

MINUTES
FINANCE AND AUDIT COMMITTEE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE
411 DUNSMUIR STREET, NANAIMO, BC
WEDNESDAY, 2019-JUN-26, AT 9:00 A.M.

Present: Mayor L. Krog, Chair
Councillor S. D. Armstrong
Councillor D. Bonner
Councillor T. Brown
Councillor B. Geselbracht
Councillor E. Hemmens
Councillor I. W. Thorpe
Councillor J. Turley

Absent: Councillor Z. Maartman

Staff: J. Rudolph, Chief Administrative Officer
R. J. Harding, Director, Parks and Recreation (vacated 11:32 a.m.)
D. Lindsay, Director, Community Development (vacated 11:32 a.m.)
B. Sims, Director, Engineering and Public Works (vacated 11:32 a.m.)
L. Mercer, A/Director, Financial Services (vacated 11:32 a.m.)
W. Fulla, Manager, Business, Asset & Financial Planning (vacated 11:32 a.m.)
K. Fry, Fire Chief (vacated 11:32 a.m.)
G. Norman, Deputy Fire Chief – Administration (vacated 11:32 a.m.)
P. Rosen, Senior Manager Engineering (vacated 11:32 a.m.)
J. Evans, Manager, Fleet Operations (vacated 11:32 a.m.)
M. Squire, Manager, Water Resources (vacated 11:32 a.m.)
D. Blackwood, Client Support Specialist (vacated 9:06 a.m.)
S. Gurrie, City Clerk
J. Vanderhoef, Recording Secretary (vacated 11:32 a.m.)

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. 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 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-MAY-15, at 9:00 a.m. be adopted as circulated. The motion carried unanimously.

4. PRESENTATIONS:

(a) 2020 - 2024 Financial Plan Development Workshop

Introduced by Laura Mercer, Acting Director, Financial Services.

Wendy Fulla, Manager, Business, Asset & Financial Planning, provided a presentation and spoke regarding the following:

- Planning Framework
- Three main components of the Financial Plan: Operating Budgets, Projects, and Business Cases

D. Blackwood vacated the Boardroom at 9:06 a.m.

- Operating Budgets: modified zero-based budgeting, support department's business plan
- Projects: 10+ year planning horizon, identifying new projects, business case and cost/benefit analysis where appropriate
- Business Cases Process, Purpose and Value: looking at quantitative and qualitative attributes of potential projects
- Key Points: develop budget principles, project planning framework, financial planning support
- Timeline for Staff working on various aspects of the budget
- Projected Property Tax Increases and Projected User Fees
- 2020 Key Budget Drivers
- Items not currently included in 2020 Budget – Port Theatre \$4.6 million which could have a 1% impact on taxes, spread over multiple years, if grant application is successful
- Staff are seeking direction on Council's expected outcomes, short term goals and priorities, and if there are items that Council want Staff to reprioritize or expand

Committee discussion took place regarding who requests business plans and case studies.

Jake Rudolph, Chief Administrative Officer, noted the difference between a business plan and a business case. Business cases are "asks" put forward from various departments, whereas business plans are related to maintenance and operations of ongoing projects. He suggested that more workshops could be scheduled in July if further discussion is needed.

Committee discussion took place regarding the following:

- Large upcoming projects: Waterfront Walkway, Fire Station #1, potential Port Theatre expansion, and various infrastructure and transportation projects
- Additional Human Resources positions are not yet included in the budget
- Timeline for spending the gas infrastructure funding
- Reviewing a project list and aligning projects with the Strategic Plan

- Support funding an additional position regarding environment
- Increase funding to Partners in Parks program
- Creating a Tactical Urbanism program in the Downtown
- Service changes regarding parks: steering towards more innovative/natural play areas, protected bike lanes
- Cost of bylaw enforcement
- Large developments providing potential increases in tax revenue as a result of their projects
- Fees for increases to garbage collection routes
- Case studies being requested by Council through resolutions
- Connecting bike lanes and regular cleaning of the bike lanes
- Impact of large developments on service providers like schools, fire, police etc.
- Workshop to brainstorm ideas and come to consensus on priorities
- Requested a report regarding an additional environmental position which would include information on what is being done presently related to environment and what options are available

Jake Rudolph, Chief Administrative Officer, spoke regarding the timeframe for reviewing budget items and making changes. He spoke regarding maintaining costs for services and financing services as efficiently as possible.

Committee discussion took place regarding the following:

- Staff capacity for reviewing the Official Community Plan (OCP) and making the OCP review a priority
- 1% cut across the board to fund projects that Council selects

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to prepare a business case regarding the addition of an environmental position focused around coordination of the Environmental Sustainability Action Plan. The motion carried unanimously.

- Details of Active Transportation position
- Sidewalk plans and what budget has been allocated for this year
- Motion going to Union of BC Municipalities regarding expansion of Development Cost Charges
- Facilities Master Planning process
- Business case to review bylaw enforcement
- Adding 20 additional bus shelters, and planting 2,000 trees each year
- Affordable housing and homeless issues being brought forward
- Requested discussion around 1 Port Drive and the South End Master Plan
- Clarification on Council's priorities and what will be funded
- Scheduling a brainstorming session to identify priorities and gain a sense of consensus on priorities
- Previous brainstorming session provided priorities for the Strategic Plan
- The Strategic Plan established the overall goals but it's not feasible to address more than 3 projects this year without increasing taxes

The meeting recessed at 10:32 a.m.
The meeting reconvened at 10:42 a.m.

J. Rudolph returned to the Boardroom at 10:43 a.m.

5. REPORTS:

(a) Unitarian Emergency Shelter Funding Request

Introduced by Dale Lindsay, Director, Community Development.

Delegation:

1. Lois Peterson, Executive Director, Nanaimo Unitarian Shelter, requested funds to extend the hours of service and expand supports for the Nanaimo Unitarian Shelter.

Committee discussion took place regarding:

- What would be the optimum number of beds at the shelter
- Duplicating this model in another location
- Location of the shelter in the community

It was moved and seconded that the Finance and Audit Committee recommend that Council approve an allocation of \$20,000 from the Housing Legacy Reserve to the First Unitarian Fellowship of Nanaimo to extend shelter hours in order to provide additional programming, services and supports at the Unitarian Shelter until 2020-MAR-31. The motion carried unanimously.

Councillor Geselbracht vacated the Boardroom at 11:00 a.m. stating a conflict of interest.

(b) Community Program Development Grant – Mid-Island Youth and Community Development Cooperative

Introduced by Richard Harding, Director, Parks and Recreation.

It was moved and seconded that the Finance and Audit Committee rescind the following motion:

“It was moved and seconded that the Finance and Audit Committee recommend that Council approve the request from the Mid-Island Youth and Community Development Cooperative for a Community Program Development Grant in the amount of \$6,350 to assist in funding the Nanaimo Earth Day Social Enterprise Start-up;”

The motion carried unanimously.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve the request from the Mid-Island Youth and Community Development Cooperative for a Community Program Development Grant in the amount of \$2,850 to assist in funding Nanaimo Earth Day Social Enterprise. The motion carried unanimously.

Councillor Geselbracht returned to the Boardroom at 11:01 a.m.

(c) 911 Funding

Introduced by Karen Fry, Fire Chief.

Committee discussion took place regarding whether the Telus fiber optics “briefcase” will make pin pointing caller locations more accurate.

It was moved and seconded that the Finance and Audit Committee recommend that Council approve the 911 Firewall upgrade and allocate \$30,000 from the E911 Reserve. The motion carried unanimously.

(d) Green Fleet Strategy

Introduced by Bill Sims, Director, Engineering and Public Works.

Committee discussion took place regarding:

- Purchase of mountain bikes for the parks maintenance staff
- Annual cost breakdown and the purpose of the E3 Fleet rating
- Green Fleet Strategy to be funded from existing budget
- Gaining better tools for evaluating and accessing greening the fleet

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to join the E3 Fleet program and complete the Green Fleet Performance Review in 2019. The motion carried unanimously.

(e) Union of BC Municipalities Funding Program for Flood Risk Assessment, Mapping and Mitigation Planning

Introduced by Bill Sims, Director, Engineering and Public Works.

Committee discussion took place regarding:

- What is the inundation mapping study and what information does it provide
- Would this tie in with a case study about increasing the height of the dam
- Will the work be done by Staff or a contractor
- Release of information resulting from the inundation mapping results

It was moved and seconded that the Finance and Audit Committee recommend that Council approve adding \$100,000 to 2019 and \$200,000 to 2020 for the South Fork and Jump Creek Dams Inundation Mapping Study to be funded from a grant contribution of \$150,000 and \$150,000 from Water Reserves. The motion carried unanimously.

(f) Esplanade Watermain Replacement Project

Introduced by Bill Sims, Director, Engineering and Public Works.

It was moved and seconded that the report titled, “Esplanade Watermain Replacement Project”, dated 2019-JUN-19, be received for information. The motion carried unanimously.

6. OTHER BUSINESS:

- (a) Correspondence from Innovative Young Indigenous Leaders Symposium, dated 2019-JUN-14, requesting support by funding a lunch for 60 participants and volunteers for a total cost of \$1,319.18
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Committee discussion took place regarding the timeframe of the request.

7. QUESTION PERIOD:

- Les Barclay re: 5(a) 2020 – 2024 Financial Plan Development Workshop, property tax increases and selecting projects.

8. PROCEDURAL MOTION:

It was moved and seconded that the meeting be closed to the public in order to deal with agenda items under the *Community Charter* Section 90(1):

- (c) labour relations or other employee relations; and,
(n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

The motion carried unanimously.

J. Evans, K. Fry, W. Fulla, R. Harding, D. Lindsay, L. Mercer, G. Norman, P. Rosen, B. Sims, M. Squire, and J. Vanderhoef vacated the Boardroom at 11:32 a.m.

The Finance and Audit Committee moved “In Camera at 11:33 a.m.

The Finance and Audit Committee moved out of “In Camera” at 12:01 p.m.

9. ADJOURNMENT:

It was moved and seconded at 12:01 p.m. that the meeting terminate. The motion carried unanimously.

CERTIFIED CORRECT:

CHAIR

CORPORATE OFFICER