



REPORT

To: Rural Budgets Administration Committee

Report Number: ENV-RBAC-021

From: Kari Bondaroff, Environmental Services Manager

Date: January 21, 2021

Subject: Function 606 Kelly Lake Sewer Draft 2021 Budget

RECOMMENDATION:

That the Rural Budgets Administration Committee recommend that the Regional Board include the draft 2021 budget for Function 606 – Kelly Lake 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 \$165,701. This is a 41.4% increase from 2020. As per the Rural Budgets Administration Committee meeting on December 17, 2020, a \$100,000 Area D - PRA allocation was approved to fund the 2021 condition assessment for this function.

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):

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

Funding Sources:

- Parcel Tax – increase of \$4,687.
- Surplus – decrease of \$11,328.
- Transfer from operating reserve – increase of \$21,039.
- PRA – increase of \$11,495.

Net sum of the above increase/decrease is \$48,549 in revenue.

Operations:

- Wages and benefits – increase of \$7,374.
- Insurance – increase of \$485.
- General operations – increase of \$37,228.
- Allocations (Admin and Fleet) – increase of \$3,463.

The net sum of the above increases/decreases is \$48,549 expenditures.

Operating Reserve

- The balance of the operational reserve, including the estimated 2020 surplus is \$21,736.

Capital Reserve

- The balance of the capital reserve is \$12,077.

COMMUNICATIONS CONSIDERATION(S):

Due to the increase in parcel tax for the benefitting area (comprises 21 properties), staff will compile a power point document to send out to residents of the benefitting area by the end of Q1 2021. This document is intended to inform residents of the proposed increase to requisition and the reasons for the increase. The document will be sent out in advance of the tax notices which will go out before the end of Q2.

OTHER CONSIDERATION(S):

None at this time.

Attachments:

1. Function 606 Kelly Lake Sewer Draft 2021 Budget.