

**REPORT TO CAPITAL REGIONAL DISTRICT BOARD
MEETING OF WEDNESDAY, DECEMBER 09, 2020**

SUBJECT **Bylaw Nos. 4389 and 4395: Fees and Charges Bylaw Amendments for Utilities within the Three Electoral Areas**

ISSUE SUMMARY

Adjusting the utilities rates for the three electoral areas as recommended by the respective Commissions, and as included in the 2021 Financial Plan.

BACKGROUND

Annually, amendments to the Electoral Area utilities fees and charges bylaws are recommended to reflect the rates included in setting the service budgets and preliminary financial plan for the forthcoming year. All local service commissions have recommended their respective 2021 budgets, inclusive of the fees and charges changes.

The proposed fee and charges amendments are intended to cover the projected net cost of service delivery inclusive of reserve contributions for the upcoming year. Board approval is required in advance of the effective billing period January 1 through December 31, 2021.

With final surplus and deficits not yet completed, results will be monitored to identify any material impact and these would be incorporated into a rate adjustment and bylaw amendment after final year end results.

Appendix C contains a comparison of changes to rates contained in each of the two parent bylaws: Bylaw No. 3847 and Bylaw No. 3864.

Bylaw No. 3847 covers all Southern Gulf Islands and Juan de Fuca Electoral Areas Utilities and Street Lighting Fees and Charges, and Bylaw No. 3864 covers all Salt Spring Island Liquid Waste, Sewer, and Water Fees and Charges.

ALTERNATIVES

Alternative 1

1. That Bylaw No. 4389 cited as "Southern Gulf Islands and Juan de Fuca Electoral Areas Utilities and Street Lighting Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 9, 2020" be introduced and read a first, second, and third time.
2. That Bylaw 4389 be adopted.
3. That Bylaw No. 4395 cited as "Salt Spring Island Liquid Waste, Sewer, and Water Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 14, 2020" be introduced and read a first, second, and third time.
4. That Bylaw No. 4395 be adopted.

Alternative 2

That Bylaws 4389 and 4395 be referred back to staff for additional information.

IMPLICATIONS

Financial Implications

Changes in fees and charges are required in order for local utility services in the three Electoral Areas to maintain adequate levels of funding for annual operating costs inclusive of reserve contributions. The recommended rates are effective for January 1 through December 31, 2021, and reflect estimated 2020 surplus and deficit transfers and carryforwards.

CONCLUSION

Several utilities within the Electoral Areas require changes to fees and charges, to reflect user fees required to fund operating and capital budgets. The Commissions have all recommended their respective 2021 service budget for Board approval; this approval is required prior to January 1, 2021, in order to attain the revenue targets specified in the 2021 service budgets.

RECOMMENDATION

1. That Bylaw No. 4389 cited as “Southern Gulf Islands and Juan de Fuca Electoral Areas Utilities and Street Lighting Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 9, 2020” be introduced and read a first, second, and third time.
2. That Bylaw 4389 be adopted.
3. That Bylaw No. 4395 cited as “Salt Spring Island Liquid Waste, Sewer, and Water Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 14, 2020” be introduced and read a first, second, and third time.
4. That Bylaw No. 4395 be adopted.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

ATTACHMENT(S)

Appendix A: Bylaw 4389 and Schedules
Appendix B: Bylaw 4395 and Schedules
Appendix C: Changes to Fees & Charges Summary