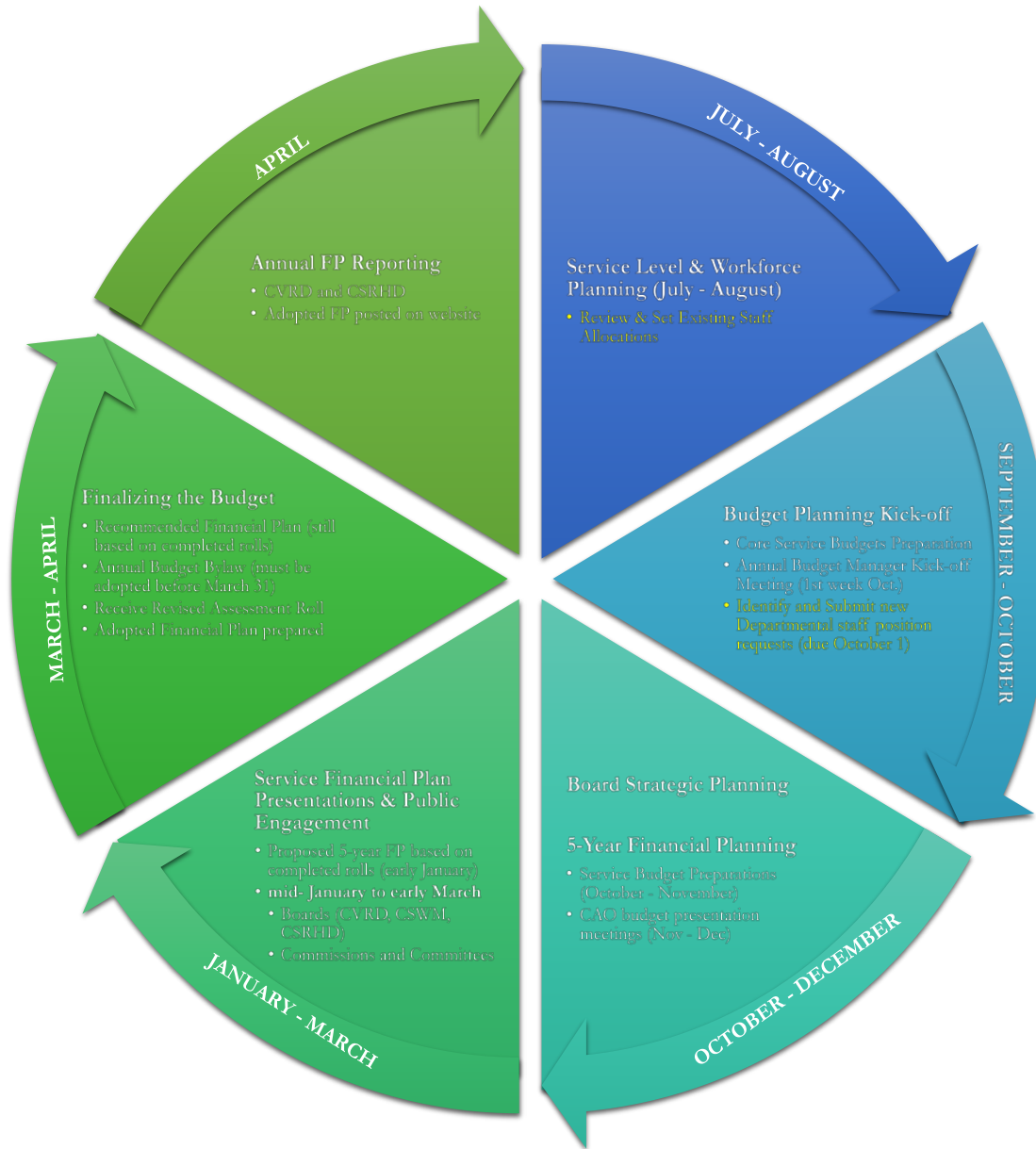




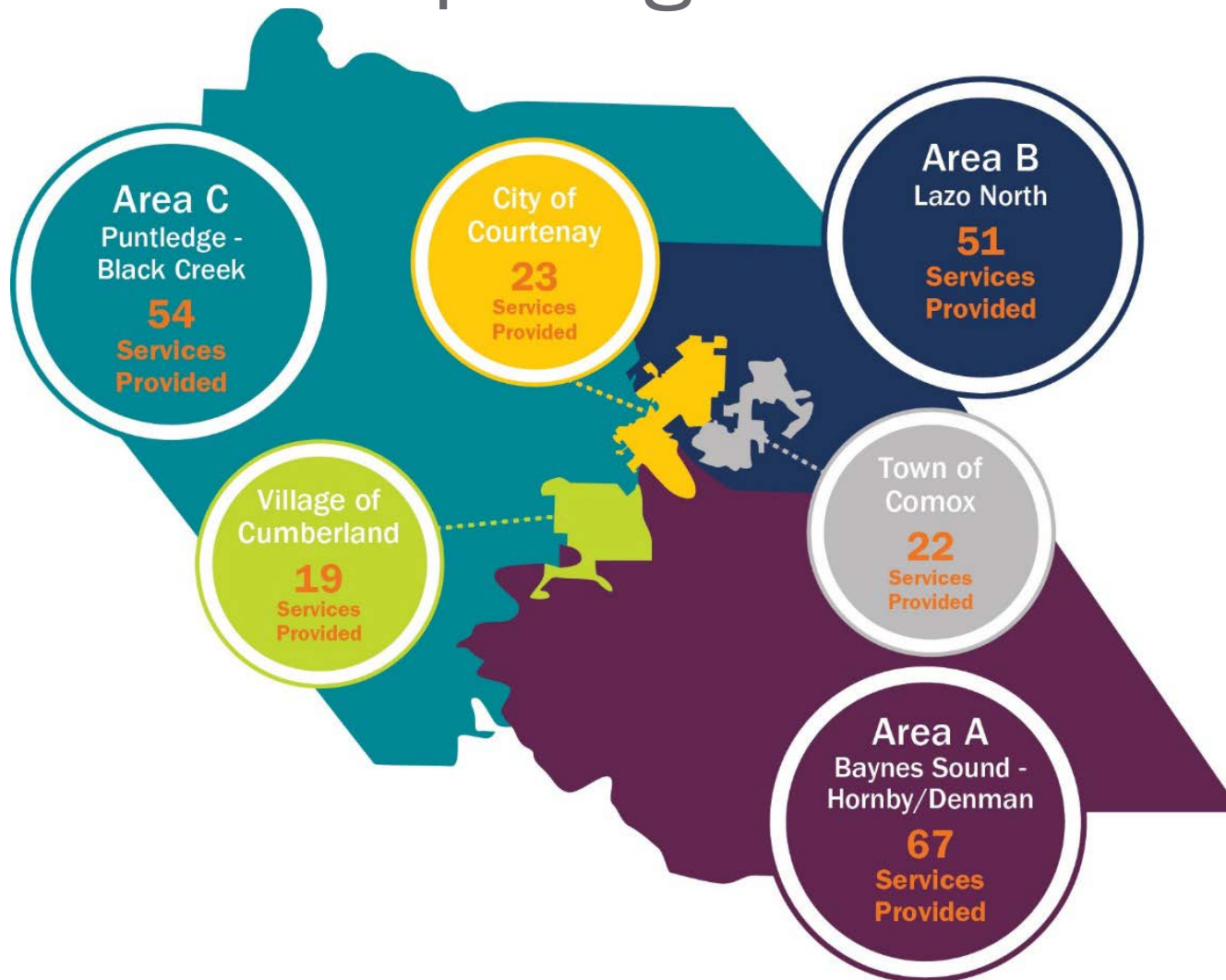
# 2020-2024 Proposed Financial Plan and Capital Expenditure Program

## Introducing Strategic and Financial Drivers as budgeting lenses

# CVRD ANNUAL FINANCIAL PLANNING PROCESS



# Participating Services



# Strategic and Financial Plan Drivers

The CVRD 2019-2022 Strategic and Financial Plans are guided by four key drivers:



**Fiscal responsibility:** Careful management of services and assets is essential to providing affordable and reliable services to citizens and businesses in the CVRD.



**Climate crisis and environmental stewardship and protection:** The CVRD is committed to reducing our impact on the environment and accelerating our actions to adapt and respond to climate change impacts.



**Community partnerships:** The social fabric of our communities and the health and wellbeing of citizens depend on solid and sustainable community partnerships. Collaboration and support are ever present in guiding our service delivery.



**First Nations relations:** We are committed to reconciliation and relationship building with indigenous peoples and specifically K'ómoks First Nation (KFN).

# Factors considered in preparing the 2020-2024 Financial Plan

- Balancing short-term impacts while ensuring long-term fiscal stability and sustainability
- Sustainable Service Delivery (Asset Management)
- Completing projects in progress
- Alignment with CVRD Core Values, Board Strategic Drivers and Core Services as identified through annual Board strategic planning
- Risk Management
- Holding requisition levels steady when and where possible to minimize tax impacts

# 2019/20 Assessment Shift Example

CSWM #391	2019 Requisition	2020 Requisition	\$ Change
Comox	\$691,372	\$673,341	(\$18,031)
Courtenay	\$1,467,335	\$1,460,803	(\$6,532)
Cumberland	\$183,683	\$193,472	\$9,789
Area A	\$561,121	\$558,936	(\$2,185)
Area B	\$414,550	\$410,300	(\$4,250)
Area C	\$547,471	\$534,188	(\$13,283)
<b>Total</b>	<b>\$3,865,532</b>	<b>\$3,831,040</b>	<b>(\$34,492)</b>

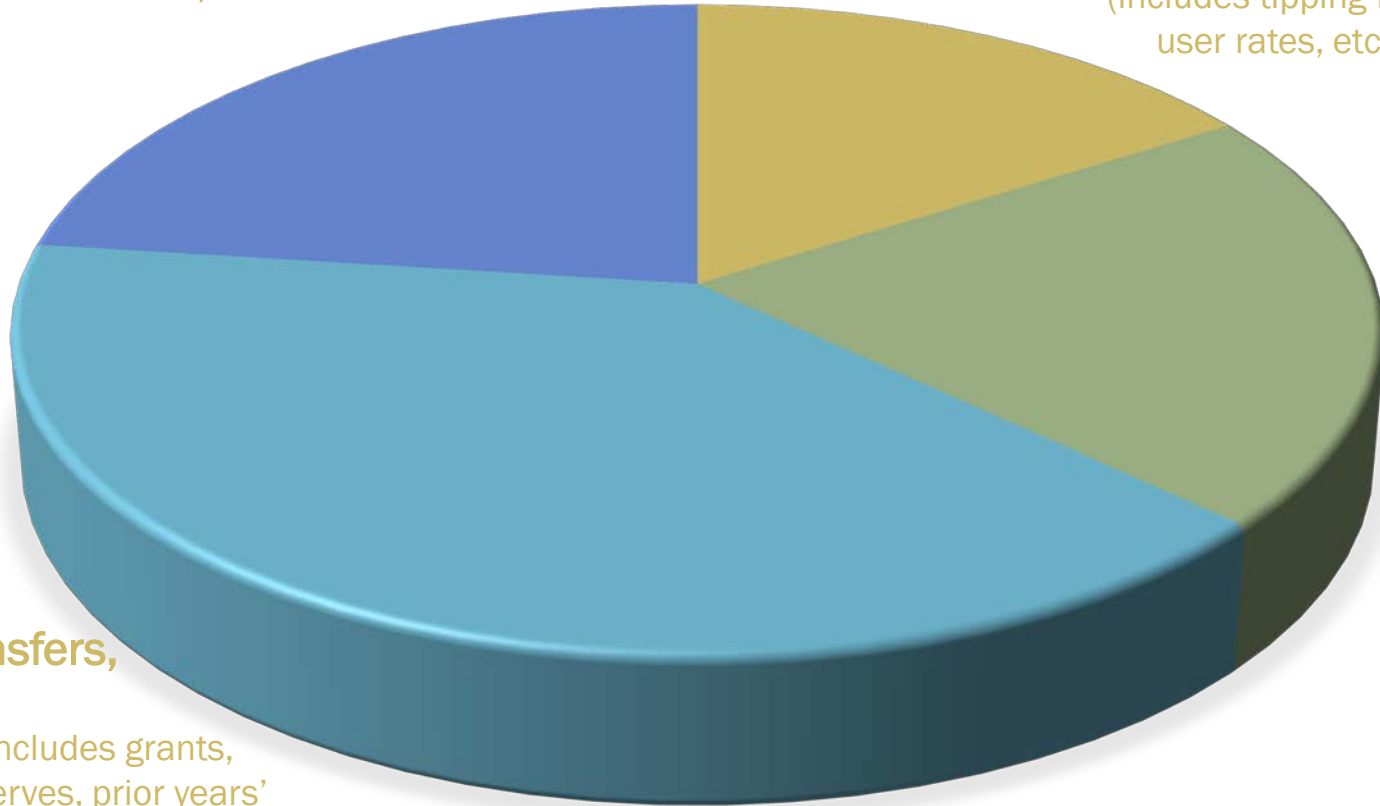
# 2020 REVENUE BUDGET

Debt Proceeds, 23%

Other Revenue, 16%

(includes tipping fees,  
user rates, etc.)

Taxation, 21%



Other Transfers,  
40%  
(includes grants,  
reserves, prior years'  
surpluses, etc.)

***Total Revenues = \$174,910,918***



# 2019 – 2020 Tax Requisition Year-over-Year Comparisons

	2019	2020	Variance (\$)	Variance (%)
Requisition (incl. Sewer)	\$33,995,966	\$35,647,448	\$1,651,482	4.86%
Requisition (w/o sewer)	\$27,965,284	\$29,247,448	\$1,282,164	4.58%
<b>Ten (10) services with largest year-over year increases (2019 - 2020)</b>				
130 - Electoral Areas Administration	less than anticipated increase in previous FP		48,699.00	4.85%
230 - Black Creek/Oyster Bay Fire Protection LSA	new training coordinator position		55,000.00	7.80%
275 - 911 Answering Service	New 0.5 FTE (IT Tech) and ↑ software costs		70,000.00	6.41%
335 - Comox Valley Sewerage Service	last of planned annual 6% increases (2016)		369,318.00	6.12%
512 - Regional Growth Strategy	strategic service expansion		192,858.00	90.91%
550 - Comox Valley Economic Development	final 3 months of existing contract and 2% CPI anticipated for remainder of 2020		52,889.00	4.54%
600 - Recreation Grant	Less anticipated available prior year's surplus		39,004.00	13.11%
621 - Baynes Sd, Area B & C Parks & Greenways	planned increase for park investment		50,000.00	3.33%
630 - Vancouver Island Regional Library	VIRL levy increase of 8.68% over 2019		114,982.00	9.17%
645 - Comox Valley Recreation Complexes	planned increase - capital reinvestment		100,001.00	2.21%
780 - Transit - Comox Valley	Board approved service level increases		350,000.00	17.95%
<b>Total</b>			<b>1,442,751.00</b>	
<b>Percentage of overall year-over-year increase</b>				<b>87%</b>
Services with net zero year-over-year increases				41
Services with significant year-over-year reductions				3



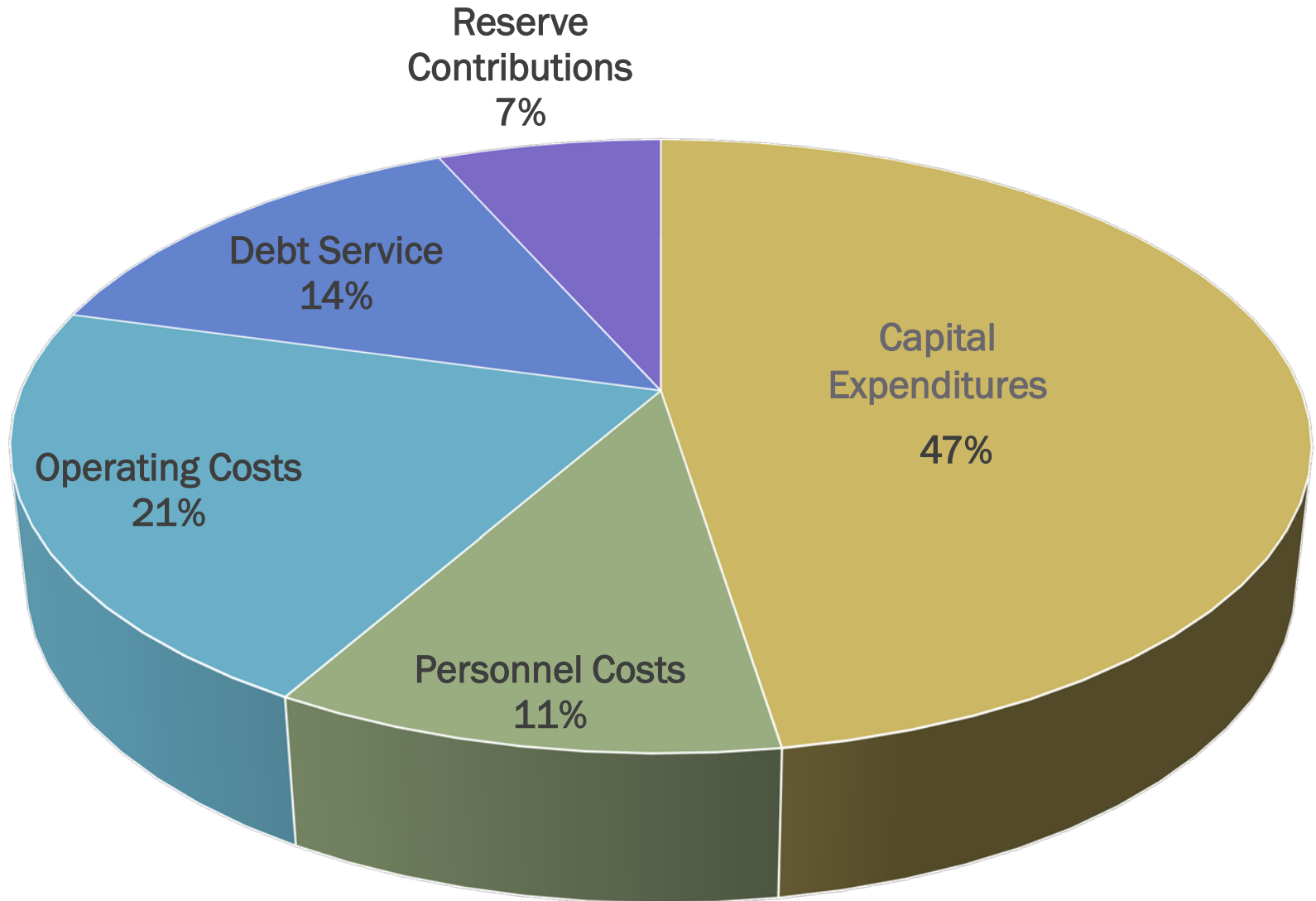
# Parcel / Frontage Tax & User Fee Impacts

- Equalization parcel taxes began in 2019
  - amalgamation of several smaller water local service areas
- 2020 parcel tax rates largely the same as in 2019 with the exception of:
  - Jackson Drive Sewer – small parcel tax increase
  - King Coho Sewer – significant decrease due to one-time amount in 2019 but now considers increased capital costs
  - England Road Water – slight decrease due to pending debt retirement in 2020
- Any user fee changes to be brought forward during individual service budget presentations

# Consolidated Requisition Comparison

Jurisdiction	2019 Actual	2020 PB	\$ Change	% Change
Electoral areas w/o CSWM	\$14,751,518	\$15,509,122	\$757,604	5.1%
Municipalities w/o sewer/CSWM	\$7,213,766	\$7,738,326	\$524,560	7.3%
CS Waste Management	\$6,000,000	\$6,000,000	\$0	0%
Sewer	\$6,030,682	\$6,400,000	\$369,318	6.1%
<b>Total</b>	<b>\$33,995,966</b>	<b>\$35,647,448</b>	<b>\$1,651,482</b>	<b>4.86%</b>

# 2020 EXPENDITURES BUDGET



***Total Expenditures = \$174,910,918***

# Overview of Personnel Changes

	2019	2020
Full Time Equivalent's (FTE)	187.09	189.93
Total Head Count	227	244
New FTE positions included in Proposed Budget		3.90

## Assumptions and Forecasts

1. Same service levels anticipated throughout 2021
2. No new regulatory impacts on staffing levels requiring an increase to staff complement in any facility at this time
3. Collective agreements in place until 2021. Bargaining to commence in the fall of 2020.

Position Title	Department	Resulting FTE in 2020
Business Analyst	Information Technology Services	1.00
Fire Training Coordinator	Fire Services	0.70
IT Technician	Information Technology Services (with another 0.50 FTE allocated to NI911)	0.50
Waste Management Attendant	Comox Strathcona Waste Management	0.50
Water Operator III	Water Services	0.70
Water Operator IV	Water Services	0.50
	<b>Cumulative Total</b>	<b>3.90</b>

# Capital Expenditures Highlights

- Greater Merville Fire Protection LSA (237)
  - Auxiliary Fire Hall
- Comox Valley Water Supply System (300)
  - Water treatment facility engineering & construction
- Comox Valley Sewerage Service (335)
  - ongoing sewer infrastructure upgrades
  - Liquid Waste Management Planning
- Comox Strathcona Waste Management (391)
  - Regional Composting Facility

*(\*Capital is funded by a combination of operating transfers, reserves, debt and grants based on availability)*

# Recap CVRD Proposed Budget

- Service budgets will be presented to committees
- 2020-2024 CVRD financial plan bylaw for CVRD Board adoption on March 19<sup>th</sup> and 31<sup>st</sup>, 2020
- Consolidated proposed budget and today's presentation will be available on CVRD website at: <http://www.comoxvalleyrd.ca/currentbudget>
- Handouts to be provided to Directors
  - Requisitions by Participant at Proposed Budget
  - Proposed tax impacts per household by participant (House Tables)





**Thank you**

**Questions?**