



## General Purposes Committee

Date: Thursday, February 14<sup>th</sup>, 2002

Place: Council Chambers  
Richmond City Hall

Present: Mayor Malcolm Brodie, Chair  
Councillor Linda Barnes  
Councillor Lyn Greenhill  
Councillor Evelina Halsey-Brandt  
Councillor Sue Halsey-Brandt  
Councillor Rob Howard  
Councillor Kiichi Kumagai  
Councillor Bill McNulty  
Councillor Harold Steves

Call to Order: The Chair called the meeting to order at 4:00 p.m.

### FINANCE & CORPORATE SERVICES DIVISION

1. **1. OPERATING BUDGET FOR THE YEAR 2002**  
(Report: Feb. 11/02, File No.: 0975-01) (REDMS No. 630261)

The General Manager, Finance & Corporate Services, Jim Bruce, briefly reviewed the report with the Committee. Discussion then ensued among Committee members and staff, during which the following matters were addressed in detail:

- Appendix 1 to the report, entitled "Comparison to 5 Year Financial Plan (2001-2005) Projections, which addressed the tax impact of specific items
- the feasibility of using gaming revenue to pay on-going operating costs and whether this revenue would continue in the future or be withdrawn by the Provincial Government
- City programs and operations which could be reduced which would have the least impact on staffing

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- discretionary expense items (Table 2) and the impact which these proposed reductions might have on the provision of service
- the number of reserve funds which were underfunded
- the amount of casino revenue currently received by the City and used by the City to offset on-going operating costs, and the impact to the City budget in future years if this source of revenue was withdrawn by the Provincial Government; and how the City could 'wean' itself off of using this funding to off-set operating costs
- the use of a revolving fund and the contributions required to maintain this program
- the impact to the City, as a result of the Provincial Government decision to increase Medical Services Plan rates
- the availability of contingency accounts to offset the cost of any further downloading from the Provincial Government

Ms. Frances Clark, 8160 Railway Avenue, spoke on the requests for funding for the Richmond Committee on Disability and the Therapeutic Equestrian Society.

Ms. Clark spoke further on the relocation of the Therapeutic Equestrian Society, which had relocated to Twin Oaks, and now had the opportunity to not only expand its current program, but also to host provincial, national and international events. She provided information on steps being taken to promote Richmond as the most accessible city in Canada, and stressed that the City was being asked to support a program which could result in increased revenue to the City.

Mr. James Sullivan, 6201 – 9457 Moffatt Road, referred to statements made previously about the City losing revenue because of low interest rates on its investments, and he stated that the Independent Living Centre and the Therapeutic Equestrian Society were solid investments on which the City could rely to generate additional revenue. He then provided information on (i) programs which were being developed by the Independent Living Centre to meet not only the needs of people with disabilities but also the needs of people from other cultures and ethnic backgrounds; (ii) a partnership being undertaken with Tourism Richmond to have Richmond declared the most accessible city in Canada; and (iii) the development and partnership of a program with RADAT.

In concluding statements, Mr. Sullivan commented on the perception of 'double dipping' because of the grant application made by Ms. Clark which was made at the same time as funding for the Independent Living Centre and the Therapeutic Equestrian Society through the City's budget as additional levels of funding. A brief discussion then ensued among Committee members and the delegation on the issue of the grant application and the additional level funding requests.

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It was moved and seconded

*That the following be approved:*

- (1) *That the 2002 Operating Budget be increased by 5.28% over the 2001 levels;*
- (2) *That (i) \$1,700,000 from the balance of the Gaming Reserve be applied as a revenue source to the budget, with \$1,000,000 being applied to a Capital Infrastructure and Facilities Statutory Reserve, and (ii) the balance of \$700,000 be applied to offset the 2002 Operating Costs;*
- (3) *That this Statutory Reserve be shown as a separate line on the 2002 tax notice;*
- (4) *That at a minimum, the 2002 tax notice identify the cost of protective services and if possible, identify fire and police operational costs as separate line items;*
- (5) *That each General Manager review with their appropriate Committee of Council, departmental programs and service levels prior to the start of the 2003 budget review process;*
- (6) *That staff prepare a detailed public relations process to educate the public on the 2002 budget costs, programs and service levels;*
- (7) *That staff use this 2002 operating budget as the basis for the 5 year Financial Plan; and*
- (8) *That staff commence the public presentation process of the 5 Year Financial Plan before the end of February 2002.*

The question on the motion was not called, as the Mayor and Councillors expressed their views on the proposed budget and its various components and the proposed property tax increase.

(Councillor Evelina Halsey-Brandt left the meeting at 5:37 p.m. after making her comments, and did not return.)

The request was made during discussion that staff provide:

- an analysis of the proposed 5.28% increase in dollar values, and the impact which this increase would have on homeowners, in dollar values
- an analysis of 5%, 10% and higher property tax increases in dollar values; and
- information on the impact of the forthcoming 3% staff salary increase.

Staff were also requested to consider using dollar values rather than percentages in any future budget reports, to make it easier for Council and the public to understand the impact of any further property tax increases.

(Councillor Kumagai left the meeting at 5:53 p.m., and did not return.)

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Discussion continued, with Councillors expressing their views on (i) the proposed property tax increase; (ii) whether casino revenue should be used to reduce the proposed tax increase, and (iii) whether a line-by-line review of each service provided by the City to the residents should be undertaken now prior to approving the budget, or undertaken immediately following adoption of the budget as part of the 2003 budget process. As a result of the discussion, the following **amendment** was introduced:

It was moved and seconded

*That Part (1) of the main motion be deleted in its entirety, and the following substituted: (1) That a 2002 Operating Budget be increased by 4.28% over the 2001 levels, provided that \$1,000,000 of gaming revenue be added to the 2002 operating budget.*

**DEFEATED**

OPPOSED: Mayor Brodie  
Cllr. Barnes  
Greenhill  
S. Halsey-Brandt  
McNulty  
Steves

The question on the main motion was then called, and it was **CARRIED** with Mayor Brodie, and Cllrs. Howard and McNulty opposed.

## ADJOURNMENT

It was moved and seconded

*That the meeting adjourn (6:18 p.m.).*

**CARRIED**

Certified a true and correct copy of the Minutes of the meeting of the General Purposes Committee of the Council of the City of Richmond held on Thursday, February 14<sup>th</sup>, 2002

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Mayor Malcolm Brodie  
Chair

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Fran J. Ashton  
Executive Assistant