

**MINUTES OF THE
FINANCE AND GOVERNANCE STANDING COMMITTEE
COUNCIL CHAMBERS
SAANICH MUNICIPAL HALL, 770 VERNON AVENUE
MONDAY, OCTOBER 18, 2021 AT 10:00 AM**

Present: Chair: Councillor Susan Brice
Members: Mayor Haynes, Councillors Harper and Mersereau
Staff Members: Paul Thorkelsson, Chief Administrative Officer; Valla Tinney, Director of Finance; Karen Coates, Manager of Accounting Services; Angel Chen, Manager of Financial Planning; Rachel Mattiuz, Administrative Assistant.

MEETING BY ELECTRONIC PARTICIPATION

Due to COVID-19 measures, the Saanich Municipal Hall is closed to the public. As per the Order of the Minister of Public Safety and Solicitor General, Emergency Program Act, Ministerial Order M192, public attendance at the meeting is not required if it cannot be accommodated in accordance with the applicable requirements or recommendations under the Public Health Act.

Members of the public were provided with information on how to access and listen to the proceedings.

Chair Brice noted the technical issue of the microphone batteries – We are able to communicate within the Chamber without but members of the public may have difficulty. If members of the public attend, Chair Brice will summarize any points made by an attendee without access to a microphone.

OPENING REMARKS

The Director of Finance welcomed Angel Chen, new Manager of Financial Planning. Chair Brice acknowledged the Committee's appreciation of Jennifer Downie's work on the Committee.

1. MINUTES FOR ADOPTION

**MOVED by Councillor Harper and seconded by Councillor Mersereau:
"That the minutes of the Finance and Governance Standing Committee meeting of July 19, 2021 be adopted as circulated."**

CARRIED

2. COASTAL COMMUNITIES SOCIAL PROCUREMENT INITIATIVE

Chair Brice noted that the Coastal Communities Social Procurement Initiative report is a result of the Committee's meeting on July 19, 2021. The report includes materials from the CRD. It was signaled to the Director of Finance that this issue was dealt with at the CRD and that there may be crossover, and the Director of Finance has reached out to the CRD Chief Financial Officer.

The Director of Finance presented the Coastal Communities Social Procurement Initiative Report dated October 1, 2021.

The Committee did not have any questions on the report.

**Moved by Mayor Haynes and seconded by Councillor Mersereau:
"That the Finance and Governance Standing Committee recommend that no further action be taken on social procurement at this time and that staff report back to the Committee in one year to provide an update on capacity within**

Purchasing Services to take on the additional work of assessing a potential program for Saanich.”

CARRIED

Councillors Mersereau and Harper expressed their thanks for the finance department's pragmatic approach to undertaking initiatives and new projects.

3. SAANICH COMMUNITY GRANTS PROGRAM POLICY

The Director of Finance presented the Saanich Community Grants Program Policy report dated October 7, 2021.

This is in follow up to the Saanich Community Grants Program Policy report dated June 25, 2021, from the July 19, 2021 Committee meeting. The updated policy incorporates the necessary amendments regarding the Community Grants program – Neighbour to Neighbour program to expand on the Small Acts of Vibrancy program.

The Committee did not have any questions on the report.

**Moved by Mayor Haynes and seconded by Councillor Mersereau:
“That the Finance and Governance Standing Committee recommend that Council adopt the amended Saanich Community Grants Program Policy to incorporate the Neighbour to Neighbour (N2N) program.”**

CARRIED

**4. UBCM REPORT – ENSURING LOCAL GOVERNMENT FINANCIAL RESILIENCY
AUGUST 2021**

Chair Brice gave the floor to Mayor Haynes for comments and questions.

This item has been brought to the Committee in light of recent British Columbia Urban Mayors' Caucus (BCUMC) meetings and regarding the Union of BC Municipalities (UBCM) Fiscal Futures Report. The intent of bringing the item to the Committee is for its ongoing review.

The CAO noted that during the BCUMC meeting the group of mayors combined a few points from this report in order to take a subset of those recommended areas of action as part of their lobbying efforts leading up to the federal election. It was an effort to reengage again with UBCM and to put forward a municipality focused approach to financial resiliency for the Province to consider.

Discussion ensued. In response to questions from the Chair, the CAO noted the Committee could review and consider whether there are areas within the report that resonate with Saanich's strategic priorities and if so, then propose that to Council on an advocacy basis via writing the government to request the provision of support regarding those initiatives. May be helpful to focus on three to five items to bring forward to Council.

The Director of Finance advised that if the Committee wishes staff will take a closer look and report back with any current alignments.

**Moved by Councillor Harper and seconded by Councillor Mersereau:
“That the Finance and Governance Standing Committee receive this report for information and keep it as a standing agenda item to consider its**

recommendations over time on an as-needed basis to bring forward to Council for endorsement.”

CARRIED

5. 2ND TRIMESTER REPORT – JANUARY 1, 2021 TO AUGUST 31, 2021

The Director of Finance presented the 2nd Trimester Results report dated January 1, 2021 to August 31, 2021.

Discussion ensued on the report. In response to questions on the report from the Committee:

The Director of Finance noted:

- If items were not heading towards target the Committee would have been advised beforehand.
- With respect to 2020 and 2021 comparison to pre-pandemic levels of expense and revenue items (recreation and business licensing), recreation has been highly impacted due to COVID-19 at recreation facilities. In last year’s budget permissions were made in anticipation, - received COVID-19 Restart Grant and offset some of the revenue changes with the Offset Grant. Staff can provide more broken down specific numbers but in both cases the Restart Grant was utilized as expected. Business licensing revenues haven’t been noticeably impacted by COVID-19.
- COVID-19 impact reporting at the end of 2021 will be included when reporting the annual results. Incorporating a more specific informal special report in the 3rd trimester of 2021 would still have unknowns with Phase 4, to come forward to this Committee during budget deliberations.
- Fossil fuel free investments were debated at this Committee, and the current policy reflects this Committee’s direction.
- Saanich will not be doing matching loan investments due to long-term debt with AMFA.
- In the case of unspent amounts regarding specific projects (such as Pearkes Arena, etc.), if there was unspent money at the end of the project it would revert back to the budget in the scope of its original asset type, to be released to other projects of the same type. There is a lag time of submitting invoices, so this type of report will always be behind ‘real time’. Some project works that are currently seen may be a part of a previous year’s project and therefore the expenditures may not be seen in the current reporting period.

The Manager of Accounting Services noted:

- An average of 15 FTE hours or more a month are spent on placing investments
- A lot of the high interest savings accounts are fossil fuel free. A balance is needed between liquidity, rate of return, and fossil fuel free items.
- 81% of investments were liquid. Looking to see how assets can be matched against future liabilities. With the current 81% the intent is to remain as liquid as possible. Better rate investments are longer term and can’t be accessed without penalty or at all.

The CAO noted:

- Pearkes Arena project: upgrades to that facility were not complete at the time of the report so there are still additional works still ongoing.
- The term “Miscellaneous” on page 9 of the report covers everything else that doesn’t specifically fall under the other categories, examples being secondary suites, renovations to houses. Secondary suites are captured in the “Dwelling Units” category.

**Moved by Councillor Mersereau and seconded Mayor Haynes:
“That the Finance and Governance Standing Committee receive the 2nd Trimester Report
– January 1, 2021 to August 31, 2021.”**

CARRIED

ADJOURNMENT

On the motion from Councillor Brice the meeting adjourned at 10:45 am.

Chair

I hereby certify these Minutes are accurate.

Committee Secretary