

FINANCE COMMITTEE MEETING – AGENDA

VILLAGE OF ANMORE

Agenda for the Finance Committee Meeting scheduled for Monday, March 6, 2017 at 7:00 p.m. in Council Chambers at Village Hall, 2697 Sunnyside Road, Anmore, BC



1. **CALL TO ORDER**

2. **APPROVAL OF THE AGENDA**

Recommendation: That the Agenda be approved as circulated.

3. **MINUTES**

(a) **Minutes of the Meeting held on February 27, 2017**

Recommendation: That the Minutes of the Finance Committee Meeting held on February 27, 2017 be adopted as circulated.

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4. **BUSINESS ARISING FROM THE MINUTES**

5. **UNFINISHED BUSINESS**

(a) **5-Year (2017-2021) Water Utility Budget**

Presentation by the Chief Administrative Officer.

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6. **NEW BUSINESS**

(a) **5-Year (2017-2021) General Operating Budget – Requests for Information**

Further discussion to take place regarding the following draft budget items:

- Council Tablets
- Strong Road Rehabilitation
- Spirit Park Improvements & Electrical Upgrades
- Event Banner
- Farley Road Paving & Culvert (comments from environmental consultant desired)
- East Elementary Improvements
- Events Utility Trailer
- Ma Murray Day / Canada 150 Celebration
- New Multi-function vehicle
- New Utility Trailer (flat deck)
- Pinnacle Ridge Trail Improvements
- Outdoor PA System
- Brush Chipping Program

7. **ADJOURNMENT**

FINANCE COMMITTEE MEETING – MINUTES

VILLAGE OF ANMORE

Minutes of the Finance Committee Meeting held on
Monday, February 27, 2017 in Council Chambers at Village
Hall, 2697 Sunnyside Road, Anmore, BC



COMMITTEE MEMBERS PRESENT

Mayor John McEwen
Councillor Ryan Froese
Councillor Ann-Marie Thiele
Councillor Kim Trowbridge
Councillor Paul Weverink
Nick Cheng
Mark Roberts

COMMITTEE MEMBERS ABSENT

Nil

OTHERS PRESENT

Juli Kolby, Chief Administrative Officer
Christine Milloy, Manager of Corporate Services
Jason Smith, Manager of Development Services
Luke Guerin, Operations Superintendent
Chris Boit, Senior Project Engineer, ISL Engineering and Land Services Ltd.
Cory Sivell, Municipal EIT, Urban Systems

1. CALL TO ORDER

Chair McEwen called the meeting to order at 6:10 p.m.

2. APPROVAL OF THE AGENDA

It was Moved and Seconded:

“That the Agenda be approved as circulated.”

Carried Unanimously

3. MINUTES

(a) **Minutes of the Meeting held on January 23, 2017**

It was Moved and Seconded:

**“That the Minutes of the Finance Committee Meeting held on
January 23, 2017 be adopted.”**

Carried Unanimously

4. BUSINESS ARISING FROM THE MINUTES

Nil

5. UNFINISHED BUSINESS

Nil

6. NEW BUSINESS**(a) Asset Management Plan**

Following are highlights of the presentation by Cory Seville:

- There are infrastructure challenges for many municipalities across Canada.
- Majority of water and sewer systems across BC are underfunded.
- Asset management is:
 - A continual improvement process
 - A forward looking practice to ensure maximum value from assets are realized
 - About ensuring the long term delivery of services.
- Urban Systems worked with the provincial government to create a framework for Asset Management.
- The framework allows for work to begin at any stage, however, the “plan” section is where most communities begin their process.
- The reasons for asset management planning include:
 - Ensuring community members pay their fair share
 - Ensuring property taxes are stable and consistent
 - Ensuring services can be provided over the long term without significant change to level of services.
- Five key questions are answered in the Asset Management Investment Plan:
 1. What assets do we own?
 - Water distribution system, storm system, road system, other assets (equipment, vehicles, parks)
 - Anmore now has a centralized resource that includes GIS inventory and Excel inventory
 2. How much are our assets worth?
 - Assets are worth \$47.9million. This is an estimated total that represents like-for-like replacement values.
 3. What condition are our assets in?
 - Most assets are in good condition, especially compared to many other municipalities.
 - Data is somewhat incomplete in that some conditions are assumed because it too costly to uncover infrastructure for inspection.
 - Detailed assessments are costly and time consuming. It is more cost effective to collect data passively when an opportunity is presented (e.g. when a water main breaks).

4. When do our assets need to be replaced?
 - Collective replacement of the noted assets are forecasted for replacement between the years 2030 to 2035.
 - The life span of a road within Metro Vancouver is 25 years, on average.
5. How much do we need to invest in our assets?
 - Three scenarios can be considered: standard service life, increase service life by 25%, or increase service life by 50%.
 - Long term funding target should be set as goal to work towards (up to 20 years and greater than 20 years).
- Establish what horizon you want to plan for, and within the horizon, identify how conservative you want to be (see three scenarios).

Juli Kolby reported that the Plan as presented is an initial draft that Staff will help to refine. She added that a long-term financial sustainability policy/framework is included in this project, and it is anticipated that a framework will be presented to the Finance Committee in March.

Cory Seville left the meeting at 8:00 p.m.

(b) 2016/2017 Vehicle Repairs

Juli Kolby presented her report dated February 17, 2017. Following are key points raised during discussion:

- Estimated 10-year life cycle of the vehicles
- Trucks have low kilometres
- Lease option would include servicing every three months
- Cannot transfer equipment to new trucks due to incompatibility with salting systems
- Undercoating may prevent future concerns

Committee requested that Staff do the following:

- Look into the possibility of a five-year commercial lease, or extending a purchase warranty.
- Contact the City of Port Moody regarding the potential to hire them for vehicle repairs, and to talk to Metro Vancouver for vehicle purchase options.
- Use another municipalities' vehicle maintenance schedule and procurement process.

It was Moved and Seconded:

“That the Finance Committee endorses the report dated February 17, 2017 from the Chief Administrative Officer regarding 2016/2017 Vehicle Repairs.”

Carried Unanimously

(c) New Water Meters on Sunnyside Road

Juli Kolby presented her report dated February 17, 2017. Following are key points raised during discussion:

- There is ambiguous language in the agreement regarding responsibility.
- Adapters were used for the old metres to fit.

It was Moved and Seconded:

“THAT Finance Committee approves the 50/50 cost share for new water meters for 21 properties along the upgraded water main on Sunnyside Road at a cost of Seven Thousand Thirty-Five Dollars (\$7,035.00) with the installation and remaining cost to be borne by the developer and that the water meter cost be funded from the Capital Asset – Water Reserve, as outlined in the report dated February 17, 2017 from the Chief Administrative Officer regarding New Water Meters on Sunnyside Road”

Carried Unanimously

(d) 5-Year (2017-2021) General Operating Budget

Juli Kolby presented the General Operating Budget. Following are key points raised during discussion:

- Average assessed value is \$1.675 million
- The above figure equates to \$16,000 for a 1% tax increase
- Grants and grants in lieu includes \$17,000 grant withdrawn for Burrard thermal
- Reduced some development related fees due to activity in early months of 2017; offset by some business fee increases
- Did not have an investment portfolio; increasing by \$10,000 this year
- Solid waste fees – increasing overall revenues by \$33,000 based on cost for operating the service. Smithrite contract for 2017 will be \$130,000. Reasons for increase include increased number of residents and an increase in tipping fees.

Mayor McEwen reported that he has some questions about the salary figures, so he will ask Staff to leave so the information can be discussed In-Camera.

- Committee expenses is a new item, to allow for non-alcoholic beverages to be available at meetings.
- Vehicle allocation surplus had previously overstated our expenses
- Added new budget item for snow and ice control

The Committee requested that Staff look back at historical data for snow control budgeting.

- The Village will soon issue a tender bid for an environmental consultant. It is currently using Dillon Consulting
- Vehicle replacement information is reflective of information shared under item 6(b) of this agenda.
- Overall changes result in a 9.45% tax increase, equal to \$192.67 per single family dwelling

Members discussed not budgeting more money than actually required, noting that development revenues can often be volatile, and adding that a conservative approach is favourable.

Following are key points raised during discussion of the 2017 Projects (agenda page 21):

- Council Tablets – for members of council, includes devices and software.
- Strong Road Rehabilitation – engineered approach would be to reclaim and reuse asphalt, new gravel, new road on top – this would provide a lifespan of about 20 years; would not include curbs as most of cross section has swales on either side.
- Event banner for advertising of community events – not supported by all members
- Farley Road Paving & Culvert – an operational issue as road is owned by village
- East Elementary Improvements – historical lack of operational maintenance
- Replace Pedestrian Bridge – replace with a culvert
- Kinsey Retaining Wall – road is steep, retaining wall and vegetation in the place
- Sunnyside Road Improvements – area of focus is the section down Sunnyside past Ludlow Lane

Councillor Froese left the meeting at 9:42 p.m.

- MAIS TCA Software – includes digitalized (scanned) invoices

Councillor Froese returned to the meeting at 9:44 p.m.

- New Multi-function Vehicle – for trail maintenance, snow clearing, lawn mowing
- Utility Trailer – flat deck to move public works equipment

Committee agreed to table the following items for discussion, with request that Staff have information readily available items:

- Council Tablets
- Strong Road Rehabilitation
- Spirit Park Improvements & Electrical Upgrades
- Event Banner
- Farley Road Paving & Culvert

The Committee requested that Staff obtain additional information from the environmental consultant.

- East Elementary Improvements
- Repair Heron Swale (discussion to be held In-Camera)
- Events Utility Trailer
- Ma Murray Day / Canada 150 Celebration
- Infill CAC Assessment – “take it right out”
- New Multi-function vehicle
- New Utility Trailer (flat deck)
- Pinnacle Ridge Trail Improvements
- Outdoor PA System

The Committee requested correction to the figures shown in the third column on page 22 of the agenda.

It was Moved and Seconded:

“That, pursuant to section 90(1)(c) of the *Community Charter*, this meeting be closed to the public.”

Carried Unanimously

Chris Boit, Luke Guerin, Christine Milloy, Jason Smith left the meeting at 10:10 p.m.

NB: In-Camera information is confidential and has been intentionally omitted here.

The meeting was re-opened to the public at 10:19 p.m.

(e) 5-Year (2017-2021) Water Utility Budget

7. ADJOURNMENT

It was Moved and Seconded:

“To adjourn.”

Carried Unanimously

The meeting adjourned at 10:20 p.m.

Certified Correct:

Approved:

Christine Milloy
Manager of Corporate Services

Mayor John McEwen
Chair, Finance Committee

**VILLAGE OF ANMORE
WATER UTILITY FUND
2017 - 2021**

	2011	2012	2013	2014	2015	Budget 2016	2017	2018	5 Year Financial Plan		
									2019	2020	2021
WATER UTILITY REVENUES											
PENALTIES & INTEREST	6,572	2,016	9,200	7,241	6,452	5,000	6,000	6,120	6,250	6,380	6,510
INCOME ON INVESTMENTS	465	759	4,189	-	-	-	-	-	-	-	-
MISCELLANEOUS INCOME	-	-	-	-	1,063	-	-	-	-	-	-
INSPECTION FEES	14,767	7,096	7,105	5,520	-	1,000	1,020	1,050	1,080	1,110	1,140
WATER USER FEES	254,633	352,483	428,609	362,213	444,044	610,845	722,070	763,680	805,620	852,890	871,310
WATER PARCEL TAXES	34,606	15,944	15,770	6,520	6,520	6,482	6,482	-	-	-	-
NEW WATER SERVICE FEES	5,668	12,681	10,090	12,813	17,170	12,000	15,000	15,300	15,700	16,100	16,500
WATER UTILITY LEVY	30,589	32,133	35,552	33,280	33,311	-	-	-	-	-	-
AMORTIZATION (Equity offset)	-	-	-	-	221,547	220,000	220,000	220,000	220,000	220,000	220,000
TOTAL REVENUES	- 347,300 -	- 423,112 -	- 510,514 -	- 427,587 -	- 730,106 -	- 855,327 -	- 970,572 -	- 1,006,150 -	- 1,048,650 -	- 1,096,480 -	- 1,115,460 -
WATER UTILITY EXPENSES											
WATER TRAINING & MEMBERSHIPS	611	-	842	3,271	3,032	5,000	5,100	5,210	5,320	5,430	5,540
SAFETY GEAR	-	-	1,659	202	-	-	-	-	-	-	-
WATER MAINTENANCE & OPERATIONS	48,766	50,824	119,990	217,726	177,360	268,595	200,000	204,000	208,100	212,300	216,600
WATER MAINTENANCE & OPERATIONS	-	-	-	-	-	-	-	-	-	-	-
CARRYFORWARDS	-	-	-	-	-	20,000	-	-	-	-	-
WATER UTILITIES	5,260	5,096	6,741	11,587	10,976	11,000	12,100	13,310	14,650	16,120	17,740
WATER CONTINGENCIES	585	41	-	-	83	-	-	-	-	-	-
OVERSIZING COSTS	5,000	10,000	5,000	5,000	-	-	-	-	-	-	-
AUDIT/ACCOUNTING	2,000	2,500	2,500	2,500	2,538	6,750	6,890	7,030	7,180	7,330	7,480
ADMINISTRATION COSTS	5,000	7,500	7,500	7,500	7,650	-	-	-	-	-	-
WATER SUPPLY COSTS TO PORT MOODY	209,713	230,285	296,977	279,055	289,236	250,000	330,000	336,600	343,400	350,300	357,400
DEBT CHARGES - PRINCIPAL	11,964	-	-	-	2,588	5,932	5,932	-	-	-	-
DEBT CHARGES - INTEREST	21,821	9,576	10,303	3,894	2,794	550	550	-	-	-	-
WATER SYSTEM MODELING PLAN	-	-	-	27,517	61,297	-	-	-	-	-	-
AMORTIZATION (Equity offset)	-	-	-	-	221,547	220,000	220,000	220,000	220,000	220,000	220,000
TRANSFER FROM WATER UTILITY RESERVE	-	-	-	-	-	20,000	-	-	-	-	-
TRANSFER FROM RESERVES	-	-	-	-	-	72,500	-	-	-	-	-
TRANSFER TO WATER UTILITY RESERVE FUND	30,589	-	-	-	-	160,000	190,000	220,000	250,000	285,000	290,700
TOTAL EXPENSES	341,308	315,823	451,512	558,251	773,513	855,327	970,572	1,006,150	1,048,650	1,096,480	1,115,460
(Surplus)/Deficit	- 5,992 -	- 107,290 -	- 59,002 -	- 130,664 -	- 43,407 -	- 0 -	- 0 -	- -	- -	- -	- -

2017 Water Rate Calculation

Rate Distribution

		% Allocation
PORT MOODY WATER SUPPLY	\$ 330,000	44.0%
OPERATING EXPENSES	\$ 230,572	30.7%
WATER INFRASTRUCTURE LEVY	\$ 190,000	25.3%
Total 2017 Annual Costs	\$ 750,572	100.0%

Costs to be Funded from Utility Rates

Funded from Water User Fees	\$ 722,070
Funded from Other Sources (i.e. penalties, new service connections, etc.)	\$ 28,502
Total 2017 Annual Revenues	\$ 750,572

Water Consumption Calculation

2016 water usage (invoiced consumption)	252,098
2017 growth (based on medium growth from OCP)	2.2%
2017 estimated water usage (cubic meters)	257,644

Water Rate Calculation

Costs funded from user fees	\$ 722,070
2017 estimated water usage (invoiced consumption)	257,644
2017 Water Rate - per cubic meter	\$ 2.80

Water Rate Distribution - per cubic meter

	2017	2016
PORT MOODY WATER SUPPLY	\$ 1.23	0.86
OPERATING EXPENSES	\$ 0.86	1.01
WATER INFRASTRUCTURE LEVY	\$ 0.71	0.55
2017 Water Rate	\$ 2.80	2.42

Change over previous year (\$) \$ 0.38 per m³
 Change over previous year (%) 15.6%

Avg water cost in 2016 (based on 350 cubic meters) \$ 848.33
 Avg water cost in 2017 (based on 350 cubic meters) \$ 980.91
 Average increase \$ 132.58

Village of Anmore

2017 Capital Project Funding Requirements

2016 Capital Projects, Funding Sources and Residual Balances

	02-00-3001 Water Stabilization	11-00-3001/ 06-00-3001 Cap Asst Water	10-00-3001 Water DCC	2016 Total
2015 Ending Balance (as audited)	-\$ 248,419	\$ 519,680	\$ 669,040	
2016 Projects	-\$ 7,500	-\$ 55,000	-\$ 10,000	
2016 Contributions	\$ 25,000	\$ -	\$ -	
2017 Beginning Balance	-\$ 230,919	\$ 464,680	\$ 659,040	\$ 892,801
2017 Revenue				
Internal Transfers	\$ 190,000	\$ -	\$ -	\$ 190,000
External Contributions	\$ -	\$ -	\$ -	\$ -
Revenue Subtotal	\$ 190,000	\$ -	\$ -	\$ 190,000
2017 Expenditures				
GIS Mapping	\$ 5,000	\$ -	\$ -	\$ 5,000
Seymour View Watermain Upgrades		\$ 60,000		\$ 60,000
Sampling Station	\$ -	\$ 10,000	\$ -	\$ 10,000
Automatic flushing valves	\$ -	\$ 20,000	\$ -	\$ 20,000
Water Meter Replacement Program	\$ -	\$ 5,000	\$ -	\$ 5,000
Project Subtotal	\$ 5,000	\$ 95,000	\$ -	\$ 100,000
2017 Balance, end of year	-\$ 45,919	\$ 369,680	\$ 659,040	\$ 982,801

Village of Anmore

2018 Capital Project Funding Requirements

2018 Capital Projects, Funding Sources and Residual Balances

	02-00-3001 Water Stabilization	11-00-3001/ 06-00-3001 Cap Asst Water	10-00-3001 Water DCC	2018 Total
2018 Beginning Balance	-\$ 45,919	\$ 369,680	\$ 659,040	\$ 982,801
2018 Revenue				
Internal Transfers	\$ 46,000	\$ 174,000	\$ -	\$ 220,000
External Contributions	\$ -	\$ -	\$ -	\$ -
Interest Income (tbd @ y/e)	\$ -	\$ -	\$ -	\$ -
Revenue Subtotal	\$ 46,000	\$ 174,000	\$ -	\$ 220,000
2018 Expenditures				
Automatic flushing valves	\$ -	\$ 20,000	\$ -	\$ 20,000
Water Meter Replacement Program	\$ -	\$ 5,000	\$ -	\$ 5,000
Unidirectional Watermain Flushing Watermain Connection Spence Way to Legget Drive	\$ -	\$ 20,000	\$ -	\$ 20,000
Upsize watermain on Sugar Mtn Way crossing Sunnyside	\$ -	\$ 166,400	\$ -	\$ 166,400
	\$ -	\$ 364,650	\$ -	\$ 364,650
Project Subtotal	\$ -	\$ 576,050	\$ -	\$ 576,050
2018 Balance, end of year	\$ 81	-\$ 32,370	\$ 659,040	\$ 626,751

Village of Anmore
2019 Capital Project Funding Requirements

2019 Capital Projects, Funding Sources and Residual Balances

	02-00-3001 Water Stabilization	11-00-3001/ 06-00-3001 Cap Asst Water	10-00-3001 Water DCC	2019 Total
2019 Beginning Balance	\$ 81	-\$ 32,370	\$ 659,040	\$ 626,751
2019 Revenue				
Internal Transfers	\$ -	\$ 250,000	\$ -	\$ 250,000
External Contributions	\$ -	\$ -	\$ -	\$ -
Interest Income (tbd @ y/e)	\$ -	\$ -	\$ -	\$ -
Revenue Subtotal	\$ -	\$ 250,000	\$ -	\$ 250,000
2019 Expenditures				
Reconnect properties along Wyndham Cres	\$ -	\$ 139,750	\$ -	\$ 139,750
Water Meter Replacement Program	\$ -	\$ 5,000	\$ -	\$ 5,000
Project Subtotal	\$ -	\$ 144,750	\$ -	\$ 144,750
2019 Balance, end of year	\$ 81	\$ 72,880	\$ 659,040	\$ 732,001

Village of Anmore

2020 Capital Project Funding Requirements

2020 Capital Projects, Funding Sources and Residual Balances

	02-00-3001 Water Stabilization	11-00-3001/ 06-00-3001 Cap Asst Water	10-00-3001 Water DCC	2020 Total
2020 Beginning Balance	\$ 81	\$ 72,880	\$ 659,040	\$ 732,001
2020 Revenue				
Internal Transfers	\$ -	\$ 285,000	\$ -	\$ 285,000
External Contributions	\$ -	\$ -	\$ -	\$ -
Revenue Subtotal	\$ -	\$ 285,000	\$ -	\$ 285,000
2020 Expenditures				
Elementary PRV Station Replacement	\$ -	\$ 68,900	\$ -	\$ 68,900
Water Meter Replacement Program	\$ -	\$ 5,000	\$ -	\$ 5,000
Project Subtotal	\$ -	\$ 73,900	\$ -	\$ 73,900
2020 Balance, end of year	\$ 81	\$ 283,980	\$ 659,040	\$ 943,101

Village of Anmore

2021 Capital Project Funding Requirements

2021 Capital Projects, Funding Sources and Residual Balances

	02-00-3001 Water Stabilization	11-00-3001/ 06-00-3001 Cap Asst Water	10-00-3001 Water DCC	2020 Total
2021 Beginning Balance	\$ 81	\$ 72,880	\$ 659,040	\$ 732,001
2021 Revenue				
Internal Transfers	\$ -	\$ 290,700	\$ -	\$ 290,700
External Contributions	\$ -	\$ -	\$ -	\$ -
Revenue Subtotal	\$ -	\$ 290,700	\$ -	\$ 290,700
2021 Expenditures				
Elementary PRV Station Replacement	\$ -	\$ 68,900	\$ -	\$ 68,900
Water Meter Replacement Program	\$ -	\$ 5,000	\$ -	\$ 5,000
Project Subtotal	\$ -	\$ 73,900	\$ -	\$ 73,900
2021 Balance, end of year	\$ 81	\$ 289,680	\$ 659,040	\$ 948,801