



Minutes

Village of Tahsis

Meeting	Committee of the Whole
Date	Tuesday January 21, 2020
Time	10:30 a.m.
Place	Municipal Hall - Council Chambers

Present

Mayor Martin Davis
 Councillor Bill Elder
 Councillor Sarah Fowler
 Councillor Lynda Llewellyn

Staff

Mark Tatchell, Chief Administrative Officer
 Deb Bodnar, CPA, CMA, Director of Finance

Public

None.

Call to Order

Mayor Davis called the meeting to order at 10:34 a.m.
 Mayor Davis acknowledged and respected that Council is meeting upon Mowachaht/ Muchalaht territory

Approval of the Agenda

LLlewellyn : COW 001/20

THAT the Agenda for the January 21st, 2020 Committee of the Whole meeting be adopted as presented.

CARRIED

New Business 1 Proposed 2020 Budget (2020-2024 Financial Plan)

Staff presented the proposed 2020 Budget for Council's consideration. Council requested information on building inspection fees, revenue sources, and propane consumption at the Rec centre. Council adjusted the proposed Council expenditure budget to 2019 actuals. Staff will gather the information for the February 18th Budget committee of the whole meeting.

LLlewellyn : COW 002/20

THAT this presentation be received.

CARRIED

Adjournment

Llewellyn: COW 003/20

THAT the meeting adjourn at 2:22 p.m.

CARRIED

Certified correct this
4th Day of February, 2020

A handwritten signature in black ink, consisting of a large, stylized 'L' followed by a wavy line.

Corporate Officer

**Village of Tahsis
2020 - 2024 Financial Plan
Proposed 2020 Operating Budget**

			2019 Actuals (unaudited)			Proposed 2020 Budget		
			<u>Approved</u>	<u>Actual</u>	<u>Budget</u>	<u>2020 Proposed</u>	<u>Change in</u>	
			<u>Budget</u>	<u>(Unaudited)</u>	<u>Variance</u>	<u>Budget</u>	<u>Budget Fav</u>	<u>% Change</u>
					<u>Fav (Unfav)</u>		<u>(Unfav)</u>	
<u>Operating Revenues</u>								
Taxation	Property taxes		714,228	719,011	4,783	765,000	50,772	7%
	Grants in lieu of taxes		33,358	34,143	785	34,135	777	2%
Fees	User fees and charges		68,292	94,878	26,586	87,280	18,988	28%
	Water		125,000	137,245	12,245	135,000	10,000	8%
	Sewer		110,000	111,476	1,476	110,000	-	0%
	Environmental Health		162,000	152,062	(9,938)	152,000	(10,000)	-6%
Other	Interest and penalties on taxes		-	24,438	24,438	-	-	0%
	Grants and other governments		712,238	747,628	35,390	423,456	(288,782)	-41%
	Grant - Roads Project		-	2,896,977	2,896,977	-	-	0%
	Investment income		41,000	70,292	29,292	37,000	(4,000)	-10%
	Other income		136,000	141,504	5,504	-	(136,000)	-100%
	Prior Years' Surplus		252,000	252,000	-	488,306	236,306	94%
Total Operating Revenue			2,354,116	5,381,654	3,027,538	2,232,177	(121,939)	-5%
<u>Operating Expenditures</u>								
	General Government - Council		46,100	47,414	(1,314)	52,650	(6,550)	-14%
	General Government - Admin		584,353	615,625	(31,272)	668,803	(84,450)	-14%
	General Government - Projects		339,290	329,780	9,510	29,500	309,790	91%
	Protective Services		127,640	131,508	(3,868)	167,740	(40,100)	-31%
	Environmental Health		20,569	16,608	3,961	24,170	(3,601)	-18%
	Public Works Services		351,227	316,418	34,809	350,064	1,163	0%
	Recreation, Cultural & Dev.		323,072	318,644	4,428	316,833	6,239	2%
	Water Services		116,581	87,146	29,435	126,104	(9,523)	-8%
	Sewer Services		104,499	115,025	(10,526)	122,225	(17,726)	-17%
	Transfer to reserve funds		88,785	69,088	19,697	69,088	19,697	22%
	Amortization		252,000	252,000	-	305,000	(53,000)	-21%
Total Operating Expenditures			2,354,116	2,299,256	54,860	2,232,177	121,939	5%
Net Operating Surplus before year end adj.			-	3,082,398	3,082,398	-	-	



Budget Presentation

2020 – 2024 Financial Plan
Village of Tahsis



Community Charter Requirements

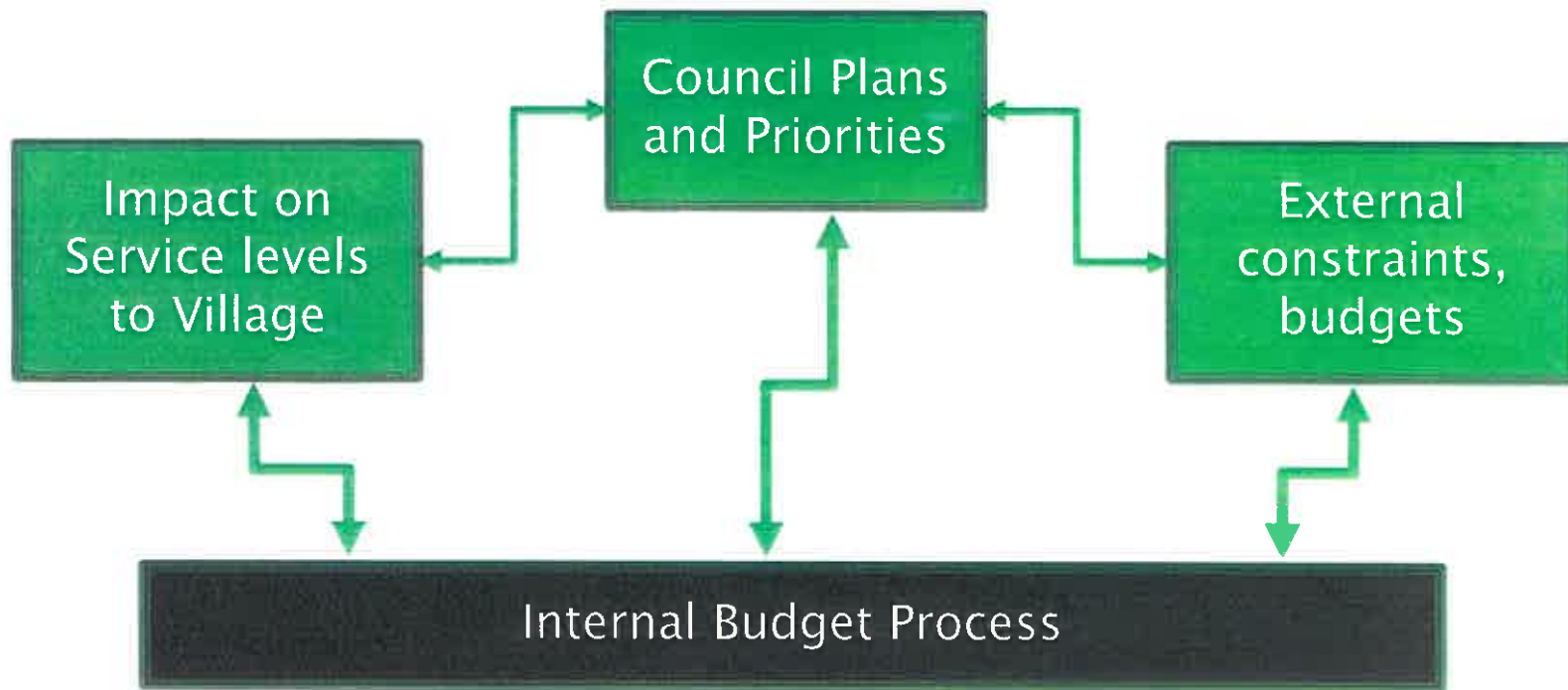
- ▶ 5 year financial plan (budget) must be adopted annually by bylaw before tax rate bylaw can be adopted, before May 15
- ▶ Financial plan must include:
 - Proposed expenditures
 - Proposed funding sources
 - Proposed transfers between funds and accounts
- ▶ Budget must be balanced (expenditures must not exceed revenues and transfers)
- ▶ Public consultation required before adoption by Council



Major Council Policies

- ▶ 2020 Strategic Priorities
- ▶ Updated Official Community Plan





Budget Considerations and Assumptions

- ▶ Ensure adequate funding for existing services and infrastructure – level of service delivery
- ▶ Continue to access diversified sources of revenue
- ▶ Manage expenditures by –
 - Ongoing review of processes and procedures for effectiveness
 - Review 2019 actual expenditures for efficiencies, one-time items, potential budget savings
- ▶ Provide for contingencies
 - Manage business risks
 - Operate prudently
- ▶ Build sustainable reserves
- ▶ Full cost recovery for utility services



Risks

- ▶ Staffing
 - Pressure on staff to absorb increased service needs, compliance and statutory reporting, by-election
- ▶ Reserves
 - Rely heavily on prior years' surplus to keep taxes low
- ▶ Aging Infrastructure
 - Increasing costs to maintain aging buildings, sewer and water systems
- ▶ Aging population
- ▶ Stagnant residential, economic growth



Opportunities

- ▶ Grants
 - Staff continue to pursue grant opportunities
- ▶ Use of 2019 operating surplus
- ▶ Consider borrowing as a long-term strategy to replacing aging infrastructure
- ▶ Increase in permits due to development, renovation of residential property



Current Services Provided to Citizens

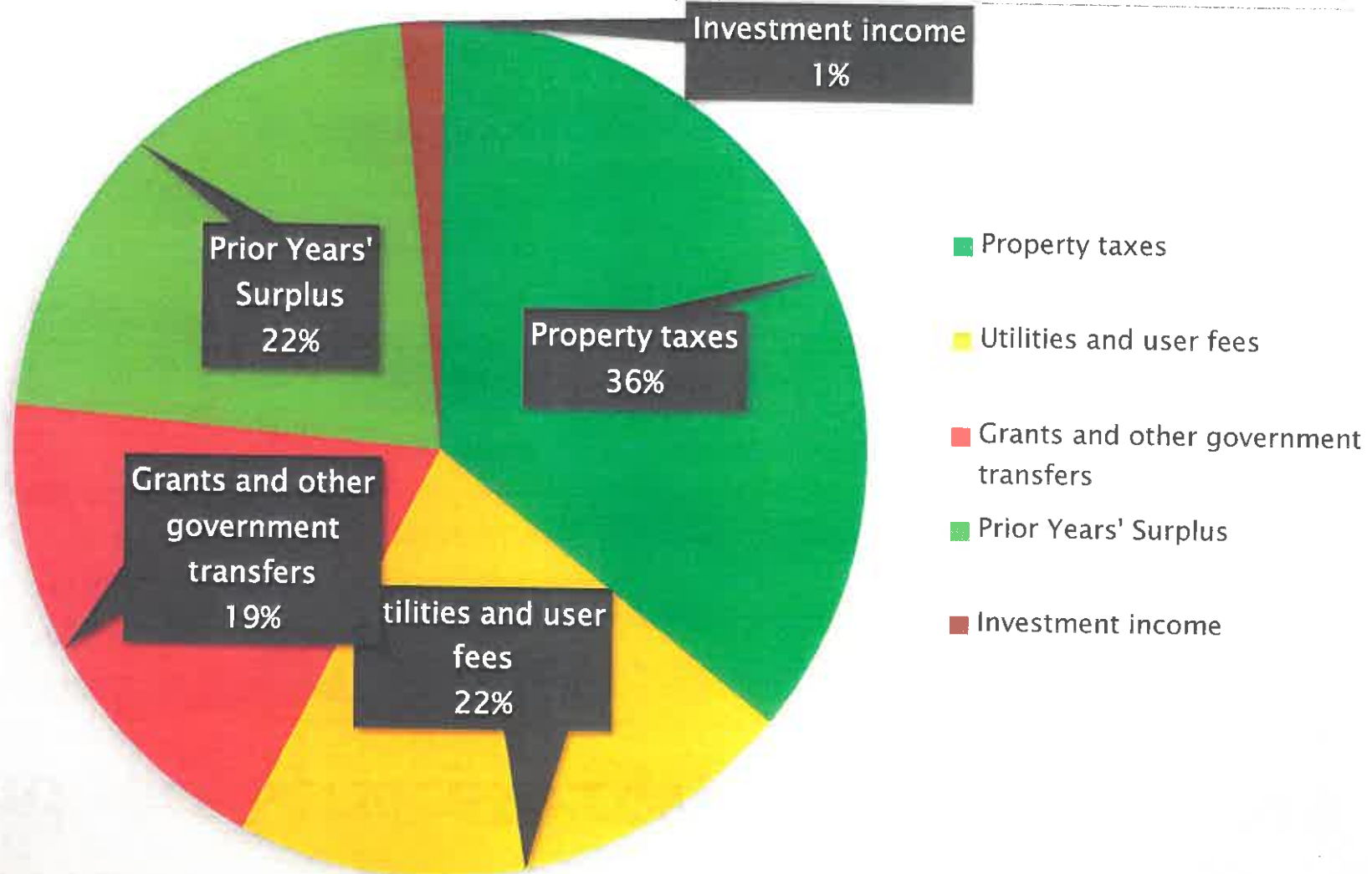
- ▶ Road maintenance, repair and snow removal
- ▶ Garbage collection and recycling
- ▶ Fire protection, suppression and rescue
- ▶ Emergency Preparedness
- ▶ Daycare
- ▶ Tourist information Centre and display for museum artifacts
- ▶ Boat launch and parking
- ▶ Helipad
- ▶ Wharves and docks
- ▶ Recreation Centre programming including pool, weight room, gym activities
- ▶ Parks and trails
- ▶ Sidewalks, curbs and gutters
- ▶ Drainage systems
- ▶ Sewer systems
- ▶ Drinking water systems and drainage
- ▶ Property maintenance regulation and bylaw compliance
- ▶ Building inspector

Indirect Services Provided for the Village

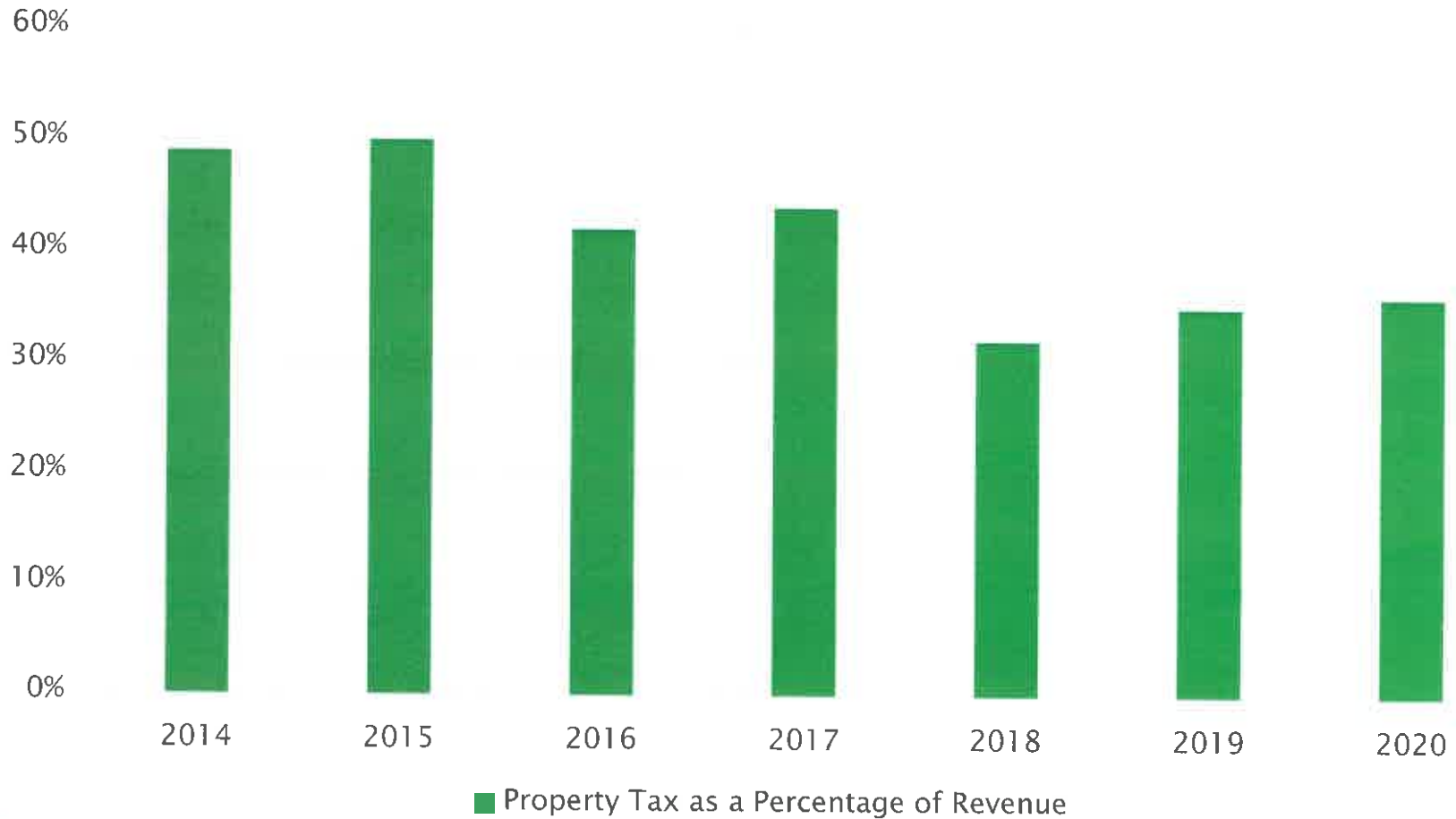
- ▶ Financial management
- ▶ Asset management
- ▶ Grant writing
- ▶ Compliance with provincial and federal legislation
- ▶ Project management
- ▶ Election services



2020 Proposed Operating Revenues \$2,232,177



Property Tax Revenue

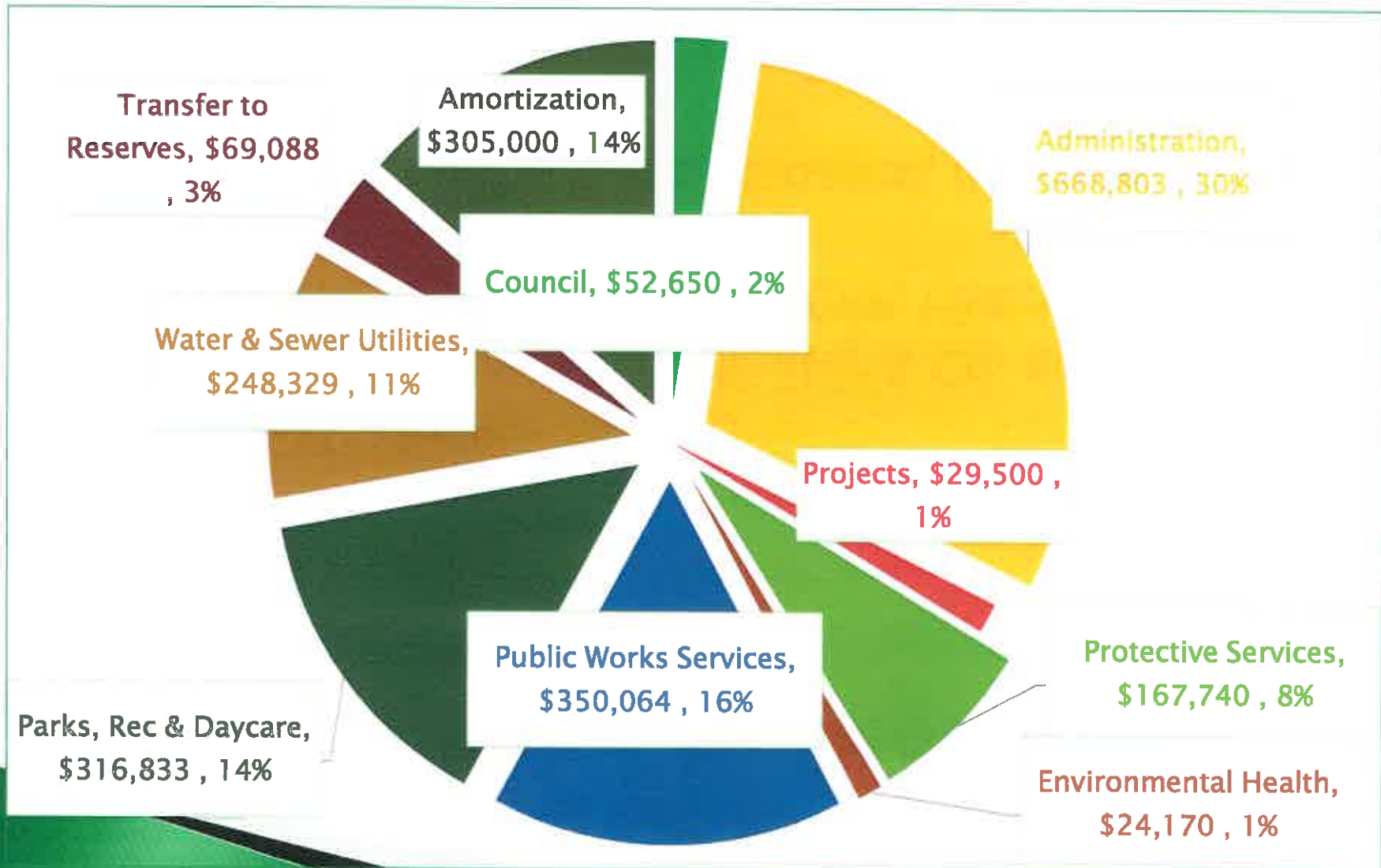


Major Change in Operating Revenues

- ▶ Property taxes – \$51.5k
- ▶ Utilities and user fees – \$19k
 - Recreation, day care – \$8.6k
 - Building lease, permits – \$10.4k
 - Water – \$10k
 - Environmental Health – (\$10k)
- ▶ Grants and other government transfers – (\$289k)
 - One-time gas tax bonus – (\$69k)
 - Projects – (\$201k)
- ▶ Investment income – (\$4k)
- ▶ Proceeds on sale of land – (\$136k)
- ▶ Prior years' surplus – \$236k



2020 Proposed Operating Expenditures \$2,232,177



Major Change in Operating Expenditures by Department

- ▶ Council – (\$6.6k)
 - (\$4.9k) Travel
- ▶ Administration – (\$84k)
 - (\$43k) New Admin Coordinator & Co-op student
 - (\$19k) Increase in employer CPP, health, pension rates
 - (\$13.5k) IT support, maintenance, licensing, database management
 - (\$5.0k) higher insurance costs due to wharf deficiencies



Major Change in Operating Expenditures by Department

- ▶ **Projects – \$309.8k**
 - \$32k – Wellhead Protection Plan
 - \$50k – Official Community Plan (offset by grant)
 - \$126.5k – Sea Level Rise Assessment (offset by grant)
 - \$24k – Age-Friendly Planning (offset by grant)
 - \$77k – Watershed Assessment

- ▶ **Protective Services – (\$40.1k)**
 - (\$5.0k) – Annualize contract renewal for Fire Chief
 - (\$7.6k) – Volunteer training, duty officer
 - (\$2.5k) – Live fire training site license
 - (\$6.0k) – Protective clothing
 - (\$13.0k) – Additional day per month for Bylaw Officer

Major Change in Operating Expenditures by Department

- ▶ Recreation – \$6.2k
 - \$10.3k – Part-time life guards
 - (\$7.0k) – Propane
- ▶ Water Services – (\$9.5k)
 - (\$9.3k) – Increase in time spent on water issues
- ▶ Sewer Services – (\$17.7k)
 - (\$8.2k) – Increase in time spent on sewer issues
 - (\$10.3k) – Repairs and maintenance



Major Change in Operating Expenditures by Department

- ▶ Transfer to reserve funds – \$19.7k
 - Remove prior year budget for Community Trail
- ▶ Amortization – (\$53k)
 - Increase to reflect use of new road, watermain and sewer assets



2020-2024 Capital Plan

<u>Capital Funding</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Capital grants	\$ 648,000	\$ 2,000,000	\$ 2,847,569	\$ 750,000	\$ -
Capital Works Reserve	312,340	907,687	938,041	243,402	-
Economic Reserve Fund	-	-	-	-	-
General Reserve Fund	-	3,500	28,675	3,859	-
Recreation Centre Reserve Fund	25,000	-	400,000	-	-
Fire Hall Reserve	25,000	-	-	1,223,080	15,000
	\$ 1,010,340	\$ 2,911,187	\$ 4,214,285	\$ 2,220,341	\$ 15,000
<u>Capital Expenditures</u>					
Buildings	\$ 515,000	\$ 1,500,000	\$ 3,167,569	\$ 773,080	\$ -
Drinking Water	70,000	100,000	-	100,000	-
Equipment	160,000	40,000	-	450,000	15,000
Information Technology	-	3,500	28,675	3,859	-
Land Improvements	148,000	-	-	-	-
Sanitary Sewer	117,340	1,267,687	1,018,041	893,402	-
	\$ 1,010,340	\$ 2,911,187	\$ 4,214,285	\$ 2,220,341	\$ 15,000
Net Capital Plan	\$ -	\$ -	\$ -	\$ -	\$ -

2020-2024 Capital Plan Details

Drinking Water	Capital Works Reserve	Watermain replacement (linked to the sewer main replacement project)	N. Maquinna between Harbour View and Strange Road and between Quadra and Rodgers	-	100,000	-	100,000	-	200,000
Drinking Water	Capital Works Reserve	Monitoring Wells	2 monitoring wells from anticipated wellhead protection plan recommendations	70,000	-	-	-	-	70,000
Sanitary Sewer	Capital Grants	Sanitary Sewer System upgrades	Upgrades are subject to 73% grant funding (27% contribution from VOT); grant application deadline February 2020	-	500,000	1,000,000	750,000	-	2,250,000
Sanitary Sewer	Capital Works Reserve	Sanitary Sewer System upgrades	27% contribution towards upgrades following grant approval	-	600,000	-	-	-	600,000
Sanitary Sewer	Capital Works Reserve	Sewer main replacement (linked to the Watermain replacement project)	N. Maquinna between Harbour View and Strange Road and between Quadra and Rodgers	-	150,000	-	125,000	-	275,000
Sanitary Sewer	Capital Works Reserve	Sewer main replacement	Tootouch	100,000	-	-	-	-	100,000
Sanitary Sewer	Capital Works Reserve	Lift Station Pump Replacement Plan	Pumps currently exceed expected 10 year life; plan to replace 2 per year \$8,000 plus \$500 install each; applied 2% after 2019	17,340	17,687	18,041	18,402	-	71,470
Land Improvements	Capital Grants	Flood Mitigation Preliminary Design	Raise flood wall in response to flood risk assessment. Grant application in progress.	148,000	-	-	-	-	148,000

2020-2024 Capital Plan Details

Category	Funding Source	Project	Description	2020	2021	2022	2023	2024	Total
Buildings	Capital Grants	Tahsis Recreation Centre - Complex Renewal	Renewal is subject to 100% grant funding (est. \$3.7m cost)	400,000	1,500,000	1,847,569	-	-	3,747,569
Buildings	Recreation Centre Reserve Fund	Tahsis Recreation Centre - Address Safety Issues and Renewal Cost Overruns	Safety issues (\$25k) will be addressed in 2019; Complex renewal potential cost overruns, if any, (up to \$400k)	25,000	-	400,000	-	-	425,000
Buildings	Capital Works Reserve	Replace heat pumps	Replace heat pumps in Village office that are no longer operational	20,000	-	-	-	-	20,000
Buildings	Capital Works Reserve	Village Office Foyer	Address serious deficiencies; need to demolish and rebuild	50,000	-	-	-	-	50,000
Buildings	Capital Works Reserve	Airline Finger and Dock	Address surface deficiencies	20,000	-	-	-	-	20,000
Buildings	Capital Works Reserve	Repairs to Municipal Dock	Fire damage repair / replacement; need to demo bldg to replace damaged beams underneath	-	-	920,000	-	-	920,000
Buildings	Fire Hall Reserve	Fire Hall Project	Relocate Fire Hall to Captain Meares School	-	-	-	773,080	-	773,080



2020-2024 Capital Plan Detail

Category	Funding Source	Project	Description	2020	2021	2022	2023	2024	Total
Equipment	Capital Works Reserve	Replace Quad	With sweeper, blade	35,000	-	-	-	-	35,000
Equipment	Capital Works Reserve	Replace Pickup	Public Works	-	40,000	-	-	-	40,000
Equipment	Capital Grants	Tsunami Siren	Upgrade / additional siren	100,000	-	-	-	-	100,000
Equipment	Fire Hall Reserve	Fire Engine	Crew of 6 seats, side mount pump, 1550 gpl pump, Genset, instachain; cost estimate is for new but will consider used	-	-	-	450,000	-	450,000
Equipment	Fire Hall Reserve	Fire rescue equipment	Sprinkler system kit, forestry fire pump, cargo trailer, extraction combo cutter and spreader tools (grant application currently in progress)	25,000	-	-	-	15,000	40,000
Information Technology	General Reserve Fund	Desktop Replacement/Addition Plan	Applied 5% each year after 2021	-	3,500	3,675	3,859	-	11,034
Information Technology	General Reserve Fund	Server Replacement/Upgrade Plan	Placeholder	-	-	25,000	-	-	25,000
		Total Plan		1,010,340	2,911,187	4,214,285	2,220,341	15,000	10,371,153



Questions?