

MINUTES
FINANCE AND AUDIT COMMITTEE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE
411 DUNSMUIR STREET, NANAIMO, BC
WEDNESDAY, 2019-APR-10, AT 9:00 A.M.

Present: Mayor L. Krog, Chair
Councillor D. Bonner
Councillor T. Brown
Councillor B. Geselbracht
Councillor E. Hemmens
Councillor J. Turley

Absent: Councillor S. D. Armstrong
Councillor Z. Maartman
Councillor I. W. Thorpe

Staff: J. Rudolph, Chief Administrative Officer
D. Lindsay, Director, Community Development
B. Corsan, Deputy Director, Community Development (arrived 9:39 a.m.)
B. Sims, Director, Engineering and Public Works
L. Mercer, Acting Director, Financial Services
W. Fulla, Manager, Business, Asset and Financial Planning
B. Wardill, Acting Manager, Revenue Services
D. Blackwood, Client Support Specialist (vacated 9:07 a.m.)
S. Gurrie, City Clerk
S. Snelgrove, Deputy Corporate Officer
G. Whitters, Recording Secretary

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

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

2. INTRODUCTION OF LATE ITEMS:

(a) Agenda Item 6(d) Funding Request from Mid-Island Business Initiative - Add Delegation from Bob Moss, Managing Broker, NAI Commercial.

3. ADOPTION OF AGENDA:

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

4. ADOPTION OF MINUTES:

It was moved and seconded that the Minutes of the Finance and Audit Committee Meeting held in the Boardroom, Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC on Wednesday, 2019-MAR-20 at 9:00 a.m. be adopted as circulated. The motion carried unanimously.

5. PRESENTATIONS:

(a) Presentation re: Final 2019-2023 Financial Plan

Introduced by Laura Mercer, Acting Director, Financial Services,

D. Blackwood vacated the Boardroom at 9:07 a.m.

Wendy Fulla, Manager, Business, Asset and Financial Planning, provided Council with a presentation regarding the Final 2019 – 2023 Financial Plan, which included the following information:

- City of Nanaimo 10-year tax increase average is 2.1%
- Tax increases in Nanaimo compared to other municipalities
- Property tax impact for the average home and what services the taxes will cover
- Expected revenue of \$187 million for 2019
- Key changes between the Provisional and Final budget
- Reduced parking revenue from loss of on street parking
- Financial Plan Amendment Bylaw and Property Tax Bylaw for three readings at the Regular Council Meeting 2019-APR-29 and adoption at the Regular Council Meeting on 2019-MAY-06

Committee discussion took place regarding:

- Building permit processing times
- Impact on budget if a new permanent position added (.1% increase)
- Funding of the position for 4 years from surplus
- Serausmen Stadium lighting
- Bylaw revenue is separate from parking revenues
- Proposed new permit position – calculation on return of investment, business case was previously presented to Council
- Process for updating budget
- Potential dates for Special Finance and Audit Committee meeting

6. REPORTS:

(a) Closed Captioning of Meetings

Introduced by Sheila Gurrie, City Clerk.

Committee discussion took place:

- Quality of sound and volume of microphones
- Money allocated to improve sound quality in the Service and Resource Centre Boardroom
- The number of people that watch Council and Committee meeting videos
- Impact on taxes

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to proceed with the implementation of closed captioning for audio and visual recorded meetings, and allocate \$22,400 for the annual license fee plus one-time implementation and start-up costs of \$2,900, to be funded from general taxation. The motion carried. Opposed: Councillor Turley

B. Corsan entered the Boardroom at 9:39 a.m.

(b) Hosting the Association of Vancouver Island and Coastal Communities Annual Convention

Introduced by Sheila Gurrie, City Clerk.

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

1. submit an application to host the Association of Vancouver Island and Coastal Communities 2020 Annual Convention; and,
2. that if the application is successful, commit up to \$15,174 in the 2020 budget to host this event at the Vancouver Island Conference Centre, with funding to be allocated from general taxation.

The motion carried unanimously.

(c) Consideration of New Permissive Tax Exemption Applications

Introduced by Laura Mercer, Acting Director, Financial Services.

Committee discussion took place regarding:

- Setting a precedence for cash grants (not common but there is a budget for it)
- Having a committee review these requests
- Nanaimo Brain Injury, Nanaimo 7-10 Club, and John Howard are already receiving Permissive Tax Exemptions (PTE)

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

1. Award a permissive tax exemption for the 2020 tax year to the Nanaimo Brain Injury Society for property it leases at 106 – 285 Prideaux Street;
2. Award a permissive tax exemption for the 2020 tax year to the Let Me Be Me Learning Foundation for property it leases at 200 – 1585 Bowen Road;
3. Award a permissive tax exemption for the 2020 tax year to the Nanaimo 7-10 Club Society for property it leases at 303 – 285 Prideaux Street; and,

4. Award a permissive tax exemption for the 2020 tax year to Nanaimo Region John Howard Society for property it owns at 2353 Rosstown Road.

The motion carried unanimously.

It was moved and seconded that the Finance and Audit Committee recommend that Council award a cash grant for the 2019 property taxes to the Nanaimo Region John Howard Society for property it owns at 2353 Rosstown Road. The motion carried.

Opposed: *Councillor Bonner*

(d) Funding Request from Mid-Island Business Initiative

Introduced by Jake Rudolph, Chief Administrative Officer.

Delegation:

1. Bob Moss, Chair, Mid-Island Business Initiative (MIBI), spoke regarding:
 - Maintaining and growing high value jobs in Nanaimo
 - Key areas of focus include: retention of existing businesses, supporting growth of existing businesses, research and strategic thinking of competitive advantages and attracting new business
 - MIBI members drafted a strategic plan through two roundtables and consultation with Snuneymuxw First Nation
 - Manufacturing Technology and Entrepreneurship Council's (MTEC) actions to take: increase tech talent pool, work with other partners to create formal and informal events, put Nanaimo on map for investment capital and facilitate the flow of relevant information to current tech companies
 - Funding need is urgent
 - MIBI is supporting MTEC for April, 2019
 - MIBI has been in place since 2017
 - At the end of 6 month period they intend to have a clear, long-term plan outlined

Committee discussion took place regarding:

- Process, urgency and funding options of the request
- Gap in current economic development services
- Absence of strategy
- Signal to business community that Council is prepared to take action
- Competition of attracting business

It was moved and seconded that the Finance and Audit Committee recommend that Council allocate \$48,000 to the Mid-Island Business Initiative for the Manufacturing Technology & Entrepreneurship Council program for the remainder of 2019. The motion carried. Opposed: *Councillor Hemmens*

7. OTHER BUSINESS:

It was moved and seconded that the Finance and Audit Committee hold a Special Finance and Audit Committee meeting next week (April 15-19, 2019) to discuss the implications of the addition of one permanent position in the Community Development Department and any other budget adjustments. The motion carried unanimously.

8. QUESTION PERIOD:

No one in attendance wished to ask questions.

9. ADJOURNMENT:

It was moved and seconded at 10:14 a.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER