



**VILLAGE OF SAYWARD
REGULAR COUNCIL MEETING AGENDA
June 15, 2021 – 7:00 PM
TEAMS Electronic Meeting**

1. Call to Order

2. Introduction of Late Items

3. Approval of Agenda

Recommended Resolution:

THAT the agenda for the Regular Meeting of Council for June 15, 2021 be approved.

4. Minutes of Previous Meetings

Recommended Resolutions:

THAT the minutes from the Regular Council meeting held on May 18, 2021 be adopted.

THAT the minutes from the Committee of the Whole meeting held on May 25, 2021 be adopted.

THAT the minutes from the Committee of the Whole meeting held on June 8, 2021 be adopted.

5. Petitions and Delegations - None

6. Correspondence

- a) District of Saanich Re: CARIP Ending
- b) BC Road Builders 2021 Strategic Plan

Recommended Resolution:

THAT correspondence (a) to (b) be received.

7. Council Reports – None

8. Reports of Committees – None

9. Mayor's Report – SRD Feasibility for Regional Services

{pg 50}

Recommended Resolution:

THAT the report from Mayor Baker be received.

10. Unfinished Business – None

11. Staff Reports

- a) Permissive Tax Exemptions 2022

{pg 51}

Recommended Resolutions:

THAT the Permissive Tax Exemptions 2022 staff report be received for information and discussion, and;

THAT Staff be directed to advertise the tax exemption process as outlined in this report.

b) Village of Sayward 2020 Annual Report and Statement of Financial Information {pg 72}

Recommended Resolutions:

THAT the 2020 Annual Report and Statement of Financial Information staff report be received for information and discussion, and;

THAT the 2020 Annual Report be made available for public viewing for a minimum of 14 days beginning on June 16th and ending on June 30th. The report will be returned to Council with public comments at the July 20th Council meeting.

c) Reserve Policy {pg 92}

Recommended Resolutions:

THAT the Reserve Policy staff report be received for information and discussion, and;

THAT Staff be directed to prepare a DRAFT Reserve Policy incorporating the recommended Reserve Funds outlined in this report.

d) Use of Sewer Surplus Funds for procurement of four sewage lift station generators

{pg 106}

Recommended Resolutions:

THAT the Use of Sewer Surplus Funds staff report be received for information and discussion, and;

THAT Staff be directed to proceed with an Invitation to Tender/RFQ in accordance with Village of Sayward Procurement Policy No. 08-03 as the first step in allocating surplus funds from the sewer service for the procurement and installation of four generators at the sewage lift stations, and;

FINALLY THAT Staff return to Council with details received from the Invitation to Tender/RFQ to procure the four lift station generators.

e) Salmon River Inn - Request for Tax Waive and Water and Sewer User Fee Reduction

{pg 113}

Recommended Resolutions:

THAT the Salmon River Inn - Request for Tax Waive and Water and Sewer User Fee Reduction staff report be received for information and discussion, and;

THAT Council deny the request from Mr. Lal to waive his water and sewer user fees for the Salmon River Inn.

f) Respectful Workplace Policy for Approval

{pg 118}

Recommended Resolutions:

THAT the Respectful Workplace Policy #200-03 staff report be received for information and discussion, and;

THAT Council approve Policy 200-03 - Respectful Workplace Policy.

12. Bylaws – None

13. New Business – None

14. Public Question Period (maximum 15 minutes) – No Written Questions Received

Mayor: “The purpose of the public question period is to permit people in the gallery to ask questions about the issues discussed by Council during the meeting. Speakers will be allowed to ask one question each. If time permits, after everyone has had an opportunity to ask questions, speakers will be allowed to ask a second question. For the record, please state your name and address.” Given the meeting is being held electronically, any questions will have to be submitted in writing in advance of meeting adjournment.

15. In-Camera – None

16. Adjournment

Recommended Resolution:

THAT the Regular Meeting of Council for June 15, 2021 be adjourned.



**VILLAGE OF SAYWARD
MINUTES
REGULAR COUNCIL MEETING
May 18, 2021
TEAMS Electronic Meeting**

Present: Mayor Mark Baker
Councillor Sue Poulsen
Councillor Wes Cragg
Councillor Tom Tinsley

Regrets: Councillor Norm Kirschner

In Attendance: Ann MacDonald, CAO
Lisa Clark, CFO

1. Call to Order

Meeting was called to order at 7:00 PM.

2. Introduction of Late Items – None

3. Approval of Agenda

MOTION R21/150

MOVED AND SECONDED

THAT the agenda for the Regular Meeting of Council for May 18, 2021 be approved.

CARRIED

4. Minutes of Previous Meetings

MOTION R21/151

MOVED AND SECONDED

THAT the minutes from the Regular Council meeting held on May 4, 2021 be adopted.

CARRIED

MOTION R21/152

MOVED AND SECONDED

THAT the minutes from the Committee of the Whole meeting held on May 11, 2021 be adopted.

CARRIED

5. Petitions and Delegations

a) Amit Lal, Owner Salmon River Inn

Mayor Mark Baker declared a conflict and left the meeting.

MOTION R21/153

MOVED AND SECONDED

THAT the delegation by Amit Lal be received, and;

THAT Staff return to Council with a report with background information and recommendations in response to Mr. Lal's request for relief for taxes and user fees.

CARRIED

Mayor Mark Baker returned to the meeting.

6. Correspondence

a) BC Rural Health Network

b) City of Campbell River - letter to Minister K. Conroy re: logging at-risk old growth forests in the province

c) District of Mackenzie - Support for 988 Hotline

MOTION R21/154

MOVED AND SECONDED

THAT correspondence (a) to (c) be received.

MOTION R21/155

MOVED AND SECONDED

THAT staff refer the correspondence on the BC Rural Health Network to the Sayward Community Health Society for review and comment, and;

THAT staff return to a future council meeting with input from the Sayward Community Health Society.

CARRIED

7. Council Reports – None

8. Reports of Committees – None

9. Mayor's Report – None

10. Unfinished Business – None

11. Staff Reports

a) Summer Water Restrictions

MOTION R21/156

MOVED AND SECONDED

THAT Council receives the Staff Report on 2021 Water Restrictions, and;

THAT Staff be directed to post the water restrictions included in the staff report with a revision to section 4) to state "The washing of parking lots, driveways, automobiles, boats etc. and such

activities only be permitted on the resident's designated days before 10:00 am and after 4:00 pm.

**Opposed Councillor Cragg
CARRIED**

b) Letter of Support (Draft) – Cell and Internet Service in Sayward

MOTION R21/157

MOVED AND SECONDED

THAT Council receives the Letter of Support – Cell and Internet Service in Sayward staff report for information and discussion, and;

THAT Council approves sending the four letters attached to the May 18, 2021 Staff Report.

CARRIED

c) Letter to Western Forest Products re: Dust Control

MOTION R21/158

MOVED AND SECONDED

THAT Council receives the Letter to Western Forest Products re: Dust Control staff report for information and discussion, and;

THAT Council directs staff to send the attached letter.

CARRIED

d) Active Transportation Grant Opportunity

MOTION R21/159

MOVED AND SECONDED

THAT Council receives the Active Transportation Grant Opportunity staff report for information and discussion, and;

THAT Council supports providing overall grant management and the goal of incorporating active transportation policies and recommendation in the Village of Sayward Official Community Plan currently under review.

CARRIED

12. Bylaws – None

13. New Business – None

14. Public Question Period (maximum 15 minutes) – None

15. In-Camera – None

16. Adjournment

MOTION R21/160

MOVED AND SECONDED

THAT the Regular Meeting of Council for May 18, 2021 be adjourned.

CARRIED

The meeting was adjourned at 7:49 PM.

Mayor

Corporate Officer



**VILLAGE OF SAYWARD
MINUTES
COMMITTEE OF THE WHOLE MEETING
May 25, 2021
TEAMS Electronic Meeting**

Present: Mayor Mark Baker
Councillor Norm Kirschner
Councillor Wes Cragg
Councillor Sue Poulsen
Councillor Tom Tinsley

In Attendance: Ann MacDonald, CAO
Lisa Clark, CFO
Melissa Coates, Finance/Admin Clerk

1. Call to Order

Meeting was called to order at 7:02 PM.

2. Introduction of Late Items – None

3. Approval of Agenda

MOTION C21/22

MOVED AND SECONDED

THAT the agenda for the Committee of the Whole meeting on May 25, 2021 be approved.

CARRIED

4. Minutes of Previous Meetings – None

5. Petitions and Delegations

a) Urban Systems (Sydney Rankmore, Jake Hughson, presentation for Mayor and Council on OCP.

MOTION C21/23

MOVED AND SECONDED

THAT the presentation by Urban Systems be received.

CARRIED

6. Correspondence – None

7. Council Reports – None

8. Reports of Committees – None

- 9. Mayor's Report – None
- 10. Unfinished Business – None
- 11. Staff Reports – None
- 12. Bylaws – None
- 13. New Business – None
- 14. Public Question Period (maximum 15 minutes) – None
- 15. In-Camera – None
- 16. Adjournment

MOTION C21/24

MOVED AND SECONDED

THAT the Committee of the Whole meeting for May 25, 2021 be adjourned.

CARRIED

The meeting was adjourned at 9:02 PM.

Mayor

Corporate Officer



**VILLAGE OF SAYWARD
MINUTES
COMMITTEE OF THE WHOLE MEETING
June 8, 2021
TEAMS Electronic Meeting**

Present: Mayor Mark Baker
Councillor Norm Kirschner
Councillor Wes Cragg
Councillor Sue Poulsen
Councillor Tom Tinsley

In Attendance: Ann MacDonald, CAO
Lisa Clark, CFO
Melissa Coates, Finance/Admin Clerk

1. Call to Order

Meeting was called to order at 7:00 PM.

2. Introduction of Late Items – None

3. Approval of Agenda

MOTION C21/25

MOVED AND SECONDED

THAT the agenda for the Committee of the Whole meeting for June 8, 2021 be approved.

CARRIED

4. Minutes of Previous Meetings – None

5. Petitions and Delegations

a) McElhanney Consultants Ltd, including Mark DeGagne and Dwayne Cybak presented technical findings of the Salmon and White River Flood Hazard Mapping initiative. (Gerald Whalley invited guest).

MOTION C21/26

MOVED AND SECONDED

THAT the presentation by McElhanney be received.

CARRIED

6. Correspondence – None

7. Council Reports – None

8. Reports of Committees – None

- 9. Mayor's Report – None
- 10. Unfinished Business – None
- 11. Staff Reports – None
- 12. Bylaws – None
- 13. New Business – None
- 14. Public Question Period (maximum 15 minutes) – None
- 15. In-Camera – None
- 16. Adjournment

MOTION C21/27

Moved and Seconded

THAT the Committee of the Whole meeting for June 8, 2021 be adjourned.

CARRIED

The meeting was adjourned at 8:18 PM.

Mayor

Corporate Officer



The Corporation of the District of Saanich | Mayor's Office

770 Vernon Avenue Victoria BC V8X 2W7 | T 250-475-5510 | F 250-475-5440 | www.saanich.ca

Sent via email

June 1, 2021

British Columbia Elected Officials
BC Chief Administrative Officers

Re: British Columbia Climate Action Revenue Incentive Program (CARIP) Ending

This letter will confirm that Council, at their meeting held May 17, 2021, considered a staff report on the end of the Climate Action Revenue Incentive Program (CARIP) and resolved as follows:

"That Council:

- 1. Receive for information the report of the Director of Planning dated May 13, 2021.*
- 2. Direct the Mayor to send a letter to the Premier, the Minister of Municipal Affairs; the Minister of Environment and Climate Change Strategy; the Minister of Finance, and the Union of British Columbia Municipalities (UBCM) based upon the draft provided, detailing the impact of cancelling the Climate Action Revenue Incentive Program (CARIP) and the need for a swift replacement that provides consistent, non-application funding to allow the District of Saanich and other municipalities to continue their work at a scale that can deliver on the Provincial CleanBC Plan and Municipal Climate Plans.*
- 3. Direct staff to draft a resolution to UBCM on a replacement CARIP program and present this to Council for consideration prior to the June 30, 2021 submission deadline.*
- 4. Share this report and attachments with the Capital Regional District Board of Directors, other BC municipal elected officials and Chief Administrative Officers in advance of the UBCM Conference in September, 2021."**

A copy of the report and draft meeting minutes are attached for information.

Sincerely,

A handwritten signature in blue ink, appearing to read "F. Haynes", with a horizontal line underneath.

Fred Haynes
Mayor

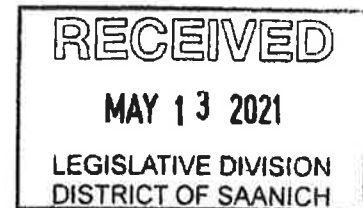
Enclosures

cc: Saanich Council
Sharon Hvozdzanski, Director of Planning, District of Saanich
Valla Tinney, Director of Finance, District of Saanich

The Corporation of the District of Saanich

Report

To: Mayor and Council
From: Sharon Hvozdzanski, Director of Planning
Date: May 13, 2021
Subject: Ending the B.C. Climate Action Revenue Incentive Program (CARIP)
File: 1300-50 • Provincial Governments



RECOMMENDATION

1. That Council receive this report for information.
2. That Council send a letter to: Premier John Horgan; the Minister of Municipal Affairs; the Minister of Environment and Climate Change Strategy; and the Union of B.C. Municipalities (UBCM) based upon the draft provided in Attachment 2, detailing the impact of cancelling the Climate Action Revenue Incentive Program (CARIP) and the need for a swift replacement that provides consistent, non-application funding to allow the District of Saanich and other municipalities to continue their work at a scale that can deliver on the Provincial CleanBC Plan and Municipal Climate Plans.
3. That Council direct staff to draft a resolution to the Union of B.C. Municipalities on a Replacement CARIP Program and present this to Council for consideration prior to the June 30, 2021 submission deadline.
4. That Council share this report and attachments with the Capital Regional District Board of Directors, other B.C. municipal elected officials and Chief Administrative Officers in advance of the Union of B.C. Municipalities Conference in September, 2021.

PURPOSE

The purpose of this report is to provide Council with information regarding:

- The announced end to the Provincial Climate Action Revenue Incentive Program (CARIP);
- The implications this has for District of Saanich climate action; and
- Proposed next steps.

DISCUSSION

Provincial Announcement - Climate Action Revenue Incentive Program (CARIP)

In terms of background, the Climate Action Revenue Incentive Program (CARIP) is a conditional grant program that provides funding to local governments that have signed the B.C. Climate

Action Charter. This funding equals 100% of the carbon taxes a local government pays to support their operations.

The program requires local governments to report annually on their greenhouse gas (GHG) emissions and encourages investment in climate action to help the Province deliver on its commitment to carbon neutrality. Since the Climate Charter was launched in 2007, 187 of 190 municipalities, regional districts and the Islands Trust have signed up, providing the Province with a comprehensive database of municipal corporate emissions inventories and corporate and community climate actions implemented at the local level.

On May 11, 2021 the Deputy Minister, and Assistant Deputy Minister for the Local Government Division of the Ministry of Municipal Affairs called a meeting with all Municipal and Regional District Chief Administrative Officers (CAO) to announce the end of the Climate Action Revenue Incentive Program. It was indicated that this decision was a direct result of the recently introduced Provincial Budget. A follow up e-mail was then issued that includes information shared at the meeting (see Attachment 1).

The Province has outlined that 2020 will be the final year for reporting, with the final grant paid to local governments in 2021. They indicated that at this stage no replacement program with unconditional funding is planned and future programs would be application based. They aim to work with local governments through UBCM and the Green Communities Committee on further supporting the CleanBC goals.

In light of the Federal government's renewed climate commitments prior to the United Nations Climate Change Conference (COP26), the withdrawal of this consistent provincial funding source for climate action was extremely unexpected and it is clear that local governments have not been engaged in this decision.

Implications

Loss of Consistent Funding

The District of Saanich has participated in the CARIP program since signing the Climate Charter in 2007 and has benefited from more than \$1.3 million over the last 10 years, with approximately \$150,000 annually in recent years.

This funding has been used within the Sustainability Division of the Planning Department to support staff wages, implement community climate mitigation and adaptation projects and to leverage larger climate related grant applications, which often require a substantial contribution from the local government partner.

Examples of projects supported by CARIP funding include, but are not limited to:

- Feasibility analysis, design and installation of multiple rounds of public Electric Vehicle (EV) charging stations;
- Communications campaigns for home energy efficiency upgrades, the Oil to Heat Pump program and Better Home BC rebates;
- Municipal top-ups to provincial rebates for home energy retrofits;

- Analysis and engagement to support the introduction of the Saanich Greener Garbage program and the BC Energy Step Code;
- Funding for the B.C. Sustainable Energy Association (BCSEA) Coolt! School climate leadership education program;
- Installation and maintenance of Bike kitchens at Saanich facilities;
- Support for engagement and analysis related to electric mobility and development of the Electric Mobility Strategy; and
- Workshops on local food production and processing.

Until approval of the 2021 Budget in May of this year, CARIP has been the main source of sustained and consistent funding for community focused climate action at the District of Saanich, with the Carbon Fund used for corporate climate action projects. While Council has committed to multiple one-time resource requests to support climate action where opportunities arose or costs exceeded CARIP funding, this approach does not provide the reliability afforded by the CARIP program. As such, CARIP has been instrumental in the development of a District of Saanich Sustainability Division and the hiring and retention of sustainability staff. Many other B.C. municipalities will have sustainability staff that are still resourced through CARIP funding.

Therefore, the clear lack of a replacement program that provides a consistent and reliable funding source for municipal climate action and the shift towards solely competitive funding streams and programs is of major concern.

Competitive funding programs and grants require significant effort, staff time and, often, financial resources to fund the analysis needed for an application with no guarantee of success. They also take substantial time and resources for evaluation by the decision making body. We regularly hear that grant programs and competitive funding streams are highly competitive and over-subscribed. In addition, they rely on match funding or financial contributions from the local government partner.

In the absence of either the CARIP program or a similar source of consistent funding, many municipalities will be limited in their ability to apply for such competitive programs or grants and it will be extremely difficult to develop work plans and implement climate programs that span multiple years based upon this competitive funding approach. This change is being implemented in a time of particular uncertainty when there is an overwhelming demand for municipal tax dollars to support core municipal services and local governments have limited ability to pivot on budget decisions. Removing dedicated climate action funding will create a shortfall that is unlikely to be met by many local governments through the municipal tax base.

Loss of Coordinated Reporting & Data

Saanich has recently committed to developing a comprehensive annual climate report card that aligns with the goals and actions outlined in the Climate Plan and Electric Mobility Strategy. Further, we report on community-wide GHG emissions through the Carbon Disclosure Project (CDP) using the globally recognized Global Protocol for Community Scale GHG Emissions Inventories (GPC Basic+). However, there are only a limited number of B.C. municipalities that are providing this level of climate reporting.

The CARIP program established a consistent climate reporting template for all B.C. local governments that had signed onto the Climate Charter and represents over a decade of publicly accessible data on municipal climate action. This is a true example of global best practice in coordinated climate reporting. Local government have spent significant effort building internal capacity and restructuring reporting systems to align with CARIP and the process has, in many municipalities, supported the development of strategic plans for climate action, monitoring and reporting on progress and the regular cross-departmental collaboration necessary to identify opportunities for climate related projects and programs.

Proposed Next Steps

Some amendments to the CARIP process and report template would be valuable and local governments can provide important insight moving forward. For instance, as Saanich and other municipalities move towards our corporate GHG reduction targets and increase our requirements for contractor climate responsibilities, we will pay less carbon tax as a result. While this should be addressed by an increase in the carbon tax in the short term, as we get close to our zero carbon targets, the CARIP funding will be reduced. In addition, funding based on fossil fuel consumption may be perceived as rewarding a lack of progress. As such, changes to the program could include the move from a carbon tax refund based upon fossil fuel consumption to one based on municipal population. However, there remains considerable benefit to continuing with a climate program that provides consistent funding tied to the delivery of a simple annual climate report.

A draft letter to: Premier John Horgan; the Ministry of Municipal Affairs; the Minister of Environment and Climate Change Strategy; and the Union of B.C. Municipalities (UBCM) is included as Attachment 2 for Council's consideration.

This letter outlines the value of the CARIP program and associated funding to the District of Saanich and the considerable implications for the program's end. It advocates for the Province to engage local governments in the design and implementation of a replacement program that offers consistent funding that is comparable to or greater than that is currently provided by CARIP. Program funding should be used for climate action (mitigation and adaptation), tied to a requirement for annual reporting on progress towards climate goals and should be in place for the first payments to be received by municipalities in 2022. It is recommended that Council sends this letter to the Provincial officials listed above.

In addition, there is the opportunity for Council to submit an endorsed resolution directly to UBCM prior to June 30, 2021 that would address the impact of ending the CARIP program and propose the swift development of a suitable replacement. It is recommended that Council direct staff to draft such a UBCM resolution for their consideration.

Finally, it is recommended that this Council report and attachments be shared with the CRD Board, other B.C. municipal elected officials and Chief Administrative Officers in support of an additional coordinated response and discussion at the UBCM Conference in September 2021.

ALTERNATIVES

1. That Council approve the recommendations as outlined in this report.
2. That Council reject the recommendations as outlined in this report.
3. That Council provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The District of Saanich has participated in the CARIP program since signing the Climate Charter in 2007 and has benefited from more than \$1.3 million from the program over the last 10 years. In 2020, CARIP funding amounted to \$154,072. This forms a substantial portion of the Sustainability Division's budget. Should a similar Provincial program that provides consistent funding for municipal climate action not be developed to replace CARIP by 2022, then staff will need to bring forward a resource request to Council as part of the 2022 budget to ensure the required sustained funding necessary, to effectively deliver on the Climate Plan actions and goals. As always, staff will continue to apply for senior government and other sources of external funding. That said, the time spent seeking out and applying for external funding draws valuable staff resources away from work on corporate and community GHG initiatives.

STRATEGIC PLAN IMPLICATIONS

The 2021 Council Budget requests and Sustainability Division and Planning Department work plans have been developed on the understanding that the CARIP program will continue. As such, removal of this funding without a suitable and consistent replacement impacts the ability to deliver on the 2019-2023 Council Strategic Plan Goal: 'Climate Action and Environmental Leadership', most notably the initiative to implement Saanich's Climate Plan.

CONCLUSION

CARIP has been a valuable source of consistent and dedicated funding over the last decade, allowing municipalities to take action on climate change by resourcing staff, undertaking key emissions reduction projects and leveraging larger climate related grants. It is a true example of global best practice in coordinated and consistent climate reporting by local governments at the provincial level.

On May 11, 2021 the Ministry of Municipal Affairs announced the end of the CARIP program, with the final grant paid to local governments in 2021. This amounts to a loss of approximately \$150,000 in consistent annual funding to the District of Saanich, which is used to address climate change.

In light of the Provincial commitment to climate action outlined in CleanBC and the Federal government's renewed climate commitments prior to COP26, the end of the CARIP program and withdrawal of this consistent provincial funding source was extremely unexpected and it is clear that local governments have not been engaged in the decision. The absence of a replacement program and shift towards competitive funding applications has considerable implications for dedicated municipal staffing and actions on climate change and jeopardises a decade's worth of work monitoring and reporting on local government GHG emissions and progress.

As such, staff are recommending that Council advocate to the Province via letter to the Premier, appropriate Ministries and UBCM, for a swift replacement of the CARIP program with consistent, non-application based funding, tied to annual climate reporting and that this be followed by a Council endorsed resolution submitted to UBCM addressing the same. This will allow municipalities to continue their work at a scale necessary to address the Climate Emergency and deliver on CleanBC and Municipal Climate Plan goals.

Prepared by:



Rebecca Newlove, Manager of Sustainability

Approved by:



Sharon Hvozdzanski, Director of Planning

RN/jsp

- Attachments:**
1. E-mail from Province of BC, Ministry of Municipal Affairs Re: CARIP Reporting 2020, May 11, 2021
 2. Draft Letter to Premier John Horgan, the Minister of Municipal Affairs, the Minister of Environment and Climate Change Strategy and the Union of B.C. Municipalities (UBCM)

cc: Valla Tinney, Director of Finance

ADMINISTRATOR'S COMMENTS:

I endorse the recommendation from the Director of Planning



Paul Thorkelsson, Chief Administrative Officer

Jon Poole

From: Rebecca Newlove
Sent: Wednesday, May 12, 2021 11:11 AM
To: Rebecca Newlove
Subject: Re: Climate Action Revenue Incentive Program (CARIP) Reporting 2020

From: INFRA MUNI:EX [REDACTED]
Sent: Tuesday, May 11, 2021 12:40 PM
To: INFRA MUNI:EX <[REDACTED]>
Subject: (External Email) Re: Climate Action Revenue Incentive Program (CARIP) Reporting 2020

This email sent from outside the District of Saanich. Use caution if message is unexpected or sender is not known to you.

To: All Municipal and Regional District Chief Administrative Officers and Chief Financial Officers

Re: Climate Action Revenue Incentive Program (CARIP) Reporting 2020

Many thanks to all who joined Deputy Minister Okenge Yuma Morisho and me on today's call about the Climate Action Revenue Incentive Program (CARIP), please accept our apologies for the technical difficulties on the call that some experienced. This email includes the information that was shared during the call. We want to emphasize that local governments throughout British Columbia have shown great leadership on climate action. The province is committed to working with local governments to reach our climate goals and make life better for people across British Columbia.

For those who were unable to attend or hear due to some technical difficulties on the call, I wish to inform you and your staff that the CARIP will be wrapping up in the 2021/22 fiscal year. During this final program year, local governments will be required to complete and submit the 2020 Carbon Tax Calculation Form. **This will be the only reporting requirement.**

All program information is available on the [Ministry of Municipal Affairs' CARIP webpage](#). In particular, we encourage you to review the CARIP [Program Guide](#) for 2020 prior to completing the 2020 [Carbon Tax Calculation Form](#).

CARIP Reporting Requirement

1. **2020 [Carbon Tax Calculation Form](#) (submission deadline: August 6, 2021)**
Complete and submit a signed electronic version of the form to [REDACTED]. This form requires Financial Officer certification.

The end of the CARIP program should not be interpreted as the Province pulling back from the productive relationship we have and we look forward to working with UBCM, through the Green Communities Committee, to support the goals of the Climate Action Charter.

Under CleanBC, the Province of British Columbia has put a priority on reducing pollution, boosting energy-efficient solutions and building a low-carbon economy. Local governments will continue to be a key partner in

our collective efforts to address the challenges of a changing climate, playing a specific and important role in British Columbia's climate goals.

Just as local governments' actions on climate solutions have evolved in the past decade, our government is responding to support you with tools and funding programs such as:

- Updating the BC Action Climate Toolkit and the Green Communities Committee Carbon Neutral Framework.
- Investing \$110 million in combined provincial and federal funding to help local governments and Indigenous communities develop energy efficiency and clean energy projects through the Investing in Canada Infrastructure Program CleanBC Communities Fund.
- Working with the federal government to assess the climate impacts of all major infrastructure being funded under the Investing in Canada Infrastructure Program to reduce GHG emissions and increase resilience to climate change, which benefits communities and creates jobs.
- Boosting active transportation infrastructure with \$18 million through the Ministry of Transportation and Infrastructure.
- Making sure commuters can get out of their cars with historic investments in public transit, such as the Broadway Subway Line, and free transit for kids 12 and under starting this September.

Budget 2021 commits \$11 million in new funding to help local governments plan for compact, energy- efficient communities, directly supporting the Climate Action Charter's commitment to create complete, compact, energy-efficient rural and urban communities. We look forward to working with all local governments through UBCM and the Green Communities Committee on how to support greener and more livable communities.

Building on record investments in CleanBC, the Province will continue to strengthen our work with local governments and support the Climate Action Charter.

If you have any questions, please contact the Ministry of Municipal Affairs at [REDACTED] or [REDACTED]

Kind regards,

Tara Faganello
Assistant Deputy Minister, Local Government Division
Ministry of Municipal Affairs

May , 2021

The Honourable John Horgan, MLA
Premier of British Columbia
Office of the Premier
PO Box 9041 Stn. Prov. Govt.
Victoria BC V8W 9E1

The Honourable Josie Osborne, MLA
Minister of Municipal Affairs
PO Box 9056 Stn. Prov. Govt.
Victoria BC V8W 9E2

The Honourable George Heyman, MLA
Minister of Environment and Climate Change Strategy
PO Box 9047 Stn. Prov. Gov.
Victoria BC V8W 9E2

Councillor Brian Frenkel
President, Union of B.C. Municipalities
Local Government House
525 Government Street
Victoria BC V8V 0A8

Dear Premier John Horgan:

Re: B.C. Climate Action Revenue Incentive Program (CARIP) Ending

This letter will confirm that Council, at their meeting held May 17, 2021, considered a staff report on the end of the Climate Action Revenue Incentive Program (CARIP) (see attached) and resolved as follows:

"That Council send a letter to: Premier John Horgan; the Minister of Municipal Affairs; the Minister of Environment and Climate Change Strategy; and the Union of B.C. Municipalities (UBCM) based upon the draft provided in Attachment 2, detailing the impact of cancelling the Climate Action Revenue Incentive Program (CARIP) and the need for a swift replacement that provides consistent, non-application funding to allow the District of Saanich and other municipalities to continue their work at a scale that can deliver on the Provincial CleanBC Plan and Municipal Climate Plans;

That Council direct staff to draft a resolution to the Union of B.C. Municipalities on a Replacement CARIP Program and present this to Council for consideration prior to the June 30, 2021 submission deadline; and

That Council share this report and attachments with the Capital Regional District Board of Directors, other B.C. municipal elected officials and Chief Administrative Officers in advance of the Union of B.C. Municipalities Conference in September, 2021."

On May 11 2021, the District of Saanich was made aware of the end to the Climate Action Revenue Incentive Program (CARIP) through an announcement made by the Ministry of Municipal Affairs.

In light of the Provincial commitment to climate action outlined in CleanBC and the Federal government's renewed climate commitments prior to the United Nations Climate Change Conference (COP26), the end of the CARIP program and withdrawal of this provincial funding source for climate action was extremely unexpected and it is clear that local governments have not been engaged in the decision.

CARIP has been a critical source of consistent and dedicated funding over the years, allowing municipalities to take action on climate change by resourcing staff, funding key emissions reduction projects and leveraging larger climate related grants. It is a true example of global best practice in coordinated and consistent climate reporting, representing over a decade of data on climate action at the municipal level.

The District of Saanich has delivered a considerable number of high impact actions using CARIP funding, ranging from multiple rounds of public electric vehicle charging stations, to the analysis and engagement required to support adoption of the BC Energy Step Code. Additional examples are provided in the attached Council Report. Further, CARIP funding has been instrumental in the development of a Sustainability Division and the hiring and retention of sustainability staff, which, until 2021, were still partly resourced via CARIP funding. Many other municipalities will have staff delivering on climate action that are still resourced through the CARIP carbon tax refund.

Given this, the clear lack of a replacement program that provides a consistent and reliable funding source for municipal climate action and the shift towards solely competitive funding streams and programs is of major concern. Such programs require significant effort, staff time and, often, financial resources to fund the analysis needed for an application with no guarantee of success. They also take substantial time and resources for evaluation by the decision making body and we regularly hear that grant programs and competitive funding streams are over-subscribed. In addition, they rely on match funding or financial contributions from the local government partner. In the absence of either the CARIP program or a similar source of consistent funding, many municipalities will be limited in their ability to apply for such competitive programs. Further, this level of uncertainty makes it extremely difficult to plan for and implement climate actions that span multiple years.

While some amendments to the CARIP process and report template would be valuable, for example, the move from a carbon tax refund based upon fossil fuel consumption to one based on municipal population, there remains considerable benefit to continuing with a program that provides consistent funding tied to the delivery of a simple annual climate report.

This change is being implemented in a time of particular uncertainty when there is an overwhelming demand for municipal tax dollars to support core municipal services and local governments have limited ability to pivot on budget decisions. Removing dedicated climate action funding will create a shortfall that is unlikely to be met by many local governments through the municipal tax base.

As such, Council requests that the Province engage local governments on the swift replacement of CARIP with a program that provides consistent, non-application based funding, tied to annual climate reporting and with first payments received by local governments in 2022. This will allow municipalities to continue their work at a scale necessary to address the Climate Emergency and deliver on CleanBC and Municipal Climate Plan goals.

Sincerely,

Angila Bains, B.A., CMC,
Manager, Legislative Services

RN/

Enclosures: Council Report:

cc. Mayor and Council
Paul Thorkelsson, Chief Administrative Officer, District of Saanich
Sharon Hvozdzanski, Director of Planning, District of Saanich
Valla Tinney, Director of Finance, District of Saanich
Tara Faganello, Assistant Deputy Minister, Local Government Division, Ministry of Municipal Affairs

2560-50

Climate Action

ENDING THE BC CLIMATE ACTION REVENUE INCENTIVE PROGRAM (CARIP)

Report of the Director of Planning dated May 13, 2021. To provide Council with information regarding:

- The announced end to the Provincial Climate Action Revenue Incentive Program (CARIP);
- The implications this has for the District of Saanich Climate Action; and
- Proposed next steps.

The Manager of Sustainability provided an overview of the termination of the BC Climate Action Revenue Incentive Program.

MOVED by Councillor Chambers and Seconded by Councillor Plant: "That Council:

- 1. Receive for information the report of the Director of Planning dated May 13, 2021;**
- 2. Direct the Mayor to write a letter to the Premier, the Minister of Municipal Affairs, the Minister of the Environment, Minister of Finance and Climate Change Strategy, and the Union of British Columbia Municipalities based upon the draft provided, detailing the impact of cancelling the Climate Action Revenue Incentive Program (CARIP) and the need for a swift replacement that provides consistent, non-application funding to allow the District of Saanich and other municipalities to continue their work at a scale that can deliver on the Provincial CleanBC Plan and Municipal Climate Plans;**
- 3. Direct staff to draft a resolution to the Union of British Columbia Municipalities on a replacement CARIP program and present this to Council for consideration prior to the June 30, 2021 submission deadline; and**
- 4. Share this report and attachments with the Capital Regional District Board of Directors, other BC municipal elected officials and the Chief Administrative Officers in advance of the Union of British Columbia Municipalities conference in September 2021."**

Council discussion ensued with the following comments:

- The cuts to funding are disappointing.

The Motion was then Put and CARRIED

Lisa Clark

From: Matt Pitcairn <matt@roadbuilders.bc.ca>
Sent: Tuesday, May 18, 2021 10:02 AM
Subject: FYI - BC Road Builders & Heavy Construction Assoc. 2021 Strategic Direction
Attachments: BCRB&HCA Strategic Plan 2021 Final.pdf

Good morning,

I am writing today on behalf of the [BC Road Builders and Heavy Construction Association](#) (BCRB). We represent the interests of some 250 road and heavy construction and maintenance firms here in BC. These are the hardworking people who have long partnered with all levels of government to develop and improve our transportation infrastructure networks, contributing to the economic wellbeing of our province and nation.

It is part of our mission statement to communicate strong, clear industry positions and expectations to government and key stakeholders. As we all work together towards economic recovery, we would like to share our Board of Director's 2021 Strategic Plan. We welcome the opportunity to discuss any of our goals in more detail and encourage you to contact our office if you would like to set up a virtual meeting.

Sincerely,
Matt Pitcairn

Matt Pitcairn | Vice President

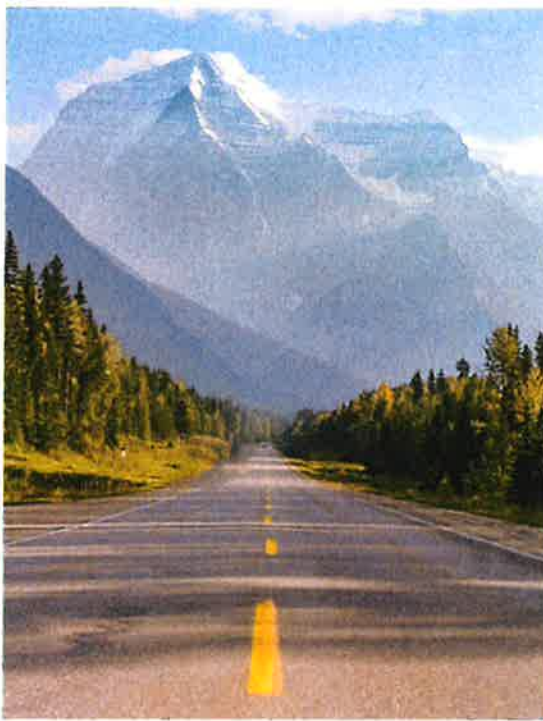
BC Road Builders & Heavy Construction Association

Suite 307 - 8678 Greenall Avenue | Burnaby, BC V5J 3M6

O: 604.436.0220 | C: 604.341.8319

matt@roadbuilders.bc.ca | www.roadbuilders.bc.ca





Strategic Plan 2021







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Who We Are

BC Road Builders & Heavy Construction Association

Established in 1966, the BC Road Builders and Heavy Construction Association is a non-profit organization that represents firms in the BC road building and maintenance industry.

Our 250 member companies represent privatized highway maintenance contractors, construction contractors, underground/utility contractors, paving contractors and the various service and supply companies in the industry.



47,000

KM OF BC HIGHWAY & SIDE ROADS



2,933

BRIDGES CONNECTING
COMMUNITIES IN BC



28

SERVICE AREAS IN BC



250

MEMBER COMPANIES

Strategic Plan 2021



VISION

BC Road Builders & Heavy Construction Association is the recognized advocate for investment in core infrastructure and a balanced safe transportation system that creates economic growth, strong communities, and a sustainable environment.

MISSION

We communicate strong, clear industry positions and expectations to government and stakeholders.

We continue to advance the diversity of our workforce, the prosperity of their families and the communities they live in.

We promote innovative, sustainable, and best value solutions.

We provide training, safety awareness, fellowship, ethical leadership and a strong voice for our members.



Goal One:

COVID-19 Response & Recovery



2021 Strategic Goals:

Support the Provincial government in combatting COVID-19 by continuing to provide essential services and supporting economic recovery.

1. Collaborate and coordinate with all BC construction associations to implement and promote recommendations made by the Provincial Health Officer on job sites.
2. Promote our industry's ability to engage stimulus packages in a tactical manner that results in immediate positive effects on the local and provincial economy.
3. Identify and effectively communicate the cost of COVID-19 on our contractors to all levels of government.
4. Promote the best practices the industry has undertaken to encourage continued investment in infrastructure projects.



Goal Two:

Federal Government Relations



2021 Strategic Goals:

Through the Canadian Construction Association (CCA), the BC Road Builders and Heavy Construction Association (BCRB&HCA) will demonstrate to the Federal government that sustained investment in British Columbia's core transportation infrastructure will benefit the national economy and provide a tangible return on investment.

1. Encourage the Government of Canada to have fair, open and transparent tendering practices, standardized construction documents language, and anti-reprisal policies that flow to other levels of government in cost sharing agreements.
2. Work with local Members of Parliament to support sustained core transportation infrastructure funding.
3. Support trade enabling infrastructure projects such as Greater Vancouver Gateway 2030 and Roberts Bank Terminal 2.
4. Identify the impact of climate change on infrastructure, and promote environmentally sustainable construction practices.



Goal Three:

Provincial Government Relations



2021 Strategic Goals:

BCRB&HCA will demonstrate to the Provincial government the importance of understanding that investment in core transportation infrastructure is the key to building a strong economy that benefits all communities.

1. Engage with a broader group of key government decision makers to showcase the BCRB&HCA and what we do, in order to better understand the government's priorities and work with them to fulfill them.
2. Advocate for long-term core transportation funding plans and encourage/assist the government in accessing COVID-19 stimulus funding.
3. Support projects with an environmentally sustainable, tourism and economic recovery/growth focus.
4. Emphasize that additional "red tape" is slowing project delivery and increasing costs.

Considerations for Government:

1. *Recognize that increased costs result in a reduction of work. Take advantage of federal and municipal funding partnerships.*
2. *Ensure all provincial infrastructure funding projects have a fair, open and transparent tendering process.*
3. *Continue to improve access to critical aggregate resources throughout BC.*
4. *Improve access to water sources for construction and maintenance of roads and bridges by enacting more efficient official procedures, thereby streamlining the process.*

Goal Four:

BC Ministry of Transportation & Infrastructure



2021 Strategic Goals:

The BCRB&HCA will maintain strong working relationships with the BC Ministry of Transportation & Infrastructure (MOTI) personnel at all levels while demonstrating to the Ministry that good roads cost less and benefit all communities.

1. Support the MOTI working committees by providing industry feedback and input on an as needed basis.
2. Work with MOTI staff to implement guiding principles, interpret new contract language and tendering process, and facilitate growth of contracts by assessing what is working and what is not.
3. Work collaboratively with the MOTI and Indigenous leaders to discuss the implementation of the Province's commitment to Indigenous participation in infrastructure projects.
4. Work with the MOTI to innovate and support sustainable construction solutions in the transportation sector.



Goal Five: Municipal Government Relations



2021 Strategic Goals:

We aim to achieve better value for tax dollars with higher quality finished projects by consistently using standard contract specifications, processes and contract terms.

1. Continue to consult with members and key stakeholders to identify issues and challenges related to municipal work.
2. Through the procurement sub-committee of Metro Vancouver's Regional Engineers Advisory Committee (REAC), advocate for fair, open, and transparent public tendering and prequalification practices to improve the procurement process.
3. In partnership with the Association of Consulting Engineering Companies of BC (ACECBC), municipal users, and the Master Municipal Construction Documents Association (MMCDA) documents committee, continue to upgrade and improve the Master Municipal Construction Documents (MMCD).
4. Create regional groups like the REAC Procurement sub-committee throughout BC, starting in Kelowna (Southern Interior) with the goal of two new committees by end of year.



Goal Six: Indigenous Engagement & Relations



2021 Strategic Goals:

Work with government, Indigenous leaders, and other associations to bring more Indigenous representation to our member companies and sector as a whole.

1. Conduct Indigenous awareness meetings with various Indigenous leaders and committee members.
2. Develop an information sheet about how many Indigenous employees work in the industry and communicate it to government and the industry.
3. Obtain from government its mandate to UNDRIP and help support this through collaboration with Indigenous communities, government, and member companies.
4. Increase the number of contracts awarded to Indigenous owned companies who have capacity to self perform contracts and help build capacity of Indigenous communities by continuing to support the Construction Industry Training Network (CITN).



Photos courtesy of the Tahltan Nation Development Corporation

Goal Seven:

General Worker Safety



2021 Strategic Goals:

Support the development of effective programs that promote worker safety and reduce injury rates and duration of injuries.

1. Continue to support the excellent work of partner organizations such as the BC Construction Safety Alliance (BCCSA) Certificate of Recognition (COR) program and the Council of Construction Associations (COCA).
2. Promote effective training programs that promote inclusivity in the workplace.
3. Support awareness programs on the effects of mental health and substance abuse on workplace safety.
4. Work with WorksafeBC to develop a contractor safety award.



Goal Eight:

Workforce Development



2021 Strategic Goals:

Provide access to training programs and initiatives to assist members to recruit, train, and retain a skilled workforce inclusive of Indigenous people and under-represented groups. We will continue to support the Construction Industry Training Network (CITN), and maintain a working relationship with the Industry Training Authority (ITA) to promote apprenticeships and training opportunities for our members, as well as promoting the advantages of careers in road building and heavy construction industries with a focus on under-represented groups.

1. Support the CITN in the completion and expansion of existing BCRB&HCA training programs including:
 - Heavy Equipment Operator
 - Asphalt Lay Down Technician
 - Plant Operator
 - Utility Gradesperson
2. Consult with industry stakeholders to determine the level of support for trade designations or certification of occupations within civil construction.
3. Promote civil construction as an equal opportunity career choice and work with other associations to promote the industry to women, Indigenous, and other under-represented demographics.
4. Continue to provide access to online training programs that meet the needs of our members through the BCRB&HCA website and the ITA. Expand virtual offerings including lunch and learn sessions, and mental health wellness support, to both educate and connect with members.

Goal Nine:

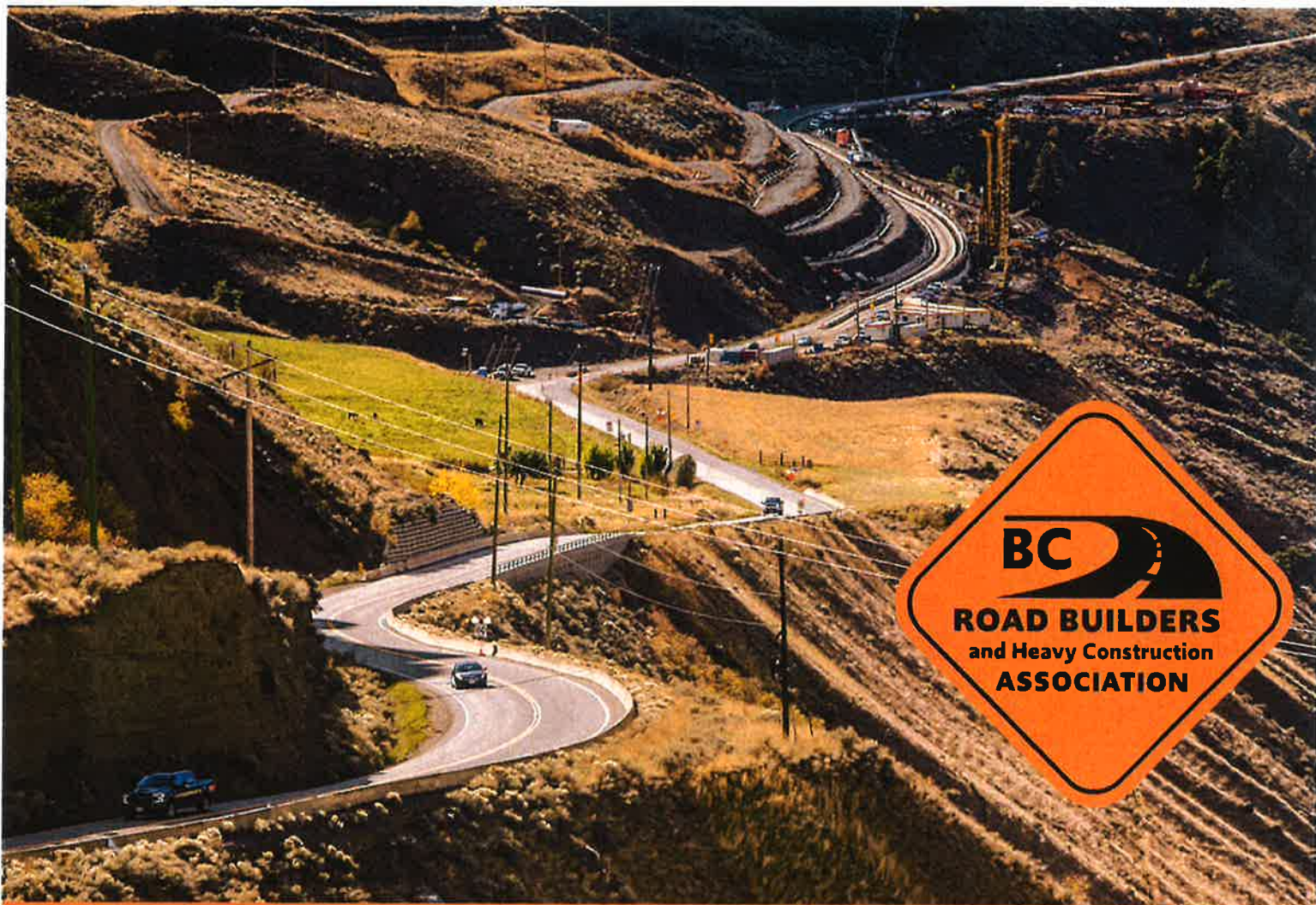
Major Industry Stakeholder Relations



2021 Strategic Goals:

Continue to engage in the joint meeting process to address issues in the grading, paving, and structures related sectors, using these meetings to develop relationships with the province's other major clients and key stakeholders involved in the road building and heavy construction industries.

1. Establish a sub-committee that develops "zipper plans" between the BCRB&HCA members and BC's other major clients, key stakeholders, and industry partners with similar values and goals.
2. Identify and set goals for the BCRB&HCA to accomplish with the support of partner organizations, recognizing the need to develop a multi-year plan for implementation of any joint strategy.
3. Support the Major Projects Committee in identifying opportunities for additional industry partners and working closely with Infrastructure BC.
4. Develop a dialogue with unions to build a better relationship between them and our members.



**BC Road Builders
& Heavy Construction Association**

**Suite 307 - 8678 Greenall Avenue
Burnaby, BC V5J 3M6
(604) 436-0220**

www.roadbuilders.bc.ca

 **BCRoadBuilders**

 **BC Road Builders**

 **bcroadbuilders**



MAYOR'S REPORT

For: Mayor and Council
Prepared by: Mayor Mark Baker
Subject: **SRD Feasibility Study for Regional Services**
Meeting date: June 15, 2021

BACKGROUND

The Strathcona Regional District (SRD) voted to conduct a feasibility study to examine potential synergies between recreation centers in the SRD, including the Village of Sayward. The 4 area directors voted against the motion; however, the rest of the director voted in favour.

Up to \$50,000 has been authorized from the SRD Regional Feasibility Study Reserve to fund the regional recreation services feasibility study. The study will identify opportunities for regional collaboration in delivery of recreation services. Once retained, the consultant will consult with the Village of Sayward to identify issues and concerns before conclusions or recommendations can be formulated. The study is expected to be completed in the fall of 2021.

DISCUSSION

On April 28, 2021 the regional SRD board passed the following resolution:

THAT the Committee recommend a feasibility study be completed to explore regional recreation service synergies throughout the Strathcona Regional District.

Next steps include the SRD hiring a consultant to carry out the work. The consultant will be contacting the Village of Sayward as part of the feasibility study. The study will likely be completed in the Fall of 2021.

RECOMMENDATION

For information purposes only. Updates to follow.

Mayor Mark Baker



STAFF REPORT

To: Mayor and Council
From: Ann MacDonald, CAO
Subject: **Permissive Tax Exemptions 2022**
Meeting date: June 15, 2021

BACKGROUND

Two (2) permissive tax exemptions granted by Council are due to expire in 2021:

- a) **Sayward Community Health Society**, 601 Kelsey Way, Lot 1, Section 31, Township 3, Plan 31878, District Lot 305, Land District 51 PID 001-120-484 and;
- b) **Sayward Futures Society**, 16 Sayward Rd, District Lot 304, Sayward Land District, PT DL 304 AS SHOWN IN RED ON DD 39449I PID 009-664-599.

Information on the value of the permissive tax exemption for 2021 for these properties is listed in the chart below:

Legal Description	Civic Address	Organization	Value of Permissive Exemption (2021)*
Lot 1, Section 31, Township 3, Plan 31878, District Lot 305, Land District 51 Roll No. 706.000	601 Kelsey Way	Sayward Community Health Society	\$1,219.27
District Lot 1439 Roll No. 27410.000	16 Sayward Rd	Sayward Futures Society	\$4,692.00

Section 224 of the *Community Charter* outlines the authority for permissive tax exemptions. A bylaw under this section must come into force on or before October 31st for the exemption to be valid for the following year.

DISCUSSION

Permissive Tax Exemption Policy #300-01 (attached) outlines the process for permissive tax exemptions. Staff propose the following:

Schedule	Action
June 18, 2021	Letters containing the application form will be mailed to tax exemption recipients designated in the preceding tax year.
June 21, 2021	Advertise that Council will consider additional exemptions in the July Sayward Newsletter and post notice on the website, public notice places, and social media.
August 1, 2021	Deadline for applications.
September 7, 2021	Staff Report to Council.
September 21, and Oct 5, 2021	Bylaw, if required, brought to Council.
October 31, 2021	Deadline for Staff to advise BC Assessment Authority of any permissive tax exemptions for 2022.

Staff will note that the Sayward Community Health Society will **not** be applying for a permissive tax exemption for 2022 as stated in their correspondence sent on February 16th, 2021 (attached).

Current permissive tax exemptions are listed in the tables below, for information purposes only:

The following properties were provided permissive tax exemptions by Council in 2013, for the years 2014 to 2023:

Legal Description	Civic Address	Organization	Value of Permissive Exemption (2021)
Lot 1, Section 31, Township 3, Plan 46435 Land District 51 Roll No. 706.100	Salmon River Main	Nature Trust of BC	\$848.73
Section 31, Township 3, Land District 51, FR S 1/2 of FR SE 1/4 Roll No. 600.000	806 Sayward Road	Nature Trust of BC	\$2,443.63
Section 30, Township 3, Land District 51, Except Plan 280RW & EXC PL 149 E 20 CHNS of NE Roll No. 550.140	Salmon River Main	Nature Trust of BC	\$5,999.99
Section 30, Township 3, Land District 51, Except Plan 280RW, W20 CHNS OF NE / EXC E 10 Roll No. 550.125	Salmon River Main	Nature Trust of BC	\$1,996.36

The following property was provided a permissive tax exemption by Council in 2019, for the years 2020 to 2023:

Legal Description	Civic Address	Organization	Value of Permissive Exemption (2021)
Lot 2, Plan 14387 Sayward District Roll No. 704.022	699 Sayward Rd	Royal Canadian Legion Sayward Valley Branch 147	\$3,453.81

STAFF RECOMMENDATIONS

THAT the Permissive Tax Exemptions 2022 Staff Report be received for information and discussion, and;

THAT Staff be directed to advertise the tax exemption process as outlined in this report.

Respectfully submitted,

Ann MacDonald, CAO

Prepared by: Lisa Clark, CFO

Attachments:

- **Permissive Tax Exemption Policy #300-01**
- **Letter from Sayward Community Health Society**
- **Bylaw No. 406 Tax Exemption Nature Trust**
- **Bylaw No. 459 Tax Exemption Sayward Community Health Society and Sayward Futures Society**
- **Bylaw No. 460 Tax Exemption Royal Canadian Legion Branch No. 147**



Village of Sayward

Title: Permissive Property Tax Exemption Policy

Policy # 300-01

Category: Finance

1.0 PURPOSE

A permissive tax exemption is a means for Council to support organizations within the community which further Council's objectives of enhancing quality of life (economic, social, cultural) and delivering services economically. This policy guides identification of organizations meeting Council's objectives.

Division 7 of Part 7 of the *Community Charter* provides for permissive tax exemptions for Land and Improvements owned or held by a variety of not-for-profit organizations providing services which Council considers directly related to the purposes of the organization. It also provides for permissive exemptions for some properties which are additional to statutory exemptions under Section 220, such as church halls or land surrounding places for public worship.

2.0 POLICY

This policy is intended to provide guidance in the evaluation of applications for exemption from property taxes pursuant to the *Community Charter*. The total amount of revenue to be set aside to finance permissive tax exemptions will be discussed by Council annually during the development of the Financial Plan.

3.0 DEFINITIONS

- a. Statutory Property Tax Exemption: non-discretionary exemption from payment of property taxes pursuant to Section 220, Division 6, Part 7 of the *Community Charter*;
- b. Permissive Property Tax Exemption: discretionary exemption from payment of property taxes pursuant to Sections 224-226, Division 7, Part 7 of the *Community Charter* and granted by Council bylaw.

4.0 PROCEDURES

4.1 Process

Council will consider applications for permissive tax exemptions annually. The opportunity to apply will be advertised 2 times in Sayward News and letters will be mailed to tax exemption recipients designated in the preceding tax year.

Applications must be submitted to the Chief Administrative Officer using the prescribed application form (Appendix "A") before August 1st of each year, to be considered for the following taxation year. The CAO will review the applications for completeness and arrange contact with applicants for additional information as necessary.

Application submissions must include:

- Copy of Audited Financial Statements or Financial Statements prepared by an accountant for last 3 years,
- Copy of state of title certificate or lease agreement, as applicable,
- Description of programs/services/benefits delivered from the subject lands/improvements including participant numbers, volunteer hours, benefiting groups/individuals/special needs populations, fees charged for participation,
- Description of any 3rd party use of the subject land/improvements including user group names, fees charged, conditions of use.

The CAO will present a summary report of the applications, relative to the eligibility criteria, to Council and arrange for delegations to attend Council meeting if necessary.

Staff will draft a Permissive Tax Exemption Bylaw for the year incorporating Council's direction regarding the year's applicants. To apply to taxation in a particular year, the bylaw must be passed on or before October 31st of the preceding year.

Appendix "B" provides a template for advertising the Permissive Tax Exemption Bylaw as required by Section 227 of the *Community Charter*.

4.2 Eligibility Criteria

(a) Subject Property must be one of:

- Land and/or improvements eligible for tax exemption under Division 7 of Part 7 of the *Community Charter*;
- Land and/or improvements ancillary to a statutory exemption under Divisions 6 of Part 7 of the *Community Charter*.

(b) Nature of organization must be:

- Non-profit organization,
- Charitable/philanthropic organization,
- Athletic or Service Club/Associations,
- Care facility/licensed private hospital,
- Partner of the municipality by agreement under s. 225 of the *Community Charter*,
- Other local authority,
- Organization eligible for exemption under s. 220 or 224.

(c) The applicant organization's use of the land/improvements must benefit the community in one or more of the following ways:

- provides recreational facilities for public use,
- provides recreation programs to the public,
- provides programs to and/or facilities used by youth, seniors or other special needs groups,
- preserves heritage important to the community character,
- preserves an environmentally, ecologically significant area of the community,
- offers cultural or educational programs to the public which promote community spirit, cohesiveness and/or tolerance,
- offers services to the public in formal partnership with the municipality.

4.3 Duration of Exemption

Tax exemption bylaws must specify the period to which the exemption applies and any other conditions applicable to the exemption. Eligible organizations may be considered for tax exemptions exceeding one year (to a maximum of 10 years) where it is demonstrated that the services/benefits they offer to the community are of a duration exceeding one-year (i.e. for the period of the tax exemption).

4.4 Extent, Conditions, and Penalties

(a) Council may designate only a portion of the land/improvements as exempted where the following circumstances exist:

- A portion of the land/improvements is used by the private sector and/or organizations not meeting Council's exemption criteria.

- (b) Council may impose **conditions** on the exempted land/improvements with the applicant organization, including but not limited to:
- registration of a covenant restricting use of the property,
 - an agreement committing the organization to continue a specific service/program,
 - an agreement committing the organization to have field/facilities open for public use for certain times or a total amount of time,
 - an agreement committing the organization to offer use of the field/facility to certain groups free of charge or at reduced rates,
 - an agreement committing the organization to immediately disclose any substantial increase in the organization's revenue or anticipated revenue (e.g. receives large operating grant from senior government).
- (c) Council may impose **penalties** on an exempted organization for knowing breach of conditions of exemption, including but not limited to:
- revoking exemption with notice,
 - disqualifying any future application for exemption for specific time period,
 - requiring repayment of monies equal to the foregone tax revenue.

5.0 REFERENCES / POLICY INTEGRATION

Community Charter:

Part 7 – Municipal Revenue:

- Division 6 — Statutory Exemptions:
 - Section 220 General statutory exemptions
- Division 7 – Permissive Exemptions:
 - Section 224 General authority for permissive exemptions
 - Section 225 Partnering, heritage, riparian and other special exemption authority
 - Section 226 Revitalization tax exemptions
 - Section 227 Notice of permissive tax exemptions

Government of BC Ministry of Community, Sport and Cultural Development website:

http://www.cscd.gov.bc.ca/lgd/gov_structure/community_charter/finance/permissive_exemptions.htm

6.0 APPROVAL HISTORY

ISSUED BY: CAO	APPROVED BY: Mayor & Council	RESOLUTION NO:	DATE: July 2004
REVISED BY: CFO	APPROVED BY: Mayor & Council	RESOLUTION NO: R19/92	DATE: April 16, 2019

Signed by:

Mayor: Original signed by "J. MacDonald"	CAO: Original signed by "L. Clark"
Date: 19 November 2019	Date: 19 November 2019

Appendix "A" – Permissive Tax Exemption Application Form

APPLICATION FOR PERMISSIVE TAX EXEMPTION

1.) Full name or title of organization:

2.) Society number/non-profit number, or registered charity number:

3.) Mailing address of the organization (including Postal Code):

4.) Application contact (name, phone, e-mail address):

5.) Name and phone number of two other officials in organization (i.e. Pastor, President, Manager, Director, etc.)

1. Name: _____

2. Name: _____

Title: _____

Title: _____

Phone No.: _____

Phone No.: _____

E-mail: _____

Email: _____

6.) Property address:

7.) Folio number:

8.) The lands are registered in the name of:

(In the case of a Society, Corporation, Association, please include a copy of the Certificate of Title)

9.) The exemption claimed under Section 224 –226 is pursuant to Subsection 1, Clause

(_____) *(Please supply the relevant clause designation from Section 224-226, see attached)*

10.) The gross floor area of the building: _____

11.) **We require a current site plan of the property** indicating the grounds and buildings and their uses. This would include buildings, storage buildings, walkways, parking lot, playgrounds, bush areas, etc. Show dimensions.

12.) What is the principal use of the property?

13.) Is any part of the building or of the property used or rented by commercial or private operators or by any group other than your organization? If yes, please disclose below:

14.) Please provide details of other activities on your property; such as daycare centres, catering and hall rental, thrift/gift shop.

The following information is required for each activity:

- Hours per day and/or days per week of operation
- Fees or charges
- Approximate number of participants/patrons
- Is the activity operated by a church or by an outside organization?

15.) a.) How is your organization non-profit?

b.) How is your organization a complementary extension to Village services and programs?

c.) How is your organization accessible to the public?

d.) How is your organization used primarily by Sayward residents?

16.) Other activities which may be pertinent to your application:

17.) Has there been any change in the status or use of the buildings or property in the last 12 months?

18.) CHURCHES ONLY complete the following additional questions:

(i) What is the seating capacity of the church?

Permanent: _____

Portable: _____

(ii) What is the gross floor area of the

Church: _____

Hall: _____

Other Buildings: _____

Total Gross Floor Area: _____

- (iii) Every building on the lands is in use and continues to be set aside for public worship or for a Church Hall. Yes _____ No _____

On behalf of _____, I/we hereby declare that all the information presented and provided with this application is true and correct.

Should a permissive tax exemption be granted on the above listed property, I am agreeable to the following terms:

- 1.) If the property is sold prior to the exemption expiration, the organization will remit to the Village an amount equal to the taxes that would have otherwise been payable to the Village by a non-exempt owner.
- 2.) The property use will be in compliance with applicable municipal policies and bylaws.
- 3.) The organization will publicly acknowledge the permissive tax exemption granted by the Village.

DATED THIS ____ DAY OF _____ 20____.

Authorized Signature: _____

NOTE:

1. The personal information on this form is collected for the purpose of an operating program of the Corporation of the Village of Sayward as noted in Section 26 (c) of the Freedom of Information and Protection of Privacy Act (FOIPPA). If you have any questions about the collection and use of this information, please contact the CAO at 250-282-5512
2. The Application for Permissive Tax Exemption must be received by 1st of August in the year prior to the taxation year(s) for which exemption is requested in order to be included on the applicable annual Permissive Tax Exemption Bylaw. i.e. An application for a permissive tax exemption for the year 2020 or years 2020 to 20__ must be received by the 1st of August of 2019, the year prior to year one of the tax exemption period.
3. Permissive Tax Exemption Applications are to be submitted to: Village of Sayward, Box 29, 652 H'Kusam Way, Sayward, B.C. VOP IRO

EXCERPT FROM SECTION 4 OF THE *COMMUNITY CHARTER* (ATTACHMENT TO APPLICATION)

General Statutory Tax Exemptions

Section 220

(see full text in the *Community Charter*)

Unless otherwise provided in this Act or the Local Government Act, the following property is exempt from taxation to the extent listed:

- a) land, improvements or both vested in or held by Provincial Government,
- b) land, improvements or both vested in or held by municipality (i) the municipality, or the municipality jointly with another municipality or regional district,
- c) land, improvements or both exempt from municipal taxation by another Act,
- d) land, improvements or both (i) of a public library under the *Library Act*, or vested in or held by a municipality and occupied by a public library under the *Library Act*,
- e) land, improvements or both of an Indian ... except for municipal taxes,
- f) land, improvements or both held in trust (i) by Crown for Indian band and (ii) are not leased or occupied by non-band member,
- g) land actually used and occupied for the interment of the dead and improvements used by cemetery, mausoleum and columbarium (municipal portion only),
- h) a building set apart for public worship owned and used by church (municipal portion only),
- i) a building that was constructed with the assistance of aid granted by the Provincial government after Jan 1, 1947 but before April 1, 1974 owned and used by non-profit society for elderly citizens home (municipal portion only),
- j) a building set apart and used solely as a hospital,
- k) land and improvements for future hospital requirements,
- l) land and improvements owned by private schools,
- m) fruit trees,
- n) farm improvements to a maximum of assessed value of \$50,000,
- o) dwellings, fixtures and machinery used to operate a farm,
- p) improvements used for emergency protection,
- q) sewage treatment plants, manure storage facilities, effluent reservoirs, effluent lagoons, deodorizing equipment, dust and particulate matter eliminating equipment,
- r) floating dry dock if the dry dock has lift capacity of greater than 20000 tonnes.

Section 221

(see full text in the *Community Charter*)

Grandparented pollution abatement exemptions

Section 221.1

(see full text in the *Community Charter*)

Grandparented dust and particulate matter eliminator exemptions

Section 222

(see full text in the *Community Charter*)

Phased farm property tax exemption – for property that has been newly incorporate into a municipality that was prior to incorporation exempt from taxes under the Taxation Rural Area Act. Exempt from taxes for five years on sliding scale that is reduced by 20% per year.

Section 223

(see full text in the *Community Charter*)

Exemptions under regulations (see full text in the *Community Charter*)

Land and Improvements assessment classification 4, 5, or 6

Division 7 Permissive Exemptions

(see full text in the *Community Charter*)

Section 224

(see full text in the *Community Charter*)

A council may by bylaw exempt land and improvements from the municipal portion of taxes, subject to conditions and for a specific period, the following:

- (a) land or improvements that are owned or held by a charitable, philanthropic or other not for profit corporation and that Council considers are used for a purpose that is directly related to the purposes of the corporation
- (b) land or improvements that are owned or held by a municipality, regional district or other local authority and that council considers are use for a purpose of the local authority
- (c) land or improvements that council considers would be exempt under section 220 were it not for a secondary use
- (d) the interest of a public authority, local authority or any other corporation or organization in land or improvements that are used or occupied by a corporation or organization if the land and improvements are owned by a public or local authority and the land and improvements are used by the corporation or organization for a purpose for which a tax exemption could be provided if the land and improvements were owned by that organization or corporation
- (e) the interest of a public authority, local authority or any other corporation or organization in land or improvements that are used or occupied by a corporation or organization if the land and improvements are owned by a person providing a municipal service under a partnering agreement, an exemption under section 225 would be available, the partnering agreement contemplates a tax exemption and the land and improvements are used by the corporation or organization for a purpose for which a tax exemption could be provided if the land and improvements were owned by that organization or corporation
- (f) land surrounding a building that is used for a church; a church hall and the land surrounding the hall
- (g) land or improvements used or occupied by a religious organization for public worship or hall
- (h) land surrounding seniors homes, hospitals and private schools
- (i) land or improvements owned or held by athletic or service club, and used as a public park, recreation ground or for public athletic or recreational purposes
- (j) land or improvements owned, held and operated as a private hospital, licensed community care facility, or registered assisted living residence.

Section 225

(see full text in the *Community Charter*)

Authority to exempt eligible partnering, heritage, riparian, cemetery or golf course property for any period. Must have the ability to make agreements with property owners regarding the extent of the exemption and

the conditions under which it may be offered. – maybe required to register a restrictive covenant against the property or repay the exemption under specific conditions

Section 226

(see full text in the *Community Charter*)

Revitalization tax exemptions. Must be a designated revitalization area under the OCP with set objectives. The exemptions are limited to an increase in assessed value that are due to new or altered improvement and are for a maximum 5 years.

Appendix "B" - Example Ad for posting and advertising



NOTICE OF TAX EXEMPTION BYLAW NO. XXX, 20XX

Take notice that the Council of the Village of Sayward intends to adopt Tax Exemption Bylaw No. XXX, 20XX.

The purpose of the Tax Exemption bylaw is to exempt the following properties from taxation:

Lot x, Plan xxxxx, Sayward District, Roll No. xxx.xxx, owned by _____

Estimate of the amount of taxes that would be imposed on the properties if they were not exempt:

Legal description	Civic Address	Name of Organization	Value of Permissive Tax Exemption		
			20XX	20XX	20XX

Any person who wishes to review a copy of the proposed Tax Exemption Bylaw may do so by coming to the Village Office at 652 H'Kusam Way, Monday to Friday 9:00 am to 4:00 pm, excluding holidays.

Name, CAO
Village of Sayward
652 H'Kusam Way
Sayward, B. C. VOP IRO

This notice is given in accordance with Section 227 of the *Community Charter*.

Dated this _____ day of _____, 20XX



P.O. Box 33
Sayward, BC
V0P 1R0

Tel: 1 (250) 282-3815
Fax: 1 (250) 282-0040
Email: schs.clinic@gmail.com
<http://www.saywardclinic.com>

16th February 2021

Dear Village of Sayward,

With reference to your invoice 1131, dated 31/12/2021, just received.

Following email correspondence, I have as instructed amended the \$150 for the Operating Permit, to the usual \$69.

Also, under pt 7.5 of our lease agreement, items such as the heat pump, furnace and HAV systems would normally be covered by the Village. However, given the current finances, and our minimal lease, we are willing to pay these, without prejudice, at this time.

The Directors are all agreed that we will not apply for the Property Tax exemption for the immediate future either, for the same reasons.

A cheque for \$707.66 as per the amended invoice is attached.

We have obviously lost considerable donation income and have had increased costs due to Covid 19, so we thank you for your continuing support, which enables us to keep the Clinic operating as a much needed asset to the area.

Yours sincerely,

A handwritten signature in black ink, appearing to be "A. Hibbert".

Angie Hibbert
Director/Treasurer



VILLAGE OF SAYWARD

BYLAW NO. 406

A BYLAW TO EXEMPT THE NATURE TRUST OF BC FROM TAXATION FOR THE YEARS 2014 TO 2023

WHEREAS Section 224 of the *Community Charter* empowers Council, by bylaw, to exempt from taxation imposed under Section 197 (1) of the *Community Charter* any land or improvements or both land and improvements, owned or held by a charitable, philanthropic or other not for profit corporation, the Council considers are used for a purpose that is directly related to the purposes of the corporation;

AND WHEREAS in the opinion of the Council, the property owned by the Nature Trust of BC qualifies under Section 224 (1) and (2) of the *Community Charter*;

NOW THEREFORE, the Council of the Village of Sayward in open meeting assembled ENACTS as follows:

1. In the first year following the adoption of this bylaw, 10% of the assessed value of the following Land shall be exempt from property taxes under Section 197(1)(a) of the *Community Charter*.
2. In the second and subsequent years following the adoption of this Bylaw, the exemption referred to in subsection (1) shall extend each year to an additional 10% of the assessed value of the following Land, until the tenth year following the adoption of this Bylaw, in which 100% of the assessed value of the Land shall be exempt from taxation under section 197(1)(a) of the *Community Charter*.
 - a) Section 30, Township 3, Land District 51, Except Plan 280RW, W 20 CHNS OF NE ¼ EXC E 10.
 - b) Section 30, Township 3, Land District 51, Except Plan 280RW & 14956, E 20 CHNS OF NE ¼.
 - c) Section 31, Township 3, Land District 51, FR S ½ OF FR SE ¼.
 - d) Lot 1, section 31, Township 3, Plan 46435, Land District 51.
3. This bylaw may be cited as the "**Permissive Tax Exemption Bylaw No. 406, 2013.**"

READ a first time by the Municipal Council this 1st day of October, 2013.

READ a second time by the Municipal Council this 1st day of October, 2013.

READ a third time by the Municipal Council this 1st day of October, 2013.

READ a fourth time by the Municipal Council this 15th day of October, 2013.

Certified a true copy of Bylaw No. 406
this ____ day of _____, 20____

Chief Administrative Officer
Village of Sayward

Original signed by "J. MacDonald"

Mayor

Original signed by "D. Kiedyk"

Corporate Officer



VILLAGE OF SAYWARD

BYLAW NO. 459

A BYLAW TO EXEMPT THE SAYWARD COMMUNITY HEALTH SOCIETY, AND SAYWARD FUTURES SOCIETY FROM THE MUNICIPAL PORTION OF TAXATION FOR THE YEARS 2020 to 2021

WHEREAS Section 224 of the Community Charter empowers Council, by bylaw, to exempt from taxation imposed under Section 197 (1) of the Community Charter any land or improvements or both land and improvements, owned or held by a charitable, philanthropic or other not for profit corporation the Council considers are used for a purpose that is directly related to the purposes of the corporation;

AND WHEREAS in the opinion of the Council, the property leased by the Sayward Community Health Society and the property owned by the Sayward Futures Society qualifies under Section 224 (1) and (2) of the Community Charter;

NOW THEREFORE, the Council of the Village of Sayward in open meeting assembled ENACTS AS FOLLOWS:

1. This Bylaw may be cited as **"Permissive Tax Exemption Bylaw No. 459, 2019"**.
2. The following lands and improvements thereon are exempted from the taxation imposed under Section 197(1) (a) of the Community Charter for the years 2020 to 2021:
 - a) Sayward Community Health Society, 601 Kelsey Way, Lot 1, Section 31, Township 3, Plan 31878, District Lot 305, Land District 51 PID 001-120-484 and;
 - b) Sayward Futures Society, 16 Sayward Rd, District Lot 304, Sayward Land District, PT DL 304 AS SHOWN IN RED ON DD 394491 PID 009-664-599.

Read a first time on the 8th day of October 2019.

Read a second time on the 8th day of October 2019.

Read a third time on the 8th day of October 2019.

Adopted on the 22nd day of October 2019.

Certified a true copy of Bylaw
No. 459 this ____ day of
_____, 20____

Chief Administrative Officer
Village of Sayward

Original signed by "J. MacDonald"

Mayor

Original signed by "L. Clark"

Corporate Officer



VILLAGE OF SAYWARD

BYLAW NO. 460

A BYLAW TO EXEMPT THE THE ROYAL CANADIAN LEGION BRANCH NO. 147 FROM THE MUNICIPAL PORTION OF TAXATION FOR THE YEARS 2020 to 2023

WHEREAS Section 224 of the Community Charter empowers Council, by bylaw, to exempt from taxation imposed under Section 197 (1) of the Community Charter any land or improvements or both land and improvements, owned or held by a charitable, philanthropic or other not for profit corporation the Council considers are used for a purpose that is directly related to the purposes of the corporation;

AND WHEREAS in the opinion of the Council, the property owned by the Royal Canadian Legion No. 147 qualifies under Section 224 (1) and (2) of the Community Charter;

NOW THEREFORE, the Council of the Village of Sayward in open meeting assembled ENACTS AS FOLLOWS:

1. This Bylaw may be cited as **"Royal Canadian Legion No. 147 Permissive Tax Exemption Bylaw No. 460, 2019"**.
2. The following lands and improvements thereon are exempted from the taxation imposed under Section 197(1) (a) of the Community Charter for the years 2020 to 2023:
 - a) The Royal Canadian Legion, Sayward Valley Branch No. 147, 699 Sayward Road, Lot 2, Plan VIP14387, Section 31, Township 3, Sayward Land District PID 004-412-044

Read a first time on the 8th day of October 2019.

Read a second time on the 8th day of October 2019.

Read a third time on the 8th day of October 2019.

Adopted on the 22nd day of October 2019.

Certified a true copy of Bylaw
No. 460 this ____ day of
____, 20__

Chief Administrative Officer
Village of Sayward

Original signed by "J. MacDonald"

Mayor

Original signed by "L. Clark"

Corporate Officer



STAFF REPORT

To: Mayor and Council
From: Ann MacDonald, CAO
Subject: Annual Report and Statement of Financial Information (SOFI) 2020
Meeting date: June 15, 2021

BACKGROUND

Section 98 and 99 of the *Community Charter* requires municipalities to produce an Annual Report before June 30th in each year. The report must include the following information:

- Audited Annual Financial statements
- Tax Exemptions
- Municipal services and operations for the previous year
- Progress report
- Disqualifications
- Municipal objectives

The attached 2020 Village of Sayward Annual report fulfills the legislative requirements.

Additionally, all local governments must prepare an annual statement of financial information (SOFI) in accordance with the *Financial Information Act*. The SOFI must be made available for public viewing by June 30 each year and be accessible for the following three years.

Both reports are required to be advertised to the public for a two-week period.

DISCUSSION

Annual Report: The information required by Sections 98 and 99 of the *Community Charter* for annual reporting is attached for Council review and will be made available for public viewing for a minimum of 14 days. That 14-day viewing window will begin on June 16th and end on June 30th. The report will be returned to Council, with any public comments, at the July 20th Council meeting.

SOFI: The SOFI (attached) will also be advertised for public review and comment for the same period as the annual report. Staff will respond to the comments and forward the report onto the Province (no Council approval is required).

The information contained in the SOFI meets the requirements of section 168 of the *Community Charter* and Chapter 140 of the *Financial Information Act*.

STAFF RECOMMENDATION

THAT the 2020 Annual Report and Statement of Financial Information Staff Report be received for information and discussion, and;

THAT the 2020 Annual Report be made available for public viewing for a minimum of 14 days beginning on June 16th and ending on June 30th. The report will be returned to Council with public comments at the July 20th Council meeting.

Respectfully submitted,

Ann MacDonald, CAO

Prepared by: Lisa Clark, CFO

Attachments:

- ***2020 Annual Report***
- ***2020 SOFI***



2020 Annual Report



The Village of Sayward
P.O. Box 29, 652 H'Kusam Way
Sayward B.C. V0P 1R0

Contents of the Annual Report

Page 3:	Message from the Mayor
Page 4:	Village of Sayward Elected Officials
Page 5:	Statement of Municipal Services and Operations
Page 7:	Declaration of Disqualification of Council Members
Page 8:	2021 Strategic Objectives
Page 12:	Statement of Property Tax Exemptions
Page 14:	2020 Audited Financial Statements





Message from Mayor Mark Baker:

2020 was a memorable year with the COVID -19 pandemic affecting everyone across the world. This Annual Report covers the financial reporting period of January 1, 2020 to December 31, 2020 including the 2020 audited financial statements, major initiatives, accomplishments, and other outcomes from a memorable year many would like to forget. Citizens of Sayward were supported by two separate elected Councils along with a small, dedicated staff at the Village office, all of whom work to serve the needs and interests of the residents of Sayward. I am proud of what we able to accomplish as a team, and proud of the work of previous Councils and I look forward to making continued progress as we move forward.

In 2020 long serving Mayor John MacDonald resigned, along with two Councilors. This led to a by-election and three new members of Council being elected in November 2020. The second council picked up the good work of the previous Council and finalized the assessment, funding and permitting for the decommissioning of the Newcastle Dam. While much of the work to complete this project was carried out in 2019, a severe weather event and other events in 2020 led to some delays in progress but the project is now on schedule for completion in the summer of 2021. 2020 saw a marked decrease in attendance at the Kelsey Centre as for much of the year the centre was closed. Many other programs in 2020 were also cancelled. We all look forward to a full year ahead.

As always, Council and staff can only do so much, and it is the wide and varied work of so many volunteers who make the Village of Sayward such a great place to live, work and raise a family. On behalf of all of Council, I wish to thank the many volunteers for all that you do. With that, I am pleased to present the 2020 Annual Report for the Village of Sayward on behalf of all members of Council.

Sincerely,

Mayor Mark Baker

Village of Sayward Elected Officials 2020



Back Row, left to right - Councillor Wes Cragg, Councillor Tom Tinsley
Front Row, left to right – Councillor Sue Poulsen, Mayor Mark Baker, Councillor Norm Kirschner

Statement of Municipal Services and Operations

Strategic Goals	Objectives	Measures
1. Community Relations	<p>Work on building a strong co-operative relationship with all residents of Sayward (Village and Valley):</p> <ul style="list-style-type: none"> a) Involve Area Director in service delivery issues for all valley residents. b) Update and enhance the village website. c) Mayor and Council to submit a monthly update to the Sayward News to help keep residents apprised of Village initiatives and goals. d) Work in improving our relationship with the K'omoks First Nation, regular communications, and ways and means to jointly promote Sayward. e) Work with SRD on funding for services jointly used by all valley residents. Recreation, Fire, Health. 	<p>Area Director invited and attended, info sent out, input received on village and valley issues.</p> <p>Website replacement scheduled for completion by July 2021.</p> <p>Monthly updates included in the Sayward News publication by CAO to reflect work and progress of Council.</p> <p>Working with K'omoks First Nation to update OCP and reflect cultural presence of KFN and to jointly promote Village of Sayward.</p> <p>Discussions with Strathcona Regional District on joint funding models ongoing.</p>
2. Economic Development	<ul style="list-style-type: none"> a.) Assist and support prospective businesses interested in locating to the Sayward area. b.) Work with local organizations and the Tourism committee to promote tourism and attract business investment to the Sayward area. 	<p>Village of Sayward supports requests from prospective business operators.</p> <p>COVID -19 Restrictions have prevented much progress on this front in 2020.</p>
3. Infrastructure upgrades & Asset Replacement	Be cognizant of Asset Management Plan and use it to identify projects for the Financial Plan.	Asset Management Plan and policies underway by Council.
a) Roads, Sewer, Water	<p>Reapply for road (Kelsey Way & H'Kusam) grant.</p> <p>Apply for grant for generators for Sewer lift stations, reapply if necessary.</p>	<p>Deferred until after water and sewer upgrades made.</p> <p>Grant application submitted for lift station generators early 2020.</p>

	Design, construct and complete dam decommissioning project. Grant funding has been secured for the project.	All funding and permitting approvals put in place; Dam project to start in 2021; 2019, work delayed due to weather event.
b) Equipment, Vehicles	Identify issues from Asset Management Plan reports.	Continued progress made on Asset management policy towards planned reserve for replacement of aging equipment.
c) Recreation Centre/other buildings	Identify short and long-term projects for Kelsey Centre and include in budget discussions. Apply for grants.	COVID – 19 prohibited new programs; Fall 2021 expected to see renewed focus on KC.
d) Approve reserve policy and update bylaw and integrate into financial plan	Adopt a formal reserve policy and include in future Financial Plan. Update Reserve bylaw. Recognise the need to plan for capital asset replacements in accordance with the Asset Management Plan.	New policy underway for completion in 2021; delays due to disruption in Council business in 2020.
4. Living Green	<p>a.) Continue to pursue the goal of becoming a carbon neutral community. Council has authorized a \$10,000 transfer from the CARIP reserve in the 2019-2023 Financial Plan.</p> <p>b.) Continue to work with the Provincial Government and K'omoks First Nation to secure a community forest.</p> <p>c.) Continue to develop the Village trail system.</p> <p>d.) Continue to expand the Community Garden and flower gardens throughout the Village.</p>	<p>Continue looking for ways to reduce greenhouse gas emissions, CARIP project deferred to a future year.</p> <p>Community Forest initiative delayed due to COVID-19</p> <p>Trail project maintained and promoted in 2020; gardens maintained in 2020.</p>
5. Staff Professional Development	<p>a.) Ensure staff and Village volunteers receive adequate emergency management training and the village has an emergency response plan in place.</p> <p>b.) Continue staff and volunteer professional development through various municipal and professional associations ensuring the Village continues to receive good value for the resources expended.</p> <p>c.) Institute a new employee performance evaluation system.</p>	<p>ESS and Emergency Program volunteers attended several training sessions, fire in early 2019 identified gaps and deficiencies that are being addressed.</p> <p>Staff professional development continued, seminars and courses taken.</p> <p>Employee Evaluation system developed in 2020.</p>
6. Tourism Development	a.) Continue the Village beautification program including upgrading signage, cleaning and	Continued campground clean up, curb cleaning, painting and

	<p>painting Village buildings and structures, and enhancing the Village gardens.</p> <p>b.) Work with local organizations and the Regional District to enhance signage and way finding in Sayward.</p> <p>c.) Support and work with the Tourism Committee.</p> <p>d.) Explore possibility of Christmas lights for the large tree at MacMillan and H'Kusam Way.</p> <p>e.) Research funding sources to dredge, aerate and rehabilitate the Village pond.</p>	<p>maintenance of gardens ongoing.</p> <p>Multiple meetings with the Tourism Committee help, ideas shared.</p> <p>Solar lights considered; project ultimately not pursued.</p> <p>Deferred to 2021.</p>
7. Village Operations	<p>a.) Review and update Village internal policies and procedures. There are several policy and Bylaw updates that need to be completed. Policies include: Personnel Benefits, Conflict of Interest, Criminal Record Search, Hiring, Annual Tax Sale, Permissive Tax Exemption, Respectful Workplace, Procurement. Bylaws include: Building, Zoning (Cannabis), Reserves.</p> <p>b.) Review the Village fee structure to ensure it is up to date and equitable including water, sewer, recreation, other fees and charges. New fees & charges bylaw to be brought forward to Council.</p>	<p>Most projects were deferred to 2021 due to Council disruptions in 2020.</p>

Declaration of Disqualification of Council Members

NIL



2021 Strategic Objectives

In addition to completing the remaining 2020 objectives, the following objectives will be the focus of Council and staff in 2021/2022.

Community Relations

Priorities	Progress Measures
<ul style="list-style-type: none"> • Work on building a strong co-operative relationship with all residents of Sayward (Village and Valley): • Update and enhance the village website. • Mayor and Council to submit a monthly update to the Sayward News to help keep residents apprised of Village initiatives and goals. • Complete review and update of Village of Sayward Official Community Plan • Work on improving our relationship with the K'omoks First Nation, regular communications, and ways and means to jointly promote Sayward • Work with SRD on funding for services jointly used by all valley residents. Recreation, Fire, Health. 	<ul style="list-style-type: none"> • Council and Electoral Area Director worked together on Salmon and White River Flood Hazard Study, joint project between SRD and Village of Sayward. Contract awarded to McElhanney in late Fall 2020 and work to be completed in Summer 2021. • Website design project awarded to Upanup Ltd with new website to come on stream by July 2021. • Monthly submissions from CAO provides updates on month to month work of Council. • Contract to update OCP awarded to Urban Systems; plan review underway and due to be completed by September 2021 • C2C (Community to Community) event hosted by KFN held in 2022; VoS to host follow-up C2C meeting in Fall 2021 to discuss OCP and as part of OCP adoption. • Shared fire services data collected in 2020, new agreement in 2021. Funding obtained from SRD for Recreation Centre and Health Clinic. SRD and Village of Sayward to work together on this.

Economic Development

Priorities	Progress Measures
<ul style="list-style-type: none"> Assist and support prospective businesses interested in locating to the Sayward area. Work with local organizations and the Tourism committee to promote tourism and attract business investment to the Sayward area. Encourage all existing business to obtain a Business License and create a business directory from licenced businesses. 	<ul style="list-style-type: none"> Ongoing information provided to prospective new businesses. Revised Campground Policy to clarify length of stay, rates, maintenance of campground. Provide info as requested; provide for audience with Mayor and Council. Future creation of Business Directory that can promote local businesses and featured on the new Village Website.

Infrastructure Upgrades & Asset Replacement

Priorities	Progress Measures
<ul style="list-style-type: none"> Be cognizant of the Asset Management Plan and use it to identify projects for the Financial Plan. Identify issues from AMP reports Identify short and long-term projects for Kelsey Centre and include in budget discussions. Approve reserve policy and update bylaw and integrate into financial plan: Adopt a formal reserve policy and include in future Financial Plan. Update Reserve bylaw. Recognise the need to plan for capital asset replacements in accordance with the Asset Management Plan. 	<ul style="list-style-type: none"> Council has reviewed AMP and developed long term asset replacement strategy. Issues presented to Council with strategy in place to address. Includes recommended short-term safety upgrades and equipment replacement. Issues identified and upgrades completed. Policy going forward to Council Summer 2021.

<ul style="list-style-type: none"> • Apply for infrastructure grants 	<ul style="list-style-type: none"> • Grant applications submitted, approved and funds received, work completed.
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Living Green

Priorities	Progress Measures
<ul style="list-style-type: none"> • Continue to pursue the goal of becoming a carbon neutral community. • Continue to work with the Provincial Government and K'omoks First Nation to secure a community forest. • Continue to develop the Village trail system. • Continue to expand the Community Garden and flower gardens throughout the Village. 	<ul style="list-style-type: none"> • Solar panels for Kelsey Centre installed • Community Forest secured with KFN and Provincial Government • Kelly's Bridge and trails maintained • Grant funding received for revitalizing the Community Garden; Summer employment for Gardener to take care Village landscaping.

Staff Professional Development

Priorities	Progress Measures
<ul style="list-style-type: none"> • Ensure staff and Village volunteers receive adequate emergency management training and the village has an emergency response plan in place. • Continue Council, staff and volunteer professional development through various municipal and professional associations ensuring the Village continues to receive good value for the resources expended. • Institute a new employee performance evaluation system. 	<ul style="list-style-type: none"> • Staff and EOC representative reports to Council regarding quarterly meetings with stakeholders. Emergency response plan in place. • Training for all Council, Staff and volunteers scheduled, and training taken. • Performance evaluation system in place.

Tourism Development

Priorities	Progress Measures
<ul style="list-style-type: none"> Continue the Village beautification program including upgrading signage, cleaning and painting Village buildings and structures and enhancing the Village garden. Work with local organizations and the Regional District to enhance signage and way finding in Sayward. Support and work with the Tourism Committee 	<ul style="list-style-type: none"> Bus stop at campground repaired. ORV signage installed indicating the location of the designated route. Additional signage installed Meetings attended and joint initiatives completed

Village Operations

Priorities	Progress Measures
<ul style="list-style-type: none"> Review and update Village internal policies and procedures. Several policy and Bylaw updates required including Personnel Benefits, Conflict of Interest, Criminal Record Search, Hiring, Annual Tax Sale, Permissive Tax Exemption, Respectful Workplace, Procurement. Bylaws include: Building, Zoning (Cannabis), Reserves. Review the Village fee structure to ensure it is up to date and equitable including water, sewer, recreation, other fees and charges. New fees & charges bylaw to be brought forward to Council. Review tax ratios Update the Village of Sayward Official Community Plan using grant funding. 	<ul style="list-style-type: none"> Additional Policies and Bylaws approved by Council Review of fees completed, new Fees and Charges Bylaw approved. Updated tax ratio system. Grant funding allocated to Urban systems to Complete OCP review and update, plan to be updated and in place by Fall 2021

Statement of Property Tax Exemptions

The following properties in the Village of Sayward were provided permissive property tax exemptions by Council in 2019, for 2020 to 2021:

Legal Description	Civic Address	Organization	Value of Permissive Exemption *
Lot 1, Section 31, Township 3, Plan 31878, District Lot 305, Land District 51 Roll No. 706.000	601 Kelsey Way	Sayward Community Health Society	\$1,134.05
District Lot 1439 Roll No. 27410.000	16 Sayward Rd	Sayward Futures Society	\$4,548.63

The following property in the Village of Sayward was provided a permissive property tax exemption by Council in 2019, for 2020 to 2023:

Legal Description	Civic Address	Organization	Value of Permissive Exemption *
Lot 2, Plan 14387 Sayward District Roll No. 704.022	699 Sayward Rd	Royal Canadian Legion Sayward Valley Branch 147	\$1,911.24

The following properties in the Village of Sayward were provided permissive property tax exemptions by Council in 2013, for 2014 to 2023:

Legal Description	Civic Address	Organization	Value of Permissive Exemption *
Lot 1, Section 31, Township 3, Plan 46435 Land District 51 Roll No. 706.100	Salmon River Main	Nature Trust of BC	\$660.18
Section 31, Township 3, Land District 51, FR S 1/2 of FR SE 1/4 Roll No. 600.000	806 Sayward Road	Nature Trust of BC	\$1,896.65

Legal Description	Civic Address	Organization	Value of Permissive Exemption *
Section 30, Township 3, Land District 51, Except Plan 280RW & EXC PL 149 E 20 CHNS of NE Roll No. 550.140	Salmon River Main	Nature Trust of BC	\$2,425.52
Section 30, Township 3, Land District 51, Except Plan 280RW, W20 CHNS OF NE / EXC E 10 Roll No. 550.125	Salmon River Main	Nature Trust of BC	\$1,553.79
Total Permissive Tax Exemptions			\$14,130.06

* These amounts do not include the amounts exempted relating to other agency collections such as the Regional District, Hospital District, Municipal Finance Authority, BC Assessment, library, school, and police taxes. The total tax exemption including these other agency collections was \$17,362.16.



Appendix A:

Audited Financial Statements 2020

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Village of Sayward

STATEMENT OF FINANCIAL INFORMATION PREPARED UNDER THE FINANCIAL INFORMATION ACT FOR THE YEAR ENDING DECEMBER 31, 2020

MANAGEMENT REPORT

Prepared under the Financial Information Regulation, Schedule 1, Section 9

The financial statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian public-sector accounting standards. Management is responsible for the integrity and objectivity of these statements as well as the supplementary statements and schedules. Management maintains a system of internal controls to provide reasonable assurance that the assets are safeguarded, and the transactions are authorized, recorded and reported properly.

Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through Council. Council reviews internal financial statements and external Audited Financial Statements.

Our external auditors, Chan Nowosad Boates Inc., conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the Village's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to financial management of the Corporation of the Village of Sayward and meet when required.

On behalf of the Village of Sayward,

Lisa Clark, CPA, CGA
Chief Financial Officer

Village of Sayward

Schedule of Remuneration and Expenses for Council and Employees for 2020

1) Elected Officials, Employees Appointed by Cabinet and Members of the Board of Directors

	Remuneration	Expenses
Mayor John MacDonald	780	0
Mayor Mark Baker	7,200	0
Councillor Wes Cragg	1,800	944
Councillor Norm Kirschner	6,745	2,563
Councillor Joyce Ellis	8,055	0
Councillor William Ives	1,950	1,554
Councillor Sue Poulsen	600	0
Councillor Tom Tinsley	600	0
Totals	27,730	5,061

2) Other Employees (excluding those listed in Part 1 above)

	Remuneration	Expenses
Totals for wages and expenses for employees earning over \$75,000, including taxable benefits	0	0
Consolidated Total for each Employee paid less than \$75,000, including taxable benefits	321,185	9,335
Total Other Employees	321,185	9,335

3) Reconciliation

Total remuneration - Elected Officials	27,730
Total remuneration - Other Employees	321,185
Subtotal	348,915
*Reconciliation items: see note below	80,305
Total per Statement of Operations	429,220
Variance	0

**Note: The Village prepares the Schedule of Remuneration and Expenses for Council and Employees based on T4's, which does not include the employer portion of benefits or Municipal Pension Plan contributions which is why this figure differs from wages per the Financial Statements.*

Village of Sayward

Schedule of Payments made for the Provision of Goods or Services for 2020

1) List of suppliers who received aggregate payments exceeding \$25,000

Supplier name	Aggregate
B.C.HYDRO	67,836
BEHR Intergrated Solutions Inc.	25,725
Bill Howich Chrysler Ltd.	53,000
Chan Nowosad Boates Inc.	27,225
COMOX STRATHCONA REGIONAL HOSPITAL DISTRICT	28,090
CRES 1986 LTD.	33,733
M.I.A.B.C	32,251
Manulife Insurance Company	27,777
MUNICIPAL PENSION PLAN	30,529
RBC ROYAL BANK VISA	29,451
RECEIVER GENERAL OF CANADA	79,517
STRATHCONA REGIONAL DISTRICT	56,681
SUPERIOR PROPANE	26,682
Total Suppliers Equal & Over \$25,000	518,497

2) Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less	414,705
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3) Total of payments to suppliers for grants and contributions exceeding \$25,000

Consolidated total of grants exceeding \$25,000	0
Consolidated total of contributions exceeding \$25,000	0
Consolidated total of all grants and contributions exceeding \$25,000	0

4) Reconciliation

Total of aggregate payment exceeding \$25,000 paid to suppliers	518,497
Consolidated total of payments of \$25,000 or less paid to suppliers	414,705
Consolidated total of all grants and contributions exceeding \$25,000	0
Capital Additions	(119,701)
Payroll	429,220
Amortization	195,797
Sub Total	1,438,518
Total per Statement of Operations	1,103,695
*Reconciliation items: see note below	334,823
Variance	0

**Note: The Village prepares the Schedule of Payments made to Suppliers based on actual disbursements through the accounts payable system, which is on a cash basis. Therefore, this figure will differ significantly from the expenses reported on an accrual basis in the consolidated financial statements.*

Village of Sayward
Statement of Severances, Guarantees and Indemnity Agreements

Severance Agreements

There was **one** severance agreement made between the Village of Sayward and an employee during the fiscal year 2020. The severance paid was equal to the equivalent of 3 months gross salary. No other severance agreements were made during fiscal 2020.

Guarantees & Indemnities

The Village of Sayward has not given any guarantees or indemnities under the Guarantees & indemnities Regulation during fiscal year 2020.

Village of Sayward
Statement of Financial Information Approval

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules in this Statement of Financial Information, produced under the *Financial Information Act*.

Lisa Clark
Chief Financial Officer
June 15, 2021

Mark Baker
Mayor
June 15, 2021



STAFF REPORT

To: Mayor and Council
From: Ann MacDonald, CAO
Subject: Reserve Policy
Meeting date: June 15, 2021

BACKGROUND

On May 4, 2021, Council passed the following resolution:

MOTION R21/142
MOVED AND SECONDED

THAT Council receives the Reserves and Surpluses 2021 report for information and discussion, and;
THAT staff return to Council with a draft Reserve Policy that describes how, when, and how much is to be transferred to a reserve and outlines acceptable uses of reserve funds as outlined in the timetable provided by the CFO.

CARRIED

The following timetable was provided to Council:

Schedule	Action
June 15, 2021	Council directs the preparation of a Reserve Policy after review of examples provided by staff and discussion of needs.
July 20, 2021	DRAFT Reserve Policy presented to Council for approval. Council directs the preparation of a new reserve bylaw to replace Bylaw No. 346 (Reserve Establishment Bylaw).
August 17, 2021	Council gives first 3 readings to Bylaw No. XXX Reserve Establishing Bylaw.
September 7, 2021	Council gives fourth and final reading to Bylaw No. XXX Reserve Establishing Bylaw.
Fall/Winter 2021	Staff integrate Reserve Policy and Bylaw into 2022 – 2026 Financial Plan.

DISCUSSION

Reserves and reserve funds are an important financial indicator in a Municipality's overall financial health. By maintaining reserves, the Municipality has the capability to fund future liabilities, absorb unexpected shifts in revenue and expenditures, and reduce the cost of financial capital projects as it allows a Municipality to avoid debt interest payments.

Since Municipalities and Regional Districts differ widely – from budget size to strategic plans and goals – there is no simple one size fits all reserve policy.

Generally, a Reserve Policy contains the following main pieces:

- 1.) Purpose, Objectives and Definitions;
- 2.) Roles & Responsibilities;
- 3.) Procedures for the establishment of Reserves;
- 4.) Target values for each reserve (minimum and optimum levels) and acceptable uses of reserve funds, and;
- 5.) Recommendations on when and how the Reserve Policy is reviewed, i.e. annually, or during Financial Plan sessions.

The Reserve Policy is a living document that should always reflect the circumstances facing the Village over time. Operations, services, risks, and budgets can all change, and so the policy should adapt as well.

Policy Document

Staff have reviewed several Reserve Policies from other municipalities and recommend Council consider a policy similar to the District of Lake Country (attached). This policy is a straightforward document and while it includes many Reserves and target levels not appropriate for Sayward, it is a good base for staff to work from. Of note, none of the municipalities on the North Island have a reserve policy document (this includes Zeballos, Tahsis, Gold River, Port Alice, Port Hardy or Port McNeill).

Staff recommend the following Reserves be included as part of the Policy document; these will be formally established by a new reserve bylaw as part of this process:

Name of Reserve	Type	Comment	Balance as at Jan 1, 2021
Capital Reserve Fund	Regular	To fund general capital projects that are not specifically funded from other established reserves or user fees. This would include buildings, municipal equipment, and vehicles.	\$0 (Proposed new reserve)
Sewer Capital Reserve Fund	Regular	To fund sewer utility capital projects required for sewer operations.	\$5,320
Water Capital Reserve Fund	Regular	To fund water utility capital projects required for water operations.	\$0 (Proposed new reserve)
Transportation Infrastructure Reserve Fund	Regular	To fund designated road capital projects required for road operations.	\$17,370 (Current name Roads Reserve)
Community Works Gas Tax Reserve Fund	Regular	To account for funds received and used pursuant to the Community Works Gas Tax Agreement.	\$278,665
Fire Facilities and Equipment Reserve Fund	Regular	To fund the replacement of fire vehicles and equipment according to planned replacement schedules.	\$0 (Proposed new reserve)

Climate Action Reserve Fund	Regular	To fund projects that reduce greenhouse gas emissions according to the BC Climate Action Charter.	\$23,740
COVID-19 Reserve Fund	Regular	To fund COVID-19 related expenditures. Eligible costs include: <ul style="list-style-type: none"> • Addressing revenue shortfalls; • Facility reopening and operating costs;; • Emergency planning and response costs; • Bylaw enforcement and protective services like fire protection and police; • Computer and other electronic technology costs (to improve interconnectivity and virtual communications); • Services for vulnerable persons (e.g. persons living with disabilities, mental illness or addictions, persons experiencing homelessness or other vulnerabilities, and; • Other related costs. 	\$262,340
Land Sale Reserve Fund	Statutory	As per section 188(2)(e) of the <i>Community Charter</i> funds received from the sale of land and improvements must be set aside for paying any remaining debt in relation to the property and for acquiring land, improvements, and other assets of a capital nature.	\$42,381
Parkland Acquisition Reserve Fund	Statutory	As per section 188(2)(b) of the <i>Community Charter</i> funds received from the sale or disposal of parkland as well as funds received pursuant to section 510 of the Local government Act (parkland funds received upon subdivision) must be set aside in a reserve and be exclusively to purchase parkland.	\$0 (Proposed new reserve)

Target values will need to be realistic, but also achievable, and it may take several years to reach the targets. This information will be presented in the DRAFT Reserve Policy for Council to review in July.

It is important to note that due to the Village's small size and relatively small budget, funding these reserves will undoubtedly be a challenge. Larger municipalities have a larger tax base and in turn, a much larger budget from which to allocate funds to reserves.

Staff will provide recommendations and options on funding sources for reserves as part of the annual financial planning process. Annual and/or periodic contributions to reserve funds shall be specific to each Reserve, as approved by Council through the Financial Plan.

STAFF RECOMMENDATION

THAT the Reserve Policy staff report be received for information and discussion, and;

THAT Staff be directed to prepare a DRAFT Reserve Policy incorporating the recommended Reserve Funds outlined in this report.

Respectfully submitted,

Ann MacDonald, CAO

Prepared by: Lisa Clark, CFO

Attachments:

- ***District of Lake Country Reserve Fund Policy 149, 2016***

Date

The following was adopted as Policy by **Resolution No. 16.11.278** at the **Special Council Meeting** held on **November 29, 2016**.

Amended by Resolution No. 17.01.011 at the Regular Council Meeting held January 17, 2017 by adding Section 3.3 (d).

Purpose

The Policy provides guidance on the development, maintenance and use of financial reserve funds.

Policy

1. PRINCIPLES

It is essential that local governments maintain adequate levels of reserve balances to mitigate current and future risks, ensure stable tax rates and demonstrate financial commitment to long range infrastructure and master plans. The following guiding principles form the basis of this policy:

- 1.1. Sufficient reserve funds are important in achieving financial health and stability for the District.
- 1.2. Reserve goals need to be consistent with and support established long term financial plans.
- 1.3. Reserve fund management needs to conform to the statutory and legal requirements of the *Local Government Act* and the *Community Charter*, generally accepted accounting principles (GAAP) and public sector accounting board (PSAB) recommendations.

2. DEFINITIONS

"annual surplus" means the accumulated excess of revenues over expenditures for the current year.

"District" means the organization of the District of Lake Country.

"reserve funds" means funds that are set aside for a specified purpose by Council pursuant to subsection 188 (1) the *Community Charter*. These reserves are established via District bylaws and are discretionary on the part of Council. The reserve funds can be operating or capital in nature.

"reserves" means all of the District's reserve funds and statutory reserve funds.

"statutory reserve funds" means funds set aside for specified purposes as required by and pursuant to specific legislation. These reserves are established via District bylaws and are non-discretionary on the part of Council.

“unappropriated surplus” means the accumulated surplus built up in the District’s various operating funds that has not been designated for specific uses.

3. RESERVES

3.1. OPERATING RESERVE FUNDS

(a) Financial Stabilization Reserve Fund

Purpose:

To offset unrealized revenues – some of the District’s revenue sources (i.e. development fees, building permits) are cyclical in nature and thus are subject to downturns in the economy. The District tries to anticipate economic downturns during budget processes but despite best efforts may be exposed to the possibility of unrealized or declining revenues. Funds may be used during the budget process as a transfer from reserves to offset cyclical revenue declines.

One time and intermittent projects – the District undertakes certain on time and/or intermittent projects that are larger in terms of costs. If these projects were funded from property taxation, annual spikes and declines in taxation would result, therefore, it is not prudent to fund these projects from on-going property taxation revenue. Examples include master plan updates and OCP updates.

Cyclical expenditures – the District has some cyclical expenditures that do not reoccur annually but may reoccur every two to four years. An annual cost would be determined and included as an expenditure in the Financial Plan with an offsetting transfer to the reserve until the year required. Some examples include elections or satisfaction surveys.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from general operating budget as provided for in financial plan Transfer of any development revenues over and above established base amounts, if and when available 	1% of general operating fund revenues, rounded to the nearest \$100,000	2.5% of general operating fund revenues, rounded to the nearest \$100,000

(b) Policing Reserve Fund

Purpose:

To offset the cost of special policing major crimes, DNA analysis costs or other unexpected expenditures. Major policing expenditures can come forward without any forewarning and it is often not possible to fund these projects via taxation or other reserves. Funds can also be used for capital expenditures as related to policing. As the District’s population grows, the funds in this reserve can be used in assisting with smoothing of additional policing costs to prevent spiking of tax rates related to policing.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from the RCMP budget as provided for in financial plan Excess traffic fine sharing revenue not utilized within the annual policing operations Savings from the policing operational budget 	10% of RCMP contract expenditures rounded to the nearest higher \$100,000	50% of RCMP contract expenditures rounded to the nearest higher \$100,000

(c) Solid Waste Reserve Fund**Purpose:**

To assist with the funding of solid waste containers, which are required to be replaced or upgraded on a regular two to three year cycle. This reserve could also be used to assist with capital costs related to establishing infrastructure for the purposes of solid waste or recycling services.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from solid waste operating budget as provided for in financial plan Savings from the solid waste operational budget 	5% of annual revenue from garbage and recycling user fees, rounded to the nearest higher \$10,000	25% of annual revenue from garbage and recycling user fees, rounded to the nearest higher \$10,000

(d) Fire Operations Reserve Fund**Purpose:**

To offset the cost of wildfire events not covered under other emergency funding. Major wildfire expenditures can happen in any year without any forewarning and it is often not possible to fund these events via taxation or other reserves.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from Fire operational budget as provided for in financial plan Savings from the fire operational budget 	5% of fire operational expenditures rounded to the nearest higher \$100,000	10% of fire operational expenditures rounded to the nearest higher \$100,000

(e) Insurance and Legal Reserve Fund**Purpose:**

To provide a source of funds for liability claims not covered under our insurance policies and to offset the cost of major legal costs or claims of which the magnitude and timing is often indeterminable.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from general operating budget as provided for in financial plan Savings from legal and insurance operational budget 	\$10,000	\$50,000

3.2. CAPITAL RESERVE FUNDS**(a) Capital Reserve Fund****Purpose:**

To fund general capital projects that are not specifically funded from other established reserves or user fees. Capital projects that will be funded from this reserve are budgeted within the District's long term capital plan.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from general operating budget as provided for in financial plan 	Adequate to fund capital projects identified as capital funded for the next fiscal year of the 5 year capital plan	Adequate to fund all capital projects identified as capital funded in the 5 year capital plan

(b) Climate Action Reserve Fund**Purpose:**

The District recognizes the importance of reducing greenhouse gas (GHG) emissions through projects that reduce fossil fuel consumption. Reducing GHG emissions is part of Lake Country's commitment as a signatory to the BC Climate Action Charter. Signing on to the BC Climate Action Charter is a commitment to becoming carbon neutral (in operations) by 2012, measuring and reporting GHG emissions and planning complete, compact, more energy efficient communities. Local governments who have signed on to the Climate Action Charter are eligible for the Climate Action Revenue Incentive Program (CARIP) grant equal to 100 percent of the carbon tax paid as a direct expenditure in the previous year. Funds in this reserve will be used for projects that reduce greenhouse gas emissions, replacement of equipment in the Hydroelectric Generating Station or early retirement of related debt, as funds permit.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Net revenue earned by the Lake Country Hydroelectric Generating Station Revenue from the Climate Action Revenue Incentive grant Equivalent of what would be paid to purchase carbon offsets for the carbon produced 	Adequate to fund capital projects as related to renewal of the Hydroelectric Generating Station in the 5 year capital plan.	No maximum – the source of funds for this reserve cannot be reallocated if there is a maximum on this reserve fund.

(c) Transportation Infrastructure Reserve Fund

Purpose:

To fund designated road capital projects required for road operations or as identified in the transportation for tomorrow plan.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from general operating budget as provided for in financial plan and as determined by Council resolution 15.12.301 	Adequate to fund capital projects identified as roads reserve funded for the next fiscal year of the 5 year capital plan	Adequate to fund all capital projects identified as roads reserve funded in the 5 year capital plan

(d) Equipment Acquisition and Replacement Reserve Fund

Purpose:

To fund the acquisition of municipal vehicles and equipment in accordance with an acquisition plan and the replacement of municipal vehicles and equipment according to planned replacement schedules.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from general operating budget as provided for in financial plan Proceeds from the sale of municipal vehicles and equipment 	Minimum funds available to fund the next year of vehicle and equipment acquisitions and replacements.	Funds for all scheduled vehicle and equipment acquisitions and replacements in the 5 year financial plan.

(e) Fire Facilities and Equipment Reserve Fund**Purpose:**

To fund the replacement of fire vehicles and equipment according to planned replacement schedules and planned maintenance, upgrades, additions or improvements to fire buildings.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from fire operating budget as provided for in financial plan Proceeds from the sale of fire vehicles and equipment Funds received for amenity provisions under the Density Bonusing clause in the Zoning Bylaw 	Minimum funds available to fund the next year of fire facilities, vehicle and equipment replacements and capital expenditures.	Funds for all scheduled fire facility capital expenditure and vehicle and equipment replacements in the 5 year financial plan.

(f) Information Technology (IT) Reserve Fund**Purpose:**

To fund information system and technology projects including communications systems, which are capital in nature. Technology can change rapidly within the information technology area and often comes at a large cost. This reserve is needed to keep pace with technology and to take advantage of technological improvement/efficiency opportunities.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from general operating budget as provided for in financial plan 	Adequate to fund capital projects identified as IT related capital funded for the next fiscal year of the 5 year capital plan.	Adequate to fund all capital projects identified as IT related capital funded in the 5 year capital plan.

(g) Facilities Reserve Fund**Purpose:**

To fund expenditures for major repairs, upgrading, replacement or expansion of municipal buildings, ancillary structures and site services that serve as public spaces.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from general operating budget as provided for in financial plan 	Adequate to fund capital projects identified as facilities capital funded for the next fiscal year of the 5 year capital plan.	Adequate to fund all capital projects identified as facilities related capital funded in the 5 year capital plan.

(h) Community Works Gas Tax Reserve Fund**Purpose:**

To account for funds received and used pursuant to the Community Works Gas Tax Agreement. Projects funded by this account must be in compliance with acceptable uses as defined in the community Works Gas Tax Agreement.

The intent is to spend all funds received, per our Community Works Gas Tax Agreement.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Federal Community Works Gas Tax Funds 	N/A – intend to spend all funds received	N/A – funds from this source have specified use and cannot be reallocated to other reserves if there was a maximum value placed on this fund.

(i) Water Capital Reserve Fund**Purpose:**

To fund water utility capital projects required for water operations or as identified in the Water Master Plan.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from water operating budget as provided for in financial plan 	Adequate to fund capital projects identified as water capital funded for the next fiscal year of the 5 year capital plan.	Adequate to fund all capital projects identified as water capital funded in the 5 year capital plan.

(j) Sewer Capital Reserve Fund**Purpose:**

To fund sewer utility capital projects required for sewer operations or identified in the Sewer Master Plan.

Funding Source	Minimum Level	Maximum Level
<ul style="list-style-type: none"> Annual allocation from sewer operating budget as provided for in financial plan 	Adequate to fund capital projects identified as sewer capital funded for the next fiscal year of the 5 year capital plan.	Adequate to fund all capital projects identified as sewer capital funded in the 5 year capital plan.

3.3. STATUTORY RESERVE FUNDS

(a) Development Cost Charge (DCC) Reserve Funds

Purpose:

As per subsection 188(2)(a) of the *Community Charter*, separate Reserves need to be established for DCC collections and use, under section 566 of the *Local Government Act*. The following DCC Reserves have been established for the purpose so identified in the associated DCC bylaw and are as follows:

- (i) Roads DCC
- (ii) Sewer DCC
- (iii) Parks DCC
- (iv) Drainage DCC
- (v) Water DCC

(b) Parkland Acquisition Reserve Fund

Purpose:

As per subsection 188(2)(b) of the *Community Charter* funds received from the sale or disposal of parkland as well as funds received pursuant to section 510 of the *Local Government Act* (parkland funds received upon subdivision) must be set aside in a reserve and be used exclusively to purchase parkland. The Parkland Acquisition Reserve has been established for accumulating and expending monies as per this requirement.

(c) Land Sale Reserve Fund

Purpose:

As per subsection 188(2)(e) of the *Community Charter* funds received from the sale of land and improvements must be set aside for paying any debt remaining in relation to the property and for acquiring land, improvements and other assets of a capital nature. The Land Sale Reserve has been established for accumulating and expending monies as per this requirement.

(d) Access to Body of Water Reserve Fund

Purpose:

As per section 41(1)(d) of the *Community Charter* funds received from the sale of highway must be placed to the credit of reserve fund to be used to acquire property that Council considers will provide public access to the same body of water that is of at least equal benefit to the public."

Added by
Resolution
No.
17.01.011

4. UNAPPROPRIATED SURPLUSES

The District needs to maintain Unappropriated Surplus balances in its three operating funds (the General Operating Fund, the Sewer Operating Fund and the Water Operating Fund) for working capital purposes i.e. to provide for operating expenditures before property taxes or user fees are collected. Maintaining

minimum working capital levels eliminates or reduces the need to borrow externally and/or internally for operations.

The District may also require emergency funds from time to time, from any one of its Unappropriated Surplus balances, for unforeseen costs. When this occurs, the District needs to rely upon sufficient balances being available in the applicable Unappropriated Surplus area (general operating, water or sewer).

Funding Source	Minimum Level	Maximum Level
General Fund <ul style="list-style-type: none"> Any excess general operating fund revenues over expenditures and transfers at the end of each fiscal year 	Two months of regular general fund operating expenditures, rounded to the nearest higher \$100,000	Three months of regular general fund operating expenditures, rounded to the nearest higher \$100,000
Sewer Fund <ul style="list-style-type: none"> Any excess sewer operating fund revenues over expenditures and transfers at the end of each fiscal year 	Two months of regular sewer fund operating expenditures, rounded to the nearest higher \$100,000	Three months of regular sewer fund operating expenditures, rounded to the nearest higher \$100,000
Water Fund <ul style="list-style-type: none"> Any excess water operating fund revenues over expenditures and transfers at the end of each fiscal year 	Two months of regular water fund operating expenditures, rounded to the nearest higher \$100,000	Three months of regular water fund operating expenditures, rounded to the nearest higher \$100,000

5. ADMINISTRATION

5.1. Reserve Contributions

Annual and/or periodic contributions to Reserve Funds shall be specific to each Reserve, as approved by Council through the District's annual financial planning and budgeting process

5.2. Minimum and Maximum Reserve Balances

Minimum and maximum fund balance guidelines have been set for some of the District's Reserve Funds, Statutory Reserve Funds and Unappropriated Surpluses. The minimum balances ensure that the respective balances are not depleted to the degree that those balances are no longer able to serve their intended purpose(s). The maximum balances ensure the District's guiding principles are achieved and the respective balances do not grow beyond their intended purpose(s) and thus create idle assets that could be otherwise utilized for other corporate priorities. A formal comparative review of actual, minimum and optimal fund balances shall be undertaken annually.

5.3. Internal Borrowing

Internal borrowing from specific Reserve Fund, Unappropriated Surplus and Statutory Reserve Fund balances shall be permissible as allowed for by legislation, if a clearly defined and attainable payback plan, including payment of foregone interest, is in place. Internal borrowing allows for more flexibility in terms of payback amounts and loan duration than that of external borrowing. Paybacks shall be executed according to plan.

5.4. Responsibilities

The District's Chief Financial Officer shall be responsible for:

- (a) Recommending the necessary contributions and transfers so that the District's Reserve Funds, Statutory Reserve Funds and Unappropriated Surpluses are maintained in accordance with this policy;
- (b) Conduct an annual review of all Reserve Fund, Statutory Reserve Fund and Unappropriated Surplus balances and reporting the results of such a review to Council; and
- (c) Recommending revisions or amendments to this Policy, as may be required from time to time, as a result in changes in applicable statutes, accounting standards, economic conditions, etc.

5.5. Interest

Reserve Funds and Statutory Reserve Funds shall be paid and allocated interest based on average annual balances and the District's average rate of return on investments.

5.6. Guide and Transition

The minimum and optimal fund balance guidelines shown in this Policy serve as a guide in moving the District towards the goals or targets it wishes to attain, in terms of individual fund balances. It is recognized that the District's fund balances are not at the optimal levels at the time of enacting this Policy, however the District is transitioning towards its optimal targets.

Original signed by James Baker

Mayor

Original signed by Reyna Seabrook

Corporate Officer



STAFF REPORT

For: Mayor and Council
Prepared by: Ann MacDonald, CAO
Subject: **Use of Sewer Surplus Funds (\$150,000)**
Meeting date: June 15, 2021

BACKGROUND

To seek preliminary Council approval to allocate \$150,000 of surplus funds from the sewer service to cover the cost of four generators to serve the four sewer lift stations in the Village of Sayward.

DISCUSSION

Staff have been unsuccessful at obtaining grant funding to procure stand-alone generators for the four lift stations around the Village and wishes to obtain Council's preliminary approval to use surplus funds from the sewer service fund. Staff have applied for funding multiple times and over multiple years but have been unsuccessful at obtaining the funds. The result is that when the Village of Sayward experiences one of its many power outages, public works staff are required to tow a temporary generator to each of the four lift stations to pump out the sewage. This must occur on a four-hour shift for as long as the power is out, at each of the four stations putting staff at risk for working long hours using equipment in the dark, and this is not a good scenario.

Staff have obtained three price quotes to determine the order of magnitude costs for the generators; however, per the attached Village of Sayward Procurement Policy No. 08-03, Council approval is required for acquisition of goods and services that are not in the approved budget and that are valued between \$50,000 and \$250,000. As well, staff are required to pursue a competitive process by way of an Invitation to Tender or RFQ (Request for Quotation).

Pending Council's preliminary approval to use surplus funds, staff will post an Invitation to Tender or RFQ on its website and on the BC Bid page. A minimum of three written quotes will be obtained and staff will return to a summer council meeting to seek authority to award the contract once the bids have been received and to formally approve use of the surplus funds. Ideally, the lift station generators can be installed and operating in advance of the 2021-2022 storm season.

Currently, there is \$306,309 as surplus funds in the sewer service account. This surplus has been in place for several years with no draws against it to date. Earlier quotes for the full installation of the four generators place the full costs at approximately \$150,000

RECOMMENDATIONS

THAT the Use of Sewer Surplus Funds staff report be received for information and discussion, and;

THAT Staff be directed to proceed with an Invitation to Tender/RFQ in accordance with Village of Sayward Procurement Policy No. 08-03 as the first step in allocating surplus funds from the sewer service for the procurement and installation of four generators at the sewage lift stations, and;

FINALLY THAT Staff return to Council with details received from the Invitation to Tender/RFQ to procure the four lift station generators.

Ann MacDonald
CAO

Attachments:

- ***Village of Sayward Procurement Policy No. 08-03***

Village of Sayward

Policy No. 08-03



TITLE: PROCUREMENT POLICY

APPROVED: 2008-08-06

RESOLUTION NO.: R08/203

REVISED: January 5, 2011

RESOLUTION NO.: 11/416

A: POLICY

The Village of Sayward will acquire goods and services that result in the best value with the available funding. The purchasing processes are to be undertaken in a visibly fair, ethical and prudent manner.

B: DEFINITIONS

Position titles: in the absence of the person holding a named position, the person acting or is an alternate in that position has the same procurement authorities and responsibilities as the person in the named position.

C: PROCEDURES

1) General Principles

The procedures for purchasing within the Village of Sayward shall follow these general principles:

- The CAO is ultimately responsible for all purchases and all purchase orders are to be signed by the CAO BEFORE THE ORDER IS PLACED. Written estimates are preferred to verbal estimates.
- Staffs are not authorized to place orders with vendors over the phone without first obtaining a purchase order. This applied even if the Village has an account with the vendor.
- Only the CAO is permitted to hold merchant cards for suppliers such as Home Depot, Staples etc.
- Purchasing decisions within the Village shall be made to ensure best value based on quality, services, delivery and price,
- The Village supports the use of environmentally sustainable products and practices,
- Council members and staff with direct or indirect interests in a vendor or potential vendor will disclose such interests in writing to ensure there is no conflict of interest,
- Council members and staff are prohibited from accepting favours of any kind where they might influence or appear to influence or suggest a conflict of interest in related purchasing decisions,
- The Village may, in its absolute discretion, reject a tender, bid or proposal if the tenderer or any officer or director of the tenderer is or has been engaged either directly or indirectly in any legal action against the Village within the previous five years from concluding the legal action.

2) Purchasing Guidelines

a) Goods and Services \$0 - \$2,500

a) Goods and Services \$0 - \$2,500

Acquisition and Commitment Authority

The CAO only.

No written quotes required for purchases within these limits.

b) Goods and Services \$2,501 - \$5,000

Acquisition and Commitment Authority

The CAO in consultation with Council.

A minimum of one written quote.

c) Goods and Services \$5,001 - \$50,000

Acquisition and Commitment Authority

The CAO in consultation with Council with Resolution

A minimum of two written quotes or sufficient effort to comply with a minimum of two written quotes must be obtained.

d) Goods and Services \$50,001 - \$250,000

Acquisition Authority

Expenditures within the approved budget are authorized by the CAO; expenditures over the approved budget must be authorized by Council.

The Authority to commit the Village to a purchase is the CAO.

The competitive process used by the Village is generally an Invitation to Tender (ITT) or a

Request for Proposal (RFP) or a Request for Quotation (RFQ) depending on the nature of the goods and services to be provided.

A minimum of three written quotes or sufficient effort to comply with a minimum of three written quotes must be obtained,

Competitive bid documents should be comprehensive and provide sufficient detail in order to achieve the required outcomes and mitigate risk and liability.

Documentation

Advertising will be posted on Village's website, in the Sayward News, in the Campbell River Mirror and in BC Bid,

Services must be accompanied by appropriate insurance and WorkSafeBC Compliance,

Bids or proposals will be rated against evaluation criteria,

Construction or consultant contracts require an MMCD Contract or applicable agreement reviewed by the Village's Solicitor.

e) Goods and Services > \$250,000

Acquisition Authority

Expenditures within the approved budget are authorized by the CAO. Expenditures over the approved budget must be authorized by Council.

The Authority to commit the Village to a purchase is the CAO.

Competition:

The competitive process used by the Village is generally an Invitation to Tender (ITT) or a

Request for Proposal (RFP) or a Request for Quotation (RFQ) depending on the nature of the goods and services to be provided.

A minimum of three written quotes or sufficient effort to comply with a minimum of three written quotes must be obtained,

Competitive bid documents should be comprehensive and provide sufficient detail in order to achieve the required outcomes and mitigate risk and liability.

Documentation:

Advertising will be posted on the Village's website, in the Sayward News, in the Campbell River Mirror and BC Bid,

Bids or proposals will be rated against evaluation criteria,

Services must be accompanied by appropriate insurance and WorkSafeBC Compliance,

Construction or consultant contracts require an MMCD Contract or applicable agreement reviewed by the Village's Solicitor.

f) Cooperative Ventures

The Village may participate with other government agencies or public authorities in cooperative acquisition ventures where it is in the best interests of the Village to do so and will follow the procedures set out by the agency responsible for the venture and not those detailed in the Village's Procurement Policy.

g) Emergency Purchases

Emergency situations may occur which require immediate commitment of materials, equipment and or services.

In such situations, the CAO, Deputy Clerk/Finance Officer, Fire Chief (including a volunteer Fire Chief after discussion with the CAO or Deputy Clerk/Finance Officer), Supervisor of Recreation and Culture, Public Works Foreman will approve any commitments made on behalf of the Village and will process the appropriate documents as soon as reasonable following the event.

h) Scope Changes

During the course of a project, additional work may arise that could not be anticipated during the project planning process. A contractor or consultant currently working for the Village may be able to better respond to this related work and already have appropriate insurance and performance guarantees. As a result an existing contractor or consultant may be asked for quotations as a basis for continuing to purchase their services.

Bonding

In purchases over \$100,000 requiring a Bond may be prudent.

Bid Bonds

The Bid Bond guarantees that if the contract is awarded to a specific bidder, that bidder will accept the contract. If the bidder refuses, the extra costs to the owner of awarding the contract to the next highest bidder are borne by the bonding company, not the Village. A Bid Bond is generally 10% of the amount bid.

Performance Bonds

The Performance Bond guarantees that the work will be completed on time and in accordance with the contract specifications. If another supplier has to be engaged for rework or to get the project completed, the Performance Bond will cover the Village for these extra costs. The Performance Bond is generally 50% of the total contract price.

Labour and Material Payment Bonds

A Labour and Material Payment Bond protects the Village from liens against the project, liens which would arise in the event that the contractor did not make proper payment to its suppliers of either materials or labour. This bond is issued

simultaneously with a Performance Bond for an amount equal to or less than the amount of the Performance Bond.

j) Sustainable Purchasing

The Village of Sayward believes in the use of environmentally sustainable products and practices in the acquisition of goods and services for the Village. This will be accomplished by reviewing environmentally sustainable choices subject to suitability and cost and the Village acknowledges that the use of environmentally friendly products may sometimes result in paying a financial premium

CAO: _____
C.A. Mc Cready

Mayor: _____
John MacDonald



STAFF REPORT

For: Mayor and Council
Prepared by: Ann MacDonald, CAO
Subject: **Salmon River Inn - Request for Tax Waive and Water and Sewer User Fee Reduction**
Meeting date: June 15, 2021

BACKGROUND

The owner of the Salmon River Inn, Mr. Amit Lal, appeared as a delegate at the May 18, 2021 regular council meeting with the request for Council to reduce his taxes and the water and sewer user fees.

On March 15, 2021 Mr. Lal wrote to Council requesting that Council review the tax assessment for the Salmon River Inn. In that letter Mr. Lal advised that he would not be operating the Salmon River Inn for the next two years due to Covid-9.

Previously, on January 21, 2020 the previous owner made a similar request, showing that even before COVID-19, the Inn barely ran above the 22% occupancy rate over the past several years.

Council previously reviewed the request at its April 6, 2021 meeting and passed the following resolution:

MOTION R21/105

MOVED AND SECONDED

THAT Council receives the Request for Tax Relief – Salmon River Inn report for information and discussion, and;

THAT the owner of the Salmon River Inn be invited to make a presentation to Council that includes details of planned startup costs, market research, source of funding for startup, building remediation costs following the closure, etc. as part of that presentation; and;

FINALLY THAT staff return to Council with details of the fee exemption for Sayward Mall for Council to reconsider that matter.

CARRIED

Mr. Lal appeared as a delegate at the virtual May 18, 2021 meeting to request the waiver of fees in person. At that time, Mr. Lal did not present details of the requested information, and Council passed the following resolution:

MOTION R21/153

MOVED AND SECONDED

THAT the delegation by Amit Lal be received, and;

THAT Staff return to Council with a report with background information and recommendations in response to Mr. Lal's request for relief for taxes and user fees.

CARRIED

This is the requested report.

DISCUSSION

Option #1 - Deny the Request (Recommended).

Staff recommend that the request be denied for the following reasons:

- Water and Sewer services are required to be self-sustaining in the local government legislation.
- Serviced lots benefit from an increased assessed value because they have servicing.
- Village of Sayward Water Regulation Bylaw No. 391 requires properties to be connected.
- Section 25 (1) of the *Community Charter* prohibits a local government from providing any kind of assistance to a business.
- No details have been provided in response to Council's request, for details and plans by Mr. Lal to commence operations in the Salmon River Inn

1. Water and Sewer Services are required to be self-sustaining.

Services run by local governments must be operated in such a way as to be self sufficient. The *Local Government Act* provides for local governments in BC to impose fees and charges for the provision of services. The fees are not excessive. The Village imposes a fee sufficient to recover the cost of the service in order that the service is self-sufficient with the fees set to recover the costs to deliver the service and to ensure its sustainability.

The fees are applied on user-pay basis so that only those who benefit from the service bear the fee. In the event that the fees are waived or reduced for one user, the balance must be picked up by the remainder of those on the service, as a local government is not allowed to run a deficit.

2. Serviced lots benefit from an increased assessed value.

Properties that are fully serviced are valued assets that have a higher assessed value than land that is not serviced; therefore, there is immediate and sustained benefit to the property in having access to water and sewer services. Waiving the fees would effectively be a subsidy to that business owner. Similarly, waiving his taxes would be considered a subsidy as well, per his earlier request.

3. Water Regulation Bylaw No. 391 requires properties to be connected.

All properties with access to the water and sewer are required by bylaw to be connected. This is to ensure that all users along the system contribute to the system as the ability to opt out of the service would make it more costly to deliver to residents. The bylaws were in place when the property was purchased in 2019.

4. Section 25 (1) of the Community Charter prohibits a local government from providing any kind of assistance to a business, as follows:

s. 25 (1) Unless expressly authorized under this or another Act, a Council must not provide a grant, benefit, advantage or other form of assistance to a business, including:

(a) any form of assistance referred to in section 24 (1) [publication of intention to provide certain kinds of assistance], or

(b) an exemption from a tax or fee.

5. No details have been provided to the Village of Sayward, in response to Council's request, for details and plans that Mr. Lal has put in place to commence operations in the Salmon River Inn.

Despite the request to provide this information, none has been forthcoming. It would appear that there has been very limited business planning for the Salmon River Inn, and therefore, the likelihood of it reopening in the near future seems very unlikely. Future requests for a tax and user fee waive are likely as there do not appear to be any plans in place to reopen the Salmon River Inn.

The property has offered no benefit to the community in terms of services or employment, and the lack of any plans for a re-opening suggests the property is perhaps a holding property for investment purposes rather than for operational uses. Any reduced rates, therefore, would essentially be a subsidy for that holding company covered by the remaining users.

Option # 2 Offer a Different User Fee for the Salmon River Inn and install water meters to provide for fairness.

Council does have the option to establish differing rates for users, and it could establish a lower rate for the service; however, as noted the difference would have to be picked up by the remaining users on the system so Staff do not recommend this option given that there appears to be no plans in place to resume operations and for the Village to recover the full costs from the user.

Attached Schedule E, Water User Rates, from the Fees and Charges Bylaw No. 451 outlines the range of fees already in place for users of the water system. Whereas the residential rate for water is \$388.40 the rate for hotels and motels, including the Salmon River Inn is \$194.20 per unit.

Option #3 Defer a Decision on the Request Until the Owner Produces a Written and Detailed Business Plan.

Council could opt to defer the decision and again request Mr. Lal to put together a written plan for his business start up, including timelines, start up costs, and a detailed market analysis. At the May 18, 2021 Council meeting Mr. Lal indicated a tentative plan to create a lodge or perhaps explore a seniors housing complex. Council could request that Mr. Lal produce this material in

detail and then could consider the matter again with the materials in front of them. In this option, Staff recommend that the user fees be paid now and if Council wishes to consider revising the rates upon review of the re-opening plans, it could also explore the matter again at that time.

RECOMMENDATIONS

THAT the Salmon River Inn - Request for Tax Waive and Water and Sewer User Fee Reduction staff report be received for information and discussion, and;

THAT Council deny the request from Mr. Lal to waive his water and sewer user fees for the Salmon River Inn.

Ann MacDonald
CAO

Attachments:

- ***Schedule E Water User Rates - Fees and Charges Bylaw No. 451***

SCHEDULE E
WATER USER RATES

DESCRIPTION		RATE
Private Residence	per dwelling unit (equivalent to one dwelling unit)	\$388.40
Hotel, Motels	per unit	\$194.20
Apartments or Strata Units	per dwelling unit (equivalent to one dwelling unit)	\$388.40
Trailer Park	per pad	\$388.40
Cafes & Restaurants	(equivalent to 10 dwelling units)	\$3,884.00
Stores	(equivalent to one dwelling unit)	\$388.40
- Plus for living quarters attached	(equivalent to one dwelling unit)	\$388.40
- Plus for Grocery	(equivalent to one dwelling unit)	\$388.40
- Plus for Butcher Shop	(equivalent to one dwelling unit)	\$388.40
Garage & Service Stations	(equivalent to one dwelling unit)	\$388.40
Seafood Plant	(equivalent to 7 dwelling units)	\$2,718.80
Bowling Alley	(equivalent to 2 dwelling units)	\$776.80
Laundromat	per washing machine (equivalent to one dwelling unit)	\$388.40
Bank	(equivalent to one dwelling unit)	\$388.40
Schools	(equivalent to 26 dwelling units)	\$10,098.40
Small Craft Harbour	(equivalent to 2 dwelling units)	\$776.80
Harbour Lease	(equivalent to 10 dwelling units)	\$3,884.00
Industrial	shop, office, sort yard office (equivalent to 7 dwelling units)	\$2,718.80
Industrial	dryland sort and water tower (equivalent to 94 dwelling units)	\$36,509.60
Bunk House and Cookhouse	per active sleeping unit (equivalent to ½ dwelling unit)	\$194.20
Campground	serviced stalls times months in operation divided by 12 – times Motel rate	\$194.20
Others not specified	each	\$388.40



STAFF REPORT

For: Mayor and Council
Prepared by: Ann MacDonald, CAO
Subject: **Respectful Workplace Policy #200-03 for Approval**
Meeting date: June 15, 2021

BACKGROUND

To obtain Council approval for Policy 200-03 Respectful Workplace Policy.

DISCUSSION

The Village of Sayward is responsible for providing all employees a bullying-free and harassment-free workplace. The attached Respectful Workplace Policy is intended to establish a clear anti-bullying and harassment policy and processes for reporting and investigating incidents of harassment and bullying in the workplace, in accordance with WorkSafeBC Best Practices.

WorkSafeBC works to keep British Columbians free of workplace injury and harm, including bullying and harassment, which is identified by WorkSafeBC as an occupational health and safety issue. Unchecked, bullying and harassment can negatively affect the mental and physical health of employees, and this policy provides a framework for staff to report and to investigate a complaint about bullying and harassment.

Under new WorkSafeBC Occupational Health and Safety policies now in place, all BC employers have a duty to stop and prevent bullying and harassment in the workplace. The first step in complying with this legal obligation is to prepare a written workplace bullying and harassment policy. The attached Respectful Workplace Policy 200-03 meets the standards of the WorkSafeBC best practices.

Once approved by Council, Policy 200-03 will apply to all current employees of the Village and the Village of Sayward Volunteer Fire Department, including all full-time, part-time, casual, volunteer, contract, permanent and temporary employees. The policy applies to all behaviour that is in some way connected to work, including off-site meetings, training, and business trips.

RECOMMENDATIONS

THAT the Respectful Workplace Policy #200-03 staff report be received for information and discussion, and;

THAT Council approve Policy 200-03 - Respectful Workplace Policy.

Ann MacDonald
CAO

Attachments:

- ***Policy 200-03 - Respectful Workplace Policy***



Village of Sayward

Title: Respectful Workplace Policy

Policy # 200-03

Category: Personnel

1.0 PURPOSE

To establish a clear anti-bullying and harassment policy and processes for reporting and investigating incidents of harassment and bullying in the workplace. This will assist in supporting a work environment in which harassment and bullying are known to be unacceptable and where individuals have the confidence to report harassment and bullying, should it arise, in the knowledge that their concerns will be addressed appropriately and fairly.

2.0 POLICY

The Village of Sayward welcomes diversity and is committed to fostering a bullying-free and harassment-free workplace where all employees are treated with respect and dignity. Bullying and harassment at the Village is not acceptable and will not be tolerated. All incidents must be reported and investigated immediately. Employees who are found to have bullied or harassed another individual covered by this policy may be subject to disciplinary action up to and including dismissal. This includes any employee who: interferes with the resolution of a harassment complaint; retaliates against an individual for filing a harassment complaint; or files an unfounded harassment complaint intended to cause harm.

2.1 Application: This policy applies to all current employees of the Village and the Village of Sayward Volunteer Fire Department, including all full-time, part-time, casual, volunteer, contract, permanent and temporary employees.

This policy applies to all behaviour that is in some way connected to work, including off-site meetings, training, and business trips.

2.2 Responsibility:

The Village of Sayward is responsible for providing all employees a bullying-free and harassment-free workplace.

The CAO is responsible for:

- Communicating this policy to all employees;
- ensuring that this policy is applied in a timely, consistent and confidential manner;
- the administration of this policy; and
- not engaging in the bullying or harassment of Village employees.

Supervisors are responsible for:

- familiarizing themselves with this policy;
- fostering a bullying and harassment-free work environment and setting an example about appropriate workplace behaviour;
- dealing with bullying and harassment situations immediately upon becoming aware of them, regardless of whether a complaint has been made;
- not engaging in the bullying or harassment of Village employees; and

- cooperating with an investigation and respecting the confidentiality related to any investigation process.

Employees are responsible for:

- familiarizing themselves with this policy;
- treating all other employees with respect in the workplace;
- not engaging in the bullying and harassment of other Village employees;
- reporting any bullying and harassment observed or experienced in the workplace; and
- cooperating with an investigation and respecting the confidentiality related to any investigation process.

3.0 DEFINITIONS

3.1 Bullying and Harassment

1. Includes any inappropriate conduct or comment by a person towards an employee that the person knew or reasonably ought to have known would cause that worker to be humiliated or intimidated; but
2. Excludes any reasonable action by an employer or supervisor relating to the management and direction of employees or the place of employment.
3. Bullying and harassing behaviour *can include*:
 - verbal aggression, insults or threats
 - spreading malicious rumours
 - calling someone derogatory names
 - vandalizing personal belongings
 - isolation and/or exclusion from work-related activities

Bullying and harassment can also take the form of discrimination on the grounds of personal characteristics protected under the BC Human Rights Code:

- | | | |
|-----------------------|---------------------------------|---------------------|
| • Age | • Race | • Sex |
| • Ancestry | • Political Belief | • Place of Origin |
| • Colour | • Marital Status | • Gender Identity |
| • Criminal Conviction | • Physical or Mental Disability | • Gender Expression |
| • Sexual Orientation | • Religion | • Family Status |

These examples and lists are not exhaustive.

3.2 Sexual Harassment

Includes:

- Offensive or humiliating behaviour that is related to a person's sex;
- Behaviour of a sexual nature that creates an intimidating, unwelcome, hostile, or offensive work environment; or
- Behaviour of a sexual nature that could reasonably be thought to put sexual conditions on a person's job or employment opportunities.

3.3 For clarity, bullying and harassing behaviour does not include:

- Expressing differences in opinion
- Offering constructive feedback, guidance or advice about work-related behaviour
- Reasonable action taken by an employer or supervisor relating to the management and direction of employees or the place of employment (e.g. managing an employee's performance, taking reasonable disciplinary actions, and assigning work)

4.0 PROCEDURES

4.1 Reporting Procedures

How to Report: Employees at the Village can report incidents or complaints of workplace bullying and harassment verbally or in writing. When submitting a written complaint, please use the complaint form (Schedule A) attached to this policy. When reporting verbally, the reporting contact, along with the complainant, will fill out the attached complaint form.

When to Report: Incidents or complaints should be reported as soon as possible after experiencing or witnessing an incident. This allows the incidents to be investigated and addressed promptly.

Reporting Contact: Report any incidents or complaints to the CAO or, in his/her absence, the Mayor.

What to Include in a Report: Provide as much information as possible in the report, such as the names of people involved, witnesses, where the events occurred, when they occurred, and what behaviour and/or words led to the complaint. Attach any supporting documents, such as emails or other social media evidence, handwritten notes, or photographs. Physical evidence, such as vandalized personal belongings, can also be submitted.

4.2 Investigation Procedures

The process for investigating incidents and complaints of workplace bullying and harassment will be:

- undertaken promptly and diligently, and be as thorough as necessary, given the circumstances;
- fair and impartial, providing both the complainant and respondent equal treatment in evaluating the allegations;
- sensitive to the interests of all parties involved;
- confidential;
- focused on finding facts and evidence, including interviews of the complainant, respondent, and any witnesses; and
- incorporate, where appropriate, any need or request for assistance from the complainant or respondent for assistance during the investigation process.

Investigator Selection: Most investigations at the Village of Sayward will be conducted internally by the CAO. An external consultant may be hired in some cases (e.g. complex or sensitive situations). An employee from the Health and Safety committee may also be involved.

Incident Review: The investigator will review the completed Complaint Form and interview the person who made the complaint, the person the complaint was made against, and any witnesses that have been identified. All people who are interviewed have the right to review their statement, as recorded by the investigator, to ensure its accuracy. The incident review will be documented on the investigation form (Schedule B) attached.

Incident Report: The investigator will prepare a report that will include:

- A description of the allegations;
- The response of the person against whom the complaint was made
- A summary of information learned from witnesses (if applicable); and
- A decision about whether bullying or harassment occurred.

Both parties to the complaint will be given a copy of the report.

Substantiated Complaint: If a bullying or harassment complaint is substantiated, the CAO will decide what action is appropriate, including discipline. Corrective action for the employee found to have engaged in harassment may include: reprimand, suspension, transfer, demotion, or dismissal. Both parties to the complaint will be advised of the investigation findings.

4.3 Privacy and Confidentiality

All parties to a bullying or harassment complaint are expected to respect the privacy and confidentiality of all other parties involved and to limit the discussion of a complaint to those that need to know.

4.4 Follow-up

Following an investigation, the CAO will review and revise workplace procedures to reduce the likelihood of any future bullying and harassment incidents in the workplace. Appropriate corrective action will be taken within a reasonable timeframe. If considered appropriate, workers may be referred to an employee assistance program.

5.0 REFERENCES /POLICY INTEGRATION

- *BC Human Rights Code*
- *BC Workers Compensation Act*
- WorkSafeBC (2013) *A Handbook on Preventing and Addressing Workplace Bullying and Harassment*.

6.0 APPROVAL HISTORY

ISSUED BY: CAO	APPROVED BY: Mayor & Council	RESOLUTION NO:	DATE:
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Signed by:

Mayor:	CAO:
Date:	Date:

Schedule A – Workplace Bullying and Harassment Complaint Form

WORKPLACE BULLYING AND HARASSMENT COMPLAINT FORM	
COMPLAINANT INFORMATION	
Name:	Position:
Dept:	Date:
RESPONDENT INFORMATION (Alleged Bully or Bullies)	
Name(s):	Position:
Dept:	Date:
PERSONAL STATEMENT/COMPLAINT	
Please provide details of the bullying or harassment incident(s), including:	
-Names of all parties involved	-Details about the incident(s) – behaviour and words used
-Any witnesses to the incident(s)	
-Location, date and time of the incident(s)	-All other relevant information
Attach any supporting documents, such as emails or other social media evidence, notes, or photographs. Physical evidence, such as vandalized personal belongings, can also be submitted. Attach additional pages as needed.	
Signature:	Date:
Received by:	Date:

Schedule B – Workplace Bullying and Harassment Investigation Form

WORKPLACE BULLYING AND HARASSMENT INVESTIGATION FORM	
(COMPLETED BY THE INVESTIGATOR)	
INVESTIGATOR INFORMATION	
Name:	Position:
Dept:	Date:
DOCUMENT REVIEW	
List all documentation reviewed (emails, notes, photographs, physical evidence, etc.)	
INTERVIEWS	
Person interviewed and date:	
Situation description (e.g. dates, words, actions) and impact (e.g. humiliated, intimidated, etc.)	
Person interviewed and date:	
Situation description (e.g. dates, words, actions) and impact (e.g. humiliated, intimidated, etc.)	
Person interviewed and date:	
Situation description (e.g. dates, words, actions) and impact (e.g. humiliated, intimidated, etc.)	
Person interviewed and date:	
Situation description (e.g. dates, words, actions) and impact (e.g. humiliated, intimidated, etc.)	
OUTCOMES	
Based on the investigation, did workplace bullying or harassment occur? (Y/N)	
Reasons for this conclusion:	
Signature	Date