



**VILLAGE OF SAYWARD
SPECIAL COUNCIL MEETING AGENDA
MAY 9, 2023 - 5:00 PM
COUNCIL CHAMBERS**

The Village of Sayward respectfully acknowledges that the land we gather on is on the unceded territory of the K'ómoks First Nation, the traditional keepers of this land.

1. Call to Order

2. Public Input (Maximum of 2 minutes per speaker, 15 minutes total)

Mayor: "Public input is for the purpose of permitting people in the gallery to provide feedback and shall be no longer than 15 minutes unless approved by majority vote of Council; each speaker may provide respectful comment on any topic they deem appropriate and not necessarily on the topics on the agenda of the meeting. Each speaker may not speak longer than 2 minutes but may have a second opportunity if time permits. Each speaker must not be allowed to speak regarding a bylaw in respect of which a public hearing has been held. For the record, please state your name and address."

3. Introduction of Late Items

4. Approval of Agenda

Recommended Resolution:

THAT the agenda for the Special Meeting of Council for May 9, 2023, be approved.

5. Minutes of Previous Meetings - None

6. Petitions and Delegations

- a) Derek Lamb and Travis Sapala, Audit Team for Chan Nowosad Boates to present the 2022 Audited Financial Statements and Audit Findings Report.

Recommended Resolutions:

THAT Council receive the 2022 Audited Financial Statements and Audit Findings Report for information and discussion.

THAT the Village of Sayward 2022 Audited Financial Statements be approved.

- b) Aggie Pringle, Oscar Daze Committee – RE: Request for Support

7. Correspondence

- a) Oscar Daze Committee – RE: request for support for Oscar Daze 2023

Recommended Resolution:

THAT correspondence a) be received.

8. Council Reports - None

9. Reports of Committees - None

10. Mayor's Report - verbal

- a) Proposed Regional Fire Administration Support Service (report from SRD attached)

Recommended Resolutions:

THAT Council receive the Mayor's verbal report for information and discussion.

11. Unfinished Business - None

12. Staff Reports

- a) **Tax Notice Letter to Residents – Keir Gervais, CAO**

Recommended Resolutions:

THAT Council receive the Tax Notice Letter to Residents staff report for information and discussion.

13. Emergency Services/Public Works/Recreation Department Reports - None

14. Bylaws - None

15. New Business - None

16. Public Question Period (maximum 15 minutes)

Mayor: "The purpose of the public question period is to enable citizens to ask questions of Council about issues that are important to the citizen asking the question. Speakers are asked to limit their questions to one each and, if time permits after everyone has had an opportunity to ask questions, speakers may ask a second question. Citizens will be asked to state their name and address."

17. In Camera - None

18. Adjournment

**THE CORPORATION OF THE
VILLAGE OF SAYWARD
Financial Statements
December 31, 2022**

THE CORPORATION OF THE VILLAGE OF SAYWARD

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Year Ended December 31, 2022

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MANAGEMENT REPORT

December 31, 2022

The Mayor and Council of The Corporation of the Village of Sayward (the "Village") has delegated the responsibility for the integrity and objectivity of the financial information contained in the financial statements to the management of the Village. The financial statements which, in part, are based on informed judgments and estimates, have been prepared by management in accordance with Canadian public sector accounting standards, which have been applied on a basis consistent with that of the preceding year.

To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and that financial records are reliable for preparation of the financial statements. These systems are monitored and evaluated by management.

The Village's independent auditors, Chan Nowosad Boates Inc., Chartered Professional Accountants, are engaged to express an opinion as to whether these financial statements present fairly the Village's financial position and operating results in accordance with Canadian public sector accounting standards. Their opinion is based on procedures they consider sufficient to support such an opinion.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards. These statements present, in all significant respects the financial position of the Village as at December 31, 2022.

Lisa Clark, CPA, CGA
Chief Financial Officer

May 9, 2023

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of The Corporation of the Village of Sayward

Opinion

We have audited the accompanying financial statements of The Corporation of the Village of Sayward (the "Village"), which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion, the Village's financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2022, and of its financial performance and its cash flows for the year then ended. The financial statements have been prepared by management in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Village's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends for the Village to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for over-seeing the Village's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Campbell River, BC

May 9, 2023

THE CORPORATION OF THE VILLAGE OF SAYWARD

Statement of Financial Position

December 31, 2022

2022

2021

FINANCIAL ASSETS

| | | |
|--------------------------------|------------------|------------------|
| Cash | \$ 578,716 | \$ 1,061,111 |
| Portfolio Investments (Note 2) | 42,914 | 42,550 |
| Accounts Receivable (Note 3) | <u>417,401</u> | <u>411,196</u> |
| | <u>1,039,031</u> | <u>1,514,857</u> |

LIABILITIES

| | | |
|---------------------------|----------------|----------------|
| Accounts Payable (Note 4) | 208,704 | 208,352 |
| Deferred Revenue (Note 5) | 122,146 | 97,671 |
| Long Term Debt (Note 6) | <u>60,243</u> | <u>83,579</u> |
| | <u>391,093</u> | <u>389,602</u> |

NET FINANCIAL ASSETS

647,938 1,125,255

NON-FINANCIAL ASSETS

| | | |
|----------------------------------|-------------------|-------------------|
| Prepaid Expenses | 31,907 | 26,648 |
| Tangible Capital Assets (Note 7) | <u>11,097,636</u> | <u>10,842,319</u> |
| | <u>11,129,543</u> | <u>10,868,967</u> |

ACCUMULATED SURPLUS (Note 11)

\$ 11,777,481 \$ 11,994,222

Contingencies (Note 9)

Approved by:

Mayor

Chief Financial Officer

THE CORPORATION OF THE VILLAGE OF SAYWARD

Statement of Operations

Year Ended December 31, 2022

| | 2022 | | |
|--|---------------------|---------------------|---------------------|
| | Budget | Actual | 2021 |
| | (Note 12) | | |
| Revenues (Schedules 2 and 3) | | | |
| Taxation (Note 8) | \$ 391,200 | \$ 395,163 | \$ 362,837 |
| User Fees | 252,595 | 262,348 | 248,435 |
| Government Grants and Transfers (Schedule 1) | 976,609 | 646,619 | 1,014,728 |
| Sales of Services | 90,007 | 82,580 | 67,016 |
| Contribution from Others | - | 1,706 | 485 |
| Investment and Other Income | 18,550 | 45,767 | 32,648 |
| | <u>1,728,961</u> | <u>1,434,183</u> | <u>1,726,149</u> |
| Expenditures (Schedules 2 and 3) | | | |
| General Government Services | 627,659 | 556,525 | 491,614 |
| Recreation and Parks Services | 396,753 | 339,839 | 252,981 |
| Protection Services | 85,620 | 113,974 | 247,926 |
| Transportation Services | 72,261 | 76,819 | 44,172 |
| Solid Waste Services | 53,806 | 54,049 | 42,066 |
| Public Works Services | 105,827 | 100,841 | 100,398 |
| Sewer Services | 146,887 | 147,285 | 105,932 |
| Water Services | 269,166 | 261,592 | 284,982 |
| | <u>1,757,979</u> | <u>1,650,924</u> | <u>1,570,071</u> |
| Annual Surplus (Deficit) | (29,018) | (216,741) | 156,078 |
| Accumulated Surplus - Beginning of Year | <u>11,994,222</u> | <u>11,994,222</u> | <u>11,838,144</u> |
| Accumulated Surplus - End of Year | <u>\$11,965,204</u> | <u>\$11,777,481</u> | <u>\$11,994,222</u> |

THE CORPORATION OF THE VILLAGE OF SAYWARD

Statement of Change in Net Financial Assets

Year Ended December 31, 2022

| | 2022 | | 2021 |
|---|-------------------|-------------------|---------------------|
| | Budget | Actual | |
| | (Note 12) | | |
| Annual Surplus (Deficit) | \$ (29,018) | \$ (216,741) | \$ 156,078 |
| Use of Prepaid Expenses | - | 26,648 | 23,279 |
| Acquisition of Prepaid Expenses | - | (31,907) | (26,648) |
| Net Acquisition of Tangible Capital Assets | (506,000) | (482,740) | (585,156) |
| Amortization of Tangible Capital Assets | <u>206,535</u> | <u>227,423</u> | <u>203,496</u> |
| | <u>(328,483)</u> | <u>(477,317)</u> | <u>(228,951)</u> |
| Net Financial Assets - Beginning of Year | <u>1,125,255</u> | <u>1,125,255</u> | <u>1,354,206</u> |
| Net Financial Assets - End of Year | <u>\$ 796,772</u> | <u>\$ 647,938</u> | <u>\$ 1,125,255</u> |

THE CORPORATION OF THE VILLAGE OF SAYWARD

Statement of Cash Flows

Year Ended December 31, 2022

2022

2021

Cash Flows From Operating Activities:

| | | |
|---|----------------|----------------|
| Annual Surplus | \$ (216,741) | \$ 156,078 |
| Items Not Involving Cash | | |
| Amortization of Tangible Capital Assets | 227,423 | 203,496 |
| Disposal of Tangible Capital Asset | - | 85,825 |
| Actuarial Adjustment to Long Term Debt | <u>(3,596)</u> | <u>(3,299)</u> |
| | 7,086 | 442,100 |
| Changes in Non-Cash Operating Balances | | |
| Accounts and Taxes Receivable | (6,205) | (251,165) |
| Account Payable | 352 | 78,500 |
| Deferred Revenue | 24,475 | (104,086) |
| Prepaid Expenses | <u>(5,259)</u> | <u>(3,369)</u> |
| | <u>20,449</u> | <u>161,980</u> |

Cash Flows From Capital Activities:

| | | |
|-------------------------------------|------------------|------------------|
| Purchase of Tangible Capital Assets | <u>(482,740)</u> | <u>(670,981)</u> |
|-------------------------------------|------------------|------------------|

Cash Flows From Investing Activities:

| | | |
|--------------------------------------|-----------------|-----------------|
| Acquisition of Portfolio Investments | (364) | (31) |
| Repayments of Long Term Debt | <u>(19,740)</u> | <u>(20,049)</u> |
| | <u>(20,104)</u> | <u>(20,080)</u> |

| | | |
|---------------------------------------|-----------|-----------|
| Decrease in Cash and Cash Equivalents | (482,395) | (529,081) |
|---------------------------------------|-----------|-----------|

| | | |
|---|------------------|------------------|
| Cash and Cash Equivalents - Beginning of Year | <u>1,061,111</u> | <u>1,590,192</u> |
|---|------------------|------------------|

| | | |
|---|-------------------|---------------------|
| Cash and Cash Equivalents - End of Year | <u>\$ 578,716</u> | <u>\$ 1,061,111</u> |
|---|-------------------|---------------------|

THE CORPORATION OF THE VILLAGE OF SAYWARD

Notes to the Financial Statements

December 31, 2022

The Corporation of the Village of Sayward (the "Village") was incorporated as a municipality in 1968 under the provisions of the British Columbia Municipal Act. Its principal activities are the provision of local government services to residents of the Village. These services include fire protection, public works, planning, parks and recreation, water distribution and sewer collection, and other general government services, as governed by the Community Charter and Local Government Act.

1. Significant Accounting Policies:

a) Basis of Presentation:

The Village prepares its financial statements in accordance with Canadian public sector accounting standards using guidelines developed by the Public Sector Accounting Board ("PSAS") for the Chartered Professional Accountants of Canada.

b) Cash:

Cash balances comprise of cash on hand and demand deposits.

c) Portfolio Investments:

Portfolio investments are recorded at cost. Portfolio investments in Municipal Finance Authority of British Columbia (MFA) Bond and Money Market Funds are recorded at cost plus earnings that are reinvested in the funds.

d) Tangible Capital Assets:

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Amortization is recorded on a straight-line basis over the estimated useful life of the tangible capital asset commencing once the asset is in use. Donated tangible capital assets are recorded at fair value at the time of the donation.

Estimated useful lives of tangible capital assets are as follows:

| | |
|-----------------------------------|----------------|
| Land Improvements | 10 to 40 years |
| Buildings | 20 to 70 years |
| Equipment, Vehicles & Furniture | 10 to 40 years |
| Water Infrastructure | 100 years |
| Sewer and Drainage Infrastructure | 100 years |
| Roads and Bridges | 25 to 75 years |

e) Collection of Taxes on Behalf of Other Taxation Authorities:

The Village collects taxation on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of these other entities are not reflected in these financial statements. Levies imposed by other taxation authorities are not included as taxes for municipal purposes.

f) Deferred Revenue:

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specific purpose.

f) Revenue Recognition:

Revenues are recorded on the accrual basis of accounting and include revenue in the period in which the transaction or events occurred.

THE CORPORATION OF THE VILLAGE OF SAYWARD

Notes to the Financial Statements

December 31, 2022

1. Significant Accounting Policies (Continued):

f) Revenue Recognition (continued):

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Taxes receivable are recognized net of allowance for anticipated uncollectible amounts.

Through the British Columbia Assessment's appeal process, taxes may be adjusted by way of supplementary roll adjustments. The affects of these adjustments on taxes are recognized at the time they are awarded.

Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

Government grants and transfers, which include legislative grants, are recognized in the financial statements when received or when the funding becomes receivable if the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Sale of service and other revenue is recognized when performance of services is complete, amounts are measurable and collectibility is reasonably assured.

g) Financial Instruments:

Financial instruments consist of cash, portfolio investments, accounts receivable, accounts payable and long term debt. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest rate, currency or credit risk arising from these financial instruments.

h) Use of Estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period.

Significant areas requiring the use of management estimates relates to the collectibility of accounts receivable, valuation of investments, estimates of contingent liabilities, the provision of amortization and the estimation of potential environmental liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

i) Contaminated Sites:

Governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standards, the government has a responsibility for the remediation, future economic benefits will be given up, and a reasonable estimate can be made.

Management has assessed its potential liabilities under the new standard including sites that are no longer in productive use and sites which the Village accepts responsibility. There were no such sites that had contamination in excess of an environmental standard which required remediation, therefore no liability was recognized as at December 31, 2022 or December 31, 2021.

THE CORPORATION OF THE VILLAGE OF SAYWARD

Notes to the Financial Statements

December 31, 2022

2. Portfolio Investments:

| | <u>2022</u> | <u>2021</u> |
|------------------------|------------------|------------------|
| MFA: Short Term Bonds | \$ 40 | \$ 39 |
| MFA: Ultra-Short Bonds | 21,584 | 21,625 |
| MFA: Money Market Fund | 21,290 | 20,886 |
| | <u>\$ 42,914</u> | <u>\$ 42,550</u> |

3. Accounts Receivable:

| | <u>2022</u> | <u>2021</u> |
|-------------------|-------------------|-------------------|
| Property Taxes | \$ 64,318 | \$ 53,499 |
| Other Governments | 215,574 | 161,972 |
| Trade and Other | 137,509 | 195,725 |
| | <u>\$ 417,401</u> | <u>\$ 411,196</u> |

4. Accounts Payable:

| | <u>2022</u> | <u>2021</u> |
|---------------------|-------------------|-------------------|
| Other Governments | \$ 28,442 | \$ 26,223 |
| Trade and Other | 136,131 | 166,596 |
| Payroll Liabilities | 44,131 | 15,533 |
| | <u>\$ 208,704</u> | <u>\$ 208,352</u> |

5. Deferred Revenue:

| | <u>2021</u> | <u>Collections</u> | <u>Transfers</u> | <u>2022</u> |
|------------------------|------------------|--------------------|--------------------|-------------------|
| Internet Maintenance | \$ 62,595 | \$ - | \$ - | \$ 62,595 |
| Kelsey Centre | 5,921 | - | (3,483) | 2,438 |
| Climate Action Program | - | 41,082 | - | 41,082 |
| Community Wellness | 4,978 | - | (4,978) | - |
| Taxes and Other | 24,177 | 12,140 | (20,286) | 16,031 |
| | <u>\$ 97,671</u> | <u>\$ 53,222</u> | <u>\$ (28,747)</u> | <u>\$ 122,146</u> |

THE CORPORATION OF THE VILLAGE OF SAYWARD

Notes to the Financial Statements

December 31, 2022

6. Long Term Debt:

The Village has debt instruments through the MFA obtained for the purposes of Water and Sewer. The Village also has financing from MFA for a Public Works Truck. The gross amount borrowed for Sewer and Water in 2005 was \$121,015 and \$41,635, respectively. The gross amount borrowed for the Public Works Truck was \$65,000 in 2020. The current balance of water, sewer and public works long-term debt is as follows:

| | <u>2022</u> | <u>2021</u> |
|--|------------------|------------------|
| Total Outstanding Debt - Beginning of Year | \$ 83,579 | \$ 106,927 |
| Reduction of Long-Term Debt | <u>(23,336)</u> | <u>(23,348)</u> |
| Total Outstanding Debt - End of Year | <u>\$ 60,243</u> | <u>\$ 83,579</u> |

The interest rate on water and sewer long-term debt is 0.91% per annum (2021 - 0.91%). The interest rate on the public works truck long-term debt is at the variable MFA rate, which was 3.82% at December 31, 2022 (2021 - 1.25%).

The interest expense on all debt held by the Village in the year ended December 31, 2022 is \$2,237 (2021 - \$1,928).

Future payments on net outstanding debt over the next three years are:

| | <u>Sewer Fund</u> | <u>Water Fund</u> | <u>Public Works Truck</u> | <u>Total</u> |
|------|-------------------|-------------------|-------------------------------|------------------|
| 2023 | 7,835 | 2,696 | 13,887 | 24,418 |
| 2024 | 8,070 | 2,777 | 13,806 | 24,653 |
| 2025 | <u>8,312</u> | <u>2,860</u> | <u>-</u> | <u>11,172</u> |
| | <u>\$ 24,217</u> | <u>\$ 8,333</u> | <u>\$ 27,693</u> | <u>\$ 60,243</u> |

The MFA provides capital financing for regional districts and their member municipalities. The MFA is required to establish a debt reserve fund. Each regional district, through its member municipalities who are in the proceeds of the debt issue, is required to pay into the debt reserve fund certain amounts set out in the debt agreements. The MFA pays into the debt reserve fund these monies from which interest earned thereon less administrative expenses becomes an obligation to the regional districts. It must then use this fund if at any time there are insufficient funds to meet payments on its obligations. When this occurs, the regional district or municipality may be called upon to restore the fund.

Upon maturity of a debt issue, the unused portion of the debt reserve fund established for the issue will be discharged to the Village. The proceeds from these discharges will be credited to income in the year they are received. As at December 31, 2022, the Village debt reserve fund was \$7,223 (2021 - \$7,163), which was not recorded as the Village does not consider it to be material.

THE CORPORATION OF THE VILLAGE OF SAYWARD

Notes to the Financial Statements

December 31, 2022

7. Tangible Capital Assets:

| | Cost | | | | Accumulated Amortization | | | | Net Book Value | |
|--------------------------------------|----------------------|-------------------|-------------|----------------------|--------------------------|-------------------|-------------|---------------------|----------------------|----------------------|
| | Opening | Additions | Disposals | Closing | Opening | Amort | Disposals | Closing | 2022 | 2021 |
| General Capital Assets | | | | | | | | | | |
| Land | \$ 2,007,114 | \$ 115,322 | \$ - | \$ 2,122,436 | \$ - | \$ - | \$ - | \$ - | \$ 2,122,436 | \$ 2,007,114 |
| Buildings | 2,915,321 | 21,720 | - | 2,937,041 | 1,171,866 | 50,626 | - | 1,222,492 | 1,714,549 | 1,743,455 |
| Equipment, Vehicles and Furniture | 953,081 | 28,413 | - | 981,494 | 610,970 | 45,718 | - | 656,688 | 324,806 | 342,111 |
| Engineered Structures | | | | | | | | | | |
| Water | 4,559,279 | 231,674 | - | 4,790,953 | 591,603 | 55,928 | - | 647,531 | 4,143,422 | 3,967,676 |
| Sewer and Drainage | 3,110,721 | 85,611 | - | 3,196,332 | 1,102,377 | 50,185 | - | 1,152,562 | 2,043,770 | 2,008,344 |
| Roads | 506,386 | - | - | 506,386 | 448,263 | 2,445 | - | 450,708 | 55,678 | 58,123 |
| Park Infrastructure | 789,531 | - | - | 789,531 | 74,035 | 22,521 | - | 96,556 | 692,975 | 715,496 |
| | <u>\$ 14,841,433</u> | <u>\$ 482,740</u> | <u>\$ -</u> | <u>\$ 15,324,173</u> | <u>\$ 3,999,114</u> | <u>\$ 227,423</u> | <u>\$ -</u> | <u>\$ 4,226,537</u> | <u>\$ 11,097,636</u> | <u>\$ 10,842,319</u> |

Included in Engineered Structures - Sewer and Drainage at December 31, 2022 is \$16,690 (2021 - \$16,690) of capitalized costs for a drainage project as part of drainage assets that is not presently being amortized as the project is in the planning stages and no physical asset has been put into use at the financial statement date. The asset is expected to be placed in use during the year ending December 31, 2023, at which time amortization will begin to be recorded on the asset.

THE CORPORATION OF THE VILLAGE OF SAYWARD

Notes to the Financial Statements

December 31, 2022

8. Taxation:

| | Budget 2022 | Actual 2022 | Actual 2021 |
|---|-------------------|-------------------|-------------------|
| General Municipal Purposes | \$ 391,200 | \$ 395,163 | \$ 362,837 |
| Collections for Other Governments | | | |
| Province of British Columbia - School Tax | 95,000 | 98,401 | 91,417 |
| Comox Strathcona Waste Management | 8,500 | 8,061 | 8,106 |
| Comox Strathcona Regional Hospital District | 25,000 | 20,448 | 20,560 |
| Strathcona Regional District | 17,500 | 16,358 | 16,276 |
| Vancouver Island Regional Library | 13,479 | 13,756 | 13,968 |
| Municipal Finance Authority | 15 | 14 | 11 |
| British Columbia Assessment Authority | 2,300 | 2,553 | 2,259 |
| Province of BC - Police Tax | 18,000 | 17,968 | 17,149 |
| | <u>570,994</u> | <u>572,722</u> | <u>532,583</u> |
| Transfers | | | |
| Province of British Columbia - School Tax | 95,000 | 98,401 | 91,417 |
| Comox Strathcona Waste Management | 8,500 | 8,061 | 8,106 |
| Comox Strathcona Regional Hospital District | 25,000 | 20,448 | 20,560 |
| Strathcona Regional District | 17,500 | 16,358 | 16,276 |
| Vancouver Island Regional Library | 13,479 | 13,756 | 13,968 |
| Municipal Finance Authority | 15 | 14 | 11 |
| British Columbia Assessment Authority | 2,300 | 2,553 | 2,259 |
| Province of BC - Police Tax | 18,000 | 17,968 | 17,149 |
| | <u>179,794</u> | <u>177,559</u> | <u>169,746</u> |
| Available for General Municipal Purposes | \$ <u>391,200</u> | \$ <u>395,163</u> | \$ <u>362,837</u> |

9. Contingencies:

- (a) The Village is responsible as a member of the Strathcona Regional District and a member of the Comox Strathcona Waste Management Function for its share of any operating deficits or long-term debt related to functions in which it participates. Management of the Village has assessed the risks of any contingent liabilities as unlikely at this time therefore no provision has been recorded in the financial statements.
- (b) The Village is partially self-insured through the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible that the Village along with the other participants, would be required to contribute towards the deficit.

THE CORPORATION OF THE VILLAGE OF SAYWARD

Notes to the Financial Statements

December 31, 2022

10. Pension Plan:

The Village and its employees contribute to the Municipal Pension Plan (a jointly trusted pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2022, the plan had about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The Village paid \$22,161 (2021 - \$19,816) of employer contributions while employees contributed \$20,495 (2021 - \$17,727) to the plan in fiscal 2022.

The next valuation will be as at December 31, 2024, with results available in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

11. Accumulated Surplus:

The Village segregates its accumulated surplus in the following categories:

| | <u>2022</u> | <u>2021</u> |
|-----------------------------------|----------------------|----------------------|
| Unappropriated Surplus | | |
| General | \$ 250,634 | \$ 336,564 |
| Sewer | 123,365 | 219,480 |
| Water | <u>83,309</u> | <u>167,840</u> |
| | <u>457,308</u> | <u>723,884</u> |
| Reserves (Schedule 4) | <u>282,780</u> | <u>511,598</u> |
| Equity in Tangible Capital Assets | | |
| General | 3,413,160 | 3,355,902 |
| Sewer | 2,002,996 | 1,959,963 |
| Water | <u>5,621,237</u> | <u>5,442,875</u> |
| | <u>11,037,393</u> | <u>10,758,740</u> |
| Accumulated Surplus | \$ <u>11,777,481</u> | \$ <u>11,994,222</u> |

THE CORPORATION OF THE VILLAGE OF SAYWARD

Notes to the Financial Statements

December 31, 2022

12. Fiscal Plan:

The Fiscal Plan amounts represent the Financial Plan Bylaw adopted by Council on May 3, 2022.

The budget anticipated use of surpluses accumulated in previous years to balance against current expenditures in excess of current year revenues. In addition, the budget anticipated capital expenditures rather than amortization expense. The following schedule reconciles the approved bylaw to the amounts presented in the financial statements.

| | <u>2022</u> |
|--|--------------------|
| Financial Plan (Budget) Bylaw | \$ - |
| Add: | |
| Debt Principal Repayments | 20,050 |
| Capital Expenditures | 506,000 |
| Budgeted Transfers to Reserves | 65,058 |
| Less: | |
| Amortization Adjustment | (206,535) |
| Budgeted Transfers from Reserves | <u>(413,591)</u> |
| Annual Deficit Presented in Financial Statements | \$ <u>(29,018)</u> |

13. Segmented Information:

The Village provides various services within various departments. The segmented information as disclosed in Schedules 2 and 3 reflects those functions offered by the Village as summarized below:

General government – activities related to the administration of the Village as a whole including central administration, finance, human resources, information systems and legislative and election operations.

Recreation and parks – activities related to all recreational and parks services including the maintenance of parks and facilities for recreational activities.

Protective – activities related to providing for the security of the property and citizens of the Village including policing, fire protection, health and emergency planning.

Transportation – activities related to transportation including maintenance of roads, sidewalks, street lighting and drainage.

Solid waste – activities related to solid waste management.

Public works – activities related to overall maintenance of the Village including green initiatives, building maintenance and insurance, animal control and recycling.

Sewer – activities related to gathering, treating, transporting, storing and discharging sewage or reclaimed water.

Water – activities related to supplying, storing, treating and transporting water.

For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment, in addition to amounts that are allocated to each segment on a reasonable basis.

THE CORPORATION OF THE VILLAGE OF SAYWARD

Schedule 1 - Government Grants and Transfers to the Village and Ratepayers Year Ended December 31, 2022

| | 2022 | | 2021 |
|---|-------------------|-------------------|---------------------|
| | Budget | Actual | |
| | (Note 12) | | |
| Federal Government | | | |
| Grants in Lieu of Taxes | \$ 5,900 | \$ 7,680 | \$ 5,887 |
| Gas Tax Community Works Fund | <u>71,562</u> | <u>71,568</u> | <u>139,790</u> |
| | <u>77,462</u> | <u>79,248</u> | <u>145,677</u> |
| Province of BC and Federal/Provincial Programs | | | |
| General Fund | | | |
| Small Communities Grant | 463,000 | 463,000 | 377,000 |
| Other | <u>387,815</u> | <u>45,623</u> | <u>259,405</u> |
| | <u>850,815</u> | <u>508,623</u> | <u>636,405</u> |
| General Capital | | | |
| Infrastructure (Provincial) | - | - | 195,361 |
| Other | <u>48,332</u> | <u>58,748</u> | <u>37,285</u> |
| | <u>48,332</u> | <u>58,748</u> | <u>232,646</u> |
| | <u>\$ 976,609</u> | <u>\$ 646,619</u> | <u>\$ 1,014,728</u> |

THE CORPORATION OF THE VILLAGE OF SAYWARD

Schedule 2 - Combined Statement of Operations by Segment

Year Ended December 31, 2022

| | General Government | Recreation and Parks | Protective | Transportation | Solid Waste | Public Works | Sewer | Water | 2022 Actual | 2022 Budget (Note 12) |
|--|-----------------------|-------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|-----------------------------|
| Revenues | | | | | | | | | | |
| Taxation | \$ 387,056 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,032 | \$ 2,075 | \$ 395,163 | \$ 391,200 |
| User Fees | - | - | - | - | 39,858 | - | 78,733 | 143,757 | 262,348 | 252,595 |
| Government Grants and Transfers | 582,321 | - | 60,653 | - | - | - | 3,645 | - | 646,619 | 976,609 |
| Sales of Services | 50,129 | 30,451 | - | - | - | - | 600 | 1,400 | 82,580 | 90,007 |
| Contribution from Others | - | 1,030 | 676 | - | - | - | - | - | 1,706 | - |
| Investment and Other Income | 34,137 | 6,641 | - | - | - | 1,159 | 2,909 | 921 | 45,767 | 18,550 |
| | <u>1,053,643</u> | <u>38,122</u> | <u>61,329</u> | <u>-</u> | <u>39,858</u> | <u>1,159</u> | <u>91,919</u> | <u>148,153</u> | <u>1,434,183</u> | <u>1,728,961</u> |
| Expenses | | | | | | | | | | |
| Amortization | 9,953 | 35,876 | 14,960 | 2,446 | - | 20,112 | 50,185 | 93,892 | 227,424 | 206,535 |
| Debt Charges | - | - | - | - | - | - | 1,101 | 379 | 1,480 | 1,480 |
| Minor Capital | - | 7,099 | - | - | - | - | - | - | 7,099 | 27,000 |
| Operating | 269,112 | 144,089 | 81,928 | 59,346 | 54,049 | 34,244 | 42,572 | 97,117 | 782,457 | 895,608 |
| Wages and Benefits | 277,460 | 152,775 | 17,086 | 15,027 | - | 46,485 | 53,427 | 70,204 | 632,464 | 627,356 |
| | <u>556,525</u> | <u>339,839</u> | <u>113,974</u> | <u>76,819</u> | <u>54,049</u> | <u>100,841</u> | <u>147,285</u> | <u>261,592</u> | <u>1,650,924</u> | <u>1,757,979</u> |
| Excess (Deficiency) of Revenues over Expenses | <u>\$ 497,118</u> | <u>\$ (301,717)</u> | <u>\$ (52,645)</u> | <u>\$ (76,819)</u> | <u>\$ (14,191)</u> | <u>\$ (99,682)</u> | <u>\$ (55,366)</u> | <u>\$ (113,439)</u> | <u>\$ (216,741)</u> | <u>\$ (29,018)</u> |

THE CORPORATION OF THE VILLAGE OF SAYWARD

Schedule 3 - Combined Statement of Operations by Segment

Year Ended December 31, 2021

| | General Government | Recreation and Parks | Protective | Transportation | Solid Waste | Public Works | Sewer | Water | 2021 Actual | 2021 Budget |
|--|-----------------------|-------------------------|--------------------|--------------------|-------------------|--------------------|--------------------|------------------|-------------------|------------------|
| Revenues | | | | | | | | | | |
| Taxation | \$ 354,730 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,032 | \$ 2,075 | \$ 362,837 | \$ 358,811 |
| User Fees | - | - | - | - | 40,371 | - | - | 72,512 | 135,552 | 238,643 |
| Government Grants and Transfers | 614,604 | - | 201,277 | - | - | - | 3,486 | 195,361 | 1,014,728 | 1,104,512 |
| Sales of Services | 45,890 | 17,876 | 250 | - | - | - | 900 | 2,100 | 67,016 | 85,146 |
| Contribution from Others | - | - | 485 | - | - | - | - | - | 485 | - |
| Investment and Other Income | 25,695 | 3,168 | - | - | - | 487 | 2,454 | 844 | 32,648 | 13,250 |
| | <u>1,040,919</u> | <u>21,044</u> | <u>202,012</u> | <u>-</u> | <u>40,371</u> | <u>487</u> | <u>85,384</u> | <u>335,932</u> | <u>1,726,149</u> | <u>1,800,362</u> |
| Expenses | | | | | | | | | | |
| Amortization | 2,976 | 34,921 | 16,879 | 2,446 | - | 19,051 | 37,052 | 90,171 | 203,496 | 195,803 |
| Debt Charges | - | - | - | - | - | - | 1,101 | 379 | 1,480 | 2,930 |
| Loss on Disposal of Assets | - | - | - | - | - | - | - | 82,168 | 82,168 | - |
| Minor Capital | - | 6,406 | - | - | - | - | - | - | 6,406 | 6,000 |
| Operating | 225,862 | 108,247 | 217,811 | 31,728 | 42,066 | 31,262 | 18,102 | 47,659 | 722,737 | 930,083 |
| Wages and benefits | 262,776 | 103,407 | 13,236 | 9,998 | - | 50,085 | 49,677 | 64,605 | \$53,784 | \$76,139 |
| | <u>491,614</u> | <u>252,981</u> | <u>247,926</u> | <u>44,172</u> | <u>42,066</u> | <u>100,398</u> | <u>105,932</u> | <u>284,982</u> | <u>1,570,071</u> | <u>1,710,955</u> |
| Excess (Deficiency) of Revenues over Expenses | \$ <u>549,305</u> | \$ <u>(231,937)</u> | \$ <u>(45,914)</u> | \$ <u>(44,172)</u> | \$ <u>(1,695)</u> | \$ <u>(99,911)</u> | \$ <u>(20,548)</u> | \$ <u>50,950</u> | \$ <u>156,078</u> | \$ <u>89,407</u> |

THE CORPORATION OF THE VILLAGE OF SAYWARD

Schedule 4 - Reserve Fund Transactions

Year Ended December 31, 2022

| | Transportation Infrastructure | Capital | Sewer Capital | Community Works Gas Tax | Climate Action | Election | COVID-19 | 2022 Total (Note 11) | 2021 Total (Note 11) |
|--|----------------------------------|-----------------|------------------|-------------------------------|-----------------|--------------|-------------------|----------------------------|----------------------------|
| Revenue | | | | | | | | | |
| Government Grants | \$ - | \$ - | \$ - | \$ 71,568 | \$ - | \$ - | \$ - | \$ 71,568 | \$ 173,589 |
| Other Income | <u>188</u> | <u>14</u> | <u>38</u> | <u>2,297</u> | <u>406</u> | <u>82</u> | <u>1,674</u> | <u>4,699</u> | <u>29,382</u> |
| | <u>188</u> | <u>14</u> | <u>38</u> | <u>73,865</u> | <u>406</u> | <u>82</u> | <u>1,674</u> | <u>76,267</u> | <u>202,971</u> |
| Expenses | | | | | | | | | |
| Other | <u>4</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>82,075</u> | <u>82,075</u> | <u>130,508</u> |
| Net Surplus (Deficit) | 188 | 14 | 38 | 73,865 | 406 | 82 | (80,401) | (5,808) | 72,463 |
| Transfers | | | | | | | | | |
| From (to) Operating Fund | (17,000) | - | - | (35,000) | - | (7,600) | - | (59,600) | 2,342 |
| Acquisition of Capital Assets | <u>-</u> | <u>-</u> | <u>-</u> | <u>(141,690)</u> | <u>(21,720)</u> | <u>-</u> | <u>-</u> | <u>(163,410)</u> | <u>(198,558)</u> |
| Change in Reserve Fund Balances | (16,812) | 14 | 38 | (102,825) | (21,314) | (7,518) | (80,401) | (228,818) | (123,753) |
| Opening Fund Surplus Balance | <u>17,478</u> | <u>1,907</u> | <u>5,353</u> | <u>264,842</u> | <u>23,888</u> | <u>7,614</u> | <u>190,516</u> | <u>511,598</u> | <u>635,351</u> |
| Ending Fund Surplus Balance | <u>\$ 666</u> | <u>\$ 1,921</u> | <u>\$ 5,391</u> | <u>\$ 162,017</u> | <u>\$ 2,574</u> | <u>\$ 96</u> | <u>\$ 110,115</u> | <u>\$ 282,780</u> | <u>\$ 511,598</u> |

THE CORPORATION OF THE VILLAGE OF SAYWARD

Schedule 5 - COVID-19 Safe Restart Grant Unaudited

Year Ended December 31, 2022

The Village of Sayward received a grant of \$268,000 under the COVID-19 Safe Restart Grant for Local Governments in the year ending December 31, 2020. The details surrounding these funds are shown in the schedule below:

| | <u>2022</u> |
|---|--------------------------|
| COVID-19 Safe Restart Funds Carried Forward | \$ 190,516 |
| Interest Allocated | <u>1,674</u> |
| | 192,190 |
| Eligible Costs | |
| Council Chamber Electrical and Camera | 3,346 |
| Grant Writing Costs | 25,000 |
| Reports for Official Community Plan | 10,000 |
| Lost Revenues from Recreational Programming and Cleaning Supplies | 8,250 |
| Lifesaving Courses | 4,000 |
| Extended Kelsey Centre Programming | 4,000 |
| Security Camera Upgrades for Municipal Office and Kelsey Centre | 11,600 |
| Gazebo Upgrades | 8,475 |
| Share Shed Renovations | <u>7,404</u> |
| | <u>82,075</u> |
| Balance, December 31, 2022 | <u>\$ 110,115</u> |

April 13, 2023

Dear Mayor and Council;

With the exception of a few breaks, the Oscar Daze Slo-Pitch Tournament has over a 50-year history in Sayward. The vast majority of current Sayward residents have been involved in it, in one way or another.

This year's tournament will take place August 5th, 6th, 7th, and 8th, and will be a fund raiser for the Sayward Clinic, Wounded Warrior Run BC [partners of the Sayward Volunteer Fire Department] and Sayward Secret Santa.

We respectfully request permission to use the village ball fields at H'kusam Park, the Kelsey Centre shower facilities, and the village campground for the duration of the tournament. The hours of operation for the showers to be determined with the Kelsey Centre staff. Traditionally, there has been a dance held at the Kelsey Centre on the Saturday evening. The Oscar Daze committee will not be presenting a dance this year, but another community group may approach council to request building use for this purpose.

We further request that a variance in the noise bylaws be made on the evening of the 5th, 6th and 7th, to accommodate the presence and jubilation of several hundred participants in the village area. The hours of the variance to be decided between the Oscar Daze Committee, the RCMP, and council. In previous years, we have determined that it is far safer to keep any festivities in the village, rather than spreading out around the area. A prior notification will go out to the village residents. We also request a reduced fee for camping in the village campground.

The committee looks forward to discussing these issues at the upcoming council meeting.

Sincerely,

Aggie Pringle

Barb Hubbard

Ann Vansnick

Grant Hubbard

Marina Williams

April 24, 2023

Dear Mayor and council:

In response to the questions asked at April 18th council meeting:

Who is cleaning up the site(s)?

We will ensure that all sites are cleaned and all refuse removed. Typically, we have dumpsters placed for the weekend to accommodate trash from the camp site and from the ball fields. Recyclable bottles and cans will be collected by one of three community groups.

Who is paying for garbage pick-up?

Any costs for garbage pick up will be borne by the tournament but typically we are able to get this service donated, at least partially.

What camping rate is being requested?

Last year, we did \$20/team/night. Typically, we will have 8-10 teams utilizing the village campground.

What charities are proceeds going to?

The Sayward Community Health Society, Sayward Secret Santa, and Wounded Warrior run BC [in partnership] with Sayward Volunteer fire department were last years recipients of donations. The committee meets one week after the tournament to decide the breakdown, depending on tournament net proceeds.

Are beer gardens being planned?

No.

RE a variance to the noise bylaw, what time are you proposing?

For noise bylaw variance, we propose 1 am for the Friday night, 2 am for Saturday night, and 2 am for the Sunday night. Most teams will leave Monday and no variance is requested for that day.

I will be unavailable on May 2 so Barb Hubbard will attend the council meeting on the committee's behalf.

Aggie Pringle, Oscar Daze Committee



STAFF REPORT

DATE: April 21, 2023 **FILE:** 0550-04 Board

TO: Chair and Directors,
Regional Board

FROM: Dave Leitch
Chief Administrative Officer

RE: PROPOSED REGIONAL FIRE ADMINISTRATION SUPPORT SERVICE

PURPOSE

To consider moving forward with the establishment of a regional fire administration support service that would provide assistance to the fire departments in the Regional District.

EXECUTIVE SUMMARY

At its October 12, 2022 the Regional Board received the attached report which included a preliminary look at the concept of a regional fire administration service intended to support fire departments in the areas of training, inspections, regulatory requirements, bulk purchasing and other administrative requirements.

Since that time staff have been working to better define the costs of the service and the results of that process are contained in the attached feasibility study. In summary, the study suggests that the Regional District invest in 2 positions that would provide assistance to fire departments in the region as previously described. Based on discussions with individual fire departments, it is anticipated that approximately 60% of these resources would be devoted to the needs of the Campbell River Fire Department which is the largest fire department in the region and which has the greatest need for administrative support. The remaining 40% would be shared by the 7 volunteer fire departments currently operating in various communities, although this could change over time as structural changes occur or new fire departments are established.

The study recommends that the annual budgetary needs for the service would be approximately \$330,000 to cover staffing costs however, it is recommended that \$400,000 be set as the annual limit to include vehicle and other miscellaneous costs not fully itemized at this point. If raised entirely through the regional property tax base, this would require a tax levy of about \$0.02 for every thousand dollars of residential property assessment or about \$16 for a typical residential property valued at \$800,000.

In discussions with the Ministry of Municipal Affairs we have been advised that this service is a possible exception to the rule that each service must be established by separate bylaw. This means that the service may be established, at the Regional District's discretion, as part of the general administration service or by bylaw as a separate service.

The regional fire administration service is an opportunity for the Board to secure resources that will provide significant economies of scale for the communities in the region, while at the same time elevating the quality of service that can be delivered by many fire departments for whom finding sufficient financial resources or qualified personnel continues to remain a challenge.

ALTERNATIVES

OPTION A – THAT a bylaw to establish a regional fire administration support service as a separate service be prepared for further consideration by the Board.

OPTION B – THAT the regional fire administration support service be established as part of the general administration service of the Regional District.

Option C – THAT no further action be taken with respect to the proposed regional fire administration support service at this time.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT the Board support Option ____ as outlined in the April 21, 2023 report from the Chief Administrative Officer.

Respectfully:

A large, stylized handwritten signature in blue ink, likely belonging to David Leitch, is written over a horizontal line.

David Leitch
Chief Administrative Officer

Prepared by: Shaun Kooppman, Emergency Preparedness Coordinator

Attachments: April 26, 2023 Regional Fire Administration Support Feasibility Study
Copy of October 7, 2022 report to the Regional Board



FEASIBILITY STUDY

REGIONAL FIRE ADMINISTRATION SUPPORT



APRIL 26, 2023

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Table 1: Annual Operating Costs for Regional Fire Administration Support Service

Table 2: Analysis of Residential Rates Using Various Property Taxation Methods

Table 3: Calculation of Annual Tax Rates for Regional Fire Administration Support Service

Table 4: Annual Fire Administration Support Service Costs by Property Class and Valuation

Table 5: Schedule of Milestones for Creation of Regional Fire Administration Support Service

Appendix 'A' – Fire Wise Consultant Report

(Title page photograph courtesy of Campbell River Mirror)

Executive Summary

This report is prepared in response to a resolution passed by the Strathcona Regional Board on May 12, 2021 following a recommendation from the Municipal Services Committee that the Regional District investigate the concept of a regional fire administration support service.

The Board resolution directed as follows:

Moglove/Cornfield: SRD 436/21

THAT a further report with cost estimates for investigating a regional fire protection service be prepared for the Board's consideration.

The Regional District retained the services of Fire Wise Consulting to evaluate the level of interest in such a service by fire departments in the region and it was concluded that those agencies would be interested in a service that could assist with such things as WorkSafeBC regulations, training, operational documentation, competency management, operating and capital budget preparation, and firefighter recruitment and retention programs. After looking at how best to deliver such a service it was concluded that the hiring of 2 positions would be needed to fulfill the identified requirements, with approximately 60% of the service resources being devoted to the needs of the Campbell River Fire Department and the remaining 40% being shared by the 7 volunteer fire departments in the region.

Having considered the scope and cost of the service being proposed, this study examined the various methods for recovering those costs, and the choices available for seeking ratepayer approval. Based on that analysis, the following points are offered for the Board's consideration:

- THAT the regional fire administration service proposed by the Regional Board should be put forward for a decision by the ratepayers in the region;
- THAT ratepayer approval for the service should be sought using an alternative approval process (AAP) which would allow electors to indicate whether they are in favour of or opposed to the service initiative; and
- THAT, if approved, the costs of operating the service should be recovered by a property tax levy on land and improvements within the service area.

Introduction

The *Local Government Act* provides authority for the Regional District to establish and operate any service that the Regional Board considers necessary or desirable for all or part of the Regional District. Such services may be operated directly by the Regional District or through another public authority, person or organization. The flexibility for providing services in this manner includes the ability to customize the scope of a service, the boundaries for delivery of a service, and the method or methods for recovering the costs of a service. With very few exceptions, services provided by the Regional District must first be approved by the ratepayers who will pay for the service.

The purpose of this study is to examine the feasibility of establishing a regional fire administration support service as directed by resolution of the Regional Board..

Background

Community fire protection and fire department administration must operate within a complex and ever evolving regulatory and operating environment. Many fire departments struggle to manage the administrative burden, particularly in jurisdictions with limited organizational capacity. WorkSafeBC regulations, training, operational documentation, competency management, operating, capital budget preparation, and firefighter recruitment and retention programs represent only a few of the administrative challenges that fire departments must manage.

The concept of a regional fire administration support service has been used in other areas to provide for the sharing of centralized resources and thus achieving a higher level of service than would be possible by individual fire departments.

Following a competitive procurement process, FireWise Consulting was retained to assist the Regional District with the study and subsequently engaged with Fire Chiefs, Chief Administrative Officers, local government staff and First Nations leaders throughout the region to gauge their level of interest in this type of service. A copy of the consultant's findings is attached for the Board's consideration.

The report suggested that, while each participating jurisdiction has somewhat differing needs, there is a consensus that coordinated support for the fire services from the Regional District would be of significant value. It is noted that, the intent is not to require that fire departments adapt to a prescribed operational or administrative model but rather that a menu of support services would be made available, from which individual communities could select those items that are of interest to them. This could include assistance with diverse matters such as firefighter recruitment and training, apparatus and equipment specifications, fire inspections, bulk purchasing, interoperability, general administrative assistance and more.

The consultant's report also noted that the creation of a service to assist communities with the challenges encountered in operating their fire protection obligations is seen as beneficial in a number of ways including records management, training programs, fire inspections, specialty response service coordination and others previously mentioned. Since each community has somewhat different capabilities and needs, the level of participation in the various activities offered through the service would be determined by each community to respect their operational autonomy and priorities.

Service Area Boundaries

The proposed area for which the regional fire administration support service would be provided would encompass the entire Regional District. This would ensure that communities currently lacking a structured fire protection system had access to the expertise needed when investigating the cost of establishing a community fire protection service. It would also provide a resource for fire departments that provide highway rescue or other similar services outside of their established fire protection boundaries.

Capital Costs

There are no capital expenditures associated with this service proposal. The service would be provided by Regional District staff resources employed for that specific purpose. In the event that it is determined that an identified fire department would benefit from the upgrading or replacement of equipment, apparatus or other assets, those costs would be the responsibility of the community that is sponsoring the relevant fire department rather than the region as a whole.

Annual Operating Costs

A breakdown of the anticipated operational costs associated with the proposed regional fire administration support services is shown in the table below.

Table 1: Annual Operating Costs for Regional Fire Administration Support Service

| Item | Annual Cost Estimate | Five-Year Cost Estimate |
|---|----------------------|-------------------------|
| Annual Salary Costs | \$235,000 | \$1,175,000 |
| Annual Benefits Costs | \$71,000 | \$355,000 |
| Travel Costs | \$10,000 | \$50,000 |
| Training Costs | \$10,000 | \$50,000 |
| Service Implementation and Administration | \$2,000 | \$10,000 |
| Combined Total | \$328,000 | \$1,640,000 |

1. Operating costs are subject to annual cost of living adjustments.
2. Includes corporate overhead costs, liability insurance, financial management and service administration.

A further description of the revenue options that may be available for this proposed service is provided in the next section of the study.

Potential Revenue Sources

Having determined the boundaries for the regional fire administration support service and the annual budgetary requirements for the service, it was necessary to consider possible sources of revenue that could be used to meet contractual and other service obligations. As with all Regional District services, the costs to operate a service must be covered by the properties that have the potential to derive benefit from the service. The Regional District does not have authority to use funds raised for a service to be used for any other service.

User Fees - The incorporation of user fees is typically attractive as it can help to minimize reliance on property taxes. However, for regional fire administration services, the reliance on user fees or subscription fees to provide the majority of revenue may be problematic for a number of reasons. Of primary concern would be the tendency of some fire departments to forego participation in certain aspects of the service as a cost saving measure. This would work against the basic concept of the service which is to facilitate access to resources that are needed or desired by fire departments wishing to provide better service to their communities.

Grants - Revenue received by way of grants is another possible source of funding, however such funding is usually reserved for capital works rather than ongoing operational costs. Since the budget for regional fire administration services is based on fixed operational costs which are not generally eligible for grant assistance, this is not recommended as a reliable source of funding for this service. However, the Regional District would investigate the use of grant funds should specific programs be made available that could assist with the cost of delivering the service.

Donations – Although the Regional District is able to accept voluntary donations to cover operating costs for any service (and to issue tax receipts for same), the Regional District is not aware of any such donations being received in the past for this kind of service. Should such contributions be received in the future they would be applied to offset the amounts required from other revenue sources.

Property Taxation - The use of property taxation in such circumstances is often the only reliable method for ensuring that sufficient financial resources are available for meeting annual budgetary requirements. If funded in this manner, the Regional District would annually requisition funds from the participating areas based on a cost-sharing formula that is equitable to the service partners.

Based on the foregoing, it is suggested that accessing the regional property tax base is the most viable method for ensuring that sufficient funding is available to meet the annual requirements associated with operating the proposed regional fire administration support service.

Property Taxation Options

If the annual costs of the regional fire administration support services are to be funded collectively within the benefiting area through a system of property taxation, it will be necessary to consider the various types of taxation that are available for sharing such costs. The table below illustrates the most common types of property taxation used by local government and the resulting financial implications to residential properties of using those methods for funding the regional fire administration support service initiative.

Table 2: Analysis of Residential Rates Using Various Property Taxation Methods

| Taxation Method | Assessment Roll Values (2023) | Annual Residential Rate (\$ per 1,000) |
|-----------------------|-------------------------------|--|
| Land only | \$6,755,136,123 | .0373 |
| Improvements only | \$6,954,452,659 | .0372 |
| Land and improvements | \$13,709,588,782 | .0188 |
| Uniform Parcel Tax | 23,180 | \$14.15 per property |
| Frontage or area tax | Data not available | |

As may be seen, the sharing of costs based on land values alone would disproportionately benefit those properties having low or no land values. Similarly, sharing annual costs based solely on improvement values would favour those with larger land holdings at the expense of those with little or no land value attached to their properties. The use of land and improvement assessments for funding regional fire administration support services not only yields a lower tax rate in comparison to other methods but also recognizes that the service is basically of an administrative nature and that the entire property tax base is typically responsible for funding the administrative costs of regional districts.

The use of a uniform parcel tax for funding fire administration support services would result in economic disparity with owners of more valuable properties being subsidized by those with less valuable properties. Furthermore, the administration of such a system at a region-wide level would be considered extremely inefficient given the requirements for developing parcel tax rolls and the annual requirements associated with the preparation, review and authentication of such rolls.

The use of a frontage tax or area tax would be similar to a parcel tax in that, in addition to the considerable annual effort required to maintain such systems there is no correlation between the amount paid by individual properties and the benefit received by those properties from the service.

For the reasons outlined above, it is suggested that the fairest and most appropriate method of sharing annual service costs would be to levy a tax on land and improvements with the amount of taxation for each property based on the value of that property.

Feasibility Study – Regional Fire Administration Support

Tax Rate Calculations

Using land and improvement assessments as the basis for allocating annual service costs it is possible to estimate the tax rates that would likely result if the maximum annual requisition was levied within the proposed service boundaries. The calculations in the table below are based on 2022 property valuations supplied by the Assessment Authority of BC and, while the property values within the service area will likely change somewhat year to year, the calculations are believed to be accurate enough for purposes of this study.

Table 3: Calculation of Annual Tax Rates for Regional Fire Administration Support Service

| Assessment Class | Occurrences | 2023 Net Taxable Values (\$) | Conversion Factor | Converted Assessments | % Share | Requisition Share (\$) | Tax Rate (per \$1,000) |
|------------------------|-------------|------------------------------|-------------------|-----------------------|-------------|------------------------|------------------------|
| 1. Residential | 21,069 | 13,709,588,782 | .10 | 1,370,958,880 | 79 | \$258,302 | .0188 |
| 2. Utility | 136 | 107,691,500 | .35 | 37,692,025 | 2 | 7,102 | .0659 |
| 3. Supportive Housing | 2 | 4 | .10 | <0 | <1 | <0 | .0188 |
| 4. Major Industry | 6 | 24,239,500 | .34 | 8,241,430 | <1 | 1,553 | .0641 |
| 5. Light Industry | 383 | 92,062,400 | .34 | 31,301,216 | 2 | 5,897 | .0641 |
| 6. Business /Other | 1,232 | 977,850,350 | .245 | 239,573,335 | 14 | 45,138 | .0462 |
| 7. Managed Forest Land | 530 | 165,338,500 | .30 | 49,601,550 | 3 | 9,345 | .0565 |
| 8. Rec. /Non-Profit | 100 | 32,665,800 | .10 | 3,266,580 | <1 | 615 | .0188 |
| 9. Farm | 201 | 2,547,717 | .10 | 254,773 | <1 | 48 | .0188 |
| Total | | 15,111,984,553 | | 1,740,889,789 | 100% | \$328,000 | .0217 |

*Note: the tax rates shown for the various property classes is a result of the Province of BC rural property taxation system which uses converted (weighted) assessments by class when calculating tax rates.

Feasibility Study – Regional Fire Administration Support

Annual Service Costs

On the assumption that the annual costs of maintaining the regional fire administration support services are to be collectively supported by the properties that derive a benefit from those services, it is possible to estimate the annual costs to be borne by the owners of homes, businesses and other types of property within the proposed service area and the table below provides an estimate of those costs based on the value of individual properties. Property owners can determine the estimated annual costs for their specific property with relative ease by using the rates shown in the table below or by multiplying the applicable tax rate shown in Table 4 against the assessed values shown on their most recent property assessment notice.

Table 4: Annual Fire Administration Support Service Costs* by Property Class and Valuation

| Taxable Value | Class 1 (Residential) | Class 2 (Utilities) | Class 4 (Major Industry) | Class 5 (Light Industry) | Class 6 (Business & Other) | Class 7 (Managed Forest) | Class 8 (Rec/Non-Profit) | Class 9 (Farm) |
|---------------|-----------------------|---------------------|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|----------------|
| 50,000 | 0.942 | 3.297 | 3.203 | 3.203 | 2.308 | 2.83 | 0.942 | 0.942 |
| 100,000 | 1.884 | 6.594 | 6.406 | 6.406 | 4.616 | 5.65 | 1.884 | 1.884 |
| 200,000 | 3.768 | 13.189 | 12.182 | 12.182 | 9.232 | 10.30 | 3.768 | 3.768 |
| 300,000 | 5.652 | 19.783 | 19.218 | 19.218 | 13.848 | 15.95 | 5.652 | 5.652 |
| 400,000 | 7.536 | 26.377 | 25.624 | 25.624 | 18.464 | 20.60 | 7.536 | 7.536 |
| 500,000 | 9.420 | 32.972 | 32.030 | 32.030 | 23.080 | 26.25 | 9.420 | 9.420 |
| 600,000 | 11.305 | 39.566 | 38.436 | 38.436 | 27.696 | 31.90 | 11.305 | 11.305 |
| 700,000 | 13.189 | 46.160 | 44.841 | 44.841 | 32.312 | 36.55 | 13.189 | 13.189 |
| 800,000 | 15.073 | 52.755 | 51.247 | 51.247 | 36.928 | 41.20 | 15.703 | 15.703 |
| 900,000 | 16.957 | 59.349 | 57.653 | 57.653 | 41.544 | 46.85 | 16.957 | 16.957 |
| 1,000,000 | 18.841 | 65.943 | 64.059 | 64.059 | 46.160 | 52.50 | 18.841 | 18.841 |

*All values in Dollars (\$)

It is likely that each owner of property will have their individual perspective on whether the value of the service being proposed warrants the cost to their property of providing that service. Ultimately, the decision to proceed with the establishment of a regional fire administration support service will be subject to ratepayer approval. The options available for seeking the approval of ratepayers are described in more detail in the following section of this report.

Approval Process

In the event it is decided to proceed with establishment of a regional fire administration support service, a bylaw must be prepared and presented for the Board's consideration. The bylaw must set out the nature of the service to be provided, the geographic area that would benefit from the service and which would pay for it, the method of taxation to be employed for recovering annual costs, and the maximum amount that can be requisitioned each year from the benefiting area for the service.

If the bylaw is acceptable to the Board, it would also need to be approved by the Inspector of Municipalities and by local ratepayers. Ratepayer approval may be sought by any of the following methods: In the event it is decided to proceed with establishment of a regional fire administration support service, there are several steps that must be undertaken by the Regional Board including the presentation of the initiative to the electors for approval:

Step 1 - A service establishing bylaw must be introduced and given first 3 readings by the Regional Board. The bylaw must set out the nature of the service to be provided, the geographic area that would benefit from the service, the method of taxation to be employed for recovering annual costs, and the maximum amount that can be requisitioned each year from property owners for the service.

Step 2 - The Regional Board must decide whether it will seek approval of the electors for the establishing bylaw through an assent voting process or alternative approval process (AAP).

Step 3 - The service establishing bylaw must be submitted to the Inspector of Municipalities for approval.

Step 4 - If approved by the Inspector of Municipalities the service establishing bylaw must be submitted for approval of the electors. If assent voting is to be used, the approval threshold is a simple majority of the votes cast by qualified electors. If using an alternative approval process, the threshold for approval is less than 10% of the electors objecting in writing to passage of the bylaw. An assent voting process is relatively expensive (especially when used for a small geographic area) while an AAP is much more cost effective while still allowing elector opposition to an initiative to be accurately gauged.

Step 5 – If elector approval is received the Regional District may proceed to adopt the service establishing bylaw.

Given the relatively high cost associated with the assent voting option, it is recommended that serious consideration be given to using an alternative approval process (AAP) for obtaining elector assent. Should the bylaw fail to receive elector approval using that method, the ability to use an assent voting process would still be an option and, depending on the number of electors who objected via AAP, there may be a rationale for continuing with that process.

A proposed schedule with milestones for establishing the proposed fire administration support service as a separate service is outlined below.

Implementation Schedule

The following table provides more detailed information on the various steps that would need to be undertaken to implement a regional fire administration support service on the assumption that the initiative is to be established using an alternative approval process. The dates shown are approximate only and are believed to be the earliest dates for which the corresponding action could be taken.

Table 5: Schedule of Milestones for Creation of a Regional Fire Administration Support Service

| Schedule | Action |
|--------------------|--|
| April 26, 2023 | Regional Board considers feasibility study and authorizes preparation of establishing bylaw for regional fire administration support service |
| May 10, 2023 | Regional Board gives first 3 readings to Bylaw No. ____, being Regional Fire Administration Support Service Establishing Bylaw 2023, and authorizes approval of the electors to be obtained by alternative approval process (AAP). |
| May 15, 2023 | Bylaw No. ____ submitted to Inspector of Municipalities for approval under s.342 of <i>Local Government Act</i> . |
| July 5, 2023 | Inspector of Municipalities approval received for Bylaw No. ____. |
| July 19, 2023 | Regional Board establishes elector response form, elector response deadline and determines total number of eligible electors for AAP. |
| July 26, 2023 | First publication of AAP notice for Bylaw No. ____. |
| August 2, 2023 | Second publication of AAP notice for Bylaw No. ____. |
| September 6, 2023 | Deadline for filing AAP responses with the Regional District. |
| September 13, 2023 | If elector approval received, Regional Board adopts Bylaw No. ____. |
| January 31, 2024 | Regional fire service coordinator positions filled. |
| March 22, 2024 | Regional Board adopts 2024 operation budget for regional fire administration support service. |
| July 4, 2024 | Deadline for payment of property taxes for first full year of new service. |

Attachment A: Fire Wise Consultant Report



**Strathcona Regional District
Fire Administration Support**

Feasibility Study

August 30, 2022

Prepared By: Ernie Polsom



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1.0 Disclaimer

FireWise Consulting is proud to submit this report for your review and consideration. FireWise Consulting (FWC) makes no representation or warranty to the recipient or readers and shall not be liable for any errors or omissions in the information or the use thereof.

We have relied on the information from the Strathcona Regional District and the jurisdictions identified to participate in this project to prepare this report. FWC obtained additional information through research, site visits, and data submissions made by the customer. The report combines these information resources to provide the Strathcona Regional District with an assessment of the need and feasibility of providing administrative support services for the region's fire departments.

FireWise uses the titles "Volunteer" and "Paid on Call" interchangeably, reflected broadly in the fire service practice. Various literature, including NFPA Standards, are essential to completing this report and do not differentiate between volunteer and paid-on-call firefighters. Notwithstanding this, FireWise will endeavour to describe firefighters following local customs. FireWise recognizes and respects the contributions of fire fighting personnel who make themselves available to fight fires, train and make their communities safer for little to no compensation. We also recognize the vast number of additional hours of 'volunteer time' career officers invest into their organizations to ensure that the system operates and that their staff have the support and leadership they require.

FireWise's use of language and names follows standard use and definitions. In order of precedence, definitions follow the legislation of the jurisdiction, referenced standards or accepted Canadian definitions.

FWC has made every effort to ensure that this report reflects gender neutrality.

2.0 Acknowledgement

FireWise would like to thank the Strathcona Regional District, Municipal CAOs, Fire Chiefs and First Nations leadership for their support and cooperation throughout this project. It has been an absolute pleasure getting to meet the many professionals that protect the people and businesses of the communities within the SRD. We appreciate the openness and transparency of these people and their contribution to the final report.



3.0 Use of Standards

The National Fire Protection Association (NFPA) publishes a broad range of standards to define minimum practical performance objectives for fire protection systems. These standards are accepted industry best practices for most aspects of fire protection systems. Sometimes, legislation adopts specific standards or portions thereof as a requirement. FireWise will use these standards and others to anchor our recommendations to facts and accepted industry practice and science.

Fire service training programs lean heavily on NFPA standards, and few jurisdictions can create their own. Most adopt these recognized standards as the baseline for their training.

The reference to any standard illustrates the industry's best practices. Unless expressly indicated otherwise, it should not be considered a recommendation to adopt the referenced standard in whole or part.



Figure 1: Fire department training programs reflect the diversity of services they provide. Here the Gold River Fire Department is doing vehicle rescue training. Photo Credit: Gold River Fire Department Facebook



4.0 Executive Summary

The Strathcona Regional District (SRD) selected FireWise Consulting to evaluate the feasibility of providing administrative support services to fire departments within its boundaries. The project expanded to include a limited engagement with area First Nations to obtain a sense of their requirements and expectations to be factored into the report recommendations. The identified municipalities and their fire departments were engaged in the project. Three First Nations and the Nuu-Chah-Nulth Tribal Council were also included in the discussions. While each jurisdiction has specific needs and expectations, common themes formed the basis of the recommendations within the report.

Fire department administration reflects a complex regulatory and operating environment with strict requirements. Many volunteer fire departments struggle to manage the administrative burden, particularly in small jurisdictions with limited organizational capacity. WorkSafeBC regulations, training, operational documentation, competency management, operating and capital budget preparation and firefighter recruitment and retention programs represent a few of the administrative challenges that volunteers must manage. These programs require consistency and attention to ensure that the precious volunteer resources that most communities depend on remain viable and committed to emergency operations, while the governing bodies and the SRD ensure firefighters are supported and kept safe.

While each participating jurisdiction had differing needs, there was a consensus that administrative support and a greater focus on fire protection and prevention by the SRD are essential. There was general agreement that a centrally supported and coordinated organizational capacity would benefit most. There was genuine interest in a "shopping list" approach to administrative services where local authorities could subscribe to those they want or need and go their way with others. Training standardization, public education, inspections, interoperability, bulk equipment procurement, fire apparatus specifications, and administrative assistance were all areas of interest to the fire departments and their governing bodies.

From the Strathcona Regional District's perspective, there are several compelling reasons to take a leadership role in supporting and coordinating fire services within its boundaries. Reducing fire department administrative requirements on the smaller local authorities will help make those communities and their fire departments more sustainable by providing Chief Administrative Officers and fire service managers more time for core operational functions. Improved records management and data collection systems will give a clearer understanding of the current state of fire protection, supporting better and more informed decision-making processes. It is costly to operate a fire department, so improved data to inform capital and operating budgets are essential to get the best outcomes at the best cost.

Adding administrative support is a technical process that needs resources and authority to meet program objectives. The development of a successful program will depend on engagement with First Nations, municipalities and the fire departments. The excellent work the SRD leads in the Emergency Management Program can be a starting point for discussions on the desired support services and implementation strategies.



The situation in Zeballos is an excellent example of the need for a team approach to providing fire and rescue services in the SRD. Zeballos, like many jurisdictions, depends on volunteers for their fire protection and rescue services, supported by a small local government presence. The drive and determination of the volunteers can only take the fire department so far before it begins to fail. The collaboration of First Nations, Village, SRD and external agencies brought together the necessary resources to rebuild the department. Together, they are providing training and administrative support that will deliver trained volunteers and the organizational and administrative processes to ensure the future viability of the fire department. The SRD has been at the centre of coordinating these resources, demonstrating that its leadership and capacity building is essential to the continued function and sustainability of the Zeballos and the region's fire services.

The recommendations in this report reflect current events in neighbouring and other BC jurisdictions. The Fire Chief from Oyster River explained that his direction is to take a more focused leadership role with the smaller fire departments in the Comox Valley Regional District, similar in scope to the administrative services outlined for this project. Many Regional Districts have understood that these services benefit everyone and are uniquely positioned to provide that leadership. The following recommendations reflect the inputs of the SRD's municipal and First Nation jurisdictions.



Figure 2: Fire trucks have specific life cycles and maintenance requirements. Photo Credit: Tahsis Fire Department



4.1 Recommendations

1. SRD Regional Fire Chief

The SRD should establish a regional fire chief with authority for fire protection and prevention within the SRD.

The position profile should include maintenance of fire protection contracts and agreements, promotion of interoperability measures, development of mutual aid and major response agreements, development of firefighter training programs and other related fire service roles, and reporting on the system's performance. It is unlikely that a single person will be able to meet all of the demands of the fire services within the SRD. Still, this first critical position will be able to explore the needs, engage system partners for participation and capacity, and come back to the Board with informed requests for resources.

2. Fire Services Working Committee

A working committee with a collaboration mandate can be essential in determining priority support services and providing resources for various working groups like fire prevention or training.

Each jurisdiction is accountable for the safety of its residents and infrastructure. Each of the jurisdictions, including First Nations, are autonomous authorities with differing needs and expectations related to SRD support.

3. Administrative Service Portfolio

The SRD should create a portfolio of services, including records management systems, training program coordination, specialty response service coordination and others that can be subscribed to by area fire departments.

Not all fire departments require the same types or degrees of administrative support services. These services should take advantage of programs that exist within SRD fire departments. Priority areas for consideration include:

- Recruitment and retention program development,
- Training and competency management program development, delivery and tracking,
- Implementation of a records management system linked to fire dispatch, and
- Development of regional significant incident response and mutual aid systems.



- Coordination and delivery of mandatory, licensing and regulatory inspections of public buildings within municipalities as required by the Fire Services Act.

4. Records Management System (RMS)

The SRD should consider implementing a digital records management system to document and record fire and other emergency responses within its boundaries.

Councils and the Board require accurate information that allows them to address trends and issues before they become acute. The best way to do this is to ensure that records management systems and processes are in place that tracks the effectiveness of the current operational and administrative model and highlight areas where the Council or the Board may need to pay additional attention or make investments. The RMS system should be available to all area fire departments at no charge and include training and hardware to support implementation.

A data use agreement that permits the SRD to access response, training and other data necessary to forecast and track operational and administrative trends should also be considered.

Most modern fire department RMS systems can be linked to fire dispatch technologies. The interconnection simplifies the administrative inputs of the fire department as the response files are started and populated by the dispatch centre. Creating the files at the dispatch centre ensures the completeness of the initial file, provides vital response time benchmarks and supports an audit function.



Figure 3: Firefighter protective clothing at the ready to protect the volunteers. This equipment requires regular maintenance and care and lifecycle replacement, and documentation of use and maintenance is a requirement of WorkSafeBC.



5.0 Jurisdictions Engaged

For this project, FireWise reached out to all municipalities, fire departments and First Nations identified by the SRD. We were able to connect with the following successfully:

- Village of Zeballos
- City of Campbell River
- Village of Tahsis
- Village of Sayward
- Quadra Island Improvement District
- Oyster River Fire Department
- Village of Gold River
- Cortes Island Fire Department
- Nuchatlaht First Nation
- Ehattesaht-Chinekhint First Nation
- Klahoose First Nation
- Nuu-Chah-Nulth Tribal Council



6.0 What We Heard

Developing recommendations related to the SRD provision of administrative support services to the region's fire departments must reflect the direction of the affected jurisdictions and their fire departments. While each jurisdiction had specific concerns, basic themes were common across all stakeholders.

6.1 Need

The need for administrative support varied by department. Some, mainly the smaller services, require extensive support to remain viable. The larger agencies require more targeted support, including interoperability and specialty response capacity development. The larger centres also offer capabilities that could be of value to other agencies. All of the departments saw value in a regionally coordinated firefighter training program.

From the SRD's perspective, it is necessary to be more engaged in fire protection to ensure that emergencies occurring within its jurisdiction receive an effective and safe first response. The SRD contributes funding and indirect support to most departments with few checks and balances and little ability to influence the service delivery model. The SRD is responsible for ensuring that responses to its jurisdiction outside of municipal or First Nation boundaries are performed safely and in compliance with provincial and federal legislation, including WorkSafeBC.

6.2 First Nations

Area First Nations are essential partners in fire protection. Discussions with several First Nation leaders identified a few themes. First, fire protection decisions that impact First Nations must respect the voices and jurisdiction of those First Nations. First Nations offer solutions that can help ensure viable emergency response capabilities to the broader region that may not be available to municipal or SRD agencies. The SRD is a trusted partner in emergency management, and the individuals who participated saw the SRD's involvement in fire protection administrative leadership and coordination as a positive step forward.

6.3 Capacity

The communities in the SRD are all relatively remote, with limited access to mutual aid or external response capabilities. Spotty cellular and radio communications capabilities further complicate responses. Outside of Campbell River, there are no departments capable of managing a significant structure fire, hazardous materials incident or technical rescue like a school bus accident on their own. Developing a regional deployment model that supports early assistance activation under clear authorities and processes is essential to area fire professionals.



6.4 Interoperability and Mutual Aid

There is no regional mutual aid agreement to facilitate the routine movement of fire protection equipment and personnel around the SRD. The lack of an agreement means that the movement of resources requires Council or Board approval from both the sending and receiving authorities, resulting in extended approval times added to long deployment times. The SRD should consider this a priority action no matter what decision is made on administrative support.

6.5 Service Affordability

Each of the smaller jurisdictions noted that affordability is a critical concern making additional investments in capital and operations unlikely. The cost of vehicles and equipment for fire departments is expensive and rising. Protective clothing for structural firefighters will cost about \$3,500 per set, and self-contained breathing apparatus is now close to \$10,000 per unit. Each of these requires regular maintenance and periodic replacement, and most small communities lack the tax base to maintain their fleets and equipment on their own. An inspection of one fire hall found that most of the firefighter's clothing had expired and would need immediate replacement.

One of the areas of service pressure and cost involves the delivery of mandatory inspections of public buildings in municipal jurisdictions. The municipalities identified this as an area of cost and capacity with various approaches to delivering the program.

The interviews identified pooled purchasing as a critical element of any administrative support program. The various jurisdictions noted that interoperability was just as important as the cost savings realized through pooled purchasing power.

6.6 Sustainability

The jurisdictions expressed concerns about the sustainability of existing service delivery models in most SRD. The lack of a consistent and comprehensive data collection and reporting system hampers the development of effective strategies. Several interviewees identified trust and jurisdictional concerns that may impede efforts to achieve effectiveness and sustainability. The future success of the fire and rescue services in the SRD will depend on working together.

6.7 Volunteer Recruitment and Retention

All the services saw value in a coordinated approach to volunteer recruitment and retention programs. The situation inside the SRD is consistent with national trends in voluntarism, with smaller communities struggling to maintain sufficient numbers of personnel to ensure minimal response capabilities at all times. Records are limited in area fire departments, but anecdotal evidence derived through interviews with Fire Departments and the fire dispatch centre suggests that most of the region's small fire departments are periodically unable to staff an immediate response to an emergency. The relative remoteness of these communities makes mutual aid of limited value to the



first response. All of the smaller departments reported substantial year-over-year turnover of staff.

Volunteer firefighter recruitment is a permanent and ongoing requirement for most volunteer fire departments. Several fire departments report significant personnel turnover, creating response and training concerns. Few small organizations have the specific skills and program capacity to explore new and innovative methods or staffing sources successfully. A coordinated and flexible program that engages a broad range of communities and strategies is necessary for staffing stability. The recent success of Zeballos recruitment resulted from expanding the recruiting reach specifically to engage Ehattesaht members and a carefully developed communications strategy.



Figure 4: Traditional approaches to recruiting volunteer firefighters are not working, and our programs must change to fit the needs and realities of the community.

6.8 Training and Competency Management

Most area fire departments reported difficulties and gaps in the initial training of firefighters and ongoing maintenance of critical skills. There was broad support for developing a centrally coordinated training program providing instructors, lesson plans, simulators and competency management programs. Various fire departments are trying to implement online training and other innovative approaches but cannot fully capitalize on these initiatives.



Changes are coming from the Government of British Columbia related to firefighter training. The Office of the Fire Commissioner will release an updated version of its "Playbook." Rather than being a "best practice" document like the current version, the new one will be approved by the Minister and be mandatory for all fire departments. The new standard will require the appointment of a risk manager to oversee the program. It is unlikely that most area fire departments will have the necessary capacity to implement these new standards without assistance from the SRD.

**British Columbia
Fire Service
Minimum Training Standards**

*Structure Firefighters
Competency and Training*

PLAYBOOK



Second Edition
Amended: May 2015

Replaces the current version of the British Columbia Fire Service Playbook

Figure 5: The "Playbook" is set to be updated in the Fall of 2022.



6.9 Records Management and Reporting

There was a general consensus that improved records management systems would benefit individual fire departments. There is little use of electronic systems resulting in a widely varied paper system that does little to track and report important administrative and operational data. All departments were clear that the system should be easy to use, relieve or reduce administrative burdens and respect individual jurisdictional privacy.



Figure 6: Modern fire department records management systems are modularized for ease and affordability.



7.0 Conclusion

Volunteer firefighters are the backbone of the fire protection system, protecting residents of the Strathcona Regional District and the municipalities and First Nations within its boundaries. These firefighters make considerable sacrifices to ensure that their communities and the region receive the essential fire and rescue response services that residents and businesses have come to depend on. Using volunteers is cost-effective and an efficient and effective staffing model for most of the SRD's requirements. That system, however, is struggling, and the helpers now require help.

The fire departments are struggling to meet minimum performance standards for training, operations and administration of a fire department. Consistently large turnovers of personnel, low call volumes and increasing demands for firefighter training and competency management processes are taking a toll on the fire department leadership, primarily volunteers. Interviews confirm that most fire departments need assistance meeting their WorkSafeBC and other requirements necessary to safely and effectively provide emergency response services.

There was broad support for the SRD to take a more active role in the administration and leadership of fire protection and prevention services within its boundaries. The assistance will positively contribute to the sustainability of the fire service and the communities they serve. The SRD's positive leadership of the emergency management system is a natural starting point for implementing administrative programs that meet the individual needs of the various fire departments and bring together all of the communities depending on those departments.

The SRD will need to resource the implementation and maintenance of these support programs. Additional expert personnel with experience in fire service leadership, operations, training and administration will be valuable assets across the SRD. Other volunteer sectors may benefit from investments in a regional volunteer working group led by human resource professionals. While these are not insignificant investments, the suspension of fire operations in Zeballos illustrated the system's fragility. Proactive support programs can avoid the community fears and costs of restoring fire and rescue services.

FireWise is honoured to have had the opportunity to work with the Strathcona Regional District on this important project. We enjoyed working with the professionals serving the SRD, Municipalities, First Nations, Improvement District and their fire services.

Respectfully,



Ernie Polsom,
FireWise Consulting





STAFF REPORT

DATE: October 7, 2022 **FILE:** 0550-04 Board

TO: Chair and Directors,
Regional Board

FROM: David Leitch
Chief Administrative Officer

RE: REGIONAL FIRE ADMINISTRATION SUPPORT SERVICE STUDY

PURPOSE/PROBLEM

To provide an update on the status and preliminary findings of the Board's investigation into the concept of a regional fire administration support service.

EXECUTIVE SUMMARY

At its September 8, 2021 meeting the Regional Board considered the attached report and passed the following resolution:

Cornfield/Davis: SRD 779/21

THAT up to \$40,000 be authorized to be spent from the Regional Feasibility Study Fund to evaluate the feasibility of a regional fire protection service.

Following a competitive tender process, FireWise Consulting was retained to assist the Regional District with the study and, since then, has engaged with Fire Chiefs, Chief Administrative Officers, local government staff and First Nations leaders throughout the region to gauge their level of interest in this type of service. A copy of the consultant's findings is attached for the Board's consideration.

The report suggests that, while each participating jurisdiction has somewhat differing needs, there is a consensus that coordinated support for the fire services from the Regional District would be of significant value. It is noted that, the intent is not to require that fire departments adapt to a prescribed operational or administrative model but rather that a menu of support services could be made available, from which individual communities could select those items that are of interest to them. This could include assistance with diverse matters such as firefighter recruitment and training, apparatus and equipment specifications, bulk purchasing, interoperability, general administrative assistance and more.

The next step in the evaluation process is to attach cost projections to the initiative so that the Board can determine whether to proceed with the establishment of a regional fire administration support service. Approximately one-half of the authorized amount has been spent to date and it is not anticipated that additional funding will need to be earmarked by the Board to complete the study and prepare a comprehensive report for the Board's consideration.

RECOMMENDATION

THAT the report from the Chief Administrative Officer be received.

Respectfully:



David Leitch
Chief Administrative Officer

BACKGROUND/HISTORY

Community fire protection and fire department administration must operate within a complex and ever evolving regulatory and operating environment. Many fire departments struggle to manage the administrative burden, particularly in jurisdictions with limited organizational capacity. WorkSafeBC regulations, training, operational documentation, competency management, operating, capital budget preparation, and firefighter recruitment and retention programs represent only a few of the administrative challenges that fire departments must manage.

FINANCIAL IMPLICATIONS

Determining the cost implications of a regional fire administration support service will require additional research to be presented to the Board in a follow up report.

INTERGOVERNMENT/REGIONAL IMPLICATIONS

As noted in the consultant's report, the creation of a service to assist communities with the challenges encountered in operating their fire protection obligations is seen as beneficial in a number of ways including records management, training programs, fire inspections, specialty response service coordination and others previously mentioned. Since each community has somewhat different capabilities and needs, it is essential that the level of participation in such a program by communities be voluntary to respect the autonomy of those communities.

INTERDEPARTMENTAL INVOLVEMENT

The development and operation of a regional fire administration support service would involve corporate and emergency preparedness personnel.

Prepared by: S. Koopman, Protective Services Coordinator

Attachments: A: August 30, 2022 Fire Administration Support Feasibility Study



STAFF REPORT

DATE: September 3, 2021 **FILE:** 0550-04 Board

TO: Chair and Directors
Regional Board

FROM: David Leitch
Chief Administrative Officer

RE: REGIONAL FIRE PROTECTION SERVICE FEASIBILITY STUDY

PURPOSE

To provide additional information regarding the proposal to examine potential benefits associated with a regional approach to fire protection services delivered through the Regional District, local municipalities and other public entities.

EXECUTIVE SUMMARY

The attached report was considered at the May 12, 2021 meeting of the Regional Board at which time the following resolution was passed:

Moglove/Cornfield: SRD 436/21

THAT a further report with cost estimates for investigating a regional fire protection service be prepared for the Board's consideration.

Following the Board's decision additional research was conducted on the likely scope of the study, the process for engaging current service providers and personnel, and project costs. In terms of scope, it would appear that broad support exists among current service providers to look at the potential benefits that may accrue in the areas of training standardization, bulk equipment procurement, fire apparatus specifications, and general administrative support. The topic of mutual aid has also been identified as a potentially desirable outcome but without any specific targets.

In terms of cost, it is estimated that a detailed evaluation of the topics identified would likely be in the range of \$35,000-40,000 although this would not be confirmed without going to market and seeking competitive bids for a detailed study. The current balance of the Regional Feasibility Study Fund is more than sufficient to cover this amount. The Office of the Fire Commissioner for BC has also offered to provide assistance to the Regional District as the study progresses, particularly in the realm of legislative initiatives that may impact the fire services.

In order to proceed with the study, the Regional District would first call for proposals from qualified consultants in order to better determine the anticipated costs. If consistent with current estimates it is anticipated that a contract could be awarded and the study completed over the next several months. The specific timeframe will likely be dependent on the length of time needed to access information from the various entities that provide fire protection services in the region, and to undertake closer examination of their specific needs and priorities. The question of timeframe would also form part of the scoring matrix for potential project consultants.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT up to \$40,000 be authorized to be spent from the Regional Feasibility Study Fund to evaluate the feasibility of a regional fire protection service.

Respectfully:



David Leitch
Chief Administrative Officer

Prepared by: Shaun Koopman, *Protective Services Coordinator*

Attachments: August 23, 2021 correspondence from BC Fire Commissioner
Copy of May 3, 2021 report to Regional Board

ATTACHMENT A – CORRESPONDENCE FROM THE OFFICE OF THE FIRE COMMISSIONER

Richardson, Craig R EMBC:EX <Craig.R.Richardson@gov.bc.ca>

Mon 2021-08-23 11:09 AM

To: Shaun Koopman

Hi Shaun,

Just following up on our conversation the other day regarding the Regional Fire Service Assistant Feasibility Study the SRD May be undertaking. I believe this is timely due to the fact that we expect to release the new Fire Safety Act and revised Training Standards (replacing the old Playbook) sometime this fall. Both updates will likely have administrative impact for fire services as they adjust to these changes.

I can offer support through my role with the OFC to assist with reviewing the tender prior to publication and as needed throughout your study.

Thanks,

Craig

Craig Richardson, MA, CFO

Fire Service Advisor

[Emergency Management BC](#) | Ministry of Public Safety & Solicitor General

[Office of the Fire Commissioner](#)

[Emergency Management BC](#)

Phone: 778-349-0743 (cell)



STAFF REPORT

DATE: May 3, 2021 **FILE:** 0550-04 Board

TO: Chair and Directors,
Regional Board

FROM: Dave Leitch
Chief Administrative Officer

RE: REGIONAL FIRE PROTECTION SERVICE FEASIBILITY STUDY

PURPOSE/PROBLEM

To consider undertaking a feasibility study to examine potential benefits associated with a regional approach to fire protection services delivered through the Regional District, local municipalities and other public entities.

EXECUTIVE SUMMARY

At the April 28, 2021 meeting of the Municipal Services Committee discussion took place on the concept of a regional fire protection service and the following resolution was passed:

Unger/Cornfield: MSC 12/21

THAT a report be prepared on the concept of a regional fire protection service.

Based on the discussion that occurred at the Committee meeting, it is believed that the primary intent is to look at ways to support the delivery of effective response and suppression activities in regional communities rather than investigating the costs and operational protocols associated with a regionalized fire department. This could include issues such as training standardization, bulk equipment procurement, fire apparatus specifications, mutual aid and other initiatives.

If the Board is supportive of the concept it is recommended that staff obtain cost estimates for the work being proposed and bring back a report to the Board for further consideration.

RECOMMENDATIONS

1. THAT the report from the Chief Administrative Officer be received.
2. THAT a further report with cost estimates for investigating a regional fire protection service be prepared for the Board's consideration.

Respectfully:

Dave Leitch
Chief Administrative Officer

Prepared by: T. Yates, Corporate Services Manager



STAFF REPORT

To: Mayor and Council
From: Keir Gervais, CAO
Subject: Tax Notice Letter to Property Owners
Meeting date: May 9, 2023

BACKGROUND

The Village office sends out taxes notices to all property owners annually, providing the Village the opportunity to provide additional supplementary information to property owners at no extra cost.

DISCUSSION

Year-to-year, consideration is given to what type(s) of value-added information might the Village want to provide property owners as part of the tax notice mailout. If it so chooses, Council could write a letter to property owners conveying one message or a collection of numerous messages. Topics could include:

- Messaging about the 2024 budget and taxes
- Council's goals for 2024
- New Economic Development Coordinator and what that means for Sayward businesses and the community
- Campground update
- Canada Day promo
- Introduction of CAO
- Other...

The mailout is tentatively scheduled to occur the week of May 23-26. If a letter from Council is planned, staff suggest setting a deadline of May 12 for the Council designate to submit the DRAFT letter to staff to review, edit, format and redistribute to Council by May 16 for a final review.

STAFF RECOMMENDATIONS

THAT Council receive the Tax Notice Letter to Property Owners staff report for information and discussion.

Respectfully submitted,

Keir Gervais, CAO