

# DISTRICT OF LANTZVILLE

## 2016-2020 FINANCIAL PLAN

February 10, 2016

# Budget Review

- Budget has been prepared with a Core Budget – with no change to service levels
- Non-Core items have been shown separately for Council consideration
- 3 Funds – General, Sewer and Water.
  - Each fund much balance in the budget. Revenue = Expense
- The Financial Plan Bylaw and Tax Rate Bylaw are scheduled to be adopted on April 25, 2016
- Council`s budget



# Budget Changes

## □ Core

- Small Communities Grant (updated info from Gov't)
  - 2016 - \$421k to \$426K
  - 2017-2020 \$440k to \$442K
- PILT - \$26K to \$22K
- Water – Permits & Licences
  - 2017-2020 increased to \$7,500 (+inflation) for new requirements
  - Only 2016 was increased in the Jan 18 version of the budget
- RDN – Budget items adjusted to current version budget.



# Budget Changes

- Non-Core (Tab 4)
  - Admin Legal – reduced from \$20,000 to \$10,000 due to in house capabilities
  - Respectful Workplace Training. Adjusted from \$2,500 to \$3,000 per quote and added as an ongoing expense (WorkSafe requirement)
  - Asset Management Consultants - \$9,850. Grant for \$9,850 (50% expense. Will also offset training for Asset Mgmt Software – 2016 Capital Budget)
  - Service Capacity Review – Added \$40,000 in 2017 per Strategic Plan
  - \$2,600 1 LP 1000 Defibrillator



# Budget Changes

- Non-Core (Tab 4)
  - \$5,000 Safety Railing at Benwaldun Beach Access (MIA grant funded)
  - Parks & Recreation Commission
    - \$1,000 - 2016 Four Kid's Road Safety Course (\$250 each)
    - \$3,118 - Public Information Re: Parks & Trails
  - Interest & Principal cost associated with 1/3<sup>rd</sup> debt funding of Sewer Phase 3



# New Starting Point

- The budget as presented includes:
  - ▣ Property Tax
    - 2016 Core – (1.79%)
    - 2016 Non-Core – 4.53%
    - 2016 Total – 2.73%
  - ▣ Sewer User Fee
    - 2016 – (3.45%)
  - ▣ Water User Fee
    - 2016 - 2.54%
  - ▣ Only a starting point – will be adjusted with direction from Council
  - ▣ Assessment not finalized. 2016 Avg \$488,750



# Council Convention Budget

- From March 9, 2015 Council
  - THAT Council instructs staff to incorporate a \$10,000 reduction to the Council convention budget in the Financial Plan.
  - 2014 Budget - \$25,000
  - 2015 Budget - \$16,000
  - 2016-2018 Budget - \$11,070 (2019-2020 \$9,100)
- Council to confirm 2016-2020 Budget



# Wilson Rd Projects

- Memo from Director of Public Works (pg 14)





# Huddlestone Park Pathway

- March 3, 2015 C15-42
  - THAT Council instructs staff to refer to the 2016 Financial Plan discussions, the \$28,890 Special Request to complete Huddlestone Park pathway.
  - Council to provide direction to staff, to either:
    - Include in 2016 Capital Budget
    - Defer to future year's budget discussion
    - Not proceed



# 2016-2020 Capital Budget

- Tangible Capital Assets (TCA)
  - Are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
  - Have useful economic lives extending beyond an accounting period; (1 year)
  - Are to be used on a continuing basis; and
  - Are not for sale in the ordinary course of operations.



# 2016-2020 Capital Budget

## □ Tangible Capital Assets (TCA)

### ■ Are not:

- Consumables
- Works of Art
- Historical Treasures
- Studies
- Preliminary design costs
- Non-purchased Crown land



# 2016-2020 Capital Budget

## □ Tangible Capital Assets (TCA)

### ■ Thresholds

- Benefit does not outweigh cost of tracking large quantity of small dollar assets (pens, staplers)
- Thresholds are used to determine at what dollar value capital items are capitalized (capital budget) vs. expensed (operating budget)
- \$10,000 for most assets
- <\$10,000 included in the operating budget



# 2016-2020 Capital Budget

## □ Tangible Capital Assets (TCA)

### ■ Amortization

- Straight line over useful life of asset
- \$250,000 fire truck – 25 year life
- \$250,000 included in the Financial Plan as capital expenditure. Not included in the Financial Statements
- \$10,000 ( $\$250,000/25$  years) included in the Financial Statements as amortization expense
- Amortization is not funded



# Funding Sources

## □ Reserves

- Established under Section 188 of the *Community Charter*
- Set by Council Bylaw
- Can only be used for the purpose for which the fund was established
- Funds are transferred into reserves each year. (2016 - \$872,625)



# Funding Sources

- DCC's
  - Development Cost Charge
  - Section 559 of the *Local Government Act* (2016 version)
  - Charge for development resulting in increase future capital costs
  - Can only be used for the purpose collected. Details in DCC bylaw.
  - Recognized into revenue when used.
    - If not used for the purpose collected, funds may need to be returned.



# Questions?





# General Government

Project	2016	2017	2018	2019	2020
Costin Hall Upgrades			97,000		
Church Upgrades			150,000		
Council Meeting AV	25,000				
Asset Mgmt Software	21,400				
Fire Proof Cabinet		7,000			
IT Server					10,000
<b>General Government Total</b>	<b>46,400</b>	<b>7,000</b>	<b>247,000</b>	<b>-</b>	<b>10,000</b>



# Protective Services

Project	2016	2017	2018	2019	2020
Radio Repeater	9,000				
Thermal Camera	8,500				
Fire Hall Upgrades	16,300				
Duty Truck Replacement				45,000	
Replace Engine-6					400,000
<b>Protective Services Total</b>	<b>33,800</b>	<b>-</b>	<b>-</b>	<b>45,000</b>	<b>400,000</b>



# Transportation - Roads

Project	2016	2017	2018	2019	2020
Road Replacement - Patching on Lorenzen/Sebastion	36,000				
Manhattan / Bayview Park Drive Road Replacement	355,300				
Peterson Road		259,435			
Portion of Aulds Road East End and Metro Road Replacement			400,000		
Harper Road Replacement				326,716	
Venture Road Replacement					250,000



# Transportation – Storm Drain/PW

Project	2016	2017	2018	2019	2020
Clark Alger Road Crossing of Bloods Creek. Look at Arch Culvert Storm Drain		350,000			
Installation of Piping Along Huddleston Road			200,000	200,000	
Culvert Replacement Dickinson Road Bloods Creek					25,000
Replace Half Ton Truck		55,000			
Replace 3 Ton Dump Truck			85,000		
Dodge 2500 Replacement					60,000
<b>Transportation Total</b>	<b>391,300</b>	<b>665,435</b>	<b>685,000</b>	<b>526,716</b>	<b>335,000</b>



# Parks & Recreation

Project	2016	2017	2018	2019	2020
Rotary Park Playground Equipment	37,000				
Huddlestone Washroom	5,000				
Mountain Bike Skills Park	39,000				
Copley Park Upgrades, Huddlestone Upgrades			50,000	50,000	
E&N Trail Portion From Ware Road to Phillip Road Along Railway					500,000
Trail Development (Owen Rd-Dickinson Rd)	33,044				
<b>Parks Total</b>	<b>114,044</b>	<b>-</b>	<b>50,000</b>	<b>50,000</b>	<b>500,000</b>



# Sewer Fund

Project	2016	2017	2018	2019	2020
Sewer Phase 3	500,000	5,000,000	1,380,000		
<b>Sewer Total</b>	<b>500,000</b>	<b>5,000,000</b>	<b>1,380,000</b>		



# Water Fund

Project	2016	2017	2018	2019	2020
Aulds Rd Reservoir Replacement (2017-Design)		50,000	1,000,000		
Well #6 Replacement	250,000				
Nanaimo Water Interconnection	750,000				
Water Main Replacement Peterson Road, Lynn To Lantzville Road		280,000			
Water Main Replacement From Peterson Road To Huddleston Road			325,000		



# Water Fund - Continues

Project	2016	2017	2018	2019	2020
Water Main Replacement Mart Road and Industrial Road				425,000	
Well #12 Redevelopment	25,000				
Well #9 Redevelopment	50,000				
Well #4 Redevelopment	50,000				
Joy Way and Rossiter Water Line Replacement					300,000
<b>Water Total</b>	<b>1,125,000</b>	<b>330,000</b>	<b>1,325,000</b>	<b>425,000</b>	<b>300,000</b>





# Council Direction

- At this time, staff requests that Council provide direction regarding the Strategic Plan items.



# Questions?



# Next Steps

March 7, 2016 – 7pm	Continued budget discussion. Grant-in-Aid	Committee of the Whole
April 4, 2016 – 6pm	Public Presentation. Budget wrap-up	Committee of the Whole
April 11, 2016 – 7pm	1 <sup>st</sup> 3 readings Financial Plan Bylaw, Tax Rate Bylaw	Council
April 25, 2016 – 7pm	Bylaw adoption	Council

