



TOWN OF LADYSMITH

A PUBLIC HEARING AND SPECIAL MEETING OF THE
COUNCIL OF THE TOWN OF LADYSMITH
WILL BE HELD IN COUNCIL CHAMBERS AT CITY HALL
MONDAY, JUNE 22, 2015
7:00 p.m.

AGENDA

CALL TO ORDER 7:00 P.M.

1. AGENDA APPROVAL

2. PUBLIC HEARING – BYLAW 1881

Town of Ladysmith Zoning Bylaw 2014, No. 1860, Amendment Bylaw (No. 2), 2015, No. 1881

The purpose of Bylaw 1881 is to repeal previously adopted Zoning Bylaw 2014, No. 1860, Amendment Bylaw (No. 1) 2015, No. 1875 and amend the R-3-A Zone by adding new site-specific regulations for the subject properties to permit Townhouse Dwelling Use and Two Unit Dwelling Use to a total combined maximum of 15 units.

Subject Properties – 606 Farrell Road

- Lot A, District Lot 41, Oyster District, Plan VIP84543 except part in Strata Plan VIS6497 (Phase 1)
- Strata Lot 1, District Lot 41, Oyster District, Strata Plan VIS6497 together with an interest in the Common Property in the Proportion to the Unit Entitlement of the Strata Lot as shown on Form V
- Strata Lot 2, District Lot 41, Oyster District, Strata Plan VIS6497 together with an interest in the Common Property in the Proportion to the Unit Entitlement of the Strata Lot as Shown on Form V
- Strata Lot 3, District Lot 41, Oyster District, Strata Plan VIS6497 together with an interest in the Common Property in the Proportion to the Unit Entitlement of the Strata Lot as shown on Form V, and
- Common Property Strata Plan VIS6497

2.1. Outline of Meeting Process – Mayor Stone

2.2. Introduction of Bylaw and Statutory Requirements – Director of Development Services

2.3. Written Submissions 1 - 24

2.4. Call for Submissions to Council (Three Times)

2.5. Declaration that the Public Hearing is Closed

3. BYLAWS – OCP / ZONING

3.1. Town of Ladysmith Zoning Bylaw 2014, No. 1860 Amendment Bylaw (No. 2), 2015, No. 1881..... 25 - 26

Subject to any matters raised at the Public Hearing and consideration of all issues applicable, Bylaw 1881 may be read a third time and adopted.

The purpose of Bylaw 1881, which is the subject of the Public Hearing earlier in the meeting, is to repeal Bylaw 1875 and amend the R-3-A Zone by adding new site-specific regulations for the subject properties to permit Townhouse Dwelling Use and Two Unit Dwelling Use to a total combined maximum of 15 units.

4. REPORTS

4.1. Revitalization Tax Exemption Agreement..... 27 - 33

Staff Recommendation:

That Council approve entering into a Revitalization Tax Exemption Agreement with 1639555 Alberta Ltd. 341 First Avenue, Folio 0126.000.

4.2. Statement of Financial Information for 2014 34 - 78

Staff Recommendation:

That Council approve the Statement of Financial Information for the fiscal year ended December 31, 2014.

4.3. 2016/2017 Royal Canadian Mounted Police Municipal Policing Contract 79 -105

Staff Recommendation:

That Council:

1. Direct staff to include the calculations of the 2016/17 costs for the Royal Canadian Mounted Police in the 2016-2020 Financial Plan for budget planning purposes, and
2. Direct the City Manager to work with the local detachment to determine the appropriate level of RCMP staffing within Ladysmith.

4.4. Draft Town of Ladysmith 2014 Annual Report (Report to be distributed at the meeting)

Staff Recommendation:

That Council receive the draft 2014 Annual Report for the Town of Ladysmith, direct staff to ensure it is available for public inspection, and schedule a review of public input and adoption of the report at the July 6 Regular Meeting of Council.

5. CORRESPONDENCE

5.1. Lynda Evans 106
Donation of Artwork

Staff Recommendation:

That Council consider whether it wishes to accept a donation of artwork in exchange for a memorial bench in memory of the former owner of the art, or to refer the matter to staff for review and recommendation.

6. NEW BUSINESS

6.1. Request for Grant-in-Aid – National Aboriginal Day Celebrations

The Town has received a request from the Stz'uminus First Nation for a grant-in-aid in the amount of \$750.00 to support the National Aboriginal Day celebrations at the Transfer Beach Amphitheatre on Sunday, June 21. Funds are available in the grants-in-aid budget to support this request.

Staff Recommendation:

That Council approve a grant-in-aid in the amount of \$750.00 to the Stz'uminus First Nation to support National Aboriginal Day celebrations on June 21, 2015.

7. CLOSED SESSION

In accordance with section 90(1) of the *Community Charter*, this section of the meeting will be held *In Camera* to consider the following items:

- personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality
- the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality

8. RISE AND REPORT

9. ADJOURNMENT

June 11, 2015

Within Circulation Area



Mayor & Council
Town of Ladysmith

Re: PUBLIC HEARING RE BYLAW NO. 1881, being held on June 22, 2015

Having attended the Public Hearing re Bylaw No. 1875, held on April 27, 2015, and having both signed a group statement circulated amongst neighbours who would be affected/impacted by the development at 606 Farrell Road endorsing our approval of that bylaw, as well as having presented our own written letter at that meeting which also contained questions that we felt were relevant, we again support Council's decision, this time to implement Bylaw No. 1881.

The reasons for this, and hence the reasons against the development proposal, remain the same, and even more, as follows:

1. Too much density and congestion (cramming in of 25 units) would be undesirable for this area of Ladysmith which is low-density, so we agree that a change in zoning to limit the total number of new units allowed in a new development at 606 Farrell Road should be up to 12 maximum (for 15 in total).
2. We are against further destruction of the natural landscape there, which 25 new units would entail, affecting flora and fauna (and are upset at the felling of trees that was undertaken by the developer the morning of April 27, 2015).
3. Further loss of trees (a valuable residential amenity) would affect esthetics and privacy. The issue of "overlooking" by adjacent new dwellings is a major concern (which 25 new units would impose on many existing dwellings).
4. The elevation and grade of that piece of property would be a concern re drainage and erosion especially if 25 new units are built, and might possibly also be geologically unstable (e.g. during an earthquake).
5. For such a long, narrow, and elevated parcel, emergency vehicle access does not seem adequate with the developer's proposal to build 25 new units, and we would want to ensure this is properly addressed even for 12 new units.
6. We have concerns about possible blasting affecting our property and others.

We plan to attend the Public Hearing of June 22, 2015, and are interested in the results of the legal challenge by the developer, hopefully fully explained by the Town as soon as possible.

Yours truly,

S. (Sonny) C. Hockey
E. Ann Hockey

Ladysmith, B.C.

RECEIVED
REGISTRARS

Within Circulation Area

From: Sharron Haynes [_____] [mailto:sharron@ladysmith.on.ca]
Sent: June 13, 2015 11:34 AM
To: Town of Ladysmith
Subject: Submission for the Public Hearing, June 22, 2015

Please include our comments below for submission to the records of the Public Hearing on June 22, regarding 606 Farrell Road and bylaw 1881.

We, Donald Snider and Sharron Haynes of [redacted] are in favor of bylaw 1881 which seeks to limit the number of residences at 606 Farrell Road to the number original specified in the covenant EX060846.

Although the new developer is a different party than those parties named on the original covenant, we feel the spirit of the covenant is still applicable and in fact, states that this covenant 'runs with the land'.

Our concern is to ensure we limit over-density, safeguard and preserve the existing trees and foliage stabilizing the property, and maintain the character of our neighborhood.

We thank council for their efforts to further solidify and uphold the original covenant, by enacting bylaw 1881. We support the Town of Ladysmith in defending its right to make Bylaws and control zoning.

Don Snider

and

Sharron Haynes

RECEIVED
JUN 15 15

Within Circulation Area

From: Jim Russell ;
Sent: June 14, 2015 4:12 PM
To: Town of Ladysmith
Subject: Public Hearing: Bylaw 1881

I wish to express strong support for Bylaw 1881, both in effect and intent. There is a clear attempt to usurp the power of the Council to make Bylaws and regulate Zoning. The Petition brought to the Supreme Court of BC would have the effect of nullifying the actions of the Council, made in conformity with the wishes of the public, in the interests of one individual. If successful, this would have significant repercussions for all municipalities in British Columbia and lead to a lack of democratic control over municipal affairs.

Thus, I was in full support of Bylaw 1875, and now of Bylaw 1881, to ensure that the original decisions stand. In this i am joined by the residents of "The Gales".

I would welcome the opportunity to speak to this issue during the Public Hearing on June 22.

James Russell

RECEIVED
TOWN OF LADYSMITH

Within Circulation Area

From: Varner Nickle
Sent: June 13, 2015 12:20 PM
To: Aaron Stone
Cc: Felicity Adams
Subject: Town of Ladysmith Bylaw No. 1881

TO: Town of Ladysmith

Re: Your letter of 8 June, 2015 File: 3360-15-01
Re: Natura email - Starting Monday 15 June, 2015 continuing with site surveying, site preparation and clearing by Natura Developments Ltd.,
Re: Public Hearing about Bylaw No.1881, being held on 22 June, 2015.

Dear Mayor Stone,
Dear Counsellors,

In a democratic society, the citizens have the right to voice their opinions through their ELECTED REPRESENTATIVES. Ladysmith's Council has established bylaws which reflect the wishes of majority residences of Ladysmith. We continue our support to Ladysmith Council's decision made on our behalves.

We watched in shock when a group of tree-fallers felled 38 trees without any considerations before it was stopped, on the same day of Town of Ladysmith Hearing on 27 April 2015. The latest email from Natura Developments Ltd. (Friday 12 June 2015) to our neighbours (Strata 6497) stated that continuation of further development , without building permission will start on the following Monday 15 June, 2015, allowing no working days for any possible official response.

Quote

From: "Trafalgar Homes"
Date: June 12, 2015 at 10:55:09 AM PDT
To: "Cleve Carleton"
Cc: "Murray Hanna" >, "Adrian Salahub"
>, "Angie Salahub" >, "Sandy Bartlett" >, "Ken Gallelli"
>, "GARY SCHOFIELD"
Subject: Project Update - 606 Farrell Road
Attn: Strata 6497

We wish to inform you that, as you are aware, we are continuing development of our property on Farrell Road. Starting Monday June 15th, 2015 we will be continuing with site surveying, site preparation and clearing. Therefore there will be machinery onsite and it will be necessary for us to install construction fencing to ensure that the property is secure and to protect your property from any debris.

Please note that if you have any personal items on our property they must be removed before work commences on Monday June 15th at 7:30AM.

We also require you to confirm the location of your sewer, storm water drains and water line connections. There is a water storage tank on our property so it is also important to determine whether you are connected to this tank as it will also be removed.

Cheers, Gary
Natura Developments Ltd.

Unquote

The reasons being against Natura Developments Ltd. of December 2014 Petition and the upcoming Bylaw No. 1881 remains the same and specified more, as follows:

1. We supported Bylaw No.1875 which seeks to limit the number of residences at 606 Farrell Road to the number originally specified in the covenant.
2. We will support the new Bylaw No.1881 upcoming in the hearing on 22 June 2015. Our concern is to ensure we limit over-density, safeguard and preserve the existing trees and foliage stabilizing the property and maintain the character of our neighbourhood.
3. The density and congestion (cramming in of 25 units) would be undesirable for this area of Ladysmith which is low-density, so we agree that a change in zoning to limit the total number of new units allowed in a new development at 606 Farrell Road should be up to 12 maximum (for 15 in total).
4. We are against further destruction of the natural landscape there, which 25 new units would entail, affecting flora and fauna (and are upset at the felling of trees that was undertaken by the developer the morning of April 27, 2015).
5. Further loss of trees (a valuable residential amenity) would affect aesthetics and privacy. The issue of "overlooking" by adjacent new dwellings is a major concern (which 25 new units would impose on many existing dwellings).
6. The elevation and grade of that piece of property would be a concern re drainage and erosion especially if 25 new units are built, and might possibly also be geologically unstable caused by landslide or during an earthquake.
7. For such a long, narrow, and elevated parcel, emergency vehicle access does not seem adequate with the developer's proposal to build 25 new units, and we would want to ensure this is properly addressed even for 12 new units.
8. We have concerns about possible blasting affecting because we are next to the border between of The Gales and Natura Developments properties. We have concerns that other neighbours are in a similar situation.

We will attend the Public Hearing of 22 June, 2015.

We thank Mayor Stone and everyone in the council for their efforts to further solidify and uphold the original covenant, by enacting bylaw 1881. We support the Town of Ladysmith in defending its right to make Bylaws and control zoning.

Sincerely Yours,

Liliane and Varner Nickle

June 14th, 2015



Within Circulation Area

Submission to Public Hearing

RE: Bylaw No. 1881 606 Farrell Road

Submitted by: Wendy Harding and Brian Kodric,
Ladysmith

This submission is made in support of Bylaw 1881 and also in support of the continued maintenance and enforcement of Section 219 Covenant number EX 60846 that is registered over the subject property.

Our property () is one of many that directly borders the subject property. We purchased our property in 2014 and did so realizing that several properties adjacent to ours remained to be developed. As such we did our due diligence to determine what type and density of dwellings would be permitted adjacent to us. We understood that the 606 Farrell Road was listed for sale and that, based on the zoning and the existence of Covenant EX60846, 12 additional housing units were possible. We were prepared to accept that this neighboring property would have a total maximum density of 15 units as we felt it would leave room for an adequate buffer and green space.

A Section 219 Covenant is a very powerful tool available to Municipalities to among other things, limit density. This Covenant appears to have been registered on the subject property not simply in conjunction with a development proposal as the Petition from Natura Development states, but as a condition of the rezoning to R-3-A Low Density Residential in 2005. It is clear from the insistence on the covenant and as a condition of rezoning and from Councils refusal to discharge the Covenant in 2010, that they never intended this property to be zone R-3-A in any unrestricted manner.

We feel the town was correct in this assessment in 2005, 2010 and remains so today and as such Bylaw No. 1881 should be passed by council.

We strongly disagree with Natura's position that Covenant is obsolete. Yes, there have been changes to the neighborhood since the original registration of the covenant and they in our opinion, render the covenant more valid than at the time of registration. The development of Seascape and Sunset Woods subdivisions as well as the Gales Strata Development have reshaped the neighborhood in a manner that is not in keeping with R-3-A zoning. The 606 Farrell Road property is now bordered

almost entirely by single-family homes. Congestion and traffic have increased while access to the area has not been improved nor have services increased.

Contrary to what is stated in Natura's Petition and Development Proposal, unrestricted zoning of R-3-A for the subject property is not in keeping with the Official Community Plan for the Town of Ladysmith. From the OCP:

Multi-Family Residential

The Multi-Family Residential designation is applied to areas within neighborhoods of the community and at specific locations that are suitable for medium density forms of residential development. Generally, residential uses in the Multi-Family Residential designation are located adjacent to a major (collector) road and near or with access to local commercial services, schools, recreation centers and/or parks. It provides for a range of multi-family residential uses including townhouses and apartments, cluster housing, and special needs housing. Designation of new locations for Multi-Family Residential development will, in addition to the above criteria, be assessed based on an appropriate 'fit' with the neighborhood in terms of scale, traffic and parking, and servicing issues.

606 Farrell Road is not located near commercial services, schools, recreation centers or parks. Farrell Road is entirely unsuitable as a major collector road. It is narrow, without shoulders or sidewalks. Access the Highway is made dangerous by the lack of a traffic light for left turn and by the lack of a merge lane.

Further to this, as stated in the community plan the Town of Ladysmith is entitled to assign this designation R-3-A based on based on an appropriate 'fit' with the neighborhood in terms of scale, traffic and parking, and servicing issues.

606 Farrell Road is not suitable for additional density based on several factors. It is long, narrow, steep and border almost completely by other residential properties. Unlike other R-3-A properties in Ladysmith, this means access to the property is extremely limited, and a second entrance or exit for traffic flow and safety reasons is simply not possible. The lack of access combined with the shape of the property completely renders it unsuitable for the level of density proposed by Natura Developments. Density of 28 units would leave extremely limited room for roadways within the development meaning access for public service vehicles such as garbage trucks Fire and Ambulance would be limited.

The Farrell Road area of South Ladysmith does not lend itself to a pedestrian lifestyle. No services of any kind are within walking distance. No schools,

community centers or retail services are within a reasonable walk. Transit service is extremely limited and as such it is to be expected that all purchasers or renters of the proposed Strata would be relying on personal motor vehicle transportation. This is not in keeping with the Ladysmith's Community Plan for R-3-A or with green community initiatives.

This level of density would increase the traffic noise and fumes to an unacceptable level for the residents of neighboring properties, it would essentially require the clear cutting of the property, leaving no green space for residents of the Strata Development or as a buffer for neighboring properties.

The additional vehicles that would come and go as a result of the additional units would increase the risk of traffic accidents both on the Strata and on Farrell Road. No space would be available for visitor parking within the Strata and as such any visiting vehicles would be forced to block roads limiting access for first responders. Should a traffic collision occur at the bottom of the Strata Development, how would first responders access those at the rear of the property in case of emergency?

The area has virtually no parks or public areas for children to play safely. While children residing in single family homes in Seascape and Sunset Woods have private yards for recreation, the density of this proposed development leaves absolutely no public space for residents to enjoy or children to recreate.

When purchasing our properties, we and other residents paid prices in keeping with existing and allowable neighborhood density. When Natura purchased the 606 Farrell Road property they paid a price in keeping with a development approved for 12 additional units. It would seem now that Natura wants something for nothing and should they be allowed to proceed, the neighborhood and the town of Ladysmith will pay the price.

Sincerely,

Wendy Harding and Brian Kodric

RECEIVED
June 15, 2015

Within Circulation Area

From: ALLAN HOOK
Sent: June 15, 2015 10:27 AM
To: Town of Ladysmith
Subject: BYLAW 1881

My wife and I would like to add our strong support for Bylaw 1881.
The high density of the proposed building of 25 units would not be in the best interest of the surrounding area.

Allan & Maureen Hook

RECEIVED
June 15/15

Within Circulation Area

From: Claire Voldeng
Sent: June 13, 2015 3:16 PM
To: Town of Ladysmith
Subject: Fwd: Public Hearing of Bylaw No. 1881 being held on June 22, 2015

IMPORTANT: Please see below.

----- Forwarded message -----

From: Claire Voldeng
Date: Sat, Jun 13, 2015 at 3:13 PM
Subject: Public Hearing of Bylaw No. 1881 being held on June 22, 2015
To: astone@ladysmith.ca, sarnett@ladysmith.ca, dpaterson@ladysmith.ca, cfradin@ladysmith.ca,
chenderson@ladysmith.ca, jfriesenhan@ladysmith.ca, rhutchins@ladysmith.ca, info@townofladysmith.ca
Cc: fadams@ladysmith.ca, lbrinkman@ladysmith.ca, tsktskarvig@ladysmith.ca

Dear Mayor Stone and Town of Ladysmith Councillors:

Back in February 2015, I wrote you all and the Planning Department, of my concerns of a multi-family dwelling going up by Natura Developments by developer Gary Schofield at 606 Farrell Road. I am now writing again, with a few more comments, of still our 'non-acceptance' of this development due to:

1. We have spent/invested well over ½ million dollars in purchasing our home, which backs onto this development. Mr. Schofield advertises this development as 'affordable housing'. Most units are 2-stories high with little square footage, lots of stairs. No seniors will buy this with stairs, so people will buy it as investment and rent out the units. This is going to be nothing but a low income rental situation which will bring down everyone's property values in the neighborhood.
2. Of concern is density and 25 units is truly unacceptable. I have been so impressed with the previous decisions made by Council on this matter and felt we had 'turned a leaf'. I certainly hope you uphold the decision of 15 (12 units plus the 3 already built for a total of 15) and ensure it is not low income housing. I see Mr. Schofield is advertising in the Coffee News (from the Beantime Café) with his other company Trafalgar homes (where there are 12 court cases against him) where he advertises "new homes starting as low as \$74,530 complete in as little as 2 weeks". If that is the type of builder he is, this is disconcerting.
3. I have a hard time understanding too, how this gentleman starting Monday June 15th, 2015 can continue with site surveying, site preparation and clearing, BEFORE A DEVELOPMENT PERMIT IS APPROVED by the City. I am unsure what 'site preparation' means. Already he has, out of anger gone onto the property and conducted a "revenge cut", meaning cutting and leaving now for a few months, a significant number of dead trees which if this caught fire, would be an extreme fire hazard to us all. He had 4 fallers go in and just cut anything. He also grabbed one of the neighbors and another neighbor told him to let go as she was watching him. I believe a report of this has been filed. I just can't comprehend why this type of individual is allowed to even consider developing what he plans to in Ladysmith.
4. Of concern is emergency vehicle access, we do not see how the fire truck would be able to get in one way and out the other.

5. Of concern too is any blasting, more removal of trees and fauna, which would affect aesthetics and privacy but also concerns of erosion, drainage and instability should there be an earthquake. On his current plan we do not see any green space for families. Councillor Henderson, we would appreciate your help with this, if possible.

We plan to attend the Public Hearing on June 22, 2015 and hope the town supports their initial decision and can update us on the legal challenges posed to you by the developer. This decision is so important to a lot of very concerned individuals in the Seascope and The Gales areas. Thank you for your time to read this and we hope you will consider that with all the letters written, and individuals who have attended these sessions, we're very concerned and hope for a favorable solution.

Sincerely,

Claire and Ron Voldeng

Ladysmith, BC

RECEIVED
MAY 13 2015

Mayor & Council Town of Ladysmith

Jun 13 2015

Within Circulation Area

Reference: Town of Ladysmith Bylaw No. 1881 discussion File: 3360-15-01

Regarding the challenge of the validity of Covenant EX060846 which was originally placed on the property in 2006, we were not residents of Ladysmith at the time but when we purchased our house in the fall of 2009; the house was constructed by Tralfalger Homes; i.e. Gary Scholfield; we were aware of Covenant EX060846 and this was a consideration in our purchase. In 2010 the then owner of the property referenced in Bylaw 1881 applied to the Town of Ladysmith to remove the Covenant; I understand her rationale was to make the property more marketable to potential developers; and Council voted to retain the Covenant to limit development to a total of 15 units. Retention of the Covenant would ensure any development of the referenced property would fit with the density of surrounding housing developments and additionally would retain most of the significant existing trees on the subject property. Reference the Petition No. 15 1965 Clause 20 "Cancellation of the covenant will not injure the public or the Town" is a totally false statement as the development proposed by Natura Developments would have a significant impact on all surrounding properties. The proposed development would see the property clear cut of all trees which results in loss of privacy, loss of existing fauna; at least the remaining trees after the indiscriminate cutting of 39 trees Apr 27'15; plus the increased risk of erosion as a result of the development and many other adverse effects. Ladysmith's 2013 Annual report identifies the "importance of the environment" and "green thread of sustainability" and the clear cut of all trees on the subject property would certainly not add to any of Ladysmith's Green Initiatives. We want to add our voice to the many voices of opposition to the proposed development in excess of 15 total units.

We purchased our home from Tralfalger Home; Gary Scholfield; October 2009 and moved in January 2010. During the spring of 2010 while working on landscaping I determined a broken drainage pipe that resulted in run-off flowing onto the adjacent property at 701 Stirling Dr, a lower property; and when I was able to talk to Gary Scholfield for him to make repairs, I was told "that company no longer exists, you are on your own for repairs". Obviously one has to question the viability of any further developments undertaken by Gary Scholfield. For the record again we are opposed to the current development proposal from Natura Developments.

Respectfully;

Brian & Carroll McLaurin

RECEIVED
June 15 2015

Within Circulation Area

From: John & Lee
Sent: June 15, 2015 3:07 PM
To: Aaron Stone; Steve Arnett; Cal Fradin; Joe Friesenhan; Carol Henderson; Rob Hutchins; Duck Paterson
Cc: Felicity Adams; Lisa Brinkman
Subject: Ladysmith Public Hearing Bylaw 1881

Dear Sir/Madam,

Unfortunately, I will not be able to attend the Bylaw 1881 Public Hearing due to a prior commitment. I am respectfully submitting this Email for your consideration. In it, I will make reference to the 'Public Hearing Documents' posted at:

<http://www.ladysmith.ca/city-hall/news-media/public-hearings-and-special-notice>

I, like the rest of the neighbourhood, would once again like to express strong support to Town Council to maintain the maximum development limit of 15 units at the 606 Farrell Road properties in question. I also support the other provisions in Bylaw 1881.

The Developer's behavior and actions speak volumes. For instance, flatly rejecting the longstanding 2005 Covenant EX60846, and then single handedly trying to force an increase in density to 28 units (almost doubling it), is not community minded, nor is it in the best interests of the Town and neighbourhood. The 15 unit limit for the lands in question has been openly and repeatedly reviewed by the neighbourhood and Town at public hearings in 2005, 2010 and 2015. Each time, the neighbourhood and Town obtained a clear consensus that this level of development for this specific property was consistent with all relevant development plans and zoning; prior to Town Council voting and approving to keep the 15 unit limit. To almost double this limit for the financial gain of the Developer would be at the long-term expense and detriment of the neighbourhood and Town. Since 2005, all of our strata property owners, and other owners throughout the neighbourhood, have purchased their properties with the 15 unit limit in place, on the lands in question. Not only would it be morally wrong and underhanded to suddenly discard the 15 unit limit for the Developer's financial gain, it would also penalize many existing property values, thereby dropping critical Town tax revenue, and it would also destroy a beautiful old treed landscape.

The Developer and his hired planner make questionable assertions. It is purported that the Town of Ladysmith DPA4 Guideline, Section 1. Building Design, Part a), has been complied with in the Development Application. This DPA4 Guideline states:

"Buildings should be designed to complement the form, massing, and scale of residential buildings within the neighbourhood."

In a covering letter with the Development Application, the referenced Guideline is cited by the Developer's planner (Refer to Public Hearing Documents Item #5, "Development Permit Application"), and the following statement is made:

"Buildings have been sited to respect the heights of surrounding buildings and improve sightlines from adjacent properties. Buildings have been also designed to complement the form, massing and scale of residential buildings within the neighbourhood by mimicking adjacent dwelling unit configurations (Mixed duplex and ground orientated multi-unit);"

Whether a sightline is improved is subjective, depending on the point of view. Is the sightline really improved or enhanced if the following takes place? Clear cutting the mature forest and replacing it with a minimal amount of landscape vegetation. Packing and squeezing everything together in order to almost double the current 15 unit density, by building minimally sized exterior/interior footprint housing of questionable value. In addition, at the far South end of the lands in question, the adjacent property has been ignored. The proposed construction of a solid line of units, extending from one side of the property fully across to the other, would block the sightlines for the housing planned there (refer to Lot #3, next to 'The Gales' strata).

More importantly, the proposed strata buildings do not complement the form, massing and scale of the residential buildings within the neighbourhood. They contrast badly and appear mismatched and out of place in the existing neighbourhood. **There are no strata or residential buildings within our neighbourhood that mimic the proposed, minimalistic, exterior/interior unit footprint design,** that I am aware of. This design appears to be so questionable that some townhouse units may not even meet the minimum floor area requirements of three bedroom dwellings, as noted by Felicity Adams (Refer to Felicity Adams 24 April 2015 letter to Nigel Gray, File No. 3060-14-11, with respect to Zoning Bylaw 2014, No. 1860 requirements, Section 10.11(4), which is contained in Public Hearings Documents, Item #6 Petition and Affidavits, Affidavit of Nigel Gray). Similarly, the minimalistic design of the outdoor living spaces may also not even meet minimum requirements, which have also been noted by Felicity Adams in the reference cited (but refer to the DPA4 Guidelines of the letter, and Section 7 (c) of the DPA4 Guidelines). Fenced backyard areas are also only shown for six of the units in the Development Application, since they are likely problematic when trying to squeeze them into the proposed 28 unit density design. The shape of the property, not just the hectare area, logically effects unit size, placement and density. Hence, that is why, in part, the 15 unit limit for the property has been repeatedly approved as being most appropriate, in order to complement the form, massing, and scale of residential buildings within the neighbourhood.

In closing, I respectfully ask that Town Council maintain the maximum development limit of 15 units at the 606 Farrell Road properties in question, and adopt the draft provisions of Bylaw 1881 which was posted for public review.

Sincerely

John Garstang

Ladysmith

RECEIVED
JUN 15 2015

-----Original Message-----

From: DENNIS ZARBOCK

Sent: June 15, 2015 2:23 PM

To: Town of Ladysmith; Aaron Stone; lbrinkman@ladysmith.ca fadams@ladysmith.ca

Subject: Re 606 Farrell Rd proposed development public hear re bylaw #1881 being held June 22 2915

To: Mayor and Council
Town of Ladysmith

We have serious concerns regarding the 606 development:
Water problems that property is very sloped and treed the erosion of this long narrow strip as more trees come down, the three unit condo already there has been surrounded by water in the winter and ditches have to be made to drain existing run off that's with the trees and brush in place.

There is an existing water container that fills with volumes of water when removed where will this water go?

The cramming of 25 units doesn't make sense to this area, we are surrounded by higher end homes and would like to keep it this way.

When we purchased our home and developed our landscape it was with what we were told was going to be around us we were told that two units like the existing condo would go beside us and 1 or possibly 2 homes.

That the property had to have a drive way that circled around the whole property for emergency vehicles eg fire trucks, ambulance not to be stuck because residences vehicles could be in the way. This developer is known to us and many others his company name may change but he is who he is, as we said in our letter of Feb. 13 2015 we have had several issues with this man he took off on us leaving things to be dealt with the home warranty program but that is far from acceptable as they follow a minimum standard far from what we had agreed to.

Then there's the issue of a engineered rock wall on our property but holding up the neighbours land.... Gary Scheduled put the fencing on top of the wall.....well guess what the property line (pin) was incorrect and our neighbours took that fence down and changed that rock wall, against the advise of the town, so now there's a rock wall on our side holding there land then they pulled out all the large rocks he built the wall up and out with timbers so they got full use of there land not us though remember it on our land he then dug all the fill out putting soil in so now we get all his water draining down on us, even washing out in areas that I have been trying to fill in with ground cover to grow so we are safe from water seepage . So because of this there have been all kinds cost to us resurvey the land, having all our sprinkler system moved, having to have another fence put up, garden beds moved and the constant friction with that neighbour all because if Mr Gary Schofield, we find it interesting that he has 14 people with courts case pending against him but he has the rights to come back the this lovely seaside town and start again?

This am as per normal I'm sitting on our deck having my coffee and watching a log boom moving along and noticing Gary and his young man working setting barriers in motion and sawing rebar sparks are flying everywhere you can imagine I'm afraid thinking it's so dry there could be a fire on the 606 land he starts taking my picture I'm in my pjs on my deck is this the kind of person we really trust, that's sick. In closing we support the town trying to keep the space green and buildings to the 15 in total minus the 3 already there as voted on previously. We will be attending the up coming meeting and would like to be kept informed, thank you.

Dennis and Belinda Zarbock

Ladysmith, BC

gratitude gives your life wings to
fly 🐦

RECEIVED
JUNE 16 2015

Within Circulation Area

From: Gerry Stasiuk
Sent: June 15, 2015 9:34 PM
To: Town of Ladysmith
Subject: Re: Bylaw 1881 Public Hearing 22 June 2015

15 June 2015

Mayor, Councillors, Development Services
PO Box 220
Ladysmith BC
V9G 1A2

Ref: Bylaw No. 1881

Be advised that I am in full support of proposed Bylaw 1881 to add site specific regulations for the subject properties at 606 Farrell Road to permit Townhouse Dwelling Use and Two Unit Dwelling Use to a total combined maximum of 15 Units.

Previously, at the Public Hearing held 27 April 2015, I totally supported the approval and corresponding passage of Bylaw 1875 by Council.

My reasons in support of the proposed Bylaw 1881 remain the same and has not varied whatsoever.

To construct 28 units on the subject property, I submit, is totally inconsistent with the Town's "green" objectives as articulated with the revised Town bylaws made 2014. The proposed change in density is substantially out of character with the surrounding homes (at the Gales, Stirling Road, other surrounding properties, and the surrounding neighbourhoods) and was the basis and foundation of the proposed Bylaw.

I, amongst others, acquired property on the basis and understanding that the existing Covenant in place (i.e. a maximum of 15 units) would remain intact placing a reasonable limit on the surrounding density. To permit any such increase in the existing density would substantially alter what the neighbourhood was intended to be and what it should be. To amend, alter, or, bring forth a change to the present Bylaw as herein proposed negates what Council's proper function is under it's mandate.

In summary, I fully support the Council's efforts to pursue our common interest to make for a better community through the creation, approval, and passage of meaningful Bylaws to ensure the responsible and sensible control of Town Zoning regulations. Approval and passage of Bylaw 1881 is but one step towards that end, namely, "responsible development" for Ladysmith.

All of which is respectively submitted.

Gerald Stasiuk

Ladysmith, BC,

Strata 6497

June 15, 2015



Mayor and Council

Within Circulation Area

Town of Ladysmith

410 Esplanade, P.O. Box 220

Ladysmith, BC

V9G 1A2

RE: Town of Ladysmith Bylaw No. 1881
Natura Developments Ltd. v. Town of Ladysmith
SCBC # 15 1965 – Victoria Registry

Dear Council

It would seem as if this saga never ends.

We understand that the Town of Ladysmith has to respond to the petition served on it by Natura Developments. We would like to apprise the Town of Ladysmith of our views regarding this turn of events.

It goes without saying that Strata 6497 is very concerned that as the little people in the middle of this whole boondoggle that we may be overlooked by the legal system.

As residents of Ladysmith we are a part of a neighbourhood which is an awesome community within the Town of Ladysmith. The building which comprises our strata units fits neatly within the overall sense of that community.

It goes without saying that when we bought into the Strata we knew that there was planned development on the property. This future development was to be limited to an additional 12 units, which would enhance our properties and fit into the overall community setting which surrounds us.

The documents which we received when purchasing here allowed for a total of 15 units on this property. This was done in good faith and registered as such. The documents may have in hindsight, been poorly drafted or whatever. That however, should not deride the intent of what the individuals and various agencies were trying to accomplish in establishing the Covenant on the property for the betterment of the community at the time. It goes without saying that the neighbours also reviewed any potential development on this property when they bought as well and felt comfortable with the number of units proposed.

It now seems that the new developers felt as if a loop hole in the crossing of the "t's" and dotting of the "i's" would allow them to circumvent our investments and sense of well being while at the same time ignoring that same community.

The Development Plan Application that they submitted to the Town of Ladysmith in December 2014 should be viewed as a pre cursor to the event(s) as they have unfolded. On the surface all the actions they have undertaken would appear as deliberate and orchestrated to bring the courts into the fray. Now this is a very distressing and disturbing idea to perceive of and not a welcome one for our Strata or anyone.

As we have stated we knew there would be a reasonable chance that further development would take place on the property. However, one would have expected and hoped that some consultation would have taken place between the Developers and the Strata. This did not happen prior to their submitting to the Town their Development Plan Application.

The Development Plan which was submitted to the Town of Ladysmith by Natura Developments for an additional 25 units on this property is totally not what we think of as reasonable. No considerations were really given as to the character of the land, just putting up as many units as would fit. Sight lines and view from our units would be severely compromised with 20' + walls and roofs in front of us, parking for existing units and proposed units is severely limited with no visitor parking indicated and this letter is not even addressing the style of units, emergency access and a whole host of other concerns.

As the residents of Strata 6497 we support the By Law 1881 as proposed by the Town of Ladysmith. We also hold out the hope that within the legal process you now face, our concerns will be taken under advisement by the legal system.

Strata 6497

Cleve Carleton, Murray & Sandra Hanna, Adrian & Angie Salahub

RECEIVED
June 16/15

Within Circulation Area

Mayor & Council
Town of Ladysmith

Re: Public Hearing Re Bylaw No 1881, being held June 22nd 2015

I attended the Public Hearings re Bylaw No 1875, held on April 27, 2015, I have also signed a group statement circulated amongst neighbours who would be affected by the development of 606 Farrell Road. I fully support Councils decision at this time to implement Bylaw No 1881.

When my husband and I purchased our home at [redacted] in 2012 we did so having been reassured and with the knowledge that a maximum of only fifteen homes would be built on that small piece of property.

I find it quite devastating that within only two years the whole esthetics, privacy and quality of this area is being spoiled and that Ladysmith's bylaws and covenants could be changed Willy Nilly at the whim of a some what unscrupulous developer.

Already one of the trees on my land has been compromised due to more wind exposure and due to a swale running through my property excess water erosion is now a concern.

Our privacy has been shattered, which with more careful planning and caring design needn't have happened, many trees could have been saved.

This piece of land is not suitable for the number of homes being proposed by Mr Scofield.

Yours truly,

Pauline Jones

Ladysmith, BC

RECEIVED
JUN 16 2015

Within Circulation Area

June 13, 2015

JUN 16 2015

PUBLIC HEARING REGARDING BYLAW 1881

The owners of the adjoining properties have a direct interest in any proposed development on the lots at 606 Farrell Road, Ladysmith. The individual signatures below have endorsed the following statement.

"We endorse the action of the Council approving Bylaw No. 1881. Bylaw No. 1881 cited as "Town of Ladysmith Zoning Bylaw 2014, No. 1860 Amendment Bylaw (No. 2) 2015, No. 1881". We fully support Third and final reading and final approval of the Bylaw."

Submitted on behalf of the owners listed below, all of whom have endorsed their approval of the above statement.

Jane L. Vincent
Jane Vincent,

Chris Arnold
CA Wallace

CA Wallace

Belinda Zarbock
PAULETTE LEAN

Belinda Zarbock
Pauline Lean

Greg DeFrancis

Greg Durling
PAULINE JONES

Pauline Jones

Sheryl & Tibor Milasin

T Milasin

S.C. & E. ANN HOCKEY

E. Ann Hockey

DORICE + JACK MORRICE

Dorice morrice Jack M. Morrice

Manda Read

Elaine Frank

RECEIVED
RECEIVED

Pg 2

Within Circulation Area

June 13, 2015

JUN 16 2015

PUBLIC HEARING REGARDING BYLAW 1881

The owners of the adjoining properties have a direct interest in any proposed development on the lots at 606 Farrell Road, Ladysmith. The individual signatures below have endorsed the following statement.

"We endorse the action of the Council approving Bylaw No. 1881. Bylaw No. 1881 cited as "Town of Ladysmith Zoning Bylaw 2014, No. 1860 Amendment Bylaw (No. 2) 2015, No. 1881". We fully support Third and final reading and final approval of the Bylaw."

Submitted on behalf of the owners listed below, all of whom have endorsed their approval of the above statement.

Jane L. Vincent
Jane Vincent,

LYNNE McDERMOTT R. McDERMOTT

CARRON + DAVEN M'LAURIN C. M'LAURIN

Wendy Harsling
BANKOSKIC

Ron Veldeng

Clare Veldeng

Angela Salchub

ADRIAN SALAHUB

TOWN OF LADYSMITH

BYLAW NO. 1881

A bylaw to amend "Town of Ladysmith Zoning Bylaw 2014, No. 1860"

WHEREAS pursuant to the *Local Government Act*, the Municipal Council is empowered to amend the Zoning Bylaw;

AND WHEREAS after the close of the Public Hearing and with due regard to the reports received, the Municipal Council considers it advisable to amend "Town of Ladysmith Zoning Bylaw 2014, No. 1860";

NOW THEREFORE the Council of the Town of Ladysmith in open meeting assembled enacts as follows:

(1) Schedule A - Zoning Bylaw Text of "Town of Ladysmith Zoning Bylaw 2014, No. 1860" is hereby amended as follows:

(a) Section 10.11 Low Density Residential (R-3-A) is amended by adding new site specific regulations to Section 10.11.8 as follows:

(i) The following is added to the end of Section 10.11.8 (a):

“(iv) For the *Land* consisting of the *Parcels* legally described as:

Lot A, District Lot 41, Oyster District, Plan
VIP84543 except part in Strata Plan VIS6497
(Phase 1);

Strata Lot 1, District Lot 41, Oyster District, Strata
Plan VIS6497 together with an interest in the
Common Property in Proportion to the Unit
Entitlement of the Strata Lot as Shown on Form V;

Strata Lot 2, District Lot 41, Oyster District, Strata
Plan VIS6497 together with an interest in the
Common Property in Proportion to the Unit
Entitlement of the Strata Lot as Shown on Form V;

Strata Lot 3, District Lot 41, Oyster District, Strata
Plan VIS6497 together with an interest in the
Common Property in Proportion to the Unit
Entitlement of the Strata Lot as Shown on Form V;
and

Common Property Strata Plan VIS6497;

the maximum number of *Dwelling Units* permitted on that
Land is 15 in total.”

(ii) Section 10.11.8(b) is deleted and the following substituted:

“b) The maximum number of units permitted under each of subsections 10.11.8(a)(i), (ii), (iii) and (iv) applies despite any subdivision of the *Parcel* or *Parcels* specified in the subsection.”

(iii) The following is added to the end of Section 10.11.8:

“c) Despite Section 10.11(1), for the *Parcels* legally described as:

Lot A, District Lot 41, Oyster District, Plan
VIP84543 except part in Strata Plan VIS6497
(Phase 1);

Strata Lot 1, District Lot 41, Oyster District, Strata
Plan VIS6497 together with an interest in the
Common Property in Proportion to the Unit
Entitlement of the Strata Lot as Shown on Form V;

Strata Lot 2, District Lot 41, Oyster District, Strata
Plan VIS6497 together with an interest in the
Common Property in Proportion to the Unit
Entitlement of the Strata Lot as Shown on Form V;

Strata Lot 3, District Lot 41, Oyster District, Strata
Plan VIS6497 together with an interest in the
Common Property in Proportion to the Unit
Entitlement of the Strata Lot as Shown on Form V;
and

Common Property Strata Plan VIS6497;

the permitted *Principal Uses* are *Townhouse Dwelling* and
Two Unit Dwelling only.”

CITATION

- (2) This bylaw may be cited for all purposes as "Town of Ladysmith Zoning Bylaw 2014, No. 1860 Amendment Bylaw (No. 2), 2015, No. 1881”.

REPEAL

- (3) “Town of Ladysmith Zoning Bylaw 2014, No. 1860 Amendment Bylaw (No. 1), 2015, No. 1875” is hereby repealed.

READ A FIRST TIME on the 1st day of June, 2015

READ A SECOND TIME on the 1st day of June, 2015

PUBLIC HEARING held pursuant to the provisions of the *Local Government Act*

on the day of , 2015

READ A THIRD TIME on the day of , 2015

ADOPTED on the day of , 2015

Mayor (A. Stone)

Corporate Officer (S. Bowden)



Town of Ladysmith

STAFF REPORT

To: Ruth Malli, City Manager
From: Erin Anderson, Director of Financial Services
Date: May 28, 2015
File No: 1970-04 Exemptions - Revitalization

Re: Revitalization Tax Exemption Agreement

RECOMMENDATION:

That Council approve entering into a Revitalization Tax Exemption Agreement with 1639555 Alberta Ltd, 341 First Avenue, Folio: 0126.000.

PURPOSE:

The purpose of this report is to authorize staff to enter into a Revitalization Tax Exemption Agreement with the owner of the Morrison Building located at 341 First Avenue (former Chronicle building).

INTRODUCTION/BACKGROUND:

Tax Revitalization Programs are permitted under section 226 of the *Community Charter*. This section requires the municipality to establish a revitalization program bylaw that sets out goals and objectives of the program and the kinds of activities or properties that will be eligible for tax exemptions, as well as the amount, term and extent of the exemptions.

In 2007, the Town established the "Town of Ladysmith Revitalization Tax Exemption Bylaw 2007, No.1625". The purpose of this program is to maintain the Town's heritage theme and encourage investment within the Downtown Core without triggering increased taxation for commercial properties.

Since that time, owners of the following properties have taken advantage of the program:

- 524 First Avenue (J. Cochrane Building)
- 18 High Street (In the Bean Time building)
- 411 First Avenue / 30 Roberts Street (Future Works)
- 12 Roberts Street (Antique Addict)

Recently, the Town has received an application for this program from the owners of the building located at 341 1st Avenue (Morrison Building).

The maximum term of the exemption is 10 years and it is only applicable for assessment based on the general assessment roll.

SCOPE OF WORK:

The Heritage Revitalization Tax Exemption Bylaw requires an amendment which will be presented at a future Council meeting. An Exemption Certificate will be issued and Town

staff will contact BC Assessment to implement the assessment freeze; the assessment will remain at the 2015 level for calculating municipal taxes only.

FINANCIAL IMPLICATIONS:

This program will affect the new construction dollars expected in 2016. The total assessment for the building is \$737,000, split between business and residential. It is estimated that approximately \$140,000 of improvements were carried out on the property. These improvements meet the evaluation criteria set out in the bylaw.

LEGAL IMPLICATIONS:

The Exemption Certificate must be forwarded to BC Assessment by October 31st for the exemption to be in place for the following applicable years.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

It is expected that the public will respond favourably to the building improvements..

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

The Finance Department will work with the property owner regarding this matter.

RESOURCE IMPLICATIONS:

Finance staff will be responsible for executing the agreement, creating the bylaw and forwarding the information to BC Assessment.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

This aligns with Strategy #8 - Local, Diverse Economy.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This aligns with Strategic Direction B - Effective land Use Planning and Community Design.

SUMMARY:

The Town is in receipt of an application for the Revitalization Tax Exemption - Heritage program. It is recommended that Council direct Staff to enter into a Revitalization Tax Exemption Agreement with 1639555 Alberta Ltd for the property at 341 First Avenue.

I concur with the recommendation.


for Ruth Malli, City Manager

ATTACHMENT:

Application - 1639555 Alberta Ltd - 341 First Ave
Evaluation Criteria
Property Roll Report - 341 First Ave

TOWN OF LADYSMITH
Property Roll Report - Detail



PT5010 Page : 1
 Date : Jun 12, 2015 Time : 2:17 pm

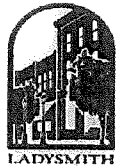
Folio No. : [445 - 0126.000] To [445 - 0126.000]
 Name : All
 Address : All
 Legal Info. : No
 Property Sale : No

Mortgage Info. : No Property ID's : Yes
 Freeform Legal : Yes School Support : Yes
 Property Note : No
 Owner : Both
 Print Foreign and Invalid Addresses: No

Folio No.	Name and Address	Property Address	Telephone Number
Prn 445 0126.000	1639555 ALBERTA LTD	341 1ST AVE	(780) 717-8682
	155 CHESTERMERE CRES	Bulk Mail :	Tax Exemption Code :
	SHERWOOD PARK AB T8H 2W5		

Property ID Number(s) :
 1. 017-195-705

Freeform Legal :
 LOT A, DISTRICT LOT 56, OYSTER LAND DISTRICT,
 PLAN VIP52046



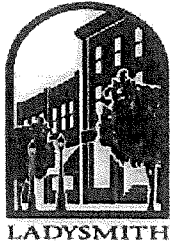
Schedule D

Application Evaluation Criteria

<i>Evaluation Criteria</i>	<i>Evaluation Range</i>	<i>Points</i>
Commercial Use	<input type="checkbox"/> Strictly Commercial use (20 points) <input checked="" type="checkbox"/> Primarily Commercial use - must be commercial main floor(20 points)	20
Building Façade Treatment	<input type="checkbox"/> Original heritage façade will be restored or existing heritage façade maintained (30 points) <input checked="" type="checkbox"/> Heritage facade will be rehabilitated (20 points) <input type="checkbox"/> New façade will be constructed consistent with Downtown Design Guidelines (10 points)	20
Structural Material/Cladding	<input checked="" type="checkbox"/> Brick (10 points) <input checked="" type="checkbox"/> Wood (10 points)	20
Seismic Upgrades	<input type="checkbox"/> Completed recommended seismic upgrades(10 points)	0
Building Code	<input checked="" type="checkbox"/> Completed upgrades to comply with building code (10 points)	10
Sprinkler System	<input type="checkbox"/> Completed upgrades to sprinkler system to bring to fire code (10 points)	0
Heritage Designation	<input checked="" type="checkbox"/> Municipally designated or has agreed to voluntary designation (10 points)	10
Heritage Covenant	<input type="checkbox"/> Heritage Covenant to be placed on property - optional (10 points)	0
Architectural Significance	<input checked="" type="checkbox"/> Very good or excellent example of a particular architectural style (10 points) <input type="checkbox"/> Designed by noted architect (5 points)	10
Total Points	Minimum Qualifying Score: 40 points (applicant must score more than "0" in Commercial Use" category in order to qualify)	90

6. The Grantor and the Grantee agree that the enforcement of this Agreement shall be entirely within the discretion of the Grantee and that the execution and registration of this covenant against the title to the Land shall not be interpreted as creating any duty on the part of the Grantee to the Grantor or to any other person to enforce any provision or the breach of any provision of this Agreement.
7. Nothing contained or implied herein shall prejudice or affect the rights and powers of the Grantee in the exercise of its functions under any public or private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the Land as if the Agreement had not been executed and delivered by the Grantor.
8. It is mutually understood, acknowledged and agreed by the parties hereto that the Grantee has made no representations, covenants, warranties, guarantees, promises or agreements (oral or otherwise) with the Grantor other than those contained in this Agreement.
9. The Grantor agrees to execute all other documents and provide all other assurances necessary to give effect to the covenants contained in this Agreement.
10. The Grantor covenants and agrees for itself, its heirs, executors, successors and assigns, that it will at all times perform and observe the requirements and restrictions hereinbefore set out and they shall be binding upon the Grantor as personal covenants only during the period of its respective ownership of any interest in the Land.
11. The restrictions and covenants herein contained shall be covenants running with the Land and shall be perpetual, and shall continue to bind all of the Lands when subdivided, and shall be registered in the Victoria Land Title Office pursuant to Section 219 of the *Land Title Act* as covenants in favour of the Grantee as a first charge against the Land.
12. This Agreement shall endure to the benefit of the Grantee and shall be binding upon the parties hereto and their respective heirs, executors, successors and assigns.
13. Wherever the expressions "Grantor" and "Grantee" are used herein, they shall be construed as meaning the plural, feminine or body corporate or politic where the context or the parties so require.

IN WITNESS WHEREOF the parties hereto hereby acknowledge that this Agreement has been duly executed and delivered by the parties executing Form C (page(s) 1 and 2) attached hereto.



Schedule E

Town of Ladysmith

Revitalization Tax Exemption Program

Application Form

Applicant:

Name of Applicant: 1639555 ALBERTA LTD.

Address: 9925 50ST, EDMONTON, AB T6A 3X5

Telephone: 780-717-8682 Fax: _____

Name of Owner: RAVI C. DEVANARAJU

Address: 155 CHESTERMERE CRESCENT, SHERWOOD PARK, AB T8H2W5

Telephone: 780-717-8682 Fax: _____

Property:

Civic Address: 341-1ST AVE, LADYSMITH, BC

Legal Description: _____

Consultant Information:

Name of Architect: _____

Address: _____

Telephone: _____ Fax: _____

Name of Engineer: LEE ROWLEY (HEROLD ENGINEERING)

Address: 3701 SHENTON RD, NANAIMO, BC V9T 2H1

Telephone: 250-751-8558 Fax: 250-751-8559

Name of Contractor: MID-ISLAND MASONRY CONTRACTING

Address: P.O. BOX 466, LADYSMITH, BC V9G 1A4

Telephone: 250-245-3127 Fax: 250-245-8205

Project Information:

Present Use of Building: MIXED USE (COMMERCIAL & APARTMENTS)

Project Timeframe: 2 MONTHS

Project Cost:

Estimated Total Construction Cost: \$ 140,000

Estimated Seismic/Building Code/Sprinkler/Facade Upgrade Cost: \$ 140,000

Application Requirements:

Please attach the following:

- Certificate of Title.
- Cover letter outlining scope of work.
- Scaled drawing(s) of proposed work (four sets).
- A total construction cost estimate - itemized (by an architect, engineer or building contractor). Receipts will be required at project completion to verify estimate accuracy.
- Letter from professional structural engineer certifying seismic upgrading costs. The cost estimate should be based on the NRC-CNRC Guidelines for Seismic Evaluation of Existing Buildings.
- Colour photographs of building exterior (where external building alterations proposed).
- Colour sketch (where external building alterations proposed).
- Material and colour samples (where external building alterations proposed).

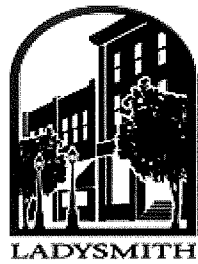
The Town of Ladysmith reserves the right to decline approval of applications not in keeping with the Revitalization Tax Exemption Program guidelines.

I, being the registered owner Red or authorized agent N/A make this application.

(If applicant is not the registered owner, a letter of authorization from the owner is required before the application can be processed).

Ravi Devaraj
Signature of Applicant

20/APR/2015
Date



TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2014



TOWN OF LADYSMITH
Financial Information Act
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2014

TABLE OF CONTENTS

Audited Financial Statements which provide:
 Management Report
 Statement of Assets and Liabilities
 Operational Statement
 Notes to the Financial Statements

Schedule of Debt

Schedule of Guarantee and Indemnity Agreements

Schedule of Remuneration and Expenses

Statement of Severance Agreements

Schedule of Payments for Goods and Services

Schedule of Financial Information Approval

Council Minutes Approving Financial Information

TOWN OF LADYSMITH
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014
AUDITED

INDEX TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014

Management Report	1
Independent Auditors' Report	2
<u>Consolidated Financial Statements</u>	
Consolidated Statement of Financial Position	3
Consolidated Statement of Operations	4
Consolidated Statement of Cash Flows	5
Consolidated Statement of Changes in Net Financial Assets	6
Notes to the Consolidated Financial Statements	7-23
<u>Schedules</u>	
I Obligations under capital leases	24
II Debenture debt	25
III Tax revenues	26
IV Schedule of fees and charges	27
V Continuity schedule of reserves and appropriated equity	28
VI Schedule of Restricted Reserves, Reserves and Equity by fund	29
VII Grant Revenue	30
VIII Statement of Operations by Segment – 2014	31
IX Statement of Operations by Segment – 2013	32
X Consolidated Statement of Tangible Capital Assets – 2014	33
XI Consolidated Statement of Tangible Capital Assets – 2013	34

STATEMENT OF MANAGEMENT'S RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Ladysmith and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting standards.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

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

MNP LLP as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian Auditing Standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian Public Sector Accounting Standards.



Ruth Malli, C.P.A., C.G.A.
Chief Administration Officer

See accompanying notes to the consolidated financial statements

Independent Auditors' Report

To the Mayor and Council of the Town of Ladysmith:

We have audited the accompanying consolidated financial statements of the Town of Ladysmith, which comprise the consolidated statement of financial position as at December 31, 2014 and the consolidated statements of operations, cash flows and changes in net financial assets and related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Ladysmith as at December 31, 2014 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Nanaimo, British Columbia

April 27, 2015

MNP LLP
Chartered Accountants

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014

	2014	2013
Financial Assets		
Cash and short term deposits (Note 3)	\$ 12,790,890	\$ 12,591,022
Accounts receivable (Note 4)	<u>4,175,786</u>	<u>2,900,746</u>
	<u>16,966,676</u>	<u>15,491,768</u>
Liabilities		
Accounts payable and accrued liabilities (Note 5)	1,734,074	1,562,524
Post-employment benefits (Note 6)	276,300	225,900
Deferred revenue (Note 7)	311,057	229,240
Refundable deposits and other (Note 8)	333,530	396,242
Restricted reserves - other (Note 9)	480,150	474,213
Development cost charge reserve (Note 9)	1,477,171	1,517,690
Federal gas tax reserve (Note 11)	976,699	854,988
Obligations under capital lease (Note 12 & Schedule I)	558,406	575,566
Debenture debt (Note 13 & Schedule II)	<u>3,231,518</u>	<u>3,476,347</u>
	<u>9,378,906</u>	<u>9,312,710</u>
Net Financial Assets	<u>7,587,770</u>	<u>6,179,058</u>
Non-Financial Assets		
Tangible Capital Assets (Schedule X & XI)	80,163,285	77,877,676
Prepays	101,293	118,649
Inventory	<u>74,824</u>	<u>84,075</u>
	<u>80,339,402</u>	<u>78,080,400</u>
Accumulated Surplus (Note 18)	<u>\$ 87,927,172</u>	<u>\$ 84,259,458</u>

Commitments and Contingencies (Note 14)



 Director of Financial Services

See accompanying notes to the consolidated financial statements

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF OPERATIONS
AS AT DECEMBER 31, 2014

	<u>2014</u>	<u>Budget 2014 (Note 19)</u>	<u>2013</u>
Revenue			
Taxes - (Schedule III)	\$ 8,619,254	\$ 8,614,717	\$ 8,286,919
Fees and charges			
General (Schedule IV)	1,735,798	1,705,829	1,735,914
Sewer (Schedule IV)	741,877	711,437	718,265
Water (Schedule IV)	713,777	694,130	676,576
Investment Income	130,693	85,000	121,411
Penalty and interest on tax	123,986	122,000	123,620
Grants (Schedule VII)	3,504,463	5,281,777	1,375,509
Donations and contributed property	143,043	268,500	24,636
Gain (loss) on foreign exchange	95,762	-	-
Gain (loss) on disposal of tangible capital assets	(35,830)	-	(43,587)
Development fees	111,625	111,625	108,075
Local area improvements	8,922	8,922	8,922
Gas tax funds utilized	261,684	250,000	81,225
	<u>16,155,052</u>	<u>17,853,937</u>	<u>13,217,485</u>
Expenses			
General government services	2,240,654	2,280,326	2,103,832
Protective services	1,805,295	1,957,313	1,820,194
Transportation services	2,166,675	2,275,473	2,138,016
Garbage services	454,278	534,456	462,974
Cemetery services	23,999	28,505	23,953
Development services	567,200	971,315	557,198
Recreation and cultural services	2,343,122	2,409,110	2,218,835
Parks operation services	836,094	880,617	867,892
Sewer	1,074,454	1,410,747	983,611
Water	975,569	1,143,529	829,808
	<u>12,487,339</u>	<u>13,891,391</u>	<u>12,006,313</u>
Annual Surplus (Deficit)	3,667,714	3,962,546	1,211,172
Accumulated Surplus, beginning of year	<u>84,259,458</u>	<u>84,259,458</u>	<u>83,048,286</u>
Accumulated Surplus - end of year	<u>\$ 87,927,172</u>	<u>\$ 88,222,004</u>	<u>\$ 84,259,458</u>

See accompanying notes to the consolidated financial statements

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
Operating Transactions		
Annual Surplus	\$ 3,667,714	\$ 1,211,172
Less non-cash items included in surplus:		
Amortization	2,436,345	2,528,284
Loss (gain) on disposal of tangible capital assets	35,830	43,587
Actuarial adjustments on debt debenture	(78,504)	(68,475)
Contributed Property	<u>(110,215)</u>	<u>-</u>
	<u>5,951,170</u>	<u>3,714,568</u>
Accounts receivable	(1,275,040)	(237,112)
Prepaid expenses	17,356	(19,815)
Inventory	9,251	(432)
Accounts payable and accrued liabilities	171,550	322,918
Post employment benefits	50,400	(21,300)
Deferred revenues	81,817	16,502
Refundable deposits and other	(62,712)	(20,395)
Restricted reserves	5,937	10,381
Development cost charge reserve	(40,519)	27,755
Gas tax reserve	<u>121,711</u>	<u>179,611</u>
Cash provided by operating transactions	<u>5,030,922</u>	<u>3,972,681</u>
Capital Transactions		
Proceeds on sale of tangible capital assets	6,429	129,986
Cash used to acquire tangible capital assets	<u>(4,606,232)</u>	<u>(2,735,453)</u>
	<u>(4,599,803)</u>	<u>(2,605,467)</u>
Financing		
Repayment of long-term debt	<u>(231,251)</u>	<u>(215,761)</u>
Net (Decrease) Increase in cash from financing	<u>(231,251)</u>	<u>(215,761)</u>
Increase in Cash and Short Term Deposits	199,867	1,151,453
Cash and Short Term Deposits - Beginning of Year	12,591,022	11,439,569
Cash and Short Term Deposits - End of Year	<u>\$ 12,790,890</u>	<u>\$ 12,591,022</u>

See accompanying notes to the consolidated financial statements

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
AS AT DECEMBER 31, 2014

	2014	Budget 2014 (Note 19)	2013
Annual Surplus (Deficit)	\$ 3,667,714	\$ 3,962,546	\$ 1,211,172
Acquisition of tangible capital assets	(4,764,212)	(11,224,190)	(3,204,179)
Amortization of tangible capital assets	2,436,345	2,399,736	2,528,284
Loss (gain) on sale of tangible capital assets	35,830	-	43,587
Proceeds from sale of tangible capital assets	6,429	-	129,986
Decrease (Increase) in inventories	9,251	-	(433)
Decrease (Increase) in prepaids	17,356	-	(19,815)
Change in Net Financial Assets	<u>1,408,712</u>	<u>(4,861,908)</u>	<u>688,602</u>
Net Financial Assets (Net Debt), beginning of year	<u>6,179,058</u>		<u>5,490,456</u>
Net Financial Assets (Net Debt), end of year	<u>\$ 7,587,770</u>		<u>\$ 6,179,058</u>

See accompanying notes to the consolidated financial statements

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

1. General

The Town of Ladysmith was incorporated under the provisions of the British Columbia Municipal Act. Its principal activities are the provision of local government services in the Town, as governed by the Community Charter and the Local Government Act.

The notes to the consolidated financial statements are an integral part of these financial statements. They provide detailed information and explain the significant accounting and reporting policies and principles that form the basis of these statements. They also provide relevant supplementary information and explanations which cannot be expressed in the consolidated financial statements.

2. Significant Accounting Policies

(a) Basis of Presentation

It is the Town's policy to follow Canadian public sector accounting standards for local governments and to apply such principles consistently. The financial resources and operations of the Town have been consolidated for financial statement purposes and include the accounts of all of the funds of the Town.

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

The consolidated financial statements reflect the assets, liabilities, revenues and expenses and changes in fund balances and financial position of the Town. These consolidated financial statements consolidate the following operations:

<i>General Revenue Fund</i>	<i>General Capital Fund</i>
<i>Water Revenue Fund</i>	<i>Water Capital Fund</i>
<i>Sewer Revenue Fund</i>	<i>Sewer Capital Fund</i>
<i>Reserve Fund</i>	

(b) Reporting Entity

The consolidated financial statements include the assets, liabilities, revenue and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Town. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Town. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Town. Interfund and intercompany balances and transactions have been eliminated. The controlled organizations include DL 2016 Holdings Corporation, a wholly owned subsidiary of the Town.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

2. Significant Accounting Policies (continued)

(c) Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The Town does not capitalize interest charges as part of the cost of its tangible capital assets.

Tangible capital assets are amortized over their estimated useful life, with a half-year's provision in the year of acquisition, on the straight-line method at the following annual rates:

General Tangible Capital Assets

Land	Indefinite
Land Improvements	15 to 75 years
Buildings	25 to 40 years
Equipment, Furniture and Vehicles	5 to 60 years

Engineering Structures

Roads and Sidewalks	20 to 75 years
Storm and Sewer	25 to 75 years
Water	20 to 80 years

Constructions in progress contain capital projects underway but not yet complete or put into use. Once put into use, the asset will be amortized based on the above annual rates for the applicable category of work performed.

Certain assets have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts that are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands and other natural resources are not recognized as tangible capital assets.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash and short-term deposits with maturities of three months or less from the date of acquisition, reported in Canadian funds using the exchange rate of the prescribed bank as of December 31.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

2. Significant Accounting Policies (continued)

(e) Restricted Reserves and Deferred Revenues

Receipts which are restricted by the legislation of senior governments or by agreement with external parties are deferred and reported as restricted reserves. When qualifying expenses are incurred, restricted reserves are brought into revenue at equal amounts, in accordance with Revenue Recognition policy 2 (h). These revenues are comprised of the amounts shown in Note 9.

Revenues received from non-government sources in advance of expenses which will be incurred in a later period are deferred until the associated purchase or expense is incurred.

(f) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Significant areas requiring the use of management estimates relate to the collectability of accounts receivable, deferred charges, accrued liability, post-employment benefits, provisions for contingencies and amortization rates, useful lives and salvage values for determining capital asset values. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

(g) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Rental payments under operating leases are expensed as incurred.

The Town currently rents property at 132c and 33 Roberts Street for office space as well as 17 and 25 Roberts Street for a parking lot. Total lease payments expensed for the year were \$ 75,711. The operating leases are annual agreements, and the Town does not expect significant variation from the annual amounts in future years.

(h) Revenue Recognition

Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Fees and charges revenue are recognized when the services are rendered. Investment income is accrued as earned. Gain (loss) on foreign exchange has been recognized in the Statement of Operations using the exchange rate in effect on December 31, 2014.

Other revenues are recognized when earned in accordance with the terms of the agreement, when the amounts are measurable and when collection is reasonably assured.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

2. Significant Accounting Policies (continued)

The Town recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. Grants and donations are recognized in the financial statements in the period which the events giving rise to the transfer occur, eligibility criteria are met, and reasonable estimates of the amount can be made. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability (deferred revenue). In such circumstances, the Town recognizes the revenue as the liability is settled.

Deferred revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

(i) Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

(j) Inventory

Inventory is valued at the lower of cost and net realizable value, determined on an average cost basis.

(k) Recent Accounting Pronouncements

In June 2010, the Public Sector Accounting Board (PSAB) issued PS 3260 *Liability for Contaminated Sites* to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements. PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The Town has determined that no owned properties meet the criteria to recognize a liability for contaminated sites, therefore it expects no impact from adoption of PS3260.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

3. Cash and Short Term Deposits

Cash and short term deposits were comprised as follows:

	<u>2014</u>	<u>2013</u>
Cash	\$ 12,030,766	\$ 11,839,089
Short term deposits	760,124	751,933
	<u>\$ 12,790,890</u>	<u>\$ 12,591,022</u>

Included in Cash is a deposit of \$2,325,089 (the equivalent of \$2,035,089 US Funds based on the exchange rate at the Ladysmith and District Credit Union on December 31, 2014). Short term deposits consist of short term investments in the Municipal Finance Authority of B.C. money market fund. The market value is equal to the carrying value.

Included in cash and short term deposits are the following restricted amounts that can only be expended in accordance with the terms of the restricted reserves.

	<u>2014</u>	<u>2013</u>
Restricted reserves - other	\$ 480,150	\$ 474,213
Federal gas tax reserve	976,699	854,988
Development cost charges reserve	1,477,171	1,495,960
Total restricted cash	<u>\$ 2,934,020</u>	<u>\$ 2,825,161</u>

4. Accounts Receivable

	<u>2014</u>	<u>2013</u>
Property taxes	\$ 1,277,401	\$ 1,136,828
Other government	2,258,560	427,609
User fees and other	615,204	1,294,498
Development cost charges	-	21,730
Developer receivables	16,253	16,253
Employee receivables	8,369	3,828
	<u>\$ 4,175,786</u>	<u>\$ 2,900,746</u>

Development cost charges (DCC's) are collected on the approval of subdivision or the issuance of a building permit. These funds assist the Town in constructing capital improvements directly or indirectly related to the development. Development cost charges represent funds due from developers within two years and are secured by irrevocable standby letters of credit. No interest is charged on these outstanding installments.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

5. Accounts Payable and Accrued Liabilities

	<u>2014</u>	<u>2013</u>
General	\$ 1,284,364	\$ 1,241,444
Other governments	1,039	111
Salaries and wages	188,300	161,707
Contractor holdbacks	219,448	118,339
Accrued interest	40,923	40,923
	<u>\$ 1,734,074</u>	<u>\$ 1,562,524</u>

6. Post-Employment Benefits

The Town provides compensated absences to its employees to a maximum of 120 days. The Town also allows employees to defer unused vacation without any maximum. Any deferred vacation time remaining at retirement or termination is paid out at that time. The amount recorded for these benefits is based on an actuarial evaluation done by an independent firm using a projected benefit actuarial valuation method prorated on services. The last actuarial valuation was calculated at August 31, 2014 and has been extrapolated to December 31, 2014. The change in the liability in the financial statements in respect of obligations under the plan amounts to \$50,400. (2013 – \$21,300).

The accrued post-employment benefits are as follows:

	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 225,900	\$ 247,200
Current service costs	29,200	28,800
Benefits paid	(13,700)	(5,000)
Actuarial (gain)/loss	34,900	(45,100)
Balance, end of year	<u>\$ 276,300</u>	<u>\$ 225,900</u>

The significant actuarial assumptions adopted in measuring the Town's post-employment benefits are as follows:

	<u>2014</u>	<u>2013</u>
Discount Rate	3.10%	3.90%
Expected Inflation Rate and Wage & Salary Increases	2.50%	2.50%

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

7. Deferred Revenue

	<u>2014</u>	<u>2013</u>
Licence fees & charges	\$ 5,961	\$ 1,814
Rental payments	37,957	26,701
Prepaid property tax	163,609	101,590
Subdivision tree prepayment	35,105	35,105
Recreation prepayment	26,928	24,676
Utilities	26,102	31,857
Other	15,396	7,497
	<u>\$ 311,057</u>	<u>\$ 229,240</u>

8. Refundable Deposits and Other

	<u>2014</u>	<u>2013</u>
Developer performance deposits	\$ 159,780	\$ 207,112
Damage deposits	173,550	187,400
Other	200	1,730
	<u>\$ 333,530</u>	<u>\$ 396,242</u>

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

9. Restricted Reserves and Development Cost Charges Reserve

Restricted reserves include Development Cost Charges (DCC's) which are charged to developers and utilized for infrastructure development. There are two reserves, LRCA Capital and B&G Capital for the replacement of specific building components located at 630 2nd Avenue and 220 High Street.

Description	Balance Dec. 31, 2013	Interest	Contributions	Expenditures	Balance Dec. 31, 2014
DCC - Water	\$ 243,358	\$ 2,854	\$ 11,924	\$ -	\$ 258,136
DCC - Parks	258,724	2,948	8,791	-	270,463
DCC - Roads	520,273	5,268	14,519	(108,075)	431,984
DCC - Sewer	160,007	1,888	14,826	-	176,721
DCC - Storm	335,328	3,733	806	-	339,867
	<u>1,517,690</u>	<u>16,690</u>	<u>50,866</u>	<u>(108,075)</u>	<u>1,477,171</u>
Gas Tax	<u>854,988</u>	<u>9,348</u>	<u>374,048</u>	<u>(261,685)</u>	<u>976,699</u>
Parking	75,035	819	-	(3,550)	72,304
Green Streets	1,411	16	-	-	1,427
Amphitheatre	14,067	158	500	-	14,725
LRC - Capital	366,487	230	2,480	-	369,197
B&G - Capital	17,213	220	5,064	-	22,497
	<u>474,213</u>	<u>1,443</u>	<u>8,044</u>	<u>(3,550)</u>	<u>480,150</u>
TOTAL	<u>\$ 2,846,891</u>	<u>\$ 27,481</u>	<u>\$ 432,958</u>	<u>\$ (373,310)</u>	<u>\$ 2,934,020</u>

10. Financial Instruments

The Town as part of its operations carries a number of financial instruments. It is management's opinion the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

11. Federal Gas Tax Reserve

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the Town and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements. The funds are recorded on the financial statements as a restricted reserve.

	2014	2013
Opening balance of unspent funds	\$ 854,988	\$ 675,377
Add: Amounts received during the year	374,048	252,620
Interest earned	9,348	8,216
Less: Gas tax funds utilized	(261,685)	(81,225)
Closing balance of unspent funds	\$ 976,699	\$ 854,988

12. Obligations under Capital Lease

There are six leases payable to the Municipal Finance Authority. The future minimum lease payments, including PST, under the capital lease obligation are as follows:

2015	\$ 112,384
2016	60,682
2017	48,364
2018	333,468
2019	3,509
Thereafter	0

Debt interest, less actuarial adjustments in the consolidated statement of financial activities, is calculated as \$10,812 (2013 - \$9,058).

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

12. Obligations under Capital Lease (continued)

The Town has entered into capital leases for the following purchases:

- 1) A five year capital lease agreement with the Municipal Finance Authority of British Columbia which commenced on September 28, 2010, for the purchase of a fire truck. Under the terms of the agreement the Town has prepaid \$97,000. The remaining obligation will be repaid with monthly lease payments in the amount of \$773 including interest at 1.75% per annum. The balance of the capital lease at December 31, 2014, which is included in obligation under capital leases, is \$51,091. Lease to expire September 2015. (2013 - \$59,905)
- 2) A five year capital lease agreement with the Municipal Finance Authority of British Columbia which commenced on August 2011 for the purchase of a Photocopier. The remaining obligation will be repaid with monthly lease payments in the amount of \$329 including interest at 2.0% per annum. The balance of the capital lease at December 31, 2014, which is included in obligation under capital leases, is \$6559. Lease to expire July 2016. (2013 - \$10,611)
- 3) A five year capital lease agreement with the Municipal Finance Authority of British Columbia which commenced on April 2012 for the purchase of a 4X4 fire truck. The remaining obligation will be repaid with monthly lease payments in the amount of \$1,381 including interest at 2.0% per annum. The balance of the capital lease at December 31, 2014, which is included in obligation under capital leases, is \$41,870. Lease to expire May 2017. (2013 - \$58,585)
- 4) A five year capital lease agreement with the Municipal Finance Authority of British Columbia which commenced on June 2012 for the purchase of a photocopier. The remaining obligation will be repaid with monthly lease payments in the amount of \$111 including interest at 2.0% per annum. The balance of the capital lease at December 31, 2014, which is included in obligation under capital leases, is \$3,587. Lease to expire July 2017. (2013 - \$4,928)
- 5) A five year capital lease agreement with the Municipal Finance Authority of British Columbia which commenced on March 28, 2013 for the purchase of a fire truck. The remaining obligation will be repaid with monthly lease payments in the amount of \$2,718 including interest at 2.0% per annum. The balance of the capital lease at December 31, 2014, which is included in obligation under capital leases, is \$406,075. Lease to expire March 2018. (2013 - 432,570)
- 6) A five year capital lease agreement with the Municipal Finance Authority of British Columbia which commenced on February 2, 2014 for the purchase of a photocopier. The remaining obligation will be repaid with monthly lease payments in the amount of \$147 including interest at 2.0% per annum. The balance of the capital lease at December 31, 2014, which is included in obligation under capital leases, is \$7,546. Lease to expire February 2019. (2013 - \$8,967)
- 7) A five year capital lease agreement with the Municipal Finance Authority of British Columbia which commenced on April 25, 2014 for the purchase of fitness equipment. The remaining obligation will be repaid with monthly lease payments in the amount of \$782 including interest at 2.0% per annum. The balance of the capital lease at December 31, 2014, which is included in obligation under capital leases, is \$41,678. Lease to expire April 2019.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

13. Debenture Debt

The total long term debt issued and outstanding as at December 31, 2014 was \$3,231,518 (\$3,476,347 as at December 31, 2013). There is an additional \$10 million dollars authorized to fund the upgrade of the Waste Water Treatment Plant. The following principal amounts are payable over the next five years.

Principal repayments

	2015	2016	2017	2018	2019	Thereafter
General	\$ 137,656	\$ 66,033	\$ 66,033	\$ 66,033	\$ 66,033	\$ 792,395
Water	24,012	24,012	24,012	24,012	24,012	432,216
Sewer	4,657	-	-	-	-	-
	<u>\$ 166,325</u>	<u>\$ 90,045</u>	<u>\$ 90,045</u>	<u>\$ 90,045</u>	<u>\$ 90,045</u>	<u>\$ 1,224,611</u>

Actuarial sinking fund earnings

	2015	2016	2017	2018	2019	Thereafter
General	\$ 83,177	\$ 27,953	\$ 31,712	\$ 35,622	\$ 39,688	\$ 859,687
Water	1,959	2,998	4,079	5,202	6,371	378,131
Sewer	3,825	-	-	-	-	-
	<u>\$ 88,961</u>	<u>\$ 30,951</u>	<u>\$ 35,791</u>	<u>\$ 40,824</u>	<u>\$ 46,059</u>	<u>\$ 1,237,818</u>
	<u>\$255,286</u>	<u>\$120,996</u>	<u>\$125,836</u>	<u>\$130,869</u>	<u>\$136,104</u>	<u>\$2,462,429</u>

Debt interest, less actuarial adjustments in the consolidated statement of financial activities, is determined as follows:

	Interest	Actuarial Adjustment	2014 Net	2013 Net
Sewer - Interest	\$ 2,197	\$ 3,460	\$ (1,263)	\$ 77
Water - Interest	34,000	960	33,040	41,545
General - Interest	219,463	74,083	145,380	154,098
	<u>\$ 255,660</u>	<u>\$ 78,504</u>	<u>\$ 177,156</u>	<u>\$ 195,720</u>

14. Commitments and Contingencies

(a) Contingent Liabilities

- i) The Town, as a member of the Cowichan Valley Regional District, is jointly and severally liable for operational deficits or long term debt related to functions in which it participates.
- ii) The loan agreements with the Municipal Finance Authority provide that if the Authority does not have sufficient funds to meet payments on its obligations it shall make payments from the Debt Reserve Fund which in turn is established by a similar Debt Reserve Fund in the Town and all other borrowing participants. If the Debt Reserve Fund is deficient the Authority's obligations become a liability of the regional district and may become a liability of the participating municipalities.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

14. Commitments and Contingencies (continued)

- iii) Various claims have been made against the Town as at December 31, 2014 for incidents which arose in the ordinary course of operations. In the opinion of management and legal counsel, the outcomes of the lawsuits, now pending, are not determinable. As the outcomes are not determinable at this time, no amount has been accrued in the financial statements. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

(b) Pension Liability

The municipality and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 182,000 active members and approximately 75,000 retired members. Active members include approximately 76 contributors from the Town of Ladysmith.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1.37 billion funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan,

The Town of Ladysmith paid \$408,683 (\$377,728 - 2013) for employer contributions to the Plan in fiscal 2014.

(c) Reciprocal Insurance Exchange Agreement

The Town is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by Section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement the Town is assessed a premium and specific deductible for its claims based on population. The obligation of the Town with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, and not joint and several. The Town irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer.

15. Significant Taxpayers

The Town is reliant upon 10 taxpayers for approximately 21.19% (2013 – 21.80%) of the total property tax revenue which includes Western Forest Products at approximately 13.1% (2013 – 13.59%) of the total property tax revenue.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

16. Funds Held in Trust

These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries; in particular, these funds are for the Cemetery Trust Fund. In accordance with PSAB recommendations on financial statement presentation, trust funds are not included in the Town's Financial Statements. A summary of trust fund activities by the Town is as follows:

	<u>2014</u>	<u>2013</u>
Assets		
Cash and short term investment	<u>\$ 143,932</u>	<u>\$ 141,707</u>
Equity		
Opening balance	\$ 141,707	\$ 139,697
Interest	1,583	1,668
Transfer interest to fund cemetery costs	(1,583)	(1,668)
Contributions	2,225	2,010
Balance, end of year	<u>\$ 143,932</u>	<u>\$ 141,707</u>

17. Comparative Figures

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

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

18. Accumulated Surplus

The Town segregates its accumulated surplus in the following categories:

	<u>2014</u>	<u>2013</u>
Unappropriated equity	\$ 3,301,039	\$ 2,461,781
Appropriated equity (Schedule V)	7,422,629	7,131,815
	<u>10,723,667</u>	<u>9,593,596</u>
 Capital Funds		
General capital fund	113,288	112,067
Sewer capital fund	834	834
Water capital fund	595,935	607,883
	<u>710,057</u>	<u>720,784</u>
 Reserve Funds		
Reserve funds (Schedule V)	120,633	119,315
	<u>76,372,814</u>	<u>73,825,763</u>
Equity in Tangible Capital Assets		
	<u>\$ 87,927,172</u>	<u>\$ 84,259,458</u>

19. Annual Budget

Fiscal plan amounts represent the Financial Plan Bylaw adopted by Council on May 12, 2014.

The Financial Plan anticipated the use of surpluses accumulated in previous years to balance against current year expenses in excess of current year revenues. In addition, the Financial Plan anticipated capital expenses rather than amortization expense.

The following shows how these amounts were combined:

Financial Plan Balance for the year	\$	-
Add back:		
Amortization		(2,399,736)
Proceeds from new debt		(4,060,000)
Transfers to/from own funds		(1,273,759)
Less:		
Principal payments on debt		471,851
Capital expenditures per budget		12,091,690
Capital Expenditures expensed according to Tangible Capital Asset Policy		(867,500)
Adjusted Annual Surplus		<u>\$ 3,962,546</u>

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

20. DL 2016 Holdings Corporation (“DL 2016”)

The Town of Ladysmith has an investment in DL 2016 Holdings Corporation, a wholly owned subsidiary company of the Town.

The Town of Ladysmith leases portions of its waterfront from the Province of British Columbia parts of which are subleased to DL 2016 for use as a marina.

DL 2016 has entered into operation and maintenance agreement and a license agreement with the Ladysmith Maritime Society (LMS) for the operation and management of the lease area.

Pursuant to these agreements DL 2016 could provide security for debt financing in order for LMS to implement capital improvements to the lease area.

21. Segmented Information

The Town is a diversified municipal government institution that provides a wide range of services to its citizens such as roads, water, sewer and drainage infrastructure, fire protection, police protection (RCMP), cemetery, recreation centre, garbage collection and parkland. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government Services

The City Manager is the liaison between Council and the Town departments and staff. The Corporate Services Department supports the legislated activities of Council, and provides information to citizens with respect to Council/Committee processes, reporting procedures and decisions, and Town activities. Also included in General Government Services is the Finance Department, Information Technology and Human Resources.

Protective Services

Protection is comprised of fire protection, policing, bylaw enforcement and building inspection.

- Bylaw enforcement administers, monitors, and seeks compliance with the bylaws enacted by the Mayor and Council to regulate the conduct of affairs in the Town of Ladysmith.
- Fire protection is provided by the fire department, whose volunteer members receive compensation for each callout in which they take part.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

21. Segmented Information (Continued)

- Policing is provided under contract with the RCMP operating from a detachment building located in and owned by the Town of Ladysmith.
- The Town of Ladysmith's Development Services and Public Works Departments work together to regulate all construction within the Town. This is achieved through the use of the Town of Ladysmith's Building and Plumbing Bylaw, the British Columbia Building Code, the British Columbia Fire Code and other related bylaws and enactments with the Town of Ladysmith.

Transportation, Garbage and Cemetery

The Transportation (Public Works) Department is responsible for the infrastructure of the Town:

- Ensuring clean and safe water to the Town, supplied through underground pipes and reservoirs,
- Maintaining a separate system of underground pipes to collect sewer or waste water for proper treatment prior to discharging it,
- Providing and maintaining the Town's roads, sidewalks, street lights, signage and line markings, storm drainage and hydrants,
- Providing other key services including street cleaning and the operation of a local bus service.

Garbage Services (Public Works) is responsible for the garbage collection and compost and recycling programs operating in the Town of Ladysmith. Garbage and recycling collection is performed by a contractor.

Cemetery (Public Works) Department provides cemetery services including the maintenance of the cemetery grounds.

Development

The Development Services Department provides short-term and long-term land use planning services.

- Long-term Planning includes work with the community on reviewing the Town's Official Community Plan, developing new Neighbourhood Plans, the Trail Plan and the review of relevant bylaws.
- Short term Planning includes the processing of development applications.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

21. Segmented Information (Continued)

Recreation and Culture

The Parks, Recreation and Culture Department contribute to the quality of life and personal wellness of the community through the provision of a variety of special events, programs, services and facilities. The Frank Jameson Community Centre is the location where the majority of the programs are offered.

Parks

Parks includes and provides maintenance of beach area, trails, golf course, spray-park, ball parks, and any other civic grounds.

Water

Water includes all of the operating activities related to the treatment and distribution of water throughout the Town.

Sewer

Sewer includes all of the operating activities related to the collection and treatment of waste water (sewage) throughout the Town.

22. Subsequent Events

Subsequent to year end, the Town borrowed \$1,000,000 on the approved \$10,000,000 loan through the Municipal Finance Authority for the construction of the third phase of the wastewater treatment plant.

These notes form an integral part of these financial statements.

TOWN OF LADYSMITH
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE I

	Term	Original Amount	Balance Dec 31, 2013	Principal Payments	Net Interest⁽¹⁾	Balance Dec 31, 2014	Interest Rate
Spartan Fire Truck	2010-15	\$ 312,258	\$ 59,905	\$ 8,886	\$ 1,044	\$ 51,091	4.02%
City Hall Copier	2011-16	19,780	10,611	4,064	164	6,559	2.00%
Fire Bush Truck	2012-17	83,652	58,585	16,781	952	41,870	2.00%
Spartan Fire Truck	2013-18	452,066	432,570	27,045	7,859	406,075	2.00%
P.W. Copier	2012-17	6,748	4,928	1,348	81	3,587	2.00%
Ricoh Copier - FJCC	2014-19	8,967	8,967	1,431	141	7,546	2.00%
Fitness Equip - FJCC	2014-19	47,765		6,127	571	41,678	2.00%
		<u>\$ 931,236</u>	<u>\$ 575,566</u>	<u>\$ 65,682</u>	<u>\$ 10,812</u>	<u>\$ 558,406</u>	

⁽¹⁾ Interest, net of actuarial adjustments

TOWN OF LADYSMITH
SCHEDULE OF DEBENTURE DEBT
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE II

	<u>Issue #</u>	<u>Term</u>	<u>Original Amount</u>	<u>Balance Dec 31, 2013</u>	<u>Principal Payments</u>	<u>Net Interest ⁽¹⁾</u>	<u>Balance Dec 31, 2014</u>	<u>Interest Rate</u>				
<u>General Capital Fund</u>												
	2000	First Avenue	73	2000-15	\$1,438,000	\$ 255,306	\$ 124,844	\$ 38,092	\$ 130,462	6.35%		
	2006	RCMP Building	97	2006-31	2,750,000	2,228,452	86,895	107,288	2,141,557	4.66%		
<u>Water Capital Fund</u>												
	2012	Water Improvements	118	2012-37	\$1,000,000	\$ 975,988	\$ 24,972	\$ 33,040	\$ 951,016	3.40%		
<u>Sewer Capital Fund</u>												
	2000	Sewer Improvements	72	2000-15	\$ 93,500	\$ 16,601	\$ 8,117	(1,263)	\$ 8,484	6.45%		
				\$ 5,281,500 \$ 3,476,347 \$ 244,829 \$ 177,156 \$ 3,231,518								

⁽¹⁾ Interest, net of actuarial adjustments

TOWN OF LADYSMITH
SCHEDULE OF TAX REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE III

	Actual 2014	Budget 2014	Actual 2013
General Taxes			
General municipal purposes	\$ 7,022,129	\$ 7,022,170	\$ 6,773,970
Grants in lieu and 1% utility tax	165,983	165,163	158,857
Water and sewer parcel tax	1,431,141	1,427,384	1,354,154
	<u>\$ 8,619,254</u>	<u>\$ 8,614,717</u>	<u>\$ 8,286,981</u>
 Collections for other governments:			
School district	\$ 3,028,714	\$ 3,024,870	\$ 3,032,020
Regional hospital district	642,775	641,896	570,051
Regional district	1,018,087	1,016,853	798,977
BCAA and MFA	85,103	84,997	85,446
Library	328,044	328,018	303,110
	<u>\$ 5,102,722</u>	<u>\$ 5,096,634</u>	<u>\$ 4,789,604</u>
 Less:			
Transmission of taxes levied for other agencies:			
School district	\$ 3,028,714	\$ 3,024,870	\$ 3,032,020
Regional hospital district	642,775	641,896	569,895
Regional district	1,018,087	1,016,853	798,845
BCAA and MFA	85,103	84,997	85,450
Library	328,044	328,018	303,456
	<u>\$ 5,102,722</u>	<u>\$ 5,096,634</u>	<u>\$ 4,789,666</u>
 Net Taxation	 <u>\$ 8,619,254</u>	 <u>\$ 8,614,717</u>	 <u>\$ 8,286,919</u>

TOWN OF LADYSMITH
SCHEDULE OF FEES & CHARGES
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE IV

	<u>Actual 2014</u>	<u>Budget 2014</u>	<u>Actual 2013</u>
Licences and fines	\$ 81,540	\$ 76,675	\$ 76,826
Garbage services	595,863	553,000	516,384
General government services	124,753	70,365	174,123
Cemetery services	27,630	31,000	30,020
Recreation services	599,304	628,261	606,779
Permits and Fees	72,197	107,500	89,535
Protective Services	234,511	239,028	242,247
Water Utility Fees	713,777	694,130	676,576
Sewer Utility Fees	741,877	711,437	718,265
	<u>\$ 3,191,452</u>	<u>\$ 3,111,396</u>	<u>\$ 3,130,755</u>

TOWN OF LADYSMITH
CONTINUITY SCHEDULE OF RESERVES & APPROPRIATED EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE V

(Unaudited)

	Balance Dec. 31, 2013	Interest Allocated	Contributions	Funding	Balance Dec. 31, 2014
RESERVES					
Tax Sale	\$ 25,149	\$ 281	\$ -	\$ -	\$ 25,430
Perpetual Safety Fund	12,516	138	-	-	12,654
Sale Real Property	-	-	-	-	-
Amenity Funds	81,650	901	-	-	82,551
TOTAL RESERVES	\$ 119,315	\$ 1,320	\$ -	\$ -	\$ 120,635
APPROPRIATED EQUITY - OPERATIONS					
General Operating Fund					
Future Projects	1,074,888	-	456,727	504,387	1,027,229
Equipment	698,343	-	268,821	178,197	788,967
Land & Building	222,818	-	98,359	27,038	294,139
Tax Contingency	157,986	-	-	50,000	107,986
Snow & Ice Removal	25,000	-	20,000	15,000	30,000
Infrastructure Deficit	70,000	-	70,140	-	140,140
Multi-Materials BC Rebate	-	-	60,800	-	60,800
	<u>2,249,035</u>	<u>-</u>	<u>914,047</u>	<u>774,622</u>	<u>2,449,260</u>
Water Operating Fund					
Capital Expenditures	1,092,971	-	322,469	637,437	778,003
MFA Surplus Refunds	524,076	-	-	-	524,076
Total Water Operating Fund	<u>1,617,047</u>	<u>-</u>	<u>322,469</u>	<u>637,437</u>	<u>1,302,079</u>
Sewer Operating Fund					
Capital Expenditures	2,659,380	-	405,555	-	3,064,935
MFA Surplus Refunds	606,353	-	-	-	606,353
Total Sewer Operating Fund	<u>3,265,733</u>	<u>-</u>	<u>405,555</u>	<u>-</u>	<u>3,671,288</u>
TOTAL APPROPRIATED EQUITY	\$ 7,131,815	\$ -	\$ 1,642,071	\$ 1,412,059	\$ 7,422,628
TOTAL RESERVES AND APPROPRIATED EQUITY	\$ 7,251,130	\$ 1,320	\$ 1,642,071	\$ 1,412,059	\$ 7,543,262

TOWN OF LADYSMITH
SCHEDULE OF RESTRICTED RESERVES, RESERVES & EQUITY BY FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE VI

(Unaudited)

	Restricted Reserves	Allocated Reserves	Appropriated Equity	Unappropriated Equity	Capital Funds Equity	Total
General operating fund	\$ -	\$ -	\$ 2,449,261	\$ 430,529	\$ -	\$ 2,879,790
Water operating fund	-	-	1,302,079	560,810	-	1,862,889
Sewer operating fund	-	-	3,671,288	2,309,699	-	5,980,987
Reserve fund	480,150	120,634	-	-	-	600,784
General capital fund	-	-	-	-	113,288	113,288
Water capital fund	-	-	-	-	595,935	595,935
Sewer capital fund	-	-	-	-	834	834
Total	\$ 480,150	120,634	\$ 7,422,629	\$ 3,301,039	\$ 710,057	\$ 12,034,508

TOWN OF LADYSMITH
SCHEDULE OF GRANT REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE VII

	<u>Actual 2014</u>	<u>Budget 2014</u>	<u>Actual 2013</u>
Operating Grants			
Traffic Fines Revenue	\$ 31,650	\$ 31,676	\$ 31,530
Small Communities	295,191	297,041	297,041
CVRD Recreation	125,545	125,545	126,693
Other	16,138	7,365	28,131
	<u>468,524</u>	<u>461,627</u>	<u>483,395</u>
Capital Grants			
Waterfront Area Plan	\$ -	\$ 100,000	\$ -
Electric Charging Stations	-	-	16,207
Spray Park	-	-	11,868
Zoning Bylaw	23,660	23,000	65,741
Stz'uminus First Nation Cooperation Protocol	19,037	27,000	23,062
Frank Jameson Lighting	-	-	2,500
Frank Jameson Energy Upgrades	353,021	375,000	7,958
Age-Friendly Community Project	-	-	19,477
Brownfield	-	-	184
Wastewater Treatment Plant Upgrade	2,640,221	3,795,150	745,118
Public Works Composting	-	500,000	-
	<u>\$ 3,035,939</u>	<u>\$ 4,820,150</u>	<u>\$ 892,114</u>
	<u>\$ 3,504,463</u>	<u>\$ 5,281,777</u>	<u>\$ 1,375,509</u>

TOWN OF LADYSMITH
STATEMENT OF OPERATIONS BY SEGMENT
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE VIII

	General Government		Transport Environment & Public Health		Recreation & Culture		Parks		Water		Sewer		Total Actual	
	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014
REVENUE														
Tax	\$ 7,188,113								\$ 468,390	\$ 962,751		\$ 8,619,254		
Fees & Charges	61,945	323,687	632,516	62,561	655,089				713,777	741,877		3,191,452		
Investment income	127,922								2,772	-		130,693		
Penalty & Interest on tax	123,986											123,986		
Grants	312,515	31,650	8,836	24,091	487,151					2,640,221		3,504,463		
Donations & contributed property			107,082	14,327	10,500		8,000			3,133		143,043		
Gain (loss) on foreign exchange	95,762											95,762		
Gain (loss) on disposal	(5,000)		(7,281)		(23,549)							(35,830)		
Development fees			108,075	3,550								111,625		
Local area improvements												8,922		
Gas tax fund utilized			63,000		192,674		6,011					261,684		
Total revenue	7,905,241	355,337	912,228	104,529	1,321,864	14,011	1,184,939	4,356,904	16,155,052					
EXPENSES														
Contracted Services	277,283	979,731	707,416	190,715	216,757		36,316		199,302	143,206		2,750,726		
Grants In Aid	98,156	11,000	-	-	-							109,156		
Insurance	63,494	25,650	7,756	-	43,087				4,353	13,899		158,239		
Interest	164	117,144	38,172	-	712				33,040	(1,263)		187,968		
Materials & Supplies	34,475	92,376	119,298	7,049	105,344		85,655		36,198	97,799		578,194		
Utilities & Telephone	9,920	20,390	11,931	4,201	44,979		380		2,880	9,544		104,226		
Wages & Benefits	1,432,762	345,527	810,731	359,036	1,638,725		373,228		348,105	318,913		5,627,026		
Other	134,334	44,146	108,629	6,198	74,975		89,106		27,447	50,624		535,459		
Amortization	190,066	169,332	841,019	-	218,543		251,408		324,244	441,733		2,436,345		
Total expenses	2,240,654	1,805,295	2,644,952	567,200	2,343,122	836,094	1,074,454	12,487,339						
Surplus (Deficit)	\$ 5,664,587	\$ (1,449,958)	\$ (1,732,724)	\$ (462,671)	\$ (1,021,258)	\$ (822,083)	\$ 209,370	\$ 3,282,450	\$ 3,667,713					

TOWN OF LADYSMITH
STATEMENT OF OPERATIONS BY SEGMENT
FOR THE YEAR ENDED DECEMBER 31, 2013

SCHEDULE IX

	General Government		Transport Environment & Public Health		Development		Recreation & Culture		Parks		Water		Sewer		Total		
	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	Actual	
REVENUE																	
Tax	\$ 6,932,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 394,900	\$ 959,254	\$ 959,254	\$ 8,286,919			
Fees & charges	56,297	338,197	584,266	59,410	685,018	12,726	683,776	711,065	8	121,411							
Investment income	103,189	-	-	-	-	-	-	-	-	-	18,214	-	-	-	-	-	
Penalty & Interest on tax	123,620	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Grants	297,225	31,530	26,113	99,891	163,763	11,868	11,868	745,119	-	-	-	-	-	-	-	-	
Donations & contributed property	-	-	3,335	3,701	11,600	6,000	6,000	-	-	-	-	-	-	-	-	-	
Gain (loss) on disposal	37,000	-	(78,325)	-	-	-	(2,262)	-	-	-	-	-	-	-	-	-	
Development fees	-	-	108,075	-	-	-	-	-	-	-	-	-	-	-	-	-	
Local area improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gas tax funds utilized	8,415	-	12,266	-	2,653	-	-	-	-	-	-	-	-	-	-	-	
Total revenue	7,558,511	369,727	655,730	163,002	863,034	30,594	1,094,628	2,482,260	13,217,485								
EXPENSES																	
Contracted Services	270,782	986,200	691,584	193,178	202,254	47,156	115,154	139,185	2,645,493								
Grants In Aid	95,750	11,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Insurance	69,168	24,853	10,697	43,573	32,355	-	3,917	12,508	132,104								
Interest	239	119,344	166,138	6,025	88,517	-	41,545	76	204,777								
Materials & Supplies	28,401	129,560	13,906	7,229	45,890	500	1,500	45,040	593,253								
Utilities & Telephone	10,973	23,103	642,442	343,936	1,556,538	392,746	310,869	303,143	115,072								
Wages & Benefits	1,318,869	324,321	82,226	6,830	83,748	84,744	33,105	34,994	487,716								
Other	119,643	42,426	995,771	-	209,532	247,387	289,505	436,695	2,528,284								
Amortization	190,007	159,387	2,624,943	557,198	2,218,834	867,892	829,808	983,612	12,006,313								
Total expenses	2,103,832	1,820,194	(1,969,213)	(394,196)	(1,355,800)	(837,298)	\$ 264,820	\$ 1,498,648	\$ 1,211,172								
Surplus (Deficit)	\$ 5,454,679	\$ (1,450,467)	\$ (1,969,213)	\$ (394,196)	\$ (1,355,800)	\$ (837,298)	\$ 264,820	\$ 1,498,648	\$ 1,211,172								

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE X

	Land	Improvements	Land	Buildings	Furniture & Equipment	Linear Infrastructure				Water	Assets Under Construction	2014 Total
						Sanitary Sewer	Storm Sewer	Storm Sewer	Water			
COST												
Opening Balance	\$ 8,566,085	\$ 7,776,566	\$ 17,719,021	\$ 5,542,685	\$ 25,543,068	\$ 19,986,796	\$ 7,988,726	\$ 15,908,724	\$ 2,395,942	\$ 111,387,613		
Add: Additions	-	184,366	1,988,628	230,549	333,487	-	201,939	465,700	2,734,450	6,139,119		
Less: Disposals	-	-	22,857	67,575	-	-	16,951	-	1,374,905	1,482,288		
Less: Write-downs	-	-	-	-	-	-	-	-	-	-		
Closing Balance	8,566,085	7,960,932	19,684,792	5,705,659	25,876,555	19,986,796	8,123,714	16,374,424	3,755,487	116,044,444		

ACCUMULATED AMORTIZATION

Opening Balance	2,298,880	3,970,876	3,129,872	12,935,018	5,286,007	1,869,229	4,020,252	33,509,934
Add: Amortization	228,462	492,230	271,507	608,606	433,940	107,634	292,966	2,436,345
Less: Write-downs	-	-	-	-	-	-	-	-
Less: Acc. Amortization on Disposals	-	4,879	57,642	-	-	2,599	-	65,120
Closing Balance	2,528,342	4,458,227	3,343,537	13,543,624	5,719,947	1,974,264	4,313,218	35,881,159

Net Book Value, year ended December 31, 2014

\$8,566,085	\$5,432,590	\$15,226,565	\$2,362,122	\$12,332,931	\$14,276,849	\$6,149,450	\$12,061,206	\$3,755,487	\$80,163,285
-------------	-------------	--------------	-------------	--------------	--------------	-------------	--------------	-------------	--------------

Included in the tangible capital assets are leased assets with a total cost of \$931,236 (2013 - \$883,471) and accumulated amortization of \$144,607 (2013 - \$108,021).

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2013

SCHEDULE XI

	Land		Buildings	Vehicles Furniture & Equipment	Linear Infrastructure				Assets Under Construction		2013 Total
	Improvements				Transportation	Sanitary Sewer	Storm Sewer	Water			
COST											
Opening Balance	\$8,566,083	\$7,716,115	\$17,645,455	\$5,341,424	\$25,525,101	\$19,938,904	\$7,938,726	\$15,703,689	\$299,765	\$108,675,262	
Add: Additions	-	60,451	73,566	684,392	17,967	57,892	-	213,734	2,096,177	3,204,179	
Less: Disposals	-	-	-	483,131	-	-	-	8,700	-	491,831	
Less: Write-downs	-	-	-	-	-	-	-	-	-	-	
Closing Balance	8,566,083	7,776,566	17,719,021	5,542,685	25,543,068	19,996,796	7,938,726	15,908,723	2,395,942	111,387,610	

ACCUMULATED AMORTIZATION

Opening Balance	2,071,823	3,514,845	3,161,375	12,194,945	4,853,230	1,763,248	3,740,442	31,299,908
Add: Amortization	227,057	456,031	280,118	740,073	432,777	105,981	286,247	2,528,284
Less: Write-downs	-	-	-	-	-	-	-	-
Less: Acc. Amortization on Disposals	-	-	311,821	-	-	-	6,437	-
Closing Balance	2,298,880	3,970,876	3,129,672	12,935,018	5,286,007	1,869,229	4,020,252	33,509,934

**Net Book Value, year ended
December 31, 2013**

	\$8,566,083	\$5,477,686	\$13,748,145	\$2,413,013	\$12,608,050	\$14,710,789	\$6,069,497	\$11,888,471	\$2,395,942	\$77,877,676
--	-------------	-------------	--------------	-------------	--------------	--------------	-------------	--------------	-------------	--------------

**TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2014
SCHEDULE OF DEBTS**

Information on all long-term debts for this organization is included in Schedule I & II to the financial statements.

Prepared under the *Financial Information Regulation*, Schedule 1, subsection 6(7)

**TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2014
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS**

The Town of Ladysmith has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

Prepared under the *Financial Information Regulation*, Schedule 1, subsection 6(7)

TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2014
SCHEDULE OF RENUMERATION AND EXPENSES

1. Elected Officials, as per Sec. 168 of the Community Charter
- As per Sec. 2 - Financial Information Act and Financial Information Regulation 371/93:

NAME	POSITION	REMUNERATION		EXPENSES
		Financial Compensation	Expense Allowance	Additional
Stone, Aaron	Mayor	\$ 1,343	\$ 671	\$ -
Arnett, Steven	Councillor	8,313	4,157	3,241
Dashwood, Jillian	Councillor	7,621	3,810	505
Drysdale, William	Councillor	7,621	3,810	3,388
Fradin, Calvin	Councillor	693	346	285
Friesenhan, Joe	Councillor	693	346	-
Henderson, Carol	Councillor	693	346	285
Horth, Gord	Councillor	7,621	3,810	2,531
Hutchins, Robert	Mayor/Councillor	15,465	7,732	820
Paterson, Donald	Councillor	8,313	4,157	1,727
Patterson, Glenda	Councillor	7,621	3,810	464
Total Elected Officials		\$ 65,995	\$ 32,997	\$ 13,247

2. Other Employees - as per Sec 2 - Financial Information Act and Financial Information Regulation 371/93

NAME	POSITION	REMUNERATION	EXPENSES
Adams, Felicity	Director of Development Services	\$123,102	\$ 2,254
Anderson, Erin	Director of Financial Services	122,979	4,894
Baker, Curtis	Utilities III/Chief Operator	94,950	1,772
Bowden, Sandy	Director of Corporate Services	124,433	1,557
Cousins, Karen	Manager of Human Resources	99,092	1,387
Fukakusa, Gerald	Manager of Accounting Services	93,111	2,037
Ganderton, Mike	Operations Supervisor	77,908	2,261
Madsen, Perry	Certified Utilities Operator III	81,667	1,303
Malli, Ruth	City Manager	154,559	4,053
Manson, John	Director of Infrastructure Services	129,362	3,271
Postings, Clayton	Director of Parks, Recreation & Culture	117,598	2,014
Skarvig, Tom	Building Inspector & Bylaw Enforcement	77,364	1,033
Slater, Phil	Senior Engineer Technologist	77,043	-
Winter, Joanna	Manager of Administrative Services	101,498	447
Consolidated total of other employees with remuneration and expenses of \$75,000 or less		\$ 3,202,441	\$ 76,738
Total: Other Employees		\$ 4,677,108	\$ 105,019

3 Reconciliation

Total remuneration - elected officials	(A)	\$ 98,992	13,247
Total remuneration - other employees	(B)	\$ 4,677,108	\$ 105,019
Total		\$ 4,776,100	\$ 118,266

TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2014
STATEMENT OF SEVERANCE AGREEMENTS

There were **no** severance agreements made between the Town of Ladysmith and its non-unionized employees during fiscal year 2014.

Prepared under the *Financial Information Regulation*, Schedule 1, subsection 6(7)

TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2014
SCHEDULE OF PAYMENTS FOR GOODS AND SERVICES

Payee	Total Payments
512 PARKS DRIVE HOLDINGS LTD	\$ 50,000
ANDREW SHERET LTD	37,243
AQUATECH WEST	44,383
BC ASSESSMENT AUTHORITY	84,848
BC HYDRO & POWER AUTHORITY	396,228
BLACK PRESS GROUP LTD	32,793
BRENNTAG CANADA INC	29,652
COASTAL ANIMAL CONTROL SERVICES OF BC LTD.	42,128
COPCAN CONTRACTING LTD.	32,966
COWICHAN VALLEY REGIONAL DISTRICT	1,520,869
COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT	642,714
ENEX FUELS	96,704
ESC AUTOMATION INC.	225,942
FORTISBC - NATURAL GAS	41,733
HEAVY METAL MARINE LTD	159,192
HEROLD ENGINEERING LTD	33,498
HUB CITY PAVING LTD	41,707
HUB INTERNATIONAL BARTON	81,692
ICBC	35,792
IVORY TOWER INVESTMENTS LTD	26,806
JOHNSON CONTROLS INC	94,350
KNAPPETT INDUSTRIES LTD	861,914
KNAPPETT PROJECTS INC	34,408
KOERS & ASSOCIATES ENGINEERING LTD	172,004
MAZZEI ELECTRIC	28,566
MEDICAL SERVICES PLAN	68,297
MINISTER OF FINANCE	53,745
MINISTRY OF SMALL BUSINESS AND REVENUE	478,046
MNP LLP	26,956
MUNICIPAL FINANCE AUTHORITY	80,323
MUNICIPAL INSURANCE ASSOCIATION OF BC	56,215
MUNICIPAL PENSION FUND	408,683
NOVUS CONSULTING INC	85,425
OPUS DAYTONKNIGHT CONSULTANTS LTD	547,920
PACIFIC BLUE CROSS	170,460
PROGRESSIVE WASTE SOLUTIONS CANADA INC	424,989
RAM MECHANICAL	197,400
RECEIVER GENERAL	261,404
RECEIVER GENERAL FOR CANADA	908,666
STEWART MCDANNOLD STUART	37,388
TELUS COMMUNICATIONS	43,172
TETRA TECH EBA INC	28,560

TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2014
SCHEDULE OF PAYMENTS FOR GOODS AND SERVICES

Payee	Total Payments
TRITECH GROUP LTD	1,515,094
US BANK - CORPORATE PAYMENT SYSTEMS	197,277
VADIM COMPUTER MANAGEMENT GROUP LTD	25,985
VANCOUVER ISLAND REGIONAL LIBRARY	328,105
VAN-ISLE AGGREGATES LTD	32,103
WORKSAFE BC	71,906
	<hr/>
GRANTS:	
Ladysmith & District Historical Society	30,000
Ladysmith Chamber of Commerce	45,770
Ladysmith Resources Centre Association	35,000
	<hr/>
Total payments over \$25,000	11,007,019
Payments under \$25,000	1,732,105
Grants under \$25,000	43,000
	<hr/>
Total payments made	<u><u>\$ 24,652,528</u></u>

Prepared under the *Financial Information Regulation*, Schedule 1, subsection 6(7)

TOWN OF LADYSMITH
STATEMENT OF FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2014
STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation, Section 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

Erin Anderson

Director of Financial Services

June 22, 2015

Aaron Stone

Mayor

June 22, 2015

Prepared under the *Financial Information Regulation*, Schedule 1, section 9.



Town of Ladysmith

STAFF REPORT

To: Ruth Malli, City Manager
From: Erin Anderson, Director of Financial Services
Date: June 5, 2015
File No: 7400-01

Re: **RCMP 2016-2017 Municipal Contract Policing**

RECOMMENDATION(S):

It is recommended that Council:

- a) Direct staff to include the calculations of the 2016/17 costs for the Royal Canadian Mounted Police in the 2016-2020 Financial Plan for budget planning purposes.
- b) Direct the City Manager to work with the local detachment to determine the appropriate level of RCMP staffing within Ladysmith.

PURPOSE:

The purpose of this report is to advise Council of the information, dated May 12, 2015, received from the RCMP E-Division.

INTRODUCTION/BACKGROUND:

Since 2013, the RCMP has provided annual information to the municipalities regarding human and financial resource requirements in the coming year. As the information is received, it is incorporated into the Town's Financial Plan.

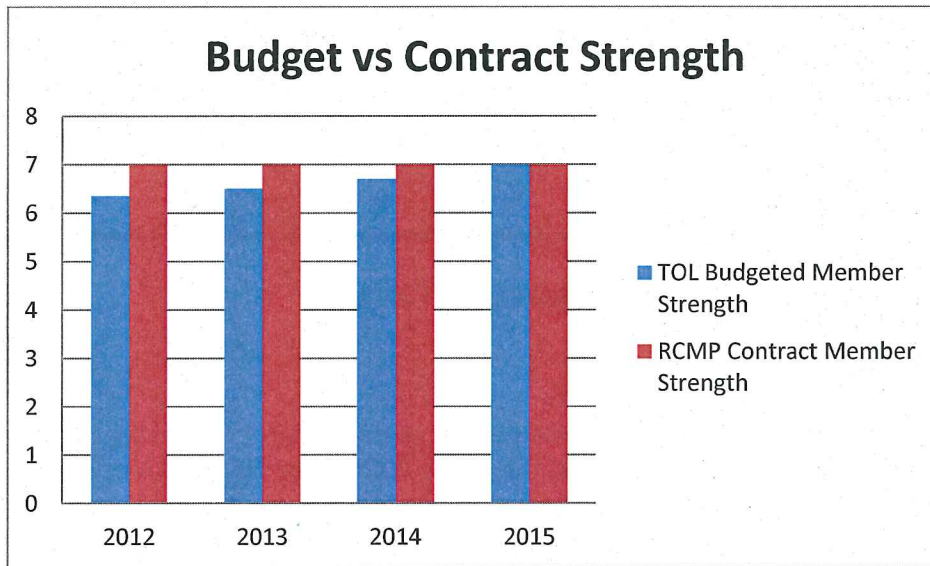
The information recently received is regarding the RCMP per member costs. The RCMP has cost-sharing arrangements with municipalities that do not have their own police force. Municipalities with a population under 5,000 do not pay for policing. Communities, like the Town of Ladysmith with a population between 5,000 and 15,000, pay 70% of the RCMP member costs and communities over 15,000 pay 90% of the RCMP policing cost.

There is a separate rental agreement for the RCMP to use the building on Sixth Avenue as their detachment. These costs, together with the RCMP member costs and staffing costs, make up the basis of the Police Tax. This Police Tax is included in the municipal tax levy of the Property Tax each year.

Included in the 2015-2019 Financial Plan is the RCMP cost of \$163,180 per member. The Town of Ladysmith currently funds 7 fulltime members related to municipal policing. There are a total of 13 members in the Ladysmith detachment (a Staff Sergeant, 2 Corporals and 10 Constables). The budget year 2015 was the first year that the entire 7 fulltime members were included in the Financial Plan as



historical trends showed less than 7 fulltime members were required. However, the first quarter billing for 2015 was for 6.43 municipally funded members.

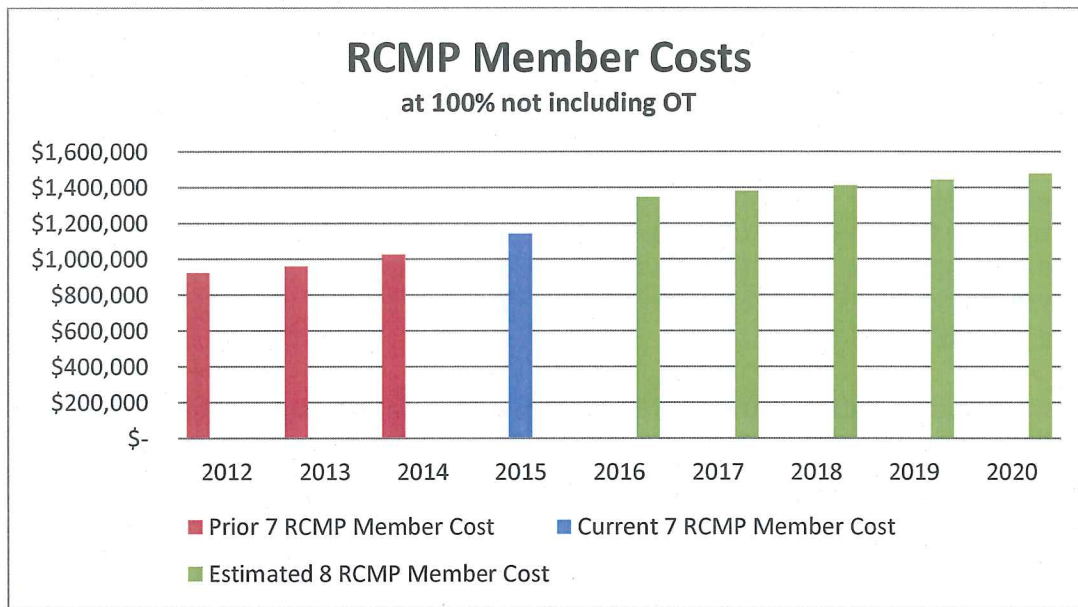


The Town is in receipt of a letter dated May 12, 2015 from RCMP E-Division requesting that the Town confirm the required Contract Member Strength. This letter presents a budget request to support a member strength of 8. Town staff have requested rationale to justify the increase from 7 members to the 8 and it is recommended that Staff continue to work with the local detachment to determine the appropriate staffing levels.

The cost to increase the RCMP member strength from 7 members to 8 members for the Town of Ladysmith portion is \$118,034.

	7 members	8 members	Difference
2016/17 rate per member	\$ 168,620	\$ 168,620	-
Contract Cost (100%)	1,180,340	1,348,960	168,620
TOL portion (70%)	826,238	944,272	118,034





The following are the estimate per member costs over the next five years, with reference to the current year:

Year:	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Amount per member	\$163,180	\$168,620	\$172,730	\$176,420	\$180,620	\$184,630

For 2016/17, each RCMP member is estimated to cost \$168,620. Please note that the RCMP fiscal year runs from April 1-March 31st, hence the multi-year reference. The Town will pay 70% of this cost.

Overtime costs are also estimated to increase slightly from \$74,140 to \$75,990. Again, the Town pays 70% of this cost.

Support staff are budgeted at \$132,633 for 2 staff members, which the Town is responsible for paying all of this cost.

Below are some reasons, from E-Division, regarding the changes in costs. Please note that these costs are not unique to Ladysmith; a formula of direct and indirect costs is used to determine the per-member cost.

- Pension rate of 22.70%
- Includes a 2.5% increase in wages per year
- Deductions for non-billable costs such as transfer allowances, legal services and claims.
- Training and Recruiting, including Police Dog training
- Shared Services Canada costs, including telephone and computer services

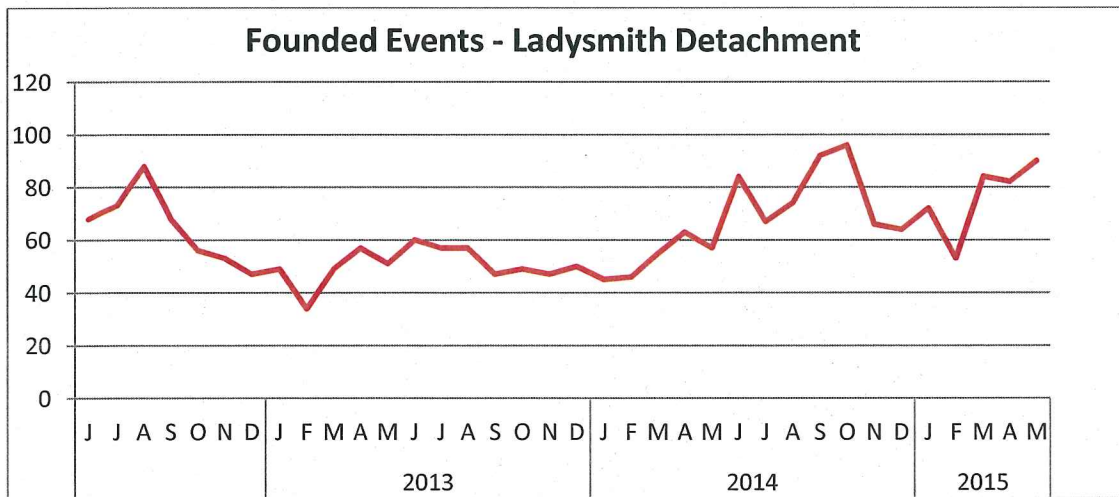


Statistical information:

The Town and the local detachment are working together to determine the appropriate level of RCMP staffing.

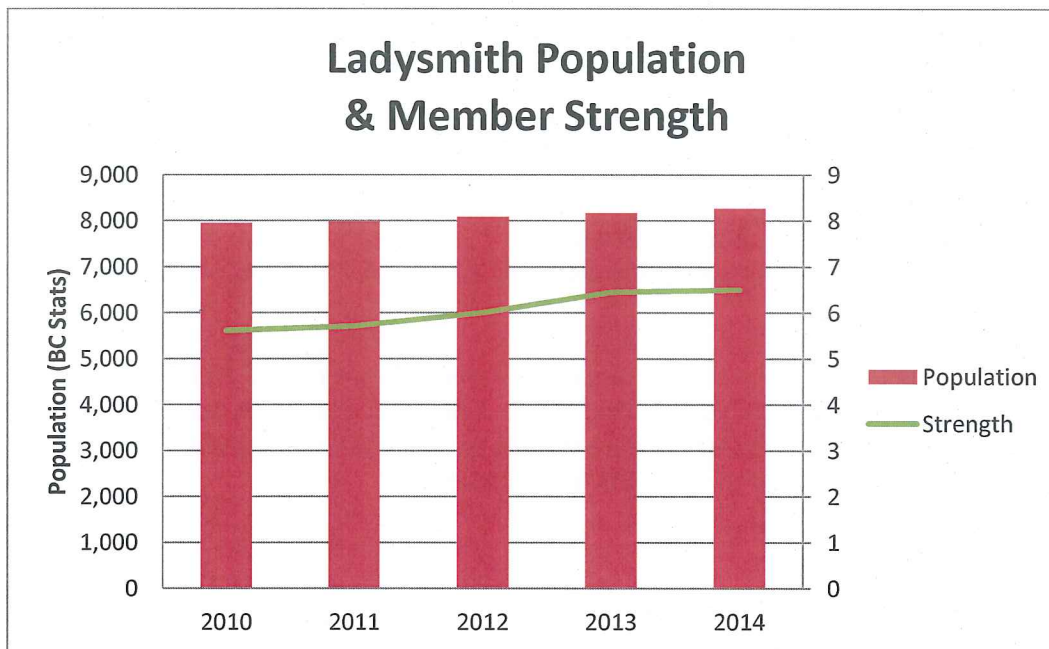
Based on the RCMP information, the number of incidents since 2013 has varied. Please note that these are incidents that the entire detachment responds to, not just incidents that occur within the Town boundaries. During this time, the Town of Ladysmith has only once been billed for the full 7 municipally funded members (April-June, 2014).

Founded Events data for strictly within the Town boundaries has not been provided.



The population since 2010 has increased by approximately 325 people (BC Statistics). During that time, Ladysmith has paid for the member strength of 5.61 in 2010/11 to funding a full 7 members in 2015. However, the last bill from E-Division was for 6.43 members which represents the Town's portion.





SCOPE OF WORK:

With direction, Finance will include the costs in the 2016-2020 Financial Plan for budget planning purposes.

ALTERNATIVES:

There are very few alternatives to the RCMP. The Town could create its own Police Force though there is a substantial cost to this and it would result in a loss of revenue from the use of the detachment.

FINANCIAL IMPLICATIONS:

Police costs are included in the overall municipal taxes. Any increases will directly impact the budget in future years.

Council may also recall that in 2014 the mandated Close Circuit Video Equipment was installed at a cost of nearly \$90,000. As well, included in the 2015-2019 Financial Plan was a reserve amount of \$25,000 to fund a back-up generator over the next few years.

LEGAL IMPLICATIONS:

There are no legal implications.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

None.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

None.

RESOURCE IMPLICATIONS:

None.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

None.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Providing RCMP service aligns with the Strategy F - Safe & Healthy Community.

SUMMARY:

The RCMP requires the Town to approve in principal the number of RCMP members required in the Federal fiscal year of 2016/17. Currently, the Town budgets for 7 RCMP members. Each member is estimated at an annual cost of \$168,620, with the Town of Ladysmith required to pay 70% of this cost.

I concur with the recommendation.


for: Ruth Malli, City Manager

ATTACHMENTS:

Letter from RCMP: Municipal Contract Multi-year Plan 2016/17.





Royal
Canadian
Mounted
Police

Gendarmerie
royale
du
Canada

Security Classification/Designation
Classification/désignation sécuritaire

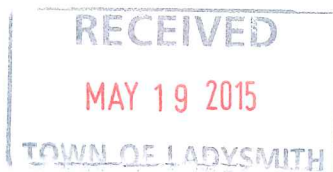
Unclassified

May 12, 2015

Ruth Malli
City Manager
Town of Ladysmith
410 Esplanade, P.O. Box 220
Ladysmith, BC V9G 1A2

Your File Votre

Our File Notre
E753-40



Dear Ms. Malli:

Re: Municipal Contract Policing Multi-Year Plan – (2016/17)

In keeping with the *Municipal Police Service Agreement* of 2012, we are communicating with our Municipal Partners to establish projections of our human and financial resource needs in 2016/17.

We are asking that you meet with your Detachment Commander to discuss the police service needs of the community and the related human and financial resource requirements.

For this 5 year plan cycle, we have included the items listed in the attached schedule prepared by the Local Government Contract Management Committee (see Appendix A). It should be noted that this document will be updated as changes become known and is current as of May 7, 2015.

Many of these initiatives have been discussed at different meetings/forums such as the Government Finance Officers Association of BC's (GFOABC) annual budget meetings, Lower Mainland CAO/PPC meetings, and local presentations before Mayor and Council. The next GFOABC meeting is on May 28, 2015 in Penticton, BC. We hope to see you or your representative there. If you have questions, or would like a custom presentation on your 5 year municipal plan, please contact Brad Lanthier, Senior Financial Manager, at 778-290-2705.

Attached for your information are:

- a. Our five year budget for your RCMP Municipal Policing costs. This is a detailed listing of actual costs for fiscal year 2013/14, pre-final costs for 2014/15, a revised estimate for the current year (2015/16) and budget estimates for 2017 – 2021 inclusive (see schedules 1, 2 and 3 for 2016/17).
- b. Five year budget for Division Administration Costs (schedule 4);

- c. 2014/15 Per Capita Analysis (schedule 5) and
- d. Sample Response Letter (schedule 6)

A number of items remain under discussion between the Provincial and Federal Governments, including:

Division Administration costs associated to Green Timbers: While this item is currently still under discussion, the provisional amount of \$900 per member has been included in the Division Administration estimate.

Severance Liquidation: As of April 1, 2012, severance no longer accumulates for members who resign or retire, but will continue to accrue for lay-off, death, and disability. For budgeting purposes, an estimated amount of \$1,023 per full time equivalent (FTE) has been included. The payment amount and schedule for severance liquidation is currently being discussed between the Provincial and Federal Governments.

In addition, the RCMP's most recent salary agreement expired on December 31, 2014. An estimated pay increase of 2.5% per year has been included in the five year budget for RCMP members. An estimated pay increase of 0.5% per year has been included for federal public servants. These increases are reflected from 2016/17 onwards. This information is based on the best estimates currently available. The included pay raise amounts are not based on final negotiations and do not necessarily represent amounts requested or proposed. Once new agreements are reached, retroactive payments may be made in the 2015/16 fiscal year. A provision for this has not been included, but this does not preclude a municipality from setting aside contingencies for this possibility. (A sample scenario is attached in Appendix B.)

We recognize that your calendar year Budget Cycles are not synchronized with the Government of Canada's fiscal year, however, we are requesting that you provide information earlier than the Municipal Budget Cycle normally requires. This is to ensure that the Federal Treasury Board can secure their share of the Municipal Contract costs within the federal budget cycle time lines.

Please submit a "Letter of Approval in Principle" by **June 12, 2015**. The letter should address all increases for fiscal year 2016/17, including:

- Proposed establishment increase in regular and/or civilian members;
- Estimated Municipal Policing Budget at 100% costs;
- If applicable, estimates for Integrated Units, RTIC and Accommodation at 100% costs; and
- If applicable, approval in principle and basis of payments for any equipment costing \$150,000 or more per item.

We would like to emphasize that this "Letter of Approval in Principle" is for **planning purposes only** to address the Federal Government's Annual Reference Level Update

(ARLU) process. It is not a final commitment on your part for the additional personnel or for the increased financial budget indicated. A copy of a sample response is provided for your reference (schedule 6).

First Reply Letter:

Approval in Principle Letter for 2016/17

Due: June 12, 2015

A) Please address the letter to:

Mr. Clayton Pecknold
Assistant Deputy Minister and Director of Police Services
Ministry of Justice
P.O. Box 9285 Stn Prov Govt.
Victoria, BC V8W 9J7

B) Please forward a copy to the RCMP addressed to:

Mr. Max Xiao
Regional Director of Finance, RCMP "E" Division
Mailstop #908, 14200 Green Timbers Way
Surrey, BC Canada V3T 6P3

Second Reply Letter:

Final Confirmation Letter for 2016/17

Due: May 2, 2016

By **May 2, 2016**, please forward a second letter to confirm the 2016/17 budget to:

A) **Assistant Deputy Minister and Director of Police Services**

B) **Regional Director of Finance, RCMP "E" Division**

Third Reply Letter: Annex A Letter

Due on: Establishment Change

When you decide to change human resources (establishment changes) to your detachment strength, please be advised that a third letter is required that outlines your request.

A) Please address the letter to:

The Honourable Suzanne Anton, Q.C.
Minister of Justice and Attorney General
Ministry of Justice
P.O. Box 9044 Stn Prov Gov't.
Victoria, BC V8W 9J7

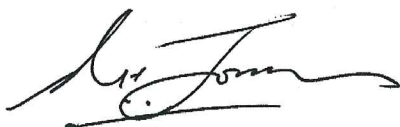
B) Please forward a copy of the letter to:

a) **Regional Director of Finance, RCMP "E" Division**

b) **C/Supt. Ray Bernoties, District Commander, Island District**

If you have any questions regarding your municipal budget or your contractual obligations, please contact Bradley Lanthier, Sr. Manager Contract Policing at 778-290-2705.

Yours truly,



Robert H. Jorssen
Executive Director,
Corporate Management & Comptrollership Branch
Royal Canadian Mounted Police, Pacific Region
Mailstop # 906, 14200 Green Timbers Way
Surrey, BC Canada V3T 6P3

Cc: Mayor Aaron Stone, Town of Ladysmith
C/Supt. Ray Bernoties, District Commander, Island District
NCO i/c Ladysmith Detachment
Max Xiao, Regional Director of Finance, RCMP "E" Division

Canada 

RCMP E Division
Finance Section, Mailstop #908
14200 Green Timbers Way
Surrey, BC Canada V3T 6P3

**List of Potential RCMP Policing Costs to RCMP "E" Division Municipalities
As at May 7, 2015**

Item	Estimated Annual Incremental Cost/Savings per FTE OR per Item @ 100%	Notes/Status	Included in 5-year Plan?
Severance Liquidation	\$0	Status: Ongoing negotiations between Province and Canada. Federal initiative - termination of RCMP members' entitlement to accumulate Severance Pay for voluntary resignations and retirements as of March 31, 2012. MYP shows \$1,000/FTE per year, however, the latest figure for billing was \$1,023/FTE (slightly less than historical per year cost), with the assumption that total cost can be amortized over 20 years. In other words, Severance savings are not significant in the 1st 20 yrs but will yield approx. \$1K savings per member after Severance payout is concluded from Year 21 onward.	Yes.
Green Timbers - Div. Admin.	-\$600	Status: Ongoing negotiations between Province and Canada - Div. Admin. impact to all RCMP municipalities. Based on the latest RCMP estimate, incremental cost is \$900/FTE less \$300/FTE prior to move = \$600/FTE.	Yes.
Green Timbers - LMD Integrated Teams' Occupancy (only applicable to LMD Integrated Teams' participating agencies)	\$9,400	Status: Ongoing negotiation between Province and Canada - impact on LMD Integrated Teams for occupying space in Green Timbers. Based on the latest RCMP estimate, incremental cost = \$15,000/FTE less \$5,600/FTE prior to move = \$9,400/FTE.	Yes.
Cadet Training/Recruiting	\$512	Status: Under Directed Review by external consultant. Current cost is \$3,500/FTE for 3 years from 2012/13 to 2014/15. 2015/16 rate of \$2,944/FTE for Cadet Training and \$1,068/FTE (April 2015 revised to \$1,024) for recruiting per 2014/15 Municipal 5 Year Plan. Estimated incremental cost = \$4,012/FTE (\$2,944 plus \$1,068) less \$3,500/FTE = \$512/FTE was included in the 5-year plan.	Yes. Next 5-year plan will have updated rates.
Police Dogs Service Training (only applicable to Municipalities with dogs)	\$27,624	Status: Under review by CMC's National Programs Standing Committee. 2015/16 rate is \$27,624/team per 2014/15 Municipal 5 Year Plan. A more recent National Programs MYP says the cost will be \$32K/team - upon examination by the Standing Committee, the per team cost is now projected at \$28,601 for 2015/16.	Yes. Next 5-year plan will have updated rates.
RCMP Members' Pay Increase		Compensation package expired Dec. 31, 2014; MYP placeholder of 2.5% per year pay raise. RCMP "E" Division will provide cost impact estimate when the new rates are settled.	Yes. Estimate of 2.5% per year included.
RCMP PSEs' Pay Increase (impact mainly through Div. Admin.)		Majority of PSEs are PSAC (Public Service Alliance of Canada) union members; collective agreement expired June 20, 2014. Impact to majority of RCMP municipalities on Div. Admin. Additional impact to munis that have PSEs. RCMP "E" Division will provide cost impact estimate when the new contract is settled.	Yes. Estimate of 0.5% per year included.
Pension Rate Increase		Pension Panel recommendation: Increase from 20.23% effective April 1, 2014 to 22.7% effective April 1, 2015 - cost impact estimate has been included in each individual municipality's MYP.	Yes.
Shared Services Canada		Includes telephones, pagers, computer comm., comm. equip. rentals - should equal what munis have been paying all along. Some costs are shifted from Div. Admin. to SSC ("E" Div. staff transferred to SSC). In the long run, it should generate savings through efficiencies, but effect is unknown at this time.	Yes. \$721 per FTE. Next 5-year plan will have updated rates.

Item	Estimated Annual Incremental Cost/Savings per FTE OR per item @100%	Notes/Status	Included in 5-year Plan?
Other Consolidated Services - internal within RCMP (already in place)		Accounting Ops and Members' Compensation Service centralized in 2012/13 in RCMP NHQ (Ottawa); have been charged within Div. Admin. based on 2011/12 Actuals. Acct'g Ops' new rate of \$339.77 per FTE projected by RCMP NHQ for 2014/15, reduced to \$334.60 and \$326.51, and, Members' Compensation Service \$392.60 per FTE for 2014/15, reduced to \$376.44 and \$344.32 respectively, for the following 2 years. PTs have yet to agree to start paying actual vs. the 2011/12 rate. Impact should be zero or very minimal as contract partners have been paying for this service through Div. Admin. Employee Assistance Services (eff. April 1, 2013 all RCMP members & PSEs are supported by Health Canada; RCMP in-house program discontinued) is projected at \$42.80/FTE for 2014/15 and 2015/16 and, reduced to \$42.38 for 2016/17, and, NCO Promotions (centralized in Surrey in 2012/13) \$103.29/FTE for 2014/15, \$114.65 for 2015/16 and \$113.59 for 2016/17. PTs are looking for Div. Admin. offsets; it is not clear what the incremental costs are for these 2 programs.	Yes. Next 5-year plan will have updated rates.
Other Consolidated Services - internal within RCMP (pending action)		Disability Management Program (DMP) - modernized approach that will build on best practices including early intervention, case management and return-to-work planning. RCMP NHQ provided a projected per FTE cost of \$91.17 for 2015/16 and \$208.12 for 2016/17 to be included in the Div. Admin. rate, upon implementation. Awaiting details re: crosswalk of positions from the existing Return to Work Coordinators (RTWC) program (i.e. if any of the existing RTWC positions may be rolled over to DMP) and, RCMP is still exploring possibility of centralization in a few different locations cross jurisdictions which means the per FTE cost can be jurisdictional vs national. Subject to further discussions/approval by CMC; tentative implementation April 1, 2016. Meanwhile, RCMP NHQ indicated that this cost is a new cost with the assumption that no existing FTEs will be assigned to this Program, therefore, total cost = incremental cost. On the other hand, this Program is also included under Health Modernization Savings possibly because of the potential savings on OT, as members returning to work sooner.	No.
Other Consolidated Services - external (already in place)		PSEs' Compensation Service centralized in Miramichi, NB in Sept. 2013; have been charged within Div. Admin. based on 2011/12 Actuals. New rate of \$610.48/FTE for 2014/15, \$568.29 and \$492.70 respectively, for the following 2 years. Same as other Consolidated Services, PTs are looking for Div. Admin. offsets and it is not clear at this time what the incremental cost is for this service.	Yes. Next 5-year plan will have updated rates.
PRTC New Firing Range O&M Costs		Better training facilities for RCMP Members and, improved noise level for residents in vicinity. CBSA will also be using facility and sharing costs. Municipalities are not responsible for capital costs, O&M costs are expected to rise but most likely insignificant.	Insignificant and would be included in the training budget.
Soft Body Armour (SBA)		Status: Implementation of a new external SBA carrier. The 1st order arrived in June 2014 and was distributed to Members who were trained in patrol carbine. The larger order being finalized and will likely arrive by spring 2015. Pending cost estimate from RCMP NHQ.	No. Cost estimates are not available.
Potential Costs in the more distant future (most cost impacts are unknown at this time):			
Bluetooth in Police Cars	\$600	Status: Installation of Bluetooth (hands free) devices to comply with applicable provincial legislation.	No.
In car Video System (ICVS)	\$4,300+	Status: Continued research, and pending Privacy Impact Assessment. Possible added costs associated with mgmt. and retention of info.; \$4,300 is estimated cost of ICVS per police vehicle, exclusive of "back office solution" cost for data storage.	No.
Body Worn Video (BWV)		Status: Exploratory stage. Per CMC Tracking Matrix - eff. Sept 2014, 1 troop at Depot was equipped with BWV to wear during scenarios and some Police Defensive Tactics classes. Cost projections not yet available; ongoing work to identify possible storage solution, if BWV is implemented. Privacy Impact Assessment may be completed in 2015.	No.

Item	Estimated Annual Incremental Cost/Savings per FTE OR per Item @100%	Notes/Status	Included in 5-year Plan?
Relocation Procurement		Status: Exploratory stage. Per CMC Tracking Matrix - replacing the current 3rd party service provider with RCMP in-house service, and, Members' relocation benefits are also part of this review. Cost impact/savings mainly through Consolidated Services - Accounting Ops (in-house service), and on members' transfers/relocations within "E" Division.	No.
Travel Directive		Status: Ongoing monitoring of cost impact. CMC Tracking Matrix shows estimated \$600K per year with no cost breakdown by Division. This issue arose as a result of numerous grievances to pay retroactively to 2011-12-05, for private non-commercial accommodation allowance (\$50/night) to members on travel status in isolated locations who reside in Crown-owned dwelling akin to a private place of residence.	No.
eMCM - Major Case Mgmt. Software Update		Status: Planning stage - pending business case on most viable/cost effective solution. This system replaces the current E&R (Evidence and Reporting) System; new system may require additional staff for data input.	No.
Savings:			
Savings from Efficiencies Reviews		Under review by RCMP and CMC PT reps. Other savings shown in RCMP's presentation decks that are not already included in other areas in this Table: Operational Clothing Allowance (OCA; formerly Plain Clothes and Keep Upkeep) eff. Apr 1, 2013, Civilianization, IM/IT Mgmt., AFD Streamlining, Fleet Mgmt., Re-engineering of Procurement, Disability Mgmt. Program (potential earlier return to work; reduction of OT etc.), Travel, OT, maternal/parental leave backfill. Some estimated cost savings are shown with no breakdowns by jurisdiction/business line.	Yes. Ongoing savings reflected.
Health Modernization Savings	(\$1,755) for FY 2013/14	Basic healthcare of RCMP Regular Members now delivered by MSP. RCMP Cost Savings Measures Implementation Update presentation deck also shows savings in Supplemental Health Care. MYP shows \$1,500/FTE savings in 2013/14 and, \$500/FTE in 2014/15. RCMP "E" Div.'s latest analysis shows actual savings of 2013/14 was \$1,755/FTE.	Yes.

Other Potential Costs/Savings:

Conversion of Civilian Members: Bill C-42 is set to move RCMP Civilian Members (CMs) to Public Service Employees (PSEs). Some Indirect Costs such as Div. Admin. are currently allocated on a formula basis including regular and civilian members in the calculation. In addition, municipalities that have CMs will be paying for the converted CMs (deemed PSEs) @100%. PT's are currently working with PSC to find an acceptable (cost neutral) way of allocating these costs.

In addition, the **Economic Action Plan 2014 Act, No. 2** received Royal Assent in Dec. 2014. This included proposed changes to the public service pension plan in order to accommodate civilian members who will be deemed as public service employees. Division 31 of this Act allows the transfers of pensionable service from the **RCMP Superannuation Act** to the **Public Service Superannuation Act - deemed date** has yet to be determined. Currently RCMP is showing a small potential savings of \$325K (@100%) in total for "E" Div. municipalities due to the lower employer's pension contribution rate for PSEs. However, net savings cannot be ascertained until the Pension Panel examines the impact of the pension transfer and re-assesses the employer's pension contribution rate for RCMP Regular Members.

No. Treatment not yet finalized. Next 5-year plan will include salaries of deemed PSEs.

No. Not yet determined.

Pay Raise Scenario

The following estimates are based on the assumption of a 2.5% pay raise per year and are provided for planning purposes.

Retro pay from January 1, 2015 to March 31, 2015:

$$2.5\% * 84,000 * 0.25 = \$525 \text{ per member}$$

The 2015/16 budget was based on a 1.5% pay raise. Impact of a 2.5% raise in 2015/16:

$$1\% * 84,000 = \$840 \text{ per member}$$

If the pay raise is not settled in 2015/16, the potential retro pay based on 2.5% raise in 2016/17:

\$525 per member for final quarter of 2014/15

$$\$84,000 * 2.5\% = \$2,100 \text{ per member for 2015/16}$$

$$\$84,000 * 2.5\% * .25 = \$525 \text{ per member for January 2016 raise}$$

Total: \$3,150 per member retro in 2016/17

Note: Examples are based on the top rate of pay for a Constable

Ladysmith

FISCAL YEAR 2016 - 2017

	<u>Municipal</u> <u>Cost</u>
Contract Strength - FTE	8.00
Per Capita 100%	\$ 168,620
Contract Cost (Excludes OT)	\$ 1,348,960
Overtime (includes Reservists)	\$ 75,990
Total Policing Cost 100% Per Capita & Overtime	\$ 1,424,950
Total Policing Cost 70% Per Capita & Overtime	\$ 997,465
Accommodation Estimate @ 100%	\$ -
Public Service Support Staff Estimate @ 100%	\$ 132,633
Total Municipal Cost for 2016/17	\$ 1,130,098

Total of All Detachments 2015-16 to 2019-20 Fiscal Estimates	MuniUnder 13/14 Final	MuniUnder 14/15 Pre Final	MuniUnder 15/16 Budget	MuniUnder 16/17 Estimates	MuniUnder 17/18 Estimates	MuniUnder 18/19 Estimates	MuniUnder 19/20 Estimates	MuniUnder 20/21 Estimates
CONTRACT STRENGTH UTILIZATION	423.95	436.95	440.95	443.95	450.95	458.95	459.95	464.95
COST ELEMENT GROUP (CEG)	387.64	388.29	440.95	443.95	450.95	458.95	459.95	464.95
STANDARD OBJ. 01 - PERSONNEL								
CEG 10 - REGULAR PAY P/S	869,947	931,956	-	-	-	-	-	-
CEG 11 - OVERTIME P/S	4,045	14,258	-	-	-	-	-	-
CEG 13 - STUDENT PROGRAMS	-	-	-	-	-	-	-	-
CEG 14 - PAY PS OTHER	17,183	7,387	-	-	-	-	-	-
CEG 20 - TEMP. CIVILIAN EMPLOYEES	96,272	40,565	85,327	85,500	87,638	89,828	92,074	94,376
CEG 21 - GUARDS & MATRONS	-	-	-	-	-	-	-	-
CEG 22 - INTELLIGENCE MONITORS	1,160	-	-	-	-	-	-	-
RCMP PAY CEG 30								
CE 500110 - REGULAR PAY	31,493,245	31,793,004	37,604,498	39,328,933	40,969,330	42,729,595	43,889,915	45,477,310
CE 500114 - SERVICE PAY	755,886	745,812	780,000	785,000	804,625	824,741	845,359	866,493
CE 500121 - PLAINCLOTHES	(469)	464	-	-	-	-	-	-
CE 500122 - KIT UPKEEP	43	-	-	-	-	-	-	-
CE 500163 - MARKET ADJUSTMENT	-	-	-	-	-	-	-	-
CE 500164 - SENIOR CST ALLOWANCE	316,672	461,078	370,000	420,250	430,756	441,525	452,563	463,877
CE 501198 - BILINGUAL BONUS	279	1,664	2,400	-	2,400	2,400	2,401	2,401
ALL OTHER CE's CEG 30	158,050	120,297	85,065	86,442	88,933	91,688	93,097	95,362
CEG 30 - TOTAL RCMP PAY	32,723,705	33,122,319	38,841,963	40,620,625	42,296,044	44,089,949	45,283,336	46,905,444
CEG 31 - OVERTIME - MEMBERS	2,976,794	2,858,803	3,181,470	3,278,403	3,377,742	3,494,149	3,581,480	3,686,070
CEG 32 - PAY - MEMBERS (POLICY CONTROLLED)	766,038	339,055	-	-	-	-	-	-
CEG 33 - RCMP PAY - OTHER								
CE 500112 - RETROACTIVE PAY	14,421	-	-	-	-	-	-	-
CE 500117 - SHIFT DIFFERENTIAL	713,125	639,429	700,000	649,673	669,163	689,238	709,915	731,213
CE 500119 - PERFORMANCE AWARD	-	-	-	-	-	-	-	-
CE 501127 - RETRO PAY - PRIOR YEAR	-	-	-	-	-	-	-	-
ALL OTHER CE's CEG 33	140,091	85,380	95,857	81,476	83,921	86,438	89,031	91,702
CEG 33 - RCMP PAY - OTHER	867,638	724,809	795,857	731,149	753,084	775,676	798,947	822,915
CEG 40 - TRANSFER ALLOWANCES - INTRA	239,435	299,331	-	-	-	-	-	-
CEG 41 - TRANSFER ALLOWANCES - INTER	24,511	54,534	-	-	-	-	-	-
CEG 45 - PERSONNEL - OPERATIONAL CONTINGENCY	-	-	-	-	-	-	-	-
TOTAL STANDARD OBJ. 01 - PERSONNEL	38,593,184	38,414,291	42,904,617	44,715,677	46,514,508	48,449,603	49,755,836	51,508,805
STANDARD OBJ. 02 - TRANSPORT & TELECOM								
CEG 50 - TRAVEL	237,869	238,603	340,000	300,000	309,000	318,270	327,818	337,653
CEG 51 - TRAVEL ADVANCES	-	-	-	-	-	-	-	-
CEG 52 - TRAINING TRAVEL (DCCEG)	378,752	360,524	432,100	409,122	423,428	438,233	453,556	469,415
CEG 53 - TRAINING TRAVEL (POST)	95,751	65,656	95,000	96,425	99,318	102,297	105,366	108,527
CEG 54 - IPA & FSD TRAVEL	2,040	-	-	-	-	-	-	-
CEG 55 - CENTRALIZED TRAINING TRAVEL	756	-	-	-	-	-	-	-
CEG's 60-66 TRANSFER COSTS	1,257,180	1,917,371	-	-	-	-	-	-
CEG 70 - FREIGHT, POSTAGE, ETC.	95,105	91,945	96,425	97,871	100,808	103,832	106,947	110,155
CEG 100 - TELEPHONE SERVICES (DCCEG)	409	-	-	-	-	-	-	-
CEG 101 - TELEPHONE SERVICES (POST)	38	-	-	-	-	-	-	-
CEG 140 - COMPUTER COMM SERVICES	-	-	-	-	-	-	-	-
TOTAL STANDARD OBJ. 02 - TRANSPORT & TELECOM	2,067,898	2,674,099	963,525	903,418	932,553	962,632	993,687	1,025,750
STANDARD OBJ. 03 - INFORMATION								
CEG 120 - ADVERTISING	1,262	1,969	2,250	2,284	2,352	2,423	2,496	2,570
CEG 130 - PUBLICATIONS SERVICES	2,514	2,598	2,750	2,791	2,875	2,961	3,050	3,142
TOTAL STANDARD OBJ. 03 - INFORMATION	3,776	4,565	5,000	5,075	5,227	5,384	5,546	5,712
STANDARD OBJ. 04 - PROF & SPEC SVCS								
CEG 160 - LEGAL SERVICES	181,896	151,352	-	-	-	-	-	-
CEG 170 - CONTRACTED SERVICES	447,168	407,206	-	-	-	-	-	-
CEG 171 - CONTRACTED SERVICES	-	652	-	-	-	-	-	-
CEG 190 - TRAINING & SEMINARS (DCCEG)	568,394	503,460	508,200	536,504	555,250	574,652	594,731	615,513
CEG 191 - TRAINING & SEMINARS (POST)	22,547	12,397	25,375	25,756	26,528	27,324	28,144	28,988
CEG 192 - OFFICIAL LANGUAGE TRAINING	-	-	-	-	-	-	-	-
CEG 200 - HEALTH SERVICES MEMBERS	-	278	-	-	-	-	-	-
CEG 201 - HEALTH SERVICES - OTHERS	-	-	-	-	-	-	-	-
CEG 202 - HEALTH SERVICES - PENSIONERS	-	-	-	-	-	-	-	-
CEG 210 - PROTECTION SERVICES	-	-	-	-	-	-	-	-
CEG 213 - CORPS OF COMMISSIONAIRES	-	-	-	-	-	-	-	-
CEG 216 - CONTAMINATED SITES	-	2,531	-	-	-	-	-	-
CEG 219 - PROFESSIONAL SERVICES	286,510	309,196	370,000	372,900	384,087	395,610	407,478	419,702
CEG 220 - OTHER SERVICES	23,781	25,133	35,525	36,958	37,140	38,254	39,401	40,583
CEG 221 - OTHER SERVICES IM/IT	208,779	116,751	139,243	133,000	127,630	127,765	127,903	128,103
CEG 223 - RADIO COMMUNICATION SYSTEMS	508,871	536,837	780,180	700,176	705,766	711,495	717,366	723,285.45
CEG 228 - CADC SPENDING OF PROCEEDS	-	-	-	-	-	-	-	-
CEG 229 - CADC ALLOCATED (Credit Item)	(51,063)	(34,748)	-	-	-	-	-	-
CEG 230 - DIV FUND TRANSFER	-	-	-	-	-	-	-	-
CEG 231 - DCM FUND TRANSFER	-	-	-	-	-	-	-	-
CEG 232 - O&M OPERATIONAL CONTINGENCY	-	-	-	-	-	-	-	-
CEG 233 - CORPORATE CONTINGENCY	-	-	-	-	-	-	-	-
TOTAL STANDARD OBJ. 04 - PROF & SPEC SVCS	2,196,882	2,031,045	1,858,523	1,804,394	1,836,401	1,875,100	1,915,023	1,956,175

Total of All Detachments 2015-16 to 2019-20 Fiscal Estimates	MuniUnder 13/14 Final	MuniUnder 14/15 Pre Final	MuniUnder 15/16 Budget	MuniUnder 16/17 Estimates	MuniUnder 17/18 Estimates	MuniUnder 18/19 Estimates	MuniUnder 19/20 Estimates	MuniUnder 20/21 Estimates
CONTRACT STRENGTH UTILIZATION	423.95	436.95	440.95	443.95	450.95	458.95	459.95	464.95
387.64	388.29	440.95	443.95	450.95	458.95	459.95	464.95	464.95
COST ELEMENT GROUP (CEG)								
STANDARD OBJ. 05 - RENTALS								
CEG 240 - RENTAL-LAND,BLDG & WORKS (DCCEG)	4,072	3,815	-	-	-	-	-	-
CEG 241 - RENTAL-LAND,BLDG & WORKS (POST)	4,908	3,185	15,000	15,225	15,682	16,152	16,637	17,136
CEG 250 - RENTAL COMNS EQUIP (DCCEG)	-	-	67,980	70,019	72,120	74,284	76,512	76,512
CEG 251 - RENTAL COMNS. EQUIP (POST)	-	-	-	-	-	-	-	-
CEG 258 - RENTAL MOTORIZED VEHICLES	5,506	3,167	10,000	10,150	10,455	10,768	11,091	11,424
CEG 260 - RENTAL OF CONVEYANCE	5,925	-	-	-	-	-	-	-
CEG 261 - LEASING OF AIRCRAFT	-	-	-	-	-	-	-	-
CEG 265 - LEASED VEHICLES	-	-	-	-	-	-	-	-
CEG 280 - RENTAL COMPUTER EQUIP	-	4,436	-	6,544	6,843	7,048	7,260	7,478
CEG 290 - RENTAL - OTHER	30,644	33,555	60,000	42,900	44,187	45,513	46,878	48,284
TOTAL STANDARD OBJ. 05 - RENTALS	51,055	48,157	152,980	144,838	149,286	153,765	158,378	160,834
STANDARD OBJ. 06 - PUR, REPAIR & MAINTENANCE								
CEG 310 - REPAIR OF BUILDINGS & WORKS	186,764	180,865	-	-	-	-	-	-
CEG 311 - REPAIR OF BUILDINGS & WORKS (POST)	941	1,856	-	-	-	-	-	-
CEG 350 - REPAIR SHIPS & BOATS	-	-	-	-	-	-	-	-
CEG 360 - REPAIR OF AIRCRAFT	-	-	-	-	-	-	-	-
CEG 370 - REPAIR OF VEHICLES	513,208	576,351	600,000	609,000	627,270	646,088	665,471	685,435
CEG 380 - REPAIR OF OFFICE & LAB EQUIP	4,159	1,151	10,000	10,150	10,455	10,768	11,091	11,424
CEG 390 - REPAIR OF MISC. EQUIP.	7,820	45,463	20,000	20,300	20,909	21,536	22,182	22,848
CEG 392 - REPAIR OF AFIS EQUIPMENT	-	-	-	-	-	-	-	-
CEG 393 - REPAIR OF EDP EQUIPMENT	-	3,280	-	-	-	-	-	-
TOTAL STANDARD OBJ. 06 - PUR, REPAIR & MAINTENANCE	712,893	808,967	630,000	639,450	658,634	678,393	698,744	719,707
STANDARD OBJ. 07 - UTILITIES, MATERIAL & SUPPLIES								
CEG 400 - UTILITIES	123,283	149,839	-	-	-	-	-	-
CEG 430 - FUEL	1,076,224	1,036,424	1,480,000	1,450,000	1,493,500	1,538,305	1,584,454	1,631,988
CEG 470 - PHOTOGRAPHIC GOODS	6,169	6,370	20,000	20,100	20,703	21,324	21,964	22,623
CEG 500 - STATIONERY	169,804	169,961	210,000	211,000	217,330	223,850	230,565	237,482
CEG 510 - CLOTHING & KIT	180,655	183,732	182,700	194,000	199,820	205,815	211,989	218,349
CEG 530 LAB SUPPLIES	197	240	1,000	1,015	1,045	1,077	1,109	1,142
CEG 540 - POST BUDGET EXPENDITURES	213,231	144,181	280,000	258,000	265,740	273,712	281,924	290,381
CEG 541 - ACQUISITION CREDIT CARDS	-	-	-	-	-	-	-	-
CEG 550 - HOUSE FURNISHINGS	-	-	-	-	-	-	-	-
CEG 630 - MESS PURCHASES	-	-	-	-	-	-	-	-
CEG 640 - MESS CREDITS	-	-	-	-	-	-	-	-
TOTAL STANDARD OBJ. 07 - UTILITIES, MATERIAL & SUPPLIES	1,769,563	1,690,746	2,173,700	2,134,115	2,198,138	2,264,083	2,332,005	2,401,965
TOTAL STANDARD OBJ. 08 - CONSTRUCTION/ACQ. OF BLDG & WORK								
STANDARD OBJ. 09 - MACHINERY & EQUIPMENT								
CEG 440 - TRANSPORT SUPPLIES	27,505	45,474	40,000	48,000	49,440	50,923	52,451	54,024
CEG 441 - VEHICLE CHANGEOVERS	259,903	274,152	310,590	315,249	324,706	324,706	334,448	334,448
CEG 450 - COMNS PARTS & CONSUMABLES	63,516	34,756	40,250	40,300	40,350	40,400	40,450	40,500
CEG 480 - FIREARMS & AMMO	50,387	134,182	125,000	126,875	130,681	134,602	138,640	142,799
CEG 770 - COMMS. SYSTEMS (CAPITAL)	206,605	209,030	205,100	227,541	233,978	240,997	248,226.91	255,674
CEG 771 - COMMS. EQUIPMENT	5,706	6,403	7,400	7,674	7,904	8,141	8,385	8,636
CEG 810 - LAB EQUIP.	-	-	-	-	-	-	-	-
CEG 811 - SOFTWARE DEVELOPMENT - NON SALARY (CAPITAL)	-	-	-	-	-	-	-	-
CEG 812 - SOFTWARE DEVELOPMENT - SALARY (CAPITAL)	-	-	-	-	-	-	-	-
CEG 820 - PHOTOGRAPHIC EQUIP.	169	730	3,000	3,045	3,136	3,230	3,327	3,427
CEG 821 - AFIS EQUIPMENT (CAPITAL)	209,619	95,620	116,725	118,476	122,030	125,691	129,462	133,346
CEG 822 - IDENT EQUIP.	-	-	-	-	-	-	-	-
CEG 830 - FURNITURE & FIXTURES	-	-	-	-	-	-	-	-
CEG 840 - COMPUTER EQUIPMENT (CAPITAL)	-	-	-	-	-	-	-	-
CEG 841 - COMPUTER EQUIP.	303,833	195,335	317,400	326,922	336,730	346,832	357,236	357,236
CEG 842 - COMPUTER S/WARE INFORMATICS	20	5,773	-	-	-	-	-	-
CEG 845 - SPECIALIZED EQUIPMENT (CAPITAL)	-	-	-	-	-	-	-	-
CEG 850 - AUDIO VISUAL AIDS	2	66	4,060	4,100	4,223	4,350	4,480	4,615
CEG 860 - INVESTIGATIONAL EQUIP.	46,448	158,793	50,750	55,000	56,650	58,350	60,100	61,903
CEG 870 - SHIPS AND BOATS (CAPITAL)	-	-	-	-	-	-	-	-
CEG 871 - BOATS - TRAILERS & MOTORS	142	-	-	-	-	-	-	-
CEG 880 - AIRCRAFT (CAPITAL)	-	-	-	-	-	-	-	-
CEG 890 - VEHICLES (CAPITAL)	885,450	1,120,274	1,275,000	1,300,000	1,339,000	1,379,170	1,420,545	1,463,161
CEG 891 - MISC. VEHICLES	-	-	-	-	-	-	-	-
CEG 900 - OTHER EQUIP.	10,155	4,820	10,150	10,302	10,611	10,930	11,258	11,595
CEG 910 - OFFICE MACHINES	45,420	28,840	45,675	46,360	47,751	49,183	50,659	52,179
CEG 920 - SECURITY EQUIP.	427,310	63,054	300,000	304,500	313,635	323,044	332,735	342,717
TOTAL STANDARD OBJ. 09 - MACHINERY & EQUIPMENT	2,542,189	2,377,303	2,851,100	2,934,344	3,020,826	3,100,549	3,192,402	3,266,260
STANDARD OBJ. 12 - OTHER SUBSIDIES / PYMTS								
CEG 570 - PRISONER EXPENSES	-	-	-	-	-	-	-	-
CEG 580 - SECRET EXPENSES	47,369	17,981	50,000	50,750	52,273	53,841	55,456	57,120
CEG 581 - SPECIAL "I" EXPENDITURES	-	-	-	-	-	-	-	-
CEG 590 - MISC EXPEND	988	872	3,045	3,091	3,183	3,279	3,377	3,479
CEG 591 - PAYMENTS FOR EARLY PAYMENT	-	-	-	-	-	-	-	-
CEG 592 - PAYMENT IN LIEU OF TAXES	120,025	118,805	-	-	-	-	-	-
CEG 600 - FOREIGN SERVICE	-	-	-	-	-	-	-	-
CEG 620 - EX-GRATIA COMP	862,580	469,008	-	-	-	-	-	-
CEG 650 - WRITE-OFF	-	-	-	-	-	-	-	-
TOTAL STANDARD OBJ. 12 - OTHER SUBSIDIES / PYMTS	1,030,962	606,665	53,045	53,841	55,456	57,120	58,833	60,598
TOTAL DIRECT COSTS (Before Credits & Adjustments)	48,968,401	48,655,837	51,592,490	53,335,152	55,371,029	57,546,627	59,110,455	61,105,807

Total of All Detachments 2015-16 to 2019-20 Fiscal Estimates	MuniUnder 13/14 Final	MuniUnder 14/15 Pre Final	MuniUnder 15/16 Budget	MuniUnder 16/17 Estimates	MuniUnder 17/18 Estimates	MuniUnder 18/19 Estimates	MuniUnder 19/20 Estimates	MuniUnder 20/21 Estimates
CONTRACT STRENGTH UTILIZATION	423.95	436.95	440.95	443.95	450.95	458.95	459.95	464.95
COST ELEMENT GROUP (CEG)	387.64	388.29	440.95	443.95	450.95	458.95	459.95	464.95
LESS - YEAR TO DATE CREDITS								
S.O. 01 - CEG 32 - Pay Members (Mat/Pat/Severance)	766,038	339,055	-	-	-	-	-	-
S.O. 01 - CEG's 40 & 41 - Transfer Allowances	263,946	353,865	-	-	-	-	-	-
S.O. 02 - CEG's 60-66 Transfer Cost	1,257,180	1,917,371	-	-	-	-	-	-
100% SHARED SERVICES CANADA - (Various CEGs)	446	-	-	-	-	-	-	-
S.O. 04 - CEG 160 - Legal Services	181,896	151,352	-	-	-	-	-	-
S.O. 04 - CEG's 200, 201 & 202 - Health Services	-	278	-	-	-	-	-	-
S.O. 04 - CEG 213 - Corp Of Commissionaires	-	-	-	-	-	-	-	-
S.O.12 - CEG 592 Payment in Lieu of Taxes	-	-	-	-	-	-	-	-
S.O.12 - CEG 620 - Compensation Claims/Ex-Gratia	862,580	469,008	-	-	-	-	-	-
ICBC Repairs to Police Vehicles Credit	-	-	-	-	-	-	-	-
Refund of Credits under CE 1691	3,212	4,115	-	-	-	-	-	-
TOTAL CREDITS	3,335,297	3,235,043						
TOTAL DIRECT COSTS (After Credits & Adjustments)	45,632,201	45,420,795	51,592,490	53,335,152	55,371,029	57,546,627	59,110,455	61,105,807
INDIRECT COSTS:								
1) Cost of RM Pensions	5,076,042	6,676,215	8,797,816	9,201,260	9,581,014	9,987,605	10,258,184	10,625,888
2) Cost of RM CPP	920,075	947,086	1,099,019	1,135,069	1,181,791	1,232,827	1,266,399	1,312,168
3) Cost of Employer's Contr. to E.I. for R/M's	418,907	434,300	481,539	521,690	543,165	566,620	582,053	603,091
4) Cost of Division Administration (per cap x avg.# RM's)	8,339,687	8,884,889	10,362,325	10,965,565	11,409,035	11,886,805	12,188,675	12,600,145
5) Cost of Recruitment & Training	1,356,740	1,359,021	1,769,091	1,941,393	2,132,092	2,169,916	2,174,644	2,198,284
6) Cost of National Programs	545,952	586,658	1,118,390	1,122,630	1,141,494	1,162,943	1,167,155	1,181,094
7) Cost of Police Dog Service Training	-	-	8,287	8,336	7,766	7,766	7,766	7,766
8) Cost of TCE & IM for Pension, EI & Div Admin	4,413	1,713	3,534	3,573	3,662	3,753	3,885	4,082
TOTAL INDIRECT COSTS - (REGULAR & CIVILIAN MEMBERS)	16,661,816	18,889,883	23,640,003	24,899,516	26,000,019	27,018,235	27,648,761	28,532,518
TOTAL COSTS (Direct & Indirect) 100%	62,860,172	64,310,677	75,232,492	78,234,667	81,371,049	84,564,862	86,759,216	89,638,325
FEDERAL COST - 30 %	18,858,052	19,293,203	22,569,748	23,470,400	24,411,315	25,369,459	26,027,765	26,891,498
MUNICIPAL COST - 70%	44,002,120	45,017,474	52,662,745	54,764,267	56,959,734	59,195,403	60,731,451	62,746,828
FTE - FULL TIME EQUIVALENTS (Net of adjustments / details listed below)								
RM's/CM's	387.64	388.29	440.95	443.95	450.95	458.95	459.95	464.95
IM'S	0.020000	-	-	-	-	-	-	-
TCE'S	0.040000	-	-	-	-	-	-	-
RESERVISTS	1.060000	0.46	0.94	0.91	0.91	0.91	0.92	0.95
PSE'S	-	-	-	-	-	-	-	-
INDIRECT COSTS - (REGULAR & CIVILIAN MEMBERS)								
1) Pensions (Total Pensionable Earnings)	32,580,502	33,001,558	38,756,898	40,534,183	42,207,111	43,998,261	45,190,238	46,810,081
Pension Rate	15.58%	20.23%	22.70%	22.70%	22.70%	22.70%	22.70%	22.70%
Total Cost of RM/CM Pension....	5,076,042	6,676,215	8,797,816	9,201,260	9,581,014	9,987,605	10,258,184	10,625,888
2) CPP (Pensionable Earnings) based on a Per Capita Cost of....	2,373.53	2,439.11	2,492.39	2,556.75	2,620.67	2,686.19	2,753.34	2,822.17
Total Cost of R/M CPP.....	920,075	947,086	1,099,019	1,135,069	1,181,791	1,232,827	1,266,399	1,312,168
3) Employer's Contr. to E.I. based on a Per Capita Cost of....	1,080.66	1,118.49	1,092.05	1,175.11	1,204.49	1,234.60	1,265.47	1,297.11
Total Cost of R/M E.I. Contributions.....	418,907	434,300	481,539	521,690	543,165	566,620	582,053	603,091
4) Division Administration based on a Per Capita Cost of....	21,514	22,882	23,500	24,700	25,300	25,900	26,500	27,100
Total Cost of Div. Administration.....	8,339,687	8,884,889	10,362,325	10,965,565	11,409,035	11,886,805	12,188,675	12,600,145
5) Cost of Recruitment & Training								
Per Capita Cost of Recruitment....	3,500	3,500	1,068	1,181	1,279	1,279	1,279	1,279
Per Capita Cost of Cadet Training Program. (effec.from 2015/2016)...	-	-	2,944	3,192	3,449	3,449	3,449	3,449
Total Cost of Recruitment & Trng.: (Per Capita times FTE Utilization)	1,356,740	1,359,021	1,769,091	1,941,393	2,132,092	2,169,916	2,174,644	2,198,284
6) Cost of National Programs (See Addendum 'A')	1,408	1,511	2,536	2,529	2,531	2,534	2,538	2,540
Total Cost of National Programs	545,952	586,658	1,118,390	1,122,630	1,141,494	1,162,943	1,167,155	1,181,094
7) Police Dog Svc. Trng. based on a Per Cap. cost of (eff. F/Yr. 2015/16)...	-	-	27,624	27,788	25,888	25,888	25,888	25,888
times the Avg. # of Police Dog Teams in F.Y.	-	-	0.30	0.30	0.30	0.30	0.30	0.30
Total Cost of PDS.Trng.: (Per cap. times # of PD Teams in F.Y.):	-	-	8,287	8,336	7,766	7,766	7,766	7,766
TOTAL INDIRECT COSTS - (RM's & CM's):	16,657,404	18,888,169	23,636,469	24,895,943	25,996,357	27,014,481	27,644,876	28,528,437
INDIRECT COSTS - TCE's, IM's, RESERVIST'S								
a) Cost of TCEs/IMs Pension (Pensionable Items)	2,728	-	-	-	-	-	-	-
the Avg. # of TCE/IM/ in F.Y....	12.77%	12.70%	12.70%	11.80%	11.80%	11.80%	11.80%	11.80%
Total Cost of TCE/IM Pension.....	348	-	-	-	-	-	-	-
b) CPP for TCE/IMs/Res. (Pens. Items) based on a Per cap cost of...	2,373.53	2,439.11	2,492.39	2,556.75	2,620.67	2,686.19	2,753.34	2,822.17
Total Cost of CPP: (Per Capita times FTE Utilization):	2,658	1,122	2,331	2,338	2,396	2,456	2,543	2,671
c) Employer's Contributions to E.I. based on a Per cap. cost of...	1,255.46	1,285.07	1,285.66	1,350.13	1,383.88	1,418.48	1,453.94	1,490.29
Total Cost of E.I. Contrib.: (Per Capita times FTE Utilization):	1,406	591	1,203	1,235	1,265	1,297	1,343	1,411
d) Div. Admin. on TCE's & IM's based on a Per cap. cost of...	21,511	24,700	23,500	24,700	25,300	25,900	26,500	27,100
Total Cost of Div. Admin.: (Per Capita times FTE Utilization):	-	-	-	-	-	-	-	-
8) TOTAL INDIRECT COSTS - (TCE's, IM's & RESERVISTS):	4,413	1,713	3,534	3,573	3,662	3,753	3,885	4,082

Total of All Detachments 2015-16 to 2019-20 Fiscal Estimates	MuniUnder 13/14 Final	MuniUnder 14/15 Pre Final	MuniUnder 15/16 Budget	MuniUnder 16/17 Estimates	MuniUnder 17/18 Estimates	MuniUnder 18/19 Estimates	MuniUnder 19/20 Estimates	MuniUnder 20/21 Estimates
CONTRACT STRENGTH UTILIZATION	423.95	436.95	440.95	443.95	450.95	458.95	459.95	464.95
	387.64	388.29	440.95	443.95	450.95	458.95	459.95	464.95
COST ELEMENT GROUP (CEG)								
DIRECT COSTS - PSEs (100% DIRECT RECOVERABLE)								
CEG 010 - PAY (Public Service Employees)	869,947	931,956	-	-	-	-	-	-
CEG 011 - Overtime (Public Service Employees)	4,045	14,258	-	-	-	-	-	-
CEG 012 - Allowances (Public Service Employees)	6,456	21,275	-	-	-	-	-	-
CEG 013 - Student Programs (Public Service Employees)	-	-	-	-	-	-	-	-
CEG 014 - Other (Public Service Employees)	17,183	7,387	-	-	-	-	-	-
TOTAL DIRECT COSTS - PSEs (100% DIRECT RECOVERABLE)	897,631	974,876						

INDIRECT COSTS - PSEs (100% Recoverable):								
A) Cost of PS Pensions (pensionable items)								
Pension Rate	12.77%	12.70%	12.70%	11.80%	11.80%	11.80%	11.80%	11.80%
Total Cost of PSE's Pension.	104,701	-	-	-	-	-	-	-
B) Cost of PS CPP for PSEs as a Per Cap. Cost								
times the # of PSEs in F.Y.	-	-	-	-	-	-	-	-
Total Cost of PSE's CPP.	-	-	-	-	-	-	-	-
C) Cost of Employer's Contr. to E.I & SSC for PSE's as a Per Cap. Cost of...								
times the # of PSEs in F.Y...	-	-	-	-	-	-	-	-
Total Cost of PSE's E.I. Contributions.	-	-	-	-	-	-	-	-
TOTAL INDIRECT COSTS - PSEs (100% Recoverable):	104,701							
TOTAL DIRECT & INDIRECT COSTS - PSEs (100% RECOVERABLE):	1,002,331							

TOTAL INDIRECT COSTS:	16,661,816	18,889,883	23,640,003	24,899,516	26,000,019	27,018,235	27,648,761	28,532,518
------------------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

ADDENDUM 'A' - National Programs, Other Indirects & Consolidated Services								
NATIONAL PROGRAMS:								
Cadet & Recruit Training (See Indirect Costs Item 5)	-	-	-	-	-	-	-	-
Police Dog Service Training (See Indirect Costs Item 7)	-	-	-	-	-	-	-	-
OTHER INDIRECT COSTS:								
Public Complaints Committee (PCC)	417.42	508.48	508.48	493.59	493.59	493.59	493.59	493.59
Legal Advisory Services	160.67	163.08	165.53	171.57	174.15	176.76	179.41	182.10
Enhanced Reporting & Accountability	118.31	118.31	118.31	119.57	119.57	119.57	119.57	119.57
Estimated Annual Severance	0.00	0.00	1023.00	1023.00	1023.00	1023.00	1024.00	1024.00
CONSOLIDATED SERVICES:								
SSC (Shared Services Canada)	712.00	721.00	721.00	721.00	721.00	721.00	721.00	721.00
Total Cost	1408.40	1510.87	2536.32	2528.73	2531.31	2533.92	2537.57	2540.26

PER CAPITA CALCULATION								
DIRECT COSTS	48,968,401	48,655,837	51,592,490	53,335,152	55,371,029	57,546,627	59,110,455	61,105,807
Less: PS CEG's 10 - 14	897,631	974,876	-	-	-	-	-	-
Less: CEG 21 & CEG 22 (TCE / Reservists)	97,432	40,565	85,327	85,500	87,638	89,828	92,074	94,376
Less: OT CEG 31	2,976,794	2,858,803	3,181,470	3,278,403	3,377,742	3,494,149	3,581,480	3,686,070
Less: Property CEG's	882,253	863,039	-	-	-	-	-	-
Less: Other Adjustments.	131,173	63,319	-	-	-	-	-	-
Total Direct Costs for Billing Purpose	43,983,119	\$ 43,855,236	\$ 48,325,693	\$ 49,971,249	\$ 51,905,650	\$ 53,962,649	\$ 55,436,901	\$ 57,325,361
Total Indirects for Billing Purposes	16,661,816	18,889,883	23,640,003	24,899,516	26,000,019	27,018,235	27,648,761	28,532,518
Less: TCE, IM, Reservists, PDSTC	4,413	1,713	11,821	11,909	11,428	11,520	11,652	11,848
Total Indirect Costs for Billing Purpose	16,657,404	\$ 18,888,169	\$ 23,628,181	\$ 24,887,607	\$ 25,988,591	\$ 27,006,715	\$ 27,637,110	\$ 28,520,670
Total Direct and Indirect Costs for Billing Purpose	60,640,522	\$ 62,743,406	\$ 71,953,874	\$ 74,858,855	\$ 77,894,241	\$ 80,969,364	\$ 83,074,010	\$ 85,846,031
CREDITS	3,335,297	\$ 3,235,043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL COSTS FOR BILLING PURPOSE	57,305,225	\$ 59,508,363	\$ 71,953,874	\$ 74,858,855	\$ 77,894,241	\$ 80,969,364	\$ 83,074,010	\$ 85,846,031
PER CAPITA @ 100%	147,831	\$ 153,257	\$ 163,180	\$ 168,620	\$ 172,730	\$ 176,420	\$ 180,620	\$ 184,630
PER CAPITA @ 70%	103,481	\$ 107,280	\$ 114,226	\$ 118,034	\$ 120,911	\$ 123,494	\$ 126,434	\$ 129,241

COLOUR LEGEND

Red = Post Budget CEGs controlled by Unit Commander

Black = Division Controlled CEG (DCCEG)

Blue lettering = Standard Object (SO)

Grey = Items not included in Per Capita Calculation.

CEG's credited to Direct Costs

**NOTES & ASSUMPTIONS for 2016/17
Municipal Contracts**

Our terminology for the grouping of General Accounts:

- Cost Element Group (CEG)
- Cost Element (CE)

NOTES ON DIRECT COSTS

CEG 20 & 22 – Temporary Civilian Employees & Casuals and Intelligence Monitors

Temporary Civilian Employees (TCE's) and Intelligence Monitors (IM's) categories of employees were eliminated effective June 2014. Some of these positions may have become Public Service Employees (PSE). Any amounts for 2015/16 onwards represent estimates for casual or term PSE employees. As per the MPSA, PSEs are billable to municipalities at 100%.

CEG 30 - RCMP Members Pay

CE 110 - Regular Pay

- 2.50% estimated salary increase for each future year
- The majority of IM costs are included in Member Pay, beginning in 2014/15, instead of IM pay. Indirects will be charged based on FTE equivalent at Member rates.
- The Civilian Member (CM) category of employee will be eliminated, as per Bill C-42. The timing and impacts of this change are uncertain, therefore CMs have been forecasted based on the status quo.

CEG 221 – Other Services IMIT

The forecast includes a more accurate method for allocating Central Transcription Unit (CTU) costs. CTU was formed in 2006 to provide 24/7 Helpdesk and Transcription services.

DIRECT COST DEDUCTIONS

These are deducted from the Total Direct Cost for each municipality.

Non-billable costs are deducted and covered by the Federal Government:

- CEGs 40 & 41 - Transfer Allowances.
- CEGs 60-66 – Relocation Costs.
- CEG 160 - Legal Services.
- CEG 620 - Claims and Compensation Settlements.

SCHEDULE 3

These costs are deducted and included in Shared Services Canada (SSC) costs in the Indirect Costs:

- CEG 100 CE 0226 / 0228 / 0230 – Telephone Services.
- CEG 101 – Telephone Services.
- CEG 140 – Computer Communication Services.
- CEG221 CE 2451 – Other Services IMIT.
- CEG 251 – Rental of Communication Equipment.

These costs are deducted and included in the Division Administration Costs in the Indirect Costs:

- CEG 32 – Pay Members (Severance, Maternity and Parental allowances).
- CEGs 200-202 - Health Services.

INDIRECT COSTS

With the exception of Member Pension, all costs listed below are charged on a per FTE basis for members.

- Member Pension – 22.70% of pensionable cost element items
- Member Canada Pension Plan - \$2,556.75
- Employment Insurance - \$1,175.11
- Division Administration - \$24,700 – (Please refer to attached schedule 4) - Includes an estimate for E Division HQ @ \$900 per FTE

- A separate calculation is listed for EI and CPP with respect to Reservists (if used).
- Temporary Civilian Employees (TCE's) and Intelligence Monitors (IM's) are being phased out and some positions may become Public Service Employees (PSE).

- Other Indirect Costs:
 - Civilian Review and Complaints Commission (formerly PCC) - \$493.59
 - Legal Advisory Services - \$171.57
 - Enhanced Reporting & Accountability - \$119.57
 - Estimated Annual Severance – Based on annual liability - \$1,023

- Shared Services Canada (SSC) - \$721 – SSC provides telecommunication and email services, networks, data centres, and servers to the RCMP.

Training & Recruiting: Forecasted as a national program starting in 2015/16. For 2016/17 rates are estimated at \$3,192 per FTE for the Cadet Training Program and \$1,181 per FTE for recruiting.

Police Dog Service Training: Forecasted as a national program starting 2015/16 based on established PDS teams in each contract jurisdiction. For 2016/17, the cost is estimated at \$27,788 per PDS team. For Lower Mainland District municipalities, this cost will be included in the Integrated Teams budget.

COSTS BILLABLE AT 100%

The following are some of the items that are billable at 100% per the policing contract:

- Accommodation costs (including occupancy charge) for municipal units in federally owned buildings.
- PS Support staff costs (including backfills, overtime, severance, pension, CPP, etc.).
- Furniture and fixtures.
- House Furnishings
- Prisoner costs (including mattresses and blankets for cells).
- Kit and Clothing for auxiliaries.

RCMP - E Div - Divisional Administration

	Actuals 2013/14	Pre Final 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18	Budget 2018/19	Budget 2019/20	Budget 2020/21
Administration & Overhead Costs	\$ 51,436,367	\$ 49,168,830	\$ 53,171,368	\$ 53,385,406	\$ 54,006,927	\$ 54,511,832	\$ 54,904,223	\$ 55,175,214
Special Leave Costs	\$ 62,958,325	\$ 69,642,786	\$ 72,566,419	\$ 74,381,945	\$ 76,249,270	\$ 78,170,083	\$ 80,146,137	\$ 82,179,240
Health Services Costs	\$ 19,801,472	\$ 21,162,771	\$ 22,220,909	\$ 23,331,955	\$ 24,498,553	\$ 25,723,480	\$ 27,009,654	\$ 28,360,137
Total Costs	\$ 134,196,164	\$ 139,974,387	\$ 147,958,696	\$ 151,099,306	\$ 154,754,749	\$ 158,405,395	\$ 162,060,014	\$ 165,714,591
Administration & Overhead Costs Per Capita Rate	\$ 8,246	\$ 8,001	\$ 8,653	\$ 8,688	\$ 8,789	\$ 8,871	\$ 8,935	\$ 8,979
Special Leave Costs Per Capita Rate	\$ 10,093	\$ 11,333	\$ 11,809	\$ 12,105	\$ 12,408	\$ 12,721	\$ 13,043	\$ 13,373
Health Services Costs Per Capita Rate	\$ 3,174	\$ 3,444	\$ 3,616	\$ 3,797	\$ 3,987	\$ 4,186	\$ 4,395	\$ 4,615
Total Per Capita Rate	\$ 21,514	\$ 22,779	\$ 24,078	\$ 24,589	\$ 25,184	\$ 25,778	\$ 26,373	\$ 26,967
Per Capita Rate YoY % Increase	-12%	6%	6%	2%	2%	2%	2%	2%
Division Component								
Administrative:								
Pay	29,176,794	26,514,363	29,380,272	30,279,982	30,711,226	31,023,105	31,219,716	31,292,162
O&M	7,014,773	5,239,119	6,221,269	6,343,911	6,468,908	6,596,304	6,726,141	6,858,463
Total Pay and O&M	36,191,567	31,753,482	35,601,541	36,623,893	37,180,134	37,619,409	37,945,857	38,150,625
Vehicles & Other Capital	79,781	270,091	270,310	270,310	270,310	270,310	270,310	270,310
Accounting Operations - Note 1	1,753,286	2,510,550	2,472,349	2,412,572	2,412,572	2,412,572	2,412,572	2,412,572
RM Compensation - Note 1	2,730,242	2,447,137	2,346,409	2,146,200	2,146,200	2,146,200	2,146,200	2,146,200
PSE Compensation - Note 1	1,053,276	677,242	630,438	546,582	546,582	546,582	546,582	546,582
Shared Services Canada - Note 2	1,053,276	1,053,276	1,053,276	1,053,276	1,053,276	1,053,276	1,053,276	1,053,276
Employee Assistance Services - Note 3	316,248	316,248	316,248	313,144	313,144	313,144	313,144	313,144
NCO Promotion Unit - Note 3	643,823	704,522	704,522	698,008	698,008	698,008	698,008	698,008
Mat/Pat	8,754,035	7,890,492	8,285,016	8,699,267	9,134,230	9,590,942	10,074,013	10,574,013
Pay in Lieu of Leave upon retirement	3,236,203	3,223,680	3,285,496	3,348,150	3,411,598	3,475,789	3,540,656	3,606,124
Leave with/without Pay, Suspended from Duty	42,693,589	47,298,738	48,244,713	49,209,607	50,193,799	51,197,675	52,221,629	53,266,061
Health Services Costs	19,801,472	21,162,771	22,220,909	23,331,955	24,498,553	25,723,480	27,009,654	28,360,137
Members Pensions (including Mat/Meds)	9,521,622	12,838,584	14,606,873	15,006,247	15,416,944	15,839,291	16,273,620	16,720,284
Public Servants Pensions	2,659,071	2,423,925	2,464,784	2,507,760	2,551,532	2,596,114	2,641,521	2,687,771
Members EI Contribution	628,085	691,749	709,042	726,767	744,937	763,559	782,220	802,220
Public Servants EI Contribution	319,849	309,352	317,086	325,013	333,138	341,467	350,003	358,754
Total Administrative Costs	129,422,077	135,511,140	143,529,013	147,218,752	150,904,958	154,587,819	158,276,174	161,966,082
Less:								
Legal Fees & Claims and Compensation Settlements	(132,106)	(380,702)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Inter Divisional Transfers	(344,046)	(288,835)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Refund of Prior Year	(15,110)							
Total Non-Billable Items & Credits	(491,262)	(669,537)	(700,000)	(700,000)	(700,000)	(700,000)	(700,000)	(700,000)
E-Division HQ Accommodation - Note 4	5,265,349	5,265,349	5,265,349	5,265,349	5,265,349	5,265,349	5,265,349	5,265,349
Total Divisional Component Costs	134,196,164	140,106,951	148,094,361	151,784,100	155,470,307	159,153,167	162,841,523	166,531,431
Divisional Component FTEs (RM / CM) - Note 5	6,238	6,145	6,145	6,145	6,145	6,145	6,145	6,145
Divisional Component of Per Capita Div Admin Rate	21,514	22,800	24,100	24,700	25,300	25,900	26,500	27,100
Estimated Annual Severance Liability	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766	6,323,766
Estimated Annual Severance Per Capita Rate - Note 6	1,023	1,023	1,023	1,023	1,023	1,023	1,023	1,024

Variables (Growth)	15/16	16/17	18/19	19/20	20/21
Personnel	1.02	1.02	1.02	1.02	1.02
O&M	1.02	1.02	1.02	1.02	1.02
Mat/Pat	1.05	1.05	1.05	1.05	1.05
Leave with/without Pay, Suspended from Duty	1.02	1.02	1.02	1.02	1.02
Health Services Costs	1.05	1.05	1.05	1.05	1.05
Pay in Lieu of Leave	1.02	1.02	1.02	1.02	1.02

Note 1: Accounting Operations & Compensation was centralized in 2012/13. A per capita rate is used starting in 14/15.

Note 2: Shared Services Canada for Internal Services- the current estimate is based on 11/12 actuals and is included as a lumpsum amount for 14-15 onwards.

Note 3: Employee Assistance Services and NCO Promotion Unit are included as a per capita rate starting in 14/15 in Divisional Admin calculations.

Note 4: Forecast for 14/15 onwards includes E-Division Headquarters Building which is still under discussion. \$5.25M = \$15K x 350.5 (Internal Services Establishment)

Note 5: Divisional FTEs = Total Members (RM / CM) less Members on Leave (RM / CM) less Div Admin Members (RM / CM).

Note 6: Severance - For budgeting purposes, we are continuing to identify an annual estimate of the severance liability.

Note 7: Leave costs are increasing above projections. RCMP/CMC is working with the Province toward creating a disability management unit focused on reducing long term leave.

2014-15 Per Capita Analysis

	Original Budget	Pre-Final	Variance	Per Capita Original Budget	Pre-Final	Variance
FTE	436.95	388.29	49			
Billed direct costs less credit items	46,955,400	40,620,194	6,335,206	107,462	104,613	2,849
Billed indirect costs less credit items	22,575,999	18,888,169	3,687,829	51,667	48,644	3,023
Total (a)	69,531,399	59,508,363	10,023,036	159,129	153,257	5,872

2014-15 Pre-Final Actual Costs to budget variances:

	Original Budget	Pre-Final	Variance	Per Capita Original Budget	Pre-Final	Variance
Key Cost Drivers for Variances						
PAY - SO 01 - Less OT, Reservists and Credit Items	38,466,400	33,783,808	4,682,592	88,034	87,006	1,028
SO 02 - TRANSPORT & TELECOM	970,000	756,728	213,272	2,220	1,949	271
SO 03 - INFORMATION	10,000	4,565	5,435	23	12	11
SO 04 - PROF & SPEC SVCS	1,805,000	1,471,557	333,443	4,131	3,790	341
SO 05 - RENTALS	85,000	44,342	40,658	195	114	80
SO 06 - PUR, REPAIR & MAINTENANCE	630,000	626,245	3,755	1,442	1,613	(171)
Other SO 07 - UTILITIES, MATERIAL & SUPPLIES	2,176,000	1,540,907	635,093	4,980	3,968	1,012
Other SO 09 - MACHINERY & EQUIPMENT	2,771,000	2,373,189	397,812	6,342	6,112	230
SO 12 - OTHER SUBSIDIES / PYMTS	42,000	18,853	23,147	96	49	48
RM Pensions	7,635,894	6,676,215	959,679	17,475	17,194	282
Div Admin	10,792,665	8,884,889	1,907,776	24,700	22,882	1,818
Other INDIRECTS	4,147,439	3,327,065	820,374	9,492	8,568	923
Total	69,531,399	59,508,363	10,023,036	159,129	153,257	5,872

Original Per Capita 2014/15 (May 22, 2013)

Billing Per Capita

Pre Final 2014/15

Per Capita for 2015-16

Budgeted Per Capita for 2015-16

163,180

Per Capita for 2016-17

Budgeted Per Capita for 2016-17

168,620

2014/2015 Notes:

- a) Average salary was lower than forecasted.
- b) Fuel costs lower than forecasted.
- c) Div admin has a favourable variance due to lower Admin costs for vacancies, lower FTEs on leave than budgeted, and lower EHQ costs.
- d) Severance removed from Per Capita and billed separately.

City of XXXXXXX
 XXXXXXX Ave.,
 XXXXXXX, B.C.

**Municipality Under 15,000
 Sample Response**

June 12, 2015

Mr. Clayton Pecknold
 Assistant Deputy Minister and Director of Police Services
 Ministry of Justice
 P.O. Box 9285 Stn Prov Govt,
 Victoria, British Columbia
 V8W 9J7

Dear Sir:

Re : Municipal Contract Policing Resource Request – 2016 / 2017

This Letter of Approval in Principle is issued to conform to the Federal Treasury Board requirements to enable the Federal Government to set aside sufficient financial resources to cover their share of Municipal RCMP contract costs.

The City of XXXXXXX anticipates that we will require the addition of ### (#) members to our detachment strength of ## to bring the total detachment strength to ## (see Schedule 1) for the 2016/2017 fiscal year.

	@ 100 %	@ 70 %
Establishment FTE		
Per Capita	168,620	118,034
Contract Cost (excluding Overtime)		
Overtime (Includes Reservists)		
PDSTC -(if applicable)		
Total Per Capita and OT 2016/17		(A)

* If applicable

	Municipal Cost
Integrated Teams	(B)
RTIC - Real Time Intelligence Centre	(C)

Accommodation Billed @ 100 %	(D)
-------------------------------------	------------

PS Recovery Billed @ 100 %	(E)
-----------------------------------	------------

Total Municipal Budget Cap for 2016/17	Total (A+B+C+D+E)
---	--------------------------

As outlined above, this letter provides an “approval in principle” and is issued for planning purposes only. It should not be taken as approval to add the anticipated ## of members to the detachment. City Council will be meeting on XXX, 2015 to confirm the 2016/2017 budget and the number of additional human resources. We will inform you of that decision once it is made.

If you have any questions, please call the undersigned at (604) 123-4567.
 Thank you.

Yours truly,

John Doe
 Treasurer/Deputy Administrator

cc: XXXXXXX RCMP Detachment
 Max Xiao, Regional Director, Financial Management & Accounting Operations

Ladysmith			
Public Service Support Staff Estimate			

			<u>Municipal</u>
			<u>Cost</u>
Public Service Support Staff			2.0 - FTE
Estimated Salary (see below)			\$ 110,355 *
Pension	11.80%		13,022
CPP	\$ 2,556.75		5,114
EI	\$ 1,350.13		2,700
SSC	\$ 721.00		1,442
IPA - Isolated Post Allowances (subject to TB decision)			-
Total Indirect			\$ 22,278
Public Service Support Staff Estimate @ 100%			\$ 132,633

Quarterly Invoice			\$ 33,158
--------------------------	--	--	------------------

<u>Salary Forecasted Estimate</u>			
CR04	\$ 50,338.51	-	-
CR05	\$ 55,177.62	2.00	110,355
AS01	\$ 56,322.12	-	-
AS02	\$ 60,461.53	-	-
Total Estimated Salary			\$ 110,355 *

Notes:
 PSAC is still without a contract. Expired June 20, 2014
 Salary Estimate based on 0.5% increase from 2015/16 Estimate.
 Estimate does not include any back fill / casual positions.

Sent: June 8, 2015 4:31 PM
To: Town of Ladysmith
Subject: Attn: Mayor and council

RECEIVED
JUN - 9 2015

Dear Mayor and Council,

A friend of mine passed away and left me her paintings and prints by other artists.

Some of the prints are worth several hundred dollars and at least one is worth \$1500.00.

I do not have room for all this artwork so I am giving some to her friends, two will go to Pearson College and others will be donated to silent auctions for raising money for cancer.

I was wondering if the town would accept a couple of prints in exchange for a park bench which would be inscribed in memory of my friend?

The prints are of work by artists Carol Evans, Harry Heine and Zolta Szabo Best regards Lynda Evans