



## FINANCE COMMITTEE

**Monday, December 5, 2022,**

**Tuesday, December 6, 2022**

**Wednesday, December 7, 2022**

**Held Electronically**

**and Transmitted via the SCRD Boardroom,**

**1975 Field Road, Sechelt, B.C.**

## AGENDA

---

**CALL TO ORDER      9:30 a.m. on December 5, 2022**

### AGENDA

1. Adoption of Agenda

### PRESENTATIONS AND DELEGATIONS

1. Chief Administrative Officer / and General Manager, Corporate Services / Chief Financial Officer  
*Regarding: 2023 Pre-Budget Overview*

### REPORTS

2. 2022 Project Carry-Forward Requests  
*Senior Leadership Team*  
**(Voting – All Directors)**  
Annex A  
Pages 1-9
3. 2023-2027 Financial Plan Outlook and 2023 Proposed Initiatives  
*General Manager, Corporate Services / Chief Financial Officer*  
**(Voting – All Directors)**  
Annex B  
pp. 10-15
4. **Attachment A to Annex B:**  
2022 Carry-Forwards and 2023 Proposed Initiatives  
Corporate and Administrative Services Functions  
110 General Government  
111 Asset Management  
113 Financial Services  
114 Field Road Building Maintenance  
115 Human Resources  
116 Purchasing and Risk Management  
117 Information Services  
155 Feasibility (Area F)  
pp. 16-17

**5. 2022 Carry-Forwards and 2023 Proposed Initiatives**

## Community Services Functions

pp.18-29

- 310 Public Transit
- 312 Fleet Maintenance
- 313 Building Maintenance Services
- 315 Mason Road Works Yard
- 345 Ports Services
- 400 Cemetery Service
- 613 / 614 / 615 Community Recreation Facilities
- 625 Pender Harbour Fitness and Aquatic Centre
- 630 School Facilities – Joint Use
- 650 Community Parks
- 665 / 667 Bicycle and Walking Paths
- 680 Dakota Ridge Recreation Service Area

**6. 2022 Carry-Forwards and 2023 Proposed Initiatives**

## Planning and Development Functions

pp. 30-32

- 135 Corporate Sustainability Services
- 136 Regional Sustainability Services
- 200 Bylaw Enforcement
- 210 Gibsons and District Fire Protection
- 212 Roberts Creek Fire Protection
- 216 Halfmoon Bay Fire Protection
- 218 Egmont Fire Protection
- 220 Emergency Telephone 911
- 222 Sunshine Coast Emergency Planning
- 500 Regional Planning
- 504 Rural Planning Services
- 520 Building Inspection Services
- 540 Hillside Development Project

**7. 2022 Carry-Forwards and 2023 Proposed Initiatives**

## Infrastructure Services Functions

pp. 33-43

- 350 Regional Solid Waste
- 351 Regional Solid Waste – Pender Harbour
- 352 Regional Solid Waste – Sechelt
- 365 North Pender Harbour Water Service
- 366 South Pender Harbour Water Service
- 370 Regional Water Service
- 381-395 Waste Water Treatment Plants

**8. Capital Planning Update  
Manager, Asset Management  
(Voting – All Directors)**Annex C  
pp. 44-47

9. Community Parks [650] 20-Year Capital Plan and Service Overview  
*Manager, Asset Management*  
*Manager, Parks Services*  
**(Voting – A, B, D, E, F)** Annex D  
pp. 48-56
10. 2023 Community Recreation Capital Funding Review  
*Manager, Asset Management*  
*Manager, Facility Services*  
*Manager, Recreation Services*  
**(Voting – All Directors)** Annex E  
pp. 57-66
11. Gibsons and District Fire Protection Service [210] 20-Year Capital Plan Update  
*Manager, Asset Management*  
*Manager, Protective Services*  
**(Voting – E, F and Gibsons)** Annex F  
pp. 67-69
12. Roberts Creek Fire Protection Service [212] 20-Year Capital Plan Update  
*Manager, Asset Management*  
*Manager, Protective Services*  
**(Voting – All Directors)** Annex G  
pp. 70-73
13. Halfmoon Bay Fire Protection Service [216] 20-Year Capital Plan Update  
*Manager, Asset Management*  
*Manager, Protective Services*  
**(Voting – All Directors)** Annex H  
pp. 74-77
14. Egmont Fire Protection Service [218] 20-Year Capital Plan Update  
*Manager, Asset Management*  
*Manager, Protective Services*  
**(Voting – All Directors)** Annex I  
pp. 78-81

**COMMUNICATIONS****NEW BUSINESS****IN CAMERA****ADJOURNMENT**

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Finance Committee – Pre-Budget - December 5-7, 2022

**AUTHOR:** SCRD Senior Leadership Team

**SUBJECT:** 2022 PROJECT CARRY-FORWARD REQUESTS

---

### RECOMMENDATION(S)

**THAT** the report titled 2022 Project Carry-Forward Requests be received for information;

**AND THAT** the carry forward projects as itemized in Attachment A and associated funding be included in the SCRD's 2023-2027 Draft Financial Plan;

**AND THAT** following projects be cancelled;

- Regional Feasibility [150]-Watershed Governance Feasibility Study - \$30,000, with funds being returned to contributing taxpayers in 2023;
- Regional Feasibility [150]-Feasibility for Establishment of Community Social Service - \$20,000, with funds being returned to contributing taxpayers in 2023;
- Gibsons and District Fire Protection [210]- Rescue Truck Upgrade - \$100,000, with funds being returned to capital reserves;
- Regional Solid Waste [350/352] - Forklift for Sechelt Landfill - \$29,500;
- Regional Water Service [370] - Water Sourcing Policy - \$25,000, with the project to be completed in house and the funds to be returned to operating reserves;
- Regional Planning [500] - Regional Housing Conference Partnership - \$10,000, with funds to be returned to operating reserves;
- Community Recreation Facilities [615] - Building Envelope Panel Drying - \$250,000, with funds being restricted and held in capital reserves;
- Community Recreation Facilities [615]-Sunshine Coast Arena Refrigeration Plant Regulatory Items - \$11,736, with funds being returned to operating reserves;
- CRI FireSmart Economic Recovery Fund
  - GDVFD Firehall Roof Replacement [210] - \$50,000
  - FireSmart Projects for critical Infrastructure [222] - \$110,000
  - Skills Development that Leads to Employment [222] - \$11,660;

**AND THAT** UBCM be notified that this portion of the CRI-FireSmart grant will be cancelled;

**AND THAT the following projects not be carried forward into 2023:**

- **Halfmoon Bay Volunteer Fire Department's [216] - Firehall #2 Redevelopment Assessment - \$45,000- with remaining unspent funds to be returned to operating reserves;**
- **Regional Water Service [370] - Water Supply and Conservation Public Engagement 2020 (including Water Summit) - \$35,000, with remaining unspent funds to be returned to operating reserves;**
- **Regional Water Service [370] – Chapman WTP Intake Debris Removal - \$15,000, with remaining unspent funds to be returned to operating reserves;**
- **Regional Water Service [370] - 2021 Edwards Lake Siphon carry-over project- \$63,378, with remaining unspent funds to be returned to operating reserves;**
- **Regional Water Service [370] - Summer Student (4 months) – Water Asset Inventory Update - \$29,092, with remaining unspent funds to be returned to operating reserves;**

**AND THAT the Halfmoon Bay Volunteer Fire Department's [216] Capital Renewal carry-forward be amended to include only the truck purchase in the amount of \$131,548 and the remaining funds be returned to the capital reserves;**

**AND FURTHER THAT staff be authorized to proceed with carry forward projects prior to adoption of the 2023-2027 Financial Plan.**

---

## **BACKGROUND**

Each year the Sunshine Coast Regional District (SCRD) presents carry-forward projects that are either in-progress or delayed. The summary of carry-forward items is included as Attachment A.

Carry-forward projects and the associated funding must be transferred for inclusion of the 2023-2027 Financial Plan. This step is legislatively required to ensure staff have the authority to continue with the projects and the values (revenue and expense) are correctly reflected in the final Financial Plan Bylaw. A final reporting of the 2022 carryforwards will be included in the Round 2 Budget meetings for information once the SCRD's year-end process is complete.

The purpose of this report is to request these projects and the associated funding be included in the 2023-2027 Draft Financial Plan so there is authority to continue with the projects prior to adoption of the upcoming Financial Plan Bylaw. This report focuses on the funding, whereas reports such as the Budget Project Status Report or quarterly updates, relate to work-plans and proposed initiatives. In addition, staff recommend deferral or removal of certain projects, with rationale outlined in this report.

## DISCUSSION

An internal review of the status and scope of projects for inclusion in the 2023-2027 Financial Plan has been completed and as a result, there are several projects which are not recommended to proceed, continue, or that funding sources be amended.

There are approximately 187 projects to be carried into 2023 (144 carryforwards-2021). A summary of the status of projects were presented at the November 24, 2022 Committee of the Whole as follows:

% Complete Summary		DEFINITION
Not Started	18	7.8% Work has not been started for project.
Started	42	18.3% Work is in preliminary stages.
In Progress 25%	30	13.0% Up to 25% progress
In Progress 50%	35	15.2% Up to 50% progress
In Progress 75%	47	20.4% Up to 75% progress
Completed	57	24.8% 100% Finished
Deferred	1	0.4% Project was deferred by motion.
Cancelled	0	0.0%
TOTAL	230	100%

Several factors have contributed to the delay of projects such as supply-chain issues, staffing vacancies, ongoing Covid restrictions in early 2022, and impacts attributed to responding to emergencies such as atmospheric rivers, heat events and recently the drought response. Some of the projects are also multi-year and are expected to span more than one year. Some projects are also expected to be completed before or soon after year-end.

The status, original scope or market conditions of some projects may no longer reflect the current situation. Therefore, the following projects are not recommended to be carried forward into the 2023-2027 Financial Plan, with the following rationale provided in Attachment B.

### *Financial Implications*

Carry-forward projects do not have a direct financial or taxation impact for the following year's budget, however, there are staff or other resources still required.

Only remaining unused funding for the projects is carried over as some projects may still expend funds prior to the end of 2022.

The projects that are not being recommended for carry-over into 2023, funds will be returned to the original source of funding and in the case of the feasibility service, it is recommended that the funds be credited back to taxpayers in 2023.

### *Communications Strategy*

A final reporting of the 2022 carry-forwards will be included in the Round 2 Budget meetings in February 2023 for information once the SCRD's year-end process is complete.

## STRATEGIC PLAN AND RELATED POLICIES

Accountability for the budget process and the Financial Plan are encompassed in the Financial Sustainability Policy.

## **CONCLUSION**

In preparation for the 2023-2023 Financial Planning Process, a summary of carry-forward projects has been compiled with some projects not being recommended to continue in 2023.

Carry-forward projects do not have a financial or taxation impact for the following year's budget, though there may be staff work or other resources still required.

Staff recommend that the attached list of 2022 projects and associated funding be included in the 2023-2027 Financial Plan and that staff are authorized to continue with the projects prior to the adoption of the Plan.

Attachment A: 2022 Preliminary Carry-Forward List

Attachment B: Projects not Recommended for Carry-Over to 2023

Reviewed by:			
Manager		CFO	
GM/Sr. Manager	X – S. Gagnon	Legislative	
CAO	X – D. McKinley	Other - HR	X – G. Parker

# 2022 Preliminary Carry-Forward List

Attachment- A

Function	Service	Project Name	Amount Spent to Date (2022)	2022 Budgeted Amount	Estimated Carry Over to 2023
110	General Government	Website Redesign Consulting Services - Phase 2	74,862.00	125,085.00	50,223.00
110	General Government	Hybrid Meeting Solutions and Board Room Modifications	0.00	125,000.00	125,000.00
110	General Government	Meeting Management Solutions System	0.00	25,000.00	25,000.00
113	Finance	Asset Retirement Obligation-Facility Hazardous Mat. Testing	0.00	50,000.00	50,000.00
113	Finance	ARO-Professional Services	0.00	49,750.00	49,750.00
114	Administration Bldg.	Vehicle (EV) Charging Stations-phase 2 (Field Road Portion)	0.00	25,000.00	25,000.00
117	Information Systems	Field Road Space Planning; IT Capital	0.00	37,934.00	37,934.00
117	Information Systems	Expansion of Digital, Online collaboration Software & Hardware	77,532.12	113,922.00	36,389.88
117	Information Systems	Records Management System Enhancements	13,387.00	75,000.00	61,613.00
135	Corporate Sustainability	Greenhouse Gas Quantification	0.00	15,000.00	15,000.00
136	Community Sustainability	Community Climate Plan	20,810.48	40,000.00	19,189.52
210	Gibsons Fire Dept.	Fire Department Records Management Software	0.00	2,500.00	2,500.00
210	Gibsons Fire Dept.	Emergency Generator	0.00	150,000.00	150,000.00
210	Gibsons Fire Dept.	SCRD Corporate Recycling Program infrastructure costs-GDVFD	0.00	1,279.00	1,279.00
210	Gibsons Fire Dept.	Fire Truck Replacement	0.00	585,000.00	585,000.00
210	Gibsons Fire Dept.	Flooring and hot water tank	1,856.63	10,400.00	8,543.37
210	Gibsons Fire Dept.	Wildfire Preparedness Equipment (GDVFD)	2,577.11	35,000.00	32,422.89
210	Gibsons Fire Dept.	GDVFD Capital Renewal Projects	20,000.78	256,698.00	236,697.00
212	Roberts Creek Fire Dept.	Engine #1 Replacement	0.00	16,050.00	16,050.00
212	Roberts Creek Fire Dept.	Fire Department Records Management Software	0.00	2,500.00	2,500.00
212	Roberts Creek Fire Dept.	RCVFD Training Structure	77,640.21	121,445.00	43,804.79
212	Roberts Creek Fire Dept.	Exhaust Fan and Electrical Panel	0.00	8,500.00	8,500.00
212	Roberts Creek Fire Dept.	Wildfire Preparedness Equipment (RCVFD)	0.00	30,000.00	30,000.00
216	Halfmoon Bay Fire Dept	Fire Department Records Management Software	0.00	2,500.00	2,500.00
216	Halfmoon Bay Fire Dept	Firehall #2 Redevelopment Design	0.00	250,000.00	250,000.00
216	Halfmoon Bay Fire Dept	Self-Contained Breathing Apparatus (HBVFD)	49,500.03	224,300.00	174,799.97
216	Halfmoon Bay Fire Dept	Vehicle, Chevrolet Silverado	0.00	131,548.00	131,548.00
218	Egomont Fire Dept.	Fire Department Records Management Software	0.00	2,500.00	2,500.00
218	Egomont Fire Dept.	Egomont Fire Truck Donation-2007 Dodge Crew Cab	0.00	11,500.00	11,500.00
220	911 Emergency	Chapman Creek Radio Tower	15,731.90	262,250.00	246,518.10
220	912 Emergency	Gibsons Radio Tower	2,478.12	46,600.00	44,121.88
220	913 Emergency	911 Tower and Spectrum Upgrading	6,452.60	15,183.00	8,730.40
220	914 Emergency	Radio Tower Capital Project Consulting Services	19,950.00	88,691.00	68,741.00
220	915 Emergency	911 Emergency Communications Equipment Upgrade	52,835.10	124,774.00	71,938.90
222	Sunshine Coast	Contracted Services for Statutory, Regulatory & Bylaw Reviews	0.00	20,000.00	20,000.00
222	Emergency Preparedness Sunshine Coast	Removal of SCEP Trailer	130.51	12,510.00	12,379.49
222	Emergency Preparedness Sunshine Coast	Egomont Evacuation Plan	0.00	25,000.00	25,000.00
222	Emergency Preparedness Sunshine Coast	Reception Centre Modernization	0.00	24,967.00	24,967.00
222	Emergency Preparedness Sunshine Coast	EOC Modernization Project	0.00	25,000.00	25,000.00
310	Public Transit	Security Lighting (Public Transit)	0.00	6,000.00	6,000.00
310	Public Transit	Pressure Washer (Public Transit Portion)	0.00	5,250.00	5,250.00
310	Public Transit	Security System & CCTV (Public Transit)	0.00	3,250.00	3,250.00
312	Fleet Services	Loaner Vehicle	0.00	10,000.00	10,000.00
312	Fleet Services	Electric Vehicle Maintenance - Charger/Tools/Diagnostic Equipment	2,122.40	10,000.00	7,877.60
312	Fleet Services	HVAC Maintenance Safety System	0.00	4,000.00	4,000.00
312	Fleet Services	Pressure Washer (Fleet Portion)	0.00	5,250.00	5,250.00
312	Fleet Services	Garage Hoist	0.00	162,000.00	162,000.00
312	Fleet Services	Security System & CCTV (Maintenance Facility)	0.00	3,250.00	3,250.00
312	Fleet Services	Security lighting improvements (Maintenance Facility)	5,866.00	6,000.00	134.00
315	Mason Rd	Mason Road Lease Renewal & Site Plan Implementation	200.00	42,500.00	42,300.00
315	Mason Rd	Corporate Electric Vehicle (EV) Charging Stations-phase 2 (Mason Road Portion)	0.00	45,000.00	45,000.00
345	Ports	West Bay Float	0.00	220,000.00	220,000.00
345	Ports	Halkett Bay Approach	0.00	44,736.00	44,736.00
345	Ports	Major Inspections	0.00	77,600.00	77,600.00
345	Ports	New Brighton Dock Study	0.00	25,000.00	25,000.00
345	Ports	Keats Landing Float & Dolphins	0.00	240,000.00	240,000.00
345	Ports	Gambier Harbour Structural Components	0.00	55,000.00	55,000.00
345	Ports	Eastbourne Wharhead Repairs	0.00	110,000.00	110,000.00
350	Regional Solid Waste	Future Waste Disposal Options Analysis Study	42,663.49	84,010.00	41,346.51
350	Regional Solid Waste	Solid Waste Management Plan	5,927.81	149,547.00	143,619.19
350	Regional Solid Waste	Future Solid Waste Disposal Options Study – Phase 2	1,797.39	150,000.00	148,202.61
350	Regional Solid Waste	RSW Waste Composition Study	44,330.70	100,000.00	55,669.30
351	Regional Solid Waste/ Pender Landfill	Traffic Control Lights for PH Transfer Station	0.00	10,000.00	10,000.00
351	Regional Solid Waste/ Pender Landfill	Pender Harbour Transfer Station Site Improvements – Phase I	4,576.91	96,000.00	91,423.09
352	Regional Solid Waste/ Sechelt Landfill	Biocover Feasibility Study-Phase 2	0.00	150,000.00	150,000.00



# 2022 Preliminary Carry-Forward List

# Attachment- A

352	Regional Solid Waste/ Sechelt Landfill	Power Supply System Replacement Interim Operating Costs	43.75	9,681.00	9,637.25
352	Regional Solid Waste/ Sechelt Landfill	Power Supply Replacement	0.00	197,224.00	197,224.00
352	Regional Solid Waste/ Sechelt Landfill	Sechelt Landfill Stage H+ Closure	0.00	2,500,000.00	2,500,000.00
352	Regional Solid Waste/ Sechelt Landfill	Design, Operations and Closure Plan Update	4,755.25	24,000.00	19,244.75
352	Regional Solid Waste/ Sechelt Landfill	Post-closure Operations and Maintenance Plan	726.00	9,625.00	8,899.00
352	Regional Solid Waste/ Sechelt Landfill	Geotechnical and Seismic Assessment Update	1,418.52	16,800.00	15,381.48
352	Regional Solid Waste/ Sechelt Landfill	Environmental Monitoring Plan Update	5,915.73	7,500.00	1,584.27
352	Regional Solid Waste/ Sechelt Landfill	Hydrogeological Assessment Update	0.00	20,350.00	20,350.00
352	Regional Solid Waste/ Sechelt Landfill	Leachate Management Update	0.00	8,250.00	8,250.00
352	Regional Solid Waste/ Sechelt Landfill	Gas Assessment and Generation Update	0.00	2,640.00	2,640.00
365	North Pender Water	Garden Bay UV Reactor	0.00	37,236.00	37,236.00
365	North Pender Water	Confined Space Document Review	0.00	2,500.00	2,500.00
365	North Pender Water	Water Supply Plan - NPHWS	0.00	95,000.00	95,000.00
365	North Pender Water	Water Meter Data Analytics - NPHWS	431.75	2,734.00	2,302.25
365	North Pender Water	Emergency Generator	0.00	125,000.00	125,000.00
365	North Pender Water	Customer Relationship Management Tool [365]	0.00	2,500.00	2,500.00
365	North Pender Water	NPH Watermain Replacement	0.00	850,000.00	850,000.00
365	North Pender Water	NPH Public Participation-Water Supply Plan Development	0.00	7,500.00	7,500.00
365	North Pender Water	NPH-Water Rate Structure Review (Phase 1)	0.00	2,000.00	2,000.00
365	North Pender Water	NPH-Feasibility Study Long-Term Surface Water Supply Sources	0.00	5,000.00	5,000.00
366	South Pender Water	South Pender Harbour Water Treatment Plant Upgrades	5,389.32	37,819.00	32,429.68
366	South Pender Water	Confined Space Document Review	0.00	5,000.00	5,000.00
366	South Pender Water	Water Supply Plan - SPHWS	0.00	95,000.00	95,000.00
366	South Pender Water	Water Meter Data Analytics - SPHWS	863.49	5,468.00	4,604.51
366	South Pender Water	Customer Relationship Management Tool [366]	0.00	5,000.00	5,000.00
366	South Pender Water	Vehicle Replacement (Unit #436)	0.00	80,000.00	80,000.00
366	South Pender Water	McNeil Lake Dam Upgrades	46,151.32	79,255.00	33,103.68
366	South Pender Water	Dogwood Reservoir Feasibility	0.00	108,000.00	108,000.00
366	South Pender Water	South Pender Harbour WTP Upgrades-Phase 2	1,834.75	20,268.00	18,433.25
366	South Pender Water	McNeil Lake Dam Safety Improvements-Construction	179.76	525,000.00	524,820.24
366	South Pender Water	SPH-Water Rate Structure Review (Phase 1)	0.00	4,000.00	4,000.00
366	South Pender Water	SPH-Feasibility Study Long-Term Surface Water Supply Sources	0.00	10,000.00	10,000.00
366	South Pender Water	South Pender Harbour Watermain Replacement	0.00	600,000.00	600,000.00
366	South Pender Water	SPH Public Participation-Water Supply Plan Development	0.00	7,500.00	7,500.00
370	Regional Water	Exposed Water Main Rehabilitation	0.00	126,198.00	126,198.00
370	Regional Water	Chapman Water Treatment Plant Chlorination System Upgrade	536,462.72	2,076,511.00	1,540,048.28
370	Regional Water	Chaster Well Upgrades (Well Protection Plan - Phase 2)	2,723.25	41,118.00	38,394.75
370	Regional Water	Universal Water Meter Installations - Phase 3 (DOS)	0.00	7,250,000.00	7,250,000.00
370	Regional Water	Implementation of shishálh Nation Foundation Agreement	1,667.62	9,207.00	7,539.38
370	Regional Water	Cove Cay Pump Station Rebuild and Access Improvements	0.00	250,000.00	250,000.00
370	Regional Water	Confined Space Document Review	0.00	22,500.00	22,500.00
370	Regional Water	Reed Road and Elphinstone Watermain Replacement	948,305.25	1,178,070.00	229,764.75
370	Regional Water	Chapman Creek Water Treatment UV Upgrade	28,666.97	250,000.00	221,333.03
370	Regional Water	Bylaw 422 Update	180.00	30,000.00	29,820.00
370	Regional Water	Water Treatment Plant Sludge Residuals Disposal & Planning	46,479.15	558,211.00	511,731.85
370	Regional Water	Water Metering Data Analytics	7,339.65	46,482.00	39,142.35
370	Regional Water	Vehicle Purchase – Strategic Infrastructure Division	0.00	46,500.00	46,500.00
370	Regional Water	Utility Vehicle Purchase (2020)	0.00	46,500.00	46,500.00
370	Regional Water	Groundwater Investigation Phase 2, Part 2	20,640.02	186,563.00	165,922.98
370	Regional Water	Church Road Well- Construction Phase	5,322,534.03	7,897,575.00	2,575,040.97
370	Regional Water	Regional Water Reservoir Feasibility Study Phase 4	0.00	84,965.00	84,965.00
370	Regional Water	Groundwater Investigation-Maryanne West Park	0.00	100,000.00	100,000.00
370	Regional Water	Groundwater Investigation- Langdale	82,588.91	1,277,600.00	1,195,011.09
370	Regional Water	Feasibility Study Surface Water Intake Upgrades Gray Creek	13,059.77	125,000.00	111,940.23
370	Regional Water	Water Supply Plan- Public Participation	0.00	20,000.00	20,000.00
370	Regional Water	Water Supply Plan: Water Distribution Model Update and Technical Analysis	0.00	213,000.00	213,000.00
370	Regional Water	RWS Vehicle Purchases	0.00	210,000.00	210,000.00
370	Regional Water	Chapman & Edwards Dam Improvements	76,227.61	114,345.00	38,117.39
370	Regional Water	Reed Rd. Pump Station Zone 4 Improvements	0.00	70,000.00	70,000.00
370	Regional Water	Chapman & Edwards Lake Communication System Upgrades	7,980.28	74,125.00	66,144.72
370	Regional Water	Eastbourne Groundwater Investigation	18,354.71	350,000.00	331,645.29
370	Regional Water	Customer Relationship Management Tool [370]	0.00	42,500.00	42,500.00
370	Regional Water	Trout Lake Re-Chlorination Station Upgrade	0.00	100,000.00	100,000.00
370	Regional Water	Valve Stems for Selma 2 Isolation	0.00	75,000.00	75,000.00
370	Regional Water	Chapman Lake Dam Safety Improvements – Construction	269.64	783,000.00	782,730.36
370	Regional Water	Edwards Lake Dam Safety Improvements – Construction	284.62	625,000.00	624,715.38
370	Regional Water	RWS-Water Rate Structure Review (Phase 1)	0.00	34,000.00	34,000.00

## 2022 Preliminary Carry-Forward List

## Attachment- A

370	Regional Water	RWS-Feasibility Study Long-Term Surface Water Supply Sources	0.00	210,000.00	210,000.00
370	Regional Water	Single Axle Dump Truck	0.00	225,000.00	225,000.00
370	Regional Water	Light Duty Trucks	0.00	150,000.00	150,000.00
370	Regional Water	RWS Vehicle Purchases (2022)	0.00	200,000.00	200,000.00
370	Regional Water	Emergency Repair Watermain Sechelt Airport	6,243.20	500,000.00	493,756.80
370	Regional Water	Water Supply Plan: Feasibility Study Long-Term Ground Water Supply Sources	0.00	375,000.00	375,000.00
370	Regional Water	EOC - Drought Response 2022	2,864.70	450,000.00	447,135.30
370	Regional Water	Edwards Lake Siphon Decommissioning	0.00	100,000.00	100,000.00
370	Regional Water	Chapman Creek Environmental Flow Requirements Update	7,200.00	50,000.00	42,800.00
381	Greaves Rd WWP	Septic Field Repairs	779.96	5,000.00	4,220.04
382	Woodcreek WWP	Woodcreek Park Inspection Chamber Repairs	0.00	5,964.00	5,964.00
382	Woodcreek WWP	Woodcreek Park-WWTP Collection System Designs	0.00	19,502.00	19,502.00
382	Woodcreek WWP	Woodcreek Park WWTP System Upgrade	10,346.52	968,591.00	958,244.48
383	Sunnyside WWP	Statutory Right of Way- Sunnyside WWTP	0.00	4,000.00	4,000.00
384	Jolly Roger WWP	Statutory Right of Way- Jolly Roger WWTP	0.00	4,000.00	4,000.00
385	Secret Cove WWP	Statutory Right of Way- Secret Cove WWTP	0.00	4,000.00	4,000.00
386	Lee Bay WWP	Lee Bay Collection System Repairs	0.00	13,850.00	13,850.00
387	Squar Bay WWP	Square Bay Infiltration Reduction	591.32	14,677.00	14,085.68
387	Squar Bay WWP	Square Bay Infiltration Reduction Repairs	0.00	20,000.00	20,000.00
388	Langdale WWP	Statutory Right of Way-Langdale WWTP	0.00	4,000.00	4,000.00
388	Langdale WWP	Langdale WWTP Remediation Project	0.00	261,000.00	261,000.00
393	Lily's Lake WWP	Statutory Right of Way-Lily's Lake WWTP	0.00	4,000.00	4,000.00
393	Lily's Lake WWP	System Repairs & Upgrades	1,072.76	35,000.00	33,927.24
410	Pender Harbour Health Clinic	Special Capital Project Request- Vinyl Flooring	0.00	37,726.00	37,726.00
500	Regional Planning	Regional Growth Framework – Baseline Research	35,883.45	39,460.00	3,576.55
500	Regional Planning	Regional Housing Coordinator	39,625.00	86,001.00	46,376.00
504	Rural Planning	Zoning Bylaw 310 re-write	7,880.34	18,285.00	10,404.66
504	Rural Planning	SCRD Planning Enhancement Project	0.00	203,050.00	203,050.00
504	Rural Planning	Planning Enhancement & OCP Harmonization	0.00	115,000.00	115,000.00
615	Community Recreation Facilities	Capital Renewal Plan Projects	127,231.45	1,184,312.00	1,057,080.55
615	Community Recreation Facilities	SAC Sprinkler System Replacement	0.00	173,027.00	173,027.00
615	Community Recreation Facilities	Fall Protection Systems Upgrades-Phase 1	0.00	60,000.00	60,000.00
615	Community Recreation Facilities	Brine Chiller & Condenser (GACC)	0.00	917,600.00	917,600.00
615	Community Recreation Facilities	Health & Safety Requirements-Shower and Eye Wash Station	0.00	105,000.00	105,000.00
615	Community Recreation Facilities	Domestic Hot Water System	4,000.00	35,000.00	31,000.00
615	Community Recreation Facilities	Water Management Plan Implementation- Water Treatment Equipment	0.00	9,500.00	9,500.00
615	Community Recreation Facilities	Carbon Neutral Design – Recreation Facilities	15,248.75	50,000.00	34,751.25
615	Community Recreation Facilities	Recreation Programming Review	13,184.00	16,000.00	2,816.00
625	Pender Pool	Annual Gym Equipment Replacement	0.00	14,437.00	14,437.00
625	Pender Pool	Storage Container	0.00	10,000.00	10,000.00
650	Community Parks	Coopers Green Park Hall & Parking-Design Plans	32,946.00	47,274.00	14,328.00
650	Community Parks	Parks Building (Partial Replacement / Upgrade)	0.00	300,000.00	300,000.00
650	Community Parks	Suncoaster Trail (Phase 2)	0.00	14,751.00	14,751.00
650	Community Parks	Sprockids – Design and Management Plan- Phase 1	0.00	40,000.00	40,000.00
650	Community Parks	Baker Beach & Ocean Beach Esplanade Archaeological and Environmental Studies	0.00	50,000.00	50,000.00
650	Community Parks	Community Led Improvement Projects Support	0.00	20,000.00	20,000.00
650	Community Parks	Mahan Trail Repair	0.00	16,250.00	16,250.00
650	Community Parks	Suncoaster Trail Sign Repair	480.00	5,250.00	4,770.00
650	Community Parks	Katherine Lake Campground Repairs	21,815.73	35,300.00	13,484.27
650	Community Parks	Cliff Gilker Repair Planning	0.00	38,000.00	38,000.00
650	Community Parks	Coopers Green Hall Replacement	45,455.38	4,473,649.00	4,428,193.62
650	Community Parks	Chaster House & Pedestrian Bridge Repairs	348.25	32,500.00	32,151.75
650	Community Parks	Capital Asset Renewal - Coopers Green Park Boat Ramp	1,037.00	35,000.00	33,963.00
665	Bikeways & Wakeways	Lower Road Retaining Wall Repair	911.37	75,000.00	74,088.63
670	Regional Recreation	Legacy Garden and Infrastructure Project	0.00	4,000.00	4,000.00
680	Dakota Ridge	One-Time Minor Capital – Upgrades and Renewal	0.00	33,500.00	33,500.00
680	Dakota Ridge	Replacement of Snowmobile #417	0.00	22,000.00	22,000.00
			<b>8,099,848.31</b>	<b>46,745,055.00</b>	<b>38,645,206.47</b>

## Projects not Recommended for Carry-Over to 2023

## Attachment B

Function #	Service	Project Description	Amount Spent in 2022	2022 Budget Amount	Variance/ Estimated Amount to be Returned	Rational	Notes:
<b>Proposed Project Cancellations</b>							
150	Regional Feasibility	Watershed Governance Feasibility Study	0	30,000	30,000	<b>March 10, 2022-Motion 080/22:</b> <b>Recommendation No. 2</b> Watershed Service Feasibility Study THAT the SCRD forward the Business Case for a Watershed Protection Service to the District of Sechelt, Town of Gibsons, Sechelt Indian Government District, shíshálh Nation, and Skwxú7mesh Úxwumixw for comment. <b>Recommendation No. 3</b> Watershed Service Feasibility Study THAT Option 2 as presented in the Business Case for a Watershed Protection Service, dated March 2022, to increase service levels within existing SCRD services, be explored and incorporated into future public engagement. <b>Recommendation No. 4</b> Watershed Service Feasibility Study THAT the remaining project budget for the Watershed Service Feasibility Study be transferred to [150] Regional Feasibility Studies Operating Reserves. This project was differed from 2021 to 2023 due to resourcing capacity for general election. This was a project recommended by past Board and it is recommended that it be cancelled with the new SCRD Board to review as part of its new Strategic Plan and 2023 Budget Process.	As project is not proceeding it is more appropriate to return funds to taxpayers in 2023.
150	Regional Feasibility	Feasibility for Establishment of Community Social Service	0	20,000	20,000	Scope of original project can not be satisfied within grant funds. This project is going to be cancelled and will be looked at for future grant applications.	Recommend Returning Funds to Taxpayers in 2023
210	Gibsons & District Fire	CRI FireSmart Economic Recovery Fund- GDVFD Firehall Roof Replacement	0	50,000	50,000	This component of the grant project to be cancelled due to SNGD capacity at this time. Will be considered for future grant opportunities.	UBCM to be notified that this component of grant will not proceed at this time.
222	Sunshine Coast Emergency Preparedness	CRI FireSmart Economic Recovery Fund- FireSmart Projects for critical Infrastructure	0	110,000	110,000	This component of the grant project to be cancelled due to SNGD capacity at this time. Will be considered for future grant opportunities.	UBCM to be notified that this component of grant will not proceed at this time.
222	Sunshine Coast Emergency Preparedness	CRI FireSmart Economic Recovery Fund- Skills Development that Leads to Employment	0	11,660	11,660	Project Has been re-evaluated and recommended to be cancelled at this time. Will be assessed as part of the annual capital plan review	Recommend returning funds to capital reserve and will be taken into account as part of funding for capital renewal plan.
210	Gibsons & District Fire	GVFD- Rescue Truck Upgrade	0	100,000	100,000	It was determined that a forklift will not be appropriate equipment to meet service needs. Project being evaluated for the future.	This project was to be funded by Equipment Finance Loan through MFA which will not be proceeding. Funds to be returned to regional water operating reserves
350/352	Regional Solid Waste/Sechelt Landfill	Forklift-Sechelt Landfill	0	25,000	25,000	Project recommended to be done in house.	Recommended that funds be returned to operating reserves.
370	Regional Water	Water Sourcing Policy	0	25,000	25,000	Recent thermal camera imaging assessment determined that the panels are no longer effecting the thermal properties of the building envelope, therefore, it is recommended to cancel this project at this time.	These funds will be restricted and shall be returned to capital reserves.
500	Regional Planning	Regional Housing Conference Partnership	0	10,000	10,000	This was a carry-forward project from 2019 that was addressed through other equipment upgrades.	Recommend we return funds to operating reserves.
615	Community Recreation Facilities	Building Envelope Panel Drying	0	250,000	250,000	Project is being reevaluated and this scope of work has been complete.	Recommend return remaining funds to operating reserves.
615	Community Recreation Facilities	SCA Refrigeration Plant Regulatory Items	0	11,736	11,736	These were completed in house through water dialogues. These continue and are resourced internally.	Recommend return remaining funds to operating reserves.
<b>Not Carried Forward Into 2023</b>							
216	Halfmoon Bay Fire	Firehall #2 Redevelopment Assessment	28,975	45,000	16,025	This was completed and not recommended for carry-over.	Recommend return remaining funds to operating reserves.
370	Regional Water	Water Supply and Conservation Public Engagement 2020 (including Water Summit)	1,065	27,758	26,693		
370	Regional Water	Chapman WTP Intake Debris Removal	1,640	15,000	13,360		

Projects not Recommended for Carry-Over to 2023

Attachment B

370	Regional Water	Edwards Lake Siphon	22,474	63,378	40,904	This is related to 2021 feasibility of installing a siphon at Edwards Lake. This was addressed through the 2022 Drought EOC and subsequent Board motion.	Recommend return remaining funds to operating reserves.
370	Regional Water	Summer Student (4 months) – Water Asset Inventory Update	0	29,092	29,092	This project was completed in 2022 through other sources, including Summer Canada jobs grant.	Recommend return remaining funds to operating reserves.
Modified for 2023							
216	Halfmoon Bay Fire	From: Capital Renewal (HBVFD) To: Truck Purchase	From 251,748	To 131,548	120,200	Many of these projects related to Hall #2 which is planned for rebuild. Therefore, only the truck replacement is recommended to carry-over. Truck has been awarded and awaiting delivery.	Remaining funds will be returned to the capital reserves in consideration of overall capital renewal plan.

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Finance Committee – Pre-Budget-December 5-7, 2022

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

**SUBJECT:** 2023-2027 FINANCIAL PLAN OUTLOOK AND 2023 PROPOSED INITIATIVES

---

### RECOMMENDATION(S)

**THAT the report titled 2023-2027 Financial Plan Outlook and 2023 Proposed Initiatives be received for information.**

---

### BACKGROUND

Sections 374 and 375 of the *Local Government Act* requires Regional Districts to complete a five-year Financial Plan and institute a public participation process to explain the plan.

The purpose of this report is to present preliminary budgetary information on factors which may affect the upcoming Financial Plan such as external and internal considerations, taxation, user rates, staff resourcing as well as items identified as Board priorities. This information does not contain any impacts of assessment changes as the information is not available from BC Assessment until January 1, 2023 and will be presented as part of the Round 1 Budget deliberations scheduled for late January 2023.

All values are preliminary and are subject to change as items such as wage allocations, support service recoveries, contractual obligations, timing of new debt issuances, new Board approvals, and new projects are included through the Budget deliberations leading to the final Financial Plan Bylaw adoption scheduled for March 23, 2023.

### DISCUSSION

#### External Scan

Financial indicators are pointing to an overall deceleration of the economy both in Canada and the world. Some factors contributing to the slow down include inflationary pressures, climbing interest rates, and the continued war in the Ukraine. The 2022 financial outlook expected a rebound to pre-pandemic levels with inflation stabilizing, however, economist now see the real possibility of a recession. Some of the largest risks to Canada are inflation, interest rates, a vulnerable housing sector, high consumer debt, higher energy costs, and a general slow down in the economy could see a shift in unemployment rates which are favourably low at this time. If employment rates remain stable, this can offset shifts in the economy as people continue to spend. The 2022-Q4 results will likely provide some indicators as to where we can expect the economy to go in 2023.

At the end of October 2022, the unemployment rates for the Province were low with 4.2% (Sept. 2021-5.9%) and 3.9% for the Vancouver Island/Coastal region ([Source: WorkBC- Labour market snapshots](#)). There are some job sectors seeing a decline in job activity, however the ones still in demand which affect the SCRD are the utility sector (water & wastewater), public administration, construction, professional and technical.

The Vancouver Consumer Price Indices (CPI) at the end of October 2022, 12-month annual average percent change is up 2.7% over the past 12 months, with the Canadian average up 3.4% ([Source: BC Stats/Statistics Canada - October 2022](#)). Although CPI is one external economic indicator, generally local government spending does not align with consumer goods, therefore, other indices such as fuel, labour, construction, energy, and commodities are segments which are most relevant.

The Municipal Finance Authority of BC's (MFA) long-term borrowing interest rates have increased over the past year (Fall 2021 to Fall 2022) by over 2% in each of the 5-10-20 year terms as follows:

Year		Issue #	5 yr	10 yr	15 yr	20 yr
2022	Fall	158	3.82%	4.09%	4.09%	4.09%
2022	Spring	157	3.07%	3.36%	3.36%	3.36%
2021	Fall	156	1.25%	1.98%	1.98%	1.98%
2021	Summer	154	1.47%	2.41%	2.41%	2.41%
2021	Spring	153	1.53%	2.41%	2.41%	2.41%

MFA equipment financing and short-term daily floating rates have also increased to 4.14% and 4.44% from about 1.04% at the start of 2022. It is likely these rates will increase for 2023 as more rate hikes from the Bank of Canada are expected to ease inflation.

The budgeted interest payments will be updated to reflect current rates right up to budget adoption and will increase from the prior Financial Plan. The SCRD has approximately \$20 million of approved but unissued debt for large capital items such as the Church Rd Well, water meter installation (Sechelt), fire truck replacements, and several equipment items.

Interest earned on term investments range from 2% to 5% and returns on the MFA Bond fund has experienced a negative return for the year but funds are held for longer term needs. Overall, interest earned on investments is increasing as rates rise which will have a positive result on reserve balances and cash flow for the SCRD.

BC Assessment releases preliminary non-market change to the assessment base in mid-November. This figure is mainly attributable to growth but does include other items such as changes in use/zoning or change in exemption status. Updated non-market change values for 2022 assessment roll impacting 2023 budget will be presented at Round 1.

Other types of data for consideration of the Financial Plan is the community profile available through the 2021 Statistic Canada Census:

- Population of the Sunshine Coast is estimated at 32,170 and over 33% is over 65 years of age. Typically, these individuals are on fixed incomes.
- Median after-tax income of one-person households in 2020 (\$) 35,600 and median after-tax income of two-or-more-person households in 2020 (\$) 85,000.
- Total private dwellings is 17,982 and 14,935 are occupied by residents.

### SCRD Internal Scan

The total approved budget for 2022 was approximately \$55 million for operating and \$42 million capital. These values do not account for Financial Plan amendments throughout the year. Overall property tax increased 7.42% in 2022 (15.63%- 2021). The Budget for 2023 is expected to exceed 2022 and below is a summary of current and emerging situation as we proceed with the Budget process for the Boards consideration.

Amendments for wage and benefits have been factored into the preliminary figures. Collective Agreement rates for 2023 are 2.5% and both the exempt management and Director remuneration Bylaws are planned for review by the Board to reflect the Vancouver CPI 12 month annual % average at October 31 which is noted above (2.7%). If approved, these amounts will be updated for the Round 1 Budget figures.

There are items which were previously approved by the Board which will impact (increase or decrease) the 2023-2027 Financial Plan as summarized below:

- New contract costs such as the Sechelt Landfill operation costs and 2023 insurance premiums;
- The full year impact in 2023 of new hires approved in 2022 as they are pro-rated;
- Projects funded by taxation in 2022 which drop off in 2023 such as the HMBVFD Firehall #2 project for \$250k;
- Support Services allocations -increases mostly due to wage increases;
- Approved Transit service expansion for increased frequency to Route 90 and extended service for Custom Transit;
- Debt servicing changes (principal and interest) if applicable;
- Full cost of Planning Enhancement & OCP Harmonization approved in 2022
- Increases due to taxation in 2023 due to 2022 taxes being reduced one-time from operating reserves or 2021 surpluses to fund operating costs.



### 'What-if' Taxation Scenarios

A preliminary 'what-if' property taxation scenario has been provided below if each category of the proposals were approved. New\* this year, we have included the capital plans into the financial implications.

	Area A	Area B	Area D	Area E	Area F	SNGD	DoS	ToG	Total
<b>Baseline Status Quo 2023 FB</b>	6.14%	1.30%	7.21%	5.14%	5.34%	5.42%	6.50%	4.66%	<b>5.10%</b>
<b>2022 Deficits</b>	0.94%	0.53%	0.56%	0.56%	0.51%	0.15%	0.27%	0.19%	<b>0.49%</b>
<b>Non Discretionary</b>	1.11%	0.85%	0.86%	0.85%	0.94%	0.75%	0.88%	0.62%	<b>0.87%</b>
<b>Discretionary</b>	7.81%	5.20%	5.01%	4.93%	5.59%	7.14%	7.29%	5.07%	<b>5.94%</b>
<b>Not Recommended</b>	1.74%	1.06%	1.04%	1.05%	1.31%	0.65%	0.60%	0.39%	<b>1.01%</b>
<b>Capital Plan Implications</b>	1.45%	3.13%	3.03%	2.25%	2.23%	3.43%	3.01%	1.94%	<b>2.52%</b>
	<b>19.20%</b>	<b>12.07%</b>	<b>17.71%</b>	<b>14.78%</b>	<b>15.92%</b>	<b>17.53%</b>	<b>18.56%</b>	<b>12.87%</b>	<b>15.93%</b>

It should be noted that these values are preliminary and subject to change leading into Round 1 as the base budget is refined and the 2023 BC Assessment roll is released. For instance, the timing of new approved debt issuance will be updated to reflect current project completion timelines prior to Round 1. In addition, the 2023 assessment roll will be released on January 1 and will have an impact on the apportionment by area.

2023 user rates and parcel taxes have yet to be approved for Regional Water Service [370], North Pender Harbour Water Service [365], South Pender Harbour Water Service [366], the Waste Water Facilities Services [380-395], and are scheduled to be presented on December 9. The Community Recreation Facilities [615] and Pender Harbour Pool [625] parcel taxes for debt servicing are expected to remain the same or decrease slightly for 2023.

### *5 Year Historical Budget Data*

Below is an updated five-year summary of taxes, full time employee counts and inflation data.

Historical Budget Details	2019	2020	2021	2022	Cumulative Change 2019-2022	Preliminary 2023
<b>Ad Valorem Taxation</b>	20,218,598	21,168,636	24,449,191	26,262,456	6,043,858	27,600,967
% Change Over Prior Year	6.47%	4.70%	15.50%	7.42%	29.89%	0.01%
<b>FTE Count</b>	198.03	206.00	223.50	236.02	37.99	234.77
% Change Over Prior Year	1.22%	4.02%	8.49%	5.6%	19.18%	-0.56%
<b>Inflation*</b>	2.9%	2.4%	2.0%	2.0%	9.3%	2.7%

\*Statistics Canada, Annual Average % Change as at October 31

### Emerging Items for 2023

The following items are currently in progress and have the potential to impact the budget in 2023:

- Result of project tendering and potential funding shortfalls.
- Successful approval or application toward future grant projects.



- Utility Rate Reviews – water, wastewater and curbside collection rate reviews and Bylaw amendments.
- Transit Annual Operating Agreement (AOA); final AOA is not executed until after budget adoption.

2022 Carry-forward Projects and 2023 Proposed Initiatives

A summary of projects has been included in the agenda. New projects are shown as white line items and carry-forwards are in pink. This year, a revised rating structure for new has been provided: Categorized Non-Discretionary, Discretionary, and Not Recommended. These have been provided by Department and by Rating. All the proposed initiatives are then summarized based on the associated rating for each function / service, including overall financial, human resource and taxation implications.

There are approximately 187 carry-forward projects, 87 new 2023 staff recommended proposals and 17 that are not recommended proposals. The not recommended are presented as there may be past direction to bring an item forward for consideration, however, after a review of the overall priorities, staff are not recommending these at this time. An approximate summary of all the costs and associated funding for the 2023 proposals are as follows:

<b>TOTALS:</b>			
\$ 2,421,911.00	1	1-Taxation	
\$ 945,741.00	2	2-User Fees	
\$ 220,000.00	3	3-Support Services	
\$ 3,131,320.00	4	4-Reserves	
\$ 6,785,120.00	5	5-Other (Grant, Fees, etc.)	
<b>\$ 13,504,092.00</b>	<b>TOTAL OF ALL PROJECTS</b>		

For Pre-Budget, staff seek direction in the following areas:

- 2022 Carry-forward projects- if there are projects from prior years the Committee would like to defer or not carry-forward into the 2023-2027 Financial Plan over and above those already recommended items in prior staff report?
- If there are specific projects the Committee would **not** like to come forward as a budget proposal to R1 in January?
- If the Board would like options for prioritization as outlined above?

All other remaining projects are to be brought forward for the Board to consider during the Round 1 Budget deliberations.

The Senior Leadership Team (SLT) have reviewed the projects proposed and will be present to respond to any queries the Committee may have.

*Timeline for next steps or estimated completion date*

Round 1 Budget meetings are scheduled for January 23-25, 2023 with Round 2 Budget meetings scheduled for February 21-22, 2023. Community partners and stakeholders will present at Round 1.

Final adoption of the 2023-2027 Financial Plan Bylaw is scheduled for the March 23, 2023 Regular SCRD Board meeting.

*Communication Plan*

The communication plan for the 2023 Budget was presented at the November 24 Committee of the whole and is scheduled to begin this week.

**STRATEGIC PLAN AND RELATED POLICIES**

The financial planning process is directly linked to the Board's Strategic Plan, Corporate Plans, and Policies.

**CONCLUSION**

An external and internal economic scan has been provided in advance of the Financial Planning process.

What-if' property tax scenarios have been provided for each proposed initiative category. User rate, parcel tax, and frontage fee reports for utilities will be presented at a Special Committee of the Whole with Bylaw approvals December 15, 2022.

This is preliminary information which will be provided through the Round 1 and 2 budget deliberations in anticipation of the 2023-2027 Financial Plan Bylaw adoption scheduled for March 23, 2023.

Attachment A: 2022 Carry-Forwards and 2023 Proposed Initiatives

Reviewed by:			
Manager		Finance	
GM	X - R. Rosenboom X – I. Hall X – S. Gagnon	Legislative	X – S. Reid
CAO	X – D. McKinley	Other	

Function No.		Stage	Project Title	Description	Carry Forward Amounts		Service Participants	Locations of Work / Proposal	Category	Pkg #	Amount	Funding Source Code		Funding Source	Additional Funding Source (or Other description)	FTE Request	Approved/Fee # (to be hidden)	Ints Adjust (to be hidden)	Amount (to be hidden)	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Total Budget / Taxation	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																
CORPORATE AND ADMINISTRATIVE SERVICES																					Area A	Area B	Area D	Area E	Area F	DOS	ToG	SNGD																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												



Function No.		Stage	Project Title	Description	Comm-Fund Amounts	Service Participants	Locations of Work / Proposal	Category	Pkg #	Amount	Funding Source Code	Funding Source	Additional Funds Source (or Other description)	FTE Request	Approver/Use # (to be hidden)	Ints Adjust (to be hidden)	Amount (to be hidden)	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Total Budget / Taxation	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals					
COMMUNITY SERVICES																		Area A	Area B	Area D	Area E	Area F	DOS	ToG	SNGD																		
310			Public Transit - Building Improvements - Increased Safety (see additional approved in 2022)	Increased Safety and Security at Mason Road site (e.g. Security system, CCTV and improved external lighting). Requested a Privacy Impact Assessment (PIA) be completed for CCTV and security system on April 6, 2021. June 4 update, waiting for PIA to be completed for CCTV. Update August 12 - Quotes received for light pole installation. Will be unable to complete all the projects within the approved budget, but will move forward with the most critical item first (external parking lot lighting). Work anticipated to be completed in September 2021. CCTV and security project to be carried forward to 2022, additional budget request approved and included in 2022 Budget. Mar 22 update: Additional budget approved in March 2022. Project to commence in Q2. May 9 update: Light post installed, lights on back order until August. PIA for CCTV 50% complete. Jul 14 update: Light installed on May 24th and 100% functioning. Waiting for Legislative Services to review Privacy Impact Assessment before moving to RFQ for CCTV and Security. Nov 24: No change. New manager on board, and will prioritize in Q1 2023.	\$6,000	B, D, E, F, DoS, SNGD, ToG	Sechelt																																				
310			Public Transit - Security System and CCTV	The budget approved in 2021 for this project included the installation of exterior lighting in the parking lot. The budget was insufficient to complete both projects. This request is to fund the balance required to move forward with the security system and CCTV's. (see CF - Building Improvements Increased Safety) Mar 22 update: Additional budget approved in March 2022. Project to commence in Q2. April 8 Update: Light post installed on March 1st. Lights on back order until mid April. May 9 update: Light post installed, lights on back order until August. PIA for CCTV 50% complete. Jul 14 update: Light installed on May 24th and 100% functioning. Waiting for Legislative Services to review Privacy Impact Assessment before moving to RFQ for CCTV and Security. Nov 24: No change. New manager on board, and will prioritize in Q1 2023.	\$3,250	B, D, E, F, DoS, SNGD, ToG	Sechelt																																				
310			Public Transit - Permanent Enhanced Cleaning Standards (1.4 FTE)	In response to the global pandemic, BC Transit required enhanced cleaning standards including the requirement to disinfect buses every day. In 2021 and 2022, one-time operating funding was approved to support the additional wages required to fulfill this commitment to BC Transit. In 2022, these enhanced cleaning standards were built into the Annual Operating Agreement with BC Transit and is now a permanent cleaning standard that needs to be built into the base budget. The project requests ongoing base budget lift to support the additional wages (~ 49 hours/week).		B, D, E, F, TOG, DOS, SNGD	B, D, E, F, TOG, DOS, SNGD	NON DISC		\$103,714	1	1-Taxation	Taxation \$51,900 and BCT \$51,857	1.40				0	\$0.00	0.00%	15.41	\$15,982.33	0.118	11.64	\$12,072.31	0.089	8.94	\$9,272.03	0.069	14.95	\$15,505.24	0.115	32.43	\$33,634.45	0.249	14.29	\$14,820.73	0.110	2.32	\$2,406.16	0.018		
310	Not Rec		Public Transit - Promotion and Marketing - Sunshine Coast Transit	The SCRD currently relies on BC Transit for all marketing and promotion initiatives. 3 Year Pilot. Ridership levels have not recovered to pre-pandemic levels. Promoting transit as a transportation alternative to private vehicles, would help in achieve climates strategies. This project proposes that the SCRD take an active role in the promotion and marketing of our local transit system and is intended to result in: - increased ridership - increased community awareness of the local transit system and improving community goodwill - providing educational opportunities in the schools to build a future generation of transit users - improved employee satisfaction		B, D, E, F, TOG, DOS, SNGD	B, D, E, F, TOG, DOS, SNGD	Not Rec		\$10,000	4	4-Reserves	Operating Reserves						\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%					
310			Public Transit - Standby Compensation (Base Budget)	The transit division provides a daily call out list to the 3rd party. This list outlines what drivers/employees to call for coverage and in the order required through the collective agreement based on seniority. Frequently, the 3rd party is unable to secure a driver, which results in management working outside of normal business hours to find an available driver. Transit is proposing a one year pilot to trial a new process that would include a driver on call, with the intended outcome of minimizing the number of hours management is required to work over and above their normal business hours and lead to less disruption to their home life/better work life balance.	\$49,744	B, D, E, F, TOG, DOS, SNGD	B, D, E, F, TOG, DOS, SNGD	DISC			1	1-Taxation						0	\$0.00	0.00%	15.41	\$7,665.65	0.057	11.64	\$5,790.20	0.043	8.94	\$4,447.11	0.033	14.95	\$7,436.73	0.055	32.43	\$16,131.98	0.119	14.29	\$7,108.42	0.053	2.32	\$1,154.08	0.009		
310			Public Transit - Base Budget Increase	A staff report will be brought forward to a subsequent Board meeting that will outline the base budget increases required within the Annual Operating Agreement with BC Transit to maintain service levels, to address internal non-shared costs like fleet maintenance and support services, and to address the 2023 proposed service expansion approved in principle by the Board.	\$225,256	B, D, E, F, TOG, DOS, SNGD	B, D, E, F, TOG, DOS, SNGD	NON DISC			1	1-Taxation	Combination of Taxation, BCT Cost Share, and Covid Restart/Reserve funds					0	\$0.00	0.00%	15.41	\$34,711.92	0.257	11.64	\$26,219.80	0.194	8.94	\$20,137.86	0.148	14.95	\$33,675.77	0.249	32.43	\$73,050.52	0.541	14.29	\$32,189.08	0.238	2.32	\$5,225.94	0.039		
312			Fleet Maintenance - Garage Hoist Replacement	Replace a hoist in garage (used to service various fleet including buses, fire trucks, dump truck and backhoe) which is at the end of life (2006) and does not meet current ALI certification standards. Jul 14 update: RFP to be completed in August. In discussion with BC Transit for possible financial contribution towards the hoist through the annual operating agreement. Sep 22 update: RFP closed and looking to award before end of September. Nov 24: Contract awarded. Hoist ordered, but will take up to 6 months to receive. Project completion estimated for end of Q3 2023. Budget increased by Resolution 24/722 #9.	\$162,000	All	Sechelt																																				













[illegible]









Function No.	Status	Project Title	Description	Carry Forward Amounts	Service Participants	Location(s) of Work / Proposal	Category	Pkg #	Amount	Funding Source Code	Funding Source	Additional Funds Source (or Other description)	FTE Request	Approver/Ref # (to be hidden)	Ints Asgmt (to be hidden)	Amount (to be hidden)	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Total Budget / Taxation	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals	Participation Ratio %	Budget Item Cost	% of Budget / Proposals				
665 / 667	Not Rec	Bicycle and Walking Paths (All and Area A) - Expansion Priorities	In 2014/15, several different sections of Bicycle/Walking pathway projects were started. Numerous challenges were encountered along the way that led to these projects being put on hold. Staff reviewed these projects and identified six pathway segments that are in alignment with approved planning documents. These include: Area A - Garden Bay Road (~3250m from Pool Rd to Falconbridge Rd, requires retaining wall); Egmont Road (~1230m from Waugh Lake to Egmont); Area B - Redroofs Rd (~150m from Mintie Rd to O'Brien Rd, requires retaining wall); Area D - Lower Road (~3555m remaining sections); Area E - Gower Point Rd (~115m from Secret Beach to Gibsons electoral boundary, requires retaining wall); Area F - Marine Drive Ph 2 (~1310m both sides of road). This proposal recommends engaging an engineer to develop detailed designs for pathway development and cost estimates to inform 2024 budget proposal for actual construction. Estimated capital construction for all segments is \$7M with associated ongoing operating cost.		A, B, D, E, F	A, B, D, E, F	Not Rec		\$294,000	5	5-Other (Debt, Grant, Fees, etc.)	Gas Tax - Various					\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		
665 / 667	Not Rec	Bicycle and Walking Paths (All and Area A) - Network Plan	The SCRD has approximately 37km of existing Active Transportation Infrastructure (ATI). There continues to be ongoing community requests for ATI across all electoral areas. Currently, ATI priorities are determined in part by utilizing SCRD planning documents and OCP's that are 10+ years old. While helpful, the SCRD's population, communities, age structure, and priorities have changed significantly since these planning documents were developed. As result, there is risk of allocating time and budget to ATI projects that may no longer effectively serve our community needs. An Active Transportation Network Plan (ATNP) is a key component of developing an integrated regional approach for human powered transportation by providing a comprehensive set of guidelines that offer best practice recommendations for planning, selection, design, engineering, implementation, and maintenance of active transportation infrastructure (ATI). This budget request is to hire a consultant for the development of an Active Transportation Network Plan for the SCRD to provide a framework, with clear priorities, that will coordinate the design of ATI and develop a culture of active transportation in the Region. Development of an ATNP will place the SCRD in a better position to pursue Federal and Provincial grant funding for ATI development as well as to coordinate local government funding such as the Community Works funds.		A, B, D, E, F	A, B, D, E, F	Not Rec		\$75,000	5	5-Other (Debt, Grant, Fees, etc.)	Gas Tax - Various					\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		\$0.00	0.000		
		SUBTOTAL CS		\$	6,676,921.55				\$	3,786,176.00			3.08		-	\$	-		\$37,713.99	1.557		\$107,320.96	4.431		\$79,644.86	3.297		\$62,103.26	2.564		\$109,461.46	4.520		\$159,690.20	6.602		\$69,574.03	2.873		\$11,205.89	0.463



# Attachment A

[illegible]

Function No.	Status	Project Title	Description	Carry Forward Amounts	Service Participants	Location(s) of Work / Proposal	Category	Pkg #	Amount	Funding Source Code	Funding Source	Additional Funding Source (or Other description)	FTE Request	Appropriation: # (to be hidden)	IR Adjust (to be hidden)	Amount (to be hidden)	% Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Total Budget Taken Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost	% of Budget Proposed Participation Ratio % Budget Item Cost
--------------	--------	---------------	-------------	-----------------------	----------------------	--------------------------------	----------	-------	--------	---------------------	----------------	--	-------------	---------------------------------	--------------------------	-----------------------	--	---	---	---	---	---	--	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---



Function No.	Stage	Project Title	Description	Can't Overage Amounts	Service Participants	Location of Work / Proposal	Category	Pkg #	Amount	Funding Source Code	Funding Source	Additional Funds Source (or Other description)	FTE Request	Approver/Ref # (to be hidden)	Ints Adapt (to be hidden)	Amount (to be hidden)	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal			
INFRASTRUCTURE SERVICES																																								
350		Regional Solid Waste - Power Supply Repair Sechelt Landfill including Interm Operating Costs	The current propane generator that is used to supplement the solar-based power system for the Sechelt Landfill has failed mid-February 2021. The site is currently using a diesel generator on a temporary hook up until a new generator is procured and installed. Power is required for the scale, computer and telephone for example. Development of RFP and SRW for connection to BC Hydro grid has been initiated	\$206,861	All	Regional																																		
350		Regional Solid Waste - Future Waste Disposal Options Analysis Study (Phase 1)	Results of Part 1 and 2 were presented at January 20, 2021 Special Infrastructure Services Committee meeting. Results Part 3 were presented at July ISC meeting. RFP for feasibility study for one additional site and second option on landfill siting options did not result in securing contractor. Results will be presented late Q4 2022 or early Q1 2023	\$41,347	All	Regional																																		
350		Regional Solid Waste - Pender Harbour Transfer Station Site Improvements - Phase 1	The site inspection by an engineer in 2021 included that significant upgrades are required to this site. Phase 1 will include the urgent upgrades and the design for Phase 2. Phase 1 upgrades started and XCG Contract Amended to include design work for 2023 upgrade program	\$91,423	All	A																																		
350		Regional Solid Waste - Regulatory Reporting for Sechelt Landfill	Mandatory Ministry of Environment reports to be prepared by the SCRD's contracted engineering firm. Design, Operations and Closure Plan Update; Post-closure Operations and Maintenance Plan Update; Geotechnical and Seismic Assessment Update; Environmental Monitoring Plan Update; Hydrogeological Assessment Update; Leachate Management Update; Gas Assessment and Generation Update	\$76,350	All	Regional																																		
350		Regional Solid Waste - Sechelt Landfill Stage H+ Closure	The Design, Operation and Closure Plan (DOCP) requires that the landfill be progressively closed as it reaches its final height, in areas that will no longer receive waste. Stage H+ represents an area that has reached its fill capacity based on height and now requires closure. Project deferred until Contact Pond relocation options analysis is completed. XCG contract amendment completed to include design work, which will be integrated with the contact pond options.	\$2,500,000	All	Regional																																		
350		Regional Solid Waste - Waste Composition Study	Conduct a waste composition study of residential garbage collection, drop-off bins at Pender Harbour Transfer Station and Sechelt Landfill and commercial garbage delivered to the Sechelt Landfill. Study would occur at two points in 2021 and will support the evaluation of the implementation of new organics diversion services and guide the SWMP update (incl. waste disposal post landfill closure). Delayed until 2022 both audits were completed and a summary report, with recommendations, be presented to the Board in Q1 2023	\$55,669	All	Regional																																		
350		Regional Solid Waste - Future Solid Waste Disposal Option Study (Phase 2)	Development of preliminary design, cost estimates and advance the confirmation of the feasibility of a new landfill and transfer station. Scope will depend on findings Phase 1.	\$148,203	All	Regional																																		
350		Regional Solid Waste - Solid Waste Management Plan Update	RFP was awarded in Jun 2022. Work will begin Summer 2022, for engagement in early 2023	\$143,619	All	Regional																																		
350		Regional Solid Waste - Islands Clean-Up (Additional Funding - Base Budget)	SCRD Island residents do not receive regular garbage collections services. Islands Clean Up has been established by SCRD to provide annual collection events on Keats, Gambier, Thormanby, Trail, Nelson and Hardy Islands. The third year of the 3-year contract with Mercury Transport to provide the barge and transport services will be complete in 2022. The contract allows for a two year renewal. SCRD would like to extend the contract. The contract costs have increased 24% from 2022 primarily due to increased fuel costs.		All	B Islands and F Islands	Disc		\$35,000	1	1-Taxation	Base Budget Increase					15.56	\$5,442.50	0.040	13.02	\$4,557.00	0.034	9.83	\$3,440.50	0.029	7.55	\$2,042.50	0.020	12.63	\$4,420.50	0.033	27.39	\$9,586.50	0.071	12.07	\$4,224.50	0.031	1.96	\$686.00	0.009
350		Regional Solid Waste - Future Waste Disposal Option Analysis - Phase 2 (Additional Funding)	The scope of this project in 2021 was defined as: "This budget proposal is for the development of preliminary design, cost estimates and advance the confirmation of the feasibility of a new landfill and transfer station and will include assessments on items such as land use, land ownership, engineering, archeology, geology, ecology and regulatory framework. Public participation on these options would also be part of this project." Staff were directed to undertake a second opinion to confirm the landfill siting options identified in Phase 1. As such, confirmation of the feasibility landfill sites can be considered to be part of the scope of the Phase 2 project, this work is currently funded from the Phase 2 budget. Consequently additional funding is required to complete the original deliverable of this Phase 2 project.		All	Regional	Disc		\$75,000	1	1-Taxation	One Time					15.56	\$11,062.50	0.089	13.02	\$9,765.00	0.072	9.83	\$7,372.50	0.065	7.55	\$5,662.50	0.042	12.63	\$9,472.50	0.070	27.39	\$20,542.50	0.152	12.07	\$9,062.50	0.067	1.96	\$1,470.00	0.011
350		Regional Solid Waste - Green Waste Program (increased tonnages)	Green waste can be dropped off at the South Coast Residential Green Waste Drop-off Depot, Pender Harbour Transfer Station, and Salish Soils (on behalf of the Sechelt Landfill) as well as two commercial sector green waste drop-off locations. The green waste recycling program consists of two components: Green Waste processing and Green waste hauling. The actual total annual costs for green waste processing are based on the tonnage received at the SCRD green waste drop-off locations. An increase to the green waste tonnage the SCRD receives, which requires processing into compost, results in higher contracted costs.	\$140,000	All	Regional	Disc			1	1-Taxation	Base Budget Increase					15.56	\$21,770.00	0.161	13.02	\$18,228.00	0.136	9.83	\$13,762.00	0.102	7.55	\$10,970.00	0.078	12.63	\$17,682.00	0.131	27.39	\$38,346.00	0.284	12.07	\$16,898.00	0.125	1.96	\$2,744.00	0.020



[illegible]



[illegible]



Function No.	Status	Project Title	Description	Carry Forward Amounts		Service Participants	Locations of Work / Proposal	Category	Proj #	Amount	Funding Source Code	Funding Source	Additional Funding Source (or Other description)	FTE Request	Approver/Office # (to be hidden)	IPA Adjust (to be hidden)	Amount (to be hidden)	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal	Participation Ratio %	Budget Item Cost	% of Budget / Proposal
370		Regional Water Service - Trout Lake Re-chlorination Station Upgrade	The Trout Lake re-chlorination station is aged and needs an upgrade. The work will involve the demolition and removal of existing roof along with engineering and installation of the replacement roof by contracted resources. A review of the best and most efficient way of replacing the current piping and chlorination assets will also be engineered and upgraded. Project on hold due to staff vacancies. The goal is to initiate this work in Q2 2023.		\$100,000	A, B, D, E, F, F Islands and DoS	B																															
370		Regional Water Service - Vehicle Purchases	This project is to purchase four (4) vehicles. The two electric vehicles have been ordered and 465 and 491 still need to be tendered. • Two (2) new Fully Electric Vehicles to support staffing requirements (incl. the purchase of EV that was deferred as part of 2021 Budget process). • Two (2) replacement vehicles of vehicles #465 (2012) Escape and #491 (2013 F150) is required due to high mileage and increasing maintenance costs. Electric vehicles are tendered.		\$200,000	A, B, D, E, F, F Islands and DoS	Regional																															
370		Regional Water Service - Exposed Water Main Rehabilitation	Repainting of the Chapman, and Sechelt Inlet Road Segments Completed. Remaining unexpended funds to be used to fund other waterline segments in 2023.		\$126,198	A, B, D, E, F, F Islands and DoS	B, D, DoS																															
370		Regional Water Service - Bylaw 422 Update	Reviewing potential proposals for changes to Bylaw 422. Phase 1 was completed in Q1 2022, to update the water conservation regulations, some definitions and provisions. Phase 2 will be scoped and initiated in Q4 2022, for broader bylaw modernization.		\$29,820	A, B, D, E, F, F Islands and DoS	Regional																															
370		Regional Water Service - Chapman Lake Dam Safety Improvements - Construction	Complete the tendering and construction of the dam safety improvements which will consist of strengthening the face and the base of the dam by adding steel reinforcement into adjoining bedrock, increasing the height of the maintenance walkway above flood lake level, installing a log boom upstream, new public access signage, a water level gauge and new dam security gate. Permitting is taking longer than anticipated. Construction deferred until 2023.		\$782,730	A, B, D, E, F, F Islands and DoS	D																															
370		Regional Water Service - Edwards Lake Dam Safety Improvements - Construction	Complete the tendering and construct the dam safety improvements which will consist of replacing the stop logs with a sluice gate and a lifting device, increasing the height of the maintenance walkway above flood lake level, installing a log boom upstream, new public access signage, a water level gauge and new dam security gate. Permitting is taking longer than anticipated. Construction deferred until 2023.		\$624,716	A, B, D, E, F, F Islands and DoS	D																															
370		Regional Water Service - Groundwater Investigation Round 2 Phase 3	Langdale: Test well drilling of the pilot holes completed in June . Production size test well drilling began in July with productivity testing to be completed in November, pending drought restrictions being lifted. Maryanne West: monitoring plan development plan scheduled to be initiated in Q4 2022		\$1,195,011	A, B, D, E, F, F Islands and DoS	E and F																															
370		Regional Water Service - Water Supply Plan: Feasibility Study Long-Term Ground Water Supply Sources	In order to explore the potential of new sites in 2022/2023 the following approach is recommended: - Update 2017 desktop study with most recent information and analytical tools. - Drilling of smaller wells for increased understanding of factors such as aquifer types, depth, composition - Drill, test and analyze up to 3 additional test wells to confirm their potential water supply potential. (estimated at \$100,000 each) - Contingency allowance Given the current workload for the Capital Project Division it's anticipated that this project could be initiated late 2022/early 2023 for completion late 2023 at the earliest.		\$375,000	A, B, D, E, F, F Islands and DoS	Regional																															
370		Regional Water Service - Meters Installation Phase 3 District of Sechelt	AAIP successful to secure the electoral approval for the Long-Term Loan for this project. RFP to secure meter supplier/installer is being drafted targeting Q4 release.		\$7,260,000	A, B, D, E, F, F Islands and DoS	Sechelt																															
370		Regional Water Service - Feasibility Study Surface Water Intake Upgrades Gray Creek	The flow monitoring equipment was installed in late September, followed by flow monitoring for the next two years.		\$111,940	A, B, D, E, F, F Islands and DoS	Sechelt																															
370		Regional Water Service - Reed Road and Elphinstone Road Water Main Replacement	Work is included in construction tender of Church Road project and the replaced and upsized water mains have been installed and are operational Project Holdback won't be released until 2023		\$229,765	A, B, D, E, F, F Islands and DoS	E																															
370		Regional Water Service - Chapman and Edwards Lake Communication System Upgrade	Installation of a radio repeater to improve the reliability and create redundancy in the communication system with the lake level monitoring and control systems for Chapman and Edwards Lake. Starlink satellite installed at Chapman Lake, communication reliability improved, Wi-Fi at dam now, will also support photographs to be taken, no need for radio repeater. A camera still needs to be installed. Project substantially Complete		\$66,145	A, B, D, E, F, F Islands and DoS	D																															
370		Regional Water Service - Emergency Repair Watermain Sechelt Airport			\$493,757	A, B, D, E, F, F Islands and DoS	Sechelt																															
370		Regional Water Service - Installation and Decommissioning of the Edwards Lake Siphon System and Drought Response Costs			\$547,135	A, B, D, E, F, F Islands and DoS	Regional																															
370		Regional Water Service - Chapman Creek Environmental Flow Requirements Update	Request for an amended EFN (combination of 200 l/s, 180 l/s and 160 l/s) have been submitted to FLNRORD for their review. Submission to DFO will be initiated at later point		\$42,800	A, B, D, E, F, F Islands and DoS	D																															









Function No.	Status	Project Title	Description	Carry Forward Amounts	Service Participants	Locations of Work / Proposal	Category	Pkg #	Amount	Funding Source Code	Funding Source	Additional Funds Source (or other description)	FTE Request	Approver/Use # (to be hidden)	HR Adjust (to be hidden)	Amount (to be hidden)	Participation Ratio %	Budget Item Cost	% of Budget Proposals	Participation Ratio %	Budget Item Cost	% of Budget Proposals	Participation Ratio %	Budget Item Cost	% of Budget Proposals	Participation Ratio %	Budget Item Cost	% of Total Budget Taxation	Participation Ratio %	Budget Item Cost	% of Budget Proposals	Participation Ratio %	Budget Item Cost	% of Budget Proposals	Participation Ratio %	Budget Item Cost	% of Budget Proposals			
381 / 395		Wastewater Treatment Plants (Various) - Pumpout Costs	The SCRD operates and maintains 15 wastewater treatment facilities. Each facility requires removal of sludge to effectively treat the raw sewage (influent) and produce effluent that meets regulatory requirements. The hauling contractor and the District of Sechelt have increased their fees for pumping out and disposing of sludge, current base budget is not sufficient to cover the increase cost of pumpouts.		All	Various	NON DISC		\$22,235	2	2-User Fees							\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%			
383 / 384 / 385 / 388 / 393		Wastewater Treatment Plants (Various) - Outstanding Right of Way	Wastewater plants and collection lines often cross private property to allow for correct alignment. Infrastructure on private land needs to be maintained and operated by the SCRD and need legal Statutory Right of Way (SROW) or easements are required. Through the Asset Management Plan development and further investigation of a number of wastewater plants and collection systems have been identified as missing these documents for various reasons. All outstanding ROW issues have been identified and staff will be communicating with property owners. Square Bay removed as per Board direction. Resolution of other ROWs is on hold due to staff vacancies	\$20,000	A, B, E, F	A, B, E, F																																		
384 - 385		Secret Cove / Jolly Roger Wastewater Treatment Plants - Outfall Maintenance Phase 1	The Secret Cove and Jolly Roger Wastewater treatment Plants operate under a permit issued by the Ministry of the Environment. A condition of the permit is that the treatment plants ocean outfall be inspected once every 5 years. The last time the outfall for Secret Cove and Jolly Roger was inspected was December of 2017. On September 2, 2022 the outfall for the WWTPs floated to the surface, the SCRD hired a local dive team to re-sink the outfall as an emergency. Approximately 2.5 weeks later the outfall floated to the service again. The SCRD hired a dive team to re-sink the outfall and complete an inspection. The dive team noted that the outfall had anchors that needed replacement and that the outfalls current anchoring spacing isn't as per installation specifications.		B	B	DISC		\$22,000	4	4-Reserves	Operating						\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%		\$0.00	0.00%			
		SUBTOTAL ISC		\$ 26,868,132.37					\$ 7,739,331.00				-		-	\$ -		\$115,925.28	4.78%		\$97,064.10	4.00%		\$73,282.65	3.02%		\$56,285.25	2.32%		\$94,156.65	3.88%		\$204,192.45	8.43%		\$89,981.85	3.71%		\$14,611.80	0.60%
		Net Cost of Budget Proposals		\$ 38,638,828.55					\$ 13,504,092.00			12.61		-	\$ -			\$233,893.57	9.65%		\$271,579.79	11.21%		\$203,868.09	8.41%		\$157,368.13	6.48%		\$276,804.81	11.51%		\$451,976.28	18.62%		\$198,289.89	8.18%		\$35,937.09	1.46%
								TOTALS:																																
								\$ 2,421,911.00	1	1-Taxation								\$ 2,892,247			\$ 4,076,382			\$ 3,203,955			\$ 2,452,232			\$ 3,916,269			\$ 4,587,654			\$ 2,934,150			\$ 386,301	
								\$ 945,741.00	2	2-User Fees								\$ 28,922.47			\$40,763.82			\$32,039.55			\$24,522.32			\$39,162.69			\$45,876.54			\$29,341.50			\$3,863.01	
								\$ 220,000.00	3	3-Support Services																														
								\$ 3,131,320.00	4	4-Reserves																														
								\$ 6,785,120.00	5	5-Other (Debt, Grant, Fees, etc.)																														
								\$ 13,504,092.00	TOTAL OF ALL PROJECTS																															

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Finance Committee Pre-Budget, December 5-7, 2022

**AUTHOR:** Kyle Doyle, Manager, Asset Management

**SUBJECT:** CAPITAL PLANNING UPDATE

---

### RECOMMENDATION(S):

**THAT the report titled Capital Planning Update be received for information.**

---

### BACKGROUND

The Sunshine Coast Regional District (SCRD) manages an estimated \$500 million worth of tangible capital assets that facilitate the delivery of services we provide to the community. As a part of the stewardship of these assets it is the responsibility of the SCRD to understand the financial implications associated with these assets and to ensure that there is sufficient funding allocated to their renewal. Capital planning can provide the necessary tools to understand and communicate the level of funding necessary to sustainably provide services for now and the future.

Regional District's deliver services to defined Local Service Areas. The *Local Government Act* which is the main legislation that enables regional districts to provide these services also restricts the recovery of cost for each service to the participants of that service. This limitation stresses the importance of proactive financial planning to ensure the sustainability of a service.

Capital Plans are being presented this year as part of the Pre-Budget process versus at different points of the year to align the timing of funding requests and allow for a more cohesive discussion of the overall impact of funding decisions to the service participants.

### DISCUSSION

Capital Plans have been completed for Wastewater services, Community Parks, Community Recreation Facilities, and Protective Services. Plans for services such as Water, Ports, and IT are in development and are anticipated to come forward in 2023.

As a pillar of Asset Management, this effort has been led by the Asset Management in collaboration with the experience of staff from each department. The SCRD Capital Plans seek to establish the most cost-efficient provision of each service and mitigate projected rate increases that may be caused by excessive debt servicing or one time-costs. Each Capital Plan attempts to illustrate a funding schedule that achieves a sustainable rate. A sustainable rate is one that is sufficient to meet projected capital expenses for the service with only a 2% annual increase needed each year. This concept aligns with many of the Board's current Policies and local government best practice.

Capital plans can be used to review the cost of maintaining service levels for some services and future rates can be lowered by reducing the level of service that is delivered. One example would be choosing to not renew assets when they reach the end of their useful life. Other services do not have much flexibility in service levels due to regulations that dictate service delivery (ie. Environmental or health and safety standards).

There are various levels of certainty that can be achieved through capital planning depending on the quality of the information that is included. To this end, a considerable amount of effort has been invested towards developing Asset Registries and improving cost estimates for the past several years. Refinement of the asset registry and reviewing and improving the accuracy of budget estimates should continue in perpetuity as a part of every services business practices. This includes breaking asset groups into more discrete components and comparing actual expenditures with budget estimates as projects are completed.

In order to ensure that capital plans provide a complete picture of the capital renewal expenses for each service it is essential to select an appropriate term for capital planning depending on the assets that are needed to facilitate the specific service being delivery. For example, components in a recreation facility typically have a 20-30 year Estimated Useful Life (EUL), while components associated with a wastewater service may have EULs between 40-80 years. By selecting the appropriate amount of time to consider when capital planning it is more likely that the result will be a more accurate average annual cost of capital renewal. To illustrate this, Figure 1 below shows both a 10-year and 20-year capital plan for an asset with a 20-year EUL. For the first 10 years the capital plan will indicate that funding is sufficient, but in year 11 the cost of replacing that asset will be considered. At this point the service will have only 10-years to build reserves towards funding the replacement of that asset. This results in having to choose between higher rates to build reserves or higher rates to service the debt needed to fund the replacement of that asset.



Figure 1: 10 year vs 20 year Capital Plan



Debt servicing is an essential tool for Local Governments when funding the replacement of assets. However, it is important to avoid excessive debt to maintain equitable cost of service delivery and avoid restricting financial capacity of future generations. SCRD Debt Management Policy establishes a corporate limit for annual debt obligations of 15% of total revenue. This is the limit set forth for Municipalities through the Community Charter, however, Regional Districts do not have this limit. Capital Plans do not target a specific ratio of debt for each asset/component replacement but instead look to maintain a debt ratio for annual debt obligations of approximately 50% of capital revenue across the entirety of the term of the capital plan.

There are numerous variables that impact the projection of Capital Plans. Interest rates on savings and borrowing, inflation rates, the performance of each component relative to its EUL, and many acute factors that affect actual project costs. SCRD Capital Plans review the Municipal Finance Authority of BC (MFA) projections for savings and borrowing costs and use an average value based on how far in the future each component replacement is projected to occur. Assumed inflation rates for construction have been set at 3%. Annual review of component performance and actual replacement costs informs adjustments to EULs and budget estimates. A series of contingencies to reflect project complexity and potential additional costs such as Project Management and Engineering support are applied based on each component's attributes and staff experience.

When Capital Plans are presented for consideration, understanding the process of their development will enable the Board to utilize them most effectively. Appreciating that these Capital Plans are predictive in nature and provide a glimpse into the future funding situation for the services they represent allow the future impact of decisions made today to be better understood.

*Options and Analysis* (include facts, alternatives, pros & cons)

*Organizational and Intergovernmental Implications*

Capital Planning is a key aspect of responsible stewardship of community assets and can help to ensure that the responsibility of the regional district to sustainably plan for their renewal are met.

Granting agencies often indicate preference for Local Governments that demonstrate asset stewardship when evaluating grant applications.

*Financial Implications*

Establishing a sustainable level of funding will mitigate future rate increases and allow for the provision of a consistent level of service at a consistent, predictable cost.

The Financial Implications of each Plan are outlined within the Pre-Budget information and subsequent reports.

*Communications Strategy*

There is ongoing communication and engagement throughout the year on the various services. This was also outlined as part of the Budget Communication plan presented at the November 24, 2022, Committee of the Whole. For example, multiple sessions for the wastewater facilities

have been occurring over the past several months and water utilities are planned for this December.

### **STRATEGIC PLAN AND RELATED POLICIES**

Capital Planning aligns with the Boards 2019-2023 Strategic Plan priority of Asset Stewardship, and the following Policies: Financial Sustainability Policy; Financial Planning Policy, Asset Management Policy, and Debt Management Policy.

### **CONCLUSION**

The SCRD is responsible for the stewardship of millions of dollars' worth of assets for the provision of services for the community. As such, it must ensure the sustainability of these services from the ability to continue the provision of service in a financially achievable manner. This is achieved through long-range plans such as Asset Management and Capital Plans.

The SCRD has several Capital Plans in place or under development which are a tool to help the Board make informed decisions as part of Budget.

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault
GM		Legislative	
CAO	X – D. McKinley	Other	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Finance Committee Pre-Budget – December 5-7, 2022

**AUTHOR:** Kyle Doyle, Manager, Asset Management  
Kevin Clarkson, Manager, Parks Services

**SUBJECT:** **COMMUNITY PARKS [650] 20-YEAR CAPITAL PLAN AND SERVICE OVERVIEW**

---

### RECOMMENDATION(S)

**THAT the report titled Community Parks [650] 20-Year Capital Plan and Service Overview be received for information;**

**AND THAT the 2023 contribution to Parks Capital Renewal Plan 2023 Contribution to Reserves be increased from \$100,000 to \$300,000 per year increasing annually by 2%;**

**AND THAT Capital expenditures of up to \$100,000 be included in the 2023 Budget;**

**AND FURTHER THAT the 2023-2027 Draft Financial Plan be amended accordingly.**

---

### BACKGROUND

The purpose of this report is to present the initial preliminary Community Parks 20-Year Capital Plan and Service Overview. It is also to provide a recommendation for sustainable funding for Community Parks [650] capital renewal.

Sunshine Coast Regional District (SCRD) provides Parks, Playgrounds, Trails, and Community Halls services through function [650] Community Parks. The service portfolio includes over 100 community parks and related infrastructure, 40 beach accesses, ten playgrounds, one campground, six sports fields, five community halls, and approximately 71 km of trails, comprising approximately 1,500 hectares of land in total.

The assets and infrastructure that facilitate the provision of this service include:

- picnic tables and benches
- community halls
- garbage and recycling bins
- playground equipment
- associated signage and maps
- parking and trailhead areas
- unique wooden bridges
- wheelchair accessible features like viewing decks and pathways
- hand-built boardwalks, staircases, technical trail features/stunts
- two concrete boat launches
- water and irrigation systems, septic systems

- access roads
- other buildings and facilities (e.g. washrooms)

### *Service Planning Documents*

Over the years, the Board has adopted various planning documents that has provided a framework, vision, and direction for the SCRD's Community Parks services and how they are provided.

Following Board adoption in 2005, the Parks Master Plan was utilized as the basis for prioritizing and decision making within the Community Parks, Bicycle Walking Paths, and Dakota Ridge functions. The main focus areas of the 2005 Plan included:

- *Community Partnerships* – working with various groups and individuals within the community
- *Trail Connections* – improvements to the trail system, trail maintenance and information accessible to the public
- *Park Acquisition* – enhancing programs to ensure that park acquisitions are in line with needs and that the park acquisition fund can be built up.
- *Sports field* – includes some improvements to existing fields and the development of one new field
- *Environmental Management Strategy* – developing a strategy to support the desire to create livable communities and improve environmental health of the region.
- *Operations* – ensuring that operations and maintenance practices are sympathetic to the goals of the strategic plan
- *Staff Resources* – includes a recommendation for additional staff to support the work of the Master Plan
- *Governance* – supporting the concept of preparing a feasibility plan looking at better coordination of park and recreational services between the regional district, municipalities, school district and provincial and federal agencies

With the Master Plan as a guide, SCRD implemented many priorities and made progress in many of the Plan's identified focus areas. The Board approved a loan of \$1.2 million dollars to support the projects within the 2005 Parks Master Plan. Grant funding opportunities were also sought and awarded to supplement some of the priorities. A significant proportion of the funds served to support larger projects such as the development of Dakota Ridge Winter Recreation Area, Pender Harbour/Lions Sports Field, and the Suncoaster Trail. After Master Plan adoption, the following five years resulted in significant growth and change for SCRD Parks. The debt repayments associated with the Parks Master Plan will be complete in 2022.

The Trail Network Plan, which was completed and adopted in 2007, provided many recommendations for trail connections within and between communities, as well as beach accesses, to be developed.

On January 23, 2014, the SCRD Board approved the Parks and Recreation Master Plan (2014). To accurately reflect the values and priorities of the Sunshine Coast, the public was encouraged to provide input throughout the planning process through focus groups, open houses and surveys. The stated overall purpose of the plan is to provide a vision for the future and strategies for the next 10 years to achieve that vision. The Plan focuses on healthy lifestyle opportunities, community development, parks, trail and walkway development, recreation facilities, and volunteer programs. The Plan also outlines four basic goals for parks and recreation in the region, as well as how these goals will be achieved, the roles the SCRD should play to support those goals, and what guides the decision-making process.

### *General Overview of SCRD Parks Services*

Through management, administration, maintenance, and operations, SCRD Parks strives to provide responsible, cost effective and accountable services which assist in the development and retention of a safe, vibrant, and healthy community and contribute to the enjoyment, education and inspiration of residents and visitors.

Function 650 Community Parks has an approved 9.847 FTE in 2022. This staffing contingent consists of full-time, seasonal, temporary, and casual staff, who together perform roles in administration, operations, planning, and community development for the provision of Parks Services.

Although not included in this capital plan, the Parks Division also includes four other service functions including cemeteries, active transportation paved trail infrastructure, as well as the popular Dakota Ridge Winter Recreation Area. All are administered, operated, and maintained by SCRD staff and/or its contractors. In 2022, combined staffing levels equaled 11.55 FTE for all service functions.

### *Overview of Services Provided through the Parks Division*

#### *Land Management*

SCRD Parks division oversees close to 1500 hectares of parkland. In some cases, the land is owned by the SCRD (i.e. Cliff Gilker Park, Shirley Macey Park, Dan Bosch Park), while in other cases, the SCRD holds tenure agreements or permission to occupy and use the land for park and community purposes (i.e. Sprockids, Big Tree, Dakota Ridge). Tenure is specific to each individual property and each land arrangement dictates site-specific land management authorities, as well as SCRD's rights, roles, and responsibilities for the park property. Further, some SCRD parks properties are leased, licensed, or permitted from other land management authorities (i.e. BC Hydro, MoTI).

In some cases, Community Parks provides direct service delivery for park operations, while in others, operations are provided through contracted services or separate stewardship agreements.

All the various tenure and land stewardship arrangements and contracts require tracking, management, administration, and are very much contingent on successful partnerships with various land authorities and separate community organizations throughout the Sunshine Coast.

#### *Parks Planning*

Parks Planning is essential to ensure that a community's parks and outdoor recreational spaces meet the needs of the community, prioritize park improvements, and provide guidance on how to make desired changes. The process involves strategically examining a community's vision; existing community services, facilities, and resources; and assessing future needs.

SCRD Parks planning provides reviews, assessments, and plans for park development and management, assists, and leads major projects, future parkland acquisitions and the protection and conservation of ecologically and culturally sensitive areas throughout the SCRD.

Parks Planning services are responsible for overseeing design and construction, and the planning of parks projects and initiatives. Staff regularly maintain and update the design and construction standards for the division with a focus on operating and constructing parks and trails that meet the needs of SCRD today and in the future. Project management includes liaising with contractors, community groups and consultants, parks operations crews and in-house technical staff to ensure that parks projects are managed effectively.

### *Operations and Administration*

Parks properties require significant ongoing maintenance. Operations for each site vary widely and can be quite complex. Efficient operations at SCRD sites are dependent upon adequate, competent and trained staff, effective regulations and bylaws, and well-developed organizational policies and procedures. Parks operations are also dependent upon a quality maintenance and inspections regime.

Parks service levels vary depending upon the classification of park and address health and safety concerns, liability issues, facility restoration, reducing deterioration and conforming to a predetermined standard or code. Parks Operations staff are continually involved with ongoing inspections and regular maintenance (i.e. grass cutting and garbage collection), remedial maintenance tasks like smaller equipment and infrastructure repairs, as well as supporting larger maintenance and operations projects for the division.

### *Community Development*

Parks also cooperates with a variety of community partners to help extend service-related benefits throughout the region. Partnerships with other regional jurisdictions, partners, community groups and organizations are essential to sustaining a vibrant parks service that adapts to the needs of the communities it serves. Positive collaboration with First Nations, community groups, local neighbors, community partners, service providers, and government organizations, all promote effectiveness and efficiency within everything SCRD Parks accomplishes. SCRD Parks acts as an important vehicle in the engagement of regional stewardship. Directed and administered volunteerism helps citizens and visitors create a lasting sense of ownership and responsibility for our parks.

## **DISCUSSION**

### *Benefits of Parks*

Community Parks are a valued amenity to the Sunshine Coast as accessible gathering places that not only benefit residents, and it is an important economic driver through tourism or events. It can also help improve property values in our community.

A successful community parks service, including the provision of safe and functional park sites and amenities is critical for the establishment and promotion of an active outdoor recreation culture on the Sunshine Coast. Many parks within the SCRD receive very high levels of use, especially in the summer months, and as such require significant attention, resources and consistent upgrades and repairs. The day-to-day operation of all SCRD parks is reliant on the foundation that routine maintenance, upgrades, and inspections provide high quality recreational experiences for users.

### *Parks Capital Plan Overview*

The 20-Year Capital Plan for Community Parks was developed through the establishment of an asset registry capturing nearly 1,000 assets ranging from minor assets, such as individual signs, to major infrastructure investments (i.e. playing fields). A thorough review by Parks staff helped to determine the installation date and condition of the assets, as well as to establish estimated useful lives (EUL) through best practices and staff knowledge.

These assets have been classified by electoral area, park, and asset type. Replacement costs have been estimated through a variety of methods including invoices, similar projects, staff knowledge, and estimations through estimating software using quantity take-offs. Each method of estimation has been assigned a corresponding contingency ratio to account for uncertainty.

The total current estimated replacement cost of the Community Parks Capital Assets is approximately \$22,000,000 with an average EUL of ~26 years. Including all committed funds, the Capital Reserve Balance for Community Parks is approximately \$607,000. Currently Community Parks does not have an established capital plan but does receive \$100,000 per year to fund priority capital replacement projects. All other projects must be approved through individual funding requests. This typically creates a reactionary, rather than a strategic approach to addressing priority capital asset replacement obligations.

Operations and ongoing maintenance of all SCRD parks are essential to assess, maintain, and extend the life of assets. These services, however, will only serve to sustain service levels, and proceeding into the near future without an approved capital plan prescription has associated costs and risks. Lacking a capital plan contributes to excessive deferred replacement of capital assets and exacerbates the risk of service interruption from asset failure.

An approved Parks Capital Plan allows the SCRD to pinpoint immediate expenditures and forecast future costs. In addition, it provides a clear picture of how the SCRD can maximize its funding for a wide array of infrastructure maintenance and improvement. Without an approved Capital Plan in place for Parks, there exists a significant degree of risk associated with the uncertainty of future investments. As iterations of the Parks Capital Plan are improved-upon, controlling capital costs, accurately forecasting capital expenditure requirements and budgeting for it, as well as ensuring no investment opportunities are lost will serve as important objectives.

There still exists much work to be done in further building out the Parks Capital Plan. Further work defining and documenting service levels and components, identifying current practices, gaps, and analysis of opportunities all feed into a robust capital plan. The Parks Capital Plan will inherently be assessed and improved upon, with final approval annually, and as directed through the Board.

## Options and Analysis

This initial version of the Community Parks Capital Plan provides an opportunity to understand the magnitude of the funding deficit faced by the Community Parks [650] function. A Capital Plan is a tool to project expenses that is best used in conjunction with a thoughtful Service Plan and well-defined Levels of Service.

Figure 1 below shows the 20-year projection of capital expenditures for Community Parks.

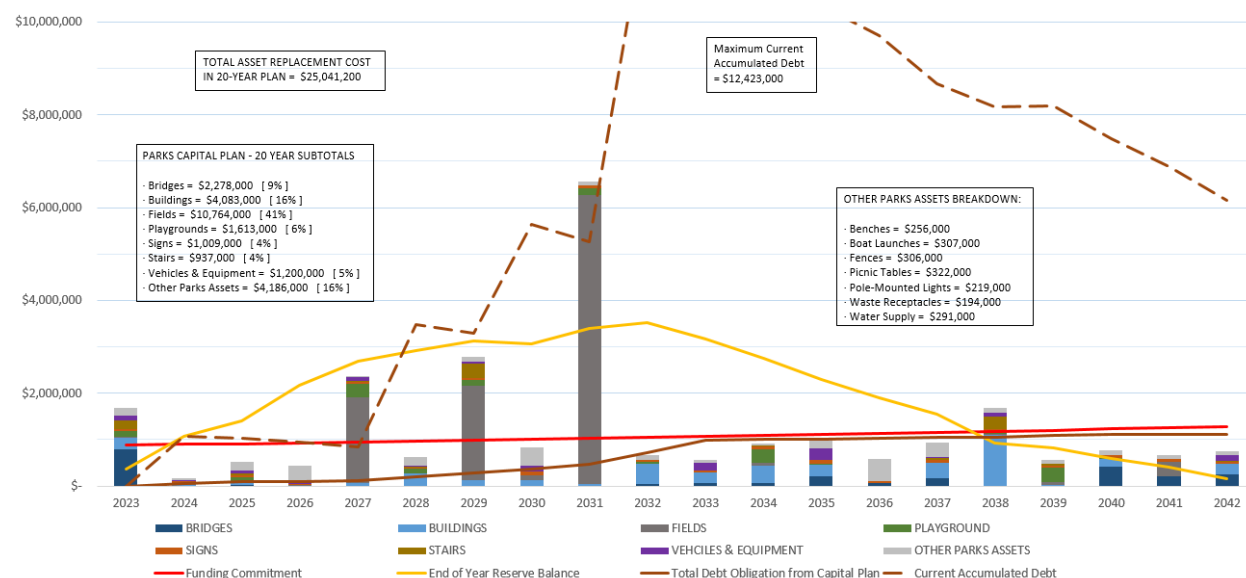


Figure 1: SCRD Community Parks [650] 20-year Capital Plan

This figure provides the breakdown by asset class showing that replacing the playing fields at SCRD parks over the next 20 years projects to require over 40% of the total capital investment. A larger version can be found in **Attachment A**. Within this initial version of the Parks Capital Plan, these long-term asset investment calculations for expensive assets like SCRD sports fields are based on values associated with existing infrastructure (i.e. like for like replacement of an asset like Pender Harbour/Lions Field).

There is a degree of potential variance with these assumptions, as further analysis and planning work is needed to present the Board with capital funding options required to sustain, alter, or enhance service levels. This capital cost breakdown reinforces the importance of a well-defined expectation of the service levels provided by community parks. For example, in 2023 it is anticipated that a budget proposal for review of regional sports fields strategies and services on the Sunshine Coast is forthcoming. This process will serve to align community vision for regional sports field services and may influence the service level and resourcing provided for these assets.

Although this capital plan indicates an annual funding need of approximately \$930,000 in 2023 and increasing by 2% annually, it is recognized that ongoing work to better define the services delivered by Parks will better inform what level of funding is needed. Therefore, **it is recommended that the 2023 contribution to Capital Reserves be increased to \$300,000 per year increasing annually by 2%.** This increase will enable Community Parks to begin to address the backlog of projects they face while continuing to refine the 20-year capital



replacement projections. **It is also recommended that for 2023 we allow for \$100,000 to be put towards the capital renewal plan for projects for Community Parks.** A more thorough service review and the development of an Asset Management Plan that defines the levels of service expectations across the vast number of Parks assets that provide community services.

### *Financial Implications*

Timely investments in infrastructure can help to minimize the overall cost of providing service. Deferring maintenance and capital renewal projects ultimately leads to both early asset failure and reduced levels of service. The estimated tax implications for the recommended increase to Community Parks Capital Reserve contributions is defined below in Table 1:

Table 1: Estimated Tax Implications

Functional Area	2022 Contribution	2023 Contribution	Increase	Total Taxation per \$100K
650	\$ 100,000.00	\$ 300,000.00	\$200,000.00	\$ 2.49

### *Timeline for next steps or estimated completion date*

Following the adoption of the Parks Capital Plan, Parks will continue to assess, update and document current levels of services, identifying gaps or inconsistencies, review investment obligations, and continue to build a contemporary community vision for the delivery of the Community Parks services.

Over the next five years, the SCRD may need to consider updating the Parks Master Plan and/or continue to develop specific parks management plans that clearly defines all associated parks properties and their individual classifications, as well as defines service levels for the various park's asset classes (i.e. regional sports field strategy, parks signage strategy, and a regional recreational trails plan that outlines hierarchy determination). By establishing and adequately resourcing service levels, while simultaneously targeting these larger future planning initiatives, the Parks Capital Plan will be updated to reflect the assets that are necessary to facilitate these service levels. Any progress will be reported and refined funding requirements will be presented to the Board.

## **STRATEGIC PLAN AND RELATED POLICIES**

The information provided in this report is consistent with the Board Strategic Focus Area of Asset Stewardship as well as the Financial Sustainability and Asset Management Policies.

## **CONCLUSION**

This initial step towards establishing a capital plan and increased funding for parks assets provides more financial certainty to maintain components critical to parks service delivery.

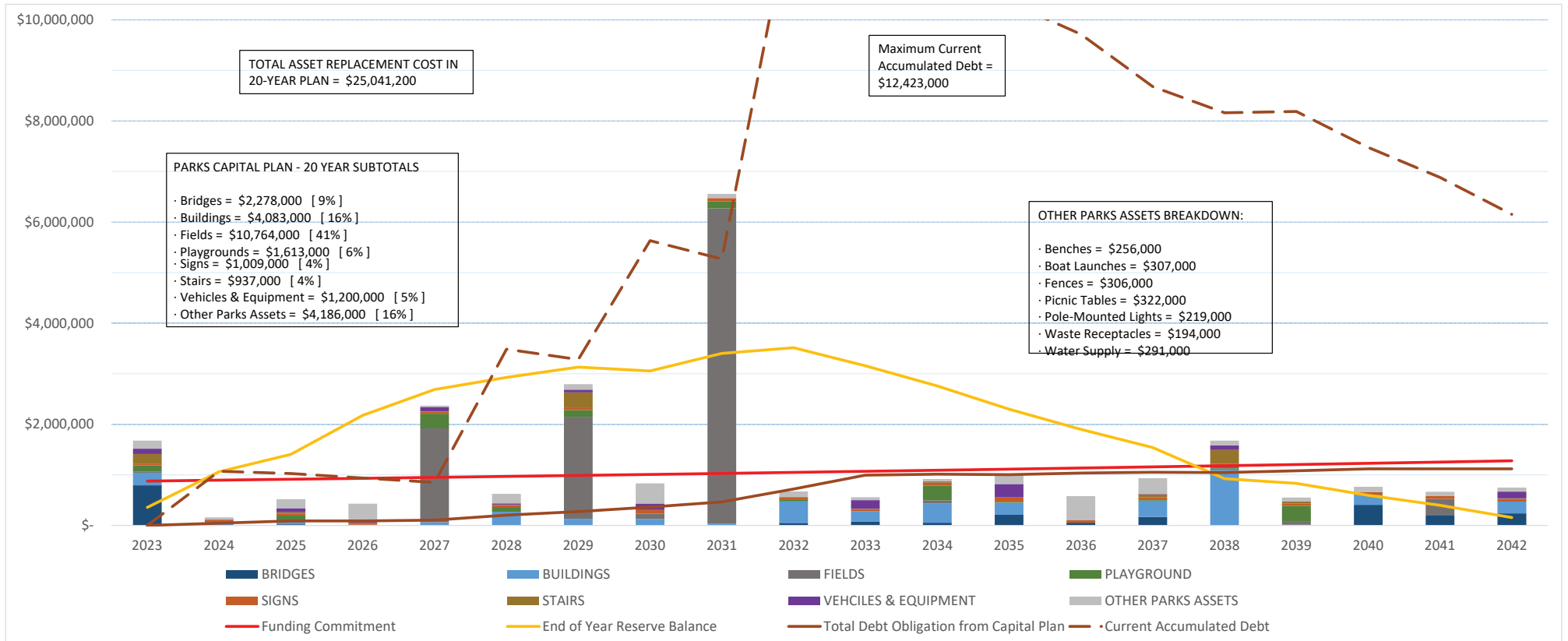
It is recommended that the 2023 contribution to Capital Reserves for Parks Services be increased to \$300,000 per year increasing annually by 2%. If the Board supports this change, the amount will be included in the 2023-2027 Draft Financial Plan.

Attachments:

A- Community Parks- Preliminary 20 year-Capital Plan

Reviewed by:			
Manager		CFO / Finance	X – T. Perreault
GM	X – S. Gagnon	Legislative	
CAO	X – D. McKinley	Other	

# Attachment A



## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Finance Committee-Pre-Budget – December 5-7, 2022

**AUTHOR:** Kyle Doyle, Manager, Asset Management  
Allen Van Velzen, Manager, Facility Services  
Graeme Donn, Manager, Recreation Services

**SUBJECT:** 2023 COMMUNITY RECREATION CAPITAL FUNDING REVIEW

---

### RECOMMENDATION(S)

**THAT** the report titled 2023 Community Recreation Capital Funding Review be received for information;

**AND THAT** the 2023 Contribution to Community Recreation capital renewal [615] be increased by \$351,201 to \$1,121,408 and increased by 2% annually thereafter;

**AND THAT** an additional \$60,000 annually be committed to fund Recreation Programming and increased by 2% annually thereafter (for a combined 2023 increase in contributions of \$411,210);

**AND THAT** the increase be funded through Ad Valorem taxation (property tax);

**AND THAT** for 2023, the Gibsons and Area Community Centre's Zamboni Replacement in the amount of \$322,200 be funded through Municipal Finance Authority 5-Year Equipment Finance Loan;

**AND THAT** a loan of up to \$322,200 for a term of 5 years be requested through the Municipal Finance Authority Equipment Financing Program under section 403(1)(a) of the *Local Government Act* (Liabilities Under Agreement) to fund the Gibsons and Area Community Centre's Zamboni Replacement;

**AND THAT** for 2023, the Gibsons and Area Community Centre's Package Rooftop Unit Replacement Project in the amount of \$355,700 be funded through Municipal Finance Authority 5-Year Equipment Finance Loan;

**AND THAT** a loan of up to \$355,700 for a term of 5 years be requested through the Municipal Finance Authority Equipment Financing Program under section 403(1)(a) of the *Local Government Act* (Liabilities Under Agreement) to fund the Gibsons and Area Community Centre's Package Rooftop Unit Replacement Project;

**AND THAT** for 2023, the Community Recreation Fitness Equipment Replacement Project in the amount of \$130,200 be funded through Municipal Finance Authority 5-Year Equipment Finance Loan;

**AND THAT** a loan of up to \$130,200 for a term of 5 years be requested through the Municipal Finance Authority Equipment Financing Program under section 403(1)(a) of the

**Local Government Act (Liabilities Under Agreement) to fund the Community Recreation Fitness Equipment Replacement Project;**

**AND THAT for 2023, the Gibsons and Area Community Centre's Roof Renewal project in the amount of \$2,899,900 be funded through long-term borrowing (10-Year Loan);**

**AND THAT Electoral Approval for a loan of up to \$2,899,900 for a term of 10 years be sought via Alternate Approval Process to fund the Gibsons and Area Community Centre's Roof Renewal project;**

**AND THAT for 2023, the Sechelt Aquatic Centre's Phase 1 Roof Renewal Project in the amount of \$556,300 be funded through long-term borrowing (10-Year Loan);**

**AND THAT Electoral Approval for a loan of up to \$556,300 for a term of 10 years be sought via Alternate Approval Process to fund the Sechelt Aquatic Centre's Phase 1 Roof Renewal project;**

**AND THAT Capital expenditures of up to \$813,797 be included in the 2023 Budget;**

**AND FURTHER THAT the amended increases be included as part of the draft 2023-2027 Financial Plan as detailed in Table 1.**

---

## **BACKGROUND**

Since 2016 the Sunshine Coast Regional District (SCRD) has maintained a 20-year Capital Plan for Recreation Facilities [615]. The purpose of this plan was to forecast upcoming expenditures related to the renewal of capital components and to determine the annual funding necessary to complete these projects across 20-years. The Capital Plan was intended to mitigate fluctuations in the taxation on an annual basis related to these expenses.

When the initial Capital Plan was received by the SCRD Board in 2016, a decision to fund only 'critical' components was made. That decision has not been formally reviewed or changed since 2016. This means only components critical to the primary function of the facility are considered when determining the annual contribution necessary to sustainably fund the capital renewal budget. All other component renewal must come to the Board as budget requests.

The Board also chose at the time to commit to only \$500,000 out of the identified \$725,000 annual contribution required to sustainably fund critical component replacement. Since 2016, the approved annual contribution to fund critical capital component replacement for Recreation Facilities has never been funded to meet the needs identified in the 20-year Capital Plan.

As a response to the Covid-19 pandemic in 2020, the SCRD Board approved a one-time deferral of \$500,000 from the Recreation Facilities capital renewal fund in favor of subsidizing operational expenses and mitigating the overall tax increase at that time.

In October 2021, a report titled '[2022 Community Recreation Facilities Capital Funding Update](#)' was presented to the Board which outlined two options to establish sustainable funding of the critical capital renewals. The first option was to maintain existing levels of funding with a period of increased funding aligning with the expiry of debt related with the construction of two newer recreation facility. The second option was to increase funding to a sustainable level and to

maintain that funding with only an annual inflationary increase projected for the 20-year capital plan.

As directed by the Board in Oct 2021, an [updated report was brought to the Board in July 2022](#) seeking a resolution of the increasing funding deficit for Capital Renewal projects at SCRD Recreation Facilities. It was resolved that the report should be brought to the 2023 Budget process to ensure process conformity.

The purpose of this report is to provide an update on the 20-Year Capital Plan for Community Recreation and to provide recommendations for establishing sustainable long-term funding.

## **DISCUSSION**

Since the July 2022 report was published significant work has been completed to review and refine the Capital Plan for Community Recreation. A thorough review of the Estimated Useful Life (EUL) that was originally assigned to facility components in 2016 was conducted as well as a review of the criticality of components. The EUL review identified components that had exceeded their useful lives considerably and those that had failed prematurely and adjusted their EULs accordingly. The review of component Criticality identified three major component classes that were reclassified to critical: i) components related to the safety/accessibility of the building such as doors, elevators, railings, ii) components related to sanitary needs of facility users such as sinks, toilets and showers, and iii) components that had been overlooked such as fans, pumps, and controllers.

During the review process several components were identified within the two older facilities that had previously been overlooked as they will both exceed 65 years in age through the next 20 years considered by the capital plan and it is anticipated that items such as internal piping and wiring may exceed their useful lives and require replacement. The result is that it contributes to a higher estimated need for additional funding. If there were decisions to retire these facilities with a pre-determined date, the Capital Plan will reflect these changes.

At both the Gibsons and Area Community Centre (GACC) and the Sechelt Aquatic Centre (SAC) significant projects are scheduled for next year that require borrowing. For GACC this includes the replacement of:

- the Modified Bitumen Roof that is exhibiting significant signs of failure (~\$2.9 million to be borrowed through a 10-year long term borrowing approved via Alternate Approval Process)
- the replacement of a Package Rooftop Unit (HVAC system component) (~\$356k to be borrowed through MFA Equipment Financing 5-year borrowing)
- the replacement of the Zamboni (~\$322k to be borrowed through MFA Equipment Financing 5-year borrowing)

At SAC the first of two phases of Modified Bitumen Roof replacement are slated for 2023. (~\$556k to be borrowed through a 10-year long term borrowing approved via Alternate Approval Process)

This year it was desired that a 20-year Capital Plan be developed for Recreation Programming to include capital items of nature that relate to the operation of fitness related components within the two facilities and to ensure that the delivery of programming remains possible. Failure to

replace these capital fitness components, past their lifespans, will result in fewer pieces of equipment being available to the public, more downtime and repair of existing equipment and the potential for serious injury to occur. The replacement of fitness equipment at GACC and SAC in 2023 is expected to be funded through a ~\$133k loan to be borrowed through MFA Equipment Financing 5-year borrowing. The preliminary findings are presented below separately.

### *Options and Analysis*

It has been observed that over the Pandemic a backlog of projects has been established with nearly 60 components identified for 2023 requiring replacement. When projects are delayed there is an increased potential of budget overruns due to inflationary increases in parts, materials, and labour. This backlog will be monitored in future capital plan reviews.

The current level of funding for the Community Recreation Facilities Capital Renewal does not meet the projected needs across the next 20-years. Two different funding approaches to achieving sustainable funding for the replacement of critical capital components for all Recreation Facilities are presented below. One approach seeks to achieve a one-step increase in funding while the other looks to time a temporary injection of capital funding with expiring debt commitments to minimize the taxation impact.

### Option 1

Option 1 presents a simple approach to sustainable funding by increasing the 2023 contribution amount to \$1,121,408 from \$770,198 and increasing annually at 2% to account for typical annual inflation. These are the amounts that are funded through taxation. The amount through user fees is variable based on actuals received. The predictable nature of this model establishes a predictable level of taxation which aligns with the original purpose of the Recreation Facilities' capital plan.

*Table 1: Option 1 - Five Year Projections*

CAPITAL PLAN	2022	2023	2024	2025	2026	2027
5% of User Fee Revenue	\$ 89,598	\$ 91,390	\$ 93,218	\$ 95,082	\$ 96,984	\$ 98,923
Funding Commitment	\$ 770,198	\$ 1,121,408	\$ 1,143,836	\$ 1,166,713	\$ 1,190,047	\$ 1,213,848
Opening Reserve Balance	\$ 2,338,314	\$ 1,587,427	\$ 1,860,791	\$ 1,788,044	\$ 1,830,991	\$ 2,253,827
Carry Forward Projects	\$ 755,615	\$ -	\$ -	\$ -	\$ -	\$ -

This option would put the Community Recreation Facilities Service 'back on track' with funding critical items, limits risks associated with deferred maintenance and creates a more sustainable plan that leverages investment returns and mitigates fluctuations in taxation. It does assume there will be a combination of reserves and debt used to fund projects. This is the recommended option. A model that considered a 3% annual increase (as opposed to the 2% increase used in Option 1) in funding indicates that a 10% reduction in 2023 funding commitment (~\$1,017,000) can be sustainable under these conditions. This option is recommended.

The entire 20-year Capital Plan for Option 1 can be found in **Attachment A**.

## Option 2

Option 2 provides an alternative solution to the funding shortfall that coincides the expiration of debt associated with the construction of both the Gibsons and Area Community Centre and Sechelt Aquatic Centre with a temporary series of additional annual contributions to the capital renewal funding. In order to resolve the projected funding shortfall the increased funding would occur as \$1.6 million of annual debt obligations expire as mentioned in the [September 17, 2020 CAS report](#). Modelling suggests that by contributing an additional \$826,000 for ten consecutive years between 2026 and 2035 would be sufficient to supplement the existing level of funding and establish a sustainable 20-year capital plan for Recreation Facilities. This approach mitigates fluctuations in the amount of taxation on an annual basis but requires that future Board implements the funding commitment as prescribed by this model.

Table 2: Option 2 - Five Year Projections

					Injection = \$ 826,000	
CAPITAL PLAN	2022	2023	2024	2025	2026	2027
5% of User Fee Revenue	\$ 89,598	\$ 91,390	\$ 93,218	\$ 95,082	\$ 96,984	\$ 98,923
Funding Commitment	\$ 770,198	\$ 785,602	\$ 801,314	\$ 817,340	\$ 1,659,687	\$ 1,676,361
Opening Reserve Balance	\$ 2,338,314	\$ 1,587,427	\$ 1,512,929	\$ 1,424,356	\$ 1,405,948	\$ 2,189,184
Carry Forward Projects	\$ 755,615	\$ -	\$ -	\$ -	\$ -	\$ -

However, there are several considerations to explore as part of this option which are legislative implications to re-assigning the funds such as potential Bylaw changes, public or Ministry approval as well as the method of recovering the funds in the future (parcel/flat tax or property tax), as well as the associated financial implications. Therefore, this option is not recommended at this time.

The entire 20-year Capital Plan for Option 2 can be found in **Attachment A**. Table 3 below shows the 10-year funding commitment prescribed by this model.

Table 3: Option 2 - 10-year Funding Projections

					Injection = \$ 826,000						
CAPITAL PLAN	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Funding Commitment	\$ 770,198	\$ 785,602	\$ 801,314	\$ 817,340	\$ 1,659,687	\$ 1,676,361	\$ 1,693,368	\$ 1,710,715	\$ 1,728,410	\$ 1,746,458	\$ 1,764,867

## Funding Recreation Programming Components

The level of funding necessary to ensure that renewal of components necessary to provide the recreation services at the facilities was determined through a capital modelling process. The equipment includes exercise machines, weights, benches, audio equipment, and accessories at both the Gibsons and Area Community Centre and the Sechelt Aquatic Centre. Preliminary results suggest that an annual contribution of \$60,000 in 2023 increasing 2% annually would provide sustainable funding for these components. The 20-year Capital Plan can be seen in **Attachment B**. Table 4 below shows the five-year funding projections associated with this level of funding.



*Table 4: Funding Fitness Equipment - Five Year Projections*

CAPITAL PLAN	2022	2023	2024	2025	2026	2027
Funding Commitment	\$ -	\$ 60,000	\$ 61,200	\$ 62,424	\$ 63,672	\$ 64,946
Opening Reserve Balance	\$ -	\$ -	\$ 62,154	\$ 72,118	\$ 66,943	\$ 107,005

### *Financial Implications*

Committing to a sustainable level of funding for Community Recreation facilities critical capital components will help mitigate fluctuations in annual funding and enable consistent financial planning. Without a long-term funding increase, the capital plan will fail in 2028 and all critical items will need to be brought forward for funding approval. High priority and desirable components will continue to be brought forward for funding approval on an annual basis.

Taxation implications for each of the models has been estimated based on 2022 taxation assessments and are presented in Table 5 below.

*Table 5: Estimated Taxation Implications*

Option	Year of Increase	Increase Amount	Total Annual Funding for Capital Renewal	Estimated Total Taxation per \$100k of Assessed Improvement Value
1	2023	\$411,210	\$1,181,408	\$19.48

All debt projected by the capital plan must be approved prior to borrowing, and the debt required for 2023/2024 has been factored into the funding envelope above. The principle and interest are adjusted annually as part of the review of the Capital Plan. Therefore, the implication of the debt have been factored above.

### *Next Steps*

Supporting increased funding to the existing Capital Plan provides more assurance that the renewal of critical capital components is sustainable over the next 20 years. However, two of the four facilities are aging and will require significant investments within the next 5-10 years. Community Services has identified the strategic benefits of having a recreation facilities needs assessment in the next couple of years to inform the long-term planning for recreation facilities, help confirm levels of current services, as well as desired service levels in the future, possibly including different or additional services. As more explicit direction is provided with respect to the levels of service and lifespans of recreation facilities is developed the capital plan will be adopted to reflect the projected capital renewal investment required to achieve those targets.

## **STRATEGIC PLAN AND RELATED POLICIES**

The information provided in this report is consistent with the Board's Strategic Focus Area of Asset Stewardship as well as the Financial Sustainability and Asset Management policies.

## **CONCLUSION**

Community Recreation critical capital components have been under-funded since the inception of the 20-year Capital Plan in 2016. This shortfall has resulted in the need to increase the funding in order to maintain a sustainable Capital Plan for components that are critical to the delivery of the service at the four facilities operated by Community Recreation.

It is recommended to increase funding for critical items \$1,121,408 and include \$60,000 for Recreation Programming equipment replacement, both with a 2% annual increase applied thereafter (for a combined 2023 increase in contributions of \$411,210). This will require an amendment to the 2023-2027 Draft Financial Plan.

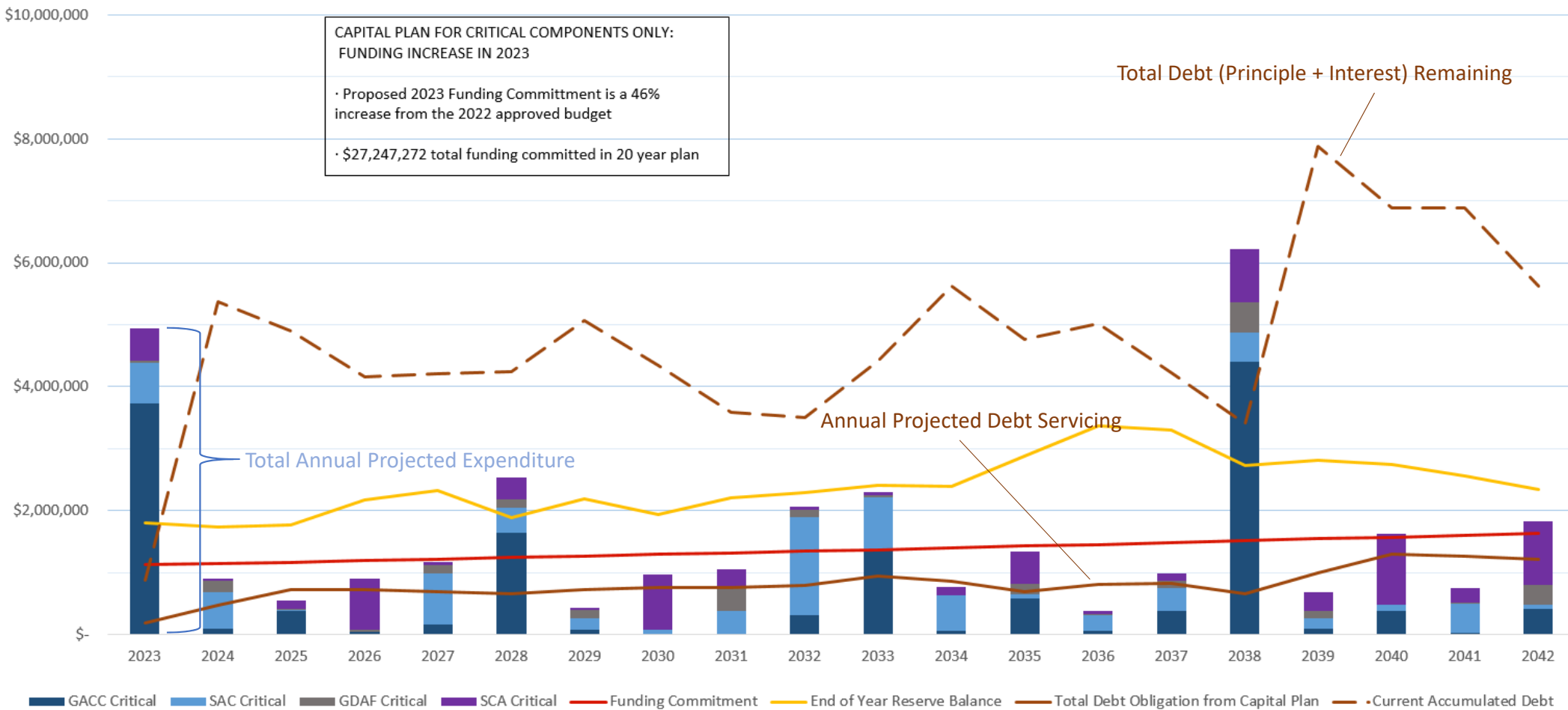
## Attachments

A – Proposed Community Recreation 20-Year Capital Plans – Option 1 & 2

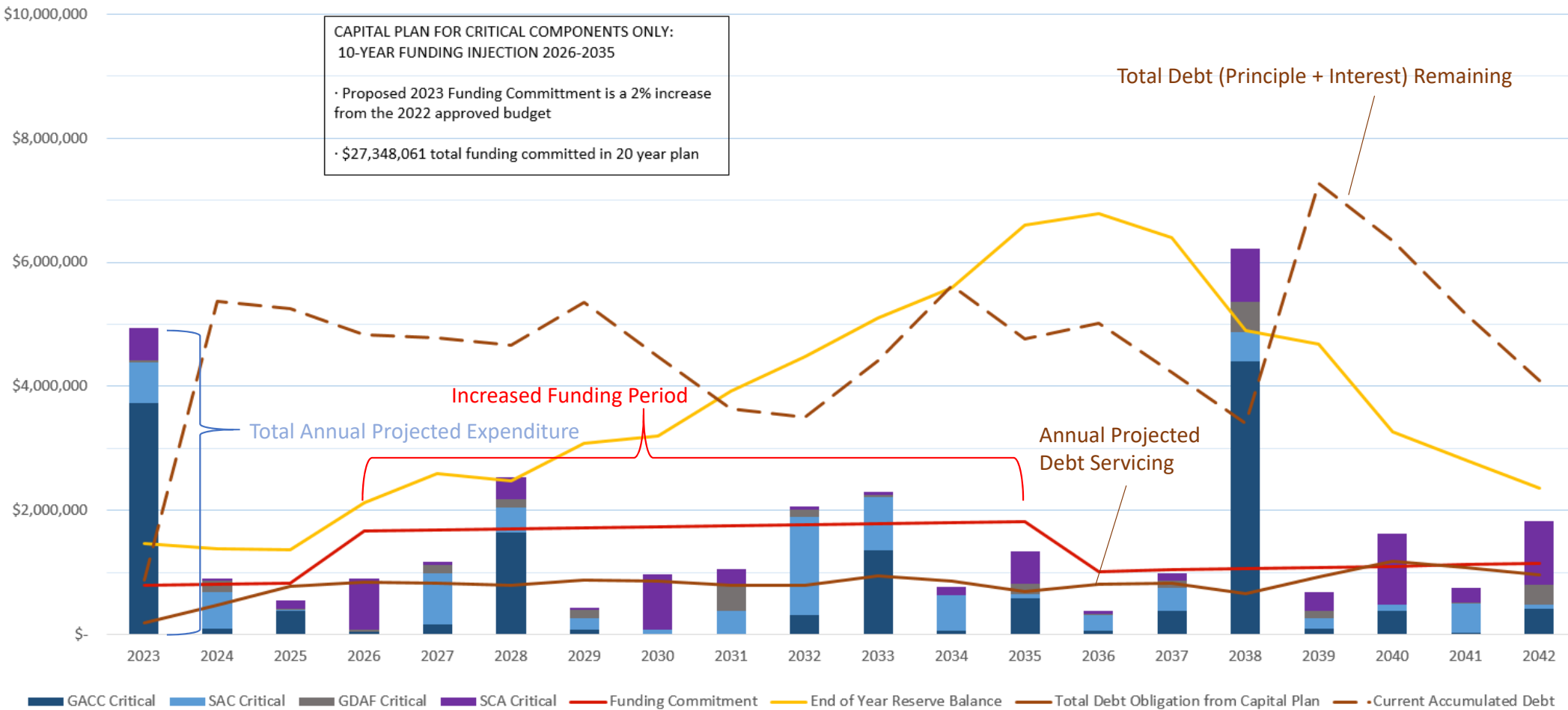
B – Proposed Recreation Equipment 20-Year Capital Plan

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault
GM	X – S. Gagnon	Legislative	
CAO	X – D. McKinley	Other	

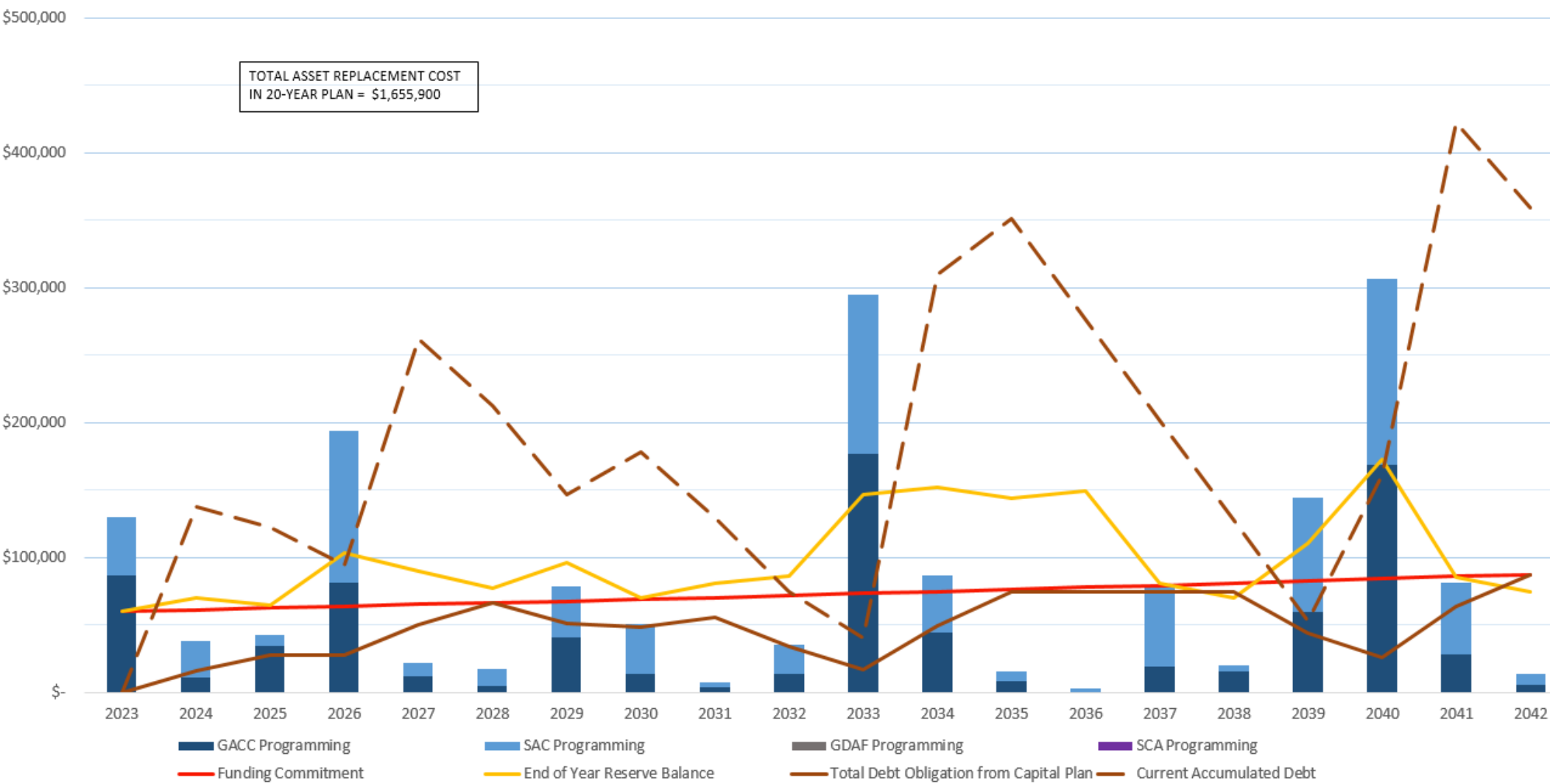
# Attachment A – Recreation Facilities 20-Year Capital Plan - Option 1



# Attachment A – Recreation Facilities 20-Year Capital Plan - Option 2



## Attachment B – Recreation Equipment 20-Year Capital Plan - Option 1



## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Finance Committee Pre-Budget – December 5-7, 2022

**AUTHOR:** Kyle Doyle, Manager, Asset Management  
Matt Treit, Manager, Protective Services

**SUBJECT:** GIBSONS AND DISTRICT FIRE PROTECTION SERVICE [210] 20-YEAR CAPITAL PLAN UPDATE

---

### RECOMMENDATION(S)

**THAT the report titled Gibsons and District Fire Protection Service [210] 20-Year Capital Plan Update be received for information;**

**AND THAT capital expenditures of up to \$16,100 be included as part of 2023 Budget;**

**AND FURTHER THAT the 2023-2027 Draft Financial Plan be amended accordingly.**

---

### BACKGROUND

At the November 25, 2021 Corporate and Administrated Services Committee a report was provided which reviewed the existing funding for each of the four SCRD fire departments, and provided sustainable funding options for renewal of critical components and equipment at each of the fire protection services within the SCRD. This committee referred the Gibsons and District Fire Protection Service's (GDFPS) funding request to the Gibsons Fire Commission and the funding request was brought back to the second round of budget deliberations [on January 24, 2022](#) where the Board approved a 2-year stepped increase to the recommended funding level.

The purpose of this report is to update the Board on the Gibsons and District Fire Protection services' Capital Plan in preparation of Budget process.

### DISCUSSION

The current projection for the GDFPS's 20-year Capital Plan suggests that the current funding level should be sufficient to fund all projected critical capital renewal projects as well as all critical fire protection equipment. Extending that outlook beyond the 20-year horizon indicates that some major expenditures exist that will influence this capital plan within the next five years.

All capital plans for fire protection service functions consider long-term loans for all major purchases at certain points which will require electoral approval. Understanding the resourcing implications to the supporting functions such as Legislative Services is being considered.

#### *Options and Analysis*

A change is not needed at this time as the current funding level is meeting the projected service level of the Plan. The graph detailing the 20-year Capital Plan can be found in **Attachment A**.

Similar to most capital plans produced for the SCRD, only “critical” facility components were considered when initially determining funding requirements. Components deemed to have a criticality rating of “high priority” or “desirable” will be brought forward with individual budget proposals when replacement is deemed necessary.

### *Financial Implications*

Non-critical component/equipment replacement will continue to be brought to the Board for consideration on a case-by-case basis as required as part of the Budget process. These projects will require funding outside the capital renewal envelope.

Capital expenditures totaling \$16,100 are to be completed as part of the capital renewal plan and are recommended to be included in the 2023 Budget.

### *Timeline for Next Steps*

Future AAP processes will be initiated when necessary to secure funding for major projects. For GDFPS it is anticipated that long term lending will be required in 2024. Communications efforts to maximize community engagement should precede this with adequate lead time (2-3 months approximately).

Where current funding levels have been established to meet the replacement need of components that are critical to the delivery of the current service, it may be desirable to consider expanding funding to enhance the service provisions. For fire protection services this may include aspects such as wildfire-fighting capabilities or firehall expansion which are deemed non-critical to the existing service. To further inform funding level decisions, it is anticipated that a more thorough service review will occur in the future.

## **STRATEGIC PLAN AND RELATED POLICIES**

The implementation and use of a Capital Plan aligns with the SCRD’s Financial Sustainability Policy, Asset Management Policy, and the Asset Stewardship component of the SCRD’s Strategic Plan.

## **CONCLUSION**

The 20-year capital plan for GDFPS has been updated this year and no funding changes are needed at this time. Capital expenditures totaling \$16,100 are to included in the 2023 Budget.

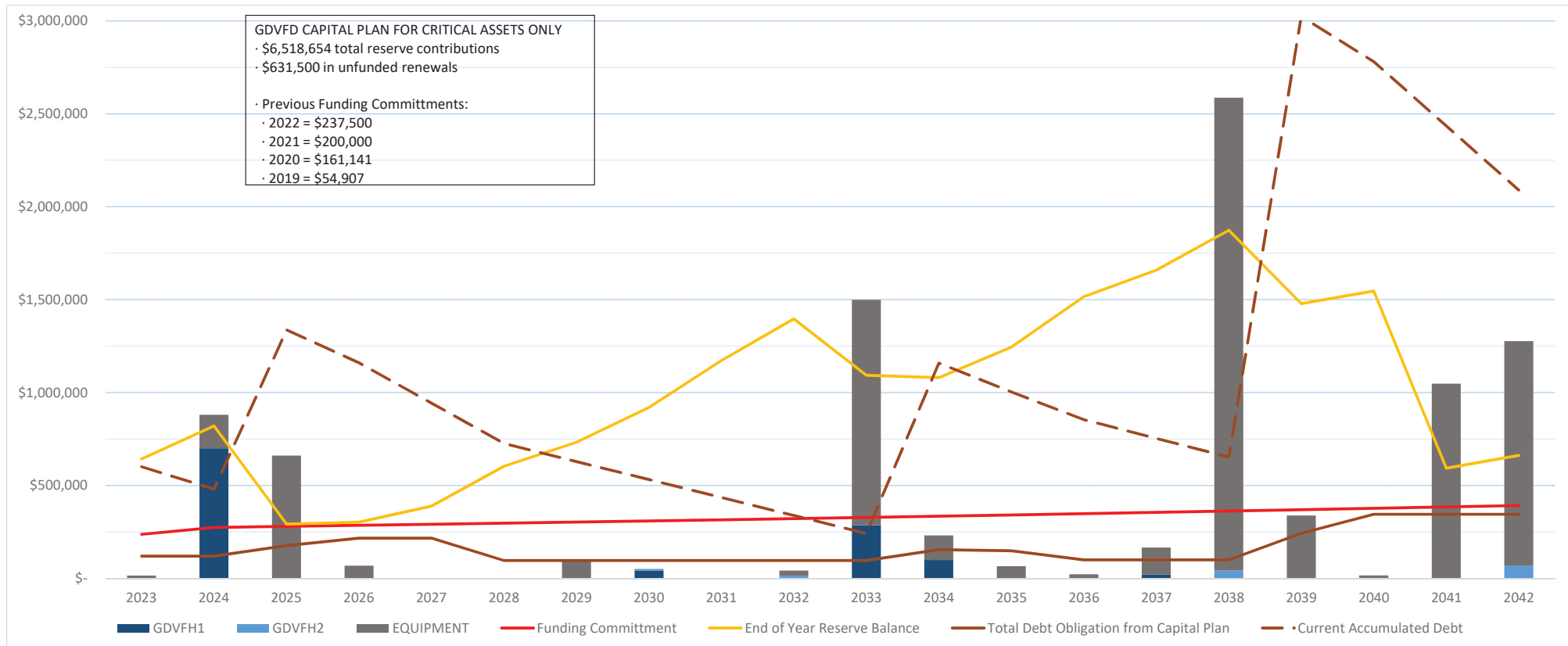
The use of longer-term loans for fire apparatus results in a lower annual funding requirement necessary to provide sustainable funding for critical component and equipment renewal at each service. Future reviews around the levels of service provided by each fire department will help to inform subsequent funding decisions.

## **ATTACHMENTS**

Attachment A: Gibsons and District Fire Department 20-Year Capital Plan

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault
GM	X – I. Hall	Legislative	
CAO	X – D. McKinley	Other	

# Attachment A





## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Finance Committee Pre-Budget - December 5-7, 2022

**AUTHOR:** Kyle Doyle, Manager, Asset Management  
Matt Treit, Manager, Protective Services

**SUBJECT:** **ROBERTS CREEK FIRE PROTECTION SERVICE [212] 20-YEAR CAPITAL PLAN UPDATE**

---

### RECOMMENDATION(S)

**THAT the report titled Roberts Creek Fire Protection Service [212] 20-Year Capital Plan Update be received for information;**

**AND THAT the annual funding commitment towards capital renewal for the Roberts Creek Fire Protection Service [212] be increased to \$190,000 from \$157,000 starting in 2023;**

**AND THAT Capital expenditures of up to \$8,000 be included in the 2023 Budget;**

**AND that the 2023-2027 Draft Financial Plan be amended accordingly.**

---

### BACKGROUND

At the [November 25, 2021](#) Corporate and Administrated Services Committee a report was provided which reviewed the existing funding for each of the four SCRD fire departments, and provided sustainable funding options for renewal of critical components and equipment at each of the fire protection services within the SCRD. The recommended \$7,000 annual increase in contributions to the Roberts Creek Fire Protection Service's (RCFPS) Capital Renewal fund was approved.

The purpose of this report is to update the Board on the Roberts Creek Fire Protection services' Capital Plan.

### DISCUSSION

The current projection for the RCFPS's 20-year Capital Plan suggests that the current funding level will be slightly below the expenses projected for critical capital renewal projects as well as all critical fire protection equipment. Approximately \$700,000 in capital expenditures have been captured in the 20<sup>th</sup> year of the Capital Plan. This has contributed to a projected shortfall equivalent to approximately \$33,000 per year. Extending the outlook beyond the 20-year horizon indicates that few expenditures exist that will significantly influence this capital plan within the next five years.

All capital plans for fire protection service functions consider long-term loans for all major purchases at certain points which will require electoral approval. Understanding the resourcing implications to the supporting functions such as Legislative Services is being considered.

### *Options and Analysis*

Based on the emerging projected expenditures it would be prudent to increase the annual funding to the RCFPS capital renewal from \$157,000 to \$190,000. This will maximize interest accrual and minimize the total taxpayer contribution to this service. Not raising funding at this juncture projects to result in a critical funding shortage by 2041. The graph detailing the 20-year Capital Plan can be found in **Attachment A**. Table 1 below shows the projected taxation impact of the Capital Renewal funding.

*Table 1: Proposed Annual Contribution – Roberts Creek Fire Protection Services Capital Renewal Fund*

Functional Area	Fire Department	2022 Contribution	2023 Contribution	Increase	Total Taxation per \$100K
212	Roberts Creek	\$ 157,000.00	\$ 190,000.00	\$ 33,000.00	\$ 9.61

**It is recommended that the annual funding commitment towards capital renewal for the Roberts Creek Fire Protection Services' [212] be increased to \$190,000 from \$157,000. AND that the 2023-2027 Draft Financial Plan be amended accordingly.**

Similar to most capital plans produced for the SCRD, only “critical” facility components were considered when initially determining funding requirements. Components deemed to have a criticality rating of “high priority” or “desirable” will continue to be brought forward with individual budget proposals when replacement is deemed necessary.

### *Financial Implications*

The taxation impacts of the current funding scenario is presented in the Table 1 above.

Capital expenditures totaling \$8,000 are to be completed as part of the capital renewal plan and are recommended to be included in the 2023 Budget.

Non-critical component/equipment replacement will continue to be brought to the Board for consideration on a case-by-case basis as required as part of the Budget process. These projects will require funding outside the capital renewal envelope.

### *Timeline for Next Steps*

The AAP process will be initiated when necessary to secure funding for major projects. For RCFPS it is anticipated that long term lending will be required in 2033. Communications efforts to maximize community engagement should precede this with adequate lead time.

Where current funding levels have been established to meet the replacement need of components that are critical to the delivery of the current service, it may be desired to consider expanding funding to enhance the service provisions. For protective services this may include aspects such as wildfire capabilities or firehall expansion that are deemed non-critical to the existing service. To further inform funding level decisions it is anticipated that a more thorough service review will occur in the future.

## **STRATEGIC PLAN AND RELATED POLICIES**

The implementation and use of a Capital Plan align with the SCRD's Financial Sustainability Policy, Asset Management Policy, and the Asset Stewardship component of the SCRD's Strategic Plan.

## **CONCLUSION**

The 20-year capital plan for RCFPS has been updated this year and it is recommended that Capital Renewal Funding be increased from \$157,000 annually to \$190,000. Capital expenditures totaling \$8,000 are to be included in the 2023 Budget.

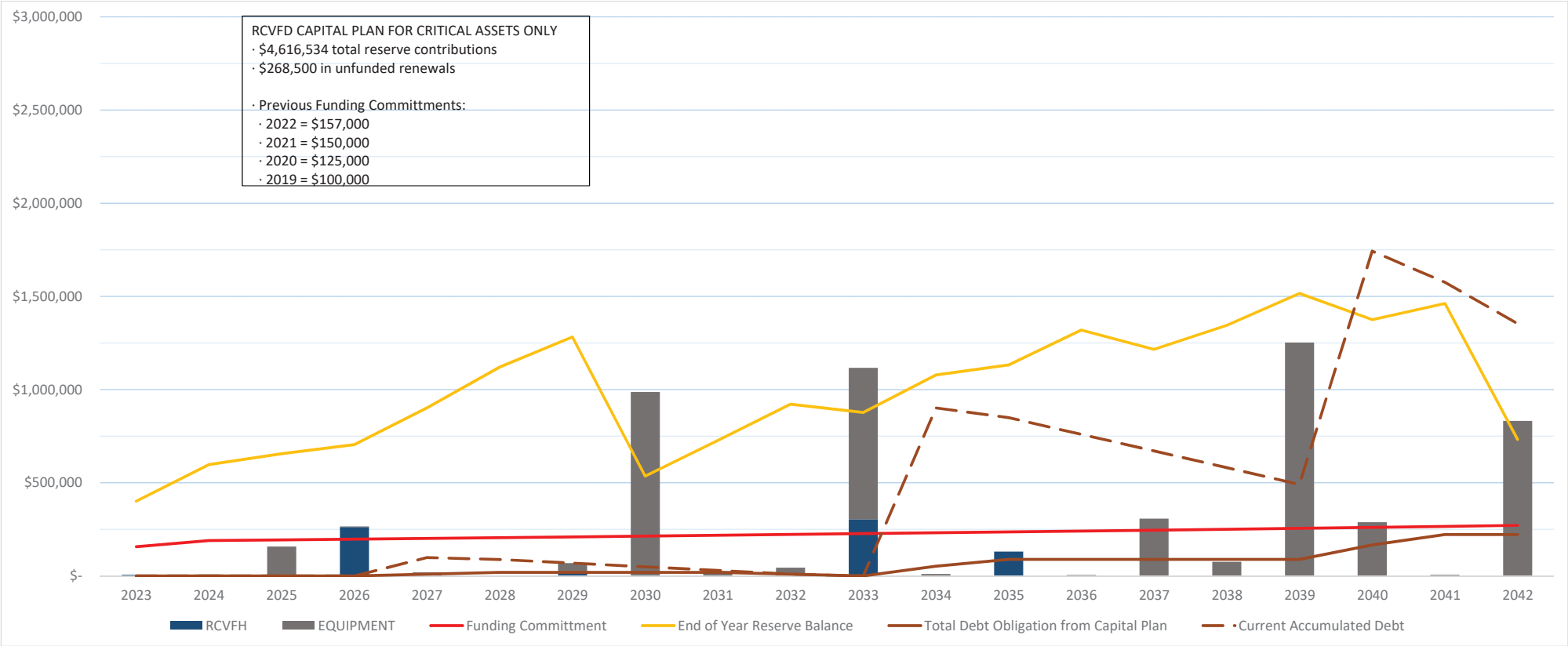
The use of longer-term loans for fire apparatus results in a lower annual funding requirement necessary to provide sustainable funding for critical component and equipment renewal at each service. Future reviews around the Levels of Service provided by each Fire Department will help to inform subsequent funding decisions.

## **ATTACHMENTS**

Attachment A: Roberts Creek Fire Department 20-Year Capital Plan

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault
GM	X – I. Hall	Legislative	
CAO	X – D. McKinley	Other	

Attachment A



## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Finance Committee Pre-Budget - December 5-7, 2022

**AUTHOR:** Matt Treit, Manager, Protective Services  
Kyle Doyle, Manager, Asset Management

**SUBJECT:** HALFMOON BAY FIRE PROTECTION SERVICE [216] 20-YEAR CAPITAL PLAN UPDATE

---

### RECOMMENDATION(S)

**THAT** the report titled Halfmoon Bay Fire Protection Service [216] 20-Year Capital Plan Update be received for information;

**AND THAT** the annual funding commitment towards capital renewal for the Halfmoon Bay Fire Protection Service [216] be increased to \$196,000 from \$173,000 starting in 2023;

**AND THAT** for 2023, the Halfmoon Bay Fire Protection Service's Rescue 1 Fire Apparatus Replacement project in the amount of \$623,200 be funded through long-term borrowing;

**AND THAT** Electoral Approval for a loan of up to \$623,200 for a term of 10 years be sought through the Alternate Approval Process to fund Halfmoon Bay Fire Protection Service's Rescue 1 Fire Apparatus Replacement project;

**AND** that the 2023-2027 Draft Financial Plan be amended accordingly.

---

### BACKGROUND

At the [November 25, 2021](#) Corporate and Administrated Services Committee a report was provided which reviewed the existing funding for each of the four SCRD fire departments, and provided sustainable funding options for renewal of critical components and equipment at each of the fire protection services within the SCRD. The recommended \$48,000 annual increase in contributions to the Halfmoon Bay Fire Protection Service's (HMBFPS) Capital Renewal fund was approved.

The purpose of this report is to update the Board on the Halfmoon Bay Fire Protection services' Capital Plan.

### DISCUSSION

The current projection for the HMBFPS's 20-year Capital Plan indicates that the current funding level will be slightly below the expenses projected for critical capital renewal projects as well as all critical fire protection equipment. Several components previously slated for replacement were reassessed this year and it was determined that their performance was satisfactory and were rescheduled for 2024 replacement. As the 20-year outlook of the capital plan advances to include 2042, approximately \$310,000 in additional capital expenditures have been captured in the updated version of the Capital Plan. Increasing costs of fire protection apparatus have been observed and also have been factored into the updated capital plan. This has resulted in a

projected shortfall equivalent to approximately \$33,000 per year. Extending the outlook beyond the 20-year horizon indicates that few expenditures exist that will significantly influence this capital plan within the five years following.

All capital plans for fire protection service functions consider long-term loans for all major purchases at certain points which will require electoral approval. Understanding the resourcing implications to the supporting functions such as Legislative Services is being considered.

For 2023, the Plan accounts for the purchase of Rescue 1 Fire Apparatus Replacement (fire truck). The estimated cost for this vehicle is estimated at \$623,200 and will be funded through a long-term loan as the life of the asset is 20 years. It is recommended to be placed in the 2023-2027 Financial Plan with delivery in 2024.

### *Options and Analysis*

Based on the emerging projected expenditures it is recommended to increase the annual funding to the HMBFPS capital renewal from \$173,000 to \$196,000. This will maximize interest accrual and minimize the total taxpayer contribution to this service. Not raising funding at this point projects to result in a critical funding shortage by 2040. The graph detailing the 20-year Capital Plan can be found in **Attachment A**. Table 1 below shows the projected taxation impact of the Capital Renewal funding.

*Table 1: Proposed Annual Contribution – Halfmoon Bay Fire Protection Services Capital Renewal Fund*

Functional Area	Fire Department	2022 Contribution	2023 Contribution	Increase	Total Taxation per \$100K
216	Halfmoon Bay	\$ 173,000.00	\$ 196,000.00	\$ 23,000.00	\$ 9.65

Similar to most capital plans produced for the SCRD, only “critical” facility components were considered when initially determining funding requirements. Components deemed to have a criticality rating of “high priority” or “desirable” will be brought forward with individual budget proposals when replacement is deemed necessary.

### *Organizational and Intergovernmental Implications*

Corporate Services will assist with the implementation of the AAP required to obtain electoral approval for the longer-term loans.

### *Financial Implications*

The taxation impacts of the current funding scenario is presented in the Table 1 above.

Non-critical component/equipment replacement will continue to be brought to the Board for consideration on a case-by-case basis as required as part of the Budget process. These projects will require funding outside the capital renewal envelope.

The purchase of the vehicle will be included in the Financial Plan with debt principal and interest occurring in 2024. The debt principal is considered as part of the capital plan funding envelope with the interest being funded through operations.

### *Timeline for Next Steps*

The AAP process will be initiated when necessary to secure funding for major projects. For HMBFPS it is anticipated that long term lending will be required in 2024. Communications efforts to maximize community engagement should precede this with adequate lead time (2-3 months approximately).

Where current funding levels have been established to meet the replacement need of components that are critical to the delivery of the current service, it may be desired to consider expanding funding to enhance the service provisions. For Protective Services this may include aspects such as wildfire-fighting capabilities or firehall expansion that are deemed non-critical to the existing service. To further inform funding level decisions, it is anticipated that a more thorough service review will occur in the future.

### *Communications Strategy*

A communication strategy should be developed to clearly communicate the benefits of extended equipment loan timelines versus the status quo. It is anticipated that much of the effort to communicate this information to residents can be reused for each subsequent AAP.

## **STRATEGIC PLAN AND RELATED POLICIES**

The implementation and use of a Capital Plan align with the SCRD's Financial Sustainability Policy, Asset Management Policy, and the Asset Stewardship component of the SCRD's Strategic Plan.

## **CONCLUSION**

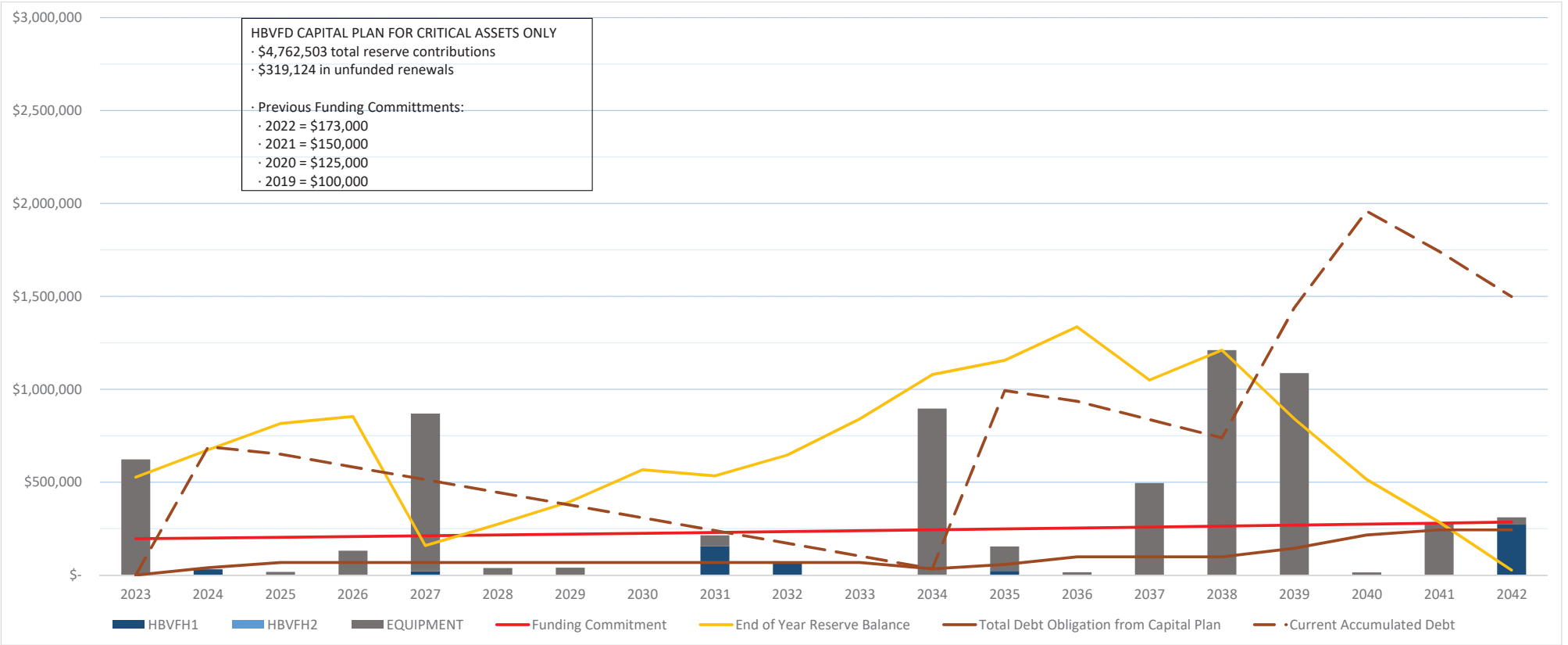
The 20-year capital plan for HMBFPS has been updated this year and it is recommended that Capital Renewal Funding be increased from \$173,000 annually to \$196,000. The use of longer-term loans for fire apparatus results in a lower annual funding requirement necessary to provide sustainable funding for critical component and equipment renewal at each service. Future reviews around the Levels of Service provided by each Fire Department will help to inform subsequent funding decisions.

## **ATTACHMENTS**

Attachment A: Halfmoon Bay Fire Department 20-Year Capital Plan

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault
GM	X – I. Hall	Legislative	
CAO	X – D. McKinley	Other	

Attachment A





## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Finance Committee Pre-Budget - December 5-7, 2022

**AUTHOR:** Matt Treit, Manager, Protective Services  
Kyle Doyle, Manager, Asset Management

**SUBJECT:** EGMONT FIRE PROTECTION SERVICE [218] 20-YEAR CAPITAL PLAN UPDATE

---

### RECOMMENDATION(S)

**THAT** the report titled Egmont Fire Protection Service [218] 20-Year Capital Plan Update be received for information;

**AND THAT** the annual funding commitment towards capital renewal for the Egmont Fire Protection Service [212] be increased to \$10,000 from \$5,000 starting in 2023;

**AND THAT** the annual funding commitment towards capital renewal for the Egmont Fire Protection Service [212] be increased by \$5,000 each subsequent year until 2027 for a 2027 commitment of \$30,000.

**AND** that the 2023-2027 Draft Financial Plan be amended accordingly.

---

### BACKGROUND

At the [November 25, 2021](#) Corporate and Administrated Services Committee a report was provided which reviewed the existing funding for each of the four SCRD fire departments, and provided sustainable funding options for renewal of critical components and equipment at each of the fire protection services within the SCRD. At the time of the report a review of the Egmont Fire Protection Services tax rate bylaw was under review and no increase to the Egmont Fire Protection Service's (EFPS) Capital Renewal fund was proposed until the completion of that process.

The purpose of this report is to update the Board on the Egmont Fire Protection services' Capital Plan.

### DISCUSSION

The current projection for the EFPS's 20-year Capital Plan suggests that the current funding level will be significantly below the expenses projected for critical capital renewal projects as well as all critical fire protection equipment. This plan has considered the purchase of used fire vehicles to leverage the rural fire protection standards and save costs on fire apparatus. Increasing costs of used fire protection apparatus have been factored into the updated capital plan. The next replacement of fire apparatus is anticipated for 2026.

Long-Term lending has not been considered for used fire apparatus as the eligibility of such equipment is uncertain.

### *Options and Analysis*

Based on the emerging projected expenditures it would be prudent to increase the annual funding to the EFPS capital renewal. This will help to mitigate any unplanned taxation increases due to borrowing. Fire Protection Services have a responsibility to meet certain apparatus standards in order to maintain adequate coverage for property insurance needs. Not raising funding at this point projects to result in a critical funding shortage by 2027. The graph detailing the 20-year Capital Plan can be found in **Attachment A**. Table 1 below shows the projected taxation impact of the Capital Renewal funding for the next five-years.

*Table 1: Proposed Annual Contribution – Egmont Fire Protection Services Capital Renewal Fund*

Functional Area	Fire Department	2022 Contribution	2023 Contribution	Increase	Total Taxation per \$100K
218	Egmont & District	\$ 5,000.00	\$ 10,000.00	\$ 5,000.00	\$ 3.49

**It is recommended that the annual funding commitment towards capital renewal for the Egmont Fire Protection Services' [212] be increased to \$10,000 from \$5,000.**

**AND THAT the annual funding commitment towards capital renewal for the Egmont Fire Protection Service [212] be increased by \$5,000 each subsequent year until 2027 for a 2027 commitment of \$30,000.**

**AND that the 2023-2027 Draft Financial Plan be amended accordingly.**

Similar to most capital plans produced for the SCRD, only “critical” facility components were considered when initially determining funding requirements. Components deemed to have a criticality rating of “high priority” or “desirable” will be brought forward with individual budget proposals when replacement is deemed necessary.

### *Financial Implications*

The taxation impacts of the current funding scenario are presented in the Table 1 above. The increase to the tax servicing limit in 2022 to \$1.42/\$1,000 looks to be sufficient to cover the proposed annual increases. This will be considered as part of the annual review of the capital plan.

Non-critical component/equipment replacement will continue to be brought to the Board for consideration on a case-by-case basis as required as part of the Budget process. These projects will require funding outside the capital renewal envelope.

### *Timeline for Next Steps*

The AAP process will be initiated when necessary to secure funding for major projects. For EFPS it is anticipated that long term lending will be required in 2026. Communications efforts to maximize community engagement should precede this with adequate lead time.

Where current funding levels have been established to meet the replacement need of components that are critical to the delivery of the current service, it may be desired to consider expanding funding to enhance the service provisions. For protective services this may include aspects such as wildfire capabilities or firehall expansion that are deemed non-critical to the existing service. To further inform funding level decisions it is anticipated that a more thorough service review will occur in the future.

## STRATEGIC PLAN AND RELATED POLICIES

The implementation and use of a Capital Plan align with the SCRD's Financial Sustainability Policy, Asset Management Policy, and the Asset Stewardship component of the SCRD's Strategic Plan.

## CONCLUSION

The 20-year capital plan for EFPS has been updated this year and it is recommended that Capital Renewal Funding be increased from \$5,000 annually to \$10,000. Future reviews around the Levels of Service provided by each Fire Department will help to inform subsequent funding decisions.

## ATTACHMENTS

Attachment A: Egmont Fire Department 20-Year Capital Plan

Reviewed by:			
Manager		CFO/Finance	X – T. Perreault
GM	X – I. Hall	Legislative	
CAO	X – D. McKinley	Other	

# Attachment A

