



## Staff Report

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**Date:** January 25, 2020

**To:** D. Fish, Chief Administrative Officer

**From:** S. Landrath, Treasurer

**Subject:** North Coast Regional District 2020 Budget Process

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### Recommendations:

**THAT the staff report entitled “North Coast Regional District 2020 Budget Process” be received for information.**

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### PURPOSE:

The purpose of this report is to provide an overview of the North Coast Regional District’s (NCRD) 2020 budgeting process.

### BACKGROUND:

NCRD must annually adopt, by bylaw, a five-year financial plan which includes capital and operating items. For Regional Districts, the financial plan must be adopted by March 31 [LGA s. 374].

The financial plan must show:

- The proposed expenditures, including separate amounts for each of interest and principal on debt, amounts required for capital purposes, the amount required for a deficiency and the amount required for other purposes; and

- The proposed funding sources, including separate amounts for each: revenue from property values taxes, parcel taxes, fees, and other sources and proceeds from borrowing.

Regional district financial plans are based on individual services and therefore proposed expenditures and funding sources noted above must be shown separately for each service.

## **DISCUSSION:**

The five-year financial plan will include **three rounds** of review prior to adoption of the bylaw. The three rounds will allow for refinement of the values and level of taxation and service that is acceptable to the Board.

Each service will be reviewed and discussed individually by the Board. The Board should make motions for each financial plan to either amend or approve as presented.

Motions should be in the form of:

- 1. Receive the individual financial plan as presented.**  
(This would mean that the financial plan would be automatically brought back for further review at the next round of budget discussions).
- 2. Amend the individual financial plan and refer to Round 2 for further review.**
- 3. Receive the individual financial plan as presented and refer to Round 3** (This could be used if no further changes are anticipated prior to adoption. The whole financial plan would be subject to review for the final time at Round 3.)

Changes during Round 3 should be minor and likely a result of public input or other unknown factors.

Proposed budget meeting schedule:

### **Round One (R1) –January 25, 2020 (10 am)**

This is when the most comprehensive review should take place as it is the first opportunity for the Board to review the financial plan, staff encourages Directors to ask questions on any item of interest.

Following the direction provided by the Board in Round 1, the financial plan will be amended by staff and reproduced for review in Round 2.

**Round Two (R2)**- February 22, 2020 (10 am)

During Round 2 discussions, further amendments may be identified. At the end of Round 2, the financial plan, including any identified amendments, should be a close representation of the desired final financial plan.

**Round Three (R3)** – March 11, 2020 (7 pm Teleconference)

Following the direction provided in Round 2, the financial plan will be amended by staff and reproduced for review in Round 3. Round 3 is the final opportunity for the Board to make changes to the financial plan in preparation for its adoption as a proposed bylaw.

**RECOMMENDATION:**

Staff is recommending that the Board of the NCRD receive the report entitled “North Coast Regional District 2020 Budget Process” for information.