

**DATE:** January 11, 2019**FILE:** 1700-02/2019/240**TO:** Chair and Directors  
Electoral Areas Services Committee**FROM:** Russell Dyson  
Chief Administrative OfficerSupported by Russell Dyson  
Chief Administrative Officer***R. DYSON*****RE: 2019 - 2023 Financial Plan – Mt. Washington Resort Community Fire Protection  
– Function 240****Purpose**

To provide the Electoral Areas Services Committee with the proposed 2019 - 2023 financial plan and work plan highlights for the Mount Washington (Mt. Washington) Resort Community Fire Protection Service, function 240.

**Recommendation from the Chief Administrative Officer:**

THAT the proposed 2019 - 2023 financial plan for the Mount Washington Resort Community Fire Protection Service function 240 be approved.

**Executive Summary**

The proposed 2019 – 2023 financial plan is based on the following key aspects:

- 2019 tax requisition of \$161,200 which is an increase of \$3,200 over 2018.
- Personnel costs of \$24,937 in 2019 which is an increase of \$11,055 from 2018.
- Total operating expense in 2019 of \$41,946 which is a decrease of \$49,382 over 2018.
- Capital expenditures of \$42,000 in 2019 which is a decrease of \$28,000 from 2018.
  - Construction of a fire services building in 2021 at an estimated cost of \$544,000
  - Purchase of equipment for \$160,000 in 2022, following completion of fire services building.
- Contribution to reserve of \$77,748 in 2019 with an anticipated balance of \$140,021 at the end of 2019.

Prepared by:

***J. Bast***James Bast  
Manager of Fire Services

Concurrence:

***D. DeMarzo***Doug DeMarzo  
Acting General Manager of  
Community Services**Stakeholder Distribution (Upon Agenda Publication)**

Mount Washington Fire Service Steering Group	✓
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**Policy Analysis**

- Service established with adoption of Bylaw No. 433 being the “Mount Washington Resort Community Fire Protection Establishment Bylaw No. 433, 2016”

- The maximum levy for this defined portion of Electoral Area C is the greater of \$150,000 or \$1.15 per \$1,000 of assessed value.
- Bylaw No. 434 being the “Mount Washington Resort Community Fire Protection Service Loan Authorization Bylaw No. 434, 2016” adopted to authorize long-term borrowing up to \$415,000 for the start-up costs associated with the service.
- Board endorsed fire protection service being provided by Oyster River Fire Rescue.
- A steering group of property owners within the service area provide input regarding the development of policy.


### Financial Plan Overview

The proposed 2019-2023 financial plan is based on the following key aspects:

- The apportioned operational funding of \$38,369 transferred to the Black Creek-Oyster Bay fire protection service.
  - The Oyster River Volunteer Fire Rescue Association (ORVFRA) submission attached as appendix A.
- A total tax requisition of \$161,200 in 2019 with planned increases in 2021 and 2022.
- Contributions to capital reserve in advance of fire service building construction.
- Funds in 2019 and 2020 for pre-construction costs for the fire services building.
- Funding in 2021 for the construction of a fire services building.
- A planned increase of maximum requisition permissible in 2022, of twenty five per cent.
  - Will require establishment bylaw amendment in 2021.
  - Increase required to service long-term debt costs for fire service building.
- Capital expenditures in 2022 for ladder truck and utility transport vehicle (UTV).
  - Ladder truck required to service four-storey structures.
  - UTV to replace current UTV from ORFR.

Table 1 below summarizes the 2019 proposed budget as compared to the 2018 adopted budget. Significant variances from 2018 adopted budget will be discussed in the financial plan highlights section below.

Table 1: Financial Plan Highlights

 <b>2019 Proposed Budget</b>				<b>#240 Mt Washington Resort Community Fire Protection</b>			
<b>Operating</b>	<b>2018 Budget</b>	<b>2019 Proposed Budget</b>	<b>Increase (Decrease)</b>				
<b>Revenue</b>							
Requisition	158,000	161,200	3,200				
Prior Years Surplus	25,145	21,800	(3,345)				
	<b>\$ 183,145</b>	<b>\$ 183,000</b>	<b>\$ (145)</b>				
<b>Expenditures</b>							
Personnel Costs	13,882	24,937	11,055				
Operating	91,328	41,946	(49,382)				
Contribution to Reserve	77,935	77,748	(187)				
Tsfr Other Functions		38,369	38,369				
Debt Charges			-				
	<b>\$ 183,145</b>	<b>\$ 183,000</b>	<b>\$ (145)</b>				
<b>Capital</b>							
<b>Funding Sources</b>							
Long Term Debt Proceeds			-				
Transfer from Reserve	70,000	42,000	(28,000)				
	<b>\$ 70,000</b>	<b>\$ 42,000</b>	<b>\$ (28,000)</b>				
<b>Funding Applied</b>							
Capital Projects & Equip	70,000	42,000	(28,000)				
Debt Expense			-				
	<b>\$ 70,000</b>	<b>\$ 42,000</b>	<b>\$ (28,000)</b>				

The 2019 - 2023 proposed five year financial plan for the Mt. Washington Resort Community Fire Protection Service, including the requisition summary and the operating and capital budget, is available within the full proposed budget binder, provided in both searchable PDF and e-reader formats, located on the Comox Valley Regional District (CVRD) financial plan web page at [www.comoxvalleyrd.ca/currentbudget](http://www.comoxvalleyrd.ca/currentbudget).

Highlights of the 2019 - 2023 proposed financial plan for function 240 include:

#### Revenue Sources

The proposed 2019-2023 financial plan includes:

- 2019 tax requisition of \$161,000 which is an increase of \$3,200 over 2018.
  - Planned increase to \$187,500 in 2022;
- Estimated prior year surplus of \$21,800.

#### Personnel

The proposed 2019-2023 financial plan includes:

- A portion of personnel costs attributed to Manager of Fire Services
- A portion of the personnel costs of the Fire Chief and Deputy Chief of the ORFR department.
- Personnel costs of \$24,937 in 2019 which is an increase of \$11,055 from 2018.
  - Increase largely attributed to allocating a portion of personnel costs of the Fire Chief and Deputy Chief
  - No further changes to personnel are anticipated.

#### Operations

The proposed 2019-2023 financial plan includes:

- Total operating expense in 2019 of \$41,946 which is a decrease of \$49,382 over 2018.
  - Largely attributed to a revised payment to Black Creek-Oyster Bay fire protection service for ORFR, and;

- Service agreement cancelation of the private UTV with ORFR UTV now in service.
- Funds in 2019 and 2020 for pre-construction costs for the fire services building.

### Capital

The proposed 2019-2023 financial plan includes:

- Capital expenditures of \$42,000 in 2019 which is a decrease of \$28,000 from 2018.
  - Largely attributed to the delay in construction of fire services building to allow accumulation of reserves.
- Purchase and installation of deep-snow hydrant snorkels in 2019 for \$42,000.
- Construction of a fire services building in 2021 at an estimated cost of \$544,000
  - \$415,000 from long-term debt proceeds financed over a ten year period, and
  - \$129,000 from transfer from reserves.
- Purchase of equipment for \$160,000 in 2022, following completion of fire services building, including:
  - Ladder truck at estimated cost of \$125,000
  - UTV to be owned by the Mt. Washington fire protection service at an estimated cost of \$35,000.

The proposed 2019-2023 financial plan for this service does not yet have an asset management plan (AMP). An AMP will be developed for this service in future years as the capital items are acquired.

### Reserves

The proposed 2019-2023 financial plan includes a contribution to reserve of \$77,748 in 2019 which is a decrease of \$187 from 2018.

The Mt. Washington fire protection service has a reserve balance of \$104,385 at the end of 2018. Table 2 below illustrates the anticipated reserve contributions and annual balances based on the recommendations of the proposed 2019-2023 financial plan

**Table 2 – Estimated Reserve Fund Status**

<b>Future expenditure reserve</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Beginning balance	\$26,450	\$104,385	\$140,133	\$200,903	\$144,722	\$35,975
Contributions to reserve	\$77,935	\$77,748	\$60,770	\$72,969	\$51,253	\$49,681
Expenditure	\$0	\$(42,000)	\$0	\$(129,150)	\$(160,000)	\$(8,000)
<b>Estimated balance at year end</b>	<b>\$104,385</b>	<b>\$140,133</b>	<b>\$200,903</b>	<b>\$144,722</b>	<b>\$35,975</b>	<b>\$77,656</b>

### Debt Charges

The proposed 2019-2023 financial plan captures anticipated debt servicing costs of approximately \$52,800 beginning in 2022, for a period of ten years for the construction of the FSB.

### **Citizen/Public Relations**

The Mt. Washington Resort Community Fire Protection Service provides for protection of life and property for the property owners of the local service area.

The estimated 2019 residential tax rate for this service is \$0.933 per \$1,000 of assessed value. Based on 2019 assessed values, for a residence with an assessed value of \$400,000 the levy for the service will be approximately \$373. The residential tax rate for 2018 was \$0.989

The steering group continues to assist the CVRD, at an advisory level, in the development of the service. The steering group has reviewed the draft proposed 2019-2023 financial plan and concurs with the priorities it sets.

The website is active and provides updates to the community.

Attachments: Appendix A – [“ORVFRA 2019 Mount Washington Budget Submission”](#)

## Mount Washington Fire Protection Area

### OPERATING GRANT DETAILS

Operating Expense Description	GL #	2018 Budget	2019 Proposed	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast			
01-2-230-246 Bank Fees & Charges	6246	45	50	50	65	65	65	70			
01-2-230-257 Clothing/Laundrying	6257	300	450	450	500	500	500	600			
01-2-230-260 Conferences/Seminars	6260	500	500	750	750	750	800	800			
01-2-230-260 Conf/Seminars-Board	6261	0				0					
01-2-230-266 Deliveries/Transportation	6266	75	50	50	75	75	75	100			
01-2-230-269 First Responder Supplies	6269	0	0	500	500	600	750	750			
01-2-230-275 Licenses/Permits	6275	100	100	100	100	100	100	200			
01-2-230-290 Miscellaneous	6290	50	100	100	100	100	100	100			
01-2-230-293 Office Expenses	6293	1,500	2,000	1,500	1,700	1,700	1,700	1,800			
01-2-230-364 Health and Wellness	6364	300	500	750	750	750	750	1,000			
01-2-230-362 Awards Banquet	6362	500	600	1,000	1,000	1,100	1,150	1,200			
01-2-230-271 Fire Prevention	6271	1,000	1,000	1,200	1,200	1,250	1,250	1,000			
01-2-230-305 Safety Equipment	6305	3,000	3,000	3,200	3,200	3,250	3,250	3,250			
01-2-230-314 Telephone and Alarm Lines	6314	600	600	650	650	700	700	750			
01-2-230-319 Training and Development	6319	5,000	5,000	5,250	5,250	5,250	5,250	5,300			
01-2-230-320 Travel	6320	250	250	250	250	250	250	300			
01-2-230-338 Dues and Subscriptions	6338	300	300	350	350	375	375	375			
01-2-230-360 Accounting and Auditing Fees	6360	1,500	1,500	1,500	1,750	1,750	2,000	1,750			
01-2-230-369 Insurance	6375	450	550	550	750	750	800	800			
01-2-230-381 Legal Fees	6381	300	300	300	300	300	300	450			
01-2-230-387 Other Professional Fees	6387	200	200	200	200	200	200	200			
01-2-230-400 Cont. Services Bldg/Land	6400	500	500	1,000	1,000	1,100	1,100	1,200			
01-2-230-403 Building Repairs & Maint.	6403	0		500	500	750	750	1,000			
01-2-230-406 Heating	6406		0	500	500	500	550	550			
01-2-230-409 Hydro	6409	500	500	2,000	2,100	2,200	2,300	2,400			
01-2-230-418 Refuse Collection	6418	0	0	250	250	275	275	300			
01-2-230-430 Water	6430	0	0	350	350	375	375	400			
01-2-230-447 Repairs/Mtce - Mach/Equip	6447	800	800	1,000	1,000	1,100	1,100	1,200			
01-2-230-450 Small Tools & Equipment	6450-51	1,500	1,500	1,500	1,800	1,800	1,850	2,000			
01-2-230-458 Fuel/Lubricants - Vehicle	6458	1,500	1,700	2,000	2,500	2,500	2,600	2,800			
01-2-230-464 Repairs/Maint - Vehicle	6464	2,000	2,500	2,500	2,750	3,000	3,000	3,250			
<b>Subtotal Operating Expenses</b>		22,770	24,550	30,300	32,190	33,350	34,265	35,895	0	0	0
<b>Personnel Costs</b>											
Salaries and Wages	7220	0	0	0	0	0	0	0	0	0	0
Payroll Deductions	7225	0	0	0	0	0	0	0	0	0	0
Part Time Compensation(paid-on-call)	?	6,000	6,000	7,000	7,000	8,000	8,000	8,000			
Payroll Deductions	?	0		0	0	0	0	0	0	0	0
Honorarium	6228			0	0	0	0	0	0	0	0
WCB	7238	0	0	0	0	0	0				
<b>Subtotal Personnel Costs</b>		6,000	6,000	7,000	7,000	8,000	8,000	8,000	0	0	0
											0
<b>Operating Grant</b>		28,770	30,550	37,300	39,190	41,350	42,265	43,895	0	0	0