



REQUEST FOR DECISION

To: Board of Directors

From: Andrew McGifford, acting Manager of Finance

Meeting Date: February 25, 2015

Subject: 1st Reading of the 2015-2019 Financial Plan

Recommendation:

That the Board of Directors give first reading to Bylaw cited as '2015 to 2019 Alberni–Clayoquot Regional District Financial Plan Bylaw No. F1115'.

Summary:

Attached is the draft of the 2015-2019 Financial Plan for the Regional District. The following are highlights of the plan:

- **E911 Emergency Telephone System** – The proposed budget is based on the revised plan provided by the North Island 911 Corporation represents a 5.02% increase from 2014. The contract with the RCMP for the PSAP service was moved to E-Comm, without this move we would have seen an increase in the 10% range.
- **General Government Services** – The budget was presented to the board on February 11 and there has been a reduction in the surplus due to wage accruals at December 31 2014, the surplus was presented as \$38,144 and is now \$23,056.
- **Grant in Aid Economic Development** – Board direction will be provided based on the discussion at the special Committee of the Whole meeting that is being held on February 25th at 10am.
- **Grant in Aid Island Corridor Foundation** – The grant in aid that was allocated in 2013 was not provided to the foundation in 2014 as they have yet to fulfill the conditions of the grant including securing an agreement with VIA Rail to operate the railway. The tax requisition for the second half of the funding committed was deferred in 2014 and will continue in 2015 and the funding will continue to be held until the conditions have been met.
- **Air Quality Grant in Aid** – At the West Coast Committee meeting on February 19 the District of Tofino & Ucluelet decided not to participate and a motion is required. The proposals were shared with the District of Ucluelet and the First Nations members.
- **Other Grant in Aid's** – All other grants in aid that were recommended by the Committee of the Whole at the February 12th and the West Coast Committee on February 19 have been included in the plan.
- **Regional Parks** – The ACRD Regional Parks and Trail plan will be presented at the special Committee of the Whole meeting that is being held on February 25th at 10am. The budget

includes amounts for additional staff time and initiatives stemming from the completion of the parks plan.

- **Regional Planning** – The Agricultural Development committee (ADC) is continuing to develop the initiatives that are based on the recommendations of the agricultural plan. At the request of the board the ADC met on February 23 and their recommendations will be circulated as a late item.
- **Electoral Area Administration** – Staff continues to work towards the implementation of the Water Improvement Projects that were committed to utilizing the Federal Gas Tax Funding received. The Federal government committed to additional Gas Tax Funding in 2014 for another five years. A strategic plan for the additional Gas Tax funds will be discussed among the Electoral Area directors after the budget has been completed.
- **Management of Development Rural Areas** – The planning department will be completing the zoning bylaw and subdivision servicing bylaw and starting the review process and minor updates of the South Long Beach OCP.
- **Alberni Valley Emergency Planning** – The purchase of a gen-set is in the financial plan and discovery of the wiring upgrades needed have increased the costs of performing this project to \$63,000. We are in the process of selecting an Emergency Program coordinator position.
- **Waste Management** – The Solid Waste Management Plans for both the Alberni Valley and the West Coast continues to undergo review in 2015. The recycling programs offered by the ACRD underwent the RFP process in 2014. The new contracts have allowed the ACRD to not charge for our recycling services provided in the West Coast, Beaver Creek and the City of Port Alberni. A brief report on the agenda answers questions from the West Coast Committee meeting on February 19. A resolution will be required to address these matters.
- **Alberni Valley Regional Airport** – The Build Canada grant application has been submitted for the extension of the runway. The service area continues to be very tight due to the low limit on the tax requisition for the service. The Airport supervisor continues to perform the needed work to operate the airport and stay within budget. Airport users are requesting higher levels of service which are impossible to meet without higher taxation.
- **Alberni Valley Regional Water Proposed Service** – Sproat Lake is being investigated as an option for an Alberni Valley supply of water in order to achieve the water regulations set out by Island Health. The feasibility of the water supply will be explored to assist in determining the future direction of the Alberni Valley water supply.
- **Sproat Lake Marine Patrol** – After the successful referendum in November of 2014 this service is now removed as a line item in Sproat Lake Parks. All surplus amounts and capital reserve balances have been moved from Sproat Lake Parks to this new service and there will not be a tax requisition in 2015.
- **Long Beach Airport** – The ACRD was successful in increasing the amount of revenue generated at the airport through water fees and passenger fees which have improved revenue sources at the airport. Clarification for at the costs associated with access road maintenance during the 2014 year was requested at the West Coast Committee meeting on February 19. The actual road

grading was performed three times in 2014 for a total cost of \$1200 and this adjustment reduced building repairs by \$400 to \$10,617.

- **Bamfield Water** – In November of 2014 there was a successful pilot project to reduce the THM's in the water system. The Build Canada grant was applied for and there will be a need for short term borrowing through MFA to fund the one third of the project if we are successful. The water rates and parcel tax will need to be reviewed in order to meet the demands of this water system.
- **Millstream Water System** – This service is paid for exclusively by users fees and due to rising costs it appears an amendment to the rates was required this year. Staff will come back to the Board with a recommendation later this spring.
- **Salmon Beach** – Amounts in the budget for the Salmon Beach services were made with the consultation of the Salmon Beach owners at their annual budget meeting. The management service of Salmon Beach has changed and the current provider is working month to month until we develop a plan for the operations moving forward. The sewage service needs to be reviewed as costs associated with this service are not reflected in the revenues received, staff need to review and provide options.
- **Beaver Creek Water System** – The Strick Road Pump Station connection to the City of Port Alberni's water system went online in May of 2014. Beaver Creek Water System will receive UV treated water from the City of Port Alberni once the upgrade to the water system is complete. The rate structure and capital contribution (parcel tax) will need to be reviewed, staff will present options and justification for these changes to the advisory committee which will occurred on February 23rd.
- **Arvay Road Street Lighting** – Due to the increasing costs of hydro the bylaw will need to be amended to reflect the costs associated with providing the service. BC hydro has released their plan for rate increases over the next five years and this will be considered.

Some of the committees that support the ACRD services such as the volunteer fire departments and parks commissions are still in the process of developing their budgets and therefore amendments may be required during second reading of the financial plan bylaw to adjust the budgets accordingly.

Attached for the information of the Board is a service and participation overview with changes relative to 2014. Also attached is the allocation of staff wages by service area.

Background:

The Financial Plan has been developed with input from ACRD staff, consultants, volunteers and directors.

Time Requirements – Staff & Elected Officials:

The development of the Financial Plan takes a tremendous amount of staff time to create as well as for the directors to review.

Financial:

The tax requisition and parcel taxes for the proposed budget is \$5.0 million, which is 9.4% higher than the previous year, the Hospital District's budget has declined which offsets the total requisition increase to 1.68% overall. Each service has its own requisition that is paid for by the areas that receive the service and the changes in requisition amount vary in each service. The impact to the communities also is dependent on the changes in the assessed values of the area.

Policy or Legislation:

The Local Government Act requires that the Regional District annually adopt a five year financial plan by March 31st. A public consultation process must be undertaken prior to adoption of the plan and staff is currently conducting meetings in many of the ACRD areas and will hold a public meeting at the ACRD office on March 11th at 6pm.



Submitted by: _____
Andrew McGifford, acting Manager of Finance



Approved by: _____
Russell Dyson, Chief Administrative Officer

SUPPORT SERVICE PROVIDERS

	Mgr of Planning	Mgr Enviro	Admin Assistant	Admin Assitant/ Cashier	Admin Assistant/ ACHN	Mgr of Admin Services	Relief Assistant	CAO	Mgr of Finance	Accting Clerk	Accountant	Casual Accountant
All Members												
E911 Telephone System	0%	0%	0%	0%	0%	0%	0%	2%	0%	0%	0%	0%
Grants-in-aid	0%	0%	0%	0%	0%	1%	0%	1%	1%	0%	0%	0%
Regional Parks	5%	1%	0%	0%	0%	0%	0%	2%	0%	0%	0%	0%
Regional Planning	20%	0%	0%	0%	0%	0%	0%	2%	0%	0%	0%	0%
Health Network	0%	0%	0%	0%	25%	1%	0%	3%	0%	0%	0%	0%
Electoral Area's												
Building Inspection	13%	0%	0%	0%	0%	0%	0%	2%	0%	0%	0%	0%
Electoral Area Administration	0%	2%	0%	0%	0%	0%	0%	6%	1%	0%	3%	0%
Mgmt of Development - Rural Areas	49%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%
Vancouver Island Regional Library	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%
Alberni Valley												
Alberni Valley Emergency Planning	0%	0%	0%	0%	0%	0%	0%	7%	1%	0%	0%	0%
Alberni Valley & Bamfield Waste Mgmt	0%	19%	3%	5%	0%	0%	0%	5%	0%	40%	18%	0%
Alberni Valley Regional Airport	0%	0%	0%	0%	0%	2%	0%	1%	1%	1%	1%	0%
Alberni Valley Regional Water	2%	5%	0%	0%	0%	0%	0%	4%	0%	0%	0%	0%
Custom Transit	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%
McLean Mill Grant-in-aid	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Sproat Lake Marine Patrol	0%	5%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%
West Coast												
Long Beach Airport	0%	0%	0%	0%	0%	2%	0%	3%	0%	5%	3%	0%
West Coast Emergency Planning	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%
West Coast Waste Mgmt	0%	8%	0%	1%	0%	0%	0%	3%	0%	20%	10%	0%
Arena	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%
Bamfield												
Bamfield Community Park	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%
Bamfield Volunteer Fire Dept	0%	0%	0%	0%	0%	1%	0%	2%	0%	0%	1%	0%
Bamfield Water System	0%	5%	0%	1%	0%	0%	0%	3%	1%	1%	1%	0%
Beaufort												
Mountain Ranch Rd Fire Protection	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Long Beach												
Millstream Water System	0%	2%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%
Salmon Beach Garbage	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Salmon Beach Power Distribution	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Salmon Beach Recreation	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%
Salmon Beach Security	0%	0%	0%	0%	0%	0%	0%	1%	1%	1%	0%	0%

