



MINUTES

FINANCE SELECT COMMITTEE

Date: Thursday, September 21st, 2000
Place: W.H. 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 (4:05 p.m.)
Also Present: Councillor Linda Barnes
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, July 20th, 2000, be adopted as circulated.

CARRIED

2. **RCMP OVERTIME REPORT - APRIL - JULY, 2000**
(Report: Sept. 11/00, File No.: 0385-01) (REDMS No. 186369)

Discussion ensued among Committee members and RCMP staff on the matter of overtime for the RCMP, during which the following information was provided:

- the current complement of RCMP personnel at the Richmond detachment was 179 members, as well as 20 members located at the airport, and an additional 10 members which had been approved as of October 1st, 2000
- the total overtime budgeted for was \$490,000 for the detachment and \$43,000 for the airport

(Mayor Halsey-Brandt entered the meeting at 4:05 p.m.), during the above discussion.)

In response to questions, information was provided on how the annual cost of overtime for the detachment was calculated. Further advice was given that a monthly report was prepared which provided information on the number of members in the detachment and all leaves which were in effect at that time.

Discussion continued on the number of members currently in the Richmond detachment and on the number of additional members which had been approved by Council. Also discussed was the impact which the training of the new recruits was having on the detachment's overtime budget. Advice was given that to ensure that minimum staffing levels were maintained at all times, it was often necessary to call members in on overtime because recruits were not permitted to go out on their own. The comment was made that as the recruits begin to perform without supervision, there would be a reduction in overtime.

Concern was expressed about the lack of experienced members being sent to the detachment, and advice was given that as the recruits arrived and were trained, the more experienced officers would be reallocated to other areas within the detachment.

Discussion also took place between Committee members and the representatives of the Richmond RCMP detachment on how the billing of salaries for those members who were brought in to cover officers on leave, was submitted to the City. In response to concerns that the actual amount of leave cost expenses (\$14,500) did not seem to be sufficient, information was provided by the Administrative NCO Jim Provost and the Manager, Finance & Administration – RCMP, Parissa Aujla, on how the billing of salaries and overtime was accomplished. Also addressed during the discussion was 'miscellaneous overtime', and which level of government provided the funding for assisting with V.I.P security, and the rationale for charging overtime for those members whose regular shift included a statutory holiday. The view was expressed that these officers should only be paid their regular salaries, rather than receiving overtime for working the statutory holiday. During the discussion, the RCMP were requested to provide a breakdown on the percentage of overtime charged in terms of members having to work for other members who were on maternity leave, etc. The comment was made that it might be less expensive to hire more members than to pay overtime.

It was moved and seconded

That the report (dated September 11, 2000 from Manager, Finance and Administration – RCMP), regarding the RCMP overtime report April – July 2000, be received for information.

CARRIED

Reference was made by Mayor Halsey-Brandt to the annual request from the Richmond detachment for 'approval in principle' of their upcoming year's additional budget requests, so that this information could be forwarded to the Federal Government for its information when calculating its budget.

Supt. Ernie MacAulay, Officer in Charge of the Richmond Detachment, spoke further on this matter, providing information on a commitment made by the Federal Government to contribute 10% to any level of budget for policing costs. He explained that while meeting the September 1st deadline was not critical, it was important to have this information in place so that the Federal Government could plan for any requests in its budget for the next fiscal year.

Discussion ensued on this matter, during which information was provided by the General Manager, Finance & Corporate Services, Jim Bruce that correspondence had been received from the Richmond detachment, requesting 11 additional members for 2001. He added that this matter would be placed on the agenda for the next meeting of the General Purposes Committee.

3. **FINANCIAL STATEMENTS FOR THE 8 MONTH PERIOD ENDING AUGUST 31ST, 2000**

(Report: Sept. 8/00, File No.: 1200-02) (REDMS No. 186385)

The Director, Finance, Danley Yip, reviewed the financial statements with the Committee, during which he advised that to this point in time, 66% of the budget would have been spent and that figure was used as a guideline for each department. In response to questions, he advised that no particular department had overspent to this date.

Concern was expressed about the fact that 'conditional transfer' billings relating to the RCMP and the Vancouver International Airport were not included in the report. In response, Mr. Bruce provided information on the status of this situation.

In response to further questions, the following information was provided:

- projected revenues for development applications and property use were still on target, even current figures were lower than last year; part of the problem was based on expenditures, including higher than anticipated fuel costs for motor vehicles and utilities; staff were monitoring the situation closely to determine where these increased costs could be accommodated
- staff also monitored departments whose expenditures were under budget and would be reviewing various line accounts with these departments in October to determine if there would be any potential large expenses
- following the October review, staff monitored purchase orders to ensure that unnecessary spending did not occur to use unspent funds before year end.

It was moved and seconded

That the report (dated September 8, 2000, from the Director of Finance), regarding Financial Statements for the 8 Month Period Ending August 31, 2000, be received for information.

CARRIED

4. **2001 BUDGET PROCESS**

(Report: Sept. 7/00, File No.: 0970-01) (REDMS No. 186371)

Mr. Yip reviewed the proposed budget process with Committee members. He indicated that with the adoption of the City's 5 year financial plan, there was no longer a need to change the 2001 budget unless adjustments were required.

Reference was made to the budget workshop held in 1999, and Mr. Yip questioned whether another workshop would be required this year. He further advised that staff in the Finance Department were currently working with each of the divisions on budget preparations.

In response to questions, Mr. Yip provided the following information:

- the anticipated property tax increase for 2001 would be less than 3%;
- if Council decided that the financial plan which was now in place was less than adequate, changes could be made to that plan

Discussion ensued on whether there was a need to have a budget workshop, and as a result, the Chair directed staff to poll all members of Council, for presentation to the General Purposes Committee.

It was moved and seconded

That the report (dated September 7, 2000, from the Director of Finance), regarding 2001 Budget Process, be received for information.

CARRIED

5. **LIMIT ON BORROWING AND OTHER LIABILITIES**

(Report: Sept. 8/00, File No.: 1040-01) (REDMS No. 186388)

Mr. Yip briefly reviewed the report with Committee members, and provided information on the current borrowing practices of the City.

It was moved and seconded

That the report (dated September 8, 2000, from the Director of Finance), regarding Limit on Borrowing and Other Liabilities, be received for information.

CARRIED

6. **REPAYMENT OPTIONS FOR FUNDING OF THE INTERIM CITY HALL RENOVATION COSTS**

(Report: Sept. 7/00, File No.: 1075-01) (REDMS No. 185838)

Discussion ensued among Committee members and staff on the options which were available to the City for funding of the interim City Hall renovation costs. He advised that the City could borrow a maximum of \$50 per population to obtain a short term capital loan without having to hold a referendum, to a maximum of \$8 Million, which have to be repaid within 5 years.

It was moved and seconded

Pursuant to Council approval, funding for the interim City Hall renovation costs has been obtained by waiving the existing policy for the Capital Reserve (Revolving Fund) Account #7110 and that the \$5 million budget be pre-committed in the 2001 Capital Budget as a separate one time costing item. Consequently, the repayment of the funding will be made to the Capital Reserve (Revolving Fund) over a period of time consistent with the term of the tenant lease agreement, but not to exceed 12 years.

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

It was moved and seconded

That the General Manager, Finance & Corporate Services, incorporate the proposed funding option to finance the renovations to the former interim City Hall into the 2001 Capital Budget as a one time costing item.

The question on the motion was not called, as questions were raised about future capital projects which could require funding and the suggestion was made that the City should borrow funds from a commercial financial institution, such as the Municipal Finance Authority, and increase the payments.

Discussion ensued on this proposal, during which advice was given that to use funds from the Municipal Finance Authority, the City would be required to hold a referendum. Advice was given by Mr. Duncan that staff were currently preparing a final report on the relocation of the Provincial Courts to the former City Hall facility, and he suggested that rather than adopting the proposed recommendation, that staff take the direction of the Committee under advisement and incorporate this information into the staff report. This action was agreed to by the Committee, and as a result, the following resolution was introduced:

It was moved and seconded

That the report (dated September 7th, 2000, from the Director of Finance), regarding repayment options for funding of the Interim City Hall Renovation Costs, be received for information.

CARRIED

7. **NEXT MEETING TOPICS – None.**

8. **MANAGER'S REPORT**

Permissive Tax Exemptions - Heritage Buildings - McKinney House -

Mr. Bruce advised that a request had been received from Mr. Curtis Eyestone requesting a permissive tax exemption for his home, McKinney House. He stated that a designated heritage house could be granted such an exemption, however such action required the approval of Council.

Discussion ensued on the request, during which the suggestion was made that staff contact staff in North Vancouver about any exemptions, etc., which it applied to its heritage buildings. The comment was made that if such action was approved, the home would become a public building and therefore, should be open to the public for viewing.

The suggestion was made however that individuals who restore heritage homes should be encouraged to do so through incentives such as tax exemptions, or paying reduced property taxes. Discussion ensued on this proposal, during which the suggestion was made that a determination should be made on whether there were other options which could be pursued. The comment was also made before proceeding with the request, information should be obtained on the definition of a 'heritage home'; how many buildings would be affected; what 'open to the public' meant as Mr. Eyestone's home was a private dwelling, as well as not being located on the original property. Information was also requested on the anticipated assessment for the home,

Mr. Bruce advised that he would provide a response to Council on the information requested, and that he would endeavour to provide the information to the next meeting of the General Purposes Committee.

ADJOURNMENT

It was moved and seconded
That the meeting adjourn (5:40 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, July 20th, 2000.

Councillor Ken Johnston
Chair

Fran J. Ashton
Executive Assistant