

DATE: January 25, 2018

FILE: 1700-02/2018/362

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 – Denman Island garbage collection service – function #362

Purpose

To provide the electoral areas services committee with the proposed 2018-2022 financial plan and work plan highlights for the Denman Island garbage collection service, function 362.

Recommendation from the Chief Administrative Officer:

THAT the proposed 2018-2022 financial plan for Denman Island garbage collection service, function 362 be approved.

Executive Summary

The Denman Island garbage collection service is provided under an agreement with the Denman Island Ratepayers Association (DIRA). This service provides waste disposal and recycling for residents of Denman Island.

- DIRA presented and approved their budgets at the November 2017 Denman Island Residents Association public meeting.
- Denman Island residents are provided an opportunity to comment on the DIRA garbage collection service budget at the meeting.
- The proposed 2018 tax requisition is increasing \$4,677 or 7.2 per cent over the 2017 requisition.
- The tax rate per \$1,000 of assessed value is decreasing from \$0.1810 to \$0.1796.
- The estimated tax requisition on a property valued at \$400,000 would be \$71.84.

Prepared by:

Concurrence:

Concurrence:

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Policy Analysis


Denman Island garbage collection specified area was established under Bylaw No. 126 being “A Bylaw to establish a special service unit within Electoral Area ‘A’ of the Regional District of Comox-Strathcona for the purpose of acquiring, maintaining, operating and regulating grounds for the disposal of garbage and waste, and for the purpose of collection and disposal of garbage and waste”, and Bylaw No. 219 being the, “Denman Island Garbage Collection Service Unit Function Bylaw, 1976”. This service is provided under agreement by the DIRA and includes road-side collection of refuse and a recycling depot for the residents of Denman Island.

The Denman Island garbage collection service 2018 - 2022 financial plan will be included in the consolidated Comox Valley Regional District (CVRD) financial plan bylaw to be adopted pursuant to the Local Government Act by March 31, 2018.

Strategic Plan Connections

The 2012 Comox Strathcona Waste Management Plan outlines strategies to achieve a 70 per cent diversion following implementation of the plan. The Denman Island refuse collection 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

		#362 Denman Island Refuse		
Operating	2017 Budget	2018 Proposed Budget	Increase (Decrease)	
Revenue				
Requisition	65,000	69,677	4,677	
Prior Years Surplus	266		(266)	
	\$ 65,266	\$ 69,677	\$ 4,411	
Expenditures				
Operating	62,250	66,677	4,427	
Contribution to Reserve	1,016	1,000	(16)	
Tsfr Other Functions	2,000	2,000	-	
	\$ 65,266	\$ 69,677	\$ 4,411	

Financial Plan Highlights

Waste management services for Denman Island were first established with the regional district in 1973. The former island landfill site was officially closed in 1991. Currently, DIRA operates the recycling depot and oversees the road-side refuse collection contract for island residents. A tax requisition is used to fund the operation of this service.

The entire 2018 - 2022 proposed five year financial plan for the Denman Island garbage collection 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 362 include:

Revenue Sources

Tax requisition is used to fund the operation of this service. The updated five year financial plan presented is based on the budget submission received from DIRA. The proposed 2018 tax requisition is \$69,677 or \$0.1796 per \$1,000 assessed value. This is an increase of \$4,677 over the 2017 requisition. This equates to an approximate tax levy of \$71.84 for a home assessed at \$400,000. DIRA's waste management operating budget has increased in 2018 requiring an increase in the requisition from 2017.

In 2014, the Denman Island recycling depot began operating as a RecycleBC (MMBC) qualified depot. The MMBC program contract is held with the larger regional solid waste service (function 391) and all risk and liability associated with the MMBC contract as well as any incentive payments received as a result of the Denman Island recycling depot will be applied to the CSWM service, function 391.

Personnel

The delivery of this service is provided by DIRA and is overseen by Comox Strathcona Waste Management (CSWM) services through the Manager of CSWM Operations. There are no direct CVRD personnel costs allocated to 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 Denman Island refuse service operating expenses have increased by \$4,427 from 2017. Changes in DIRA's operating budget from 2017 include increases to tipping fees as it is anticipated there will be a rise in volumes, staff wages for the operation of the recycling depot and administration. Additional increase include a trial of a large item pickup and the transportation of recyclables. In order to offset the increases in operating expenses, DIRA has shown reductions in supplies and administration time in their operating budget.

Capital

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

Reserves

The estimated balance in the capital works reserve fund for this function as of December 31, 2017 is \$30,053. The balance in the future expenditure reserve fund as at December 31, 2017 was \$1,016 as the result of a reserve contribution of the same amount made in 2017.

Citizen/Public Relations

The proposed 2018 tax requisition is \$69,677 or \$0.1796 per \$1,000 assessed value. This equates to an approximate tax levy of \$71.84 for a home assessed at \$400,000. There are no budget impacts that require a public communications plan.