

RECEIVED

March 28, 2018

APR 0 3 2018

City of Nanaimo 455 Wallace Street Nanaimo, BC V9R 5J6 LEGISLATIVE SERVICES

Attention: Sheila Gurrie, City Clerk

Dear Ms. Gurrie:

Re: Drinking Water and Watershed Protection Service Amendment Bylaw No. 1556.03, 2018

The Board, at its regular meeting held March 27, 2018, introduced and read three times the above noted service amendment bylaw (copy attached). This bylaw proposes to alter the apportionment allocation of the service. Also attached is the report that was submitted to the Board on March 27, 2018. All of the recommendations were carried by the Board.

As part of the approval process for the bylaw, the Regional District requires the consent of at least 2/3 of the local service participants. It would be appreciated if your Council would consider endorsing the following resolution at its next meeting:

That the Council of the City of Nanaimo consents on behalf of the electors to the adoption of "Drinking Water and Watershed Protection Service Amendment Bylaw No. 1556.03, 2018" and further, that the Regional District be notified accordingly.

If you have any questions, please do not hesitate to contact this office.

Sincerely,

Jacquie Hill

Manager of Administrative Services

Min

T: 250-390-4111 | Email: jhill@rdn.bc.ca

Attachments (2)

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1556.03

A BYLAW TO AMEND THE DRINKING WATER AND WATERSHED PROTECTION SERVICE ESTABLISHING BYLAW NO. 1556

WHEREAS the Regional District of Nanaimo wishes to amend Regional District of Nanaimo Drinking Water and Watershed Protection Service Establishing Bylaw No. 1556, 2008 to alter the apportionment allocation;

AND WHEREAS the Regional Board has obtained the consent of at least two-thirds of the participants as required under the *Local Government Act*;

NOW THEREFORE the Board of the Regional District of Nanaimo in open meeting assembled enacts as follows:

1. Citation

This bylaw may be cited for all purposes as the "Drinking Water and Watershed Protection Service Amendment Bylaw No. 1556.03, 2018".

2. Amendment

"Drinking Water and Watershed Protection Service Establishing Bylaw No. 1556, 2008" is amended as follows:

(1) By deleting the table in Section 6(a) and replacing it with the following:

Year	Rate per Taxable Property
2012	Three (\$3) dollars
2013	Four (\$4) dollars
2014	Five (\$5) dollars
2015	Six (\$6) dollars
2016	Seven (\$7) dollars
2017	Eight (\$8) dollars
2018	Seven dollars & fifty cents (\$7.50)
2019 and thereafter	Eight (\$8) dollars

(2) By deleting the table in Section 6(b) and replacing it with the following:

Year	Rate per Taxable Property
2012	Six (\$6) dollars
2013	Seven (\$7) dollars
2014	Eight (\$8) dollars
2015	Eight (\$8) dollars

2016	Eight (\$8) dollars	
2017	Eight (\$8) dollars	
2018	Seven dollars & fifty cents (\$7.50)	
2019 and thereafter	Eight (\$8) dollars	

(3) By deleting the table in Section 6(c) and replacing it with the following:

Year	Rate per Taxable Property
2012	Ten (\$10) dollars
2013	Nine (\$9) dollars
2014	Eight (\$8) dollars
2015	Eight (\$8) dollars
2016	Eight (\$8) dollars
2017	Eight (\$8) dollars
2018	Seven dollars & fifty cents (\$7.50)
2019 and thereafter	Eight (\$8) dollars

CHAIR	CORPORATE OFFICER
, ruopteu ems uuy u, 2020.	
Adopted this day of, 2018.	
Received the approval of the Inspector of Municipalities	this day of, 2018.
Introduced and read three times this 27th day of March,	2018.



STAFF REPORT

TO:

Regional District of Nanaimo Board

MEETING: March 27, 2018

FROM:

Wendy Idema

Director of Finance

FILE:

1700-06

SUBJECT:

2018 to 2022 Financial Plan Revised Bylaw No. 1771

RECOMMENDATIONS

1. That third reading of "Regional District of Nanaimo Financial Plan 2018 to 2022 Bylaw No. 1771, 2018" be rescinded.

- 2. That "Regional District of Nanaimo Financial Plan 2018 to 2022 Bylaw No. 1771, 2018" be amended to replace Schedule A as shown on Attachment 1.
- 3. That "Regional District of Nanaimo Financial Plan 2018 to 2022 Bylaw No. 1771, 2018" be read a third time as amended and as outlined in Attachment 1.
- 4. That "Regional District of Nanaimo Financial Plan 2018 to 2022 Bylaw No. 1771, 2018" be adopted.
- 5. That "Drinking Water and Watershed Protection Service Amendment Bylaw No. 1556.03, 2018" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.
- 6. That "Southern Community Economic Development Service Amendment Bylaw No. 1648.01, 2018" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.

SUMMARY

Bylaw 1771 was introduced and given three readings at the February 27, 2018 Board meeting. Since that time, two grants have been received: \$6 million for Southern Community Wastewater and \$150,000 for asset management with impacts to the 2018 to 2022 Financial Plan. Additionally, motions were passed by the Board to fund INFilm for \$50,000, to add \$5,000 to the Gabriola Recreation Service, to add \$2,600 to the District 69 Marine Rescue Service and revised information has been received from BC Transit and for parcel numbers used for parcel taxes. The attached revised Schedule A represents current information for Bylaw adoption. The overall 2018 final tax requisition decreases by \$78,914.

Bylaws 1648.01 and 1556.03 are also included with this report to complete apportionment amendments required for two services in order to accurately reflect the approved 2018 budget. For 2018 there is a change to the Southern Community Economic Development Service requisition to only requisition funds from Electoral Area B for work being done by the Gabriola Island Chamber of Commerce. As well, there is a change to the Drinking Water and Watershed Protection Service to reduce the parcel tax amount to \$7.50 as a result of additional carry forward surplus from 2017.

BACKGROUND

Bylaw 1771 was introduced and given three readings at the February 27, 2018 Board meeting. Since that time, the following changes have occurred with impacts to the 2018 to 2022 Financial Plan. Revised budget and member summary information will be distributed and posted on the RDN website.

- 1. A \$6 million grant was received for the Greater Nanaimo Pollution Control Centre Secondary Treatment Upgrade Project from the Strategic Priorities Fund under the Gas Tax Transfer agreement. This \$6 million award will directly decrease the 2018 requisition by \$140,470 and the 2019 requisition by \$320,000. It will also result in an estimated \$9 million savings in debt servicing costs over the next 20 years.
- 2. A \$150,000 grant was received from the Strategic Priorities Fund under the Gas Tax Transfer agreement for a replacement cost study for the asset management project underway. This funding has no direct impact on the 2018 requisition; however, it will allow for incremental work on the project to be completed on an accelerated timeline and to a higher degree of accuracy. Work to date was previously being funded from reserves and spread over several years. Prior work also relied on historic cost increased by inflation and insurance data to estimate future replacement costs.
- 3. The Board passed a motion to fund INFilm for \$50,000 through the Community Grants requisition which is allocated across all participants on an assessment basis.
- 4. The Board passed a motion to increase the requisition by \$5,000 for the Gabriola Island Recreation Service from \$118,690 to \$123,690 in order to provide base funding to the Gabriola Arts Council which it can leverage to access other grant funding programs. This service is funded solely by Gabriola Island property owners.
- 5. The Board passed a motion to increase the requisition for the District 69 Marine Search and Rescue Service from \$5,000 to \$7,600 (an increase of \$2,600) to provide additional funding to the Lighthouse Marine Rescue Society. This service is funded solely by Electoral Area H.
- 6. Final parcel numbers have been received from the municipalities resulting in small increases to the Drinking Water and Watershed Protection requisition (\$1,380) and Regional Parks Capital requisition (\$2,576) parcel taxes.
- 7. BC Transit has provided their 2018/2019 annual operating agreement information. There is no direct impact to the 2018 tax requisition for Transit service; however, revised information on the special reserve held by BC Transit for the RDN Transit Service has been received and \$1,200,864 of RDN funds is being held to offset inflation impacts in future years. This process is in accordance with their agreement with the Province and BC Transit Act Regulations.

Two other bylaws require amendment for 2018 in order to ensure they accurately represent the apportionment of the requisition as approved in the budget. For 2018 there is a change to the Southern Community Economic Development Service requisition to only requisition funds from Electoral Area B for work being done by the Gabriola Island Chamber of Commerce. Pending a review of the Southern Community Economic Development Service, Electoral Area A and C will not be requisitioned for this service in 2018. As well, there is a change to the Drinking Water and Watershed Protection Service to reduce the parcel tax amount to \$7.50 as a result of additional carry forward surplus from 2017.

Bylaws 1648.01 and 1556.03 are included with this report to complete these apportionment amendments.

ALTERNATIVES

- 1. Approve the 2018 to 2022 Financial Plan as revised and adopt Bylaw No. 1771 as amended and provide three readings to Amendment Bylaws 1556.03 and 1648.01 to be forwarded to the Inspector of Municipalities for approval.
- 2. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

As noted above the overall change to the tax requisition since Bylaw No. 1771 was introduced in February is a \$78,914 decrease. Revised "Average Home Tax Change" charts by participant are included as Attachment 4 to provide a breakdown by area, and revised member summaries will be distributed and posted on the RDN website. Other than the INFilm grant funding, which impacts all areas, the changes noted above are specific to the participating areas and have varying impacts. The most significant change is for the City of Nanaimo with a \$107,905 (0.6%) decrease to the requisition as a result of the grant received for the Secondary Treatment Project at the Greater Nanaimo Pollution Control Centre.

STRATEGIC PLAN IMPLICATIONS

The 2018 to 2022 proposed Financial Plan is consistent with the current strategic plan and is guided by the Board governing principles to "Be Transparent and Accountable" and to "Show Fiscal Restraint" through improved financial planning and prudent use of tax dollars and to deliver the services expected by residents of the Region as cost effectively as possible.

Wendy Idema (widema@rdn.bc.ca)

Director of Finance March 16, 2018

Reviewed by:

- D. Wells, General Manager, Corporate Services
- P. Carlyle, Chief Administrative Officer

Attachments

- 1. Regional District of Nanaimo Financial Plan 2018 to 2022 Bylaw No. 1771, 2018
- 2. Drinking Water and Watershed Protection Service Amendment Bylaw No. 1556.03, 2018
- 3. Southern Community Economic Development Service Amendment Bylaw No. 1648.01, 2018
- 4. 2018 Estimated Average Home Tax Change by Area

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1771

A BYLAW TO ADOPT THE 2018 TO 2022 FINANCIAL PLAN

WHEREAS the Regional District of Nanaimo shall, in accordance with the the *Local Government Act*, adopt by bylaw a five year financial plan;

AND WHEREAS an expenditure not provided for in the financial plan or the financial plan as amended, is not lawful unless for an emergency that was not contemplated;

NOW THEREFORE the Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Definitions

"Emergency" means a present or imminent event that:

- is caused by accident, fire explosion or technical failure or by the forces of nature; and
- b) requires prompt coordination of action or special regulation of persons or property to protect the health, safety or welfare of people or to limit damage to property.

2. Financial Plan

Schedule 'A' attached to this bylaw is hereby adopted as the Financial Plan for the Regional District of Nanaimo for the period January 1, 2018 to December 31, 2022.

3. Financial Plan Amendments

- a) Funds may be reallocated in accordance with the Regional District of Nanaimo's purchasing policy for new projects.
- b) The officer responsible for financial administration may transfer unexpended appropriations to Reserve Funds and accounts for future expenditures.
- c) The Board may authorize amendments to the plan for Emergencies as defined herein.

4. Citation

This bylaw may be cited as "Regional District of Nanaimo Financial Plan 2018 to 2022 Bylaw No. 1771, 2018".

Introduced and read three times this 27th day	of February, 2018.
Adopted this day of, 2018	
CHAIR	CORPORATE OFFICER



CONSOLIDATED FINANCIAL PLAN 2018 TO 2022

Schedule 'A' to accompany "Regional District of Nanaimo Financial Plan 2018 to 2022 Bylaw No. 1771, 2018"

Chair

Corporate Officer

				(Corporate Office	er	- 1
	2017 Budget	2018 Proposed	2019	2020	2021	2022	Total
Operating Revenues		6.6%	5.7%	3.7%	3.0%	3.2%	
	(44,980,223)	(48,086,314)	(50,785,674)	(52,711,009)	(54,269,156)	(55,995,323)	(261,847,476)
Property taxes Parcel taxes	(4,763,907)	(4,970,691)	(5,291,329)	(5,465,081)	(5,642,429)	(5,810,844)	(27,180,374)
	(350,645)	(363,015)	(375,991)	(390,152)	(392,179)	(400,022)	(1,921,359)
Municipal agreements	(50,094,775)	(53,420,020)	(56,452,994)	(58,566,242)	(60,303,764)	(62,206,189)	(290,949,209)
	(30,034,175)	(55),125,625)	(,,,	, , , , , ,			
Operations	(3,566,245)	(3,877,345)	(3,788,006)	(3,821,623)	(3,854,008)	(3,888,770)	(19,229,752)
Interest income	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(750,000)
Transit fares	(4,486,982)	(4,480,232)	(4,573,182)	(4,656,357)	(4,792,965)	(4,889,041)	(23,391,777)
Landfill tipping fees	(7,600,000)	(8,200,000)	(8,282,000)	(8,282,000)	(8,364,820)	(8,364,820)	(41,493,640)
Recreation fees	(608,156)	(642,808)	(656,202)	(669,559)	(683,230)	(697,577)	(3,349,376)
Recreation facility rentals	(541,795)	(546,190)	(562,576)	(579,453)	(596,837)	(614,742)	(2,899,798)
Recreation vending sales	(4,500)	(5,900)	(5,900)	(5,900)	(5,900)	(5,900)	(29,500)
Recreation concession	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(25,000)
Recreation other	(453,415)	(500,450)	(515,464)	(530,927)	(546,854)	(562,361)	(2,656,056)
Utility user fees	(4,830,285)	(5,007,661)	(5,208,178)	(5,368,337)	(5,533,688)	(5,703,050)	(26,820,914)
Operating grants	(6,216,146)	(6,858,751)	(6,584,590)	(6,579,641)	(6,905,360)	(7,167,412)	(34,095,754)
Planning grants	(301,898)	(370,067)	(875,693)	(1,045,130)	(385,421)	(157,100)	(2,833,411)
	(149,290)	(149,290)	(149,290)	(149,290)	(149,290)	(149,290)	(746,450)
Grants in lieu of taxes		(7,075,064)	(7,310,072)	(7,407,658)	(7,489,510)	(7,740,799)	(37,023,103)
Interdepartmental recoveries	(6,346,161)	(7,973,181)	(8,465,798)	(8,160,952)	(8,421,080)	(8,369,859)	(41,390,870)
Miscellaneous	(8,652,686)				(108,187,727)	(110,671,910)	(527,684,610)
Total Operating Revenues	(94,007,334)	(99,261,959)	(103,584,945)	(105,978,069)	(108,187,727)	(110,071,510)	(327,004,010)
Operating Expenditures							
Administration	4,521,662	4,733,548	4,809,215	4,841,894	4,915,459	4,991,709	24,291,825
Community grants	787,764	131,940	101,940	101,940	101,940	101,940	539,700
Legislative	511,635	769,731	728,992	741,445	754,127	942,042	3,936,337
Professional fees	2,464,845	3,306,734	2,310,015	2,017,677	1,964,209	1,998,027	11,596,662
Building ops	3,286,717	3,329,749	3,394,261	3,451,666	3,517,445	3,583,934	17,277,055
Veh & Equip ops	7,722,123	7,499,287	7,628,166	7,771,379	7,919,754	8,068,946	38,887,532
Operating costs	17,341,000	18,708,616	20,514,680	21,323,902	22,680,991	23,553,283	106,781,472
	1,109,238	1,417,666	1,389,938	1,266,705	1,278,634	1,290,756	6,643,699
Program costs	32,313,526	34,034,732	34,850,603	35,552,609	36,263,654	36,958,938	177,660,536
Wages & benefits	6,916,996	7,374,277	7,399,509	7,554,857	7,713,635	7,915,934	37,958,212
Transfer to other gov/org		10,433,016	9,772,110	8,835,084	7,776,667	7,466,786	44,283,663
Contributions to reserve funds	8,369,629	10 AND	4,241,826	3,996,881	3,832,919	3,766,722	20,465,355
Debt interest	4,533,834	4,627,007		97,456,039	98,719,434	100,639,017	490,322,048
Total Operating Expenditures	89,878,969	96,366,303	97,141,255	97,436,039	30,713,434	100,039,017	430,322,040
Operating (surplus)/deficit	(4,128,365)	(2,895,656)	(6,443,690)	(8,522,030)	(9,468,293)	(10,032,893)	(37,362,562)
Capital Asset Expenditures							
Capital expenditures	65,901,871	72,943,091	52,665,198	27,701,763	21,777,302	8,511,095	183,598,449
Transfer from reserves	(36,654,987)	(41,022,039)			0.00		(83,137,482)
Grants and other	(5,973,767)	(12,856,726)	(9,685,679)	(1,656,000)			(25,597,038)
New borrowing	(19,144,870)	(15,119,726)	(23,164,764)	(8,046,655)	(15,045,793)	(463,280)	(61,840,218
Net Capital Assets funded from Operations	4,128,247	3,944,600	2,941,113	2,340,079	2,152,457	1,645,462	13,023,711
e n lei e e e e e e e e e e e e e e e e e e							
Capital Financing Charges	4 674 760	4 050 525	4 505 643	4 500 207	4 204 750	4,162,453	22,609,697
Existing debt (principal)	4,371,769	4,958,635	4,595,643	4,588,207	4,304,759		
New debt (principal & interest)	191,448	151,198	1,323,528	2,961,031	3,652,350	4,668,297	12,756,404
Total Capital Financing Charges	4,563,217	5,109,833	5,919,171	7,549,238	7,957,109	8,830,750	35,366,101
Net (surplus)/deficit for the year	4,563,099	6,158,777	2,416,594	1,367,287	641,273	443,319	11,027,250
	4,505,035	(2,635,433)		,,,			(2,635,433
Add: Transfer from appropriated surplus	(12,163,067)	(12,146,812)	1	(6,206,874)	(4,839,587)	(4,198,314)	
Add: Prior year (surplus) / decifit							
(Surplus) applied to future years	(7,599,968)	(8,623,468)	(6,206,874	(4,839,587)	(4,198,314	(3,754,995)	(27,023,23

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1556.03

A BYLAW TO AMEND THE DRINKING WATER AND WATERSHED PROTECTION SERVICE ESTABLISHING BYLAW NO. 1556

WHEREAS the Regional District of Nanaimo wishes to amend Regional District of Nanaimo Drinking Water and Watershed Protection Service Establishing Bylaw No. 1556, 2008 to alter the apportionment allocation;

AND WHEREAS the Regional Board has obtained the consent of at least two-thirds of the participants as required under the *Local Government Act*;

NOW THEREFORE the Board of the Regional District of Nanaimo in open meeting assembled enacts as follows:

1. Citation

This bylaw may be cited for all purposes as the "Drinking Water and Watershed Protection Service Amendment Bylaw No. 1556.03, 2018".

2. Amendment

"Drinking Water and Watershed Protection Service Establishing Bylaw No. 1556, 2008" is amended as follows:

(1) By deleting the table in Section 6(a) and replacing it with the following:

Year	Rate per Taxable Property	
2012	Three (\$3) dollars	
2013	Four (\$4) dollars	
2014	Five (\$5) dollars	
2015	Six (\$6) dollars	
2016	Seven (\$7) dollars	
2017	Eight (\$8) dollars	
2018	Seven dollars & fifty cents (\$7.50)	
2019 and thereafter	Eight (\$8) dollars	

(2) By deleting the table in Section 6(b) and replacing it with the following:

Year	Rate per Taxable Property	
2012	Six (\$6) dollars	
2013	Seven (\$7) dollars	
2014	Eight (\$8) dollars	
2015	Eight (\$8) dollars	

2016	Eight (\$8) dollars
2017	Eight (\$8) dollars
2018	Seven dollars & fifty cents (\$7.50)
2019 and thereafter	Eight (\$8) dollars

(3) By deleting the table in Section 6(c) and replacing it with the following:

Year Rate per Taxable Property		
2012	Ten (\$10) dollars	
2013	Nine (\$9) dollars	
2014	Eight (\$8) dollars	
2015	Eight (\$8) dollars	
2016	Eight (\$8) dollars	
2017	Eight (\$8) dollars	
2018	Seven dollars & fifty cents (\$7.50)	
2019 and thereafter	Eight (\$8) dollars	

Introduced and read three times this day	of, 2018.
Received the approval of the Inspector of Mun	icipalities this day of, 2018.
Adopted this day of, 2018.	
CHAIR	CORPORATE OFFICER

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1648.01

A BYLAW TO AMEND THE SOUTHERN COMMUNITY ECONOMIC DEVELOPMENT SERVICE ESTABLISHING BYLAW NO. 1648

WHEREAS the Regional District of Nanaimo wishes to amend Regional District of Nanaimo Southern Community Economic Development Service Establishing Bylaw No. 1648, 2011 to alter the apportionment allocation;

AND WHEREAS the Regional Board has obtained the consent of at least two-thirds of the participants as required under the *Local Government Act*;

NOW THEREFORE the Board of the Regional District of Nanaimo in open meeting assembled enacts as follows:

This bylaw may be cited for all purposes as the "Southern Community Economic Development Service Amendment Bylaw No. 1648.01, 2018".

2. Amendment

Citation

1.

"Southern Community Economic Development Service Establishing Bylaw No. 1648, 2011" is amended as follows:

- (1) Section 6 "Citation" is renumbered as Section 7.
- (2) A new Section 6 is added as follows:
 - 6. Apportionment

In 2018, the costs of the service shall be apportioned among the Participating Areas as follows:

- (a) The tax requisition for Electoral Area 'A' is \$0.00.
- (b) The tax requisition for Electoral Area 'B' is \$65,000.
- (c) The tax requisition for Electoral Area 'C' is \$0.00.

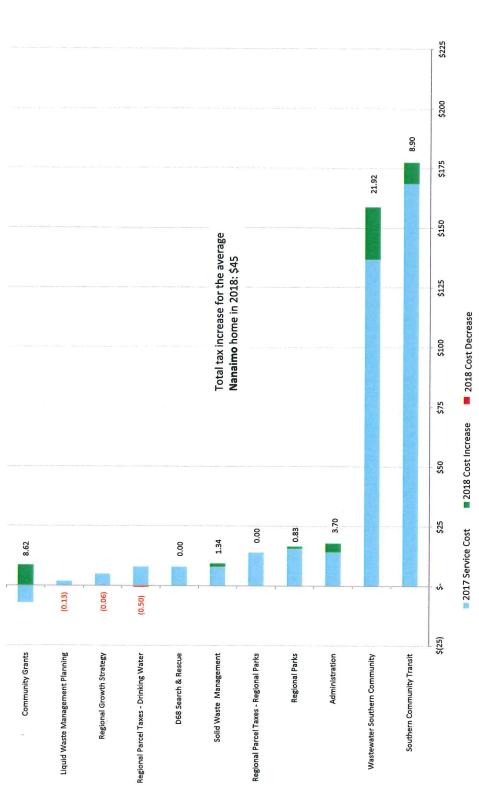
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Received the approval of the Inspector o	f Municipalities this	day of	. 2018.

Bylaw No. 1648.01 Page 2

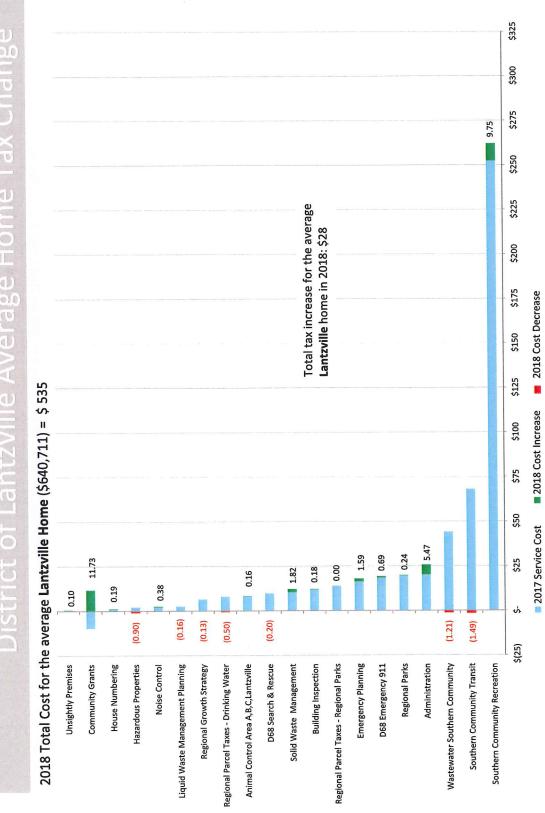
Adopted this day of	, 2018.	
CHAIR	CORPORATE OFFICE	ER .

City of Nanaimo Average Home Tax Change REGIONAL DISTRICT OF NANAIMO SERVI



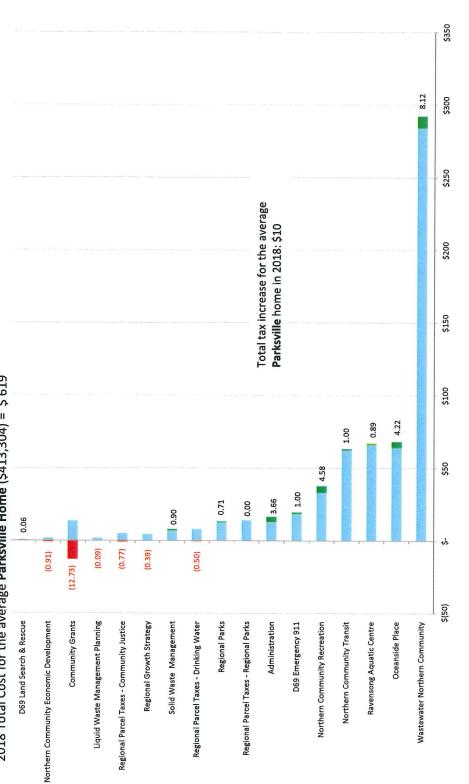


REGIONAL DISTRICT OF NANAIMO SERVICI



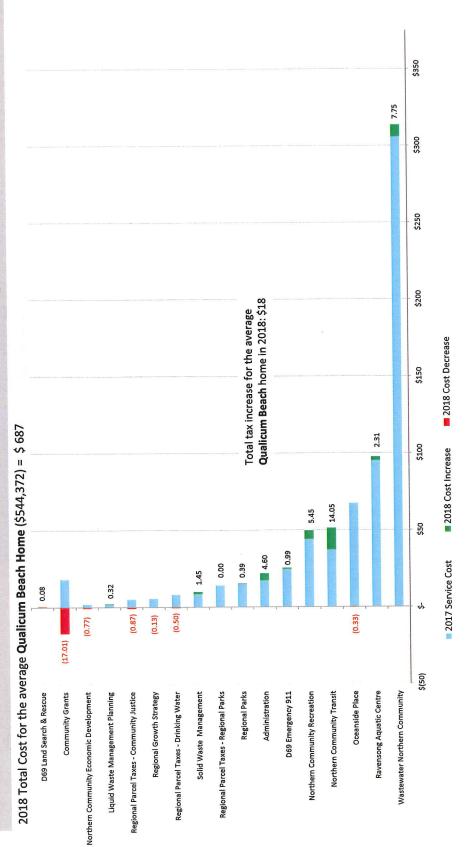
City of Parksville Average Home

2018 Total Cost for the average Parksville Home (\$413,304) = \$619



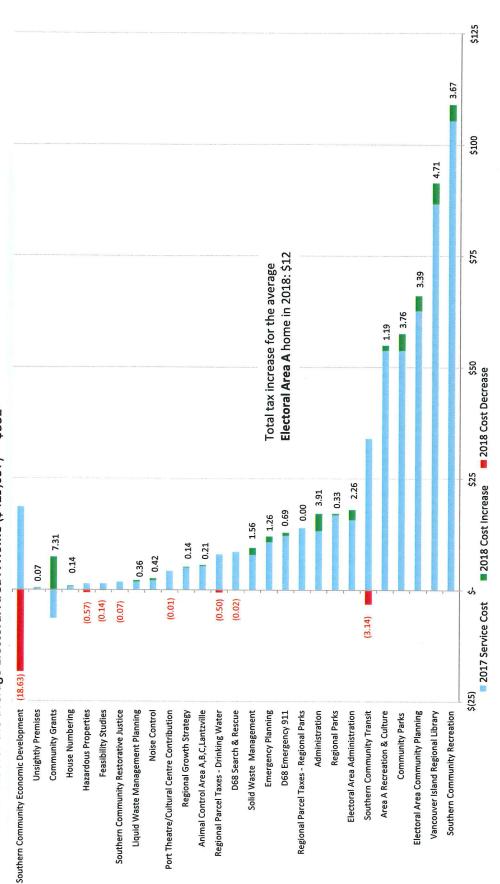
■ 2017 Service Cost ■ 2018 Cost Increase ■ 2018 Cost Decrease

REGIONAL DISTRICT OF NANAIMO Town of Qualicum Beach Average H



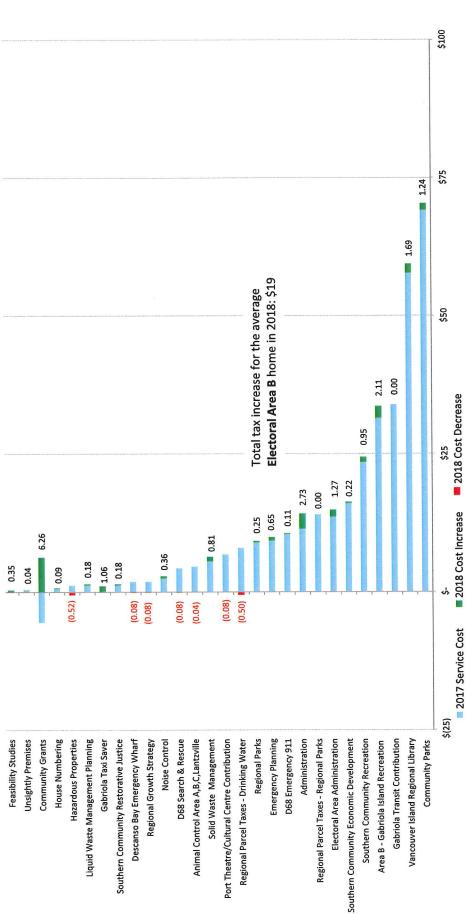
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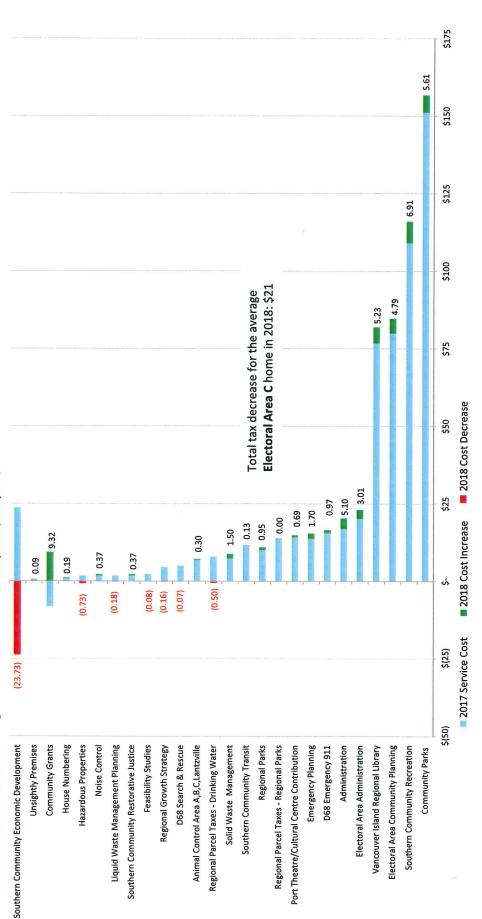
lome Tax Change REGIONAL DISTRICT OF NANAIMO SERVI Electoral Area B Average H

2018 Total Cost for the average Electoral Area B Home (\$353,415) = \$353



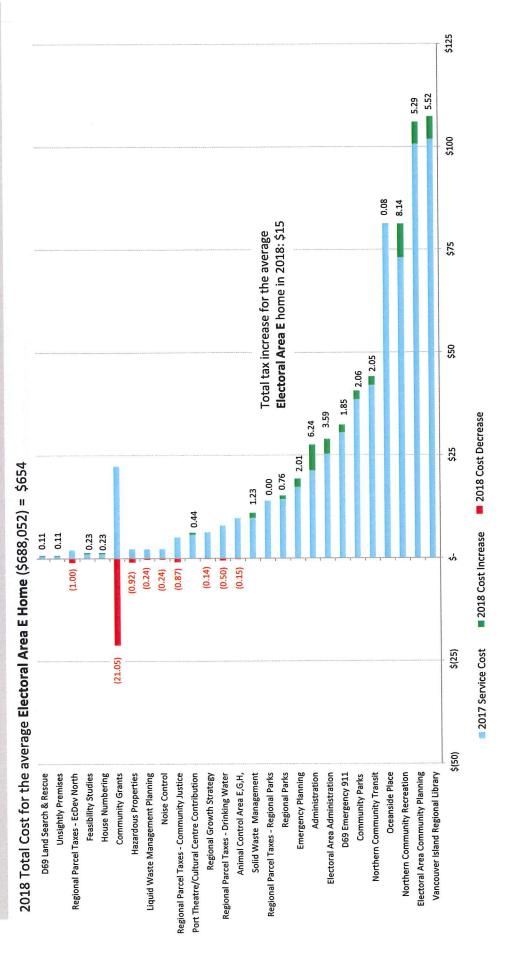
SER Area C Average H E ectora M

2018 Total Cost for the average Electoral Area C Home (\$549,738) = \$612



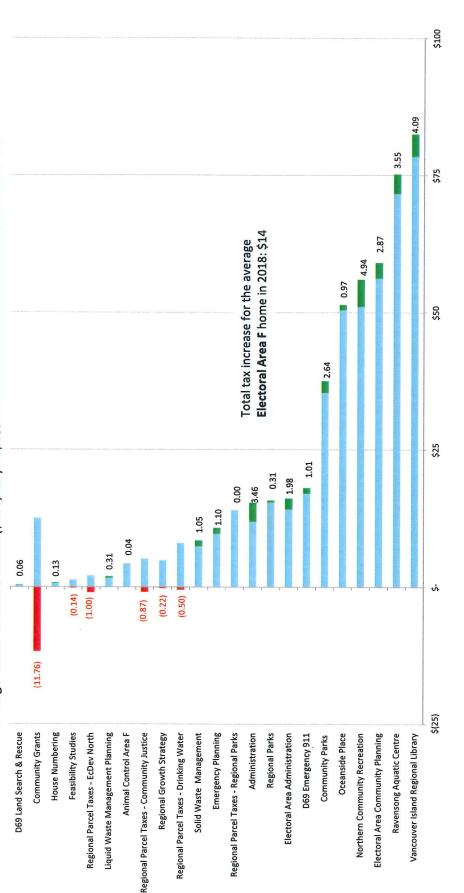
NANAIMO SERV DISTRICTOF EGIONA





Tax Change Electoral Area F Average H REGIONAL DISTRE

2018 Total Cost for the average Electoral Area F Home (\$383,737) = \$487

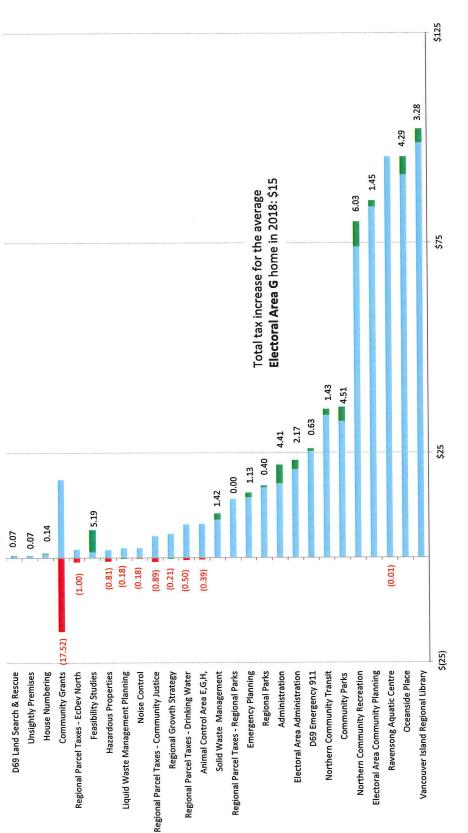


■ 2018 Cost Increase ■ 2018 Cost Decrease

2017 Service Cost

OF NANAIMO SERVICES Electoral Area G Average Home Tax Change REGIONAL DISTRI





■ 2018 Cost Increase ■ 2018 Cost Decrease

2017 Service Cost

Tax Change SERV REGIONAL DISTRICT OF NANAIMO Home Electoral Area H Average



