



**SPECIAL CORPORATE AND ADMINISTRATIVE SERVICES COMMITTEE  
Round 2 Budget Meetings**

**Monday, March 4, 2019**

**SCRD Boardroom, 1975 Field Road**

**AGENDA**

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**CALL TO ORDER:** 9:30 a.m.

**AGENDA**

1. Adoption of Agenda

**PETITIONS AND DELEGATIONS**

**REPORTS**

- |  |                      |
|--|----------------------|
| 2. Senior Leadership Team<br>Final 2018 Project Carry-Forwards<br><b>(Voting – All Directors)</b>  | Annex A<br>Pages 1-3 |
| 3. Senior Leadership Team<br>2018 Final Surplus / Deficits<br><b>(Voting – All Directors)</b>  | Annex B<br>pp. 4-8   |
| 4. Senior Manager, Administration and Legislative Services<br>General Government [110] - 2019 Round 2 Budget Proposal<br><b>(Voting – All Directors)</b> | Annex C<br>pp. 9-21  |
| 5. Chief Administrative Officer<br>Protective Services [210, 212, 216, 218] – 2019 Round 2 Budget<br>Proposal<br><b>(Voting – All Directors)</b>         | Annex D<br>pp. 22-24 |
| 6. Chief Administrative Officer<br>Sunshine Coast Emergency Planning [222] – 2019 Round 2<br>Budget Proposal<br><b>(Voting – All Directors)</b>          | Annex E<br>pp. 25-27 |
| 7. General Manager, Infrastructure Services<br>2019 Budget – Forklift Cost Comparison<br><b>(Voting – All Directors)</b>                                 | Annex F<br>pp. 28-30 |

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|------------|--|----------------------|
| <b>8.</b>  | Manager, Transit and Fleet<br>Maintenance Facility (Fleet) [312] – 2019 Round 2 Budget<br>Proposal<br><b>(Voting – All Directors)</b>                                    | Annex G<br>pp. 31-33 |
| <b>9.</b>  | General Manager, Infrastructure Services<br>Regional Water Service [370] – 2019 Round 2 Budget Proposal<br><b>(Voting – A, B, D, E, F, Sechelt)</b>                      | Annex H<br>pp. 34-55 |
| <b>10.</b> | General Manager, Planning and Community Development<br>Community Recreation [615] – 2019 Round 2 Budget Proposal<br><b>(Voting – B, D, E, F, Sechelt, Gibsons, SIGD)</b> | Annex I<br>pp. 55-58 |
| <b>11.</b> | General Manager, Planning and Community Development<br>Community Parks [650] – 2019 Round 2 Budget Proposal<br><b>(Voting – A, B, D, E, F)</b>                           | Annex J<br>pp. 59-61 |
| <b>12.</b> | General Manager, Corporate Services / Chief Financial Officer<br>Seniors Planning Table Funding Request<br><b>(Voting – All Directors)</b>                               | Annex K<br>pp. 62-70 |

**COMMUNITY PARTNERS AND STAKEHOLDERS**

- |            |   |                      |
|------------|---|----------------------|
| <b>13.</b> | Sechelt Public Library – 2019 Budget Request (previously<br>received and with February 28, 2018 Staff Report titled Sechelt<br>Library Apportionment Options attached)<br><b>(Voting – All Directors)</b> | Annex L<br>pp. 71-99 |
|------------|---|----------------------|

**COMMUNICATIONS**

**NEW BUSINESS**

**IN CAMERA**

**ADJOURNMENT**

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Senior Leadership Team

**SUBJECT:** FINAL 2018 PROJECT CARRY-FORWARDS

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### RECOMMENDATION

**THAT the report titled Final 2018 Project Carry-Forwards be received;**

**AND THAT any remaining ongoing 2018 projects and associated funding be included in the 2019-2023 Financial Plan as presented.**

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### BACKGROUND

At the December 13, 2018 Regular Board Meeting the following motion (340/18) was passed:

**Recommendation No. 7**      *2018 Project Carry-Forward Requests*

THAT the 2018 Project Carry-Forward Requests for Universal Water Meter Installations – Phase 3 – District of Sechelt [370] and the following Bicycle and Walking Path Projects not be carried-forward to the 2019-2023 Financial Plan and that staff report on next steps and options related to these projects in 2019:

- [667] Lily Lake Path – Planning and Engineering;
- [665] Gower to Gibsons – Construction
- [665] Beach Avenue (South of Flume Park) – Curb Retrofit
- [665] Highway 101 to Mintie Road – Planning and Construction
- [665] Lower Road – Planning
- [665] Highway 101 (East of Poplars Park) – Phase I Maintenance Repairs
- [665] Roberts Creek Village to Pier – Planning;

AND THAT the remaining 2018 carry-forward projects and associated funding be included in the 2019-2023 Financial Plan;

AND FURTHER THAT staff be authorized to continue and proceed with the 2018 carry-forward projects prior to adoption of the 2019-2023 Financial Plan.

The purpose of this report is to ensure all ongoing 2018 projects and the corresponding financial implications are incorporated into the 2019-2023 Financial Plan in preparation for Budget adoption.

Detailed information of each of the projects can also be found on the 2019 Summary of Proposed Initiatives and Carry Forward Projects for Round 2.

## **DISCUSSION**

Staff have reconciled all the 2018 project carry-forwards which have been included in the 2019 Round 2 Budget. The final list is attached for reference (Attachment A).

The carry-forward projects will be incorporated into the Budget Project Status Report (BPSR), which will be presented at the April 25, 2019 Corporate and Administrative Services Committee. Staff continue to work on these projects prior to budget adoption and will provide a status of the projects at that time.

### *Financial Implications*

Carry-forward projects do not have a financial or taxation impact for the newly adopted Financial Plan and only remaining unused funding for the projects is carried over.

## **STRATEGIC PLAN AND RELATED POLICIES**

Accountability for the budget process and the Financial Plan are encompassed in the Financial Sustainability Policy. Changes to processes related to same are part of the Strategic Priority of Enhancing Board Structure and Processes, facilitating the information transfer and decision-making processes.

## **CONCLUSION**

The final 2018 carry-forward list has been compiled to be include in the 2019-2023 Financial Plan in preparation for adoption.

Carry-forward projects do not have a financial or taxation impact for the current Budget and only remaining unused funding for the projects is carried over.

Reviewed by:			
Manager	X – I. Hall X – R. Rosenboom X – G. Parker	Finance	X – T. Perreault
GM		Legislative	X – A. Legault
CAO	X – J. Loveys	Other	

## **Attachment:**

1. 2018 Final Carry-Forward Projects

Project No.	Project Description	2018 Budget Value	2018 Expenditures	2019 Carry Forward
CP1122	Update Electronic Document Management System (Content Server 16)	\$ 50,000	\$ 139	\$ 49,861
OO1171	Consulting Services - 2019-2022 Strategic Plan Development	25,000	12,360	12,640
CP1109	Enterprise Asset/Work Order Management System	190,183	97,290	92,893
CP1079	Corporate Space & Site Planning	75,000	139	74,861
OO1143	Corporate Energy Management Program	60,000	-	60,000
CP1065	Frank West Hall / Cliff Mahlman Fire Station Roof Replacement	75,000	2,877	72,123
CP1124	Fire Department Records Management Software	2,500	-	2,500
CP1125	Replace Fire Prevention Officer Vehicle	75,000	50	74,950
OO1172	Paint the Exterior of Fire Hall #1	15,000	8,156	6,844
CP1113	Roberts Creek VFD Roof Replacement	150,000	-	150,000
CP1127	Fire Department Records Management Software	2,500	-	2,500
OO1173	Roberts Creek Volunteer Fire Department Site Design	5,000	-	5,000
CP1129	Fire Department Records Management Software	2,500	-	2,500
CP1131	Fire Department Records Management Software	2,500	-	2,500
CP1006	911 - Chapman Creek Tower	180,000	-	180,000
CP1007	Replace Gibsons Tower	97,500	-	97,500
OO1166	911 Tower and Spectrum Upgrading	25,000	-	25,000
OO1181	Sunshine Coast Emergency Operations Centre Telecommunications Upgrade	23,487	11,710	11,777
CP1071	Rear Overhead Door on Fleet Wash Bay	20,000	-	20,000
CP1140	Vaucroft Capital Works	450,000	-	450,000
CP1156	Ports 5 Year Capital Renewal Plan	130,000	-	130,000
OO1167	Ports Approach Load Rating and Ports Safety Audit	20,000	3,335	16,665
OO1150	SWMP 5 Year Effectiveness Review	10,000	-	10,000
CP1132	Sechelt Landfill 4X4 Truck Replacement	25,000	-	25,000
CP1012	Pool Road Waterline Replacement	1,650	-	1,650
CP1076	Garden Bay Road & Claydon Road Water Main Replacement	1,590,637	459,258	1,131,379
CP1077	Francis Peninsula Road Water Main Replacement	1,577,049	310,593	1,266,456
OO1013	Zone 2 Reservoir Repairs	75,000	5,271	69,729
CP1017	Chapman Lake Supply Expansion	4,486,334	834	4,485,500
CP1021	Soames Well Chlorination Project	57,133	39,367	17,766
CP1022	Universal Metering Phase 2 - Rural Areas	1,120,341	500,570	619,771
CP1116	Langdale Well Pump Station Upgrade	100,000	5,761	94,239
CP1117	Chaster Well Upgrades (Well Protection Plan - Phase 2)	50,000	-	50,000
CP1135	Exposed Water Main Rehabilitation	112,500	-	112,500
CP1136	Chapman Water Treatment Plant Chlorination System Upgrade	692,000	-	692,000
CP1137	Regional Water Storage Capacity	200,000	79,998	120,002
CP1138	Groundwater Investigation - Stage 2 - Test Drilling Program	325,000	269,713	55,287
CP1139	2018 Vehicle Replacements	200,000	-	200,000
CP1023	Detailed Engineering Design for Square Bay WWTP	896,849	820,032	76,817
CP1074	Canoe Road Community Septic Field System Replacement	65,959	7,459	58,500
CP1075	Merrill Crescent Community Septic Field System Replacement	57,408	4,689	52,719
OO1176	Cemetery Business Plan	25,000	-	25,000
OO1183	Pender Harbour Health Centre - Special Project Request, Lobby Flooring	12,000	-	12,000
OO1144	Zoning Bylaw 310 re-write	62,300	18,310	43,990
CP1078	Orthophoto Acquisition	79,710	38,201	41,509
OO1168	Dike Maintenance (Dakota Creek)	10,000	-	10,000
OO1182	Hillside Development Project - Investment Attraction Analysis	60,000	-	60,000
OO1160	Fall Protection & Hazardous Materials Audit	19,150	-	19,150
OO1177	SCA - Water Efficiency Plan	25,000	-	25,000
SP10062	Arena Regulatory Projects	277,000	149,124	127,876
CP1141	Fitness Equipment Replacement	251,650	3,498	248,152
CP1063	Annual Gym Equipment Replacement	8,000	-	8,000
CP1032	Coopers Green Park Hall & Parking Design Plans	106,691	44,428	62,263
CP1033	Granthams Hall - Restoration Design & Engineering	388,357	5,062	383,295
CP1066	Frank West Hall / Cliff Mahlmann Fire Station Roof Replacement	75,000	2,877	72,123
OO1020	Signage Upgrade Project (\$20k annually 2015-2017)	14,763	5,407	9,356
OO1154	Hazard Tree Assessment Plan	3,349	1,245	2,104
OO1155	Parks Bridge Capital Maintenance	14,479	9,287	5,192
OO1178	SCRD Sports Fields Potable Water Use Reduction	30,000	-	30,000
OO1190	Goodwin House Removal	33,000	630	32,370
OO1163	Suncoaster Trail Detailed Planning	57,500	42,038	15,463
		<b>\$ 14,871,979</b>	<b>\$ 2,959,707</b>	<b>\$ 11,912,272</b>

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Senior Leadership Team

**SUBJECT:** 2018 FINAL SURPLUS/DEFICITS

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### RECOMMENDATION

**THAT** the report titled 2018 Final Surplus/Deficits be received;

**AND THAT** as per the SCRD's Financial Sustainability Policy, the 2018 surpluses be transferred to reserves as detailed in Attachment A;

**AND THAT** the following 2018 deficits be funded from operating reserves:

- [220] Emergency Telephone 911 - \$15,630
- [350] Regional Solid Waste - \$8,942
- [385] Secret Cove Waste Water Plant - \$1,945
- [386] Lee Bay Waste Water Plant - \$6,001
- [387] Square Bay Waste Water Plant - \$15,192
- [389] Canoe Road Waste Water Plant - \$804
- [390] Merrill Crescent Waste Water Plant - \$8,421
- [670] Regional Recreation Programs - \$4,479

**AND THAT** the [504] Rural Planning Services deficit of \$110,835 be funded from operating reserves of \$87,551 and 2019 taxation of \$23,284.

**AND FURTHER THAT** the [630] School Facilities Joint Use deficit of \$21,519 be funded from operating reserves of \$12,528 and 2019 taxation of \$8,991.

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### BACKGROUND

In 2016, a budget process change was made to provide the Sunshine Coast Regional District (SCRD) Board with one universal report which outlines the year end surplus/deficits.

The options for surplus are outlined within the Financial Sustainability Policy, excerpt below:

#### **4.4 One-time Revenues**

*Using one-time revenues to fund ongoing expenditures results in unfunded expenditure obligations in future years.*

**4.4.1** Policy: Operating surpluses and one-time revenues will not be used to fund ongoing expenditures. Major one-time revenues will be applied to:

- Reserves and/or Rate Stabilization in keeping with levels set by the Board;
- One-time expenditures; or
- Repayment of outstanding debt.

The purpose of this report is to provide the Board a summary of all the 2018 year-end surpluses, final recommended transfers to reserves, and to report on any year-end deficits requiring approval on proposed funding mitigation.

If the Board wishes to have more detailed variance analysis on specific functional area surpluses or deficits, Staff could provide this at a future Committee, and would seek direction accordingly.

## **DISCUSSION**

Staff have completed the preliminary 2018 year-end processes in preparation of the annual SCRD Financial Statements and external audit. Reconciliation of final surpluses, deficits and recommended allocation for each functional area has been attached for reference (Attachment A).

### *Surpluses*

Several functions generated higher than average surpluses. Generally, these are the result of staff vacancies or medical leaves for extended periods of time resulting in lower wage expense, higher than expected revenues, or lower than anticipated operating expenditures. Summary of surpluses can be found on Attachment A as well as within the functional area sections of the Round 2-2019-2023 Draft Financial Plan Book.

Surpluses in Rural Areas' Grant-in-Aid and Economic Development functions are automatically carried forward in the 2019 budget and were dealt with during Round 1 budget deliberations.

Additional minor surpluses not exceeding \$2,275 for functions where there is no reserve fund have also been carried forward in the 2019 budget and used to reduce taxation.

The remaining surpluses total \$1.79M are recommended to be transferred to operating or capital reserves.

### *Deficits*

Ten services had deficits in 2018 totaling \$189,289 and more information can be found on Attachment A.

At the time of this report, only a preliminary review of the deficits were undertaken and are generally the result of:

- [220] Emergency Telephone 911 - \$15,630
  - Higher than anticipated wages and new contract costs to support telecommunication services for 911, which were anticipated.
- [350] Regional Solid Waste - \$8,942
  - Higher than anticipated contract costs for landfill related services.

- [385] Secret Cove Waste Water Plant - \$1,945
- [386] Lee Bay Waste Water Plant - \$6,001
- [387] Square Bay Waste Water Plant - \$15,192
- [389] Canoe Road Waste Water Plant - \$804
- [390] Merrill Crescent Waste Water Plant - \$8,421
  - All wastewater deficits are related to higher than anticipated budget for wages and benefits, mostly in part to support capital projects for those services.
- [670] Regional Recreation Programs - \$4,479
  - Deficit is related to the Roberts Creek Community Use room agreement which was not included not included 2018 Budget, but has been addressed for 2019.
- [504]- Rural Planning-\$110,835
  - Higher than anticipated wages and benefits, as well as professional services for this function in 2018.

If more information is required by the Board on this function, staff could provide a variance report to a future Committee.
- [630]- Joint Use Community Schools-\$21,519
  - Higher than anticipated expenses as a result of the joint use agreement with School District 46 (SD46).

Staff recommend that operating reserves be utilized to fund all deficits with the exception of Rural Planning and School Facilities Joint Use. These services do not have sufficient funds in operating reserves to cover the entire deficit and a portion must be funded from taxation in 2019.

Minor deficits have been carried forward into the 2019 budget.

### *Financial Implications*

Surpluses transferred to reserves are uncommitted and are available to fund future projects or one time expenditures.

Funding a portion of the Rural Planning and School Facilities Joint Use deficits through taxation in 2019 will result in a 0.17% increase in overall taxation in 2019.

## **STRATEGIC PLAN AND RELATED POLICIES**

Accountability for the budget process and the Financial Plan are encompassed in the Financial Sustainability Policy. Changes to processes related to same are part of the Strategic Priority of Enhancing Board Structure and Processes, facilitating the information transfer and decision-making processes.

## **CONCLUSION**

Staff have completed the year end process and reconciled all functional area surplus deficits. Options for allocation of surpluses are outlined in the Financial Sustainability Policy.

Staff are recommending that \$1.79M of surpluses be transferred to operating or capital reserves as appropriate. Surpluses for Rural Areas' Grant-in-Aid and Economic Development functions were dealt with in Round 1 Budget deliberations.



There were ten deficits totaling \$189,289 that must be funded. Staff are recommending that these deficits be funded through a transfer from operating reserves with the exception of Rural Planning and School Facilities Joint Use which require \$32,275 of taxation funding in 2019 after utilizing all available reserves.

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – J. Loveys	Other	

## **Attachment**

A. 2018 Final Surplus/Deficits

**Sunshine Coast Regional District  
2018 Final Surplus/Deficits**

**Attachment A**

Function	Year End Surplus / (Deficit)	Recommended Allocation			Unfunded Deficit
		Carried Forward in 2019 Budget	Transfer to Operating Reserves	Transfer to Capital Reserves	
110 - General Government	148,860		(148,860)		-
113 - Finance	157,889		(157,889)		-
114 - Administration Office	26,065			(26,065)	-
115 - Human Resources	21,558		(21,558)		-
117 - Information Services	81,788			(81,788)	-
118 - SCRHD Administration	20,856	(20,856)			-
121 - Grants in Aid - Area A	4,221	(4,221)			-
122 - Grants in Aid - Area B	9,238	(9,238)			-
123 - Grants in Aid - Area E & F	361	(361)			-
125 - Grants in Aid - Community Schools	307	(307)			-
126 - Greater Gibsons Community Participati	2,511	(2,511)			-
127 - Grants in Aid - Area D	1,870	(1,870)			-
128 - Grants In Aid - Area E	7,079	(7,079)			-
129 - Grants In Aid - Area F	48	(48)			-
130 - Electoral Area Services - UBCM/AVICC	16,469		(16,469)		-
131 - Electoral Area Services - Elections	-				-
135 - Corporate Sustainability Services	9,014		(9,014)		-
136 - Regional Sustainability Services	10,651		(10,651)		-
140 - Member Municipality Debt	-	-			-
151 - Feasibility Studies - Area A	(0)		0		-
200 - Bylaw Enforcement	31,434			(31,434)	-
204 - Halfmoon Bay Smoke Control	910	(910)			-
206 - Roberts Creek Smoke Control	910	(910)			-
210 - Gibsons & District Fire Protection	27,609		(27,609)		-
212 - Roberts Creek Fire Protection	129,762		(129,762)		-
216 - Halfmoon Bay Fire Protection	32,395		(32,395)		-
218 - Egmont Fire Protection	27,641		(27,641)		-
220 - Emergency Telephone - 911	(15,630)				(15,630)
222 - Sunshine Coast Emergency Planning	9,364		(9,364)		-
290 - Animal Control	17,379		(17,379)		-
291 - Keats Island Dog Control	2,275	(2,275)			-
310 - Public Transit	52,485		(52,485)		-
312 - Fleet Maintenance	55,818		(55,818)		-
313 - Building Maintenance Services	457	(457)			-
320 - Regional Street Lighting	(1,271)	1,271			-
322 - Langdale Street Lighting	81	(81)			-
324 - Granthams Street Lighting	84	(84)			-
326 - Veterans Street Lighting	16	(16)			-
328 - Spruce Street Lighting	10	(10)			-
330 - Woodcreek Street Lighting	114	(114)			-
332 - Fircrest Street Lighting	17	(17)			-
334 - Hydaway Street Lighting	10	(10)			-
336 - Sunnyside Street Lighting	31	(31)			-
340 - Burns Road Street Lighting	29	(29)			-
342 - Stewart Road Street Lighting	17	(17)			-
345 - Ports Services	367	(367)			-
346 - Langdale Dock	0	(0)			-
350 - Regional Solid Waste	(8,942)				(8,942)
355 - Refuse Collection	33,850		(33,850)		-
365 - North Pender Harbour Water Service	32,681		(32,681)		-
366 - South Pender Harbour Water Service	94,372		(94,372)		-
370 - Regional Water Services	143,937		(143,937)		-
381 - Greaves Rd Waste Water Plant	997		(997)		-
382 - Woodcreek Park Waste Water Plant	3,951		(3,951)		-
383 - Sunnyside Waste Water Plant	935		(935)		-
384 - Jolly Roger Waste Water Plant	4,360		(4,360)		-
385 - Secret Cove Waste Water Plant	(1,945)				(1,945)
386 - Lee Bay Waste Water Plant	(6,001)				(6,001)
387 - Square Bay Waste Water Plant	(15,192)				(15,192)
388 - Langdale Waste Water Plant	232		(232)		-
389 - Canoe Rd Waste Water Plant	(804)				(804)
390 - Merrill Crescent Waste Water Plant	(8,421)				(8,421)
391 - Curran Rd Waste Water Plant	8,884		(8,884)		-
392 - Roberts Creek Co-Housing Treatment I	7,564		(7,564)		-
393 - Lillies Lake Waste Water Plant	6,073		(6,073)		-
394 - Painted Boat Waste Water Plant	8,513		(8,513)		-
395 - Sakinaw Ridge Waste Water Plant	1,525	(1,525)			-
400 - Cemetery	43,121		(43,121)		-
410 - Pender Harbour Health Clinic	(1)	1			-
500 - Regional Planning	6,668		(6,668)		-
504 - Rural Planning Services	(110,835)				(110,835)
506 - Geographic Information Services	62,591		(62,591)		-
510 - Civic Addressing	34,677		(34,677)		-
515 - Heritage Conservation Service	597	(597)			-
520 - Building Inspection Services	276,743		(276,743)		-
531 - Economic Development Area A	2,956	(2,956)			-
532 - Economic Development Area B	5,603	(5,603)			-
533 - Economic Development Area D	2,059	(2,059)			-
534 - Economic Development Area E	10,935	(10,935)			-
535 - Economic Development Area F	4,956	(4,956)			-
540 - Hillside Development Project	38,942		(38,942)		-
615 - Community Recreation Facilities	49,824		(49,824)		-
625 - Pender Harbour Pool	56,162		(56,162)		-
630 - School Facilities - Joint Use	(21,519)				(21,519)
640 - Gibsons & Area Library	13,799		(13,799)		-
643 - Egmont/Pender Harbour Library Servic	-	-			-
645 - Halfmoon Bay Library Service	5	(5)			-
646 - Roberts Creek Library Service	0	(0)			-
648 - Museum Service	(0)	0			-
650 - Community Parks	58,740		(58,740)		-
665 - Bicycle & Walking Paths	10,411		(10,411)		-
667 - Area A Bicycle & Walking Paths	10,355		(10,355)		-
670 - Regional Recreation Programs	(4,479)				(4,479)
680 - Dakota Ridge Recreation Service Area	35,068		(35,068)		-
<b>Totals</b>	<b>\$ 1,674,948</b>	<b>\$ (79,178)</b>	<b>\$ (1,645,772)</b>	<b>\$ (139,287)</b>	<b>\$ (189,289)</b>

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Angie Legault, Senior Manager, Administration and Legislative Services

**SUBJECT:** 2019 R2 BUDGET PROPOSAL FOR [110] GENERAL GOVERNMENT

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### RECOMMENDATION(S)

**THAT the report titled 2019 R2 Budget Proposal for [110] General Government be received.**

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### BACKGROUND

Following is a summary of the Round 1 2019 Budget meeting recommendations:

- Budget Proposal 1 – Website (Phase 1) – Consulting Services [110] – Incorporated in Round 1. Funding from Operating Reserves.
- Budget Proposal 2 - as follows, was referred to 2019 Round 2 Budget per the following recommendation:

AND FURTHER THAT the following budget proposal be referred to the 2019 Round 2 Budget pending a staff report to a February 2019 Committee with further information based on a two camera video streaming system, including incremental costs over the existing audio recording system in the Sunshine Coast Regional District Boardroom:

- Budget Proposal 2 – Video Streaming Meetings, \$10,000 - \$45,000 funded through Taxation.
- **NEW - Recommendation No. 31**    *Rural Area Director Stipend*

The Corporate and Administrative Services Committee recommended that a report be brought forward to 2019 Round 2 Budget regarding increasing the Rural Area Director Stipend Supplement to \$50.00 per week in Bylaw No. 636 Sunshine Coast Regional District Directors' Remuneration;

AND THAT the previous report presented in June 2018 be included for reference.

**2019 R2 Budget Proposals by Category**

E - OTHER or NOT CURRENTLY CLASSIFIED

2	<i>Function Number – Project Name:</i>	[110] – Video Streaming Meetings
	<i>Rating:</i>	Enhancement to Service
	<i>Areas Affected (A-F, Regional, Islands):</i>	Regional
	<i>2019 Funding Required:</i>	<p>\$25,000</p> <p>The budget proposal is based on a two camera system (with a projector feed) to stream and record meetings.</p> <p>If there is a desire to selectively edit recordings prior to release, then additional software costs, contractor and staff resources would be required.</p> <p>The current system of posting audio recordings to YouTube and linking them to the SCRD website is completed within 10-15 minutes (under normal conditions and barring technical issues). If camera switching is controlled by staff already in attendance at the meeting, there would be no incremental costs over audio recording once the system is configured and staff are trained on use. However, this may result in a default/static view of the Board table (along with input from the projector for presentations), as staff would be engaged with their primary roles within the meeting.</p>
	<i>Funding Source(s):</i>	Taxation
	<i>Asset Management Plan Implications:</i>	Equipment will require maintenance and replacement on a <b>5 year</b> cycle.
	<i>Rationale / Service Impacts:</i>	Video streaming and archiving would make local government business more accessible to the public and supports transparency. This may encourage greater public engagement on issues and the decision making process.
	<i>Energy Saving Potential (if applicable):</i>	n/a

	<i>Future Funding Implications (if applicable):</i>	<p>Depending on the vendor/solution selected, an annual subscription fee of \$12,000-20,000 may apply (e.g. for hosting, quality assurance monitoring of live-streams, reporting/metrics).</p> <p>Replacement of the equipment should be considered every five years.</p> <p>If a dedicated person was required to attend meetings to operate cameras, an estimated 144 hours of staff time would be required (based on 12 hours of meetings per month x 12 months).</p>
3	<i>Function Number – Project Name:</i>	<b>***NEW</b> [110] – Rural Area Director (Remuneration) Supplement
	<i>Rating:</i>	Enhancement to Service
	<i>Areas Affected (A-F, Regional, Islands):</i>	A-F
	<i>2019 Funding Required:</i>	\$4,660 (based on an April 1, 2019 implementation date)
	<i>Funding Source(s):</i>	Taxation
	<i>Asset Management Plan Implications:</i>	n/a
	<i>Rationale / Service Impacts:</i>	<p>Changing remuneration rates requires an amendment to Bylaw 636. Staff anticipate that a bylaw amendment could be available for the March 28<sup>th</sup> Board meeting.</p> <p>The current Rural Area Director supplement is \$1,338.20/year (~\$26.70/week). Increasing the supplement to \$50/week for 5 rural Directors would require a base budget increase of \$6,059 starting in 2020.</p> <p>The June 28, 2018 CAS report is attached for information (Appendix 1).</p>
	<i>Energy Saving Potential (if applicable):</i>	n/a
	<i>Future Funding Implications (if applicable):</i>	\$6,059 base budget increase

**Financial Implications**

<b>Five-Year Operating Reserve Plan (or longer, if applicable)</b>					
<b>(use table illustrating capital contributions and expenditures, if available)</b>					
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Item</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
Opening Balance in reserve	\$ 223,622	\$203,622	\$203,622	\$203,622	\$203,622
Contributions Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
BP#1 Website Consultant	-\$ 10,000	\$ -	\$ -	\$ -	\$ -
Microfiche Scan year 3	-\$ 10,000	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 203,622	\$203,622	\$203,622	\$203,622	\$203,622

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – J. Loveys	Other	

Appendix 1 – June 28, 2018 Corporate and Administrative Services Staff Report titled Directors' Remuneration Review

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Corporate and Administrative Services Committee – June 28, 2018

**AUTHOR:** Janette Loveys, Chief Administrative Officer  
Tina Perreault, General Manager, Corporate Services / Chief Financial Officer

**SUBJECT:** DIRECTORS' REMUNERATION REVIEW

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### RECOMMENDATION(S)

**THAT** the report titled Directors' Remuneration Review be received;

**AND THAT** Directors' remuneration be increased to offset the loss of the 1/3 tax exemption, effective January 2019;

**AND THAT** an amendment to Bylaw 636 be drafted for the Board's consideration prior to October 2018;

**AND FURTHER THAT** the development of the Director Remuneration Policy be included as part of the 2019 work-plan.

---

### BACKGROUND

At the May 10, 2018 the following resolution was adopted:

156/18      **Recommendation No. 4**      *Director's Remuneration Review*

**THAT** the report titled Directors' Remuneration Review be received;

**AND THAT** a report be provided no later than June 2018 which includes an analysis of the following factors:

- Number and composition of Directors (First Nations, municipal and rural);
- Number of meetings (board and standing committee);
- Remuneration for conferences;
- Stipend model or flat rate;
- Benefits (paid or not paid);
- Travel Time (paid or not paid);
- Lifts for chair, vice chair and committee chairs;
- Other special meetings such as public hearings or workshops;
- Regional Districts of comparative size (population);
- Percentage of annual budget (tax payer's affordability factor);
- Verification of the Average Electoral Area Directors remuneration values versus the Average Municipal Directors remuneration values;
- Account for other time required outside of meetings;

- Compensation for advisory committees and liaison meetings;
- Gross up to offset the loss of tax exemption on 1/3 of elected official remuneration;

AND FURTHER THAT a policy on Remuneration be developed.

The purpose of this report is to provide additional analysis to the factors outlined in the May 10, 2018 resolution above which was based on a staff report made to the April 26, 2018 Corporate and Administrative Services (CAS) Committee meeting (attached for reference as Attachment A).

## **DISCUSSION**

### *Options and Analysis*

Staff have compiled information for each of the factors outlined in the May 10, 2018 resolution which is provided in Attachment B. These factors will assist in support of the future development of a Board Remuneration Policy.

Not all the data was available at the time of this report and the goal was to focus on similar sized Regional Districts (RD's). Of the 29 Regional Districts in British Columbia (BC), 17 are represented in the analysis. Six outliers were omitted which include the large RD's - Capital and Metro Vancouver, and the smaller RD's - Stikine Region, Mount Waddington, Central Coast, and Northern Rockies. The remaining six did not provide data to include in the report.

A separate analysis was prepared for the gross up to offset the loss of tax exemption on 1/3 of elected official remuneration and a copy of the financial analysis is included in Attachment C.

There are a few variables and assumptions which need to be considered in reviewing the analysis.

Staff also used 2017 averages for calculation purposes. The main variables are as follows:

- Tax rates vary for each Director depending on the roles they play on the Board (Chair, Vice-Chair, Committee Chair, etc.) as well as their unique personal circumstance such as age, other sources of income, additional tax deducted each pay period, etc. For example, some Directors are CPP exempt.
- The number of meetings attended and/or chaired impacts the tax rate for the year.
- Whether the Director is a rural Director and/or a Chair/Vice-Chair impacts the total remuneration and therefore the tax rate for the year.
- Tax rates were calculated using the Canada Revenue Agency's (CRA) tax calculator and are for analysis purposes only.

Any changes approved to reflect the the loss of tax exemption on 1/3 of elected official remuneration would require an amendment to the Director Remuneration Bylaw 636.

### *Future Policy Development*



As referenced in the April report, staff have identified a gap and opportunity to develop a Director Remuneration Policy for the SCRD. This is a common practice among local governments. There are number of factors which are more aligned to a policy discussion as the factors are viewed as philosophic and value based. A good example is the difference of a stipend model and flat rate model. As demonstrated in past reports, Regional District Director remuneration across the Province is very mixed and there is no clear preferred model no real comparisons can be concluded. Staff continue to recommend the incoming Board have a discussion on these factors and the parity through the development of a policy.

#### *Financial Implications*

Based on the high level analysis using 2017 averages, the estimated financial implication to grossing up current sources of Director Remuneration (Schedule A-per Bylaw 636) is less than \$10,000. Per the existing Bylaw, all the rates increase automatically for the change in the Consumer Price Index of Vancouver (CPI-Vancouver) as at November 2018. As at the end of April 2018, the increase was estimates at 2.5% and would increase the estimated 1/3 gross up by \$250.

#### *Timeline for next steps or estimated completion date*

In order to execute the gross up to offset the loss of tax exemption on 1/3 of elected official remuneration, Bylaw 636 requires an amendment. Staff recommend the Bylaw be presented for Board consideration prior to October 1, 2018 with an effective date of January 1, 2019.

Staff recommend that a Directors Remuneration Policy be included in the 2019 work plan.

### **STRATEGIC PLAN AND RELATED POLICIES**

With an election coming in October 2018 and the Board preparing for the future, a review of the remuneration process falls into the Strategic Plan category of Enhancing Board Structure and Processes as well as, in part, the priority to attract and enhancing the next term of Regional District Board members.

### **CONCLUSION**

Staff have compiled information for each of the factors outlined in the May 10, 2018 resolution which is provided in Attachment B.

A separate analysis was prepared for the gross up to offset the loss of tax exemption on 1/3 of elected official remuneration and a copy of the financial analysis is included in Attachment C. Based on the high level analysis using 2017 averages, the estimated financial implication to grossing up current sources of Director Remuneration (Schedule A-per Bylaw 636) is less than \$10,000. In order to execute the gross up to offset the loss of tax exemption on 1/3 of elected official remuneration, Bylaw 636 requires an amendment.

Staff recommend the Bylaw be presented for Board consideration prior to October 1, 2018 with an effective date of January 1, 2019.

Staff recommend that a Directors Remuneration Policy be drafted as part of administrations 2019 work plan.

Attachment A - April 26, 2018 - CAS Staff Report-Directors Remuneration Review  
Attachment B - June 28, 2018-Director Remuneration Analysis  
Attachment C - June 28, 2018 – Analysis of the gross up to offset the loss of 1/3 tax exemption

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X J. Loveys	Other	

**SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT**

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**TO:** Corporate and Administrative Services Committee – April 26, 2018

**AUTHOR:** Janette Loveys, Chief Administrative Officer

**SUBJECT:** DIRECTORS REMUNERATION REVIEW

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**RECOMMENDATION(S)**

**THAT** the report titled Directors Remuneration Review be received;

**AND THAT** a report be provided no later than June 2018 which includes an analysis of the factors identified by Committee.

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**BACKGROUND**

The Board adopted the following resolution at the regular meeting held on March 9, 2017:

096/17                      **Recommendation No. 3**            *2015-2018 Strategic Plan – Directors’ Compensation*

THAT staff report on a potential process for a Directors’ compensation review, including but not limited to working groups, qualified individuals, or citizen committees;

AND THAT the process timeline allow implementation of any changes for the new Sunshine Coast Regional District (SCRD) Board elected in 2018.

The purpose of this report is to provide Committee with background information and context which can allow for discussion and direction with respect to a future report.

**DISCUSSION**

The Board has identified a need to review the Remuneration Bylaw. This is a common practice in the Province and most Regional Districts have initiated a review of some degree in the past few weeks. The SCRD Bylaw was last updated, in part, in 2014. This review provides an opportunity to ensure a more comprehensive approach is undertaken, should the Committee wish to consider other factors and/or information.

The current Bylaw (Attachment A) and Schedule (Attachment B) are attached to this report.

There are many different approaches and methodologies Regional Districts utilize to provide remuneration to their elected officials and therefore no clear comparison can be made. Regional Districts put different emphasis on different factors and requirements for the position as it relates to the expectations of their community.

Generally, most Regional Districts take the following factors into consideration:

- Number and composition of directors (First Nations, municipal and rural)
- Number of meetings (board and standing committee)
- Remuneration for conferences
- Stipend model or flat rate
- Benefits (paid or not paid)
- Travel time (paid or not paid)
- Lifts for chair, vice chair and committee chairs
- Other special meetings such as public hearings or workshops
- Regional Districts of comparative size (population)
- Percentage of annual budget (tax payer's affordability factor)

As per the Bylaw, the SCRD incorporates annual adjustments according to the Consumer Price Index (CPI) for Vancouver. The rates for 2018 are attached to this report (Attachment B). Most Regional Districts follow this same approach and annually incorporate the CPI rates. In 2011, the Bylaw was amended to add the provision of health and dental benefits for Rural Directors, and Accidental Death and Dismemberment insurance for all Directors with 100% of both monthly premiums paid by the SCRD.

In the past, Committee expressed a desire to discuss a set of principles which could be incorporated into a policy. While no principles were identified, the Committee went on to discuss the parities of the municipal director and a rural director role. An example is whether the role is full-time or part-time and how it should be recognized. Another principle which was identified was applying a living wage to the remuneration. For example, the 2017 living hourly wage for a family of four in Vancouver is \$20.10.

Regional Districts across BC appear to be discussing the same issues within their communities and whether or not Regional Districts consider the two roles (municipal and rural) as different.

Recently at the Association of Vancouver Island and Coastal Communities conference, there was discussion among local governments with respect to the term of the office (3 years vs 4 years). Elected officials spoke about the term of the office and links to remuneration and how it can affect ones' ability to secure employment outside of the elected office, its impacts on families and home/life balance.

Currently the SCRD administers Director remuneration under Bylaw No. 636. Some Regional Districts have a policy which provides for additional process and reviews over and above a bylaw. For example, some policies identify that a review will occur every 4 years while some identify certain roles undergo a review such as the Chair, some policies also identify what form the review will take. Notwithstanding any changes Committee may wish to make to the Remuneration Bylaw, staff also recommend that a policy be developed to support the Bylaw and allow for more comprehensive reviews in the future.

For the 2017 budget, the Federal Government included a change that will see the tax exemption on 1/3 of elected officials' remuneration disappear, making the remuneration 100% taxable starting in 2019. For example, a Director receiving a T4 for 2017 showing taxable income of \$25,000, would have actually received \$37,500 of remuneration as 1/3 (or \$12,500) was exempt.

Based on staff's research, many municipal councils in BC are proposing to increase the gross compensation of their Mayor and Council such that the elected officials retain the same net after tax amount. Many Regional District Boards in BC are proposing the same change.

In early 2017, the Columbia Shuswap Regional District informally gathered Director remuneration information from various Regional Districts. Staff note there are some data gaps in the information collected. The comparison is included in Attachment C, which summarizes remuneration paid from 18 Regional Districts based on the 2016 Statement of Financial Information (SOFI) disclosure forms. Based on the analysis, the SCRD has some of the highest values.

Staff recommend a report be brought back no later than June which includes any additional analysis and/or information the Committee would like to incorporate.

### *Financial Implications*

Changes to remuneration will have a related financial implication. Therefore, an analysis of any proposed changes will be included as part of the report provided in June 2018.

## **STRATEGIC PLAN AND RELATED POLICIES**

This report and review process links to the Board's Strategic Priority of Enhance Board Structure and Processes. The Remuneration Bylaw was last amended in 2014 and it has been some time since the Bylaw has been reviewed in its entirety and updated to ensure it meets the needs of the organization and community.

## **CONCLUSION**

The Board has identified a need to review the Remuneration Bylaw. This is a common practice in the Province and most Regional Districts have initiated a review of some degree in the past few weeks. The SCRD Bylaw was last updated, in part, in 2014. This review provides an opportunity to ensure a more comprehensive approach is undertaken, should the Committee wish to consider other factors and/or information.

The purpose of this report to provide Committee with background information and context which can allow for discussion and direction with respect to a future report no later than June 2018.

Attachment A – Bylaw 636

Attachment B – 2018 rates

Attachment C - Columbia Shuswap Regional District-SOFI Comparison

Reviewed by:			
Manager		CFO/Finance	X-T.Perreault
GM		Legislative	X-A.Legault
CAO		Other	

Director Remuneration Analysis  
June 28, 2018

Attachment B  
to June 28, 2018 Report

	CSRD	Squamish Lilloet	Fraser-Fort George	Nanaimo	East Kootenay	Cowichan Valley	Alberni- Clayoquot	Powell River	Fraser Valley	Comox Valley	Thompson Nicola	Caribou	Peace River	Central Okanagan	Bulkley Nechako	North Okanagan	Sunshine Coast
Number of directors in RD																	
Total	11	9	14	17	15	15	14	7	23	10	26	16	12	12	15	14	9
- Rural	6	4	7	7	6	9	6	5	8	3	10	12	4	2	7	5	5
- Municipal	5	5	7	10	9	6	4	2	15	7	16	4	8	10	8	9	3
- First Nations	0	-	-	-	-	-	4	-	-	-	-	-	-	-	-	-	1
Number of Meeting (Board and Standing Committee)																	
Board meetings per year (Average)	12	12.0	12.0	12.0	12.0	24.0	24.0	24.0	12.0	12.0	18.0	24.0	24.0	24.0	24.0	24.0	22.0
Standing Committees (# of committees with different frequencies)	4	9	4	12	7	4	3	1	3	3	8	6	6	1	5	1	3
Remuneration for conferences																	
Stipend model or Flat Rate																	
-Stipend	Stpend																
-Flat Rate		Flat Rate	Yes Flat Rate	Stipend	Stipend	Flat Rate	Flat Rate	Flat Rate	Flat Rate	Stipend	Flat Rate	Stipend	Stipend	Flat Rate	Stipend	Stipend	Stipend
Benefits (paid or not paid)	no	yes	not identified	not identified	not identified	no	no	not identified	not identified	50% paid by RD	not identified	not identified	yes	not identified	not identified	not identified	yes
Travel Time (paid or not paid)																	
Milage for travel to meetings	Yes-\$ .15/km	Yes	Yes	Yes	Yes \$20/hr in excess of 30 minutes each way	Yes	n/a	Yes	n/a	Yes	yes-\$0.54/km	per bylaw	travel time included in varied meeting fees		n/a	n/a - only mileage	0.54/km
Paid time to travel to meetings	no	Yes	No	Not generally		No	yes	no	yes	\$20/hr where travel exceeds 60km one way	yes	no	no	yes	yes	yes	no
Lifts for Chair, vice Chair and Committee Chair																	
-Chair	\$ 24,102	\$ 10,724	\$ 14,500	\$ 19,500	\$ 18,000	\$ 25,000	\$ 6,328	\$ 8,232	\$ 26,940	\$ 29,604	\$ 18,830	150% of stipend	yes	\$ 22,000	\$ 12,576	\$ 15,312	\$36,383 (total)
-Vice Chair	\$159 to chair a meeting	\$ 1,778	\$ 2,500	\$160 to chair a meeting	\$ 3,000	-	-	no	\$ 6,601	no	\$2,290 annually plus \$150 per meeting chaired and/or convention days	75% of stipend	double meeting fee when acting as chair	no - but a director who chairs in the absence of the Chair receives \$100	\$ 3,144	\$ 1,728	\$11,351 (total)
-Committee Chair	\$62-\$196 based on type	\$92-159 based on duration	\$ 100	\$70 - \$110 based on duration	\$ 90	\$ 291.07		\$75-\$180	n/a	\$ 125	\$ 150	\$75-\$185	\$102-\$265 depending on duration	\$65-\$130 depending on duration	\$105-\$210 depending on duration	\$ 153	\$122-\$243 depending if you are a director, chair or vice-chair
Other special meetings such as public hearings or workshops	No	No	yes	Yes	yes	no	no	no	no	yes	depends	yes	yes	no	no	yes	no
Regional Districts of comparitive size (population)	51,366	42,665	94,506	155,698	60,439	83,739	30,981	20,070	295,934	66,527	132,663	61,988	62,942	194,882	37,896	84,354	29,970
Percentage of annual budget (tax payer affordability factor)																	
-2017 Budget	\$ 38,955,582	\$ 21,839,393	\$ 45,834,610	\$ 87,900,000	\$ 38,300,000	\$ 77,394,000	\$ 17,750,000	\$ 13,830,000	\$ 24,300,000	\$ 109,980,000	\$ 45,507,000	\$ 68,248,000	\$ 59,400,000	\$ 53,600,000	\$ 15,913,000	\$ 80,557,000	\$ 60,043,000
Average Remuneration																	
Average Municiple Director remuneration	\$ 14,464	9,912	12,113	15,509	-	18,123	-	10,923	10,614	19,265	-	-	-	-	-	12,571	18,845
Average Elector Area Director	\$ 30,246	22,620	16,185	29,144	-	31,626	-	21,335	19,507	52,992	-	-	-	-	-	27,379	37,010
Compensation for Advisory or liason meetings																	no

# Analysis of Gross up to 1/3 Tax Exemption June 28, 2018

	Stipend at 2/3 taxable	Stipend at 100% taxable	Increase in Stipend rate for year	# Directors	Increase in Stipend rate for year all Directors	Difference in CPP rate (4.95%)	
Chair	\$ 37,256.52	\$ 39,800.14	\$ 2,543.62	1	\$ 2,543.62	\$ 125.91	
Vice Chair	\$ 11,623.13	\$ 11,763.65	\$ 140.52	1	\$ 140.52	\$ 6.96	
Director	\$ 9,325.60	\$ 9,438.34	\$ 112.74	7	\$ 789.21	\$ 39.07	
Rural Area Director Supplement	\$ 1,335.55	\$ 1,351.70	\$ 16.15	5	\$ 80.73	\$ 4.00	
Alternate Director	\$ 1,459.18	\$ 1,476.82	\$ 17.64	9	\$ 158.77	\$ 7.86	
Standing Committee Chair	\$ 1,459.18	\$ 1,476.82	\$ 17.64	3	\$ 52.92	\$ 2.62	
Standing Committee Chair	\$ 9,325.60	\$ 9,438.34	\$ 112.74	0	\$ -	\$ -	included in "Director" Classification
Standing Committee Vice Chair	\$ 9,325.60	\$ 9,438.34	\$ 112.74	0	\$ -	\$ -	included in "Director" Classification
					<u>\$ 3,765.78</u>	<u>\$ -</u>	
Total impact for the year due to increase in stipends						<u>\$ 3,765.78</u>	

	\$/Meeting at 2/3 taxable	\$/Meeting at 100% taxable	Increase in \$/Meeting	# Meetings per year on average	Increase in \$/meeting for year for all Directors	Difference in CPP rate (4.95%)	
\$ per Board Meeting Chaired	\$ 232.05	\$ 245.27	\$ 13.22	20	264.30	13.08	
\$ per Committee Meeting	\$ 124.60	\$ 131.70	\$ 7.10	720	5,109.05	252.90	
\$ per Meeting Attended	\$ 124.60	\$ 131.70	\$ 7.10	11	78.05	3.86	
\$ for any day Attending Meetings	\$ 110.40	\$ 116.69	\$ 6.29	10	62.87	3.11	
\$ for acting in capacity of Board	\$ 145.37	\$ 153.65	\$ 8.28	4	33.11	1.64	
					<u>5,547.39</u>	<u>274.60</u>	
Total impact for the year due to increase in \$ per meeting						<u>5,821.99</u>	

## Assumption:

1. Number of meetings per year can fluctuate.
2. Scenario doesn't take into account extenuating circumstances.

Conferences**	\$ 150.00	\$ 158.54	\$ 8.54	25	\$ 213.56	\$ 10.5712	\$ 224.13
<b>Total estimated impact to the budget</b>							<u><u>\$ 9,811.90</u></u>

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Janette Loveys, Chief Administrative Officer

**SUBJECT:** 2019 R2 BUDGET PROPOSAL FOR PROTECTIVE SERVICES FOR [210] (GIBSONS AND DISTRICT FIRE PROTECTION (FP)), [212] (ROBERTS CREEK FP), [216] (HALFMOON BAY FP), [218] (EGMONT FP)

---

### RECOMMENDATION(S)

THAT the report titled 2019 R2 Budget Proposal for Protective Services for [210] (Gibsons and District Fire Protection (FP)), [212] (Roberts Creek FP), [216] (Halfmoon Bay FP) and [218] (Egmont FP) be received.

---

### BACKGROUND

Following is a summary of the Round 1 2019 Budget meeting recommendations:

- Budget Proposal 1 - as follows, was referred to 2019 Round 2 Budget per the following resolution:

038/19     **Recommendation No. 12**     *Protective Services {210-218} and Sunshine Coast Emergency Planning [222] - 2019 R1 Budget Proposal*

THAT the following budget proposals be referred to 2019 Round 2 Budget pending a report to a February 2019 Committee meeting with the results of the consultation:

- Budget Proposal 1 – [210-218] Manager, Protective Services, an additional 0.4 FTE, funded \$32,000 for Q2 2019 start date through Taxation, and estimated \$20,000 future base budget increase;
- Budget Proposal 1 – [222] Sunshine Coast Emergency Planning, with no financial impact in 2019 and approximately \$15,000 funded through Taxation in 2020;
- Budget Proposal 2 – [222] Contracted Services for Statutory, Regulatory and Bylaw Reviews, funded \$20,000 from Operating Reserves.



**2019 R2 Budget Proposals by Category**

A- MANDATORY / BUSINESS CONTINUITY

1	Function Number – Project Name:	Manager, Protective Services (0.4 FTE)		
	Rating:	Enhancement to Service		
	Areas Affected (A-F, Regional, Islands):	A, B, D, E, F and ToG: [210] (Gibsons), [212] (Roberts Creek), [216] (Halfmoon Bay), [218] (Egmont).		
	2019 Funding Required:	\$32,000, estimated Q2 start date:		
		Function	Allocation	Amount
		[210] (Gibsons)	25%	\$8,000
		[212] (Roberts Creek)	25%	\$8,000
		[216] (Halfmoon Bay)	25%	\$8,000
[218] (Egmont)		25%	\$8,000	
	100%	\$32,000		
Funding Source(s):	Taxation			
Asset Management Plan Implications:	N/A			
Rationale / Service Impacts:	As recommended by Dave Mitchell and Associates to provide administrative support and guidance to both Fire Services and the Sunshine Coast Emergency Program. This exempt position will serve as and designate others as Emergency Program Coordinator, support Fire Services and oversee the E-911 program.			
Energy Saving Potential (if applicable):	N/A			

	<i>Future Funding Implications (if applicable):</i>	\$52,000-approximate		
		<b>Function</b>	<b>Allocation</b>	<b>Amount</b>
		[210] (Gibsons)	25%	\$13,000
		[212] (Roberts Creek)	25%	\$13,000
		[216] (Halfmoon Bay)	25%	\$13,000
		[218] (Egmont)	25%	\$13,000
			100%	\$52,000
		Any revised wage allocations will be reviewed in 2020.		

### ***Financial Implications***

All four SCRD Fire services have operating and capital reserves.

Reviewed by:			
Manager		Finance	X – T. Perreault
GM		Legislative	
CAO	X – J. Loveys	Other	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

---

**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Janette Loveys, Chief Administrative Officer

**SUBJECT:** 2019 R2 BUDGET PROPOSAL FOR SUNSHINE COAST EMERGENCY PLANNING [222]

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### RECOMMENDATION(S)

**THAT** the report titled 2019 R2 Budget Proposal for Sunshine Coast Emergency Planning [222] be received.

---

### BACKGROUND

Following is a summary of the Round 1 2019 Budget meeting recommendations:

- Budget Proposal 1 - as follows, was referred to 2019 Round 2 Budget per the following resolution:

038/19     **Recommendation No. 12**     *Protective Services {210-218} and Sunshine Coast Emergency Planning [222] - 2019 R1 Budget Proposal*

THAT the following budget proposals be referred to 2019 Round 2 Budget pending a report to a February 2019 Committee meeting with the results of the consultation:

- Budget Proposal 1 – [210-218] Manager, Protective Services, an additional 0.4 FTE, funded \$32,000 for Q2 2019 start date through Taxation, and estimated \$20,000 future base budget increase;
- Budget Proposal 1 – [222] Sunshine Coast Emergency Planning, with no financial impact in 2019 and approximately \$15,000 funded through Taxation in 2020;
- Budget Proposal 2 – [222] Contracted Services for Statutory, Regulatory and Bylaw Reviews, funded \$20,000 from Operating Reserves.

### 2019 R2 Budget Proposals by Category

#### A- MANDATORY / BUSINESS CONTINUITY

1	Function Number – Project Name:	Sunshine Coast Emergency Planning
	Rating:	Status Quo Service
	Areas Affected (A-F, Regional, Islands):	All

	<i>2019 Funding Required:</i>	No financial impact anticipated for 2019.
	<i>Funding Source(s):</i>	
	<i>Asset Management Plan Implications:</i>	N/A
	<i>Rationale / Service Impacts:</i>	Based on the external review from Dave Mitchell & Associates, in support of the Sunshine Coast Emergency Planning function, the new exempt Manager of Protective Services will be allocated as 60% to Emergency Planning.
	<i>Energy Saving Potential (if applicable):</i>	N/A
	<i>Future Funding Implications (if applicable):</i>	For 2020, a review of the wage allocations will be done in conjunction to the work-plan. The estimated impact will be approximately \$15,000 in additional taxation.

**D- LOW COST, HIGH VALUE**

2	<i>Function Number – Project Name:</i>	Contracted Services for Statutory, Regulatory and Bylaw Review
	<i>Rating:</i>	<a href="#">Status Quo Service</a>
	<i>Areas Affected (A-F, Regional, Islands):</i>	All
	<i>2019 Funding Required:</i>	\$20,000
	<i>Funding Source(s):</i>	Operating Reserves
	<i>Asset Management Plan Implications:</i>	N/A
	<i>Rationale / Service Impacts:</i>	Resources are required to implement the recommendations outlined in Section 5 of the Emergency Plan Review which were prioritized for action. The scope of work would include assisting member municipalities in addressing the legislative and bylaw revisions, while ensuring alignment and communication between the parties.
	<i>Energy Saving Potential (if applicable):</i>	N/A
	<i>Future Funding Implications (if applicable):</i>	N/A

**Financial Implications**

Five-Year Capital Reserve Plan (or longer, if applicable)					
	2019	2020	2021	2022	2023
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in reserve –	\$ 34,716	\$ 34,716	\$ 34,716	\$ 34,716	\$ 34,716
Contributions Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 34,716	\$ 34,716	\$ 34,716	\$ 34,716	\$ 34,716

Five-Year Operating Reserve Plan (or longer, if applicable)					
	2019	2020	2021	2022	2023
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in reserve –	\$ 83,428	\$ 63,428	\$ 63,428	\$ 63,428	\$ 63,428
Contributions Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
Building	\$ -	\$ -	\$ -	\$ -	\$ -
BP #2 - Contracted Services	-\$ 20,000	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 63,428	\$ 63,428	\$ 63,428	\$ 63,428	\$ 63,428

Reviewed by:			
Manager		Finance	X – T. Perreault
GM		Legislative	
CAO	X – J. Loveys	Other	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Remko Rosenboom, General Manager, Infrastructure Services

**SUBJECT:** 2019 BUDGET – FORKLIFT COST COMPARISON

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### RECOMMENDATION(S)

**THAT the report titled 2019 Budget – Forklift Cost Comparison be received for information.**

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### BACKGROUND

At the Special Corporate and Administrative Services Committee Meeting (Round 1 Budget) on February 4, 2019, the Committee recommended:

**Recommendation No. 14** *Maintenance Facility (Fleet) [312] and Regional Water Service [370] - 2019 R1 Budget Proposal*

The Corporate and Administrative Services Committee recommended that the following budget proposal be referred to the 2019 Round 2 Budget pending a staff report to a February 2019 Committee meeting regarding the purchase, operation and maintenance costs of an electric forklift:

- Budget Proposal 1 – [312] Mason Road Forklift Replacement, \$10,000 funded from Reserves (shared cost with Regional Water Services [370] \$15,000 for a total project cost of \$25,000);
- Budget Proposal 9 – [370] Mason Road Forklift Replacement, \$15,000 funded from Reserves (shared cost with Maintenance Facility (Fleet) [312] \$10,000 for a total project cost of \$25,000).

The current Mason Road forklift is a 1976 Hyster, propane powered with a 4,000 – 5,000 lbs lift capacity.

The purpose of this report is to provide a summary of the costs associated with the purchase of an electric forklift.

### DISCUSSION

Preliminary cost estimates obtained from Lower Mainland suppliers indicate that a newer model used forklift approximating the one currently in use could be obtained for approximately \$25,000. This would be a propane powered forklift rated at 4,000 – 5,000 lbs lift capacity.

Overall forklift costs are driven by both purchase and maintenance costs. When new, electric forklifts have an upfront cost approximately 50% higher than diesel or propane alternatives.

Since propane powered forklifts do not retain their value as well as electric models, this purchase cost gap increases for used equipment.

Maintenance and repair costs for electric models are approximately 60% of those for diesel or propane, due to fewer moving parts. Fuel costs for electric power are also significantly lower than for combustion engines. Since maintenance costs rise based on use, electric-powered forklifts gain their advantage over combustion engine models as hours of use increase within the same time period.

The forklift at Mason Road receives limited use. While shared between the Utility Services Division and Fleet Division, each department uses the forklift only intermittently for specialized movement of large parts, supplies or equipment; estimated use is 300 hours per year. At this usage level, a replacement unit is likely to last for many years as evidenced by the age of the current model.

The current forklift is primarily used outside. An electric forklift is less suited for frequent outside use as its engine is more susceptible to rain.

While the currently forklift is parked in a lean-on shed, an electric forklifts are cannot be stored outside. As there is currently no indoor space to park the forklift, an electric forklift would also require the construction of a new building at a cost of about \$10,000.

Electric forklifts will also require charging infrastructure. The charger will depend on the battery type. In most cases, this involves a secure and well ventilated area to recharge and maintain lead acid batteries. Staff will require training to safely recharge forklift lead acid batteries and a locked area will need to be established to keep the high voltage equipment secure. Lead acid battery recharging produces toxic fumes that need to be vented appropriately. These batteries need to be topped up with distilled water every five to ten charges. Some newer electric forklift models have lithium based batteries that can be recharged much like an electric vehicle today. This increases safety and ease of use. The costs of both charger setups would be up to \$5,000.

The table below calculates cost per hour for both new and used equipment scenarios; all calculations are estimates based on commonly available information<sup>1</sup>.

<b>Item</b>	<b>Electric</b>	<b>Propane</b>
Initial Cost (Used)	\$55,000	\$20,000
Initial Cost (New)	\$75,000	\$40,000
Average Annual Maintenance	\$450	\$750
Annual Fuel	\$40	\$250
Cost per hour/10 years (Used)	\$19.97/hour	\$10.00/hour
Cost per hour/10 years (New)	\$26.63/hour	\$16.66/hour

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<sup>1</sup> Convert to Electric – Lift Trucks, <http://convert2electric.com/calculate/>

The Specialty-Use Vehicle Incentive Program (SUVI) is a program funded by the Province of British Columbia that provides a rebate (\$5,000 maximum) on the purchase of battery electric forklifts. The table below provides cost adjustment with SUVI rebate (<https://pluginbc.ca/suvi/>).

Item	Electric	Propane
Initial Cost (New)	\$60,000	\$40,000
Average Annual Maintenance	\$450	\$750
Annual Fuel	\$40	\$250
Cost per hour/10 years (New)	\$24.97/hour	\$16.66/hour

The shift from propane to an electric-powered forklift would save roughly 9,100 kilograms of carbon dioxide and 4,100 kilograms of carbon monoxide annually – approximately equal to 1.9 passenger vehicles driven for one year<sup>2</sup>. Also included would be the benefit of eliminating waste fluids (oil, coolant, etc.).

One of the downsides of electric power would be the need to have maintenance and repair completed by an external vendor, whereas the propane engine could be serviced and repaired by SCRD staff as with the current model.

## STRATEGIC PLAN AND RELATED POLICIES

Maintaining equipment in a state of good repair and replacing as needed, aligns with the SCRD Board's 2015-2018 Strategic Plan value and priority of Embedding Environmental Leadership, as well as the priority to Ensure Fiscal Sustainability.

## CONCLUSION

Based on comparison between a propane and electric forklift, it can be concluded that:

- An electric forklift would reduce GHG emissions significantly;
- GHG emissions from propane forklifts are less than diesel forklifts.
- An electric forklift is more expensive to purchase, and;
- Electric forklifts are cost effective when used intensively, which will not be the case for a forklift purchased by the SCRD.

It is recommended that this report be received for information.

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – J. Loveys	Other	

<sup>2</sup> US EPA, Greenhouse Gas Equivalencies Calculator, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>



## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Gordon Dykstra, Manager, Transit and Fleet

**SUBJECT:** 2019 R2 BUDGET PROPOSAL FOR [312] MAINTENANCE FACILITY (FLEET)

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### RECOMMENDATION(S)

**THAT** the report titled 2019 R2 Budget Proposal for [312] Maintenance Facility (Fleet) be received.

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### BACKGROUND

Following is a summary of the Round 1 2019 Budget meeting recommendations:

- Budget Proposals - as follows, were referred to 2019 Round 2 Budget per the following recommendation:

**Recommendation No. 14**      *Maintenance Facility (Fleet) [312] and Regional Water Service [370] - 2019 R1 Budget Proposal*

The Corporate and Administrative Services Committee recommended that the following budget proposal be referred to the 2019 Round 2 Budget with a report for information regarding the purchase, operation and maintenance costs of an electric forklift:

- Budget Proposal 1 – [312] Mason Road Forklift Replacement, \$10,000 funded from Reserves (shared cost with Regional Water Services [370] \$15,000 for a total project cost of \$25,000);
- Budget Proposal 9 – [370] Mason Road Forklift Replacement, \$15,000 funded from Reserves (shared cost with Maintenance Facility (Fleet) [312] \$10,000 for a total project cost of \$25,000).

### 2019 R2 Budget Proposals by Category

#### A- OTHER or NOT CURRENTLY CLASSIFIED

1	Function Number – Project Name:	[312] – Mason Road Forklift Replacement
	Rating:	Status Quo Service
	Areas Affected (A-F, Regional, Islands):	All

	<i>2019 Funding Required:</i>	Total \$25,000  \$10,000 [312]  \$15,000 [see BP through 370]
	<i>Funding Source(s):</i>	Reserves  [312] Fleet \$10,000  [370] Regional Water \$15,000
	<i>Asset Management Plan Implications:</i>	Annual Maintenance
	<i>Rational / Service Impacts:</i>	<b>See staff report attached</b>  It is recommended that the following departmentally shared vehicle be replaced in 2019:  · Unit #338 – 1976 Hyster Forklift  This vehicle has exceeded its effective life. Replacement is recommended due to its age, lack of regulatory required safety features, increasing cost of maintenance.
	<i>Energy Saving Potential (if applicable):</i>	The replacement of older inefficient vehicles with modern vehicles will improve fuel efficiency and reduce overall carbon emissions.
	<i>Future Funding Implications (if applicable):</i>	N/A

<b>Five-Year Capital Reserve Plan (or longer, if applicable)</b>					
<b>(use table illustrating capital contributions and expenditures, if available)</b>					
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Item</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
Opening Balance in reserve	\$ 127,877	\$ 117,877	\$ 117,877	\$ 117,877	\$ 117,877
Contributions Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
Building	\$ -	\$ -	\$ -	\$ -	\$ -
Hyster Forklift	-\$ 10,000	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 117,877	\$ 117,877	\$ 117,877	\$ 117,877	\$ 117,877

Five-Year OPerating Reserve Plan					
	2019	2020	2021	2022	2023
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in reserve	\$ 52,757	\$ 52,757	\$ 52,757	\$ 52,757	\$ 52,757
Contributions Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 52,757	\$ 52,757	\$ 52,757	\$ 52,757	\$ 52,757

Reviewed by:			
Manager		CFO/Finance	
GM	X – R. Rosenboom	Legislative	
CAO	X – J. Loveys	Other	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Remko Rosenboom, General Manager, Infrastructure Services

**SUBJECT:** 2019 R2 BUDGET PROPOSAL FOR [370] REGIONAL WATER SERVICE

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### RECOMMENDATION(S)

**THAT the report titled 2019 R2 Budget Proposal for [370] Regional Water Service be received.**

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### BACKGROUND

Following is a summary of the Round 1 2019 Budget meeting recommendations:

- Budget Proposal 1 – Water Sourcing Policy [370] – Incorporated in Round 2. Funding through User Fees.
- Budget Proposal 2 – Building Maintenance – Mason Road and Chapman Water Treatment Plant [370] – Incorporated in Round 2. Funding through User Fees.
- Budget Proposal 3 – Groundwater Investigation – Phase 3 [370] – Incorporated in Round 2. Funding from Reserves.
- Budget Proposal 4, as follows, was referred to 2019 Round 2 Budget per the following recommendation:

**Recommendation No. 21**

*Regional Water Service [370] – 2019 R1 Budget Proposal*

The Corporate and Administrative Services Committee recommended that the following budget proposal be referred to 2019 Round 2 Budget pending the staff report to the February 21, 2019 Infrastructure Services Committee meeting detailing the results of the feasibility study to develop one or more Raw Water Reservoirs:

- Budget Proposal 4 – Raw Water Reservoir (Phase 3), \$TBD at 2019 Round 2 Budget from Reserves.
- Budget Proposals 5, 6 and 7, as follows, were referred to 2019 Round 2 Budget per the following recommendation:

**Recommendation No. 22**

*Regional Water Service [370] – 2019 R1 Budget Proposals*

The Corporate and Administrative Services Committee recommended that the following budget proposals be referred to the 2019 Round 2 Budget pending a report to the February 21, 2019 Infrastructure Services Committee meeting regarding the

existing staffing complement in the water and utility services division including any existing overtime and incremental costs of additional staff:

- Budget Proposal 5 – Senior Utility Technician, additional 0.4 FTE, funded \$55,000 (anticipated Q2 2019 start) through User Fees for 2019, and future base budget increase to \$93,000;
- Budget Proposal 6 – Utility Engineering Technician, additional 1.0 FTE, funded \$43,000 (anticipated Q3 2019 start) through User Fees for 2019, and future base budget increase \$86,500;
- Budget Proposal 7 – Utility Operations Assistant, additional 0.4 FTE, funded \$40,000 (anticipated Q2 2019 start) through User Fees for 2019, and future base budget increase to \$68,500.
- Budget Proposal 8 – Utility Service Vehicle Replacements [370] – Incorporated into Round 2. Funding from MFA 5-year Equipment Financing Loan;
- Budget Proposal 9, as follows, was referred to 2019 Round 2 Budget per the following recommendation:

**Recommendation No. 14**      *Maintenance Facility (Fleet) [312] and Regional Water Service [370] - 2019 R1 Budget Proposal*

The Corporate and Administrative Services Committee recommended that the following budget proposal be referred to the 2019 Round 2 Budget with a report for information regarding the purchase, operation and maintenance costs of an electric forklift:

- Budget Proposal 1 – [312] Mason Road Forklift Replacement, \$10,000 funded from Reserves (shared cost with Regional Water Services [370] \$15,000 for a total project cost of \$25,000);
- Budget Proposal 9 – [370] Mason Road Forklift Replacement, \$15,000 funded from Reserves (shared cost with Maintenance Facility (Fleet) [312] \$10,000 for a total project cost of \$25,000).

**2019 R2 Budget Proposals by Category**

**A- MANDATORY / BUSINESS CONTINUITY**

<b>4</b>	<i>Function Number – Project Name:</i>	[370] – Raw Water Reservoir – Phase 3
	<i>Rating:</i>	Enhancement to Service
	<i>Areas Affected (A-F, Regional, Islands):</i>	Regional
	<i>2019 Funding Required:</i>	\$350,000
	<i>Funding Source(s):</i>	Reserves

	<i>Asset Management Plan Implications:</i>	This project will result in additional assets with diverse estimated timelines for replacement and O&M requirements.
	<i>Rational / Service Impacts:</i>	<b>See ISC Staff Reports from February 21, 2019 attached (Attachments A and B)</b>  The purpose of this report is to address financial implications.
	<i>Energy Saving Potential (if applicable):</i>	Energy use will be considered as part of the design of a Raw Water Reservoir and the auxiliary infrastructure.
	<i>Future Funding Implications (if applicable):</i>	Any Raw Water Reservoir would require additional resources (staff and base budget) to ensure adequate operation and maintenance. The size, design and location of the reservoir will determine the magnitude of these additional resources.

5	<i>Function Number – Project Name:</i>	[370] – Senior Utility Technician 0.4 FTE
	<i>Rating:</i>	Enhancement to Service
	<i>Areas Affected (A-F, Regional, Islands):</i>	Regional
	<i>2019 Funding Required:</i>	\$18,895 (anticipated Q2 2019 start)
	<i>Funding Source(s):</i>	User Fees
	<i>Asset Management Plan Implications:</i>	N/A
	<i>Rational / Service Impacts:</i>	<b>See ISC Staff report from February 21, 2019 attached (Attachment C)</b>  The purpose of this report is to address financial implications.
	<i>Energy Saving Potential (if applicable):</i>	N/A
	<i>Future Funding Implications (if applicable):</i>	Increase to Base Budget of \$93,000

6	<i>Function Number – Project Name:</i>	[370] –Utility Engineering Technician 1.0 FTE
	<i>Rating:</i>	Enhancement to Service
	<i>Areas Affected (A-F, Regional, Islands):</i>	Regional
	<i>2019 Funding Required:</i>	\$37,034 (anticipated Q3 2019 start)
	<i>Funding Source(s):</i>	User Fees
	<i>Asset Management Plan Implications:</i>	N/A
	<i>Rational / Service Impacts:</i>	<b>See ISC Staff report from February 21, 2019 attached (Attachment C)</b>  The purpose of this report is to address financial implications.
	<i>Energy Saving Potential (if applicable):</i>	N/A
	<i>Future Funding Implications (if applicable):</i>	Increase to Base Budget of \$86,500

7	<i>Function Number – Project Name:</i>	[370] – Utility Operations Assistant 0.4 FTE
	<i>Rating:</i>	Enhancement to Service
	<i>Areas Affected (A-F, Regional, Islands):</i>	Regional
	<i>2019 Funding Required:</i>	\$20,907 (anticipated Q2 2019 start)
	<i>Funding Source(s):</i>	User Fees
	<i>Asset Management Plan Implications:</i>	NA
	<i>Rational / Service Impacts:</i>	<b>See ISC Staff report from February 21, 2019 attached (Attachment C)</b>  The purpose of this report is to address financial implications.
	<i>Energy Saving Potential (if applicable):</i>	N/A
	<i>Future Funding Implications (if applicable):</i>	Increase to Base Budget of \$68,500

*B- OTHER or NOT CURRENTLY CLASSIFIED*

9	<i>Function Number – Project Name:</i>	[370] – Mason Road Forklift Replacement
	<i>Rating:</i>	Status Quo Service
	<i>Areas Affected (A-F, Regional, Islands):</i>	All
	<i>2019 Funding Required:</i>	Total-\$25,000: \$10,000 [see BP through 312] \$15,000 [370]
	<i>Funding Source(s):</i>	Reserves (Operational) [370] Regional Water \$15,000 [312] Fleet \$10,000
	<i>Asset Management Plan Implications:</i>	Annual Maintenance
	<i>Rational / Service Impacts:</i>	<b>See Staff Report on Agenda related to Forklift Cost Comparison</b>  It is recommended that the following departmentally shared vehicle be replaced in 2019:  · Unit #338 – 1976 Hyster Forklift  This vehicle has exceeded its effective life. Replacement is recommended due to its age, lack of regulatory required safety features, increasing cost of maintenance.
	<i>Energy Saving Potential (if applicable):</i>	The replacement of older inefficient vehicles with modern vehicles will improve fuel efficiency and reduce overall carbon emissions.
	<i>Future Funding Implications (if applicable):</i>	N/A



**Financial Implications**

**REGIONAL - CAPITAL**

Five-Year Capital Reserve Plan (or longer, if applicable)					
	2019	2020	2021	2022	2023
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in reserve	\$ 5,039,194	\$ 5,039,194	\$ 5,039,194	\$ 5,039,194	\$ 5,039,194
Contributions Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
Building	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 5,039,194	\$ 5,039,194	\$ 5,039,194	\$ 5,039,194	\$ 5,039,194

**REGIONAL - OPERATIONAL**

Five-Year Capital Reserve Plan (or longer, if applicable)					
	2019	2020	2021	2022	2023
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in reserve	\$2,692,606	\$2,677,606	\$2,677,606	\$2,677,606	\$2,677,606
Contributions Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
Building	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-\$ 15,000	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$2,677,606	\$2,677,606	\$2,677,606	\$2,677,606	\$2,677,606

**REGIONAL - LAND**

Five-Year Capital Reserve Plan (or longer, if applicable)					
	2019	2020	2021	2022	2023
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in reserve	\$ 17,082	\$ 17,082	\$ 17,082	\$ 17,082	\$ 17,082
Contributions Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
Building	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 17,082	\$ 17,082	\$ 17,082	\$ 17,082	\$ 17,082

**DEVELOPMENT COST CHARGES**

Five-Year Capital Reserve Plan (or longer, if applicable)					
	2019	2020	2021	2022	2023
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in reserve	\$ 1,867,739	\$ 1,517,739	\$ 1,517,739	\$ 1,517,739	\$ 1,517,739
Contributions Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
Building	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-\$ 350,000	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 1,517,739	\$ 1,517,739	\$ 1,517,739	\$ 1,517,739	\$ 1,517,739

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – J. Loveys	Other	

**Attachments:**

- A      February 21, 2019 Infrastructure Services Committee Staff Report titled Raw Water Reservoir(s) Feasibility Study Phase 3
- B      February 21, 2019 Infrastructure Services Committee Staff Report titled Raw Water Reservoir(s) Feasibility Study Results
- C      February 21, 2019 Infrastructure Services Committee Staff Report titled Water Treatment and Distribution Services – Regional Water

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Infrastructure Services Committee Meeting – February 21, 2019

**AUTHOR:** Remko Rosenboom, General Manager, Infrastructure Services

**SUBJECT:** RAW WATER RESERVOIR(S) FEASIBILITY STUDY PHASE 3

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### RECOMMENDATION(S)

**THAT the report titled Raw Water Reservoir(s) Feasibility Study Phase 3 be received;**

**AND THAT a budget proposal for \$350,000 to be funded out of Development Cost Charges for the Feasibility Study Phase 3 with respect to the development of a raw water reservoir(s) be brought forward to the 2019 Round 2 Budget.**

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### BACKGROUND

The following recommendation was approved at the February 4, 2019 Special Corporate and Administrative Services Committee Round 1 Budget meeting:

**Recommendation No. 21**    *Regional Water Service [370] – 2019 R1 Budget Proposal*

The Corporate and Administrative Services Committee recommended that the following budget proposal be referred to 2019 Round 2 Budget pending the staff report to the February 21, 2019 Infrastructure Services Committee meeting detailing the results of the feasibility study to develop one or more Raw Water Reservoirs:

- Budget Proposal 4 – Raw Water Reservoir (Phase 3), \$TBD at 2019 Round 2 Budget from Reserves.

The purpose of this report is to address the budget implications related to raw water reservoir(s) Feasibility Study Phase 3.

### DISCUSSION

Round 2 Budget is scheduled for Monday, March 4, 2019.

A budget proposal for the Feasibility Study Phase 3 will be recommended by staff and the intent is to continue the work on the development of a raw water reservoir(s) to support the Regional Water Service.

Feasibility Study Phase 3 would include several field based assessments to provide more detailed information on the four selected sites. These assessments would focus on aspects such as:

- Suitability of the ground conditions (type and landslide risk)
- Presence and mitigation options for ecological values
- Hydrological impacts
- First Nation interest
- Confirmation of preliminary Dam Safety Classification
- Detailed assessments of the operations benefits and,
- Refinement of conceptual designs and cost estimates

The results from these assessments will be input for a Multi Criteria Analyses to compare the four sites. The outcomes of these assessments and Multi Criteria Analyses would be the subject of a report that would be presented to the Board no later than Q4 2019. This would allow the Board to provide further direction to staff to apply for the required authorizations for one or more raw water reservoirs.

#### *Communication Strategy*

Information on this project will be shared broadly through paid advertising, corporate newsletters, social media and the SCRD website.

#### *Financial Implications*

The initial project for the feasibility study for the raw water reservoir(s) (Phase 1 & 2) was funded from the Regional Water Service development cost charges (DCC-Bylaw 693). Per the *Local Government Act (Part 14; Division 19)*, development cost charges are to be collected and used as follows (*partial excerpt below*):

**559...**

(2) Development cost charges may be imposed under subsection (1) for the purpose of providing funds to assist the local government to pay the capital costs of

(a) providing, constructing, altering or expanding sewage, water...

to service, directly or indirectly, the development for which the charge is being imposed

**558...**

"**capital costs**" includes

(a) planning, engineering and legal costs directly related to the work for which a capital cost may be incurred under this Division..

Since the feasibility phases are currently considered part of the "*planning*" portions of the project which it intended to result in the future construction of a raw water reservoir(s) or capital asset, using DCC's to fund this project is appropriate. If for some reason the construction does not materialize and only the feasibility phases were completed, the funds used from DCC's would need to be returned. This would necessitate using operational funds such as operational reserves or current user rates to repay the DCC's.

#### **STRATEGIC PLAN AND RELATED POLICIES**

The raw water reservoir(s) project is intended to supplement the existing water supply and ensure the SCRD can continue to meet its mission of providing quality services to our community through effective and responsive government.

**CONCLUSION**

Feasibility Study Phase 3 would include several field based assessments to provide more detailed information on the four selected sites. The results from these assessments will be compared to the four sites. The outcomes would be the subject of a report that would be presented to the Board no later than Q4 2019. This would allow the Board to provide further direction to staff to apply for the required authorizations for one or more raw water reservoir.

The purpose of this report is to address the budget implications related to raw water reservoir(s) Feasibility Study Phase 3.

Staff recommend that a budget proposal for \$350,000 to be funded out of Development Cost Charges for the Feasibility Study Phase 3 with respect to the development of a raw water reservoir(s) be brought forward to the 2019 Round 2 Budget.

Reviewed by:			
Manager		CFO	X – T. Perreault
GM		Legislative	
CAO	X – J. Loveys	GM	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Infrastructure Services Committee Meeting – February 21, 2019

**AUTHOR:** Remko Rosenboom, General Manager, Infrastructure Services

**SUBJECT:** RAW WATER RESERVOIR (S) FEASIBILITY STUDY RESULTS

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### RECOMMENDATION(S)

**THAT the report titled Raw Water Reservoir(s) Feasibility Study Results be received.**

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### BACKGROUND

The Comprehensive Regional Water Plan as approved in June 2013 identified several projects to increase the water supply for the Chapman Creek water supply system. One of those projects is the raw water reservoir(s) project which explores the potential development of one or multiple raw water reservoir(s) as an additional water supply source.

At the April 26, 2018 Board meeting, the following recommendation was approved:

139/18      **Recommendation No. 3**      *Raw Water Reservoir – Feasibility Study Outline*

THAT the report titled Raw Water Reservoir – Feasibility Study Outline be received for information.

In May 2018 the Board approved the Water Sourcing Policy – Framework and updated the policy objective for the water supply of the Chapman Creek System:

*The SCRD intends to supply sufficient water at Stage 2 levels throughout the year to communities dependent on water from the Chapman Creek System.*

*Emergency circumstances could result in increased Stage levels.*

*If, due to emergency circumstances, the water supply for Chapman Creek is completely unavailable, the SCRD strives to have adequate alternative water supply sources available to address all essential community water demands for at least one week.*

At the December 13, 2018 Planning and Community Development Committee meeting, the report titled 2018 Water Demand Analysis was received. This report presented an outlook of the annual shortfall in the amount of water to satisfy the water supply objective as outlined in the Water Sourcing Policy – Framework. This shortfall is called the Water Supply Deficit.

The table presented below is taken from that report and presents the Water Supply Deficit (in Million cubic metres) for three levels of effectiveness of water conservation initiatives and a 2% average annual population growth within the area supplied by the Chapman Creek System.

<b>Effectiveness of water conservation initiatives (per capita, compared to 2010)</b>	<b>Water supply deficit (Million m<sup>3</sup>)</b>		
	<b>2025</b>	<b>2035</b>	<b>2050</b>
Service Area Population	26,000	32,000	43,000
10% reduction	2.01	2.83	4.35
20% reduction	1.65	2.39	3.76
33% reduction	1.22	1.82	2.98

The January 31, 2019 Report Groundwater Investigation Phase 2 Results concludes that the development of a Church Road Area well field could reduce the water supply deficit for 2035, with 20% reduction from conservation, (2.39 Million m<sup>3</sup>) with between 29 and 35%.

The development of a raw water reservoir is the only additional water supply source considered by the SCRD that meets the objectives of the Water Sourcing Policy – Framework.

The purpose of this report is to present the results of the raw water reservoir Phase 1 and Phase 2 and continue the work to address the water supply deficit with the development of one or more raw water reservoir(s).

## **DISCUSSION**

### *Raw Water Reservoir(s) Conceptual Options*

Three conceptual options for the connections between a reservoir and Chapman Creek and a reservoir and the Chapman Creek Water Treatment Plant have been defined as:

#### Concept A: Low elevation raw water reservoir

This conceptual option includes the construction of a reservoir downstream of the current intake location.

Concept A would use the current intake and require the construction of a piping system to supply the water from the current intake to the reservoir and from the reservoir to the treatment plant.

#### Concept B: High elevation raw water reservoir

This conceptual option includes the construction of a reservoir upstream of the current intake location.

Concept B requires the construction of a new intake and a piping system to supply the water from the new intake to the reservoir and from the reservoir to the treatment plant.

Concept C: Enlarging existing sub-alpine lake

This conceptual option would enlarge the storage volume of an existing sub-alpine lake through the construction of a dam at its outlet.

Conveyance to the treatment plant would occur through Chapman Creek, similar to the current method with flows released from Edwards Lake and Chapman Lake.

The construction of a dam across Chapman Creek to create an instream reservoir was assessed and it was determined that there are no locations in the Chapman Creek watershed where such a reservoir would have a storage capacity large enough to significantly reduce the Water Supply Deficit.

*Assessment of the Conceptual Options*

A desktop analysis of the Chapman Creek watershed resulted in several potential sites for the construction of a raw water reservoir for each of the conceptual options.

A Multi-Criteria Analysis (MCA) was conducted on these sites and configurations for each of these conceptual options were outlined (Attachment A). These sites were selected using mapping information. Each potential site was scored on criteria related to technical feasibility, economics, environmental impacts and regulatory requirements of the development of a raw water reservoir at that specific location.

The MCA concluded that there are several primary differentiating criteria between all the sites:

- The site-specific characteristics will ultimately determine the estimated storage capacity of a reservoir, not the conceptual option;
- Concept A sites could be the cheapest to operate;
- Concept B sites could be the most expensive to construct;
- Concept A and B sites would be accessible using current roads, where Concept C sites would only be accessible by air or after the construction of a significant number of new roads;
- Staff are familiar with the operations and maintenance of Concept C type reservoirs;
- Concept B sites would require the most amount of infrastructure to be constructed, while Concept C sites would require the least;
- Due to the elevation difference between a reservoir and the treatment plant, Concept B sites have potential to allow for hydropower production.

*Selection and Analysis of Potential Sites*

Based on the MCA several guiding principles for the development of a raw water reservoir were selected, including:

- A raw water reservoir would, in combination with the Church Road Area well field, provide enough additional supply to eliminate the Water Supply Deficit in 2025 with a 20% conservation initiatives effectiveness (1.65 Million m<sup>3</sup>). This resulted in a target volume of between 900,000 m<sup>3</sup> to 1,300,000 m<sup>3</sup>
- It would be favorable if a raw water reservoir could be enlarged at some point in the future
- Any embankment of a reservoir would be 15 m high at a maximum. Higher embankments would trigger international requirements with more stringent standards.
- All water distribution into and out of the reservoir would be gravity fed.



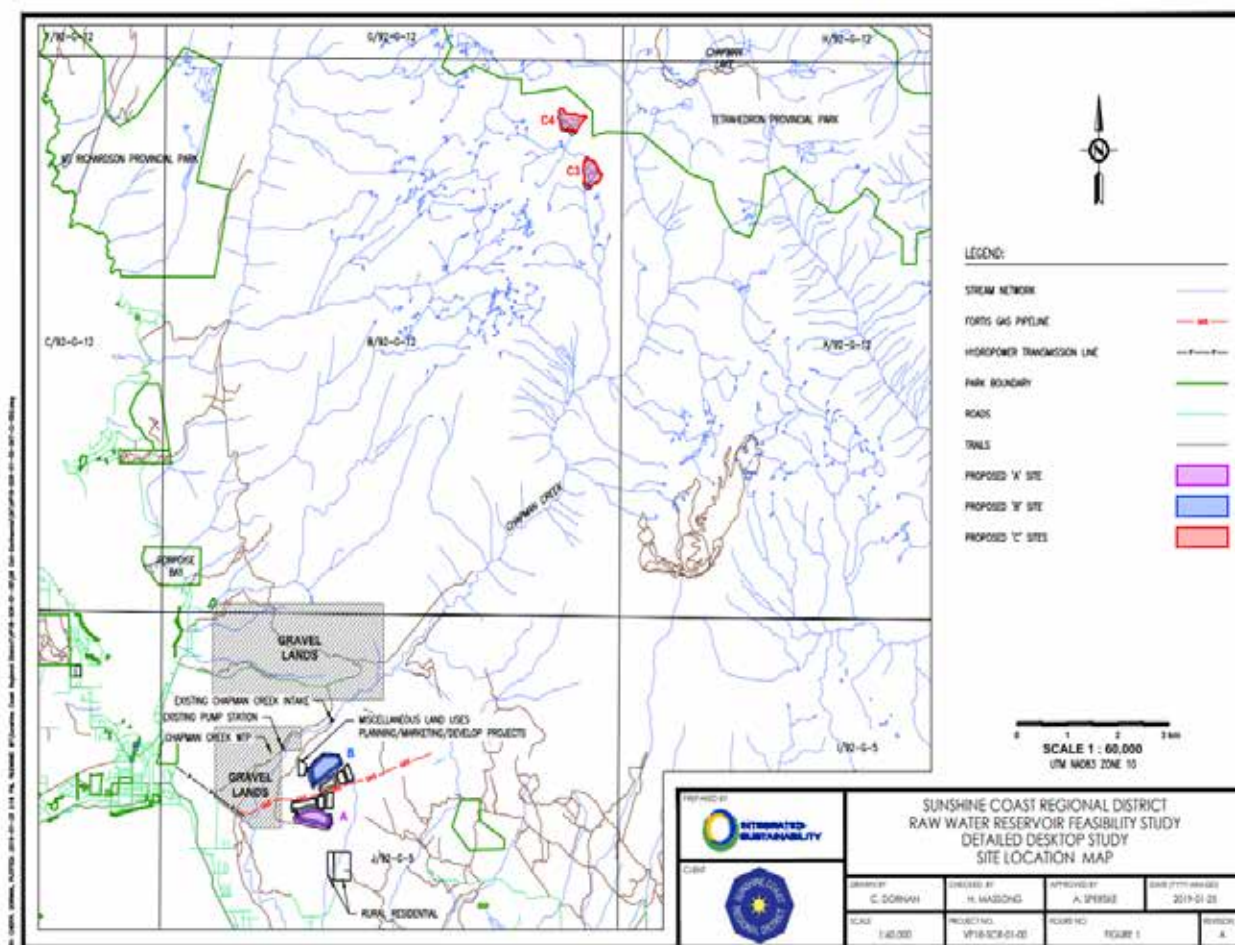
- A raw water reservoir and any associated works should be located on land owned by the SCRD or be on Crown Land for which the SCRD could obtain Land Tenure and should not overlap with any existing land tenures for other utilities (water, gas, electricity).

A more detailed desktop analysis of the Chapman Creek watershed resulted in the selection of five sites that could meet these guiding principles.

The feasibility for the development of a raw water reservoir on one of these five sites was assessed in more detail in a Detailed Desktop Feasibility Study (Attachment B): Site A, Site B and three Concept C sites (C1, C3 and C4).

Upon further analysis it was determined that Site C1 was located on a fault line and the seismic risk is therefore too high for the development of a raw water reservoir. This site was therefore not further assessed.

The map below provides an indication of the locations of the selected sites.



While independently they do not meet the minimum target volume of 900,000m<sup>3</sup>, sites C3 and C4 are included in the assessment as they are situated in the same sub-watershed and therefore, if both constructed, could function as one large raw water reservoir.

Conceptual designs for raw water reservoirs at these sites are included in Attachment C.

Results for several key characteristics of these sites are presented in the table below.

	<b>Site A</b>	<b>Site B</b>	<b>Site C3</b>	<b>Site C4</b>
<b>Maximum Storage Volume (m<sup>3</sup>)</b>	1,118,000	1,291,500	781,9000	856,000
<b>Area (hectares) required for reservoir and stockpiles</b>	45	45	41	35
<b>Main infrastructure to be constructed</b>	Reservoir, Pipes	Reservoir, Pipes, Intake	Dams, Access Roads	Dams, Access Roads
<b>Development costs estimate (Class D)</b>	\$ 23,764,000	\$ 23,575,000	\$9,411,000	\$8,698,000
<b>Anticipated Dam Safety Classification</b>	Very high-extreme	High-very high	High	High
<b>Seismic impact susceptibility</b>	Low	Low	Low	Low
<b>Geological suitability</b>	TBD	TBD	TBD	TBD
<b>Presence of species of concern in or in proximity</b>	Yes	Yes	Yes	Yes
<b>Complexity of regulatory process</b>	Moderate	Moderate	Moderate	Moderate
<b>Publically known archeological, cultural or historic sites</b>	No	No	No	No
<b>Suitability as emergency supply</b>	Good	Good	Moderate	Moderate
<b>Operational benefits</b>	Allow for closure of intake and therefore reduction in treatment cost during high turbidity events	Allow for closure of intake and therefore reduction in treatment cost during high turbidity events	N/A	N/A

Note: more details on the development cost estimates are included in Attachment D.

None of the desktop assessments completed to date have resulted in technical issues that cannot be addressed during the development process.

Due to the winter conditions at the sites, the project team has not been able to visit the sites to confirm some of these assessments based on a desktop study, including the geological suitability. The project team anticipate completion of these assessments by May 2019.

#### *Next steps*

As part of the current feasibility study, the project team will visit the four selected sites as soon as they are free of snow in the spring of 2019 to do a field reconnaissance and ground suitability.

The work would include several field-based assessments to provide more detailed information on the four selected sites. These assessments would focus on aspects such as:

- Suitability of the ground conditions (type and landslide risk)
- Presence and mitigation options for ecological values
- Hydrological impacts
- Confirmation of preliminary Dam Safety Classification
- Detailed assessments of the operations benefits and,

- Refinement of conceptual designs and cost estimates

The ground assessment results from the four sites will be further examined by applying the Multi Criteria Analyses. The outcomes of these assessments and Multi Criteria Analyses would be the subject of a further report targeted for no later than Q4 2019. This would allow the Board to provide further direction to staff to apply for the required authorizations for one or more raw water reservoirs.

### *Communication Strategy*

Information on this project will be shared broadly through paid advertising, corporate newsletters, social media and the SCRD website.

Staff will reach out to the *shíshálh* Nation to share the findings of this feasibility study.

### **STRATEGIC PLAN AND RELATED POLICIES**

The raw water reservoir Project is intended to supplement the existing water supply and ensure the SCRD can continue to meet its mission of providing quality services to our community through effective and responsive government.

### **CONCLUSION**

The feasibility for the development of a raw water reservoir on one of these five sites was assessed in more detail in a Detailed Desktop Feasibility Study (Attachment B): Site A, Site B and three Concept C sites (C1, C3 and C4).

Field assessments are required to confirm the technical feasibility, operational benefits and the design and costs for the development of a reservoir on each of these sites.

The development of a raw water reservoir is the only additional water supply source considered by the SCRD that meets the objectives of the Water Sourcing Policy – Framework.

The purpose of this report is to present the results of the raw water reservoir Phase 1 and Phase 2 and continue the work to address the water supply deficit with the development of one or more raw water reservoir(s).

Staff recommend receipt of this report and attachments.

### **Attachments**

Attachment A: Conceptual Options  
Attachment B: Detailed Desktop Feasibility Study  
Attachment C: Conceptual Designs  
Attachment D: Development Cost Estimates (Class D)

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – J. Loveys	GM	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Infrastructure Services Committee – February 21, 2019

**AUTHOR:** Remko Rosenboom – General Manager, Infrastructure Services

**SUBJECT:** WATER TREATMENT AND DISTRIBUTION SERVICES – REGIONAL WATER

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### RECOMMENDATION(S)

**THAT the report titled Water Treatment and Distribution Services – Regional Water be received.**

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### BACKGROUND

At the Round 1 Budget meeting on February 4, 2019; the Corporate and Administrative Services Committee approved the following recommendation:

#### **Recommendation No. 22**    *Regional Water Service [370] – 2019 R1 Budget Proposals*

The Corporate and Administrative Services Committee recommended that the following budget proposals be referred to the 2019 Round 2 Budget pending a report to the February 21, 2019 Infrastructure Services Committee meeting regarding the existing staffing complement in the water and utility services division including any existing overtime and incremental costs of additional staff:

- Budget Proposal 5 – Senior Utility Technician, additional 0.4 FTE, funded \$55,000 (anticipated Q2 2019 start) through User Fees for 2019, and future base budget increase to \$93,000;
- Budget Proposal 6 – Utility Engineering Technician, additional 1.0 FTE, funded \$43,000 (anticipated Q3 2019 start) through User Fees for 2019, and future base budget increase \$86,500;
- Budget Proposal 7 – Utility Operations Assistant, additional 0.4 FTE, funded \$40,000 (anticipated Q2 2019 start) through User Fees for 2019, and future base budget increase to \$68,500.

The Utility Services Division within the Infrastructure Services department provides water supply services to residents from Egmont to Langdale. This includes the operation and maintenance of two large and three small water treatment plants, five production wells, 17 wastewater treatment plants, and several hundred kilometers of water distribution and waste water collection network, including pumps, valves, hydrants and manholes.

The Utility Services Division has consisted of 30.82 full time employees (FTE) since 2016:

- 10.92 FTE are responsible for the operations and monitoring of the water treatment and distribution infrastructure and the 17 wastewater facilities operated by the SCRD;

- 9.25 FTE are responsible for the maintenance, repairs and installation of the water distribution infrastructure and waste water collection systems; and
- 10.65 FTE are responsible for capital projects, environmental (regularity required monitoring, assessments and reporting), engineering (capital projects and development application referrals), along with any policy development and community outreach and education.

The purpose of this report is to provide further information with respect to the duties, responsibilities and demands on the work which Utilities Services Division is responsible and rationale for the budget proposals which will be presented at the Round 2 Budget meeting on March 4, 2019 for [370] Regional Water Service.

## DISCUSSION

### *Drivers for increased workload*

Over the past few years, a number of significant changes have resulted in an increased workload and operational risk to the Utilities Services Division and in particular the operations of the SCRD's water treatment and distribution infrastructure.

1. Increased complexity and deferred maintenance of water treatment and distribution operations.

The introduction of the Environmental Flow Need in 2017 combined with the impacts of increasingly dry summers have changed the day to day operations of the water treatment and distribution infrastructure. Staff responsible for the operations of the infrastructure now requires more technical knowledge and experience. This means different and higher qualifications and more experience is necessary in order to ensure the systems performance and calibration is effectively managed, monitored and dealt with in emergency or noncompliance situations.

The lack of a senior technical field staff who can provide this technical guidance and/or work direction to junior technical staff has now created a significant amount of demand and stress on the infrastructure and current staff resulting in \$41,000 on overtime costs in 2017 and \$22,000 in 2018.

Currently, the SCRD has one staff member in Utility Services Division who is qualified to accept full responsibility for the Chapman Creek and South Pender water treatment plants. This leaves the management of the system without any redundancy or business continuity.

Given the importance of these plants for the water supply to the community, staff considered this gap in staffing to be a risk.

The SCRD is currently lacking Asset Management plans for all the water treatment and distribution infrastructure (pumps, reservoirs, treatment plants and wells). At current staff levels for day to day operations do not permit time or resources to be committed to the development and implementation of the asset management's plans. To assist in alleviating the day to day operational pressures the field staff are experiencing, the 1 senior operational staff is forced to perform less technical and complex work in order to

perform field work. The combination and compounding results of this misalignment of work duties is causing more asset failures (watermain breaks) which ultimately becomes as domino effect of 'break – fix' scenarios in the field.

2. Increase workload associated with developments and projects.

The workload associated with subdivision and development referrals, review and inspections has increased significantly over the last several years, and is not expected to decrease. It is the same staff who are responsible for engineering referral reviews and also responsible for infrastructure capital projects within the Division. The number and complexity of capital projects has increased and this trend will continue, in part due to major water supply expansion projects. Given the relevance of the water supply capital projects for the SCRD and community, from a work planning perspective, they are prioritized over day to day development referrals. The current service level is now a couple of weeks for any referrals associated with developments.

3. Increased automatization of water and wastewater infrastructure.

The most essential water distribution infrastructure is increasingly equipped with sensors, alarms and automation to allow for the remote control and monitoring of basic functions of these facilities. Within the current staffing level, there is only one staff member with the certification and experience to maintain and upgrade this important instrumentation.

4. Regulatory Reporting Requirements

With recent Provincial oversight and regulatory reporting requirement changes, the rigor which all local governments must now monitor and report water quality data associated with the water treatment and distribution systems has significantly increased.

As the vast majority of the duties of the administrative staff is mandatory and time sensitive, any additional workload will result in other duties to be completed by more senior staff, in particular the Utilities Operations Superintendent, Utility Infrastructure Coordinator and the Utilities Technician Coordinator.

#### *Utility Services Division Round 2 Budget Proposal for Staffing Resources*

As requested at Committee, staff have prioritized the requests in order with the understanding, that all the requests are equally important and critical to the health of the overall system.

#### Senior Utility Technician

To address the above-mentioned increased complexity and deferred maintenance of water treatment and distribution operations, staff recommend an increase of 0.4 to an existing 0.6 Utility Technical II position which result in a 1.0 FTE. This position would report directly to the Utility Technician Coordinator and would support this position in the technical coordination of staff. This would be a new role.

This position would have the following key responsibilities:

- Operate the water treatment and distribution system, especially during drought conditions;
- Lead the development and implementation of preventative management plans for all water treatment and distribution infrastructure and support the development of Asset Management plans for this infrastructure;
- Provide senior technical advice and training to junior staff on the operations of water treatment and distribution facilities to ensure business continuity of the service; and
- Project lead on low and moderate complex infrastructure repair, replacement and improvement projects.

Current FTE	Incremental FTE	Proposed FTE	Required skills
0.6 (Utility Technician II)	0.4	1.0	Certified in the Environmental Operators Certification Program with a minimum of: <ul style="list-style-type: none"><li>- Water Treatment Level III</li><li>- Water Distribution Level III</li><li>- Chlorine Handler</li></ul>

#### Utility Engineering and SCADA Technician

The Utility Engineering and SCADA (Supervisory and Control Data Acquisition) Technician would perform an integral role in technical engineering and information technological support to the operation, upgrades and expansions of the Regional District's water distribution and water distribution systems. This role includes a significant amount of field based work to undertake inspections and assessments and to maintain and repair SCADA-systems.

There are currently has 2.0 FTE Utility Engineering Technician and a 1.0 FTE SCADA Technician.

This position would provide necessary capacity in both of these technical fields and would have the following key responsibilities:

- Provide technical engineering direction and expertise with respect to new construction and operational maintenance of water installations. This will include design and approval of new connections and extensions to the water distribution system in compliance with established design/engineering standards, system optimization and regulatory requirements;
- Liaises with user groups, developers, member municipalities, and other utilities to ensure facilities meet their expectations, in accordance with approved budget;
- Provide infrastructure information to field staff and internal customers, general public, other utilities and jurisdictions; and
- Manage, operate and maintain the SCRD's SCADA system and radio network to meet operational needs, and to strive for continuous improvement in functionality, capacity and reliability.

Current FTE	Incremental FTE	Proposed FTE	Required skills
3.0	1.0	4.0	Recognized diploma in civil engineering design and construction.  Preferred: - experience or diploma in Instrumentation Technology. - A.Sc.T preferred.

#### Utility Operations Assistant

The current 1.33 FTE staff are responsible for a number of key duties and tasks which underpin the effectiveness of the operations of the services provided out in the field. Duties such as inventory management, timesheet management, regulatory compliance data entry/reporting and work order management. Staff recommend an increase of 0.4 to an existing 1.32 Utility Operations Assistance position which would result in a 1.72 FTE.

As the vast majority of this is mandatory and time sensitive in nature, often senior staff are required to work overtime to ensure the duties are completed

This additional capacity would allow the staff to complete the following responsibilities:

- Maintain the inventory management system and ensures parts and supplies are ordered and stocked as required;
- Arrange quotes and other documentation for the purchasing of parts and supplies required for the operations, maintenance and repairs to all water treatment and distribution systems;
- Maintain databases, filing systems and produce reports related to water usage and water quality for management review and regulatory agencies;
- Complete electronic timesheets for the field staff; and
- Respond to service enquiries from the general public, service providers, local government representatives and other agencies.

Current FTE	Incremental FTE	Proposed FTE	Required skills
1.32	0.4	1.72	Completion of Grade twelve or equivalent.

#### *Financial implications*

For 2019, it is anticipated the Senior Utility Technician and Utility Operations Assistant positions could not be hired until Q2 2019 and the Utility Engineering Technician not until Q3 2019.

Therefore, only a portion of the estimated cost has been identified as needed in the 2019 budget. The proposed funding allocation for these positions is through User Fees.



The proposed cost allocations and associated funding implications for 2019 and 2020 are as follows:

	<b># FTE</b>	<b>2019 (Pro-rated)</b>	<b>2020</b>
<i>Funding Required:</i>			
<i>Senior Utility Technician</i>	<i>0.4</i>	<i>18,895</i>	<i>55,675</i>
<i>Utility Engineering/SCADA Technician</i>	<i>1.0</i>	<i>37,034</i>	<i>88,176</i>
<i>Utility Operations Assistant</i>	<i>0.4</i>	<i>20,907</i>	<i>27,875</i>
<i>User Fees [370] Regional Water</i>		<i>76,836</i>	<i>171,726</i>

## CONCLUSION

The Utility Services Division has consisted of 30.82 full time employees (FTE) since 2016.

The purpose of this report is to provide further information with respect to the duties, responsibilities and demands on the work which Utilities Services Division is responsible and rationale for the budget proposals which will be presented at the Round 2 Budget meeting on March 4, 2019 for [370] Regional Water Service.

A number of significant changes have resulted in an increased workload and operational risk to the Utilities Services Division and in particular the operations of the SCRD's water treatment and distribution infrastructure.

As requested at Committee, staff have prioritized the requests in order with the understanding, that all the requests are equally important and critical to the health of the overall system.

The following are proposed cost allocations and associated funding implications for 2019 2020

	<b># FTE</b>	<b>2019 (Pro-rated)</b>	<b>2020</b>
<i>Funding Required:</i>			
<i>Senior Utility Technician</i>	<i>0.4</i>	<i>18,895</i>	<i>55,675</i>
<i>Utility Engineering/SCADA Technician</i>	<i>1.0</i>	<i>37,034</i>	<i>88,176</i>
<i>Utility Operations Assistant</i>	<i>0.4</i>	<i>20,907</i>	<i>27,875</i>
<i>User Fees [370] Regional Water</i>		<i>76,836</i>	<i>171,726</i>

Reviewed by:			
Manager		CFO/Finance	X – T. Perreault
GM		Legislative	
CAO	X – J. Loveys	Other HR-	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Ian Hall, General Manager, Planning and Community Development

**SUBJECT:** 2019 R2 BUDGET PROPOSAL FOR [615] COMMUNITY RECREATION – DRY FLOOR / MULTI-USE FEASIBILITY STUDY

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### RECOMMENDATION(S)

**THAT the report titled 2019 R2 Budget Proposal for [615] Community Recreation – Dry Floor / Multi-Use Feasibility Study be received;**

**AND THAT a feasibility study for an additional recreation facility be deferred to the 2020 annual budget process;**

**AND THAT actions in support of recreation planning be undertaken in 2019:**

- 1. A special Planning and Community Development Committee meeting be held to review the Parks and Recreation Master Plan;**
  - 2. Planned dialogue with School District 46 about the Master Joint Use Agreement proceed, including the potential for collaboration on new facilities, as enabled by the Agreement;**
  - 3. Staff review leases for current recreation facilities with member municipalities;**
  - 4. Staff continue preparation of a service plan for [615] Community Recreation.**
- 

### BACKGROUND

Following is a summary of the Round 1 2019 Budget meeting recommendations:

039/19      **Recommendation No. 23**      *Outdoor Dry Floor Facility Feasibility Study*

THAT staff provide a budget proposal to 2019 Round 2 Budget for a feasibility study for an outdoor dry floor facility.

The location, scope and tenure of a new facility would determine which service budget would support work undertaken in support of the recommendation. Staff have preliminarily indicated the proposal as fitting with [615] Community Recreation. Staff may provide further advice on service alignment pending Committee discussion.

### DISCUSSION

Resolution 039/19 Recommendation No. 23 was formed in the context of recent and continuing conversations involving arena user groups, the Board and staff. There has been no discussion to date on the size, functional requirements, or tenure of a hypothetical dry floor facility.

Staff are aware, through Committee discussion, of efforts and opportunities for enhancement of existing recreation facilities in the District of Sechelt.

The programming and allocation of Sunshine Coast Regional District (SCRD) Community Recreation facilities is currently being reviewed. Considering changes to these parameters may have implications for the financial operating model and approach to capital management for recreation facilities.

The Parks and Recreation Master Plan (2014) recommends that following a five-year period of programming the Sunshine Coast Arena that SCRD “review the operations of the two arenas before determining the future of the Sechelt [sic] Arena” (Recommendation 5-19i).

Staff comment generally that there would be synergies in co-locating a new dry-floor facility with an existing recreation facility. However, SCRD leases land from member municipalities for these facilities and any such expansion would be subject to lease negotiations. Reviews of current leases should be considered as part of reviewing arena operations and as a prerequisite for any facility changes or enhancements.

#### *Options and Analysis*

#### **Option 1 (Recommended) – *Defer Consideration of a Dry-Floor Feasibility Study to 2020 Annual Budget Process***

Due to current discussion related to SCRD’s current facilities and the potential forthcoming review of Sunshine Coast Arena, staff recommend deferring a feasibility study for an additional recreation facility until the 2020 annual budget process.

Actions in support of planning for recreation can be undertaken in 2019:

1. A special Planning and Community Development Committee meeting be held to review the Parks and Recreation Master Plan;
2. Planned dialogue with School District 46 (SD46) about the Master Joint Use Agreement proceed, including the potential for collaboration on new facilities, as enabled by the Agreement;
3. Staff review leases for current recreation facilities with member municipalities;
4. Staff continue preparation of a service plan for [615] Community Recreation (work currently underway);

Staff will also, as standard practice, continue tracking facility utilization trends and patterns. Input from user groups will be gathered and tracked through allocation processes.

#### **Option 2 – *Dry Floor Facility Feasibility Study***

A functional need analysis, partnership/synergy opportunities review and location scan would form the first phase of a feasibility study. This phase is estimated at \$30,000.

A second phase would establish a functional design and business plan. Costing of this phase is scope dependent and there are a number of intervening variables: for example, partners may be involved, grant support may be available, etc. An order of magnitude estimate is \$50,000.

If this option is selected, staff suggest proceeding only with Phase 1 in 2019, with further direction to be provided by the Board pending results.

For reference, Canadian construction cost averages for dry floor recreation facilities range from \$260-390 per square foot (Vancouver market, 2018 dollars). New construction of an arena-floor-sized dry floor facility could therefore be in the range of \$4.4-6.6M, plus land costs (if any), site services, soft costs and tenant fit-out.

### *Financial Implications*

Option 1 can be accomplished through existing approved resources and Regional District business processes.

Option 2, if selected would rely on taxation as a funding source.

Appropriate operating, maintenance and capital replacement funding would need to be provided for any new facility.

### **STRATEGIC PLAN AND RELATED POLICIES**

The subject of this report and supporting analysis align with SCRD's Fiscal Sustainability Policy and coordination and cooperation with community partners, SD46 and member municipalities.

### **CONCLUSION**

Development of a new dry-floor recreation facility has been discussed in the context of current reviews of arena programming and allocation. A review of the Sunshine Coast Arena is recommended by the Parks and Recreation Master Plan.

Staff recommend deferring a feasibility study for an additional recreation facility until the 2020 annual budget process. Actions in support of planning for recreation can be undertaken in 2019:

1. A special meeting or Board workshop focusing on the Parks and Recreation Master Plan be planned;
2. Planned dialogue with SD46 about the Master Joint Use Agreement proceed, including the potential for collaboration on new facilities, as enabled by the Agreement;
3. Review leases for current recreation facilities with member municipalities;
4. Staff continue preparation of a service plan for [615] Community Recreation.

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – J. Loveys	Other	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Ian Hall, General Manager, Planning and Community Development

**SUBJECT:** **2019 R2 BUDGET PROPOSAL FOR [650] COMMUNITY PARKS – LOWER ROAD – OCEAN BEACH ESPLANADE CONNECTOR TRAIL**

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### RECOMMENDATION(S)

**THAT the report titled 2019 R2 Budget Proposal for [650] Community Parks – Lower Road – Ocean Beach Esplanade Connector Trail be received.**

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### BACKGROUND

Following is a summary of the Round 1 2019 Budget meeting recommendations:

- Budget Proposal 1 – Parks Unit #439 Vehicle Replacement, \$68,000 – Incorporated in Round 1. Funding from Reserves.
- Budget Proposal 2 - as follows, was referred to 2019 Round 2 Budget per the following Resolution 038/19:
  - **Recommendation No. 30**      *2019 R1 Budget Staff Report and Proposal for Community Parks [650] – Lower Road – Ocean Beach Esplanade Connector Trail*

The Corporate and Administrative Services Committee recommended that the report titled 2019 R1 Budget Staff Report and Proposal for Community Parks [650] – Lower Road – Ocean Beach Esplanade Connector Trail be received;

AND THAT a budget proposal for Option 2: Enhancing Existing Connector Route(s) be brought forward to the 2019 Round 2 Budget meetings with an estimated budget of \$20,000 for a concept design including public participation plans and wayfinding.

This proposal would seek to use the already-developed Pine Street Connector/ New Westminster Avenue Trail that follows from Lower Road through to Whispering Firs Park, down the Woodcreek Park Subdivision and along the Oak Street connector trail to Ocean Beach Esplanade. This route connects communities and provides access to Ocean Beach Esplanade. Trail enhancements such as signage and other wayfinding improvements, trail grading, stair improvements (including for example a gutter for rolling bikes up or down) would improve the function of the route and support use by a wider range of users.

Public engagement through the design process will involve trail users and area residents to review the proposed route and to identify enhancement opportunities.

A concept design including public participation, is estimated to cost up to \$20,000.

**Public Participation:** Detailed plans are to be developed, and are anticipated to include a site tour with interested parties, including cyclists, walkers and groups such as Transportation Choices (TraC). The goal would be to define the uses that the route will support, explore

potential trail improvements (such as additional stairs/ramps) to enhance route function and user experience, discuss wayfinding considerations. Once the concept plan has been developed into draft stage, this group could be reconvened to review the plan prior to reporting to the Sunshine Coast Regional District (SCRD) Board.

**Design:** Based on public participation and technical analysis staff will develop a draft concept plan including costing, trail/route improvements, signage requirements, and any additional infrastructure. \$20,000 is the suggested budget for the professional services that would be retained for this portion of the concept planning. If it is determined that additional professional engineering or land surveying is needed these requirements would be incorporated into the draft concept plan.

### 2019 R2 Budget Proposals by Category

#### E- OTHER or NOT CURRENTLY CLASSIFIED

1	<i>Function Number – Project Name:</i>	[650] – Lower Road – Ocean Beach Esplanade Connector Trail
	<i>Rating:</i>	Enhancement to Service
	<i>Areas Affected (A-F, Regional, Islands):</i>	Electoral Areas D and E
	<i>2019 Funding Required:</i>	\$20,000.00
	<i>Funding Source(s):</i>	Community Works Fund (CWF) Gas Tax Electoral Area D and E
	<i>Asset Management Plan Implications:</i>	Maintenance/capital replacement is always a consideration when adding capital assets. New or improved assets will attract greater maintenance and capital replacement costs. Parks and park-related facilities such as bike/walk paths have not yet been fully integrated with the SCRD Asset Management Plan (work underway).
	<i>Rationale / Service Impacts:</i>	This route could leverage existing SCRD infrastructure including trails in Whispering Firs Park and Ocean Park. The Oak Street trail has winding stairs with moderate grades. Enhancements such as signage, trail grading, stair improvements (including for example a gutter for rolling bikes up or down) would improve the function of the route and support use by a wider range of users.
	<i>Energy Saving Potential (if applicable):</i>	No corporate energy savings. Potential for community transportation energy/emission reduction from improved active transportation network.
	<i>Future Funding Implications</i>	

**Financial Implications**

<b>Five-Year Capital Reserve Plan (or longer, if applicable)</b>					
<b>(use table illustrating capital contributions and expenditures, if available)</b>					
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Item</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
Opening Balance in reserve	\$ 492,139	\$ 482,639	\$ 241,139	\$ 249,639	\$ 308,139
Contributions Surplus	\$ 78,500	\$ 78,500	\$ 78,500	\$ 78,500	\$ 78,500
Building/Renewal Replace	\$ -	-\$ 300,000	\$ -	\$ -	\$ -
Vehicle Replacement	-\$ 68,000		-\$ 50,000		
Minor Capital Funding	-\$ 20,000	-\$ 20,000	-\$ 20,000	-\$ 20,000	-\$ 20,000
Closing Balance in Reserve	\$ 482,639	\$ 241,139	\$ 249,639	\$ 308,139	\$ 366,639

Reviewed by:			
Manager		Finance	
GM	X – I. Hall	Legislative	
CAO	X – J. Loveys	Other	

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Special Corporate and Administrative Services Committee – March 4, 2019

**AUTHOR:** Tina Perreault, General Manager, Corporate Services / Chief Financial Officer

**SUBJECT:** SENIORS' PLANNING TABLE FUNDING REQUEST

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### RECOMMENDATION(S)

**THAT the report titled Seniors' Planning Table Funding Request be received.**

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### BACKGROUND

The Sunshine Coast Regional District (SCRD) through various functions of its budget grants funding for organizations to continue their programs.

At budget the February 5, 2019 Special Corporate and Administrative Services Committee Round 1 Budget meeting the following recommendation was made:

**Recommendation No. 18**      *Seniors Planning Table – Funding Request*

The Corporate and Administrative Services Committee recommended that the correspondence dated December 13, 2018 Request for Funding for Seniors Planning Table for the Budget Year 2019/2020 be received;

AND THAT the funding request for the Seniors Planning Table be referred to 2019 Round 2 Budget pending the discussion of the Rural Areas' Grant-in-Aid [121-129] discretionary and clarification from the Community Resource Centre Seniors Planning Table of a detailed budget for the program, the use of the funds requested, and specific funding ask from the Sunshine Coast Regional District.

### DISCUSSION

The Community Resource Centre has provided a detailed budget for the Seniors Planning Table and clarified the funding request to the SCRD, which is \$15,000 (Attachments A and B).

As the SCRD does not currently have a specific function to fund this initiative on an ongoing basis, the most applicable funding mechanism for 2019 Budget would be through the Rural Areas' Grant-in-Aid (GIA) functions. If the Committee would like to explore funding this initiative on an ongoing basis, Staff would need to provide a future report on the steps required.

The current Rural Areas' Grant-in-Aid Policy (Attachment C) stipulates that a maximum grant of \$5,000 can be awarded. Also per the GIA Policy, funding is provided for one time projects or programs or for organizations that are not able to sustain funding for projects, typically grants are not considered to fund wages or travel for organization staff and depending on the facility rental (if SCRD facility), rental fees can't be waived or provided through a Grant-in-Aid.



Therefore, an option to fund would be equally through the five rural areas, which would be \$1,000 through each of the GIA functions (Area A-121; Area B-122, Area D-127, Area E-128, and Area F-129), for a total funding of \$5,000. However, other funding allocations or amounts could be considered by the Committee. If the Committee considers funding the full amount through Grant-in-Aid discretionary the Rural Area Directors may want to review the amount of funds they have budgeted for discretionary.

### **STRATEGIC PLAN AND RELATED POLICIES**

The SCRD facilitates community development and ensures financial sustainability by supporting Community Partners and Stakeholders through grants of assistance within the SCRD's approved Financial Plan.

### **CONCLUSION**

The Community Resource Centre has provided a detailed budget for the Seniors Planning Table and clarified the funding request to the SCRD, which is \$15,000.

As the SCRD does not currently have a specific function to fund this initiative on an ongoing basis, the most applicable funding mechanism for 2019 Budget would be through the Rural Areas' Grant-in-Aid (GIA) functions. If the Committee would like to explore funding this initiative on an ongoing basis, staff would need to provide a future report on the steps required.

The current Rural Areas' Grant-in-Aid Policy stipulates that a maximum grant of \$5,000 can be awarded.

Staff request the Committee's direction on this funding request.

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – J. Loveys	Other	

Attachment A – Letter from Community Resource Centre dated February 7, 2019

Attachment B – Budget for the Seniors' Planning Table

Attachment C – Rural Areas' Grant-in-Aid Policy

February 7<sup>th</sup>, 2019

Sunshine Coast Regional District  
1975 Field Road  
Sechelt, BC  
V0N 3A1

Attention: Chair Pratt

Dear Chair Pratt:

This is a follow up letter regarding funding for the Seniors Planning Table (SPT). In our original letter we had misunderstood that joint use funding would require different government regulations. Therefore, we have been encouraged to apply separately to gain the dollars we had originally requested.

Currently we are doing a jurisdictional scan of similar sized communities in BC and asking them what they are doing for their seniors, what is working and what are their needs. There will be a report out on findings by the end of June 2019.

In this letter we are requesting from the Sunshine Coast Regional District the sum of \$15,000.00 to fund SPT initiatives in 2019-2020. These funds will be used to develop and host a number of small group conversations with seniors in our region around what is working well for them and to determine their current and future needs. A report will summarize findings and recommendations.

These funds will, we hope, be added to by the District of Sechelt, for \$20,000.00, and Town of Gibsons, for \$15,000, with a total of all three being \$50,000.00.

Attached is a copy of our 2019-2020 SPT Budget. Please let us know when you will be deliberating on this issue so we can be sure to be there for any questions that might arise.

Thank you,

Anne Titcomb, Co-Chair for the Resource Centre  
Gloria Lifton and Shari Myhill-Jones, Co-Chairs SPT

Sunshine Coast Resource Centre Society - Seniors Planning Table	
Item	Proposed Program Budget 2019-20
<b>Revenue</b>	
DOS \$20000 TOG \$15000 SCRD \$15000	\$ 50,000.00
<b>Total Revenue</b>	<b>\$ 50,000.00</b>
<b>Expense</b>	
SPT coordinator 24 hr/wk x 50 weeks x \$25/hr	\$ 30,000.00
Program Manager 1hr/wk x 50 weeks x \$25/hr	\$ 1,250.00
Mandatory Employment Related Costs	\$ 600.00
Admin	\$ 5,000.00
<b>Total Wages &amp; Employer Contribution</b>	<b>\$ 36,850.00</b>
Bookkeeper	\$ 100.00
IT Support	\$ 500.00
Wages - student	\$ -
Professional Fees (Graphic Design, Facilitation)	\$ 5,500.00
Honoraria	
Training	
Accounting Fees	
Insurance	
Computer costs	
Telephone	\$ 400.00
Office Supplies	\$ 400.00
Advertising/Promotions/social media,website	\$ 3,000.00
Printing/Photocopying	\$ 1,300.00
Membership	\$ -
Program Expenses: catering and event supplies	\$ 800.00
Travel KM's	\$ 500.00
Volunteer support	\$ -
Facility Rental	\$ 650.00
Rent	
<b>Sub-total other expenses</b>	<b>\$ 13,150.00</b>
<b>Total Expenses:</b>	<b>\$ 50,000.00</b>

## Sunshine Coast Regional District

## BOARD POLICY MANUAL

Section:	Finance	5
Subsection:	Grants to Organizations	1850
Title:	Rural Areas' Grant-in-Aid	1

**1. POLICY**

- 1.1 The funding of Rural Areas' Grant-in-Aid is provided by the Sunshine Coast Regional District's (SCRD) five (5) unincorporated Electoral Areas being Egmont/Pender Harbour (Area A), Halfmoon Bay (Area B), Roberts Creek (Area D), Elphinstone (Area E), and West Howe Sound and Islands (Area F). The Electoral Areas provide Grant-in-Aid funding in order to assist non-profit societies / organizations and registered charitable societies / organizations that provide community, tourism or regional benefit and enrichment, enhancing the quality of life for residents. Not all societies or organizations meeting the basic criteria will automatically receive a grant, funding is not guaranteed from year to year to encourage organizations to work toward financial independence.
- 1.2 The proposed project, program, service or special event should fill a need in the community with no overlap to identifiable or competing projects, programs, services or special events.
- 1.3 Rural Areas' Grant-in-Aid is not intended to replace any financial responsibilities of senior levels of government or other government agencies or affiliates.
- 1.4 Grants will not be awarded to societies for use as scholarships, bursaries, or subsidies, with the exception of the School District 46 (SD46), under the direct approval of the SCRD.
- 1.5 Grants may be awarded to SD46 if the grant provides a direct benefit to a project that has significant benefit to the community.
- 1.6 Grant allocation to SD46 for bursary funding for each of the four secondary schools is to be approved each year within the SCRD budget process. Unclaimed bursary funding provided to SD46 will be reported to the SCRD on an annual basis. If amounts remain unclaimed after 2 years, funds will be returned to the SCRD to be re-allocated as the SCRD Board sees fit.
- 1.7 No single Rural Areas' Grant-In-Aid will exceed the amount of \$5,000 (five thousand dollars). Requests for \$500 (five hundred dollars) or less will be accepted from non-registered organizations / societies / groups demonstrating a community need and / or whose objectives are charitable in nature. If a request is for more than \$500 (five hundred dollars) the organization / society must be registered, or through a partner registered society / organization.
- 1.8 In the event that the Rural Areas' Grant-in-Aid funding results in a surplus to the applicant's needs or is no longer required for the project, program, service or special event for which it was intended or described in the application, the SCRD will be notified immediately and any remaining funding must be returned to the SCRD forthwith.

- 1.9 Recipients must acknowledge the SCRD as a sponsor in any program publications or marketing. Though the project, program, service or special event may not be represented as a project, program, service or special event of the SCRD nor may the society / organization hold itself out as an agent of the SCRD in anyway.
- 1.10 Rural Areas' Grant-in-Aid will not be approved for:
- Capital costs for equipment or improvements to owned properties;
  - Fire Suppression and Life or Emergency Safety Equipment;
  - Annual Expenses;
  - Remuneration (wages, salaries, other fees);
  - Personal benefit, individuals, industrial, commercial, business undertakings (proprietor, member or stakeholder), educational institutions hospitals / healthcare;
  - Religious organizations serving primarily their membership and / or their direct religious purpose;
  - Ethnocultural organizations serving primarily their membership and / or their own ethnic promotion;
  - Annual fundraising campaigns;
  - Endowment funds;
  - Debt retirement, interest payments or reserves;
  - Cost of developing a proposal or undertaking a facility study;
  - Non-profit societies operating at a regional, Provincial or Federal level and conducting fundraising by means of tag days, mail-outs or door-to-door campaigns.
- 1.11 Organizations funded ongoing through taxation or those that receive a fee for service from the SCRD are not eligible for grant funding under this policy, unless the application is for a program other than the funded service.
- 1.12 The SCRD is subject to Provincial Freedom of Information and Privacy and Protection Act and cannot guarantee the information provided can or will be held in confidence.
- 1.13 All applications should detail how they contribute to the general interests and advantage of the Rural Areas. Those applications that have a measurable benefit to communities outside of the Rural Areas are required to apply to the appropriate municipal grants-of-assistance programs and provide confirmation of that application or provide details of other forms of assistance provided by the municipality or municipalities. Not doing so may result in an application being returned or denied.
- 1.14 Applicants are generally required to provide a local component of funding, either through fundraising, donation, work-in-kind, contribution from local municipalities or corporate support.
- 1.15 It should be noted that the Rural Areas' Grant-in-Aid process is very competitive and applicants should submit the best and most complete application possible.
- 1.16 On or before April 1st of each year, the SCRD will accept applications for Rural Areas' Grant-in-Aid funding. Applications arriving after the announced application deadline will be accepted in exceptional circumstances only. Applications will only be received from non-profit societies and organizations.
- 1.17 If an applicant's project, program, service or special event is time sensitive where:
- a. funding is required prior to the application deadline date (on or before April 1st) and / or the August 1st payment date; or

- b. funding for a project that was not realized by the announced application deadline date and / or the August 1st payment date;

the applicant may submit an application to the SCRD to be brought forward to a standing committee for review. The applicant must use the Rural Areas' Grant-in-Aid application form and comply with the requirement and criteria of this Policy and provide justification for late application.

1.18 Rural Areas' Grant-in-Aid preference will be given to the following:

- a. requests for one time only start up costs for new projects, programs, services or special events;
- b. requests that show a society's / organization's initiative to work toward financial independence;
- c. requests from societies / organizations showing a significant benefit to the SCRD or specific Electoral Areas - Egmont/Pender Harbour (Area A), Halfmoon Bay (Area B), Roberts Creek (Area D), Elphinstone (Area E), and West Howe Sound and Islands (Area F) and that:
  - have a demonstrated financial need;
  - promote volunteer participation and citizen involvement;
  - use new approaches and techniques in the solution of community needs; whose project, program, service or special event is accessible to a large portion of the community's residents;
  - exercise co-ordination, co-operation and collaboration with other groups to prevent duplication of projects, programs, services or special events;
- d. requests for operating costs only from those societies / organizations without the ability to become self-supporting; and
- e. requests from societies / organizations that have a demonstrated track record of community service.

1.19 The application form (Appendix A) must be used and accompanied by the required additional documentation listed below:

- a. latest financial statement (*Balance Sheet and Revenue and Expense Statement*)
- b. detailed project, program, service or special event budget (*including all funding sources for same*)
- c. summary budget for current year (*including anticipated grants*)
- d. annual report (*if available*).

1.20 Incomplete applications will not be accepted and will be returned to the applicant. All complete applications meeting the specified criteria will be subject to review.

1.21 Applicants are required to explain how their project will benefit either the "Local" or "Regional" Community.

1.22 Applicants are required to indicate if they are submitting the application on behalf of another organization and that organization is also a non-profit organization.

- 1.23 Applicants must have a working set of rules, regulations and a bank account in the society's / organization's name.
- 1.24 Applicants will be notified in writing as to whether or not their request has been successful and, if successful, the amount they will receive. No funding will be available until after the adoption of the Final Budget. Unless other arrangements have been approved by the Board, applicants will receive their funding after August 1st.
- 1.25 The society / organization will complete and submit the Reporting Out form no later than January 31 of the year immediately following the year for which the Rural Areas' Grant-in-Aid was provided.

## **2. REASON FOR POLICY**

- 2.1 To provide a process to enable the Electoral Area Directors to make fair and equitable recommendations to the SCRD Board on behalf of their respective areas in the granting of funds to the community.
- 2.2 The goal of this policy is to establish open and transparent guidelines for the evaluation and distribution of Rural Areas' Grant-in-Aid, respecting the limited financial resources available for this purpose.
- 2.3 The SCRD Board has an obligation to all of its citizenry to protect the SCRD from exposure to liability that could arise as a result of its funding relationships.

## **3. AUTHORITY TO ACT**

- 3.1 *Local Government Act*, Section 176
- 3.2 The SCRD Board has both statutory and budgetary limitations on Rural Areas' Grant-in-Aid and wish to ensure that these funds are disbursed as fairly and equitably as possible to deserving applications with due regard to the degree of benefit that will result to the residents of the Sunshine Coast communities. Therefore the SCRD Board has full discretion whether grants are allocated and for what amounts and all decisions are final.

## **4. PROCEDURE**

- 4.1 Each year, as part of the budget process, the SCRD Board will establish a maximum amount for Rural Areas' Grant-in-Aid funding for the following year's budget.
- 4.2 In mid-February of each year, on the SCRD website and through local media, as appropriate, the SCRD will advertise for the five (5) Electoral Areas collectively inviting the submission of applications on or before April 1<sup>st</sup> (see policy sections 1.16 and 1.17)
- 4.3 After April 1st, staff will complete and attach the "office use only" summary report to each of the applications received, confirming eligibility requirements and criteria. Staff will redact personal information for individuals and photocopy all applications to provide the Electoral Area Directors along with an alphabetized summary of applicants with requested amounts. The Electoral Area Directors will also receive a full set of applications electronically.

- 4.4 Electoral Area Directors will each conduct a preliminary review of all applications to determine those that will be awarded a grant from their area and the desired contribution amount. Each Electoral Area Director may have a community consultative process to assist them in their deliberations. Once the individual review is completed, the Electoral Area Directors will meet as a group to review and discuss their decisions. When the award decisions are final, they will be brought forward to a standing committee for a recommendation directing staff to prepare cheques as well as award and denial letters for distribution to the applicants.
- 4.5 Due to the volume of applications, individual presentations to the Board are discouraged and will be considered only in exceptional circumstances.
- 4.6 Once grant monies have been expended, the successful applicants must notify the SCRD in writing, providing an evaluation of the use of the funds on the Reporting Out form supplied with the application or via letter to the SCRD Board. Future applications from recipients not fulfilling this requirement may be rejected.

Approval Date:	June 14, 2001	Resolution No.	336/01
Amendment Date:	March 13, 2003	Resolution No.	124/03
Amendment Date:	July 8, 2004	Resolution No.	428/04 Rec. #14
Amendment Date:	April 27, 2006	Resolution No.	358/06 Rec. #8
Amendment Date:	June 8, 2006	Resolution No.	471/06 Rec. #12
Amendment Date:	October 12, 2006	Resolution No.	652/06 Rec. #8
Amendment Date:	April 12, 2007	Resolution No.	231/07 Rec. #10
Amendment Date:	December 13, 2007	Resolution No.	597/07 Rec. #15
Amendment Date:	October 16, 2008	Resolution No.	468/08 Rec. #2
Amendment Date:	November 13, 2008	Resolution No.	512/08 Rec. #19
Amendment Date:	November 12, 2009	Resolution No.	455/09 Rec. #22
Amendment Date:	June 10, 2010	Resolution No.	263/10 Rec. #8
Amendment Date:	November 28, 2013	Resolution No.	500/13 Rec #9
Amendment Date:	October 8, 2015	Resolution No.	385/15 Rec #6
Amendment Date	October 11, 2018	Resolution No.	293/18 Rec #9



	A	B	C	D	E	F	G	H	J	K	L	L
2	Sechelt Public Library, Five-Year Budget				2019 Budget			2020 Budget		2021-2023		
3		2018 Budget (Without Retroactive Union Wage Increase)	Total Area A, B, D	Actuals to Dec 1 2018	Amount	\$ Chg	% Chg/2018	Amount	% Chg/2019	4% per Year	2019 Notes	
4	REVENUE											
5	Local Gov. Support											
6	SCRD - Area A	29,894	220,699	30,898	250,273	29,574	13.4%	261,034	4.3%			
7	SCRD - Area B	121,370		121,385								
8	SCRD - Area D	69,435		68,417								
9	SIGD	11,234		11,234	12,739	1,505	13.4%	13,287	4.3%			
10	District of Sechelt	396,539		396,539	449,675	53,136	13.4%	469,011	4.3%			
11	Total Local Gov. Support	\$ 628,472		\$ 628,473	\$ 712,687	\$ 84,215	13.4%	\$ 743,333	4.3%			
12												
13	Province of B.C. - Public Library Services											
14	PLS - Operating	47,390		48,457	48,338	948	2.0%	49,305	2.0%			
15	PLS - Resource Sharing	7,329		8,861	7,476	147	2.0%	7,626	2.0%			
16	PLS - Literacy & Equity	7,975		7,975	8,135	160	2.0%	8,297	2.0%			
17	PLS - One Card	11,000		11,000	11,220	220	2.0%	11,444	2.0%			
18	Total Provincial Support	\$ 73,694		\$ 76,293	\$ 75,168	\$ 1,474	2.0%	\$ 76,672	2.0%			
19												
20	Library Revenue											
21	Other Grants	2,000		11,689	2,040	40	2.0%	2,081	2.0%			
22	Donations	10,000		17,055	10,200	200	2.0%	10,404	2.0%		Majority of donations were the result of bequeths	
23	Printing - Copies/FAX	8,020		6,694	8,180	160	2.0%	8,344	2.0%			
24	Fines	1,000		1,102	1,020	20	2.0%	1,040	2.0%			
25	Book Sales/Lost Books	2,000		1,425	2,040	40	2.0%	2,081	2.0%			
26	Interest	500		0	510	10	2.0%	520	2.0%			
27	Archives Admin. Service Charge	1,350		1,013	1,350	0	0.0%	0	0.0%		Library no longer serves Archives	
28	Miscellaneous Revenue	500		603	510	10	2.0%	520	2.0%			
29	Total, Library Revenue	\$ 25,370		\$ 39,581	\$ 25,850	\$ 480	1.9%	\$ 24,990	1.9%			
30												
31	Federal Government											
32	Summer Employment Grant	1,764		0	1,799	35	2.0%	1,835	2.0%		Payment will be received in November	
33	Total Federal Support	\$ 1,764		0	\$ 1,799	35	2.0%	\$ 1,835	2.0%			
34												
35	TOTAL OPERATING REVENUE	\$ 729,300		\$ 744,347	\$ 815,505	\$ 86,205	11.8%	\$ 846,830	4.0%			
36												
37	EXPENSES											
38												
39	Human Resources and Staff Development											
40	Staff Salaries	435,000		407,648	444,607	9,607	2.21%	453,499	2.0%		Includes retroactive wage increases in 2018	
41	Youth Librarian	0			36,277	36,277	100.00%	37,003	2.0%		Position supported to June. Included in salary to date. Amount is remainder of salary	
42	Youth Librarian Benefits	0			8,039	8,039	100.00%	8,200	2.0%		Benefits for youth librarian	
43	On-Call Staff	0			2,000	2,000	100.00%	2,040	2.0%		On-call staff needed as supervisor position was not filled	
44	Payroll Taxes - CPP/EI	30,000		27,872	30,663	663	2.21%	31,276	2.0%			
45	Benefits - MSP/Extended Health	32,500		23,569	33,218	718	2.21%	33,882	2.0%			
46	WCB Expense	1,000		0	1,022	22	2.20%	1,042	2.0%			
47	Pension	40,000		33,983	40,883	883	2.21%	41,701	2.0%			
48	Addnl benefits mandated by Union in 2020							10,000	100.0%		Additional benefits mandated by Union for 2020	
49	Benefits on salaries of \$60,000				12,017	71 12,017	100.00%	12,257	2.0%		Benefits req. for 3 PT staff. Benefits started Nov for 2 PT	

	A	B	C	D	E	F	G	H	J	K	L
50	<b>Subtotal Personnel</b>	<b>538,500</b>		<b>493,072</b>	<b>608,726</b>	<b>70,226</b>	<b>13.0%</b>	<b>630,901</b>	<b>3.6%</b>		
51	Staff and Volunteer Expenses	1,500		1,396	1,530	30	2.0%	1,561	2.0%		
52	Consultation Services			761	761	761	100.0%	776	2.0%		
53	Staff Development	3,000		1,151	3,060	60	2.0%	3,121	2.0%		
54	Board Expenses	1,500		2,017	1,530	30	2.0%	1,561	2.0%		
55	Recruitment Costs	500		10,617	2,000	1,500	300.0%	2,000	100.0%		Recruitment costs reserve for new chief librarian
56	Union Expenses	1,500		4,043	1,500	0	0.0%	1,500	0.0%		To be held in reserve for every 4 yr negotiations
57	<b>Total Human Resources and Staff Dev.</b>	<b>\$ 546,500</b>		<b>\$ 513,057</b>	<b>\$ 619,107</b>	<b>\$ 72,607</b>	<b>13.3%</b>	<b>\$ 641,419</b>	<b>3.9%</b>		
58											
59	<b>Materials</b>										
60	Books	55,000		43,093	61,050	6,050	11.0%	67,100	11.0%		Increase required to keep pace with 11% growth
61	Magazines	5,000		6,454	5,100	100	4.0%	5,304	4.0%		
62	Audio	2,000		2,284	2,040	40	4.0%	2,122	4.0%		
63	Video	8,000		5,625	8,160	160	4.0%	8,486	4.0%		
64	On-Line Resources	15,000		18,543	15,300	300	4.0%	15,912	4.0%		
65	eBooks	5,000		1,614	5,100	100	4.0%	5,304	4.0%		
66	InterLINK	1,500		-593	1,530	30	4.0%	1,591	4.0%		
67	Inter Library Delivery	3,200		4,005	3,264	64	4.0%	3,395	4.0%		
68	<b>Total Materials</b>	<b>\$ 94,700</b>		<b>\$ 81,025</b>	<b>\$ 101,544</b>	<b>\$ 6,844</b>	<b>7.2%</b>	<b>\$ 109,214</b>	<b>8.2%</b>		
69											
70	<b>Building</b>										
71	Janitorial	10,000		7,972	10,200	200	2.0%	10,404	2.0%		
72	Insurance	5,200		4,727	5,304	104	2.0%	5,410	2.0%		
73	Utilities	15,000		10,693	15,300	300	2.0%	15,606	2.0%		
74	In-library Maintenance - supplies etc.	1,000		1,235	1,500	500	50.0%	1,530	2.0%		
75	<b>Total Building</b>	<b>\$ 31,200</b>		<b>\$ 24,627</b>	<b>\$ 32,304</b>	<b>\$ 1,104</b>	<b>3.5%</b>	<b>\$ 32,950</b>	<b>2.0%</b>		
76											
77	<b>Computer and Information Technology Services</b>										
78	Contract services (SITKA)	4,800		4,862	4,896	96	2.0%	4,994	2.0%		
79	Internet Connections	3,000		2,368	5,000	2,000	66.7%	5,100	2.0%		Inceased broadband capacity to keep pace with use
80	Software	800		1,518	1,600	800	100.0%	1,632	2.0%		Software updates to maintain old computers
81	I.T. Support	1,000		1,220	1,100	100	10.0%	1,122	2.0%		
82	<b>Subtotal Computer Services</b>	<b>9,600</b>		<b>9,968</b>	<b>12,596</b>	<b>2,996</b>	<b>31.2%</b>	<b>12,848</b>	<b>2.0%</b>		
83	Computer Equipment - under 200	1,000		1,099	1,020	20	2.0%	1,040	2.0%		
84	Computers and furniture				5,000	5,000	100.0%	5,100	2.0%		Furniture and computer replacement
85	<b>Total Computers and IT</b>	<b>\$ 10,600</b>		<b>\$ 11,067</b>	<b>\$ 18,616</b>	<b>\$ 8,016</b>	<b>75.6%</b>	<b>\$ 18,988</b>	<b>2.0%</b>		
86											
87	<b>Office, Communications &amp; Other Expenses</b>										
88	Accounting and Legal	2,700		1,900	2,000	-700	-25.9%	2,040	2.0%		Library and Board accepted lesser review from auditors
89	Consultation Services	3,000		0	3,060	60	2.0%	3,121	2.0%		
90	Telephone and FAX	1,600		1,720	1,632	32	2.0%	1,665	2.0%		
91	Bookkeeping & Payroll Costs	1,000		1,095	1,020	20	2.0%	1,040	2.0%		
92	Photocopier	5,000		7,511	5,100	100	2.0%	5,202	2.0%		
93	Fees and Dues	700		635	714	14	2.0%	728	2.0%		
94	Miscellaneous (includes freight)	1,000		1,742	1,020	20	2.0%	1,040	2.0%		
95	Office and Processing Supplies	15,000		11,996	15,300	300	2.0%	15,606	2.0%		Not overbudget. Covered by Friends of the Lib donations
96	Public Relations	5,000		2,946	5,100	100	2.0%	5,202	2.0%		
97	Programming	5,000		10,940	5,100	100	2.0%	5,202	2.0%		
98	Postage	3,300		2,125	3,366	66	2.0%	3,433	2.0%		
99	<b>Total Office, Comms &amp; Other</b>	<b>\$ 43,300</b>		<b>\$ 42,610</b>	<b>\$ 43,412</b>	<b>\$ 112</b>	<b>0.3%</b>	<b>\$ 44,280</b>	<b>2.0%</b>		

	A	B	C	D	E	F	G	H	J	K	L
100											
101	TOTAL OPERATING EXPENSES	726,300		672,386	\$ 814,983	\$ 88,683	12.2%	\$ 846,852	4.2%		
102	Reserve	3,000									
103											
104	TOTAL OPERATING REVENUE	729,300		744,347	815,505			846,830			
105	TOTAL OPERATING EXPENSES	729,300		672,386	814,983			846,852			
106	NET Surplus/Deficit OPERATING	0		71,961	522			-22			



## **A Gateway to Human Potential**

### **FIVE-YEAR AGREEMENT PROPOSAL**

#### **INTRODUCTION**

Sechelt Library is incredibly successful. The growth in the number of users accessing the facility both in person and remotely would be admirable for any library. We have achieved this success through intensive community involvement and considered use of resources. We would like to continue this success by being able to serve the growing population and the increasing number of people who benefit from the social, cultural and economic impact of what we offer. Continued success requires support.

Surveys of more than 1,000 community members in 2016 including 700 in Trail Bay Mall found that of those, 88 % per cent used the library within the previous twelve month period and 50 % per used it every week. And, 84 % said that their level of satisfaction with the library was excellent or very good. Between 2015 and 2017, the library has issued an average of 913 new library cards each year.

This proposal for the Sechelt Library's five-year agreement has two parts. The first part is our 2019 budget proposal. It addresses the maintenance of operations without enhancements or additions for the 2019 calendar year. The second part is our five-year budget, which includes the funding proposed in Part 1 for 2019 and continues through December 31, 2023. It concludes with an analysis of the 2014 to 2018 five-year agreement, specifically one of its objectives: to achieve funding parity with libraries in the Province that serve similar sized populations. In this document, we also present business cases for capital items and other necessities required to enhance services and add economic value to the community. We begin with the background.

#### **BACKGROUND**

**The Role and Impact of Libraries:** Libraries are portals to knowledge, growth and self-development. They are the creators of economic and social opportunity. Libraries contribute to life-long learning, culture, work and play, and provide safe community spaces for all ages, interests and socioeconomic backgrounds. The evolution of technology and the advent of the digital age have meant that libraries, community expectations, and notably, library work have changed radically. We are determined to keep pace with this change to meet the needs of our citizens.

**The Success and Growth of Sechelt Library:** The dynamic nature of libraries and enhancements in delivery of materials and resources mean that the Sechelt Library staff's work has increased. With an

increase of 15% in visits over the last three years, an increase of 171% in inter-library loans in three years, and in 2017, 879 new memberships, the library staff's volume of work has increased beyond its ability to serve. With 125,600 visitors a year, we welcome an average of 50 visitors an hour. This is the predicament of a successful institution and we want to ensure that we continue the same level of customer service excellence that we are known for.

Due to the growing workload in 2018, the library closed to the public on Wednesday mornings so that the staff could have the extra time to catch up with "back office" work. However, the library is still open 44 hours a week, which is two hours a week in excess of its agreement with funders.

**History of Funding:** Currently we are operating under a five-year funding agreement that expired in December 2018. This agreement provided increases of six percent per year, which is a high percentage, BUT factored onto a low base. One of the key stated objectives of the current agreement was to achieve local government funding parity with similar libraries. This was an important and noble goal on all sides and we appreciate the spirit in which this endeavour was undertaken. The result, however, was that we did not achieve the funding levels of other libraries.

**Per Capita Gap.** One reason the library has fallen behind is because of the low base of its original 2013 operating budget. At the outset of 2013, the per capita gap between the Sechelt library and libraries of comparable size was \$4.96, and in 2017, in spite of the funding agreement of 6% increase annually, the gap increased to \$9.46. This data was reported by the BC Ministry of Education. In 2018 the District of Sechelt conducted its own per capita comparison between Sechelt and Gibson's libraries and the difference was \$17.17 or 40% (Sechelt \$44.03 per capita & Gibsons \$61.20 per capita). This comparison underscores the fact that BC libraries are experiencing growth and receive comparable support from their local governments.

## **PART 1, 2019 BUDGET PROPOSAL**

In this 2019 budget proposal we present our needs for funding to sustain library operations as they exist in 2018. For most budget items we have assumed a 2% inflation factor; however, there are a few areas where more than 2% is required. Three of these areas are addressed below: 1. salaries and staffing, including a Children and Youth Coordinator and Adult Program Coordinator, 2. books, and 3. bandwidth. Each area is described and a justification is provided for why this is continuity of service and not enhanced service. In our summary we include alternative actions necessary if the funding cannot be provided. A spreadsheet with the 2018 budget, actuals and projections through 2023 is attached as Appendix A.

### **1. SALARIES AND STAFFING**

**How We Serve Better--Staff Changes and Reorientation in 2017:** The Province has greatly increased access for patrons through the creation of resource sharing agreements. This service allows residents to access not only the collections of the Sechelt Public Library, but also a large portion of the collections of

all libraries in British Columbia. The grant awarded to the library by the Province was increased to offset the cost of this program. With a reduced postal rate and grant monies, our library can offer this service for little to no cost for material deliveries. What this service does cost, however, is the staff time to process both incoming and outgoing materials. Our library has seen a dramatic increase in the amount of materials coming into our library for our patrons as well as going out to other libraries. This means we can offer superior service to those living in the area who want access to materials we can't maintain in our own collections. We believe the increase in staff time is a valid trade-off for this service that people in the area clearly want. By assigning 10 hours per week to part-time staff, we are able to manage this increased demand.

**How We Want to Serve Better--Staff Size Disparity:** In 2015 and 2016, our library had the same number of full-time equivalent employees (FTE) per 1,000 population served as similar libraries in our Province. But, in 2017, our growth in population began to be felt at the library. In 2017 the library operated with 12 employees or 9.3 FTEs. The average for similar libraries was 9.6 FTE. Our population growth has caused the library staff to be overworked and the FTEs per 1,000 population to decline. This is in spite of an increase of one FTE since 2015. Today, Sechelt library has .05 FTE staff per 1,000 population. The average number of staff per 1,000 population is .06 FTE as the table below indicates. Only one library in our comparison has a lower FTE staff than Sechelt Library. To maintain continuity of service in 2019 and again be at the average FTEs per 1,000 population served, we will need to increase staff by .3 FTE. This increase will enable the library to sustain current service levels in 2019.

The following table shows the number of FTEs per library and per 1,000 population. Sechelt Library is placed on the bottom for comparison. The only library with fewer FTEs per 1,000 population is Dawson Creek Municipal Public Library.

**Sechelt Library Population and FTEs Compared to Similar Libraries in Our Province.**

Liraries Serving Similar Sized Populations	2015 Population Served	2015 FTE Employees	2015 FTEs per 1,000 population	2016 Population Served	2016 FTE Employees	2016 FTE per 1,000 population	2017 Population Served	2017 FTE Employees	2017 FTE per 1,000 population
Castlegar & District Public Library	13,441	6.7	0.05	13,441	6.7	0.05	13,798	6.7	0.05
Dawson Creek Municipal Public Library	18,673	6.3	0.03	18,673	6.3	0.03	18,455	7.7	0.04
Gibsons & District Public Library	11,761	8.0	0.07	11,761	7.3	0.06	11,624	7.0	0.06
Nelson Municipal Library	18,310	9.4	0.05	18,310	9.5	0.05	19,481	10.0	0.05
Powell River Public Library	20,049	11.5	0.06	20,049	11.5	0.06	19,042	10.6	0.06
Prince Rupert Library	14,245	9.9	0.07	14,245	10.5	0.07	13,224	11.5	0.08
Squamish Public Library	19,244	11.7	0.06	19,244	12.1	0.06	19,303	12.6	0.07
Terrace Public Library	20,496	7.9	0.04	20,496	7.9	0.04	20,605	10.5	0.07
<b>Averages</b>	17,027	8.9	0.05	17,027	9.0	0.05	16,942	9.6	0.06
<b>Sechelt Public Library</b>	17,257	8.2	0.05	17,257	8.2	0.05	17,552	9.3	0.05

**Positive Educational Impact-Technology Coordinator:** Access to information has changed drastically in the digital age. Where books were once the main source of information, computers, tablets and phones now represent a large component of how information is transmitted.

Our current five-year agreement requires us to provide technology services and specifically states in the 2013 Memorandum of Understanding that we are to provide *“Access to public computers and Wi-Fi with technical and customer service support, providing training to the public on the Internet use and downloading digital resources.”*

The shift in technology in libraries began in the 1990s when libraries were designated by government as the vehicles for granting access to and education about computers. Librarians were given the task of helping people adjust to a technological age and have been helping patrons with their technology-based questions ever since.

Demand has increased dramatically with the introduction of tablets and e-readers. From 2010 onward, our library staff has spent an increased amount of time responding to the technology needs of patrons. This valuable service ensures that those living in Sechelt are able to navigate the digital age and have the same opportunities as those living elsewhere. The increased staff time spent on helping with technology needs meant that other library tasks such as cataloguing, processing materials, acquisitions, etc., were continuously strained to a breaking point. This contributed to a significant number of staff experiencing workplace stress, as not all staff felt competent to answer the level of technological questions being asked by the public.

To provide continued technology service as we have been doing for well over a decade, a full-time technology coordinator was hired when the public services supervisor retired. The addition of this position has also reduced the need to procure some of our previously required vendor technology services.

**Positive Social and Emotional Community Impact- Adult Programs Coordinator:** With the remaining monies from the retired supervisor position, we hired a part-time adult programs coordinator. This decision was based on two 2016 community surveys totaling over 1,000 responses. Programs were well attended in 2018 with over 2611 participants.

The library now has 60 community partners and a recent partnership with “Better at Home” means that the library materials can be delivered to the housebound.

**Salaries.** Salaries for library staff need to increase to keep pace with inflation. The library participated in union negotiations in late 2018 and resulted in a 1% salary increase for the second half of 2018, 1.7% increase for 2019 and a 2% increase for the years 2020-2023. Additionally, there will be a benefits increase of \$12,017 for three part-time staff who do not currently receive benefits. This increase in benefits complies with standard practice. The 2018 salaries budget of \$538,500 will increase to \$608,726 in 2019, an increase of \$70,226 (\$2,693 + \$67,533), as the table below indicates.

## Sechelt Library 2018 Budget and Proposed 2019 Budget

	2018 Budget				2019 Budget			
	Original 2018	1% Increase from July 1	\$ Increase from July 1	Rev 2018 (w/ Union wage increase)	Rev 2018 (w/ Union wage increase)	% Increase from Rev 2018	\$ Increase from Rev 2018	2019
<b>Human Resources</b>								
Staff Salaries	435,000	0.5%	2,175	437,175	437,175	1.7%	7,432	444,607
CPP/EI Expenses	30,000	0.5%	150	30,150	30,150	1.7%	513	30,663
Benefits - MSP and Extended Health	32,500	0.5%	163	32,663	32,663	1.7%	555	33,218
WCB Expense	1,000	0.5%	5	1,005	1,005	1.7%	17	1,022
Pension	40,000	0.5%	200	40,200	40,200	1.7%	683	40,883
Benefits on \$60,000 staff salaries							12,017	12,017
Subtotal	538,500	0.5%	2,693	541,193	541,193	1.7%	21,217	562,410
Call-In staff							2,000	2,000
Youth Librarian							36,277	36,277
Youth Librarian Benefits							8,039	8,039
Total	538,500		2,693	541,193	541,193		67,533	608,726

**Children and Youth Coordinator.** The original 2018 budget included a part-time Children and Youth Coordinator at 21 hours. This position fulfills our 2013 Memorandum of Understanding as it states that the library, “offer ... young adult, and children’s programmes such as Summer Reading Program (Provincial) for children and young adults” as well as “outreach services to children” and First Nation services that include “weekly visits by children’s librarian with new library material to support literacy development.”

However, in May, our Children and Youth Coordinator resigned and by August we had not attracted a suitable candidate. By September it was clear that our budget was unsustainable plus we had union negotiations with six months of retroactivity and recruitment costs for a Chief Librarian. If services as of the beginning of 2018 are to be maintained, the salary for a Children and Youth Coordinator salary must be included in the 2019 budget.

Funding for a full-time youth librarian will put us at the same FTE staff per 1,000 population level as we were in 2016 and in line with similar libraries. Additionally, we believe a full-time youth librarian will enable better First Nation outreach services as well as outreach to Pender Harbour. This position is also assigned general library duties. The additional funds for a youth librarian salary and benefits total \$44,316 (\$36,277 salary and \$8,039 benefits).

Many of our elementary schools are over capacity as a result of more families moving to the Coast. As reported recently in the Coast Reporter, Nicholas Weswick of District No. 46 reported they had anticipated an increase of 20 students, but instead 97 students enrolled.



**On-Call Staff.** As with all public facing institutions, our library has found it necessary to hire staff to cover vacations and absences of regular staff members. In 2018, the cost for these on-call staff members was \$2,000.

**Salaries Budget Including Youth Librarian.** As previously stated, the library's 2019 budget for salaries and benefits is estimated at \$608,726. This includes the retroactive salary and benefit increase in 2018; a salary and benefits increase in 2019, and a full-time youth librarian salary with benefits, and on-call staff, as the chart above indicates.

## **Total Budget Increase**

The total budget increase from the original 2018 budget to the budget needed to maintain continuity of service in 2019 is \$88,683 (2019 budget of \$814,983 less 2018 budget of \$726,300). See Appendix A.

## **2. BOOKS**

Reading has been shown to develop brain function and keeps people intellectually challenged as they age. Far from a simple leisure activity, reading holds a key place for developing and maintaining a healthy society. We want to make sure we have the capacity to give our citizens the material they want and need. The books budget has gone from \$59,000 in 2015 to \$55,000 in 2018. Yet, during that same time period, the library saw an average increase of 913 new cardholders each year. In 2015 the library had 111,493 visits. In 2017 the number of visits was 128,430. That is a 15% increase in two years. Visitors often request the most recently released books. If they cannot find these books in the library, they request them via inter-library loan, adding to increased staff time to process these requests. To maintain continuity of service, the books budget should increase to accommodate the number of visitors. Therefore, we consider an 11% increase from 2018 to 2019, or a \$6,050 increase in the books budget from \$55,000 to \$61,050 to be necessary to provide the same services as in 2018. Below is a table that shows the successful increase in the number of people coming through our doors for services and a books budget that does not keep pace.

<b>Sechelt Library Books Budget</b>					
	2015	2016	2017	2018	Est. 2019
Sechelt Library Books Budget	\$59,000	\$50,000	\$50,700	\$55,000	\$61,050
<b>Ideal Book Budget Based on 11% Increase</b>		<b>\$65,490</b>	<b>\$72,694</b>	<b>\$80,690</b>	<b>\$89,566</b>

In 2015, 172,842 materials were borrowed. In 2017, the amount rose to 193,390. Sechelt Library's books budget has been under-funded for several years and has, in fact, dropped between 2015 and 2018. We request an increase of 11% in 2019 and present a business case for additional funding for books in part two of our five-year budget proposal.

**Inter-library Loans.** Our library has experienced a dramatic increase in inter-library loans during the past three years as the Ministry of Education reports. Total books borrowed and lent have increased a total

of 171% since 2015. The increase in the number of loans means that more staff time is necessary to process the requests. The library extended hours for two part-time staff to handle the workload. The chart below shows the number of interlibrary loans processed and the annual increase from 2015 to 2017. Data are not yet available for 2018.

We are required by our current five-year agreement to provide unlimited interlibrary loans. It specifically states there should be “*no limits per person or weekly, monthly, yearly limits. No non-pick up fees. Access to provincial and interprovincial resources. Access to the physical collections of members of InterLINK.*” This service is highly valued by our community, as demonstrated by its use. It is important to keep this service, but also to improve our own collections so patrons can find the books they want in our collection.

### Sechelt Library Increase in Interlibrary Loans Processed

Interlibrary Loans Processed						
	Year	Borrowed	Loaned	Total borrowed and Loaned	Annual Increase	% Increase
	2015	2275	942	3217		
	2016	3272	4776	8048	4831	150.2%
	2017	3956	5802	9758	1710	21.2%
Total Increase						171%

It's worth noting that a declining books budget will sooner or later increase the cost of inter-library loans. There is a charge for each inter-library loan. If our books budget decreases, so does the quality of our collection. Other libraries will borrow less from us and we will borrow more. Our costs will increase as we pay for this privilege.

### 3. BANDWIDTH

Internet access provides necessary connectivity for those who wish to stay connected socially, apply for jobs, research social issues, understand their ancestry, search databases, read newspapers and magazines, or visit the library at home via the Internet.

The library needs additional bandwidth as more and more patrons are accessing our library via the Internet. Daily computer use places a huge load on the bandwidth. Increased bandwidth is an ongoing requirement of most libraries, and many have increased their bandwidth to better serve their patrons.

With 17,463 Internet sessions in 2017 (an average of 55 sessions a day on 10 computers) it's clear that this access is key, especially for those without computers at their homes. An increase to the budget of \$2,000, or a 66% increase over the 2018 budget of \$3,000, will provide adequate bandwidth capacity. This is similar to Gibsons library that increased its bandwidth budget by 66% in 2017.

## **SUMMARY**

To ensure adequate funding to continue with library operations as they existed in 2018, our library will need an increase of 2% for most items in our budget to maintain pace with inflation plus the higher costs specified above for salary and staffing increases, an increase in the books budget, and funds for additional bandwidth. The total increase over the 2018 budget is \$88,683. Staffing is the library's main cost and much of this increase is due to union negotiated salary and benefit increases and retroactive salary and benefit increases in 2018.

This funding will have the added benefit of helping to close the gap in local government support between the Sechelt Library and similar libraries as discussed in Part 2, below. We believe that this gap has an impact in how the entire Sunshine Coast is perceived by tourists, people potentially moving here, and by our current population. Some possible measures to deal with the financial shortfall may have to include:

- Close on Monday to compensate for the loss of staff time, which may reduce the volume of work by reducing access.
- Leave either the popular adult programs position or the Children and Youth Coordinator position unfilled.

## **PART 2, FIVE-YEAR BUDGET PROPOSAL**

We have attached our five-year budget that includes our 2018 budget, 2018 actuals, and estimates for the years 2019 to 2023. In the years 2020 to 2023, we request an average increase of 4 % per year from our local government funders to keep pace with inflation and fall more in line with similar libraries and the local government support per capita they receive. However, 2019 funding needs are higher, primarily due to staff and benefit increases.

See Attachment A for the Sechelt Library's five-year budget.

### **Sechelt Library Per Capita Funding Compared to Similar Sized libraries.**

The Ministry of Education reports the per capita funding for all BC libraries. The Sechelt library has compared the per capita amounts of libraries serving similar sized populations. In 2017, this was:

- \$33.78 per capita: Sechelt Library
- \$43.24 per capita: average of comparable libraries
- \$50.21 per capita: Gibsons and District Public Library
- \$53.82 per capita: Powell River Public Library

Comparable libraries were: Castlegar, Dawson Creek, Gibsons, Nelson, Powell River, Prince Rupert, Squamish, and Terrace as their populations were similar to Sechelt, between 12,000 and 20,000.

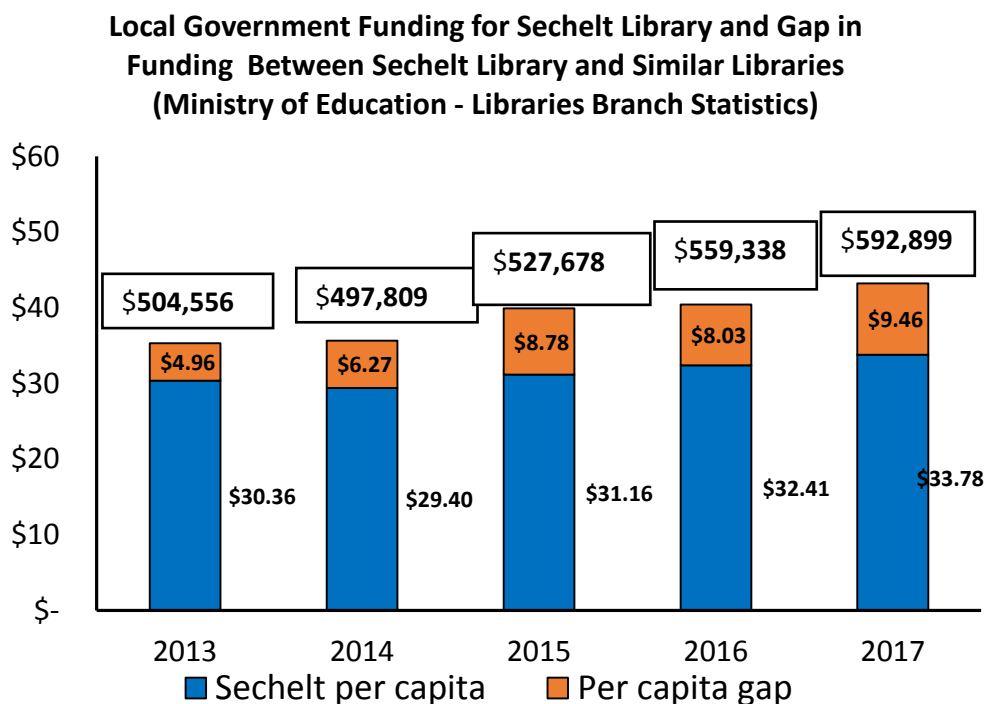
It is clear that Sechelt Library is significantly underfunded by comparison.

As previously stated, one objective of the 2014-2018 agreement was to move toward parity with other libraries.

“The Funders’ objective for funding the library will be to move toward parity for local government support per capita as shown in the Ministry of Education British Columbia Public Library Statistics as updated from time to time.” January 8, 2014.

Unfortunately, that parity was not achieved in the five years since the agreement was in place.

The chart below shows the local government funding for Sechelt library and the gap with similar libraries. The orange portion of each bar shows the growing gap in funding in dollar terms.



At the end of 2017, the library received total funding of \$592,899. Using a service area population of 17,552, the per capita funding was \$33.78. The average per capita funding for libraries serving similar sized populations was \$43.24, reflecting a gap of \$9.46. In 2013 the gap between Sechelt Library and comparable libraries was \$4.96 and in 2017 it was \$9.46. The gap is increasing, not decreasing. This is not the direction intended by the library’s funders.

The District of Sechelt conducted its own analysis of funding and compared the Sechelt Library to Gibsons and District Public Library. Using slightly different population statistics, the analysis revealed in 2017 our library had an average per capita cost of \$42.43 and Gibsons had a per capita cost of \$62.99. In 2018 Sechelt’s average per capita was \$44.03 while Gibsons was \$61.20. The District analysis supported our conclusion.

## **Funding 2019-2023**

Going forward Sechelt Library is looking for funding comparable to similar sized libraries.

- Local government funding of \$169,779 will close the gap as it existed in 2017 and result in \$43.24 per capita funding for Sechelt Library. This would still be lower than Gibsons and District Public Library at \$50.21 and Powell River Public Library at \$53.82. But, it would be in line with comparable libraries in our study. If our 2019 proposal is funded for \$88,683 as presented in Part 1, \$81,096 would be needed to achieve parity with the local government support to similar libraries.

Amount needed to achieve parity, \$169,779

Amount needed in 2019 to maintain operations, \$88,683

Difference, \$81,096.

The difference in funding of \$81,096 could support our capital requests, materials, recruitment costs, or supervisor position as described in our business cases below.

- Appendix B, shows the funders' population, total funding, and per capita funding. Appendix C shows the BC libraries we used for comparison, their funding, populations, and per capita funding.

## **Sechelt Public Library – A Valuable Partner**

The Public Library Association Board works in partnership with local, regional and the Sechelt Indian Government District to deliver services that are responsive to community needs. Sustainable funding for the library is an opportunity for government to carry out their strategic goals and mission.

Quality of life was cited as the main reason citizens choose to live in this area, and Sechelt Public Library makes a significant contribution to that quality of life. There were commonalities in the strategic plans of the Sunshine Coast Regional District and District of Sechelt. Both governments (and it is assumed true of the Nation as well) have goals to both maintain and increase the quality of life of its citizens. The Sechelt Public Library plays an active role in each of these goals.

Our patrons represent a broad cross section of the population including all ages, income levels, races, colours, ancestries, places of origin, political beliefs, religions, family or marital status, physical or mental abilities, sex, sexual orientation or gender identity.

Staving off cognitive decline through lifelong learning, providing resources for the unemployed, creating future leaders as we give children valuable social and cultural experiences and giving teens a voice as they look to create identities outside of home and school – these are just some of the social, community, education and economic impacts the library creates for the Sunshine Coast. Diminishing these services means losing these impacts. Increased funding, however, allows the library to fully

engage with our citizens, thereby increasing the quality of life and helping local and regional governments achieve their goals.

## **BUSINESS CASES**

### **Capital Items**

The 2014 - 2018 five-year agreement specifies that it can be opened once a year for capital requests. However, our capital request for the 2018 budget year was not successful. The library has received no capital funding from its funders. Although we have not received funding for capital items from funders, we have received funding for capital from grants, donations, and a bequest.

**Capital Donations from the Friends of the Library.** The Friends of the Library have donated \$85,000 to the library during the past several years which have enabled the replacement of 22 year old chairs that were collapsing, the purchase of book trucks, workroom furniture, an electronic notice board, laptops for staff, and self-checkout machines.

**Capital Donations for Renovations.** A Canada 150 grant matched by a bequest to the library, donations, and proceeds from our gala fundraising event funded the library's recent \$100,000 renovation project.

**Donations from the Community Investment Program of the District of Sechelt and 100 Women Who Care.** These two organizations donated laptops and a technical wired cart for library patrons.

While we are grateful to our various donors for providing some capital items, other requests for capital have not been honored and the items are urgently needed. The Library wishes to make the following requests from funders for furniture, software, business phone system, and website development.

**Furniture.** Four public area chairs and eight tables for the computer nook are needed to replace ones that are old and too large for the space. The computer nook is narrow and cramped with accessibility issues that reflect a dated, 22 year old vision of the role of technology. It is difficult for the physically challenged to access this area. The cost is \$20,000.

**Public Computers and Copier.** The library needs four new public computers as they have reached the end of their useful lives. The cost for the computers is \$5,000.

We have added a line item in our 2019 proposal request for \$5,000 per year for replacement of furniture and computers. This is standard practice for most organizations and in line with what Gibsons library has received.

**Business Phone System.** Our library's phone system is outdated and inadequate for current needs. For example, our Chief Librarian does not have an individual extension nor individual voicemail. A new system is needed that will provide these services. This is a cost of \$1,800 for installation and an increase in the phone bill of \$500 per year.

**Computer Server.** Our server must be replaced every five years. 2019 is the fifth year the server has been in operation. It may last for one more year, but must be replaced soon to avoid a complete shutdown of technology services at the library. The cost for a new server is \$5,000.

**Website Development.** Our library's web page is a shared access template provided by the BC Libraries' Cooperative to support smaller libraries. It is limited, inflexible and cumbersome. Web updates and maintenance are done in house. For the last two years the library has added pages but the needs are compromised by a system the library has outgrown. The library would like to develop its own, independent website that is designed to meet the library's needs and which will support ease of community access and navigation. The cost for this web page development is \$10,000.

These one-time capital items total \$41,800.

## **Materials**

Materials borrowed from the library increased by 12.3% between 2015 and 2017. However, the books budget has been underfunded for several years. If an 11% per year increase had been applied to the 2015 books budget, the budget would be \$89,566 in 2019. As we have stated in our Operating Budget proposal, a declining materials budget will sooner or later increase the cost of interlibrary loans. If our materials budget decreases, so does the quality of our collection. Other libraries will borrow less from us and we will borrow more. Our costs will increase for this privilege and we need to "catch up". Therefore, we request an additional \$28,516 (\$89,566-\$61,050) to ensure the sustainability of the library's collections.

## **Recruitment**

In 2018 the Library incurred an unbudgeted cost of \$10,000 for recruitment for a new librarian. This is in spite of the savings realized by not engaging the services of a professional recruiter. It should be noted the library board reduced costs by handling the recruitment process. The recruitment costs were covered by our modest reserve fund, which was obtained through a bequest and established for renovations. However, the library should anticipate vacancies and build a reserve fund for subsequent replacements. We request \$10,000 to replace the borrowed funds and \$2,000 per year as a new line item in the budget for recruitment costs.

## **Library Supervisor Position**

Our Chief Librarian is the only staff member who is not a member of the union, and we believe a supervisor outside of the bargaining unit who would support the Chief Librarian and assume general libraries duties if necessary is needed. Our Chief Librarian is extremely busy running the library and cannot support operational duties that are necessary to accommodate absences and vacations, for example. As the population of Sechelt grows, this is a position we deem necessary. Sechelt has been increasing in population at a rate of 1.4% per year, yet our library users have increased more rapidly. We have seen an increase in visitors of 11% each year for the past two years. This large increase speaks

volumes about the value of the library to the community. If this high rate of users continues, we will need a supervisor position very soon. The cost for a supervisor position with benefits is \$70,000 per year.

## Summary

**2019 Budget.** Funds needed in 2019 to maintain operations as they existed in 2018 total \$88,683. Most of our budget is staffing, which is subject to salary and benefit increases plus back pay. One reason for this amount is because our library has been underfunded for many years and it is no longer possible to maintain services without this additional funding. The library has cut every unnecessary expense and there are simply no more savings available. The only recourse remaining is to cut staff and services.

- In 2013 Sechelt Library signed a five year funding agreement with the SCRD, SIGD and DOS with an annual increase of six per cent to achieve the goal of parity with similar sized libraries.
- The gap has risen from \$4.96 in 2013 to \$9.46 in 2018 which is the final year of the agreement.
- In 2018 the District of Sechelt conducted its own per capita comparison between Sechelt and Gibsons libraries and the difference was \$17.17 or 40 per cent. (Sechelt \$44.03 per capita & Gibsons \$61.20 per capita)
- Today, Sechelt Library's goal is sustainability. Slow attrition over five years combined with the growth in demand means that by 2018 the current budget is unsustainable.
- The library's work has increased beyond its ability to serve. For example, visits are up by 27 per cent over three years totalling 125,600 a year or 50 visitors an hour, 171 per cent cumulative increase in inter library loans over three years, 879 new memberships in 2017
- The funding agreement specifies support for technology education and assistance and interlibrary loans. To meet this requirement, jobs were reoriented following a retirement to make two part time staff full time, add hours to handle the inter library loans and create a dedicated technology position to consolidate and manage the increasingly unworkable multi staff approach.
- In 2018 we closed to the public on Wednesday mornings to give staff the opportunity to catch up on "back office work"
- In May our Children's and Youth Programmer resigned and we did not attract a suitable candidate. By September it was clear that our budget was unsustainable plus we had union negotiations with six months of retroactivity and recruitment costs for a Chief Librarian.
- We plan to reinstate the Children's and Youth librarian position on a temporary basis in January 2019 while we await the results of our 2019 budget application to the SCRD. Adult programming is being discontinued in January which enables us to fund the youth position.
- We have had no capital from our funders since the library opened in 1996. Capital for items like chairs, self-checkouts, workroom furniture, book carts and computers has come from fundraising, grants, a bequest and the Friends of the Library totalling \$200,000 in the last five years.
- The recent renovations were done at no cost to the taxpayer.



**Budget 2019 Operating Request and 2020-2024 Ask**

\$88,683 increase (12.2% increase overall)

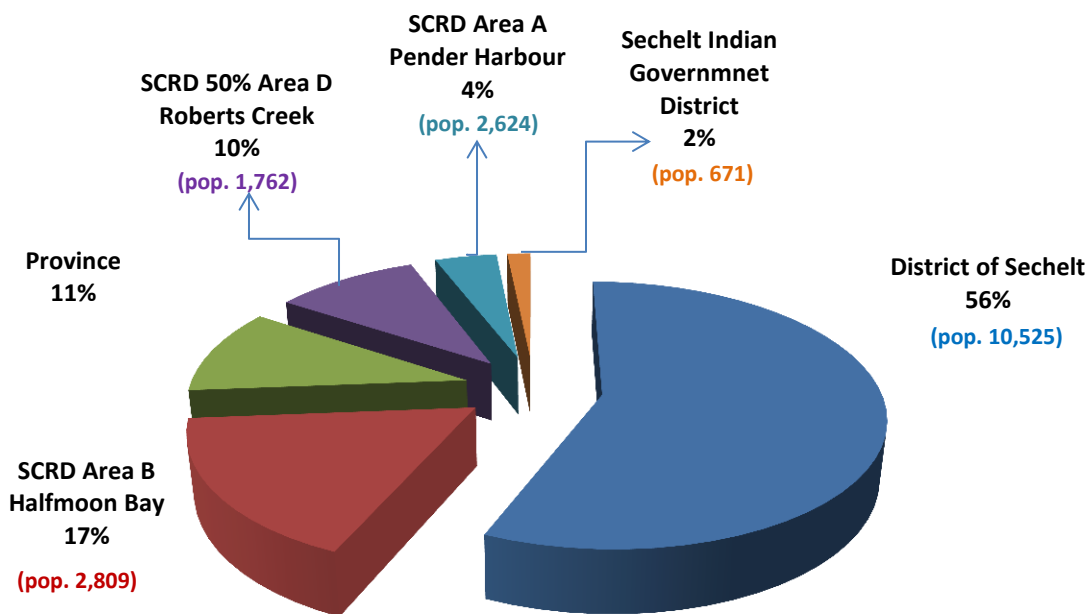
- Adult Programmer position
- Full time Children and Youth position
- On call staff
- Increase to book budget
- Maintain inter library loan
- Increase bandwidth

2020 – 2023: plus 4 % for remaining 4 years of 5 year agreement

Capital Requests Urgent	Capital Requests less urgent	Operating Requests
Total: \$10,000 <ul style="list-style-type: none"> <li>• Public Computers past end of life: \$5,000</li> <li>• Server at end of life: \$5,000</li> </ul>	Total: \$31,800 <ul style="list-style-type: none"> <li>• Business Phone System 2<sup>nd</sup> line &amp; voice mail for librarian \$1,800 (+\$500 year phone bill)</li> <li>• Website Development \$10,000</li> <li>• Furniture: \$20,000</li> </ul>	Total: \$108,516 <ul style="list-style-type: none"> <li>• Materials budget \$28,516</li> <li>• Supervisor Position \$70,000</li> <li>• Recruitment Costs reserve \$10,000</li> </ul>

Sechelt Library Funders 2018	Population 2018 (DOS figures)	Annual Funding 2018
<b>Province</b>		\$73,694
<b>District of Sechelt</b>	10,528	\$396,539
<b>Sechelt Indian Government District</b>	691	\$11,234
<b>SCRD Area A Pender Harbour</b>	2,624	\$29,894
<b>SCRD Area B Halfmoon Bay</b>	2,809	\$121,370
<b>SCRD 50% Area D Roberts Creek</b>	1,762	\$69,435
		<b>\$702,166</b>

## Annual Funding 2018



Funding all or a portion of the items in our business cases will have the added benefit of helping to close the funding gap between our library and similar libraries and enhance the economic value and service to our community.

We thank our funders for reviewing this document and considering our request.

## Technology & Automation in Sechelt Public Library

**Question:** What are the options and feasibility of increasing automation vs. staff complement?

### Intro

Libraries are primarily service industries that are customer oriented. The Sechelt Library has made every effort to maximize automation with the appropriate technology. This has effected radical changes in library operations in the last twenty years because many of the tasks that were formerly completed by staff have been replaced with various forms of automation. Sechelt Library has kept pace with the changes happening in other libraries and utilizes the best technology available to all libraries of our size.

### Automation: Technology in Use

- **RFID Tags & Tag Readers** – Radio frequency identification tags are used as a tracking system for merchandise. Sechelt Library was an early adopter of this technology. This security feature allows us to track all books taken out and returned.
- **Self-Checkout machines** – Sechelt Library has two self-checkout machines that were generously donated by The Friends of the Library with a cost of over \$20,000 for each machine. These machines allow customers to checkout their own materials and reduce the need for staff to do this task. This has diminished staff time needed at checkout.
- **Online holds** – Through our website, customers are able to place their own holds on the materials they desire. The more patrons do this for themselves, the less staff time is required for this task.
- **Check in Software** – Checking in material is done quickly and efficiently through the use of RFID tag readers. This still requires a person to put material on the tag reader to check.
- **Spring Loaded Book Bins** – The Friends of the Library are generously providing Sechelt Library with a spring loaded book bin in 2019. This means that as materials are returned, the bottom descends with added weight. The bottom rises when staff removes material from the top of the bin to check in and the weight in the bin is decreased. This is not only better for the health and safety of our staff (with far less damaging movement for the spine), but also increases efficiency as it takes less time to remove books.

### **Automation: Technology Available But Not in Use**

- [Automated Book Sorter](#) (click on link to see video) – There are automated book sorters used by large library systems like Vancouver Public Library. These machines take up a large amount of space, would require building renovations and are estimated at a cost of \$100,000 for the sorter alone - without the cost of renovations or labour. The space and cost needed for these machines mean that only large libraries with the biggest budgets use this technology.

### **Technology Needed to Reduce Staff Time**

- **Website** – Sechelt library's website is our main vehicle for communicating with the public. BC Library Co-op is the current vendor of our site. They provide limited options for functionality and staff is often not able to make desired changes. This inefficient model for managing our website takes additional staff time to trouble shoot the back end and deal with our vendor. Managing our own website that we control would save time and provide a better platform for communication.
- **Server** – Our server is the foundation for all our automated procedures. It is at the end of its life span and it is critical that it be replaced as soon as possible.

### **Current Staffing Needs that Cannot be Automated**

Sechelt Library's budget request speaks to increased staff time to process inter-library loans as well as staff positions that should be filled in the near future. Each position will be outlined below in order to explain where technology/automation fits within our staffing complement.

**Please note:** Our Adult Program Coordinator position became vacant at the end of December. Rather than filling this position, we have temporarily filled our Children's Coordinator position on a part-time basis so that we can fulfill our Memorandum of Understanding. Our original budget request includes a full time children's position. We now do not have budget to fill the Adult Program Coordinator position or move the children's position to full-time.

- **Children's Coordinator** – We've temporarily filled this position for 3 months on a part-time basis. This position is responsible for all Sechelt citizens from birth to 18 years of age. Duties include running programs and developing partnerships with outside organizations. There is no automation available for this position.
- **Adult Program Coordinator** – This is a position that was filled up the end of 2017 and has been incredibly popular. In 2018 alone saw attendance above 2600 people for our various programs. These programs focus on aging well, remaining cognitively active and creating community. There is no automation available for this position.

- **Branch Supervisor** – This position was a request in our five year agreement. Duties include supervising staff and managing the reference desk and staff schedules. There is no automation available for this position.
- **Increased time for inter-library loans** – The increased demand for inter-library loans has required that we add an additional 10 hours per week to existing part-time staff to process the materials coming in and going out. This process already involves the use of RFIT and Check in/out software. The only additional automation available is the automated book sorter described above. The cost/renovations etc. precludes consideration of this technology.

	Sunshine Coast Regional District									Sechelt Indian Government District	District of Sechelt	Sechelt (Per Ministry of Education)	Local Gov Funding, Similar Libraries	Gap Between Similar Libraries and SPL						
	Area A			Area B			Area D													
Year	Population	Funding	Per capita	Population	Funding	Per capita	Population	Funding	Per capita	Population	Funding	Per capita	Population	Funding	Per capita	Population	Funding	Per capita	Per capita funding	Per capita gap
Base	2,678	\$ 22,338	\$ 8.34	2,675	\$ 90,695	\$ 33.90	1,622	\$ 51,886	\$ 31.99	797	\$ 8,395	\$ 10.53	9,291	\$ 296,317	\$ 31.89	16,620	\$ 469,631	\$ 28.26	—	—
2013	2,656	\$ 25,103	\$ 9.45	2,695	\$ 105,664	\$ 39.20	1,657	\$ 58,439	\$ 35.26	747	\$ 10,095	\$ 13.52	9,661	\$ 305,257	\$ 31.60	16,620	\$ 504,558	\$ 30.36	\$ 35.32	\$ 4.96
2014	2,646	\$ 23,679	\$ 8.95	2,706	\$ 96,136	\$ 35.53	1,675	\$ 54,999	\$ 32.84	721	\$ 8,899	\$ 12.34	9,846	\$ 314,096	\$ 31.90	16,934	\$ 497,809	\$ 29.40	\$ 35.67	\$ 6.27
2015	2,635	\$ 25,099	\$ 9.53	2,716	\$ 101,905	\$ 37.52	1,692	\$ 58,299	\$ 34.45	696	\$ 9,433	\$ 13.55	10,031	\$ 332,942	\$ 33.19	16,934	\$ 527,678	\$ 31.16	\$ 39.94	\$ 8.78
2016	2,624	\$ 26,605	\$ 10.14	2,726	\$ 108,019	\$ 39.63	1,710	\$ 61,797	\$ 36.14	671	\$ 9,999	\$ 14.90	10,216	\$ 352,918	\$ 34.55	17,257	\$ 559,338	\$ 32.41	\$ 40.44	\$ 8.03
2017	2,624	\$ 28,202	\$ 10.75	2,767	\$ 114,500	\$ 41.38	1,736	\$ 65,505	\$ 37.74	671	\$ 10,599	\$ 15.80	10,369	\$ 374,093	\$ 36.08	17,552	\$ 592,899	\$ 33.78	\$ 43.24	\$ 9.46
2018	2,624	\$ 29,894	\$ 11.39	2,808	\$ 121,370	\$ 43.22	1,762	\$ 69,435	\$ 39.41	671	\$ 11,234	\$ 16.74	10,525	\$ 396,539	\$ 37.68	17,947	\$ 628,472	\$ 35.02		

Increases required to reach parity based on gap of \$9.46 per capita:

\$9.46

Funder	2017 Population	2017 Funding	Increase Req.
Area A:	2,624		
Area B:	2,726	\$ 208,207	\$ 66,788
Area D:	1,710		
SIGD	671	\$ 10,599	\$ 6,348
DoS	10,216	\$ 374,093	\$ 96,643
All Funders	17,947	\$ 592,899	\$ 169,779

## SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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**TO:** Corporate and Administrative Services Committee- February 28, 2019

**AUTHOR:** Tina Perreault, General Manager, Corporate Services / Chief Financial Officer

**SUBJECT:** SECHELT LIBRARY APPORTIONMENT OPTIONS

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### RECOMMENDATION(S)

**THAT the report titled Sechelt Library Apportionment Options be received;**

**AND THAT the report, along with the Sechelt Library Associations funding requests be forwarded to the March 4, 2019 Round 2 Budget deliberations for consideration.**

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### BACKGROUND

As part of the 2019 Pre-Budget, the Sechelt Public Library Association made a request to the funding partners to increase their operational budget by \$84,215 over 2018, with various increases for the proceeding 4 years (Attachment A). This was in anticipation for funding for the new Memorandum of Understanding (MOU) with the District of Sechelt, Sechelt Indian Government District (SIGD) and the Sunshine Coast Regional District (SCRD), which expired at the end of December 2018.

The revised proposal submitted as part of the SCR D's 2019 Round 1 Budget deliberations for Community Partners and Stakeholders, the Sechelt Public Library made the following requests (Attachment B):

<b>Budget 2019 Operating Request and 2020-2024 Ask</b>
<p>\$88,683 increase (12.2% increase overall)</p> <ul style="list-style-type: none"><li>• Adult Programmer position</li><li>• Full time Children and Youth position</li><li>• On call staff</li><li>• Increase to book budget</li><li>• Maintain inter library loan</li><li>• Increase bandwidth</li></ul> <p>2020 – 2023: plus 4 % for remaining 4 years of 5 year agreement</p>

Capital Requests Urgent	Capital Requests less urgent	Operating Requests
Total: \$10,000 <ul style="list-style-type: none"> <li>Public Computers past end of life: \$5,000</li> <li>Server at end of life: \$5,000</li> </ul>	Total: \$31,800 <ul style="list-style-type: none"> <li>Business Phone System 2nd line and voice mail for librarian \$1,800 (+\$500 year phone bill)</li> <li>Website Development: \$10,000</li> <li>Furniture: \$20,000</li> </ul>	Total: \$108,516 <ul style="list-style-type: none"> <li>Materials budget: \$28,516</li> <li>Supervisor Position: \$70,000</li> <li>Recruitment Costs Reserve: \$10,000</li> </ul>

At the February 21, 2019 Regular Board meeting, the following motion was passed, excerpt below:

**Recommendation No. 2**     *Sechelt Public Library - 2018 Budget Request*

The Corporate and Administrative Services Committee recommended that the following new information from the Sechelt Public Library be received:

- 2019-2020 Budget (with 2018 Budget);
- Five Year Agreement Proposal;
- Technology and Automation in Sechelt Public Library;
- Funders 2013-2017 Per Capita Results; and
- Correspondence from Sechelt Public Library dated January 24, 2019;

AND THAT the 2019 Funding Request from the Sechelt Public Library be referred to the 2019 Round 2 Budget pending a staff report providing apportionment options for the 2019 operating budget request and funding options for the contributing Electoral Areas on additional project requests presented by the Sechelt Public Library.

Over the past several months, staff have provided background and historical reports on the Sechelt Public Library funding, which are also provided for background (Attachment C).

The purpose of this report is to provide apportionment options for the SCRD Electoral Areas to fund the Sechelt Public Library's various budget request for 2019 and future funding agreement.

## **DISCUSSION**

### *Options and Analysis*

The Sechelt Public Library Association is asking for an increase in its base operations, which for 2019 is an increase of \$88,683 or approximately a 14% increase over 2018, for total funding of \$717,155.

The Sechelt Public Library Association is also asking for an ongoing service lift of \$108,516 for additional staffing, materials and the creation of a reserve for recruitment. As the existing SCRD library services bylaws for Area A - Pender Harbour (1086) (Attachment D), Area B - Halfmoon Bay (1046) (Attachment E), and Area D - Roberts Creek (1043.1) (Attachment F) do not allow for the creation of reserves, it would not be appropriate for the SCRD to fund this portion at this time. If the SCRD wanted to allow the Sechelt Public Library Association to create a reserve, it would need to amend or create a separate bylaw for this purpose.



Staff would also highlight that Gibsons and District Public Library is not permitted to hold a reserve of SCRD funds and it would only be equitable to consider this request for both Libraries. Staff do not recommend approval of this request.

Staff also did some further investigation into whether or not the existing Library Service Bylaws could fund for capital items for the Sechelt Public Library Association. Based on the original information packages for the creation of the services, and the resulting Bylaws, funding capital is silent. It has been pasted practice or through various historical funding agreements with the Sechelt Library Association that capital has been excluded. However, there is past precedence for funding minor capital equipment or one time projects for the Sechelt Public Library Association in 2013.

Therefore, the SCRD's Rural Area funders of the Sechelt Public Library Association could contemplate funding the one time requests totaling \$41,800.

### *Funding Apportionment Options*

#### Option 1-Fund based on 2013-18 Funding Agreement

Based on the previous 2013-2018 Sechelt Library Funding MOU, the funders paid the following amounts and percentages.

Table 1.

Annual Funding Totals							
	2013	2014	2015	2016	2017	2018	Percentage of Funding
<b>Area A</b>	\$25,103	\$23,679	\$25,099	\$26,605	\$28,202	\$29,894	4.76%
<b>Area B</b>	\$105,664	\$96,136	\$101,905	\$108,019	\$114,500	\$121,370	19.31%
<b>Area D</b>	\$58,439	\$54,999	\$58,299	\$61,797	\$65,505	\$69,435	11.05%
<b>SIGD</b>	\$10,095	\$8,899	\$9,433	\$9,999	\$10,599	\$11,234	1.79%
<b>DOS</b>	\$305,257	\$314,096	\$332,942	\$352,918	\$374,093	\$396,539	63.10%
<b>Total</b>	\$504,558	\$497,809	\$527,677	\$559,338	\$592,898	\$628,472	
<b>RD Total</b>	\$189,206	\$174,814	\$185,303	\$196,421	\$208,206	\$220,699	

For 2019, the funders could pay based on the prior funding agreement (MOU) for either the base or all addition one-time and ongoing funding requests.

Based on 2019 base operational request: 2018 \$628,472 + 2019 increase \$88,683= \$717,155

	Area A	Area B	Area D	SIGD	DoS
Cost share percentage	4.76%	19.31%	11.05%	1.79%	63.10%
<b>\$717,155</b>	<b>\$34,065</b>	<b>\$138,483</b>	<b>\$79,246</b>	<b>\$12,837</b>	<b>\$452,525</b>

Staff have also provide in the supplementary appendix (Attachment G) which details of approximate residential rate per \$100,000 for this alternative, the change over 2018 as well as the percentage change over 2018.

If the Committee wanted to consider funding the increase in operational, the additional ongoing increase of \$98,516 (\$108,516 less \$10,000 recruitment) as well as the one-time capital request for 2019, this would bring the total to \$857,473 and based on historical apportionment would be as follows:

	Area A	Area B	Area D	SIGD	DoS
Cost share percentage	4.76%	19.31%	11.05%	1.79%	63.10%
<b>\$857,471</b>	<b>\$40,816</b>	<b>\$165,578</b>	<b>\$94,751</b>	<b>\$15,349</b>	<b>\$541,064</b>

Option #2 - Fund based on population (2016 Census)

Another option to consider would be to fund per person in each of the jurisdictions (Attachment G-Census). This option is being presented as it is that some of the funding provided to the Sechelt Library Association like the Ministry of Education-Library Branch is based on a per capita rate. Many of the statistics and benchmarking is also measured against these figures.

The challenge with using this data as the basis of apportionment is that the census data remains static for a five year period. It also has been discussed whether the full population of the rural area participants are using the service and if this is the most equitable singular factor in determining apportionment for the service. For these reasons, staff are not recommending using this as the sole apportionment model.

Option #3 - 100% of Property Assessments (land and improvements)

Most functions of the Regional District are apportioned based on property assessments either through a combination of land and improvements are in some cases, just based on improvements. This change would result in material increases either up or down for the funding partners. For example, Area A could see an increase of 548% and the shíshálh Nation/SIGD would see a 148% increase, whereas the District of Sechelt would see an overall decrease of almost 4% over 2018 funding.

This option is not recommended.

Option #4 - 50% Population and 50% Assessments

There are other initiatives, such as Sunshine Coast Tourism and the Community Youth Outreach Worker which are paid separately through the member municipalities. Both of these are apportioned based on 50% population and 50% assessment for the SCRD rural areas. Staff have provided this as one of the options for funding the Sechelt Library Service. Again this does not appear to produce an equitable apportionment model.

This option is not recommended.

2019 Funding Apportionment

Based on the current findings on other apportionment options, staff recommend using the previous/historical agreement percentages as the basis for funding for 2019. This will allow for other options to be considered in the future.

Staff are however, seeking direction from the SCRD's rural areas funding partners as to what funding level they would like to fund for 2019, which includes the 14% lift to the base, the increase in service and the one time capital request.

#### *Future Considerations*

Another option would be for the various jurisdictions to explore the establishment of a Sechelt Library Service. This was last contemplated in 2004 and did not proceed to a feasibility or public consultation phase. If this Committee would like to explore this option, staff could provide a future report on the legislative, funding and capacity to undertake this process.

#### *Organizational and Intergovernmental Implications*

The District of Sechelt and shíshálh Nation/SIGD staff have presented similar reports to their respective Councils. These are attached for information (Attachments H and I) and both have recommended subject to the SCRD, approving the base, additional one-time and ongoing funding requests from the Sechelt Public Library Association.

#### *Financial Implications*

Details of the various financial implications can be found on Appendix G. Depending on what is approved by the various SCRD funders, especially those in Area A and D with other library funding for either reading rooms or the Gibsons and District Public Library for Area D, the cumulative impact will be provided for 2019 Round 2 Budget.

#### *Timeline for next steps or estimated completion date*

It appears that using one of the percentage allocations may be the most equitable method in apportioning the funding toward the existing Sechelt Library service. However, based on past Committee discussions, there may be a desire to re-evaluate the cost share for some of the funding partners. If the Committee could provide staff with further direction, this could be considered as part of the future Sechelt Public Library Association's 2020-2024 funding agreement and 2019 work plan.

Staff, together with the other funding partners and Sechelt Public Library Association, can also explore other funding apportionment options for the future.

#### *Communications Strategy*

Staff will continue to work with the Sechelt Public Library Association, District of Sechelt and the shíshálh Nation/SIGD toward a future funding agreement.

### **STRATEGIC PLAN AND RELATED POLICIES**

Funding the Sechelt Library is in accordance with the Boards Financial Sustainability Policy.

### **CONCLUSION**

The Sechelt Public Library Association is asking for an increase to its base operational funding, an increase for staffing, materials and recruitment reserve, as well as a one-time capital request for 2019, all totaling \$857,471 (as the SCRD can't fund the \$10,000 for establishment of a reserve).

Staff have provided 4 funding apportionment options for the Committee's consideration which are based on the historical Sechelt Library funding agreement percentages as well as those based on population, property assessments, and a combination of population and assessments. Staff are seeking direction on which funding level the SCRD rural areas are willing to fund in anticipation of the 2019 Round 2 Budget deliberations. Staff recommend using the historical Sechelt Library funding agreement percentages for 2019 Budget.

Based on past Committee discussions, there may be a desire to re-evaluate the cost share for some of the funding partners. If the Committee provides further direction, this could be considered as part of the future Sechelt Public Library Association's 2020-2024 funding agreement and 2019 work plan.

Staff, together with the other funding partners and Sechelt Public Library Association, can also explore other funding apportionment options for the future.

Another option would be for the various jurisdictions to explore the establishment of a Sechelt Library Service in the future. If this Committee would like to explore this option, staff could provide a future report on the legislative, funding and capacity to undertake this process.

The District of Sechelt and shíshálh Nation/SIGD staff have presented similar reports to their respective Councils and have made recommendations, subject to the SCRD approving the base, additional one-time and ongoing funding requests from the Sechelt Public Library Association.

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – J. Loveys	Other	

Attachments:

- Attachment A Sechelt Public Library Association 2019 Pre-Budget Funding request
- Attachment B Sechelt Public Library Associations 2019 & 2020-2024 Round One Budget Requests
- Attachment C Sechelt Library Funding and Historical
- Attachment D Area A -Pender Harbour Library Service Bylaw 1086
- Attachment E Area B-Halfmoon Bay Library Service Bylaw 1046
- Attachment F Area D-Roberts Creek Library Service Bylaw 1043.1
- Attachment G Sechelt Library Funding Apportionment Options
- Attachment H February 6, 2019-District of Sechelt Staff Report titled: Sechelt Public Library Funding and Service Agreement
- Attachment I February 19, 2019- shíshálh Nation/Indian Government District (SIGD)- Sechelt Public Library Funding for 2019 and Five Year Funding Agreement

## Summaries

Total Apportionment (2019 Request)					Residential Tax Rate / \$100,000					\$ Change from 2018					% Change from 2018				