



MINUTES

**FINANCE SELECT COMMITTEE**

Date: Thursday, April 12<sup>th</sup>, 2001  
Place: Anderson Room  
Richmond City Hall  
Present: Councillor Ken Johnston, Chair  
Councillor Kiichi Kumagai, Vice-Chair  
Councillor Lyn Greenhill  
Councillor Bill McNulty  
Councillor Harold Steves  
Mayor Greg Halsey-Brandt  
Also Present: Councillor Derek Dang  
Call to Order: The Chair called the meeting to order at 4:00 p.m.

MINUTES

1. It was moved and seconded  
***That the minutes of the meeting of the Finance Select Committee held on Thursday, September 21<sup>st</sup>, 2000, be adopted as circulated.***

**CARRIED**

2. **2001 – 2005 5 YEAR FINANCIAL PLAN**

The Director of Finance, Danley Yip, reviewed the report (dated April 10<sup>th</sup>, 2001) on the Proposed 5 Year Financial Plan (2001-2005) and the memoranda (dated March 22<sup>nd</sup> and April 2<sup>nd</sup>, 2001 respectively) on the 2001 Operating Budget – Training & Development Expenses and Fringe Overheads, with Committee members. (Copies of this material is on file in the City Clerk's Office.)

A lengthy discussion then ensued among Committee members and staff on the process followed to complete the 2001 budget, and the changes which should be made not only to the 2002 budget review process but also for future years to ensure that Council was included in the process.

Also discussed were such issues as:

- the need to establish a budget which the City could afford
- the need to determine during the budget process, what the impact would be to the City if a decision was made to decrease the property tax rate

- the assumptions made by staff that the RCMP budget and Community Policing requests would be included in the 2002 (and future) budgets
- the provision of mandatory training; whether there were any options available to the City regarding this training, and the impact which would result if the City did not provide mandatory training
- the feasibility of using a portion of the reserve or surplus funds to help offset the impact of reduced revenue until such time as growth in the City improved
- the proposed 4% salary and benefits increase which had been included in the RCMP's budget for 2002 to 2005
- the need to review the 5 year financial plan to determine the cost of proposed projects before these projects were actually approved as part of the budget, so that Council would be aware of what the next year's increase would be
- the feasibility of temporarily suspending the payment of either interest or payments to the City's revolving fund as a means of offsetting anticipated revenue shortfalls
- the need for (i) a service level review; and (ii) information on (a) the impact which possible reductions might have on the provision of service, and (b) the cost factor to maintain current levels of service.

Also reviewed and commented on by Committee members and staff during the discussion were the procedural guidelines proposed in the report (dated April 9<sup>th</sup>, 2001, from the Chief Administrative Officer) on the 5 Year Financial Plan and Proposed Financial Planning Policy. (A copy of this report is also on file in the City Clerk's Office.)

As a result of the discussion, the following motions were introduced:

It was moved and seconded

- (1) ***That the procedural guidelines (outlined in the report dated April 9<sup>th</sup>, 2001, from the Chief Administrative Officer) for the development and presentation of the 5 Year Financial Plan, be adopted.***
- (2) ***That staff provide up to 5 revenue options (i.e. (i) casino funds; (ii) use of surplus funds; (iii) use of various statutory reserves; and (iv) temporary suspension of interest or payments to the revolving fund) for interim measures to be adopted for a maximum of three years to offset anticipated funding shortfalls during the recovery period.***

**CARRIED**

It was moved and seconded

***That staff provide on a monthly basis, service level and associated budget impact presentations for review and comment by the Finance Select Committee.***

**CARRIED**

It was moved and seconded

***That the proposed 5 Year Financial Plan be adjusted to eliminate all speculative plant increases.***

The question on the motion was not called, as discussion took place on whether the proposed amendment was necessary. Advice was given that staff were now being asked to provide an operational impact analysis on any new project, and that these costs would be included in the next 5 year plan. It was also noted that the plan could be amended at any time to reflect changes made to it.

As a result of the discussion, the motion was **WITHDRAWN**.

3. **NEXT MEETING TOPICS**

The next meeting of the Committee will be held on at 4:00 p.m., on Thursday, May 17<sup>th</sup>, 2001, in the Anderson Room, at which time the following topics will be addressed:

- 2001 Quarterly report for January to April;
- comparison of the levels of service being provided by other municipalities and cities within the Greater Vancouver Regional District and their accompanying property tax increases
- revenue options.

A brief discussion ensued among Committee members and staff on the rationale for comparing the levels of services being provided by other municipalities.

**ADJOURNMENT**

It was moved and seconded

***That the meeting adjourn (5:12 p.m.).***

**CARRIED**

Certified a true and correct copy of the Minutes of the meeting of the Finance Select Committee of the Council of the City of Richmond held on Thursday, April 12<sup>th</sup>, 2001.

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Councillor Ken Johnston  
Chair

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Fran J. Ashton  
Executive Assistant