

CENTRAL COAST REGIONAL DISTRICT POLICIES

F-20 Budget Preparation and Engagement Policy

Purpose: The Central Coast Regional District (CCRD) is required to adopt an annual budget and financial plan by March 31 of each year. This budget informs taxation, spending, and service levels of the CCRD.

The budget is the product of months of research, meetings, and planning.

This policy is to provide clarity in preparation, engagement, and future planning.

Policy: The CCRD will strive to provide a consistent and repeatable practice with its budget preparation and engagement including consistent principles of how information is provided to the Board of Directors and the public, as well as how each of these parties interacts with the budget process.

The following guidelines provide a framework for repeatable and consistent practice.

Engagement:

1. Preparation for future budgets is an ongoing process. The Board will be updated with quarterly financial updates. Updates will provide information on revenue, expenses, major project milestones and issues of concern. These updates provide a foundation for understanding future planning.
2. Staff continually document and research solutions and options for maintenance and operational needs, public requests, and regulatory requirements. These projects are categorized and will be provided to the Board for consideration during budget discussions.
3. The annual budget preparation cycle starts in July with staff bringing together the information required to start developing draft materials for consideration of the Board. This process lasts from July to September.
4. Public engagement will begin in August with the mailing out of an informational postcard to all CCRD residents. This will include links etc. on where to find budget information and contact information for CCRD staff for any questions.
5. An online survey will be administrated by CCRD staff in the last week of August to mid September and run for roughly three (3) weeks. The objective of this is to better understand the public's desires in service and taxation levels. The survey results will be reported in aggregate to the Board in a public meeting.
6. The budget is prepared in a draft form for the October meeting. This budget is based on significant items from the previous sections, and the previous years actual spending as reliably forecast. The online survey results and recommendations will be tabulated and included within the budget.
7. This October meeting provides early information to the Board, as well as to the public in the form of a public meeting of the Board. The Board can provide preliminary direction on financial matters of note that they want additional information, reworking of the budget

or for staff to research and provide additional options. Staff will present options regarding tasks, projects, and recommendations for budgets for approval at the October meeting.

8. November meeting will provide a reworked budget aligned with Board direction and/or options for consideration by the Board. This meeting is to eliminate the major issues of concern for a considerable stable idea of the financial picture for the CCRD.
9. To ensure all residents have an opportunity to review the budget, a copy of the draft budget and a poster containing links and contact information will be sent to various locations (Shearwater Resort, Wuikinuxv Nation Band Office, Ocean Falls Improvement District, CCRD office, Heiltsuk Nation Band Office, Dawson's Landing General Store) to be printed and posted in early February. The locations of these will be disclosed in the informational postcards.
10. Community engagement will begin in February. This will include two sessions from the CCRD Finance department: (A) In-person public engagement session for Bella Coola Valley residents, and a (B) a live online presentation for all residents.
 - A. A longer in-person public engagement session will go over both afternoon and evening – for example, 2:00PM to 7:00PM for residents working during the day. This presentation will be aimed at Bella Coola Valley residents. The presentation style and format will be determined by the Chief Financial Officer. There will be a mechanism for resident feedback, and results and recommendations will be provided to the Board of Directors at the following Board meeting. The purpose of the in-person event will be to showcase budget items but not initiate a debate with the public.
 - B. A live online presentation will be given by the Chief Financial Officer on budget items for all residents. There will be an opportunity for residents to provide feedback during and after the presentation. This will also be recorded and available on social media and the website after.

This engagement is intended to provide information to the public on the draft budget and will include all necessary detail. All materials used within the three public engagement sessions (Powerpoint slides, poster materials, etc.) will be available on the website after the presentations.

Significant items of concern from the public should be undertaken for consideration in amendments. The public will be given a window for providing comments to be included in the budget package. The Chief Financial Officer will set the date, format, and time of the events and ensure that it is appropriately advertised. This event will meet the requirements in Section 375 of the *Local Government Act*.

11. The Board will be presented a final version of the budget with tax implication at the February meeting. The Board will consider any final changes, hear any final delegations, review the feedback and comments from the public consultation, and provide direction to staff related to the budget. The public will be encouraged to submit feedback in writing for this meeting. Delegations will be accepted for the February meeting but limited to 60 minutes (1 hour). The Corporate Officer will adjust delegation presentation lengths

(limiting presentation times to a maximum of 5 minutes) to maximise the number of delegations that may present in the 60-minute delegation period.

12. All annual financial bylaws need to be adopted by March 31. The auditor provides updated surplus numbers in March and the final budget will be presented in March to the Board for adoption. No delegations will be accepted related to the budget at the March meeting.

Preparation:

1. Budgeting processes are to conform with Generally Accepted Accounting Principles.
2. Operational budgets are prepared using forecasted actuals with relevant variations (e.g. need for increased maintenance is expected, expectation of decreased maintenance, etc.). This draft is prepared by staff and provided to the Board early in the budget process to understand a 'foundation' of which to work with in terms of operational needs.
3. New services or increased service levels are costed with relevant expertise and placed before the Board for consideration early in the process as well. These proposed new services or increased service levels may be proposed by staff, requested by the public through various delegations or engagement platforms, or may be requested by the Board.
4. Capital expenditures are costed with relevant expertise and provided before the Board. Staff prioritize the list of proposed capital expenditures as best determined to be necessary to meet operational needs. This list is expected to be modified by the Board to their satisfaction.
5. Surplus from a budget year will be referred to the next budget. The surplus should generally be placed in reserves for contingency relief in the event of unforeseen circumstances that affect the operation of current services. Previous year's surplus will be allocated toward a budget's contingency until the contingency account represents 15% of the total budget. Surplus should not be used to fund new or increased service levels due to the unstable nature of surplus funds. Unused surplus beyond the appropriate contingency levels should be considered for transfer to the appropriate reserve fund. Use of surplus funds in the budgeting process remains at the discretion of the Board and may be allocated as the Board desires.
6. Capital Projects that have not been started should be re-introduced to the Board with a description of if the project is still necessary. Capital Projects that have been started and not finished should provide the funds reserved for the project and expected costs in the next year. Any funds not used as a result of Capital Projects being under-budget should be treated as surplus.
7. All draft budgets are presented for discussion by the Board, and to the Board's approval. Staff present information to prepare the Board on the implications of decisions and what they believe is required to meet the expectations of multiple stakeholders, but the Board holds approving authority in the way of bylaw approval.

8. Budgeting is an annual process, but the process of planning for the budget is a constant practice that requires consistent sharing of information, reporting and feedback between staff, the Board and the public.