

Board Meeting
 FEB 13 2014
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 CCRD ITEM

BCAA has advised that 3 properties have been granted registered charitable status due to the programs they offer for the benefit of the west coast and B.C.

- (Dec) Total converted values 06 Business/Other – Area A \$3.2 mil
- (Feb) Total converted values 06 Business/Other – Area A \$1.8 mil
- A reduction of \$1.375
- 43%

A significant change has occurred in Property Class 06 – Business/Other in electoral area A.

The annual assessment reports produced by BC Assessment Authority have been updated to reflect property values at July 2013. Their reports were distributed in December 2013 after the initial presentation of the budget to the board of directors.

BC Assessment Authority (BCAA)

Current legislation mandates that a five year financial plan must be adopted by the board of directors on or before March 31st. This is the second presentation. Another draft will be presented in March 2014 at which time carry forward surpluses and BC Assessment Authority property values will be updated or finalized as a result of the 2013 year end audit process and BCAA appeals. The board of directors will have a final opportunity to sanction amendments at the March 2014 board meeting prior to final adoption of the plan.

BACKGROUND:

THAT the Draft 2014 budget be received.

RECOMMENDATION:

SUBJECT: Financial Plan – Second Presentation of Budget 2014

FROM: Donna Mikkelsen, CFO

TO: Darla Blake, CAO

CC: Chair Reg Moody and Board of Directors

DATE: February 04, 2013

CENTRAL COAST REGIONAL DISTRICT



They now have tax exempt status in accordance with the Taxation (Rural Area) Act Section 15 (1)(q). The organization "operates the institute for the purpose of advancing public knowledge by conducting long term ecological research regarding the geology, ecology, and the impact of human habitation over time in British Columbia".

To illustrate the significance of the drop in assessments as relates to tax levy distribution amongst electoral areas, the following table shows the variance between the December report to the board using previous roll data, and the December report with new data from BCAs. For demonstration purposes, no other changes are shown. (The December report contemplated an 8.1% tax levy increase, and the following table shows the same tax levy, even though the levy is reduced in this budget presentation, attached to this report.)

A B C D E LSA TOTAL

TOTAL							Dec % of Total Tax Levy		
184,587	1,615	241,596	145,532	53,264	626,629	28,760	655,389		
BCAA Adj	TOTAL							% of Total	Tax Levy
170,049	1,664	244,077	148,156	62,647	626,629	28,760	655,389		
		27.1%	0.3%	39.0%	23.6%	10%	100%		
Last Year								(2013)	
181,522	1,640	216,234	130,255	47,673	577,324	28,760	606,084		
Last year % of Total Tax Levy							31.4% 0.3% 37.5% 22.6% 8.3% 100.0%		

Note that by changing nothing else, (the total tax stays at \$655,389), the distribution of where those taxes originate, has varied, only by changes in values by BCAs. Again, please note that this table is for demonstration of how the BCAs values can affect our tax levy by electoral area – the total tax levy has since been reduced from the figures above, as you'll note in the presentation attached.

Overall, converted values for the regional district have reduced by 8.4% over last year, as shown on the Converted Values by Property Class report (Page 1 of the attached report). More significantly, values have decreased in Area A (Outer Coast) by 16.1%, but have increased by 9.4% in Area E (Bella Coola town site).

Preliminary Tax Levy

This preliminary presentation in December reflected a proposed tax requisition increase of 8.1% from 2013. At the December meeting, the board directed that the tax levy target for 2014 not exceed a percentage increase of 6% over last year.

This presentation shows an increase of 6.2%. The target of 6% has not yet been achieved due to the annual assessment increase from Vancouver Island Regional Library (VIRL). Efforts will continue over the next month to reduce the levy further.

Strategic Plan

At the strategic planning session held in the afternoon of December 11, 2013 during which the board of directors determined strategic priorities for 2014, the four priorities identified were:

1. Thorsen Creek Waste and Recycling Centre
2. Communication and Engagement Planning
3. Denny Island Water System
4. Strategic Plan (beyond 2014)

The financial plan may be updated further to reflect the priorities that arose from the planning session, and details associated with the various projects are still being sought.

Asset Replacement Fund

As part of ensuring integration of our proposed asset management and strategic planning processes, the board and the CAO have introduced an Asset Replacement Fund as a line item on each of the budgeted services. Typically this would provide for future asset replacement and would not be used in any consolidated fund.

The attached budget has included asset replacement as a line item with funding derived from the tax levy for each of the functions/services. Work will continue on this initiative prior to the March board meeting in terms of any bylaws or policies that may be required in order to provide the appropriate legislative authority to establish and operate this fund.

Following are comments relative to each of the regional district's functions and services:

FUNCTIONS AND SERVICES

Administrative Services

A. Community Works Fund

The carry forward surplus in this account now reflects the assessment of the 2011 purchase of the administration offices by the Program Manager for the Gas Tax Program as identified in the December 2013 Financial Update to the board. The correspondence from Gas Tax Program Services

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(UBCM) dated January 27, 2014 which confirms the 2013 allotment of funds, can be found elsewhere on the board agenda.

The Denny Island Water service pre-design or conceptual design project will be accommodated from this fund.

The largest component of projected expenditures under this fund will be directed to the Thorsen Creek Waste and Recycling Centre Development Operation and Closure Plan (DOCP).

B. General Operations (Admin)

Payroll expenses have now been confirmed for 2014 by the CAO and are in line with projections as presented in December.

C. Grants in Aid

A total of \$15,000 will be disbursed pursuant to the board resolution taken at the November 14th meeting of the board. However, given the new assessment values provided by BCVA, the tax levy had to be reduced in order to comply with the Local Government Act, which provides that the levy must not exceed \$0.10 per thousand dollars of assessed value. The maximum amount that could be requisitioned, according to the formula, was \$15,594 in December, and is now \$14,768. See page 3/6 of the attached report which details the limit against the requisition.

D. Feasibility Study Fund

Bylaw 181 was introduced in 1992 and provides for the levying of taxes to accommodate proposed new services. The maximum that may be requisitioned in any one year is \$0.10 per \$1,000 of assessed value (approximately \$15,000 based on 2013 assessment values), although the maximum that the fund may accumulate is \$10,000 according to the bylaw. As reported in December, the \$10,000 levied for 2014 will not provide the funds necessary to adequately undertake most feasibility studies without matching funds from another source. The board may expect further information regarding the 1992 bylaw at the March board meeting since the authority to requisition funds has been superseded by legislation (the *Municipal Act* no longer applies).

Development Services

E. Economic Development

There has been no change from the last report.

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F. Land Use Planning

No change since last report.

G. Valley Street Lighting

No significant changes, other than a small increase for BC Hydro.

H. LSA Street Lighting (Town site)

No changes.

Environmental Services

I. Thorsen Creek Waste & Recycling

The following is an excerpt from the December report to the board. It is being presented this month to remind that significant challenges are ahead of the regional district in funding the requirements of new and existing legislation:

Although the effects of the revenues and expenditures associated with the regional district's contract with Multi Materials BC (MMBC) are not yet fully known, it is important to note that the tax levy is projected to increase from \$40,000 to \$61,715, or by \$21,715. Further, since the tax levy is meant to be matched by the landfill contribution from the Nuxalk Nation, the regional district must endorse a new agreement with the Nuxalk Nation which is projected to increase by 31,715 since the current contribution is \$30,000.

J. Waterworks (LSA BC Town site)

No changes since last report.

Leisure Services

K. Parks & Recreation – Bella Coola

The remaining Disaster Financial Assistance (DFA) has been calculated and included in the budget presentation. \$36,733 remains unspent at the end of 2013 and must be expended prior to April 2014. Of this, \$29,000 is recoverable under the Disaster Financial Assistance (DFA) fund as a result of the 2010 flooding.

L. Recreation – Denny Island

No significant change since last report.

M. Swimming Pool

The tax levy was projected to increase by \$22,547 to accommodate several projects: prevention of water damage, washroom renovation, sand filter unit replacement, improving accessibility and repurposing portions of the existing building to create efficiencies. The increase has since been reduced by \$12,528 due to a shortened operating season and with the assistance of the Community Works Fund. Work will continue on this schedule to ensure that operations are effectively and safely carried out during the 2014 seasons, given the reduction in resources.

N. Vancouver Island Regional Library

The VIRL budget has been received and reflects an increase of \$1,420 from the December presentation (a total of +\$2,389 from 2013 levels).

Protective Services

O. Emergency Management

No changes since last report.

P. Emergency Management Initiatives – Flood Protection

With the completion of the Hagensborg Gap engineering study early in 2014, the balance of the budget (\$37,000) may be used for other Flood Protection projects. \$10,000 of the \$37,000 has already been committed to the Nusatsum Property Owners as part of their groynes project. This schedule is comprised of the original \$500,000 grant provided by the province after the 2010 flood event.

Q. Fire Protection (LSA – BC Town site)

No changes proposed.

R. House Numbering

No proposed changes.

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Transportation Services

S. Airport – Bella Coola

No changes since last report.

T. Airport – Denny Island

No changes since last report.

Respectfully Submitted,



Donna Mikkelson, CFO

**CENTRAL COAST REGIONAL DISTRICT
FIVE YEAR FINANCIAL PLAN
2014-2018**

PRELIMINARY BUDGET 2014

2014
February 04, 2014

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Prepared: D. Mikkelsen, CFO for Discussion Purposes
February 13, 2014 Board Meeting

CENTRAL COAST REGIONAL DISTRICT
 CONVERTED VALUES BY PROPERTY CLASS
 FINANCIAL PLAN 2014

PROPERTY CLASS	Area A	Area B	Area C	Area D	Area E	Total	%	Last Year %
01 Residential	3,281,255	3,460	5,497,269	3,164,656	723,190	12,669,830	69.9%	65.6
02 Utilities	496,370	57,890	237,650	122,920	29,960	944,790	5.2%	4.7
04 Major Industry			140,420			140,420	0.8%	0.7
05 Light Industry	434,860		31,008	28,934	9,996	504,798	2.8%	2.4
06 Business/Other	1,807,132	4,351	378,745	512,809	879,893	3,582,930	19.8%	24.7
07 Managed Forest	45,480		72,990	26,790		145,260	0.8%	0.6
08 Recreation/Non Profit	52,040		28,260	16,130		96,430	0.5%	1.1
09 Farm	3,190		14,998	13,412		31,600	0.2%	0.2
TOTAL	6,120,327	65,701	6,401,340	3,885,651	1,643,039	18,116,058		100
% of Total	33.8%	0.4%	35.3%	21.4%	9.1%	100.0%		
Last Year (2013)	7,295,035	69,641	6,809,537	4,101,919	1,501,281	19,777,413		
% of Total	36.9%	0.4%	34.4%	20.7%	7.6%	100.0%		
Increase/decrease	- 1,174,708	- 3,940	- 408,197	- 216,268	- 141,758	- 1,661,355		
%	-16.1%	-5.7%	-6.0%	-5.3%	9.4%	-8.4%		

Prepared: D. Mikkelson
 04-Feb-14

Converted Values are obtained from BC Assessment Authority Dec 06, 2013.

CENTRAL COAST REGIONAL DISTRICT
TAX REQUISITION SUMMARY BY FUNCTION
FINANCIAL PLAN 2014

Area A	Area B	Area C	Area D	Area E	Total EA	LSA	Total	%
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Administrative Services								
A - Administration & Finance (General Ops)	\$ 113,460	\$ 1,218	\$ 118,669	\$ 72,033	\$ 30,459	\$ 335,839	\$ 335,839	52.2%
B - Grants in Aid	\$ 4,989	\$ 54	\$ 5,218	\$ 3,168	\$ 1,339	\$ 14,768	\$ 14,768	2.3%
C - Feasibility Fund	\$ 3,378	\$ -	\$ 3,334	\$ 2,145	\$ 907	\$ 10,000	\$ 10,000	1.6%
Development Services								
D - Economic Development	\$ 6,757	\$ 73	\$ 7,067	\$ 4,290	\$ 1,814	\$ 20,000	\$ 20,000	3.1%
E - Land Use Planning	\$ 5,676	\$ 61	\$ 5,936	\$ 3,603	\$ 1,524	\$ 16,800	\$ 16,800	2.6%
F - Valley Street Lighting			\$ 1,953	\$ 1,185	\$ 501	\$ 3,639	\$ 3,639	0.6%
Environmental Services								
G - Thorsen Creek Waste & Recycling		\$ 33,115	\$ 20,101	\$ 8,500	\$ 61,715	\$ 61,715	\$ 61,715	9.6%
Leisure Services								
H - Parks & Recreation - Bella Coola	\$ 4,000		\$ 7,440	\$ 4,516	\$ 1,910	\$ 13,865	\$ 13,865	2.2%
I - Recreation - Denny Island					\$ 4,000	\$ 4,000	\$ 4,000	0.6%
J - Swimming Pool			\$ 28,097	\$ 17,055	\$ 7,212	\$ 52,363	\$ 52,363	8.1%
K - Vancouver Is. Regional Library	\$ 17,242	\$ 185	\$ 18,033	\$ 10,946	\$ 4,629	\$ 51,035	\$ 51,035	7.9%
Protective Services								
X - Diking - Bella Coola Airport	\$ 7,188	\$ 77	\$ 7,518	\$ 4,563	\$ 1,930	\$ 21,276	\$ 21,276	3.3%
L - Emergency Management							\$ 21,276	3.3%
M - Emergency Management Initiatives			\$ 1,132	\$ 687	\$ 290	\$ 2,109	\$ 2,109	0.3%
N - House Numbering							\$ -	0.0%
Transportation Services								
O - Airport - Bella Coola		\$ 7,700					\$ 7,700	1.2%
P - Airport - Denny Island							\$ -	0.0%
Local Area Services (LSA)								
Q - Fire Protection (Area E+)						\$ 21,500	\$ 21,500	3.3%
R - Street Lights (Area E)						\$ 7,260	\$ 7,260	1.1%
TOTAL	170,389	1,667	237,711	144,292	61,013	615,109	28,760	100.0%
Current % of Total Tax Levy	27.7%	0.3%	38.6%	23.5%	9.9%	100.0%		
Last Year (2013)	181,522	1,640	216,234	130,255	47,673	577,324	28,760	606,084
Last year % of Total Tax Levy	31.4%	0.3%	37.5%	22.6%	8.3%	100.0%		
								Increase 6.2%

04-Feb-14 Prepared: D. Mikkelsen

ASSESSMENT AND LIMITS BY SERVICE
 FINANCIAL PLAN 2014
 (RG731, RG735)

2014
 Tax Levy

ASSESSMENT BY AREA	Converted	Value Assessments	Land & Improvements	(Limits)	% of Total	Assessments	Tax Levy
Electoral Area A	\$ 6,120,327	\$ 43,589,711			33.8%	\$ 170,389	
Electoral Area B	\$ 65,701	\$ 217,760			0.4%	\$ 1,667	
Electoral Area C	\$ 6,401,340	\$ 58,377,685			35.3%	\$ 237,711	
Electoral Area D	\$ 3,885,651	\$ 34,560,688			21.4%	\$ 144,292	
Electoral Area E	\$ 1,643,039	\$ 10,938,300			9.1%	\$ 61,013	
Total Electoral Areas	\$ 18,116,058	\$ 147,684,144			100%	\$ 615,073	
LSA - Fire Protection	\$ 1,521,835	\$ 11,114,800				\$ 21,500	
LSA - Streetlights	\$ 1,260,689	\$ 9,297,300				\$ 7,260	
Total Local Service Areas	\$ 18,116,058	\$ 147,684,144				\$ 28,760	
TOTAL ASSESSMENTS	\$ 18,116,058	\$ 147,684,144				\$ 643,833	

ASSESSMENT BY FUNCTION	Tax Limit Rate	Tax Limit \$	Tax Levy \$
Administrative Services			
A - Administration & Finance (General Ops)		\$ 147,684,144	\$ 18,116,058
B - Grants in Aid	0.100	\$ 14,768	\$ 14,768
C - Feasibility Fund		\$ 147,684,144	\$ 10,000
Development Services			
D - Economic Development	0.750	\$ 110,763	\$ 20,000
E - Land Use Planning		\$ 147,684,144	\$ 16,800
F - Valley Street Lighting	0.200	\$ 20,775	\$ 3,639
Environmental Services			
G - Thorsen Creek Waste & Recycling	1.00	\$ 103,877	\$ 61,715
Leisure Services			
H - Parks & Recreation - Bella Coola	1.00	\$ 103,877	\$ 13,865
I - Recreation - Denny Island	0.400	\$ 17,436	\$ 4,000
J - Swimming Pool	1.000	\$ 103,877	\$ 52,363
K - Vancouver Is. Regional Library		\$ 147,684,144	\$ 51,035
Protective Services			
X Diking - Bella Coola Airport	0.000	\$ 125,000	\$ -
L - Emergency Management	0.500	\$ 73,842	\$ 21,276
M - Emergency Management Initiatives		\$ 147,684,144	\$ -
N - House Numbering	0.100	\$ 10,388	\$ 2,109
Transportation Services			
O - Airport - Bella Coola	1.000	\$ 103,877	\$ -
P - Airport - Denny Island	0.287	\$ 12,510	\$ 7,700
Total Electoral Areas		\$ 147,684,144	\$ 615,109
Local Area Services (LSA)			
Q - Street Lighting (Area E)	2.00	\$ 22,230	\$ 21,500
R - Fire Protection (Area E+)	5.00	\$ 46,487	\$ 7,260
Total Local Service Areas		\$ 147,684,144	\$ 28,760
Total		\$ 18,116,058	\$ 643,869

Prepared: DM Feb. 04, 2014

* Converted values are published by BC Assessment Authority as at Dec 06, 2013

**CCRD Financial Plan
Transaction Detail By Account
January 2013 through December 2014**

Service/Function	2013 Actual		Presented Dec		Presented Feb-14		Presented Feb	
	Tax Levy \$	% Increase	Tax Levy \$	% Increase	Tax Levy \$	% Increase	Tax Levy \$	% Increase
(1) Airport - Denny Island	5,702	35.0	7,700	35.0	7,700	35.0	1,998	35.0
(2) Economic Development	20,000	0.0	20,000	0.0	20,000	0.0	0	0.0
(3) Emergency Management	21,276	0.0	21,276	0.0	21,276	0.0	0	0.0
(4) Grant-in-Aid	15,113	-2.3	15,180	0.4	14,768	-345	0	0.0
(5) House Numbering	2,109	0.0	2,109	0.0	2,109	0.0	0	0.0
(6) Planning (Land Use)	16,800	0.0	16,800	0.0	16,800	0.0	0	0.0
(7) Recreation - Denny Is.	4,000	0.0	4,000	0.0	4,000	0.0	0	0.0
(8) Vancouver Is Library	48,646	4.9	49,615	2.0	51,035	2,389	153	4.4
(9) Valley Street Lights	3,486	4.4	3,639	4.4	3,639	153	0	0.0
(10) (LSA) Fire Protection	21,500	0.0	21,500	0.0	21,500	0.0	0	0.0
(11) (LSA) Street Lights	7,260	0.0	7,260	0.0	7,260	0.0	0	0.0
(12) Parks & Recreation- BC	13,865	0.0	13,865	0.0	13,865	0.0	0	0.0
(13) General Operations	343,983	-2.4	335,839	-2.4	335,839	-8,144	0	0.0
(14) Feasibility Fund	0	100.0	10,000	100.0	10,000	100.0	0	0.0
(15) Swimming Pool	42,344	23.7	64,891	53.2	52,363	10,019	21,715	54.3
(16) Refuse Disposal-TCWRC	40,000	54.3	61,715	54.3	61,715	21,715	37,785	8.1
TOTAL	606,084	6.2	655,389	8.1	643,869	37,785	643,869	6.2

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Central Coast Regional District
 Revenue and Expenditures - By Service
 Budget 2013-2014

	2013	2014
Revenue	30,000	61,715
40005 - Nuxalk Nation Cont to Landfill	30,000	61,715
40008 - Airport Rentals and Charges	55,076	60,870
40013 - Central Coast Regional Hosp District	13,000	13,000
40030 - Counter Sales	900	900
40035 - Donations	2,350	1,350
40038 - Emergency Management Init. FPP	212,688	0
40040 - Federal Grants	1,500	1,600
40045 - Fire Protection Tolls	3,200	3,200
40045 - Fire Protection Tolls	3,200	3,200
40052 - Gas Tax Agreement (Fed/Prov)	178,554	178,554
40055 - Grants in lieu of taxes	36,438	35,237
40100 - Interest Income	12,500	12,500
40115 - Apportioned Administration	62,334	153,262
40116 - Prov cost share - street lights	426	458
40120 - Misc revenue	40,400	32,320
40122 - User Fees - Swimming Pool	12,000	13,000
40135 - Registration fees - Recreation	3,200	2,375
40125 - Provincial Basic Grant	207,714	207,714
40130 - Provincial Grants - Other	72,941	59,386
40145 - Rezoning & Land Use fees	700	700
40155 - Tax Levy	606,084	643,869
40156 - Parcel Taxes	37,500	37,025
40200 - Landfill User Fees	3,000	37,418
40210 - Water tolls & charges	38,000	38,000
Total Revenue	1,630,505	1,594,453
Expenditures	291,500	234,500
Community Works Fund	291,500	234,500
Administrative Services		
Feasibility Studies	10,000	10,000
General Operations	554,182	728,406
Grants in Aid	15,230	15,180
Economic Development	84,511	73,114
Land Use Planning	20,041	23,341
LSA Street Lighting (BC Townsite)	9,600	10,153
Valley Street Lighting	4,300	4,507
Environmental Services		
Thorson Creek Waste & Recycling	145,696	210,721
Waterworks Operating (LSA BC Town site)	52,650	68,250
Waterworks Capital (LSA BC Townsite)	19,521	19,521
Leisure Services		
Parks and Recreation - Bella Coola	79,137	70,104
Recreation - Denny Island	9,289	8,415
Swimming Pool	110,489	114,021
Regional Library (VIRL)	48,440	51,519
Protective Services		
Diking - Bella Coola Airport	0	0
Emergency Management	53,500	65,320
Emergency Mgmt Initiatives (FPP)	212,688	94,188
Fire Protection (LSA Townsite)	32,783	29,745
House Numbering	4,000	2,681
Transportation Services		
Airport - Bella Coola	144,239	121,190
Airport - Denny Island	12,919	20,500

Central Coast Regional District
 Revenue and Expenditures - By Service
 Budget 2013-2014

	2013	2014
Total Expenditures	1,904,715	1,975,376
Excess (Deficiency) of Revenue over Expenditures	(274,210)	(380,923)
Other Income/Expense		
Other Income		
40004 - Surplus, beginning of year	1,207,141	1,370,989
Total Other Income	1,207,141	1,370,989
Other Expense		
50204 - Deficit, beginning of year	19,682	0
50224 - Surplus, end of the year	913,249	990,066
Total Other Expense	932,931	990,066
Net Other Income	274,210	380,923
Net Income	0	0

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