



Finance Committee

Date: Monday, July 6, 2015

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Chak Au
Councillor Derek Dang
Councillor Carol Day
Councillor Ken Johnston
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Linda McPhail
Councillor Harold Steves

Call to Order: The Chair called the meeting to order at 4:30 p.m.

MINUTES

It was moved and seconded
That the minutes of the meeting of the Finance Committee held on June 1, 2015, be adopted as circulated.

CARRIED

FINANCE AND CORPORATE SERVICES DIVISION

1. **RICHMOND PUBLIC LIBRARY STRATEGIES TO REDUCE EXPENSES AND INCREASE REVENUE**

(File Ref. No. 03-0970-01) (REDMS No. 4616881)

In response to queries from Committee, Greg Buss, Chief Librarian and Secretary to the Board, Richmond Public Library, provided the following information:

- staff will monitor potential impacts occurring from the revised circulation loan policies;

Finance Committee
Monday, July 6, 2015

- the \$125,000 allocation towards the library's digital collection will allow the library to address public pressure to provide a more extensive collection;
- Richmond has the second highest annual rate per capita across Canada with approximately two million visits;
- collection and/or borrowing has declined nationally;
- potential future revenue sources include corporate sponsorship and community sharing of space, programming and expertise;
- an assessment of Library costs per capita ranked Richmond the third lowest at approximately \$40; Burnaby and Vancouver were approximately \$52 and \$60 respectively;
- it is anticipated that by 2017 municipal funding will increase by approximately 3% to maintain the current level of service;
- the collective agreement does not preclude a volunteer program and any associated cost has been included in the existing operating budget;
- the primary goal for the revised fines, charges, and circulation loan policies is to promote responsible readership and to increase the availability of materials; and
- the intention of shared community services is to assist local organizations by providing a mechanism to distribute material and/or increase exposure.

Discussion ensued regarding (i) the library's value of service to the public, (ii) further revisions related to fines, charges, and circulation loan policies, (iii) service reductions, and (iv) that staff provide an update within the year detailing any potential impacts of the strategies.

It was moved and seconded

- (1) *That the staff report titled "Richmond Public Library Strategies to Reduce Expenses and Increase Revenue," dated June 18, 2015, from the Director, Finance, be received for information and considered as part of the 2016 budget process; and*
- (2) *That staff be directed to update the report within 12 months.*

CARRIED

Finance Committee
Monday, July 6, 2015

2. **REFERRAL COUNCIL COMMUNITY INITIATIVES ACCOUNT**
(File Ref. No.) (REDMS No. 4599132)

In reply to queries from Committee, Jerry Chong, Director, Finance, advised that the Council Community Initiatives Account (CCIA) has been established with an initial transfer of \$3.0 M from the City's Gaming Provision and will be augmented by an annual allocation of 2% or approximately \$300,000 of City gaming revenues. He further advised that a list of one-time funding request will be available during the budget process. Mr. Chong commented that the maximum annual distribution of 50% of the prior year's ending account balance can be amended at Council's discretion.

Discussion ensued regarding a provision that the CCIA not be used to supplement other civic grants.

It was moved and seconded

That the Terms of Reference for the Council Community Initiatives Account as presented in the staff report titled "Referral Council Community Initiatives Account," dated June 9, 2015, from the Director, Finance, be approved with the additional provision that expenditures from this account are not intended to supplement other civic grants.

CARRIED

3. **2016-2020 BUDGET PROCESS**
(File Ref. No. 03-0970-01) (REDMS No. 4571733 v.6)

It was moved and seconded

- (1) *That the staff report titled "2016-2020 Budget Process," dated June 15, 2015, from the Director, Finance, be received for information;*
- (2) *That the service levels as presented in Attachment 2 of the staff report titled "2016-2020 Budget Process," dated June 15, 2015, from the Director, Finance, be approved as the base for the 2016 budget; and*
- (3) *That the capital ranking form as presented in Attachment 3 of the staff report titled "2016-2020 Budget Process," dated June 15, 2015, from the Director, Finance, be approved for the 2016 budget.*

The question on the motion was not called as discussion ensued regarding (i) the merits of using the material provided to inform the public, (ii) the service level review schedule in relation to the budget process, (iii) quarterly service level review updates, and (iv) Council's role in the budget process.

In response to queries from Committee, Cecilia Achiam, Director, Administration and Compliance, advised that reports regarding service level review updates will be provided approximately every six months with the next report anticipated to be received by Council late 2015. Also, she advised that the service level review is a continuous improvement process of the approximately 80 service areas within a 2.5 year cycle.

Finance Committee
Monday, July 6, 2015

Committee directed staff to provide a service level review update in October to coincide with the budget review process.

In reply to queries from Committee, Mr. Chong stated that the Table 2 – Preliminary 2016-2020 Operating Budget Assumptions are based on forecasts and as the collective agreement negotiations are ongoing assumptions related to salaries are not available. Also, he stated that staff is working diligently to prepare the budget material for the October Committee meeting and the Open Budget App offered by Socrata has been successfully used by the City's of Edmonton, Alberta and Burlington, Ontario.

In response to a query from Committee, Ted Townsend, Senior Manager, Corporate Communications, advised that preliminary research has commenced regarding new consultation tools proposed for "Let's Talk" that may allow additional public input that could be included in the budget process.

The question on the motion was then called and it was **CARRIED**.

4. **CONTAMINATED SITES ACCOUNTING STANDARD CHANGE UPDATE**

(File Ref. No. 03-0905-01) (REDMS No. 4615971)

It was moved and seconded

That the staff report titled, "Contaminated Sites Accounting Standard Change Update", dated June 17, 2015, from the Director, Finance, be received for information.

CARRIED

5. **ASSESSMENT AND PROPERTY TAXATION**

(File Ref. No. 03-1240-01) (REDMS No. 4632821)

It was moved and seconded

That the staff report titled "Assessment and Property Taxation," dated July 2, 2015, from the Director, Finance, be received for information.

The question on the motion was not called as in reply to queries from Committee, Ivy Wong, Manager, Revenue, noted that additional advertising and messaging informing the public on the link between property assessment and taxes will be implemented; however, the preliminary information must be general in nature so as not to be misinterpreted once the final assessment and budget rates, including other agency rates, have been determined. She further noted that advertising can encourage owners to visit BC Assessment's website to research property values within the neighbourhood.

Finance Committee
Monday, July 6, 2015

Discussion ensued regarding (i) BC Assessment's methodology for determining property values particularly regarding the current accelerated market in Richmond, (ii) assessment appeals, and (iii) messaging emphasizing increases in property assessment and that, where applicable, homeowners take advantage of the available grants.

The question on the motion was then called and it was **CARRIED**.

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (5:42 p.m.).

CARRIED

Certified a true and correct copy of the Minutes of the meeting of the Finance Committee of the Council of the City of Richmond held on July 6, 2015.

Mayor Malcolm D. Brodie
Chair

Heather Howey
Committee Clerk