



## **AGENDA**

Committee of the Whole  
to be held on March 20th , 2017 in the Council Chambers  
Municipal Hall, 977 South Maquinna Drive

**Call to Order**

Mayor Schooner at 7 p.m.

Mayor Schooner would like to acknowledge and respect that we are upon Mowachaht/Muchalaht traditional territory.

**Introduction of  
Late Items**

None.

**Approval of the  
Agenda**

**Business Arising 1 2017-2021 Financial Plan and Capital Plan - Public Presentation**

**Adjournment**



# Budget Presentation

2017-2021

Village of Tahsis



# Community Charter Requirements

- ▶ 5 year financial plan (budget) adopted annually by bylaw before tax rate bylaw is adopted
- ▶ Financial plan must include:
  - Proposed expenditures
  - Proposed funding sources
  - Proposed transfers between funds and accounts
- ▶ Budget must be balanced (expenditures must not exceed revenues and transfers)
- ▶ Specific requirements regarding budget details
- ▶ Public consultation on the budget before it is adopted



# Council's Priorities

- ▶ Head Bay Forest Service Road
- ▶ Tourism
- ▶ Emergency Preparedness
- ▶ Asset Management
- ▶ Village Liveability, Appeal and Environmental Sustainability
- ▶ Policies and Bylaws

# Budget Considerations

- ▶ Ensure adequate funding for services and infrastructure
- ▶ Access diversified sources of revenue
- ▶ Manage expenditures
  - Contain costs
  - Be efficient
- ▶ Provide for contingencies
  - Manage business risks
  - Operate prudently
- ▶ Maintain Reserves

# Revenue Sources

- ▶ Property Tax
- ▶ Utility user fees (water, sewer)
- ▶ Other user fees (rezoning applications, parking passes)
- ▶ Permits and licences (building permits)
- ▶ Grants from the provincial and federal government
- ▶ Reserve funds

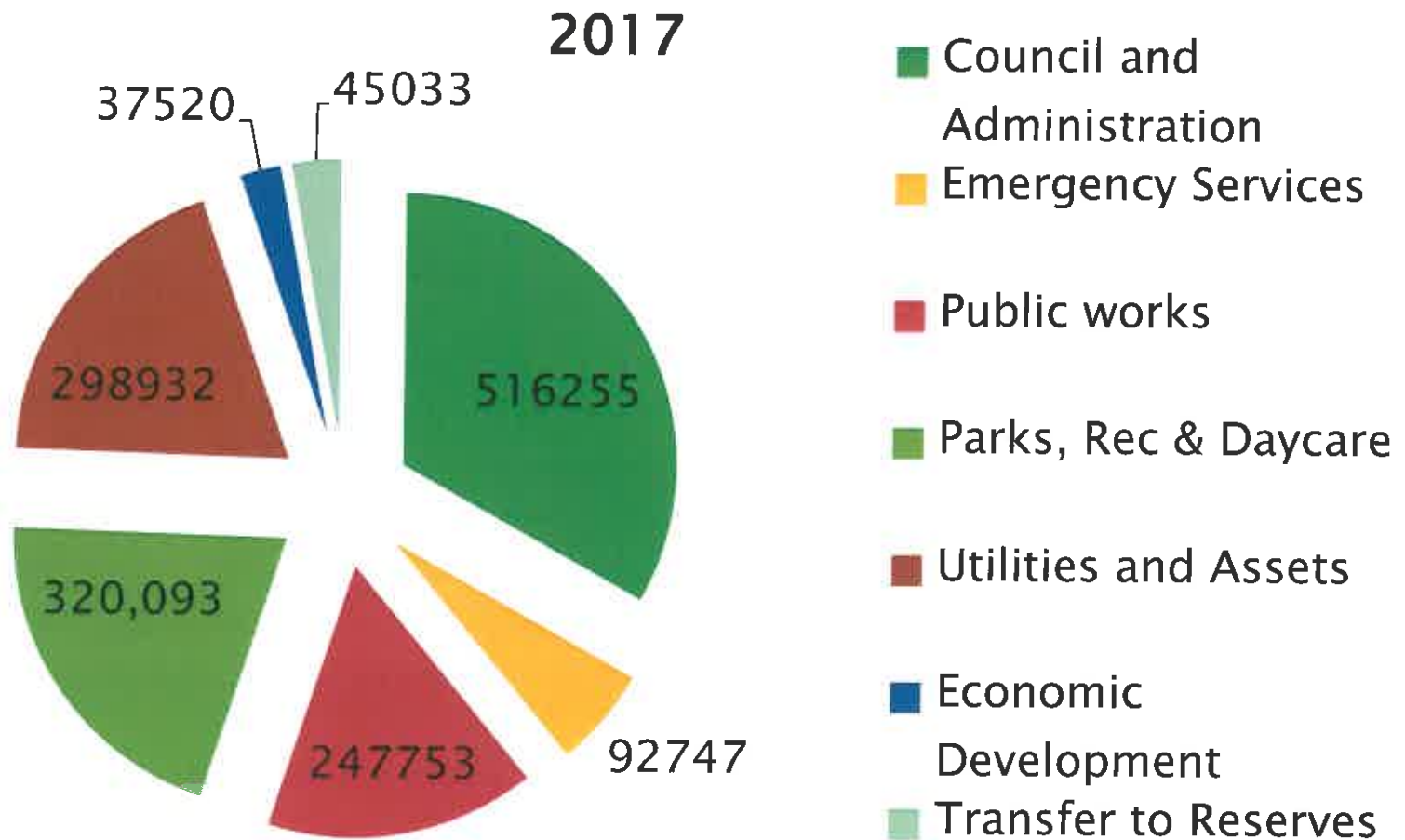


# Services Provided by the Village

- ▶ Road maintenance, repair and snow removal
- ▶ Garbage collection
- ▶ Fire protection
- ▶ Emergency Preparedness
- ▶ Daycare
- ▶ Tourist information centre
- ▶ Boat launch and parking
- ▶ Helipad
- ▶ Wharves and docks
- ▶ Recreation Centre
- ▶ Parks and trails
- ▶ Sidewalks, curbs and gutters
- ▶ Drainage systems
- ▶ Sewer systems
- ▶ Water systems
- ▶ Property maintenance regulation

# Projected Operating Expenditures

## \$1,558,333

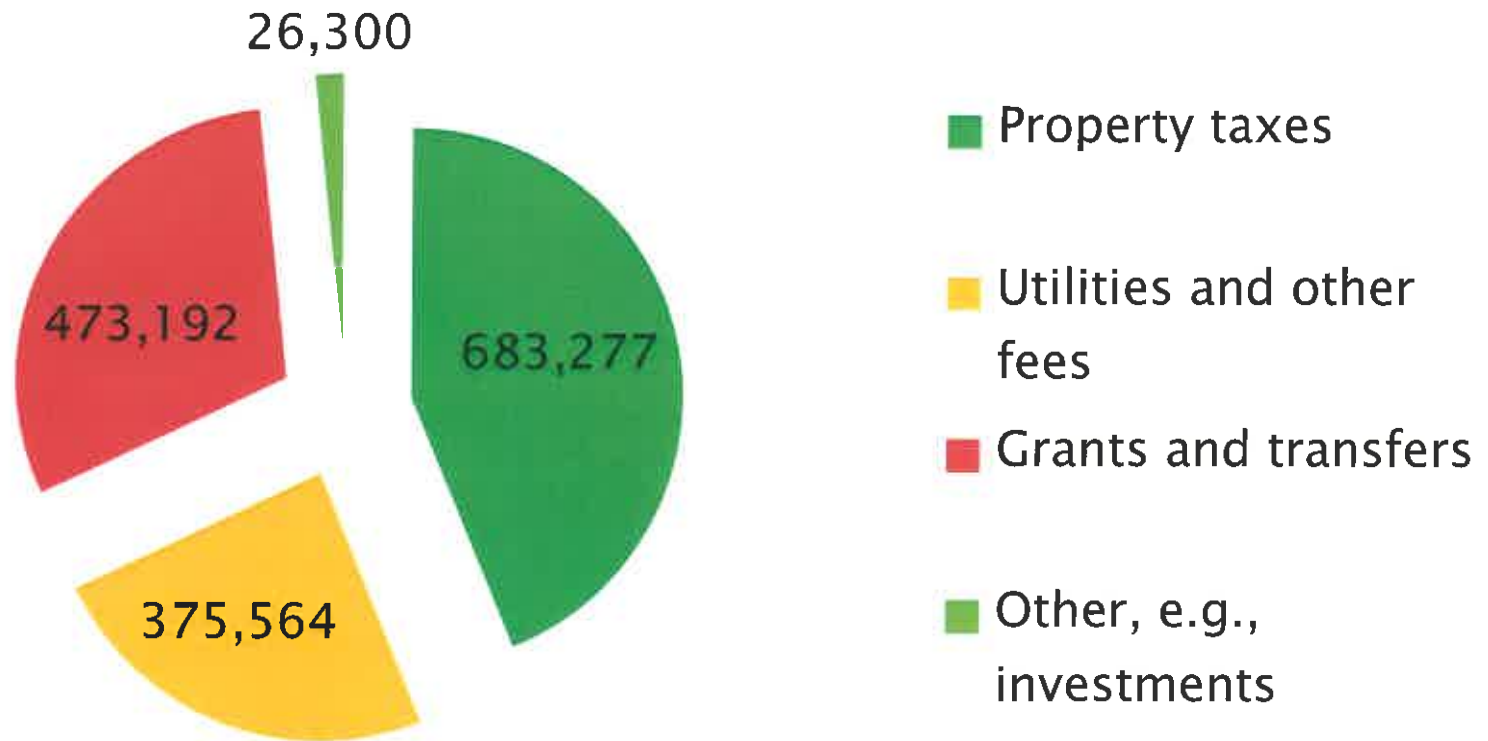




# Projected Revenue

## \$1,558,333

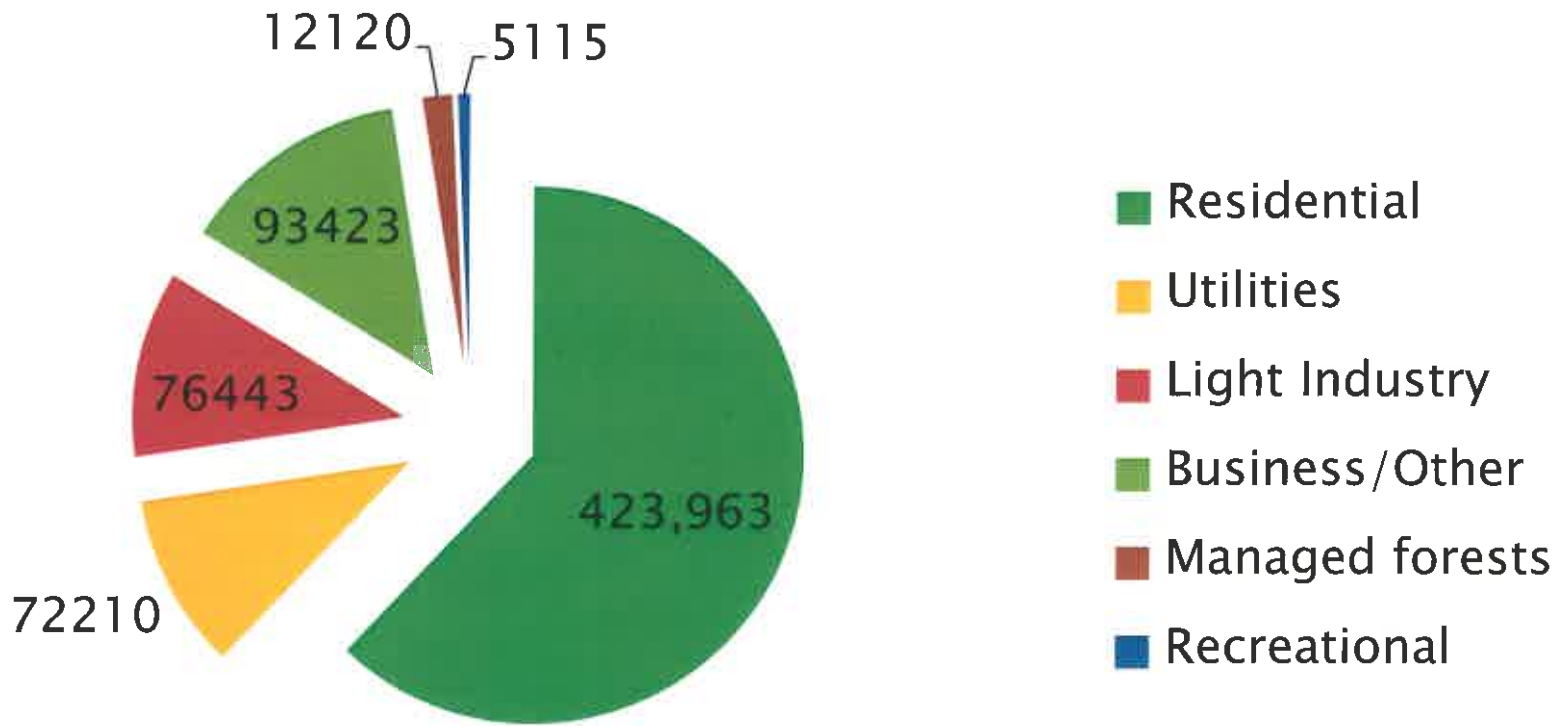
2017



# Property Tax Breakdown

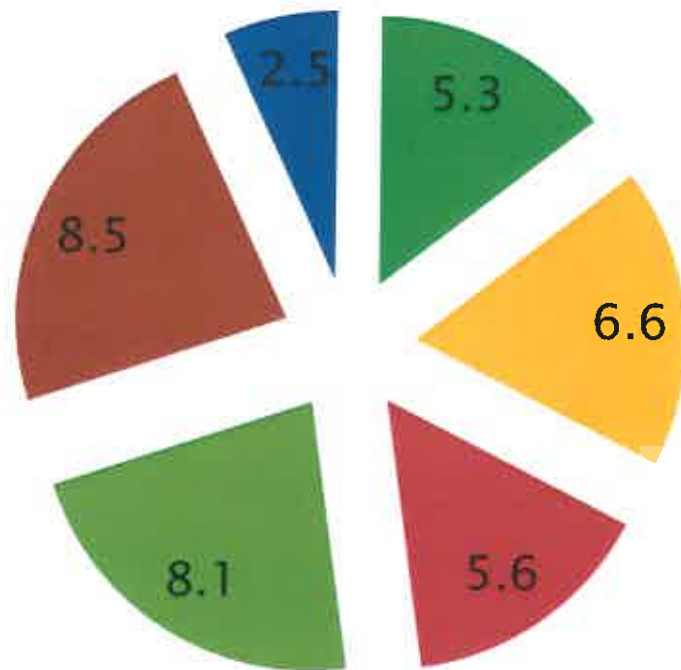
## \$683,277

2017



# Property Tax Increases (over 2016)

Percentages



- Residential
- Utilities
- Light Industry
- Business/Other
- Managed Forests
- Recreational

# Tax Impact on Average Single Family Dwelling

- ▶ Average single family dwelling assessment: \$72,547
- ▶ Prior year's Village property tax on average single family dwelling: \$1,103.08
- ▶ This year's Village property tax on average single family dwelling \$1,163.29 (\$60.00 increase)

# Responding to Challenges

- ▶ Infrastructure deficit
- ▶ New infrastructure demand
- ▶ Aging population
- ▶ Economic development
- ▶ Environmental sustainability
- ▶ Downloading and “soft loading” of services



# Solid Waste Bylaw

- ▶ Matches consumer categories in proposed water bylaw
- ▶ Increases rates to reflect the true operating cost of the system
- ▶ Clarifies responsibilities of consumers and the Village
- ▶ Reduce volume in the landfill
- ▶ Encourage composting and recycling



# New Garbage rates

Categories	Current rates	Proposed Basic Services rates	Proposed Extended Service Rates
Residential	\$80.47 -2 containers/week	\$92.53 -1 container/week	Additional garbage tags \$2/tag/pickup
Multiple family	\$160.93 -4 containers/week	\$185.06 -3 containers/week	Additional garbage tags \$5/tag/pickup
Commercial premises	\$160.93 - 4 containers/week	\$185.06 - 3 containers/week	Additional garbage tags \$5/tag/pickup
Dumpster	\$880.58/annual	\$907.00/annual	
Seasonal Dumpster	\$531.38	\$647.32	

**QUESTIONS?**





# 2017-2021 CAPITAL PLANNING PUBLIC INFORMATION SESSION

VILLAGE OF TAHSIS  
MARCH 2017

KRISTIANSEN &  
ASSOCIATES

# VILLAGE'S 7 TANGIBLE CAPITAL ASSET GROUPS

THESE ARE THE ASSETS TRACKED IN THE  
VILLAGE'S ASSET REGISTER

LAND

BUILDINGS

MACHINERY & EQUIPMENT

ROADS & BRIDGES

DRAINAGE

WATER

SANITARY SEWER

# MINIMUM ASSET MANAGEMENT REQUIREMENTS

FINANCIAL MEANS to execute the **Asset plans** for at least their most critical core assets.

This preparedness requires:

- knowledge of the full set of asset requirements and their associated costs in the short, medium and long term
- a long term financial plan to achieve the state of “financial preparedness” to meet those requirements.

# THE VILLAGE'S CORE ASSETS

## 1. ROADS

**IN SCOPE: ROADS, SIDEWALKS AND RETAINING WALLS**

**OUT OF SCOPE: BRIDGES, AND FLOOD WALL & DYKE**

## 2. WATER

**IN SCOPE: WATER WORKS NETWORK AND WATER TREATMENT, RESERVOIRS, & PUMP STATIONS**

**OUT OF SCOPE: NEW WELL**

## 3. SANITARY SEWER

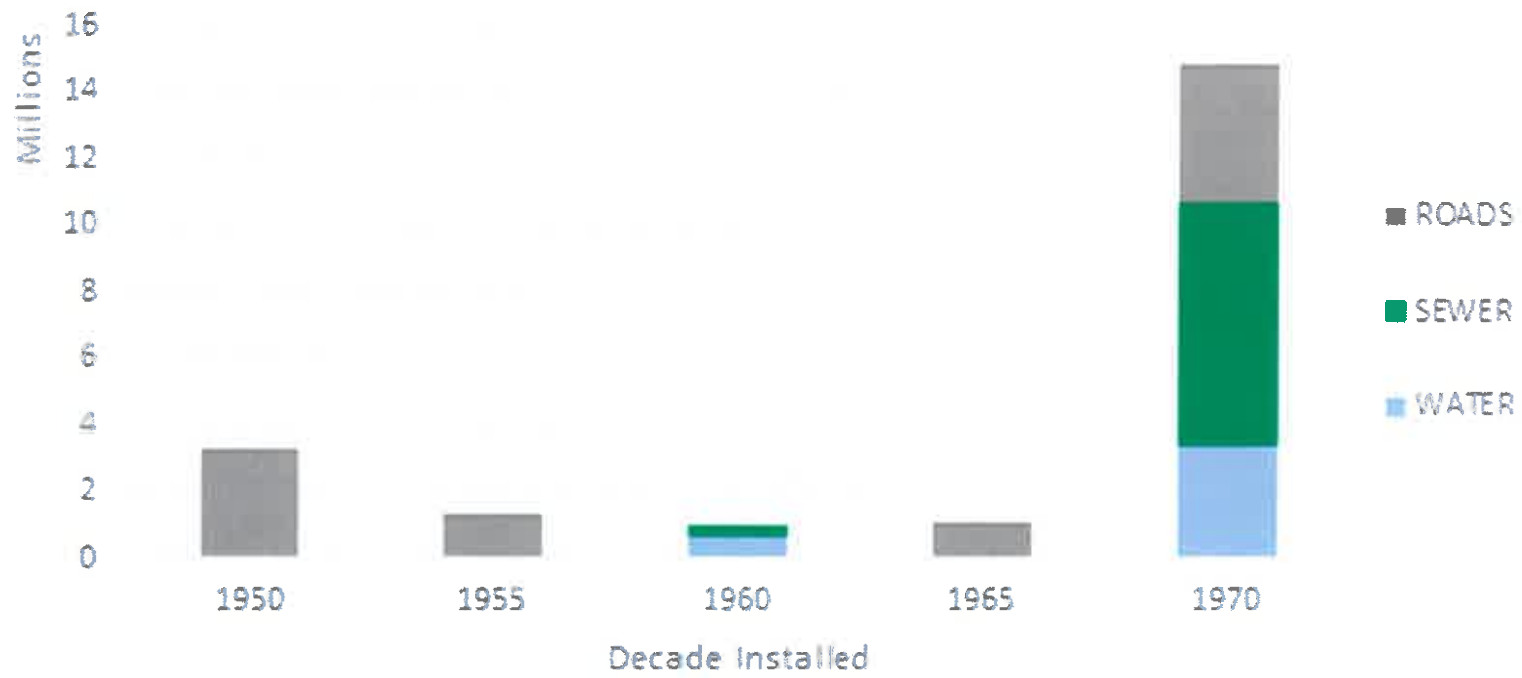
**IN SCOPE: SEWER COLLECTION NETWORK AND LIFE STATIONS & TREATMENT PLANT**

**OUT OF SCOPE: N/A**

# CORE ASSETS NEAR END OF USEFUL LIFE

## INSTALLATION TIMING AND 2008 REPLACEMENT COSTS

CORE ASSETS - INSTALLATION TIMING & 2008 REPLACEMENT COSTS



# MAGNITUDE OF THE 2016 RENEWAL BACKLOG

2016 Replacement Costs by Asset Group

Year(s) Installed	WATER	SEWER	ROADS	ALL
1950	77906	0	3526688	3,604,594
1955			1,453,619	1,453,619
1960			224,852	1,537,067
1965	0	0	1,397,247	1,397,247
1970	4,356,074	9,406,971	532,296	19,086,013
1980 +	369,453	0	595,382	964,835
<b>TOTALS</b>	<b>5,236,511</b>	<b>9,916,656</b>	<b>12,520,755</b>	<b>28,043,375</b>

**2016 Renewal Backlog =  
27.08 M**

\* 2016 **Renewal backlog** (with 3.0 % construction cost inflation): sum of replacement costs for assets whose remaining useful life has expired prior to 2016 but have not been renewed or replaced.

\*\* **Expected useful life** - the period over which a capital asset is expected to be used - useful life is used in the calculation of depreciation.

## IMPLICATIONS OF THE REPLACEMENT COST FINDINGS

- A large percentage of the Village's in-scope water, sewer, and roads assets have already exceeded their expected useful life and will soon require replacement or substantial renewal.
- The current level of funds available is wholly inadequate to meet the amounts required to cover these replacement needs.
- As such, these funding levels will be insufficient to continue to sustain existing services.
- It is clear that service levels in some areas will have to be reduced and/or external sources of funding or revenue increases will have to be considered.

# INPUTS TO ASSET MANAGEMENT

In order to properly manage their capital assets the Village requires:

**information**

**decisions**

**execution plans**

**financial plan**



# 2017-2021 CAPITAL PLANNING PROCESS

The Village's ongoing Asset Management efforts include the following:

## 1. information,

Asset information was improved to meet the needs of the other requirements.

## 2. decisions,

A list of potential capital projects was developed. Decision support included preliminary assignment of prioritization order based on asset condition and the implications of disruptions to/reduced level of service.

## 3. execution plans,

All parties must be on board with both the decisions and the financial plan.

## 4. financial plan.

Asset information demonstrated the magnitude of the shortfall of current funding levels. A financial strategy has been prepared to ensure sufficient funds will be available to carry out the chosen capital projects.

# PREPARING FOR DECISION MAKING

## CAPITAL PLANNING DECISIONS

1. The required information was documented and made available.
2. All potential projects were listed for consideration.
3. Objective comparisons between competing options were possible.
4. Short & long term implications of planning decisions were discussed.
5. Public has an opportunity to be informed and ask questions.

# HIGHEST PRIORITY PROJECTS CORE ASSETS

## ROADS

surface, structure, underlying water/sewer assets ) **\$ 2,590,000** (incl.)

## WATER

water system, leak fixes, water meters ) **\$ 555,000** (incl.)

## SEWER )

condition assessment of sewer assets **\$ 25,000** (incl.)

# LOWER PRIORITY PROJECTS

## NON-CORE ASSETS

### REC CENTER BUILDINGS

Pool leaks and resurface, siding replacement

\$ 665,000 (excl.)

### OTHER BUILDINGS

North reservoir buildings, docks (gov. & airline)

\$ 425,000 (incl.)

### PW EQUIPMENT

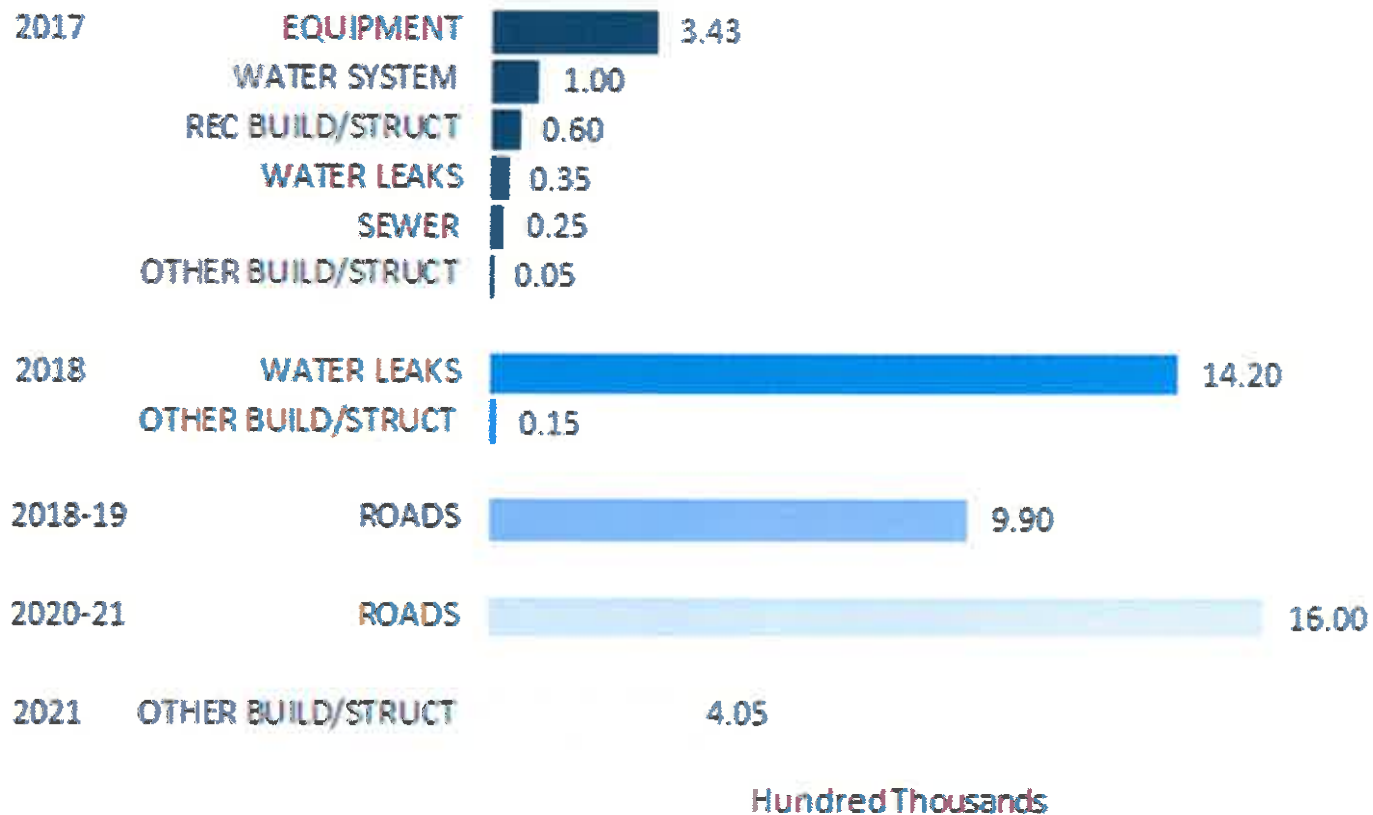
Loader brake repairs

\$ 12,000 (incl.)

# PROJECT TIMELINE & EXPENDITURES

## CAPITAL PLAN PROJECT ROLL-OUT

Project Cost & Timing by Asset Group (Costed Projects incl. Rec & Fire)



# FUNDING TIMELINE

## CAPITAL PLAN PROJECT EXPENDITURES

### TIMELINE OF CAPITAL PROJECT FUNDING AVAILABILITY - 2017 TO 2021

<u>Timeline</u>	<u>Funding Available</u>	<u>Funding Inputs</u>
2017	\$1,693,626	Capital Res + prior years surplus
2018	\$1,516,554	50,000 - prior year surplus
2018-19	\$1,131,554	50,000 - prior year surplus
2020-21	\$191,493	50,000 - prior year surplus
2021	-\$1,358,507	50,000 - prior year surplus
<b>end point</b>	<b>-\$1,713,507</b>	