

FINANCE COMMITTEE MEETING – MINUTES



Minutes of the Finance Committee Meeting held on Monday, January 25, 2016 in the portable classroom at Anmore Elementary School, 30 Elementary Road, Anmore, BC

MEMBERS PRESENT

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

STAFF PRESENT

Juli Kolby, Chief Administrative Officer
Christine Milloy, Manager of Corporate Services
Kevin Dicken, Director of Operations

1. CALL TO ORDER

Mayor McEwen called the meeting to order at 7:10 p.m.

2. ADDITIONS AND DELETIONS TO THE AGENDA

Nil

3. APPROVAL OF THE AGENDA

It was Moved and Seconded:

“That the agenda be approved.”

Carried Unanimously

4. DELEGATIONS

Nil

5. MINUTES

(a) **Minutes of the Meeting held on December 21, 2015**

It was Moved and Seconded:

“That the Minutes of the Finance Committee Meeting held on December 21, 2015 be adopted as amended.”

Carried Unanimously

6. BUSINESS ARISING FROM THE MINUTES

(a) Green Gym Grant Funding Shortfall

Juli Kolby advised that the Committee’s recommendation went to Council on January 5, 2016, and it was then referred to Parks and Recreation Committee for their comments on whether there is continued support to proceed with the project given the new knowledge of a \$75,000 funding shortfall.

(b) Building & Bylaw Department Support

Juli Kolby advised that the posting for the plan checker position will close on January 20.

(c) Public Works Foreman Job Posting

Juli Kolby advised that the posting closed; 14 applications were received; and interviews will be conducted this week.

7. UNFINISHED BUSINESS

Nil

8. NEW BUSINESS

(a) 2016-2020 Draft Five-Year Financial Plan

It was Moved and Seconded:

“That the draft 2016-2020 Five-Year Financial Plan, as reviewed by the Finance Committee on January 25, 2016, be presented to Council for deliberation.”

Juli Kolby presented the updated draft General Operating Financial Plan and the Water Financial Plan. Highlights of the presentation and discussion are as follows:

- The tax rate increase has been adjusted to 7.71% tax increase (from 10.6% as previously proposed)
- Grants in lieu will result in \$26,000 (\$25,830 actual) revenue increase to Village
- Council expenses allows for one member to attend an additional Metro Vancouver conference and allows attendance of all members to attend UBCM
- Salaries

- correction made to the amount previously shown; due to formula error
- salaries will be increased in alignment with the Consumer Price Index
- increase to budget for on-call
- increases to benefits for EI, WCB and MPP
- Library services – minor increase to reflect actual usage
- Council Strategic Plan Reserve – funding for reserve removed
- Total tax increase = \$121,972. Amount includes \$100,000 for asset levy
- New market growth improvements are at about \$20,000 for the year
- Property values are adjusted based on BC Assessment roll
- From tax bills last year, the Village received 36.9%: 22.7% for taxation (Village operations), 13.4% for asset levy, and 0.8% for water levy
- Projects under capital plan relate to village hall and some improvements to Sunnyside Road
- No change to council honorariums as the review hasn't been done; any changes could be absorbed within current budget
- Village is working with Port Moody on a new agreement; we currently pay for water plus hydro costs and Village anticipates paying only for water rate
- There will be a phased-in increase to water costs to cover actual costs to Village
- Increase this year of 53 cents per cubic metre and the rate will increase again next year to reflect what should be charged
- Differential for double-dipping in Port Moody with hydro substation charge is \$50,000 per year (approximate)
- For asset replacement:
 - Water Master Plan indicates we should be around \$285,000 per annum, and it will take five years to work up to that amount
 - \$160,000 is budgeted for 2016
 - \$285,000 per annum could be offset by developer contributions, but Village does not want to rely on possibilities
 - the Village is in good shape for keeping up with recommended replacements.
- Committee discussed duplication of payment to Port Moody for water related costs; and considered:
 - supply trunk or supply water at wholesale price
 - could we have a three-way agreement or seek a reduced rate from Metro Vancouver, with Village agreeing to pay Metro Vancouver for cost of water and to pay Port Moody for infrastructure and administration related costs
 - North Van District has an agreement with Belcarra and they use a formula where Belcarra pays a water rate plus an administration fee
 - Village pays for cost recovery plus BC Hydro associated cost to bring water up to the pump in the Village
 - Village should not be paying a retail rate for water; other municipalities pay 63 cents per cubic metre and the Village is paying approximately double that
- Village staff is in negotiation with City of Port Moody to ensure that they are not profiting off of the Village; cost recovery only
- Rate increase would result in average increase of \$185.90 per household per year, however, the figure varies based on actual usage
- 2014 reserve balances have been confirmed

- Change in budget for East Road, north and south of crossing – project moved to 2017
- West Elementary Road and Sunnyside Road walkway improvements moved from 2017 to 2016
- East Road funding is available in the Capital Asset Road Reserve as MRN funds not available until late in the project phase; it is estimated that funding is 1/3 Village and 2/3 from grants and private contribution (developer CACs)
- Staff requests clarification on Reserve Bylaw intended use of funds
- Capital asset funding of \$286,000 required to fund the MRN shortfall for East Road improvements at Mossom crossing and Lanson Crescent
- MRN roads are in a better state than other roads
- Need to prioritize funding for road repair work

Action: Staff to research whether the Village can incur a deficit with MRN funding

- Village hall budgeted rate increased from \$3.5million to \$5million and will be adjusted once true costs are known
- Capital Asset Reserve Bylaw approved February 2014; separated a stabilization fund and three capital asset reserves: Buildings, Roads and Other Future Capital Growth, Parks, and Major Road Network.

Action: Staff to research whether the Community Works Reserve funding (aka gas tax amount) could be applied to Village Hall funding.

- An increase to the asset levy of \$35,000 would result in a tax rate of 9.7%

It was Moved and Seconded:

“That we raise the capital asset levy to \$135,000.”

Carried Unanimously

- Water capital budget - no changes or concerns with balancing reserves
- Committee agreed that projects should be prioritized by addressing safety issues first

It was Moved and Seconded:

“To approve the four projects identified, with funding to be determined by Council, which are the two projects on East Road: Mossom Creek and the narrowing road between Lanson and Charlotte; East Road be completely built from one end to the other; the restructure of Elementary Road; and the sidewalk between Birch Wynde and the bus stops; and that the Finance Committee deems these a priority for 2016.”

Carried Unanimously

“That the draft 2016-2020 Five-Year Financial Plan, as amended by the Finance Committee on January 25, 2016, be presented to Council for deliberation.”

Carried Unanimously

9. ADJOURNMENT

It was Moved and Seconded:

“To adjourn.”

Carried Unanimously

The meeting adjourned at 9:20 p.m.

Certified Correct:

C. MILLOY

Christine Milloy
Manager of Corporate Services

Approved:

J. McEWEN

Mayor John McEwen
Chair, Finance Committee