

Minutes of the **SPECIAL MEETING** (Administration & Finance) of the **DISTRICT OF MISSION COUNCIL** held in the Council Chambers at the Municipal Hall at 8645 Stave Lake Street, Mission, British Columbia, on Wednesday, April 29, 2009 commencing at 6:30 pm.

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

Committee Member Absent: Councillor Jenny Stevens

Staff Members Present: Glen Robertson, chief administrative officer
Dennis Clark, director of corporate administration
Ken Bjorgaard, director of finance
Kerri Onken, deputy treasurer/collector
Christine Brough, administrative clerk

1. COMMITTEE OF THE WHOLE

RESOLUTION TO RESOLVE INTO COMMITTEE OF THE WHOLE

AF
09/97 Moved by Councillor Plecas, seconded by Councillor Scudder and,

RESOLVED: That council now resolve itself into committee of the whole.

CARRIED

ADMINISTRATION & FINANCE

Mayor Atebe assumed the chair as Councillor Stevens was absent.

AF 09/98 **Financial Plan/Budget Bylaw**

The director of finance stated that staff is looking for final direction from council in regards to the 2009 tax increase in order to prepare the district's 2009 -2013 financial plan and 2009 tax rates bylaws for first three readings. The director referred to his report dated April 21, 2009, that provided information that council had requested. He noted that staff had some discussions on the following:

1. Staff recruitment – a \$50,000 spending package or a 0.23% tax impact in 2009. Staff believe that this is still a requirement, and commented around a strategy previously used of: departments utilizing savings from staff vacancies to fund this budget item. The director continued that staff believe if the vacancy savings could formally be transferred to this recruitment budget during the year (and not allow each department to utilize these savings) then this spending package could be deleted by being funded this way.

2. Upgrade guarding of prisoners - \$50,900 impact or a 0.23% tax impact in 2009. Staff have completed a review and have determined that this item could be funded through a reduction in the RCMP budget, namely: RCMP member salary savings, reduced pay increase that resulted in the lower graded positions, and by reducing the overlap in the scheduled guard shifts. Therefore, this budget item could be funded through these savings and lower the overall 2009 tax increase.
3. Guards moving to 24/7 coverage – this item would increase “on the street” policing resources and provide for supervision. Staff have been looking at ways of lessening this impact, and have realized that there could be some savings in the reduction in the RCMP budget left over from the upgrade guarding of prisoners. This tax implication funding of this item could be reduced to \$30,000; \$15,000 in 2009 and \$15,000 in 2010. This would be a lesser tax impact than the approximate amount of \$50,000 over three-years that was previously noted.
4. Additional Police Officer – staff noted that currently there is a “risking out” procedure that is used to accelerate policing resources as a result of implementing a strategic policing plan. Staff did not want to “risk out” further vacancies as this would call into question the strategic policing plan. However, if this was what council wished, staff felt that the strategic policing plan should then be revisited.

The director of finance advised that the first three items, if implemented, would lower the overall tax impact. He noted that these suggested were not reflected on the Appendix “A” attached to his report.

The director continued explaining items that were reflected in the reduction on Appendix “A”.

- (a) Use half of the additional new construction revenue (\$55,000) in 2009 and save the other half to lower the budget increase in 2010.
- (b) A motion was made at a previous council meeting to utilize gaming revenue to fund the downtown security pilot project.
- (c) The fourth bus route was moved out to 2010, however, it did not have a budget impact in 2009, and will be funded by a one-time funding source in 2010 (\$132,000). The tax impact will now be realized in 2011.

The director of finance continued explaining that council had received additional information on the following positions, namely:

- (a) Moving the current human resource position to an exempt position
- (b) Additional assistant fire chief position
- (c) Facilities maintenance worker
- (d) Administrative clerk – governance
- (e) Support IT staff for RCMP and Municipality
- (f) Design engineer

The director noted that these positions were reflected in Appendix "A". Staff have noted that the design engineer would not result in any tax savings as this position is being funded from the utilities.

Moved by Councillor Horn, and,

RECOMMENDED:

That the "upgrade guarding of prisoners" and the "RCMP guards moving to 24/7 coverage" be reconsidered.

CARRIED

Discussion ensued around how to further reduce the tax impact by having the 24/7 coverage be considered as a pilot program and have it funded through the RCMP Reserves this year. Council would like staff to report back after a year, on:

- (a) what has the cell occupancy been, and for staff to have a business case for how the daytime supervisor's time has been deployed; and
- (b) what other savings this position has created.

Discussion occurred regarding the guards moving to 24/7 coverage as a pilot project, and having staff report back on whether or not what staff projected had in fact occurred. It was agreed that moving the guards to 24/7 coverage would not be considered as a pilot program, and that staff should report back to council after the first year.

Discussion ensued around the deferral of the assistant fire chief until July of 2010, and the director of finance clarified that half of the funding for this position was funded in 2008, and that these funds were not going to be utilized in 2009. These funds could effectively reduce the tax increase by a further 0.3%. It was suggested that if after the hiring of the additional firefighters for the composite fire department, it was realized that the assistant fire chief's position was needed before July of 2010, then council would expect a report from the fire chief advising of the situation.

Discussion ensued around utilizing vacancy savings to fund staff recruitment, and other funding sources to fund other proposed budget items in 2009, and how these budget items would then be funded in 2010. The director of finance clarified that the vacancy savings are one time, and the rationale of using these savings for recruitment is that recruitment is considered a one-time cost. He continued clarifying that the savings staff have found in the RCMP are permanent savings so they would not be reversed in later years.

Discussion ensued regarding the facilities maintenance position, and staff confirmed that there were a number of long-term employees with holiday and sick time, and if these positions were not back-filled, then staff believed that the facility would begin to show the lack of maintenance.

Discussion ensued regarding the use of half of the additional new construction revenue (\$55,000) in 2009 and the remainder in 2010. It was questioned whether this item could be reconsidered as it had been adopted at a previous meeting, and that there was no new information being provided. Staff confirmed that the Mayor had 30 days to bring an item back for reconsideration.

AF
09/99

Moved by Councillor Scudder, and,

RECOMMENDED: That the direction on the following 2009 budget items be approved:

1. Staff recruitment – be removed from the core budget as it will be funded through salary vacancies;
2. Upgrade guarding of prisoners – be removed from the core budget as it will be funded through a reduction in the RCMP budget, and create a 0.23% reduction in the 2009 tax increase;
3. RCMP guards moving to 24/7 coverage – \$24,416 or 0.11% tax impact in 2009, \$25,396 or 0.11% tax impact for 2010, and \$2,165 or 0.01% tax impact for 2011 be removed from the core budgets, and that \$15,000 be added to each of the 2009 and 2010 core budgets;
4. Hiring additional police officers – that this item remain in the 2009, 2010, 2011, and 2012 budgets, reflected in 2009 for \$120,000 or 0.55% tax impact; in 2010 for \$121,500 or 0.53% tax impact; and in 2011 for \$121,500 or 0.49% tax impact;
5. Human Resources clerk union position - be moved to an exempt position and included in the 2009 core budget;
6. Assistant Fire Chief position – be deferred to start July of 2010 creating a 0.3% tax reduction in 2009 and a tax increase of 0.3% in 2010;
7. Full-time facilities maintenance worker – be included in the 2009 core budget;
8. Part-time administrative clerk – governance – be included in the 2009 core budget starting September of 2009;
9. Full-time software IT staff for RCMP and the Municipality – be included in the 2009 core budget; and
10. Full-time design engineer – to be funded through utilities administration fee.

CARRIED

The director of finance confirmed that after taking into effect all the above approved budget items, the tax increase will be 5.8% including the composite fire department (0.94% for the composite fire department bringing the municipal tax increase to 4.86%).

The Mayor elected to bring back for discussion (reconsider) the utilization of the additional new construction revenue of \$110,000.

The director of finance clarified that originally the 2009 provisional budget had a \$400,000 projected amount of new construction revenue. Initially BC Assessment advised the District that the 2009 new construction revenue amount would be \$276,000. Since that initial

conversation, staff received updated information from BC Assessment advising that there was an additional \$110,000 of new construction funds available for 2009.

The director continued that at the last budget meeting, there was discussion around whether a portion of these funds should be used to offset the tax increase in 2010, or possibly offset any shortfall of the projected \$300,000 new construction revenue in 2010. He explained that as it is very difficult to predict whether or not building activity would increase or decrease, a portion of these additional 2009 new construction dollars could help alleviate any shortfall of the projected \$300,000 in 2010, or if the whole \$300,000 was realized, then the additional \$55,000 would further lower the overall 2010 tax impact.

Councillor Gidda suggested that as some indications are that development and building looks positive and that additional revenue could be expected in 2010, he would like to see the entire \$110,000 of additional new construction revenue be used to lower the 2009 tax impact.

Discussion ensued around the feasibility of utilizing all the \$110,000 of new construction revenue in 2009, and the ramifications if the 2010 new construction revenue amount of \$300,000 is not realized.

AF
09/100

Moved by Councillor Gidda, and

RECOMMENDED: That the District utilize the total amount of the additional new construction revenue, (\$110,000), towards the 2009 tax impact.

OPPOSED: Councillor Horn
Councillor Scudder
Councillor Plecas
Councillor Stewart

DEFEATED

Discussion ensued regarding the strategic policing plan and how it is apparent that policing is certainly putting a strain on the budget and given the current economic times, it was questioned whether council should revisit this plan.

Council requested that Inspector Walsh be invited to come to a council meeting to discuss the strategic policing plan.

The director of finance advised council that the next steps are that on May 11th there will be a council meeting to give first three readings to the 2009 – 2013 financial plan and 2009 tax rates bylaws, and then a special council meeting to give final reading and adoption of those bylaws before the 15th of May. The director confirmed that the final tax increase is 5.8% including the composite fire department, 4.86% without the composite fire department, and that the composite fire department makes up 0.94%.

RESOLUTION TO RISE AND REPORT

Mayor Atebe resumed the chair.

AF
09/101 Moved by Councillor Horn, seconded by Councillor Plecas and,

RESOLVED: That the Committee of the Whole now rise and report.

CARRIED

2. ADOPTION OF COMMITTEE OF THE WHOLE

AF
09/102 Moved by Councillor Scudder, seconded by Councillor Horn and,

RESOLVED: That the recommendations of the committee of the whole, as contained in items AF09/97 to AF09/101, except item AF09/100 (utilizing the additional new construction revenue) be adopted.

CARRIED

AF
09/103 Moved by Councillor Scudder, seconded by Councillor Horn and,

RESOLVED: That the recommendations of the committee of the whole, as contained in item AF09/100, (utilizing the additional new construction revenue) be adopted.

OPPOSED: Councillor Horn
Councillor Scudder
Councillor Plecas
Councillor Stewart

DEFEATED

3. OTHER BUSINESS

There was no further business.


4. ADJOURNMENT

Moved by Councillor Stewart, seconded by Councillor Plecas, and

RESOLVED: That the meeting be adjourned.

CARRIED.

The meeting was adjourned at 7:34 pm.



JAMES ATEBE,
MAYOR



DENNIS CLARK,
DIRECTOR OF CORPORATE ADMINISTRATION