



# Annual Report 2013



# THE CORPORATION OF THE DISTRICT OF SUMMERLAND 2013 ANNUAL REPORT



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It has been an honour to work with this dedicated Council for the last couple of years. Their commitment to Summerland is undeniable. We had a busy year with lots of accomplishments and just as many challenges.

The District of Summerland underwent several staff changes in 2013. We are proud of the hardworking staff we have and are confident they are the best employees to get the job done. Our strong leadership and dedicated staff will help us move forward to achieve our goals.

The Prairie Valley/Victoria Road Oval about was completed and looks absolutely wonderful. It is so much safer for vehicle access and pedestrians, particularly children walking to school.

We are so pleased to have finally been able to provide bus transit between Summerland and Penticton. Summerland has waited a long time for this and the user numbers prove it was needed and well worth the wait.

We have continued to work on projects such as Water Meters, a new library site, the Urban Growth Strategy, signage, other sustainable income for Summerland and much more. This work is ongoing and results of our hard work will be seen in the next couple of years.

As stated in last year's report, Summerland needs to see more growth in order to keep our taxes reasonable and provide the services we all desire. Council's priorities continue to include a strong emphasises on economic development.

Council would like thank all of the volunteers in our community. We appreciate all of their countess hours of hard work. Volunteers play such an important role in a community and Summerland is fortunate to have a dedicated group.

On behalf of Council, thanks to everyone who has contributed to our success. We will continue to stay true to our priorities and make Summerland a better place to live, work, play and stay.

A handwritten signature in black ink that reads "Janice Perrino". The signature is fluid and cursive, with a large loop at the beginning.

Mayor Janice Perrino



**MAYOR JANICE PERRINO**



**COUNCILLOR  
LLOYD CHRISTOPHERSON**



**COUNCILLOR  
ROBERT HACKING**



**COUNCILLOR  
BRUCE HALLQUIST**



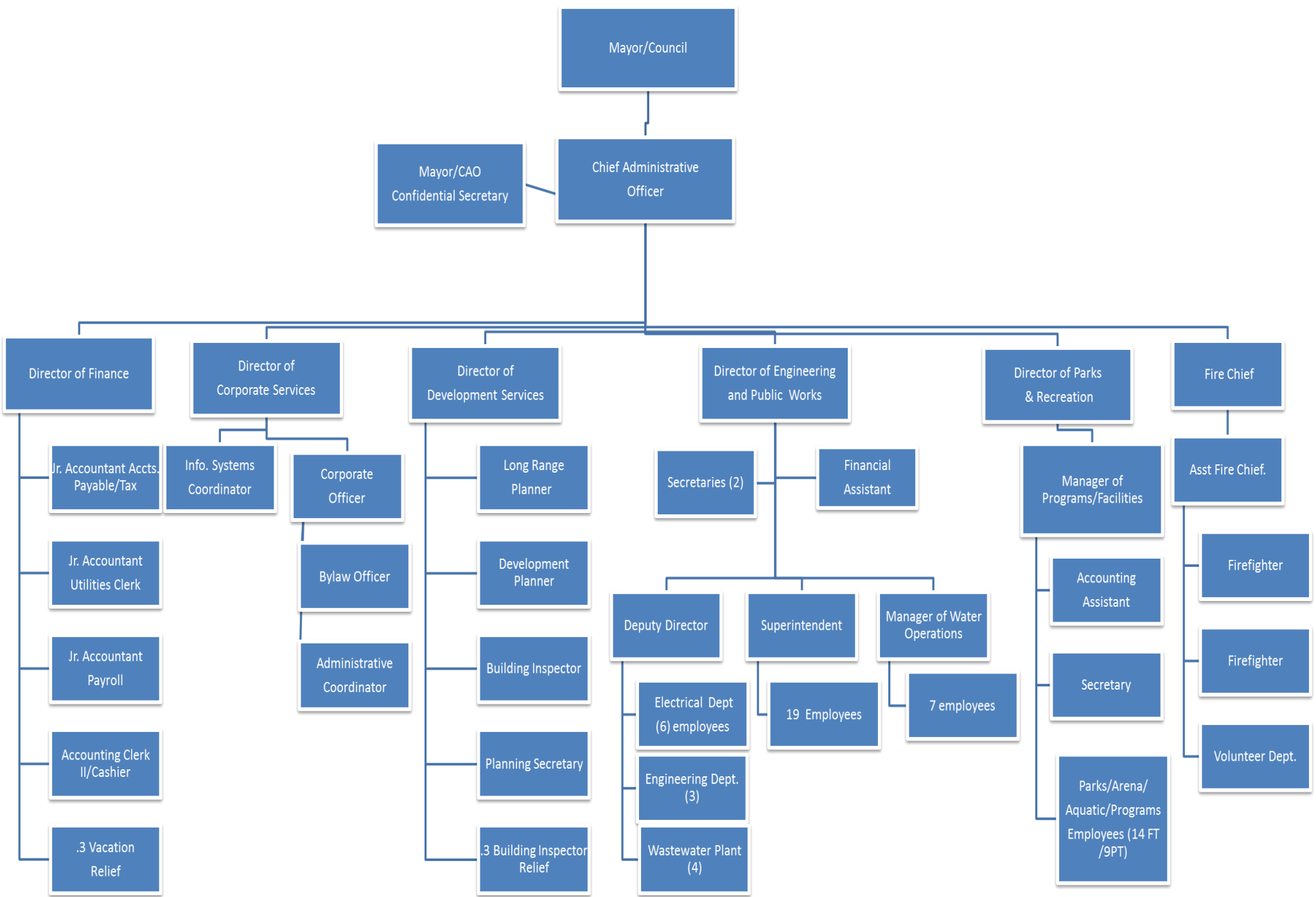
**COUNCILLOR  
ORV ROBSON**



**COUNCILLOR  
MARTY VAN ALPHEN**



**COUNCILLOR  
PETER WATERMAN**





# **Municipal Goals and Objectives**

## **2013/2014**

Adopted by Council November 26, 2012

## Message from Council

In October of 2012 Council met to discuss their Goals and Objectives for the years 2013 and 2014. This discussion was Council's first step in the development of their 2013 Financial Plan and served to provide direction to staff in the development of departmental budgets and work plans for the next few years.

Council's vision for the future of Summerland closely mirrors the vision that the community endorsed during the development of the Official Community Plan. Council envisions steady community growth, largely through the densification of downtown, while ensuring retention of the agricultural base. Economic growth will result from the expansion of the tourism industry, provision of more industrial space, attraction of business that does not focus on locational criteria (e.g. the technology industry) and attraction of those who value Summerland's sense of community, scenery, many amenities and easy access to major centres in the Okanagan. In short, new business and new residents will be attracted to Summerland for the same reasons established residents are proud to call Summerland home.

Council believes that its role in ensuring people are attracted to the community is to continue to provide the wide variety of local services currently enjoyed by residents. The costs of maintaining, replacing and improving the existing infrastructure grows at a substantial rate annually. The best means of sustaining these services is to provide for economic growth and to ensure the District of Summerland's own house is in order. While Council focuses on the economic requirements of our community, it also wants to ensure the other two foundations of community sustainability are built upon. Council will focus on protecting our environment by following up on the recommendations of the Climate Action Plan. Council will also work with other organizations and agencies to build upon the social fabric that makes Summerland special. With these goals in mind, Council adopted the attached objectives for the years 2013 and 2014.

Respectfully,

Mayor and Council



**Goal: Work towards establishing Summerland as a sustainable community.**



A sustainable community is one that focuses on **social development, environmental protection** and **economic growth** with the goal to “meet the needs of the present without compromising the ability of future generations to meet their own needs” (1987 World Commission on the Environment). A local government’s principle tool to accomplish such a goal is to utilize its authority to regulate land use. Council seeks a follow-up document to its official community plan that will direct future land use to better establish Summerland as a sustainable community.

OBJECTIVE	MILESTONES	TIMELINE	RESPONSIBILITY	PROGRESS
<p>Complete a Growth Strategy for Summerland ensuring land use policies enhance and support the social needs of the community, champion the goals of Summerland’s Climate Action Plan and provide adequate lands for economic growth. The Strategy will be predicated on significant community engagement.</p>	<ul style="list-style-type: none"> <li>• RFP to Council</li> <li>• Adequate funds budgeted in 2013</li> <li>• Consultant engaged</li> <li>• Public Process</li> <li>• Adoption</li> </ul>	<p>Nov 2012</p> <p>Jan 2013</p> <p>Feb 2013</p> <p>Mar-Sep 2013</p> <p>Dec 2013</p>	<p>Director Development Services</p>	<p>On Schedule</p>



**Goal: Assist the social development of the community.**

The social development of a community depends on a vast number of key players from all levels of government to various non-profit and profit focused agencies and perhaps most importantly volunteers. Council believes that it should focus its immediate energies in two key areas.

OBJECTIVE	MILESTONES	TIMELINE	RESPONSIBILITY	PROGRESS
<p>Obtain and consider a feasibility study for the provision of transit in Summerland ensuring the study examines service levels, potential ridership, impact on climate change and costs to local taxpayers.</p>	<ul style="list-style-type: none"> <li>• Confirm RDOS' and BC Transit's commitment to undertaking a detailed feasibility study</li> <li>• Council consider BC Transit's study</li> </ul>	<p>2012</p> <p>Summer 2013</p>	<p>CAO</p>	
<p>Improve housing options in Summerland by:</p> <ul style="list-style-type: none"> <li>a) ensuring policies allow and encourage a variety of housing alternatives, a primary is one of the focuses of the Growth Strategy;</li> <li>b) reviewing incentive options through the use of other land use regulation tools available to promote multi-family housing;</li> <li>c) providing alternate forms of densification (eg carriage homes);</li> <li>d) utilizing very specific zoning to provide desired housing forms; and developing comprehensive neighbourhood plans for developable lands.</li> </ul>	<ul style="list-style-type: none"> <li>a) Growth Strategy Milestones</li> <li>b) Review regulatory options following adoption of growth strategy</li> <li>c) Draft bylaw presented to Council</li> <li>d) Report to Council</li> </ul>	<ul style="list-style-type: none"> <li>a) 2013</li> <li>b) 2014</li> <li>c) 2014</li> <li>d) 2014</li> </ul>	<p>Director Development Services</p>	

**Goal: Be a leader in the protection of the environment.**

Summerland adopted a quality Climate Action Plan in March of 2011



[http://www.summerland.ca/docs/Climate\\_action/March%2023%202011%20-%20FINAL%20-%20Summerland%20CCAP.pdf](http://www.summerland.ca/docs/Climate_action/March%2023%202011%20-%20FINAL%20-%20Summerland%20CCAP.pdf)

Council has created a Climate Action committee and has assigned staff to help achieve the goals in Summerland’s Climate Action Plan.

OBJECTIVE	MILESTONES	TIMELINE	RESPONSIBILITY	PROGRESS
Allocate funds to implement climate action strategies including funds from Carbon Offset funding and CARIP funding.	Budget funds in annual Financial Plans	May 2012/2013	Council	
Allocate appropriate staff time to support climate action committee.	Sufficient time allocated	Ongoing	Director Development Services	
Ensure climate action plan initiatives are incorporated into the Growth Strategy.	Policies in Adopted Plan	2013	Director Development Services	




**Goal: Assist in the economic strengthening of the community.**

The District of Summerland’s primary roles in promoting economic growth centre around ensuring there are adequate lands and quality infrastructure for growth. Council prides itself on ensuring staff and Council are open and receptive to new opportunities. Council intends to focus its energies in the following areas to promote economic growth.

<b>OBJECTIVE</b>	<b>MILESTONES</b>	<b>TIMELINE</b>	<b>RESPONSIBILITY</b>	<b>PROGRESS</b>
Ensure adequate industrial lands are available for future growth in the industrial sector by completing the Bentley Road Industrial Park project.	<ul style="list-style-type: none"> <li>OCP amendments adopted</li> <li>ALR Exclusion completed</li> </ul>	Feb 2013 Mar 2013	Director Development Services	
Promote Summerland as a tourist destination by: <ul style="list-style-type: none"> <li>a) examining the feasibility of improving municipal infrastructure specifically the lakeside trail;</li> <li>b) supporting appropriate private sector development that services and promotes tourist use;</li> <li>c) improving branding and marketing of Summerland as a tourist destination by working with the Chamber of Commerce and re-examining services offered by Thompson-Okanagan Tourist Association; and</li> <li>d) exploring how Summerland can broaden its Tourist Season.</li> </ul>	<ul style="list-style-type: none"> <li>a) Require approvals from Ministry of Highways and an environmental feasibility study</li> <li>b) As arises</li> <li>c) To be determined</li> <li>d) To be determined</li> </ul>	a) Dec 2013	a) Director Parks and Recreation  b) Council  c) Director of Dev. Services  d) Director of Dev. Services	Working with Rotary  Plan in Progress  Plan in Progress
Develop an effective economic development marketing strategy for Summerland identifying marketing targets, best means of marketing and geographic focuses of the marketing efforts.	<ul style="list-style-type: none"> <li>To be determined</li> </ul>	To be determined	Director of Dev. Services	Plan in Progress
Support the Chamber of Commerce and other organizations that provide follow-up support to new and existing businesses within Summerland.	<ul style="list-style-type: none"> <li>As arises</li> </ul>	Ongoing	Council	




**Goal: Ensure the District of Summerland operations are effective and efficient.**

The independent organizational review recently undertaken by the Helios Group found that the District of Summerland was generally an efficient and effective organization. The District must continue to build on its strengths, correct areas of weakness and improve on its delivery of services in order to best serve Summerland.

OBJECTIVE	MILESTONES	TIMELINE	RESPONSIBILITY	PROGRESS
<p>Improve the District’s customer service practices by ensuring every department focuses on the customer’s needs and expectations and that development services’ customers experience seamless service from multiple departments.</p>	<ul style="list-style-type: none"> <li>• Recommendations from “front-line committee” to CAO</li> <li>• Adjustments to District’s internal development services process, costing and documentation</li> <li>• Improved and updated Servicing and Electrical Bylaws</li> </ul>	<p>Feb 2013</p> <p>Jan 2013</p> <p>June 2013</p>	<p>CAO</p> <p>Director Eng/Pw &amp; Development Services</p> <p>Director Engineering and Public Works</p>	
<p>Ensure the District of Summerland’s committees are structured and empowered to fulfill the intended objectives</p>	<ul style="list-style-type: none"> <li>• Report to Council</li> </ul>	<p>Spring 2013</p>	<p>CAO</p>	
<p>Support the CAO fulfilling his responsibility to ensure that the corporate structure and staffing levels are optimal for providing Summerland’s municipal services</p>	<ul style="list-style-type: none"> <li>• Report to Council on enacted and recommended improvements</li> </ul>	<p>Ongoing</p>	<p>CAO</p>	

**Goal: Ensure the District's limited financial resources are focussed on Council's priorities.**

The District of Summerland has been financially well managed; however, competing demands for resources increase at a rate that far exceeds revenue growth. Additional strategic focus is needed to ensure resources are continued to be allocated appropriately.

OBJECTIVE	MILESTONES	TIMELINE	RESPONSIBILITY	PROGRESS
Examine alternate revenue sources with a focus on: <ul style="list-style-type: none"> <li>a) raising revenues from our land inventory;</li> <li>b) investigating alternate energy sources, and</li> <li>c) evaluating value of gravel resources.</li> </ul>	<ul style="list-style-type: none"> <li>a) Report to Council identifying opportunities</li> <li>b) Review each opportunity when major infrastructure upgrades occur</li> <li>c) Undertake geotechnical investigation</li> </ul>	<ul style="list-style-type: none"> <li>a) March 2013</li> <li>b) Ongoing</li> <li>c) Summer 2013</li> </ul>	<ul style="list-style-type: none"> <li>a) Director Dev. Serv.</li> <li>b) Director Eng. &amp; PW</li> <li>c) Director Eng. &amp; PW</li> </ul>	
Ensure Summerland retains and builds relationships with other governments in order to take advantage of any opportunities that may arise.	<ul style="list-style-type: none"> <li>• Continue active participation at regional and provincial networking events</li> </ul>	Ongoing	Council/Senior Staff	Ongoing
Ensure Council is aware of the state of reserves and surpluses together with information that identifies the purpose and recommended level of these accounts.	<ul style="list-style-type: none"> <li>• Report to Council</li> </ul>	March 2013	Director Finance	
Focus resources on the maintenance, replacement and renewal of infrastructure.	<ul style="list-style-type: none"> <li>• Capital Plans from Dept Heads</li> <li>• Capital Plan referred to Council</li> </ul>	<ul style="list-style-type: none"> <li>March 2013</li> <li>June 2013</li> </ul>	Director Finance	Fall/Spring 13/14
Ensure that the changeover to water rates based on water usage incorporates public input received to date while achieving the required goals and that the findings are well communicated to the community.	<ul style="list-style-type: none"> <li>• Debriefing of 2012 Results</li> <li>• Establish changes to rate structure</li> <li>• Initiate public information program with revised rates</li> </ul>	<ul style="list-style-type: none"> <li>January 2013</li> <li>January 2013</li> <li>February 2013</li> </ul>	CAO	

## LOCATION AND COMMUNITY

Summerland is a community with a population of just over 11,000 located on the southwestern shores of Okanagan Lake 15 kilometers north of Penticton. It is strategically located between the cities of Kelowna and Penticton on Highway 97. The traditional industry sector in Summerland has been the fruit growing industry which has been expanding through related enterprises such as wine production. Tourist commercial and light industry has also become significant parts of the local economy. In general, Summerland's economy is stable with employment from a range of sectors including: agriculture, manufacturing, commercial, retail, tourism and agricultural research.



The community has a rich social and cultural environment with strong service-oriented community groups. Summerland's lakeshore and beaches, hillsides, parks and trails provide the community with acres of outdoor opportunities. A yacht club / marina is located beside a new hotel resort on the lakeshore and the community has a challenging 18 hole public golf course with some of the most spectacular views in the valley.

The lakeshore area is the original townsite for the Municipality. It included many fruit packing houses, wharves for paddle wheel boats and commercial establishments serving the mainly agricultural community of the early 1900's. The main town area gradually moved to its current site with introduction of the railway to the upper western portion of the community. While regular rail service is no longer available in Summerland, the spirit of the railway lives on with the Kettle Valley Steam Railway, a tourist train that runs on the old rail tracks within Summerland. Highway 97 runs through Summerland from Penticton to Kelowna and used to follow the lakeshore. A major highway reconstruction project between Summerland and Peachland was completed in 2010 which resulted in the Province expanding Highway 97 from its previous 2 lanes to 4 lanes. Many of the turns have been straightened making the highway significantly safer to travel on during all seasons of the year.

Summerland's economy continues to grow as we see several new businesses locate in the community. Summerland separated itself from many of its neighbouring communities as the 2011 Federal Census revealed a modest increase in population as opposed to the decreases seen by other South Okanagan communities. Completion of some major infrastructure projects and plans for some additional infrastructure improvements will poise Summerland at the fore front for future growth and employment in the South Okanagan.



THE CORPORATION OF THE  
DISTRICT OF SUMMERLAND  
**COUNCIL REPORT**

DATE: May 22, 2013  
TO: Mayor and Council  
FROM: Tom Day, Chief Administrative Officer  
SUBJECT: Departmental First Period Report

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STAFF RECOMMENDATION:

That this report be received for information.

PURPOSE:

To provide Council with an update regarding:

- Progress towards Council's Municipal Goals and Objectives
- Departmental Activities and Achievements for the first four months of 2013.

BACKGROUND:

Council adopted its Municipal Goals and Objectives for 2013/14 in November 2012. Council recently adopted its 2013 Financial Plan funding progress towards those objectives and enabling staff to provide at least the same level of service to the community that residents have enjoyed in the past. This report provides Council with an update as to progress in these areas.

Council will receive these updates three times per annum, with the last one followed by the required Annual Report.

Respectfully Submitted

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*Tom Day*  
Chief Administrative Officer

In the first four months of 2013 the office of the CAO concentrated its energies on creating a team and processes that were focussed on providing Council with the information it needs to make informed decisions and delivering services to the community in the most efficient manner possible.

In addition, the CAO's office had significant involvement in:

- Creating a process to develop a fair, science based, goal oriented system for water meter rates and conducted an informational water meter open house.
- Creating a strategic budget process that was driven by Council's objectives and provided the base information that Council requires to make decisions.
- Participating in discussions to bring BC Transit services to Summerland.
- Exploring opportunities around our gravel resource.
- Establishing a relationship with a Management Skills Coach to improve the capabilities of our management team.
- Commencing the collective bargaining process with CUPE.
- Developing a professional network in the Okanagan so that Summerland is aware of best practices in the industry.
- Ensuring key staff attended training opportunities to improve service delivery.
- Creating a team to review better customer service options.
- Assisting in bringing Grant in Aids to the Council table, processing and organizing insurance claims, and preparing and renovating the office for staffing changes.

## **Human Resources**

The CAO's office also assumed responsibility for the Human Resources Function. The first few months of the year have seen more changes in employment positions than in any years previous. We took this opportunity to develop and improve on our hiring routines. We have a hard working cohesive staff and moral seems to be high. Key activities in this area include:

- Karen Jones taking on the role of Confidential Secretary to assist the CAO, and Council and help with HR
- Training Leah Schmidt, the new Administrative Coordinator



- Systems have been put place for new hires and interviewees
- Improving internal communication and policies and processes
- Sending an Internal HR report to keep staff updated
- Initiating review of employee benefits plans

## Communications

Communications, both internally and externally, have been an important issue for the District. Internally, communications have increased immensely. Externally, we continue to strive to keep the public informed to the best of our ability including:

- Creating and publishing the monthly newsletter
- Updating the property tax insert
- Using Facebook and Twitter
- Updating the website
- Updating the TV and bulletin boards in the office



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### Council Goals and Objectives:

Works and Utilities continues to work with Development Services to develop a new streamlined process and make the customer experience quicker and easier. Fixed rates are almost ready to implement and arrangements are being made to allow residents to make applications for a Request for Service at the Works and Utilities office.

Midguard Consulting has been awarded the contract to prepare a comprehensive Resource Options Study. This study will provide the District with information and recommendations on the various options for renewable energy generation including wind, hydroelectric, solar, geothermal, natural gas fired, biomass, biogas, and combined heat and power technology.

A request for proposal for a Gravel Resource and Land Use Strategy Report has been prepared and will be sent out in the next quarter. This document will provide some insight on our gravel resources and how these resources should be managed to maximize land use into the future.

### Electrical Utility Division

The Electrical Utility is very pleased that they have received approval from the Ministry of Environment for multiple plans regarding the District's PCB operations, storage, and removal. Some of these documents are the Operational Plan, Emergency Response Plan, and Closure Plan.



There has been a long standing problem with roof leakage and mold growth in the Electrical Utility Warehouse. Attempts at inexpensive fixes by patching were unsuccessful so money was set aside to reroof the building. Difficulty in retaining a qualified contractor delayed the project until this year but the project is complete and includes gutters and



downspouts.

The Electrical Pole Yard was reconfigured to allow easier truck access to the yard and turning radii around the poles, stubs, and streetlights. Asphalt millings were installed to create a better drivable surface for turning and heavy loads.

## Engineering Division:

The Peach Orchard Cemetery Retaining Wall Project has been awarded and work will commence in the next quarter.

Staff continues to manage the progress of the Prairie Valley Road and Prairie Creek Diversion Project. Completion of this project is scheduled for July 2013.

The annual Pavement Marking Project has been awarded and the bulk of the work will be done during the last week of May in time for Action Fest.



## Public Works Division:



Public Works staff has been working hard on spring cleanup. Sweeping has commenced but a breakdown of equipment has slowed progress. Staff is being double shifted to try to make up for lost time.

Spring cleaning of catch basins and drainage systems is underway.

Improvements were made to the pedestrian crossing at Pineo and Peach Orchard with the installation of a letdown and a crosswalk.



Two sections of sidewalk on Henry Ave were replaced this spring with one section being located across from Municipal Hall and the other section on the east side of Henry between Main and Wharton.



## Wastewater Division:

Stantec Consulting submitted the final design of the Grit Removal and Effluent Filter Project. Staff will be monitoring Provincial and Federal grant availability and will be preparing a grant application for submission when grants become available.

Staff purchased and installed new odour control media for the Peach Orchard lift station. This special media, which is more effective in controlling odours than other media, was selected for this location due to the close proximity to the water park and the high pedestrian traffic in the area. It is anticipated that this extra measure will reduce or eliminate any complaints about odour.



Staff installed a new polymer make up unit. This unit will control the dosage of expensive polymers which will reduce costs and result in higher quality thickened sludge.

The vertical turbine pumps have been failing on a consistent basis every couple of years and one is again out for rebuild. To extend the life of the pumps staff is taking measures to protect them from pulling in sand or air by cleaning the channels going to the pumps and installing a weir plate to raise the water

level at the intakes. These adjustments will ensure that the pumps are working in a more regulated manner which will extend their life and reduce down times for maintenance.

Reorganization of the plant has been completed to save space and allow for easier access to parts and supplies. Staff has also discarded a large amount of scrap materials and garbage that was accumulating around the plant.

Staff has completely revamped the existing lockout procedures with simplified instructions and detailed photographs to make them easier to follow. Staff continues to review other lockout procedures and will be adding some less frequently used procedures that need to be written before a lockout is required.



### **Water Division:**

The major retrofit to the underdrain system in Filter 5 has been completed. This work included:

- the installation of an inspection hole so that the underdrain could be inspected by video camera,
- removal of the filter media,
- removal, cleaning, and reinstallation of several hundred filter
- removal of filter media between the two underdrain levels,
- removal and resealing of loose grouting,
- installation of a removable fabricated stainless steel plate for future access,
- testing of system for leaks prior to reinstalling the filter media,
- disinfection of filter and testing for coliform bacteria.



The changes to the Trout Creek Screening works has been completed. A cost effective spray nozzle solution has been implemented that is safer for staff and only requires one person to accomplish the entire cleaning process instead of two that were previously required.

Aeneas Creek Inundation and Flood Design was completed and is being submitted to Dam Safety.

The framework for the Water Allotment Review has been completed and the study will commence in the next quarter.

A list of items for preliminary engineering of the Flume Replacement Project has been completed and the design will take place later in the year.

Procedures for Residual Ponds Management has been prepared and requires formalization.

The Development Services Department is proud of the significant accomplishments achieved in the first four months of 2013. Progress on Council’s specific Goals and Objectives are included separately in Schedule A. Additional accomplishments are described below.

**THE BUILDING DIVISION** received 39 building permit applications in the first quarter of 2013. This included 10 new single family housing starts, 26 renovation or additions and 3 new agricultural buildings. 47 building permits were issued in the first quarter of 2013 with a value of \$6.36M. This includes some permit applications received in late 2012 that were issued in 2013. In addition our building division has also:

- ✓ Hosted an “In Service” on the new building code for local contractors.
  - We provided pizza and pop for an afternoon session
  - 35 local construction people attended.
- ✓ Completed a review of our building permit fees
  - Presented updated fees to Council for consideration
  - Move closer to cost recovery and streamline the approval process
- ✓ Completed our rewrite of the Building Bylaw to update the regulations and streamline the approval process
  - Waiting for Council agenda

**THE PLANNING DIVISION** received 12 land use applications in the first quarter of 2013. These include 1 ALR application, 4 Development Permit applications, 2 rezoning applications and 5 Development Variance Permit applications. 15 applications were processed in the first quarter including a few applications received in late 2012. In addition our planning division has also:

- ✓ Managed the Ball Field proposal in West Prairie Valley until negotiations ceased
- ✓ Started the review of the sign bylaw
  - struck a steering committee
  - conducted an online survey (129 respondents)
  - conducted an open house
- ✓ Completed the annual report for corporate GHG’s to receive CARIP funding
- ✓ Participated in public open house March 14 regarding water rates
  - Continuing to review rates
- ✓ Presented the Wharton St project to Downtown Design committee March 28
  - Continuing to sort out details
- ✓ Provided media interviews



Sign bylaw open house

- Summerland Review
- Penticton Herald
- Business Examiner Thompson Okanagan
- ✓ Attended an elementary school Grade 5 class to discuss growth issues and explain municipal government process
- ✓ Helped organize and participate in the largest Earth Week celebration in Canada for a community of our size
- ✓ Collaborating with PW to review our Subdivision & Development Servicing bylaw
- ✓ Working with BC Transit on Summerland transit routes
  - Booth at Earth Week celebrations

## Schedule A – Progress on Council’s 2013 Goals and Objectives

### ❖ Council Goals and Objectives

#### a. Complete a growth strategy

- Began the Urban Growth Strategy review process
  - Engaged consultant
  - Installed 2 billboards
  - 2 public stakeholder meetings
  - Conducted online survey (309 respondents)
  - Held Cardboard City Event

#### b. Provision of Transit in Summerland

- 2 meetings with transit planners
- Booth at Earth Day celebration
- Online survey

#### c. Improve housing options in Summerland

- Currently determining growth scenarios



One of two “Where do we GROW from here billboards



One of two public stakeholder meetings



Cardboard City event

- d. Champion the goals of Summerland's Climate Action Plan
- Prepared and submitted the first ever Climate Action budget
  - Collaborated with PW to install 3 electric vehicle charging stations
  - Had a booth at the Earth Week celebration



Official opening of the electric vehicle charging stations

- e. Ensure adequate industrial lands are available for future growth by completing the Bentley Rd Industrial Park project.
- Completed the neighbourhood planning study for the Bentley Rd industrial park
  - OCP amendments were adopted by council
  - First zoning application is in process



- f. Develop an effective economic development marketing strategy for Summerland
- Attended provincial Economic Development forum April 25
  - Met with Chamber Manager to discuss approach



Corporate Services has had a very busy first four months of the year. There have been many employment changes resulting in staff taking on additional duties and working as a team to meet deadlines and get the work done. Much time has been spent on reviewing and improving the District's IT systems to help with office productivity.

### Administration

- Hiring of Administrative/Receptionist
- New Director of Corporate Services
- Director of Corporate Services now responsible for municipal property rentals, leases, sales and general management.
- Director of Finance leaving, resulting in Corporate Officer taking over 'grants'; applications; organizing of financial files, etc.
- Implementation of Records Management Bylaw to provide legislative direction for Corporate Officer to implement as per LGMA Policy
- Implementation and training of Council re new paperless format (Surface Pro's)
- Engaging with the community through social media (Facebook and Twitter)
- Prepared offices for staff changes
- There have been a total of 24 Council Meetings in the first 4 months which involves preparation of reports; review of recommendations; prepare Agenda; Public Hearing Ads and Notices; Development Variance Permit Notice and Land Title registrations; obtaining highway approvals; organizing 'delegations' complete Minutes and follow up to all recommendations.



### Bylaw Enforcement

Gary Ellis in Bylaw services, received 309 complaints in the first four months of 2013. This has increased approximately 50 complaints from this time period last year. Bylaw continues to deal with problems on an individual basis and treat customers with confidentiality and respect. Some examples of Bylaws investigated:



- **Business Licences:** To date 40 new licences have been processed. Out of 762 renewals, 204 were outstanding after the due date. That number has now been reduced to 90 and is currently a work in progress.
- **Bylaw Complaints** continue to be ongoing:
  - Bylaw# 22-55 Electric Rates and Regulations: 197 complaints received dealing with disconnects, trees in wires, meter readings.
  - Bylaw # 92-081 Building Regulation: 3 violations
  - Bylaw 2000-450 Zoning: 5 violations
  - Bylaw 2386-22 Traffic : Complaints –parking control ,unlicenced on street, over time parking, abandoned vehicles, trees over highways, trailers detached, skateboarding on sidewalk, bicycles on sidewalk etc.
  - Bylaw 90-065 Unsightly Premises: 7 violations
  - Bylaw 2358 Water Rates and Regulations: 26 concerns
  - Bylaw 93-065 Sidewalk and Snow Removal: 12 violations
  - Bylaw 93-028 Animal Control: 4 violations of horses at large
  - Bylaw 1956 Waterfowl: 2 violations both still in progress
  - Bylaw 2421 Fire Regulations: 2 concerns

## Geographic Information Systems (GIS)

- Orthophoto data share agreement with Agrifoods completed.
- SEDT now a monthly recipient of Business License data. Any errors and omissions they find are returned to the District with corrections.
- Fire Response Time zones now available to the public via website GIS, necessary for building code compliance.
- Monthly data submission to 911 Dispatch streamlined. Submissions now continue monthly.
- Remote electrical meter reading project underway.
- Water meter project.
- Water meter data now the basis of water use reporting to Province.
- Water billing programming project for Vadim iCity begins. Currently waiting for a firm quote
- Hand held meter reader loaded and used, programming adjustments begin.
- Peach Orchard Cemetery software project initiated.
- Debit card machine upgrades at Landfill and Yards in process.

## Information Technology

Through observation and interviews, it is estimated that a 10-20% improvement in everyday office productivity can be achieved by bringing the District's IT systems into the modern era and ensuring staff are adequately trained to leverage it. This work has begun in earnest and is progressing as quickly as time and resources allow.

- Met with IT contractor, mapped out improvement strategy, and began stepwise IT system improvements.
- Ongoing creation of IT systems documentation.
- Resolved numerous issues with systems, including overly-aggressive junk email filtering, file system latency, missing files, slow computers, crashing software, etc.
- Roll-out of new desktop workstations in progress. Replacing 5-7 year-old underpowered and unsupported computers, with next-generation high-performance computers that will greatly improve staff efficiency.
- Review of printer/scanner requirements in progress. Will consolidate, standardize, improve performance and reliability and reduce operating costs.
- Compatibility and navigation improvements made to the District's website as interim fixes until a new website built (scheduled for fall of 2013).
- After much negotiation, finalized a service agreement with Shaw Cablesystems to bring public WiFi to Summerland (agreement signed in second period).
- Numerous under-the-hood improvements made to the IT systems to improve performance, stability and security of the District's computer network.



The Finance and Corporate Services Department has overcome many significant challenges in the first four months of 2013. The most notable challenge has been staff turnover. We said good bye to long serving employees Ken Ostraat, Director of Finance, Denis Gagnon, Deputy Treasurer, and Property Tax/Accounts Payable Clerk Moe Hayes. At the end of April Paula George, Payroll and General Accounting clerk left on maternity leave.

Emma Hartwick joined Finance from Recreation to replace Moe Hayes, Jody Nesdoly stepped in to backfill for Paula, and Eileen Semenoff was hired as Cashier/Accounting Clerk 2 to fill in for Jody.

Despite training being sporadic and ad-hoc, staff have pulled together as a team and worked through the challenges relating to turnover and change in leadership. Staff have been commended for their dedication and perseverance while dealing with so many challenges while maintaining high moral, a good sense of humour and a high level of customer service.



A great deal of effort goes into day to day customer service issues that largely goes unnoticed, but could result in escalation to either the CAOs office or Council if unresolved. It is estimated that depending on the time of the month approximately 3-4 hours per day is spent dealing with customer service issues including payroll terminations, new hires, benefits issues, utility bill queries and investigations, property tax and home owner grant queries, responding to customer questions by telephone and in person, etc., while managing daily transactions including processing payments, utility billing, maintaining property tax and assessment information, processing bill payments and issuing invoices, etc.

Following are some statistics showing the volume of transactions processed during the 1<sup>st</sup> four months of 2013:

Function	Number	\$ Value
<b>Accounts Payable Cheques</b>	2,328	6,594,551
<b>Accounts Receivable Invoices</b>	495	472,771
<b>Utility Bills</b>	23,257	5,301,293
<b>Payroll</b>		
Pay Slips/Cheques	1,044	2,058,740
<b>Cash Receipts</b>		
Accounts Receivable		597,029
Business Licenses		95,040
Pet Licenses		12,705
Property Tax Payments		67,993
Utility Payments		3,227,287
Miscellaneous		807,203
<b>Total Cash Receipts</b>		<u>4,807,257</u>
<b>Total transactions</b>		<b>\$19,234,612</b>

Some highlights include

- Progress has been and continues to be made implementing water meters.
- Long standing security and access issues to municipal software applications has been resolved.
- Issues with the year-end inventory system were resolved.
- The annual budget was developed and forward for consideration by Council.
- Progress was made on the year-end financial statements.
- Utility bills were prepared despite a number of issues with the billing software.
- The annual audit field work was rescheduled to the week of June 4<sup>th</sup> to allow sufficient time to focus on meeting the statutory deadlines for approving the financial plan and tax rates bylaws.
- A budget was established for the climate action plan and incorporated into the financial plan.

In summary, Staff are to be commended for handling adversity and change through strong teamwork and good humour while maintaining very high customer service levels.

The Parks and Recreation Department continues to be very busy with the operation of its seven different facilities as well as parks, trails, boulevards and greenspace.

Nicole Lawrence is the Parks and Recreation Departments newest addition in her position of Accounting Assistant. Nicole replaced Emma Hartwick who has moved on to the Junior Accountant position at City Hall.

### Programs

- The Parks and Recreation Department prints four brochures per year that are mailed out to all addresses in Summerland.
- Over 20 programs were offered in the 2013 winter brochure
- Fitness programs had 175 people registered and another 52 were registered in children and pre-school programs

### Aquatic & Fitness Centre

The Aquatic & Fitness Centre busiest months of the year are January through March

- 350 Health Club passes have been sold for the fitness centre in the first three months of the year
- 120 Swim passes have been sold
- 236 participants in Red Cross and pre-school swimming lessons
- 120 participants in upper level Lifesaving courses and National Lifeguard courses
- All aquatic staff recertified their National Lifeguard qualifications in January
- The chlorine room ventilation system has been upgraded
- An emergency shower has been installed in the Aquatic & Fitness Centre filter room
- On February 24<sup>th</sup>, the Aquatic Centre hosted its annual Tropical Swim with over 200 in attendance and 45 volunteers



### Arena, Banquet Room, Curling Rink Complex

During the busy winter months the arena is used regularly from 6:30 am to 11:45 pm on a daily basis.

- Between Christmas and when we take the ice out in early April, four different Minor Hockey Tournaments were held with seven out of town teams for each tournament
- The Summerland Skating Club held its annual Pop Concert on March 3<sup>rd</sup> with 122 skaters and 425 people in attendance
- The annual Reds Adult hockey tournament was held March 28 to March 31<sup>st</sup> with over 20 men's and women's teams and over 500 people at the arena
- The Summerland Steam of the KIJHL, made the playoffs for the first time in their Junior B history with between 200 and 300 people at each game
- The Summerland Curling Club hosted a ladies Curling Bonspiel, the club hosted the seniors zone playdowns and Jennifer Jones used Summerland's Curling Club to practice for the Canada Cup event held in Penticton
- The Banquet Room hosted eight events and facilitates a variety of recreation programs

- During the winter months the arena compressors were all overhauled

### Miscellaneous Facilities (Theatre & Library Basement)

- Centre Stage Theatre was used for 31 bookings between January and March
- Craig Meadows, the theatre technician did a new updated theatre inventory
- From January to March there were 25 bookings in the Library basement main room and another 38 bookings in the library viewing room

### Parks (including Rodeo Grounds and Peach Orchard Campground)

All our parks and greenspace survived the winter in good shape and all the playing fields at Dale Meadows, Powell Beach and Living Memorial were ready for the start of April.

- Mini soccer has been moved to Dale Meadows to take advantage of the extra field space and washroom facilities
- Over 20 sites were leveled at Peach Orchard Campground and all the picnic tables were refinished
- Continue to meet regularly with the Okanagan Valley Goose Management Program with continued support of the valley wide egg addling program. To date over 6,000 eggs have been addled in the program
- Working with Interior Health to continue beach testing at Rotary Beach, Powell Beach and Peach Orchard Beach
- A new company has taken over Kettle Valley Trail Rides and Carriage Co. at the Rodeo Grounds to continue trail rides for the 2013 season



Okanagan Parks Workshop

- Working with BCIT to provide a "Train Conductors" course using the Rodeo Grounds and access to the Kettle Valley Railway
  - The Summerland Kinsmen Club are once again partnering with the Parks and Recreation Department to add major upgrades to Julia Street Park. The Kinsmen have committed \$10,000.00 towards the project and will assist with building the structure
  - The head of Parks, Scott Weatherhead attended the

### Other

- Continue to sit on the board of directors of the Summerland Youth Centre Society representing the District of Summerland
- Brenda Ingram and I sit on the Summerland Child and Youth Committee and the Bully Free Community Committee that meet regularly
- Brenda Ingram is part of the organizing committee for Action Festival that meets monthly

The following is a brief summary of fire department activity for the four month period January 1, 2013 to April 30, 2013. For complete statistical information please refer to the attachment included at the end of this report.

### OPERATIONS

- There were 79 incidents compared to 84 for the same time period in 2012.
- 191 fire and life safety inspections have been conducted as compared with 220 in 2012.
- 16 public education sessions have been conducted compared to 12 in 2012.
- 105 training sessions have been conducted compared to 111 for the same period in 2012. 21 individual certifications were obtained during this period.
- 311 FireSmart information packages were delivered to residential properties located within the high and extreme wildfire hazard zones.
- A total of 347 open burning permits were issued compared to 331 in 2012. Open burning was permitted on 37 days.



### ASSOCIATION OF SUMMERLAND FIREFIGHTERS

- The association was proud to sponsor Patricia Gove in the recently completed Blossom Pageant.
- The association's Mosquito Minor Baseball Team has new uniforms this year and has adopted the name "The Summerland Chiefs".



## UPCOMING EVENTS

- Summerland and Penticton are co-hosting the 2013 BC Firefighters Training Officers Association Annual Conference – May 22nd to 26th. “Hot Session” training will be held in Summerland, with 10 Summerland members registered in various sessions.



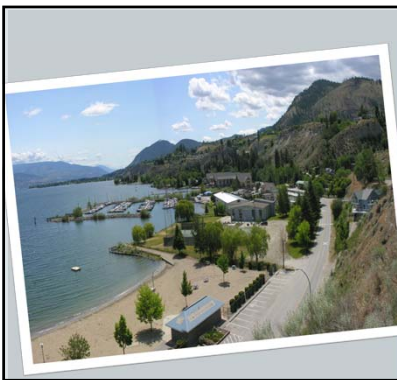
- BC Fire Chiefs’ Annual Conference will be held in Penticton May 26th to 29th. The theme for this year’s conference is “All Aboard”, a direct reference to the Kettle Valley Steam Railway. 250 Delegates are expected to tour Summerland aboard the KVR followed by a catered dinner at the station. The Association of Summerland Firefighters will be providing support to the organizing committee on this night.



**CAO's Office**  
**Second Period Report**  
May – August 2013

**Training and Education**

- Council Emergency Operations Training
- Staff Emergency Operations Training (x 2)
- Local Government Management Association Annual Conference
- Gas Tax Grants
- Water System Source Tour



**Administration**

- ✓ Tax Rate Bylaw
- ✓ Low Speed Vehicle Bylaw
- ✓ Lakeshore Trail Design funding
- ✓ Formalized RFP for old RCMP Site

- ✓ 2013 Grant-in-Aid process undertaken
- ✓ New Tax Exemption and Grant in Aid process for 2014 developed and supporting documentation updated and sent out to past applicants
- ✓ Renewal of Leases and adjudicating Insurance Claims prior to formal transfer to other departments



**Communications**

- Monthly Newsletters continue to be sent out to residents
- Website updates
- TV and Board displays
- Media Releases
- Weekly Management meetings and bi-weekly staff meetings

**Relationship Building**

- Meeting with Senior School Board Staff
- Electromotion Tour
- Mountain View Growers Tour
- Meeting with Friends of the Library





## Council Support

The Prairie Valley/Victoria Road Roundabout Ribbon Cutting Ceremony was held August 15th

- Plans/gifts were made for the Sister City trip to Japan.

Preparations were made for the UBCM Conference being held in Vancouver. Over 10 meeting requests were made to Provincial Ministers to discuss Summerland issues.



## Human Resources

- Completed the hiring process for a new Director of Finance. Lorrie Coates joined the District of Summerland on July, 8th
- Interviewed applicants for the Development Planner position and hired Alex Kondor who started June 10th
- Dealt with HR issues including job postings, reclassifications, restructuring and vacation accumulation
- Union negotiations continue



## Water Meter Program Implementation



- Based on public input, a new proposed rate structure was refined for non-agricultural users
- Information Statements were designed and sent out to residents with the rate format in June and August with the last mail out recently completed
- Staff fielded questions and inquiries and informed residents about the new system
- Resolved extraordinary and difficult situations



Agricultural information statements were sent out in July to advise irrigators how much water they were using.



## Corporate Services

- Bylaw Enforcement
- Information Systems
- Legislative Services
- Property Management
- Risk Management

### Bylaw Enforcement

Handled 574 complaints...

- 239 Electrical Rates & Regulation
- 129 Water Rates & Regulation
- 52 Unsightly Premises
- 50 Business Licence issues, and...
  - 90 unpaid at start of period, now only 11
  - Will be clear by Oct 31
- 46 Traffic

### Bylaw Enforcement

- 15 Parks Regulation
- 11 Noise Control
- 5 Building Regulation
- 5 Zoning Regulation
- 3 Dog Control
- 2 Fire and Life Safety
- 1 Animal Control
- 1 Boulevard

### Information Services


*Information Technology*

- Helpdesk support
- System maintenance
- Increased automation
- Hardware & software upgrades
- Workstation rollouts
- Shaw Go WiFi
- POS at sani-dump
- Website Request for Proposals

### Information Services

*Information Technology*


- Coordination and collaboration with School District 67...
  - Co-location of servers
  - Sub-licensing phone system
  - Sharing network infrastructure
  - Sharing Internet and phone lines



**Information Services**

*Geographic Information Systems (GIS)*


- Served between 103 and 115 unique customers per month
- Average of 16400 online map data requests per month



**Information Services**

*Geographic Information Systems (GIS)*

- Data uploaded monthly...
  - Animal Control
  - Development community
  - Integrated Cadastral Information Society of BC
  - RDOS / 911



**Information Services**


*Water Meters*

- Water Information Statements created and mailed out...
  - Residential, condominium and commercial created and sent out in June and August
  - Agriculture statements created and sent out in July
- Total of 14278 statements



**Legislative Services**

- 2012 Annual Report completed
- Preparation of agendas, minutes, and supporting documentation for Council
- Reviewing outdated Bylaws and Policies for repeal or re-write
- Completed two substantial and lengthy Freedom of Information requests



**Legislative Services**

- Preparing for 2014 elections, including review of "White Paper on Local Government Elections Reform" produced by the Ministry of Community, Sport and Cultural Development
- Summer backup and holiday coverage for Bylaw Enforcement
- Review of Animal Control agreement and Dog Pound facility options for 2014



**Property Management**

- Developed a fair and transparent system for determining the lease and sale values of municipal property, based on published provincial government standards
- Reviewing all existing rental properties to ensure fair market rates and legally-sound agreements are in place

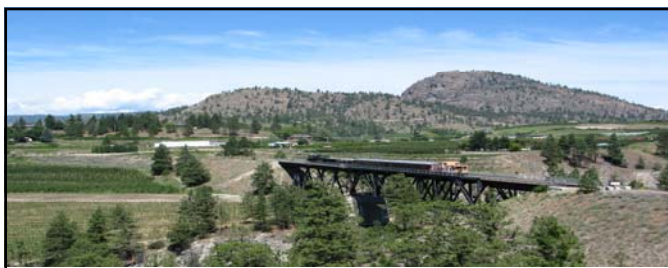


### Property Management

- New legally-sound templates developed for Leases and Licenses of Occupation...
- All leases coming up for renewal will be reviewed, and if renewed, will use whichever new template is most appropriate.
- E.g. Curling Club is now under a License of Occupation

### Risk Management

- Reviewed then renewed insurance coverage for property, equipment, fraud, theft, environmental, and AD&D
- Reviewing risk management policies
- Working with Municipal Insurance Association of BC...
  - 4 incidents
  - 3 claims



### Finance Second Period Report

May – August 2013

### REPORTING FOR THE 2012 FISCAL YEAR

- White Kennedy completed the audit of the financial statements and provided an unqualified opinion
- The Local Government reporting forms were filed with the Ministry of Community, Sport and Cultural Development (Ministry)
- The Statement of Financial Information was filed with the Ministry

### 2013 FINANCIAL BYLAWS



- Preparation of the 2013-2017 Annual Financial Plan which incorporated the community responses from the public consultation
- Preparation of the 2013 Tax Rate bylaw



### 2013 PROPERTY TAXES

5,766 tax notices were prepared and sent to property owners

Finance staff worked diligently to keep the waiting time as short as possible for citizens making payments at the Hall

95% of the 2013 taxes were collected by the due date of July 5

Finance staff assisted taxpayers in completing homeowner grant claims and tax deferral applications



## Development Services

2<sup>nd</sup> Period Report

## Development Services

- Council's Goals and Objectives
  - Complete a Growth Strategy
    - Had booth at Action Fest to present growth options
  - Completed comprehensive analysis of 13 growth areas
  - Consultants evaluated each on 10 different criteria and created a tool to compare areas



## Development Services

- Council's Goals and Objectives
  - Complete a Growth Strategy
    - Had preliminary meetings and site tours with the ALC
    - Held open house Oct 10 to present findings (approx. 70 people attended)
    - Waiting for final report



## Development Services

- Council's Goals and Objectives
  - Champion the goals of the Summerland Climate Action Plan
    - Held "Bike to Work Week" in May.
    - Held "Commuter Challenge" in June
    - Funded two new bay heaters for the Fire Hall and a heat pump for the Aquatic Centre



## Development Services

- Council's Goals and Objectives
  - Ensure adequate industrial land are available
    - Rezoned first property in new Bentley Road Industrial park



## Development Services

- Building Department
 

	2 <sup>nd</sup> period	3 <sup>rd</sup> period	2 <sup>nd</sup> period 2012
Building Permits	54	39	61
Value	\$3.983M	\$6.36M	\$5.876M

  - Adopted new fee schedule
    - Created efficiencies and incentives
  - Completed rewrite of Building Bylaw to update regulations and streamline process

## Development Services

### ▪ Planning Division

- Hired a new Development Planner Alex Kondor

- Completed work on the first draft of our new Sign Bylaw



## Development Services

### ▪ Planning Division

- Updated Watercourse Development Permit Area
- Attended the Regional Environmental Roundtable to discuss Provincial Biodiversity Conservation Strategy
- Attended initial meeting of the Provincial Transit Future Plan for the region



## Development Services

### ▪ Planning Division

- Completed work to bring BC Transit regular service between Summerland and Penticton
- Continued work on our new water meter rates
- Continued to collaborate with Works and Utilities to review the Subdivision and Development bylaw



## Fire Department Second Period Report

May – August 2013

## Summary

- Department's primary focus for this period was training.
- 111 training sessions conducted during this period.
- Co-hosted the 2013 BC Fire training Officers Conference. 223 delegates representing 94 fire departments.

## Operations

- 103 incidents compared to 106 in 2012. 182 incidents YTD.
- 10 wildfires compared to 6 in 2012.
- 239 fire and life safety inspections conducted, 430 conducted YTD.
- 27 public education events, 43 events YTD.
- 111 training sessions, 217 YTD.
- 15 individual certifications obtained



## Facilities

- Final landscaping and irrigation installation completed.
- Re-roofing of the fire hall anticipated start mid October



## Auxiliary Force

- 23 active, 1 long term medical leave.
- 3 resignations due to work and or personal commitments.
- Recruit class has started. 9 month training program for Basic Firefighter certification.

## Auxiliary Response

- Daytime auxiliary response averages 8.7 members or 36%
- 5 year average is 9.4 members or 38%.
- First apparatus enroute averages 6 minutes 50 seconds.
- 5 year average is 6 minutes 10 seconds.
- Second apparatus enroute averages 11 minutes 20 seconds

## Team Photo



## Parks and Recreation Second Period Report

May – August 2013

## May to August in Summerland



- Spring & Summer Recreation Guides
- Summer Programs & Activities
- Aquatic & Fitness Centre
- Arena, Banquet Room & Curling Club
- Centre Stage Theater
- Action Fest 2013
- Rodeo Grounds
- Parks & Beaches

## Spring & Summer Recreation Guide

- Issued in Spring and Summer
- Mailed out to 3800 homes
- Included Tennis, Boot-Camp, Swimming Lessons and Aquasize
- Six different fitness classes ran thru July & August at the Aquatic & Fitness Centre



## Summer Programs & Activities

- Summer day camps are coordinated with the Youth Centre Association
- Highlights include trips to Fish Hatchery, Fire Hall Tours & Beach Days
- Over 170 children ages 5-12 yrs.
- Rec Dept. works with SADI, Library and Sailing Club with their summer program.



## Aquatic & Fitness Centre

- Red Cross swim lessons had 213 children registered
- 11 kids completed Bronze Medallion
- Orca Swim Club's enrollment is at maximum capacity
- Health Club membership up over 2012
- New heat pumps installed, operational by Oct 2013
- Shut down from Aug 24 to Sept 8 for annual maintenance

## Arena, Banquet Room & Curling Rink Complex

- Ball Hockey & Minor Lacrosse
- Roller Derby
- Over 1000 people attended the annual Action Festival Dance
- Summerland Secondary School held their 2013 graduation ceremony
- Over 300 people attended 4 hockey schools utilized the arena & curling rink complex



1st Annual Roller Derby Bout 2013

## Centre Stage Theater

Over 40 Bookings at Centre Stage

- 100 out of town participants help complete another successful Shakespeare Festival
- Summerland & Pentiction School of Dance
- Summerland Sweets Talent Show
- SSS Production of Hairspray
- Blossom Pageant
- Improvements to the theater include resurfaced stage floor, repair to stage curtains and technical lighting upgrades



## 31st Action Festival May 31, June 1 & June 2

- Memorial Park was filled with entertainment, vendors & activities
- Giants Head Run had 512 participants
- Man of Steel Triathlon 126 participants & teams
- Community Parade & Fireworks
- Slo-Pitch tournament had 74 teams from all over BC





**Rodeo Grounds**

- Blue Grass Festival was held June 7 – 9 with over 700 people in attendance
- Aug 17 - 1st Annual Bull-Riding Event at Summerland Rodeo Grounds
- Summerland Rodeo Ground Equine Development Committee Horse Shows



**Parks**

- Earth Day April 21, 2013 – over 100 participants participated in community events
- 6 softball tournaments hosted at Dale Meadows Sports Complex
- In 8 days we hosted 500 kids from 10 different Okanagan classrooms at Peach Orchard Waterpark & Playground
- Sports field booked almost to capacity with soccer, slo-pitch, softball and baseball




**What's Going On with the Parks**

- Public tennis courts at Peach Orchard Campground were resurfaced & repainted including lines for Pickleball
- Ride the Giant Longboarding competition – 125 riders
- Partnering with Summerland Kinsmen Club a new \$20,000 adventure playground was installed in Julia Street Park





- Summerland Horseshoe Club annual tournament – 50 participants from around BC
- Ultraman Triathlon finished in Memorial Park on Monday Aug 5
- Summerland Sportsman Association Annual Fishing Derby at Garnet Valley Dam June 2
- Tuesday Farmers Market April thru October

**Movies In the Park July & August**  
sponsored by Summerland Merchants Association

**Works and Utilities Department**  
**Second Period Report**

May – August 2013



**Electrical Utility Division**

May – August 2013

### Electrical Utility Division Completed Projects

- SH1 Electrical Design (2013 – Shelf Ready)
- Collection of Electrical Field Data for Electrical Modelling
- PV Substation Monitoring Software – 24/7
- Giant’s Head School Service and Meter Upgrade
- IHA Health Care Centre Service, Transformer, and Meter Upgrade

### Electrical Utility Division In Progress Projects

- Remote read meter changeover (2014)
- Peak demand meter changeover (2014)
- Modelling of Electrical System (2013)
- PCB storage facility administration
- System Upgrades



### Engineering and Works Divisions

May – August 2013

### Engineering and Works Divisions Completed Projects

- Prairie Creek Stormwater Diversion Project
- Three lot Williams Avenue Subdivision
- Ornamental Lamp Standard Painting (55)
- Street Line Painting
- Sani Dump Payment Kiosk
- Compost Screening with New Trommel Screen



### PV Road Upgrade and Ovalabout



### Millings at the Landfill



### Retaining Wall at Peach Orchard Cemetery



### Chain Link Fencing at SADI (50% Cost Share – Stutters Restoration)



### Roadside Mowing



### Hydrant Flushing and Maintenance Program



### Gravel Resource Management Plan



### Resource Options Study



1. Solar
2. Wind
3. Hydroelectric
4. Biogas
5. Natural Gas
6. Combined Heat and Power

### Engineering and Works Divisions In Progress Projects

- Installation of Transit Stops (2013)
- Fulton Street Drainage (2013)
- Smith Street Parking Lot (2014)
- Garnet Valley Road Water Separation Project (2013 – Shelf Ready)
- Prairie Valley Road Upgrade Phase III - Design (telus, shaw, landscaping left)
- Canyon View and Peach Orchard Cemetery Upgrades (2014)



### Wastewater Division

May – August 2013

### Wastewater Division Completed Projects

- Effluent pump chamber weir installation – raises water level and prevents wear and tear on pumps
- Equipment Repairs and Cleanup - Power failure due to possible lightning strike, knocked out UPS and flooded basement
- Equalization system upgrade
  - valve replacement, corrosion
  - flow meter and level sensor

### RAS Piping Replacement



Old Corroded Pipe



New Stainless Pipe and Valve

### Wastewater Division In Progress Projects

- Grit Removal and Filtration Upgrade (shelf ready)
- Operation and Maintenance Procedure Review (2013)
- Water Service to Dale Meadows Lift Station (2013)



### Water Division

May – August 2013

### Water Division Completed Projects

- New cables and log booms were installed to prevent debris from clogging dam spillways
- Steel V-notch weirs were fabricated and installed to monitor dam leakage
- Isintok spillway review confirmed spillway capacity sufficient of 1:1000 year flow for High Hazard Dam Classification
- Air Blower Noise Reduction at WTP

### Summerland Ornamental Gardens Water Consumption Program




### Dam Outlet Video Inspection



### Water Division In Progress Projects

- Flume replacement design (2013)
- Cathodic Protection – Giant's Head Road (2013)
- Water Availability Study (2013)
- Water Management Bylaw – consolidation and update of 4 bylaws (2013)
- Isintok outlet pipe review and repair (2013)

# District of Summerland Departmental 3<sup>rd</sup> Period Report September 2013 – December 2013



- ### Municipal Goals and Objectives 2013/2014 Key Successes
- Growth Strategy
  - Transit
  - Climate Action Budget
  - Industrial Lands-Bentley Road
  - Lakeside Trail Project
  - Marketing-Chamber of Commerce
  - Customer Service
  - Committee Rationalization

- ### Municipal Goals and Objectives 2013/2014 Key Successes
- Corporate Restructure: Efficiency; Financial Sustainability
  - Alternate Revenue Sources
  - Reserves and Surpluses
  - Metered Water
- 



- ### STRATEGIC INITIATIVES
- ✓ Meeting with Agricultural Land Commission
  - ✓ Electromotion
  - ✓ Library Building
  - ✓ Committee Restructure
  - ✓ Establish 2014/2015 Goals and Objectives
  - ✓ 2014 Budget

### COUNCIL/STAFF INITIATIVE




### UBCM

Councillors Marty Van Alphen, Peter Waterman, Robert Hacking and CAO Tom Day attended the UBCM Conference in September. They attended meetings with the Premier, Provincial Ministers and staff to discuss:

- Infrastructure funding (water separation);
- Repairs of Centennial Trail; and
- Speed limits on Hwy 97.



The UBCM meetings were successful as Summerland received a \$67,500 grant to assist with repairs to the Centennial Trail.



### Council Support

- Correspondence
- Appointments
- Invites and RSVP's
- Letters of Support
- Conferences
- Meetings
- Special Events






### A VISIT TO OUR SISTER CITY, TOYOKORO

Mayor Perrino, Councillor Orv Robson and Ian McIntosh, Director of Development Services/Economic Development had the opportunity to visit Toyokoro and learn about their culture and operations.

FESTIVAL OF LIGHTS Mayor's Reception was held

AND

THE ANNUAL VOLUNTEER DINNER for members of our 11 committees was organized





### Communications

**EXTERNAL**

- ☑ The Newsletter continues to be the number one way to reach our residents.
- ☑ We continue to Tweet and use Facebook and have now added "Hootsuite"
- ☑ Advertisement, meetings, public notices, employment opportunities
- ☑ 10 Media Releases were sent out.

**INTERNAL**

- ☑ Staff meetings are held after each Council Meeting to inform front-line staff.
- ☑ Senior management meetings are used to enhance interdepartmental communication and cooperation.



### A Water Meter Open House was held in November

87 people attended

59 comments were received.





## Human Resources

September to December



- Two retirees
- 8 Internal jobs were posted
- 6 External postings were done
- CUPE renewal
- IBEW/CUPE grievances
- SIMEA benefit package renewal



## Corporate Services Third Period Report

September – December 2013

## Corporate Services

- Bylaw Enforcement
- Information Systems
- Legislative Services
- Property Management
- Risk Management

### Bylaw Enforcement

Handled 471 files, including ...

- 229 Electrical Rates & Regs
- 46 Traffic Regulation
- 25 Unsightly Premises
- Business Licenses...
  - 21 New!
  - 12 Re-Activated!
- 20 Water Regulation
- 17 Snow Removal and Sidewalk Maintenance
- 3 Building Regulation



### Information Services


#### Information Technology

- Helpdesk support
- System maintenance
- Operating system and office productivity software upgrades
- Multifunction copier replacements
- Website redevelopment contract awarded
- Launch of "ShawGuest" WiFi in municipal buildings

### Information Services

#### Geographic Information Systems (GIS)


- Average of 90 unique customers per month
- Summerland Land Inventory Project started
- Data exchange agreement signed with GeoBC
  - Review the BC Digital Road Atlas, used for dispatch of emergency services
  - Provide regular mapping and address updates



**Information Services**

*Geographic Information Systems (GIS)*

- Addition of new GIS map layers...
  - Electric Vehicle Charging Stations
  - Proposed Urban Growth Area
  - Vacant Lands
  - Municipally-Owned Properties
  - Public Transit Stops
  - Park & Ride Locations



**Information Services**

*Geographic Information Systems (GIS)*


- Continual GIS data updates and maps provided to...
  - RDOS for 911 dispatch and mapping
  - DMTI Spatial, a data provider to businesses
  - ICIS, a data provider to the province and utilities
  - Chamber of Commerce
  - Animal Control



**Information Services**

*Water Meters*

- 4623 Water Information Statements sent Oct 18
- Water Meter Open House held on November 14
- Training of Works & Utilities staff for meter reading completed
- 5100 meters now read in 1 day or less
- Read on 28<sup>th</sup> to coincide with future electrical meter reading schedule



**Information Services**

*Electrical Meters*

- Remote electrical meter reading training started
- The number of electrical meters read remotely continues to increase as new meters are installed
- Future electrical meter reading schedule will coincide with water meter readings to improve efficiency and reduce costs


**Legislative Services**

- Fulfilling Freedom of Information Requests
- Sale of Municipal Property
- Formal legal process determined and followed for disposal of privately-owned items from municipally-owned property
- Roaming Horse Issue...
  - Two reports to Council
  - Working with RDOS and Penitton Indian Band



**Legislative Services**

- Ongoing updating of Bylaws and Policies
- Agenda and minutes creation, publication, distribution and follow-up for numerous meetings including...
  - 12 Senior Management
  - 6 Regular Council
  - 6 Committee of the Whole
  - 8 In Camera
  - 7 Special Council
  - 3 Special In Camera



### Legislative Services

- Proposed new election legislation (Spring 2014?)...
- Ban anonymous contributions
- Disclosure and registration by third-party advertisers
- Sponsorship information requirements for all election advertising
- Shorter timeline for campaign finance filing
- Elections BC in compliance and enforcement key role
- Enact separate campaign finance Act



### Property Management

- All new and renewing leases are using the new legally-sound *Lease or Licence of Occupation* templates created in the prior period
- All new and renewing home rentals will use the *BC Residential Tenancy Act* compliant "Residential Tenancy Agreement" form



### Risk Management

- Municipal Insurance Association of BC...
- 2 claims opened
- 1 claim closed
- 1 incident opened
- 2 incidents closed
- Renewed registration of all vehicles and related equipment with ICBC



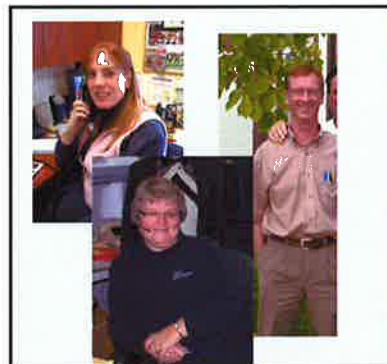
### Corporate Services

- ✓ Bylaw Enforcement
- ✓ Information Systems
- ✓ Legislative Services
- ✓ Property Management
- ✓ Risk Management

**Finance**  
**Third Period Report**  
September to December, 2013

### UTILITIES

- Implemented electrical deposits for tenants to assist landlords
- Assisted in the net metering program for the Electromotion Revolution implementation
- Working with the IT and Works and Utilities staff on meter changes, a new meter reading schedule and the new water billing program
- Working with Works and Utilities staff on an update of the Electric Bylaw
- Revision of the Fees and Charges bylaw for the FortisBC increase



## PROPERTY TAXES



- Held the annual Tax Sale on Sept 30 as required by the Local Government Act
- Preparation of the 2013 Permissive Tax Exemption bylaw – required by October 31, 2013 to allow exemptions in 2014
- Concurrently, received and reviewed 2014 Grant-in-Aid applications with a committee of Council

## ACCOUNTING AND FINANCIAL REPORTING



- Review of the investment portfolio resulting in the sale of investments which realized gains. Reinvestment in shorter term products in anticipation of rising interest rates
- Audit by the Province on the grant claims for the Prairie Valley Creek Storm Water Diversion grant
- Audit by the Province of a HST credit available on electricity used for residential heating
- Audit by Canada Revenue Agency of the GST returns for April to July
- Work with staff on the 2014 to 2018 Financial Plan-first draft delivered the end of December

Update of the 2013-2018 Financial Plan bylaw and bylaw to authorize spending from Development Cost Charges for Prairie Valley Road project



## PAYROLL

- New contract with CUPE
- Retroactive pay increase to January 1, 2013

## TRAINING

- Staff attended seminars and webinars on our financial software, the tax sale process, year end procedures for payroll and ethics in business



## Development Services

3<sup>rd</sup> Period Report

## Development Services

### ▪ Council's Goals and Objectives

- Complete a Growth Strategy
  - Final public open house October 10<sup>th</sup>
  - Final report presented to Council with recommendations December 9<sup>th</sup>
  - Drafted OCP amendment
  - Public hearings scheduled for March 3<sup>rd</sup>



## Development Services

- Council's Goals and Objectives
  - Champion the goals of the Summerland Climate Action Plan
    - Participated in "Carpool Week" in October
    - Completed preliminary Climate Action budget for 2014
    - Finalized commencement of the new Transit service



## Development Services

- Council's Goals and Objectives
  - Ensure adequate industrial land are available
    - Land assembly continuing in new industrial park



## Development Services

- Building Department

	3 <sup>rd</sup> period	2 <sup>nd</sup> period	3 <sup>rd</sup> period 2012
Building Permits	54	54	53
Value	\$5.0M	\$3.983M	\$4.3M

- Implemented an Asbestos Exposure Control Plan

## Development Services

- Planning Division

	3 <sup>rd</sup> period	2 <sup>nd</sup> period	3 <sup>rd</sup> period 2012
Applications	15	12	26

- Assisted with final water meter rate open house in October
- Conducted final Sign Bylaw open house

Water Meter Rate Project  
Proposed Water Rate



## Development Services

- Planning Division
  - Attended initial meeting of the Provincial Transit Future Plan for the region

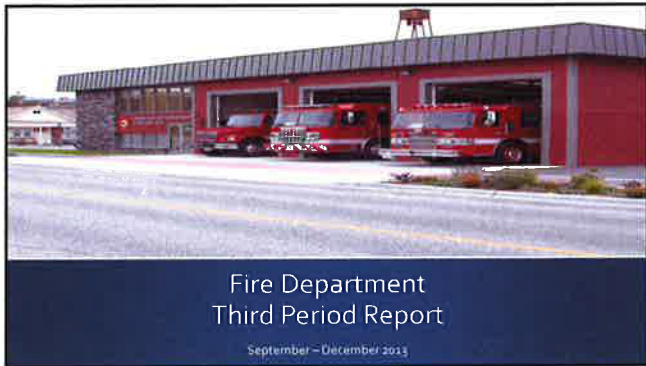


## Development Services

- Economic Development

- Initiated the fabrication for directional highway signage
  - Scheduled for completion in March
- Received two new proposals for re-development of the former RCMP property
- Participated in ec-dev video





## Operations

- 78 incidents this period compared to 87 for the same period in 2012.
- 219 fire and life safety inspections conducted.
- 18 public education events were conducted.
- The Canyon View wildfire fuel modification project was completed in December.



## Training

- 98 training sessions this period.
- 42 individual certifications obtained during this period.
- 308 hours of firefighter training conducted.
- Attendance by auxiliary members to regularly scheduled training sessions was 79.10%



## Facilities

- Re-roofing of the fire hall was completed in November.



## Auxiliary Force

- 27 active, 1 long term medical leave.
- 4 new recruits started in October.
  - Trevor Austin
  - Tyler Sterk
  - Gus Cave
  - Tim Truman
- Billy Boerboom and Dale Hooper have been promoted to rank of Lieutenant
- Ricky Leardo completed 25 years of service in June.



## Auxiliary Response

- 3<sup>rd</sup> period daytime auxiliary response averaged 10.5 members or 40.8% of the force.
  - 5 year average is 9.5 members or 37.1%.
- First apparatus enroute averaged 6 minutes 50 seconds.
  - 5 year average is 6 minutes 30 seconds.
- First apparatus on scene averaged 11 minutes 15 seconds.
  - 5 year average is 10 minutes 48 seconds.

## Association of Summerland Firefighters

- 911 and Friends (FD, RCMP & EHS) annual Christmas Party raised \$5,000 towards local charities.
  - DARE Program
  - Summerland Red Cross
  - Kid Sport
  - Summerland Food Bank
  - South Okanagan Women In Need
  - Giant's Head School and Summerland Middle School Breakfast Club Programs
- Annual Toys and Toonies for Tots and Teens raised in excess of \$7,500, with thanks to our partners; the staff of the CIBC and Santorini's Restaurant.

## Emergency Support Services

- Director John Topham and Deputy Director Margaret Holler along with 16 additional active members
- Former Deputy Director Alida Erickson has move to Penticton and joined the team there.
- 7 formal training session conducted in 2013
- 10 monthly meetings held
- Fall Fair Booth received in excess of 200 inquiries
- Working with the RDOS towards a regional ESS team



Parks and Recreation  
Third Period Report  
September to December 2013

## September to December in Summerland



- Fall & Winter Recreation Guide
- Giant Inflatables
- Orca hosts Sprint Triathlon
- Halloween Haunt & Santa Skate
- Family Santa Swim
- Arena Highlights
- Fall Fair
- Rodeo Ground Fall Activities

## Fall Recreation Guide

- Issued in August
- Mailed out to 3800 homes
- On summerland.ca website
- Offered free NCCP Introduction to Coaching
- Offers a variety of Yoga, Boot-camps, Aquasize, Qigong, Tai Ji
- Community Organization Resource



## Giant Inflatables



Challenge yourself to run the gauntlet!  
Come on over and give it a try.  
Open to kids of any age.

Purchased in September for Public & Family Swims as well as School Events



### Orca Sprint Triathlon Sept 1 & 2, 2013



Swim course follows along Peach Orchard Beach shoreline for a distance of 50m – 750 m



Bike transition area in the parking lot at Peach Orchard beach local beach



The Run course follows along Lakeshore road laps around and finishes in Peach Orchard Park

### Halloween Haunt & Pool Party

- > One of the biggest events at the aquatic centre each year
- > Staff and volunteers put in countless hours building sets, games and other preparation
- > 300 Kids & Parents participate in the event
- > Various Carnival Style Games
- > Haunted House
- > Diving Challenges
- > Candy Station
- > Bat Cave





### Staff Santa Swim 2013

For the 24<sup>th</sup> year in a row the children, grandchildren, nieces and nephews of District of Summerland's staff were invited to the Summerland Aquatic Centre for a swim, hotdogs drinks & snacks. Santa made a special stop to deliver gifts and treats to all those children who attended this annual Christmas event.




### Arena Events

- Free Family Santa Skate attended by over 100 kids & parents
- Co-ordinated with SSS leadership program
- Sponsored by IGA




### Supporting the Local Sport Organizations

- > **SMHA – 179 Kids playing on 11 teams**
  - > Average ice usage is 37 hours per week
  - > 2 Tournaments featuring 13 teams
- > **Summerland Figure Skating – 60 Kids In Club**
  - > Average ice usage is 15 hours per week
- > **Summerland Steam –**
  - > 19 home games, plus an average of 32 practice hours a month.
- > Remainder of ice time is used by regular season groups such as :
  - > Summerland Canucks
  - > The Culls
  - > The Ice Hawks – Ladies Hockey
  - > Ladies Broom Ball
  - > The Reds
  - > Senior Old-Timers & more
- > Private users book remaining ice time.




### Summerland 104th Annual Fall Fair

Saturday Sept 14 & Sunday Sept 15, 2013

Fall Fair offered

- ◆ Exhibits
- ◆ Information Workshops
- ◆ Local Entertainment
- ◆ Pioneer Workshop
- ◆ Medieval Village
- ◆ Small Animal 4-H Displays
- ◆ Awards for Best In Category

Makes use of curling club dry floor, lounge, banquet room & parking lot

Ice remains in the arena during the fall fair for hockey and figure skating







### Rodeo Grounds

#### Halloween Horse Show

- Equine Development Committee
- Hosts Spooktacular Halloween Show
- 35 riders ranging from as young as 4 years to seniors.
- The SRGEDC hosts 4 shows annually and is run by a group of local volunteers.



#### Trans Canada Race

- Oct 6, 2013
- 2<sup>nd</sup> Annual Run
- 99 Adults participated in the 7.4km cross-country run
- 33 Kids participated in the 3.2km cross-country run
- Sponsored by the Penticton Pounders
- Race course follows the Trans Canada Trail on Conkle Mountain
- Start and Finish @ Rodeo Grounds

#### Changes At the Rec Centre

Bus Passes are available at the Aquatic & Fitness Centre


Now accept Visa & MC


#### Looking Ahead

Winter Recreation Programs

Erma Family Day Swim


Tropical Paradise Swim





### Works and Utilities Department Third Period Report

September – December 2013



### Electrical Utility Division

September – December 2013

### Electrical Utility Division Completed Projects

- Electrical System Modeling
- Tree Trimming
- Power Pole Replacement
- Demand Meter Correction

#### Tree Trimming



#### Street Light Painting



### Electrical Utility Division In Progress Projects

- Residential Meter Replacements (100 remain)
- 3-Phase Meter Replacements (180 remain)
- Transformer PCB Oil Testing and Replacement
- PCB Storage Facility Administration
- Electrical Switch Protection



### Engineering and Works Divisions

September – December 2013

### Engineering and Works Divisions Completed Projects

- Prairie Valley Road Project – Phase 2
- Transit Stop Installations
- Fulton Street Drainage
- Newton Road Drainage
- Annual Hydrant Maintenance

#### Transit Stops



#### Fulton Street Drainage



### Engineering and Works Divisions In Progress Projects

- Smith Street Parking Lot
- Garnet Valley Road Water Separation Project (shelf ready)
- Prairie Valley Road Phase 3 - Final Design
- Canyon View and Peach Orchard Cemetery Upgrades
- Gravel Resource Management Plan
- Emergency Power at Works and Utilities and at the RCMP
- Centennial Trail Reinstatement
- Summerland Electronic Information Signs



### Wastewater Division

September – December 2013

### Wastewater Division Completed Projects

- Electrical Disconnection Installation at Lift Stations
- New Centrifuge Discharge Skirt
- Water Service to Dale Meadows Lift Station
- Post Backup – Equipment Rebuilds and Cleaning

### New Centrifuge Discharge Skirt



### Post Backup Equipment Rebuilds and Cleaning



### Wastewater Division In Progress Projects

- Grit Removal and Filtration Upgrade (shelf ready)
- Electrical surge protection
- Operation and Maintenance Procedure review
- Blower Control Upgrade



### Water Division Completed Projects

- Water Availability Study
- Second Chlorimatic Valve in Garnett Chlorinator
- Scada for the Distribution Alarming System
- Inspection Ports for Video Monitoring of Filter Underdrains in WTP
- New Venting in Caustic Soda Tanks to Prevent Pressurization and Spills in WTP
- Bentonite Seal at the Isintok Dam Inlet Structure

### Caustic Soda Tank Venting



### Video Monitoring of Filter Underdrain



### Isintok Dam Bentonite Seal



### Water Division In Progress Projects

- Flume Replacement Design
- Water Management Bylaw – consolidation of Four Bylaws
- Isintok Outlet Pipe Review
- Isintok Berm at Spillway
- Boom Repair and Replacement in Reservoirs

<b>THE CORPORATION OF THE DISTRICT OF SUMMERLAND</b>				
<b>PERMISSIVE TAX EXEMPTIONS FOR 2013</b>				
	MUNICIPAL	SCHOOL	OTHER AGENCIES	TOTAL
Christian and Missionary Alliance	4,857.13	2,890.00	819.43	8,566.56
Kettle Valley Railway Society	21,831.06	13,332.66	3,863.34	39,027.06
Lakeside Presbyterian Church	458.28	272.68	77.32	808.28
Nejme Assaf South Okanagan Montesorri School Society	1,133.18	830.80	273.42	2,237.40
Okanagan Hindu Temple & Cultural	1,478.28	879.58	249.40	2,607.26
Pentecostal Assemblies of Canada	2,006.28	1,193.74	338.47	3,538.49
Roman Catholic Bishop of Nelson	4,433.13	2,637.72	747.90	7,818.75
South Okanagan Sailing Association	8,232.66	4,940.86	1,411.19	14,584.72
St. John's Lutheran Church	2,512.56	1,494.98	423.89	4,431.43
St. Stephens Anglican Church	672.57	400.18	113.47	1,186.22
Summerland Baptist Church	1,711.42	1,018.30	288.73	3,018.45
Summerland Branch No. 22 Royal Canadian Legion	1,517.14	902.70	255.95	2,675.79
Summerland Chamber of Commerce	3,492.55	2,560.60	842.72	6,895.87
Summerland Golf Society	21,504.49	13,341.76	3,915.10	38,761.36
Summerland Jehovah Witness	2,645.71	1,574.20	446.35	4,666.26
Summerland Recreation Society	3,052.14	1,968.50	595.02	5,615.66
Summerland Senior Citizens Drop-In	3,539.91	2,595.32	854.14	6,989.37
Summerland United Church	858.28	510.68	144.80	1,513.76
Summerland Yacht Club	10,952.49	6,799.14	1,996.12	19,747.76
Summerland Youth Centre Association	14,206.99	10,416.00	3,428.01	28,050.99
<b>TOTAL PERMISSIVE TAX EXEMPTIONS</b>	<b>111,096.27</b>	<b>70,560.40</b>	<b>21,084.78</b>	<b>202,741.45</b>

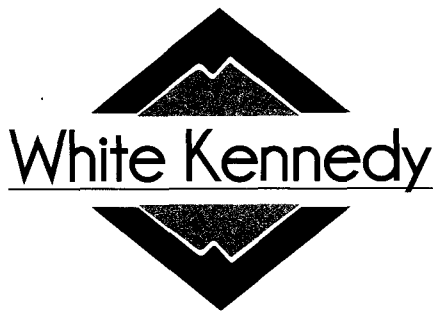
The District of Summerland has issued revised financial statements for the year ended December 31, 2013. The previously issued statements for the 2013 fiscal year should be disregarded. The financial statements have been revised to correctly reflect the liability for the landfill closure and post closure costs.

**The Corporation of the District of Summerland  
Consolidated Financial Statements  
For the year ended December 31, 2013**

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## Independent Auditors' Report

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### To the Mayor and Councillors of the The Corporation of the District of Summerland

We have audited the accompanying consolidated financial statements of The Corporation of the District of Summerland which comprise of the consolidated statement of financial position as at December 31, 2013, and the consolidated statements of operations and accumulated surplus, consolidated net financial liabilities and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of 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 the 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.

---

Operating as Incorporated Professionals through White Kennedy LLP

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## Independent Auditors' Report

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### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the District of Summerland at December 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### *Emphasis of Matter*

Without qualifying our opinion, we draw attention to Note 22 to the notes to the consolidated financial statements which describes an error discovered in the consolidated financial statements subsequent to their issuance relating to the amount of the landfill closure and post closure liability previously reported. As a result, this error was corrected and the December 31, 2013 consolidated financial statements have been restated. Audit procedures on this subsequent event are restricted solely to the amendment of the consolidated financial statements as described in the relevant note to the consolidated financial statements.

*White Kennedy LLP*

Chartered Accountants

Penticton, British Columbia  
June 23, 2014

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## Management Report

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The council of the Corporation of the District of Summerland has delegated the responsibility for the integrity and objectivity of the financial information contained in the consolidated financial statements to the management of the Corporation of the District of Summerland. The consolidated financial statements which, in part, are based on informed judgements and estimates, have been prepared by management in accordance with Canadian public sector accounting standards, which have been applied on a basis consistent with that of the preceding year.

To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and that financial records are reliable for preparation of consolidated financial statements. These systems are monitored and evaluated by management.

The Corporation of the District of Summerland's independent auditors, White Kennedy LLP, are engaged to express an opinion as to whether these consolidated financial statements present fairly the Corporation of the District of Summerland's financial position and operating results in accordance with Canadian public sector accounting standards. Their opinion is based on procedures they consider sufficient to support such an opinion.

The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards. These statements present, in all significant respects, the financial position of the Corporation of the District of Summerland as at December 31, 2013.



Lorrie Coates, CPA CGA  
Chief Financial Officer  
June 23, 2014

**The Corporation of the District of Summerland  
Consolidated Statement of Financial Position**

**As at December 31, 2013**

**2013**

**2012**

**Financial assets**

Cash and cash equivalents	\$ 6,669,588	\$ 4,519,199
Accounts receivable (Note 2)	2,897,185	2,975,447
Portfolio investments (Note 3)	1,838,904	2,704,117
Land available for resale	1,220,098	1,527,307
Deposits paid	83,864	32,002
Deposit - Municipal Finance Authority (Note 4)	<u>605,893</u>	<u>577,732</u>
	<b>13,315,532</b>	<b>12,335,804</b>

**Financial liabilities**

Accounts payable and accrued liabilities (Note 5)	3,887,952	3,131,248
Landfill closure and post closure liability (Note 6), (Note 22)	217,007	188,478
Deferred revenue (Note 7)	3,532,053	4,425,352
Deposits received (Note 8)	1,153,681	1,083,183
Long-term debt (Note 9)	27,677,355	28,445,432
Obligations under capital lease (Note 10)	<u>538,497</u>	<u>752,257</u>
	<b>37,006,545</b>	<b>38,025,950</b>

**Net financial liabilities**

**( 23,691,013 ) (25,690,146)**

**Non-financial assets**

Tangible capital assets (Note 11), (Note 22)	108,841,722	107,684,643
Inventories of supplies	<u>1,055,584</u>	<u>1,237,060</u>
	<b>109,897,306</b>	<b>108,921,703</b>

**Accumulated surplus (Note 12)**

**\$ 86,206,293 \$ 83,231,557**

**Contingent liabilities and commitments (Note 17)**



Lorrie Coates, CPA CGA  
Chief Financial Officer



Peter F. Waterman  
Mayor

**The Corporation of the District of Summerland  
Consolidated Statement of Operations**

<b>For the year ended December 31, 2013</b>	<b>Budget (Unaudited)</b>		
	<b>2013</b>	<b>2013</b>	<b>2012</b>
<b>Revenue</b>			
Taxation - net (Note 14)	\$9,281,228	\$ 9,280,509	\$ 9,101,200
Government transfers - Provincial (Note 15)	1,521,828	1,209,987	830,075
Government transfers - Regional (Note 16)	742,712	383,360	742,712
User fees, sales and rentals	14,885,672	15,077,541	14,602,659
Permits, licenses and fines	323,220	300,090	346,816
Investment income	95,000	177,950	92,383
Actuarial earnings	-	525,592	452,315
Penalties and interest on taxes	90,000	96,437	92,453
Franchise	120,000	108,003	120,499
Contribution from developers	255,000	291,860	192,153
Development cost charges	-	1,600,000	-
Other	171,192	221,572	148,034
	<u>27,485,852</u>	<u>29,272,901</u>	<u>26,721,299</u>
<b>Expenses</b>			
General government services	1,633,903	1,972,086	1,605,669
Protection services	2,343,975	1,960,836	2,066,593
Transportation services	1,669,851	1,783,594	1,555,675
Environmental services	944,070	962,410	882,549
Health services	79,915	99,679	93,919
Planning and development	622,994	468,854	388,501
Parks and recreation	2,142,105	2,041,416	2,033,916
Water services	2,230,785	2,102,821	2,166,113
Sewer services	991,985	1,075,846	1,042,156
Electrical services	8,772,950	8,592,651	8,232,371
Debt financing	283,250	1,675,291	1,767,473
Amortization (Note 22)	-	3,570,201	3,621,773
Gain on disposal of tangible capital assets	-	(7,520)	(15,409)
	<u>21,715,783</u>	<u>26,298,165</u>	<u>25,441,299</u>
<b>Annual surplus</b>	<b>5,770,069</b>	<b>2,974,736</b>	<b>1,280,000</b>
<b>Accumulated surplus, beginning of year, as previously stated</b>	<b>83,231,557</b>	<b>83,231,557</b>	<b>81,339,376</b>
<b>Prior period adjustment (Note 22)</b>	<b>-</b>	<b>-</b>	<b>612,181</b>
<b>Accumulated surplus, beginning of year, restated</b>	<b>83,231,557</b>	<b>83,231,557</b>	<b>81,951,557</b>
<b>Accumulated surplus, end of year</b>	<b>\$89,001,626</b>	<b>\$ 86,206,293</b>	<b>\$ 83,231,557</b>

**The Corporation of the District of Summerland**  
**Consolidated Statement of Change in Net Financial Liabilities**

<b>For the year ended December 31, 2013</b>	<b>Budget (Unaudited) 2013</b>	<b>2013</b>	<b>2012</b>
<b>Annual surplus</b>	<b>\$ 5,770,069</b>	<b>\$ 2,974,736</b>	<b>\$ 1,280,000</b>
Acquisition of tangible capital assets	(3,660,863)	(4,736,660)	(5,014,758)
Amortization of tangible capital assets	-	3,570,201	3,621,773
Gain on disposal of tangible capital assets	-	(7,520)	(15,409)
Proceeds on sale of tangible capital assets	-	16,900	19,846
	<u>2,109,206</u>	<u>1,817,657</u>	<u>(108,548)</u>
Change in inventory of supplies	-	181,476	(104,110)
<b>Net change in net financial liabilities</b>	<u>2,109,206</u>	<u>1,999,133</u>	<u>(212,658)</u>
<b>Net financial liabilities, beginning of year</b>	<u>(25,690,146)</u>	<u>(25,690,146)</u>	<u>(25,477,488)</u>
<b>Net financial liabilities, end of year</b>	<u><b>\$(23,580,940)</b></u>	<u><b>\$(23,691,013)</b></u>	<u><b>\$(25,690,146)</b></u>

**The Corporation of the District of Summerland  
Consolidated Statement of Cash Flows**

For the year ended December 31, 2013

2013

2012

**Operating transactions**

Annual surplus \$ 2,974,736 \$ 1,280,000

**Items not involving cash**

Amortization 3,570,201 3,621,773  
Gain on disposal of tangible capital assets (7,520) (15,409)  
Landfill closure and post closure costs 28,529 29,516  
Development cost charges recognized as revenue (1,600,000) -  
New capital leases 40,660 188,505

2,031,870 3,824,385

**Changes in non-cash operating balances**

Accounts receivable 78,262 (300,548)  
Land held for resale 307,209 (307,209)  
Deposits paid (51,862) 16,186  
Inventories of supplies 181,476 (104,110)  
Accounts payable and accrued liabilities 756,704 (642,160)  
Deferred revenue 706,701 441,387  
Deposit - Municipal Finance Authority (28,161) (16,942)  
Deposits received 70,498 194,000

2,020,827 (719,396)

7,027,433 4,384,989

**Capital transactions**

Acquisition of tangible capital assets (4,736,660) (5,014,758)  
Proceeds on disposal of tangible capital assets 16,900 19,846

(4,719,760) (4,994,912)

**Investing transactions**

Proceeds on disposal of portfolio investments 1,039,433 -  
Acquisition of portfolio investments (174,220) (102,641)

865,213 (102,641)

**Financing transactions**

Proceeds from issuance of long-term debt 1,000,000  
Repayment of long-term debt (1,768,077) (1,694,600)  
Repayment of obligations under capital lease (254,420) (317,801)

(1,022,497) (2,012,401)

**Net change in cash and cash equivalents**

2,150,389 (2,724,965)

**Cash and cash equivalents, beginning of year**

4,519,199 7,244,164

**Cash and cash equivalents, end of year**

\$6,669,588 \$ 4,519,199

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# The Corporation of the District of Summerland

## Summary of Significant Accounting Policies

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**December 31, 2013**

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<b>Management's Responsibility for the Financial Statements</b>	The consolidated financial statements as at December 31, 2013 are the responsibility of management. They have been prepared in accordance with Canadian Public Sector Accounting Standards for local government using guidelines developed by the Canadian Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The following include significant policies that have been adopted by the Corporation of the District of Summerland (District):
<b>Basis of Consolidation</b>	The consolidated financial statements reflect the assets, liabilities, revenues and expenses of all municipal organizations, committees and boards which are owned or controlled by the District.
<b>Basis of Accounting</b>	The District follows the accrual method of accounting for revenue and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of the delivery of goods or services and/or upon the creation of a legal obligation to pay. Expenses paid in the current period and attributable to a future period are recorded as prepaid.
<b>Cash and Cash Equivalents</b>	Highly liquid investments with maturity of three months or less at acquisition are classified as cash equivalents.
<b>Accounts Receivable</b>	Accounts receivable are net of an allowance for doubtful accounts and therefore represent the amounts expected to be collected.
<b>Portfolio Investments</b>	Portfolio investments are recorded at cost. When, in the opinion of management, there is a decline in the market value, which is other than temporary in nature, investments are written down to their market value.
<b>Inventory</b>	Inventory is valued at the lower of cost and net realizable value. Cost is determined principally on a weighted average and specific item basis, or replacement cost.
<b>Land available for For Resale</b>	Land acquired for future resale and the costs incurred to improve the condition of the property are recorded at the lower of cost and net realizable value.
<b>Deferred Revenue</b>	Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.
<b>Long-term debt</b>	Long-term debt is recorded net of related sinking fund balances.
<b>Tangible Capital Assets</b>	Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded

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# The Corporation of the District of Summerland

## Summary of Significant Accounting Policies

December 31, 2013

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as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Buildings	20 to 50 years
Roads and sidewalks	20 to 50 years
Machinery and equipment	8 to 15 years
Water infrastructure	10 to 80 years
Sewer infrastructure	10 to 50 years
Electric infrastructure	10 to 50 years
Vehicles	6 to 15 years
Furniture and equipment	5 to 10 years
Computer hardware and software	5 to 10 years

**Leased Assets** Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the District, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

**Reserve Funds** Non-statutory reserves represent an appropriation of surplus for specific purposes. Statutory reserves are restricted by the Community Charter and the associated municipal bylaws that established the reserves.

**Collection of Taxes on Behalf of Other Taxation Authorities** The District collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of these entities are not reflected in these consolidated financial statements.

**Trust Funds** Trust funds held by the District, and their related operations, are not included in these consolidated financial statements. The financial activity and position of the trust funds are reported separately.

**Financial Instruments** The District's financial instruments consist of cash and short-term deposits, portfolio investments, accounts receivable, accounts payable and accrued liabilities, and long-term debt. Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

**Government Transfers** Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

**Revenue Recognition** Taxation revenues are recorded on an accrual basis and recognized as



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# The Corporation of the District of Summerland

## Summary of Significant Accounting Policies

**December 31, 2013**

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revenue in the year they are levied.

Charges for electric, sewer and water usage are recorded as user fees when the service or product is provided. Connection fee revenues are recognized when the connection has been established.

Transfers from other governments are recognized as revenue in the period that the transfer is authorized, eligibility criteria, if any, have been met by the District, and a reasonable estimate of the amount to be received can be made.

Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable.

Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.

Sales of service and other revenue is recognized when the service or product is provided.

### **Expenditures**

Expenditures are recognized as they are incurred and measurable based upon the receipt of goods or services and/or the creation of a legal obligation to pay.

### **Use of Estimates**

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring use of management estimates relate to the determination of collectability of amounts receivable, provision for contingencies and tangible capital asset costs and related useful life and amortization expense, deferred charges, expenditures and liabilities related to development and employee benefit plans and landfill closure and post closure costs/liability. Actual results could differ from management's best estimates as additional information becomes available in the future. Adjustments, if any will be reflected in the consolidated financial statements in the period that the change in estimate is made as well as the period of settlement if the amount is different.

### **Work in Progress**

Work in progress represents capital projects under construction but not yet completed and are valued at cost.

### **Budgeted Figures**

The budgeted figures are not subject to audit and are adopted before May 15th of each year.

**The Corporation of the District of Summerland**  
**Notes to Consolidated Financial Statements**

**December 31, 2013**

**1. Nature of Business**

The District is incorporated under the laws of British Columbia and is engaged in the operation of a municipality.

**2. Accounts Receivable**

	<u>2013</u>	<u>2012</u>
Property taxes	\$ 776,649	\$ 627,215
Utilities	1,417,579	1,288,939
Other governments	96,332	471,193
Trade and other	<u>606,625</u>	<u>588,100</u>
	<b>\$ 2,897,185</b>	<b>\$ 2,975,447</b>

**3. Portfolio Investments**

	<u>2013</u>	<u>2012</u>
Bonds	\$ 1,766,727	\$ 2,632,401
Money market funds	72,177	71,344
Other	<u>-</u>	<u>372</u>
	<b>\$ 1,838,904</b>	<b>\$ 2,704,117</b>

The income from portfolio investments for the year was \$174,220 (2012 - \$174,698). The market value of the District's portfolio investments was \$1,838,904 (2012 - \$2,832,877).

**4. Reserve - Municipal Finance Authority**

The District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. The District also executes demand notes in connection with each debenture whereby the District may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature and are not reflected in the accounts. The details of the cash deposits and demand notes at the end of the year are as follows:

	<u>Demand Notes</u>	<u>Cash Deposits</u>	<u>Total</u>
General Fund	\$ 222,621	\$ 92,604	\$ 315,225
Water Fund	567,605	255,003	822,608
Sewer Fund	<u>419,340</u>	<u>258,286</u>	<u>677,626</u>
	<b>\$ 1,209,566</b>	<b>\$ 605,893</b>	<b>\$ 1,815,459</b>

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**The Corporation of the District of Summerland**  
**Notes to Consolidated Financial Statements**

**December 31, 2013**

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**5. Accounts Payable and Accrued Liabilities**

	<u>2013</u>	<u>2012</u>
Trade and other	\$ 2,740,054	\$ 1,985,829
Wages and benefits	775,701	754,480
Due to funds held in trust	<u>372,197</u>	<u>390,939</u>
	<u>\$ 3,887,952</u>	<u>\$ 3,131,248</u>

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**6. Unfunded Liability for Landfill Closure and Post Closure Costs**

	<u>2013</u>	<u>2012</u>
Landfill Closure Costs	\$ 141,932	\$ 122,283
Landfill Post Closure Costs	<u>75,075</u>	<u>66,195</u>
	<u>\$ 217,007</u>	<u>\$ 188,478</u>

In accordance with PS 3270, liabilities with respect to permanently closing and monitoring a landfill are incurred as landfill capacity is used. Landfill closure costs include placing a permanent cover over the face of the landfill. Post closure costs include landfill gas monitoring, leachate collection system operation and general site maintenance for a period of 25 years after the landfill is closed.

Landfill closure costs are estimated based on the unused capacity of the landfill site. In a report dated March 19, 2014, TRUE Consulting has projected the remaining life of the 950,000 m3 of airspace in the landfill to be 53 years, closing in the year 2067. Landfill closure costs are estimated at \$141,932 (2012 – \$122,283). As at December 31, 2013, \$222,652 (2012 - \$187,652) has been set aside in reserves for this purpose. The balance of the landfill closure costs are expected to be funded by a combination of future reserve account contributions.

Post closure costs are estimated to manage the closed landfill for a period of 25 years, the statutory period required by the Province, using a number of factors including the unused capacity of the landfill, the probable closure date, the annual maintenance costs and the present value discount rate. The discount rate is the difference between the long-term Municipal Financing Authority borrowing rate and the current Consumer Price Index. The estimate of the annual costs is \$150,000. Total post closure costs are estimated to be \$75,075 for 2013 (2012 - \$66,195) based on 9% of the landfill capacity used to this date and a 54 year lifespan to 2067 and a discount rate of 2.34%. Post closure costs are expected to be funded by annual budget appropriations in the years in which they are incurred.

**December 31, 2013****7. Deferred Revenue**

	Opening balance	Contributions received	Externally restricted investment income	Revenue recognized	Ending balance
Federal gas tax	\$ -	480,946	7,804	-	\$ 488,750
Development charges	4,425,352	125,265	92,686	(1,600,000)	3,043,303
	<u>\$ 4,425,352</u>	<u>606,211</u>	<u>100,490</u>	<u>(1,600,000)</u>	<u>\$ 3,532,053</u>

Gas tax revenue is provided by the Government of Canada. The use of the funding is established by a funding agreement between the District and the Province of British Columbia. Gas tax funding may be used towards designated community energy, water, wastewater, solid waste and capacity building projects as specified in the funding agreements. The city collects development cost charges to pay for a proportionate share of infrastructure related to new growth. When the related costs are incurred, the development cost charges are recognized as revenue.

**8. Deposits Received**

	2013	2012
Property taxes and business licences	\$ 764,148	\$ 682,544
Other	389,533	400,639
	<u>\$ 1,153,681</u>	<u>\$ 1,083,183</u>

**9. Long-Term Debt**

	2013	2012
Outstanding debt – beginning of year	\$ 28,445,432	\$ 30,140,032
Repayment of debt	(1,242,485)	(1,242,285)
Actuarial reduction of principal	(525,592)	(452,315)
New borrowing	<u>1,000,000</u>	-
Outstanding debt – end of year	<u>\$ 27,677,355</u>	<u>\$ 28,445,432</u>

**The Corporation of the District of Summerland**  
**Notes to Consolidated Financial Statements**

**December 31, 2013**

**9. Long-Term Debt (continued)**

Net long-term debt reported on the statement of financial position is comprised of the following:

Bylaw Number	Purpose	Year Maturing	% Rate	2013 Cash Payments		Balance Outstanding	
				Interest	Principal	2013	2012
<b>General fund</b>							
99-038	Road Improvements	2014	3.150	\$ 31,500	\$ 49,807	\$ 90,970	\$ 177,999
00-083	Road Improvements	2026	5.690	30,500	30,243	518,625	570,350
00-083	Road Improvements	2030	4.500	90,000	67,164	1,790,342	1,862,986
00-399	RCMP Building	2030	4.200	131,250	104,943	2,910,916	3,020,057
	Prairie Valley Road	2018	variable	2,215		1,000,000	-
						<u>6,310,853</u>	<u>5,631,392</u>
<b>Water fund</b>							
99-039	Water works upgrade	2019	3.150	31,500	33,149	404,065	461,581
00-161	Water works upgrade	2025	4.170	250,200	201,490	4,143,421	4,408,569
00-213	Thirsk Dam Expansion	2026	4.660	279,600	201,490	4,408,569	4,663,518
00-195	Water works upgrade	2027	4.820	289,200	201,490	4,663,518	4,908,662
						<u>13,619,573</u>	<u>14,442,330</u>
<b>Sewer fund</b>							
96-043	Sewer Treatment plant land	2016	4.430	44,300	30,243	218,521	284,536
(a) 98-034	Sewer System construction	2023	4.650	418,500	188,572	4,930,885	5,304,244
(a) 99-040	Sewer System construction	2019	3.150	31,500	33,149	404,065	461,581
(a) 00-192	Sewer System construction	2025	4.170	33,360	26,865	552,456	587,809
(a) 00-207	Sewer System construction	2026	4.660	93,200	67,164	1,469,523	1,554,506
(a) 00-192	Sewer System construction	2029	4.130	8,260	6,716	171,479	179,034
						<u>7,746,929</u>	<u>8,371,710</u>
				<u>\$ 1,765,085</u>	<u>1,242,485</u>	<u>\$27,677,355</u>	<u>\$28,445,432</u>

(a) Recovered from specific area taxation

**The Corporation of the District of Summerland**  
**Notes to Consolidated Financial Statements**

**December 31, 2013**

**9. Long-Term Debt (continued)**

Future payments on net outstanding debt for the next five years and thereafter are as follows:

	General Fund	Water Fund	Sewer Fund	Total
2014	\$ 534,337	\$ 855,969	\$ 654,469	\$ 2,044,775
2015	453,645	890,524	685,578	2,029,747
2016	464,361	926,475	718,175	2,109,011
2017	475,535	963,879	672,091	2,111,505
2018	487,185	1,002,795	703,873	2,193,853
2019 and thereafter	3,895,790	8,979,931	4,312,743	17,188,464
	<u>\$ 6,310,853</u>	<u>\$ 13,619,573</u>	<u>\$ 7,746,929</u>	<u>\$ 27,677,355</u>

**10. Obligations under Capital Lease**

	2013	2012
Obligation under capital lease, Prime minus 1%, blended monthly payments of \$713, due May 2018	\$ 36,150	\$ -
Obligation under capital lease, Prime minus 1%, blended monthly payments of \$5,089, due February 2014	7,579	67,835
Obligation under capital lease, Prime minus 1%, blended monthly payments of \$3,678, due November 2015	82,690	124,714
Obligation under capital lease, Prime minus 1%, blended monthly payments of \$9,834, due March 2016	259,593	371,203
Obligation under capital lease, Prime minus 1%, blended monthly payments of \$3,304, due December 2017	152,485	188,505
	<u>\$ 538,497</u>	<u>\$ 752,257</u>

Obligations under capital leases are secured by a sewer flush truck, fire truck, Hyundai loader, Caterpillar loader and a mower. Interest paid relating to the above obligations on capital leases was \$13,426 (2012- \$14,078). The future minimum lease payments for the next five years and thereafter are:

2014	\$ 220,526
2015	206,670
2016	77,706
2017	48,204
2018	3,565
	<u>556,671</u>
Less imputed interest:	<u>(18,174)</u>
	<u>\$ 538,497</u>

**The Corporation of the District of Summerland**  
**Notes to Consolidated Financial Statements**

**December 31, 2013**

**11. Tangible Capital Assets**

								2013	2012	
	Land	Land Improve	Buildings	Machinery and Equipment	Roads and Sidewalks	Water Utility	Sewer Utility	Electric Utility	Total	Total
Cost, beginning of year - restated	\$ 5,803,884	\$ 3,178,669	\$ 12,650,253	\$ 9,363,490	\$ 33,790,387	\$ 46,366,713	\$ 33,621,510	\$ 7,813,862	\$ 152,588,768	\$ 147,807,449
Additions		-	42,951	512,484	1,526,093	716,739	171,547	1,766,846	4,736,660	5,014,758
Disposals	(1,000)	-	-	(18,000)	(160,951)	-	-	(12,457)	(192,408)	(233,439)
Cost, end of year	\$ 5,802,884	\$ 3,178,669	\$ 12,693,204	\$ 9,857,974	\$ 35,155,529	\$ 47,083,452	\$ 33,793,057	\$ 9,568,251	\$ 157,133,020	\$ 152,588,768
Accumulated amortization, beginning of year			\$ 5,227,143	\$ 5,078,758	\$ 14,836,250	\$ 7,832,238	\$ 9,529,046	\$ 2,400,690	\$ 44,904,125	\$ 41,511,354
Amortization			279,021	457,794	831,292	1,065,830	683,535	252,729	3,570,201	3,621,773
Disposals				(18,000)	(159,074)			(5,954)	(183,028)	(229,002)
Accumulated amortization, end of year			\$ 5,506,164	\$ 5,518,552	\$ 15,508,468	\$ 8,898,068	\$ 10,212,581	\$ 2,647,465	\$ 48,291,298	\$ 44,904,125
Net carrying amount, end of year	\$ 5,802,884	\$ 3,178,669	\$ 7,187,040	\$ 4,339,422	\$ 19,647,061	\$ 38,185,384	\$ 23,580,476	\$ 6,920,786	\$ 108,841,722	\$ 107,684,643

The net book value of tangible capital assets not being amortized as they are under construction or development or have been removed from service is \$NIL for 2013 and 2012. Assets held under capital leases of \$1,304,234 (2012 - \$1,251,251) with related accumulated amortization of \$221,105 (2012 - \$146,130) are included in Machinery and Equipment. No contributed infrastructure tangible capital assets were recognized in the consolidated financial statements during the year.

**The Corporation of the District of Summerland**  
**Notes to Consolidated Financial Statements**

**December 31, 2013**

**12. Accumulated Surplus**

The District segregates its accumulated surplus in the following categories:

	<u>2013</u>	<u>2012</u>
Current Funds	4,603,623	3,586,489
Unfunded liability – landfill closure and post closure costs	<u>(217,007)</u>	<u>(188,478)</u>
Net Current Funds	4,386,616	3,398,011
Investment in tangible capital assets	<b>\$ 80,625,870</b>	<b>\$ 78,486,954</b>
Reserve Funds		
Tax Sale	86,453	84,334
Land Sale	211,094	306,820
Capital Works	834,401	901,022
Parking	<u>61,859</u>	<u>54,416</u>
	<b><u>\$ 86,206,293</u></b>	<b><u>\$ 83,231,557</u></b>

The investment in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Reserve funds represent funds set aside by bylaw or council resolution for specific purposes.

**13. Statutory Reserve Funds**

	Opening balance	Contributions received	Investment income	Expenditure	Ending balance
Tax Sale	\$ 84,334	-	2,119	-	\$ 86,453
Land Sale	306,820	2,500	6,427	(104,653)	211,094
Capital Works	901,022	8,081	21,537	(96,239)	834,401
Parking	54,416	6,000	1,443	-	61,859
	<u>\$ 1,346,592</u>	<u>16,581</u>	<u>31,526</u>	<u>(200,892)</u>	<u>\$ 1,193,807</u>



**The Corporation of the District of Summerland**  
**Notes to Consolidated Financial Statements**

**December 31, 2013**

**14. Taxation - Net**

	<u>2013</u>	<u>2012</u>
Property taxes and payments-in-lieu	\$ 9,280,509	\$ 9,101,200
Collections for other governments		
Province of British Columbia - school tax	5,145,335	5,090,898
Regional District	564,543	526,677
Regional Hospital District	617,902	620,653
Municipal Finance Authority	450	460
British Columbia Assessment Authority	142,552	143,718
Okanagan Regional Library	436,804	423,143
	<u>16,188,095</u>	<u>15,906,749</u>
Transfers		
Regional District	564,543	526,677
Province of British Columbia - school tax	5,145,335	5,090,898
Regional Hospital District	617,902	620,653
Municipal Finance Authority	450	460
British Columbia Assessment Authority	142,552	143,718
Okanagan Regional Library	436,804	423,143
	<u>6,907,586</u>	<u>6,805,549</u>
Available for general municipal purposes	<u>\$ 9,280,509</u>	<u>\$ 9,101,200</u>

**15. Government Transfers – Provincial**

	<u>2013</u>	<u>2012</u>
Provincial Transfers		
Small community grants	\$ 235,050	\$ 502,912
Traffic fine revenue sharing	48,954	100,230
Infrastructure grants	886,520	-
Other contributions	39,463	226,933
	<u>\$ 1,209,987</u>	<u>\$ 830,075</u>

**16. Government Transfers – Regional**

	<u>2013</u>	<u>2012</u>
Community Works Fund Grant	\$ -	\$ 340,997
Okanagan Basin Water Board	383,360	401,715
	<u>\$ 383,360</u>	<u>\$ 742,712</u>

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# The Corporation of the District of Summerland

## Notes to Consolidated Financial Statements

December 31, 2013

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### 17. Contingent Liabilities and Commitments

- (a) The District is responsible, as a member of the Regional District of the Okanagan-Similkameen, for its proportion of any operating deficits or long-term debt related to functions in which it participates.
- (b) The District and its employees contribute to the Municipal Pension Plan (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 pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 179,000 active members and approximately 71,000 retired members. Active members include approximately 87 contributors from the Corporation of the District of Summerland.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million 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 Corporation of the District of Summerland paid \$481,945 (2012 - \$472,204) for employer contributions while employees contributed \$407,799 (2012 - \$399,354) to the Plan in fiscal 2013.

- (c) A claim has been filed against the District in relation to claims for loss and compensation arising from a highway widening project undertaken by the District. The District and its lawyers have reviewed the claim and believe that the District did not trespass on the Property and the Plaintiffs have been fully compensated. At the date of the financial statements, neither the outcome nor the potential settlement can be foreseen at this time. No provision has been made in the financial statements.

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### 18. Funds Held in Trust

At the year end, the District held \$969,498 (2012 - \$951,246) in trust. These funds are not included in these consolidated financial statements. Certain assets have been conveyed or assigned to the District to be administered as directed by agreement or statute. The District holds the assets for the benefit of and stand in fiduciary relationship to the beneficiaries. The following trust funds and assets are excluded from the District's consolidated financial statements:

	<u>2013</u>	<u>2012</u>
Summerland scholarship	\$ 30,643	\$ 30,386
Cemetery perpetual care	351,091	348,136
Abernethy memorial	75,259	73,414
Summerland education funding	<u>512,505</u>	<u>499,310</u>
	<u>\$ 969,498</u>	<u>\$ 951,246</u>

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**The Corporation of the District of Summerland**  
**Notes to Consolidated Financial Statements**

**December 31, 2013**

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**19. Expenditures by Object of Expenditure**

	<u>2013</u>	<u>2012</u>
Salaries, wages and employee benefits	\$ 7,184,251	\$ 6,781,690
Contracted and general services	4,184,231	4,220,171
Materials, goods, supplies and utilities	9,613,786	8,999,131
Debt financing	1,675,291	1,767,473
Amortization	3,570,201	3,621,773
Gain on disposal of tangible capital assets	(7,520)	(15,409)
Other	77,925	66,470
	<u>\$ 26,298,165</u>	<u>\$ 25,441,299</u>

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**20. Annual Budget**

The financial statements have included the Annual Budget as approved by Council on May 13, 2013. No amendments subsequent to this date have been included. The following is a reconciliation of the budget presentation required for the financial statements and the annual financial plan bylaw:

Annual Surplus from the 2013 Financial Plan	\$ 5,770,069
Capital Expenditures	(3,660,863)
Principal Repayment of Debt	(2,722,109)
Transfers from Accumulated Surplus	612,903
Net Annual Budget	<u>\$ -</u>

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**21. Comparative figures**

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

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**22. Prior Period Adjustment**

As a result of an error in the calculation of prior period assets and accumulated amortization, the opening balance of the assets was understated by \$1,606,395 and the accumulated amortization was understated by \$835,252 for a net increase in tangible capital assets of \$771,143. The prior year's figures have been corrected to reflect the change and the opening accumulated surplus has been restated to reflect the decrease in earnings due to additional amortization of \$59,174.

As a result of an error in the calculation of prior period landfill closure and post closure costs, the opening balance of financial liabilities was understated by \$158,962. The prior year's figures have been corrected to reflect this change and the opening accumulated surplus has been restated to reflect the decrease in earnings of \$29,516.

The previously issued consolidated financial statements had overstated the current year's financial liabilities by \$2,116,400 and the 2012 balance of financial liabilities by \$2,110,033 and understated accumulated surplus by the same amounts as a result of a calculation error in the landfill closure and post closure liability and costs. The consolidated financial statements have been restated to correct this error.

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# The Corporation of the District of Summerland

## Notes to Consolidated Financial Statements

December 31, 2013

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### 23. Segmented Information

The Corporation of the District of Summerland is a municipal government which provides a wide range of services to the citizens and businesses of Summerland. The District is governed by an elected Council comprised of a Mayor and six Councillors whose authority is set in the Community Charter and Local Government Act. The District's operations and activities are organized and reported by Funds and departments. The General Fund reports on operations, funded primarily by property taxes, which include services provided by the District such as general government services, protective services, transportation services, environmental services, health services planning and developmental services, parks and recreation services. The utility operations are comprised of the water, sewer and electrical systems, and each accounting for its own operations and programs within their own funds. Operating results of the following segments are reported as follows:

*General government services* General government services are comprised of a number of functions including Legislative Services, Corporate Services, and Finance. Legislative Services involves staff working closely with Council and community partners to coordinate the delivery of a wide range of functions and services. Corporate Services is responsible for Information Technology Services and the Human Resources function. Finance is responsible for the collection of tax revenues, utility billing and all treasury and accounting functions. Revenues associated with this segment include all those amounts that cannot be directly attributed to other segments including taxation, grants in lieu, and interest revenue.

*Protective services* include police services under contract with the Royal Canadian Mounted Police, bylaw enforcement and animal control under contract to a third party, emergency measures services, and building inspection. Fire protection is provided by a composite department responsible for fire suppression, fire inspections and public education training.

*Transportation services* include equipment and civic building maintenance, occupational health and safety, and the maintenance of roads, signs, sidewalks, street lighting and storm drains. This segment is also responsible for the planning and implementation of the capital works program for all infrastructure.

*Environmental services* include garbage collection and recycling.

*Health services* include the operations related to cemetery functions.

*Planning and Development services* include all planning and building related process, long range and current planning, land use applications, economic development, and climate action functions.

*Parks and Recreation services* include providing and coordinating leisure and recreational services, and maintaining recreational facilities, parks, and trails.

*Water services* include the operating activities that relate to the treatment, distribution and maintenance of the water system including the Thirsk dam, and water treatment plant.

*Sewer services* include the operating activities that relate to the collection and treatment of wastewater, maintenance of the related equipment including the wastewater treatment plant.

*Electrical services* include the operating activities that relate to power distribution and maintenance of the electrical system and related equipment.

Segmented Expenditures December 31, 2013	General Government	Protective	Transportation	Environmental	Health	Planning & Develop	Parks & Recreation	Water	Sewer	Electrical	Actual	Actual
	Services	Services	Services	Services	Services	Services	Services	Services	Services	Services	2013	2012
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>												
Property Tax	7,095,903	-	-	-	-	-	-	-	-	-	7,095,903	6,925,179
Parcel Tax	-	-	-	-	-	-	-	1,500,240	684,366	-	2,184,606	2,176,021
Government	1,209,987	-	-	-	-	-	-	-	-	-	1,209,987	830,075
Transfers - Provincial Government	-	-	-	-	-	-	-	-	383,360	-	383,360	742,712
Transfers - Regional	-	-	-	-	-	-	-	-	-	-	-	-
User fees, Sales, and Rentals	144,292	-	521,102	475,730	39,230	-	798,102	2,637,444	879,410	9,582,231	15,077,541	14,602,659
Permits, Licenses and Fines	133,421	19,374	-	-	-	147,295	-	-	-	-	300,090	346,816
Investment Income	154,092	-	-	-	-	-	-	11,853	12,005	-	177,950	92,383
Actuarial Earnings	68,383	-	-	-	-	-	-	185,136	272,073	-	525,592	452,315
Penalties and Interest on Taxes	96,437	-	-	-	-	-	-	-	-	-	96,437	92,453
Franchise	108,003	-	-	-	-	-	-	-	-	-	108,003	120,499
Contributions From Developers	-	-	-	-	-	-	-	22,195	6,031	263,634	291,860	192,153
Development Cost Charges	1,600,000	-	-	-	-	-	-	-	-	-	1,600,000	-
Other	139,668	4,108	-	-	-	-	-	17,244	879	59,673	221,572	148,034
	10,750,186	23,482	521,102	475,730	39,230	147,295	798,102	4,374,112	2,238,124	9,905,538	29,272,901	26,721,299
<b>EXPENDITURES</b>												
Labour & Benefits	1,425,240	670,798	984,782	188,086	64,135	341,610	1,299,812	994,279	555,533	659,976	7,184,251	6,781,690
Contracted Services	714,145	1,174,895	470,840	730,039	12,817	102,764	415,950	169,744	154,188	245,216	4,190,598	4,224,752
Materials & Supplies	144,287	113,905	326,260	15,756	22,727	24,480	325,654	921,954	365,304	7,687,459	9,947,786	9,335,131
Administrative Recovery	(334,000)	-	-	-	-	-	-	-	-	-	(334,000)	(336,000)
Debt financing	475,336	-	-	-	-	-	-	672,274	527,681	-	1,675,291	1,767,473
Amortization	1,568,107	-	-	-	-	-	-	1,065,830	683,535	252,729	3,570,201	3,621,773
Gain on Disposal	(7,520)	-	-	-	-	-	-	-	-	-	(7,520)	(15,409)
Other	22,414	1,238	1,712	28,529	-	-	-	16,844	821	-	71,558	61,889
	4,008,009	1,960,836	1,783,594	962,410	99,679	468,854	2,041,416	3,840,925	2,287,062	8,845,380	26,298,165	25,441,299
<b>EXCESS (DEFICIENCY) FOR THE YEAR</b>	6,742,177	(1,937,354)	(1,262,492)	(486,680)	(60,449)	(321,559)	(1,243,314)	533,187	(48,938)	1,060,158	2,974,736	1,280,000