

the recommended additional treatments. Any additional treatments beyond the expenditure of the operating reserve will cause the budget to go into deficit.

Depending on river levels and BC Hydro water releases from the Revelstoke Dam during July, based on feedback from the contractor and BC Hydro, additional treatments beyond the operational contingency may be required. It is recommended that up to \$25,000 be approved to carry out additional treatments required in 2017 if needed. This would create a deficit situation that would need to be repaid in 2018. Further financial implications are outlined in the Financial Section of this report.

The need for additional treatments has been discussed with both Directors McKee and Parker, and both support the initiative to utilize the operating reserve funds in 2017, in an attempt to mitigate mosquito annoyance within Revelstoke and Area B.

POLICY:

Pursuant to the Local Government Act, the utilization of reserve funds must be endorsed by a Board or Council.

FINANCIAL:

The expenditure of \$22,000 from the existing operating reserve fund for additional treatments will be reallocated to the operating budget to accommodate the additional treatments already completed. This will bring the total amount available to spend on treatments for 2017 to \$87,000. The amount available for spending in 2018 would remain at \$55,000 for treatments. Without factoring in any further additional treatments in 2017, an increase in treatment spending in 2018, or the payback of the operating reserve (\$22,000), an increase of approximately 13.3% or \$1.00 to the average residential property tax assessment would be necessary in 2018.

If an additional \$25,000 is expended on further treatments a minimum increase of 61% or \$4.12 to the average residential property tax assessment in 2018 would occur. This would only be for the repayment of the deficit from 2017 and would not include any additional treatment spending beyond what is budgeted in 2018 (\$55,000) or a replacement of the operating reserve.

If the operating reserve was replaced in 2018 to \$22,000, a 100% budget increase would result, equivalent to a tax increase of \$6.80 to the average residential property, and still the budgeted treatment spending would remain at \$55,000.

KEY ISSUES/CONCEPTS:

A budget amendment is required to access additional reserve funds in order to provide additional treatment to mosquito habitat in Revelstoke and Area B in 2017.

IMPLEMENTATION:

Upon Board approval, the mosquito control contractor will be advised to proceed.

COMMUNICATIONS:

The contractor will be notified to proceed upon Board approval.

DESIRED OUTCOMES:

The Board approve the recommendation.

BOARD'S OPTIONS:

1. *Endorse the Recommendation.*
2. *Deny the Recommendation.*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

Report Approval Details

Document Title:	Area B Mosquito Budget Update.docx
Attachments:	
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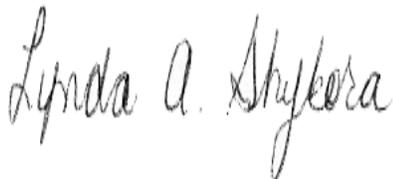
This report and all of its attachments were approved and signed as outlined below:



Darcy Mooney - Jul 10, 2017 - 4:30 PM



Jodi Pierce - Jul 11, 2017 - 11:01 AM



Lynda Shykora - Jul 11, 2017 - 11:33 AM



Charles Hamilton - Jul 11, 2017 - 3:39 PM