

MINUTES of a special meeting of the COMMITTEE OF THE WHOLE of the Municipal Council of The Corporation of the District Of Oak Bay, held in the Council Chambers, Oak Bay Municipal Hall, 2167 Oak Bay Avenue, Victoria, B.C, on Thursday February 13, 2020 at 6:00 P.M.

We acknowledge that the land on which we gather is the traditional territory of the Coast and Straits Salish Peoples. Specifically we recognize the Lekwungen-speaking peoples, known today as the Songhees and Esquimalt Nations, and that their historic connections to these lands continue to this day.

PRESENT: Mayor K. Murdoch, Chair
Councillor A. Appleton
Councillor H. Braithwaite
Councillor C. Green (via conference call)
Councillor T. Ney
Councillor E. Paterson
Councillor E.W. Zhelka (arrived at 6:18 p.m.)

STAFF: Chief Administrative Officer, L. Varela
Director of Corporate Services, D. Hopkins
Director of Financial Services, C. Paine
Director of Building and Planning, B. Anderson
Director of Engineering Services, D. Horan
Director of Parks and Recreation, R. Herman
Manager of Parks, C. Hyde-Lay
Manager of Recreation Program Services, S. Meikle
Manager of Administrative Services, L. Duff
Superintendent of Public Works, D. Brozuk
Recorder, A. Nurvo

CALL TO ORDER:

Mayor Murdoch called the meeting to order at 6:00 p.m.

COMMUNICATIONS:

1. Operating Budget Presentations

1. Overview

The Director of Financial Services reviewed budget principles, budget process and timeline, and provided an overview of the draft five-year Financial Plan and impact on Reserve balances. The Director advised that staff recommend an increase in Asset Management funding over the five year period to obtain a sustainable level of financing, and ensuring that sufficient funds are available for major capital assets and infrastructure replacement in the future. The Director advised that tax increase forecasts in version 2 of the draft Financial Plan have been updated, projected for 2020 at 8.05%, 2021 at 5.78%, 2022 at 5.85%, 2023 at 4.71%, and 2024 at 3.64%, and reviewed the rationale for projected increases.

2. Revenue

The Director of Financial Services reviewed the Revenue sources and projected changes from 2019 to 2020 and advised that Grants in Lieu of Taxes includes a small amount for two federal properties, with the bulk being an annual grant from the Province for the portion of the University of Victoria located within the District.

MOVED and seconded: That Mayor write to the Province to request reconsideration of the amount distributed as Grants in Lieu of Taxes to municipalities that have universities and colleges located within them.

CARRIED

Mayor Murdoch invited members of the public to provide comments and there were no comments.

3. Service-level Budgeting

The Director of Financial Services reviewed the objectives of service-level budgeting, including to demonstrate to the public what level of service they can expect, to ensure that Council can vary the service levels depending on community needs and wishes, to ensure that staff do not unilaterally change service levels, to track the cost of services, and to provide transparency and accountability. The Director advised that a summary of the public input and budget survey results will be provided to Council at the March 12 Financial Plan meeting.

4. Department Operating Budget Presentations

a. Building and Planning

The Director of Financial Services highlighted the Departmental major accomplishments for 2019 and what is planned for 2020, the operating revenue sources and projections, and advised that the Financial Plan projects an increase of 4.6% in operating expenses due to an increase in the cost of the animal control contract and the reorganization of planning staff.

b. Parks, Recreation, and Culture

The Manager of Administrative Services provided an overview of the draft budget for the Department, including 2019 accomplishments, projected revenues and expenses, and new budget requests and rationale for the requests. She advised that an updated *Fees and Charges Bylaw* will be coming to Council in the near future, with the objective to review the bylaw annually to ensure reasonable financial recovery rates to cover expenditures.

Mayor Murdoch invited members of the public to provide comments and there were no comments.

c. Engineering Services

The Director of Financial Services reviewed the 2019 accomplishments and proposed initiatives for 2020 for the Engineering Services Department.

The Director of Engineering Services stated that there had been significant growth over the past several years with no changes in staffing levels, that community expectations have

increased, that safety and risk management issues have increased, and that a new Asset Management Program has been initiated for long-range planning. There is a need to address gaps, and rather than continuing to be reactive, the District needs to have a proactive preventative and corrective maintenance program. Staff are proposing four additional staff in this Department to cover the increased maintenance program.

One of the new positions recommended is an Infrastructure Asset Management/Facilities Manager to cover the current gap to proactively plan and design projects. A Facilities Management Report prepared in 2016 outlined critical work to be done on all of the District's facilities as well as the risks of not addressing the recommended work. The expectation is that this position will also take over long-term asset management planning, capital improvement plans, master plans, and management of natural assets that staff currently do not have capacity to handle and move forward.

d. Public Works

The Director of Financial Services reviewed the proposed fee increases for solid waste due to the CRD organics contract increase, and the training expense increase.

e. Sewer Utility

The Director of Financial Services reviewed the projected increase in revenue, from both taxes and fees, as well as the proposed increase in staffing in order to ensure sufficient staffing to complete the additional required work.

f. Water Utility

The Director of Financial Services advised that some increases are anticipated based on the CRD proposed increases and increased bulk water costs.

5. Public Input

There was no additional public input.

2. Draft Financial Plan (Version 2)

ADJOURNMENT:

3. Motion to Adjourn

MOVED and seconded: That the meeting be adjourned at 8:56 p.m.

CARRIED

Certified Correct:

Chair

Director of Corporate Services