



# COLUMBIA SHUSWAP REGIONAL DISTRICT

## Committee of the Whole Meeting

### AGENDA

Date: Wednesday, February 24, 2021  
Time: 9:30 AM  
Location: CSR D Boardroom  
555 Harbourfront Drive NE, Salmon Arm

Pages

1. Call to Order

2. Adoption of Agenda

**Motion**

THAT: the agenda of the February 24, 2021 Committee of the Whole meeting be approved.

3. Meeting Minutes

3.1. Adoption of Minutes

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**Motion**

THAT: the minutes from the January 27, 2021 Committee of the Whole meeting be adopted.

3.2. Business Arising from Minutes

4. Business General

**4.1. Overview of the Draft II, 2021 Financial Plan (Budget)**

J. Pierce, Manager, Financial Services to present Draft II of the 2021 Financial Plan.

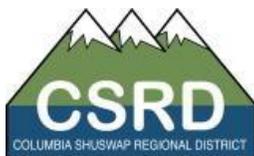
- Questions arising from Draft I
- Key changes from Draft I to Draft II
- Tax summaries
- Questions
- Public Consultation

A copy of the draft 2021 Financial Plan is available on the CSRD [website](#) and a view only copy is available at the CSRD office.

**5. Adjournment**

**Motion**

THAT: the February 24, 2021 Committee of the Whole meeting be adjourned.



## COMMITTEE OF THE WHOLE MEETING MINUTES

**Note: The following minutes are subject to correction when endorsed by the Board at the next Regular meeting.**

Date: January 27, 2021  
 Time: 9:30 AM  
 Location: CSRD Boardroom  
 555 Harbourfront Drive NE, Salmon Arm

Directors Present	K. Cathcart^	Electoral Area A
	D. Brooks-Hill^	Electoral Area B
	P. Demenok^	Electoral Area C
	R. Talbot^	Electoral Area D
	R. Martin (Vice Chair)	Electoral Area E
	J. Simpson^	Electoral Area F
	C. Moss*^	Town of Golden
	G. Sulz*^	City of Revelstoke
	T. Rysz*^	District of Sicamous
	K. Flynn (Chair)	City of Salmon Arm
	T. Lavery*^	City of Salmon Arm
Staff In Attendance	C. Hamilton*	Chief Administrative Officer (CAO)
	J. Sham*	Deputy Manager, Corporate Administration
	C. Robichaud	Legislative Clerk
	G. Christie*	Manager, Development Services
	J. Pierce	Manager, Financial Services
	D. Mooney^	Manager, Operations Management
	A. Chappell*	Deputy Treasurer, Financial Services
	K. Dearing*	Acting Manager, Shuswap Tourism/Columbia Shuswap Film Commission
	B. Payne*	Manager, Information Systems
	T. Hughes^	Communications Coordinator

\* attended a portion of the meeting only.

^ electronic participation.

**1. Call to Order**

The Chair called the meeting to order at 9:31 AM and noted that the meeting was in compliance with Public Health Orders. Chair Flynn welcomed all guests in the virtual gallery and advised that the meeting was being recorded.

**2. Adoption of Agenda**

**CW2021-0101**

**Moved By** Director Martin

**Seconded By** Director Demenok

THAT: the agenda for the January 27, 2021 Committee of the Whole meeting be approved.

**CARRIED**

**3. Meeting Minutes**

**3.1 Adoption of Minutes**

**CW2021-0102**

**Moved By** Director Rysz

**Seconded By** Director Cathcart

THAT: the minutes from the February 26, 2020 Committee of the Whole meeting be adopted.

**CARRIED**

**CW2021-0103**

**Moved By** Director Martin

**Seconded By** Director Lavery

THAT: the minutes from the December 3, 2020 Committee of the Whole meeting be adopted.

**CARRIED**

**3.2 Business Arising from Minutes**

None.

**4. Business General**

**4.1 Overview of the draft 2021 Financial Plan (Budget)**

Presentation by J. Pierce, Manager, Financial Services.

- Budget process;

- Assessment trends;
- Mandates;
- Public consultation;
- Review of workbook;
- Questions;
- Public consultation.

A copy of the draft 2021 Financial Plan is available on the [CSRD Website](#) and a view only copy is available at the CSRD office.

**Budget process:**

The Manager, Financial Services provided an overview of the budget process and noted that the draft budgets are based on the December 31 Completed Roll. The final budget uses the Revised Roll that is released March 31.

**Assessment trends:**

An overview of assessment trends from 2020 to 2021 was provided. Manager, Financial Services noted that most bylaws use Converted Assessment, not Total Assessment. The Total Assessments are the raw assessment data. That data is then assigned a multiplier assigned by the Province based on the classification of the property to arrive at the converted assessment. The multipliers are as follows: Residential multiplier is 1.0, commercial multiplier 2.45, industrial 3.4 and utilities have a multiplier of 3.5. Manager, Financial Services also explained that municipalities have the authority to change the class multipliers whereas regional districts do not. This is because the municipalities are considered Taxing Authorities, whereas the Regional Districts are not. The Regional District can set the tax requisition but not the tax rates.

Manager, Financial Services then described how the tax burdens are allocated based on the functions and the municipalities and electoral areas. For regional services such as Recycling, 911 emergency response, and feasibility funds, Salmon Arm is the highest contributor by funding 26.8% of the tax burden for these services and Area B is the lowest at 3.31%.

For electoral area services such as Development Services, GIS, mapping and special projects, Area C is the highest contributor with approximately 38.78% of the burden and Area B is the lowest with 7.36% of the burden.

Director Martin asked if the tax per \$1,000 of assessed value would be the same for a service in rural Sicamous as in Celista. Manager, Financial Services responded that it is a complicated question because it depends on the service but for a region wide service such as recycling, the answer is yes it would be the same mill rate.

Manager, Financial Services then presented a slide which shows exactly how much the assessment can shift the tax burden from one area to another and noted that the tax requisition for Area D is up approximately 1% based entirely on assessments.

### **Departmental Mandate Presentations:**

Managers of each of the Departments provided an overview of the 2021 Mandates for their respective Department(s), as referenced in the Financial Plan/Budget binder:

- Corporate Administration (C. Hamilton, J. Sham)
- Financial Services (J. Pierce)
- Information Systems (B. Payne)
- Development Services (G. Christie)
- Operations Management (D. Mooney)
- Economic Development, Shuswap Tourism & Shuswap Film Commission (C. Hamilton and K. Dearing)

### **Corporate Administration:**

The Chief Administrative Officer explained how the mandates are targeted to align with the Strategic Plan and then provided a high-level overview of the key projects for Corporate Administration in 2021. This is not an exhaustive list but rather the higher profile/priority projects:

- The Blind Bay/Sorrento incorporation study is a high-profile significant project that experienced delays in progress due to COVID but will likely receive a report from the Committee in 2021. Related to this project is the Area F Community Needs Assessment. Staff are working with the Minister to look at expanding the scope of the project to address the desires of the community. There is the long-standing request to the Ministry for funding to undertake this project, however, the status is

unknown. With a new Minister, there may be more information forthcoming.

- The transition to the new Shuswap Economic Development Society is nearing completion and there will be a Board report at the February Board meeting seeking authorization for a servicing agreement. There is still some uncertainty with Shuswap Tourism and with fracturing off Economic Development, there are financial repercussions relating to Shuswap Tourism and perhaps now is the time to review the current Tourism model.
- Rail trail planning initiatives are on going; however, the Rail Trail is proving to be challenging and more time consuming than anticipated largely due to issues inherited from CP Rail wherein individual property owners believe they have rights that are not consistent with RDNO and CSRD principles. It is hoped that all agreements can be finalized during the 2021 year.
- CAO succession planning will be embarked upon as the CAO is set to retire in June 2023 and the CAO indicated he will be looking at the existing operating model and will be bringing forward recommendations for the Board's consideration as the CSRD moves forward as an organization.
- The CAO then turned the floor over to Deputy Manager, Corporate Administration who discussed the plans for updating communications including a website refresh, increased prominence on social media platforms and mass notification systems.

Director Martin asked if the RCMP would be able to access/utilize the mass notification system, however, Deputy Manager Corporate Administration indicated that it is too early in the process to clearly identify that and there would need to be some sort of agreement in place as the intent is more for emergency notification. Director Martin indicated support for the system and commented that it should be a good thing as radio is not readily available in some areas.

#### Financial Services:

Manager, Financial Services discussed how the finance department is integral to all other departments within the CSRD and provides financial expertise, guidance, and support to both internal and external departments. She then provided an overview of the many annual legislated reporting requirements by the financial services department, including but not limited to: the Five Year Financial Plan, audited financial statements, SOFI, LGDE, WCB, T4's, Gas Tax Reporting, Carbon Tax

reporting, and reporting on the many grants. Also, 2020 presented many challenges during the COVID pandemic that resulted in an increase the workload, specifically in the Human Resources realm.

Finally, Manager, Financial Services introduced a new PSAB reporting requirement that will be required as part of the 2022 Financial Statements. This new requirement, Asset Retirement Obligations, will start to impact the work of all departments who have assets and there could be a significant financial impact in having to account for the financial liability of the retirement of the assets at some date in the future.

#### Information Technology:

The Manager, Information Systems provided an overview of the key IT projects for 2020:

- Network Switch update as current switches are not meeting the network and security needs of the CSRD.
- Upgrade of programs to new version of Microsoft as the current version will no longer be supported by the end of 2021.

These new projects which align with the disaster mitigation strategy will provide for a more streamlined ability to work remotely as well as to reduce the large commitment to equipment and costs of running and maintaining that equipment.

#### Development Services:

Manager, Development Services gave a brief overview of 2020 which are outlined in the mandates and commented that the slowdown that they anticipated in light of the pandemic did not happen. The pandemic challenged staff on many levels with working remotely, attending meetings, and holding public consultations, however, he was pleased with how staff adapted and how the area residents were able to proceed on their projects with minimum interruption. He also discussed the many upcoming projects that align with the strategic plan that are on-going and include:

- New guidelines in hazardous areas that will provide clarity during a development permit application process, reviewing floodplain specifications and geohazard requirements.
- Housing needs assessments in other areas.

- Bylaw amendments and ongoing bylaw developments, referral discussions, liaising with other agencies, and mobile technology for permitting.

Manager, Development Services also commented on the continued challenges to the increasing numbers of development services applications and building permit applications especially with the new Building Act legislation coming into force February 28, 2021. To that end, he also relayed a meeting he attended with staff from the District of Sicamous who wish to cost share on building inspection staff. Manager, Development Services, indicated that the CSRD does not have capacity to share staff at this time and while he is sympathetic to the challenges faced by the District, he does not feel that the CSRD cannot accommodate this proposal at this time.

There was a discussion amongst the Directors about the proposal and the costs and concerns relating to this topic. There was no decision or recommendation as a result of this discussion.

Director Demenok spoke of the awareness of the Directors regarding the increasing volume of applications, permits and bylaw enforcement cases and he appreciated staff coping with that increase, although he wondered if there could be a way to take some remedial steps towards dealing more efficiently with bylaw complaints so more complaints can be addressed in a timelier manner. Manager, Development Services reminded the Committee that a new policy was adopted a few years ago to deal with bylaw complaints and feels that most of the new complaints are possibly the result of the pandemic with more people working from home rather than some other systemic issues. Staff is always open to looking at options but many times, complainants just want to be heard and that while there is no action that is a result of the complaint, it can take considerable time.

#### Economic Development, Tourism & Film Commission:

CAO spoke to the future of Shuswap Tourism given that the Shuswap Economic Development Society has been established and we no longer have the economies of scale that we previously had. CAO commented that we need to take a seriously look at the structure of the program moving forward and how best to deliver that service. He indicated that it is becoming apparent that the CSRD is having difficulty managing Shuswap Tourism and the Board will have to decide how to proceed. The current

acting Manager will be at the end of his contract at the end of June 2021 and no recruitment for replacement has not yet been undertaken until the Board decides how to move forward.

CAO then turned the floor over to the Acting Manager, Shuswap Tourism who provided an overview of the upcoming projects and priorities of Shuswap Tourism as outlined in the mandates. He outlined the various marketing tactics that will fall in line with social distancing and local travel exploration but how the program is ready to pivot the messaging as soon as the Shuswap is safely able to welcome visitors back.

Director Lavery updated the Committee on a report that the City of Salmon Arm commissioned in terms of looking at, and recommending options, for all tourism initiatives and the funding relationship. He indicated that Salmon Arm is fully in for 2021, however, the City is committed to having clear and collaborative discussion around their relationship with Shuswap Tourism and how the City's strategies translate to the significant funding required as a participant of Shuswap Tourism. Chair Flynn indicated he would be sharing the report with the Board when approval is provided by the City. Director Rysz said that decisions of Salmon Arm Council will impact Sicamous in the future with regards to tourism and that he is waiting to hear the discussions and decisions.

#### Operations Management:

Manager, Operations Management summarized the staffing, volunteer usage and contract management within the Operations department. There are over 80 initiatives for 2021, including but not limited to:

- Ongoing work in Asset Management
- Aquatic Centre Feasibility project; anticipate completion of the report in spring with a refinement of a preferred option and costing in advance of a public assent process.
- Financial review of tipping fee financing structure
- Obtaining Section 11 permit to allow for continuation of Milfoil program.
- Renewal of pest management plan for Scotch Creek and renewal of service of Mosquito Control
- Liquid Waste Management Plan renewals for all four LWMP areas
- Fire Services capital projects and accreditation programs
- Capital projects in various parks including Eagle Bay, Nicholson, and Glenemma

- Exploration of parking lot expansion for CSRD building.
- Ongoing policy and bylaw work.

Director Cathcart thanked Mr. Mooney and his team for the amazing process undertaken for the proposed aquatic facility in Golden. The public engagement has been stellar despite the pandemic. It has been a lot of work with much more to do but Director Cathcart just wanted to make sure the Committee was aware of the tremendous work and asked if the costs of moving forward with assent are included in the budget. Manager, Operations Management indicated that the existing feasibility funds will be adequate to finish the project but any costs for an assent process would be separate. Manager, Financial Services indicated that there would need to be additional funds requested for an assent process which would need to be repaid by the newly established service if positive assent was obtained.

### **Public Consultation**

There were no members of the public in attendance virtually.

### **Staffing Complement:**

The Manager, Financial Services explained that the staffing complement is reviewed annually including approved increases within the Collective agreement and the allocation of staff time across departments. The 202a Draft 1 budget is proposing a 2.0 increase in full time equivalents (FTE) which is broken out as follows: 1.0 FTE Plan Checker position and a 1.0 FTE Human Resources Coordinator. The business cases for these positions are within the budget materials. At the September EAD meeting, the Electoral Area Directors supported a new position in the Building department and staff determined that a Plan Checker would provide the best solution for the department. Currently the Human Resources work is done off of the sides of various desks and staff is recommending a full-time position as the organization has increased to a size and complexity where a dedicated position is needed. The total salary increases in 2020, inclusive of the new positions are \$472,000 which also includes collective agreement increases, and increased costs in WCB, CPP and Pension.

**CW2021-0104****Moved By** Director Martin**Seconded By** Director Cathcart

THAT: the Committee recommend that the Board ratify approving the 1.0 FTE Plan Checker position at the March 2021 Board meeting.

**CARRIED****CW2021-0105****Moved By** Director Flynn**Seconded By** Director Martin

THAT: the Committee recommend that the Board ratify a 1.0 FTE HR Coordinator position at the March 2021 Board meeting.

Discussion on the Motion:

The Committee discussed the Human Resources position and Chair Flynn noted that during the CAO review, there was a common thread that an HR position was needed and that further in a recent benchmarking report of 10 similar sized communities, the CSRD is the only one that did not have this position. The Committee indicated its support for the position but is concerned about budget considerations and timing in terms of the pandemic.

**CARRIED**

Lunch break 12:04 PM

Meeting reconvened at 12:32 PM

**Review of Workbook**

A series of slides presented by the Manager, Financial Services illustrated the total overall budget of the CSRD and broke down the increases in the various expenses and revenues including operating expenses, capital expenses, transfers to/from reserves and project costs. The overall operating expenses of the CSRD in draft 1 are an increase of 1.49%. This includes the cola increase on staff wages, increases in contracts throughout many of the functions, and the inflationary increase in expenses such as heating, electricity etc. The overall increase in the tax requisition is proposed to be 1.18% in draft 1.

### Area Tax Summaries:

The Manager, Financial Services presented slides on that showed the comparisons of converted assessment, residential assessment, tax increase and tax per residential taxpayer. The Committee was also advised of the proposed total tax requisition, area by area, noting that these percentages are for draft 1 at this time.

Director Moss commented that the single largest contributor to the increase at the Town of Golden was the Arena and this was one area that was particularly hard hit due to COVID and that the Province has provided relief funds to offset things like this and looks to staff for comment.

Manager, Financial Services said that this is not lost on staff and for draft 1 had not looked at any COVID relief funds for facilities as we were still finalizing year end. It was also noted that the insurance proceeds for the Arena had not yet been resolved and therefore no recommendations for relief funds had been made but that they were still under consideration. At this time, the Committee had a general discussion on COVID relief funds and questioned the apportionment however there were no additional recommendations.

### Electoral Area Taxes:

The Committee was directed to the Electoral Area Taxes section of the workbook. Manager, Financial Services reminded the Committee that we do not yet have the mill rates for the provincial taxes, school taxes, and regional hospital districts. These documents are updated in the summer and are posted on the website.

The Manager, Financial Services confirmed that the preliminary tax rate for the Hospital District was included for Areas B, C, D, and E. Electoral Areas A and F are within other Hospital Districts and staff does not know the tax rate for those districts.

Director Martin asked if there was any indication of how much the policing costs might increase if the RCMP were to unionize as this could be a significant impact. Manager, Financial Services indicated she had no further information at this time.

### Parcel Taxes:

Parcel taxes exist for each water system, one street lighting function, all Liquid Waste Management Plan service areas, and the Shuswap Watershed Council. Parcel taxes for all but the water systems remain

quite stable, however, most water systems will see increases in accordance with the utility rates and regulations bylaw.

#### Budget Comparisons by Function:

The Manager, Financial Services discussed that all functions were summarized in the budget binder, however, only those functions that had significant impacts were reviewed during this portion of the budget. There was some discussion around many of the functions, however, only those of significance or with recommendations have been captured here.

The Committee had some comments regarding use of surpluses and reserves, however, Manager, Financial Services indicated that this is only Draft 1 and many of those numbers are still preliminary. Staff will be using operating reserves and surpluses to mitigate tax increases where appropriate to keep tax increases to a minimum due to the pandemic but wanted to be judicious in their application so as not to inadvertently cause a situation where a large increase would be followed in 2022.

Director Demenok questioned increasing the tax requisition for the Economic Development function as there would be some upfront costs for the Society. CAO indicated that there would likely be a large surplus from 2020 when the final numbers are in and that some of that surplus could be utilized to mitigate those costs. Director Demenok was concerned that the Draft 1 budget would not allow the Society to proceed effectively but if the surplus was sufficient then he agreed that an increase to the tax requisition was likely not necessary and that he was satisfied with waiting until Draft 2 so that there would be a clearer financial picture.

There was some discussion around the recommendation from the SEP Committee meeting held on January 6, 2021. The recommendation was to cut the \$10,000 transfer to operating reserves. Staff does not recommend that as there could be financial implications as a result of the new Financial Guidelines being implemented by EMBC. Staff is recommending an alternative, which is to cut to the amount going into the Disaster Mitigation Fund. This was supported by the Committee.

#### Broadband Connectivity:

Director Cathcart updated the Committee on a late item that she had received a couple days prior to the budget meeting. The Columbia Basin Broadband Corporation is making a grant application for broadband in Area A and that this is a critical initiative for Area A and one that she has been advocating for since the beginning of her tenure as a Director. It

represents \$4.9 million dollars in infrastructure investment in Area A with a commitment of funding in the amount of \$517,000 and that a commitment letter has been requested. Director Cathcart is hopeful that we can determine a way forward with this project. The Committee discussed several options, including the use of Gas Tax funds. (Note: The funding commitment has changed, and the matter has been discussed at the February 2021 Board meeting)

### **Public Consultation**

There were no members of the public present during the meeting.

### **5. Next Meeting**

The Manager, Financial Services indicated that the next meeting would have the final numbers after the last cheque run of 2020 and that transfers to and from reserves should be largely finalized. Also, the surpluses and deficits should be largely finalized. All changes from the Directors one on one meetings would be incorporated as well as any late items. Manager, Financial Services reminded the Directors updated contents would be provided in advance of the meeting.

The next meeting is scheduled for Wednesday, February 24, 2021.

### **6. Adjournment**

The Chair adjourned the meeting at 3:07 PM.

**CW2021-0106**

**Moved By** Director Martin

**Seconded By** Director Flynn

THAT: the January 2021 Committee of the Whole meeting be adjourned.

**CARRIED**

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CORPORATE OFFICER

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CHAIR