

DATE: February 3, 2021**FILE:** 1700-02/2021/688**TO:** Chair and Directors
Electoral Areas Services CommitteeSupported by Russell Dyson
Chief Administrative Officer**FROM:** Russell Dyson
Chief Administrative Officer***R. DYSON*****RE: 2021 - 2025 Financial Plan – Hornby Island Comfort Stations – Function 688****Purpose**

To provide the Electoral Areas Services Committee with the proposed 2021 - 2025 financial plan and work plan highlights for the Hornby Island Comfort Stations Service, function 688.

Recommendation from the Chief Administrative Officer:

THAT the proposed 2021 – 2025 financial plan for Hornby Island Comfort Stations Service, function 688, be approved.

Executive Summary

This report presents the proposed 2021 - 2025 financial plan for the Hornby Island Comfort Station Service, function 688. Highlights include:

- A 2021 tax requisition of \$20,000 (a decrease of \$2,500 from 2020);
- The 2021 estimated residential tax rate is projected to be \$0.0288/\$1,000 of assessed value. For a property assessed at \$500,000, the tax impact would be \$14.40;
- The Ford's Cove Harbour Authority washrooms no longer receive support from this service at their request and are no longer open to the public. As a result, the requisition for this service has decreased over 2020;
- Pumping costs increased substantially in 2020 and are expected to remain high in 2021 due to higher use during COVID-19 resulting in higher contracted service grant;
- Annual reserve contributions remain steady at an average of \$2,400 over the next five years, with an estimated ending balance in 2025 of \$21,186.

Prepared by:

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Board Strategic Drivers

The Comox Valley Regional District (CVRD) Board has set four strategic drivers to guide service delivery. Table 1 notes the degree of influence the drivers have on projects and work plans.

Table 1: Board Strategic Drivers

Fiscal responsibility: <ul style="list-style-type: none"> Opportunity for additional fundraising or grant by delivering the service through a non-profit society 	Climate crisis and environmental stewardship and protection: <ul style="list-style-type: none"> Prevents introduction of human waste in environmentally sensitive areas
Community partnerships: <ul style="list-style-type: none"> Service delivered in partnership with HIRRA 	Indigenous relations: <ul style="list-style-type: none"> Projects are not significantly influenced by this driver

Rethink Comox Valley / COVID-19 Response and Renewal

Not applicable for this service.

Economic Recovery Task Force Actions


Not applicable for this service.

Financial Plan Overview

The 2021 - 2025 proposed five-year financial plan for the Hornby Island Comfort Station service, function 688, including service establishment information, the requisition summary and the 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 below summarizes the 2021 proposed budget as compared to the 2020 adopted budget. Significant variances from 2020 adopted budget will be discussed in the financial plan sections that follow.

Table 2: Financial Plan Highlights

 2021 Proposed Budget				#688 Hornby Comfort Stations			
Operating		2020 Budget		2021 Proposed Budget		Increase (Decrease)	
Revenue							
Requisition		22,500		20,000		(2,500)	
Prior Years Surplus		1,062		732		(330)	
	\$	23,562	\$	20,732	\$	(2,830)	
Expenditures							
Operating		14,520		17,916		3,396	
Contribution to Reserves		9,042		2,816		(6,226)	
	\$	23,562	\$	20,732	\$	(2,830)	

Highlights of the 2021 - 2025 proposed financial plan for function 688 include:

Revenue Sources

The main source of revenue is tax requisition as highlighted below.

- The 2021 requisition amount is projected to be \$20,000, a decrease of \$2,500 over 2020 due largely to the elimination of services at Fords' Cove. This would have been a larger decrease but the service contract has increases for higher level of cleaning and pumping of the existing toilets.

Personnel

No CVRD staff time is allocated to this budget.

Operations

Operating budget for this service consists primarily of an operating grant to Hornby Island Residents and Ratepayers Association (HIRRA) for facility rentals, pump outs and labour.

Capital

There is no capital associated with this service. There has been some interest in the community of seeing new comfort stations and this will be achieved once the reserves can cover the costs. At this stage design discussions are on hold for the comfort station so future costs are unknown.

Reserves

A new reserve fund was established for this service in 2019 with a \$9,042 contribution in 2020. The balance in this reserve is currently projected to be \$21,186 by the end of 2025 with annual contributions of \$2-2,500 at current requisition levels. One possible project being considered in the future is a facility to service the market area.

Tax Impacts

- The 2021 estimated residential tax rate is projected to be \$0.0288/\$1,000 (2020 - \$0.0358) of taxable assessed value;
- For a property assessed at \$500,000, the tax impact would be \$14.40.

Citizen/Public Relations

A sub-committee of HIRRA continues to work with CVRD staff and community members to determine the level of service for the current comfort stations and where new ones may be located in the future.