

REGIONAL DISTRICT OF NANAIMO

SPECIAL BOARD MEETING

TUESDAY, MARCH 13, 2012

(Immediately following the Committee of the Whole meeting)

(RDN Board Chambers)

A G E N D A

PAGES

CALL TO ORDER

UNFINISHED BUSINESS

ADMINISTRATOR'S REPORTS

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Strategic Community Investment Funds Agreement (All Directors – Weighted Vote).

ADDENDUM

NEW BUSINESS

ADJOURNMENT



RDN REPORT	
CAO APPROVAL <i>(initials)</i>	
EAP	
COW	
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RHD	
BOARD	<input checked="" type="checkbox"/> <i>AW13</i>

MEMORANDUM

TO: C. Mason
Chief Administrative Officer

DATE: March 1, 2012

FROM: N. Avery
General Manager, Finance & Information Services

FILE:

SUBJECT: Strategic Community Investment Funds Agreement

PURPOSE:

To seek Board approval to enter into the 2012 to 2015 Strategic Community Investment Funds agreement with the Province of BC and to recommend the use of Strategic Community Investment Funds in 2012.

BACKGROUND:

The Province of BC has provided information covering the distribution of funds formerly received as unconditional grants through its new program the Strategic Community Investment Fund program. The intent of the program is to disburse certain types of revenues to local governments in order to stimulate local economies and create jobs.

All local governments in BC have received funds under this program since 2009. To date the agreements and funding announcements have been an annual event at about this time of the year which is awkward for Regional District's which are adopting budgets by the end of March. This year is no different in terms of the timing of the proposed agreement however the new agreement will cover the period from 2012 to June 2015 and identifies the potential grants to be received over a three year period. The payment of these funds is still contingent on the Province being able to provide the funds in its budget each year. Under the agreement a local government commits to report publicly by June 30th on its use of the funds.

Over the course of 2009 to 2011 the Regional District has received \$445,310. The funds have been applied with Board approval as noted below:

Regional Growth Strategic Services	\$ 19,170 (2009)
Energy and Sustainability Administration	\$ 90,780 (2009/2011)
Regional Parks	\$ 59,960 (2009)
Regional Sustainability Reserve Fund	\$ 94,700 (2011)
Economic Development (reduce EA taxes)	\$ 16,200 (2011- to be applied in 2012)
Electoral Areas Administration	\$ 91,250 (2009/10/11)
General Administration	\$ 73,250 (2009/2010)
	<u>\$445,310</u>

The amount to be received in 2012 is \$184,075. The Province requires that a resolution to participate in the agreement be forthcoming so that the agreement can be signed and returned before March 23, 2012. The Board is not required to make final decisions regarding how to use the funds at this time, however, staff have attempted to identify potential uses of the funds as outlined below which could have an immediate impact on the 2012 budget.

Electoral Areas Administration	\$ 18,000 (as budgeted – offsets total costs)
Electoral Areas Administration	\$ 20,000 (re-instate toilet rebate program for 2012)
Regional Parks	\$ 30,000 (offset addition of \$30,000 for NALT & goose control program)
Regional Parks	<u>\$116,075</u> (use to reduce borrowing requirement for
	<u>\$184,075</u> Moorecroft Regional Park)

ALTERNATIVES:

1. Approve the allocation of Strategic Community Investment Funds as outlined in this report.
2. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS:

Alternative 1

There are no conditions attached to how the funds are applied. To date it has been an informal practice to use the funds between “regionally” funded initiatives and electoral area initiatives in rough proportion to the population in the electoral areas versus the municipalities. The proportion is roughly 26% electoral areas and 74% municipal.

The only amount currently committed in the budget is \$18,000 in the Electoral Areas Administration budget – consistent with prior years. An additional \$20,000 to reinstate the toilet rebate program which was removed as a budget reduction measure will result in \$38,000 being shared among the Electoral Area members or 20.6% of the \$184,075 available in 2012.

In a similar manner staff recommend using \$30,000 to reduce all members’ requisitions for Regional Parks Operations. This will offset the addition to Regional Parks of funding for the Nanaimo Area Land Trust and the Mid Island Guardians of the Estuaries goose control program.

The remainder of \$116,075 is proposed to be used to reduce borrowing in place for Moorecroft Regional Park. This amount will then not have to be borrowed in the long term and will reduce the overall costs to the acquisition /development budget by approximately \$8,400 annually (at today’s 10 year rate of 3.9%) – or close to \$168,000 over a twenty year period.

SUSTAINABILITY IMPLICATIONS:

The Regional Board throughout its budget deliberations has attempted to balance the long term capacity of taxpayers to pay for essential services with the realities of a tight economy today. The receipt and application of these funds will reduce consolidated tax requirements by \$68,000 in 2012 and reduce long term expenditures by almost \$168,000 over a twenty year period. Reinstating the toilet rebate program will continue efforts to reduce water consumption and at the same time add new purchases to the local economy.

SUMMARY/CONCLUSIONS:

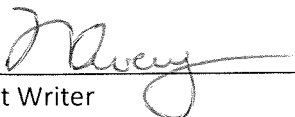
The Province of BC has sent a new Strategic Investment Funds agreement covering the period from March 31, 2012 to June 30th, 2015. This continues the Province's sharing of traffic fine revenues collected within local government boundaries. At this time, the only requirement is that a local government adopt a resolution agreeing to participate under the agreement which includes a commitment to report publicly on its use of the funds. Local governments are entirely at liberty to decide how best to use the funds to benefit their communities. With the exception of a Regional Sustainability Reserve Fund established in 2011, the funds have been primarily used to reduce property taxes.

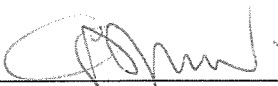
The timing of this announcement is awkward for the Regional District of Nanaimo given that the approval of the 2012 budget is imminent. Staff have provided a suggested list of budgets against which the funds could be applied in 2012. The distribution reflects a proportionate distribution between regional services which include municipal members and electoral area only services.

With a three year agreement in hand detailed planning for the 2013 and 2014 budgets will be improved and staff would again report on recommendations for applying those funds to meet the Board's strategic objectives.

RECOMMENDATIONS:

1. That the Regional District of Nanaimo enter into the 2012 to 2015 Strategic Investment Funds agreement with the Province of BC as attached to this report.
2. That this report be received as the final public statement of the use of Strategic Investment funds for the period 2009 to 2011.
3. That the 2012 Strategic Investment Funds grant in the amount of \$184,075 be allocated as outlined under Alternative 1 in this report.


Report Writer


C.A.O. Concurrence