



CORPORATION OF THE TOWNSHIP OF ESQUIMALT

**MINUTES
SPECIAL MEETING [BUDGET]
OF MUNICIPAL COUNCIL
MONDAY, MARCH 16, 2010**

**5:45 P.M.
COUNCIL CHAMBERS**

PRESENT: Mayor Barbara Desjardins
Councillor Lynda Hundleby
Councillor Meagan Brame
Councillor Alison Gaul
Councillor Donald Linge
Councillor Randall Garrison

REGRETS: Councillor Bruce McIldoon

STAFF: Laurie Hurst, Chief Administrative Officer
Robin Middleton, Director of Financial Services
Mary Turner, Deputy Director of Financial Services
Carollyne Evans, Corporate Administrator

1. **CALL TO ORDER**

Mayor Desjardins reconvened the recessed meeting at 5:45 p.m.

2. **FINANCIAL SUSTAINABILITY**

(1) Power Point Presentation – Director of Financial Services

Director Robin Middleton provided a power point presentation and explained

- a) Bill 35 Requirements
- b) The three outstanding objectives from the Financial Plan
- c) The policies to implement
- d) Sidney's 2009 Tax Rate comparison data
- e) A Service comparison chart of the 12 surrounding municipalities
- f) Esquimalt tax data
- g) Council considerations
- h) Permissive tax exemptions
- i) Development cost charges
- j) A formal sustainability policy
- k) Council direction

Director Middleton noted that Esquimalt's residential tax rate is the highest of all South Island municipalities. Esquimalt does not have the retail base of Victoria or the assessment base of Oak Bay. Esquimalt also provides all its services whereas most of the other municipalities cost-share.

Director Middleton noted the significant shift in the major industry tax revenue percentage from .94 in 2008 to 1.88 in 2009 is due to the addition of one property and reassessments.

Chief Administrative Officer Laurie Hurst advised Council that a general statement about examining the feasibility of development cost charges could be included in the Township's Five Year Plan Policies and Objectives.

Moved by Councillor Gaul, seconded by Councillor Brame that Council request a specific objective to review development cost charges be included in the Policies and Objectives attached to the Financial Plan Bylaw.

The motion **CARRIED** with Mayor Desjardins, Councillors Linge, Brame, Garrison, Gaul In Favour and Councillor Hundley Opposed.

Discussion ensued on how to balance the tax burden amongst the classes. Comment was made that Council think strategically. An objective could be to shift the tax burden to an expanding tax base through encouraging economic development in the retail property class and by developing a downtown revitalization incentive plan.

CAO Hurst advised that although the final assessment roll has not been received, staff can draft some general policy statements and also bring back tax rates based on completed roll. She added there are other taxes that the Township collects on behalf of other government bodies [school, hospital, CRD, MFA, BC Assessment Authority, BC Transit] that are not known until the end of March/early April. Mayor Desjardins noted it is key to remember taxes for sewage treatment will start to roll out in 2014 and taxes for the Royal Jubilee expansion until 2017.

CAO Hurst stated staff would like to explore objectives and policies around the permissive tax exemption, downtown revitalization and green initiatives and the impact of those initiatives. She noted this work would be done entirely in house by staff and would come back to the Committee of the Whole. Caution was raised not to shift the costs of initiatives onto the residential tax base which is already the highest in the area.

Concern was expressed that revenue was lost on development that occurred even without exemptions. CAO Hurst stated the Director of Financial Services will present suggested wording at the next Budget meeting on March 29th.

Question was raised about the frequency of reviewing user fees and it is important that the public see how fees are calculated.

Question was raised about how grants in lieu impact the tax rate. CAO Hurst stated tax exemptions for revitalizations and specified areas are not reflected in the tax rate but do impact the budget.

Question was asked if there are any opportunities for staff to provide ideas on improving efficiencies or offering new initiatives. CAO Hurst stated staff has been developing revenue generating ideas which will come back to Council.

Question was raised regarding the Township's financial health. CAO Hurst stated the Township is considered by KPMG to be in good financial health.

3. ADJOURNMENT

Moved by Councillor Brame, seconded by Councillor Hundleby that the Special Meeting [Budget] of Council recess at 6:50 p.m. to March 29, 2010.

The motion **CARRIED UNANIMOUSLY**.

MAYOR OF THE CORPORATION OF THE
TOWNSHIP OF ESQUIMALT
THIS 29th DAY OF March, 2010

CERTIFIED CORRECT:

CAROLLYNE EVANS
CORPORATE ADMINISTRATOR