

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Finance Committee (Round 1 Budget) – November 25-26, 2024

AUTHOR: Gerry Parker, Senior Manager, Human Resources

SUBJECT: 2025 ROUND 1 BUDGET PROPOSAL FOR HUMAN RESOURCES (115)

RECOMMENDATION(S)

THAT the report titled 2025 Round 1 Budget Proposal for Human Resources (115) be received for information.

BACKGROUND

On October 15, 2024, the HR team was extremely pleased to receive confirmation that we successfully completed all the requirements for the Certificate of Recognition (COR), a voluntary health and safety audit process supported by the BC Municipal Safety Association (BCMSA) in conjunction with WorkSafeBC (WSBC).

DISCUSSION

In addition to ensuring the SCR D maintains a strong focus on reducing injuries and accidents by promoting safe working procedures, WorkSafeBC also provides an annual incentive payment based on the SCR D's reported assessable payroll and base rate premiums.

The SCR D has been advised by WSBC that our 2025 rates will be:

Classification Unit (CU)	Base Rate	Experience Rate	Net Rate
Commercial Bus, Shuttle Operations, or Public Transit (not elsewhere specified) (732046)	3.20	9.2% surcharge	3.49
Local Government and Related Operations (753004)	3.76	11.1% surcharge	4.18

Based on the above, WSBC uses the following calculation: $(10\% \times \text{CU Base Rate}) \times \text{Assessable Payroll}$ to calculate the annual incentive payment.

For our Transit group, that means approximately $(10\% \times \$3.20/\$100) \times \$2,000,000 = \$6,400$. For our Local Government group, that means approximately $(10\% \times \$3.76/\$100) \times \$18,000,000 = \$67,680$. The total anticipated **positive reduction** to our WSBC premiums in 2025 is therefore expected to be approximately \$74,080.

2025 R1 Budget Proposal

1	<i>Function Number – Project Title:</i>	[115] Certificate of Recognition (COR) Audit Process
	<i>Risk Factor:</i>	LOW: Minimal / None
	<i>Category:</i>	Non-Mandatory Base Budget Increase Requests
	<i>Geographic Areas Affected:</i>	Regional
	<i>2025 Funding Required:</i>	\$11,000
	<i>Funding Source(s):</i>	Operating Reserves (2025)-\$6,000 Support Service (2025 and 2026) for internal audit-\$5,000 per year Operating Reserves (every 3 rd year)-External audit & recertification-\$17,500 (starting 2027)
	<i>Rationale / Service Impacts:</i>	The SCRD will remain eligible to receive a financial incentive for each year we hold a valid COR which will entail annual internal audits and an external audit every third year.
	<i>HR Implications</i>	<input type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input checked="" type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)
	<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	Recruit and select up to 3 existing staff from other Divisions to become certified as internal auditors at a one-time cost of about \$6,000 funded from Operating Reserves. Conduct an internal audit over the next two years that we do not have an external audit at a cost of about \$5,000 per year funded from support services and then an external audit in the third year at a cost of about \$13,000 funded from Operating Reserves. Internal auditors currently need to be recertified every 3 years at a cost of about \$1,500 per person for a total of \$4,500 (3 people X \$1,500). This is a cyclical ongoing request as follows: Year 1: Internal Audit Year 2: Internal Audit Year 3: External Audit and Internal auditor recertification

<i>Asset Management Implications:</i>	N/A
<i>Climate Action Plan Goal and Impact (if applicable)</i>	N/A

Financial Implications

Five-Year Operating Reserve Plan (or longer, if applicable)

(use table illustrating capital contributions and expenditures, if available)

	2025	2026	2027	2028	2029
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in Reserve	\$ 359,139	\$ 341,631	\$ 301,631	\$ 244,131	\$ 254,131
2024 Operating Surplus	\$ 28,492	\$ -	\$ -	\$ -	\$ -
2025 Budget Proposals	-\$ 6,000	\$ -	-\$ 17,500		\$ -
Contribution to Reserve	-\$ 40,000	-\$ 40,000	-\$ 40,000	\$ 10,000	\$ 10,000
Closing Balance in Reserve	\$ 341,631	\$ 301,631	\$ 244,131	\$ 254,131	\$ 264,131

Reviewed by:			
CAO		Legislative	
CFO		Manager	
GM		Other Staff	