

MINUTES
FINANCE AND AUDIT COMMITTEE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE
411 DUNSMUIR STREET, NANAIMO, BC
WEDNESDAY, 2019-DEC-18, 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 (arrived 9:02 a.m.)
Councillor Z. Maartman
Councillor I. W. Thorpe
Councillor J. Turley (arrived 9:01 a.m.)

Staff: J. Rudolph, Chief Administrative Officer
R. Harding, General Manager, Parks, Recreation and Culture
B. Sims, General Manager, Engineering and Public Works
K. Fry, Fire Chief
A. Groot, Director, Facilities and Parks Maintenance
E. Williams, A/Director, Recreation & Culture (vacated 9:57 a.m.)
L. Mercer, Director, Finance
W. Fulla, Manager, Business, Asset & Financial Planning
D. Bailey, Manager, Accounting Services
C. Meury, Accountant
L. Bhopalsingh, Manager, Community & Cultural Planning (vacated 10:04 a.m.)
C. Barfoot, Recreation Coordinator (vacated 9:56 a.m.)
C. Sholberg, Community Heritage Planner (arrived 9:30 a.m., vacated 9:58 a.m.)
D. Blackwood, Client Support Specialist (vacated at 9:08 a.m.)
S. Gurrie, Director, Legislative Services
J. Vanderhoef, Recording Secretary

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

The Finance and Audit Committee Meeting was called to order at 9:00 a.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Agenda Item 6(a) – Delegation from Camela Tang and Ian Tang – change name of delegation from Camela Tang and Ian Tang to Camela Tang and Ian Niamath.

3. ADOPTION OF AGENDA:

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

Councillor Turley entered the Boardroom at 9:01 a.m.

4. ADOPTION OF MINUTES:

It was moved and seconded that the following minutes be adopted as circulated:

- Minutes of the Special Finance and Audit Committee Meeting held in the Boardroom, Service and Resource Centre, 411 Dunsmuir Street, Nanaimo, BC on Wednesday, 2019-NOV-13 at 9:00 a.m.
- Minutes of the Finance and Audit Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC on Wednesday, 2019-NOV-20 at 8:30 a.m.
- Minutes of the Special Finance and Audit Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC on Friday, 2019-NOV-22 at 9:00 a.m.
- Minutes of the Special Finance and Audit Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC on Monday, 2019-NOV-25 at 9:00 a.m.
- Minutes of the Special Finance and Audit Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC on Monday, 2019-DEC-02, at 1:00 p.m.

The motion carried unanimously.

Councillor Hemmens entered the Boardroom at 9:02 a.m.

5. DELEGATIONS:

- (a) Delegation from Camela Tang and Ian Niamath re: Proposal for a Boathouse and Paddling Centre at Brechin Boat Ramp

Camela Tang and Ian Niamath provided a presentation regarding:

- 2005 Parks, Recreation and Culture Master Plan included a recommendation for designing a paddling centre
- A feasibility study was completed in 2014
- Location of the Nanaimo Boathouse and Paddling Centre at Brechin Point

D. Blackwood vacated the Boardroom at 9:08 a.m.

- Current issues regarding water access, washrooms/change facilities, boat moorage, safe storage and maintenance spaces
- Current and proposed user groups: Nanaimo Ocean Paddling Club, Dragon Boat teams, Snuneymuxw paddling teams, Nanaimo Paddling Club, and many more

- Estimate that 860 current paddlers are using the facility
- Target market: paddling groups, tourists, events/training, and equipment rentals
- Proposed that the Nanaimo Boathouse society manage the Boathouse under the ownership of the City through a co-management or lease agreement
- Estimated cost of boathouse construction \$4.7 million
- Provided revised design plans for the Nanaimo Boathouse and Paddling Centre
- Estimated economic and community impacts
- Current increase in development around Nanaimo and marketing the downtown waterfront area
- Marketing the activities of the Boathouse to coincide with other downtown facilities
- Designing the Boathouse for the benefit of the community as a whole
- Requested that the City designate the Nanaimo Boathouse and Paddling Centre a Capital Project Priority
- Requested that the City provide \$265,000 funding during the 2020 Financial Plan for detailed design and costing of the boathouse and that Staff work with the Nanaimo Boathouse Society to prepare final costing and funding options for Council's review and consideration at the next budget review

Committee discussion took place regarding:

- Nanaimo Port Authority's involvement in the proposed boathouse

C. Sholberg entered the Boardroom at 9:30 a.m.

- Effect on capital costs if the kitchen and meeting rooms were removed from the design plan
- Fundraising opportunities
- Federal and Provincial approvals being required due to float planes
- Parking to accommodate boathouse users
- Cost of operating the proposed facility

6. REPORTS:

Councillor Geselbracht vacated the Boardroom at 9:39 a.m. declaring a conflict of interest as his partner is a member of one of the boards listed in the "2020 Culture & Heritage Grant Recommendations" report.

Councillor Turley vacated the Boardroom at 9:39 a.m. declaring a conflict of interest due to his involvement with the Vancouver Island Symphony.

(a) 2020 Culture & Heritage Grant Recommendations

Introduced by Richard Harding, General Manager, Parks, Recreation and Culture.

Committee discussion took place regarding:

- Activities of the Island Consort Society
- How applicants are selected for recommendation
- Applicants events being free to the public or ticketed
- Criteria for reviewing applications was recently revised to increase transparency and fairness
- Clarification of what a hub city soapbox derby is
- Events being able to proceed with portions of the funding requests rather than the total amounts

It was moved and seconded that the Finance & Audit Committee recommend that Council approve the 2020 Culture & Heritage Grant funding (Operating and Projects) recommendations of \$350,092 as follows:

2020 Culture & Heritage Operating Grant Recommendations

<u>Applicant Name</u>	<u>Recommend</u>
A Capella Plus Choral Society	\$3,250
Friends of Nanaimo Jazz Society	\$4,500
Heart of the Island Chorus Society	\$2,300
Hub City Cinema Society	\$10,500
Island Bel Canto Singers	\$1,500
Island Consort Society	\$1,750
L'Association des francophones de Nanaimo	\$21,000
Malaspina Choral Society	\$3,500
Mid Island Metis Nation Association	\$11,000
Nanaimo Chamber Orchestra	\$4,512
Nanaimo Chinese Cultural Society	\$3,350
Nanaimo Concert Band Society	\$7,750
Nanaimo International Jazz Festival Association	\$20,000
Nanaimo Tidesmen (BC Chapter of SPEBSQSA)	\$2,375
Opera Nanaimo	\$1,000
Pacific Coast Stage Company	\$6,000
Pacific Institute of Bagpiping and Celtic Music	\$3,250
Wordstorm Society of the Arts	\$2,750
Crimson Coast Dance Society **	\$23,200

Nanaimo Conservatory of Music **	\$18,400
TheatreOne **	\$42,450
Vancouver Island Symphony **	\$89,244
Western Edge Theatre **	\$13,850

*** Recommended for continued three-year funding (2019 / 2020 / 2021)*

2020 Culture & Heritage Project Grant Recommendations

<u>Applicant Name</u>	<u>Project Name</u>	<u>Recommend</u>
Brechin United Church – Mission and Outreach Team	Reconciliation Workshop – Building Bridges and Paddling Together	\$800
Crimson Coast Dance Society	Leadership Development	\$611
Crimson Coast Dance Society	Mixed Ability Dance Jams	\$1,800
Crimson Coast Dance Society	Qwuyulush Nuwilum Xwa’alum Sumshàthut	\$3,750
Federation of BC Writers	Youth & Elder Journaling Workshops at Salish Lelum	\$500
Harbour City Jazz Society	JazzFest 2020	\$2,250
Mid Island Community Band Society	MICoba “Massed Bands” Project	\$500
Nanaimo Ballroom Dance Society	Island Fantasy ball	\$5,363
Nanaimo Blues Society	Summertime Blues	\$20,000
Nanaimo Sings! Choral Festival Society	Sing With Your Ears – A listening workshop for singers	\$537
Pacific Institute of Bagpiping and Celtic Music Society	Pacific Gael Youth Band	\$1,500
South End Community Association	South End Day	\$4,750
Vancouver Island Danish Canadian Club	2020 Federation of Danish Associations in Canada (Conference & AGM)	\$3,000
Vancouver Island Short Film Festival Society	Vancouver Island Short Film Festival	\$6,200
Wordstorm Society of the Arts	Wordstorm Website Redesign	\$1,100

The motion carried unanimously.

Councillor Geselbracht returned to the Boardroom at 9:47 a.m.
 Councillor Turley returned to the Boardroom at 9:47 a.m.

Committee discussion took place regarding funding that has been allocated to applications and is not used.

(b) 2020 Downtown Event Grant Recommendations

Introduced by Richard Harding, General Manager, Parks, Recreation and Culture.

Committee discussion took place regarding:

- The extent that the City contributes to some of these events and improving communication about this funding to the public - the City requires recipients to acknowledge the City's contribution for events
- Requiring financial statements for events and limiting the City's contribution to no more than 35% of total event funding
- The Old City Quarter has its own Business Improvement Area

It was moved and seconded that the Finance & Audit Committee recommend that Council approve the 2020 Downtown Event Grant recommendations of \$150,000 as follows:

<u>Applicant Name</u>	<u>Event/Project Name</u>	<u>Recommend</u>
A Capella Plus Choral Society	A Capella Plus Fall Concert	\$473
B. Gallant Homes	B. Gingerbread Homes	\$7,500
Friends of Heritage Society	Nanaimo Heritage Festival	\$13,000
Friends of Nanaimo Jazz Society	Jazz Affair	\$4,000
Greater Nanaimo Chamber of Commerce	Commercial Street Night Market	\$24,750
Humanity in Community	Hub City Walls	\$15,000
Malaspina Choral Society	50 th Anniversary Gala	\$2,000
Men's Resource Centre	Hub City Soapbox Derby	\$7,325
Nanaimo Artwalk Committee	Nanaimo Artwalk 2020	\$2,700
Nanaimo Chapter Federation of Canadian Artists	Nanaimo Fine Art Show	\$2,100
Nanaimo Craft Beer Society	Nanaimo Craft Beer Week	\$3,500
Nanaimo Downtown Farmers Market Society	Nanaimo Downtown Farmers Market	\$6,695
Nanaimo Dragon Boat Festival Society	Nanaimo Dragon Boat Festival	\$10,000
Nanaimo International Jazz Festival Association	10-Day Concert Series and 3-Day Festival	\$17,000
Nanaimo Pride Society	Nanaimo Pride 2020	\$9,500
Old City Quarter Association	Christmas in the OCQ	\$2,500
Old City Quarter Association	Halloween in the OCQ	\$2,850

Old City Quarter Association	Hop Into Spring in the OCQ	\$1,450
Old City Quarter Association	Sounds of Summer in the OCQ	\$6,000
TheatreOne	Emerging Voices	\$4,000
Vancouver Island Regional Library	Big Names, Little City – Canadian Author Reading Series	\$806
Vancouver Island Regional Library	Vancouver Island Childrens' Book Festival (BookFest)	\$3,750
Volume Studio Ltd.	SHINE2020 Nanaimo	\$2,656
Wordstorm Society of the Arts	Poetry SlamFest	\$445

The motion carried unanimously.

C. Barfoot vacated the Boardroom at 9:56 a.m.

E. Williams vacated the Boardroom at 9:57 p.m.

(c) Heritage Home Grant Application - 442 Milton Street

Introduced by Lisa Bhopalsingh, Manager, Community and Cultural Planning.

Committee discussion took place regarding the number of applications for grants.

It was moved and seconded that the Finance & Audit Committee recommend that Council approve a \$1,624 Heritage Home Grant for window repair to the Leynard Residence located at 442 Milton Street. The motion carried unanimously.

C. Sholberg vacated the Boardroom at 9:58 a.m.

(d) 2020 Social Planning Grant Recommendations

Introduced by Lisa Bhopalsingh, Manager, Community and Cultural Planning.

Councillor Brown vacated the Boardroom at 10:01 a.m.

Committee discussion took place regarding:

- Reviewing grant applications to ensure no duplications
- Funding from grant applications are specific to the use outlined

It was moved and seconded that the Finance & Audit Committee recommend that Council approve a total of \$85,000 for the 2020 Social Planning Grant allocations as follows:

2020 Community Vitality Grants

<u>Organization</u>	<u>Project</u>	<u>Amount</u>
Take a Hike Youth at Risk Foundation	Nanaimo Take a Hike Program- Vehicle Purchase	\$10,000
Spinal Cord Injury Organization of BC	Healthy Active Island Life with SCI	\$5,000

Society for Equity, Inclusion and Advocacy (SEIA): Central Vancouver Island	Project Keep SEIA Housed	\$10,000
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2020 Social Response Grants

<u>Organization</u>	<u>Project</u>	<u>Amount</u>
Nanaimo Region John Howard Society	Circles of Support	\$15,000
United Way Central and Northern Vancouver Island	Nanaimo Homeless Coalition Communications Strategy Implementation Project	\$15,000
Literacy Central Vancouver Island	Word on the Street	\$30,000

The motion carried unanimously.

(e) Operating Results for the Nine Months Ending 2019-SEP-30

Laura Mercer, Director, Finance, spoke regarding the following:

- Estimated surplus of \$2.4 million

Councillor Brown returned to the Boardroom at 10:02 a.m.

- Increases in interest rates and the number of building permits provided larger returns than expected

L. Bhopalsingh vacated the Boardroom at 10:04 a.m.

- Will need to allocate \$700,000 to reserves

Committee discussion took place regarding:

- Using surpluses to reduce the current tax rate and the effect on future tax rates
- Allocation of costs when items are written off financially before scheduled termination
- Facility maintenance costs and cancelling of surveillance cameras
- Privacy review underway for closed circuit televisions
- Process for dealing with a deficit situation

(f) Capital Project Results for the Nine Months Ending 2019-SEP-30

Laura Mercer, Director, Finance, spoke regarding the following:

- Capital Projects have been broken into four different categories: completed, in-progress, not started and delayed/cancelled
- Total budget of \$86 million, committed \$54 million
- Plan to be more in line with the budget next year to make items more directly relatable

Committee discussion took place regarding:

- Holding a Governance and Priorities Committee meeting for a more in depth discussion on capital projects
- Public Works building needing renovations
- Increases in the number of capital projects nearing completion

(g) Council Expenses for the Nine Months Ending 2019-SEP-30

Introduced by Laura Mercer, Director, Finance.

Committee discussion took place regarding reviewing the budgeted amount for conferences/travel expenses.

7. ADJOURNMENT:

It was moved and seconded at 10:29 a.m. that the meeting terminate. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER