



2024 Financial Plan Public Meeting

Area A North – The East Shore

Presented by: Yev Malloff

Date: March 5, 2024

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Agenda

- RDCK Services Overview
- 2023 General Summary
- Overall Assessments and Impact
- 2024 Overall Outlook
- Service by Service Discussion
- Sub Regional Assessments and Impact

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Preamble – DRAFT Budget

- Reminder that the current financial plan document is considered a “draft” until the board of directors adopts it at the March 21, 2024 board meeting.
 - A few year-end allocations and adjustments remain that may have an effect on items such as prior year surplus carry forwards.
 - Some services will have additional reviews of budget revisions at the director and committee/commission level over the coming weeks
 - Reviews are in progress regarding funding levels for shared and contribution services with several municipal and other partners
 - Public Information sessions are being held in coming weeks

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The RDCK has 186 services

- Each service is accounted for individually
- Surplus & deficits cannot be transferred between services

RDCK Services Model

- Governance and Administration
- Resource Recovery: Waste, Recycling, Organics
- Recreation & Parks
- Fire Protection
- Sustainability, Development, Planning and Land Use (Rural)
- Building Inspection (Rural and Municipal)
- Water Systems.
- Taxation to Fund Societies and Organizations providing service (library, community halls, museums, recreation).

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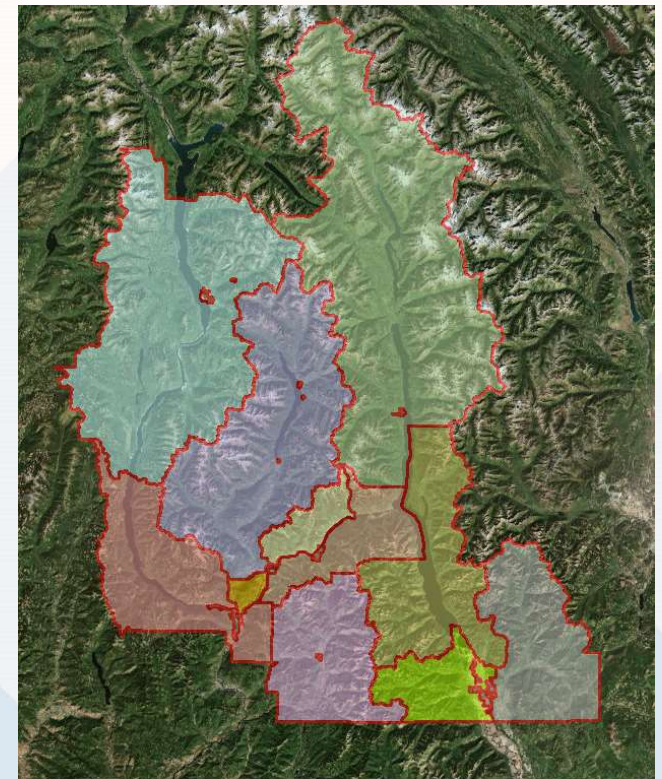
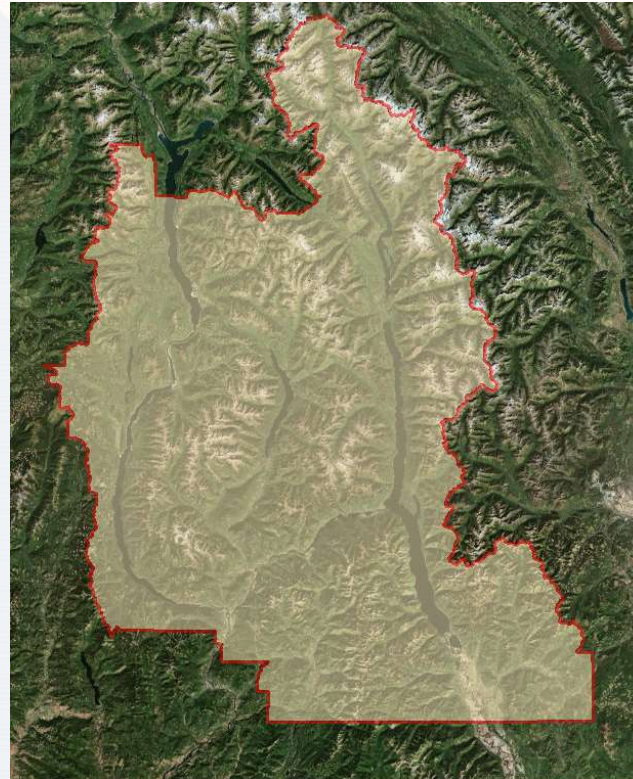


When looking at the map of the RDCK, think of each service as a puzzle piece of the larger RDCK area.

The map on the left shows the service area for General Administration – the entire RDCK.

The map on the right is an example on how service areas can be broken down by electoral area.

Regional District Model



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RDCK Board Strategic Priorities

**Organizational
Excellence**



**Energy Efficiency
and Environmental
Responsibility**

**Develop
Relationships and
Partnerships**



**Manage our Assets
and Service Delivery
in a Fiscally
Responsible Manner**



**Regional Approach
to Growth**

**Innovate to Reduce
the Impact of Waste**



Advocacy

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2023 Review

- Spending on wages, benefits, services and most other operating expenses is trending significantly under budget for 2023
 - Spending on wages is low as many positions remained unfilled through parts of the year
 - Services are curtailed, projects are postponed and other staff are stretched to cover as a result of reduced staffing levels
 - The Utilities construction crew was disbanded in 2023 due to labour shortages
- However, user fees and other sales of services revenue items (eg building permits) are also significantly under budget for 2023
- Capital Project expenditures are also under budget, largely offset by reduced borrowing and transfers from reserves to fund the projects.
- Prior year surpluses are carried forward to reduce taxation in future years

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Assessment Changes

- Generally smaller increases in 2024 compared to 2023 . 2024 assessments are based on July 2023 property values.
- Does that mean taxation will go up or down by the same amount? No, it doesn't.

Market vs. Non Market Change

- Market change means the current inventory of properties is worth more; and
- Non market change means that there is more construction activity and the tax base grew in “numbers” as well as value.

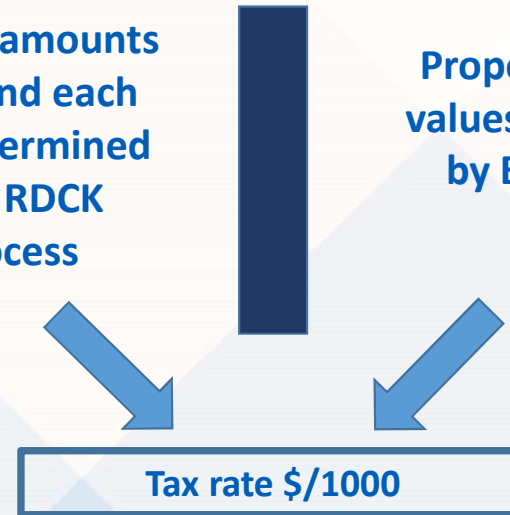
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How are annual property taxes for RDCK services calculated?

Tax requisition amounts required to fund each service are determined through the RDCK budget process

Property assessment values are determined by BC Assessment



X

Assessed value of each individual property

=

Property tax for each individual property

*** parcel taxes are separate

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Residential (Converted) Assessment Changes: 2023 to 2024

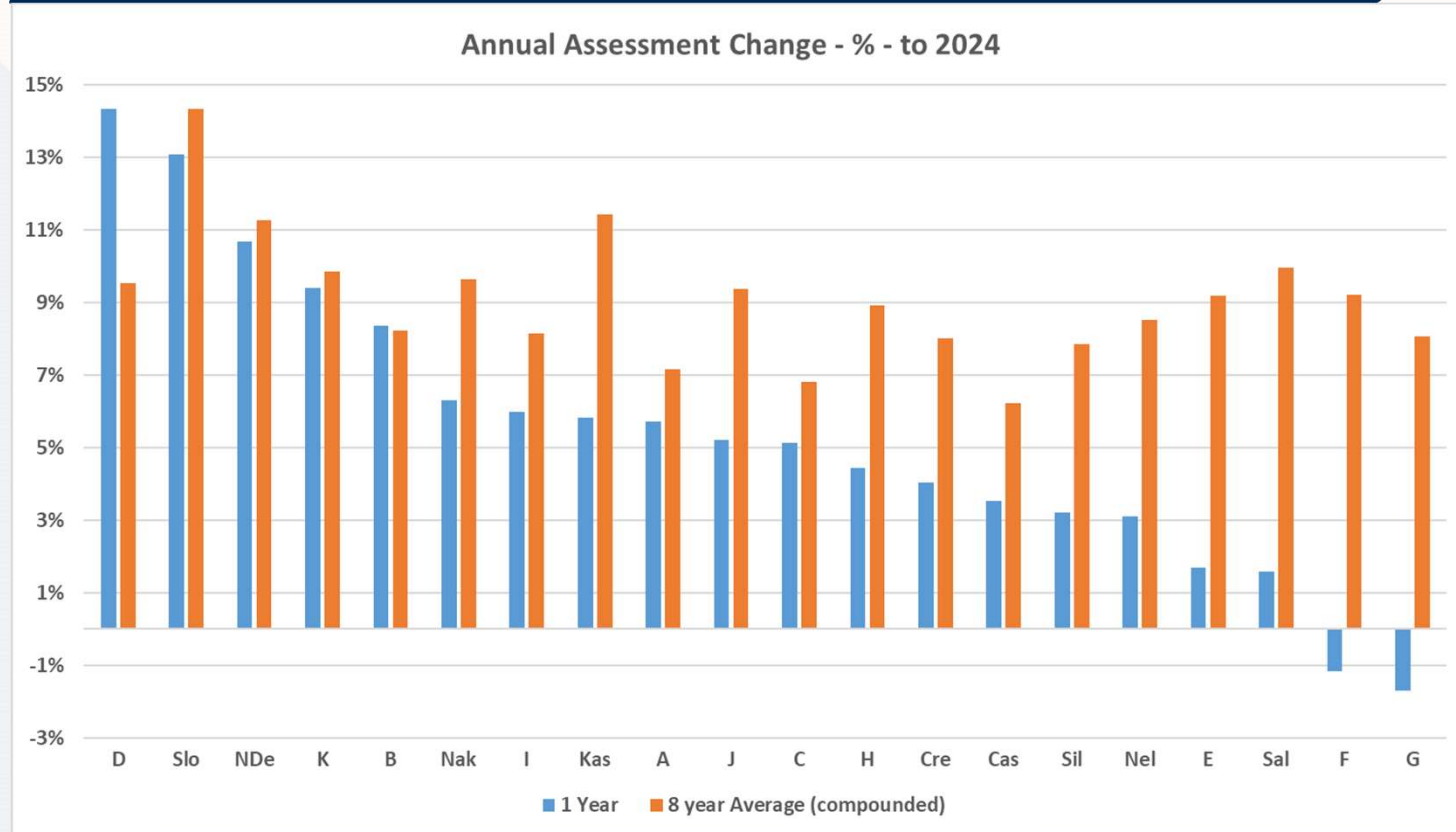
Tax Area	2023 Revised	2024 Completed	Total % Change	Market Change	Non Market Change
Electoral Area 'A'	\$ 115,523,982	\$ 122,128,742	6%	5%	0.9%
Electoral Area 'B'	136,271,199	147,668,239	8%	5%	3.0%
Electoral Area 'C'	56,879,481	59,796,279	5%	3%	1.9%
Electoral Area 'D'	59,339,013	67,846,066	14%	13%	1.0%
Electoral Area 'E'	166,283,287	169,089,107	2%	0%	1.5%
Electoral Area 'F'	157,783,451	155,933,832	-1%	-2%	0.6%
Electoral Area 'G'	65,154,183	64,040,055	-2%	-2%	0.4%
Electoral Area 'H'	140,433,312	146,669,237	4%	3%	1.6%
Electoral Area 'I'	67,584,313	71,630,754	6%	5%	0.8%
Electoral Area 'J'	103,761,728	109,168,899	5%	4%	1.1%
Electoral Area 'K'	68,208,552	74,614,420	9%	7%	2.1%
City of Castlegar	277,203,326	286,949,972	4%	3%	0.5%
City of Nelson	416,157,288	429,070,620	3%	1%	1.8%
Town of Creston	137,805,173	143,364,884	4%	3%	0.8%
Village of Kaslo	34,665,769	36,680,717	6%	4%	1.5%
Village of Nakusp	42,701,166	45,393,695	6%	5%	1.3%
Village of New Denver	17,100,722	18,926,586	11%	10%	0.7%
Village of Salmo	23,116,847	23,480,409	2%	1%	0.7%
Village of Silverton	8,307,346	8,573,269	3%	3%	0.1%
Village of Slocan	10,024,750	11,334,467	13%	13%	0.5%
	2,104,304,888	2,192,360,249	4%	3%	1.3%

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Annual Assessment Change: 1 Year vs 8 Year Average





Area A / Riondel Assessment Change

	2023	2024	Change
Electoral Area 'A'	115,523,982	122,128,742	+5.72%
Riondel	17,581,314	18,703,886	+6.39%

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Electoral Area A Creston Rural

		2024			2023		
		Assessment	Requisition	Rate/\$1,000	Assessment	Requisition	Rate/\$1,000
S100	GENERAL ADMINISTRATION	122,128,742	136,375	0.112	115,523,982	120,999	0.105
S261	DISCRETIONARY GRANTS	122,128,742	25,000	0.020	115,523,982	25,000	0.022
S101	RURAL ADMINISTRATION	122,128,742	178,852	0.146	115,523,982	153,560	0.133
S102	GIS SERVICE	122,128,742	20,782	0.017	115,523,982	21,010	0.018
S103	BUILDING INSPECTION	122,128,742	79,557	0.065	115,523,982	65,770	0.057
S104	PLANNING AND LAND USE	122,128,742	89,621	0.073	115,523,982	90,734	0.079
S105	COMMUNITY SUSTAINABILITY	122,128,742	20,792	0.017	115,523,982	20,580	0.018
S106	FEASIBILITY STUDY SERVICE	122,128,742	-	-	115,523,982	-	-
S107	ECONOMIC DEVELOPMENT -AREA A	122,128,742	40,000	0.033	115,523,982	40,000	0.035
S117	ADVISORY PLANNING-AREA A	122,128,742	856	0.001	115,523,982	856	0.001
S152	JAWS OF LIFE SERVICE CRES ABC	122,128,742	29,998	0.025	115,523,982	29,707	0.026
S156	EMERGENCY COMMUNICATIONS 911	122,128,742	43,976	0.036	115,523,982	40,106	0.035
S157	EMERGENCY PLANNING-CRESTON AREA	122,128,742	92,883	0.076	115,523,982	72,084	0.062
S174	CEMETERY-CRESTON, AREAS A B C	122,128,742	26,709	0.022	115,523,982	25,785	0.022
S186	REFUSE DISPOSAL-EAST SUBREGION	122,128,742	375,983	0.308	115,523,982	342,492	0.296
S193	LIBRARY-CRESTON, AREAS A B C	122,128,742	154,696	0.127	115,523,982	146,532	0.127
S205	REGIONAL PARK - AREA A	122,128,742	219,676	0.180	115,523,982	218,777	0.189
S292	LOCAL CONSERVATION SERVICE	122,128,742	-	-	115,523,982	-	-
Regional Requisition			\$ 1,535,755			\$ 1,413,993	
Residential Rate per \$1,000 of Assessment				1.257			1.224
Surveyor of Taxes - Collection Fee				0.066			0.064
Estimated Rate per \$1,000 of Assessment				1.324			1.288
Difference (\$) from prior year			121,762			167,901	
Percentage Change from prior year			8.61%			13.47%	

Defined Area taxation amounts – Area A

Electoral Area A Creston Rural

		2024			2023		
		Assessment	Requisition	Rate/\$1,000	Assessment	Requisition	Rate/\$1,000
S128	FIRE PROTECTION-DEF A-RIONDEL	18,703,886	215,242	1.151	17,581,314	187,847	1.068
S129	FIRE PROT-DEF A,DEF C-WYNNDEL	22,483,476	144,780	0.644	21,502,837	135,861	0.632
S165	RIONDEL DRAINAGE	6,110,213	25,084	0.411	5,367,068	15,464	0.288
S166	STREET LIGHTING-DEF A RIONDEL	6,110,213	9,500	0.155	5,367,068	8,300	0.155
S189	RIONDEL REFUSE TRANSFER	11,498,815	8,310	0.072	10,533,897	5,600	0.053
S191	MUSEUM AND ARCH-CRES BC DEF A	28,318,803	9,480	0.033	27,024,471	9,603	0.036
S209	RECREATION FAC-DEF A-RIONDEL	11,498,815	200,000	1.739	10,533,897	174,158	1.653
S217	CRAWFORD BAY BEACH AND HALL	30,167,724	39,000	0.129	29,263,682	37,940	0.130
S224	RECREATION FAC-CRES,B,C,DEF A	28,318,803	345,000	1.218	27,024,471	335,805	1.243
S232	REC COMMISSION-DEFINED AREA A	93,785,019	45,573	0.049	88,477,391	39,421	0.045
S234	PARA-CRES DEF AREAS A, B, C	16,170,813	8,572	0.053	15,546,207	6,956	0.045
S239	KOOTWEST - AREA D-K, DEF A, EX CRESTON	59,025,780	8,535	0.014	56,321,524	9,148	0.016
S240	AIRPORT - CRESTON, AREAS B,C	64,397,265	37,279	0.058	60,440,065	31,336	0.052
S241	WATER UTILITY-DEF A-RIONDEL	7,205,773	-	-	6,346,038	-	-
S242	WATER UTILITY-DEF A-SANCA PARK	2,666,195	-	-	2,406,760	-	-



Tax Requisition Rate / \$1,000

	<u>2023</u>	<u>2024</u>	<u>Change</u>
Electoral Area A	1.288	1.324	+2.74%
Riondel	4.576	4.929	+7.69%

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Taxation Change - All Areas (not including non-market change adjustment)

Regional District of Central Kootenay
Assessment & Taxation Summary - 2024 & 2023 Comparative
Electoral Areas and Municipalities

	Assessments		Change 2024 vs. 2023 (A-B)/B	2024 Taxation Subtotal C	Defined Area Taxation D	Total Taxation 2024 C + D = E	Total Taxation 2023 F	Change (F-E)/F
	2024 Completed A	2023 Revised B						
ELECTORAL AREA 'A'	122,128,742	115,523,982	5.72%	1,535,755	1,096,355	2,632,110	2,411,432	9.2%
ELECTORAL AREA 'B'	147,668,239	136,271,199	8.36%	3,671,213	973,462	4,644,675	4,169,459	11.4%
ELECTORAL AREA 'C'	59,796,279	56,879,481	5.13%	1,515,707	389,026	1,904,733	1,750,088	8.8%
ELECTORAL AREA 'D'	67,846,066	59,339,013	14.34%	867,322	424,012	1,291,334	1,129,381	14.3%
ELECTORAL AREA 'E'	169,089,107	166,283,287	1.69%	2,124,919	1,453,337	3,578,256	3,283,272	9.0%
ELECTORAL AREA 'F'	155,933,832	157,783,451	-1.17%	2,952,625	787,396	3,740,021	3,545,774	5.5%
ELECTORAL AREA 'G'	64,040,055	65,154,183	-1.71%	1,069,075	428,777	1,497,852	1,336,489	12.1%
ELECTORAL AREA 'H'	146,669,237	140,433,312	4.44%	1,174,012	1,885,934	3,059,946	2,860,032	7.0%
ELECTORAL AREA 'I'	71,630,754	67,584,313	5.99%	1,041,823	675,274	1,717,097	1,529,625	12.3%
ELECTORAL AREA 'J'	109,168,899	103,761,728	5.21%	1,881,449	752,711	2,634,161	2,334,632	12.8%
ELECTORAL AREA 'K'	74,614,420	68,208,552	9.39%	526,282	454,208	980,490	896,914	9.3%
CITY OF CASTLEGAR	286,949,972	277,203,326	3.52%	3,868,081		3,868,081	3,402,554	13.7%
TOWN OF CRESTON	143,364,884	137,805,173	4.03%	3,205,010		3,205,010	3,056,079	4.9%
VILLAGE OF KASLO	36,680,717	34,665,769	5.81%	685,463		685,463	649,271	5.6%
VILLAGE OF NAKUSP	45,393,695	42,701,166	6.31%	654,202		654,202	608,712	7.5%
CITY OF NELSON	429,070,620	416,157,288	3.10%	5,394,081		5,394,081	4,967,164	8.6%
VILLAGE OF NEW DENVER	18,926,586	17,100,722	10.68%	156,003		156,003	150,283	3.8%
VILLAGE OF SALMO	23,480,409	23,116,847	1.57%	364,319		364,319	334,485	8.9%
VILLAGE OF SILVERTON	8,573,269	8,307,346	3.20%	75,664		75,664	77,302	-2.1%
VILLAGE OF SLOCAN	11,334,467	10,024,750	13.06%	213,695		213,695	187,969	13.7%
	<u>2,192,360,249</u>	<u>2,104,304,888</u>	4.18%			<u>42,297,194</u>	<u>38,680,917</u>	9.35%

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2024 Overall Outlook

- Projected overall tax increase of approximately 9.3% for 2024 over 2023 in the draft preliminary budget. The net average change for RDCK property owners is 7.9% with non-market assessment change factored in.
- CPI Increase on staff salaries and Director stipends – 6.2%. The 2024 CPI increase is a catchup from prior years because of the smoothing calculation (effectively a two year average rather than a one year average) that is used. Historical wage increases in the public sector (using BCGEU as a proxy) have matched inflation changes over both the previous 7 and previous 24 years.
- Inflation and supply chain constraints will continue to have a cost impact across many services and projects/initiatives, with many purchases exceeding published Consumer Price Index (CPI) values
- Interest rate increases are continuing to put pressure on both short term and long term borrowing costs with a partial offset from increased investment income.
- Continued work on implementing Asset Management Program, including an external consultant’s recommendations expected in the late spring of 2024.



2024 Overall Outlook – Strategic Plan Alignment

- Focus on implementing, and tying initiatives, work plans and goals to the strategic plan approved by the board in December 2023 including
 - Effectiveness and efficiency of operations and administration
 - Transparency and engagement with the public
 - Continue focus on core services
 - Manage assets and service delivery in a fiscally responsible manner

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S100: General Administration (Area A)

- Includes Corporate Administration, Finance, Information Technology, Human Resources, CAO, and municipal directors.
- 6.2% wage & director stipends increase
- Mileage rate set by CRA increased to \$0.70/km on January 1, 2024
- Catch up on post-pandemic training opportunities for staff continue
- Increased spend on IT cyber security and transition to Microsoft 365
- \$70K for completion of new website – approved by board in 2023
- Year over year taxation increase is 11%.



S101: Rural Administration (Area A)

- Service houses rural director expenses, fire services overhead and bylaw services
- 6.2% CPI increase in salaries and director stipends over 2023
- \$474K UBCM fire training grant supports staff wages, equipment and other training costs.
- 15.0% total increase in requisitions for 2024 mainly driven by full staffing compliment in bylaw and fire services and 6.2% CPI wage increase.
- Includes \$75K for a fire services command unit to be funded from reserves



Area A

Building Inspection (S103)

- Permit revenue softened from peak 2021/22 years with lower construction values, however small increase in permits issued compared to last year
- Updated Building Bylaw Fees and Charges and permit application checklists for applicants
- New staff on-boarded and supporting customer service and improvements to permit processing times
- Digitization of historic permit files underway

Planning (S104):

- Operations are stable and on budget
- Receiving Provincial funding to address housing regulation

Projects:

- New Provincial Legislation and Changes to Housing Regulations
- Subdivision Servicing Bylaw
- Housing Needs Assessment update
- Watercourse and Wildfire Development Permit Area
- Review and revise Floodplain Bylaw

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Area A

GIS (S102)

- Slight decrease to taxation, operations are stable
- Service is continuing to establish new funding models for internal and external projects
- Looking for opportunities to advance our technology capabilities and utilize previously acquired data assets

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Area A

Community Sustainability (S105)

Projects:

Protection of Drinking Water & Watersheds

- Watershed Governance Initiative – Building capacity & data access within the region to influence what happens in our watersheds, investigating Natural Asset Management for Quartz Creek
- Providing support for ground water monitoring with Living Lakes
- Slocan Lake & River Partnership
- Kootenay Lake Partnership

Climate Action

- RDCK Climate Actions – redrafting the Climate Action Plan to incorporate engagement feedback
- Community Climate Ambassadors – 2 year partnership with Youth Climate Corps to provide climate action information to residents (first year complete)
- Annual reporting through State of Climate Action (SoCA)

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Area A

Community Sustainability con't.

Food & Agriculture

- Central Kootenay Food Policy Council (CKFPC)
- Kootenay & Boundary Farm Advisors
- Pilot Regenerative Educational Community Food Garden - Elk Root Conservation

Energy

- Investigating grid resilience for rural communities – pilot with LINKS (north end of Kootenay Lake)
- Supporting increased energy efficiency of corporate and community facilities

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Area A

Emergency Management (A101 - funded from S157)

- Multi-jurisdictional/agency planning and preparation underway for the potential of seasonal flooding, wildfires, and drought;
- Implementing the new Emergency and Disaster Management Act;
 - Emergency plans, risk assessment, coordination and consultation, and more
 - Updating of bylaw, policies, procedure documents aligning to new regulations
- Continuing the Neighbourhood Emergency Preparedness Program (NEPP) throughout the RDCK, adding community-lead guides and templates as online resources for communities;
- Ongoing FireSmart Home Partners and Neighbourhood Recognition supported by 7 seasonal staff providing free home assessments
 - Homeowner rebates of up to \$5,000 cash for households that complete FireSmart work based on assessment recommendations; and
- Continuing revision of Community Wildfire Resilience Plans (CWRPs) using the CRI allocation-based funding to update additional electoral area CWPPs in 2024, and move these onto the CWRP template..

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Creston, Area A, Area B, Area C

East Resource Recovery (S186)

- Taxation 10% increase
- 10% Tipping Fee increase to ALL rates
- Legacy Landfill Assessments (Stage 1)
- Creston Hydrogeological & Liner Assessment
- Purchase of CRE lands and crown land acquisition

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Area A

Economic Development (\$107)

- Primarily grants that are submitted by application to a commission for debate and recommendation to RDCK Board
- Support of the Kootenay Lake / Creston Valley Economic Action Partnership – year 2 of 3 of the contract with Kootenay Employment Services
 - Focus on Tourism and Housing supports
- Support for Imagine Kootenay
- Continued capital project for connectivity along the East Shore. Project is being supported by both the RDCK and Columbia Basin Broadband Corporation and input from local ISPs.

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Riondel

Recreation Facilities – Area A (S209) - Riondel

- Roof replacement on Community Centre - complete
 - The project was to be funded by short term borrowing and Area A Community Works but:
 - The RDCK Board prioritized this project and allocated \$150,000 of Provincial Growing Communities Fund to the project – no borrowing was necessary
 - The project had a budget of \$410,000 – Actual costs were \$288,301
- Columbia Basin Trust Planning Project - Complete
- 2024 Projects Planned
 - Community Centre Structural Foundation Assessment
 - Community Centre/Curling Rink Asset Management Project Planning
 - Auditorium Wall Repairs
 - Community Grounds Water Line Repair

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Area A

Parks – Area A (\$205)

Crawford Creek Regional Park

- Community works funding for park development in 2024
 - Benches
 - Partner with ESTBA in creating a new pedestrian trail
 - New pedestrian bridge installation over the pond trail
 - Removal of old bridge decking
 - All environmental and development permits to be completed.

Riondel Regional Park

- Regular maintenance



Creston Complex (\$224)

- Revenue
 - User fees increased ~\$50,000 – driven by fitness
- Aquatics plan to be back to pre-pandemic by July 1.
 - Training initiatives ongoing
 - Recruiting ongoing
- Capital projects in 2024
 - East Stairs Cover
 - Carried over from 2023
 - Solar Panels Completion
 - Carried over from 2023
 - Aquatic Roof Replacement
 - Carried over from 2023
 - New Outdoor Washrooms
 - Lighting Upgrades – Arena, Curling, Pool Underwater
- \$ 225K budgeted contribution to reserves in 2024



Riondel

Drainage (\$165)

- Taxation drainage rate increase of 62.21% in 2024 (from \$15.5K to \$25K)
- \$99K in capital upgrades slated in 2024 for design and construction of Ainsworth Ave. south drain replacement.

Riondel Water (\$241)

- 6% user fee increase in 2024
- \$160K in capital upgrades
- Replacement of reservoir valve chamber and reservoir meter install carried over to 2024
- Water treatment plant standby generator install in 2024



Area A

Sanca Water (\$242)

- 6% Water user fee increase in 2024
- \$38K in capital projects
- North water line relocation project carried over to 2024.



Riondel

Riondel Fire (S128)

- Awaiting confirmation from Columbia Basin Trust wildfire grant that will help fund wildfire specific equipment and gear.
- Requisition up 14% mainly due to increased wages and fire services fee
- Increased emergency call volume over previous year
- Increased training for volunteer fire fighters
- Service is undergoing a review as it pertains to road rescue and first responder services, which it provides outside its fire protection Area
- Structure being looked at to improve the funding for the service from the rest of Area A.



Area A

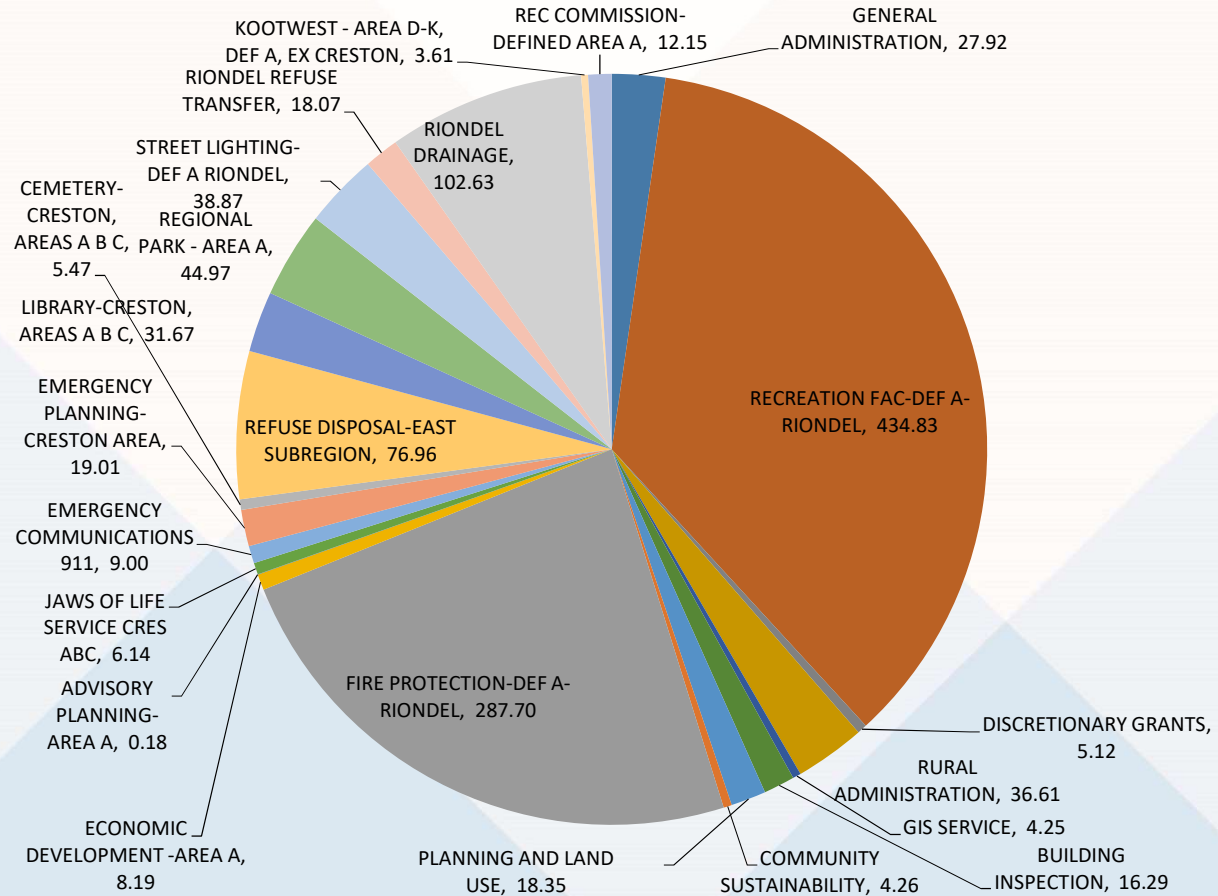
Emergency 911 (\$156)

- *Service is seeing increased taxation (\$548K in 2024 vs \$505K in 2023) as costs increase and revenue decreases*
 - *Increased contract services costs for 911 dispatch (South Okanagan: \$80K to \$115K) and Fire Dispatch (Fraser Fort George: \$273K to \$297K)*
 - *Fluent IMS - \$7K addition starting in 2024*
 - *\$45K for GIS Services to integrate Next Generation 911 (NG911) in 2024*



Riondel – RDCK Tax Bill

Per \$ 250,000 of
Home Value
\$ 1,212.23 Tax Bill
\$ 1,125.62 - 2023



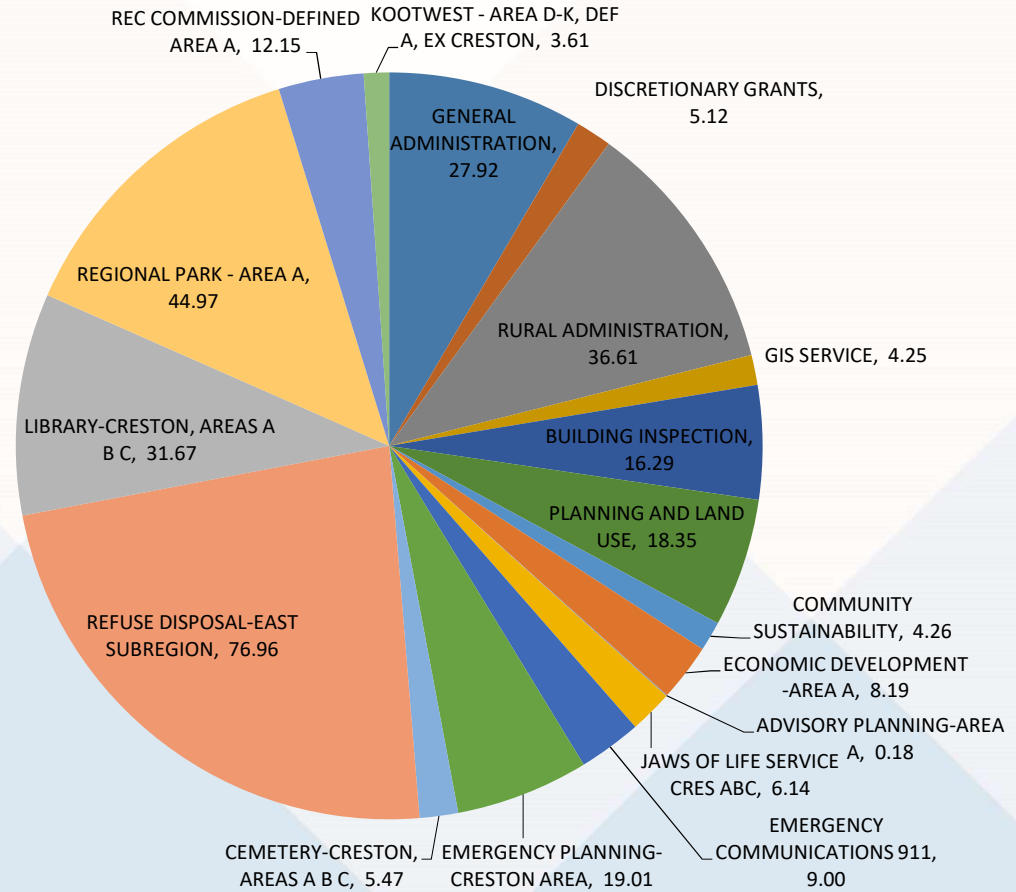
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Area A - North – RDCK Tax Bill

Per \$ 250,000 of
Home Value
\$ 330.14 Tax Bill
\$ 321.19 - 2023



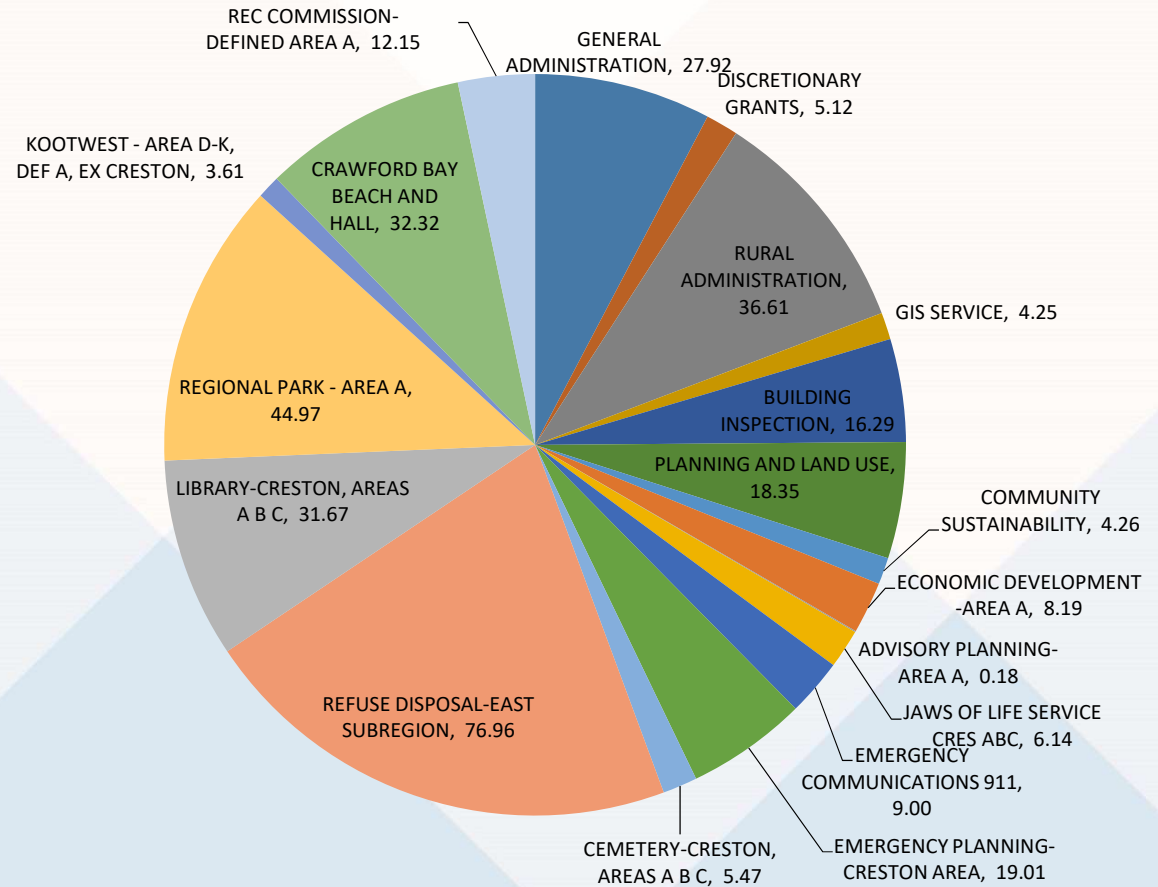
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Area A – Crawford Bay – RDCK Tax Bill

Per \$ 250,000 of Home Value
 \$ 362.45 Tax Bill
 \$ 353.61 - 2023



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