

**MINUTES OF THE COMMITTEE OF THE WHOLE**  
**Monday, March 7, 2022 @ 7:00 PM**  
**In the City Hall Council Chambers | 4850 Argyle Street, Port Alberni, BC**  
**Zoom Webinar**

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**PRESENT:** Mayor S. Minions  
Councillor R. Paulson  
Councillor C. Solda

**VIRTUAL:** Councillor D. Haggard  
Councillor H. Poon

**ABSENT:** Councillor R. Corbeil  
Councillor D. Washington

Gallery: 11

Virtual Participants: 3

**A. CALL TO ORDER & APPROVAL OF THE AGENDA**

The meeting was called to order at 7:01 PM.

*MOVED AND SECONDED, THAT the agenda be approved as printed and circulated.*

**CARRIED**

**B. ADOPTION OF MINUTES**

*MOVED AND SECONDED, THAT the minutes of the meeting held at 4:00 pm on February 22, 2022, be adopted.*

**CARRIED**

**C. UNFINISHED BUSINESS**

**1. "City of Port Alberni 2022 – 2026 Financial Plan Bylaw No. 5045, 2022"**

The Director of Finance provided members of the Committee with a verbal overview of the changes made to date and invited any further questions or requests for clarification from members of the Committee.

**Attachments**

- i. "City of Port Alberni 2022-2026 Financial Plan Bylaw No. 5045, 2022" [incl. details]
- ii. Summary of Questions & Answers | Dated March 3, 2022

The following outlines questions from Members of the Committee and associated staff responses. Questions posed by Members of the Committee have been captured on the existing Q&A summary document.

Members of the Committee commented/questioned as follows:

- What is the Non-market change percentage in dollar value?  
*There has been significant change across all tax classes. Staff will provide Committee members with information and options for applying the balance at the March 21<sup>st</sup> CoW meeting.*
- When will Director's be in attendance to answer inquiries regarding sidewalks and roads?  
*The Director of Engineering and Public Works and Director of Parks, Recreation and Heritage will be in attendance at the March 21<sup>st</sup> CoW.*

- The tax rate percentage in the Financial Plan for the years 2023-2026 reflects an escalating rate. Can you explain to the public the process for setting the tax rate within the Five-Year Financial Plan?  
*The numbers currently reflect a raw increase year-over-year. The actual impact will be dependent on a number of factors such as changing tax base, use of reserves and/or surpluses. Financial Plans are reviewed and adjusted annually with Council determining the overall tax burden year-by-year.*
- Given the decrease in Parks, Recreation and Heritage revenues due to COVID-19, was there also a similar downward trend in expenditures?  
*There was a reduction in some of the programming costs, but overall expenditures to maintain City facilities are not always variable.*

**D. PUBLIC INPUT/QUESTION PERIOD**

**Allan Kim Schroeder**

**Q1.** Commented on the smell of the sewage lagoon, the need for infrastructure upgrades, particularly a new Aquatic Centre, street-line painting and the need to manage current issues before progressing with new projects and the development of the waterfront.

*The Sewage lagoon is complete and just about ready to come online. The Alberni Clayoquot Regional District is leading the Aquatic Centre renewal process beginning with public engagement and a feasibility study. Line painting has not been deferred but rather encountered supply chain issues due to ongoing world events. This has since been resolved and line painting is set to commence in the Spring.*

**Neil Anderson**

**Q1.** 10 years ago, there was 50 percent of water and sewer infrastructure needing replacement. What is the City's current state with regards to infrastructure replacement today?

*The City has implemented a water and sewer fee rate schedule based on the needs of the Capital infrastructure in the long-term plan and as per the Iconics Report. For paving, funds come mainly from Gas Tax grant funds given that when water and sewer is replaced, storm and paving is completed at the same time. A Strategic Asset Management Plan that encompasses all City assets will be brought to Council for consideration, the funding gaps will be identified and Council will consider addressing those funding gaps and setting priorities. Staff can provide the Audited Financial Statements which provides the amount of Capital Assets contributed towards the overall asset register of the City.*

**Q2.** Why are City employees making the most money getting a 2.8 percent increase versus 2 percent for the lower paid employees?

*The Council Remuneration Bylaw and Exempt Staff policy speak to Council and Exempt staff increases based on the Consumer Price Index [CPI]. Specifically, exempt positions receive an annual salary increase effective January 1 of each year by a percentage equal to the BC Consumer Price Index (CPI) from the previous year. The CPI increase also applies to Mayor & Council. Increases for bargaining unit employees are captured in the Collective Agreement.*

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**Anonymous Webinar Attendee**

**Q1.** How will the budget plans incorporate urban planning best practices around urban sprawl development at risk of losing the extremely limited remaining natural habitat and recreational trails?

*The Official Community Plan Review and Update is currently underway. Council and staff encourage the public to participate in the process to help guide how the community grows in a sustainable way that protects natural assets. Visit [letsconnectpa.ca/OCP](https://letsconnectpa.ca/OCP) for information on the public engagement process.*

**Roland Smith**

**Q1.** Is it correct that the Reserve Funds/Emergency Reserve Fund [ERF] are made up of sales of service, fees collected or taxation?

*With the Emergency Reserve Fund each service has contributions based on where that asset is being used or where it's been allocated. Taxation for ERF occurs every year, based on what's needed to replace that unit based on the policy. Some Reserve Funds come from non-tax revenues such as the Land Sale Reserve [sale of City lands] and the Community Forest Reserve [received through dividends].*

**Q2.** The February 28<sup>th</sup> Audit Committee Agenda, Pg.'s 10-12 listed City projects in various states of completion, including some that have yet to be started, totalling millions of dollars. Why is the City requisitioning more tax funds for additional projects when there are so many still outstanding and what is the plan to start getting these projects completed?

*Responsible governance includes taxing for the appropriate amount of projects every year so that the funding is available when the work can proceed. With regards to the ability to complete projects, more recently project work has been impacted due to the challenge in filling key staffing positions and transitions in key positions. The intent moving forward is to close the gap on outstanding projects.*

*It is also important to note that the occurrence of outstanding projects is not a new issue but rather new in that the information has now been included as part of the financial planning process. This change in reporting is to provide greater clarity and transparency to Council and the public surrounding projects funded but not yet completed. We are also funding infrastructure at a higher rate than in the past which is likely compounding the issue regarding the lack of capacity to complete projects. Council have asked staff for projected start and finish dates of projects to get an idea on timeline.*

**Q3.** On Pg. 35 of today's Agenda with regards to the projected debt and interest figures, it was noted that the interest spikes significantly by 2024 to nearly \$1.2M/year. Given the \$8.5M of outstanding debt in 2021 that will be actioned at some point in 2022 and fully on the books in 2023, inclusive of the \$14M in debt as noted for the end of 2020, we are looking at \$22M in debt. Add on the Regional Airport debt and the City's total debt equals \$24M. What is the current amount of Airport debt?

*Debt outstanding at the ACRD related to the Airport at the end of 2021 and based on the City's apportionment of 56.7% equals \$3.1M.*

**Randy Fraser | Email Submission**

**Q1.** Why is the City not funding and continuing with the installation of street banners to brighten up the City? If not for the Rotary club there would be no banners in the City. *Staff will inquire what has been done historically regarding funding/installation of banners and report back to Council.*

**Q2.** When the City introduced the 3-stream garbage collection program, it was priced based on having to only use 2 split body trucks for the whole City. Now that they are having to use 3 trucks full time, what will the additional cost of a full-time employee and truck be to the homeowners?

*The 3-stream Collection Service initiated with a 2 truck/operator service however, a contingency that incorporated the fees and charges associated with the use of a 3<sup>rd</sup> truck/operator was included based on the understanding that 2 trucks/operators may not be sufficient.*

**Joseph Leskosek**

**Q1.** What are the ongoing costs associated with the City's purchase of the Somass lands related to remediation and other items such as insurance and security costs required in advance of the development phase?

*There is funding allocated within the Planning section of the Financial Plan in the amount of \$200,000 for 2022 and 2023 for security, insurance and strategic planning of the site. Council has yet to determine plans for moving forward regarding development.*

**Email Submission Read by the Corporate Officer on behalf of Allan Kim Schroeder**

**Q1.** I am wondering if Council has any plans to reduce the City tax rate now that they are receiving this windfall from the record high sales prices of property?

*Increases in the property assessment value does not reflect increased revenue to the City as it doesn't impact the local tax rate directly. The CoW meeting on March 21<sup>st</sup> will provide information associated with the setting of tax rates.*


**E. CORRESPONDENCE**

**G. ADJOURNMENT**

*MOVED and SECONDED, THAT the meeting adjourn at 8:18 pm.*

**CARRIED**

CERTIFIED CORRECT

  
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Mayor

  
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Corporate Officer