

AMENDED

AGENDA FOR THE REGULAR FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING TO BE HELD IN THE BOARD ROOM, CITY HALL, ON MONDAY, 2009-FEB-02, COMMENCING AT 4:30 P.M.

1. **CALL THE REGULAR FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING TO ORDER:**
2. **INTRODUCTION OF LATE ITEMS:**
3. **ADOPTION OF AGENDA:**
4. **ADOPTION OF MINUTES:**
 - (a) Minutes of the Regular Finance / Policy Committee of the Whole Meeting held in the Board Room, City Hall, on Monday, 2008-OCT-27 at 4:30 p.m. *Pg. 4 - 5*
 - (b) Minutes of the Special Open Finance / Policy Committee of the Whole Meeting held in the Board Room, City Hall, on Wednesday, 2008-DEC-17 at 4:30 p.m. *Pg. 6 - 8*
 - (c) Minutes of the Special Open Finance / Policy Committee of the Whole Meeting held in the Board Room, City Hall, on Monday, 2009-JAN-19 at 4:30 p.m. *Pg. 9 - 10*
5. **PRESENTATIONS:**
 - (a) Mr. Ron Lambert, Fire Chief, to provide a presentation regarding Fire Rescue operations. *(Presentation time approximately 75 minutes.)*
6. **DELEGATIONS PERTAINING TO AGENDA ITEMS: (10 MINUTES)**
 - (a) Delegations Pertaining to the 2009 – 2013 Financial Plan
7. **COMMISSION REPORTS:**
8. **COMMITTEE REPORTS:**

9. **STAFF REPORTS:** *(blue)*

ADMINISTRATION:

- (a) **Strategic Direction – Budget** [referred from 2009-JAN-12 Open Council Meeting] Pg. 11
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Staff's Recommendation: That Council confirm a tax policy target for residential taxation in 2009 of 5.3 percent (i.e. confirm current Council policy) or specify a new target of Council's preference, and staff will initiate the appropriate response mechanisms. Any number below 5.3 percent (4.1 percent combined) is, of course, entirely appropriate. It is purely Council's choice. Keep in mind, as one approaches zero tax increase, consequences and implications to community service levels increase dramatically in impact and severity.

CORPORATE SERVICES:

- (a) **2009 Council Remuneration** Pg. 12 - 13

Staff's Recommendation: Council direction is requested. In the absence of alternate direction from Council, staff will be obligated to implement the current Council policy, i.e. to implement the increases included in this report.

10. **INFORMATION ONLY ITEMS:**

11. **CORRESPONDENCE:**

- (a) Letter dated 2009-JAN-20 from Lorraine Price, Corresponding Secretary of the Cedar District 4-H Senior Advisory Council, requesting that Council reconsider the reduction to the 4-H barnyard funding partnership in the 2009 provisional budget. Pg. 14-15

12. **NOTICE OF MOTION:**

13. **OTHER BUSINESS:**

NOTICE OF MOTION:

- (a) Councillor Holdom put forward the following Notice of Motion for consideration at the Finance / Policy Committee of the Whole Meeting to be held 2009-FEB-02.

"That Council authorize removing \$750,000 for the upgrade to the City's jail cells."

- (b) Councillor Kipp put forward the following Notice of Motion for consideration at the Finance / Policy Committee of the Whole Meeting to be held 2009-FEB-02.

"That Council freeze Council's remuneration at the 2008 level, and that the Council remuneration policy be referred to the September 2009 Finance/Policy Committee of the Whole to commence a review and possible amendment for 2010 and years following."

14. **DELEGATIONS PERTAINING TO ITEMS NOT ON THE AGENDA:**
(10 MINUTES)

15. **QUESTION PERIOD:** (*Agenda Items Only*)

16. **PROCEDURAL MOTION:**

It is moved and seconded that Council move "In Camera" in order to deal with the following matters under the *Community Charter* Section 90(1):

- (g) litigation or potential litigation affecting the municipality.

16. **ADJOURNMENT:**

MINUTES OF THE REGULAR FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING
HELD IN THE BOARD ROOM, CITY HALL,
ON MONDAY, 2008-OCT-27 COMMENCING AT 4:30 P.M.

PRESENT: Councillor Unger, Chair

Members: Mayor G. R. Korpan
Councillor W. L. Bestwick
Councillor M. D. Brennan
Councillor J. D. Cameron
Councillor W. J. Holdom
Councillor L. D. McNabb
Councillor C. S. Manhas
Councillor L. J. Sherry

Staff: G. D. Berry, City Manager
A. C. Kenning, Deputy City Manager
A. W. Laidlaw, General Manager of Community Services
D. W. Holmes, General Manager of Corporate Services
E. C. Swabey, General Manager of Development Services
I. Howat, Director of Legislative Services
B. E. Clemens, Director of Finance
T. P. Seward, Director of Permits and Properties
Chief R. Lambert, Nanaimo Fire Rescue
A. J. Tucker, Director of Planning and Development
J. E. Harrison, Manager of Legislative Services
K. King, Recording Secretary / S. McMillan, Recording Secretary

1. CALL THE OPEN MEETING TO ORDER:

The Regular Finance / Policy Committee of the Whole Meeting was called to order at 4:30 p.m.

2. ADOPTION OF AGENDA:

It was moved and seconded that the Agenda be adopted. The motion carried unanimously.

3. ADOPTION OF MINUTES:

It was moved and seconded that Minutes of the Regular Finance / Policy Committee of the Whole Meeting held in the Board Room, City Hall on Monday, 2008-OCT-06 at 4:30 p.m. be adopted as circulated. The motion carried unanimously.

4. STAFF REPORTS:

CORPORATE SERVICES:

(a) Capital Priorities

It was moved and seconded that Council approve the reallocation of funds from the General Capital Reserve and Priority Capital Reserve as follows:

1. \$1.0 Million for strategic property purchases;
2. \$2.0 Million for the Housing First Strategy;
3. \$6.0 Million towards the construction of a new Public Works building; and,
4. \$350,000. for capital projects related to sustainability / Green House Gas (GHG) reduction.

The motion carried unanimously.

5. INFORMATION ONLY ITEMS:

- (a) Report from Mr. B. E. Clemens, Director of Finance, re: 2009 Budget Status.

6. ADJOURNMENT:

It was moved and seconded at 4:50 p.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

DIRECTOR,
LEGISLATIVE SERVICES

MINUTES OF THE SPECIAL FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING
HELD IN THE BOARD ROOM, CITY HALL,
ON WEDNESDAY, 2008-DEC-17 COMMENCING AT 4:30 P.M.

PRESENT: Mayor J. R. Ruttan, Chair

Members: Councillor W. L. Bestwick
Councillor W. J. Holdom
Councillor D. K. Johnstone
Councillor J. A. Kipp
Councillor J. R. K. Pattje
Councillor L. D. McNabb
Councillor L. J. Sherry
Councillor M. W. Unger

Staff: G. D. Berry, City Manager
A. C. Kenning, Deputy City Manager
A. W. Laidlaw, General Manager of Community Services
D. W. Holmes, General Manager of Corporate Services
E. C. Swabey, General Manager of Development Services
I. Howat, Director of Legislative Services
B. E. Clemens, Director of Finance
T. P. Seward, Director of Permits and Properties
A. J. Tucker, Director of Planning and Development
S. Graham, Manager of Financial Planning and Payroll
J. Kemp, Executive Assistant
J. E. Harrison, Manager of Legislative Services

1. CALL THE SPECIAL MEETING TO ORDER:

The Special Finance / Policy Committee of the Whole Meeting was called to order at 4:32 p.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Add Agenda Item 4 (a) – Staff Reports – Status Update of the Amended Partnering Agreement for the Millennium Hotel at the Vancouver Island Conference Centre.

3. ADOPTION OF AGENDA:

It was moved and seconded that Agenda Item 3 (a) – PowerPoint Presentation from Mr. B. E. Clemens, Director of Finance, regarding the provisional budget be referred to a future meeting due to inclement weather. The motion carried unanimously.

It was moved and seconded that the Agenda, as amended, be adopted. The motion carried unanimously.

4. STAFF REPORTS:

ADMINISTRATION

- (a) Status Update on the Amended Partnering Agreement for the Millennium Hotel at the Vancouver Island Conference Centre
-

It was moved and seconded that Council adopt the following resolution:

Be it therefore resolved that:

1. the City of Nanaimo considers Millennium Nanaimo Properties Ltd., and Suro Development Company (the "Developers") in default of the Amended Partnering Agreement (the "partnering agreement") and the Purchase Agreement (Hotel/Residential Lands) (the "hotel land agreement") in that the Developers have:
 - (a) acknowledged that there is no secured financing to commence the hotel immediately, in breach of the representation and warranty to do so under the partnering agreement;
 - (b) failed to pour the footings for the hotel by the agreed date of 2008-MAY-31;
 - (c) failed to pay the City for the costs of providing services to the hotel as required under Section 4.5 of the partnering agreement; and,
 - (d) not as yet paid the initial payment for the cost of providing parking for the hotel under Section 14.4 of the hotel land agreement and Section 8.2 of the partnering agreement.
2. that the matter of these defaults be considered at the Council Meeting of 2009-JAN-19.
3. that notice of the defaults referred to in Paragraph 1 of this resolution be provided to the Developers.

The motion carried unanimously.

5. COUNCIL APPOINTMENTS:

It was moved and seconded that Council appoint the following individuals to the Lower Mainland Treaty Advisory Committee:

- Councillor Holdom – Elected Representative
- Councillor Kipp – Alternate Elected Representative
- Mr. I. Howat, Director of Legislative Services – Staff Representative
- Mr. G. D. Berry, City Manager – Alternate Staff Representative

The motion carried unanimously.

ADJOURNMENT:

It was moved and seconded at 4:40 p.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

DIRECTOR,
LEGISLATIVE SERVICES

MINUTES OF THE SPECIAL FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING
HELD IN THE BOARD ROOM, CITY HALL,
ON MONDAY, 2009-JAN-19 COMMENCING AT 4:30 P.M.

PRESENT: Mayor Ruttan, Chair

Members: Councillor W. L. Bestwick
Councillor W. J. Holdom
Councillor D. K. Johnstone
Councillor J. A. Kipp
Councillor J. F. K. Pattje
Councillor L. J. Sherry
Councillor M. W. Unger

Absent: Councillor L. D. McNabb

Staff: G. D. Berry, City Manager
A. C. Kenning, Deputy City Manager
A. W. Laidlaw, General Manager of Community Services
D. W. Holmes, General Manager of Corporate Services
E. C. Swabey, General Manager of Development Services
T. L. Hartley, Director of Human Resources
B. E. Clemens, Director of Finance
T. M. Hickey, Director of Engineering and Public Works
T. P. Seward, Director of Permits and Properties
Chief R. Lambert, Nanaimo Fire Rescue
A. J. Tucker, Director of Planning and Development
R. J. Harding, Director of Parks, Recreation and Culture
J. E. Harrison, Manager of Legislative Services
D. Duncan, Manager of Finance, Community Services
R. Phillips, Programmer / Network Analyst
S. Samborski, Senior Manager of Recreation & Cultural Services
J. Ritchie, Senior Manager of Parks
M. Hutchinson, Economic Development Officer
S. Graham, Manager of Financial Planning

1. CALL THE OPEN MEETING TO ORDER:

The Regular Finance / Policy Committee of the Whole Meeting was called to order at 4:35 p.m.

2. ADOPTION OF AGENDA:

It was moved and seconded that the Agenda, be adopted. The motion carried unanimously.

3. PRESENTATIONS:

- (a) Mr. A.W. Laidlaw, General Manager, Community Services provided an overview of Community Services in a PowerPoint presentation.

Mayor Ruttan called a short recess at 5:12 p.m.
The meeting reconvened at 5:20 p.m.

- (b) Mr. R.J. Harding, Director of Parks, Recreation and Culture provided a presentation regarding Parks, Recreation and Culture operations.

4. NOTICE OF MOTION:

- (a) Councillor Holdom put forward the following Notice of Motion for consideration at the Finance / Policy Committee of the Whole Meeting to be held 2009-FEB-02.

"That Council authorize removing \$750,000 for the upgrade to the City's jail cells."

- (b) Councillor Kipp put forward the following Notice of Motion for consideration at the Finance / Policy Committee of the Whole Meeting to be held 2009-FEB-02.

"That Council review the Council Remuneration Policy and consider freezing the present Council remuneration."

ADJOURNMENT:

It was moved and seconded at 6:39 p.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

DIRECTOR,
LEGISLATIVE SERVICES

STAFF REPORT

TO: NANAIMO CITY COUNCIL

FROM: G.D. BERRY, CITY MANAGER

RE: STRATEGIC DIRECTION - BUDGET

STAFF RECOMMENDATION:

That Council confirm a tax policy target for residential taxation in 2009 of 5.3 percent (i.e. confirm current Council policy) or specify a new target of Council's preference, and staff will initiate the appropriate response mechanisms. Any number below 5.3 percent (4.1 percent combined) is, of course, entirely appropriate. It is purely Council's choice. Keep in mind, as one approaches zero tax increase, consequences and implications to community service levels increase dramatically in impact and severity.


BACKGROUND:

Council has now had a general orientation on policy issues and has received a report on cuts to get down to the current Council policy of 5.3% increase (residential 4.1% blended). We are about to undertake detailed departmental/budget reviews culminating in Strategic Planning sessions in late February early March.

Various Council members have individually expressed desires for lower tax increases and the economic situation is certainly headed in a direction where staff believes that both the ideological make-up of this Council and the milieu we find ourselves in combine to lead us to believe that this Council will wish to make tax levels/expenditure levels and "efficiency" much higher corporate priorities than the relative priorities held by recent Councils. Under the current schedule, we likely won't get that specific corporate direction from Council until at least a third or a half year into 2009. Expenditures on the previous Council financial plan started 2009-JAN-01, and are occurring daily.

Therefore, it is recommended that Council provide its specific target for taxation policy at the earliest possible date and staff will follow up with specific recommendations as necessary.

Respectfully submitted,


G. D. Berry, City Manager
GDB/sldk/ld
Council: 2009-JAN-12

☐ Council
☒ Committee... FPCOW
☐ Open Meeting
☐ In-Camera Meeting
Meeting Date: 2009-FEB-02

STAFF REPORT

REPORT TO: D.W. HOLMES, GENERAL MANAGER OF CORPORATE SERVICES

FROM: B.E. CLEMENS, DIRECTOR OF FINANCE

RE: 2009 COUNCIL REMUNERATION

RECOMMENDATION:

Council direction is requested.

In the absence of alternate direction from Council, staff will be obligated to implement the current Council policy, i.e. to implement the increases included in this report.

EXECUTIVE SUMMARY:

At the Regular Meeting of Council held 2005-MAR-07, Council adopted the policy that Council remuneration will be "...the average of that paid the Mayor and Council in the comparative group of municipalities with implementation commencing with the new Council on 2005-DEC-05."

At the Special Finance & Policy Committee of the Whole Meeting held 2009-JAN-19, some Council members indicated that they wanted the opportunity to reconsider that policy before the 2009 Council remuneration level is set.

DISCUSSION

The above-noted policy was implemented in December 2005, using the average of comparable municipalities established in December 2004. For the year 2008, this set the Mayor's salary at \$76,911.00 and Councillors' salaries at \$25,439.00.

In keeping with past practice, staff surveyed the comparable municipalities again in December 2008. The results are shown below:

<u>December 2008 Salaries</u>	<u>Mayor</u>	<u>Councillor</u>	<u>Population</u>
Chilliwack	\$76,491.03	\$26,100.54	80,038
Kamloops	\$69,514.27	\$23,171.20	83,500
Kelowna	\$85,798.00	\$28,313.00	113,000
Abbotsford	\$86,600.00	\$34,700.00	140,000
Dist. Of North Vancouver	\$89,815.00	\$35,926.00	88,799
Prince George	\$86,207.13	\$22,194.00	77,148
Saanich	\$78,192.93	\$27,135.73	114,130
Victoria	\$74,458.00	\$26,085.02	78,057
Maple Ridge	\$89,744.00	\$36,249.00	73,248
Township of Langley	\$93,724.00	\$36,043.00	102,000
Average of above	\$83,054.00	\$29,592.00	94,992

☐ Council
☒ Committee *PPCOW*
☐ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2009 FEB 02*

City of Nanaimo (current)	<u>\$76,911.00</u>	<u>\$25,439.00</u>	83,395
Increase	\$6,143.00 8.0%	\$4,153.00 16.3%	

Based on the survey and Council's policy, the new salary for the Mayor would be \$83,054.00 and the new salary for Councillors would be \$29,592.00. These new salaries would normally take effect on January 1, 2009 and would be reviewed again in one year.

In the summer of 2008, the Regional District of Nanaimo conducted a review of amounts paid to Regional Directors. As a result of this review, the salaries for the City's appointees to the Board increased from \$9,000 to \$10,000 (11.1%). This increase took effect in December 2008 when the new Directors were appointed.

Respectfully submitted,



B.E. Clemens
Director of Finance



D.W. Holmes
General Manager of Corporate Services



CEDAR DISTRICT 4-H SENIOR ADVISORY COUNCIL

January 20, 2009.

City of Nanaimo, Mayor and Council:

We recently received the attached letter from Mary Smith, Manager of Recreation and Culture that outlines recommendations to the 2009 provisional budget. Staff has indicated that these recommendations include a reduction of \$2000 to the 4-H barnyard funding partnership. The barnyard will be in grave jeopardy if we lose this funding. We work hard at the usual raffles, concessions, silent auctions, garage sales, bottle drives, and receive some products and service in lieu of money from several local sponsors.

2009 will mark the 60th year of 4-H in Nanaimo and District, and the barnyard is one of the few remaining unique links between rural and city life. We have been partnered with the City of Nanaimo for over 10 years. We have put over \$8500 of our money into the buildings at the Bowen site before the city made us change locations. We have put in over \$10,000 of our money and countless volunteer hours into the new location at Beban Park which is on city land. Our only partnership with the VIE is during the 3 day fair. There is no financial aid from the VIE.

We provide a free service to the citizens of Nanaimo and visitors from around the world to experience some aspects of farm life. Our current membership is 75 members between the ages of 8 and 19 with 25 volunteer leaders.

We would ask that you reconsider our funding requirement so that we can continue to operate for many years to come.

Yours truly,

Lorraine Price
Corresponding Secretary

Linda Barnett
Treasurer

Tannie Meyer
President

c.c. Brian Sugiyama, Recreation Coordinator
Suzanne Samborski, Senior Manager, Recreation & Culture Services

/lp

☐ Council
☒ Committee *EPCOW*
☐ Open Meeting
☐ In-Camera Meeting
Meeting Date: *2009-FEB-02*

RECEIVED

JAN 21 2008

MAYOR'S OFFICE

2008

CULTURAL CAPITAL
CAPITAL CULTURELLE
of CANADA & CANADA
2009-JAN-5

CITY OF NANAIMO
THE HARBOUR CITY
PARKS, RECREATION & CULTURE

Linda Barnett
Cedar District 4H Club
44365 Bruce Road
Ladysmith, BC
V9G 1G6

Dear Linda;

Congratulations on another successful summer barnyard program in 2008. I'm pleased the move to the Beban VIE grounds resulted in a better environment for the animals and increased public attendance. I'm sure the facility improvements made by both the City and the 4H Club will pay off for years to come. The further benefit of your new partnership with the VIE is another great outcome of the move.

Linda, the City has been a funding partner with your program for several years but demand for City dollars is greater than ever and consequently we are closely reviewing all of our operational expenditures. As a result it has been determined that it is necessary to reduce the City's contribution to your 2009 barnyard program by one third, to \$4,000. (Please note that this funding is what has been recommended in the 2009 provisional budget however this budget has not yet been approved by Council.)

It is expected that community demand for City dollars will continue to increase so I cannot commit to funding beyond 2009. At this time I anticipate similar reductions in funding to your program in the 2010 and 2011 budgets.

Linda, I value our partnership and the quality of your program and am confident that you will be successful in establishing new community partners to ensure ongoing success of your program. If there is anything I can do to help in this regard please do not hesitate to call me at 250-760-1142.

Yours truly,

Mary

Mary Smith
Manager, Recreation & Culture Services

C Brian Sugiyama, Recreation Coordinator
Suzanne Samborski, Senior Manager, Recreation & Culture Services

G:summer/barnyard/2009funding