



Finance Committee

Date: Wednesday, April 5th, 2006

Place: Anderson Room
Richmond City Hall

Present: Councillor Evelina Halsey-Brandt, Chair
Councillor Derek Dang, Vice-Chair (4:05 p.m.)
Councillor Linda Barnes
Councillor Cynthia Chen
Councillor Sue Halsey-Brandt
Councillor Rob Howard
Councillor Bill McNulty
Mayor Malcolm D. Brodie

Absent: Councillor Harold Steves

Call to Order: The Chair called the meeting to order at 4:00 p.m.

MINUTES

1. It was moved and seconded
That the minutes of the meeting of the Finance Committee held on Thursday, January 17th, 2006, be adopted as circulated.

CARRIED

2. **2006 HOME OWNERS GRANT APPLICATION FORM**
(Report: Mar. 20/06, File No.: 03-0925-17-01) (REDMS No. 1788586, 1791859)

It was moved and seconded
That the report (dated March 20th, 2006, from the Acting Director of Finance), regarding the new layout of the 2006 Home Owner Grant Application Form, be received for information.

CARRIED

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3. **5 YEAR FINANCIAL PLAN 2006-2010**

(Report: Mar. 23/06, File No.: 03-0970-01) (REDMS No. 1791783)

The Acting Director, Finance, Jerry Chong, at the request of the Chair, explained how the 5 Year Plan was developed following the principles of the City's Long Term Financial Management Strategy. Discussion then ensued among Committee members and staff on:

- whether the percentage of the budget allocated to the RCMP would be consistent in future years
- the amount of funding to be set aside annually for the post-Olympic Games legacy opportunities
- the amount of funds allocated for the seismic upgrades of specific fire halls, and whether there were plans to allocate funds in 2007
- the breakdown of \$1 of municipal taxes, how this split was shown on the bar graph included in the staff report, and the fact that police and fire-rescue comprised a total of 38 cents of one dollar
- the Seniors Wellness Coordinator position and the impact on the 2006 budget if this position was approved as a fulltime position rather than part-time; how this position could be approved as a fulltime position if the request was not dealt with at this point in the meeting but rather when the additional level requests were considered as part of Item 4
- the relationship of the tax impact of the police and fire-rescue expenses of 1.39% to the City's increase of 3.12% when the overall tax increase indicated an increase of 3.98%; the apparent increase in community safety costs over the next five years by 15%; and the need to consider the increase proportionately with the remainder of the City's capital and operating budget
- with regard to 'community facility revenue assumptions', the rationale for the decrease in future years as compared to 2006
- the perception, based on the figures shown in the staff report, that the City was increasing its reliance on property taxes as a way to generate revenue
- the 2% growth factor and the impact which increased revenue could have on the 2007 budget
- other sources of revenue, including the balance of appropriated/unappropriated surplus, and developer and community contributions
- whether anticipated 2007 and beyond salary increases for City employees had been included in the 5 Year Capital Plan
- whether there were any other funding options available with regard to the additional level requests

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- the amount of funding available in the Affordable Housing Statutory Reserve
- the rationale for the lower amount shown for the Watermain Replacement Reserve Fund as compared to 2007 and beyond

(Cllr. Dang entered the meeting at 4:05 p.m., during the above discussion.)

Reference was made to the request for a fulltime Seniors Wellness Coordinator, and advice was given that approval of the position would result in an additional increase of .02%, for a total property tax increase of 4%. Discussion continued, with information being provided on possible scenarios that could be followed to approve the position without impacting the 2006 budget. Staff made a suggestion that if Committee wished to approve a fulltime position, the position could be approved with a starting date of June 1st, 2006, and that the funding already set aside for the part-time position would cover the cost for 2006. Information was also given that the 2007 base budget will need to be increased by 0.02% to cover this additional level increase.

As a result of the discussion, the following motion was introduced:

It was moved and seconded

That the Seniors Wellness Coordinator position be approved as a regular fulltime position, effective June 1st, 2006.

The question on the motion was not called, as members of the committee discussed the merits of the motion. Comments were made that based on the analysis contained in the staff report and discussions with the Seniors Advisory Committee about the City's aging population, that it was inevitable that the position would become a fulltime position in 2007. The chair expressed concern about the manner in which the request was submitted as it did not follow the City's process for additional level requests. The chair expressed support for a full time position but not for the process that was used to approve it.

During the discussion, staff confirmed that the impact of the approval of the position to fulltime status would result in a .02% increase to the 2007 base level.

The question on the motion was then called and it was **CARRIED** with Cllr. E. Halsey-Brandt opposed.

It was moved and seconded

(1) That the amended 5 Year Financial Plan (2006 – 2010) be approved; and

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- (2) *That staff undertake a process of public consultation regarding this Plan before it is adopted, as per the requirement of Section 166 of the Community Charter.*

CARRIED

4. **ADDITIONAL LEVEL REFERRALS**

(Report: Mar. 30/06, File No.: 03-0970-01) (REDMS No. 1797543, 1780546, 1752988, 1794718, 1769731)

It was moved and seconded

That the report (dated March 30th, 2006, from the Acting Director, Finance), regarding Additional Level Referrals, with the exception of the Seniors Wellness Coordinator, be referred to the 2007 budget process.

The question on the motion was not called, as reference was made to the request for an additional Fire Prevention Officer and questions were raised about the possibility of cost recovery relating to inspections which could provide funding for this person.

Advice was given by Deputy Chief Lake that cost recovery was a possibility because staff were in the process of developing a new Fire Department Regulation bylaw which will contain proposals for charges for certain inspections or re-inspections.

A brief discussion ensued on the value of an inspection, and as a result, the following **referral** motion was introduced:

It was moved and seconded

That staff prepare a report on whether or not cost recovery for certain inspections by the Fire Department was possible and if so to address the pros and cons of doing so.

CARRIED

The question on the main motion was then called, and it was **CARRIED**.

5. **TREE PROTECTION BYLAW FUNDING**

(Report: Mar. 10/06, File No.: 03-0970-01; xr 12-8060-20-8057) (REDMS No. 1772249) (From the March 21st, 2006 Planning Committee meeting.)

It was moved and seconded

That the report (dated March 10th, 2006, from the Manager, Building Approvals), regarding Tree Protection Bylaw Funding, be received for information.

CARRIED

6. **MANAGER'S REPORT**

None.

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7. OVAL RELATED REPORTING

Reference was made to the many Oval-related reports dealing with costs, etc., and questions were raised about how the Chair would be providing updates to the Committee on these matters. The chair asked for clarification as to what was wanted in addition to what as already being provided on a regular basis.

Discussion ensued on this matter, during which the chair pointed out that each member of Council received monthly reports on all expenditures relating to the Oval. The Chair stated that if any member of the Committee wished to have these any of those reports discussed at the Finance Committee then she or Mr. Nazareth should be requested to place that report on the agenda for discussion at the next Finance Committee meeting.

(Cllr. Dang left the meeting – 4:58 p.m., and did not return to the open portion of the meeting.)

As a result of the discussion on this matter, the Chair directed staff to put together all of the available monthly Oval-related reports for discussion at the next meeting of the Finance Committee. Staff were also requested to add the City's tender approval policy onto the agenda of the next Finance Committee meeting.

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (5:00 p.m.).

CARRIED

Certified a true and correct copy of the Minutes of the meeting of the Finance Committee of the Council of the City of Richmond held on Wednesday, April 5th, 2006.

Councillor Evelina Halsey-Brandt
Chair

Fran J. Ashton
Executive Assistant, City Clerk's Office