

BOWEN ISLAND MUNICIPALITY

Minutes of the **Public Information Meeting** held on Monday May 5, 2003 at 7:00 p.m. in the Municipal Hall, 981 Artisan Lane, Bowen Island, B.C.

**COUNCIL IN
ATTENDANCE**

Mayor Lisa Barrett
Councillor Doug Bowen
Councillor Neil Boyd*
Councillor Terry Cotter
Councillor Alan Leigh
Councillor Alison Morse
Councillor David Wrinch

**STAFF IN
ATTENDANCE**

Isabell Hadford – Chief Administrative Officer
Joanne Cunday - Treasurer

**OTHERS IN
ATTENDANCE**

Gayle Ferguson – Minute Taker

**PUBLIC IN
ATTENDANCE**

Murray Atherton
Ross Carter
Jim Charlesworth
Rondy Dike
Wolfgang Duntz
Peter Frinton
Bill & Peter Granger
Bruce Howlett
John Miller
Barb Murray – The Undercurrent*
Bill Newport
John Reid
Gerry Sear
Richard Underhill
Miriam Janette Walen
Alastair & Stephanie Westcott

*(*denotes partial attendance)*

CALL TO ORDER

Mayor Barrett called the meeting to order at 7:03 p.m.

Introduction by Isabell
Hadford, Chief
Administrative Officer

CAO Hadford provided a review of the Treasurer's duties in developing the Financial Plan as follows:

- Developing operating budgets for each department;
- Contacting all organizations who had applied for grants to make sure they were included;
- Consulting with the various water districts regarding their budgets;

- Preparing bylaws associated with the 2003 budget by May 15;
- Overseeing preparation of tax notices;
- Preparing audited finance statements for presentation to the public in June.

Joanne Cunday, Treasurer
re: Summary of Draft
2003 Financial Plan

Joanne Cunday, Treasurer provided the public with a visual presentation of the Draft 2003 Financial Plan which included the following topics:

- Influences and Challenges
- Council's approach was to maintain same level of service
- How did we get to where we are?
- Draft One of 2003 Budget
- Draft Two of 2003 Budget
- Draft Three – Revenue requirement is \$2,077,000
- Funding for new programs
- Investment on Planning and Preparation for Implementation. 2003 was the first year of full control of the planning function
- Increased contribution to Reserves
- Contribution to Statutory Reserve has been maintained
- Increased support for Community Groups
- Provision to complete 2002 Projects
- Planned new projects
- How can a 6.35% increase in tax revenue mean a 5.6% decrease in tax rates? Non market increase in assessments and the market value adjustment totalling 13%. Therefore the same tax rate yields a \$244,466 increase. Draft Three of the budget requires a \$122,000 increase over last year tax revenue
- Average taxpayer with a space \$330,000 property value and no assessment change will see a decrease in total taxes of \$113. A property with a 7% increase in taxable assessed value will see an increase in tax of \$30.84 – The municipal component being \$11.68.

The Treasurer noted that the 2003 Financial Plan indicates a levelling out of tax revenues required beginning in 2005.

Regarding the potential for increases with policing costs and full responsibility for the roads, the Treasurer noted that these costs could be tempered by reducing contributions to reserves. The expected increase for 2004 is 17% and 12% of that is the policing costs.

Bill Granger expressed his appreciation for staff and Council in listening to public concerns regarding a 22% increase. He noted that the budget is relatively balanced and reflects needs and services. Reserves are good. However he believed that renting a civic facility is not a good way for the Municipality to build reserves.

Murray Atherton expressed his concerns regarding the wisdom of tax decreases in a young Municipality. He believed it would be more prudent to build reserve funds to acquire a civic facility.

Ross Carter noted that he was pleased with the budget as it meets needs and goals and is reasonably equitable to the approximate growth on the Island. He noted his concern for increasing costs over the next two years with the addition of policing costs and Municipal takeover of roads. He encouraged Council and staff to get at the budget process earlier than in the past, preferably before the end of the calendar year. He felt an earlier budget process would allow for communication with the community as Council and staff moves through the process.

Richard Underhill believed that the 2003 budget could still be decreased considerably.

The Treasurer reviewed some of the major cuts and deferrals made by staff as follows:

- Adjustments in Administration and removal of contingencies from the Administrative and Finance budget for vacations not taken;
- Solid Waste study - a portion has been deferred to 2004;
- Parks and Recreation Budget cuts.

The Treasurer noted that copies of the Financial Presentation would be available on May 9, 2003 at Municipal Hall and the Library. The presentation could also be e-mailed to those members of the public who leave their addresses.

Councillor Boyd left the meeting at 8:20 p.m.

Budgets for the Water
Districts and Snug Cove
Sewer

Tunstall Bay Water System Budget

The Treasurer reviewed the budget recommended by the Tunstall Bay Local Advisory Committee. She noted the budget had recommended a rate increase from \$300 to \$350 and noted that Capital Works in the Financial Plan had already been approved by Council.

Bowen Bay Water System Budget

The Treasurer noted that the budget approved by the Bowen Bay Local Advisory Committee had not included any rate increases for 2003. There is a recommendation to increase rates in 2004. She reported that she could not recommend the budget to go forward the way it has been approved by the Committee because there is no planned rate increase and the budget draws on reserves to the extent of the reserves. However, she also noted that there is a built in item that is called Allowance for Doubtful Account, which has a good chance to collect.

The Treasurer noted that in recent discussions with the Chair of the Bowen Bay Local Advisory Committee the suggestion that the honorariums to Committee members could be dropped making \$2800 available in 2003 for cash flow. Since billings for 2004 take place in December, 2003, the cash flow would be in a better position than proposed. If the \$2800 remains in the budget, then the Treasurer can recommend approval by Council.

Bill Newport noted that the Committee would in the future work with staff regarding Municipal requirements. However he noted that the budget as presented by the Treasurer is not what the Committee approved. The minor errors are:

- Water operations pumping stations is \$1,845 did not carry forward and is the same for service and operations needs to be carried forward to future years;
- \$7,694, not \$8,000, was the amount agreed upon.

Mr. Newport also suggested that the \$40 per hour labour rate be changed to the actual \$33 per hour labour rate, which would make the budget better. Regarding Capital Expenditures made without authority, he noted that the Bowen Bay Specified Area had full authority under the Improvement District to make these expenditures. Therefore he would like the paragraph referring to this issue removed from the financial documentation.

Regarding the cost of the extension of the Bowen Bay Specified Area's boundary, Mr. Newport noted the cost had exceeded the \$20,000 but the developer is responsible to pay the full amount. He believed the fact that Bowen Bay Water System does not have the \$7,694, does not make it a doubtful account. Staff have indicated that this amount must be paid out of reserves.

Regarding the zero cash flow, Councillor Cotter reported that at the Bowen Bay Public Information Meeting the public had agreed unanimously that they would be willing to hold an emergency meeting if cash flow became a problem.

CAO Hadford agreed to verify with the Public Works Superintendent whether a letter had been sent to the Water Systems to extend the present operators' contracts.

The following suggestions to amend the budget were made:

- Remove \$2800 for honorariums from the budget;
- Change the rounded amount of \$8,000 to the actual \$7,694;
- Acknowledge the commitment from the membership to cover any additional costs, if needed.

RES# CW 03-084

It was Moved and Seconded

That the Bowen Bay Water System budget be approved as amended.
CARRIED

Bill Newport agreed to provide the Treasurer with bank statements and other information requested and to confirm the suggested meeting time of Thursday, May 10, 2003 at 9:00 a.m.

Discussion took place regarding whether the Treasurer's comments in paragraph one of the financial documentation should be removed.

The Treasurer noted her obligation to provide Council with back up information for a budget that would typically not be approved. The comments were intended to be as neutral as possible.

RES# CW 03-085

It was Moved and Seconded

That the first paragraph in the financial documentation regarding the Bowen Bay Water System's budget be removed in the next draft.

DEFEATED

Three Councillors in opposition

Snug Cove Sewer

The Treasurer reviewed the Snug Cove Sewer budget recommended by the Snug Cove Sewer Local Management Committee. She noted the actual budget is for approximately \$50,000 and the rest of the funds are for contingencies and reserves.

Blue Water Park Water System

The Treasurer reviewed the Blue Water Park Water System budget recommended by the Blue water Park Local Advisory Committee. She noted there is a rate increase of \$100 per year to help fund capital works.

Hood Point Water System

The Treasurer reviewed the Hood Point Water System budget. She noted it had been approved by consent resolution to the members of the Local Advisory Committee. She noted an increase in user rates from \$366 to \$480 per year, is included.

Eagle Cliff Water System

Councillor Wrinch reported that the user base rate is to be raised by \$50 per household. He noted that the total collections for debt purposes would be sufficient payout by 2007, although it is not due until 2012.

The Treasurer noted that part of the Eagle Cliff budget includes the floats and funding is included in rates collected. The Local Advisory Committee has decided to leave it with the Municipality to collect taxes but Eagle Cliff is still willing to subsidize insurance

costs if needed.

CAO Hadford agreed to look into the liability issue for the floats in Tunstall Bay Beach.

Cove Bay Water System

The Treasurer noted there are no significant changes to the Cove Bay Water System budget as recommended by the Committee. .

ADJOURNMENT

The meeting adjourned at 9:50 p.m.

Certified Correct:

Lisa Barrett
Mayor

Isabell Hadford
Chief Administrative Officer