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**STAFF REPORT**

**TO:** Paul Thorkelsson  
Chief Administrative Officer

**DATE:** July 17, 2015

**FROM:** Wendy Idema  
Director of Finance

**MEETING:** July 28, 2015 Board

**FILE:**

**SUBJECT:** District 69 Search & Rescue Service Establishment

**RECOMMENDATIONS**

1. That staff be directed to proceed with establishment of a new District 69 Search and Rescue Service through an alternative approval process, and
2. That staff be directed to establish the District 69 Search and Rescue Service on the basis of population with ongoing annual operational funding equivalent to that provided in District 68 to the Nanaimo Search and Rescue Society (\$2,625).

**PURPOSE**

To consider establishment of a District 69 search and rescue contribution service, and to provide for advancing the bylaw to elector approval in conjunction with the 2016 budget schedule.

**BACKGROUND**

The Board adopted the following resolution at its regular meeting held August 26, 2014:

*That staff be directed to investigate the opportunities, costs and funding options to provide on-going funding support to the Arrowsmith Search and Rescue in School District 69 and report back to the Board in time for consideration of funding through the 2015 Regional District of Nanaimo Budget process.*

As well in February 2015, representatives of the Arrowsmith Search & Rescue (ASAR) group presented to the Board on their activities and requested funding support. As a result of that presentation, the following motion was passed at the February 24, 2015 Board meeting.

*That the Board grant \$5,000 to Arrowsmith Search and Rescue for a one-time funding bequest for 2015; and that staff provide the Board with options to create a District 69 Search and Rescue Service Area for 2016 and onwards.*

The RDN funds both land and marine search and rescue in the District 68 area, and a new marine search and rescue funding contribution was established for Area H in 2014 to fund the Lighthouse Country Marine Rescue Society for \$5,000 annually. There has been some funding to the ASAR through the grants-in-aid program over the years, but not on a consistent annual basis. As well, ASAR built an addition to the Coombs-Hilliers fire hall in 2003 for their training headquarters and for storage of their equipment and vehicles. There is a long term agreement with them at no charge for use of this RDN property.

The ASAR annual operating budget is attached for information which indicates approximately \$17,850 in budgeted expenses for their March 2015 to February 2016 year.

### ALTERNATIVES

1. Direct staff to proceed with establishment of a new District 69 Search and Rescue Service through an alternative approval process with ongoing annual funding equivalent to that provided in District 68 to the Nanaimo Search and Rescue Society.
2. Direct staff to proceed with establishment of a new District 69 Search and Rescue Service through an alternative approval process with a different annual funding amount.
3. Provide alternate direction to staff.

### FINANCIAL IMPLICATIONS

#### Alternative 1

The Nanaimo Search and Rescue Society is provided with two amounts annually. The RDN remits \$24,000 annually to the City of Nanaimo for their rental of space from the City, and an operating grant is provided directly to the Society for \$5,975 annually. The requisition for this service is allocated based on population and the operating grant amount is equivalent to \$0.0587 per capita in D68 including Nanaimo, Lantzville and Electoral Areas A, B & C.

Providing an equivalent operating amount to ASAR based on the population of Parksville, Qualicum Beach and Electoral Area E, F, G & H would result in an amount of \$2,625 in annual funding (44,712 population X \$0.0587). This equates to an amount per \$100,000 of between \$0.02 and \$0.04 as follows:

	Allocation to raise \$2,625	Cost per \$100,000
Parksville	\$703	\$0.03
Qualicum Beach	\$510	\$0.03
Electoral Area E	\$345	\$0.02
Electoral Area F	\$436	\$0.04
Electoral Area G	\$420	\$0.03
Electoral Area H	\$211	\$0.02

This calculation excludes the portion of funds raised in D68 for space rental as the ASAR does not pay any amount to the Coombs-Hilliers Fire Service for having their building on the fire hall land.

There would also be a requisition in the first year to complete an elector approval process which is estimated at \$3,000 for an alternative approval process; or if the Board wishes to do a full referendum, costs are estimated at upwards of \$100,000.

Alternative 2

If the Board wishes to proceed with an alternate amount of funding or to include an amount in the requisition for payment to the Coombs-Hilliers Fire Service for use of the fire hall property, the cost implications would depend on the amount to be raised. For example, raising a total of \$5,000 based on population results in a cost per capita of \$0.11 and the following cost impacts by area.

	Allocation to raise \$5,000	Cost per \$100,000
Parksville	\$1,340	\$0.06
Qualicum Beach	\$971	\$0.05
Electoral Area E	\$657	\$0.04
Electoral Area F	\$830	\$0.08
Electoral Area G	\$800	\$0.05
Electoral Area H	\$402	\$0.04

There would also be a requisition in the first year to complete an elector approval process which is estimated at \$3,000 for an alternative approval process; or if the Board wishes to do a full referendum, costs are estimated at upwards of \$100,000.

Alternative 3

The financial implications of alternative 3 are unknown at this time and would depend on what alternate direction was provided.

**STRATEGIC PLAN IMPLICATIONS**

Provision of funding to the Arrowsmith Search and Rescue is supported by the Strategic Plan under the Regional Federation Goals and Actions:

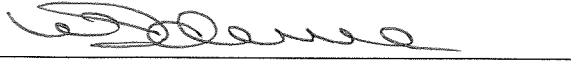
- Enhance the reputation of the RDN as a valuable and effective level of government for delivering services, exploring regional issues, and creating opportunities for dialogue with residents by:
  - Supporting volunteer opportunities for residents, and

**SUMMARY/CONCLUSIONS**

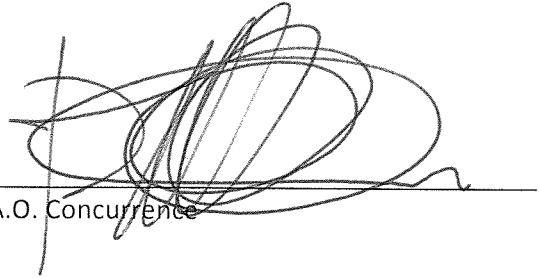
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The cost to provide funding for this service if it is allocated based on population as is done for the District 68 service will be dependent on the amount of funding. Providing an amount equivalent to what is provided to the Nanaimo Search and Rescue Society (\$0.0587 per capita) for operating costs would

raise \$2,625 with a cost per \$100,000 of assessed value of between \$0.02 and \$0.05. There would also be costs in the first year for an elector approval process which are estimated at upwards of \$100,000 for a full referendum versus \$3,000 for an alternative approval process.



Report Writer



C.A.O. Concurrente

## ASAR – Fixed Overhead Costs

Fiscal year	Administration & Radio Licenses	Vehicle Insurance, Maintenance, & Training Fuel	Equipment Insurance & Maintenance	Utilities	Building Insurance & Maintenance	Total
2015 – 2016 (Budget)	\$1,650.00	\$5,400.00	\$4,200.00	\$4,800.00	\$1,800.00	\$17,850.00
2014 – 2015 (est.)	\$1,647.25	\$3,682.74	\$4,187.33	\$4,962.00	\$1,419.34	\$15,898.66
2013 – 2014	\$918.63	\$4,144.51	\$4,250.92	\$4,416.63	\$1,316.04	\$15,046.73
2012 – 2013	\$2,396.80	\$7,623.66	\$1,645.87	\$5,778.88	\$2,069.53	\$19,514.74
2011 – 2012	\$3,524.68	\$2,424.60	\$1,757.66	\$3,868.73	\$3,171.17	\$14,746.84
2010 – 2011	\$1,898.15	\$3,749.92	\$1,341.00	\$3,982.11	\$1,223.11	\$12,194.29
<b>Average</b>	<b>\$2,054.06</b>	<b>\$4,485.67</b>	<b>\$2,248.86</b>	<b>\$4,511.59</b>	<b>\$1,944.96</b>	<b>\$15,480.25</b>