



CORPORATE AND ADMINISTRATIVE SERVICES COMMITTEE

Thursday, July 26, 2018
SCRD Boardroom, 1975 Field Road

AGENDA

CALL TO ORDER: 9:30 a.m.

AGENDA

1. Adoption of Agenda

PETITIONS AND DELEGATIONS

REPORTS

2. Chief Administrative Officer – Service Review
(Voting – All Directors) Annex A
Pages 1-52
3. Manager, Financial Services – Corporate General Ledger Budget
Variance Report – 2nd Quarter (Attachment A: Year to Date
Variance by Service not included (92 pages) please see this
link <http://www.scrd.ca/agendas-2018>)
(Voting – All Directors) Annex B
pp. 53-57
4. Manager, Solid Waste Services – Regional Solid Waste Variance
Report – 2nd Quarter
(Voting – All Directors) Annex C
pp. 58-60
5. General Manager, Planning and Community Development –
Recreation Facilities Variance Report – 2nd Quarter
(Voting – B, D, E, F, DoS, SIGD, ToG) Annex D
pp. 61-62
6. Chief Building Official – Building Inspection Variance Report – 2nd
Quarter
(Voting – A, B, D, E, F and SIGD) Annex E
pp. 63-64
7. Manager, Transit and Fleet – Public Transit Variance Report – 2nd
Quarter
(Voting – B, D, E, F, DoS, SIGD, ToG) Annex F
pp. 65-66
8. Financial Analyst – Long Term Debt as at June 30, 2018
(Voting – All Directors) Annex G
pp. 67-70
9. Financial Analyst – Investments and Reserves as at June 30, 2018
(Voting – All Directors) Annex H
pp. 71-76

- | | |
|--|----------------------|
| 10. General Manager, Planning and Community Development –
Delegated Authority to Award - Sunshine Coast Arena Water
Efficiency Project Construction (Condenser)
(Voting – B, D, E, F, DoS, SIGD, ToG) | Annex I
pp. 77-78 |
| 11. Manager, Purchasing and Risk Management – Contracts between
\$20,000 and \$100,000
(Voting – All Directors) | Annex J
pp. 79-80 |
| 12. Deputy Corporate Officer – Speakers for 2018 Resolutions to
Union of British Columbia Municipalities
(Voting – All Directors) | Annex K
pp. 81-86 |
| 13. General Manager, Corporate Services / Chief Financial Officer –
Sechelt Archives
(Voting – All Directors) | Annex L
pp. 87-89 |
| 14. Joint Report – 1st Update for 2018 – Corporate and Administrative
Services Department (January to July)
(Voting – All Directors) | Annex M
pp. 90-99 |

COMMUNICATIONS

NEW BUSINESS

IN CAMERA

That the public be excluded from attendance at the meeting in accordance with Section 90 (1) (g) and (k) of the *Community Charter* – “litigation or potential litigation affecting the municipality” and “negotiations and related discussion respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public”.

ADJOURNMENT

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Janette Loveys, Chief Administrative Officer

SUBJECT: REVIEW OF SERVICES

RECOMMENDATION(S)

THAT the report titled **Review of Services** be received;

AND THAT staff explore opportunities to link internal service reviews to the development of service plans and the annual financial planning process;

AND FURTHER THAT staff report back through the development of the 2018 – 2022 Strategic Plan on opportunities to improve the integration of these processes.

BACKGROUND

063/18 **Recommendation No. 10** *Review of Services*

THAT staff prepare a report on the feasibility, timing, process, scope and resources required for a review of selected SCRD services.

As requested at Committee meetings, this report provides background information and key information related to the legislative processes for a review of services. In addition, staff researched other regional district examples as an opportunity to recommend future process improvements for the organization.

DISCUSSION

The Sunshine Coast Regional District (SCRD) Board has been discussing the subject of service reviews in the context of equity related to the delivery of services in rural areas and islands.

Regional Districts are required to provide a few services such as emergency planning (under *Emergency Program Act*), landfill (under *Environmental Management Act*) and capital financing for local governments (through their role under the *Municipal Finance Act*) to their communities.

However, most regional district services are optional and at the discretion of the Regional District Board as to how, and to what area, a service will be provided.

Some of the more common services provided by regional districts include:

- Water and wastewater
- Fire protection and emergency services
- Parks and recreation
- Solid waste management
- Economic development
- Animal control
- Libraries

A regional district may operate a service directly, or enter into a contract with another public authority or organization.

As requested by Committee, Attachment A outlines the *Local Government* Act and statutory requirements for regional districts when contemplating a formal service review. In addition, staff have included a resource guide (Attachment B) which provides further context and steps for regional districts.

Staff also reviewed past SCRD reports and processes related to internal equity reviews. There were a number of workshops and special committees held which included a significant amount of reports and analysis over the past 10+ years. Staff note the October 3, 2012 Special Corporate and Administrative Service Committee [agenda](#) which summarize a number of reports and the result of processes the SCRD has undertaken.

Since 2015 SCRD staff have initiated a review of various services which staff believe would benefit from an internal review. Key factors used were:

- Stale or misaligned bylaws;
- changes to provincial legislation;
- mitigating risk and liability exposure;
- financial pressures and constraints;
- community needs have evolved;
- opportunities to support the SCRD Strategic Plan

As the SCRD strives to be a responsible and accountable local government, staff view the current approach as beneficial to continue and integrate with ongoing processes such as the corporate asset management plan, improved budgeting processes, reporting and development of standards. Staff would identify the specific services, scope and if any required special resources to carry out the internal review during Committee pre-budget meetings.

In addition to internal reviews, over the past two years the Board has received extensive reports related to transit, youth programs and solid waste. Cross functional staff teams were created to conduct the reviews and bring forward options for the Committees consideration. As well, the SCRD rural area fire services have jointly engaged in a strategic planning exercise (another approach to conducting a review) which will assist in aligning SCRD bylaws with the new Fire Services Act and Playbook. A draft Plan is targeted for the fall.

In the research staff found that most regional districts hire consultants to conduct formal reviews and from staff's analysis, most outcomes were not met with much success. However, of interest is the Capital Regional District's (CRD) approach to link an internal service review process to their annual service plans and financial planning process. One of the benefits of this approach is

that it builds organizational capacity and a sustainable corporate culture. Attachment C is CRD's staff report and template for background information.

Financial Implications

It is a recognition that there is a significant amount of work related to a service review, either informal or formal. As such, any costs would need to be incorporated into future budgets and work plans. As noted above, any formal statutory service review costs must be borne by the service participants.

STRATEGIC PLAN AND RELATED POLICIES

In looking at the process of conducting service reviews (informal/formal) onto itself as something productive and positive when providing local services to the community, one can link all of the key strategic priorities in the 2015-2018 SCRD Strategic Plan.

In viewing the process with a lens of how regional district funding models operate, the key priority of Ensure Fiscal Sustainability is highlighted.

CONCLUSION

The SCRD Board has been discussing the subject of service reviews in the context of equity related to the delivery of services in rural areas and islands.

Staff have prepared this report which highlights SCRD history, the legislative process and research.

Staff recommend process improvements and look to the incoming 2018-2022 Board and their Strategic Plan to move forward in a sustainable and productive manner.

Reviewed by:			
Manager		CFO/Finance	X-T. Perreault
GM		Legislative	X-A. Legault
CAO	X-J. Loveys	Other	

ATTACHMENT

Attachment A: the *Local Government Act*

Attachment B: Regional Service Reviews: An Introduction

Attachment C: Capital Regional District CAO report and template

LOCAL GOVERNMENT ACT

[RSBC 2015] CHAPTER 1

Deposited with Clerk of the Legislative Assembly on December 16, 2015

Part 10 — Regional Districts: Service Structure and Establishing Bylaws

Division 1 — General Service Powers

General authority for services

332 (1) Subject to the specific limitations and conditions established under this or another Act, a regional district may operate any service that the board considers necessary or desirable for all or part of the regional district.

(2) The authority under subsection (1) includes the authority to operate a service in an area outside the regional district as well as in the regional district itself.

(3) A regional district service may be operated directly by the regional district or through another public authority, person or organization.

(4) If a regional district has established works or facilities outside the regional district for the purposes of a regional district service, the board may, by bylaw, regulate and prohibit the use of the works and facilities.

(5) If a board enters into a mutual aid agreement respecting the use of equipment and personnel, those uses may be undertaken inside or outside the service area.

Consent required for services outside regional district

333 (1) Before establishing a service referred to in section 332 (2) [*services outside regional district*], the board must

(a) obtain the consent of the other affected local government in accordance with subsection (2) of this section, and

- (b) after receiving that consent, obtain the approval of the Lieutenant Governor in Council.
- (2) For the consent required by subsection (1) (a),
 - (a) if the area is in a municipality, the consent of the municipal council is required, and
 - (b) if the area is not in a municipality, the consent of the regional district board for the area is required.
- (3) The Lieutenant Governor in Council may, in an approval referred to in subsection (1) (b), establish restrictions and conditions on the establishment and operation of a service in a participating area that is outside the regional district.
- (4) Subject to an approval under subsection (3), if a service referred to in subsection (1) is established,
 - (a) the area outside the regional district must be identified as a separate participating area for the service,
 - (b) the powers, duties and functions of the regional district extend to the participating area as if it were located in the regional district, and
 - (c) the provisions of this Part and other former Part 24 provisions apply with respect to the participating area as if it were located in the regional district.

Services to public authorities

- 334** (1) If a regional district makes an agreement with a public authority to provide services to or for the public authority that are within the powers of the public authority, the entire cost of providing the service under the agreement is a debt owed to the regional district by the public authority.
- (2) A service provided under an agreement referred to in subsection (1) may be provided inside the boundaries of another regional district if that other regional district consents.

Authorities in relation to services other than regulatory services

- 335** (1) A bylaw in relation to a regional district service, other than a regulatory service, may

- (a) make different provisions for different areas, times, conditions or circumstances as described by bylaw,
 - (b) establish different classes of persons, places, activities, property or things, and
 - (c) make different provisions, including exceptions, for different classes established under paragraph (b).
- (2) A board may, by bylaw, regulate and prohibit in relation to a regional district service other than a regulatory service.
- (3) Without limiting subsection (2), a bylaw under that subsection may provide for a system of licences, permits or approvals in relation to a regional district service, including by doing one or more of the following:
- (a) prohibiting any activity or thing until a licence, permit or approval has been granted;
 - (b) providing for the granting and refusal of licences, permits and approvals;
 - (c) providing for the effective periods of licences, permits and approvals;
 - (d) establishing
 - (i) terms and conditions of, or
 - (ii) terms and conditions that must be met for obtaining, continuing to hold or renewinga licence, permit or approval, or providing that such terms and conditions may be imposed, the nature of the terms and conditions and who may impose them;
 - (e) providing for the suspension or cancellation of licences, permits and approvals for
 - (i) failure to comply with a term or condition of a licence, permit or approval, or
 - (ii) failure to comply with the bylaw;
 - (f) providing for reconsideration or appeals of decisions made with respect to the granting, refusal, suspension or cancellation of licences, permits and approvals.

Division 2 — Referendums and Petitions for Services

Referendums regarding services

336 (1) A board may, by bylaw, provide for a referendum in the whole or a part of one or more municipalities or electoral areas to obtain the opinion of the electors on a question regarding a service that is or that may be operated by the regional district.

(2) Section 344 [*approval by assent of the electors*] applies to a referendum under this section as if the areas in which the referendum is to be conducted were proposed participating areas.

Petitions for electoral area services

337 (1) The owners of parcels in an electoral area may sign and submit to the regional district a petition for a service in all or part of that electoral area.

(2) Each page of a petition referred to in subsection (1) must do the following:

- (a) describe in general terms the service that is proposed;
- (b) define the boundaries of the proposed service area;
- (c) indicate in general terms the proposed method for recovering annual costs;
- (d) contain other information that the board may require.

(3) In order for a petition to be certified as sufficient and valid for the purposes of this section,

- (a) the petition must be signed by the owners of at least 50% of the parcels liable to be charged for the proposed service, and
- (b) the persons signing must be the owners of parcels that in total represent 50% of the net taxable value of all land and improvements within the proposed service area.

(4) Section 212 (4) to (6) [*rules in relation to petition for local area service*] of the [Community Charter](#) applies to a petition under this section.

Division 3 — Establishing Bylaws for Services

Establishing bylaws required for most services

338 (1) Subject to this section, in order to operate a service, the board must first adopt an establishing bylaw for the service in accordance with this Division.

(2) As exceptions, a bylaw under this section is not required to establish the following:

- (a) general administration, other than electoral area administration;
- (b) electoral area administration;
- (c) the undertaking of feasibility studies in relation to proposed services;
- (d) a service under section 4 (1) *[regional district declared regional hospital district]* of the *Hospital District Act*;
- (e) the undertaking of a referendum under section 336 *[referendums regarding services]*;
- (f) a local community commission under section 243;
- (g) a service that
 - (i) is a service for which authority is expressly provided by a provision of this Act that is not a former Part 24 provision, and
 - (ii) is not a regulatory service;
- (h) the giving of grants to an applicant for a business promotion scheme under section 215 *[business improvement areas]* of the *Community Charter* in relation to a mountain resort;
- (i) if the regional district board is authorized to appoint an approving officer under section 77.1 *[appointment of regional district and islands trust approving officers]* of the *Land Title Act*, services related to the approving officer.

Required content for establishing bylaws

339 (1) An establishing bylaw for a service must do the following:

- (a) describe the service;
- (b) define the boundaries of the service area;
- (c) identify all municipalities and electoral areas that include participating areas for the service;

(d) indicate the method of cost recovery for the service, in accordance with section 378 [*options for cost recovery*];
(e) set the maximum amount that may be requisitioned for the service by

- (i) specifying a maximum amount,
- (ii) specifying a property value tax rate that, when applied to the net taxable value of land and improvements in the service area, will yield the maximum amount, or
- (iii) specifying both a maximum amount and a property value tax rate as referred to in subparagraphs (i) and (ii), in which case the maximum amount is whichever is greater at the applicable time.

(2) As exceptions, the requirement of subsection (1) (e) does not apply to an establishing bylaw for the following:

- (a) a regulatory service;
- (b) coordination, research and analytical services relating to the development of the regional district;
- (c) social planning services;
- (d) the promotion of economic development;
- (e) programs in preparation for emergencies;
- (f) emergency communication systems;
- (g) regional parks and regional trails;
- (h) services related to heritage conservation;
- (i) participation in a regional library district under Part 3 [*Regional Library Districts*] of the [Library Act](#);
- (j) a service referred to in section 338 (2) (a) to (d) [*general administration, electoral area administration, feasibility studies and regional hospital district services*].

(3) If an establishing bylaw covers more than one service, it must separately indicate the matters under subsection (1) for each service.

(4) If the board adopts an establishing bylaw for a service referred to in section 338 (2) (a) [*general administration*], the establishing bylaw must identify all municipalities and all electoral areas in the regional

district as participating areas for the service, and the service area is the entire regional district.

Special options for establishing bylaws

340 (1) An establishing bylaw for a service may do one or more of the following:

(a) set out the method of apportionment of costs among the participating areas, if this is to be different from the method established by section 380 (2) (a) *[general apportionment rule]*;

(b) in relation to resolutions and bylaws respecting the administration and operation of the service, establish the method for determining the number of votes to which a director is entitled if this is to be different from that otherwise established by section 209 (1) (b) *[number of votes per director in respect of administration and operation of services]*;

(c) if the administration and operation of the service is to be delegated to a body established by the board, provide for appointments to the body and establish voting rules for the body in relation to the service;

(d) provide a time period for the purposes of section 357 (1) (a) *[minimum participation time before service review can be initiated]* that is less than the period established by that provision;

(e) provide an alternative review process that is different than the service review process established by Division 6 *[Dispute Resolution in Relation to Services]*;

(f) establish terms and conditions for withdrawal from the service;

(g) include any other provisions respecting the establishment and operation of the service that the board considers appropriate.

(2) As a restriction on subsection (1) (b), each director for a participating area must be entitled to at least one vote.

(3) If a proposed establishing bylaw includes provisions referred to in subsection (1) (f), each participant must consent to the provisions before the bylaw is submitted for participating area approval under section 342.

Special rules in relation to continuation of older services

341 (1) In this section:

"continued service" means a service provided by a regional district immediately before the transition date;

"previous continuation authority" means the authority to provide services under section 775 (3) to (8) of the *Local Government Act*, R.S.B.C. 1996, c. 323, as that section read immediately before the transition date;

"transition date" means August 30, 2000, being the date on which section 774.2 of the *Local Government Act*, R.S.B.C. 1996, c. 323, came into force.

(2) Subject to this section, a regional district continues to have the power to provide a continued service as follows:

- (a) if, immediately before the transition date,
 - (i) the service is one that was authorized under the previous continuation authority, and
 - (ii) no bylaw that was deemed under the previous continuation authority to be an establishing bylaw has been adopted in relation to the service,

the service may be continued in accordance with the previous continuation authority and, for these purposes, that authority is deemed not to have been repealed;

- (b) if the service
 - (i) is one referred to in section 339 (2) (b) or (c) [*development services and social planning services*], or
 - (ii) is another service for which an establishing bylaw was not required before the transition date,

the service may be continued without an establishing bylaw.

(3) If a board exercises a power to provide a continued service under subsection (2), it may

(a) adopt a bylaw in accordance with subsection (5) to convert the service to one exercised under the authority of an establishing bylaw, and

(b) by the same bylaw, amend the power to the extent that it could if the power were in fact exercised under the authority of an establishing bylaw.

(4) A board must adopt a bylaw under subsection (3) in relation to a continued service if changes are made to any of the following:

(a) the service area;

(b) the municipalities, electoral areas or treaty first nations participating in the service;

(c) the method of cost recovery;

(d) the apportionment of costs in relation to the service.

(5) A bylaw under subsection (3) must

(a) meet the requirements of section 339 [*required content*] for an establishing bylaw, and

(b) be adopted in accordance with section 349 [*amendment or repeal of establishing bylaw*] as if it were a bylaw amending an establishing bylaw.

(6) A bylaw under subsection (3) is deemed to be an establishing bylaw for the service in respect of which it is adopted.

Division 4 — Approval of Establishing Bylaws

Approval of establishing bylaws

342 (1) An establishing bylaw has no effect unless, before its adoption, it receives

(a) the approval of the inspector, and

(b) participating area approval in accordance with this section.

(2) Participating area approval under this section may be obtained as follows:

- (a) in any case, by assent of the electors in accordance with section 344 *[approval by voting]*;
 - (b) if permitted under section 345 (1) *[approval by alternative approval process]*, approval given in accordance with that section;
 - (c) if permitted under section 346 *[consent on behalf of municipal participating area]* for a proposed municipal participating area, consent given in accordance with that section;
 - (d) if permitted under section 347 (1) *[consent on behalf of electoral area]* for a proposed electoral participating area, consent given in accordance with that section.
- (3) Unless authorized under subsection (4), participating area approval must be obtained separately for each participating area in the proposed service area.
- (4) If approval is to be obtained under subsection (2) (a) or (b), the board may, by resolution adopted by at least 2/3 of the votes cast, provide that the participating area approval is to be obtained for the entire proposed service area.
- (5) As an exception, subsections (1) to (4) do not apply to an establishing bylaw for a service referred to in section 338 (2) (a), (b) or (d) *[services for which establishing bylaw not required — general administration, electoral area administration and regional hospital district services]* and, instead, section 349 *[amendment or repeal of establishing bylaws]* applies to the bylaw as if it were a bylaw amending an establishing bylaw.

Responsibility for obtaining approval

- 343** (1) If participating area approval is to be obtained for the entire service area,
- (a) the board may choose the method,
 - (b) in the case of approval by alternative approval process, the board is responsible for obtaining the approval, and
 - (c) in the case of approval by assent of the electors, at the option of the board,

- (i) the board is responsible for conducting the voting throughout the proposed service area, or
- (ii) the board and councils are responsible for conducting the voting in the same manner as under subsection (2), with the results of the voting in these areas added together.

(2) If participating area approval is to be obtained separately for each participating area,

- (a) subject to subsection (3), for a municipal participating area, the council may choose the method and is responsible for obtaining the approval, and
- (b) for an electoral participating area, the board may choose the method and is responsible for obtaining the approval.

(3) If, within 30 days after third reading of the establishing bylaw, a council

- (a) has notified the regional district that it is refusing to seek participating area approval, or
- (b) fails to give any notice to the regional district with respect to how participating area approval is to be obtained,

the board may adopt a resolution under section 342 (4) to have participating area approval obtained for the entire service area.

(4) Despite section 57 (1) *[costs of elections]*, if a council is authorized to give consent on behalf of the electors in accordance with section 346 *[consent on behalf of municipal participating area]* but does not exercise this authority, the municipality is responsible for the costs of obtaining the participating area approval.

Approval by assent of the electors

344 (1) Participating area approval through assent of the electors under Part 4 *[Assent Voting]* is obtained if,

- (a) in the case of approval under section 342 (3) *[each participating area separately]*, for each proposed

participating area, a majority of the votes counted as valid is in favour of the bylaw, or

(b) in the case of approval under section 342 (4) [*entire service area*], a majority of votes counted as valid is in favour of the bylaw.

(2) In the case of approval under section 342 (4), for the purposes of determining who is entitled to vote under section 172, the voting area is deemed to be all the proposed participating areas.

Approval by alternative approval process

345 (1) Participating area approval may be obtained by alternative approval process if any of the following apply:

(a) the maximum amount that may be requisitioned for the service is the amount equivalent to 50¢ for each \$1 000 of net taxable value of land and improvements included in the service area;

(b) the bylaw relates to a service for

(i) the collection, conveyance, treatment or disposal of sewage,

(ii) the supply, treatment, conveyance, storage or distribution of water, or

(iii) the collection, removal or disposal of solid waste or recyclable material.

(2) In addition to the information required by section 86 (2) [*notice of process*] of the [Community Charter](#), the notice of an alternative approval process under this section must include

(a) a copy of the bylaw, or

(b) a synopsis of the bylaw that

(i) describes in general terms the intent of the bylaw,

(ii) describes the proposed service area, and

(iii) indicates the date, time and place for public inspection of copies of the bylaw.

Consent on behalf of municipal participating area

- 346** If a proposed participating area is all of a municipality, the council may give participating area approval by
- (a) consenting on behalf of the electors to adoption of the proposed bylaw, and
 - (b) notifying the board of its consent.

Consent on behalf of electoral participating area

- 347** (1) For a proposed electoral participating area, the board may authorize participating area approval to be given under this section
- (a) if the board receives a sufficient petition under section 337 *[petitions for electoral area services]*, or
 - (b) in the case of an establishing bylaw for a service referred to in section 339 (2) *[no requisition limit required]*, if
 - (i) the participating area includes all of the electoral area, and
 - (ii) the service can be established without borrowing.
- (2) Participating area approval under this section may be given by the electoral area director consenting in writing to adoption of the bylaw.
- (3) If a director refuses to give consent under subsection (2), the board may, by a resolution adopted by at least 2/3 of the votes cast, dispense with the consent of the electoral area director and give participating area approval by consenting to adoption of the bylaw on behalf of the electors in the proposed participating area.
- (4) If a board consents under subsection (3), the director for the participating area may, within 14 days after the resolution, appeal to the minister for a review, and the minister may, after that review, order
- (a) that the consent of the board under subsection (3) stands,
 - (b) that participating area approval must be obtained under section 344 *[approval by assent of the electors]*, or
 - (c) that participating area approval must be obtained under section 345 *[approval by alternative approval process]*.

Other procedural rules

348 (1) If a board proposes to borrow money for the start of a service, the establishing bylaw and the loan authorization bylaw must, for the purposes of obtaining participating area approval, be dealt with as if they were one bylaw.

(2) The regional district corporate officer must file with the inspector a copy of each establishing bylaw after it has been adopted.

Division 5 — Changes to Establishing Bylaws

Amendment or repeal of establishing bylaws

349 (1) Subject to an order under subsection (4) or (5), an establishing bylaw may be amended or repealed, at the option of the board,

(a) in accordance with the requirements applicable to the adoption of the bylaw that it amends or repeals, or

(b) with the consent of at least 2/3 of the participants.

(2) Sections 346 *[consent on behalf of municipal participating area]* and 347 (2) to (4) *[consent on behalf of electoral participating area]* apply to consent under subsection (1) (b) of this section.

(3) A bylaw amending or repealing an establishing bylaw has no effect unless it is approved by the inspector.

(4) The minister may order that a bylaw amending or repealing an establishing bylaw may be adopted only in accordance with the requirements applicable to the adoption of the bylaw that it repeals or amends.

(5) In addition to the requirement under subsection (1) or (4), as applicable, the minister may order that, before the bylaw is adopted, it must receive the approval of the electors

(a) in one or more specified participating areas, or in specified parts of one or more participating areas, or

(b) in the entire service area,

obtained in accordance with section 344 *[approval by assent of the electors]* or 345 *[approval by alternative approval process]*, as specified by the minister.

(6) Section 137 (2) *[minister may waive requirement for elector assent or approval]* of the *Community Charter* does not apply to a bylaw amending or repealing an establishing bylaw.

(7) The regional district corporate officer must file with the inspector a bylaw amending or repealing an establishing bylaw after it has been adopted.

Changes to participating and service areas

350 (1) A bylaw amending an establishing bylaw may provide for changes to the boundaries of a service area, including merging 2 or more service areas.

(2) If a bylaw amending an establishing bylaw extends an existing service to a new participating area, the proposed participating area must be included as a participating area and the participant for the proposed participating area must be included as a participant for the purposes of section 349.

Amending bylaws that are needed for authority to borrow

351 (1) This section applies if either of the following is required in order to borrow money for a service:

(a) a bylaw amending an establishing bylaw;

(b) a conversion bylaw under section 341 (3) *[conversion of pre-2000 service to establishing bylaw service]*.

(2) Subject to an order under subsection (3), the amending or conversion bylaw referred to in subsection (1) and the loan authorization bylaw may, for the purposes of obtaining participating area approval under Division 4 *[Approval of Establishing Bylaws]*, be dealt with as if they were one bylaw.

(3) The minister may order that participating area approval of the amending or conversion bylaw referred to in subsection (1) must be obtained separately from the approval of the loan authorization bylaw.

Special provisions respecting service withdrawal

352 (1) If a bylaw adds, amends or repeals provisions of an establishing bylaw referred to in section 340 (3) [*terms and conditions for service withdrawal*], each participant must consent to the changes before the bylaw is submitted for approval in accordance with the requirements of section 349 [*amendment or repeal of establishing bylaws*].

(2) If a bylaw repealing an establishing bylaw is submitted to the inspector for approval and the inspector is not satisfied that all participants in a service have reached agreement respecting the termination of a service, the inspector must refer the matter to the minister, who must

- (a) direct the participants and the board to undertake negotiations on the matters related to terminating the service, or
- (b) if the minister is satisfied that agreement under paragraph (a) is unlikely, direct that the parties proceed to mediation or arbitration.

(3) The minister may specify the length of time that negotiations under subsection (2) (a) must continue and may extend this time period before or after it has expired.

(4) The participants and board must conduct negotiations under subsection (2) (a) in good faith, making reasonable efforts to reach an agreement that will permit resolution of the matters.

(5) If the parties have not reached agreement by the end of the time period for negotiations under subsection (2) (a), the minister must direct that the parties proceed to mediation or arbitration.

(6) For the purposes of subsections (2) (b) and (5), subject to any regulations under subsection (7),

- (a) sections 362 to 372 [*service withdrawal*] apply as if this were a service withdrawal under Division 6 [*Dispute Resolution in Relation to Services*] of this Part, and
- (b) section 356 [*costs of process*] applies as if this were a service review process under that Division.

(7) The minister may make regulations respecting mediation and arbitration under this section, including regulations providing exceptions to or modifications of a provision referred to in subsection

(6) or a regulation under section 372 *[regulations respecting arbitrations]*.

Division 6 — Dispute Resolution in Relation to Services

Definitions in relation to this Division

353 For the purposes of this Division:

"final resolution" means the establishment of the terms and conditions for withdrawal from a service by an arbitrator's decision under

(a) section 366 *[arbitration in relation to service withdrawal]*, or

(b) section 368 *[direction to further arbitration in certain cases]*;

"initiating participant" means a participant who gave notice under

(a) section 357 *[initiating a service review]*, or

(b) section 361 *[initiating service withdrawal]*,

as applicable;

"notice of withdrawal" means notice under section 367 (1) (d) (i) *[initiating participant decision to proceed with withdrawal]*;

"service review" means a review of participation in one or more services in accordance with the process under sections 357 to 360;

"service withdrawal" means proposed withdrawal from participation in one or more services in accordance with the process under sections 361 to 372.

Minister may appoint facilitators

354 (1) The minister may appoint facilitators for the purposes of this Division, whose responsibilities are to monitor service reviews and service withdrawals, and to assist the parties in reaching agreement in those processes, by

- (a) facilitating negotiations,
- (b) facilitating resolution of issues, and
- (c) assisting in setting up and using mediation or other non-binding resolution processes.

(2) On receiving a notice under section 357 [*initiating a service review*] or 361 [*initiating service withdrawal*], the minister may designate a person appointed under subsection (1) as the facilitator responsible to assist the parties in relation to the matter.

(3) Subject to subsection (4), at any time during a service review or service withdrawal, the facilitator designated under subsection (2) is to provide the assistance described in subsection (1) if requested to do so by a party.

(4) The authority for the facilitator to provide assistance in relation to a service withdrawal ends at the time an arbitration referred to in section 366 begins.

(5) Once a facilitator becomes involved under this section, the parties must provide information as requested by the facilitator and must otherwise cooperate with the facilitator in fulfilling his or her responsibilities.

Parties to a service review or service withdrawal

355 (1) The parties to a service review or service withdrawal are

- (a) the initiating participant,
- (b) any other participant in the service, and
- (c) the board.

(2) The representatives for the parties to a service review or service withdrawal are the following:

- (a) in the case of a municipal participating area,
 - (i) a council member appointed by the council, or
 - (ii) if no appointment is made, the mayor;
- (b) in the case of an electoral participating area, the director of the electoral area;
- (c) in the case of the board,
 - (i) a director appointed by the board, or
 - (ii) if no appointment is made, the chair.

(3) The board and any municipal participant may make an appointment referred to in subsection (2) and, if this is done, must notify the other parties as to the person who is to be their representative in the service review or service withdrawal.

Costs of service review or service withdrawal

356 (1) Costs incurred by a party in respect of their own participation in a service review or service withdrawal may be recovered only as follows:

- (a) in the case of costs incurred by a municipal participant, the costs must be recovered from the municipal participating area on the same basis as other costs of the service are recovered from that participating area;
- (b) in the case of costs incurred by an electoral area participant, the costs are deemed to be costs of the service and must be recovered from the participating area on the same basis as other costs of the service are recovered from that participating area;
- (c) in the case of costs incurred by the board, the costs are deemed to be costs of the service and must be apportioned and recovered from the service area on the same basis as other costs of the service.

(2) Unless otherwise agreed by the parties to a service review or service withdrawal or, in the case of arbitration, unless otherwise directed by the arbitrator, the following are deemed to be costs of the service and must be recovered in accordance with subsection (3):

- (a) the fees of any mediator or arbitrator engaged to conduct or participate in the process, other than the fees of a facilitator under section 354 [*minister may appoint facilitators*];
- (b) the administrative costs of the process, other than costs incurred by the parties in respect of their own participation in the process;

(c) any other costs with respect to the service review or service withdrawal that are not costs referred to in subsection (1).

(3) The costs to be recovered under subsection (2) must be assigned, apportioned and recovered as follows:

(a) in the case of a service review that dealt with only one service, the costs must be apportioned between and recovered from the participating areas on the same basis as other costs of the service;

(b) in the case of a service review that dealt with more than one service, the costs must

- (i) be assigned proportionally between the services under review at the time those costs were incurred, on the basis of the relative expenditures provided for the services in the previous year's financial plan, and
- (ii) for each service, be apportioned and recovered in accordance with paragraph (a);

(c) in the case of a service withdrawal that dealt with only one service, subject to a regulation under subsection (4), the costs must

- (i) be assigned proportionally between the service area and the participating area for the initiating participant, on the basis of the converted value of land and improvements in those areas,
- (ii) for costs assigned to the service area, be apportioned and recovered in accordance with paragraph (a), and
- (iii) for costs assigned to the initiating participant, be recovered on the same basis that other costs of the service are recovered from the participating area;

(d) in the case of a service withdrawal that dealt with more than one service, subject to a regulation under subsection (4), the costs must

- (i) be assigned proportionally between the services under review at the time those costs were incurred,

on the basis of the relative expenditures provided for the services in the previous year's financial plan, and
(ii) for each service, be assigned, apportioned and recovered in accordance with paragraph (c).

(4) The Lieutenant Governor in Council may make regulations providing how costs are to be assigned under subsection (3) (c) and (d) in cases where there is more than one initiating participant.

Initiating a service review

357 (1) A participant may initiate a service review under this Division if all the following circumstances apply:

- (a) the participant has been a participant in the service for at least 5 years or, if applicable, the shorter time period provided in the establishing bylaw for the service;
- (b) the service has not been subject to a service review that was initiated within the past 3 years;
- (c) the establishing bylaw does not include provisions under section 340 (1) (e) establishing an alternative review process;
- (d) the participant considers that the terms and conditions of participation in the service are unsatisfactory.

(2) To initiate a service review, a participant must give written notice to the board, all other participants in the service and the minister.

(3) The notice under subsection (2) must

- (a) describe the terms and conditions of participation in the service that the participant finds unsatisfactory,
- (b) give reasons, relating to those terms and conditions, as to why the participant wishes to initiate the service review, and
- (c) describe how the participant has previously attempted to resolve the issues.

(4) A participant who wishes to initiate service reviews for more than one service must give separate notice under this section for each service.

(5) In the case of a service review in relation to the exercise of authority under letters patent, the minister may determine what is to be considered a separate service under that authority for the purposes of this Division.

Other issues and services may be dealt with in one service review

- 358** (1) The following issues may be addressed by a service review:
- (a) the issues raised by the notice under section 357;
 - (b) any other issue respecting the service raised by a party at a preliminary meeting under section 359;
 - (c) if the other parties agree, an issue respecting the service raised by a party after the preliminary meeting.
- (2) In addition to the issues under subsection (1), if
- (a) at the same time or after the service review is initiated, another service review is initiated by notice under section 357 in respect of the same or another service,
 - (b) the other parties to the initial service review agree, and
 - (c) any participants in the other service who are not parties to the initial service review also agree,

the service reviews may be combined and dealt with in the same service review.

Preliminary meeting

- 359** (1) Within 120 days after receiving a notice under section 357 *[initiating a service review]*, the board must arrange a preliminary meeting of all party representatives for the purpose of
- (a) reviewing the terms and conditions of the service, and
 - (b) establishing a negotiation process for addressing
 - (i) the issues raised in the notice, and
 - (ii) any other issues raised by a party during the meeting,
- with a view to reaching an agreement on the negotiation process and the issues to be addressed in the negotiations.

(2) If a facilitator has been designated under section 354 [*minister may appoint facilitator*], the board must give notice of the preliminary meeting to the facilitator.

(3) The requirement for a meeting under subsection (1) does not apply to a service review that is combined under section 358 with another service review that was previously initiated.

Negotiations to resolve issues

360 (1) Within 60 days after the preliminary meeting under section 359 was convened, or the first such meeting was convened if there is more than one, the parties must begin negotiations for the purpose of reaching agreement on the relevant issues.

(2) All parties must negotiate in good faith, making reasonable efforts to reach an agreement respecting the issues being addressed in the service review.

(3) At any time after receiving a notice under section 357 [*initiating a service review*], the minister may specify a time period within which the parties must conclude negotiations.

(4) The minister may extend a time period established under subsection (3) before or after it has expired.

Initiating service withdrawal

361 (1) A participant may initiate service withdrawal if all the following circumstances apply:

(a) the service has been subject to

(i) a service review that was initiated within the past 3 years, or

(ii) an alternative review process, in accordance with establishing bylaw provisions under section 340 (1)

(e), that was started within the past 3 years;

(b) the first meeting respecting the review, which in the case of a service review is the first preliminary meeting under section 359, was convened more than 8 months ago;

(c) the service is not

- (i) a service referred to in section 338 (2) [*services for which no establishing bylaw required*],
 - (ii) a regulatory service, or
 - (iii) a service prescribed under subsection (6).
- (2) A participant may initiate service withdrawal under this Division even if the establishing bylaw provides terms and conditions for withdrawal under section 340 (1) (f).
- (3) To initiate service withdrawal, a participant must give written notice to the board, all other participants in the service and the minister.
- (4) The notice under subsection (3) must
 - (a) describe the terms and conditions of participation in the service that the participant finds unsatisfactory, and
 - (b) give reasons, relating to those terms and conditions, as to why the participant wishes to withdraw from the service.
- (5) Despite Divisions 3 to 5 of this Part or the establishing bylaw, at any time after receiving a notice under subsection (3) of this section, the minister may determine that a part of the service must be considered a separate service for the purposes of sections 362 to 372.
- (6) The Lieutenant Governor in Council may make regulations excluding services from withdrawal under this Division.
- (7) Regulations under subsection (6) may be different for different regional districts and different circumstances.

Minister's direction on process

- 362** (1) After receiving a notice under section 361, unless the matter is to be dealt with in another service withdrawal under section 363, the minister must do one of the following:
- (a) if the establishing bylaw provides an alternative review process and the minister considers that agreement may be reached by a service review under this Division, terminate the service withdrawal and direct the parties to engage in a service review;

- (b) direct the parties to engage in further negotiations respecting continued participation in the service, specifying a time period within which the parties must conclude negotiations;
- (c) direct the parties to engage in negotiations respecting the terms and conditions for withdrawal, specifying a time period within which the parties must conclude negotiations;
- (d) direct the parties to engage in mediation under section 365 respecting the terms and conditions for withdrawal, specifying a time period within which the mediation must be concluded;
- (e) if satisfied that agreement is unlikely under paragraph (a), (b), (c) or (d), direct that the terms and conditions for withdrawal from the service be resolved by arbitration under section 366.

(2) The minister may extend a time period established under subsection (1) (b), (c) or (d) before or after it has expired.

(3) If no agreement is reached from negotiations under subsection (1) (b) within the applicable time period, the minister must take one of the actions set out in subsection (1) (c) to (e).

(4) If no agreement is reached from negotiations under subsection (1) (c) within the applicable time period, the minister must direct the parties to engage in mediation or arbitration in accordance with subsection (1) (d) or (e).

Addition of further initiating participants or further services

363 (1) If, at the same time or after a service withdrawal is initiated, the minister receives another notice under section 361 [*initiating service withdrawal*] respecting the same or any other service of the same regional district,

- (a) in the case of a service withdrawal that is in negotiation under section 362 (1) (c) or mediation under section 365, the minister may direct that the matter be dealt with as part of the initial service withdrawal, and

(b) in the case of a service withdrawal that is in arbitration under section 366, the minister must refer the matter to the arbitrator, who may direct that it be dealt with as part of the initial service withdrawal.

(2) Before making a direction under subsection (1), the minister or arbitrator must consult with

- (a) the parties in the initial service withdrawal,
- (b) if applicable, the mediator, and
- (c) if applicable, any participants in the other service who are not parties to the initial service withdrawal.

Early termination of process

364 A service withdrawal may be ended at any stage of the process

- (a) by agreement between the parties,
- (b) if there is only one notice under section 361 [*initiating service withdrawal*] in respect of the process, at the option of the initiating participant, or
- (c) if there is more than one notice under section 361 in respect of the process, by agreement between the initiating participants.

Mediation in relation to service withdrawal

365 (1) If mediation is directed under section 362 (1) (d) [*minister's direction on process*], the mediator must be selected

- (a) by agreement between the parties, or
- (b) if the minister considers that the parties will not be able to reach agreement, by the minister.

(2) The mediation is to be a process of negotiation by the parties, undertaken with the assistance of a neutral and impartial person, for the purpose of reaching a mutually acceptable resolution of the relevant issues.

(3) The mediator must give notice to the minister when the mediation is concluded.

(4) Subject to subsection (5), if agreement on the terms and conditions for withdrawal is not reached during the mediation or

within 60 days after the mediation is concluded, the terms and conditions for withdrawing from the service must be resolved by arbitration under section 366.

(5) The minister may extend the time period under subsection (4) before or after it has expired.

Arbitration in relation to service withdrawal

366 (1) If agreement in relation to service withdrawal cannot otherwise be reached under this Division, the terms and conditions for withdrawal must be resolved before a single arbitrator by

(a) final proposal arbitration in accordance with subsection (4), or

(b) full arbitration in accordance with subsection (5).

(2) The choice of process under subsection (1) (a) or (b) is to be determined by agreement between the parties but, if the minister considers that they will not be able to reach agreement, the minister must direct which procedure is to be used.

(3) The arbitrator is to be selected from a list prepared by the minister in consultation with the Union of British Columbia Municipalities, and is to be selected

(a) by agreement between the parties, or

(b) if the minister considers that the parties will not be able to reach agreement, by the minister.

(4) Subject to any regulations under section 372, the following apply to final proposal arbitration under this section:

(a) the arbitrator must conduct the proceedings on the basis of a review of written documents and written submissions only, and must determine each disputed issue by selecting one of the final written proposals submitted by the parties respecting that issue;

(b) in making a determination under paragraph (a), the arbitrator must consider any terms and conditions established under section 340 (1) (f) [*establishing bylaw provisions respecting service withdrawal*];

(c) the terms and conditions for service withdrawal must be resolved by the arbitrator after incorporation of the final proposals selected under paragraph (a) in respect of each issue;

(d) no written reasons are to be provided by the arbitrator.

(5) Subject to any regulations under section 372, the following apply to full arbitration under this section:

(a) the arbitrator may conduct the proceedings at the times and in the manner he or she determines;

(b) the arbitrator must consider any terms and conditions referred to in section 340 (1) (f);

(c) the terms and conditions for service withdrawal must be resolved by the arbitrator, who is not restricted in his or her decision to submissions made by the parties on the disputed issues;

(d) for an arbitration involving more than one initiating participant, the final resolution may establish different terms and conditions for service withdrawal depending on which participants decide to withdraw under the final resolution;

(e) the arbitrator must give written reasons for the decision.

(6) The [Arbitration Act](#) does not apply to arbitration under this Division.

Initiating participant must respond to final resolution

367 (1) Within one year after final resolution under section 366 or a longer time established under subsection (2) of this section, each initiating participant must do one of the following and must notify the minister and board as to whichever applies:

(a) agree to continue as a participant on the current terms and conditions;

(b) agree with the board and the other participants on new terms and conditions for continued participation in the service;

- (c) agree with the board and the other participants on terms and conditions for withdrawal that differ from the final resolution;
- (d) seek approval in accordance with subsection (4) of this section regarding withdrawal from the service in accordance with the final resolution and, as applicable,
 - (i) if that approval is obtained and the participant decides to proceed with withdrawal, agree to withdraw from the service in accordance with the final resolution, or
 - (ii) if that approval is not obtained, or the approval is obtained but the participant decides not to proceed with withdrawal, agree to continue as a participant on the current terms and conditions.

(2) The minister may extend the time period under subsection (1) before or after it has expired.

(3) If the board and the participants do not adopt the bylaws and take the other actions required to implement an agreement referred to in subsection (1) (b) or (c) within the applicable time period under subsection (1), the initiating participant is deemed to have given notice of continuation under subsection (1) (a) unless it has given notice of withdrawal before the end of that period.

(4) Approval required under subsection (1) (d) is obtained by one of the following:

- (a) assent of the electors in the participating area in accordance with section 344 [*approval by assent of the electors*];
- (b) in the case of a service referred to in section 345 (1) [*approval by alternative approval process*], by approval in accordance with that section;
- (c) in the case of a municipal participating area that is all of the municipality, consent given on behalf of the electors in accordance with section 346 [*consent on behalf of municipal participating area*].

(5) If the service withdrawal is related to more than one service,

- (a) approval must be sought in respect of all services considered together, which are deemed to be a single matter requiring approval,
- (b) approval under subsection (4) (b) may be used only if each of the services are services referred to in section 345 (1) (a) or (b), and
- (c) approval under subsection (4) (c) may be used only if the municipal participating area for each of the services is all of the municipality.

Direction to further arbitration in certain cases

- 368** (1) The minister must direct that a new arbitration under section 366 be undertaken, if
- (a) a service withdrawal involved more than one initiating participant,
 - (b) only some of the initiating participants give notice of withdrawal, and
 - (c) the final resolution does not include applicable provisions under section 366 (5) (d) [*arbitration — separate terms and conditions*].
- (2) For the purposes of arbitration under subsection (1), the participants who gave the notice of withdrawal are deemed to be the initiating participants.

When final resolution becomes binding

- 369** A final resolution becomes binding on all parties as follows:
- (a) in the case of a service withdrawal involving only one initiating participant, if the initiating participant gives notice of withdrawal, the final resolution becomes binding when that notice is given;
 - (b) in the case of a service withdrawal involving more than one initiating participant, if all initiating participants give notice of withdrawal, the final resolution becomes binding when the last of these notices is given;

(c) in the case of a service withdrawal involving more than one initiating participant, if

(i) one or more initiating participants give notice of withdrawal, and

(ii) the final resolution includes applicable provisions under section 366 (5) (d) *[arbitration — separate terms and conditions]*,

the applicable provisions of the final resolution become binding when all of the initiating participants have given notice under section 367 (1) (a) or (d) or at the end of the time period under that section, whichever is earlier.

Implementation of final resolution by bylaw

370 (1) The board and the participants must adopt the bylaws and take the other actions required to implement the terms and conditions of a final resolution within 90 days after it becomes binding under section 369.

(2) Despite any other provision of this Act, approval of the electors is not required for a bylaw referred to in subsection (1).

(3) The minister may extend the time period under subsection (1) before or after it has expired.

Failure to adopt required bylaws

371 (1) If the board or a municipal participant does not adopt the bylaws required under section 370 *[implementation by bylaw]*, on the recommendation of the minister, the Lieutenant Governor in Council may, by order, implement the terms and conditions of the final resolution.

(2) An order under subsection (1) is deemed to be a bylaw of the applicable local government.

Regulations respecting arbitrations

372 (1) The minister may make regulations respecting arbitrations under this Division and, without limiting this, may make regulations as follows:

- (a) respecting matters that an arbitrator must or may consider;
- (b) respecting the authority of an arbitrator to resolve the terms and conditions for withdrawing from a regional district service;
- (c) respecting the authority of an arbitrator to require the cooperation of local governments and electoral area directors in relation to the arbitration.

(2) Regulations under this section may be different for

- (a) final proposal arbitration, full arbitration and arbitration directed under section 368 [*direction to further arbitration in certain cases*],
- (b) different regional districts, and
- (c) different circumstances.

[Contents](#) | [Part 1](#) | [Part 2](#) | [Part 3](#) | [Part 4](#) | [Part 5](#) | [Part 6](#) | [Part 7](#) | [Part 8](#)
| [Part 9](#) | [Part 10](#) | [Part 11](#) | [Part 12](#) | [Part 13](#) | [Part 14](#) | [Part 15](#) | [Part 16](#)
| [Part 17](#) | [Part 18](#) | [Part 19](#) | [Schedule](#) | [Revision Schedule](#)

Regional Service Reviews: An Introduction



BRITISH
COLUMBIA

The Best Place on Earth



Library and Archives Canada Cataloguing in Publication Data

Main entry under title:

Regional service reviews : an introduction.

Also available on the Internet.

Previously issued in 2001 by Ministry of Municipal Affairs.

ISBN 978-0-7726-5722-0

1. Municipal services - British Columbia. 2. Municipal powers and services beyond corporate limits - British Columbia - Case studies.
3. Municipal services - Law and legislation - British Columbia. I. British Columbia. Ministry of Community Services.

HD4610.B7R43 2007

320.8'309711

C2007-960067-0

Table of Contents

Overview	2
Types of Service Reviews	3
The Service Review Process	4
Starting the Review Process	
Setting up the Review Process	
Steps in the Review Process	5
1. Defining the Problem	
2. Constructing Fact Sheets	
3. Developing Options	
4. Evaluating Options	
5. Reaching a Decision	
6. Documenting the Results	
Review Costs	8
Requirements Unique to the Statutory Review Option	9
Conclusion	9

Regional Service Reviews: An Introduction



Regional districts have undertaken informal reviews of regional service arrangements since the 1960's. However, amendments to the

Local Government Act proclaimed in June 2000 created a formal process to help regional districts and their service partners review the terms and conditions of existing service arrangements. There is also a process for partners wanting to withdraw from a limited number of services. As well, the *Act* gives regional districts the authority and flexibility to include their own review processes within a service establishment bylaw. As a back-up measure, the legislation also presents a default process in case customized alternatives are not specified in service arrangements.

This booklet highlights the service review process for regional district board members and municipal council members. A second booklet, entitled *Designing Regional Service Arrangements: An Introduction* covers the topic of establishing service arrangements. For further details on service arrangements and service review, see the *Guide to Regional Service Arrangements and Service Reviews*.

This document can be found at www.cserv.gov.bc.ca/lgd on the Internet. Legislation authorizing service reviews is contained in Division 4.5 of Part 24 of the *Local Government Act*.

Overview

Traditionally, regional boards have been reluctant to undertake service reviews for many reasons, such as the cost of the process or the lack of a guaranteed outcome. However, service reviews can benefit all partners in situations where:

- partners have a tense relationship and need a chance to explain and resolve their frustrations;
- partners need information about a service and its implications to relieve tensions; and
- withdrawal is impossible, but a review allows partners to raise, and seek to resolve, concerns.

Service reviews should be considered when:

- the partners' shared vision changes;
- the service changes in scope and no longer fits the original vision;
- local conditions change; or
- scheduled by advance agreement in service establishment bylaws.

Types of Service Reviews

Regional districts have three options for undertaking a service review:

Informal Review

- independent of the *Act*'s review provisions
- proactive, customized review process designed by partners
- can be started at any time by regional district
- does not tie-in to service withdrawal

Bylaw-based Review

- proactive, customized review process designed by partners
- included in establishment bylaw
- supersedes statutory review once adopted

- can be started if no review has taken place in past three years
- may tie-in to service withdrawal

Statutory Review

- default option
- applies unless bylaw specifies an alternative
- participant must be in service at least five years (or shorter timeframe outlined in bylaw)
- can be started if no review has taken place in past three years
- bylaw does not include alternative process
- may tie-in to service withdrawal

Choosing a review option for a regional district service depends on the desired outcomes.

Review Method

Informal Review

- least formal option
- encourages partners to design fair and effective processes for resolving differences before problems arise
- freedom from statutory timelines
- able to address all service-related questions, including new partners
- allows stakeholder participation
- do not expect withdrawal
- no tie-in to service withdrawal provisions

Bylaw-based Review

- level of formality is local choice
- encourages partners to design fair and effective processes for resolving differences before problems arise
- freedom from statutory timelines
- able to address all service-related questions, including new partners
- allows stakeholder participation
- tie-in to service withdrawal provisions

Statutory Review

- most formal option
- increases profile of issue
- default timelines speeds review process
- want to use services of ministry-appointed facilitator
- tie-in to service withdrawal provisions

Interest-based Negotiation

Interest-based negotiation offers opportunities to address different values, priorities and goals of each partner and allows partners to reach an agreement on a sustainable service arrangement. This also helps service partners to build effective, long-term relationships that encourage future cooperation and coordination. Instead of winners and losers, everybody wins.

The Service Review Process

Most regional districts will find the flexibility offered by bylaw-based and informal service reviews attractive because they allow opportunities to fine-tune and improve services in a proactive manner. However, if regional districts choose not to develop customized service reviews, service participants can always rely on default service reviews as described in the *Local Government Act*. No matter which service review method is chosen, the overall review process is similar for each.

In all cases, every service review is a joint undertaking of the regional district and its members. It should involve representatives of every municipality and electoral area in the service at all stages and in all discussions. A review body, such as a steering committee, should be established for an informal or bylaw-based review. A defined review body is an element of a statutory review.

As they work together to review a service, partners will find they are most successful if they use an 'interest-based' approach that goes beyond positions and explores the underlying interests of everyone at the table so that they share gains through discussion, negotiation and mutual agreement.

Starting the Review Process

Informal and bylaw-based reviews begin at the regional district board level. In either type of review, the board can decide what to review and can add new services to the review at any time. Because these types of service reviews are initiated at the board level, no formal or written notice is required.

Review Participants

All parties must identify who will represent them in a review.

The regional district board undertakes both an informal and bylaw-based review. The board may choose to set up a steering committee to take responsibility for the review process. If the establishing bylaw provides for a specific review body, this provision must be followed.

In a statutory review, a regional board would appoint a director or the chair as its representative. A municipal council would appoint a mayor or councillor. The director of an electoral area would automatically be the representative for the area. These representatives would make up the review body.

Statutory reviews can be initiated by a municipal council or electoral area director. To do this, the service partner must provide written notice to the regional district board, all other participants and the Minister of Community Services. The notice must include, a description of the existing terms and conditions of the service arrangement the participant finds unacceptable, the reasons the review is required and the actions taken to resolve the issue. A separate notice is required for each service or group of services combined within an establishment bylaw. Statutory service reviews are undertaken only if the establishment bylaw does not include an alternative review process.

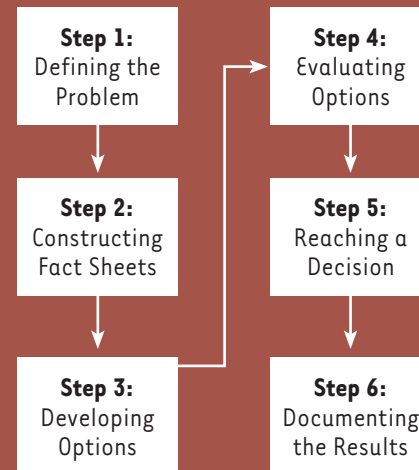
Setting up the Review Process

For any type of service review, a review body should:

- approve the scope of the review and the steps to be followed;
- define the problem(s) to be addressed;
- provide input as required;
- approve the options to be considered;
- identify the evaluation criteria to be used;
- make reasonable efforts to reach an agreement; and
- submit recommendations to the board.

It is helpful for the review process to be supported by a working group of senior staff from the regional district and member municipalities who provide information

Suggested Process for Regional Service Review



and ensure the process and timelines are respected. Consultants or other experts may also be hired to provide additional capacity.

Steps in the Review Process

Whether the service review is informal, bylaw-based or the default statutory option, there are six key steps in a review process.

Preliminary Meeting

Preliminary meetings are used to:

- clarify the issues;
- determine the full scope of the review (number of services, problems and issues related to services);
- identify each participant's interests; and
- agree to a negotiation process.

Preliminary meetings are not required for informal or bylaw-based reviews, but are usually good practice. Under a statutory review, a preliminary meeting must be held within 120 days of notice of a service review.

1. Defining the Problem

In its first step, the review body should:

- decide what services are to be included in the review;
- decide what issues the review will address; and
- identify the full range of concerns and perspectives.

Regardless of the review process chosen, there are no limits to the number of services that can be reviewed. There are also no limits to the number of services that can be reviewed within a single process. For informal and bylaw-based reviews, the board determines these matters. In the case of statutory reviews, the review notice establishes the initial scope of the review. For these default

reviews, separate notices of each service to be reviewed must be provided. Once a review has been initiated, all service partners must agree to add additional services to the review process before this can be done.

2. Constructing Fact Sheets

For each service under review, a common understanding of the status quo for each service should be established and summarized in a fact sheet. Fact sheets should include the service arrangement's definition, cost and control elements, as well as relevant contextual information and a summary of the different perspectives held on key issues. Because fact sheets also serve as an educational tool, their existence often resolves tensions and misunderstandings.

Timeframes

There are no deadlines for starting or completing an informal review. Bylaw-based reviews have time limits only if these have been included in the establishing bylaw.

Under statutory service reviews, negotiations must begin within 60 days of the preliminary meeting. There is no time limit for completing these negotiations.

3. Developing Options

In this step, options need to be developed for responding to key problems. Ideally, three to five options, including the status quo, should be developed. The options should reflect radically different approaches to resolving a problem so that they do more than merely vary a theme. In later stages, minor variations could be considered during a fine-tuning process. Once developed, the options and their implications should be described clearly to ensure they are well understood. It is also helpful to identify and explain the assumptions used to develop these options.

4. Evaluating Options

The objective of the formal evaluation is to provide an understanding of the implications of change associated with each option. Using a formal evaluation, options can be measured against a common set of criteria reflecting the values and interests of the parties involved. These criteria should be defined as precisely as possible, but need not be ranked, because the purpose of the criteria is to guide discussions of the options, rather than make a decision about the best choice. Possible criteria include: certainty; equity in governance; equity in financing; cost-effectiveness; simplicity/visibility; and, stability/predictability.

Using a Facilitator

At any time during a statutory review, a participant can request that the minister appoint a facilitator to assist participants to reach an agreement. Facilitators can be particularly helpful when communication between parties is poor or if there is tension between parties. The facilitator can:

- facilitate preliminary meetings;
- assist parties to establish a negotiation process;
- facilitate negotiations;
- assist in dispute resolution; and
- assist in setting up other dispute resolution processes.

The ministry pays the costs for the facilitator. Facilitators are not available for informal or bylaw-based reviews.

5. Reaching a Decision

Members of a review body must decide which option best matches the interests of their jurisdictions. The best option will most closely match the shared interests of all service partners. At this stage, options may be refined to adapt them to specific concerns. As well, the parties may choose to design packages of options that cut across services and accommodate many concerns to achieve the overall common interest.

6. Documenting the Results

After final agreement has been reached, the review body should document its options and decisions so that the review process and its outcomes can be explained to future decision-makers and the public. Amendment bylaws may be required to proceed with implementing service changes. Other documentation, such as memorandums of understanding, are also helpful for recording the shared intentions of the participants.

If a final agreement cannot be reached, documentation can provide lessons for the future by identifying the barriers that participants could not overcome.

A final report on the review process should also be included in the documentation package. This report should include:

- description of the review process;
- definitions of the problems addressed;
- fact sheets for each service;
- description of the options;
- outline of the evaluation criteria;
- results of the evaluation;
- description of the agreement reached; and
- summaries of discussions at facilitated meetings.

Review Costs

Two kinds of costs are associated with a service review:

- costs of running the process; and
- costs for each member's participation in the review.

In all types of service review, the process costs for joint reports, administrative expenses and experts' fees are borne by the regional district as part of the service cost.

The participation expenses of the reviewing body, including travel, staff and independent reports, are borne by the regional district as part of service costs in informal reviews. For bylaw-based reviews, these participation costs are borne by the regional district unless otherwise defined in the bylaw. Under the statutory option, participation costs are the responsibility of each electoral area or municipality participating in the review.

Requirements Unique to the Statutory Review Option

The statutory review option has some unique requirements. Summarizing them here, they include:

- Any participant in a service may start a service review.
- Parties to the review are the initiating participant and all other service partners, in addition to the regional board.
- A facilitator may be appointed by the minister if requested by the service review participants.
- A preliminary meeting must be held within 120 days of the initiation of the review.
- Negotiations must begin within 60 days after the preliminary meeting.
- Cost-sharing arrangements are defined.

Conclusion

Service reviews are a normal part of all service arrangements and will help regional districts and municipalities as they refine their service delivery, provide information on services, and ease any existing tensions over service delivery. Customized service review options can be easily designed as part of new service establishment bylaws, although existing bylaws may need to be amended. In either case, service participants can always fall back on the default option if they choose. In most cases, the review process can be simplified further if regional districts develop a standardized review process for all service arrangements.

For more information contact:

Ministry of Community Services
Intergovernmental Relations and
Planning Division
P.O. Box 9841 Stn. Prov. Govt.
Victoria, B.C. V8W 9T2
Phone: 250 387-4037
Fax: 250 387-8720
Toll Free through Enquiry BC
In Vancouver 1-604-660-2421
Elsewhere in BC 1-800-663-7867
Ministry of Community Services:
www.cserv.gov.bc.ca/lgd



REPORT TO GOVERNANCE COMMITTEE MEETING OF WEDNESDAY, JULY 6, 2016

SUBJECT Service Review Options

ISSUE

To consider options for a service review including enhanced divisional service planning as part of the 2017 financial planning and budgeting process.

BACKGROUND

The Capital Regional District (CRD) has an established Financial Planning process that includes the preparation of annual Service Plans that are reviewed by Commissions, Committees and the Board to inform and guide the development of annual budgets and enable long term financial, work program and work force planning.

The CRD Service Plans outline core service information including key service drivers such as trends, service levels, workforce considerations and performance measures. These plans also highlight divisional initiatives and implications for the overall work program and budget for a specific area. The process provides the opportunity to review work programs and make service amendments as necessary and financial implications are identified as either having an annual or continuous impact, increasing or decreasing the cost of service delivery.

The *Local Government Act* requires the CRD to approve an updated 5 year Financial Plan and annual budget prior to the end of March each year. Therefore, the timing of the review of Service Plans needs to occur early in the planning cycle to provide for the necessary approvals and the preparation of budget estimates. Fees and charges bylaws developed in consultation with Commissions and rate payers also need to be amended and adopted at the beginning of each year to enable the collection of adjusted operating revenue.

At its meeting of April 6, 2016 the Governance Committee received a comprehensive report detailing methods for conducting service reviews. The guide for informal service reviews published by the Ministry of Community, Sport and Cultural Development (the "Ministry"), "*Regional Service Reviews: An Introduction*" was provided, together with other information on how other regional districts have undertaken service reviews. A list of the CRD services and their functions (indicating whether they are mandated) was also included. The Committee subsequently received a presentation from Dr. Robert Bish on his research for "*Governing Greater Victoria: The Role of Elected Officials and Shared Services*" and from Mr. Paul Thorkelsson on how the Regional District of Nanaimo conducted an informal service review.

At the June 1, 2016 meeting of the Governance Committee the CRD CAO was directed to report back on options for the Committee's focus to perform a service review. The direction was suggested in consideration of the length of time, staff time, resources and general capacity required to perform a review and discussion about what areas of the organization might be ready for a broader or more focused review. The Committee also requested a template to help focus the discussion with the aim of clarifying what the Committee is hoping to achieve.

ALTERNATIVES

Alternative 1:

That the Governance Committee recommend to the Capital Regional District Board:

That the CAO be directed to carry out enhanced divisional service planning as part of the 2017 financial planning and budgeting process to identify potential service adjustments that would realign, reallocate or reduce service activities using a bottom up approach, with an aim to improve efficiency, internally or cross departmentally.

Alternative 2:

That the Governance Committee recommend to the Capital Regional District Board:

That the Committee direct staff to prepare a terms of reference to retain a consultant to complete a comprehensive service review and report back on staff time, financial and process implications.

IMPLICATIONS

In accordance with the guidelines provided by the Ministry, the CAO's observations and recommendations are as follows:

Defining the Problem:

The Committee has not defined the problem or what is to be included in a potential review, and has requested options to narrow the focus from the CAO.

It has been noted that Service Plans and the subsequent budget and staffing impacts are currently evaluated by Commissions and Standing Committees without formal direction from the Board to influence recommendations. Discussion at the Governance and Finance Committee acknowledges that CRD *Local Services* and *Sub-Regional Services* benefit from the more direct involvement of participants and rate payers who have varying degrees of delegated authority from the Board. New direction from the Finance or Governance Committees in the established process and mandate of sub-regional or electoral area Commissions would likely require reconsideration of the delegated authority that has been granted. The current process allows the Board to accept or reject Committee or Commission recommendations when the preliminary or final service plans and budget are brought forward for approval.

For the services reporting through Standing Committees, as the Chairs of Committees form the Finance Committee, financial and budgetary objectives raised at the Finance Committee are able to be brought forward by staff working with the Chairs when Service Plans and financial implications are discussed. Focused work on Service Plans and the budget generally occurs within the 4th quarter with year- end adjustments in the 1st quarter prior to final budget approval in March.

The most timely and manageable approach to enhancing the review of services would be to direct Department General Managers to engage with all of their staff to identify potential service adjustments beyond the current scope of service planning. The objective would be to identify ways to realign, reallocate or reduce service activities using a bottom up approach, with an aim to improve efficiency, internally or cross departmentally. An additional level of analysis would be included in the Service Plan template to be completed in the 3rd quarter. As with the existing service planning process, recommendations would be vetted by the Executive Leadership Team. The regional CAOs, who meet regularly, and potentially others sourced through the Local Government Management Association would be invited to contribute ideas from their experience,

to support the review. The work and progress would also be discussed at the Labour Management Committee prior to Commission and Committee review in the 4th quarter.

Constructing Fact Sheets:

The Committee has received a list of CRD Services identifying participants and requisitions as well as a list of Establishment Bylaws. All of the CRD Service Plans are circulated to the Committees and Board annually together with a series of Annual Reports.

Developing Options:

In addition to the option of enhancing the existing service planning process, other options such as a consultant led core service review, stakeholder or community driven process, or targeted area review process are available. These other processes would require a significant commitment of staff time or other resources, a comprehensive terms of reference describing the process, roles and scope as well as considerable length of time to plan, carryout and implement. The other alternative is to maintain the status quo, which is the existing service review and financial planning process.

An enhanced service planning process could be implemented within the current service review and financial planning cycle without a significant impact on staff resources.

Evaluating Options:

In considering the options available it has been recognized that the CRD is currently engaged in a number of large initiatives, placing a significant demand on staff resources. In addition, the Provincial Government is undertaking work on the 'Capital Integrated Services and Governance Initiative' which is gathering facts, engaging stakeholder organizations and facilitating dialogue between local governments on service delivery in the region.

The existing service review process provides a framework that can accommodate a more detailed analysis of service delivery without placing too significant a burden on staff resources and would be effective and timely. Enhancing this process to use more of a bottom up approach could identify ways to improve efficiency, internally or cross departmentally.

Reaching a Decision:

As the existing service review process informs the 5 year Financial Plan and budget, in order to be implemented within the current financial planning cycle, the enhanced process needs to be approved by the Board. To enable bottom up participation across the organization, the recommendations should be brought forward from this report. Alternatively, it is likely that a different approach would not be implemented until the next financial planning cycle.

Documenting the Results:

The existing service review process is documented year over year, and integrates a response to Board and Corporate Priorities. The process also identifies the resources necessary to maintain core services apart from new initiatives. The enhanced process could highlight potential adjustments that would identify ways to realign, reallocate or reduce service activities.

ORGANIZATIONAL AND FINANCIAL IMPLICATIONS

A service review will require time and money and will have a significant impact on the allocation of resources and organizational performance. As outlined in this report, the Provincial Government has commenced a consultation process and study about the integration of services and governance in the CRD. Therefore, defining the problem or issue through a public survey or stakeholder engagement about CRD services could lead to confusion about the purpose and

intent of the work. In addition, based on experience of other local governments, while a consultant-lead review would be independent, it could be costly and is unlikely to be completed within the current financial planning cycle. As it appears the focus of the Committee is on an informal review rather than a statutory review of services, it is recommended that a bottom up review be directed operationally by the CAO in response to the goals and objectives of the Board. This option would not require significant financial resources or a budget amendment.

Other options for the focus of a review would be to consider regional services versus sub-regional and local services. The focus of the review could be limited to regional services or corporate services, as for the most part sub-regional and local services have Commissions advising on service levels and budgets with delegated authority from the Board. CRD regional and corporate services are evaluated with performance and priority setting directed through Standing Committees.

CONCLUSION

Enhancing the existing service review and budgeting process utilizing a more 'bottom up approach' with an aim to improve efficiency, internally or cross departmentally, could be implemented immediately and provide recommendations within the current financial planning cycle. This process would utilize the existing processes and reporting and minimize the impact on staff and financial resources. The enhanced process would include the opportunity for ideas to be generated from CAOs in the region and possibly from other parts of BC.

The CRD Finance Committee could provide overall direction leading into the service plan review process for 2017 by endorsing recommendations from the CAO to implement an enhanced process including bottom up engagement with all staff and discussion with regional CAOs. An alternative approach would require preparation of terms of reference including clear identification of scope, purpose and objectives, the amount of resources and budget to be allocated, a timeline and deliverables.

RECOMMENDATION

That the Governance Committee recommend to the Capital Regional District Board:

That the CAO be directed to carry out enhanced divisional service planning as part of the 2017 financial planning and budgeting process to identify potential service adjustments that would realign, reallocate or reduce service activities using a bottom up approach, with an aim to improve efficiency, internally or cross departmentally.

Submitted by:	Robert Lapham, MCIP, RPP, Chief Administrative Officer
---------------	--

Appendix A – Service Review Steps Template

1. Define the Problem. Determine the issues the review will address and the objectives of the review.
2. Approve the Scope of Review. Establish the scope of review in relation to the issues that need to be addressed and the services or divisions that will be included in the review.
 - A. *Scope of Review*
 - B. *Services to be Reviewed*
3. Time and resources. Determine how much time the review will take and the amount of resources that must be devoted (staff and monetary) relative to the scope and issues to be addressed.
 - A. *Timeline*
 - B. *Resources*
4. Determine Method of Review. Establish how the services are to be reviewed and determine whether the process will be bottom-up or consultant-led, and the level of stakeholder engagement.
5. Deliverables. Determine whether the Committee can, at this early stage, identify any concrete deliverables flowing from a review (examples might be a final report and recommendations).

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Sara Zacharias, Manager, Financial Services

SUBJECT: **CORPORATE GENERAL LEDGER BUDGET VARIANCE REPORT FOR PERIOD ENDING JUNE 30, 2018**

RECOMMENDATION

THAT the report titled Corporate General Ledger Budget Variance Report For Period Ending June 30, 2018 be received for information.

BACKGROUND

As part of the Sunshine Coast Regional District (SCRD) financial process, quarterly variance reports are provided to the Committee for the second and third quarters, with the fourth quarter provided as part of the year-end audit process. This budget variance report provides an overview for line items that make up the financial impacts in the Financial Plan.

The Variance by Service - YTD report provides a Statement of Revenues and Expenses by Service for the period ending June 30, 2018 and can be viewed at <http://www.scrd.ca/agendas-2018>. Please note the 'Budget YTD (\$)' column represents the budget from January to June 2018. The anticipated percentage for this period is 100%.

The variance report aligns with the revenue and expense groupings found in the SCRD's Annual Financial Statements. This report includes expenses relating to operations, one-time operating projects and capital expenditures to date. Capital projects are currently reported as part of the Budget Project Status Report, provided every other month.

Accrual estimates are necessary in some functions as actual information was not available at the time of the report. Actual results could differ from these estimates. Adjustments, if any, will be reflected in the third quarter variance report.

DISCUSSION

Function Review

Finance and Budget Managers conduct variance analysis monthly in conjunction with a more detailed process quarterly. If there are material variances within a function or the status of a project, as per the Budget Policy, it is the expectation that the Budget Managers will bring this information to the attention of the Chief Financial Officer (CFO) and the Chief Administrative Officer (CAO). Further action may include a report to Committee.

Per prior Board direction, there are four functions that provide separate quarterly variance reports. These include Building Inspection [520], Transit [310], Regional Solid Waste [350-352]

and Community Recreation [615]. The variance reports specific to these functions are included on the agenda. As an improvement to the processes, these reports now provide a breakdown of operational revenues and expenditures, capital expenditures and other, such as transfers to/from reserves, which is consistent with the format of the Variance by Service - YTD report.

Timing Differences

There are a number of normal variances to revenues and expenses which are affected by timing throughout the year. These include debt payments, grants to organizations, grants from organizations, contract fees, dues, insurance and project costs that occur during specific times of the year or as contracts are awarded. Debt payments and investments occur at specified dates throughout the year and as a result, the percentage realized varies by function.

Overall Revenue and Expenditure Position

Revenues for operations in most functions are within the anticipated range for this time period (as at June 30). Revenues and expenses are recognized equally across the 12 months of the year when feasible to ensure revenue is matched with applicable expenses. Revenue from grants and for capital projects are recognized as the project progresses and expenses are incurred.

The overall expenses for operations are less than the anticipated range for this time period. This is consistent with previous years.

Line Item Review

The anticipated Administration expenses percentage should be 100% for this period; actual expenses incurred overall total 100%.

The anticipated Wages and Benefits expense percentage should be 99.2% for this period (to June 30); actual expenses incurred overall total 96%.

The anticipated Operating expense percentage should be 100% for this period; actual expenses incurred overall total 89%. This total is impacted by the following:

- Natural gas and hydro costs as invoices received to date may not cover the full six months of costs.
- Grants are recognized when paid to Community Organizations. This causes variances depending on timing of payments.

Surplus/Deficit Positions

The majority of functions are in a surplus position. The surplus/deficit position on the variance report is located under the 'Variance (\$)' column. Deficits are indicated in brackets (). Additional information regarding deficit positions is as follows:

- [114] Administration Office deficit is due to timing of debt repayments and will be offset by year end.
- [310] Public Transit deficit analysis is included in a separate report.

- [386] Lee Bay Waste Water Plant deficit is expected to be offset by year end. Most of the operational maintenance was completed in the first 2 quarters of the year.
- [389] Canoe Rd Waste Water Plant deficit is expected to be offset by year end. Internal staff wages are higher than expected due to the ongoing capital project.
- [390] Merrill Crescent Waste Water Plant deficit is expected to be partially offset by year end. Internal staff wages are higher than expected due to the ongoing capital project. There were also a series of unplanned maintenance issues that may not be offset by year end.
- [391] Curran Rd Waste Water Plant is anticipating a deficit by year end. There are ongoing deficiencies with the upgrade to the plant. Electricity costs are higher than anticipated in the first two quarters as the old plant is back online running in tandem with the newer upgraded plant.
- [504] Rural Planning Services deficit is due to timing of reserve transfers and will be offset by year end.
- [630] School Facilities – Joint Use deficit is due to the recognition of the joint use agreement.
- [643] Egmont/Pender Harbour Library Service deficit is due to timing. 60% of the Sechelt Public Library grant was paid in the first two quarters of the year as per the MOU; whereas 50% of the budget is shown and 50% of the revenues for the function are recognized.
- [645] Halfmoon Bay Library Service deficit is due to timing. 60% of the Sechelt Public Library grant was paid in the first two quarters of the year as per the MOU; whereas 50% of the budget is shown and 50% of the revenues for the function are recognized.
- [646] Roberts Creek Library Service deficit is due to timing. 60% of the Sechelt Public Library grant was paid in the first two quarters of the year as per the MOU; whereas 50% of the budget is shown and 50% of the revenues for the function are recognized.

STRATEGIC PLAN AND RELATED POLICIES

Reviewing and analyzing the overall financial results contributes to the strategic priority of ensuring financial sustainability.

The variance review process aligns with the Board's Strategic Value of "Transparency".

CONCLUSION

As part of the SCRD budget process, quarterly variance reports are provided to the Committee for the second and third quarters, with the fourth quarter provided as part of the year-end audit process.

A number of normal variances to revenues and expenses are noted in the report and are affected by timing throughout the year.

Staff recommend that this report be received for information.

Attachment A: Year to Date Variance, by Service: January 1 to June 30, 2018
(can be viewed at: <http://www.scrd.ca/agendas-2018>)

Attachment B: Year to Date Variance- Summary: January 1 to June 30, 2018

Reviewed by:			
Manager		CFO/Finance	X – T. Perreault
GM		Legislative	
CAO	X – J. Loveys	Other	



Budget Version: Amended Budget

From Period: 201801

To Period: 201806

Revenues	Actuals YTD (\$)	Budget YTD (\$)	Variance (\$)	Actuals/ Budget (%)
Grants in Lieu of Taxes	34,210	30,941	(3,269)	111%
Tax Requisitions	9,064,967	9,495,373	430,406	95%
Frontage & Parcel Taxes	2,657,706	2,636,607	(21,099)	101%
Government Transfers	1,461,328	3,401,232	1,939,904	43%
User Fees & Service Charges	5,957,418	5,556,360	(401,058)	107%
Member Municipality Debt	1,058,365	956,517	(101,848)	111%
Investment Income	140,847	29,000	(111,847)	486%
Contributed Assets	0	100,000	100,000	0%
Internal Recoveries	3,143,231	3,107,247	(35,984)	101%
Other Revenue	269,011	260,917	(8,094)	103%
Total Revenues	23,787,109	25,574,250	(1,787,141)	93%
Expenses				
Administration	2,175,778	2,175,778	0	100%
Wages and Benefits	8,488,941	8,807,201	318,260	96%
Operating	7,128,352	8,037,436	909,084	89%
Debt Charges Member Municipalities	994,637	956,518	(38,119)	104%
Debt Charges - Interest	649,575	649,491	(84)	100%
Amortization of Tangible Capital Assets	2,135,487	2,051,943	(83,544)	104%
Loss of Disposal of Tangible Capital Assets	38,950	0	(38,950)	
Total Expenses	21,609,233	22,678,360	(1,069,127)	95%
Other				
Capital Expenditures (Excluding Wages)	2,002,519	12,010,933	10,008,414	17%
Proceeds from Long Term Debt	0	(5,816,590)	(5,816,590)	0%
Debt Principal Repayment	459,252	673,534	214,282	68%
Transfer to/(from) Reserves	(180,140)	(1,941,108)	(1,760,968)	9%
Transfer to/(from) Appropriated Surplus	58,825	(54,371)	(113,196)	-108%
Transfer to/(from) Other Funds	(970,113)	0	970,113	
Prior Year (Surplus)/Deficit	75,370	75,371	1	100%
Unfunded Amortization	(2,135,487)	(2,051,943)	83,544	104%
Total Other	(689,780)	2,895,828	(3,585,608)	-24%
Suplus/(Deficit)	2,867,656	62	2,867,594	4625252%

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Robyn Cooper, Manager, Solid Waste Services

SUBJECT: REGIONAL SOLID WASTE [350-352] VARIANCE REPORTING FOR PERIOD ENDING JUNE 30, 2018

RECOMMENDATION

THAT the report titled Regional Solid Waste [350-352] Variance Reporting for Period Ending June 30, 2018 be received for information.

BACKGROUND

The Board requested that the Solid Waste Division provide quarterly variance reporting to the Corporate and Administrative Services Committee for Service 350-352 - Regional Solid Waste. The following information is for the six month period ending June 30, 2018.

DISCUSSION

Year to Date Budget vs Actual

Service 350 - Regional Solid Waste/Recycling

	YTD Budget	YTD Actual	Over / (Under) Budget	
			\$	%
Revenues	580,923	577,480	(3,443)	(0.6%)
Expenditures	595,495	485,238	(110,257)	(18.5%)
YTD Operating Surplus/(Deficit)	(14,572)	92,242		
Capital Expenditures	-	-	-	0
Other	(14,573)	(37,126)	(22,553)	154.8%
YTD Overall Surplus/(Deficit)	1	129,368		

Staff Report to Corporate and Administrative Services Committee – July 26, 2018
Regional Solid Waste [350-352] Variance Reporting
For Period Ending June 30, 2018

Page 2 of 3

Service 351/352 - Landfills

	YTD Budget	YTD Actual	Over / (Under) Budget	
			\$	%
Revenues	1,598,176	1,664,729	66,553	4.2%
Expenditures	1,407,828	1,532,555	124,727	8.9%
YTD Operating Surplus/(Deficit)	190,348	132,174		
Capital Expenditures	58,500	74,251	15,751	26.9%
Other	131,848	(76,768)	(208,616)	(158.2%)
YTD Overall Surplus/(Deficit)	-	134,691		

Line Item Variance

- 350 Regional Solid Waste/Recycling: Expenditures are lower than budgeted due to timing. Contracted services expenditures are expected to be higher in the third quarter due to the timing of the Islands Clean Up.
- 351/352 Landfill and Transfer Station: Tipping fee revenue is higher than budgeted based on annual revenue patterns.
- 351/352 Landfill and Transfer Station: Expenditures are higher than budgeted based on an increase in tonnage of materials received at both sites.

Projected Year End Surplus/(Deficit)

Service Name and Number	Regional Solid Waste [350]
Projected Year End Surplus/(Deficit)	Balanced Budget
Explanation	Revenues and expenditures are projected to be balanced.

Service Name and Number	Landfill and Transfer Station [351/352]
Projected Year End Surplus/(Deficit)	\$50,000 surplus
Explanation	Higher than budgeted tipping fee revenue mitigates higher contracted services expenditures. Note: There is a projected \$30,000 to \$50,000 Green Waste deficit if Q1-Q2 tonnage continues for the remainder of 2018.

Mitigation Options

Funding a green waste deficit from taxation (2019 tax requisition) is an approach that aligns with the SCRD's Financial Sustainability Policy and ensures any surplus tipping fee revenue remains in operating reserves. Operating reserves are used to fund items such as Ministry of Environment and Climate Change Strategy required reporting, replacement of larger tools, equipment or vehicles. This Option results in an increase to taxation but ensures funds are available to mitigate the deficit should there not be surplus tipping fee revenue.

This Option results in utilizing operating reserves and does not increase taxation. However, this option is reliant on there being a surplus in tipping fee revenue and results in depleting the operating reserves. This is less stable given the reliance on surplus and does not align with the SCRD's Financial Sustainability Policy.

Funding green waste deficit from taxation (2019 tax requisition) in order to align with the Financial Sustainability Policy, maintain operating reserves and ensure funds are available given that the surplus tipping fee revenue is a projection and the actual amount will vary. Staff will report back in the Fall with further information and options.

STRATEGIC PLAN AND RELATED POLICIES

Managing Solid Waste and Regional Recycling Facilities contributes to the strategic priority of Ensuring Fiscal Sustainability and Embed Environmental Leadership.

The variance review process aligns with the Board's Strategic Value of "Transparency".

CONCLUSION

Staff recommend that this report be received for information.

Reviewed by:			
Manager		CFO/Finance	X-T. Perreault
GM		Legislative	
CAO	X-J. Loveys	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Ian Hall, General Manager, Planning and Community Development

SUBJECT: RECREATION FACILITIES [615] VARIANCE REPORTING FOR PERIOD ENDING JUNE 30, 2018

RECOMMENDATION

THAT the report titled Recreation Facilities [615] Variance Reporting for Period Ending June 30, 2018 be received for information.

BACKGROUND

The Board requested that the Recreation Services Division provide quarterly variance reporting to the Corporate and Administrative Services Committee for Service 615 – Community Recreation Facilities. The following information is for the six month period ending June 30, 2018.

DISCUSSION

Year to Date Budget vs Actual

Service 615 - Community Recreation Facilities

	YTD Budget	YTD Actual	Over / (Under) Budget	
			\$	%
Revenues	4,001,508	3,684,932	(316,576)	(7.9%)
Expenditures	3,698,965	3,633,600	(65,365)	(1.8%)
YTD Operating Surplus/(Deficit)	302,543	51,332		
Capital Expenditures	836,118	74,424	(761,694)	(91.1%)
Other	(533,571)	(321,387)	212,184	(39.8%)
YTD Overall Surplus/(Deficit)	(4)	298,295		

Staff Report to Corporate and Administrative Services Committee – July 26, 2018
Community Recreation Facilities [615] Variance Reporting
For Period Ending June 30, 2018

Page 2 of 2

Projected Year End Surplus/(Deficit)

Service Name & Number	Community Recreation Facilities [615]
Projected Year End Surplus/(Deficit)	Balanced Budget
Explanation	<p>For the period ending June 30, 2018, Recreation is showing a surplus.</p> <p>Revenues relating to capital projects funded by taxation have been partially recognized. The funding is not recognized until the expenses for the project are incurred later in 2018.</p> <p>The Recreation Facilities budget is seasonal, although the highest expenditure period will be in Q3 when major maintenance activities are completed.</p>

Mitigation/Options (if deficit projected)

N/A

STRATEGIC PLAN AND RELATED POLICIES

Managing Recreation Facilities contributes to the strategic priority of Ensuring Fiscal Sustainability.

The variance review process aligns with the Board's Strategic Value of "Transparency".

CONCLUSION

Staff recommend that this report be received for information.

Reviewed by:			
Manager	X – K. Preston X – K. Robinson	CFO/Finance	X – T. Perreault
GM	X – I. Hall	Legislative	
CAO	X – J. Loveys	Other	X – A. van Velzen

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Allen Whittleton, Chief Building Official

SUBJECT: BUILDING INSPECTION [520] VARIANCE REPORTING FOR PERIOD ENDING JUNE 30, 2018

RECOMMENDATION

THAT the report titled Building Inspection [520] Variance Reporting For Period Ending June 30, 2018 be received for information.

BACKGROUND

The Board requested that the Building Division provide quarterly variance reporting to the Corporate and Administrative Services Committee for Service 520 - Building Inspection. The following information is for the six month period ending June 30, 2018.

DISCUSSION

Year to Date Budget vs Actual

Service 520 - Building Inspection

	YTD Budget	YTD Actual	Over / (Under) Budget	
			\$	%
Revenues	387,414	558,493	171,079	44.2%
Expenditures	393,138	372,664	(20,474)	(5.2%)
YTD Operating Surplus/(Deficit)	(5,724)	185,829		
Capital Expenditures	-	-	-	#DIV/0!
Other	(5,724)	(5,946)	(222)	3.9%
YTD Overall Surplus/(Deficit)	-	191,775		

Projected Year End Surplus/(Deficit)

Service Name and Number	Building Inspection [520]
Projected Year End Surplus/(Deficit)	At this time we are expecting to meet or exceed our projected revenue for the year.
Explanation	Construction activity has been strong for the first half of 2018 and all indications point to a continuation of this trend for the second half of the year. The Building Division is fully staffed as of June 30, 2018.

Mitigation/Options (if deficit projected)

N/A

STRATEGIC PLAN AND RELATED POLICIES

Managing Building Inspection contributes to the strategic priority of Ensuring Fiscal Sustainability.

The variance review process aligns with the Board's Strategic Value of "Transparency".

CONCLUSION

Staff recommend that this report be received for information.

Reviewed by:			
Manager	X – A. Whittleton	CFO/Finance	X – T. Perreault
GM	X – I. Hall	Legislative	
CAO	X – J. Loveys	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate Administrative Services Committee –July 26, 2018

AUTHOR: Gordon Dykstra, Manager, Transit and Fleet

SUBJECT: PUBLIC TRANSIT [310] VARIANCE REPORTING FOR PERIOD ENDING JUNE 30, 2018

RECOMMENDATION

THAT the report titled Public Transit [310] Variance Reporting For Period Ending June 30, 2018 be received for information.

BACKGROUND

The Board has requested that the Transportation and Fleet Department provide quarterly variance reporting to the Corporate and Administrative Services Committee for Service 310 – Public Transit. The following information is for the six month period ending June 30, 2018.

DISCUSSION

Year to Date Budget vs Actual

	YTD Budget	YTD Actual	Over / (Under) Budget	
			\$	%
Revenues	2,574,582	2,418,557	(156,025)	(6.1%)
Expenditures	2,577,690	2,495,655	(82,035)	(3.2%)
YTD Operating Surplus/(Deficit)	(3,108)	(77,098)		
Capital Expenditures	-	-	-	#DIV/0!
Other	(3,114)	(1,033)	2,081	(66.8%)
YTD Overall Surplus/(Deficit)	6	(76,065)		

Line Item Variances

Fare sales (and by proxy, ridership), have risen approximately 10% year over year. However fare revenue remains under budget for mid-year, relative to the increase budgeted with expanded service. If the current trend continues, the difference to budget will decrease as the year progresses. Advertising revenue has decreased due to weaker ad sales in the local market.

With the recent transit expansion, recruitment and training of staff has been ongoing resulting in higher than expected wages and benefits. BC Transit has recently upgraded their systems,

resulting in changes being required to the SCRD's systems and processes. This has resulted in additional administrative time and costs, as well as a delay in the invoicing process. Accrual estimates have been recorded for all unbilled work in progress; however the final amounts are subject to change.

Projected Year End Surplus / (Deficit)

Service Name and Number	Public Transit [310]
Projected Year End Surplus/(Deficit)	(\$70,000 - \$100,000)
Explanation	Higher than budgeted wages and benefits and additional unanticipated operational costs are resulting in a current and projected deficit.

Mitigation Options (if deficit projected)

Staff are undergoing a comprehensive review of the Transit budget [function 310] to better understand all the financial implications of the transit expansion as the current deficit was not anticipated. There are no reserves in the Transit Service, therefore, any deficits will need to be recovered by future taxation.

Another alternative is to reduce the service level, however, service reductions could not be easily implemented prior to October, and are likely to discourage current ridership increases. Reducing service would also be contrary to the expansion approval.

As referred to at previous Committee meetings, staff are preparing to bring forward a number of reports in September 2018 related to transit.

STRATEGIC PLAN AND RELATED POLICIES

Managing transit fare revenue and preventive fleet maintenance contribute to the strategic priority of Ensuring Fiscal Sustainability.

The variance review process aligns with the Board's Strategic Value of "Transparency".

CONCLUSION

Staff recommend that this report be received for information.

Reviewed by:			
Manager		CFO/Finance	X-T. Perreault
GM		Legislative	
CAO	X-J. Loveys	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Brad Wing, Financial Analyst

SUBJECT: LONG TERM DEBT AS AT JUNE 30, 2018

RECOMMENDATION(S)

THAT the report titled Long Term Debt as at June 30, 2018 be received for information.

BACKGROUND

The purpose of this semi-annual report is to provide the Committee with current information regarding the Sunshine Coast Regional District's (SCRD) long term debt obligations and any market updates which may impact debt for the SCRD.

DISCUSSION

A summary of the SCRD's long term debt obligations as at June 30, 2018 is provided in Attachment A.

Specifics of new debt issues, budgeted unissued debt and expiring debt affecting the 2018 Financial Plan are detailed below along with information on member municipality debt and historical debt levels.

New Debt Issued

There was no new debt issued for SCRD services in the 6 month period ending June 30, 2018.

Budgeted Unissued Debt

The 2018-2022 Financial Plan includes funding from borrowing proceeds for eight capital projects and four equipment purchases totaling \$12,225,411 as detailed in the table on the following page.

The timing for issuance of new borrowing is estimated based on individual project timelines and is subject to final authorization through either a Security Issuing Bylaw or Board resolution if not already in place.

Summary of Budgeted Unissued Debt				
Project	Budgeted Proceeds	Proposed Term	Estimated Issuance	Authorization
Gibsons Library HVAC Replacement	75,000	5 Years	End of 2018	Resolution required
Chapman Lake Supply Expansion	5,000,000	30 Years	Fall 2019	Loan Authorization Bylaw No. 704
Universal Metering - Phase 3	5,956,111	20 Years	Spring 2019	Alternate Approval Process Pending
Square Bay Waste Water Plant	280,000	20 Years	Spring 2019	Loan Authorization Bylaw No. 707
Information Technology Hardware	70,000	3 Years	End of 2018	Resolution required
Grantham Hall Rehabilitation	100,000	5 Years	End of 2018	Resolution required
Parks Vehicle Replacement	40,500	5 Years	Q3 2018	299/17 No. 13
Merrill Crescent Septic Field	11,050	5 Years	End of 2018	Resolution required
Canoe Road Septic Field Replacement	12,750	5 Years	End of 2018	Resolution required
Vaucroft Capital Works	450,000	5 Years	End of 2018	Resolution required
Regional Water Vehicle Replacements	200,000	5 Years	Q4 2018	060/18 No. 20
South Pender Water Vehicle	30,000	5 Years	Q4 2018	060/18 No. 15

Expiring Debt

An equipment financing loan for [210] Gibsons and District Fire was fully repaid in April 2018. The annual debt servicing cost for this loan of \$28,243 was reduced to \$8,748 in the 2018 Financial Plan based on timing of the final payout.

There are four additional equipment financing loans set to expire in 2018. The annual debt servicing cost for these loans of \$42,136 have been reduced to \$39,251 in the 2018 Financial Plan based on timing of the final payouts.

Member Municipality Debt

Municipal financing under loan authorization bylaws (other than temporary borrowing) must be undertaken by the applicable Regional District. As at June 30, 2018, the outstanding principal balance of debt recoverable from Member Municipalities by the SCRD was as follows:

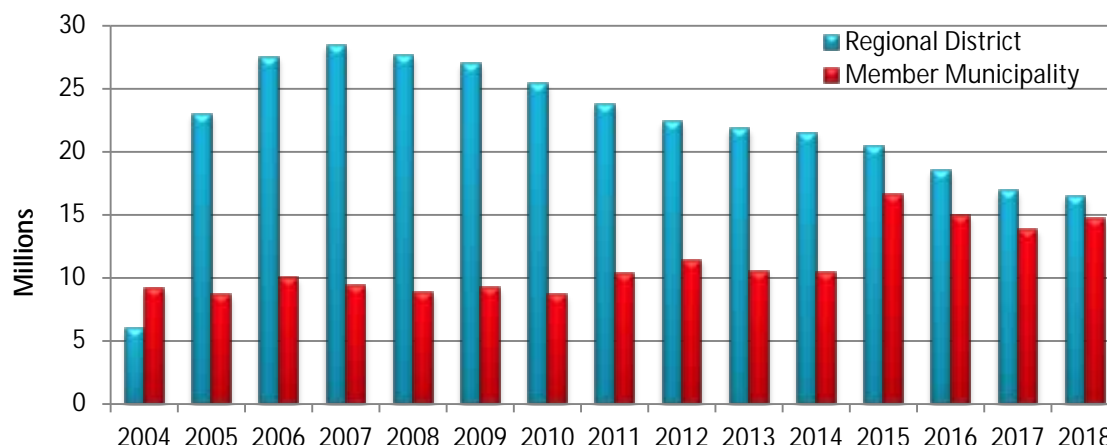
Sechelt	\$ 6,986,434
Gibsons	7,720,401
Total	\$ 14,706,835

Security Issuing Bylaw No. 713 was adopted by the SCRD Board on December 14, 2017. The Bylaw authorized the SCRD to undertake borrowing of \$1,784,000 on behalf of the Town of Gibsons for a term of 20 years for the construction of capital improvements. The borrowing issue was funded on April 23, 2018 at a lending rate of 3.15% for the first 10 years.

Market Update

On July 11th, the Bank of Canada raised its overnight rate by 0.25%. This brings the overnight rate to 1.50%. This is in spite of relative softness in the Canadian Economy. The impact to the SCRD may be for its budgeted and unissued debt, whereas, future debenture interest rates will most likely trend higher than in the past 5 years, resulting in higher borrowing and debt servicing costs.

Historical Debt Balances



Financial Implications

All debt servicing costs are included in the Financial Plan and are updated annually to reflect actual repayment schedules and interest rates. Funding for expiring debt is automatically removed from the Financial Plan as a loan expires. Debt servicing costs for budgeted unissued borrowings are estimated based on current interest rates and are included in the Financial Plan no sooner than when the borrowing is expected to occur.

STRATEGIC PLAN AND RELATED POLICIES

The information provided in this report is consistent with the SCRD's Debt Management Policy.

CONCLUSION

There was no new debt issued for SCRD services in the six month period ending June 30, 2018.

Budgeted unissued debt funding for capital projects and equipment purchases totals \$12,225,411. This debt will be issued in accordance with project timelines and funding requirements, subject to any required authorizations.

An equipment financing loan for [210] Gibsons and District Fire was fully repaid in April 2018. There are four additional equipment financing loans scheduled to expire in 2018.

Member municipality debt totaled \$14,706,835 as at June 30. Security Issuing Bylaw No. 713 authorizing additional borrowing of \$1,784,000 for the Town of Gibsons and was funded on April 23, 2018 at an initial interest rate of 3.15% for the first 10 years.

Reviewed by:			
Manager		Finance/CFO	X-T. Perreault
GM		Legislative	
CAO	X-J. Loveys	Other	

Sunshine Coast Regional District

Attachment A

Schedule of Long Term Debt

As at June 30, 2018

Purpose	Interest Rate	Annual Servicing Costs	Principal Balance Remaining	Maturity	Rate Reset / Early Payout
Borrowing Under Loan Authorization Bylaw					
Parks Master Plan	2.25%	88,480	489,051	2022	N/A
Community Recreation Facilities Construction	4.77%	1,461,424	8,535,244	2025	N/A
Chapman Water Treatment Plant	1.80%	175,018	1,576,545	2025	2020
Field Road Administration Building	4.88%	243,191	1,462,442	2026	N/A
Community Recreation Facilities	4.88%	167,664	1,008,253	2026	N/A
Fleet Maintenance Building Expansion	4.88%	33,530	201,631	2026	N/A
Egmont & District Fire Department Equipment	4.88%	8,238	49,541	2026	N/A
Pender Harbour Pool	4.90%	71,445	557,679	2029	2019
South Pender Water Treatment Plant	3.00%	82,479	1,161,223	2034	2024
North Pender Harbour Water UV & Metering	3.00%	30,500	350,000	2035	N/A
South Pender Harbour Water Metering	3.00%	45,750	525,000	2035	N/A
		\$ 2,407,719	\$ 15,916,608		
Equipment Financing					
Information Technology Hardware (2015)	2.14%	31,176	15,745	2018	Open
Gibsons & District Fire - Pumper Truck	2.14%	-	-	2018	Open
Community Parks - Equipment (Mower)	2.14%	4,587	396	2018	Open
Pender Harbour Aquatic - Fitness Equipment	2.14%	3,786	1,276	2018	Open
Community Parks - Equipment (Tractor)	2.14%	2,588	656	2018	Open
Dakota Ridge - Ski-Doo	2.14%	2,395	1,405	2019	Open
Community Parks - Vehicle (2014)	2.14%	6,592	9,314	2019	Open
Information Technology Hardware (2016)	2.14%	23,837	35,619	2019	Open
Information Technology - Storage Area Network	2.14%	26,707	50,450	2020	Open
Community Parks - Vehicle (2015)	2.14%	8,921	20,033	2020	Open
Community Parks - Equipment (Tractor)	2.14%	10,657	11,418	2020	Open
Regional Water - Vehicle (2016)	2.14%	14,341	49,268	2021	Open
Gibsons Fire Ladder Truck	2.14%	71,210	307,696	2022	Open
Building Maintenance - Vehicle	2.14%	24,104	38,424	2022	Open
		\$ 230,901	\$ 541,702		
Budgeted/Authorized Unissued Borrowing					
Gibsons Library HVAC Replacement	TBD	15,830	75,000		
Chapman Lake Supply Expansion	TBD	246,857	5,000,000		
Universal Metering - Phase 3	TBD	410,470	5,956,111		
Square Bay Waste Water Plant	TBD	20,220	280,000		
Information Technology Hardware	TBD	14,775	70,000		
Grantham Hall Rehabilitation	TBD	21,107	100,000		
Parks Vehicle Replacement	TBD	8,548	40,500		
Merrill Crescent Septic Field Replacement	TBD	2,332	11,050		
Canoe Road Septic Field Replacement	TBD	2,691	12,750		
Vaucroft Capital Works	TBD	94,981	450,000		
Regional Water Vehicle Replacements	TBD	42,214	200,000		
South Pender Water Vehicle Replacement	TBD	6,332	30,000		
		\$ 886,357	\$ 12,225,411		
SCRD Long Term Debt Totals		\$ 3,524,977	\$ 28,683,720		

Debt Servicing Ratio*

10.03%

*annual debt servicing cost/recurring revenue

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Brad Wing, Financial Analyst

SUBJECT: INVESTMENTS AND RESERVES AS AT JUNE 30, 2018

RECOMMENDATION(S)

THAT the report titled Investments and Reserves as at June 30, 2018 be received for information.

BACKGROUND

This purpose of this report is to provide the Committee with information regarding the status of the Sunshine Coast Regional District's (SCRD's) investments and reserves.

DISCUSSION

As at June 30, 2018 the Regional District had \$16,109,549 of reserve funds and \$5,687,098 of Parkland Acquisition, Development Cost Charges (DCC's) and Gas Tax Community Work Funds invested in term deposits, the Municipal Finance Authority (MFA) bond fund and individual corporate bond placements. In addition, the SCRD had \$813,499 of Landfill Closure Reserve funds invested in the MFA bond fund as of the same date. Combined investments totaled \$22,610,146.

Detailed balances of Operating and Capital reserves, Landfill Closure Reserves, Parkland Acquisition, DCC's, and Gas Tax Community Works Fund accounts are shown in Attachments A through C.

The difference between the amounts set aside in reserve and the amount invested is due to the timing of investment transfers and anticipated project funding and cash flow requirements. These differences will be addressed by either a future subscription or redemption to the investment as appropriate.

Short term investments of tax requisition funds collected in August 2017 were fully redeemed as of March 31, 2018.

STRATEGIC PLAN AND RELATED POLICIES

Investment decisions are guided by the Corporate Investment Policy which states that funds are to be invested in a socially responsible manner that will provide the highest investment return with the maximum security while meeting the cash flow and the statutory requirements of the *Community Charter* and *Local Government Act*.

CONCLUSION

The SCRD had \$22,610,146 invested in term deposits, the MFA bond fund and individual corporate bond placements as at June 30, 2018 for Reserves, Parkland Acquisition, DCC's, Gas Tax Community Works Funds and Landfill Closure Reserves.

Short term investments of 2017 tax requisition funds were fully redeemed as of March 31, 2018. Differences between amounts set aside in reserves and amounts invested are due to the timing of investment transfers and anticipated short term cash flow requirements. This report is provided for information.

Reviewed by:			
Manager		CFO/Finance	X-T. Perreault
GM		Legislative	
CAO	X-J. Loveys	Other	

Attachment A
Investments of Reserves
As at June 30, 2018

Bylaw	Description	2016 Closing Balance	Transfers	YTD Interest	Closing Balance	Budgeted Transfers
General						
504	Administration - Capital	\$ 601	\$ -	\$ 4	\$ 605	\$ -
495	Administration - Vehicle Acquisition	40,984	-	241	41,225	-
648	Administration - Operating	325,455	-	1,917	327,372	11,500
648	Finance - Operating	202,012	-	1,190	203,202	(300,168)
496	Office Building Upgrades - Capital	201,206	-	1,185	202,391	5,000
648	Human Resources - Operating	173,224	(20,185)	899	153,939	(102,407)
504	Information Services - Capital	99,499	-	586	100,085	10,000
648	Information Services - Operating	25,557	-	151	25,707	(23,418)
648	Area D Grant in Aid - Operating	3,108	-	18	3,126	-
648	Elections - Operating	147,913	(450)	869	148,332	14,000
648	Corporate Sustainability - Operating	91,018	-	536	91,555	-
648	Regional Sustainability - Operating	41,400	-	244	41,644	-
	Feasibility Studies - Area B	25,925	-	153	26,078	-
	Feasibility Studies - Area D	25,925	-	153	26,078	-
649	Bylaw Enforcement - Vehicle Acquisition	31,004	-	183	31,186	-
677	Bylaw Enforcement - Operating	20,964	-	124	21,088	-
	Halfmoon Bay Smoke Control - Operating	1,510	-	9	1,519	(1,000)
650	Roberts Creek Smoke Control - Operating	11,513	-	68	11,581	(800)
497	Gibsons and District Fire Protection - Land	40,355	-	238	40,593	-
489	Gibsons and District Fire Protection - Capital	399,587	(175,266)	1,303	225,624	(407,310)
678	Gibsons and District Fire Protection - Operating	8,841	(3,723)	30	5,147	(23,000)
490	Roberts Creek Fire Protection - Capital	308,881	(29)	1,820	310,672	(400,000)
679	Roberts Creek Fire Protection - Operating	4,432	-	26	4,458	-
491	Halfmoon Bay Fire Protection - Capital	323,737	(34)	1,907	325,611	35,000
	Halfmoon Bay Fire Protection - Operating	1,799	-	11	1,810	-
601	Egmont Fire Protection - Capital	120,093	(18)	707	120,782	5,000
	Egmont Fire Protection - Operating	3,234	-	19	3,253	-
492	Emergency Telephone 911 - Capital	418,363	-	2,465	420,828	(252,000)
	Emergency Telephone 911 - Operating	25,388	-	150	25,538	(17,233)
493	Sunshine Coast Emergency Planning - Capital	34,716	-	205	34,921	3,000
	Sunshine Coast Emergency Planning - Operating	83,428	-	491	83,919	-
651	Animal Control - Vehicle Acquisition	50,334	-	297	50,631	-
680	Animal Control - Operating	88,165	-	519	88,684	-
529	Transit - Capital	-	-	-	-	-
652	Transit - Operating	183	-	1	184	-
563	Fleet Maintenance - Capital	109,582	-	646	110,228	22,757
	Fleet Maintenance - Operating	64,800	(12,044)	309	53,066	8,035
486	Ports - Capital	536,841	(259,651)	2,540	279,730	(3,330)
607	Ports - Operating	66,049	-	389	66,438	(12,500)
653	Regional Solid Waste - Operating	123,492	(64,710)	339	59,122	(25,000)
670	Zero Waste Initiatives (Eco Fee) - Operating	208,828	12,780	1,264	222,873	10,444
653	Landfill - Operating	121,417	(82,826)	462	39,053	(61,000)
654	Refuse Collection - Operating	100,261	-	591	100,852	(8,508)
655	Cemetery - Operating	210,736	-	1,241	211,978	18,000
515	Pender Harbour Health Clinic - Capital	44,012	-	259	44,272	(26,203)
681	Regional Planning - Operating	62,314	-	367	62,681	(1,000)
656	Rural Planning - Vehicle Acquisition	17,339	-	102	17,441	-
657	Rural Planning - Operating	181,765	(35,981)	860	146,644	-
504	Property Information & Mapping - Capital	65,735	(26,263)	387	39,859	10,000
648	Property Information & Mapping - Operating	74,964	-	442	75,405	(6,000)
	Civic Addressing - Operating	81,891	(11,938)	482	70,435	(5,000)
659	Building Inspection - Vehicles Acquisition	52,937	-	312	53,249	6,000
	Building Inspection - Operating	477,239	-	2,812	480,051	(64,726)
715	Hillside - Operating	-	706,121	1,494	707,614	-
590	Community Recreation Facilities - Capital	1,640,663	20,645	9,685	1,670,992	(56,284)
682	Community Recreation Facilities - Operating	302,222	-	1,780	304,002	(209,139)
494	Pender Harbour Pool - Capital	71,737	3,340	433	75,510	(17,000)
660	Pender Harbour Pool - Operating	87,067	-	513	87,580	(15,000)
	School Facilities - Joint Use - Operating	13,527	(1,258)	72	12,341	-
609	Gibsons & Area Library - Capital	77,206	-	455	77,661	(245,000)
	Gibsons & Area Library - Operating	58	-	0	58	-
533	Community Parks - Capital	471,826	(22,434)	2,774	452,166	25,661
662	Community Parks - Operating	180,600	(5,782)	1,055	175,873	(50,885)
683	Bicycle and Walking Paths - Operating	187,907	-	1,107	189,014	10,000
	Area A - Bicycle and Walking Paths - Operating	62,443	-	368	62,811	(4,800)
	Regional Recreation Programs - Operating	14,111	(8,186)	34	5,959	-
	Dakota Ridge - Operating	179,879	-	1,060	180,939	(25,000)
Total General Reserve Funds		\$ 9,269,805	\$ 12,106	\$ 53,352	\$ 9,335,263	\$ (2,169,314)

Attachment A
Investments of Reserves
As at June 30, 2018

Page 2 of 2

Bylaw	Description	2016 Closing Balance	Transfers	YTD Interest	Closing Balance	Budgeted Transfers
Water Services						
589	North Pender Harbour - Capital	\$ 474,223	\$ (4,497)	\$ 2,781	\$ 472,508	\$ 19,711
605	North Pender Harbour - Operating	120,516	-	710	121,226	(15,000)
602	South Pender Harbour - Capital	682,745	(3,012)	4,010	683,743	31,218
663	South Pender Harbour - Operating	645,960	-	3,805	649,766	(52,844)
488	Regional - Capital	5,480,952	(135,668)	31,901	5,377,186	3,685,214
498	Regional - Land	17,082	-	101	17,183	-
664	Regional - Operating	1,609,545	-	9,482	1,619,027	(118,196)
Total Water Services Reserves		\$ 9,031,024	\$ (143,176)	\$ 52,791	\$ 8,940,639	\$ 3,550,103
Waste Water Plants						
512	Greaves Road - Capital	\$ 2,506	\$ -	\$ 15	\$ 2,521	\$ -
608	Greaves Road - Operating	9,516	(3,028)	38	6,526	181
665	Woodcreek Park - Capital	24,431	-	144	24,575	-
666	Woodcreek Park - Operating	151,237	-	891	152,128	5,434
512	Sunnyside - Capital	17,126	-	101	17,227	-
608	Sunnyside - Operating	6,186	-	36	6,222	52
512	Jolly Roger - Capital	34,764	-	205	34,969	-
608	Jolly Roger - Operating	24,070	(11,670)	72	12,472	(759)
512	Secret Cove - Capital	9,332	-	55	9,387	-
608	Secret Cove - Operating	28,245	(8,539)	115	19,821	1,187
512	Lee Bay - Capital	228,725	-	1,347	230,072	(13,565)
608	Lee Bay - Operating	255,569	-	1,506	257,075	9,412
512	Square Bay - Capital	31,132	-	183	31,315	-
608	Square Bay - Operating	92,844	(181)	546	93,209	526
608	Langdale - Operating	50,367	(17,506)	192	33,053	(20,973)
512	Canoe Road - Capital	3,061	-	18	3,079	-
608	Canoe Rd - Operating	3,695	(2,714)	5	987	1,248
608	Merrill Crescent - Operating	9,115	-	54	9,169	1,453
512	Curran Road - Capital	18,782	-	111	18,893	-
608	Curran Road - Operating	58,114	-	342	58,457	8,951
512	Roberts Creek Co-Housing - Capital	2,410	-	14	2,425	-
608	Roberts Creek Co-Housing - Operating	23,876	-	141	24,017	1,700
667	Lily Lake Village - Operating	38,392	-	226	38,618	(812)
668	Painted Boat - Capital	1,694	-	10	1,704	-
669	Painted Boat - Operating	39,005	-	230	39,235	1,966
Total Waste Water Plants Reserves		\$ 1,164,197	\$ (43,638)	\$ 6,597	\$ 1,127,156	\$ (3,999)
Total Reserve Funds		\$ 19,465,026	\$ (174,708)	\$ 112,740	\$ 19,403,057	\$ 1,376,790
					Investments	\$ 16,109,549
					Over/ (Under) Subscribed	\$ (3,293,509)

Attachment B
Investments of Landfill Closure Reserve
As at June 30, 2018

Account	Opening Balances	YTD Interest	Transfers To (From)	Closing Balance
Pender Harbour Landfill Closure Liability	465,921		-	465,921
Pender Harbour (Unfunded)	<u>(467,179)</u>	(4)	-	<u>(467,183)</u>
Net Funded Liability	<u>(1,258)</u>			<u>(1,262)</u>
Sechelt Landfill Closure Liability	5,739,237		-	5,739,237
Sechelt Landfill (Unfunded)	<u>(4,927,533)</u>	2,533	-	<u>(4,925,000)</u>
Net Funded Liability	<u>811,704</u>			<u>814,236</u>
			-	-
Total Landfill Closure Reserve	<u>810,445</u>	<u>2,529</u>	<u>-</u>	<u>812,974</u>
Investments				813,499
Over (Under) Subscribed *				525

* note: over(under) subscriptions are due to timing difference in transferring into or out of the investment account.

Attachment C
Investments of Gas Tax, Parkland Acquisition and Development Costs Charges
As at June 30, 2018

Description	Opening Balance	Transfers	YTD Interest	Closing Balance
Gas Tax Community Works Fund				
Area A	\$ 960,336.42	\$ -	\$ 5,091.02	\$ 965,427.44
Area B	\$ 521,245.41	-	2,763.26	524,008.67
Area D	\$ 669,271.95	-	3,548.00	672,819.95
Area E	\$ 926,018.04	-	4,909.09	930,927.13
Area F	\$ 676,208.26	(5,062.00)	3,553.75	674,700.01
Parkland Acquisition	\$ 434,300.85	-	2,302.35	436,603.20
Development Cost Charges				
North Pender Harbour Water Service	\$ 35,217.72	-	186.70	35,404.42
South Pender Harbour Water Service	\$ 149,851.19	-	794.40	150,645.59
Regional Water Service	\$ 1,577,267.90	254,326.15	8,979.81	1,840,573.86
Totals	\$ 5,949,717.74	\$ 249,264.15	\$ 32,128.38	\$ 6,231,110.27

Investments \$ 5,687,098
Over/ (Under) Subscribed \$ (544,013)

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Ian Hall, General Manager Planning and Community Development

SUBJECT: **DELEGATED AUTHORITY TO AWARD - SUNSHINE COAST ARENA WATER EFFICIENCY PROJECT CONSTRUCTION (CONDENSER)**

RECOMMENDATION(S)

THAT the report titled Delegated Authority to Award - Sunshine Coast Arena Water Efficiency Project Construction (Condenser) be received;

THAT the Chief Administrative Officer be authorized to approve a contract award during the month of August 2018 for the Sunshine Coast Arena Water Efficiency Project Construction (Condenser) with a total contract value not to exceed \$125,000.

BACKGROUND

The SCRD Board adopted the following resolution on May 10, 2018:

157/18 **Recommendation No. 8** *Sunshine Coast Arena Water Efficiency Plan Update*

THAT the report titled Sunshine Coast Arena Water Efficiency Plan Update be received;

AND THAT the Sunshine Coast Arena's condenser be replaced with a closed loop cooling system to reduce water demand for ice installation and maintenance in the amount of \$125,000 and funded by capital reserves;

AND FURTHER THAT the 2018-2022 Financial Plan be updated accordingly.

Following Board direction, staff have proceeded to complete engineering for this project. A letter of intent has been provided to the equipment supplier to ensure that required mechanical components are available for timely installation. A request for proposals for construction services is planned for release this month, with award anticipated in the month of August.

DISCUSSION

The new condenser and closed-loop cooling system can only be installed when the Sunshine Coast Arena ice plant is not in operation. Proceeding with this project prior to ice installation (plant start up mid-September, ice ready September 23) will provide water conservation benefits during the coming season. Substantially reducing ice plant water consumption would allow ice to be installed and maintained during most water restricted scenarios, as well as align with Board Policies such as the Drought Management Plan.

As the value of the work is likely to exceed \$100,000 (CAO delegated expenditure limit) and as the Board will not be meeting in August, authority for this one-time expenditure is requested in order that the work can proceed.

Financial Implications

The requested authority is limited to the Board-approved budget for this project.

Organizational and Intergovernmental Implications

This project is supported by coordination between Facility Services, Finance, Recreation, and Water & Energy Projects Coordinator.

Communications Strategy

Staff continue to communicate with arena user groups and will provide a copy of this report on publication.

Staff will report back on the results of the competitive bidding process.

STRATEGIC PLAN AND RELATED POLICIES

Clear delegated authority supports the Strategic Value of Transparency.

CONCLUSION

Staff have completed engineering for the Sunshine Coast Arena Water Efficiency Project (condenser replacement and installation of a closed-loop cooling system).

In anticipation of an August construction contract award, staff request the authority to award the contract up to the Board approved project budget of \$125,000.

Staff will report back on the results of the competitive bidding process.

Reviewed by:			
Manager		CFO	X-T. Perreault
GM	X- I. Hall	Legislative	X-A. Legault
CAO	X-J. Loveys	Purchasing	X-V. Cropp

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Valerie Cropp – Manager, Purchasing and Risk Management

SUBJECT: **CONTRACTS BETWEEN \$50,000 AND \$100,000 FROM APRIL 1 TO JUNE 30, 2018**

RECOMMENDATION

THAT the report titled Contracts between \$50,000 and \$100,000 – from April 1 to June 30, 2018 be received for information.

BACKGROUND

The Sunshine Coast Regional District's (SCRD) existing Delegation Bylaw No. 710, 2017 directs staff to provide the Committee with a quarterly report of all new contracts entered into that fall between \$50,000 and \$100,000.

This report includes vendor, purpose, function, amount and the authoritative budget.

DISCUSSION

158 contracts/purchase orders were issued during the time period April 1, 2018 to June 30, 2018 with four valued between \$50,000 and \$100,000. Amounts noted do not include applicable taxes.

	Supplier	Account Code	Awarded	Budget
1.	Mike and Donna Dunn 16 254 Agreement extension for caretaker services at Katherine Lake Campground and Ruby Lake Boat Launch	650 - Parks	74,590.20	Operating
2.	Duke Refrigeration and HVAC Ltd 18 339 Agreement for HVAC replacement at the Gibsons and District Public Library	640 – Library	\$59,600	Capital
3.	Fred Surridge Ltd Sole Source: meters for phase 2 universal metering project	370 - Water	\$59,718.45	Capital
4.	Temp-Pro Refrigeration Ltd. Annual maintenance for minor and major compressor services at Gibsons and Area Community Centre and the Sunshine Coast Arena	613 – Rec	\$63,538.31	Operating

STRATEGIC PLAN AND RELATED POLICIES

The disclosure of Contract Award aligns with the Board's Strategic Value of "Transparency".

CONCLUSION

SCRD Delegation Bylaw No. 710, 2017 directs staff to provide the Committee with a quarterly report on all new contracts.

Reviewed by:			
Manager		Finance/CFO	X-T. Perreault
GM		Legislative	
CAO	X-J. Loveys	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Sherry Reid, Deputy Corporate Officer

SUBJECT: **SPEAKERS FOR 2018 RESOLUTIONS TO UNION OF BRITISH COLUMBIA MUNICIPALITIES (UBCM)**

RECOMMENDATION(S)

THAT the report titled Speakers for 2018 Resolutions to Union of British Columbia Municipalities (UBCM) Convention be received;

AND THAT a speaker be designated for each resolution.

BACKGROUND

Four Sunshine Coast Regional District (SCRD) Resolutions have been submitted for consideration at the 2018 UBCM Convention.

Briefing notes are being prepared to assist the Board in addressing resolutions on the convention floor, as well as for the Minister meetings that have been requested with the Province. The briefing notes will form part of the Directors' information packages for the Convention.

DISCUSSION

Two SCRD Resolutions received endorsement from the Association of Vancouver Island Coastal Communities (AVICC) at the 2018 Spring Annual General Meeting and will be presented to the UBCM membership at the 2018 Convention in September. An additional two SCRD resolutions were directly submitted to UBCM on June 29th. The resolutions are as follows:

1. Watershed Governance Model

WHEREAS UBCM has consistently advocated for providing water purveyors with greater control over the watersheds that provide drinking water to their communities;

AND WHEREAS an integrated watershed governance approach that recognizes Indigenous water rights and utilizes a collaborative, consensus building approach to decision making could provide a model that addresses community needs while balancing the resource and capacity limitations experienced by local governments and First Nations:

THEREFORE BE IT RESOLVED THAT the Province recognize and support local watershed collaborative governance entities and adequately resource these entities.

- Resolution Status: Endorsed by AVICC membership and forwarded to UBCM for presentation to the UBCM membership at the September 2018 UBCM Convention.

2. Cycling Infrastructure Funding

WHEREAS limited revenue sources constrain local government construction of active transportation facilities which support healthy lifestyles, local economic opportunities through tourism; and reduce congestion, greenhouse gas emissions and localized air pollution;

AND WHEREAS the current level of provincial cycling infrastructure grant funding is inadequate to meet the demand:

THEREFORE BE IT RESOLVED THAT the provincial government be urged to increase the BikeBC Fund to \$50 million per year.

- Resolution Status: Endorsed by AVICC membership and forwarded to UBCM for presentation to the UBCM membership at the September 2018 UBCM Convention.

3. Medical Cannabis Production

WHEREAS medical cannabis production in residential areas often generate neighbourhood concerns about safety and nuisance complaints related to odours;

AND WHEREAS Health Canada lacks the resources to conduct routine inspections to address compliance and related nuisances to minimize the negative impact and risk to communities, while safety issues fall to local governments to address:

THEREFORE BE IT RESOLVED THAT the Access to Cannabis for Medical Purposes Regulation be revised to make the installation, operation and maintenance of ventilation systems that mitigate odour nuisances a condition of medical cannabis production licenses (including designated person or registered person licenses); and ensure that Health Canada inspectors have the authority to enter residences where production is taking place and that the federal government provide adequate resources to support Health Canada in conducting regular inspections to ensure compliance and neighbourhood safety.

- Resolution Status: Receipt confirmed by UBCM for consideration at the September 2018 Convention.

4. Modernization of *Local Government Act*

WHEREAS a review of the *Local Government Act* was intended to be undertaken after the *Community Charter* came in to force in 2004;

AND WHEREAS, while a review of election financing rules and a statute revision that updates style and language have taken place, a comprehensive review of the *Local Government Act* has not been done:

THEREFORE BE IT RESOLVED THAT the Ministry of Municipal Affairs and Housing be requested to initiate a comprehensive review of the *Local Government Act* to ensure it meets modern needs and addresses the issue of equity between municipalities and regional districts (e.g. scope of regulatory authority, requirements for service establishment, etc.).

- Resolution Status: Receipt confirmed by UBCM for consideration at the September 2018 Convention.

STRATEGIC PLAN AND RELATED POLICIES

The submission of resolutions to UBCM is in alignment with SCRD's strategic value of Collaboration and also supports SCRD's mission to provide leadership and quality services to our community through effective and responsive government.

CONCLUSION

Briefing notes are being prepared to assist the Board in addressing resolutions on the convention floor, as well as for the Minister meetings that have been requested with the Province. The briefing notes will form part of the Directors' information packages for the Convention.

The Board may wish to identify speakers for each resolution being presented to the UBCM membership should any of the resolutions be considered individually on the Convention floor, or be pulled from the block for discussion on the UBCM Convention floor.

Attachment: Confirmation Letter from UBCM dated July 9, 2018

Reviewed by:			
Manager		Finance	
GM		Legislative	X - A. Legault
CAO	X – J. Loveys	Other	

July 9, 2018

Chair Bruce Milne
Sunshine Coast Regional District
1975 Field Road
Sechelt, BC V0N 3A1



MASTER FILE COPY

Dear Chair Milne:

Re: 2018 Resolutions

UBCM confirms receipt of the attached resolution(s) endorsed by your Board and submitted directly to UBCM by the June 30 deadline.

The resolution(s) will be presented to the UBCM membership for their consideration at the 2018 UBCM Convention in September.

Please feel free to contact Jamee Justason, Information & Resolutions Coordinator, if you have any questions about this process.

Tel: 604.270.8226 ext. 100 Email: jjustason@ubcm.ca

Sincerely,

A handwritten signature in black ink that reads "Wendy Booth".

Director Wendy Booth
President

Enclosure

Medical Cannabis Production

Sunshine Coast RD

Whereas medical cannabis production in residential areas often generate neighbourhood concerns about safety and nuisance complaints related to odours;

And whereas Health Canada lacks the resources to conduct routine inspections to address compliance and related nuisances to minimize the negative impact and risk to communities, while safety issues fall to local governments to address:

Therefore be it resolved that the Access to Cannabis for Medical Purposes Regulation be revised to make the installation, operation and maintenance of ventilation systems that mitigate odour nuisances a condition of medical cannabis production licenses (including designated person or registered person licenses);

And be it further resolved that Health Canada inspectors have the authority to enter residences where production is taking place and that the federal government provide adequate resources to support Health Canada in conducting regular inspections to ensure compliance and neighbourhood safety.

Convention Decision:

Modernization of *Local Government Act*

Sunshine Coast RD

Whereas a review of the *Local Government Act* was intended to be undertaken after the *Community Charter* came in to force in 2004;

And whereas, while a review of election financing rules and a statute revision that updates style and language have taken place, a comprehensive review of the *Local Government Act* has not been done:

Therefore be it resolved that the Ministry of Municipal Affairs and Housing be requested to initiate a comprehensive review of the *Local Government Act* to ensure it meets modern needs and addresses the issue of equity between municipalities and regional districts (e.g. scope of regulatory authority, requirements for service establishment, etc.).

Convention Decision:

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Tina Perreault, General Manager, Corporate Services / Chief Financial Officer

SUBJECT: SECHELT COMMUNITY ARCHIVES

RECOMMENDATION(S)

THAT the report titled **Sechelt Community Archives** be received for information.

BACKGROUND

The Sunshine Coast Regional District (SCRD) made the following resolution regarding the Sechelt Community Archives:

131/17 **Recommendation No. 10** *Archives*

THAT the report titled Archives be received for information;

AND THAT a letter be sent to the District of Sechelt requesting clarification on responsibility for the Sechelt Community Archives, history of its current location and whether the Sechelt Community Archives is accessible coast-wide.

A letter requesting this information was sent to the District of Sechelt shortly following the 2018 Budget process.

DISCUSSION

The District of Sechelt replied on June 22, 2018 (as attached) and therefore this report is for information.

STRATEGIC PLAN AND RELATED POLICIES

In order to Facilitate Community Development and work with community partners and stakeholders to provide sustainable services it is relevant to understand the roles of local government in supporting these services.

CONCLUSION

The SCRD requested clarification from the District of Sechelt of its responsibility in regards to the Sechelt Community Archives. Attached is the response from the District of Sechelt for information.

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – J. Loveys	Other	

June 22th, 2018

Sunshine Coast Regional District
1975 Field Road
Sechelt, BC
V0N 3A1



Attention: Tina Perreault

Dear Tina:

RE: Sechelt Community Archives

Here is the information addressing the questions regarding the Sechelt Community Archives.

The responsibility of the Archives:

In 1990, District of Sechelt Council asked the Board of the Sechelt Public Library to take on the role of custodian of the Helen Dawe Collection (what would become the "Sechelt Community Archives"), and to take responsibility for placing the collection in the new Library building. The Board of the Library agreed to become the custodian and to house the collection, but emphasized that they were not willing to take on any of the financial responsibility for the collection.

The history of its current location:

The collection was in the care and custody of donor D.W. "Billie" Steele until the Library building was completed in 1996. That same year, Mrs. Steele donated \$25,000 to the District of Sechelt to cover the costs of setting up the collection and having it catalogued. In 1997 the Library hired the first and only Archivist for the Sechelt Community Archives, Ann Watson.



The Coast-wide accessibility of the Archives:

The collection is accessible to the public in as much as the Library is accessible to the public. Research requests can be made at any time via email or phone, and in-person research takes place one day/week during regular Library hours. All photographs in the collection, most newspapers, and many audio files are available online.

Sincerely,

Doug Stewart

Director of Corporate and Financial Services

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – July 26, 2018

AUTHOR: Angie Legault, Senior Manager, Administration and Legislative Services
Tina Perreault, General Manager, Corporate Services and Chief Financial Officer
Gerry Parker, Senior Manager, Human Resources

SUBJECT: **CORPORATE AND ADMINISTRATIVE SERVICES – SEMI ANNUAL REPORT FOR 2018**

RECOMMENDATION(S)

THAT the report titled Corporate and Administrative Services – Semi Annual Report for 2018 be received for information.

BACKGROUND

The purpose of this report is to provide an update on activity in the Corporate and Administrative Services (CAS) Divisions for the first half of 2018 (January to July).

Corporate Services - Administration [110], Bylaw Compliance [200], Dog Control [290]

PROJECTS

- a. Electronic Document and Records Management System (EDRMS) software – work related to training new staff, advanced training for existing staff, refinement of the folder structure, staff support on creation of folders and location for filing documents, and setting permissions is ongoing. An advanced user workshop was held. Scoping of a request for proposals for implementation of a major software version release has been completed.
- b. Microfiche scanning project – microfiche for year two of this three year project has been shipped and is being scanned. Quality control and filing of returned images from year one is continuing.
- c. Communications Projects – Source to Tap brochure, development of 2018 Recreation Marketing Plan and Corporate Communications Plan, editorial calendar for Director's column, Ban on Outdoor Water use communications plan implementation, corporate brochure update, 2017 annual report, Phase 3 Water Metering Communications Plan.
- d. Local Government Awareness Week – Open House.
- e. Bylaw Compliance and Dog Control – MTI and BEN bylaws updated to reflect revised penalties and offences.
- f. Collaborated on cannabis presentation for Infrastructure Services Committee
- g. Board Procedures Bylaw – revised draft bylaw approved to forward to Board for three readings in July.

- h. Alternative Approval Process – Phase 3 Water Metering – preparation for the AAP and management of the process. The deadline for elector response is July 24th.
- i. 2018 General Local Election – advance preparations for the October 20 election are underway, including discussions with Islands Trust and School District No. 46.

OPERATIONS

Statistics

Inactive Record Centre Retrievals

	Q1	Q2	Q3	Q4	Total
2018	234	155			389
2017	146	84	76	72	378
2016	133	159	110	237	639
2015	142	75	94	69	380
2014	99	99	114	164	476
2013	138	122	142	213	615

Records Management Help Desk requests

	Q1	Q2	Q3	Q4	Total
2018	331	265			596
2017	260	255	200	215	930
2016	398	337	227	296	1258
2015	226	763	419	352	1760
2014	180	170	167	175	692

2015 Q2 = EDRMS Go Live

Twitter account maintenance

"Followers"	Q1	Q2	Q3	Q4
2018	1397	1432		
2017	1245	1293	1324	1351
2016	1051	1108	1169	1204
2015	752	est. 811	972	1003
2014	510	573	637	685
2013	349	395	432	475

Facebook account maintenance

"Likes"	Q1	Q2	Q3	Q4
2018	1,506	1611		
2017	1142	1237	1350	1480
2016	737	875	949	1038
2015	180	227	650	695
2014	-	-	-	103

Coast Currents e-newsletter.

"Subscribers"	Q1	Q2	Q3	Q4
2018	339	354		
2017	260	281	297	322
2016	227	246	263	270
2015	163	180	191	207

News Releases

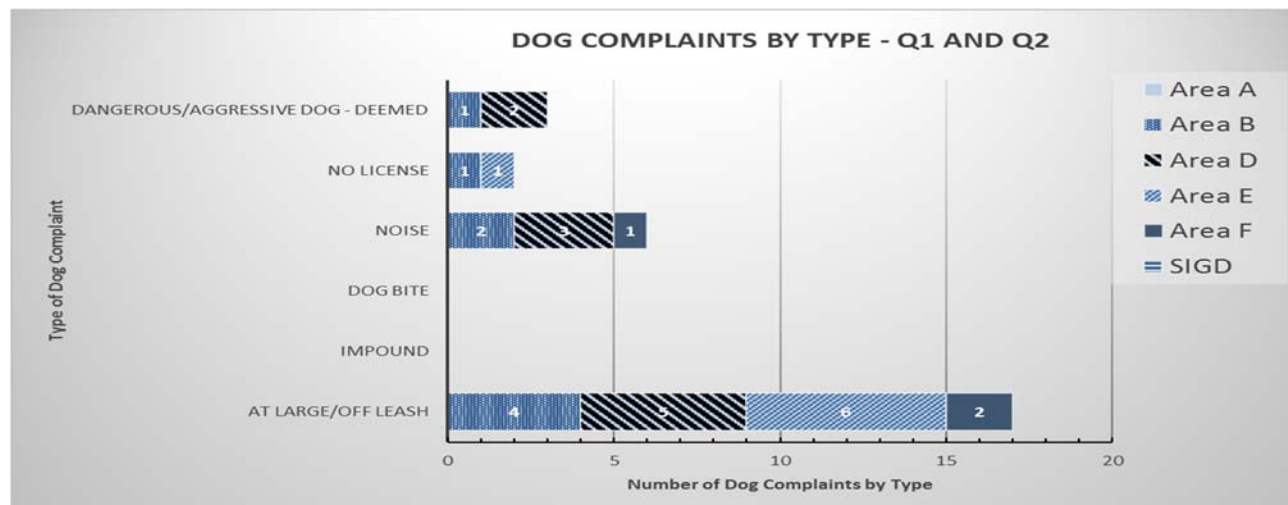
	Q1	Q2	Q3	Q4	Total
2018	2	6			8
2017	8	4	5	3	20
2016	8	11	8	2	29
2015	6	3	10	10	29

FOI Requests

	1 st Quarter		2 nd Quarter		3 rd Quarter		4 th Quarter		Total Rec'd
	Rec'd	Comp'd	Rec'd	Comp'd	Rec'd	Comp'd	Rec'd	Comp'd	
2018	10	9	0	1					10
2017	9	6	10	8	6	11	9	6	32
2016	11	9	7	7	6	6	5	5	29
2015	7	6	4	3	7	6	7	8	25
2014	4	3	8	9	8	6	4	6	24
2013	0	1	6	5	7	7	7	7	20

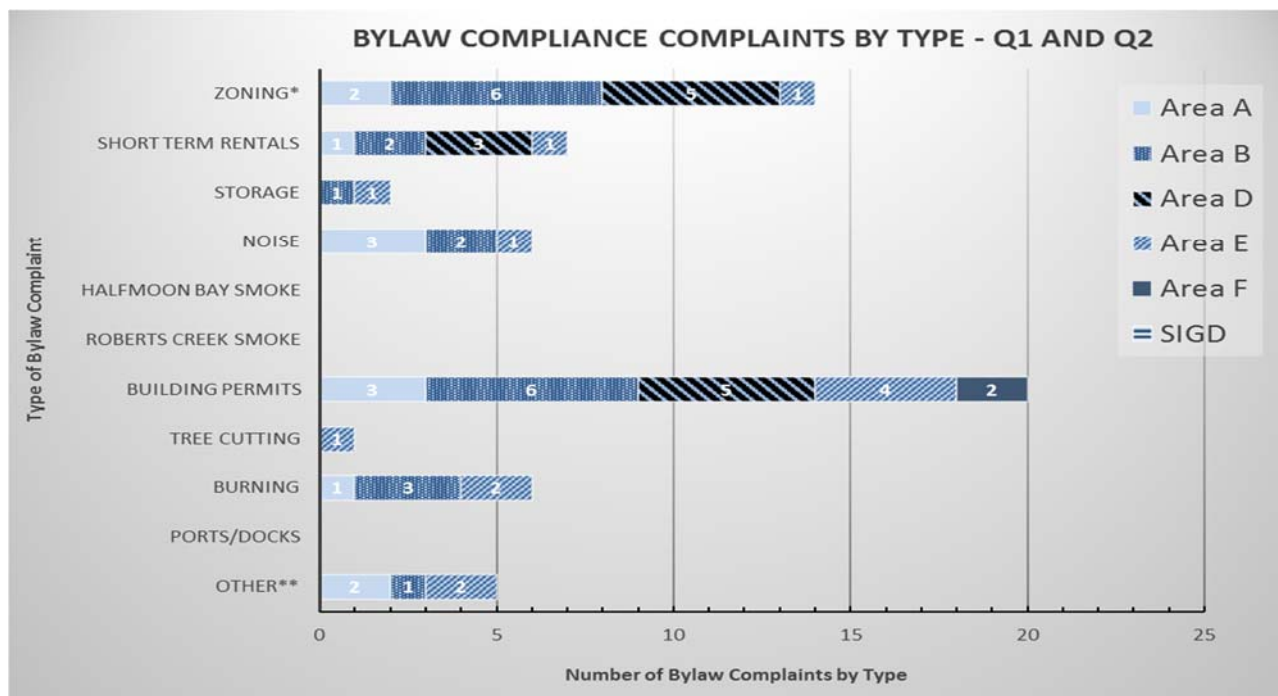
Dog Control

New Dog Control Complaints by Area					
Area	Q1	Q2	Q3	Q4	Total
B	5	3			8
D	5	5			10
E	6	1			7
F	2	1			3
SIGD	0	0			0
Total	18	10			28



Bylaw Compliance

New Bylaw Compliance Files by Area					
Area	Q1	Q2	Q3	Q4	Total
A	7	5			12
B	10	11			21
D	4	8			12
E	7	8			15
F	1	2			3
SIGD	0	0			0
Total	29	34			63



* Zoning includes permitted use, unauthorized dwelling and signage complaints, etc.

Other (Education and Training)

- a. The Corporate Officer and Deputy Corporate Officer attended LGMA Election workshops.
- b. The Corporate Officer attended the annual Local Government Management Association conference. Sessions included Marijuana at Work, Legal Updates, Managing the Sandwich Generation, etc.

Corporate Services - Human Resources [115]

PROJECTS

- a. Joint Health and Safety Committee (JHS) – JHS Committee membership finalized, training provided in committee processes, inspections, investigations, and risk evaluation. Monthly meetings occurring and improvements to the work processes.
- b. May 6-12 – NAOSH Week. Week-long event focused on safety at work featured ladder safety, Safety 'Jeopardy' online and in-person quiz, AED and CPR training, fire-fighting, and Personal Protective Equipment (PPE) fashion show.
- c. SCRD Staff Communication Survey – Used "HRDownloads" online platform survey tool to conduct special staff survey in May that focused on workplace communication; a focus group session is to follow.

OPERATIONS

Statistics

First Aid and WorkSafeBC Reports. HR reviews and ensures appropriate follow-up occurs with Joint Health and Safety Committees for all reported staff injuries, time loss, and/or medical attention resulting in creation of a First Aid report or WSBC documentation.

	1 st Quarter		2 nd Quarter		3 rd Quarter		4 th Quarter		Total Rec'd
	First Aid	WSBC	First Aid	WSBC	First Aid	WSBC	First Aid	WSBC	
2018	6	4	8	11					29
2017	8	8	3	8	6	5	10	6	54
2016	8	1	11	4	6	4	14	6	54

Job Postings and Applications – HR posts jobs, receives applications, reviews, shortlists, supports interviews, check references and process job offers.

	1 st Quarter		2 nd Quarter		3 rd Quarter		4 th Quarter		Total Posts	Total Appl
	Posts	Applicants.	Posts	Appl	Posts	Appl	Posts	Appl		
2018	15	79	20	265					35	344
2017	16	105	15	81	19	97	29	233	79	516
2016	10	96	14	271	27	226	14	235	65	828

Training and Development (BEST - Building Essential Skills for Tomorrow). Numerous sessions held throughout the year that include skill development and safety training.

	1 st Quarter		2 nd Quarter		3 rd Quarter		4 th Quarter		Total Sess.	Total Att.
	Sessions	Attendees	Sess.	Att.	Sess.	Att.	Sess.	Att.		
2018	2	14	9	40					11	54
2017	0	0	8	108	2	28	9	131	19	267
2016	4	55	5	79	3	49	5	59	17	242

Corporate Services - Asset Management, Corporate Finance, Finance Operations, Purchasing and Risk Management-[111,112,113,116]; Field Road Administration Building-[114]; IT, GIS and Civic Addressing-[117,506, 510]; SCRHD Administration-[118], Rural Grant-in-Aid-[121-129], Member Municipal Debt-[140]; PH Health Clinic-[410], Economic Development-[531-535], Library Services-[625,626, 627 and 640], Museums-[648]

PROJECTS

- a. 2018-2022-Financial Plan process completed
- b. 2018 Annual Requisition – Funds were requisitioned in April 2018 for Ad Valorem and February 2018 for Parcel Tax. Funds will be received from the Town of Gibsons, District of Sechelt, Sechelt Indian Government District and Province of BC by August 1, 2018.
- c. 2017 Audit – BDO LLP – Year-end audit was completed in April 2018. Audited Financial Statements were presented by BDO LLP and approved by the Board on April 26, 2018.
- d. Canadian Award for Financial Reporting (CAnFR) – 2017 CAnFR award was applied for in June 2018. Results are typically received in November.
- e. Statutory Filings for 2017 – Local Government Data Entry (LGDE), Climate Action Revenue Incentive Program (CARIP), Statement of Financial Information (SOFI) and Annual Report completed by the end of June 2018.
- f. Corporate Software
 - IT and Finance divisions implemented a significant software update to the SCRHD's ERP (financial) system, Unit4 Business World (BW), in June 2018. Finance, HR, and IT completed extensive testing and change management over a 3 month period.
 - IT, Finance, and Fleet divisions implemented significant system and process modifications to our business systems to meet BC Transit's new ERP (financial) system implemented in May.
- g. Asset Management:
 - New asset management coordinator hired in March 2018
 - SPF Asset Enterprise Asset Management Software Grant (approximately \$180,000 remaining in budget) rescope to cover work to build software data in Q2.
 - Two projects identified for immediate use of grant funds – condition assessment in wastewater collection and condition assessment/asbuilt drawing update in ports (estimated approximately \$130,000 of the \$180,000 budget) in Q2. These projects are in scoping and bidding phases.
 - Completed a review on major services for asset management performance to determine areas that require attention in Q3&4.

- Wastewater identified as requiring a comprehensive capital plan. This work has initiated in Q2 and has completed the following to date (expected final delivery date in Q4):
 - i. All systems have been inspected for basic condition and asbuilt update (to ensure we're operating on correct design information);
 - ii. Manholes and mains have been field checked and updated in CityWorks database;
 - iii. Treatment plants are being checked and updated in CityWorks database;
 - iv. A financial model for capital replacement is in development;
 - v. A condition assessment program for manholes and mains is in development; and,
 - vi. The capital report is in development and scheduled for review in Q4.
- CityWorks and Agresso are in continuous improvement and are collecting better data than ever to support asset management activity. Wastewater will be in full software integration by 2019 Q1.
- Mobile station tests have been performed to determine the viability of field crews using tools like CityWorks to initiate and process service requests, work orders, and inspections. Further work will be done in Q3 and Q4 to determine if this is a viable business practice at the SCRD.
- h. IT Asset Management- the IT division upgraded the Wide Area Network (WAN) contract in January to provide improvements to Internet connectivity and increase data backup capacity.
- i. As of March 31, 2018 there were 47 Rural Areas' Grant-in-Aid (RAGIA) applications received requesting a total of \$119,551. In comparison, in 2017, 45 applications were received requesting a total of \$122,579. A total of \$75,086 was approved for the 2018 Rural Areas' Grant-in-Aid program.
- j. Library Services
 - Gibsons Library-
 - i. New Service agreement signed for 2018.
 - ii. Library HVAC replacement project-procured and agreement signed with successful vendor. Project was scheduled for start and completion in July 2018.
 - iii. Request from Town of Gibsons to insert 2 to 4 electric vehicle charging stations in the Library parkade. SCRD staff are working with the Library and Town of Gibsons on the project.

OPERATIONS

Finance Statistics

of Invoices and Payments Issued

Year	January to June		July to December		Totals	
	Accounts Receivable Invoices	Accounts Payable Payments	Accounts Receivable Invoices	Accounts Payable Payments	Accounts Receivable Invoices	Accounts Payable Payments
2018	802	2,918			802	2,918
2017	944	2,385	885	2,832	1,829	5,217
2016	674	2,873	669	2,860	1,343	5,733
2015	617	2,738	677	2,834	1,294	5,572
2014	708	2,881	652	2,857	1,360	5,738

of Purchase Orders Issued

	January to June	July to December	Total
	Processed	Processed	
2018	314		
2017	559	334	893
2016	484	247	731
2015	523	314	837
2014	374	322	696

of RFP's Tendered and Awarded

	January to June		July to December		Total Awarded
	Tendered	Awarded	Tendered	Awarded	
2018	16	9			
2017	19	18	19	20	38
2016	12	6	17	12	18
2015	9	9	11	10	19
2014	9	8	9	8	16

Utility Billing Statistics

of Active mySCRD Users

	mySCRD Users	All Other UB Customers	Total
2018	3,215	10,545	13,760
2017	2,602	11,071	13,673
2016	1,729	11,655	13,384

of Active mySCRD Users receiving paper vs electronic invoices

	Paper Invoices	E-bill Invoices	Total
2018	1,997	1,218	3,215
2017	1,589	1,013	2,602
2016	1,024	705	1,729

of Payments Received for Each Payment Method

	mySCRD	Online banking	In Person	Total
2018	2,456	8,581	5,792	16,829
2017	2,422	9,786	7,078	19,286
2016	2,093	8,632	7,586	18,311

*Information Technology (IT) Statistics**# of Addresses Assigned*

	January to June	July to December	Total
2018	205		
2017	185	182	367
2016	236	172	408
2015	111	177	288
2014	231 (including 104 unit numbers for the Watermark)	151	382

of Public Enquiries regarding Property Information and Mapping Section (PIMS)

	January to June	July to December	Total
2018	296		
2017	387	317	704
2016	402	344	746
2015	224	187	411
2014	155	139	294

of IT Help Request Tickets

	January to June	July to December	Total
2018	1454		
2017	1715	1829	3544
2016	2706		2706
2015	2660		2660
2014	3011		3011

Other (Education and Training)

- Manager, IT and GIS – attended the seminar: *Leverage the Changes in BC Privacy and Security*, in Vancouver in May 2018.
- Chief Financial Officer - attended the Government Finance Officers Association of BC Pre-Conference and Conference in Kelowna in June 2018.
- Manager, Financial Services – attended Project Management Essentials course in Vancouver in June 2018.
- Chief Financial Officer and Manager, Financial Services- Attended webinars on upcoming changes to Public Sector Accounting Standards.
- Chief Financial Officer- Attended webinars on changes to Recycle BC incentives program.

- f. GIS Administrator completed training and exam to obtain the Project Management Professional (PMP) designation through the Project Management Institute.

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X-J. Loveys	Other	