



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

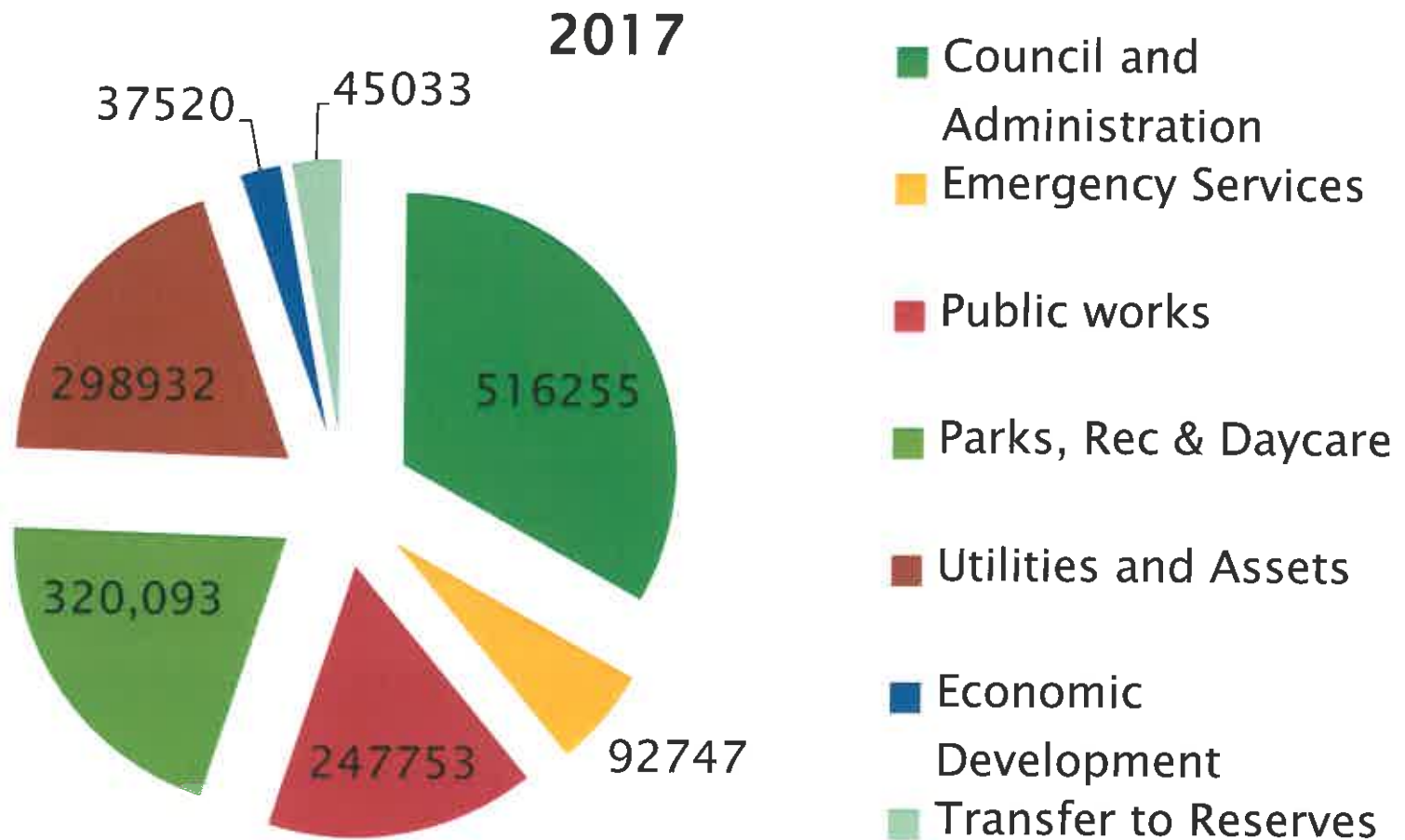


Services Provided by the Village

- ▶ 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

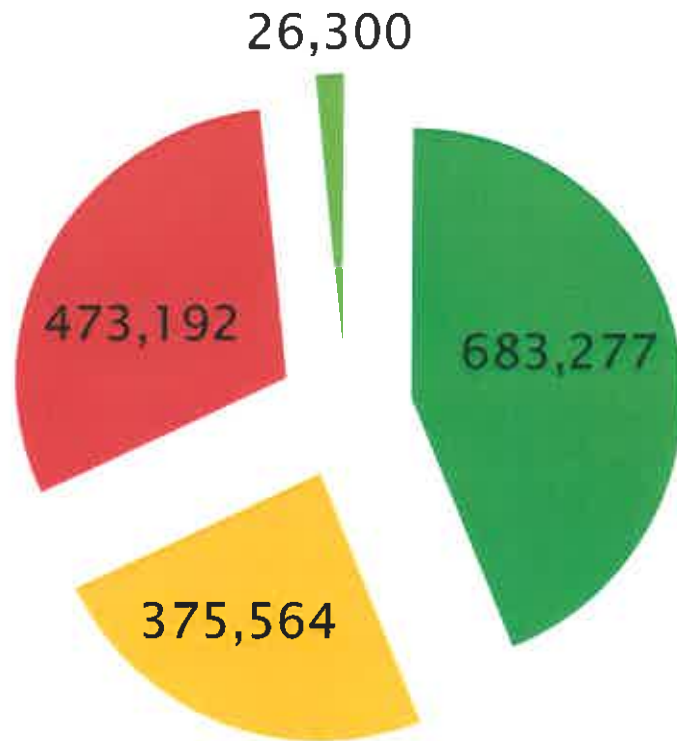
\$1,558,333



Projected Revenue

\$1,558,333

2017

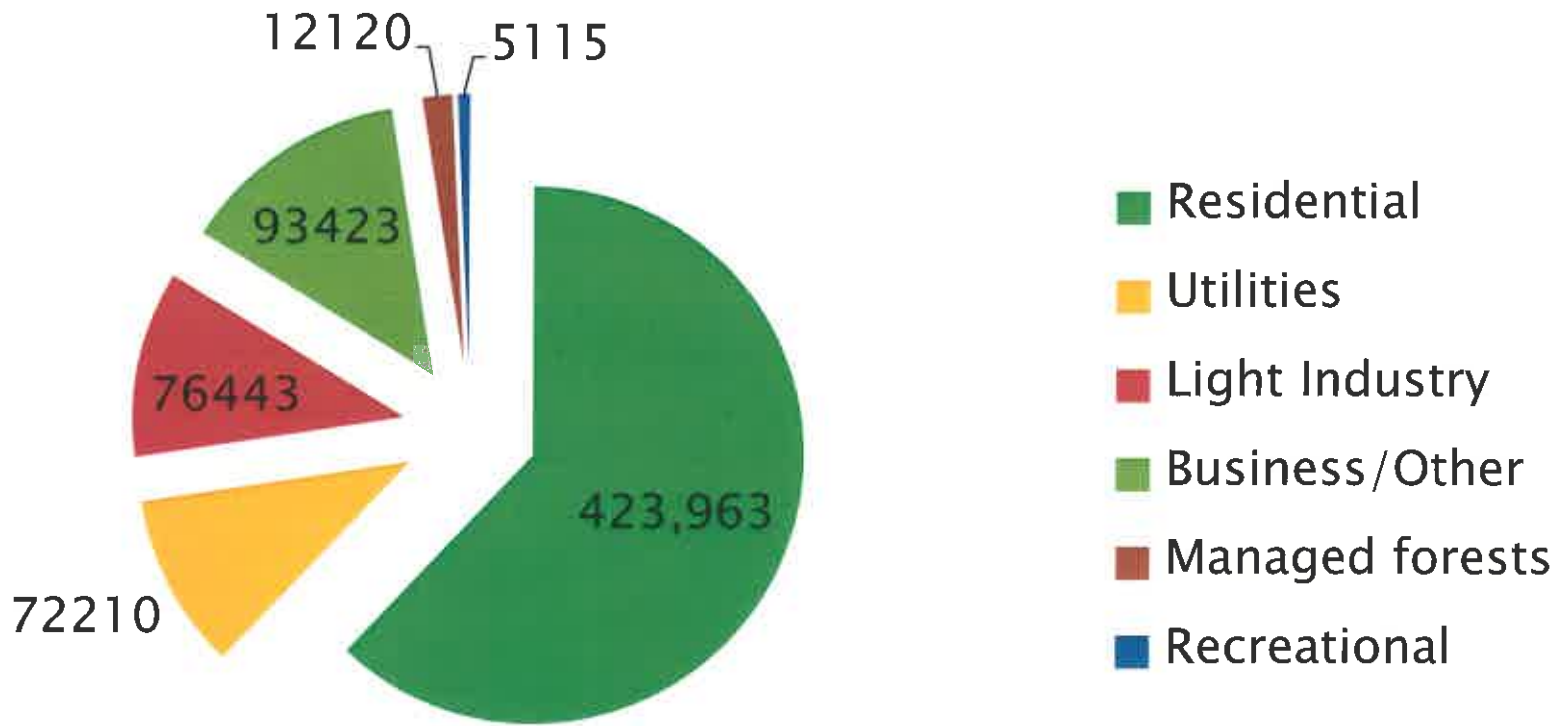


- Property taxes
- Utilities and other fees
- Grants and transfers
- Other, e.g., investments

Property Tax Breakdown

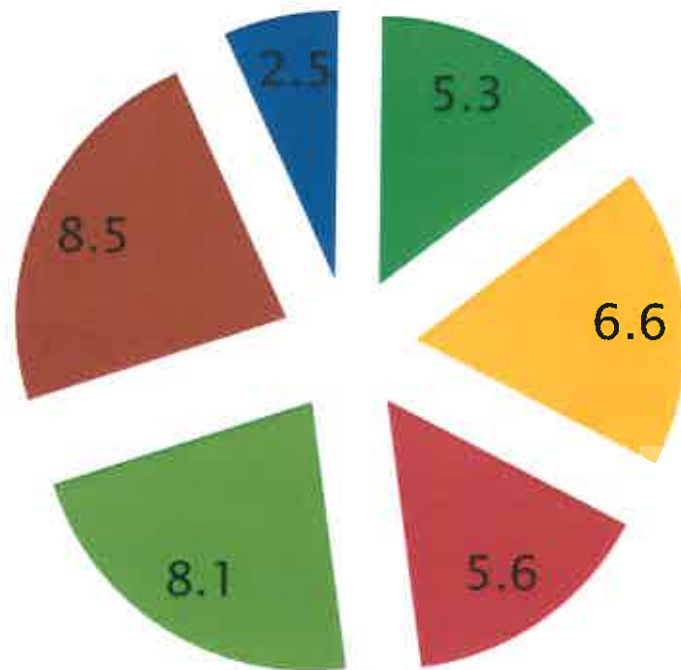
\$683,277

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

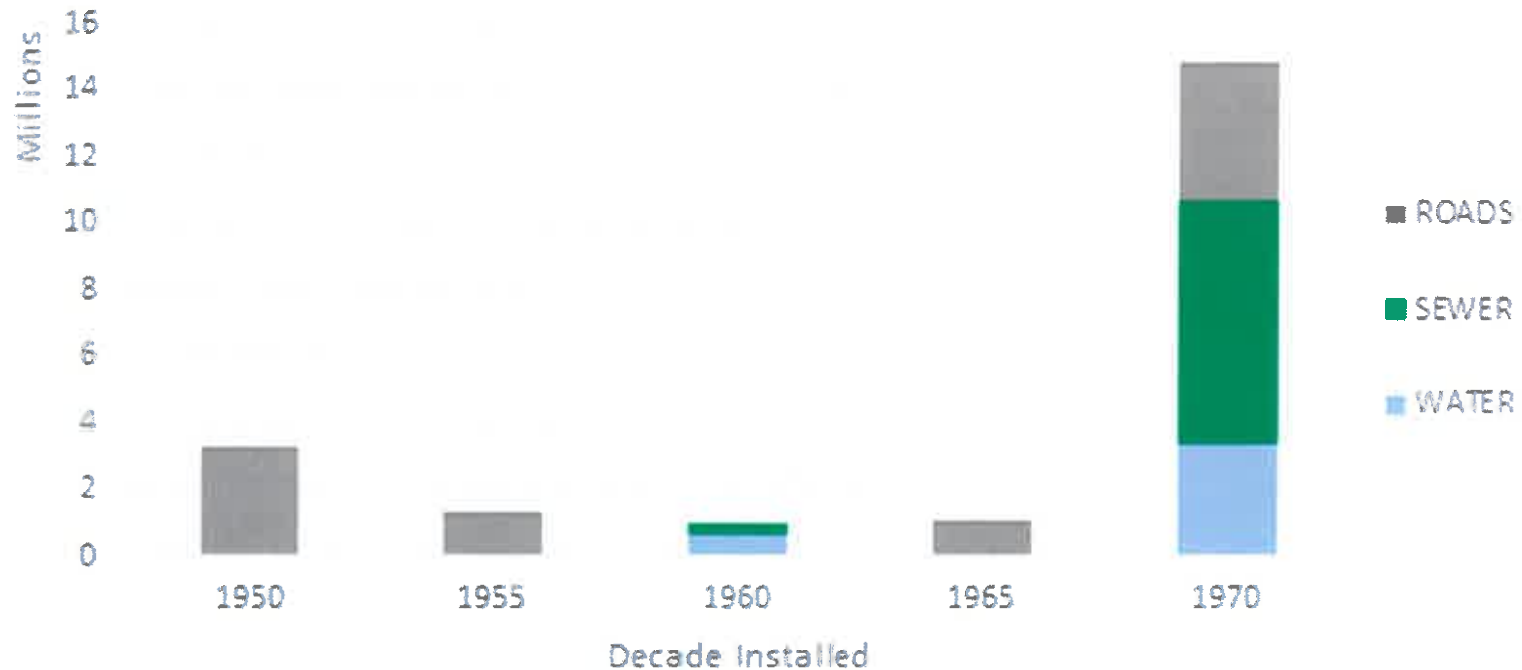
IN SCOPE: SEWER COLLECTION NETWORK AND LIFE STATIONS & TREATMENT PLANT

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
TOTALS	5,236,511	9,916,656	12,520,755	28,043,375

**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

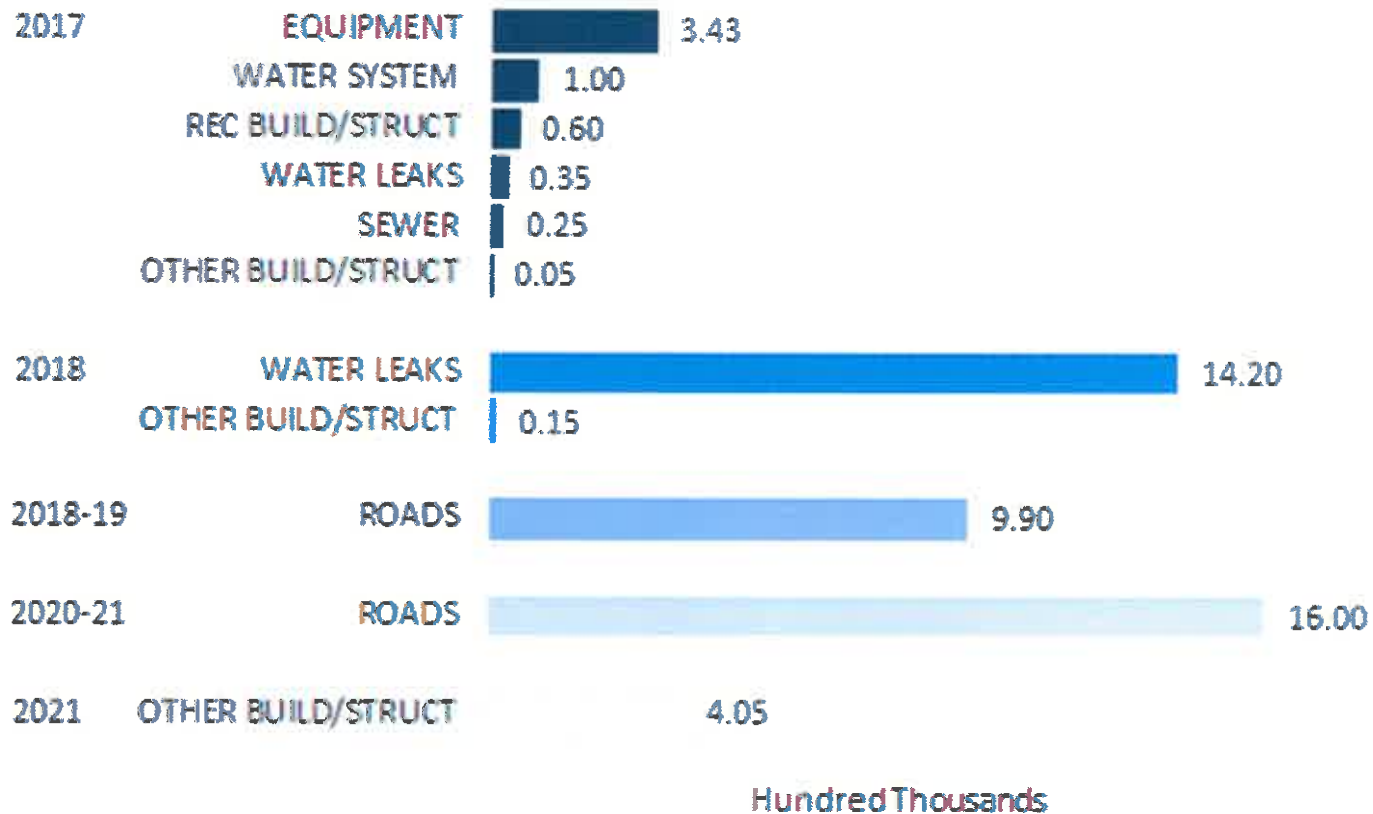
Loader brake repairs

\$ 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
end point	-\$1,713,507	