



FINANCIAL MANAGEMENT COMMITTEE

MINUTES

An Open meeting of the Financial Management Committee was held in the Clerk's Committee Room, City Hall, 4949 Canada Way, Burnaby, B.C. on **Tuesday, 2019 February 19** at 4:00 pm.

1. CALL TO ORDER

PRESENT: His Worship, Mayor Mike Hurley, Chair
Councillor Sav Dhaliwal, Vice Chair
Councillor Pietro Calendino, Member
Councillor Paul McDonell, Member

STAFF: Mr. Lambert Chu, City Manager
Ms. Noreen Kassam, Director Finance
Mr. Dave Ellenwood, Director Parks, Recreation & Cultural Services
Mr. Lou Pelletier, Director Planning & Building
Mr. Dave Critchley, Director Public Safety & Community Services
Mr. James Lota, Deputy Director Engineering
Mr. Tim Van Driel, Manager – Civic Building Projects
Ms. Elaine Wong, Executive Assistant to the Mayor
Ms. Nikolina Vracar, Administrative Officer

The Chair called the Open meeting to order at 4:00 p.m.

The Chair acknowledged the unceded, traditional, and ancestral lands of the hə́ŋqəmiŋəm and skwxwú7mesh speaking people, and extended appreciation for the opportunity to hold a meeting on this shared Coast Salish territory.

2. MINUTES

- a) **Minutes of the Financial Management Committee
Open meeting held on 2019 January 22**

MOVED BY COUNCILLOR CALENDINO
SECONDED BY COUNCILLOR DHALI WAL

THAT the minutes of the Financial Management Committee Open meeting held on 2019 January 22 be adopted.

CARRIED UNANIMOUSLY

3. **DELEGATION**

MOVED BY COUNCILLOR MCDONELL
SECONDED BY COUNCILLOR CALENDINO

THAT the delegation be heard.

CARRIED UNANIMOUSLY

- a) **Burnaby Board of Trade**
Re: Impact of Property Taxes on Local Businesses
Speakers: Paul Holden, President and CEO
Cory Redekop, Manager - Policy and Stakeholder Relations

Mr. Paul Holden, President and CEO, and **Mr. Cory Redekop**, Manager - Policy and Stakeholder Relations, Burnaby Board of Trade (BBOT), appeared before the Committee to provide information on the impact of rising assessed property values on property taxes for local businesses.

The delegation advised that it is pursuing amendment of the Provincial property value assessment process, implementation of split assessments, and exemption and deferral programs by the Province. BBOT is concurrently pursuing potential interim and policy solutions at the municipal level.

Mr. Redekop presented the land assessment averaging as a potential solution that could be implemented locally. Land assessment averaging would require the City to average a property's value for small businesses over a period of 3 or 5 years resulting in a phased increase in property taxes and providing a temporary relief to business owners. The approach has been implemented by the City of Vancouver. According to Mr. Redekop, the benefits of the approach include relief to businesses facing significant tax increases and an ability to plan long-term for tax increases while the City continues to receive steady revenue.

The Committee advised that any potential changes could be implemented for the 2020 tax year at the earliest, and noted some drawbacks of the land assessment averaging (e.g., current business owners would not immediately receive the benefits of reduced assessment value and new business owners would be impacted by assessment activity that took place in prior years).

In conclusion, the Committee advised the delegation that it will consider additional investigation on the matter following receipt of a staff report on property taxes later in the meeting.

4. **REPORTS**

MOVED BY COUNCILLOR CALENDINO
SECONDED BY COUNCILLOR MCDONELL

THAT the reports be received.

CARRIED UNANIMOUSLY

a) **Report from the Director Finance**
Re: Property Taxes

The Director Finance submitted a report providing information on potential solutions to the problem of rising property valuations driving significant property tax bills for local businesses.

The Director Finance recommended:

1. THAT Financial Management Committee recommend Council receive this report as information.
2. THAT a copy of this report is sent to the Burnaby Board of Trade.

MOVED BY COUNCILLOR CALENDINO
SECONDED BY COUNCILLOR MCDONELL

THAT the recommendations of the Director Finance be adopted.

CARRIED UNANIMOUSLY

Arising from discussion and without objection from any member, the Committee requested that staff organize a workshop regarding the land assessment averaging and following the workshop, prepare a report outlining options available to the City, as well as administration, benefits, and impact of the land assessment averaging.

b) **Report from the Director Finance**
Re: 2019 – 2023 Provisional Financial Plan

The Director Finance submitted a report providing the 2019-2023 Provisional Financial Plan.

The Director Finance recommended:

1. THAT Financial Management Committee recommend Council receive the 2019-2023 Provisional Financial Plan.

MOVED BY COUNCILLOR DHALIWAL
SECONDED BY COUNCILLOR CALENDINO

THAT the recommendation of the Director Finance be adopted.

CARRIED UNANIMOUSLY

c) Report from the Director Finance
Re: Elimination of Non-Accountable Allowance

The Director Finance submitted a report to amend the Mayor and Council's remuneration for the income tax impact of the elimination of the one-third non-accountable allowance.

The Director Finance recommended:

1. THAT Financial Management Committee recommend Council approve an adjustment to the remuneration for the Mayor and Councillors effective 2019 January 01 to offset the additional income tax impact on the elimination of the one-third non-accountable allowance.

MOVED BY COUNCILLOR CALENDINO
SECONDED BY COUNCILLOR DHALIWAL

THAT the recommendation of the Director Finance be adopted.

CARRIED UNANIMOUSLY

Arising from discussion and without objection from any member, the Committee requested that staff provide a memorandum outlining the indemnity adjustments made by the peer municipalities (e.g., Vancouver, Richmond, Coquitlam, Surrey and Delta).

d) Report from the Director Parks, Recreation and Cultural Services
Re: 2019 January - Parks, Recreation and Cultural Services Gaming Fund Projects

The Director Parks, Recreation and Cultural Services submitted a report requesting the use of Gaming Reserve to finance three Parks projects.

The Director Parks, Recreation and Cultural Services recommended:

1. THAT the Financial Management Committee recommend that Council authorize the use of Gaming Reserves in the amount of \$325,000 to finance the projects outlined in this report.

MOVED BY COUNCILLOR DHALIWAL
SECONDED BY COUNCILLOR CALENDINO

THAT the recommendation of the Director Park, Recreation and Cultural Services be adopted.

CARRIED UNANIMOUSLY

e) Report from the Director Planning and Building
Re: Burnaby Access Advisory Committee - Capital Bylaw Funding
Request and Overview of Activities

The Director Planning and Building submitted a report requesting a Capital Reserve Fund Bylaw to finance the 2019 Access Improvements Program and providing a summary of recent Burnaby Access Advisory Committee activities.

The Director Planning and Building recommended:

1. THAT the Financial Management Committee recommend that Council authorize the City Solicitor to bring forward a Capital Reserve Fund Bylaw in the amount of \$81,200 to finance the access improvement projects at City facilities as outlined in Section 3.0 of this report.
2. THAT the Committee recommend Council to authorize the allocation of \$500 from the 2019 Boards, Committees and Commissions budget to the City of Burnaby Access Advisory Committee, as a sub-committee of the Environment and Social Planning Committee, in order to provide access supports as needed for Committee members, as detailed in Section 5.0 of this report.
3. THAT a copy of this report be forwarded to the Environment and Social Planning Committee for information.

MOVED BY COUNCILLOR MCDONELL
SECONDED BY COUNCILLOR CALENDINO

THAT the recommendations of the Director Planning and Building be adopted.

CARRIED UNANIMOUSLY

f) Report from the Director Engineering
Re: 2019 February Engineering Capital Infrastructure Bylaw Funding Request

The Director Engineering submitted a report requesting the use of Waterworks Utility and Sanitary Sewer Reserves and to request a Capital Reserve Fund Bylaw to finance 2019 Engineering capital infrastructure projects.

The Director Engineering recommended:

1. THAT the Financial Management Committee recommend Council authorize the City Solicitor to bring forward a Capital Reserves Fund Bylaw in the amount of \$8,225,700, the use of Sanitary Sewer Capital Fund in the amount of \$2,803,000, and the use of Waterworks Utility Capital Fund in the amount of \$1,032,300 to finance Engineering capital infrastructure improvement projects, as outlined in this report.

MOVED BY COUNCILLOR MCDONELL
SECONDED BY COUNCILLOR CALENDINO

THAT the recommendation of the Director Engineering be adopted.

CARRIED UNANIMOUSLY

g) Report from the Director Engineering
Re: 2019 February Engineering Capital Vehicle & Equipment Purchase Bylaw Funding Request

The Director Engineering submitted a report requesting approval and funding for 2019 Engineering capital vehicle and equipment purchases.

The Director Engineering recommended:

1. THAT the Financial Management Committee recommend Council authorize the City Solicitor to bring forward a Capital Reserves Fund Bylaw in the amount of \$383,200 to finance Engineering capital vehicle and equipment purchases, as outlined in this report.

MOVED BY COUNCILLOR MCDONELL
SECONDED BY COUNCILLOR CALENDINO

THAT the recommendation of the Director Engineering be adopted.

CARRIED UNANIMOUSLY

h) Report from the Director Engineering
Re: 2019 Engineering Capital Transportation Bylaw Funding Request

The Director Engineering submitted a report requesting a Capital Reserve Fund Bylaw to finance 2019 Engineering capital transportation projects.

The Director Engineering recommended:

1. THAT the Financial Management Committee recommend Council authorize the City Solicitor to bring forward a Capital Reserves Fund Bylaw in the amount of \$1,375,000 to finance Engineering capital transportation improvement projects, as outlined in this report.

MOVED BY COUNCILLOR MCDONELL
SECONDED BY COUNCILLOR CALENDINO

THAT the recommendation of the Director Engineering be adopted.

CARRIED UNANIMOUSLY

i) Report from the Director Engineering
Re: 2019 February Engineering Capital Facilities Management Gaming Reserve Request

The Director Engineering submitted a report requesting the use of Gaming Reserves to finance the Mather House – Deck & Turret Design & Restoration.

The Director Engineering recommended:

1. THAT the Financial Management Committee recommend Council authorize the use of Gaming Reserves in the amount of \$310,000 to finance the Mather House – Deck & Turret Design & Restoration, as outlined in this report.

MOVED BY COUNCILLOR MCDONELL
SECONDED BY COUNCILLOR CALENDINO

THAT the recommendation of the Director Engineering be adopted.

CARRIED UNANIMOUSLY

j) Report from the Director Engineering
Re: 2019 February Engineering Capital Facilities Management Bylaw Funding Request

The Director Engineering submitted a report requesting approval and funding for 2019 Engineering capital facilities management improvement projects.

The Director Engineering recommended:

1. THAT the Financial Management Committee recommend Council authorize the City Solicitor to bring forward a Capital Reserves Fund Bylaw in the amount of \$6,830,000, to finance Engineering capital facilities management improvement projects.

MOVED BY COUNCILLOR MCDONELL
SECONDED BY COUNCILLOR CALENDINO

THAT the recommendation of the Director Engineering be adopted.

CARRIED UNANIMOUSLY

The Committee inquired regarding the frequency of the concrete slab and apparatus floor replacements at Fire Halls, and requested that the number of public electrical vehicle charging stations be doubled.

Staff undertook to provide the information regarding Fire Hall replacements, and advised that additional charging stations will be accommodated through the capital contingency funding.

k) Report from the Major Civic Building Project Coordination Committee
Re: Major Civic Building Projects Status Update

The Major Civic Building Project Coordination Committee submitted a report providing an update on the current status of major civic building projects administered by the Civic Building Projects Division.

The Major Civic Building Project Coordination Committee recommended:

1. THAT Council receive this report for information purposes.

MOVED BY COUNCILLOR CALENDINO
SECONDED BY COUNCILLOR MCDONELL

THAT the recommendation of the Major Civic Building Project Coordination Committee be adopted.

CARRIED UNANIMOUSLY

The Committee expressed concerns regarding the general length of project development and design stages, and requested monthly updates to Council on the status of major civic building projects.

Staff advised they will work with contractors to expedite the project development and design process without impacting project quality. Further, changes already made to the tendering process allow for a single contractor to complete the required work from beginning to end stages (e.g., feasibility and schematic design study, the detailed design, tendering and construction administration services).

5. NEW BUSINESS

There was no new business brought before the Committee at this time.

6. INQUIRIES

There were no inquiries brought before the Committee at this time.

7. CLOSED

Public excluded according to Sections 90 and 92 of the Community Charter.

MOVED BY COUNCILLOR DHALIWAL
SECONDED BY COUNCILLOR CALENDINO

THAT this Open Committee meeting do now recess.

CARRIED UNANIMOUSLY

The Open Committee meeting recessed at 5:05 p.m.

MOVED BY COUNCILLOR CALENDINO
SECONDED BY COUNCILLOR MCDONELL

THAT the Open Committee meeting do now reconvene.

CARRIED UNANIMOUSLY

The Open Committee meeting reconvened at 5:20 p.m.

8. ADJOURNMENT

MOVED BY COUNCILLOR CALENDINO
SECONDED BY COUNCILLOR MCDONELL

THAT this Open Committee meeting do now adjourn.

CARRIED UNANIMOUSLY

The Open Committee meeting adjourned at 5:20 p.m.

Nikolina Vracar
Administrative Officer

Mayor Mike Hurley
CHAIR