



Notice of Meeting and Meeting Agenda Finance Committee

Wednesday, March 16, 2016

11:30 AM

6th Floor Boardroom

This is a Special Meeting.

D. Howe (Chair), K. Williams (Vice-Chair), R. Atwell, S. Brice, V. Derman, A. Finall,
L. Helps, M. Hicks, J. Ranns, B. Desjardins (Board Chair, ex-officio)

1. Approval of Agenda

2. Presentations/Delegations

3. Committee Business

3.1. [16-423](#) 2016 Staff Establishment Chart - Resources Rationale

Recommendation: That the Finance Committee recommend to the Capital Regional District Board:
That the 2016 Staff Establishment Chart and Resources Rationale report be received
for information.

Attachments: [Staff Report: 2016 Staff Establishment Chart – Resources Rationale](#)
[Appendix A: Staff Establishment Chart](#)
[Appendix B: New Staff Resource Analysis](#)

3.2. [16-106](#) UBCM Grant Application for Piers Island - Letter of Support

Recommendation: That it be recommended to the Capital Regional District Board:
That the Capital Regional District Board support the proposed activities and commit to
provide overall grant management for the "Piers Island FireSmart Protection Project"
(NWA)

Attachments: [Staff Report: UBCM Grant Application for Piers Island - Letter of Support](#)

4. Adjournment

To ensure quorum, please advise Pat Perna (250-360-3642) if you or your alternate CANNOT attend.



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**REPORT TO SPECIAL FINANCE COMMITTEE
MEETING OF WEDNESDAY, MARCH 16, 2016**

SUBJECT **2016 Staff Establishment Chart – Resources Rationale**

ISSUE

This report provides additional information on full time equivalent (FTE) adjustments as identified in the 2016 Staff Establishment Chart and forms part of the 2016 Financial Plan.

BACKGROUND

The CRD staff establishment is provided with the financial plan in accordance with Bylaw No. 3343. This listing, called the Staff Establishment Chart (SEC), outlines the number of regular FTE's by department and division. The SEC was presented to the Finance Committee on March 2, 2016. The Committee directed staff to provide additional information on the additional FTE's that were included in the 2016 Staff Establishment Chart (Appendix A), including a rationale for additional FTE's and consider any opportunity to adjust these requirements (Appendix B) as identified in the SEC.

This report also provides the Committee with a detailed overview of the review process that has been undertaken since October 2015.

Process Overview

Annually, the CRD must develop a financial plan representing the operating and capital expenditure plans for the next five years. Staff complements and workforce planning are an integral part of the service plans and the proposed work program, which has determined the proposed 2016 Financial Plan. The CRD Financial Plan consists of more than 200 individual service and sub-service budgets; some of which are recommended directly through standing committees and commissions of the CRD Board.

The planning process begins with the development of the service plans and integrating workforce plans for each service. These plans drive the financial planning process and provide necessary information to evaluate the overall organizational requirements, mandates, new initiatives, proposed service levels and implications for the financial plan. Service plans also provide information on initiatives that directly relate to the Board strategic and corporate priorities.

As part of the service plan review process, with the standing committees and commissions, CRD departments present organizational charts with current and requested staffing numbers. Once reviewed by the appropriate committee/commission, these are then presented to the CRD Board as part of the budget review. Collectively, the CRD service and budget planning process includes input and direction from over 60 commissions and advisory committees as well as the Capital Regional Hospital District (CRHD) and Capital Region Housing Corporation (CRHC) Boards which are all administered by the CRD. In October and November 2015, service plans were presented to the appropriate committee and commissions respectively, to allow a comprehensive assessment of the service delivery and programs. This process provided committees and commissions the opportunity to consider work programs and make service amendments as necessary.

The 2016 Financial Plan includes requests for additional resources in the form of single supplementary or continuous supplementary. Service budgets with supplementary requests are required to detail changes and show the impact on the expenditure levels in the budget. All supplementary requests have been reviewed by committees and commissions as part of the comprehensive service plan review process and the EASC and CoW budget review process.

Under the budget direction, provided by the CRD Board of Directors, review and recommendation for approval for all electoral area-only service budgets was delegated to the Electoral Area Services Committee (EASC) including the review of Local Service Commissions budgets. The Electoral Area Services Committee approved only the Electoral Area budgets in October 2015. Review and recommendation of all regional and sub-regional budgets is made by the Committee of the Whole (CoW). The CoW reviewed the budgets in November 2015. Immediately following the CoW meeting on November 18, all budgets were given preliminary approval by the CRD Board.

In 2016, as part of her inaugural address, the Board Chair gave the Committee Chairs and Vice Chairs the mandate to review the strategic priorities, work plans and terms of reference at each committee's inaugural meeting. This focus was meant to ensure that staff efforts align with the direction of the Board, and that Committee's specifically consider staffing implications resulting from the work plans.

Additionally as directed by the Board, a Priorities Dashboard was presented at each inaugural Committee meeting, identifying the 2016 work program, current status of initiatives to date, staffing implications and proposed next steps. The Dashboard included relevant service plans previously reviewed by the committee in the fall 2015.

The above dashboard process enabled the committees to evaluate strategic priorities and make service and work program amendments as necessary. While there were some amendments made to the proposed terms of reference, the Priorities Dashboards along with service plans were confirmed by the committee and commissions as presented.

ALTERNATIVES

1. That the Finance Committee recommend to the Capital Regional District Board that the 2016 Staff Establishment Chart and Resources Rationale report be received for information.
2. That the Finance Committee refer this report back to staff with a direction to bring forward additional information as part of the financial plan bylaw approval.

IMPLICATIONS

The 2016 CRD Financial Plan provides for the resources to support ongoing core operations and reflects the priorities of the CRD included in the 2016 Service Plans approved by CRD Standing Committees and Commissions.

As a region, the CRD continues to grow and this is reflected in new construction values increase. The 2016 assessment for non-market increase (new construction) is approximately 1.64%. With several new initiatives underway the scope of CRD services continues to evolve to support the growth in the region.

The level of staffing included as FTE's corresponds with the core service levels and work program requirements of the organization, while other workforce requirements for short-term specific projects, seasonal programs, relief and temporary work are filled by seasonal, auxiliary and short-term staff contracts. The staff resource analysis demonstrates that the new staffing requests are vital for the CRD to be able to support its core operations, meet regulatory requirements, and keep pace with the rapidly changing technological landscape.

The CRD Financial Plan bylaw will be presented on March 30, 2016 for final approval. Any changes to the staffing compliment at this time will have to be considered by the Board on March 30th as part of the final approval.

CONCLUSION

The CRD employs a rigorous process to review service plans, supplementary funding requests and the financial plan. The 2016 financial plan takes into account directions provided by committees and commissions and additional reviews resulting after the Board chair inaugural address. This report has been developed to provide detailed information on all the FTE adjustments that have occurred in the 2016 financial planning and review process.

RECOMMENDATION

That the Finance Committee recommend to the Capital Regional District Board that the 2016 Staff Establishment Chart and Resources Rationale report be received for information.

Submitted by:	Rajat Sharma, MBA, CPA, CMA, Senior Manager, Finance
Concurrence:	Diana Lokken, CPA, CMA, General Manager, Finance & Technology
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

RS:ab

Regular Positions by CRD Service Area

Service Area	Division	2014 FTE	2015 FTE	2016 FTE
EXECUTIVE SERVICES	<i>Executive Offices</i>	2.00	2.00	2.00
	<i>Aboriginal Initiatives</i>	1.50	1.50	1.50
	<i>Legislative Services</i>	7.00	8.00	8.00
	<i>Human Resources</i>	7.00	7.00	7.00
	<i>Corporate Communications</i>	6.00	7.00	7.00
	<i>SSI Administration</i>	7.00	7.20	8.00
<u>TOTAL EXECUTIVE SERVICES</u>		30.50	32.70	33.50
PARKS & ENVIRONMENTAL SERVICES	<i>ES Administration - General</i>	2.00	3.00	3.00
	<i>ES Env. Engineering</i>	14.00	13.00	13.00
	<i>ES Env. Protection</i>	27.10	27.10	29.80
	<i>ES Env. Partnerships</i>	20.85	20.85	21.85
	<i>ES Env. Resource Mgmt</i>	21.70	21.70	21.70
	<i>ES Administrative Services</i>	3.00	3.00	3.00
	<i>Regional Parks</i>	47.50	48.50	48.50
	<i>JDFEA Parks and Rec</i>	0.80	0.80	0.80
	<i>SEAPARC</i>	17.00	17.00	17.00
	<i>Panorama Recreation</i>	30.35	31.35	31.35
<u>TOTAL PARKS & ENVIRONMENTAL SERVICES</u>		184.30	186.30	190.00
FINANCE AND TECHNOLOGY	<i>Administrative - General</i>	1.00	1.00	1.00
	<i>Financial Services</i>	37.00	38.50	38.50
	<i>Arts Development</i>	1.80	1.80	1.80
	<i>Information Technology and GIS</i>	23.50	24.00	25.00
	<i>Real Estate Services</i>	2.00	3.00	3.00
	<i>Risk, Property & Facility Mgmt.</i>	11.00	11.00	12.00
<u>TOTAL FINANCE AND TECHNOLOGY</u>		76.30	79.30	81.30

Service Area	Division	2014 FTE	2015 FTE	2016 FTE
PLANNING AND PROTECTIVE SERVICES	<i>Administrative - General</i>	2.50	2.50	2.50
	<i>Regional & Strategic Planning</i>	6.50	7.50	7.50
	<i>Protective Services</i>	19.70	18.70	18.70
	<i>Health & Capital Pln Strategies</i>	2.00	3.00	3.00
	<i>Building Inspection</i>	9.70	9.70	9.70
	<i>JDF Electoral Area</i>	4.50	4.50	4.50
	<i>Regional Housing</i>	26.77	27.77	27.77
TOTAL PLANNING & PROTECTIVE SERVICES		71.67	73.67	73.67
INTEGRATED WATER SERVICES	<i>Administration - General</i>	3.00	3.00	3.00
	<i>Customer & Technical Serv.</i>	20.29	20.29	21.29
	<i>Infrastructure Engineering</i>	20.00	20.00	20.00
	<i>Infrastructure Operations</i>	86.89	86.89	86.89
	<i>Watershed Protection</i>	26.00	26.00	26.00
TOTAL WATER SERVICES		156.18	156.18	157.18
CALWM PROGRAM		19.75	14.75	14.75
TOTAL CRD STAFF COMPLEMENT		538.70	542.90	550.40

2016 New Staff Resource Analysis

The preliminary approved 2016 Financial Plan included 10 FTE adjustments. Subsequent to the review of Board priorities, service plans, and Committee Terms of Reference, 2 FTE's were pre-approved to meet regulatory requirements, 2.5 FTE's were removed and the other 5.5 FTE's are included in the Staff Establishment Chart. The following section provides information on all the FTE adjustments with the current status and rationale for inclusion/exclusion in/from the 2016 Financial Plan.

Pre – Approved Positions:

Position: Wastewater Technician

Division: Environmental Protection

Department Name: Environmental Services

Committee: Core Area Liquid Waste Management

Funding: User Fees

Regulatory Requirement. As part of the CRD's Transitional Authorization under the *Fisheries Act*, the CRD is required to monitor wastewater quality on a weekly, monthly, and quarterly basis.

Position: Drinking Water Sampling Technician

Division: Environmental Protection

Department Name: Environmental Services

Commission: Various drinking water service providers

Funding: User Fees

Regulatory Requirement. This position is required to maintain work flow that consolidates and accredits sampling, analysis and reporting to meet regulatory requirements under the *BC Drinking Water Protection Act*.

Total 2 FTE's were given pre-approvals in January 2016 to meet regulatory requirements

Removed Positions:

Aboriginal Initiatives Support – 0.5 FTE

Funded: Allocations/Requisition

With the reappointment of a taskforce the focus will be on relationship building versus operationalizing. Staff will try to accommodate within the existing resources to meet current operational requirements.

Project Manager – Health and Capital Planning Strategies – 1 FTE

Funded: Capital Plan/Debt Financing

Project based position. It will be included in the capital budget once a decision has been made to embark on future CRHD development projects

Information Technician - Watershed Protection – Integrated Water Services – 1 FTE

Funded: User Fees

Existing staff and auxiliary resources to be used to try to accommodate the mandate of expanding the role of public tours, public events, and ongoing watershed protection projects.

Total 2.5 FTE's removed from the budget subsequent to the preliminary budget approval.

New Positions:

Position: Maintenance Management Clerk

Division: Customer and Technical Services

Department Name: Integrated Water Services

Commission: Regional Water Supply

Funding: User Fees

Rationale: The maintenance management clerk provides preventative maintenance, planning, monitoring of data and customer support for the water and wastewater utility assets for 27 different services which includes over 36,000 assets. The value of infrastructure added in the last three years that requires preventative maintenance management exceeds \$10 million. The maintenance is scheduled and recorded by approximately 19,000 work orders per year that requires quality assurance from start to completion. This position is needed to provide preventative maintenance planning and data analysis, critical for making decisions on replacement and selection of equipment, tracking and optimizing maintenance plans, to effectively lower capital and operations costs. Proper maintenance management ensures that assets are reliable, operated efficiently and managed in a cost effective manner.

Position: Manager SAP Services

Division: Information Technology and GIS Services

Department Name: Finance and Technology

Committee: Finance

Funding: Internal Allocations

Rationale: SAP was implemented 17 years ago and expanded twice to incorporate additional SAP modules; payroll, utility billing and maintenance management. All 200 CRD Services rely on the systems provided by SAP, as an example; utility billing services 25,000 customers and produces 125,000 utility bills annually generating \$14 million in revenue. CRD Payroll services uses SAP to produce approximately 22,000 pay cheques per year for all staff and Board members and 1112 T4's in 2015. SAP processes 9,400 purchase orders annually for a total of \$48 million in payments. For Capital Regional Housing Corporation (CRHC) SAP process rent payments in excess of \$9 million annually for 1286 units.

The current financial system needs to be modernized to meet legislative and operational reporting requirements and to ensure data integrity, avoiding risks to business continuity. Additionally, other CRD services such as CRHC are looking to improve their tenant application and maintenance management process through the expansion and implementation of other SAP modules. Modernization of the general ledger structure is also required to enhance budgeting, financial reporting, grant management capabilities and the production of performance dash boards.

All areas of the CRD rely on SAP to provide the necessary information system to support their day to day operational needs and provide information for decision making and management performance. The one FTE is needed to implement new system enhancements and provide technical expertise critical to meet ongoing CRD service delivery.

Position: Policy Analyst

Division: Facilities and Risk Management

Department Name: Finance and Technology

Committee: Finance

Funding: Provincial Climate Action Revenue Incentive Program and Requisition

Rationale: Development of a risk register is needed to incorporate a climate change focus into operational decisions and long term capital plans. For 2016, the CRD will invest approximately \$104.5 million in capital of which approximately \$21.5 million (20.5%) will be funded by grants. This includes investments in areas such as water utilities, parks and recreation, and local services. The link between grant funding and asset management plans is now necessary and more attention to providing asset management substantiation with a focus on climate change is needed; now and into the future. Asset management will continue to be an important feature to demonstrate sustainability of capital investments and related grant funding.

This FTE will work in a corporate capacity to develop and advance the risk, register and ensure climate action is considered part of the overall long term planning process. Policy for asset management planning is required to maximize grant opportunities and target effective investment. Climate action is also recognized as a Board priority.

Position: Cross Connection Audit Technician

Division: Environmental Partnerships

Department Name: Environmental Services

Commission: Regional Water Supply

Funding: User Fees

Rationale: The CRD's Cross Connection Control (CCC) Program protects public health by removing or isolating sources of contamination that may backflow into the Regional Water Supply (RWS). The CCC Program operates under the umbrella of CRD CCC Bylaw No. 3516, and applies to the seven water suppliers (CRD, Central Saanich, North Saanich, Oak Bay, Saanich, Sidney and Victoria) within the RWS.

With only one full time inspector, an estimated 9,000 facilities remain in the first round of audits, and an increasing number of new facilities requiring initial audits. The CCC program has been unable to meet the five year re-audit cycle as set out in Bylaw 3516. A four year term position with a mandate to expedite audit requirements is required to carry out the audits as set out in the CRD bylaw.

Position: Administrative Clerk – 0.8 FTE

Division: Salt Spring Island (SSI) Administration

Department Name: Executive Services

Committee: Electoral Area Services

Funding: Requisition

Rationale: The administration support for eight on-island utilities as well as parks and recreation, transportation and economic development will be provided by staff on SSI. The administrative support for the utilities was formerly handled by the CRD Integrated Water Services department. The SSI Electoral Area Director supports the funding request.

Position: Environmental Science Officer – 0.5 FTE

Division: Environmental Protection

Department Name: Environmental Services

Committee: Regional Parks

Funding: Requisition

Rationale: Elk and Beaver Lake (EBL) is an important regional asset for recreation with an estimated visit count of 1.48 million in 2014 and an estimated 14,000 angler days per year. It is also an important economic development asset for the region. The Province has created water quality objectives for EBL. This 0.5 FTE will coordinate natural asset management for EBL with the management of a lake ecosystem with a goal of improving the water quality. This also supports the CRD Board Strategic Priority of Biodiversity and Ecosystem Health through management and stewardship of an important ecosystem within the boundaries of the lands owned by CRD Parks.

Position: Climate Action Support – 0.2 FTE

Division: Environmental Protection

Department Name: Environmental Services

Committee: Environmental Services

Funding: Requisition

Rationale: The Climate Action Program serves the region's municipalities and electoral areas by acting as a resource, hub and facilitator on both climate mitigation and adaptation issues. The CRD Climate Action Service facilitates regional coordination on climate action and provides direct support to municipalities, electoral areas and the CRD in achieving their objectives to reduce energy use and greenhouse gas emissions and prepare for climate change impacts. Staff also provide technical data and scientific expertise, disseminate information and engage community stakeholders on climate related issues.

Since 2010, the Service has been able to leverage over \$850,000 in external funding and grants for climate-related studies and programming in the capital region. Many of these new grant opportunities require partial financial contributions to be eligible for participation and also require staff time to manage the program.

This FTE adjustment will enable the Climate Action Service to continue to leverage funding to undertake regional studies, policy development, educational programming and implement projects that will advance the Board's climate action-focused objectives.

Total 5.5 new FTE'S requested.



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**REPORT TO FINANCE COMMITTEE
MEETING OF WEDNESDAY, FEBRUARY 03, 2016**

SUBJECT UBCM Grant Application for Piers Island - Letter of Support

ISSUE

The Piers Island Fire Department has determined that the island is at risk from wildfires, and is making an application to the Union of British Columbia Municipalities (UBCM) for funding with the FireSmart Grant Program. The UBCM requires that all FireSmart grant applications, for its consideration, be accompanied by a letter of support from the residing local government.

BACKGROUND

UBCM provides funding for many community based projects including wildfire prevention, emergency planning and risk reduction. One of these grant opportunities supports and encourages FireSmart programs to be delivered through the local fire department. Fifty grants of up to \$10,000 each will be made available to local governments and First Nations under the 2016 FireSmart Grant Program.

The proposed FireSmart public safety educational campaign for Piers Island will assist the community to develop or advance local planning efforts to mitigate risk from wildfires on private lands in the wildland urban interface.

As part of the application process, UBCM requires a letter of support from the local government. As Piers Island is part of the Capital Regional District's (CRD) Southern Gulf Islands Electoral Area Emergency Program, the CRD is in a position to support this endeavor by acting in the capacity of liaison (as the local government for the Electoral Areas) between the Improvement District and UBCM.

ALTERNATIVES

That the Finance Committee recommends that the Capital Regional District Board:

1. Provide a letter of support for the 2016 FireSmart Campaign Grant Application from Piers Island to the Union of British Columbia Municipalities.
2. That the Board receive the staff report for information and refer it back to staff for further review.

IMPLICATIONS

The UBCM contribution, if approved, will provide for the total cost of the project which is anticipated to be approximately \$10,000. Any matching funds, if required for this project, will be provided by the Piers Island Improvement District (PIID) and the Piers Island Residents Association (PIRA). There is no financial impact to the CRD.

CONCLUSION

The UBCM sponsored Provincial FireSmart Program requires a letter of support from the local government. This program work, if approved, will be delivered in its entirety by the Piers Island Fire Department. There is no financial impact to the CRD.

RECOMMENDATION

That the Finance Committee recommends that the Capital Regional District Board provide a letter of support for the 2016 FireSmart Campaign Grant Application from Piers Island to the Union of British Columbia Municipalities.

Submitted by:	Rajat Sharma, B.Eng., MBA, CPA, CMA, Senior Manager, Finance
Concurrence:	Diana Lokken, CPA, CMA, General Manager Finance and Technology
Concurrence:	Kevin Lorette, P.Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

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