

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

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

AUTHOR: Ian Hall, General Manager Planning and Development

SUBJECT: **2025 ROUND 1 BUDGET PROPOSAL FOR HILLSIDE DEVELOPMENT PROJECT [540]**

RECOMMENDATION(S)

THAT the report titled **2025 Round 1 Budget Proposal for Hillside Development Project [540]** be received for information.

BACKGROUND

As part of the Budget Process staff report potential budget adjustments to the Board. Budget Proposals provide the detail to support the potential adjustment and allow the Board to make informed decisions regarding funding projects or service enhancements, as well as ways to reduce the budget.

DISCUSSION

The Finance Committee made the following recommendation on October 28, 2024:

Recommendation No. 12

The Finance Committee recommended that Budget Proposals for Board Directed and / or Business Continuity projects, as follows, be brought forward to Finance Committee 2025 Round 1 Budget:

- Hillside Headlease Renewal Project - Expansion based on updated Deliverables;

2025 R1 Budget Proposal

1	<i>Function Number – Project Title:</i>	[540] - Hillside Headlease Renewal Project Extraordinary Project
	<i>Risk Factor:</i>	MEDIUM: Normal - Service Level Impact
	<i>Category:</i>	Non-Mandatory Board Directed or Business Continuity
	<i>Geographic Areas Affected:</i>	F
	<i>2025 Funding Required:</i>	\$90,000 (total project cost \$180,000 over 2 years)
	<i>Funding Source(s):</i>	Reserves

<p><i>Rationale / Service Impacts:</i></p>	<p>Resolution #310/24 <i>...AND THAT a proposal be brought to the 2025 budget process for [540] Hillside Development Service related to... [t]ermination of Provincial Water Lot Head Lease No. 235700</i></p> <p>In scope: This project will plan for termination of the 33-year term water lot head lease granted to SCRD by the Province in 1993. Project-specific temporary casual staff resources and retained consultant service will support wrap-up planning, administration of closeout responsibilities, transition support to current sublessees and application to maintain or add new geospatial conservation measures in the area. Engagement with community, landowners and First Nations is planned.</p> <p>Out of scope: While sublessees are responsible for many aspects of sublease/head lease closeout, such as removal of improvements, there may be Provincially-required clean-up work that defaults to SCRD as the head lease holder. The proposed project will plan for these needs, but does not include funding for these needs, which are not completely defined at the current time.</p>
<p><i>HR Implications</i></p>	<p><input checked="" type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)</p> <p>Project-specific resources; as-and-when needed casual basis – up to 0.3 FTE for 2 years.</p>
<p><i>Future Financial Implications and Life Cycle Cost Breakdown</i></p>	<p>\$90,000 also required in 2026. This is a 2-year project. Resources are proposed as an up-to maximum.</p>
<p><i>Asset Management Implications:</i></p>	<p>3.0 Guiding Effective Decisions</p> <p>Work conducted through this project will guide decision making for current headlease and other SCRD assets in the area.</p>
<p><i>Climate Action Plan Goal and Impact (if applicable)</i></p>	<p>Goal 5: Natural assets and green infrastructure are integrated into climate adaptation measures.</p> <p>Goal 7: Increase Organizational Ability to Promote Ecosystem Health and Resilience.</p>

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	\$ 644,296	\$ 592,150	\$ 498,011	\$ 493,280	\$ 488,549
2024 Operating Surplus	\$ 42,527	\$ -	\$ -	\$ -	\$ -
2025 Budget Proposals	-\$ 90,000	-\$ 90,000	\$ -	\$ -	\$ -
Contribution to Reserve	-\$ 4,673	-\$ 4,139	-\$ 4,731	-\$ 4,731	\$ 25,453
Closing Balance in Reserve	\$ 592,150	\$ 498,011	\$ 493,280	\$ 488,549	\$ 514,002

Reviewed by:			
CAO / CFO		Legislative	
Finance		Manager	
GM		Other Staff	