

MINUTES OF THE REGULAR FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING
OF THE TWENTY-THIRD COUNCIL OF THE CITY OF NANAIMO
HELD IN THE BOARD ROOM, CITY HALL,
ON MONDAY, 2006-MAR-06 COMMENCING AT 4:30 P.M.

PRESENT: Councillor W. J. Holdom, Chair

Members: Councillor W. L. Bestwick
Councillor M. D. Brennan
Councillor L. D. McNabb
Councillor C. S. Manhas
Councillor L. J. Sherry
Councillor M. W. Unger

Absent: Mayor G. R. Korpan
Councillor J. D. Cameron

Staff: G. D. Berry Superintendent Lott
A. C. Kenning E. C. Swabey
A. W. Laidlaw T. P. Seward
B. N. Mehaffey R. Churchill
B. E. Clemens K. L. Burley
T. M. Hickey K. King
K. M. MacKenzie

1. PARKS, RECREATION AND CULTURE COMMISSION:

The following item was considered by the Parks, Recreation and Culture Commission at its Meeting held 2006-FEB-22:

- (a) Report from Commissioner McNabb, Chair, Parks, Recreation and Culture Commission, regarding Gyro Club Monument Project.

Committee's Recommendation: That Council receive information item (a).

It was moved and seconded that the recommendation of the Parks, Recreation and Culture Commission be adopted. The motion carried unanimously.

2. CITY MANAGER'S REPORT:

ADMINISTRATIVE SERVICES:

LEGISLATIVE SERVICES:

(1) Appointments to the Design Advisory Panel

At the "In Camera" Meeting of Council held 2006-FEB-27, Council appointed the following individuals to sit on the Design Advisory Panel for a three-year term ending 2008-DEC-31.

Architects

Ian Niamath
Jolyon Brown

Landscape Architect

Jessica Gemella

Designer

Kevin Krastel

Recommendation: That Council ratify the appointments of the above-noted individuals to sit on the Design Advisory Panel for a three-year term ending 2008-DEC-31.

It was moved and seconded that Mr. Ian Niamath, Mr. Jolyon Brown, Ms. Jessica Gemella and Mr. Kevin Krastel be appointed to the Design Advisory Panel for a three-year term ending 2008-DEC-31.

(2) Appointments to the Advisory Committee on the Environment

At the "In Camera" Meeting of Council held 2006-FEB-27, Council appointed the following six candidates to the Advisory Committee on the Environment for positions that are reserved for government and community representatives for a three-year term ending 2008-DEC-31 and endorsed the revised Terms of Reference for the Committee.

Education

Steve Earle

Business

Ron Brown

Ministry of Environment (MOE)

Peter Law

Department of Fisheries and Oceans (DFO)

Scott Northrup

Regional District of Nanaimo (RDN)

Christina Thomas

Snuneymuxw First Nation

Andrew McNaughton

Recommendations: That Council:

1. ratify the appointments of the above-noted individuals to sit on the Advisory Committee on the Environment for a three-year term ending 2008-DEC-31; and,
2. adopt the revised Advisory Committee on the Environment Terms of Reference.

It was moved and seconded that Mr. Steve Earle, Mr. Ron Brown, Mr. Peter Law, Mr. Scott Northrup, Ms. Christina Thomas and Mr. Andrew McNaughton be appointed to the Advisory Committee on the Environment for a three-year term ending 2008-DEC-31 and that the revised Advisory Committee on the Environment Terms of Reference be adopted. The motion carried unanimously.

CORPORATE SERVICES:

FINANCE:

(3) 2006 Request for Funding Increase to Nanaimo Archives

At the Regular Meeting of Council held 2006-JAN-23, Council received a higher level service request to increase funding for the Nanaimo Community Archives Society. Council referred this matter to Staff and requested a report. A work group was created to write this report, including members from Finance, Legislative Services, Parks, Recreation and Culture, and Economic Development.

The Society has been under contract with the City since 1992 to attend to the archival requirements of the City's records and to adequately provide research access. Ownership of all City archival records remains with the City; however, custody of the records has been transferred to the Society. The Society stores and allows for access to the City's records at the CIBC Arts Centre as well as the City Hall records vault.

The Society does not keep detailed records of exactly how many records are accessed, however, it does track how many researchers made use of the archives. This usage has more than doubled from over 400 researchers in 1992 to more than 800 in 2004.

Funding from the City to the Society for these services was increased from \$15,000. per annum in 1992 to \$30,000. in 1995. There have been no increases in funding to the Society for this contract since 1995. Funding from other sources such as the Malaspina University College has gone down from a high of \$40,000. per annum in 1996 to \$10,000. currently. The contribution of \$10,000. from the college is in line with the cost of services provided.

Over the years, the Society has provided services to the City that were not envisioned in the original contract including:

- researching and writing City plaques and brochures;
- reviewing demolition permits for building/site cultural and/or architectural significance;
- researching public and Staff nominations to the Heritage Register and writing evaluations for the Heritage Commission;
- editing, researching and updating heritage information for the City website;
- providing conservation advice and recommendations; and
- conducting research for City departments (above and beyond retrieving records).

In 1995 the Society had an accumulated surplus of over \$48,000., resulting from a period where funding was much higher from other parties than it is currently. With annual deficits in many years since that time, the surplus as of 2004 is \$19,128. The operating deficit for 2004 was approximately \$7,000. While the financial statements have not been prepared for 2005, the one item that is known is the cash balance at year end 2005 is \$13,000., which is down from a balance of \$19,000. from the year before. The Society does not wish to continue to drain this reserve any further and therefore increased revenues or lower expenses are required.

The Board of Directors for the Society struck a personnel committee to review comparative positions throughout BC. It was discovered that the Society's Archives Manager salary was well below the average. As a result, in September, 2003, the Board recommended that the Archives Manager position salary be increased over two years to \$40,000. per annum. This increase was not possible due to the continuing deficits of the Society. The current salary for the Archives Manager position is \$35,900., well below the Board's recommendation.

Ultimately, the services performed by the Society are required by the City and the City is very satisfied with the level of service provided. If the Society or the City were to cancel this contract, the services would have to be performed by City Staff. If Staff were to perform these services the cost would be much greater to the City than the current contract. For example, the City would need one full-time clerical staff person, the cost being approximately \$50,000. Additional skill sets and resources would also be needed in order to organize the materials to the national Archival standards.

Christine Meutzner, the Society's Archives Manager, estimates that the other contributing partners (Malaspina University College and the Museum), adequately fund the research requests that are either for their respective clients or research requests in relation to their archived materials. These other contributors have informed the Society that they are not able to increase their current level of funding. If the Society is to be able to continue, its revenues must increase or expenses must decrease.

The Society currently fundraises anywhere from \$2,000 to \$5,000 per annum and receives donations from \$1,000 to \$2,000 per annum. The Society charges \$25. per hour for completing the research itself which is equal to or higher than most archival records fees. However, user fees for Society research are normally not collected as clients typically perform their own research.

The Society has researched whether there are any archives organizations that charge for admission or for access to their records. This research concluded that there were no organizations at the municipal, provincial, or federal level that charge for access to their records. In fact most organizations have it as their mission or mandate to allow for free public access.

The Society has increased its fundraising activities recently with a direct mail campaign (new this year), Heritage House Tour initiative (3 yrs old) and product sales (maps, etc. new this year). All of these activities require further expenses to the Society to get them up and running and further use up the time of the Society's employees.

The Society is a very small organization and a review of the financial statements does not reveal any items that could be reasonably cut in order to reduce the expenses of the Society without harming their ability to perform their basic functions.

Based on the reviews done by Staff the higher service level request of \$9,500. is reasonable.

Recommendation: That:

1. the contract between the City of Nanaimo and the Nanaimo Community Archives Society be increased from \$30,000 to \$39,500 in order to eliminate the \$7,000 deficit from its operating budget and to provide \$2,500 towards a portion of the salary increase for the Archives Manager.
2. the Society receive an annual increase based on a "cost of living" principle as determined by the BC Consumer Price Index (CPI) index July over July for the next 4 years. (eg. for 2006 the increase would have been 1.9%).

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

3. CORRESPONDENCE:

- (a) Letter dated 2006-MAR-01 from Ms. Barbara Hensch, on behalf of the Neighbours of Nob Hill, requesting that the plans for the Hecate and Prideaux intersection traffic circle be included in the 2006 budget.

It was moved and seconded that the Correspondence be received. The motion carried unanimously.

4. ADJOURNMENT:

It was moved and seconded at 4:36 p.m. that the meeting terminate. The motion carried unanimously.

C H A I R

CERTIFIED CORRECT:

MANAGER,
LEGISLATIVE SERVICES