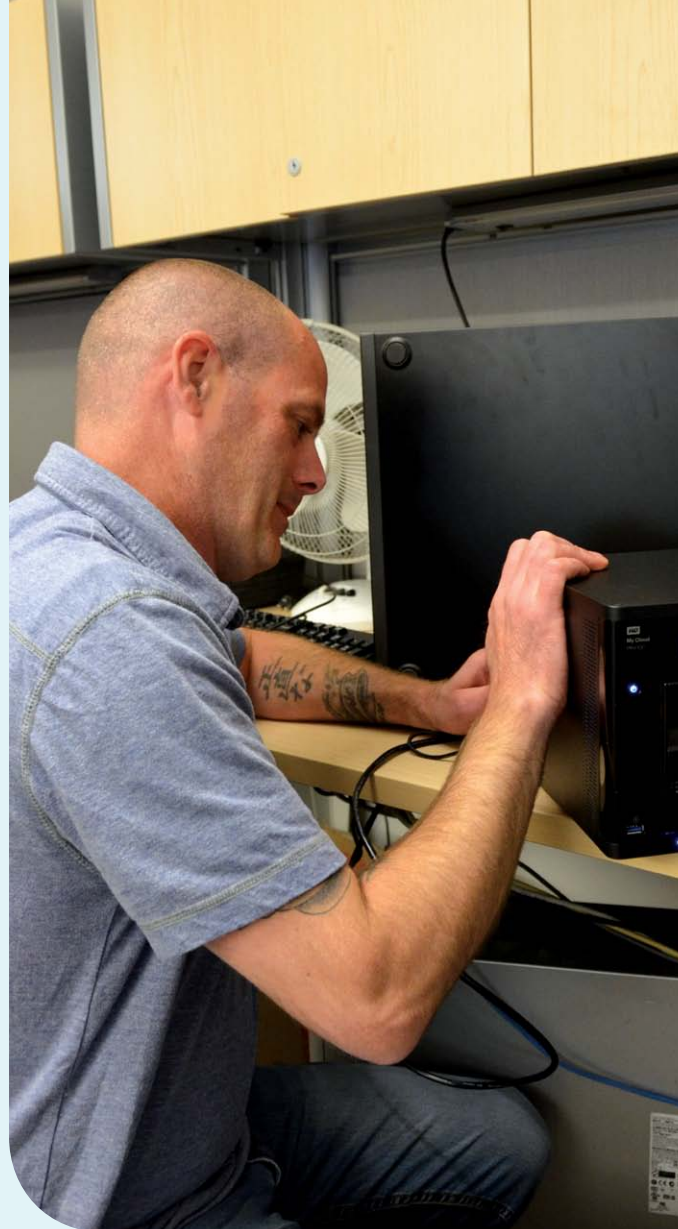
Overall, 2017 was a successful year in keeping the IT & GIS infrastructure and applications accessible, supported and secure while continuing to develop and enable capabilities that create efficiencies, solve business problems and provide value to the organization.

The Information Technology (IT) department manages the daily operations of the City's IT hardware and software infrastructure and provides support to City departments with the usage of the technology. The IT department also works with departments to utilize new and enhance existing technologies to meet their department's goals, increase operational efficiencies and reduce costs.

The Geographical Information Systems (GIS) department manages the daily operations and support for the City mapping system and its related data. The GIS system is used to maintain information about City infrastructure, make emergency operations decisions as well as used for planning, budgeting and forecasting for asset management.

### IT FACTS & STATS

- › Logged **3,179** IT support requests in 2017
- › Manage **18** locations with IT infrastructure that are connected by a **45KM** fibre optic network that is shared with School District 67
- › Support over **300** daily users of the IT systems and services
- › Manage and secure over **500** desktop computers, laptops, mobile phones & tablets
- › Store and backup over **50** terrabytes of digital information
- › Host **50** servers that provide various IT services to staff and the public
- › Maintain and develop over **60** organizational and department focused software applications



GEOGRAPHICAL INFORMATION SYSTEMS (GIS)





## DEVELOPMENT SERVICES

Development Services is responsible for Economic Development, Planning and Land Use, Development Engineering, Building and Licensing and Bylaw Services. The department is unique in that sees many municipal processes from creation to implementation and with the addition of Economic Development this year, the ability to positively impact new investment through the approval processes all the way to enforcement of bylaws provided for great alignment in 2017. Our team of 36 faced many challenges in 2017 including record development activity and social issues in the community and by working closely with our community partners, residents and development community continue to promote Penticton as a great place to live, work and enjoy the Okanagan lifestyle.



# ECONOMIC DEVELOPMENT

Penticton's Economic Development department provides information and services to help businesses invest and grow in our city. We work with the local business community and City departments to develop strategies for developing a resilient and prosperous community for the future. Economic Development activity is made up of short term initiatives and measured against a long-term plan. Using international Economic Development principles, the Penticton Department seeks to support businesses, enhance Penticton's business climate, while also strategically attracting new investment and business to the City.

While Economic Development is mostly focused on business, this lens includes a perspective that residents in our community must be receiving liveable wages and living in suitable housing. Social wellbeing plays into the development of an Economic Development strategy and our department works closely with many organizations and other City departments to create alignment wherever possible.

A major project for the Economic Development Team was the completion of the Business Retention and Expansion Survey. Staff undertook 100 face-to-face interviews identifying the business community's needs and concerns - which helped to prepare for the development of the strategic plan.

## FACTS & STATS

2017 saw the development of a 5 Year Strategic Plan for Economic Development in the City of Penticton. 5 Key Result Areas were identified with a number of goals looking to be implemented from 2018-2022 including:

- › Communication
- › Collaboration
- › Retention and Expansion
- › Attraction
- › Organizational Excellence





## PLANNING & LAND USE

2017 saw the Planning Department receiving the most number of applications in a year on record, over and above a record year set in 2016. Even with this increase in work volume, our department continued to process applications in an efficient manner, working with home owners and the development community to get approvals in place within their project time lines.

In addition to development file processing, the Planning Department undertook a five year review of the City's Zoning Bylaw and commissioned a housing needs assessment. Both of these initiatives are intended to prepare the City for the expected development trends over the short and long term.

### FACTS & STATS

- 2017 Land Use Applications: **303** (219 in 2016)
- First boundary expansion since 1982 to include **300** acres of land for future community growth
- Planning led the climate action reporting function for the City to become Carbon Neutral in 2017
- Commenced the development of the new Official Community Plan, including significant community engagement

Application Type	December 2017	December 2016	2017	2016
ALR	0	0	3	1
Development Permit	4	2	89	45
Rezone	1	0	45	35
OCP Amendment	0	1	14	6
Strata Conv	0	0	2	1
Subdivision	1	1	31	22
Variance Permit	3	4	56	49
Board of Variance	0	0	1	13
Temp. Use Permit	0	0	0	0
Sign Permits	13	2	62	47
<b>TOTAL</b>	<b>22</b>	<b>10</b>	<b>303</b>	<b>219</b>





## DEVELOPMENT ENGINEERING

The Development Engineering function within Development Services is a key component to all departments. Under the guide of the Development Engineer, the development engineering role is located at City Hall for the day to day infrastructure needs and analysis of all planning, subdivision and building applications.

### FACTS & STATS

- Review, installation and upgrading of services for new construction is on-going with **230** work orders through over 2017 exceeding over **\$1,036,000** of work carried out by Public Works
- Facilitated the new infrastructure to Bylaw requirements of approximately **150** new lots in both major and minor subdivisions
- Servicing of approximately **50** new buildings and created over **180** work orders (over **\$700K** invoiced)
- Carried out extensive planning and investigations to facilitate **3** future major subdivision





### PERMITS BY THE NUMBERS

- Total Permits issued YTD = **1,094**
- Commercial Permits – **57** (new/alterations) permits issued
- Carriage House Permits – **11** permits issued
- Demolition Permits – **53** permits issued
- Duplex Permits – **36** (new/alterations) permits - **64** new units created
- Multi-Family Permits – **50** (new/alterations) permits - **249** new units created
- Single Family Permits – **204** permits issued (new and renovations)
- Secondary Suite Permits – **45** new units created
- Tenant Improvement Permits – **31** permits issued
- Building Permit revenue (2017) = **\$1,868,749**, (2016) = **\$1,804,572**
- Plumbing & Mech. revenue (2017) = **\$96,420**, (2016) = **\$57,297**

## BUILDING

2017 marked record construction values with five major projects started and stronger than expected single and two family developments. In comparison with the building high of 2005-2008, there have been more permits issued for single and two family developments which could indicate a stronger base of families wanting to stay and grow in Penticton.

### FACTS & STATS

- Building Permit Applications substantially increased to a total of **1,094** for 2017, compared to **801** in 2016. Partial increase adjustment due to changes in tracking plumbing and mechanical permits.
- Construction Values reached a total of **\$197,878,905** for the year end; a **\$56,000** decrease (**0.01%**) from the same time last year (**\$197,935,483**).
- Building Inspections at the end of December totalled **3,568**; an increase of **17%** from the same time last year. A total of **264** inspections were completed in December. Staff are currently assessing the number of partial and failed inspections (**697**) in 2017 to develop an education and communication program with our builders and trades to reduce the number of recalled inspections.





# BUSINESS LICENSING

Penticton is open for business! The city's business licensing department issue licenses under the categories of commercial and industrial, out-of-town and mobile, home-based and seasonal. The City of Penticton also has a 30-day conditional business license to get business up and running as efficiently as possible. Working closely with Economic Development, licensing is an important priority for the Development Services Division.

## FACTS & STATS

### Business Licencing Applications

- › New Licences = **520** (63 new Vacation Rentals)
- › Amended Licences = **667**
- › Total Active Licences = **2900**
- › Licence Revenue (2017) = **\$518,069**  
License Revenue (2016) = **\$493,844**

### Efficiency Improvements To Current Processes

- › Building applications
- › Business License processing
- › Bylaw Enforcement case file management

### Onboarding Of New Property Use Inspector

- › Revised Vacation Rental Program
- › Pro-active compliance enforcement & education







## BYLAW SERVICES

Bylaw Services department provides citizens with a variety of services related to regulatory issues. The department is committed to the delivery of professional bylaw education and enforcement in a timely and effective manner, and in accordance with Council direction.

### FACTS & STATS

- › **5,500** Bylaw Offence Notices issued and several compliance agreements made
- › Over **1,300** complaint files opened
- › Over **6,000** inquiries about bylaws
- › Continued partnership with Downtown Penticton Association for graffiti removal
- › Worked with community to respond to over **2,000** bylaw complaints
- › Completion of **360** unsightly property files
- › **2,500** Dog Tags sold
- › **200** Complaint files opened
- › **132** Bylaw Offence Notices/tickets issued
- › **132** Dogs impounded
- › **522** Days with Dogs impounded





# ELECTRICAL

The Electric Department is responsible for providing safe, efficient and reliable electrical service to residential, commercial and industrial customers within the municipal boundaries of the City of Penticton. The electrical system is comprised of four substations distributing power through a network of 18 feeders operating at either 8,000 volts (8KV) or 12,000 volts (12KV). Department staff are responsible for operating and maintaining the associated electrical infrastructure including: above and below ground electrical lines; distribution substation; and revenue metering. The Department also installs and maintains the City's street lighting and traffic control infrastructure.

## FACTS & STATS

- › **362** km of overhead power lines
- › **166** km of underground cables
- › **5,821** poles (**3,001** wood power, **1,097** steel power, **1,536** steel street light & **187** steel traffic)
- › **2,664** distribution transformers
- › **17,342** active revenue meters (customer accounts)
- › **3,281** streetlights
- › **32** full traffic signals, **7** pedestrian operated signals and **3** pedestrian crossings
- › Peak Demand = **71.5** MVA – January 2017 (All-Time **77.8** MVA – Jan, 2012)
- › The average customer experienced an outage of **8.94** minutes during the year
- › Power was available to our customers **99.998%** of the time
- › Worked with Telus to bring improved band width and speed for Telus residential and business customers







## ENGINEERING

Engineering Department is responsible for planning, design and construction of infrastructure and operation and maintenance of the water and waste water treatment plants. The provision of these services helps to promote a healthy environment and a vibrant community.

Infrastructure includes all roads, sanitary sewers, storm drainage, water pipelines, water reservoirs, water and sanitary pumping stations and water and waste-water treatment plants necessary to support the normal operation of our community.

The Engineering department consists of a Design Branch, a Water Treatment Plant (WTP) and an Advanced Waste Water Treatment Plant (AWWTP).

### FACTS & STATS

- › Installed **1.6** km of new water mains
- › Installed **12** new fire hydrants
- › Reconnected **123** domestic water services to the new water mains
- › Installed **20** storm water catch basins
- › Installed **2533** sq. m. of concrete sidewalk
- › Installed **19970** square meters of new asphalt surfacing
- › Completed **8** projects on budget

### THE DESIGN BRANCH

The Design Branch provides planning, design and construction management for infrastructure upgrades, maintains associated record documents, provides survey services for all City operations and provides professional engineering advice to the organization as required, including development review for the Development Services Department



## ENGINEERING

### Water Treatment Plant (WTP)

The WTP treats between 9.6 and 41.9 Mega Litres of water every day, with a peak capacity of 88 Mega Litres per day. WTP staff are responsible for the operation and maintenance of the treatment plant, five pumping stations and seven reservoirs in accordance with mandated standards.

#### FACTS & STATS

- › Pumped **6904** ML of water from the Okanagan Lake Pump Station to the Penticton Water Treatment Plant
- › Drew **761** ML of water from Penticton Creek
- › Average Daily Demand was **19.2** ML/day



### Advanced Wastewater Treatment Plant (AWWTP)

The AWWTP treats between 10,000 and 15,000 cubic metres of waste each day with a peak capacity of 28,000 cubic metres per day. AWWTP staff are responsible for the operation and maintenance of the plant and 11 lift stations and is responsible for the generation and disposal of safe by-products from the plant process in accordance with the mandated requirements of the liquid waste management plan.

#### FACTS & STATS

- › Received **4,063,000,000** Litres of wastewater
- › The average citizen of Penticton discharged **322** litres/day per person into the sewer
- › The average cost to treat a cubic meter (**1,000** L) of wastewater was **\$0.47**
- › Produced **7,180.368** kg of bio-solids, which have to be trucked up to Campbell Mountain Landfill for composting
- › Recycled **555,526** cubic meters of reclaimed water to City Parks and Gold Courses for Irrigation





## PUBLIC WORKS

The Public Works Department is responsible for the operation and maintenance of the City's infrastructure and for the administration and maintenance of the corporate vehicle and equipment fleet, solid waste and recycle collection, administration of the City's transit system and the operation of the City's Bio-solids Composting Facility.

Infrastructure includes all roads, sanitary sewers, storm drainage, water pipelines, dams and reservoirs necessary to support the normal operation of our community.

### FACTS & STATS

- › A fleet of **276** pieces of equipment
- › **490.5** km of pipe for water, sewer, storm sewer
- › **245** km of asphalt roadway
- › **144.5** km of sidewalk and walkways
- › **6** in service dam structures
- › **381** agricultural irrigation connections
- › **990** fire hydrants
- › **8954** Domestic Water Meters
- › **17,500** Water, Sewer, Storm Connections
- › Fleet Department purchased and commissioned **\$837,000** of new equipment
- › Provided significant support to flood mitigation activities on Okanagan Lake, Ellis and Penticton Creeks
- › Provided support to the multitude of special events that occur in Penticton over the summer
- › Worked with Recycle BC and staff to help reduce the contamination levels in recyclables
- › Completed detail design and commenced construction to reduce the hazard consequence on the Campbell Mountain Diversion Spillway





## PARKS

The Parks branch is responsible for the development, operation and maintenance of the parks, beaches, sports fields, trails and cemeteries within our community.

Parks, beaches, sports fields and trails are among Penticton's most treasured assets and an important element of the community's superb quality of life.

Sunseekers can enjoy miles of warm, sandy beaches and water sport enthusiasts can satisfy their every need. Paved walkways and cycle paths along Okanagan and Skaha beaches or the Kettle Valley Trail attract joggers, cyclists and hikers. Lush parks, high quality sports fields, waterparks, skateparks and sports courts provide endless hours of outdoor fun.

### FACTS & STATS

- › **65** acres of public open space
- › **16** sports fields, **7** playgrounds, **2** waterparks and 75 acres of turf
- › **6** public beaches and swimming areas
- › **183** hanging flower baskets
- › **110** separate irrigation systems
- › Over **5,000** inventoried trees
- › Over **25** km of trails and walkways
- › **6** pet off-leash areas
- › Involvement in the Parks & Recreation Master Plan

## RECREATION

Through strong leadership and in partnership with volunteer, public and private service providers, the Recreation department promotes and contributes to a healthy community and enhances the quality of life for residents and visitors of Penticton, through planning, management and delivery of recreation, sport events and active living opportunities.

### FACTS & STATS

- › **\$292,000** in Fitness Room revenue
- › **\$1,217,760** in Aquatics revenue
- › **\$570,000** in Program revenue
- › **\$320,500** in Rental revenue/bookings (includes Cleland Theatre)
- › **1068** Recreation programs offered in 2017
- › **933** Aquatic programs offered in 2017





# FACILITIES

The Facilities Department is responsible for planning, design, construction, operations and maintenance of City owned buildings. The provision of these services allows other City Departments and leasee's to effectively deliver their services and programs to the community.

Penticton's diverse collection of facilities includes everything from the Peach on the Beach, to the Trade and Convention Centre, to the SS Sicamous. The quality and operational effectiveness of our facilities are an important element in supporting a quality work environment for our staff and quality of life for our residents by providing venues to support arts, culture, sports and entertainment in our community.

## FACTS & STATS

- › Responsible for **25** major buildings
- › Buildings range in age from **10 to 90** years old
- › Average age of a City of Penticton Building is **42** years old
- › Floor area of buildings range from **100** to **250,000** square feet
- › Total area of City owned facilities = approximately **650,000** square feet







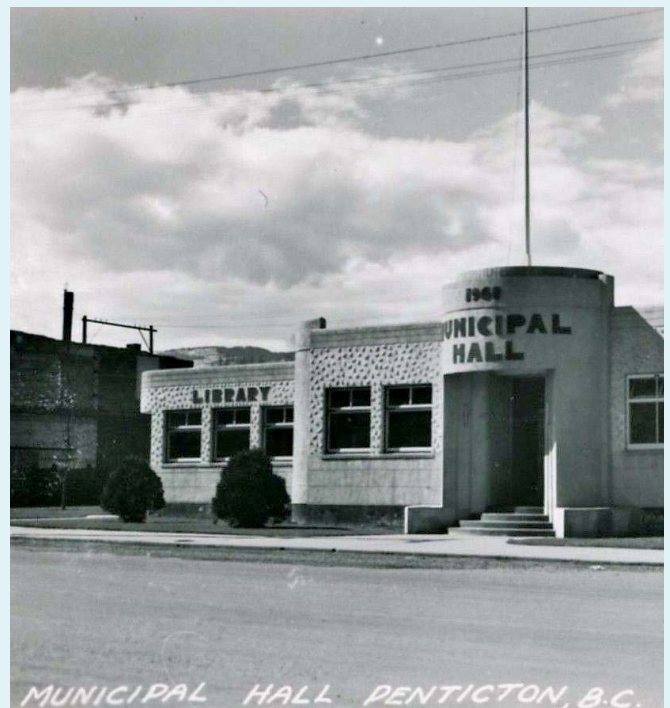
## MUSEUM & ARCHIVES

The Penticton Museum & Archives are committed to the presentation, preservation and interpretation of Penticton's history and heritage. The museum works with many local heritage groups and natural history groups and is active in heritage and museum affairs provincially.

The Archives collects and preserves the documentary and photographic history of the region and serves as an important resource for researchers and city staff.

### FACTS & STATS

- › **15,000** visits
- › **70,000** programming events
- › **55** school tour presentations
- › **24,000** images in digital photo library
- › **500+** inquiries for public archives and research





# MUSEUM & ARCHIVES



Recreation and FACILITIES



## FIRE DEPARTMENT

### The Mission of the Penticton Fire Department (PFD) is:

“To enhance the quality of living in our community by preventing or minimizing injury and loss of life or property from fire or other emergencies that may occur within the jurisdictional boundaries of the area we serve.”

PFD provides fire suppression, fire prevention/education and fire inspection services as well as first responder medical services. Rescue of people from motor vehicle accidents, water emergencies, high angle and technical rope rescue. Emergency Scene Management, identification of dangerous goods, and isolation of hazardous materials. Airport crash rescue, Pre-Emergency planning and basic to advanced fire service training.

### FACTS & STATS

- › Responded to **2892** emergency incidents
- › **20%** decrease over 2016 (Due to the reduction of call to medical emergencies)
- › **2200** fire safety inspections completed
- › Over **10,000** hours of fire service training





# PENTICTON RCMP

The Penticton RCMP is dedicated to the safety and security of the residents of our community. In addition to its day to day policing duties, it serves as the HQ for the Penticton South Okanagan Similkameen Regional Detachment. The detachment provides key services and programs in general duty policing, community outreach, serious crime investigations, prolific offender management, street crimes, forensic identification, general investigations, police dog services, traffic and administrative support. Many of these services are regional in nature to ensure efficiency and effective policing in our city and in our region.

Over the course of 2017, 20 separate individuals were chosen as (Compstat) target offenders. Of those 20, 6 individuals are no longer residing in Penticton (as of April 2018). A further 8 individuals are currently in custody (as of April 2018). Some crime types have been decreased since 2016 such as break and enter businesses (down 8%) and violent crimes (down 17%).

## FACTS & STATS

- › Impaired Driving **85**
- › # Prisoners **1,733**
- › Front Counter Files **1,033**
- › Restorative Justice Files **21**
- › Calls for Service **16,612**
- › Major Investigations:
  - › Homicides **3**
  - › Extortion **1**
  - › Fraud **2**
  - › Child Pornography **4**
  - › Worksafe Fatality **3**
  - › Sex Assault - historic **1**
  - › Sex Assault **1**



## VOLUNTEERING

Penticton RCMP benefited from significant support from our many volunteers resulting in 3623 volunteer hours donated to Community Safety Programs. Volunteers are an integral part of community policing and we are truly grateful for the support from the community in increasing public safety.

## COMMUNITY ENGAGEMENT

Our detachment is engaged with a number of community programs and stakeholders regarding vulnerable people within our community. These are files where the primary reason members are called is due to Mental Health.

# MUNICIPAL GRANT PROGRAM

ORGANIZATIONS AND EVENTS	CASH	VALUE IN KIND
Canadian Mental Health Association	2,000	
Canadian Sport School Hockey League (CSSHL)	10,000	
Community Foundation of the South Okanagan	25,000	
CFSOS - Yes Project (Youth Engagement Strategy)	8,750	
Challenge Penticton		29,896
Curling Club - World Curling Tour		39
DPA - BC Family Day		947
DPA - Canada Day Celebration	4,500	993
DPA - Canada Day Fireworks	1,500	
DPA - Sunshine Cabaret - Summer Concert Series	6,750	1,250
Granfondo		27,988
ITU Multisport	125,000	205,104
Miss Penticton Royalty	7,650	1,543
Okanagan Fruit Tree Project Society	3,400	
Okanagan Motorcycle Riders Association - Toy Run		450
Okanagan School of the Arts - Shatford Centre	10,000	
Okanagan Similkameen Conservation Alliance - Meadowlark Nature Festival	1,750	
Okanagan Similkameen Healthy Living Fair Society		5,852
Okanagan Valley Music Festival Society - Penticton Kiwanis Music Festival		5,000
PDCRS - Recovery Coaching	5,000	
Peach Festival Society	20,000	20,595
Pentastic Jazz Festival Society	2,640	6,667
Penticton & Area Access Society	4,299	
Penticton & Area Cycling Association - 3 Blind Mice expansion	20,745	



# MUNICIPAL GRANT PROGRAM

ORGANIZATIONS AND EVENTS	CASH	VALUE IN KIND
Penticton & Area Cycling Association - Bike to Work Week	2500	
Penticton & District Search & Rescue		12,435
Penticton & District Community Arts Council	12,312	
Penticton & District Community Arts Council - Arts Rising		438
Penticton Art Gallery Society	105,000	
Penticton Dragon Boat Festival		10,724
Penticton Elvis Festival		4,107
Penticton Historic Automobile Society - Peach City Beach Cruise		6,655
Penticton Scottish Festival Society		4,000
Rotary Club of Penticton (Rib Fest)		4,825
Royal Canadian Legion - Remembrance Day		3,000
Skaha Bluffs Park Watch Society	13,000	
SOICS - Bus Tickets		733
SOICS - Cleland Theatre for Citizenship Ceremony		413
South Ok Similk Mental Wellness Society - Penticton Branch (Mental Wellness Centre)	18,000	
South Okanagan Genealogical Society		721
South Okanagan Seniors Wellness Society	13,000	
SS Sicamous Society - operations	45,000	
SS Sicamous Society - utilities	22,000	
United Way Emergency Transportation Assistance Program		6,345
Upper Dek Vees Hockey		14,120
Western Canada Cup	10,000	
YES Project	100,000	
<b>Totals</b>	<b>599,796</b>	<b>374,839</b>

**Grand Total Cash and Value In-Kind**

**974,635**

*This page is intentionally blank.*



# 2017 FINANCIAL STATEMENTS

## IN THIS SECTION:

- Chief Financial Officer's Report
- Audit Report
- Financial Statements
- 2017 Permissive Tax Exemptions
- 2017 Revitalization Exemptions

**MAY 2018***Your Worship and Members of Council,*

I am pleased to submit the City of Penticton's 2017 Annual Financial Report for the year ended December 31, 2017 as required by Sections 98 and 167 of the Community Charter.

The audited financial statements, and supplementary financial schedules have been prepared by City staff in conformance with generally accepted accounting principles as prescribed by the Public Sector Accounting Standards (PSAS) of the Chartered Professional Accountants of Canada.

Management maintains systems of internal budgetary and accounting controls that provide assurance for safeguarding of assets and the reliability of information. These systems are monitored and evaluated by management.

These statements were audited by BDO Canada LLP, and their responsibility is to express an opinion as to whether the financial statements prepared by management present fairly the financial position of the City as at December 31, 2017.

Operating Results from 2017 saw an increase in the City's net financial assets of \$9.8 million bringing its total net financial assets to \$27.6 million. This resulted in an overall improvement of its accumulated surplus by 2.8%, with a total now of \$346.2 million

Consolidated revenues for the City increased to \$119.3 million in 2017 a 9.6% increase over 2016. This increase was largely the result of an increase in sale of services for sales of electricity, recovery of works billed to third parties, and emergency recoveries. In addition the City received a substantial government grant for a reservoir project and recorded a significant amount of contributed assets from development projects. Consolidated Expenditures were \$109.6 million an increase of 11.8% from 2016 owing primarily to an increase in electric energy purchases and a substantial electrical substation project.

The general revenue fund saw an overall surplus of \$314,273 with revenues coming in at \$85.6 million, reasonably consistent with 2016. Revenues decreased by \$2.9 million with the conclusion of the Development Assistance Compensation agreement. These decreases were offset by increases largely owing to tax increases and recovering emergency costs from the Province. Expenditures in 2017 were \$85.3 million reasonably consistent with 2016 expenditures. Reduction in the transfer to the gaming reserve offset the increases for collective agreement salary adjustments and inflationary cost increases.

As with many municipalities, the City is facing strong growth and development while at the same time dealing with aging infrastructure. Along with the strong growth brings other social issues that are requiring greater safety and enforcement efforts. Recognizing these various priorities the 2018 budget is taking steps to provide greater investment into our infrastructure and increasing its annual contribution to the asset management reserve to \$1.2 million. The City is also directing resources to streamline many city practices including efforts to reduce timelines for approvals of permitting and business licensing. The City also continues to make additional investment in its information technology systems by continuing development of a sustainable geographic information system that will enable the City to better manage its assets, and communicate to the public, especially during major events.



Jim Bauer



---

## Independent Auditor's Report

---

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

We have audited the accompanying consolidated financial statements of the Corporation of the City of Penticton, which comprises the consolidated statement of financial position as at December 31, 2017, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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



### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the City of Penticton as at December 31, 2017 and the results of its operations, change in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the supplementary schedules on pages 22 through 31 of the Corporation of the City of Penticton's Financial Statements.

*BDO CANADA LLP*

Chartered Professional Accountants

Penticton, British Columbia  
May 8, 2018



**THE CITY OF PENTICTON  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2017**

	<b>2017</b>	<b>2016</b>
<b>Financial Assets</b>		
Cash	\$ 5,730,053	\$ 1,316,987
Term Deposits (Note 1)	87,799,083	82,779,729
Accounts Receivable (Note 2)	11,349,691	7,700,806
	<u>104,878,827</u>	<u>91,797,522</u>
<b>Financial Liabilities</b>		
Development Cost Charges (Note 3)	14,589,967	10,275,074
Accounts Payable and Accrued Liabilities	15,544,385	12,940,547
Deferred Revenue	5,374,566	5,133,917
Deposits	4,605,675	2,565,874
Long Term Debt (Note 8)	37,173,405	43,113,226
	<u>77,287,998</u>	<u>74,028,638</u>
<b>Net Assets</b>	\$ 27,590,829	\$ 17,768,884
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 9)	\$314,408,591	\$315,573,844
Inventory	3,636,271	2,700,039
Prepaid Expenses	596,538	556,602
	<u>318,641,400</u>	<u>318,830,485</u>
<b>Accumulated Surplus</b>	<u>\$346,232,229</u>	<u>\$336,599,369</u>

See accompanying notes to the Consolidated Financial Statements

THE CITY OF PENTICTON  
 CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
 YEAR ENDED DECEMBER 31, 2017

	<b>2017 Budget</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>			
Taxation	\$ 30,640,945	\$ 30,770,666	\$ 30,485,377
Sales of Services	64,538,624	71,117,937	62,541,835
Government Grants and Transfers	2,265,237	2,957,572	2,301,804
Other Revenue	7,052,492	9,931,637	11,747,857
Other Contributions	3,211,168	2,006,807	1,621,845
Gain on Disposal	30,000	99,028	38,791
Contributed Asset	-	2,380,923	80,796
	<u>107,738,466</u>	<u>119,264,570</u>	<u>108,818,305</u>
<b>Expenditure (Note 10)</b>			
General Government	9,730,061	18,603,949	16,693,301
Protective Services	15,261,170	15,915,825	14,813,217
Transportation Services	4,429,796	8,882,373	8,589,817
Environmental Health Services	1,548,066	1,607,516	1,502,407
Public Health and Safety	199,648	267,020	263,687
Environmental Development Services	3,532,658	3,308,318	3,275,570
Recreation and Culture	11,425,487	12,398,818	12,731,301
Electrical Supply	35,856,279	38,549,353	31,027,273
Sewer System Utility	3,760,143	5,228,799	4,858,669
Water Utility Services	2,996,862	4,869,739	4,316,920
	<u>88,740,170</u>	<u>109,631,710</u>	<u>98,072,162</u>
<b>Annual Surplus</b>	18,998,296	9,632,860	10,746,143
<b>Accumulated Surplus, Beginning of Year</b>	<u>336,599,369</u>	<u>336,599,369</u>	<u>325,853,226</u>
<b>Accumulated Surplus, End of Year</b>	\$355,597,665	\$346,232,229	\$336,599,369

See accompanying notes to the Consolidated Financial Statements



**THE CITY OF PENTICTON  
CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2017**

	<b>2017 Budget</b>	<b>2017</b>	<b>2016</b>
Annual surplus	\$ 18,998,296	\$ 9,632,860	\$ 10,746,143
Acquisition of Tangible Capital Assets (Note 9)	(16,398,087)	(10,319,164)	(11,939,201)
Amortization (Note 9)	-	13,389,731	13,444,292
Net Disposal of Tangible Capital Assets (Note 9)	-	89,838	25,719
Contributed Tangible Capital Assets (Note 9)	-	(2,380,923)	(80,796)
Asset reclassification (Note 9)	-	385,771	(62,849)
	<u>2,600,209</u>	<u>10,798,113</u>	<u>12,133,308</u>
Change in Prepaid Expenses (Increase)	-	(39,936)	108,127
Consumption of Supplies Inventories	-	(936,232)	(38,530)
	<u>-</u>	<u>(976,168)</u>	<u>69,597</u>
<b>Increase in Net Assets</b>	<b>2,600,209</b>	<b>9,821,945</b>	<b>12,202,905</b>
<b>Net Assets, Beginning of Year</b>	<b>-</b>	<b>17,768,884</b>	<b>5,565,979</b>
<b>Net Assets, End of Year</b>	<b>\$ 2,600,209</b>	<b>\$ 27,590,829</b>	<b>\$ 17,768,884</b>

See accompanying notes to the Consolidated Financial Statements

THE CITY OF PENTICTON  
 CONSOLIDATED STATEMENT OF CASH FLOWS  
 YEAR ENDED DECEMBER 31, 2017

	<b>2017</b>	<b>2016</b>
<b>Operating Transactions</b>		
Annual Surplus	\$ 9,632,860	\$ 10,746,143
<b>Change in Non-Cash Operating Items</b>		
(Increase) decrease in Accounts Receivable	(3,648,885)	764,668
Increase in Trade Accounts Payable and Accrued Liabilities	9,199,181	1,967,612
(Increase) decrease in Prepaid Expenses	(39,936)	108,127
Increase in Inventory	(936,232)	(38,530)
Net Disposal of Tangible Capital Assets	89,838	25,719
Amortization	13,389,731	13,444,292
Contributed Tangible Capital Assets	(2,380,923)	(80,796)
Asset reclassification	385,771	(62,849)
	<u>16,058,545</u>	<u>16,128,243</u>
<b>Cash Provided by Operating Activities</b>	25,691,405	26,874,386
<b>Capital Transactions</b>		
Cash Used to Acquire Tangible Capital Assets	(10,319,164)	(11,939,201)
<b>Financing Transactions</b>		
Debt Repayment	(5,939,821)	(5,801,553)
<b>Investing Transactions</b>		
Increase in Term Deposits	(5,019,354)	(10,817,609)
<b>Change in Cash</b>	4,413,066	(1,683,977)
<b>Cash, Beginning of Year</b>	<u>1,316,987</u>	<u>3,000,964</u>
<b>Cash, End of Year</b>	<u><u>\$ 5,730,053</u></u>	<u><u>\$ 1,316,987</u></u>

See accompanying notes to the Consolidated Financial Statements



### **Management's Responsibility for the Financial Statements**

The consolidated financial statements of the City are the responsibility of management. They have been prepared in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. The Corporation of the City of Penticton ("the City") is a municipality in the Province of British Columbia and operates under the provisions of the Community Charter. The City provides municipal services such as fire, public works, planning, parks, recreation and other general government services.

### **Basis of Consolidation**

The consolidated financial statements reflect the assets, liabilities, revenue and expenses of all municipal organizations, committees and Boards which are owned or controlled by the City. All inter-entity transactions and balances have been eliminated. The controlled organizations include:

- › Penticton Public Library

### **Interfund Balances and Transactions**

All material interfund transactions and balances have been eliminated within the Consolidated Financial Statements for the General, Sewer, Water and Electrical funds.

### **Deferred Revenue**

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the Consolidated Statement of Financial Position. The revenue is recognized in the Consolidated Statement of Operations in the year in which it is used for the specified purpose.

### **Revenue Recognition**

#### **Taxation**

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollected amounts.

#### **Government Transfers**

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

#### **Utilities**

Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established. Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled.

**THE CITY OF PENTICTON  
SIGNIFICANT ACCOUNTING POLICIES  
DECEMBER 31, 2017**

**Revenue Recognition continued**

**Fee for Service**

Sales of service and other revenue is recognized on an accrual basis.

**Financial Instruments**

The City's financial instruments consist of cash and term deposits, accounts receivable, accrued interest receivable, bank indebtedness, trade accounts payable and accrued liabilities, deposits and long term debt. Unless otherwise noted, it is management's opinion that the City is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

**Inventory**

The City holds consumable inventory which is recorded at the lower of cost and net realizable value. Cost is determined on a weighted average basis.

**Tangible Capital Assets**

Tangible capital assets are not available to discharge existing liabilities and are held for use in the provision of goods and services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Tangible capital assets are recorded at cost, net of capital asset disposals, write-downs and 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, legal fees and site preparation costs. 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 a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Buildings	20 to 70 years
Roads and Sidewalks	25 to 75 years
Machinery and Equipment	5 to 20 years
Water Infrastructure	50 to 100 years
Sewer Infrastructure	10 to 100 years
Electrical Infrastructure	20 to 50 years
Parks and Recreation Infrastructure	10 to 50 years
Vehicles	10 to 20 years
Furniture and Equipment	10 to 20 years
Computer Hardware and Software	4 to 10 years
Books and Library Materials	5 to 13 years



### **Reserve for Future Expenditure**

Reserves for future expenditure are non-statutory reserves which represent an appropriation of surplus for specific purposes. Transfers to reserves for future expenditure include funds to finance incomplete projects and accumulations for specific purposes.

### **Statutory Reserve Funds**

The use of these funds is restricted by the Community Charter and associated Municipal Bylaws. Statutory reserve funds are funded 100% by cash and temporary investments.

### **Use of Estimates**

The preparation of consolidated financial statements in accordance with Public sector accounting standards 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. Actual results could differ from management's best estimates as additional information becomes available in the future. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

### **Collection of Taxes on Behalf of Other Taxation Authorities**

The City collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of entities are not reflected in these consolidated financial statements.

### **Contaminated Sites**

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- a) An environmental standard exists
- b) Contamination exceeds the environmental standard
- c) The City is directly responsible or accepts responsibility for remediation
- d) It is expected that future economic benefits will be given up; and
- e) A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

As at December 31, 2017 the City has no liability for contaminated sites.

**THE CITY OF PENTICTON  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**1. Term Deposits**

	Maturity Date	Effective Interest Rate (%)	2017	2016
Valley First	Aug 15, 2018	1.55	\$ 15,000,000	\$ -
Valley First	Jan 11, 2018	1.90	10,175,000	10,175,000
Valley First	Jan 1, 2018	1.90	10,828,910	11,002,648
Valley First	Nov 2, 2018	1.70	5,165,000	5,038,003
Valley First	May 1, 2018	1.45	24,750	54,750
Valley First	May 1, 2018	1.45	30,000	10,000,000
Valley First	Aug 17, 18	1.55	10,000,000	10,000,000
Valley First	Aug 20, 18	1.55	10,000,000	10,000,000
Municipal Finance Authority		0.25	26,575,423	26,509,328
			<u>\$ 87,799,083</u>	<u>\$ 82,779,729</u>

**2. Accounts Receivable**

	2017	2016
Property Taxes	\$ 984,370	\$ 1,141,890
Other Receivables	3,645,341	1,888,393
Federal Government	350,404	222,024
Provincial Government	788,997	395,357
Regional District Okanagan Similkameen	3,271	1,725
Other Government Agencies	59,543	168,017
Utility Rates Receivable	4,878,382	3,528,303
Accrued Interest Receivable	609,673	308,944
Cemetery Trust Fund Receivable	29,710	46,153
	<u>\$ 11,349,691</u>	<u>\$ 7,700,806</u>



### 3. Development Cost Charges (DCC)

The City collects development cost charges to pay for a proportionate share of infrastructure related to new growth. In accordance with the Local Government Act of BC, these funds must be deposited into a separate reserve fund. When the related costs are incurred, the DCCs are recognized as revenue.

	2017	2016
<b>DCC by Type</b>		
Roads DCC	\$ 1,553,588	\$ 1,025,489
Parks DCC	710,820	475,189
Drainage DCC	379,993	204,571
Waste Water DCC	8,136,869	5,736,922
Water DCC	3,808,697	2,832,903
	<u>14,589,967</u>	<u>10,275,074</u>
<b>DCC Activity</b>		
Balance, Beginning of Year	10,275,074	8,015,262
Return on Investments	159,240	123,534
DCCs Levied in the Year	4,463,347	2,220,398
Transfers to General Operating	(307,694)	(84,120)
	<u>\$ 14,589,967</u>	<u>\$ 10,275,074</u>

### 4. Development Cost Charges

In 2010, Council adopted the Development Cost Charge Reduction Bylaw and the companion Economic Incentive Zone Bylaw. The purpose of these bylaws was to spur development in key areas of the City, promote sustainable development and promote the development of affordable rental housing. The bylaws also contain provisions to encourage high-end hotel development. These bylaws will reduce the value of development cost charges, building permit fees and municipal taxes received by The City of Penticton for eligible developments.

The DCC reductions and Economic Incentive tax exemption program have been implemented in accordance with the provisions of Section 933(1) of the Local Government Act and Section 226 of the Community Charter, respectively. In 2017 \$217,011 (2016 - \$190,113) of Economic Incentive tax exemptions were granted. In addition, Council approved \$51,434 (2016 - \$22,193) of DCC reductions in 2017.

THE CITY OF PENTICTON  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2017

## 5. Pension Liability

The City and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2016, the Plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from local government.

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

The most recent actuarial valuation 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 of Penticton paid \$1,924,992 (2016 - \$1,849,912) for employer contributions to the Plan in fiscal 2017.

The next valuation will be as at December 31, 2018 with results available in 2019.

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

## 6. Contingent Liabilities

### a. Regional District of Okanagan Similkameen

Under Section 836 of the Local Government Act, all monies borrowed by a Regional District, shall be upon its credit at large and shall, in the event of any default, constitute an indebtedness of the member municipalities for which they are jointly and severally liable. At December 31, 2017, the long term debt of the Regional District aggregated \$86,060,832 (2016 - \$86,130,133).



## 6. Contingent Liabilities continued

### b. Legal Actions

As at December 31, 2017, certain legal actions are pending against the City as follows:

1. The City is aware of various liens registered against the City owned properties located at 903-969 Eckhardt Ave W. These liens were filed by various companies engaged by the third party purchaser of the same properties who subsequently defaulted on the purchase. These companies were not paid and they filed liens against the properties. Twelve liens were filed representing claims totaling \$2,111,921.90. Since then, and within the one year limitation period under the Builders Lien Act, five lien claimants had started legal actions against various parties, including the City, and filed certificates of pending litigation ("CPL") against the properties. One claimant has subsequently abandoned its lien claim and discontinued its action and another claimant reached a settlement. The remaining three claims remain alive with the value of these lien claims totaling \$663,851. It is unknown at this time the likely outcome; however, damages could reach \$66,000, which is 10% of the total claims still being advanced.
2. The City has been named a party to an action with respect to a claim made for interference with development rights. The Claimant may have a reasonable basis for a claim; however given the uncertainty of the amount and likelihood of the claim, no accrual has been recorded in regards to these costs.

### c. General Contingencies

From time to time there are potential claims against the City for incidents which arise in the ordinary course of business. In the opinion of management and legal counsel, the outcomes of the claims are not determinable at this time and cannot be estimated. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

## 7. Letters of Credit

In addition to the performance deposits reflected in the Consolidated Statement of Financial Position, the City is holding irrevocable Letters of Credit in the amount of \$722,800 which were received from depositors to ensure their performance of works to be undertaken within the City. These amounts are not reflected in the Consolidated Financial Statements but are available to satisfy liabilities arising from non-performance by the depositors.

THE CITY OF PENTICTON  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 DECEMBER 31, 2017

### 8. Long Term Debt

Long term debt reported on the Consolidated Statement of Financial Position is comprised of the following:

	2017	2016
Long Term Debt	\$ 37,173,405	\$ 43,113,226

Principal repayments relating to long term debt of \$37,173,405 outstanding are due as follows (in thousands):

	2018	2019	2020	2021	2022	Thereafter
General Fund	\$ 1,985	\$ 1,059	\$ 1,042	\$ 911	\$ 913	\$ 12,759
Sewer Fund	575	545	539	539	539	7,940
Water Fund	422	422	422	422	422	5,717
	<u>\$ 2,982</u>	<u>\$ 2,026</u>	<u>\$ 2,003</u>	<u>\$ 1,872</u>	<u>\$ 1,874</u>	<u>\$ 26,416</u>

Long term debt is secured by the assets of the City. The Long Term Debt is held by the Municipal Finance Authority. The principal payments are invested by the Municipal Finance Authority into a Sinking Fund. The principal repayments are currently calculated at a rate of 4%. The 2017 earnings in the Sinking Fund were calculated to be \$1,709,768 and are included in Other Revenue on the Consolidated Statement of Operations.

### 9. Tangible Capital Assets

The City of Penticton budgets for Tangible Capital Assets (TCA) as well as non-operating repairs and maintenance through the capital budget. During the year, the City incurred \$15,106,042 of expenditures that fall within the Capital Budget. Of this amount, \$10,319,164 met the TCA capitalization policy criteria while the remaining \$4,786,878 was expensed due to the expenditure being outside the TCA capitalization policy criteria or they were related to repairs and maintenance.



THE CITY OF PENTICTON  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2017

9. Tangible Capital Assets continued

	Land	Building	Equipment	Sewer Infrastructure	Water Infrastructure	Electrical Infrastructure	Roads	Construction in Progress	2017 Total
<b>COST</b>									
Opening Balance	\$ 48,433,058	\$ 163,954,616	\$ 39,906,689	\$ 50,618,753	\$ 54,038,979	\$ 73,909,945	\$ 84,739,652	\$ 1,562,907	\$ 517,164,599
Add: Additions	86,252	985,843	1,463,075	531,833	741,303	983,508	1,925,330	3,602,020	10,319,164
Add: Trsf to/from Construction in Progress	-	-	-	47,475	-	-	-	(47,475)	-
Add: Contributed Assets	-	-	-	1,097,900	506,773	-	776,250	-	2,380,923
Less: Disposals	-	51,652	589,447	-	-	-	-	-	641,099
Re-classification	-	-	-	-	-	-	-	(385,771)	(385,771)
	48,519,310	164,888,807	40,780,317	52,295,961	55,287,055	74,893,453	87,441,232	4,731,681	528,837,816
<b>ACCUMULATED AMORTIZATION</b>									
Opening Balance	-	66,514,460	26,237,831	9,442,865	18,558,926	34,430,762	46,405,911	-	201,590,755
Add: Amortization	-	4,855,665	1,829,297	1,065,414	821,001	2,097,121	2,721,233	-	13,389,731
Less: Acc Amortization on Disposals	-	51,652	499,609	-	-	-	-	-	551,261
	-	71,318,473	27,567,519	10,508,279	19,379,927	36,527,883	49,127,144	-	214,429,225
<b>Net Book Value for Year Ended Dec. 31, 2017</b>	\$ 48,519,310	\$ 93,570,334	\$ 13,212,798	\$ 41,787,682	\$ 35,907,128	\$ 38,365,570	\$ 38,314,088	\$ 4,731,681	\$ 314,408,591

THE CITY OF PENTICTON  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 DECEMBER 31, 2017

**9. Tangible Capital Assets continued**

	Land	Building	Equipment	Sewer Infrastructure	Water Infrastructure	Electrical Infrastructure	Roads	Construction in Progress	2016 Total
<b>COST</b>									
Opening Balance	\$ 48,433,058	\$ 163,265,759	\$ 36,255,075	\$ 50,274,463	\$ 52,860,867	\$ 72,143,119	\$ 80,497,549	\$ 1,492,298	\$ 505,222,188
Add: Additions	-	595,010	3,330,963	344,290	1,068,075	1,766,826	3,907,257	926,780	11,939,201
Add: Trsf to/from Construction in Progress	-	13,051	150,212	-	110,037	-	334,846	(608,146)	-
Add: Contributed Assets	-	80,796	-	-	-	-	-	-	80,796
Less: Disposals	-	-	488,673	-	-	-	-	-	488,673
Re-classification to Financial Assets	-	-	659,112	-	-	-	-	(248,025)	411,087
	48,433,058	163,954,616	39,906,689	50,618,753	54,038,979	73,909,945	84,739,652	1,562,907	517,164,599
<b>ACCUMULATED AMORTIZATION</b>									
Opening Balance	-	61,742,536	24,324,874	8,399,814	17,726,280	32,274,934	43,792,741	-	188,261,179
Add: Amortization	-	4,771,924	2,027,673	1,043,051	832,646	2,155,828	2,613,170	-	13,444,292
Less: Acc Amortization on Disposals	-	-	462,954	-	-	-	-	-	462,954
Re-classification	-	-	(348,238)	-	-	-	-	-	(348,238)
	-	66,514,460	26,237,831	9,442,865	18,558,926	34,430,762	46,405,911	-	201,590,755
<b>Net Book Value for Year Ended Dec. 31, 2016</b>	\$ 48,433,058	\$ 97,440,156	\$ 13,668,858	\$ 41,175,888	\$ 35,480,053	\$ 39,479,183	\$ 38,333,741	\$ 1,562,907	\$ 315,573,844



**10. Reporting by Object**

	<b>2017</b>	<b>2016</b>
Salaries and Benefits	\$ 26,840,274	\$ 24,281,346
Goods and Services	49,529,865	43,891,775
Interest	3,515,479	3,802,731
Amortization	13,389,732	13,444,293
Other Expenses	2,333,354	2,193,951
Vehicle & Equipment Maintenance	6,761,752	3,452,486
Policing Agreement	7,261,254	7,005,580
	<u>\$ 109,631,710</u>	<u>\$ 98,072,162</u>

**11. Credit Facilities**

**a. Line of Credit**

The City holds a \$5,000,000 line of credit with the Valley First Credit Union. This line of credit has a borrowing rate of prime and is secured by the Revenue Anticipation Borrowing Bylaw 2011 No. 5003.

As of December 31, 2017 there was no balance outstanding.

**b. Bank Indebtedness**

The City holds a \$4,230,000 EFT limit.

**12. Municipal Finance Authority**

Cash Deposits and Demand Notes - The City issues the majority of its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the Municipal Finance Authority as a debt reserve fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature.

Proceeds on loan requests are 98.40% of the gross amount of the loan. 1% is deducted by the MFA for security against loan default (this is held in trust by the MFA in its Debt Reserve Fund and will be refunded to clients, with interest, at loan expiry). The remaining 0.60% is deducted as an issue expense to cover the costs of administering the Debt Reserve Fund.

As at December 31, 2017 the Debt Reserve Fund demand note requirements were \$2,507,605 (2016 - \$3,346,659). In addition, cash deposits totaling \$978,524 (2016 - \$1,162,303) were held by the MFA.

**THE CITY OF PENTICTON  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**13. Budget**

The Financial Plan (Budget) Bylaw No. 2017-21 adopted by Council on March 21, 2017 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget figures anticipated use of reserves accumulated in previous years to reduce current year expenditures in excess of current year revenues to Nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Financial Plan adopted by Council with adjustments as follows:

	<u>2017</u>
Financial Plan (Budget) Bylaw surplus for the year	\$ -
<b>Add:</b>	
Transfer to Funds/Reserves	22,537,576
Debt Principal Repayments	4,230,055
Budgeted Capital Expenditures - General	5,304,102
Budgeted Capital Expenditures - Electric	3,765,485
Budgeted Capital Expenditures - Sewer	5,282,500
Budgeted Capital Expenditures - Water	2,046,000
<b>Less:</b>	
Budgeted Transfers from Surplus	24,167,422
<b>Budget Surplus per Statement of Operations</b>	<u><u>\$ 18,998,296</u></u>

**14. Transfers From Other Governments**

	<u>2017</u>	<u>2016</u>
Gas tax community works fund	\$ 1,458,679	\$ 1,439,404
Traffic fine revenue sharing	381,557	401,411
Okanagan Basin Water Board grants	215,822	215,822
Province of British Columbia - Carmi Reservoir	662,745	-
BC Arts Council	20,000	20,000
Library	130,696	125,720
Miscellaneous	88,073	99,447
	<u><u>\$ 2,957,572</u></u>	<u><u>\$ 2,301,804</u></u>



**15. Penticton Public Library**

The establishment of a municipal public library in the City of Penticton Bylaw 2639 was passed December 8, 1969. The Bylaw indicates that the City exercises significant influence over the Penticton Public Library and is required to fund its operations as per the Library Act. The Penticton Public Library assets as managed by the Library Board are recorded as assets of the City. The operations of the Penticton Public Library have been wholly consolidated by the City.

**16. Taxation**

	<b>Budget</b>	<b>2017</b>	<b>2016</b>
<b>Municipal Taxation</b>			
Real Property	\$ 30,202,576	\$ 30,224,908	\$ 28,542,185
Special Assessments	183,850	198,927	1,532,170
Grants in Lieu	254,519	346,831	411,022
<b>Total municipal taxation</b>	<b>30,640,945</b>	<b>30,770,666</b>	<b>30,485,377</b>
<b>Collections For other Governments</b>			
School	16,231,670	15,318,549	16,058,746
Regional District	1,629,839	1,864,568	1,613,311
Regional Hospital	2,285,961	2,483,961	2,378,286
BCAA	459,835	392,230	438,770
<b>Total collections for other taxing authorities</b>	<b>20,607,305</b>	<b>20,059,308</b>	<b>20,489,113</b>
Transfers to Other Governments	(20,607,305)	(20,038,950)	(20,506,789)
<b>Net taxation for municipal purposes</b>	<b>\$ 30,640,945</b>	<b>\$ 30,791,024</b>	<b>\$ 30,467,701</b>

**17. Comparative Figures**

Certain comparative figures have been reclassified to conform with the current year presentation.

THE CITY OF PENTICTON  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2017

## 18. Segmented Information

The City is a diversified municipal government institution that provides a wide range of services to its citizens such as transit, police, fire, water and electricity. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

### General Government Services

This segment includes all of the revenues and expenses that relate to the operations of the City itself and cannot be directly attributed to one of the other specific segments.

### Protective Services

Protection is comprised of police services and fire protection. The police services work to ensure the safety and protection of the citizens and their property. The fire department is responsible to provide fire suppression service, fire prevention programs, training and education.

### Transportation Services

Transportation is responsible for providing the City's transit services including roads and maintenance.

### Environmental Health Services

Environmental services consists of providing waste disposal to citizens.

### Public Health and Safety

Health services are comprised of public health services which works to improve the overall health of the population and overcome health inequalities by providing services to individuals and communities.

### Environmental Development Services

This segment includes city planning and review of all property development plans through its application process.

### Recreation and Culture

This segment provides services meant to improve health and development of the City's citizens. Recreational programs and cultural programs like swimming and skating lessons are provided at the arenas, the aquatic centre and the community centre. Also, the City provides library services to assist with its citizens' informational needs and a museum that houses collections and artifacts.

### Electrical Supply

This segment includes all of the operating activities related to the supply of the City's electricity.

### Sewer System Utility

This segment includes all of the operating activities related to the collection and treatment of wastewater (sewage) throughout the City.



**18. Segmented Information continued**

**Water Utility Services**

This segment includes all of the operating activities related to the treatment and distribution of water throughout the City.

**THE CITY OF PENTICTON  
SCHEDULE OF SEGMENT DISCLOSURE  
DECEMBER 31, 2017**

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Safety	Environmental Development Services	Recreation and Culture	Electrical Supply	Sewer System Utility	Water Utility Services	2017 Total
<b>REVENUE</b>											
Taxation	\$ 30,770,666	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,770,666
Sales of Services	3,150,915	1,279,191	2,043,241	2,583,457	493,556	306,965	2,394,211	45,209,797	5,080,860	8,575,744	71,117,937
Government Grants and Transfers	1,860,236	-	20,000	-	-	48,073	150,696	-	215,822	662,745	2,957,572
Other Revenue	8,384,173	269,220	175	-	-	636	1,258,269	12,609	-	6,555	9,931,637
Other Contributions	282,322	-	174,547	-	-	1,500	2,480	994,501	109,492	441,965	2,006,807
Gain (loss) on Disposal	79,768	-	19,260	-	-	-	-	-	-	-	99,028
Contributed Asset	2,380,923	-	-	-	-	-	-	-	-	-	2,380,923
	46,909,003	1,548,411	2,257,223	2,583,457	493,556	357,174	3,805,656	46,216,907	5,406,174	9,687,009	119,264,570
<b>EXPENDITURE</b>											
Salaries and Benefits	4,930,164	7,640,837	1,734,272	133,695	49,032	1,544,976	5,506,649	2,249,394	1,471,248	1,580,007	26,840,274
Goods and Services	4,156,689	826,727	3,496,708	1,469,544	212,409	1,138,280	4,255,190	30,516,156	1,597,089	1,861,073	49,529,865
Interest	(44,188)	84,000	126,064	-	-	-	2,145,288	-	759,695	444,620	3,515,479
Amortization	7,664,494	-	1,741,702	-	-	-	-	2,097,121	1,065,414	821,001	13,389,732
Other Expenses	1,601,973	16,507	3,342	-	-	615,771	24,666	66,313	1,365	3,417	2,333,354
Vehicle & Equipment Maintenance	294,817	86,500	1,780,285	4,277	5,579	9,291	467,025	3,620,369	333,988	159,621	6,761,752
Policing Agreement	-	7,261,254	-	-	-	-	-	-	-	-	7,261,254
	18,603,949	15,915,825	8,882,373	1,607,516	267,020	3,308,318	12,398,818	38,549,353	5,228,799	4,869,739	109,631,710
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	\$ 28,305,054	\$ (14,367,414)	\$ (6,625,150)	\$ 975,941	\$ 226,536	\$ (2,951,144)	\$ (8,593,162)	\$ 7,667,554	\$ 177,375	\$ 4,817,270	\$ 9,632,860



**THE CITY OF PENTICTON  
SCHEDULE OF SEGMENT DISCLOSURE  
DECEMBER 31, 2016**

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Safety	Environmental Development Services	Recreation and Culture	Electrical Supply	Sewer System Utility	Water Utility Services	2016 Total
<b>REVENUE</b>											
Taxation	\$ 29,111,741	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,373,636	\$ -	\$ 30,485,377
Sales of Services	2,657,309	997,297	1,288,925	2,464,088	363,357	113,686	2,231,071	39,647,110	4,625,517	8,153,476	62,541,835
Government Grants and Transfers	1,939,262	-	1,000	-	-	-	145,720	-	215,822	-	2,301,804
Other Revenue	10,650,566	55,780	-	-	-	8,500	1,019,211	13,800	-	-	11,747,857
Other Contributions	119,052	-	544,283	-	-	-	71,486	590,070	47,712	249,242	1,621,845
Gain (loss) on Disposal	10,436	-	28,355	-	-	-	-	-	-	-	38,791
Contributed Asset	80,796	-	-	-	-	-	-	-	-	-	80,796
	44,569,162	1,053,077	1,862,563	2,464,088	363,357	122,186	3,467,488	40,250,980	6,262,687	8,402,718	108,818,305
<b>EXPENDITURE</b>											
Salaries and Benefits	4,619,001	6,885,913	1,229,617	102,174	39,410	1,470,080	5,374,197	1,715,290	1,349,195	1,496,469	24,281,346
Goods and Services	2,743,400	734,360	3,500,069	1,394,320	217,779	1,222,251	4,508,140	26,988,679	1,372,054	1,210,723	43,891,775
Interest	(42,147)	84,000	174,478	-	-	-	2,236,253	-	758,021	592,126	3,802,731
Amortization	7,465,548	-	1,947,220	-	-	-	-	2,155,828	1,043,051	832,646	13,444,293
Other Expenses	1,577,029	1,049	737	66	-	581,241	29,273	4,546	-	10	2,193,951
Vehicle & Equipment Maintenance	330,470	102,315	1,737,696	5,847	6,498	1,998	583,438	162,930	336,348	184,946	3,452,486
Policing Agreement	-	7,005,580	-	-	-	-	-	-	-	-	7,005,580
	16,693,301	14,813,217	8,589,817	1,502,407	263,687	3,275,570	12,731,301	31,027,273	4,858,669	4,316,920	98,072,162
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	\$ 27,875,861	\$ (13,760,140)	\$ (6,727,254)	\$ 961,681	\$ 99,670	\$ (3,153,384)	\$ (9,263,813)	\$ 9,223,707	\$ 1,404,018	\$ 4,085,798	\$ 10,746,143

THE CITY OF PENTICTON  
 GENERAL REVENUE FUND  
 STATEMENT OF OPERATIONS  
 YEAR ENDED DECEMBER 31, 2017  
 (UNAUDITED)

	<b>2017 Budget</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>			
Taxation	\$ 30,640,945	\$ 30,770,666	\$ 29,111,741
Sales of Services	13,847,841	16,929,886	14,760,623
Government Grants and Transfers	2,049,416	2,079,005	2,085,983
Transfer From Other Funds/Reserves	3,352,272	5,275,786	6,729,667
Other Revenue	7,020,492	9,912,473	11,734,057
Other Contributions	205,768	460,849	734,820
Sale of Assets	30,000	99,028	38,791
Collections For other Governments	20,607,305	20,059,308	20,489,113
	<u>77,754,039</u>	<u>85,587,001</u>	<u>85,684,795</u>
<b>Expenditure</b>			
Salaries and Benefits	20,616,544	22,175,482	20,380,323
Goods and Services	12,637,494	16,529,558	15,236,941
Interest	2,371,750	2,311,164	2,452,585
Principal Payments	3,232,875	3,232,873	3,231,187
Other Expenses	2,130,771	2,262,258	2,189,395
Vehicle & Equipment Maintenance	2,687,585	2,647,775	2,768,262
Policing Agreement	7,205,141	7,261,254	7,005,580
Transfer to Other Funds/Reserves	6,264,574	8,813,414	11,415,232
Transfers to Other Governments	20,607,305	20,038,950	20,506,789
	<u>77,754,039</u>	<u>85,272,728</u>	<u>85,186,294</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>314,273</u>	<u>498,501</u>
<b>CHANGE IN FUND BALANCES</b>	-	314,273	498,501
<b>FUND BALANCES, BEGINNING OF YEAR</b>	5,711,736	5,711,736	5,213,235
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 5,711,736</u>	<u>\$ 6,026,009</u>	<u>\$ 5,711,736</u>

**THE CITY OF PENTICTON  
RESERVE FUNDS  
STATEMENT OF FINANCIAL POSITION  
YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)**

	<b>2017</b>	<b>2016</b>
Balance, Beginning of Year	\$ 10,815,928	\$ 12,474,200
<b>Add</b>		
<b>Transfers from:</b>		
Revenue Funds	3,650,159	2,998,632
Interest Earned	142,216	153,470
<b>Deduct</b>		
<b>Transfers to:</b>		
Capital Funds	69,103	4,810,374
	<u>\$ 14,539,200</u>	<u>\$ 10,815,928</u>
 <b>STATUTORY RESERVE FUND BALANCES</b>		
Equipment Replacement Reserve Fund	3,802,136	3,490,375
Tax Sale Lands Reserve Fund	7,555	7,460
Capital Reserve Fund	2,538,535	165,784
Land Acquisition Reserve	1,917,025	1,892,984
Local Improvement	1,258,805	1,196,360
Off-Site Parking Reserve Fund	122,434	120,899
Community Works Reserve Fund	922,087	915,595
Public Amenity Reserve	75,601	74,653
Affordable Housing Reserve	169,021	166,901
Alternative Transportation Reserve	52,743	52,082
Asset Sustainability	1,211,591	302,040
Water Capital Reserve Fund	904,142	892,803
Sewer Capital Reserve Fund	542,833	536,025
Electric Capital Reserve Fund	1,014,692	1,001,967
	<u>14,539,200</u>	<u>10,815,928</u>
<b>Balance, End of Year</b>	<u>\$ 14,539,200</u>	<u>\$ 10,815,928</u>



**THE CITY OF PENTICTON  
RESERVE FUNDS  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)**

	Balance, Beginning of Year	Transfer from General Revenue Fund	Interest Earned	Transfer to/from General Capital Fund	Transfer to Sewer Capital Fund	Inter-reserve Transfers	2017 Total
<b>Reserve</b>							
Equipment Replacement	\$ 3,490,375	\$ 1,128,666	\$ 45,246	\$ (862,151)	\$ -	\$ -	\$ 3,802,136
Tax Sale Lands	7,460	-	95	-	-	-	7,555
Capital	165,784	-	2,105	2,370,646	-	-	2,538,535
Land Acquisition	1,892,984	-	24,041	-	-	-	1,917,025
Local Improvement	1,196,360	162,814	12,934	(91,967)	(21,336)	-	1,258,805
Off-Street Parking	120,899	-	1,535	-	-	-	122,434
Community Works	915,595	1,458,679	12,108	(1,464,295)	-	-	922,087
Public Amenity	74,653	-	948	-	-	-	75,601
Affordable Housing	166,901	-	2,120	-	-	-	169,021
Alternative Transportation	52,082	-	661	-	-	-	52,743
Asset Sustainability	302,040	900,000	9,551	-	-	-	1,211,591
Water Capital	892,803	-	11,339	-	-	-	904,142
Sewer Capital	536,025	-	6,808	-	-	-	542,833
Electric Capital	1,001,967	-	12,725	-	-	-	1,014,692
	<b>\$ 10,815,928</b>	<b>\$ 3,650,159</b>	<b>\$ 142,216</b>	<b>\$ (47,767)</b>	<b>\$ (21,336)</b>	<b>\$ -</b>	<b>\$ 14,539,200</b>

**THE CITY OF PENTICTON  
RESERVES  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)**

	<b>Balance, Beginning of Year</b>	<b>Transfer From Funds</b>	<b>Transfer To Fund</b>	<b>Interest</b>	<b>Inter-reserve Transfers</b>	<b>2017 Total</b>
<b>Non-Statutory</b>						
Asset Emergency	\$ 800,000	\$ 263,203	\$ (104,729)	\$ -	\$ -	\$ 958,474
Building Permit Stabilization	100,000	-	-	-	-	100,000
Carbon Tax Credit Reserve	152,421	-	-	-	-	152,421
Cemetery Land	133,000	-	-	-	-	133,000
Climate Action	131,247	48,073	-	-	-	179,320
Election	47,599	23,353	-	-	-	70,952
Electric Surplus	14,500,932	2,321,687	-	-	-	16,822,619
Financial Stabilization	-	78,568	-	-	-	78,568
Gaming	7,350,533	1,982,787	(3,172,441)	-	-	6,160,879
General Surplus	5,711,737	314,273	-	-	-	6,026,010
Infrastructure	400,000	-	-	-	-	400,000
Investment Income	973,435	-	-	-	396,507	1,369,942
Liability Insurance	250,001	-	-	-	-	250,001
Marinas	489,681	57,923	-	-	-	547,604
Multi-Material BC	-	467,109	-	-	(396,507)	70,602
Northgate	52,000	-	-	-	-	52,000
Parking & Revitalization	51,765	-	-	-	-	51,765
Public Art	35,011	32,000	(19,740)	-	-	47,271
Rate Stabilization	200,000	-	-	-	-	200,000
RCMP	359,999	-	-	-	-	359,999
Sewer Equipment Replacement	108,022	-	-	-	-	108,022
Sewer Surplus	6,901,389	-	(1,689,712)	-	-	5,211,677
Snow Clearing Stabilization	75,000	-	-	-	-	75,000
Special Events Site	21,166	-	-	-	-	21,166
Water Surplus	3,913,262	996,186	-	-	-	4,909,448
West Bench Capital	1,185,185	-	-	-	-	1,185,185
West Bench Water	1,723,392	-	(78,336)	-	-	1,645,056
Wine/Info	13,150	-	-	-	-	13,150
	<u>45,679,927</u>	<u>6,585,162</u>	<u>(5,064,958)</u>	<u>-</u>	<u>-</u>	<u>47,200,131</u>
<b>Statutory</b>	10,815,928	3,650,159	(69,103)	142,216	-	14,539,200
<b>DCC</b>	10,275,074	4,463,347	(307,694)	159,240	-	14,589,967
	<u>\$ 66,770,929</u>	<u>\$ 14,698,668</u>	<u>\$ (5,441,755)</u>	<u>\$ 301,456</u>	<u>\$ -</u>	<u>\$ 76,329,298</u>

THE CITY OF PENTICTON  
SEWER REVENUE FUND  
STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)

	<b>2017 Budget</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>			
Taxation	\$ -	\$ -	\$ 1,373,636
Sales of Services	5,218,069	5,080,860	4,625,517
Government Grants and Transfers	215,821	215,822	215,822
Transfer From Other Funds/Reserves	-	1,031,396	2,156,826
	<u>5,433,890</u>	<u>6,328,078</u>	<u>8,371,801</u>
<b>Expenditure</b>			
Salaries and Benefits	1,453,156	1,471,248	1,349,195
Goods and Services	1,710,856	2,154,684	1,837,641
Interest	773,830	759,695	758,021
Principal Payments	575,057	575,057	575,057
Other Expenses	-	1,365	-
Vehicle & Equipment Maintenance	379,895	333,988	336,348
Transfer to Other Funds/Reserves	541,096	2,721,753	2,156,826
	<u>5,433,890</u>	<u>8,017,790</u>	<u>7,013,088</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>(1,689,712)</u>	<u>1,358,713</u>
<b>CHANGE IN FUND BALANCES</b>	-	(1,689,712)	1,358,713
<b>FUND BALANCES, BEGINNING OF YEAR</b>	6,901,389	6,901,389	5,542,676
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 6,901,389</u>	<u>\$ 5,211,677</u>	<u>\$ 6,901,389</u>



**THE CITY OF PENTICTON  
WATER REVENUE FUND  
STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)**

	<b>2017 Budget</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>			
Sales of Services	\$ 8,030,014	\$ 8,575,744	\$ 8,153,476
Government Grants and Transfers	-	662,745	-
Transfer From Other Funds/Reserves	1,578,336	939,158	1,352,716
Other Revenue	25,000	6,555	-
	<u>9,633,350</u>	<u>10,184,202</u>	<u>9,506,192</u>
<b>Expenditure</b>			
Salaries and Benefits	1,379,711	1,580,007	1,496,468
Goods and Services	1,510,784	2,490,503	1,754,094
Interest	448,795	444,620	592,126
Principal Payments	422,123	422,123	458,414
Other Expenses	21,787	3,417	-
Vehicle & Equipment Maintenance	265,215	159,621	184,946
Transfer to Other Funds/Reserves	5,584,935	4,087,725	2,368,812
	<u>9,633,350</u>	<u>9,188,016</u>	<u>6,854,860</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>996,186</u>	<u>2,651,332</u>
<b>CHANGE IN FUND BALANCES</b>	-	996,186	2,651,332
<b>FUND BALANCES, BEGINNING OF YEAR</b>	3,913,263	3,913,263	1,261,931
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 3,913,263</u>	<u>\$ 4,909,449</u>	<u>\$ 3,913,263</u>

THE CITY OF PENTICTON  
ELECTRIC REVENUE FUND  
STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)

	<b>2017 Budget</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>			
Sales of Services	\$ 42,033,580	\$ 45,209,797	\$ 39,647,110
Other Revenue	7,000	12,609	13,800
Transfer From Other Funds/Reserves	2,590,233	1,137,922	1,362,733
	<u>44,630,813</u>	<u>46,360,328</u>	<u>41,023,643</u>
<b>Expenditure</b>			
Salaries and Benefits	1,471,671	2,249,394	1,715,290
Goods and Services	32,544,519	32,397,614	29,048,758
Other Expenses	79,651	66,313	-
Vehicle & Equipment Maintenance	3,641,895	3,620,369	162,930
Transfer to Other Funds/Reserves	6,893,077	5,704,951	5,742,133
	<u>44,630,813</u>	<u>44,038,641</u>	<u>36,669,111</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>2,321,687</u>	<u>4,354,532</u>
<b>CHANGE IN FUND BALANCES</b>	-	2,321,687	4,354,532
<b>FUND BALANCES, BEGINNING OF YEAR</b>	14,500,932	14,500,932	10,146,400
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 14,500,932</u>	<u>\$ 16,822,619</u>	<u>\$ 14,500,932</u>

**THE CITY OF PENTICTON  
DEBT ISSUED AND OUTSTANDING  
DECEMBER 31, 2017  
(UNAUDITED)**

LIA B Law	S/1 B Law	Issue	Issue Date	Purpose	Issue Amount	Outstanding Amount	Term (Years)	Maturity	Rate (%)	2017 Payments		
										Interest	Principal	
General Fund												
9925	20005	72	12-Apr-00	RCMP Building	\$ 2,500,000	\$ 537,074	20	2020	2.100	\$ 52,500	\$ 82,873	
9925	20046	73	07-Nov-00	RCMP Building	1,500,000	322,244	20	2020	2.100	31,500	49,725	
2003-15	2268	81	22-Apr-04	Storm Sewer	337,500	156,706	20	2024	2.400	8,100	10,207	
2004-16	859-2004	85	25-Oct-04	Parks-Land Acquisition	1,680,000	780,047	20	2024	2.000	33,600	50,807	
2004-18	859/2004	85	25-Oct-04	Road Works-S. Main St.	195,000	90,541	20	2024	2.000	3,900	5,897	
2004-19	859/2004	85	25-Oct-04	Road Design-Main St.	150,000	69,647	20	2024	2.000	3,000	4,536	
2004-20	859/2004	85	25-Oct-04	Integrated Waterfront	550,000	255,373	20	2024	2.000	11,000	16,633	
2004-21	859/2004	85	25-Oct-04	Youth Park	50,000	23,216	20	2024	2.000	1,000	1,512	
2004-11	1108/2004	93	06-Apr-05	Wine Information Centre	800,000	368,908	20	2025	5.100	19,862	41,105	
2004-20	1108-2004	93	06-Apr-05	Integrated Waterfront	520,000	239,790	20	2025	5.100	12,911	26,718	
2004-21	614/2005	95	13-Oct-05	Youth Park	150,000	73,993	20	2025	1.800	2,700	5,514	
2005-18	615/2005	95	13-Oct-05	Integrated Waterfront	825,000	406,962	20	2025	1.800	14,850	30,328	
2006-15	17/17/2006	99	07-Nov-06	Road Works-Fairview/Ind	1,595,000	872,632	20	2026	1.750	27,913	53,563	
2006-17	17/17/2006	99	07-Nov-06	Sportsfields	3,200,000	1,750,735	20	2026	1.750	56,000	107,462	
2006-18	273-2007	102	27-Mar-07	Queens Park Site Serv	7,000,000	-	10	2017	4.820	337,400	583,037	
2006-33	273/2007	102	02-Nov-07	Integrated Waterfront '06	350,000	208,885	20	2027	4.820	16,870	11,754	
2006-39	273/2007	102	02-Nov-07	S Okanagan Event Ctr	8,000,000	-	10	2017	4.820	385,600	666,328	
2006-76	024/2008	103	23-Apr-08	Wellness Centre	3,000,000	1,933,834	20	2028	4.650	139,500	100,745	
2006-39	333/2008	104	20-Nov-08	S Okanagan Event Cntr	10,000,000	1,185,490	10	2018	5.150	515,000	832,909	
2007-41	333/2008	104	20-Nov-08	Cemetery-Columbarium	2,500,000	1,611,528	20	2028	5.150	128,750	83,954	
2007-52	333/2008	104	20-Nov-08	Indoor Soccer Facility	1,000,000	644,611	20	2028	5.150	51,500	33,582	
2007-57	333/2008	104	20-Nov-08	Integrated Waterfront	530,000	341,644	20	2028	5.150	27,295	17,798	
2007-60	333/2008	104	20-Nov-08	PIDA	1,140,000	135,146	10	2018	5.150	58,710	94,952	
2007-60	157-2009	105	21-Apr-09	PIDA	231,344	53,796	10	2019	4.900	11,336	19,269	
2007-52	638/2009	106	13-Oct-09	Indoor Soccer Facility	415,000	286,587	20	2029	4.130	17,140	13,936	
2007-52	15/30/2010	110	08-Apr-10	Indoor Soccer Ph2	586,000	430,570	20	2030	4.500	26,370	19,679	



**THE CITY OF PENTICTON  
DEBT ISSUED AND OUTSTANDING  
DECEMBER 31, 2017  
(UNAUDITED)**

LIA B Law	S/1 B Law	Issue	Issue Date	Purpose	Issue Amount	Outstanding Amount	Term (Years)	Maturity	Rate (%)	2017 Payments		
										Interest	Principal	
2009-14	15/30/2010	110	08-Apr-10	Pool Upgrades	7,400,000	5,437,235	20	2030	4.500	333,000	248,505	
2007-52	B25/2011	116	04-Apr-11	Indoor Soccer Facility	135,000	104,929	20	2031	4.200	5,670	4,534	
2009-43	B25/2011	116	04-Apr-11	Road Wrks-Smythe Dr	447,000	347,432	20	2031	4.200	18,774	15,011	
					<u>56,786,844</u>	<u>18,669,555</u>				<u>2,351,751</u>	<u>3,232,873</u>	
Water Fund												
2006-07	17/07/2006	99	07-Nov-06	Naramata Rd. Upgrade	4,670,000	2,554,979	20	2026	1.750	81,725	156,827	
2007-83	333/2008	104	20-Nov-08	Water Filtration Plant	4,000,000	2,578,445	20	2028	5.150	206,000	134,327	
2007-83	638/2009	106	13-Oct-09	Water Filtration Plant	3,900,000	2,693,224	20	2029	4.130	161,070	130,969	
					<u>12,570,000</u>	<u>7,826,648</u>				<u>448,795</u>	<u>422,123</u>	
Sewer Fund												
2006-61	273/2007	102	02-Nov-07	Septage Handling Facility	1,050,000	626,655	20	2027	4.820	50,610	35,261	
2008-10	333-2008	104	02-Nov-07	Sewer System Upgrade	8,000,000	5,156,890	20	2028	5.150	412,000	268,654	
2007-60	333/2008	104	20-Nov-08	PIDA	360,000	42,678	10	2018	5.150	18,540	29,985	
2007-60	157/2009	105	21-Apr-09	PIDA	73,056	16,988	10	2019	4.900	3,580	6,085	
2008-10	638-2009	106	13-Oct-09	Sewer Plant Expansion	7,000,000	4,833,991	20	2029	4.130	289,100	235,072	
					<u>16,483,056</u>	<u>10,677,202</u>				<u>773,830</u>	<u>575,057</u>	
					<u>\$ 85,839,900</u>	<u>\$ 37,173,405</u>				<u>\$ 3,574,376</u>	<u>\$ 4,230,053</u>	

THE CITY OF PENTICTON  
 CEMETERY PERPETUAL TRUST FUND  
 STATEMENT OF FINANCIAL POSITION  
 YEAR ENDED DECEMBER 31, 2017  
 (UNAUDITED)

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
Bank Term Deposits	\$ 1,016,404	\$ 993,552
<b>Less:</b>		
Due To General Revenue Fund	29,710	46,153
	<u>\$ 986,694</u>	<u>\$ 947,399</u>
<b>SURPLUS</b>		
Balance, Beginning of Year	\$ 947,399	\$ 921,779
<b>Add:</b>		
Care Fund Contributions	39,240	33,220
Interest Earned	22,855	22,400
	<u>62,095</u>	<u>55,620</u>
<b>Deduct:</b>		
Cemetery Maintenance	22,800	30,000
<b>Balance, End of Year</b>	<u>\$ 986,694</u>	<u>\$ 947,399</u>

## 2017 Permissive Tax Exemptions

Name of Applicant	Civic Address	2017 Municipal Taxes Exempted
Affordable Living for Today Society	245 Warren Ave. W.	\$3,600
Army, Navy & Air Force Veterans in Canada, Unit 97	257 Brunswick St.	\$1,634
Care Closet	574 Main St.	\$1,922
Cheers the Church	639 Main St.	\$5,551
Christian Science Society	608 Winnipeg St.	\$2,020
Church of Jesus Christ of Latter Day Saints	2946 South Main St.	\$5,384
Church of the Nazarene	523 Jermyn Ave.	\$3,014
Concordia Lutheran Church	2800 South Main St.	\$5,005
Fraternal Order of Eagles Aerie 4281	1197 Main St.	\$2,918
Good Samaritan Canada (A Lutheran Social Service Organization)	270 Hastings Ave.	\$59,617
Governing Council of the Salvation Army Corps 344	2469 South Main St.	\$3,920
Governing Council of the Salvation Army Corps 344	318 Ellis St.	\$3,635
Governing Council of the Salvation Army Corps 344	2399 South Main St.	\$8,818
Grace Mennonite Brethren Church	74 Penticton Ave.	\$1,601
Green Mountain Christian Congregation of Jehovah's Witnesses	52 Roy Ave.	\$3,458
Hellenic Community Society of Penticton	1265 Fairview Rd.	\$1,379
Holy Cross School	1299 Manitoba St.	\$3,091
LUSO Canadian Multicultural Society of Penticton	135 Winnipeg St.	\$2,163
Oasis United Church	2964 Skaha Lake Rd.	\$8,749
Okanagan Boys & Girls Club	1295 Manitoba St.	\$4,928
Ooknakane Friendship Centre	146 Ellis St.	\$4,593
Our Redeemer Lutheran Church of Penticton, BC	1370 Church St.	\$1,633
Penticton & District Community Arts Council	220 Manor Park Ave.	\$10,090
Penticton & District Community Resources Society	150 McPherson Cres.	\$2,573
Penticton & District Community Resources Society	154 McPherson Cres.	\$2,573
Penticton & District Community Resources Society	330 Ellis St.	\$10,952
Penticton & District Community Resources Society	470 Edmonton Ave.	\$2,780
Penticton & District Community Resources Society	500 Edmonton Ave.	\$1,011
Penticton & District Community Resources Society	1160 Commercial Way	\$2,731
Penticton & District Community Resources Society	2434 Baskin St.	\$986
Penticton & District Community Resources Society	2450 Baskin St.	\$990
Penticton & District Emergency Program Society	251 Dawson Ave.	\$1,315
Penticton & District Hospice Society	129 Nanaimo Ave. W.	\$3,416
Penticton & District Minor Hockey Association	325 Power St.	\$1,332
Penticton & District Society for Community Living	180 Industrial Ave.	\$12,677
Penticton & District Society for Community Living	234 Van Horne St.	\$2,426
Penticton & District Society for Community Living	252 Conklin Ave.	\$1,919
Penticton & District Society for Community Living	393 Winnipeg St.	\$1,870
Penticton & District Society for Community Living	453 Winnipeg St.	\$12,863
Penticton & Wine Country Chamber of Commerce	102 Ellis St.	\$2,416
Penticton Alliance Church	197 Brandon Ave.	\$3,921
Penticton Art Gallery	199 Marina Way	\$17,715



## 2017 Permissive Tax Exemptions

Name of Applicant	Civic Address	2017 Municipal Taxes Exempted
Penticton Bethel Pentecostal Tabernacle	65 Preston Ave.	\$1,975
Penticton Bethel Pentecostal Tabernacle	945 Main St.	\$6,554
Penticton Bethel Pentecostal Tabernacle	973 Main St.	\$3,539
Penticton Christian School Society	1060 Main St.	\$746
Penticton Community Garden Society	480 Vancouver Ave.	\$1,833
Penticton Curling Club	505 Vees Dr.	\$12,411
Penticton Early Childhood Education Society	104 - 550 Carmi Ave.	\$1,463
Penticton Elks Lodge 51	343 Ellis St.	\$4,679
Penticton First Baptist Church	1498 Government St.	\$5,114
Penticton Free Presbyterian Church	120 Preston Ave.	\$2,781
Penticton Golf & Country Club	600 Comox St.	\$9,537
Penticton Golf & Country Club	852 Eckhardt Ave. W.	\$14,452
Penticton Horseshoe Pitchers Club	2905 South Main St.	\$2,234
Penticton Kinsmen Disability Resource Centre Society	216 Hastings Ave.	\$8,337
Penticton Kiwanis Housing Society	101 - 150 Van Horne St.	\$773
Penticton Kiwanis Housing Society	102 - 150 Van Horne St.	\$769
Penticton Kiwanis Housing Society	103 - 150 Van Horne St.	\$652
Penticton Kiwanis Housing Society	104 - 150 Van Horne St.	\$648
Penticton Kiwanis Housing Society	105 - 150 Van Horne St.	\$652
Penticton Kiwanis Housing Society	112 - 150 Van Horne St.	\$769
Penticton Kiwanis Housing Society	113 - 150 Van Horne St.	\$652
Penticton Kiwanis Housing Society	115 - 150 Van Horne St.	\$778
Penticton Kiwanis Housing Society	201 - 150 Van Horne St.	\$777
Penticton Kiwanis Housing Society	202 - 150 Van Horne St.	\$773
Penticton Kiwanis Housing Society	204 - 150 Van Horne St.	\$652
Penticton Kiwanis Housing Society	209 - 150 Van Horne St.	\$655
Penticton Kiwanis Housing Society	210 - 150 Van Horne St.	\$655
Penticton Kiwanis Housing Society	211 - 150 Van Horne St.	\$655
Penticton Kiwanis Housing Society	212 - 150 Van Horne St.	\$657
Penticton Kiwanis Housing Society	213 - 150 Van Horne St.	\$655
Penticton Kiwanis Housing Society	214 - 150 Van Horne St.	\$773
Penticton Kiwanis Housing Society	215 - 150 Van Horne St.	\$782
Penticton Kiwanis Housing Society	301 - 150 Van Horne St.	\$777
Penticton Kiwanis Housing Society	302 - 150 Van Horne St.	\$773
Penticton Kiwanis Housing Society	304 - 150 Van Horne St.	\$652
Penticton Kiwanis Housing Society	308 - 150 Van Horne St.	\$755
Penticton Kiwanis Housing Society	310 - 150 Van Horne St.	\$655
Penticton Kiwanis Housing Society	312 - 150 Van Horne St.	\$657
Penticton Kiwanis Housing Society	314 - 150 Van Horne St.	\$773
Penticton Kiwanis Housing Society	315 - 150 Van Horne St.	\$782
Penticton Kiwanis Housing Society	401 - 150 Van Horne St.	\$777
Penticton Kiwanis Housing Society	402 - 150 Van Horne St.	\$773

## 2017 Permissive Tax Exemptions

Name of Applicant	Civic Address	2017 Municipal Taxes Exempted
Penticton Kiwanis Housing Society	404 - 150 Van Horne St.	\$652
Penticton Kiwanis Housing Society	406 - 150 Van Horne St.	\$652
Penticton Kiwanis Housing Society	408 - 150 Van Horne St.	\$755
Penticton Kiwanis Housing Society	410 - 150 Van Horne St.	\$655
Penticton Kiwanis Housing Society	412 - 150 Van Horne St.	\$657
Penticton Kiwanis Housing Society	413 - 150 Van Horne St.	\$655
Penticton Kiwanis Housing Society	414 - 150 Van Horne St.	\$773
Penticton Kiwanis Housing Society	415 - 150 Van Horne St.	\$782
Penticton Lawn Bowling Club	260 Brunswick St.	\$5,161
Penticton Masonic Building Association	416 Westminster Ave. W.	\$2,711
Penticton New Beginnings Christian Fellowship	96 Edmonton Ave.	\$851
Penticton Safety Village	490 Edmonton Ave.	\$3,960
Penticton Seniors' Drop-In Society	2905 South Main St.	\$24,937
Penticton Sikh Temple & Indian Cultural Society	3290 South Main St.	\$5,668
Penticton Tennis Club	675 Marina Way	\$2,924
Penticton United Church	696 Main St.	\$3,272
Penticton Vineyard Community Church	1825 Main St.	\$10,141
Roman Catholic Bishop of Nelson (St. Anne's)	1296 Main St.	\$6,021
Roman Catholic Bishop of Nelson for PDCRS Pregnancy Support Program	200 Bennett Ave.	\$1,425
Roman Catholic Bishop of Nelson for Penticton Recovery Resource Society	397 Wade Ave. W.	\$1,347
Royal Canadian Legion #40	502 Martin St.	\$4,996
S.S. Sicamous Restoration Society	1099 Lakeshore Dr. W.	\$9,673
S.S. Sicamous Restoration Society	1101 Lakeshore Dr. W.	\$2,097
S.S. Sicamous Restoration Society	1175 Lakeshore Dr. W.	\$4,282
Seventh-day Adventist Church	290 Warren Ave.	\$4,365
South Okanagan Similkameen Brain Injury Society	332 Eckhardt Ave. W.	\$1,937
South Okanagan Similkameen Brain Injury Society	742 Argyle St.	\$1,794
South Okanagan Similkameen Medical Foundation	1748 Camrose St.	\$4,497
South Okanagan Similkameen Medical Foundation	1802 Camrose St.	\$3,142
South Okanagan Women in Need Society	Not disclosed	\$3,210
St. Andrew's Presbyterian Church	157 Wade Ave. W.	\$2,307
St. Andrew's Presbyterian Church	397 Martin St.	\$1,367
St. John Vianney Church	361 Wade Ave W.	\$2,878
St. Saviour's Anglican Church	150 Orchard Ave.	\$4,757
The B.C. Society for the Prevention of Cruelty to Animals	2200 Dartmouth Dr.	\$12,944
Victory Church of Penticton	352 Winnipeg St.	\$1,826

**Total 2017 Permissive Tax Exemptions:**
**\$471,019**

2017 Revitalization Tax Exemptions		
Folio	Civic	2017 Municipal Taxes Exempted
04260-100	1050 Eckhardt Avenue West	\$0
04774-000	218 Main Street	\$2,760
06033-000	146 Ellis Street	\$0
07478-100	101 Rosetown Avenue	\$3,423
07530-525	1900 Camrose St./300 Okanagan Ave. E.	\$5,586
07601-500	1195 Commercial Way	\$3,655
07658-025	662 Okanagan Avenue East	\$10,589
04895-020	250 Winnipeg Street	\$24,601
01162-480	275 Waterloo Avenue	\$3,676
01459-005	1690 Fairview Road	\$1,294
01586-100	110 Industrial Place	\$2,820
04760-300	169 Estabrook Avenue	\$5,613
05113-010	317 Winnipeg Street	\$0
06533-000	412 Main Street	\$1,984
07575-000	1704 Government Street	\$20,063
07695-100	568 Dawson Avenue	\$11,157
00042-010	437 Martin Street	\$1,869
01594-450	182 Industrial Court	\$1,561
04023-005	3475 Wilson Street	\$82,738
04823-000	260 (270) Martin Street	\$1,068
06045-000	198 Ellis Street	\$6,017
06455-000	52 Front Street	\$507
07638-000	1356 Commercial Way	\$834
07639-000	1374 Commercial Way	\$5,579
07663-000	682 Okanagan Avenue	\$4,285
07666-500	272 Dawson Avenue	\$5,106
00105-000	535 Main Street	\$0
06300-008	345 Van Horne Street	\$5,238
06300-002	351 Van Horne Street	\$4,991
<b>Total 2017 Revitalization Tax Exemptions:</b>		<b>\$217,011</b>