

**SKEENA-QUEEN CHARLOTTE REGIONAL DISTRICT
SPECIAL BOARD MEETING (BUDGET) AGENDA**
344 2nd Avenue West, Prince Rupert, BC
Saturday, February 21, 2015
10:00 A.M.

1. CALL TO ORDER

2. CONSIDERATION OF AGENDA (additions/deletions)

3. BOARD MINUTES & BUSINESS ARISING FROM MINUTES

None	-
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4. STANDING COMMITTEE/COMMISSION MINUTES – BUSINESS ARISING

None	-
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5. DELEGATIONS

5.1 Allen Langdon, Managing Director, Multi-Material BC – MMBC Program as it Pertains to the Skeena-Queen Charlotte Regional District	Verbal
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6. FINANCE

Round 2 of the draft 2015 – 2019 Skeena-Queen Charlotte Regional District (SQCRD) Financial Plan was distributed to the Board and is available on the SQCRD website.	-
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7. CORRESPONDENCE

7.1 Sandspit Community Hall - 2015 Budget	Pg 1-3
7.2 Haida Gwaii Regional Recreation Commission – 2015 Requested Budget	Pg 4
7.3 Sandspit Emergency Preparedness Planners – 2015 Budget Request	Pg 5

8. REPORTS / RESOLUTIONS

8.1 J. Robb, Treasurer – Support Service Allocation – Sandspit Water	Pg 6-7
8.2 J. Robb, Treasurer – Reserve Funds	Pg 8-9
8.3 T. Des Champ, Recycling Operations Manager – Mainland Recycling – Staffing Levels Robb, Treasurer	Pg 10

9. FINANCIAL PLANS' REVIEW

9.1	Administration - Function [110]	Budget P 1-3
9.2	Islands Solid Waste - Function [310 - 319]	Budget P 12-18
9.3	Regional Recycling (Mainland) - Function [340]	Budget P 19-21
9.4	Electoral Area Administration – Function [120]	Budget P 4-5
9.5	Grant-in-Aid Area D – Function [173]	Budget P 6-7
9.6	Grant-in-Aid Area E – Function [174]	Budget P 8-9
9.7	Sandspit Fire – Function [210]	Budget P 10-11
9.8	Haida Gwaii Museum – Function [720]	Budget P 22-23
9.9	Haida Gwaii Recreation – Function [730]	Budget P 24-25
9.10	Sandspit Community Hall – Function [735]	Budget P 26-27
9.11	Sandspit Water – Function [810]	Budget P 28-29

10. OLD BUSINESS

None	-
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11. NEW BUSINESS

None	-
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12. PUBLIC INPUT**13. IN-CAMERA**

None.	-
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14. ADJOURNMENT

NEXT MEETING:
Special Board Meeting (Budget) to be held via teleconference
On Saturday, March 7, 2015 at 3:00 p.m.

Jennifer Robb

From: Joan Merrick (SQCRD) <jmerrick@sqcrd.bc.ca>
Sent: January-16-15 11:25 AM
To: treasurer@sqcrd.bc.ca
Subject: Proforma budget for Bylaw estimates.xlsx
Attachments: Proforma budget for Bylaw estimates.xlsx

Jennifer

Here is the budget we worked from for the referendum. It shows a total of \$15,000 hall operating deficit that MIMC was carrying since the hall was remodeled.

It is saved under L:\ Sandspit Hall but you may want to save it with your 2015 budget info

Joan

Sandspit Hall - Budget

	2015	2019 **	
Hall Rental	\$ 2,000	\$ 2,000	* \$166 per month
Fund Raising	500	500	
Total Revenues	2,500	2,500	

Expenditures			
Utiliites - Hydro/water/garbage	\$ 4,495	\$ 5,572	
Operating Expenses	2,438	2,598	
Maintenance	1,071	1,159	
Property Insurance	2,700	2,916	
Liability Insurance	2,100	2,268	
Deficit Repayment		3,000	
Reserve Contribution	-		
Reg. Dist. Admin	2,100	2,583	
Repayment of Referendum Costs	2,596		
Total Expenditures	17,500	20,096	

Net Deficit - Taxation Required	\$ 15,000	\$ 17,596	
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* \$15,000 deficit accumulated since 2010 (\$3k per year for 5 years)

* no reserve contribution until referendum and deficit paid off

* Audit/ Budget / Tax Requisition / Bylaw Maint /

* Repay referendum costs off over 2 years (\$2596 & \$1204)

** 2% inflation per year except hydro at 8%

Tax limit for bylaw	2015/16	\$ 15,000	
	2017/18	\$ 17,500	
	2019/20	\$ 20,000	
	Thereafter maximum of 25% every 5 years as allowed in LGA if required		

My Budget

	Total
Gwaii Tel Revenue	250
hall donations	200
hall rentals	2,500
sqcrd Grant	15,000
cleaning supplies	-250
Grounds Maintenance	-300
Hydro	-3,300
Janitorial Services	-480
Liability Insurance	-2,100
major repair contingency fund	-1,000
Office	-120
Pest Control	-250
Postage and Delivery	-60
Property Insurance	-2,700
Regional District Admin	-2,100
Repairs And Maintenance	-1,100
repayment to SQCRD	-3,000
Telephone	-900
Water and garbage	-280
Total income:	17,950
Total expenses:	-17,940
Difference:	10

R2

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Page 1

Jun	Jul
21	21
17	17
208	208
1,250	1,250
-21	-21
-25	-25
-275	-275
-40	-40
-175	-175
-83	-83
-10	-10
-21	-21
-5	-5
-225	-225
-175	-175
-92	-92
-250	-250
-75	-75
-23	-23
1,496	1,496
-1,495	-1,495
1	1

S/S Hall
Budget

Haida Gwaii Regional Recreation Commission - 2015 Requested Budget**Operating Costs**

Rent	\$350.00	/month			\$4,200.00
Office	Postage				\$500.00
	Supplies				\$2,400.00
	Bank Charges				\$180.00
Casual Assistants	\$20.00	/hour	4	hrs/week	\$4,160.00
Bookkeeper	\$22.00	/hour	10	hrs/week	\$11,440.00
	EI	2.24%			\$256.26
	CPP	4.95%			\$566.28
	Vacation Pay	4%			\$457.60
	WCB	1.30%			\$148.72
Advertising					\$9,800.00
Telephone and Fax					\$2,800.00
Website Maintenance					\$600.00
Commissioner's Travel /Meetings					\$2,950.00
Co-ordinator's Travel /Meetings					\$6,000.00
BCRPA Conference / Training					\$2,600.00
Special Events					\$900.00
Moresby Island Travel Fund					\$1,500.00
Waiver Updates					\$1,500.00

Total - Haida Gwaii Regional Recreation Commission (HG Rec)**\$52,958.86**

SEPP Budget Meeting

A meeting was held at noon on Wednesday, January 14, 2015 at the Sandspit Airport Boardroom.

Present: Bob Ells, Peter Grundmann, Behn Cochrane, Corinne Precourt, Warren Foster, Bob Prudhomme, Carole Bowler

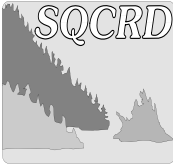
At the meeting held on Jan 12/15, we were tasked with developing an annual budget and a 5-year plan for the Regional District to administer.

After reviewing the discussions from Monday and today it was suggested that the priority of funding required would be:

- | | |
|---------------------------|-------------|
| 1. Siren Project | \$15,000.00 |
| 2. Survey Project | 6,000.00 |
| 3. Education Project | 2,000.00 |
| 4. Plan Exercises Project | 2,000.00 |

The cost details of each of these projects is being researched and will be provided at our next meeting.

SEPP respectfully submits this budget to Skeena-Queen Charlotte Regional District for consideration for the 2015 year.



STAFF REPORT

DATE: February 21st, 2015

FROM: Jennifer Robb, Treasurer

SUBJECT: Support Service Allocation – Sandspit Water

Recommendation:

THAT the Board receives the staff report “Support Service Allocation – Sandspit Water”.

Background:

The support service allocation is reviewed annually as part of the budget process to provide a fair distribution method. Recently, Staff was asked to investigate ways to reduce the administrative costs on Sandspit Water.

Basis of Support Service Allocation to Sandspit Water:

In the 2015 Budget the general administration costs allocated to the Sandspit Water System totaled \$20,560 (\$16,763 staff costs + \$3,797 other costs). A detailed breakdown and explanation of these costs are listed below:

1. Staffing:

The cost of wages, benefits and other staff related costs, such as training or conferences, is distributed on a percentage basis to services. Although the allocation is somewhat subjective, staff feels that over time the distribution is fair. In other words, although the amount of time staff spend on a particular issue or service in any one year will vary, over time the allocation should prove to be equitable and a strong representation of the work undertaken by staff.

Specific staff activities allocated to Sandspit Water include:

- Annual billing & mailing of invoices
- Generating and mailing of reminder notices in June & October
- Receiving daily payments (both online & cheque payments)
- Monthly BC Assessment uploads to utility billing system
- Monthly account reconciliations
- Payment of Utility, operating grant & various invoices for the Water system
- Training & setup of financial system to meet billing requirements
- Ongoing maintenance of the Sandspit water system user database
- Responding to and investigating customer inquiries, complaints & concerns
- Collaborating with Water Operator on various issues
- Year-end transfer of unpaid utilities to property taxes
- Parcel tax process and requisition

- Budget & Audit processes
- Bylaw updates

2. Other Costs:

- a. Liability Insurance – the cost of Liability Insurance (\$1,640) was allocated based on risk for the Regional District and size of the budget.
- b. Accounting System – the annual maintenance costs (\$957) were distributed based on the size and complexity of the budgets.
- c. Audit – the cost of the annual audit (\$1,200) was distributed based on the size and complexity of the budget.

Discussion:

The *Local Government Act* is specific in that the cost of each regional district service must be borne by that service, including the costs of administration. To this end, administration costs must be recovered through support service allocation charges to other functions or services.

Two main underlying principles of fair allocation administrative costs are achieving equity over time and achieving equity over a range of services. In other words, although the amount of time staff spends on a service in any one year will vary, over a number of years and across a variety of services, the allocation should provide a measure of equity.

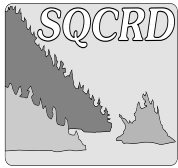
However, this proves to be more challenging with regional districts having few services as economies of scale are difficult to achieve. Meaning, when there are fewer services to allocate costs, those services take up a larger percentage of the support service allocation.

In examining the 2015 administrative support cost allocation, staff feel that the percentages allocated are fair. However, these percentages are reviewed annually as a part of the budget process.

It is important to note that any costs redistributed from the Sandspit Water System must be to be recovered from another service.

Currently staff are actively working to take on more accounting functions and will continue to work with Electoral Area E to undertake several projects such as the water study, updating the contract with the water operator and investigating additional payment methods.

In addition, staff have investigated additional options to make the administrative processes as effective and efficient as possible. Staff will continue to refine processes, for example, reducing the number of invoices during the year. These efficiencies are not likely to result in cost savings. However over time will provide a higher level of service for the dollars spent on administration.



STAFF REPORT

DATE: February 21, 2015
FROM: Jennifer Robb, Treasurer
SUBJECT: Reserve Funds

Recommendation:

THAT the staff report entitled “Reserve Funds” be received for information.

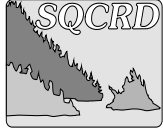
Please refer to the attached for a summary of the Skeena-Queen Charlotte Regional District reserve fund balances.

SQCRD Reserve Balances

2015 Budget - Round 2

	2014 Closing Balance	Round 2 Adjustments	Current Estimated Balance
Admin General Reserve	\$ 80,431	\$ 50,000	\$ 130,431
Electoral Area General Reserve	\$ 37,121	\$ 38,000	\$ 75,121
Election Reserve	\$ -	\$ 7,541	\$ 7,541
ISW General Reserve	\$ 183,048	\$ -	\$ 183,048
ISW Equipment Reserve	\$ 31,220	\$ 62,000	\$ 93,220
Landfill Closure Reserve*	\$ 107,847	\$ 27,000	\$ 134,847
Regional Recycling Equipment Reserve	\$ 34,714	\$ -	\$ 34,714
Regional Recycling Building	\$ 112,815	-\$ 15,000	\$ 97,815
Haida Gwaii Recreation Reserve	\$ 2,784	-\$ 2,783	\$ 1
Sandspit Water Reserve	\$ 75,127	\$ -	\$ 75,127
Feasibility Studies Reserve	\$ 25,208	\$ 5,000	\$ 30,208
	\$ 690,314	\$ 171,758	\$ 862,072

* Minor adjustments to be made through the year end / audit process



STAFF REPORT

DATE: February 21, 2015

FROM: Tim Des Champ, Regional Recycling Manager

SUBJECT: Mainland Recycling – Staffing Levels

RECOMMENDATION:

That the staff report entitled “Mainland Recycling – Staffing Levels” be received.

DISCUSSION:

During Budget discussions in round one budget the Board requested that staff investigate the costs to open and staff the depot for 4 hours on Sundays.

Staff feels that with safety concerns with employees operating a forklift and baling equipment that it will be prudent to have two employees; this will alleviate any liabilities with WorksafeBC.

Staff would have the depot open from 12 pm to 4 pm for the convenience of the public. The Recycling Transfer station will be closed while the depot is open.

Staff is also proposing that the Recycling Transfer station will only be open when the depot is closed. This will eliminate the problem of the residents using both the depot and transfer station creating extra work for staff.

COST & BUDGET IMPLICATIONS:

The costs to provide two additional staff to open the Recycling Depot on Sunday’s will increase staff salaries and benefits by an additional \$8,500 for 2015.

CONCLUSION:

Should the Board choose to support the additional four hour shifts on Sundays, these costs will need to be included in the 2015 Mainland Recycling budget.