

**MINUTES OF THE  
FINANCE AND GOVERNANCE STANDING COMMITTEE  
COUNCIL CHAMBERS  
SAANICH MUNICIPAL HALL, 770 VERNON AVENUE  
MONDAY, January 17, 2022 at 10:00 AM**

Present: Chair: Councillor Susan Brice  
Members: Mayor Haynes, Councillors Mersereau and de Vries  
Staff Members: Brent Reems, Acting Chief Administrative Officer; Valla Tinney, Director of Finance; Laura Ciarniello, Director of Corporate Services, Paul Arslan, Senior Manager, Financial Services; Karen Coates, Manager of Accounting Services; Angel Chen, Manager of Financial Planning; Jennifer Downie, Administrative Assistant.

Guests: Bruce Peever, Sana Malik, and Hassan Jan of KPMG

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### **MEETING BY ELECTRONIC PARTICIPATION**

Due to COVID-19 measures, the Saanich Municipal Hall is currently open to the public however, residents were strongly encouraged to participate via the electronic format provided.

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

Councillor Brice welcomed Councillor de Vries to the Committee and his first meeting of the committee.

### **MINUTES FOR ADOPTION**

**MOVED by Councillor Mersereau and seconded by Mayor Haynes: “That the minutes of the Finance and Governance Standing Committee meeting of October 18, 2021 be adopted as circulated.”**

**CARRIED**

### **LONG TERM FINANCIAL PLAN INTERIM REPORT**

The Director of Finance presented the report dated January 7, 2022. The purpose of the report was to present KPMG’s Long Term Financial Plan Development Interim Report and provide an update and progress report on the project. KPMG was engaged by the District of Saanich to develop a progressive and comprehensive long-term financial plan.

The Director of Finance introduced the KPMG Team who presented the Long Term Financial Plan Development Interim Report. Following the presentation, the team responded to questions from the Committee.

KPMG will present the updated financial sustainability framework and long-term Financial Plan to Saanich Council at the end of February 2022.

In response to Councillor Brice, the Director of Finance noted that the comparators were chosen based on population, number of households, and rural and urban mix. The comparators chosen are very similar to Saanich in the areas noted.

In response to Councillor Mersereau, Bruce Peever noted that the plan is based on 10 years as fundamental assumptions around inflation, increases in expenditures, and government grants can be generated with a high likelihood of confidence; anything beyond 10 years becomes foggy. This plan is distinct from Saanich’s asset management plan.

The Director of Finance noted that the cover report outlines that a second phase of the project will look at infrastructure replacement funding. This body of work will be moving forward; but timelines have not been established but the work is anticipated to be complete in 2022.

In response to Councillor Mersereau, Bruce Peever confirmed that as part of the project, the District will be receiving draft financial principles for Council consideration. This work will be presented at the end of February.

Councillor Brice noted that the next report will be in February. The presentation should be seen by all of Council as this is important to Council's work.

In response to Councillor Brice, the Director of Finance advised that the report could be presented to Council, at which time Council could adopt the report and set the principles or forward the matter to the Finance and Governance if more work was required.

Councillor Brice noted that the next iteration to go to all of Council along with a fulsome report.

Councillor de Vries noted that the levy for 2020 should be 2.4%, and not 6.7%. The Director of Finance to review and incorporate the change.

Councillor de Vries inquired about total taxation to assessment ratio; how is this driven by higher assessments in Saanich than our comparators. Is there any way to control for that in the comparison or is it already controlled in that aspect.

Councillor Brice inquired as to whether data with Saanich's comparators and their assessment increases was available. The Director of Finance note that further analysis would be required in order to provide a fulsome response.

In response to Mayor Haynes, the Director of Finance advised that when the project commenced in mid-year in 2021, complete data for 2021 was not available. 2021 data cannot be incorporated into the report in time for the February 2022 presentation.

In response to Mayor Haynes, Bruce Peever noted that typically commercial and industrial assessment has a bigger payoff for municipalities; assessment growth is achieved while the cost for servicing and supporting that growth is not as significant as a typical urban single residential development.

**MOVED by Councillor Mersereau and Seconded by Mayor Haynes: "That the Finance and Governance Standing Committee receive the Long Term Financial Plan Development Interim Report dated January 7, 2022 from the Director of Finance for information"**

**CARRIED**

## **REGULAR MEETING SCHEDULE**

**MOVED by Councillor Mersereau and seconded by Mayor Haynes: "That the memo, dated January 6, 2022 outlining the 2022 meeting schedule be received as circulated.**

**CARRIED**

## **BYLAW TO SUPPORT COUNCIL CODE OF CONDUCT**

Councillor Brice noted that the purpose of this report is to provide information to the Finance and Governance Standing Committee on options for consideration arising from direction to staff

at the January 20, 2020 meeting. Unfortunately, following the January 2020 meeting of the Committee, the impact of Covid-19 disrupted the District and this direction of the Committee was lost due to other priorities.

Committee members all agreed that this item should be reviewed following the 2022 Municipal Election as it would give the new Council an opportunity to review and provide input.

**MOVED by Mayor Haynes and seconded by Councillor Mersereau: “That the Finance and Governance Standing Committee direct staff to look at drafting a bylaw that would support the processes that may come out of the Code of Conduct Policy following the 2022 Municipal Election.”**

**CARRIED**

## **FINANCE 2022 WORK PLAN**

The Director of Finance presented the report dated January 7, 2022.

In response to Mayor Haynes, the Director of Finance noted that the endorsement of the template for the Community Grant Program contribution agreements would not interrupt the Community Grants Program application process.

In response to Councillor Mersereau, the Director of Finance noted that “Schedule A” identifies eligible uses. The intent was to keep this simple as it is specific to each organization; the eligible use would identify the purpose from the organization’s constitution and bylaws. Each organization’s annual report would outline their activities and as long as everything looked in alignment with it’s very general stated purposes it would suffice. This is not a detailed audit on what they are spending the money on.

Councillor Brice noted that recipients eligible for agreements have relationships with Saanich and would like to have them present in a delegation format at a Council meeting over a period of months. It would be beneficial for all members of Council to understand the nature of the work that they do and programs that they provide. Delegations would be for information purposes only.

**MOVED by Councillor Mersereau and Seconded by Mayor Haynes: “That the Finance and Governance Standing Committee receive the report dated January 7, 2022 from the Director of Finance for information”**

**CARRIED**

**MOVED by Councillor Mersereau and Seconded by Mayor Haynes: “That the Finance and Governance Standing Committee endorse the template for the Community Grant Program contribution agreements.”**

**CARRIED**

## **UBCM REPORT – ENSURING LOCAL GOVERNMENT FINANCIAL RESILIENCY AUGUST 2021 (Standing Item)**

Councillor Brice noted that no issues from the report were brought forward for this month’s meeting.

Councillor Brice and the Director of Finance will review the report and bring any highlights to the next meeting.

## **FINANCE AND GOVERNANCE STANDING COMMITTEE MEETINGS**

The Director of Corporate Services reminded Committee members of the two upcoming in-camera meetings; January 20, 2022 and January 24, 2022. Members are to attend in person.

## **ADJOURNMENT**

On the motion from Councillor Brice the meeting adjourned at 11:20

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Chair

I hereby certify these Minutes are accurate.

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Committee Secretary