

REGIONAL DISTRICT OF NANAIMO
COMMITTEE OF THE WHOLE
AGENDA

Tuesday, November 28, 2017

3:00 P.M.

RDN Board Chambers

This meeting will be recorded

Pages

1. CALL TO ORDER

2. APPROVAL OF THE AGENDA

3. ADOPTION OF MINUTES

That the following minutes be adopted:

3.1 Regular Committee of the Whole Meeting - October 10, 2017

5

4. DELEGATIONS

5. CORRESPONDENCE

That the following correspondence be received for information:

5.1 Association of Vancouver Island and Coastal Communities re 2018 AVICC Convention Resolutions and Nominations

10

5.2 Rosemary Bonanno, Vancouver Island Regional Library, re Appointment to the 2018 Vancouver Island Regional Library Board

20

6. UNFINISHED BUSINESS

7. COMMITTEE MINUTES

That the following minutes be received for information:

7.1 Liquid Waste Management Plan Monitoring Committee - November 2, 2017

27

7.2 District 69 Recreation Commission - October 19, 2017

29

7.3 Drinking Water and Watershed Protection Technical Advisory Committee - October 18, 2017

32

7.4 Drinking Water and Watershed Protection Technical Advisory Committee - March 21, 2017

35

8. COMMITTEE RECOMMENDATIONS

8.1 District 69 Recreation Commission

8.1.1 Youth Recreation Grants

That the following District 69 Youth Recreation Grant applications be approved:

- Arrowsmith Community Recreation Association - free youth sport programs - \$2,500
- Oceanside Track and Field Club - storage container - \$2,500
- Qualicum Beach Elementary School - Bike Club equipment - \$2,500
- Qualicum & District Curling Club - junior program helmets - \$1,200

Total - \$8,700

8.1.2 Community Recreation Grants

That the following District 69 Community Recreation Grant applications be approved:

- Arrowsmith Agricultural Association - Family Day Celebration - \$437
- Corcan Meadowood Residents Association - Halloween Event 2018 - \$2,313
- Errington War Memorial Hall Association - concert series facility rental and printing - \$1,425
- Julian Packer and Players - travelling theatre production - \$2,314
- Oceanside Floor Curling Club - equipment maintenance, insurance, facility rental - \$1,200
- Parksville Curling Club - footwear cleaners - \$2,314
- Qualicum Weavers and Spinners Guild - cupboards, tables, canopy tent - \$1,120
- Forward House Community Society - recreation outings - \$1,500

Total - \$12,623

8.1.3 District 69 Recreation Grant Funding

That the District 69 Recreation Grant funding be increased to \$75,000 per year and that any surplus be transferred to the following year's total.

9. CORPORATE SERVICES**9.1 2018 Proposed Budget Overview** 37
Staff to provide presentation

1. That the proposed 2018 budget be approved as presented and that staff be directed to proceed with projects included in the 2018 proposed budget.
2. That direction be provided to staff on the outstanding budget items for 2018.
3. That staff be directed to proceed to finalize the 2018 to 2022 financial plan.

9.2 Quarterly Financial Report – Third Quarter – 2017 69

That the financial report for the period January 1, 2017 to September 30, 2017 be received for information.

9.3 Bylaw 1766 to Authorize Preparation of 2018 Parcel Tax Rolls 82

1. That the “2018 Parcel Tax Assessment Roll Bylaw No. 1766, 2017”, be introduced and read three times.
2. That the “2018 Parcel Tax Assessment Roll Bylaw No. 1766, 2017” be adopted.

10. STRATEGIC AND COMMUNITY DEVELOPMENT**10.1 Board Strategic Plan Update 2017** 87

That the Regional District of Nanaimo Board reaffirm support for the 2016-2020 Board Strategic Plan.

11. RECREATION AND PARKS**11.1 Gabriola Recreation Society Agreement Renewal (2018-2020)** 95

That the Recreation Services Agreement with the Gabriola Recreation Society be renewed for a three year term from January 1, 2018 through to December 31, 2020.

11.2 RDN Parks Funding Service Review 114
Consultant to provide presentation

1. That the Regional District of Nanaimo Parks and Trails Funding Service Review conducted by Neilson-Welch Consulting be received.
2. That the Regional District of Nanaimo Parks and Trail Funding Service Review recommendations be implemented for 2018/2019 work plans and the 2019 to 2023 Financial Plan.
3. That the existing Regional Parks Parcel tax be utilized for the 2018 budget year.

12. REGIONAL AND COMMUNITY UTILITIES

12.1 Renewal of AECOM Engineering Consultancy Agreement

173

That the Board authorize staff to exercise the optional 2 year extension with AECOM Canada Ltd. for the provision of consulting engineering services for the Wastewater Services department.

13. BUSINESS ARISING FROM DELEGATIONS

14. NEW BUSINESS

14.1 Directors' Roundtable

15. IN CAMERA

That pursuant to Sections 90 (1) (a), (c), (j) and (i) of the *Community Charter* the Committee proceed to an In Camera meeting for discussions related to board appointments, employee relations, third party business interests and solicitor-client privilege.

16. ADJOURNMENT

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE REGULAR COMMITTEE OF THE WHOLE MEETING

Tuesday, October 10, 2017

3:00 P.M.

RDN Board Chambers

| | | |
|-----------------------|------------------------|---|
| In Attendance: | Director W. Veenhof | Chair |
| | Director I. Thorpe | Vice Chair |
| | Alternate | |
| | Director K. Wilson | Electoral Area A |
| | Director H. Houle | Electoral Area B |
| | Director M. Young | Electoral Area C |
| | Director B. Rogers | Electoral Area E |
| | Director J. Fell | Electoral Area F |
| | Director J. Stanhope | Electoral Area G |
| | Director B. Bestwick | City of Nanaimo |
| | Director G. Fuller | City of Nanaimo |
| | Director J. Hong | City of Nanaimo |
| | Director J. Kipp | City of Nanaimo |
| | Director B. Yoachim | City of Nanaimo |
| | Director M. Lefebvre | City of Parksville |
| | Director B. Colclough | District of Lantzville |
| Director T. Westbroek | Town of Qualicum Beach | |
| Regrets: | Director A. McPherson | Electoral Area A |
| | Director B. McKay | City of Nanaimo |
| Also in Attendance: | P. Carlyle | Chief Administrative Officer |
| | R. Alexander | Gen. Mgr. Regional & Community Utilities |
| | G. Garbutt | Gen. Mgr. Strategic & Community Development |
| | T. Osborne | Gen. Mgr. Recreation & Parks |
| | J. Harrison | Director of Corporate Services |
| | W. Idema | Director of Finance |
| | D. Pearce | Director of Transportation & Emergency Services |
| | J. Hill | Mgr. Administrative Services |
| C. Golding | Recording Secretary | |

CALL TO ORDER

The Chair called the meeting to order and respectfully acknowledged the Coast Salish Nations on whose traditional territory the meeting took place.

The Chair welcomed Alternate Director Wilson to the meeting.

APPROVAL OF THE AGENDA

It was moved and seconded that the agenda be approved as presented.

CARRIED UNANIMOUSLY

ADOPTION OF MINUTES

It was moved and seconded that the following minutes be adopted:

Regular Committee of the Whole Meeting - September 12, 2017

CARRIED UNANIMOUSLY

DELEGATIONS

Michael Ribicic, Youth Advisory Council, re Youth Involvement with the Regional District of Nanaimo

Michael Ribicic, Youth Advisory Council Chair, shared his views of the importance of having youth representation in local government and asked for the Board's support in forming a Youth Advisory Council within the Regional District of Nanaimo.

Lindy Sisson, The Port Theatre Society, re Annual Update

Lindy Sisson thanked the Board for their ongoing support and provided an overview of the 2016 Annual Report and Financial Statements and highlighted the theatre's activities and upcoming 2017-2018 Spotlight Series.

CORRESPONDENCE

It was moved and seconded that the following item of correspondence be received:

Laura Bonnor, Dave MacVicar, and Lindsey Genoe, Bowser Elementary School, re Regional District of Nanaimo support for Tulnuxw Lelum Cultural Learning Space

CARRIED UNANIMOUSLY

COMMITTEE MINUTES

It was moved and seconded that the following minutes be received for information:

Agricultural Advisory Committee - September 22, 2017

District 69 Recreation Commission - September 21, 2017

CARRIED UNANIMOUSLY

COMMITTEE RECOMMENDATIONS

District 69 Recreation Commission

Parksville Curling Club

It was moved and seconded that the results of the master plan regarding the District 69 Arena and the sport of curling in Oceanside be given priority.

CARRIED UNANIMOUSLY

Oceanside Youth Soccer

It was moved and seconded that the need for an increase in sport fields, including all weather, for District 69 be considered high priority in the recreation services master plan.

CARRIED UNANIMOUSLY

It was moved and seconded that staff work with the City of Parksville, Town of Qualicum Beach, School District 69 and local sport field organizations to determine if there is a need for a sport field allocation policy.

CARRIED UNANIMOUSLY

It was moved and seconded that staff explore funding opportunities for the construction of additional fields and an all-weather turf field in District 69.

CARRIED UNANIMOUSLY

State of Recreation Research Report for District 69 (Oceanside)

It was moved and seconded that the State of Recreation in District 69 (Oceanside) research report be used as a reference document in the development of the Recreation Services Master Plan for District 69 (Oceanside).

CARRIED UNANIMOUSLY

CORPORATE SERVICES

Communications Services Vendor Selection

It was moved and seconded that the Regional District of Nanaimo enter into a five-year Communications Services Agreement with TELUS Communications Company for a total cost of \$843,271 over five years commencing October 25, 2017.

CARRIED UNANIMOUSLY

STRATEGIC AND COMMUNITY DEVELOPMENT

Agricultural Area Plan Implementation – Composting Facility Project

It was moved and seconded that the Board receive the Agricultural Area Plan Implementation – Composting Facility Project report and the results of the composting needs questionnaire.

CARRIED UNANIMOUSLY

It was moved and seconded that the Board direct staff to update the “Growing Our Future” website with details of the existing commercial compost facilities in the region.

CARRIED UNANIMOUSLY

It was moved and seconded that the Board deem the Composting Facility Project complete.

CARRIED UNANIMOUSLY

Funding for INfilm through a Regional Economic Development Service

It was moved and seconded that the Board direct staff to proceed with the process to establish a new regional economic development service which will provide the funding to INfilm.

CARRIED UNANIMOUSLY

It was moved and seconded that the Board enter into an agreement to provide funding to INfilm for a three year period at a maximum of \$50,000 per year and that the agreement include provisions for reporting and to make annual funding contingent on meeting performance objectives.

CARRIED UNANIMOUSLY

It was moved and seconded that a service review for the new regional economic development service be conducted in 2018.

CARRIED UNANIMOUSLY

REGIONAL AND COMMUNITY UTILITIES

Biosolids Management Program

It was moved and seconded that the Regional District of Nanaimo (RDN) enter into an agreement (Attachment 1) with SYLVIS Environmental Services (SYLVIS) to continue biosolids forest fertilization activities to May 31, 2021.

CARRIED UNANIMOUSLY

It was moved and seconded that the Board direct staff to enter into negotiations with Nanaimo Forest Products, Harmac Division (Harmac) as a contingency option where Regional District of Nanaimo biosolids would be used to fabricate soil for cover at the Harmac landfill.

CARRIED UNANIMOUSLY

Wheel Loader Tender – July 2017

It was moved and seconded that the Board approve the purchase of a John Deere 544KII Wheel Loader from Brandt Tractor Ltd. for an amount of \$231,000.

Opposed (4): Director Young, Director Stanhope, Director Bestwick, and Director Hong

CARRIED

BUSINESS ARISING FROM DELEGATIONS

Youth Involvement with the Regional District of Nanaimo

It was moved and seconded that Youth Involvement with the Regional District of Nanaimo be referred to staff to investigate and provide a report on forming a Youth Advisory Council.

CARRIED UNANIMOUSLY

NEW BUSINESS

Laura Bonnor, Dave MacVicar, and Lindsey Genoe, Bowser Elementary School, re Regional District of Nanaimo support for Tulnuxw Lelum Cultural Learning Space

It was moved and seconded that staff be directed to revise the Community Works Funding agreement with the Bowser Elementary School Parent Advisory Committee for the Tulnuxw Lelum - Bowser Cultural Learning Space project to increase the Electoral Area 'H' Community Works Funding allocation to an amount up to \$60,000 and to extend the agreement term to November 2018.

CARRIED UNANIMOUSLY

Directors' Roundtable

Directors provided updates to the Board.

ADJOURNMENT

It was moved and seconded that this meeting be adjourned.

CARRIED UNANIMOUSLY

TIME: 4:15 PM

CHAIR

CORPORATE OFFICER

From: Liz Cookson

Sent: Friday, November 17, 2017 2:26 PM

To: AVICC

Subject: AVICC Member Update - 2018 Convention Resolutions and Executive Committee Nominations

Please forward to elected officials, the CAO and Corporate Officer.

Attached is a memo from AVICC President, Mary Marcotte regarding the Resolutions Process for the 2018 Convention to be held in Victoria from April 13-15, 2018. This includes guidelines for preparing and submitting resolutions.

Also attached are Nomination forms and procedures for the election of the 2018-2019 AVICC Executive Committee.

This year's deadline for resolutions and nominations is Wednesday, February 14, 2018.

Please don't hesitate to get in touch if you have any questions about the process.

Regards,

Liz Cookson

Executive Coordinator, AVICC

Union of BC Municipalities

525 Government Street

Victoria, BC, V8V 0A8

(250) 356-5122



TO: Mayors and Councils, Chairs and Boards
Chief Administrative Officers, Corporate Officers

FROM: President Mary Marcotte

DATE: November 17, 2017

**RE: RESOLUTIONS NOTICE AND GUIDELINES;
NOMINATIONS FOR AVICC EXECUTIVE COMMITTEE**

Attached is the Resolutions Notice and the Call for Nominations for the AVICC Executive. Please note that this year's resolution and nomination deadline is **Wednesday, February 14, 2018**.

Both AVICC and UBCM members strongly believe in the value of resolutions debate and continually seeks ways to improve the process. AVICC strives to mirror and complement UBCM's processes in order to develop efficiency and ease of understanding for delegates.

We have asked for members' assistance in bringing forward resolutions for consideration at the Area Association as opposed to submitting them directly to UBCM.

Members are concerned that some of the resolutions being considered are too general or focus on topics that are not local government responsibilities. Another concern is that bringing forward too many resolutions detracts from debate on the most important issues.

Please continue to ensure that resolutions that are being brought forward are specific and focus on new issues of provincial or AVICC-wide interest (refer to the UBCM Resolutions database at www.ubcm.ca). Resolutions that already support existing UBCM policy will normally be included in the resolutions block where they are not debated separately.

Included with the Resolutions Notice are guidelines for preparing and submitting resolutions. We appreciate all efforts to expedite and facilitate the debate among members.

Sincerely,

Director Mary Marcotte
President, AVICC



2018 AGM & CONVENTION

RESOLUTIONS NOTICE

REQUEST FOR SUBMISSIONS

DEADLINE FOR RESOLUTIONS

All resolutions must be received in the AVICC office by: **FEBRUARY 14, 2018**

SUBMISSION REQUIREMENTS

Resolutions submitted to the AVICC for consideration shall be received as follows:

1. One copy of the resolution by regular mail to:
AVICC
525 Government Street
Victoria, BC
V8V 0A8

AND

2. One copy submitted as a Word document by email to avicc@ubcm.ca
 - The resolution should not contain more than two "whereas" clauses; and
 - Separate background documentation **must** accompany each resolution submitted, and will be shared with the membership on the AVICC website.

Sponsors should be prepared to introduce their resolutions on the Convention floor.

LATE RESOLUTIONS

- a. Resolutions submitted following the expiry of the regular deadline shall be considered "Late Resolutions" and shall comply with all other submission requirements, except that a copy of the resolution must be forwarded to the AVICC by the Wednesday noon preceding the date of the Annual General Meeting. This year's late resolution deadline is **April 11, 2018**.
- b. Late resolutions shall be available for discussion after all resolutions printed in the Resolutions Book have been debated.
- c. Late resolutions are deemed to be appropriate for discussion only if the topic is such that it has arisen since or was not known prior to the regular deadline date for submission of resolutions.
- d. In the event that a late resolution is recommended to be admitted for discussion AVICC shall produce sufficient copies for distribution to the Convention.

UBCM ASKS FOR RESOLUTIONS TO BE CONSIDERED BY THE AREA ASSOCIATIONS FIRST

UBCM urges members to submit resolutions first to Area Associations for consideration. Resolutions endorsed at Area Association annual meetings are submitted automatically to UBCM for consideration and do not need to be re-submitted to UBCM by the sponsor.

A resolution should be submitted directly to UBCM *only* if the resolution addresses an issue that arises after the Area Association annual meeting. In this case, local governments may submit council- or board-endorsed resolutions to UBCM prior to June 30 each year. Should this be necessary, detailed instructions are available under the Resolutions tab on <http://www.ubcm.ca>.

UBCM RESOLUTIONS PROCESS

1. Members submit their resolutions to their Area Association for debate.
2. The Area Association submits the endorsed resolutions to UBCM.
3. The UBCM Resolution Committee reviews the resolutions for submission to the UBCM Convention.
4. Endorsed resolutions at the UBCM Convention are submitted to the appropriate level of government for responses.
5. Once the provincial responses have been conveyed to the UBCM they are forwarded to the sponsor for their review.

GUIDELINES FOR PREPARING RESOLUTIONS FROM THE UBCM

The Construction of a Resolution:

All resolutions contain a preamble and enactment clause. The preamble describes *the issue and* the enactment clause outlines *the action being requested*. A resolution should answer the following three questions:

- What is the problem?
- What is causing the problem?
- What is the best way to solve the problem?

Preamble:

The preamble commences with a recital, or "WHEREAS", clause. This is a concise paragraph about the nature of the problem or the reason for the request. It should clearly and briefly outline the reasons for the resolution.

The preamble should contain no more than two "WHEREAS" clauses. If explaining the problem requires more than two preliminary clauses, then provide supporting documents to describe the problem more fully. Do not add extra clauses.

Enactment Clause:

The enactment clause begins with the words "THEREFORE BE IT RESOLVED". It must convey the resolution's intent, and should propose a specific action by AVICC and UBCM.

Keep the enactment clause as short as possible, and clearly describe the action being requested. The wording should leave no doubt about the proposed action.

How to Draft a Resolution:

1. *Address one specific subject in the text of the resolution.*

Since your community seeks to influence attitudes and inspire action, limit the scope of a resolution to one specific subject or issue. Delegates will not support a resolution if the issues it addresses are too complex for them to understand quickly.

2. Use simple, action-oriented language and avoid ambiguous terms.

Explain the background briefly and state the desired action clearly. Delegates can then consider the resolution without having to parse complicated text or vague concepts.

3. Provide factual background information.

Even a carefully constructed resolution may not clearly indicate the problem or the action being requested. Where possible, provide factual background information to ensure that the "intent" of the resolution is understood.

Two types of background information help to clarify the "intent" of a resolution:

i Supplementary Memo:

A brief, one-page memo from the author, that outlines the background that led to the presentation and adoption of the resolution by the local government.

ii Council/Board Report:

A report on the subject matter, presented to council or board in conjunction with the resolution. If it is not possible to send the entire report, then extract the essential background information and submit it with the resolution.

Resolutions submitted without adequate background information will not be considered until the sponsor has been consulted and has provided documentation outlining the intent of the resolution. This could result in the resolution being returned and having to be resubmitted as a late resolution.

4. Construct a brief, descriptive title.

A title assists to identify the intent of the resolution and eliminates the possibility of misinterpretation. It is usually drawn from the "enactment clause" of the resolution.

For ease of printing in the Annual Report and Resolutions Book and for clarity of intent, a title should be no more than three or four words.

5. Check legislative references for accuracy.

Where necessary, identify:

- The correct jurisdictional responsibility (e.g., ministry or department within the provincial or federal government); and
- The correct legislation, including the name of the Act.

6. For resolutions that will be debated at UBCM, focus on issues that are province-wide.

The issue identified in the resolution should be relevant to other local governments across the province. This will support proper debate on the issue and assist UBCM to represent your concern effectively to the provincial or federal government on behalf of all BC municipalities and regional districts.

7. Avoid repeat resolutions.

In the past, Resolutions have often come back year after year on the same topic. Members and staff are encouraged to search the UBCM Resolutions database available through the website at www.ubcm.ca. Click on the Resolutions and Policy tab at the top of the page. It will be possible to locate any Resolutions on the same topic that have been considered in the past and what the response has been.

8. Ensure that your own local government's process for handling/approving of resolutions to AVICC/UBCM is followed.

UBCM GOLD STAR AND HONOURABLE MENTION RESOLUTIONS

The UBCM Gold Star and Honourable Mention resolution recognition initiative was launched at the 2003 UBCM Convention, and is intended to encourage excellence in resolutions drafting and to assist UBCM members in refining their resolutions in preparation for submission to the annual UBCM Convention.

To be awarded the UBCM Gold Star or Honourable Mention recognition, a resolution must meet the standards of excellence established in the following Gold Star Resolutions Criteria, which are based on the resolution:

1. Resolution must be properly titled.
2. Resolution must employ clear, simple language.
3. Resolution must clearly identify problem, reason and solution.
4. Resolution must have two or fewer recital (WHEREAS) clauses.
5. Resolution must have a short, clear, stand-alone enactment (THEREFORE) clause.
6. Resolution must focus on a single subject, must be of local government concern province-wide and must address an issue that constitutes new policy for UBCM.
7. Resolution must include appropriate references to policy, legislation and regulation.
8. Resolution must be submitted to relevant Area Association prior to UBCM.

If you have any questions, please contact Reiko Tagami by email at rtagami@ubcm.ca or by calling 604-270-8226 (extension 115).

MODEL RESOLUTION

SHORT TITLE: _____

Sponsor's Name _____

WHEREAS _____

AND WHEREAS _____

THEREFORE BE IT RESOLVED that _____

(Note: A second resolve clause if it is absolutely required should start as follows:)

AND BE IT FURTHER RESOLVED that _____

**AVICC
525 Government Street
Victoria, BC V8V 0A8
Telephone: 250-356-5122
email: avicc@ubcm.ca**



2018 AGM & CONVENTION

CALL FOR NOMINATIONS FOR AVICC EXECUTIVE

AVICC is the collective voice for local government on Vancouver Island, the Sunshine Coast, Powell River, the Central Coast and the North Coast. The membership elects directors during the Convention to ensure the directions set by the general membership are carried forward. The Executive also provides the direction for the Association between Conventions.

This circular is notice of the AVICC Executive positions open for nomination, the process and the procedures for nomination.

1. POSITIONS OPEN TO NOMINATIONS

The following positions are open for nomination:

- President
- First Vice-President
- Second Vice-President
- Director at Large (3 positions)
- Electoral Area Representative

2. NOMINATION PROCESS AND QUALIFICATIONS FOR OFFICE

The candidate must be an elected official of an AVICC member and must be nominated by two elected officials of an AVICC local government member.

Background information that defines the key responsibilities and commitments of an AVICC Executive member is available on request from the AVICC Office and is published on the website at www.avicc.ca

A nomination and consent form should be used for all nominations (attached or on the website).

The Chair of the 2018 Nominating Committee will be Past President Barbara Price, Councillor, Town of Comox.

3. NEXT STEPS

It is part of the duties of the Nominating Committee to review the credentials of each candidate. A Report on Nominations including, at the candidate's option, a photo and 300-word biography will be prepared under the direction of the Nominating Committee and distributed in the AVICC Convention Newsletter.

**To Be Included In *The Report on Nominations*,
Nominations Must Be Received By
FEBRUARY 14, 2018**

4. AT CONVENTION

The nomination process outlined above does not change the process whereby candidates can be nominated off the floor at the Convention. It does allow those that are interested in seeking office to be nominated in advance of the Convention with the "sanction" of a Nominating Committee and to have their biographical information published in the AVICC Convention Newsletter.

5. FURTHER INFORMATION

Background information on responsibilities and meeting dates are available from the AVICC office or on the website.

All other inquiries should be directed to:

**Past President Barbara Price, Chair
2017 Nominating Committee
c/o AVICC
525 Government Street
Victoria, BC V8V 0A8**

Phone: (250) 356-5122

Email: avicc@ubcm.ca

NOMINATIONS FOR THE 2018-19 AVICC EXECUTIVE

We are qualified under the AVICC Constitution to nominate¹ a candidate and we nominate:

Candidate Name: _____

Current Local Gov't Position (Mayor/Councillor/Director): _____

Local Government Represented: _____

AVICC Executive Office Nominated For: _____

MEMBERS NOMINATING THE CANDIDATE:

Printed Name: _____ Printed Name: _____

Position: _____ Position: _____

Muni/RD: _____ Muni/RD: _____

Signature: _____ Signature: _____

CONSENT FORM

I consent to this nomination and attest that I am qualified to be a candidate for the office I have been nominated to pursuant to the AVICC Constitution. I also agree to provide the following information to avicc@ubcm.ca by **Wednesday, February 14, 2018**.

- Photo in digital format
- Biographical information of approximately 300 words

Printed Name: _____

Current Position: _____

Muni/RD: _____

Signature: _____

Date: _____

¹ Nominations require two elected officials of members of the Association.

² All nominees of the Executive shall be elected representatives of a member of the Association. Nominees for electoral area representative must hold the appropriate office.

**Return To: Past President Barbara Price, Chair, Nominating Committee, AVICC
525 Government Street, Victoria, BC V8V 0A8
or scan and email to avicc@ubcm.ca**



BACKGROUND INFORMATION FOR CANDIDATES TO THE AVICC EXECUTIVE

1. RESPONSIBILITY OF AVICC EXECUTIVE

Under the AVICC Bylaws:

“The directors may exercise all the powers and do all the acts and things that the Society may exercise and do...”

See <http://avicc.ca/about-the-avicc/constitution-bylaws/> for a complete copy of the AVICC Constitution and Bylaws.

2. AVICC EXECUTIVE STRUCTURE

- President
- First Vice-President
- Second Vice-President
- Director at Large (three positions)
- Electoral Area Representative

COMMITTEES

The President may appoint Executive members to adhoc sub-committees as required. The Nominating Committee is currently the only standing committee and is typically comprised of the Past President and the Executive Coordinator.

OVERSEEING OF ASSOCIATION’S REGULAR ACTIVITIES AND GUIDANCE TO CONTRACTED EMPLOYEE

The Association contracts with UBCM for the provision of key services that support the Association. An Executive Coordinator based in Victoria’s Local Government House provides the key functions. The President or their delegate is responsible for overseeing the regular activities of the Association and providing direction to the Executive Coordinator.

3. EXECUTIVE MEETINGS

The full Executive meets in person five times a year, following this general pattern:

- During the last day of the annual Convention (less than 15 minutes)
- Mid June
- End of October
- Mid January
- Thursday preceding the Annual Convention (afternoon)

Executive meetings (other than those in conjunction with the Convention) are generally held on a Friday from 10:00 am to 3:00 pm and are typically held in Nanaimo. Meetings via teleconference typically occur 2-3 times per year on an as needed basis (60-90 minutes).

Travel expenses and a per diem for meals and incidentals are provided for in-person Executive Meetings. For the meeting preceding the annual Convention, reimbursement is only for the added expenses that would not normally be incurred for attending the annual Convention.



Administration
Box 3333 | 6250 Hammond Bay Road
Nanaimo, BC Canada V9R 5N3
t: 250.758.4697 f: 250.758.2482
e: info@virl.bc.ca w: www.virl.bc.ca

November 1, 2017

Original sent via email

Chair William Veenhof
Nanaimo Regional District
6300 Hammond Bay Rd.
Nanaimo, BC V9T 6N2

Dear Chair Veenhof,

Re: Appointment to the 2018 Vancouver Island Regional Library Board

As the new year approaches, it is time to consider your representation on the Board of Trustees of Vancouver Island Regional Library – the fifth largest library system in British Columbia serving more than 410,000 residents on Vancouver Island, Haida Gwaii, and Bella Coola on the Central Coast. Vancouver Island Regional Library enhances lives through universal access to knowledge, lifelong learning, and literacy in the communities we serve.

As per the *British Columbia Library Act*: "Each municipality and/or regional district that is party to the regional library district must, by resolution, appoint a representative and an alternate representative each December at the first meeting of the municipal council or regional district board. A member of the library board holds office for a term of one year: January 1 - December 31, or for the remainder of the year for which the appointment is made. A member is eligible for reappointment, but no member may serve for more than eight consecutive years. Reappointment of sitting members is encouraged in the interest of continuity..."

The *Library Act* also stipulates that "...members of a library board are not entitled to be paid by the library board for their services but may be reimbursed by it for reasonable travelling and out of pocket expenses, including child care expenses, necessarily incurred by them in performing their duties under this Act. (2) A library board may not reimburse a member for any expenses if another body reimburses the member for the expenses or pays the expenses."

Provincial legislation requires certified resolutions be submitted to Vancouver Island Regional Library by December 15, 2017. VIRL Board of Trustees also requires its members to complete a *Statement of Financial Disclosure* on an annual basis (a copy of the form on file with your municipality/district is acceptable). Thus, please find enclosed both a 2018 Appointment form and statement of financial disclosure form for your appointed Board member and Alternate member.

Strong Libraries ■ Strong Communities

Bella Coola Bowser Campbell River Chemainus Comox Cortes Island Courtenay Cowichan Cowichan Lake Cumberland Gabriola Island Gold River Hornby Island Ladysmith Masset Nanaimo Harbourfront Nanaimo North Nanaimo Wellington Parksville Port Alberni Port Alice Port Clements Port Hardy Port McNeill Port Renfrew Quadra Island Qualicum Beach Queen Charlotte Sandspit Sayward Sidney/North Saanich Sointula Sooke South Cowichan Tahsis Tofino Ucluelet Union Bay Woss



Administration
Box 3333 | 6250 Hammond Bay Road
Nanaimo, BC Canada V9R 5N3
t: 250.758.4697 f: 250.758.2482
e: info@virl.bc.ca w: www.virl.bc.ca

Please complete the enclosed forms and return with a copy of the certified resolution by December 15, 2017 to the attention of Heather Mink Zuvich, Executive Assistant, by mail, email: hminkzuvich@virl.bc.ca or fax: 250.758.2482.

If you require additional information, please contact Ms. Mink Zuvich by phone: 250-729-2310 or email. Thank you for your continued support of Vancouver Island Regional Library!

Sincerely,

A handwritten signature in black ink, appearing to read "Rosemary Bonanno".

Rosemary Bonanno, BA MLS
Executive Director

CC: Phyllis Carlyle, CAO, Nanaimo Regional District

RB/hmz

Strong Libraries ■ Strong Communities

Bella Coola Bowser Campbell River Chemainus Comox Cortes Island Courtenay Cowichan Cowichan Lake Cumberland Gabriola Island Gold River Hornby Island Ladysmith Masset Nanaimo Harbourfront Nanaimo North Nanaimo Wellington Parksville Port Alberni Port Alice Port Clements Port Hardy Port McNeill Port Renfrew Quadra Island Qualicum Beach Queen Charlotte Sandspit Sayward Sidney/North Saanich Sointula Sooke South Cowichan Tahsis Tofino Ucluelet Union Bay Woss



**Board of Trustees
2018 Appointment Form
Trustee**

The _____ has appointed _____ as *Trustee* on the
Municipality/ Regional District *name and title*
Vancouver Island Regional Library Board for the year 2018. The term of the appointment is January 1 –
December 31, 2018. This appointment will continue until a successor is appointed, as provided under
Section 18(3) of the Library Act, unless the member is removed for cause as provided under Section
18(4) of the Library Act.

Representative's Information

Home Address: _____
City: _____ Postal Code: _____

Courier Address: _____
 check if same as above _____
City: _____ Postal Code: _____

Email (please check preferred email address)

Home: _____ Municipal: _____
 Other: _____

Phone (please check preferred contact number)

Home: _____ Mobile: _____
 Other: _____

Birthdate (required for insurance purposes)

Day: _____ Month: _____ Year: _____

Staff Contact

Name: _____ Position: _____
Telephone: _____ Email: _____

Signature *Date*

Please attach a certified copy of the resolution.



**Board of Trustees
2018 Appointment Form
Alternate**

The _____ has appointed _____ as *Alternate* on the
Municipality/ Regional District *name and title*
Vancouver Island Regional Library Board for the year 2018. The term of the appointment is January 1 –
December 31, 2018. This appointment will continue until a successor is appointed, as provided under
Section 18(3) of the Library Act, unless the member is removed for cause as provided under Section
18(4) of the Library Act.

Representative's Information

Home Address: _____
City: _____ Postal Code: _____

Courier Address: _____
 check if same as above _____
City: _____ Postal Code: _____

Email (please check preferred email address)

Home: _____ Municipal: _____
 Other: _____

Phone (please check preferred contact number)

Home: _____ Mobile: _____
 Other: _____

Birthdate (required for insurance purposes)

Day: _____ Month: _____ Year: _____

Staff Contact

Name: _____ Position: _____
Telephone: _____ Email: _____

Signature *Date*

Please attach a certified copy of the resolution.



Statement of Disclosure

Financial Disclosure Act

You must complete a Statement of Disclosure form if you are:

- a nominee for election to provincial or local government office*, as a school trustee or as a director of a francophone education authority
- an elected local government official
- an elected school trustee, or a director of a francophone education authority
- an employee designated by a local government, a francophone education authority or the board of a school district
- a public employee designated by the Lieutenant Governor in Council

**("local government" includes municipalities, regional districts and the Islands Trust)*

Who has access to the information on this form?

The Financial Disclosure Act requires you to disclose assets, liabilities and sources of income. Under section 6 (1) of the Act, statements of disclosure filed by nominees or municipal officials are available for public inspection during normal business hours. Statements filed by designated employees are not routinely available for public inspection. If you have questions about this form, please contact your solicitor or your political party's legal counsel.

What is a trustee?– s. 5 (2)

In the following questions the term "trustee" does not mean school trustee or Islands Trust trustee. Under the Financial Disclosure Act a trustee:

- holds a share in a corporation or an interest in land for your benefit, or is liable under the Income Tax Act (Canada) to pay income tax on income received on the share or land interest
- has an agreement entitling him or her to acquire an interest in land for your benefit

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|---|---|--|
| Person making disclosure: | <input type="text"/> | <input type="text"/> |
| | <i>last name</i> | <i>first & middle name(s)</i> |
| Street, rural route, post office box: | <input type="text"/> | |
| City: | <input type="text"/> | Province: <input type="text"/> |
| | | Postal Code: <input type="text"/> |
| Level of government that applies to you: | <input type="radio"/> provincial <input type="radio"/> local government <input type="radio"/> school board/francophone education authority | |

If sections do not provide enough space, attach a separate sheet to continue.

Assets – S. 3 (a)

List the name of each corporation in which you hold one or more shares, including shares held by a trustee on your behalf:

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Liabilities – s. 3 (e)

List all creditors to whom you owe a debt. Do not include residential property debt (mortgage, lease or agreement for sale), money borrowed for household or personal living expenses, or any assets you hold in trust for another person:

creditor's name(s)

creditor's address(es)

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Income – s. 3 (b-d)

List each of the businesses and organizations from which you receive financial remuneration for your services and identify your capacity as owner, part-owner, employee, trustee, partner or other (e.g. director of a company or society).

- Provincial nominees and designated employees must list all sources of income in the province.
- Local government officials, school board officials, francophone education authority directors and designated employees must list only income sources within the regional district that includes the municipality, local trust area or school district for which the official is elected or nominated, or where the employee holds the designated position

your capacity

name(s) of business(es)/organization(s)

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Real Property – s. 3 (f)

List the legal description and address of all land in which you, or a trustee acting on your behalf, own an interest or have an agreement which entitles you to obtain an interest. Do not include your personal residence.

- Provincial nominees and designated employees must list all applicable land holdings in the province
- Local government officials, school board officials, francophone education authority directors and designated employees must list only applicable land holdings within the regional district that includes the municipality, local trust area or school district for which the official is elected or nominated, or where the employee holds the designated position

legal description(s)

address(es)

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Corporate Assets – s. 5

Do you individually, or together with your spouse, child, brother, sister, mother or father, own shares in a corporation which total more than 30% of votes for electing directors? (Include shares held by a trustee on your behalf, but not shares you hold by way of security.)

no yes

If yes, please list the following information below & continue on a separate sheet as necessary:

- the name of each corporation and all of its subsidiaries
- in general terms, the type of business the corporation and its subsidiaries normally conduct
- a description and address of land in which the corporation, its subsidiaries or a trustee acting for the corporation, own an interest, or have an agreement entitling any of them to acquire an interest
- a list of creditors of the corporation, including its subsidiaries. You need not include debts of less than \$5,000 payable in 90 days
- a list of any other corporations in which the corporation, including its subsidiaries or trustees acting for them, holds one or more shares.

_____ *signature of person making disclosure*

_____ *date*

Where to send this completed disclosure form:

Local government officials:

... to your local chief election officer

- with your nomination papers, and

to the officer responsible for corporate administration

- between the 1st and 15th of January of each year you hold office, and
- by the 15th of the month after you leave office

School board trustees/ Francophone Education Authority directors:

... to the secretary treasurer or chief executive officer of the authority

- with your nomination papers, and
- between the 1st and 15th of January of each year you hold office, and
- by the 15th of the month after you leave office

Nominees for provincial office:

- with your nomination papers. If elected you will be advised of further disclosure requirements under the *Members' Conflict of Interest Act*

Designated Employees:

... to the appropriate disclosure clerk (local government officer responsible for corporate administration, secretary treasurer, or Clerk of the Legislative Assembly)

- by the 15th of the month you become a designated employee, and
- between the 1st and 15th of January of each year you are employed, and
- by the 15th of the month after you leave your position

Print Form

Clear Form

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE LIQUID WASTE MANAGEMENT PLAN MONITORING COMMITTEE MEETING

Thursday, November 2, 2017

12:30 P.M.

Committee Room

| | | |
|---------------------|--------------|----------------------------------|
| In Attendance: | I. Thorpe | Chair |
| | A. McPherson | Electoral Area A |
| | B. Rogers | Electoral Area E |
| | B. Weir | Town of Qualicum Beach |
| | F. Spears | District of Lantzville |
| | D. Hooper | Public (District 68) |
| | K. Oates | City of Parksville |
| | R. Telegus | City of Parksville |
| Regrets: | M. Lefebvre | City of Parksville |
| | V. Figueira | City of Parksville |
| | J. Elliot | City of Nanaimo |
| | G. Gibson | Island Health |
| | D. Muir | Snuneymuxw First Nation |
| | J. Rogers | Fisheries and Oceans Canada |
| | P. Law | Business Community (District 68) |
| | B. Medlar | Business Community (District 68) |
| Also in Attendance: | R. Alexander | General Manager RCU |
| | S. De Pol | Manager Wastewater Services |
| | S. Norum | Wastewater Program Coordinator |
| | J. Haddou | Project Coordinator |
| | R. Powell | Laboratory Technician |
| | R. Graves | Recording Secretary |

CALL TO ORDER

The Chair called the meeting to order and respectfully acknowledged the Coast Salish Nations on whose traditional territory the meeting took place.

APPROVAL OF THE AGENDA

It was moved and seconded that the agenda be approved as presented.

CARRIED UNANIMOUSLY

ADOPTION OF MINUTES

Liquid Waste Management Plan Monitoring Committee Meeting - June 12, 2017

It was moved and seconded that the minutes of the Liquid Waste Management Plan Monitoring Committee meeting held June 12, 2017, be adopted.

CARRIED UNANIMOUSLY

INVITED PRESENTATIONS

G3 Consulting, Dr. Greg Thomas re, Regional District of Nanaimo Receiving Environment Monitoring

Dr. G. Thomas gave an overview on the Receiving Environment Monitoring which included background information, program components, study design and methodology, year 1 results and observations.

REPORTS

Staff gave verbal presentations on the following project/program reports:

- GNPCC Secondary Treatment
- FCPCC Expansion – Preliminary Design
- Sewer Servicing Studies
- Bay Avenue Pump Station
- Departure Bay Forcemain
- Chase River Forcemain
- Qualicum Beach Manhole Repairs
- Liquid Waste Management Plan Annual Report
- Biosolids Update
- Update on SepticSmart and the Septic Maintenance Rebate Program

ADJOURNMENT

It was moved and seconded that the meeting be adjourned.

CARRIED UNANIMOUSLY

TIME: 2:30 PM

CHAIR

**REGIONAL DISTRICT OF NANAIMO
MINUTES OF THE DISTRICT 69 RECREATION COMMISSION MEETING**

**Thursday, October 19, 2017
2:00 P.M.
Oceanside Place**

| | | |
|---------------------|---------------------------|---|
| In Attendance: | Commissioner J. Fell | RDN Board |
| | Commissioner B. Veenhof | Electoral Area 'H' |
| | Commissioner R. Nosworthy | Electoral Area 'F' |
| | Commissioner T. Malyk | Electoral Area 'G' |
| | Commissioner T. Patterson | City of Parksville |
| | Commissioner N. Horner | Town of Qualicum Beach |
| | Commissioner E. Young | School District 69 Trustee |
| | | |
| Regrets: | Commissioner G. Wiebe | Electoral Area 'E' |
| | | |
| Also in Attendance: | Director B. Rogers | Electoral Area 'E' |
| | T. Osborne | General Manager, Recreation & Park Services |
| | D. Banman | Manager of Recreation Services |
| | A. Harvey | Recording Secretary |

CALL TO ORDER

The Chair called the meeting to order and respectfully acknowledged the Coast Salish Nations on whose traditional territory the meeting took place.

APPROVAL OF THE AGENDA

It was moved and seconded that the agenda be approved as presented.

CARRIED UNANIMOUSLY

ADOPTION OF MINUTES

District 69 Recreation Commission Meeting -September 21, 2017

It was moved and seconded that the minutes of the District 69 Recreation Commission meeting held September 21, 2017 be adopted.

CARRIED UNANIMOUSLY

INVITED PRESENTATIONS

K. Valade, RDN Youth Programmer - 2017 Summer Program Review

Ms. Valade gave a presentation about the 2017 summer programs offered, their stats, successes and changes to be made for next year.

COMMITTEE MINUTES

District 69 Recreation Commission Grants Committee Meeting Minutes - October 11, 2017

It was moved and seconded that the Minutes of the District 69 Recreation Commission Grants Committee meeting - October 11, 2017 be received.

CARRIED UNANIMOUSLY

COMMITTEE RECOMMENDATIONS

District 69 Recreation Commission Grants Committee

Youth Recreation Grants

It was moved and seconded that the following District 69 Youth Recreation Grant applications be approved:

- Arrowsmith Community Recreation Association - free youth sport programs - \$2,500
 - Oceanside Track and Field Club - storage container - \$2,500
 - Qualicum Beach Elementary School - Bike Club equipment - \$2,500
 - Qualicum & District Curling Club - junior program helmets - \$1,200
- Total - \$8,700

CARRIED UNANIMOUSLY

Community Recreation Grants

It was moved and seconded that the following District 69 Community Recreation Grant applications be approved:

- Arrowsmith Agricultural Association - Family Day Celebration - \$437
 - Corcan Meadowood Residents Association - Halloween Event 2018 - \$2,313
 - Errington War Memorial Hall Association - concert series facility rental and printing - \$1,425
 - Julian Packer and Players - travelling theatre production - \$2,314
 - Oceanside Floor Curling Club - equipment maintenance, insurance, facility rental - \$1,200
 - Parksville Curling Club - footwear cleaners - \$2,314
 - Qualicum Weavers and Spinners Guild - cupboards, tables, canopy tent - \$1,120
- Total - \$11,123

CARRIED UNANIMOUSLY

Staff noted that the grant payment to Julian Packer and Players would be made in care of the Errington War Memorial Hall Association.

Commissioner Young left the meeting due to a conflict of interest with the next item.

Time: 1:20 pm

It was moved and seconded that the following District 69 Community Recreation Grant application be approved:

- Forward House Community Society - recreation outings - \$1,500
- Total \$1,500

CARRIED UNANIMOUSLY

Commissioner Young returned to the meeting.

Time: 1:21 pm

Commissioner Nosworthy gave the Commission some history on the grants from previous years. He has sat on the grants sub-committee for many years and has seen the increasing amount of requests that get turned down due to the amount of funding available. He said the sub-committee felt that the increase of \$12,500 was a fair amount that could help fund the requests.

It was moved and seconded that the District 69 Recreation Grant funding be increased to \$75,000 per year and that any surplus be transferred to the following year's total.

CARRIED UNANIMOUSLY

REPORTS

Commissioner Horner left the meeting for a prior appointment.

Time: 2:45 pm

Draft District 69 (Oceanside) Recreation Services Master Plan

It was moved and seconded that the Draft District 69 (Oceanside) Recreation Services Master Plan report be received as information for future consideration and comment.

CARRIED UNANIMOUSLY

Parks Update Report - Spring and Summer 2017

It was moved and seconded that the Parks Update Report - Spring and Summer 2017 be received for information.

CARRIED UNANIMOUSLY

NEW BUSINESS

Open Houses - Draft Recreation Services Master Plan

It was moved and seconded that the Open Houses - Draft Recreation Services Master Plan hand out be received for information.

CARRIED UNANIMOUSLY

COMMISSIONER ROUNDTABLE

Commissioners gave updates of their perspective areas to the Commission.

ADJOURNMENT

It was moved and seconded that this meeting be adjourned.

CARRIED UNANIMOUSLY

TIME: 3:20 pm

CHAIR

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE DRINKING WATER AND WATERSHED PROTECTION TECHNICAL ADVISORY
COMMITTEE MEETING**

Wednesday, October 18, 2017

12:30 P.M.

RDN Board Chambers

| | | |
|---------------------|---------------|---|
| In Attendance: | S. De Pol | Chair, Regional District of Nanaimo |
| | K. Epps | Forest Industry Representative |
| | L. Magee | Island Health |
| | H. Rueggeberg | General Public Representative (South) |
| | B. Sims | Municipal Representative (City of Nanaimo) |
| | G. Wendling | Hydrogeologist Representative |
| | P. Lapcevic | BC Ministry of Forests, Lands & Natural Resource Operations |
| | A. Fiddick | Environment Community Representative |
| | P. Law | General Public Representative (North) |
| | B. Weir | Municipal Representative (Town of Qualicum Beach) |
| | L. Cake | Water Purveyors (Coastal Water Suppliers) |
| | P. Jorgenson | Forest Industry Representative |
| | N. Leone | Department of Fisheries and Oceans |
| Regrets: | K. Miller | Cowichan Valley Regional District |
| | F. Spears | Municipal Representative (District of Lantzville) |
| | M. Squire | Municipal Representative (City of Parksville) |
| | A. Gilchrist | Academic Community Representative (VIU) |
| | O. Brandes | Academic Community Representative (POLIS) |
| | P. Shaw | Mt Arrowsmith Biosphere Region |
| | W. Shulba | Islands Trust Representative |
| Also in Attendance: | J. McCallum | Regional District of Nanaimo |
| | J. Pisani | Regional District of Nanaimo |
| | G. St.Pierre | Regional District of Nanaimo |
| | J. Holm | Regional District of Nanaimo |
| | R. Alexander | Regional District of Nanaimo |

CALL TO ORDER

The Chair called the meeting to order and respectfully acknowledged the Coast Salish Nations on whose traditional territory the meeting took place.

APPROVAL OF THE AGENDA

It was moved and seconded that the agenda be approved as presented.

CARRIED UNANIMOUSLY

ADOPTION OF MINUTES

Drinking Water and Watershed Protection Technical Advisory Committee Meeting - March 21, 2017

It was moved and seconded that the minutes of the Drinking Water and Watershed Protection Technical Advisory Committee meeting held March 21, 2017 be adopted.

CARRIED UNANIMOUSLY

INVITED PRESENTATIONS

Roundtable Updates

Committee members provided roundtable updates on current activities.

Update on Policy B1.21 Review

J. Pisani updated the committee on the work done so far to review and update this policy for groundwater assessment requirements for rezoning applications. One key addition is a comprehensive checklist with requirements of the professional report. Comments from the committee included that it was a major improvement over the current policy in terms of clarity.

Update on Hydrometric Monitoring

J. Pisani updated the committee that two lake level gauges are to be installed in November. One on Holden Lake and one on Quennell Lake, as part of the expanded water monitoring in the Cedar-Yellowpoint area, a priority area for Phase 2 of the Water Budget study. Streamflow and level monitoring on Holden Creek will also be implemented as part of this expansion.

Update on Volunteer Monitoring Well Network Expansion

J. Pisani updated that 15 new volunteer observation wells were added to the DWWP network this August in three priority areas: 4 in Nanoose; 5 in French Creek and 6 in Cedar. The expansion focused on stressed aquifers. Comments from the committee included that 5-10 years of records are needed to draw conclusions on groundwater level data collected.

State of our Aquifers - Reports & Newsletter

J. Pisani requested feedback on the draft newsletter circulated before the meeting. Feedback on images and content was given by committee members. The main challenge noted was to balance having the newsletter be easily understood by an average reader with no subject matter expertise, while still reporting some technical information of interest. A mail-out is planned for early November.

DWWP Data Management Framework

J. Pisani requested feedback on the draft Data Management Framework report circulated before the meeting. Comments included suggestions to work closely with the Province to ensure compatibility and learn what has worked well for them with managing similar data. The Provincial representative noted that their agency is struggling with implementing something similar. Suggestions to move away from an

Excel based format to a more integrative software or database program were well-taken, to integrate with GIS is important and to consider real-time measurements. It is Important to know what data you need for what end purpose.

GIS Water Map

J. Pisani presented the newly updated internal GIS Water Map. The aim is to launch before December 1st. Comments from committee included that this will be an important resource for the Groundwater Assessment policy (B1.21).

Upcoming GSC Workshop at VIU

J. Pisani requested committee members to ‘save-the-date’ for an upcoming workshop at VIU which would be a knowledge transfer from the Geological Survey of Canada based on their study of the Nanaimo Lowlands Aquifers.

CORRESPONDENCE

Letter Dated July 17, 2017 re A. Fiddick

A. Fiddick brought forward a letter included on the agenda, but the Chair reflected that it was not an appropriate topic for discussion at the Technical Advisory Committee meeting as it pertains to land use regulations on an individual parcel. The group that wrote the letter is planning to make a delegation to the Board, and that is the more appropriate venue.

ADJOURNMENT

It was moved and seconded that the meeting be adjourned.

CARRIED UNANIMOUSLY

TIME: 2:50 PM

CHAIR



**MINUTES OF THE REGULAR MEETING OF THE
DRINKING WATER AND WATERSHED PROTECTION
TECHNICAL ADVISORY COMMITTEE
HELD ON TUESDAY, MARCH 21, 2017 AT 12:30 PM
RDN BOARD CHAMBERS**

Present:

| | |
|--------------------|--|
| Anne Fiddick | Environment Community Representative |
| Alan Gilchrist | Academic Community Representative (VIU) |
| Pat Lapcevic | BC Ministry of Forests, Lands and Natural Resource Operations |
| Peter Law | General Public Representative (North) |
| Lynne Magee | Island Health |
| Kate Miller | Cowichan Valley Regional District |
| Harriet Rueggeberg | General Public Representative (South) |
| Barbara Sileniaks | Municipal Representative, City of Parksville (for Mike Squire) |
| Jocelin Teron | Island Timberlands Representative (for Ken Epps) |
| Bill Sims | Municipal Representative, City of Nanaimo |
| Fred Spears | Municipal Representative, District of Lantzville |
| Bob Weir | Municipal Representative, Town of Qualicum Beach |
| Gilles Wendling | Hydrogeologist Representative |

Regrets:

| | |
|----------------|---|
| Oliver Brandes | Academic Community Representative (POLIS) |
| Leon Cake | Water Purveyors (Coastal Water Suppliers) |
| Chris Cole | Forest Industry Representative |
| Deb Epps | Ministry of Environment |
| Ken Epps | Forest Industry Representative |
| Ryan Evanoff | Ministry of Transportation and Infrastructure |
| Nick Leone | Department of Fisheries and Oceans |
| Pam Shaw | Mt Arrowsmith Biosphere Region |
| Mike Squire | Municipal Representative, City of Parksville/Arrowsmith Water Service |
| David Vincent | Hydrologist Representative |

RDN Staff:

| | |
|----------------------|--|
| Chris Midgley, CHAIR | Manager, Water Services & Asset Management, RDN |
| Joe McCallum | Special Projects Assistant, RDN |
| Julie Pisani | Drinking Water and Watershed Protection Coordinator, RDN |
| Gerald St. Pierre | Project Engineer, RDN |
| Paul Thompson | Manager of Long Range Planning, RDN |
| Jeremy Holm | Manager of Current Planning, RDN |
| Rebecca Graves | Recording Secretary, RDN |

CALL TO ORDER

The Chairperson called the meeting to order at 12:39 PM and respectfully acknowledged the Coast Salish First Nations on whose traditional territory the meeting took place.

MINUTES

MOVED H. Rueggeberg, SECONDED B. Sims, that the minutes from the regular meeting of the Drinking Water and Watershed Protection Advisory Committee held November 10, 2016 be adopted.

CARRIED

COMMUNICATIONS/CORRESPONDENCE

Anne Fiddick, Environmental Community Representative, re referral process from Province to RDN for culvert installation and removal.

A. Fiddick commented on issues with small wetlands that are being drained and the effect on adjacent landowners and water courses. A letter is requested to be written to MFLNRO, who is in charge of the permits, regarding that the system be amended so that private land owners would be made aware of any change and be allowed to comment on how it would affect their properties.

UNFINISHED BUSINESS

MUNICIPAL UPDATES

Updates were given by District of Lantzville, Town of Qualicum Beach, City of Parksville, City of Nanaimo, and Partners on projects, current winter water levels, snowpack, and update on various water systems.

UPDATE PRESENTATIONS/DISCUSSION

J. Pisani and J. McCallum gave presentations regarding a Planning and Policy update, Expanded Water Monitoring in various locations, an analysis on State of our Aquifers 2017, Stream Assessments for 2017, the Stewardship Seed Funding program, and updated Committee on various outreach/rebate programs including Water to Earth Month, Landscape Water Efficiency rebate and DWWP Video Project.

REPORTS

ADDENDUM

NEW BUSINESS

BUSINESS ARISING FROM COMMUNICATIONS

C. Midgley suggested that in regards to the correspondence given from A. Fiddick, staff will map out a process for permit jurisdiction and points of influence pertaining to drainage concerns in rural areas.

ADJOURNMENT

Meeting is adjourned at 2:57pm.

Chairperson

TO: Committee of the Whole **MEETING:** November 28, 2017

FROM: Tiffany Moore, Acting Director of Finance **FILE:** 1700-06
Manvir Manhas, Manager, Capital
Accounting & Financial Reporting

SUBJECT: 2018 Proposed Budget Overview

RECOMMENDATIONS

1. That the proposed 2018 budget be approved as presented and that staff be directed to proceed with projects included in the 2018 proposed budget.
2. That direction be provided to staff on the outstanding budget items for 2018.
3. That staff be directed to proceed to finalize the 2018 to 2022 financial plan.

SUMMARY

This report outlines the proposed 2018 budget and the impacts on each member jurisdiction, as well as the major initiatives planned in 2018. The full 2018 to 2022 Financial Plan will be presented in the new year and will include final 2017 operating results along with any new items.

There are many factors impacting RDN service area budgets including Board directed projects, legislated wastewater, solid waste and water service standards, demand from the community for services such as Recreation and Parks as well as the general economy of the area. Current economic indicators for growth in the region are favourable which is impacting assessments and tax rates in a positive way. Proposed changes to tax requisitions either for increases or decreases are developed within the context of maintaining the long term plans for services and infrastructure replacements and reflect the significant capital program underway.

The 2018 preliminary budget information as discussed here is available on the RDN website for public access <http://www.getinvolved.rdn.ca/> and <http://www.rdn.bc.ca/financial-reports> .

BACKGROUND

Local governments are required to prepare five-year financial plans which are intended to guide the development of annual operating budgets. The 2018 proposed budget is based on the 2017 to 2021 Financial Plan, the Board Strategic Plan and the 2017-2021 Operational Forecast as reviewed by the Board in September. Adjustments for projects carried forward to 2018, new capital items and service level changes have been incorporated. The RDN faces cost pressures in the next few years related to Regional Parks acquisitions and development as well as to capital upgrades required for the Greater Nanaimo Pollution Control Centre, the French Creek Pollution Control Centre, the landfill and the various water and fire services we operate.

This report refers to pages in the Director's budget binders and appendices to this report.

Economic Overview:

Canada

Due to growth in the first half of the year, real GDP for Canada is forecast to grow at 3.1 per cent in 2017¹. Inflation was 1.4% in August and is expected to continue to rise towards 2% for the end of 2017 and through 2018. The Bank of Canada recently raised its key interest rate, with increases of 25 basis points in both July and September resulting in both higher borrowing costs and higher investment returns for local governments.

British Columbia (Content provided by TD Economics²)

Even with a hiccup in the housing market last year, British Columbia's economy has managed to record growth of over 3% for three consecutive years, and is on track to make it a fourth. Widespread strength across most industries has helped to boost employment in the province by nearly 4% so far this year, bringing the unemployment rate down to 5.1% in August – the lowest level seen since 2008. While robust hiring demand has done little to raise wages, consumers continue to punch beyond their weight. Similar to Ontario, wealth effects stemming from earlier gains in home prices appear to be an important catalyst to household spending. Two soft spots across the province's economic landscape are residential construction, as housing starts are down following last year's surge, and forestry, which has been hard hit by the wildfires that have swept through the southern part of the province.

Similar to Ontario, the consumer spending environment will become more challenging thanks to higher interest rates and the diminishing impact of past wealth effects. What's more, in the Budget Update, the new NDP government announced a higher personal tax rate on incomes above \$150,000, as well as a higher carbon price that will ultimately filter its way down to gasoline prices. Corporate income taxes will also rise, limiting cash that businesses could put toward investment. The Update did include some increase in spending that could provide some offsetting stimulus. Further policy announcements will likely come in Budget 2018 next spring and, given the change in government, presents some uncertainty surrounding the outlook. The government is not in favour of LNG development, but that may not be an issue in the near term as the deterioration in economics has led to the shelving of a couple projects in recent months. As it stands now, economic growth in the province is expected to come in at just over 2% in 2018, before sliding to 1.7% in 2019.

Regional District of Nanaimo

There are currently many positive economic indicators affecting the Regional District of Nanaimo. The unemployment rate on Vancouver Island for October 2017 of 4.9% is on par with the Provincial rate which was the lowest in Canada during the month of October³. BC Ferries September 2017 Year to Date Passenger and Vehicle traffic are up 2.7% and 3.0% at Departure Bay and 8.6% and 7.2% at Duke Point over September 2016⁴. Average house prices for October 2017 at \$501,400 in Nanaimo and \$524,900 in

¹ Bank of Canada Monetary Policy Report, October 2017

² TD Economics Provincial Economic Forecast (September 28, 2017)

³ Statistics Canada, Labour Force Survey Issue #17-10, October 2017

⁴ BC Ferries, Traffic Statistics System Total Vehicle and Passenger Counts by Route for September 2017

Parksville/Qualicum are up 15.9% and 16.8% respectively over October 2016⁵. Total building permits issued within the Regional District of Nanaimo including municipalities increased from 1,092 in 2015 to 1,456 in 2016⁶. For January through September 2017, 1,041 total building permits have been reported compared to 1,124 permits for the same period in 2016 representing a decrease of 7.3% which, as indicated above in the BC Section, may indicate some cooling of the housing market. Yearend results may provide a clearer understanding of the local housing trends.

There are a number of factors that will impact the Canadian, BC and Vancouver Island economies in 2018 and forward including interest rate changes, the Canadian dollar fluctuations, trade agreements and global politics. However, at this time, BC and Vancouver Island are expected to continue to show growth.

Member Budget Summaries

New for the 2018 Proposed Budget are the Member Information Brochures (Attachment 1) which provide region-wide summaries of the sources of revenue and major categories of expenditure as well as summary information by category of spending and the current estimated property tax change specific to each jurisdiction from 2017 based on average residential value. The brochures summarize financial implications for each of the member jurisdictions based on 2017 assessments plus a 1.5% allowance for growth (non-market change) in 2018. Additionally, the 2018 Member Summary of Estimated Property Tax Change (Attachment 2) provides a one page summary of the anticipated impact per \$100,000 of 2017 assessed value by area. Impacts vary significantly by jurisdiction and even within jurisdictions depending on which services are provided to a specific area.

Year over Year Changes (Attachment 3/Binder Pages 6-7)

The 2017 to 2021 Financial Plan forecast for property tax revenues in 2018 was \$53.3 million. The current 2018 estimate is for \$53.4 million (6.7% increase from 2017) which includes both local and shared services. The increase from the 2017 to 2021 Financial Plan is driven largely by the following items:

- Additional cost for local Fire Services both in capital and operational spending including a review of the Fire Services Structure, larger capital budgets for vehicle purchases and enhanced pay and allowance packages for volunteers.
- Allowances in the Legislative Services/Administration budgets for the addition of two new Board members, election impacts, volunteer appreciation and contract grant coordination services.
- Allowances in recreation services for implementation of the Recreation Master Plan

The year-over-year change for shared services (Attachment 3/Binder Pages 6-7 and Attachment 4/Binder Pages 13-15) has been summarized into three categories:

New/Changed Service Levels: 3.9%

Capital programs for Wastewater Services, 2018 election costs, the \$50,000 allocated to INFilm, the annualized impact of 5,000 hours Northern Community Transit expansion effective September 2017 and

⁵ Vancouver Island Real Estate Board Single Family Home Benchmark Price, October 2016

⁶ BC Stats BC Building Permits for Development Regions and Regional Districts, Residential Building Permits (Total number of units) Jan-Sept 2017

the proposed 5,000 hours Southern Community Transit expansion for September 2018 are the largest drivers of the annual tax increase. There is also a \$125,000 decrease in this area for the reduction to the Southern Community Economic Development requisition.

Changes for Other Jurisdictions: 0.5%

The current projected tax change for other jurisdictions is 0.5% including the transfer to VIRL, to the 911/Fire Dispatch agencies and to local municipalities for recreation facilities. Both the VIRL (50% population/50% assessment) and the North Island 911 Corporation (100% assessment) transfer impacts are higher for the RDN region because there has been greater growth in our area than in the other regional districts.

Existing Services: 1.7%

The cumulative property tax change year over year for existing services is a \$701,767 increase or 1.7%. A portion of this change is impacted by \$100,000 increase in the Solid Waste tax requisition resulting from the 2015 plan to hold tipping fee rates while ensuring adequate reserves to fund future capital. The remainder of the change for existing services includes an allowance for wage increases and operating cost changes in all other services.

Consolidated Summaries (Attachment 5/Binder Pages 8-10 & Attachment 6/Binder Pages 19-22)

The consolidated summary of the Regional District’s 2018 Proposed budget (Attachment 5), projects \$100 million in operating expenditures in 2018, an increase of 6.1% from 2017. Operating expenditures are impacted by a \$1.7 million increase to reserve transfers to fund future capital infrastructure, new debt servicing of \$663,000 largely related to the Secondary Treatment project at the Nanaimo Pollution Control Centre and other operating cost increases such as increased allowances for professional fees inflation, vehicle insurance and property insurance. Approximately \$73.5 million or 73% (2016 = \$70.4 million/74%) of total operating expenditures is applied to service and program delivery costs, 10% goes to long term debt, 10% to various capital reserves and the remaining 7% will be transferred to other organizations under agreements in 2018.

Total operating revenues (excluding prior year surpluses) are \$99.2 million versus \$94.3 million in 2017. Property tax revenues are \$3.3 million higher compared to 2017 due to the significant capital programs underway for wastewater services, the Englishman River Joint Venture and other utility services as well as the increases for Fire Services and the transit service expansions. Operating revenues are higher than 2017 by \$1 million largely due to increased fee revenue estimates in Solid Waste and Building Inspection as well as general increases across other departments.

The following table outlines some of the more significant operating projects incorporated in the 2018 budget:

| Project | Budget Amount |
|--|---|
| Election + Board Orientation + Strategic Planning Renewal | \$200,000, election is partially funded by recoveries from Islands Trust and School Districts |
| National Disaster Mitigation Project for Shoreline & Overland Flooding | \$150,000 over 2018/19 funded by Public Safety Canada through Emergency Management BC |
| Bylaw 500 & Subdivision Servicing Review | \$125,000 in funded by Community Planning reserve |

| | |
|---|---|
| RDN WebMap Portal Replacement | \$125,000 funded from reserve |
| Sea Level Rise Planning & Flood Plain Mapping | \$80,000 funded by Community Planning |
| SCADA Master Plan for all Water Services | \$60,000 funded by multiple water systems |
| EA F OCP Review | \$50,000 allocated in 2018 Community Planning budget, project will continue in 2019 |

Total capital expenditures summarized below are \$62.8 million versus \$65.9 million in 2017. Capital projects are being funded through the use of reserves (\$40 million), capital grants (\$3 million), new borrowing (\$16 million) with the balance of \$3.1 million from operating and property tax revenues.

Capital Projects:

The 2018 budget includes \$62.8 million in capital expenditures; major items are listed below.

| Service Area | Capital Project | Value |
|--|--|----------------|
| Southern Community Wastewater | Secondary Treatment Upgrade, centrifuge & digester upgrades | \$42.2 million |
| Regional and Community Parks | Morden Colliery Regional Trail, possible land purchases/donations, Little Qualicum Bridge design, Benson Creek Falls projects, French Creek Trails, Meadowood Community Hall | \$3.7 million |
| Englishman River Water Service Joint Venture | River intake, treatment plant & pump stations | \$2.8 million |
| Water Services | Well, reservoir and system upgrades for Nanoose Peninsula, & Whiskey Creek Water Systems | \$2.8 million |
| Fire Services | Vehicle replacements, fire hall upgrades, SCBA equipment | \$2.7 million |
| Transit Services | New/upgraded exchanges, GPS bus monitoring | \$1.8 million |
| Northern Community Wastewater | Plant Expansion-design | \$1.0 million |
| Solid Waste Services | Landfill gas expansion, vehicles | \$0.7 million |

There are 105 different services forming the Regional District's budget, 34 of the services are shared among multiple member jurisdictions such as Wastewater & Solid Waste Management, Regional Parks and Transit. Seventy-one services are single member jurisdiction functions such as Utility Services, Animal and Noise Control, Community Parks, and certain Recreation Services. Attachment 6 shows the annual change by individual service.

2018 Budget Reductions:

Several tax requisitions have been reduced (\$667,040 total reductions) compared to the 2017 to 2021 Financial Plan forecast for a number of reasons including carry forward surpluses:

| Service | Reduction |
|---|------------------|
| Southern Community Transit | \$264,680 |
| Southern Community Economic Development | \$125,000 |
| Northern Community Wastewater | \$104,065 |
| Regional Growth Strategy | \$39,915 |
| Solid Waste Management | \$36,000 |
| Drinking Water/Watershed Protection | \$34,500 |
| Northern Community Economic Development | \$24,165 |
| Regional Parks Operations | \$13,625 |
| Northern Community Transit | \$10,725 |
| Gabriola Taxi Saver | \$10,670 |
| Hazardous Properties | \$3,695 |

As well, the Senior Management group reviewed departmental budget requests and excluded the following items:

1. Establishment of a grant coordinator position, instead \$50,000 has been included for contract services only.
2. Addition of a position in Finance (\$75,000 to \$90,000 full year cost), to be reviewed for 2019 budget.
3. Additional staffing for Communications (\$50,000) to be reviewed for 2019 budget.

Staff Resource Changes Summary:

| | |
|--------------------------------|--|
| Wastewater | 2 FTE's for Operator Positions related to Secondary Treatment Upgrade (\$47,000 = 2018 1/4 year cost) in Southern Community Wastewater Temporary Project Engineer position pending approval of the Bowser Sewer project. The position will be funded by the capital project (\$129,000) |
| All Service areas | Occupational Health and Safety Coordinator to provide support to departments for health and safety issues funded by Administration recoveries to service areas with operational staff (2018 part year cost estimate \$73,500). The Town of Qualicum Beach has indicated interest in cost sharing on this position. |
| Electoral Areas Administration | Temporary staffing for 2018 Election (\$55,000) + Poll Clerks (\$50,000) |
| Transit & Emergency Services | D68 Transit expansion additional driver hours (\$180,000) |

| | |
|-----------------------------------|---|
| Strategic & Community Development | Casual and seasonal supplemental bylaw enforcement officer services (\$45,000 allocated across Noise, Animal, Hazardous Properties, Planning, Building Inspection and Parks services) Additional temporary Building Inspector hours (\$63,000) |
|-----------------------------------|---|

Allowances have been included within the wage budgets for transition costs for known retirements such as the Director of Finance as well as for the annual cost of positions approved in the 2017 Plan but with only a partial year of funding in 2017.

2018 Outstanding Items and Decision Points for the Board:

Budget items that are outstanding and require approval or direction from the Board are as follows:

1. Southern Community Transit 5000 hour expansion, motion approved at Transit Select Committee, \$265,000 net of 2017 carry forward surplus funds applied to cost;
2. Occupational Health & Safety Coordinator position \$73,500 for 2018 partial year to support WorkSafe BC requirements for health and safety programs/policies;
3. Grant coordinator contract to identify grant opportunities and support application processes, \$50,000;
4. Regional Parks Services Review recommendations pending report;
5. Regional Zero Waste Recycling amount to be determined pending review;
6. Vancouver Island University funding request for \$5,000 towards Regional Air Quality Mapping Pilot Project, staff recommend use of the Corporate Climate Action Reserve funded by carbon tax rebates received from the Province;
7. Fire Services Structure Review \$40,000.

ALTERNATIVES

1. That the Board receive and approve the proposed 2018 budget as presented and direct staff to proceed with the projects included in the 2018 plan and to finalize the 2018 to 2022 Financial Plan.
2. That the Board receive this report for information and provide direction to staff for recommended amendments or further analyses.

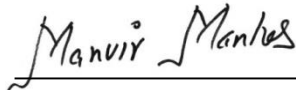
FINANCIAL IMPLICATIONS

The schedules summarized above provide financial impacts for each of the member jurisdictions based on 2017 assessments plus a 1.5% allowance for growth (non-market change) in 2018. The member participation summaries will be updated in February when 2018 assessment values are released. There are many unique cost sharing formulas for Regional District services including assessments only and formulas based on a combination of usage and assessment, usage only, population and assessment as well as flat rate taxes that are used to fund RDN services. The variety of cost sharing formulas combined with the number of sub-areas in a regional district, each with its own services and related requisitions results in a wide range of impact to an individual homeowner. For the general services shared over multiple jurisdictions, the Member Summary shown in Attachment 2 shows a range from a reduction of \$3.07 in costs per \$100,000 of assessment to an increase of \$8.80 depending on location.

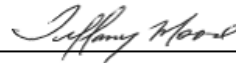
Local service tax requisitions – fire, water, sewage collection and streetlighting – are unique to individual property owners and often have a greater impact than all other services combined. These requisitions and tax rates are set out in Attachment 6.

STRATEGIC PLAN IMPLICATIONS

The 2018 Proposed Budget represents organization-wide implementation of the current Board Strategic Plan and is guided by the Board governing principles to "Be Transparent and Accountable" and to "Show Fiscal Restraint". Through improved financial planning and prudent use of tax dollars, the RDN continues to deliver the services expected by residents of the Region as cost effectively as possible. In 2018, staff will provide an updated Operational Plan and Forecast to track and report progress on key projects over 2018 that advance Board strategic priorities.



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T. Moore
Acting Director of Finance
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Reviewed by:

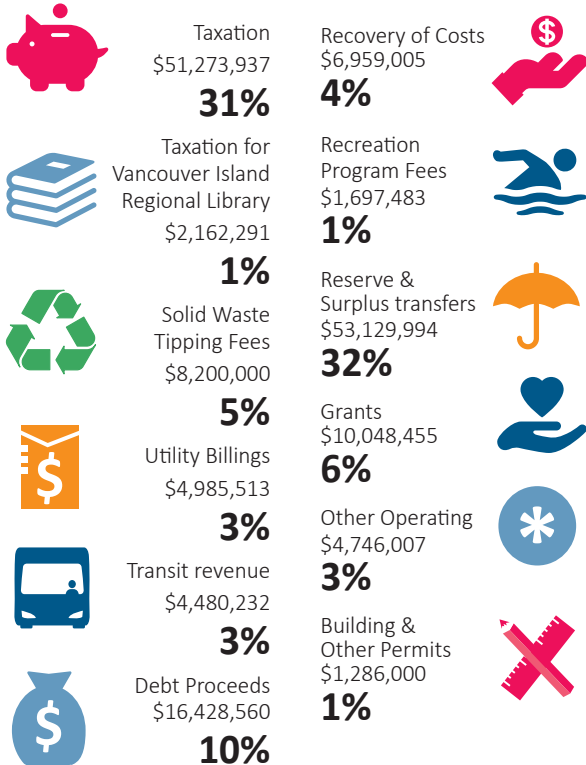
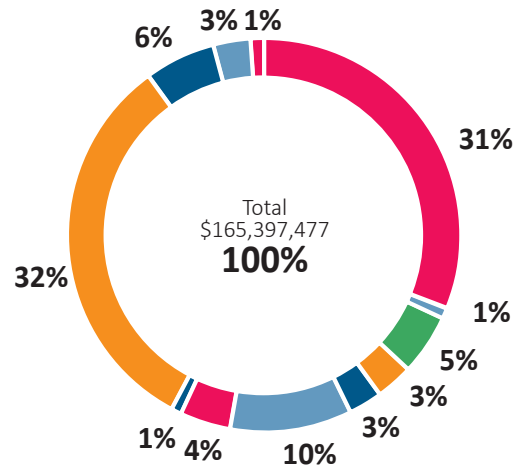
- W. Idema, Acting General Manager, Corporate Services
- G. Garbutt, Acting Chief Administrative Officer

Attachments

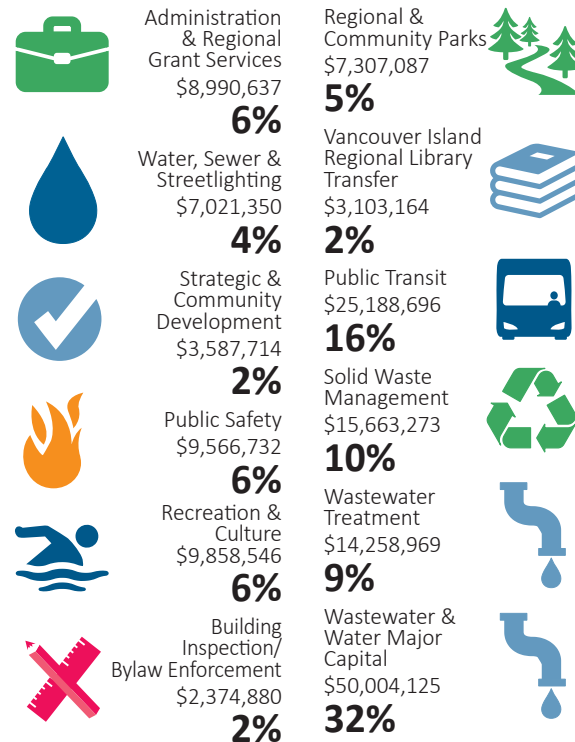
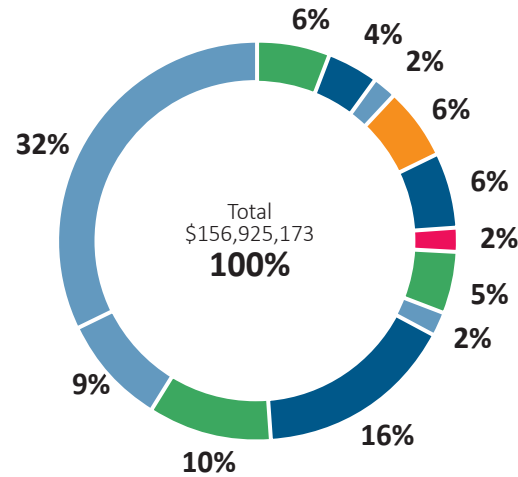
1. 2018 Proposed Budget Member Information Brochures
2. 2018 Estimated General Services Property Tax Change
3. 2018 Analysis of Changes in General Property Tax
4. 2018 Summary of Participation by Member
5. Overall Budget Summary - 2018 Proposed Budget
6. 2018 Summary of Tax Revenues by Service

THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?



WHERE DOES THE MONEY GO?



CAPITAL EXPENDITURES FOR 2018

THESE ARE THE RDN'S LARGEST INVESTMENTS IN THE COMING YEAR:



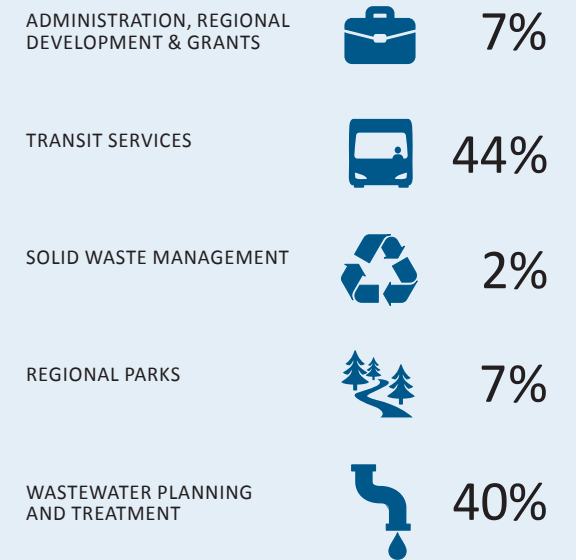
THE RDN IS ALSO WORKING ON OTHER MAJOR PROJECTS THAT MAY IMPACT YOUR AREA. THESE INCLUDE:

- 2018 Local Government Elections
- Transit Service Expansion - 5,000 hours
- Wildfire Interface Fuel Inventory Plans
- Fire Services Delivery Model Review
- Oceanside Area Recreation Master Plan Implementation
- Regional Parks Service Review Implementation
- Zoning Bylaw 500 Modernization
- Electoral Area OCP Development Permit and Temporary Use Permit Review
- Sea Level Rise Planning & Flood Plain Mapping
- RDN On-line Map User Interface Renewal
- Long-term Biosolids Site License Management Plan
- Approval and Implementation of the Solid Waste Management Plan

Get Involved RDN!

| | 2018 | 2017 |
|---|--------------|--------------|
| City of Nanaimo contribution to RDN General Services property taxes total | \$20,278,026 | \$18,235,346 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$100.90 | \$91.60 |
| Average residential dwelling assessment value* | \$383,113 | \$383,113 |
| Average Nanaimo General Services property tax amount** | \$408.06 | \$372.93 |
| Change from prior year | 9.4% | |

HOW THE FUNDS ARE SPENT IN YOUR AREA



NOTES: Participants in the Duke Point Wastewater Local Service Area also contribute to the Regional District specific to that service.

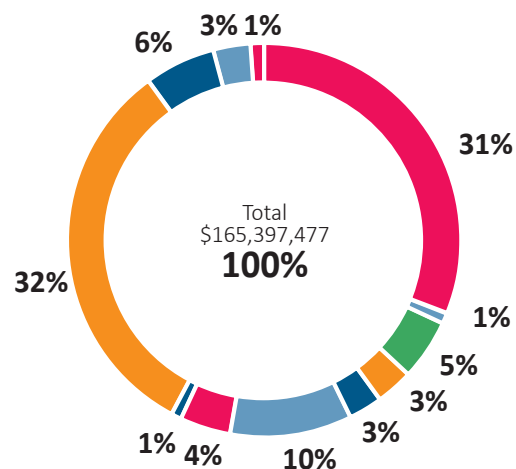
* Average residential values are based on BC Assessment 2017 Completed Roll Values and may vary as a result of revisions to the roll.

** Includes Parcel Taxes of \$21.50 (2017: \$22.00) which are levied at the same amount for each property in the specified service area.



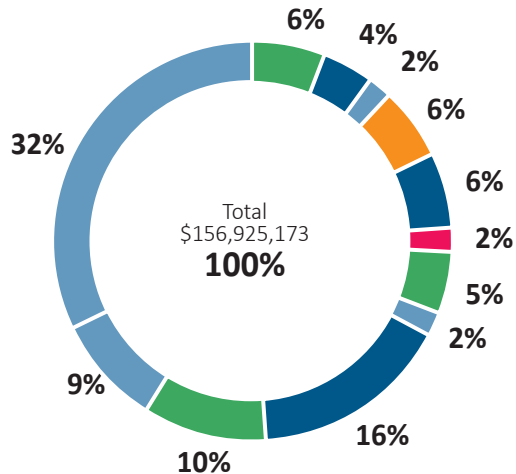
THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?



| | | | |
|--|--|--|---|
| | Taxation \$51,273,937 31% | | Recovery of Costs \$6,959,005 4% |
| | Taxation for Vancouver Island Regional Library \$2,162,291 1% | | Recreation Program Fees \$1,697,483 1% |
| | Solid Waste Tipping Fees \$8,200,000 5% | | Reserve & Surplus transfers \$53,129,994 32% |
| | Utility Billings \$4,985,513 3% | | Grants \$10,048,455 6% |
| | Transit revenue \$4,480,232 3% | | Other Operating \$4,746,007 3% |
| | Debt Proceeds \$16,428,560 10% | | Building & Other Permits \$1,286,000 1% |

WHERE DOES THE MONEY GO?



| | | | |
|--|--|--|--|
| | Administration & Regional Grant Services \$8,990,637 6% | | Regional & Community Parks \$7,307,087 5% |
| | Water, Sewer & Streetlighting \$7,021,350 4% | | Vancouver Island Regional Library Transfer \$3,103,164 2% |
| | Public Transit \$25,188,696 16% | | Solid Waste Management \$15,663,273 10% |
| | Public Safety \$9,566,732 6% | | Wastewater Treatment \$14,258,969 9% |
| | Recreation & Culture \$9,858,546 6% | | Wastewater & Water Major Capital \$50,004,125 32% |
| | Building Inspection/Bylaw Enforcement \$2,374,880 2% | | |

CAPITAL EXPENDITURES FOR 2018

THESE ARE THE RDN'S LARGEST INVESTMENTS IN THE COMING YEAR:

| | |
|-------------------------------|--------------|
| Wastewater Treatment | \$44,228,232 |
| Water Services | \$5,775,893 |
| Solid Waste/Regional Landfill | \$1,409,042 |
| Fire Departments | \$3,083,838 |
| Transit | \$2,458,000 |
| Parks & Recreation | \$4,148,320 |

THE RDN IS ALSO WORKING ON OTHER MAJOR PROJECTS THAT MAY IMPACT YOUR AREA. THESE INCLUDE:

- 2018 Local Government Elections
- Transit Service Expansion - 5,000 hours
- Wildfire Interface Fuel Inventory Plans
- Fire Services Delivery Model Review
- Oceanside Area Recreation Master Plan Implementation
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- Zoning Bylaw 500 Modernization
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- Sea Level Rise Planning & Flood Plain Mapping
- RDN On-line Map User Interface Renewal
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- Approval and Implementation of the Solid Waste Management Plan

Get Involved RDN!

| | 2018 | 2017 |
|--|-----------|-----------|
| District of Lantzville contribution to RDN General Services property taxes total | \$857,408 | \$813,398 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$92.60 | \$89.00 |
| Average residential dwelling assessment value* | \$544,920 | \$544,920 |
| Average Lantzville General Services property tax amount** | \$526.10 | \$506.98 |
| Change from prior year | 3.8% | |

HOW THE FUNDS ARE SPENT IN YOUR AREA

| | | |
|---|--|-----|
| ADMINISTRATION, REGIONAL DEVELOPMENT & GRANTS | | 10% |
| SOLID WASTE MANAGEMENT | | 2% |
| TRANSIT SERVICES | | 13% |
| WASTEWATER PLANNING AND TREATMENT | | 9% |
| REGIONAL PARKS | | 6% |
| RECREATION SERVICES | | 50% |
| PUBLIC SAFETY & EMERGENCY SERVICES | | 10% |

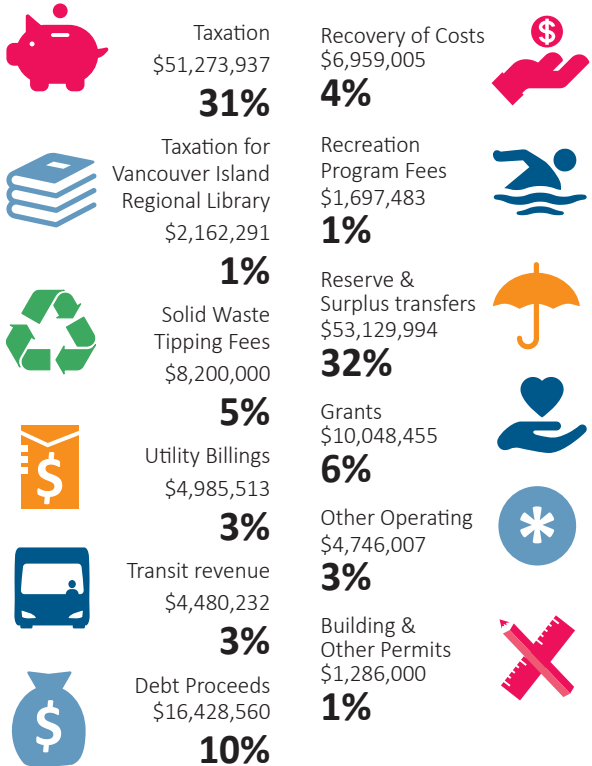
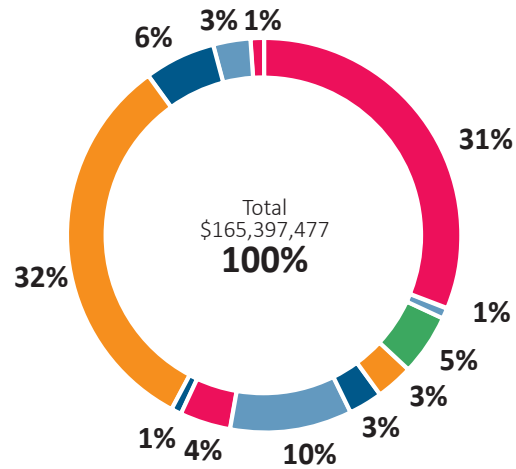
NOTES:

* Average residential values are based on BC Assessment 2017 Completed Roll Values and may vary as a result of revisions to the roll.
** Includes Parcel Taxes of \$21.50 (2017: \$22.00) which are levied at the same amount for each property in the specified service area.

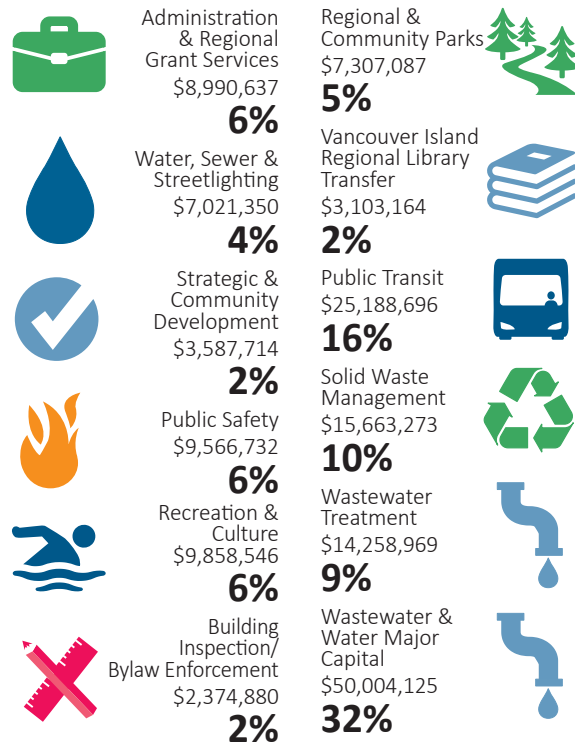
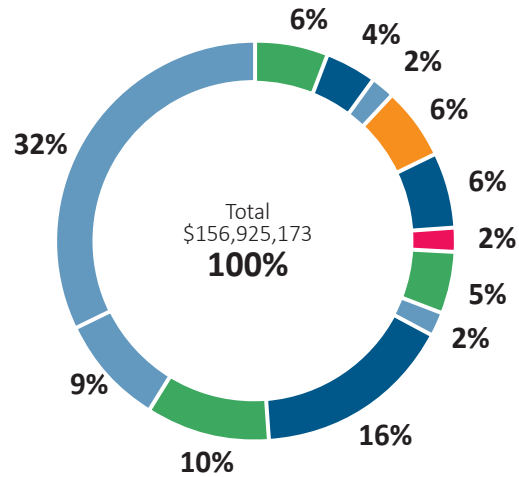


THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?



WHERE DOES THE MONEY GO?



CAPITAL EXPENDITURES FOR 2018

THESE ARE THE RDN'S LARGEST INVESTMENTS IN THE COMING YEAR:



THE RDN IS ALSO WORKING ON OTHER MAJOR PROJECTS THAT MAY IMPACT YOUR AREA. THESE INCLUDE:

- 2018 Local Government Elections
- Transit Service Expansion - 5,000 hours
- Wildfire Interface Fuel Inventory Plans
- Fire Services Delivery Model Review
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- Approval and Implementation of the Solid Waste Management Plan

Get Involved RDN!

| | 2018 | 2017 |
|--|-------------|-------------|
| City of Parksville contribution to RDN General Services property taxes total | \$5,304,148 | \$5,281,545 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$165.80 | \$167.40 |
| Average residential dwelling assessment value* | \$347,726 | \$347,726 |
| Average Parksville General Services property tax amount** | \$602.26 | \$609.19 |
| Change from prior year | -1.1% | |

HOW THE FUNDS ARE SPENT IN YOUR AREA



NOTES:

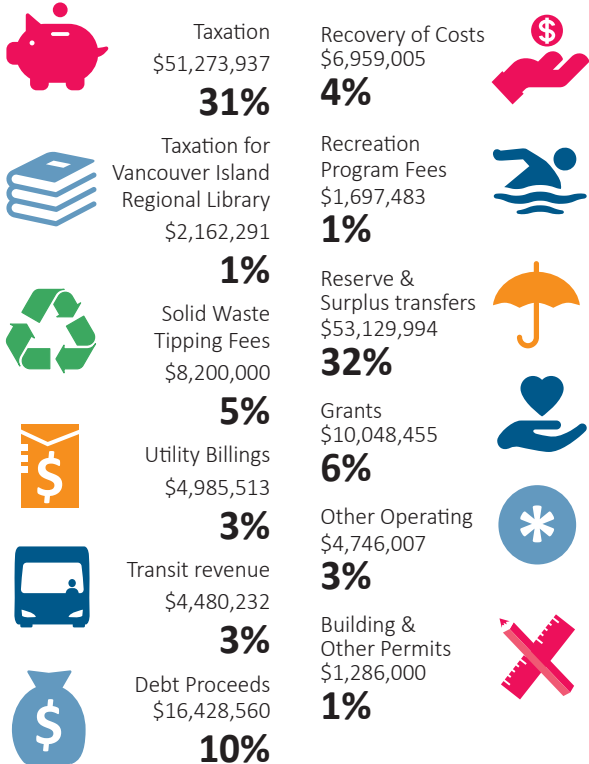
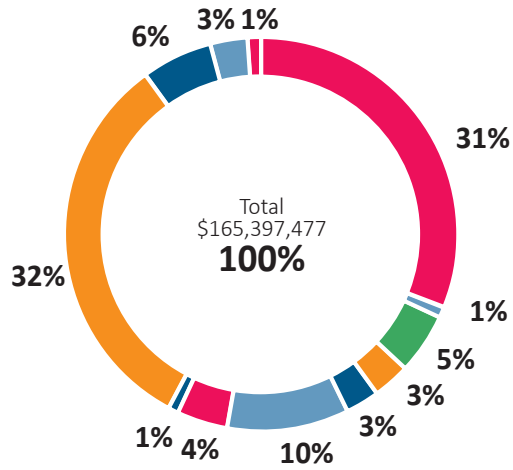
* Average residential values are based on BC Assessment 2017 Completed Roll Values and may vary as a result of revisions to the roll.

** Includes Parcel Taxes of \$25.73 (2017: \$27.10) which are levied at the same amount for each property in the specified service area.

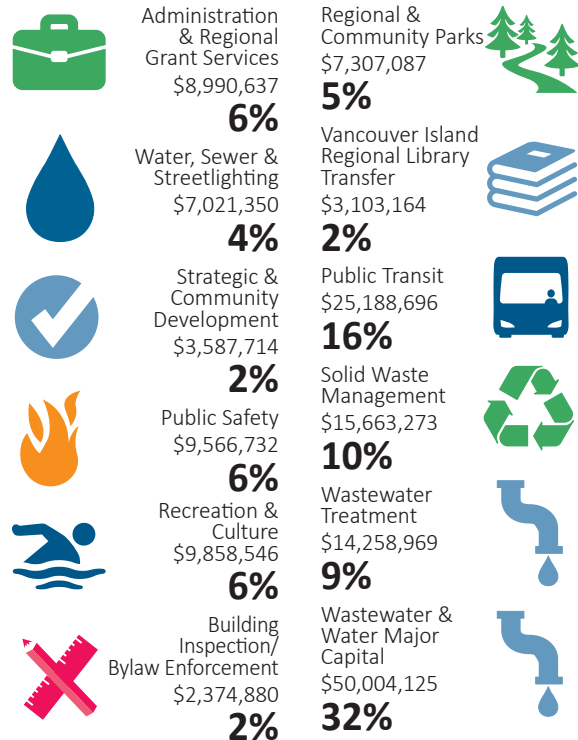
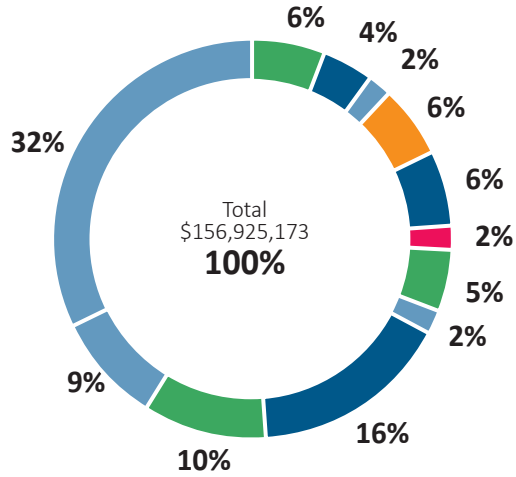


THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?



WHERE DOES THE MONEY GO?



CAPITAL EXPENDITURES FOR 2018

THESE ARE THE RDN'S LARGEST INVESTMENTS IN THE COMING YEAR:



THE RDN IS ALSO WORKING ON OTHER MAJOR PROJECTS THAT MAY IMPACT YOUR AREA. THESE INCLUDE:

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- Transit Service Expansion - 5,000 hours
- Wildfire Interface Fuel Inventory Plans
- Fire Services Delivery Model Review
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Get Involved RDN!

TOWN OF QUALICUM BEACH CONTRIBUTION TO THE REGIONAL DISTRICT OF NANAIMO

| | 2018 | 2017 |
|--|-------------|-------------|
| Town of Qualicum Beach contribution to RDN General Services property taxes total | \$3,609,744 | \$3,536,420 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$139.40 | \$138.40 |
| Average residential dwelling assessment value* | \$464,058 | \$464,058 |
| Average Qualicum Beach General Services property tax amount** | \$672.63 | \$669.36 |
| Change from prior year | 0.5% | |

HOW THE FUNDS ARE SPENT IN YOUR AREA

| | | |
|---|--|-----|
| ADMINISTRATION, REGIONAL DEVELOPMENT & GRANTS | | 5% |
| SOLID WASTE MANAGEMENT | | 2% |
| TRANSIT SERVICES | | 8% |
| WASTEWATER PLANNING AND TREATMENT | | 46% |
| REGIONAL PARKS | | 4% |
| RECREATION SERVICES | | 31% |
| PUBLIC SAFETY & EMERGENCY SERVICES | | 4% |

NOTES:

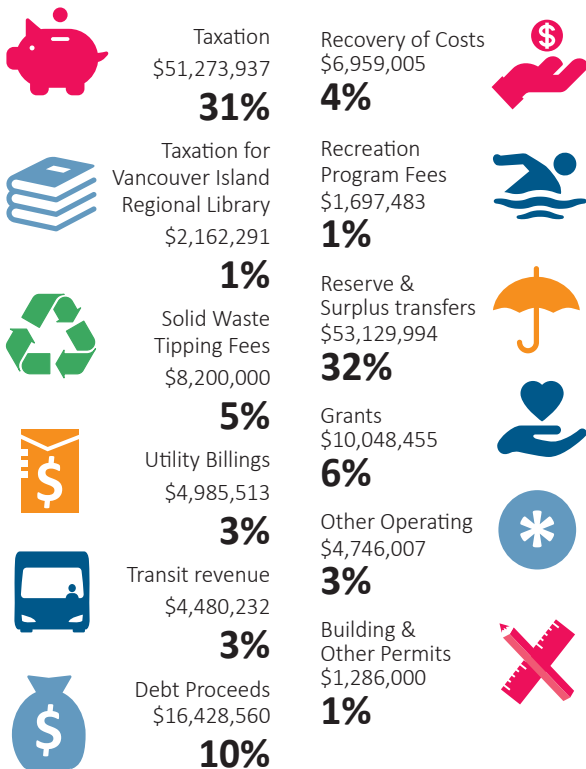
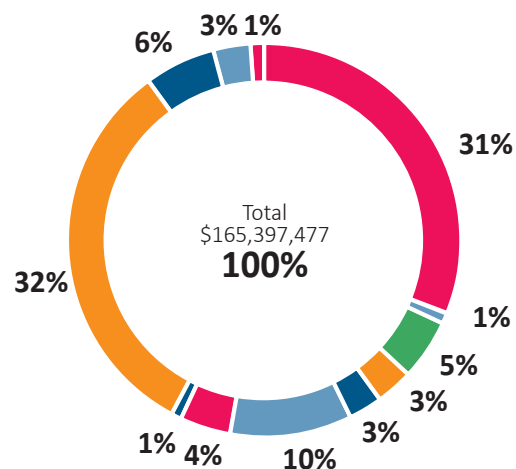
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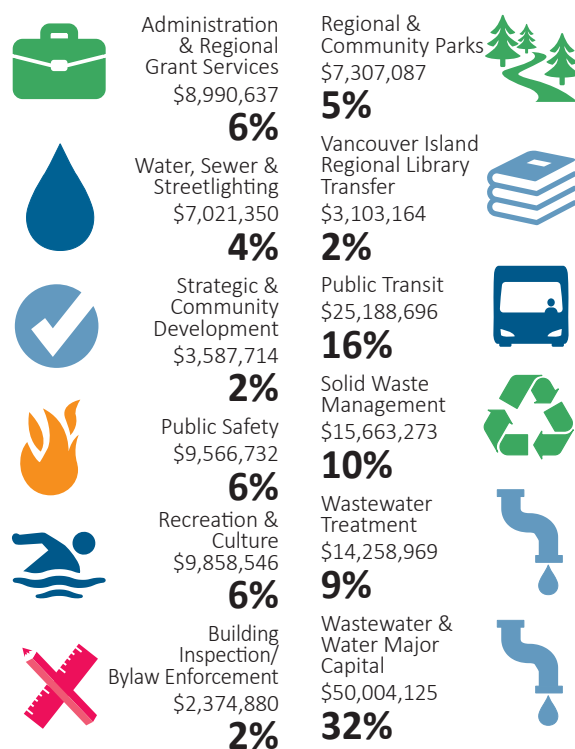
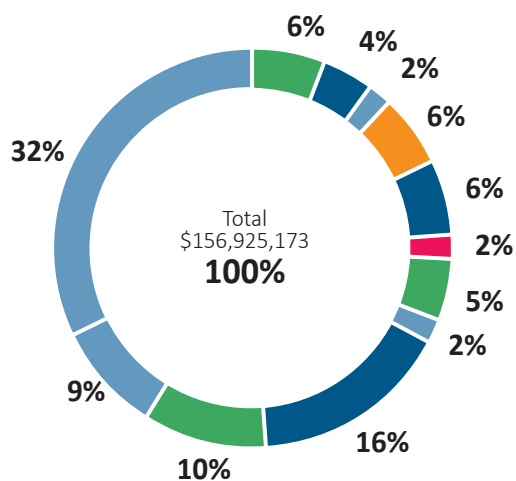


THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?



WHERE DOES THE MONEY GO?



CAPITAL EXPENDITURES FOR 2018

THESE ARE THE RDN'S LARGEST INVESTMENTS IN THE COMING YEAR:



THE RDN IS ALSO WORKING ON OTHER MAJOR PROJECTS THAT MAY IMPACT YOUR AREA. THESE INCLUDE:

- 2018 Local Government Elections
- Transit Service Expansion - 5,000 hours
- Wildfire Interface Fuel Inventory Plans
- Fire Services Delivery Model Review
- Oceanside Area Recreation Master Plan Implementation
- Regional Parks Service Review Implementation
- Zoning Bylaw 500 Modernization
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- Approval and Implementation of the Solid Waste Management Plan

Get Involved RDN!

| | 2018 | 2017 |
|---|-------------|-------------|
| Area 'A' contribution to RDN General Services property taxes total | \$1,979,106 | \$1,951,724 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$144.90 | \$144.60 |
| Average residential dwelling assessment value* | \$358,187 | \$358,187 |
| Average Area 'A' General Services property tax amount** | \$540.51 | \$539.94 |
| Change from prior year | 0.1% | |

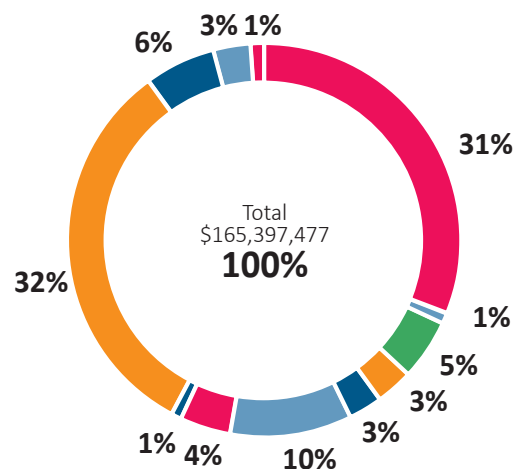
HOW THE FUNDS ARE SPENT IN YOUR AREA



NOTES: You may also have specific local taxes included on your tax notice for services such as your fire department. Local services taxes are applied on an assessment basis only to properties in the specific area.
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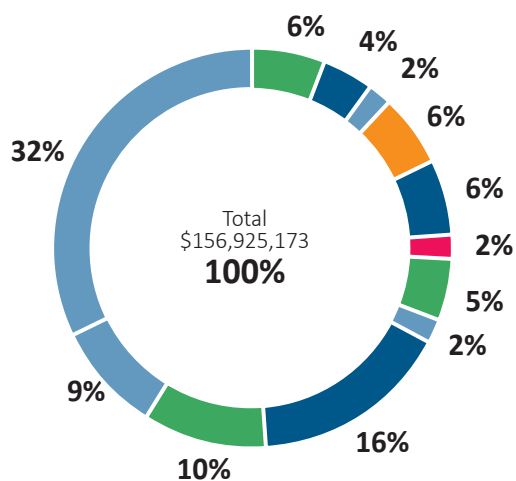
THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?



| | | | |
|--|--|--|---|
| | Taxation \$51,273,937 31% | | Recovery of Costs \$6,959,005 4% |
| | Taxation for Vancouver Island Regional Library \$2,162,291 1% | | Recreation Program Fees \$1,697,483 1% |
| | Solid Waste Tipping Fees \$8,200,000 5% | | Reserve & Surplus transfers \$53,129,994 32% |
| | Utility Billings \$4,985,513 3% | | Grants \$10,048,455 6% |
| | Transit revenue \$4,480,232 3% | | Other Operating \$4,746,007 3% |
| | Debt Proceeds \$16,428,560 10% | | Building & Other Permits \$1,286,000 1% |

WHERE DOES THE MONEY GO?



| | | | |
|--|--|--|--|
| | Administration & Regional Grant Services \$8,990,637 6% | | Regional & Community Parks \$7,307,087 5% |
| | Water, Sewer & Streetlighting \$7,021,350 4% | | Vancouver Island Regional Library Transfer \$3,103,164 2% |
| | Strategic & Community Development \$3,587,714 2% | | Public Transit \$25,188,696 16% |
| | Public Safety \$9,566,732 6% | | Solid Waste Management \$15,663,273 10% |
| | Recreation & Culture \$9,858,546 6% | | Wastewater Treatment \$14,258,969 9% |
| | Building Inspection/Bylaw Enforcement \$2,374,880 2% | | Wastewater & Water Major Capital \$50,004,125 32% |

CAPITAL EXPENDITURES FOR 2018

THESE ARE THE RDN'S LARGEST INVESTMENTS IN THE COMING YEAR:

| | |
|-------------------------------|--------------|
| Wastewater Treatment | \$44,228,232 |
| Water Services | \$5,775,893 |
| Solid Waste/Regional Landfill | \$1,409,042 |
| Fire Departments | \$3,083,838 |
| Transit | \$2,458,000 |
| Parks & Recreation | \$4,148,320 |

THE RDN IS ALSO WORKING ON OTHER MAJOR PROJECTS THAT MAY IMPACT YOUR AREA. THESE INCLUDE:

- 2018 Local Government Elections
- Transit Service Expansion - 5,000 hours
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- Fire Services Delivery Model Review
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Get Involved RDN!

| | 2018 | 2017 |
|---|-------------|-------------|
| Area 'B' contribution to RDN General Services property taxes total | \$1,382,755 | \$1,305,443 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$105.80 | \$101.10 |
| Average residential dwelling assessment value* | \$308,448 | \$308,448 |
| Average Area 'B' General Services property tax amount** | \$347.84 | \$333.84 |
| Change from prior year | 4.2% | |

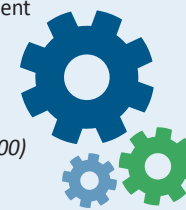
HOW THE FUNDS ARE SPENT IN YOUR AREA

| | | |
|---|--|-----|
| ADMINISTRATION & REGIONAL GRANT SERVICES | | 9% |
| COMMUNITY & REGIONAL DEVELOPMENT | | 8% |
| SOLID WASTE MANAGEMENT | | 2% |
| COMMUNITY & REGIONAL PARKS | | 27% |
| COMMUNITY & REGIONAL RECREATION & CULTURE | | 18% |
| PUBLIC SAFETY & EMERGENCY SERVICES | | 9% |
| TRANSIT SERVICES | | 10% |
| VANCOUVER ISLAND REGIONAL LIBRARY | | 17% |

NOTES: You may also have specific local taxes included on your tax notice for services such as your fire department. Local services taxes are applied on an assessment basis only to properties in the specific area.

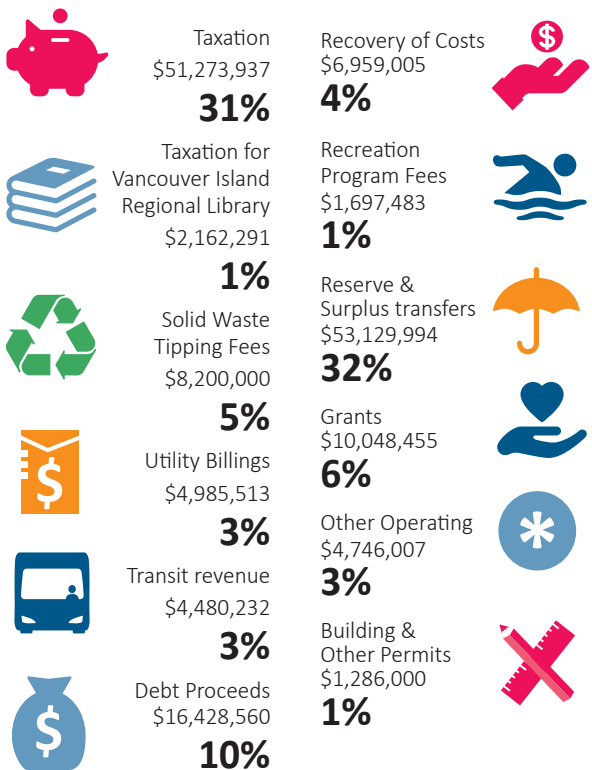
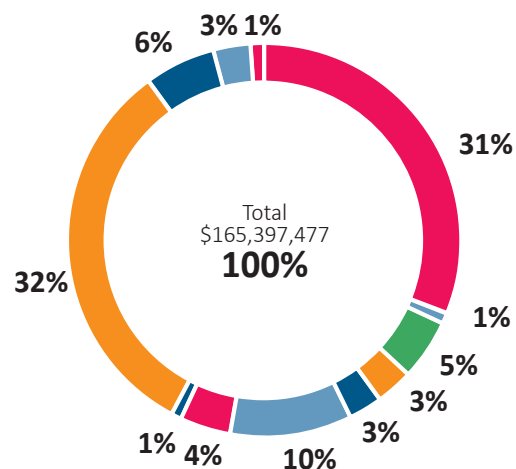
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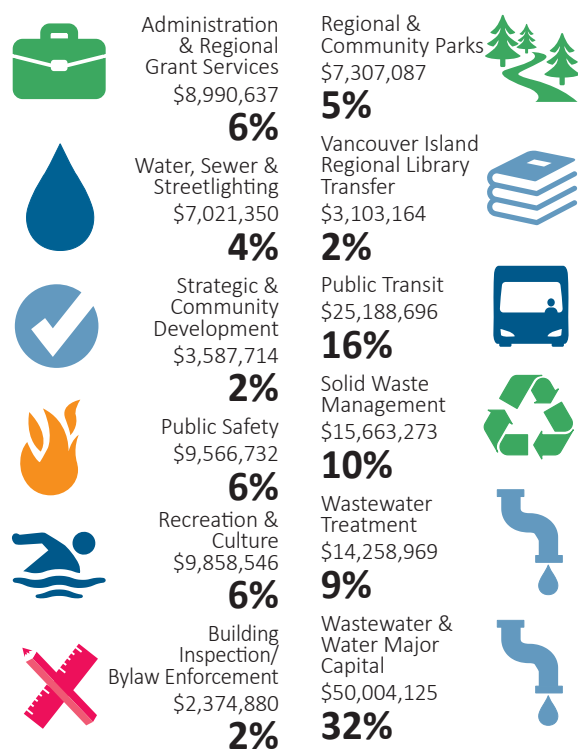
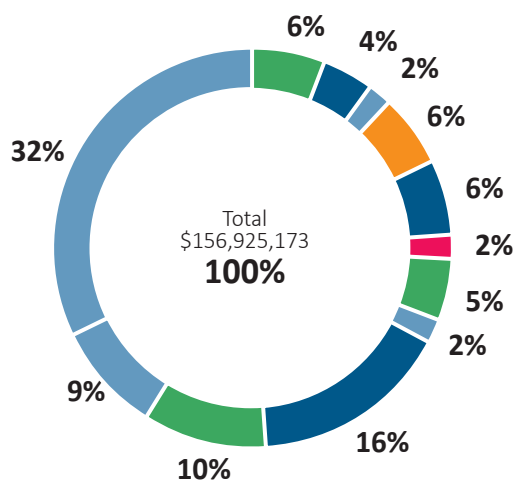


THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?



WHERE DOES THE MONEY GO?



CAPITAL EXPENDITURES FOR 2018

THESE ARE THE RDN'S LARGEST INVESTMENTS IN THE COMING YEAR:



THE RDN IS ALSO WORKING ON OTHER MAJOR PROJECTS THAT MAY IMPACT YOUR AREA. THESE INCLUDE:

- 2018 Local Government Elections
- Transit Service Expansion - 5,000 hours
- Wildfire Interface Fuel Inventory Plans
- Fire Services Delivery Model Review
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Get Involved RDN!

| | 2018 | 2017 |
|---|-------------|-------------|
| Area 'C' contribution to RDN General Services property taxes total | \$1,173,027 | \$1,156,986 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$124.40 | \$124.60 |
| Average residential dwelling assessment value* | \$456,403 | \$456,403 |
| Average Area 'C' General Services property tax amount** | \$589.27 | \$590.68 |
| Change from prior year | -0.2% | |

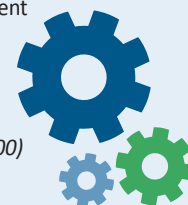
HOW THE FUNDS ARE SPENT IN YOUR AREA



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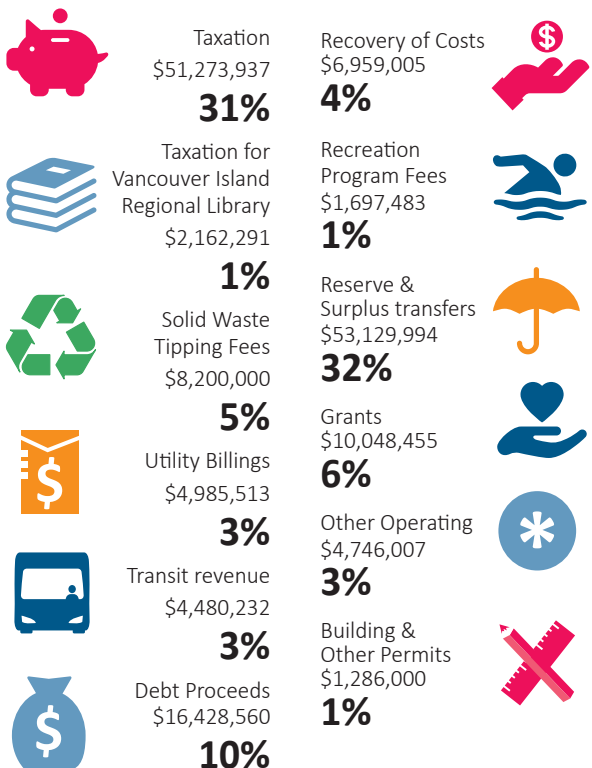
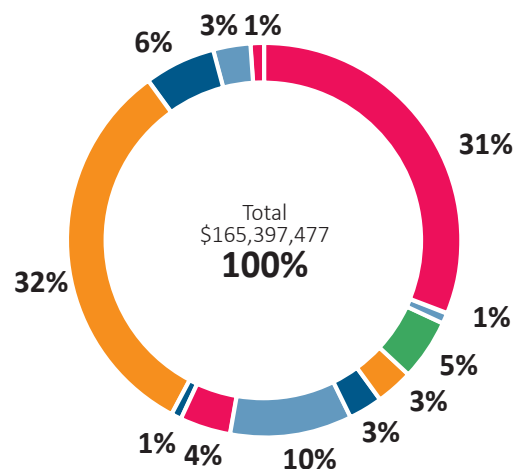
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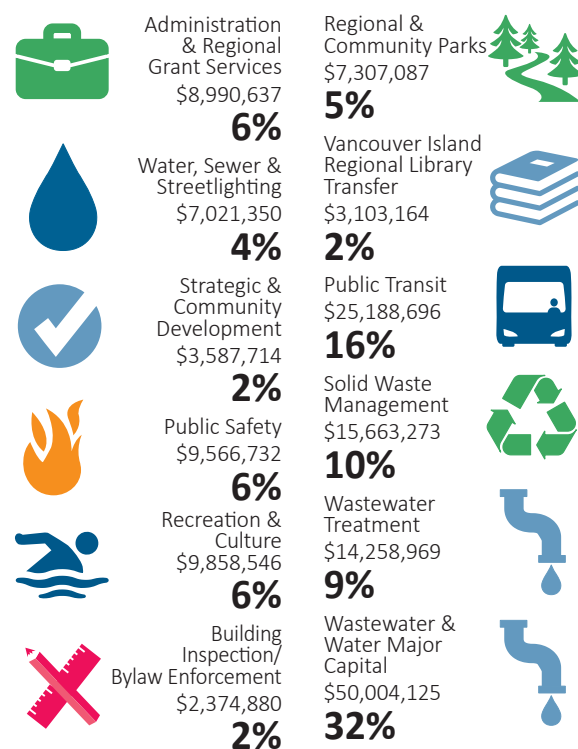
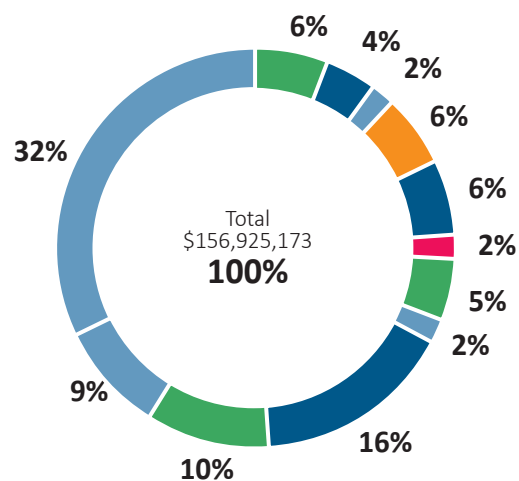


THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?



WHERE DOES THE MONEY GO?



CAPITAL EXPENDITURES FOR 2018

THESE ARE THE RDN'S LARGEST INVESTMENTS IN THE COMING YEAR:



THE RDN IS ALSO WORKING ON OTHER MAJOR PROJECTS THAT MAY IMPACT YOUR AREA. THESE INCLUDE:

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- Transit Service Expansion - 5,000 hours
- Wildfire Interface Fuel Inventory Plans
- Fire Services Delivery Model Review
- Oceanside Area Recreation Master Plan Implementation
- Regional Parks Service Review Implementation
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Get Involved RDN!

| | 2018 | 2017 |
|---|-------------|-------------|
| Area 'E' contribution to RDN General Services property taxes total | \$2,382,170 | \$2,345,638 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$106.40 | \$106.10 |
| Average residential dwelling assessment value* | \$575,236 | \$575,236 |
| Average Area 'E' General Services property tax amount** | \$638.84 | \$639.49 |
| Change from prior year | -0.1% | |

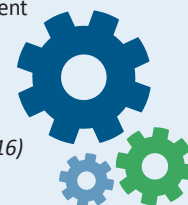
HOW THE FUNDS ARE SPENT IN YOUR AREA



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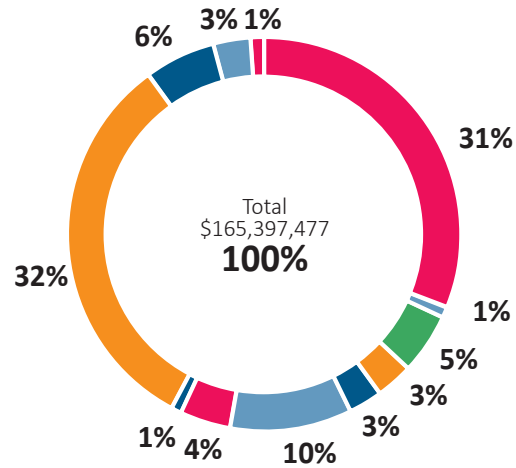
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THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?



Taxation
\$51,273,937
31%

Recovery of Costs
\$6,959,005
4%



Taxation for Vancouver Island Regional Library
\$2,162,291
1%

Recreation Program Fees
\$1,697,483
1%



Solid Waste Tipping Fees
\$8,200,000
5%

Reserve & Surplus transfers
\$53,129,994
32%



Utility Billings
\$4,985,513
3%

Grants
\$10,048,455
6%



Transit revenue
\$4,480,232
3%

Other Operating
\$4,746,007
3%

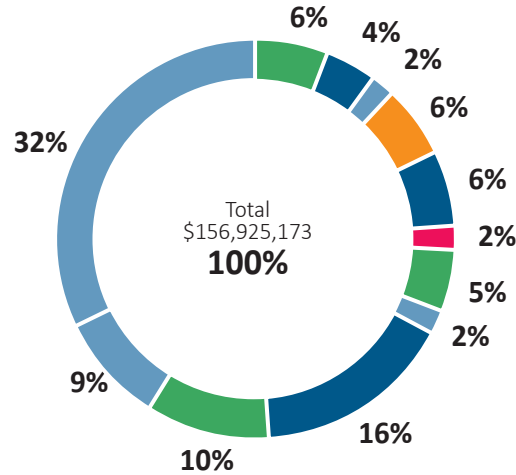


Debt Proceeds
\$16,428,560
10%

Building & Other Permits
\$1,286,000
1%



WHERE DOES THE MONEY GO?



Administration & Regional Grant Services
\$8,990,637
6%

Regional & Community Parks
\$7,307,087
5%



Water, Sewer & Streetlighting
\$7,021,350
4%

Vancouver Island Regional Library Transfer
\$3,103,164
2%



Strategic & Community Development
\$3,587,714
2%

Public Transit
\$25,188,696
16%



Public Safety
\$9,566,732
6%

Solid Waste Management
\$15,663,273
10%



Recreation & Culture
\$9,858,546
6%

Wastewater Treatment
\$14,258,969
9%



Building Inspection/Bylaw Enforcement
\$2,374,880
2%

Wastewater & Water Major Capital
\$50,004,125
32%



CAPITAL EXPENDITURES FOR 2018

THESE ARE THE RDN'S LARGEST INVESTMENTS IN THE COMING YEAR:

| | |
|-------------------------------|--------------|
| Wastewater Treatment | \$44,228,232 |
| Water Services | \$5,775,893 |
| Solid Waste/Regional Landfill | \$1,409,042 |
| Fire Departments | \$3,083,838 |
| Transit | \$2,458,000 |
| Parks & Recreation | \$4,148,320 |

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Get Involved RDN!

| | 2018 | 2017 |
|---|-------------|-------------|
| Area 'F' contribution to RDN General Services property taxes total | \$2,109,093 | \$2,056,852 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$139.80 | \$138.20 |
| Average residential dwelling assessment value* | \$321,334 | \$321,334 |
| Average Area 'F' General Services property tax amount** | \$476.01 | \$473.24 |
| Change from prior year | 0.6% | |

HOW THE FUNDS ARE SPENT IN YOUR AREA

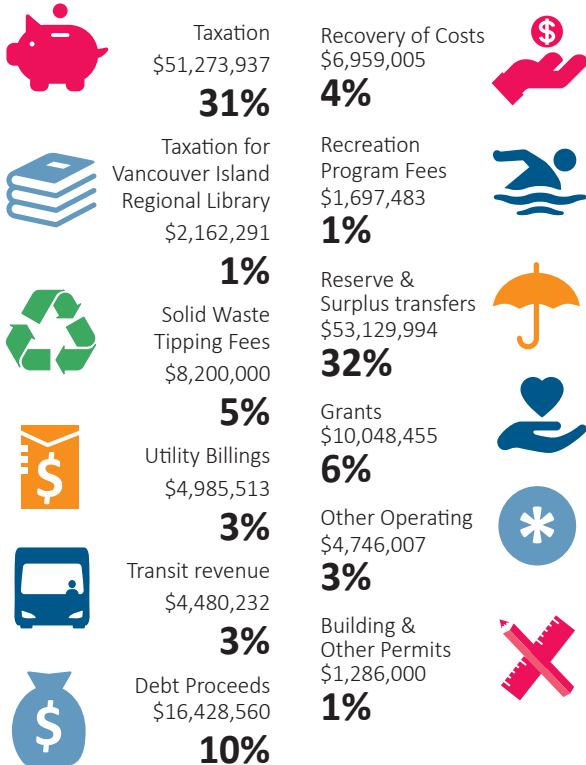
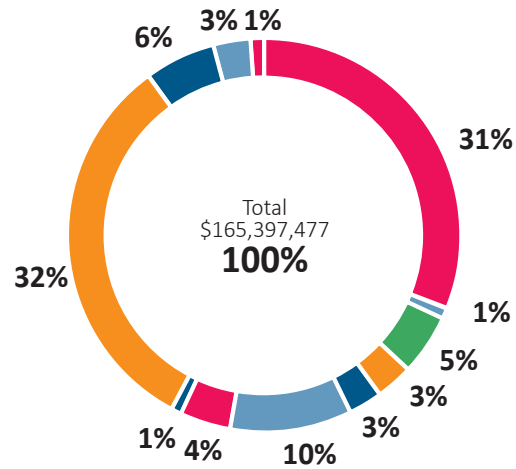
| | | |
|---|--|-----|
| ADMINISTRATION & REGIONAL GRANT SERVICES | | 7% |
| COMMUNITY & REGIONAL DEVELOPMENT | | 15% |
| SOLID WASTE MANAGEMENT | | 2% |
| COMMUNITY & REGIONAL PARKS | | 13% |
| COMMUNITY & REGIONAL RECREATION & CULTURE | | 38% |
| PUBLIC SAFETY & EMERGENCY SERVICES | | 8% |
| VANCOUVER ISLAND REGIONAL LIBRARY | | 17% |

NOTES: You may also have specific local taxes included on your tax notice for services such as your fire department. Local services taxes are applied on an assessment basis only to properties in the specific area.
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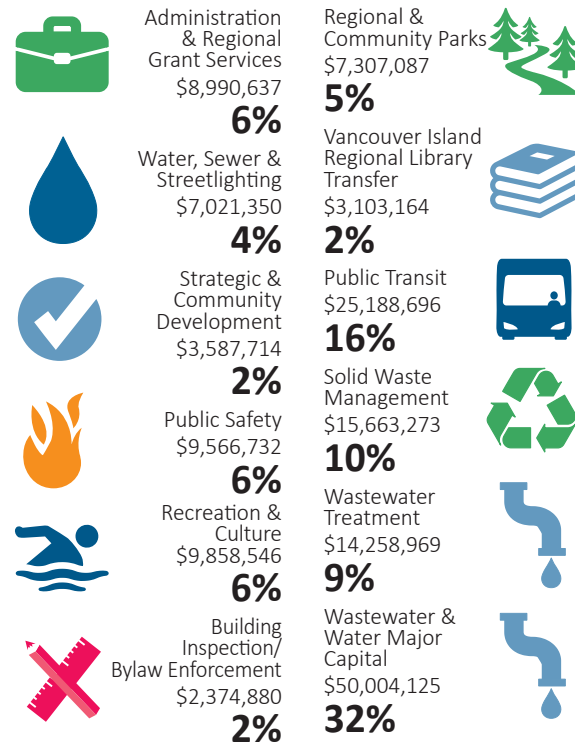
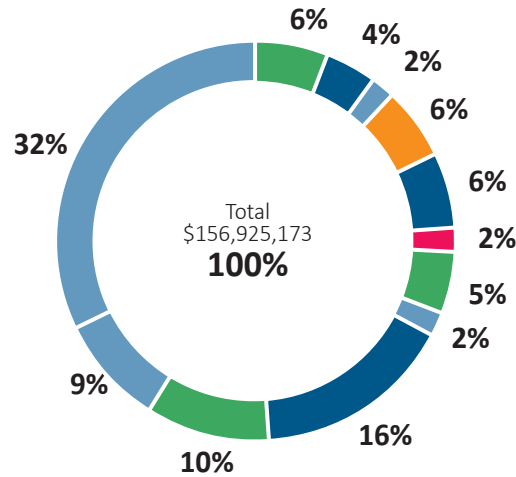


THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?



WHERE DOES THE MONEY GO?



CAPITAL EXPENDITURES FOR 2018

THESE ARE THE RDN'S LARGEST INVESTMENTS IN THE COMING YEAR:



THE RDN IS ALSO WORKING ON OTHER MAJOR PROJECTS THAT MAY IMPACT YOUR AREA. THESE INCLUDE:

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Get Involved RDN!

| | 2018 | 2017 |
|---|-------------|-------------|
| Area 'G' contribution to RDN General Services property taxes total | \$2,748,430 | \$2,673,831 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$139.80 | \$137.40 |
| Average residential dwelling assessment value* | \$477,510 | \$477,510 |
| Average Area 'G' General Services property tax amount** | \$694.35 | \$685.26 |
| Change from prior year | 1.3% | |

HOW THE FUNDS ARE SPENT IN YOUR AREA



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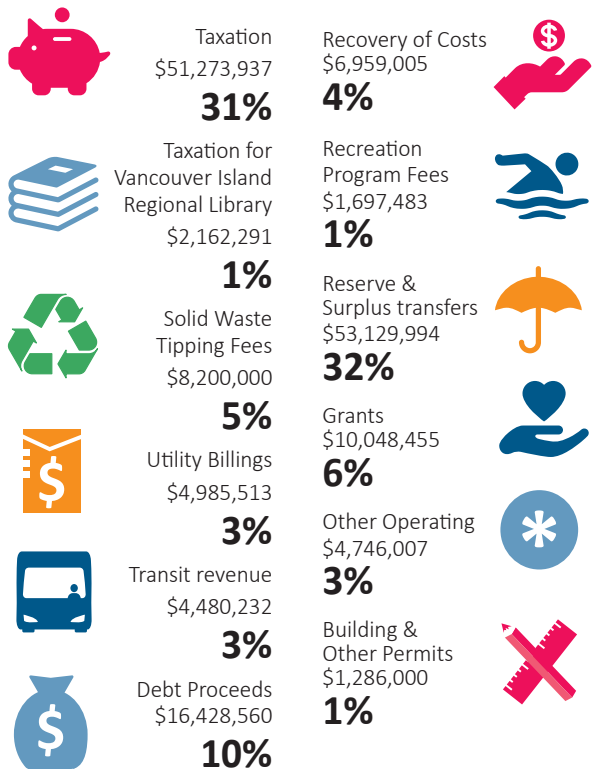
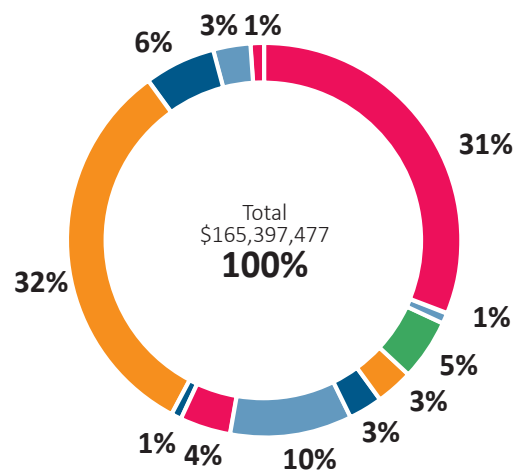
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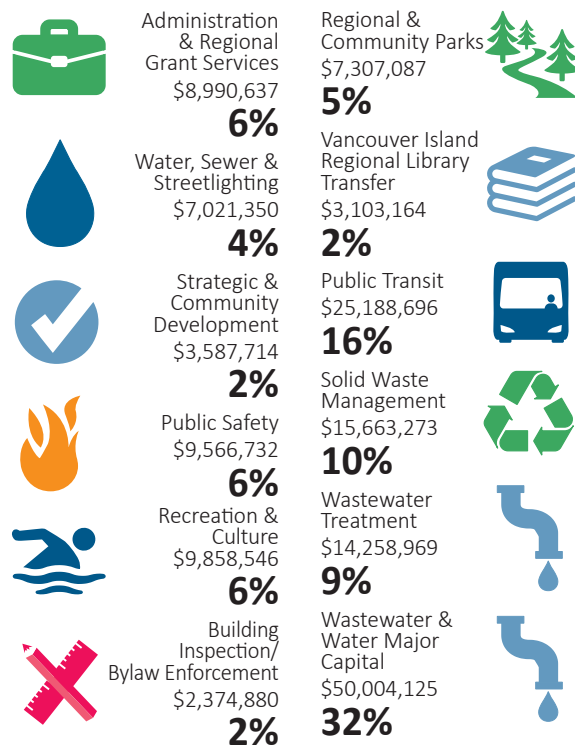
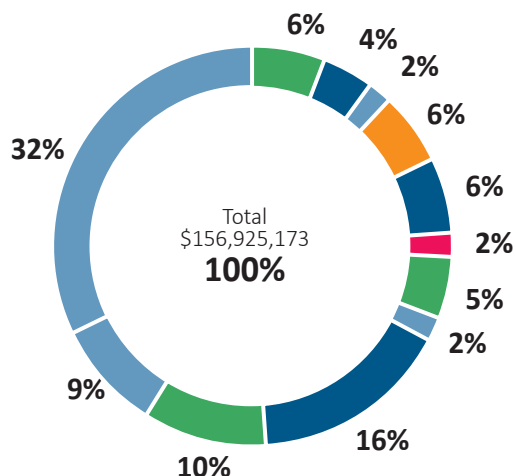


THE RDN RECEIVES REVENUE FROM MULTIPLE SOURCES

WHERE DOES THE MONEY COME FROM?

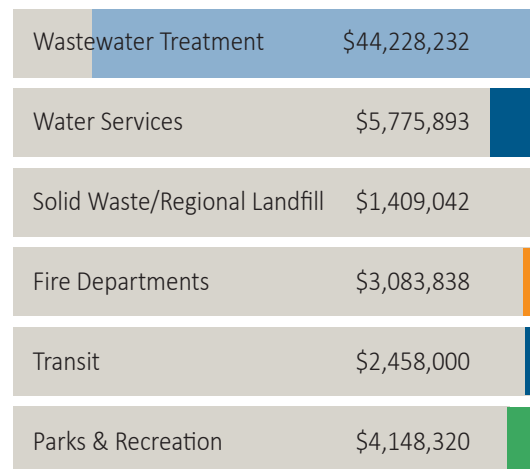


WHERE DOES THE MONEY GO?



CAPITAL EXPENDITURES FOR 2018

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Get Involved RDN!

| | 2018 | 2017 |
|---|-------------|-------------|
| Area 'H' contribution to RDN General Services property taxes total | \$1,546,472 | \$1,535,160 |
| Estimated RDN General Services tax rate per \$100,000 of assessment | \$128.90 | \$129.60 |
| Average residential dwelling assessment value* | \$394,030 | \$394,030 |
| Average Area 'H' General Services property tax amount** | \$534.69 | \$539.82 |
| Change from prior year | -0.9% | |

HOW THE FUNDS ARE SPENT IN YOUR AREA

| | | |
|---|--|-----|
| ADMINISTRATION & REGIONAL GRANT SERVICES | | 8% |
| COMMUNITY & REGIONAL DEVELOPMENT | | 16% |
| SOLID WASTE MANAGEMENT | | 1% |
| COMMUNITY & REGIONAL PARKS | | 17% |
| COMMUNITY & REGIONAL RECREATION & CULTURE | | 30% |
| PUBLIC SAFETY & EMERGENCY SERVICES | | 9% |
| TRANSIT SERVICES | | 4% |
| VANCOUVER ISLAND REGIONAL LIBRARY | | 15% |

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**2018
MEMBER SUMMARY
ESTIMATED GENERAL SERVICES PROPERTY TAX CHANGE**

| | City of Nanaimo | District of Lantzville | City of Parksville | Town of Qualicum Beach | Area A Cedar Yellowpoint Cassidy | Area B Gabriola Mudge Decourcey Islands | Area C Extension E. Wellington Pleasant Valley | Area E Nanoose Bay | Area F Coombs Hilliers Errington | Area G French Creek San Pareil Surfside | Area H Bowser Deep Bay |
|--------------------------------------|-----------------|------------------------|--------------------|------------------------|----------------------------------|---|--|--------------------|----------------------------------|---|------------------------|
| General Services Property Tax | | | | | | | | | | | |
| 2018 | \$ 100.90 | \$ 92.60 | \$ 165.80 | \$ 139.40 | \$ 144.90 | \$ 105.80 | \$ 124.40 | \$ 106.40 | \$ 139.80 | \$ 139.80 | \$ 128.90 |
| 2017 | \$ 91.60 | \$ 89.00 | \$ 167.40 | \$ 138.40 | \$ 144.60 | \$ 101.10 | \$ 124.60 | \$ 106.10 | \$ 138.20 | \$ 137.40 | \$ 129.60 |
| Change per \$100,000 | \$ 9.30 | \$ 3.60 | \$ (1.60) | \$ 1.00 | \$ 0.30 | \$ 4.70 | \$ (0.20) | \$ 0.30 | \$ 1.60 | \$ 2.40 | \$ (0.70) |
| Regional Parcel Taxes | | | | | | | | | | | |
| 2018 | \$ 21.50 | \$ 21.50 | \$ 25.73 | \$ 25.73 | \$ 21.50 | \$ 21.50 | \$ 21.50 | \$ 26.79 | \$ 26.79 | \$ 26.79 | \$ 26.79 |
| 2017 | \$ 22.00 | \$ 22.00 | \$ 27.10 | \$ 27.10 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 29.16 | \$ 29.16 | \$ 29.16 | \$ 29.16 |
| Change per property | \$ (0.50) | \$ (0.50) | \$ (1.37) | \$ (1.37) | \$ (0.50) | \$ (0.50) | \$ (0.50) | \$ (2.37) | \$ (2.37) | \$ (2.37) | \$ (2.37) |
| Total change at \$100,000 | \$ 8.80 | \$ 3.10 | \$ (2.97) | \$ (0.37) | \$ (0.20) | \$ 4.20 | \$ (0.70) | \$ (2.07) | \$ (0.77) | \$ 0.03 | \$ (3.07) |
| Total change at \$200,000 | \$ 18.10 | \$ 6.70 | \$ (4.57) | \$ 0.63 | \$ 0.10 | \$ 8.90 | \$ (0.90) | \$ (1.77) | \$ 0.83 | \$ 2.43 | \$ (3.77) |
| Total change at \$300,000 | \$ 27.40 | \$ 10.30 | \$ (6.17) | \$ 1.63 | \$ 0.40 | \$ 13.60 | \$ (1.10) | \$ (1.47) | \$ 2.43 | \$ 4.83 | \$ (4.47) |
| Total change at \$400,000 | \$ 36.70 | \$ 13.90 | \$ (7.77) | \$ 2.63 | \$ 0.70 | \$ 18.30 | \$ (1.30) | \$ (1.17) | \$ 4.03 | \$ 7.23 | \$ (5.17) |

**2018 BUDGET
ANALYSIS OF CHANGES IN GENERAL PROPERTY TAX**

| | % | | |
|---|--------|--------------|--|
| | Change | | |
| General Services Property Tax Revenues 2017 | | 40,892,343 | |
| Changed service levels | | | |
| Southern Community Wastewater | | 983,000 | New debt servicing and capital program for secondary treatment/marine outfall |
| Legislative Services | | 185,000 | Website upgrades, two new board members, board orientation/strategic planning, grant coordinator contract and volunteer appreciation |
| Southern Community Transit | | 135,000 | September 2018 Proposed Service Expansion impact net of 2017 carry forward surplus |
| Southern Economic Development | | (125,000) | Pending service review, retain requisition to Gabriola portion only |
| Northern Community Recreation | | 85,000 | EA H new service delivery model, Recreation Master Plan implementation allowance and Enhanced Summer & Adult Program offerings |
| Northern Community Transit | | 65,000 | Remainder of new hours for Northern service expansion |
| Regional Economic Development Service | | 50,000 | New service agreement for funding to INFilm |
| Electoral Areas Administration | | 50,000 | 2018 Election costs and allowance for all EA Directors to attend FCM |
| Bylaw Enforcement Services | | 45,000 | Additional bylaw enforcement officer services (allocated across Noise, Animal, Hazardous Properties, Planning, Building Inspection and Parks) |
| Oceanside Place | | 25,000 | Recreation Master Plan implementation allowance |
| Emergency Planning | | 21,000 | Gap analysis projects implementation |
| Area G Community Parks | | 17,000 | Blue Water Project |
| Area E Community Parks | | 14,000 | Stone Lake Playground, Brickyard, Es-hw Smen~nts improvements |
| Area A Community Parks | | 13,500 | Woodbank School maintenance agreement |
| Area F Community Parks | | 12,000 | Errington Community Park Playground Design and Palmer Rd Trail project |
| Electoral Area H Feasibility Services | | 10,000 | Raise funds for new service feasibility studies/voter approval |
| | 3.9% | 1,585,500 | |
| Changes for Other Jurisdictions | | | |
| Vancouver Island Regional Library | | 93,531 | Budget per VIRL = 3.98% increase, impact to RDN share is 4.5%, allocation is based on population and assessment as RDN growth larger than other areas |
| D69 E911 | | 41,323 | NI 911 Partnership allocation based on property assessment, NI 911 budget increase = 2.6%, RDN share increase = 5.7% as RDN growth larger than other areas |
| Southern Community - Facilities & Sportsfield agreement | | 37,762 | Estimate only pending final numbers from City of Nanaimo |
| Northern Community - Sportsfield agreement | | 15,035 | Estimate only pending final numbers from Parksville & Qualicum Beach |
| D68 E911 | | 3,117 | Annual requisition increase |
| | 0.5% | 190,768 | |
| Changes within existing service levels | | | |
| Community Grants | | 48,850 | 2017 had one-time impact of ICF requisition repayment which is reversed in 2018 |
| Drinking Water/Watershed Protection | | (32,000) | Reduced requisition due to application of 2017 surplus |
| Northern Economic Development | | (24,000) | Reduced requisition due to application of 2017 surplus |
| Northern Community Justice | | (26,400) | Reduced requisition due to application of 2017 surplus resulting from gap in service during transition to new provider |
| Regional Growth Strategy | | (21,700) | Reduced requisition due to application of 2017 surplus |
| Other increases/decreases | | 757,017 | Includes \$100,000 for solid waste increase to offset tipping fee revenue decline and develop reserves |
| | 1.7% | 701,767 | |
| General Services Property Tax Revenues 2017 - Change | 6.1% | 43,370,378 | |
| Total Annual 2018 Tax Revenues | | 53,436,228 | |
| Less: Local Service Area/Parcel Taxes | | (10,065,850) | |
| 2018 General Services Tax Revenues | | 43,370,378 | |
| 2017 General Services Tax Revenues | | (40,892,343) | |
| Change | 6.1% | 2,478,035 | |

**2018 BUDGET
ANALYSIS OF CHANGES IN GENERAL PROPERTY TAX**

%

Change

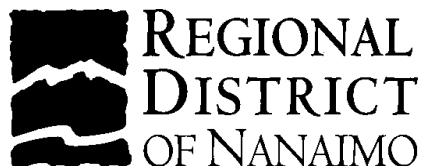
**General services property taxes are levied to all properties within the Electoral Area.
Local Service Area taxes are paid only by property owners within the
boundaries of the specific service area.**

Local Services Property Tax Revenues 2018 - Change

| | |
|---|------------------|
| Local Service Area/Parcel taxes in 2018 | 10,065,850 |
| Local Service Area/Parcel taxes in 2017 | <u>9,202,167</u> |
| change from 2017 | 863,683 |
| | 9.39% |

Local Services Property Tax Revenues 2018 - Largest Changes

| | | |
|------------------------------------|-------------|---|
| French Creek Fire Service | 169,000 | Impact of revised agreement with Parksville for service and Epcor Hydrant servicing rates allowance |
| All fire service areas | 86,000 | Fire Services Review implementation and additional financial administration |
| Nanoose Bulk Water | 81,000 | Englishman River Water Service Joint Venture capital program and debt servicing |
| Dashwood Fire Service | 70,000 | Maintain reserve for summer coverage as well as capital reserve contribution increase |
| Errington Fire Service | 69,000 | Build capital reserves and debt servicing for new trucks |
| Nanoose Bay Fire Service | 60,000 | Build capital reserves as well as wage increase and building maintenance increase |
| Coombs-Hilliers Fire Service | 60,000 | Increased training, equipment and call/pay allowances budgets |
| Nanoose Peninsula Water | 45,000 | Capital program and debt servicing |
| French Creek Sewer | 40,000 | Transfer to French Creek Pollution Control Centre (FCPCC) and maintain reserve fund |
| Fairwinds Sewer/Nanoose Wastewater | 25,000 | Capital program and unrealized service area growth previously predicted by developer |
| Bow Horn Bay Fire Service | 14,000 | Build reserve funds - satellite hall Spider Lake area |
| Barclay Crescent Sewer | 12,000 | Transfer to French Creek Pollution Control Centre (FCPCC) and maintain reserve fund |
| Whiskey Creek Water | 9,000 | Condition assessment project and maintain reserve fund |
| | 7.4% | 740,000 |



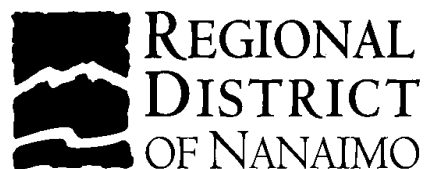
2018 BUDGET
SUMMARY OF PARTICIPATION BY MEMBER

| | 2017 Final | 2018 Proposed | Change from 2017 | Changed Service Levels | Other Jurisdictions | Existing Service Levels |
|--|------------|---------------|--------------------|------------------------|---------------------|-------------------------|
| City of Nanaimo | 18,235,346 | 20,278,026 | 2,042,680 11.2% | 1,238,981 6.8% | 0 0.0% | 803,699 4.4% |
| General Services Tax cost per \$100,000 | \$91.60 | \$100.90 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| | \$113.60 | \$122.40 | | | | |
| Change from previous year | (\$5.20) | \$8.80 | | | | |
| District of Lantzville | 813,398 | 857,408 | 44,010 5.4% | 15,321 1.9% | 14,334 1.8% | 14,355 1.8% |
| General Services Tax cost per \$100,000 | \$89.00 | \$92.60 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| | \$111.00 | \$114.10 | | | | |
| Change from previous year | (\$8.00) | \$3.10 | | | | |
| City of Parksville | 5,281,545 | 5,304,148 | 22,603 0.4% | 80,164 1.5% | 10,313 0.2% | (67,874) -1.3% |
| General Services Tax cost per \$100,000 | \$167.40 | \$165.80 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| District 69 Community Justice | \$5.10 | \$4.23 | | | | |
| | \$194.50 | \$191.53 | | | | |
| Change from previous year | (\$12.27) | (\$2.97) | | | | |
| Town of Qualicum Beach | 3,536,420 | 3,609,744 | 73,324 2.1% | 54,845 1.6% | 8,433 0.2% | 10,046 0.3% |
| General Services Tax cost per \$100,000 | \$138.40 | \$139.40 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| District 69 Community Justice | \$5.10 | \$4.23 | | | | |
| | \$165.50 | \$165.13 | | | | |
| Change from previous year | (\$15.47) | (\$0.37) | | | | |



**2018 BUDGET
SUMMARY OF PARTICIPATION BY MEMBER**

| | 2017 Final | 2018 Proposed | Change from 2017 | Changed Service Levels | Other Jurisdictions | Existing Service Levels |
|--|------------|---------------|------------------|------------------------|---------------------|-------------------------|
| Electoral Area A | 1,951,724 | 1,979,106 | 27,382 1.4% | (29,996) -1.5% | 27,488 1.4% | 29,890 1.5% |
| General Services Tax cost per \$100,000 | \$144.60 | \$144.90 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| | \$166.60 | \$166.40 | | | | |
| Change from previous year | (\$11.20) | (\$0.20) | | | | |
| Electoral Area B | 1,305,443 | 1,382,755 | 77,312 5.9% | 18,284 1.4% | 14,229 1.1% | 44,799 3.4% |
| General Services Tax cost per \$100,000 | \$101.10 | \$105.80 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| | \$123.10 | \$127.30 | | | | |
| Change from previous year | \$1.90 | \$4.20 | | | | |
| Electoral Area C | 1,156,986 | 1,173,027 | 16,041 1.4% | (37,685) -3.3% | 18,060 1.6% | 35,666 3.1% |
| General Services Tax cost per \$100,000 | \$124.60 | \$124.40 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| | \$146.60 | \$145.90 | | | | |
| Change from previous year | (\$17.30) | (\$0.70) | | | | |
| Electoral Area E | 2,345,638 | 2,382,169 | 36,531 1.6% | 78,294 3.3% | 27,688 1.2% | (69,451) -3.0% |
| General Services Tax cost per \$100,000 | \$106.10 | \$106.40 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| Economic Development Northern Community | \$2.06 | \$1.06 | | | | |
| District 69 Community Justice | \$5.10 | \$4.23 | | | | |
| | \$135.26 | \$133.19 | | | | |
| Change from previous year | (\$1.98) | (\$2.07) | | | | |



2018 BUDGET
SUMMARY OF PARTICIPATION BY MEMBER

| | 2017 Final | 2018 Proposed | Change from 2017 | Changed Service Levels | Other Jurisdictions | Existing Service Levels |
|--|-------------------|-------------------|------------------|------------------------|---------------------|-------------------------|
| Electoral Area F | 2,056,852 | 2,109,093 | 52,241 2.5% | 49,698 2.4% | 25,914 1.3% | (23,371) -1.1% |
| General Services Tax cost per \$100,000 | \$138.20 | \$139.80 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| Economic Development Northern Community | \$2.06 | \$1.06 | | | | |
| District 69 Community Justice | \$5.10 | \$4.23 | | | | |
| | \$167.36 | \$166.59 | | | | |
| Change from previous year | (\$11.48) | (\$0.77) | | | | |
| Electoral Area G | 2,673,831 | 2,748,430 | 74,599 2.8% | 74,948 2.8% | 29,271 1.1% | (29,620) -1.1% |
| General Services Tax cost per \$100,000 | \$137.40 | \$139.80 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| Economic Development Northern Community | \$2.06 | \$1.06 | | | | |
| District 69 Community Justice | \$5.10 | \$4.23 | | | | |
| | \$166.56 | \$166.59 | | | | |
| Change from previous year | (\$10.58) | \$0.03 | | | | |
| Electoral Area H | 1,535,160 | 1,546,472 | 11,312 0.7% | 42,646 2.8% | 15,038 1.0% | (46,372) -3.0% |
| General Services Tax cost per \$100,000 | \$129.60 | \$128.90 | | | | |
| Regional Parcel Taxes | | | | | | |
| Regional Parks | \$14.00 | \$14.00 | | | | |
| Drinking Water/Watershed Protection | \$8.00 | \$7.50 | | | | |
| Economic Development Northern Community | \$2.06 | \$1.06 | | | | |
| District 69 Community Justice | \$5.10 | \$4.23 | | | | |
| | \$158.76 | \$155.69 | | | | |
| Change from previous year | (\$11.88) | (\$3.07) | | | | |
| General Services Tax Revenues | 40,892,343 | 43,370,378 | | | | |
| Change from previous year | 5.0% | 6.1% | | | | |
| Local Services Tax Revenues | 9,202,168 | 10,065,850 | | | | |
| Tax Revenues/Municipal Participation Agreements | 50,094,511 | 53,436,228 | | | | |
| Change from previous year | 5.5% | 6.7% | | | | |



GENERAL REVENUE FUND
2018 Proposed Budget

| | CORPORATE | SERVICES | STRATEGIC & COMM | DEVELOPMENT |
|--|---------------------|---------------------|-----------------------------|--------------------|
| | Budget | Budget | Budget | Budget |
| | 2017 | 2018 | 2017 | 2018 |
| OPERATING REVENUES | | | | |
| TAX REQUISITION | (3,938,708) | (4,482,894) | (2,520,650) | (2,417,534) |
| OPERATING GRANTS | (140,935) | (160,935) | (111,528) | (56,945) |
| OPERATING REVENUE | (21,876) | (22,961) | (1,341,711) | (1,606,640) |
| OTHER REVENUE | (12,077,579) | (11,052,143) | (520,475) | (1,165,249) |
| TOTAL OPERATING REVENUES | (16,179,098) | (15,718,933) | (4,494,364) | (5,246,368) |
| OPERATING EXPENDITURES | | | | |
| OFFICE OPERATING | 199,854 | 228,693 | 399,203 | 436,114 |
| COMMUNITY GRANTS | 787,764 | 132,600 | 0 | 0 |
| LEGISLATIVE | 510,135 | 719,730 | 0 | 0 |
| PROFESSIONAL FEES | 447,280 | 408,016 | 375,600 | 563,830 |
| BUILDING - OPER & MAINT | 336,890 | 341,303 | 41,313 | 40,813 |
| VEH & EQUIP - OPER & MAINT | 195,005 | 236,051 | 76,593 | 77,831 |
| OTHER OPERATING COSTS | 779,909 | 1,349,723 | 667,267 | 796,468 |
| WAGES & BENEFITS | 4,296,083 | 4,404,453 | 2,713,800 | 3,250,744 |
| PROGRAM COSTS | 0 | 0 | 263,661 | 417,400 |
| DEBT - FINANCING - INTEREST | 3,422,558 | 2,966,469 | 0 | 0 |
| DEBT - FINANCING - PRINCIPAL | 3,187,018 | 3,188,064 | 0 | 0 |
| TRANSFER TO RESERVE FUND | 214,105 | 209,770 | 121,875 | 122,152 |
| TRANSFER TO OTHER GOV'T/AGENCIES | 2,132,608 | 2,196,139 | 304,278 | 245,542 |
| TOTAL OPERATING EXPENDITURES | 16,509,209 | 16,381,011 | 4,963,590 | 5,950,894 |
| CAPITAL ASSET EXPENDITURES | | | | |
| CAPITAL EXPENDITURES | 638,500 | 926,450 | 108,000 | 11,700 |
| TRANSFERS FROM RESERVES | (410,000) | (637,800) | (10,000) | 0 |
| CAPITAL GRANTS AND OTHER | 0 | 0 | (90,000) | 0 |
| NEW BORROWING | 0 | 0 | 0 | 0 |
| NET CAPITAL ASSETS FUNDED FROM OPERATIONS | 228,500 | 288,650 | 8,000 | 11,700 |
| ACCUMULATED SURPLUS | | | | |
| NET (SURPLUS) DEFICIT | 558,611 | 950,728 | 477,226 | 716,226 |
| TRANSFER TO APPROPRIATED SURPLUS | 0 | 0 | 0 | 0 |
| TRANSFER FROM APPROPRIATED SURPLUS | 0 | (161,500) | 0 | (328,011) |
| PRIOR YEARS (SURPLUS) DEFICIT | (1,368,957) | (1,101,066) | (1,313,645) | (1,258,769) |
| CURRENT YEAR UNAPPROPRIATED (SURPLUS) DEFICIT | (810,346) | (311,838) | (836,419) | (870,554) |



GENERAL REVENUE FUND
2018 Proposed Budget

| | REGIONAL & Budget 2017 | COMM UTILITIES Budget 2018 | RECREATION & Budget 2017 | PARKS SERVICES Budget 2018 |
|--|---|---|---|---|
| OPERATING REVENUES | | | | |
| TAX REQUISITION | (17,978,926) | (19,555,765) | (10,469,799) | (10,828,085) |
| OPERATING GRANTS | (62,906) | (97,806) | (66,250) | (60,410) |
| OPERATING REVENUE | (14,393,684) | (15,223,650) | (1,661,151) | (1,727,263) |
| OTHER REVENUE | (1,227,918) | (1,624,978) | (33,679) | (34,879) |
| TOTAL OPERATING REVENUES | (33,663,434) | (36,502,199) | (12,230,879) | (12,650,637) |
| OPERATING EXPENDITURES | | | | |
| OFFICE OPERATING | 1,803,988 | 1,883,976 | 656,703 | 629,460 |
| COMMUNITY GRANTS | 0 | 0 | 0 | 0 |
| LEGISLATIVE | 0 | 0 | 1,500 | 1,500 |
| PROFESSIONAL FEES | 1,143,615 | 1,293,178 | 361,800 | 417,300 |
| BUILDING - OPER & MAINT | 1,652,401 | 1,691,382 | 741,528 | 757,602 |
| VEH & EQUIP - OPER & MAINT | 1,756,208 | 1,736,946 | 195,035 | 175,646 |
| OTHER OPERATING COSTS | 10,812,632 | 10,940,829 | 1,300,132 | 1,242,384 |
| WAGES & BENEFITS | 8,511,337 | 9,260,472 | 4,602,844 | 4,804,424 |
| PROGRAM COSTS | 210,050 | 161,700 | 635,527 | 696,952 |
| DEBT - FINANCING - INTEREST | 724,959 | 1,238,295 | 407,498 | 419,387 |
| DEBT - FINANCING - PRINCIPAL | 599,380 | 1,138,352 | 413,967 | 416,450 |
| TRANSFER TO RESERVE FUND | 5,637,006 | 6,856,131 | 1,612,030 | 1,634,561 |
| TRANSFER TO OTHER GOV'T/AGENCIES | 0 | 0 | 1,754,447 | 1,772,584 |
| TOTAL OPERATING EXPENDITURES | 32,851,576 | 36,201,261 | 12,683,011 | 12,968,250 |
| CAPITAL ASSET EXPENDITURES | | | | |
| CAPITAL EXPENDITURES | 56,763,792 | 51,975,064 | 4,585,279 | 4,255,674 |
| TRANSFERS FROM RESERVES | (31,685,806) | (32,816,004) | (2,059,251) | (2,710,000) |
| CAPITAL GRANTS AND OTHER | (3,654,294) | (2,777,324) | (2,089,403) | (50,000) |
| NEW BORROWING | (18,924,870) | (14,733,560) | 0 | (1,000,000) |
| NET CAPITAL ASSETS FUNDED FROM OPERATIONS | 2,498,822 | 1,648,176 | 436,625 | 495,674 |
| ACCUMULATED SURPLUS | | | | |
| NET (SURPLUS) DEFICIT | 1,686,964 | 1,347,238 | 888,757 | 813,287 |
| TRANSFER TO APPROPRIATED SURPLUS | 0 | 0 | 0 | 0 |
| TRANSFER FROM APPROPRIATED SURPLUS | 0 | (437,000) | 0 | (110,000) |
| PRIOR YEARS (SURPLUS) DEFICIT | (4,510,066) | (4,892,125) | (1,725,785) | (1,682,971) |
| CURRENT YEAR UNAPPROPRIATED (SURPLUS) DEFICIT | (2,823,102) | (3,981,887) | (837,028) | (979,684) |



GENERAL REVENUE FUND
2018 Proposed Budget

| | TRANSIT & Budget 2017 | EMERGENCY SERVICES Budget 2018 | TOTAL Budget 2017 | PROPOSED Budget 2018 | BUDGET % Change |
|--|--|---|----------------------------------|-------------------------------------|--------------------------------|
| OPERATING REVENUES | | | | | |
| TAX REQUISITION | (15,186,692) | (16,151,950) | (50,094,775) | (53,436,228) | 6.7% |
| OPERATING GRANTS | (6,285,715) | (6,706,995) | (6,667,334) | (7,083,091) | |
| OPERATING REVENUE | (4,677,956) | (4,657,649) | (22,096,378) | (23,238,163) | |
| OTHER REVENUE | (1,673,119) | (1,596,096) | (15,532,770) | (15,473,345) | |
| TOTAL OPERATING REVENUES | (27,823,482) | (29,112,690) | (94,391,257) | (99,230,827) | |
| OPERATING EXPENDITURES | | | | | |
| OFFICE OPERATING | 1,463,914 | 1,557,630 | 4,523,662 | 4,735,873 | |
| COMMUNITY GRANTS | 0 | 0 | 787,764 | 132,600 | |
| LEGISLATIVE | 0 | 0 | 511,635 | 721,230 | |
| PROFESSIONAL FEES | 136,550 | 254,850 | 2,464,845 | 2,937,174 | |
| BUILDING - OPER & MAINT | 514,585 | 509,949 | 3,286,717 | 3,341,049 | |
| VEH & EQUIP - OPER & MAINT | 5,510,282 | 5,361,142 | 7,733,123 | 7,587,616 | |
| OTHER OPERATING COSTS | 3,794,410 | 3,756,680 | 17,354,350 | 18,086,084 | |
| WAGES & BENEFITS | 12,542,035 | 12,915,981 | 32,666,099 | 34,636,074 | |
| PROGRAM COSTS | 0 | 128,500 | 1,109,238 | 1,404,552 | |
| DEBT - FINANCING - INTEREST | 170,267 | 177,167 | 4,725,282 | 4,801,318 | |
| DEBT - FINANCING - PRINCIPAL | 171,404 | 215,769 | 4,371,769 | 4,958,635 | |
| TRANSFER TO RESERVE FUND | 784,613 | 1,220,353 | 8,369,629 | 10,042,967 | |
| TRANSFER TO OTHER GOV'T/AGENCIES | 2,725,663 | 3,028,069 | 6,916,996 | 7,242,334 | |
| TOTAL OPERATING EXPENDITURES | 27,813,723 | 29,126,090 | 94,821,109 | 100,627,506 | 6.1% |
| CAPITAL ASSET EXPENDITURES | | | | | |
| CAPITAL EXPENDITURES | 3,811,300 | 5,629,338 | 65,906,871 | 62,798,226 | |
| TRANSFERS FROM RESERVES | (2,489,930) | (3,944,698) | (36,654,987) | (40,108,502) | |
| CAPITAL GRANTS AND OTHER | (140,070) | (280,140) | (5,973,767) | (3,107,464) | |
| NEW BORROWING | (220,000) | (695,000) | (19,144,870) | (16,428,560) | |
| NET CAPITAL ASSETS FUNDED FROM OPERATIONS | 961,300 | 709,500 | 4,133,247 | 3,153,700 | |
| ACCUMULATED SURPLUS | | | | | |
| NET (SURPLUS) DEFICIT | 951,541 | 722,900 | 4,563,099 | 4,550,379 | |
| TRANSFER TO APPROPRIATED SURPLUS | 0 | 0 | 0 | 0 | |
| TRANSFER FROM APPROPRIATED SURPLUS | 0 | (480,000) | 0 | (1,516,511) | |
| PRIOR YEARS (SURPLUS) DEFICIT | (3,244,614) | (2,625,050) | (12,163,067) | (11,559,981) | |
| CURRENT YEAR UNAPPROPRIATED (SURPLUS) DEFICIT | (2,293,073) | (2,382,150) | (7,599,968) | (8,526,113) | |



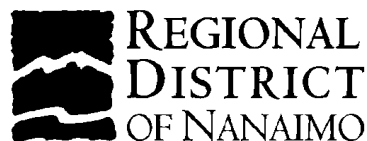
Summary of Tax Revenues By Service

| | 2016 FINAL | 2017 FINAL | 2018 Proposed Nov 2017 | change from 2017 \$ | change from 2017 % |
|--|---------------|---------------|------------------------------|---------------------------|--------------------------|
| CORPORATE SERVICES | | | | | |
| Legislative Services | 1,103,007 | 1,333,157 | 1,612,815 | 279,658 | 21.0% |
| House Numbering | 21,500 | 21,500 | 21,900 | 400 | 1.9% |
| Electoral Areas Admin/Building Policy & Advice | 428,795 | 449,221 | 509,214 | 59,993 | 13.4% |
| Lantzville Service Participation Agreement | 19,136 | 19,720 | 20,482 | 762 | 3.9% |
| Community Grants | 80,150 | 19,350 | 68,192 | 48,842 | 252.4% |
| Feasibility Studies/Referendums | | 27,000 | 38,000 | 11,000 | 40.7% |
| | 1,652,588 | 1,869,948 | 2,270,603 | | |
| STRATEGIC & COMMUNITY DEVELOPMENT | | | | | |
| Electoral Area Community & Long Range Planning | 1,495,256 | 1,562,543 | 1,625,045 | 62,502 | 4.0% |
| Regional Growth Strategy | 433,857 | 455,549 | 433,857 | (21,692) | -4.8% |
| Economic Development - Regional | | | 50,000 | 50,000 | NEW |
| Economic Development - Southern Community | 177,000 | 190,000 | 65,000 | (125,000) | -65.8% |
| Economic Development - Northern Community | 50,000 | 50,000 | 25,836 | (24,164) | -48.3% |
| Animal Control - Area A , B, C, Lantzville | 67,482 | 68,832 | 68,832 | 0 | 0.0% |
| Animal Control Area E, G, H | 83,252 | 84,917 | 89,163 | 4,246 | 5.0% |
| Animal Control Area F | 18,595 | 18,781 | 18,969 | 188 | 1.0% |
| Hazardous Properties | 14,511 | 36,927 | 32,473 | (4,454) | -12.1% |
| Unightly Premises | 7,841 | 11,638 | 12,220 | 582 | 5.0% |
| Noise Control | 38,734 | 41,463 | 46,139 | 4,676 | 11.3% |
| | 2,386,528 | 2,520,650 | 2,467,534 | | |
| RECREATION & PARKS | | | | | |
| Ravensong Aquatic Centre | 2,524,505 | 1,970,329 | 1,990,032 | 19,703 | 1.0% |
| Oceanside Place | 1,878,543 | 1,934,899 | 1,973,597 | 38,698 | 2.0% |
| Northern Community Recreation | 1,107,471 | 1,140,657 | 1,278,230 | 137,573 | 12.1% |
| Gabriola Island Recreation | 111,876 | 115,233 | 118,690 | 3,457 | 3.0% |
| Area A Recreation & Culture | 188,171 | 198,816 | 202,792 | 3,976 | 2.0% |
| Port Theatre/Cultural Centre Contribution | 82,869 | 83,813 | 85,012 | 1,199 | 1.4% |
| Regional Parks - operating | 1,329,060 | 1,362,287 | 1,389,533 | 27,246 | 2.0% |
| Regional Parks - capital | 946,036 | 954,772 | 958,510 | 3,738 | 0.4% |
| Electoral Areas Community Parks | 1,100,610 | 1,245,439 | 1,315,338 | 69,899 | 5.6% |
| | 9,269,141 | 9,006,245 | 9,311,734 | | |
| REGIONAL & COMMUNITY UTILITIES | | | | | |
| Southern Wastewater Treatment | 6,107,395 | 7,023,504 | 8,147,265 | 1,123,761 | 16.0% |
| Northern Wastewater Treatment | 3,924,468 | 4,114,561 | 4,179,181 | 64,620 | 1.6% |
| Liquid Waste Management Planning | 168,366 | 171,733 | 175,168 | 3,435 | 2.0% |
| Drinking Water/Watershed Protection | 505,237 | 545,584 | 513,488 | (32,096) | -5.9% |
| Solid Waste Management & Disposal | 578,088 | 722,610 | 831,132 | 108,522 | 15.0% |
| | 11,283,554 | 12,577,992 | 13,846,234 | | |



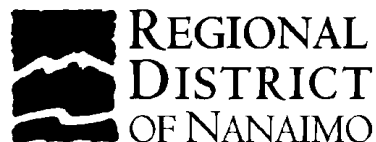
Summary of Tax Revenues By Service

| | 2016 FINAL | 2017 FINAL | 2018 Proposed Nov 2017 | change from 2017 \$ | change from 2017 % |
|---|---------------|---------------|------------------------------|---------------------------|--------------------------|
| TRANSIT & EMERGENCY SERVICES | | | | | |
| Southern Community Transit | 8,565,785 | 8,822,759 | 9,087,442 | 264,683 | 3.0% |
| Northern Community Transit | 1,012,665 | 1,093,679 | 1,181,386 | 87,707 | 8.0% |
| Descanso Bay Emergency Wharf | 5,914 | 6,961 | 6,891 | (70) | -1.0% |
| Gabriola Transit contribution | 97,665 | 136,000 | 136,000 | 0 | 0.0% |
| Gabriola Taxi Saver | 11,940 | 0 | 4,332 | 4,332 | 0.0% |
| Emergency Planning | 272,354 | 305,040 | 332,494 | 27,454 | 9.0% |
| Lantzville Service Participation Agreement | 24,203 | 26,819 | 29,442 | 2,623 | 9.8% |
| District 68 Search & Rescue | 47,563 | 47,884 | 47,400 | (484) | -1.0% |
| District 69 Marine Search & Rescue | 5,000 | 5,000 | 5,000 | 0 | 0.0% |
| District 69 Land Search & Rescue | 10,000 | 10,200 | 10,200 | 0 | 0.0% |
| Southern Restorative Justice/Victim Services | 16,000 | 16,000 | 16,125 | 125 | 0.8% |
| Northern Community Justice | 122,300 | 123,560 | 102,921 | (20,639) | -16.7% |
| | 10,191,389 | 10,593,902 | 10,959,633 | | |
| GENERAL TAXATION FOR OTHER JURISDICTIONS | | | | | |
| SD 68 Emergency 911 | 151,278 | 155,820 | 158,937 | 3,117 | 2.0% |
| SD 69 Emergency 911 | 605,464 | 635,737 | 677,060 | 41,323 | 6.5% |
| Southern Community Recreation | 1,157,962 | 1,162,847 | 1,200,609 | 37,762 | 3.2% |
| Northern Community Sportsfield Agreement | 274,647 | 300,707 | 315,742 | 15,035 | 5.0% |
| Vancouver Island Regional Library | 1,990,949 | 2,068,760 | 2,162,291 | 93,531 | 4.5% |
| | 4,180,300 | 4,323,871 | 4,514,639 | | |
| GENERAL SERVICES PROPERTY TAX REVENUES | | | | | |
| | 38,963,500 | 40,892,608 | 43,370,377 | | |
| Change from previous year | 5.4% | 5.0% | 6.1% | | |
| LOCAL SERVICE AREA TAX REVENUES | | | | | |
| Duke Point Wastewater Treatment | 226,779 | 231,315 | 238,254 | 6,939 | 3.0% |
| Northern Community Wastewater - other benefitting areas | 940,977 | 994,156 | 1,029,819 | 35,663 | 3.6% |
| Fire Protection Areas | 3,433,724 | 3,801,233 | 4,356,320 | 555,087 | 14.6% |
| Streetlighting Service Areas | 84,789 | 88,715 | 92,520 | 3,805 | 4.3% |
| Stormwater Management | 9,739 | 9,839 | 10,036 | 197 | 2.0% |
| Utility Services | 3,829,623 | 4,076,909 | 4,338,902 | 261,993 | 6.4% |
| | 8,525,631 | 9,202,167 | 10,065,851 | | |
| NET PROPERTY TAX REVENUES/MUNICIPAL SERVICE PARTICIPATION AGREEMENTS | | | | | |
| | 47,489,131 | 50,094,775 | 53,436,228 | | |
| Change from previous year | 5.5% | 5.5% | 6.7% | | |



Summary of Tax Revenues By Service

| | 2016 FINAL | 2017 FINAL | 2018 Proposed Nov 2017 | change from 2017 \$ | change from 2017 % |
|---|---------------|---------------|------------------------------|---------------------------|--------------------------|
| ADDITIONAL DETAILS - GENERAL SERVICES | | | | | |
| PORT THEATRE/CULTURAL CENTRE CONTRIBUTION | | | | | |
| Electoral Area A | 15,120 | 15,347 | 15,577 | 230 | 1.5% |
| Electoral Area B | 27,136 | 27,363 | 27,593 | 230 | 0.8% |
| Electoral Area C (Extension) | 15,020 | 15,126 | 15,474 | 348 | 2.3% |
| Electoral Area C (E. Wellington) | 3,890 | 3,948 | 4,009 | 61 | 1.5% |
| Electoral Area E | 21,703 | 22,029 | 22,359 | 330 | 1.5% |
| | 82,869 | 83,813 | 85,012 | | |
| COMMUNITY PARKS | | | | | |
| Electoral Area A | 186,000 | 198,490 | 212,384 | 13,894 | 7.0% |
| Electoral Area B | 188,828 | 277,000 | 282,160 | 5,160 | 1.9% |
| Electoral Area C (Extension) | 66,161 | 68,807 | 71,559 | 2,752 | 4.0% |
| Electoral Area C (E. Wellington) | 85,409 | 89,679 | 91,473 | 1,794 | 2.0% |
| Electoral Area E | 126,000 | 142,080 | 156,288 | 14,208 | 10.0% |
| Electoral Area F | 148,800 | 156,240 | 168,739 | 12,499 | 8.0% |
| Electoral Area G | 114,739 | 126,623 | 144,350 | 17,727 | 14.0% |
| Electoral Area H | 184,673 | 186,520 | 188,385 | 1,865 | 1.0% |
| | 1,100,610 | 1,245,439 | 1,315,338 | | |
| ADDITIONAL DETAILS - LOCAL SERVICES TAX REVENUES | | | | | |
| FIRE PROTECTION | | | | | |
| Nanaimo River Fire (Area C) | 17,792 | 17,792 | 17,792 | 0 | 0.0% |
| Coombs-Hilliers Fire Volunteer (Area F) | 406,318 | 466,606 | 535,639 | 69,033 | 14.8% |
| Errington Fire Volunteer (Area F) | 452,901 | 561,600 | 641,503 | 79,903 | 14.2% |
| Nanoose Bay Fire Volunteer (Area E) | 644,095 | 705,955 | 804,495 | 98,540 | 14.0% |
| Dashwood Fire Volunteer (Area F, G, H) | 527,960 | 556,409 | 638,410 | 82,001 | 14.7% |
| Meadowood Fire (Area F) | 139,358 | 139,358 | 139,457 | 99 | 0.1% |
| Extension Fire Volunteer (Area C) | 157,736 | 166,808 | 175,173 | 8,365 | 5.0% |
| Bow Horn Bay (Area H) | 333,448 | 353,104 | 374,290 | 21,186 | 6.0% |
| Cassidy Waterloo Fire Contract (Area A, C) | 158,758 | 166,759 | 174,893 | 8,134 | 4.9% |
| Wellington Fire Contract (Area C - Pleasant Valley) | 75,644 | 80,456 | 84,687 | 4,231 | 5.3% |
| Parksville (Local) Fire Contract (Area G) | 94,172 | 97,014 | 111,551 | 14,537 | 15.0% |
| French Creek Fire Contract (Area G) | 425,542 | 489,372 | 658,430 | 169,058 | 34.5% |
| | 3,433,724 | 3,801,233 | 4,356,320 | | |
| STREETLIGHTING | | | | | |
| Rural Areas Streetlighting | 16,356 | 16,683 | 17,017 | 334 | 2.0% |
| Fairwinds Streetlighting | 23,500 | 23,500 | 23,500 | 0 | 0.0% |
| French Creek Village Streetlighting | 6,851 | 8,221 | 9,043 | 822 | 10.0% |
| Highway Intersections Streetlighting (French Creek) | 1,173 | 1,279 | 1,599 | 320 | 25.0% |
| Morningstar Streetlighting | 15,300 | 16,065 | 16,708 | 643 | 4.0% |
| Sandpiper Streetlighting | 11,962 | 12,799 | 14,079 | 1,280 | 10.0% |
| Hwy # 4 (Area F) | 3,850 | 4,081 | 4,244 | 163 | 4.0% |
| Englishman River Community | 5,797 | 6,087 | 6,330 | 243 | 4.0% |
| | 84,789 | 88,715 | 92,520 | | |
| NOISE CONTROL | | | | | |
| Noise Control Area A | 7,271 | 8,541 | 9,543 | 1,002 | 11.7% |
| Noise Control Area B | 8,575 | 9,178 | 9,958 | 780 | 8.5% |
| Noise Control Area C | 7,068 | 7,599 | 9,039 | 1,440 | 18.9% |
| Noise Control Area E | 7,496 | 7,571 | 8,253 | 682 | 9.0% |
| Noise Control Area G | 8,324 | 8,574 | 9,346 | 772 | 9.0% |
| | 38,734 | 41,463 | 46,139 | | |
| UTILITIES | | | | | |
| Englishman River Community Stormwater | 5,014 | 5,114 | 5,216 | 102 | 2.0% |
| Cedar Sewer Stormwater | 4,725 | 4,725 | 4,820 | 95 | 2.0% |
| | 9,739 | 9,839 | 10,036 | | |



Summary of Tax Revenues By Service

| | 2016 FINAL | 2017 FINAL | 2018 Proposed Nov 2017 | change from 2017 | \$ | change from 2017 % | 2017 | 2018 | Change |
|--|---------------|---------------|------------------------------|---------------------|----|--------------------------|--------|--------|--------|
| UTILITY SERVICES - PARCEL TAX REVENUES | | | | | | | | | |
| WATER UTILITIES | | | | | | | | | |
| Nanoose Peninsula (Area E) | 851,881 | 902,994 | 948,144 | 45,150 | | 5.0% | 358 | 376 | 18 |
| Driftwood (Area E) | 5,458 | 5,457 | 5,458 | 1 | | 0.0% | 420 | 420 | 0 |
| Surfside (Area G) | 14,083 | 14,505 | 15,956 | 1,451 | | 10.0% | 372 | 409 | 37 |
| French Creek (Area G) | 72,243 | 77,300 | 85,030 | 7,730 | | 10.0% | 323 | 356 | 32 |
| Englishman River Community (Area G) | 37,602 | 37,602 | 39,482 | 1,880 | | 5.0% | 240 | 251 | 12 |
| Whiskey Creek Water (Area F) | 89,824 | 90,722 | 99,794 | 9,072 | | 10.0% | 720 | 792 | 72 |
| San Pareil Water (Area G) | 133,480 | 133,480 | 140,154 | 6,674 | | 5.0% | 460 | 483 | 23 |
| San Pareil Water (Fire Improvements Debt Levy) | 74,212 | 74,213 | 74,212 | (1) | | 0.0% | 277 | 277 | (0) |
| Melrose Place (Area F) | 22,597 | 23,049 | 23,740 | 691 | | 3.0% | 823 | 848 | 25 |
| Decourcey Water (Area A) | 7,871 | 8,186 | 9,005 | 819 | | 10.0% | 1,637 | 1,801 | 164 |
| Nanoose Bulk Water (Area E) | 937,418 | 1,021,786 | 1,103,529 | 81,743 | | 8.0% | 405 | 437 | 32 |
| French Creek Bulk Water (Area G) | 4,320 | 4,320 | 4,320 | 0 | | 0.0% | 2 | 2 | 0 |
| Westurne Heights Water | | 19,295 | 20,260 | 965 | | 5.0% | 1,135 | 1,192 | 57 |
| | 2,250,989 | 2,412,909 | 2,569,084 | | | | | | |
| SEWAGE COLLECTION UTILITIES | | | | | | | | | |
| Hawthorne Rise Debt Levy | 8,138 | 9,941 | 9,941 | 0 | | 0.0% | 710 | 710 | 0 |
| Reid Road Debt Levy | 5,316 | 3,625 | 3,624 | (1) | | 0.0% | 604 | 604 | (0) |
| French Creek (Area G) | 635,083 | 685,890 | 747,620 | 61,730 | | 9.0% | 358 | 390 | 32 |
| Fairwinds (Area E) | 557,798 | 581,919 | 608,034 | 26,115 | | 4.5% | 731 | 764 | 33 |
| Surfside Sewer (Area G) | 21,209 | 21,633 | 22,715 | 1,082 | | 5.0% | 801 | 841 | 40 |
| Pacific Shores (Area E) | 66,638 | 69,970 | 73,469 | 3,499 | | 5.0% | 542 | 570 | 27 |
| Barclay Crescent (Area G) | 150,473 | 156,492 | 169,011 | 12,519 | | 8.0% | varies | varies | |
| Cedar Sewer Service (Operating) (Area A) | 28,191 | 28,755 | 29,618 | 863 | | 3.0% | varies | varies | |
| Cedar Sewer Service (Capital Financing) (Area A) | 105,788 | 105,775 | 105,786 | 11 | | 0.0% | varies | varies | |
| | 1,578,634 | 1,664,000 | 1,769,818 | | | | | | |
| TOTAL UTILITY PARCEL TAX REVENUES | | | | | | | | | |
| | 3,829,623 | 4,076,909 | 4,338,902 | | | | | | |
| Change from previous year | 6.0% | 6.5% | 6.4% | | | | | | |

TO: Committee of the Whole
FROM: Manvir Manhas
Manager, Capital Accounting & Financial Reporting
MEETING: November 28, 2017
FILE: 1870-01
SUBJECT: Quarterly Financial Report – Third Quarter - 2017

RECOMMENDATION

That the financial report for the period January 1, 2017 to September 30, 2017 be received for information.

SUMMARY

The preliminary year-end projections indicate all services are within budget or under budget as a result of reduced operating costs and carry forward projects. Operating revenues are at 87% of the budget due to higher than expected revenues across several services including Building Inspection and Solid Waste. Consolidated total operating revenues and expenditures are close to the 75% benchmark. The majority of variances are due to timing differences in recording revenues and expenses. Capital spending is at 13% of the budget due to the timing of capital projects and the drawdown accounting approach where transfers from reserves and Development Cost Charge revenues are recorded only when project expenses are incurred. Preliminary year-end projections include \$2.5 million in appropriated operating surplus for carry forward projects and the BC Transit special reserve adjustment being carried to 2018.

BACKGROUND

The Regional Board is provided with quarterly financial progress statements in order to review both positive and negative budget trends. Other than taxation revenue which is accrued evenly through the year and shows at 75% of budget, revenues and expenses are incurred as projects are completed. Variances are explained below at an organizational level and specific service variations are explained in Attachment 1.

Economic Overview

Canada

Due to growth in the first half of the year, real GDP for Canada is forecast to grow at 3.1 per cent in 2017¹. Inflation was 1.4% in August and is expected to continue to rise towards 2% for the end of 2017 and through 2018. The Bank of Canada recently raised its key interest rate, with increases of 25 basis

¹ Bank of Canada. Monetary Policy Report, October 2017

points in both July and September resulting in both higher borrowing costs and higher investment returns for local governments.

British Columbia (Content provided by TD Economics²)

Even with a hiccup in the housing market last year, British Columbia's economy has managed to record growth of over 3% for three consecutive years, and is on track to make it a fourth. Widespread strength across most industries has helped to boost employment in the province by nearly 4% so far this year, bringing the unemployment rate down to 5.1% in August – the lowest level seen since 2008. While robust hiring demand has done little to raise wages, consumers continue to punch beyond their weight. Similar to Ontario, wealth effects stemming from earlier gains in home prices appear to be an important catalyst to household spending. Two soft spots across the province's economic landscape are residential construction, as housing starts are down following last year's surge, and forestry, which has been hard hit by the wildfires that have swept through the southern part of the province.

Similar to Ontario, the consumer spending environment will become more challenging thanks to higher interest rates and the diminishing impact of past wealth effects. What's more, in the Budget Update, the new NDP government announced a higher personal tax rate on incomes above \$150,000, as well as a higher carbon price that will ultimately filter its way down to gasoline prices. Corporate income taxes will also rise, limiting cash that businesses could put toward investment. The Update did include some increase in spending that could provide some offsetting stimulus. Further policy announcements will likely come in Budget 2018 next spring and, given the change in government, presents some uncertainty surrounding the outlook. The government is not in favour of LNG development, but that may not be an issue in the near term as the deterioration in economics has led to the shelving of a couple projects in recent months. As it stands now, economic growth in the province is expected to come in at just over 2% in 2018, before sliding to 1.7% in 2019.

Regional District of Nanaimo

There are many positive economic indicators affecting the Regional District of Nanaimo. The unemployment rate on Vancouver Island for October 2017 of 4.9% is on par with the Provincial rate which was the lowest in Canada during the month of October³. BC Ferries September 2017 Year to Date Passenger and Vehicle traffic are up 2.7% and 3.0% at Departure Bay and 8.6% and 7.2% at Duke Point over September 2016⁴. Average house prices for October 2017 at \$501,400 in Nanaimo and \$524,900 in Parksville/Qualicum are up 15.9% and 16.8% respectively over October 2016⁵. Total building permits issued within the Regional District of Nanaimo including municipalities increased from 1,092 in 2015 to 1,456 in 2016. For January through September 2017, 1,041 total building permits have been reported compared to 1,124 permits for the same period in 2016 representing a decrease of 7.3% which, as indicated above in the BC Section, may indicate some cooling of the housing market. Yearend results may provide a clearer understanding of the local housing trends.

Overall Summary by Division (Attachment 2)

The Overall Summary by Division provides an overview of the year-to-date results at a divisional level.

² TD Economics Provincial Economic Forecast (September 28, 2017)

³ Statistics Canada, Labour Force Survey Issue #17-10, October 2017

⁴ BC Ferries, Traffic Statistics System Total Vehicle and Passenger Counts by Route for September 2017

⁵ Vancouver Island Real Estate Board Single Family Home Benchmark Price, October 2016

Capital Accounts

Overall capital spending is at 13% of budget due to the timing of capital projects, in particular the \$45 million allocated for 2017 to the secondary treatment project at the Greater Nanaimo Pollution Control Centre for which the construction is currently underway. Actual 2017 spending for the project is expected to be \$13 million with the remainder carried forward to 2018. The timing of capital projects also impacts professional fees (42%). Capital projects use a drawdown accounting approach where grant revenues and transfers from reserves and Development Cost Charge revenues are recorded when project expenses are incurred which in turn impact transfers from reserves (4%), capital grant revenues (9%), and new borrowing (30%). Other major capital works underway or beginning in 2017 are the Nanoose Bulk Water Joint Venture project, the Regional Parks Coombs to Parksville Rail Trail project, design work for the French Creek Pollution Control Centre, San Pareil Water Treatment upgrades, the Landfill Scale Replacement and the Huxley Park sport court and playground upgrades.

Operating Accounts

Consolidated total operating revenues are close to or over the 75% benchmark across all services with Building Inspection operating revenues at 108% of the budget and Solid Waste revenues at 92% of the budget.

Operating expenditure accounts are at 60% or more of budget other than professional fees (42% impacted by capital as noted above) and program costs (56%). Program costs reflect the Drinking Water/Watershed Protection rebate programs in Regional & Community Utilities (38%) and the Green Buildings rebate programs in Strategic & Community Development (22%) which are currently underway and expected to be fully allocated by the year-end.

Community Grants (90%) reflect the transfer to the City of Parksville for the social services facility.

Transfers to Reserve (100%) approved in the annual budget are completed and recorded in August when tax revenues are received from the Province and the municipalities.

Transfers to Other Gov't /Agencies (95%) reflect the timing of transfers to various organizations largely completed in August when tax revenues are received.

On a consolidated basis total operating expenditures are \$68 million or 72% of budget which reflects the items discussed above and those in Attachment 1. 2017 preliminary year-end projections indicate positive variances from budget across most services both as a result of capital and other projects being carried forward to 2018 and as a result of operational savings. Preliminary year-end projections include \$2.53 million in appropriated surplus for carry forward projects and the BC Transit special reserve adjustment being carried to 2018.

Summary of Operating Results by Department (Attachment 3)

The Summary of Operating Results by Department lists the total year-to-date revenues and expenditures for services within each organizational division at September 30. The majority of the variances are due to the timing of capital and operating projects and the related revenue accruals.

ALTERNATIVES

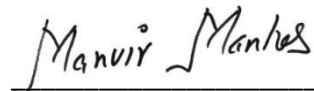
1. Receive the financial report for the period January 1, 2017 to September 30, 2017 for information.
2. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The preliminary year-end results indicate all services are within budget or under budget as a result of reduced operating costs and carry forward projects. There are no significant variances impacting the overall budget for the period ending September 30, 2017. All carry forward capital and operational projects have been incorporated in the 2018 to 2022 Financial Plan.

STRATEGIC PLAN IMPLICATIONS

Quarterly financial progress statements provide information to identify both positive and negative budget trends and to allow for improved financial planning. This directly supports the Board governing principles to “Be Transparent and Accountable” and to “Show Fiscal Restraint” through prudent use of tax dollars and to deliver the services expected by residents of the Region as cost effectively and economically as possible.



Manvir Manhas
mmanhas@rdn.bc.ca
November 3, 2017

Reviewed by:

- T. Moore, Acting Director of Finance
- W. Idema, Acting General Manager, Corporate Services
- G. Garbutt, Acting Chief Administrative Officer

Attachments

1. List of variances for September 30, 2017 quarterly reporting
2. Overall Summary by Division
3. Summary of Operating Results by Service

Services with variances as at September 30, 2017 are as follows:

| Services | Revenues | Expenditures | Explanation of variance |
|--|-------------------|----------------------|---|
| CORPORATE SERVICES | | | |
| Community Grants | 99% revenues | 91% expenditures | Revenues include transfer from reserve for return of ICF requisition. Expenditures include the transfer to Parksville for land acquisition for the social services housing facility. |
| Feasibility Studies | 79% revenues | 128% expenditures | Professional fees are impacted by expenditures related to the Bowser Sewer project. |
| Municipal Debt Transfers | 59% revenues | 59% expenditures | Timing of debt payments made to the Municipal Finance Authority on behalf of municipalities. |
| STRATEGIC & COMMUNITY DEVELOPMENT | | | |
| EA Community Planning | 77% revenues | 67% expenditures | Expenditures are impacted by staff vacancies and timing of projects. |
| Regional Growth Strategy | 82% revenues | 63% expenditures | 2016 carry forward surplus creates a positive variance for revenues. Expenditures are impacted by staff vacancies and timing of Green Building program costs. |
| Building Inspection | 104% revenues | 72% expenditures | Higher than expected building permit revenues and positive variance impact of 2016 carry forward surplus. |
| Hazardous Properties | 17% revenues | 6% expenditures | Cassidy property cleanup costs and related recovery invoice to property owner delayed pending completion of work. |
| REGIONAL & COMMUNITY UTILITIES | | | |
| Liquid Waste Management Planning | 111% revenues | 97% expenditures | Grant revenues and professional fees are impacted by additional funds allocated from Community Works Funds for the Bowser Sewer project. |
| Southern Community Wastewater | 22% revenues | 19% expenditures | Timing of major projects impacts capital expenditures and recognition of reserve/DCC revenues. GNPCC Secondary Treatment project will incur significant costs through the fall which will increase both revenues and expenses. |
| Drinking Water/Watershed Protection | 82% revenues | 58% expenditures | Impact of larger 2016 carry forward surplus creates positive variance for revenues. Rebate programs are currently underway and will be fully allocated by year end. |
| Nanoose Bay Bulk Water | 31% revenues | 32% expenditures | Timing of transfer to Parksville for RDN share of ERWS joint venture impacts reserve fund transfers to revenue as well as expenses. |
| Water Services | 26%-100% revenues | 21%-75% expenditures | Revenues reflect both spring and fall utility billings. Services showing lower revenues/expenditures are impacted by timing of projects resulting in lower capital expenditures which also impacts the revenues transferred in from reserves. |
| Sewer Fairwinds/Wastewater Nanoose | 86% revenues | 55% expenditures | Annual utility billing completed in May and the 2016 carry forward surplus generate a positive variance for revenues. Timing of projects impacts capital expenditures and professional fees. |
| Solid Waste Management | 81% revenues | 65% expenditures | Revenues reflect better than expected tipping fee revenues at 92% of budget. Expenditures are impacted by capital project timing. |
| Solid Waste Collection & Recycling | 86% revenues | 69% expenditures | Revenues reflect annual utility billing completed in May generating significant revenues in the earlier part of the year. Expenditures are impacted by delays in billing from haulers. |

Services with variances as at September 30, 2017 are as follows:

| Services | Revenues | Expenditures | Explanation of variance |
|--|------------------|----------------------|---|
| RECREATION & PARKS SERVICES | | | |
| Regional Parks | 44% revenues | 38% expenditures | Delays for park acquisitions and capital projects impact expenditures as well as related reserve transfer revenues. Also, the E&N Rail Trail project actual costs are lower than budget resulting in lower expense. |
| Community Parks | 45%-84% revenues | 37%-59% expenditures | The 2016 carry forward surplus generates higher revenues and includes \$207,000 appropriated for projects brought forward from 2016. Timing of capital and development projects impacts expenses, for example Huxley Park upgrades are underway this fall and the design project for Anders Dorrit will be carried forward to 2018. |
| Northern Community Recreation | 79% revenues | 86% expenditures | Summer programs generate additional expenses earlier in the year which will be offset by taxation revenue to be recorded in the fall. |
| Southern Community Recreation & Culture | 76% revenues | 98% expenditures | Expenditures are impacted by transfer to City of Nanaimo for facilities and sportsfields agreement completed in August. |
| TRANSIT & EMERGENCY SERVICES | | | |
| Fire - Coombs Hilliers | 81% revenues | 91% expenditures | Timing of truck purchases impacts expenditures and related reserve transfer revenues. |
| Fire - Errington | 45% revenues | 56% expenditures | Timing of engine truck purchases impacts expenditures and related reserve transfer revenues. |
| Fire - Nanoose Bay | 76% revenues | 50% expenditures | Timing of allowance paid to volunteers at year end impacts expenditures. |
| Fire - French Creek, Wellington and Parksville Local | 76%-87% revenues | 78%-98% expenditures | 2016 carry forward surplus generates positive variance for revenues. Expenditures reflect fire service contracts with Parksville, Qualicum and Nanaimo where funds are transferred in August. |
| Fire - Dashwood | 75% revenues | 94% expenditures | Expenditures are impacted by the timing of transfers to Dashwood Volunteer Fire Department. |
| Fire - Bow Horn Bay | 28% revenues | 36% expenditures | Delay in receipt of crown land tenure from province for satellite hall construction impacts expenditures and related reserve transfer revenues. |
| Emergency Planning | 60% revenues | 46% expenditures | Carry forward of generator capital project to 2018 impacts expenditures as well as related reserve transfer revenues. |
| D69 E911 | 77% revenues | 99% expenditures | Expenditures reflect the June timing of the transfer to the North Island 911 corporation. |
| District 68 Community Justice | 75% revenues | 100% expenditures | Transfers to victim services and restorative justice organizations occur in August. |
| District 69 Community Justice | 75% revenues | 48% expenditures | Oceanside Victim Services changed service provider during the year creating a gap in service where funding was not required. Surplus funds will be partially expended later in 2017 and carried forward to 2018. |



GENERAL REVENUE FUND
As of September 30, 2017

| | CORPORATE | | | SERVICES | | | STRATEGIC & COMMUNITY DEVELOPMENT | | |
|--|---------------------|---------------------|------------|--------------------|--------------------|------------|-----------------------------------|--------|-----|
| | Actual | Budget | % | Actual | Budget | % | Actual | Budget | % |
| | 2017 | 2017 | Var | 2017 | 2017 | Var | 2017 | 2017 | Var |
| OPERATING REVENUES | | | | | | | | | |
| TAX REQUISITION | (2,954,031) | (3,938,708) | 75% | (1,890,487) | (2,520,650) | 75% | | | |
| OPERATING GRANTS | (502,976) | (140,935) | 357% | (83,679) | (111,528) | 75% | | | |
| OPERATING REVENUE | (20,912) | (21,876) | 96% | (1,293,051) | (1,341,711) | 96% | | | |
| OTHER REVENUE | (8,207,575) | (12,077,579) | 68% | (285,399) | (520,475) | 55% | | | |
| TOTAL OPERATING REVENUES | (11,685,494) | (16,179,098) | 72% | (3,552,616) | (4,494,364) | 79% | | | |
| OPERATING EXPENDITURES | | | | | | | | | |
| OFFICE OPERATING | 111,686 | 199,854 | 56% | 269,873 | 399,203 | 68% | | | |
| COMMUNITY GRANTS | 705,367 | 787,764 | 90% | 0 | 0 | 0% | | | |
| LEGISLATIVE | 349,348 | 510,135 | 68% | 0 | 0 | 0% | | | |
| PROFESSIONAL FEES | 161,416 | 447,280 | 36% | 120,315 | 375,600 | 32% | | | |
| BUILDING - OPER & MAINT | 344,271 | 336,890 | 102% | 27,985 | 41,313 | 68% | | | |
| VEH & EQUIP - OPER & MAINT | 176,564 | 195,005 | 91% | 68,204 | 76,593 | 89% | | | |
| OTHER OPERATING COSTS | 438,808 | 779,909 | 56% | 457,047 | 667,267 | 68% | | | |
| WAGES & BENEFITS | 3,209,108 | 4,296,083 | 75% | 1,869,685 | 2,713,800 | 69% | | | |
| PROGRAM COSTS | 0 | 0 | 0% | 56,760 | 263,661 | 22% | | | |
| DEBT - FINANCING - INTEREST | 2,000,750 | 3,422,558 | 58% | 0 | 0 | 0% | | | |
| DEBT - FINANCING - PRINCIPAL | 1,992,443 | 3,187,018 | 63% | 0 | 0 | 0% | | | |
| TRANSFER TO RESERVE FUND | 210,396 | 214,105 | 98% | 118,500 | 121,875 | 97% | | | |
| TRANSFER TO OTHER GOV'T/AGENCIES | 1,868,825 | 2,132,608 | 88% | 38,803 | 304,278 | 13% | | | |
| TOTAL OPERATING EXPENDITURES | 11,568,982 | 16,509,209 | 70% | 3,027,172 | 4,963,590 | 61% | | | |
| CAPITAL ASSET EXPENDITURES | | | | | | | | | |
| CAPITAL EXPENDITURES | 127,117 | 638,500 | 20% | 23,239 | 108,000 | 22% | | | |
| TRANSFERS FROM RESERVES | (24,500) | (410,000) | 6% | 0 | (10,000) | 0% | | | |
| CAPITAL GRANTS AND OTHER | 0 | 0 | 0% | 0 | (90,000) | 0% | | | |
| NEW BORROWING | 0 | 0 | 0% | 0 | 0 | 0% | | | |
| NET CAPITAL ASSETS FUNDED FROM OPERATIONS | 102,617 | 228,500 | | 23,239 | 8,000 | | | | |
| ACCUMULATED SURPLUS | | | | | | | | | |
| NET (SURPLUS) DEFICIT | (13,895) | 558,611 | | (502,205) | 477,226 | | | | |
| TRANSFER TO APPROPRIATED SURPLUS | 172,500 | 0 | | 283,011 | 0 | | | | |
| TRANSFER FROM APPROPRIATED SURPLUS | 0 | 0 | | 0 | 0 | | | | |
| PRIOR YEARS (SURPLUS) DEFICIT | (1,368,957) | (1,368,957) | | (1,313,645) | (1,313,645) | | | | |
| CURRENT YEAR UNAPPROPRIATED (SURPLUS) DEFICIT | (1,210,352) | (810,346) | | (1,532,839) | (836,419) | | | | |



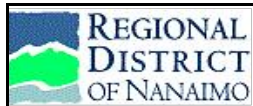
GENERAL REVENUE FUND
As of September 30, 2017

| | REGIONAL & Actual 2017 | COMMUNITY Budget 2017 | UTILITIES % Var | RECREATION & Actual 2017 | PARKS Budget 2017 | SERVICES % Var |
|--|------------------------------|-----------------------------|-----------------------|--------------------------------|-------------------------|----------------------|
| OPERATING REVENUES | | | | | | |
| TAX REQUISITION | (13,484,198) | (17,978,926) | 75% | (7,852,348) | (10,469,799) | 75% |
| OPERATING GRANTS | (196,193) | (62,906) | 312% | (408,267) | (66,250) | 616% |
| OPERATING REVENUE | (13,197,793) | (14,393,684) | 92% | (1,314,009) | (1,661,151) | 79% |
| OTHER REVENUE | (861,249) | (1,227,918) | 70% | (16,521) | (33,679) | 49% |
| TOTAL OPERATING REVENUES | (27,739,433) | (33,663,434) | 82% | (9,591,145) | (12,230,879) | 78% |
| OPERATING EXPENDITURES | | | | | | |
| OFFICE OPERATING | 1,316,106 | 1,803,988 | 73% | 484,437 | 656,703 | 74% |
| COMMUNITY GRANTS | 0 | 0 | 0% | 0 | 0 | 0% |
| LEGISLATIVE | 0 | 0 | 0% | 10 | 1,500 | 1% |
| PROFESSIONAL FEES | 602,157 | 1,143,615 | 53% | 129,885 | 361,800 | 36% |
| BUILDING - OPER & MAINT | 992,317 | 1,652,401 | 60% | 517,452 | 741,528 | 70% |
| VEH & EQUIP - OPER & MAINT | 1,298,261 | 1,756,208 | 74% | 102,995 | 195,035 | 53% |
| OTHER OPERATING COSTS | 6,978,846 | 10,812,632 | 65% | 667,312 | 1,300,132 | 51% |
| WAGES & BENEFITS | 6,034,251 | 8,511,337 | 71% | 3,440,621 | 4,602,844 | 75% |
| PROGRAM COSTS | 78,892 | 210,050 | 38% | 482,778 | 635,527 | 76% |
| DEBT - FINANCING - INTEREST | 296,917 | 724,959 | 41% | 305,076 | 407,498 | 75% |
| DEBT - FINANCING - PRINCIPAL | 437,857 | 599,380 | 73% | 327,618 | 413,967 | 79% |
| TRANSFER TO RESERVE FUND | 5,630,531 | 5,637,006 | 100% | 1,611,310 | 1,612,030 | 100% |
| TRANSFER TO OTHER GOV'T/AGENCIES | 0 | 0 | 0% | 2,060,750 | 1,754,447 | 117% |
| TOTAL OPERATING EXPENDITURES | 23,666,135 | 32,851,576 | 72% | 10,130,244 | 12,683,011 | 80% |
| CAPITAL ASSET EXPENDITURES | | | | | | |
| CAPITAL EXPENDITURES | 7,792,206 | 56,763,792 | 14% | 335,034 | 4,585,279 | 7% |
| TRANSFERS FROM RESERVES | (932,875) | (31,685,806) | 3% | (51,136) | (2,059,251) | 2% |
| CAPITAL GRANTS AND OTHER | (271,014) | (3,654,294) | 7% | (259,115) | (2,089,403) | 12% |
| NEW BORROWING | (5,762,448) | (18,924,870) | 30% | 0 | 0 | 0% |
| NET CAPITAL ASSETS FUNDED FROM OPERATIONS | 825,869 | 2,498,822 | | 24,783 | 436,625 | |
| ACCUMULATED SURPLUS | | | | | | |
| NET (SURPLUS) DEFICIT | (3,247,429) | 1,686,964 | | 563,882 | 888,757 | |
| TRANSFER TO APPROPRIATED SURPLUS | 437,000 | 0 | | 110,000 | 0 | |
| TRANSFER FROM APPROPRIATED SURPLUS | 0 | 0 | | 0 | 0 | |
| PRIOR YEARS (SURPLUS) DEFICIT | (4,510,066) | (4,510,066) | | (1,725,785) | (1,725,785) | |
| CURRENT YEAR UNAPPROPRIATED (SURPLUS) DEFICIT | (7,320,495) | (2,823,102) | | (1,051,903) | (837,028) | |



GENERAL REVENUE FUND
As of September 30, 2017

| | TRANSIT & | EMERGENCY | SERVICES | TOTAL | REVENUE | FUND |
|--|----------------------|---------------------|-----------------|---------------------|---------------------|-------------|
| | Actual | Budget | % | Actual | Budget | % |
| | 2017 | 2017 | Var | 2017 | 2017 | Var |
| OPERATING REVENUES | | | | | | |
| TAX REQUISITION | (11,390,019) | (15,186,692) | 75% | (37,571,083) | (50,094,775) | 75% |
| OPERATING GRANTS | (4,305,913) | (6,285,715) | 69% | (5,497,028) | (6,667,334) | 82% |
| OPERATING REVENUE | (3,486,575) | (4,677,956) | 75% | (19,312,340) | (22,096,378) | 87% |
| OTHER REVENUE | (1,280,713) | (1,673,119) | 77% | (10,651,457) | (15,532,770) | 69% |
| TOTAL OPERATING REVENUES | (20,463,220) | (27,823,482) | 74% | (73,031,908) | (94,391,257) | 77% |
| OPERATING EXPENDITURES | | | | | | |
| OFFICE OPERATING | 1,082,502 | 1,463,914 | 74% | 3,264,604 | 4,523,662 | 72% |
| COMMUNITY GRANTS | 0 | 0 | 0% | 705,367 | 787,764 | 90% |
| LEGISLATIVE | 0 | 0 | 0% | 349,358 | 511,635 | 68% |
| PROFESSIONAL FEES | 31,492 | 136,550 | 23% | 1,045,265 | 2,464,845 | 42% |
| BUILDING - OPER & MAINT | 339,682 | 514,585 | 66% | 2,221,707 | 3,286,717 | 68% |
| VEH & EQUIP - OPER & MAINT | 3,491,874 | 5,510,282 | 63% | 5,137,898 | 7,733,123 | 66% |
| OTHER OPERATING COSTS | 2,455,355 | 3,794,410 | 65% | 10,997,368 | 17,354,350 | 63% |
| WAGES & BENEFITS | 9,157,828 | 12,542,035 | 73% | 23,711,493 | 32,666,099 | 73% |
| PROGRAM COSTS | 0 | 0 | 0% | 618,430 | 1,109,238 | 56% |
| DEBT - FINANCING - INTEREST | 126,051 | 170,267 | 74% | 2,728,794 | 4,725,282 | 58% |
| DEBT - FINANCING - PRINCIPAL | 128,544 | 171,404 | 75% | 2,886,462 | 4,371,769 | 66% |
| TRANSFER TO RESERVE FUND | 794,941 | 784,613 | 101% | 8,365,678 | 8,369,629 | 100% |
| TRANSFER TO OTHER GOV'T/AGENCIES | 2,610,066 | 2,725,663 | 96% | 6,578,444 | 6,916,996 | 95% |
| TOTAL OPERATING EXPENDITURES | 20,218,335 | 27,813,723 | 73% | 68,610,868 | 94,821,109 | 72% |
| CAPITAL ASSET EXPENDITURES | | | | | | |
| CAPITAL EXPENDITURES | 381,062 | 3,811,300 | 10% | 8,658,658 | 65,906,871 | 13% |
| TRANSFERS FROM RESERVES | (286,223) | (2,489,930) | 11% | (1,294,734) | (36,654,987) | 4% |
| CAPITAL GRANTS AND OTHER | (4,386) | (140,070) | 3% | (534,515) | (5,973,767) | 9% |
| NEW BORROWING | 0 | (220,000) | 0% | (5,762,448) | (19,144,870) | 30% |
| NET CAPITAL ASSETS FUNDED FROM OPERATIONS | 90,453 | 961,300 | | 1,066,961 | 4,133,247 | |
| ACCUMULATED SURPLUS | | | | | | |
| NET (SURPLUS) DEFICIT | (154,432) | 951,541 | | (3,354,079) | 4,563,099 | |
| TRANSFER TO APPROPRIATED SURPLUS | 1,501,298 | 0 | | 2,503,809 | 0 | |
| TRANSFER FROM APPROPRIATED SURPLUS | 0 | 0 | | 0 | 0 | |
| PRIOR YEARS (SURPLUS) DEFICIT | (3,244,614) | (3,244,614) | | (12,163,067) | (12,163,067) | |
| CURRENT YEAR UNAPPROPRIATED (SURPLUS) DEFICIT | (1,897,748) | (2,293,073) | | (13,013,337) | (7,599,968) | |



SUMMARY OF OPERATING RESULTS
For period ending September 30, 2017

| | Revenues | Revenues | Variance | Expenditures | Expenditures | Variance | Surplus | Surplus |
|---|-------------------|-------------------|------------|-------------------|-------------------|------------|------------------|----------------|
| | 2017 | 2017 | | 2017 | 2017 | | 2017 | 2017 |
| | Actuals | Budget | | Actuals | Budget | | Actuals | Budget |
| CORPORATE SERVICES | | | | | | | | |
| Administration | | | | | | | | |
| Corporate Administration Summary | 5,631,912 | 7,517,770 | 75% | 4,691,235 | 6,883,127 | 68% | 940,677 | 634,643 |
| Community Grants | 816,743 | 821,812 | 99% | 745,533 | 821,812 | 91% | 71,210 | 0 |
| Community Works Fund Projects - Corporate Services | 305,506 | 0 | 0% | 305,506 | 0 | 0% | 0 | 0 |
| Electoral Area Administration | 738,671 | 886,657 | 83% | 524,611 | 710,952 | 74% | 214,060 | 175,705 |
| Regional Library | 2,219,798 | 3,009,633 | 74% | 2,219,798 | 3,009,633 | 74% | 0 | 0 |
| Feasibility Studies | 25,230 | 31,980 | 79% | 40,825 | 31,980 | 128% | (15,595) | 0 |
| Municipal Debt Transfers | 3,324,965 | 5,668,703 | 59% | 3,324,965 | 5,668,703 | 59% | 0 | 0 |
| House Numbering | 16,125 | 21,500 | 75% | 16,125 | 21,500 | 75% | 0 | 0 |
| TOTAL | 13,078,950 | 17,958,055 | 73% | 11,868,598 | 17,147,707 | 69% | 1,210,352 | 810,348 |
| STRATEGIC & COMMUNITY DEVELOPMENT | | | | | | | | |
| EA Community Planning | 1,697,691 | 2,201,843 | 77% | 1,313,905 | 1,975,022 | 67% | 383,786 | 226,821 |
| Economic Development South | 142,500 | 190,000 | 75% | 160,075 | 190,000 | 84% | (17,575) | 0 |
| Economic Development North | 41,761 | 54,261 | 77% | 53,819 | 54,261 | 99% | (12,058) | 0 |
| VIHA Community Wellness Grant | 0 | 54,583 | 0% | 0 | 54,583 | 0% | 0 | 0 |
| VIHA Health Network Funding | 20,894 | 44,695 | 47% | 20,894 | 44,695 | 47% | 0 | 0 |
| OHWN Special Project Grant | 4,239 | 0 | 0% | 4,239 | 0 | 0% | 0 | 0 |
| Regional Growth Strategy | 580,357 | 711,112 | 82% | 422,622 | 671,321 | 63% | 157,735 | 39,791 |
| Building Inspection | 1,904,220 | 1,839,345 | 104% | 926,704 | 1,294,430 | 72% | 977,516 | 544,915 |
| Bylaw Enforcement | | | | | | | | |
| Bylaw Enforcement | 227,619 | 302,036 | 75% | 227,619 | 302,036 | 75% | 0 | 0 |
| Animal Control EA A,B,C,LANTZ | 59,519 | 76,727 | 78% | 52,179 | 72,486 | 72% | 7,340 | 4,241 |
| Animal Control E,G & H | 78,040 | 100,580 | 78% | 69,358 | 95,272 | 73% | 8,682 | 5,308 |
| Animal Control EA F | 26,225 | 32,421 | 81% | 17,457 | 25,075 | 70% | 8,768 | 7,346 |
| Unsanitary Premises | 8,898 | 61,807 | 14% | 10,070 | 61,707 | 16% | (1,172) | 100 |
| Hazardous Properties | 16,090 | 95,821 | 17% | 5,726 | 95,695 | 6% | 10,364 | 126 |
| Noise Control | 42,457 | 52,778 | 80% | 33,005 | 45,005 | 73% | 9,452 | 7,773 |
| Community Works Fund Projects - Strategic & Community Development | 15,749 | 90,000 | 17% | 15,749 | 90,000 | 17% | 0 | 0 |
| TOTAL | 4,866,259 | 5,908,009 | 82% | 3,333,421 | 5,071,588 | 66% | 1,532,838 | 836,421 |
| REGIONAL & COMMUNITY UTILITIES | | | | | | | | |
| RCU - Administration | 282,745 | 383,923 | 74% | 282,745 | 383,923 | 74% | 0 | 0 |
| Wastewater Management | | | | | | | | |
| Liquid Waste Management Planning | 527,912 | 476,847 | 111% | 303,791 | 314,065 | 97% | 224,121 | 162,782 |



SUMMARY OF OPERATING RESULTS
For period ending September 30, 2017

| | Revenues | Revenues | Variance | Expenditures | Expenditures | Variance | Surplus | Surplus |
|---|-------------------|-------------------|------------|-------------------|-------------------|------------|------------------|------------------|
| | 2017 | 2017 | | 2017 | 2017 | | 2017 | 2017 |
| | Actuals | Budget | | Actuals | Budget | | Actuals | Budget |
| Wastewater Southern Community | 11,710,406 | 53,244,303 | 22% | 10,288,483 | 52,868,554 | 19% | 1,421,923 | 375,749 |
| Wastewater Northern Community | 5,553,668 | 7,359,053 | 75% | 4,769,413 | 6,510,022 | 73% | 784,255 | 849,031 |
| Wastewater Duke Point | 378,382 | 445,006 | 85% | 210,621 | 307,395 | 69% | 167,761 | 137,611 |
| Water Supply | | | | | | | | |
| Water - Surfside | 21,944 | 36,319 | 60% | 16,193 | 34,988 | 46% | 5,751 | 1,331 |
| Water - French Creek | 128,562 | 190,482 | 67% | 102,749 | 182,916 | 56% | 25,813 | 7,566 |
| Water - Whiskey Creek | 111,969 | 177,034 | 63% | 73,892 | 172,950 | 43% | 38,077 | 4,084 |
| Water - Decourcey | 9,996 | 12,634 | 79% | 5,676 | 10,062 | 56% | 4,320 | 2,572 |
| Water - San Pareil | 272,409 | 1,064,583 | 26% | 218,720 | 1,056,631 | 21% | 53,689 | 7,952 |
| Water - Driftwood | 4,094 | 5,458 | 75% | 4,093 | 5,458 | 75% | 1 | 0 |
| Water - Englishman River | 129,960 | 129,774 | 100% | 81,605 | 115,856 | 70% | 48,355 | 13,918 |
| Water - Melrose Place | 35,708 | 44,298 | 81% | 19,545 | 37,437 | 52% | 16,163 | 6,861 |
| Water - Nanoose Peninsula | 1,717,240 | 2,225,438 | 77% | 1,130,261 | 2,124,859 | 53% | 586,979 | 100,579 |
| Water - Bulk Water Nanoose Bay | 1,746,979 | 5,717,748 | 31% | 1,783,868 | 5,613,257 | 32% | (36,889) | 104,491 |
| Water - Bulk Water French Creek | 51,160 | 69,507 | 74% | 51,160 | 69,721 | 73% | 0 | (214) |
| Water - San Pareil Fire | 55,659 | 74,212 | 75% | 55,659 | 74,212 | 75% | 0 | 0 |
| Water - Westurne Heights | 40,986 | 62,229 | 66% | 33,827 | 61,191 | 55% | 7,159 | 1,038 |
| Drinking Water/Watershed Protection | 608,048 | 744,444 | 82% | 360,563 | 618,540 | 58% | 247,485 | 125,904 |
| Streetlighting | 77,538 | 116,985 | 66% | 64,844 | 108,811 | 60% | 12,694 | 8,174 |
| Sewer Collection | | | | | | | | |
| Sewer - French Creek | 863,753 | 1,136,277 | 76% | 785,759 | 1,131,808 | 69% | 77,994 | 4,469 |
| 7551 / 2851 SewerFairwinds / Wastewater Nanoose | 821,628 | 959,853 | 86% | 400,557 | 727,235 | 55% | 421,071 | 232,618 |
| Sewer - Pacific Shores | 64,002 | 81,392 | 79% | 53,514 | 76,743 | 70% | 10,488 | 4,649 |
| Sewer - Surfside | 33,566 | 37,751 | 89% | 16,251 | 28,472 | 57% | 17,315 | 9,279 |
| Sewer - Cedar | 215,480 | 237,779 | 91% | 146,048 | 198,993 | 73% | 69,432 | 38,786 |
| Sewer - Barclay | 217,453 | 252,547 | 86% | 173,781 | 234,804 | 74% | 43,672 | 17,743 |
| Sewer - Reid Road Debt | 2,718 | 3,624 | 75% | 2,718 | 3,624 | 75% | 0 | 0 |
| Sewer - Hawthorne Rise Debt | 7,456 | 9,941 | 75% | 7,456 | 9,941 | 75% | 0 | 0 |
| Englishman River Stormwater | 9,884 | 11,163 | 89% | 4,011 | 6,348 | 63% | 5,873 | 4,815 |
| Cedar Estates Stormwater | 10,123 | 11,304 | 90% | 6,011 | 7,348 | 82% | 4,112 | 3,956 |
| Pump & Haul | 1,500 | 2,000 | 75% | 1,500 | 2,000 | 75% | 0 | 0 |
| Solid Waste | | | | | | | | |
| Solid Waste Management | 9,315,978 | 11,459,648 | 81% | 7,192,825 | 11,037,483 | 65% | 2,123,153 | 422,165 |
| Solid Waste Collection & Recycling | 4,148,435 | 4,798,023 | 86% | 3,208,716 | 4,622,836 | 69% | 939,719 | 175,187 |
| Community Works Fund Projects - Regional & Community Utilites | 38,488 | 856,891 | 4% | 38,488 | 856,891 | 4% | 0 | 0 |
| TOTAL | 39,215,829 | 92,438,470 | 42% | 31,895,343 | 89,615,374 | 36% | 7,320,486 | 2,823,096 |



SUMMARY OF OPERATING RESULTS
For period ending September 30, 2017

| | Revenues | Revenues | Variance | Expenditures | Expenditures | Variance | Surplus | Surplus |
|---|-------------------|-------------------|------------|-------------------|-------------------|------------|------------------|----------------|
| | 2017 | 2017 | | 2017 | 2017 | | 2017 | 2017 |
| | Actuals | Budget | | Actuals | Budget | | Actuals | Budget |
| RECREATION & PARKS SERVICES | | | | | | | | |
| Regional Parks | 2,664,749 | 6,090,815 | 44% | 2,230,613 | 5,830,198 | 38% | 434,136 | 260,617 |
| Community Parks | | | | | | | | |
| Community Parks - Area A | 203,213 | 252,835 | 80% | 147,404 | 249,963 | 59% | 55,809 | 2,872 |
| Community Parks - Area B | 256,097 | 572,175 | 45% | 207,108 | 564,144 | 37% | 48,989 | 8,031 |
| Community Parks - Area C (Extension) | 92,161 | 109,363 | 84% | 47,288 | 82,576 | 57% | 44,873 | 26,787 |
| Community Parks - Area C (East Wellington) | 113,227 | 135,646 | 83% | 61,881 | 111,050 | 56% | 51,346 | 24,596 |
| Community Parks - Area E | 184,773 | 283,189 | 65% | 141,253 | 269,058 | 52% | 43,520 | 14,131 |
| Community Parks - Area F | 164,471 | 203,531 | 81% | 102,124 | 188,886 | 54% | 62,347 | 14,645 |
| Community Parks - Area G | 122,941 | 209,916 | 59% | 123,842 | 208,316 | 59% | (901) | 1,600 |
| Community Parks - Area H | 198,259 | 273,914 | 72% | 137,524 | 253,561 | 54% | 60,735 | 20,353 |
| Area A Recreation & Culture | 337,350 | 387,054 | 87% | 213,916 | 300,380 | 71% | 123,434 | 86,674 |
| Northern Community Recreation | 1,497,086 | 1,896,264 | 79% | 1,569,171 | 1,826,486 | 86% | (72,085) | 69,778 |
| Oceanside Place | 2,101,108 | 2,802,485 | 75% | 1,818,668 | 2,643,913 | 69% | 282,440 | 158,572 |
| Ravensong Aquatic Centre | 2,265,121 | 2,874,354 | 79% | 2,059,223 | 2,736,577 | 75% | 205,898 | 137,777 |
| Gabriola Island Recreation | 98,292 | 127,037 | 77% | 107,469 | 116,438 | 92% | (9,177) | 10,599 |
| Southern Community Recreation & Culture | 962,107 | 1,272,683 | 76% | 1,241,572 | 1,272,683 | 98% | (279,465) | 0 |
| Community Works Fund Projects - Parks & Recreation Services | 366,226 | 614,057 | 60% | 366,226 | 614,057 | 60% | 0 | 0 |
| TOTAL | 11,627,181 | 18,105,318 | 64% | 10,575,282 | 17,268,286 | 61% | 1,051,899 | 837,032 |
| TRANSIT & EMERGENCY SERVICES | | | | | | | | |
| Transit | | | | | | | | |
| Transit Southern Community | 17,330,568 | 24,027,143 | 72% | 15,773,973 | 22,298,404 | 71% | 1,556,595 | 1,728,739 |
| Transit - Gabriola Transit Contribution | 102,000 | 136,000 | 75% | 134,550 | 136,000 | 99% | (32,550) | 0 |
| Transit - Gabriola Island Taxi Saver | 8,056 | 7,994 | 101% | 3,838 | 7,994 | 48% | 4,218 | 0 |
| Transit Northern Community | 1,890,902 | 2,481,570 | 76% | 1,356,032 | 2,072,782 | 65% | 534,870 | 408,788 |
| Gabriola Island Emergency Wharf | 5,524 | 7,264 | 76% | 4,559 | 7,264 | 63% | 965 | 0 |
| Community Works Fund Projects - Transit | 4,386 | 0 | 0% | 4,386 | 0 | 0% | 0 | 0 |
| Fire Protection | | | | | | | | |
| Fire - Administration | 108,043 | 144,058 | 75% | 93,645 | 144,058 | 65% | 14,398 | 0 |
| Fire - Meadowood | 104,518 | 139,357 | 75% | 104,518 | 139,357 | 75% | 0 | 0 |
| Fire - Nanaimo River | 13,458 | 17,906 | 75% | 17,494 | 17,906 | 98% | (4,036) | 0 |
| Fire - Coombs Hilliers | 440,816 | 546,606 | 81% | 496,749 | 546,606 | 91% | (55,933) | 0 |
| Fire - Errington | 559,715 | 1,233,600 | 45% | 696,708 | 1,233,600 | 56% | (136,993) | 0 |
| Fire - French Creek | 423,044 | 545,190 | 78% | 418,003 | 533,865 | 78% | 5,041 | 11,325 |



SUMMARY OF OPERATING RESULTS
For period ending September 30, 2017

| | Revenues | Revenues | Variance | Expenditures | Expenditures | Variance | Surplus | Surplus |
|----------------------------|---------------------|----------------------|------------|-------------------|--------------------|------------|---------------------|--------------------|
| | 2017 | 2017 | | 2017 | 2017 | | 2017 | 2017 |
| | Actuals | Budget | | Actuals | Budget | | Actuals | Budget |
| Fire - Nanoose Bay | 570,378 | 746,742 | 76% | 373,322 | 746,742 | 50% | 197,056 | 0 |
| Fire - Wellington | 63,141 | 83,255 | 76% | 79,174 | 83,255 | 95% | (16,033) | 0 |
| Fire - Cassidy Waterloo | 158,570 | 199,137 | 80% | 148,169 | 199,137 | 74% | 10,401 | 0 |
| Fire - Dashwood | 494,718 | 663,209 | 75% | 625,298 | 663,209 | 94% | (130,580) | 0 |
| Fire - Extension | 164,245 | 205,947 | 80% | 180,979 | 205,947 | 88% | (16,734) | 0 |
| Fire - Parksville Local | 157,589 | 181,842 | 87% | 96,914 | 99,051 | 98% | 60,675 | 82,791 |
| Fire - Bow Horn Bay | 269,211 | 966,741 | 28% | 351,093 | 966,741 | 36% | (81,882) | 0 |
| Emergency Planning | 312,998 | 519,498 | 60% | 236,496 | 509,334 | 46% | 76,502 | 10,164 |
| D68 Search & Rescue | 39,472 | 51,369 | 77% | 43,850 | 48,300 | 91% | (4,378) | 3,069 |
| D69 Marine Search & Rescue | 3,750 | 5,000 | 75% | 5,000 | 5,000 | 100% | (1,250) | 0 |
| D69 Land Search & Rescue | 7,650 | 10,200 | 75% | 10,150 | 10,200 | 100% | (2,500) | 0 |
| D68 E911 | 134,302 | 173,257 | 78% | 118,334 | 154,470 | 77% | 15,968 | 18,787 |
| D69 E911 | 526,717 | 685,651 | 77% | 652,241 | 656,241 | 99% | (125,524) | 29,410 |
| Community Justice | | | | | | | | |
| D68 Community Justice | 12,000 | 16,000 | 75% | 16,000 | 16,000 | 100% | (4,000) | 0 |
| D69 Community Justice | 92,670 | 123,560 | 75% | 59,220 | 123,560 | 48% | 33,450 | 0 |
| TOTAL | 23,998,441 | 33,918,096 | 71% | 22,100,695 | 31,625,023 | 70% | 1,897,746 | 2,293,073 |
| TOTAL ALL SERVICES | (92,786,660) | (168,327,948) | 55% | 79,773,339 | 160,727,978 | 50% | (13,013,321) | (7,599,970) |



TO: Committee of the Whole

MEETING: November 28, 2017

FROM: Tiffany Moore
Acting Director of Finance

FILE: 1970-10

SUBJECT: Bylaw 1766 to Authorize Preparation of 2018 Parcel Tax Rolls

RECOMMENDATIONS

1. That the “2018 Parcel Tax Assessment Roll Bylaw No. 1766, 2017”, be introduced and read three times.
2. That the “2018 Parcel Tax Assessment Roll Bylaw No. 1766, 2017” be adopted.

SUMMARY

Pursuant to the *Local Government Act*, this report introduces a bylaw to provide for the preparation of parcel tax rolls for 2018. This report recommends adoption of “2018 Parcel Tax Assessment Roll Bylaw No. 1766, 2017”.

BACKGROUND

The *Local Government Act* requires that the Board adopt a bylaw to provide for the preparation of assessment rolls in order to levy parcel taxes. The “2018 Parcel Tax Assessment Roll Bylaw No. 1766, 2017”, introduced with this report identifies thirty-one services for which parcel taxes form a part of the annual revenues.

Section 208 of the *Community Charter* requires the Regional District of Nanaimo (RDN) to publish an annual notice in a newspaper indicating that the parcel tax roll is available for inspection at our offices during regular office hours and the time by which a written amendment request must be made in order to be considered for that year. A property owner can request that the roll be amended for the following corrections:

- updating an owner’s name and address;
- considering whether a parcel is correctly included or excluded from the service; and
- considering whether an exemption has been properly or improperly allowed.

Section 204 of the *Community Charter* requires a parcel tax review panel to be established in years when new parcel taxes are being imposed or where a property owner has provided a written amendment request. For 2018, there are no new parcel taxes being imposed. A parcel tax review panel will be established if the RDN receives any written amendment requests.

ALTERNATIVES

There are no alternatives to this process.

FINANCIAL IMPLICATIONS

The cost of the required parcel tax roll newspaper advertisements is \$1,500. If a parcel tax review panel is required to be established, additional costs are expected to be less than \$500. These projected costs are incorporated in the 2017-2021 Financial Plan.

STRATEGIC PLAN IMPLICATIONS

Adopting the bylaw to authorize preparation of 2018 parcel tax rolls is consistent with the Regional District of Nanaimo Strategic Plan under Focus on Service and Organizational Excellence – The Regional District of Nanaimo (RDN) will deliver efficient, effective and economically viable services that meet the needs of the Region. Providing a parcel tax option to requisition taxes allows the RDN to deliver specific local area and regional services that meet the varying needs of the Region.



Tiffany Moore
tmoore@rdn.bc.ca
October 29, 2017

Reviewed by:

- W. Idema, General Manager Administration
- G. Garbutt, Acting Chief Administrative Officer

Attachments

1. Bylaw No. 1766

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1766

**A BYLAW TO PROVIDE FOR THE PREPARATION OF
PARCEL TAX ROLLS FOR THE YEAR 2018**

WHEREAS the Board of the Regional District of Nanaimo shall, pursuant to the *Local Government Act*, provide by bylaw for the preparation of an assessment roll for the purpose of imposing a parcel tax;

NOW THEREFORE the Board of the Regional District of Nanaimo in open meeting assembled, enacts as follows:

1. Assessment rolls for the purpose of levying a parcel tax for the Year 2018 are to be prepared for the following services:

Sewer:

| | |
|--|-----------------------------------|
| French Creek Sewerage Facilities Local Service Area | Establishing Bylaw No. 813, 1990 |
| Fairwinds Sewerage Facilities Local Service Area | Conversion Bylaw No. 947, 1994 |
| Pacific Shores Sewer Local Service Area | Establishing Bylaw No. 1021, 1996 |
| Surfside Sewer Local Service Area | Establishing Bylaw No. 1124, 1998 |
| Barclay Crescent Sewer | Establishing Bylaw No. 1391, 2004 |
| Cedar Sewer Service | Establishing Bylaw No. 1445, 2005 |
| Cedar Sewer Commercial Properties Capital Financing Service | Establishing Bylaw No. 1513, 2007 |
| Cedar Sewer Large Residential Properties Capital Financing Service | Establishing Bylaw No. 1517, 2007 |
| Cedar Sewer Sportsfield Capital Financing Service | Establishing Bylaw No. 1519, 2007 |
| Cedar Sewer Small Residential Properties Capital Financing Service | Establishing Bylaw No. 1521, 2007 |
| Cedar Sewer Small Residential Properties Stage 2 Capital Financing Service | Establishing Bylaw No. 1565, 2009 |
| Hawthorne Rise Sanitary Sewer Capital Financing Service | Establishing Bylaw No. 1686, 2013 |
| Reid Road Sanitary Sewer Capital Financing Service | Establishing Bylaw No. 1707, 2014 |

Water:

| | |
|--|-------------------------------------|
| Surfside Properties Water Supply Specified Area | Establishing Bylaw No. 694, 1985 |
| French Creek Water Local Service | Conversion Bylaw No. 874, 1992 |
| French Creek Bulk Water Supply Local Service Area | Establishing Bylaw No. 1050, 1996 |
| Nanoose Bay Bulk Water Supply Local Service Area | Establishing Bylaw No. 1049, 1996 |
| Decourcey Water Local Service Area | Establishing Bylaw No. 1096, 1998 |
| San Pareil Water Local Service Area | Establishing Bylaw No. 1170, 1999 |
| Driftwood Water Supply Service Area | Establishing Bylaw No. 1255, 2001 |
| Englishman River Community Water Service | Establishing Bylaw No. 1354, 2003 |
| Melrose Terrace Community Water Service | Establishing Bylaw No. 1397, 2004 |
| Nanoose Peninsula Water Service | Establishing Bylaw No. 867.01, 2005 |
| Whiskey Creek Water Services | Establishing Bylaw No. 1605, 2010 |
| San Pareil Water System (Fire Protection Improvements) Service | Establishing Bylaw No. 1646, 2013 |
| Westurne Heights Water Service | Establishing Bylaw No. 1718, 2015 |

Other:

| | |
|--|-----------------------------------|
| Regional Parks | Establishing Bylaw No. 1231, 2001 |
| Meadowood Fire Protection Service Area | Establishing Bylaw No. 1509, 2006 |
| Crime Prevention and Community Justice Support | Establishing Bylaw No. 1479, 2006 |
| Drinking Water and Watershed Protection Service Area | Establishing Bylaw No. 1556, 2008 |
| Northern Community Economic Development Service | Establishing Bylaw No. 1649, 2011 |

2. The bylaws referred to in (1) above include any subsequent amendments.
3. Unless otherwise noted herein a parcel tax shall be levied on the basis of a single amount for each taxable property with land and improvements or land only within the service area.

4. Parcel taxes with respect to the Cedar Sewer Commercial Capital Financing Service will be levied on the basis of the size of each parcel with a parcel defined as a taxable folio within the service area assessed for land and improvements, or land only or improvements only and the amount of the parcel tax will be established as a rate per hectare.
5. Parcel taxes with respect to the Cedar Sewer Large Residential Properties Capital Financing Service will be levied on the basis of a rate per unit of size with a unit of 1 established for a property up to 2 hectares in size and a unit of 2 established for properties greater than 2 hectares in size.
6. Parcel taxes with respect to the Cedar Sewer Service (sewer collection and treatment) will be levied on the basis of a rate per unit of size with units established as:

Parcel of land less than or equal to .2 ha = 1
Parcel of land greater than .2 ha up to 1 ha = 2
Parcel of land greater than 1 ha up to 3 ha = 3
Parcel of land greater than 3 ha = 6
8. Parcel taxes under Sections (3) above shall not be levied on folios with the following characteristics:
 - i) water, including but not limited to foreshore leases
 - ii) continuous structures physically identifiable as telephone, hydro, or other utility wires, fiber or cables.
9. It is the responsibility of taxpayers with properties described under Section 8 to notify the Regional District in order to note those properties as exempt from the particular parcel taxes otherwise applicable.
10. This bylaw may be cited as “2018 Parcel Tax Assessment Roll Bylaw No. 1766, 2017”.

Introduced and read three times this __th day of _____, 2017.

Adopted this __th day of _____, 2017.

CHAIRPERSON

CORPORATE OFFICER

TO: Regional District of Nanaimo Committee of the Whole **MEETING:** November 28, 2017

FROM: Chris Midgley
Manager, Strategic Initiative and Asset Management **FILE:** 6430-20 BSP

SUBJECT: Board Strategic Plan Update 2017

RECOMMENDATION

1. That the RDN Board reaffirm support for the 2016-2020 Board Strategic Plan.

SUMMARY

On September 19, 2017 the Regional District of Nanaimo (RDN) Board of Directors participated in a Strategic Plan check-in. The purpose of the session, facilitated by Tracey Lorensen of Paragon Strategic Services, was to review, adjust and update the 2016-2020 Board Strategic Plan, in keeping with the strategic planning process established by the Board at the outset of current term of office.

After reflecting on the RDN's accomplishments of the last year of work; the positive culture around the Board table; the content of the existing Board Strategic Plan; and improvements in monitoring and reporting on Board Strategic Priorities, Directors agreed that a change in strategic direction was not needed, and the current content for the Board Strategic Plan was appropriate for the final year of the current term. A summary of the Board discussion provided by Paragon Strategic Services is included as Attachment 1 "Strategic Plan Check In".

BACKGROUND

At the outset of the current term of office, the RDN Board of Directors re-evaluated and transformed the RDN's traditional strategic planning process. At the Regular Board Meeting held June 24, 2014, the following motion was carried:

That staff be directed to re-evaluate the Regional District of Nanaimo Strategic Planning process so as to create a plan that is annually updated, is a living document (lives beyond the election), is adaptable to change, and responds to the needs of Regional District of Nanaimo constituents.

The process that emerged was based on the recognition of a need for a plan that is simple, clear and achievable; and subjected to regular monitoring, reporting and review with adjustments, corrections and revision as new information comes available. The result is a plan that is annually updated, adaptable to change, and responds to the needs of the region as a whole.

On September 19, 2017, the RDN Board of Directors held its annual Strategic Plan review session. The check-in provided an opportunity to reflect on accomplishments over the past year, the relevance of the Key Focus Areas and Strategic Priorities captured in the 2016-2020 Board Strategic Plan, and the value of improved monitoring and reporting. The session also included deliberations on whether to move forward with regular reviews of regional services provided by the RDN.

While the conversation about accomplishments touched on various significant RDN projects that are either underway or recently completed, the discussion focused on the positive culture around the Board table and the mutual trust that has developed between Directors, between member municipalities and electoral areas, and between elected officials and staff. This trust is attributed to the emphasis on Governance, a Key Focus Area in the current Strategic Plan.

In addition to Governance, the remaining Key Focus Areas are Service and Organizational Excellence, Relationships, Economic Health and Environment. Each of these Focus Areas were reaffirmed by the Board as relevant, appropriate and useful in day-to-day decision making. As a result, there is no need to alter content of the Board Strategic Plan. Attachment 1 provides a summary of the discussion under each of these Focus Areas.

During the session, staff presented on the Operational Report and the Operational Forecast - tools recently developed to better report on how projects and initiatives are advancing the Board Strategic Plan. The Operational Report highlights progress on high priority projects for the current year, while the Operational Forecast aligns projects in the Five Year Financial Plan with the Board Strategic Plan. Both tools were seen as valuable, with strong Board support for continuing such efforts, and investment in communicating this work to the public.

The final topic of discussion at the Strategic Planning session concerned the need for ongoing reviews of regional services. At present, a review of the Regional Parks and Trails service is underway. The Board discussed the general benefits of reviewing regional services as a matter of practice. This process ensures that RDN services are meeting the needs and expectations of constituents. Regional Economic Development as well as Regional Transit were identified by the Board as potential focus areas for a 2018 regional services review. Funding for a review has been included in the 2018 Preliminary Budget to ensure resources are available to undertake the work.

ALTERNATIVES

1. That the Board reaffirm support for the 2016-2020 Board Strategic Plan.
2. That alternate direction be given to staff.

FINANCIAL IMPLICATIONS

There are no financial implications associated with Recommendation 1. Future work related to Board Strategic Planning, including a review of the Board Strategic Plan following the 2018 civic election, as well as a regional service review have been incorporated into the preliminary budget for 2018.

STRATEGIC PLAN IMPLICATIONS

The annual session to review the 2016-2020 Board Strategic Plan held on September 19, 2017 is integral to the strategic planning process established at the outset of the current term of office. At that session, all aspects of the current Strategic Plan were supported, including Key Focus Areas and Strategic Priorities. Efforts to highlight how RDN projects advance Board Strategic Priorities, including the Operation Report and Forecast were also supported, with the additional suggestion to ensure that this work is made more accessible to the public. Finally, in the interest of Service and Organizational Excellence, ongoing regional service reviews such as the Regional Parks and Trails Service Review currently underway were supported in-principle.

Chris Midgley
cmidgley@rdn.ca.ca
November 9, 2017

Reviewed by:

- G. Garbutt, General Manager, Strategic and Community Development and Acting Chief Administrative Officer

Attachments

1. "Strategic Plan Check In: Regional District of Nanaimo" (Tracey Lee Lorensen, Paragon Strategic Services)

Strategic Plan Check In

Attachment 1

Regional District of Nanaimo

Overview

One of the RDN's strategic focus areas is "Good Governance". One of the initiatives in support of this focus area is an annual check in on how the RDN is doing towards its strategic objectives, and an opportunity to 'course correct' if necessary.

How Are We Doing?

The Board articulated a range of topics they considered successes since the previous planning session (not necessarily completed projects, but initiatives making a positive difference in the region). A summary of this 'brainstorm' is attached to this report.

The Board then considered each of the "Key Focus Areas" and specifically whether the RDN needed to change or adjust its direction.

Key Focus Areas

Focus on Governance

Early in its term the RDN Board made a decision to focus on both the structure and behavior around good governance. Specifically, the Board created the Electoral Area Service Committee which allows the EA Directors to discuss issues of common concern. The Board discussed the EASC and both EA and municipal directors felt that it was advancing the "good governance" focus.

As an observation, the governance structure and culture at the RDN has been recognized by other Regional Districts as a model to explore as it addresses a concern that many Regional Districts have around equality of 'voice' at the RD table.

The Board also discussed how individual behaviors (respect, engagement, consensus building) at the table enabled the RDN Board to be highly functional.

The RDN is also creating connections between its strategic focus areas and the land use plans in the Region.

Strategic Plan Check In

Regional District of Nanaimo

Focus on Service and Organizational Excellence

There is a high degree of trust between the elected officials and management of the RDN. A number of factors were discussed related to this including:

- Focus on management accountability and measurement - specifically the Board considered the Operational Plan and how it supports the Strategic Plan
- The connections between the budget, Operational Plan and Strategic Plan were appreciated and understood by the Board, and aids in the decision making at the Board table
- “Operationalizing” the Board’s direction was seen to be very beneficial
- The Board articulated appreciation for the calibre and contribution of both management and staff in the RDN

Other communities have recognized the strategic and operational planning being done in the RDN and it is being held up as a model for others.

The Board discussed its ongoing focus on emergency services and preparedness, particularly in light of the provincial fires over the summer, and the need to review bylaws and plans in support of emergency services. Specifically the Board articulated these functions (and the individuals that deliver them) as key to regional health.

Transit enhancements have been positive, but concerns remain that need to be addressed. While transit does support the aging population, create interconnectivity in the region and enhance which enhances economic health, there is a need to continue to assess the costs/benefits of the service. This includes engagement with BC Transit, and could include a service review.

There have been a number of very positive examples of strong communication of what the RDN is doing, and continuing to focus on two way communication is critical so the community can understand (Transitional Housing Land Purchase).

Focus on Relationships

A key area of discussion in this focus area was the ongoing priority of engaging with the First Nations in the region in a proactive, productive and respectful fashion. There have been positive strides at both the elected and management levels, and the Board

Strategic Plan Check In

Regional District of Nanaimo

discussed how continuing to develop and nurture these relationships remains a priority. Unique relationships that recognize the different First Nations are a priority rather than approaching this as a 'one size fits all' priority.

The link between good governance and effective advocacy at other levels of government was discussed, as the RDN has been able to articulate the priorities of the region to the provincial government in particular (for example a common voice at UBCM on issues of importance).

The importance of the volunteer sector in the Region was recognized through appreciation events over the past year, and volunteer firefighters were specifically discussed..

Focus on Economic Health

The Board discussed changes in the structure of economic development in the Region. (See Service Review notes below).

Discussion considered the link between housing availability/affordability and regional economic health. Initiatives discussed included:

- Impact of transit availability
- Relationship with the Chambers of Commerce
- Forestry forum
- How the health care sector impacts retiree attraction
- Removal of red tape around development (while still ensuring the appropriate rules are followed)

Economic development at present is evolving on a sub-regional basis and the potential benefits of a service review around economic development was discussed to evaluate if this decentralized approach is the most effective, particularly in light of decisions around InFilm..

There was also dialogue around the relationship between good governance, strong service delivery, management excellence and economic health.

Strategic Plan Check In

Regional District of Nanaimo

Focus on the Environment

In the discussion around 'successes' the Board and Management articulated advancements in water, waste and other priorities.

Specific progress includes initiatives around:

- Green busses (advocacy was successful)
- Solid waste management
- Municipal green bin initiative
- Liquid waste management
- Landfill reductions
- Drinking water
- Watershed protection
- Regional parks

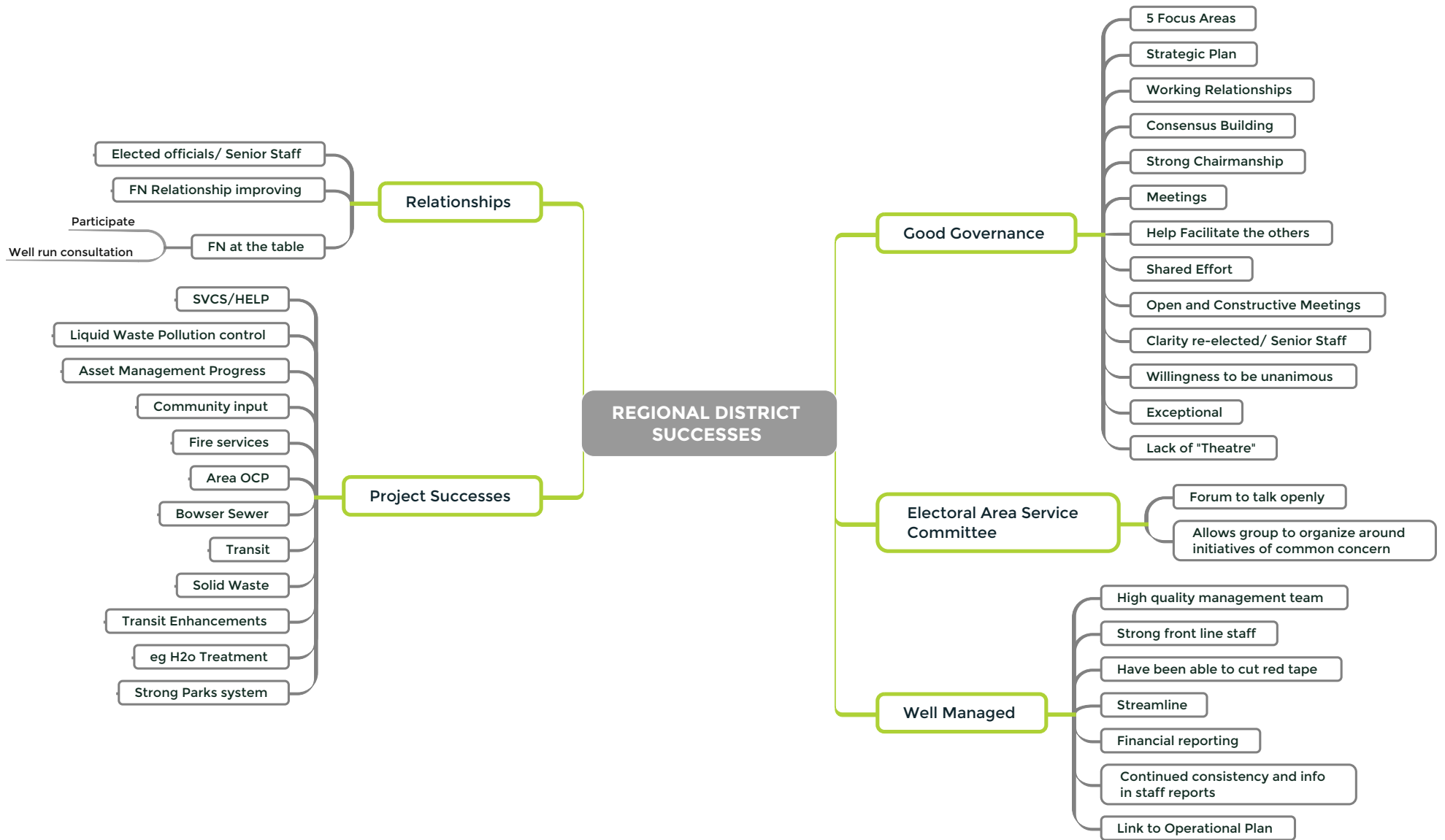
Should the RDN Undertake New Service Reviews?

As the Parks Service Review wraps up the Board discussed whether it should consider initiating another service review. Specially the Board discussed the benefits of identifying services that would benefit from a full review, and considered if a new review should commence annually?

Two key areas were identified as potential service review areas:

- Regional transit (see above)
- Regional economic development

The Board will consider reports on these areas and make a determination on future service reviews at an upcoming Board meeting.



TO: Regional District of Nanaimo Board **MEETING:** November 28, 2017

FROM: Hannah King
Superintendent, Recreation Program Services

SUBJECT: Gabriola Recreation Society Agreement Renewal (2018-2020)

RECOMMENDATION

That the Recreation Services Agreement with the Gabriola Recreation Society be renewed for a three year term from January 1, 2018 through to December 31, 2020.

SUMMARY

The Gabriola Recreation Society (GRS) and the Regional District of Nanaimo have worked collaboratively for the past fifteen years to provide recreation and park services on Gabriola Island. Staff and GRS Executive are confident in the success of a new three year agreement as outlined in Attachment I. The terms of this agreement are similar to those of past agreements. Increases in the amount of financial support to GRS are linked to the Victoria Consumer Price Index and have been budgeted for in the existing 2017 RDN Financial Plan as well as the 2018 preliminary financial plan.

BACKGROUND

The Gabriola Recreation Society oversees planning and implementation of community recreation programming for Gabriola Island. The Society also manages the custodial contract within Rollo McClay Park and provides some onsite support in the management of Huxley Community Park for event permitting.

The current Recreation Services Agreement between the Regional District of Nanaimo and the Gabriola Recreation Society will expire December 31, 2017. Based on the Society’s satisfactory service to date as per the terms of the existing Agreement, staff are seeking to renew the Agreement for another three year term (2018-2020) agreement (Attachment I).

ALTERNATIVES

- 1. That the Recreation Services Agreement with the Gabriola Recreation Society be renewed for a three year term from January 1, 2018 through to December 31, 2020.
- 2. Not approve the renewal of the Recreation Services Agreement with the Gabriola Society and provide staff with alternative direction.

FINANCIAL IMPLICATIONS

A total of \$80,521 has been allocated within the 2018 preliminary budget to be transferred to the Gabriola Recreation Society for the purpose of providing recreation and parks services as outlined in the proposed Agreement (Attachment I). In year two of the contract (2019) the transfer amount will be the year one (2018) amount plus, if applicable, any increase in CPI (Victoria). The year three (2020) payment will amount to the year two (2019) payment plus CPI.

| 2018 Recreation Services | 2018 Parks Services | 2019 Recreation Services | 2019 Parks Services | 2020 Recreation Services | 2020 Parks Services |
|---|------------------------------------|---|------------------------------------|---|------------------------------------|
| \$77,161 | \$3,360 | \$77,161 (+ CPI Change) | \$3,360 (+ CPI Change) | 2019 amount (+ CPI Change) | 2019 amount (+ CPI Change) |

Should the Board not approve the attached agreement the Gabriola Recreation Society would no longer be able to provide supplemental recreation services as outlined in Schedule 'A' of the Agreement. Electoral Area 'B' recreation services would not be delivered until a new service provider is secured. The annual payments to Gabriola Recreation Society identified in the Five Year Financial Plan would not be fully expended until a new service provider or method is selected.

STRATEGIC PLAN IMPLICATIONS

The RDN Board's strategic goal of focusing on service and organizational excellence is achieved by way of this agreement as it advances the provision of recreation services and amenities as a core service.

The agreement with the Gabriola Recreation Society also demonstrates the Regional District's commitment to fostering meaningful relationships with community partners to advance the region.



Hannah King
 hking@rdn.bc.ca
 October 30, 2017

Reviewed by:

- D. Banman, Manager, Recreation Services
- T. Osborne, General Manager, Recreation and Parks
- P. Carlyle, Chief Administrative Officer

Attachment

1. 2018-2020 Recreation Services Agreement between the Regional District of Nanaimo and the Gabriola Recreation Society (GRS)

Attachment 1

THIS AGREEMENT made the ____ day of _____, 2017

BETWEEN:

REGIONAL DISTRICT OF NANAIMO
6300 Hammond Bay Road
Nanaimo, BC
V9T 6N2

OF THE FIRST PART

AND:

GABRIOLA RECREATION SOCIETY
PO Box 355
Gabriola, BC
V0R 1X0

(Herein called the "Society")

OF THE SECOND PART

- A. WHEREAS the Regional District did, by Bylaw No. 1023 ("Bylaw 1023") and subsequent amendments, establish a service known as the Gabriola Island Recreation Local Service Area, within a portion of the Electoral Area 'B', and did within that Local Service Area authorize the Regional District to undertake and carry out or cause to be carried out and provide for recreation services in and for the Service Area;
- B. And WHEREAS the Society was incorporated on the February 14, 2002 and the objects of the Society are to provide recreation services;
- C. AND WHEREAS Section 332(1) (3) of the *Local Government Act* provides that the Board may make agreements for the operation of services and the Board wishes to engage the Society to provide recreation and parks services as set out in this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, terms and conditions to be hereinafter contained (the receipt and sufficiency of which is hereby acknowledged), the parties hereto covenant and agree each with the other as follows:

INTERPRETATION

In this Agreement the following terms have the following meanings:

"Board" means the Board of the Regional District of Nanaimo.

"Lands" means Rollo McClay Community Park and Huxley Community Park.

"Recreation Services" means the services set out in *Schedule 'A'* to this Agreement.

“Parks Services” means the services for both Rollo McClay Community Park and Huxley Community Park as set out in *Schedule ‘B’* to this Agreement.

“Service Area” means the Gabriola Island Recreation Local Services Area established under the Regional District’s Bylaw 1023.

“Year End” means the calendar year ending December 31st.

TERM

1. The term (the “Term”) of this Agreement is for a three (3) year Term and will commence on January 1, 2018 and end on December 31, 2020, unless otherwise terminated under this Agreement as provided herein. The Agreement may be renewed for further terms at the sole option of the Board.

SERVICE AREA

2. The Society will, under the terms hereof and subject to any applicable bylaw of the Regional District and any Federal or Provincial enactment, provide the Recreation and Parks Services in and for the Service Area.

COST

3. It is acknowledged, understood and agreed that the cost of providing for establishing and equipping the Society for the purpose of carrying out the Recreation and Parks Services within and for the Service Area shall be borne by the owners of land within the Service Area.

RECREATION AND PARKS MANAGEMENT SERVICES

4. The Society shall provide the Recreation and Parks Services attached as *Schedules ‘A’* and *‘B’*, respectively, in accordance with the Society’s Constitution and Bylaws.

FUNDING AND PAYMENT

5.
 - a) In consideration of the Society providing the services outlined in *Schedules ‘A’ and ‘B’*, the Regional District will provide funds to support the Society as outlined herein.
 - b) In addition to the annual funding provided under this Agreement, the Regional District agrees to pay the annual fees associated with the preparation of the Society’s review engagement statement as described in Paragraph 9. The Society shall inform the Regional District, upon submission of the annual Recreation Services budget, of a quote for completing a review engagement statement.
 - c) A brief narrative summary reviewing the goals, objectives and the results achieved for the year for the Recreation Services; which would also include challenges encountered, Recreation Services program cancellations, and any other significant issues addressed.

6. The funding described herein is subject to the Regional District being satisfied in each year of the Term that the Society has performed in accordance with *Schedules 'A' and 'B'* and has satisfied all other terms of this agreement.
7. The Society shall annually by September 15 provide the Regional District for the upcoming year of the Term:
 - a) A detailed proposed budget showing the revenues and expenditures projected for Recreation Services;
 - b) A statement of the goals and objectives for the following year with respect to the Recreation Services being provided, including program content related specifically to the Recreation Services;
 - c) A brief written narrative highlighting any significant Recreation Services program changes, deletions, and/or additions in relation to specific line items in the budget;
 - d) Any other significant issues that may pertain to the Recreation and Parks Services being provided.
8. On or before February 15 of each year of the Term, the Society shall provide the Regional District, an annual report regarding the Recreation and Parks Services. The annual report shall include at a minimum:
 - a) A preliminary summary of Recreation Services operating results showing revenues and expenditures to December 31st of the preceding year;
 - b) A summary of Recreation Services programs showing registration statistics and number of sessions held; and,
 - c) A brief narrative summary reviewing the goals, objectives and the results achieved for the year for the Recreation and Parks Services; which would also include challenges encountered, Recreation Services program cancellations, and any other significant issues addressed.
9. On or before March 31 of the year following the end of the Society's Year End, the Society will have prepared by a Certified General Accountant or Chartered Accountant qualified to practice publicly in British Columbia, a review engagement statement of its accounts containing particulars of assets and liabilities, and a statement of revenue and expenditures for the year which shall include the public funds provided under PAYMENT in this Agreement. The statements shall be submitted to the Manager of Recreation Services.

10. The Regional District shall provide the following funding with the respect to this agreement:

a) FOR THE CALENDAR YEAR 2018

For the **Recreation Services**, two installments equal to the sum of \$77,161.00

- i. On or before January 10th, \$38,580.50
- ii. On or before July 1st, \$ 38,580.50

For **Parks Services** related to Rollo McClay Park as outlined in *Schedule 'B'*; two installments equal to the sum of \$3,360:

- i. On or before January 10th, \$1,680
- ii. On or before July 1st, \$1,680

b) FOR THE CALENDAR YEARS 2019-2020

Funding for 2019 shall be \$77,161 and \$3,360 respectively for the Recreation Services and the Parks Services, each increased by the change in the Consumer Price Index for Vancouver Island (Victoria) as stated as November 30, 2018.

Funding for 2020 for each service shall be the amount calculated under 18 (b)(i) above and adjusted for the change in the Consumer Price Index for Vancouver Island (Victoria) as stated at November 30, 2019.

- i. In each year, on or before January 10th – 50% of the funding for the year.
- ii. In each year, on or before July 1st – 50% of the funding for the year.

The Society shall administer the funds in accordance with the budget approved by the Regional District.

SEPARATE FUNDS AND FINANCIAL STATEMENTS

- 11. The books of account of the Society shall be kept in such manner and provide such detail as may be required from time to time by the Regional District 's Director of Finance or their designate.
- 12. The public funds provided under PAYMENT in this Agreement shall be accounted for separately from any other funds of the Society and shall be separated in its books of account.
- 13. Shall keep all operating revenues and expenditures pursuant to this Agreement separate from other activities that may be undertaken by the Society from time to time.
- 14. The Regional District 's auditors may rely on the Society's review engagement report, but in any case may require and shall have access to the working papers of the Society's accountant for examination during the Year End audit of the Regional District.

15. The Society will prepare, in a form approved by the Regional District's Director of Finance, a budget related to the Recreation and Parks Services being provided, which reflects its anticipated income and expenses for its next fiscal year as referenced in Section 10.
16. The Recreation Services budget shall contain details as to the funds anticipated to be required by the Society for the annual operation of its Recreation Services, both of a capital and operating nature for the purpose of operating, equipment and other facilities and chattels utilized by the Society for the purpose of providing and carrying out the Recreation Services.
17. The budget shall be presented to the Regional District's Director of Finance on or before September 15 of each year of the Term to prepare the Regional District's budget for the following calendar year. The Regional District will review the budget and may either approve the budget or return the budget for amendment by the Society, which will return the budget as amended to the Regional District for its approval on or before the day specified by the Director of Finance for the purpose of completing the Regional District's budget for the following calendar year.
18. Any accumulated surplus or deficit from the prior year as recorded in the Society's records must be carried forward and be applied to the next year's budget in accordance with accounting rules established for Regional Districts in the Province of British Columbia.
19. A deficit incurred in a prior year may or may not be funded by the Regional District and is subject to the Regional District's approval of the Society's budget which forms part of the Regional District's overall financial plan for the relevant year.
20. The Society will not expend or contract for or otherwise commit the Society to any expenditure in any calendar year except one that has first been approved in a budget by the Regional District as above provided and will not incur any liability in any year beyond the amount of the funds to be paid to the Society by the Regional District, as provided in the budget adopted for that year by the Board. General program costs are an acceptable line item within the submitted budget.

RIGHT OF AUDIT

21. At any time, the Regional District may give to the Society written notice that it desires its representatives to examine the books of account of the Society, and the Society shall produce for examination to such representative within ten days after receipt of such notice, its books of account, and the said representative shall have a right of access to all records, documents, books, accounts and vouchers of the Society and shall be entitled to require from the Directors and Officers of the Society such information and explanations as, in his/her opinion, may be necessary to enable the staff to report to the Board on the financial position of the Society.

OPERATION

22. The Society will provide and carry out the Recreation and Parks Services without negligence and in accordance with standards comparable to those of similar services provided within the Regional District of Nanaimo, and in accordance with any operational guidelines as may be established from time to time by the Regional District in consultation with the Society.

23. The Regional District may consult the Society with respect to operational guidelines but shall retain the sole right to determine whether a guideline shall apply to the Society.

CAPITAL ASSETS

24. The parties to this Agreement acknowledge and agree that all the items, furniture, supplies and equipment, currently owned by the Regional District and all other items, furniture, supplies and equipment purchased by the Society with public funds, listed in *Schedule 'C'* to this Agreement, will remain the property of the Regional District free and clear of any claim by the Society and the Society shall not mortgage, charge, pledge, hypothecate or otherwise post such property as security for any purposes whatsoever. *Schedule 'C'* shall be updated for additions and replacements annually after the Year End and a certified copy shall be forwarded to the Regional District's Director of Finance. Subsequent amendments to *Schedule 'C'* shall automatically replace previous schedules and shall become a part of this Agreement.
25. During the Term of this Agreement, the Society, subject to the terms of this Agreement, shall have be responsible for, at all times, equipment listed in *Schedule 'C'* and all other items, furniture, supplies and equipment subsequently purchased out of funds obtained from the Regional District, for the purpose of providing the Recreation and Parks Services within the Service Area.

MAINTENANCE

26. The Society will, to the satisfaction of the Regional District, maintain, all items, furniture, supplies and equipment, and any chattels paid for out of funds obtained through the Regional District and provided by the Regional District to the Society for the purpose of providing the Recreation and Parks Services in a good working condition so that equipment is available at all times for the purpose of providing the Recreation and Parks Services.
27. The Society agrees to return Regional District owned equipment to the Regional District upon request.

INSURANCE

28. The Society shall provide a copy of each insurance certificate each year upon renewal to the Director of Finance of the Regional District.
29. The Society may, at its cost, take out and maintain insurance for the personal effects of the volunteers, Directors and Officers of the Society.
30. The Society shall take out and maintain, during the Term of the Agreement, a policy of comprehensive general liability insurance, including without limitation non-owned automobile insurance and tenant fire and legal liability insurance and declaring the Regional District as an additional named insured, against claims for personal injury, bodily injury, death or property damage arising out of the Recreation and Parks Services provided by the Society in an amount of not less than three million (\$3,000,000) dollars per single occurrence or such amount as the Regional District may require from time to time. The Policy shall include a cross liability clause and a waiver of subrogation in favour of the Regional District. The Society shall provide a copy of each year's renewed policy to the Regional District's Director of Finance.

31. In the event of any injury to person(s) on the premises and/or involved in the Recreation and Parks Services or, the Society shall forthwith notify the Regional District of such event. Failure to notify the Regional District within one week of knowledge of an injury or loss may result in the termination of this Agreement.

INDEMNITY

32. The Society shall indemnify and save harmless the Regional District from and against all actions, causes of action, claims, liabilities, damages, losses, costs, fees, fines, charges or expenses which the Regional District may incur, be threatened by or be required to pay by reason of or arising out of the provision of the Recreation and Parks Services by the Society, the Society's use of and occupation of the Portable or any facility where Recreation and Parks Services are provided, the breach by the Society of any term of this Agreement, or by the Society's contravention of any law, enactment or regulation of a federal, provincial or local government.
33. This indemnity shall survive the expiry or sooner termination of this Agreement.

COMPLIANCE WITH LAWS

34. The Society will comply with all enactments as defined in the Interpretation Act and all orders and requirements under an enactment including orders and requirements under and authorized by the *Workers Compensation Act*.
35. The Society shall file a copy of its annual Society Act filing with the Regional District's Director of Finance.

DIRECTORS

36. At all times, while this Agreement is in force, a representative of the Regional District nominated by the Regional District shall be entitled to attend all meetings of the Board of Directors of the Society.

REMEDIAL ACTION

37. If the Society fails to do anything required of the Society under this Agreement, the Regional District may fulfill or complete such thing at the cost of the Society and may, if necessary, by its agents, Officers, employees or contractors enter onto the Lands to fulfill and complete all or part of such thing as the Regional District determines in its sole discretion. If the Society leaves any property, goods or chattels on the Lands or in the Portable after the expiry of the Term, the Regional District may remove them and dispose of them in its sole discretion, and may retain any proceeds of its disposition to cover all costs incurred as a result of the default of the Society to fulfill such thing.
38. The Society releases the Regional District, its elected officials, appointed Officers, employees and agents from and waives any claim, right, remedy, action, cause of action, loss, damage, expense, fee or liability which the society may have against any or all of them in respect of an act of the Regional District under Section 48 except insofar as such claim, right, remedy, action, cause of

action, loss, damage, expense, fee or liability arises from the negligence of the Regional District , its elected officials and appointed Officers, employees, agents or contractors.

TERMINATION

39. The Regional District may terminate this Agreement upon giving ninety (90) days written notice to the Society should the Regional District or any successor to the Regional District provide alternate Recreation and Parks Services, within the Service Area.
40. The Regional District may terminate this agreement immediately without notice to the Society or other party should:
 - a) The Society, in the opinion of the Regional District , fail to perform any of the terms of its obligations or covenants of the Society hereunder and such failure shall continue beyond thirty (30) days from delivery by the Regional District to the Society of written notice specifying the failure and requiring remedy thereof;
 - I. Should the Society fail to file its annual report or provide an annual audited financial statement;
 - II. The Society makes an assignment in bankruptcy or is declared bankrupt;
 - III. The Society ceases, for any reason, to be current in its obligations under the *Society Act* and fails to maintain the Society in good standing.
41. The Society may terminate this Agreement upon giving not less than ninety (90) days written notice to the Regional District of its intention to so terminate in the event of breach by the Regional District of a material term of this Agreement.

DISPUTE RESOLUTION

42. The parties agree that both during and after the performance of their responsibilities under this Agreement, each of them shall:
 - a) .Make bona fide efforts to resolve any disputes arising between them by amicable negotiations; and
 - b) Provide frank, candid and timely disclosure of all relevant facts, information and documents to facilitate those negotiations.

If the dispute cannot be settled within sixty (60) days the parties will refer the matter to the arbitration of a single arbitrator mutually agreed to by the parties. If the parties cannot agree on an arbitrator, the dispute shall be referred to and finally resolved by arbitration pursuant to the *Commercial Arbitration Act* (B.C.). The cost of arbitration shall be borne equally by the parties.

NOTICE

43. It is hereby mutually agreed that any notice required to be given under this Agreement will be deemed to be sufficiently given:

- a) if delivered by hand or
- b) if mailed from any government postal outlet in the Province of British Columbia by prepaid registered mail addressed as follows:

if to the REGIONAL DISTRICT :

Manager of Recreation Services
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, BC
V9T 6N2

if to the Society:

President
Gabriola Recreation Society
PO Box 355
Gabriola, BC
V0R 1X0

44. Unless otherwise specified herein, any notice required to be given under this Agreement by any party will be deemed to have been given if mailed by prepaid registered mail, or sent by facsimile transmission, or delivered to the address of the other party set forth on the first page of this Agreement or at such other address as the other party may from time to time direct in writing, and any such notice will be deemed to have been received if mailed or faxed seventy-two (72) hours after the time of mailing or faxing and, if delivered, upon the date of delivery. If normal mail service or facsimile service is interrupted by strike, slow down, force majeure or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until actually received, and the party sending the notice must utilize any other such services which have not been so interrupted or must deliver such notice in order to ensure prompt receipt thereof.

MISCELLANEOUS

- 45. Time is to be the essence of this Agreement.
- 46. The execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement, if any, have been duly and validly authorized by all necessary corporate action of the Society, and this Agreement constitutes a legal, valid and binding obligation of the Society enforceable against the Society in accordance with its terms and the persons signing this Agreement on the Society's behalf are duly authorized to do so.

- 47. This Agreement will ensure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors and permitted assignees.
- 48. The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.
- 49. Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.
- 50. No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.
- 51. This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

For the REGIONAL DISTRICT OF NANAIMO

Authorized Signatory

(Seal)

Authorized Signatory

For the GABRIOLA RECREATION SOCIETY

Authorized Signatory

(Seal)

Authorized Signatory

SCHEDULE 'A'

Recreation Services

The Gabriola Recreation Society (GRS), as part of this agreement will provide the following Recreation Services:

1. Offer a wide variety of structured and unstructured recreation programs and/or special events, and other related recreation services deemed appropriate by the Board throughout the year in a variety of community venues in the Service Area, whether coordinated by volunteer or paid staff.
2. Provide a Grant program for the purpose of providing funds to assist local recreation organizations in providing a variety of recreation services to residents of Gabriola Island in addition to the services provided by the Society.
3. Maintain an accurate service evaluation program to include numbers of residents being served and a qualitative and quantitative evaluation of recreation programs and services being offered.

SCHEDULE 'B'
Parks Services

Rollo McClay Community Park:

The Gabriola Recreation Society (GRS), as part of this agreement will provide the following Rollo McClay Community Park Services:

GRS Responsibilities:

1. GRS is responsible for all field scheduling. GRS will coordinate between all sports groups, recreation programmers and special events organizers in an attempt to meet the scheduling requirements of all users. GRS will consider the wear and tear on the field when scheduling and will provide for field recovery time between heavy use groups. GRS will close the field when it is too wet for use, after discussion with the Regional District and the mowing contractor, and will inform the user groups and post signage.
2. GRS will ensure that the Field House is clean and safe for the public. This will include regular janitorial work such as cleaning and stocking of the washrooms, cleaning of the coaches' room, cleaning and garbage pick-up around the building, and coordinating the emptying of garbage containers with the contractor. Any damage, vandalism or equipment failures will be reported to the Regional District immediately.
3. GRS will monitor the fence around the detention pond to ensure it is secure. Any damage, vandalism or major equipment failures will be reported to the Regional District immediately. GRS will work with the contractor when setting the irrigation timer to ensure that the field receives adequate water while giving consideration to the fact that the pond must remain at a level to serve the field throughout the season. The irrigation system and timer are the responsibility of the contractor and any proposed changes to the system need to be vetted through the Regional District and contractor. The contractor is responsible for cleaning the filter system. The drilled well is not to be used for irrigation at any time.
4. GRS will monitor the field maintenance and garbage collection contractors to ensure those services are delivered in a timely manner and that the services meet the standards set out by the Regional District in the contracts. Any issues related to these services that arise to be reported to the Regional District. Minor issues can be discussed directly with the contractor.
5. Coordination of Permits and Commercial events – GRS will provide information, permit applications and permit requirements to parties interested in holding special events. The GRS will liaise with and provide information to the Regional District and will forward the completed application and documentation.

Regional District of Nanaimo Responsibilities:

The Regional District of Nanaimo will, as part of this agreement, carry out and be responsible for the duties listed below.

1. General Maintenance to Field House/Well Water System – The Regional District will undertake repairs to the Field House and Well Water System. This includes repairs/replacements of fixtures, doors, eaves troughs and any major structural damage. The Regional District will regularly test the concession water through the Vancouver Island Health Authority (VIHA).
2. General Pump House/Irrigation System – The Regional District will repair any damage or equipment failure to the pump, pond lining, the fence surrounding the pond and the pump house building.
3. Contracting of Field Maintenance and Garbage Collection – The Regional District will tender, select and award contracts for Field Maintenance and Garbage Collection in accordance with Regional District Purchasing Policies. The Regional District will pay for these services. The Regional District will establish the scope of work and standards, and share these with GRS.
4. Capital Improvements – The Regional District is responsible for all capital improvements to the field, buildings and fixtures. The Regional District will work with the GRS to ensure timely asset replacement. The Regional District will create plans and the budget for asset replacement with input from the GRS. The Regional District will award any contracts in accordance with Regional District Policy.
6. Issuing of Permits – The Regional District will approve or deny any permit application forwarded from the GRS and will notify both the GRS and the applicant of the decision. The Regional District reserves the right to deny any permit applications which are in contravention to the Parks Bylaw 1399 or could damage the field.
7. Contracting of general park maintenance services – The Regional District will tender, select and award the contracts in accordance with Regional District Purchasing Policies. The Regional District will pay for these services. The Regional District will establish the scope of work and standards. The Regional District will provide GRS staff with copies of established schedules as per the contract as soon as available (spring annually).

SCHEDULE 'B' (Continued)

Huxley Community Park:

The Gabriola Recreation Society (GRS), as part of this agreement will provide the following Huxley Community Park Management Services:

GRS Responsibilities:

1. Scheduling of Huxley Community Park – GRS is responsible for park facility and event scheduling and ensuring this information is effectively disseminated to the community including accurate and up to date signage information on site if required.
2. GRS will monitor park maintenance contractors to ensure that service is delivered in a timely manner and that the service meets the standards set out by the Regional District in the contract. Any issues related to these works that arise to be reported to the Regional District. Minor issues can be discussed directly with the contractor. Garbage collection and a portable toilet are the only recurring service agreements at Huxley. This park is undergoing several phases of upgrade and redevelopment over the next several years. Service requirements will be subject to ongoing change. GRS should communicate any concerns to Park Operations for follow-up.
3. Coordination of Permits and Commercial events – GRS will provide information, permit applications and permit requirements to parties interested in booking park facilities for scheduled use and/or holding special events in close consultation with the RDN. The GRS will forward the completed application and documentation to the Regional District for approval.
4. GRS will coordinate with the Island Health (IH) for the issuance of any operation/health permits if required. All vendors must be Foodsafe certified.

Regional District of Nanaimo Responsibilities:

The Regional District of Nanaimo will, as part of this agreement, carry out and be responsible for the duties listed below.

1. Capital Improvements/Replacement – The Regional District is responsible for all capital improvements/ replacements to Park facilities. The Regional District will work with the GRS to ensure timely asset replacement. The Regional District will create plans and the budget for asset replacement with input from the GRS. The Regional District will award any contracts in accordance with Regional District Policy.
2. Issuing of Permits – The Regional District will approve or deny any permit application forwarded from the GRS and will notify both the GRS and the applicant of the decision. The Regional District reserves the right to deny any permit applications which are in contravention to the Parks Bylaw 1399 or could damage the park.

3. Contracting of general park maintenance services – The Regional District will tender, select and award the contracts in accordance with Regional District Purchasing Policies. The Regional District will pay for these services. The Regional District will provide GRS staff with copies of established schedules as per the contract as soon as available (spring annually).

SCHEDULE 'C'

GABRIOLA RECREATION SOCIETY – Equipment Inventory 2017

OFFICE

- Computer – Dell Studio 1; Laptop – Asus X751L; 1 Printer – HP Officejet 4630
- 4 filing cabinets – 3 large, 1 small; 1 - 2 drawer lockable cabinet; 1 2 drawer office desk
- 8, 30" x 6' folding tables;
- 1, 2' x 3' folding table
- 7 black chairs; 7 grey folding chairs; 2 swivel office chairs
- 1 large whiteboard
- 1 broom with dustpan
- 1 small aluminum step ladder
- 1 VTech phone
- 1 Panasonic portable stereo - with CD player/radio/2 tape decks; partially working

GYMNASTICS

- Incline Mats – 1 small, 1 large
- 1 step; 1 donut; 1 cartwheel mat
- Trapezoids – 1 small, 1 medium, 1 large
- 8 blue Team Skyline 4 panel mats
- 10 blue single panel mats – 5' long; 10 blue single panel mats – 4' long
- 2 multi-coloured parachutes

SOCCER

- 10 balls – assorted sizes; 1 hand pump
- 2 small metal frame goals – at GES soccer field
- 4 corner markers; 8 safety cones; 20 saucers

SAILING

- 2 420 sailboats – including sails, rigging. Boats currently stored at Gun & Conservation Club

SWIMMING

- 8 kickboards
- 8 youth lifejackets – need replacing

FITNESS

- 6 3 lb. grey Weider weights
- 2 4lb medicine balls
- 2 8lb medicine balls
- 5 yoga mats

BASKETBALL

- 4 basketballs – (all old)
- 1 ball pump
- 29 pinnies
- 1 large CCM gear bag

MISCELLANEOUS

- 5 totes
- 4 first aid kits
- 2 mesh ball bags
- 2 beach volleyballs
- 2 regular volleyballs
- 1 volleyball net
- 1 Foosball table – at Gathering Place
- 3 nylon mesh badminton nets
- 6 badminton racquets (old & heavy)
- 10 tennis racquets – 3 adults; 7 kids
- 2 tennis ball machines – 1 small (silent partner)/1 large; 2 metal tennis ball hoppers (1 broken)
- 2 large notice boards with plexiglass
- 2 large cork boards
- 2 small cork boards
- 1 Freeway audio enhancer unit
- 20 dragon boat paddles
- 4 Janome SAHG1208 sewing machines
- 1 roll used Marley flooring – 10'x 100' (portable dance flooring)
- 10 adjustable training hurdles

TO: Committee of the Whole **MEETING:** November 28, 2017

FROM: Tom Osborne **FILE:** 5810-01
General Manager Recreation and Parks

SUBJECT: RDN Parks Funding Service Review

RECOMMENDATIONS

1. That the RDN Parks and Trails Funding Service Review conducted by Neilson-Welch Consulting be received.
2. That the RDN Parks and Trail Funding Service Review recommendations be implemented for 2018/2019 work plans and the 2019 to 2023 Financial Plan.
3. That the existing Regional Parks Parcel tax be utilized for the 2018 budget year.

SUMMARY

At the Regional Board meeting held January 24, 2017 staff were directed to review the Regional Parks and Trails service funding allocations and bring back a report on options for funding the service in the future. Neilson-Welch Consulting was retained to undertake the service review which has now been completed. Recommendations excerpted from the review are provided as Attachment 1. The review document is provided as Attachment 2.

The review concluded that the level of equity across participating jurisdictions and among individual taxpayers contributing to the Regional Parks Service would be improved by allocating acquisition, capital development and operating costs using a combination (50%-50%) of converted assessment and population for Regional Parks.

In addition, equity among individual taxpayers would be further improved and service pressures can be better met through the introduction of Development Costs Charges (DCCs) in both the Regional Parks and Electoral Area Community Parks service areas.

With the RDN Parks Funding Service Review now complete, the report's findings and recommendations are ready for the Regional Board's review and consideration.

BACKGROUND

As part of the 2016 Annual Budget and Five Year Financial Plan approval process, the Regional Board was considering annual parcel tax increases to the Regional Parks Acquisition and Capital Development Fund. Through this process the Regional Board increased the parcel tax from \$13.00 to \$14.00 for 2016.

During these deliberations by the Board, additional information was requested on other forms of taxation that the Board could use as an alternative to the parcel tax approach for this service area. Staff conducted the review and provided a report titled *Regional Parks Parcel Tax Review (September 8, 2016)* which outlined various forms of taxation alternatives for the Regional Parks Acquisition and Capital Development Fund. Upon receiving the report, the Board opted to maintain the status quo and continue using a parcel tax at \$14.00 until a Regional Services Review was completed.

At the Regional Board meeting held January 24, 2017 staff were directed to review the Regional Parks and Trails service funding allocations and bring back a report on options for funding the service in the future.

As Regional Parks share staff and administrative resources with Electoral Area Community Parks and have similar financial tools that can be used for acquisition and capital development, the consulting team was also requested to consider full RDN parks system in their analysis.

Neilson-Welch Consulting was then retained to undertake the service review per the following scope of work:

1. Review current funding models in use at the RDN for Regional and Community Parks.
2. Research funding models and financial tools in use at other Regional Districts and local governments.
3. Examine the acquisition, development, management and use of Regional and Community Parks and Trails to ensure equity in the service is being met across the RDN's member participants.
4. Based on the review of items 1, 2 and 3 above, propose funding options and recommendations for the RDN Regional Board's consideration.

Neilson-Welch Consulting has concluded the review and their report, provided in Attachment 2, is ready for the Regional Board's review and consideration.

As part of the review, the consultants concluded that the level of equity across participating jurisdictions and among individual taxpayers in the Regional Park Service would be improved by allocating acquisition, capital development and operating costs using a combination (50%-50%) of converted assessment and population for Regional Parks.

In addition, equity among individual taxpayers would be further improved through the introduction of Development Costs Charges (DCCs) to assist in funding land acquisitions and development for Regional Parks.

The report also recommends the RDN continue to separate acquisition funding from operating funding, irrespective of the approaches taken to cost allocation and taxation. It is also recommended that the RDN confirm that the Regional Park Acquisition and Capital Development Reserve Fund has the flexibility required to allow for spending on development projects.

For Electoral Area Community Parks, the Service Review recommends no significant changes in the way funds are collected and used. The report does recommend implementing DCCs for park improvements in the eight service areas.

ALTERNATIVES

1. That the RDN Parks and Trails Funding Service Review conducted by Neilson-Welch Consulting be received, the report's recommendations be added to the 2018/2019 work plans and 2019 to 2023 Financial Plan for implementation, and the existing Regional Parks Parcel Tax be utilized for the 2018 budget year.
2. That the RDN Parks and Trails Funding Service Review conducted by Neilson-Welch Consulting be received, the report's recommendations be considered further by the Board prior to the review of the 2019 Budget and Five Year Financial Plan, and the existing Regional Parks Parcel Tax be utilized for the 2018 budget year.
3. That the RDN Parks and Trails Funding Service Review conducted by Neilson-Welch Consulting be received and alternate Board direction be provided on the funding of RDN regional and community parks.

FINANCIAL IMPLICATIONS

One of the primary recommendations that have been brought forward in the Service Review is to allocate acquisition, capital development and operating costs using a combination (50%-50%) of converted assessment and population for Regional Parks. The existing model allocates acquisition and capital costs based on number of parcels, and operating costs based on population. Figure I.3.2 from the Service Review report and shown below, highlights the financial implications for this change to each participant using the current value collected in 2017 by the 14.00 parcel tax for acquisition and capital costs and by way of population for operational cost.

Figure I.3.2
Impact of Allocating All Costs by Converted Assessment and Population (50-50)

| Jurisdiction | Existing Model | | | Converted Assess & Population (50-50) | | | Change in Allocation |
|--------------------------|----------------|------------------|------------------|---------------------------------------|------------------|------------------|----------------------|
| | Acquisit/Dev | Ops | Total | Acquisit/Dev | Ops | Total | |
| City of Nanaimo | 481,166 | 797,168 | 1,278,334 | 536,770 | 765,873 | 1,302,643 | 24,309 |
| City of Parksville | 94,318 | 110,225 | 204,543 | 78,963 | 112,666 | 191,630 | (12,913) |
| Town of Qualicum | 67,774 | 78,771 | 146,545 | 60,171 | 85,854 | 146,025 | (520) |
| District of Lantzville | 20,748 | 31,753 | 52,501 | 22,941 | 32,732 | 55,673 | 3,172 |
| Electoral Area A | 40,628 | 62,168 | 102,796 | 39,278 | 56,042 | 95,320 | (7,476) |
| Electoral Area B | 52,794 | 35,523 | 88,317 | 28,822 | 41,124 | 69,945 | (18,372) |
| Electoral Area C | 19,950 | 24,733 | 44,683 | 23,299 | 33,243 | 56,542 | 11,859 |
| Electoral Area E | 47,922 | 53,950 | 101,872 | 47,103 | 67,208 | 114,311 | 12,439 |
| Electoral Area F | 41,916 | 68,034 | 109,950 | 42,767 | 61,020 | 103,787 | (6,163) |
| Electoral Area G | 52,206 | 65,752 | 117,958 | 47,741 | 68,118 | 115,859 | (2,099) |
| Electoral Area H | 35,350 | 34,210 | 69,560 | 26,918 | 38,406 | 65,324 | (4,236) |
| Total Requisition | 954,772 | 1,362,287 | 2,317,059 | 954,772 | 1,362,287 | 2,317,059 | - |

As it will take additional time that will extend past the 2018 budget approval cycle to work with participating jurisdictions to amend *Bylaw No. 1231 (2001)*, it is recommended that the acquisition and

capital parcel tax and the population allocation of the requisition for operations be maintained for the 2018 budget year.

The report also concluded that Development Cost Charges (DCC's) should be a tool to use in order to meet the future demand for both Regional Parks and Electoral Area Community Parks. When last reviewed in 2011 by the RDN, it was estimated that implementing DCC's could collect in the range of 19 to 24 million dollars over a 30 year period to assist with acquisitions and the development of the Regional Parks system. The DCC program would need to be reviewed in relation to updated acquisition and capital development plans; however, a DCC program could be expected to provide significant funding toward Regional Parks acquisitions and development.

STRATEGIC PLAN IMPLICATIONS

Undertaking the service review on funding for Regional Parks and Trails and Electoral Area Community Parks is in alignment with the RDN Boards Strategic Plan in the following strategic priority areas:

Service and Organization Excellence

- Review the costs and benefits during the investment of regional services.
- Advocate for Active Transportation which includes use of the RDN trail system.
- Recognize recreational services as a core service.

Focus on Relationships

- Look at opportunities to partner with other branches of government and community groups to advance the Regional District of Nanaimo.

Focus Economic Health

- Recognize eco-tourism as a key opportunity in the region.

Focus on the Environment

- Protecting and enhancing our environment in all decisions.



Tom Osborne
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November 22, 2017

Reviewed by:

- C. Midgley, Manager of Strategic Initiatives and Asset Management
- W. Idema, Director of Finance
- G. Garbutt, Acting Chief Administrative Officer

Attachments

1. Summary of Recommendations from RDN Regional Parks Funding Service Review
2. Regional Parks and Trails Funding Service Review / Neilson-Welch Consulting

**Summary of Recommendations from
RDN Regional Parks Funding Service Review**

| Topic | Recommendations |
|----------------------------------|---|
| Regional Service Funding Model | <p>THAT the Board work with participating jurisdictions to amend <i>Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)</i> to allocate land acquisition and development costs among service participants on the combination (50-50) of converted assessment and population, rather than number of parcels.</p> <p>THAT the Board work with participating jurisdictions to amend <i>Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)</i> to replace the property parcel tax for acquisition and development costs with a property value tax.</p> <p>THAT the Board work with participating jurisdictions to amend <i>Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)</i> to allocate service operating costs among service participants on the combination (50-50) of converted assessment and population, rather than population alone.</p> <p>THAT the Board direct staff to undertake a survey of regional parks and trails users, at key times of year, every three-to-five years, to identify and track the home jurisdictions of users.</p> <p>THAT the Board, pursuant to section 559(2) of the <i>Local Government Act</i>, introduce a Development Cost Charge to assist in raising funds required for parkland acquisition, and parkland improvements.</p> <p>THAT the Board direct staff to review the existing permit fees charged for special events, filming, and commercial activities, and to propose a new revenue-generating fee schedule.</p> <p>THAT the Board continue its approach of collecting land acquisition and capital development funds separately from funds that are collected to support planning, operations and maintenance.</p> <p>THAT the Board clarify in all materials that monies held in the Regional Parks Acquisition and Capital Development (Reserve) Fund are intended both for land acquisition and capital project purposes.</p> |
| Community Services Funding Model | <p>THAT the Board retain its current practice of allocating staffing costs equally across the Electoral Areas.</p> |

| Topic | Recommendations |
|-------------------|--|
| | <p>THAT the Board continue to raise service funds using property value taxes.</p> <p>THAT the Board, pursuant to section 559(2) of the <i>Local Government Act</i>, introduce local Development Cost Charges to assist in raising funds required for parkland improvements.</p> |
| Additional Issues | <p>THAT the Board refrain from assuming responsibility, in whole or part, for municipal parks that may possess regional park characteristics.</p> <p>THAT the Board direct staff to work with their counterparts in the Regional District's member municipalities on developing and implementing an integrated planning framework for regional and local parks and trails.</p> |



RDN PARKS FUNDING SERVICE REVIEW

REPORT

This *Report* has been prepared by Neilson-Welch Consulting Inc. for the Regional District of Nanaimo (RDN). The document is presented for discussion with, and for the sole use of, the RDN. No representations of any kind are made by the consultants to any party with whom the consultants do not have a contract.

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November, 2017



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EXECUTIVE SUMMARY

Neilson-Welch Consulting Inc. was retained by the Regional District of Nanaimo (RDN) to undertake the *RDN Parks Funding Service Review*. The purpose of the *Service Review* is to assess and make recommendations on the funding model that is currently used to support the acquisition, development and operation of parks and trails in the RDN's Regional Parks & Trails Service. The assessment of the funding model considers a variety of criteria, the most important of which is equity among participating jurisdictions in the service.

While the funding model of the regional service was identified in the *Review's* terms of reference as the primary focus of the assignment, the consultants were also asked to assess and make recommendations on the funding model in place for the Community Parks & Trails Services in the RDN's seven electoral areas.

THE REPORT

This report presents the results of the *Service Review*. The document is divided into two parts.

Part I: Regional Parks and Trails Service

The first and largest part of the report focuses on the Regional Parks and Trails Service. Part I is divided into five chapters:

- *Chapter 1.1: Current Service* — Chapter 1.1 profiles the RDN's Regional Parks & Trails Service. The profile highlights the funding model and financial tools in place today, and the changes that have occurred to service funding since the service's inception. The profile also identifies challenges facing the service.
- *Chapter 1.2: Service Funding* — Chapter 1.2 outlines the full range of financial tools available to regional districts to assist in funding the acquisition, development and operation of regional parks and trails. The text draws heavily on comparative research undertaken on regional parks and trails services across British Columbia.
- *Chapter 1.3: Assessment of Service Funding Models* — Chapter 1.3 introduces and applies a set of evaluation criteria for assessing the RDN's Regional Parks & Trails funding model. Included in the list of criteria are:
 - equity across jurisdictions
 - equity among different types of taxpayers
 - effectiveness at raising sufficient revenue for the service
 - transparency in communicating the purposes of monies raised

- *Chapter I.4: Additional Issues* — This chapter examines specific issues that arose over the course of the *Review*, but that do not necessarily fit into the discussions on funding models.
- *Chapter I.5: Summary of Recommendations* — The final chapter summarizes the recommendations on the regional service funding model, and on the issues raised in Chapter I.4.

Part II: Community Parks and Trails Services

The second part of the report examines the funding model in place for the eight Community Parks and Trails Services. Chapter II.1 begins by profiling the services and their funding model. Chapter II.2 then considers the range of financial tools available to regional districts to assist in the acquisition, development and operation of parks and trails at the community level. The current funding model is assessed in Chapter II.3 using the same criteria introduced for the regional service. Recommendations are summarized in Chapter II.4.

FINDINGS

Regional Parks and Trails Service

A number of key findings emerged from the assessment of the funding model for the Regional Parks and Trails Service:

- *Equity (Jurisdictions)* — The level of equity across participating jurisdictions would be improved if all service costs — acquisition, development, operating — were allocated on a combination (50-50) of converted assessment and population. This approach would recognize the service's indirect benefits to the broader region, but also the service's direct benefits to residents in each jurisdiction. Under the current model, costs for acquisition and development are allocated on basis of parcels; operating costs are allocated by population alone.
- *Equity (Individual Taxpayers)* — Equity among individual taxpayers would be improved through the use of a property value tax in place of the current property parcel tax to determine and collect service payments from properties. Equity among individual taxpayers would also be improved through the introduction of a development cost charge (DCC) to assist in funding land acquisitions and development.
- *Effectiveness* — The current funding model, with its reliance on property tax revenues only, does not appear to provide sufficient funding to meet the expressed expectations and interests related to the service. The RDN should consider introducing a regional parks and trails DCC to increase and diversify funding. User fees for special events, filming and other permits should also be reviewed and increased where warranted. The Regional District may also need to increase the overall amount it collects in service tax revenues to support the levels of service expected by residents.

- *Transparency* — Support for regional services increases when funding models are transparent in their use of tax dollars — that is, when funds raised are used in accordance with their stated purpose. At the RDN, transparency in the Regional Parks & Trails Service funding model is enhanced by the separation of acquisition and development funds from operational funds. This separation should continue, irrespective of the approaches taken to cost allocation and taxation. The RDN should also ensure that monies held in its Regional Park Acquisition and Capital Development Fund are identified consistently as funds that are intended for both acquisition and development purposes.

Additional Issues Considered

As noted earlier, over the course of the *Service Review* certain additional issues arose that should be considered, but that do not fit neatly into the discussions on funding models. The first issue concerns the potential for the RDN to assume responsibility, in whole or part, for municipal parks that have regional park characteristics. There are many examples of municipalities in the province that provide region-like parks. Several regional districts have been faced with the prospect of assuming responsibility for these parks; in general, regional districts have been reluctant to accept any responsibility.

The second issue concerns the potential for an integrated approach to parks and trails planning that would take into account municipal and electoral area park systems, along with the regional parks and trails system. There is considerable interest on the part of the RDN and member municipalities to integrate their respective efforts. The upcoming process for updating the *Regional Parks & Trails Plan* provides an opportunity to work together.

Community Parks and Trails Services

The funding model for the Community Parks & Trails Services was assessed using the same evaluation criteria that were introduced for the regional service. Key findings are as follows:

- *Equity (Jurisdictions)* — Inter-jurisdictional equity considerations at the local service level relate to the allocation, across local service areas, of the cost of Parks and Recreation staff who are assigned to services. At the RDN, this cost is allocated in equal portions to the seven electoral areas. This approach may, at first glance, seem unfair given differences between and among the local services. The approach, however, can be supported by a number of points, as explained in the report, and should be maintained.
- *Equity (Individual Taxpayers)* — The RDN should leave unchanged its reliance on property value taxes for the local services — this method of taxation is most equitable for the services. Overall equity would be improved,

however, if RDN introduced a DCC specifically for community parks and trails improvements.

- *Effectiveness* — A new DCC, focused initially on improvements, should be considered. In the future, the tool could be expanded to include land acquisition in the event that the Regional District begins to fund acquisition efforts directly with tax dollars.
- *Transparency* — No issues were identified concerning transparency.

RECOMMENDATIONS

Figure ES.1 presents the consultants' recommendations, for the Board's consideration, from both parts of the report. Included are recommendations on the funding model for the Regional Parks and Trails Service, the additional issues considered, and the funding model for the Community Parks and Trails Services.

**Figure ES.1
Recommendations**

| Topic | Recommendations |
|--------------------------------|---|
| Regional Service Funding Model | <p>THAT the Board work with participating jurisdictions to amend <i>Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)</i> to allocate land acquisition and development costs among service participants on the combination (50-50) of converted assessment and population, rather than number of parcels.</p> <p>THAT the Board work with participating jurisdictions to amend <i>Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)</i> to replace the property parcel tax for acquisition and development costs with a property value tax.</p> <p>THAT the Board work with participating jurisdictions to amend <i>Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)</i> to allocate service operating costs among service participants on the combination (50-50) of converted assessment and population, rather than population alone.</p> <p>THAT the Board direct staff to undertake a survey of regional parks and trails users, at key times of year, every five (5) years, to identify and track the home jurisdictions of users.</p> <p>THAT the Board, pursuant to section 559(2) of the <i>Local Government Act</i>, introduce a Development Cost Charge to assist in raising funds required for parkland acquisition, and parkland improvements.</p> |



| Topic | Recommendations |
|----------------------------------|--|
| | <p>THAT the Board direct staff to review the existing permit fees charged for special events, filming, and commercial activities, and to propose a new revenue-generating fee schedule.</p> <p>THAT the Board continue its approach of collecting land acquisition and capital development funds separately from funds that are collected to support planning, operations and maintenance.</p> <p>THAT the Board clarify in all materials that monies held in the Regional Parks Acquisition and Capital Development (Reserve) Fund are intended both for land acquisition and capital project purposes.</p> |
| Additional Issues | <p>THAT the Board refrain from assuming responsibility, in whole or part, for municipal parks that may possess regional park characteristics.</p> <p>THAT the Board direct staff to work with their counterparts in the Regional District's member municipalities on developing and implementing an integrated planning framework for regional and local parks and trails.</p> |
| Community Services Funding Model | <p>THAT the Board retain its current practice of allocating staffing costs equally across the Electoral Areas.</p> <p>THAT the Board continue to raise service funds using property value taxes.</p> <p>THAT the Board, pursuant to section 559(2) of the <i>Local Government Act</i>, introduce local Development Cost Charges to assist in raising funds required for parkland improvements.</p> |

RDN
PARKS FUNDING
SERVICES REVIEW
REPORT

NEILSON-WELCH
CONSULTANTS TO GOVERNMENT

INTRODUCTION

Neilson-Welch Consulting Inc. was retained by the Regional District of Nanaimo (RDN) to undertake the *RDN Parks Funding Service Review*. The purpose of the *Service Review* is to assess and make recommendations on the funding model that is currently used to support the acquisition, development and operation of parks and trails in the RDN's Regional Parks & Trails Service. The assessment of the model considers a variety of criteria, the most important of which is equity among participating jurisdictions in the service.

The funding model of the regional service was identified in the *Review's* terms of reference as the primary focus of the assignment. The consultants were also asked, however, to assess and make recommendations on the funding model in place for the Community Parks & Trails Services in the Regional District's seven electoral areas.

The findings and recommendations from the *Review* are intended to help the RDN in its efforts to fund parks and trails services in ways that support the purposes of the services, and that are fair to taxpayers throughout the region. The recommendations will also help to inform the development of an updated *Regional Parks & Trails Plan* in 2018.

APPROACH TO WORK

The consultants' approach to the *Service Review* consisted of the following elements:

- *Background Research* — The consultants reviewed a considerable number of documents concerning the regional and community services. Relevant documents from the literature on financial tools used in parkland acquisition, parkland development, and park operation were also reviewed. In all, the list of key documents included:
 - RDN Bylaw 1231 (the establishing bylaw for the Regional Parks & Trails Service)
 - RDN's *2017 Five Year Financial Plan*
 - 2016 and 2017 requisition totals for the regional and community services, parcel totals, converted assessment and population data
 - various staff reports, including the "Regional Parks Parcel Tax Review" (2016), and the "Amendment of the Regional Parks Function to Include Municipalities" (2005)
 - *Regional Parks and Trails Plan* (2005-2015)
 - *Regional Parks DCC Review* (2007)
 - *Regional District of Nanaimo Strategic Plan, 2016-2020*
 - Acquisition Criteria Rating Sheet
 - *2017 RDN Operational Plan*

- *Community Parks & Trails Strategic Plan (2014)*
 - studies related specifically to individual community parks and trails in the electoral areas
 - all regional park management plans
- *Comparative Research* — The consultants examined the regional and local parks services in ten regional districts across British Columbia. Particular attention was paid to services in the:
 - Cowichan Valley Regional District
 - Regional District Central Okanagan
 - Capital Regional District
 - Comox Valley Regional District

Interviews were conducted with senior managers in several cases in order to fully understand the funding models in place.

- *Consultation* — The consultants held one facilitated discussion with the RDN Board of Directors, and one with the Chief Administrative Officers of the member municipalities and the Regional District.¹ For both meetings, background materials and questions for discussion were distributed in advance. Meetings were held, as well, with senior managers at the RDN in Recreation and Parks Services, Finance, and Strategic Initiatives.
- *Report and Recommendations* — The consultants prepared the report for presentation to the RDN Board of Directors.

FORMAT OF REPORT

This report presents the results of the *RDN Parks Funding Service Review*. The document is divided into two parts.

Part I: Regional Parks and Trails Service

The first and largest part of the report focuses on the Regional Parks and Trails Service. Part I is divided into five chapters:

- *Chapter I.1: Current Service* — Chapter I.1 profiles the RDN's Regional Parks & Trails Service. The profile highlights the funding model and financial tools in place today, and the changes that have occurred to service funding since the service's inception. The profile also identifies challenges facing the service.

¹ The CAO's or their designates from all member municipalities were invited. Representatives from Parksville, Qualicum Beach and Lantzville attended, along with the CAO from the RDN. Representatives from the City of Nanaimo were not available.

- *Chapter I.2: Service Funding* — Chapter I.2 outlines the full range of financial tools available to regional districts to assist in funding the acquisition, development and operation of regional parks and trails. The text draws heavily on comparative research undertaken on regional parks and trails services across British Columbia.
- *Chapter I.3: Assessment of Service Funding Models* — Chapter I.3 introduces and applies a set of evaluation criteria for assessing the RDN's Regional Parks & Trails funding model. "Equity" is a key criterion in the exercise — the terms of reference for the *Review* specifically highlight the importance of assessing equity among participating jurisdictions.
- *Chapter I.4: Additional Issues* — This chapter examines specific issues that arose over the course of the *Review*, but that do not necessarily fit into the discussions on funding models. Two issues in particular are addressed:
 - the potential for the RDN to assume responsibility, in whole or part, for municipal parks that have regional park characteristics
 - the potential for an integrated approach to parks and trails planning that would take into account municipal and electoral area park systems, along with the regional parks and trails system
- *Chapter I.5: Summary of Recommendations* — The final chapter summarizes the recommendations on the regional service funding model, and on the issues raised in Chapter I.4.

Part II: Community Parks and Trails Services

The second part of the report examines the funding model in place for the eight Community Parks and Trails Services. Chapter II.1 begins by profiling the services and their funding model. Chapter II.2 then considers the range of financial tools available to regional districts to assist in the acquisition, development and operation of parks and trails at the community level. The current funding model is assessed in Chapter II.3 using the same criteria introduced for the regional service. Recommendations are summarized in Chapter II.4.



PART I

REGIONAL DISTRICT OF NANAIMO REGIONAL PARKS AND TRAILS SERVICE

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CONSULTANTS TO GOVERNMENT

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CHAPTER I.1 CURRENT SERVICE

This chapter profiles the Regional Parks & Trails Service as it exists today. Several elements of the service are outlined; however, the focus is on the service's funding model.

OVERVIEW OF REGIONAL PARKS & TRAILS SERVICE

The RDN was granted authority in 1989 by way of Supplementary Letters Patent to establish and provide regional parks and trails. In 2001, the Regional District converted the function to a regional service, as provided within the framework of the *Local Government Act*. The *Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)* became the establishing bylaw for the service.

The vision for the service was first presented in a 1995 *Regional Parks System Plan*. A subsequent 2005 *Regional Parks and Trails Plan* built on and refined the earlier vision to create a four-part purpose that balances the need to protect natural areas in the region with the desire to promote access to them. As set out in the 2005 document, the *Regional Parks & Trails Service* exists to:

- secure, protect and steward land and water features of environmental significance and wildlife habitat value
- provide rewarding outdoor recreation opportunities
- foster education on and appreciation of the Region's natural environment
- enhance livability for current and future residents of the RDN

The RDN undertakes all facets of regional parks and trails service provision, including system planning, land acquisition, the establishment of management plans for individual regional parks and trails, regional parks and trail development, and the ongoing operation of parks and trails in the system. Land acquisition efforts are guided by acquisition plans and goals, acquisition criteria, and a scoring tool to assist decision-makers in making selections. The management and development of each regional park are governed by a park-specific management plan.²

The Regional Parks & Trails Service today is a true regional service that includes all jurisdictions of the RDN as participants. Full participation, however, has not always been a feature of the service. For the first decade of its existence the regional service received support from the electoral areas only. In late 2000, as the result of a multi-service *Regional Services Review*, the RDN's member municipalities entered into a *Regional Parks Service Agreement* with the RDN to contribute towards the operation and maintenance (but not the acquisition or capital development) of

² The management plan for Beachcomber Regional Park is under development. All other regional parks have plans in place.

regional parks on a per capita basis. In 2006, following a review of the *Agreement*, and in response to increasing demand across the region for large natural parks and trails, the municipalities joined the regional service as participants, and began to contribute to land acquisition and development efforts.

The expansion of the regional service to include all jurisdictions enabled the network of regional parks and trails to grow significantly between 2006 and 2017. In 2006, the system consisted of eight parks, with a total area of 430 ha. Trail development had occurred to the point that by 2006, there were 60 km of regional trails in the system. Today, at the time of writing, the system consists of 12 regional parks covering a total of 2,129 ha, and a network of regional trails approaching 90 km in length.³

FUNDING MODEL

For the purpose of this report, the term "funding model" focuses on the financial tools used by the Regional District to pay the different costs of the service, including costs associated with land acquisition, parks and trails capital development, and planning, operations and maintenance.

Land Acquisition

In the RDN, as in all other regional districts with regional parks services, lands are acquired for regional parks and trails in two basic ways: through direct purchase by the Regional District; and through transfer to the Regional District by others.

► Direct Purchase

Direct purchase is an important element of the RDN's acquisition efforts. As in most regional districts, the RDN relies on property tax revenues to fund its purchases. Unlike other regional districts, however, the RDN relies solely on a property parcel tax to raise acquisition funds. Each year, all property owners in the Regional District pay a flat tax for each parcel of land.⁴ The total amount contributed to the service from each participating jurisdiction equals the number of parcels in the jurisdiction, multiplied by the flat parcel tax. The funds raised through the parcel tax are placed into a Regional Parks Acquisition and Capital Development Fund. Monies in the fund are used primarily to purchase lands; however, resources are also used where required to fund major capital improvements in the system, such as bridges and parking areas.

³ Much of the growth in hectares can be attributed to two specific regional parks acquired since 2005, including Mount Benson Regional Park (212 ha) and Mount Arrowsmith Massif Regional Park (1,300 ha).

⁴ To be identified as a parcel for the purposes of taxation a separate tax folio must exist. Rental apartments and individual manufactured homes within manufactured home parks or mobile home parks do not have separate folios. These units are not, therefore, considered parcels, and are not charged the parcel tax.

Prior to 2006, member municipalities were not participants in the regional service. As noted earlier, they did contribute beginning in 2001 to operations and maintenance through a *Regional Parks Service Agreement*. This *Agreement*, however, did not allow for contributions to land acquisition. The flat parcel tax, as the chosen method for funding acquisition, was introduced when the municipalities entered the service.

When it began in 2006, the flat parcel tax was set at a rate of \$10.⁵ The rate remained at this level until 2011 when it was increased to \$11. Between 2011 and 2016, the rate climbed from \$11 to \$14, always remaining a flat, per-parcel amount. In 2016, parcel tax revenues totaled \$950,000; budgeted revenues for 2017 are at essentially the same level. Figure I.1.1 on the following page shows the parcel tax contributions from each jurisdiction in 2017. Also shown for each is the number of parcels.

► **Transfer of Lands**

Where possible, lands are acquired by the Regional District through transfers from senior levels of government, non-profit societies, private corporations and, in some cases, individuals. The RDN has secured a number of land transfers from the provincial government in past years. In some instances title of ownership was transferred, as when the province transferred 105 ha of land to create Horne Lake Regional Park. In other instances, the province granted long-term operating leases to the Regional District, or licenses of occupation. The long-term lease of 22 ha at Benson Creek Falls Regional Creek, and the license of occupation granted to the RDN over 1,300 ha in Mount Arrowsmith Massif Regional Park, are examples.

Several regional parks have been established with the help of contributions from the Nanaimo & Area Land Trust (NALT), the Land Conservancy of BC, the Nature Trust of BC, the Nature Conservancy of Canada, Ducks Unlimited and others. These contributions typically take the form of long-term leases or licenses of occupation. Land contributions from private corporations represent an additional tool — Timber West is one corporation that has contributed lands in past years to the regional parks system (e.g., Englishman River). Contributions in the form of gifts from individuals, while less common, do occur periodically. Coats Marsh Regional Park, Beachcomber Regional Park and Little Qualicum River Regional Park were all established, in part, using lands gifted by individuals.

⁵ The parcel tax applied to the electoral areas and the City of Nanaimo in 2006, but was phased in for the other municipalities over five years. The City of Nanaimo began paying in 2006 to support the acquisition of Mount Benson Regional Park, which the City had identified as a priority.

**Figure I.1.1
Parcel Tax (Acquisitions) and Value Tax (Operations)
2017 Requisitions**

| Jurisdiction | No. Parcels | Pop (2016) | Parcel Tax Rate | Value Tax Rate | Requisition | | |
|--------------------------|-------------|------------|-----------------|----------------|----------------|------------------|------------------|
| | | | | | Acquisition | Operations | Total |
| City of Nanaimo | 34,369 | 90,504 | 14.00 | 0.041 | 481,166 | 797,168 | 1,278,334 |
| City of Parksville | 6,737 | 12,514 | 14.00 | 0.036 | 94,318 | 110,225 | 204,543 |
| Town of Qualicum Beach | 4,841 | 8,943 | 14.00 | 0.032 | 67,774 | 78,771 | 146,545 |
| District of Lantzville | 1,482 | 3,605 | 14.00 | 0.036 | 20,748 | 31,753 | 52,501 |
| Electoral Area A | 2,902 | 7,058 | 14.00 | 0.047 | 40,628 | 62,168 | 102,796 |
| Electoral Area B | 3,771 | 4,033 | 14.00 | 0.029 | 52,794 | 35,523 | 88,317 |
| Electoral Area C | 1,425 | 2,808 | 14.00 | 0.022 | 19,950 | 24,733 | 44,683 |
| Electoral Area E | 3,423 | 6,125 | 14.00 | 0.025 | 47,922 | 53,950 | 101,872 |
| Electoral Area F | 2,994 | 7,724 | 14.00 | 0.048 | 41,916 | 68,034 | 109,950 |
| Electoral Area G | 3,729 | 7,465 | 14.00 | 0.035 | 52,206 | 65,752 | 117,958 |
| Electoral Area H | 2,525 | 3,884 | 14.00 | 0.030 | 35,350 | 34,210 | 69,560 |
| Total Requisition | | | | | 954,772 | 1,362,287 | 2,317,059 |

The Value Tax Rate differs for each jurisdiction because costs for operations are allocated among participating jurisdictions on the basis of population, then collected from individual property owners on the basis of assessment. If costs for operations were allocated and collected based on assessment, the tax rate would be the same.

The transfer of lands through the development process is most commonly used to acquire small parcels of land for community parks. Opportunities also exist at the regional level from time to time, however, to secure land transfers at subdivision or through rezoning. In the RDN at present, a 100 ha parcel of land is being dedicated pursuant to a 20-year phased development agreement to create a regional park in the Fairwinds' Lakes District Neighbourhood (Area E). In 2001, the initial 44 ha Little Qualicum River Regional Park was acquired through dedication at subdivision (later, in 2017, an additional 68 ha was added to the Regional Park through a land donation).

➤ **Combination of Methods**

It is useful to note that in the RDN, as in other regional districts, regional parks and trails are typically established, or enhanced, using a combination of direct purchases and land transfers. Direct purchases by the RDN are often used to leverage transfers from other agencies that share the Regional District's vision for a particular site.

Parks and Trails Development

Capital projects that are undertaken to develop regional parks and trails include trail improvements, parking areas, washroom facilities, ecosystem protection works, bridges, and other similar works. Major projects are funded through contributions

from the Regional Parks Acquisition and Capital Development Fund, senior government grants (e.g., Federal Gas Tax Sharing),⁶ and operating revenues raised through property value taxes. Capital contributions obtained through the development process are secured in specific cases (e.g., Fairwinds' Lakes District Neighbourhood), but are not common.

Contributions to regional trail development are provided, in some cases, by individual member municipalities and electoral areas that comprise the RDN. For example, Electoral Areas F and G contributed Community Works Fund (CWF) grant monies in 2016 and 2017 to assist in the cost of developing the portions of the E&N Rail Regional Trail that traverse the two Areas. Contributions to development costs come, as well, from community groups that raise funds to assist with specific projects.

Planning, Operations and Maintenance

The RDN raises funds to pay for regional park planning, operations and maintenance using a property value tax. The service costs that are paid using the tax are allocated among participating jurisdictions on the basis of population. The tax, however, is applied to property owners based on assessment. Total tax revenues collected in 2016 were \$1.34 million; 2017 revenues are 2.1% higher at \$1.36 million. The property value tax contributions from the service participants, along with population data, are provided in Figure I.1.1 (page 8).

Challenges Related to Funding Model

The RDN's Regional Parks and Trails Service is facing three key challenges related to funding: increasing demand for the service; rising land values and capital costs; and equity among jurisdictions.

➤ Demand for the Service

The regional parks and trails service in the RDN, similar to services in other parts of the province, provides many benefits to the region and its residents. For example, the service:

- helps to protect, in perpetuity, important natural features, ecosystems and habitats, some of which may be threatened
- offers opportunities to residents and visitors to connect with, learn about, and be active in outdoor, natural environments
- provides a range of ecosystem services to the broader community in the form of improved air quality, nutrient recycling, flood regulation, water supply and treatment, and other benefits

⁶ In 2014, the RDN applied for and received \$2.6 million from the Regionally Significant Priorities Gas Tax under the Federal Gas Tax Sharing program. The funds were used to construct the Coombs to Parksville Rail Trail. Projects that receive these grants are deemed to provide broad, regional benefit.

- draws visitors to the region, and in so doing assists in economic development efforts

The significance of these benefits and the service that provides them tends to rise in tandem with population growth and development. In parts of the province, such as the RDN, that experience sustained growth and urbanization, people become increasingly aware of the importance of protected natural areas and the desire to connect with nature. With increasing awareness comes increasing demand to expand and develop the regional parks and trails system.

The RDN does not yet have good data on the volume of visits to its different regional parks and trails (numbers are beginning to be tracked); nor has the Regional District attempted to measure demand through surveys or other qualitative means. It is difficult, therefore, to state definitively that demand for the service is rising. In the discussion with Board Directors, however, the need to grow the service was clear. Directors highlighted the dual desire to protect additional natural areas through acquisition, and to make available existing and new regional parks and trails to growing populations through development.

The park development piece is important to emphasize. Directors on the whole gave voice to the expectation that regional parks acquired by the RDN should be made accessible to the residents of the RDN. Staff echoed this point in separate discussions, and referred to expectations from a growing variety of user groups, including mountain bike clubs, kayak and diving groups, and others.

➤ **Land Values and Capital Costs**

The cost of land on the East Coast of Central Vancouver Island continues to experience upward pressure, as data from BC Assessment help to illustrate. Cost pressures are attributable to a number of factors, including general growth in the region, and the limited supply of land available for acquisition relative to other parts of the province. Regardless of the causes, increasing land values make land acquisition through purchase difficult to pursue.

To date, the RDN has been successful in securing a considerable amount of its lands through partnerships and contributions; efforts to develop new partnerships and attract additional contributions will surely continue. To leverage contributions and to enter into partnerships, however, the RDN needs to have its own funds on hand. As land costs increase, so too does the pressure on existing acquisition reserves, and the demand for new funding sources.

The cost to develop capital infrastructure in regional parks is also facing upward pressure, over-and-above the Consumer Price Index rate of inflation.



Staff note that in 2017 the RDN had to postpone certain capital projects because of higher-than-anticipated contractor bids. Managers from other regional parks systems who were interviewed for the *Service Review* — RDCO, CRD and MVRD are examples — are experiencing the same issue. Costs are escalating as a result of rising material and contractor costs.

➤ **Equity**

In any shared service, ensuring a level of equity between and among members is an ongoing challenge — the RDN's Regional Parks & Trails Service is no exception. An assessment of equity under the current funding model is provided later in Chapter I.3.

CHAPTER I.2 FINANCIAL TOOLS

This chapter reviews the range of tools available to regional districts in British Columbia to fund the various activities that are undertaken in regional parks and trails services. Most of the tools are in use already at the RDN. The information presented draws heavily on the comparative research that was conducted for the *Service Review*.

COMPARATIVE RESEARCH

Pursuant to the *Service Review's* terms of reference, the consultants undertook comparative research on regional parks and trails services across BC. Materials were reviewed and, in several cases, managers were interviewed, from a total of ten regional districts, including:

- Cowichan Valley Regional District (CVRD)
- Capital Regional District (CRD)
- Comox Valley Regional District (Comox Valley RD)
- Regional District Central Okanagan (RDCO)
- Metro Vancouver Regional District (MVRD)
- Regional District Okanagan Similkameen (RDOS)
- Powell River Regional District (PRRD)
- Fraser-Fort George Regional District (FFGRD)
- Regional District East Kootenay (RDEK)
- Regional District Central Kootenay (RDCK)

The consultants gathered information on each regional district's service, size of regional parks system, evolution of the system, and challenges being faced today. Special attention was paid to service funding — more specifically, the tools being used in each regional district to pay for regional parks and trails acquisition, development, and planning, operation and maintenance.

In general, the comparative research confirmed that the range of tools available to regional districts to fund regional parks and trails services is limited. The research also revealed that the primary financial tool used across regional districts to pay for the services is property value taxes. This finding was not unexpected given the nature of regional parks and trails as true public good services.

FINANCIAL TOOLS

Financial tools are identified under each of the main service components, namely land acquisition, parks and trails development, and planning, operations and maintenance.

Land Acquisition

As noted earlier, regional districts acquire land for regional parks and trails in two different ways: through direct purchase, and through transfer to the regional district by others. Figure I.2.1 presents the different tools available to regional districts under each of these approaches.

**Figure I.2.1
Land Acquisition Tools**

| TOOL | DESCRIPTION |
|--------------------------------|--|
| Direct Purchase of Land | |
| Property Value Tax | <p>A property value tax is a tax levied on the assessed value of properties within a service area to raise the revenue necessary to fund the cost of a service. The cost may be allocated among participating jurisdictions on the basis of converted assessment, population, or any other factor or combination of factors. If cost is allocated on the basis of converted assessment, the value tax rate will be uniform throughout the service area.⁷ If cost is allocated on some other basis, such as population, the value tax rate that is applied to collect revenues will vary by jurisdiction. Within each jurisdiction, the rate — however it is determined — will be levied against the assessed value of each property.</p> <p>All regional districts surveyed, with the exception of the Comox Valley RD, use a property value tax to raise funds for land acquisition.⁸ In every case, the value tax is levied against the full assessed value of properties — that is, the value of land and improvements.</p> <p>The amount of tax paid by each property varies based on assessed value. In some of the regional districts, the payment is communicated in information materials as a standard dollar amount per household. The CRD and CVRD, for example, both identify a per-household rate of \$20. This amount, however, reflects the payment that a household with an average residential assessment pays through the property value tax towards acquisition. The actual amount paid by any particular household varies depending on the assessed value of the household relative to the average value in the service area.</p> <p>Most regional districts have land acquisition reserve funds in place to hold the property tax revenues collected for acquisition. These funds promote transparency, ensure that the monies are used for their intended purpose, and help to raise awareness of the importance of ongoing acquisition in regional parks and trails systems. In some cases, regional districts create their acquisition funds within the existing regional parks and trail service — RDCO and MVRD are examples. In</p> |

⁷ Allocation on the basis of converted assessment is the default under the *Local Government Act*.

⁸ The Comox Valley service is a sub-regional service in that it does not include the Regional District's member municipalities.



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CONSULTANTS TO GOVERNMENT

| TOOL | DESCRIPTION |
|--------------------------|--|
| | <p>these regions, a specific portion of the total tax revenue collected is transferred to the reserve fund. In a few cases — the CRD and CVRD stand out — the regional districts have established separate land acquisition services, with separate value taxes in place, to collect and hold the monies.</p> <p>In the RDOS, RDEK and RDCK, separate services have been established with separate value taxes to collect funds specifically for conservation lands.</p> |
| Property Parcel Tax | <p>A property parcel tax is levied against each parcel of property in an amount that is not linked to the assessed value of the property. The tax may be a flat tax — i.e., a specific, common dollar amount that is levied against each property. Alternatively, the tax may vary based on the size of property, or the length of frontage.</p> <p>Other than the Comox Valley RD's flat parcel tax, levied for its sub-regional parks service, the RDN is the only regional district in the comparison group that uses a parcel tax to fund land acquisition. The rate per property in the Comox Valley is <u>\$20</u>; the rate in the RDN is <u>\$14</u>.</p> |
| Development Cost Charges | <p>Development in a regional district results in an increased demand for various regional services, including regional parks and trails. Regional districts have the authority under the <i>Local Government Act</i> to impose development cost charges (DCCs) on new development to recover the portion of the acquisition cost that has been incurred, or that will be incurred, to meet the demand for regional parks and trails generated by new development.</p> <p>Several regional districts in the comparison group charge DCCs to assist in providing regional infrastructure services (e.g., sewer trunk lines and treatment plants). No regional district, however, charges DCCs to assist in the acquisition of lands for regional parks and trails services.</p> <p>In 2011, the RDN came close to implementing the first regional park DCC in BC. A staff report at the time estimated, based on a 2007 consultant's study, that DCCs could help the RDN to collect significant funds over a 30 year period — <u>\$19 million</u> to <u>\$24 million</u> — to assist with the acquisition and development of lands for the regional parks and trails system. The proposed DCC bylaw that was presented did not, however, receive final Board approval.</p> |
| Transfer of Funds | <p>While not a significant source of revenue, regional districts may receive funds from other agencies towards the purchase of specific properties. In the RDN, the Nature Trust of BC and NALT together raised <u>\$156,000</u> in 2011 towards the RDN's <u>\$4.8 million</u> purchase of lands for Moorecroft Regional Park. Contributions resulting from fundraising efforts and other initiatives are more typically directed to capital projects.</p> |

| TOOL | DESCRIPTION |
|------------------------------------|--|
| Transfer of Land | |
| Transfers from Government | <p>Lands suitable for inclusion in regional parks and trails services may be transferred to a regional district, at no cost, by other governments. Transfers may involve the transfer of ownership (i.e., title) over lands, or the transfer of responsibility for lands through long-term leases, licenses of occupation, or other mechanisms. Where ownership is transferred, covenants may be attached to ensure that lands retain their parkland nature. Terms included in leases and licenses of occupation provide the same protection.</p> <p>Regional districts have traditionally relied on the transfer of provincial Crown lands to establish and expand regional parks and trails systems. Today, however, land transfers from the province are less common than before in most parts of the province. The change is attributable, in part, to the need to take into consideration and consult on First Nations' interests in the provincial lands. The change is also attributable in some regions to a decline in the amount of suitable provincial land.</p> <p>Transfers of federal Crown land are less common than those from the province, and face the same challenges related to consultation and lack of supply. Federal transfers do, however, remain a tool to consider, particularly in the form of long-term management leases. The MVRD, among others has leases in place in some of its regional parks.</p> |
| Transfers from Non-Profit Agencies | <p>All regional districts secure lands for regional parks and trails services through contributions from non-profit societies that exist to protect lands, ecosystems and natural habitats from development.</p> <p>As noted in Chapter I.1, the RDN has several partnerships in place with groups such as NALT, the Land Conservancy of BC, the Nature Trust of BC, the Nature Conservancy of Canada, Ducks Unlimited and others. Transfers from these groups usually occur through long-term management leases or licenses of occupation, so that actual ownership remains with the contributor.</p> <p>Contributions from non-profit groups are often combined with direct purchases of lands by regional districts. In this way, the regional district funds may be seen to leverage investments by others in order to create more extensive regional parks than would otherwise be possible.</p> |
| Transfers from Other Agencies | <p>Resource companies and others that own large tracts of lands will, at times, transfer ownership of properties, or grant licenses of occupations or rights-of-ways, to regional districts for use as regional parks or trails. In some cases, transfers of ownership may be made to a non-profit agency, which then makes the land available to the regional district for operation through a regional parks and trails service.</p> |

| TOOL | DESCRIPTION |
|-----------------------------------|--|
| | In future years in the RDN and in other regional districts, the need for rights-of-way through private lands is anticipated to grow, as demand for new regional trails grows. |
| Transfers from Individuals | <p>Gifts from individual landowners are another form of land transfer that benefits regional parks and trails services. Individuals are typically eligible to receive tax credits for donations of land that are made.</p> <p>In some cases, individuals may sell lands to regional districts at discounted, below-market rates. In all cases, it is common for covenants to be attached to lands in order to ensure their use as regional parks in perpetuity.</p> |
| Parkland Transfers at Development | <p>Regional districts can receive property through the development process in the form of land dedications and contributions. Dedications at subdivision, pursuant to section 510 of the <i>Local Government Act</i>, are typically used for community parks services, but may be used for regional parks as well. Contributions provided by developers during the rezoning process, and through phased development agreements, may also benefit regional services. The examples in the RDN of such contributions were identified earlier in Chapter I.1.</p> <p>Municipalities may also use the development process to acquire lands for transfer (ownership or lease) to a regional districts. In such cases, the lands received by the municipality would have regional park characteristics, including a large benefitting area.</p> |

➤ **A Note on Borrowing**

Short- and long-term borrowing are cited by some regional districts as financial tools for use in the acquisition of regional park lands. Both forms of borrowing are, indeed, used by regional districts for acquisition, most often in cases where the amount of funds in reserve are insufficient to take advantage of opportunities that have arisen to purchase desired properties. Short-term borrowing may be undertaken for up to five years without the assent of electors. Long-term loans may have much longer amortization periods, but may require elector assent.⁹

Despite their use, short-term borrowing and long-term borrowing are not considered acquisition tools in this report. In the context of land acquisition, borrowing is essentially a cash-flow management tool that can be used by regional districts to make expenditures before revenues from property taxes and/or DCCs are fully collected. Borrowing may allow regional districts to

⁹ At the RDN, long-term borrowing (20 years) assisted in the acquisition of lands for Moorecroft Regional Park (elector assent was not required as the total outstanding amount of borrowing did not exceed \$5 per thousand dollars of net taxable value of land and improvements). Short-term borrowing is used regularly as required.

acquire lands sooner than they could under a pay-as-you-go system of service funding; but borrowing does not constitute a new source of funding separate from property taxes and DCCs.

Parks and Trails Development

Figure I.2.2 presents the different tools available to regional districts to undertake capital projects in regional parks and trails services.

**Figure I.2.2
Parks and Trails Development Tools**

| Tools | Description |
|--|---|
| Grants from Senior Governments | All regional districts rely on senior government grants to assist in the cost of infrastructure development in regional parks and trails. Grants under the Strategic Priorities Fund (Federal Gas Tax Sharing program), in particular, are pursued and obtained where possible. Other one-time grant programs are also pursued where available, such as the recent Canada 150 Community Infrastructure Program, ¹⁰ and the Federation of Canadian Municipalities Green Municipal Fund. |
| Contributions from Non-Profit Agencies | All regional districts also rely on contributions from regional non-profit societies to assist in the funding of specific works that tend to be selected by the societies based on their particular missions. Metro Vancouver, for example, depends on the Pacific Parklands Foundation to assist in environmental works and other capital projects that promote the Foundation's goals. MVRD, RDCO and most other regional districts rely, too, on regional park associations to raise money for improvements in the specific parks. The RDN has received contributions from, and has benefitted from the fundraising efforts of, non-profit groups across the region. |
| Land Acquisition Reserve Funds | Rising expectations and costs related to parks and trails development force some regional districts to make use of property tax revenues that are raised, either through parcel or value taxes, for land acquisition. Accessing acquisition funds for development purposes, however, is difficult in several cases, need notwithstanding. In the CRD, for example, gaining access to acquisition funds may require a bylaw change and elector assent. The MVRD is facing the same constraints, as is the CVRD with its separate acquisition service. RDCO and the RDN are reportedly less restricted in their use of acquisition reserve funds for major capital works. |
| Property Taxes | Property tax revenues that are collected to pay for service operations are used in most (if not all) regional districts to assist with capital development. |

¹⁰ The Regional District of Okanagan-Similkameen received funding under this program for regional trails.

| Tools | Description |
|--------------------------|--|
| | A unique approach to the use of property taxes for capital works exists in the Cowichan Valley. The CVRD has established a separate service — the Kinsol Trestle service — to raise property tax revenues specifically for use in reconstructing and maintaining the Kinsol Trestle. This approach was taken to ensure strong support for the project, to promote transparency, and to raise the dedicated (and significant) funds required. |
| Development Cost Charges | The authority of regional districts to impose DCCs for regional park land acquisition was noted in Figure I.2.1. The same authority allows regional districts to use DCCs for regional parks and trails development costs. As with land acquisition, no regional district currently uses, or has ever used, DCCs for regional parks and trails development. |
| Other | Some regional districts — RDCO and MVRD are current examples — have memorial and other programs that allow individuals to provide funds for benches, picnic tables and similar types of infrastructure. Regional districts may also work with individuals who wish to gift funds (as opposed to lands) for specific works. Monies raised through these initiatives tend to be limited. |

Planning, Operations and Maintenance

Figure I.2.3 presents the different tools available to regional districts to fund regional parks and trails planning, operations and maintenance.

Figure I.2.3
Planning, Operations and Maintenance Tools

| Tools | Description |
|----------------|--|
| Property Taxes | Property value taxes are the primary tool used by every regional district to pay for the operation and maintenance of regional parks. |
| User Fees | <p>User fee revenues, generated from film permits, special event permits, commercial licenses and other special-use permits, are a secondary source. In all cases, however, user fee revenues are modest at best. Indeed, only three of the regional districts studied for the <i>Service Review</i> — the CRD, RDEK and MVRD — appear able to generate in excess of 5% of total service revenues from user fees.</p> <p>This level of funding is not unexpected given the nature of regional parks and trails. They are designed to provide access to all residents, free of financial and other barriers. Fees for parking and other services have been considered by some regional districts; ultimately, however, such fees were rejected for fear that they would prevent some groups of residents from using parks and trails.</p> |

CHAPTER I.3 ASSESSMENT OF FUNDING MODEL

This chapter provides an assessment of the RDN's funding model that is in place today to pay for the Regional Parks & Trails Service. Recommendations for the Board to consider are put forward. The experiences of other regional districts, identified through the comparative research, inform both the assessment and the recommendations.

EVALUATION CRITERIA

As noted in the terms of reference for the *Service Review*, equity among service participants is particularly important as an evaluation criterion. Other criteria, however, are also important to consider. The full list of criteria used in this report includes:

- *Equity (Jurisdictions)* — All member jurisdictions of the RDN — municipalities and electoral areas — are participants in the regional service. Is the service's current funding model fair to all parties? Are there changes to the model, based on approaches taken elsewhere, that would make the system more equitable on the whole?
- *Equity (Individual Taxpayers)* — Is the current funding model, with its reliance on both property value taxes and a flat-rate property parcel tax, fair to the different types of taxpayers who benefit from and pay for the service? Could the model be improved?
- *Effectiveness* — Does the current funding model allow the RDN to raise sufficient revenue for the service, given expectations and key challenges?
- *Transparency* — Is the current funding model clear in communicating to taxpayers and jurisdictions the purposes of monies that are raised?

REGIONAL PARKS & TRAILS FUNDING MODEL

The RDN's Regional Parks & Trails Service was profiled in Chapter I.1. The service's funding model can be summarized by the following points:

- Lands for regional parks and trails are acquired through direct purchase by the Regional District, and through transfer to the Regional District by others. The two methods of acquisition are often used in combination.
- The RDN relies solely on a property parcel tax to raise resources to purchase lands. The parcel tax is a flat tax, in that it is the same amount (\$14) for each parcel, irrespective of the parcel's assessed value. The tax has been increased four times since its introduction in 2006 at \$10.

- Land transfers are pursued from and received by senior levels of government, non-profit societies (e.g., land trusts), private corporations and individuals.
- Capital projects undertaken to make regional parks and trails accessible to users are funded through contributions from the Regional Park Acquisition and Capital Development Fund, senior government capital grants, contributions secured through the development process, and operating revenues that are raised using a property value tax. Funding for regional trails, in particular, is provided in some cases by individual member jurisdictions for the portions of trails that traverse their areas.
- Funds for planning, operations and maintenance are raised using a property value tax. The service costs that the tax is used to fund are allocated among jurisdictions on the basis of population.

ASSESSMENT OF REGIONAL SERVICE FUNDING MODEL

Equity (Jurisdictions)

To assess the funding model's level of equity — or fairness — among jurisdictions, it is useful to consider the benefits received by the different jurisdictions, and the cost of participation in the service for the different jurisdictions.

➤ Benefits

The *Regional Parks & Trails Service* provides broad, indirect benefits to the region as a whole, including:

- protection, in perpetuity, of important natural features, sensitive ecosystems, landscapes and habitats in the region
- ecosystem services in the form of improved air quality, nutrient recycling, flood regulation, and water supply and purification

Residents in all jurisdictions of the Regional District receive these important, indirect benefits from the service, irrespective of the residents' ability to access the regional parks and trails in the system. Put differently, all residents in the RDN, whether or not they are able to visit regional parks and trails, benefit from efforts to protect the region's natural environment and ecosystem services.

The *Regional Parks & Trails Plan* (2005-2015) recognizes the value of these indirect benefits provided by the service. The protection of natural areas, landscapes, ecosystems and habitats is featured prominently in the vision for the service. The *Plan* also, however, points to the importance of direct benefits to residents who are able to use the regional parks and trails. As set out in the *Plan*, the service exists in part to provide opportunities to residents and visitors to access, learn about, and be active in outdoor natural

environments. The service also is designed to draw visitors to the region, and in so doing to promote economic development. These direct benefits exist for jurisdictions in which residents and visitors are able to easily access and make use of the parks and trails.

Indirect benefits by their very nature are difficult to measure for the service area as a whole, but also for individual jurisdictions within the area. It may be helpful simply to acknowledge that, through its targeting of different landscapes and habitats, and in its efforts to protect key ecosystems, the service provides broad, indirect benefits to the entire region.

Direct benefits are also not easy to measure, but may be approximated in different ways:

- *Actual Usage* — The estimated number of visits to regional parks and trails by residents of different jurisdictions can be used to judge direct benefit. Unfortunately, the RDN does not yet track visitor numbers to its different properties, nor does it conduct periodic surveys to identify the home jurisdiction of different users.
- *Population* — For several local government services, population is considered a proxy measure for usage, and one way to gauge direct service benefit. Population, arguably, is particularly well-suited to parks and trails services which are designed, in part, to be accessed and used by people.
- *Proximity of Regional Parks & Trails* — The proximity of regional parks and trails to individual jurisdictions can be used to assess the level of system access available to residents in each jurisdiction. Figure I.3.1 presents data from the RDN to show the number of regional parks and trails within 60 minutes' driving time, 45 minutes' driving time, and 30 minutes' driving time from a central location in each jurisdiction. The information in the figure shows that, on the whole, access to the regional parks and trails system is uniformly strong for most jurisdictions at the 60 and 40 minute marks (the exception is Gabriola Island which has less access relative to other jurisdictions on account of the need for ferry travel). Access at the 30 minute mark, however, is considerably better for jurisdictions in the north of the RDN (District 69) than in the south, as measured by number of regional parks within easy reach.
- *Expenditures* — It may be argued that spending decisions of the RDN benefit, or have the potential to benefit, different jurisdictions depending on the location of the expenditures. Under this argument, spending of service funds to acquire, develop or operate

**Figure I.3.1
Proximity to Regional Parks and Trails
Driving Times**

| Jurisdiction | Place | Number of Parks & Trails Within | | |
|----------------|-------------------------------------|---------------------------------|---------|---------|
| | | 60 Min. | 45 Min. | 30 min. |
| Nanaimo | Nanaimo City Hall | 15 | 10 | 4 |
| Lantzville | Lantzville District Hall | 15 | 14 | 9 |
| Parksville | Parksville City Hall | 14 | 14 | 10 |
| Qualicum Beach | Qualicum Beach City Hall | 14 | 13 | 10 |
| Area A | Cedar Plaza | 14 | 9 | 4 |
| Area B* | Gabriola Island Ferry Terminal | 6 | 2 | 2 |
| Area C | Extension | 15 | 8 | 4 |
| Area C | East Wellington | 16 | 12 | 8 |
| Area E | Nanoose Place | 14 | 14 | 12 |
| Area F | Coombs Country Market | 14 | 14 | 11 |
| Area G | Sunrise Dr. at Island Highway (19A) | 14 | 13 | 9 |
| Area H | Lighthouse Community Centre | 14 | 11 | 8 |

* Includes ferry travel time.

specific regional parks and trails will benefit the jurisdictions closest to the properties.

Detailed operating and capital budgets (2016 and 2017) were reviewed for the assignment, along with land acquisition guides and criteria, to gauge the fairness of spending in the service. No spending patterns were identified to suggest any disproportionate level of benefit to individual participants. Spending on acquisition is guided by Board-endorsed criteria, including one criterion that calls for "geographical equity". This criterion states that balance between and among electoral areas and sub-regions is an important outcome for the Board.¹¹

Spending on development is modest, given the nature of the service, except in cases where bridges and parking areas must be constructed. Examples of these major capital works exist in both major sub-regions, demonstrating again the sensitivity shown to spatial equity. Spending on operating is also dispersed across the region as shown by annual work plans.

¹¹ Electoral Areas are identified specifically for two reasons: they are spread throughout the entire Regional District; and candidate properties for acquisition are most often located in the rural areas where land costs are (usually) lower relative to those in the municipalities, and where large natural areas of regional significance tend to be situated.

➤ **Participant Costs**

The allocation of acquisition and development costs among participating jurisdictions based on number of parcels is not common in regional district funding models for regional parks and trails. Number of parcels does not take into account differences across jurisdictions in total converted assessment. Converted assessment, as a measure, is widely considered to reflect a jurisdiction's ability to pay; allocation of costs on the basis of converted assessment is accepted as the fairest approach for cost sharing in services that provide broad, indirect benefits.

Allocation of costs for planning, operations and maintenance on the basis of population is another relatively unique approach for regional parks and trails services specifically. As a proxy measure for service usage, population is used to allocate costs in cases where level of service usage is considered important, but where data on actual usage do not exist. The reliance on population places considerable value on the direct benefits of the Regional Parks & Trails Service to residents. The important indirect benefits to the region as a whole that are related to the protection of natural areas and ecosystems receive less emphasis under this approach.

Across British Columbia, the full costs — acquisition, development, planning, operations and maintenance — in most if not all regional parks and trails services are allocated among participating jurisdictions on the basis of converted assessment alone. This basis, as noted, recognizes the indirect, broad benefits of the service, and is considered by many to reflect each jurisdiction's ability to pay for the service. The reliance on converted assessment entirely, however, may not sufficiently recognize the direct benefits of the service. These benefits are identified in the RDN's materials as being important. They were also recognized as important during the *Service Review* discussion with the Board.

An approach that allocates all service costs among participating jurisdictions on a combination (50-50) of converted assessment and population would recognize both the indirect benefits and the direct benefits that the Regional Parks & Trails Service is designed to provide. In the RDN, this approach would be bolstered by the general level of parity in access to the regional parks system, and in expenditures across the region.

➤ **Conclusion**

The discussions on benefits provided to jurisdictions and costs allocated to jurisdictions under the current Regional Parks & Trails Service funding model suggest that the current funding could be made fairer. Specifically, allocation across jurisdictions of acquisition and development costs, as well as costs related to planning, operations and maintenance, on a combination (50-50) of converted assessment and population would increase inter-jurisdictional equity. This approach would recognize and balance the

service's indirect benefits to the region as a whole, and the direct benefits to each jurisdiction.

Figure I.3.2 uses 2017 data to show how this change would impact each jurisdiction in actual dollar terms. As evident from the figure, most jurisdictions would face relatively modest change.

Equity (Individual Taxpayers)

The RDN's use of a flat parcel tax to raise the allocated funds for land acquisition represents a unique approach to taxation in regional parks and trails services, and a unique use of the parcel tax tool. Parcel taxes, in general, are used to assist in funding major infrastructure costs associated with local government utilities — for example, the construction and replacement of a water or sewage treatment plant. These utilities provide direct benefit only to properties that are physically connected to the systems, or that have the ability (but choose not) to physically connect. Put differently, local government utilities "exclude" properties that cannot connect to the services. This characteristic of exclusion is considered a "private good" attribute. Parcel taxes are considered a useful and equitable tool to assist in the funding of local services with private good characteristics.

Regional parks and trails are pure public good services. They are designed to provide access to all (i.e., to exclude none), and to benefit everyone. Such services, it is generally acknowledged, are most equitably funded using property value taxes.

Figure I.3.2
Impact of Allocating All Costs by
Converted Assessment and Population (50-50)

| Jurisdiction | Existing Model | | | Converted Assess & Population (50-50) | | | Change in Allocation |
|--------------------------|----------------|------------------|------------------|---------------------------------------|------------------|------------------|----------------------|
| | Acquisit/Dev | Ops | Total | Acquisit/Dev | Ops | Total | |
| City of Nanaimo | 481,166 | 797,168 | 1,278,334 | 536,770 | 765,873 | 1,302,643 | 24,309 |
| City of Parksville | 94,318 | 110,225 | 204,543 | 78,963 | 112,666 | 191,630 | (12,913) |
| Town of Qualicum | 67,774 | 78,771 | 146,545 | 60,171 | 85,854 | 146,025 | (520) |
| District of Lantzville | 20,748 | 31,753 | 52,501 | 22,941 | 32,732 | 55,673 | 3,172 |
| Electoral Area A | 40,628 | 62,168 | 102,796 | 39,278 | 56,042 | 95,320 | (7,476) |
| Electoral Area B | 52,794 | 35,523 | 88,317 | 28,822 | 41,124 | 69,945 | (18,372) |
| Electoral Area C | 19,950 | 24,733 | 44,683 | 23,299 | 33,243 | 56,542 | 11,859 |
| Electoral Area E | 47,922 | 53,950 | 101,872 | 47,103 | 67,208 | 114,311 | 12,439 |
| Electoral Area F | 41,916 | 68,034 | 109,950 | 42,767 | 61,020 | 103,787 | (6,163) |
| Electoral Area G | 52,206 | 65,752 | 117,958 | 47,741 | 68,118 | 115,859 | (2,099) |
| Electoral Area H | 35,350 | 34,210 | 69,560 | 26,918 | 38,406 | 65,324 | (4,236) |
| Total Requisition | 954,772 | 1,362,287 | 2,317,059 | 954,772 | 1,362,287 | 2,317,059 | - |

Figure I.3.2 shows that allocating all costs on a combination of converted assessment and population would shift slightly the overall cost burden among jurisdictions. The Existing Model allocates acquisition and development costs based on number of parcels, and operating costs based on population.

Value taxes differentiate among individual properties on the basis of assessed value, which is considered a measure of a property owner's ability to pay. Owners of properties with higher than average assessed values within a service area are expected to pay more towards the cost of the service than are owners of properties with lower than average assessments. In this way, property value taxes are considered progressive. Flat parcel taxes, conversely, would be considered by many to be regressive.

The difficulty with the flat parcel tax is exacerbated further by the fact that all parcels, regardless of property class, are charged the same rate. In a value tax system, Class 4 (Major Industry), Class 5 (Light Industry) and Class 6 (Business) properties would pay different (higher) rates than Class 1 (residential) properties.

Equity as it relates to individual taxpayers needs to also consider whether there are different groups of stakeholders who contribute to the demand for the service, and who stand to benefit from the service, but who do not share in the cost of the service under the current model. The one stakeholder group that stands out at present is development. As noted earlier in the report, new development adds to the demand for new regional parks and trails in the RDN. Under the current funding model, however, there is no mechanism in place to require new development to contribute funding for additional acquisition and development of lands. The introduction of a DCC to assist with acquisition and development costs would make the funding model fairer for all taxpayers.

► **Conclusion**

The assessment demonstrates that the level of equity among individual taxpayers in the regional service would be improved through the use of a property value tax, in place of the current property parcel tax, to determine and collect service payments from properties. Equity among individual taxpayers would also be improved through the introduction of a DCC to assist in funding land acquisitions and development.

Effectiveness

Does the current funding model, with its reliance on property taxes as the sole source of revenue, allow the RDN to raise sufficient funds for the service, given the expectations of residents and elected officials, and in view of key challenges? It is difficult to answer this question definitively until the RDN has completed its anticipated update (beginning in 2018) to the *Regional Parks & Trails Plan*. The process through which the *Plan* is updated will:

- clarify or confirm the fundamental purpose and goals of the service, as determined by the Board
- review the existing inventory of parks and trails
- confirm and articulate the anticipated need for additional regional parks and trails, based on the expectations of the broader regional community for the

protection of natural areas, and for opportunities to connect with, be active in, and learn about the natural environment

- identify the most important types of properties to acquire on a go-forward basis
- refine existing acquisition criteria
- consider parks and trails development needs
- examine staffing and other operational and maintenance resource levels
- quantify the anticipated costs of acquisition, development and operations in the coming years

Through the update to the *Plan*, the Board will be able to determine whether the current funding model can be used to raise sufficient revenues, or whether additional revenue-generating tools should be considered.

The need for an updated *Plan* notwithstanding, it does appear to be the case, based on consultations and the review of materials, that the service requires more funds to meet existing needs and expectations related, in particular, to acquisition and development. In plain terms, people in the RDN want more regional parks and trails, and they want to be able to use them. More funds could be obtained by simply increasing the taxes charged against property owners. Increases of this sort may, indeed, be part of the solution;¹² however, funds could also be raised by introducing a regional parks and trails DCC (referred to earlier), and by undertaking efforts to increase, where possible, fees for special events, film permits and other services.

It is not being suggested that the RDN introduce a wide range of fees for those who use the regional parks and trails system. Too many user fees may inadvertently undermine the ability of all residents in the RDN to access the system. What is being suggested is to increase user fees for specific permits in an effort to increase the total amount of user fee revenue available in the service. At present, the RDN generates essentially no such revenues. By contrast, user fees at other regional districts, including the CRD and MVRD, account for 5% to 8% of total service revenues.

➤ **Conclusion**

The current funding model does not appear to provide sufficient funding to meet the expressed expectations and interests for the service. The RDN should consider introducing a regional parks and trails DCC to increase and diversify funding. User fees for special events, filming and other permits should also be reviewed and increased where warranted. The Regional District may also need to increase the amount it collects in service tax revenues from the service area in order to meet increasing level of service demands.

¹² The tax amount collected per property in the RDN is much lower than the amount collected on an average property in the CRD and RDCO.

Transparency

Support for regional services increases when funding models are transparent in their use of tax dollars — that is, when funds raised are used in accordance with their stated purpose. At the RDN, transparency in the Regional Parks & Trails Service funding model is enhanced by the separation of acquisition and development funds from operational funds. This separation should continue, irrespective of the approaches taken to cost allocation and taxation.

Questions related to transparency often arise in regional park services in discussions on spending for land acquisition and park development. Many of the regional districts reviewed for the assignment — CRD, RDCO, MVRD and CVRD stand out — are facing pressures to develop lands that have already been acquired. All of these regional districts are looking to their acquisition reserve funds as much-needed sources of revenue. In certain cases — RDCO, for example — the purpose of the reserve fund clearly includes parks and trails development costs. In other regional districts the flexibility is less clear. Officials in these other places who wish to use reserve funds for both acquisition and capital are finding it necessary to seek explicit approval from electors, who may consider the funds to be earmarked for acquisition only.¹³

In the RDN, transparency in the use of capital funds is not a major concern. The reserve fund that is used to assist in both the cost of acquisition and the cost of development is clearly identified in key RDN materials as the Regional Parks Acquisition and Capital Development Fund. In certain materials (e.g., service budget sheets), the fund is identified in short-hand as an acquisition fund. These instances should be corrected to include reference to major capital. In all instances, the Fund should be referred to as the "Regional Parks Acquisition and Capital Development (Reserve) Fund".

➤ Conclusion

The RDN should continue to separate acquisition and development funding from operating funding, irrespective of the approaches taken to cost allocation and taxation. The RDN should also ensure that monies held in its Regional Park Acquisition and Capital Development (Reserve) Fund are identified consistently as funds for both acquisition and development.

RECOMMENDATIONS ON REGIONAL SERVICE FUNDING MODEL

Based on the assessment of the RDN's current funding model for the Regional Parks & Trails Service, the following recommendations are provided for the Board's consideration:

- THAT the Board work with participating jurisdictions to amend *Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)* to allocate land acquisition and development costs among

¹³ It is understood that the CRD will be appealing to electors on this point in 2018.

service participants on the combination (50-50) of converted assessment and population, rather than number of parcels.

- THAT the Board work with participating jurisdictions to amend *Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)* to replace the property parcel tax for acquisition and development costs with a property value tax.
- THAT the Board work with participating jurisdictions to amend *Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)* to allocate service operating costs among service participants on the combination (50-50) of converted assessment and population, rather than population alone.
- THAT the Board direct staff to undertake a survey of regional parks and trails users, at key times of year, every three-to-five years, to identify and track the home jurisdictions of users.
- THAT the Board, pursuant to section 559(2) of the *Local Government Act*, introduce a Development Cost Charge to assist in raising funds required for parkland acquisition, and parkland improvements.
- THAT the Board direct staff to review the existing permit fees charged for special events, filming, and commercial activities, and to propose a new revenue-generating fee schedule.
- THAT the Board continue its approach of collecting land acquisition and capital development funds separately from funds that are collected to support planning, operations and maintenance.
- THAT the Board clarify in all materials that monies held in the Regional Parks Acquisition and Capital Development (Reserve) Fund are intended both for land acquisition and capital project purposes.

CHAPTER I.4 ADDITIONAL ISSUES

Over the course of the *Service Review*, certain additional issues arose that should be considered, but that do not fit neatly into the discussions on funding models. Two issues emerged as being particularly important to examine:

- the potential for the RDN to assume responsibility, in whole or part, for municipal parks that have regional park characteristics
- the potential for an integrated approach to parks and trails planning that would take into account municipal and electoral area park systems, along with the regional parks and trails system

Each of these issues is reviewed briefly in this chapter of the report.

MUNICIPAL PARKS

Municipalities are responsible for providing a range of local parks to their respective populations. Some of the parks are acquired and designed to provide benefit to small areas within cities, typically one or two neighbourhoods. These parks are often referred to as "tot lots" or neighbourhood parks. Municipalities also provide larger parks that are designed to benefit section of cities, and that may host sports equipment, playgrounds and other improvements. These parks are in some cases referred to as district parks. Several municipalities provide more significant parklands and trails with large catchment areas that may transcend municipal boundaries. These properties, often called city parks or destination city parks, may feature high quality sport fields, field houses and other facilities.

In addition to these various municipal park types, a number of municipalities provide large parks and trails that appear to many observers to be regional in nature. These parks may protect significant natural areas, ecosystems and habitats, and may showcase important regional landscapes. They often feature trail systems through the lands, but are otherwise essentially undeveloped. Some are large enough to protect and promote the provision of ecosystem services.

There are many examples of municipalities in the province that provide these region-like parks. The Cities of Surrey, Burnaby, Delta and Richmond, and the District of North Vancouver in the MVRD all have significant, natural parks that complement the regional park system. Kelowna, Kamloops, Vernon and Salmon Arm are a few of the many examples from the Interior. On the Island, Victoria and Saanich are good examples, as is the City of Nanaimo in the RDN with parks such as Westwood Lake and Linley Valley, and conservation areas such as Buttertubs Marsh.

Several regional districts have been faced with the prospect of assuming responsibility for municipal parks that possess regional park qualities. In general, regional districts have been reluctant to embrace such parks for a number of reasons:

- A decision to accept responsibility for one municipal park inevitably leads to requests from other municipalities, as well as raised expectations. Many municipalities, as noted earlier, control and operate parks that have regional qualities, including large benefitting areas. A regional district that agrees to take responsibility in one case could quickly find itself overwhelmed by demands to take responsibility over others' parks.
- The original decisions to acquire the land, establish and operate a park, and make ongoing investment in the park, were made by the municipal council, not the regional district board. Had the regional board been involved in past decisions, a different type of park may have emerged, established to address a different purpose and achieve different goals.
- There is not always agreement with respect to what constitutes "regional qualities". Improvements (e.g., paved trails) or activities in some large municipal parks may be not support the purpose of the regional parks and trail system.
- Municipalities that do transfer responsibility over key parks to the regional district may have a difficult time "letting go". Decisions made by the regional board may not be supported by the municipality or its residents that use the park. In such cases, the potential for conflict between jurisdictions would be high.
- Municipalities that transfer control through leases or licenses of occupation may decide that they want control back at the end of the contract. In these cases, the regional district and park users could face uncertainty and disruption over the future purpose of the park and the goals the park was intended to achieve. In Metro Vancouver, the City of Burnaby leased Burnaby Lake to the MVRD to operate within the regional park system. Burnaby has decided to not renew the lease in 2021. This decision has caused anxiety among park user groups and others who value the park's ecosystem services and other features, and who view the regional park system as an important source of protection.

The MVRD is proceeding cautiously with respect to Burnaby Lake Park, and on the broader issue of assuming responsibility for other municipal properties. No other regional district surveyed for the study is contemplating or encouraging any transfer of existing municipal parks.

In the consultation with decision-makers at the RDN, the transfer of responsibility issue did not generate discussion or interest. The creation of a park in the Lantzville Foothills was identified as a topic for further discussion between the municipality and the RDN. No such park, however, exists today.

INTEGRATED PLANNING

There is considerable interest on the part of RDN and its member municipalities to integrate regional and local parks and trails planning on a go-forward basis. Integration could help to link parks and trails systems, reduce overall planning costs, and achieve sub-regional and region-wide environmental and active-living goals. Integrated planning also would help jurisdictions to identify important parks and trails gaps, and set acquisition and development priorities accordingly.

The process for updating the *Regional Parks & Trails Plan* in 2018 provides an opportunity to bring together planning efforts.

RECOMMENDATIONS

Based on the discussion on the additional issues raised in this chapter, the following recommendation are presented to the Board for consideration:

- THAT the Board refrain from assuming responsibility, in whole or part, for municipal parks that may possess regional park characteristics.
- THAT the Board direct staff to work with their counterparts in the Regional District's member municipalities on developing and implementing an integrated planning framework for regional and local parks and trails.

CHAPTER I.5 ADDITIONAL ISSUES

Part I of this report has presented an assessment of the funding model in place for the RDN's Regional Parks and Trails Service. The recommendations presented for the Board's consideration are summarized in Figure I.5.1.

**Figure I.5.1
Summary of Recommendations**

| Topic | Recommendations |
|--------------------------------|---|
| Regional Service Funding Model | <p>THAT the Board work with participating jurisdictions to amend <i>Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)</i> to allocate land acquisition and development costs among service participants on the combination (50-50) of converted assessment and population, rather than number of parcels.</p> <p>THAT the Board work with participating jurisdictions to amend <i>Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)</i> to replace the property parcel tax for acquisition and development costs with a property value tax.</p> <p>THAT the Board work with participating jurisdictions to amend <i>Regional District of Nanaimo Regional Parks and Trails Service Area Conversion Bylaw No. 1231 (2001)</i> to allocate service operating costs among service participants on the combination (50-50) of converted assessment and population, rather than population alone.</p> <p>THAT the Board direct staff to undertake a survey of regional parks and trails users, at key times of year, every three-to-five years, to identify and track the home jurisdictions of users.</p> <p>THAT the Board, pursuant to section 559(2) of the <i>Local Government Act</i>, introduce a Development Cost Charge to assist in raising funds required for parkland acquisition, and parkland improvements.</p> <p>THAT the Board direct staff to review the existing permit fees charged for special events, filming, and commercial activities, and to propose a new revenue-generating fee schedule.</p> <p>THAT the Board continue its approach of collecting land acquisition and capital development funds separately from funds that are collected to support planning, operations and maintenance.</p> |



| Topic | Recommendations |
|--------------------------|--|
| | <p>THAT the Board clarify in all materials that monies held in the Regional Parks Acquisition and Capital Development (Reserve) Fund are intended both for land acquisition and capital project purposes.</p> |
| <p>Additional Issues</p> | <p>THAT the Board refrain from assuming responsibility, in whole or part, for municipal parks that may possess regional park characteristics.</p> <p>THAT the Board direct staff to work with their counterparts in the Regional District's member municipalities on developing and implementing an integrated planning framework for regional and local parks and trails.</p> |

**RDN
PARKS FUNDING
SERVICES REVIEW
REPORT**

NEILSON-WELCH
CONSULTANTS TO GOVERNMENT



PART II

REGIONAL DISTRICT OF NANAIMO COMMUNITY PARKS AND TRAILS SERVICES

**RDN
PARKS FUNDING
SERVICES REVIEW
REPORT**

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CONSULTANTS TO GOVERNMENT

**NOVEMBER 2017
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CHAPTER II.1 CURRENT SERVICE

There are eight separate Community Parks & Trails Services, one in each of Electoral Areas A, B, E, F, G and H, and two in Electoral Area C. The services exist to:

- provide opportunities and amenities for outdoor leisure and recreation
- protect local natural features
- provide trail connections to parks, public places, beaches and other community destinations
- protect important local heritage and cultural features

Together, the services offer 202 parks that cover over 600 ha of land. With the exception of the 286 ha 707 Community Park on Gabriola Island (Electoral Area B), the individual community parks are relatively small in size, and are acquired, designed and developed to benefit local communities within the electoral area. There are very few trails at present in any of the services.

With advice and guidance from local advisory committees, the RDN undertakes a full range of functions under each Community Parks & Trails Service, including park planning, land acquisition, parks and trails development, and ongoing operation and maintenance of parks and trails. Parkland acquisition efforts are guided by park- and trail-related policies in each electoral area's *Official Community Plan*, and by other considerations. In the District 69 electoral areas, acquisition criteria and scorecards are outlined in the 2014 *Community Parks & Trails Strategic Plan (Electoral Areas E, F, G & H)*.

A few community parks in the different services have management plans — 707 Community Park is an example. By and large, however, management plans are not in place and are not required for most parks and trails.

FUNDING MODEL

The transfer of land for community park purposes through the development process is the primary method used by the RDN to acquire parks and trails for the eight Community Parks & Trails Services. Section 510 of the *Local Government Act* requires every owner of land that is being subdivided to provide, without compensation, 5% of the land for parks.¹⁴ The same section allows the RDN to require owners to provide monies in lieu of dedication. The monies are placed in reserve funds where they are used in accordance with policies in the specific electoral area's *Official Community Plan* related to community parks and trails. Where possible, dedicated lands or funds-in-lieu are used by the RDN to leverage additional resources through partnerships with other agencies. The Regional District

¹⁴ Section 510(3) provides some exemptions related to number of lots created, size of lots being created, and subdivision that results in the consolidation of lots.

is currently pursuing several partnership opportunities, for example, with School Districts 68 and 69.

Community parks and trails are developed, for the most part, using a combination of senior government grants and property tax revenue. Grant revenues consist primarily of Community Works Fund (CWF) monies, provided to the RDN for its electoral areas through the Federal Gas Tax Sharing program. CWF funds may be used within electoral areas for a wide variety of infrastructure works, including parks and trails improvements.

Figure II.1 shows the CWF funds spent under the Community Parks & Trails Services in the past two years. Certain electoral areas, it should be noted, spent additional CWF funds to assist with portions of regional trails that traverse the specific electoral areas. Electoral Area G, for example, contributed \$110,000 in CWF monies to the E&N Rail Regional Trail to assist with the portion of the trail within Area G. Area F's contribution to the same trail (referenced earlier) totaled \$350,000. Electoral Area A contributed \$18,000 to the Morden Colliery Regional Trail (and \$42,000 in earlier years). None of these costs is reflected in Figure II.1.1.

**Figure II.1.1
Community Works Fund Support for
Community Parks & Trails (2016 & 2017)**

| Area & Local Project | 2016 | 2017 |
|--|----------------------------|--------------------------------------|
| Area A SFN Sport Court Upgrade | | 300,000 |
| Area B Gabriola Village Trail Huxley Park Upgrades Skatepark Whalebone Park Beach Access | 17,745 | 7,678 234,000 12,000 25,000 |
| Area C | n/a | n/a |
| Area E Claudet Community Park Blueback Community Park Es-hw Sme~nts Park Jack Bagley Field | 19,100 50,000 22,140 | 7,860 10,000 |
| Area F Cranswick Road Trail Carruthers Road Trail | 13,110 | 18,010 |
| Area G Area H | n/a n/a | n/a n/a |

Operations and maintenance for the each Community Parks & Trails Service are funded by property value tax revenues that are generated within the specific service area (which, in every electoral area except for Area C, consists of the entire electoral area). Value taxes are levied against all properties (land and improvements). Figure II.1.2 shows the 2017 value tax rate and total requisition for each service area.

Challenges Related to Funding Model

One of the key funding model challenges facing the Community Parks & Trails Services concerns the cost of parks and trails development. Most of the community parks in the electoral areas are undeveloped in their natural state. As populations and the levels of residential development increase, expectations for outdoor recreation amenities and other improvements are likely to increase, as well. There will be pressure on the RDN to make funds available for increased park development. Added to the challenge is the concern noted earlier in the discussion on regional parks and trails related the rising cost of materials and labour.

A second challenge relates to the allocation of RDN staffing resources among the services in the different electoral areas. Areas may seek assurance that they are getting their "fair share" of resources, and/or not paying for services used by others.

Increasing land values may be less of an issue for the Community Parks & Trails Services than for Regional Parks & Trails, because of the reliance of parkland dedication in the acquisition of local parkland. Land owners in the electoral areas who wish to subdivide for development must dedicate 5% of the land, or provide (at the option of the RDN) a payment-in-lieu of dedication equal to the value of the land. The 5% requirement applies irrespective of the value of the land. The value of payments-in-lieu of dedication increases in tandem with the value of land.

**Figure II.1.2
Community Parks & Trails Services
Value Tax Rate and Requisition (2017)**

| Jurisdiction | Value Tax Rate | Converted Assessment | Total |
|------------------------------------|----------------|----------------------|------------------|
| Electoral Area A | 0.150 | 132,107,639 | 198,490 |
| Electoral Area B | 0.224 | 123,656,725 | 277,000 |
| Electoral Area C (Extension) | 0.095 | 72,499,538 | 68,807 |
| Electoral Area C (East Wellington) | 0.236 | 37,989,937 | 89,679 |
| Electoral Area E | 0.067 | 212,954,769 | 142,080 |
| Electoral Area F | 0.109 | 142,929,996 | 156,240 |
| Electoral Area G | 0.068 | 186,536,303 | 126,623 |
| Electoral Area H | 0.165 | 112,747,856 | 186,520 |
| Total All Electoral Areas | | | 1,245,439 |

CHAPTER II.2 FINANCIAL TOOLS

This chapter reviews the range of tools available to regional districts in British Columbia to fund the various activities that are undertaken in community parks and trails services. Most of the tools are in use already at the RDN. The information presented draws on the comparative research that was conducted for the *Service Review*.

FINANCIAL TOOLS

Financial tools are identified under each of the main service components, namely land acquisition, parks and trails development, and planning, operations and maintenance.

Land Acquisition

Tools available specifically for local parks and trails acquisition are outlined in Figure II.2.1.

**Figure II.2.1
Land Acquisition**

| Tools | Description |
|--------------------------------|--|
| Dedication through Subdivision | All regional districts with community parks and trails services acquire lands for local parks and trails through the subdivision process, pursuant to section 510 of the <i>Local Government Act</i> . Included under this tool is the option, available in electoral areas with OCP policies on park location and type, to take monies-in-lieu of lands from owners seeking subdivision approval. |
| Dedication through Rezoning | The rezoning process offers another opportunity to regional districts for the acquisition of lands for community parks and trails. 707 Community Park on Gabriola Island was created using lands that were dedicated through rezoning in exchange for density transfers. |
| Land Transfer from Governments | Regional districts acquire some community parks and trails through transfers from senior governments. The RDCO recently acquired important lands from the province through long-term lease in the Westside Electoral Area. Other regional districts have acquired beach access points, in part, through the transfer of road ends from the Ministry of Transportation and Infrastructure (MOTI). MOTI provides rights-of-way to regional districts through permits or licenses of occupation. The CRD has a memorandum of understanding in place with MOTI that focuses on licenses of occupation, and that outlines the rights and responsibilities of both parties. The CSRD also obtains access from MOTI in the form of licenses of occupation. Rights-of-way are provided by senior governments in some cases to |

| Tools | Description |
|---------------------------|--|
| | provide community trails, including trails that make use of local roads in electoral areas (such roads are owned and controlled by MOTI). |
| Contributions from Others | Non-profit community associations, private companies and individuals provide lands in certain instances for local parks and trails. In some cases, ownership of the lands is transferred through title; in other cases, transfers of responsibility for operations occur using leases and licenses of occupation. |
| Development Cost Charges | Regional districts have the authority to impose DCCs to assist in the cost of acquiring (and developing) community parks and trails. Of the regional districts surveyed for this report, only the Comox Valley RD has a local parks DCC program in place. RDCO had a program for the former Westside Electoral Area prior to 2006. This program, however, transferred to the West Kelowna municipality upon incorporation. |
| Property Value Taxes | Property value taxes are used primarily for planning, operations and management, but are also relied on in some cases to assist with land acquisition. Property tax revenues were identified by the CVRD as an important acquisition resource. |

Parks and Trails Development

Figure II.2.2 identifies the tools available to assist in developing community parks and trails.

**Figure II.2.2
Parks and Trails Development**

| Tools | Description |
|------------------------------------|---|
| Senior Government Grants | Senior government grants are relied on as a significant source of funding for community parks and trails development in many regional districts. The most important fund is the Community Works Fund (CWF), paid to municipalities through the Federal Gas Tax Sharing program. Other infrastructure funds also provide development funds. Several local parks in the electoral areas of many regional districts received funding under the aforementioned Canada 150 fund. |
| Contributions through Partnerships | Regional districts may receive assistance with development costs from school districts and other agencies under agreements to co-develop and provide local parks. |
| Amenities through Rezoning | Regional districts can negotiate amenity contributions from land owners during the rezoning process to assist with capital projects in local parks. |
| Contributions from Others | Regional districts may receive funds for capital works (e.g., playgrounds, tennis courts, etc.) from local non-profit associations. Several |



| Tools | Description |
|--------------------------|---|
| | associations conduct fundraising campaigns to assist with specific development projects. Private companies will, at times, be another source of such funds. Donations from individuals are a third type of contribution for parks and trails development. Donations may be made as part of fundraising campaigns, as stand-alone gifts, or through commemorative and other programs aimed at providing furniture (e.g., benches) and equipment (e.g., playgrounds). |
| Development Cost Charges | DCCs may be imposed to assist in funding local parks and trails development, in addition to acquiring land. As noted previously, however, only one of the regional districts examined for this report (Comox Valley RD) has community parks and trails DCCs in place. |
| Property Value Taxes | Property value taxes are used in most regional districts to assist with local parks and trails development. |

Planning, Operations and Maintenance

Regional districts rely primarily on property value tax revenues to pay for the planning, operation and maintenance of community parks and trails. Cost-sharing agreements with school districts, contributions from community associations, and park user fees represent other tools. Where available, however, these other sources typically offset the need for taxes only to a modest degree.

CHAPTER II.3 ASSESSMENT OF FUNDING MODEL

This chapter provides an assessment of the RDN's funding model that is in place today to pay for the eight Community Parks & Trails Services. The assessment is conducted using the same evaluation criteria that were used in the assessment of the regional service. Recommendations for the Board to consider are put forward. The experiences of other regional districts, identified through the comparative research, inform both the assessment and the recommendations.

COMMUNITY PARKS & TRAILS FUNDING MODEL

The RDN's Community Parks & Trails Services was profiled earlier in the report in Chapter II.1. The services' funding model can be summarized by the following points:

- Lands for community parks and trails are acquired, primarily, using the authority in section 510 of the *Local Government Act* dealing with parkland dedication, or payments-in-lieu, at subdivision.
- Community parks and trails are developed using a combination of CWF monies, other senior government grant programs, and property tax revenues. Contributions from other agencies also assist.
- Funds for planning, operations and maintenance are raised using property value taxes, unique to each service area.

ASSESSMENT OF COMMUNITY SERVICES FUNDING MODEL

The assessment of the local services funding model makes use of the same evaluation criteria presented earlier for the regional service model.

Equity (Jurisdictions)

Each of the eight Community Parks & Trails Services in the RDN has its own service area and budget. Most of the costs incurred to provide each service are determined by taxpayers in the specific, local service area, through the service's local advisory commission and the Electoral Area Director. Costs determined in this way are unique to the specific service, and are not allocated across other areas.

The cost of Parks and Recreation staff assigned to support the Community Parks & Trails Services is the exception. This cost is allocated across the electoral areas in equal portions (\$80,234 in 2017).¹⁵ This method of allocation may, at first glance, seem unfair given differences between and among the local services. The approach, however, can be supported by a number of points:

¹⁵ The two services in Electoral Area C are each billed one-half of one portion. The result is that base staff costs are allocated equally among the seven electoral areas.

- All of the local services require a certain base amount of parks staff time to administer and operate properly. Every service requires and receives this base support and is expected to pay for it.
- Staff are required periodically to spend considerable amounts of time and energy on specific tasks in each of the electoral areas. Examples of such tasks include the processing of subdivision dedications, the assessment and development of partnership opportunities, and the management of CWF-supported capital projects. The workload associated with any particular service shifts over time in response to needs that arise. All of the services, however, make significant demands on staffing resources from time to time.
- Much of the cost incurred by the RDN to operate and maintain community parks and trails, and to undertake capital projects, relates to work that is performed by contractors under park-specific contracts. These costs are kept separate from the RDN staffing costs, and are not shared among local service areas.
- A consistent, equal allocation of costs, rather than a changing and erratic approach that attempts to reflect varying workload projections in each service every year, promotes funding and taxation stability.

Figure II.1.1 in Chapter II.1 of the report provides information on the spending of CWF monies in the different electoral areas in 2016 and 2017. The significant differences in the chart may suggest to some that there is a level of inequity across the local services. No such inequity, however, exists. The CWF is a long-term, annual program that allocates federal gas tax revenues to all electoral areas on a *per capita* basis. CWF monies are not unconditional grants since they must be used for capital projects that fit into one of the eligibility categories. The range of categories is sufficiently broad, however, to provide electoral areas with considerable autonomy over spending.

The significant differences in CWF spending between and among electoral areas in Figure II.1.1 indicate only that some electoral areas have chosen to spend their CWF grants on projects in services other than community parks and trails. The differences do not point to any major inequity.

➤ **Conclusion**

Based on the assessment of the local services against the inter-jurisdictional equity criterion, the RDN should refrain from making changes to its current approach to allocating the cost of staff assigned to support the community services.

Equity (Individual Taxpayers)

The property tax that is imposed to help pay the cost of each Community Parks & Trails Service is a value tax, levied to all property owners within the service area on the basis of assessment (land and improvements). This arrangement provides for equity among individual taxpayers.

Development that occurs in the electoral areas contributes to the provision of parkland and trails through the subdivision dedication provision of the *Local Government Act*. The Regional District has the authority to require new development to pay a DCC, in addition to dedicating land during subdivision, to assist further in meeting land acquisition costs, and in helping to fund parks and trails development. For a DCC to be viable in helping to fund acquisition costs, however, the RDN would need also be providing funds for acquisition (DCCs are intended to pay only a portion of the total cost). At present, the RDN relies almost entirely on the subdivision dedication process and transfers from other agencies to acquire parks and trails at the local level.

A DCC is an option to consider for help in funding local parks and trails improvements. In several electoral areas in the RDN, development is strong and would almost certainly be able to pay a modest DCC for park and improvements. The introduction of a charge in all or some of the electoral areas would bring much-needed revenue to meet increasing demands for parks and trails infrastructure. The charge would also promote equity among taxpayers.

➤ **Conclusion**

Based on the assessment of equity between and among individual taxpayers, the RDN should leave unchanged its reliance on property value taxes for the local services. The RDN should consider introducing a DCC specifically for community parks and trails improvements.

Effectiveness

It is difficult to determine whether the current funding model allows the Regional District to raise sufficient funds to meet all service needs. It can be noted, however, that rising expectations and increased growth will result in greater needs, including the potential need for greater amounts of service funding. Tax rates can be raised, as always; however, additional funding sources in the form of DCCs (as noted) and user fees may also be available. The RDN has a strong track record of collaboration with other agencies to help contain costs. These efforts will continue to benefit the services.

➤ **Conclusion**

A new DCC should be considered. Initially, the DCC should be focused on improvements. Over time, the tool could be expanded to include land acquisition in the event that the Regional District begins to fund community park acquisition efforts directly with tax dollars.



Transparency

The funding model for the *Community Parks & Trails Services* is relatively simple and straightforward. Funds raised in each service area are spent only on community parks and trail expenses incurred in that area. Transparency does not appear to be an issue.

RECOMMENDATIONS ON COMMUNITY SERVICES FUNDING MODEL

Based on the assessment of the RDN's current funding model for the Community Parks & Trails Services, the following recommendations are provided for the Board's consideration:

- THAT the Board retain its current practice of allocating staffing costs equally across the Electoral Areas.
- THAT the Board continue to raise service funds using property value taxes.
- THAT the Board, pursuant to section 559(2) of the *Local Government Act*, introduce local Development Cost Charges to assist in raising funds required for parkland improvements.

CHAPTER II.4 SUMMARY OF RECOMMENDATIONS

Part II of this report has presented an assessment of the funding model in place for the RDN's eight Community Parks and Trails Services. The recommendations presented for the Board's consideration are summarized in Figure II.4.1.

**Figure II.4.1
Summary of Recommendations**

| Topic | Recommendations |
|----------------------------------|--|
| Community Services Funding Model | <p>THAT the Board retain its current practice of allocating staffing costs equally across the Electoral Areas.</p> <p>THAT the Board continue to raise service funds using property value taxes.</p> <p>THAT the Board, pursuant to section 559(2) of the <i>Local Government Act</i>, introduce local Development Cost Charges to assist in raising funds required for parkland improvements.</p> |

TO: Regional District of Nanaimo Committee of the Whole **MEETING:** November 28, 2017

FROM: Adrian Limpus
Engineering Technologist – Wastewater Services **FILE:** 2240-20-AECOM

SUBJECT: Renewal of AECOM Engineering Consultancy Agreement

RECOMMENDATION

That the Board authorize staff to exercise the optional 2 year extension with AECOM Canada Ltd. for the provision of consulting engineering services for the Wastewater Services department.

SUMMARY

In 2015, the Regional District of Nanaimo (RDN) Wastewater Services department issued a Request for Proposal (RFP) for a two year consulting engineering services agreement. The firm selected in this process would provide technical assistance to the department on wastewater projects of an operational nature. The term was for two years with the potential of extension for an additional two years.

On August 25, 2015, the Board authorized the RDN to enter a two year agreement with AECOM Canada Ltd. (AECOM). Due to the high quality of service received from AECOM under this agreement, the RDN Wastewater Services department recommends exercising the optional 2 year extension of the agreement.

BACKGROUND

In 2015, the RDN Wastewater Services department issued an RFP for a two year consulting engineering services assignment. The firm selected would provide technical assistance to the department on projects of an operational nature. The contract term was for two years with the potential of extension for an additional two years.

On August 25, 2015, the Board authorized the RDN to enter into a two year agreement with AECOM. Under this agreement, AECOM has completed various assignments for the wastewater department over the last two years including providing technical assistance with the operations of wastewater infrastructure, on-call SCADA maintenance and support, pump station asset management planning, and Development Cost Charges (DCCs). AECOM is also currently providing design and construction services under a separately tendered contract for the secondary treatment upgrade at Greater Nanaimo Pollution Control Centre (GNPCC).

Due to the expertise offered by this multi-disciplinary engineering firm, high quality of service received under this agreement, and the familiarity with RDN infrastructure and ongoing projects, the RDN

Wastewater Services department is recommending an extension of the agreement with AECOM for an additional two years.

ALTERNATIVES

1. Authorize staff to renew an agreement for 2 years with AECOM Canada Ltd for the provision of consulting engineering for the Wastewater Services department.
2. Do not renew this agreement and issue a request for proposals for the services under this alternative, the continuity of engineering services would be disrupted, with potential to negatively impact operations and the secondary treatment expansion project currently underway.
3. Do not renew the agreement and provide alternate direction.

FINANCIAL IMPLICATIONS

The total value of the two year extension with AECOM is estimated to not exceed \$200,000 which has been included in the GNPCC, FCPCC, NBPCC, and DPPCC wastewater operational budgets.

Under the agreement, AECOM's charge out rates will increase 2.5% annually. The increase in charge-out rates for an extension was established in the initial agreement. AECOM's charge-out rates are slightly lower than the Association of Consulting Engineering Companies of BC (ACEC-BC) guidelines. Staff anticipate that due to the expertise offered by this multi-disciplinary engineering firm and the familiarity with RDN infrastructure that this extension of the agreement will have a positive impact on the operational projects and their completion.

STRATEGIC PLAN IMPLICATIONS

The recommendation of this report is consistent with the Focus of Service and Organizational Excellence in the 2016 to 2020 Strategic Plan as it relates to providing effective and efficient regional wastewater management services. The technical assistance provided under this agreement would also help provide an asset management focus to infrastructure replacement.



Adrian Limpus, Engineering Technologist
alimpus@rdn.bc.ca
November 16, 2017

Reviewed by:

- S. De Pol, Director, Water and Wastewater Services
- R. Alexander General Manager, Regional Community Utilities.
- G. Garbutt, Acting Chief Administrative Officer