

2020 CCRD Financial Plan Development

Board Meeting Dec 12, 2019

Open for Discussion

- Administration looks forward to Board guidance on :
 - 1) **Apportioned Administration policy and priorities**
 - 2) **Provincial Regional District grant redistribution policy and priorities**
 - 3) **Community works funding allocation policy and priorities**
 - 4) **Overall tolerance for potential tax requisition increase; and**
 - 5) **Prioritization in service delivery and experience should cut in services be necessary in the face of low revenues.**

so that Administration may further revise the draft budget to meet Board expectation for presentation at the February Board meeting; community presentation the last week of February; the first week of March 2020.

For Board Discussion 1 - Tax Requisition 2020

- The estimated tax levy increase in 2020 – 12 %
- The board will have an interest in reducing the tax burden.
This increase will be mitigated either by increasing revenue(user fees and charges, taxation, grants) or by reducing expenses by reducing services, and/or service experience and/or new initiatives.

CENTRAL COAST REGIONAL DISTRICT

TAX REQUISITION SUMMARY BY FUNCTION FINANCIAL PLAN 2020

	DI&OF	B Bella	Upper H	Lower H	Townsite				
	Area A	Area B	Area C	Area D	Area E	Total EA	LSA	Total	%
<u>Administrative Services</u>									
A - General Operations	\$ 118,183	\$ 3,473	\$ 103,304	\$ 58,309	\$ 22,345	\$ 305,614		\$ 305,614	35.9%
B - Grants in Aid	\$ 5,882	\$ 173	\$ 5,141	\$ 2,902	\$ 1,112	\$ 15,210		\$ 15,210	1.8%
C - Feasibility Fund	\$ 3,867	\$ 114	\$ 3,380	\$ 1,908	\$ 731	\$ 10,000		\$ 10,000	1.2%
<u>Development Services</u>									
D - Economic Development	\$ 28,594	\$ 840	\$ 24,994	\$ 14,108	\$ 5,406	\$ 73,942		\$ 73,942	8.7%
E - Land Use Planning	\$ 11,601	\$ 341	\$ 10,141	\$ 5,724	\$ 2,193	\$ 30,000		\$ 30,000	3.5%
F - Valley Street Lighting			\$ 3,312	\$ 1,869	\$ 716	\$ 5,898		\$ 5,898	0.7%
<u>Environmental Services</u>									
G - Solid Waste Management			\$ 61,772	\$ 34,866	\$ 13,362	\$ 110,000		\$ 110,000	12.9%
<u>Leisure Services</u>									
H - Parks & Recreation - Bella Coola			\$ 18,155	\$ 10,247	\$ 3,927	\$ 32,329		\$ 32,329	3.8%
I - Recreation - Denny Island	\$ 4,532					\$ 4,532		\$ 4,532	0.5%
J - Swimming Pool			\$ 37,401	\$ 21,110	\$ 8,090	\$ 66,601		\$ 66,601	7.8%
K - Vancouver Is. Regional Library	\$ 24,114	\$ 709	\$ 21,078	\$ 11,897	\$ 4,559	\$ 62,358		\$ 62,358	7.3%
<u>Protective Services</u>									
L - Emergency Management	\$ 28,741	\$ 845	\$ 25,123	\$ 14,180	\$ 5,434	\$ 74,323		\$ 74,323	8.7%
M - Emergency Management Initiatives						\$ -		\$ -	
N - House Numbering			\$ 620	\$ 350	\$ 134	\$ 1,104		\$ 1,104	0.1%
<u>Transportation Services</u>									
O - Airport - Bella Coola			\$ -	\$ -	\$ -	\$ -		\$ -	0.0%
P - Airport - Denny Island	\$ 9,973					\$ 9,973		\$ 9,973	1.2%
<u>Local Area Services (LSA)</u>									
Q - Fire Protection (Area E+)							\$ 36,385	\$ 36,385	4.3%
R - Street Lights (Area E)							\$ 13,589	\$ 13,589	1.6%
TOTAL (2020)	235,487	6,494	314,421	177,471	68,011	801,884	49,974	851,858	100.0%
Current % of Total Tax Levy	29.4%	0.8%	39.2%	22.1%	8.5%	100.0%			
Last Year (2019)	202,221	5,492	283,651	159,506	61,417	712,287	47,974	760,261	Increase
Last year % of Total Tax Levy	28.4%	0.8%	39.8%	22.4%	8.6%	100.0%			12.0%

For Board Discussion 1 - Tax Requisition 2020

▪ Tax Requisition By Function 2019 – 2020

Canada Inflation Rates : 2.0 %

Local Services	2020	2019	\$ Increase	% Increase	Comments
Airport – Denny Island	9,973	9,973	0.00	0.00%	
Fire Protection – Bella Coola	36,385	34,385	2,000	5.8 %	
House Numbering – Bella Coola	1,104	1,104	0.00	0.0%	
Parks & Recreation – Bella Coola	32,329	32,329	0.00	0.0 %	
Recreation – Denny Island	4,532	4,532	0.00	0.0 %	
Swimming Pool – Bella Coola	66,601	63,430	3,171	5.00 %	
Solid Waste Management – Bella Coola	110,000	109,908	92.00	0.1 %	
LSA Townsite Street Lights	13,589	13,589	0.00	0.1 %	
Valley Street Lights – Bella Coola	5,898	5,898	0.00	0.0 %	

Regional Services	2020	2019	\$ Increase	% Increase	Comments
Economic Development	73,942	31,613	42,329	133.9 %	Assume carry forward surplus is 0. Added provision for Ocean Falls Revitalization Committee and Project Management Fees.
Emergency Management	74,323	52,783	21,540	40.8 %	Assume carry forward surplus is 29,000. Communication Cost – Voyant Alert System
Feasibility Studies	10,000	0	10,000	100.0 %	Denny Island Fire Protection / Ice Rink Feasibility Studies
Grant in Aid	15,210	15,210	0.00	0.0 %	
Vancouver Regional Library	66,596	62,358	4,238	6.4%	
Planning(Land Use)	30,000	15,000	15,000	100.0 %	House Needs Assessment
General Operations	305,614	303,911	1,703	0.6 %	

For Board Discussion 2 – CWF Financial Plan 2020-2024

Community Works Fund Financial Plan 2020-2024

	2020	2021	2022	2023	2024
Balance at Dec 31, 2017	220,605				
2018 Surplus	97,669				
2019 Surplus Estimated	<u>274,872</u>				
Estimated carry fwd surplus	<u>593,146</u>				
Carry Forward Surplus	593,146	313,478	517,368	721,258	934,400
Revenue (UBCM Gas Tax Agr)	<u>194,832</u>	<u>203,890</u>	<u>203,890</u>	<u>213,142</u>	<u>-</u>
	<u>787,978</u>	<u>517,368</u>	<u>721,258</u>	<u>934,400</u>	<u>934,400</u>
Expenditures:					
<u>Denny Island Water</u>	240,000				
<u>Centennial Pool Renewal</u>	150,000	150,000			
<u>Solid Waste Management</u>					
Free Store:	125,000				
Forklift	12,500				
Warehouse shelving/pallet	15,000				
Green Bins	12,000				
Fencing	10,000				
Septic System	20,000				
<u>Solid Waste Management Plan</u>					
Devel, Ops & Closure Plan	75,000				
Landfill Conformance Review	20,000				
<u>Denny Island Airport</u>					
Terminal Bldg/hangar per board	-				
<u>Parks & Recreation - BC</u>					
Electrical shed at Arena <u>(carry over from prior year)</u>	10,000				
<u>Asset Management Planning</u>					
Incl Asset retirement Obligat	25,000	25,000	25,000	25,000	25,000
Total Expenditures	<u>474,500</u>				
Surplus to carry forward	<u>313,478</u>	<u>517,368</u>	<u>721,258</u>	<u>934,400</u>	<u>934,400</u>

Denny Island Water

SPF Grant : 1,495,500

SD 49 Contribution : 700,000

CCRD Contribution : 240,000

(Total Project Cost: 2,435,500)

Centennial Pool Renewal

SPF Grant : 2,700,000

NDIT Grant : 250,000

CCRD Contribution : 109,400

(Total Project Cost: 3,059,400)

Source TBD

1) Seek other grants

- Solid Waste Management
- Capital Works(Septic System)
- Free Store

2) Unknown

- Denny Island Terminal Building/Hagar per board

Asset Management Planning

▪ Where we are at?

▪ **Asset Retirement Obligations**

Section PS 380, Asset Retirement Obligations, was issued by PSAB August 2018. It is effective for fiscal years beginning on or after April 1, 2021, which means March 31, 2022 and December 31, 2022 will be the first year ends impacted.

For Policy Discussion 1 – Apportioned Administration

Policy F-5 Administration Cost Recovery from Services (aka Apportioned Administration)

December 12, 2019

For Board discussion

	2019 Budget	% of Expense	2020 Budget (preliminary)	% of Expense	Variance	Comments on Variance
<u>Electoral Area Services (Expense)</u>						
Airport - Bella Coola	102,520	20	58,948	19	(43,752)	<ul style="list-style-type: none"> ▪ Airport-Bella Coola There will be a \$54,000 shortfall in other revenue from timber sales. The shortfall of revenue will affect apportioned administration. ▪ Planning(Land Use) Apportioned Administration will be increased due to Housing Needs Assessment Project.
Airport - Denny Island	2,934	8	2,934	15		
Fire Protection Bella Coola	13,608	13	13,608	16		
House Numbering - Bella Coola	1,104	100	1,104	100		
Parks & Recreation - Bella Coola	17,431	13	17,431	22		
Recreation - Denny Island	3,106	11	3,106	10		
Swimming Pool - Bella Coola	65,417	6	65,417	4		
Solid Waste Management - Bella Coola	82,683	26	82,683	11		
LSA Townsite Street Lights	3,190	21	3,190	21		
Valley Street Lights - Bella Coola	1,104	18	1,104	18		
Waterworks - Bella Coola	12,070	21	12,070	17		
Add: Denny Island Waterworks TBD						<p>For Discussion</p> <ul style="list-style-type: none"> ▪ Please note that there are no charges to the Community Works Fund or Grant in Aid. General Operations must absorb those costs. ▪ Denny Island Waterworks An administration cost for the proposed construction in 2020 has not yet been provided.
	305,167		261,595		(43,752)	
<u>Regional Services</u>						
Economic Development	27,115	7	27,115	14		
Emergency Management	60,948	53	60,948	57		
Vancouver Regional Library	943	1	943	2		
Planning (Land Use)	8,453	22	40,000	40	31,547	
	97,459		129,006		31,547	
Total Apportioned Administration (Shown as Revenue in General Ops)	402,626	45	390,601	42	(12,205)	

- Regional District Basic Grants : The regional district basic grant is an unconditional grant for regional districts to assist with administration costs.
(\$200,000 annually provided by the Province)

1) Status Quo – Distribution by Service 2019 and 2020

Local Services	\$\$\$	% of total
Airport - Bella Coola	7,352	3.7
Airport - Denny Island		
Fire Protection Bella Coola		
House Numbering - Bella Coola		
Parks & Recreation - Bella Coola	7,177	3.6
Recreation - Denny Island	1,667	0.8
Swimming Pool - Bella Coola	66,242	33.1
Solid Waste Management - Bella Coola	56,877	28.4
LSA Townsite Street Lights		
Valley Street Lights - Bella Coola		
Waterworks - Bella Coola		
Add: Denny Island Waterworks TBD		
Subtotal	139,315	69.7
Regional Services		
Economic Development	1,605	0.8
Emergency Management	3,925	2.0
Feasibility Studies		
Grant in Aid		
Vancouver Regional Library		
Planning (Land Use)		
General Operations	55,155	27.6
Subtotal	60,685	30.3
Total annual contribution	200,000	100.0

For Policy Discussion 2 – Regional District Basic Grants

2) Consider redistribution of Regional District Grant as revenue in General Operations only.

▪ Impact

Overall, no change in total tax levy.

Tax levy would be increased in all functions and services currently benefitting from the current redistribution of the regional district basic grant; the tax levy would be decreased in General Operations:

<u>Electoral Area Services</u>	<u>Current \$\$</u>	<u>Redistributed</u>	<u>Variance</u>	<u>Tax Limit</u>
Airport - Bella Coola	-	7,352	7,352	
Airport - Denny Island	9,973	9,973		
Fire Protection Bella Coola	36,385	36,385		
House Numbering - Bella Coola	1,104	1,104		
Parks & Recreation - Bella Coola	32,329	39,506	7,177	
Recreation - Denny Island	4,532	6,199	1,667	
Swimming Pool - Bella Coola	66,601	132,843	66,242	130,966
Solid Waste Management - Bella Coola	110,000	166,877	56,877	130,966
LSA Townsite Street Lights	13,589	13,589		
Valley Street Lights - Bella Coola	5,898	5,898		
Waterworks - Bella Coola				
Add: Denny Island Waterworks TBD				
Total electoral area services	280,411	419,726	139,315	
<u>Regional Services</u>				
Economic Development	73,942	75,547	1,605	
Emergency Management	74,323	78,248	3,925	
Feasibility Studies	10,000	10,000		
Grant in Aid	15,210	15,210		
Vancouver Regional Library	62,358	62,358		
Planning (Land Use)	30,000	30,000		
General Operations	305,614	160,769	(144,845)	
Total Regional services	571,447	432,132	(139,315)	
Total Tax Levy	851,858	851,858	-	

* **Note:** For discussion purposes only.

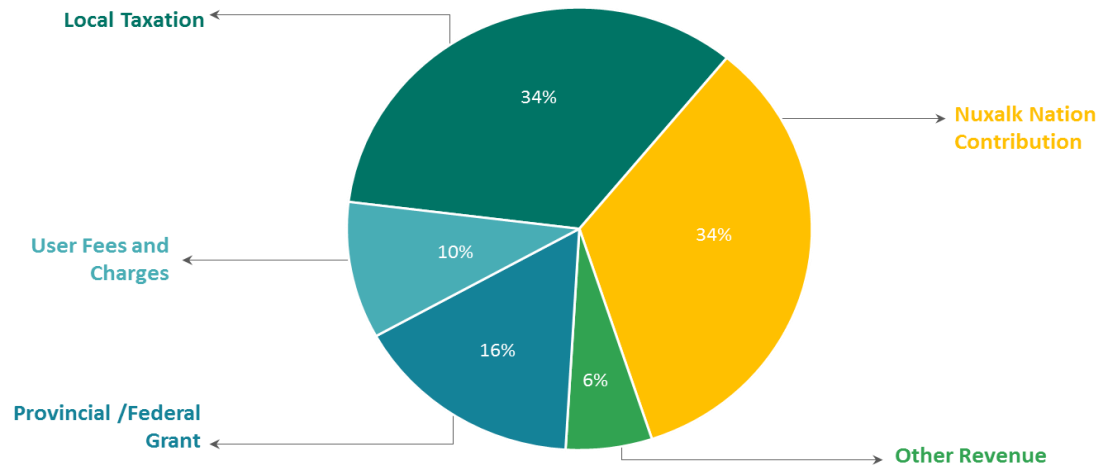
This hypothetical redistribution presumes no further adjustment to apportioned administration, no reduction in overall tax levy increase, nor correction to 2020 surplus forward once year end accounting is complete.

Tax limits would exceed the maximum allowed for in the establishing bylaw.

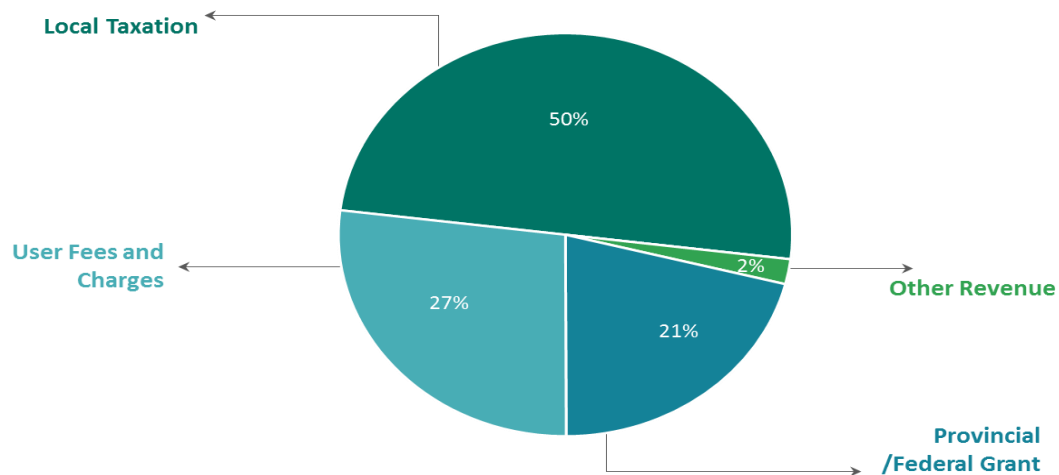
For Policy Discussion 2 - To Discuss Further

Revenue Source of Solid Waste Management/ Swimming Pool – Bella Coola

1) Solid Waste Management (2016-2019 Avg)



2) Swimming Pool – Bella Coola (2016-2019 Avg)



- Administration looks forward to Board guidance on :
 - 1) **Apportioned Administration policy and priorities**
 - 2) **Provincial Regional District grant redistribution policy and priorities**
 - 3) **Community works funding allocation policy and priorities**
 - 4) **Overall tolerance for potential tax requisition increase; and**
 - 5) **Prioritization in service delivery and experience should cut in services be necessary in the face of low revenues.**

so that Administration may further revise the draft budget to meet Board expectation for presentation at the February Board meeting; community presentation the last week of February; the first week of March 2020.

- The following phases of the financial process will be guided by the board's strategic planning session and priority setting.

Staff will continue the development of the financial plan for the next presentation in February 2020.

In the meantime, we will continue to seek grant funding, refine and reduce expenditures and forecast for the years

2021-2024 as required by the *Local Government Act*.