



AGENDA

Committee of the Whole Meeting

9:00 AM - Tuesday, April 5, 2022
1775 Furney Place

Please be aware, if you are attending this meeting, our meetings are recorded for future viewing.

We are privileged to gather on the traditional territory of the Kwakwaka'wakw.

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1. CALL TO ORDER	
2. ADOPT AGENDA	
a) Accept or amend agenda as presented.	
3. PETITIONS AND DELEGATIONS	
4. ADOPTION OF MINUTES	
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- 10. NEW BUSINESS**
- 11. ITEMS FROM IN-CAMERA TO BE MADE PUBLIC**
- 12. IN-CAMERA**
- 13. QUESTIONS FROM THE PUBLIC AND MEDIA**
- 14. ADJOURNMENT**



MINUTES

Committee of the Whole

Meeting

9:00 AM - Wednesday, March 30, 2022
Council Chamber-1775 Furney Pl

This meeting was recorded for future viewing.

We are privileged to have gathered on the traditional territory of the Kwakwaka'wakw.

- PRESENT:** Mayor Gabriele Wickstrom, Councillor Ann-Marie Baron, Councillor Shelley Downey, and Councillor Derek Koel
- APOLOGIES:** Councillor Ryan Mitchell
- ALSO PRESENT:** Brenda Johnson, Chief Financial Officer, and Connor Mork, Deputy Corporate Officer.

1 CALL TO ORDER

The March 30, 2022 Budget Committee of the Whole was called to order at 9:00 AM

2 ADOPT AGENDA

- a) Accept or amend agenda as presented.

37/2022 Moved, Seconded, and CARRIED that the agenda be adopted as presented.

3 PETITIONS AND DELEGATIONS

4 ADOPTION OF MINUTES

- a) February 8, 2022 Committee of the Whole Minutes

38/2022 Moved, Seconded, and CARRIED that the minutes be adopted as presented.

- b) February 17, 2022 Budget Committee of the Whole Meeting Minutes

39/2022 Moved, Seconded, and CARRIED that the minutes of February 17, 2022 be adopted as amended to reword resolution **16/2022**

From: Moved, Seconded and CARRIED to recommend that staff send communication to the owners of the Kingcome Haddington, Port McNeill and McClure Apartment buildings regarding the lack of fire access, and the costs associated with the project.

To: Moved, Seconded and CARRIED to recommend that staff send communication to the owners of the Kingcome Haddington, Port McNeill and McClure Apartment buildings regarding the lack of fire access.

and, to reword resolutions **18/2022**

From: 'Moved, Seconded and CARRIED to recommend that staff prepare a cost analysis of building rejuvenation for the old school and prepare a list of available companies for the project'

To: 'Moved, Seconded and CARRIED to recommend that staff prepare a list of available companies that specialize in building restoration for consultation on the Old School.'

c) March 17, 2022 Budget Committee of the Whole Meeting Minutes

40/2022 Moved, Seconded, and CARRIED that the minutes be adopted as amended to ensure that the council receive a WorkSafe **'rate'** report under resolution **24/2022**.

5 **CORRESPONDENCE**

6 **TABLE ITEMS**

7 **REPORTS**

8 **BYLAWS**

9 **OLD BUSINESS**

a) RTC - Old School Cost Analysis March 2022

41/2022 Moved, Seconded, and CARRIED that staff prepare a cost analysis report of the Town Office compared with the Old School report.

b) RTC - Budget March 2022

42/2022 Moved, Seconded, and CARRIED that approve the funding for fire truck accessories through capital financing.

c) Capital Requests 2022

43/2022 Moved, Seconded and DEFEATED that we rename the \$ 200 000 non-statutory reserve fund for the Old School demolition or repair to the parks and recreations fund.

Opposed: Mayor Wickstrom, Councillor Baron, and Councillor Downey

44/2022 Moved, Seconded, and CARRIED that \$ 100 000 from general reserve funds be allocated to create a non-statutory reserve fund for parks and recreation.

Councillor Downey recused herself at 9:55 AM

46/2022 Moved, Seconded, and DEFEATED to create a \$ 100,000 downtown improvement fund for local businesses.

Opposed: Mayor Wickstrom, Councillor Baron, and Councillor Downey

Councillor Downey returned at 9:58 AM

47/2022 Moved, Seconded, and CARRIED that the capital projects list be accepted with the amendments for the fire department and Harbour.

Councillor Baron left the meeting at 10:01 AM

d) RTC - Fishing Float March 2022

10 NEW BUSINESS

11 ITEMS FROM IN-CAMERA TO BE MADE PUBLIC

12 IN-CAMERA

13 QUESTIONS FROM THE PUBLIC AND MEDIA

14 ADJOURNMENT

49/2022 Moved, Seconded, and CARRIED that the meeting of the Committee of the Whole adjourn at 10:06 AM

CAO

Mayor

Report to Council



To: Pete Nelson-Smith, CAO

Meeting Date: April 5, 2022

From: Brenda Johnson, CPA CFO


Subject: Cost Analysis – Town Office and Old School

PURPOSE: 42/2022 – Cost analysis report of the Town Office compared with the Old School.

Description	OLD SCHOOL			TOWN OFFICE		
	2020 Actual	2021 Actual	2022 Budget	2020 Actual	2021 Actual	2022 Budget
Revenue - Rental	15,853	15,023	3,650	7,800	7,800	7,800
Revenue - Services				6,916	4,370	5,000
Total Revenue	15,853	15,023	3,650	14,716	12,170	12,800
Expenses						
Admin Allocation	30,677	34,172	10,000			
PW Wage Allocation	2,076	954	1,000			
Custodial	18,045	15,503	15,000	6,983	7,018	7,500
Maintenance	520	2,382	2,000	585	(69)	500
Materials	559	-				
Telecommunication/Internet	1,457	1,318	1,350	6,518	6,178	6,500
Contracted Equip Main	1,108	253	250	753	4,707	1,000
Insurance	13,771	15,489	15,000	19,513	24,341	25,000
Other Purchased Services	1,223	1,179	1,200			
Alarm Service	359	539	540	479	479	500
Garbage Pickup	1,147	1,207	1,250			
Electricity	6,391	5,915	6,000	6,572	6,480	6,500
Oil - Heating	21,238	33,578	34,000			
Total Expenses	98,571	112,490	87,590	41,403	49,133	47,500
Net Revenue (Loss)	(82,717)	(97,468)	(83,940)	(33,603)	(41,333)	(39,700)

COMMENTS: Of note, these buildings serve two separate purposes and are different in nature.

Prepared by:



Brenda Johnson, CPA
CFO

Pete Nelson-Smith
CAO

Town of Port McNeill

Information - Staff Report



To: Brenda, Johnson, CPA. CFO **File No:**
Meeting Date: Committee of the Whole - 05 Apr 2022
From: Connor Mork, LLM. Deputy Corporate Officer
Subject: Old School Building Restoration Specialists

PURPOSE:

19/2022 Moved, Seconded and CARRIED to recommend that staff prepare a list of available companies that specialize in building restoration for consultation on the Old School.

BACKGROUND:

In January 2018 a report from Altus Group Ltd, outlined the condition of Old School and the scope of necessary repairs. At the February 17, 2022 Budget Committee of the Whole, it was requested that staff bring forth a list of names of building restoration specialists.

KEY ISSUES DEFINED:

Below See the Engineer Consultants that bid on the initial building assessment contract:

Altus Group (Awarded Contract)

1055 W Georgia Street Suite 2500,
Vancouver, BC V6E 3P3 Canada
Phone: +1 (604) 683 5591

Pinchin Ltd.

13775 Commerce Pkwy Unit 200,
Richmond, BC V6V 2V4
Phone: +1 (604) 244-8101

Morrison Hershfield

536 Broughton Street, Second Floor
Victoria, BC V8W 1C6
Phone: +1 (250) 361-1215
Email: victoria@morrisonhershfield.com

McCuaig & Associates Engineering Ltd.

Suite 200 - 3999 Henning Drive
Burnaby, BC, V5C 6P9
Phone: +1 604-255-0992
Email: vancouver@mccuaig.net

Stephenson Engineering

1090 Homer Street Suite 300
Vancouver, V6B 2W9
Phone: +1 (778) 375-2300

RJC Engineering

Phone: +1 (604) 738- 0048
vancouver@rjc.ca

GHD

138 East 7th Avenue Suite 100
Vancouver, British Columbia V5T 1M6
Phone: +1 (604) 2140-0510
Email: GHD in Vancouver

RDH Building Science Inc.

Address: 4333 Still Creek Dr #400,
Burnaby, BC V5C 6S6
Phone: +1 (604) 873-1181

IRC Building

Address: 21900 Westminster Hwy #250,
Richmond, BC V6V 0A8
Phone: +1 (604) 295-8070

Other Potential Restoration Specialists:**E. LEES & ASSOCIATES CONSULTING LTD.**

509 - 318 Homer Street Vancouver, BC V6B
2V2 604.899.3806 elac.ca

MCELHINNEY 200 - 858 Beatty Street
Vancouver, BC V6B 1C1
(604) 683-8521 mcelhanney.com

R.F. BINNIE & ASSOCIATES LTD.

300 - 4940 Canada Way Burnaby, BC V5G
4K6
Phone: (604)420 -1721
Web: binnie.com

Capital Management

219 Herring Cove Rd, Halifax, NS B3P 1L3
Phone: +1 (902) 429-4412

WSP

3600 Uptown Blvd #301, Victoria, BC V8Z 0B9
Phone: (250) 384-5510

Element Restorations Ltd

151 Dogwood St, Campbell River, BC V9W
6B9
Phone: (250) 204-0999

Dry Island Restorations

311 Hemlock Unit 4, Port McNeill, BC V0N 2R0
Phone: (250) 230-7252
Email: allan@dryislandrestorations.ca

WINMAR Property Restoration Specialists

4300 Wellington Rd #303, Nanaimo, BC V9T
2H3
Phone: (250) 758-9899

CONCLUSION:

That Council review this report for information purposes

Report to Council



To: Pete Nelson-Smith, CAO

Meeting Date: April 5, 2022

From: Brenda Johnson, CPA CFO

Subject: Historical Rural Tax Rates

PURPOSE:

Resolution 121/2022 – Report the historical tax rates for light and major industry versus the current rates and whether we have reached the maximum rates.

HISTORICAL RURAL TAX RATES:

<u>CLASS</u>	<u>DESCRIPTION</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
4	Major Industry	5.500	6.076	6.510	7.175	8.129
5	Light Industry	2.920	3.013	2.750	3.370	3.485
7	Managed Forest Land	0.520	0.411	0.460	1.990	2.454

The maximum rural tax rate that can be applied is the total of:

- The Provincial Rural Rate: and
- The Electoral Area C

Rural tax rates for 2022 are not yet available, so the following information is based on 2021 rural tax rates.

MAXIMUM RURAL TAX RATE FOR 2021				
<u>Class</u>	<u>Description</u>	<u>Provincial Rural Rate</u>	<u>Electoral Area C</u>	<u>Total</u>
4	Major Industry	6.920	4.033	10.953
5	Light Industry	2.790	4.033	6.823
7	Managed Forest Land	0.460	3.559	4.019

HIGH – LOW COMPARISON:

<u>Class</u>	<u>Description</u>	<u>2022 Assessed Value</u>	<u>2021 Rate</u>	<u>Max Rate</u>	<u>Difference</u>
4	Major Industry	2,348,200	8.129	10.953	2.825
5	Light Industry	9,097,000	3.485	6.823	3.338
7	Managed Forest Land	1,169,000	2.454	4.019	1.565
	Total	12,614,200			

<u>Class</u>	<u>Description</u>	<u>2022 Assessed Value</u>	<u>2021 \$ Tax</u>	<u>Max Rate \$Tax</u>	<u>Difference</u>
4	Major Industry	2,348,200	19,088	25,721	6,633
5	Light Industry	9,097,000	31,704	62,072	30,368
7	Managed Forest Land	1,169,000	2,868	4,698	1,830
	Total	12,614,200	53,660	92,491	38,831

PERCENTAGE INCREASE IF TAXED AT MAX RATE:

<u>Class</u>	<u>Description</u>	<u>% Increase</u>
4	Major Industry	35%
5	Light Industry	96%
7	Managed Forest Land	64%

ADDITIONAL INFORMATION: The tax rate cannot be established above the Provincial Rural rate or Electoral Area C rates. As 2022 rates are not currently available, consideration should be taken not to exceed the maximum at this time until the new rates become available.

Prepared by:



Brenda Johnson, CPA
CFO

Pete Nelson-Smith
CAO

Report to Council

Information



To: Pete Nelson-Smith, CAO

Meeting Date: April 05, 2022

From: Brenda Johnson, CPA CFO

Subject: 2022 Proposed Operating Budget

PURPOSE:

To present Mayor and Council with the 2022 proposed operating budget and key deadlines for the 2022-2026 Financial Plan.

REQUEST:

- Council to approve 2022 operating requests.

TOPICS:

1. Key Dates pg. 2
2. Revenue and Expenses
 - a. Revenues: 2021 Actuals and 2022 Proposed Budget pg. 2
 - b. Expenses: 2021 Actuals and 2022 Proposed Budget pg. 3
3. Notes for clarification of proposed increased expenditures pg. 4-6
4. Fixed vs Variable Costs pg. 7
5. Five-Year Proposed Operating Budget pg. 8

1. KEY DATES

<u>Description</u>	<u>Due Date</u>
Capital Budget Decisions	March 30, 2022
Operating Budget Decisions	April 5, 2022
First and Second Reading	April 26, 2022
Public Consultation	May 3, 2022 (prior to regular meeting)
Third Reading	May 3, 2022
Reconsider and Adopt	May 10, 2022

2. REVENUES & EXPENSES

a) Revenues: 2021 Actuals and 2022 Proposed Budget

2022 proposed revenue is comparable to 2021 before any tax increase consideration.

<u>Revenues</u>	<u>2021 Actual</u>	<u>2022 Proposed</u>
Municipal Tax	1,533,611	1,534,429
Public Works Operating	1,875	2,000
Public Works Solid Waste	214,212	215,841
Public Works Water	299,531	295,319
Public Works Sewer	384,599	390,490
Payments in Lieu	50,075	51,073
Harbour	536,466	538,800
Fire Department	97,741	52,000
Pool	28,478	35,000
Campground	31,286	55,000
Other	112,521	134,400
Rentals	55,862	56,950
Penalties & Interest	29,232	21,500
Investment Income	43,208	45,000
Unconditional Grants	481,000	480,000
Conditional Grants	690,509	1,328,775
Total Revenues	4,590,205	5,236,578

b) Expenses: 2021 Actuals and 2022 Proposed Budget

2022 proposed expenses are an estimated \$465,000 more than 2021 actuals.

<u>Expenses</u>	<u>2021 Actual</u>	<u>2022 Proposed</u>
Administration	326,023	382,327
Council	78,112	87,263
Economic Development	-	101,866
Emergency Social Services	9,827	9,450
Public Works Operating	671,294	776,158
Public Works Solid Waste	196,062	197,100
Public Works Water	180,561	183,321
Public Works Sewer	182,910	191,214
Harbour	419,970	423,394
Fire Department	145,531	194,000
Pool	160,841	170,799
Airport	12,731	12,360
Animal Control	21,485	22,000
Building Inspections	9,886	10,000
Campground	34,770	51,700
Cemetary	1,958	2,050
Community Hall	25,250	26,941
Fiscal Expenditures	55,401	56,350
Library	94,982	96,963
Museum/Visitor	17,301	144,914
Old School	112,490	111,590
Other	23,702	2,450
Grants (Local)	26,138	20,500
Total Expenses	2,807,225	3,274,709

3. NOTES FOR CLARIFICATION OF PROPOSED INCREASED EXPENDITURES:

Notable increases are estimated \$405,000 of which approximately \$241,000 were previous expenditures committed by Council. The remaining \$163,000 are requests by departments.

EXPENDITURES COMMITTED BY COUNCIL				
Note	Department	2021 Actual	2022 Proposed	Increase / (Decrease)
1	Administration	326,023	382,327	56,304
2	Council	78,112	87,263	9,151
3	Economic Development (Ec Dev)	-	101,866	101,866
	Ec Dev offset by Grant			(70,000)
7	Campground	34,770	51,700	16,930
8	Museum/Visitor	17,301	144,414	127,113
	Total	456,206	767,570	241,364
EXPENDITURE REQUESTS BY DEPARTMENT				
Note	Department	2021 Actual	2022 Proposed	Increase / (Decrease)
4	Public Works Operating	671,294	776,158	104,864
5	Fire Department	145,531	194,000	48,469
6	Pool	160,841	170,799	9,959
	Total	977,666	1,140,957	163,291
	TOTAL	1,433,872	1,908,527	404,656

Note 1: Administration		
New staff - Deputy Corporate Officer and CFO	46,000	Salary and benefits
Election year	10,000	
Total	56,000	

Note 2: Council		
Election year - training for new council	9,000	

Note 3: Economic Development		
New contract position	102,000	
Offset by grant	(70,000)	
Total	<u>32,000</u>	

Note 4: Public Works Operating		
Collective Agreement wage increase	9,000	
Training and travel	2,000	<i>Decrease in 2021 due to Covid. Expect training to be available again.</i>
Possible admin contract position (6 months)	22,000	
Garden Boxes	14,000	
Vehicle/Equip Parts & Maint	16,000	<i>New generators require annual servicing. Older equipment will require maintenance.</i>
Fuel	6,000	
Supplies, materials, and parts	36,000	<i>Previously classified as capital request now included in operating. Some vehicles and equipment parts will need replacing. eg. Tires</i>
Total	<u>105,000</u>	

Note 5: Fire Department		
Computers, radios	3,000	
Turn out gear	9,000	<i>Was a captial request, moved to operating budget.</i>
Small Tools	25,000	<i>Was a captial request, moved to operating budget.</i>
Vehicle/Equip Parts & Maint	8,500	
General	3,500	
Total	<u>49,000</u>	

Note 6: Pool		
Wages	8,000	<i>2021 restricted access due to Covid. Anticipate full opening for 2022 plus Wage increase of 1.5%.</i>
Supplies, uniforms, jackets	2,000	
Total	<u>10,000</u>	





*1.5% wage increase will account for an estimated \$1,400 of the \$8,000 of wages.

Note 7: Campground			
	Public Works Wages	4,000	<i>To bring campground to operational status.</i>
	Supplies, materials, and parts	5,000	<i>To bring campground to operational status.</i>
	Danger tree removal	8,000	<i>To bring campground to operational status.</i>
	Total	17,000	

Note 8: Museum/Visitor Centre			
	New staff and program for 2022	127,000	
	TOTAL	405,000	

4. FIXED VS VARIABLE COSTS:

- Fixed costs are expenses that must be paid by a company to operate, independent of any specific activity. e.g. Salaries, benefits, insurance, hydro, internet.
- Variable costs are expenses that increase or decrease depending on the level of production or activity. e.g. Service delivery, materials, supplies, fuel, oil, etc.

	<u>2021 Actual</u>	<u>2022 Proposed</u>	<u>Increase / (Decrease)</u>	
Public Works Operating				
Fixed	551,427	591,783	40,356	
Variable	119,867	184,375	64,508	
Total	671,294	776,158	104,864	
Fire Department				
Fixed	34,776	43,425	8,649	
Variable	110,755	150,575	39,820	
Total	145,531	194,000	48,469	
Pool				
Fixed	136,625	151,249	14,625	
Variable	24,216	19,550	(4,666)	
Total	160,841	170,799	9,959	
Total Fixed	722,828	786,457	63,629	
Total Variable	254,838	354,500	99,662	
TOTAL	977,666	1,140,957	163,291	

5. FIVE-YEAR PROPOSED OPERATING BUDGET 2022 - 2026:

Revenues	2022 Proposed	2023	2024	2025	2026
Municipal Tax	1,534,429	1,565,118	1,596,420	1,628,349	1,660,916
Public Works Operating	2,000	2,000	2,000	2,000	2,000
Public Works Solid Waste	215,841	220,157	224,561	229,052	233,633
Public Works Water	295,319	301,226	307,250	313,395	319,663
Public Works Sewer	390,490	398,300	406,266	414,392	422,679
Payments in Lieu	51,073	52,094	53,136	54,199	55,283
Harbour	538,800	549,576	560,568	571,779	583,214
Fire Department	52,000	52,000	52,000	52,000	52,000
Pool	35,000	35,000	35,000	35,000	35,000
Campground	55,000	55,000	55,000	55,000	55,000
Other	134,400	134,400	134,400	134,400	134,400
Rentals	56,950	58,000	58,000	58,000	58,000
Penalties & Interest	21,500	21,500	21,500	21,500	21,500
Investment Income	45,000	45,900	46,818	47,754	48,709
Unconditional Grants	480,000	480,000	480,000	480,000	480,000
Conditional Grants	1,328,775	700,000	700,000	700,000	700,000
Total Revenues	5,236,578	4,670,272	4,732,919	4,796,820	4,861,998

Expenses	2022 Proposed	2023	2024	2025	2026
Administration	382,327	389,974	397,773	405,729	413,843
Council	87,263	89,008	90,788	92,604	94,456
Economic Development	101,866	103,903			
Emergency Social Services	9,450	9,639	9,832	10,028	10,229
Public Works Operating	776,158	791,681	807,514	823,665	840,138
Public Works Solid Waste	197,100	201,042	205,063	209,164	213,347
Public Works Water	183,321	186,987	190,727	194,541	198,432
Public Works Sewer	191,214	195,038	198,939	202,918	206,976
Harbour	423,394	431,862	440,499	449,309	458,295
Fire Department	194,000	197,880	201,838	205,874	209,992
Pool	170,799	174,215	177,700	181,254	184,879
Airport	12,360	12,607	12,859	13,117	13,379
Animal Control	22,000	22,440	22,889	23,347	23,814
Building Inspections	10,000	10,200	10,404	10,612	10,824
Campground	51,700	52,734	53,789	54,864	55,962
Cemetery	2,050	2,091	2,133	2,175	2,219
Community Hall	26,941	27,480	28,029	28,590	29,162
Fiscal Expenditures	56,350	57,477	58,627	59,799	60,995
Library	96,963	98,902	100,880	102,898	104,956
Museum/Visitor	144,914	147,812	150,769	153,784	156,860
Old School	111,590	113,822	116,098	118,420	120,789
Other	2,450	2,499	2,549	2,600	2,652
Grants (Local)	20,500	20,910	21,328	21,755	22,190
Total Expenses	3,274,709	3,340,204	3,301,026	3,367,047	3,434,388

**Subject to change after budget discussions with Council.*

Prepared by:



Brenda Johnson, CPA
CFO

Pete Nelson-Smith
CAO