

MINUTES
FINANCE AND GOVERNANCE STANDING COMMITTEE

Held at Saanich Municipal Hall, Committee Room # 2
770 Vernon Avenue

August 12, 2024, at 10:00 a.m.

Present: Councillor Susan Brice (Chair); Councillor Teale Phelps Bondaroff;
Councillor Karen Harper; Mayor Dean Murdock

Staff: Brent Reems, Chief Administrative Officer (joined at 10:11 a.m.; left at 11:40 a.m.);
Paul Arslan, Director of Finance; Suzanne Samborski, Director of Parks, Recreation
and Community Services(left at 10:31 a.m.); Jennifer Lockhart, Senior Manger
Financial Services; Tiana Solares, Senior Manager of Recreation (left at 10:31 a.m.);
Nathalie Dechaine, Manager of Community Development/Business Systems (left at
10:31 a.m.); Nicole Hughes, Property Tax Specialist (joined at 11:12 a.m.); and
Tara Judge, Executive Assistant to the CAO

Regrets: Councillor Nathalie Chambers

MINUTES FOR ADOPTION

MOVED by Councillor Harper and Seconded by Councillor Phelps Bondaroff: “That the minutes of the Finance and Governance Standing Committee meeting of June 10, 2024, be adopted as circulated.”

CARRIED

PARKS, RECREATION AND COMMUNITY SERVICES: FEE AND CHARGES 2024-2026

The Senior Manager of Recreation Services highlighted the standard process for fee and charges rate increases specific to Parks, Recreation and Community Services programs. In 2023, Council approved a 2% increase to most parks and recreation fees for 2023 through 2024. Respecting the need to focus on affordability, offset by increased costs (staffing costs alone increased by approximately 12%), fee increases are a necessity. Staff proposes a 3% increase in the next two years for most park and recreation fees.

The proposed fee adjustment for pickleball rentals at Pearkes, just outside the 3% increase, is intended to align with the rates identified in the recent Regional Pickleball Strategy.

Staff identified that the introduction of a one month drop in pass was well received. Users start with purchasing the one-month pass, and then if adding a second month, receive a discounted continuous pass rate. Having multiple amenities and multiple sites to visit is beneficial to pass holders, and is recognized as the best value in the Greater Victoria area.

In terms of the Cedar Hill Golf Course, in 2023 there were 64,000 rounds played compared to 42,000 rounds in 2018. Improvements to drainage and playability have occurred at the course in recent years. A market comparison of municipal and other regional golf courses was conducted. Our green fees were found to be significantly lower than other comparable courses:

from \$17/round lower in the winter to \$47/round lower in the summer. We have proposed a plan to be implemented over the next 3 to 4 years to bring green fees more into alignment with other comparable courses. For the next two (2) years, we propose a 6% (approximately \$3 per round) increase in green fees. In addition, we have introduced a green fee punch pass that offers a 10% to 15% discount based on purchasing either 10 or 25 prepaid rounds; this is an increased discount from the 5% and 10% previously offered when the annual pass was in effect. The golf course management company (Lakeland) has recommended a more substantial increase to green fees to better match comparable rates; we have proposed more modest annual increases for users.

With respect to Parks, a 3% increase to most fees is proposed. One adjustment to the fee schedule is modernizing sports field rentals from a per game/day rate to a per field/space and per hour rate. Parks is also adjusting outdoor pickleball rental rates to align with the Regional Pickleball Strategy recommendations. In addition, Parks is introducing a new fee category to accommodate the recent Council approved commercial sales in parks for mobile food vendors, Christmas tree sales and farm markets. These activities do not have a fee rate in the existing fee schedule.

MOVED by Councillor Harper and Seconded by Councillor Phelps Bondaroff: “That the Finance and Governance Standing Committee recommend that Council approve the proposed Fees and Charges Schedules.”

CARRIED

CODE OF CONDUCT – SIGNING OF DOCUMENT WHEN COUNCIL SWORN IN

Council endorsed revisions to the Council Code of Conduct (Code) at the July 15, 2024, Committee of the Whole meeting. During this meeting Council also passed a motion “*That the matter of Council being required to sign a document supporting the Code of Conduct upon being sworn in be referred to the Finance and Governance Standing Committee.*”

Council members are to abide by this code, regardless if a Councillor has or has not signed a copy of the Code. Having a signed copy may better confirm that Council have read and understood the Code. Need to determine if this should be done at the time of initial inauguration and added to the Oath of Office, or performed as a separate process. Potential to make the signing of the Code a voluntary ceremonial activity Council participate in once they are more informed on the Code.

Legislation requires that Council must take an Oath of Office within a prescribed time and allows municipalities, by bylaw, to establish and include things in the Oath that are over and above the legislation. The Oath of Office is imbedded in legislation and the Code is based more on personal integrity. The Code must be reviewed within 6 months of each elected term. Staff recommend that a legal review be conducted to identify the merits of including items extraneous to what legislation requires.

MOVED by Councillor Harper and Seconded by Councillor Phelps Bondaroff: “That staff report back to the Finance and Governance Standing Committee on the implications of including the Code of Conduct within the Oath of Office or as a separate signed document, including a legal review and processes used in other jurisdictions.”

CARRIED

1st TRIMESTER RESULTS REPORT (JANUARY 1 TO APRIL 30, 2024)

A report from the Director of Finance with the 1st Trimester Results for 2024 was reviewed (January 1 to April 20, 2024).

Investments are performing better than estimated. Bank of Canada is reducing their rates as anticipated, so the amount budgeted for investment income was purposefully conservative.

Recreation is doing well, and building permit income could be close to budget by year end. Understand that building starts across the region are down, but with interest rates falling it is hoped that building applications will increase. In terms of expenses, more departments are close to their budgets as staffing levels have improved.

Capital projects continue, with the list of projects greater than \$1M identified within the report. Procurement has had 14% of competitive processes result in one bidder submitting. This could occur for two reasons. One is that the market does not exist for certain items (for example water pump station parts and related equipment are specialized with limited vendors providing them). Saanich also uses cooperative purchasing via Sourcewell for items such as the street sweeper giving the comfort that a competitive process used.

MOVED by Councillor Phelps Bondaroff and Seconded by Councillor Harper: “That the Finance and Governance Standing Committee receive the 1st Trimester Report from the Director of Finance for information and that the report be referred to Council for its consideration.”

CARRIED

COMMUNITY GRANTS FUNDING INCREASE OPTIONS

The Director of Finance discussed methods to increase Other Community Service Provider and Strategic Priorities and Community Building Grants and the potential effects on taxation. Current Community Service Provider Grant recipients receive the same funding amount each year during their five (5) year term (ending December 31, 2026).

The recommended increase to funding for both grant categories based on CPI would result in a .01% increase in annual taxation rates.

The removal of the Saanich Heritage Foundation from the Other Community Service Provider Grant category was also reviewed. As the Foundation no longer manages Saanich-owned heritage properties, they do not align with this grant category. It may be more appropriate to transfer this organization and its funding to the Strategic Priorities and Community Building Grants category upon the completion of their existing contract. They would then be able to submit an annual grant request similar to other organizations for funding in this grant category.

Saanich Neighbourhood Place (SNP) has modified their operations and would now qualify for the Other Community Service Provider Grant for the space they use inside G.R. Pearkes Recreation Centre. It is recommend revising the grant policy in 2026 to include SNP effective 2027 to provide certainty to their operational grant funding.

By increasing funding now, when Other Community Service Provider Grant agreements are up for renewal, the increased budget level would be available for use. This provides a new budget base with any unused funds in a calendar year added to surplus. Current funding to organizations would remain in place until the end of their current agreements. An increase in Strategic Priorities and Community Building Grants funding could be accessed in the next budget year when approving grant applications.

MOVED by Councillor Harper and Seconded by Councillor Phelps Bondaroff: “That the Finance and Governance Standing Committee recommend to Council that:

- **the Community Service Provider and Strategic Priorities and Community Building Grants funding be increased annually based on the previous year’s CPI;**
- **the Saanich Heritage Foundation be removed from the Other Community Service Provider Grant category at the end of their current term (December 31, 2026); and**
- **Saanich Neighbourhood Place be added to the Other Community Service Provider Grant category for the 2027 calendar year.”**

CARRIED

DRAFT PERMISSIVE TAX EXEMPTION POLICY

The review of the Permissive Tax Exemption policy was brought forward to this Committee in January 2020. This resulted in improving the application process, but the draft policy was not brought forward for review as it required completion of the separate permissive tax exemptions for supportive and affordable housing.

Discussion took place on a potential cap on permissive tax exemptions (PTE) in terms of the overall budget. Other BC jurisdictions have this including recently the District of Terrace. The 2024 permissive tax exemptions totaled 1.7% of the total budget, plus 0.1% for affordable housing PTE (which could increase as more projects come instream, but there is a five year limit under the policy). The total in 2023 was 1.7%; it was 1.5% in 2020. There is potential concern that a cap might have an opposite impact from what Saanich is looking for in terms of social benefits.

MOVED by Councillor Harper and Seconded by Councillor Brice: “That the Finance and Governance Standing Committee recommend to Council that the draft Permissive Tax Exemption Policy be approved.”

CARRIED
with Councillor Phelps Bondaroff OPPOSED

MOVED by Councillor Phelps Bondaroff and Seconded by Councillor Harper: “That the Finance and Governance Standing Committee ask staff to report back on the relationship of permissive tax exemptions as a percentage of budgets and potential ways of managing.”

CARRIED

ADJOURNMENT

The meeting adjourned at 11:57 a.m.

Councillor Susan Brice, Chair

I hereby certify these minutes are accurate.

Tara Judge, Executive Assistant to the CAO

DRAFT