

Minutes of the **Committee of the Whole (Administration and Finance Committee - Budget) Meeting** of the **DISTRICT OF MISSION** held in the Conference Room of the Municipal Hall, 8645 Stave Lake Street, Mission, British Columbia, on Tuesday, October 9, 2012 commencing at 2:35 p.m.

Council Members Present: Mayor Ted Adlem  
Councillor Dave Hensman (arrived at 2:45 pm)  
Councillor Jeff Jewell  
Councillor Tony Luck  
Councillor Larry Nundal  
Councillor Jenny Stevens  
Councillor Nelson Tilbury

Staff Members Present: Ken Bjorgaard, Chief Administrative Officer  
Paul Gipps, Deputy Chief Administrative Officer  
Rick Bomhof, Director of Engineering and Public Works  
Kris Boland, Manager of Finance  
Kerri Onken, Deputy Treasurer/Collector  
Scott Ross, Accounting Supervisor  
Debi Decker, Administrative Assistant – Finance

### **1. CALL TO ORDER**

The meeting was called to order. Councillor Luck assumed the chair.

### **2. ADOPTION OF AGENDA**

Moved by Councillor Stevens, seconded by Councillor Jewell and

RESOLVED:

That the October 9, 2012, Administration and Finance Committee agenda be adopted as received.

CARRIED

### **3. NEW BUSINESS**

#### **Status of 2013 Budget**

The Deputy Treasurer/Collector gave a power point presentation of the highlights to her report dated October 9, 2012, updating Council on the changes, managing unidentified budget impacts and proposed budget savings to the proposed 2013 budget.

The Committee discussed the Clarke Theatre grants and whether the District was able to book the theatre or cafetorium space free of charge. Staff confirmed that there wasn't an agreement with the School District that stipulated where/how the grant funds were to be spent, and it was:

AF 12/073  
OCT 9/12

AF 12/074  
OCT 9/12

Moved by Councillor Tilbury, seconded by Councillor Nundal, and

RECOMMENDED:

1. That staff bring back a report to Council on:
  - a. the history of the one-time grant,
  - b. the number and value of the grants provided to the Mission School District for the Clarke Theatre, and
  - c. the benefits these grants provide to the community; and
2. That this topic be added to the agenda of the next joint meeting with the Mission School Board.

CARRIED

The Committee discussed the diking improvement fee and the percentage increase that would be needed to break-even (revenue in versus expenditures out), and it was:

AF 12/075  
OCT 9/12

Moved by Councillor Nundal, seconded by Councillor Tilbury, and

RECOMMENDED:

That staff increase the diking improvement fee (collected with the property taxes) to a percentage not to exceed 3% to ensure the revenue collected equals the expenditures paid out.

CARRIED

The Committee discussed the following expense options to reduce the current budget increase:

- *Remove the estimated costs to maintain new infrastructure* – staff clarified that this budget is not to increase the reserve but to fund operating maintenance, it was agreed that this budget item should not be removed; and
- *Remove the increase for equipment rates at 2%* - it was questioned whether or not the District was “competitive” on their equipment rates versus a private contractor.

AF 12/076  
OCT 9/12

Moved by Councillor Stevens, seconded by Councillor Tilbury, and

RECOMMENDED:

1. That a proposed tax increase of 1.49% in 2013, to cover the cost of the C.U.P.E. (Canadian Union of Public Employees) Union Contract increase, be approved in principle and presented for feedback at the upcoming community budget consultation meeting;
2. That \$396,000 within the 2013 budget be directed to debt retirement; and
3. That staff be directed to bring forward a zero budget in 2014.

CARRIED

The Chief Administrative Officer advised that staff will be creating a Community Budget Consultation meeting document to reflect Council's wishes. He suggested that once this consultation process has been completed, Council will then be in a better position to make the recommendations on what is in the budget and what is not.

AF 12/077  
OCT 9/12

### **Debt Retirement Strategy and Pavement Management Funding**

The Manager of Finance referred to his report dated October 9, 2012 regarding the proposed debt retirement strategy and pavement management funding.

The Committee discussed the payout options on the Municipal Finance Authority of BC (MFA) debt issues, where to redirect the debt servicing costs (the interest and principle payments), and if the District refinances, the interest rates would more than likely be lower than they are currently.

Discussion continued around where the revenue that will be realized with the 1.49% tax increase that Council is proposing should be directed to, and the remaining debt issues to be paid off. Staff confirmed that currently they are confident with paying out one of the debt issues in 2014 and need to reevaluate paying out the second 2014 debt issue closer to the due date which is December of 2014.

Possible funding solutions/options for the pavement management program were discussed and it was:

Moved by Councillor Nundal, second by Councillor Hensman, and

#### **RECOMMENDED:**

1. That the early payout option for the Municipal Finance Authority of BC debt issue #81 on April 22, 2014, for the full amount of \$3,407,866 be exercised, with funding as follows:
  - a. \$1,360,000 from the Debt Retirement Reserve Fund,
  - b. \$1,047,866 from the General Fund Accumulated Operating Surplus; and
  - c. \$1,000,000 from the Vehicle and Equipment Reserve
2. That this debt retirement strategy be reflected in the District's Financial Plan; and
3. That the debt servicing savings in 2015, in the amount of \$433,634 resulting from the early retirement of Municipal Finance Authority of BC debt issue #81, be directed to the Roads Capital Reserve Fund, to provide ongoing funding towards the pavement management program.

CARRIED

AF 12/078  
OCT 9/12

### **Regional Water and Sewer Draft 2013 Financial Plans**

The Manager of Finance's report dated October 9, 2012 regarding the draft 2013 Water & Sewer Commission (WSC) draft 2013 financial plan was provided for the Committee's information.

AF 12/079  
OCT 9/12

**Amendment to the Refuse Collection and Disposal Bylaw #1387-1984 and  
the Collection, Removal and Marketing Recyclables Bylaw 2639-1993:  
Changes to User Rates**

The report from the Director of Development Services dated October 9, 2012, regarding the user rates in the Refuse Collection and Disposal Bylaw and the Collection, Removal and Marketing Recyclables Bylaw was provided for the Committee's review.

Staff confirmed that they have received some positive updated future costing projections regarding the curbside collection, have some possible future cost saving solutions and would be proposing a 2% increase in refuse and recycling rates to help increase transfers to the Refuse Reserve Fund.

Moved by Councillor Nundal, seconded by Councillor Stevens, and

**RECOMMENDED:**

1. That Schedule B of the Refuse Collection and Disposal bylaw #1387-1984 be amended by deleting it in its entirety and replacing it with:  
"The fee payable by each owner of a residential unit within the Refuse Collection Area for the Domestic Refuse Service authorized by this Bylaw shall be \$162.00 per year, effective January 1, 2013."
2. That Schedule A of the Collection, Removal and Marketing Recyclables Bylaw #2639-19093 be amended by deleting sections 1 through 4 and replacing them with the following sections 1 through 4:
  1. "The fee payable by the owner of each dwelling unit located within the Refuse Collection Area of the Municipality for the Collection, Removal and Marketing of Recyclables and Compost Material shall be \$127.56 per year, effective January 1, 2013.
  2. The fee payable by the owner of each multi-family dwelling unit located within the Refuse Collection Areas of the Municipality for the Collection, Removal and Marketing of Dry Recyclables and Compost Material shall be \$73.44 per year, effective January 1, 2013.
  3. The fee payable by the owner of each dwelling unit not located within the Refuse Collection Area of the Municipality for the Collection, Removal and Marketing of Dry Recyclables and Compost Materials or by owners of each multi-family dwelling unit, where the Municipality has declined to collect said dry recyclables or compost material, shall be \$17.40 per year, effective January 1, 2013.
  4. The fee payable by the owner of each Compact Housing unit located within the Refuse Collection Area of the Municipality for the Collection, Removal and Marketing of Dry Recyclables and Compost Materials shall be \$15.36 per year, effective January 1, 2013."

**CARRIED**

AF 12/080  
OCT 9/12

**Draft 2013 Water Utility Financial Plan**

A report dated October 9 2012, from the Manager of Finance regarding the draft 2013 water utility financial plan was provided for the Committee's review.

The Committee discussed Mission's share percentage with Abbotsford and the need for Mission residents to reduce their water consumption (and Mission's per capita consumption) to help lower our share percentage (the percentage that Mission pays for operating and capital expenses within the regional utilities).

Discussion moved towards future water capital projects, the need to transfer money to the capital reserve fund, and what the increase in the water user rate should be.

Moved by Mayor Adlem, seconded by Councillor Nundal, and

**RECOMMENDED:**

1. That the draft 2013 water utility financial plan be approved for inclusion in the District's 2013 financial plan;
2. That a proposed water user rate increase of 2% for 2013 be approved in principle and presented for feedback at the upcoming community budget consultation meeting; and
3. That early debt payout opportunities for Municipal Finance Authority of BC debt issues #80 and #85 be fully exercised in 2013 and 2014 respectively, with the total funding in the amount of \$1,641,407 to come from the Water Capital Reserve Fund, and that this debt retirement strategy be reflected in the District's financial plan.

**CARRIED**

AF 12/081  
OCT 9/12

**Draft 2013 Sewer Utility Financial Plan**

The Manager of Finance's report dated October 9, 2012, regarding an overview of the draft 2013 sewer utility financial plan was provided for the Committee's review.

Moved by Mayor Adlem, seconded by Councillor Nundal, and

**RECOMMENDED:**

1. That the draft 2013 sewer utility financial plan be approved for inclusion in the District's 2013 financial plan;
2. That a proposed sewer user rate increase of 2% for 2013 be approved in principle and presented for feedback at the upcoming community budget consultation meeting; and
3. That early debt payout opportunities for Municipal Finance Authority of BC debt issues #71 and #85 be fully exercised in 2014, with the total funding in the amount of \$718,208 coming from the Sewer Capital Reserve Fund, and that this debt retirement strategy be reflected in the District's financial plan.

**CARRIED**

The Director of Engineering and Public Works left the meeting at 4:45 pm

AF 12/082  
OCT 9/12

### **Fraser Valley Regional Library Draft Budget**

The Deputy Treasurer/Collector referred to her report dated October 9, 2012, regarding the Fraser Valley Regional Library's (FVRL) draft budget.

The Committee discussed the proposed \$59,821 or 4.9% increase to the FVRL's 2013 budget, the Mission library's spending package and what direction Council would like to be presented at the FVRL Board meeting and it was:

Moved by Councilor Nundal, seconded by Councilor Stevens, and

#### **RECOMMENDED:**

1. The District of Mission is holding their line to 1.49% so they would like to see the Fraser Valley Regional Library hold their increase to 1.49% as well; and
2. That the Community Budget Consultation presentation document include the wording, "the Fraser Valley Regional Library preliminary budget forecasts an increase but the District is seeking ways to decrease it" in reference to the Library's budget for 2013.

OPPOSED – Councilor Hensman

CARRIED

Councillor Hensman left the meeting at 5:15 pm

AF 12/083  
OCT 9/12

### **Mayor's Contingency**

The Deputy Treasurer/Collector referred to her report dated October 9, 2012, regarding creating a new budget line "Mayor's Contingency".

The Committee discussed this issue and staff confirmed that a policy will be drafted that dictates what the funds from the Mayor's Contingency can be spent on/used for, and that any spending is to be reported back to Council at a public Regular Meeting of Council.

Moved by Councilor Tilbury, seconded by Councilor Nundal, and

#### **RECOMMENDED:**

1. That a new budget line be created called "Mayor's Contingency" with an annual budget of \$2,000 for the Mayor (or his/her designate) to approve, at his/her discretion, small incidental dollar requests that are made of Council; and
2. That funding be provided for the Mayor's Contingency budget by transferring \$2,000 from the existing Council Contingency budget.

CARRIED

The Mayor abstained from voting on this motion as he believed voting would be a conflict of interest.

AF 12/084  
OCT 9/12

### **Fraser River Heritage Park Budget**

The Deputy Treasurer/Collector referred to her report dated October 9, 2012, regarding the Fraser River Heritage Park budget.

The Committee discussed the 2013 budget submission and spending package request from the Mission Heritage Association for the Fraser River Heritage Park and it was:

Moved by Councillor Nundal, seconded by Councillor Tilbury, and

#### **RECOMMENDED:**

That staff include in the provisional budget that is to be included in the Community Budget Consultation presentation document, the base budget amount as per the Operating and Maintenance Agreement.

**CARRIED**

AF 12/085  
OCT 9/12

### **Council Follow-up from August 8 & 9, and September 6, 2012 Committee of the Whole (Administration & Finance Committee - Budget) Meetings**

The Council follow-up report from the August 8 & 9 and September 6, 2012, Committee of the Whole (Administration & Finance Committee – Budget) meetings were provided for Council's information.

The Committee discussed the following issues:

- Development Cost Recovery – staff are working on a report, awaiting information from other municipalities; and
- Bylaws – the Committee requested a report detailing the number of firearms call-outs and the dollar amounts that the RCMP and bylaw officers attend, and from this information, review/update the Discharge of Firearms Regulation bylaw in respect to banning the discharge of firearms in the Burma Road area.

Staff advised that they will take the information and direction from this meeting to draft the Proposed 2013 Budget document and that Council will have an opportunity to review the draft proposed 2013 budget document prior to the Community Budget Consultation meeting. Staff confirmed that the Community Budget Consultation meeting is scheduled for Monday, November 5, 2012.

#### **4. RESOLUTION TO EXCLUDE THE PUBLIC**

Moved by Mayor Adlem seconded by Councillor Jewell, and

**RESOLVED:** That, pursuant to Section 90 of the *Community Charter*, this Committee of the Whole (Administration and Finance Committee – Budget) Meeting be closed to the public as the subject matter being considered relates to the following:

- Section 90 (1)(c) of the *Community Charter* – labour relations or other employee relations; and

AF 12/086  
OCT 9/12

- Section 90 (1)(k) of the *Community Charter* – negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public.

CARRIED

**5. MOTION TO RECESS**

AF 12/087  
OCT 9/12

Moved by Mayor Adlem seconded by Councillor Jewell, and  
RESOLVED: That the meeting be recessed.

CARRIED

The meeting was recessed at 6:00 pm.

**6. MOTION TO RECONVENE**

AF 12/088  
OCT 9/12

Moved by Councillor Nundal, seconded by Councillor Tilbury, and  
RESOLVED: That the meeting be reconvened.

CARRIED

The meeting was reconvened at 6:13 pm.

**7. ADJOURNMENT**

AF 12/089  
OCT 9/12

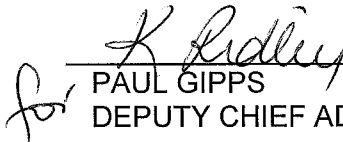
Moved by Mayor Adlem, seconded by Councillor Nundal, and  
RESOLVED: That the meeting be adjourned.

CARRIED

The meeting was adjourned at 6:14 p.m.



WALTER (TED) ADLEM  
MAYOR



PAUL GIPPS  
DEPUTY CHIEF ADMINISTRATIVE OFFICER