



REGIONAL SERVICES COMMITTEE

**WEDNESDAY, FEBRUARY 22, 2012
6:00 PM – CVRD BOARD ROOM – 175 INGRAM STREET**

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7. **QUESTION PERIOD:**

8. **ADJOURNMENT:**

The next regular Regional Services Committee meeting is scheduled for Wednesday, March 28, 2012, at 6:00 pm in the Board Room, 175 Ingram Street, Duncan BC

Minutes of the Regular meeting of the Regional Services Committee held in the Board Room, 175 Ingram Street, Duncan, BC on January 25, 2012 at 6:03 pm.

PRESENT: Chair J. Lefebure
Directors M. Dorey, L. Duncan, B. Fraser, G. Giles,
R. Hartmann, R. Hutchins, L. Iannidinardo, P. Kent,
B. Lines, T. McGonigle, M. Marcotte, I. Morrison,
M. Walker, P. Weaver

ALSO

PRESENT: Warren Jones, Chief Administrative Officer
Joe Barry, Corporate Secretary
Mark Kueber, General Manager, Corporate Services
Sharon Moss, Manager, Finance
John Van Horne, Manager, Human Resources
Tara Daly, Recording Secretary

**APPROVAL OF
AGENDA**

It was moved and seconded that the agenda be amended with the addition of a letter from the South Cowichan Chamber of Commerce, dated January 25, 2012, as additional information; and that the agenda, as amended, be approved.

MOTION CARRIED

**ADOPTION OF
MINUTES**

M1

It was moved and seconded that the minutes of the Regular meeting of the Regional Services Committee, held Wednesday, November 23, 2011, be adopted.

MOTION CARRIED

STAFF REPORTS:

The Committee agreed by consensus to deal with Item SR3 out of order since Chair Lefebure advised that he had to leave at 6:40 pm to attend another meeting.

SR3

Staff Report from the General Manager, Corporate Services Department dated January 16, 2012 Re: Regional Visitor Information Centre was considered.

6:45 pm

Chair J. Lefebure left the meeting at 6:45 pm.
Vice-Chair L. Iannidinardo assumed the Chair.

It was moved and seconded that the request for funding for the Regional Visitor Information Centre be referred to staff to review and make recommendations on options regarding the opportunities/need for the CVRD to provide capital funding to assist in the development of gateway tourism centres in the North, South, and West; and that staff report back to a Special Board meeting on February 22, 2012 prior to the Regional Services meeting.

MOTION CARRIED

SR1 Staff Report from the Manager, Finance Division dated December 23, 2011 Re: Interim Borrowing for the Regional District was considered.

It was moved and seconded that it be recommended to the Board that the Finance Division be authorized to proceed with Interim Borrowing through the Municipal Finance Authority in an amount not to exceed \$11,000,000. for operational purposes only; and that CVRD Bylaw No. 3575 – Cowichan Valley Regional District 2012 Revenue Anticipation Borrowing Bylaw be considered for three readings and adoption.

MOTION CARRIED

SR2 Staff Report from the Manager, Finance Division dated January 10, 2012 Re: Spring Security Issuing Bylaws was considered.

It was moved and seconded:

1. That Bylaw No. 3571 – Security Issuing (Loan Authorization Bylaw No. 3449 & Loan Authorization Bylaw No. 3458) Bylaw, 2012 be forwarded to the Board for consideration of three readings and adoption.
2. That Bylaw No. 3577 – Security Issuing (Loan Authorization Bylaw No. 1763) Bylaw, 2012 be forwarded to the Board for consideration of three readings and adoption.
3. That Bylaw No. 3578 – Security Issuing (Loan Authorization Bylaw No. 3475) Bylaw, 2012 be forwarded to the Board for consideration of three readings and adoption.

MOTION CARRIED

**RESOLVE INTO
CLOSED SESSION
8:00 pm** It was moved and seconded that the meeting be closed to the public in accordance with the Community Charter Part 4, Division 3, Section 90, (1) (c).

MOTION CARRIED

8:00 pm Director M. Dorey left the meeting at 8:00 pm.

RISE FROM
CLOSED SESSION
9:25 pm

It was moved and seconded that the Committee rise without report and return to the Regular portion of the meeting.

MOTION CARRIED

ADJOURNMENT
9:25 pm

It was moved and seconded that the meeting adjourn.

MOTION CARRIED

The meeting adjourned at 9:25 pm.

Chairperson

Recording Secretary

Dated: _____

D1**Request to Appear as a Delegation****Meeting Information**

Request to Address:

 CVRD Board Committee

If Committee, specify the Committee here:

regional services committee

Meeting Date: 02/22/2012

Meeting Time:

Applicant Information

Applicant Name:

Brandy Gallagher

Representing:

Cowichan Region Affordable Housing Affiliate Proj

(Name of organization if applicable)

As:

O.U.R. ECOVILLAGE

(Capacity / Office)

Number Attending:

1

Applicant Contact Information

Applicant Mailing Address:

Box 530

Applicant City:

Shawnigan Lake, BC V0R 2W0

Applicant Telephone:

(250)888-7798

Applicant Fax:

Applicant Email:

brandy@ourecovillage.org

Presentation Topic and Nature of Request:

Presentation for proposal related to "Grant in Aid" for The Cowichan Region Affordable Housing Affiliate Project.

The founders of Habitat for Humanity - The Fuller Center for Housing have asked to have an 'Affordable Housing Affiliate Project' set up in the Cowichan Region. This project is a affiliation of local churches, businesses, contractors, Cowichan Tribes, NGO's, etc who are creating on the ground affordable housing in various areas of the Cowichan (urban and rural application). This presentation will explain how the Affiliate, and it's Charitable Sponsor Volunteer Cowichan, are intending to work with the CVRD on this project work.



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January 26, 2012

Board of Directors
The Cowichan Valley Regional District
175 Ingram Street
Duncan, BC V9L 1N8

Dear Board of Directors:

**Re: Audit of the Financial Statements of the Cowichan Valley Regional District
("the Regional District") for the year ended December 31, 2011**

We have commenced our audit planning for the audit of 2011 fiscal year and take the opportunity of summarizing in this letter some of these plans along with other matters pertinent to the 2011 audit. We look forward to discussing any concerns that the Board may have to ensure that we understand what is important to you.

This report is prepared for the purpose noted above and should not be distributed without our prior consent. We accept no responsibility to a third party who uses this communication.

Anticipated Issues

An important part of our audit planning process involves considering issues outside of the norm that could impact the financial statements or our audit. This part of the planning process never ends with much of our analysis being considered once we start the interim audit fieldwork. We also look to discussions with the Board of Directors for other sources of information in this area.

At this point, there are only two items to note:

First-time Audit

As you know, this is our first audit engagement for the Cowichan Valley Regional District. A first-time audit entails some specific procedures that include:

- Correspondence with prior auditors
- Review of working papers of prior auditors
- Risk management/client acceptance procedures
- Enhanced system description and testing

We have already corresponded with the prior auditors and have reviewed their files. We have also completed our risk management/client acceptance procedures.

Uncertain Economy

The local area economic recovery continues to slowly improve. Outside influences from the European Union and the United States create a risk of future economic problems. This uncertainty brings a heightened sensitivity to expenditures and estimates.

This is a “big-picture” item and while it may not directly impact the accounting records or the financial statements, it will be considered in our evaluation of management estimates and future plans.

Audit Approach

We have been engaged to perform the audit of the financial statements of the Regional District for the year ended December 31, 2011. We have adopted an audit approach that allows us to issue an audit opinion on the financial statements of the Regional District in the most cost effective manner, while still obtaining the assurance necessary to support our audit opinion.

Under the BDO Audit Approach, we use risk and assurance models to determine the evidence to collect and evaluate whether sufficient appropriate evidence was obtained to be able to draw reasonable conclusions to allow us to form an opinion. This approach focuses on obtaining sufficient appropriate audit evidence to reduce the risk of material misstatement in the financial statements to an appropriately low level. This means that we focus our audit effort in areas that we believe have a higher risk of being materially misstated and do less audit work in areas that are only low risk.

To assess risk accurately, we need to have a clear understanding of the Regional District’s operations and the environment it operates in. Much of our understanding is obtained through discussions with management and staff. We would also appreciate any new information that you could provide to us about your operations, internal controls or anything else that you feel is important to the audit as it may corroborate what we have already learned from management and other sources, or it may be new information to us. We would also appreciate any insights that you could provide to us on what you perceive to be high risk to the Regional District as that will make our audit more effective and efficient, which will benefit all concerned.

The following sections provide more detail on our audit approach for the Regional District for the current year.

Audit Scope

We anticipate the scope of our audit of the financial statements of the Regional District and of those of its related organizations for the year ended December 31, 2011 to include the following:

- An audit opinion on the financial statements of the Cowichan Valley Regional District.
- An audit opinion on the financial statements of Cowichan Valley Regional Hospital District.
- A management letter report in regard to audit recommendations of significance.

Overall Audit Strategy

Changes in auditing standards now require auditors to document all significant manual and computer systems. Building on this, we plan to focus much of our review on transaction streams using “tests of controls” (compliance procedures) in combination with analytical review and testing. Balances will be tested using a combination of compliance procedures and substantive procedures (such as analysis of data and obtaining direct evidence as to the validity of the items).

Higher Risk Financial Statement Areas

Based on our knowledge of the Regional District’s operations, past experience with similar organizations, and knowledge gained from management and you, we have identified the following financial statements areas as having a potentially higher risk of material misstatement.

These risks arise mainly because of the complexity of the accounting rules, the extent of estimation and judgment involved in the valuation of these financial statement areas, and the existence of new accounting pronouncements that affect them. We have also provided a brief summary of how we plan to audit these higher risk areas:

Higher Risk Financial Statement Areas	Proposed Audit Procedures
<ul style="list-style-type: none"> Cash and Investments 	<ul style="list-style-type: none"> Confirmation of cash and investments Review of reconciliations Testing of investment transactions and investment rollovers
<ul style="list-style-type: none"> Employee Future Benefits 	<ul style="list-style-type: none"> Audit of significant assumptions Communication with actuary and review of actuarial report Review of usage reports
<ul style="list-style-type: none"> Accounts Payable 	<ul style="list-style-type: none"> Computer audit testing Cut-off testing
<ul style="list-style-type: none"> Staff Salaries 	<ul style="list-style-type: none"> Computer audit testing Analytical review of staff and salary levels Systems testing and tests of controls
<ul style="list-style-type: none"> Tangible Capital Assets and Accumulated Amortization 	<ul style="list-style-type: none"> Testing of additions and disposals Testing of amortization calculations Review of repairs and maintenance expenses to ensure capital items were not expensed
<ul style="list-style-type: none"> Provision for Landfill Closure and Post Closure 	<ul style="list-style-type: none"> Audit of significant assumptions Review of engineering report Review of usage reports

Requests by the Board

In the course of your duties as Directors, you may be aware of additional areas of concern from an audit perspective that you would like us to address. We want you to know that we welcome discussion on any areas of audit concern that you may have.

Materiality

Materiality can be defined as follows:

"A misstatement or the aggregate of all misstatements in financial statements is considered to be material if, in the light of surrounding circumstances, it is probable that the decision of a person who is relying on the financial statements, and who has a reasonable knowledge of business and economic activities (the user), would be changed or influenced by such misstatement or the aggregate of all misstatements. Misstatements in financial statements arise from departures from generally accepted accounting principles and include departures from fact, inappropriate determination of accounting estimates, and omissions of necessary information. Misstatements may arise from error or fraud, or from the consequences of an illegal act."

As you know, materiality in an audit is used as a guide for planning the nature and extent of audit procedures and for assessing the sufficiency of audit evidence gathered. It is also used in evaluating the misstatements found and determining the appropriate audit opinion to express.

Since the determination of materiality is a matter of professional judgment, it is primarily dependent on our evaluation of the relative importance of accuracy in the financial statements to the various users of those statements. We have identified the Board of Directors, the Ministry of Community and management as the most important users of Cowichan Valley Regional District's financial statements.

Canadian generally accepted auditing standards require the use of both quantitative and qualitative factors in determining materiality. For the audit of the Cowichan Valley Regional District for the year ended December 31, 2011, we have concluded that a materiality level of \$1,000,000 based on 2% of prior year's revenues, and adjusted by qualitative factors is appropriate for the purposes of the audit. Performance materiality, a new concept resulting from Canadian adoption of International Auditing Standards will be set at 75% of materiality or about \$750,000 (this is the level used for statistical testing). Trivial errors will be set at 1% of materiality or \$10,000 (we will not suggest that differences below this level be adjusted) nor will we report on such differences.

Audit Team

In order to ensure effective communication between the Board and BDO Canada LLP, we briefly outline below the key members of our audit team and the role they will play:

- Bill Cox, CA, Engagement Partner - overall engagement management
- Dawn Wedman, CMA, Audit Senior Manager - fieldwork management
- Dan Yatchuk, CA Student - Audit Senior
- Paul Lee, CA Student - Audit Senior
- Jaclyn Ho, CA Student - Audit Staff

Timing of the Audit

We have tentatively set the following schedule with management for the conduct of the audit:

• Interim audit fieldwork	• Completed November 29-December 2, 2011 without issue
• Yearend audit fieldwork	• March 26 - April 5, 2012
• Draft financial statements circulated to the Board	• April 2012
• Board meeting for approval	• TBD
• Finalization of financial statements	• Immediately subsequent to the Board meeting

Communication of Results

At the completion of our audit, or earlier if considered necessary, we will communicate to you matters arising from the financial statement audit. Our communication will include the following:

- Matters required to be communicated to the Board under generally accepted auditing standards ("GAAS") including possible fraudulent activities, possible illegal acts and significant weaknesses in internal control;
- Matters that have a significant effect on the qualitative aspects of accounting principles used in the Regional District's financial reporting;
- Matters previously agreed with you to be communicated to the Board of Directors;
- Whether there are any unresolved issues or disagreements with management concerning the Regional District's internal controls, accounting policies, or disclosures in the financial statements;
- Whether there were any material claims outstanding against the Regional District in respect of which your lawyers have been retained on behalf of the Regional District;
- The extent and nature of small immaterial unadjusted differences encountered during the course of our audit;
- Significant management judgments and estimates made in the course of preparing the financial statements; and
- Other matters arising from the audit that, in our professional judgment, are important and relevant to the Board.

At the completion of the audit we will also discuss matters that will be identified in our "management letter".

Independence

At the core of the provision of external audit services is the concept of independence. We are communicating matters that, in our professional judgment, may reasonably be thought to bear on our independence for the forthcoming audit of the Regional District.

In determining which relationships to report, we have considered the applicable legislation and relevant rules of professional conduct and related interpretations prescribed by the Institute of Chartered Accountants of British Columbia covering such matters as the following:

- holding of a financial interest, either directly or indirectly in a client;
- holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- economic dependence on a client; and
- provision of services in addition to the external audit engagement.

We have prepared the following comments to facilitate our discussion with you regarding independence matters.

We are not aware of any relationships between the Regional District or Cowichan Valley Regional Hospital District ("the Hospital District") and us that, in our professional judgment, may reasonably be thought to bear on our independence to date.

We hereby confirm that we are independent with respect to the Regional District and the Hospital District within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia as of December 22, 2011.

Responsibilities of the Auditor

It is important for the Board to understand the responsibilities that rest with the Regional District and its management and those that belong to the auditor. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities outlined below:

- Management is responsible for the preparation of the financial statements, which includes responsibilities related to internal control, such as designing and maintaining accounting records, selecting and applying accounting policies, safeguarding assets and preventing and detecting error and fraud.
- The auditor's responsibility is to express an opinion on the financial statements based on an audit thereof.

An audit is performed to obtain reasonable, but not absolute, assurance as to whether the financial statements are free of material misstatement and, owing to the inherent limitations of an audit, there is an unavoidable risk that some misstatements of the financial statements will not be detected (particularly intentional misstatements concealed through collusion), even though the audit is properly planned and performed.

The audit includes:

- (i) assessing the risks of material misstatement of the financial statements, whether due to fraud or error;
- (ii) obtaining an understanding of the entity and its environment including internal control in order to plan the audit and to assess the risk that the financial statements may contain misstatements that, individually or in the aggregate, are material to the financial statements taken as a whole;
- (iii) examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- (iv) assessing the accounting principles used and their application; and
- (v) assessing the significant estimates made by management.

When the auditor's risk assessment includes an expectation of the operating effectiveness of controls, sufficient appropriate audit evidence will be obtained through tests of controls to support the assessment, but the scope of the auditor's review of internal control will be insufficient to express an opinion as to the effectiveness or efficiency of the entity's controls.

The auditor will express an opinion as to whether the financial statements present fairly in all material respects, in accordance with Canadian generally accepted accounting principles, the financial position, results of operations and cash flows of the entity.

Management Representations

During the course of an audit, management makes many representations to us. These representations may be verbal or written and therefore explicit, or they may be implied through the financial statements. Management may provide representations in response to specific queries from us, or may provide unsolicited representations. Such representations are part of the evidence gathered by us to be able to draw reasonable conclusions on which to base the audit opinion. These representations are documented by including in the audit working papers memoranda of discussions with management and written representations received from management.

Management's representations include, but are not limited to:

- matters communicated in discussions with us, whether solicited or unsolicited;
- matters communicated electronically to us;
- schedules, analyses and reports prepared by the entity, and management's notations and comments thereon, whether or not in response to a request by us;
- internal and external memoranda or correspondence;
- minutes of meetings of the board of directors or similar bodies such as audit committees and compensation committees; and
- a representation letter from management.

Current Developments in the Profession

There have been significant developments in the area of accounting and auditing this year. See Appendix A for details.

Board's Fraud Awareness

Under Canadian Generally Accepted Auditing Standards auditors have a responsibility to consider the potential for fraud and fraud risks in all organizations that they audit.

One of our audit procedures is to obtain written representation from management in respect to frauds or potential frauds. Direct communication with the Board is also necessary. To that end, would you please advise us if you are aware of any frauds or questionable activities that have occurred during the 2011 fiscal year or if you become aware of any frauds or questionable activities after today's date. You may contact us by e-mail at (bcox@bdo.ca) or by regular mail.

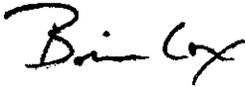
Additionally, if there are any areas of the Regional District's operations where a Director feels that there is significant risk of fraud, please advise the writer directly by e-mail or regular mail.

Conclusion

We hope that this letter will provide you with an update on the current developments within the accounting profession, as well as clarify our independence, responsibility and audit approach.

We look forward to discussing these issues with you. Please do not hesitate to contact us about any of the above items or other matters of concern to the Board.

Yours truly,



Bill Cox, CA
Partner of BDO Canada LLP through a corporation
Chartered Accountants

BC/mkn

Appendix A New Accounting and Auditing Requirements

Introduction to Public Sector Accounting Standards

The Introduction has been amended to:

- direct government not-for-profit organizations to follow either the CICA Public Sector Accounting Handbook with Section PS 4200 to PS 4270 or the CICA Public Sector Accounting Handbook without those Sections; and
- include effective dates and transitional provisions related to changes in the primary source of generally accepted accounting principles for government not-for-profit organizations.

Accounting Standards that Apply Only to Government Not-for-Profit Organizations

The following new Sections establish recognition, measurement and disclosure standards that are for use only by government not-for-profit organizations.

- Financial statement presentation by not-for-profit organizations, Section PS 4200;
- Contributions – revenue recognition, Section PS 4210;
- Contributions receivable, Section PS 4220;
- Capital assets held by not-for-profit organizations, Section PS 4230;
- Collections held by not-for-profit organizations, Section PS 4240;
- Reporting controlled and related entities by not-for-profit organizations, Section PS 4250;
- Disclosure of related party transactions by not-for-profit organizations, Section PS 4260; and
- Disclosure of allocated expenses by not-for-profit organizations, Section PS 4270.

The main features of these Sections are as follows:

- Financial statements for a government not-for-profit organization can be prepared on a restricted fund or deferral method.
- A government not-for-profit organization should recognize contributions in accordance with the deferral or restricted fund method.
- Controlled not-for-profit organizations of a government not-for-profit organization should be reported by way of disclosure or through consolidation. Controlled profit-oriented enterprises of a government not-for-profit organization should be reported using the modified equity method or through consolidation.
- Information regarding collections of a government not-for-profit organization should be disclosed.
- A government not-for-profit organization should disclose information about its transactions with related parties.

These Sections are effective only for government not-for-profit organizations that elect to follow the standards for not-for-profit organizations in the CICA Public Sector Accounting Handbook and are effective for fiscal periods beginning on or after January 1, 2012. Note that for entities that are part of the Province of British Columbia reporting entity, the effective dates have been moved up either 1 or 2 years. Further, the Province has directed that the PS4200 sections noted above not be used by such entities.

New Standards

PS3260 - Liability for Contaminated Sites

This new Section establishes recognition, measurement and disclosure standards for liabilities relating to contaminated sites of governments and those organizations applying the CICA Public Sector Accounting Handbook.

This section applies to government assets no longer in productive use and non-government assets for which the government is responsible. It does not apply to tangible capital assets (however the PSAB GAAP hierarchy would require consideration of Asset Retirement Obligations in regard to tangible capital assets).

The main features of the new Section are as follows:

- A liability should be recognized when contamination exceeds an accepted environmental standard and the entity is directly responsible, or accepts responsibility for, the damage.
- A liability should be measured at the entity's best estimate of the costs directly attributable to remediation of the contamination.
- Outstanding site assessments do not negate the requirement to assess whether a liability exists.

This Section is effective for fiscal periods beginning on or after April 1, 2014. Earlier adoption is encouraged. For entities with a December year end this means that 2015 is the first year that the standard must be followed. Although that is seemingly a long time in the future, this standard is onerous and could require the collection of a great deal of information. An entity should begin to consider immediately how it will apply with this standard.

PS 3410 - Government transfers

After a 7 year journey of exposure drafts and re-exposure drafts, this Section is finally revised and will replace existing Section PS 3410. The following changes have been made to the Section:

- A transferring government recognizes an expense when the transfer is authorized and recipients have met the eligibility criteria, if any.
- Authorization by the transferring government can occur either by the date of the financial statements or during the period between the date of the financial statements and the issuance of those statements provided that the exercise of that authority occurred at the financial statement date.
- If a transferring government provides the financial or non-financial asset prior to the recipient meeting eligibility criteria, the transferring government cannot recognize a prepaid asset.

- A recipient government recognizes the transfer as revenue when the transfer was authorized by the transferring government, unless a liability is created for the recipient.
- For a recipient, the transferring government's authorization must be in place by the financial statement date.
- A liability related to the transfer for the recipient may result from:
 - receiving an asset prior to the recipient meeting eligibility criteria;
 - specific stipulations contained in the transfer agreement; and
 - stipulations that are unclear but the recipient creates a liability through its own actions and communications that are related to the terms of the transfer by the financial statement date.
- A liability may also result from the recipient's own actions and communication that are unrelated to the terms of the transfer by the financial statement date. In this case, an asset and revenue and a liability and expense would be recognized.
- Revenue is recognized as the liability is settled.

The Section applies to all governments and those government organizations using public sector accounting standards. The Section applies to fiscal years beginning on or after April 1, 2012 and may be applied retroactively or prospectively. Earlier adoption is encouraged.

PS 3450 - Financial instruments

This new Section establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives.

The main features of the new Section are:

- Items within the scope of the Section are assigned to one of two measurement categories: fair value, or cost or amortized cost.
- Almost all derivatives, including embedded derivatives that are not closely related to the host contract, are measured at fair value.
- Fair value measurement also applies to portfolio investments in equity instruments that are quoted in an active market.
- Other financial assets and financial liabilities are generally measured at cost or amortized cost.
- Until an item is derecognized, gains and losses arising due to fair value remeasurement are reported in the statement of remeasurement gains and losses.
- Budget-to-actual comparisons are not required within the statement of remeasurement gains and losses.
- When the reporting entity defines and implements a risk management or investment strategy to manage and evaluate the performance of a group of financial assets, financial liabilities or both on a fair value basis, the entity may elect to include these items in the fair value category.
- New requirements clarify when financial liabilities are derecognized.
- The offsetting of a financial liability and a financial asset is prohibited in absence of a legally enforceable right to set off the recognized amounts and an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

- New disclosure requirements of items reported on and the nature and extent of risks arising from financial instruments.

The new requirements are to be applied at the same time as PS2601 - Foreign Currency Translation and PS1201 - Financial Statement Presentation and for government organizations are effective for fiscal years beginning on or after April 1, 2012. In the case of governments, the new requirements are effective for fiscal years beginning on or after April 1, 2015. Earlier adoption is permitted.

PS2601 - Foreign currency translation

This Section revises and replaces FOREIGN CURRENCY TRANSLATION, Section PS 2600. The following changes have been made to the Section:

- The definition of currency risk is amended to conform to the definition in PS 3450 - FINANCIAL INSTRUMENTS.
- The exception to the measurement of items on initial recognition that applies when synthetic instrument accounting is used is removed.
- At each financial statement date subsequent to initial recognition, non-monetary items denominated in a foreign currency that are included in the fair value category in accordance with Section PS 3450 are adjusted to reflect the exchange rate at that date.
- The deferral and amortization of foreign exchange gains and losses relating to long-term foreign currency denominated monetary items is discontinued.
- Until the period of settlement, exchange gains and losses are recognized in the statement of remeasurement gains and losses rather than the statement of operations.
- Hedge accounting and the presentation of items as synthetic instruments are removed.

The new requirements are to be applied at the same time as PS3450 - Financial Instruments and PS1201 - Financial Statement Presentation and for government organizations are effective for fiscal years beginning on or after April 1, 2012. In the case of governments, the new requirements are effective for fiscal years beginning on or after April 1, 2015. Earlier adoption is permitted.

PS 1201 - Financial statement presentation

This Section revises and replaces FINANCIAL STATEMENT PRESENTATION, Section PS 1200. The following changes have been made to the Section:

- Remeasurement gains and losses are reported in a new statement.
- Other comprehensive income that can arise when a government includes results of government business enterprises and government business partnerships in its summary financial statements is reported in the statement of remeasurement gains and losses.
- The accumulated surplus or deficit is presented as the total of the accumulated operating surplus or deficit and the accumulated remeasurement gains and losses.

The new requirements are to be applied at the same time as PS3450 - Financial Instruments and PS2601 - Foreign Currency Translation and for government organizations are effective for fiscal years beginning on or after April 1, 2012. In the case of governments, the new requirements are effective for fiscal years beginning on or after April 1, 2015. Earlier adoption is permitted.

Exposure Drafts

Handbook Improvements

PSAB approved an exposure draft to clarify various Sections of the PSA Handbook as a result of the issue of new Section PS 3450, Financial Instruments, and recent changes to Canadian assurance standards that warrant more specific guidance on what constitutes the date of completion of financial statements.

The following summarizes the amendments being proposed:

PS 4200 - Subsequent Events

The proposed new paragraph in Section PS 2400 clarifies the meaning of the date of completion of the financial statement consistent with recent changes to Canadian assurance standards. The date of completion of the financial statements represents the cut-off date for identifying and considering the effects of subsequent events.

PS 2500 Basic Principles of Consolidation

The elimination of unrealized gains and losses associated with inter-governmental unit transactions is a basic consolidation principle. The issue of FINANCIAL INSTRUMENTS, Section PS 3450, introduces the fair value measurement category.

The proposed amendments clarify that any unrealized gain or loss attributable to the derecognition of financial assets and financial liabilities in the fair value category due to inter-governmental sales or transfers would be eliminated from the consolidated statement of operations. It would be reported in the consolidated statement of remeasurement gains and losses, consistent with the principle that the gain or loss has yet to be realized from the perspective of the reporting entity.

Additionally, the proposed amendment to paragraph PS 2500.17 specifies that losses attributable to impairment are presented in the statement of operations.

PS 2510 - Additional Areas of Consolidation

In the event that a governmental unit becomes a government business enterprise, provisions in Section PS 2510 address the reporting implications. The proposed amendments clarify provisions in two paragraphs as the standards applicable to publicly accountable enterprises in the CICA Handbook - Accounting may require the reporting other comprehensive income from the date reporting using the modified equity method applies.

PS 2700 - Segment Disclosures

The proposed amendments ensure that disclosure requirements in Section PS 2700 align with recent presentation changes adopted in FINANCIAL STATEMENT PRESENTATION, Section PS 1201.

PS 3050 - Loans Receivable

The proposed amendments clarify that the grant portion of a loan with significant concessionary terms and the expenses associated with concessions in a loan restructuring are reported in the statement of operations. Additionally, the description of the preferred method applied when amortizing the loan discount is conformed to read "effective interest method".

The proposed amendment deletes paragraph PS 3070.39 as the constructive retirement of a debt obligation that occurs when paragraphs PS 3070.35-.38 apply is consistent with BASIC PRINCIPLES OF CONSOLIDATION, paragraph PS 2500.06, which requires the elimination of inter-governmental unit transactions and balances and FINANCIAL INSTRUMENTS, paragraph PS 3450.042, which establishes when liabilities are derecognized.

PS 3100 - Restricted Assets and Revenues

The proposed amendment clarifies paragraph PS 3100.06 as the nature of the stipulations within sinking fund agreements can give rise to either internal or external restrictions.

PS 3230 - Long-Term Debt

The proposed amendment to paragraph PS 3230.22 clarifies that the disclosure requirement applies to all debt securities, including when a debt security is derecognized as required by FINANCIAL INSTRUMENTS, Section PS 3450.

PS 3310 - Loan Guarantees

The proposed amendment to paragraph PS 3310.08 clarifies that losses on loan guarantees are presented in the statement of operations.

PS 3390 - Contractual Obligations

The proposed new paragraph clarifies the interaction of Section 3390 and FINANCIAL INSTRUMENTS, Section PS 3450.

Amendments Resulting from Section 3450

PSAB approved an exposure draft that proposes conforming amendments to the PSA Handbook necessitated by the approval of new Section PS 3450, Financial Instruments, in March 2011, including the withdrawal of Section PS 3030, Temporary Investments.

The main features of this Exposure Draft are as follows:

The distinction between temporary and portfolio investments is removed. Temporary investments that are not cash equivalents, as described in FINANCIAL STATEMENT PRESENTATION, paragraph PS 1201.105, will be accounted for as portfolio investments.

Requirements that apply to the reporting of portfolio investments are cross-referenced and conformed as a result of the adoption of FINANCIAL INSTRUMENTS, Section PS 3450. Changes involve:

- including interests in pooled investment funds within scope;
- replacing the definition for "cost method" with a definition for "amortized cost";
- conforming the definition of the effective interest method;

- deleting the definition of dividends;
- adding accounting requirements included within the former definition of the cost method to paragraph PS 3040.05;
- deleting the requirement to apply the cost method; instead, the recognition and measurement requirements within Section PS 3450 apply, other than to initial recognition of an investment with significant concessionary terms;
- clarifying provisions that apply to the reporting of portfolio investments held by sinking funds;
- replacing references to “carrying amount” and “carrying value” with “cost or amortized cost” within requirements that apply when accounting for a loss in value of a portfolio investment; and
- specifying that the effective interest method is used when amortizing an investment discount to revenue.

Update of Terminology

PSAB approved an exposure draft of proposed updates to the terminology used in the Public Sector Accounting (PSA) Handbook. The updates form part of a review of the PSA Handbook to explicitly indicate the applicability of individual standards to both governments and those government organizations that follow the PSA Handbook.

The PSA Handbook was originally developed to address the financial reporting needs of governments in Canada. The terminology used in many of the standards still indicates that they are applicable to governments preparing their summary financial statements.

Some government organizations now follow the PSA Handbook. A number of additional government organizations will be adopting the PSA Handbook for the first time in 2011 and 2012 due to recent amendments to the Introduction to Public Sector Accounting Standards.

PSAB staff conducted a review of the PSA Handbook and, in most cases, concluded that only a simple update of terminology (for example, from “government” to “public sector entity”) was needed, in addition to defining the term “public sector entity” in the Introduction to mean both governments and government organizations. However, for some standards, more in-depth consideration of how the text should be updated to explicitly include government organizations is needed and these updates will be exposed for public comment in the future.

Main features of Exposure Draft:

PSAB issues standards and guidance that serve the public interest by improving information for decision making and by strengthening accountability in the public sector. Included in the scope of PSAB’s mandate are governments and government organizations. Government organizations are defined as organizations controlled by government.

In this Exposure Draft, PSAB proposes to define a “public sector entity” to include federal, provincial, territorial and local governments and government organizations. PSAB proposes to replace the current applicability terminology (such as “governments”, “public sector reporting entity”, “entity” or “reporting entity”) with the term “public sector entity” in certain standards and guidelines.

As well, the following is proposed:

- The term “government partnership” would be removed from paragraph .03 of the Introduction. By definition, a government partnership is not controlled by government and the basis of generally accepted accounting principles (GAAP) to be used by a government partnership is not dictated by the PSA Handbook, but instead is determined by the partners. GOVERNMENT PARTNERSHIPS, Section PS 3060, addresses how to account for a government partnership in the financial statements of a government reporting entity, not how a government partnership is to account for transactions in their financial statements.
- “School boards” would be removed from paragraph .03 of the Introduction. Similar to a government organization, a school board is an organization controlled by government. Currently, footnote 1 to the Introduction is unclear for school boards as it indicates the standards may be applied if considered appropriate. By removing the “school board” references in paragraph .03 and footnote 1 of the Introduction, all organizations controlled by governments, including school boards, will be provided the same direction regarding their basis of GAAP.

Statements of Recommend Practice

No new Statements of Recommended Practice were issued during the year.

Projects, Invitations to Comment and Issues Papers

Related Party Transactions - Disclosure - Invitation to Comment

The main features of this Invitation to Comment are as follows:

- Related parties include entities that control or are controlled by another entity, entities that are under common control and entities that have shared control over or that are subject to shared control.
- A related party includes individuals that are members of key management personnel and close members of their family. Details of compensation arrangements, expense allowances and other similar payments are excluded from disclosure requirements.
- The reporting entity would disclose the nature of the relationship with related parties and the types of related party transactions that have occurred including those for which no amount has been recognized and the amounts involved related to the transaction.
- Related party transactions that occur in the normal course of operations and at arm's length are excluded from the disclosure requirements.
- An entity would provide information about significant unrecognized related party transactions in sufficient detail to enable users of the entity's financial statements to understand the impact they have had on its financial position and performance

Related Party Transactions - Recognition and Measurement - Issues Paper

The main features of this Issues Paper are as follows:

- Issues of recognition and measurement generally arise when related party transactions occur between entities that are part of the same reporting entity.

- Related party transactions would be recognized when they involve the transfer of an asset or liability between related parties in order that financial statements provide an accounting of the assets that a public sector entity controls or obligations that will result in future sacrifice of economic resources.
- Two approaches have been considered for a standard on related party transactions:
 - exclude measurement standards, which would mean transactions would be reported at whatever value is determined by government policy or the related parties unless there is a specific existing standard that stipulates how such transactions should be measured; or
 - include measurement standards, taking a similar approach to RELATED PARTY TRANSACTIONS, Section 3840 of the CICA Handbook - Accounting

Conceptual Framework Task Force

The objective of this project is to review and amend, if necessary, the conceptual framework in Sections PS 1000, Financial Statement Concepts, and PS 1100, Financial Statement Objectives. This review could also affect Section PS 1201, Financial Statement Presentation.

The issues to be considered include:

- how to measure financial performance;
- what financial statements can do and cannot do in measuring financial performance;
- what aspects of the key concepts underlying financial performance in the framework require review and why;
- alternative approaches to the key concepts being reviewed; and
- how the alternative approaches affect the measure of financial performance.

This project applies to all levels of government as well as government organizations that apply the CICA Public Sector Accounting (PSA) Handbook.

Appropriations

This project is focusing on the accounting issues related to interorganization transactions and non-monetary transactions among related parties, and the nature of the appropriations. Exposure draft expected early 2012.

Amalgamations and Restructuring

In addition to amalgamations between entities, this project scope includes:

- annexation
- demerger
- realignments of responsibility between governments
- internal restructuring

Consideration is being given to the measurement basis to be used and when it might be appropriate to use cost, book values or fair values. Exposure draft expected first quarter 2012.

Assets

This project will be considering contractual rights and intangible assets. Will also consider how to define "service potential". Exposure draft expected first quarter 2012.

Concepts Underlying Financial Performance

This project is to review the concepts underlying financial performance in its conceptual framework. Exposure draft expected first quarter 2012.

Revenue

Expected to focus on revenue from exchange transactions. Project expected to begin soon.

Identifying and Reporting Performance Indicators

Project on hold.

Auditing and Assurance Standards

After last year's major event of adoption of International Audit Standards via the issuance of new sections known as "Canadian Auditing Standards" or "CAS" this was expected to be a quiet year. This turned out to be the case with only a few changes of significance in this area:

Auditor Review of Interim Financial Statements, Section 7050

These standards have been amended to clarify that when the auditor is required to include a reservation in his or her interim review report because of a departure from Canadian generally accepted accounting principles and the matter giving rise to the reservation is as a result of an exemption permitted by securities regulations, the auditor is not required to request that the written interim review report be included in documents containing interim financial statements.

CSAE 3416 Reporting on Controls at a Service Organization

This new Canadian Standard on Assurance Engagements (CSAE) replaces AUDITOR'S REPORT ON CONTROLS AT A SERVICE ORGANIZATION, Section 5970.

CSAE 3416 addresses audit engagements undertaken by a service auditor to report on controls at organizations that provide services to user entities when those controls are likely to be relevant to user entities' internal control over financial reporting. It complements CAS 402, "Audit Considerations Relating to an Entity Using a Service Organization," in that reports prepared in accordance with this CSAE may provide appropriate evidence under CAS 402.

CSAE 3416 is based on the Statement on Standards for Attestation Engagements 16, Reporting on Controls at a Service Organization, which was issued in March 2010 by the American Institute of Certified Public Accountants' Auditing Standards Board, modified in limited circumstances, where considered necessary to meet unique Canadian circumstances.

CSAE 3416 covers the same subject matter as Section 5970, but there are some significant differences between the two. CSAE 3416:

- contains requirements and application material to address those matters necessary for a service auditor to conduct the engagement (i.e., CSAE 3416 is a self-standing standard);
- requires the service auditor to obtain a written assertion by management that is included in or attached to the description of the service organization's system;
- requires procedures to be performed dealing with matters related to assessing the suitability of criteria;
- deals with the concept of "intentional acts" requiring follow-up action when information about such acts is identified;
- requires wording in the service auditor's report to restrict distribution as well as use of the service auditor's report.

CSAE 3416 is effective for service auditors' reports for periods ending on or after December 15, 2011, with earlier implementation permitted.

AuG-46, Communications with Law Firms under New Accounting and Auditing Standards

This new Assurance and Related Services Guideline provides interim guidance to assist financial statement preparers (clients), auditors and law firms to communicate with respect to claims and possible claims in circumstances outside the scope currently contemplated by the "Joint Policy Statement Concerning Communications with Law Firms Regarding Claims and Possible Claims in Connection with the Preparation and Audit of Financial Statements" appended to Canadian Auditing Standard (CAS) 501, "Audit Evidence – Specific Considerations for Selected Items." These circumstances are as follows:

- when the financial statements are prepared in accordance with International Financial Reporting Standards, including in particular International Accounting Standard 37 Provisions, Contingent Liabilities and Contingent Assets in Part I of the CICA Handbook - Accounting; or
- when the auditor is conducting the audit in accordance with the CASs and, therefore, must follow the requirements for dating the auditor's report in CAS 700, "Forming an Opinion and Reporting on Financial Statements," paragraph 41, that will affect the dating of the inquiry and response letters sent under the Joint Policy Statement.

AuG-10, Legislative Requirements to Report on the Consistent Application of Generally Accepted Accounting Principles

Withdrawn and replaced by AuG-48.

AuG-47, Dating the Review Engagement Report on Financial Statements

This new Assurance and Related Services Guideline provides guidance to financial statement preparers (clients) and practitioners that explains why the public accountant would not date his or her review engagement report on financial statements before he or she has:

- obtained management's verbal representations regarding its responsibility for the fair presentation of the financial statements and its belief that the financial statements are complete and presented fairly; and
- performed sufficient procedures to support the content of his or her report.

AuG-47 is effective for reviews of financial statements for periods ending on or after December 14, 2010.

AuG-48, Legislative Requirements to Report on the Consistent Application of Accounting Principles in the Applicable Financial Reporting Framework

This new Assurance and Related Services Guideline provides guidance on the application of Canadian Auditing Standard (CAS) 700, "Forming an Opinion and Reporting on Financial Statements," in the particular situation when federal or provincial legislation (including regulations thereto) states that the auditor's report shall contain a statement whether the financial statements are prepared in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

AuG-48 is effective for reports on audits of financial statements for periods ending on or after December 14, 2010.



STAFF REPORT

REGIONAL SERVICES COMMITTEE MEETING
OF FEBRUARY 22, 2012

DATE: January 30, 2012

FILE NO:

FROM: Mark Kueber, General Manager
Corporate Services Department

BYLAW NO:

SUBJECT: Draft 2012 Regional Budgets

Recommendation

That the committee provide further direction on the Regional Budgets.

Relation to the Corporate Strategic Plan:

The 2012 budget process requested direction at the beginning of budget preparation from the Directors in an attempt to improve the budget process, and to better match their goals and direction with the 2012 budget which is consistent with the Corporate Strategic Plan.

Financial Impact: *(Reviewed by Finance Division: [Signature])*

When all the 2012 regional budget requisitions are combined the result is a 0 percent change compared to 2011.

Function	Requisition		Percentage	
	(Decrease)	Increase	(Decrease)	Increase
General Government		(\$9,287)	(.12)%	
Emergency 911		\$11,042	.14%	
Economic Development		(\$11,520)	(.15)%	
Regional Tourism		(\$823)	0%	
Environmental Initiatives		(\$22,744)	(.29)%	
Emergency Planning		(\$23,746)	(.31)%	
Regional Parks		\$8,771	.11%	
Kinsol Trestle		\$216	0%	
Regional Parkland Acq.		\$15,206	.20%	
Solid Waste Management		<u>\$32,885</u>	<u>.42%</u>	
Total		<u>\$0</u>	<u>0.0%</u>	

Background:

At the Regional Services committee meeting of July 27, 2011 direction was provided to staff that the Regional Budgets for 2012 be limited to a 2% requisition increase. In addition staff were directed to prepare the 2012 budget based on the core services that were present in 2011. Based on this direction the draft 2012 Regional Budgets have a combined increase of 0%.

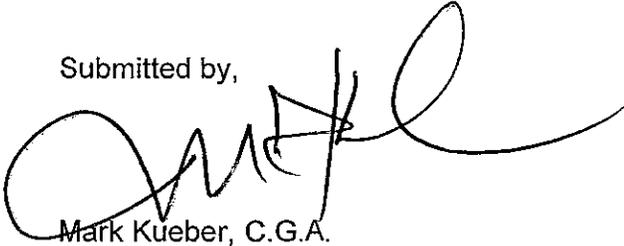
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All jurisdictions participate in these functions and they are cost shared based on assessments. This means that all homes throughout the Regional District pay the same tax rate for these services regardless of where the property is located. The factor that drives what one property pays compared to another is the assessment value.

All ten regional functions have a change in their requisitions; individually their change is below 2%. A number of the requisitions have a reduction in their requisition. All of these functions have a report that explains what is included, what is not included, and what has caused the change in requisition.

If you have any questions regarding these services or any other services please contact me.

Submitted by,



Mark Kueber, C.G.A.
General Manager, Corporate Services Department

MK:tk

Attach.

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STAFF REPORT

REGIONAL SERVICES COMMITTEE MEETING
OF FEBRUARY 22, 2012

DATE: February 13, 2012 FILE NO:
FROM: Mark Kueber, General Manager BYLAW NO:
Corporate Services Department
SUBJECT: General Government Draft 2012 Budget

Recommendation

1. That the budget be amended by transferring \$55,000. into the General Government operating reserve.
2. That the committee consider the inclusion the General Government supplemental requests.

Relation to the Corporate Strategic Plan:

The draft 2012 budget continues with funding services and programs that are consistent with goals and objectives of the Corporate Strategic Plan.

Financial Impact: *(Reviewed by Finance Division: [Signature])*

The draft 2012 General Government budget currently has a reduction in the requisition of (\$9,287) which is (1%) of the General Government budget and is (.12%) of all the regional budgets combined.

Included in this budget are the core expenditures for the Board, Administration, and Finance, as well as the Regional Sustainability budget which has been increased to \$275,000. and is 100% funded with a Federal Gas tax grant.

New this year is the inclusion of the regional expenditures for GIS of \$120,000. All the other regional functions that use and funded the GIS services program in the past have been reduced by the amount included in General Government. This change is the main reason for the decrease in the other regional functions.

The General Government budget has been able to absorb the new GIS expenditure without increasing the requisition because of increases in surplus, interest revenue and the recovery of General Government allocation.

There are a number of supplemental requests that are part of the Administration report that, if approved, would be added to General Governments budget, they are the Communications office, SIRE Records Management Software and Cultural Mapping Project. The cost and tax impact for each of these items is included in the Administrations report.

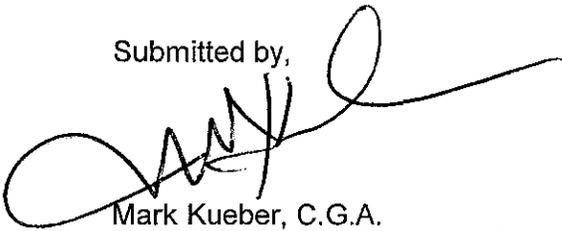
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In examining the yearend figures for 2011 in relation to the 2012 budget figures, there are a number of amendments that can be made that would lower the 2012 budget figures and further reduce the 2012 requisition, they include staff benefits in the amount of \$30,000. and allocations of \$25,000. This additional reduction would lower the requisition by 4.4% making it a total decrease of \$64,287. or 5.4% in General Government.

An alternative to further reducing the requisition is putting the \$55,000. into the operating reserve to help offset future increases, especially since a large portion of operations are funded with surplus that may not be there next year.

If you have any questions regarding these services or any other services please contact me.

Submitted by,



Mark Kueber, C.G.A.
General Manager, Corporate Services Department

MK:tk

Attach.

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STAFF REPORT

REGIONAL SERVICE COMMITTEE MEETING
OF FEBRUARY 22, 2012

DATE: February 14, 2012 FILE No:
FROM: Sybille Sanderson BYLAW No:
A/General Manager, Public Safety
SUBJECT: Emergency 9-1-1 (109) Budget

Recommendation/Action:

That the 2012 Requisition for Emergency 9-1-1 (109) be increased by \$59,272 to cover increased contract costs for required maintenance to the CVRD's portion of the Central Island 9-1-1 network system to keep the system functioning.

Relation to the Corporate Strategic Plan:

To provide a well maintained and sustainable infrastructure and ensure reliable essential services.

Financial Impact: *(Reviewed by Finance Division: )*

The current budget increase is \$11,042 or 2%. Staff is requesting an additional \$59,272 increase to the tax requisition for a net increase of \$70,314 or \$3.99 per \$100,000. The result is a net increase in requisition of 12.7%.

Background:

The Emergency 9-1-1 System provides essential 9-1-1 service to all residents and travelers in the Cowichan region. In the past, little emphasis was given to infrastructure and maintenance requirements. As a result, in 2010, we found ourselves faced with complete replacement of the Mt. Wood Repeater Station at a cost of \$232,157.53 that depleted the Capital Reserves.

The Emergency 9-1-1 (109) Budget includes contract costs that are non-negotiable including:

- 911 Contract for Service to City of Nanaimo
- Repeater site lease costs
- 9-1-1 paging backup system
- Industry Canada licences and fees

Previous years' requirements to maintain a zero increase as per Board direction have resulted in cuts to the maintenance budget and this became untenable in 2011 resulting in a deficit of \$41,402. Repair, maintenance and upgrades to this essential service are necessary and cannot always be anticipated. It is therefore necessary to establish substantial Capital and Operating Reserves to ensure that this essential service is available 24/7.

It is our hope that a favourable ruling regarding the Wireless Call Answer Levy would begin to alleviate this funding issue in future years.

In summary, staff is requesting that \$59,272 be added to the budget and that the requisition be increased to cover this additional expenditure.

Submitted by,





SR4

STAFF REPORT

REGIONAL SERVICES COMMITTEE MEETING
OF 22 FEBRUARY 2012

DATE: 14 February 2012 FILE NO: EDC
FROM: Geoff Millar , Manager BYLAW No:
Economic Development Division
SUBJECT: 2012 Budget Report – Economic Development and Tourism

Recommendation/Action: For information.

Relation to the Corporate Strategic Plan: The budget has been created to align with the goals and objectives of the CVRD Corporate Strategic Plan.

Financial Impact: *(Reviewed by Finance Division: )*

The draft budget for Economic Development (121) and Regional Tourism (123) has been prepared by staff based on CVRD Board direction that specified that Regional budgets not exceed a 2% increase for 2012. This budget report represents both functions 121 and 123 in one report.

The budget includes core expenses for Economic Development with the net reduction in requisition from 2011 to 2012 at \$11,520. The budgeted core expenses for Regional Tourism includes a requisition net reduction of \$823 overall. The budget reductions are due to the CVRD change in applying GIS charge-outs for departments and divisions in 2012 under General Government rather than each specific department or division. If the GIS charges to function 121 and 123 were not removed from the budgets then the core budgets are in line with Board direction of a 2% increase.

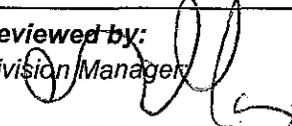
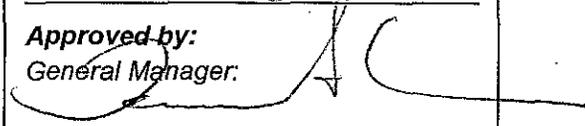
Economic Development and Regional Tourism will provide the same services as 2011 and as directed by the Commission in the approved 2012 Work Plan with the following additions related specifically to the new Sustainable Economic Development Strategy (*NOTE- at the 8 June 2011 CVRD Board meeting the Board endorsed and approved the 2011 Sustainable Economic Development Strategy, the 2011-2012 Work Plan along with the 2011-2012 Sustainable Economic Development Strategy Summary*)

Economic Development and Regional Tourism – The 2012 focus is on all High, Medium and Low Priority items as developed and approved by the Economic Development Commission and the CVRD Board including Implement the Area Agriculture Plan; develop regional and sub-regional community profiles; implement the Green Business Development Plan; and implement the Cowichan Region Tourism Plan.

Economic Development supplemental budget item requisition increase supports a more detailed implantation program for the Area Agriculture Plan for a total Function 121 supplemental increase of \$20,000.

Submitted by,

Geoff Millar
Manager, Economic Development Division

Reviewed by: Division Manager	
Approved by: General Manager	



STAFF REPORT

REGIONAL SERVICES COMMITTEE
OF FEBRUARY 22, 2012

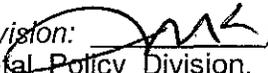
DATE: February 13, 2012 FILE NO: 2012 Budget
FROM: Kate Miller, Manager, Regional Environmental Policy Division
SUBJECT: 131 Budget – Regional Environmental Policy Draft Budget

Recommendation/Action:

That the budget be modified to include gas tax funding for flood works.

Relation to the Corporate Strategic Plan:

The draft 2012 budget continues with funding services and programs that are consistent with goals and objectives of the Corporate Strategic Plan.

Financial Impact: *(Reviewed by Finance Division: )*

The draft 2012 budget for the Environmental Policy Division, as presented, represents an overall decrease of 4.5% in tax requisition over the 2011 requisition, due to the removal of GIS.

Background:

The budget, as presented, includes external funding for a number of programs including; the completion of the regional energy analysis, LiDAR acquisition program, sediment removal and management for the Cowichan and Koksilah Rivers (direct project expenditures only). Funding in the core budget has been set aside to assist in the implementation of the following 2012 work plan items: Environment Commission (\$50,500), Cowichan River Basin program (\$50,000), development of a Regional Environmental Strategy in partnership with the Environment Commission (\$25,000), and other more minor core activities. It is recommended that the budget be amended to include approximately \$900,000 of gas tax funding for Cowichan-Koksilah flood work as has been previously approved by the Board. It is proposed to amend the CVRD budget later in the year once a flood works function has been established for management of the major flood capital works.

A number of supplemental requests have been put forward for review, including funding for programming in the following areas to support the overall CVRD strategic plan implementation: regional watershed management strategies (Chemainus River, Koksilah River, and Cowichan Bay), coastal sea level rise impact analysis, environmental education plan, energy analyst working funds and a survey of residential energy types in the region to upgrade building databases. These supplemental requests have been reviewed by the Corporate Leadership Group and are included in with other supplemental requests.

Submitted by,

Kate Miller, Manager
Regional Environmental Policy Division

KM:df:jlb

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Reviewed by:

Division Manager:

Approved by:

General Manager:



SR6

STAFF REPORT

REGIONAL SERVICE COMMITTEE MEETING
OF FEBRUARY 22, 2012

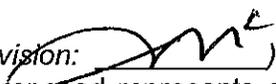
DATE: February 14, 2012 FILE NO:
FROM: Sybille Sanderson BYLAW NO:
A/General Manager, Public Safety
SUBJECT: Emergency Planning (205) Budget

Recommendation/Action:

That it be recommended to the Board to approve the Emergency Planning (205) 2012 budget.

Relation to the Corporate Strategic Plan:

To provide a well maintained and sustainable infrastructure and ensure reliable essential services.

Financial Impact: *(Reviewed by Finance Division: )*

The Emergency Planning 2012 budget as proposed represents a net decrease of \$23,746 or \$0.15 per \$100,000 of assessed value.

Background:

The Emergency Planning budget will no longer pay for the GIS Allocation as all regional GIS costs are redistributed to General Government. The 2% increase as directed by the Board still resulted in a net decrease of \$0.15 per \$100,000.

The core services provided in 2011 through the Emergency Planning (205) Budget will continue in 2012. The focus this year will be on ensuring that the volunteer management plan is completed and implemented and that the Emergency Plan is exercised and trained throughout the region.

Submitted by,





SR7

STAFF REPORT

REGIONAL SERVICES COMMITTEE MEETING
OF FEBRUARY 22, 2012

DATE: February 10, 2012 FILE NO:
FROM: Brian Farquhar, Manager Parks & Trails Division BYLAW NO:
SUBJECT: Regional Parks and Trails Program 2012 Draft Budgets

Recommendation/Action:

That this be received for information.

Relation to the Corporate Strategic Plan:

The draft 2012 budget continues with funding services and programs that are consistent with goals and objectives of the Corporate Strategic Plan.

Financial Impact: *(Reviewed by Finance Division: )*

The following regional budgets are administered under the Regional Parks and Trails Program:

- Function 280 – Regional Parks and Trails
- Function 283 – Kinsol Trestle Operations and Maintenance
- Function 285 – Regional Parkland Acquisition

Function 280 – Regional Parks and Trails

In 2011 the core budget approved by the Board for Function 280 – Regional Parks and Trails – had a requisition of \$901,000. The draft Regional Parks and Trails Function 280 core budget has a requisition for 2012 of \$909,771, which represents a 0.97% increase from 2011. The proposed requisition for 2012 sustains existing staffing resources necessary to support the program, provides for the operations and maintenance of existing regional park sites and the Cowichan Valley Trail, ongoing minor capital project improvements to regional parks and matching capital funds for significant secured grant funding through Island Coastal Economic Trust (ICET) and Federal Gas Tax funds to complete remaining key sections of the Cowichan Valley Trail – Northern Completion Initiative.

Function 283 – Kinsol Trestle Operations and Maintenance

The Kinsol Trestle Operations and Maintenance function was approved with public ascent to provide for both the annual operations and maintenance costs of the Kinsol Trestle as well as contributing to an operational reserve fund to undertake ongoing major rehabilitation works on the structure every several years. The annual requisition approved was in the order of \$100,000. However, in 2011 the Board approved advancing several years of future major rehabilitation works to take place concurrent with the Kinsol Trestle Rehabilitation Project through borrowing of \$416,000 to complete these additional works. The borrowed funds are being paid back over 5 years through the Regional

Parks Function 280 as the setup of Function 283 does not provide for borrowing. As such, \$91,000 in annual interest/principle repayments are covered under Function 280 – Regional Parks and the draft 2012 core requisition for Function 283 Kinsol Maintenance is reduced accordingly to \$10,996. These funds are for required annual engineering inspections of the trestle and minor maintenance/repairs anticipated on the active part of the structure (i.e. decking/handrails).

Function 285 - Regional Parkland Acquisition

The draft 2012 Budget Requisition for Function 285 – Regional Parkland Acquisition – is \$782,206 based on \$5 per \$100,000 household net taxable value as supported by the region-wide referendum to establish this taxable service to acquire lands of regional outdoor recreation and conservation significance.

Requisition Adjustment

Function 280 – Regional Parks and Trails

As noted above, the draft 2012 budget requisition for Function 280 – Regional Parks and Trails – represents a 1% increase from the approved 2011 requisition. A 0% requisition increase for 2012 would require an \$8,771 reduction in the core budget for 2012, which would be derived from capital funds targeted for 2012 work on the Cowichan Valley Trail Northern Completion project. Such reduction in funds would result in matching grant funding reductions from ICET for 2012.

An increase of 2% to the Regional Parks and Trails core budget requisition from 2011 would add an additional \$9,098 to the draft 2012 budget. Such funds would be recommended for capital project works.

Function 283 – Kinsol Trestle Operations and Maintenance

The draft 2012 Kinsol Trestle Operations and Maintenance budget meets Regional District obligations under agreement with the Province of British Columbia to ensure that basic maintenance and inspections are carried out as required. The draft 2012 budget core requisition represents a 2% increase (\$216) from the 2011 requisition of \$10,780. Minor adjustment to the 2012 draft requisition to achieve 0% or 1% from the current 2% increase proposed would be through reduction in the Kinsol maintenance materials budget for 2012.

Background:

The Regional Services Committee previously directed that staff prepare draft budgets for 2012 regional budgets which provide for 0%, 1% and 2% increases to the approved 2011 requisitions for these services. The Regional Parkland Acquisition in 2011 was approved by the Board based on an assessment value of 5\$ per \$100,000 household value.

Submitted by,



Brian Farquhar
Manager, Parks and Trails Division
Parks, Recreation and Culture Department

<p>Approved by: General Manager:</p> <hr/>
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BTF/mca



SR8

STAFF REPORT

REGIONAL SERVICES COMMITTEE MEETING OF FEBRUARY 22, 2012

DATE: February 14, 2012 FILE NO: 2012 Budget
FROM: Bob McDonald, Manager, Recycling & Waste Management
SUBJECT: 2012 Solid Waste Budget 520

Recommendation: That the 2012 Solid Waste Budget 520 requisition be increased by \$160,000 for planned expenditures on legal and consulting costs, as well as fulfilling a switch to the use of biodiesel for all solid waste equipment.

Relation to the Corporate Strategic Plan:

Financial Impact: *(Reviewed by Finance Division: )*

The Solid Waste Management Budget (520) is regionally funded and responsible for waste management services, programs, and facilities throughout the district. It is a large budget that is funded primarily through tipping fees, as well as requisition and recycling material revenues. With a total net requisition increase of 6.1% over the past five years, a deficit was incurred coming into the 2012 budget due to increased costs as noted below:

- new programs such as Styrofoam recycling;
- contractor costs have risen universally;
- CVRD labour costs (3.5% annually);
- Legal costs have gone from \$30,000 to \$120,000, primarily for licensing enforcement;
- Studies and consultants have gone from \$60,000 to \$120,000; and
- approximately \$500,000 in Eco Depot expenses that were to come from Gas Tax funding and borrowing (for a capital project), but had to come from operational and operational reserve funds when the capital project was cancelled.

Fortunately, to offset rising costs, the division has been able to lower expenses through a number of internal initiatives and the benefit of the strong Canadian dollar. Cost-efficiencies and increased revenues were realized in recent years in the following areas:

- the implementation of an in-house roll-off truck and bin program;
- lower export costs through greater loading efficiencies;
- lower local hauling costs through greater loading efficiencies;
- tipping fee increases; and
- a high Canadian dollar to pay for export costs to the U.S.

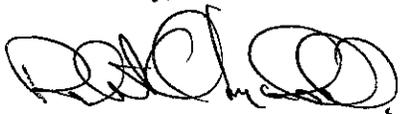
Summary

The 2012 Solid Waste Budget 520 is balanced with a 1.2% requisition increase. It is able to cover core services and operations, but falls \$160,000 short of supporting existing activities, such as legal and consulting costs, as well as fulfilling a switch to the use of biodiesel for all solid waste equipment.

Legal and consulting costs are ever-increasing with greater challenges under the facility licensing program – especially with regulation of multiple composting facilities. The Zero Waste Challenge was launched in 2011, and a full public education and awareness campaign roll-out is planned for 2012, but requires additional consulting costs to implement. Although the CVRD has supported the move to biodiesel and a reduction of Greenhouse Gas emissions, and has helped establish the Cowichan Energy Alternative’s collection and processing centre at Bings Creek, for the CVRD to make use of the fuel, a \$30,000 investment in an on-site distribution station is required. Such a station will allow all current and future equipment (possibly curbside collection trucks, transit buses, etc.) to make use of this fuel source.

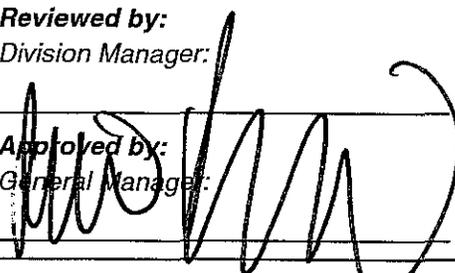
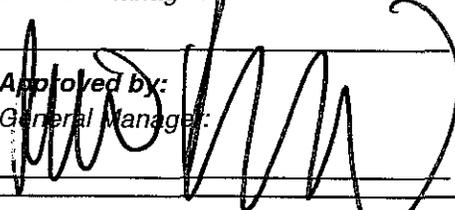
It should be noted that although the budget is balanced, and additional funding will allow for continuation of programs and activities, it is balanced on a stable exchange rate and there is no allowance for future replacement of infrastructure.

Submitted by,



Bob McDonald, Manager,
Recycling & Waste Management

BMc/HH:jlb

Reviewed by: Division Manager:	
Approved by: General Manager:	



STAFF REPORT

**REGIONAL SERVICES COMMITTEE MEETING
OF FEBRUARY 22, 2012**

DATE: February 14, 2012
FROM: Warren Jones, CAO
SUBJECT: 2012 Supplemental Budget Requests

Recommendation/Action:

That it be recommended that the Tier I supplemental budget items be included in the 2012 Budget.

Relation to the Corporate Strategic Plan:

The supplemental budget requests are consistent with goals and objectives of the Corporate Strategic Plan, and provide the resources and funding necessary to move forward with implementing portions of the Plan.

Financial Impact: *(Reviewed by Finance Division: )*

Organizational priorities, service requests and other issues were considered in determining the priority of supplemental requests. The result of this review is the following list of supplemental requests, divided into three tiers, depending on level of priority as assigned by staff:

1. Tier I supplemental request are those deemed to be of the highest overall priority.
2. Tier II supplemental requests are those deemed to be of an important priority.
3. Other supplemental requests are those requested by staff.

As evidenced by the 0% overall increase for regional budgets, staff have gone to great lengths to preset a budget mindful of local economic conditions. Only priority, long-term interest projects have been recommended by staff to be included as supplemental tier I requests. The overall impact of including the Tier I supplemental budget requests in the 2012 budget is \$1.77 per \$100,000 in assessed value, or a total of \$277,550. They include the following:

TIER I Supplemental Requests	Cost	Cost per \$100,000 household
• Communications Office	\$130,000	\$0.83
• Cultural Mapping Project	\$20,000	\$0.13
• Sire Records Management Software	\$92,550	\$0.59
• Regional Compost Facility Study	\$35,000	\$0.22
• Meade Creek Ashfill Remediation	\$75,000	0*
• \$3 per tonne tipping fee	(\$75,000)	0*
TOTAL	\$277,550	\$1.77

* There is no tax requisition impact from these items. The Meade Creek ashfill remediation cost of \$75,000 would be covered by a \$3 per tonne increase in tipping fees.

The overall impact of including the Tier II supplemental budget requests in the 2012 budget is \$0.80 per \$100,000 in assessed value or a total of \$124,814. These requests are all regionally funded so all households in the region are impacted the same. They include the following:

TIER II Supplemental Requests	Cost	Cost per \$100,000 household
<ul style="list-style-type: none"> • Green Team Budget • Implementation of Cowichan Region Area Agriculture Plan • Bylaw Enforcement Officer (cost shared by Solid Waste and Regional Parks functions) 	\$10,000 \$20,000 \$94,814	\$0.06 \$0.13 \$0.61
TOTAL	\$124,814	\$0.80

The overall impact of other supplemental requests will be determined if and when they are approved and recommended by various committees and commissions. Below is the full list of staff supplemental requests including those still awaiting a recommendation from the appropriate Committee or Commission.

Other Supplemental Requests			
Division/Function	Description	Cost	Cost per \$100,000 household
100 – General Government	Reg. Culture - Local Arts Councils	\$30,000	\$0.19
100 – General Government	Spirit Stage User Group Subsidy	\$5,000	\$0.03
107 - Transit	Bus Stop Benches	\$50,000	\$0.30-0.70*
131 - Environment	Regional Watershed Mgmt Strategies	\$50,000	\$0.32
131 - Environment	Coastal Zone Study	\$50,000	\$0.32
131 - Environment	Regional Energy Plan	\$20,000	\$0.13
131 - Environment	Environmental Education Plan	\$30,000	\$0.19
231 - Community Parks A	Deloume Park Infrastructure	\$64,600	\$6.42
231 - Community Parks A	Undefined Minor Capital	\$41,000	\$4.08
405 - Cowichan Lake Arena	Replace Refrigeration Compressors	\$55,000	\$3.32
405 - Cowichan Lake Arena	Install Acoustic Material Arena/Rink	\$100,000	\$6.04
405 - Cowichan Lake Arena	Purchase Maintenance Truck	\$30,000	\$1.81
413 - KPRC Curling	Curling Ice Shaver	\$15,000	\$0.34
416 - KPRC Sports Field	Tandem Dump Trailer	\$8,000	\$0.18
420 - Island Savings	Cowichan Place Signage	\$8,000	\$0.14
426 - ISC Theatre	Cowichan Place Signage	\$8,000	\$0.14
464 - SLCC	24 Passenger Bus	\$14,625	\$0.21
520 - Solid Waste	Expansion of Hours Meade Creek	\$87,028	\$0.56
575 - Engineering	2 Days Per Week Secretarial	\$26,340	\$0.17
Potential New Function	Regional Sports Coordinator	\$106,465	\$0.68

* These new bus stop benches are recommended to be funded from the year end surplus.

Of particular ongoing concern is the ability to sustainably fund the costs associated with the construction and maintenance of local government infrastructure. This continues to be a challenge for local governments across British Columbia and Canada. The primary tool available to local governments to address this problem is the creation and implementation of a robust Capital Reserve Fund policy. The CVRD Corporate Strategic Plan identifies the development of a long-term funding strategy as a priority, including a Capital Reserve Fund policy for maintaining and replacing infrastructure assets.

An excellent recent example of this initiative in action is the *Island Savings Centre Staffing, Services and Capital Sustainability Plan*. The ISC Commission recently considered implementation options for the Plan at its February 3, 2012 meeting, and will be considering a recommendation on implementation on February 9, 2012. This Plan presents a solid solution to a long standing capital reserve deficiency for the single largest capital asset of the Regional District. As such, in 2012 staff anticipate bringing forward a similar plan for other CVRD infrastructure.

Other Supplemental Requests – (Continued)				
Division/Function	Description	Cost	Cost per \$100,000 household	
Year One ISC Staffing, Services and Capital Sustainability Plan	420 - Island Savings	Arena/Sports Programmer	\$72,416	\$1.26
	420 - Island Savings	Transfer to Reserve	\$234,000	\$4.07
	420 - Island Savings	Lead Hand Operations Attendant	\$82,588	\$1.44
	420 - Island Savings	Phase 1 Old Pool Space Reno.	\$100,000	\$1.74
	420 - Island Savings	Increase fixtures/furniture repairs	\$50,000	\$0.87
	420 - Island Savings	Ceiling - Multi Purpose Hall	\$70,000	\$1.22
	426 - ISC Theatre	Reinstate F/T Assistant Tech. Dir.	\$71,042	\$1.24
	426 - ISC Theatre	Restore Theatre presenting budget	\$20,000	\$0.35
	426 - ISC Theatre	Speakers & Assoc. hardware	\$140,000	\$2.44
	426 - ISC Theatre	Multi-Media switching	\$27,000	\$0.47
	423 - ISC Arena	Arena Ceiling	\$100,000	\$1.95
Total			\$967,046	\$17.05

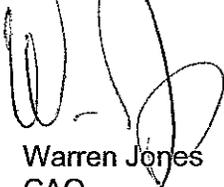
Background:

It is the obligation of senior management to make recommendations to the Board on potential expenditures to add to the budget and the purpose of this report is to present those recommendations for consideration by the Board. The Board must then weigh the staff recommendations and other Board and community generated ideas with the Board's goal of maintaining an appropriate service level. It is a considerable challenge to balance the need and wish for additional service with the ability and willingness to pay. As noted in the 2012 Draft Budget Memorandum, the current overall increase for regional budgets stands at 0%.

As always, it is the goal of staff to present clear options and information to the Board. The budget priorities identified and recommended by staff may align with Board priorities, or it may be that the Board and/or community identify alternative areas of focus. It is hoped that staff's supplemental recommendations provide a good starting point for the budget dialogue.

Should you have any questions about these recommendations please do not hesitate to contact Mark Kueber, at 250-746-2571 or myself.

Submitted by,



Warren Jones
CAO

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>100 - GEN GOVT</u>	<u>PREPARED BY</u>	<u>STEVE HURCOMBE</u>
<u>DEPT.</u>	<u>CORP. SERVICES</u>	<u>DATE</u>	<u>23-Nov-11</u>
<u>PROGRAM</u>	<u>COMMUNICATIONS</u>	<u>PRIORITY NO.</u>	<u>1</u>

DESCRIPTION OF SUPPLEMENTAL: COMMUNICATIONS MANAGER

COSTS	2012
SALARIES/WAGES	90,000
BENEFITS	22,500
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
OFFICE SUPPORT	17,500
TOTAL	\$130,000

CAPITAL EQUIPMENT NEEDED (Specify)

TOTAL	\$0

ANTICIPATED REVENUE

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BENEFITS OF SUPPLEMENTAL ITEM

INCREASE THE EFFECTIVENESS OF CVRD THROUGH IMPROVED INTERNAL AND EXTERNAL COMMUNICATIONS

IMPACT IF NOT APPROVED

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	100	PREPARED BY	Steve Hurcombe
DEPT.	Parks, Rec & Culture	DATE	23-Nov-11
PROGRAM	Arts & Culture Division	PRIORITY NO.	1

DESCRIPTION OF SUPPLEMENTAL: Regional Arts Funding - Cultural Mapping

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Consulting	20,000
_____	_____
_____	_____
TOTAL	\$20,000

CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE _____

BENEFITS OF SUPPLEMENTAL ITEM

Inventory and map cultural assets and characteristics in CVRD. See staff report. This is a pilot project with the Ministry of Community, Sport and Cultural Development

IMPACT IF NOT APPROVED

Benefits of Supplemental Item

Implementing the Sire Records Management Software will enable the CVRD to achieve three objectives of the Corporate Strategic Plan. These objectives are:

- **Objective: An efficient, high performance, innovative organization**
 - Strategic Action 3. Review organizational processes and streamline where appropriate to improve efficiency and reduce costs.
 - Strategic Action 5. Develop and implement a comprehensive records management system.
- **Objective: An organization whose public and staff are proactively informed**
 - Strategic Action 4. Continue to enhance the number of services available online
- **Objective: Knowledgeable and well-trained staff**
 - Strategic Action 5. Implement best practices throughout the organization wherever possible

Impact if Not Approved

- Missed deadlines and opportunities when records are temporarily lost
- Costs associated with staff time spent searching for inadequately indexed or unindexed records or files, or misfiled records
- Costs associated with the storage of obsolete records that should be destroyed
- Liability from destruction of records that should have been retained
- Limited ability to comply with the *Freedom of Information and Protection of Privacy Act*
- Litigation resulting from any of the above

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	520	PREPARED BY	HH
DEPT.	R&WM	DATE	1-Nov-11
PROGRAM	Compost Facility Feasib:	PRIORITY NO.	2

DESCRIPTION OF SUPPLEMENTAL: Feasibility study re. development of regional compost

COSTS	2012
SALARIES/WAGES	
BENEFITS	
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
Consultants	80,000

TOTAL	\$80,000
 CAPITAL EQUIPMENT NEEDED (Specify)	

TOTAL	\$0
 ANTICIPATED REVENUE	80,000

BENEFITS OF SUPPLEMENTAL ITEM

The study will examine the feasibility of developing a CVRD-operated regional compost facility. The study will likely include an examination of factors such as composting technologies comparison, operational and development costs, economic development potential, and possible locations for siting a facility.

IMPACT IF NOT APPROVED

Development of a regional composting facility will not move forward at this time if a feasibility study is not carried out.

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	520	PREPARED BY	HH
DEPT.	R&WM	DATE	1-Nov-11
PROGRAM	Meade Creek Incinerator	PRIORITY NO.	1

DESCRIPTION OF SUPPLEMENTAL: Remediation of ash landfill at Meade Cr. Drop-off De

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Remediation Works	290,000
Estimated Borrowing Cost -	10,000
Interest (10 year term, 5% interest on approx. \$216,500)	_____
TOTAL	\$300,000
CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
TOTAL	\$0
	ANNUAL DEBT FINANCING \$75,000 5 YR MFA.
ANTICIPATED REVENUE	300,000

BENEFITS OF SUPPLEMENTAL ITEM
 Remediation of landfilled ash at the Meade Creek drop-off depot is an outstanding commitment of the CVRD's Solid Waste Management Plan. The CVRD discharged ash waste to the site between approx. 1970 and 1999 under a Provincial Waste Discharge Permit. The Province requires that landfilled ash on site be remediated so that the CVRD's Waste Discharge Permit may be closed.

IMPACT IF NOT APPROVED
 The CVRD's Waste Discharge Permit will remain active, and the CVRD will be listed as 'non-compliant' by the Province for failing to properly close an ash landfill. The CVRD's commitment to closing the ash landfill in it's Solid Waste Management Plan will remain unfulfilled. Potential environmental impacts may also result over the long-term if the ash landfill is not closed.

Revenue breakdown: \$83,500 from Remediation Reserve Fund; remainder (approx. \$216,500) from MFA long-term borrowing (10 yr)

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	520	PREPARED BY	HH
DEPT.	R&WM	DATE	3-Nov-11
PROGRAM	Tip Fee Increase	PRIORITY NO.	3

DESCRIPTION OF SUPPLEMENTAL: \$3 per tonne garbage tipping fee increase

COSTS	2012
SALARIES/WAGES	
BENEFITS	
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
TOTAL	\$0

CAPITAL EQUIPMENT NEEDED (Specify)	
TOTAL	\$0

ANTICIPATED REVENUE	75,000
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BENEFITS OF SUPPLEMENTAL ITEM
 Increasing tipping fees by \$3 would raise per tonne tip fees for garbage to \$140. At current volumes, this would provide approx. \$75,000 in extra revenue, which would offset rising operational costs not addressed by requisition or other revenue sources. Strong tip fees encourage recycling and less-costly diversion methods, while buffering against lost revenue from increased organics diversion.

IMPACT IF NOT APPROVED
 Additional revenues will not be realized. Rising operational costs may require an increase to requisition in order to maintain operational levels.

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	200	PREPARED BY	Jim Wakeham
DEPT.	Engineering	DATE	26-Oct-11
PROGRAM	Facilities	PRIORITY NO.	

DESCRIPTION OF SUPPLEMENTAL. GREEN TEAM BUDGET

COSTS	2012
SALARIES/WAGES	
BENEFITS	
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	10,000
Increase R&M building maintenance account 01.2.1140.2410.200	
TOTAL	\$10,000
CAPITAL EQUIPMENT NEEDED (Specify)	
TOTAL	\$0
ANTICIPATED REVENUE	N/A

BENEFITS OF SUPPLEMENTAL ITEM

A green team low priority initiative. Installation of a 100 gallon tank in the ceiling of 3rd floor men's washroom to collect rain water to utilize in the 3rd floor toilets/urinals in the winter season. It is a gravity feed system that will replace the need for municipal water to be used in the winter. Requirements are: tank, piping, plumber as well as t-bar ceiling to access.

AMENDED TO \$10,000 BUDGET FOR GREEN TEAM.

IMPACT IF NOT APPROVED

The initiative is not based on cost effectiveness as the CVRD is only charged \$500 per year for water. The impact is more an environmental project and if not approved will mean we continue to use municipal water source.

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	121	PREPARED BY	Geoff Millar
DEPT.	P & D	DATE	28-Oct-11
PROGRAM	Agriculture	PRIORITY NO.	1

DESCRIPTION OF SUPPLEMENTAL: Implementation of Cowichan Area Agriculture Plan

COSTS	2012
SALARIES/WAGES	
BENEFITS	
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
Area Ag Plan Implementation-Regional Services Rpt 18 Oct 2011	15,000
Certification Pgm for Cowichan Ag Brand as per Goal 5 from Ag Plan	5,000
TOTAL	\$20,000

CAPITAL EQUIPMENT NEEDED (Specify)	
TOTAL	\$0

ANTICIPATED REVENUE

BENEFITS OF SUPPLEMENTAL ITEM

Important first year process to firmly establish Area Agriculture Plan as CVRD Priority as per Corporate Strategic Plan.

IMPACT IF NOT APPROVED

Incomplete first year implementation of initial goals from Cowichan Region Area Agriculture Plan

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	320	PREPARED BY	Tom Anderson
DEPT.	Planning & Dev.	DATE	Oct-11
PROGRAM		PRIORITY NO.	1

DESCRIPTION OF SUPPLEMENTAL: New Bylaw Enforcement Officer

COSTS	2012
SALARIES/WAGES	63,000
BENEFITS	17,000
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	10,000
TOTAL	\$90,000

CAPITAL EQUIPMENT NEEDED (Specify)

TOTAL	\$0

ANTICIPATED REVENUE 90,000

BENEFITS OF SUPPLEMENTAL ITEM	<i>HR Alloc.</i> 2416 <i>IT Alloc.</i> 2398 <u>94814</u>
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This new position will allow for this division to better respond to the need for increased enforcement within our Regional Parks and to achieving compliance with our Solid Waste Management Bylaws. *Costs to be shared between solid waste and Regional Parks.*

IMPACT IF NOT APPROVED

If this position is not approved, Trail enforcement will be done on a random basis as time permits. Enforcement of Solid Waste Management bylaws will be handled by Engineering staff who are not suited nor comfortable in dealing with enforcement issues.

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	100	PREPARED BY	Steve Hurcombe
DEPT.	Parks, Rec & Culture	DATE	23-Nov-11
PROGRAM	Arts & Culture Division	PRIORITY NO.	1

DESCRIPTION OF SUPPLEMENTAL: Regional Arts - Support for 3 local arts councils

COSTS	2012
SALARIES/WAGES	
BENEFITS	
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
Arts Councils - Regional Support	30,000
TOTAL	\$30,000

CAPITAL EQUIPMENT NEEDED (Specify)	
TOTAL	\$0

ANTICIPATED REVENUE

BENEFITS OF SUPPLEMENTAL ITEM

Support for CVAC, Ladysmith and Chemainus Local Arts Councils

IMPACT IF NOT APPROVED

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	100	PREPARED BY	Steve Hurcombe
DEPT.	Parks, Rec & Culture	DATE	23-Nov-11
PROGRAM	Arts & Culture Division	PRIORITY NO.	1

DESCRIPTION OF SUPPLEMENTAL: Regional Arts - Subsidy for Spirit Stage Users

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Reduction in fees for Spirit Stage Users	5,000
_____	_____
_____	_____
TOTAL	\$5,000

CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE _____

BENEFITS OF SUPPLEMENTAL ITEM

Reduction in fees for spirit stage user groups to increase community usage fo the stage. See attached summary

IMPACT IF NOT APPROVED

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	107	PREPARED BY	Jim Wakeham
DEPT.	Engineering - Transit	DATE	26-Oct-11
PROGRAM		PRIORITY NO.	medium - high

DESCRIPTION OF SUPPLEMENTAL: Bus stop benches

COSTS

2012

SALARIES/WAGES

BENEFITS

SOFTWARE

ALLOCATIONS

OTHER COSTS (SPECIFY)

Minor capital 01.2.7100.2480

~~25,000~~
50,000

TOTAL

~~25,000~~
50,000

CAPITAL EQUIPMENT NEEDED (Specify)

TRANSFER TO \$31,000 OPERATING RESOURCES
\$19,000 REQUISITION

TOTAL

\$0

ANTICIPATED REVENUE

N/A

BENEFITS OF SUPPLEMENTAL ITEM

Since the bus shelter project has been completed, the public has asked and it is recommended that we continue to improve the service by installing bus benches over the next few years. It is projected that we could start by installing about 12 benches at approximately \$2,000 each for the heavy duty metal and the cement pad.

IMPACT IF NOT APPROVED

The public will continue to submit requests (complain) for service improvements and we would not be improving the transit experience which makes it harder to attract new transit riders.

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	131	PREPARED BY	Kate Miller
DEPT.	Environmental Policy	DATE	29-Oct-12
PROGRAM	Corp Strategy Healthy E	PRIORITY NO.	2

DESCRIPTION OF SUPPLEMENTAL: Regional watershed management strategies - quality

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Consulting Support	50,000
_____	_____
TOTAL	<u><u>\$50,000</u></u>

CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
TOTAL	<u><u>\$0</u></u>

ANTICIPATED REVENUE anticipated partnership with MOE, Watershed Board and others

BENEFITS OF SUPPLEMENTAL ITEM

Leverage funds to complete data collection required to develop water quality objectives for Chemainus River and Koksillah as well as Cowichan Bay

IMPACT IF NOT APPROVED

no ability to continue leveraging strategic program development and ongoing partnerships

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>131</u>	<u>PREPARED BY</u>	<u>Kate Miller</u>
<u>DEPT.</u>	<u>Environmental Policy</u>	<u>DATE</u>	<u>28-Oct-11</u>
<u>PROGRAM</u>	<u>Corp Strategy 1d</u>	<u>PRIORITY NO.</u>	<u>3</u>

DESCRIPTION OF SUPPLEMENTAL: Coastal Zone Study

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Consulting Support	50,000
_____	_____
TOTAL	\$50,000

CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE anticipated partnership with research institutions and DFO

BENEFITS OF SUPPLEMENTAL ITEM

Using Lidar base to develop a coastal zone map which identifies areas at high risk to sea level rise and climate change issues as well as ecological and geomorphic changes including slope failures. This analysis will provide key information to the Sustainability Plan, identification in the OCP's of risk areas, and key information of the Climate Action plan

IMPACT IF NOT APPROVED

No ability to undertake LIDAR analysis and utilize new information in planning. No ability to accurately map and provide key information related to coastal zone protection to properties and infrastructure

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	131	PREPARED BY	Kate Miller
DEPT.	Environmental Policy	DATE	28-Oct-11
PROGRAM		PRIORITY NO.	4

DESCRIPTION OF SUPPLEMENTAL: Environmental Education Plan focus on water, energy
- Regional Energy Program.

COSTS	2012
SALARIES/WAGES	
BENEFITS	
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
Consulting support	20,000
TOTAL	\$20,000

CAPITAL EQUIPMENT NEEDED (Specify)

TOTAL	\$0

ANTICIPATED REVENUE

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BENEFITS OF SUPPLEMENTAL ITEM
 The Regional Energy Program has identified key information which is not currently available for our region and necessary for energy programming, environmental policy development and GHG reductions at a community level. Funding will be used to collect key data related to existing building energy use and profiles heating type. Anticipated expenditure for survey and communication

IMPACT IF NOT APPROVED

no information on existing building heating types for region or alternative energy use.

D.S

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	131	PREPARED BY	Kate Miller
DEPT.	Environmental Policy	DATE	28-Oct-11
PROGRAM	Corp Strat 3c	PRIORITY NO.	6

DESCRIPTION OF SUPPLEMENTAL: Environmental Education Plan focus on water, energy

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Consulting support	10,000
production	10,000
advertizing	10,000
TOTAL	\$30,000

CAPITAL EQUIPMENT NEEDED (Specify)

_____	_____
TOTAL	\$0

ANTICIPATED REVENUE

BENEFITS OF SUPPLEMENTAL ITEM

funding for consulting support in materials design and production costs, community and internal program delivery

IMPACT IF NOT APPROVED

no ability to produce materials effectively or provide a outreach and education program

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>231</u>	<u>PREPARED BY</u>	<u>Brian Farquhar</u>
<u>DEPT.</u>	<u>Parks and Trails</u>	<u>DATE</u>	<u>28-Oct-11</u>
<u>PROGRAM</u>	<u>Community Parks</u>	<u>PRIORITY NO.</u>	<u>One</u>

DESCRIPTION OF SUPPLEMENTAL: ~~Undefined Parkland Acquisition~~ DELOUME PARK

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Deloume Park playground	64,600
_____	_____
_____	_____
TOTAL	\$64,600

CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE _____

BENEFITS OF SUPPLEMENTAL ITEM

Phase II of Deloume Park in Mill Springs, which in 2011 has involved the clearing and installation of the lawn areas, walkways and sport court foundation.

IMPACT IF NOT APPROVED

There is a long-awaited anticipation of completion of a family-oriented park on the west side of Hwy 1 in the Mill Bay community. If not approved, the playground and picnic shelter would be deferred to future years and the local community would not have the benefit of an accessible family tot lot park.

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>231</u>	<u>PREPARED BY</u>	<u>Brian Farquhar</u>
<u>DEPT.</u>	<u>Parks and Trails</u>	<u>DATE</u>	<u>28-Oct-11</u>
<u>PROGRAM</u>	<u>Community Parks</u>	<u>PRIORITY NO.</u>	<u>Two</u>

DESCRIPTION OF SUPPLEMENTAL: Undefined Minor Capital Projects

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Undefined Minor Capitals	41000
_____	_____
_____	_____
TOTAL	\$41,000

CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE _____

BENEFITS OF SUPPLEMENTAL ITEM

Undefined by Parks Commission at this time

IMPACT IF NOT APPROVED

Unknown

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION 405</u>	<u>PREPARED BY Rob Frost</u>
<u>DEPT. Engineering and Environmental</u>	<u>DATE October 2011</u>
<u>PROGRAM Facilities - Cowichan Lake Area</u>	<u>PRIORITY NO. 2 (Medium)</u>

DESCRIPTION OF SUPPLEMENTAL: To replace the two original forty year old Mycom refrigeration compressors with new higher effici models. The existing compressors are becoming more costly to repair and also more difficult to repair. The operation of the refrigeration compressors is essential to making and maintaining the ice.

COSTS	\$ 55,000.00
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SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
COSTS	_____
OTHER COSTS (SPECIFY)	_____

TOTAL	_____

CAPITAL EQUIPMENT NEEDED (Specify)	
<u>TWO MYCOM COMPRESSORS</u>	_____
<u>INSTALLED.</u>	_____

TOTAL	\$ 55,000.00

ANTICIPATED REVENUE	N/A
---------------------	-----

BENEFITS OF SUPPLEMENTAL ITEM
 Higher efficiency compressors can achieve a 15% savings in power. They also have a higher capacity and therefore do not work as hard to maintain the ice, which also lowers the repair costs. The actual savings is hard to quantify under the current billing system.

This project was budgeted and targeted for 2011 or 2012, but the Commision decided to use the current funds to complete the parking lot project.

IMPACT IF NOT APPROVED
 Repair cost continually rising due to age of compressors, and possible failure to compressors.

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION: 405</u>	<u>PREPARED BY: Rob Frost</u>
<u>DEPT: Engineering and Environment</u>	<u>DATE: October 2011</u>
<u>PROGRAM: Facilities-Cowichan Lake</u>	<u>PRIORITY NO: (Medium)</u>

DESCRIPTION OF SUPPLEMENTAL: Install acoustic material in arena and curling rink

2012

COSTS	\$	100,000.00
SALARIES/WAGES	\$	
BENEFITS		
SOFTWARE		
ALLOCATIONS		
OTHER COSTS (SPECIFY)		

TOTAL	\$	100,000.00

CAPITAL EQUIPMENT NEEDED (Specify)

TOTAL	

ANTICIPATED REVENUE \$ _____

BENEFITS OF SUPPLEMENTAL ITEM

Due to new steel roof deck, acoustics are very poor.

This supplemental item may qualify for a Rec Centre Capital Infrastructure Grant.

IMPACT IF NOT APPROVED

Continuing bad PA sound during programs.

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION: 405</u>	<u>PREPARED BY: Rob Frost</u>
<u>DEPT: Engineering and Environment</u>	<u>DATE: October 2011</u>
<u>PROGRAM: Facilities-Cowichan Lake</u>	<u>PRIORITY NO: (Medium)</u>

DESCRIPTION OF SUPPLEMENTAL: Purchase a maintenance truck.

COSTS	2012
	\$ 30,000.00
SALARIES/WAGES	\$ _____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
_____	_____
_____	_____
_____	_____
TOTAL	\$ 30,000.00

CAPITAL EQUIPMENT NEEDED (Specify)

_____	_____
_____	_____
TOTAL	

ANTICIPATED REVENUE \$ _____

BENEFITS OF SUPPLEMENTAL ITEM

The existing maintenance truck is 12 years old and needs replacing but is still viable for dirty jobs, towing the trailer, and large loads. A second truck will also allow flexibility between other CLR departments that also use the truck.

IMPACT IF NOT APPROVED

Rising maintenance costs. Less flexibility.

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>413</u>	<u>PREPARED BY</u>	<u>Tony Liddle</u>
<u>DEPT.</u>	<u>E & E- Facilities</u>	<u>DATE</u>	<u>25-Oct-11</u>
<u>PROGRAM</u>	<u>KPRC</u>	<u>PRIORITY NO.</u>	

DESCRIPTION OF SUPPLEMENTAL: Curling Ice Shaver

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
_____	_____
_____	_____
TOTAL	<u><u>\$0</u></u>

CAPITAL EQUIPMENT NEEDED (Specify)	80,000
<u>Curling Ice Shaver</u>	<u>15,000</u>
TOTAL	<u><u>\$15,000</u></u>

ANTICIPATED REVENUE 0

BENEFITS OF SUPPLEMENTAL ITEM

Increase quality of curling ice. Current equipment coming to the end of it's lifecycle.

*\$15,000 current rolling
\$65,000 NFA STR (15,000/year)*

IMPACT IF NOT APPROVED

Quality of ice will remain the same and it is anticipated that maintance costs on this piece of equipment will continue to rise.

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	416	PREPARED BY	Tony Liddle
DEPT.	E & E- Facilities	DATE	25-Oct-11
PROGRAM	KPRC	PRIORITY NO.	

DESCRIPTION OF SUPPLEMENTAL: Tandum Dump Trailer

COSTS	2012
SALARIES/WAGES	
BENEFITS	
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
TOTAL	\$0

CAPITAL EQUIPMENT NEEDED (Specify)	
Tandum Dump Trailer	8,000
TOTAL	\$8,000

ANTICIPATED REVENUE 0

BENEFITS OF SUPPLEMENTAL ITEM

Ability for maintenace to pick up small loads of material for sports field complex versus paying for delivery; Also allows for grass disposal versus leaving on-site

IMPACT IF NOT APPROVED

Continued cost of delivery and grass cuttings remain on site

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>420</u>	<u>PREPARED BY</u>	<u>Anne Spalding per J. Elzinga</u>
<u>DEPT.</u>	<u>ISC - PARKS/REC</u>	<u>DATE</u>	<u>28-Oct-12</u>
<u>PROGRAM</u>		<u>PRIORITY NO.</u>	<u>1</u>

DESCRIPTION OF SUPPLEMENTAL: Cowichan Place Signage -

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	8,000
OTHER COSTS (SPECIFY)	_____
_____	_____
_____	_____
TOTAL	\$8,000

CAPITAL EQUIPMENT NEEDED (Specify)

_____	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE

unknow at this time

BENEFITS OF SUPPLEMENTAL ITEM

Meets Stagegic partnerships through the formation of Cowichan Place - Promotes and Brands the Island Savings Centre as a partner within Cowichan Place

IMPACT IF NOT APPROVED

Report to follow Monday - October 31, 2011

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	426	<u>PREPARED BY</u>	Anne Spalding per K. Schrader
<u>DEPT.</u>	A&C - Theatre	<u>DATE</u>	28-Oct-12
<u>PROGRAM</u>		<u>PRIORITY NO.</u>	1

DESCRIPTION OF SUPPLEMENTAL: Cowichan Place Signage -

COSTS	2012
SALARIES/WAGES	
BENEFITS	
SOFTWARE	
ALLOCATIONS	8,000
OTHER COSTS (SPECIFY)	

TOTAL	\$8,000

CAPITAL EQUIPMENT NEEDED (Specify)	

TOTAL	\$0

ANTICIPATED REVENUE unknow at this time

BENEFITS OF SUPPLEMENTAL ITEM

Meets Stagegic partnerships through the formation of Cowichan Place - Promotes and Brands the Cowichan Theatre as a partner within Cowichan Place

IMPACT IF NOT APPROVED

Report to follow Monday - October 31, 2011

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	464	PREPARED BY	Tony Liddle
DEPT.	E & E- Facilities	DATE	25-Oct-11
PROGRAM	SLCC	PRIORITY NO.	1

DESCRIPTION OF SUPPLEMENTAL: 2012- 24 Passenger Microbird Bus

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
_____	_____
_____	_____
TOTAL	<u>\$0</u>

CAPITAL EQUIPMENT NEEDED (Specify)	
2012-Bus	65,000
TOTAL	<u>\$65,000</u>

ANTICIPATED REVENUE _____

BENEFITS OF SUPPLEMENTAL ITEM

Replacement of 1991 22 passenger microbird bus which is exceeding annual maintenace costs. Bus is at the end of it's lifecycle and needs replacing. Bus would be financed over a 5 year period with an annual cost of approximately \$14,000/year

Approx 14,625 / year

IMPACT IF NOT APPROVED

Out of School Care Program will suffer resulting in reduction of # of children we provide care for. Program requires two buses to pick up for the three local area school. With the reduction of one bus, would equate into annual revenues being reduced by approximately 40%, or \$138,360.

*(40% \$345,900)
OSCAR*

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	520	PREPARED BY	HH
DEPT.	R&WM	DATE	1-Nov-11
PROGRAM	Meade Creek Operating	PRIORITY NO.	5

DESCRIPTION OF SUPPLEMENTAL: Expanding operating hours at the Meade Cr. Drop-off

COSTS	2012
SALARIES/WAGES	38,400
BENEFITS	9,984
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
Operating Costs	38,644
TOTAL	\$87,028
CAPITAL EQUIPMENT NEEDED (Specify)	
TOTAL	\$0
ANTICIPATED REVENUE	87,028

BENEFITS OF SUPPLEMENTAL ITEM

Current operating hours at the Meade Cr. Recycling Drop-off Depot are Wed/Sat/Sun from 9am - 5pm. During summer months between April 1 and October 31, the depot is open for an additional day on Tuesdays. Expansion of operating hours to seven days per week will provide local residents with greater flexibility for dropping off recyclable materials and household refuse, and may help to reduce the frequency of illegal dumping in the Lake Cowichan area.

IMPACT IF NOT APPROVED

Meade Creek will continue to operate at existing hours of 9am - 5pm Wed/Sat/Sun, with an additional day on Tuesdays between April 1 and October 31.

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	575	PREPARED BY	Steve Hurcombe
DEPT.	Engineering	DATE	Nov 22/2011
PROGRAM	Engineering Services	PRIORITY NO.	

DESCRIPTION OF SUPPLEMENTAL: Secretarial capacity - 2 days per week

COSTS	2012
SALARIES/WAGES	20,900
BENEFITS	5,440
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
TOTAL	\$26,340

CAPITAL EQUIPMENT NEEDED (Specify)	
TOTAL	\$0

ANTICIPATED REVENUE

BENEFITS OF SUPPLEMENTAL ITEM

IMPACT IF NOT APPROVED

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION: General Government
DEPT.: Parks, Recreation, and Culture
PROGRAM:

PREPARED BY: John Elzinga / Ron Austen
DATE: November 1, 2011
PRIORITY NO: 1

DESCRIPTION OF SUPPLEMENTAL: Regional Sport Events Coordinator

ANNUAL COSTS

COSTS	2012	
SALARIES/WAGES (based on exempt grade 4, step 2, with a 5% increase over 2010 rates)	72,342	72,342
BENEFITS	18,809	18,809
COMPUTER / LAPTOP / SOFTWARE	3,000	} one-time
FURNITURE	2,000	
BLACKBERRY OR CELLPHONE	1,200	} Annual Costs =
TRAVEL	1,800	
CONFERENCES	1,500	
OFFICE SUPPLIES	1,000	
MISCELLANEOUS EQUIPMENT	2,500	
CONTINGENCY	2,500	
TOTAL	\$106,651	
NO CAPITAL EQUIPMENT NEEDED		
TOTAL	\$106,651	91,151
	HR Alloc	2416
	IT Alloc	2398
		<hr/> \$ 95,965
		10,500
		<hr/> 106,465

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	420	PREPARED BY	John Elzinga
DEPT.	ISC - PARKS/REC	DATE	28-Oct-12
PROGRAM		PRIORITY NO.	1

DESCRIPTION OF SUPPLEMENTAL: Arena/Sports Programmer 2 Position (re-instatement)

COSTS	2012
SALARIES/WAGES	55,555
BENEFITS	14,445
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
TOTAL	\$70,000
CAPITAL EQUIPMENT NEEDED (Specify)	<i>HR Alloc</i> 2416 \$ 72,416
TOTAL	\$0

ANTICIPATED REVENUE UNKNOWN AT THIS TIME

BENEFITS OF SUPPLEMENTAL ITEM
 Re-instatement of the Arena/Sports Programmer position will allow the Island Savings Centre to offer a level of sports programming that will again start to meet the needs of the community from our youth to our seniors that was lost when the position was not filled. Revenue that was lost due to the cancellation of programs will be recovered.

IMPACT IF NOT APPROVED
 The needs of the growing community will not be met and revenue will continue to decline. The space while still costing monies to maintain will continue to be underutilized with minimal benefit to the community and less revenue return to offset these set costs.

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>420</u>	<u>PREPARED BY</u>	<u>John Elzinga</u>
<u>DEPT.</u>	<u>ISC - PARKS/REC</u>	<u>DATE</u>	<u>28-Oct-12</u>
<u>PROGRAM</u>		<u>PRIORITY NO.</u>	<u>1</u>

DESCRIPTION OF SUPPLEMENTAL: Transfer to Reserve

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	234,000
OTHER COSTS (SPECIFY)	_____
_____	_____
_____	_____
TOTAL	\$234,000

CAPITAL EQUIPMENT NEEDED (Specify)	
_____	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE	0
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BENEFITS OF SUPPLEMENTAL ITEM

Contributing annually to the Capital Reseve Fund would mitigate the fiancial impact of major, nonrecurring or unforeseen expenditures that can occur. It can also reduce interest and other costs associated with debt issuances if borrowing is needed for damages from a catastophic event ie: an earthquake

IMPACT IF NOT APPROVED

No or little monies in the reserve fund means that when problems occur - ie: the transformer that had to be replaced - debt will be incurred further exacebating the costs of repairs or replacement.

W-3

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	420	<u>PREPARED BY</u>	Brad Coleman
<u>DEPT.</u>	ISC Operations	<u>DATE</u>	6-Oct-11
<u>PROGRAM</u>		<u>PRIORITY NO.</u>	#1

DESCRIPTION OF SUPPLEMENTAL Operations Attendant leadhand Position

COSTS	2011
SALARIES/WAGES	63,138
BENEFITS	17,034
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	

TOTAL	\$80,172

HR Alloc. 2416
 \$ 82,588

CAPITAL EQUIPMENT NEEDED (Specify)	

TOTAL	\$0

ANTICIPATED REVENUE

BENEFITS OF SUPPLEMENTAL ITEM

Increasing workload due to larger projects becoming more common as age of facility and demand on services within have put a steady increased demand on current leadhand. One position cannot cover enough of the week to be effective. Also due to the fact that existing leadhand has accrued vacation and sicktime, it is difficult to backfill because we lack the staff.

IMPACT IF NOT APPROVED

Workload continues to increase and the inability to carry out workorders in a timely manner will be further delayed. This position is a working supervisor and has been a very valuable asset to our department to date.

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	420	<u>PREPARED BY</u>	Brad Coleman
<u>DEPT.</u>	ISC Operations	<u>DATE</u>	6-Oct-11
<u>PROGRAM</u>		<u>PRIORITY NO.</u>	#

DESCRIPTION OF SUPPLEMENTAL Phase 1 of 2 Old Pool Reno's

COSTS	2011
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Develop rentable space within old pool space	100,000
_____	_____
_____	_____
TOTAL	\$100,000

CAPITAL EQUIPMENT NEEDED (Specify)

_____	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE

_____	_____
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BENEFITS OF SUPPLEMENTAL ITEM

Provide more avenues of service to the community and develop better layout for such programs as youth outreach, daycare and a possible recycle space for entire facilities needs.

IMPACT IF NOT APPROVED

Will remain empty with no revenue generation and continue to operate programs in less than desirable layouts.

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>420 - ISC Events</u>	<u>PREPARED BY</u>	<u>Steve Hurcombe</u>
<u>DEPT.</u>	<u>Parks, Rec & Culture</u>	<u>DATE</u>	<u>23-Nov-11</u>
<u>PROGRAM</u>	<u>Island Savings Centre</u>	<u>PRIORITY NO.</u>	

DESCRIPTION OF SUPPLEMENTAL: Increase to fixtures and finishing repairs budget

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Fixtures and finishing repairs	50,000
_____	_____
_____	_____
TOTAL	\$50,000

CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE _____

BENEFITS OF SUPPLEMENTAL ITEM

IMPACT IF NOT APPROVED

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>420 - ISC</u>	<u>PREPARED BY</u>	<u>Steve Hurcombe</u>
<u>DEPT.</u>	<u>Parks, Rec & Culture</u>	<u>DATE</u>	<u>23-Nov-11</u>
<u>PROGRAM</u>	<u>ISC - Multi Purpose</u>	<u>PRIORITY NO.</u>	

DESCRIPTION OF SUPPLEMENTAL: Ceiling - Multi Purpose

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Capital	70,000
_____	_____
_____	_____
TOTAL	\$70,000

CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE _____

BENEFITS OF SUPPLEMENTAL ITEM

IMPACT IF NOT APPROVED

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	426	PREPARED BY	Kirsten Schrader
DEPT.	Parks, Rec and Culture	DATE	Oct.27, 2011
PROGRAM	Arts and Culture Div.	PRIORITY NO.	1

DESCRIPTION OF SUPPLEMENTAL: Reinstate Full-time Assistant Technical Director position

COSTS

~~2011~~ 2012

SALARIES/WAGES	52,563
BENEFITS	13,665
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
TOTAL	\$66,228

CAPITAL EQUIPMENT NEEDED (Specify)

HR Alloc. 2416
IT Alloc. 2398
471042

TOTAL	\$0
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ANTICIPATED REVENUE

BENEFITS OF SUPPLEMENTAL ITEM

The Assistant Technical Director (ATD) position is necessary to reinstate due to a 160% increase in the number of shows at the Theatre since the position was cut in 1998. This position is responsible for working shows, maintaining and protecting valuable equipment, and serving local clients. A portion of the wage is recoverable through theatre rentals. Industry standards are 3 fulltime ATD's for a theatre this size.

IMPACT IF NOT APPROVED

Inconsistent/poor quality service to clients, premature replacement of technical equipment, incomplete yearly maintenance of theatre equipment and systems, no house staff if the full time employee is ill or on leave/vacation. Burnout of current fulltime technician. Additional costs incurred per show for either the Theatre and the rental client.

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>426 - Theatre</u>	<u>PREPARED BY</u>	<u>Steve Hurcombe</u>
<u>DEPT.</u>	<u>Parks, Rec & Culture</u>	<u>DATE</u>	<u>23-Nov-11</u>
<u>PROGRAM</u>	<u>Theatre</u>	<u>PRIORITY NO.</u>	

DESCRIPTION OF SUPPLEMENTAL: Increase to Theatre Presenting Budget

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Theatre Presenting Budget	20,000
_____	_____
_____	_____
TOTAL	<u><u>\$20,000</u></u>

CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
TOTAL	<u><u>\$0</u></u>

ANTICIPATED REVENUE _____

BENEFITS OF SUPPLEMENTAL ITEM

IMPACT IF NOT APPROVED

X.3.

**2012 BUDGET
SUPPLEMENTAL ITEM**

FUNCTION	426 - Theatre	PREPARED BY	Steve Hurcombe
DEPT.	Parks, Rec & Culture	DATE	23-Nov-11
PROGRAM	ISC Theatre	PRIORITY NO.	

DESCRIPTION OF SUPPLEMENTAL: Speakers and associated hardware

COSTS	2012
SALARIES/WAGES	
BENEFITS	
SOFTWARE	
ALLOCATIONS	
OTHER COSTS (SPECIFY)	
Capital	140,000
TOTAL	\$140,000

CAPITAL EQUIPMENT NEEDED (Specify)	
TOTAL	\$0

ANTICIPATED REVENUE

BENEFITS OF SUPPLEMENTAL ITEM

Replace existitng sound system with new speakers and associated hardware

IMPACT IF NOT APPROVED

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>426 - Theatre</u>	<u>PREPARED BY</u>	<u>Steve Hurcombe</u>
<u>DEPT.</u>	<u>Parks, Rec & Culture</u>	<u>DATE</u>	<u>23-Nov-11</u>
<u>PROGRAM</u>	<u>ISC Theatre</u>	<u>PRIORITY NO.</u>	

DESCRIPTION OF SUPPLEMENTAL: Multi-Media Switching Hardware

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Capital	27,000
_____	_____
_____	_____
TOTAL	\$27,000

CAPITAL EQUIPMENT NEEDED (Specify)	
_____	_____
_____	_____
TOTAL	\$0

ANTICIPATED REVENUE _____

BENEFITS OF SUPPLEMENTAL ITEM

Multi-Media Switching Hardware

IMPACT IF NOT APPROVED

✓

**2012 BUDGET
SUPPLEMENTAL ITEM**

<u>FUNCTION</u>	<u>423 - ISC</u>	<u>PREPARED BY</u>	<u>Steve Hurcombe</u>
<u>DEPT.</u>	<u>Parks, Rec & Culture</u>	<u>DATE</u>	<u>23-Nov-11</u>
<u>PROGRAM</u>	<u>ISC Arena</u>	<u>PRIORITY NO.</u>	

DESCRIPTION OF SUPPLEMENTAL: Ceiling - Arena

COSTS	2012
SALARIES/WAGES	_____
BENEFITS	_____
SOFTWARE	_____
ALLOCATIONS	_____
OTHER COSTS (SPECIFY)	_____
Capital	<u>100,000</u>
_____	_____
_____	_____
TOTAL	<u><u>\$100,000</u></u>

CAPITAL EQUIPMENT NEEDED (Specify)	_____
_____	_____
_____	_____
TOTAL	<u><u>\$0</u></u>

ANTICIPATED REVENUE _____

BENEFITS OF SUPPLEMENTAL ITEM

IMPACT IF NOT APPROVED

v



STAFF REPORT

REGIONAL SERVICES COMMITTEE MEETING
OF FEBRUARY 22, 2012

DATE: February 7, 2012 FILE NO:
 FROM: Mark Kueber, General Manager BYLAW NO:
 Corporate Services Department
 SUBJECT: 2012 Regional Grant in Aid

Recommendation/Action:

That this report be received for information in conjunction with the Committee's consideration of the Grant-In-Aid budget.

Relation to the Corporate Strategic Plan:

Financial Contributions to organizations that provide benefits to the residents of the Cowichan Valley Regional District is consistent with the goals and objectives of the Corporate Strategic Plan.

Financial Impact: *(Reviewed by Finance Division: [Signature])*

There is \$100,000. for Regional Grant-In-Aid in the proposed 2012 Budget.

Background:

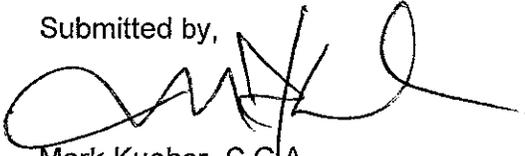
The attached booklet entitled "2012 Regional Grant-In-Aid Applications" details the grant applications received to date. A total of nine organizations have made application for grants with a total requested amount of \$307,375.

They are as follows:

Bike to Work Cowichan	\$375.
BC Forest Discovery Centre	90,000.
Cowichan Green Community Society	30,000.
Cowichan Sportsplex	115,000.
Cowichan Valley Arts Council	32,000.
Cowichan Valley Hospice	3,000.
Garden House Foundation	2,000.
O.U.R. Ecovillage/O.U.R. Community Assoc.	25,000.
Cowichan Therapeutic Riding Assoc. (Late)	10,000.
	<u>\$307,375.</u>

In 2011 the Board approved Grants in Aid for a total of \$135,000. with \$100,000. for the Cowichan Sportsplex, \$15,000. for Cowichan Green Community and \$20,000. for Cowichan Valley Arts Council.

Submitted by,



Mark Kueber, C.G.A.
General Manager, Corporate Services Department

MK:tk

Attach.

Z:\Mark\Staff Reports - 2012\Staff Report - 2012 Regional Grant in Aid.docx



CVRD

SR11

STAFF REPORT

REGIONAL SERVICES COMMITTEE MEETING
OF FEBRUARY 22, 2012

DATE: February 13, 2012 FILE NO:

FROM: Mark Kueber, General Manager BYLAW NO:
Corporate Services Department

SUBJECT: Proposed 2012 Hospital Budget

Recommendation/Action:

It is recommended that the Cowichan Valley Regional Hospital District 2012 Budget as presented be forwarded to the Hospital Board for consideration.

Relation to the Corporate Strategic Plan:

The Corporate Strategic Plan recommends long term financial management that addresses capital assets as well as the maintenance of capital reserves to strengthen financial stability, the draft 2012 Hospital Budget meets these objectives.

Financial Impact: *(Reviewed by Finance Division: [Signature])*

The Requisition in the Draft 2012 budget is \$5,573,185 which costs a residential property \$35.68 per \$100,000 in assessed value; this is an increase of \$5.88 on the 2011 cost of \$29.80 per \$100,000. The most recent cost information we have on other Regional Hospital Districts has the BC average cost at \$38.10 per \$100,000 of assessed value while the average Vancouver Island cost is \$37.42 per \$100,000 of assessed value.

Background:

Annually the Regional Hospital District approves their budget which is made up of three items: 1) Debt payments for the Regional District's share of major capital expenditures that were financed in prior years, 2) the District contributes towards VIHA's requests for funds for capital equipment and minor projects, and 3) an amount for capital reserves. In 2009 the Board made a commitment to VIHA to fund \$1.8 million for capital equipment and minor projects for a three year period, 2012 will be the 3rd year of this commitment.

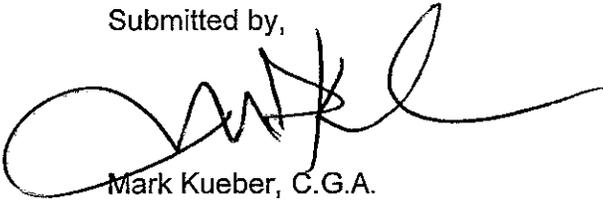
During the 2010 Hospital Budget discussion the Hospital Board approved a recommendation from its Health Advisory Committee (HAC) that it contribute funds into a Hospital replacement reserve fund to help finance the Regional Hospital District's share of a new hospital. The option that was approved has \$3.0 million in 2012 going into the reserve fund, \$4.0 million in 2013, \$5.0 million in 2014, \$6.0 million in 2015, and \$7.0 million in 2016 with this level being maintained for each year thereafter until sufficient funds have been accumulated or the balance would be borrowed if the new hospital was completed prior to all funds being raised.

.../2

The proposed 2012 budget currently has \$758,185 for debt payments, \$1,800,000 for capital equipment and minor projects, and \$3,000,000 for capital reserves. There is no new debt included in this budget.

Attached is the draft 2012 Hospital Budget as well as a spreadsheet showing the Hospital District activity since 2005.

Submitted by,



Mark Kueber, C.G.A.
General Manager, Corporate Services Department

MK:tk

Attach.

Z:\Mark\Staff Reports - 2012\Staff Report -Staff report - 2012 Hospital Budget.doc

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT
2012 ANNUAL BUDGET**

<u>REVENUE</u>	ANNUAL BUDGET
Tax Requisition	5,573,185
Other Revenue: Interest	<u>45,000</u>
TOTAL REVENUE	<u><u>5,618,185</u></u>
<u>EXPENDITURE</u>	
DEBENTURE DEBT	
Debenture Debt	694,534
Short Term: Principal & Interest	<u>63,651</u>
Total Debt	758,185
Administration expense	60,000
Minor Projects	1,170,000
Capital Equipment	630,000
Reserve funds	<u>3,000,000</u>
TOTAL EXPENDITURE	<u><u>5,618,185</u></u>

**COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT
HOSPITAL ACTIVITY**

	2005	2006	2007	2008	2009	2010	2011	2012
TAX REQUISITION	2,833,727	2,833,727	2,833,727	2,400,000	2,833,727	3,542,903	4,568,582	5,573,185
TAX RATE	0.3166	0.2764	0.2301	0.1688	0.1945	0.2387	0.2980	0.3568
COST FOR A RESIDENTIAL PROPERTY ASSESSED AT \$100,000	31.65	27.65	23.01	16.88	19.45	23.87	29.80	35.68
>DEBT PAYMENTS	750,082	756,440	764,800	762,903	767,903	762,903	758,582	758,185
CAPITAL EQUIPMENT / PROJECTS (Section 20 funds)	1,140,502	1,315,974	1,500,000	1,500,000	1,528,168	1,800,000	1,800,000	1,800,000
>MAJOR PROJECTS	1,033,818	944,000	354,567	-	808,340	-	-	-
>RESERVE FUND CONTRIBUTIONS			292,759	170,679	119,679	1,000,000	2,000,000	3,000,000



Our Vision: Healthy People, Healthy Island Communities, Seamless Service

February 6, 2012

Ref: 13032

Cowichan Valley Regional Hospital District (CVRHD)
Attn: Mr. Mark Kueber, Treasurer
175 Ingram Street
Duncan, BC V9L 1N8

Dear Mr. Kueber:

Re: 2012/13 Capital Projects and Equipment

I am writing to advise you of the Vancouver Island Health Authority (VIHA) 2012/13 capital plan for which CVRHD funding is requested.

I understand the CVRHD has provisionally approved cost-sharing of \$1,800,000 towards minor capital project and equipment expenditures. VIHA intends to use the CVRHD funding allocation towards the attached minor capital project and equipment lists.

For 2012/13, VIHA is proceeding with minor capital projects with an anticipated 2012/13 cash flow of \$2,925,000. CVRHD cost-sharing would be \$1,170,000 (40% of 2012/13 cash flow). VIHA is also planning to proceed with new equipment purchases totalling \$1,606,388, with CVRHD cost-sharing of \$630,000 (39% of 2012/13 cash flow).

For major projects, the VIHA capital plan includes a new mobile MRI, or Magnetic Resonance Imaging equipment. This equipment will service four of VIHA's acute sites: Cowichan District Hospital (CDH), West Coast General Hospital (WCGH), St. Joseph's General Hospital (SJGH) and Campbell River Hospital (CRH). CVRHD cost-sharing is requested for the trailer pad at CDH, as well as a portion of the cost of the MRI and vehicle equipment. One proposal is that the three Regional Hospital Districts (RHDs) benefitting from the mobile MRI will share 40% of the cost of the MRI and vehicle equipment based on historical utilization rates. This allocation methodology will be discussed further with the RHDs. A pre-tender estimate of the trailer pads and mobile MRI will also be forwarded to CVRHD shortly.

.../2

Executive Office

located at 2101 Richmond Avenue, Victoria, BC, Canada V8R 4R7 • Tel: (250) 370-8699 • Fax: (250) 370-8750
mailing address: 1952 Bay Street, Victoria, BC Canada V8R 1J8

I would like to thank the CVRHD for its significant contribution for capital projects and equipment. We are grateful for the support the CVRHD has provided and appreciate that we are able to work in partnership with you to meet the health infrastructure needs our region is facing.

Please call me at (250) 370-8912 if you have any questions.

Yours truly,

A handwritten signature in cursive script that reads "Chris Sullivan".

Chris Sullivan
Director, Capital Planning

Attachments

cc: Carol Botrakoff, Manager, Capital Finance and Treasury

VANCOUVER ISLAND HEALTH AUTHORITY

2012/13 RECOMMENDED APPROVED CAPITAL EQUIPMENT - COWICHAN VALLEY REGIONAL HOSPITAL DISTRICT

<u>Control #</u>	<u>Director</u>	<u>Dept</u>	<u>Site</u>	<u>Description</u>	<u>Budget</u>	<u>New / Replace</u>	
Equipment > \$100,000							
8223	LINDA LATHAM	OPERATING ROOM	CDH	ANAESTHETIC MACHINES	556,018	R	
					Total Equipment > \$100,000	556,018	
Equipment < \$100,000							
8242	LINDA LATHAM	OPERATING ROOM / SURGERY	CDH	DENTAL DIGITAL X-RAY	23,167	R	
7103	LINDA LATHAM	OPERATING ROOM	CDH	ENDOSCOPY VIDEO SYSTEM	239,088	R	
5668	LINDA LATHAM	OPERATING ROOM	CDH	IMAGE CAPTURE PRINTER	69,502	R	
8257	LINDA LATHAM	3 SOUTH	CDH	VACUUM ASSISTED CLOSURE FOR WOUNDS	32,434	R	
7138	LINDA LATHAM	CSR	CDH	ULTRASONIC MACHINE	46,335	R	
8452	LOIS COSGRAVE	HEALTH & COMMUNITY CARE	RED ROSS REGIONAL; DIHC	KCI THERAKAIR VISIO MATTRESSES	237,709	R	
8453	TIM ORR	RESIDENTIAL SERVICES	CHCC	ARJO TUB	32,434	R	
8455	TIM ORR	RESIDENTIAL SERVICES	CPRC	ARJO TUB	32,434	R	
8617	VICTORIA POWER	PRIMARY HEALTH CARE & CHRONIC DISEASE MANAGEMENT	CHCC	URGENT CARE PATIENT STRETCHER	11,584	R	
8620	VICTORIA POWER	PRIMARY HEALTH CARE & CHRONIC DISEASE MANAGEMENT	CHCC LCHC	COLLEAGUE INFUSION PUMPS	10,657	R	
8570 / 11-0244	VICTORIA POWER	PRIMARY HEALTH CARE & CHRONIC DISEASE MANAGEMENT	LCHC	BIONESS HAND REHABILITATION SYSTEM	12,200	N	
6557	CHERYL DAMSTETTER	PUBLIC HEALTH NURSING	KAATZA HEALTH UNIT, LAKE COWICHAN	SENTINEL POWER SYSTEMS-SENTINEL MATE FM4-120	27,801	N	
8658	MURRAY HUTCHISON	GENERAL SUPPORT SERVICES	CDH	FOOD SERVICE DELIVERY TRUCK	32,434	R	
8661	MURRAY HUTCHISON	GENERAL SUPPORT SERVICES	CDH	SMARTENERGY WASTE COMPACTOR	139,004	R	
6028	CECIL RHODES	BIOMED	CDH	VENTILATOR TESTER	19,692	N	
8647	CECIL RHODES	FACILITIES MAINTENANCE & OPERATIONS	CDH	DIESEL FUEL POLISHER FOR EMERGENCY GENERATORS	18,534	N	
					Total Equipment < \$100,000	985,011	
Regional Equipment							

<u>Control #</u>	<u>Director</u>	<u>Dept</u>	<u>Site</u>	<u>Description</u>	<u>Budget</u>	<u>New / Replace</u>
8233	MICHELE BABICH	PHARMACY	VI	MEDICAL GRADE PHARMACEUTICAL FRIDGES + EXTERNAL TEMP RECORDERS/FRIDGE	29,654	R
8247	MICHELE BABICH	TERTIARY CARE & COMMUNITY HOSPITALS	CDH	MEDICAL GRADE PHARMACEUTICAL FRIDGES + EXTERNAL TEMP RECORDERS/FRIDGE	35,705	R
				Total Regional Equipment	65,360	
				Total Equipment Approved for CSRHD	1,606,388	
				Total Possible Cost Sharing by CSRHD	642,555	
				CSRHD Equipment Funding		
Site Acronyms						
CDH	Cowichan District Hospital					
CHCC	Chemainus Health Care Centre					
CPRC	Cairnsmore Place					
LCHC	Ladysmith Community Health Centre					

VIHA 2012/13: Minor Capital Projects Cowichan Valley Regional Hospital District: \$5000 - \$2M

Previously Approved Projects							Indicates Cost Sharing		Total Annual Cashflow	
File #	Portfolio	Project Name	Site	Total Project Cost	Previous Cashflow	Cashflow 2012/13	2012/13 VIHA	2012/13 RHD	2013/14	2014/15
3897	FMO	Roof Replacement	LCHC	\$450,000	\$300,000	\$150,000	\$90,000	\$60,000		
3916	FMO	Repair Building Fabric & Finishes	Various Sites	\$300,000	\$100,000	\$100,000	\$60,000	\$40,000	\$100,000	
TOTAL PREVIOUSLY APPROVED PROJECTS				\$750,000	\$400,000	\$250,000	\$150,000	\$100,000	\$100,000	

2012/13 Recommended Committee Approvals							Indicates Cost Sharing		Total Annual Cashflow	
File #	Portfolio	Project Name	Site	Total Project Cost	Previous Cashflow	Cashflow 2012/13	2012/13 VIHA	2012/13 RHD	2013/14	2014/15
3934	F	Reno Rooms #405/406 - Psych Unit	CDH	\$432,600		\$432,600	\$259,560	\$173,040		
3551	F	Safety Reno - Seclusion Rooms - Psych Unit	CDH	\$505,353	\$145,353	\$360,000	\$216,000	\$144,000		
Draw	OSS	Loading Dock	CDH	\$350,000	\$150,000	\$200,000	\$120,000	\$80,000		
3179	FMO	Nurse Call System Replacement	CHC	\$160,000		\$160,000	\$96,000	\$64,000		
4276	FMO	Continuous Optimization Phase I	Various Sites	\$200,000		\$200,000	\$120,000	\$80,000		
3347	FMO	Energy Optimization Systems	CDH	\$1,487,063		\$422,400	\$253,440	\$168,960	\$532,332	\$532,331
4291	FMO	Install Fire Suppression	CDH	\$650,000		\$650,000	\$390,000	\$260,000		
4298	FMO	Replace Fire Alarm	Cairnsmore	\$250,000		\$250,000	\$150,000	\$100,000		
TOTAL 2012/13 APPROVALS				\$4,035,016	\$295,353	\$2,675,000	\$1,605,000	\$1,070,000	\$532,332	\$532,331

TOTAL 2012/13 CAPITAL PROJECTS \$4,785,016 \$695,353 \$2,925,000 \$1,755,000 \$1,170,000 \$632,332 \$532,331

* ⁵⁶ Project may not be able to proceed in 2011/12 due to space and/or timing issues

2012/13 Priority Projects Beyond Funding Availability

File #	Portfolio	Project Name	Site	Total Project Cost
4300	FMO	Coil Cleaning	Various Sites	\$30,000
4310	FMO	Elevator Engineering Assessment	Various Sites	\$75,000
3958	F	Video Camera Recording System (Infra-red), Psych	CDH	uncosted
3550	F	Nursing Station Upgrade - 4th Floor Psychiatry	CDH	\$292,438
4233	F	Renovate Reception	Duncan MHAS	uncosted
4267	E	Expand Sidewalks and Install Handrails	LCHC	\$50,000
4248	B	Pediatric Negative Pressure	CDH	\$750,000
3959	F	Swipe Card Entry System, Various Doors Psychiatry	CDH	\$51,500
4252	B	Remodeling of Triage Area	CDH	\$700,000
4232	F	Renovate Staff Room/Kitchen	Duncan MHAS	uncosted
4317	OSS	Additional Parking and Video Surveillance	CDH	\$1,000,000
4038	OSS	Reno Linen Supply room to Biohaz Waste Storage Rm	CDH	\$319,300