

**MINUTES OF THE
FINANCE AND GOVERNANCE STANDING COMMITTEE
COUNCIL CHAMBERS
SAANICH MUNICIPAL HALL, 770 VERNON AVENUE
MONDAY, JULY 18, 2022 AT 10:00 AM**

Present: Chair: Councillor Susan Brice
Members: Mayor Haynes, Councillors Mersereau and deVries (10:47)
Staff Members: Brent Reems, Chief Administrative Officer; Valla Tinney, Director of Finance; Laura Ciarniello, Director of Corporate Services; Karen Coates, Manager of Accounting Services; Jennifer Downie, Administrative Assistant.

Councillor Brice and Committee members acknowledged and thanked the Director of Finance, Valla Tinney and the Director of Corporate Services, Laura Ciarniello for their commitment, support and service to this Committee. The Committee wished them both a happy retirement.

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 11, 2022 be adopted as circulated.”

CARRIED

1st TRIMESTER REPORT – January 1, 2022 to April 30, 2022 (attached)

The Director of Finance presented the 1st Trimester Report – January 1, 2022 to April 30, 2022 and provided responses to questions from the Committee.

Overall operational results for the period are encouraging, with most revenues reaching budgeted targets and investments exceeding budget due to higher interest rates. Expenditures are in line with expectations, however, vacancies and absences due to illness have impacted service delivery and subsequently operational expenditure.

In response to Mayor Haynes, the Director of Finance noted that staff can bring a draft policy on opportunities for interest free loans back to this committee. The policy would set out the parameters on how interest free loans can be accessed and supported.

The Committee requests that staff bring back a draft policy on interest free loans as a future agenda item.

In response to Councillor Mersereau, the Director of Finance will review the amount noted for the Urban Forest Strategy Review and Update (page 6).

For the next report, the Director of Finance will incorporate information on project start and estimated end dates under Capital Program Results.

MOVED by Mayor Haynes and seconded by Councillor Mersereau: “That the Finance and Governance Standing Committee receive the 1st Trimester Report for information.”

CARRIED

COVID – REVENUE IMPACT SUMMARY

The Director of Finance presented the COVID Revenue Impact Summary report dated June 30, 2022.

The report outlined the historical impact of COVID-19 on the District's revenue and conveyed current year status and future years projections for that revenue. Also noted were the current and future states of the revenues impacted by COVID19.

Moved by Councillor Mersereau and seconded by Mayor Haynes: “That the Finance and Governance Standing Committee place the Covid – Revenue Impact Summary report on a Council agenda in August or September and on an agenda for the incoming Council in late 2022 or early 2023.

CARRIED

MOVED by Mayor Haynes and seconded by Councillor Mersereau: “That the Finance and Governance Standing Committee receive the Covid – Revenue Impact Summary report of the Director of Finance dated June 30, 2022 for information.”

CARRIED

LONG TERM FINANCIAL PLAN RECOMMENDATIONS AND IMPLEMENTATION

The Director of Finance presented the Long Term Financial Plan Recommendations and Implementation report dated June 30, 2022.

The report summarized the recommendations from KPMG's Long Term Financial Plan Development and outlined the Finance Department's work plan for implementation.

The recommendations from the project are presented in four categories:

1. Financial Principles
 - Adopt a financial principles document to guide financial decision making.
2. Financial Policies
 - Update the Debt Management Policy to incorporate Provincial requirements.
 - Establish minimum and optimal reserve balances and update the Reserves and Surplus Policy accordingly. Schedule review of these reserve balances annually during the budget season with recommendations to increase levels sent to Council for approval.
3. Financial Plan
 - Adopt a policy which requires all master plans to contain financial projections for Council and the Finance department.
 - Quantify expenditures for all master plans and incorporate them into the Long Term Financial Plan and model.
 - Further refine mature Asset Management Plan expenditures for inclusion in the District's Long Term Financial Plan.
4. Financial Model
 - Consolidate all the capital worksheets across the organization into one financial model (to be used as a single source of truth).

MOVED by Mayor Haynes and seconded by Councillor Mersereau: “That the Finance and Governance Standing Committee recommend to Council to direct staff to:

- 1. review and report annually on the financial principles metrics recommended in the KPMG long term financial plan, and**
- 2. prepare a draft policy on development of financial implications for major plans and strategies.”**

CARRIED

ROLE OF ADVISORY COMMITTEES IN THE TOPIC OF CODE OF CONDUCT COMPLAINTS

At an in-camera meeting held March 14, 2022, Council endorsed the following motion:

“That Council direct the Finance and Governance Standing Committee to review the role of Advisory Committees in the topic of Code of Conduct complaints.”

The Director of Corporate Services provided a verbal report confirming that Advisory Committees or any Committees of Council have no role in the Code of Conduct process.

Director of Corporate Services is not recommending any changes to the current process or procedures outlined in the policy.

MOVED by Councillor Mersereau and seconded by Mayor Haynes: “That the Finance and Governance Standing Committee receive the verbal report confirming that there is no role for Committees of Council in adjudicating or mediating Code of Conduct complaints.”

CARRIED

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

Councillor Brice and the Director of Finance confirmed that any items relating to the District have been addressed; specifically the Asset Management Program.

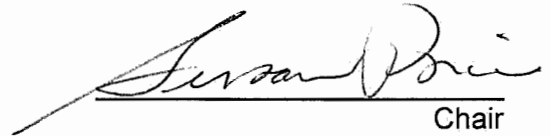
No further action is required and the item can be removed from the agenda as a standing item.

Moved by Mayor Haynes and seconded by Councillor Mersereau: “That the Finance and Governance Standing Committee receive the UBCM Report for information.”

CARRIED

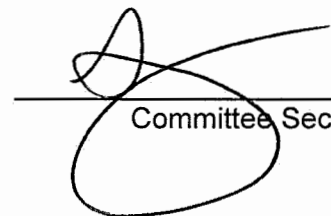
ADJOURNMENT

On the motion from Councillor Brice the meeting adjourned at 11:05 am.



Chair

I hereby certify these Minutes are accurate.



Committee Secretary