



Regional District of
Kitimat-Stikine

Draft 2016 Budget & 5 Year Plan

February 19, 2016
RDKS Boardroom
Terrace, BC

Presented by:

Verna Wickie, CPA, CMA, Treasurer

Yvonne Koerner, CPA, CMA, MBA, Deputy Treasurer

AGENDA

- Intro to RDKS
- Public Sector Accounting
- BC Assessment
- 2016 Budget Overview
- Major Variances
- Rates By Electoral Area
- Rates By Municipality
- 5 Year Plan
- Questions

Intro to RDKS

- Established in BC in the 1960's
 - Founded within the Canadian Constitution
 - Created by Letters Patent Issued by Cabinet by Orders of Council
- Legislation allowed municipalities and rural areas to join together to achieve regional service delivery.
- Regional Districts Exist as:
 - Federations
 - Administrative Agencies
 - Service Providers

Intro to RDKS

- Created to meet service needs that could not be provided by municipalities or the Province.
- Flexible to service all jurisdictions and unincorporated parts of the region
- Increased long term debt capital borrow capacity for municipalities
- Reduced inequities in fair sharing of Hospital Capital Costs

Intro to RDKS

- Property Tax Notice
 - General Services
 - Majority of RD members contribute to the cost
 - Examples includes: Electoral Area Administration, Feasibility Studies, Rural Land Use Planning, Solid Waste Management
 - Local Services
 - Established by referendum, petition, alternate approval process, or by consent
 - Only those properties in that local service area contribute
 - Examples Include: Thornhill Parks, New Remo Dyke

PSAB vs GAAP

- Public Sector Accounting (PSAB) is not the same as General Acceptable Accounting Principles (GAAP)
- Government and Not-For-Profit Follow PSAB
- GAAP applies when a rule does not exist in PSAB
- Funds raised in a service stay in the service and cannot be transferred or used for another purpose

Revenue

- Revenue comes from various sources, including items not commonly thought of as Revenue
- Revenue Streams Include:
 - Tax Levy
 - Capital Borrowing
 - Spending from a Reserve Account (Savings)
 - Grants
 - Charges & Fees
- Each Function's Revenue is separate

Expenditures

- Expenses also include items that would not be covered by GAAP
- Expenses Include:
 - Capital Purchases
 - Principal Loan Payments
 - Money Transferred into Reserve Account
- Each Function's Expenses are recorded separately
- General Admin costs are generally allocated to the different Functions

BC Assessments

	2016 Assessment	2016 Share	2015 Assessment	2015 Share	% Increase – Decrease
District of Kitimat	\$ 347,632,433	41.0%	\$ 346,055,588	42.5%	0.5%
City of Terrace	\$ 204,859,027	24.2%	\$ 193,560,813	23.8%	5.8%
District of Stewart	\$ 26,343,354	3.1%	\$ 22,209,907	2.7%	18.6%
District of New Hazelton	\$ 5,137,191	0.6%	\$ 5,088,582	0.6%	1.0%
Village of Hazelton	\$ 1,922,615	0.2%	\$ 1,841,323	0.2%	4.4%
Electoral Area A	\$ 16,878,803	2.0%	\$ 15,159,583	1.9%	11.3%
Electoral Area B	\$ 17,070,348	2.0%	\$ 15,009,753	1.8%	13.7%
Electoral Area C	\$ 66,429,440	7.8%	\$ 63,840,761	7.8%	4.1%
Electoral Area D	\$ 106,825,159	12.6%	\$ 99,331,272	12.2%	7.5%
Electoral Area E	\$ 46,574,900	5.5%	\$ 44,523,700	5.5%	4.6%
Electoral Area F	\$ 7,913,730	0.9%	\$ 7,757,592	1.0%	2.0%
	<u>\$ 847,587,000</u>	<u>100.0%</u>	<u>\$ 814,378,874</u>	<u>100.0%</u>	<u>3.9%</u>

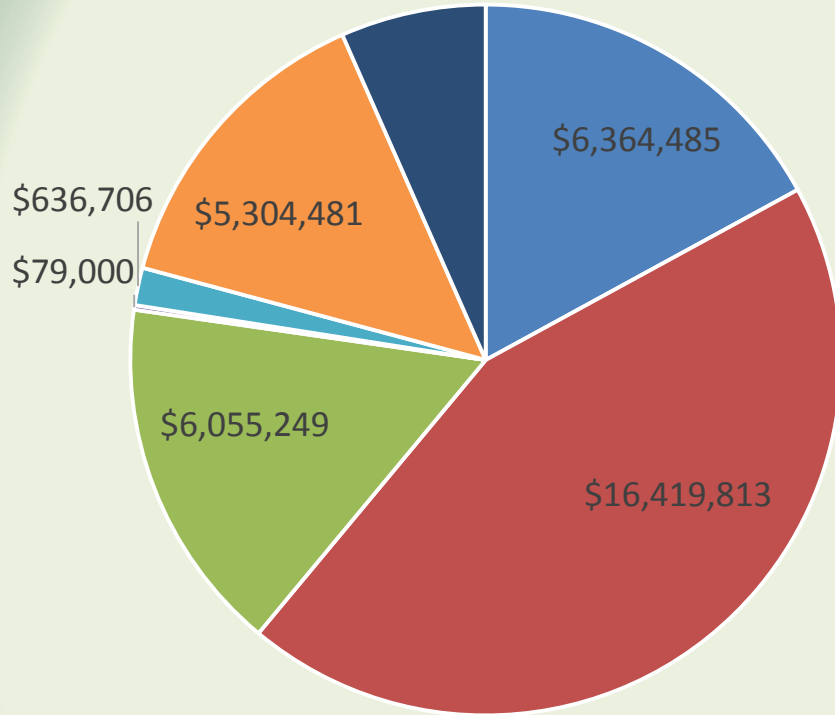
2016 Budget

REVENUE	2015 Budget	2015 Actual	2016 Budget
Tax requisition \$	6,364,485	\$ 6,363,062	\$ 8,354,806
Capital Borrowing \$	16,419,813		\$ 19,310,170
Grants \$	6,055,249	\$ 3,746,381	\$ 6,817,798
Interest Earned \$	79,000	\$ 85,780	\$ 86,151
Municipal debt payments \$	636,706	\$ 539,765	\$ 532,864
Internal transfers/Own Sources \$	5,304,481	\$ 3,767,717	\$ 9,586,762
Surplus carried from previous year \$	2,467,432	\$ 2,467,432	\$ (44,639)
Total \$	37,327,166	\$ 16,970,137	\$ 44,643,912

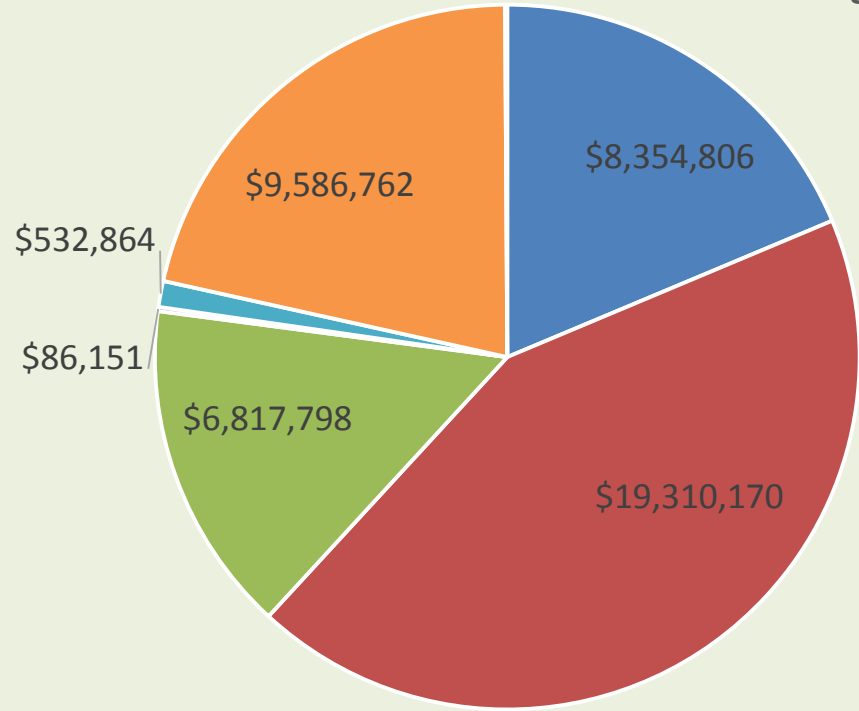
EXPENDITURES	2015 Budget	2015 Actual	2016 Budget
Capital Expenditures \$	19,067,000	\$ 5,306,878	\$ 24,093,733
Debt payments \$	585,307	\$ 578,963	\$ 602,607
Municipal debt payments \$	636,706	\$ 539,765	\$ 532,864
Transfers to Reserves \$	250,000	\$ 250,000	\$ 257,769
Operating expenses \$	16,788,153	\$ 10,294,531	\$ 19,156,939
Total \$	37,327,166	\$ 16,970,137	\$ 44,643,912

Total Revenue

\$2,467,432 **2015 Budget**



\$(44,639) **2016 Budget**

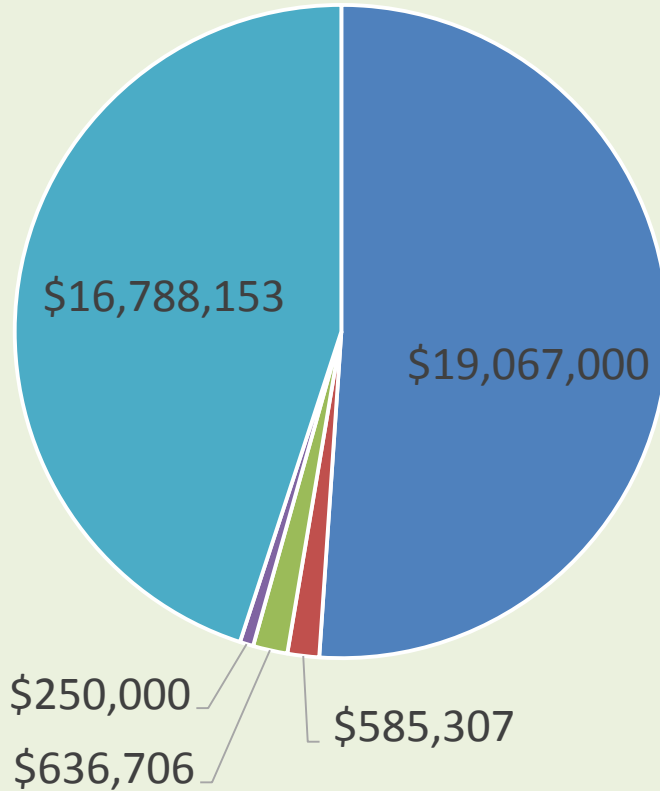


- Tax requisition
- Grants
- Municipal debt payments
- Surplus carried from previous year

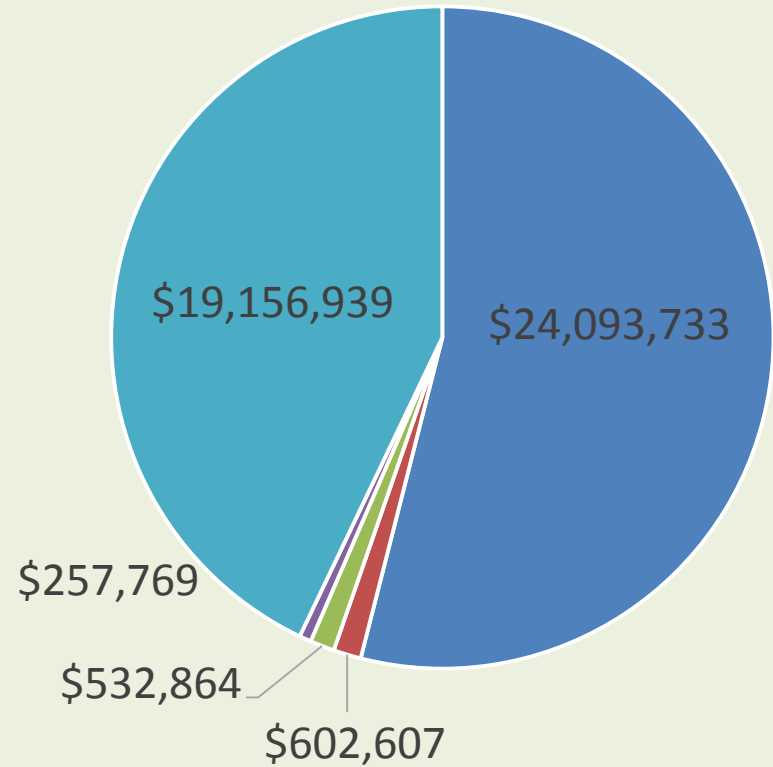
- Capital Borrowing
- Interest Earned
- Internal transfers/Own Sources

Total Expenditures

2015 Budget



2016 Budget



Capital Expenditures

Debt payments

Municipal debt payments

Transfers to Reserves

Operating expenses

Tax Requisition Variance

	2015 BUDGET	2016 BUDGET	B16-B15
Tax requisition \$	6,364,485	\$ 8,354,806	\$ 1,990,321
Variance Explanation:			
Removed Old Refuse Site Function	1,249,999	-	(1,249,999)
Added Terrace Area Solid Waste & Recycling	-	1,391,000	1,391,000
Added Hazelton & Stewart Area Solid Waste	-	1,023,665	1,023,665
<i>Impact of Solid Waste & Recycling Functions</i>			<u>1,164,666</u>
Add Building Renovation General Government			377,000
Add Thornhill Commercial Core Sewer	-	180,000	180,000
Increase for Terrace Recreation & Cemetery	565,072	682,924	117,852
Add Digital Mapping Project Planning Services			55,000
Add Increased Contribution for a New Fire Truck (Thornhill)			50,000
New Incentive program to attract volunteers & increase training (Thornhill Fire)			30,000
Impact of other variances			<u>15,803</u>
			<u>1,990,321</u>

2016 Capital Expenditures

Capital Expenditures	2016 Budget
	\$24,093,733
Thornhill Transfer Station	\$ 3,000,000
Forceman Landfill	\$10,000,000
Hazelton Landfill Phase 1	\$ 3,200,000
Kitwanga Transfer Station	\$ 932,000
Stewart Transfer Station	\$ 200,000
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	\$17,332,000
Thornhill Commercial Core	
Sewer	\$ 2,171,733
Skeena Ice Arena	\$ 4,000,000
Thornhill Fire New Truck	\$ 450,000
2 Vehicles for Solid Waste	\$ 60,000
2 Replacement Trucks for Works & Services	\$ 80,000
	<hr/>
	\$24,093,733

Operating Expenses Variance

	2015 Budget	2016 BUDGET	B16-B15
Operating Expenses \$	16,788,153	\$ 19,156,939	\$ 2,368,786
Variance Explanation:			
Removed Old Refuse Site Function \$	6,125,082	\$	\$ (6,125,082)
Added Terrace Area Solid Waste & Recycling \$		\$ 4,980,130	\$ 4,980,130
Added Hazelton & Stewart Area Solid Waste \$		\$ 3,107,075	\$ 3,107,075
Impact of Solid Waste & Recycling Functions			<u>\$ 1,962,123</u> *
Total of All Contingency Accounts \$	1,879,401	\$ 2,317,151	\$ 437,750 **
		Net Impact of Other Variances \$	<u>(31,087)</u>
			<u>\$ 2,368,786</u>

*Solid Waste & Recycling Service Area has expanded

** Contingency Accounts are savings for Emergencies and Capital Purchases within individual Functions

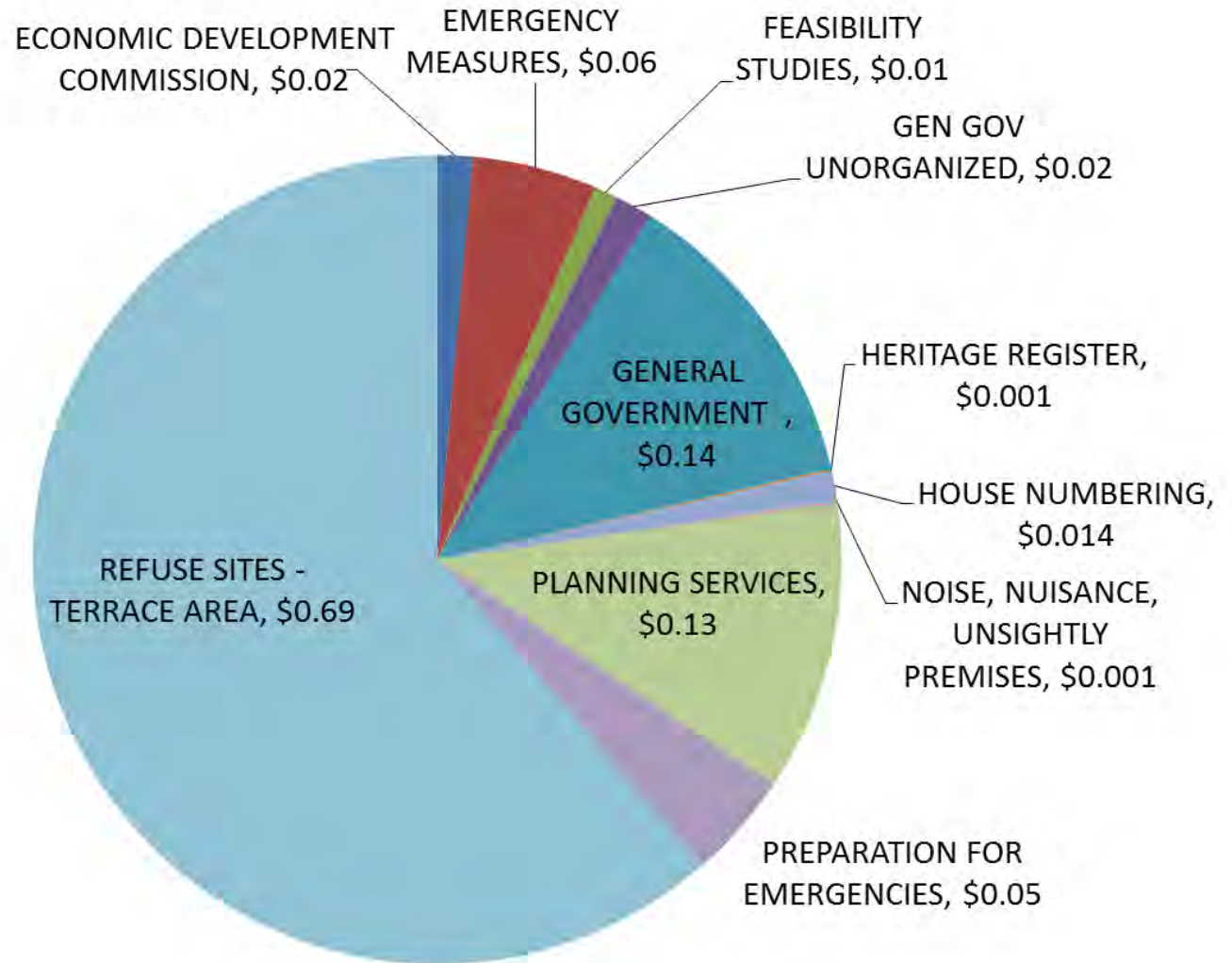
Tax Rates By Electoral Area

	<i>ELECTORAL AREA A</i>	
	2015	2016
<i>A KITIMAT STIKINE</i>	\$ 0.919	\$ 1.192
ECONOMIC DEVELOPMENT COMMISSION	\$ 0.004	\$ 0.016
EMERGENCY MEASURES	\$ 0.059	\$ 0.056
FEASIBILITY STUDIES	\$ 0.015	\$ 0.011
GEN GOV UNORGANIZED	\$ 0.014	\$ 0.017
GENERAL GOVERNMENT	\$ 0.086	\$ 0.141
HERITAGE REGISTER	\$ 0.003	\$ 0.001
HOUSE NUMBERING	\$ 0.004	\$ 0.014
NOISE, NUISANCE, UNSIGHTLY PREMISES	\$ 0.001	\$ 0.001
PLANNING SERVICES	\$ 0.146	\$ 0.131
PREPARATION FOR EMERGENCIES	\$ 0.050	\$ 0.048
REFUSE SITES - TERRACE AREA	\$ 0.537	\$ 0.692

REGIONAL DISTRICT OF KITIMAT STIKINE

GENERAL TAX RATE ELECTORAL AREA A

2016



\$1.19 per \$1000

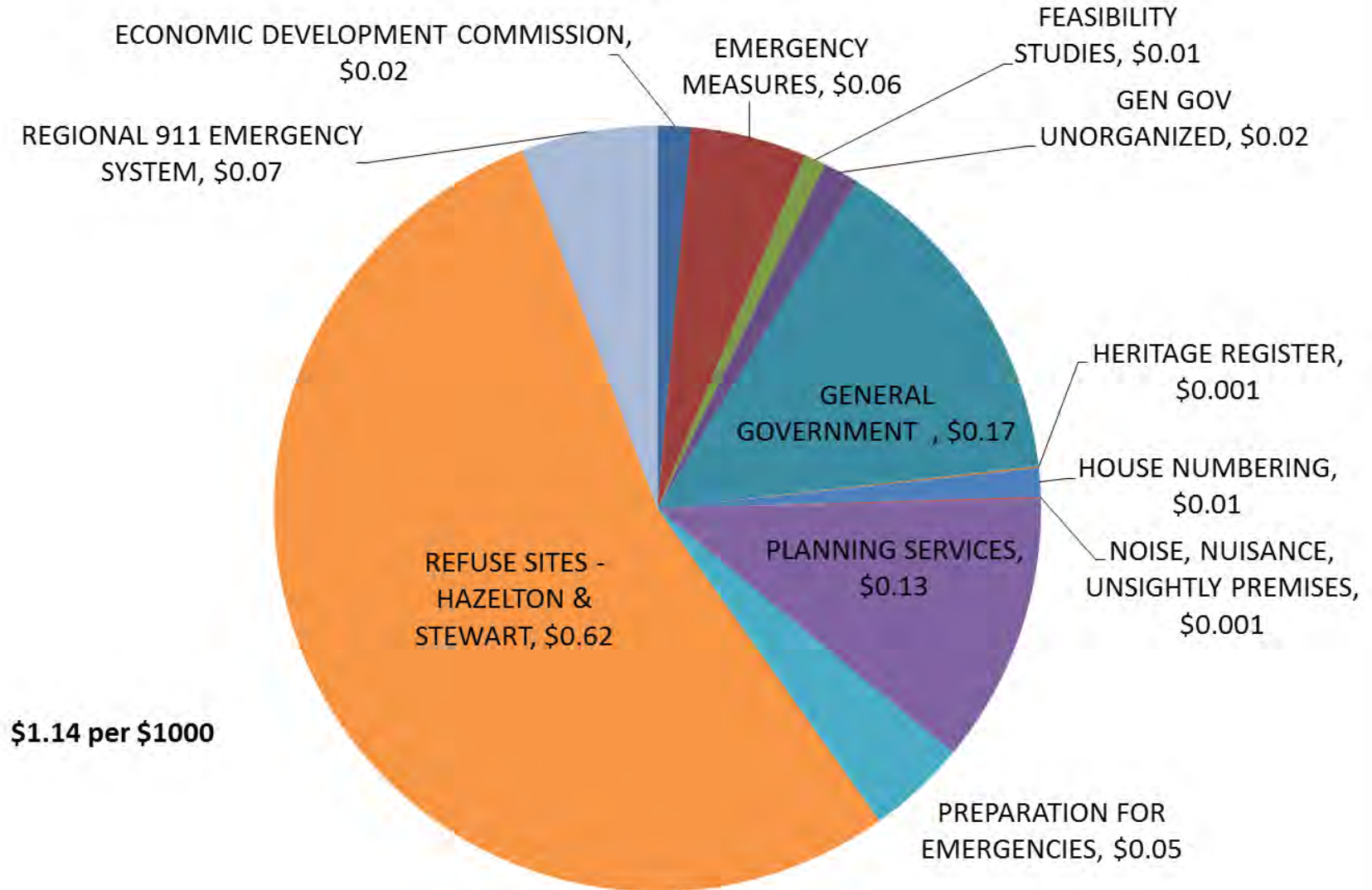
Tax Rates By Electoral Area

	<i>ELECTORAL AREA B</i>	
	2015	2016
<i>B KITIMAT STIKINE</i>	\$ 0.999	\$ 1.144
ECONOMIC DEVELOPMENT COMMISSION	\$ 0.004	\$ 0.016
EMERGENCY MEASURES	\$ 0.059	\$ 0.056
FEASIBILITY STUDIES	\$ 0.015	\$ 0.011
GEN GOV UNORGANIZED	\$ 0.014	\$ 0.017
GENERAL GOVERNMENT	\$ 0.106	\$ 0.166
HERITAGE REGISTER	\$ 0.003	\$ 0.001
HOUSE NUMBERING	\$ 0.004	\$ 0.014
NOISE, NUISANCE, UNSIGHTLY PREMISES	\$ 0.001	\$ 0.001
PLANNING SERVICES	\$ 0.146	\$ 0.131
PREPARATION FOR EMERGENCIES	\$ 0.050	\$ 0.048
REFUSE SITES - HAZELTON & STEWART	\$ 0.537	\$ 0.619
REGIONAL 911 EMERGENCY SYSTEM	\$ 0.059	\$ 0.066

REGIONAL DISTRICT OF KITIMAT STIKINE

GENERAL TAX RATE ELECTORAL AREA B

2016



\$1.14 per \$1000



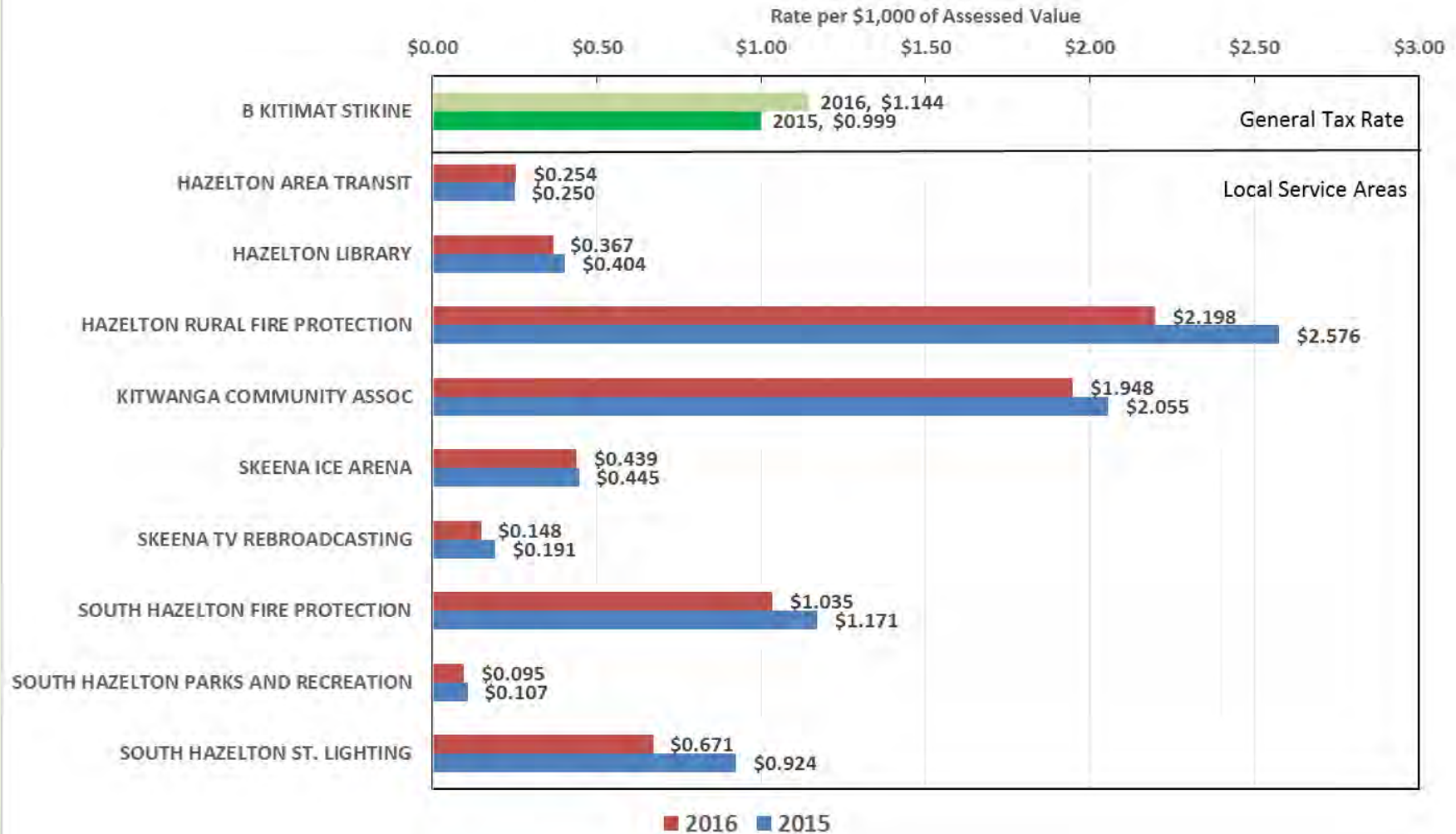
Tax Rates By Electoral Area

LOCAL SERVICE AREAS FOR AREA B	2015	2016
<i>B KITIMAT STIKINE</i>	\$ 0.999	\$ 1.144
HAZELTON AREA TRANSIT	\$ 0.250	\$ 0.254
HAZELTON LIBRARY	\$ 0.404	\$ 0.367
HAZELTON RURAL FIRE PROTECTION	\$ 2.576	\$ 2.198
KITWANGA COMMUNITY ASSOC	\$ 2.055	\$ 1.948
SKEENA ICE ARENA	\$ 0.445	\$ 0.439
SKEENA TV REBROADCASTING	\$ 0.191	\$ 0.148
SOUTH HAZELTON FIRE PROTECTION	\$ 1.171	\$ 1.035
SOUTH HAZELTON PARKS AND RECREATION	\$ 0.107	\$ 0.095
SOUTH HAZELTON ST. LIGHTING	\$ 0.924	\$ 0.671

REGIONAL DISTRICT OF KITIMAT STIKINE

Electoral Area B

General Tax Rate & Local Service Area Rates (Not all pay for all Local Service Areas)



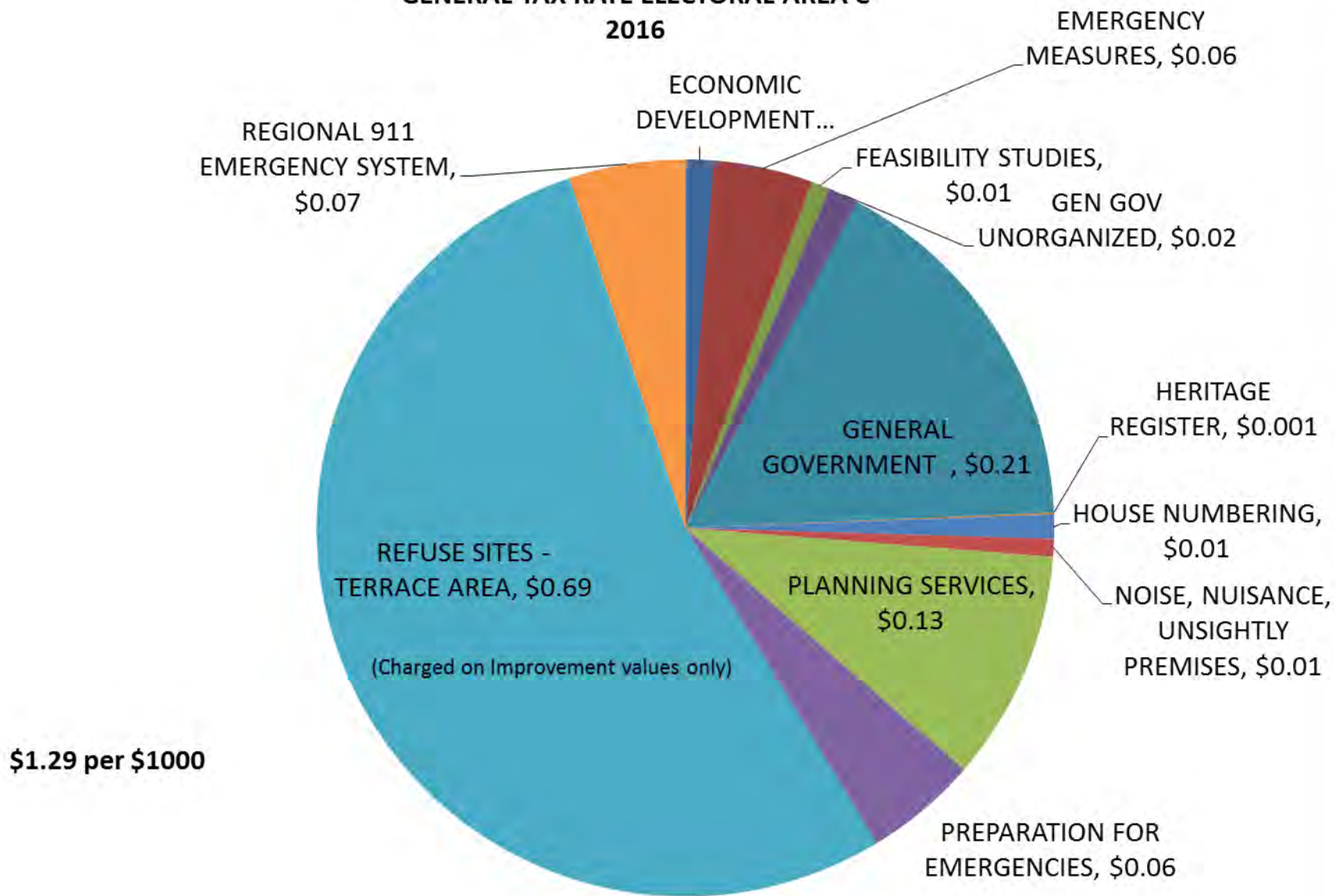
Tax Rates By Electoral Area

	ELECTORAL AREA C	
	2015	2016
<i>C KITIMAT STIKINE</i>	\$ 1.274	\$ 1.290
ECONOMIC DEVELOPMENT COMMISSION	\$ 0.004	\$ 0.016
EMERGENCY MEASURES	\$ 0.059	\$ 0.056
FEASIBILITY STUDIES	\$ 0.015	\$ 0.011
GEN GOV UNORGANIZED	\$ 0.014	\$ 0.017
GENERAL GOVERNMENT	\$ 0.186	\$ 0.214
HERITAGE REGISTER	\$ 0.003	\$ 0.001
HOUSE NUMBERING	\$ 0.004	\$ 0.014
NOISE, NUISANCE, UNSIGHTLY PREMISES	\$ 0.180	\$ 0.010
PLANNING SERVICES	\$ 0.146	\$ 0.131
PREPARATION FOR EMERGENCIES	\$ 0.066	\$ 0.064
REFUSE SITES - TERRACE AREA	\$ 0.537	\$ 0.692
REGIONAL 911 EMERGENCY SYSTEM	\$ 0.059	\$ 0.066

REGIONAL DISTRICT OF KITIMAT STIKINE

GENERAL TAX RATE ELECTORAL AREA C

2016



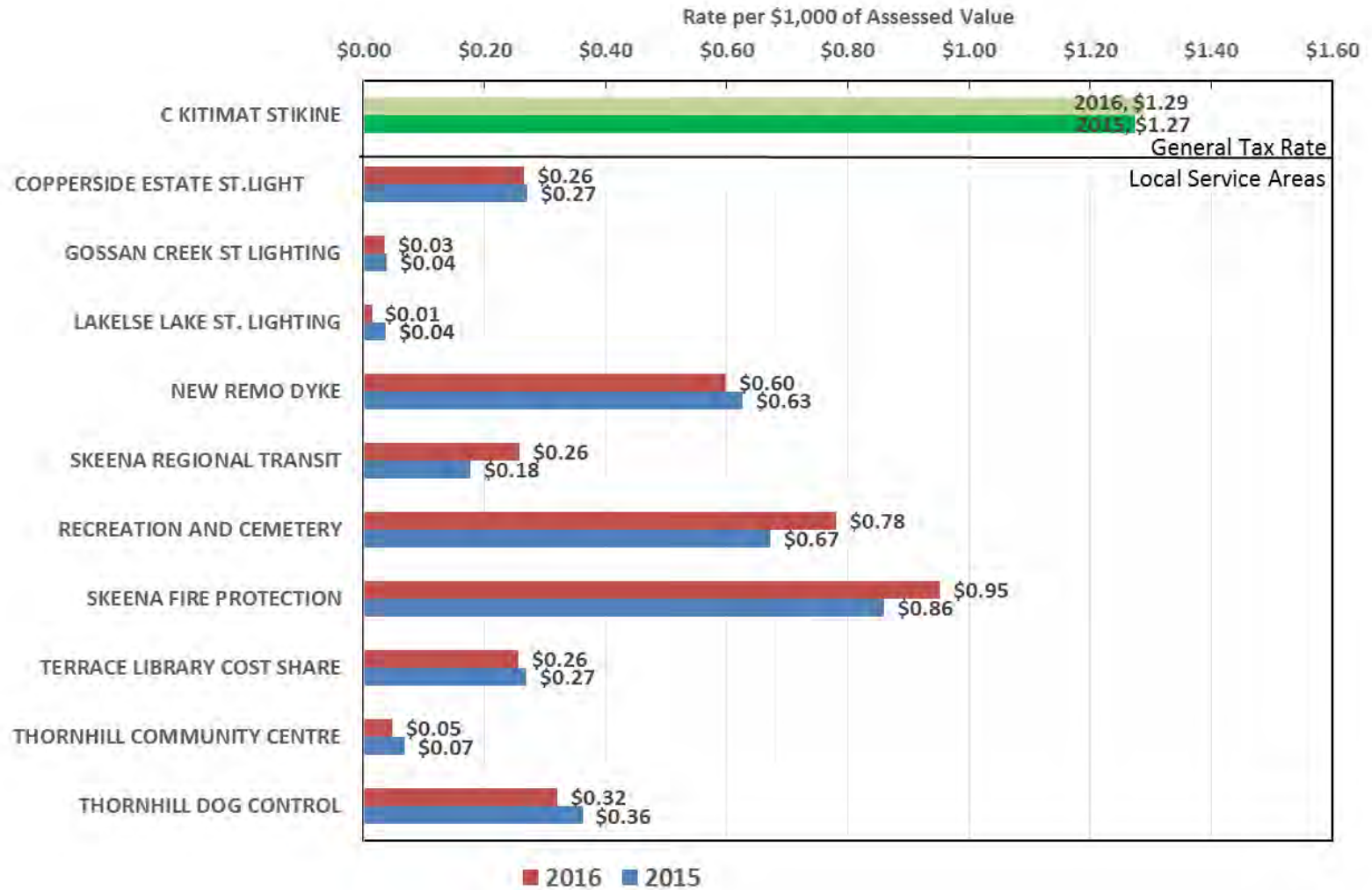
Tax Rates By Electoral Area

LOCAL SERVICE AREAS		2015	2016
<i>C KITIMAT STIKINE</i>	\$	1.274	\$ 1.290
COPPERSIDE ESTATE ST.LIGHT	\$	0.271	\$ 0.265
GOSSAN CREEK ST LIGHTING	\$	0.038	\$ 0.034
LAKELSE LAKE ST. LIGHTING	\$	0.037	\$ 0.014
NEW REMO DYKE	\$	0.625	\$ 0.599
SKEENA REGIONAL TRANSIT	\$	0.176	\$ 0.258
RECREATION AND CEMETERY	\$	0.672	\$ 0.781
SKEENA FIRE PROTECTION	\$	0.861	\$ 0.952
TERRACE LIBRARY COST SHARE	\$	0.269	\$ 0.255
THORNHILL COMMUNITY CENTRE	\$	0.068	\$ 0.048
THORNHILL DOG CONTROL	\$	0.362	\$ 0.321

REGIONAL DISTRICT OF KITIMAT STIKINE

Electoral Area C

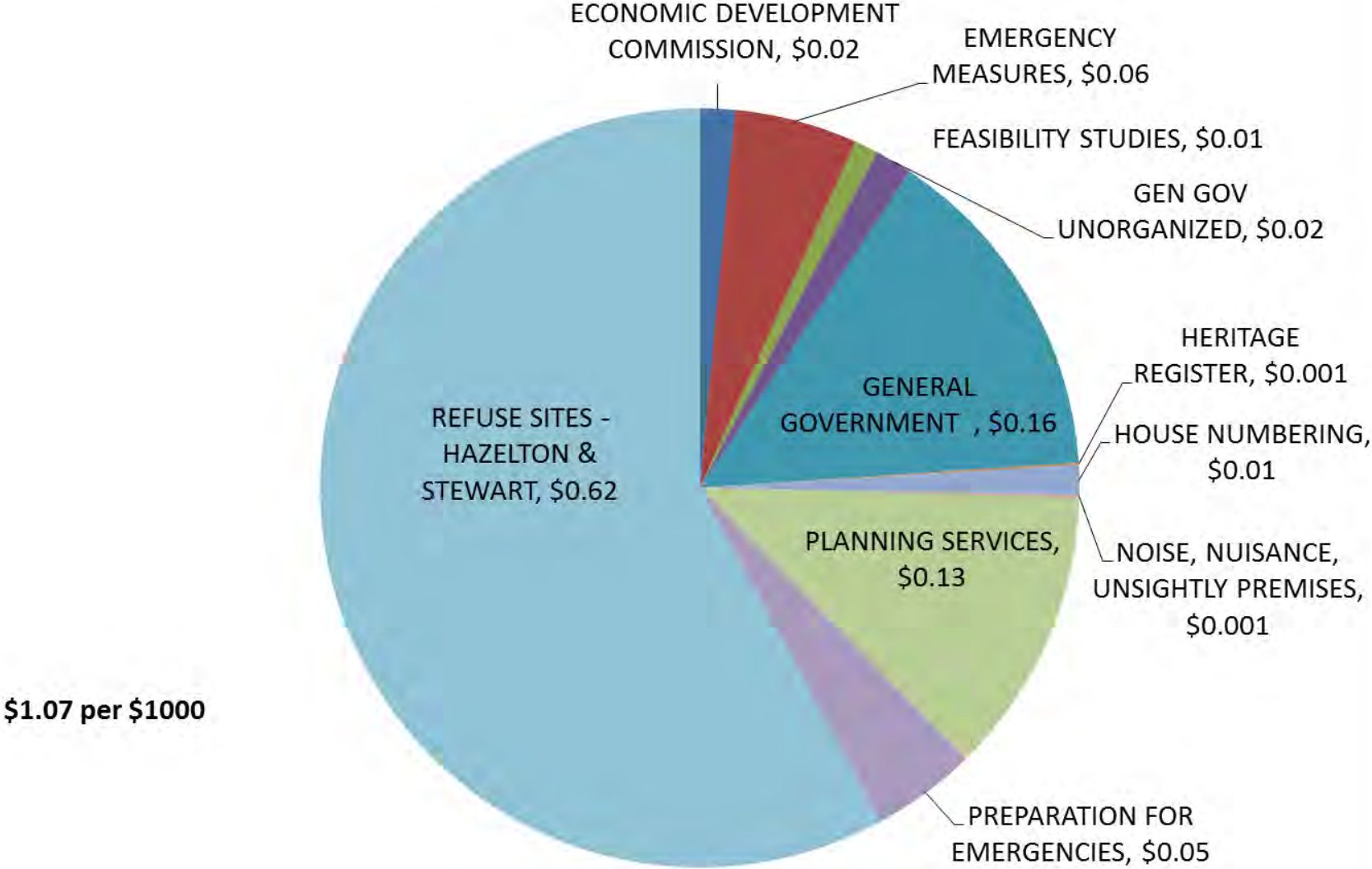
General Tax Rate & Local Service Area Rates
(Not all pay for all Local Service Areas)



Tax Rates By Electoral Area

	ELECTORAL AREA D	
	2015	2016
<i>D KITIMAT STIKINE</i>	\$ 0.928	\$ 1.068
ECONOMIC DEVELOPMENT COMMISSION	\$ 0.004	\$ 0.016
EMERGENCY MEASURES	\$ 0.059	\$ 0.056
FEASIBILITY STUDIES	\$ 0.015	\$ 0.011
GEN GOV UNORGANIZED	\$ 0.014	\$ 0.017
GENERAL GOVERNMENT	\$ 0.095	\$ 0.156
HERITAGE REGISTER	\$ 0.003	\$ 0.001
HOUSE NUMBERING	\$ 0.004	\$ 0.014
NOISE, NUISANCE, UNSIGHTLY PREMISES	\$ 0.001	\$ 0.001
PLANNING SERVICES	\$ 0.146	\$ 0.131
PREPARATION FOR EMERGENCIES	\$ 0.050	\$ 0.048
REFUSE SITES - HAZELTON & STEWART	\$ 0.537	\$ 0.619

REGIONAL DISTRICT OF KITIMAT STIKINE
GENERAL TAX RATE ELECTORAL AREA D
2016



\$1.07 per \$1000

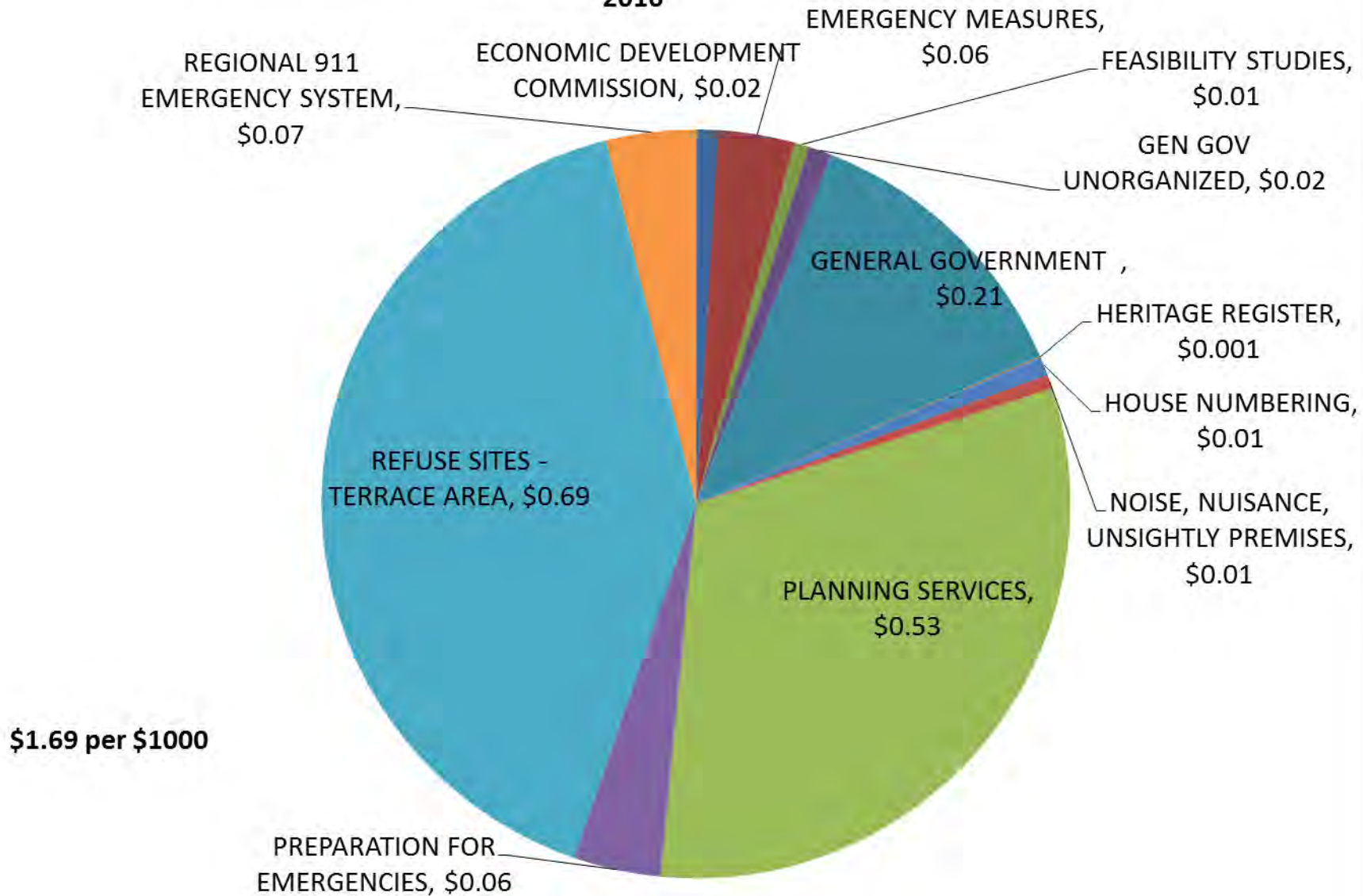
Tax Rates By Electoral Area

	ELECTORAL AREA E	
	2015	2016
<i>E KITIMAT STIKINE</i>	\$ 1.714	\$ 1.694
ECONOMIC DEVELOPMENT COMMISSION	\$ 0.004	\$ 0.016
EMERGENCY MEASURES	\$ 0.059	\$ 0.056
FEASIBILITY STUDIES	\$ 0.015	\$ 0.011
GEN GOV UNORGANIZED	\$ 0.014	\$ 0.017
GENERAL GOVERNMENT	\$ 0.169	\$ 0.214
HERITAGE REGISTER	\$ 0.003	\$ 0.001
HOUSE NUMBERING	\$ 0.004	\$ 0.014
NOISE, NUISANCE, UNSIGHTLY PREMISES	\$ 0.013	\$ 0.010
PLANNING SERVICES	\$ 0.771	\$ 0.534
PREPARATION FOR EMERGENCIES	\$ 0.066	\$ 0.064
REFUSE SITES - TERRACE AREA	\$ 0.537	\$ 0.692
REGIONAL 911 EMERGENCY SYSTEM	\$ 0.059	\$ 0.066

REGIONAL DISTRICT OF KITIMAT STIKINE

GENERAL TAX RATE ELECTORAL AREA E

2016



\$1.69 per \$1000

Tax Rates By Electoral Area

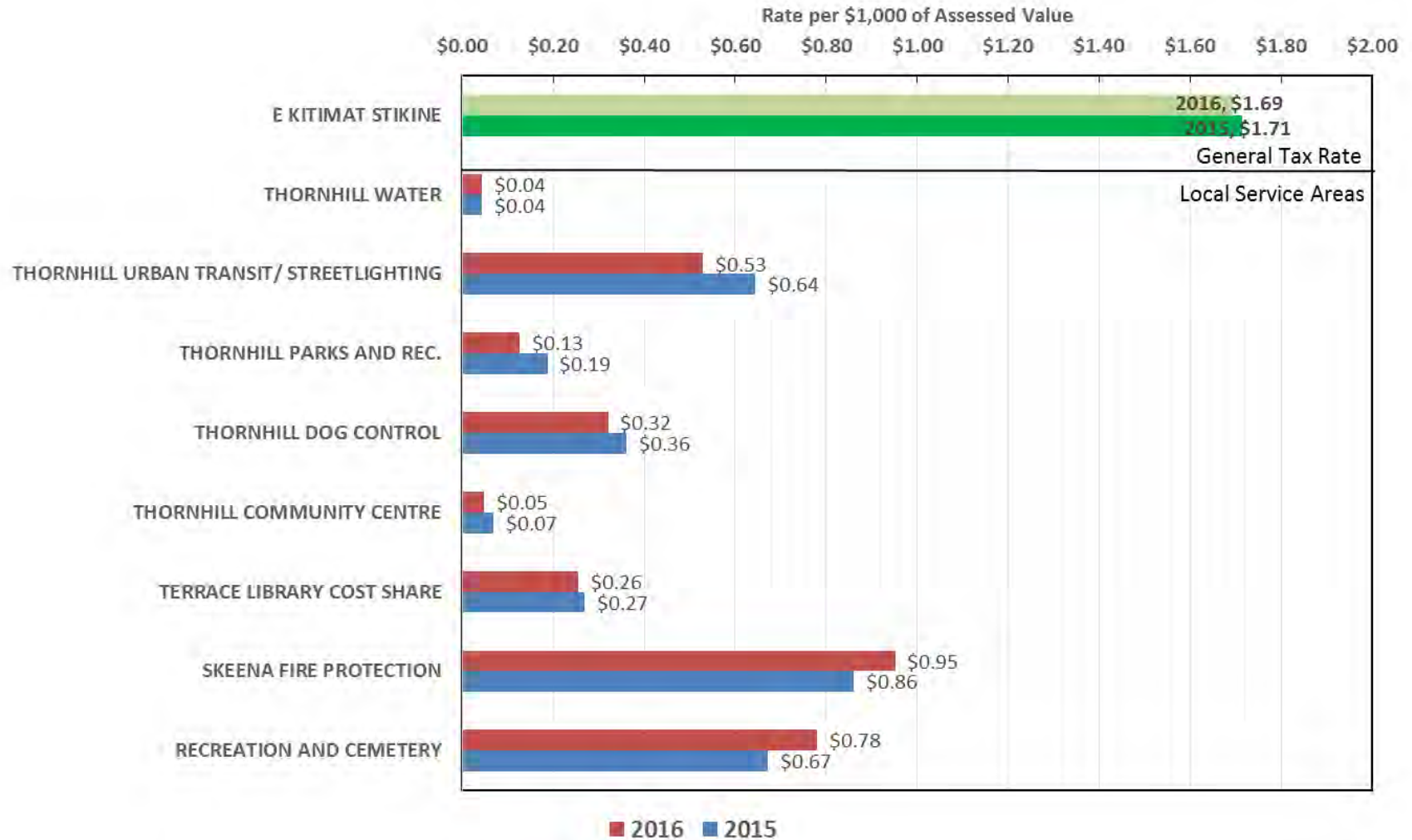
LOCAL SERVICE AREAS FOR AREA E	2015	2016
<i>E KITIMAT STIKINE</i>	\$ 1.714	\$ 1.694
THORNHILL WATER	\$ 0.043	\$ 0.043
THORNHILL URBAN TRANSIT/ STREETLIGHTING	\$ 0.644	\$ 0.528
THORNHILL PARKS AND REC.	\$ 0.187	\$ 0.126
THORNHILL DOG CONTROL	\$ 0.362	\$ 0.321
THORNHILL COMMUNITY CENTRE	\$ 0.068	\$ 0.048
TERRACE LIBRARY COST SHARE	\$ 0.269	\$ 0.255
SKEENA FIRE PROTECTION	\$ 0.861	\$ 0.952
RECREATION AND CEMETERY	\$ 0.672	\$ 0.781

REGIONAL DISTRICT OF KITIMAT STIKINE

Electoral Area E

General Tax Rate & Local Service Area Rates

(Not all pay for all Local Service Areas)



Tax Rates By Electoral Area

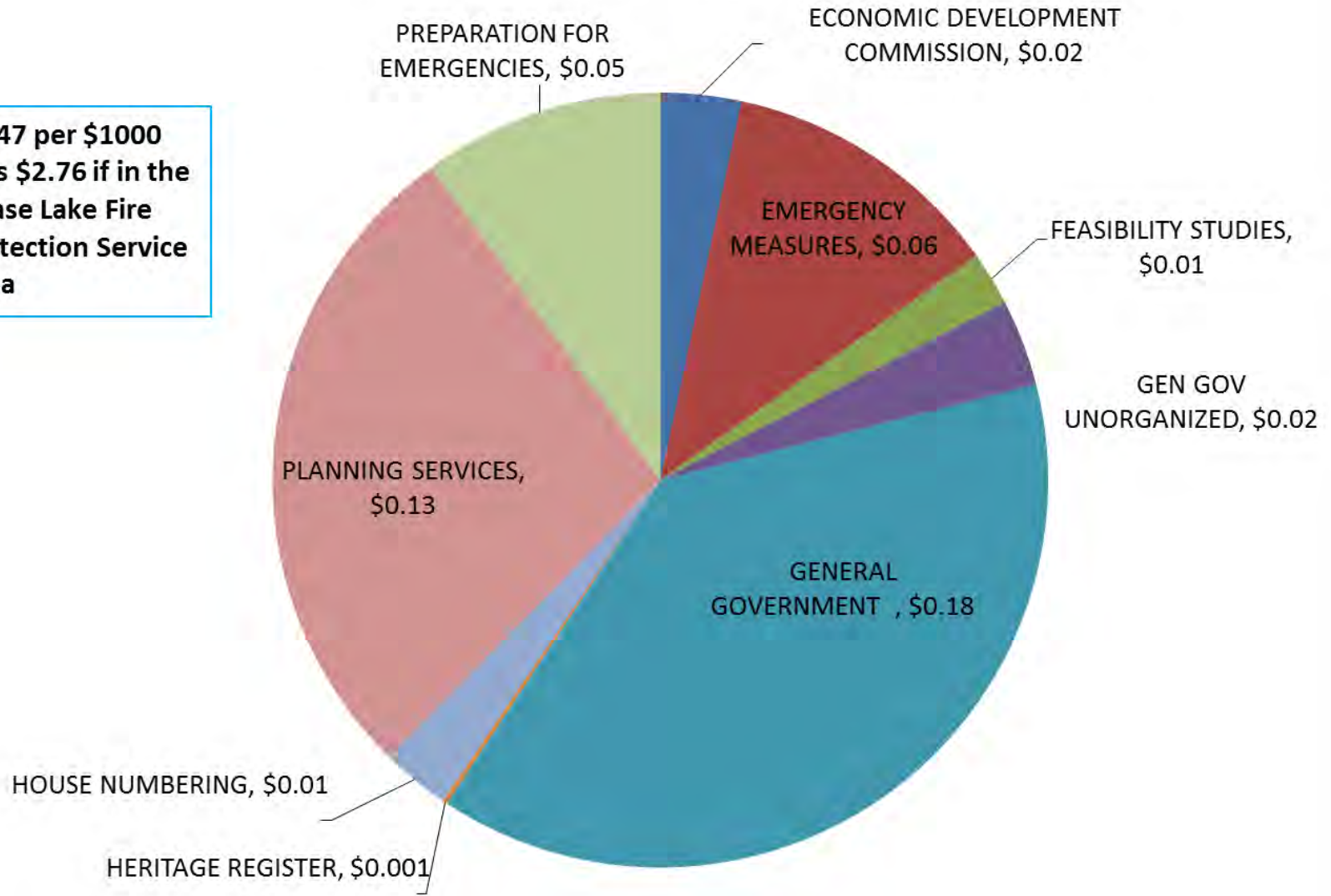
	<i>ELECTORAL AREA F</i>	
	2015	2016
<i>F KITIMAT STIKINE</i>	\$ 0.422	\$ 0.474
ECONOMIC DEVELOPMENT COMMISSION	\$ 0.004	\$ 0.016
EMERGENCY MEASURES	\$ 0.059	\$ 0.056
FEASIBILITY STUDIES	\$ 0.015	\$ 0.011
GEN GOV UNORGANIZED	\$ 0.014	\$ 0.017
GENERAL GOVERNMENT	\$ 0.127	\$ 0.181
HERITAGE REGISTER	\$ 0.003	\$ 0.001
HOUSE NUMBERING	\$ 0.004	\$ 0.014
PLANNING SERVICES	\$ 0.146	\$ 0.131
PREPARATION FOR EMERGENCIES	\$ 0.050	\$ 0.048
<i>LOCAL SERVICE AREA FOR AREA F</i>		
DEASE LAKE FIRE PROTECTION	\$ 2.82	\$ 2.76

REGIONAL DISTRICT OF KITIMAT STIKINE

GENERAL TAX RATE ELECTORAL AREA F

2016

**\$0.47 per \$1000
Plus \$2.76 if in the
Dease Lake Fire
Protection Service
Area**

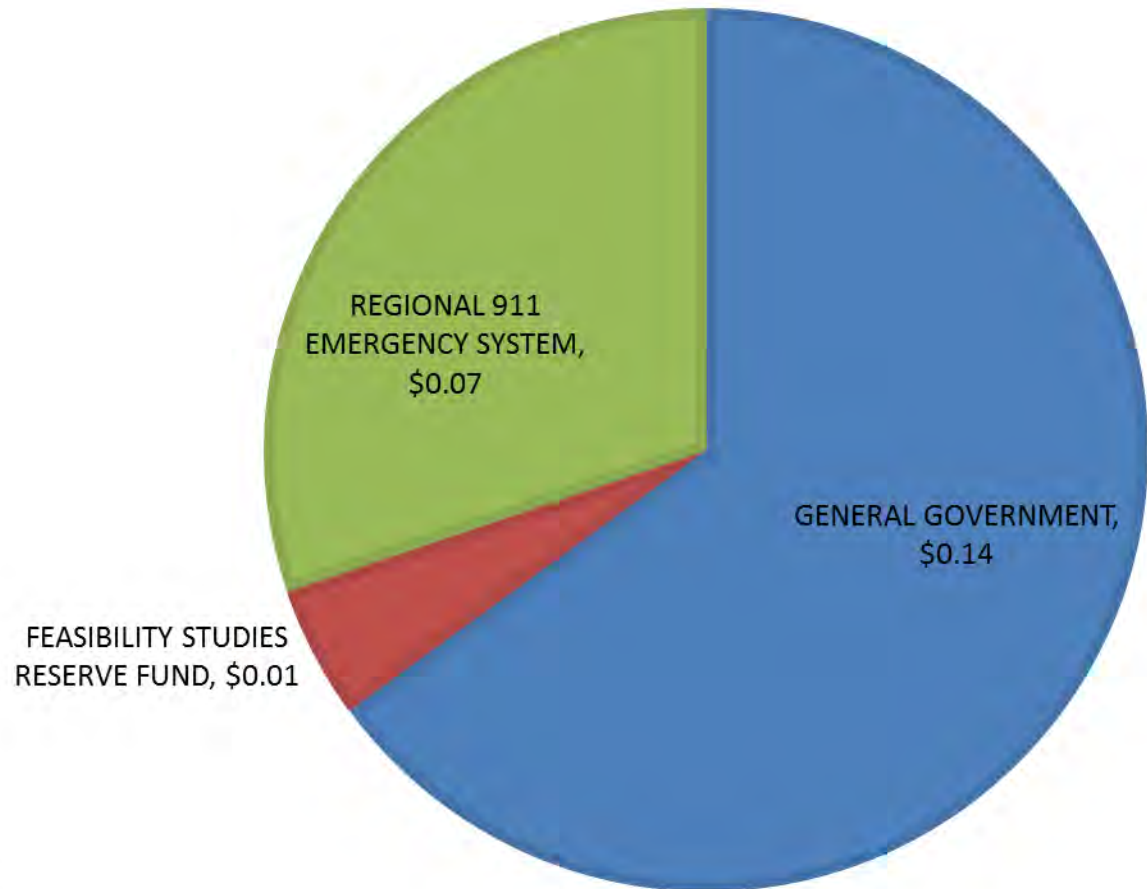


Rate by Municipal Area

DISTRICT OF KITIMAT

	2016 Rate	2016 Requisition
GENERAL GOVERNMENT	\$ 0.141	\$ 463,590
FEASIBILITY STUDIES RESERVE FUND	\$ 0.011	\$ 34,728
REGIONAL 911 EMERGENCY SYSTEM	\$ 0.066	\$ 216,943
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	\$ 0.218	\$ 715,261

REGIONAL DISTRICT OF KITIMAT STIKINE
GENERAL TAX RATE FOR DISTRICT OF KITIMAT
2016



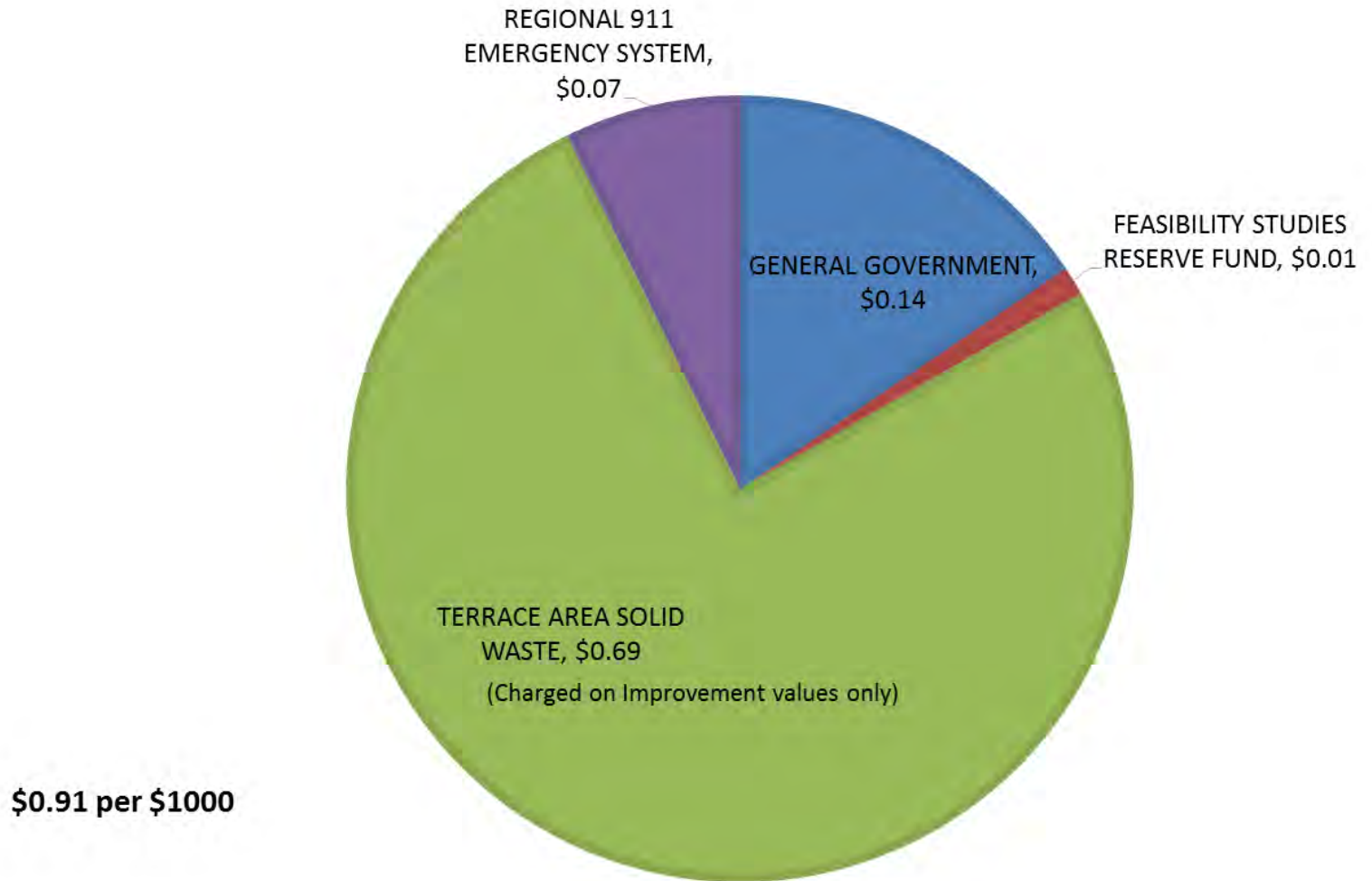
\$0.22 per \$1000

Rate by Municipal Area

CITY OF TERRACE

	2016 Rate	2016 Requisition
GENERAL GOVERNMENT	\$ 0.141	\$ 270,896
FEASIBILITY STUDIES RESERVE FUND	\$ 0.011	\$ 20,293
TERRACE AREA SOLID WASTE	\$ 0.692	\$ 839,598
REGIONAL 911 EMERGENCY SYSTEM	\$ 0.066	\$ 127,844
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	\$ 0.909	\$ 1,258,631

REGIONAL DISTRICT OF KITIMAT STIKINE
GENERAL TAX RATE FOR CITY OF TERRACE
2016

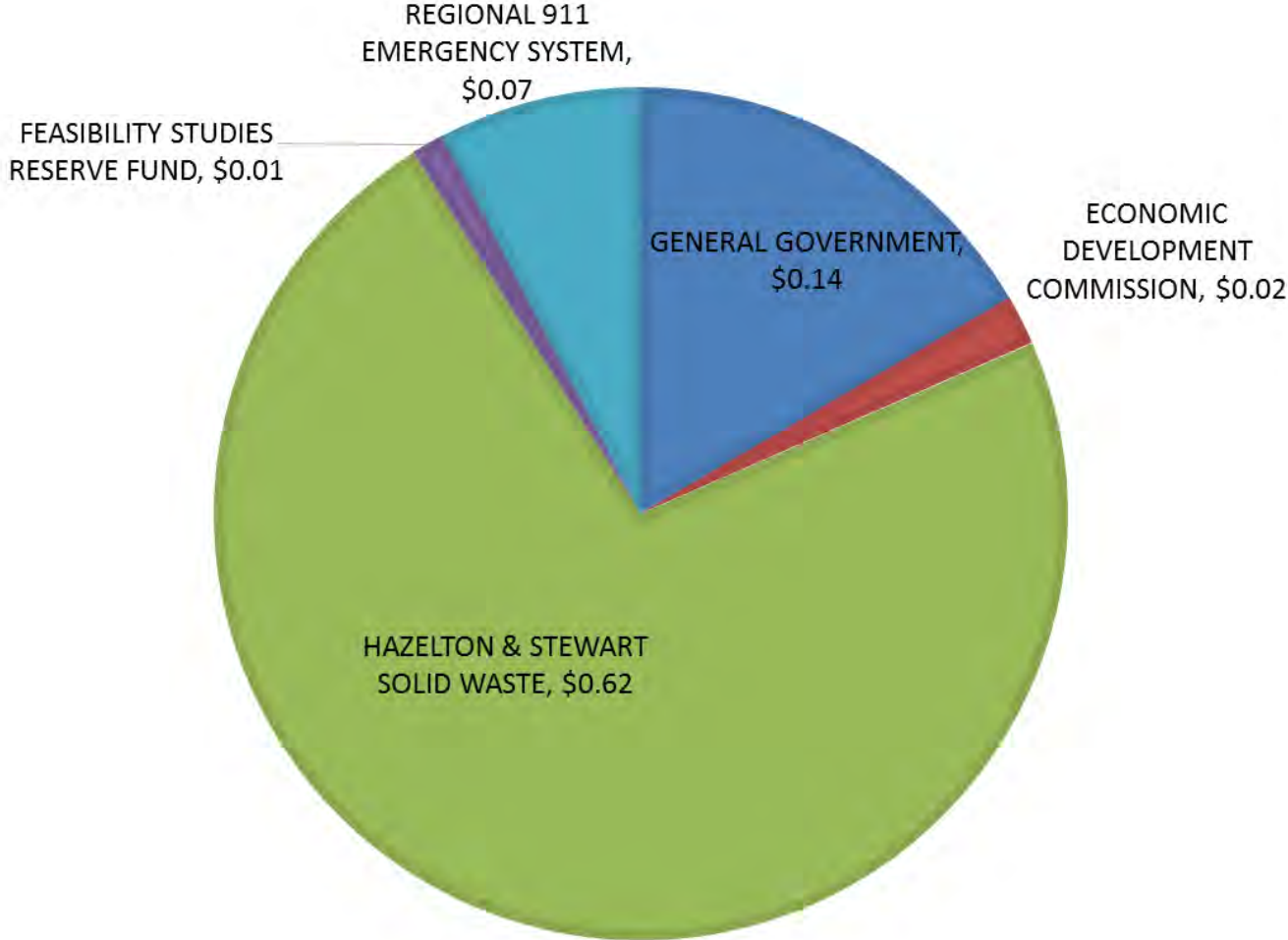


Rate by Municipal Area

DISTRICT OF STEWART

	Rate	2016 Requisition
GENERAL GOVERNMENT	\$ 0.141	\$ 35,288
ECONOMIC DEVELOPMENT COMMISSION	\$ 0.016	\$ 3,981
HAZELTON & STEWART SOLID WASTE	\$ 0.619	\$ 154,824
FEASIBILITY STUDIES RESERVE FUND	\$ 0.011	\$ 2,644
REGIONAL 911 EMERGENCY SYSTEM	\$ 0.066	\$ 16,440
	<hr/> \$ 0.852	<hr/> \$ 213,176

REGIONAL DISTRICT OF KITIMAT STIKINE
GENERAL TAX RATE FOR DISTRICT OF STEWART
2016



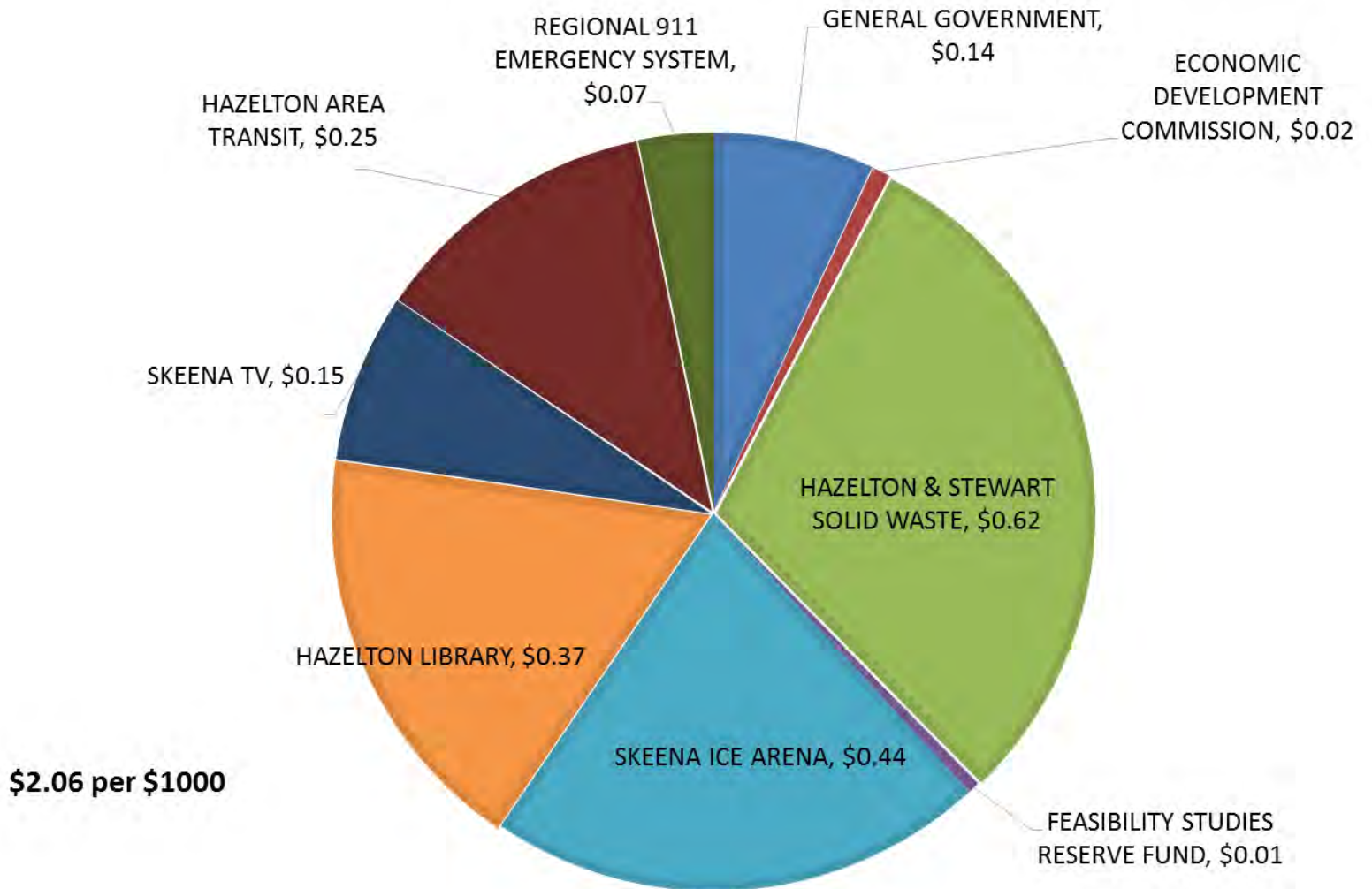
\$0.85 per \$1000

Rate by Municipal Area

DISTRICT OF NEW HAZELTON

	2016 Rate	2016 Levy	Rail Mitigation	2016 Requisition
GENERAL GOVERNMENT	\$ 0.141	\$ 6,874		\$ 6,874
ECONOMIC DEVELOPMENT COMMISSION	\$ 0.016	\$ 776		\$ 776
HAZELTON & STEWART SOLID WASTE	\$ 0.619	\$ 30,192		\$ 30,192
FEASIBILITY STUDIES RESERVE FUND	\$ 0.011	\$ 515		\$ 515
SKEENA ICE ARENA	\$ 0.439	\$ 21,417		\$ 21,417
HAZELTON LIBRARY	\$ 0.367	\$ 26,345	\$ (32,000)	\$ (5,655)
SKEENA TV	\$ 0.148	\$ 7,212		\$ 7,212
HAZELTON AREA TRANSIT	\$ 0.254	\$ 12,412		\$ 12,412
REGIONAL 911 EMERGENCY SYSTEM	\$ 0.066	\$ 3,206		\$ 3,206
	\$ 2.060	\$ 108,948	\$ (32,000)	\$ 76,948

REGIONAL DISTRICT OF KITIMAT STIKINE
GENERAL TAX RATE FOR DISTRICT OF NEW HAZELTON
2016

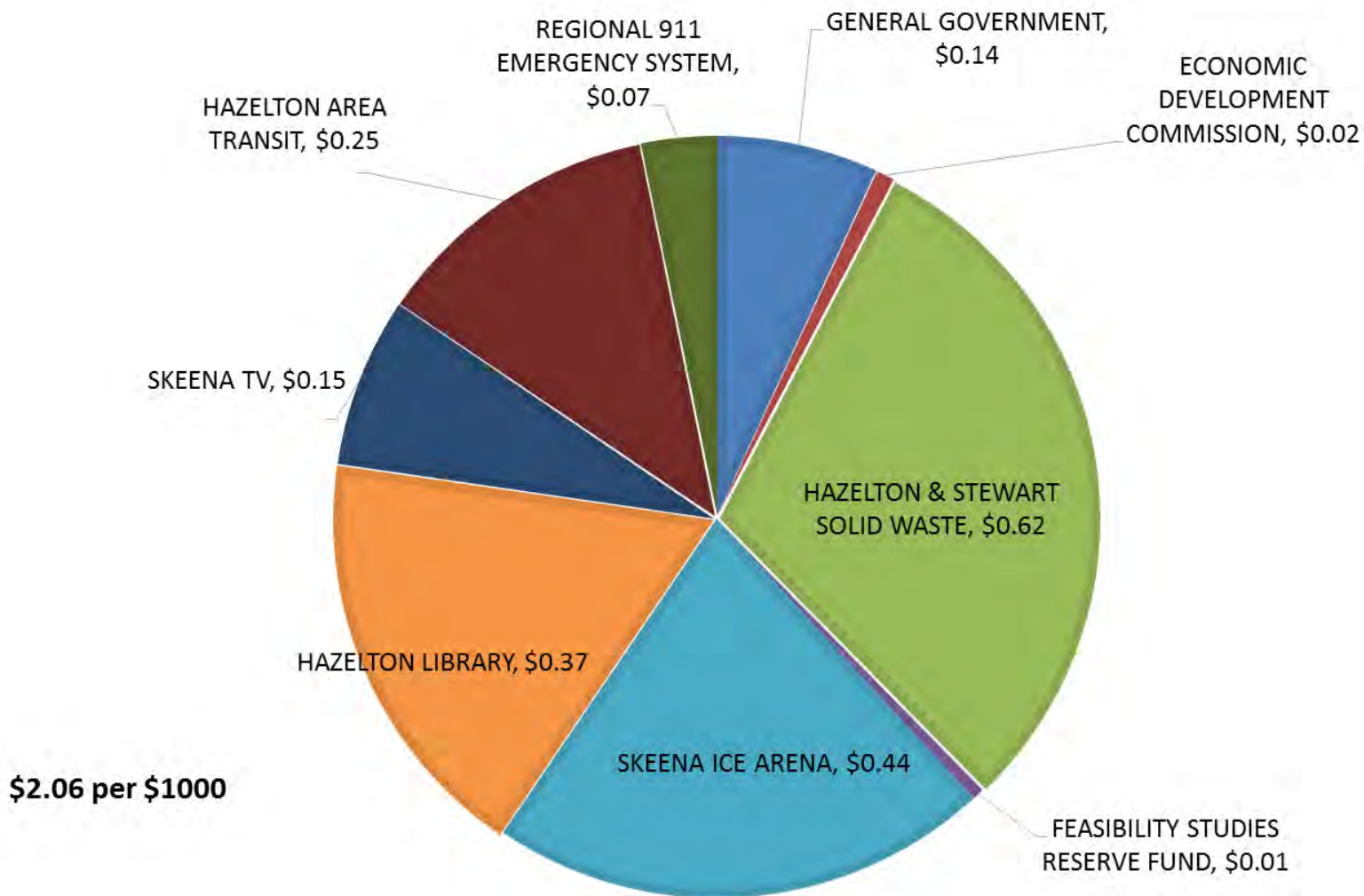


Rate by Municipal Area

VILLAGE OF HAZELTON

	2016 Rate	2016 Requisition
GENERAL GOVERNMENT	\$ 0.141	\$ 2,456
ECONOMIC DEVELOPMENT COMMISSION	\$ 0.016	\$ 277
HAZELTON & STEWART SOLID WASTE	\$ 0.619	\$ 11,299
FEASIBILITY STUDIES RESERVE FUND	\$ 0.011	\$ 184
SKEENA ICE ARENA	\$ 0.439	\$ 8,016
HAZELTON LIBRARY	\$ 0.367	\$ 9,860
SKEENA TV	\$ 0.148	\$ 2,699
HAZELTON AREA TRANSIT	\$ 0.254	\$ 4,645
REGIONAL 911 EMERGENCY SYSTEM	\$ 0.066	\$ 1,200
	\$ 2.060	\$ 40,637

REGIONAL DISTRICT OF KITIMAT STIKINE
GENERAL TAX RATE FOR VILLAGE OF HAZELTON
2016



Impact on Property Taxes

What Does this mean for a property worth \$100K?
The change from 2015:

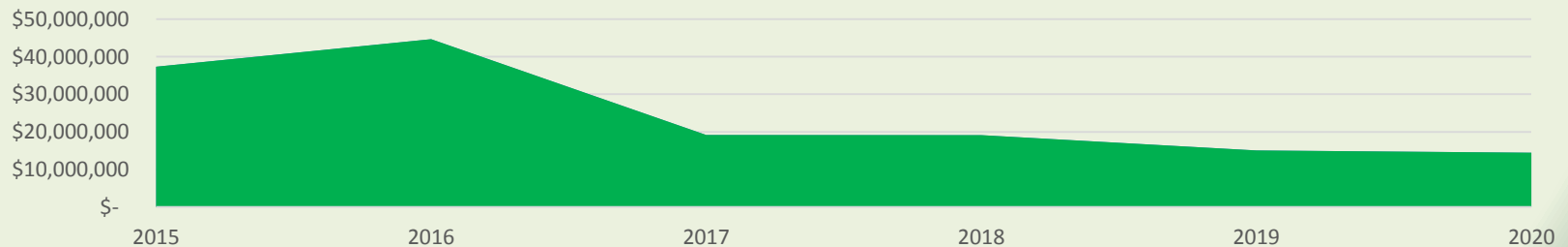
Impact on \$100K House	General	LSA - Up to Max	Increase/(Decrease)
Area A	\$ 27.29	\$ -	\$ 27.29
Area B	\$ 14.50	\$ (96.85)	\$ (82.35)
Area C	\$ 1.67	\$ 14.61	\$ 16.28
Area D	\$ 14.02	\$ -	\$ 14.02
Area E	\$ (2.01)	\$ (5.28)	\$ (7.30)
Area F	\$ 5.23	\$ (6.42)	\$ (1.20)

5 Year Plan

Significant Expenditure Highlights:

- Replacement of 2 pumper trucks, one in 2017, one in 2018 and a ladder truck in 2019 for Skeena Fire Protection
- Completion of the Solid Waste & Recycling Projects
- Completion of the Thornhill Core Sewer Project
- Thornhill Water Well 4 Pump & Connection 2020

Regional District of Kitimat-Stikine 5 Year Plan



QUESTIONS?