



## Special Finance Committee

Date: Monday, December 14, 2015

Place: Anderson Room  
Richmond City Hall

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

Absent: Councillor Ken Johnston

Call to Order: The Chair called the meeting to order at 4:02 p.m.

### MINUTES

It was moved and seconded

*That the minutes of the meeting of the Finance Committee held on December 7, 2015, be adopted as circulated.*

**CARRIED**

### FINANCE AND CORPORATE SERVICES DIVISION

1. **RICHMOND PUBLIC LIBRARY 2016 BUDGET**

(File Ref. No. 01-0155-04-01) (REDMS No. 4844238)

Cathryn Volkering Carlile, General Manager, Community Services, accompanied by Greg Buss, Chief Librarian and Secretary to the Board, Richmond Public Library, provided background information on the proposed 2016 Public Library Budget.

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Discussion ensued regarding the proposed reduction in the 2016 Budget through adjustments to staff costs and hours of operation in three branches.

It was moved and seconded

***That the Richmond Public Library proposed 2016 budget of \$8,743,930 be approved.***

The question on the motion was not called as discussion took place regarding staff monitoring and reporting back to Committee on any impacts incurred by the reduction in the hours of operations.

The question on the motion was then called and it was **CARRIED** with Cllr. McNulty and McPhail opposed.

2. **2016 OPERATING BUDGET OPTIONS**

(File Ref. No. 03-0970-01) (REDMS No. 4840886 v. 3)

Andrew Nazareth, General Manager, Finance and Corporate Services, accompanied by Jerry Chong, Director, Finance, provided background information, noting that the proposed 2016 Operating Budget balances corporate priorities with the available financial resources and includes funding for 12 additional police officers with no tax impact. Also, Mr. Nazareth stated that the “Corporate Reset” involved (i) an analysis of the City’s surplus over the past five years, (ii) a review of the RCMP request of \$1.8 Million, and (iii) a reduction in all Divisional budgets.

In reply to a query from Committee, Phyllis Carlyle, General Manager, Law and Community Safety, advised that a business case for each of the RCMP positions requested had been presented to the City as required under the contract agreement. Also, Superintendent Renny Nasset, Officer in Charge (OIC), Richmond RCMP, advised that the Detachment Senior Management Group will determine where the additional resources would be deployed and that the one-time capital cost in the amount of approximately \$193,000 is for the purchase of vehicles and equipment for the additional officers.

In response to questions from Committee, Mr. Nazareth and Mr. Chong provided the following additional information:

- a funding plan for the increase in RCMP resources will be prepared upon completion of the consultation process;
- additional administrative support staff to the RCMP may be examined during the 2017 budget process;
- in the event the “Corporate Reset” results in a shortfall in revenues to meet the 2016 Operating Budget, the City may have to consider accessing funds from other accounts such as the Rate Stabilization Account;
- the City’s surplus has been reduced to accommodate the additional 12 police officers;

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- 50% of the tax bill is beyond Council's control with TransLink and Metro Vancouver's tax increases being on par with the City while the Richmond School District has generated annual increases of approximately 25% over the past five years; and
- that approximately 40% of the City's Operating Budget is directed toward the Community Safety Division.

Discussion ensued regarding (i) the "Corporate Reset" and the possible risk to future budgets, (ii) the current RCMP compliment and the deployment of the future officers, (iii) further reductions to the proposed budget, (iv) the 1% Transfer to Reserves for future infrastructure replacement Projects, and (v) costs associated with staff at E-Division and for the Integrated Teams.

Staff was directed to provide an itemized list associated with the one-time capital costs request associated with the additional police officers and to include the costs for the Integrated Teams in all future Budget reports.

It was moved and seconded

*That:*

- (1) *the 2016 Operating Budget presented in the staff report report titled 2016 Operating Budget Options dated December 9, 2015 from the Director, Finance, with a tax increase of 2.00%, after utilizing rate stabilization funding of up to 0.06% (\$113,880) be approved;*
- (2) *ongoing additional levels in the amount of \$209,653 with a tax impact of 0.11% as presented in Appendix 3 of the staff report titled 2016 Operating Budget Options from the Director, Finance be approved;*
- (3) *ongoing additional levels in the amount of \$1,827,331 for 12 additional police officers be approved with no 2016 tax impact by utilizing a corporate reset as detailed in the staff report report titled 2016 Operating Budget Options dated December 9, 2015 from the Director, Finance be approved;*
- (4) *staff be authorized to make budget transfers between divisions to ensure that the corporate reset does not impact the division's service levels;*
- (5) *the Rate Stabilization Account be used to pay for the capital costs associated with the additional 12 police officers for a total of \$192,910; and*
- (6) *a tax increase of 1.00% for infrastructure replacement needs as per Council's Long Term Financial Management Strategy be approved.*

The question on the motion was not called as there was agreement to separate the motion for voting purposes.

The question on Part (1) was then called and it was **CARRIED** with Cllrs. Au and Day opposed.

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The question on Part (2) was then called and it was **CARRIED** with Cllrs. Au, Day and McNulty opposed.

The question on Parts (3), (4) and (5) was then called and it was **CARRIED** with Cllrs. Au and Loo opposed.

Discussion ensued regarding the merits of the additional 1% Transfer to Reserves for infrastructure replacement.

The question on Part (6) was then called and it was **CARRIED** with Cllrs. Au, Day and McNulty opposed.

**ADJOURNMENT**

It was moved and seconded

*That the meeting adjourn (5:04 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 December 14, 2015.

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Mayor Malcolm D. Brodie  
Chair

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Heather Howey  
Legislative Services Coordinator