

DATE: February 6, 2020

FILE: 1700-02/2019/366

TO: Chair and Directors
Electoral Areas Services Committee

Supported by Russell Dyson
Chief Administrative Officer

FROM: Russell Dyson
Chief Administrative Officer

R. Dyson

RE: 2020-2024 Financial Plan – Royston Garbage Collection Service – Function 366

Purpose

To provide the Electoral Areas Services Committee with the proposed 2020-2024 Financial Plan and work plan highlights for the Royston garbage collection service, function 366.

Recommendation from the Chief Administrative Officer:

THAT the proposed 2020-2024 Financial Plan for Royston garbage collection service, function 366, be approved.

Executive Summary

- Revenues for the garbage collection service are generated from user fees.
- The proposed 2020 annual rate for the Royston garbage and recycling service remains unchanged at an annual rate of \$115.80 per household
- Total gross user fees in 2020 for 1,099 homes will be \$127,264.
- Recycle BC provides incentives for curbside recycling service. At our current contract rate, the service is able to provide a \$1.30 monthly discount in 2020, bringing the annual cost down to \$100.20 per household.
- In 2019, staff worked to expand the service area by adding 167 new properties to the service.
- Residents in the newly expanded area have expressed interest in a yard waste service, staff will investigate and report back to see if the residents throughout the service area support this initiative.

Prepared by:

Concurrence:

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"> • There are no increases from the 2019 user rate. • The service is provided under contract which was established through a public process. • The collection service is part the Recycle BC program and receives incentives which help offset some the operational costs of the program. 	<p>Climate crisis and environmental stewardship and protection:</p> <ul style="list-style-type: none"> • Recycle BC ensures materials are managed in accordance to the environmental criteria established by the Province. • Roadside refuse and recycling collection reduces the amount of vehicle traffic traveling to the landfill or a recycling depot.
<p>Community partnerships:</p> <ul style="list-style-type: none"> • Projects are not significantly influenced by this driver. 	<p>Indigenous relations:</p> <ul style="list-style-type: none"> • Projects are not significantly influenced by this driver.

Financial Plan Overview

The 2020 - 2024 proposed five-year financial plan for Royston Garbage Collection service, function #366, 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 summarizes the 2020 Proposed Budget as compared to the 2019 Adopted Budget. Significant variances from 2019 Adopted Budget are discussed in the financial plan sections below.

Table 2: Financial Plan Highlights

 2020 Proposed Budget		#366 Royston Refuse		
Operating	2019 Budget	2020 Proposed Budget	Increase (Decrease)	
Revenue				
Sale Services User Fees	89,078	110,120	21,042	
Other Revenue/Recoveries	36,118	43,300	8,182	
Transfer from Reserve	2,128		(2,128)	
	\$ 128,324	\$ 153,420	\$ 27,096	
Expenditures				
Operating	124,324	149,211	24,887	
Trsr Other Functions	2,000	2,000	-	
Contribution to Reserves		2,209	2,209	
	\$ 128,324	\$ 153,420	\$ 27,096	

Highlights of the 2020-2024 Proposed Financial Plan for the Royston garbage collection service, function 366, include:

Revenue Sources

The Royston Garbage Collection service is funded through a combination of user fees, and incentive payments from Recycle BC. Incentives for 2020 are estimated to be \$43,300 for 2020 and have been included in the five-year financial plan. The additional funds from Recycle BC have resulted in the ability to offer the residents of the service a rebate on the user fees for 2020. It is recommended, pursuant to Bylaw No. 119 Royston garbage collection service, that an annual 2020 rebate of \$15.60 per dwelling be issued to the customers of the Royston refuse service.

The 2020-2024 Proposed Financial Plan is based on 1,099 dwellings participating in the service which now included the residents of Kilmarnock drive that the joined the service in the fall of 2019. The financial plan reflects an increase in collection contract costs and in tipping fee costs. However, with the additional Recycle BC incentive revenue described above, a user rate discount is still recommended for 2020.

Personnel

The delivery of this service is provided by contract and is overseen by the Manager of Comox Strathcona Waste Management Operations. No personnel costs are allocated to this service. There is a transfer of other functions of \$2,000 to offset the manager’s time spent on the administration of this service.

Operations

The operating expenses are proposed to increase by \$24,887 in 2020 over 2019 which is in part due to the expanded service to the Kilmarnock Drive area.

In 2018, staff investigated interest and support for the addition of curbside organics/yard waste collection and will consider implementation in 2021, dependant on the direction of the regional composting facility.

Capital

There is no capital associated with this service.

Reserves

The balance of the future expenditure reserve is estimated to be \$63,127 on December 31, 2019. The reserve fund target is to retain a minimum balance of \$25,000 in order to address any legal issues, liabilities and penalties that may arise through service agreements.

Citizen/Public Relations

Staff will utilize the Recycle BC public education materials and develop an insert to be included with the quarterly billing mail outs. The information will include what is recyclable, where none blue box items can be brought to and recycling tips and tricks.

Utility billings will include a line item reflecting the Recycle BC discount of \$1.30/month as well as a note to explain the discount. Residents receive an annual schedule showing pickup dates which also provides recycling information. This information is also provided on the Comox Strathcona Waste Management website.