

Minutes of the **ADMINISTRATION and FINANCE COMMITTEE** Meeting held in the Conference Room at the Municipal Hall at 8645 Stave Lake Street, Mission, British Columbia, on Monday, February 8, 2010 commencing at 6:00 pm.

Committee Members Present: Mayor James Atebe
Councillor Terry Gidda
Councillor Paul Horn
Councillor Danny Plecas
Councillor Mike Scudder
Councillor Jenny Stevens
Councillor Heather Stewart

Staff Members Present: Glen Robertson, chief administrative officer
Dennis Clark, director of corporate administration
Ken Bjorgaard, director of finance
Inspector Pat Walsh, RCMP
Kris Boland, deputy director of finance
Salem Abushawashi, deputy director of engineering
Kerri Onken, deputy treasurer/collector
Debi Decker, administrative assistant

Mayor Atebe called the meeting to order.

Councillor Stevens assumed the chair.

1. NEW BUSINESS

AF 10/09
FEB 8/10

Late Item: Storm Sewer Spending Package

The deputy director of engineering referred to the late item report entitled, "Storm Sewer Spending Package" dated February 8, 2010, from the director of engineering and public works. The deputy advised that the storm sewer lines are collapsing and silt is building up. This situation is of a more urgent matter than when the spending package was submitted. Staff would like to replace the storm sewer lines before it becomes an emergency situation.

Staff pointed out that as this project is not in the capital budget that staff need to review some of the capital projects before council revisits the capital financial plan.

Moved by Mayor Atebe, and

RECOMMENDED:

1. That the North Railway Avenue storm sewer spending package for a cost of \$175,000.00 be approved; and
2. That staff reprioritize/reorganize some capital and public works operating projects over the near term to fund this priority project.

CARRIED

AF 10/10
FEB 8/10

Meeting Follow-Ups

The meeting follow-ups from the January 7, 2010, Administration and Finance Committee meeting was provided for council's information.

Discussion ensued around follow-up item number 7 – clarification on the Griner Park Master Plan spending package, and the delegation that came to the regular meeting of council held on November 23, 2009. Council requested staff to review the minutes of that meeting and to provide clarification to council as to the follow-up required.

AF 10/11
FEB 8/10

Draft Administration and Finance Committee Meeting from January 7, 2010

The draft minutes from the administration and finance committee meeting held on January 7, 2010, were presented for council's review.

Moved by Councillor Plecas, and

RECOMMENDED: That the minutes from the administration and finance committee meeting held on January 7, 2010, be approved as presented.

CARRIED

AF 10/12
FEB 8/10

Spending Package – N. Arena grandstand handrails

The chief administrative officer advised that staff are requesting that this item be deferred until the February 22, 2010, council meeting, as staff need to provide additional information for council.

Moved by Councillor Paul, and

RECOMMENDED: That discussion on the spending package for the north arena grandstand handrails be deferred to the next closed council meeting.

CARRIED

AF 10/13
FEB 8/10

Oyama Delegation Visit 2011

The director of corporate administration referred to the report entitled "Oyama Delegation Visits 2011" dated January 28, 2010, by the deputy director of corporate administration.

Discussion ensued around whether council should revisit the current Sister City (Oyama) model in terms of a more community based model rather than a District driven model.

Staff confirmed that all participants pay their own way, expenses and gifts to host families. This is not funded by the taxpayer. This last trip, only the Mayor's and deputy director of corporate administration's flights and gifts to the Town of Oyama were paid for through the District. All other expenses were funded by the people who went to Oyama.

Discussion continued around having the Oyama committee brainstorm to see how to get the community more involved and possibly expanding the program to the business community and Chamber of Commerce, to make this experience more than a cultural and student exchange experience.

Moved by Mayor Atebe and

RECOMMENDED:

1. That a letter be sent to the Town of Oyama and the Oyama International Friendship Association from the Mayor requesting that they postpone their trip to Mission until 2011; and,
2. That council approve budgeting an additional \$5,000.00 for the 2011 Oyama delegation visit for a total budget of \$8,000.00 from 2011 council contingency.

CARRIED

OPPOSED: Councillor Horn

AF 10/14
FEB 8/10

Moved by Councillor Horn and

RECOMMENDED: That during a regular council meeting, staff arrange for council to have time to discuss the Oyama program.

DEFEATED

OPPOSED: Mayor Atebe
Councillor Gidda
Councillor Plecas
Councillor Scudder
Councillor Stewart

AF 10/15
FEB 8/10

Regional Water and Sewer Utilities – 2010 Financial Plans

The director of finance referred to the report entitled "Regional Water and Sewer Utilities – 2010 Financial Plans" dated February 3, 2010, by the deputy director of finance.

The deputy director of finance gave a brief overview, highlighting the following:

- Short-term capital plan has some challenges to overcome;
- Water operating financial plan includes new water conservation efforts;
- Water and sewer capital financial plan includes advancement of projects; and,

- New cost sharing formula for water capital projects results in development cost charge (DCC) rates significantly less than presented last summer.

Discussion ensued around the number of litres per capita per day for Mission and Abbotsford, and how could Mission residents use almost double the amount of water that Abbotsford residents do? Leaks in the system and the need to advance the leak detection program were discussed.

Discussion continued to secondary suites and the current number of homes who are paying double utilities and that a strategy is needed to be more aggressive in searching out illegal suites who are not paying for utilities that they consume, or other municipal services.

The director of finance confirmed that a report would be forwarded to council regarding a water metering strategy.

Moved by Councillor Horn, and

RECOMMENDED:

1. That the 2010 Abbotsford/Mission Water & Sewer Services operating and capital financial plans be approved; and,
2. That the following strategy be adopted to deal with the significant financial challenges in the regional water and sewer utilities:
 - a) Increase of 20% and 15% for 2010 water and sewer user rates, respectively, and further annual increases of 15% and 10% in 2011 and beyond for water and sewer user rates, respectively. These increases are to be reviewed annually;
 - b) Any adjustments to growth-related capital project costs resulting from changes in peak demand are paid for/credited to the water capital reserve fund (i.e. affects user rates);
 - c) Internal borrowing will be used where feasible before resorting to external borrowing for growth-related capital projects. Those cost of internal borrowing would be absorbed by the water capital reserve fund (i.e. affects user rates);
 - d) Review DCC rates annually and update as required;
 - e) Continue to pursue federal and provincial grant opportunities along with the City of Abbotsford for major regional water and sewer infrastructure;
 - f) Expedite the implementation of the regional sewer cost sharing formula for growth-related projects; and,
 - g) Staff return to council with a strategy outlining how illegal suites could be investigated and identified more aggressively, in order to ensure they are being billed appropriately for utilities.

CARRIED

AF 10/16
FEB 8/10

2009 Budget Carry Forwards

The deputy director of finance referred to his report entitled "2009 Budget Carry Forwards" dated February 3, 2010. The deputy director stated that final dollar amounts will change dependent upon year-end results.

Staff responded when asked about the economic development carry forward by explaining that of the \$4,350.00 carry forward request, \$1,000.00 is for travel and the balance is for the torch relay. Staff confirmed that the economic development officer is registered in the course.

Moved by Mayor Atebe, and

RECOMMENDED: That the 2009 operating and capital budget carry forwards listed below, be approved for inclusion in the 2010 Financial Plan, (final dollar amounts will depend on year-end balances).

PROJECT DESCRIPTION	
2009 Operating Carry-Forward Requests	
Economic Development Office	Cultural Commission
Asphalt Resurfacing	
2009 General Capital Carry-Forward Request	
Silverdale Bridge	Cedar Valley Connector Monitoring
Walkways/Sidewalks	Cedar Street Widening – Cherry to Tunbridge
Repair Dewdney Trunk Road at Wiebe	Westcoast Express – Sandblast and paint
Transportation Study – Master Plan	Pre-emptive Sign Installation
Intersection Improvements	Emergency Road Repairs
Cross Culvert 3 – Cedar north of Tunbridge	Cross Culvert 5 – Tunbridge east of Cedar
Rainfall Monitoring Management Program	Lane Creek Pump Capacity study
Stormwater modeling software	Gate at Public Works
Hand Held Field Data Devices	LED Replacements
Trees for Tomorrow	Landfill Minor Capital
Landfill Leachate Management	Phase A & B Liner
Corporate Printer Replacements	MS Exchange Upgrade/Phone system
Management Information System Enhancements	Replace EDM/Office System
Office Equipment – New Position	Web Content Management
Replacement of Satellite Phones	Feasibility Study for Cedar Connector lands
Child Care Capital Funding	Leisure Centre Roof
South Arena Fire Doors	District Wide Roof Repairs
Tunbridge Park Development	East Mission Heritage Greenway
Lacrosse Box Rebuild	Lane Creek Trail
Waterfront Planning Phase I	Spirit Square
2009 Water Capital Carry-Forward Requests	
Develop Backflow Program	Bulk Supply to Wren and Highway #7
Telemetry	Leak Detection Program
Fairbanks PRV Replacement	Blow-off Installations
Water Main Oversizing	Pressure Reducing Station Upgrades

2009 Sewer Capital Carry-Forward Requests	
Capital Equipment Additions	Sewer Main Oversizing
SCADA Monitoring of Pumps	Computer Modeling Software
Lift Station Upgrading	Highway #7 Sewer Main Replacement – Stave Lake Street to Mary Street
Extend Trunk east Wren to Fraser River Crossing	Park Street Trunk Main
Sewer Impact Assessment	
2009 Equipment Capital Carry-Forward Requests	
93 Trail Teca L27 (Unit #5345)	94 Mikasa Plate Tamper (Unit #5351)
Fuel Dispensing System (Unit #5689)	Big Shot Boring Machine (Unit #5361)
John Deere Mower Deck (Unit #5348)	92 Single Axle Dump Truck (Unit #5195)
Sale of 5161 – One Ton Ford 98 E450	Sale of 5162
Sale of 5345 – 93 Trailer Teca L27	Sale of 5351 – 94 Mikasa Plate Tamper

CARRIED

AF 10/17
FEB 8/10

Councillor T. Gidda to attend FCM Conference – May 28-31, 2010 in Toronto

Discussion ensued around Councillor Gidda, or other councillors attending the Federation of Canadian Municipalities (FCM) Conference in Toronto this May. It was noted that each councillor has a “professional development” budget that they can use to attend whichever conferences they wish.

Council requested that staff:

- look at amending the current policy so that councillors could use their allowance over a 3-year period (not annually), and
- to bring this information back to council for further discussions.

AF 10/18
FEB 8/10

Mission RCMP Detachment Strategic Framework and Resource Proposal

RCMP Inspection Walsh presented information on the Mission Detachment Strategic Framework and Resource Proposal 2010 Update as follows:

- Original Strategic Plan developed in late 2005 and presented to council in 2006.
- This strategic plan was designed to have a five year life-span to 2011.
- The three basic tenets of crime reduction:
 - Crime causation
 - High crime areas
 - Habitual offenders
- All detachment units operate collectively within the crime reduction model.
- Zone concepts for distribution of beat cops established.
- Strategic priorities:
 - Youth involvement with crime

- Visible public disorder issues
- Property crime
- Traffic safety
- Drug activity associated to organized crime
- 2005 Organizational chart at time of strategic framework proposal
- Three year detachment capacity options one and two
- 2008 Organizational chart shortfalls
- Funding proposal for years 2008 – 2012
- Planned detachment capacity
- 2009 Organizational chart
- 2010 Organization chart

Discussion ensued around how the policing strategy model is working in terms of lowering crime in the District and that resource support needs to be continued. Staff confirmed that the planned resource for 2010 is to add a Zone C Beat Cop, which would complete coverage in all zones. Zone C is a huge residential area with significant crime.

Council thanked Inspector Walsh for his time.

AF 10/19
FEB 8/10

Financial Plan/Budget Bylaw

The director of finance referred to his report entitled Financial Plan/Budget Bylaw dated February 2, 2010. He commented that the draft minutes from the February 1, 2010, public presentation were attached and that staff needs direction from council in terms of the final 2010 budget /tax increases.

Discussion ensued around the three budget/tax increase scenarios and more specifically the addition of further complements (four full-time) of fire fighters, the assistant fire chief and the RCMP member. Consensus was that an RCMP member and the second complement of four full-time fire fighters were needed but that the third and fourth fire fighter complements could be delayed a year or so.

Council requested more clarification and information from fire chief on whether the hiring of the second complement of four full-time fire fighters would be able to help alleviate some of the "job stress" for the fire chief and assistant fire chief.

Discussion turned towards the total tax increase including the water and sewer user rate fee increases, which would have a further \$100 increase impact for home owners.

Discussion continued onto the public community feedback forms and how constructive the comments were. Council requested that the comments received be put onto a regular council meeting agenda.

Moved by Councillor Scudder and

RECOMMENDED:

1. That budget/tax increase scenario "B" as shown below, be approved (not including "closure of the leisure centre on Boxing Day"); and,

2. That the District's 2010 – 2014 financial plan bylaw be brought forward to council for first three readings on Monday, March 1, 2010, and for final adoption on Monday, March 15, 2010.

Scenario B - 5.88% Tax Increase						
2010 Proposed		2011 Preliminary		2012 Preliminary		
Budget Dollars	% Tax Increase	Budget Dollars	% Tax Increase	Budget Dollars	% Tax Increase	
Cost of Maintaining Existing Services						
Police services	366,667	1.56%	502,915	1.99%	150,000	0.55%
Wages and benefit	639,278	2.68%	554,787	2.19%	588,388	2.14%
Transit (including West Coast Express & Train Bus)	107,708	0.46%	(13,683)	-0.05%	-	0.00%
Provision for inflation	-	0.00%	108,491	0.43%	106,188	0.39%
Vehicle/equipment rates	50,855	0.22%	56,940	0.23%	63,890	0.23%
Change in reserve transfer and recoveries	96,924	0.42%	153,427	0.61%	95,116	0.35%
Contractual increases and other commitments	51,730	0.22%	62,233	0.25%	91,364	0.33%
\$1,313,162	5.56%	1,425,110	5.65%	1,094,946	3.99%	
Additional Revenue						
New construction/development revenue	(271,000)	-1.15%	(200,000)	-0.79%	(300,000)	-1.09%
Increase in fees and other revenue	(112,716)	-0.47%	(14,595)	-0.06%	(30,255)	-0.11%
New user fees/charges	(88,727)	-0.38%	(23,686)	-0.09%	-	0.00%
Increase in Library fees and charges	(3,465)	-0.01%	-	0.00%	-	0.00%
(\$475,908)	-2.01%	(238,281)	-0.94%	(330,255)	-1.20%	
Efficiencies and Reductions in Services						
Leisure Centre Boxing Day closure	-	0.00%	-	0.00%	-	0.00%
Lower priority services and savings	(44,920)	-0.19%	-	0.00%	-	0.00%
(\$44,920)	-0.19%	-	0.00%	-	0.00%	
New or Enhanced Services						
Additional police officers	121,500	0.51%	122,000	0.48%	122,000	0.44%
Second assistant Fire Chief	-	0.00%	66,525	0.26%	66,525	0.24%
Eliminate downtown security subsidy (2011)	-	0.00%	38,940	0.15%	-	0.00%
Expanded transit hours	-	0.00%	132,546	0.53%	-	0.00%
Fee for service grant increases	18,010	0.08%	-	0.00%	-	0.00%
Fee for service grant - Mission Assoc. for Senior Housing, Busy Bus	7,100	0.03%	-	0.00%	-	0.00%
Increase in circulation hours at Mission Library	5,100	0.02%	-	0.00%	-	0.00%
Operating costs for Urban Trails	-	0.00%	5,000	0.02%	8,500	0.03%
\$151,710	0.64%	365,011	1.44%	197,025	0.71%	
Subtotal before new Major Fire Service Initiative	\$944,044	4.01%	1,551,840	6.15%	961,716	3.50%
Hiring Full-time Fire Fighters	\$440,472	1.87%	259,650	1.03%	233,125	0.85%
Total including new Major Fire Service Initiative	\$1,384,516	5.88%	1,811,490	7.18%	1,194,841	4.35%
Estimated \$ Impact on Average Value Home - \$381,000 (2010)	\$92.49					

Assumptions:

New Construction Revenue: 2010 = \$271,000
2011 = \$200,000
2012 = \$300,000

Inflation estimated at 2% for 2010, 2011 & 2012.
Development revenue expected to recover by 2012.

- 1) Actual % impact is dependent upon previous year's tax increase.
- 2) Departments are fine-tuning the 2012 budget and not all information has been entered.

No provision for inflation

Not hiring second Assistant Fire Chief in 2010

Hiring additional police officer in 2010

Hiring second set of 4 full-time fire-fighters on July 1, 2010; third set on July 1, 2012

\$42,087 for 1,500 hours of expanded transit services funded from reserves in 2010; full expanded transit service estimated to cost \$106,000 in 2011 (includes 1,500 hours from 2010 and an additional 2,500 hours in 2011) (funded from taxes)

New user fees/charges generating revenue of \$88,727 and \$23,686 in 2010 and 2011, respectively

Efficiencies and reductions in services totaling \$44,920 implemented in 2010

CARRIED

OPPOSED: Councillor Plecas

Discussion ensued around a perceived public perception around the District's effectiveness and whether it is operating efficiently. Directors have previously indicated that during this economic slowdown, staff will be able to work on policies and other project work that had been neglected in the past. It was noted that at the beginning of the budget process, staff provided council with a number of potential efficiencies and council chose to implement a number of these due to the impact on services to the public.

AF 10/20
FEB 8/10

Moved by Councillor Stevens, and

RECOMMENDED: Be it resolved that:

1. An appropriately qualified independent consultant be engaged to undertake a comprehensive business oriented study of the municipality's organizational structure, financial and administrative policies and service delivery processes;
2. Recommendations be included in this study aimed at achieving greater efficiency and consequently greater cost effectiveness within the organization;
3. The consultant be required to complete this study by September 30, 2010; and
4. The funding source for the study be the Stabilization Reserve Fund.

DENIED

OPPOSED: Mayor Atebe
Councillor Gidda
Councillor Horn
Councillor Scudder

2. ADJOURNMENT

Moved by Councillor Horn, seconded by Councillor Scudder, and

RESOLVED: That the meeting be adjourned.

CARRIED.

The meeting was adjourned at 9:40 pm.



JAMES ATEBE,
MAYOR



DENNIS CLARK,
DIRECTOR OF CORPORATE ADMINISTRATION