



Finance Committee

Date: Monday, November 16, 2009

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Linda Barnes
Councillor Derek Dang
Councillor Evelina Halsey-Brandt
Councillor Greg Halsey-Brandt
Councillor Sue Halsey-Brandt
Councillor Ken Johnston
Councillor Bill McNulty
Councillor Harold Steves

Call to Order: The Chair called the meeting to order at 4:42 p.m.

MINUTES

It was moved and seconded
*That the minutes of the meeting of the Finance Committee held on Monday,
June 8, 2009, be adopted as circulated.*

CARRIED

BUSINESS & FINANCIAL SERVICES DEPARTMENT

1. **2009 1ST QUARTER FINANCIAL INFORMATION FOR RICHMOND OLYMPIC OVAL CORPORATION**
(File Ref. No.:(REDMS No. 2746723)
2. **2009 2ND QUARTER FINANCIAL INFORMATION FOR RICHMOND OLYMPIC OVAL CORPORATION**
(File Ref. No.:(REDMS No. 2746937)

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Andrew Nazareth, General Manager, Business & Financial Services, noted that the staff reports address the financial reporting methods as envisioned in section 7.3 of the Oval Operating Agreement.

Discussion ensued and it was noted that:

- due to conservation efforts, the Oval has lower than expected utility costs;
- Oval staff are well aware of the exclusive-use period and several operational staff will continue working throughout the Games; and
- the 2010 Oval Corporation budget is anticipated to go to the Oval Corporation Board at the end of November 2009.

It was moved and seconded

- (1) *That the staff report on Financial Information for the first quarter ended March 31, 2009 entitled '2009 1st Quarter Financial Information for Richmond Olympic Oval Corporation' be received for information; and*
- (2) *That the staff report on Financial Information for the second quarter ended June 30, 2009 entitled '2009 2nd Quarter Financial Information for Richmond Olympic Oval Corporation' be received for information.*

CARRIED

3. **2009 2ND QUARTER FINANCIAL INFORMATION**
(File Ref. No.:) (REDMS No. 2685557)
4. **2009 3RD QUARTER FINANCIAL INFORMATION**
(File Ref. No.:) (REDMS No. 2741825)

In reply to queries from Committee, staff advised that (i) building permit revenues are down in comparison to previous years; (ii) in an effort to offset the lower revenue, the Planning and Development Department have not filled a number of vacant positions; (iii) some vacancies are seasonal positions and may be filled in the future; and (iv) due to the economic conditions, some property owners have applied for tax deferrals.

Discussion ensued and staff provided clarification regarding various contract awards listed on Appendix 8 of the 2009 3rd Quarter Financial Information Staff report.

In reply to a query from Committee, Robert Gonzalez, General Manager, Engineering and Public Works, advised that he would look at the operating agreement between the School Board and the City in regards to A/C upgrades at Woodward Elementary School.

Also, Committee questioned 2010 Outfitting Requirements and it was noted that staff would provide Council with clarification.

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It was moved and seconded

- (1) *That the staff report on Financial Information for the 2nd quarter ended June 30, 2009 be received for information; and*
- (2) *That the staff report on Financial Information for the 3rd quarter ended September 30, 2009 be received for information.*

CARRIED

5. TANGIBLE CAPITAL ASSET PROJECT

(File Ref. No.): (REDMS No. 2747158)

Councillor E. Halsey-Brandt left the meeting (5:37 p.m.) and returned (5:40 p.m.).

It was moved and seconded

That the staff report on 'Tangible Capital Asset Project' be received for information.

CARRIED

6. 2010 UTILITY BUDGETS AND RATES

(File Ref. No.: 03-0970-01/2009-Vol 01) (REDMS No. 2707249v6)

In reply to queries from Committee, staff advised the following:

- expenditures on water are closer to revenues;
- statutory reserves are healthy and are still being utilized to offset some increases;
- the single-family water metering program has seen a substantial uptake and as the multi-family water metering program rolls out, there will be promotional opportunities for both programs;
- water has increased by 4.7% and sewer by 10.5%;
- sewer costs are fixed; and
- 1.5 additional staff have been approved for implementation and enforcement of the Pesticide Use Control bylaw.

It was moved and seconded

- (1) *That the 2010 Utility Expenditure Budgets, as recommended under Option 3 for each utility in the staff report dated October 30, 2009 from the General Managers of Business & Financial Services and Engineering & Public Works, be approved as the basis for establishing the 2010 Utility Rates; and*

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- (2) *That staff be directed to report directly to Council with the necessary amendment bylaws to bring into effect the 2010 utility rates option recommended by Committee and the bylaw provision amendments described in the staff report for the Drainage, Dyke and Sanitary Sewer System Bylaw, Waterworks and Water Rates Bylaw, and Solid Waste and Recycling Regulation Bylaw.*

The question on the motion was not called as discussion ensued regarding the various options under Drainage and Dyking, and Solid Waste and Recycling. As a result of the discussion, the following amendments were introduced:

It was moved and seconded

That the salary level under Option 1 be utilized for Solid Waste and Recycling.

DEFEATED

Opposed: Mayor Brodie

Cllrs. Barnes

Dang

E. Halsey-Brandt

S. Halsey-Brandt

Johnston

McNulty

Steves

It was moved and seconded

That Option 2 be utilized for Drainage and Dyking.

DEFEATED

Opposed: Mayor Brodie

Cllrs. Barnes

E. Halsey-Brandt

S. Halsey-Brandt

McNulty

Steves

The question on the main motion, as originally proposed, was then called and it was **CARRIED** with Councillor G. Halsey-Brandt opposed.

7. 2010 CAPITAL BUDGET

(File Ref. No.): (REDMS No. 2737088)

Mr. Nazareth provided brief background information regarding specific items included in the proposed 2010 Capital Budget:

- Waterfront Improvement;
- Minoru Bowling Green;
- Hamilton Community Centre;
- Fire Rescue Ladder Truck;

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- Britannia Heritage Shipyard – Site Wide Wayfinding and Interpretation;
- Chatham Street – Japanese House;
- Interurban Car Barn Construction;
- City Centre Middle Arm Park; and
- two childcare facilities.

In reply to a query from Committee, Serena Lusk, Manager, Parks – Planning & Design advised that the Richmond Lawn Bowling Club has applied for a \$200,000 grant and if successful, two lawn bowling greens could be built with the City's contribution to build one lawn bowling field.

Discussion ensued regarding the proposed Fire Rescue ladder truck and its staffing needs, and Kim Howell, Deputy Chief – Administration, advised that the proposed ladder truck requires four firefighters to operate it.

In response to concerns from Committee, Ms. Howell advised that (i) two firefighters are required to operate rescue trucks; and (ii) with no additional staffing, the proposed ladder truck could be utilized by taking another vehicle out of service.

Discussion further ensued and it was noted that statistics on the number of times a ladder truck is used versus a rescue truck would be valuable information.

It was moved and seconded

- (1) *That the 2010 Capital Budget be approved as the basis for preparing the 5 Year Financial Plan (2010-2014); and*
- (2) *That staff be authorised to commence 2010 capital projects effective January 1, 2010.*

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

It was moved and seconded

That Part (1) of the staff recommendation be amended by adding the following:

- (a) *subject to adding the Nelson Road – Highway 91 Interchange project to be funded through DCCs, but in the interim, funding would be provided through unallocated Casino surplus and unallocated 2008 operating budget surplus.*

CARRIED

Opposed: Cllr. G.Halsey-Brandt

It was moved and seconded

That Part (1) of the staff recommendation be further amended by adding the following:

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- (b) subject to adding the Minoru Bowling Green to the capital program in the amount of \$350,000 to be funded from the remainder of the Casino surplus and 2008 operating budget surplus leftover after the Nelson Road-Highway 91 Interchange project.*

The question on the amendment motion was not called as staff was requested to provide Council with a memorandum providing more information regarding the Minoru Bowling Green project prior to this item going to the Monday, November 23, 2009 Council Meeting.

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

It was moved and seconded

That Part (2) of the staff recommendation be amended by adding the following:

- (a) subject to the purchase of the ladder truck being referred to staff for further analysis and report back through Committee;*

The question on the amendment motion was not called as Committee clarified that more information regarding the ladder truck and its operational impact is required and that the purchase should not proceed until after staff have reported back on the referral.

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

It was moved and seconded

That Part (2) of the staff recommendation be further amended by adding the following:

- (b) subject to a final decision on the waterfront improvements of \$550,000 being made after the report on the Operational Plan for the 2011 Tall Ships Challenge is presented in March 2010.*

CARRIED

Opposed: Cllrs. Barnes

S. Halsey-Brandt

McNulty

Steves

It was moved and seconded

- (3) That staff be directed to bring back further information prior to the Operating budget on operational rationale for (i) Britannia: Site Wide Wayfinding and Interpretation, (ii) 4091 Chatham Street - Japanese House (Restoration) and (iii) the Interurban Car Barn.*

CARRIED

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Committee clarified that the referral was not to delay the moving of the 4091 Chatham Street house.

Discussion ensued and staff was directed to provide an updated memorandum on (i) remaining Steveston road ends; (ii) the Steveston road ends fund total; and (iii) the number of road ends that would need to be sold in order to fund various projects.

The question on the main motion as amended, to read as follows,

- “(1) That the 2010 Capital Budget be approved as the basis for preparing the 5 Year Financial Plan (2010-2014);*
- (a) subject to adding the Nelson Road – Highway 91 Interchange project to be funded through DCCs, but in the interim, funding would be provided through unallocated Casino surplus and unallocated 2008 operating budget surplus;*
 - (b) subject to adding the Minoru Bowling Green to the capital program in the amount of \$350,000 to be funded from the remainder of the Casino surplus and 2008 operating budget surplus leftover after the Nelson Road-Highway 91 Interchange project;*
- (2) That staff be authorised to commence 2010 capital projects effective January 1, 2010;*
- (a) subject to the purchase of the ladder truck being referred to staff for further analysis and report back through Committee;*
 - (b) subject to a final decision on the waterfront improvements of \$550,000 being made after the report on the Operational Plan for the 2011 Tall Ships Challenge is presented in March 2010.*
- (3) That staff be directed to bring back further information prior to the Operating budget on operational rationale for (i) Britannia: Site Wide Wayfinding and Interpretation, (ii) 4091 Chatham Street - Japanese House (Restoration) and (iii) the Interurban Car Barn.*

was then called and it was **CARRIED**.

8. MANAGER'S REPORT

None.

ADJOURNMENT

It was moved and seconded
That the meeting adjourn (6:39 p.m.).

CARRIED

7.

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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 Monday, November 16, 2009.

Mayor Malcolm D. Brodie
Chair

Hanieh Floujeh
Acting Executive Assistant
City Clerk's Office