



REPORT

To: Chair and Directors

Report Number: ENV-BRD-033

From: Rural Budgets Administration Committee

Date: February 17, 2021

Subject: Function 605 Harper Imperial Subdivision Sewer 2021 Draft Budget

The following recommendation from the January 21, 2021 Rural Budgets Administration Committee meeting is being presented to the Regional Board for its consideration:

RECOMMENDATION: [Corporate Weighted]

That the Regional Board include the draft 2021 budget for Function 605 – Harper Imperial Subdivision 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 \$161,240, an increase of \$16,743 or 11.59% from 2020. As per the Rural Budgets Administration Committee meeting on December 17, 2020, a \$50,000 Area D - Gas Tax allocation was approved to fund the 2021 condition assessment for this function.

ALTERNATIVE OPTIONS:

1. That the Regional Board provide further direction.

STRATEGIC PLAN RELEVANCE:

- Organizational Effectiveness
 - Develop a Corporate Asset Management Program

FINANCIAL CONSIDERATION(S):

Highlights of increases and decreases in the 2021 draft budget are provided below:

- Funding Sources:
 - Parcel Tax – \$61,404 (no change)
 - Surplus – decrease of \$2,975
 - Gas Tax – increase of \$50,000
 - User Fees – increase of \$2,500
 - PRA – decrease of \$26,664

Net sum of overall increase in revenue is \$16,743.

- Operations:
 - Wages and benefits – increase of \$1,894.
 - Insurance – decrease of \$183.
 - General operations – increase \$25,227.
 - Allocations (Admin and Fleet) – increase of \$3,470.
 - Actuarial – decrease of \$6,118.
 - Sewer Charges – increase of \$3,500
 - Transfer to Capital Reserve – decrease \$72.
 - Transfer to Operating Reserve – decrease \$10,475.

Net sum of overall increase in expenses is \$16,743.

The balance of the operational reserve, including the estimated 2020 surplus is: \$24,472 and the balance of the capital reserve is \$26,968.

COMMUNICATIONS CONSIDERATION(S):

None.

OTHER CONSIDERATION(S):

None.

Attachments:

1. Function 605 Harper Imperial Subdivision Sewer Draft 2021 Budget and Parcel Tax