



**REGULAR MEETING OF COUNCIL
Wednesday, April 14, 2021 @ 3:30 PM
George Fraser Room, Ucluelet Community Centre,
500 Matterson Drive, Ucluelet**

LATE AGENDA

	Page
1. LATE ITEMS	
1.1. Replace Appendix A to Legislation Item 14.2. "Five Year Financial Plan & Tax Rate Bylaw", at page 238 of the Agenda, with the following: Appendix A - Bylaw 1289	3 - 8
1.2. Add the following to Legislation Item 14.2. "Five Year Financial Plan & Tax Rate Bylaw" as Appendix C to that report after page 244 of the Agenda: Appendix C - Ucluelet 2021 Budget Public OPEN HOUSE	9 - 28

Appendix A

DISTRICT OF UCLUELET

Bylaw No. 1289, 2021

A Bylaw to Adopt the Five-Year Financial Plan
For the Period 2021 to 2025 inclusive

WHEREAS Section 165 of the *Community Charter* requires a Municipality to annually prepare and adopt a financial plan, by bylaw, in each year; and

WHEREAS expenditures not provided for in the financial plan or the financial plan as amended, are not lawful except in the event of an emergency;

THEREFORE the Council of the District of Ucluelet, in open meeting assembled, enacts as follows:

1. Citation

This bylaw may be cited for all purposes as the “**District of Ucluelet 2021 – 2025 Financial Plan Bylaw No. 1289, 2021**”.

2. Objectives and Policies

Schedule “A” attached to and forming part of this bylaw, sets out the objective and polices for the period January 1, 2021 to December 31, 2025.

3. Consultation

Pursuant Section 166 of the *Community Charter*, public consultation occurred throughout the budget process beginning in December 2020. As well, online feedback took place from April 15, 2021 to April 27, 2021.

4. Repeal

The District of Ucluelet 2020 – 2024 Financial Plan Bylaw No. 1274, 2020 is repealed.

READ A FIRST TIME this day of , 2021.

READ A SECOND TIME this day of , 2021.

READ A THIRD TIME this day of , 2021.

ADOPTED this day of , 2021.

CERTIFIED CORRECT: “District of Ucluelet 2021 – 2025 Financial Plan Bylaw No. 1289, 2021”

Mayco Noël
Mayor

Joseph Rotenberg
Corporate Officer

THE CORPORATE SEAL of the District of Ucluelet was hereto affixed in the presence of:

Joseph Rotenberg
Corporate Officer

DRAFT

Schedule "A"
"District of Ucluelet 2021 - 2025 Financial Plan Bylaw No. 1289, 2021"

Statement of Objectives and Policies:

In accordance with Section 165(3.1) of the *Community Charter*, municipalities are required to include in the Five Year Financial Plan, objectives and policies regarding each of the following:

- 1) For each of the funding sources described in Section 165(7) of the *Community Charter*, the proportion of total revenue that is proposed to come from that funding source;
- 2) The distribution of property value taxes among the property classes that may be subject to taxes; and
- 3) The use of permissive tax exemptions.

The current financial plan provides for \$16,374,729 to be generated for the 2021 year.

Revenue Objectives

- a) The District will review fees and charges regularly to maximize recovery of the cost of service delivery;
- b) The District will actively pursue alternative revenue sources to help minimize property taxes;
- c) The District will consider market rates and charges levied by other public and private organizations for similar services in establishing rates, fees and charges;
- d) The District will establish cost recovery policies for fee-supported services, and these policies will consider whether the benefits received from the service are public and/or private;
- e) The District will establish cost recovery policies for the services provided for other levels of government;
- f) General Revenues will not be dedicated for specific purposes, unless required by law or generally accepted accounting practices (GAAP); and
- g) The District will develop and pursue new and creative partnerships with government, community institutions (schools, churches), and community groups as well as private and non-profit organizations to reduce costs and enhance service to the community.

	2021	Percent of Total
REVENUE		
Property Taxes	\$3,078,693	18.8%
1% Utility Taxes	46,113	0.3%
Federal/Provincial in place of taxes	40,000	0.2%
Taxes	3,164,806	19.3%
Sale of services	884,414	5.4%
Penalties and Interest earned	85,300	0.5%
Grants and donations	7,463,680	45.6%
Deferred revenues recognized (DCC, Other)	1,013,383	6.2%
Water sale of services	747,655	4.6%
Sewer sale of services	646,518	3.9%
Transfers	2,368,973	14.5%
Total Revenue	16,374,729	100.0%

Surplus Funds Objective

The *Community Charter* does not allow municipalities to plan for an operating deficit (i.e. where expenditures exceed revenues). To ensure this situation does not occur, revenue projections are conservative and authorized expenditures will be closely monitored. The combination of conservative revenue projections and controlled expenditures should produce a modest annual operating surplus.

Use of Surplus Funds

- a) Council will review options and provide direction regarding the allocation of any operating surplus prior to completion of the budget process for the following year.
- b) To ensure that Accumulated Surplus is not excessive, the balance in the accumulated surplus account should not exceed a specific amount or guideline. The recommended guideline is that Accumulated Surplus should not exceed 10% of the net operating budget.
- c) Accumulated Surplus funds above the 10% guideline shall be used to:
 - i. Fund capital expenditures or to increase reserves;
 - ii. Pay off capital debt, including internal borrowings;
 - iii. Stabilize District property tax and utility rate increases;
 - iv. Fund other items as Council deems appropriate.
- d) Staff will facilitate Council's review of the amount of Accumulated Surplus funds available on an annual basis.

Debt Objective

- a) One-time capital improvements and unusual equipment purchases;
- b) When the useful life of the capital project will exceed the term of financing;
- c) Major equipment purchases;
- d) The maximum borrowing amount to be limited to what is allowed under the *Community Charter*; and
- e) Reserves are to be considered as a funding source before debt.

Reserve Funds Objective

- a) Provide sources of funds for future capital expenditures;
- b) Provide a source of funding for areas of expenditure that fluctuate significantly from year to year (equipment replacement, special building maintenance, etc.);
- c) Protect the District from uncontrollable or unexpected increases in expenditures or unforeseen reductions in revenues, or a combination of the two;
- d) Provide for working capital to ensure sufficient cash flow to meet the District's needs throughout the year; and
- e) Staff will facilitate Council's review of the amount of reserve funds available on an annual basis.

Proportion of Taxes Allocated to Classes Objective

Council's goal is to ensure that there is a fair and equitable apportionment of taxes to each property class. The apportionment to each class is calculated using the multipliers determined by Council prior to preparing the annual tax rate bylaw. The tax multipliers will be reviewed and set by Council annually.

Permissive Tax Exemptions Objective

The District of Ucluelet Council reviews and passes a permissive exemption bylaw to exempt certain properties from property tax in accordance with guidelines set out under Sections 220 and 224 of the *Community Charter*. Although there is no legal obligation, Council may choose to grant exemptions as a method of recognizing organizations within our community which enhance the quality of life for community residents.

The permissive exemptions are evaluated with consideration to minimizing the tax burden to be shifted to the general taxpayer.

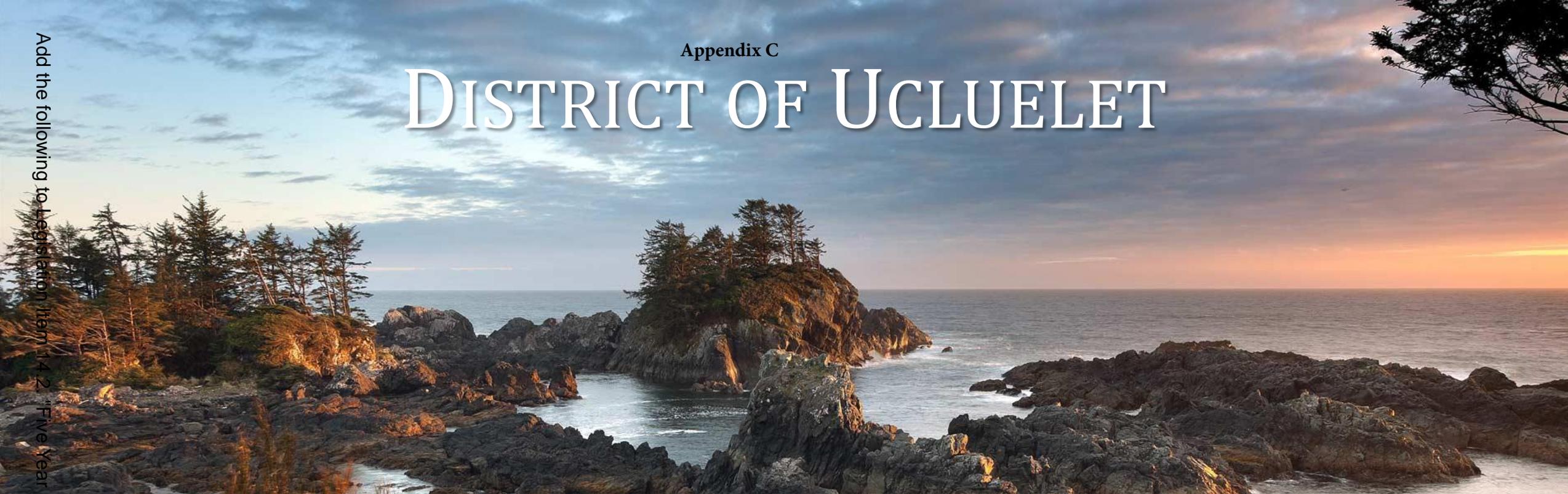
Development Cost Charges Objective

Development cost charges will be used to help fund capital projects deemed to be required in whole or in part due to development in the community. These charges will be set by a bylaw and reviewed regularly as outlined in the bylaw to ensure that the project estimates remain reasonable and the development costs charged are aligned with the strategic goals of Council.

DISTRICT OF UCLUELET					
FINANCIAL PLAN 2021-2025					
BYLAW NO. 1289					
SCHEDULE A					
	2021	2022	2023	2024	2025
REVENUE					
Property Taxes	\$3,078,693	\$3,201,841	\$3,329,914	\$3,463,111	\$3,601,635
1% Utility Taxes	46,113	46,189	46,189	46,189	46,189
Federal/Provincial in place of taxes	40,000	40,000	40,000	40,000	40,000
Taxes	3,164,806	3,288,030	3,416,103	3,549,300	3,687,824
Sale of services	884,414	984,129	1,012,470	1,033,710	1,052,100
Penalties and Interest earned	85,300	85,360	85,360	85,360	85,360
Grants and donations	7,463,680	7,945,750	9,327,096	9,210,639	7,293,304
Deferred revenues recognized (DCC, Other)	1,013,383	-	-	-	-
Water sale of services	747,655	742,300	744,940	752,631	763,060
Sewer sale of services	646,518	652,831	658,007	663,287	673,890
Transfers	2,368,973	2,717,936	1,287,927	1,353,055	1,187,413
Total Revenue	16,374,729	16,416,336	16,531,903	16,647,982	14,742,951
EXPENSE					
Interest payments	145,329	144,839	144,343	143,843	144,640
Amortization expenses	1,167,665	1,167,665	1,167,665	1,167,665	1,167,665
General Government	1,679,231	1,804,874	1,798,409	1,834,416	1,863,089
Protective services	371,767	327,584	336,566	346,359	352,122
Planning & Development	763,040	734,414	742,514	770,793	719,457
Transportation services	961,331	996,715	1,020,237	1,038,768	1,050,306
Environmental health (Garbage/recycling)	27,686	38,239	10,000	10,000	10,000
Cemetery	12,442	12,581	12,800	12,800	12,946
Recreation and Tourism	1,016,061	1,077,169	1,030,517	1,042,391	1,047,507
Parks	681,440	678,973	690,658	706,328	721,468
Water operations	1,020,167	943,059	959,280	915,184	1,091,386
Sewer operations	661,027	632,737	578,450	603,830	610,942
Total Expense	8,507,186	8,558,849	8,491,439	8,592,377	8,791,528
ADD					
Amortization	1,167,665	1,167,665	1,167,665	1,167,665	1,167,665
Total Additions	1,167,665	1,167,665	1,167,665	1,167,665	1,167,665
DEDUCT					
Principal payments debt	171,106	171,597	172,093	172,593	132,724
Transfers to Reserves	55,000	55,000	72,557	56,009	56,030
Acquisitions of tangible capital assets	8,809,102	8,798,555	8,963,479	8,994,668	6,930,334
Total Deductions	9,035,208	9,025,152	9,208,129	9,223,270	7,119,088
Financial Plan Balance: Surplus (Deficit)	\$0	\$0	\$0	\$0	\$0

Appendix C

DISTRICT OF UCLUELET



2021 PROPOSED BUDGET ONLINE OPEN HOUSE



2021 BUDGET PROCESS AND TIMELINE

December 3, 2020 – April 1, 2021

Budget Presentations

April 14th

First & Seconds Readings - Five Year Financial Plan, and Tax Rates Bylaws

April 15th

Online Public Input Begins

April 26th

Deadline for submitting written public feedback to communityinput@ucluelet.ca

April 27th

3rd and Final Approval - Five Year Financial Plan Bylaw

3rd and Final Readings - Tax Rates Bylaw

Note: Bylaws MUST be adopted prior to May 15, 2021



2021 BUDGET OVERVIEW



District Budget

- \$10,033,744 million in 2020
- \$16,374,729 million in 2021

Challenges and Highlights

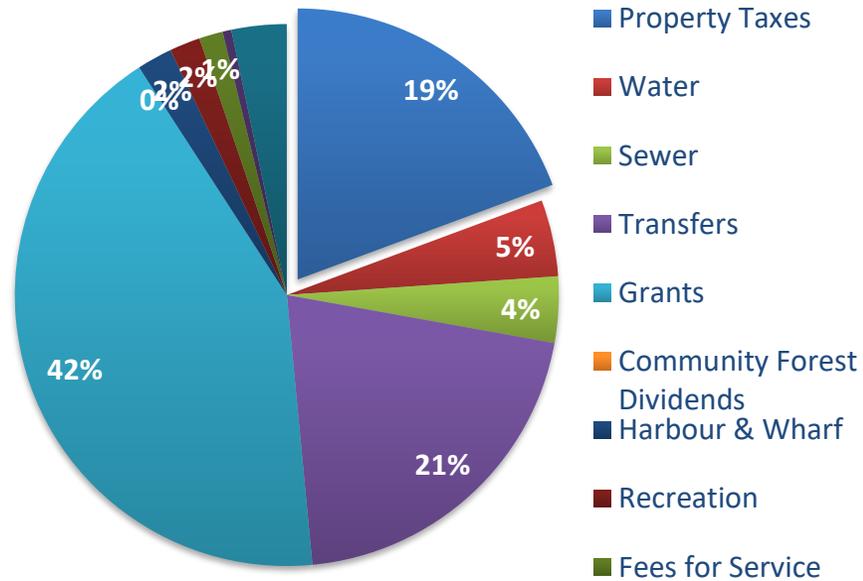
- COVID-19 has created significant impacts on revenues and cash flows
- 1% overall general municipal property tax proposed
- Future years are based on a 4% revenue increase in general Municipal taxation **each** year



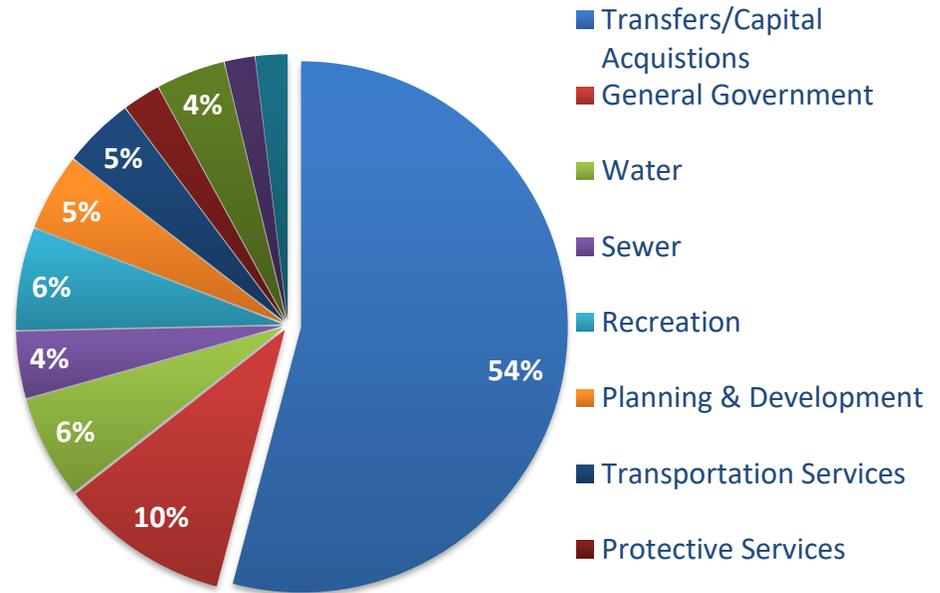
2021 REVENUES & EXPENDITURES

2021 District Budget: ~16.3 Million

Where do our dollars come from?



How are our dollars spent?



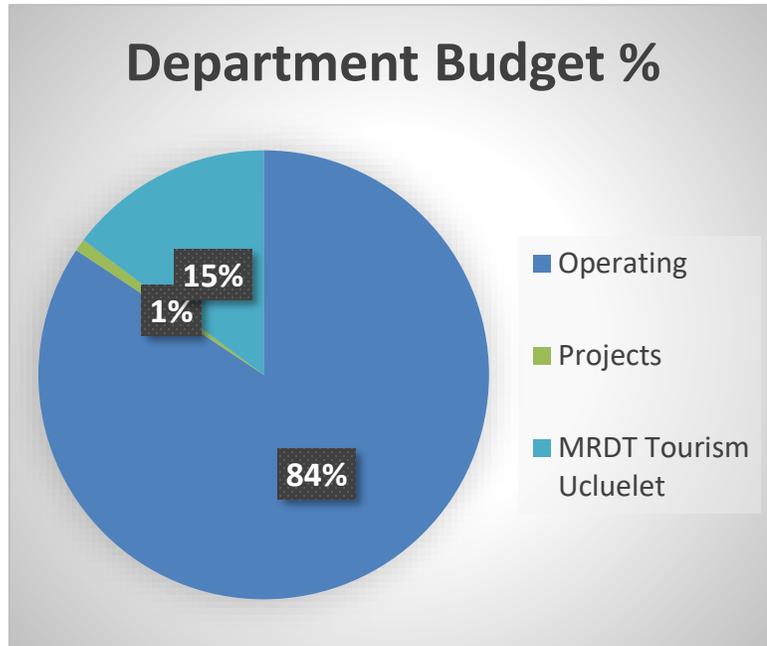
FINANCE/CORPORATE SERVICES DEPARTMENT OVERVIEW

Department Summary

2020 Budget - \$ 1,352,958

2021 Budget - \$1,694,231

Departmental Staff – 7.50 FTE



Finance Core Services

- Accounting for transactions
- Treasury
- Taxation
- Financial Planning & Budgeting
- Procurement & Purchasing
- Fiscal Management
- Support Services

Corporate Core Services

- Council & Harbour Authority Meetings
- Council Support
- Committees of Council
- Records Management
- Bylaws
- Human Resources Support
- Corporate Communications
- Information Technology - Contracted Services



FINANCE/CORPORATE SERVICES DEPARTMENT PROJECTS

2020 Carry Forward Projects

- Bylaw/Policy Gap Analysis – in progress
- Continued Indigenous Awareness training - \$3,000

2021 Proposed Projects - funded through operating budgets

- Asset Management – Facilities Master Plan - \$20,000 (Gas Tax)
- SewerWorth Implementation completion- \$2,700
- Bi-Monthly Mayor's radio address - \$2,350
- Policy updates/additions – in house (Communications, Investments, Reserves)
- Bylaw reviews/updates – in house (Fees & Charges, Business Licensing)
- ~~-Records management system review, redesign and initial implementation – \$18,000 (cut)~~
- UCC and District office server replacement and relocation to the Fire Hall – (\$15,000)



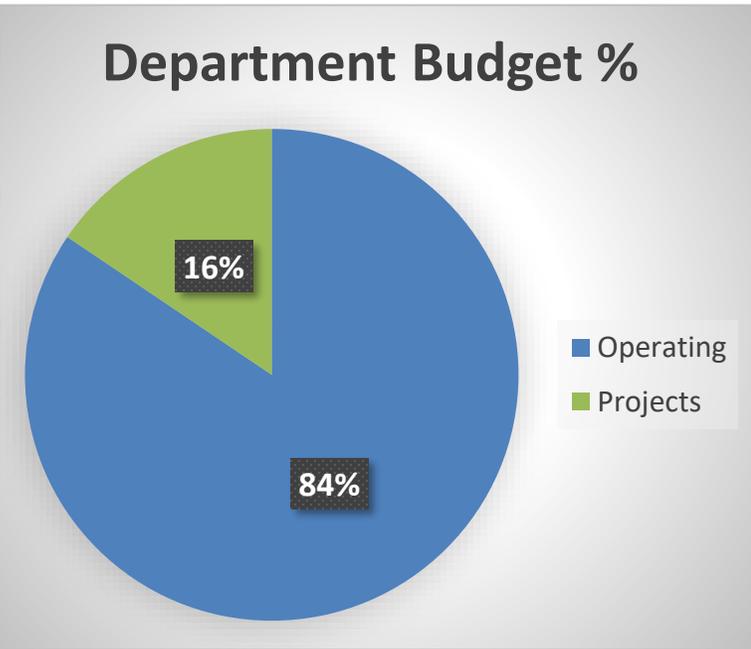
PLANNING AND BUILDING DEPARTMENT OVERVIEW

Department Summary

2020 Budget - \$675,632

2021 Budget - \$763,040

Departmental Staff – 4 FTE



Core Services

- Current Planning – Development Applications
- Long Range Planning (bylaw updates)
- Property Inquiries
- Land Files
- Subdivision
- Business Licensing Approvals
- Planning Public Realm projects (parks, pathways, roads, facilities)
- Building Permits & Inspections
- Bylaw Services

2020

- Flood Risk Assessment & Mapping - \$150,000 (Grant)
- Land-Use Demand Study (w/ Tofino) - \$120,000 (Multiple Sources)

Projects Proposed for 2021

- OCP Bylaw Adoption
- Residential Zoning amendments (B&B's/accessory cottages/etc.) - \$25,000
- Flood Plain Bylaw
- Affordable Housing Needs Assessment (w/Tofino) - \$25,000 (EcDev 2018)
- Development Cost Charges (DCC) Bylaw Update - \$18,500 (Carryover)
- Subdivision & Development Servicing Standards Bylaw - \$25,000 (Carryover)



RECREATION DEPARTMENT OVERVIEW

Department Summary

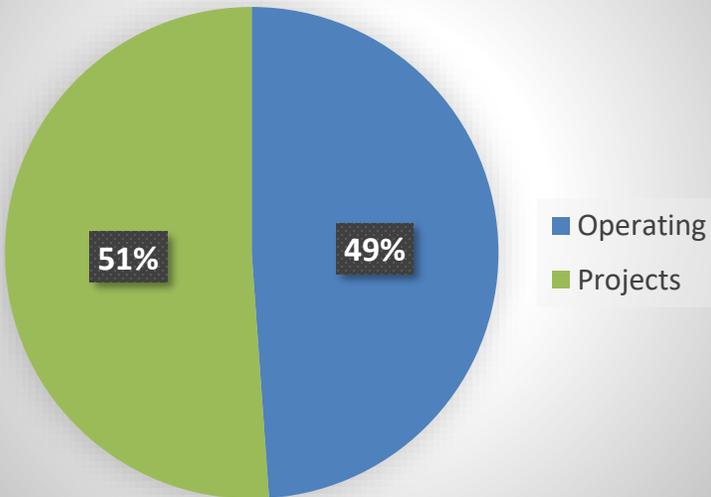
2020 Budget - \$1,843,835

2021 Budget - \$2,078,859

Departmental Staff:

6 FTE + 2 temp janit/event staff

Department Budget %



Core Services

- Community Programming
- Community Health
- Community Special Events (partnerships)
- Facilities (asset management)
- Beautification
- Projects (tourism, pathways, signage)
- Alternative Programming
- Support for community services

Projects for 2021

- Tourism Master Plan - \$33,416 (grant)
- Install of Water Fountain (Surfrider)
- Hard Sports Surface Facility Planning - \$50,000 (BCF)
- Junction Entrance Sign Upgrade & Lighting - \$25,000
- Lighting - Skatepark and basketball court lights - \$60,000 (taxes or grant)

Future Projects

- Emergency generator for UCC - \$90,000 (grant)
- ~~Additional Storage UCC - \$150,000 (cut)~~



PARKS DEPARTMENT OVERVIEW

Department Summary

2020 Budget - \$585,047

2021 Budget - \$749,440

Departmental Staff:

5 FTE + 2 Summer

Core Services

- Community Health
- Beautification
- Playgrounds
- Trails & Green Spaces
- Projects (tourism, parks, pathways, facilities)

2020 Carry Forward

Edna Batchelor Park Path - \$10,000

2021 Proposed Projects

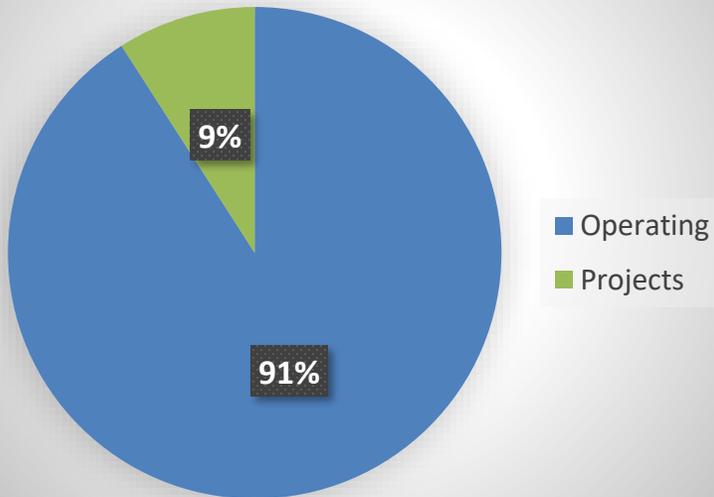
Cemetery Expansion- \$47,000

Wild Pacific Trail ~ \$50,000/year

2021 - \$21,000 Planning and Design

2022-2024 - \$180,000 Trail Upgrades
(potentially grant funded)

Department Budget %



PROTECTIVE SERVICES DEPARTMENT OVERVIEW

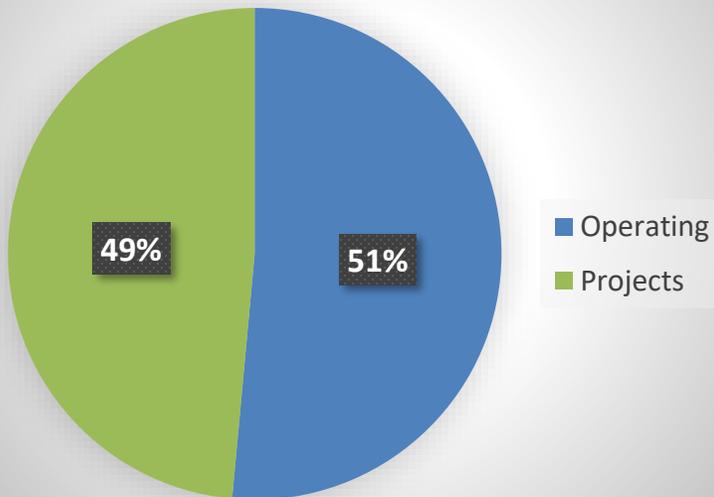
Department Summary

2020 Budget - \$489,103

2021 Budget - \$601,081

Departmental Staff – 1 FTE, 2 pt

Department Budget %



Core Services

- Volunteer Fire Brigade operation and administration
- Community emergency preparedness
- Emergency Social Services (ESS)
- Ucluelet Emergency Network
- Environmental programs
- Fire Training
- Fire Safety Inspections

2021 Proposed Projects

- Roof for ESS trailer and shipping container - \$10,000
- Fire Hall feasibility study \$30,000 (BCF funded)
- Evacuation Route Plan (UBCM grant)
- Emergency Generator at School (BCF funded, carried over)

Future Projects

- Two Tsunami Warning System Sirens \$50,000 each
- Roof replacement at fire hall - \$50,000 (optional)



PUBLIC WORKS DEPARTMENT OVERVIEW

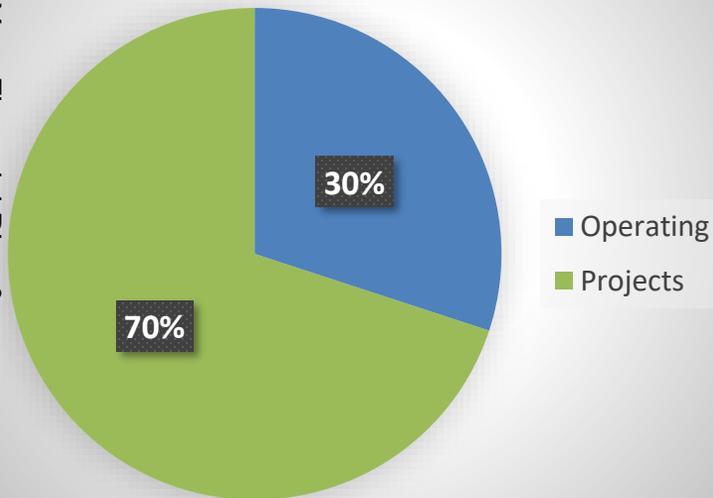
Department Summary

2020 Budget - \$1,805,239

2021 Budget - \$3,332,092

Departmental Staff – 6.33 FTE,

Department Budget %



Core Services

- Maintenance of municipal roads, sidewalks and public garbage
- 24-hour emergency services for the community
- Repairs to municipal infrastructure
- Records management of municipal infrastructure and facilities
- Water and sewer systems and grounds maintenance
- Public Realm projects (parks, paths, roads, facilities)
- Data collection
- Facility maintenance
- Equipment maintenance
- Traffic Control
- Public Enquiries

2021 Planned Projects

- Public Realm and Small Craft Harbour Projects





Harbour Reserves Funded

Reviewed by Harbour Authority in February 2021

2020 Completed Projects

- Defibrillator for SCH - \$2,829 actual (budget \$2k)
- New pilings at Whiskey Dock – \$29,611 actual (budget \$44k)
- Weigh Station and Signage \$1,300

2021 Proposed Projects



- Harbour Master Plan - \$12,000 additional to complete (COVID, Online platforms, extension)
- New pilings at Whiskey Dock - \$30,000
- SCH Beautification ongoing- \$10,000
- Washrooms \$12,000 painting and upgrade
- Asphalt pathways \$15,000
- Whiskey Dock ramp \$15,000
- Water's Edge walkway - \$65,000 redesign

Carry-Forward

- Cleaning Station Education Signage - \$10,000
- EV Charging Station install – RMI funded
- Boat launch design - \$10,000
- Harbour Master Boat procurement – \$20,000

Proposed/Carry-Forward Total: \$199,000

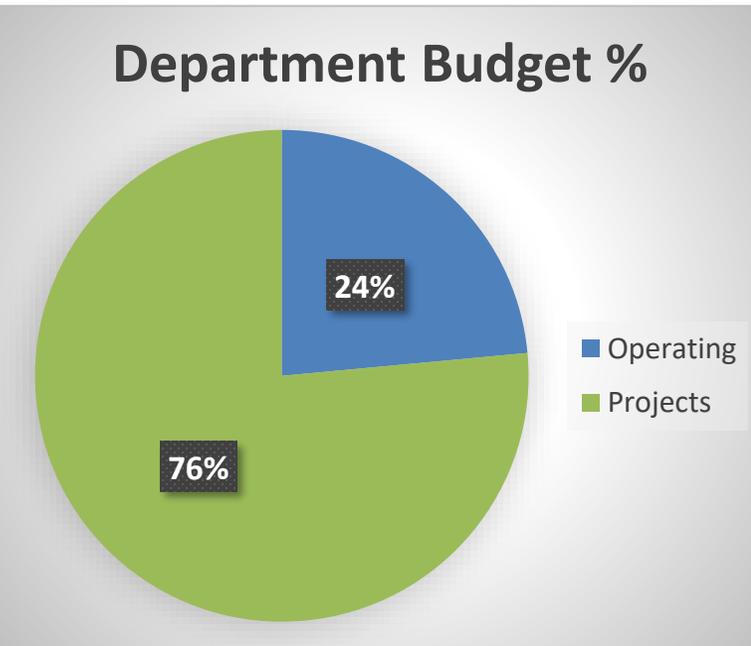


SEWER DEPARTMENT OVERVIEW AND PROJECTS

Department Summary

2020 Budget - \$1,298,989

2021 Budget - \$2,810,527



Core Services

- Testing / Monitoring
- Maintenance / Repairs / Connections
- 24 hour emergency response
- Emergency Planning
- Federal / Provincial reporting
- Facility maintenance and pump repairs
- Treatment

SEWER AND STORM PROJECTS	BUDGET	COMMENTS
Bay Street Duplex Elimination	\$629,000	95% complete including back-up generator
Sewer Master Plan	\$90,000	75% complete – carry forward to 2021
Storm Master Plan	\$90,000	10% complete – carry forward to 2021
Lagoon Aerators	\$25,000	80% complete – carry forward to 2021
SCADA sewer	\$35,000	50% complete – carry forward to 2021
Seaplane Base Sewer	\$995,000	Grant application submitted – 100% funded
Sanitary Sewer Auxiliary Power	\$6.6M	Grant application submitted – 100% funded
* NEW FUNDED ITEMS	\$0	



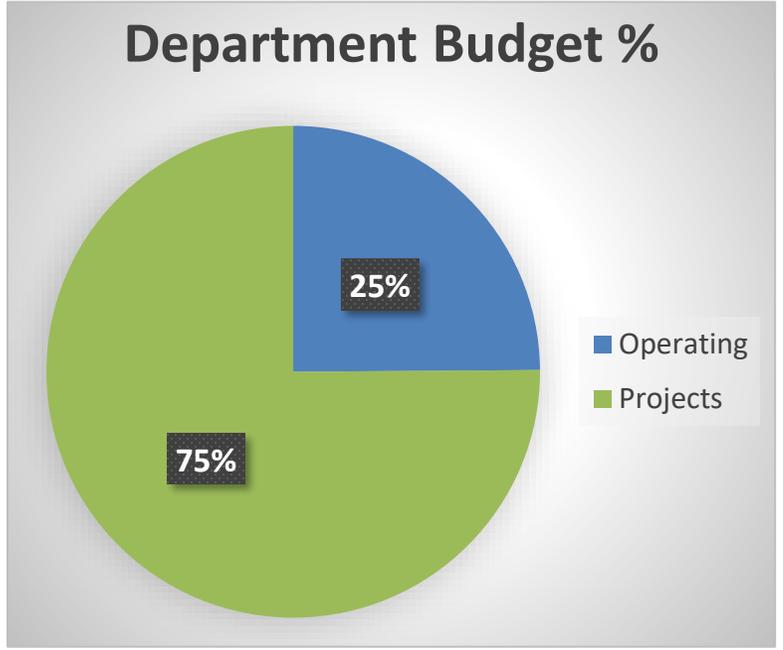
WATER DEPARTMENT OVERVIEW AND PROJECTS

Add the following to Legislation Item 14.2. "Five Year Financial Plan & ...

Department Summary

2020 Budget - \$1,211,419

2021 Budget - \$4,098,766



Core Services

- Purveyors of Water
- Distribution and Treatment
- Testing / Monitoring / Data Collection
- Provincial Reporting
- 24 hour emergency response
- Facility Maintenance / pump repairs
- Connections / Metering
- Emergency Planning
- Flushing
- Infrastructure Repairs

WATER PROJECTS	BUDGET	COMMENTS
Matterson Reservoir Upgrade	\$30,000	Complete
Well upgrade	\$120,000	50% complete – carry forward to 2021
SCADA Water	\$55,000	50% complete – carry forward to 2021
New Water Filtration System*	\$9.6M	Awaiting grant announcement Next slides outline proposed project
* NEW FUNDED ITEMS	\$0	



Water Filtration Project Timeline - Revised

Water Filtration Project includes:

1. Filtration at Bay Street treatment plant (2022-2023)
2. Filtration at Well Field (2024-2025)
3. 3rd Reservoir (2026)

Funding

- Prov/Fed CWWF grant application deadline February 26, 2020.
 - Total estimated project cost \$9.6M, \$7M grant and \$2.6M loan.
 - Costs including loan payment require 4.5% water fee increase each year for 5 years.
 - Typical homeowner water bill will increase annually from \$300 to \$374 in 2025.

Council Motions

THAT staff submit an application for grant funding for the Ucluelet Water Capacity and Filtration Improvements Project through the *ICIP – Green Infrastructure: Environmental Quality Sub-stream*; and

THAT Council supports the project and commits to its share up to \$2,600,000 of the project.

CARRIED Feb 20, 2020



Public Realm Projects

2019-2021 Multi-Year Projects Summary	Status	Lead	Funding
 Village Green Revitalization	Ph 1 Concept design & cost estimate complete. Grant Application Submitted	Planning BG	GT/RMI/G
 Peninsula Road Revitalization	Concept design & Class C cost estimates complete. MOT response pending.	Planning JT	GT/RMI/G
Cedar Road Parking	Construction completed. Final components installed soon.	Public Works WC	GT/RMI
 Amphitrite House	Grant received for project. Survey work initiated.	Rec/Tourism AF	RMI/G
 Amphitrite Centre	No confirmation from DFO. Survey work initiated.	Rec/Tourism AF	CF
 Ucluelet Health Centre Design	Project completed. Draft report to Council on January 26, 2021	Corporate Services MB	CF
<i>Water's Edge Walkway</i>	<i>New Project - Design stage for causeway, path and gazebo</i>	<i>Rec/Tourism AF</i>	<i>SCH</i>

Funding Sources
 GT – Gas Tax
 RMI – Resort Municipality Initiative
 G – Grant
 CF – Community Forest
 SCH – Small Craft Harbour

 Strategic Plan Projects



Proposed Use of Community Forest Funds

Year	Project Allocation	Funds
2019	Unallocated Balance Forward	\$2,930,000
2020 Approved	Emergency Generator	\$180,000
	Affordable Housing Funds	\$500,000
	Amphitrite Centre	\$105,000
2020 Dividends		\$458,000
2021 Request	Tugwell Recreation Facility	\$50,000
2021 Approved	Fire Hall Options Study	\$30,000
Potential	Tugwell Recreation Facility	\$950,000
Potential	Amphitrite Centre	\$145,000
Remaining Funds		\$1,428,000

POTENTIAL PROPERTY TAX IMPACT

1.00% overall tax revenue increase

Municipal Property Taxes for a representative property	2021 Average Market Value Assessment	2021 Average Property Tax Levy	2021 Property tax increase on a representative property
Residential Single Family	\$425,495	\$1,304.66	\$36.66 2.89%
Business	\$255,589	\$2,736.45	(\$55.55) (1.98%)

The most important factor is not how much your assessed value has changed, but how your assessed value has changed *relative to the average change for your property class*



Summary of Draft Schedule A

	2021	2022	2023	2024	2025
Revenue	16,374,729	16,416,336	16,531,903	16,647,982	14,742,951
Expenses	8,507,186	8,558,849	8,491,439	8,592,377	8,791,528
Add	1,167,665	1,167,665	1,167,665	1,167,665	1,167,665
Deduct	9,035,208	9,025,152	9,208,129	9,223,270	7,119,088
Financial Plan Balance	\$0	\$0	\$0	\$0	\$0

- Prior to the Covid-19 Pandemic, the goal was a 4% overall revenue increase in general Municipal taxation in 2020
- 2020 Revised budget was 0%
- 2021 budget is based on a 1% revenue increase in general Municipal taxation
- Future years are based on a 4% revenue increase in general Municipal taxation **each** year



2021 BUDGET PUBLIC INPUT

Due to restrictions on public gatherings related to COVID-19, the 2021 Budget Presentation will be available for public review **online**.

All budget materials are available at <https://ucluelet.ca/community/finance>

Public input can be submitted by email at communityinput@ucluelet.ca.

Submissions must be received by Monday, April 26th at 12 p.m.

