



General Purposes Committee

- Date: Tuesday, March 16th, 2004
- Place: Anderson Room
Richmond City Hall
- Present: Mayor Malcolm D. Brodie, Chair
Councillor Derek Dang
Councillor Evelina Halsey-Brandt
Councillor Rob Howard
Councillor Kiichi Kumagai
Councillor Bill McNulty
Councillor Harold Steves
- Absent: Councillor Linda Barnes
Councillor Sue Halsey-Brandt
- Call to Order: The Chair called the meeting to order at 6:00 p.m.

Mayor Brodie advised that as a result of a decision made at the March 8th, 2004 Regular Council Meeting to increase the membership of the Finance Select Committee to all members of Council, that any future budget reports would be dealt with by the Finance Select Committee.

The Mayor then relinquished the Chair to Councillor Kiichi Kumagai for the remainder of the evening.

1. **2004 BUDGET**

(File No.: 0970-01) (REDMS No. 1175373)

Chief Administrative Officer, George Duncan, accompanied by the Director, Finance, Andrew Nazareth, and the Manager – Budgets & Accounting, Jerry Chong, briefly reviewed the report with the Committee. He also spoke about the timeframe required to adopt the 2004 budget, and noted that some of the suggestions being proposed did not reflect the policies and framework adopted by Council with respect to the long term financial sustainability plan. Mr. Duncan stated that as a result, work was still required on that plan.

Considerable discussion then ensued among Committee members and staff on:

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- o the suggestions made by staff on ways to generate additional revenue, such as implementing new user fees, expansion of the parking program into new areas, reducing enforcement of safety and liability issues, and selling parking permits and passes
- o the rationale for the payment of additional taxes to other parties for Watermania and the Richmond Ice Centre
- o the six officers being requested by the RCMP and whether the detachment complement was being increased by an additional six officers
- o the inclusion of the proposed GST rebate into the budget
- o the use of casino revenue to help reduce the operating budget, and the impact which this could have on future budgets
- o whether the application of CPI plus 1% as a property tax increase could be implemented this year rather than waiting until 2005
- o the suggestion that the pay parking program be expanded
- o the suggestion that new user fees be implemented
- o the inclusion of funding for the Disability Resource Centre and the Richmond Therapeutic Equestrian Society as additional levels in the base level of the operating budget, and other options which could be used to provide funding for these two agencies
- o whether the Staff Compromise Proposal fit with the City's long term financial sustainability strategy
- o overtime reduction and the results of the latest ERIP initiative
- o on why staff were now proposing a property tax increase of 2.32% when the initial proposal had been for a 5.18% increase.
(Cllr. Kumagai left the meeting at 7:00 p.m., and Cllr. Steves assumed the Chair.)
- o the City's reserve accounts
(Cllr. Kumagai returned to the meeting at 7:02 p.m., and resumed the Chair.)
- o the policy adopted by the City regarding the transferring of casino revenue into reserve accounts
- o the feasibility of using casino revenue to fund the six RCMP officers
- o the amount of revenue generated by the Great Canadian Casino, and the amount which was anticipated as a result of the opening of the expanded facility
- o the impact which the provision of fire and police services had on the budget

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- o whether the proposed Staff Compromise 2004 Operating Budget was realistic
- o the challenges faced by Council with respect to the long term financial sustainability strategy, and the purpose of the Five Year Financial Plan
- o reserve accounts.

At the conclusion of the discussion, the following resolutions were introduced:

It was moved and seconded

That Item Nos. 1 to 9 inclusive (as identified in the Staff Compromise Proposal), which would result in a 2.52% property tax increase, be adopted and form the base level for the 2004 Operating Budget.

The question on the motion was not called, as the following amendments were introduced:

It was moved and seconded

That Item No. 9 – Revolving Line Repayment from Casino, be deleted from the Staff Compromise Proposal, and the figures amended to reflect an increase of .95%.

DEFEATED

OPPOSED: Cllr. Dang
Howard
Kumagai
McNulty

It was moved and seconded

That Item No. 10 – Expansion of Parking Program, representing a 0.10% tax decrease, be reintroduced as an item in the 2004 Operating Budget.

DEFEATED

OPPOSED: Cllr. E. Halsey-Brandt
Kumagai
McNulty
Steves

It was moved and seconded

That Item No. 11 – New User Fees, representing a 0.10% tax decrease, be reintroduced as an item in the 2004 Operating Budget.

DEFEATED

OPPOSED: Cllr. E. Halsey-Brandt
Kumagai
McNulty
Steves

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It was moved and seconded

That the additional levels, Items Nos. 12 to 14 inclusive, which would result in a .66% property tax increase, be approved for inclusion in the base level operating budget.

CARRIED

It was moved and seconded

That the requests for funding from the:

- (1) *Disability Resource Centre, and*
- (2) *Richmond Therapeutic Equestrian Society,*

which would result in property tax increases of 0.07% and 0.02% respectively, be included in the additional levels and form part of the base operating budget, with the appropriate adjustment being made to the funding for the Disability Resource Centre to make it a conventional revenue source.

The question on the motion was not called, as the request was made that Parts (1) and (2) be dealt with separately.

The question on Part (1) of the motion was then called, and it was **CARRIED** with Cllr. Howard opposed.

The question on Part (2) of the motion was then called, and it was **CARRIED** with Cllrs. Howard and Kumagai opposed.

It was moved and seconded

That "Translation Services" be included in the base 2004 operating budget as an additional level, resulting in a tax increase of 0.02%.

CARRIED

It was moved and seconded

That an additional \$500,000 or 0.46% tax increase be added to the operating budget for transfer to a reserve account to be named at a later date.

CARRIED

OPPOSED: Cllr. Dang
Kumagai
McNulty

It was moved and seconded

That staff be requested to submit to a meeting of the Finance Select Committee, discussion papers on (i) overtime policies, and (ii) ERIP results and projections.

CARRIED

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It was moved and seconded

That staff prepare the Five-Year Financial Plan for presentation to Council at the earliest opportunity.

CARRIED

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (8:22 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 Tuesday, March 16th, 2004.

Mayor Malcolm D. Brodie
Chair

Fran J. Ashton
Executive Assistant, City Clerk's Office