

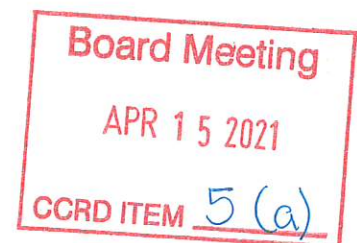
# Central Coast

## REGIONAL DISTRICT

*That we may be good people together*

DRAFT SPECIAL BOARD MEETING MINUTES

DATE: March 25, 2021



ATTENTION

These minutes are draft and subject to amendment. Final Approval and adoption is by resolution at the next scheduled meeting.

SPECIAL BOARD MEETING MINUTES – March 25, 2021

In Attendance:	Electoral Area A	Alternate Director Mark Schlichting
	Electoral Area B	Director Travis Hall
	Electoral Area C	Director Jayme Kennedy
	Electoral Area D	Director Lawrence Northeast
	Electoral Area E	Alternate Director Richard Hall
Staff:	Chief Administrative Officer	Courtney Kirk
	Recording Secretary	Evangeline Hanuse
	Operations Manager	Ken McIlwain (portion)
	Executive & Operations Assistant	Destiny Mack (portion)
	Finance Manager	Ye-Ne Byun (portion)

**PART I – INTRODUCTION**

**1. Call to Order**

Vice Chair Kennedy called the meeting to order at 9:11 a.m. and acknowledged the territories of the Nuxalk Nation, Heiltsuk Nation and Wuikinuxv Nation, and respective First Nations Territories in which CCRD provides services.

**2. Oaths of Office**

**Mark Schlichting**

I, Mark Schlichting, do swear that:

I am qualified to hold the office of Alternate Director for the Central Coast Regional District, to which I have been appointed;

I have not, by myself or any other person, knowingly contravened the Local Government Act respecting vote buying or intimidation in relation to my election to the office;

I will perform the duties of my office faithfully and with steadfast adherence to integrity, and I will not allow any private interest to influence my conduct in public matters;

I will disclose, through declaration, any direct or indirect pecuniary interest I have in a matter and will not participate in the discussion of the matter and will not vote in respect of the matter;

In the interest of good governance, where there is a perception that my impartiality on a matter may be affected, I will declare this, consider the matter on its merit and then vote accordingly;

I will abide by statutes, bylaws and policies that govern the Central Coast Regional District (CCRD) and promote openness, accountability and responsible leadership;

I will promote and demonstrate values of the CCRD through my actions and behaviour;

I will actively develop my capacity and capability to be effective in my role;

I will provide stewardship of the public assets through the development and evaluation of the Regional District's policies and programs;

I will make informed, transparent decisions that considers and manages risk in the decision making process; and

I will dedicate myself at all times to acting in the best interest and well-being of the whole community, across the region.

### **Richard Hall**

I, Richard Hall, do swear that:

I am qualified to hold the office of Alternate Director for the Central Coast Regional District, to which I have been appointed;

I have not, by myself or any other person, knowingly contravened the Local Government Act respecting vote buying or intimidation in relation to my election to the office;

I will perform the duties of my office faithfully and with steadfast adherence to integrity, and I will not allow any private interest to influence my conduct in public matters;

I will disclose, through declaration, any direct or indirect pecuniary interest I have in a matter and will not participate in the discussion of the matter and will not vote in respect of the matter;

In the interest of good governance, where there is a perception that my impartiality on a matter may be affected, I will declare this, consider the matter on its merit and then vote accordingly;

I will abide by statutes, bylaws and policies that govern the Central Coast Regional District (CCRD) and promote openness, accountability and responsible leadership;

I will promote and demonstrate values of the CCRD through my actions and behaviour;

I will actively develop my capacity and capability to be effective in my role;

I will provide stewardship of the public assets through the development and evaluation of the Regional District's policies and programs;



I will make informed, transparent decisions that considers and manages risk in the decision making process; and

I will dedicate myself at all times to acting in the best interest and well-being of the whole community, across the region.

### 3. Adoption of Agenda

**21-03-01S M/S Directors T.Hall/Northeast** THAT the Agenda be adopted as received.

**CARRIED**

### 3. Disclosures of Financial Interest

The Chair reminded Board Members of the requirements of Sections 100(2) (b) and 101(1) (2) and (3) of the *Community Charter* to disclose any financial interests during the meeting when the matter is discussed. The declaration under this section requires that the nature of the interest must be disclosed. Consequently, a member who has made a declaration must not preside, participate in, or be present during any discussion or decision-making procedure relating to the subject matter which is being discussed.

No disclosures of financial interests were made.

### 4. Disclosures of Interests Affecting Impartiality.

The Chair reminded Board Members that in the interest of good governance where there is a perceived interest that may affect their impartiality in consideration of a matter a declaration should be made. This declaration does not restrict any right to participate in or be present during the decision-making procedure.

No disclosures affecting impartiality were made.

## PART II – LOCAL GOVERNANCE

### (A) BYLAWS AND POLICIES

#### a) Request for Decision – Revenue Anticipation Borrowing Bylaw No. 503

**21-03-02S M/S Directors Northeast/R.Hall** THAT Bylaw 503, cited as “Revenue Anticipation Borrowing Bylaw No.503, 2021” be now introduced and read a first time. **CARRIED**

**21-03-03S M/S Directors T.Hall/Schlichting** THAT Bylaw 503, cited as the “Revenue Anticipation Borrowing Bylaw No. 503, 2021”, having been given due and detailed consideration by the Board be now read a second and third time.” **CARRIED**

**21-03-04S M/S Directors T.Hall/R.Hall** THAT Bylaw 503, cited as the “Revenue Anticipation Borrowing Bylaw No. 503, 2021, having been reconsidered and having met all prerequisites for final adoption, be now finally adopted, sealed and signed by the Chair and the Corporate Officer.” **CARRIED**

## (B) OPERATIONS UPDATES & POLICY MATTERS ARISING

### FINANCIAL SERVICES

#### a) CCRD 2021 Draft Budget Presentation (PowerPoint): Summarizing Revisions since March 11, 2021

**21-03-05S M/S Directors T.Hall/Schlichting** THAT the Board of Directors of the Central Coast Regional District receives the revised CCRD 2021 Draft Budget PowerPoint Presentation. **CARRIED**

*CAO Kirk thanked the Directors for support in the budget development. In the March 11, 2021 regular board meeting there was a comprehensive presentation. A recording of the presentation is available on the website. The focus today is a brief summary of changes made since March 11<sup>th</sup>.*

*Alongside budget adoptions the auditing process is also taking place. The auditors have now provided final figures from the audited financial statements from 2020, which will be presented in April. Each service's surplus has been updated.*

*The CCRD received notification this week from the province that there was a remaining 10 million dollars in COVID-19 Safe Restart Grant Money and a decision was made to allocate that to regional districts. The CCRD will receive an additional \$55,000. This has been put in General Operations and the projected surplus at the end of the year has been adjusted. There may be further budget amendments forthcoming.*

*Looking ahead to the 2022 regional district election, there has been \$15,000 set aside to start recruitment of election officials. Consulting expenses have also been increased to \$8,000 in order to ensure a thorough job is made of updating the board remuneration bylaw. This is an important item to have in place in advance of the 2022 election. It is good practice in governance to maintain the financial integrity of board remuneration.*

*Focus has also shifted to software upgrades. It was realized that there was no planned expenditures to enhance virtual meetings and the budget has been adjusted there. Other items include the deteriorating storage in the main office. It is rare for the regional district to be provided discretionary money outside the regular annual requisition to invest in the office area as it's difficult to secure grant funding for this type of expenditure. There is an unstated expectation from the province that requisition be used for this type of expense, which is difficult for local governments like CCRD with a small tax base. There has been \$30,000 added as maintenance funds to the general operations budget for shelving and storage of archives.*

*In the ongoing priority of good governance and administration, human resource gaps have been further assessed. The first priority since the revised strategic plan was*



*adopted by the board was records and accounting capacity, which has been filled. A current priority is recruitment of a Public Works Technician given the burgeoning service workloads from special grant funded projects. Since the last budget presentation, Administration has identified the need for a trial part-time recreation worker to support the Centennial Pool, the Denny Island Recreation Commission, and the new playground infrastructure project, as well as enhanced community level recreation coordination needs arising from COVID and post-pandemic planning.*

*A relief package has been received for the Bella Coola Airport. Efforts were made to apply for relief for the Denny Island Airport as well but due to it not being a medical transportation airport, this was not successful. Finance Manager Byun and Operations Manager McIlwain helped secure the funding and \$180,000 for Bella Coola Airport operations was received. Projects to be addressed with this funding include maintenance for runway crack sealing and electrical issues in the airport terminal. Last year there was a loss of landings fees due to COVID-19. The airport relies on user fee revenue and not tax requisition.*

*There are revised numbers for the budget adoption for today. The total revenues are \$12,516,778. Total expenses are \$13,632,205. The projected surplus at the beginning of the year is \$3,712,570. The majority of this amount is deferred revenue from grant funded projects that are delayed due to COVID-19. The projected end of year surplus is \$2,585,323. The total tax levy is \$889,689. This now includes the fire protection service for Hagensborg as well as parcel taxes. Last year these were not services of the regional district.*

*It is noted that the tax levy increase that the Board gave guidance on in December has remained unchanged at 2%. Note for this particular spreadsheet, draft amounts are still being used from BC Assessment. Only this week final figures will be received for 2021. The distribution between areas may be slightly adjusted. This will be brought back in May showing how the actual tax levy gets distributed. This is a good ball park based on 2021 draft figures. The Area A weight is reduced from the work of moving the apportioned administration calculation and better charging out general operations services to all of the local services so there is a more equitable distribution of apportioned administration.*

*In terms of revenues projected, the greatest area in the pie chart represents grant funded projects that are anticipated to be received this year as revenue. The smallest area represents taxation revenue. Other revenue sources are other pots of money that come to the regional district through various means such as user fees and charges. For example, airport landing fees, landfill charges, and swimming pool charges. Also included in the chart is the Nuxalk Nation contribution for landfilling at the Thorsen Creek Waste and Recycling Centre. Small amounts are allocated for the regional hospital district, and is unchanged since last year. The grant load has increased significantly since 2021. When compared to 2017, grant projects constituted about 37% of the budget, and today it is about 84%. The CCRD has the same amount of staff but are administering more funds and the capacity strain is notable.*



*The other gradual change made as part of the budgeting process is to move the regional basic grant into general operations because general operations supports all regional district services. In the past there were significant allocations made to local service areas and a concerted effort was made to move the funding. There are services dependent on the regional basic grant and we need more time to make that transition. For example, the landfill conformance review is significant. The Board will support another year of doing this. Also, the Denny Island Waterworks system is not online yet. Until it's online we're reluctant to charge out user fees. In the interim there's a cost to administer the service. We are collecting the amount through the regional district basic grant allocation. 75% of the basic grant is allocated regionally and 24% is in area specific services.*

*There is an unresolvable deficit in the solid waste service. The service is taxed to the ceiling. Previously it was thought that the post closure landfill costs would be \$300,000 but it is now closer to 2 million. To demonstrate to the auditors that we are serious about addressing this matter, we made a commitment to charge out as much as possible to the service. Everything possible was slashed out of the budget. There are two green bins that need to be replaced. However, everything else for ongoing maintenance has been cut because of the dire revenue situation. By October, questions around the landfill will hopefully have been addressed and work has been undertaken with auditors and engineers to meet this timeline. We are out of options for budgeting for this service until various aspects are resolved.*

*The Board asked about the landfill apportioned administration subsidy and how long it will go on. CAO Kirk said a serious and dedicated effort continues in apportioned administration allocation. This year the full gamut of consulting fees and office overhead has been added. The apportioned administration has increased in the Bella Coola based services over the last 3 years. There will be less of a challenge in future years as there is currently a revenue crisis in the landfill service. If the Board does not support reducing apportioned administration, then a reduction will have to happen in other line item, given what is being put aside for landfill conformance liability.*

*CAO continued noting that the audit has been qualified for the last couple of years because the auditors were concerned that there had not been an external assessment of what the landfill post closure costs would be. Recent effort to secure that external assessment has led to finding that costs will be closer to \$2 million. Although there is a long way to go it must be demonstrated to the auditors that there is seriousness in addressing this matter by elevating the annual financial allocation to post closure costs, which in turn is exacerbating deficit in the service. More cannot be taken out of the landfill operation and still have it open two days per week.*

*The Board understands that the problem will not go away and the end of cycle costs will not change and asked how it will be resolved. Will there be an increase in user fees? CAO Kirk replied that work has begun with the board and a presentation was given by the engineer to look at full potential costs. Further, the Board needs to*



*provide more guidance on whether the landfill will continue to operate or will waste be trucked out, and when. There are financial and environmental risks and liabilities with each choice. Environmental risks can elevate into devastating financial impacts. There is a lot to consider. User fees have to increase, which is a significant process. Discussions with the Nuxalk Nation and the municipal service agreement need to take place. It hasn't been evaluated in a few years. That's a lot of work forthcoming. To increase the tax requisition we have to work with the ministry and inspector and with constituents to raise the tax ceiling. We have plans to address all of this meaningfully but it is a tremendous amount of work in progress.*

*The Board understands challenges with the site and how do we generate more income for the landfill. The Board asked about the agreement with BC Hydro. The Board found the agreement to be problematic because the costs associated to sustain the community are high, on average \$300 per unit. There is a line being upgraded from Vanderhoof to Anahim Lake and Bella Coola can be connected to the main grid. BC Hydro states that this is expensive to do. BC Hydro states that there is not enough generator power in Bella Coola to support another 20 homes. Significant upgrades are needed. This issue should be brought to the province.*

*The Board questioned the economic development amount for Area A being a significant amount. The Board asked if this is this for an economic development officer position. CAO Kirk expressed that there's been a bit of a reduction in the amount and there is a projected surplus forward at end of the year for that service. In being mindful of a five-year outlook, there is reduced human resource in that service. The service needs also need to be looked at 3-5 years down the road. There's also a need to look ahead to do a regional recovery plan after the pandemic. There will likely be grant money on the horizon to help progress economic development plans. The service is in flux at the moment. We're assessing what further supports we can get for that part of our civic governance so we are making well rationalized decisions about the service resourcing needs into the future. CAO Kirk further noted reluctance to reduce the economic development requisition too much as there may be an increase in activity driven by the Board in the coming years depending on the global, national and provincial economic situation. Currently there is no CEDO staffed on a standalone basis. Another significant item is the Ocean Falls advisory committee dealing with abandoned and derelict buildings. This is taking the time of Administration to address and organize.*

The Vice Chair thanked CAO Kirk for her presentation.

**b) Request for Decision: CCRD 2021-2025 Five Year Financial Plan Bylaw No. 61**

**21-03-06S M/S Directors T.Hall/Northeast** THAT the Board of Directors of the Central Coast Regional District receives the amended Request for Decision: CCRD 2021-2025 Five Year Financial Plan Bylaw No. 61. **CARRIED**



**c) Bylaw No. 61 CCRD Five Year Financial Plan 2021-2025**

- 21-03-07S M/S Directors Northeast/T.Hall** THAT Bylaw 61, cited as the "Central Coast Regional District Five-Year Financial Plan Bylaw No. 61, 2021" having been given due and detailed consideration by the Board, be now read a third time, as amended. **CARRIED**
- 21-03-08S M/S Directors Schlichting/T.Hall** THAT Bylaw 61, cited as the "Central Coast Regional District Five-Year Financial Plan Bylaw No. 61, 2021" having been reconsidered and having met all prerequisites for final adoption be now finally adopted sealed and signed by the Chair and the Person responsible for Corporate Administration. **CARRIED**

**d) Request for Decision: Repeal of Hagensborg Waterworks District Annual Budget 2021**

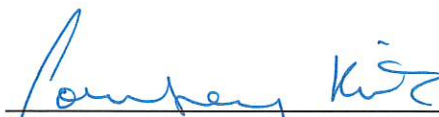
- 21-03-09S Northeast/T.Hall** THAT the Board of Directors of the Central Coast Regional District receives the Request for Decision: Repeal of Hagensborg Waterworks District Annual Budget 2021. **CARRIED**
- 21-03-10S M/S Directors R.Hall/Northeast** THAT the Board of Directors of the Central Coast Regional District repeals Hagensborg Waterworks and Fire Protection District Annual Budget 2021. **CARRIED**

**(D) ADJOURNMENT**

- 21-03-11S M/S Directors Schlichting/T.Hall** THAT the meeting be adjourned. **CARRIED**

There being no further business the meeting was adjourned.

  
Chair

  
Chief Administrative Officer