

MINUTES OF A COMMITTEE OF THE WHOLE MEETING

Wednesday, November 13, 2024
Council Chambers, District of Hope Municipal Office
325 Wallace Street, Hope, British Columbia

Council Members Present: Mayor Victor Smith
Councillor Angela Skoglund
Councillor Pauline Newbigging
Councillor Scott Medlock
Councillor Heather Stewin
Councillor Dusty Smith

Council Members Absent: Councillor Zachary Wells

Staff Present: John Fortoloczky, Chief Administrative Officer
Kevin Dicken, Director of Operations/Deputy CAO
Donna Bellingham, Director of Corporate Services
Mike Olson, Director of Finance
Robin Beukens, Director of Community Development
Thomas Cameron, Fire Chief
Branden Morgan, Deputy Corporate Officer
Linda Goglin, Accounting Supervisor

Others Present: 1 member of the Public

1. CALL TO ORDER

Mayor Smith called the meeting to order at 7:05 p.m.

2. APPROVAL OF AGENDA

Moved / Seconded

THAT the November 13, 2024 Committee of the Whole Meeting Agenda be adopted, as presented. **CARRIED.**

3. OTHER PERTINENT BUSINESS

(a) Review of the DRAFT 2025 Financial Plan

The Director of Finance introduced the draft 2025 Financial Plan for Council's review and began by outlining the agenda and explaining the format of the meeting. He noted that the following assumptions have been made:

- Wage increase for 2025 will be 4% as per the collective agreement
- Construction inflation of 6%
- Overall inflation rate for 2025 of 3%

Highlights of Reserves:

- Infrastructure Reserve contributions continue to be set between 5-6%
- Fire Department Reserve contributions are set at \$200,000 due to increased costs for upcoming firetruck replacement
- The Campground Reserve captures the net income from the Coquihalla Campground operation and is allocated to capital expenditures
- The Gas Tax Reserve is now the Community Works Fund and is allocated between \$375,000 and \$400,000 over the next five years

Highlights of the Budget Comparison Summary:

- \$14,540,100 total revenue, with \$8,089,100 coming from Property Tax Revenue and the remaining \$6,451,000 coming from Other Revenue
- \$12,424,550 in operating expenditures
- \$157,000 in capital expenditures coming from revenue
- \$1,780,050 allocated to reserves
- \$178,500 allocated to the RCMP to cover shortfalls from operating expenditures
- The RCMP are expected to be self-sustaining by 2028 due to how property taxes will be implemented

Highlights of Revisions:

- The Fire Department Administration – Training/Travel/Conferences budget was set at \$32,000 for 2027-2029
- The Fire Department Fleet Maintenance – Repairs and Maintenance budget was increased by \$1,100 to \$32,400
- The Public Works backhoe replacement was removed from the budget, and the Public Works Capital – Vehicles budget was amended to \$130,000 and the allocation to the Public Works Equipment Reserve was correspondingly increased

Council inquired as to why the backhoe replacement was removed from the budget. The Director of Operations advised that Staff have identified an opportunity to replace the backhoe with a small, wheeled excavator that will be capable of performing a wider variety of tasks. He noted that rather than speculating the cost, the District will forego disposal of the existing backhoe until additional research is done.

Highlights of Overall Capital Expenses:

- Carry-forward projects from 2024 include:
 - Othello Road Upgrades
 - Richmond Hill Multi-Use Pathway and Pedestrian Crossing
 - Flood Hope Road Paving
 - Gardner Drive Completion
 - Forrest Crescent Drainage Improvements
 - Culvert Replacement at 66597 Kawkawa Lake Road

- Culvert Replacement on Kawkawa Lake Road and Johnson Road
- 3rd Avenue Rehabilitation between CN Rail and Wallace Street
- New projects for 2025 include:
 - Public Works Vehicle Purchase and Replacements
 - Coquihalla Campground Capital Projects
 - Glenhalla Dike Extension
 - Fire Department Extrication Tool, Fire Hose, Apparatus Replacement, Structure Protection Trailer, and SCBA Upgrade/Replacement
 - PCC Blower Replacement, Sludge Removal, Permanent Outfall and Headworks Screen, and Sanitary Sewer Lift Station Improvements
 - Water System Equipment Tools
 - Richmond Hill Reservoir
 - Zone 138 – East Kawkawa Lake Zone Connection

Highlights of Utilities:

- As discussed at the November 12, 2024, Regular Council Meeting, the District is working towards making utility reserves self-sustaining

Highlights of General Government:

- General Administration has increased to account for replacement office equipment and furniture, including chairs for Council Chambers and a board table for the basement meeting room
- Information Technology has increased to accommodate computer upgrades to Windows 11 as Windows 10 is reaching end-of-life
- Staff headcount in this section remains the same

Highlights of General Government – Municipal Buildings:

- Rental income remains consistent following contract changes in 2023.
- Expenses for the Artist’s Guild building on Fort Street have remained the same
- Expenses for the 444 Park Street building have been reduced due to the expectation that less maintenance will be required in 2025
- The budget is set to allow these buildings to be self-sufficient, but not a profit generator

Highlights of General Government – Victims Assistance:

- \$83,500 in grant revenue offsets salaries for program staff
- Both positions will be filled for 2025 which has resulted in an increase in overall expenses compared to the 2023 and 2024 actuals

The Director of Corporate Services noted that the District is waiting for the new Victim Assistance Program employee to complete the security clearance process.

Highlights of Fire – Emergency Services:

- Increase in Emergency Services due to the requirement to undertake Hazard Assessments and an Emergency Plan Update under the Emergency Disaster Management Act
- The District has applied for a grant through the UBCM Disaster Risk Reduction Stream to offset these costs

Highlights of Fire – Protective Services:

- Outstanding Fire Protection invoices with the Fraser Valley Regional District will bring the 2024 actuals in line with 2023
- Administration and Operations Expenses have increased due to wages, training, and network professional fees for IT services for five staff members based out of Fire Hall 1
- Fire Station costs have increased due to required building repairs on aging infrastructure including hall painting, roof replacement on Fire Hall 3, and asbestos removal and ceiling replacement at Fire Hall 1

Highlights of Bylaw Enforcement:

- Animal Control and Bylaw revenue has increased due to a larger number of tickets being issued
- The contract for pound services increased by 3%

The Director of Corporate Services advised that the District has undertaken four dog euthanizations in 2024 and that costs for dog overages increased to \$26,200. She added that this cost is primarily related to vicious dogs that have been impounded and is above and beyond the pound contract. Council inquired as to whether there are any repeat offenders contributing to the increase in dog related issues. The Director of Corporate Services advised that it is new offenders.

Highlights of Public Works:

- Dyke Maintenance has decreased due to issues gaining access to private property on which 95% of the dyke system is located. 2025 will include environmental planning to deal with issues identified during inspections
- The Safety Department now has a full complement, and costs have been adjusted moving forward
- Road Maintenance has been lowered to reflect that there is less work to be done due to significant patch paving completed in previous years

Highlights of Waste Management:

- The District is waiting for the final quarter waste collection invoice, which will bring the 2024 actual closer to the budgeted amount
- A 5% increase has been included to account for the expected cost of the new waste collection contract
- Fees for waste management are slightly higher than revenue, which will be offset by Recycle BC revenue totaling approximately \$130,000

Council inquired as to why the landfill expenses have decreased from 2023. The Director of Finance advised that 2023 included an initial payment for remediation, and that current costs are related to ongoing remediation work.

Highlights of Planning – Community Development:

- Planning and Zoning revenue is expected to increase due to projects that are currently in progress
- Planning and Zoning expenses have increased due to updates required by legislation including Small Scale Multi-Unit Housing, Housing Needs Report, Official Community Plan and Zoning Bylaws, Development Cost Charge, and Subdivision Servicing Bylaw
- The District received approximately \$180,000 in grant funding that will be used for these projects going forward

Council inquired as to what costs are included in the Building Inspection item. The Director of Community Development advised that the amount includes wages, professional fees, travel, and other related expenses.

Highlights of Parks:

- Parks Administration has increased to accommodate a new role established for an existing staff member in 2024 that involves more direct management of the park's workflow. This amount is now allocated directly to Parks Administration instead of being allocated to each park individually

Council inquired as to whether the \$5,000 for Wood Carvings is going towards maintenance and what entity is performing that work. The Mayor confirmed that this amount is used to maintain the carvings which is performed by Communities in Bloom. Council inquired as to what is included in the \$222,800 for Other Parks. The Director of Operations advised that this section captures work that cannot be attributed directly to one of the listed parks, including garbage collection, tree removal and assessment works, and the Rotary Trail. The Director of Finance added that it is difficult to differentiate costs due to the number of smaller areas in which the work is performed.

Council inquired as to whether the Parks budget would include an amount for the installation of new benches or picnic tables. The Director of Operations advised that this is not specifically included, but there is room in the budget to accommodate a request for more benches or tables. Council noted that they would like to see additional picnic tables at the edge of Memorial Park along Park Street. Discussion ensued, and it was decided that a request for additional picnic tables in Memorial Park could be submitted by the Accessibility Committee alongside their request for more benches throughout the District.

Highlights of Cultural:

- The Cultural budget has decreased in part due to the Community Forest grant opportunity occurring every second year, which took place in 2024
- The Recreation Centre has been transferred to the Fraser Valley Regional District, and current expenses relate to work being performed on the parking lot
- The Station House budget has increased to accommodate security and other related costs

Highlights of Water:

- Parcel Taxes amount is related to the 753 Water Amalgamation and is an estimate of the expected amount
- Administration and Transmission and Distribution expenses have remained consistent
- Other water expenses have seen moderate increases to cover inflationary costs

Highlights of Sewer:

- The Pollution Control Centre and Lift and Grinder Station expenses have increased to accommodate maintenance
- As discussed at the November 12, 2024, Regular Council Meeting, the District is working towards replenishing the Sewer Capital Reserve through fees and parcel taxes

Highlights of RCMP:

- The RCMP currently has a staffing complement of 14, and an assumption of 15 members is built into the RCMP budget for 2026 onwards to match their planning
- Excess/Deficiency utilizes transfer from surplus to cover costs and will be eliminated after 2027 a fully funded by the RCMP property taxes
- The budgeted amount assumes that there is a full staffing complement during the entire period
- A surplus is expected for 2024 as the detachment has been operating without a 14th member
- The 2025 budget includes the addition of one District support staff member

Council inquired as to whether including funds for a 15th member in the District budget in any way obligates them to approve a request for an additional member from the RCMP. The Director of Finance advised that it does not bind us to any decision and noted that the amount is included to illustrate what the budget would be if an increase is approved by Council.

Highlights of Revenue - Other:

- Grant income has increased based on an expectation that it will be close to the 2024 actual
- Investment Income budget has increased in 2025 and is expected to decrease in future years as interest rates continue to drop and investments come to term
- Cemetery Revenues are expected to see a 10% increase based on updates to cemetery fees that will occur in 2025
- Tourism Revenue has been increased to \$32,000 to match the actual amount received in 2024

Council inquired as to the source of Tourism Revenue received by the District. The Director of Finance advised that it is received from Destination BC as a grant and passed on to AdvantageHOPE.

Wrap-Up:

- 2.95% Property Tax Rate Increase
 - RCMP accounts for 69% of this rate
 - Operational Considerations account for 31% of this rate
- Capital Budget totaling \$18,281,332 for completion
 - \$157,500 to be funded from current revenue
 - \$1,260,000 to be funded from accumulated surplus
 - The remainder is to be funded from various means
 - \$10,521,000 expected expenditure for 2025

The Director of Finance advised that the 2.95% property tax rate increase is a preliminary estimate that will be revised as the BC Assessment Roll is finalized. He added that the roll will be 90% complete when the budget is brought forward for approval and there will be less fluctuation at that point.

Council inquired as to whether the Trans Mountain Pipeline lands have seen an increase in property value following the completion of the expansion project. The CAO advised that as the pipeline began operating partway through 2024, the Province may not have assessed the impact yet. He added that the new value will likely be known in mid-2025 after the province assesses the relative worth of the additional pipeline and increased volume. The Director of Finance noted that the current impact to Trans Mountain land value is nominal.

Council noted that they would like to see an increase in the Wood Carvings budget that would allow for more maintenance to take place. Discussion ensued regarding various options that the District could take, including increased funding for Communities in Bloom volunteers, hiring a time-durated municipal employee to perform maintenance, or hiring an outside contractor to perform work in the District. Council directed Staff to plan a Committee of the Whole meeting on November 25th, 2024, to further discuss the topic and consider options.

The Director of Finance advised that Staff will prepare for the public consultation phase of the budget and noted that it will likely take place in the last week of November. He added that notification of the public consultation will also be sent out on social media.

4. QUESTION PERIOD

5. CLOSE

Moved / Seconded

THAT the November 13, 2024 Committee of the Whole Meeting adjourn at 8:27 p.m. **CARRIED.**

Certified a true and correct copy of the Minutes of the Committee of the Whole meeting held on November 13, 2024 in Council Chambers of the District of Hope, British Columbia.

Original Signed by Victor Smith
Mayor

Original Signed by Donna Bellingham
Director of Corporate Services