



Central Coast REGIONAL DISTRICT

That we may be good people together

2022 CCRD Financial Plan Development

Board Meeting Dec 9, 2021

Board Meeting

DEC 09 2021

CCRD ITEM C)(c)

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Open for Discussion



- Administration looks forward to Board guidance on :

- 1) **Apportioned Administration policy**
- 2) **Provincial Regional District grant redistribution policy**
- 3) **Community works funding allocation policy and priorities**
- 4) **Overall tolerance for potential tax requisition increase; and**
- 5) **Address revenue concerns , Review challenges and options**
 - **Land Use Planning, Solid Waste Management and Bella Coola Airport**

so that Administration may further revise the draft budget to meet Board expectation for presentation at the February Board meeting; Public engagement will begin the last week of February and continue into the first week of March 2022.

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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 2021 Budget.

▪ For discussion 1 – Per past CAO Courtney Kirk, Denny Island Water expenses are being offset by the regional district basic grant. For 2022 the apportion administration cost should be increased to offset general operations cost in 2021 for legal fees and other charges, and a reasonable estimate of what the fees to the service will be.

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- Redistribution of Regional District Basic Grants

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 operation

▪ **Recommendation – The board may wish to consider extending the transition with partial allocation of the 2022 Regional District Basic Grant to those local services most reliant on them as the financial transition is too challenging.**

Please note that Administration has built the 2022 preliminary budget with redistribution of Regional District Basic Grant as revenue in General Operations only, as per the Board's 2019 direction with the exception of DI Waterworks and Solid Waste Management.

<u>Electoral Area Services</u>	<u>2019</u>	<u>2020(Transition)</u>	<u>2021(Transition)</u>	<u>2022</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
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
Total electoral area services	139,315	46,265	48,915	29,220
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
Total Regional services	60,685	153,735	151,085	170,780
Total Annual Contribution	200,000	200,000	200,000	200,000

* Please see Apportion Administration P.2

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For Discussion 3 - Community Works Fund – Allocation



Community Works Fund
Financial Plan 2022-2026

9-Dec-21

	Current 2021 Est actual	Budget 2021	Draft 2022	2023	2024 Program Ends	2025	2026
Carry Forward Surplus	-	878,648	1,267,200	541,090	519,980	683,122	633,122
Interest	396	500					
Revenue (UBCM Gas Tax Agr)	398,850	194,832	203,890	203,890	213,142	-	-
Expenditures:	399,246	1,073,980	1,471,090	744,980	733,122	683,122	633,122

Denny Island Water
local Contribution for SPF Grant
(carry over from prior year)

Centennial Pool Renewal
local Contribution for SPF Grant
(carry over from prior year)

Solid Waste Management Plan
Devel, Ops & Closure Plan
Landfill Conformance Review
Groundwater wells & hydrology
(\$20,000 annually for monitoring & sampling is included in the operating budget.)

Asset Management Planning
Local contribution for FCM Grant

Asset Retirement Obligation
To implement new accounting standard

Official Community Plan

Other(Unallocated)

Total Expenditures

Estimated Surplus to carry forward

	0	240,000	240,000				
	0	150,000	300,000				
	10,694	62,000	50,000				
	-		65,000 new				
	0	40,000	50,000	50,000	50,000	50,000	50,000
		10,000					
	50,000	50,000	75,000	25,000	-	0	
	0	200,000	150,000 new	150,000			
	10,694	752,000	930,000	225,000	50,000	50,000	-
	388,552	321,980	541,090	519,980	683,122	633,122	633,122

For Discussion 3 - Community Works Fund – Allocation

- **Asset Management Planning and Asset Retirement Obligation** (Deferred from 2021)

In 2020, Administration sought and received Board approval to allocate CWF for Asset Management Planning and Asset Retirement Obligation to the UBCM Gas Tax agreement Schedule F and to fulfill statutory responsibility for regional district assets.

- **Denny Island Water and Centennial Pool Renewal** (Deferred from 2021)

Local contributions for Denny Island Water and Centennial Pool Renewal are requirements of the Strategic Priorities Funding.

- **Development of Operations and Post Closure Plan** (Deferred from 2021)

Regulatory requirement under the current operating permit and the landfill criteria. The work commenced in 2021 and will continue to 2022.

- **Official Community Planning**

The Board's top strategic priority in the 2019-2022 Amended Strategic Plan is Official Community Planning. The administration has been aggressively searching for funding resources. In the absence of adequate grant funding, intent to utilize Community Work funds to offset consultancy costs for this project.

- **Groundwater Wells and Hydrology at Thorsen Creek Waste and Recycling Centre**

The new in this presentation is \$65,000 for drilling and installing groundwater wells at TCWRC. It is expected to be a regulatory requirement in the regional district's new operating certificate. It also includes the requisite hydrology work associated with the installation of the monitoring wells.

For Discussion 4 - Tax Requisition 2022

- The Proposed tax levy increase in 2022 – 4% in recognition of the projected inflation costs for 2021 (British Columbia). Projected Canada Inflation Rates : 5.6 % / Projected B.C Inflation Rates : 3.8%
- 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 2022

	Area A	Area B	Area C	Area D	Area E	Total EA	LSA	Total	%
Administrative Services									
A - General Operations	\$ 82,384	\$ 1,959	\$ 72,095	\$ 40,673	\$ 15,173	\$ 212,285		\$ 212,285	23.6%
B - Grants in Aid	\$ 5,899	\$ 140	\$ 5,162	\$ 2,912	\$ 1,086	\$ 15,200		\$ 15,200	1.7%
C - Feasibility Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	0.0%
Development Services									
D - Economic Development	\$ 11,643	\$ 277	\$ 10,188	\$ 5,748	\$ 2,144	\$ 30,000		\$ 30,000	3.3%
E - Land Use Planning	\$ 25,016	\$ 595	\$ 21,891	\$ 12,350	\$ 4,607	\$ 64,459		\$ 64,459	7.2%
F - Valley Street Lighting			\$ 4,992	\$ 2,816	\$ 1,050	\$ 8,858		\$ 8,858	1.0%
Environmental Services									
G - Solid Waste Management		\$ 83,694	\$ 47,217	\$ 17,614	\$ 148,525			\$ 148,525	16.5%
Leisure Services									
H - Parks & Recreation - Bella Coola		\$ 18,217	\$ 10,278	\$ 3,834	\$ 32,329			\$ 32,329	3.6%
I - Recreation - Denny Island	\$ -		\$ 53,678	\$ 30,283	\$ 11,297	\$ 95,257		\$ -	0.0%
J - Swimming Pool		\$ 25,701	\$ 611	\$ 22,491	\$ 12,689	\$ 4,733	\$ 66,226		10.6%
K - Vancouver Is. Regional Library		\$ 25,769	\$ 613	\$ 22,550	\$ 12,722	\$ 4,746	\$ 66,400		7.4%
Protective Services									
L - Emergency Management									
M - Emergency Management Initiatives			\$ 3,945	\$ 2,225	\$ 830	\$ 7,000		\$ -	0.8%
N - House Numbering									
Transportation Services									
O - Airport - Bella Coola									
P - Airport - Denny Island	\$ 9,973		\$ -	\$ -	\$ -	\$ 9,973		\$ -	0.0%
Local Area Services (LSA)									
Q - Fire Protection (Area E+)							\$ 35,760	\$ 35,760	4.0%
R - Street Lights (Area E)							\$ 18,784	\$ 18,784	2.1%
S - Denny Island Water (SRVA#4)							\$ -	\$ -	0.0%
T - Hagensborg Fire Protection							\$ 88,833	\$ 88,833	9.9%
U - Hagensborg Waterworks							\$ -	\$ -	0.0%
TOTAL	186,385	4,195	318,904	179,914	67,114	756,512	143,377	899,889	100.0%
Current % of Total Tax Levy	24.6%	0.6%	42.2%	23.8%	8.9%	100.0%			
Last Year (2021)	179,850	4,040	303,308	171,115	63,832	722,145	142,919	865,064	Increase
Last Year % of Total Tax Levy	24.9%	0.6%	42.0%	23.7%	8.8%	100.0%			4.0%

* Converted values are published by BC Assessment Authority as at March 19, 2021

Prepared: Finance

Date: 7/1



Draft Requisition for Local Services – Initial Comparison to 2021



Local Services	2022	2021	% change	\$ change	Comments
Airport – Denny Island	\$9,973	\$9,973	-	-	
Airport – Bella Coola	-	-	-	-	No Tax Requisition
Fire Protection – Bella Coola	\$35,760	\$34,385	4%	\$1,375	Increased by 4% in recognition of the projected inflation costs for 2021 (British Columbia).
Fire Protection - Hagensborg	\$88,833	\$89,750	(1%)	(\$917)	The tax levy will decrease in the Hagensborg service area by \$917 which will be offset by the increase in user fees.
House Numbering	\$7,000	\$7,000	-	-	
Recreation – Denny Island	-	-	-	-	No Tax Requisition
Parks and Recreation – Bella Coola	\$32,329	32,329	-	-	
Solid Waste Management	\$148,525	\$130,996	13%	\$17,529	<p>Board Strategic Plan</p> <p><i>Improving Our Infrastructure</i></p> <ul style="list-style-type: none"> – Prioritized due to non-negotiable regulatory requirements – Reached to the 2021 tax limit based on 2021 BC assessment converted value.
Swimming Pool	\$95,257	\$95,257	-	-	
BCV Street Lighting	\$8,858	\$8,858	-	-	
LSA Street Lighting	\$18,784	\$18,784	-	-	

Draft Requisition for Regional Services – Initial Comparison to 2022



Regional Services	2022	2021	% change	\$ change	Comments
Economic Development	\$30,000	\$21,061	4%	\$8,939	Board Strategic Plan <i>Effective Community Planning</i> - Ocean Falls Revitalization Committee - Economic Development Re-evaluation as part of the OCP process
Emergency Management	\$66,400	\$66,400	-	-	
Feasibility Study	-	-	-	-	No Tax Requisition
Grant in Aid	\$15,200	\$15,200	-	-	
Library (VIRL)	\$66,226	\$64,187	3%	\$2,039	Contemplate VIRL 2022 Financial Plan
Board Strategic Plan					
<i>Effective Community Planning</i>					
Planning(Land Use)	\$64,459	\$58,599	10%	\$5,860	- Official Community Planning - Housing Needs Assessments
General Operations	\$212,285	\$212,285	-	-	

For Discussion 4 - Address Revenue Concerns, Review challenges and options

Service	Comments
Bella Coola Airport	<ol style="list-style-type: none"> 1. Reduce Expenses – Work in progress 2. Tax Levy
Solid Waste Management	<ol style="list-style-type: none"> 1. Reduce Expenses – Work in progress 2. Increase Tax Levy – Reached to the 2021 tax limit 3. Increase User Fees – Increased by 4% in recognition of the Consumer Price Index as published by Stats Canada as per the amended rates and charges bylaw 509 4. Regional District Basic Grant – Proposed partial allocation of the 2022 Regional District Basic Grant to the service 5. Municipal Service Agreement with Nuxalk Nation – Work in progress
Land Use Planning	<ol style="list-style-type: none"> 1. Reduce Expenses – Work in progress 2. Increase Tax Levy – Increased by 10% to offset consultancy costs for Official Community Plan. 3. CWF to support OCP update – Proposed \$150,000 allocation of CWF in 2022.

Next Steps

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 2022.

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 2022.

In the meantime, we will continue to seek grant funding, refine and reduce expenditures and forecast for the years 2022-2026 as required by the *Local Government Act*.



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Thank you!

