

AGENDA

FINANCE AND GOVERNANCE STANDING COMMITTEE Monday, January 18, 2021 10:00 to 11:30 am COUNCIL CHAMBERS

1. MEETING BY ELECTRONIC PARTICIPATION

Due to COVID-19 measures, the Saanich Municipal Hall is closed to the public.

To register to **listen** by telephone, you must have access to a telephone, provide a telephone number that can be used to contact you, and an email address where instructions can be sent to you.

Register by calling: 250-475-5510 or email: jennifer.downie@saanich.ca

Registration deadline is 12:00 p.m. noon, Friday, January 15, 2021.

2. 2021 REGULAR MEETING SCHEDULE (attachment)

Confirmation of the regular meeting schedule as per Section 85(a) of the Council Procedure Bylaw 2015, 9321

Schedule of Regular Committee Meetings/Advance Public Notice of Meetings

85. (a) At the first meeting after the appointment annually by the Mayor or Council, as the case may be, each committee shall establish a regular schedule of meetings including the date, time and place of the committee meetings.

Memo dated January 5, 2021 from the Administrative Assistant to the CAO (attachment)

3. MINUTES FOR ADOPTION (attached)

- October 19, 2020

4. PERMISSIVE TAX EXEMPTIONS – AFFORDABLE HOUSING

- Report of the Director of Finance dated January 8, 2021 (attached)

5. ALTERNATIVE TAX SCHEME

- Report of the Director of Finance dated January 6, 2021 (attached)

- 6. COUNCIL STRATEGIC INITIATIVES CONTINGENCY POLICY** (for information)
- Report of the Director of Finance dated December 11, 2020 (attached)
 - Motion from the Monday, December 7, 2020 Special Council meeting (attached):

2019 ANNUAL SURPLUS AND ONE TIME RESOURCE REQUESTS

MOVED by Councillor Plant and Seconded by Councillor Brice: “That the topic of the Council Strategic Initiatives Fund be referred to the Mayor’s Standing Committee on Finance and Governance for discussion and recommendations.”

- 7. INVESTMENT PORTFOLIO AND FOSSIL FUEL FREE PERCENTAGE** (for information)
- Report of the Manager of Accounting Services dated January 7, 2021 (attached)
- 8. COUNCIL MATERNITY / PARENTAL LEAVE POLICY** (for information)
- Report of the Director of Corporate Services dated January 8, 2021 (attached)

- 9. DELEGATE AUTHORITY OF APPROVAL OF TENDER #23/20 – SAANICH COMMONWEALTH PLACE BIOMASS BOILERS**

Motion from the Monday, December 7, 2020 Special Council meeting (attached):

MOVED by Councillor Mersereau and Seconded by Councillor Chambers: “That Council direct staff to review the policy for financial approval limits to increase delegated authority for staff approvals when expenses are in approved budgets, and to increase the threshold for staff approval from \$200,000 to \$500,000 in the interim, and for the staff report to be reviewed initially by the Mayor’s Standing Committee on Finance and Governance Committee prior to coming to Council.”

***** ADJOURNMENT *****

Next Regular Scheduled Meeting: April 19, 2021

Memo

To: Finance and Governance Standing Committee
From: Jennifer Downie, Administrative Assistant
Date: January 5, 2021
Subject: 2021 Meeting Schedule

As per Section 85(a) of Council Procedure Bylaw 2015, No.9321, each committee shall establish a regular schedule of meetings including the date, time and place of the committee meetings.

Below is the proposed quarterly meeting schedule for 2021. All meetings will be abiding by Provincial Health Orders, Covid-19 measures, and will held in Council Chambers (Committee Members only) until further notice:

Monday, January 18, 2021 – 10:00 am to 11:30 am
Monday, April 19, 2021 – 10:00 am to 11:30 am
Monday, July 19, 2021 – 10:00 am to 11:30 am
Monday, October 18, 2021 – 10:00 am to 11:30 am

No formal motion is required to approve this schedule, committee consensus will suffice.



Jennifer Downie
Administrative Assistant



The Corporation of the District of Saanich

Report

To: Finance and Governance Committee
From: Valla Tinney, Director of Finance
Date: January 8, 2021
Subject: Permissive Tax Exemptions – Affordable Housing

RECOMMENDATION

That the Committee direct staff with respect to the approach to permissive exemptions for affordable housing to be included in the Permissive Tax Exemption Policy under development.

PURPOSE

The purpose of this report is to provide information relating to the District of Saanich's current practices for approving exemptions for non-profit housing, the tax status of existing affordable housing in Saanich and the impacts of broadening the scope of allowable exemptions.

BACKGROUND

On January 20, 2020 the Finance and Governance Committee passed the following motion:

That staff be directed to provide a report to the Finance and Governance Committee on the financial impact of exempting current affordable housing properties and potential future affordable housing projects.

This motion resulted out of Council's decision to exempt a new affordable housing complex at 1780 Townley. Non-profit housing exemptions had historically only been approved for supportive housing for seniors or persons with disabilities. This was not through any specific Council policy, rather through entrenched practice.

Requests have been received in the past for affordable housing that did not meet this informal test, but Councils considering those requests denied them, upholding the entrenched practice. The Townley exemption decision was the first one that provided tax free status to housing that was simply subsidized affordable housing and brought into question whether Council wished to continue the past practice or expand exemption eligibility into other forms of affordable housing.

Council has full control over its application of permissive exemptions for eligible properties. Exemptions are currently for full value of land and improvements, but Council can establish any number of methods for determining the exemption. Examples include exempting only the improvement assessed value or a percentage of the total assessed value. If Council's goal was

to incent new development the exemption might be for a limited period or on a reducing percentage over a defined number of years.

DISCUSSION

1. Affordable Housing – Tax Exempt/Non-taxable

There are a variety of categories of affordable housing and the mechanisms through which they receive property tax relief. For purposes of this report, all tax exemption values include taxes for all taxing jurisdictions, not just Saanich.

Provincial

Grant in Lieu – BC Housing owns and manages over 40 properties in Saanich that are statutorily exempt from taxation, however the calculated value of the exempt property tax is provided to the municipality through a Grant in Lieu from the province. Saanich receives a lump sum payment by August each year. The grant revenue is included in the annual budget and reduces the overall tax levy for Saanich taxpayers. As a provincial program, the housing is financially supported by all BC residents through provincial revenue sources. The grant for 2020 was \$303,169.

Address	2020 Grant In Lieu	Address	2020 Grant In Lieu
4967 DUSTIN CRT	4,711	1631 EARLSTON	4,317
5191 JERSEY	4,701	1149-1 UNION RD	2,765
1212 ROYAL OAK DR	4,446	1149-2 UNION RD	2,705
1216 ROYAL OAK DR	4,511	1149-3 UNION RD	2,705
780 ROYAL OAK DR	3,306	1149-4 UNION RD	2,765
958 FALAISE CR	4,691	3434 CEDAR HILL RD	3,210
4541 VIEWMONT	3,981	828 VERNON AVE	2,599
761 PASKIN	4,511	880 VERNON AVE	22,147
758 GREENLEA DR	4,116	880 VERNON AVE	24,491
950 EDGE PL	30,892	893 BRETT AVE	3,159
1236 MARIPOSA	3,661	100 SIMS AVE	2,765
4148 CAREY RD	6,065	3220 HARRIET RD	2,826
240 KAMLOOPS AVE	3,064	110 HAMPTON RD	4,492
270 NICOLA PL	3,305	33 HAMPTON RD	2,872
3812 CAREY RD	22,848	2965 ORILLIA ST	3,285
910 MCKENZIE AVE	6,050	3034 EARL GREY ST	2,928
4137 HAWKES AVE	3,039	2972 WASCANA ST	5,574
4241 CAREY RD	3,566	2850 DYSART RD	4,028
4060 CORNERS PL	27,060	967 SCOTIA RD	35,304
1740 FELTHAM RD	4,057	1998 FORRESTER ST	5,103
1531 PRAIRIE ST	4,072	1662 STANHOPE PL	6,481
TOTAL			303,169

Regional

Several properties are under the legal ownership of the Capital Regional District (CRD) and are therefore statutorily exempt from property taxation as regional district property. Prior to 2016 these properties were fully taxable as they were legally owned by the Capital Regional Housing Corporation (CRHC) which does not have statutory exemption status. A CRD decision to transfer these properties to the regional district triggered the tax exempt status. Victoria and Saanich took on the bulk of the financial impact of this decision as all the properties were located in these two municipalities. Saanich’s reduction in tax revenue at the time of transition was estimated at \$124,000.

CRD Owned Exempt Properties

Address	2020 Exemption Value
825 LODI AVE	16,165
4288 CAREY RD	9,743
3910 CAREY RD	10,406
1821 MCKENZIE AVE	6,201
1827 MCKENZIE AVE	14,440
2964 HARRIET RD	9,713
3169 TILlicum RD	8,655
945 PORTAGE RD	12,272
955 CLOVERDALE AVE	5,363
3330 GLASGOW AVE	17,053
788 SHAWNEE RD	4,992
3816 CAREY RD	23,310
Total	\$ 138,314

Not for Profit/Charitable Organizations

There are a wide variety of non-profit and charitable organizations that own and manage affordable housing in Saanich. Some of these currently receive a permissive tax exemption where the property provides assistance and support to seniors and persons with disabilities. Many of the properties are subsidized housing and receive financial support through rent subsidies from the British Columbia Housing Mortgage Corporation (BCHMC). The following table lists all of the housing owned by non-profit or charitable organizations that are provided with a permissive tax exemption by Saanich Council:

Owner/Operator	Address	Description	Estimated 2020 Exemption
Baptist Housing Mount View Heights Care Society	3814 Carey Rd	Seniors Complex Care Residence	184,847
Baptist Housing Society of BC	3200 Linwood Ave	Seniors Residence	12,626
Broadmead Care Society	846 Nigel Ave	Care Home - 24 hour care for complex health conditions	10,492
Cridge Centre for the Family	1251 Santa Rosa Ave	10 Bed Residence for survivors of traumatic brain injury	5,198
Cridge Centre for the Family	Confidential	Women's Transition House	6,005
Independent Living Housing Society	1610 Hawthorne St	ILHS supports adults with diverse abilities to live independently in a variety of accessible settings	3,651
Independent Living Housing Society	1765 Feltham Rd		4,172
Independent Living Housing Society	1015 Falmouth Rd		3,982
Independent Living Housing Society	910 Easter Rd		3,905
Independent Living Housing Society	238 Obed Ave		3,160
Island Community Mental Health Association	970 Greenridge Cres		Licenced care facility helping young adults with mental illness
Island Community Mental Health Association	972 Greenridge Cres	4,262	
Luther Court Society	1525 Cedar Hill X Rd	Complex care with 24/7 professional nursing care/ Assisted Living	61,112
Shekinah Homes Society	3034 Donald St	Housing for people with developmental disabilities	4,723
Shekinah Homes Society	3028 Millgrove St		5,324
Victoria Association for Community Living	754 Lindsay St	Housing for people with an intellectual disability	4,082
Victoria Association for Community Living	4133 Mariposa Hts		3,651
Victoria Association for Community Living	595 Burnside Rd West		4,442
Victoria Association for Community Living	4482 Tyndall Ave		5,659
Victoria Senior Citizens Housing Society	1780 Townley St		Affordable housing for seniors and families
Total			\$ 388,823

Supportive Housing

In 2008, a new property classification was developed and formally established in the Assessment Act – Class 3 Supportive Housing. While these properties are technically fully taxable, they are assessed at \$1 each for land and improvements so do not generate any taxes owing. There are five such properties in Saanich.

Owner	Address
The Victoria Cool Aid Society	3207 Quadra St
BC Housing	291 Regina Ave
BC Housing/Society of Saint Vincent de Paul of Vancouver Island	4351 West Saanich Rd
Island Community Mental Health Association	3250 Alder St
BC Housing	3333 Seaton St
Victoria Women's Transition House Society	c/o #100 - 3060 Cedar Hill Rd

2. Affordable Housing - TaxableCapital Regional Housing Corporation

CRHC owns and manages properties that are fully taxable. These properties are all rent subsidized townhomes and apartments. CRHC staff were contacted to determine why the ownership of these properties did not transfer to CRD and if there is any intention to transfer these properties to CRD ownership and change the tax status to exempt. A response was not received prior to the report deadline.

Address	Assessed Value 2020	Taxes Paid 2020
4511 CHATTERTON WAY	6,478,000	32,501
4450 VIEWMONT AVE	2,422,000	12,152
819 LODI AVE	3,077,000	15,438
750 MILLER AVE	2,129,000	10,682
4021 SAANICH RD	1,760,000	8,830
2249 MCCOY RD	1,210,000	6,071
3936 GORDON HEAD RD	4,631,000	23,235
898 SEVENOAKS RD	882,000	4,425
Total		\$ 113,334

Non-Profit Organizations

Several organizations own and operate affordable housing complexes in Saanich that are fully taxable. Where the organization is a non-profit society or charitable organization, there is potential for Council to approve a permissive exemption, however each property must be analyzed individually to determine conclusively whether it is eligible for a permissive exemption.

Owner/Operator	Address	Assessed Value 2020	Total Property Tax 2020
ABBNEYFIELD HOUSE ST. PETER'S SOCIETY	1133 REYNOLDS RD	1,284,000	6,431
BEACON COMMUNITY ASSOCIATION	3221 CEDAR HILL RD	1,341,000	6,716
BROADMEAD CARE SOCIETY	3272 HARRIET RD	1,323,000	6,626
GREATER VICTORIA HOUSING SOCIETY	981 SUTCLIFFE RD	707,000	3,535
GREATER VICTORIA HOUSING SOCIETY	2993 TILLCUM RD	3,334,000	16,698
M'AKOLA LEASEHOLD HOUSING SOCIETY	3360 QUADRA ST	2,925,000	14,649
MT DOUGLAS HOUSING SOCIETY	1550 ARROW RD	9,600,000	48,245
PACIFICA HOUSING ADVISORY ASSOCIATION	744 MILLER AVE	642,000	3,210
PACIFICA HOUSING ADVISORY ASSOCIATION	630 JOLLY PL	2,040,000	10,217
PACIFICA HOUSING ADVISORY ASSOCIATION	3230 IRMA ST	2,113,000	10,583
PACIFICA HOUSING ADVISORY ASSOCIATION	3366 WHITTIER AVE	1,468,000	7,352
PACIFICA HOUSING ADVISORY ASSOCIATION	3226 ALDER ST	2,623,000	13,137
PACIFICA HOUSING ADVISORY ASSOCIATION	3474 BETHUNE AVE	2,155,000	10,793
PROVINCIAL RENTAL HOUSING - MORE THAN A ROOF			
MENNONITE HOUSING SOCIETY	4365 WILKINSON RD	2,789,000	13,968
SOCIETY OF SAINT VINCENT DE PAUL OF VANCOUVER ISLAND	4353 WEST SAANICH RD	5,972,000	29,864
SOCIETY OF SAINT VINCENT DE PAUL OF VANCOUVER ISLAND	4383 WEST SAANICH RD	1,408,000	7,041
Total		\$ 41,724,000	\$ 209,065

Cooperative Housing

There are eight cooperative housing complexes located in Saanich. All cooperative housing is taxable.

Housing Cooperative	Address	Assessed Value	Taxes Paid 2020
BROADOAKS HOUSING COOPERATIVE	4541 CHATTERTON WAY	16,103,000	80,792
KAILASA HOUSING COOPERATIVE	4260 BURBANK CRES	6,345,000	31,834
NORTHRIDGE HOUSING COOPERATIVE	4275 BURBANK CRES	5,545,000	27,820
HOMEWARD HOUSING COOPERATIVE	815 LODI AVE	7,932,000	39,796
KRISINELEOS HOUSING COOPERATIVE	4270 PONDEROSA CRES	10,364,000	51,998
MARIGOLD COOPERATIVE HOUSING ASSOCIATION	3950 COLUMBINE WAY	23,969,000	120,257
GREENWAY HOUSING COOPERATIVE	3248 RUTLEDGE ST	7,889,000	39,581
ORCHARD GREEN HOUSING COOPERATIVE	3535 CALUMET AVE	6,345,000	31,834
Total			\$ 423,913

AUTHORITY TO APPROVE PERMISSIVE TAX EXEMPTIONS

The legislative authority for Councils to adopt property tax exemption bylaws is established in Section 224 of the Community Charter. The Saanich properties that currently receive a permissive exemption are through the provisions of Section 224(2)(a)

Tax exemptions may be provided under this section for the following:

(a) land or improvements that

(i) are owned or held by a charitable, philanthropic or other not for profit corporation, and

(ii) the council considers are used for a purpose that is directly related to the purposes of the corporation;

The requirement that the land or improvements be owned or held by a not for profit or charitable organization is key to the exemption process. Council does not have authority to exempt any affordable housing under this section that is owned by an individual or a for-profit corporation.

FINANCIAL IMPLICATIONS

Current

The lists provided for those properties that are owned by a regional government or not-for-profit/charitable organization and currently have full taxes levied are where the potential exists to provide relief from property taxation. It is important to understand that the rents on these properties are subsidized through BCHMC and so are supported by federal and provincial revenue streams. Layering on a municipal property tax exemption places additional financial support directly on only the municipal property tax payers of Saanich. Exempting these properties reduces the total assessed value for Class 1 residential properties and shifts the tax burden over to other Saanich residential property owners.

Future

There are several affordable housing projects underway in Saanich with which Council is familiar. Detailed analysis of each individual project would be required to estimate the tax impact of any policy decision. Given the focus on affordable housing across the region, it is certain that any decision to expand exemptions for affordable housing will have a financial impact on Saanich.

For example, the current Nigel Valley site includes five parcels with a total of 116 units and tax status showing in the following chart:

Address	Description	Ownership	Taxation Status	Assessed Value	Taxes Paid 2020
846 NIGEL AVE	NIGEL HOUSE	BROADMEAD CARE SOCIETY	Permissive Exemption	2,095,000	-
880 VERNON AVE	BATTIN-FIELDING	BC HOUSING	Grant in Lieu - Provincial	4,890,000	-
843 NIGEL AVE	NEWBRIDGE APARTMENTS	ISLAND COMMUNITY MENTAL HEALTH	Taxable - Supportive	2	-
801 DARWIN AVE	DARWIN APARTMENTS	ISLAND COMMUNITY MENTAL HEALTH	Taxable	1,963,000	9,831
821 NIGEL AVE	NIGEL SQUARE	GREATER VICTORIA HOUSING SOCIETY	Taxable	1,965,000	9,841
Total					\$ 19,673

The new development includes a total of 811 units across nine sites. Some of the sites/units will be covered through grants in lieu where BC Housing retains ownership and some will not generate taxation where they are deemed to be supportive housing by BC Assessment. The assessed value of any taxable parcels is not known at this time so a determination of the value of the exemption cannot be provided.

Providing certainty through Council policy would be beneficial to affordable housing developers and would support Council in making consistent decisions. This may be particularly important as more affordable housing is built by both non-profit and for profit developers and BC Housing and non-profits partner to find creative solutions to the housing problem.

Challenges

Financial Need - It is difficult to determine whether or not there is financial need for a tax exemption for these properties. While the organizations would certainly benefit from an exemption and would likely be able to provide information on how the funds would be utilized to support the activities of the societies, a detailed analysis of financial statements would be required to determine need if it was a requirement for exemption. Capacity for this work does not exist in the Finance department under the current structure.

Land Holdings – A blanket exemption may capture significant land holdings that are not directly needed for the housing. Each property would need to be researched to determine if there were excess lands being held (for future development for example). Council may or may not deem it appropriate to exempt such lands. A simple solution would be to permit exemption of improvements only.

Other Uses – Determination of any commercial lease or use of a portion of the site would need to be determined. These uses may not be eligible for a permissive exemption or may not align with Council's intent to exempt affordable housing.

Layering of financial support – permissive tax exemption is only one financial tool that Council has to support affordable housing developments. Saanich Council has recently adopted a waiver program for Development Cost Charges (DCCs) which reduces by 50% the DCCs payable by non-profits building new affordable housing. This revenue must be made up by other municipal revenue streams which means that Saanich taxpayers are financially supporting the incentives to increasing affordable housing units. In addition, not for profits may benefit financially from Council allocating a portion of the Affordable Housing Fund to offset building costs. The AHF is built through contributions from the development community so in this case the affordable housing is supported by other development in Saanich rather than the taxpayers. All forms of financial support available should be considered if the exemption scope is to be broadened.

ORGANIZATIONAL IMPLICATIONS

The inclusion of additional scope for the permissive tax exemption process will be very challenging for the Revenue Services Division to manage in the short term. Exemption bylaws are required by October 31st for exemption in the subsequent year. This means that any policy implementation will need to be complete by June 2021 to put exemptions in place for 2022. Current staffing challenges are expected to remain through this summer and into fall of 2021 and the work on this initiative will continue to be the sole responsibility of the Finance Director. Due to other departmental priorities respecting procurement and long term financial planning, implementation may not be feasible until the 2023 taxation year. It is possible that a contractor could be retained to take on the bulk of the work which would require allocation of one time funding in the range of \$15,000 to \$25,000 but would need to be allocated prior to the usual budget process in April.

STRATEGIC PLAN IMPLICATIONS

The decisions resulting from this report should support the following Strategic Plan Goals:

- Affordable and diverse housing that meets our resident's needs now and in the future
- Financial decisions are based in stability, prudence and long term sustainability

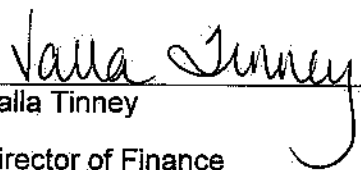
ALTERNATIVES

1. Direct staff to retain the current approach to permissive tax exemptions for housing (only for supportive housing for seniors or persons with disabilities) in the draft Permissive Tax Exemption Policy (no additional funding required to implement).
2. Direct staff to include eligibility for all non-profit affordable housing in the draft Permissive Tax Exemption Policy (requires additional funding to implement in 2021)
3. Direct staff to include eligibility for partial exemptions for non-profit affordable housing in the draft Permissive Tax Exemption Policy (requires additional funding to implement in 2021)
4. Alternate approach as determined by the committee (may require additional funding to implement).

SUMMARY

Council has the ability under the current legislation to expand its use of permissive tax exemptions to provide financial support for a broader range of affordable housing in Saanich. Any criteria established would be ultimately approved through Council Policy. The determination of expanding housing exemptions should balance Council's strategic goals for affordable housing and financial prudence/sustainability and recognize the administrative burden that may result.

Prepared by



Valla Tinney
Director of Finance

cc: Sharon Hvozdzanski, Director of Planning

ADMINISTRATOR'S COMMENTS:

I endorse the recommendation of the Director of Finance.



Paul Thorkelsson, Administrator



The Corporation of the District of Saanich

Report

To: Finance and Governance Committee
From: Valla Tinney, Director of Finance
Date: January 6, 2021
Subject: Alternative Tax Scheme

RECOMMENDATION

That the Committee recommend to Council:

That subject to special provisions that may be implemented by the province for 2021, direct staff to prepare a bylaw to implement an alternative tax scheme with the following provisions:

- Retain the general tax collection scheme due date established in the Community Charter of July 2nd as the property tax due date for all classes
- A 5% penalty applied to taxes that remain unpaid after the due date and a further 5% penalty applied to unpaid taxes after the first business day in September.
- Terms that establish that a penalty will not be applied until after the first business day in September to those outstanding taxes that represent an eligible home owner grant that was not claimed by the due date or was claimed but with errors that required it to be disallowed.

BACKGROUND

In 2020, due to financial uncertainty related to COVID-19, the province postponed the date that late payment penalties applied to commercial properties to October 1, 2020 to give businesses and landlords more time to pay their property taxes without penalty. Saanich Council implemented delayed and staggered penalty dates for residential properties through an "Alternative Tax Scheme" bylaw, as did many municipalities. At the April 27th Council meeting where the 2020 alternate scheme was considered by Council, discussion also included consideration of an ongoing alternate scheme and the following motion was adopted:

"That Council refer the proposed 2021 forward tax scheme to the Mayor's Standing Committee on Finance and Governance after the 2020 property taxes have been collected."

DISCUSSION

It is important to note that the provision of late payment penalties is a foundation of the property tax system established by the province and exists to ensure that local governments do not have to resort to onerous collection methods to ensure that property tax revenues are received. When determining an alternative scheme, a balance needs to be found that ensures there is still enough of a deterrent to paying late. If the penalty were not to be applied until late in the year, there is a high likelihood that cash flow would be significantly impacted.

Staff propose an alternative tax scheme that splits the application of the legislated 10% penalty evenly between two dates. A 5% penalty applied at the first penalty date and the remaining 5% based on a second due date of the first business day in September. The 10% statutory penalty amount is split with the first application of 5% intended to be enough incentive to pay by the due date while providing relief from the full 10% penalty being applied all at once for those facing hardship or late simply due to an honest error. This scheme ensures cash flow to the municipality so that payments to other jurisdictions (CRD, CRHD, BC Transit, BC Assessment and MFA) due August 1st are covered with sufficient cash flow. The second due date was selected as it provides sufficient time for staff to process all payments, identify outstanding accounts and resolve any issues before applying the second penalty. It also aligns and provides consistency with the alternative scheme in place at the City of Victoria.

The 2020 Alternative Tax Scheme was quite complicated in that the province established special due date provisions for the commercial sector (Oct 1 due date) and left municipalities to adopt their own schemes for residential. This complexity added noticeable work load to Revenue Services staff and any go forward scheme should align all classes to the same provisions. There is no indication at this point whether the province will be retaining the 2020 due date of October 1 or reverting to the Charter provisions for the commercial sector in 2021. The recommendations in this report assume that the special provisions will not remain for 2021. Bylaws will not be brought to council until there is certainty in this regard.

Other provisions

Each year many residents forget to claim their homeowner grant for a variety of reasons or incorrectly fill out the grant application resulting in it not being accepted and therefore unclaimed. As unclaimed grants are considered to be unpaid taxes this results in penalties. Staff deal with a large number of complaints in this regard as many people don't understand how they can receive a penalty on something they did not technically have to pay (the Province pays on their behalf). Many of the complainants are extremely upset and dealing with these complaints takes a considerable amount of staff time. The penalty amount is either \$57 or \$84.50, so while not a significant amount of money, it tends to be a very challenging concept for many home owners.

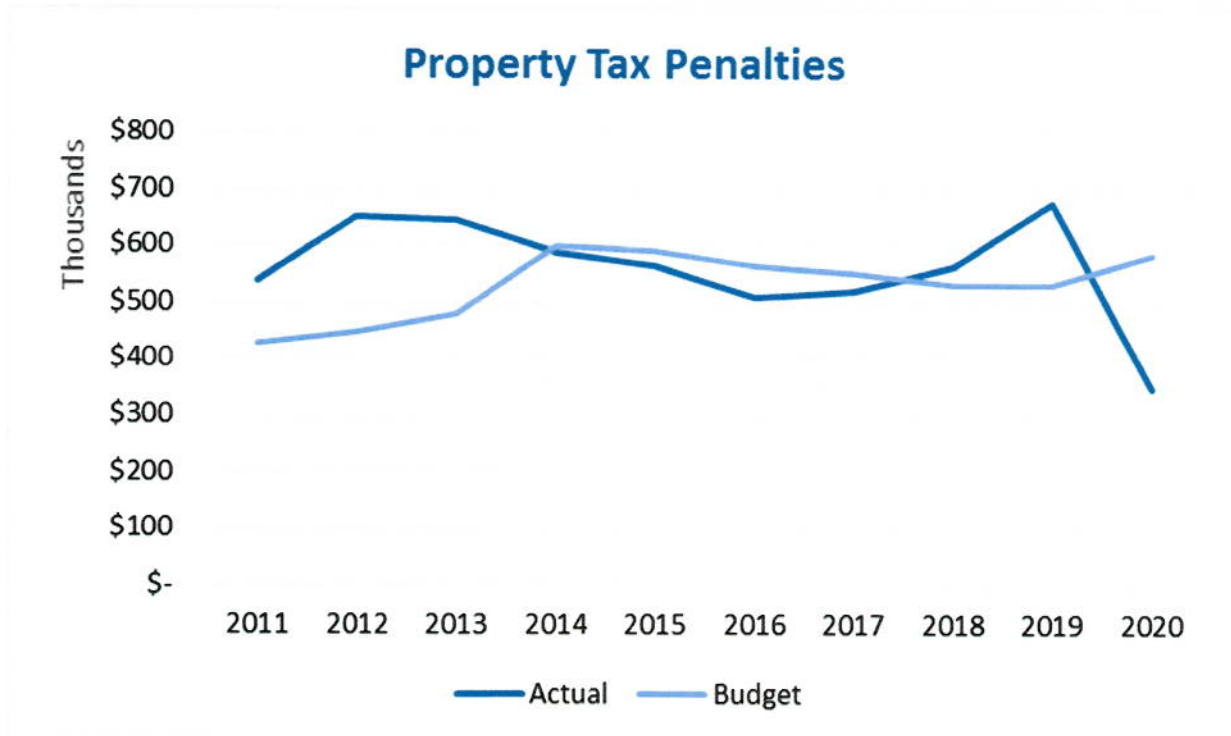
The bylaw adopted for 2020 included provisions that gave staff time to advise homeowners of unclaimed grants and extra time to complete the application or fix the errors so that the penalty was not applied.

Discussion with front line staff confirm that this new approach was highly beneficial in terms of customer service and reducing the number of complaints to the department. Staff recommend that the District permanently establish this provision into the alternate tax scheme.

FINANCIAL IMPLICATIONS

The recommended Alternative Tax Scheme has one major financial implication - loss of penalty revenue. Currently, late tax payment penalty revenue is a general revenue source and is used in place of property tax to support the revenue requirements of the municipality. However, many people are of the view that a one-time 10% penalty is onerous, especially as property tax bills rise. A ten year history of penalty revenue in the chart on the next page shows that total penalty revenue hovered between \$500K and \$600K from 2014 to 2017, started to rise and peaked in

2019 at \$678K. We can also see the result of the 2020 alternate tax scheme which saved Saanich taxpayers over \$300K in estimated late payment penalties. As collections for 2020 mirrored prior years for the most part, the reduced revenue was due to application of only 3% on the first penalty date instead of the full 10% and the change in applying penalties to outstanding home owner grants. With the recommended shift to a 5%/5% from the 3%/7% in 2020, actual penalty revenue should be in the range of \$400K to \$425K. This will require a budget adjustment of \$186,000 in 2021 and then annual monitoring to assess the actual impact and any adjustments that may be required in subsequent years.



While it is important to retain the fundamentals of a late payment penalty system, a staggered penalty retains significant incentive to pay taxes before the due date, while not applying an onerous penalty to those who are only days or weeks late but still pay their taxes well before the end of the year.

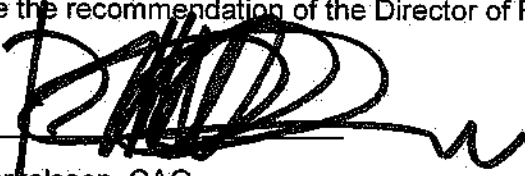
OPTIONS

1. Accept the staff recommendation and implement an alternative tax scheme as presented.
2. Reject the staff recommendation and continue to utilize the general tax scheme with a penalty date of 10% on unpaid taxes after the tax due date established in the Community Charter.
3. Provide alternate direction to staff.

Prepared by Valla Tinney
Valla Tinney
Director of Finance

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I endorse the recommendation of the Director of Finance.



Paul Thorjelsson, CAO



The Corporation of the District of Saanich

Report

To: Finance and Governance Committee
From: Valla Tinney, Director of Finance
Date: Dec 11, 2020
Subject: Council Strategic Initiatives Contingency Policy

RECOMMENDATION

That the Committee receive the report for information.

PURPOSE

To provide background information for the Committee related to the Council motion that the Committee discuss and provide recommendations to Council on a new policy to guide use of strategic initiative funding.

DISCUSSION

At the December 7th, 2020 meeting of Council the following motion was passed:

"That the topic of a Council Strategic Initiatives Contingency Policy be referred to the Finance and Governance Committee for discussion and recommendations to Council".

At the July 22, 2019 meeting of Council, staff brought forward a report seeking direction on this matter from Council. Consideration of the item did not result in any policy direction. The original report and minutes from the meeting are provided for reference in Attachment A. The considerations outlined in the report may be helpful to guide the current Committee discussion.

Prepared by


Valla Tinney
Director of Finance

ADMINISTRATOR'S COMMENTS:

I endorse the recommendation of the Director of Finance.


Paul Thorjkelsson, CAO

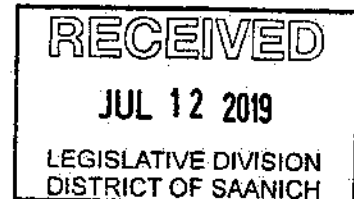


The Corporation of the District of Saanich

C/w 22 Jul 19

Report

To: Mayor and Council
From: Valla Tinney, Director of Finance
Date: July 12, 2019
Subject: Council Strategic Initiatives Contingency Policy



RECOMMENDATION

That Council provide policy direction to staff on the Council Strategic Initiatives Contingency.

PURPOSE

To provide an opportunity for Council to give staff direction on a new policy to guide use of strategic initiative funding.

DISCUSSION

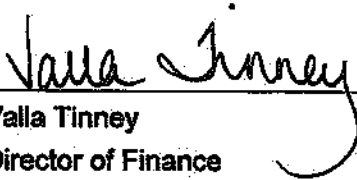
Council has established a contingency to provide funding for certain emerging strategic initiatives that were not known at the time of budget development. This funding source has been used for a variety of initiatives since its inception in 2017. A full list is provided as Attachment A. Council has expressed a desire to have policy developed to guide the use of this funding source. As this funding is relatively unique, there is no best practice to assist staff in making recommendations to Council. Specific direction in advance would enable staff to draft a policy to meet Council's needs.

Staff seek direction on the following considerations:

1. Bylaw or policy – the contingency could continue to be managed as a “reserve for future expenditure” and governed by Council policy. Any changes to policy direction would require a motion of Council. Alternately a reserve fund could be established under bylaw and any changes would be managed through bylaw amendment. If established as a reserve fund, the balance in the fund would earn interest. It would also be shown as a separate fund in the financial statements and in the budget.
2. Expenditure limits – does Council wish to limit the amount that can be allocated to any one initiative or may any amount subject to available funding be considered?
3. Identification of eligible initiatives – does Council wish for any use of this funding to be identified by Council only or do staff have the authority to make a recommendation for use of the fund?
4. Restrictions – are there any particular restrictions that Council wishes to be in place – no use for capital, a specific tie to Saanich boundaries, clear connection to Strategic Plan?

5. Is there any prioritization mechanism desired for competing initiatives if there isn't sufficient funding remaining for multiple initiatives?
6. Is allocation of funding simply on a first come, first serve basis?
7. Any other factor that Council sees as important in administration of this funding source.

Prepared by



Valla Tinney
Director of Finance

ADMINISTRATOR'S COMMENTS:

I endorse the recommendation of the Director of Finance.



Paul Thorkelsson, CAO

Council Strategic Initiatives Contingency**Contributions to Fund**

	General	Affordable Housing
Allocated in 2017 from 2016 Surplus	1,285,780	
Allocated in 2018 from 2017 Surplus	380,726	
Allocated in 2019 from 2018 Surplus	737,420	500,000
	<u>2,403,926</u>	<u>500,000</u>

Expenditures/Commitments

Saanich Neighbourhood Place - Offset Site Servicing	-253,006	
Garden Suite Study	-45,000	
BC Energy Step Code	-25,000	
Climate Plan - 100% Renewable Saanich	-100,000	
Public Participation on the Strategic and Financial Plans	-200,000	
Park Ambassador Program	-30,000	
Shelbourne St. Memorial Signs	-13,500	
Biodiversity Strategy	-250,000	
Citizens Assembly on Amalgamation	-250,000	
Rededication of Memorial Ave.	-5,000	
Additional for Rededication of Memorial Ave	-5,420	
Agriculture and Food Security Plan	-150,000	
Building Reconciliation Forum	-4,000	
Citizen and Business Surveys	-33,000	
Plastic Bag Ban Education & Awareness	-20,000	
Invictus Games	-20,000	
RFEOI Public Works Yard	-30,000	
Tree Protection Bylaw - temp staff for development permits	-175,000	
	<u>-1,608,926</u>	<u>0</u>
Unallocated	<u>\$ 795,000</u>	<u>\$ 500,000</u>

COUNCIL DELIBERATIONS:

MOVED by Councillor Mersereau and Seconded by Councillor Brice: "That it be recommended that Council approve the recommendations outlined in the report of the Director of Finance dated July 10, 2019 respecting the 2020 Budget Guidelines, including the preparation of 1% and 2% strategy-related budget reduction scenarios."

Council discussion ensued with the following comments:

- The continued funding of capital expenditures is important.
- Efficiencies should be captured somewhere.
- There may be opportunities to secure parks as a part of an amenity.

The Motion was then Put and CARRIED

1010-20
Council
Strategic
Initiatives
Contingency
Fund

COUNCIL STRATEGIC INITIATIVES CONTINGENCY FUND POLICY

Report of the Director of Finance dated July 12, 2019 recommending that Council provide policy direction to staff on the Council Strategic Initiatives Contingency Fund.

The Director of Finance stated:

- This is a fund exclusive to Saanich.
- In order to develop a policy, direction on the structure and uses is needed.
- As of July 15, 2019, there is \$663,000 in the fund plus \$500,000 for Affordable Housing.
- Caps could be considered to ensure that funding is available for multiple opportunities.

In response to questions from Council, the CAO stated:

- Discussions will give staff guidance on drafting a policy.
- Currently, requests for funds are considered on a case-by-case basis.

PUBLIC INPUT:

Nil

COUNCIL DELIBERATIONS:

MOVED by Councillor Plant and Seconded by Mayor Haynes: "That consideration of the item – Council Strategic Initiatives Contingency Fund Policy, be postponed until after the subsequent items on the agenda are discussed."

CARRIED

2870-30
Richmond Road

3582 RICHMOND ROAD – REZONING AND DEVELOPMENT PERMIT APPLICATION

Report of the Director of Planning dated July 4, 2019 recommending that Council approve the application to rezone from the RS-6 (Single Family Dwelling) Zone to the RD-1 (Two Family Dwelling) Zone to convert the existing single family dwelling to a duplex; approve Development Permit DPR00736; and forward the application to Public Hearing. Variances are requested for setbacks and site servicing.

1010-20
Council
Strategic
Initiatives
Contingency
Fund

COUNCIL STRATEGIC INITIATIVES CONTINGENCY POLICY

Continuation of consideration of the item.

MOVED by Councillor de Vries and Seconded by Councillor Chambers: "That it be recommended that the report of the Director of Finance dated July 12, 2019 be received for information."

Council discussion ensued with the following comments:

- A process for consideration of expending funds has emerged through consideration by Council.
- Each item considered is debated on its merits.
- Further discussion is needed to clarify the use of the funds.
- There is a need to allow Council some flexibility on making decisions on what merits funding.
- It may be appropriate to create a Standing Committee to make recommendations on a policy.

The CAO stated that there is currently no formal policy in place.

**The Motion was then Put and CARRIED
with Councillors Brice, Brownoff, Chambers and Mersereau OPPOSED**

Adjournment On a motion from Councillor Plant, the meeting adjourned at 10:17 p.m.

.....
CHAIR

I hereby certify these Minutes are accurate

.....
DEPUTY MUNICIPAL CLERK

5280-20
2020 Financial
Plan

2019 ANNUAL SURPLUS AND ONE TIME RESOURCE REQUESTS

Report of the Director of Finance dated November 25, 2020 recommending that Council approve allocation of the 2019 annual surplus funding provided for in the 2020 Financial Plan to:

- 1. One time resource requests totalling \$913,400;
- 2. Transfer to the Facility Replacement Reserve Fund of \$1,165,000; and
- 3. Transfer to the Strategic Initiatives Contingency Fund of \$662,900.

In response to questions from Council, the CAO stated:

- The list of one time resource requests was circulated to departments to ensure that they are still priorities.

In response to questions from Council, the Director of Parks, Recreation and Community Services stated:

- The Parks, Recreation and Culture Master Plan is set to expire; the Master Plan sets the stage for the department for the next 10 years.
- The Parks, Recreation and Community Services Master Plan has not been budgeted for.

In response to questions from Council, the Director of Finance stated:

- The Bert Richmond building is not part of the Strategic Facilities Master Plan.
- Council could consider requests for one time funding or transfers to reserves in April if there are surplus funds.

In response to questions from Council, the Fire Chief stated:

- The estimated cost of \$65,000 would be for one drone, equipment, licensing and an external consultant to provide training to meet Transport Canada requirements.

 Councillor Brownoff exited the meeting at 10:15 p.m.

MOVED by Councillor Plant and Seconded by Councillor Brice: "That Council approve allocation of the 2019 annual surplus funding provided for in the 2020 Financial Plan to:

- 1. One time resource requests totalling \$913,400;**
- 2. Transfer to the Facility Replacement Reserve Fund of \$1,165,000; and**
- 3. Transfer to the Strategic Initiatives Contingency Fund of \$662,900."**

Council discussion ensued with the following comments:

- Returning money to the Strategic Initiatives Contingency Fund is appropriate.
- The one time resource request for Shelbourne Memorial Avenue is appropriate.

The Motion was then Put and CARRIED with Councillor Brownoff ABSENT for the VOTE

MOVED by Councillor Plant and Seconded by Councillor Brice: "That the topic of the Council Strategic Initiatives Fund be referred to the Mayor's Standing Committee on Finance and Governance for discussion and recommendations."

CARRIED



The Corporation of the District of Saanich

Report

To: Finance and Governance Committee
From: Karen Coates, Manager Accounting Services
Date: January 7, 2021
Subject: Investment Portfolio & Fossil Fuel Free Percentage

RECOMMENDATION

That the Committee receive the report for information.

PURPOSE

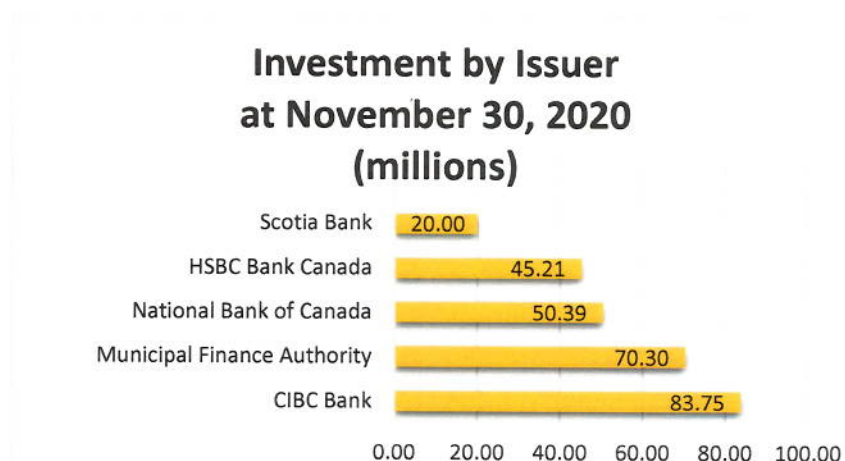
To provide background information relating to the October 19th, 2020 Finance and Governance Standing Committee meeting stating a report would be prepared outlining what the District of Saanich is currently investing in and the percentage considered Fossil Fuel Free (FFF).

DISCUSSION

Investments

The total investments held as of November 30, 2020 is \$269.65 million and is presented in this report as December 31, 2020 balances were not available at the report submission deadline.

The following page illustrates the monies invested per issuer. These are consolidated numbers comprised of both reserve funds and general operating funds invested. Investment types for each issuer are within the District's Investment Policy and requirements for investments under Section 183 of the *Community Charter*.



The investment portfolio consists of the following types of investments:

Guaranteed Investment Certificates (GICs)

- Scotia Bank
- CIBC Bank

Fixed Income

- Municipal Finance Authority of BC (MFA)
 - a. Money Market Fund
 - b. Short-Term Bond Fund
 - c. Government Focused Ultra-Short Bond Fund
- CIBC
 - a. BCMFA Bond

High Interest Savings Accounts (HISA)

- HSBC
- CIBC (as part of MFA's pooled HISA)
- National Bank (as part of MFA's pooled HISA)

The investment returns ranged from 0.40% to 6.13%. The short-term bond fund through the MFA has the highest year-to-date return as of November 30, 2020 of 6.13%. The monies held within this fund are reserve funds and this type of fund is for an investment period of two to five years. The CIBC Bank balance of \$83.75 million consists of both the HISA balance of \$64.25 million at a current rate of 0.90% and \$19.50 million in GIC's that came due in December, 2020 with rates of 2.13% and 2.30%.

The pandemic has led to declining interest rates which has affected the District's rate of return and investment income. Comparatively a year ago, rates for HISAs ranged from 1.75% to 2.52% whereas today, the rates are 0.40% to 0.90%. GIC's rates have also decreased where a year ago, rates were above 2.0% for one-year then as of December 21, 2020, the rates ranged from 0.41% for 180-days and 1.19% for five-years based on offerings from our current investing entities.

In addition we received correspondence from MFA stating effective February 1, 2021, the CIBC HISA will reduce its 0.90% rate to a tiered rate offering ranging from 0.22% to 0.80%. Per MFA, Canada's top six banks have a lot of cash and can no longer offer higher rates especially as the banks can borrow funds from other places at 0.20% to 0.25%.

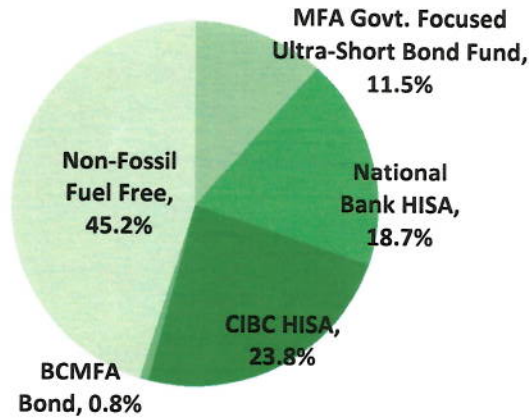
Fossil Fuel Free Percentage

The fossil fuel free investment options available include these investment types the District is invested in:

1. CIBC HISA
2. National Bank HISA
3. Government Focused Ultra-Short Bond Fund
4. BCMFA Bond

The pie graph below illustrates these investments, the percentages, and the total not deemed FFF. As at November 30, 2020 Saanich’s investment portfolio was 54.8% Fossil Fuel Free.

**Fossil Fuel Free & Non-Fossil Fuel Free
Investments
at November 30, 2020**



SUMMARY

The District currently holds a majority of its investments in fossil-fuel free investments. Should the Committee wish to consider increasing this percentage through policy, careful consideration must be given to factors such as rate of returns on FFF compared to other products, safety of principal, liquidity, and credit risk.

Prepared by *K. Coates*
Karen Coates
Manager of Accounting Services

Approved by *Valla Tinney*
Valla Tinney
Director of Finance

ADMINISTRATOR’S COMMENTS:

I endorse the recommendation of the Director of Finance.

[Signature]
Paul Thorkelsson, CAO



The Corporation of the District of Saanich

Report

To: Finance and Governance Committee
From: Laura Ciarniello, Director Corporate Services
Date: January 8, 2021
Subject: Council Maternity / Parental Leave Policy

RECOMMENDATION

That the Finance and Governance Committee receive this report for information.

PURPOSE

While conducting a review of Council terms and conditions, staff became aware that Saanich did not have a Council process allowing a member of Council to take maternity and/or parental leave. Staff, after consultation with other municipalities, has drafted a Council Policy for discussion.

The policy being proposed allows Council to activate the last comment in Section 125(7) of the *Community Charter* "...is with the leave of the council". This prevents Council members from being disqualified from holding office if they were to take a maternity or parental leave.

BACKGROUND

The *Community Charter* does not contemplate a situation where a member of Council would be on leave due to pregnancy or parental issues.

Section 125(5) of the *Community Charter* provides as follows:

If a council member is absent from council meetings for

- (a) A period of 60 consecutive days, or
- (b) 4 consecutive regularly scheduled council meetings,

Whichever is the longer time period, the council member is disqualified from holding office in accordance with subsection (6).

Section 125(7) of the *Community Charter* provides, "disqualification under subsection (5) does not apply if the absence is because of illness or injury or is with the leave of the council."

DISCUSSION

Saanich has not contemplated how to deal with a request from a member of Council for maternity / parental leave. Given that the *Community Charter* is silent on the matter, it is appropriate that Saanich have guiding document or policy.

A draft a policy is attached for discussion with the Finance and Governance Committee. It proposes the following process:

- A councillor would be required to give six (6) weeks' written notice to the Mayor and CAO of their intention to go on maternity or parental leave. Mayor and CAO would take this notice to Council for approval of the leave under Section 125(7).

- While on maternity/ parental leave a councillor would not be required to participate in Council meetings because they were granted a leave under Section 125(7) of the *Community Charter*
- A councillor would be granted leave in accordance with Employment Standards timeframes
 - Up to 17 weeks for maternity leave followed by up to 61 weeks of parental leave
 - Up to 62 weeks for parental leave
- While on maternity/parental leave a councillor could chose to participate and exercise their rights and privileges of the office. This participation will be guided by Part 2 of the Council Procedure Bylaw - Duties, Roles and Responsibilities of Council.
- While the councillor is on maternity/ parental leave, Council may temporarily assign the councillor's committee memberships or regional appointments to others.
- When a council member returns from leave, all memberships and appointments will be returned to them unless the membership and appointment expired prior to their return.

Items not finalized in the policy

1. Compensation

What has not been addressed in the policy is any payment that a councillor would receive from Saanich while on leave. As Council members are appointed and treated like "owners" they do not contribute to Employment Insurance and therefore are unable to claim Employment Insurance benefits.

In review of other municipalities' Council maternity / parental leave policies, the most common options are:

- Councillors continue to receive 100% of their current compensation
- Councillors receive a payment of an amount equal to the current Employment Insurance maximum benefit entitlement
- Councillors receive no compensation while on leave

2. Benefits

The Policy also does not address the payment of benefit premiums has also not been addressed. Currently Saanich pays the premiums related to "single coverage" for all benefits that a councillor choses to enroll in. Council members may elect to enroll for couple or family coverage, however the differential in premiums is paid by the councillor.

The most common options are:

- Councillors continue to receive benefits with the current cost sharing arrangement is continued
- Councillor pays 100% of the cost of all benefits

3. Choice of Council to continue to participate and exercise their rights and privileges:

While on maternity/parental leave a councillor could chose to participate and exercise their rights and privileges of the office.

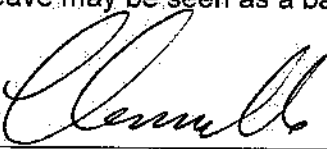
As part of the notification from a councillor regarding a maternity or parental leave, they are asked to provide information about which Council duties that they would like to continue to

perform during the leave. The policy also allows for a councillor to add or reduce their activities while on maternity or parental leave.

Staff have not determined the best process to accommodate a Councillors wishes while causing minimum disruption to the function of Council and ensuring appropriate representation. Other municipalities have left this very open and accommodate and adapt to what a councillor wants but have commented that this is at times confusing for citizens and disruptive to Committees, Boards and external organizations where a council liaison is appointed.

SUMMARY


Not having a policy that clearly outlines eligibility, process and principles for a councillor to take a maternity or parental leave may be seen as a barrier to becoming a councillor.

Prepared by 

Laura Ciarniello
Director of Corporate Services

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I endorse the recommendation from the Director of Corporate Services.



Paul Thorkelsson
Chief Administrative Officer

Attachments

- A Draft Maternity / Parental Leave Policy

COUNCIL POLICY

SUBJECT:	COUNCIL MATERNITY / PARENTAL LEAVE POLICY
DATE OF ISSUE:	Date, 2021

Policy:

This Council Policy provides guidance on eligibility, process and principles for leaves under section 125(7) of the *Community Charter* when a Member of Council is a new parent.

Legislation:

The *Community Charter* does not contemplate a situation where a member of Council would be on leave due to pregnancy or parental issues.

Section 125(5) of the *Community Charter* provides as follows:

- If a council member is absent from council meetings for
- (a) A period of 60 consecutive days, or
 - (b) 4 consecutive regularly scheduled council meetings,
- Whichever is the longer time period, the council member is disqualified from holding office in accordance with subsection (6).

Section 125(7) of the *Community Charter* provides, "disqualification under subsection (5) does not apply if the absence is because of illness or injury or is with the leave of the council."

Scope:

This Policy applies to District of Saanich Members of Council.

Definitions:

Parent - A parent is defined as:

- o a natural or adoptive parent; or
- o a person who is in a relationship of some permanence with the natural or adoptive parent of the child and intends to treat the child as their own.

Notice of Leave:

Prior to taking maternity leave or parental leave, a Member of Council must give six (6) weeks' written notice to the Mayor and CAO of their intention to do so.

The notice should include:

- o the start date of the leave and the expected return date; and

- information about any Council duties that the Member requests continue to perform during the leave; and
- any workplace accommodations requested for the duration of the leave.

Leaves:

Maternity Leave

A member of Council is eligible for a maternity leave, covering pre-and post-natal time, for a period of up to seventeen (17) consecutive weeks.

Parental Leave

A member of Council is eligible for parental leave if their spouse or partner has given birth, or if they have adopted a child.

A member of Council is eligible for parental leave:

- (a) up to sixty-one (61) consecutive weeks of unpaid leave beginning immediately following the end of the maternity leave;
- (b) for a parent who does not take maternity leave, up to sixty-two (62) consecutive weeks of unpaid leave beginning after the child's birth and within seventy-eight (78) weeks after that event;
- (c) for an adopting parent, up to sixty-two (62) consecutive weeks of unpaid leave beginning within seventy-eight (78) weeks after the child has been placed with the parent.

Principles of Leave:

By this policy, Council confirms its intention to provide a leave approval based on the following:

- (a) A Member of Council who takes leave pursuant to this policy shall not be disqualified from Council by being absent from Council meetings during the leave.
- (b) A Member of Council who takes maternity or parental leave pursuant to this Policy is not required to participate in Council meetings, public hearings and Council committee meetings or meetings of other bodies to which they are appointed by Council;
- (c) Despite being on maternity or parental leave, a Member of Council may attend any meeting of Council and exercise all rights and privileges of office;
- (d) For the purposes of the minutes, a Member of Council absent from a meeting due to maternity or parental leave, shall be recorded in the minutes as on approved leave.

- (e) During a Member of Council's maternity or parental leave, Council may authorize the temporary assignment of the Member's committee membership(s) or regional appointment(s). The Member shall provide written notice to the Mayor and CAO of their intent to change any of the Council-approved, temporary delegations.
- (f) All memberships and appointments will be returned to the Member of Council at the end of their leave unless the membership(s) and appointment(s) expire before their return.

Confidential / DRAFT

5370-30
Tender #23/20

DELEGATE AUTHORITY TO APPROVE TENDER #23/20 – SAANICH COMMONWEALTH PLACE BIOMASS BOILERS

Report of the Director of Engineering dated November 26, 2020 recommending that Council delegate authority to the Chief Administrative Officer for approval of the award of Tender #23/20 for the Saanich Commonwealth Place biomass boilers.

MOVED by Councillor Chambers and Seconded by Councillor Brownoff: “That Council delegate authority to the Chief Administrative Officer for approval of the award of Tender #23/20 for the Saanich Commonwealth Place biomass boilers.”

In response to questions from Council, the Director of Engineering stated:
- The cost will be approximately \$1.2 million.

CARRIED

MOVED by Councillor Mersereau and Seconded by Councillor Chambers: “That Council direct staff to review the policy for financial approval limits to increase delegated authority for staff approvals when expenses are in approved budgets, to increase the threshold for staff approval from \$200,000 to \$500,000 in the interim, and for the staff report to be reviewed initially by the Mayor’s Standing Committee on Finance and Governance Committee prior to coming to Council.”

Council discussion ensued with the following comments:

- The \$200,000 threshold for Council approval is low.
- Staff should consider what threshold other like-sized municipalities have.
- Increasing the threshold is in order to be more efficient and preserve staff time.

The Motion was then Put and CARRIED

The Director of Corporate Services exited the meeting at 8:53 p.m.
