

DATE: January 22, 2020

FILE: 1700-02/2020/275

TO: Chair and Directors
Committee of the Whole

Supported by Russell Dyson
Chief Administrative Officer

FROM: Russell Dyson
Chief Administrative Officer

R. Dyson

RE: 2020-2024 Financial Plan – 9-1-1 Answering Service – Function 275

Purpose

To provide the Committee of the Whole with the proposed 2020-2024 Financial Plan and work plan highlights for the 9-1-1 Answering Service, function 275.

Recommendation from the Chief Administrative Officer:

THAT the proposed 2020-2024 financial plan for the 9-1-1 answering service, function 275, be approved.

Executive Summary

The proposed 2020–2024 financial plan for the 9-1-1 Answering Service has the following key highlights:

- The main source of revenue in this service is tax requisition, with 2020 projecting an increase of \$70,000 from 2019. Subsequent, more modest annual increases are projected from 2021 through 2024.
- The operating budget mainly consists of payment of the operational grant in the amount of \$800,330 to the North Island 9-1-1 Corporation (NI911) for the CVRD’s portion of the 9-1-1 system costs. There is no capital associated with the CVRD’s service.
- The future expenditure reserve for this service had an estimated balance as at December 31, 2019 of \$35,584.
- The 2020 estimated residential tax rate is \$0.0408 per \$1,000 of assessed value versus \$0.0397 in 2019. For a property valued at \$500,000 the tax levy would be approximately \$20.40.

Prepared by:

Concurrence:

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Board Strategic Drivers

The Comox Valley Regional District (CVRD) Board has set four strategic drivers to guide service delivery. Not all services will be influenced by all drivers. Table 1 notes the degree of influence the drivers have on projects and work plans.

Table 1: Board Strategic Drivers


<p>Fiscal responsibility:</p> <ul style="list-style-type: none"> • A review in 2020 of all NI911 software and licensing costs which are critical in supporting service delivery and have increasing steadily over past several years • Annual RD shareholder apportionment review and recommendations anticipated by NI911 Board in 2020 and then to shareholders for consideration 	<p>Climate crisis and environmental stewardship and protection:</p> <ul style="list-style-type: none"> • Service not significantly influenced by this driver
<p>Community partnerships:</p> <ul style="list-style-type: none"> • While the 9-1-1 Call Answering Service is not necessarily influenced directly by this driver, NI9-1-1 service delivery is provided through a partnership of six shareholder RDs and includes an advisory group with representation from all the participating fire departments within the NI911 service area. Fire dispatch services are also provided via contract to the Peace River RD. 	<p>Indigenous relations:</p> <ul style="list-style-type: none"> • Service not significantly influenced by this driver

Financial Plan Overview

The 2020-2024 proposed five-year financial plan for the 9-1-1 answering service, function #275, including service establishment information, the requisition summary and operating budget, is available within the full proposed budget binder, provided in both searchable PDF and e-reader formats, located on the CVRD financial plan web page at www.comoxvalleyrd.ca/currentbudget.

Table 2 summarizes the 2020 proposed budget as compared to the 2019 adopted budget. Significant variances from 2019 adopted budget will be discussed in the financial plan highlights section below.

Table 2: Financial Plan Highlights

 <p>2020 Proposed Budget</p>		<p>#275 - 911 Emergency Answering Service</p>		
Operating	2019 Budget	2020 Proposed Budget	Increase (Decrease)	
Revenue				
Requisition	745,000	815,000	70,000	
Prior Years Surplus	22,165		(22,165)	
	\$ 767,165	\$ 815,000	\$ 47,835	
Expenditures				
Operating	763,298	813,264	49,966	
Contribution to Reserve	3,867	1,736	(2,131)	
	\$ 767,165	\$ 815,000	\$ 47,835	

Highlights of the 2020-2024 proposed financial plan for the 9-1-1 answering service, function 275, include:

Revenue Sources

The main source of revenue in this service is tax requisition. The proposed 2020 – 2024 financial plan shows a \$70,000 increase in requisition for 2020. Further, yet more modest requisition increases will be needed in 2021 through 2024 in order to cover the CVRD's share of the NI911 Corporation's costs.

The only other previous source of revenue for this service was prior year's surplus, however no such carry forward is available into 2020.

Operations

This service is impacted by the costs associated with the delivery of 9-1-1 emergency answering service through NI911. As the costs increase for the NI911, the relative costs to each of the six regional district shareholders also increase. The proposed financial plan reflects the impacts of the Corporation's costs of the system.

The primary cost drivers for the NI911 are the service delivery contracts in place with E-Comm 9-1-1 for the primary call answer function and with the City of Campbell River for the fire dispatch function.

Each of the six regional district shareholders appoint one member to sit on the NI911 board. Their role is to make decisions in the best interest of NI911 and provide information back to their respective regional district.

The operating budget mainly consists of the payment of the operational grant in the amount of \$800,330 to NI911 for the CVRD's portion of the 9-1-1 system costs.

Reserves

The future expenditure reserve for this service had an estimated balance as at December 31, 2019 of \$35,584. With a contribution to reserves of \$1,736 proposed for 2020, the end of year balance in this reserve is estimated to be \$37,320.

Tax Impacts

- Based on the 2020 completed assessment roll, the estimated residential tax rate for this service is expected to be \$0.0408 per \$1,000 of taxable assessed value.
- The 2019 residential tax rate for the service was \$0.0397 per \$1,000 of taxable assessed value.
- For a residence with an assessed value of \$500,000, the total tax impact is estimated to be \$20.40.

Citizen/Public Relations

As a shareholder of NI911, the CVRD provides the residents of the Comox Valley with:

1. An integrated system of emergency response networks that include the primary response function provided by E-Comm 9-1-1 where the operator asks "what is the nature of the emergency" and transfers to police, ambulance or fire and
2. If it is for fire and/or first responder, the fire dispatch centre, which is operated by NI911 through a contract with the City of Campbell River fire department, will then dispatch the appropriate fire department within the north island 9-1-1 system.