

**DATE:** August 26, 2019**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: Hornby Island Comfort Stations (688) Future Expenditure Reserve**

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**Purpose:**

To establish a reserve fund for future expenditures for the Hornby Island Comfort Stations (688) service.

**Recommendation from the Chief Administrative Officer:**

THAT Bylaw No. 592 being “Hornby Island Comfort Station Future Expenditure Reserve Fund Establishment Bylaw No. 592, 2019” be forwarded to the Comox Valley Regional Board for first, second, third readings and final adoption.

**Executive Summary:**

Reserve funds can be established to plan a fiscally responsible program for future expenditures by removing requisition fluctuations that can occur due to unexpected expenses and capital projects. Section 188 (1), of the Community Charter and section 377 (2), of the Local Government Act, specify that a regional district “may by bylaw establish a reserve fund for a specified purpose and direct that money be placed to the credit of the reserve fund”. Within the Comox Valley Regional District 2019 to 2023 Financial Plan and Capital Expenditure Program Bylaw No. 577, several services have allowances for contributions to funds for future expenditure reserves.

The purpose of the Hornby Island Comfort Stations service (688) future expenditure reserve is to provide a reserve to pay the future costs associated with the Hornby Island Comfort Station service, including, but not limited to costs associated with legal claims and advice relating to the provision of the service, insurance deductibles arising from an unexpected insurable event, and the future replacement of existing assets/facilities or the building of new permanent facilities currently served by portable alternatives.

The Hornby Island Comfort Station service (688) intends to plan for contributions to such a reserve as part of the 2020 – 2024 financial plan and capital expenditure program, towards the future replacement of existing facilities and/or the building of new permanent facilities currently served by portable options and to have future funds available for unexpected events.

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## **COMOX VALLEY REGIONAL DISTRICT**

### **BYLAW NO. 592**

#### **A bylaw to establish a future expenditure reserve fund for the Hornby Island Comfort Station Maintenance Service**

**WHEREAS** the Hornby Island Comfort Station Maintenance Service was created by the adoption of Bylaw No. 1234 being “Hornby Island Comfort Station Maintenance Local Service Area Establishment Bylaw, 1990” on the 26<sup>th</sup> day of November 1990;

**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 [R.SBC 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 Hornby Island Comfort Station Maintenance 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 Hornby Island Comfort Station Maintenance 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.

