

**MINUTES OF THE
FINANCE AND GOVERNANCE STANDING COMMITTEE
COUNCIL CHAMBERS
SAANICH MUNICIPAL HALL, 770 VERNON AVENUE
MONDAY, JUNE 7, 2021 AT 1:00 PM**

Present: Chair: Councillor Susan Brice
Members: Mayor Haynes, Councillors Harper and Mersereau
Staff Members: Paul Thorkelsson, Chief Administrative Officer; Valla Tinney, Director of Finance; Paul Arslan, Senior Manager, Finance; Jennifer Downie, 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.

MINUTES FOR ADOPTION

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

CARRIED

BUDGET GUIDELINES

The Director of Finance presented the following report: Budget Guideline Review dated May 17, 2021.

The purpose of the report was to provide background information to support the Committee discussion related to budget guidelines.

At the April 20, 2021 Special Council Meeting the following motion was ratified by Council as one of the outcomes of the receipt of the CAO's Long Range Staffing Plan:

MOVED by Councillor Brice and Seconded by Councillor Chambers: "That the topic of budget guidelines be referred to the Mayor's Standing Committee on Finance and Governance for recommendations."

Council discussion included the following comments:

- Budget guidelines that only allow for non-discretionary increases contributes to the backlog of resourcing needs
- Concern about an approach that does not allow for staff to bring forward new staffing needs.
- There is a relationship between the impact of budget guidelines and an organization approach to staffing.
- Recognition that the guidelines need to change over time as circumstances shift.

In response to Councillor Brice, the Director of Finance advised that the procedure could be that the Committee recommend to Council to continue with the budget guidelines as this has been part of the Saanich budget process, or if there is a different approach that Council could direct staff to go do more research on budget guidelines.

The Chief Administrative Officer noted that if there is an interest in changing the process a recommendation to Council to direct staff to investigate different approaches or provide some options to this approach would be appropriate. It is outside the Committee's established mandate to provide budget guidelines to Council.

In response to Councillor Brice, the Director of Finance noted that any motions coming forward from this meeting will be incorporated into the budget guidelines report.

The Director of Finance noted that the Long Term Financial Plan Development Project was just awarded. Work will be starting soon on this multi month project. The objective of the project is to ensure that the District has the tools to sustain its current and future operational and infrastructure requirements. The project will provide the District with a baseline and solid framework for moving forward.

Councillor Mersereau put forward the following motion:

“That the Finance and Governance Standing Committee recommend that Council direct staff to proceed with the typical budget process for the 2022 budget and that staff explore options for a new budget process for the 2023 budget based on outcomes from the Long Term Financial Planning Project.”

The motion failed due to a lack of a seconder.

Moved by Councillor Harper: That the Finance and Governance Standing Committee recommend that the current guidelines be used as the basis for planning the current budget but must also include a process identifying all costs with 3% being the maximum increase.”

Moved by Councillor Harper and seconded by Mayor Haynes: “That the motion be amended to: That the Finance and Governance Standing Committee recommend that the current guidelines be used as the basis for planning the current budget but must also include a process identifying all costs with 3.5% being the maximum increase.

The Director of Finance will incorporate into the budget guidelines information that is readily available and relevant to budget discussions (this information may include historical data on cost of living, budget increases, Consumer Price Index, etc.).

Committee members had a fulsome discussion relating to setting maximum increases, cost of living increases, affordability, long term strategy, and linking and integrating funding to long term plans.

The Committee was cautioned by the Chair not to get into budget deliberations at this time.

The Chief Administrative Officer advised that the Committee should not delve into providing specific direction; however, in its recommendation to Council emphasize the importance of

having a robust discussion when the guidelines come forward.

After receiving caution, the mover and seconder were prepared to withdraw their motion if a subsequent motion was put forward. Committee members agreed and emphasized that discussions need to take place with Council.

The Amendment to the Motion was WITHDRAWN

Moved by Mayor Haynes and seconded by Councillor Harper: “That the Finance and Governance Standing Committee refer the staff material to Council for their information and recommends that Council have a deliberation on what would be seen as a maximum lift for 2022.

**CARRIED
with Councillor Mersereau OPPOSED**

HONORARIUM – RESILIENT SAANICH TECHNICAL COMMITTEE CHAIRS (RSTC)

Councillor Mersereau reviewed the memo dated March 22, 2021 and provided background information on the request.

The Committee appreciates the work of the members of the Resilient Saanich Technical Committee, however, are not able to support the request as the terms were set out by Council and agreed to by members at the onset.

MOVED by Mayor Haynes and seconded by Councillor Harper: “That the Finance and Governance Standing Committee recommend to Council not to support the request to change the honorarium as noted in the memo dated, March 22, 2021 from the RSTC Council Liaison.”

CARRIED

ADJOURNMENT

On the motion from Councillor Brice the meeting adjourned at 2:30 pm.

Chair

I hereby certify these Minutes are accurate.

Committee Secretary