

MINUTES OF THE SPECIAL COMMITTEE OF THE WHOLE MEETING
2008 Operating Budget Overview
HELD TUESDAY, JANUARY 22, 2008, 9:00 a.m.

Committee Members Present: Mayor Lowe in the Chair; and Councillors Chandler, Coleman, Fortin, Holland, Hughes, Madoff, Young.

Absent for a Portion of the Meeting: Councillor Thornton-Joe.

Staff Present: P. Ballantyne – City Manager; B. Warner – Director of Finance; M. McCliggott – Assistant City Manager; S. Thompson – Manager, Budgets and Financial Planning; L. O’Keeffe – Financial Analyst, Budget; C. Havelka – Recording Secretary

Staff Present for a Portion of the Meeting: T. Scott – Director of Human Resources; D. Day – Director of Planning and Development; K. Friars – Director of Parks, Recreation and Community Development; J. Jenkyns – Acting General Manager, Conference Centre; D. Angrove – Fire Chief; P. Sparanese – Director of Engineering; E. Robertson – Manager, Support Services, Engineering; S. Schopp – Manager, Development & Regulatory Services; G. Slater – Support Services; R. Woodland – Director, Legislative and Regulatory Services; D. Oxendale - Manager, Finance & I.T., Conference Centre; N. Taylor – Senior Advisory, Intergovernmental and Strategic Initiatives; K. Josephson – Manager, Communications; M. Mayhew – Executive Assistant.

1. CALL TO ORDER

The Chair called the meeting to order at 9:06 a.m.

2. APPROVAL OF THE AGENDA

The Chair noted the addition of closed item # 10 – *Legal – Intergovernmental Negotiations Report*.

Action: Councillor Coleman moved that the Agenda of the January 22, 2008 Special Committee of the Whole Budget Meeting be approved as amended.

CARRIED 08/46

The City Manager introduced and welcomed Kate Friars, Director of Parks, Recreation and Community Development.

Councillor Thornton-Joe joined the meeting at 9:13 a.m.

3. OPERATING BUDGET OVERVIEW - 2008

The City Manager outlined for Committee the purpose of the first budget workshop which was carefully reviewed with all Directors with the aim to bring in a 'status quo' budget. Committee received copies of the Committee of the Whole Budget Presentation dated January 22, 2008 and the 2008 – 2012 Financial Plans. The Director of Finance presented an overview of the 2008 Budget with the focus of this session on the 2008 Operating Budget:

- Budget Timelines
- Environmental Scan
- 2007 to 2011 Five-year Financial Plan
- 2008 Operating Budget Overview
- Additional Grant Requests
- Departmental Budget Presentations
- Supplementary Budget Requests

During the presentations, Committee members and staff discussed the following:

- Strategic priorities linked to budget making decisions.
- Building up our reserves now during the building boom.
- 2011 the debt will start to drop off and will allow room for capital projects.
- Building up reserves for better borrowing capacity.
- Last 7-8 years reserves have been successfully replenished but escalating costs in capital expenditures and infrastructure deficits has put pressure on reserve.
- The hotel tax rate and a future discussion with Tourism Victoria and Council on the tax and its ultimate goal.
- An evaluation of the Community Development grant program to ensure grants are being used effectively and how it ties into strategic planning.

Councillor Chandler withdrew from the meeting at 9:31 a.m.

A Committee member requested that the Supply Agreement Increases detailed on page 9 of the presentation be represented in actual dollars.

Councillor Chandler returned to the meeting at 9:33 a.m.

The City Manager advised that staff will take a broader view for next year's budget to review all options rather than target specific areas. She also advised that staff could undertake a community development grant program and recreation review as part of an integrated planning process.

The Directors reviewed for Committee their departments budgets, as follows:

Finance

- Purchasing policies; looking at sustainable practices in 2008;
- Most expenditures are staff related.

Human Resources

- Upcoming review of existing resources for succession plan
- Competitive market, changing demographics and many retiring in the next four years.
- Difficulty recruiting for higher level positions; one goal is to develop staff internally.
- Performance review and recruiting practices – staff will provide for Council.

Legislative and Regulatory Services

- Election cost impact the 2008 budget by \$120,000.
- Reallocation of City Solicitor's salary to Corporate Policy and Planning positions. The objective is to report on strategic plan results, ensure accountability measures and bring discipline and process to Council's strategic objectives.
- Concerns were raised by a Committee member as to the necessity of these positions.

Councillor Chandler withdrew from the meeting at 10:45 a.m.

Fire

- Mutual aid agreements between municipalities; staff advised that for life-safety risk in high rises there is an automatic response from Saanich and Oak Bay.

Councillor Chandler returned to the meeting at 10:48 a.m.

- Emergency call response; coordinating Fire calls with BC Ambulance – the Fire Chief is working with BC Ambulance.
- Staff advised that four of eight firefighters that the Fire Department has been allocated have been recruited.

Parks, Recreation and Community Development

- The cost for parks clean-up due to homeless camping is an on-going concern; a supplementary request for a seasonal worker and a leadhand will help address this issue.

Councillor Coleman and Thornton-Joe withdrew from the meeting at 11:14 a.m.

- Committee members inquired about the expected life of the Crystal Pool. Also requested was information regarding performance, the cost of a public visit and programming.
- A Committee member requested an update on the arena with respect to ticket surcharges.

Councillor Coleman and Thornton-Joe returned to the meeting at 11:16 a.m.

- A Committee member inquired regarding the maintenance of boulevards.

Planning and Development

Mayor Lowe withdrew from the meeting at 11:16 a.m. Councillor Holland assumed the Chair.

- A Committee member inquired regarding the slowdown in activity and redirecting resources to supplementary requests.
- Staff outlined how the load of planning files detract from other work.

Mayor Lowe returned at 11:23 a.m. and assumed the Chair.

- A Committee member noted that utilizing consultants to accomplish certain projects is preferable to building up staff.
- A Committee member inquired about recruiting an Advisory Housing consultant as agreed previously.

Engineering

- Committee members discussed refuse dumping on boulevards and bylaw enforcement which is currently a part of the response to this expensive issue.
- Staff reviewed with Committee communication strategies, including working with the rental associations, the CRD, landlords and property managers.

Councillor Holland withdrew from the meeting at 11:42 a.m.

- Committee members discussed curb-side composting and curb-side garbage can pick-up, as well as a 'big garbage day', a program Oak Bay offers.

Councillor Holland returned to the meeting at 11:44 a.m.

- A Committee member noted that maintenance costs can be reduced when there is an increase in capital.

Councillor Hughes withdrew from the meeting at 11:55 a.m.

- A Committee member inquired regarding a summer youth program for street cleaning; the City has offered this before and staff advised that they can investigate this program again.

Councillor Hughes returned to the meeting at 11:57 a.m.

- A Committee member inquired regarding graffiti clean-up on private property. Letters had been sent out to help businesses deal with this issue. Staff will review this issue with the Downtown Victoria Business Association.

Councillor Chandler withdrew from the meeting at 12:05 p.m.

Conference Centre

- \$500,000 from the hotel tax is used exclusively for marketing purposes.

Councillor Chandler returned to the meeting at 12:07 p.m.

- Renting the retail stores is a continuing challenge – staff is working with Colliers.

Supplementary Requests

- Affordable Housing Policy and Program Work position – someone to coordinate different levels of housing need and redevelop underutilized properties.
- The Conference Centre's new governance structure – a Committee member's request to demonstrate the governance problems that need to be solved.
- Communications coordinator will use funds that are now contracted out for design and printing, and will help focus on the website.

Committee members agreed to digest comments discussed today and wait for the workshop on the capital plan before making direction based decisions.

4. CLOSED MEETING AT 12:41 P.M.

Action: Councillor Hughes moved that Committee of the Whole convene a Closed meeting that excludes the public under Section 11(6) of the Council Bylaw for the reason that the following agenda items deal with matters specified in Section 11 (3) and/or (4) of the Council Bylaw.

CARRIED 08/45

4.1 Legal – Intergovernmental Negotiations

Committee received a report dated January 22, 2008 from the City Manager with respect to Legal, Intergovernmental Negotiations.

The discussion and motion were recorded and kept confidential.

(Closed Resolution # 08/44)

5. ADJOURNMENT

Action: Councillor Holland moved that the Special Budget Committee of the Whole meeting of January 22, 2008 be adjourned at 1:01 p.m.

CARRIED 08/43

Mayor Lowe, Chair