

DATE: January 16, 2019**FILE:** 1700-02/2019/620**TO:** Chair and Directors
Electoral Areas Services CommitteeSupported by Russell Dyson
Chief Administrative Officer**FROM:** Russell Dyson
Chief Administrative Officer**R. DYSON****RE: 2019 - 2023 Financial Plan – Hornby Island Community Parks and Greenways Service, Function 620****Purpose**

To provide the Electoral Areas Services Committee with the proposed 2019-2023 financial plan and work plan highlights for the Hornby Island Community Parks and Greenways Service, function 620.

Recommendation from the Chief Administrative Officer:

THAT the proposed 2019-2023 financial plan for Hornby Island Community Parks and Greenways Service, function 620, be approved.

Executive Summary

Hornby Island Community Parks and Greenways Service has the following highlights:

- A tax requisition of \$155,000 is proposed which is unchanged from the 2018 requisition and is consistent with the previous approved five year financial plan.
- An estimated combined reserve balance of \$108,977 at the end of the five year plan.
- Minor upgrades are being planned on Mount Geoffrey to improve erosion.
- Capital projects totalling \$150,000 for 2019 include:
 - New comfort stations are being considered at Grassy Point and Sandpiper parks.
 - Gull Road connection trail continues to progress.
 - The Shingle Spit Boat Ramp upgrades has a grant application underway.
- The maximum levy allowed for the service is \$0.50 per \$1,000 of assessed property value which equates to a maximum requisition in 2019 of \$290,645. The 2019 proposed requisition results in a tax rate estimate of \$0.263 per \$1,000 of assessed property value.

Prepared by:

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Stakeholder Distribution (Upon Agenda Publication)

Hornby Island Residents & Ratepayers Association	✓
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Policy Analysis

Bylaw No. 2253, being “Electoral Area K Community Parks Local Service Area Establishment Bylaw No. 2253, 2000”, established in 2000 under authority of Order in Council No. 1217 was created after Electoral Area K was formed to provide authority to requisition taxable properties on Denman/Hornby Islands for a Community Parks Service.


On October 25, 2011 the Comox Valley Regional District (CVRD) Board of Directors (Board) adopted Bylaw No. 132, being the “Denman and Hornby Islands Community Parks and Greenways Service Establishment Bylaw No. 2253, 2000, Amendment No. 1” to include greenways in the service provided and to update the bylaw to reflect the current name of the regional district and electoral area and include all cost recovery mechanisms identified in the *Local Government Act*.

On December 15, 2015, the Board adopted Bylaw No.386, being the “Hornby Island Community Parks and Greenways Service Establishment Bylaw No. 386, 2015” to create a separate service for Hornby Island and provide authority to requisition taxable properties on Hornby Island for a Community Parks Service.

Financial Plan Overview

Table 1 summarizes the 2019 proposed budget as compared to the 2018 adopted budget.

Table 1: Financial Plan Highlights

 2019 Proposed Budget				
#620 Community Parks - Hornby Island				
Operating	2018 Budget	2019 Proposed Budget	Increase (Decrease)	
Revenue				
Requisition	155,000	155,000		-
Transfer from Reserve	16,930	20,000		3,070
	\$ 171,930	\$ 175,000	\$	3,070
Expenditures				
Personnel Costs	45,752	47,424		1,672
Operating	115,052	112,159		(2,893)
Contribution to Reserve	11,126	15,417		4,291
	\$ 171,930	\$ 175,000	\$	3,070
Capital				
Funding Sources				
Transfer from Reserve		150,000		150,000
	\$ -	\$ 150,000	\$	150,000
Funding Applied				
Capital Projects & Equip		150,000		150,000
	\$ -	\$ 150,000	\$	150,000

The 2019 - 2023 proposed five year financial plan for the Hornby Island Parks and Greenways Service, function 620, including the requisition summary and the operating and capital budget, is available through the online budget binder at www.comoxvalleyrd.ca/currentbudget.

Revenue Sources

The primary source of revenue for this service is tax requisition. The 2019-2023 requisition is proposed at \$155,000 in each of the five years of the plan and is unchanged from 2018.

Personnel

The delivery of the Hornby Island Community Parks and Greenways Service is accomplished by a staff compliment that includes a Manager, a Parks Transportation Planner, two Parks Technicians and a portion of the Branch Assistant of Community Services and are accountable through the General Manager of Community Services to the Chief Administrative Officer.

The 2019 personnel costs are proposed to increase by \$1,672 over 2018 to reflect contractual salary and wage increases reflected in the collective agreement and the new provincial Employer Health Tax. There are no new personnel positions anticipated in the proposed five year financial plan.

Operations

Operational costs for 2018 are proposed to decrease by \$2,893 which is a reflection of reduced minor capital projects in 2019, offsetting minor increases in other line items.

The Hornby Island Residents and Rate Payers Association (HIRRA) and the CVRD have an agreement to help direct the day to day operations of parks on the island. The main operating costs include payments for service agreements, labour, equipment and material to support parks maintenance and improvements on Hornby Island.

This year Mount Geoffrey benefitted from a complete maintenance plan using Survey 123. This helps to inform the maintenance plan for upcoming years. Each year parks staff meets with the HIRRA parks committee to prioritize minor capital upgrades.

A budget to operate the boat ramp at Shingle Spit has also been added to the 2019-2023 proposed budget.

Capital

Proposed capital projects for 2019 total \$150,000 to be funded by reserves, as follows:

Discussion with the neighbour of Gull Road connection are underway since it is on Agricultural Land Reserve land. Any future work on the Gull Road Trail would be subject to Ministry of Transportation and Infrastructure and Agricultural Land Commission approvals. A budget of \$25,000 has been proposed to start construction. A further budget to complete the trail in 2020 may be required.

A grant application for the Shingle Spit boat ramp is underway. Pending the outcome of the grant, a contribution of \$90,000 from reserve funds has been proposed for the CVRD portion to the grant agreement.

Discussions about adding comfort stations to Grassy Point and Sandpiper parks are underway in the community. If it remains a priority, a license of occupation will have to be obtained from Ministry of Transportation and Infrastructure. A budget of \$35,000 has been proposed for capital upgrades. The continued operations would be the responsibility of the Hornby Island Comfort Station Service.

Reserves

The Hornby Island Parks and Greenways Service, function 620, maintains reserves for capital works, parkland acquisition, and future expenditures. The projected reserve balances as of December 31, 2018 and forecast for 2023 are summarized in Table 2 below. Maintaining a strong reserve fund is one of the priorities for the parks committee to help fund future projects such as Gull Road and the boat ramp. Final reserve balances will not be known until the 2018 year end has been completed.

Table 2: Projected Reserve Fund Balances

Reserve Account	2018 Estimated Balance	2023 Projected Balance
Future Expenditure Reserve	\$47,204	\$47,036
Capital Works Reserve	\$174,490	\$57,422
Land Acquisition Reserve	\$4,519	\$4,519

Citizen/Public Relations

Park planning and operational procedures provide opportunities to engage the general public, various community associations and volunteers in providing feedback on proposed policies and park improvement plans and to assist the CVRD in the operation of its park sites.

The proposed requisition for 2019 is \$155,000 with an associated tax rate estimate of \$.263/\$1,000 assessed property value. The cost for residents participating in the parks and greenways service with a property assessed at \$500,000 will be approximately \$131.50.