



Date: 14/03/2019

AGENDA ITEM SUMMARY

To: Chair and Directors, Cariboo Regional District Board

And To: John MacLean, Chief Administrative Officer

From: Scott Reid, Chief Financial Officer

Date of Meeting: Cariboo Regional District Board_Mar22_2019

File: 3900-20-5203

Short Summary:

Cariboo Regional District 2019-2023 Five Year Financial Plan

Voting:

Corporate Vote - Weighted

Memorandum:

The CRD 2019-2023 Five Year Financial Plan Bylaw No. 5203, 2019 is presented to the Board for consideration of three readings and adoption.

Attachments:

- Bylaw No. 5203
- CRD 2019-2023 Five Year Financial Plan – Schedule A (Year One)
- CRD 2019-2023 Five Year Financial Plan – Schedule B (Year Two)
- CRD 2019-2023 Five Year Financial Plan – Schedule C (Year Three)
- CRD 2019-2023 Five Year Financial Plan – Schedule D (Year Four)
- CRD 2019-2023 Five Year Financial Plan – Schedule E (Year Five)
- 2019 Tax Requisition Changes Details
- 2019 Tax Requisition Changes Summary
- 2019 Utility User Fee Changes Summary
- 2019 Community Works Fund Allocations
- 2019 Grants for Assistance Allocations
- CRD 2019 Financial Plan Detail

Financial Implications:

See details attached. The total tax requisition for the 2019 Fiscal Year is 3.7% higher than the amount taxed in 2018. The provisional financial plan and budget provided to the Board and approved for public consultation included a 3.2% increase in total taxation. Tax requisitions for new services (North Cariboo Airport Service, Benjamin Water Service, and Lexington Water Service) added 0.4% to the tax requisition for 2019. Net of taxes for new services the tax requisition increases 3.2% year over year.

The financial plans and tax requisitions for five of the CRD services have changed materially since the provisional plan was approved in December:

- The tax requisition for Building Inspection Services is 20% lower than what was included in the provisional plan, to reduce significant and growing accumulated operating surpluses.
- The tax requisition for Rural Refuse Services is 5% higher than what was included in the provisional plan. The increase is due to actual year end operating surpluses being lower than projected, and to reassessment of costs associated with the City of Quesnel landfill.
- The tax requisition for the Forest Grove VFD Service is 4% lower than what was included in the provisional plan. The decrease is due to grant funding received by the department which had not been recognized when the provisional plan was produced.
- The tax requisition for the 108 Mile Ranch VFD Service is 10% higher than what was included in the provisional plan. 2018 year end accumulated operating surpluses were lower than projected. The department faces significant costs for replacement of operating supplies and building maintenance. 108 VFD has also increased amounts paid for firefighter callouts and introduced standby compensations for busy summer weekends.
- The tax requisition for the Ten Mile VFD Service is 6% higher than what was included in the provisional plan. Actual year end accumulated operating surplus was lower than projected, and the increase was required to avoid a deficit projection for year 2019.

All financial plans have been adjusted to account for actual year end balances which were not known at the time the provisional financial plan was prepared. And, the final financial plan includes amounts for Grants for Assistance which were also finalized after the provisional plan was adopted.

Tax rates reported are based on 2019 Completed Roll tax assessments and are subject to changes included in the 2019 Revised Roll tax assessments and 2018 Final Roll tax assessments, which are not yet available.

Policy Implications:

n/a

Alignment with Strategic Plan:

- ☒ Ensuring Sufficient and Sustainable Funding
- ☐ Building on our Relationships
- ☒ Providing Cost Effective High Quality Services
- ☐ Focusing on Being Well Governed

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CAO Comments:

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Options:

1. Endorse recommendations.

Recommendation:

#1: That the agenda item summary from Scott Reid, Chief Financial Officer, dated March 14, 2019, regarding Bylaw No. 5203, be received. Further, that Cariboo Regional District 2019-2023 Five Year Financial Plan Bylaw No. 5203, 2019 be read a first, second and third time this 22nd day of March, 2019.

#2: That Cariboo Regional District 2019-2023 Five Year Financial Plan Bylaw No, 5203, 2019 be adopted this 22nd day of March, 2019.