

DATE: July 9, 2021**FILE:** 1700-02**TO:** Chair and Directors
Electoral Areas Services Committee**FROM:** Russell Dyson
Chief Administrative OfficerSupported by Russell Dyson
Chief Administrative Officer*R. Dyson***RE: Union Bay Local Service Areas Financial Overview**

Purpose

To provide a financial overview on the three new Comox Valley Regional District (CVRD) local service areas in Electoral Area A for fire, water, and streetlighting services to be established with the conversion of the Union Bay Improvement District (UBID) effective July 1, 2021.

Recommendations from the Chief Administrative Officer:

None. This report is for information only.

Executive Summary

The conversion of the UBID to the CVRD became effective on July 1, 2021 as per Order in Council no. 221 (OIC). Previous updates on the conversion activities were provided to the Electoral Areas Services Committee (EASC) on both May 10 and June 14 with current information continuing to be available at www.comoxvalleyrd.ca/ubid.

This report provides an overview of the financial analysis undertaken over the past few months through the conversion process and in particular highlights the upcoming next steps as we move forward with the service establishment for each of the three new local service areas being created to support the continued delivery of water supply and distribution, fire protection and street lighting services to the residents of Union Bay.

- UBID Trustees adopted an annual budget for 2021 in late 2020 supported by the following three bylaws:
 - Bylaw #282, Amending Bylaw #281 Water Tolls and Other Charges 2021
 - Bylaw #285, Taxation Bylaw, 2021 (annual water parcel taxes)
 - Bylaw #287, Fire Protection and Street Lighting Taxation Bylaw, 2021
- While the CVRD will deliver the fire protection, water and street lighting services for remainder of 2021 based on the UBID's adopted budget, CVRD staff have been working with the UBID team to obtain a better understanding of the current financial state of UBID, including determining actual versus budget projections to the end of the year, in conjunction with the development of the inaugural draft 2022 – 2026 service area financial plans which outline operational requirements, capital planning, debt charges and reserve contributions to ensure affordable and reliable services to the residents through the short and long-term.
 - Based on projection scenarios recently finalized, it is expected that the 2021 budget approved by UBID will be sufficient to meet service delivery needs for the year.

- However, three priority projects have been identified that are required to be undertaken in the second part of 2021 to ensure sustainable service delivery can be achieved for water services including a water master plan study to assess the water supply and distribution infrastructure, the purchase of a portable for Union Bay water treatment plant staff to operate out of, and fibre connectivity improvements to the water treatment plant to ensure reliable management of the system. A budget amendment report will come forward in August requesting approval for inclusion in the 2021 Financial Plan.

Prepared by:

Concurrence:

K. Douville***M. Foort***

 Kevin Douville, B. Comm
 Manager of Financial Planning

 Myriah Foort, BBA, CPA, CA
 Chief Financial Officer
Government Partners and Stakeholder Distribution (Upon Agenda Publication)

| | |
|--|---|
| UBID Conversion Advisory Working Group | ✓ |
|--|---|

Background/Current Situation

The conversion of UBID to the CVRD became effective on July 1, 2021 as per OIC no. 221 issued by the Lieutenant Governor in Council on April 6, 2021. The OIC instructs the rights, property and assets of UBID are transferred to and vested with the CVRD with all obligations of UBID also transferred to and assumed by the CVRD.

In preparation for the conversion, CVRD staff have been working closely with the UBID team over the past several months in order to obtain a better understanding of the current financial state of UBID, including determining initial actual vs. budget projections to the end of the year. Throughout the remainder of 2021, CVRD staff will continue to monitor budget versus actuals monthly to ensure sufficient funds are available to meet all current obligations for the three distinct Union Bay services.

While the bylaws of UBID do continue through the conversion process until such a time that amendments and/or repeals of these bylaws are adopted by the CVRD Board, new service and reserve establishment bylaws have been brought forward to the Board of Directors for consideration in a timely manner as in past improvement district conversions. This is part of an overall review of the service(s) being converted and a wholesome financial analysis being conducted in preparation for the impending annual financial planning process that follows the conversion.

Policy Analysis

Under section 338 of the *Local Government Act* [RSBC, 2015, c. 1] (LGA) the CVRD is authorized to adopt a service establishment bylaw prior to operating a service. Furthermore, pursuant to section 188 of the Community Charter [SBC, 2003, c.26] applicable to regional districts by section 377(2) of the LGA, a regional district may, by bylaw, establish a reserve fund for a specified purpose and direct that money to be placed to the credit of that reserve fund.

The following service establishment and reserve establishment bylaws are projected to be brought forward to the CVRD Board on July 13 for first, second and third readings, and final reading on August 10, subject to in inspector approval. This would meet the August 15, 2021 BC Assessment deadline for inclusion on the 2022 completed assessment roll. The reserve bylaws align with the CVRD structure to ensure a contingency reserve for all services, and capital reserves for infrastructure-based services.

The recommendation for the establishment of a CICC / DCC reserve for the Union Bay Water Service will come forward in a future report.

1. Union Bay Fire Protection Service Establishment Bylaw No. 658, 2021
2. Union Bay Street Lighting Service Establishment Bylaw No. 659, 2021
3. Union Bay Water Service Establishment Bylaw No. 660, 2021
4. Union Bay Water Service Capital Reserve Fund Establishment Bylaw No. 666, 2021
5. Union Bay Water Service Future Expenditure Reserve Fund Establishment Bylaw No. 667, 2021
6. Union Bay Fire Protection Service Capital Reserve Fund Establishment Bylaw No. 669, 2021
7. Union Bay Fire Protection Service Future Expenditure Reserve Fund Establishment Bylaw No. 670, 2021
8. Union Bay Street Lighting Service Future Expenditure Reserve Fund Establishment Bylaw No. 671, 2021

Financial Factors

Preliminary 2022 – 2026 service area financial plans have been prepared, built from both UBID's 2020 audited financial statements and 2021 adopted budgets, which outline detailed operational requirements and short to medium term capital planning along with debt and reserve management for that period. Some operational and capital highlights are provided below.

Operational Highlights

Tables 1 to 6 below illustrate the operating summaries for each service area including UBID's adopted budgets for 2021 and the initial 5-year forecasts for 2022 to 2026 along with year-over-year tax and/or user rate change comparisons.

Table 1 – Union Bay Water LSA Operating Summary

| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| REVENUE | | | | | | |
| Parcel Tax | 276,510 | 276,900 | 284,000 | 284,000 | 284,000 | 284,000 |
| User/Connection Fees | 573,483 | 629,244 | 632,641 | 642,431 | 652,434 | 662,654 |
| Contributions from Others/Recoveries | 9,000 | - | - | - | - | - |
| Surplus - Prior Year | - | - | - | - | - | - |
| | 858,993 | 906,144 | 916,641 | 926,431 | 936,434 | 946,654 |
| EXPENSES | | | | | | |
| Operating Costs | 582,483 | 619,634 | 622,641 | 632,354 | 642,277 | 652,415 |
| Debt/Principal/Interest | 203,500 | 203,250 | 203,250 | 203,250 | 203,250 | 203,250 |
| Transfers to Reserves | 73,010 | 83,260 | 90,750 | 90,827 | 90,907 | 90,989 |
| | 858,993 | 906,144 | 916,641 | 926,431 | 936,434 | 946,654 |
| NET | - | 0 | (0) | (0) | (0) | (0) |
| \$ VARIANCE | | 47,151 | 10,497 | 9,790 | 10,003 | 10,220 |
| % VARIANCE | | 5% | 1% | 1% | 1% | 1% |

Table 2 - Water Service Year-over-Year Parcel Tax and User Rate Change Comparisons

| | 2022 | 2023 | 2024 | 2025 | 2026 |
|--------------------|------|------|------|------|------|
| Water – Parcel Tax | 0% | 2.5% | 0% | 0% | 0% |
| Water – User Rates | 9.5% | 0.5% | 1.5% | 1.5% | 1.5% |

For 2021, the annual parcel tax for the Union Bay water service was set at \$390 per parcel and was levied on 709 total class A parcels. In 2022, the parcel tax is currently projected to remain flat at \$390 per parcel, with one additional parcel being added. A review of the class “B” parcels is also slated to be undertaken over the next few months.

For 2023 through 2026, the parcel tax is then projected to increase to \$400 per parcel to continue to support debt servicing costs and reserve contributions for capital. Over the next few months, the water tolls rates for 2022 – 2026 will be calculated and reviewed based on consumption estimates (to be determined) and refined revenue projections and will be presented to the electoral area directors in the fall. Initial estimates indicate the monthly flat rate would increase from \$54 in 2021 to \$60 in 2022. Any amendments to excess rates have yet to be considered.

The projected user fee increase for the water service in 2022 of 9.5 per cent is related to a more fulsome analysis of the operating costs for the new water treatment plant including chemicals, staffing, SCADA technology management, etc.

| Table 3 – Union Bay Fire Operating | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| REVENUE | | | | | | |
| Tax Requisition | 470,000 | 470,000 | 470,000 | 495,000 | 495,000 | 495,000 |
| Contributions from Others/Recoveries | 7,000 | - | - | - | - | - |
| Surplus - Prior Year | - | - | - | - | - | - |
| | 477,000 | 470,000 | 470,000 | 495,000 | 495,000 | 495,000 |
| EXPENSES | | | | | | |
| Operating Costs | 338,100 | 395,000 | 391,030 | 389,741 | 396,133 | 407,711 |
| Debt/Principal/Interest | - | - | - | - | - | - |
| Transfers to Reserves | 138,900 | 75,000 | 78,970 | 105,259 | 98,867 | 87,289 |
| | 477,000 | 470,000 | 470,000 | 495,000 | 495,000 | 495,000 |
| NET | - | - | 0 | 0 | 0 | (0) |
| \$ VARIANCE | | (7,000) | - | 25,000 | - | - |
| % VARIANCE | | -1% | 0% | 5% | 0% | 0% |

Table 4 - Fire Protection Service Year-over-Year Tax Requisition Change Comparisons

| | 2022 | 2023 | 2024 | 2025 | 2026 |
|--------------------|------|------|------|------|------|
| Fire - Requisition | 0% | 0% | 5.3% | 0% | 0% |

Transfers to reserve for fire services are planned to increase in future years to offset future expected costs to build a new firehall and related fire equipment. A fulsome 10-year capital plan will be developed in the fall for the 2022 Financial Plan to moderate the related requisition increases with a strategic funding strategy for capital including debt and reserves.

Table 5 – Union Bay Street Lighting LSA Operating Summary

| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| REVENUE | | | | | | |
| Tax Requisition | 37,000 | 41,145 | 42,682 | 44,281 | 45,944 | 47,673 |
| Contributions from Others/Recoveries | - | - | - | - | - | - |
| Surplus - Prior Year | - | - | - | - | - | - |
| | 37,000 | 41,145 | 42,682 | 44,281 | 45,944 | 47,673 |
| EXPENSES | | | | | | |
| Operating Costs | 37,000 | 38,645 | 40,182 | 41,781 | 43,444 | 45,173 |
| Transfers to Reserves | - | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| | 37,000 | 41,145 | 42,682 | 44,281 | 45,944 | 47,673 |
| NET | - | - | (0) | (0) | 0 | 0 |
| \$ VARIANCE | | 4,145 | 1,537 | 1,599 | 1,663 | 1,729 |
| % VARIANCE | | 11% | 4% | 4% | 4% | 4% |

Table 6 - Street Lighting Service Year-over-Year Taxation Requisition Change Comparisons

| | 2022 | 2023 | 2024 | 2025 | 2026 |
|-------------------------------|-------|------|------|------|------|
| Street Lighting - Requisition | 11.2% | 3.7% | 3.7% | 3.8% | 3.8% |

The street lighting service has been noted to require an increase in 2022 to better reflect actual hydro costs and estimated 3-4 per cent increases annually thereafter.

Based on the financial analysis undertaken to this point, table 7 illustrates the maximum requisitions to be recommended and incorporated into the establishment bylaws for each service area based on their respective inaugural five-year financial plans.

Table 7 – Maximum Requisition Analysis

| Service Area | 2021 Taxation | Highest required taxation over 5-year financial plan | Proposed Maximum Requisition (approx. 1.5 times highest taxation) |
|---------------------------|---------------|--|---|
| Union Bay Water | \$276,510 | \$284,000 | \$450,000 |
| Union Bay Fire Protection | \$470,000 | \$495,000 | \$750,000 |
| Union Bay Street Lighting | \$37,000 | \$47,673 | \$75,000 |

Capital Highlights

- Water Service
 - 2021 – portable building to provide washroom and staff facilities (up to \$100K) and internet connectivity improvements (\$40K) at water treatment plant site with budget amendments to come forward in August
 - 2022 – required remediation of former in-ground reservoir and chlorination station site at 451 McLeod Road, leased from Union Bay Estates (\$100K)
 - 2022 to 2026 – water meter replacement program (\$50K/year)
 - Emerton Road waterline replacement - at request of UBID Trustees due to increasing ruptures and leaks in the last several months (costs currently unknown)

- Future water distribution asset renewal and replacement – costs to be supported by completion of a Water Master Plan and Asset Management Plan for the service to ensure sustainable service over the short and long term
- Fire Protection
 - 2023 – replacement of one of two fire engines at a cost of \$550,000
 - 2026 – a new fire hall facility with early total construction cost estimates totalling \$3,000,000. Debt servicing costs for this project, as a part of an overall funding source strategy, have yet to be calculated and included in the financial plan
- Street Lighting
 - The approximately 142 street lights with the Union Bay service area are all owned by BC Hydro and therefore no capital requirements are anticipated at this time

Debt Management – Water Treatment Plant

Staff have been in dialogue with both the Royal Bank of Canada (RBC) and the Municipal Finance Authority of BC (MFA) with respect to planning for the transition of the debt related to the Union Bay water treatment plant construction. Steps are underway to port the RBC loan over from UBID to the CVRD, with existing terms and conditions, until March 2023 at which time we will be looking to convert to MFA with long-term competitive rates and a term between 20 and 30 years based on affordability for the service pending the water master plan study and the setting of a long-term asset management plan for the service.

Reserve Highlights

Tables 8 and 9 below show the projected reserve balance for the water and fire protection services through 2026 based on the 2020 year-end balances as per UBID's audited financial statements.

With a new future expenditure reserve being proposed for the Union Bay Street Lighting service, annual contributions of \$2,500 have been budgeted, resulting in a projected balance at the end of 2026 of \$12,500.

The services have existing reserves with a similar structure to CVRD to build on for future years and ensuring sustainable service delivery in the short and long term.

Table 8 - Union Bay Water Service Reserve Summary

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ENDING BALANCE SUMMARY | | | | | | | |
| 308 Future Expenditure Reserve | 21,156 | 31,156 | 41,156 | 51,156 | 61,156 | 71,156 | 71,156 |
| TBD Capital Works Reserve | 548,150 | 481,160 | 421,920 | 467,670 | 513,497 | 559,404 | 605,393 |
| TBD CEC Reserve - Union Bay Water | 317,915 | 317,915 | 317,915 | 317,915 | 317,915 | 317,915 | 317,915 |
| | 887,221 | 830,231 | 780,991 | 836,741 | 892,568 | 948,475 | 994,464 |

Table 9 - Union Bay Fire Protection Service Reserve Summary

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| ENDING BALANCE SUMMARY | | | | | | | |
| 226 Future Expenditure Reserve | 224 | 10,224 | 20,224 | 30,224 | 40,224 | 50,224 | 50,224 |
| TBD Capital Works Reserve | 1,579,544 | 1,718,444 | 1,783,444 | 1,302,414 | 1,397,673 | 1,486,540 | 1,563,829 |
| | 1,579,768 | 1,728,668 | 1,803,668 | 1,332,638 | 1,437,897 | 1,536,764 | 1,614,053 |

Citizen/Public Relations

Upon endorsement by the Electoral Area Directors, this analysis will be presented to the UBID Conversion Advisory Group. The CVRD website will be the primary source of information post conversation, with

relevant past information already having been brought over to the CVRD website. In addition, update information sheets will be included as needed with future water toll invoices.

Attachments: Appendix A – Draft Service Establishment Bylaws

- Bylaw 658
- Bylaw 659
- Bylaw 660

Appendix B – Draft Reserve Establishment Bylaws

- Bylaw 666
- Bylaw 667
- Bylaw 669
- Bylaw 670
- Bylaw 671

Appendix A

| BYLAW NO. 658 | |
|-----------------------|--|
| Bylaw name: | Union Bay Fire Protection Service Establishment Bylaw No. 658, 2021 |
| Participants: | Electoral Area A (Baynes Sound – Denman/Hornby Islands) |
| Purpose: | To establish a service within a portion of Electoral Area A to provide for the Union Bay Fire Protection Service |
| Amends bylaw: | N/A |
| Repeals bylaw: | n/a |
| Staff contact: | D. DeMarzo, General Manager of Community Services |

| STATUS | |
|---|---|
| Committee approval: | <p>Electoral Area Services Committee May 10, 2021</p> <p>“THAT staff be directed to bring forward the service establishing bylaws for the Union Bay Water Service, Union Bay Fire Protection Service and Union Bay Street Lighting Service for first, second and third readings;</p> <p>AND FURTHER THAT the board authorize participating area approval for Electoral Area A to be given by the Electoral Area Director consenting in writing to adoption of such service establishing bylaws in accordance with Section 347 of the Local Government Act.”</p> |
| 1st & 2nd readings: | |
| 3rd reading: | |
| Director Consent: | |
| Ministry approval: | |
| Final adoption: | |

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 658

A bylaw to establish a service within a portion of Electoral Area A to provide for the Union Bay Fire Protection Service

WHEREAS under section 338 of the *Local Government Act* (RSBC, 2015, c.1) the Comox Valley Regional District is authorized to adopt a service establishment bylaw prior to operating a service;

AND WHEREAS Order in Council No. 221 was issued by the Lieutenant Governor in Council on April 6, 2021 ordering the transfer of obligations from the Union Bay Improvement District to the Comox Valley Regional District and the Union Bay Improvement District Fire Service was established as a Comox Valley Regional District service by the conversion effective July 1, 2021;

AND WHEREAS participating area approval has been obtained in writing from the director of Electoral Area A (Baynes Sound – Denman / Hornby Islands) in accordance with the *Local Government Act*;

AND WHEREAS the approval of the Inspector of Municipalities has been obtained under section 342 of the *Local Government Act*;

NOW THEREFORE the board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Service

1. The Comox Valley Regional District hereby establishes within Electoral Area A (Baynes Sound – Denman/Hornby Islands) a service to provide fire protection, suppression, emergency response and rescue operations in the Union Bay community.
2. The service shall be known as the Union Bay Fire Protection Service (the ‘service’).

Boundaries

3. The boundaries of the Union Bay Fire Protection Service are those portions of Electoral Area A (Baynes Sound – Denman/Hornby Islands) as identified in Schedule A attached to and forming part of this bylaw.

Participating Areas

4. Electoral Area A (Baynes Sound – Denman/Hornby Islands) is the participating area in the service.

Cost Recovery

5. As provided in section 378 of the *Local Government Act* (RSBC, 2015, C. 1), the annual cost for this service shall be recovered by one or more of the following:
 - a) property value taxes;
 - b) parcel taxes;
 - c) fees and charges imposed under section 363 of the *Local Government Act* (RSBC, 2015, C. 1);

- d) revenues raised by other means authorized by the *Local Government Act* (RSBC, 2015, C. 1) or another Act; and
- e) revenues received by way of agreement, enterprises, gift, grant or otherwise.

Maximum Requisition

6. In accordance with section 339(1)(e) of the *Local Government Act* (RSBC, 2015, c.1), the maximum amount that may be requisitioned annually for the cost of the service is \$750,000.

Citation

7. This Bylaw No. 658 may be cited for all purposes as “Union Bay Fire Protection Service Establishment Bylaw No. 658, 2021”.

| | | |
|---|---------------|-------------|
| Read a first and second time this | day of | 2021 |
| Read a third time this | day of | 2021 |
| Consented to in writing by the Electoral Area A (Baynes Sound – Denman / Hornby Islands) director this | day of | 2021 |
| Approved by the Inspector of Municipalities this | day of | 2021 |
| Adopted this | day of | 2021 |

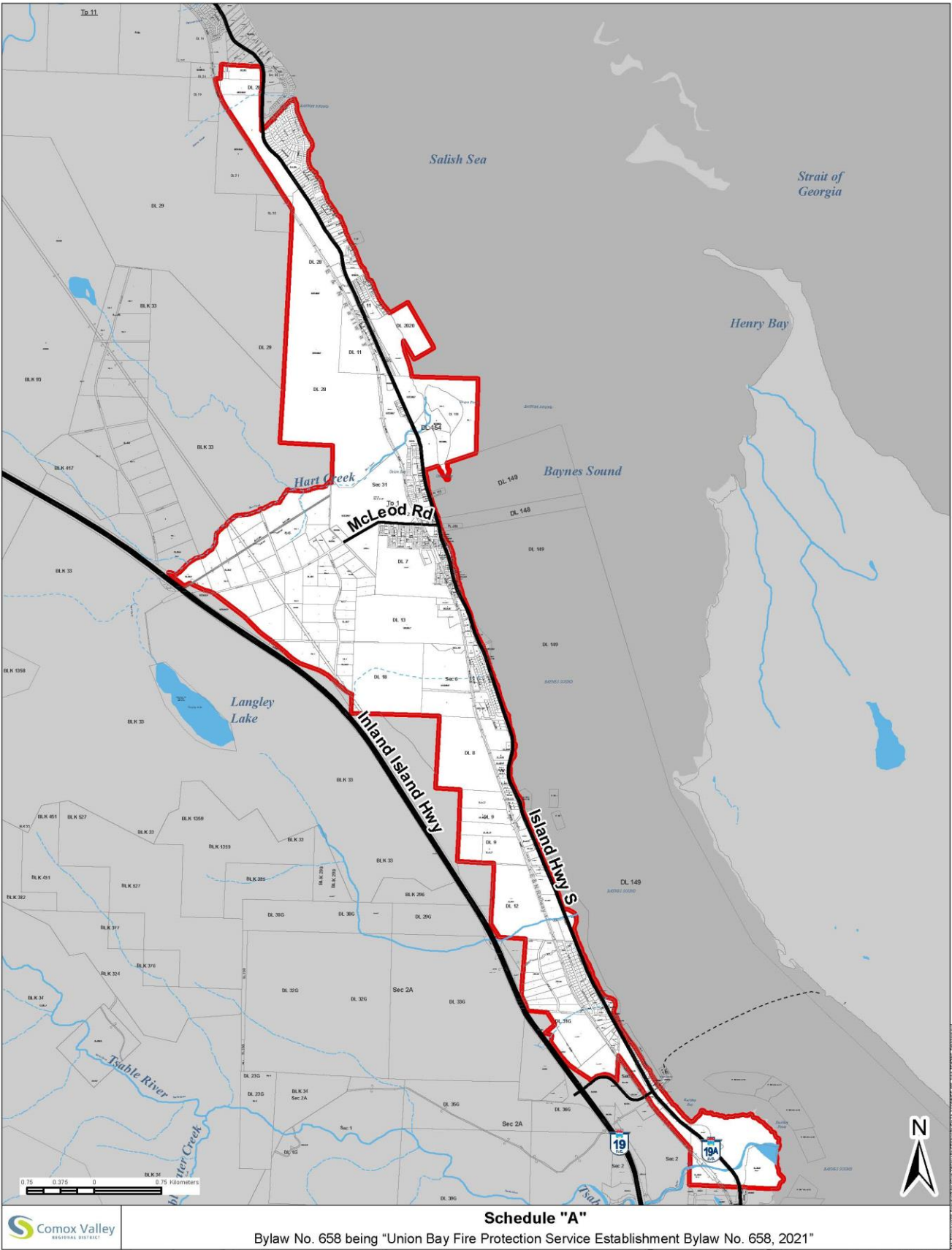
Chair

Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 658 “Union Bay Fire Protection Service Establishment Bylaw No. 658, 2021” as adopted by the board of the Comox Valley Regional District on the day of 2021.

Corporate Legislative Officer

Schedule A



| BYLAW NO. 659 | |
|-----------------------|--|
| Bylaw name: | Union Bay Street Lighting Service Establishment Bylaw No. 659, 2021 |
| Participants: | Electoral Area A (Baynes Sound – Denman/Hornby Islands) |
| Purpose: | To establish a service within a portion of Electoral Area A to provide for the Union Bay Street Lighting Service |
| Amends bylaw: | N/A |
| Repeals bylaw: | n/a |
| Staff contact: | A. Mullaly, General Manager of Planning and Development Services |

| STATUS | |
|---|---|
| Committee approval: | <p>Electoral Area Services Committee May 10, 2021</p> <p>“THAT staff be directed to bring forward the service establishing bylaws for the Union Bay Water Service, Union Bay Fire Protection Service and Union Bay Street Lighting Service for first, second and third readings;</p> <p>AND FURTHER THAT the board authorize participating area approval for Electoral Area A to be given by the Electoral Area Director consenting in writing to adoption of such service establishing bylaws in accordance with Section 347 of the Local Government Act.”</p> |
| 1st & 2nd readings: | |
| 3rd reading: | |
| Director Consent: | |
| Ministry approval: | |
| Final adoption: | |

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 659

A bylaw to establish a service within a portion of Electoral Area A to provide for the Union Bay Street Lighting Service

WHEREAS under section 338 of the *Local Government Act* (RSBC, 2015, c.1) the Comox Valley Regional District is authorized to adopt a service establishment bylaw prior to operating a service;

AND WHEREAS Order in Council No. 221 was issued by the Lieutenant Governor in Council on April 6, 2021 ordering the transfer of obligations from the Union Bay Improvement District to the Comox Valley Regional District and the Union Bay Improvement District street lighting service was established as a Comox Valley Regional District service by the conversion effective July 1, 2021;

AND WHEREAS participating area approval has been obtained in writing from the director of Electoral Area A (Baynes Sound – Denman / Hornby Islands) in accordance with the *Local Government Act*;

AND WHEREAS the approval of the Inspector of Municipalities has been obtained under section 342 of the *Local Government Act*,

NOW THEREFORE the board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Service

1. The Comox Valley Regional District hereby establishes within Electoral Area A (Baynes Sound – Denman/Hornby Islands) a service to provide street lighting in the Union Bay community.
2. The service shall be known as the Union Bay Street Lighting Service (the ‘service’).

Boundaries

3. The boundaries of the Union Bay Street Lighting Service are those portions of Electoral Area A (Baynes Sound – Denman/Hornby Islands) as identified in Schedule A attached to and forming part of this bylaw.

Participating Areas

4. Electoral Area A (Baynes Sound – Denman/Hornby Islands) is the participating area in the service.

Cost Recovery

5. As provided in section 378 of the *Local Government Act* (RSBC, 2015, C. 1), the annual cost for this service shall be recovered by one or more of the following:
 - a) property value taxes;
 - b) parcel taxes;
 - c) fees and charges imposed under section 363 of the *Local Government Act* (RSBC, 2015, C. 1);

- d) revenues raised by other means authorized by the *Local Government Act* (RSBC, 2015, C. 1) or another Act; and
- e) revenues received by way of agreement, enterprises, gift, grant or otherwise.

Maximum Requisition

- 6. In accordance with section 339(1)(e) of the *Local Government Act* (RSBC, 2015, c.1), the maximum amount that may be requisitioned annually for the cost of the service is \$75,000.

Citation

- 7. This Bylaw No. 659 may be cited for all purposes as “Union Bay Street Lighting Service Establishment Bylaw No. 659, 2021”.

| | | |
|---|---------------|-------------|
| Read a first and second time this | day of | 2021 |
| Read a third time this | day of | 2021 |
| Consented to in writing by the Electoral Area A (Baynes Sound – Denman / Hornby Islands) director this | day of | 2021 |
| Approved by the Inspector of Municipalities this | day of | 2021 |
| Adopted this | day of | 2021 |

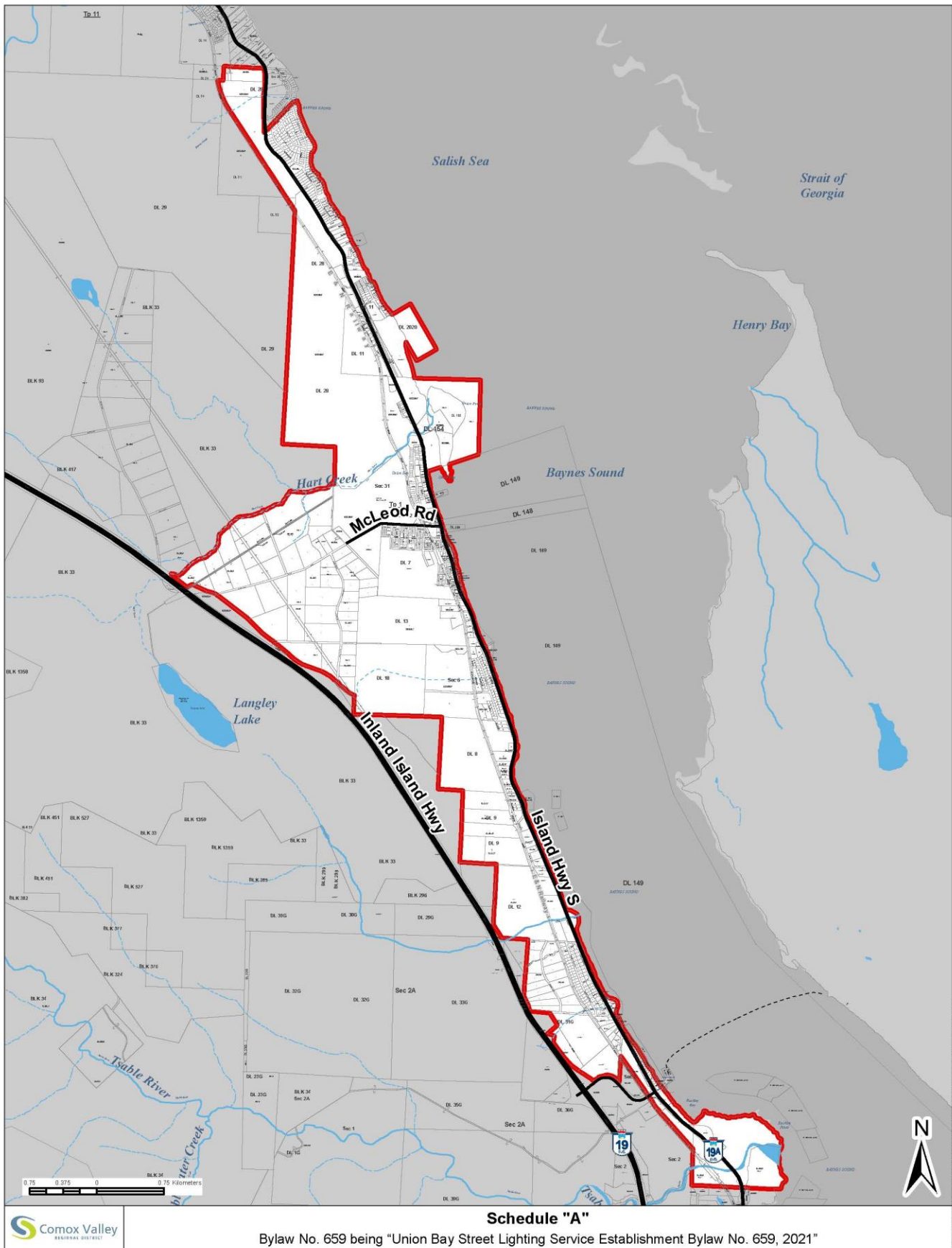
Chair

Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 659 “Union Bay Street Lighting Service Establishment Bylaw No. 659, 2021” as adopted by the board of the Comox Valley Regional District on the day of 2021.

Corporate Legislative Officer

Schedule A



| BYLAW NO. 660 | |
|-----------------------|--|
| Bylaw name: | Union Bay Water Service Establishment Bylaw No. 660, 2021 |
| Participants: | Electoral Area A (Baynes Sound – Denman/Hornby Islands) |
| Purpose: | To establish a service within a portion of Electoral Area A to provide for the Union Bay Water Service |
| Amends bylaw: | N/A |
| Repeals bylaw: | n/a |
| Staff contact: | M. Rutten, General Manager of Engineering Services |

| STATUS | |
|---|---|
| Committee approval: | <p>Electoral Area Services Committee May 10, 2021</p> <p>“THAT staff be directed to bring forward the service establishing bylaws for the Union Bay Water Service, Union Bay Fire Protection Service and Union Bay Street Lighting Service for first, second and third readings;</p> <p>AND FURTHER THAT the board authorize participating area approval for Electoral Area A to be given by the Electoral Area Director consenting in writing to adoption of such service establishing bylaws in accordance with Section 347 of the Local Government Act.”</p> |
| 1st & 2nd readings: | |
| 3rd reading: | |
| Director Consent: | |
| Ministry approval: | |
| Final adoption: | |

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 660

A bylaw to establish a service within a portion of Electoral Area A to provide for the Union Bay Water Service

WHEREAS under section 338 of the *Local Government Act* (RSBC, 2015, c.1) the Comox Valley Regional District is authorized to adopt a service establishment bylaw prior to operating a service;

AND WHEREAS Order in Council No. 221 was issued by the Lieutenant Governor in Council on April 6, 2021 ordering the transfer of obligations from the Union Bay Improvement District to the Comox Valley Regional District and the Union Bay Improvement District water service was established as a Comox Valley Regional District service by the conversion effective July 1, 2021;

AND WHEREAS participating area approval has been obtained in writing from the director of Electoral Area A (Baynes Sound – Denman / Hornby Islands) in accordance with the *Local Government Act*;

AND WHEREAS the approval of the Inspector of Municipalities has been obtained under section 342 of the *Local Government Act*,

NOW THEREFORE the board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Service

1. The Comox Valley Regional District hereby establishes within Electoral Area A (Baynes Sound – Denman/Hornby Islands) a service for the distribution of water for the area to be known as the Union Bay Water Service.

Boundaries

2. The boundaries of the Union Bay Water Service are those portions of Electoral Area A (Baynes Sound – Denman/Hornby Islands) as identified in Schedule A attached to and forming part of this bylaw.

Participating Areas

3. Electoral Area A (Baynes Sound – Denman/Hornby Islands) is the participating area in the service.

Cost Recovery

4. As provided in section 378 of the *Local Government Act* (RSBC, 2015, C. 1), the annual cost for this service shall be recovered by one or more of the following:
 - a) property value taxes;
 - b) parcel taxes;
 - c) fees and charges imposed under section 363 of the *Local Government Act* (RSBC, 2015, C. 1);
 - d) revenues raised by other means authorized by the *Local Government Act* (RSBC, 2015, C. 1) or another Act; and

- e) revenues received by way of agreement, enterprises, gift, grant or otherwise.

Maximum Requisition

5. In accordance with section 339(1)(e) of the *Local Government Act* (RSBC, 2015, c.1), the maximum amount that may be requisitioned annually for the cost of the service is \$450,000.

Citation

6. This Bylaw No. 660 may be cited for all purposes as “Union Bay Water Service Establishment Bylaw No. 660, 2021”.

| | | |
|---|---------------|-------------|
| Read a first and second time this | day of | 2021 |
| Read a third time this | day of | 2021 |
| Consented to in writing by the Electoral Area A (Baynes Sound – Denman / Hornby Islands) director this | day of | 2021 |
| Approved by the Inspector of Municipalities this | day of | 2021 |
| Adopted this | day of | 2021 |

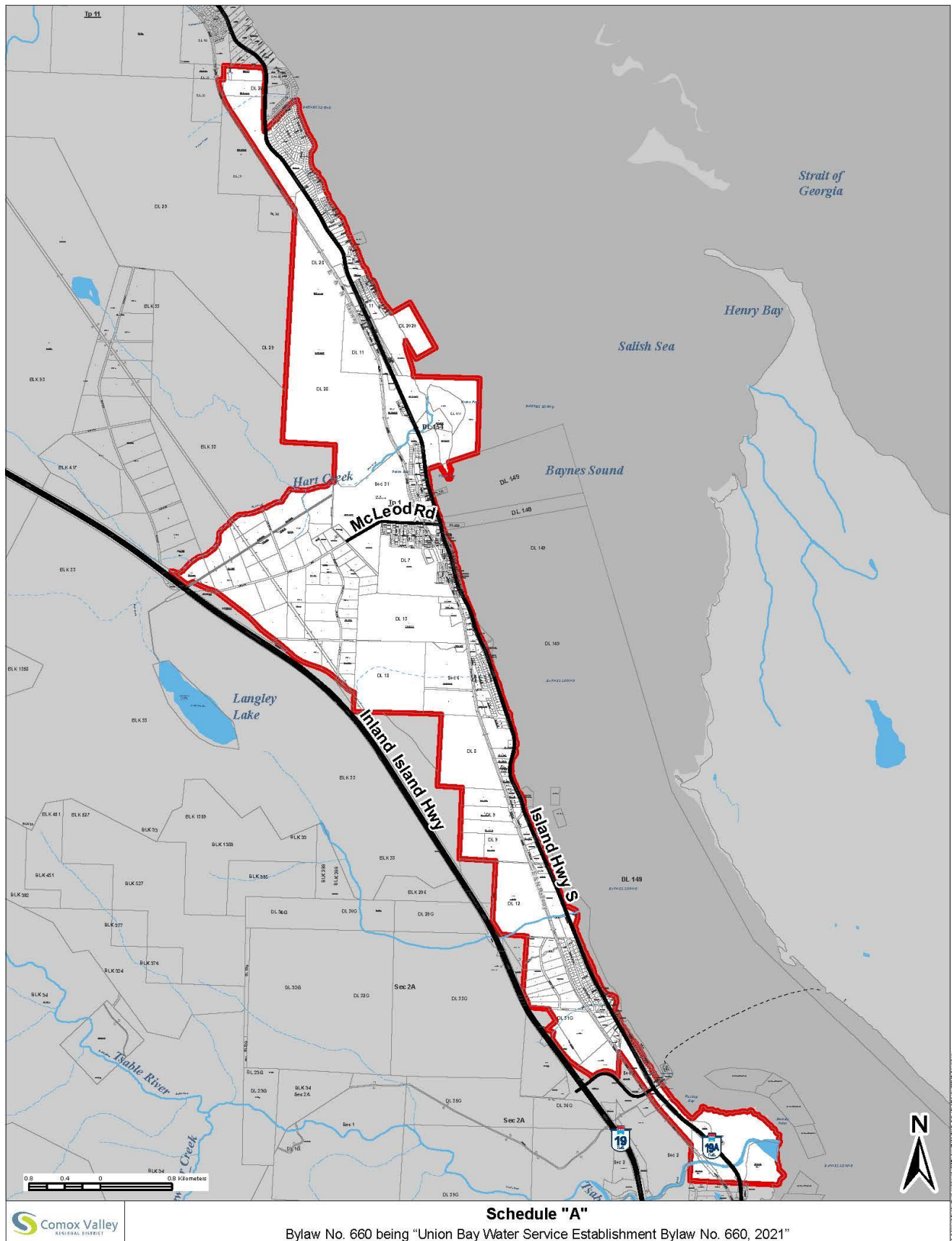
Chair

Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 660 “Union Bay Water Service Establishment Bylaw No. 660, 2021” as adopted by the board of the Comox Valley Regional District on the day of 2021.

Corporate Legislative Officer

Schedule A



Appendix B

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 666

**A bylaw to establish a capital reserve fund for the
Union Bay Water Service**

WHEREAS Order in Council No. 221 was issued by the Lieutenant Governor in Council on April 6, 2021 ordering the transfer of obligations from the Union Bay Improvement District to the Comox Valley Regional District and the Union Bay Improvement District water service was established as a Comox Valley Regional District service by the conversion effective July 1, 2021;

AND WHEREAS pursuant to section 188 of the *Community Charter* [SBC, 2003, c. 26] applicable to regional districts by section 377(2) of the *Local Government Act* [RSBC, 2015, c. 1], a regional district may, by bylaw, establish a reserve fund for a specified purpose and direct that money to be placed to the credit of that reserve fund;

AND WHEREAS the board of the Comox Valley Regional District wishes to establish a reserve fund to provide for capital expenditures;

NOW THEREFORE the board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Reserve fund establishment

1. There is hereby established a reserve fund to be known as the Union Bay Water Service capital reserve fund.

Reserve fund purpose

2. The purpose of the reserve fund is to provide a reserve to contribute towards the capital costs associated with the Union Bay Water Service including, but not limited to, land acquisition and development, machinery and equipment as necessary, and the extension or renewal of existing capital works.

Citation

This Bylaw No. 666 may be cited as the “Union Bay Water Service Capital Reserve Fund Establishment Bylaw No. 666, 2021.”

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| Read a first and second time this | day of | 2021. |
| Read a third time this | day of | 2021. |
| Adopted this | day of | 2021. |

Chair

Deputy Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 666 being “Union Bay Water Service Capital Reserve Fund Establishment Bylaw No. 666, 2021” as adopted by the board of the Comox Valley Regional District on the day of 2021.

Deputy Corporate Legislative Officer

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 667

A bylaw to establish a future expenditure reserve fund for the Union Bay Water Service

WHEREAS Order in Council No. 221 was issued by the Lieutenant Governor in Council on April 6, 2021 ordering the transfer of obligations from the Union Bay Improvement District to the Comox Valley Regional District and the Union Bay Improvement District water service was established as a Comox Valley Regional District service by the conversion effective July 1, 2021;

AND WHEREAS pursuant to section 188 of the *Community Charter [SBC 2003] c.26* applicable to regional districts by section 377(2) of the *Local Government Act [RSBC 2015] c.1*, a regional district may, by bylaw, establish a reserve fund for a specified purpose and direct that money to be placed to the credit of that reserve fund;

AND WHEREAS the board of the Comox Valley Regional District wishes to establish a reserve fund to provide for future expenditures;

NOW THEREFORE the board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Reserve fund establishment

1. There is hereby established a reserve fund to be known as the Union Bay Water Service future expenditure reserve fund.

Reserve fund purpose

2. The purpose of the reserve fund is to provide a reserve to pay the future costs associated with the Union Bay Water Service, including, but not limited to, costs associated with claims against the regional district, its officers, or its directors, arising from the provision of the service including the deductible amount payable under a policy of insurance and legal defence costs.

Citation

This Bylaw No. 667 may be cited as “Union Bay Water Service Future Expenditure Reserve Fund Establishment Bylaw No. 667, 2021.”

Adopted this _____ day of _____ 2021.

Deputy Corporate Legislative Officer

Deputy Corporate Legislative Officer

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 669

A bylaw to establish a capital reserve fund for the Union Bay Fire Protection Service

WHEREAS Order in Council No. 221 was issued by the Lieutenant Governor in Council on April 6, 2021 ordering the transfer of obligations from the Union Bay Improvement District to the Comox Valley Regional District and the Union Bay Improvement District fire protection service was established as a Comox Valley Regional District service by the conversion effective July 1, 2021;

AND WHEREAS pursuant to section 188 of the *Community Charter* [SBC, 2003, c. 26] applicable to regional districts by section 377(2) of the *Local Government Act* [RSBC, 2015, c. 1], a regional district may, by bylaw, establish a reserve fund for a specified purpose and direct that money to be placed to the credit of that reserve fund;

AND WHEREAS the board of the Comox Valley Regional District wishes to establish a reserve fund to provide for capital expenditures;

NOW THEREFORE the board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Reserve fund establishment

1. There is hereby established a reserve fund to be known as the Union Bay Fire Protection Service capital reserve fund.

Reserve fund purpose

2. The purpose of the reserve fund is to provide a reserve to contribute towards the capital costs associated with the Union Bay Fire Protection Service including, but not limited to, land acquisition and development, machinery and equipment as necessary, and the extension or renewal of existing capital works.

Citation

This Bylaw No. 669 may be cited as the “Union Bay Fire Protection Service Capital Reserve Fund Establishment Bylaw No. 669, 2021.”

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| Read a first and second time this | day of | 2021. |
| Read a third time this | day of | 2021. |
| Adopted this | day of | 2021. |

Chair

Deputy Corporate Legislative Officer

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 669 being “Union Bay Fire Protection Service Capital Reserve Fund Establishment Bylaw No. 669, 2021” as adopted by the board of the Comox Valley Regional District on the day of 2021.

Deputy Corporate Legislative Officer

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 670

A bylaw to establish a future expenditure reserve fund for the Union Bay Fire Protection Service

WHEREAS Order in Council No. 221 was issued by the Lieutenant Governor in Council on April 6, 2021 ordering the transfer of obligations from the Union Bay Improvement District to the Comox Valley Regional District and the Union Bay Improvement District fire protection service was established as a Comox Valley Regional District service by the conversion effective July 1, 2021;

AND WHEREAS pursuant to section 188 of the *Community Charter [SBC 2003] c.26* applicable to regional districts by section 377(2) of the *Local Government Act [RSBC 2015] c.1*, a regional district may, by bylaw, establish a reserve fund for a specified purpose and direct that money to be placed to the credit of that reserve fund;

AND WHEREAS the board of the Comox Valley Regional District wishes to establish a reserve fund to provide for future expenditures;

NOW THEREFORE the board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Reserve fund establishment

1. There is hereby established a reserve fund to be known as the Union Bay Fire Protection Service future expenditure reserve fund.

Reserve fund purpose

2. The purpose of the reserve fund is to provide a reserve to pay the future costs associated with the Union Bay Fire Protection Service, including, but not limited to, costs associated with claims against the regional district, its officers, or its directors, arising from the provision of the service including the deductible amount payable under a policy of insurance and legal defence costs.

Citation

This Bylaw No. 670 may be cited as “Union Bay Fire Protection Service Future Expenditure Reserve Fund Establishment Bylaw No. 670, 2021.”

COMOX VALLEY REGIONAL DISTRICT

BYLAW NO. 671

A bylaw to establish a future expenditure reserve fund for the Union Bay Street Lighting Service

WHEREAS Order in Council No. 221 was issued by the Lieutenant Governor in Council on April 6, 2021 ordering the transfer of obligations from the Union Bay Improvement District to the Comox Valley Regional District and the Union Bay Improvement District street lighting service was established as a Comox Valley Regional District service by the conversion effective July 1, 2021”;

AND WHEREAS pursuant to section 188 of the *Community Charter [SBC 2003] c.26* applicable to regional districts by section 377(2) of the *Local Government Act [RSBC 2015] c.1*, a regional district may, by bylaw, establish a reserve fund for a specified purpose and direct that money to be placed to the credit of that reserve fund;

AND WHEREAS the board of the Comox Valley Regional District wishes to establish a reserve fund to provide for future expenditures;

NOW THEREFORE the board of the Comox Valley Regional District in open meeting assembled enacts as follows:

Reserve fund establishment

1. There is hereby established a reserve fund to be known as the Union Bay Street Lighting Service future expenditure reserve fund.

Reserve fund purpose

2. The purpose of the reserve fund is to provide a reserve to pay the future costs associated with the Union Bay Street Lighting Service, including, but not limited to, costs associated with claims against the regional district, its officers, or its directors, arising from the provision of the service including the deductible amount payable under a policy of insurance and legal defence costs.

Citation

This Bylaw No. 671 may be cited as “Union Bay Street Lighting Service Future Expenditure Reserve Fund Establishment Bylaw No. 671, 2021.”

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2021.

Deputy Corporate Legislative Officer

Deputy Corporate Legislative Officer