

REGIONAL DISTRICT OF NANAIMO 2021-2025 PROPOSED FINANCIAL PLAN

November 24, 2020



Introduction

- The 2021-2025 Proposed budget is based on the previously approved 2020-2024 Financial Plan.
- The Board Strategic Plan and the 2021 Operational Plan are also integrated along with direction received from the Board.
- Adjustments for projects estimated to carry forward to 2021, new capital items and service level changes have been incorporated.
- Funding to external organizations is also included.

Introduction

Review of 5-year (2021-2025) Financial Plan is set for February once the following data is received:

- 2021 Assessment
- 2020 Actuals
- BC Transit 3 Year Draft Budget
- Final Parcel Count
- Englishman River & Arrowsmith Water Service Joint Ventures
- External costs for other jurisdictions - Northern Community Sports Field Agreement, Southern Community Recreation, 911

Legislative Requirements

The Local Government Act provides the following legislative requirements:

- A Financial Plan must be adopted by Bylaw before March 31 each year
- The Financial Plan must be for a 5-year Period
- The Financial Plan must include Public Consultation

The RDN has 107 service areas, each treated like their own entity.

Surplus stays with the service.

Funds cannot be transferred from one service area to another.

NRHD is governed by different legislation. This will be reviewed at NRHD board meetings beginning 1:00 pm on December 8, 2020.

Requisition Comparison

The current economic climate was a key factor in the preparation of this Financial Plan.

The proposed 2021 budget has a total tax requisition of \$65.7 million, \$1.7 million less than proposed for 2021 in the previous budget cycle, representing a reduction of 2.8% overall compared to the 2020-2024 Financial Plan.

2021 Requisition Forecast 2020-2024 Financial Plan	2021 Proposed Requisition 2021-2025 Financial Plan
8.4%	5.6%
\$67,431,336	\$65,687,865

Public Consultation

- RDN Get Involved – RDN Budget Talks
- Social Media Promotion Tool
- Newspaper Advertisements
- Budget Video
- Public Survey
- Feedback to Board



Property Taxes

- RDN has no ability to tax. Requisitions are sent to Municipalities or the Surveyor of Taxes.
- Funds are received by August 1 each year
- $\text{Total Funds Required} / \text{Total Assessment} / 1,000 = \text{rate per } \$1,000$
- Growth or Non-Market Change (NMC) estimated at 1.4%



Economy

- Economic outlooks remains uncertain with protracted recovery expected to pick-up by mid-2021



External Impacts

- Some aspects of the budget are out of the control of the RDN
- Other jurisdictions' impact to the RDN
 - Library – 2.1%
 - 911 – (SD68 – 3.5%; SD69 – 3.1%)
 - Northern Community Sportsfield – 6.0%
- General Inflation – 3.0%



Recent Announcement: COVID-19 Safe Restart Grants for Local Governments

- On November 2nd, the RDN received a letter from the Province confirming that the RDN will receive \$1,169,000 of funding
- There are a number of stipulations for eligible costs
- A report will be prepared for the consideration of the Board to seek approval on the uses of this fund
- Any amendments to the budget will be included in the five-year Financial Plan to be presented to the Board in February



Key Budget Drivers

- Transit 2,500 Hour Expansion
- Taxi Supplement Increase
- In-person meeting costs during COVID-19
- Expanded GNPCC operational costs
- Ravensong Aquatic Centre
 - Lost revenue + building expansion costs

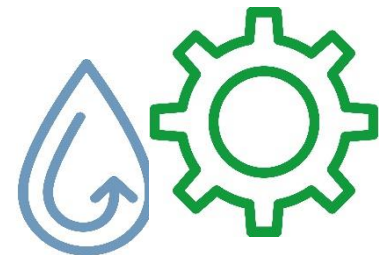
Departmental Highlights

2021 Projects and Work Plan Items



Regional and Community Utilities

- French Creek Pollution Control Centre Project and Odour Control Upgrades
- Bay Avenue, Chase River and Wellington pump-station upgrades
- Nanoose Pollution Control Centre Secondary Treatment upgrade
- Water System SCADA upgrades
- Water quality improvements for French Creek/Sandpiper Water Service Area
- Groundwater source for Whiskey Creek
- Implementation of DWWP Action Plan
- Asset Management Plans for Water Service areas
- Nanoose water system capital replacements
- Solid Waste Management Plan implementation
- Engineering for permanently closing some sections of the landfill and upgrading the landfill gas control station



Recreation and Parks Services

- Ravensong Aquatic Centre energy efficient mechanical upgrades
- Oceanside Arena equipment replacement
- Benson Creek Falls Regional Park Access Improvements
- Parkland acquisitions
- Morden Colliery trail
- Moorecroft Regional Park upgrades
- Big Qualicum to ACRD Regional trail
- Huxley Community Skate Park
- Jack Bagley Community Park Upgrade
- Meadowood Community Centre Construction
- Dunsmuir Community Park – Phase II



Transit and Emergency Services

- Transit Exchanges (Woodgrove, Country Club, Downtown)
- Expansion of Service (2,500 hours for 2021)
- Increasing taxi supplement for custom transit
- Community wildfire resiliency plans
- Electoral Area B evacuation route plan
- Fire Governance and Administration Review
- Dashwood Fire Hall construction
- Dashwood Fire Truck replacement
- Bow Horn Bay Fire Truck replacement
- Coombs Hilliers Tanker Truck replacement
- Nanoose Bay Fire Truck replacement



Strategic and Community Development

- Regional Growth Strategy Review
- Corporate Climate Neutral 2032 Plan and Implementation Strategy
- Climate Action Technical Advisory Committee and Strategy
- Englishman River and Little Qualicum River Floodplain Mapping Projects
- Social Needs Assessment Study
- Regional Housing Strategy
- Regional service for electric vehicle stations
- Green Building rebate program review
- Electoral Area Zoning Bylaw 500 Update
- Electoral Area Bylaw Enforcement Policy and Regulatory Bylaw Review
- Electoral Area G Active Transportation Study
- Community amenity policy review
- Hazard Area Risk Assessment Policy
- Strategic and Community Development Fee Review
- Electoral Area Building Bylaw Review



Corporate Services Highlights

- Records disposition
- Electronic Document and Records Management System implementation
- Implement New Accounting Standards
- HRIS software implementation
- TCA software implementation
- Update purchasing policy rollout and education
- Implement e-billing module for online credit card payments



Capital

- Non-financial assets having physical substance that:
 - Are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
 - Have useful economic lives extending beyond an accounting period;
 - Are to be used on a continuing basis; and
 - Are not for sale in the ordinary course of operations.

Capital - Continued

- If items are used up, it is a Consumable and included in the Operating Budget
- Work on a capital asset that does not extend the life or increase capacity is considered maintenance
- Transfer to Reserves are kept in the operating fund until required for a Capital project

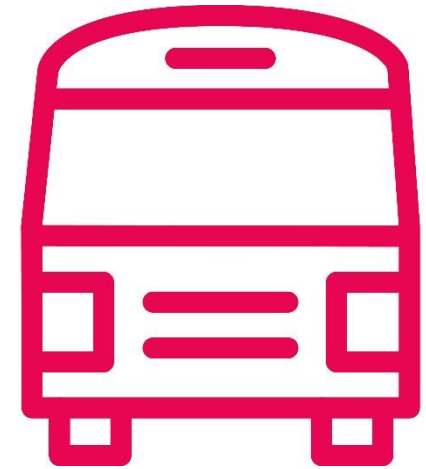


Proposed 2021 Capital Projects

- Projects previously approved by the Board and in-progress will roll forward into the 2021 budget. These will form part of the bylaw and do not require further Board approval.
- New projects are highlighted in the report on in Appendix B.

Proposed Service Level Changes

- Proposed Service Level Changes are highlighted in the report in Appendix C.



Proposed Staffing Changes

- Proposed Staffing Level Changes are highlighted in the report in Appendix D.
- Invest in 7.5 new FTE (a reduction from the 21.65 FTE that were approved for 2021 in the 2020-2024 Financial Plan)

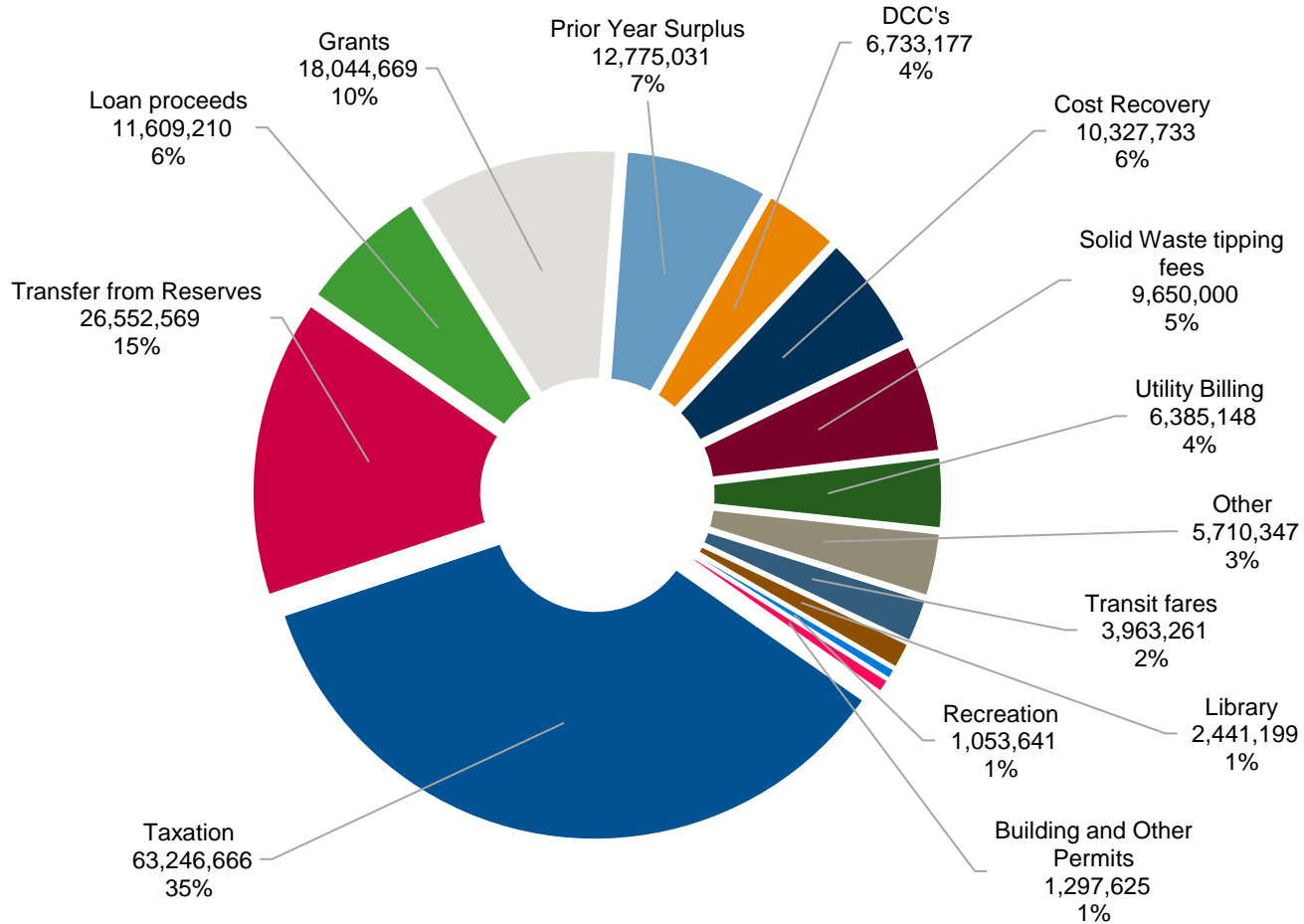


External Agency Funding Requests

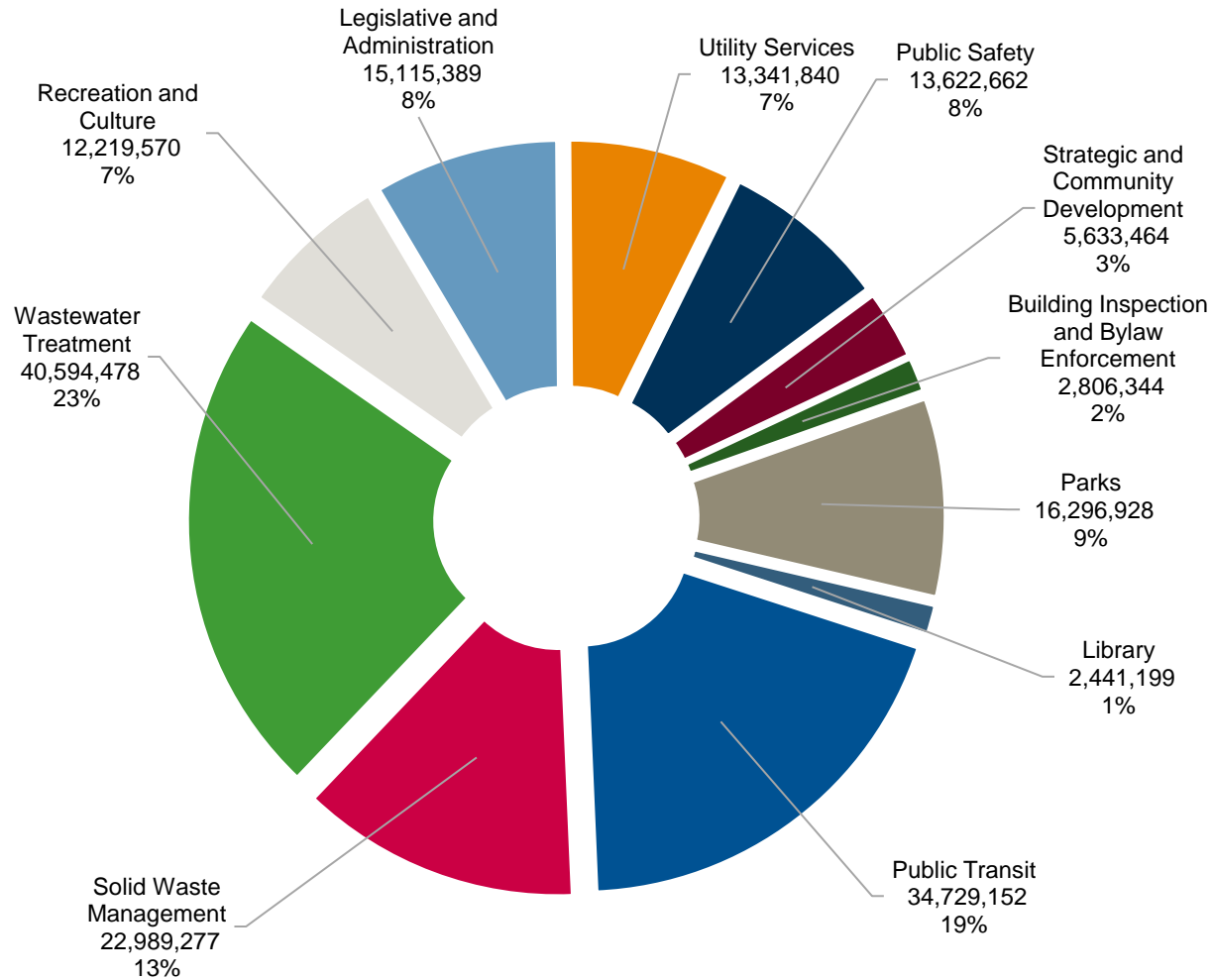
- Funding to any external agency is outlined in Appendix A.
- Decisions on the following funding requests have not been made.

Organization	Purpose	2020 Budget	2021 Request
NALT	Land Stewardship	\$35,000	\$35,000
INFilm	Grant	\$50,000	\$50,000
Nanaimo Search & Rescue	Search & Rescue	\$17,500	\$22,500

Where Does the Money Come From?



Where Does the Money Go?



Financial Impact

- Member Summaries (Report - Appendix E)



Financial Impact (Page 10 of Binder)

	City of Nanaimo	District of Lantzville	City of Parksville	Town of Qualicum Beach
2021 Total Requisition	\$ 25,719,769	\$ 990,165	\$ 6,111,057	\$ 4,305,367
2020 Total Requisition	\$ 24,252,769	\$ 958,181	\$ 5,908,605	\$ 3,980,832
Change from prior year	\$ 1,467,000	\$ 31,984	\$ 202,452	\$ 324,535
General Services Property Tax				
2021	\$ 94.63	\$ 73.63	\$ 135.13	\$ 125.95
2020	\$ 90.31	\$ 71.51	\$ 132.70	\$ 117.52
Change per \$100,000	\$ 4.32	\$ 2.12	\$ 2.43	\$ 8.43
Regional Parcel Taxes				
2021	\$ 32.00	\$ 32.00	\$ 38.73	\$ 38.73
2020	\$ 32.00	\$ 32.00	\$ 38.20	\$ 38.20
Change per property	\$ -	\$ -	\$ 0.53	\$ 0.53
Total change at \$100,000	\$ 4.32	\$ 2.12	\$ 2.96	\$ 8.96
2020 Average Residential Value				
2020 Average Residential Value	\$ 509,312	\$ 723,191	\$ 480,290	\$ 606,561
2021 RDN Property Tax based on average residential value	\$ 514	\$ 564	\$ 688	\$ 803
2020 RDN Property Tax based on average residential value	\$ 492	\$ 549	\$ 676	\$ 751
Change for average residential value	\$ 22	\$ 15	\$ 12	\$ 52

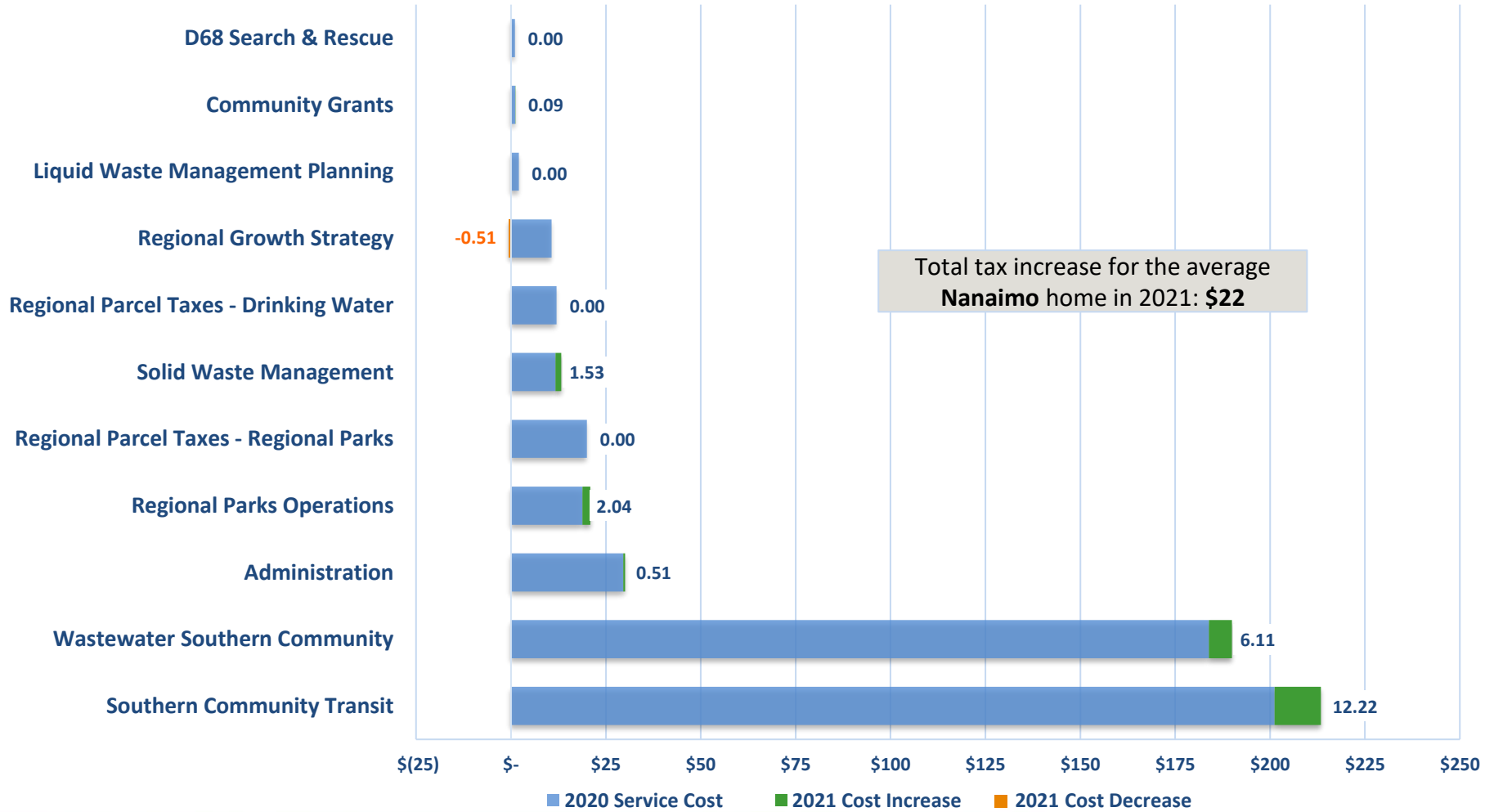
Financial Impact

	Area A Cedar Yellowpoint Cassidy	Area B Gabriola Mudge Decourcey Islands	Area C Extension E.Wellington Pleasant Valley	Area E Nanoose Bay	Area F Coombs Hilliers Errington	Area G French Creek San Pareil Surfside	Area H Bowser Deep Bay
2021 Total Requisition	\$ 2,420,711	\$ 1,676,856	\$ 1,391,604	\$ 2,921,161	\$ 2,736,697	\$ 3,431,059	\$ 2,016,352
2020 Total Requisition	\$ 2,339,577	\$ 1,642,692	\$ 1,419,053	\$ 2,685,042	\$ 2,589,373	\$ 3,221,204	\$ 1,872,985
Change from prior year	\$ 81,134	\$ 34,164	\$ (27,449)	\$ 236,119	\$ 147,324	\$ 209,855	\$ 143,367
General Services Property Tax							
2021	\$ 124.37	\$ 91.99	\$ 99.16	\$ 95.22	\$ 125.11	\$ 127.21	\$ 115.61
2020	\$ 121.23	\$ 91.25	\$ 101.54	\$ 87.99	\$ 118.33	\$ 120.33	\$ 108.07
Change per \$100,000	\$ 3.14	\$ 0.75	\$ (2.39)	\$ 7.23	\$ 6.78	\$ 6.88	\$ 7.54
Regional Parcel Taxes							
2021	\$ 32.00	\$ 32.00	\$ 32.00	\$ 36.67	\$ 36.67	\$ 36.67	\$ 36.67
2020	\$ 32.00	\$ 32.00	\$ 32.00	\$ 39.81	\$ 39.81	\$ 39.81	\$ 39.81
Change per property	\$ -	\$ -	\$ -	\$ (3.15)	\$ (3.15)	\$ (3.15)	\$ (3.15)
Total change at \$100,000	\$ 3.14	\$ 0.75	\$ (2.39)	\$ 4.09	\$ 3.63	\$ 3.73	\$ 4.39
2020 Average Residential Value							
2020 Average Residential Value	\$ 501,448	\$ 419,176	\$ 676,105	\$ 787,264	\$ 452,130	\$ 643,098	\$ 577,377
2021 RDN Property Tax based on average residential value	\$ 656	\$ 418	\$ 702	\$ 786	\$ 602	\$ 855	\$ 704
2020 RDN Property Tax based on average residential value	\$ 640	\$ 414	\$ 719	\$ 733	\$ 575	\$ 814	\$ 664
Change for average residential value	\$ 16	\$ 3	\$ (16)	\$ 54	\$ 27	\$ 41	\$ 40

REGIONAL DISTRICT OF NANAIMO SERVICES

City of Nanaimo Home Tax Change

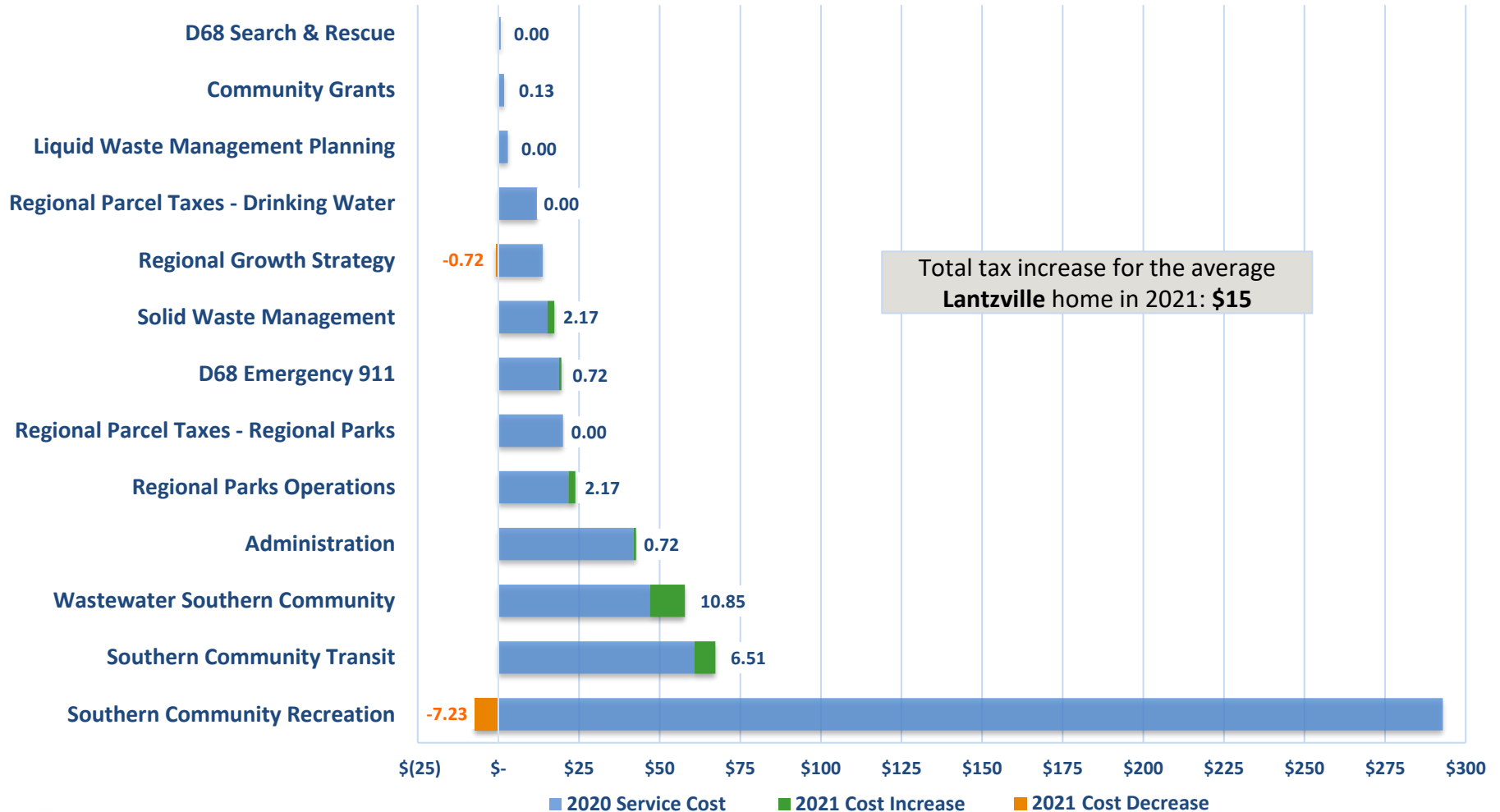
2021 Total Cost for the average **City of Nanaimo Home** (\$509,312) = **\$514**



REGIONAL DISTRICT OF NANAIMO SERVICES

District of Lantzville Home Tax Change

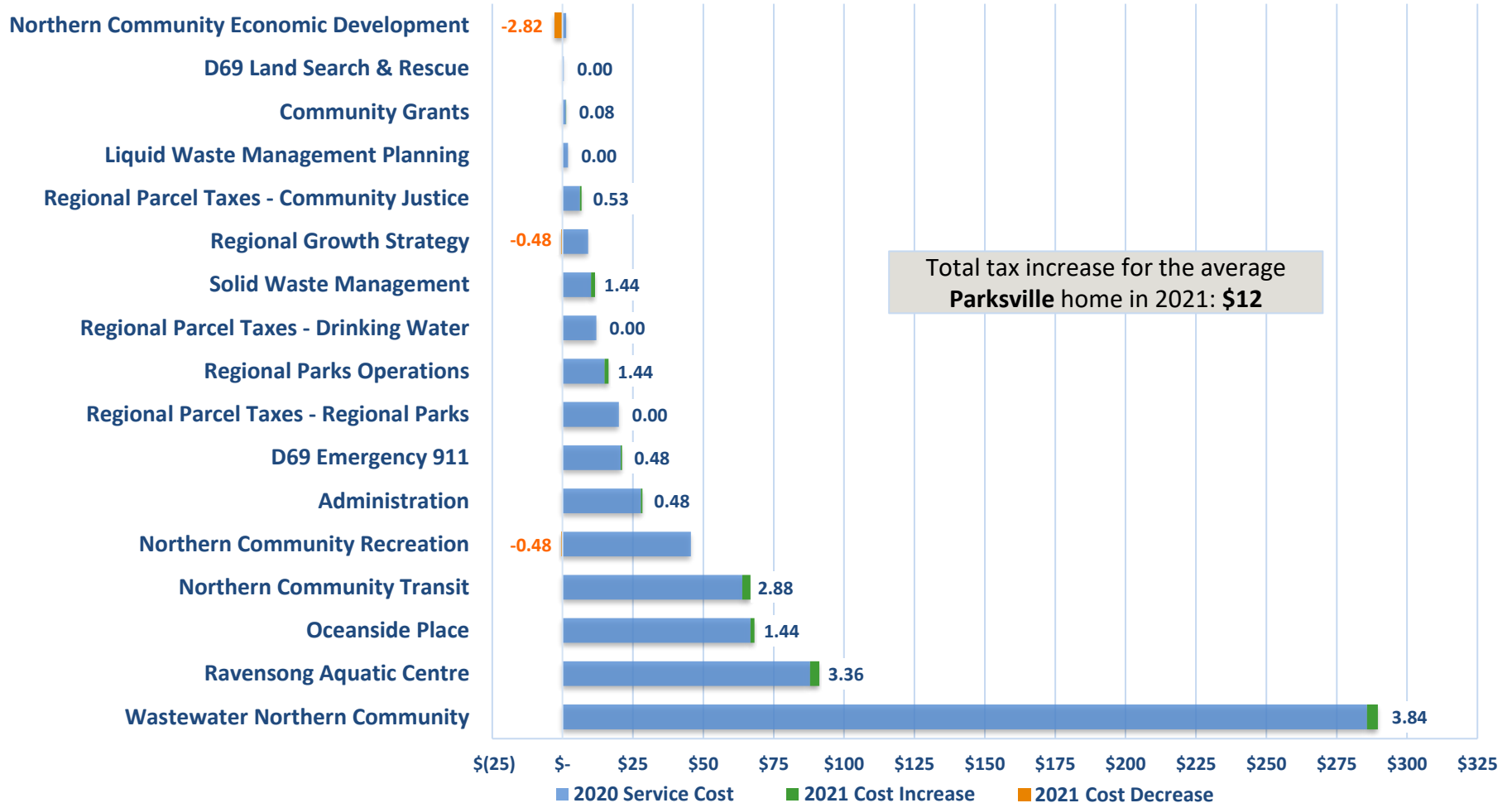
2021 Total Cost for the average **District of Lantzville Home** (\$723,191) = **\$564**



REGIONAL DISTRICT OF NANAIMO SERVICES

City of Parksville Home Tax Change

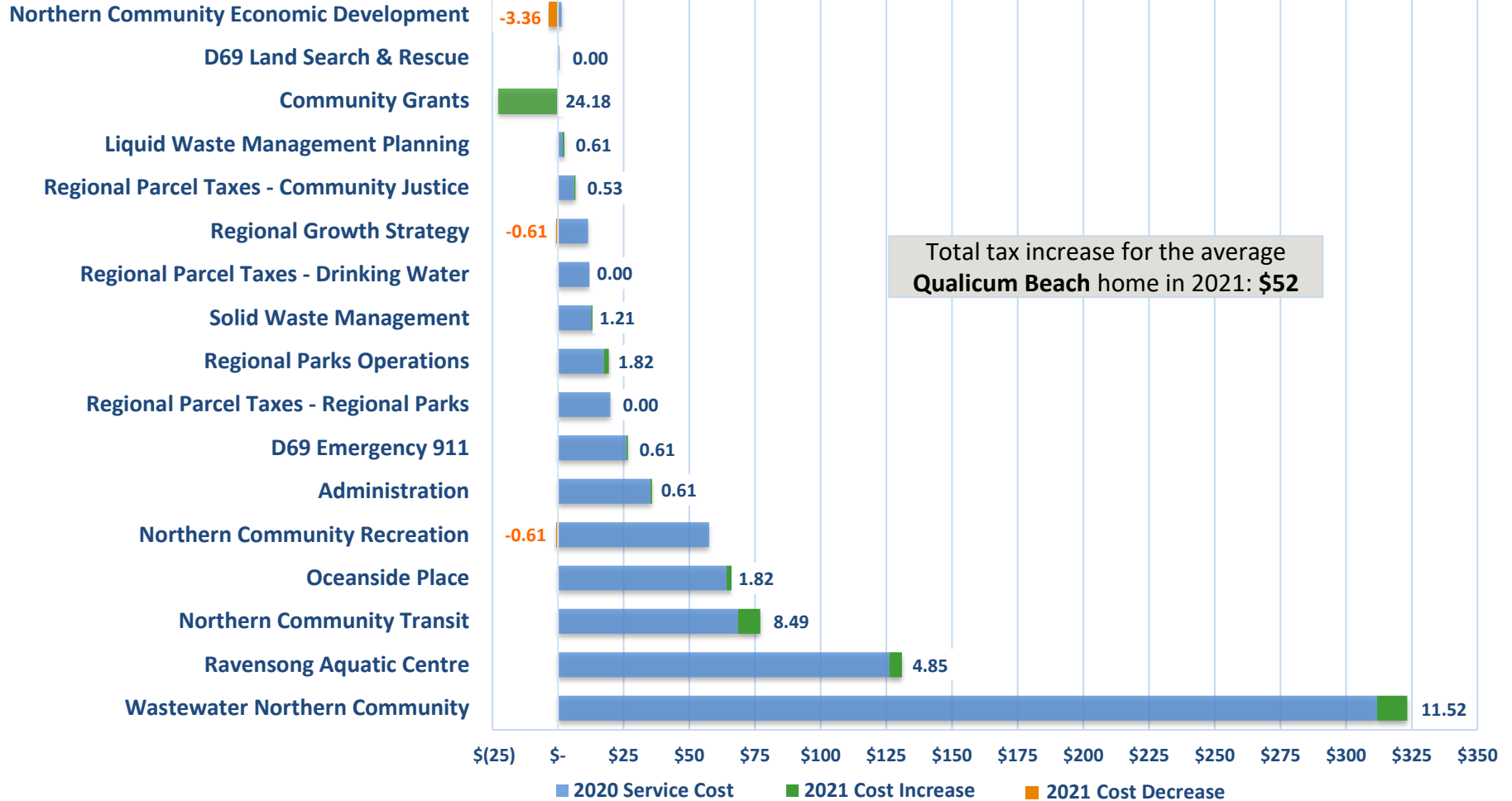
2021 Total Cost for the average **City of Parksville Home** (\$480,290) = **\$688**



REGIONAL DISTRICT OF NANAIMO SERVICES

Town of Qualicum Beach Home Tax Change

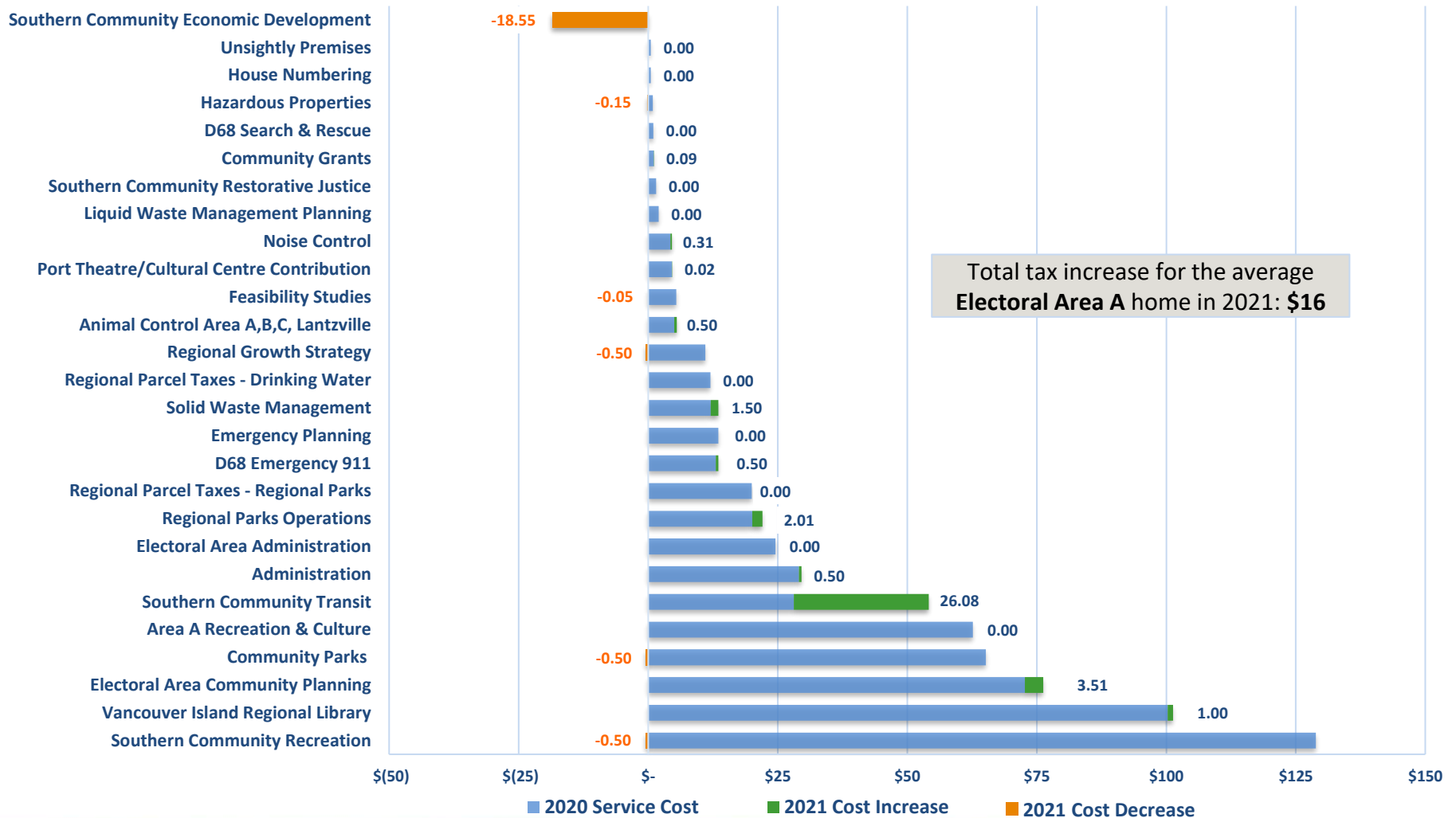
2021 Total Cost for the average **Town of Qualicum Beach Home** (\$606,561) = **\$803**



REGIONAL DISTRICT OF NANAIMO SERVICES

Electoral Area A Home Tax Change

2021 Total Cost for the average **Electoral Area A Home** (\$501,448) = **\$656**



REGIONAL DISTRICT OF NANAIMO SERVICES

Electoral Area B Home Tax Change

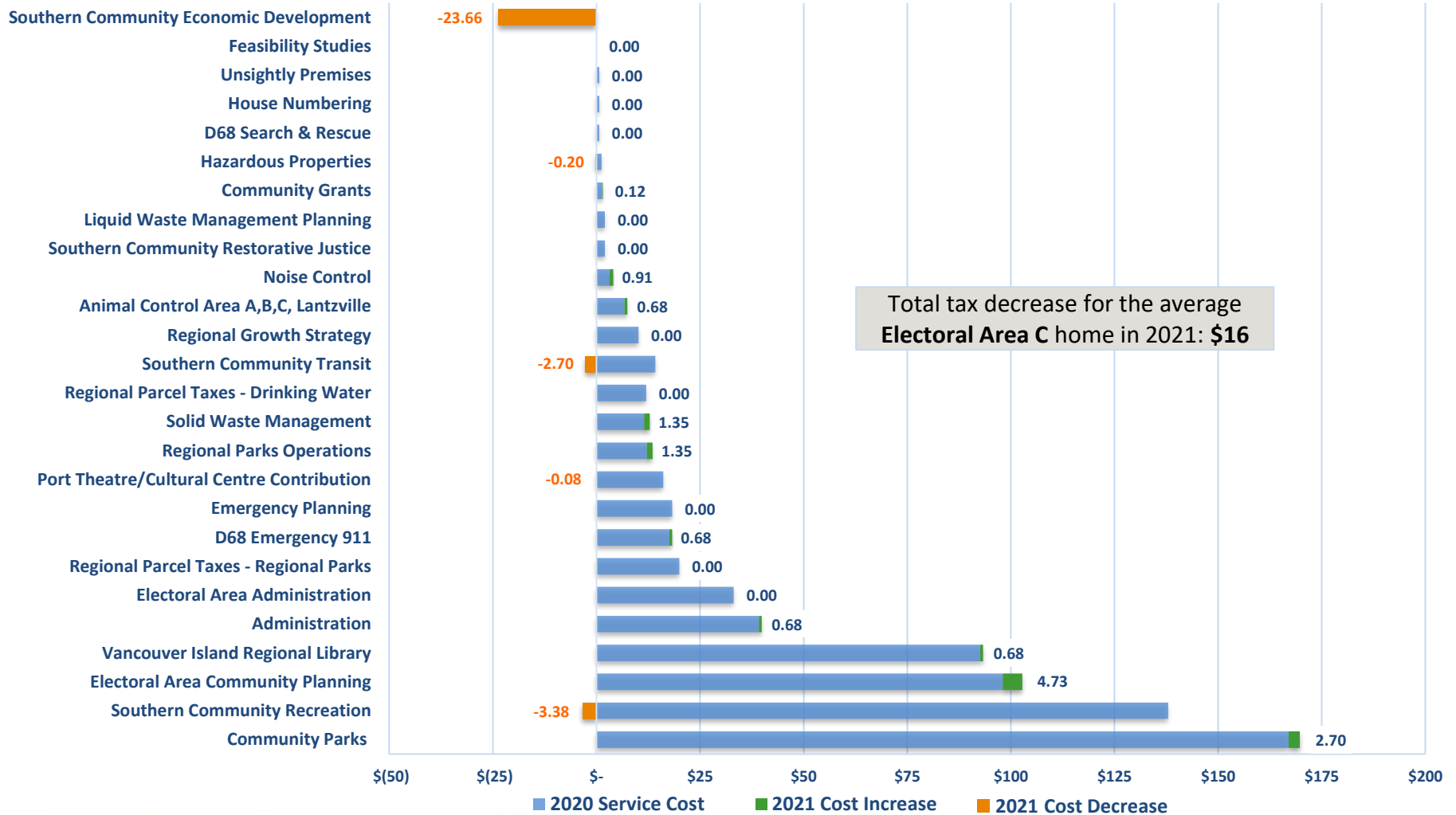
2021 Total Cost for the average Electoral Area B Home (\$419,176) = **\$418**



REGIONAL DISTRICT OF NANAIMO SERVICES

Electoral Area C Home Tax Change

2021 Total Cost for the average Electoral Area C Home (\$676,105) = \$702



REGIONAL DISTRICT OF NANAIMO SERVICES

Electoral Area E Home Tax Change

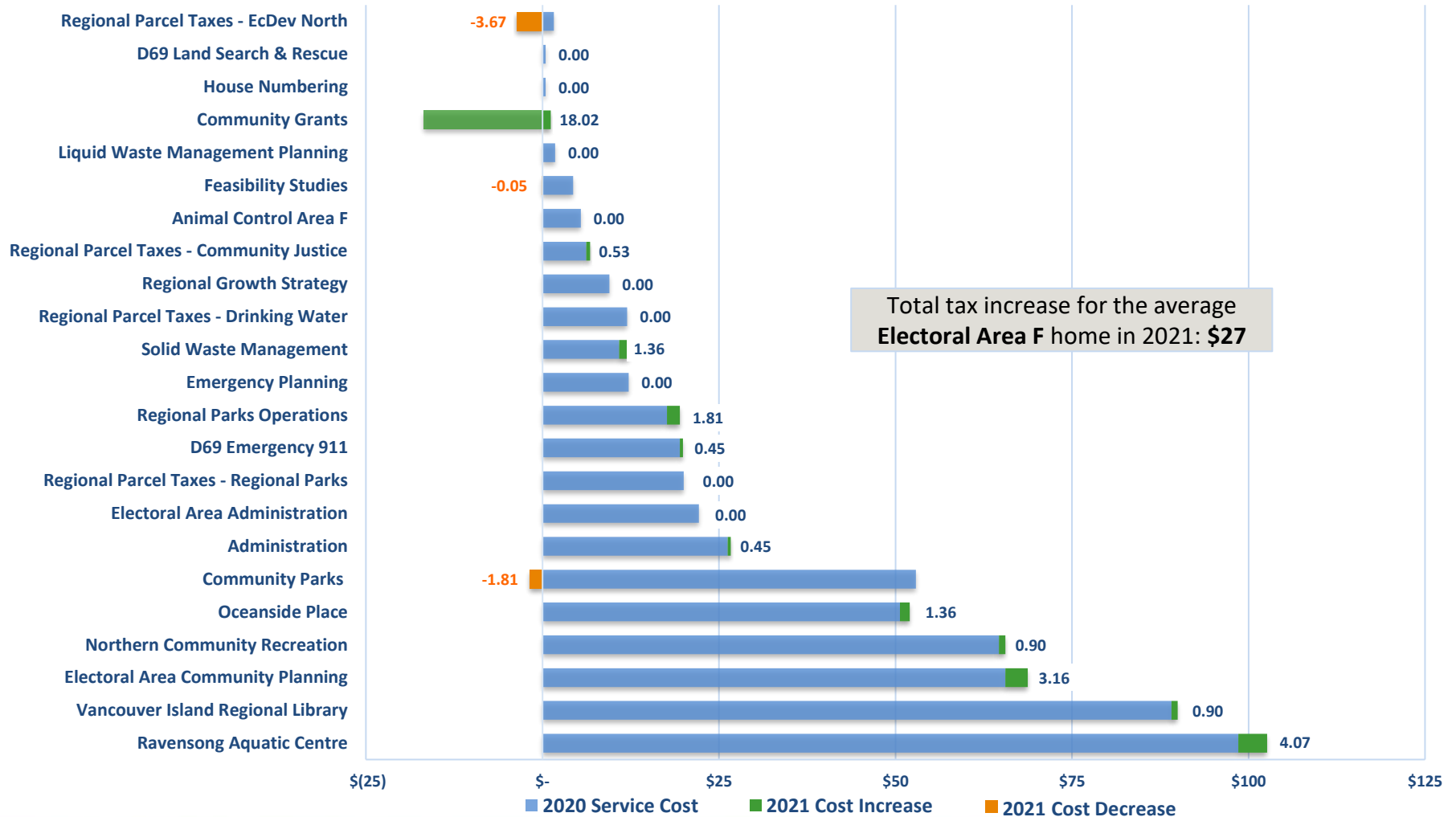
2021 Total Cost for the average Electoral Area E Home (\$787,264) = \$786



REGIONAL DISTRICT OF NANAIMO SERVICES

Electoral Area F Home Tax Change

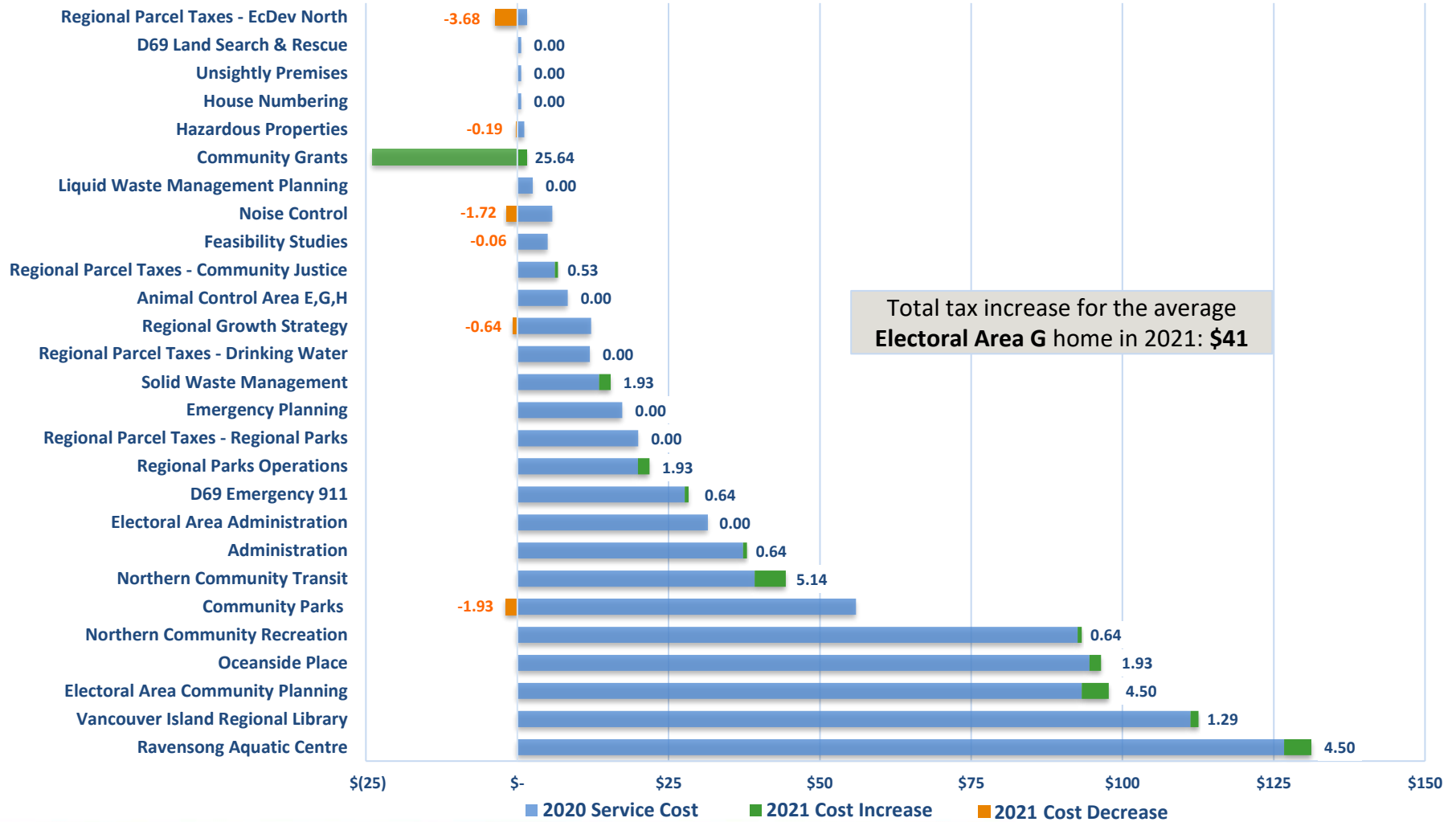
2021 Total Cost for the average Electoral Area F Home (\$452,130) = **\$602**



REGIONAL DISTRICT OF NANAIMO SERVICES

Electoral Area G Home Tax Change

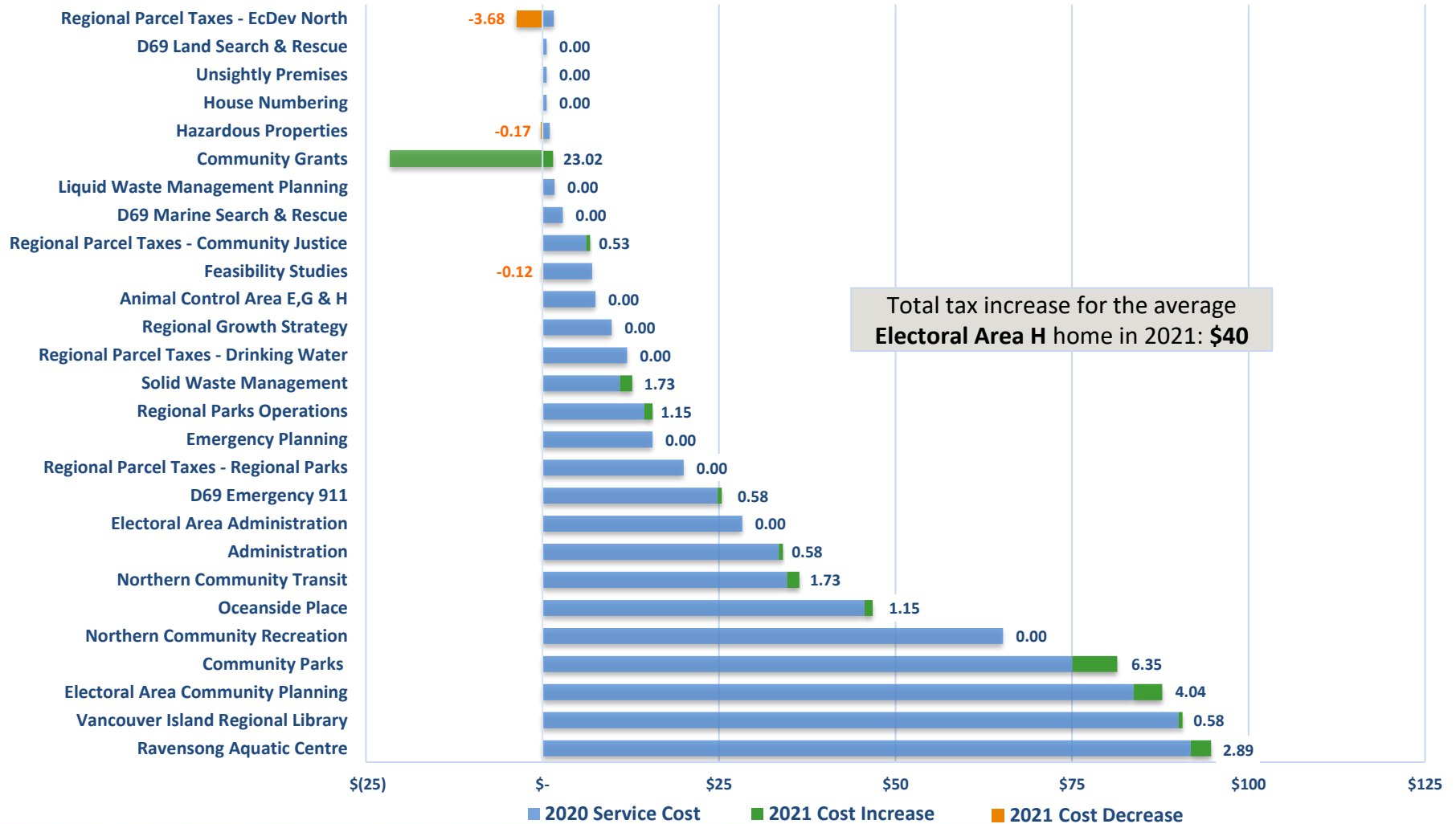
2021 Total Cost for the average Electoral Area G Home (\$643,098) = **\$855**



REGIONAL DISTRICT OF NANAIMO SERVICES

Electoral Area H Home Tax Change

2021 Total Cost for the average Electoral Area H Home (\$577,377) = **\$704**



Next Steps

December 8, 2020 Approve 2021-2025 Preliminary Budget

February 9, 2021 Final 2021-2025 Financial Plan Board Review

February 23, 2021 Final 2021-2025 Financial Plan Bylaw Adoption

Questions?