

MINUTES
FINANCE AND AUDIT COMMITTEE MEETING
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTER
80 COMMERCIAL STREET, NANAIMO, BC
WEDNESDAY, 2018-APR-11, AT 9:00 A.M.

Present: Councillor W. L. Bestwick, Chair (vacated 10:32 a.m.)
Councillor S. D. Armstrong (vacated 10:49 a.m.)
Councillor M. D. Brennan (vacated 10:09 a.m.)
Councillor G. W. Fuller
Councillor J. Hong
Councillor J. A. Kipp
Mayor W. B. McKay (entered at 10:00 a.m.)
Councillor W. M. Yoachim (vacated 11:01 a.m.)

Absent: Councillor I. W. Thorpe

Staff: R. J. Harding, Director of Parks and Recreation
D. Lindsay, Director of Community Development
B. Sims, Director of Public Works and Engineering
J. Van Horne, Director of Human Resources
K. Fry, Fire Chief and Director of Public Safety
A. Groot, Manager, Facility Planning and Operations
J. Rose, Manager of Transportation (vacated 9:48 a.m.)
L. Mercer, Manager Accounting Services
W. Fulla, Manager Business, Asset & Financial Planning
A. Coronica, Senior Financial Analyst
P. Novak, Business Analyst/Project Mgt Specialist (vacated 9:48 a.m.)
P. Feng, Financial Analyst
J. Horn, Social Planner (vacated 9:48 a.m.)
M. Miller, Financial Analyst
S. Snelgrove, Deputy Corporate Officer
G. Whitters, Steno Legislative Services
K. Gerard, Recording Secretary

1. CALL THE FINANCE AND AUDIT COMMITTEE MEETING TO ORDER:

The Finance and Audit Committee Meeting was called to order at 9:01 a.m.

2. INTRODUCTION OF LATE ITEMS:

(a) Reorder Agenda Items as follows:

- 6(a) - Smart Cities Challenge;
- 6(b) - Tender #2095 - Beban Park Boiler Plant Upgrade & Replacement of HV-1 Heat Recovery Coils;
- 6(c) - 2018-2022 Financial Plan Amendment; and,
- 6(d) - 2017 Surplus Allocation Report.

3. ADOPTION OF AGENDA:

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

4. REPORTS:

(a) Smart Cities Challenge

Michelle Miller, Financial Analyst, John Horn, Social Planner and Jamie Rose, Manager of Transportation, provided the Committee with a presentation regarding the Smart Cities Challenge which included:

- the process and prizes involved in the Smart Cities Challenge;
- two issues, for submission, that were brought forward through public engagement are addressing Nanaimo's housing crisis and Active Transportation;
- submissions are due on April 24th, if the City of Nanaimo becomes a finalist the City will receive \$250,000 to further develop the application for the final proposal.
- the Housing Crisis option of the Smart Cities Challenge includes a public access kiosk placed in the downtown area which the homeless will have access to in finding services, resources and professionals who can assist them in a variety of ways.
- the Active Transportation proposal would include technology that would develop a data collection system to track active transportation; and,
- the data collected would provide staff with the tools to make better and more informed decisions when planning infrastructure upgrades.

Committee discussion took place and included:

- the information in the kiosk that would be available such as bus schedules, safety resources, resources regarding rental supplements, guides and maps of Nanaimo for residents and homeless people; and,
- potentially linking the two issues together to create one proposal.

It was moved and seconded that the Finance and Audit Committee recommend that Council endorse the application for the project proposal addressing Nanaimo's housing crisis for the Smart Cities Challenge. The motion carried.

Opposed: Councillor Brennan

(b) Tender #2095 - Beban Park Boiler Plant Upgrade & Replacement of HV-1 Heat Recovery Coils

Introduced by Richard Harding, Director of Parks and Recreation and Art Groot, Manager, Facility Planning and Operations.

It was moved and seconded that the Finance and Audit Committee recommend that Council increase the budget for the Beban Park Boiler Plant Upgrade and Replacement of Heat Recovery Coils projects by \$68,080, to be funded by a FortisBC incentive grant of \$35,373 and an allocation of \$32,707 from the Facility Development Reserve Fund. The motion carried unanimously.

(c) 2018 - 2022 Financial Plan Amendment

Introduced by Wendy Fulla, Manager, Business, Asset and Financial Planning.

Committee discussion took place which included the Director of Communications position and unfunded liabilities.

Councillor Hong vacated the Shaw Auditorium at 10:05 a.m.

It was moved and seconded that the Director of Communications position be changed to a manager position and the budget be amended accordingly. The motion was defeated.
Opposed: *Councillors Armstrong, Fuller, Kipp, and Yoachim*

Councillor Brennan vacated the Shaw Auditorium at 10:09 a.m.

It was moved and seconded that the Finance and Audit Committee receive the report titled "2018 - 2022 Financial Plan Amendment" dated 2018-APR-11 for information. The motion carried unanimously.

Councillor Hong returned to the Shaw Auditorium at 10:26 a.m.

Councillor Bestwick vacated the Shaw Auditorium at 10:32 a.m., Councillor Armstrong assumed the Chair.

It was moved and seconded that the Finance and Audit Committee recommend that Council include in the financial statements: the employee future benefit liabilities, what portion is charged against reserves, and where it comes from and a line item in the financial plan addressing the annual change of employee benefit liabilities.

It was moved and seconded that the Finance and Audit Committee refer the following motion to Staff for further review:

"It was moved and seconded that the Finance and Audit Committee recommend that Council include in the financial statements: the employee future benefit liabilities, what portion is charged against reserves, and where it comes from and a line item in the financial plan addressing the annual change of employee benefit liabilities."

The motion carried unanimously.

(d) 2017 Surplus Allocation Report

Introduced by Laura Mercer, Manager, Accounting Services.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve the allocation of the 2017 operating surplus as follows:

1.	General Fund	
a.	Property Purchase Reserve	\$ 1,100,000
b.	General Capital Reserve	752,919
c.	General Financial Stability Reserve	500,000
d.	RCMP Contract Adjustment Reserve	247,081
e.	Unallocated General Surplus	112,000

		\$ 2,712,000
		=====
2.	Sewer Fund	
a.	Sewer Reserve	\$ 400,000
b.	Unallocated Sewer Surplus	69,000

		\$ 469,000
		=====
3.	Water Fund	
a.	Water Supply Reserve	\$ 180,000
b.	Water Distribution Reserve	720,000
c.	Unallocated Water Surplus	112,000

		\$ 1,012,000
		=====

The motion carried.

Opposed: Councillor Fuller

Councillor Armstrong vacated the Shaw Auditorium at 10:49 a.m., Councillor Kipp assumed the Chair.

5. OTHER BUSINESS:

- (a) Lauren Semple, President of Nanaimo Pride Society, requested support of the 2018 Nanaimo Pride Parade and future parades by providing blockades and City of Nanaimo staff to assist with the parade. Ms. Semple also requested that the Nanaimo Pride Society and the City of Nanaimo formalize an agreement for support of the event on an annual basis.

It was moved and seconded that the Finance and Audit Committee recommend that Council:

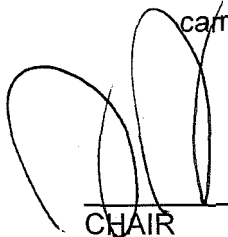
1. support Nanaimo Pride 2018 by providing blockades and City workers for the parade;
2. ensure that the rainbow crosswalks on Commercial Street are touched up and/or repainted before the parade; and,
3. direct Staff to work on a protocol agreement or Memorandum of Understanding with the Nanaimo Pride Society to provide annual support of the Nanaimo Pride Parade.

The motion carried unanimously.

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to prepare a report providing options to address multiple requests received from community groups asking for City of Nanaimo support of parades. The motion carried unanimously.

6. ADJOURNMENT:

It was moved and seconded at 11:02 a.m. that the meeting terminate. The motion carried unanimously.



CHAIR

CERTIFIED CORRECT:



CORPORATE OFFICER