



Central Coast
REGIONAL DISTRICT
That we may be good people together

2021 CCRD Financial Plan Development

Board Meeting Dec 10, 2020

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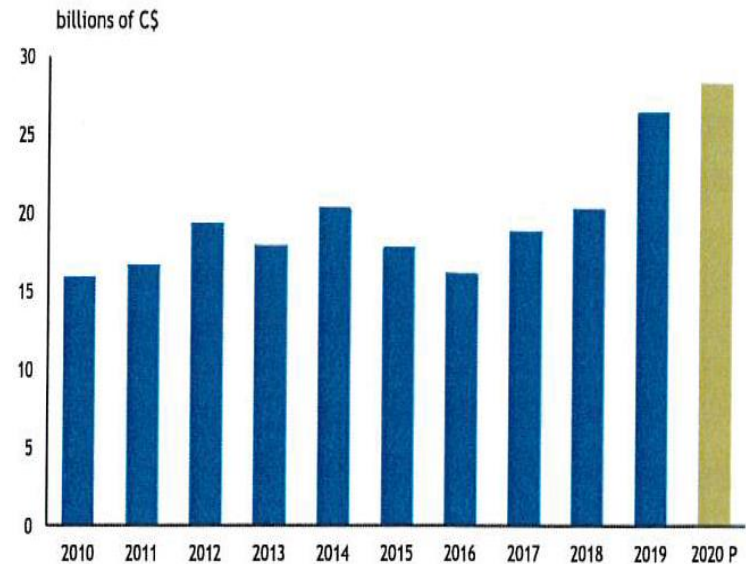
12 Further

British Columbia Economic Forecast 2021

Source :RBC Economics

- BC experienced larger declines in employment than the national average, down 7.8 % in Sep, 2020.
- Exports have fallen significantly in BC. Forest product exports (BC's top export category) are down 17 % (as of July) in part reflecting housing starts in the Western US lagging other regions. Coal mining exports have also fallen (-41%), as have oil and gas exports (-19%).
- Continued capital investment is providing a glimmer of hope. Non-residential construction has grown 6.9 %, the province is forging ahead with the 2.8 billion Vancouver Sky train extension.
- The BC government is penciling in a budget deficit of \$12.5 billion for 2020-2021, the largest shortfall on record. The provincial government's \$6.2 billion in stimulus has insulated the province from what could have been an even greater hit to GDP.

British Columbia: Construction capital expenditures



Source: Statistics Canada, RBC Economics

British Columbia forecast at a glance

% change unless otherwise specified

	2017	2018	2019F	2020F	2021F
Real GDP	3.7	2.6	2.8	-5.6	4.9
Nominal GDP	7.1	4.5	5.3	-5.1	6.5
Employment	3.7	1.1	2.6	-6.6	5.5
Unemployment Rate (%)	5.1	4.7	4.7	9.1	6.5
Retail Sales	9.3	1.9	0.6	-0.3	3.8
Housing Starts (Thousands of Units)	43.7	40.9	44.9	37.2	33.0
Consumer Price Index	2.1	2.7	2.3	0.6	0.8

Economic Forecast Detail Canada 2021 - CPI

Source :RBC Economics

Real growth in the economy (Quarter-over-quarter annualized % change unless otherwise indicated)

	2019				Forecast				2021				Actual Forecast			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019	2020F	2021F
Household Consumption	2.4	0.4	2.2	1.8	-12.4	-43.0	43.6	5.5	5.5	5.0	5.0	5.1	2.2	1.6	-7.9	5.2
Durables	5.1	-3.0	0.8	-1.3	-31.1	-49.8	68.5	2.5	2.5	2.8	3.5	3.5	1.7	0.4	-14.5	4.3
Semi-Durables	2.6	1.6	1.2	-2.8	-35.7	-42.7	63.3	2.5	3.0	3.0	3.0	3.0	1.7	1.4	-14.2	4.9
Non-durables	1.5	-0.4	1.9	1.1	12.2	-13.8	18.5	1.4	3.5	3.5	4.0	4.5	1.8	1.0	2.8	3.8
Services	2.1	1.4	2.8	3.3	-14.0	-51.8	50.2	8.6	7.5	6.5	6.0	6.0	2.5	2.2	-10.0	6.1
NPISH consumption	5.2	-0.5	0.9	2.8	-4.0	-39.9	38.0	5.5	5.5	5.0	5.0	5.1	2.2	1.6	-5.3	5.1
Government expenditures	1.6	1.9	1.6	1.5	-1.1	-10.4	7.5	1.5	3.5	3.0	4.0	4.0	3.0	2.1	-0.7	2.7
Government fixed investment	11.1	-7.4	9.4	-1.4	5.0	-17.9	12.5	2.0	3.0	3.0	2.5	2.5	5.2	-0.3	-0.5	2.4
Residential investment	-4.0	7.2	13.8	1.2	-3.0	-47.6	80.5	8.6	7.5	4.5	5.0	6.0	-1.6	-0.6	-2.5	8.6
Non-residential investment	21.5	-7.8	3.1	-4.8	-2.7	-56.7	46.0	2.0	4.6	6.1	6.0	6.7	1.4	0.4	-11.6	3.0
Non-residential structures	6.9	1.6	7.7	0.7	6.9	-51.5	32.8	1.4	5.5	6.5	6.0	6.0	-0.6	0.7	-6.7	2.7
Machinery & equipment	46.9	-20.3	-3.7	-13.2	-17.2	-64.6	72.6	3.2	3.0	5.5	6.0	7.8	4.7	-0.1	-19.2	3.5
Intellectual property	-17.0	2.4	1.1	-6.9	1.9	-27.7	25.5	1.5	2.5	2.0	2.0	2.0	3.9	-4.8	-3.6	2.4
Final domestic demand	3.4	0.1	3.2	0.8	-7.5	-37.4	35.0	4.2	4.9	4.5	4.7	4.9	2.1	1.3	-5.9	4.5
Exports	-2.7	9.0	-0.4	-4.5	-8.6	-55.6	127.0	2.5	3.0	2.5	1.8	2.0	3.1	1.3	-6.8	7.0
Imports	10.0	-4.4	0.2	-3.2	-9.9	-64.1	137.6	1.0	2.0	1.5	2.2	3.2	2.6	0.6	-10.7	5.5
Inventories (change in \$b)	23.8	18.8	8.4	9.4	4.3	-37.9	35.5	17.0	5.5	6.5	6.0	5.5	13.0	15.1	4.7	5.9
Real gross domestic product	1.2	3.2	1.1	0.6	-8.2	-38.7	48.0	1.0	3.0	5.0	4.5	4.5	2.0	1.7	-5.6	4.5

Other indicators (Year-over-year % change unless otherwise indicated)

Business and labour																
Productivity	0.8	0.3	0.3	0.7	4.3	14.8	7.8	5.3	0.9	-8.1	-1.8	1.2	-0.1	0.5	8.0	-2.1
Pre-tax corporate profits	-3.5	3.4	-5.4	5.5	-6.1	-35.1	1.0	0.6	12.9	51.7	6.8	10.2	2.5	-0.1	-10.3	17.8
Unemployment rate (%)*	5.8	5.6	5.6	5.7	6.3	13.0	10.0	8.7	8.3	7.7	7.4	7.0	5.8	5.7	9.5	7.6
Inflation																
Headline CPI	1.6	2.1	1.9	2.1	1.8	0.0	0.3	0.6	0.4	1.4	1.0	1.4	2.3	1.9	0.7	1.1
CPI ex. food and energy	1.9	2.3	2.2	1.9	1.8	1.0	0.6	1.0	0.7	1.2	1.3	1.5	1.9	2.1	1.1	1.2
External trade																
Current account balance (\$b)*	-69.3	-35.7	-45.9	-37.2	-52.9	-34.5	-18.7	-11.2	-7.3	-8.0	-2.3	-0.2	-222.0	-188.0	-29.3	-4.4
% of GDP*	-3.1	-1.5	-2.0	-1.6	-2.3	-1.7	-0.8	-0.5	-0.3	-0.3	-0.1	0.0	-10.0	-8.5	-1.3	-0.2
Housing starts (000s)*	187	224	223	201	209	191	243	200	193	172	145	177	213	209	211	172
Motor vehicle sales (mill., saar)*	2.00	1.97	1.98	1.90	1.58	1.03	1.83	1.90	1.91	1.92	1.93	1.94	2.04	1.96	1.59	1.92

Planning Framework – Budgeting for Service Delivery and Board Priorities

Service Planning Budget Planning

Determining service levels, including specific actions and targets, required to achieve Board and core service priorities.
Specifying the financial resources required to achieve identified service levels and board priorities.

Presenting Preliminary Budget

Presenting the draft 2021 budget for board's review and guidance.

Public Engagement on Financial Plan

Presenting proposed financial plan to the constituents.

Finalizing the Budget Budget Adoption

Year-end adjustments presented to the Board. Approval of Financial Plan By law by March 31, 2021

- Administration looks forward to Board guidance on :
 - 1) **Overall tolerance for potential tax requisition increase**
 - 2) **Regional District Basic Grant redistribution policy**
 - 3) **Apportioned Administration policy**
 - 4) **Address revenue concerns , Review challenges and options**
 - 5) **COVID-19 Safe Restart Grant allocation policy and priorities**
 - 6) **Community works funding allocation policy and priorities**

so that Administration may further revise the draft budget to meet Board expectation for presentation at the February Board meeting. Virtual public engagement will begin the last week of February and continue into the first week of March 2021.

- The Board may have an interest in keeping 0% tax levy increase.

The estimated tax levy decrease in 2021 – **0.6 %** (\$4,801 decrease) : anticipate service reduction.

The board may consider 2 % tax levy increase (\$20,006 increase) / 3 % tax levy increase (\$27,609 increase)

CENTRAL COAST REGIONAL DISTRICT

TAX REQUISITION SUMMARY BY FUNCTION

FINANCIAL PLAN 2021

	Area A	Area B	Area C	Area D	Area E	Total EA	LSA	Total	%
<u>Administrative Services</u>									
A - General Operations	\$ 86,427	\$ 2,447	\$ 75,794	\$ 42,194	\$ 15,828	\$ 222,690		\$ 222,690	29.5%
B - Grants in Aid	\$ 5,903	\$ 167	\$ 5,177	\$ 2,882	\$ 1,081	\$ 15,210		\$ 15,210	2.0%
C - Feasibility Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	0.0%
<u>Development Services</u>									
D - Economic Development	\$ 16,047	\$ 454	\$ 14,072	\$ 7,834	\$ 2,939	\$ 41,346		\$ 41,346	5.5%
E - Land Use Planning	\$ 22,742	\$ 644	\$ 19,944	\$ 11,103	\$ 4,165	\$ 58,598		\$ 58,598	7.8%
F - Valley Street Lighting			\$ 4,693	\$ 2,612	\$ 980	\$ 8,285		\$ 8,285	1.1%
<u>Environmental Services</u>									
G - Solid Waste Management			\$ 70,315	\$ 39,143	\$ 14,684	\$ 124,142		\$ 124,142	16.4%
<u>Leisure Services</u>									
H - Parks & Recreation - Bella Coola			\$ 15,368	\$ 8,555	\$ 3,209	\$ 27,132		\$ 27,132	3.6%
I - Recreation - Denny Island	\$ -					\$ -		\$ -	0.0%
J - Swimming Pool			\$ 46,554	\$ 25,916	\$ 9,722	\$ 82,192		\$ 82,192	10.9%
K - Vancouver Is. Regional Library	\$ 24,717	\$ 700	\$ 21,676	\$ 12,067	\$ 4,527	\$ 63,687		\$ 63,687	8.4%
<u>Protective Services</u>									
L - Emergency Management	\$ 19,920	\$ 564	\$ 17,469	\$ 9,725	\$ 3,648	\$ 51,326		\$ 51,326	6.8%
M - Emergency Management Initiatives						\$ -		\$ -	
N - House Numbering			\$ 625	\$ 348	\$ 131	\$ 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	1.3%
<u>Local Area Services (LSA)</u>									
Q - Fire Protection (Area E+)							\$ 34,385	\$ 34,385	4.6%
R - Street Lights (Area E)							\$ 15,390	\$ 15,390	2.0%
TOTAL	185,728	4,977	291,688	162,379	60,913	705,685	49,775	755,460	100.0%
Current % of Total Tax Levy	26.3%	0.7%	41.3%	23.0%	8.6%	100.0%			
Last Year (2020)	193,625	5,072	293,495	163,585	61,290	716,868	43,393	760,261	Decrease
Last year % of Total Tax Levy	27.0%	0.7%	40.9%	22.8%	8.5%	100.0%			-0.6%

Draft Requisition for Regional Services – Initial Comparison to 2020

	% change	\$ change	2020	2021
Grants in Aid	0 %	\$0	\$15,210	\$15,210
Library (VIRL)	2.1 %	\$1,329	\$62,358	\$63,687
Feasibility Studies	(100%)	(\$10,000)	\$10,000	\$0
Economic Development	0 %	\$0	\$41,346	\$41,346?
Emergency Management	0 %	\$0	\$51,326	\$51,326?
Planning	0 %	\$0	\$58,598	\$58,598?
General Operations	0%	\$0	\$222,690	\$222,690?
Total of Regional Services	(0.2%)?	(\$8,671)?	\$461,528	\$452,857?

Draft Requisition for Local Services – Initial Comparison to 2020

	% change	\$ change	2020	2021	Comments
Denny Island Recreation	(100%)	(\$4,532)	\$4,532?	\$0?	Potential no Tax Requisition in 2021 Potential Bylaw revision process to changes service area boundaries (in progress)
DI Airport	0%	\$0	\$9,973	\$9,973?	
BC Airport	-	-		-	No Tax Requisition
House Numbering	0%	\$0	\$1,104	\$1,104?	Anticipate potential requisition increase to accommodate digital mapping of BCV house number for emergency response providers
Parks and Rec	0%	\$0	\$27,132	\$27,132?	
Solid Waste Management	0%	\$0	\$124,142	\$124,142?	Updated Revenue Bylaw amendment in progress, prioritization needed to address MSA with NN
Swimming Pool	0%	\$0	\$82,192	\$82,192?	Anticipating adjusted Operations for 2021 impacting revenue due to COVID-19
BCV Street Lighting	32.2 %	\$2,020	\$6,265	\$8,285?	<ul style="list-style-type: none"> ▪Rate increase – approximately 30 % ▪Potential increase in the number of lights being billed (to be determined) – reflect 10% increase
LSA Fire Protection	0%	\$0	\$34,385	\$34,385?	
LSA Street Lighting	41%	\$6,382	\$9,008	\$15,390?	▪Rate increase – approximately 30 %
Total of Local Services	1.3%?	\$3,870?	\$298,733	\$302,603?	

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Last year % of Total Tax Levy	27.0%	0.7%	40.9%	22.8%	8.5%	100.0%			-0.6%

Redistribution of Regional District Basic Grant

19-12-26 **M/S Directors Bertrand/Northeast** THAT the Board of Directors of the Central Coast Regional District direct administration to continue budget preparation with reallocation of the regional district grant allocated into general operations as opposed to individual specific services.

20-02-33 **M/S Directors Kennedy/Northeast** THAT the Board of Directors of the Central Coast Regional District approves 2020 as a transition year toward reallocating the provincial basic grant from specific services to general operations. CARRIED

-Administration has built the 2021 preliminary budget with redistribution of Regional District Basic Grant as revenue in General Operations only, as per the Board's 2019 direction.

<u>Electoral Area Services</u>	<u>2019</u>	<u>2020(Transition)</u>	<u>2021</u>
Airport - Bella Coola	7,352	3,676	-
Airport - Denny Island	-	-	-
Fire Protection Bella Coola	-	-	-
House Numbering - Bella Coola	-	-	-
Parks & Recreation - Bella Coola	7,177	3,589	-
Recreation - Denny Island	1,667	834	-
Swimming Pool - Bella Coola	66,242	-	-
Solid Waste Management - Bella Coola	56,877	28,439	-
LSA Townsite Street Lights	-	-	-
Valley Street Lights - Bella Coola	-	-	-
Waterworks - Bella Coola	-	-	-
Add: Denny Island Waterworks TBD	-	9,727	-
Subtotals	139,315	46,265	-
<u>Regional Services</u>			
Economic Development	1,605	503	-
Emergency Management	3,925	1,962	-
Feasibility Studies	-	-	-
Grant in Aid	-	-	-
Vancouver Regional Library	-	-	-
Planning (Land Use)	-	-	-
General Operations	55,155	151,270	200,000
Subtotals	60,685	153,735	200,000
Total Annual Contribution	200,000	200,000	200,000

- We note as a discussion or policy point that the Board may wish to consider extending the transition with partial allocation of the Regional District Basic Grant to those local services most reliant on them as COVID-19 made preparing for the financial transition too challenging.

<u>Electoral Area Services</u>	<u>2019</u>	<u>2020(Transition)</u>	<u>2021</u>
Airport - Bella Coola	7,352	3,676	-
Airport - Denny Island	-	-	-
Fire Protection Bella Coola	-	-	-
House Numbering - Bella Coola	-	-	-
Parks & Recreation - Bella Coola	7,177	3,589	-
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Swimming Pool - Bella Coola	66,242	-	-
Solid Waste Management - Bella Coola	56,877	28,439	-
LSA Townsite Street Lights	-	-	-
Valley Street Lights - Bella Coola	-	-	-
Waterworks - Bella Coola	-	-	-
Add: Denny Island Waterworks TBD	-	9,727	-
Subtotals	139,315	46,265	-
<u>Regional Services</u>			
Economic Development	1,605	503	-
Emergency Management	3,925	1,962	-
Feasibility Studies	-	-	-
Grant in Aid	-	-	-
Vancouver Regional Library	-	-	-
Planning (Land Use)	-	-	-
General Operations	55,155	151,270	200,000
Subtotals	60,685	153,735	200,000
Total Annual Contribution	200,000	200,000	200,000

Apportioned Administration Cost

▪ *Local Government Act:*

Costs of services

379 (1) *All costs incurred by a regional district in relation to a service, including costs of administration attributable to the service, are part of the costs of that service.*

▪ In accordance with *Local Government Act*, CCRD Policy F-5 Administration Cost Recovery from Services.

▪ Seek Board guidance on maintaining the same principle (Volunteer Subsidy/Admin Minimum Matrix) implemented in 2020 Budget.

Volunteer Subsidy Matrix		
Is there a volunteer commission overseeing the service?		
Yes - 25% reduction apportioned admin		
Do commissioners further labour (beyond meetings) to deliver the service?		
Yes - 25% reduction apportioned admin		
Do community volunteers contribute demonstrable labour to deliver the service?		
Yes - 25% reduction apportioned admin		
Administration Minimum Matrix		
Is the service wholly delivered by General Operations?		
Yes - \$1500 minimum fee if AA calculation comes in less		

For Discussion 2 - Revenue Concerns

Service	Options
Bella Coola Airport	<ol style="list-style-type: none"> 1. COVID-19 Restart Grant 2. Reduce Expenses 3. Tax Levy
Solid Waste Management	<ol style="list-style-type: none"> 1. Reduce Expenses 2. Increase Tax Levy 3. Increase User Fees 4. Regional District Basic Grant?
Swimming Pool	<ol style="list-style-type: none"> 1. COVID-19 Restart Grant 2. Reduce Expenses 3. Increase Tax Levy 4. Increase User Fees and Charges 5. Grant Funding - A potential funding opportunity to help offset training costs 6. Regional District Basic Grant?
Land Use Planning	<ol style="list-style-type: none"> 1. COVID-19 Restart Grant 2. Reduce Expenses 3. Increase Tax Levy 4. CWF to support OCP update

COVID-19 Safe Restart Grant

- The provincial government understands the fiscal impacts that COVID-19 has placed on local service providers. To help address these challenges, in November, the province has distributed \$425 million under the federal Safe Restart Agreement to local governments in BC.
- The regional district has received a Safe Restart Grant (\$340,000) from the province through this funding stream.
- This funding will support local governments as they deal with increased operating costs and lower revenue due to COVID-19. It will also ensure local governments can continue to deliver the services people depend on in their communities.
- Before ***December 31, 2021***, the regional district board must fully allocate the grant funds to the appropriate services.
- Two reporting requirements for regional districts.
 - 1) the 2021 audited financial statements
 - 2) An annual report on how the grant funds were spent in that year. The regional district must continue to annually report on the use of grant money until the funds are fully drawn down.

- **Eligible costs** will include:
 - *addressing revenues shortfalls;*
 - *facility reopening and operating costs;*
 - *emergency planning and response costs;*
 - *bylaw enforcement and protective services like fire protection and police;*
 - *computer and other electronic technology costs (to improve interconnectivity and virtual communications);*
 - *services for vulnerable persons (e.g. persons living with disabilities, mental illness or addictions, persons experiencing homelessness or other vulnerabilities); and*
 - *other related costs*

COVID-19 Safe Restart Grant - Seek Board approval to benefit **local** services needing support due to loss of revenues from COVID

Service	Eligibility	Rationale/ Comments
Bella Coola Airport	<i>Addressing revenue shortfalls;</i>	Revenue loss due to reduction in service. Revenue from passenger fees alone is under budget by \$102,000. Anticipate revenue loss in 2021.
Denny Island Airport	<i>Addressing revenue shortfalls;</i>	Revenue loss due to reduction in service. (Loss of Annual Landing fee Revenue). Anticipate revenue loss in 2021.
Swimming Pool	<i>Addressing revenue shortfalls;</i>	Revenue loss due to reduction in service

For Discussion 3 - COVID-19 Safe Restart Grant – Allocation

COVID-19 Safe Restart Grant – seek Board approval to benefit **regional** services needing additional support due to COVID-19/CCRD Board revised Strategic Plan

Service	Eligibility	Rationale/ Comments
Emergency Management	<i>Emergency planning and response costs</i>	For the potential contribution of CCRD MOU payment for 2021 for the contract for a regional coordinator to assist with Emergency manager workload arising from COVID-19. Potential unrecoverable COVID-19 response costs by the province.
General Operations	<i>Computer and other electronic technology costs</i> (to improve interconnectivity and virtual communications); <i>Other related costs;</i>	Microsoft 365, Virtual Public Engagement, Software update, Hardware update. Board Revised Strategic Plan – <i>Good Governance and Administration</i>
Land Use Planning	<i>Other related costs;</i>	COVID-19 changing work and population demographics, OCP and zoning bylaw establishment and amendment need elevated as a consequence. Board Revised Strategic Plan – <i>Effective Community Planning</i>

For Discussion 3 - COVID-19 Safe Restart Grant – Allocation



COVID-19 Safe Restart Grant – **Potentially** benefit *regional/local* services needing additional support due to COVID-19.

- Identify impact by COVID-19 on those services and revisit in the February board meeting.

Service	Rationale/ Comments
BC Parks & Rec?	Revenue loss due to reduction in service? Additional operating costs for implementing COVID health measures?
Denny Island Rec ?	Revenue loss due to reduction in service? Additional operating costs for implementing COVID health measures?
Economic Development ?	Without OCP, hard to project what economic recovery would look like for the Central Coast. We haven't developed enough the service where we can constructively utilize the funds and get service deliverable for constituents.

For Discussion 4 - Community Works Fund – Allocation

Community Works Fund Financial Plan 2021-2025	(est. actual)	Current 2020	Draft Budget 2021	2022	2023	2024
2019 Surplus	707,062					Program Ends
Carry Forward Surplus		707,062	579,764	284,596	238,486	392,376
Interest		12,870				
Revenue (UBCM Gas Tax Agr)		194,832	194,832	203,890	203,890	213,142
		<u>914,764</u>	<u>774,596</u>	<u>488,486</u>	<u>442,376</u>	<u>605,518</u>
Expenditures:						
<u>Denny Island Water</u>		240,000	240,000			
local Contribution for SPF Grant <u>(carry over from prior year)</u>						
<u>Centennial Pool Renewal</u>		0	150,000	150,000		
local Contribution for SPF Grant <u>(carry over from prior year)</u>						
<u>Solid Waste Management Plan</u>						
Devel, Ops & Closure Plan		75,000				
Landfill Conformance Review		20,000				
<u>Asset Management Planning</u>		0	50,000	50,000	50,000	50,000
<u>Asset Retirement Obligation</u>			50,000	50,000		
<u>Other(Unallocated)</u>		0				
Total Expenditures		<u>335,000</u>	<u>490,000</u>	<u>250,000</u>	<u>50,000</u>	<u>50,000</u>
Estimated Surplus to carry forward		<u>579,764</u>	<u>284,596</u>	<u>238,486</u>	<u>392,376</u>	<u>555,518</u>

Administration seeks Board approval to allocate CWF for Asset Management Planning.

- Asset Management Plan – UBCM Gas Tax Agreement Schedule F states
“Given this, the partnership committee will develop as Asset Management commitment under this Agreement.”

Fulfill our statutory responsibility to look after our community's assets.

Infrastructure grants: In BC, improving asset management practices is **a requirement** in order to receive Gas Tax funding and improves access to other federal/provincial capital infrastructure grants. New assets (Hags Water, Playground, Pool Retrofit, etc.) should be taken into consideration.

Administration seeks Board approval to allocate CWF for Asset Management Planning.

- **Why** is AM a critical component of any sustainable community?

<https://www.youtube.com/watch?v=Wx6YxOZkWZc&feature=youtu.be>

- Key Considerations in Asset Management

- 1) Sustainable Service Delivery

Ensure we continue to provide the quality services we rely on today and in the future.

- 2) Practical and Evidence Based

Take the guess work out of decision-making and setting priorities based on what needs to be fixed.

- 3) Cost-Effective

Make cost-effective and efficient decisions proactively instead of waiting until something breaks down and frantically finding a costly fix.

- 4) Supported

Engage constituent, staff, and the Board of Directors in making decisions about what and when to repair and replace critical assets, and where to invest in the future. This includes community conversations about what level of services citizens expect and the costs to provide them.

For Discussion 4 - Community Works Fund – Allocation

Administration seeks Board approval to allocate CWF for Asset Retirement Obligations.

- Implement new required PS 3280 Asset Retirement Obligations

Board revised Strategic Plan ***Good Governance and Administration***

– PS 3280 is a new accounting standard covering asset retirement obligations that was approved by the Public Sector Accounting Board as its March 2018 session.

The standard **must** be applied by all public sector entities who prepare their financial statements under PSAB, including all Canadian Municipalities and regional districts. It is **mandatory** and not optional, the risk of not adapting is improper application of the accounting standard, which could lead to an adverse or qualified opinion on our financial statements.

The new standard is applicable to fiscal year beginning on or after **April 1, 2022** but earlier adoption is permitted.

Before the introduction of PS 3280, there was no specific guidance on how to report, recognize, and measure the legal obligations associated with the retirement of long-lived tangible capital assets for public sector entities.

Additional Resources may be needed to implement and maintain new required standard.

Regional Service – General Operations :Governance

•UBCM 2021? (2019 costs approximately \$33,000 including remuneration)
Will reps go in 2021/Who will go in 2021?

▪ The in-person AVICC convention has been cancelled for 2021.

2021 Budget draft currently assumes Directors may be attending remotely and eligible for \$250 daily remuneration.

Will reps attend virtually in 2021? Who will attend virtually in 2021?

▪Chair's/CAO forum will likely occur by virtual means as the MFA meetings are scheduled to take place virtually.

Will the Board and CAO attend if hosted? Requires Chair remuneration

▪COVID-19 Business Continuity Plan – guesstimate when will face to face board meetings resume – allocation of board meeting travel amount?

Continue virtual meetings and reduce travel to 5 meetings a year

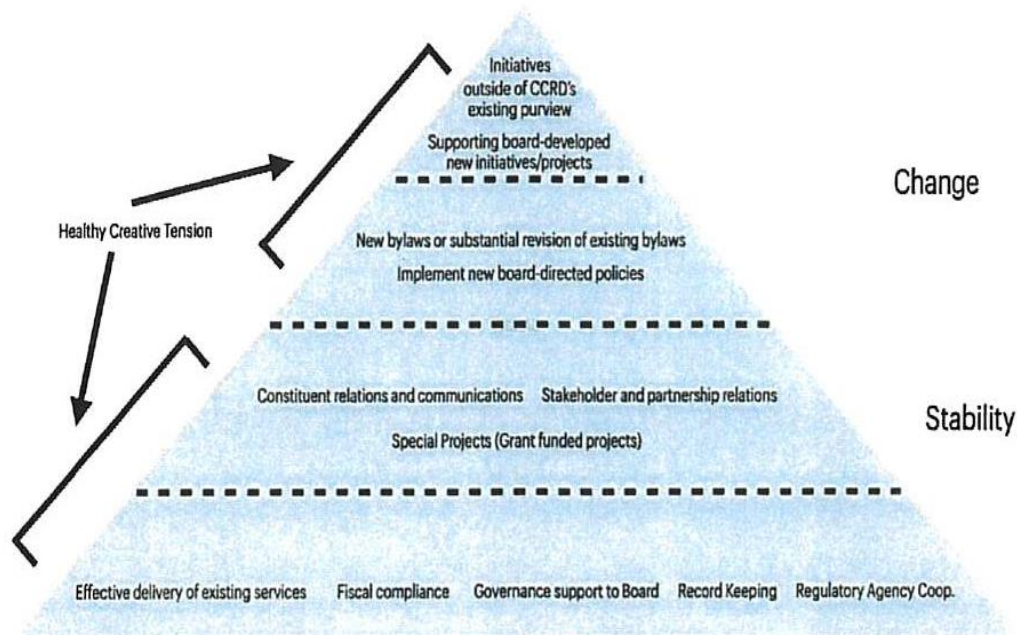
▪Draft Board meeting procedures bylaw – adoption in Feb/March 2021

▪ Board remuneration review and consultation will commence in Jan/Feb 2022.

- HR restructuring, staff development

Board revised Strategic Plan ***Good Governance and Administration***

Administration continues to assess HR needs further refinement of staff costs along with consideration of forthcoming in February



- Board direction required on MOU and whether a 2021 contribution required
- Current budget draft anticipates \$33,000 contribution
- Current budget draft anticipates further contribution for consulting/contractor fees to assist with service administrative burden regionally (potentially offset by COVID-19 grant)

- - Official Community Planning identified as top CCRD priority
 - Board revised Strategic Plan ***Effective Community Planning***
(Update the Bella Coola Valley OCP – 2021-2022 / Update all related bylaws (zoning) -2022-2023)
 - Grant funders currently aggressively searching for funding resources
In the absence of adequate grant funding, intent to utilize COVID-19 Restart funds to offset consultancy costs for this project.
 - The Status of Housing Needs Assessment project
 - Board revised Strategic Plan ***Effective Community Planning***
 - 1) UBCM 2019 Housing Needs Report Program – extension till mid-January, 2021, determine a further extension.
 - 2) NDIT Housing Needs Assessment Program – the project should be completed by June, 2021 determine a further extension.
 - Unknown whether further capacity funding will be available in 2021 to help offset the costs of the service in the area of housing needs assessment. More information will be forthcoming in February 2021.

- Pursuing new strategy to build capacity in the service (potential application of NDIT capacity funding toward project management costs as opposed to staffing an Ec Dev Officer position).
Rationale:
 - recruitment and onboarding challenging and expensive during COVID-19
 - critical to complete OCP work throughout the region to help inform Economic Development planning in evolving demographic arising from COVID-19 and COVID-19 recovery

- Prioritize ongoing grant funded projects:
 - Rural Dividend Communication Study
 - Rural Dividend Tourism and Capacity Enhancement Initiative
 - NDIT Love Northern BC
 - NDIT Community Promotion Video

- Expenses for Hagensborg Water Conversion - Conversion Grant to assist with costs \$30,000 requested from the province and anticipate further costs.
- Feasibility for Local Community Commission to govern Hagensborg Waterworks - Restructure funding to help offset costs of the feasibility study for LCC.
- Governance of Fire Department
 - The annual budget for the HWD has been developed by the HWD this fall. The budget will then be included in the regional district's 2021 five-year financial plan. The waterworks revenues are primarily derived from user fees, so tax levy is not an issue for coordination.
 - Fire department taxation has already been established and forwarded to the province.

- Potential no Tax Requisition in 2021 (2020 Tax Requisition - \$4,532)
- Potential amendment to establishing bylaw to redraw service area boundaries to include Denny Island Only
 - Board revised Strategic Plan ***Good Governance and Administration***
Potential bylaw revision process to changes service area boundaries (in progress).
- Spend down surplus - \$18,000 estimated surplus
- Trails recreation project funded by Vancouver Coastal Health will be complete in 2020.

- Potential bylaw Update (To address Revenue Concerns - in progress)

Board revised Strategic Plan ***Good Governance and Administration***

– Update the rate structure and develop new rates and charges Rates

Bylaw amendment process in progress, 2021 Budget draft currently reflects 25 % user fee revenue increase.

- Landfill conformance review and Closure liability

Board revised Strategic Plan ***Good Governance and Administration;***

Improving Our Infrastructure

We received the draft report regarding Thorsen Creek Liability estimate, asked the auditor if the information met her needs, anticipate additional costs, further refinement of costs forthcoming in February.

- Composting facility design and construction

Board revised Strategic Plan ***Improving Our Infrastructure***

Matching funds (33.3% local contribution) are needed for approved composting grant

– The source of funds need to be determined.

- Administration looks forward to Board guidance on :
 - 1) **Overall tolerance for potential tax requisition increase;**
 - 2) **Regional District Basic Grant redistribution policy**
 - 3) **Apportioned Administration policy**
 - 4) **Address revenue concerns , Review challenges and options**
 - 5) **COVID-19 Safe Restart Grant allocation policy and priorities**
 - 6) **Community works funding allocation policy and priorities**

so that Administration may further revise the draft budget to meet Board expectation for presentation at the February Board meeting; Virtual community presentation the last week of February; the first week of March 2021.

- 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 2021.

In the meantime, we will continue to seek grant funding, refine and reduce expenditures and forecast for the years 2021-2025 as required by the *Local Government Act*.

Administration looks forward to Board's input on other budget items or interest or resource concerns that Board may have.

