

Minutes of the **ADMINISTRATION and FINANCE COMMITTEE** Meeting (Capital Plan discussions) held in the Conference Room at the Municipal Hall at 8645 Stave Lake Street, Mission, British Columbia, on Wednesday, September 8, 2010 commencing at 4:35 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
Rick Bomhof, director of engineering & public works
Kris Boland, deputy director of finance
Kerri Onken, deputy treasurer/collector
Wendy McCormick, deputy director of parks, recreation & culture
Kerry Bysouth, manager of parks & facilities
Scott Ross, accounting supervisor
Debi Decker, administrative assistant

Mayor Atebe called the meeting to order.

Councillor Stevens assumed the chair.

1. NEW BUSINESS

AF 10/34
SEPT 8/10

Mission Community Library Municipal Surplus Revenue

Discussion ensued and the following motion was adopted.

Moved by Councillor Horn, and

RECOMMENDED:

1. That the following improvements for the Mission Library be approved:
 - a. Improvements to children's area (\$14,500)
 - b. Installation of a self-serve check-out station (\$13,000)
 - c. Complete the refurbishment of book shelf areas with slat wall (\$6,200)
 - d. Replacement of Information Service Desk (\$4,850)
 - e. Exterior signs – Mission Library and FVRL (\$4,500)
2. That the above improvements be funded through the Fraser Valley Regional Library Municipal Surplus Reserve; and,
3. That staff provide the Fraser Valley Regional Library with written confirmation that council has approved the spending of Fraser Valley Regional Library Municipal Surplus Reserve funds for the above purposes.

CARRIED

AF 10/35
SEPT 8/10

Request for height-adjustable change table from Mission Association for Community Living

A letter from the Mission Association for Community Living regarding installing a height-adjustable adult change table at the Leisure Centre was discussed, and confirmed that other organizations were contacted for their input.

Moved by Councillor Horn, and

RECOMMENDED: That staff include a height-adjustable adult changing table to be located in the family/handicapped change room at the Leisure Centre be included in the financial plan for a cost of \$6,223 in 2011 with the General Capital Reserve as the funding source.

CARRIED

AF 10/36
SEPT 8/10

Follow-up from November 23, 2009 Council Meeting – Covered Sheds and Washrooms in Cedar Valley Parks

The follow-up regarding installing covered sheds and washrooms in Cedar Valley parks was provided for discussion.

Discussion ensued around the community groups who have requested covered sheds at various parks throughout Mission, specifically Griner Park. Staff clarified that the covered shelters are \$40,000 each and that the unfunded capital project listing was incorrect showing \$20,000 each.

Discussion moved towards washrooms being installed at various parks specifically Hatzic Park. Staff relayed that the sewer line is scheduled to be installed right through Hatzic Park, but that this would be driven by development in the Hatzic Ridge area so a time frame could not be provided. Staff confirmed that bringing water and septic to Hatzic Park was included on the unfunded capital project listing.

Discussion ensued around prioritizing projects at various parks, such as a shelter at Griner Park, washrooms at Hatzic Park and revisiting the Parks, Trails Master Plan.

Moved by Councillor Gidda, and

RECOMMENDED:

1. That staff prepare a draft land use plan for Griner Park detailing where amenities (such as shelters, water lines, playground equipment, dog park area, etc.) should be located, therefore eliminating the need for a master plan for Griner Park;
2. Staff to provide an overall park upgrade schedule for all parks within the District including providing a water source at Centennial Park versus running water at Hatzic Park;
3. Staff to provide operational costs for the washrooms; and
4. Staff to provide a funding source, possibly using gaming funds.

CARRIED

AF 10/37
SEPT 8/10

Follow-up from June 7, 2010 Council Meeting – Skate Shop sharpening machine

The follow-up was provided for council's information.

Staff confirmed that this sharpening machine is for a replacement machine in the future (2020), which is included in the financial plan, and that the skate shop currently has a sharpening machine.

AF 10/38
SEPT 8/10

Capital Asset Accounting Policy

The accounting supervisor referred to his report dated August 26, 2010 entitled Capital Asset Accounting Policy. He advised that due to the new public sector accounting board requirements for recording tangible capital assets within the financial statements (which the District completed this past year) this policy was a formality.

He continued explaining that the policy explains what capital assets are, the dollar and useful life thresholds, and that Appendix 'A' breaks down the various capital asset categories.

Moved by Councillor Horn, and

RECOMMENDED: That FIN.46 Capital Asset Accounting Policy be approved.

CARRIED

AF 10/39
SEPT 8/10

General Capital Plan Review and Update

The deputy director of finance referred to his report dated September 2, 2010 entitled General Capital Plan Review and Update. He explained that during the 2010 budgeting process council requested a detailed review of the capital plan. Staff have reviewed the capital plan making updates, removing some of the projects that staff felt could be removed, and adding some smaller projects that relate to the maintenance of current operating projects.

He continued advising that a matrix (priority rating system provided by the GFOA) was used to prioritize the unfunded capital project listing, which was developed from a number of sources: 2010 capital spending packages that were not approved; large projects unfunded and not defined such as the new RCMP building. Staff will keep the unfunded capital project listing up to-date to track capital projects that are not well defined or have not been assigned a funding source.

The deputy director referred to Schedule "D" and noted the rows at the bottom of the spreadsheet that calculated, if the recommended projects were funded, what the reserve balances would be and where they stand in terms of the recommended minimum balance.

He summarized by stating that council needs to consider the funding sources recommended versus the projected reserve balance, and it is very important to not reduce the planned transfers to the reserves.

Discussion ensued around the various reserve accounts and why some projects that don't appear to be a high priority are being funded over higher priority projects. Staff pointed out that the reserve funds are restricted to what they can fund, i.e. the Neighbourhood Parkland reserve can only fund the purchase of parkland and can not be used for road repairs.

Discussion continued on the following capital projects:

1. reconstruction of Silverdale Avenue - this is a core roadway for residents of Silverdale and 2012 is too far out and that a funding source needs to be found;
2. new RCMP building mandated by new federal standards - need to verify the construction year, 2013 or 2015;
3. seismic upgrade of the Public Works building - there is a need but no funding source available;
4. pedestrian overpass to the Junction mall - the Ministry of Transportation has been receiving calls from residents and is looking into the situation;
5. VAV units at the leisure centre - (variable adjustment valves that adjust the air flow with the various rooms within the facility);
6. emergency generators located at the Leisure Centre - this location is designated as an emergency shelter;
7. roof repairs/replacements at various municipal buildings;
8. master plan for Centennial Park;
9. neighbourhood parks, downtown area and Fenn Park; and,
10. Fraser River Heritage Park capital projects.

Moved by Councillor Horn, and

RECOMMENDED:

1. That the pedestrian overpass to the Junction Mall be removed from the unfunded capital project listing; and
2. That staff lobby the Ministry of Transportation for a solution to this problem.

CARRIED

AF 10/40
SEPT 8/10

Moved by Councillor Horn, and

RECOMMENDED: Staff prepare a strategy to identify how to advance the reconstruction of Silverdale Avenue, propose a funding source, and include a time-line of when the project could be started/completed.

CARRIED

AF 10/41
SEPT 8/10 Moved by Councillor Horn, and

RECOMMENDED: That staff verify with School District #75 (Mission) to analyze whether Heritage Park Secondary School could cost effectively become an emergency shelter, and if not,

- a. Staff to identify a funding source to pay for two generators to be located at the Leisure Centre,
- b. To purchase one generator in 2011, and
- c. To purchase the second generator in a later year.

CARRIED

AF 10/42
SEPT 8/10 Moved by Councillor Horn, and

RECOMMENDED: That staff remove from the unfunded capital project listing, the master plan for Centennial Park.

CARRIED

AF 10/43
SEPT 8/10 Moved by Councillor Horn, and

RECOMMENDED:

1. That staff report back on the feasibility of starting a legacy endowment fund for the Fraser River Heritage Park, detailing how much principle would be needed to utilize only the interest from the fund, and
2. Staff to prepare a draft business case to solicit private donations for this fund.

CARRIED

AF 10/44
SEPT 8/10 Moved by Councillor Horn, and

RECOMMENDED: That staff defer including the RCMP replacement building on the unfunded capital project listing, until after the RCMP presentation in October.

CARRIED

AF 10/45
SEPT 8/10 Moved by Councillor Horn, and

RECOMMENDED: That staff report back to council on how many years would it take, along with the value of the transfers needed each year, in order for the reserve accounts to get to their recommended minimum levels.

CARRIED

AF 10/46
SEPT 8/10 Moved by Councillor Horn, and

RECOMMENDED: That staff defer a report to council detailing the ramifications of borrowing funds for the RCMP replacement building until after the RCMP presentation in October.

CARRIED

AF 10/47
SEPT 8/10 Moved by Councillor Horn, and

RECOMMENDED: That staff to report to council which items were removed from the financial plan, and using the matrix (priority rating system provided by the Government Financial Officer's Association), to justify why the remaining projects are still included on the financial plan.

CARRIED

AF 10/48
SEPT 8/10 Moved by Councillor Horn, and

RECOMMENDED: That staff to report back to council on the pros and cons of expanding Fenn Park versus creating a new park in the downtown area.

CARRIED

The chief administrative officer went over the following operating budget items that had recently come to light and would come up during the 2011 budget discussions:

1. The province is instituting an increase in the pension plan that will have a yearly impact of \$100,000. As this increase will become effective mid-year 2011, this means \$50,000 in 2011 and an additional \$50,000 in 2012.
2. Transit – there was a tax increase proposed in 2011 of \$131,000 which was for the transit expansion of 4,000 hours (1,500 hours starting January 1, 2010, and 2,500 hours starting January 1, 2011). That total budget amount was used as part of the transit report of August 2, 2010. District staff have gone back to Transit and are awaiting a response to clarify the increased costs in 2010.
3. Premiums for health benefits are projected to increase. This is as a result of increased usage by staff. This usage is likely a “spike” and will be reduced in the future. Staff are working with the benefit carrier to reduce the increase and explore options.
4. Regional Water – the Utility Management Commission has recently informed staff that the regional water budget for 2011 is increasing by \$12 million, and that is referred to in the deputy director of finance's report.
5. Regional Sewer – the Utility Management Commission also informed staff that the regional sewer budget will increase by \$60 million over the next five (5) years.

The chief administrative officer advised that council will have an extremely challenging year on the operating side of the budget and that staff are working on solutions.


2. ADJOURNMENT

Moved by Councillor Horn seconded by Councillor Gidda, and

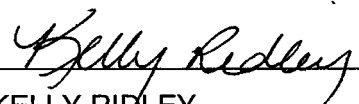
RESOLVED: That the meeting be adjourned.

CARRIED.

The meeting was adjourned at 7:20 pm.



JAMES ATEBE,
MAYOR



KELLY RIDLEY,
DEPUTY DIRECTOR OF CORPORATE ADMINISTRATION

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