

REPORT ON THE VILLAGE OF ANMORE
FINANCE COMMITTEE MEETING
July 7, 2014.

The mayor called the meeting in the gazebo in Spirit Park to order at 7:02 PM. All members of Council plus the two non-Council members Nick Cheng and Mark Roberts were in attendance, as were Manager of Corporate Services Christine Milloy and Financial Consultant Mindy Smith. Three members of the public also attended but were not permitted to speak.

The minutes of the Finance Committee meeting held on February 17, 2014 were approved. The first agenda item to be addressed was 8(a) under New Business - Funding options for a new village Hall. The construction costs are expected to range from a low of \$2.5 million to a high of \$3.4 million.

Editors' Note: Advisory Planning Commission Minutes from August 2012 show that Council wants to replace the Village Hall. In November 2012, staff was quickly moved into a temporary trailer because of "a rodent infestation." No building inspection was done until February 2013. Emerald Inspection and Consulting Ltd. (Only complete building inspection done) recommended that the Village develop a priority plan and undertake targeted repairs and maintenance to get the building completely up to commercial standing - probable cost \$663,750. The cost to buy the current administrative trailers was \$300,000 and the cost for insurance, hydro, heating etc on the vacated Village Hall is approximately \$1000 a month.

Ms Smith indicated that \$2,552,720 might be available from a number of sources in 2014. This funding includes \$1,247,453 from Capital Reserve, another surplus of \$710,031 from a surplus gathered from nothing in particular, and \$18,000 Capital Reserve interest for the infrastructure replacement. As well, it includes a donation of \$595,236 from a developer. This amount was originally donated for the community center/daycare to be built in Anmore. Ms. Smith cautioned that using Capital Reserves in this way would leave very little for infrastructure maintenance and replacement, and for emergencies.

Editors note: Perhaps things have changed since then, but as we understood it, when the donation from Mr. Smurthwaite was given to the Village, approximately \$200,000 was spent on architectural drawings for a community center/daycare. The donation was to be pro-rated two thirds of the donation to the community center and one third to the childcare center. Thus a portion of this grant would already be spent.

Ms Smith indicated that in 2015, the Capital Reserve contribution could be \$455,000 plus \$18,000 Capital Reserve interest, for a total of \$473,000.

Her paper on options is linked below this report on the meeting. She discussed the topic under six categories: 1) available grant funding, 2) timing of

construction, 3) available Village funds 4) other uses of Village funds, 5) market impact, and 6) strategy.

1. Grant funding. Ms Smith proposed hiring a consultant who is already well versed in available funds.
2. She suggested moving as quickly as possible to get preliminary plans and cost estimates. She said you don't want to do the work and then lose the grants. She also said that markets could rise. The final costs could go up while sources of funds are being identified.

Editors' Note: Is the corollary that markets can also fall?

Mayor Anderson indicated that Council should have a plan as soon as possible so they will have an idea of what the facility will cost. Ms. Smith suggested that the grant application should be as high as possible. If it is a two third/ one third share, the Village has to pay if the costs go higher. Mr. Cheng was assured that the Reserves are currently well invested and the interest rate is good.

Councillor Green talked about a number of potential grant sources. Mr. Roberts gave Council some good news about a new grant from gas tax of \$50,000 to each municipality with a further portion available according to population. He also wanted to know why there was such a big difference between the low cost and the high cost estimates for a new Village Hall/ Community Centre. He said that \$900,000 variance in expected construction cost is high. Mayor Anderson indicated that CAO Tim Harris is looking into modular construction.

Councillor McEwen was concerned about the monthly cost of keeping the old Village Hall operating. He thought it was around \$2000 a month but was corrected. He was told that it's actually somewhere around \$1000 a month. He said that there are priorities for the Capital Reserve Fund including infrastructure upgrades on Sunnyside Road, and/or some of the streets currently in very bad repair like Sugar Mountain Way and Thomson Road. He was also concerned that the Village risked losing MRN funds for spending the Capital Reserve Funds on other than the identified infrastructure upgrades.

Mayor Anderson indicated that some thought would have to be given to what to do with the old building. She said that Mr. Harris indicated that it would cost \$800 a month for storage elsewhere other than the old village Hall. As well, the old Village Hall is currently used for other purposes, including public washrooms.

Councillor Thiele reminded Council that the Water Utility Plan and the Capital Asset Management Plan are currently underway. She indicated that it is difficult to plan the expenditures for a new Village Hall without having the whole picture for these funding decisions.

Mayor Anderson wants to talk to the public about funding a new Village Hall in the Fall. Councillor McEwen asked how much the consultants were going to charge to identify and find available grants. He was told that they would charge \$90 an hour. Christine Milloy indicated that the preliminary investigation of available funding sources would likely cost anywhere between \$4000 and \$10,000.

Mr. Roberts inquired as to how well the temporary trailers purchased by the Village were working. Ms. Milloy said that they were fine but that office space was getting a little cramped with two Emergency Preparedness Command Center cabinets. She said that the old Village Hall is also being used to store archives. She said the cost of maintaining the old Village Hall is a wash because storage and other costs for not using the building would have to be spent.

Mr. Cheng talked about the possibility of having a fundraising campaign to build the new Village Hall. Councillor Green talked about private/public collaboration and her successes in fundraising for Mossom Creek hatchery. She proposed establishing a separate public-private foundation for the running of the Village Hall. Mr. Roberts indicated that he had heard a number of horror stories about such arrangements. He also said that the Village has very little capacity to borrow for this purpose. There were concerns about public perception when Councillor Green talked about taking money from developers as a donation to the project.

Editors' Note: Anmore already has had a bad experience with establishing a not-for-profit private/public Foundation. The Anmore Renewable Energy Foundation had its charitable status revoked by the Canada Revenue Agency. It was desolved in October 2009 still owing closed to \$70,000. Former Mayor Weinberg and Councillors McEwen and Palmer resigned as AREF trustees and Mayor Weinberg resigned from Council a month later, one year into a three year term.

Item 8(b) on the Agenda under New Business was the 2015 to 2019 Financial Plan – Budget Calendar. There were some concerns about how realistic or not the timeline options are in light of the Municipal Election to be held in October 2014. Staff presented calendar options for the development of the financial plan. Ms. Smith spoke about best practices and moving towards a multiyear plan. Current operations are on a year-to-year basis. Council agreed to the following timeline:

1. 2015 to 2019 Financial Plan Documents to Committee – August 22, 2014
 2. Committee Deliberations – September 15, 2014
 3. Committee approval in principle – October 20, 2014
 4. Public Process - January 2015
 5. Reaffirm Strategic Plan; Policies – January 2015
 6. Financial Plan approvals – February 2015
- Add 'Budget 101' classes for new members of Council

Item 8 (c) under New Business, a request by CAO Tim Harris for additional funding of \$18,000 for CitySpaces consultants for the Official Community Plan review was approved from current year surplus.

Editors' Note: Stats from Anmore Annual Report for 2013 (June 23, 2014) show that planners from CitySpaces Consultants received \$178,857 in 2013.

Under item 8 (d) New Business, Councillor Thiele suggested that Council should come up with a position on how it stands relative to the Financial Sustainability Plan Final Report prepared by Vann Struth consultants. She said that to date Council had not done this. Christine Milloy, reminded Council that they are not permitted to talk about the issues that pertain to the Official Community Plan after the Public Hearing is held and before the third reading of the bylaw.

Council decided to receive the report and staff will come back to the Finance Committee once the Official Community Plan Bylaw has been passed in the Fall. Ms. Smith also indicated that the recommendations in the report could be considered within the context of the budget process.

The next meeting of the Finance Committee is scheduled for Monday, September 15. The meeting adjourned at 8:51 PM.