

DATE: January 25, 2018

FILE: 1700-02/2018/360

TO: Chair and Directors
Electoral areas services committee

Supported by Russell Dyson
Chief Administrative Officer

FROM: Russell Dyson
Chief Administrative Officer

R. DYSON

RE: 2018 - 2022 Financial Plan – Hornby Island refuse disposal – function #360

Purpose

To provide the Electoral Area Service Committee with the proposed 2018-2022 financial plan and work plan highlights for the Hornby Island refuse disposal service, function 360.

Recommendation from the Chief Administrative Officer:

THAT the proposed 2018-2022 financial plan for Hornby Island refuse disposal service, function 360 be approved.

Executive Summary

The Hornby Island refuse disposal service is provided under an agreement with the Hornby Island Residents and Ratepayers Association (HIRRA). This service provides waste disposal and recycling for residents of Hornby Island.

- In 2017, a used shipping container was purchased to divert textiles to be recycled.
- HIRRA presented and approved their budgets at their 2017 November general residents' meeting.
- Hornby Island residents are provided an opportunity to comment on the HIRRA budget at the meeting.
- The proposed 2018 tax requisition is increasing \$8,000, a 3.6 per cent increase over the 2017 requisition.
- The tax rate per \$1,000 of assessed value is decreasing from \$0.4584 to \$0.4054.
- The estimated tax requisition on a property valued at \$400,000 would be \$162.16.

Prepared by:

Concurrence:

Concurrence:

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Policy Analysis

Hornby Island refuse disposal was established in 1972 under the Comox Strathcona Regional District Bylaw No. 87 being the, “Hornby Island Garbage Disposal and Sundry Services Specified. Ares Establishment Bylaw 1972” and is provided under an agreement with the Hornby Island Residents and Ratepayers Association (HIRRA). This service provides waste disposal and recycling for residents of Hornby Island.

Strategic Plan Connections

The 2012 Comox Strathcona Solid Waste Management Plan outlines strategies to achieve a 70 per cent diversion following implementation of the plan. The Hornby Island Waste Management Centre (HIWMC) service, along with all waste management centres within the regional solid waste function, will help to achieve this goal through waste reduction, reuse and recycling initiatives.

Table 1: Financial Plan Highlights

		#360 Hornby Island Refuse		
Operating	2017 Budget	2018 Proposed Budget	Increase (Decrease)	
Revenue				
Requisition	221,000	229,000	8,000	
Transfer from Reserve	7,556	6,466	(1,090)	
Prior Years Surplus	2,605		(2,605)	
	\$ 231,161	\$ 235,466	\$ 4,305	
Expenditures				
Operating	207,556	213,468	5,912	
Contribution to Reserve	2,605	998	(1,607)	
Tsfr Other Functions	2,000	2,000	-	
Debt Charges	19,000	19,000	-	
	\$ 231,161	\$ 235,466	\$ 4,305	

The entire 2018 - 2022 proposed five year financial plan for the Hornby Island refuse disposal service, including the requisition summary and operating budget, is available through the online budget binder at www.comoxvalleyrd.ca/proposedfinancialplan.

Highlights of the 2018 - 2022 proposed financial plan for function 360 include:

Revenue Sources

This service is proposed to be funded through a 2018 tax requisition of \$229,000 which is an increase of \$8,000 from the requisition in 2017. It is proposed that there be a transfer from the expenditure reserve of \$6,466 to assist increase of the operational grant increase for 2018.

Personnel

The delivery of this service is provided under a service agreement by HIRRA and is overseen by CSWM through the Manager of CSWM Operations. There are no direct CVRD personnel costs associated with this service. There is a “transfer other functions” in the amount of \$2,000 to offset some of the manager’s time spent on the administration of this service.

Operations

The 2018 operational costs have increased by a net amount of \$5,912 or 2.8 per cent over the 2017 expense. The operational grant provided to HIRRA increased \$16,520. Specific increases include, wages and benefits \$3,389, telecommunications (new) \$2,300, travel (new) \$2,300, site maintenance \$1,000, snow removal (new) \$2,000. Minor capital saw a decreased of \$9,720 and the contribution to capital works reserve decreased \$2,605. There are no major operational changes planned, nor are there minor capital expenditures planned in 2018.

Debt charges

There is an allowance for debt charges in the amount of \$19,000 for 2018 to account for the debt servicing costs for the free store building; unchanged from 2017. The debt is short-term debt for the free store construction and will be paid off by 2020.

Capital

There are no capital projects proposed in the 2018 – 2022 financial plan.

Reserves

The future expenditure reserve balance at the end of 2017 is estimated to be \$50,615. This reserve fund is used for liability claims and it can also be used for operating and capital projects. A minimum of \$50,000 should be kept in this reserve.

Citizen/Public Relations

The proposed 2018 tax requisition is \$229,000 or \$0.4054 per \$1,000 assessed value. This equates to an approximate tax levy of \$162.16 for a home assessed at \$400,000. There are no budget impacts that require a public communications plan.

HIRRA presented and approved their budgets at the 2017 November general residents' meeting prior to submission to the Comox Valley Regional District. Hornby Island residents were provided an opportunity to comment on the HIRRA budget at the meeting