

Council Report

penticton.ca

Date: December 3, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Jim Bauer, Chief Financial Officer
Subject: **Third Quarter Financial Update**

File No:

Staff Recommendation

THAT Council receive into the record the report titled "Third Quarter Financial Update" dated December 3, 2019.

Strategic priority objective

This aligns with the strategic objective of the City's mission to serve its residents, businesses and visitors through good governance, partnership and the provision of effective and community focused services.

Background

The 2019 -2023 Five Year Financial Plan Bylaw was adopted April 2, 2019 and included an overall tax increase of 3.6% (net of non-market changes).

City staff have committed to reporting to Council on a quarterly basis the status of the financial plan.

This is the second update that has been brought forward to Council given 2019-2023 financial plan was not approved until April 2, 2019.

Financial implication

There are no immediate financial implications to the City, as any budgetary changes have either been approved by Council earlier in the fiscal year or will be brought forward should necessary changes emerge.

Analysis

Overall, the City continues to forecast a balanced budget.

Revenues

Operating revenues are projected to be \$2.4 million higher than the \$139.9 million budget. This is owing primarily to higher forecast revenues in the following areas:

- Development cost charge revenues (\$1.3m)
- Approved grants, including one-time gas tax (\$1.7m)

- Building permit revenues and other sale of services (\$.5m)
- Increased interest revenues (\$.2m)

These increases are offset by lower than budgeted tax revenue collected from other taxing jurisdictions (predominantly non-residential school tax revenue) (\$1.3m).

Operating Expenses

Operating expenses are forecast to come in \$4.7 million below the \$118.6 million budget. The major contributing factors are:

- Lower than expected tax expenses remitted to other taxing jurisdictions (predominantly non-residential school tax expenses) (\$1.3m).
- Lower than budgeted electricity costs (\$2.8m).
- Reduced net spending of \$400K in the general fund owing to several staff vacancies, reduced transit contract costs and other initiatives not proceeding as planned. These savings offset increased bylaw services costs of \$150k caused by greater safety/enforcement demands.
- Reduced spending of \$130K at the water treatment plant as detailed in appendix A.

Capital Expenses

2019 Capital Expenses are forecast to be \$.7 million above the original budget of \$19.7 million owing to the following:

- Emergency chiller replacement for memorial arena (\$.2m)
- Demolition costs for the greyhound building (\$.28m)
- Wheel loader replacement (\$.26m)

Each year various capital projects experience delays owing to various reasons, resulting in unspent capital budgets. When this occurs unspent capital project budgets are added to the subsequent year to enable completion of the approved projects. There were 66 capital projects still underway at the end of 2018. The unspent budgets of \$6.2 million for these projects have been carried forward into 2019 and were added to the \$19.7 million capital budget, bringing a total capital expenses to \$25.8 million.

Reserve Transfers

Reserve transfers are forecast to total \$7 million, owing primarily to:

- Forecast electrical surplus (\$2.8m)
- One Time Gas Tax Grant (\$1.5m)
- Additional DCC revenues (\$1.9m)
- Projected Operating Surplus (\$.8m)

The table below contains a summary of these financial changes.

Budget Summary	Original Budget	Year End Forecast	Forecast Variance
Total Operating Revenues	(139,990,554)	(142,418,987)	(2,428,433)
Total Operating Expenses	118,606,094	113,984,055	(4,622,039)
Operating Surplus	(21,384,460)	(28,434,932)	(7,050,472)
Total 2019 Capital Expenses	19,685,630	19,779,004	93,374
Net Remaining	(1,698,830)	(8,655,928)	(6,957,098)
Debt Principal Repayments	2,333,054	2,333,054	-
Capital Grant Funding	(535,000)	(535,000)	-
2019 Reserve Transfers	(99,224)	6,857,874	6,957,098
Capital Carryforward Expenses	6,160,847	6,160,847	-
Capital Carryforward Reserve Transfers	(6,160,847)	(6,160,847)	-
Financial Plan Balance	-	-	-

For additional details, see attached Attachment A.

Alternate recommendations

THAT Council provide alternate direction to Staff.

Attachments


Attachment A – Third Quarter Financial Update

Respectfully submitted,



Jim Bauer
Chief Financial Officer

Concurrence

GM Infrastructure 	Director Recreation & Facilities <i>BK</i>	A/ Director Development Services <i>BQ</i>	Director, People & Community Safety Strategy <i>KL</i>	Chief Administrative Officer DyD
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Attachment A – Third Quarter Financial Update

Summary

Budget Summary	Original Budget	Year End Forecast	Forecast Variance
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Capital Carryforward Reserve Transfers	(6,160,847)	(6,160,847)	-
Financial Plan Balance	-	-	-

Details pertaining to revenues, operating and capital expenses, and reserve transfers are contained in the following tables and explanations.

Revenues

Revenue Type	2019 Budgeted Revenue	2019 Recognized Revenue	% Recognized	2019 Revenue Forecast	Forecast Variance
Taxation	(56,091,125)	(54,944,102)	98.0%	(54,944,102)	1,147,023
Sale of Services	(7,290,528)	(7,824,572)	107.3%	(7,983,048)	(692,520)
Electric Utility Revenue	(42,083,551)	(35,975,012)	85.5%	(42,092,821)	(9,270)
Sewer Utility Revenue	(6,784,578)	(5,110,048)	75.3%	(6,510,141)	274,437
Water Utility Revenue	(8,822,919)	(8,015,427)	90.8%	(8,830,448)	(7,529)
Storm Water Utility Revenue	(367,000)	(362,216)	98.7%	(362,104)	4,896
Fiscal Services	(3,621,925)	(2,794,969)	77.2%	(3,860,299)	(238,374)
Grants	(1,677,995)	(2,678,198)	159.6%	(3,474,802)	(1,796,807)
Other Revenues	(12,650,931)	(7,306,442)	57.8%	(12,433,816)	217,115
Development Cost Charges	(600,000)	(1,876,914)	312.8%	(1,876,914)	(1,276,914)
Donations	-	(50,491)	0.0%	(50,491)	(50,491)
Total	(139,990,553)	(126,938,390)	90.7%	(142,418,987)	(2,428,433)

Explanations

Taxation

- Forecasting to receive \$1.3M less revenue than budgeted due to lower than expected revenue required from other taxing jurisdictions (i.e. school tax). The corresponding expense will also be lower, so there is no impact to the City.

Sale of Services

- Sale of Services includes annual lease revenue, garbage/recycling fees and other fees that the City typically collects in the first half of the year, which is why the City has already recognized the budgeted revenue. Further, areas like recreation will have some revenue deferred, so staff are not expecting to recognize much more than what has been collected to date.
- Forecasting to receive about \$550K more revenue than budgeted due to strong building permit revenues and misc. other revenues.

Electric Utility Fees

- As of October 31, almost \$36M in revenue has been collected. Assuming the same power usage through to the end of the year as occurred in 2018, staff are projecting to meet budgeted revenue.

Sewer User Fees

- As of October 31, just over \$5.1M in revenue has been collected. Assuming the same sewer usage through to the end of the year as occurred in 2018, staff are projecting to fall short of budgeted revenue by \$275K.

Water Utility Fees

- As of October 31, just over \$8M in revenue has been collected. Assuming the same water usage through to the end of the year as occurred in 2018, staff are projecting to meet budgeted revenue.

Storm Water Utility Fees

- This item is billed with property taxes, thus, all of the revenue has been recognized.

Fiscal Services

- Primarily includes investment interest revenue, internal fleet revenue, and penalties/interest related to late property tax payments.
- Staff are projecting to see better than \$200K increase in interest revenue than was budgeted.

Operating Grants

Since the adoption of the 2019 Financial Plan, the City has received approval for the following additional grants that were not budgeted for:

- One-time bonus gas tax payment (\$1.5M)

- Wildfire Mitigation Grant (\$90K)
- Flood Risk Assessment Grant (\$59K)
- FireSmart Grant (\$10K)

Other Revenues

- Includes overhead allocations from the general fund to the utilities, gaming revenue, and misc. other revenue including Cemetery, Transit, Bylaw, Building, etc.
- Just over \$3.1M of the remaining amount relates to budgeted overhead allocations from the general fund to the utilities, which will be recognized at year-end.
- \$1.4M has been collected in gaming revenue from Q1 to Q3, and Staff expect to receive approximately \$1.8M year-end, \$200K less than budget.
- \$900K of depreciation relating to the transfer to equipment reserve is recognized at year end.
- Cemetery, Transit, Bylaw, and misc. other revenues contained in this grouping appear to be tracking close to budget.

Development Cost Charges

- DCC revenue is historically budgeted conservatively due to the uncertainty of the amounts received in a given year. Further, any DCC revenue received is transferred into the pertinent DCC reserve, so there is no operational impact to these revenues.
- DCC revenue received to date by area is as follows: Roads: \$199K, Parks: \$272K, Drainage: \$167K, Waste Water: \$1.02M, Water: \$211K.

Donations

- Given the uncertainty of donation revenue, the City doesn't typically budget for donations unless staff are aware of specific donations planned for the coming year.

Operating Expenses

Operating Budget	Original Budget	Expense \$ Spent	% Spent	Year End Forecast	Forecast Variance
Corporate Administration	4,030,464	3,325,528	82.5%	3,952,087	(78,377)
Financial Services	7,022,676	6,062,886	86.3%	7,056,079	33,403
Development Services	5,049,500	3,930,930	77.8%	4,812,891	(236,609)
Infrastructure	11,826,044	9,222,051	78.0%	11,577,142	(248,902)
Emerg. Response & Prevention	16,413,198	9,802,159	59.7%	16,320,148	(93,050)
Recreation & Culture	6,901,568	6,345,223	91.9%	7,022,857	121,289
General Government	23,015,680	21,768,144	94.6%	21,868,657	(1,147,023)
Total General Fund	74,259,130	60,456,921	81.4%	72,609,861	(1,649,270)
Electrical Utility	35,509,407	25,456,826	71.7%	32,695,966	(2,813,441)
Sewer Utility	4,569,471	3,765,985	82.4%	4,537,956	(31,515)
Water Utility	4,268,086	3,628,458	85.0%	4,140,272	(127,814)
Total Operating Expenses	118,606,094	93,308,191	78.7%	113,984,055	(4,622,040)

Year to date spend is using data from October 31, 2019. Therefore, 10 out of 12 months have elapsed, or 83% of the year. On the whole, expenses are trending in line with time elapsed.

Explanations

Corporate Administration

- Includes Corporate Administration, Mayor and Council, Communications, HR, and the Library.
- The Director of Corporate Services left in March 2019. This vacancy will result in forecast spending coming in below budget.

Financial Services

- Includes Accounting, Finance, Procurement, Revenue & Collections, IT, and Civic Grants & Partnerships.
- The \$47K payment to the Shatford Center per resolution 159/2019 is offset by \$50K of savings associated with the cancellation of the 2019 Super League Event.
- Forecasting a small overrun in this area primarily due to a \$132K write off of obsolete inventory.

Development Services

- Includes Development Services, Land Management, Planning, Building & License, Bylaw Services, and Economic Development.
- Bylaw department forecast is trending \$150K higher than budgeted, mainly to deal with greater demands that resulted in the need for extended bylaw relief hours (7am-11pm), including Saturdays, and the addition of a further staff member. These unexpected demands were caused by the heightened social issues, and need for greater enforcement presence around the city, including event coverage, etc.
- Planning budget is forecast to under spend by \$130K as the comprehensive development plan did not proceed as budgeted. There is also a \$45K underrun due to staff vacancies.
- Development services is forecast to under spend as a result of the vacancy of the Director position (\$50K) and lower than budgeted legal expenses (\$60K).
- Economic development is forecast to under spend \$38K as a result of several initiatives either coming in under budget or being reduced in scope.

Infrastructure

- Includes Engineering Services, Storm Sewer, Solid Waste, Cemetery, Fleet, Parks, Road Maintenance, Street Lighting, Traffic Control and Transit.
- Forecasting an overrun in roads snow clearing as \$301K has been spent out of a budgeted \$331K due to a late winter. \$68K was spent in the fall of 2018, so if we have a similar year we would see an overrun of \$38K.
- Transit contract is forecasted to be \$215K under budget.

Emergency Response & Prevention

- Includes Dog Control, RCMP, and the Fire Department.
- The fire department received a FireSmart Grant (\$10K), Flood Risk Assessment Grant (\$59K) and a Wildfire Mitigation Grant (\$90K), resulting in a forecasted increase of \$159K in related expenses.
- The RCMP department didn't achieve budgeted staffing levels early on in 2019, resulting in a \$300K underrun forecasted for the policing contract.

Recreation & Facilities

- Includes the SOEC, Facility Maintenance, Recreation, and Museum.
- The SOEC forecast provided as of September 30, 2019, stated a projected \$27K underrun.
- DPA events now financed by the City have resulted in \$65,000 in additional forecasted costs.
- \$55K overrun in facilities for unplanned needs for City Yards (lights, wiring, HVAC unit, safety items)
- \$40K overrun in facilities for Community Centre waterslide and UV system repairs

General Government

- Includes payments to other taxing jurisdictions.
- Per the taxation revenue area above, the forecast variance is due to the reduction in expenses related to reduction in revenue requested by other taxing jurisdictions (i.e. school tax).

Electric

- Based on power purchases from Fortis as of September 30, 2019, and assuming the same demand for power to the end of the year in 2019 as was used in 2018, staff are projecting to be \$2.8M under budget.

Sewer

- No material forecast deviations noted.

Water

- Water treatment plant chemical costs are forecasted to be \$80K under budget.
- Water treatment plant parts and equipment accounts are forecasted to be \$50K under budget.

Capital Expenses

Annually, staff review capital projects that are not complete at the end of the fiscal year and notifies the Finance department of the budgets that are not fully spent. Finance reviews the proposed capital 'carry forward' (CF) projects and if there is a justifiable reason, includes the carry forward capital budgets into a financial plan amendment bylaw for Council approval.

Capital Budget	Original Budget	Carry Forward Budget	Total Budget	Net \$ Spent	% Spent	Year End Forecast	Forecast Variance
Engineering	1,529,253	1,787,006	3,316,259	941,969	28.40%	2,180,186	(1,136,073)
Facilities	2,232,500	520,211	2,752,711	1,920,279	69.76%	2,591,896	(160,815)
IT	931,014	735,915	1,666,929	1,312,841	78.76%	1,650,996	(15,933)
Fleet	812,950	461,977	1,274,927	1,191,637	93.47%	1,284,927	10,000
Other	1,989,680	193,972	2,183,652	1,358,126	62.20%	2,059,610	(124,042)
Total General Capital	7,495,397	3,699,081	11,194,478	6,724,851	60.07%	9,767,615	(1,426,863)
Electric Capital	2,100,233	350,430	2,450,663	1,478,425	60.33%	1,785,625	(665,038)
Sewer Capital	4,577,800	1,238,157	5,815,957	2,749,636	47.28%	4,099,253	(1,716,704)
Water Capital	5,512,200	873,179	6,385,379	2,830,466	44.33%	4,126,511	(2,258,868)
Total Capital	19,685,630	6,160,847	25,846,477	13,783,378	53.33%	19,779,004	(6,067,473)

General Capital

Engineering

- CF budget primarily includes flood recovery at SS Sicamous \$731K, Ellis Creek Master Plan \$284K, Ellis Creek Flood recovery \$188K, and Woodstock Road \$381K.
- Forecasting to spend \$1.1M less than budgeted primarily due to:
 - \$378K projected to be carried forward for Main Street upgrades from Industrial Avenue to Warren Avenue.
 - \$356K projected to be carried forward for Woodstock Road.
 - \$208K projected to be carried forward for design completion for reach 3 of Penticton Creek.
 - \$125K projected to be carried forward for overland drainage improvement projects.

Facilities

- CF budget primarily includes \$312K for misc. upgrades to Memorial Arena and various other smaller projects.
- Increased forecast by \$200K to account for Memorial Arena Refrigeration work as per resolution 265/2019.
- \$290K that was budgeted for the City Hall HVAC/Envelope upgrades was deferred pending the outcome of the asset and amenity management initiative.
- SOEC Parking upgrades of \$100K did not proceed and is being deferred to future years.

IT

- CF budget primarily includes \$370K for hardware/server replacement, SOEC IT/AV \$132K, and \$105K for GIS related initiatives.
- No major budget deviations noted.

Fleet

- CF budget primarily includes \$238K for a wheel loader, and \$110K for truck purchases.
- Forecast was increased \$260K for the purchase of a wheel loader per Council resolution 358/2019.
- Forecast was decreased by \$250K as staff expect to carry forward the purchase of a Digger Derrick Aerial unit.

Other

- CF budget primarily includes Lakeview Cemetery upgrades, misc. fire equipment, and misc. other small items.
- Forecasted \$280K higher due to demolition costs of the Greyhound building per resolution 47/2019.
- Forecasted \$535K lower as a result of grant money received for Penticton Creek.

Electric Capital

- CF budget primarily includes system reliability improvements such as installing faulted circuit indicators, upgrading conductors to improve load transfer times, and to add/upgrade switches.
- Forecasting lower than budget due to expected carry forwards:
 - \$298K distribution system rebuild voltage conversion pushed back to spring 2020 in response to customer requests.
 - \$385K of system reliability work (FCI installation, conductor upgrades) to be completed in 2020.

Sewer Capital

- CF budget primarily includes \$846K of lift station equipment replacement and \$124K for a screw pump.
- Forecasted to spend less than budgeted primarily due to:
 - \$1.05M budgeted for compost site improvements will be carried forward to 2020.
 - \$756K projected to be carried forward to 2020 for Main Street upgrades (sewer portion) from Industrial Avenue to Warren Avenue.

Water Capital

- CF budget primarily includes \$395K to replace electrical items at Okanagan Lake pump station, and \$261K for water main replacements.
- Forecasted to spend less than budgeted primarily due to:
 - \$1.17M will be carried forward to 2020 to complete the replacement of electrical equipment at the Okanagan Lake pump station.
 - \$756K projected to be carried forward to 2020 for Main Street upgrades (water portion) from Industrial Avenue to Warren Avenue.
 - \$139K projected to be carried forward to 2020 for completion of water treatment plant building modifications.

Reserve Transfers

The \$7M increase in 2019 reserve transfers is primarily due to the following items:

- Projected Electrical Surplus of \$2.8M will be transferred to the electrical surplus/reserve
- Additional Gas Tax Revenue \$1.5M will be transferred to the gas tax reserve
- Additional DCC Revenue \$1.9M will be transferred to DCC reserves
- Projected Operating Surplus of \$800K (primarily driven by RCMP vacancies and strong building permit revenues) will be transferred to reserves/surplus per the year end surplus policy

Council Report

penticton.ca

Date: December 3, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Jim Bauer, Chief Financial Officer
Subject: **Third Quarter Corporate Business Plan Update**

File No:

Staff Recommendation

THAT Council receive into the record the report titled "Third Quarter Corporate Business Plan Update" dated December 3, 2019.

Strategic priority objective

This aligns with the strategic objective of the City's mission to serve its residents, businesses and visitors through good governance, partnership and the provision of effective and community focused services.

Background

As part of the 2019 -2023 Five Year Financial Plan the City also prepared a Corporate Business Plan that articulates the 114 goals across the seven major divisions/business areas.

As part of the increased accountability measures City staff have committed to reporting to Council on a quarterly basis the progress of achieving the Corporate Business Plan.

This is the second update that has been brought forward to Council since the Corporate Business Plan was approved in late February.

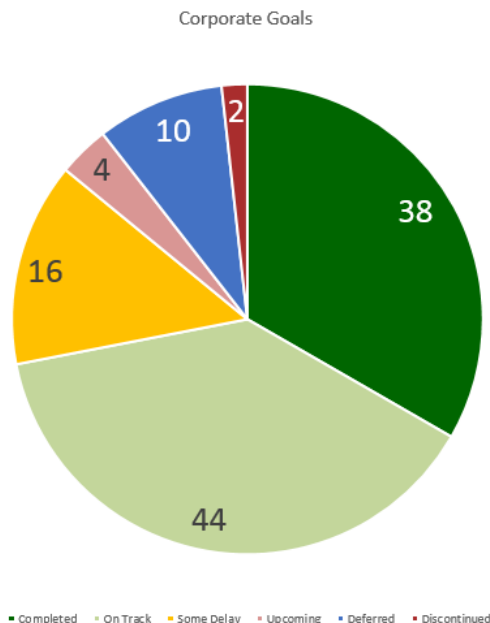
Financial implication

There are no financial implications to the City, however any changes to business plan goals that have fiscal implication will be brought to Council for approval should necessary changes emerge.

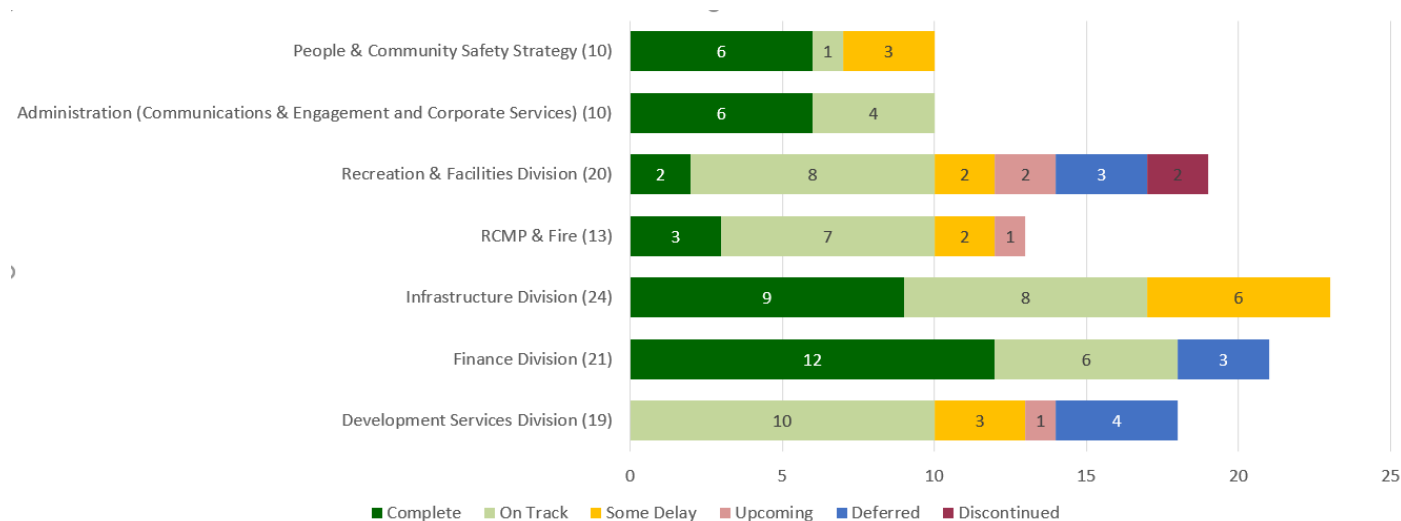
Analysis

Overall, the City is making good progress achieving its business plan goals however it should be recognized that many of activities associated with the goals did not commence until the budget was adopted on April 2, 2019. As a result, slower progress has occurred in the first half of the year with many goals being completed later in 2019.

The table below shows the status of 114 goals with 38 complete and 44 are on track. 16 are experiencing some delay, 4 are upcoming, 10 have been deferred and 2 discontinued.



The progress of business plan goals on a Divisional basis are reflected in the table below.



For a greater explanation on the status of each goal see Attachment A.

Alternate recommendations

THAT Council provide alternate direction to Staff.

Attachments


Attachment A – Second Quarter Corporate Business Plan Update

Respectfully submitted,



Jim Bauer
Chief Financial Officer

Concurrence

GM Infrastructure	Director Recreation & Facilities	Acting Director Development Services	Director, Human Resources and Community Safety Strategy	Chief Administrative Officer
	BK	BJ	KL	DyD

3rd Quarter 2019 - Business Plan Council Update		
Administration (Communications & Engagement and Corporate Services)		
Goal Title	Goal Update	Status
Launch New Version of Penticton.ca.	New website is in development, working test version expected for launch end of Q4	On Track
Develop a Community Engagement Framework.	Policy and Framework approved by Council	Completed
Implement Citizen-led Engagement Program.	Concept developed, no more action to be taken in 2019.	Completed
Introduce Continuous Improvement Initiatives.	Various website, video and engagement solutions introduced through 2019.	Completed
Introduce the News Release Creator	Project incorporated into new website project.	Completed
Implement an Electronic Document and Records Management Plan.	Completed interviews for a Records Management Specialist. Initiative will continue with implementation in 2020/2021.	Completed
Implement New Council Orientation.	Council attended various training sessions on topics such as Public Hearings and Conflict of Interest.	Completed
Update Bylaws and Policies.	Continues to be an ongoing objective.	On Track
Implement an Events Tracking Calendar including Council Invitations.	Executive Assistant will be working with the Events Coordinator in Q3 to create an appropriate "Invite Council" form/button to be added to the events page on penticton.ca.	On Track
Implement an Issues Management Program.	Executive Assistant continues to monitor issues and is approaching other municipalities for options.	On Track
Development Services Division		
Goal Title	Goal Update	Status
Complete a Downtown Parkade Feasibility Study.	Phase 1 feasibility study completed in October.	On Track
Apply to the Province for Daycare space funding.	Issued EOI for partner for BC New Spaces Childcare Fund for late 2019 application	On Track
Implement Homeowner Permit Awareness campaign.	No new progress - waiting on final edits to rack cards. To pick up again in early October	Some Delay
Expand Long-Term Residential Rental Program.	Continuing to gather information from other communities. Presentation on initiative in December	Upcoming
Develop a Welcome Package for New Residents and New Business Licenses.	Draft versions of the Packages are near completion.	On Track
Priority Clusters Impact and Opportunity Assessments.	Clusters will be evaluated individually and each year beginning in 2020 analysis and implementation will occur.	Some Delay
Develop a Parks Master Plan for Skaha Park.	In November, the Parks and Recreation Advisory Committee provided support for focusing the scope of work on the east portion of the park and on the appropriate engagement approach launching in December.	Some Delay
Maintain Economic Development relationships.	Staff working on FutureBiz Penticton and Hiring & Housing Forum for Q3 / Q4 2019. Co-ordinate the implementation of the Economic Development Strategic Plan in Q3 to commence in Q3.	On Track
Support new investment and development of the community in line with the Official Community Plan.	Multiple initiatives underway reflecting directions in the OCP: Transportation Master Plan, Lake-to-Lake route, development projects, development permits, Climate Action Plans, action on food security, etc.	On Track
Administer Entrepreneur Immigration Program.	Continuing with program administration. Have now held three site visits and three Provincial referrals	On Track
Modernize Business Licence Bylaws.	Due to Acting director rotation and staffing resources - this Goal will be deferred to 2020. Some minor housekeeping will be completed with Inter-Community and Long Term Rental.	Deferred

Goal Title	Goal Update	Status
Host a Business Community Forum.	Forum was hosted on September 18th with representation from 85 delegates and 30 presenters. The full day was well-received with many people making connections with each other and with the presenters. A wrap up report will be written to summarize the event and findings coming out from it. The wrap up report is scheduled to be delivered as part of the Economic Development 3rd quarter update on December 17th	On Track
Host the 2nd Annual FutureBiz Penticton.	<p>Building on last year's success, FutureBiz 2019 will continue to provide information on how companies can future-proof their businesses. This year's theme has the working title of 'When Disaster Hits: Preparing for the unexpected in your business'. December 4th has been selected as the date of the forum.</p> <p>Event planning well underway with a solid marketing plan and a stellar speaker list. The approach to the topic of Disaster Preparedness and the impressive speaker list has attracted some strong sponsor companies.</p> <p>Hosted at the PTCC, the day is set up to deliver hands-on information to help businesses be more prepared to deal with a number of unexpected circumstances in such a way that downtime could be greatly reduced or non-existent. Topics being addressed cover subjects such as property theft prevention, cyber crime, crisis communications, and business continuity planning.</p>	On Track
Develop an Economic Development Newsletter.	Reviewed Several other community economic development websites. In the process of creating the first draft newsletter and purchasing the mailing software	On Track
Purchase Carbon Off-sets to Retain Carbon Neutrality.	Action 3.1.4.1: Complete 2018 greenhouse gas emissions reporting Source: 2019 FINAL Dept Plan DEV SERVICES Council report presented in June for approval (81% completed) Carbon reporting has been submitted to the province and has been advertised on the City's website as per provincial requirements. We are still preparing the report to Council to present the reporting to them.	On Track
Building Department Accreditation.	Due to rotating Acting Director and staff resources and permit volumes - this project will be deferred to 2021 Budget. Some research and policy work will continue to prep for 2020.	Deferred
Create a Comprehensive Development Plan.	We've had our internal scoping exercise and are now preparing the RFP for issuance.	Deferred
Develop and Implement Plan for Land Use Contract.	Randy Houle was the lead on this project and is no longer with the City. This project is now on hold until 2020.	Deferred
Finance Division		
Goal Title	Goal Update	Status
Development of an Open Data Policy and Public Open Data Portal.	The 'Open Data Hub - Open Penticton' Council Policy has been approved, the open data site called Open Penticton has been launched	Completed
Continued Implementation of IT Governance.	The IT Steering Committee is established as meets as required to review progress, set policy and make decisions.	Completed
Continued Implementation of IT Service Management (ITSM).	IT has implemented a new Service Management system in the department which will support the departments processes into the future. Development will continue on it as we implement industry best practices.	Completed
Implement Bar Coding System for the City's inventory.	Awaiting pro-type from developer	On Track
Amend Purchasing Policy.	Amended Procurement Policy was endorsed by Council on June 18, 2019.	Completed
Research and Implement a Contract Management System.	Selected Contract Management module from Business World. Awaiting implementation from consultant	On Track

Goal Title	Goal Update	Status
Core IT Network Refresh and Redesign.	The Core IT Network has been refreshed and redesigned.	Completed
Develop a Comprehensive Land Management Strategy.	This goal will be completed in 2020 as part of the Land Management Strategy.	Deferred
Establish Department Efficiencies.	Staff have completed departmental efficiencies and checklists to assist with the large workload volume.	Completed
Feature the Land Department on City Website.	This goal is part of the City Website revamp.	On Track
Establish a Nominal Lease Policy.	This goal will be completed in 2020 as part of the Land Management strategy.	Deferred
Establish a Risk Management Framework and Policy.	Council approved the Risk Management Policy and Framework July 2. Communication of risk management has been provided to City staff. Implementation of the framework continue under the guidance of the Risk Management Committee as an ongoing initiative.	Completed
Implement Integrated Business Planning and Financial Reporting to Council.	Third Quarter business plan and financial update to be provided to Council December 3.	On Track
Policy Updates and Development (Finance).	Reserve Policy and amendments to Municipal Grants Policy have been completed and adopted by Council. Due to other priorities, remaining drafted policies will be brought forward for Council approval in early 2020.	Completed
Develop a High-level Disaster Recovery Plan.	The initial scope of the plan has been review and a project charter developed. IT is currently documenting vital systems and related dependencies.	On Track
Data Migration of Parks and Facilities Information into the GIS system.	Existing Parks and Facilities data has been migrated into the GIS system and the structure has been built to track Parks and Facilities assets going forward.	Completed
Implement an online credit card payment option for Utility payments.	Credit Card payments for Utilities online went live August 20, 2019 and is fully available to the public.	Completed
Establish a Formalized Grant Seeking Process.	Preliminary research conducted however project deferred given higher priority initiatives.	Deferred
Develop a Long-term Revenue Model.	Development of the model is anticipated to be complete by the end of 2019. Implementation will commence in 2020 within the Asset & Amenity Management Strategy	On Track
Update the Permissive Tax Exemption Policy for the 2020 application intake.	Council approved revised policy April 2, 2019 which resulted in a maximum of 1.68% of taxes foregone through this policy.	Completed
Deliver the 2019 Tax Rate Bylaw to Council for adoption by May 15, 2019.	2019 Tax Rate Bylaw adopted May 2, 2019.	Completed

Infrastructure Division

Goal Title	Goal Update	Status
Improve strategic area lighting and pedestrian crossing lighting city wide.	A decision has been made to go with Transportation Association of Canada standards for light levels. The areas where lighting is required have been prioritized, materials have been ordered and installation is underway. Phase 1 of a 5 year project will be complete by 2019 12 31.	Some Delay
Complete the 200 Block Main Street East Lane Electrical Rebuild.	Project Complete.	Completed
Develop Ellis Creek Master Plan.	The Master Plan is in draft stage and under review. The project is scheduled for completion 2020 02 28.	Some Delay
Design and Implement/Construct the third phase of the Penticton Creek Reach 12 Revitalization.	Detailed design work has advanced to 90% submission stage. Finalization of the design and permit application will proceed in December with construction planned for 2020.	Some Delay
Implement the Penticton to Kelowna Transit Route.	Project Complete.	Completed
Restructure work areas to address gaps in resources and expertise Branch.	Project Complete.	Completed

Goal Title	Goal Update	Status
New Service Advisor Coordinator.	Project Complete.	Completed
Create Permanent Clean Team.	Project Complete.	Completed
Complete and Begin Implementing a Waste Water Solids Management Plan.	Study Complete and presented to Council. The City is now working with the RDOS to see if there are any economies of scale to do a combined Waste Water Solids and Food Waste Compost Site.	Completed
Replace Aging and Small Water Mains.	Project Complete.	Completed
Improve Capacity of South Main Sanitary Sewer and Water.	Project on track and scheduled for Completion 2019 11 22.	On Track
Complete Main Street Upgrade Okanagan Avenue to Warren Avenue.	Project tender awarded 2019 11 13. Construction scheduled for completion 2020 05 30.	On Track
Upgrade and Install Pedestrian Crosswalks.	Designs are complete. Civil works scheduled for completion 2019 11 29. Lights scheduled for completion 2019 12 19. Some delay to this project due to high tender prices.	Some Delay
Finalize Phase II Drought Management plan.	RFP process completed and project awarded to Associated Engineering. Work underway and on track. Scheduled for completion 2020 02 28.	On Track
Implement Chlorine and Sulphur Dioxide Gas Removal from the Water Treatment Process.	Design Complete, project tendered and awarded. Work is underway and scheduled for 2020 02 28.	Some Delay
Upgrade Okanagan Lake Pump Station Electric and Pump Motor.	Design complete, tender for equipment purchase has closed and is under review. Once equipment is purchased a RFP will be issued for installation. Scheduled for completion 2020 03 31.	Some Delay
Implement 2019 Actions of the Asset Management Renewal Plan.	Screw pump installation completed. WAS pump replacement tender awarded and project is under construction, scheduled for completion 2020 03 31. Cake pump installation is complete. South Lift Station under construction and scheduled for completion 2019 12 16.	On Track
Complete the 2018 Utility Rate Review.	Project Complete.	Completed
Complete Voltage Conversion.	Voltage conversion 67% completed 2 of 3 feeders are complete. R34 (Naramata) is Deferred/Discontinued until the spring of 2020 as the wineries have concerns with extended power outages in Sept/Oct.	On Track
Investigate and report on Power Generation Possibilities.	Draft Report received and under review. Plan to take the Draft report to the new sustainability committee and then to Council. Project Scheduled for completion 2020 02 28.	On Track
Implement Asset Management Software.	The Invitational RFP was awarded to Assetic and work on Phase 1 is underway and scheduled for completion 2020 04 30	On Track
Update the 1968 Special Area Bylaw.	Decision made to go with a Council Policy instead of a Bylaw. Council Policy completed and adopted. Project Complete.	Completed
Update the Asset Management Investment Plan.	No work has started on this. Staff are waiting for the Geographic Information work to be completed on the Parks and Facilities assets prior to starting this project.	On Track
People & Community Safety Strategy		
Goal Title	Goal Update	Status
Implement Dog Control Service Changes.	Dog control and dogs in market videos are complete. Mobile bike patrols are planned for summer months to educate and enforce bylaw in trails, parks, beaches, etc Facility changes made. Goal completed	Completed
Review and Update Role of Bylaw Officers.	Goal complete.	Completed
Enhance Service Provision with Staff Additions.	Extended hours continue till 11 30pm with CSOs and added Sat evening shift. 3 new relief BEOs hired and are working through training program and officer coaching program.	Completed

Goal Title	Goal Update	Status
Utilize Geographic Information Systems (GIS) within the Bylaw Services department.	Working with Communications/social media to determine how to provide this data to the public.- Website, media release, etc.	Some Delay
Update Good Neighbour Bylaw.	Action 5.1.21.1: Collaborate with Gov Law on related bylaw amendments, including a charter review. Source: 2019 FINAL Dept Plan BYLAW SERVICES (100% completed)Collaborated with Gov Law to review Good Neighbor Bylaw proposed amendments. Charter and legal review took place. Met with DPA and Board to discuss changes to bylaw and used their feedback to support the changes. Action 5.1.21.2: Prepare staff report for Council approval of bylaw amendments. Provide public awareness and education of changes including media release Source: 2019 FINAL Dept Plan BYLAW SERVICES (10% completed)Drafting report to Council with proposed amendments for May 21st. Once passed through Council, public education/awareness to take place.	Completed
Office Relocation/New Deployment (Bylaw/RCMP).	Final design plans approved and going to tender to commence construction this week	Some Delay
Implement the Five Year Succession Planning Master Plan.	All leadership meetings have taken place. Critical positions identified and plans created to address.	On Track
Achieve Certificate of Recognition (COR) and The Partners in Injury and Disability Prevention Program (PIR).	OH&S Staffing disruption. On track for completion by end of 2020 / Q1 2021.	Some Delay
Ratification of Three Expired Collective Agreements.	Ratification of three Collective Agreements completed.	Completed
Support Mayor and Council Remuneration Advisory Task Force.	Recommendation and adoption by Council of all 11 Task Force recommendations.	Completed
RCMP & Fire		
Goal Title	Goal Update	Status
(RCMP) Increase Transparency and Accessibility to Police.	Downtown Bylaw/RCMP shared space is moving forward, plan to have desk available for member's use along with direct access to RCMP front counter from location's lobby. Actions listed herein are either Completed or are On Track. Community Forum held on May 19 with over 100 community members in attendance. Increased our Media Relations trained Officers in the Regional Detachment to improve access and availability. To date 6 Town Hall meetings have been conducted in residential and commercial areas. Community/Youth Liaison officer actively engaged in duties. Enhanced patrols are in active "hot spots".	On Track
(RCMP) CAST - Increase Awareness and Expand to South Okanagan.	The Community Active Support Table continues to meet weekly at Fire Hall #1. Support for the Table is very strong with representation from all community agencies at an impressive level. There have been 37 situations brought to the Table up to October 31, 2019. Of those 20 have been connected to services successfully due to direct action of the CAST. CAST continues to be an advocate for other communities as they implement the program. This has included West Kelowna and Williams Lake.	On Track
(RCMP) Reduce Crime Related to Drug Use.	The Street Enforcement Unit was initiated with a Corporal and two Constables in June 2019. They are actively targeting prolific offenders as identified by our Crime Analysis. Bi-weekly Senior Management meetings are now in place where senior RCMP and Crown Council meet to discuss issues and prolific offender management. Targeted Enforcement Unit have been aggressively apprehending violent offenders throughout the region. They have been successful in the arrest of particularly violent habitual offenders who are responsible for violent and property crimes.	On Track

Goal Title	Goal Update	Status
(RCMP) Increase Road Safety.	South Okanagan Traffic Services and Penticton Detachment members are actively collaborating to conduct road safety checks on Impaired, distracted driving and excessive speeding around Penticton. Conducted joint operations since January with 72 Impaired drivers, 164 Distracted drivers and 330 speeding violators (as of June 30, 2019) in Penticton and surrounding Rural detachment areas. The traffic unit continues to target high collision areas, and areas in which the public complains about traffic safety issues. Two Penticton Detachment Traffic members were awarded the Alexa Award for outstanding efforts in removing drunk drivers from the street. Community Policing Volunteers are conducting Speed Watch shifts weekly.	On Track
(RCMP) Ensure Accountability and Financial Transparency.	A meeting was held in Kelowna with E Division presenting on the RCMP contract. City officials attended with Supt. De Jager. Continued engagement with the Director of People and Public Safety .	On Track
(RCMP) Conduct Organizational Reviews.	<p>We have moved to realign our support resources after the retirement of the Municipal Admin Manager this summer. This position was not filled, rather her duties and responsibilities were divided between two existing exempt staff who now oversee the day to day operations of the support staff together.</p> <p>An Electronic File Administrator has been created due to the complexity and Provincial standards we are required to meet in electronic file disclosure to Crown Council. The duties of this position require a highly trained individual with extensive knowledge of RCMP and Provincial standards.</p> <p>There continues to be a need to increase the support staff in two areas: Records, as changing legislation responsibilities continues to increase the demands in this area. As well, the Detachment requires a person to assist in the recovery of digital evidence in operational files who can also participate in the IT support requirements of the Detachment</p>	On Track
(FIRE) Project Assessment and Planning for Fire Hall Replacement.	Defer start to September 2019.	Some Delay
(FIRE) Hazardous Materials Response Evaluation and Mitigation Strategy.	<p>New Deputy Chief is evaluating our response to complex, high risk/low frequency events to determine if we are on mark for WorkSafe requirements.</p> <p>Some Delay due to Deputy Fire Chief's retirement.</p>	Completed
(FIRE) Develop pre-incident plans for wildfire in Penticton.	Plans and Maps completed.	Completed
(FIRE) FireSmart - Wildland Urban Interface a new Community Resiliency Investment (CRI) Program.	Due to wildfire risk - remaining actions on this goal are Deferred/Discontinued until fall 2019. Grant funding for one action item not approved - defer to 2020	On Track
(FIRE) Complete the City's Flood Risk Assessment and Build a Flood Mitigation Plan.	Finished the first phase being the risk assessment. Second phases has been initiated to the contractor, "TETRA-TECH"	Upcoming
(FIRE) Establish a Business Continuity Plan for the City.	We are currently working on collecting data from each Department manager on the potential risk to each department that could impact the day to day operations of that service. Given the complexity of the project, elements of this project will be Deferred/Discontinued into 2020 pending additional resources to support development of full business continuity plan.	Some Delay
(FIRE) Wildfire Symposium - Penticton Fire Department	Symposium successfully held for 2019. Curriculum Development: 150 hrs. Strike Team / Task Force Leader. Engine Company Crew Boss: 100 hrs. Structure Protection Sprinkler Systems 100 hrs.	Completed

Goal Title	Goal Update	Status
Recreation & Facilities Division		
Goal Title	Goal Update	Status
Enhance Partnerships with Community Service Groups.	We have partnered with the Penticton & District Seniors Centre to host two events (BC 55+ Games and BC Seniors Week Activities) and we are continuing our collaboration to celebrate Active Aging Week in October. We continue to work closely with the YES Project to support their initiatives and promotion of their programming through the Penticton Recreation Guide. For the third year in a row, we have partnered with the Penticton Art Gallery to host the Penticton Public Sculpture Exhibit Artist Talks. This has led to further collaboration and we are now currently working together to enhance art program offerings through the Rec Dept. Each of these partnerships has resulted in the community having better access to a variety of affordable programs and services.	Upcoming
Implementation of South Okanagan Event Centre (SOEC) Parking Strategy.	This was not identified as a priority through the strategic planning process and the project is on-hold.	Discontinued
Parks and Recreation Advisory Committee.	Action 1.1.12.1: Advisory board created and priorities confirmed Source: 2019 FINAL Dept Plan RECREATION AND FACILITIES Source: 2019 FINAL Dept Plan PUBLIC WORKS (100% completed) Parks and Rec committee was created in early January with priorities being: 1) Robinson Property 2) Coyote Cruises and 3) Skaha Master plan Action 1.1.12.2: Gather data, stakeholder engagement Source: 2019 FINAL Dept Plan RECREATION AND FACILITIES Source: 2019 FINAL Dept Plan PUBLIC WORKS (10% completed) A skaha park walkthrough occurred with the committee in May so they can familiarize themselves with the area and amenities. Further data gathering and stakeholder engagement to be conducted. The major planning piece is on hold until OCP is finalized in June. Action 1.1.12.3: Engage consultant for Skaha Park master plan study Source: 2019 FINAL Dept Plan RECREATION AND FACILITIES Source: 2019 FINAL Dept Plan PUBLIC WORKS (0% completed) on hold - Not enough information yet to determine if/what kind of consultant may be required.	Upcoming
2019 Civic Events.	Action 1.1.13.2: Arrange for suppliers, vendor and entertainment Source: 2019 FINAL Dept Plan RECREATION AND FACILITIES (80% completed) All suppliers, vendors and entertainers have been selected. Insurance and WCB requirements are being coordinated. Final details of the events are still being finalized. Action 1.1.13.3: Event implementation Source: 2019 FINAL Dept Plan RECREATION AND FACILITIES (0% completed) Canada Day will be the first City run event as part of this strategy.	On Track
Complete annual shutdown of McLaren Arena and the Community Centre.	Annual maintenance shutdown for the McLaren Arena and Community centre.	On Track
Convert Conventional Lighting Systems to LED.	Discontinued	Discontinued
Curate and build two new off-site museum displays.	One topic chosen. Amateur naturalist exhibit. Research is underway, production as well. Second topic is identified as well. Artifacts chosen and display case has been refurbished.	On Track
Lifeguard Surveillance Evaluation And Enhancement.	Emerging priorities (eg. staffing, software implementation and safety program work) requiring more immediate attention and resources have required that this project be moved down the priority list. It is on hold.	Deferred

Goal Title	Goal Update	Status
Develop a Sport and Event Tourism Strategy.	Completed triathlon strategy by securing IRONMAN Canada (a key piece of the overall Sport and Event Tourism Strategy). Assessed granting strategies for revision 2020. Created facility inventory and identified community capacity for future events. Researched comparable strategies and compared policies at CSTA Sport Event Congress 2019. Identified event opportunities for short and long-term based on existing and potential community capacity. Identified need for new or revised policies.	On Track
Improve Existing Event Hosting Processes.	Established Event Hotline for organizers (one call system). Streamlined front end service delivery procedures (ex. rec centre staff, City Hall staff). Consolidated back end information (all department information in one spreadsheet location). Edited event application form and event guide. Revised grant assessment criteria. Continuous improvements and revisions based on consumer feedback, input from relevant City departments. Enhanced on-site presence from Events Department at major events. Enhanced communications to public re: events and road closures (ex. road closures page, consistent social media posts, radio features, etc.). Enhanced communications with event organizers through on-site meetings, pre- and post-event meetings.	On Track
Develop a Signature Triathlon Event for the next three to five years.	Signed final contract with IRONMAN July 2019 for IRONMAN event 2020-2024. Race sold out in 24 hours.	On Track
Develop Other Signature Event(s).	Collaborated with Spectra to bid for National Junior A Hockey Championship. Awarded October 2019. Identified opportunities at Canadian Sport Tourism Alliance for shoulder season marquee events. Successful test event for indoor Dragonboat event in off-season, with plan to host again in 2020. Continue to support existing signature events.	On Track
Attract New Events and Event Hosts.	Attended Canadian Sport Tourism Alliance to meet and follow up with NSO and other events rights holders. Issued EOI for new triathlon and civic event hosts. Regular meetings with Travel Penticton, Spectra, MICE group to identify long-term hosting opportunities and goals. Meetings with local event organizers as their events approach, and local sport and tourism organizations as bid opportunities arise. Worked with DPA on various events (i.e. Civic Events - Canada Day, etc.). Fostered relationships with BC Sport Branch, BC Tourism and Okanagan Sport and Event Managers to identify needs and future plans for Okanagan hosting opportunities.	On Track
Revamp the First Peoples Display Area.	Still formulating designs and design approach. I have come up with a design approach for taxidermy exhibits, which will include FP (First Peoples) information.	Upcoming
Renovations for RCMP/Bylaw Office (284 Main Street).	Delayed due to changing RCMP requirements. Project is expected to be tendered in 2019 with construction in Q1/Q2 2020.	Some Delay
Create and Facilitate a Shared Community Centre Incident Reporting.	Emerging priorities (eg. staffing, software implementation and safety program work) requiring more immediate attention and resources have required that this project be moved down the priority list. It is on hold.	Discontinued

Goal Title	Goal Update	Status
Implementation of New Recreation Software (PerfectMind).	<p>Design and configuration of the new software has been completed and the software is ready for implementation. All Recreation staff have been provided with thorough training and are prepared to begin to utilize. A communication and change management strategy has been created to inform the public of upcoming changes and we have initiated many of the steps including an informational video and notices on our website, utility bills and social media channels. With approximately 4 weeks until our Go-Live date, we are finalizing the last items required to successfully complete data migration and change over in recreation software systems.</p> <p>Perfect MIND was implemented in August. The team continues to work with the software provider on issues, training and enhancements.</p>	Completed
Recreation Revenue and Cost Sharing Review.	This goal was put on hold as it will be dealt with as part of the Asset and Amenity Management Project.	Deferred
Finalize Arena Development Strategy Business.	Ongoing operational and capital requirements to be funded as part of annual budget planning. No new information or actions are required unless Council provides alternate direction in the future.	Completed