

DISTRICT OF SOOKE

FINANCE AND ADMINISTRATION COMMITTEE MEETING

Meeting held February 3, 2014 at 7:00 pm
in the Council Chambers
2205 Otter Point Rd

Committee Members Present:

Councillor Rick Kasper (Chair)
Councillor Kerrie Reay
Councillor Herb Haldane
Mayor Wendal Milne (Ex-Officio)
David Matland
Jim Mitchell

Staff:

Gord Howie, Chief Administrative Officer
Michael Dillabaugh, Director of Finance
Tina Hansen, Corporate Assistant, recorder

Action

1. **Call to Order**
The meeting was called to order at 7:03 p.m.
2. **Approval of Agenda**
The agenda was approved as circulated.
3. **Approval of Minutes: January 6, 2014**
MOVED and seconded to approve the minutes of January 6, 2014 as circulated.
CARRIED
4. **Reports Requiring Action:**

2014-2018 Five Year Financial Plan

Michael Dillabaugh provided a summary of the staff report and overviewed the adjustments that have been applied to the proposed 2014-2018 Five Year Financial Plan. Mr. Dillabaugh reported that the proposed tax increase for 2014 is 1.99 percent which is within the 2 per cent increase as per Council's direction. In addition, there is an additional \$118,000 allocated for the Capital Asset Replacement Reserve. Mr. Dillabaugh further reported that the tax increases in years 2015-2018 have been reduced to below the three percent level and includes funding into the Capital Asset Replacement Reserve.

Mr. Dillabaugh noted that the addition and sale of the Fire Department unit 207 is not included in the adjustments in the document provided but will be included in the document that will be provided to Council for preliminary approval.

Committee discussion:

- Clarification as to how Council arrived at the 2 percent tax increase as the current inflation increase is at 0.9 percent
- Clarification as to the Honorarium amount for volunteer

- firefighters and whether the \$25,000 will remain in the budget
- Clarification as to removing the budget amount for the Vancouver Island Regional Library (VIRL)
- Clarification as to salary increases for the Fire Department
- Clarification as to the proposed Capital Plan expenditures for a Seniors Centre and why it is reduced from \$50,000 in 2014 to \$25,000 in years 2015-2018
- The Seniors Centre is deemed to be a Council priority and funds should be allocated into a reserve account for Council priorities
- Have staff look at allocating an additional \$25,000 into reserves for years 2015-2018 for a Seniors/Youth Facility

MOVED and seconded to allocate an additional \$25,000 into the Reserve Account for years 2015-2018 in the 2014-2018 Five Year Financial Plan for a Seniors/Youth Facility.

Finance

CARRIED

Committee further discussed:

- Consideration to revisiting minor capital items in the Fire Department
- Concerns as to the funds that have been allocated for the Fire Department's purchase of an industrial washing machine and the heat sensor devices
- Concerns as to spending money on items that may not be deemed as a priority
- Consideration as to how to deal with Fire Department minor and major capital items
- Clarification as to the industrial wash machine and what the volunteers are doing to ensure turn out gear is cleaned and maintained
- Clarification as to the increase for bi-annual grants

Gord Howie explained options for dealing with minor and major capital items and the replacement of Fire Department vehicles which could include replacing a vehicle when it breaks, setting aside funds into a reserve account for future vehicle replacement, or to lease vehicles. Mr. Howie advised that staff will be bringing information forward on options for a Capital Replacement Plan and options for leasing vehicles. Mr. Howie further suggested that staff look into the cost of having an expert in the field complete an analysis on the replacement of Fire Department equipment.

ACTION ITEM: The Committee requested that staff provide a report on what volunteer firefighters are doing currently to have their turnout gear washed and dried and why it is important for them to have the industrial wash machine.

Fire

MOVED and seconded that Bi-annual Grants be reduced to \$65,000 in the 2014-2018 Five Year Financial Plan.

Finance

CARRIED

MOVED and seconded that the additional \$10,000 from the Bi-annual Grants in the 2014-2018 Five Year Financial Plan be placed in the Council Contingency Fund.

Finance

CARRIED

Committee further discussed:

- Clarification as to the minor capital purchase of the jaws of life and concerns that the purchase may be premature
- Importance of having a business case for capital expenditures
- Importance of having a cost analysis for capital expenditures as it sends a message to future Councils that the Capital Plan would has been endorsed and is sustainable and meets the tests of independent organizations and agencies
- Ensure the District is in compliance with what independent agencies have recommended
- Consideration to provisions with Fire Underwriters to extend the life of vehicles

Public Input:

Derek Lewers, Sooke resident, advised that he believes the Fire Department purchased two new sets of jaws of life in 2012. Mr. Lewers addressed the Committee as to equipment (cutters) used to cut through high strength steel manufactured for high end vehicles and advised that in the future as materials become more affordable, most vehicles will be made of high strength materials. Mr. Lewers further advised that as technology progresses, new cutters would help the fire department extricate.

Chair Kasper asked Mr. Lewers to comment on a proposed Capital Plan in which he and the Fire Chief had been working on.

Derek Lewers reported that he worked with the Fire Chief earlier this year on a minor capital and major capital plan. Mr. Lewers advised that the latest revision had a twenty year Plan with capital costs of approximately 2.5 million dollars. Mr. Lewers indicated that he felt that putting \$100,000 into the Fire Equipment Reserve Fund in 2014 would not be sufficient and suggested that additional funds be put into the Reserve Fund each year including 2014.

Chair Kasper asked Mr. Lewers when the first year would be that a vehicle was going to be purchased in the Replacement Plan that he and the Fire Chief had worked on. Mr. Lewers advised that he believed it was in the year 2019.

Chair Kasper asked Mr. Lewers whether he and the Fire Chief had looked at a cost analysis of what Esquimalt had done to rebuild an older unit. Mr. Lewers explained that he only made suggestions on how to reduce the 2.5 million dollars while still providing adequate protection to the District. Mr. Lewers addressed the Committee as to first line and second line vehicles.

MOVED and seconded to recommend that Council direct staff to obtain quotes for an independent study and review of the long term capital replacement plan for the Fire Department;

Council

AND FURTHER to direct staff to confirm the options available to extend the life of a fire department vehicle for active use.

CARRIED

Committee further discussed:

- Clarification as to when the 2013 Budget Actuals will be available
- Concerns as to approving the 2014-2018 Five Year Financial Plan prior to receiving the 2013 Actuals
- Clarification as to the budget amount for CRD Stormwater Monitoring and how these amounts are determined
- Whether there are ways to reduce the amount of Stormwater Monitoring administered by the CRD
- The CRD will be revisiting the issue of Stormwater monitoring outside of the District of Sooke borders which may result in an adjustment to the figure in the budget
- Clarification as to Drainage and Stormwater under Engineering Services and whether this amount (\$52,020) can be reduced
- Clarification as to Capital Regional District Tax Levy
- Clarification as to Road DCC's and concerns as to recording a negative amount into the Reserve Fund
- Clarification as to Community Works Reserve (Gas Tax) and concerns as to recording a negative amount into the Reserve Fund
- Clarification as to Stormwater management/culvert replacement in the Capital Plan and whether the budgeted amount can be reduced
- Clarification as to the \$10,000 for labour relations/consulting and whether this amount can be eliminated from the Financial Plan
- Clarification as to contracted maintenance under Common Services – building maintenance
- Clarification as to parks maintenance contracts and confirmation that these contract are being monitored by staff
- Clarification as to the Information Technology (IT) position duties
- Clarification as to the amount of \$15,000 for a backup IT consultant and whether a backup IT consultant is necessary
- Clarification as to Bylaw Enforcement Officer position and whether this position could be changed to a call-out basis or part time basis

ACTION ITEM: The Committee requested that staff provide further information relating to bylaw enforcement and the number of historical infractions/complaints that occur including current complaints.

Finance

- Importance of having IT staff available as an operational perspective
- Concerns as to the economy and consideration to reducing staffing levels

- Clarification as to the recent extension by Council of the three Parks maintenance contracts for an additional year
- Clarification as to the budgeted amount for Conference Centre bookings
- Concerns as to the current lease for the Kaltasin Works Yard and ensuring that there is a tender process for the use of the property

ACTION ITEM: The Committee requested that staff provide the 2013 Budget to Actuals.

Finance

Derek Lewers, Sooke resident addressed the Committee suggesting that funds be allocated in the budget for traffic pre-empting devices at traffic lights in Sooke in order to improve Fire Department response times.

ACTION ITEM: The Committee requested that staff look into traffic pre-empting light devices for traffic lights.

**Engineering
Fire**

MOVED and seconded to recommend that Council give preliminary approval of the 2014-2018 Five Year Financial Plan subject to any changes arising from the review of the 2013 Budget to Actual report.

Council

CARRIED

5. **Reports for Information:**

2013 Training Budget to Actual

Committee discussion:

- Clarification as to why the budgeted amount for Building Inspection conferences/education in 2013 had not been expended
- Importance of promoting and providing education/training to Building Inspectors in order to enhance their credentials

MOVED and seconded to receive the 2013 Training Budget to Actual Report for information.

CARRIED

6. **Public Input**

There was no further input from members of the public.

7. **Schedule Next Meeting: March 3, 2014**

8. **Adjournment**

The meeting adjourned at 8:54 p.m.

Rick Kasper
Chair

Bonnie Sprinkling
Corporate Officer