



REPORT

To: Rural Budgets Administration Committee

Report Number: ENV-RBAC-022

From: Kari Bondaroff, Environmental Services Manager

Date: January 21, 2021

Subject: Function 607 Rolla Sewer Draft 2021 Budget

RECOMMENDATION:

That the Rural Budgets Administration Committee recommend that the Regional Board include the draft 2021 budget for Function 607 – Rolla Sewer in the 2021 Financial Plan.

BACKGROUND/RATIONALE:

The 2021 Budget Process and 2021 Budget Calendar were approved at the November 12, 2020 Board meeting. The 2021 budget is based on core expenses and presents any proposed non-core expenses as supplemental items, as required.

The 2021 draft budget is currently at \$700,210 inclusive of both capital and operational activities. This is a 482.1% increase from 2020. As per the Rural Budgets Administration Committee meeting on December 17, 2020, a \$587,200 Area D – Gas Tax allocation was approved to fund the 2021 repairs, upgrades, and replacement of infrastructure based on the 2020 condition assessment for the treatment facility portion of this function. In addition, a \$50,000 Area D – PRA allocation was approved to fund the 2021 condition assessment on the collection facility portion of this function.

Highlights of increases and decreases in the draft 2021 Rolla Sewer budget include:

Operational Funding Sources:

- Parcel Tax – \$75,010 (no change).
- Surplus – increase of \$7,275.
- Transfer from operating reserve – increase of \$6,608.
- Gas Tax – increase of \$26,000.
- PRA – \$50,000 (no change).

Net sum of the above increase/decrease is \$25,333 in revenue.

Operations:

- Wages and benefits – increase of \$8,950.
- Insurance – increase of \$408.
- General operations – increase of \$13,612.
- Allocations (Admin and Fleet) – increase of \$2,363.

The net sum of the above increases/decreases is \$25,333 expenditures.

Capital Funding Sources:

- Gas Tax – increase of \$561,200.

Capital Expenditures:

- Capital Infrastructure – increase of \$561,200.

ALTERNATIVE OPTIONS:

1. That the Rural Budgets Administration Committee provide further direction.

STRATEGIC PLAN RELEVANCE:

- ☒ Organizational Effectiveness
- ☒ Develop a Corporate Asset Management Program

FINANCIAL CONSIDERATION(S):

1. The balance of the operational reserve, excluding the budgeted amount: \$7,616.
2. The balance of the capital reserve is \$10,540.

COMMUNICATIONS CONSIDERATION(S):

None at this time.

OTHER CONSIDERATION(S):

None at this time.

Attachments:

1. Function 607 Rolla Sewer Draft 2021 Budget.