



AGENDA
SPECIAL MAYOR'S TASK FORCE ON RECOVERY AND RESILIENCE

Thursday, May 14, 2020, 1:00 P.M. - 3:00 P.M.

Board Room, Service and Resource Centre,
411 Dunsmuir Street, Nanaimo, BC

Pages

1. **CALL THE MEETING OF THE SPECIAL MAYOR'S TASK FORCE ON RECOVERY AND RESILIENCE TO ORDER:**
2. **INTRODUCTION OF LATE ITEMS:**
3. **ADOPTION OF AGENDA:**
4. **ADOPTION OF MINUTES:**
5. **PRESENTATIONS:**
6. **DELEGATIONS:**
7. **REPORTS:**

a. **Welcome and Introductions**

- City Staff
- Task Force Members

b. **Task Force Terms of Reference**

To be introduced by Mayor Krog and Jake Rudolph, Chief Administrative Officer.

Purpose: To review the Task Force Terms of Reference and discuss the purpose of the Mayor's Task Force on Recovery and Resilience.

c. **Government Directives/Guidelines**

To be introduced by Jake Rudolph, Chief Administrative Officer.

1. **Situation Report Summary**

3 - 3

2. **Premier's Update May 6**

4 - 4

d. City's Response to COVID-19

To be introduced by Jake Rudolph, Chief Administrative Officer.

- | | | |
|----|---|---------|
| 1. | City of Nanaimo Website | 5 - 5 |
| 2. | Minutes from Council Meeting on Business Continuity | 6 - 13 |
| 3. | COVID-19 Financial Response | 14 - 71 |

e. Sector Discussion

72 - 72

To be introduced by Jake Rudolph, Chief Administrative Officer.

f. Initial List of Reference Documents

To be introduced by Jake Rudolph, Chief Administrative Officer.

- | | | |
|-----|---|-----------|
| 1. | Community Charter | 73 - 73 |
| 2. | Local Government Act | 74 - 74 |
| 3. | Federation of Canadian Municipalities | 75 - 75 |
| 4. | Union of British Columbia Municipalities | 76 - 76 |
| 5. | 2019 - 2022 City of Nanaimo Strategic Plan | 77 - 77 |
| 6. | Coordinated Strategic Policy Review 2020-2021 Status Update | 78 - 86 |
| 7. | 2020 State of the Nanaimo Economy Report | 87 - 87 |
| 8. | 2020 Business Plan | 88 - 88 |
| 9. | 2020 - 2024 Financial Plan | 89 - 139 |
| 10. | Federal Government | 140 - 140 |
| 11. | BC's Restart Plan: COVID-19 Transition Planning | 141 - 210 |

g. Schedule and Next Steps

To be introduced by Jake Rudolph, Chief Administrative Officer.

8. OTHER BUSINESS:

9. QUESTION PERIOD:

10. ADJOURNMENT:



TERMS OF REFERENCE

MAYOR'S TASK FORCE ON RECOVERY AND RESILIENCE

PURPOSE:

The purpose of the Mayor's Task Force on Recovery and Resilience (the "Task Force") is to:

- Provide strategic recommendations to Council which will inform the forthcoming five year fiscal plan and align with the current adopted Strategic Plan;
- Work in collaboration with public bodies, private institutions and community organizations to build local resilience;
- Work in collaboration with the business community and other community organizations to identify immediate economic recovery strategies for residents, businesses and community organizations;
- Develop a plan for the coordination and implementation of recovery and relief efforts to support the community through the COVID-19 pandemic and its recovery process; and
- Identify and support community driven ideas and solutions to assist in the recovery process, including the design and implementation of activities and programs.

MEMBERSHIP:

The membership of the Task Force will be as follows:

- The Mayor
- One Councillor
- Five (5) to seven (7) additional members appointed by the Mayor

The Mayor will be the Chair of the Task Force and an alternate may be appointed in his absence.

ELIGIBILITY:

- Members of the Task Force shall be appointed on the basis of their availability, experience and expertise which they bring to the work of the Committee;

- Task Force members will have no conflict of interest with Council or the Task Force and should advise the members when a potential conflict may exist on a specific issue and recuse themselves for the duration of the discussions to which they have declared a conflict of interest; and
- Task Force members will represent knowledge, experience and perspectives of various industry sectors and community interests.

TERM:

The Task Force will exist for a limited period of time in correlation to the purpose identified in the Terms of Reference. It is envisioned the work of the Task Force will be finished by the end of September 2020. Upon completion of the mandate, the Task Force will cease.

The Mayor may, at his discretion, extend the length of time or increase the mandate of the Task Force.

MEETING FREQUENCY:

The initial Task Force meeting will be called by the Chair, with the remaining meeting schedule established by the Task Force.

SUB-GROUPS:

The Task Force may establish sub or working groups to accomplish particular tasks or explore specific topics. A sub or working group can only be established by a majority vote of the Task Force with the Mayor voting in the affirmative.

Membership of any sub or working group will be established by the Task Force.

STAFF SUPPORT:

The following City Departments may provide support to the Committee in accordance with the ***City of Nanaimo Committee Operating Guidelines:***

- The Office of the Chief Administrative Officer
- Legislative Services
- Community Development
- Corporate Services
- Other departments as required

Situation Report Summary

<https://www2.gov.bc.ca/gov/content/health/about-bc-s-health-care-system/office-of-the-provincial-health-officer/current-health-topics/covid-19-novel-coronavirus>

Premier's Update May 6

<https://www2.gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery/covid-19-provincial-support/bc-restart-plan>

Link to the City of Nanaimo Website:

<https://www.nanaimo.ca/city-services/emergency-services/emergency-management/city's-response-to-covid-19>

MINUTES
SPECIAL COUNCIL MEETING
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE,
80 COMMERCIAL STREET, NANAIMO, BC
WEDNESDAY, 2020-APR-01, AT 12:00 P.M.

Present: Mayor L. Krog, Chair
Councillor S. D. Armstrong
Councillor D. Bonner
Councillor T. Brown
Councillor B. Geselbracht
Councillor E. Hemmens
Councillor Z. Maartman
Councillor I. W. Thorpe
Councillor J. Turley (joined by teleconference 11:55 a.m.)

Staff: J. Rudolph, Chief Administrative Officer
R. Harding, General Manager, Parks, Recreation and Culture
D. Lindsay, General Manager, Development Services
B. Sims, General Manager, Engineering and Public Works (vacated 4:05 p.m.)
S. Legin, General Manager, Corporate Services (vacated 3:09 p.m.)
J. Van Horne, Director, Human Resources
Supt. C. Miller, OIC, Nanaimo Detachment RCMP
K. Fry, Fire Chief (vacated 3:58 p.m.)
L. Mercer, Director, Finance (vacated 3:14 p.m.)
B. Corsan, Director, Community Development
D. LaBerge, Manager, Bylaw Services
L. Bhopalsingh, Manager, Community Planning (arrived 3:09 p.m.)
S. Gurrie, Director, Legislative Services
K. Gerard, Recording Secretary

1. CALL THE SPECIAL MEETING TO ORDER:

The Special Council Meeting was called to order at 12:00 p.m.

2. PROCEDURAL MOTION:

It was moved and seconded that the meeting be closed to the public in order to deal with agenda items under the *Community Charter*:

Section 90(1) A part of a Council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

- (c) labour relations or other employee relations; and,
- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

The motion carried unanimously.

Council moved “In Camera” at 12:05 p.m.
Council recessed the Special “In Camera” meeting at 12:55 p.m.

Council recessed the Special Open Council meeting at 12:55 p.m.
Council reconvened the Special Open Meeting 1:04 p.m. in the Shaw Auditorium.

3. APPROVAL OF THE AGENDA:

It was moved and seconded that the Agenda, be adopted. The motion carried unanimously.

4. MAYOR’S REPORT

Mayor Krog spoke regarding the COVID-19 pandemic and stated:

- All City facilities, playgrounds and outdoor sport courts have been closed and requested that the public abide by these orders for health and safety purposes
- The City’s recreation coordinators have been posting isolation recreation tips daily on the Nanaimo Parks and Rec Instagram account
- Please ensure you are following social distancing guidelines especially at Westwood Lake Park and Blueback Stairs
- Requested that the public do their part in keeping City services running by practising safe waste and recycling disposal and cleaning all recycling containers
- The following items should be securely bagged and thrown in the garbage:
 - Cleaning cloths and disposable wipes
 - Used Kleenexes
 - Personal hygiene products
 - Face masks and gloves
 - Any similar items
- Please do not flush wipes down the toilet
- Thanked the community for the outpouring of community spirit during the difficult time including hearts in windows and nightly cheers of support for health care workers at 7 p.m.
- Encouraged all residences, businesses and the community to follow the guidelines by the Provincial Health Authority
- A special thank you to all who provide health and essential services such as child care

The Special Council Meeting recessed at 1:13 p.m.
The Special Council Meeting reconvened at 1:43 p.m.

5. REPORTS:

(a) COVID-19 Response – Operations Updates

Each member of the City of Nanaimo Senior Leadership Team provided Council with an update regarding steps implemented to reduce the spread of COVID 19 and to protect Staff and the Public, which included the following information:

1. Jake Rudolph, Chief Administrative Officer:

- On March 11th a emergency response meeting was called and Staff have been updating processes as changes are reported from the Province of BC and the Federal government
- Taking steps to ensure Staff are protected and remain healthy and encouraging Staff who can work from home to do so
- Ensuring that the City of Nanaimo (CoN) is considering long-term initiatives to maintain service levels and fiscal prudence
- Non-essential expenditures have been suspended, staffing vacancies are being filled on a case by case basis and the 2020 Business Plan and Capital Project Plans have been suspended

2. Supt. C. Miller, OIC, RCMP, Nanaimo Detachment:

- Maintaining 24 hour per day, seven days a week police operations
- Provided Council with statistics showing a decrease in shoplifting and drug use and an increase in public intoxication and break and enters
- Initiated new procedures regarding cleaning of cells, custodial staff being borrowed from other departments, new disposal suits when dealing with an expected death to protect officers and public service messages to the community
- Greatest challenge is ensuring the needs of the community are met while keeping officers and members safe and healthy

3. Chief Karen Fry, Nanaimo Fire Rescue Department:

- Fire Rescue is operating 24 hours per day, 7 days a week and are following the business continuity plan
- Enacted an operation centre to manage daily operations and daily directives from the Province of BC and Federal government
- Effective today, 2020-APR-01, Fire Rescue has initiated a reduction in medical responses and will respond to most critical and/or direct threat to life calls only
- A ban has been placed on burning for all residences in Nanaimo and Protection Island
- The front counter at Fire Headquarters is closed but switchboard is operating 24 hours per day, 7 days per week
- Fire Rescue Staff are installing smoke alarms as this is deemed an essential service, limited in person training to essential training only and initiated an online training model

4. Bill Sims, General Manager, Engineering and Public Works:

- Ensuring that critical services are operating including drinking water, sanitary sewer, sanitation, garbage and recycling, storm drain and Public Works dispatch
- Implemented measures to ensure social distancing guidelines are being followed with some Staff working from home
- Focusing on critical projects while other projects have been suspended
- Greatest challenge is monitoring and supporting Staff who are in the public each day

5. Richard Harding, General Manager, Parks, Recreation and Culture:

- All Parks and Recreation facilities were closed on March 16th and all rentals, events, programs have been cancelled
- Suggestions for at home recreational activities have been posted online
- Some essential services are still taking place including the Blood Donor Clinic from March 31st to April 2nd, 2020
- Working with child care providers to offer child care for essential service workers including the Boys and Girls Club and Beban House which is currently open 2 days per week
- Some large parks and trails are open such as Westwood Lake, with new signage to ensure users are following social distancing guidelines

6. Dale Lindsay, General Manager, Development Services:

- The Service and Resource Centre is closed but building and permit Staff are available by phone or online
- Building applications are being accepted and the CoN has digital online plan checking capabilities
- Staff are able to meet with developers/applicants using online, virtual meeting software
- Small projects are proceeding as planned while some larger projects have been suspended by developers
- Construction value to date is \$35 million with \$28 million in projects in the approval process
- Looking into options for Public Hearings and will be bringing these options forward to Council at a future meeting

7. Dave Laberge, Manager, Bylaw Services:

- Bylaw Services is reporting health contraventions to the Vancouver Island Health Officer
- Priorities include enforcing Provincial Health Orders, assisting health emergencies and working closely with the RCMP
- Bylaw Services clerks are working from home and Officers are exercising caution; not entering private property or residences unless it is a matter of personal safety
- Homeless population are gathering at closed facilities and parkades

- Greatest challenge includes maintaining a high level of service and being out in public and dealing with the public in these stressful times

8. Shelley Legin, General Manager, Corporate Services

- Activated the Emergency Command Centre who's primary role is to access essential services, ensuring Staff levels remain consistent, following daily changes in guideline from the Provincial Health Authority, expense tracking for recovery through emergency management BC and implementing a teleconference, 3 days per week, with key stakeholders and the Vancouver Island Health Officer
- Some Information Technology (IT) Staff are working from home and IT Staff have installed and implemented new application and software to ensure Staff can work from home, added additional hardware and licenses and initiated a virtual switchboard
- Supporting RCMP services and have increased casual shifts for custodial services to the RCMP building and cell block
- Greatest challenge is the uncertainty of the effects of COVID-19 and making good decisions in a long-term framework

9. John Van Horne, Director, Human Resources:

- Some Staff are working from home and the Human Resources (HR) department is conducting a Staff video meeting every other day
- Safety concerns are being brought forward by Staff daily and HR is developing new protocols to address these concerns, in accordance with provincial health guidelines
- Initiated an increase in respirator fit testing
- Providing assistance to other departments and collaborating with union regarding staggering shifts and changing schedules so social distancing guidelines can be met
- Biggest challenge is problem solving to develop consistent answers to unusual questions from staff regarding unusual work situations

10. Sheila Gurrie, Director, Legislative Services:

- Provided Council with an update regarding Communications including frequency of news releases, video messaging from the Mayor, press conferences and sharing of information on all CoN media sources including Facebook, Twitter and Instagram
- Record number of visits since March on our website, Facebook page, Twitter account and Instagram
- Communications will continue to release up-to-date news releases, messages from the Mayor and information on our media platforms
- The upcoming My Nanaimo newsletter will be a special edition relating to COVID-19 and the community

11. Sheila Gurrie, Director, Legislative Services:

- Legislative Services looks after Freedom of Information requests and that work is legislated and therefore must continue

- There have been exceptions and extensions provided for by the Office of the Information and Privacy Commissioner of BC for requests received after March 1st
- Currently at 84 Freedom of Information and Protection of Privacy requests putting us on course for over 330 requests this year
- Liability claims and insurance work continues
- Meeting support for council continues, however the postponement of committees and task forces has helped with the additional pressures of the pandemic and crisis management.
- Records management work must continue and keeping accurate corporate records, pursuant to the *Community Charter* is required.
- Reviewed changes to meetings because of the Minister Order #M082, which covers Bylaw Enforcement Officer (COVID-19)
- Reviewed Ministerial Order #M083 which outlines how meetings can be conducted during this pandemic and guidelines came out earlier this week
- Options for Council to consider include:
 - Regularly scheduled meetings take place at the Shaw Auditorium
 - Council suspend delegations not related to matters on the agenda but continue delegations speaking to a specific matter on the agenda
 - Special Council meetings could be held in the Service Resource Centre Boardroom with Council attending virtually and the public would not be allowed to attend in person

L. Bhopalsingh entered the Shaw Auditorium at 3:09 p.m.

(b) COVID-19 Response – Homeless/Vulnerable Population

Dale Lindsay, General Manager, Development Services, provided Council with an update regarding the Homeless/Vulnerable Population during the COVID-19 pandemic, which included the following information:

- The Province of BC has been consistent and clear that the responsibility for this population under Health and Housing lies with the Province of BC
- Ministerial Order #084 contains a number of items regarding statements on vulnerable population including that local governments should remove any regulatory barriers that could assist in finding and keeping shelters open to the homeless population

L. Mercer and S. Legin vacated the Shaw Auditorium at 3:14 p.m.

- BC Housing has asked some communities including Nanaimo, to provide a list of buildings and/or locations that could be used for temporary housing or isolation during the COVID-19 pandemic including hotels, motels and campgrounds
- There has been a reduction of service levels, some temporary shelters are closed and the only shower program operating is the City of Nanaimo program

- The City will continue to provide the shower program, washrooms are operating in parks downtown and Staff are looking at additional and locations where homeless can isolate, get clean and use the washroom
- Staff moving forward with opening of the washroom at Diana Krall plaza 24 hours per day
- Staff are proposing three additional portable washrooms being installed in the downtown area with hand washing stations at each

It was moved and seconded that council:

- Endorse the plan to provide additional temporary washrooms and hand sanitizing facilities in the downtown
- Exempt the health and housing task force from the current suspension of committees in order to assist in the facilitation of planning for the vulnerable populations during the pandemic, and to make further recommendations to council as necessary.

The motion carried unanimously.

It was moved and seconded that the City of Nanaimo coordinate with the Nanaimo Homelessness Coalition, BC Housing and Island Health to sanction and resource a coordinated emergency response for individuals experiencing homelessness in Nanaimo.

The motion carried.

Opposed: Mayor Krog, Councillors Armstrong, Thorpe and Turley

K. Fry vacated the Shaw Auditorium at 3:58 p.m.

B. Sims vacated the Shaw Auditorium at 4:05 p.m.

It was moved and seconded that Council direct the Health and Housing Task Force to develop a food security plan; including funding, procurement and distribution options to provide safe and consistent meals for individuals experiencing homelessness and the vulnerable population.

The motion carried.

Opposed: Councillors Armstrong, Thorpe and Turley

It was moved and seconded that the following motions be deferred to the 2020-APR-06, Regular Council Meeting:

“That the City of Nanaimo send updates two times each week to the Nanaimo Homelessness Coalition regarding the latest developments around solutions and ask Island Health and BC Housing to participate in those updates via the City of Nanaimo.”

“That correspondence be sent to the Hon. Judy Darcy, Minister of Mental Health and Addictions, reiterating the City of Nanaimo’s willingness to be a test site for innovative approaches to addressing mental health and addiction challenges.”

The motion carried.

Opposed: Councillor Geselbracht

The Special Council meeting recessed at 4:22 p.m.

The Special Council meeting reconvened at 4:25 p.m.

6. PROCEDURAL MOTION:

It was moved and seconded that the meeting be closed to the public in order to deal with agenda items under the *Community Charter*:

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- (c) labour relations or other employee relations; and,
- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

The motion carried unanimously.

The Special “In Camera” meeting reconvened at 4:30 p.m.
Council moved out of “In Camera” at 5:02 p.m.

7. ADJOURNMENT:

It was moved and seconded at 5:02 p.m. that the meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

CORPORATE OFFICER



COVID-19 PANDEMIC

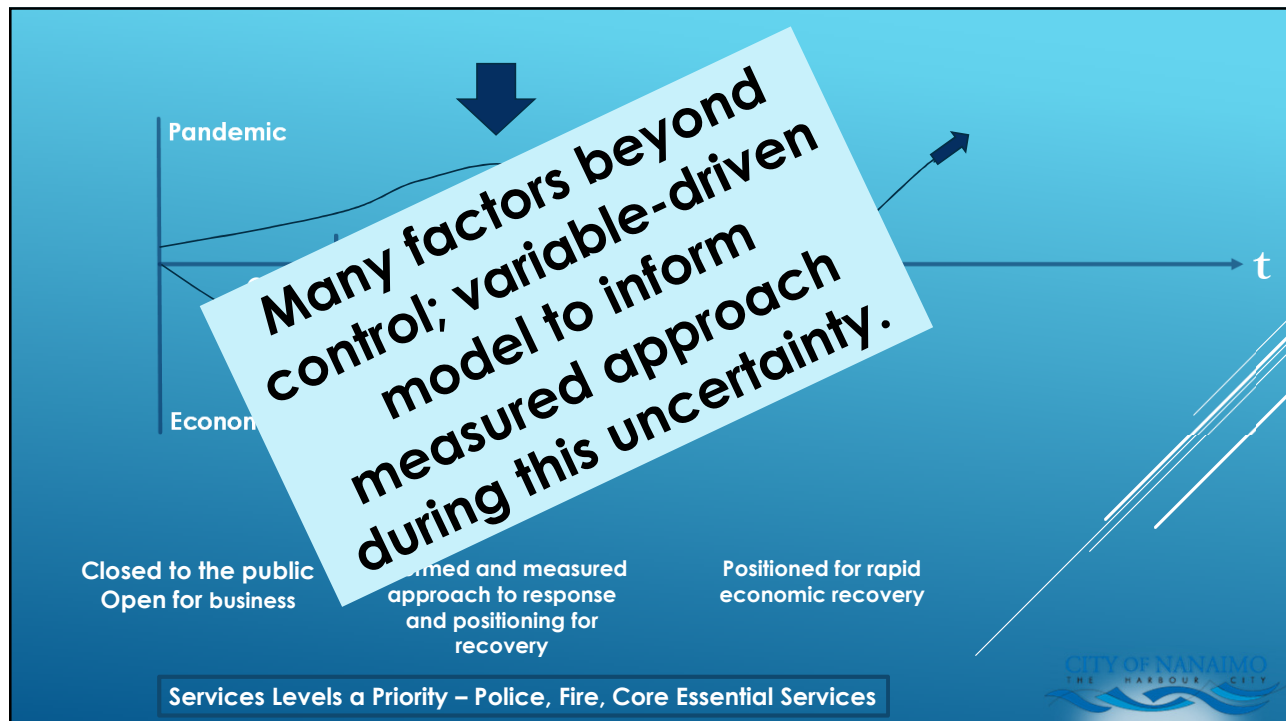
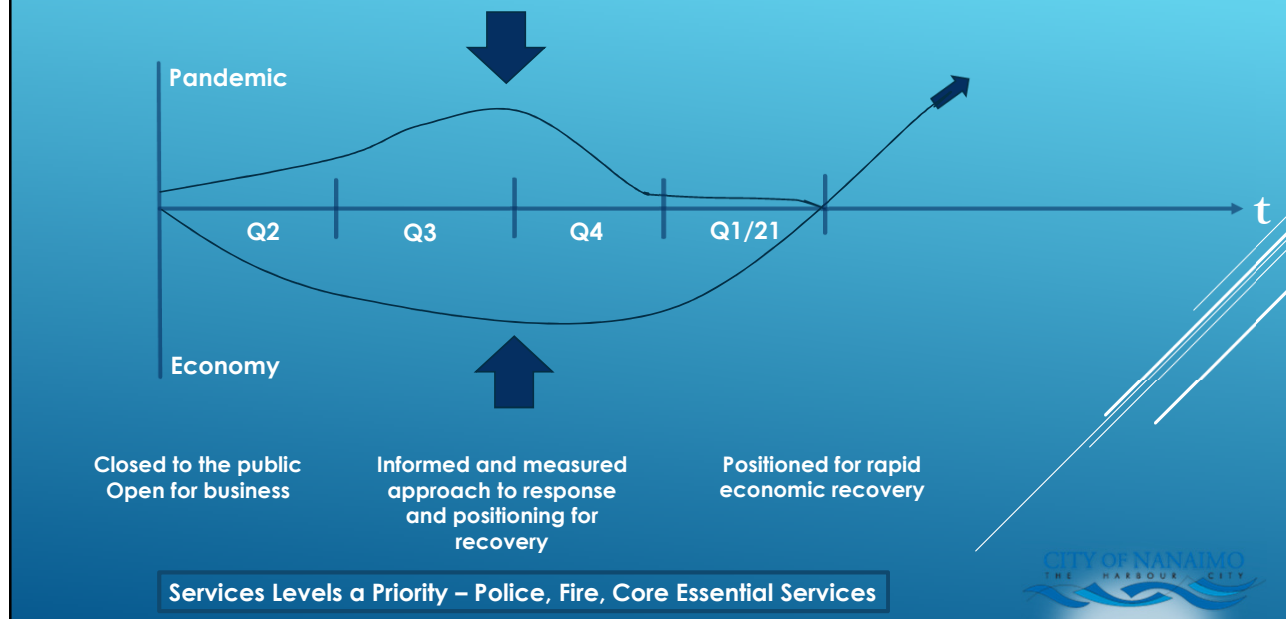
FINANCIAL RESPONSE & RECOVERY FRAMEWORK

APRIL 9, 2020

OUTLINE

- ▶ Context
- ▶ Guiding Principles
- ▶ Model Components
- ▶ Scenarios
- ▶ Major Revenue Loss And Expenditure Reductions
- ▶ FINANCIAL IMPACT (Assumptions As Of April 3, 2020)
- ▶ Cash Flow Analysis
- ▶ Information & Decision Report - Workplan
 - ▶ Revenue Anticipation Borrowing – Bylaw Decision
 - ▶ Utility Payment Due Date – Motion Decision
 - ▶ Relief Mechanisms And Policy Decisions
 - ▶ 2020 Financial Plan And Tax Bylaws

CONTEXT - ERA OF UNCERTAINTY



RESPONSE & RECOVERY GUIDING PRINCIPLES

1. Closed to the Public; Open for Business

- Following Health Authority Orders and Guidelines
- Maintaining service levels the priority
- Capacity for responsiveness; focus on monitoring critical staff levels for business continuity

2. Informed and Measured Approach

- Fiscal resilience vital – impacts will likely persist for years
- Duration uncertainty
- Productivity important; redeployment options

3. City, Business Community and Community Positioned for Rapid Economic Recovery

- Progress critical and important capital projects (asset maintenance and stewardship)
- Possibly reschedule strategic capital projects to Q3/4 or later

Council's Strategic Plan



A MODEL TO INFORM IN UNCERTAIN TIMES

FINANCIAL MODEL INCLUDES:

- Revenue loss forecast
- Expense reduction / cost avoidance forecast
- Capital projects – ability to shift timing?
- Contract review to determine non-essentials and collective agreement alignment
- Grant distribution forecast
- Core essential staffing levels; redeployment planning
- Impact of financial relief policy decisions
- Impacts of multi-level government relief directives and impacts

CASH FLOW COMPONENT

- Cash flow analysis



OTHER CONSIDERATIONS:

➤ Limited details to date:

FEDERAL POLICY and RELIEF



PROVINCIAL POLICY and RELIEF
(informed by UBCM and MFA)



MUNICIPAL IMPACTS

- Duration uncertain
- Facility (opening) resumption likely incremental
- Fiscal resilience & enduring capacity
- Future tax implications



MODEL of THREE SCENARIOS - FACILITIES REOPEN:

1. July 1, 2020
2. September 1, 2020
3. January 1, 2021; monthly average Sept to Dec

NOTE: Point-in-time model limitation as services and facilities (opening) resumption likely incremental.



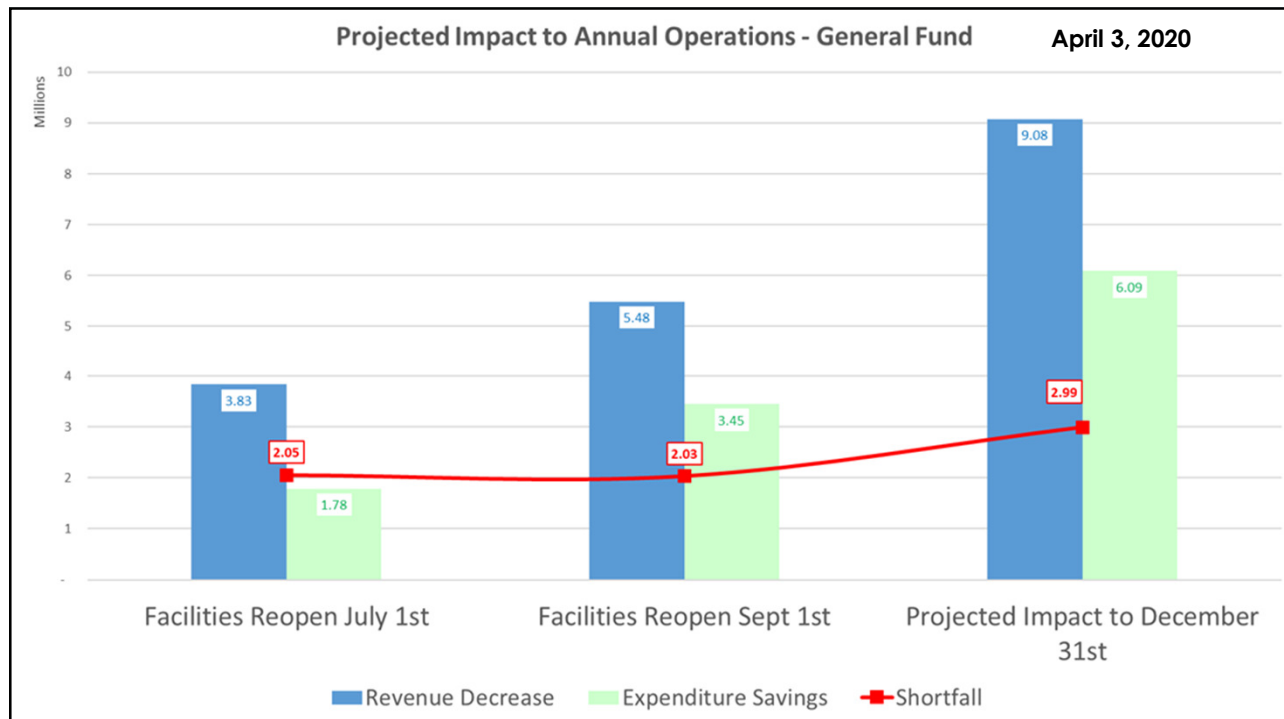
MAJOR REVENUE LOSS AND EXPENSE REDUCTIONS

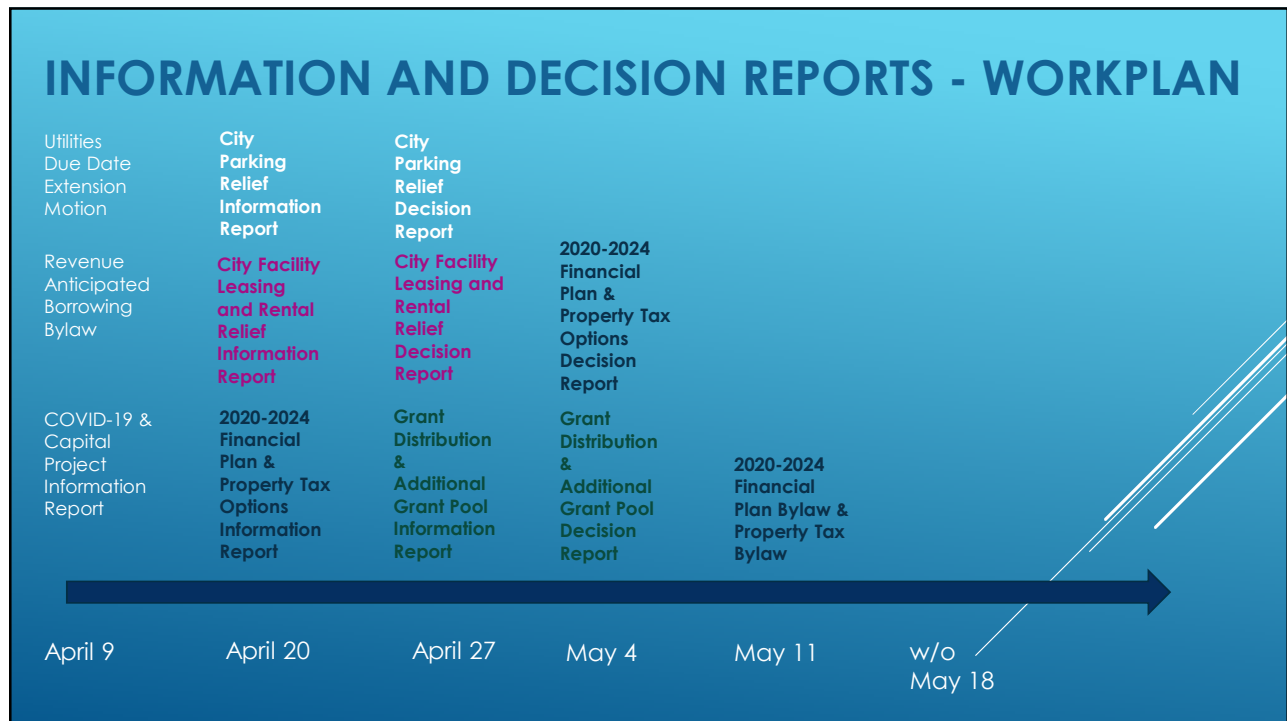
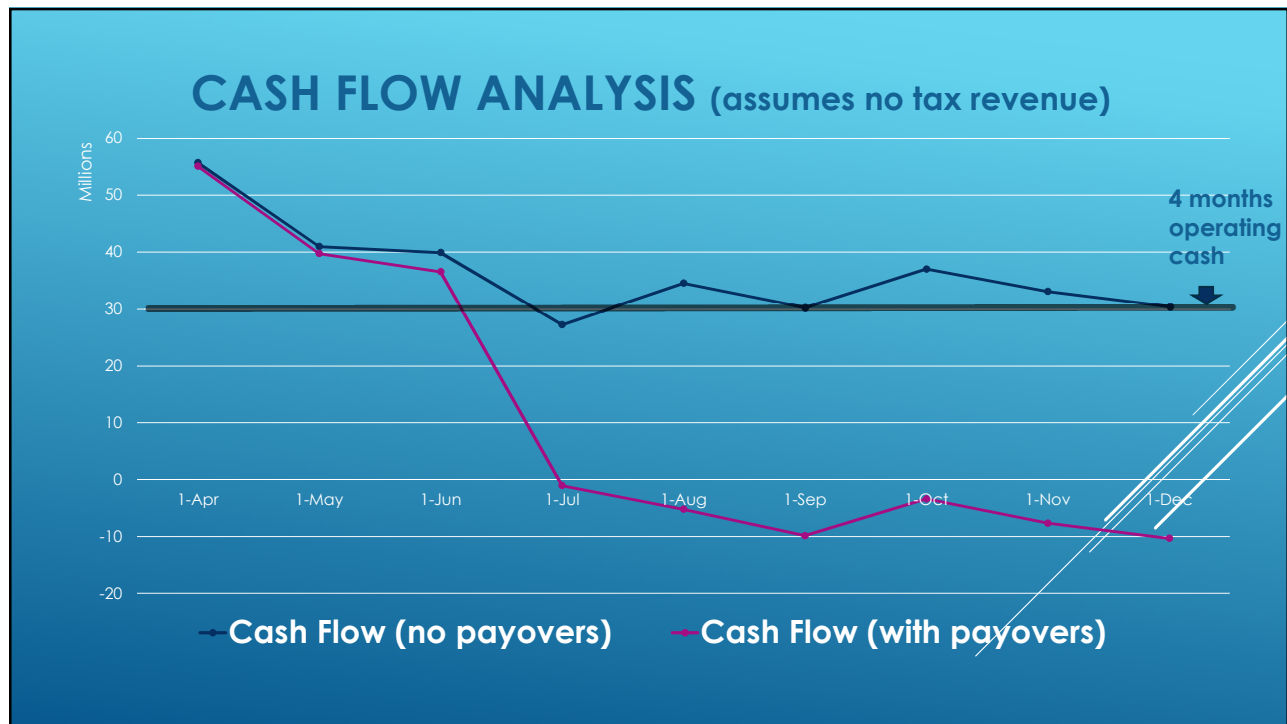
► Revenue Loss

- Casino, investment income and VICC
- Building permits & fees
- Recreation, aquatics and arenas
- Assumes tax revenue unchanged

► Expense Reductions

- VICC (nets to near zero)
- Temp, casual and PA labour (non-core essential)
- Closed facilities consumables and utilities





APPENDIX SLIDES

CITY OF NANAIMO CORE ESSENTIAL SERVICES

Governance (Mayor and Council) / CAO Office / SLT

PUBLIC SAFETY

- ▶ Policing
- ▶ Police Support
- ▶ Fire

PUBLIC WORKS & ENGINEERING

- ▶ Water Resources (Water Treatment Plant)
- ▶ Water Supply & Distribution
- ▶ Waste Water Management
- ▶ Sanitation
- ▶ Roads and Traffic
- ▶ Traffic
- ▶ Fleet
- ▶ Public Works Administration
- ▶ Engineering – administration, infrastructure planning, transportation & projects

DEVELOPMENT SERVICES

- ▶ Development Services Administration and Switchboard
- ▶ Bylaw
- ▶ Economic Development - focus on status and recovery
- ▶ Building – clear backlog
- ▶ Subdivision Approval
- ▶ Current Planning – clear backlog
- ▶ Real Estate – leasing, etc.
- ▶ Community & Social Planning - focus on social
- ▶ 1st Floor SARC – permits and licencing
- ▶ Engineering and Environment – support backlog clearing

CORPORATE SERVICES

- ▶ Information Technology – support work from home technology, critical applications and strategic projects
- ▶ Finance – purchasing, accounting services & financial planning / reporting
- ▶ Payroll

LEGISLATIVE SERVICES & COMMUNICATIONS

- ▶ Communications
- ▶ Legislative Services

PARKS, RECREATION & CULTURE

- ▶ Parks Maintenance
- ▶ Civic Facility Management
- ▶ Facility Maintenance and Construction (partial)
- ▶ Recreation Services Section
- ▶ Support Services Section (partial)
- ▶ Culture and Events Section (partial)
- ▶ Infrastructure Planning & Energy

HUMAN RESOURCES

- ▶ Human Resources

DATE OF MEETING APRIL 9, 2020

AUTHORED BY LAURA MERCER, DIRECTOR, FINANCE

SUBJECT USER RATE BILLING PAYMENT DUE DATE EXTENSION

OVERVIEW

Purpose of Report

To provide Council with information on the City of Nanaimo's user rates billing system. |

Recommendation

That Council extend the payment due date from 30 to 90 days on user rates billings issued after 2020-MAR-17.

BACKGROUND

The City of Nanaimo issues user rates bills to residents for water, sewer and garbage services three (3) per year. The billings include sixteen (16) categories and each category is billed 3 times per year. This provides for a weekly billing of approximately \$750,000 and smooths the billing and collection process as well as workload.

All rates charged, as outlined in the applicable bylaws, are due and payable when bills are levied and are subject to a 5% discount. The discount is applied provided that the rates for the current billing period are paid in full including all arrears. Each user rate billing is payable thirty (30) days from the invoice date.

The City has two (2) prepayment plans that property owners can sign up for:

- User Rates Installment Plan: equal monthly payment Installments
- User Rates Auto Debit Program: authorizes the City of Nanaimo to automatically withdraw the User Rates account balance from the property owner's bank account on each billing discount date.

The utility billings are not subject to a late payment penalty. However, if there is an outstanding balance on account at December 31st, the balance will be transferred to property tax arrears and are subject to prescribed daily interest until the balance has been paid. If the balance remains outstanding for three (3) years the property could be sold at tax sale. |

DISCUSSION

The user rates levied are needed to fund the infrastructure to provide these essential services. In an effort to provide some immediate financial relief to those property owners who have been impacted by the COVID-19 pandemic, Staff are recommending that the payment due date be extended from 30 days to 90 days.

Cash Flows

The impact of this change will affect cash-flows for the City of Nanaimo. Currently there are monthly inflows of payments for user rates. There will be a two (2) month delay in payments initially. Starting in June, cash flows should start to resume monthly as the revised due dates become payable. Due to the COVID-19 pandemic, cash flows would likely be impacted anyway as some property owners would be adversely affected.

Discounts

Under this recommendation, the discount date on user rate billings would be extended from 30 days to 90 days. The City could experience an increase in the amount of discounts claimed if people take advantage of the delayed due date. Alternately, less discounts could be claimed if the pandemic continues to the end of the year and property owners are unable to pay their bills. At this time, it is difficult to determine what the potential impact will be. If every eligible property received the discount, expenses would increase by \$337,143 based on budgeted revenues for 2020.

Financial Information

2019 Actuals:

User Rates Utility	User Rates Revenue	Discounts Claimed	% of Revenue
Water	\$ 20,276,939.00	\$ 862,593.00	
Sewer	7,592,911	316,069	
Garbage	4,875,232	194,334	
Total	\$ 32,745,082.00	\$ 1,372,996.00	4.2%

2020 Budget:

User Rates Utility	User Rate Revenue	Discounts Claimed	% of Revenue
Water	\$ 21,129,122.00	\$ 845,405.00	
Sewer	7,682,142	307,446	
Garbage	4,943,097	197,724	
Total	\$ 33,754,361.00	\$ 1,350,575.00	4.0%

CONCLUSION

Given the current state of the economy due to the COVID-19 pandemic, staff are recommendingⁱ extending the payment deadline from 30 to 90 days for user rates billings issued after 2020-MAR-17. This would provide some immediate financial relief to those property owners who have been impacted by the COVID-19 pandemic.

OPTIONS

1. That Council extend the payment due date from 30 to 90 days on utility bills issued after 2020-MAR-17.
 - The advantages of this option:
 - Provides home owners with some immediate financial relief who have been impacted by the COVID-19 pandemic.
 - The disadvantages of this option:
 - The longer due date could increase the amount of discounts claimed
 - Financial Implications:
 - If all eligible properties received the 5% discount, 2020 expenditures would increase by approximately \$337,143 based on budgeted revenues.
 - Cash flows will be impacted until the revised due date bills come due in June 2020.
2. That Council provide alternative direction.]

SUMMARY POINTS

- The City of Nanaimo issues user rates bills for water, sewer and garbage services three (3) per year.
- All rates charged, as outlined in the applicable bylaws, are due and payable when bills are levied and are subject to a 5% discount if paid on or before due date.
- In an effort to provide some immediate financial relief to those property owners who have been impacted by the COVID-19 pandemic, staff are recommending that the payment due date be extended from 30 days to 90 days.
- Cash flows will initially be affected until the first billings after 2020-MAR-17 come due.

Submitted by:

Laura Mercer
Director, Finance

Concurrence by:

Shelley Legin
General Manager, Corporate Services

DATE OF MEETING APRIL 9, 2020

AUTHORED BY [LAURA MERCER, DIRECTOR, FINANCE]

SUBJECT 2020 REVENUE ANTICIPATION BORROWING REQUIREMENTS

OVERVIEW

Purpose of Report

To introduce “Revenue Anticipation Borrowing Bylaw 2020 No. 7308” for first, second and third readings. |

Recommendation

1. That “Revenue Anticipation Borrowing Bylaw 2020 No. 7308” (To provide for temporary borrowing of funds required to meet the current lawful expenditures of the City of Nanaimo) pass first reading;
2. That “Revenue Anticipation Borrowing Bylaw 2020 No. 7308” pass second reading; and,
3. That “Revenue Anticipation Borrowing Bylaw 2020 No. 7308” pass third reading.

BACKGROUND

Under Section 177 of the *Community Charter*, municipalities are able to borrow money if necessary to meet current lawful expenditures, and pay amounts required to meet the municipality's taxing obligations in relation to another local government or other public body. This allows municipalities to deal with the cash flow issues that result from the bulk of their revenue being collected over a period of approximately 6 weeks from mid-May to early July.

In the past, the City of Nanaimo has established a Revenue Anticipation Borrowing Bylaw but has never needed to use it. |

DISCUSSION

The City is permitted, before the adoption of the annual property tax bylaw in any year, to borrow the taxes that equal 75% of all property taxes imposed for all purposes in the preceding year. When collected, revenue from property taxes must be used as necessary to repay money borrowed under this section. By establishing this bylaw, it will ensure that the City can access funds for cash flow purposes in the event the collection of taxes becomes problematic due to the COVID-19 pandemic or if there are changes to the deadlines imposed by the Province that create cash flow issues for the City.

Staff regularly monitors the City's cash flow position to inform the possibility of having to borrow these funds. This bylaw is a precautionary measure and should property tax collection proceed near usual, no funds would need to be borrowed.

The "Revenue Anticipation Borrowing Bylaw 2020 NO. 7308" provides the authority for the borrowing of up to \$50 Million, which is expected to be sufficient to cover needs in 2020.]

OPTIONS

1. [That "Revenue Anticipation Borrowing Bylaw 2020 No. 7308" (To provide for temporary borrowing of funds required to meet the current lawful expenditures of the City of Nanaimo) pass first reading;

That "Revenue Anticipation Borrowing Bylaw 2020 No. 7308" pass second reading; and.

That "Revenue Anticipation Borrowing Bylaw 2020 No. 7308" pass third reading.

- The advantages of this option:
 - Gives the City of Nanaimo temporary cash flow relief if needed.
 - No cost if the borrowing is not needed.
- The disadvantages of this option:
 - If used, the debt servicing costs of the City of Nanaimo will increase.
 - If used, the borrowing limit for the City of Nanaimo will be reduced until this temporary borrowing is paid back.
- Financial Implications:
 - If used, the debt servicing costs of the City of Nanaimo will increase and could potentially impact future tax increases.
 - If not used, there are no financial implications.

2. That Council table the report and request more information from Staff.]

SUMMARY POINTS

- Section 177 of the *Community Charter* allows Council, by bylaw, to borrow money if necessary to meet current lawful expenditures, and pay amounts required to meet the municipality's taxing obligations in relation to another local government or other public body.
- This bylaw would ensure that the City could access funds for cash flow purposes in the event the collection of taxes becomes problematic due to the COVID-19 pandemic or if cash flows are adversely impacted due to the Province making changes to tax payment deadlines.
- The City of Nanaimo has established a Revenue Anticipation Borrowing Bylaw in the past but has never needed to use it.

ATTACHMENTS:

“Revenue Anticipation Borrowing Bylaw 2020 NO. 7308” |

Submitted by:

Laura Mercer
Director, Finance |

Concurrence by:

Shelley Legin
General Manager, Corporate Services |

CITY OF NANAIMO

BYLAW NO. 7308

A BYLAW TO PROVIDE FOR THE BORROWING OF MONEY
IN ANTICIPATION OF REVENUE

WHEREAS under Section 177 of the *Community Charter*, Council may, by bylaw provide for the borrowing of money that may be necessary to meet current lawful expenditures.

THEREFORE the Council of the City of Nanaimo in open meeting assembled, ENACTS AS FOLLOWS:

1. This Bylaw may be cited as "Revenue Anticipation Borrowing Bylaw 2020 No. 7308".
2. The Council is hereby empowered and authorized to borrow upon the credit of the City of Nanaimo from a financial institution, the sum of up to FIFTY MILLION DOLLARS (\$50,000,000).
3. The form of obligation to be given as acknowledgment of the liability shall be a promissory note or notes bearing the corporate seal and signed by the authorized Signing Officers.
4. When collected, revenue from property taxes must be used to repay money borrowed under this bylaw.

PASSED FIRST READING _____
PASSED SECOND READING _____
PASSED THIRD READING _____
ADOPTED _____

MAYOR

CORPORATE OFFICER

DATE OF MEETING APRIL 9, 2020

AUTHORED BY BILL SIMS, GENERAL MANAGER, ENGINEERING AND PUBLIC
WORKS

SUBJECT **COVID-19 AND CAPITAL PROJECTS**

OVERVIEW

Purpose of Report:

The purpose of this report is to provide Council with an update on the City's 2020 Capital Project Plan in light of the Provincial State of Emergency around COVID-19.

BACKGROUND

The overarching principle that Staff have been approaching our work during the pandemic is to take a measured response to support a strong recovery. We wish to minimize impacts to service delivery, and ensure projects contributing to the City's wellbeing were advanced to the greatest extent possible.

The City's 2020 Capital Plan consists of \$88 Million over hundreds of projects in all areas of the City. Approximately 90% is funded from reserves, and 10% is funded from general taxation. The majority of these are required to sustain critical infrastructure, such as utility and transportation services. A number of projects are already underway or in the process of procurement. Over the course of the year, Staff develop and maintain project scheduling, to time projects to obtain the best value, most efficient prosecution of projects and minimize impacts to the community. Given the current COVID-19 pandemic, Staff revisited the capital project plan to determine whether any changes to project plan should be made. Currently, project management Staff are working in "business continuity" mode, wherein alternate work schedules, working from home and limited-contact meetings are occurring. To date, with small exceptions, little negative impact has been made on capital project execution.

Staff categorized capital projects into three types: Strategic; Important; Critical.

Strategic projects include those that support Council's strategic plan, or are an added amenity, such as the Harewood Skateboard Park, which is currently under construction.

Important projects include upgrades that are part of longer-term asset stewardship, and are generated from the City's Asset Management Plan. An example would be Haliburton Street Watermain Replacement.

Lastly, Critical projects are those which are urgent to complete, due to capacity issues or imminent failures. These would be road repaving program, repairs to the roof at the Aquatic

Centre or the upgrades to the Millstone Trunk Sewer. Projects in the Important category are by far the largest number of capital projects.

DISCUSSION

As of today, the City has financial and resource capacity to deliver its Capital Project Plan for 2020. Staff have taken the approach that Critical and Important construction projects should proceed as per normal plan and schedule. Planning and design of all projects is proceeding, subject to limitations of public engagement and construction timing certainty. Some of the Strategic projects, which are not currently under construction, could be considered for deferral, for a few months. Staff are in the process of adjusting schedules for these projects in light of the evolving situation. This list of projects is:

Downtown Streetlighting & Wayfinding (Tender already closed)

Haliburton Multi-Use Trail Part 2

LED Streetlight Upgrade Phase 3

Metral Drive Complete Street

Front Street Cycle Track

With the Downtown Streetlighting and Wayfinding project, the tender has closed, but has not been awarded. There are legal considerations to cancelling or delaying this work. Staff propose to award the tender and work with the contractor to determine optimum timing. The last two projects: Metral Drive Complete Street and Front Street Cycle Track have Active Transportation Grant implications. One of the requirements of the grant is projects under \$1 Million be completed by March 21, 2021. Should Front Street be delayed until the fall, it is unlikely that it would be complete in time to comply with the grant's requirements.

Other projects, like Fire Station No. 1, are considered Critical. As yet, there is uncertainty in the marketplace for projects like this. For the Fire Station, Staff will likely delay the tender closing to allow the picture to become clearer for potential bidders and ourselves. It may be an advantageous period to secure a contractor with reasonable prices, in advance of the inevitable acceleration.

Feedback from contractors for the City continuing its Capital Plan have been very positive. Nanaimo continued to issue a solid program through the last quarter of 2019 and first quarter of 2020. It has allowed contractors to avoid layoffs and keep people working here at home. Many of the construction contractors that do business with the City have developed safe work procedures to comply with Provincial Health Orders. We have become the municipality of preference for many contractors here on the mid-island.

Some public messaging around how we are moving forward would be wise, to give the community reassurance that we are building out a robust Capital Plan and approaching projects in a judicious manner. For governments to continue to work during times of (anticipated)

economic downturn, helps support economies, leads to better value, and continues to support employment in the community.

CONCLUSION

As impacts and implications for the City's capital program continue to evolve, Staff will continue to provide updates and potentially seek direction on major deferrals and consequences of deferring projects to 2021. |

SUMMARY POINTS

- The City is taking a careful approach in building out its 2020 Capital Project Plan in light of the Provincial Health State of Emergency and COVID-19
- Currently, resource capacity is sufficient to continue the Capital Project Plan as it is currently planned.
- Staff is considering whether certain projects would be appropriate to defer for a few months.
- Continuing with the capital program supports the principle that Nanaimo is taking a measured approach to its response to the COVID-19 emergency, and positioning the organization for a strong recovery.
- The majority of the projects support the City's key objective to be good stewards of our critical infrastructure.

Submitted by:

Bill Sims
General Manager,
Engineering and Public Works |

Concurrence by:

Richard Harding
General Manager,
Parks, Recreation and Culture

Shelley Legin,
General Manager
Corporate Services |

DATE OF MEETING | APRIL 20, 2020 |

AUTHORED BY | LAURA MERCER, DIRECTOR, FINANCE |

SUBJECT | CITY FACILITY LEASING & RENTAL RELIEF |

OVERVIEW

Purpose of Report:

To provide Council with information on City facility leasing and rentals proposed financial relief program under the COVID-19 Financial Response, Relief and Recover Framework.

BACKGROUND

The City owns several facilities that have all/part leased or rented by many different organizations. Each year the Financial Plan includes budget for this revenue source. The revenues come from a diverse group of organizations including, but not limited to, the RCMP, non-profit organizations, Fortis BC, Shaw, etc. |

DISCUSSION

As the Province of BC declared a Provincial Health Emergency due to the COVID-19 Pandemic on March 17, the City has had to temporarily close all of the Parks, Recreation and Culture (PRC) facilities.

In the 2020-2024 Financial Plan, \$987,762 (excluding parking) has been budgeted for lease and rental revenues for the 2020 year. Of this amount, PRC has \$374,485 of City facility rentals included in the budget for 2020. As the PRC facilities have been closed, the organizations that have leased/rented space in these facilities have been required to temporarily close as well.

The Community Services Building, located at 285 Prideaux Street, is owned by the City and is home to several non-profit organizations. Under these extraordinary circumstances, these organizations have also been impacted by the COVID-19 Pandemic. All other facility leases/rentals are located in sites that have not ceased operations.

Consistent with the COVID-19 Financial Response, Relief and Recover Framework, Council is requested to consider providing these organizations with temporary relief from monthly lease/rent payments for the duration of the closure. This will provide some immediate financial relief to those organizations who are unable to conduct their business due to the closures. Staff anticipate that lease/rental revenue would continue to be received from all the locations that have not been closed due to the COVID-19 Pandemic.

As these facilities incrementally start to reopen, the lease/rent payment for the first month will be prorated based on their re-open date.

Financial Implications

The following chart breaks the facility lease/rental revenue down by department. It also shows the amount of the relief if the closures persist until December 31, 2020. The \$245,380 represents the anticipated revenue loss for nine (9) months (April to December).

City of Nanaimo Facility Leases and Rentals 2020 Budget		
	Budget	Relief
RCMP	\$ 290,893	\$ -
Real Estate Services	254,000	14,400
Public Works	48,384	-
Nanaimo Fire Rescue	20,000	-
Parks, Recreation & Culture	374,485	230,980
	\$ 987,762	\$ 245,380

CONCLUSION

Staff will bring a report to the Regular Council meeting on 2020-April-27 at which time Council will be asked to decide on a lease and rent payment relief option.

SUMMARY POINTS

- The City owns several facilities that have leased/rented space in them and the annual budget for 2020 for this revenue stream is \$987,762.
- PRC facilities have been closed due to the COVID-19 Pandemic and has budgeted lease/rental revenue of \$374,485 for 2020.
- Council is being asked to consider giving rental and lease payment relief to those organizations that have been closed to do the PRC facility closures.
- The estimated cost of the temporary lease/rent payment relief is \$245,380 if the closures are in effect to December 31, 2020.

Submitted by:

Laura Mercer
Director, Finance

Concurrence by:

Shelley Legin
General Manager, Corporate Services

DATE OF MEETING APRIL 20, 2020

AUTHORED BY WENDY FULLA, MANAGER, BUSINESS, ASSET AND FINANCIAL PLANNING

SUBJECT **2020 – 2024 FINANCIAL PLAN AND PROPERTY TAX OPTIONS**

OVERVIEW

Purpose of Report:

To provide Council with an update on the projected property tax increase and outline options.

BACKGROUND

The Provisional 2020 – 2024 Financial Plan Bylaw “Financial Plan Bylaw 2019 No. 7307” was adopted by Council at the 2020-JAN-13 Council Meeting. The Financial Plan reflected decisions made by Council during the budget review process in 2019. The provisional projected property tax increases in the Provisional 2020 – 2024 Financial Plan were:

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	4.2%	1.9%	2.4%	1.9%	1.8%
Total Municipal Taxes	5.2%	2.9%	3.4%	1.9%	1.8%

The 1% annual increase for the General Asset Management Reserve is currently scheduled to end in 2022. Staff intend to bring forward recommendations regarding funding for the General Asset Management Reserve prior the end of the annual increase.

A Final 2020 – 2024 Financial Plan Bylaw and a Property Tax Rates Bylaw must be adopted by 2020-MAY-15 to enable the calculation and collection of 2020 property taxes.

DISCUSSION

The Provisional 2020 – 2024 Financial Plan has been updated to include changes to estimates including benefits, traffic fine revenue, RDN Recreation Services Agreement revenue and growth. The plan has also been updated for a delay in the arrival date of the 3 new RCMP members and directives from Council. Summarized below are the projected property tax rate increases for 2020 to 2024 based on changes to the Financial Plan since provisional approval.

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	3.5%	2.0%	2.4%	1.9%	1.8%
Total Municipal Taxes	4.5%	3.0%	3.4%	1.9%	1.8%

Attachment A provides an updated breakdown of the 2020 Key Budget Drivers.

Impact on Typical Home

	2019	2020	\$ Change	% Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761	1.7%
Property Taxes	\$2,110	\$2,205	\$95	4.5%
Municipal User Fees				
Water Fees	552	594	42	7.5%
Sewer Fees	135	141	6	4.0%
Sanitation Fees	170	171	1	0.6%
Total Municipal Taxes & User Fees	\$2,967	\$3,111	\$144	4.8%

Rounded to nearest dollar

Assumes a typical single family house with average assessment change of 1.69%

With the changes to the economic climate and the Province of BC declaring a Provincial Health Emergency on March 17, Staff have prepared options for Council's consideration if they do not wish to proceed with the budget as presented.

In considering alternative options a number of factors must be taken into consideration including:

- The extent of the economic impact of COVID-19 is uncertain. The three options provided reflect revenue and expenditure projections prior to the declaration of a Provincial Health Emergency.
- **2021 – 2024 property tax increases are a projection. They may increase or decrease as the 2021 Budget and 2021 – 2025 Financial Plan are developed. The City uses modified zero-based budgeting to update the Financial Plan each budget cycle.**
- Revenue and growth projections for 2021 will be updated as part of the upcoming budget cycle. Economic conditions may require projections to be lowered. This will increase the tax rate in 2021 beyond the projected rate unless corresponding expenditure reductions are also implemented. To reduce expenditures, changes to service levels would likely need to be considered.
- At the 2020-MAR-18, Special Council Meeting, Council approved Staff's recommendation to allocate \$2,955,073 of the 2019 General Surplus to the Special Initiatives Reserve to allow Council maximum flexibility in accessing these funds for the best use.
- Any funding used from the General Financial Stability Reserve must be repaid within a reasonable timeframe.
- One time funding to reduce property taxes results in an increase to the tax rate in year 2.

Option #1 – Approve 2020 – 2024 Financial Plan as Presented

The 2020 – 2024 Financial Plan has a 4.5% property tax increase for 2020. The impact to a typical home will be \$95 for municipal taxes.

Advantages:

- Due to the economic uncertainty at this time and how this may impact 2021 this option provides the lowest projected starting point for 2021 property taxes giving Council the most flexibility for 2021 property tax rates.

- The full \$2,955,073 allocated to the Special Initiatives Reserve is available to fund any potential shortfall to 2020 revenues or costs incurred because of COVID-19 and the resulting closure of facilities with no impact to future tax rates.

Disadvantages:

- Provides no additional financial relief for residents during the current economic crises.

Option #2 – Smooth Property Tax Increase between 2020 and 2021

Allocate \$830,000 from the Special Initiatives Reserve to reduce 2020 property taxes by smoothing the 2020/2021 increases.

Projected Property Tax Increases:

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	2.8%	2.8%	2.4%	1.9%	1.8%
Total Municipal Taxes	3.8%	3.8%	3.4%	1.9%	1.8%

Impact on Typical Home

	2019	2020	\$ Change	% Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761	1.7%
Property Taxes	\$2,110	\$2,189	\$79	3.8%
Municipal User Fees				
Water Fees	552	594	42	7.5%
Sewer Fees	135	141	6	4.0%
Sanitation Fees	170	171	1	0.6%
Total Municipal Taxes & User Fees	\$2,967	\$3,095	\$128	4.3%

Rounded to nearest dollar

Assumes a typical single family house with average assessment change of 1.69%

Advantages:

- Provides some financial relief to residents in uncertain economic times.
- Allocation will still leave an unallocated balance of \$2,125,073 in the Special Initiatives Reserve, which could be a potential funding source for any shortfall to 2020 revenues or costs incurred because of COVID-19 and the resulting closure of facilities.

Disadvantages:

- Increases the projected starting property tax increase for 2021 as reserve funding is one-time funding.
- Due to the uncertainty around how quickly the economy may recover this may put additional upward pressure on property taxes in 2021.

Option #3 – No Operating Property Tax Increase, Property Tax Increase for General Asset Management Reserve Only

Allocate \$2,955,073 from the Special Initiatives Reserve and \$824,927 from the General Financial Stability Reserve to limit the property tax increase to the 1% annual increase for the General Asset Management Reserve.

Repayment of \$824,927 from the General Financial Stability Reserve is distributed over 2021 to 2024.

Projected Property Tax Increases:

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	0.0%	5.8%	2.4%	1.9%	1.8%
Total Municipal Taxes	1.0%	6.8%	3.4%	1.9%	1.8%

Impact on Typical Home

	2019	2020	\$ Change	% Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761	1.7%
Property Taxes	\$2,110	\$2,131	\$21	1.0%
Municipal User Fees				
Water Fees	552	594	42	7.5%
Sewer Fees	135	141	6	4.0%
Sanitation Fees	170	171	1	0.6%
Total Municipal Taxes & User Fees	\$2,967	\$3,037	\$70	2.3%

Rounded to nearest dollar

Assumes a typical single family house with average assessment change of 1.69%

Advantages:

- Provides some financial relief to residents in uncertain economic times.

Disadvantages:

- Substantially increases the projected starting property tax increase for 2021 as reserve funding is one-time funding.
- Funding from the General Financial Stability Reserve will need to be repaid.
- If additional funding were required to address any shortfall to 2020 revenues or costs incurred because of COVID-19 and the resulting closure of facilities additional funding would be needed from the General Financial Stability Reserve. This would impact future property tax increases as funds must be repaid.
- Due to the uncertainty around how quickly the economy may recover this may put additional upward pressure on property taxes in 2021.

Additional Considerations - Shifting Tax Burden from Business/Other Class to Residential Class

The business community has been greatly impacted during the COVID-19 Pandemic as many have been unable to operate due to the Province of BC declaring a Provincial Health Emergency on March 17th.

Historically an option that has been utilized is the shifting of a portion of municipal taxes between classes. Between 2009 and 2013, a portion of municipal taxes were shifted from Major (Class 4) and Light Industry (Class 5) to Residential. This change was gradually shifted from Major and Light Industry classes to bring those tax rates in line with the Business/Other class tax rate. Since 2013, these three classes have all had the same municipal tax rate.

Outlined below is one example of how the classes would be impacted by shifting tax values from Business/Other to Residential:

If the 2019 municipal tax values for the Business/Other class were kept at the same values as 2018, the increase to typical residential property would have been 7.2%. This would have resulted in an increase of an additional 2.2% in taxes for a typical home.

Business/Other Tax Values*

	2018	2019	\$ Change	%
Taxes Collected	\$28,589,331	\$30,029,048	\$1,439,717	5.0%
Taxes Collected with Shift	\$28,589,331	\$28,589,331	\$0	0.0%
Net Change to Business/Other Class				-5.0%

Residential Tax Values*

	2018	2019	\$ Change	%
Taxes Collected	\$67,259,675	\$70,646,773	\$3,387,098	5.0%
Taxes Collected with Shift	\$67,259,675	\$72,086,490	\$4,826,815	7.2%
Net Change to Residential Class				2.2%

*As the 2020 tax rates have yet to be determined, the 2019 tax rates were used to calculate the estimated impact of doing a shift from Business/Other to Residential.

The typical residential property would have paid an additional \$45 in taxes if taxes were shifted from Business/Other to Residential in 2019.

Impact on a Typical Home - Original 5.0%

	2018	2019	\$ Change	%
Assessment - Average Home	\$467,220	\$516,418	\$49,198	10.5%
Property Taxes	\$2,003	\$2,102	\$99	5.0%
Municipal User Fees				
Water Fees	514	552	38	7.5%
Sewer Fees	130	135	5	4.0%
Sanitation Fees	165	170	5	3.0%
Total Municipal Taxes & User Fees	\$2,812	\$2,959	\$147	5.2%

Impact on a Typical Home - Revised to 7.2%

	2018	2019	\$ Change	%
Assessment - Average Home	\$467,220	\$516,418	\$49,198	10.5%
Property Taxes	\$2,003	\$2,147	\$144	7.2%
Municipal User Fees				
Water Fees	514	552	38	7.5%
Sewer Fees	130	135	5	4.0%
Sanitation Fees	165	170	5	3.0%
Total Municipal Taxes & User Fees	\$2,812	\$3,004	\$192	6.8%

Attachment B outlines how the City of Nanaimo compares to other municipalities with comparable populations and/or are neighbouring communities.

CONCLUSION

Staff will be returning to Council 2020-MAY-04 with the decision report for the Final 2020 – 2024 Financial Plan.

SUMMARY POINTS

- The project property tax increase for 2020 based on the current Final 2020 – 2024 Financial Plan is 4.5%.
- Alternative options for Council to lower 2020 property tax rates have been presented.
- A Final 2020 – 2024 Financial Plan Bylaw and a Property Tax Rates Bylaw must be adopted by 2020-MAY-15 to enable the calculation and collection of 2020 property taxes.

ATTACHMENTS

Attachment A – 2020 Budget Drivers

Attachment B – 2019 Business/Other Class Multipliers – Comparable Population and/or Neighbouring Communities

Submitted by:

Wendy Fulla
Manager, Business, Asset and Financial
Planning

Concurrence by:

Laura Mercer
Director, Finance

Shelley Legin
General Manager, Corporate Services

Attachment A
2020 Key Budget Drivers

Expenditure Increases/(Decreases)	
Asset Management	\$ 1,010,000
Wages and Benefits ¹	3,340,000
Contracted Services - Landscaping/Tree Services	108,000
Council Contingency	(100,000)
Economic Development ²	467,000
Fleet Charge - Fire	100,000
Legal Fees	123,000
Project Expenditures	
Annual general revenue funding	521,000
RCMP Contract (budgeted at 95%)	1,581,000
Snow and Ice Control Reserve	(275,000)
Sewer and Water Internal Support	(199,000)
Utilities - Water and Sewer	154,000
Subtotal Expenditure Increases	\$ 6,830,000
Revenue (Increases)/Decreases	
Building Permit Revenue	(200,000)
Casino Revenue	(100,000)
Grant in Lieu	(146,000)
Provincial Fine Revenue	(233,000)
Recreation Facilities/Sportsfield Agreement	(104,000)
Transfer from RCMP Contract Reserve	(268,000)
Transfer from Surplus/Reserve ³	500,000
Subtotal Revenue Increases	\$ (551,000)
Other Changes	\$ 42,000
Net Expenditure Increases	\$ 6,321,000
Less Increased Property Tax Revenues due to Growth	1,469,000
Net Impact	\$ 4,852,000
Dollars are rounded to nearest \$1,000	

¹Excludes new Manager, Economic Development

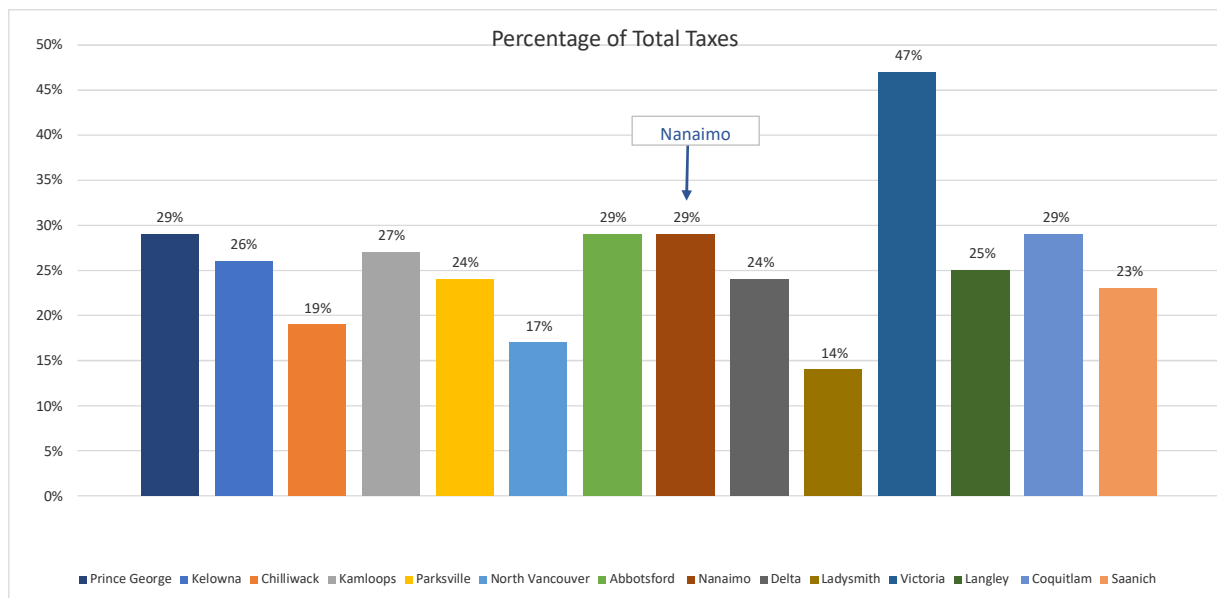
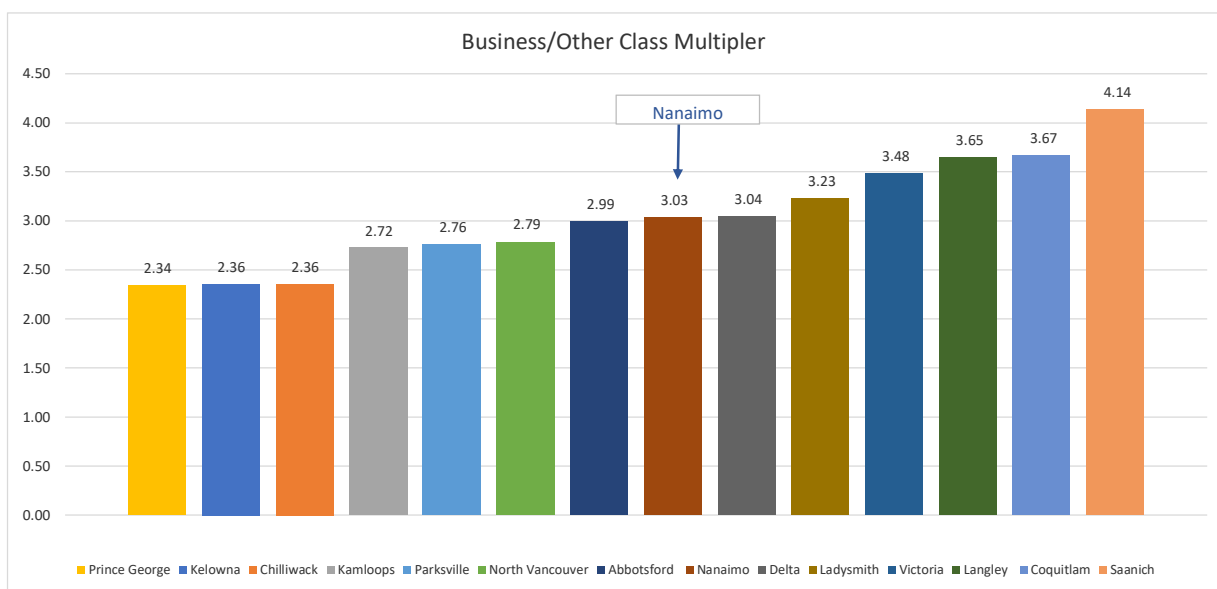
²Includes new Manager, Economic Development

³\$500,000 in funding from reserves from 2017 surplus allocation was used to offset EHT in 2019

Attachment B
2019 Business/Other Class Multipliers - Comparable Population and/or Neighbouring Communities

Municipality	July 1, 2018 BC STATS Population Estimates (Dec. 2018 Release)	Authenticated Roll General Taxable Values	Municipal Purposes Tax Rates	Tax Class Multiples	Total Municipal Taxes	% Total Taxes	% Total Assessment
Prince George	78,675	1,834,071,300	17.17408	2.34	31,498,487	29%	18%
Kelowna	136,233	5,297,712,207	7.45070	2.36	39,471,664	26%	14%
Chilliwack	90,931	1,945,349,275	7.10768	2.36	13,826,920	19%	10%
Kamloops	97,177	2,187,467,239	13.57000	2.72	29,683,930	27%	13%
Parksville	13,323	357,007,489	9.61410	2.76	3,432,306	24%	10%
North Vancouver	90,814	3,773,070,100	4.62771	2.79	17,460,674	17%	8%
Abbotsford	151,923	4,442,056,089	9.24758	2.99	41,078,269	29%	13%
Nanaimo	97,619	2,447,038,208	12.89420	3.03	31,552,600	29%	12%
Delta	109,484	4,792,537,817	7.12830	3.04	34,162,647	24%	12%
Ladysmith	9,417	93,266,100	12.97940	3.23	1,210,538	14%	5%
Victoria	92,041	6,031,291,342	10.98210	3.48	66,236,245	47%	21%
Langley	127,290	4,568,016,301	7.63880	3.65	34,894,163	25%	9%
Coquitlam	149,490	6,048,728,601	7.27470	3.67	44,002,686	29%	11%
Saanich	122,245	2,427,418,801	12.18639	4.14	29,581,472	23%	7%

Source - BC Stats: 707 Tax Rates, Municipal Taxes and Class Proportions of Taxes and Assessment





Development and Review to Date

- Finance and Audit Committee meetings:
 - Budget Overview and Departmental Business Plans presented November 20th and 22nd, 2019
 - 2020 – 2024 Draft Project Plan presented November 25th, 2019
 - Budget Recap presented November 25th, 2019
- eTown Hall held on December 2nd, 2019
- 2020 – 2024 Financial Plan Bylaw approved
 - Adopted at Council meeting on January 13th, 2020
 - Referred to as the Provisional Five Year Financial Plan

2020 – 2024 Financial Plan

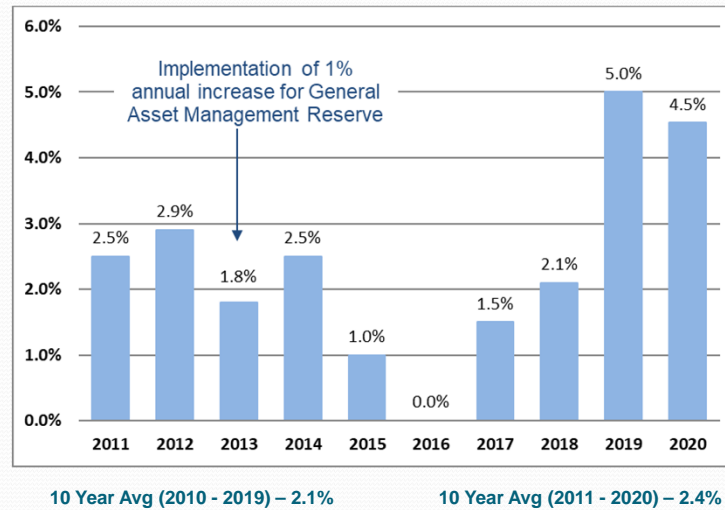
Projected Property Tax Increase

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	3.5%	2.0%	2.4%	1.9%	1.8%
2020 - 2024 Financial Plan - Final	4.5%	3.0%	3.4%	1.9%	1.8%

The approved annual 1% property tax increase for contribution to the General Asset Management Reserve currently ends in 2022

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	4.2%	1.9%	2.4%	1.9%	1.8%
2020 - 2024 Financial Plan - Provisional	5.2%	2.9%	3.4%	1.9%	1.8%

Property Tax History



Typical Home

excludes property taxes collected for the RDN, School District, Hospital and Vancouver Island Regional Library

Impact on a Typical Home

	2019	2020	\$ Change	% Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761	1.7%
Property Taxes	\$2,110	\$2,205	\$95	4.5%
Municipal User Fees				
Water Fees	552	594	42	7.5%
Sewer Fees	135	141	6	4.0%
Sanitation Fees	170	171	1	0.6%
Total Municipal Taxes & User Fees	\$2,967	\$3,111	\$144	4.8%

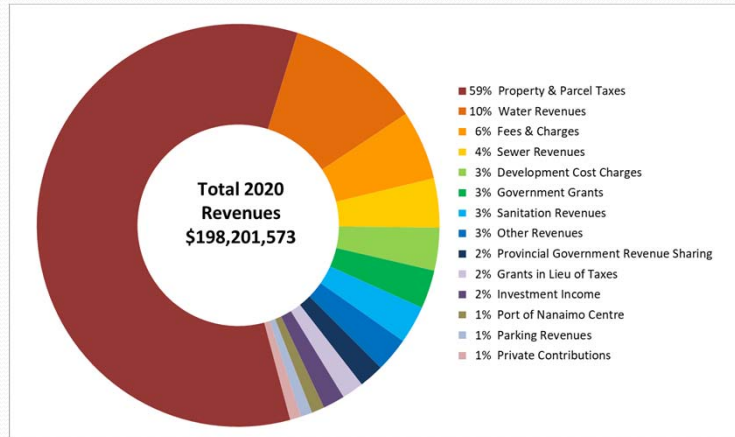
Assumes a typical single family house with average assessment change of 1.69%

* Rounded to nearest dollar

Financial Summary

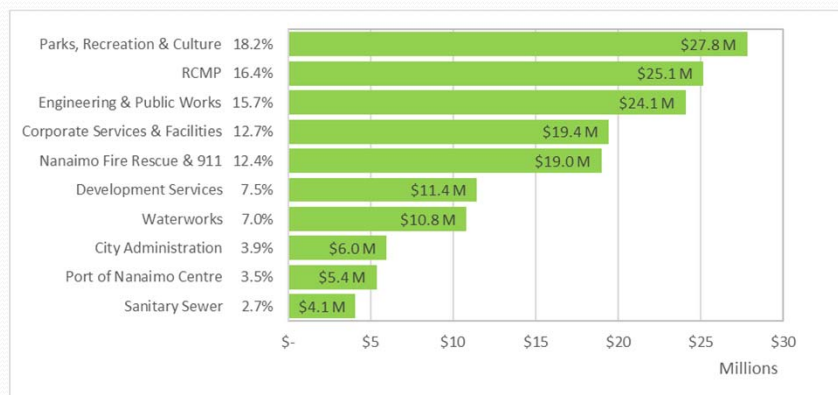
2020 Revenues

\$198 million provides funding for annual operating and maintenance, projects, contributions to infrastructure renewal reserves and VIRL



2020 Operating Budget

\$153 M will be spent for annual operating and maintenance resources that deliver day-to-day City Services.



2020 Key Budget Drivers – General

Expenditure Increases/(Decreases)	
Asset Management	\$ 1,010,000
Wages and Benefits ¹	3,340,000
Contracted Services - Landscaping/Tree Services	108,000
Council Contingency	(100,000)
Economic Development ²	467,000
Fleet Charge - Fire	100,000
Legal Fees	123,000
Project Expenditures	
Annual general revenue funding	521,000
RCMP Contract (budgeted at 95%)	1,581,000
Snow and Ice Control Reserve	(275,000)
Sewer and Water Internal Support	(199,000)
Utilities - Water and Sewer	154,000
Subtotal Expenditure Increases	\$ 6,830,000

2020 Key Budget Drivers – General

Revenue (Increases)/Decreases	
Building Permit Revenue	(200,000)
Casino Revenue	(100,000)
Grant in Lieu	(146,000)
Provincial Fine Revenue	(233,000)
Recreation Facilities/Sportsfield Agreement	(104,000)
Transfer from RCMP Contract Reserve	(268,000)
Transfer from Surplus/Reserve ³	500,000
Subtotal Revenue Increases	\$ (551,000)
Other Changes	\$ 42,000
Net Expenditure Increases	\$ 6,321,000
Less Increased Property Tax Revenues due to Growth	1,469,000
Net Impact	\$ 4,852,000
Dollars are rounded to nearest \$1,000	

¹Excludes new Manager, Economic Development

²Includes new Manager, Economic Development

³\$500,000 in funding from reserves from 2017 surplus allocation was used to offset EHT in 2019

Property Tax Options

Option #1 – Approve 2020 – 2024 Financial
Plan as Presented

Option #1 – Projected Property Tax Increases

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	3.5%	2.0%	2.4%	1.9%	1.8%
Total Municipal Taxes	4.5%	3.0%	3.4%	1.9%	1.8%

	2019	2020	\$ Change	% Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761	1.7%
Property Taxes	\$2,110	\$2,205	\$95	4.5%
Municipal User Fees				
Water Fees	552	594	42	7.5%
Sewer Fees	135	141	6	4.0%
Sanitation Fees	170	171	1	0.6%
Total Municipal Taxes & User Fees	\$2,967	\$3,111	\$144	4.8%

Assumes a typical single family house with average assessment change of 1.69%

* Rounded to nearest dollar

Option # 2 – Smooth Property Tax Increase between 2020 and 2021

Option #2 – Projected Property Tax Increases

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	2.8%	2.8%	2.4%	1.9%	1.8%
Total Municipal Taxes	3.8%	3.8%	3.4%	1.9%	1.8%

	2019	2020	\$ Change	% Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761	1.7%
Property Taxes	\$2,110	\$2,189	\$79	3.8%
Municipal User Fees				
Water Fees	552	594	42	7.5%
Sewer Fees	135	141	6	4.0%
Sanitation Fees	170	171	1	0.6%
Total Municipal Taxes & User Fees	\$2,967	\$3,095	\$128	4.3%

Assumes a typical single family house with average assessment change of 1.69%

* Rounded to nearest dollar

Option # 3 – No Operating Property Tax Increase, Property Tax Increase for General Asset Management Reserve Only

Option #3 – Projected Property Tax Increases

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	0.0%	5.8%	2.4%	1.9%	1.8%
Total Municipal Taxes	1.0%	6.8%	3.4%	1.9%	1.8%

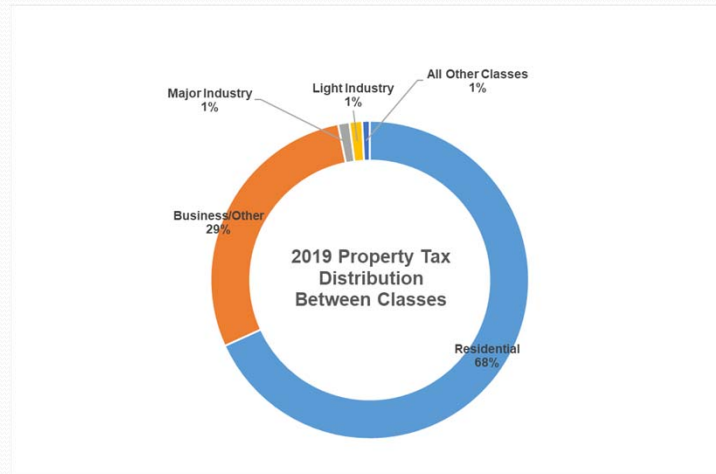
	2019	2020	\$ Change	% Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761	1.7%
Property Taxes	\$2,110	\$2,131	\$21	1.0%
Municipal User Fees				
Water Fees	552	594	42	7.5%
Sewer Fees	135	141	6	4.0%
Sanitation Fees	170	171	1	0.6%
Total Municipal Taxes & User Fees	\$2,967	\$3,037	\$70	2.3%

Assumes a typical single family house with average assessment change of 1.69%

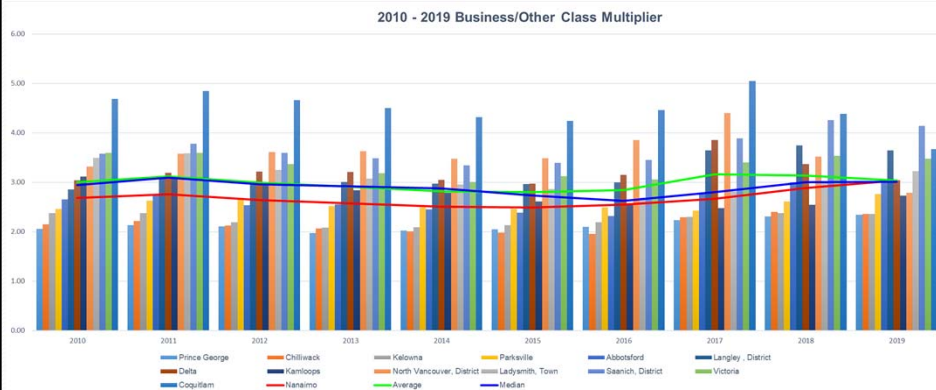
* Rounded to nearest dollar

Tax Shift Between Property Classes

2019 Municipal Property Tax Distribution



Comparable Population and Neighbouring Communities



Next Steps

- May 4th
 - Decision report to Council for 2020 – 2024 Financial Plan
- May 11th
 - Financial Plan Amendment Bylaw to Council for first three readings and adoption
 - Property Tax Bylaw to Council for first three readings and adoption

Financial Plan Amendment Bylaw must be adopted by May 15th
Bylaws allows staff to calculate and collect 2020 property taxes

DATE OF MEETING APRIL 27, 2020

AUTHORED BY LAURA MERCER, DIRECTOR, FINANCE

SUBJECT 2020 CITY FACILITY LEASING AND RENTAL RELIEF

OVERVIEW

Purpose of Report

To provide Council with information on City facility leasing and rentals proposed financial relief program under the COVID-19 Financial Response, Relief and Recover Framework.

Recommendation

That Council grant temporary relief from lease and rental payment to organizations that occupy City facilities that have been closed and/or have been severely impacted due to the Province of BC Health Emergency issued as a result of the COVID-19 Pandemic.

BACKGROUND

On 2020-MAR-17, the Province of BC declared a Provincial Health Emergency due to the COVID-19 Pandemic. All Parks, Recreation and Culture (PRC) facilities were temporarily closed as a result.

At the 2020-APR-09 Special Council meeting, Staff presented Council with the COVID-19 Financial Response, Relief and Recovery Framework. This framework outlined the estimated financial impact that the COVID-19 Pandemic could have on the City of Nanaimo.

At the 2020-APR-20 Special Council meeting, Staff presented the City Facility Leasing and Rental Relief information report for Council's consideration. At that meeting, Council was presented with information on the financial impact of providing temporary lease/rent relief to organizations that occupy space in the City's closed facilities.

DISCUSSION

In the 2020 – 2024 Financial Plan, \$987,762 (excluding parking) has been budgeted for lease and rental revenues for the 2020 year. Of this amount, PRC has budgeted \$374,485 for City facility rentals for 2020. As the PRC facilities have been closed, the organizations that have leased/rented space in these facilities have been required to temporarily close as well.

The Community Services Building, located at 285 Prideaux Street, is owned by the City and is home to several non-profit organizations. Under these extraordinary circumstances, these organizations have also been impacted by the COVID-19 Pandemic and are included in the list for lease/rental relief.

Consistent with the COVID-19 Financial Response, Relief and Recover Framework, Council could consider providing these organizations with temporary relief from monthly lease/rent payments for the duration of the closure. This will provide some immediate financial relief to those organizations who are unable to conduct their business due to the closures. Staff anticipate that lease/rental revenue would continue to be received from all the locations that have not been closed due to the COVID-19 Pandemic.

As these facilities incrementally start to reopen, the lease/rent payment for the first month will be prorated based on their re-open date.

Financial Implications

The following chart breaks the facility lease/rental revenue down by department. It also shows the amount of the relief if the closures persist until 2020-DEC-31. The \$245,380 represents the anticipated revenue loss for nine (9) months (April to December).

City of Nanaimo Facility Leases and Rentals 2020 Budget		
	Budget	Relief
RCMP	\$ 290,893	\$ -
Real Estate Services	254,000	14,400
Public Works	48,384	-
Nanaimo Fire Rescue	20,000	-
Parks, Recreation & Culture	374,485	230,980
	\$ 987,762	\$ 245,380

OPTIONS

1. That Council grant temporary relief from lease and rental payment to organizations that occupy city facilities that have been closed and/or have been severely impacted due to the Province of BC Health Emergency issued as a result of the COVID-19 Pandemic.
 - The advantages of this option:
 - This would give temporary relief to those organization who operate in City facilities that have had to close due to the COVID-19 Pandemic.
 - The disadvantages of this option:
 - The City would not collect City facility rental revenue as outlined in the 2020 – 2024 Financial Plan.
 - Financial Implications:
 - The City would have an estimated decrease in City facility rental revenue of \$245,380 if the Health Emergency persisted to the end of the year.
2. That Council NOT grant temporary relief from lease and rental payment to organizations that occupy City facilities that have been closed and/or have been severely impacted due to the Province of BC Health Emergency issued as a result of the COVID-19 Pandemic.
 - The advantages of this option:
 - The City would continue to collect facility rental revenue for these facilities.

- The disadvantages of this option:
 - This would not provide any temporary relief to those organization that operate in City facilities that have had to close due to the Health Emergency related to the COVID-19 Pandemic.
 - Financial Implications:
 - There would not be an impact to the 2020 – 2024 Financial Plan.
3. That Council provide alternative direction. |

SUMMARY POINTS

- The City owns several facilities that have leased/rented space in them and the annual budget for 2020 for this revenue stream is \$987,762.
- PRC facilities have been closed due to the COVID-19 Pandemic and has budgeted lease/rental revenue of \$374,485 for 2020.
- Council is being asked to consider giving rental and lease payment relief to those organizations that have been closed to do the PRC facility closures.
- The estimated cost of the temporary lease/rent payment relief is \$245,380 if the closures are in effect to 2020-DEC-31.

Submitted by:

Laura Mercer
Director, Finance |

Concurrence by:

Shelley Legin
General Manager, Corporate Services

Bill Corsan
Director, Community Development

Dale Lindsay
General Manager, Development Services

Richard Harding
General Manager, Parks, Recreation &
Culture |

DATE OF MEETING APRIL 27, 2020

AUTHORED BY LAURA MERCER, DIRECTOR, FINANCE

SUBJECT 2020 PROPERTY TAX DUE DATES

OVERVIEW

Purpose of Report

Consistent with the COVID-19 Financial Response, Relief and Recovery Framework, provide Council with information on the City of Nanaimo's 2020 property tax collection scheme and options to align all classes with same treatment.

Recommendation

That Council:

- Keep the property tax due at 2020-JUL-02; and,
- Extend the tax penalty due for all property classes to 2020-OCT-01 at 5% and 2020-NOV-12 at 5%, applicable on any outstanding current year tax balances on those dates.

BACKGROUND

Every year, prior to May 15th, Council must adopt a Property Tax Rates bylaw per Section 197 of the *Community Charter*. The bylaw imposes rates on all taxable land and improvements according to their assessed value to provide the funds required to operate City functions as specified in the *Charter*.

Under the default municipal tax collection scheme, property taxes are due on July 2 each year. Any unpaid tax, including unclaimed home owner grant are subject to penalty after July 2.

A municipality may opt for an alternative tax collection scheme which allows for changing the due date and/or penalty. The *Community Charter* provides legislation to establish an alternative municipal tax collection scheme under Section 235. This section includes how penalties are to be applied in relation to payments made after a due date establish by the bylaw. The penalty rate is established in the *Municipal Tax Regulation* and is currently 10 percent.

DISCUSSION

On 2020-MAR-17, the Province of BC declared a Provincial Health Emergency due to the COVID-19 Pandemic.

On 2020-APR-16, the Province of BC announced new COVID-19 supports for businesses and local governments. The relief measures introduced were:

Business Relief

- Further reducing the school property tax rate for commercial properties to achieve an average 25% reduction in the total property tax bill for most businesses, providing up to \$700 million in relief. This enhances the 50% reduction to the provincial school property tax rate that was originally announced for classes 4, 5, and 6 as part of B.C.'s COVID-19 Action Plan.
- Postponing the date that late payment penalties apply for commercial properties in classes 4,5,6,7 and 8 to 2020-OCT-01, to give businesses and landlords more time to pay their reduced property tax, without penalty.

Local Government Relief

- Authorizing local governments to borrow, interest-free, from their existing capital reserves to help pay for operating expenses, such as employee salaries.
- Delaying provincial school tax remittances until the end of the year. This will provide significant relief to local governments facing cash flow issues.
- Providing local government's greater flexibility to carry debt for an additional year.
- These measures will provide local governments with the resources to meet their operational costs and required remittances to regional districts, regional hospital districts, TransLink and transit authorities, BC Assessment, the Municipal Finance Authority and other taxing authorities. This will ensure that other minor taxing authorities can count on receiving the full amount they bill to municipalities and the Province's surveyor of taxes before 2020-AUG-01.

At the 2020-APR-20 Special Council meeting, Staff presented Council with information on options relating to the property tax due and subsequent property tax penalty due dates.

Property Tax Due Date

The Provincial government is encouraging municipalities to keep the 2020-JUL-02 property tax due date to help maintain sufficient cash flows. This is in line with current legislation and no change is being recommended.

Maintaining the 2020-JUL-02 property tax due date will support the City's cash flow needs as taxpayers with the capacity to pay on the due date will be encouraged to do so.

Property Tax Penalty Due Date

With the 2020-APR-16 announcement, the late payment penalty due date for commercial properties (classes 4, 5, 6, 7 and 8) has been postponed to 2020-OCT-01. It would be an equitable alignment if the late payment penalty due date was postponed to 2020-OCT-01 for all property classes.

If Council chose to change the property tax late payment penalty due date for all classes to 2020-OCT-01, the City is expected to have sufficient cash flows to cover expenses and required government payovers due 2020-AUG-01. This is due in part to delaying the School Tax payover to the end of the year.

Alignment of all classes would also provide additional temporary financial relief to property owner's in the City experiencing financial duress.

OPTIONS

1. That Council:
 - Keep the property tax due at 2020-JUL-02; and,
 - Extend the tax penalty due for all property classes to 2020-OCT-01 at 5% and 2020-NOV-12 at 5%, applicable on any outstanding current year tax balances owing on those dates.
 - The advantages of this option:
 - Short term borrowing through the Revenue Anticipation Borrowing Bylaw will likely not be needed as cash flows should be adequate with the payment of School Tax payover delayed to the end of the year.
 - All property tax payers will be provided with some financial relief by delaying the penalty dates to 2020-OCT-01 and 2020-NOV-12.
 - Provides consistent messaging and treatment to all taxpayers.
 - The disadvantages of this option:
 - The City could see a tax penalty revenue shortfall by delaying the tax penalty due date.
 - Financial Implications:
 - The City could see a tax penalty revenue shortfall if a higher than expected number of property owners pay before the delayed tax penalty due date.
2. That Council:
 - Keep the property tax due at 2020-JUL-02; and,
 - Extend the tax penalty due for all property classes to 10% at 2020-OCT-01, applicable on any outstanding current year tax balances owing on those dates.
 - The advantages of this option:
 - Short term borrowing through the Revenue Anticipation Borrowing Bylaw will likely not be needed as cash flows should be adequate with the payment of School Tax payover delayed to the end of the year.
 - All property tax payers will be provided with some financial relief by delaying the penalty dates to 2020-OCT-01 and 2020-NOV-12.
 - Provides consistent messaging and treatment to all taxpayers.
 - The disadvantages of this option:
 - The City could see a tax penalty revenue shortfall by delaying the tax penalty due date.
 - Tax accounts with current year outstanding balances will be subjected to the full 10% penalty rather than splitting it as is the City's current practice.
 - Financial Implications:
 - The City could see a tax penalty revenue shortfall if a higher than expected number of property owners pay before the delayed tax penalty due date.
3. That Council provide alternative direction. |

SUMMARY POINTS

- Council must adopt a Property Tax Rates bylaw before May 15th of each year.
- Under the default municipal tax collection scheme, property taxes are due on July 2 each year and a 10% penalty is regulated to be charged on outstanding current year taxes.
- A municipality may opt for an alternative tax collection scheme which allows for changing the due date and/or penalty.
- The City of Nanaimo currently opts to use an alternative tax collection scheme where the 10% penalty is evenly broken into two (2) 5% due dates.
- Council could maintain the property tax due date of July 2nd to encourage payment and minimize the impact to cash flow.
- Council could align all the property tax late payment penalty due date to 2020-OCT-01 for all tax classes to provide consistent messaging and treatment of all taxpayers.

ATTACHMENTS:

Attachment A: Province of BC News Release: New COVID-19 supports for business, local governments |

Submitted by:

Laura Mercer
Director, Finance |

Concurrence by:

Shelley Legin
General Manager, Corporate Services |



NEWS RELEASE

For Immediate Release
2020FIN0020-000703
April 16, 2020

Ministry of Finance
Ministry of Municipal Affairs and Housing

New COVID-19 supports for businesses, local governments

VICTORIA – The Province is providing enhanced relief for businesses by reducing most commercial property tax bills by an average of 25%, along with new measures to support local governments facing temporary revenue shortfalls as a result of COVID-19.

“We know that B.C. communities and businesses are suffering from the economic impacts of COVID-19,” said Carole James, Minister of Finance. “That is why our B.C. COVID-19 Action Plan is focused on the health and safety of British Columbians, direct support for people and businesses and economic recovery for our province. We are providing further support by making additional temporary property tax changes to provide provincewide relief for business and local governments to help weather the pandemic, continue to deliver the services people count on and be part of our province’s economic recovery.”

The Province is taking significant new steps to support B.C. businesses, non-profits and other organizations through the COVID-19 pandemic by:

- further reducing the school property tax rate for commercial properties to achieve an average 25% reduction in the total property tax bill for most businesses, providing up to \$700 million in relief. This enhances the 50% reduction to the provincial school property tax rate that was originally announced for classes 4, 5, and 6 as part of B.C.’s COVID-19 Action Plan.
- Postponing the date that late payment penalties apply for commercial properties in classes 4,5,6,7 and 8 to Oct. 1, 2020, to give businesses and landlords more time to pay their reduced property tax, without penalty.

Responding to key concerns from local governments, the Province is addressing cash flow and revenue shortfalls with new measures that provide additional support:

- authorizing local governments to borrow, interest-free, from their existing capital reserves to help pay for operating expenses, such as employee salaries.
- delaying provincial school tax remittances until the end of the year. This will provide significant relief to local governments facing cash flow issues.
- providing local governments greater flexibility to carry debt for an additional year.
- These measures will provide local governments with the resources to meet their operational costs and required remittances to regional districts, regional hospital districts, TransLink and transit authorities, BC Assessment, the Municipal Finance Authority and other taxing authorities. This will ensure that other minor taxing authorities can count on receiving the full amount they bill to municipalities and the Province’s surveyor of taxes before Aug. 1, 2020.

“The COVID-19 pandemic is having significant financial impacts on all levels of government. It’s going to take hard work from both municipalities and the provincial government, but working together we will get through this,” said Selina Robinson, Minister of Municipal Affairs and Housing. “Many local governments have already shown leadership by taking steps to help people and businesses and maintain services, while addressing their finances. With these new measures, we are giving local governments new tools as a first step to ease their financial burdens and that of businesses in their communities now, and as we look to recovery in the months to come.”

Maja Tait, Union of B.C. Municipalities president, said: “Local governments across B.C. are working hard to support the implementation of COVID-19 orders, while ensuring residents have access to the services they need in these challenging times. The measures announced today provide additional relief to small business and will free up funds for local government. UBCM will monitor the impact of these measures on the state of local governments finances, and work with the Province to ensure that local governments have the resources to sustain their communities.”

Changes to British Columbia’s property tax framework complement federal measures and build on the \$5 billion B.C. COVID-19 Action Plan that provides income supports, tax relief and direct funding for people, businesses and services.

Learn More:

For more information on B.C.’s COVID-19 Action Plan, visit:

<http://news.gov.bc.ca/factsheets/bc-takes-steps-to-support-people-businesses-during-covid-19-pandemic>

For information about federal supports for businesses, visit:

<https://www.canada.ca/en/departement-finance/economic-response-plan.html>

For the latest medical updates, including case counts, prevention, risks and testing, visit:

<http://www.bccdc.ca/>

Or follow @CDCofBC on Twitter

For provincial health officer orders, notices and guidance, visit: www.gov.bc.ca/phoguidance

For non-health related information, including financial, child care and education supports, travel, transportation and essential service information, visit: www.gov.bc.ca/covid19

Or call 1 888 COVID19 (1 888 268-4319) between 7:30 a.m. and 8 p.m., seven days a week.

A backgrounder follows.

Contacts:

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between 7:30 a.m. and 8 p.m., seven days a
week.

For media only:
Ministry of Finance
Media Relations
250 213-7724

Ministry of Municipal Affairs and Housing
Media Relations
778 584-2433

Connect with the Province of B.C. at: news.gov.bc.ca/connect

BACKGROUND

For Immediate Release
2020FIN0020-000703
April 16, 2020

Ministry of Finance
Ministry of Municipal Affairs and Housing

Changes to B.C.'s property tax framework respond to COVID-19

Building on B.C.'s COVID-19 Action Plan, the Province is making temporary changes to B.C.'s property tax framework to provide financial support for businesses and local governments.

Property tax measures for local governments:

- Local governments will have the ability to borrow, interest-free, from their capital reserve funds, freeing up billions in assets to cover temporary revenue shortfalls. They will have up to five years to build back the reserve funds.
- Municipalities will be able to access school tax revenue collected for the Province until the end of the year. If a local government chooses to hold onto the school property tax, it must first be used to pay other taxing authorities, including regional districts.
- Working closely with the Municipal Financing Authority (MFA), local governments will be able to extend their revenue anticipation borrowing for a second year past the current limit of one year. To minimize impacts on the MFA, the Province is asking local governments to first use the delayed school property tax payment and their own capital reserve funds before seeking short-term borrowing through the MFA.
- Municipalities will still be required to make all their required remittances to other taxing authorities. Additionally, municipalities will be required to make the full annual payment to TransLink and BC Assessment in August 2020, rather than August and December.

Property tax measures for B.C. businesses:

- Late payment penalties for commercial properties (classes 4, 5, 6, 7 and 8) will be postponed to Oct. 1, 2020.
- The school property tax rates for classes 4, 5, and 6 were reduced by 50% in the Province's initial economic response to COVID-19. Further reducing the provincial school property tax and introducing an equivalent tax reduction for classes 7 and 8 will lower the overall commercial property tax bill for most businesses by an average of 25%.

Breakdown of tax relief for B.C. businesses:

- Major industry (property class 4)
 - Budget 2020 mill rate: 3.72
 - March 23 mill rate: 1.86
 - April 16 mill rate: effectively zero
 - Tax cut as a per cent of total tax bill: 4%
- Light industry (property class 5)
 - Budget 2020 mill rate: 3.72
 - March 23 mill rate: 1.86

- April 16 mill rate: 1.0561
- Tax cut as a per cent of total tax bill: 25%
- Business/other (property class 6)
 - Budget 2020 mill rate: 3.72
 - March 23 mill rate: 1.86
 - April 16 mill rate: 1.1070
 - Tax cut as a per cent of total tax bill: 25%
- Managed forest (property class 7)
 - Budget 2020 mill rate: 1.87
 - March 23 mill rate: 1.87
 - April 16 mill rate: effectively zero
 - Tax cut as a per cent of total tax bill: 20%
- Recreation and non-profit (property class 8)
 - Budget 2020 mill rate: 2.29
 - March 23 mill rate: 2.29
 - April 16 mill rate: 0.7844
 - Tax cut as a per cent of total tax bill: 25%

Changes to British Columbia's property tax framework are in addition to measures announced as part of B.C.'s Action Plan to support businesses, including:

- Effective immediately, many provincial tax filing and payment deadlines are deferred to Sept. 30, 2020.
- Businesses with a payroll over \$500,000 can defer their employer health tax payments until Sept. 30, 2020. Businesses with a payroll under this threshold are already exempt.
- Payments for provincial sales tax (PST), employer health tax, municipal and regional district tax on short-term accommodation, carbon tax, motor fuel tax and tobacco tax are also deferred.
- The scheduled increase to the carbon tax rate, and application of PST to e-commerce transactions and sweetened and carbonated drinks, will be delayed.

B.C.'s COVID-19 Action Plan complements federal measures to support businesses:

- The federal government is providing up to 75% wage subsidy for qualifying businesses, for up to three months, retroactive to March 15, 2020, to help businesses to keep and return workers to the payroll.
- The maximum duration of the Work-Sharing program has been extended from 38 weeks to 76 weeks.
- The Business Credit Availability Program will provide \$65 billion of additional support and credit solutions for individual businesses, including the Canada Emergency Business Account and the Loan Guarantee for Small and Medium-Sized Enterprises.
- All businesses can defer, until Aug. 31, 2020, the payment of any income tax amounts that become owing on or after March 18, 2020, and before September 2020. No interest or penalties will accumulate on these amounts during this period.
- All businesses, including self-employed individuals, can defer payments of GST/HST and customs duty until June 30, 2020.

Contacts:

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www.gov.bc.ca/covid19
Or call 1 888 COVID19 (1 888 268-4319)
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Staff Report for Decision

DATE OF MEETING MAY 4, 2020

AUTHORED BY WENDY FULLA, MANAGER, BUSINESS, ASSET AND FINANCIAL PLANNING

SUBJECT **2020 – 2024 Financial Plan Options**

OVERVIEW

Purpose of Report

To receive direction from Council on the Final 2020 – 2024 Financial Plan. |

Recommendation

That Council direct Staff to prepare the “Financial Plan Amendment Bylaw 2020 No. 7307.01” based on the current Final 2020 – 2024 Financial Plan, Option #1.

BACKGROUND

Council at the 2020-JAN-13 Council Meeting adopted the Provisional 2020 – 2024 Financial Plan Bylaw “Financial Plan Bylaw 2019 No. 7307”. The Financial Plan reflected decisions made by Council during the budget review process in 2019. The projected property tax increases in the Provisional 2020 – 2024 Financial Plan were:

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	4.2%	1.9%	2.4%	1.9%	1.8%
Total Municipal Taxes	5.2%	2.9%	3.4%	1.9%	1.8%

The 1% annual increase for the General Asset Management Reserve is currently scheduled to end in 2022. Staff intend to bring forward recommendations regarding increased funding for the General Asset Management Reserve prior the end of the annual increase.

At the 2020-APR-20, Special Council Meeting staff provided Council with an update on the projected property tax increase and provide alternative options.

A Final 2020 – 2024 Financial Plan Bylaw and a Property Tax Rates Bylaw must be adopted by 2020-MAY-15 to enable the calculation and collection of 2020 property taxes. |

DISCUSSION

The Final 2020 – 2024 Financial Plan is informed by policies and plans endorsed by Council including the *2019 – 2022 Strategic Plan*, the *Official Community Plan (OCP)* and the *20 Year Investment Plan* and supports 2020 Departmental Business Plans. Given the unforeseen impact

of the COVID-19 pandemic staff have provided two alternatives for Council's consideration and would recommend option 2 over option 3.

In considering the options a number of factors must be taken into consideration including:

- The extent of the economic impact of COVID-19 is uncertain. The three options provided reflect revenue and expenditure projections prior to the declaration of a Provincial Health Emergency.
- 2021 – 2024 property tax increases are a projection. They may increase or decrease as the 2021 Budget and 2021 – 2025 Financial Plan are developed. The City uses modified zero-based budgeting to update the Financial Plan each budget cycle.
- Revenue and growth projections for 2021 will be updated as part of the upcoming budget cycle. Economic conditions may require projections to be lowered. This will increase the tax rate in 2021 beyond the projected rate unless corresponding expenditure reductions are also implemented. To reduce expenditures, changes to service levels would likely need to be considered.
- At the 2020-MAR-18, Special Council Meeting, Council approved Staff's recommendation to allocate \$2,955,073 of the 2019 General Surplus to the Special Initiatives Reserve to allow Council maximum flexibility in accessing these funds for the best use.
- Any funding used from the General Financial Stability Reserve must be repaid within a reasonable timeframe.
- One time funding to reduce property taxes results in an increase to the tax rate in year 2.

Option #1 – Approve 2020 – 2024 Financial Plan as Presented

Approve the 2020 – 2024 Financial Plan as presented 2020-APR-20.

Projected Property Tax Increases:

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	3.5%	2.0%	2.4%	1.9%	1.8%
Total Municipal Taxes	4.5%	3.0%	3.4%	1.9%	1.8%

Impact on Typical Home

	2019	2020	\$ Change	% Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761	1.7%
Property Taxes	\$2,110	\$2,205	\$95	4.5%
Municipal User Fees				
Water Fees	552	594	42	7.5%
Sewer Fees	135	141	6	4.0%
Sanitation Fees	170	171	1	0.6%
Total Municipal Taxes & User Fees	\$2,967	\$3,111	\$144	4.8%

Rounded to nearest dollar

Assumes a typical single family house with average assessment change of 1.69%

Option #2 – Smooth Property Tax Increase between 2020 and 2021

Allocate \$830,000 from the Special Initiatives Reserve to reduce 2020 property taxes by smoothing the 2020/2021 increases.

Projected Property Tax Increases:

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	2.8%	2.8%	2.4%	1.9%	1.8%
Total Municipal Taxes	3.8%	3.8%	3.4%	1.9%	1.8%

Impact on Typical Home

	2019	2020	\$ Change	% Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761	1.7%
Property Taxes	\$2,110	\$2,189	\$79	3.8%
Municipal User Fees				
Water Fees	552	594	42	7.5%
Sewer Fees	135	141	6	4.0%
Sanitation Fees	170	171	1	0.6%
Total Municipal Taxes & User Fees	\$2,967	\$3,095	\$128	4.3%

Rounded to nearest dollar

Assumes a typical single family house with average assessment change of 1.69%

Option #3 – No General Property Tax Increase, Property Tax Increase for General Asset Management Reserve Only

Allocate \$2,955,073 from the Special Initiatives Reserve and \$824,927 from the General Financial Stability Reserve to limit the property tax increase to the 1% annual increase for the General Asset Management Reserve.

Repayment of \$824,927 from the General Financial Stability Reserve is distributed over 2021 to 2024.

Projected Property Tax Increases:

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	0.0%	5.8%	2.4%	1.9%	1.8%
Total Municipal Taxes	1.0%	6.8%	3.4%	1.9%	1.8%

Impact on Typical Home

	2019	2020	\$ Change	% Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761	1.7%
Property Taxes	\$2,110	\$2,131	\$21	1.0%
Municipal User Fees				
Water Fees	552	594	42	7.5%
Sewer Fees	135	141	6	4.0%
Sanitation Fees	170	171	1	0.6%
Total Municipal Taxes & User Fees	\$2,967	\$3,037	\$70	2.3%

Rounded to nearest dollar

Assumes a typical single family house with average assessment change of 1.69%

OPTIONS

- That Council direct Staff to prepare the “Financial Plan Amendment Bylaw 2020 No. 7307.01” based on the current Final 2020 – 2024 Financial Plan, option #1.
 - The advantages of this option: Due to the economic uncertainty at this time and how this may affect 2021 this option provides the lowest projected starting point for 2021 property taxes giving Council the most flexibility for 2021 property tax rates. This option also leaves the full \$2,955,073 allocated to the Special Initiatives Reserve from the 2019 General Surplus available to fund any potential shortfall to 2020 revenues or costs incurred because of COVID-19 and the resulting closure of facilities with no impact to future tax rates.
 - The disadvantages of this option: Provides no additional financial relief for residents.
 - Financial Implications: Allows for the calculation of the 2020 property taxes and preparation of the property tax bylaw.
- That Council direct staff to prepare the “Financial Plan Amendment Bylaw 2020 No. 7307.01” so that the projected property tax increase is smoothed between 2020 and 2021, option #2.
 - The advantages of this option: Provides some additional financial relief to residents in uncertain economic times. This option also leaves an unallocated balance of \$2,125,073 in the Special Initiatives Reserve, which could be a potential funding source for any shortfall to 2020 revenues or costs incurred because of COVID-19 and the resulting closure of facilities.
 - The disadvantages of this option: Increases the projected starting property tax increase for 2021 as reserve funding is one-time funding. Due to the uncertainty around how quickly the economy may recover this may, put additional upward pressure on property taxes in 2021.
 - Financial Implications: Allows for the calculation of the 2020 property taxes and preparation of the property tax bylaw.

3. That Council direct Staff to prepare the “Financial Plan Amendment Bylaw 2020 No. 7307.01” with no general property tax increase and a 1% increase for the General Asset Management Reserve as per option #3.
 - The advantages of this option: Provides some additional financial relief to residents in uncertain economic times.
 - The disadvantages of this option: Substantially increases the projected starting property tax increase for 2021 as reserve funding is one-time funding. As well, the funding from the General Financial Stability Reserve will need to be repaid. If additional funding were required to address any shortfall to 2020 revenues or costs incurred because of COVID-19 and the resulting closure of facilities additional funding would be needed from the General Financial Stability Reserve. This would affect future property tax increases, as funds must be repaid. Furthermore, due to the uncertainty around how quickly the economy may recover this may put additional upward pressure on property taxes in 2021 additional
 - Financial Implications: Allows for the calculation of the 2020 property taxes and preparation of the property tax bylaw.
4. That Council table the report and request more information from Staff.
 - The disadvantages of this option: Additional meetings may be required to complete adoption of bylaws by 2020-MAY-20 deadline. |

SUMMARY POINTS

- The project property tax increase for 2020 based on the current Final 2020 – 2024 Financial Plan is 4.5%.
- Alternative options for Council to lower 2020 property tax rates have been presented.
- A Final 2020 – 2024 Financial Plan Bylaw and a Property Tax Rates Bylaw must be adopted by 2020-MAY-15 to enable the calculation and collection of 2020 property taxes.

Submitted by:

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Manager, Business, Asset and Financial
Planning

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Director, Finance

Shelley Legin
General Manager, Corporate Services

Sectors
Commercial Business/Service
Development
Finance
Industry
Labour
Social
Tourism
Transportation
Other
Accessibility and Inclusiveness
Chamber of Commerce
Construction
Culture
Education
Environment
Ferries
Health
High tech
MP/MLA
Multicultural
Real Estate

Community Charter

http://www.bclaws.ca/civix/document/id/complete/statreg/03026_00

Local Government Act

http://www.bclaws.ca/civix/document/id/complete/statreg/r15001_00

Federation of Canadian Municipalities:

“Protecting Vital Municipal Services”

<https://data.fcm.ca/documents/resources/reports/protecting-vital-municipal-services.pdf>

Union of British Columbia Municipalities

- Financial Impact of COVID-19 on local governments:

https://www.ubcm.ca/EN/meta/news/news-archive/2020-archive/ubcm-covid-19-outreach-advocacy.html?utm_source=The+Compass+-+April+3%2C+2020&utm_campaign=The+Compass+-+April+3%2C+2020&utm_medium=email

- COVID-19 Orders and Advisories for Local Government:

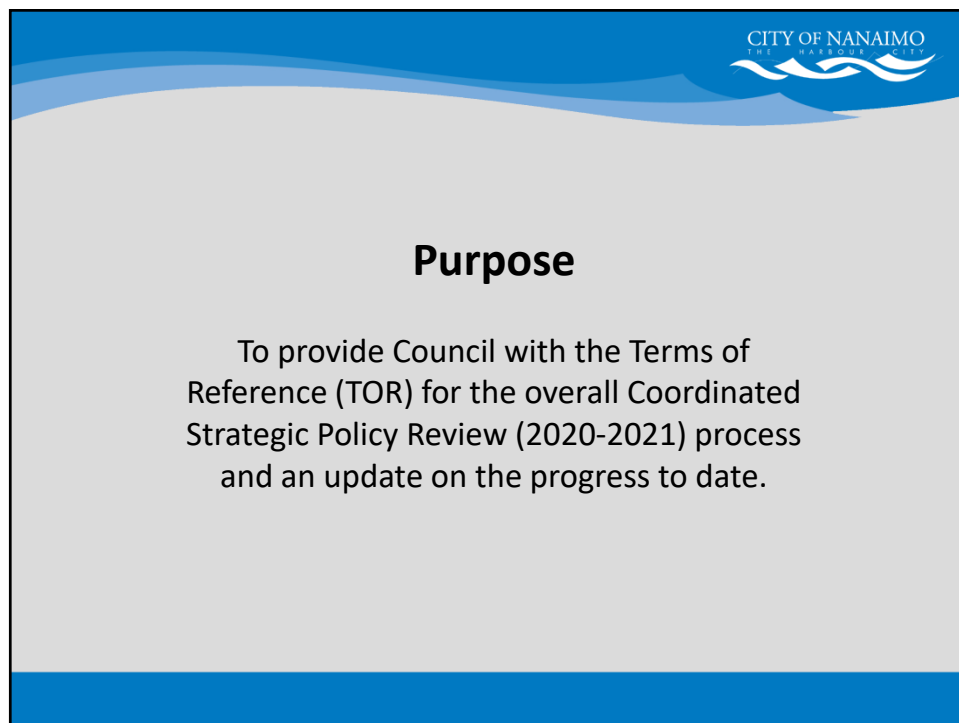
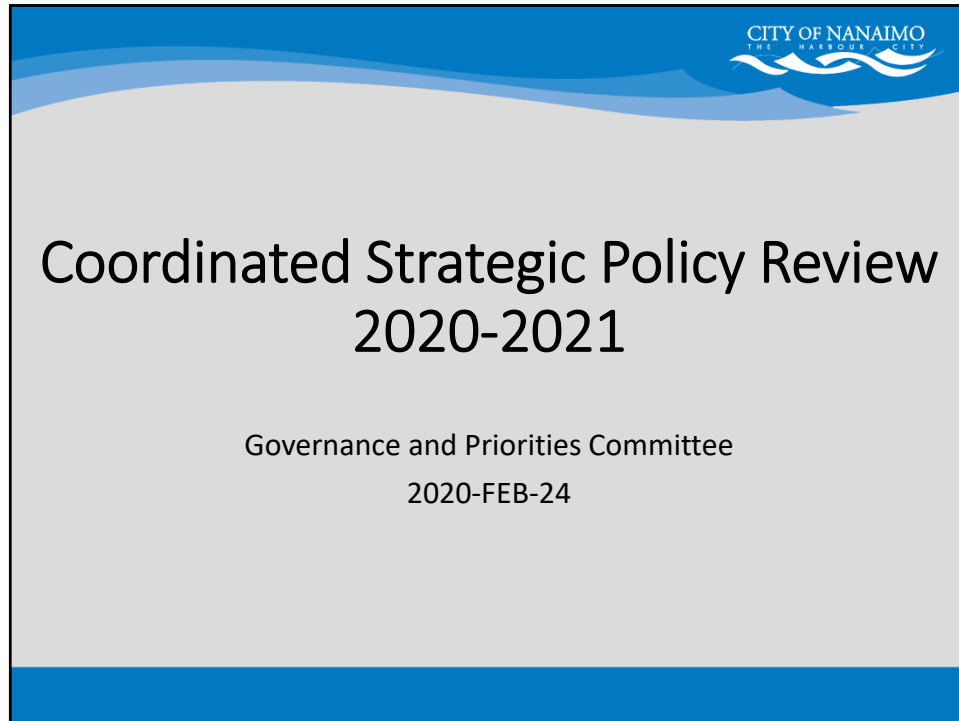
<https://www.ubcm.ca/EN/main/resources/covid-19-orders-advisories-for-local-government.html>

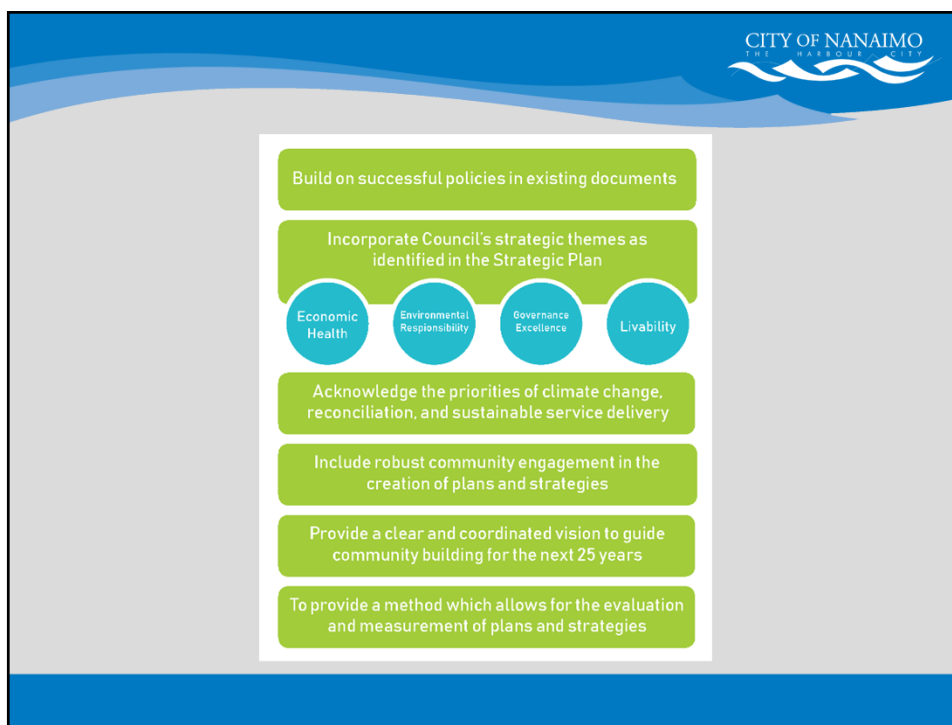
- Changes to BC's property tax framework:


<https://myemail.constantcontact.com/Changes-to-property-tax-framework--Expanded-CERB-eligibility.html?soid=1110936526726&aid=Mhm19M2CO9w>

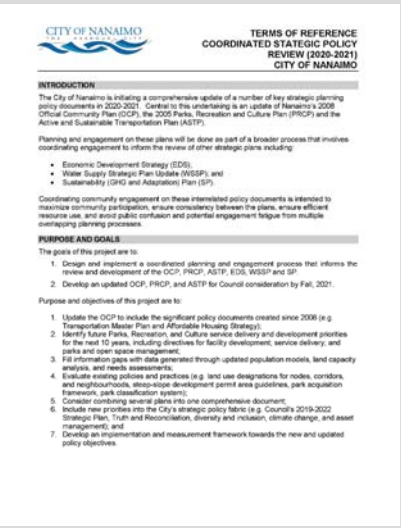
City of Nanaimo Strategic Plan

<https://www.nanaimo.ca/your-government/city-council/council-initiatives/2019-2022-strategic-plan>









TOR Key Elements:

- Purpose and Goals
- Guiding Principles
- Process and Timeline
- Steering Committee
- City Committees
- Public Consultation
- Resources



Project Management







December 2019


January 2020

February 2020

CITY OF NANAIMO
THE HARBOUR CITY

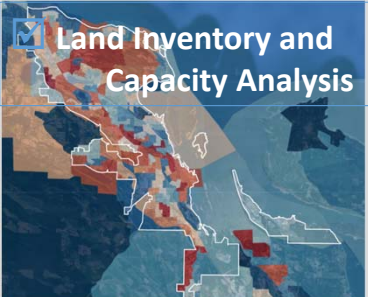
Background Research

☒ Parks, Recreation and Culture GIS Analysis



☒ Steep Slopes Development Permit Area (DPA) Review

☒ Land Inventory and Capacity Analysis



☒ Demographic Analysis

City of Nanaimo Recent Growth

Year	Population
2006	78,692
2011	83,810
2016	94,525

CITY OF NANAIMO
THE HARBOUR CITY

Next Steps

February 2020:

- Consultants confirmed
- Finalize background research

March 2020:

- Branding launch
- Engagement framework to Council for approval

May/June 2020:

- Engagement kickoff!





LOGO RATIONALE

- Blue and yellow circles, representing the individual and collective voices of the community, overlap to create a green shape, representing a focused and common vision for growth and renewal.
- The upward motion of the circles gives the concept a sense of positivity, energy and motion.
- Hand-illustrated typography represents both individuality and authenticity:
 - Individuality - Imperfect letter shape and sizing represents how each person in our community is unique and has their own voice.
 - Authenticity - Natural and spontaneous, this is a conversation not a contrived interaction.

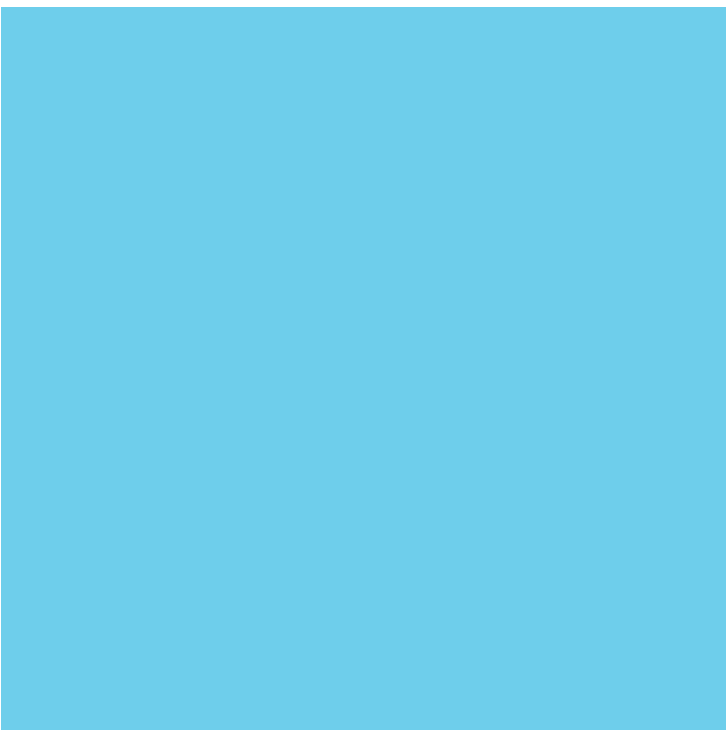
COLOUR RATIONALE

Colour choice is powerful. It is a non-verbal form of communication that can speak volumes in a second. Colour sets a mood, conveys emotion and inspires people to take action. Below is the colour palette for the City Spark brand with a list of associated qualities / feelings that are communicated by the colour, and ultimately by the City Spark brand.



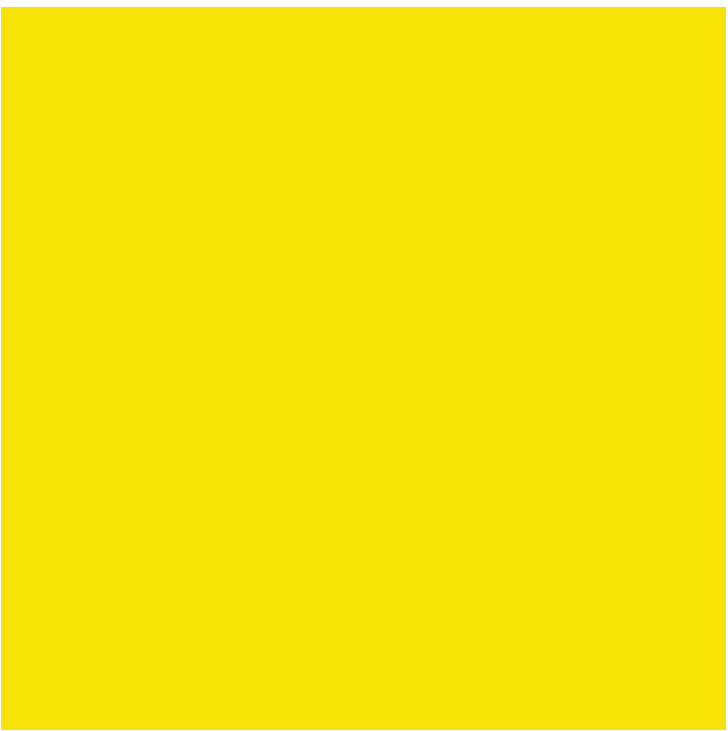
BLACK

- Contemplative
- Creative
- Visionary
- Introspective
- Intuitive
- Empowering
- Boldness
- Strength
- Stability



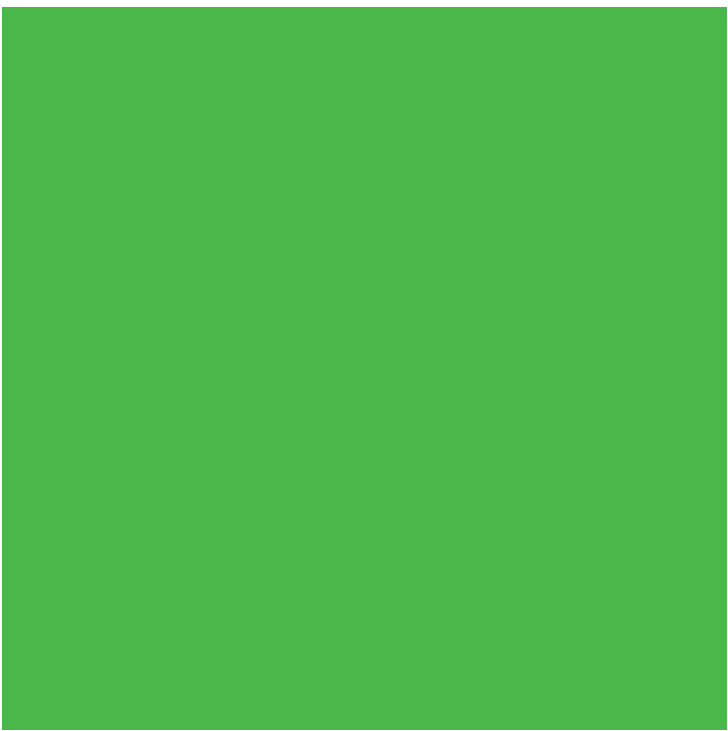
LIGHT BLUE

- Valuable
- Dependable
- Constant
- True
- Expansive
- Water & Sky
- Trust
- Openness
- Communication



BRIGHT YELLOW

- Energizing
- Warm
- Optimistic
- Illuminated
- Innovative
- Engaging
- Expansive
- Sociable
- Spontaneous



FRESH GREEN

- Fresh
- Young
- Imaginative
- Growing
- Renewing
- Healthy
- Balanced
- Full of Life



Our City, Our Voices.

TAGLINE RATIONALE

- Inclusive and unique, it captures a spirit / attitude Nanaimo residents can identify with.
- Authentic and thought-provoking, it stirs up emotions and makes the target audience stop and think.
- This tagline compliments and creates harmony between the brand identity and tagline by using double O's, directly correlating with the two overlapping circles in the icon. This further enforces the brand position of individual and collective voices coming together for the community.
- It creates a sense of identity and community spirit by making people feel like their voice is being heard.

This tagline speaks directly to residents and allows them to take ownership over what changes are possible and what impact they can make both as individuals and a united community.



Our City, Our Voices.

NEXT STEPS

With a finalized brand and tagline, we are ready to move into development of ads and assets. Our team's next step will be working closely with Array to review the existing City of Nanaimo advertising opportunities, along with new external advertising opportunities.

This process will include a deeper dive into marketing campaign messaging and copywriting support for audio / radio ads, as well as graphics for Bang the Table and City of Nanaimo websites, social media, and local ad placements. Delivery of the logo files and brand identity guidelines will also be provided for other consultants supporting the City of Nanaimo with the OCP planning process.

Economic Report

<https://www.yumpu.com/en/document/read/63092197/nanaimostateeconomy-digital>

2020 Business Plan

<https://www.nanaimo.ca/your-government/budget-finance/budget-information>



2020 – 2024 Financial Plan



Contents

Page	3 – 5	2020 – 2024 Financial Plan Quick Facts
Page	6 - 8	Financial Planning Framework
Page	9	Financial Plan Process
Page	10	Financial Plan Overview
Page	11 - 12	Key Budget Drivers
Page	13 - 15	2020 Revenues
Page	16 - 19	2020 Operating Expenses
Page	20 - 44	2020 – 2024 Project Plan
Page	45 - 51	Appendix A – Reserves Summary

2020 – 2024 Financial Plan Quick Facts

Property Tax Increases

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	3.5%	2.0%	2.4%	1.9%	1.8%
Total Municipal Taxes	4.5%	3.0%	3.4%	1.9%	1.8%

The approved annual 1% property tax increase for contribution to the General Asset Management Reserve currently ends in 2022.

Sanitary Sewer and Water User Fee Increases

	2020	2021	2022	2023	2024
Sanitary Sewer User Fee Increase	4.0%	4.0%	4.0%	0.0%	0.0%
Water User Fee Increase	7.5%	5.0%	5.0%	5.0%	5.0%

Impact on a Typical Home

	2019	2020	\$ Change
Assessment - Average Home	\$518,384	\$527,145	\$8,761
Property Taxes	\$2,110	\$2,205	\$95
Municipal User Fees			
Water Fees	552	594	42
Sewer Fees	135	141	6
Sanitation Fees	170	171	1
Total Municipal Taxes & User Fees	\$2,967	\$3,111	\$144
Other Governments			
V.I. Regional Library	94	95	1
Regional District	436	473	37
Regional Hospital District	84	85	1
School District	833	870	37
BC Assessment & MFA	20	23	3
Total Other Governments	\$1,467	\$1,546	\$79
Total Tax Levy & User Fees All Governments	\$4,434	\$4,657	\$223

Rounded to nearest dollar

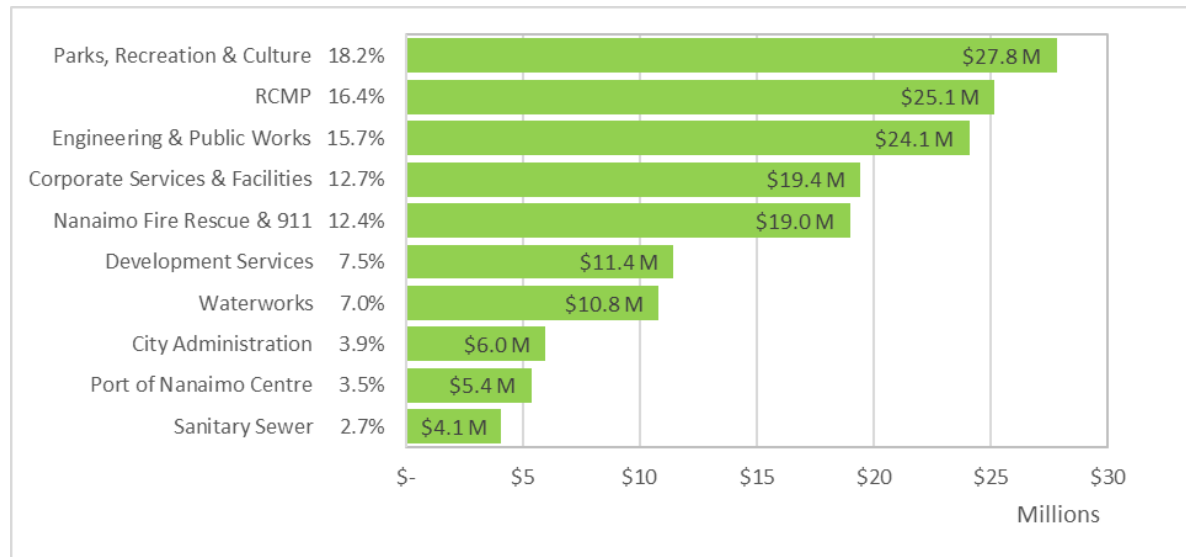
Assumes a typical single family house with average assessment change of 1.69%

Budget Highlights

- Increased funding for Economic Development.
- 15 new RCMP members, three per year over a five-year period, 2020 – 2024.
- Continuation of the multi-year project to replace Fire Station #1.
- Metral Drive Complete Street project - this comprehensive project stretches from Mostar Road to Aulds Road and includes infrastructure improvements such as streetlights, sidewalks, cycling facilities as well as utility renewals and upgrades.
- Investment of over \$20 million in the next 5 years in cycling and pedestrian amenities.
- Construction of a new dock facility at Gallows Point to ensure safe and usable public access for residents and emergency services.
- Completion of the first lit baseball field in Nanaimo at Serauxmen Stadium.
- Construction of the Harewood Youth Park as per the Harewood Centennial Park Improvement Plan.
- Phased development of the Waterfront Walkway.

2020 Operating Budget

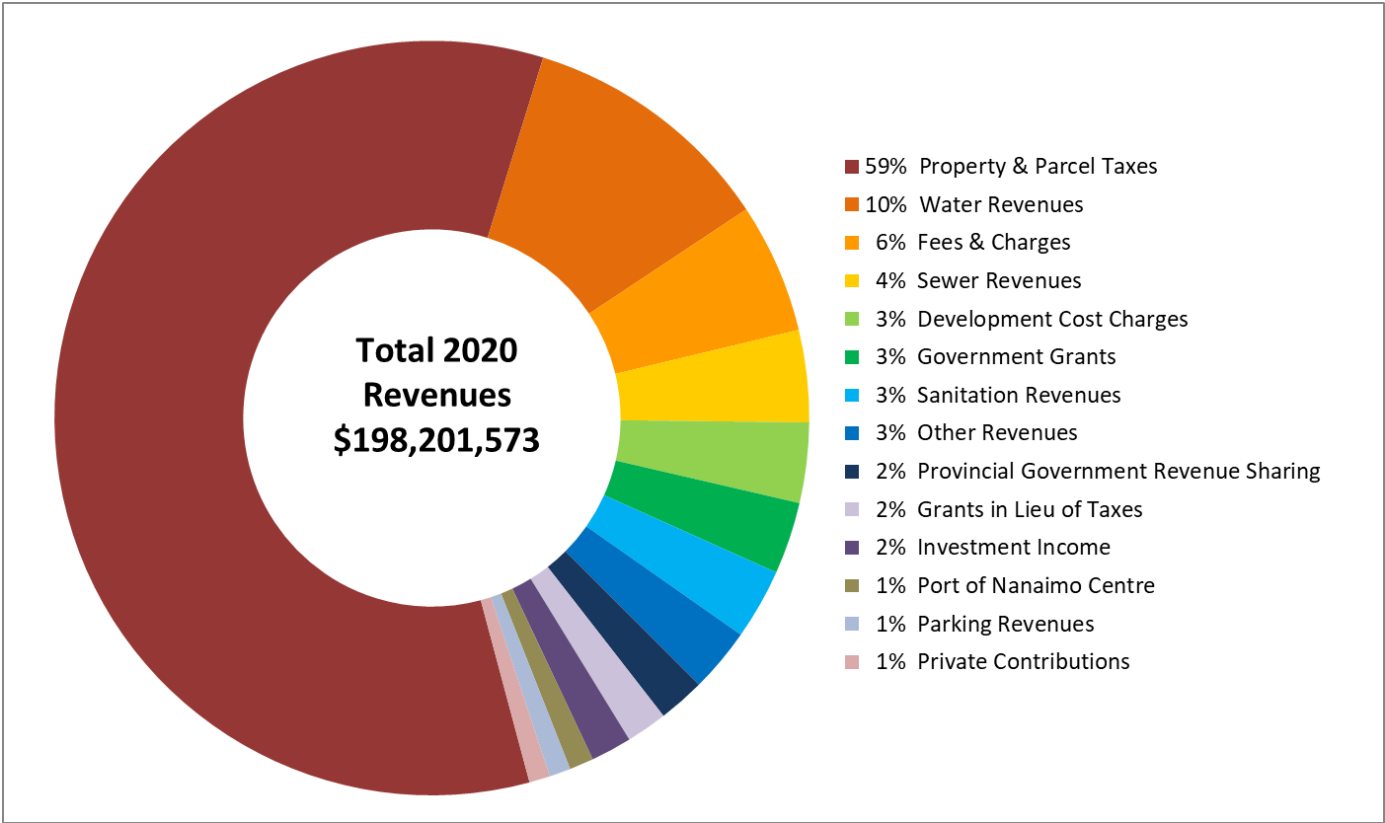
\$153.1 million will be spent for annual operating and maintenance resources that deliver day-to-day City Services.



2020 Revenue

\$198.2 million provides funding for the City’s day-to-day operations, projects, contributions to reserves and the Vancouver Island Regional Library (VIRL). \$116.8

million of funding is from property taxes excluding property taxes collected for the RDN, School, and Hospital.



Financial Planning Framework

The City's integrated planning framework is comprised of separate but complementary planning processes. These processes support alignment and integration of resources and activities to achieve the strategic goals and priorities set by Council.

Strategic Plan

In early 2019, Council developed and adopted the *2019 – 2022 Strategic Plan*. The Strategic Plan has four strategic themes and ten focus areas, which set out Council priorities and will guide Council decision making and the Financial Plan over the Council term.

Environmental Responsibility

Key Focus Areas

1. Take a leadership role and focus on our environmental impact and climate change contributions in our decision making and regional participation.
2. Ensure our community and transportation planning are designed to encourage multi-modal transportation.

Governance Excellence

Key Focus Areas

3. Ensure we are structured and resourced for expeditious, high quality decision making and action within our risk framework.

4. Focus on targeted advocacy with other levels of government to support our strategic goals and long-term interests.



Livability

Key Focus Areas

5. Support the provision of affordable and accessible housing for all our community needs.
6. Be a City in which all people live, work, play, create and learn in a safe and connected community.
7. Improve opportunities for active transportation in order to encourage a healthier and environmentally responsible community.

Economic Health

Key Focus Areas

8. Have Downtown recognized as a livable and desirable heart of our community.
9. Focus on business retention and expansion; and, position Nanaimo as the best place to

grow a business with a focus on businesses that align with our strategic direction.

- 10. Continue to increase opportunities for residents to access our waterfront and natural environment.



2019 -2022 Strategic Plan

20 Year Investment Plan and Asset Management Update and Development Cost Charges (DCC) Review

On April 5, 2017, staff presented a 20 Year Infrastructure Investment Plan to Council. The plan included projected investment required over the next twenty years for current infrastructure renewal, for new/upgraded infrastructure required due to growth and for specific investment.

Development of the City's first 20 Year Infrastructure Investment Plan was led by the City's Asset Management Steering Committee and included input from the DCC Review Committee. Both committees had representation from across the organization including engineering, development, facilities, IT and finance disciplines.

Council approved the following recommendations to close the funding gap:

- Continuation of 1% annual increase to property taxes to 2022 for contributions to the General Asset Management Reserve.
- Completion of the DCC Review and adoption of new rates bylaw – new DCC rates bylaw was adopted April 2018
- Continued development of the City's asset management capacity

The 2020 - 2024 Financial Plan includes a 1% property tax increase for the first three years for contribution to the General Asset Management Reserve. The City's Asset Management Steering Committee is currently leading several key initiatives to further develop its asset management capacity.

City of Nanaimo 20 Year Investment Plan

Departmental Business Plans

Updated annually, departmental business plans outline how the department will achieve the City's goals and support annual budget requests. Annual revisions ensure that the business plans remain current and responsive to emerging issues, challenges and changing conditions.

10 Year Project Plan

The 10 year project plans identify budgets required to complete infrastructure renewal, increase infrastructure capacity required due to growth and implement Council's strategic priorities. Projects are classified as either operating or capital per the City's Capital Expenditure Policy.

Projects plans are updated annually to reflect changes in estimates, scope or timing as well as to incorporate new priorities or objectives.

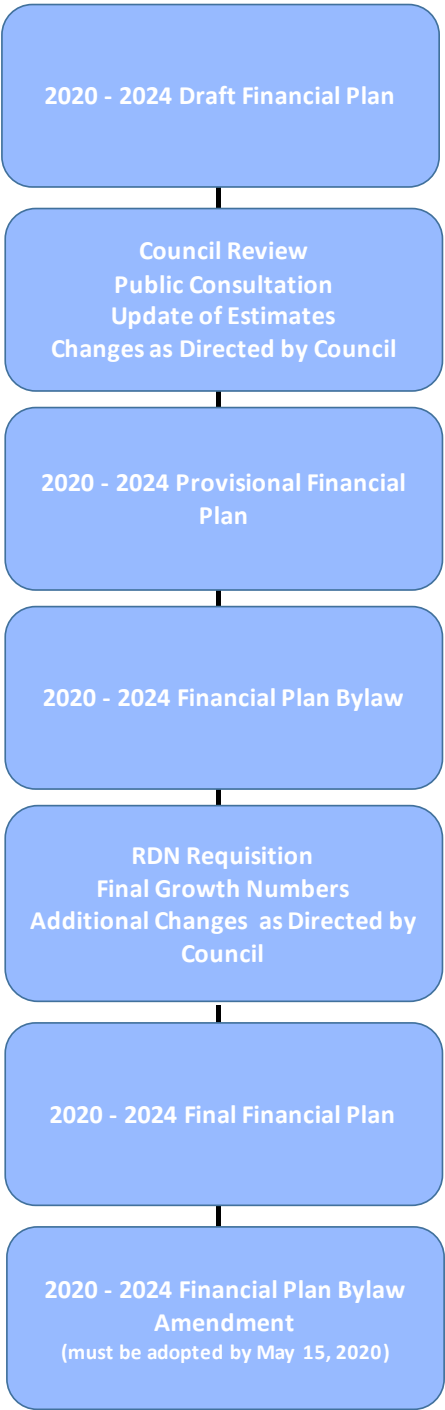
Financial Plan

Updated annually, the City's five-year financial plan includes budgeted revenues and expenditures for:

- Delivery of day-to-day services to the community
- Investment in infrastructure
- Delivery of strategic initiatives
- Enabling long term funding strategies

Financial Plan Process

The 2020 – 2024 Financial Plan contains budget estimates where final numbers are not available.



Financial Plan Overview

The City's principal activities include the provision of local government services to residents. Services provided include police and fire protection, solid waste collection, management of roads, drainage, sanitary sewer, waterworks and parks infrastructure, along with the delivery of leisure and cultural services. The City also acts as a regulatory body with respect to business licensing, building permits and inspection, land use, development planning and subdivision approval services. Services such as library and sewer treatment are provided through other boards and partnerships with other governments.

Annual Operating and Project Planning

The City's financial planning is organized into departmental business plans that identify the resources required to carry out the City's day-to-day functions and services, and into project plans that identify the resources required to complete infrastructure renewal, construct new infrastructure and deliver strategic initiatives. Operating budgets are sometimes referred to as 'base' budgets. Projects

are classified as either operating or capital per the City's Capital Expenditure Policy.

Key Budget Assumptions

In the 2020 – 2024 Financial Plan, 2% increases were used for expenditures in years two to five except where information that is more specific was identified. Revenue from fees and charges and sales of service were estimated to increase at a rate of 1% per year, again for years two to five, while other revenues were expected to remain unchanged.

The majority of City staff members are employed under two main Union bodies, the Canadian Union of Public Employees (CUPE Local 401) and the International Association of Fire Fighters (IAFF). The City and CUPE reached a four-year agreement, covering January 1, 2019 – December 31, 2022 in March 2019. The CUPE agreement includes wage increases of 2.0% each year. The current contract with the IAFF expires on December 31, 2019. A contingency for wage increases has been included in the 2020 – 2024 Financial Plan.

Key Budget Drivers

The City of Nanaimo continues to grow, with increased revenues from assessment growth helping to offset the impact of inflation on the City's budget. Council continues to be faced with the challenge of balancing current financial resources to meet the needs of a growing community and the community's capacity and willingness for increased taxes.

Significant Changes - Strategic Infrastructure Reserve

In 2016, Council approved the creation of a Strategic Infrastructure Reserve. The reserve provides a sustainable funding source for Council's strategic

priorities and initiatives. Contributions to this reserve are from the transition of annual Casino and Fortis revenues from general operating revenues. This change impacts property taxes during the transition period as these revenues will no longer fund operating expenditures.

In November 2019, Council approved capping the annual contribution to the Strategic Infrastructure Reserve to 100% of annual Fortis revenues and 67% of annual Casino revenues. Based on this change 2020 is the final year of the transition.

2020 Key Budget Drivers

The 2020 net expenditure budget (General Fund) increased \$4,852,000. Significant budget changes are provided below.

Expenditure Increases/(Decreases)	
Asset Management	\$ 1,010,000
Wages and Benefits ¹	3,340,000
Contracted Services - Landscaping/Tree Services	108,000
Council Contingency	(100,000)
Economic Development ²	467,000
Fleet Charge - Fire	100,000
Legal Fees	123,000
Project Expenditures	
Annual general revenue funding	521,000
RCMP Contract (budgeted at 95%)	1,581,000
Snow and Ice Control Reserve	(275,000)
Sewer and Water Internal Support	(199,000)
Utilities - Water and Sewer	154,000
Subtotal Expenditure Increases	\$ 6,830,000
Revenue (Increases)/Decreases	
Building Permit Revenue	(200,000)
Casino Revenue	(100,000)
Grant in Lieu	(146,000)
Provincial Fine Revenue	(233,000)
Recreation Facilities/Sportsfield Agreement	(104,000)
Transfer from RCMP Contract Reserve	(268,000)
Transfer from Surplus/Reserve ³	500,000
Subtotal Revenue Increases	\$ (551,000)
Other Changes	\$ 42,000
Net Expenditure Increases	\$ 6,321,000
Less Increased Property Tax Revenues due to Growth	1,469,000
Net Impact	\$ 4,852,000
Dollars are rounded to nearest \$1,000	

¹Excludes new Manager, Economic Development

²Includes new Manager, Economic Development

³\$500,000 in funding from reserves from 2017 surplus allocation was used to offset EHT in 2019

2020 Revenues

The City receives revenues from several sources with the main contribution from property taxes and user fees. Examples of revenues from other sources include grants, interest income and the Regional Parks Agreement.

Total projected revenues for 2020 are \$198.2 million with 59% coming from property taxes and 24% from user fees. Annual revenues provide funding for

annual operating and maintenance expenditures, funding for project expenditures, funding for annual contributions to infrastructure renewal reserves and the VIRL.

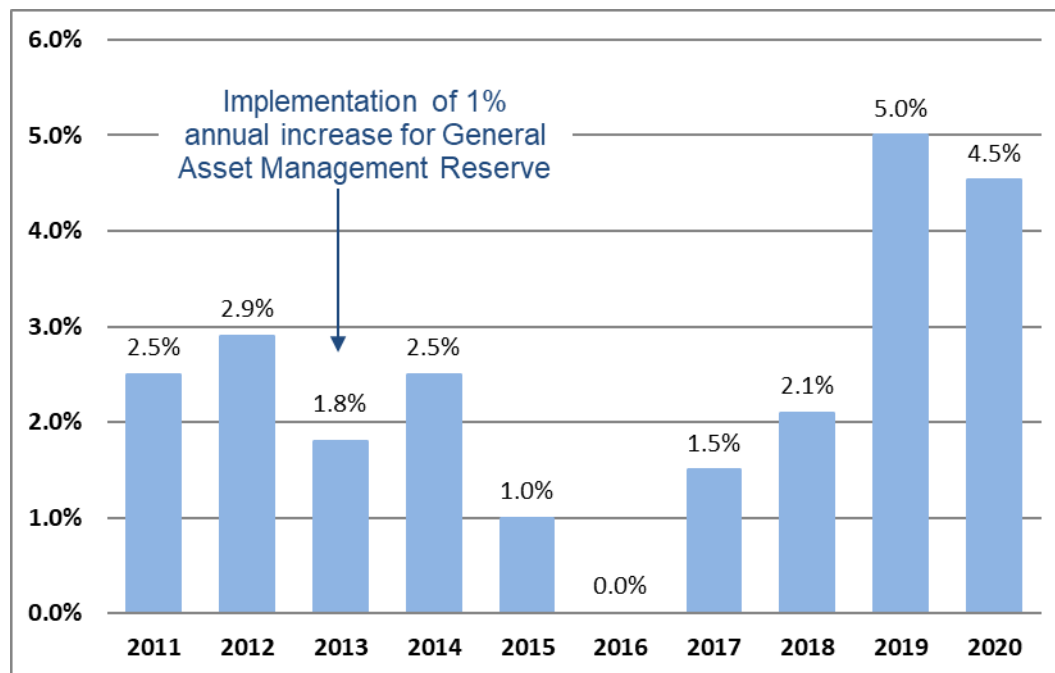
The primary funding source for city services is property taxes budgeted at \$116.8 million for 2020.

This is an increase of \$6.3 million (excluding VIRL) over 2019.

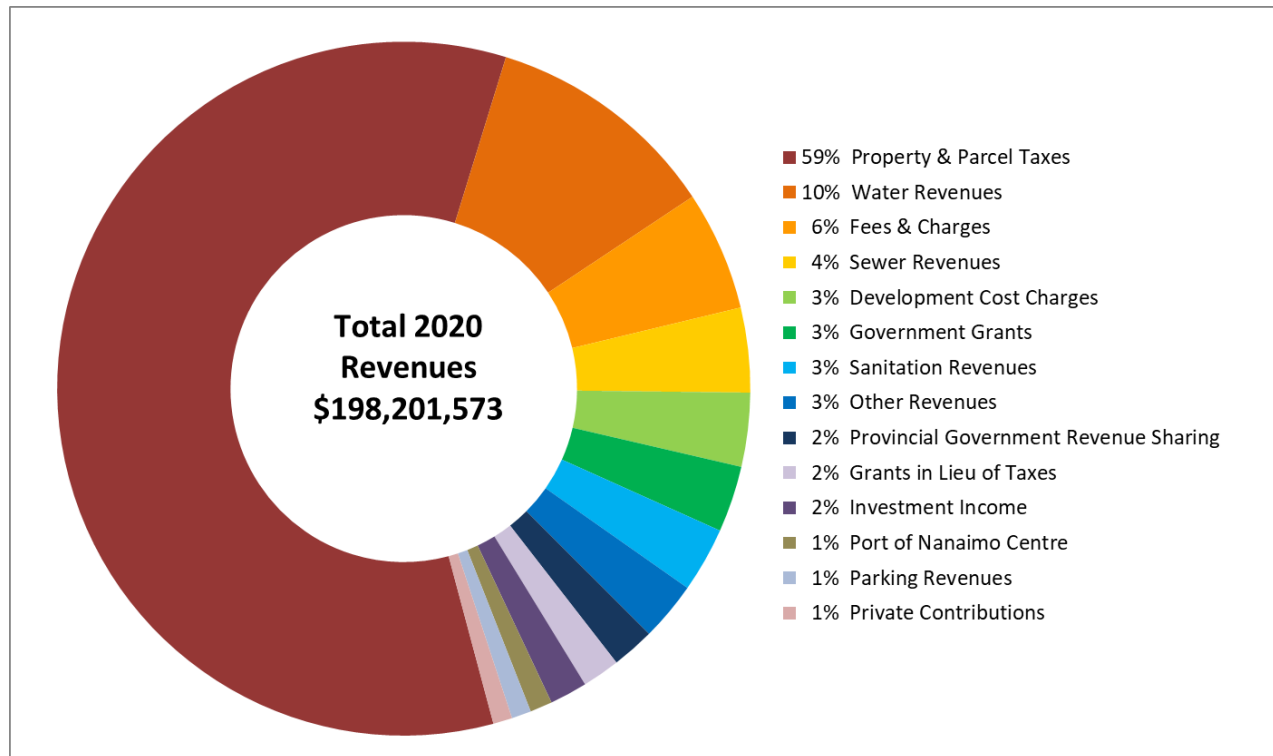
Five Year Financial Plan – Impact on Tax and User Fees

	2020	2021	2022	2023	2024
Municipal Property Tax Increase	4.5%	3.0%	3.4%	1.9%	1.8%
Sanitary Sewer User Fee Increase	4.0%	4.0%	4.0%	0.0%	0.0%
Water User Fee Increase	7.5%	7.5%	5.0%	5.0%	5.0%

Property Tax History



Revenue Breakdown



Taxation

Property taxes represent 59% of the City's 2020 revenues and finance a majority of the services provided by the City. Every property owner in the province must pay property taxes based on the value of their property unless the property is specifically exempted by provincial statute. The valuation of property within the City is determined by BC Assessment, a provincial Crown Corporation responsible for classifying and assessing the value of all real property in British Columbia.

User Fees

In accordance with the *Community Charter*, municipal governments set fees and charges by bylaw to cover reasonable costs of providing services to the public.

The City has adopted bylaws authorizing user fees for parks and recreation programs, parking, water, sewer and garbage utilities and animal control.

Development Cost Charges

Development Cost Charges (DCCs) are a method to fund infrastructure associated with growth. Monies are collected from land developers to offset some of the infrastructure expenditures incurred to service the needs of new development. DCCs are imposed by bylaw pursuant to the *Local Government Act* as a method to finance capital projects related to roads, drainage, sanitary sewer, water and parkland.

Grants

In addition to grants for specific capital projects, the City receives annual grants including under the Provincial Traffic Fine Revenue Sharing agreement. The City also receives grants in lieu of taxes from properties owned by the Federal or Provincial

Governments or their Agencies and from private utilities operating within the City of Nanaimo.

Casino Revenue

In November 1999, the City began to receive revenue from a casino operation. The City receives 10% of the net earnings from casino operations.

2020 Operating Expenditures

Annual operating expenses provide for the day-to-day delivery of services to the community. Projected 2020 operating expenditures are \$153.1 million.

In July 2019, Council endorsed a plan to restructure City operations. The changes realigned certain sections within City departments to better deliver on Council's strategic plan as well as rebuild capacity in areas that were affected by cuts over the last number of years. These departments include:

City Administration

- CAO's Office
- Human Resources
- Legislative Services
- Communications

Corporate Services & Facilities

- Finance
- Information Technology
- Police Services
- Emergency Management
- SARC/City Hall

Development Services

- Community Development - Community Planning, Real Estate, Bylaw

Enforcement/Parking, Business Licensing, Economic Development

- Development Approvals - Building Inspection, Subdivisions, Engineering and Environment, Current Planning

Engineering and Public Works

- Capital Projects
- Infrastructure Planning
- Cemeteries
- Fleet
- Solid Waste Management
- Transportation
- Drainage
- Sanitary Sewer
- Waterworks

Nanaimo Fire Rescue

Parks, Recreation & Culture

- Facility Operations and Maintenance
- Parks Operations
- Recreation and Culture

All budget information for prior years has been restated to reflect the new organizational structure.

Operating Expenditures by Department

	2019 Actuals	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Approved Budget	2024 Approved Budget
EXPENDITURES (\$)						
City Administration	\$ 5,338,641	\$ 5,967,054	\$ 6,004,540	\$ 6,277,588	\$ 6,230,656	\$ 6,356,069
Corporate Services & Facilities	16,577,467	19,431,326	19,019,577	19,340,014	19,701,580	20,078,854
Development Services	9,790,606	11,425,816	11,620,996	11,840,244	12,104,575	12,314,560
Parks, Recreation & Culture	26,375,756	27,816,859	27,651,116	28,789,152	29,950,992	30,763,058
Engineering & Public Works	22,487,402	24,078,949	24,806,740	25,378,898	25,623,394	25,629,459
Nanaimo Fire Rescue & 911	18,119,014	18,974,590	19,495,192	20,348,731	20,952,533	21,356,228
RCMP	23,789,008	25,146,094	26,431,105	27,683,324	28,988,621	30,317,401
Port of Nanaimo Centre	5,747,584	5,370,696	5,496,468	5,626,067	5,696,945	5,770,658
Sanitary Sewer	3,551,011	4,078,519	4,302,292	4,380,584	4,455,636	4,529,408
Waterworks	10,064,097	10,787,334	11,022,078	11,260,918	11,506,669	11,759,518
Annual Operating Expenditures	\$ 141,840,586	\$ 153,077,237	\$ 155,850,104	\$ 160,925,520	\$ 165,211,601	\$ 168,875,213
Internal Cost Allocations	(5,416,707)	(5,889,307)	(6,007,707)	(6,127,681)	(6,250,055)	(6,374,883)
Internal Charges to Asset Renewal Reserves	(2,785,147)	(2,800,715)	(2,925,275)	(2,995,569)	(3,128,223)	(3,377,274)
Internal Debt Repayment	(104,351)	(363,393)	(504,360)	(497,037)	(489,715)	(482,392)
Total Annual Operating Expenditures after Allocations and Charges	133,534,381	144,023,822	146,412,762	151,305,233	155,343,608	158,640,664
Staffing (FTEs) - Municipal	617.6	631.5	634.5	635.5	635.5	635.5
Staffing (FTEs) - RCMP	145.0	148.0	151.0	154.0	157.0	160.0

Employee Base – Full Time Equivalent (FTE) Analysis

The City budgets for a full staff complement in all departments. The only exception is for RCMP members, where 95% of the projected contract cost is budgeted for 2020 due to the history of vacancies and to minimize annual operating surplus.

2019 Updated Organizational Structure

In July 2019, Council endorsed a plan to restructure City operations. Under the new structure, four General Manager positions were implemented to head up Corporate Services, Development Services, Engineering and Public Works and Parks, Recreation and Culture. The restructure resulted in several position conversions, the creation of several new positions and the elimination of the Deputy Director, Financial Services position. Four of the positions created as part of the reorganization are being phased in as follows:

- Corporate Services
 - Director, IT – 2020
 - Assistant Accountant – 2021
 - Junior Financial Analyst (shared position within Finance) – 2021

- Engineering and Public Works
 - Manager, Facility Assets – 2021

New Positions Supported by Business Cases

The 2020 – 2024 Financial Plan also includes new positions supported by business cases:

- Administration
 - Deputy City Clerk - 2020
- Corporate Services
 - Prison Guards (2) - 2020
 - Records Clerk Conversion - 2020
- Development Services
 - Manager, Economic Development - 2020
 - Urban Forestry Technician - 2020
- Parks, Recreation and Culture
 - Allocations Clerk - 2020
 - Co-op Student - 2020
- Engineering and Public Works
 - Traffic Signal Technician – July 2020
 - Refuse Collector (2) – 2020 and 2022, approved in 2019 – 2023 Financial Plan
- RCMP
 - 15 additional new members, 3 per year starting in 2020, approved in 2019 – 2023 Financial Plan

FTE Schedule

	2016	2017	2018	2019	2020
City Administration	26.0	32.0	28.0	29.0	30.0
Corporate Services & Facilities	122.3	122.8	127.3	126.3	130.7
Development Services	66.0	68.0	68.0	72.0	76.0
Parks, Recreation & Culture	131.8	129.4	132.2	134.0	135.5
Engineering & Public Works	108.8	107.8	103.8	108.8	111.7
Nanaimo Fire Rescue & 911	105.8	105.8	104.3	108.3	108.3
RCMP	142.0	142.0	145.0	145.0	148.0
Sanitary Sewer	9.8	9.8	9.8	9.8	9.8
Waterworks	29.5	29.5	29.5	29.5	29.5
Total FTEs	742.0	747.1	747.9	762.7	779.5

Includes only permanent full-time and part-time employees

Change to Permanent FTE's

The chart below reflects the net change since the 2019 – 2023 Financial Plan was approved including restructuring and positions added as a result of current and prior year business cases.

positions added/eliminated in 2019 as a result of the

Staffing Changes	FTEs	Supporting Document
Positions Eliminated		
Corporate Services		
Deputy Director, Financial Services	(1.0)	Restructuring
Administration		
City Solicitor	(1.0)	
Positions Added		
Administration		
Deputy City Clerk	1.0	Business Case
Corporate Services		
General Manager, Corporate Services	1.0	Restructuring
Director, IT	1.0	Restructuring
Financial Analyst	1.0	Restructuring
Buyer	1.0	Restructuring
Prison Guards	2.0	Business Case
Convert Records Clerks from PPT to PFT	0.4	Business Case
Development Services		
Manager, Subdivisions	1.0	Restructuring
Manager, Economic Development	1.0	Business Case
Urban Forestry Technician	1.0	Business Case
Parks, Recreation & Culture		
Manager, Culture & Events	1.0	Restructuring
Manager, Facility Maintenance & Custodial Services	1.0	Restructuring
Allocations Clerk	1.0	Business Case
Engineering and Public Works		
Manager, Utilities	1.0	Restructuring
Traffic Signals Technician	1.0	Business Case
Refuse Collector	1.0	Business Case - Prior Year
RCMP	3.0	Business Case - Prior Year
	17.4	

Excludes positions converted as part of restructuring

2020 – 2024 Project Plan

Sustainability Challenges for Infrastructure

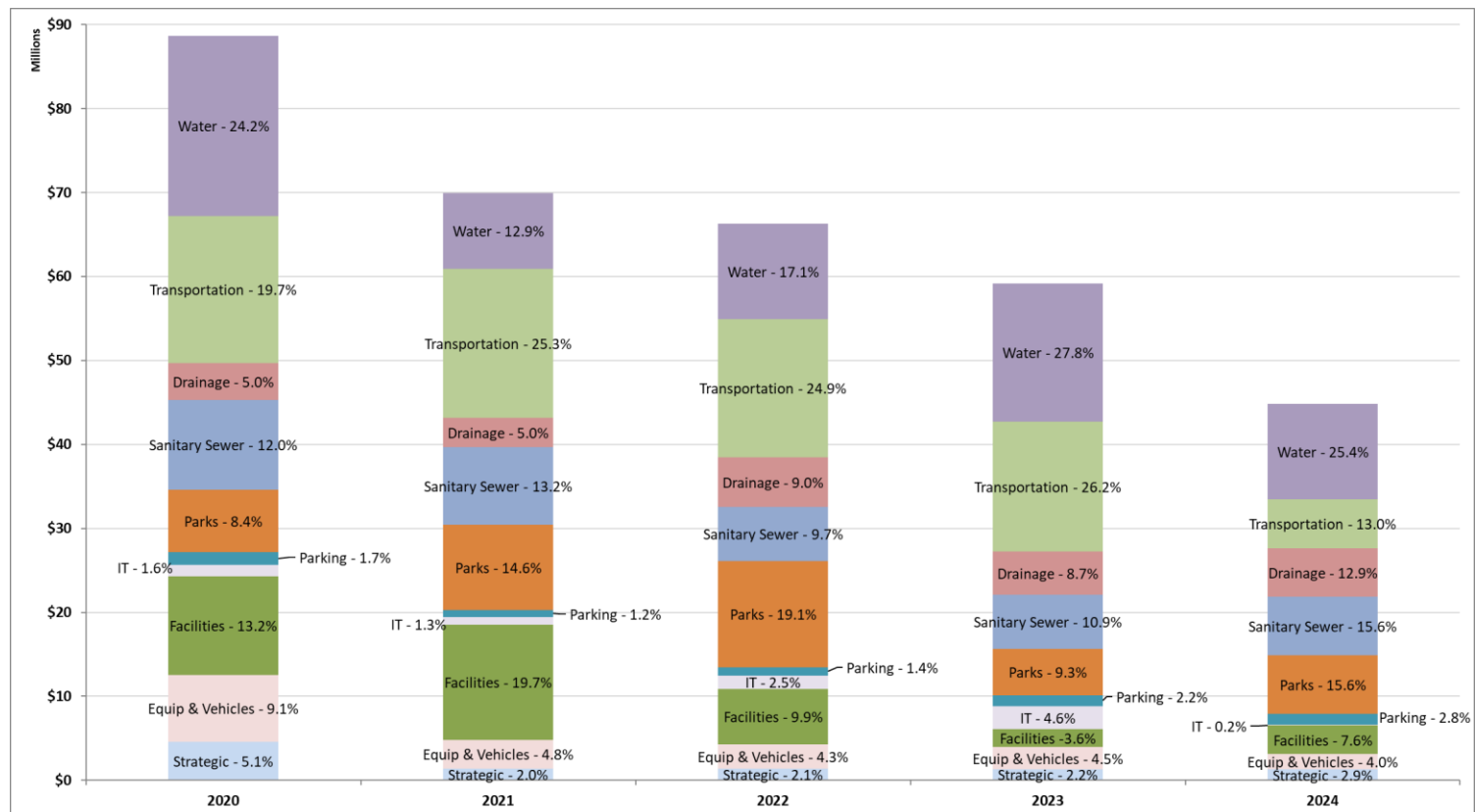
The City owns infrastructure with a current replacement cost in excess of \$3 billion. Over time, this infrastructure will need to be replaced and additional infrastructure will be required to support a growing community. With effective corporate planning, financial policies and direction, it is expected the City will continue to operate successfully in a challenging environment.

Projects included in the 2020 – 2024 Financial Plan focus on specific strategic initiatives, infrastructure renewal and new/upgrades to infrastructure that will address capacity issues and regulatory changes.

2019 Projects Carried Forward to 2020

Budgets for projects planned in 2019 that were not started or completed were carried forward to 2020. The 2020 project budget includes \$33.3 million for projects carried forward from 2019. Projects carried forward from 2019 are fully funded from reserves, grants and private contributions or debt.

The chart below provides a breakdown of planned investment in the next five years by category:



Definition of Capital Assets

Capital assets provide a benefit to the community beyond one year, are used to deliver services and usually require annual operating and maintenance expenditures. Examples include infrastructure such as buildings, roads, bridges, water and sewer facilities, as well as vehicles, computer equipment, and furniture.

For accounting purposes, projects are classified as either capital or operating. Projects that satisfy specific requirements as outlined in the City's Capital Asset Policy are classified as capital expenditures and are accounted for in the City's capital funds. Projects that are smaller in scope, and below specific capitalization thresholds, are classified as operating projects and accounted for in the City's operating funds. The 2020 – 2024 Project Plan section includes both capital and operating projects.

Annual Operating Impacts of the Capital Program

When constructing new infrastructure or facilities, there is typically, an annual operating and maintenance budget needed.

The City's infrastructure renewal programs support each department's ability to avoid unnecessary budget increases on annual operating and maintenance expenditures due to infrastructure being operated past its optimum useful life.

The City acquires new infrastructure each year through private sector development and through construction of new infrastructure. Annual operating and maintenance budgets are not specifically increased each year for this new infrastructure. During the annual budget review process, annual operating work plans, historical cost analysis and specific cost information support budget increases where needed for annual operating and maintenance programs for City infrastructure.

Project Planning

The City's project planning horizon is long term and includes comprehensive condition assessment of current infrastructure, future growth needs, and strategic initiatives. Lifecycle models and renewal plans for current infrastructure are updated annually. Long term planning identifies renewal and upgrade projects including scope of work, preliminary timing, and cost estimates. Where project timing is within the next five years more detailed design work begins to further define scope of work and cost estimates. To optimize efficiency, minimize costs, and reduce disruption to residents, all City infrastructure within that area will be evaluated for condition and capacity to ensure all necessary work is completed concurrently.

Where appropriate, business cases are developed to identify expected outcomes/benefits, investment options, and annual operating and maintenance

expenditures. Energy reduction projects include payback analysis to ensure energy cost savings will exceed required investment within a reasonable timeframe.

Project Funding Strategies

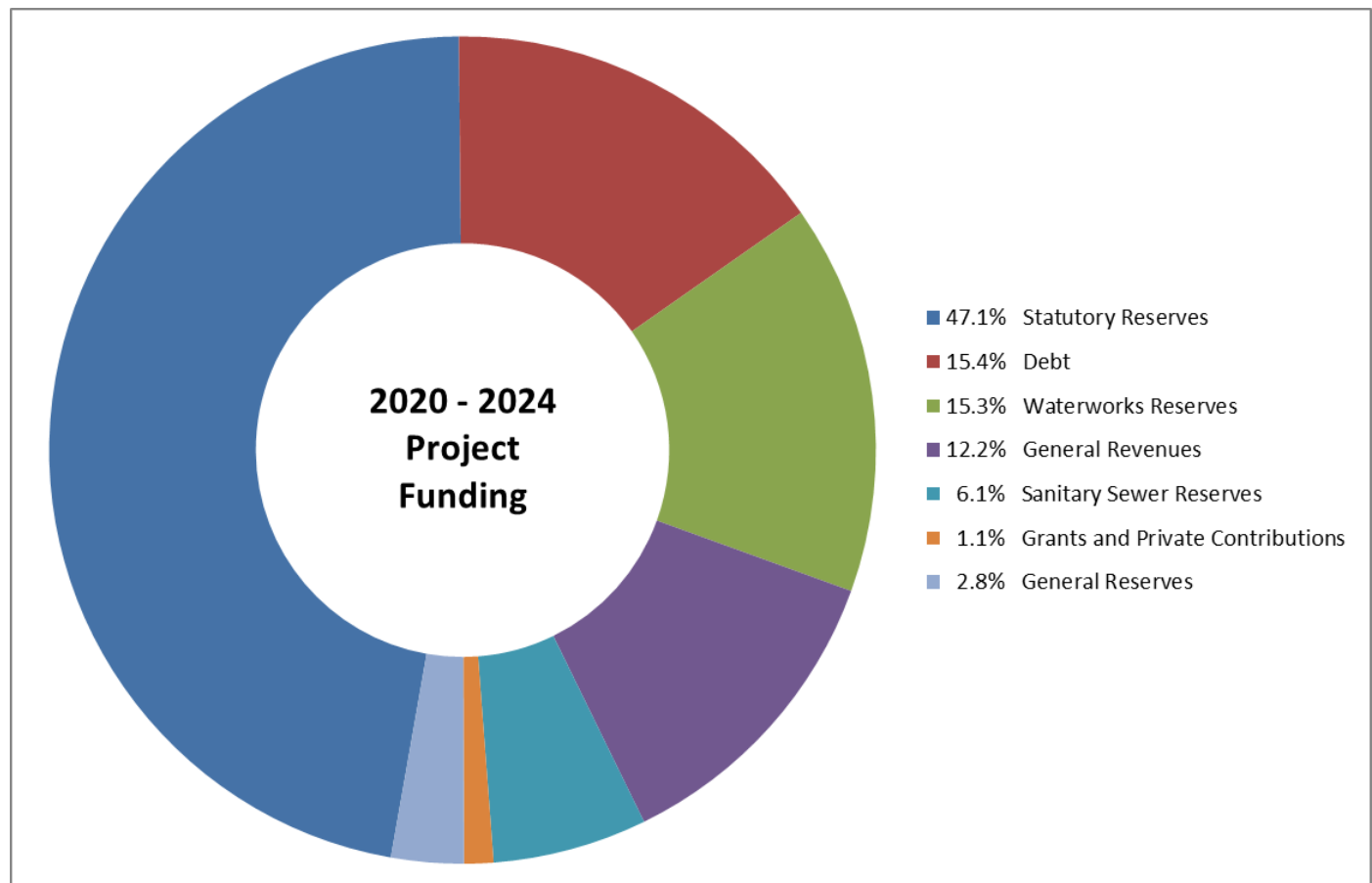
Funding strategies for the City's investment program include:

- Maintaining a reasonable and stable funding level from annual property tax revenues
- Annual contributions to asset management reserves

- Collection of DCCs from developers for new infrastructure required due to growth
- Seeking grants and private contributions

Project Funding Sources

Projects are funded from a number of sources including an allocation of annual property taxes, operating reserves, statutory reserve funds, grants, private contributions and borrowing. Projects in the 2020 – 2024 Financial Plan are funded from the following sources as per chart below.



Debt

In the past, it has generally been the City's practice to minimize external debt by using existing reserves to fund capital expenditures. Major projects that will benefit future residents have been and will continue to be financed with debt. This is based on the assumption that since future residents will benefit from the projects they should share in the costs by paying the debt servicing costs through future property taxes.

The maximum amount of debt, which may be held by a municipality, is restricted by its Liability Servicing Limit. This represents the cost of servicing debt throughout the year (including both interest and principal). The Liability Servicing Limit is set by the *Community Charter* and is defined as 25% of a municipality's controllable and sustainable revenues for the year.

For the City of Nanaimo, the Liability Servicing Limit at December 31, 2018* was \$43.1 million for annual

principal and interest payments and the City was at 11.0% of the current limit.

The City's outstanding debt represents a number of projects including: Nanaimo Aquatic Centre, Vancouver Island Conference Centre, Fire Station #4, Fire Station #1, Automated Solid Waste Collection (Trucks and Carts) and the Water Treatment Plant.

Outstanding debt at December 31, 2019 was \$41.6 million. This included \$4.1 million for short-term borrowing for the implementation of automated solid waste collection.

The 2020 – 2024 Financial Plan includes new external borrowing of \$44.2 million. This includes \$13.4 million for replacement of Fire Station #1, \$28.0 million for the Waterfront Walkway, \$1.9 million for DCC SS17: Millstone Trunk project and \$0.9 million in short term borrowing for two new automated garage trucks.

*2019 figures unavailable at time of publication

Current Borrowing at December 31, 2019 – External

Asset	Total Borrowing	Outstanding Borrowing at Dec 31, 2019	Net Annual Cost*	Year Borrowing Repaid
Fire Station #1	\$ 3,235,354	\$ 3,114,948	\$ 222,800	2038
Fire Station #4	\$ 3,750,000	\$ 1,857,777	\$ 209,900	2027
NAC	\$ 8,600,000	\$ 643,142	\$ 390,200	2020
Sanitation	\$ 5,695,967	\$ 4,081,272	\$ 1,204,100	2022/2023
VICC	\$ 30,000,000	\$ 14,055,732	\$ 1,600,500	2026/2027
WTP	\$ 22,500,000	\$ 17,864,082	\$ 1,562,600	2033/2034
	\$ 73,781,321	\$ 41,616,953	\$ 5,190,100	

*Rounded to nearest hundred

2020 – 2024 Financial Plan New Borrowing - External

20 Year Repayment Term

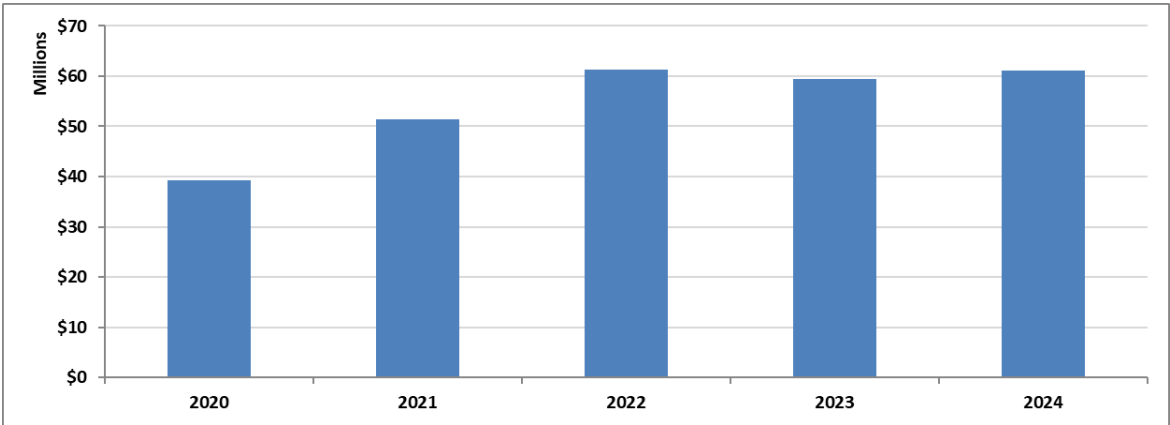
Asset	Total Borrowing	Net Annual Cost*	Years Borrowed
Fire Station #1	\$ 13,440,269	\$ 828,600	2020, 2021 and 2022
Waterfront Walkway	\$ 27,975,000	\$ 1,724,700	2021, 2022, 2023 and 2024
DCC SS17: Millstone Trunk North	\$ 1,896,300	\$ 117,000	2022 and 2024
	\$ 43,311,569	\$ 2,670,300	

5 Year Repayment Term

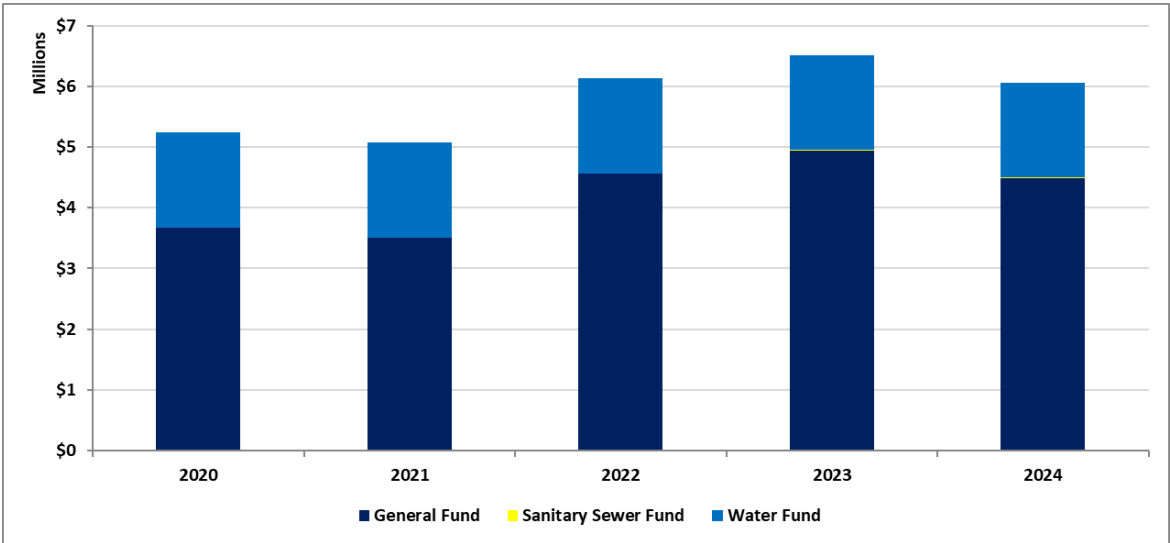
Asset	Total Borrowing	Net Annual Cost*	Year Borrowed
Sanitation - Truck	\$ 865,448	\$ 184,100	2020/2021
	\$ 865,448	\$ 184,100	

* Annual net cost shown on full borrowing rounded to nearest hundred

Projected Outstanding Debt – External



Projected Debt Principal and Interest Payments - External



Internal Borrowing

The City has many reserve funds established for specific purposes. Monies collected in each reserve fund must be used for the purpose that the fund was established. Under the *Community Charter, Section 189*, if necessary and monies are available a municipality may use monies from one reserve fund for the purposes of another reserve fund. Repayment must be within the time the ‘lending’ reserve fund

requires the funds to be available and must include interest.

The 2020 – 2024 Financial Plan includes internal borrowing from the Drainage DCC Reserve Fund to the Sewer DCC Reserve Fund, as the Sewer DCC Reserve Fund does not have adequate monies for planned projects.

2020 – 2024 Financial Plan

A summary of current and planned borrowings and repayments are shown below. Annual repayments, principal and interest, will be from the Sewer

Operating Fund to the Drainage DCC Reserve Fund until the Sewer DCC Reserve Fund has adequate monies for the annual repayment amounts.

Current Borrowing at December 31, 2019 – Internal

Asset	Total Borrowing	Outstanding Borrowing at Dec 31, 2019
DCC SS45 Chase River PS & Forcemain	\$ 2,931,250	\$ 2,857,969
	\$ 2,931,250	\$ 2,857,969

2020 – 2024 Financial Plan New Borrowing - Internal

20 Year Repayment Term

Asset	Total Borrowing	Years Borrowed
DCC SS45 Chase River PS & Forcemain	\$ 388,048	2020
DCC SS19 Millstone Trunk South	\$ 3,926,465	2020 and 2021
	\$ 4,314,513	

Projected Debt Principal and Interest Payments - Internal

2020	2021	2022	2023	2024
\$ 363,393	\$ 504,360	\$ 497,037	\$ 489,715	\$ 482,392

Grants and Private Contributions

The 2020 – 2024 Financial Plan includes funding from a variety of grants and private contributions, including a grant from the UBCM Strategic Priorities Fund, private contributions from local organizations and societies and use of annual monies received from the Nanaimo Port Authority.

Reserve Funding

The purpose of setting aside reserves is to provide funding for anticipated future expenditures, to ensure sufficient funds are available when required, and to limit the need to incur debt or require large increases in taxation or user fees.

In July 2019, Council adopted a new reserve policy that came into effect January 1, 2020. The 2020 – 2024 Financial Plan reflects the new policy.

Operating Reserves

Contributions to operating reserves are through annual contributions and allocations of prior year surplus. City operating reserves include:

- Financial stability reserves
- Infrastructure reserves
- Strategic priority reserves
- Other reserves

Statutory Reserves

The City has Statutory Reserve Funds that are authorized by the *Community Charter* and/or City Bylaws. Contributions to statutory reserves are

through annual allocations of general revenues, user fees and development cost charges.

Statutory Reserves can only be used as authorized by the *Community Charter* and the related Council Bylaw.

Statutory Reserves include:

- Asset Management Reserves
- Development Cost Charges Reserves
- Facility Development Reserve
- Equipment Replacement Reserves

Reserves Table

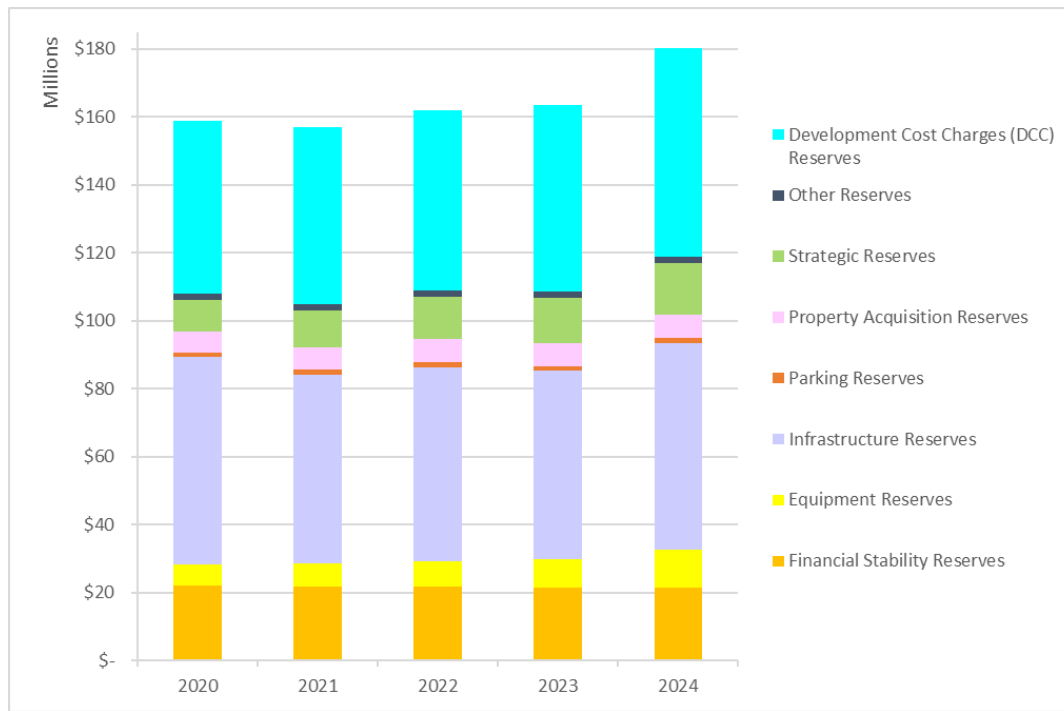
The City's reserves are provided in the following framework:

- Financial Stability Reserves – reserves to mitigate specific risks or provide funding for future costs.
- Equipment Reserves – reserves that provide funding for equipment replacement.
- Infrastructure Reserves – these reserves are the primary funding source for infrastructure renewal.
- Parking Reserves – provide funding for renewal or upgrades to parking infrastructure/amenities or parking studies.
- Property Acquisition Reserves – reserves for the purchase and sale of land.

- Strategic Reserves – provide funding for strategic initiatives and investment identified by Council.
- Other Reserves – reserves that fulfil either a specific administrative function, comply with a bequest or are for short-term purposes.

- Development Cost Charges Reserves – specific reserves with contributions from developers to fund specific infrastructure projects required due to growth.

A summary of the City's projected reserves balances is provided below.



	2020	2021	2022	2023	2024
Financial Stability Reserves	22,178,723	21,818,339	21,828,471	21,338,129	21,337,129
Equipment Reserves	6,202,380	6,946,914	7,266,131	8,501,018	11,338,623
Infrastructure Reserves	60,948,031	55,335,472	57,051,620	55,546,781	60,757,890
Parking Reserves	1,222,077	1,553,924	1,761,870	1,135,998	1,496,766
Property Acquisition Reserves	6,297,697	6,479,633	6,664,297	6,851,732	7,004,884
Strategic Reserves	9,297,384	10,914,098	12,555,064	13,313,894	14,990,856
Other Reserves	1,789,969	1,762,253	1,792,556	1,842,113	1,877,325
Development Cost Charges (DCC) Reserves	50,824,438	52,260,666	52,988,740	54,877,723	61,345,042
Total Reserves	158,760,699	157,071,299	161,908,749	163,407,388	180,148,515

The complete reserves table can be found in Appendix A. Appendix A shows the 2020 opening balance,

annual contributions and withdrawals for each reserve.

2020 – 2024 Project Plan Detail

The 2020 – 2024 Financial Plan includes projects that are consistent with corporate objectives as outlined in the *2019 – 2022 Strategic Plan*, *planNanaimo* and master plans approved by Council such as the *Transportation Master Plan*.

Detailed project information is provided within the following framework:

- Strategic
- Equipment & Vehicle Program
- Facilities Infrastructure and Amenities Program
- Information Technology Infrastructure Program
- Parking Infrastructure Program
- Parks Infrastructure Program
- Sanitary Sewer Infrastructure Program
- Drainage Infrastructure Program
- Transportation Infrastructure Program
- Water Infrastructure Program.

The majority of projects in the five-year plan focus on renewal of existing infrastructure to support effective and efficient delivery of current levels of service, and new/upgraded infrastructure required due to growth.

Strategic projects and initiatives include:

- House Legacy Reserve contributions
- Funding for property acquisition
- Economic Development Strategy
- Official Community Plan Update

Significant infrastructure investment projects:

- Replacement of 2 front line Fire Apparatus in 2020.
- Phased development of the Waterfront Walkway
- Fire Station #1, supported by business case
- Metral Drive Complete Street – Utility & Corridor Upgrades Phases 1 & 2
- Millstone Trunk Central, North & South Sanitary Sewer Upgrades
- Laguna Area Water Project

Project Plan:

The following pages provide a breakdown on the 2020 – 2024 Project Plan:

- Summary by major expenditure category or program and funding source
- Detail reports for each major category or program and type

Summary by Major Expenditure Category and Funding Source

	2020	2021	2022	2023	2024	Total
TOTAL PROJECT EXPENDITURES						
Strategic	4,540,737	1,423,374	1,406,000	1,301,700	1,279,500	9,951,311
Equipment & Vehicle Program	8,026,666	3,352,603	2,852,466	2,638,453	1,814,709	18,684,897
Facilities Infrastructure & Amenities Program	11,731,553	13,752,625	6,593,353	2,144,885	3,412,765	37,635,181
Information Technology Infrastructure Program	1,382,476	930,331	1,635,787	2,734,195	92,076	6,774,865
Parking Infrastructure Program	1,495,358	806,888	955,925	1,300,000	1,273,550	5,831,721
Parks Infrastructure Program	7,421,136	10,181,130	12,663,250	5,518,730	7,001,260	42,785,506
Sanitary Sewer Infrastructure Program	10,661,728	9,225,450	6,421,700	6,459,300	6,995,807	39,763,985
Drainage Infrastructure Program	4,418,295	3,505,600	5,950,200	5,142,500	5,766,000	24,782,595
Transportation Infrastructure Program	17,500,596	17,715,400	16,463,400	15,494,700	5,813,476	72,987,572
Water Infrastructure Program	21,485,009	9,034,460	11,323,250	16,425,166	11,382,250	69,650,135
Total Projects	88,663,554	69,927,861	66,265,331	59,159,629	44,831,393	328,847,768
TOTAL FUNDING SOURCES						
Drainage DCCs	393,676	340,710	2,103,548	1,823,100	740,800	5,401,834
Parks DCCs	83,331	75,719	-	-	-	159,050
Roads DCCs	1,478,876	3,403,280	3,461,900	1,628,297	389,227	10,361,580
Sewer DCCs	601,355	342,480	614,810	3,400,540	590,030	5,549,215
Water DCCs	1,800,752	399,430	2,890,580	1,070,152	1,678,579	7,839,493
Development Cost Charges (DCC) Reserves	4,357,990	4,561,619	9,070,838	7,922,089	3,398,636	29,311,172
911 Equipment Reserve	70,778	79,160	21,160	2,500	17,476	191,074
Community Works Reserve	6,827,077	9,816,000	2,995,000	5,685,000	6,100	25,329,177
Copier Reserve	32,500	10,000	19,600	13,600	20,000	95,700
Emission Reduction Reserve	323,200	-	-	-	-	323,200
Equipment Depreciation Reserve	5,804,355	1,198,000	1,943,000	1,932,890	1,252,000	12,130,245
Facility Development Reserve	1,840,563	2,216,765	1,312,280	759,605	1,582,590	7,711,803
General Parking Reserve	1,178,361	60,488	180,425	1,000,000	-	2,419,274
Housing Legacy Reserve	38,950	-	-	-	-	38,950
IT Reserve	816,533	847,531	592,000	691,601	38,100	2,985,765
Knowles Estate Reserve	38,000	-	-	-	-	38,000
Parkland Dedication Reserve	150,000	-	-	-	-	150,000
Property Acquisition Reserve	142,450	-	-	-	-	142,450
Strategic Infrastructure Reserve	2,179,113	900,000	900,000	1,800,000	900,000	6,679,113
Sustainability Reserve	57,271	-	-	-	-	57,271
General Fund Asset Mgmt Reserve	11,476,362	6,478,221	10,518,349	8,541,439	7,797,299	44,811,670
Sewer Fund Asset Mgmt Reserve	1,896,945	1,621,420	1,571,390	431,710	3,056,320	8,577,785
Water Fund Asset Mgmt Reserve	6,353,011	1,773,570	2,057,420	2,118,564	1,529,521	13,832,086
General Reserves	8,655,093	278,122	173,340	219,430	-	9,325,985
Sewer Reserves	6,269,991	5,195,150	4,077,500	2,637,050	1,675,657	19,855,348
Water Reserves	13,812,044	7,711,960	6,887,450	13,425,350	8,330,150	50,166,954
Operating and Statutory Reserves	67,962,597	38,186,387	33,248,914	39,258,739	26,205,213	204,861,850
Government Grants	795,005	50,000	-	-	-	845,005
Regional District Grants	24,203	-	-	-	-	24,203
Grants/Private Contributions	970,288	9,000	593,000	9,000	9,000	1,590,288
Grants/Private Contributions	1,789,496	59,000	593,000	9,000	9,000	2,459,496
General Revenue	7,486,668	7,973,392	8,169,810	8,194,801	8,393,744	40,218,415
PILT's	225,000	100,000	771,000	100,000	100,000	1,296,000
Internal Borrowing	2,225,913	2,088,600	-	-	-	4,314,513
Borrowing	4,615,890	16,958,863	14,411,769	3,675,000	6,724,800	46,386,322
Total Funding	88,663,554	69,927,861	66,265,331	59,159,629	44,831,393	328,847,768

2020 Project Highlights

PROJECTS	AMOUNT	PROJECT HIGHLIGHTS
Strategic	4,540,737	Projects and programs that address specific initiatives, issues or goals.
Equipment & Vehicle Program	8,026,666	<p>The City utilizes a wide range of vehicles and equipment to deliver services. The majority of planned purchases in 2020 are for the renewal of existing assets.</p> <p>Major projects in 2020 include:</p> <ul style="list-style-type: none"> - 3 Fire Engines - 3 Dump Trucks - Backhoe
Facilities Infrastructure & Amenities Program	11,731,553	<p>The City currently owns and operates over 100 facilities which support delivery of a wide range of services.</p> <p>Major projects in 2020 include:</p> <ul style="list-style-type: none"> - Civic Facilities Condition Assessment Program - Facilities and Parks Amenities Condition Assessment Program - Replace chiller unit in Port Theatre - Phase 2 of Nanaimo Aquatic Centre roof replacement - Continuation of multi-year project to replace Fire Station #1
Information Technology Infrastructure Program	1,382,476	<p>The City's technology equipment maintains systems access for network and business applications.</p> <p>Major projects in 2020 include:</p> <ul style="list-style-type: none"> - Traffic Signal Management System - Infrastructure improvements to enhance performance capacity
Parking Infrastructure Program	1,495,358	<p>The City currently owns and operates three multi-level parkades and five parking lots.</p> <p>Major projects in 2020 include:</p> <ul style="list-style-type: none"> - Bastion Street Parkade renewal of traffic membranes
Parks Infrastructure Program	7,421,136	<p>Parks infrastructure includes destination parks, neighborhood parks, spray parks, sports field, playgrounds, tennis/sport course and trails.</p> <p>Major projects in 2020 include:</p> <ul style="list-style-type: none"> - Serraxmen Stadium installation of LED outfield lights - Waterfront Walkway phased implementation - Trailway Development, construction of boardwalk along south side of Cottle Lake - Phase 2 of Harewood Centennial Youth Park - Beach Access Upgrades, replacement of Seabold Beach access stairs - Gallows Point Dock, demolition and construction of new dock
Sanitary Sewer Infrastructure Program	10,661,728	<p>The sanitary sewer infrastructure program includes renewal projects for infrastructure at end of life and new/upgrade projects to address current and future capacity issues.</p> <p>Major projects in 2020 include:</p> <ul style="list-style-type: none"> - Sanitary Sewer Condition Assessment Program - Comox Area Sanitary Project - DCC SS 19 Millstone Trunk South: upsize main between Nanaimo Parkway and Pryde Ave to address existing capacity shortfalls and to service future growth - Strongitharmie Easement 1628RW: replacement of sanitary sewer main Strongitharmie to 2550 Departure Bay

2020 Project Highlights Continued

PROJECTS	AMOUNT	PROJECT HIGHLIGHTS
Drainage Infrastructure Program	4,418,295	<p>The drainage infrastructure program includes renewal projects for infrastructure at end of life and new/upgrade projects to address current and future capacity issues.</p> <p>Major projects in 2020 include:</p> <ul style="list-style-type: none"> - Casper Way RHB & Utility Project: replace and upgrade existing ditch and driveway culverts on Casper - Metral Corridor & Utility Upgrade: replace existing system of drainage ditches and culvert crossings on Metral with a piped system to support construction of a new sidewalk - Stewart St Utilities Upgrade: replace and re-route drainage main on Stewart St between 1000 Stewart and outfall - White St Area RHB and Utilities Project: replace drainage main on White St between Pryde and Millstone
Transportation Infrastructure Program	17,500,596	<p>The City's Transportation Master Plan (2014) provides direction on expansion/upgrades to the City's transportation infrastructure. Transportation infrastructure includes roadways, sidewalks, bicycle lanes, bridge structures, street lights, roundabouts and traffic signals.</p> <p>Major projects in 2020 include:</p> <ul style="list-style-type: none"> - Phase 1 of Metral Corridor and Utility Upgrade: between Mostar Road and Turner Road with a link to E&N Trail. Includes road rehab, cycling lanes, sidewalks and streetlights. - Cycling Amenities: <ul style="list-style-type: none"> Off Bowen (Caspers Way to Hansen Rd), Comox Rd (Pine St to Wallace St), Boxwood Rd (Dufferin Cres to Meredith St) - Road rehabilitation including Bowen Road: Island Hwy to Labieux, Laguna Way: Toms Turnabout Esmt to 5004 Laguna and 5004 Laguna to Malaspina - Phase 3 of LED Street Light Conversion, supported by business case - Downtown Street Lighting Replacement: complete remaining globe street lights
Water Infrastructure Program	21,485,009	<p>The water infrastructure program includes renewal projects for infrastructure at end of life and new/upgrade projects to increase capacity and provide redundancy within the system. The long-term water supply plan models future demand due to growth, and provides guidance for capital investment needed to maintain an adequate water supply for the City.</p> <p>Major projects in 2020 include:</p> <ul style="list-style-type: none"> - Phase 1 of Metral Corridor & Utility Upgrade: replace water distribution main on Metral between Doreen to Island Hwy, on Tulip Place between Metral to end and Fernandez Place from Metral to end - DCC WS42 Towers Reservoir: demolish existing reservoir and replace with larger reservoir to provide adequate peak hour balancing storage and fire flow - DCC W55 Bowen: replace and upsize water distribution main on Bowen Rd and Kenworth Rd to address growth and provide minimum operating pressures and fire flows - Laguna Area Water Project: replace 3 PRVs and replace water distribution main on Laguna Ave between Tom's Turnabout Easement to 5004 Laguna, between 5004 Laguna to Malaspina and Lost Lake to 4345 Laguna.
Total	88,663,554	

Strategic Projects

	2020	2021	2022	2023	2024	Total
Project Costs						
Audits						
COR External Audit	-	-	14,000	-	-	14,000
Financial/Performance Audits	24,000	50,000	50,000	50,000	50,000	224,000
IT Tech: Network Security Audit	23,625	20,700	-	20,700	-	65,025
IT Tech: SCADA Security Audit	9,828	-	-	-	-	9,828
Council Committees						
Design Advisory Panel	2,500	2,500	2,500	2,500	2,500	12,500
Environment Committee	10,000	10,000	10,000	10,000	10,000	50,000
Finance & Audit	8,000	8,000	8,000	8,000	8,000	40,000
Health and Housing Task Force	102,500	2,500	2,500	2,500	2,500	112,500
Nanaimo Youth Advisory Council	3,000	3,000	3,000	3,000	3,000	15,000
Water Supply Advisory	1,500	1,500	1,500	1,500	1,500	7,500
Environmental Projects						
Burn It Smart Woodstove Exchange Program	15,774	-	-	-	-	15,774
CleanBC Better Homes Rebate Program	100,000	-	-	-	-	100,000
Climate Change Resiliency Strategy	31,923	-	-	-	-	31,923
Energy Step Code Education & Rebate Program	39,267	-	-	-	-	39,267
Invasive Plant Management Program	20,000	20,000	20,000	20,000	20,000	100,000
Natural Park Areas Assessment Program	25,000	30,000	22,500	20,000	13,500	111,000
Seasonal Air Quality Assessment	-	-	-	-	5,000	5,000
Water Course Restoration & Enhancement Program	35,130	21,500	12,500	-	-	69,130
Official Community Plan						
Official Community Plan (OCP) Update	336,263	-	-	-	-	336,263
Planning Studies	-	75,000	75,000	75,000	75,000	300,000
Parks, Recreation & Culture Initiatives						
3D Nanaimo Sign	10,000	-	-	-	-	10,000
Community Wellness Program	8,429	-	-	-	-	8,429
Public Art	67,362	50,000	50,000	50,000	50,000	267,362
Property Management Strategy						
Property Acquisitions - General	813,281	600,000	600,000	600,000	600,000	3,213,281
Social Planning Initiatives						
Community Action Team Grant	200,000	-	-	-	-	200,000
Day-Time Drop In Centre	200,000	100,000	100,000	-	-	400,000
Housing Legacy Reserve	165,000	165,000	165,000	165,000	165,000	825,000
New Horizon Seniors Grant Program	1,945	-	-	-	-	1,945
PlanH Social Connectedness Grant	1,831	-	-	-	-	1,831
Shower Program	38,950	-	-	-	-	38,950
Social Wellness Strategy	45,000	-	-	-	-	45,000
UBCM Community Child Care Planning Grant	125,000	-	-	-	-	125,000
Urban Clean Up	45,000	-	-	-	-	45,000
Subtotal	2,510,108	1,159,700	1,136,500	1,028,200	1,006,000	6,840,508

Strategic Projects Continued

	2020	2021	2022	2023	2024	Total
Project Costs						
Strategic Plans						
Community Action Sustainability Plan Update	75,000	-	-	-	-	75,000
Council Strategic Plan	10,000	-	-	20,000	-	30,000
Economic Development Strategy	100,000	-	-	-	-	100,000
Fire Dept Review and Stn Location Study	72,000	-	-	-	-	72,000
Parks, Recreation and Culture Master Plan Update	150,000	-	-	-	-	150,000
Social Procurement Strategy	45,000	-	-	-	-	45,000
User Rate Reviews						
User Fees Review	7,425	-	-	-	-	7,425
Sewer User Rate Review	22,018	-	-	-	-	22,018
Water User Rate Review	24,841	-	-	-	-	24,841
Water Strategies						
Appliance Rebate Program	10,000	-	-	-	-	10,000
Public Education of Water System	11,031	-	-	-	-	11,031
Toilet Rebate Program	30,000	-	-	-	-	30,000
Water Conservation Strategy	30,000	30,000	30,000	30,000	30,000	150,000
Water Supply Analysis	247,600	-	-	-	-	247,600
Other						
#1 Port Drive Redevelopment	300,000	-	-	-	-	300,000
Active Transportation Education & Marketing	29,931	30,000	35,000	35,000	35,000	164,931
Animal Control Service Review	20,545	-	-	-	-	20,545
Association of Vancouver Island Coastal Communities (AVICC)	-	15,174	-	-	-	15,174
Canadian Hazards Emergency Response & Prep	11,000	-	-	-	-	11,000
City Orthophotos	85,000	50,000	75,000	50,000	75,000	335,000
Coal Town Trail	2,422	-	-	-	-	2,422
Cross Connection Control Grant	100,000	100,000	100,000	100,000	100,000	500,000
Downtown Façade Grants	40,000	20,000	20,000	20,000	20,000	120,000
Downtown Way-Finding Signage	92,546	-	-	-	-	92,546
FireComm Next Gen 911 Review	74,542	-	-	-	-	74,542
FireSmart Grant	25,000	-	-	-	-	25,000
Immigrant Welcome Reception	4,500	4,500	4,500	4,500	4,500	22,500
Lighting Great National Land Building	25,000	-	-	-	-	25,000
MoESS Peer Review	6,750	-	-	-	-	6,750
Public Engagement	13,500	-	-	-	-	13,500
Public Works Days	28,900	-	-	-	-	28,900
Safer School Travel Program	3,255	-	-	-	-	3,255
Safety Initiatives	9,000	9,000	-	9,000	9,000	36,000
Single Use Check Out Bags	13,823	-	-	-	-	13,823
Sponsorship Project	100,000	-	-	-	-	100,000
Sustainable Parking Grant	5,000	5,000	5,000	5,000	-	20,000
Toward Parity Grant	5,000	-	-	-	-	5,000
Tribal Journeys 2020	200,000	-	-	-	-	200,000
Subtotal	2,030,629	263,674	269,500	273,500	273,500	3,110,803
Grand Total	4,540,737	1,423,374	1,406,000	1,301,700	1,279,500	9,951,311

Equipment & Vehicle Program

	2020	2021	2022	2023	2024	Total
Project Costs						
Renewal Projects and Programs						
Fleet						
City Fleet	1,922,065	1,155,000	1,252,000	677,000	1,200,500	6,206,565
Fire Fleet	3,765,460	-	566,500	1,059,390	30,000	5,421,350
Ice Resurfacer	-	-	-	185,000	-	185,000
Equipment						
Furniture and Equipment	508,498	374,718	610,016	303,708	202,329	1,999,269
Gym Equipment	-	52,020	-	54,125	-	106,145
Maintenance Equipment	646,770	257,170	152,150	120,050	131,800	1,307,940
Misc - Fire Equipment	109,680	856,342	87,320	87,520	121,580	1,262,442
Misc - Fleet Shop Equipment	48,330	35,500	61,000	4,000	14,000	162,830
Misc - Survey Equipment	10,000	10,000	10,000	10,000	10,000	50,000
Park Amenities	18,000	18,360	18,730	19,110	19,500	93,700
SNIC Equipment	99,500	-	-	50,000	85,000	234,500
VICC Kitchen Equipment	19,200	23,300	94,750	68,550	-	205,800
Total	7,147,503	2,782,410	2,852,466	2,638,453	1,814,709	17,235,541
New/Upgrades						
Fleet						
City Fleet	244,972	-	-	-	-	244,972
Sanitation Fleet	440,000	458,863	-	-	-	898,863
Equipment						
Furniture and Equipment	71,168	74,250	-	-	-	145,418
Maintenance Equipment	16,938	27,100	-	-	-	44,038
Misc - Electric Vehicle Charging Stations	20,000	-	-	-	-	20,000
Misc - Fire Equipment	25,300	9,980	-	-	-	35,280
Misc - Survey Equipment	6,000	-	-	-	-	6,000
Park Amenities	38,527	-	-	-	-	38,527
Water Equipment	16,258	-	-	-	-	16,258
Total	879,163	570,193	-	-	-	1,449,356
Grand Total	8,026,666	3,352,603	2,852,466	2,638,453	1,814,709	18,684,897

Facilities Infrastructure & Amenities Program

	2020	2021	2022	2023	2024	Total
Project Costs						
Renewal Projects and Programs						
Condition Assessment/Pre-Design/Studies	685,206	325,000	275,000	275,000	300,000	1,860,206
Civic Properties						
City Hall	37,480	-	-	-	98,110	135,590
Community Services Building	-	39,960	-	-	-	39,960
Service and Resource Centre (SARC)	36,200	-	10,200	-	30,000	76,400
Bylaw Facilities						
Animal Shelter	-	-	-	34,100	-	34,100
Nanaimo Fire Rescue						
Fire Station #1	4,209,305	7,700,000	3,740,269	-	-	15,649,574
Fire Station #2	-	-	44,094	-	51,220	95,314
Fire Station #3	-	-	58,510	-	43,010	101,520
Fire Station #4	31,120	-	-	-	78,170	109,290
Parks, Recreation and Culture Facilities						
150 Commercial Street	168,000	-	22,500	-	-	190,500
25 Victoria Rd	286,575	-	-	-	-	286,575
Beacon House	68,650	-	-	-	-	68,650
Beban Complex	98,925	3,211,690	283,490	-	210,940	3,805,045
Beban House	96,130	-	-	-	-	96,130
Beban Pool	378,984	278,480	146,410	50,300	152,240	1,006,414
Beban Social Centre	285,838	173,705	146,500	117,290	-	723,333
Bowen Park Complex	69,460	6,775	-	200,050	19,500	295,785
Centennial Building	-	30,420	-	-	-	30,420
Chase River Activity Centre	76,341	-	-	-	-	76,341
Cliff McNabb Arena	13,920	-	60,535	48,710	1,293,980	1,417,145
Frank Crane Arena	131,565	-	-	-	210,000	341,565
Kin Hut	36,600	-	-	-	10,320	46,920
Kin Pool	-	21,400	-	34,890	7,350	63,640
Nanaimo Aquatic Centre	1,774,208	564,040	737,330	30,000	71,160	3,176,738
Nanaimo Ice Centre	11,610	317,925	53,020	171,360	59,760	613,675
Oliver Woods Community Centre	90,100	5,200	-	152,895	37,150	285,345
Port Theatre	346,901	126,530	5,500	801,360	20,170	1,300,461
The Bastion	-	24,630	-	-	15,000	39,630
Police Services						
Police Annex	46,800	66,870	-	36,130	-	149,800
Police Operations Building	270,460	70,000	242,810	70,000	79,780	733,050
Subtotal	9,250,378	12,962,625	5,826,168	2,022,085	2,787,860	32,849,116

Facilities Infrastructure & Amenities Program Continued

	2020	2021	2022	2023	2024	Total
Project Costs						
Renewal Projects and Programs						
Public Works Yard						
Public Works Yard	117,430	95,000	176,485	102,800	609,905	1,101,620
Vancouver Island Conference Centre						
VICC	1,163,000	-	165,700	-	-	1,328,700
Water Facilities						
Pump Stations	-	25,000	-	-	-	25,000
Water Treatment Plant	-	20,000	15,000	20,000	15,000	70,000
Subtotal	1,280,430	140,000	357,185	122,800	624,905	2,525,320
Total	10,530,808	13,102,625	6,183,353	2,144,885	3,412,765	35,374,436
New/Upgrades						
Civic Facilities						
Cross Connection Program	144,827	-	-	-	-	144,827
Service and Resource Centre (SARC)	762,000	-	-	-	-	762,000
Parks and Recreation Facilities						
Beban Complex	76,800	-	-	-	-	76,800
Beban Pool	27,325	-	-	-	-	27,325
Nanaimo Aquatic Centre	28,996	-	-	-	-	28,996
Oliver Woods Community Centre	71,900	-	-	-	-	71,900
Public Works Yard						
Public Works Yard	3,897	-	60,000	-	-	63,897
Water Facilities						
Water Treatment Plant	85,000	650,000	350,000	-	-	1,085,000
Total	1,200,745	650,000	410,000	-	-	2,260,745
Grand Total	11,731,553	13,752,625	6,593,353	2,144,885	3,412,765	37,635,181

2020 – 2024 Financial Plan

Information Technology Infrastructure Program

	2020	2021	2022	2023	2024	Total
Project Costs						
Renewal Projects and Programs						
Business Applications	291,350	-	-	-	8,976	300,326
Business Applications - ERP	-	-	1,220,197	1,867,414	-	3,087,611
Computing Infrastructure	211,633	228,831	370,590	821,781	38,100	1,670,935
Total	502,983	228,831	1,590,787	2,689,195	47,076	5,058,872
New/Upgrades						
Business Applications	273,760	-	-	-	-	273,760
Business Applications - ECM	256,880	656,500	-	-	-	913,380
Business Applications - GIS	119,235	45,000	45,000	45,000	45,000	299,235
Computing Infrastructure	229,618	-	-	-	-	229,618
Total	879,493	701,500	45,000	45,000	45,000	1,715,993
Grand Total	1,382,476	930,331	1,635,787	2,734,195	92,076	6,774,865

Excludes Desktop Computers (Included in Furniture and Equipment Replacement Plans)

Parking Infrastructure Program

	2020	2021	2022	2023	2024	Total
Project Costs						
Renewal Projects and Programs						
Bastion St Parkade	1,243,700	18,800	-	-	-	1,262,500
Harbourfront Parkade	13,200	746,400	839,325	-	1,273,550	2,872,475
Port of Nanaimo Centre Parkade	41,195	-	-	1,300,000	-	1,341,195
Total	1,298,095	765,200	839,325	1,300,000	1,273,550	5,476,170
New/Upgrades						
Harbourfront Parkade	-	-	96,600	-	-	96,600
Parking Equipment	139,725	34,500	-	-	-	174,225
Parking Signage	21,563	7,188	-	-	-	28,751
Total	161,288	41,688	96,600	-	-	299,576
Plans/Studies						
Studies	35,975	-	20,000	-	-	55,975
Total	35,975	-	20,000	-	-	55,975
Grand Total	1,495,358	806,888	955,925	1,300,000	1,273,550	5,831,721

2020 – 2024 Financial Plan

Parks Infrastructure Program

	2020	2021	2022	2023	2024	Total
Project Costs						
Renewal Projects and Programs						
Beach Access	234,750	25,000	25,000	25,000	25,000	334,750
Bike Park	35,000	-	-	-	-	35,000
Boat Ramps/Docks	860,254	-	-	-	-	860,254
Condition Assessment/Pre-Design	167,230	100,000	100,000	100,000	125,000	592,230
Misc Projects	419,597	-	-	-	-	419,597
Parks & Playground	708,410	221,570	205,000	721,600	120,000	1,976,580
Pickleball Courts	-	-	-	29,140	-	29,140
Railing Replacement Program	-	202,010	-	136,780	-	338,790
Recreational Dams	196,870	73,600	66,750	180,300	69,050	586,570
Sports Fields/Field Houses	124,784	6,600	80,000	36,300	1,202,760	1,450,444
Tennis Court Improvements	27,460	-	-	22,700	59,450	109,610
Trail Development and Rehab	285,359	179,680	-	-	-	465,039
Total	3,059,714	808,460	476,750	1,251,820	1,601,260	7,198,004
New/Upgrades						
Boathouse	123,750	-	-	-	-	123,750
Misc Projects	76,790	28,750	-	-	-	105,540
Multi Use Court	8,000	-	-	-	-	8,000
Parks & Playgrounds	746,430	443,920	136,500	259,500	100,000	1,686,350
Public Art	78,250	-	-	-	-	78,250
Sports Fields/Field Houses	1,157,051	-	-	-	-	1,157,051
Trail Development	1,238,072	8,900,000	12,050,000	3,976,850	5,300,000	31,464,922
Youth Courts/Parks	648,193	-	-	30,560	-	678,753
Total	4,076,536	9,372,670	12,186,500	4,266,910	5,400,000	35,302,616
Plans/Studies						
Plans	51,750	-	-	-	-	51,750
Studies	233,136	-	-	-	-	233,136
Total	284,886	-	-	-	-	284,886
Grand Total	7,421,136	10,181,130	12,663,250	5,518,730	7,001,260	42,785,506

Sanitary Sewer Infrastructure Program

	2020	2021	2022	2023	2024	Total
Project Costs						
Renewal Projects and Programs						
Condition Assessment Program	683,958	485,000	510,000	485,000	510,000	2,673,958
Mains	3,731,766	2,619,450	3,785,700	1,836,300	2,014,407	13,987,623
Pump Stations	333,222	-	-	-	-	333,222
Total	4,748,946	3,104,450	4,295,700	2,321,300	2,524,407	16,994,803
New/Upgrades						
Mains	5,207,079	5,821,000	1,876,000	3,813,000	4,116,400	20,833,479
Pump Stations	281,101	-	-	-	30,000	311,101
Total	5,488,180	5,821,000	1,876,000	3,813,000	4,146,400	21,144,580
Plans/Studies						
Master Plans	215,141	150,000	150,000	225,000	225,000	965,141
Misc Projects	20,000	50,000	-	-	-	70,000
Standards	11,730	-	-	-	-	11,730
Studies	177,731	100,000	100,000	100,000	100,000	577,731
Total	424,602	300,000	250,000	325,000	325,000	1,624,602
Grand Total	10,661,728	9,225,450	6,421,700	6,459,300	6,995,807	39,763,985

2020 – 2024 Financial Plan

Drainage Infrastructure Program

	2020	2021	2022	2023	2024	Total
Project Costs						
Renewal Projects and Programs						
Condition Assessment Program	180,076	210,000	260,000	310,000	310,000	1,270,076
Mains	2,635,306	1,459,600	2,413,000	971,000	4,136,000	11,614,906
Total	2,815,382	1,669,600	2,673,000	1,281,000	4,446,000	12,884,982
New/Upgrades						
Mains	1,390,409	1,836,000	3,177,200	3,861,500	1,220,000	11,485,109
Total	1,390,409	1,836,000	3,177,200	3,861,500	1,220,000	11,485,109
Plans/Studies						
Master Plans	100,000	-	100,000	-	100,000	300,000
Misc Projects	20,000	-	-	-	-	20,000
Studies	92,504	-	-	-	-	92,504
Total	212,504	-	100,000	-	100,000	412,504
Grand Total	4,418,295	3,505,600	5,950,200	5,142,500	5,766,000	24,782,595

Transportation Infrastructure Program

	2020	2021	2022	2023	2024	Total
Project Costs						
Renewal Projects and Programs						
Bridges	457,500	-	-	-	-	457,500
Condition Assessment Program	140,000	200,000	-	200,000	-	540,000
Misc Projects	325,000	350,000	350,000	350,000	350,000	1,725,000
Railway Crossings	45,888	25,000	25,000	25,000	25,000	145,888
Road Rehabilitation	4,649,268	1,765,000	3,170,000	3,034,000	3,535,000	16,153,268
Sidewalk Maintenance Program	50,000	-	50,000	-	50,000	150,000
Street Lights	504,596	50,000	50,000	50,000	50,000	704,596
Transit Amenities	75,000	-	-	-	-	75,000
Transportation Improvements	509,745	1,150,000	3,350,000	1,100,000	100,000	6,209,745
Total	6,756,997	3,540,000	6,995,000	4,759,000	4,110,000	26,160,997
New/Upgrades						
Cycling Amenities	3,672,524	8,197,000	275,000	742,800	405,850	13,293,174
Misc Projects	87,111	100,000	100,000	100,000	100,000	487,111
Pedestrian Amenities	2,433,050	1,608,400	1,568,400	1,147,900	476,275	7,234,025
Pedestrian/Cycling Amenities	147,388	-	-	-	88,000	235,388
Street Lights	693,279	425,000	450,000	500,000	15,000	2,083,279
Transit Amenities	129,137	15,000	50,000	200,000	150,000	544,137
Transportation Improvements	2,590,143	3,670,000	6,935,000	7,800,000	118,351	21,113,494
Total	9,752,632	14,015,400	9,378,400	10,490,700	1,353,476	44,990,608
Plans/Studies						
Master Plans	178,913	-	-	-	250,000	428,913
Planning	276,509	125,000	40,000	45,000	50,000	536,509
Standards	6,348	-	-	-	-	6,348
Studies	404,197	-	15,000	165,000	15,000	599,197
Surveys	125,000	35,000	35,000	35,000	35,000	265,000
Total	990,967	160,000	90,000	245,000	350,000	1,835,967
Grand Total	17,500,596	17,715,400	16,463,400	15,494,700	5,813,476	72,987,572

2020 – 2024 Financial Plan

Water Infrastructure Program

	2020	2021	2022	2023	2024	Total
Project Costs						
Renewal Projects and Programs						
Condition Assessment Program	95,000	75,000	100,000	125,000	100,000	495,000
Distribution Mains	11,019,911	6,639,860	4,569,250	6,790,350	6,686,350	35,705,721
Misc Projects	30,000	30,000	30,000	30,000	30,000	150,000
Pump Station/PRV Program	2,038,986	1,060,000	391,000	470,000	20,000	3,979,986
Reservoirs	75,000	-	-	-	-	75,000
Supply Mains	210,000	-	1,000,000	1,000,000	1,000,000	3,210,000
Water Meter Replacement	441,885	300,000	300,000	300,000	300,000	1,641,885
Water Supply Dams	253,138	117,600	118,000	5,070,000	18,800	5,577,538
Total	14,163,920	8,222,460	6,508,250	13,785,350	8,155,150	50,835,130
New/Upgrades						
Distribution Mains	1,999,957	692,000	1,625,000	2,069,816	1,972,100	8,358,873
Pump Station/PRV Program	583,512	-	-	-	-	583,512
Reservoirs	3,846,340	-	-	-	-	3,846,340
Supply Mains	-	-	50,000	450,000	1,130,000	1,630,000
Water Supply Dams	-	-	3,000,000	-	-	3,000,000
Total	6,429,809	692,000	4,675,000	2,519,816	3,102,100	17,418,725
Plans/Studies						
Master Plans	410,926	-	-	-	-	410,926
Misc Projects	20,000	-	20,000	-	-	40,000
Studies	460,354	120,000	120,000	120,000	125,000	945,354
Total	891,280	120,000	140,000	120,000	125,000	1,396,280
Grand Total	21,485,009	9,034,460	11,323,250	16,425,166	11,382,250	69,650,135

Appendix A – Reserves Summary

The City's reserves are provided in the following framework:

- Financial Stability Reserves – reserves to mitigate specific risks or provide funding for future costs.
- Equipment Reserves – reserves that provide funding for equipment replacement.
- Infrastructure Reserves – these reserves are the primary funding source for infrastructure renewal.
- Parking Reserves – provide funding for renewal or upgrades to parking infrastructure/amenities or parking studies.
- Property Acquisition Reserves – reserves for the purchase and sale of land.
- Strategic Reserves – provide funding for strategic initiatives and investment identified by Council.
- Other Reserves – reserves that fulfil either a specific administrative function, comply with a bequest or are for short-term purposes.
- Developer Cost Charges Reserves – specific reserves with contributions from developers to fund specific infrastructure projects required due to growth.

	2020	2021	2022	2023	2024
Financial Stability Reserves	22,178,723	21,818,339	21,828,471	21,338,129	21,337,129
Equipment Reserves	6,202,380	6,946,914	7,266,131	8,501,018	11,338,623
Infrastructure Reserves	60,948,031	55,335,472	57,051,620	55,546,781	60,757,890
Parking Reserves	1,222,077	1,553,924	1,761,870	1,135,998	1,496,766
Property Acquisition Reserves	6,297,697	6,479,633	6,664,297	6,851,732	7,004,884
Strategic Reserves	9,297,384	10,914,098	12,555,064	13,313,894	14,990,856
Other Reserves	1,789,969	1,762,253	1,792,556	1,842,113	1,877,325
Development Cost Charges (DCC) Reserves	50,824,438	52,260,666	52,988,740	54,877,723	61,345,042
Total Reserves	158,760,699	157,071,299	161,908,749	163,407,388	180,148,515

	2020	2021	2022	2023	2024
FINANCIAL STABILITY RESERVES					
GENERAL FUND					
General Financial Stability Reserve	17,108,806	16,408,806	16,408,806	16,408,806	16,408,806
Additions	-	-	-	-	-
Withdrawals	700,000	-	-	-	-
Balance @ December 31	16,408,806	16,408,806	16,408,806	16,408,806	16,408,806
RCMP Contract Reserve	2,008,433	1,613,604	1,261,220	1,261,220	1,261,220
Additions	-	-	-	-	-
Withdrawals	394,829	352,384	-	-	-
Balance @ December 31	1,613,604	1,261,220	1,261,220	1,261,220	1,261,220
Sanitation Levelling Reserve	774,008	784,009	776,009	786,141	295,799
Additions	10,001	-	10,132	-	-
Withdrawals	-	8,000	-	490,342	1,000
Balance @ December 31	784,009	776,009	786,141	295,799	294,799
Snow and Ice Control Reserve	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Additions	-	-	-	-	-
Withdrawals	-	-	-	-	-
Balance @ December 31	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Total General Fund Financial Stability Reserves	20,006,419	19,646,035	19,656,167	19,165,825	19,164,825
SANITARY SEWER FUND					
Sewer Financial Stability Reserve	471,249	471,249	471,249	471,249	471,249
Additions	-	-	-	-	-
Withdrawals	-	-	-	-	-
Balance @ December 31	471,249	471,249	471,249	471,249	471,249
Total Sewer Fund Financial Stability Reserves	471,249	471,249	471,249	471,249	471,249
WATER FUND					
Water Financial Stability Reserve	1,701,055	1,701,055	1,701,055	1,701,055	1,701,055
Additions	-	-	-	-	-
Withdrawals	-	-	-	-	-
Balance @ December 31	1,701,055	1,701,055	1,701,055	1,701,055	1,701,055
Total Water Fund Financial Stability Reserves	1,701,055	1,701,055	1,701,055	1,701,055	1,701,055
Total Financial Stability Reserves	22,178,723	21,818,339	21,828,471	21,338,129	21,337,129

	2020	2021	2022	2023	2024
EQUIPMENT RESERVES					
GENERAL FUND					
Cart Replacement Reserve Statutory	-	-	-	-	865,938
Additions	-	-	-	865,938	878,927
Withdrawals	-	-	-	-	-
Balance @ December 31	-	-	-	865,938	1,744,865
Copier Replacement Reserve Statutory	394,133	378,366	385,534	383,947	389,297
Additions	16,733	17,168	18,013	18,950	18,893
Withdrawals	32,500	10,000	19,600	13,600	20,000
Balance @ December 31	378,366	385,534	383,947	389,297	388,190

		2020	2021	2022	2023	2024
EQUIPMENT RESERVES (continued)						
Information Technology Reserve	Statutory	1,341,690	1,177,722	1,043,920	1,165,559	1,188,674
Additions		652,565	713,729	713,639	714,716	719,964
Withdrawals		816,533	847,531	592,000	691,601	38,100
Balance @ December 31		1,177,722	1,043,920	1,165,559	1,188,674	1,870,538
Equipment Depreciation Reserve	Statutory	8,416,206	4,646,292	5,517,460	5,716,625	6,057,109
Additions		2,034,441	2,069,168	2,142,165	2,273,374	2,529,921
Withdrawals		5,804,355	1,198,000	1,943,000	1,932,890	1,252,000
Balance @ December 31		4,646,292	5,517,460	5,716,625	6,057,109	7,335,030
Total Equipment Reserves		6,202,380	6,946,914	7,266,131	8,501,018	11,338,623

		2020	2021	2022	2023	2024
INFRASTRUCTURE RESERVES						
GENERAL FUND						
Brechin Boat Ramp Reserve		97,846	120,776	143,764	166,805	189,890
Additions		22,930	22,988	23,041	23,085	23,125
Withdrawals		-	-	-	-	-
Balance @ December 31		120,776	143,764	166,805	189,890	213,015
Cemetery Care Reserve	Statutory	590,988	600,988	610,988	620,988	630,988
Additions		10,000	10,000	10,000	10,000	10,000
Withdrawals		-	-	-	-	-
Balance @ December 31		600,988	610,988	620,988	630,988	640,988
Community Works Reserve	Statutory	13,610,936	10,830,520	5,172,992	6,302,758	4,914,217
Additions		4,046,661	4,158,472	4,124,766	4,296,459	73,668
Withdrawals		6,827,077	9,816,000	2,995,000	5,685,000	6,100
Balance @ December 31		10,830,520	5,172,992	6,302,758	4,914,217	4,981,785
Facility Development Reserve	Statutory	3,350,653	2,743,000	1,771,139	1,720,371	2,250,565
Additions		1,232,910	1,244,904	1,261,512	1,289,799	1,309,932
Withdrawals		1,840,563	2,216,765	1,312,280	759,605	1,582,590
Balance @ December 31		2,743,000	1,771,139	1,720,371	2,250,565	1,977,907
General Capital		2,929,201	2,929,201	2,674,379	2,674,379	2,674,379
Additions		-	-	-	-	-
Withdrawals		-	254,822	-	-	-
Balance @ December 31		2,929,201	2,674,379	2,674,379	2,674,379	2,674,379
General Asset Mgmt. Reserve	Statutory	9,172,413	5,136,702	6,952,247	5,293,569	5,394,088
Additions		7,671,022	8,668,960	9,704,883	9,693,284	9,700,373
Withdrawals		11,706,733	6,853,415	11,363,561	9,592,765	8,848,527
Balance @ December 31		5,136,702	6,952,247	5,293,569	5,394,088	6,245,934
NDSS Community Field Mtce	Statutory	61,990	94,799	128,738	163,836	200,124
Additions		32,809	33,939	35,098	36,288	37,509
Withdrawals		-	-	-	-	-
Balance @ December 31		94,799	128,738	163,836	200,124	237,633

	2020	2021	2022	2023	2024
INFRASTRUCTURE RESERVES (continued)					
Piper Park Reserve	58,763	69,021	79,064	88,885	98,474
Additions	10,258	10,043	9,821	9,589	9,348
Withdrawals	-	-	-	-	-
Balance @ December 31	69,021	79,064	88,885	98,474	107,822
VICC Reserve	680,182	660,982	637,682	464,342	244,912
Additions	-	-	-	-	-
Withdrawals	19,200	23,300	173,340	219,430	-
Balance @ December 31	660,982	637,682	464,342	244,912	244,912
Total General Fund Infrastructure Reserves	23,185,989	18,170,993	17,495,933	16,597,637	17,324,375
SANITARY SEWER FUND					
Sewer Operating Reserve	17,677,731	12,902,909	9,057,267	6,332,982	5,060,174
Additions	1,495,169	1,349,508	1,353,215	1,364,242	1,377,577
Withdrawals	6,269,991	5,195,150	4,077,500	2,637,050	1,675,657
Balance @ December 31	12,902,909	9,057,267	6,332,982	5,060,174	4,762,094
Sewer Asset Mgmt. Reserve Statutory	2,227,853	2,604,334	3,576,902	4,943,080	7,477,978
Additions	2,273,426	2,593,988	2,937,568	2,966,608	2,984,947
Withdrawals	1,896,945	1,621,420	1,571,390	431,710	3,056,320
Balance @ December 31	2,604,334	3,576,902	4,943,080	7,477,978	7,406,605
Total Sewer Fund Infrastructure Reserves	15,507,243	12,634,169	11,276,062	12,538,152	12,168,699
WATER FUND					
Water Reserve	24,590,465	18,503,175	19,379,892	21,995,410	19,037,575
Additions	7,724,754	8,588,677	9,502,968	10,467,515	11,484,973
Withdrawals	13,812,044	7,711,960	6,887,450	13,425,350	8,330,150
Balance @ December 31	18,503,175	19,379,892	21,995,410	19,037,575	22,192,398
Water Asset Mgmt. Reserve Statutory	6,919,104	3,751,624	5,150,418	6,284,215	7,373,417
Additions	3,185,531	3,172,364	3,191,217	3,207,766	3,228,522
Withdrawals	6,353,011	1,773,570	2,057,420	2,118,564	1,529,521
Balance @ December 31	3,751,624	5,150,418	6,284,215	7,373,417	9,072,418
Total Water Fund Infrastructure Reserves	22,254,799	24,530,310	28,279,625	26,410,992	31,264,816
Total Infrastructure Reserves	60,948,031	55,335,472	57,051,620	55,546,781	60,757,890

	2020	2021	2022	2023	2024
PARKING RESERVES					
GENERAL FUND					
Fitzwilliam St Parking Reserve	142,868	142,868	142,868	142,868	142,868
Additions	-	-	-	-	-
Withdrawals	-	-	-	-	-
Balance @ December 31	142,868	142,868	142,868	142,868	142,868
General Parking Reserve Statutory	1,732,734	953,612	1,283,575	1,489,609	861,796
Additions	399,239	390,451	386,459	372,187	358,798
Withdrawals	1,178,361	60,488	180,425	1,000,000	-
Balance @ December 31	953,612	1,283,575	1,489,609	861,796	1,220,594

		2020	2021	2022	2023	2024
PARKING RESERVES (continued)						
Old City Neighbourhood Reserve	Statutory	123,741	125,597	127,481	129,393	131,334
Additions		1,856	1,884	1,912	1,941	1,970
Withdrawals		-	-	-	-	-
Balance @ December 31		125,597	127,481	129,393	131,334	133,304
Total Parking Reserves		1,222,077	1,553,924	1,761,870	1,135,998	1,496,766

		2020	2021	2022	2023	2024
PROPERTY ACQUISITION RESERVES						
GENERAL FUND						
Parkland Dedication Reserve	Statutory	1,747,348	1,709,903	1,823,022	1,937,837	2,054,375
Additions		112,555	113,119	114,815	116,538	81,191
Withdrawals		150,000	-	-	-	-
Balance @ December 31		1,709,903	1,823,022	1,937,837	2,054,375	2,135,566
Property Acquisition Reserve	Statutory	2,600,218	2,495,703	2,533,139	2,571,136	2,609,703
Additions		37,935	37,436	37,997	38,567	39,146
Withdrawals		142,450	-	-	-	-
Balance @ December 31		2,495,703	2,533,139	2,571,136	2,609,703	2,648,849
Property Sales Reserve	Statutory	2,061,173	2,092,091	2,123,472	2,155,324	2,187,654
Additions		30,918	31,381	31,852	32,330	32,815
Withdrawals		-	-	-	-	-
Balance @ December 31		2,092,091	2,123,472	2,155,324	2,187,654	2,220,469
Total Property Acquisition Reserves		6,297,697	6,479,633	6,664,297	6,851,732	7,004,884

		2020	2021	2022	2023	2024
STRATEGIC RESERVES						
GENERAL FUND						
Housing Legacy Reserve	Statutory	2,588,638	2,663,788	2,779,307	2,896,559	3,015,570
Additions		114,100	115,519	117,252	119,011	120,796
Withdrawals		38,950	-	-	-	-
Balance @ December 31		2,663,788	2,779,307	2,896,559	3,015,570	3,136,366
Emission Reduction Reserve	Statutory	637,950	398,163	480,403	563,877	648,603
Additions		83,413	82,240	83,474	84,726	85,997
Withdrawals		323,200	-	-	-	-
Balance @ December 31		398,163	480,403	563,877	648,603	734,600
Special Initiatives Reserve		4,968,073	2,955,073	2,955,073	2,955,073	2,955,073
Additions		-	-	-	-	-
Withdrawals		2,013,000	-	-	-	-
Balance @ December 31		2,955,073	2,955,073	2,955,073	2,955,073	2,955,073
Strategic Infrastructure Reserve	Statutory	3,090,982	2,900,267	4,187,584	5,494,211	5,913,687
Additions		2,179,154	2,187,317	2,206,627	2,219,476	2,232,518
Withdrawals		2,369,869	900,000	900,000	1,800,000	900,000
Balance @ December 31		2,900,267	4,187,584	5,494,211	5,913,687	7,246,205

2020 – 2024 Financial Plan

	2020	2021	2022	2023	2024
STRATEGIC RESERVES (continued)					
Strategic Partnerships Reserve	200,043	43	43	43	43
Additions	-	-	-	-	-
Withdrawals	200,000	-	-	-	-
Balance @ December 31	43	43	43	43	43
Sustainability Reserve Statutory	307,205	380,050	511,688	645,301	780,918
Additions	130,116	131,638	133,613	135,617	137,651
Withdrawals	57,271	-	-	-	-
Balance @ December 31	380,050	511,688	645,301	780,918	918,569
Total Strategic Reserves	9,297,384	10,914,098	12,555,064	13,313,894	14,990,856

	2020	2021	2022	2023	2024
OTHER RESERVES					
GENERAL FUND					
Casino Reserve	1,448,844	-	-	-	-
Additions	-	-	-	-	-
Withdrawals	1,448,844	-	-	-	-
Balance @ December 31	-	-	-	-	-
Prior Year Cfwds Reserve	5,183,981	-	-	-	-
Additions	-	-	-	-	-
Withdrawals	5,183,981	-	-	-	-
Balance @ December 31	-	-	-	-	-
911 Reserve Statutory	1,406,807	1,381,788	1,347,949	1,372,037	1,415,286
Additions	45,759	45,321	45,248	45,749	46,286
Withdrawals	70,778	79,160	21,160	2,500	17,476
Balance @ December 31	1,381,788	1,347,949	1,372,037	1,415,286	1,444,096
Knowles Estate Reserve Statutory	439,868	408,181	414,304	420,519	426,827
Additions	6,313	6,123	6,215	6,308	6,402
Withdrawals	38,000	-	-	-	-
Balance @ December 31	408,181	414,304	420,519	426,827	433,229
Total General Fund Other Reserves	1,789,969	1,762,253	1,792,556	1,842,113	1,877,325
SANITARY SEWER FUND					
SFN Connection Fee	-	-	-	-	-
Additions	-	-	-	-	-
Withdrawals	-	-	-	-	-
Balance @ December 31	-	-	-	-	-
Total Sewer Fund Other Reserves	-	-	-	-	-
Total Other Reserves	1,789,969	1,762,253	1,792,556	1,842,113	1,877,325

	2020	2021	2022	2023	2024
DEVELOPMENT COST CHARGES RESERVES					
GENERAL FUND					
DCC - City DCC - City Wide Roads Statutory	9,587,345	10,961,960	10,418,358	10,487,735	12,405,508
Additions	2,853,491	2,859,678	3,531,277	3,546,070	3,584,130
Withdrawals	1,478,876	3,403,280	3,461,900	1,628,297	389,227
Balance @ December 31	10,961,960	10,418,358	10,487,735	12,405,508	15,600,411
DCC - City Wide Drainage Statutory	15,186,661	13,159,700	11,436,065	10,011,991	8,841,730
Additions	229,235	201,315	182,437	163,124	153,633
Internal Borrowing					
To Sewer DCC Reserve	2,225,913	2,088,600	-	-	-
Repayment from Sewer Reserve	363,393	504,360	497,037	489,715	482,392
Withdrawals	393,676	340,710	2,103,548	1,823,100	740,800
Balance @ December 31	13,159,700	11,436,065	10,011,991	8,841,730	8,736,955
DCC - City Wide Parks Statutory	926,707	1,379,814	1,847,387	2,529,051	3,220,940
Additions	536,438	543,292	681,664	691,889	702,267
Withdrawals	83,331	75,719	-	-	-
Balance @ December 31	1,379,814	1,847,387	2,529,051	3,220,940	3,923,207
Total General Fund Development Cost Charges Reserves	25,501,474	23,701,810	23,028,777	24,468,178	28,260,573
SANITARY SEWER FUND					
DCC - City Wide Sewer Statutory	2,715,948	2,985,770	3,520,455	3,997,526	1,675,130
Additions	871,177	877,165	1,091,881	1,078,144	1,064,387
Withdrawals	601,355	342,480	614,810	3,400,540	590,030
Balance @ December 31	2,985,770	3,520,455	3,997,526	1,675,130	2,149,487
Total Sanitary Sewer Fund Development Cost Charges	2,985,770	3,520,455	3,997,526	1,675,130	2,149,487
WATER FUND					
DCC - City Wide Water Statutory	6,691,316	6,054,148	5,885,780	5,507,739	4,691,234
Additions	237,058	231,062	262,539	253,647	241,074
Withdrawals	874,226	399,430	640,580	1,070,152	1,113,579
Balance @ December 31	6,054,148	5,885,780	5,507,739	4,691,234	3,818,729
DCC - Water Supply Statutory	14,375,558	16,283,046	19,152,621	20,454,698	24,043,181
Additions	2,834,014	2,869,575	3,552,077	3,588,483	3,638,072
Withdrawals	926,526	-	2,250,000	-	565,000
Balance @ December 31	16,283,046	19,152,621	20,454,698	24,043,181	27,116,253
Total Water Fund Development Cost Charges Reserves	22,337,194	25,038,401	25,962,437	28,734,415	30,934,982
Total Development Cost Charges Reserves	50,824,438	52,260,666	52,988,740	54,877,723	61,345,042

Federal Government

- Canada's general COVID-19 informational page:
https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html?utm_campaign=not-applicable&utm_medium=vanity-url&utm_source=canada-ca_coronavirus
- Canada's COVID-19 Economic Response:
<https://www.canada.ca/en/department-finance/economic-response-plan.html>
- COVID-19: For businesses and employees:
<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19/businesses-employees.html>
- Support for Cultural, heritage, and sports:
<https://www.canada.ca/en/canadian-heritage/services/funding/information-covid-19.html>
- Tourism:
 - Government of Canada will work with tourism operators in national parks, historic sites, and marine conservation areas to defer payments on commercial leases and licences of occupation without interest until September 1, 2020.
 - Support for Canada's Regional Development Agencies such for tourism operators or small or medium sized businesses or organizations who have received RDA funding and impacted by COVID-19:
<http://www.ic.gc.ca/eic/site/icgc.nsf/eng/07677.html>
- Emergency Community Support Fund for Charities and non-profit organizations:
<https://www.canada.ca/en/services/benefits/emergency-community-support-fund.html>
- Trudeau Government wants Provinces to Chip in to Support Municipalities:
<https://ipolitics.ca/2020/05/07/trudeau-government-wants-provinces-to-chip-in-to-support-municipalities/>

B.C. COVID-19 GO-FORWARD MANAGEMENT STRATEGY

THE CONTEXT¹

Pandemics of respiratory viruses, such as COVID-19, can be declared over when the proportion of the population that is immune is large enough that transmission between people is no longer sustained.

That can happen in two ways:

- after enough people have been infected and have recovered and/or;
- when enough people have been immunized with a vaccine (this is most likely, but not definitely, up to 18 months away from development, to manufacturing, to mass immunization).

Both outcomes will likely happen, but both are going to take time. Until that time, our goal is to slow the spread of COVID-19, especially among those most vulnerable to severe disease, to provide time for development of a vaccine and to enable the health care system to respond to a moderate increase in demand. Without a vaccine or treatment, the only way to achieve this was through the public health measures we have seen imposed in BC, in Canada and around the world. All jurisdictions needed to act very quickly in the face of a great deal of uncertainty about the new virus. As a result, BC, as did many other jurisdictions, imposed over a very short period of time a full range of public health measures, including isolation of people with symptoms, quarantine of contacts of people with COVID-19, closure of schools, closure of dine-in restaurants and bars, cancellation of mass gatherings, and restrictions on travel. Additional voluntary measures were taken by individuals, service providers and businesses. This approach worked and the COVID-19 epidemic in British Columbia is currently under control. The slowing of COVID-19 spread has also given British Columbia the ability to expand testing, public health and clinical capacity to respond to future increases in COVID-19 transmission. It has also given us the chance to learn more about how this virus behaves. We now know a great deal more about COVID-19 than we did only a few weeks ago. We know that 82% of people have a mild, self-limiting illness, and that severe illness and death are much more likely in the elderly and in those with chronic medical conditions. We also know that unlike with influenza, children are much less likely to get sick or transmit the virus than adults. The virus is largely transmitted through close prolonged contact in households or congregate settings,

¹ A range of papers and think pieces have been used in preparing this draft exploring and discussing how best to move forward in managing the Covid-19 outbreak after the first wave of flattening the curve; including a thoughtful paper by Dr. Leung an infectious disease epidemiologist and dean of medicine at the University of Hong Kong which was shared by the PHO. In addition, need to recognize the analysis and great work provided by the BCCDC.

and it is not easily transmitted outdoors. Staying home when you are sick and washing hands frequently remain essential parts of prevention.

In this next phase of our response, this information will be critical to help us return to essential activities of society. During any pandemic public health measures need to be re-evaluated in the light of new information, to determine how effective each measure is and if the benefits of each measure outweighs the harms.

While COVID-19 transmission is likely to continue to some degree, measures to limit transmission will aim to both protect people and ensure we have adequate capacity in our health system to appropriately care for infected people. However, since measures that limit transmission have substantial negative health, economic and social consequences, a strong imperative exists that reducing COVID-19 transmission must be done while also resuming a healthy and safe level of social and economic activity. The current situation is neither sustainable or healthy, bringing its own significant costs and damage to individuals socially, emotionally and economically.

Two sides will likely be debated as we move forward as a community:

- Current lockdowns are becoming harmful in both social, economic, and health terms and need to be lifted so as not to cause enormous damage to economies, civil society and emotional and mental health well-being.
- Current lockdowns are both needed and must be sustained for a significant period to protect a percentage of individuals within our communities from dying due to Covid-19 and to protect our health system from being overwhelmed (impacting our ability to care for both non-Covid-19 and Covid-19-related serious illnesses).

These two narratives are in fact two ends of a continuum with a range of potential actions that government can take in between. In either direction there is potential significant human cost. There is an imperative to hit “just enough” restrictions to adequately slow transmission but that these actions do not out weigh the harms caused by those restrictions. Inevitably it will be impossible to get this perfect., but step-wise lifting of restrictions with mitigation strategies in place is the most prudent way to go forward.

The current “lockdown” strategies implemented predominantly starting mid-March reflect our having to respond rapidly to the growing rate of transmission here in B.C. That action worked. Our most recent modelling and analysis suggests we now have an opportunity to try to better manage the ongoing transmission and a potential wave two of the pandemic in the fall/winter by adopting a sustainable and more moderate public health strategy to carry us through to “community” immunity through either gradual infection and/or immunization by vaccine.

This situation is complex and without precedent in the modern age – we have never confined so many people and so by definition have never relaxed confinement of such a large number of people. This plan has been developed by Public Health and the Ministry of Health based on an evidence-based framework. It sets out what public health measures might be optimal to slow the spread and what steps the health system can take to be as robust as possible to meet possible total health care demand in the coming twelve to eighteen months. It also sets out proposed requirements to safely optimize both economic activity and social activity.

This will require the full engagement of individual citizens, key institutions, and employers to hard wire these requirements in to day-to- day practice, starting in May and then refining them over the next twelve to eighteen months based on our go-forward experience of the pandemic. This will need to be done in collaboration with the Office of the Provincial Health Officer and broader government. The overall goal is to find the right balance for BC against five goals:

- 1) Protect lives by suppressing transmission rate to lowest rate possible for at-risk populations until a vaccine becomes available (ongoing monitoring and assessment of this possibility will be important, and our strategies will need to evolve based on what materializes or does not materialize over the coming twelve to eighteen months).
- 2) Avert the health system being overwhelmed such as to be unable to offer quality care to both non-covid-19 and covid-19 patients managing the transmission rate within capacity of health system (in-patient beds; ICU/HAU beds/mechanical vents) until vaccine available.

Balanced against...

- 3) Meeting the very real ongoing physical and mental health needs of non-covid-19 patients and populations.
- 4) Getting people back to work and rebuilding the economy.
- 5) Optimizing the social fabric of our families and communities.

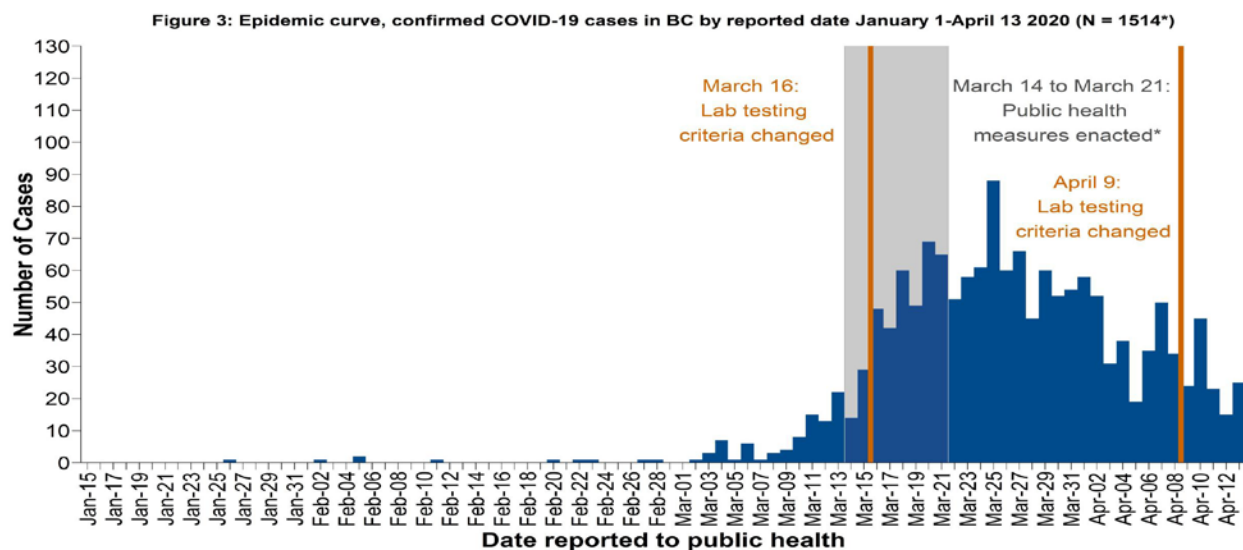
How to safely increase our opportunity for broader social interaction by carefully relaxing what are very taxing social-distancing measures. How to safely and sensibly reboot the economy as much as possible while keeping people safe. This is not a simple trade-off but an extremely complex exercise for all of us in optimizing the physical, mental, social, and economic health of the people of British Columbia in the face of an epidemic at that is more challenging than we have seen in generations. Physical, emotional, social and economic health rise and fall together.

This plan sets out the proposed dimensions of this balancing act based on hitting a “sweet spot” using dynamic modelling based on BC data - moving from the current targeted lockdown restrictions resulting in approximately 30% of normal social interaction towards a sustainable 60% of social interaction with restated levels of targeted restrictions. Our dynamic modelling suggests that going above this level will result in a significant and unsustainable growth in transmission of the virus. These models give us an indication that there is room to move. Monitoring both infection rates but also unintended consequences of measures will be required to find the right balance in practice. As referenced by other jurisdictions this will involve “turning the dial” or “adjusting up the dimmer switch”; not flicking an “on/off switch”.

DYNAMIC MODELLING OF SOCIAL CONTACTS AS THE BASIS FOR MOVING FORWARD

BC has pursued an evidence-based and transparent approach to managing the pandemic with daily briefings and several detailed updates on our modelling and planning.

As demonstrated by the graph below the significant and “stringent” (Oxford Stringency Index) measures taken by B.C. were both needed and are working in flattening B.C.s epidemic-curve.



However, these measures have come with significant economic and social costs which will have their own significant impact on the health of the population. The benefit at a population level is that these stringent measures have created hyper-awareness of covid-19 transmission risks which should provide a more secure platform for us to achieve a “new normal” to get us through the coming twelve to eighteen months. In setting out this plan, it is worth restating the epidemiological evidence as we currently understand it and then to use this evidence to shape our actions moving forward.

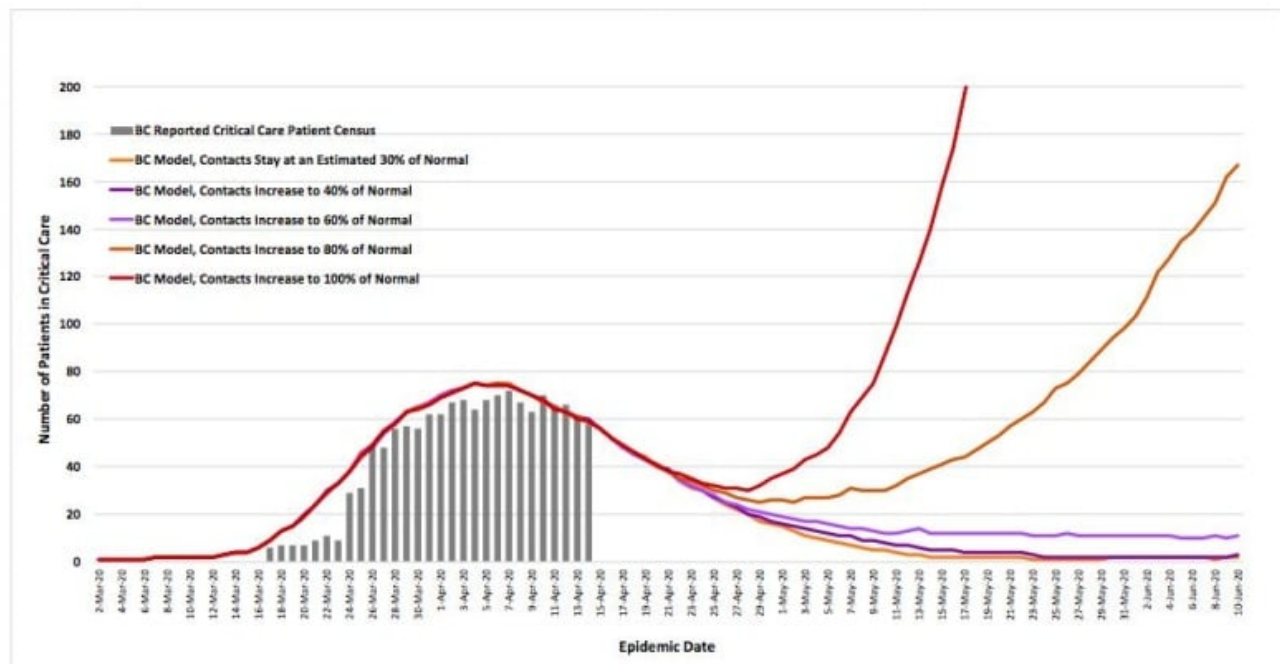
Rates of infection are very dependent on contacts between people. A *dynamic compartmental model* estimates the rate at which susceptible people transition to being infected and on to recovery or death. These transitions are determined by contact rates between people, which have been inferred directly from epidemiological observations in BC. The models are based on our own observed data. The models illustrate different possible future states for different levels of contact.

While all models are just that, we have some confidence in these simulations because:

1. They have accurately predicted trends in hospitalization, ICU visits and new confirmed infections over the last month.
2. The BCCDC works with several quite different modelling approaches and these agree with each other.
3. BCCDC's general findings of increasing risk of rebound once a threshold of increased contact is reached are echoed in models from elsewhere.

While models are just that, they can help guide our thinking. They indicate that B.C. can move cautiously to lift restrictions while maintaining enhanced surveillance and determining thresholds of actual hospitalizations, ICU, and ventilated cases which might then require us to enhance efforts.

The modelling in the graph below points to the current level of social contacts being estimated at 30% of normal based on the significant and targeted restrictions on social contacts following the partial lockdown measures implemented in mid-March 2020.



A model released by the B.C. government of how critical care cases for COVID-19 could develop over the coming months based on the level of social contacts. (BC Centre for Disease Control)

While a return to normal levels or near normal levels is predicted to radically increase transmission, the move to 60% of normal is forecast to result in a flat transmission rate as indicated by the number of patients requiring critical care. This would be a “new normal” level for the coming twelve to eighteen months while a vaccine is hopefully developed and deployed.

The challenge is to translate what is currently a theoretical space into a practical suite of actions. These actions are linked from a population health perspective to suppressing the rate of **transmission** or viral spread in the population and from a health system perspective to its **capacity** to offer appropriate (1) public health capacity to detect, test, contact trace and therefore manage cases to prevent outbreaks in the community and (2) provide appropriate levels of hospital, critical, and ventilated care to patients with a more severe experience of the infection. Each of these will now be considered in sequence setting out the analysis and then proposed actions.

MANAGING TRANSMISSION IN ORGANIZATIONAL AND SPECIFIC SETTINGS

Key to deciding which actions to take is to understand the **what, where, and how** of virus transmission.

Coronavirus is transmitted via **larger liquid droplets when a person coughs or sneezes but also potentially when they are talking in very close proximity to another person**. The virus in these droplets then can enter the body of another person when that person breathes in the droplets or when the droplets touch the **eyes, nose or throat** of that person. This requires you to be in **close contact** – less than the so-called social distancing of 3 – 6 feet. This is referred to as ‘droplet’ transmission and is believed to be the primary way COVID-19 is transmitted.

In addition, droplet transmission is much **more likely when in close contact in an indoor setting**. COVID-19 can also be transmitted through droplets in the environment if someone **touches the contaminated area then touches their face or eyes without cleaning their hands**. Unfortunately, humans touch their mouths, noses, and eyes with a very high level of frequency per hour. This speaks to the importance of regularly cleaning one’s hands and also cleaning of high touch areas in the environment.

A key issue in transmission is the median incubation period (the time from infection to appearance of symptoms) and the serial interval (the time between successive cases) for the Covid-19 virus. The **serial interval for Covid-19 virus is estimated to be 5-6 days**. There are some emerging indications that there are people who can shed Covid-19 virus 24-48 hours prior to symptom onset, but at present, the WHO suggests that this **does not appear to be a major driver of transmission**. However, we need to acknowledge that there is debate about this and that at this time we cannot be categorical.

The direction and measures set out in this paper focus on three areas: personal self-care; social interaction with extended family and friends; social interaction in organizations and public institutions. Actions across all three areas will be critical to our efforts to continue to successfully suppress transmission.

Reducing Transmission – Core Guidelines for Personal Self Care

This is the foundation to reduce transmission:

- No hand shaking as the new norm.
- Practice good hygiene (frequent hand washing with soap and water and use of hand sanitizers; avoid touching one’s face; respiratory etiquette; disinfect frequently touched surfaces).

- Maintain reasonable physical distancing as much as possible when outside the home and using a non-medical mask or face covering in situations where reasonable physical distancing cannot be consistently maintained, and engineering controls are not available (e.g. plexiglass barriers).
- If you have the symptoms of a cold, flu, or Covid-19 including a cough, sneezing, runny nose, sore throat, fatigue you must stay at home (not going to school/work) and keep a safe distance from others in your family until those symptoms have completely disappeared.
- A further consideration is for individuals at risk of a more severe illness (because they are over 60 years old or if they have compromised immune systems or underlying chronic medical conditions) to properly inform themselves of risk, assess their own risk-tolerance, then to think through extra precautions they may wish to take over the coming months.

Reducing Transmission – Core Guidelines for Managing Social Interaction with Extended Family and Friends

Social interaction is critical to our individual well-being and health. Increased social interaction must balance this fundamental human need with key actions to reduce transmission. A further consideration are the extra precautions for those at increased risk of a more severe illness if they contract Covid-19 in terms of the older population and individuals with compromised immune systems or certain underlying medical conditions. In addition to the personal measures set out above there are several additional measures can be taken to reduce transmission.

- Do not socialize with your family and close friends when any of you have the symptoms of a cold, flu, or Covid-19 including any coughing or sneezing.
- Maintain regular social contact with extended family or a small group of friends but only get together in small groups (around 2-6 guests) and maintain reasonable social distance (cautiously expand our circles of social contact while protecting those more at risk).

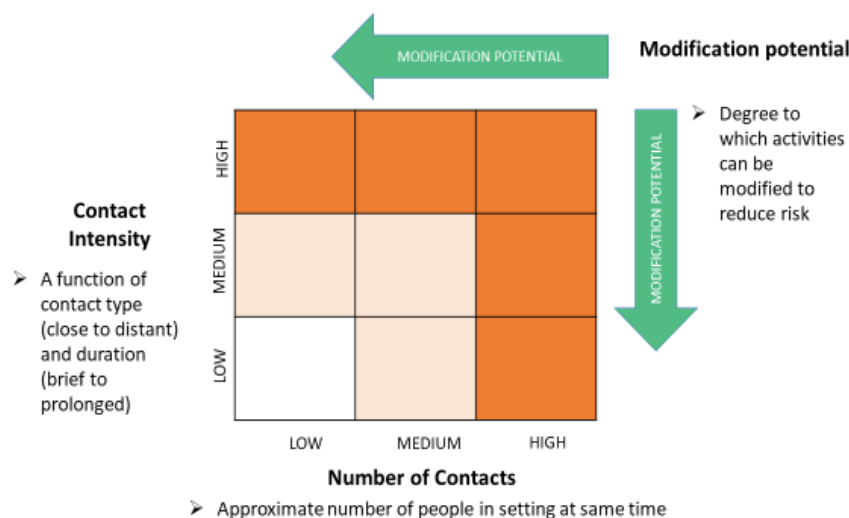
These measures require a sustained and strong in-group code of behaviour and then applied across the multiple groups you are a part of.

Reducing Transmission – Core Guidelines to Implement Safe Practices in Organizations and Public Institutions

Assessing the risk of transmission from social interaction in organizational settings and public institutions is a function of two variables (rated as low, medium, and high) supported by a range of actions you can take to further reduce the risk of transmission:

- (1) What is the **contact intensity** in your setting - the type of contact (close/distant) and duration of contact (brief/prolonged);
- (2) What is the **number of contacts** in your setting – the number of people present in the setting at the same time².

By completing these ratings, you can position your organization setting on the risk matrix below:



However, the medium and high categories are also subject to potential modification or controls which can help you move to a lower risk category by taking a combination of actions:

- Physical distancing measures – measures to reduce the density (intensity and number of contacts) of people in your setting.

² John Hopkins University, Bloomberg School of Public Health, Centre for Health Security April 2020

- Engineering controls – physical barriers (e.g. plexiglass barriers; one-way systems for customer flow; physical space between seating).
- Administrative controls – rules and guidelines to reduce the likelihood of transmission in your setting (e.g. stay away if sick; hours of operation).
- PPE – use of non-medical masks.

Using this assessment and applying the potential modifications or controls to further reduce risk of transmission, organizations (workplaces, retail outlets, public institutions, community organizations) are being asked to **develop explicit plans for the measures they will implement and maintain over the coming 12-18 months**. Specifically, they are being asked to apply a series of core measures across three areas (personal, social, organizational) that set parameters for the “**new normal**” in terms of formal and required actions that are the basis for workplaces and commercial businesses being in operation until the PHO lifts the public emergency requirements. This assessment framework combined with specific measures set out below will be used by organizations and public institutions to reduce the risk of transmission.

Reducing Transmission – Core Guidelines to Implement Safe Organizational Practices

- Actively promote and monitor personal self care actions in your organization.
- Actively promote and implement the core measures for managing social interaction in your organizational setting in congregate social areas (kitchens, staff room, canteens, shared public spaces).
- You must have clear policies to enable and ensure that individuals who have the symptoms of a cold, flu, or Covid-19 including any coughing or sneezing should not come into the workplace. As part of opening your specific settings, you should implement sick day policies for the coming twelve months that actively work with individual staff being off sick more often or working safely at home during these illnesses. As employers you must take leadership in this regard with routine screening/questions of staff for symptoms checking.
- Require and sustain higher levels of frequent cleaning of “high touch” areas in workplaces and retail outlets throughout the day and availability of hand sanitizer stands at entrances or around workplaces and shops.
- Where appropriate and practical increase use of temporary physical barriers (such as plexiglass at service counters or checkouts).

- Focus on how you will support and accommodate higher-risk populations including those 65+ and those with underlying medical conditions. Workplaces, retail and personal service businesses are encouraged to exercise greater accommodation for these age groups in terms of work space, more flexible hours of work or shopping (earlier, later, mid-day) or working at home options.

Additional core guidelines specific to organizational settings (more will be developed as sectors are engaged and sector wide norms are adopted/required as set out later in this section):

- For **Office-Based Organizations**, where possible continue to encourage working from home part of the time to reduce “contact intensity” and “number of contacts” in the work place. Where this is not possible or in addition to working from home policies, enable employees to have less contacts by using staggered shifts or work hours, creating smaller teams working together virtually; forgoing in person group meetings as much as possible.
- For **Retail Organizations** implement strategies that support sensible social distancing (3-6 feet) and sensible volume of customers in the retail space based on the transmission fact basics.

Note: Guidelines have been provided for **retail grocery stores** that will continue to be reviewed - lining up outside retail stores, especially in the rain or cold fall and winter months may not socially sustainable, practical or healthy. For all retail outlets density of customers needs to be considered – there appears to be confusion with respect to applying the “mass gathering” number of no greater than 50 people to a number of organizational settings. This was not the intent of that directive.

Best practice for the retail sector will be open to discussion as the sector develops its proposed plans. There are several actions the sector should think through in developing their proposed plans:

- Ability to increase throughput of customers and reduce line-ups by opening and maintaining a higher number of check-outs once physical plexiglass barriers are installed between checkouts.
- Increased or continued encouragement of on-line shopping, deliveries, and/or pick-ups to reduce volume of visits.
- Increasing hours of shopping to decrease density of customers throughout the day.

- Encourage or require utilization of basic non-medical masks while shopping in the store to reduce the spread through individuals coughing, sneezing, or close interpersonal contact and therefore increase density.
 - Use of physical barriers such as plexi-glass.
 - Messaging re not shopping while sick (cold, flu, Covid-19 symptoms) and routine screening/questions of customers for symptoms checking.
- For **Personal Service Organizations** (barbers, hair salons, personal service establishments)
- Messaging re not accessing services while sick (cold, flu, Covid-19 symptoms) and routine screening/questions of customers for symptoms checking.
 - Manage in terms of physical distancing and reducing or eliminate waiting areas.
 - Require appointments or bookings to manage customer flow.
 - Use of non medical masks and maintaining distance between customers while being served.
 - Use of physical barriers such as plexi-glass where practical.
- For **Daycare and Education Settings/Camps**
- Daycares are an important part of the social infrastructure to support parents returning to work.
 - While it is well established that children are important drivers of influenza virus transmission in the community; for the COVID-19 virus, initial data indicates that **children are less affected than adults and that clinical attack rates in the 0-19 age group are low**. Further preliminary data from household transmission studies in China suggest that children are infected from adults, rather than vice versa. This is an important consideration with respect to school closures and reopening but is an area in which the evidentiary base will continue to develop.
 - The evidence of the impact of covid-19 on young adults appears to be evolving although the data to date suggests that they are very likely to experience mild symptoms.
 - In general, educational settings are critical to a child's and youth's psycho-social development as well as learning but also for younger children, important to a parent's ability to maintain employment. Any actions taken in this area should take in to consideration all these dimensions.
 - Recreation and involvement in sports are also important developmental activities for many children and young people.

Day Cares

- Routine daily symptom screening for all staff and students.
- Routine and frequent environmental cleaning.
- Explicit policy for children or staff who have the symptoms of a cold, flu, or Covid-19 with any coughing or sneezing not coming into daycare.

Schools (K-12)

- Routine daily screening protocol for all staff and students.
- Routine and frequent environmental cleaning.
- Implement a range of options to reduce transmission including smaller class sizes; separation of desks; potential of differential school attendance on a routine basis each week; strong focus in the daily routine on frequent washing of hands and other hygiene practices; small group activities and wearing of non-medical masks for those group activities; no high contact sports; limit group sizes of extracurricular activities.
- Explicit policy for children, youth and staff who have the symptoms of a cold, flu, or Covid-19 with any coughing or sneezing not coming into school or taking part in extra curricula activities and sports.
- Planning over the summer for increased use of remote online learning, especially for high school children.
- Early arrival and self-isolation for 14 days of international students.

Post Secondary Institutions

- Routine daily screening protocol for all staff and students.
- Routine and frequent environmental cleaning.
- Explicit policy for students and staff who have the symptoms of a cold, flu, or Covid-19 with any coughing or sneezing not coming into classes or taking part in extra curricula activities and sports.

- Increased use of on-line learning balanced against the need of social interaction for learning and development.
- Early arrival and self-isolation for 14 days of international students.

Recreation/Sports/Camps

- Routine daily symptom screening for all staff and participants.
- Support low contact sports (especially outdoor). Identify high contact sports that should not take place during the pandemic.
- Explicit policy for participants and staff who have the symptoms of a cold, flu, or Covid-19 symptoms with any coughing or sneezing not being engaged in recreation, sports, or camps.
- Staff and participants at higher risk of experiencing severe illness should not take part in recreational, sporting, or camp activities.

The core measures set out above, supported by the PHO, provide the basis for Government and sector partners to think through and plan for business and institutional resumption based on a sector by sector analysis supported by relevant ministries and through sectoral partnership tables. It is intended to help each sector think through and plan a cautious return towards the **60% social contact maximum of the pre-Covid-19 normal**. There will be review of plans by a cross ministry oversight committee supported by guidance and advice through the PHO/BCCDC and WorkSafe BC.

Key sectors that will need to work through in detail and then implement approved “new normal” practice standards include:

- Office Workplace Practice Standards

- Personal Service Workplace Practice Standards (hairdresser/barbers; spas)
- Retail Practice Standards (including grocery stores)
- Resource Sector Standards
- Restaurant and Food Service Practice Standards
- Hotels and Resorts (Including Camping) Practice Standards
- Child Care Settings Practice Standards
- School and Post Secondary Institutions Practice Standards
- Recreational Facilities Practice Standards
- Outdoor Recreational Setting Practice Standards
- Parks, Beaches and Outdoor Space Standards
- Bar, Casino, Night Club Practice Standards

To further assist **organizations** a Covid-19 site will be maintained to host all core measures and guidance; allow organizations to pose questions/receive answers, and curate a Q&A record for public access and information.

Beyond specific settings BC will in the coming several weeks bring further clarity on its medium to longer term position on several other areas for the coming twelve to eighteen months on:

- Travel Management Measures will require careful consideration with no immediate change in the status of international travel measures. Other areas for further consideration will be Internal travel guidance in province particularly over the summer months; Inter-provincial travel for family visits or tourism; international travel (outbound and inbound) for family visits; business; or tourism over the coming months.
- Further consideration as to whether there needs to be formal enforcement or legislative provisions attached to some of the measures.

One area where there will be no change in the immediate future are **Large Scale Public Events** (this refers to large social gathering not work places or retail box and grocery stores). The PHO has restated total bans on mass gatherings and will maintain the direction on gatherings being of no more than 50 people with required social distance and health hygiene practices for groups under that number.

MANAGING PUBLIC HEALTH AND HEALTHCARE SERVICE CAPACITY

A key argument made in the response to the Covid-19 epidemic has been the need to protect the health system and health workers from being overwhelmed to the point of not being able to provide appropriate care to both non-Covid-19 and Covid-19 patients. This is linked to both the experience of the severity of the illness at a population level and the ability of the health system to respond to the volume of patients requiring care at any one point in time.

As noted earlier in the discussion paper, from a health system perspective we need to consider our **capacity** to offer appropriate (1) **public health services** to detect, test, contact trace and therefore manage cases to prevent outbreaks in the community and (2) provide appropriate levels of **hospital, critical, and ventilatory care** to patients with a more severe experience of the infection. This is against the backdrop of allowing non-urgent health care services to resume (such as scheduled routine public health functions; primary care; dental care; physiotherapy and chiropractic care; scheduled surgeries; outpatient clinics, screening, and imaging services).

Public Health Strategies, Safeguards, and Capacity

A number of articles and think pieces argue that the reality of next 18 months (nominal time for a vaccine) will be characterized by a cycle of lockdowns and unlocking with restrictions partially relaxed for a period of a few weeks at a time on a geographical, age group, or other factors until infection rates start to climb again with clear messaging on this reality to the public and encouragement to stay with this challenge. Is this practical? Would this be managed at a geographical level based on a community level analysis? Public health leadership in B.C. is focussed trying to find a steady state “sweet spot” for the coming twelve to eighteen months but will monitor transmission and hospital rates closely and take additional restrictive action if required.

Testing will remain an important part of the management strategy going forward. BC’s testing strategy has evolved and changed over the course of the pandemic. Public Health has recently revised guidance for COVID-19 Testing by Nucleic Acid Tests (NATs) as follows:

1. Test all individuals with new respiratory or symptoms compatible with COVID-19, however mild. Symptoms may include fever, chills, cough, shortness of breath, sore throat, odynophagia, rhinorrhea, nasal congestion, loss of sense of smell, headache, muscle aches, fatigue, or loss of appetite.
2. Individuals in the following groups should be prioritized for testing :
 - a. Residents and staff of long-term care facilities.
 - b. Individuals requiring admission to hospital or likely to be admitted, such as pregnant individuals near-term, patients on hemodialysis, or cancer patients receiving radiation or chemotherapy.
 - c. Healthcare workers.

- d. Individuals with a higher probability of being infected with COVID-19 such as contacts of a known case of COVID-19 and travellers just returned to Canada.
 - e. Residents of remote, isolated communities, including remote and isolated Indigenous communities.
 - f. People living in congregate settings such as work-camps, correctional facilities, shelters, group homes, assisted living and seniors' residences.
 - g. People who are homeless or have unstable housing.
 - h. Essential service providers, such as first responders.
3. Healthcare providers can order a COVID-19 test for any patient based on their clinical judgment.
 4. COVID-19 testing is not recommended for individuals without symptoms.
 5. The Medical Health Officer may recommend testing for others, such as those who are part of an investigation of a cluster or outbreak.

In public health, contact tracing is the process of identification of persons who may have come into contact with an infected person ("contacts") and subsequent collection of further information about these contacts. This will remain a key tool moving forward and it will be essential that we build up sufficient capacity to carry out this important measure.

Core Public Health Measures for the "New Normal"

- A sustained communication strategy to keep public informed on best practices and evidence.
- B.C. will make net new investments in Public Health/BCCDC capacity over the summer to ensure it is able to undertake timely testing, case tracking and contact tracing; as well as rapid response capacity for outbreak event management:
 - Adequate capacity for appropriate and rapid testing and laboratory capacity.
 - Adequate capacity for contact tracing/self isolation.
 - Build out adequate capacity to conduct contact tracing and analytics to support appropriate evidence based targeted actions to suppress transmissions.
 - Explore, develop and use technology to supplement traditional contact tracing.
 - Aim to selectively detect and isolate as many cases and contacts as possible whilst leaving everyone else to move around freely.
- Is in process of validating and then will introduce serological testing.

- Preparation and resourcing to quickly **respond to outbreaks** as required including using emergency powers as required:
 - A singular large public exposure.
 - A wide spread hospital or LTC facility exposure.
 - A community based organizational exposure (e.g. work place, church population).
 - Specific wide spread localized community spread virus activity.
 - Novel clinical presentation.
- Provide additional risk-based guidelines targeted at at-risk populations to help individuals and families think through how to healthily self manage over the coming 12 to 18 months.
- Explore developing an APP and support materials as an Alert System (amber/red) signalling the need for individuals and organizations to take immediate social distancing measures.(see for example New Zealand’s Alert System - <https://covid19.govt.nz/alert-system/covid-19-alert-system/>).
- Net new investment in PHSA and BCCDC for data analytics, modelling, and reporting.

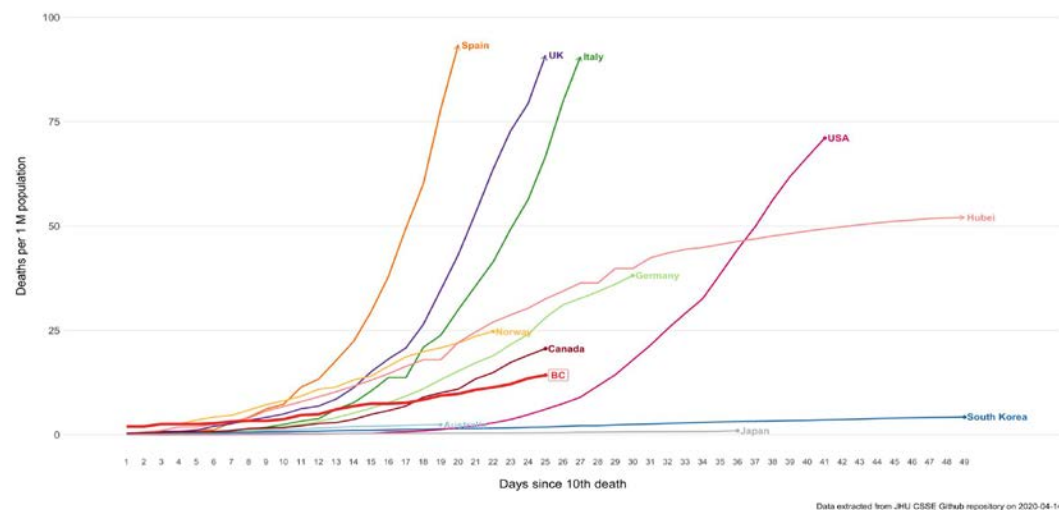
Health Service Strategies, Safeguards, and Capacity

For COVID-19, data to date suggest that **80% of infections are mild or asymptomatic, 15% are severe infection, requiring oxygen and 5% are critical infections, requiring ventilation**. BC clinical experience has been slightly different in that 22% of infected patients have been assessed as benefiting from hospitalization, 11% have been provided critical care and 9% have been ventilated. For **COVID-19**, our current understanding remains that **older age** and **underlying conditions** increase the risk for severe infection.

The experience of the pandemic in BC aligns with the broader experience of the severity and impact of the disease impacting the older population. As of April 14,2020, the median age of people who have died in B.C. was 86 (in total only one person died in the 40-49 age group and two people died in the 60-69 age group). As reported earlier in the pandemic, the data from China reported that percentage of people with an underlying condition or disease diagnosed with Covid-19 who died (from China CDC February 2020) was as follows:

- Cardiovascular disease – 10.5%
- Diabetes – 7.3%
- Chronic Respiratory Disease – 6.3%
- Hypertension – 6%
- Cancer – 5.6%
- No Health Condition – 0.9%

The researchers found that the **crude mortality ratio** for those with an underlying health condition is much higher than for those without. By comparison, the crude mortality rate was only 0.9% – more than ten times lower – for those without a pre-existing health condition. In B.C. we are still at the early stages of analysis but have reported that 35.8% of 707 cases reviewed to date had at least one chronic condition (cancer, diabetes, cardiac disease, liver disease, neurological disorder, renal disease, or respiratory disease). There is little that can be concluded from this at this time but as the analysis advances it will better inform our understanding of the severity of the disease for classes of the population. In particular we need to determine the underlying illnesses and age for hospitalized, ICU, and ventilated patients and deaths.



In broader terms there are significant difference in the rates of death per million population across jurisdictions, which may be linked to the ability of a health system to respond in a timely and appropriate way to the progress of the illness in a subset of the population who become more severely ill. This likely relates to the capacity of the health system at the time of the surge in the pandemic to provide access to critical care and ventilated critical care. By continuing to flatten the curve we save lives today and tomorrow, by protecting the capacity of the system and postponing exposure until better treatments and vaccines become available.

The capacity of the healthcare system is referenced as critical to considerations of how to respond to the pandemic. If there are more critically ill people than there are intensive care facilities and ventilators, people will die who otherwise might not have. This requires close monitoring of hospitalization, ICU, and ventilator utilization that the health system can handle without becoming overwhelmed.

Underpinning this consideration is the transmission rate that B.C. can manage. Transmission ideally should be understood in terms the Covid-19 real-time, **effective reproduction number**, or its actual ability to spread at a particular time. The rate at which a virus is transmitted — known as the R-naught (R_0), or basic reproductive number — refers to the average number of people to whom an infected person passes on the virus in a population with no pre-existing immunity. The R_0 can vary from place to place because of the population's age structure and how frequently people come into close contact with each other. The "effective" version of that number, the R_t — or the reproductive number at time "t" — is the virus's actual transmission rate at a given moment. It varies according to the measures to control the epidemic — quarantine and self-isolation protocols, travel restrictions, actions to reduce transmission — that have been put in place and the level of immunity gradually building in the population post-infection and recovery.

At this stage of our pandemic BCCDC suggests this is not possible to get an accurate timely estimate of R_t and as such it is proposed that we use hospitalization and in particular critical care census data for covid-19 and non-covid-19 patients as a practical and easily measured/reported reference point linked to our capacity in any community or region.

We must determine the real-time effective number that the BC health system can appropriately manage given our hospital (medical in-patient bed) and critical care capacity that includes both Covid-19 and routine inpatient demand for these services. There will need to be conservative thresholds for numbers in critical care that would trigger rapid review and action as any measures taken will take up to fifteen to twenty days to have an impact as we saw after our interventions in March.

Based on the BC experience and that of other jurisdictions one of our most vulnerable populations is our citizens in Long Term Care and to a slightly lesser extent Assisted Living. Several measures have been taken to provide greater protection to these individuals and better manage an outbreak when it occurs. These measures will need to continue to evolve over the coming weeks and months. Other populations include older individuals (60+ and especially in to late 70s+) and individuals with underlying medical conditions (cardiac; diabetes; chronic respiratory illnesses; compromised immune systems).

Unintended consequences:

Measures we have taken have unintended health, social and economic consequences, which must be balanced against risk of COVID-19. We have a responsibility to monitor these consequences over the coming months and adjust our strategy accordingly. Two strategies are being developed to achieve this:

- A population health survey, which can be repeated as necessary to understand the effect of COVID-19 and the measures used to control the pandemic.

- Establishment of an unintended consequences working group to monitor health and social consequences of public health measures.

In summary:

- Maintain infection rates at a low level that is manageable in terms of providing optimal ICU and ventilator care to a sub-group of patients who experience a severe form of the illness – it won't be zero;
- Focus on protecting our citizens who are most vulnerable to a severe form of the illness;
- Establish an upper limit on ICU cases at a low level to protect some surge capacity;
- Understand that an outbreak could take off in a few days and that responsive measures could take 15 to 20 days to have an impact and so will need ongoing vigilance and nimble responses.

Core Health System Measures for the “New Normal”

- PHSA/BCCDC to fully complete **modelling** to establish sustainable hospitalization rates for the BC system to be able to manage inclusive of normal demand. This modelling will also include potential transmission, in hospital bed, critical care thresholds that would be used to trip review and action for increased public health measures.
- Continue to operationalize **Urgent and Primary Care Centres** as a key service element to reduce pressure on ERs and to respond to covid-19 testing and care in the community. These could be used as separate “respiratory care centres” for the coming fall/winter flu/covid-19 season. Continue implementation of Primary Care Networks with enhanced access to the **virtual care initiatives** initiated in the early stages of the pandemic crisis in BC.
- Safely **reboot key areas of the health care system** including clinic based medical and dental care; out patient care; scheduled surgeries. A high level of attention and care will need to be given to the re-densification of hospitals and with that both the contact intensity and number of contacts in key hospital settings. Health Care Settings Practice Standards will be fully developed and implemented over the coming month.
- Continue focused efforts to maximize safety of individuals in **LTC and AL settings**
 - Ongoing daily monitoring and strong policies in place for staff and visitors with respiratory illnesses not working at or visiting facilities.
 - Ongoing appropriate use of PPE in these settings.
 - Supporting employers by continuing single site working directive and better structuring contracts through a template contract creating equitable funding

structures and clear requirements for quality, including safety. This direction will remain in place as a permeant policy both during and after the Covid-19 epidemic.

- Continue focus on health and safety for individuals more likely to experience a serious form of the illness; care being provided in community service setting; homeless and vulnerable populations.
- Expedite operationalization and build out of the proposed “**hospital at home**” model (adopted from Australia) for implementation in fall and winter of 2020/21 across BC to reduce pressure on hospital in-patient medical beds. This involves identifying which sub-group of patients that are currently cared for in a hospital setting might be cared for at home by a team of outreach hospitalists and nursing staff providing daily care and monitoring to a virtual “community ward”.
- Continue to build out **ICU, HAU, ventilator capacity** (including building out urgently health care professional capacity required) over the balance of spring and summer based on modelling.
- Move ahead with repatriation of cleaning and food services over the coming 12 months.
- Securing **PPE supplies and capacity** for the immediate and potential needs through the fall and winter and focus on ongoing training and support to staff in the appropriate and safe use of PPE.
- Refresh health system budget for consideration, review and approval of TB.

CONCLUSION AND NEXT STEPS

B.C. like all other jurisdictions, will likely face a potentially challenging transition from a virus-related lockdown to carefully restarting social and commercial life balancing warnings from public health officials of health risks with other warnings of the significant potential damage to economic and social life.

The challenge essentially is a three-way balancing act between combating the disease, protecting or rebooting the economy and keeping society on an even keel. This requires carefully thinking through trade-offs that are proportionate as government works though decision making aligned with the legislated role of the Provincial Health Officer. The overall goal will be to make decisions about the trade-offs and consequences of those decisions:

The overall goal is to find the right balance for BC against five goals:

1. Protect lives by suppressing transmission rate to lowest rate possible for at-risk populations until a vaccine becomes available (ongoing monitoring and assessment of this possibility will be important, and our strategies will need to evolve based on what materializes or does not materialize over the coming twelve to eighteen months).
2. Avert the health system being overwhelmed such as to be unable to offer quality care to both non-covid-19 and covid-19 patients managing the transmission rate within capacity of health system (in-patient beds; ICU/HAU beds/mechanical vents) until vaccine available.

Balanced with...

3. Meeting the very real ongoing physical and mental health needs of non-covid-19 patients and populations.
4. Getting people back to work and rebuilding the economy.
5. Optimizing the social fabric of our families and communities.

B.C. not implement an “all at once, everywhere and for everyone” lifting of restrictions but rather a step wise process based on the measures set out in this paper. The “un-locking and partial reboot” phase will need significant coordination between different parts of government, the business sector, and civil society supported by a significant and consistent communication strategy. There is no obviously right or wrong answer about the best way to respond to a threat as great and as complex as this pandemic, but individuals, institutions, and government will be judged on the outcomes. Government will establish a number of “sectoral tables” to monitor and further fine tune response for the coming twelve to eighteen months.

Overall, the go-forward management plan must remain nimble enough to allow the province to fine-tune our interventions quickly enough to stay ahead of the outbreak trajectory through either an acceptable steady state (contemplated by the <60% social interaction modelling) and/or a series of moderate “lift and suppress” policies and actions - cycles during which restrictions are relaxed and then reapplied in ways that can keep the pandemic under control but at an acceptable economic and social cost.

B.C.'s COVID-19 Go-Forward Strategy

May 6, 2020

The COVID-19 pandemic will be over when the proportion of the population that is immune is large enough that transmission between people is no longer sustained. This can happen in two ways (1) after enough people have been infected and have recovered and/or (2) when enough people have been immunized with a vaccine.

The goal of our restrictions is to slow the spread of COVID-19 – protecting our most vulnerable and ensuring our health-care system can respond to increased demand while we develop a vaccine.

Context – What Are We Doing

Measures we have taken in B.C. include:

- Providing physical distancing and hygiene guidelines for industry.
- Banning mass gatherings of more than 50 people.
- Closing bars, restaurants, and personal service establishments.
- Reducing in-classroom learning and childcare.
- Requiring travelers to implement a 14-day self-isolation plan.
- Restricting visitors in health care and assisted living settings.
- Postponing elective surgeries and decanting hospitals.

Context – What We Need to Do Next

Full engagement of individual citizens, key institutions, and employers to hard wire best-practices into day-to-day interactions with the overall objective to find the right balance against five goals:

- Suppress transmission rate to lowest rate possible for at-risk populations until a vaccine becomes available.
- Avert the health system being overwhelmed such as to be unable to offer quality care to both non-COVID-19 and COVID-19 patients.

Balanced against.....

- Meeting the very real ongoing physical and mental health needs of the non-COVID-19 patients and populations.
- Getting people back to work and rebuilding the economy.
- Optimizing the social fabric of our families and communities.

While a return to near normal levels is expected to radically increase transmission, the move to 60% of normal is expected to result in a relatively flat transmission rate.

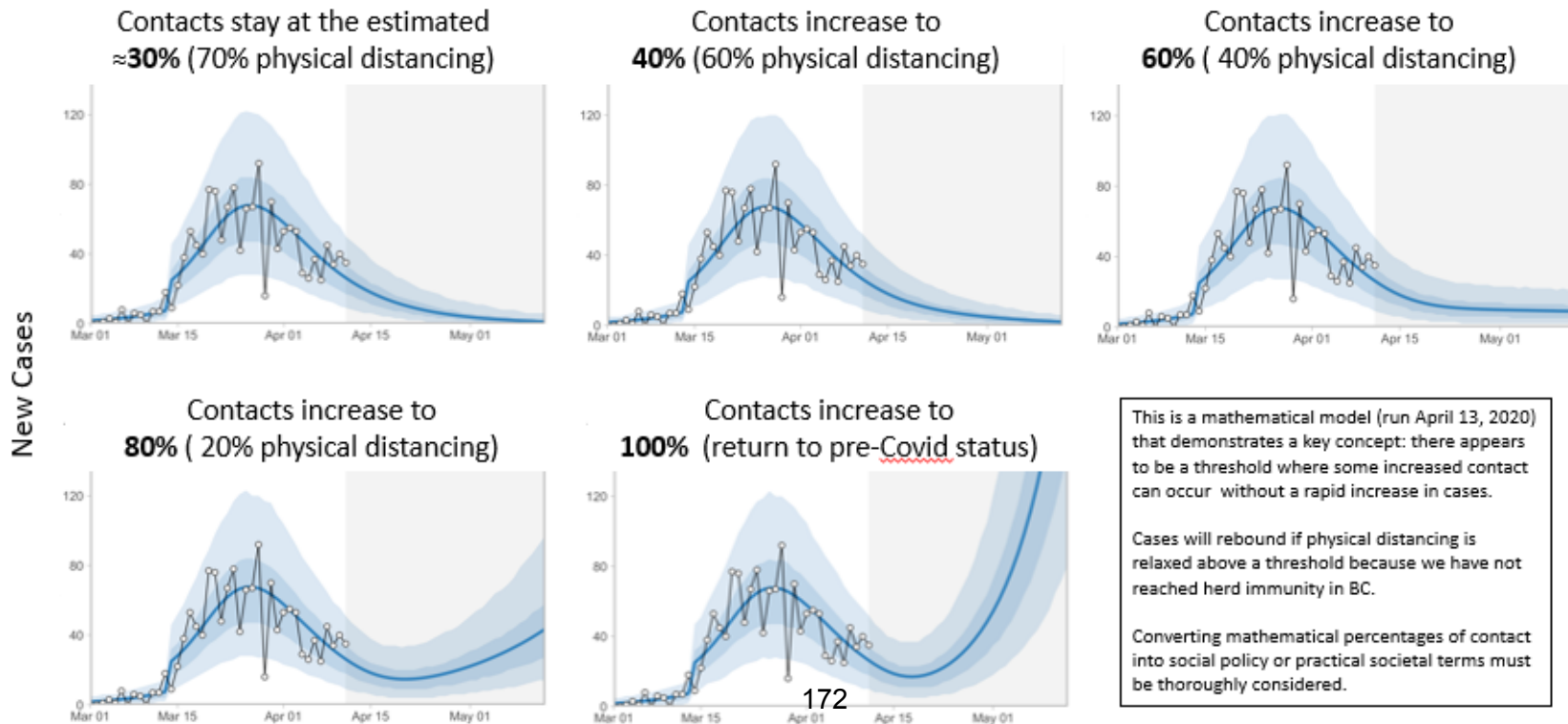
Practically, British Columbians could almost double the amount of social contacts they have currently and still maintain a flat transmission rate.

This presents opportunities we need to improve economic, social and personal well being for citizens – to find the right balance.

This should provide a sustainable “new-normal” for the coming 12 to 18 months, while a vaccine is developed and deployed. We can continue to refine and tweak the balance of actions based on closely monitoring transmission rates.

Dynamic Modelling Results

Using the same OSI measure we can simulate various transmission impacts of increasing social contacts.



Three Areas of Focus to Reduce Transmission



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- Core Guidelines for Personal Self Care.
- Core Guidelines for Managing Social Interaction with Extended Family and Friends.
- Core Guidelines to Implement Safe Practices In Organizations and Public Institutions.

Core Guidelines for Personal Self Care

- No hand shaking.
- Practice good hygiene.
- Maintaining reasonable physical distance when out in the community and using a non-medical mask or face covering in situations where reasonable physical distancing cannot be maintained.
- If you have the symptoms of a cold, flu, or COVID-19 stay at home and keep a safe distance from others until those symptoms have completely disappeared.
- If you are at greater risk (>60, compromised immune system, underlying chronic medical conditions) get informed about risk, assess your own risk tolerance, think through and apply extra precautions and heightened vigilance.

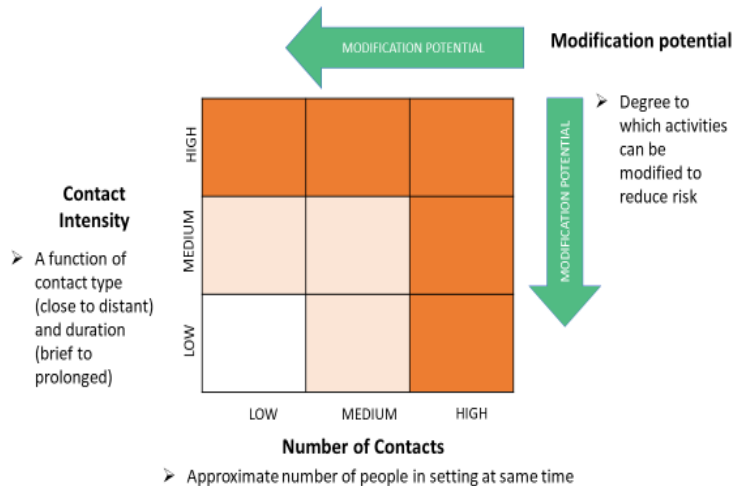
Core Guidelines for Social Interaction

- A clear policy for not socializing when you have the symptoms of a cold, flu, or COVID-19, including coughing or sneezing.
- Maintain regular social contact with extended family or small groups of friends – but only in small groups (around 2-6 guests) while maintaining a safe physical distance.

These considerations are especially important when visiting people who are more vulnerable to the health impacts of COVID-19.

Core Guidelines for Organizations and Public Institutions

The risk of transmission in organizational settings and public institutions is subject to two variables that we need to modify to reduce transmission risk: contact intensity (how close you are to someone and for how long); number of contacts (how many people are in the same setting at the same time).



Modifying from high to low can be based on a range of actions:

- Physical distancing measures – to reduce density of people
- Engineering controls – physical barriers, increased ventilation
- Administrative controls – rules and guidelines
- Non-medical masks

Core Workplace Guidelines



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- Actively promote and monitor personal self care actions in your organization.
- Actively promote and implement the core measures for managing social interaction in your organizational setting in congregate social areas (kitchens, staff room, canteens, shared public spaces).
- You must have clear policies to enable and ensure that individuals who have the symptoms of a cold, flu, or Covid-19 including any coughing or sneezing should not come into the workplace. As part of opening your specific settings, you should implement sick day policies for the coming twelve months that actively work with individual staff being off sick more often or working safely at home during these illnesses. As employers you must take leadership in this regard with routine screening/questions of staff for symptoms checking.
- Require and sustain higher levels of frequent cleaning of “high touch” areas in workplaces and retail outlets throughout the day and availability of hand sanitizer stands at entrances or around workplaces and shops.
- Where appropriate and practical increase use of temporary physical barriers (such as plexiglass at service counters or checkouts).
- Focus on how you will support and accommodate higher-risk populations including those 65+ and those with underlying medical conditions. Workplaces, retail and personal service businesses are encouraged to exercise greater accommodation for these age groups in terms of work space, more flexible hours of work or shopping (earlier, later, mid-day) or working at home options.

Additional Guidelines for Offices

- Where possible continue to encourage working from home part of the time to reduce “contact intensity” and “number of contacts” in the work place.
- Where this is not possible or in addition to working from home policies, enable employees to have less contacts by:
 - Using staggered shifts or work hours for individuals or groups.
 - Teams working together virtually or small team task groups.
 - Forgoing in person group meetings as much as possible.

Additional Guidelines Retail Stores

- Best practice for the retail sector will be open to discussion as the sector develops its proposed plans. The PHO is continuing to review the guidelines.
- There are several actions the sector should think through in developing their proposed plans:
 - Ability to increase throughput of customers and reduce line-ups by opening and maintaining a higher number of check-outs once physical plexiglass barriers are installed between checkouts.
 - Increased or continued encouragement of on-line shopping, deliveries, and/or pick-ups to reduce volume of visits.
 - Increasing hours of shopping to decrease density of customers throughout the day.
 - Encourage or require utilization of basic non-medical masks while shopping in the store to reduce the spread through individuals coughing, sneezing, or close interpersonal contact and therefore increase density.
 - Use of physical barriers such as plexiglass.
 - Messaging re not shopping while sick (cold, flu, Covid-19 symptoms) and routine screening/questions of customers for symptoms checking.

Additional Guidelines Personal Services

- Hair salons, barbers, and personal service establishments will:
 - Use messaging re not accessing services while sick (cold, flu, Covid-19 symptoms) and routine screening/questions of customers for symptoms checking before providing a service.
 - Manage in terms of physical distancing and reducing or eliminate waiting areas.
 - Require appointments or bookings to manage customer flow.
 - Use of non medical masks and maintaining distance between customers while being served.
 - Use of physical barriers such as plexi-glass where practical.

Additional Guidelines Day Cares

- Routine daily symptom screening for all staff and students.
- Routine and frequent environmental cleaning.
- Clear policy for children or staff who have the symptoms of a cold, flu, or COVID-19, with any coughing or sneezing not coming into daycare.

Additional Guidelines Schools (K-12)

- Routine daily screening protocol for all staff and students.
- Routine and frequent environmental cleaning.
- Smaller class sizes, increased space between desks, alternating attendance arrangements, frequent hand washing, wearing non-medical masks for group activities and sports, and limiting group sizes.
- Clear policy for children, youth and staff who have symptoms of a cold, flu, or COVID-19, with any coughing or sneezing not coming into school or taking part in extra curricular activities and sports.
- Planning over the summer for increased use of remote online learning, especially for high school children.
- Early arrival and self-isolation for 14 days of international students.

Additional Guidelines Post Secondary

- Routine daily screening protocol for all staff and students.
- Routine and frequent environmental cleaning.
- Clear policy for students and staff who have symptoms of a cold, flu, or COVID-19, with any coughing or sneezing not to attend classes, extra curricula activities, sports or work.
- Increased use of on-line learning balanced against the need of social interaction for learning and development.
- Early arrival and self-isolation for 14 days of international students.

Additional Guidelines Sports/Recreation and Camps



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- Routine daily symptom screening for all participants.
- Low contact sports especially those outdoors are considered safer. Identify high contact sports that should not take place during the pandemic.
- Clear policy for participants and staff who have the symptoms of a cold, flu, or COVID-19 symptoms, with any coughing or sneezing not participating.
- Staff and participants at higher risk of experiencing severe illness should not take part in recreational, sporting, or camp activities.

MANAGING PUBLIC HEALTH AND HEALTH-CARE SERVICE CAPACITY



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To respond to the COVID-19 pandemic, we need to protect the health-care system and health-care workers from being overwhelmed to continue providing appropriate care to non-COVID-19 and COVID-19 patients.

We need to consider our capacity to offer appropriate:

- Public Health Services.
- Hospital Critical and Ventilatory Care.



Public Health Measures – Testing

- Testing will remain an important part of the management strategy going forward.
- Public Health has recently revised guidance for COVID-19 testing by Nucleic Acid Tests (NATs) as follows:
 - Test all individuals with new respiratory or symptoms compatible with COVID-19 however mild.
 - Individuals in the following groups should be prioritized for testing:
 - Residents and staff of long-term care facilities.
 - Individuals requiring admission to hospital or likely to be admitted.
 - Healthcare workers.
 - Individuals with a higher probability of being infected with COVID-19 such as travellers just returned to Canada.
 - Residents of remote, isolated communities, including remote and isolated Indigenous communities.
 - People living in congregate settings such as work camps, correctional facilities, shelters, group homes, assisted living and seniors' residences.
 - People who are homeless or have unstable housing.
 - Essential service providers such as first responders.
 - Healthcare providers can order a COVID-19 test for any patient based on clinical judgement.
 - COVID-19 testing not recommended for individuals without symptoms.
 - The Medical Health Officer may recommend testing for others, such as those who are part of an investigation of a cluster or outbreak.



Public Health Measures – Capacity to Respond



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- Sustained communication strategy to inform public of best practice and evidence.
- Preparation and resourcing to quickly respond to fresh outbreaks as required including using emergency powers.
- Explore development of an APP and supporting materials as an alert system.
- Provide additional risk-based guidelines targeted at at-risk populations to help individuals and families to think through how to healthily self-manage over the coming 12 to 18 months.
- Net new investment in PHSA and BCCDC for lab capacity, data analytics, modelling and reporting.



Health Services Measures



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- PHSA/BCCDC to fully complete modelling to establish hospitalization rates for the BC system to be able to manage inclusive of normal demand.
- Continue to operationalize Urgent and Primary Care Centres as a key service element to respond to COVID-19 testing and respiratory care to reduce pressure on ERs and respiratory care in the community.

Health Services Measures (cont'd)

- Continue to improve safety of people in Long Term Care and Assisted Living settings. This includes maintaining single-site working arrangement throughout this pandemic and planning for future outbreaks.
- Safely reboot key areas of the health care system that includes resuming non-urgent health-care services like:
 - primary care;
 - dental care;
 - physiotherapy and chiropractic care;
 - scheduled surgeries;
 - outpatient clinics; and
 - diagnostic and imaging services.

Supporting Working with Indigenous, Rural and Remote Communities



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- We know that people living in rural, remote and Indigenous communities have unique challenges in accessing the health care that they need. The new collaborative framework will help ensure that people living in these communities have access to the care and unique supports they need. The framework outlines immediate actions to improve health care services including:
 - improved medical transportation options to larger centres, including flight and ambulance;
 - housing options for people looking to self-isolate near their families while remaining in their home communities;
 - new and faster COVID-19 testing technology;
 - culturally safe contact tracing that respects privacy in small communities;
 - access to Virtual Doctor of the Day, a program that connects First Nations members and their families in remote communities to a doctor or nurse practitioner using videoconferencing;
 - options for accommodation near larger centres with more medical services; and
 - increased mental-health supports in communities.
- Local leaders will determine how these services will operate in their communities with priority being given to ensuring residents can make informed decisions about how they receive care.

IMPLEMENTATION

- Unlike many other places that imposed strict “lock down” policies, BC’s approach was to require *safe operation* of a broad range of services designated as essential services to protect our health care system and maintain access to key services and supplies.
- Also many non-essential businesses remained open, provided that they could operate safely.
- As a result, BC’s economy has continued to operate in ways that other provinces haven’t. But it’s undeniable that local businesses have suffered.

A Safe Restart for Additional Businesses



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- To help these businesses and other organizations get back on their feet, we need workplace practices that ensure British Columbians feel safe, whether they are returning to work, or going out as a customer.
- Employers will need to engage with their employees to find the right solutions and consider the concerns and needs of their customers.
- For the different organizational sectors to move forward they will be asked to develop operational protocols aligned with the Public Health and Safety Guidelines.
- **WorkSafeBC will work with industry associations** to ensure the direction and guidance they provide to their members meets the requirements set out by the Provincial Health Officer.
- **WorkSafeBC will work with employers and workers** through educational materials, consultation, and workplace inspections to help them restart safely.
- A cross-ministry deputy minister's committee will monitor the process and ensure overall alignment with Public Health and Safety Guidelines and WorkSafeBC

Focus for Mid-May Onwards

Under enhanced protocols

- Restoration of health services
 - Re-scheduling Elective Surgery
 - Medically-related services
 - Dentistry, Physiotherapy, Registered Massage Therapy, Chiropractors
 - Physical therapy, speech therapy and similar
- Retail sector
- Hair salons/ barbers/other personal service establishments
- In-person counselling
- Restaurants, cafes, pubs – with sufficient distancing measures
- Museums, art galleries, libraries
- Office based worksites
- Recreation/sports
- Parks, beaches and outdoor spaces
- Transit Services
- Child care

Focus June-September – If Transmission Rate Remains Low or In Decline



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Under enhanced protocols

- Hotels and Resorts (June)
- Parks – broader reopening, including some overnight camping (June)
- Film industry – beginning with domestic productions (June/July)
- Select entertainment – Movies and symphony, but not large concerts (July)
- Post-secondary education – with mix of online and in-class (September)
- K-12 education – with only a partial return this school year (September)

More Challenging or To Be Determined

- The timing of a safe restart of night clubs, casinos and bars is a more complicated consideration. As with other sectors, industry associations will be expected to develop safe operations plans, for review, that are in keeping with Public Health and Safety Guidelines, as well as WorkSafeBC.
- Conditional on at least one of: wide vaccination; “community” immunity; broad successful treatments:
 - Restrictions of large gathering (not >50 for social gathering **NOT** applied work or retail box stores, larger grocery stores, or malls) will remain in place for now
 - Activities requiring large gatherings will be prohibited
 - Conventions
 - Live audience professional sports
 - Concerts
 - International tourism

How We'll Keep Taking Care Of Each Other



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Supporting families and businesses

- When the pandemic hit, the governments of British Columbia and Canada came together to identify critical supports for people, businesses and community organizations. The urgency of COVID-19 made it critical to plan, announce and deliver on vital supports for people and businesses across our province in record time.
- These supports have helped people stay in their homes, support their families and make ends meet and will continue to be in place as we start recovery.

Supports for Individuals and Families



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- BC Emergency Benefit for Workers - a one-time, tax-free payment of \$1,000 to people whose income has been affected by COVID-19
- A COVID-19 crisis supplement for people with low-incomes, people with disabilities
- BC Hydro Relief
- ICBC payment relief
- Financial support through the BC Climate Action Tax Credit
- Emergency relief for families with children with special needs
- Continued support to youth in care
- New temporary rental supplement for renters and landlords
- Freezing all new annual rent increases
- Stopping all new and existing evictions to protect renters
- Freezing BC student loan repayments until September 2020
- Over 2,700 safe spaces for vulnerable people to self-isolate
- More spaces for people leaving violence
- Supporting seniors through funding to the United Way & bc211
- Supporting family caregivers through funding to Family Caregivers BC
- New job protected leave through changes to the *Employment Standards Act*
- Child care matching for essential service workers
- Launching Keep Learning BC so kids can continue their education online
- Emergency financial assistance for post-secondary students

Support for Businesses, Organization, and Industry



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- Tax relief for commercial property owners and tenants.
- Rent reduction by 75% for small businesses with federal-provincial Canada Emergency Commercial Rent Assistance Program (CECRA).
- COVID-19 Supply Hub to help source medical and non-medical products and services.
- BC Hydro Relief.
- ICBC payment relief.
- BC Business COVID-19 Support Service – one-on-one support.



CONCLUSION

- Our “new normal” plan must remain nimble enough to allow us to fine-tune our interventions quickly enough to stay ahead of the outbreak trajectory.
- That can include an acceptable steady state of approximately 60% of the “old normal” social interaction – the goal is to maintain a steady go-forward state and if needed a series of moderate “lift and suppress” cycles, where restrictions are relaxed and then reapplied in ways that can keep the pandemic under control at an acceptable economic and social cost.
- We must all be 100% to modified restrictions in a “new normal,” in the same way we are committed to the current restrictions that are keeping our communities safe.

Questions?

KEY STEPS TO SAFELY OPERATING YOUR BUSINESS OR ORGANIZATION AND REDUCING COVID-19 TRANSMISSION

The core measures set out below provide the basis for Government and sector partners to think through and plan for business and institutional resumption based on a sectoral analysis through its multiple ministries and sectoral partnership tables. It is intended to help the sectors think through and plan a cautious return towards the 60% social contact maximum of the pre-Covid-19 normal.

Key sectors that will need to work through in detail and then implement the “new normal” practice standards include:

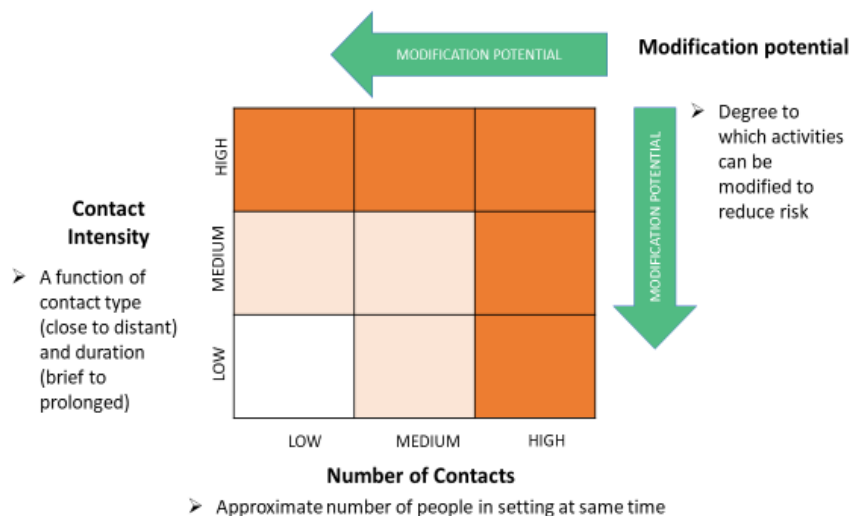
- Office Workplace Practice Standards
- Health Workplace Standards
- Personal Service Workplace Practice Standards (hairstylist/barbers; spas)
- Retail Practice Standards (including grocery stores)
- Resource Sector Standards
- Restaurant and Food Service Practice Standards
- Bar, Casino, Night Club Practice Standards
- Hotels and Resorts (Including Camping) Practice Standards
- Child Care Settings Practice Standards
- School and Post Secondary Institutions Practice Standards
- Recreational Facilities Practice Standards
- Outdoor Recreational Setting Practice Standards
- Parks, Beaches and Outdoor Space Standards

1. You and your staff need to know the basic transmission facts and work with them:
 - Coronavirus is transmitted via **larger liquid droplets when a person coughs or sneezes but also potentially when they are talking in very close proximity to another person.** The virus in these droplets then can enter the body of another person when that person breathes in the droplets or when the droplets touch the **eyes, nose or throat** of that person.
 - This requires you to be in close contact – less than the so-called social distancing of 3 – 6 feet. This is referred to as ‘droplet’ transmission and is believed to be the primary way COVID-19 is transmitted.
 - In addition, droplet transmission is much more likely when in close contact in an indoor setting. COVID-19 can also be transmitted through droplets in the environment if someone **touches the contaminated area then touches their face or eyes without cleaning their hands.** This speaks to the importance of regularly cleaning one’s hands and also cleaning of high touch areas in the environment.
 - A key issue in transmission is the median incubation period (the time from infection to appearance of symptoms) and the serial interval (the time between successive cases) for the Covid-19 virus. The **serial interval for Covid-19 virus is estimated to be 5-6 days.** The serial interval is 3 days for influenza with transmission taking place in the first 1-3 days of illness, **pre-symptomatic transmission** (transmission of the virus before the appearance of symptoms) being a major driver of transmission for influenza. For Covid-19 there are some emerging indications that there are people who can shed Covid-19 virus 24-48 hours prior to symptom onset, but at present, the WHO suggests that this **does not appear to be a major driver of transmission.** However, we need to acknowledge that there is debate about this and that at this time we cannot be categorical.

2. Use the tool below to assess the risk of transmission from social interaction in your organizational settings based on two dimensions based on an assessment of low, medium, high:

- (1) What is the **contact intensity** in your setting – the type of contact (close/distant) and the duration of contact (brief/prolonged);
- (2) What is the **number of contacts** in your setting – the number of people present in the setting at the same time¹.

By doing these ratings you can position your organization on the risk matrix below:



¹ John Hopkins University, Bloomberg School of Public Health, Centre for Health Security April 2020

3. Low is low risk; however, the medium and high categories are also subject to potential modification or controls which can help move you to a lower risk category by taking a range of actions:
 - Physical distancing measures – measures to reduce the density (intensity and number of contacts) of people in your setting.
 - Engineering controls – physical barriers (plexiglass for example).
 - Administrative controls – rules and guidelines to help employees, students, customers reduce the risk of transmission.
 - Use of personal protective equipment in the form of non-medical masks.
4. Using the assessment and potential modifications or controls to further reduce risk of transmission, you are being asked to **develop an explicit plan for the measures you will implement and maintain over the coming 12-18 months** thinking through three areas that will become the “new normal” in terms of formal and required actions that are the basis for workplaces and commercial businesses being in operation until the PHO lifts the public emergency requirements:

Reducing Transmission - Personal Self Care in Organizational Settings

This is the foundation to reduce transmission:

Core Personal Measures for the “New Normal”:

- No hand shaking as the new norm.
- Practice good hygiene (frequent hand washing with soap and water and use of hand sanitizers; avoid touching one’s face; respiratory etiquette; disinfect frequently touched surfaces).
- Maintain reasonable physical distancing as much as possible and use a non-medical mask or face covering in situations where reasonable physical distancing

cannot be consistently maintained, and engineering controls are not available (e.g. plexiglass barriers).

- If you have the symptoms of a cold, flu, or Covid-19 including a cough, sneezing, runny nose, sore throat, fatigue you must stay at home (not going to school/work) and keep a safe distance from others in your family until those symptoms have completely disappeared. Retail malls, shops, and supermarkets should implement clear policies to strongly encourage customers who have the symptoms of a cold, flu, or Covid-19 with any coughing or sneezing to not come into their stores through highly visible signage and verbal prompts if required.
- A further consideration are the extra precautions individuals should consider if they are at increased risk of a more severe illness because they are over 60 years old, or if they have compromised immune systems or underlying chronic medical conditions.

Reducing Transmission – Managing Social Interaction in Organizational Settings

Social interaction is critical to our individual well-being and health. It is a key part of our organizational settings. Increased social interaction must balance this fundamental human need with key actions to reduce transmission. In addition to the personal measures set out above there are two additional measures can be taken to reduce transmission.

Core Social Interaction Measures for the “New Normal”:

- Ensure congregate social settings (kitchens, staff rooms, canteens) in the organization maintain best practice in terms of social distance
- Ensure increased cleaning through out the day when in use.

Reducing Transmission – Implement Safe Organizational Practices

Core Institutional and Work Place Measures for the “New Normal”

- You must have clear policies to enable and ensure that individuals who have the symptoms of a cold, flu, or Covid-19 including any coughing or sneezing should not come into the workplace. As part of opening up your specific settings, you should implement sick day policies for the coming twelve months that actively support individual staff being off sick more often or working safely at home during these illnesses. As employers you must take leadership in this regard.
- For office-based organizations, where possible encourage working from home part of the time to reduce “contact intensity” and “number of contacts” in the work place. Where this is not possible or in addition to working from home policies, ensure employees have less contacts by using staggered shifts or work hours, creating smaller teams working together virtually; forgoing in person meetings as much as possible.
- For retail organizations implement strategies that reduce contact intensity and number of contacts by continuing to promote sensible social distancing (3-6 feet) and sensible volume of customers in the retail space based on the transmission fact basics. The 50 number is for large social gatherings not larger shopping or retail spaces. Lining up outside retail stores, especially in the rain or cold winter months is not socially sustainable or healthy. A number of strategies can be used: increasing throughput of customers by maintaining a high number of check-outs; increasing hours of shopping to decrease density of customers; encourage or require utilization of basic non-medical masks to reduce the spread through individuals coughing, sneezing, or close interpersonal contact; manage or eliminate waiting areas; increased use of appointments or bookings; increased on-line shopping/deliveries and/or pickups; use of physical barriers such as plexi-glass.
- Focus on higher-risk populations including those 65+ and those with underlying medical conditions. Workplaces, retail and personal service businesses are encouraged to exercise greater accommodation for these age groups in terms of work space, more flexible hours of work or shopping (earlier, later, mid-day) or working at home options.

- Require and sustain higher levels of frequent cleaning of “high touch” areas in workplaces and retail outlets throughout the day and availability of hand sanitizer stands at entrances or around workplaces and shops.
- Where appropriate and practical increase use of temporary physical barriers (such as plexiglass at service counters or checkouts).

Reducing Transmission – Daycare and Education Settings/Camps

Daycares are an important part of the social infrastructure to support parents returning to work.

While it is well established that children are important drivers of influenza virus transmission in the community; for the COVID-19 virus, initial data indicates that **children are less affected than adults and that clinical attack rates in the 0-19 age group are low**. Further preliminary data from household transmission studies in China suggest that children are infected from adults, rather than vice versa. This is an important consideration with respect to school closures and reopening but is an area in which the evidentiary base will continue to develop.

The evidence of the impact of covid-19 on young adults appears to be evolving although the data to date suggests that they are more likely to experience mild symptoms.

In general, educational settings are critical to a child's and youth's psycho-social development as well as learning but also for younger children, important to a parent's ability to maintain employment. Any actions taken in this area should take in to consideration all these dimensions.

Recreation and involvement in sports are also important developmental activities for many children and young people.

Specific Additional Measures for Daycare and Education Settings/Camps for the “New Normal”:

Day Cares

- Routine daily symptom screening for all staff and students.
- Routine and frequent environmental cleaning.
- Explicit policy for children or staff who have the symptoms of a cold, flu, or Covid-19 with any coughing or sneezing not coming into daycare.

Schools (K-12)

- Routine daily screening for all staff and students.
- Routine and frequent environmental cleaning.
- Smaller class sizes, increased space between desks, alternating attendance arrangements, frequent hand washing, wearing non-medical masks for group activities and sports, and limiting group sizes.
- Clear policy for children, youth and staff who have symptoms of a cold, flu, or COVID-19, with any coughing or sneezing not coming into school or taking part in extra curricular activities and sports.
- Planning over the summer for increased use of remote online learning, especially for high school children.
- Early arrival and self-isolation for 14 days of international students.

Post Secondary Institutions

- Routine daily screening for all staff and students.
- Routine and frequent environmental cleaning.
- Clear policy for students and staff who have symptoms of a cold, flu, or COVID-19, with any coughing or sneezing not to attend classes, extra curricula activities, sports or work.
- Increased use of on-line learning balanced against the need of social interaction for learning and development.
- Early arrival and self-isolation for 14 days of international students.

Recreation/Sports/Camps

- Routine daily symptom screening for all staff and participants.
- Support low contact sports (especially outdoor). Identify high contact sports that should not take place during the pandemic.
- Clear policy for participants and staff who have the symptoms of a cold, flu, or COVID-19 symptoms, with any coughing or sneezing not participating.
- Staff and students at higher risk of experiencing severe illness should not take part in recreational, sporting, or camp activities.