



# Alberni-Clayoquot Regional District

## ALBERNI VALLEY & BAMFIELD COMMITTEE – FINANCIAL PLANNING MEETING WEDNESDAY, FEBRUARY 6, 2013, 1:30 PM

Regional District Board Room, 3008 Fifth Avenue, Port Alberni, BC

### AGENDA

---

	PAGE #
1. <b><u>CALL TO ORDER</u></b>	
2. <b><u>APPROVAL OF AGENDA</u></b> <i>(motion to approve, including late items requires 2/3 majority vote)</i>	
3. <b><u>REQUEST FOR DECISIONS &amp; BYLAWS</u></b>	
a. <b>REQUEST FOR DECISION</b> Re: 2013-2017 Financial Plan – Alberni Valley & Bamfield Waste Management	<b>3-7</b>
<i>THAT the Alberni Valley Committee review the Alberni Valley &amp; Bamfield Waste Management proposed budget, make amendments if required, and approve for consideration by the Board of Directors.</i>	
b. <b>REQUEST FOR DECISION</b> Re: 2013-2017 Financial Plan – Alberni Valley Emergency Planning	<b>8-11</b>
<i>THAT the Alberni Valley Committee review the Alberni Valley Emergency Planning proposed budget, make amendments if required, and approve for consideration by the Board of Directors.</i>	
c. <b>REQUEST FOR DECISION</b> Re: 2013-2017 Financial Plan – Custom Transit	<b>12-17</b>
<i>THAT the Alberni Valley Committee review the Custom Transit proposed budget, make amendments if required, and approve for consideration by the Board of Directors.</i>	
d. <b>REQUEST FOR DECISION</b> Re: 2013-2017 Financial Plan – Alberni Valley Regional Airport	<b>18-21</b>
<i>THAT the Alberni Valley Committee review the Alberni Valley Regional Airport proposed budget, make amendments if required, and approve for consideration by the Board of Directors.</i>	
4. <b><u>UNFINISHED BUSINESS</u></b>	

5. **NEW BUSINESS**

6. **ADJOURN**



## **REQUEST FOR DECISION**

**To:** Alberni Valley Committee

**From:** Teri Fong, CGA, Manager of Finance

**Meeting Date:** February 6, 2013

**Subject:** Alberni Valley & Bamfield Waste Management

---

### **Recommendation:**

**That the Alberni Valley Committee review the Alberni Valley & Bamfield Waste Management proposed budget, make amendments if required, and approve for consideration by the Board of Directors.**

### **2012 Highlights:**

The Alberni Valley & Bamfield Waste Management service is a significant operation for the Regional District. The projects completed during the year included:

- The submission of the Closure and Post Closure Plan to the Ministry of Environment for review.
- The construction of a share shed at the Bamfield Transfer Station.
- The investigation and negotiation of an alternate gravel source for the Landfill as the onsite supply has all been utilized.
- The installation of tipping bins safety rails at the transfer station portion of the Landfill.
- Working with the Ministry of Environment and Tseshaht First Nations to ensure cleanup of the abandoned tire recycling plant at Devil's Den.

### **Upcoming for 2013:**

The plan for 2013 includes:

- Line 27 - The use of the Alberni Valley Bulldogs to make school presentations to children of the Alberni Valley regarding 'The 3 R's – Reduce, Reuse, Recycle'.
- Lines 31 & 33 - The investigation of an organics composting program that would see any diverted waste being processed and utilized at the Landfill.
- Line 65 – The amount of solid waste at the Landfill is reaching a point where the Ministry of Environment requires that we must develop a plan to capture the gas created by the waste.
- Line 67 – The landfill will be expanded in the north-east corner as the current site is reaching its capacity.
- Line 70 - The Solid Waste Management Plan expired in 2012 and the Ministry of Environment requires that the plan be updated.

### **Background:**

This budget was developed with input from the following people:

- The ACRD Environmental Services department and CAO
- Alberni Valley Landfill contractor – Berry and Vale Contracting Ltd

- Alberni Valley Landfill engineer – McGill and Associates Engineering

**Financial:**

The residential tax rates are as follows:

- Bamfield 2013 - \$0.266 2012 - \$0.286 per \$1,000 of assessed value.
- All other areas 2013 - \$0.005 2012 - \$0.004 per \$1,000 of assessed value.

The tax rate for Bamfield is different from the other areas because of the Alberni Valley Committee's direction in prior years for the Bamfield Transfer Station costs to be covered by that Electoral Area only.

**Policy or Legislation:**

The Ministry of Environment sets the regulations for items such as closure/post closure plans, solid waste management plans, landfill gas management plans and annual reporting requirements.

**Disclosure:**

The prior year actual balances may still change as 2012 invoices are still trickling in.



Submitted by: \_\_\_\_\_

Teri Fong, CGA, Manager of Finance



Approved by: \_\_\_\_\_

Russell Dyson, Chief Administrative Officer



**ALBERNI-CLAYOQUOT REGIONAL DISTRICT**  
**2013-2017 FINANCIAL PLAN**  
**ALBERNI VALLEY & BAMFIELD WASTE MANAGEMENT**  
**PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'A', 'B', 'D', 'E', and 'F'**

Draft for Discussion  
 Purposes

Line	History			Budget					Line
	2012 ACTUAL	2012 PLAN		2013	2014	2015	2016	2017	
<b>REVENUE</b>									
1	\$ 417,656	\$ 417,077	Surplus (deficit) from prior years	\$ 568,180	\$ -	\$ -	\$ -	\$ -	1
2	76,122	76,123	Tax requisition	78,020	708,600	915,500	941,800	956,500	2
3			<i>Fees &amp; charges</i>						3
4	246,606	240,000	Curbside recycling	240,000	244,800	249,700	254,700	259,800	4
5	1,754,095	1,500,000	Tipping fees	1,585,000	1,450,000	1,450,000	1,450,000	1,450,000	5
6	2,000,701	1,740,000	Total fees & charges	1,825,000	1,694,800	1,699,700	1,704,700	1,709,800	6
7	2,008	1,000	Grant in lieu of taxes	1,000	1,000	1,000	1,000	1,000	7
8	45,193	10,000	Other sources	10,000	10,000	10,000	10,000	10,000	8
9	<b>\$ 2,541,680</b>	<b>\$ 2,244,200</b>	<b>TOTAL REVENUE</b>	<b>\$ 2,482,200</b>	<b>\$ 2,414,400</b>	<b>\$ 2,626,200</b>	<b>\$ 2,657,500</b>	<b>\$ 2,677,300</b>	9
<b>EXPENDITURES</b>									
10	\$ 45,000	\$ 45,000	Administration charge	\$ 69,000	\$ 69,000	\$ 69,000	\$ 69,000	\$ 69,000	10
11			<i>Bamfield transfer station</i>						11
12	51,215	45,000	Garbage - hauling & tipping fees	52,000	53,000	54,100	55,200	56,300	12
13	7,631	18,000	Recycling - hauling	11,000	11,200	11,400	11,600	11,800	13
14	58,846	63,000	Total Bamfield transfer station	63,000	64,200	65,500	66,800	68,100	14
15	480,000	480,000	Capital fund contribution	480,000	480,000	480,000	480,000	480,000	15
16	120,000	120,000	Closure & post closure fund contribution	120,000	120,000	120,000	120,000	120,000	16
17			<i>Labour &amp; related costs</i>						17
18	2,256	5,000	Convention/professional development	5,000	5,000	5,000	5,000	5,000	18
19	80,606	110,000	Labour & benefits	51,000	52,000	53,000	54,100	55,200	19
20	615	3,000	Vehicle operation	3,000	3,000	3,000	3,000	3,000	20
21	83,477	118,000	Total labour & related costs	59,000	60,000	61,000	62,100	63,200	21
22			<i>Promotion &amp; education</i>						22
23	3,127	10,000	Advertising & promotion	10,000	10,000	10,000	10,000	10,000	23
24	-	2,500	Bear-human conflict management	2,500	2,500	2,500	2,500	2,500	24
25	-	12,000	Illegal dumping prevention/waived tipping	12,000	12,000	12,000	12,000	12,000	25
26	-	800	Recycling hotline	800	800	800	800	800	26
27	400	2,000	School program	10,000	10,000	10,000	10,000	10,000	27
28	3,527	27,300	Total promotion & education	35,300	35,300	35,300	35,300	35,300	28

**ALBERNI-CLAYOQUOT REGIONAL DISTRICT**  
**2013-2017 FINANCIAL PLAN**  
**ALBERNI VALLEY & BAMFIELD WASTE MANAGEMENT (continued)**  
**PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'A', 'B', 'D', 'E', and 'F'**

Draft for Discussion  
Purposes

Line	History			Budget					Line
	2012 ACTUAL	2012 PLAN		2013	2014	2015	2016	2017	
			<b>EXPENDITURES (continued)</b>						
29			<i>Recycle, reduce, reuse</i>						29
30	\$ -	\$ 10,000	Backyard composting program	\$ -	\$ 8,000	\$ -	\$ 8,000	\$ -	30
31	-	30,500	Onsite composting program	50,500	-	-	-	-	31
32	-	8,000	Disposal bans	8,000	1,500	1,500	1,500	1,500	32
33	-	45,000	Feasibility study - food waste composting	65,000	-	-	-	-	33
34	-	2,400	Green business campaign	2,400	2,400	2,400	2,400	2,400	34
35	33,720	35,000	Recycling depots - Alberni Valley	35,000	35,700	36,400	37,100	37,800	35
36	226,891	240,000	Residential recycling pickup	240,000	244,800	249,700	254,700	259,800	36
37	-	10,000	Share sheds	-	20,000	5,000	1,000	1,000	37
38	-	30,000	Yard waste depot	30,000	30,000	30,000	30,000	30,000	38
39	260,611	410,900	Total recycle, reduce & reuse	430,900	342,400	325,000	334,700	332,500	39
40			<i>Residual waste management</i>						40
41	-	15,000	Cover material sourcing	200,000	200,000	408,000	408,000	408,000	41
42	741,768	750,000	Operating costs	750,000	765,000	780,300	795,900	811,800	42
43	155,578	160,000	Other operating costs	175,000	178,500	182,100	185,700	189,400	43
44	-	-	Professional fees	17,000	17,000	17,000	17,000	17,000	44
45	-	-	Utilities	18,000	18,000	18,000	18,000	18,000	45
46	24,693	35,000	Water monitoring	35,000	35,000	35,000	35,000	35,000	46
47	-	20,000	Wood waste grinding	30,000	30,000	30,000	30,000	30,000	47
48	922,039	980,000	Total residual waste management	1,225,000	1,243,500	1,470,400	1,489,600	1,509,200	48
49	<b>\$ 1,973,500</b>	<b>\$ 2,244,200</b>	<b>TOTAL EXPENDITURES</b>	<b>\$ 2,482,200</b>	<b>\$ 2,414,400</b>	<b>\$ 2,626,200</b>	<b>\$ 2,657,500</b>	<b>\$ 2,677,300</b>	49
50	\$ 568,180	\$ -	<b>FINANCIAL PLAN BALANCE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	50
51	600,000	600,000	Add: Transfer to reserves	600,000	600,000	600,000	600,000	600,000	51
52	93,000	93,000	Deduct: Estimated amortization not included	93,000	93,000	93,000	93,000	93,000	52
53	417,656	417,077	Surplus from previous year	568,180	-	-	-	-	53
54	<b>\$ 657,524</b>	<b>\$ 89,923</b>	<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>-\$ 61,180</b>	<b>\$ 507,000</b>	<b>\$ 507,000</b>	<b>\$ 507,000</b>	<b>\$ 507,000</b>	54

(for Financial Reporting purposes)

**ALBERNI-CLAYOQUOT REGIONAL DISTRICT**  
**2013-2017 FINANCIAL PLAN**  
**ALBERNI VALLEY & BAMFIELD WASTE MANAGEMENT (continued)**  
**PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'A', 'B', 'D', 'E', and 'F'**

Draft for Discussion  
Purposes

Line	History			Budget					Line
	2012 ACTUAL	2012 PLAN		2013	2014	2015	2016	2017	
<b>CAPITAL FUND</b>									
55	\$ 2,998,695	\$ 2,998,694	Balance, beginning of year	\$ 3,398,621	\$ 2,867,521	\$ 2,435,421	\$ 1,670,921	\$ 2,174,821	55
56	480,000	480,000	Contribution from operating fund	480,000	480,000	480,000	480,000	480,000	56
57	39,536	35,000	Interest earnings	38,900	32,900	25,500	23,900	30,200	57
58			<i>Less - capital expenditures</i>						58
59	-	-	Alternate energy options	5,000	-	-	-	-	59
60	19,794	16,069	Bamfield transfer station	-	-	-	-	-	60
61	12,501	25,000	Cover material sourcing	-	-	-	-	-	61
62	-	25,000	Extending & shortening of wells	25,000	-	-	-	-	62
63	-	-	Flow data, leachate lines, interception wells	-	-	-	-	-	63
64	-	35,000	Haul road upgrade	-	-	-	-	-	64
65	14,025	75,000	Landfill gas management	75,000	145,000	500,000	-	-	65
66	14,889	90,000	Leachate interception	50,000	500,000	750,000	-	-	66
67	5,631	100,000	North-east expansion	300,000	-	-	-	-	67
68	-	40,000	SCADA control system	50,000	-	-	-	-	68
69	29,596	250,000	Site security & sustainable development	250,000	250,000	-	-	-	69
70	-	-	Solid waste management plan	70,000	-	-	-	-	70
71	19,450	40,000	Tipping bins safety railing	-	-	-	-	-	71
72	-	-	Transfer station expansion	50,000	50,000	20,000	-	-	72
73	3,724	175,000	Water pumphouse upgrade	175,000	-	-	-	-	73
74	<u>119,610</u>	<u>871,069</u>	Total capital expenditures	<u>1,050,000</u>	<u>945,000</u>	<u>1,270,000</u>	<u>-</u>	<u>-</u>	74
75	<u><b>\$ 3,398,621</b></u>	<u><b>\$ 2,642,625</b></u>	<b>BALANCE, END OF YEAR</b>	<u><b>\$ 2,867,521</b></u>	<u><b>\$ 2,435,421</b></u>	<u><b>\$ 1,670,921</b></u>	<u><b>\$ 2,174,821</b></u>	<u><b>\$ 2,685,021</b></u>	75
<b>CLOSURE &amp; POST CLOSURE FUND</b>									
76	\$ 1,172,672	\$ 1,172,672	Balance, beginning of year	\$ 1,307,908	\$ 1,445,008	\$ 1,583,808	\$ 1,724,308	\$ 1,866,608	76
77	120,000	120,000	Contribution from operating fund	120,000	120,000	120,000	120,000	120,000	77
78	15,236	15,400	Interest earnings	17,100	18,800	20,500	22,300	24,100	78
79	-	-	Less - closure costs	-	-	-	-	-	79
80	<u><b>\$ 1,307,908</b></u>	<u><b>\$ 1,308,072</b></u>	<b>BALANCE, END OF YEAR</b>	<u><b>\$ 1,445,008</b></u>	<u><b>\$ 1,583,808</b></u>	<u><b>\$ 1,724,308</b></u>	<u><b>\$ 1,866,608</b></u>	<u><b>\$ 2,010,708</b></u>	80



## **REQUEST FOR DECISION**

**To:** Alberni Valley Committee

**From:** Teri Fong, CGA, Manager of Finance

**Meeting Date:** February 6, 2013

**Subject:** Alberni Valley Emergency Planning

---

### **Recommendation:**

**That the Alberni Valley Committee review the Alberni Valley Emergency Planning proposed budget, make amendments if required, and approve for consideration by the Board of Directors.**

### **2012 Highlights:**

The Alberni Valley Emergency Planning operations were very standard in 2012. The annual training of staff and volunteers occurred as did the public education programs.

### **Upcoming for 2013:**

The 2013 budget includes an amount for the annual training and public education requirements but also includes the following items:

- Line 9 – An update of the emergency plan is required this year.
- Line 10 – A generator is necessary to operate an efficient and effective Emergency Operations Centre. Staff is still investigating the opportunity of partnering with the City and options will be presented to the Directors before a decision is made.

### **Background:**

This budget was developed with input from the Emergency Program Manager, Property Maintenance Coordinator and Chief Administrative Officer.

### **Financial:**

The requisition has risen by 32.53% from the prior year. The residential tax rate has increased from \$0.020 to \$0.027 per \$1,000 of assessed value.

### **Policy or Legislation:**

Emergency Management BC is the regulatory body for this service.

### **Disclosure:**

The prior year actual balances may still change as 2012 invoices are still trickling in.



Submitted by: \_\_\_\_\_  
Teri Fong, CGA, Manager of Finance



Approved by: \_\_\_\_\_  
Russell Dyson, Chief Administrative Officer



**ALBERNI-CLAYOQUOT REGIONAL DISTRICT**  
**2013-2017 FINANCIAL PLAN**  
**ALBERNI VALLEY EMERGENCY PLANNING**  
**PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'B', 'D', 'E', and 'F'**

Draft for Discussion  
 Purposes

Line	History			Budget					Line
	2012 ACTUAL	2012 PLAN		2013	2014	2015	2016	2017	
<b>REVENUE</b>									
1	\$ 6,651	\$ 6,651	Surplus (deficit) from prior years	\$ 9,852	\$ -	\$ -	\$ -	\$ -	1
2	76,849	76,849	Tax requisition	101,848	86,300	87,200	88,100	89,000	2
3	1,042	500	Grant in lieu of taxes	500	500	500	500	500	3
4	<b>\$ 84,542</b>	<b>\$ 84,000</b>	<b>TOTAL REVENUE</b>	<b>\$ 112,200</b>	<b>\$ 86,800</b>	<b>\$ 87,700</b>	<b>\$ 88,600</b>	<b>\$ 89,500</b>	4
<b>EXPENDITURES</b>									
5	\$ 10,000	\$ 10,000	Administrative charge	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	5
6	16,598	25,000	Emergency planning costs	26,200	25,000	25,000	25,000	25,000	6
7	10,000	10,000	Facility rent	10,000	10,000	10,000	10,000	10,000	7
8	38,092	39,000	Labour & benefits	42,000	42,800	43,700	44,600	45,500	8
9	-	-	Studies & reports	10,000	-	-	-	-	9
10	-	-	Generator for EOC	15,000	-	-	-	-	10
11	<b>\$ 74,690</b>	<b>\$ 84,000</b>	<b>TOTAL EXPENDITURES</b>	<b>\$ 112,200</b>	<b>\$ 86,800</b>	<b>\$ 87,700</b>	<b>\$ 88,600</b>	<b>\$ 89,500</b>	11
12	\$ 9,852	\$ -	<b>FINANCIAL PLAN BALANCE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	12
13	6,651	6,651	Deduct: Surplus from previous year	9,852	-	-	-	-	13
14	<b>\$ 3,201</b>	<b>-\$ 6,651</b>	<b>ANNUAL SURPLUS/(DEFICIT)</b> (for Financial Reporting purposes)	<b>-\$ 9,852</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	14

Emergency Planning			2013 Budget	
Professional Development - L. L'Heureux				
Event	Location	Dates		Expenses
Provincial Emergency Preparedness Conference	Vancouver	November, 2013		1,700.00
Vancouver Island Emergency Preparedness Conference	Sidney	April 19 to 21, 2013		700.00
JI Train the Trainer course	Victoria	June, 2013		800.00
Travel to meetings out of town (ACRD car not unavailable)				500.00
<b>Sub Total</b>				<b>3,700.00</b>
Staff/Volunteer Training				
Course	Location	Dates		Expenses
Emergency Operations Centre	Port Alberni	TBA		3,000.00
ESS training	Various	TBA		1,000.00
Staff training for EOC roles	EOC	TBA		1,000.00
<b>Sub Total</b>				<b>5,000.00</b>
Public Education				
	Location	Date		Expenses
Brochures				3,500.00
Tsunami Awareness Campaign	Inundation zone residences	May thru July 2013		1,500.00
Fall Fair	Port Alberni	September, 2013		1,500.00
Emergency Preparedness Day	Port Alberni	May, 2013		500.00
Emergency Preparedness Week	Port Alberni	May 6 thru 11, 2013		
<b>Sub Total</b>				<b>7,000.00</b>
Emergency Plan Exercises				
	Location	Dates	Attendees	Expenses
EOC set up drill	Port Alberni	TBA	City/ACRD staff	1,000.00
Functional Exercise - topic TBA	Port Alberni	TBA	EPC, Stakeholders	6,500.00
<b>Sub Total</b>				<b>7,500.00</b>
Emergency Operations Centre Upgrade				
Technology Upgrade				2,000.00
Storage and shelving				1,000.00
<b>Sub Total</b>				<b>3,000.00</b>

**Total Operating Budget** 26,200.00

**Update of Emergency Plan** 10,000.00

**Generator for EOC** 15,000.00

*Prepared by the Emergency Program Manager*



## REQUEST FOR DECISION

**To:** Alberni Valley Committee  
**From:** Teri Fong, CGA, Manager of Finance  
**Meeting Date:** February 6, 2013  
**Subject:** Custom Transit

---

**Recommendation:**

**That the Alberni Valley Committee review the Custom Transit proposed budget, make amendments if required, and approve for consideration by the Board of Directors.**

**Background:**

The Custom Transit service is provided by BC Transit who oversees our local operator, Diversified Transportation. The proposed budget is based on the 3 year plan provided by BC Transit.

**Financial:**

The requisition has risen back to historical averages after a substantial decrease in the prior year. The residential tax rate has increased from \$0.024 to \$0.028 per \$1,000 of assessed value. This year's requisition amount is consistent with average over the last number of years.

Submitted by: \_\_\_\_\_

Teri Fong, CGA, Manager of Finance

Approved by: \_\_\_\_\_

Russell Dyson, Chief Administrative Officer



**ALBERNI-CLAYOQUOT REGIONAL DISTRICT**  
**2013-2017 FINANCIAL PLAN**  
**CUSTOM TRANSIT**  
**PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'B', 'D', 'E', and 'F'**

Draft for Discussion  
 Purposes

Line	History			Budget					Line
	2012 ACTUAL	2012 PLAN		2013	2014	2015	2016	2017	
<b>REVENUE</b>									
1	\$ 35,392	\$ 35,392	Surplus (deficit) from prior years	\$ 18,710	\$ -	\$ -	\$ -	\$ -	1
2	89,508	89,508	Tax requisition	103,290	144,000	163,000	207,000	212,500	2
3	1,267	500	Grant in lieu of taxes	1,000	1,000	1,000	1,000	1,000	3
4	35,922	38,300	Sales of services	37,000	37,000	37,000	37,000	37,000	4
5	287,884	275,300	Provincial Government grant	283,000	289,000	299,000	332,000	338,000	5
6	<b>\$ 449,973</b>	<b>\$ 439,000</b>	<b>TOTAL REVENUE</b>	<b>\$ 443,000</b>	<b>\$ 471,000</b>	<b>\$ 500,000</b>	<b>\$ 577,000</b>	<b>\$ 588,500</b>	6
<b>EXPENDITURES</b>									
7	\$ 5,000	\$ 5,000	Administrative charge	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	7
8	426,263	434,000	Operating costs	440,000	468,000	497,000	574,000	585,500	8
9	<b>\$ 431,263</b>	<b>\$ 439,000</b>	<b>TOTAL EXPENDITURES</b>	<b>\$ 443,000</b>	<b>\$ 471,000</b>	<b>\$ 500,000</b>	<b>\$ 577,000</b>	<b>\$ 588,500</b>	9
10	\$ 18,710	\$ -	<b>FINANCIAL PLAN BALANCE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	10
11	35,392	35,392	Deduct: Surplus from previous year	18,710	-	-	-	-	11
12	<b>-\$ 16,682</b>	<b>-\$ 35,392</b>	<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>-\$ 18,710</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	12

(for Financial Reporting purposes)



November 6, 2012  
File: alb.23

Russell Dyson  
Chief Administrative Officer  
Regional District of Alberni-Clayoquot  
3008 Fifth Avenue  
Port Alberni, BC V9Y 2E3

Dear Mr. Dyson

As part of our initiative to support your budgeting process, please find attached your draft budget for the 2013-2014 Annual Operating Agreement (AOA) covering the period of April 1, 2013 to March 31, 2014. This draft budget updates your 2013-2014 forecast budget provided last year and will become the basis for your Schedule C in your 2013-2014 AOA. The draft reflects the most current information with regards to trends in revenue, fuel and other future costs.

To further support your budgeting process we have included with your draft budget projections for 2014-2015 to 2015-2016, a separate 3 year schedule of lease fees and, where applicable, a 3 year expansion budget.

#### **2013-2014 Draft AOA Budget**

We are providing you with this budget now to help you further refine your local government's budget for 2013. The draft budget summary outlines revenues and expenses on a line-by-line basis similar to the traditional schedule C format and includes the percentage change in costs per line item. In support of this budget we have also included:

- descriptions as to why costs have changed from the previous year and corporate assumptions on costs for next year;
- a separate 3 year summary schedule that outlines the calculation of your lease fees for vehicles and other assets for the period 2013-2014 to 2015-2016. This schedule includes costs of any fleet replacements that are planned for your system's transit fleet and any planned capitalized repair work (e.g. engines, transmissions and differentials). Based on feedback from regional finance workshops and the Provincial Review Panel, we are working to revise this schedule and make it informative and valuable to support decision making by our local partners. We will be consulting with our partners on the findings of the Provincial Review Panel including the development of an information calendar, performance reporting templates, calendar / fiscal reporting and budget presentation at our next BC Transit Workshop in the Spring of 2013; and
- within your lease fee summary, a line for IT Projects is included which reflects an allowance to undertake the investments identified by the EII Working Group last year. The first priority is an investment in our online communication capabilities, including the replacement of our website infrastructure and the development of an intranet site. These upgrades will help customers plan their travels and establish a secure area for all of us to share critical information such as ridership and financial performance. Further details on this and other projects will be provided through regular updates on the progress against the EII Workplan.

It is important to note that while we have prepared this forward looking information based on the best information available at this time, there is still risk associated with cost volatility, the most significant of which is fuel. Should fuel costs increase significantly between now and February 2013, we may need to reflect these changes in the final budget that accompanies your 2013-2014 AOA that is sent out in March 2013.

Due to these risks, some local government partners carry a contingency within their own municipal budgets to help them manage any unforeseen cost increases or reductions in passenger revenues. We recommend all local government partners consider establishing and maintaining a contingency or a transit reserve within their own municipal budgets to mitigate against budget risks associated with unanticipated cost increases, potential passenger revenue decreases and capital replacement expenditures in future years.

### **2014-2015 to 2015-2016 Projections**

The 2014-2015 and 2015-2016 budget projections attached were created using current results and other relevant information available to BC Transit to develop corporate assumptions on future costs. Key corporate cost assumptions used within the projections include anticipated fuel and labour costs, fleet composition, maintenance requirements, insurance, accident and repair costs, and asset lease fees as a result of the projected capital program. It is important to note that these future projections, including revenue projections, will be revised in the future as more information becomes available.

All of the attached budgets only include estimated costs and revenues associated with your base (existing) transit services with no change in the service hours. With respect to future expansions and related costing, the following section entitled "Proposed 3 Year Expansion Budget" outlines our efforts to provide better information to you.

### **Proposed 3 Year Expansion Budget**

Another initiative BC Transit has introduced this year, to help with future expansion planning and support your budgeting process, is a proposed 3 year expansion budget. If your transit system has been identified for future expansion, you will find attached all proposed expansion initiatives identified for your system for the AOA periods of 2013-2014 through to 2015-2016. Where your transit system has not been identified for expansion in BC Transit's 3 year plan, an expansion budget is not provided. If your local government is interested in expansion, but are not identified in the 3 year expansion plan, please contact me to discuss.

BC Transit is committed to continued improvement of the budget process to provide you with better information to help you budget accordingly. I look forward to working with you on this.

Yours truly,



Myrna Moore  
Senior Regional Transit Manager  
Vancouver Island Coastal  
BC Transit

Enclosed: Detailed 3 Year Base Budget & Forecast, Lease Fee Summary, Expansion Budget

Draft 3 Year Base Budgets  
Alberni-Clayoquot

CUSTOM TRANSIT	2012-13		2013-14		2014-15		2015-16		Comments
	Base Budget	Part Year Change	ESTIMATED Draft Budget	Variance \$	ESTIMATED Draft Budget	Variance \$	ESTIMATED Draft Budget	Variance \$	
TRANSIT REVENUE	\$37,109	\$0	\$37,109	\$0	\$37,109	\$0	\$37,109	\$0	0.0%
TOTAL REVENUES	\$37,109	\$0	\$37,109	\$0	\$37,109	\$0	\$37,109	\$0	0.0%
EXPENDITURES									
Fixed Costs	\$104,307	\$0	\$138,990	\$2,888	\$139,793	\$2,740	\$141,920	\$4,120	3.0%
Hourly Costs - Scheduled Service	\$169,839	\$0	\$169,839	\$0	\$169,839	\$0	\$169,839	\$0	0.0%
Fuel - Scheduled Service	\$321,130	\$0	\$321,130	\$1,284	\$321,130	\$0	\$321,130	\$0	0.0%
Tires - Scheduled Service	\$748	\$0	\$772	\$28	\$792	\$19	\$812	\$20	2.6%
Fleet Maintenance	\$32,686	\$0	\$32,686	\$2,808	\$35,494	\$1,411	\$38,302	\$2,808	8.6%
Major Repairs Contingency	\$4,500	\$0	\$4,500	\$300	\$4,800	\$300	\$5,100	\$300	6.0%
Accident Repairs	\$1,050	\$0	\$1,050	\$0	\$1,050	\$0	\$1,050	\$0	0.0%
Tire Supplement	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0	\$3,000	\$0	0.0%
Oil Supplement	\$1,200	\$0	\$1,200	\$0	\$1,200	\$0	\$1,200	\$0	0.0%
Fleet Insurance	\$1,200	\$0	\$1,200	\$0	\$1,200	\$0	\$1,200	\$0	0.0%
Information Systems	\$9,300	\$0	\$9,300	\$300	\$9,600	\$300	\$9,900	\$300	3.1%
HST/PST Z	\$6,595	\$0	\$6,595	-\$4,617	\$1,978	\$70	\$2,048	\$70	3.6%
TOTAL DIRECT OPERATING COSTS	\$386,073	\$0	\$399,548	\$7,975	\$408,083	\$14,115	\$422,198	\$14,115	3.6%
Training (Education & Seminars)	\$748	\$0	\$748	\$0	\$748	\$0	\$748	\$0	0.0%
Maintenance Administration	\$1,051	\$0	\$1,051	\$0	\$1,051	\$0	\$1,051	\$0	0.0%
Information Systems	\$23,306	\$0	\$23,306	\$720	\$24,026	\$720	\$24,746	\$720	3.0%
BCL Management Services	\$24,955	\$0	\$24,955	\$8,538	\$33,493	\$15,235	\$48,728	\$15,235	45.4%
TOTAL OPERATING COSTS	\$424,885	\$0	\$424,885	\$14,703	\$439,668	\$15,235	\$456,944	\$17,276	4.0%
Lease Fees - Vehicles (Local Share)	\$40,810	\$0	\$40,810	\$19,864	\$60,674	\$19,864	\$80,538	\$19,864	48.9%
Lease Fees - Equipment (Local Share)	\$200	\$0	\$200	\$368	\$568	\$200	\$768	\$200	35.3%
Lease Fees - Fleet (Local Share)	\$28,595	\$0	\$28,595	-\$26,585	\$2,010	\$0	\$0	0.0%	
TOTAL LEASE FEES - LOCAL SHARE	\$69,605	\$0	\$69,605	\$13,547	\$69,605	\$14,214	\$69,605	\$14,214	20.3%
TOTAL COSTS	\$494,490	\$0	\$494,490	\$28,150	\$509,273	\$29,449	\$526,549	\$27,270	5.4%
COST SHARING									
Municipal Share of Costs	\$155,947	\$0	\$155,947	\$29,274	\$185,221	\$19,305	\$214,526	\$29,305	18.8%
Provincial Share of Costs	\$337,543	\$0	\$337,543	\$0	\$337,543	\$0	\$337,543	\$0	0.0%
Net Municipal Share of Costs	\$111,158	\$0	\$111,158	\$29,274	\$140,515	\$19,305	\$169,821	\$29,305	26.4%
Provincial Share of Costs	\$226,385	\$0	\$226,385	\$0	\$226,385	\$0	\$226,385	\$0	0.0%
TOTAL COSTS	\$494,490	\$0	\$494,490	\$28,150	\$509,273	\$29,449	\$526,549	\$27,270	5.4%
SCHEDULED REVENUE HOURS	5,384.00	0.00	5,427.07	43.07	5,470.14	43.07	5,513.21	43.07	0.8%
Cost per Hour - Vehicles	\$15,191	\$0	\$15,191	\$0	\$15,191	\$0	\$15,191	\$0	0.0%
Cost per Hour - Equipment	\$17,346	\$0	\$17,346	\$0	\$17,346	\$0	\$17,346	\$0	0.0%
Cost per Hour - Passengers - Tax Supplement	\$46	\$0	\$46	\$0	\$46	\$0	\$46	\$0	0.0%
TOTAL Operating Costs per Service Hour	\$78.31	\$0	\$78.31	\$0	\$78.31	\$0	\$78.31	\$0	0.0%

1) Revenue estimates are conservatively left at base budget levels unless otherwise noted  
 2) Budget assumes reversion from HST to PST & GST, starting 2013-14  
 3) Total Annual operating cost increases are based on the following assumptions for 2013-14, 2014-15 and 2015-16:  
 - 2.5% increase in fuel for 2013-14 and 7% increase for each year thereafter  
 - 2.5% increase in tires for 2013-14 and 7% increase for each year thereafter  
 - Vehicle Maintenance Costs based on specific fleet costs

0.0% Operating Company Fixed Costs  
 2.5% Vehicle Maintenance Costs  
 2.5% increase in fuel for 2013-14 and 7% increase for each year thereafter  
 Vehicle Maintenance Costs based on specific fleet costs

**Draft 3 Year Base Budgets - Lease Fee Summary**  
**Alberni-Clayoquot Custom Transit**

	2013/2014	2014/2015	2015/2016
<b>VEHICLES</b>			
Vehicles (4 vehicles)	182,449	224,520	228,000
<b>Vehicles Total</b>	<b>\$182,449</b>	<b>\$224,520</b>	<b>\$228,000</b>
<b>LAND AND BUILDINGS</b>			
<b>Land and Buildings Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EQUIPMENT</b>			
IT Projects	1,700	2,300	2,300
<b>Equipment Total</b>	<b>\$1,700</b>	<b>\$2,300</b>	<b>\$2,300</b>
<b>TOTAL LEASE FEES</b>			
100% Lease Fees	184,149	226,820	230,300
Local Share %	33.31%	33.31%	33.31%
Subtotal Local Lease Fees	61,340	75,554	-
PTIP	(26,585)	(26,585)	-
<b>Lease Fees Local Share Total</b>	<b>\$34,755</b>	<b>\$48,968</b>	<b>\$76,713</b>



## **REQUEST FOR DECISION**

**To:** Alberni Valley Committee  
**From:** Teri Fong, CGA, Manager of Finance  
**Meeting Date:** February 6, 2013  
**Subject:** Alberni Valley Regional Airport

---

### **Recommendation:**

**That the Alberni Valley Committee review the Alberni Valley Regional Airport proposed budget, make amendments if required, and approve for consideration by the Board of Directors.**

### **2012 Highlights:**

The Alberni Valley Regional Airport 2012 operations were very similar to that of previous years but significant infrastructure improvements were made during the year. The projects completed during the year included:

- Extensive brushing and clearing.
- The installation of a new access road to the top of the airfield.
- The completion of ditching around the airport and lagoon.
- The removal of beaver dams to prevent flooding.
- Necessary crack sealing and line painting.

### **Upcoming for 2013:**

The 2013 operations of the airport will continue in a very similar manner to that of the prior years. The infrastructure improvements planned for the year include additional line painting and crack sealing, fencing, signage improvements and road construction.

### **Background:**

This budget was developed with input from the Environmental Services department and Chief Administrative Officer.

### **Financial:**

The residential tax rate is the same as the previous year at \$0.010 per \$1,000 of assessed value.

### **Policy or Legislation:**

The Letters Patent for the Alberni Valley Regional Airport limit the requisition to a maximum of \$50,000 per year.

### **Disclosure:**

The prior year actual balances may still change as 2012 invoices are still trickling in.



Submitted by: \_\_\_\_\_  
Teri Fong, CGA, Manager of Finance



Approved by: \_\_\_\_\_  
Russell Dyson, Chief Administrative Officer



**ALBERNI-CLAYOQUOT REGIONAL DISTRICT  
2013-2017 FINANCIAL PLAN  
ALBERNI VALLEY REGIONAL AIRPORT  
PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'B', 'D', 'E', and 'F'**

Draft for Discussion  
Purposes

Line	History			Budget					Line
	2012 ACTUAL	2012 PLAN		2013	2014	2015	2016	2017	
<b>REVENUE</b>									
1	\$ 33,538	\$ 33,538	Surplus (deficit) from prior years	\$ 18,993	\$ -	\$ -	\$ -	\$ -	1
2	35,962	35,962	Tax requisition	35,507	38,720	38,944	39,173	39,407	2
3	501	500	Grant in lieu of taxes	500	500	500	500	500	3
4	66,052	60,000	Sales of services	60,000	60,000	60,000	60,000	60,000	4
5	30,035	20,000	Other sources	30,000	30,000	30,000	30,000	30,000	5
6	<b>\$ 166,088</b>	<b>\$ 150,000</b>	<b>TOTAL REVENUE</b>	<b>\$ 145,000</b>	<b>\$ 129,220</b>	<b>\$ 129,444</b>	<b>\$ 129,673</b>	<b>\$ 129,907</b>	6
<b>EXPENDITURES</b>									
7	\$ 10,000	\$ 10,000	Administration charge	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	7
8			<i>Airport operation</i>						8
9	679	8,000	Consulting & legal	5,000	1,000	1,000	1,000	1,000	9
10	62,168	50,000	Fuel system operation	56,000	56,000	56,000	56,000	56,000	10
11	3,674	5,000	Insurance	4,000	4,000	4,000	4,000	4,000	11
12	6,533	7,000	Labour & related costs	7,000	7,140	7,283	7,428	7,577	12
13	2,560	4,000	Office & weather station	4,000	4,080	4,162	4,245	4,330	13
14	13,173	13,000	Operation contracts	14,000	13,500	13,500	13,500	13,500	14
15	15,334	19,000	Repairs & maintenance	20,000	10,000	10,000	10,000	10,000	15
16	2,734	2,000	Utilities	3,000	1,500	1,500	1,500	1,500	16
17	240	2,000	Water system operation	2,000	2,000	2,000	2,000	2,000	17
18	107,095	110,000	Total airport operation	115,000	99,220	99,444	99,673	99,907	18
19	30,000	30,000	Capital fund contribution	20,000	20,000	20,000	20,000	20,000	19
20	<b>\$ 147,095</b>	<b>\$ 150,000</b>	<b>TOTAL EXPENDITURES</b>	<b>\$ 145,000</b>	<b>\$ 129,220</b>	<b>\$ 129,444</b>	<b>\$ 129,673</b>	<b>\$ 129,907</b>	20
21	\$ 18,993	\$ -	<b>FINANCIAL PLAN BALANCE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	21
22	30,000	30,000	Add: Transfer to reserves	20,000	20,000	20,000	20,000	20,000	22
23	12,000	12,000	Deduct: Estimated amortization not included	12,000	12,000	12,000	12,000	12,000	23
24	33,538	33,538	Surplus from previous year	18,993	-	-	-	-	24
25	<b>\$ 3,455</b>	<b>-\$ 15,538</b>	<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>-\$ 10,993</b>	<b>\$ 8,000</b>	<b>\$ 8,000</b>	<b>\$ 8,000</b>	<b>\$ 8,000</b>	25

ALBERNI-CLAYOQUOT REGIONAL DISTRICT  
 2013-2017 FINANCIAL PLAN  
 ALBERNI VALLEY REGIONAL AIRPORT (continued)  
 PARTICIPANTS: PORT ALBERNI, ELECTORAL AREAS 'B', 'D', 'E', and 'F'

Draft for Discussion  
 Purposes

Line	History			Budget					Line
	2012 ACTUAL	2012 PLAN		2013	2014	2015	2016	2017	
			<b>CAPITAL FUND</b>						
26	\$ 344,212	\$ 344,212	Balance, beginning of year	\$ 314,288	\$ 255,288	\$ 233,288	\$ 211,088	\$ 188,588	26
27	30,000	30,000	Contribution from operating fund	20,000	20,000	20,000	20,000	20,000	27
28	4,324	3,800	Interest earnings	3,500	3,000	2,800	2,500	2,200	28
29			<i>Less - capital expenditures</i>						29
30	-	-	Line painting & crack sealing	7,500	5,000	5,000	5,000	5,000	30
31	-	-	Drainage improvements	10,000	-	-	-	-	31
32	-	-	Fencing	10,000	-	-	-	-	32
33	59,862	100,000	Infrastructure	-	40,000	40,000	40,000	40,000	33
34	-	-	Road construction	30,000	-	-	-	-	34
35	-	10,000	Signage improvements	5,000	-	-	-	-	35
36	-	-	Tree clearing/brushing	20,000	-	-	-	-	36
37	4,386	6,000	Water system upgrade	-	-	-	-	-	37
38	64,248	116,000	Total capital expenditures	82,500	45,000	45,000	45,000	45,000	38
39	<b>\$ 314,288</b>	<b>\$ 262,012</b>	<b>BALANCE, END OF YEAR</b>	<b>\$ 255,288</b>	<b>\$ 233,288</b>	<b>\$ 211,088</b>	<b>\$ 188,588</b>	<b>\$ 165,788</b>	39