

Tuesday, March 22, 1988
Finance Committee Minutes

FINANCE COMMITTEE

A meeting of the Finance Committee of Council convened in the Council Chambers of the Municipal Hall, 1111 Brunette Avenue, Coquitlam, B.C. at 3:30 p.m. on March 22, 1988 with all members of Council present.

Also present were the Municipal Treasurer, Director of Planning, Municipal Engineer, Director of Permits and Licences, Parks and Recreation Director, Assistant Treasurer - Budgets, Municipal Solicitor, Personnel Director, Fire Chief, Deputy Fire Chief and the Municipal Clerk.

The purpose of the meeting was to give consideration to the contents of the 1988 Annual Budget.

OVERVIEW:

The Municipal Treasurer gave a general overview of the Budget document as presented, making reference to the proposed level of expenditures, the proposed level of non-tax revenues, the resultant property tax requirements, and explained that the tax rates calculated were based on maintaining the same ratio between tax rates as applied in 1987.

The Treasurer also provided information on the tax rates struck in Coquitlam over the past six years, the ranking of 1987 tax rates of Lower Mainland municipalities with Coquitlam's, and the changes in Coquitlam's taxable assessed values from 1987 to 1988.

CHANGES TO REVENUES:

The Treasurer advised Council that certain revenues shown in the proposed budget would need to be reduced because of current information just received:

1. Account No. 124 000 - B.C. Hydro
- Reduced from \$466,560 to \$421,724
2. Account No. 155 110 - Interest on Investments
- Reduced from \$1,733,300. to \$1,500,000
3. Account No. 175 100 - Revenue Sharing Act Grant
- Reduced from \$2,782,360 to \$2,686,383

BUDGET STUDY:

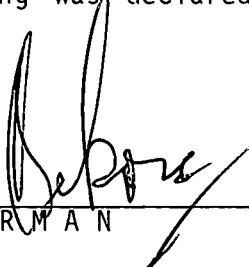
Council proceeded through the following sections of the Budget on a page by page basis:

1. Revenues
2. Expenditures
3. General Government
4. Protective Services - Police and Bylaw
5. Protective Services - Fire
6. Protective Services - Emergency Measures
7. Protective Services - Inspection and Licences
8. Protective Services - Animal and Pest Control
9. Transportation Services - Surface Operations
10. Transportation Services - Storm Drainage
11. Environmental Health Service - Solid Waste
12. Public Health Services
13. Environmental Development Services
14. Recreation and Cultural Services

The Municipal Treasurer informed Council that K. Crowe, Purchasing Agent, was seriously ill and that there may be the need, during the year, to bolster this position with appropriate manpower resources.

ADJOURNMENT:

The Finance and Audit Committee meeting was declared adjourned at 9:00 p.m.



C H A I R M A N

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Also present were the Municipal Treasurer, Director of Planning, Municipal Engineer, Director of Permits and Licences, Parks and Recreation Director, Fire Chief, Deputy Fire Chief, Municipal Solicitor, Personnel Director, and the Municipal Clerk.

The purpose of the meeting was to give consideration to the contents of the 1988 Annual Budget.

FISCAL SERVICES

The Municipal Treasurer indicated that a total of \$242,474. was provided in the Budget to satisfy the cost of U.S. exchange on debt payable in American Funds based upon a rate of 34%. In recognition of the increasing value of the Canadian dollar, the provision should be reviewed and adjusted to reflect the current decline in the exchange rate.

The Municipal Treasurer also indicated that a debt provision of \$86,912.00 was contained in the Budget pursuant to Bylaw No. 1387 to provide for repayment of costs of road reconstruction. Mr. Dong stated that if the actual costs of completing the balance of this financed project comes in at under \$100,000.00, the debt provision will be redirected and utilized to satisfy from general operating funds the capital costs so incurred, rather than to initiate further borrowings requiring subsequent debt repayments.

TRANSFER TO GENERAL CAPITAL FUND

In reviewing the Capital Expenditures, the Municipal Treasurer indicated that a General Provision for contingency purposes had been provided in the amount of \$33,864.

- LECTERN - PLEXIGLASS AND BRASS

MOVED BY ALDERMAN LECLAIR
SECONDED BY ALDERMAN ROBINSON

That the provision of \$500.00 for a new lectern be maintained in the 1988 Budget.

CARRIED

Alderman Parker registered opposition.

- FIRE PROTECTION SERVICES

The Fire Chief indicated that he would like to see some alterations in the items included in his portion of the Capital Budget and the Committee indicated that they were prepared to give consideration to alterations and possible additions. Such changes to be considered once the total picture is clear as to revenue and expenditures.

- AUSTIN/POIRIER TRAFFIC SIGNAL

Members of Council also requested that the Engineer provide costs of installation of another Traffic Signal on Austin Avenue, possibly at Poirier Street, to provide a break in the traffic volume and to possibly control speeders to some extent.

This item to be considered prior to finalizing the Budget.

- SPEED LIMIT SIGNS

The Municipal Engineer was requested to make provision for a test, to be conducted on one of Coquitlam's major thoroughfares, of erecting Speed Limit Signs to see if such a programme would have an effect on curtailing speeders.

- 532 201 041 - CHIPPING, WASTE CLASSIFYING
COMPOUND G.V.R.D. LANDFILL SITE

The Municipal Treasurer indicated that the provision of \$20,000., presently being provided from Revenue in respect of this item, would instead be met from a revenue reserve fund, being established from Royalty Fees collected on the disposal of Ash into the Terra Nova Land Fill.

GENERAL PROVISION - OPERATION AND CAPITAL

The Municipal Treasurer advised Council that a provision of \$100,000. was contained in Account No. 299 000 000 as the fourth annual contribution to a self insurance fund.

Mr. Dong indicated that in view of the Municipality's entrance into the U.B.C.M. Insurance Plan, Council may now consider discontinuing further contributions to the self-insurance fund, but should leave the contributions which have accumulated within the fund for the primary purpose of satisfying the District's share of significant claim losses.

MOVED BY ALDERMAN ROBINSON
SECONDED BY ALDERMAN REID

That the provision of \$100,000. for contribution to the self-insurance fund be deleted for 1988.

CARRIED UNANIMOUSLY

SANITARY SEWER UTILITY FUND

The Engineer indicated that his Department will bring forward a report and recommendation related to increased sewer service rates and this report will come before Council sometime in the summer.

WATER UTILITY FUND - ENGINEERING
SERVICES DIVISION - SERVICE CENTRE

The Committee received information from the Engineer with respect to the Captioned matters and the changes which are slated for operations related to the said funds.

ADJOURNMENT

The Finance and Audit Committee meeting was declared adjourned at 7:35 p.m.



C H A I R M A N

Tuesday, March 29, 1988
Finance Committee Minutes

FINANCE COMMITTEE

A meeting of the Finance Committee of Council convened in the Council Chambers of the Municipal Hall, 1111 Brunette Avenue, Coquitlam, B.C. at 4:30 p.m. on March 29, 1988 with all members of Council present.

Also present were the Municipal Manager, Municipal Treasurer, Municipal Engineer, Director of Permits and Licences, Parks and Recreation Director, Fire Chief, Deputy Fire Chief, Municipal Solicitor and the Municipal Clerk.

DETERMINATION OF PROPERTY TAX REQUIREMENTS

The Municipal Treasurer presented the following described reports, copies of which are attached:

- 1) an updated report to Council entitled "Determination of Property Tax Requirements".
- 3) a summary of proposed tax rates by class and the corresponding levies.
- 2) a report showing the property tax impact for each member of Council.

Council reviewed the reports and discussed methods to be used to reach a desired level of taxation taking into account revenue sources available and items which could be eliminated and/or included.

LEASE OF VEHICLES FOR RECREATION DEPARTMENT

The Director of Parks and Recreation reported to Council that "External Rental Costs" of vehicles had been estimated to be \$24,420.00, inclusive of all operating costs.

It was suggested that the original Budget figure should be maintained and the vehicles be leased instead of being purchased at a cost of approximately \$119,000.00.

NEW BUDGET ITEMS

Mayor Sekora suggested that an additional item with respect to the installation of a "Poirier Traffic Control Measure" be introduced into the Budget and that the cost of this item would be \$78,300. as set out in a report from the Municipal Engineer, a copy of which is attached.

Mayor Sekora further advised that an additional amount of \$15,000.00 should also be included for additional capital items for the Fire Department.

ADDITIONAL REVENUES

Some members of Council were of the opinion that the taxation rate for major Industrial Properties should be raised to make up a portion of the shortfall between proposed revenues and proposed expenditures.

Discussion was also held in relation to withdrawing funds from the:

1. Self Insurance Fund
2. Accumulated Revenue Surplus Fund
3. Riverview Fire Protection Fund (payment from B.C.B.C. of \$1.5 million)

MOVED BY ALDERMAN ROBINSON
SECONDED BY ALDERMAN OHIRKO

That an amount of up to \$100,000.00 from each of the following funds be allocated towards the 1988 Annual Budget:

1. Self Insurance Fund
2. Accumulated Revenue Surplus Fund
3. Riverview Fire Protection Fund

And that the staff prepare a balanced Annual Budget to include funds to cover both the \$78,300.00 for the Poirier Traffic Control measure and the \$15,000.00 for additional capital items for the Fire Department.

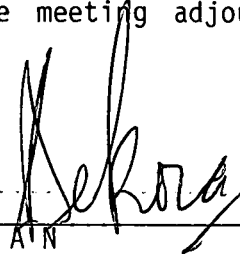
CARRIED UNANIMOUSLY

INDUSTRIAL TAX RATES

Council instructed the Municipal Manager to establish for 1988 a tax rate on major Industrial properties equal to the 1987 Industrial class rate plus 10%.

ADJOURNMENT

The Mayor declared the Finance Committee meeting adjourned. 6:55
p.m.


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C H A I R M A N

DISTRICT OF COQUITLAM
 1988 ANNUAL BUDGET ADDENDUM
 DETERMINATION OF PROPERTY TAX REQUIREMENTS

Budget Index	-----GENERAL OPERATING FUND-----					
	FROM	TO	ADD	REDUCE	TOTAL	
						<u>\$20,919,536</u>
	Preliminary Tax Requirements					
B	REVENUES					
B- 4	a/c 124000	Grant - B.C. Hydro	\$ 466,560	\$ 421,724	\$ 44,836	
		- To adjust to actual				
B-16		Regional Incinerator Ash Fee	30,000	0	30,000	
		- To Reserve				
B-18	a/c 153210	Municipal Building Rentals	35,243	37,938		2,695
		- To recognize rental increases effective July 1, 1988 (Res. 257/88)				
B-20	a/c 155110	Interest on Investments	1,733,300	1,500,000	233,300	
		- To reflect estimated investment returns				
B-23	a/c 175100	Revenue Sharing Act Grant	2,782,360	2,686,383	95,977	
		- To adjust to actual				
			<u>\$5,047,463</u>	<u>\$4,646,045</u>	<u>\$404,113</u>	<u>\$ 2,695</u>
		Net Reduction in Selected Revenue Projections				\$ 401,418
C	EXPENDITURES					
D	GENERAL GOVERNMENT					
D-94	a/c 219900	Public Relations (Business Tour)	\$ 21,000	\$ 21,800	\$ 800	
D-95	a/c 219900	Maintenance of Municipal Properties	2,000	6,400	4,400	
		- Demolishment of 528 Como Lake (\$1,500), No. 3 Fire Hall (\$2,900)				

DISTRICT OF COQUITLAM
 1988 ANNUAL BUDGET ADDENDUM
 DETERMINATION OF PROPERTY TAX REQUIREMENTS

Budget Index	-----GENERAL OPERATING FUND-----				
	FROM	TO	ADD	REDUCE	TOTAL
K	TRANSPORTATION SERVICES - STORM DRAINAGE				
K- 8	a/c 233058-000	G.V.S. & D.D. Levies	\$ 51,347	\$ 71,504	\$ 20,157
		- To adjust to actual requisition			
L	ENVIRONMENTAL HEALTH SERVICES - SOLID WASTE				
L-5	a/c 243210-000	G.V.S. & D.D. Levies	49,590	46,849	2,741
		- To adjust to actual requisition			
P	FISCAL SERVICES				
P- 5	a/c 281900	Other Debt Charges	284,474	249,474	35,000
		- To adjust for reduction in U.S. exchange rate from 34% to 29%			
Q	TRANSFERS TO GENERAL CAPITAL FUND				
Q-57	a/c 532201-041	G.V.R.D. Landfill Site - Revenue Reserve	20,000	0	20,000
		- To expend from revenue reserve			
R	GENERAL PROVISION - OPERATING AND CAPITAL PURPOSES				
R- 3	a/c 299000	Insurance Reserve	100,000	0	100,000
		- To cancel annual appropriation to insurance reserve			
R- 4	a/c 239143	Medical Services Plan	97,760	127,760	30,000
		- To provide for increased M.S.P. premiums effective May 1, 1988			

DISTRICT OF COQUITLAM
 1988 ANNUAL BUDGET ADDENDUM
 DETERMINATION OF PROPERTY TAX REQUIREMENTS

Budget Index		GENERAL OPERATING FUND				
	FROM	TO	ADD	REDUCE	TOTAL	
R-						
	Portion of Settlement Agreement with Allard	\$ 0	\$ 94,104	\$ 94,104		
	Contractors Ltd. requiring bugetary provision					
	- Accrued interest \$36,078					
	- Unrecorded gravel purchase \$ 4,000					
	- Reversal of 1984 set-off of Soil \$54,026					
	Removal fees receivable against					
	accounts payable and its subsequent					
	write-off					
		\$ 626,171	\$ 617,891	\$149,461	\$157,741	
	Net Reduction in Selected Expenditure Projections				\$ (8,280)	
	Net Increase to Preliminary Tax Requirements (represents Tax Rate increase over 1987 of 1.93%)				\$ 393,138	
	Adjusted General Operating Fund Tax Requirements				<u>\$21,312,674</u>	

Overall Increase of 1988 Tax Rates
 Over 1987 Tax Rates Required of
 4.69%.

NOTE: Each percentage increase in Tax Rates over 1987 will raise approximately \$203,000.

DISTRICT OF COQUITLAM
1988 ANNUAL BUDGET ADDENDUM
DETERMINATION OF TRANSFER FROM SANITARY SEWER FUND RESERVE

Budget Index	-----SANITARY SEWER UTILITIES FUND-----					
	FROM	TO	ADD	REDUCE	TOTAL	
III- 9 III-17	a/c 628410	Transfer from Sanitary Sewer Fund Reserve G.V.S. & D.D. Charges - To adjust to actual requisition	\$1,457,728	\$1,397,837	\$ 59,891	\$ 287,008 (59,891)
Adjusted Transfer from Sanitary Sewer Fund Reserve					<u>\$ 227,117</u>	

DISTRICT OF COQUITLAM
1988 ANNUAL BUDGET ADDENDUM
ADDITIONAL RESERVE FUND TRANSACTIONS

Budget Index	-----OTHER FUNDS-----					
	FROM	To	ADD	REDUCE	TOTAL	
Q	TRANSFER TO GENERAL CAPITAL FUND					
Q-27	a/c 532312-244	Brunette Avenues - Land Sale Reserve	\$ 50,000	\$ 20,000	\$ 30,000	\$ 20,000
Q-55	a/c 531310	Equipment Replacement - Unit 456 - 4WD light truck (Fire) - Equipment (Council Resolution 119, 1988) Depreciation Reserve		24,000		24,000
Q-67	a/c 561202	Maillardville Business Area - Land Sale Reserve	50,000	30,000	20,000	30,000
			<u>\$ 100,000</u>	<u>\$ 74,000</u>	<u>\$ 24,000</u>	<u>\$ 50,000</u>
						<u>\$ 74,000</u>

DISTRICT OF COQUITLAM
PROJECTED TAX RATES FOR 1988

1987 TAX RATES	CLASS	1988 ASSESSMENT	1988 RATIO	1988 RATE	% TAX RATE INC. 1987-1988	1988 LEVY	%	
5.84	1	2,154,755,667	1.00000	6.1141	4.69%	\$13,174,398.13	61.81%	
18.187	2	13,079,941	3.11421	19.0406	4.69%	\$249,049.93	1.17%	
19.343	4	25,161,700	3.31216	20.2509	4.69%	\$509,546.75	2.39%	
19.343	5	38,572,143	3.31216	20.2509	4.69%	\$781,120.13	3.67%	PARTNERSHIP ADJ. OF \$1,002,325
15.451	6	406,778,150	2.64572	16.1762	4.69%	\$6,580,126.60	30.87%	
7.526	8	1,631,550	1.28870	7.8792	4.69%	\$12,855.38	0.06%	
6.831	9	779,835	1.16969	7.1516	4.69%	\$5,577.07	0.03%	

						\$21,312,673.99	100.00%	
						\$21,312,674.00		

COMPARISON OF PROPERTY TAX IMPACT 1987 TO 1988
FOR EACH MEMBER OF COUNCIL

Council Member	Roll Number	Taxable Values	Tax Rates) 1987 5.8400 1988 6.1141 Diff. .2740 % 4.694% Municipal
1. Alderman W. LeClair 1988 NEW	20286-048-2	133,400	815.62
Variance		N/A	N/A
% Increase		N/A	N/A
2. Alderman W. Ohirko 1988 1987	27698-070	107,350 107,350	656.35 626.93
Variance		0	29.42
% Increase		0.00%	4.694%
3. Alderman E. Parker 1988 1987	00768-000	70,200 70,200	429.21 409.97
Variance		0	19.24
% Increase		0.00%	4.694%
4. Alderman M. Reid 1988 1987	03355-033-6	75,950 75,950	464.37 443.55
Variance		0	20.82
% Increase		0.00%	4.694%

Council Member	Roll Number	Taxable Values	Tax Rates) 1987 5.8400 1988 6.1141 Diff. .2740 % 4.694% Municipal
5. Alderman B. Robinson 1988 NEW	20286-008-6	134,150	820.21
Variance		N/A	N/A
% Increase		N/A	N/A
6. Mayor L. Sekora 1988 1987	24305-000-2	105,700 105,700	646.26 617.29
Variance		0	28.97
% Increase		0.00%	4.694%
7. Alderman D. White 1988 1987	13801-062-4	157,250 62,400	961.44 364.42
Variance		94,850	597.02
% Increase		152.00%	163.83%
8. Arbitrary 1988 1987		100,000 100,000	611.41 584.00
Variance		0	27.41
% Increase		0.00%	4.694%