



Central Coast

REGIONAL DISTRICT

That we may be good people together

2023 Preliminary Budget

2023 BUDGET FOUNDATIONS

Existing CCRD Services

Maintaining legislative compliance in all aspects of CCRD's governance and service delivery

The Board's direction from Committee of The Whole budget meetings in November and February

Budget Challenges

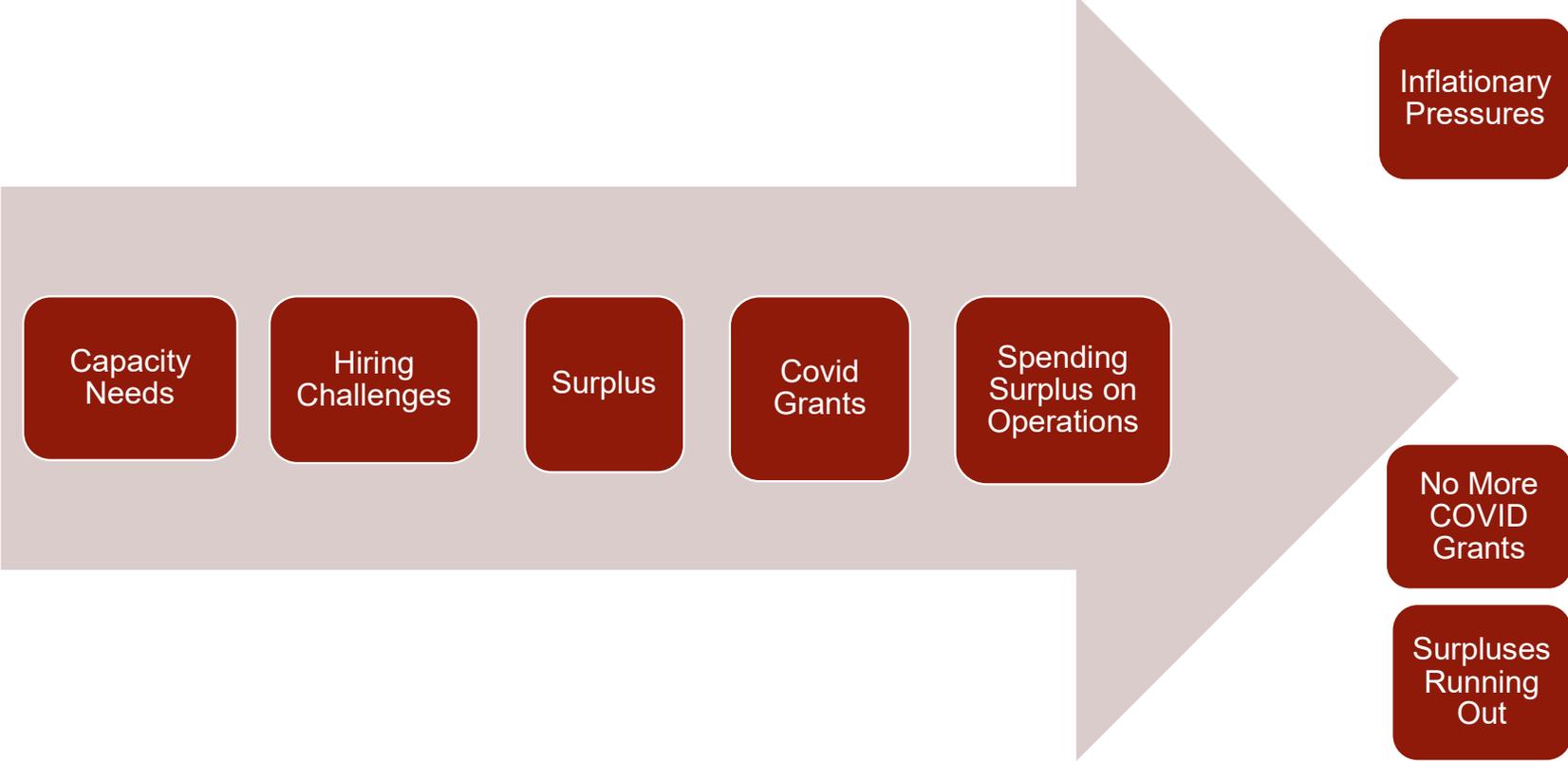
Hiring

Grants

Surplus

Inflation

Grants, Hiring & Surplus Cycle



Structural and Operational Challenges

Requisition Limits

- Some services are at or near the requisition limits
- Even with the adjustments to apportioned administration
- Surplus (savings) used to balance budgets are running out

Legislative Requirements

- New Operating Certificate, Asset Retirement Obligation, Accessibility Committee, etc.
- No viable asset management program

Apportioned Administration

- Putting additional strain on the services
- Making some services unfeasible, more going to Apportioned Administration than being used by the service.

The Board Direction on Key Areas

Apportioned Administration

- Restructure or return costs to the services.

Surplus

- Use Surplus on Operational Costs.
- Save Surplus and put towards Contingency and Asset Replacement.
- Note: When surplus is removed (savings or spending) the amount will need to come from somewhere.

Service Goals & Taxes

- The goals, service levels and service delivery methods.
- Taxation and service goals are linked.

Use of Surplus to Balance General Operations Budget

Year	Surplus	Percentage
2018	\$203,512	22%
2019	\$36,593	4%
2020	\$101,355	10%
2021	\$434,328	28%
2022	\$392,129	25%

Use of Surplus to Balance All Services

Year	Surplus	Percentage
2018	\$476,398	9%
2019	\$414,244	7%
2020	\$484,808	5%
2021	\$908,383	7%
2022	\$885,577	6%

Budget Highlights

The Board Decision on Surplus



USE IT



SAVE IT



USE SOME

Recommendations from Organizational Review in 2022



Restructuring Apportioned Administration



To downgrade positions: Corporate Officer to Deputy Corporate Officer and Operations Technician to Operations Coordinator. Resulting in a savings of \$35,000.



Update and modernize our budget preparations, practices and procedures.

Apportioned Administration Impact on Services

Bella Coola Airport – 5 year’s Revenue and Expenditure

	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals	Estimated 2022
Income					
Total User Fees and Charges	225,880	245,797	122,741	134,911	184,610
Grant Funding	402,331	143,440	4,532	237,191	408,392
Misc Revenue		54,497			
Total Income	628,211	443,734	127,273	372,102	593,002
Expenses					
Apportioned Administration fees	26,620	102,520	85,715	133,000	114,856
Operating Expenditure	106,173	150,036	106,180	114,084	126,731
Capital Works	428,996	126,015	0	8,738	4,623
Grant Funding Project	285	3,633	856	0	414,895
Asset Replacement Fund Contribution	12,000	12,000	20,000	5,000	5,000
Total Expense	574,074	394,204	212,751	260,822	666,105

The table highlights the challenge of the degree of allocation that that Apportioned Administration has become.

Organization grew in 2019, 2020, and 2022.

Apportioned Administration Impact on Services

Solid Waste Management – 5 year’s Revenue and Expenditure

	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals	Estimated 2022
Income					
Total Local Taxation	108,045	109,908	124,142	130,996	153,546
Nuxalk Natlon Contribution	105,000	108,000	105,000	105,000	105,000
Recycling Program	10,529	14,595	17,147	22,107	20,783
Total User Fees and Charges	31,670	28,361	28,931	76,190	70,177
Provincial Basic Grant	46,677	56,877	28,439	28,439	14,220
Grant Funding	3,510				
Total Income	305,431	317,741	303,659	362,732	363,726
Expense					
Apportioned Administration fees	66,000	82,683	79,004	95,678	101,176
Operating Expenditure	160,192	172,463	168,491	185,078	195,339
Capital Works	41,639	7,399	-	7,697	-
Grant Funding					
Project					
Landfill Post Closure Reserve	30,000	30,000	30,000	80,261	70,000
Asset Replacement Fund					
Contribution	9,424	9,424	9,424	9,424	0
Total Expense	307,255	301,969	286,919	378,138	366,515

Budget Deficit - Landfill post closure liability

-1,637,339

The table shows that apportioned administration charges are limiting the ability of key services to meet their legislative requirements by pushing them close to their requisition limits.

The external consultant’s long term viability report for SWM states that

“Apportioned administration is among the highest cost of all operating and maintenance expenditures in the Solid Waste Management annual budget for 2022”

Apportioned Administration Impact on Services

Swimming Pool – 5 year’s Revenue and Expenditure

	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals	Estimate d 2022
Income					
Total Local Taxation	47,257	63,430	82,192	95,257	168,000
Total Provincial/Federal Grants	12,474	74,970	281		
Grants - Other				2,000	
Counter Sales	2,831	1,910	1,040	1,584	514
Total User Fees and Charges	32,173	26,944	19,475	25,717	18,461
Misc Revenue	39	400	10	62	23
Total Income	94,774	167,654	102,998	124,620	186,998
Expense					
Apportioned Administration fees	9,317	65,417	31,644	35,000	82,505
Operating Expenditure	84,011	73,815	68,275	115,817	65,958
Capital Works	1,225				
Grant Funding Projects					
Asset Replacement Fund	5,400	6,000	6,000	6,000	6,000
Total Expense	99,953	145,232	105,919	156,817	154,463

In 2022, the Pool Commission requested to be dissolved and replaced with an advisory committee.

At the Nov. 28th Special Budget Meeting the board directed administration to seek an external operator. The proposals were due Feb 10.

In 2022, the service 100% administered by in-house staff in the absence of Swimming Pool Commission

Apportioned Administration Impact on Services

General Operations – 5 year’s Revenue and Expenditure

	2018	2019	2020	2021	2022
	Actuals	Actuals	Actuals	Actuals	Estimated
Income					
Total Local Taxation	286,897	303,911	222,689	212,285	162,000
Apportioned Administration Fees	198,420	402,626	496,298	559,565	744,284
Provincial/Federal Grants	42,734	101,612	382,569	110,364	147,106
Reginal Hospital District	13,500	13,500	13,500	13,500	13,500
Provincial Basic Grant	111,123	55,155	151,270	146,657	224,780
Grants - Other		21,611			
Misc Revenue	10,427	20,216	21,060	33,965	69,712
Total Income	663,101	918,631	1,287,386	1,076,336	1,361,382
Expense					
Operating Expenditure	801,407	793,727	812,308	954,218	1,114,410
Capital Works	8,297	81,531	15,879	159,316	26,271
Grant Funding Project					30,182
Asset Replacement Fund Contribution	3,500	3,500	3,500	5,000	5,000
Budget Surplus end of year		39,874	455,699		
Total Expense	813,204	918,632	1,287,386	1,118,534	1,175,863

Budget Highlight: Changes to Apportioned Administration Cost Allocation

At the November 28th Special Meeting the Board directed Administration to draft the 2023 Budget with the Recommendation from the Organization Review on restructuring Apportioned Administration.

Resulted in certain costs core to the functions of government being removed from the services and shared equally by all electoral areas by assessed value. This is a common practice in regional districts across the province and recommended by the organization review.

This change will result in a drop in charges to the services and an increase in general government taxation. This would be a one-time alignment.

Comparison 2023 Draft AppORTioned Administration cost to 2022

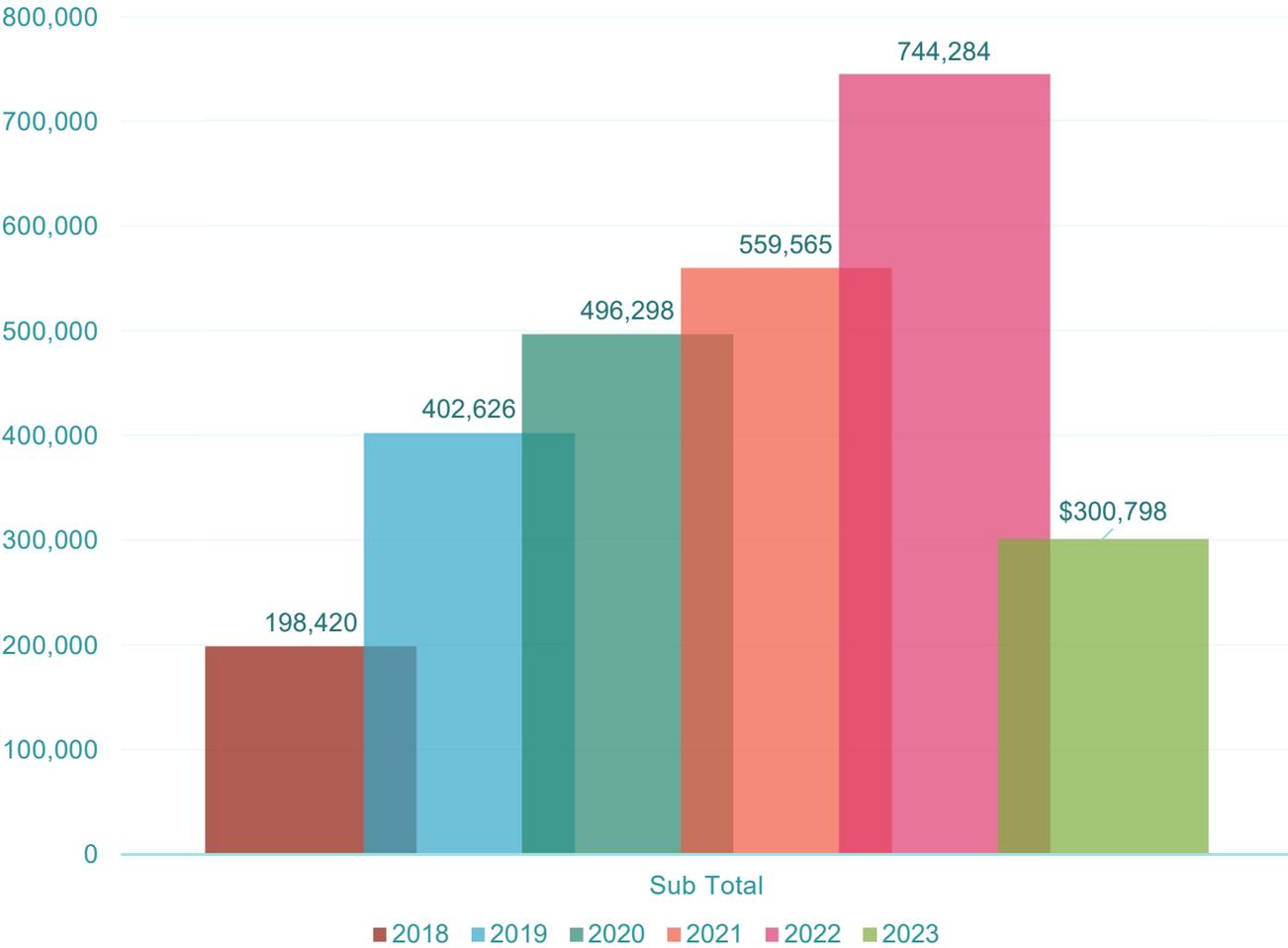
		Proposed 2023	Approved 2022	Variance Amount	Variance %
1	General Operations Amin - 200	\$387,649	\$441,363	-\$53,714	-12.17%
2	BC Airport-210	\$65,386	\$114,856	-\$49,470	-43.07%
3	Solid Waste Management -220	\$42,996	\$101,176	-\$58,180	-57.50%
4	Swimming Pool-240	\$42,023	\$82,505	-\$40,482	-49.07%
5	Econ. Dev-280	\$19,826	\$37,300	-\$17,474	-46.85%
6	Emergency Mgmt - 260	\$31,461	\$113,274	-\$81,813	-72.23%
7	Parks & Rec BC -270	\$5,958	\$33,893	-\$27,935	-82.42%
8	Library-400	\$1,000	\$2,501	-\$1,501	-60.02%
9	Street Lights-320 Down town (El Area	\$1,000	\$9,733	-\$8,733	-89.73%
10	DI Airport-340	\$1,120	\$1,662	-\$542	-32.61%
11	Fire Protection-300	\$10,814	\$15,971	-\$5,157	-32.29%
12	Valley St. Lights-420	\$1,000	\$5,740	-\$4,740	-82.58%
13	House Numbering-440	\$1,000	\$2,529	-\$1,529	-60.46%
14	DI Recreation.Com-230	\$1,000	\$995	\$5	0.50%
15	DI Water - 370	\$2,972	\$14,732	-\$11,760	-79.83%
16	Water Oper BC - 310	\$16,647	\$52,246	-\$35,599	-68.14%
17	Land Use Planning-250	\$1,537	\$60,138	-\$58,601	-97.44%
18	Feasibility Studites - 290	\$1,000	\$6,977	-\$5,977	-85.67%
19	Grant-in-Aid - 380	\$2,000	\$2,000	\$0	0.00%
20	Hagensborg Waterworks-460	\$39,517	\$72,161	-\$32,644	-45.24%
21	Hagensborg FireDepartment-470	\$12,541	\$13,895	-\$1,354	-9.74%
	Total	\$688,447	\$1,185,647	-\$497,200	-41.93%
	Total AppORTioned Administration	\$300,798	\$744,284	-\$443,486	-59.59%

Absorbed by the general operations budget

A minimum charge of \$1,000 will be applied to every service to support the general operations costs.

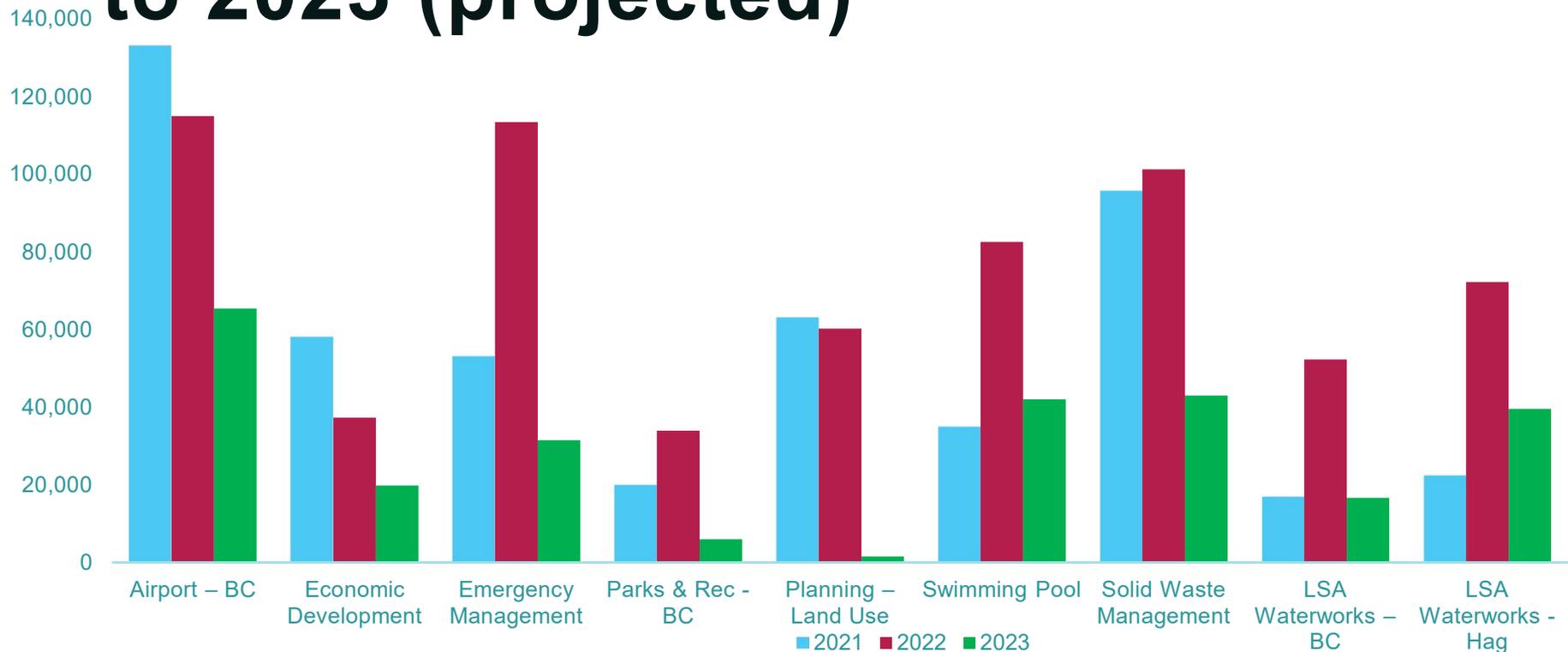
The cost to allocate

Cost Comparison of Apportioned Administration 2018 - 2023



\$443,486 of core government functions and positions removed from AA for 2023.

Cost comparison of Apportioned Administration on Key Services 2021 to 2023 (projected)

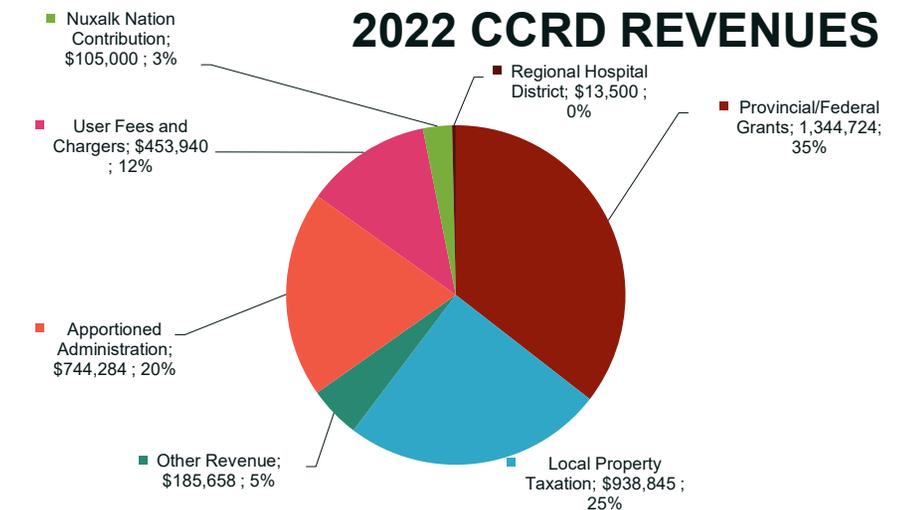
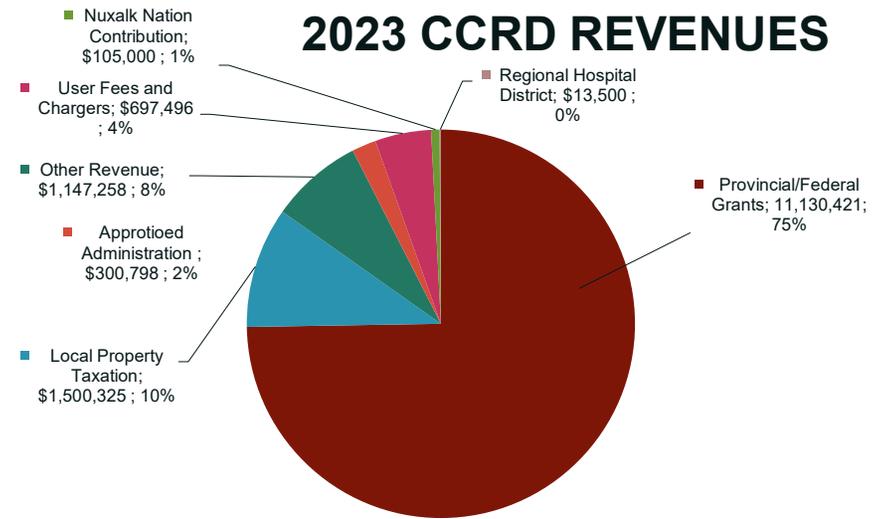




- **Update Policy F-5: Administration Cost Recovery From Services.**
- **Board to set policy direction on budget surpluses for future budget preparation.**

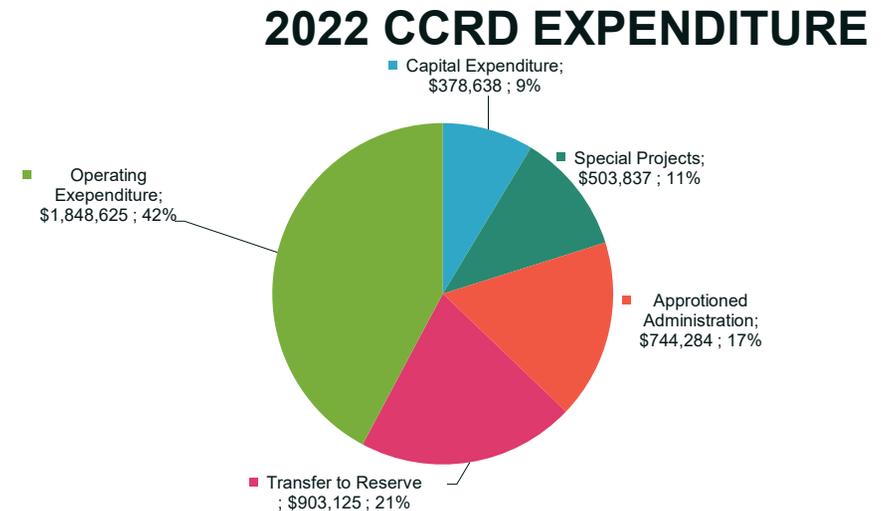
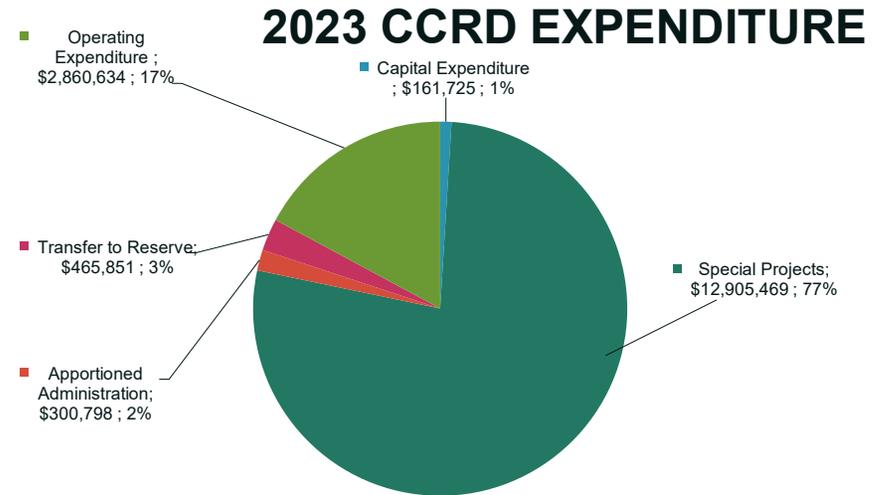
2023 Revenue Summary (where the money is coming from)

Revenue Source	2023 Draft Budget	2022 Draft Revenue
Apportioned Administration	\$300,798	\$744,284
Provincial/Federal Grants	\$11,130,421	\$1,344,724
Local Property Taxation	\$1,500,325	\$938,845
Other Revenue	\$1,147,258	\$185,658
User Fees and Chargers	\$697,496	\$453,940
Nuxalk Nation Contribution	\$105,000	\$105,000
Regional Hospital District	\$13,500	\$13,500
Total Revenues	\$14,894,798	\$3,785,951



2023 Expenditure Summary (where the money is going)

Expenditure Source	2023 Draft Budget	2022 Draft Expenditure
Apportioned Administration	\$300,798	\$744,284
Capital Expenditure	\$161,725	\$378,638
Special Projects	\$12,905,469	\$503,837
Transfers to Reserve	\$465,851	\$903,125
Operating Expenditure	\$2,860,634	\$1,848,625
Total Expenditure	\$16,694,477	\$4,378,509



2023 CCRD Capital Expenditure

Project	Service	Amount
Terminal Roof Replacement (community works fund)	Denny Island Airport	\$40,000
Replacement of the canopy over the side entrance	Bella Coola Fire Protection	\$2,500
Fix Backstop	Bella Coola Parks and Recreation	\$4,000
Big Cedar Road Repair	Bella Coola Parks and Recreation	\$9,000
Fence Upgrade on the softball field at Walker Island Park (MIABC Risk Management Grant)	Bella Coola Parks and Recreation	\$7,225
Potential new 1.5" water service line installation	Hagensborg Waterworks	\$4,000
Trash Pump	Hagensborg Waterworks	\$5,000
Local contribution to RATI Project - Airport terminal renovations	Bella Coola Airport	\$3,000
Furnace Replacement (community works fund)	Swimming Pool	\$15,000
Replacing pool pump	Swimming Pool	\$3,000
Main Office Renovation (carried over from 2022)	General Operations	\$27,000
Airport Office Renovation	General Operations	\$10,000
Microsoft 365 conversion (carried over from 2022)	General Operations	\$20,000
New Tech Supplies	General Operations	\$12,000

**ASSESSED
VALUE**

×

**PROPERTY
TAX RATE**

=

**PROPERTY
TAXES**

Received in January
BC Assessment
(BCA)

Spring
Set by
Taxing Authority

Due 1st Business
Day July*
Taxpayer

‘Property tax’?

What is a 'requisition'?



The regional district reviews existing services established either by legislation or bylaw



A yearly budget is created for how much money we think we need to operate each of our services



We do a public consultation process to have our constituents review and give feedback on that budget



Then we submit the total to the province, who collects property taxes every year



They collect some for the province and some for the improvement district and some on CCRD's behalf



Then they provide that "requisition" to us in August

Converted Values by Property Class 2023

CENTRAL COAST REGIONAL DISTRICT
 CONVERTED VALUES BY PROPERTY CLASS
 FINANCIAL PLAN 2023

PROPERTY CLASS	Area A	Area B	Area C	Area D	Area E	Total	%	Last Year %
01 Residential	5,782,130	248,940	12,206,465	6,596,090	1,255,680	26,089,305	70.1%	67.4
02 Utilities	3,662,960	57,960	291,025	130,830	38,990	4,181,765	11.2%	12.5
04 Major Industry			149,940			149,940	0.4%	0.5
05 Light Industry	621,044		38,896	34,408	30,124	724,472	1.9%	2.3
06 Business/Other	2,973,624	172	692,970	730,627	1,172,865	5,570,258	15.0%	15.7
07 Managed Forest	45,000		210,000	71,790		326,790	0.9%	1.1
08 Recreation/Non Profit	83,240		48,830	28,519		160,589	0.4%	0.5
09 Farm	965		14,983	12,764		28,712	0.1%	0.0
TOTAL	13,168,963	307,072	13,653,109	7,605,028	2,497,659	37,231,831	100	100
% of Total	35.4%	0.8%	36.7%	20.4%	6.7%	100.0%		
Last Year (2022)	11,896,044	271,159	11,115,459	6,086,292	2,228,259	31,597,213		
% of Total	37.6%	0.9%	35.2%	19.3%	7.1%	100.0%		
Increase/decrease	1,272,919	35,913	2,537,650	1,518,736	269,400	5,634,618		
%	10.7%	13.2%	22.8%	25.0%	12.1%	17.8%		

Prepared: Finance
 16-Jan-23

Converted Values are obtained from BC Assessment Authority and are dated Dec 06, 2022.
 For the initial presentation, we are assuming no change in assessments.

Please note: BC Assessment will release updated figures for 2023 at the end of March. These values are based on BC Assessment's 2023 completed statutory report for 2023.

**PROPOSED 2023
REQUISITION
(TAX LEVY) FOR
REGIONAL FUNCTIONS**

	% change	\$ change	Proposed 2023	2022
Economic Development	↑371%	\$78,185	\$99,246	\$21,061
Emergency Management	↓40%	-\$28,334	\$43,066	\$71,400
Feasibility Studies	↑100%	\$26,000	\$26,000	\$0
General Operations	↑325%	\$526,001	\$688,001	\$162,000
Grants in Aid	↓ 5%	-\$1,279	\$24,090	\$25,369
Library (VIRL)	↓ 10%	-\$6,705	\$63,283	\$69,988
Planning	↓45%	-\$24,728	\$29,731	\$54,459
Total Regional Functions	141%	\$569,140	\$973,417	\$404,277

**PROPOSED 2023
REQUISITION FOR
SUB REGIONAL
FUNCTIONS
(AREA SPECIFIC
SERVICES)**

	% change	\$ change	Proposed 2023	2022
Airport – Bella Coola	0%	\$0	\$0	\$0
Airport – Denny Island	0%	\$0	\$6,973	\$6,973
Denny Island Recreation	↑100%	\$5,000	\$5,000	\$0
Fire LSA – Bella Coola	↑42%	\$14,944	\$50,704	\$35,760
Fire – Hagensborg	↓ 54%	-\$47,794	\$40,000	\$87,794
House Numbering	↑100%	\$2,500	\$2,500	\$0
Parks and Recreation- Bella Coola	↑18%	\$5,778	\$38,107	\$32,329
Solid Waste Management	↑17%	\$26,138	\$179,684	\$153,546
Street Lighting- Bella Coola Valley	↓ 34%	-\$3,703	\$7,214	\$10,917
Street Lighting LSA –	↑ 2%	\$243	\$13,243	\$13,000
Swimming Pool	↓ 6%	-\$10,767	\$157,233	\$168,000
Total of Sub-regional and LSA	↓ 2%	-\$7,661	\$500,658	\$508,319

CENTRAL COAST REGIONAL DISTRICT
TAX REQUISITION SUMMARY BY FUNCTION
FINANCIAL PLAN 2023

	Area A	Area B	Area C	Area D	Area E	Total EA	LSA	Total	%
<u>Administrative Services</u>									
A - General Operations	\$ 243,347	\$ 5,674	\$ 252,294	\$ 140,532	\$ 46,154	\$ 688,001		\$ 688,001	46.7%
B - Grants in Aid	\$ 8,521	\$ 199	\$ 8,834	\$ 4,921	\$ 1,616	\$ 24,090		\$ 24,090	1.6%
C - Feasibility Fund	\$ 9,196	\$ 214	\$ 9,534	\$ 5,311	\$ 1,744	\$ 26,000		\$ 26,000	1.8%
<u>Development Services</u>									
D - Economic Development	\$ 35,103	\$ 819	\$ 36,394	\$ 20,272	\$ 6,658	\$ 99,246		\$ 99,246	6.7%
E - Land Use Planning	\$ 10,516	\$ 245	\$ 10,903	\$ 6,073	\$ 1,994	\$ 29,731		\$ 29,731	2.0%
F - Valley Street Lighting			\$ 4,146	\$ 2,309	\$ 758	\$ 7,214		\$ 7,214	0.5%
<u>Environmental Services</u>									
G - Solid Waste Management			\$ 103,269	\$ 57,523	\$ 18,892	\$ 179,684		\$ 179,684	12.2%
<u>Leisure Services</u>									
H - Parks & Recreation - Bella Coola			\$ 21,901	\$ 12,199	\$ 4,007	\$ 38,107		\$ 38,107	2.6%
I - Recreation - Denny Island	\$ 5,000					\$ 5,000		\$ 5,000	0.3%
J - Swimming Pool			\$ 90,366	\$ 50,336	\$ 16,531	\$ 157,233		\$ 157,233	10.7%
K - Vancouver Is. Regional Library	\$ 22,383	\$ 522	\$ 23,206	\$ 12,926	\$ 4,245	\$ 63,283		\$ 63,283	4.3%
<u>Protective Services</u>									
L - Emergency Management	\$ 15,233	\$ 355	\$ 15,793	\$ 8,797	\$ 2,889	\$ 43,066		\$ 43,066	2.9%
M - Emergency Management Initiatives						\$ -		\$ -	
N - House Numbering			\$ 1,437	\$ 800	\$ 263	\$ 2,500		\$ 2,500	0.2%
<u>Transportation Services</u>									
O - Airport - Bella Coola			\$ -	\$ -	\$ -	\$ -		\$ -	0.0%
P - Airport - Denny Island	\$ 6,973					\$ 6,973		\$ 6,973	0.5%
<u>Local Area Services (LSA)</u>									
Q - Fire Protection (Area E+)							\$ 50,704	\$ 50,704	3.4%
R - Street Lights (Area E)							\$ 13,243	\$ 13,243	0.9%
S - Denny Island Water (SRVA#4)							\$ -	\$ -	0.0%
T - Hagensborg Fire Protection							\$ 40,000	\$ 40,000	2.7%
U - Hagensborg Waterworks							\$ -	\$ -	0.0%
TOTAL	356,272	8,028	578,077	321,999	105,752	1,370,128	103,947	1,474,075	100.0%
Current % of Total Tax Levy	26.0%	0.6%	42.2%	23.5%	7.7%	100.0%			
Last Year (2022)	159,179	3,469	350,908	192,140	70,345	776,042	136,554	912,596	Increase
Last year % of Total Tax Levy	20.5%	0.4%	45.2%	24.8%	9.1%	100.0%			61.5%

Prepared: Finance
Jan-23

Estimated Average Tax levy per residence

Electoral Area	Estimated 2023	2022	Variance \$
Electoral Area A	\$481	\$231	\$250
Electoral Area B	\$1,712	\$727	\$985
Electoral Area C	\$1,320	\$807	\$513
Electoral Area D	\$1,064	\$634	\$430
Electoral Area E	\$637	\$421	\$216

*Please note: Rough estimate. **Electoral area tax requisition information only.** BC Assessment will release revised figures for 2023 at the end of March. These are estimated data.*

Community Works Fund Allocation

\$240,000 – Denny Island Water

\$40,000 - Denny Airport Terminal Roof Replacement (New Item)

\$300,000 – BCV Centennial Pool

\$15,000 - Furnace Replacement at Centennial Pool (New Item)

\$50,000 - Development of Operations and Post Closure Plan (Deferred from 2022)

\$15,000 - Surveying ground water wells and water courses at Thorsen Creek Waste and Recycling Centre (New Item)

\$47,096 -Groundwater Wells and Hydrology at Thorsen Creek Waste and Recycling Centre (Deferred from 2022)

\$15,000 - Five Year Effectiveness Review (Deferred from 2022)

\$200,000 - Hagensborg Water System Upgrade (New Item) for 2023 and 2024

\$50,000 – Asset Management Planning (Deferred from 2022)

\$75,000 – Planning for Asset Retirement Obligations (Deferred from 2022)

\$150,000 - Official Community Planning (Deferred from 2022)

Estimated Budget surplus to carry forward to 2023 is \$1,387,680.

Provincial Basic Grant Allocation

The Regional District Basic Grant is an unconditional grant for regional districts to assist with administration costs.

\$200,000 annually provided by the Province

In the past, this grant has been allocated to some local services and some regional services.

In 2020 the Board directed a transition effort to move the benefit of the grant from local services entirely into General Operations.

In this way, all CCRD's services will benefit from the Regional District Basic Grant.

In 2020, 2021 and 2022, the Board agreed to extend the transition with partial allocation of the Regional District Basic Grant to those local services most reliant on them.

In 2023, the Board approved the partial and limited allocation of the Provincial Basic Grant to the Denny Island Waterworks (\$17,972) and Solid Waste Management (\$14,220) functions for the 2023 and 2024 year and the service specific allocations will end in 2025.

Provincial Basic Grant

<u>Electoral Area Services</u>	<u>2019</u>	<u>2020(Transition)</u>	<u>2021(Transition)</u>	<u>2022 (Transition)</u>	<u>2023 (Proposed)</u>
Airport - Bella Coola	7,352	3,676	3,676	-	-
Airport - Denny Island	-	-	-	-	-
Fire Protection Bella Coola	-	-	-	-	-
Fire Protection Hagensborg	-	-	-	-	-
House Numbering - Bella Coola	-	-	-	-	-
Parks & Recreation - Bella Coola	7,177	3,589	3,589	-	-
Recreation - Denny Island	1,667	834	834	-	-
Swimming Pool - Bella Coola	66,242	-	-	-	-
Solid Waste Management - Bella Coola	56,877	28,439	28,439	14,220	14,220
LSA Townsite Street Lights	-	-	-	-	-
Valley Street Lights - Bella Coola	-	-	-	-	-
Waterworks - Bella Coola	-	-	-	-	-
Waterworks - Hagensborg	-	-	-	-	-
Add: Denny Island Waterworks TBD*	-	9,727	12,377	15,000	17,972
Total electoral area services	139,315	46,265	48,915	29,220	32,192
Regional Services					
Economic Development	1,605	503	503	-	-
Emergency Management	3,925	1,962	3,925	-	-
Feasibility Studies	-	-	-	-	-
Grant in Aid	-	-	-	-	-
Vancouver Regional Library	-	-	-	-	-
Planning (Land Use)	-	-	-	-	-
General Operations	55,155	151,270	146,657	170,780	167,808
Total Regional services	60,685	153,735	151,085	170,780	167,808
Total Annual Contribution	200,000	200,000	200,000	200,000	200,000

Thank you!



Central Coast
REGIONAL DISTRICT
That we may be good people together