



**Regional District of Central Kootenay
SPECIAL (BUDGET) BOARD MEETING
Open Meeting Minutes**

The **first** Special (Budget) meeting of the Board of the Regional District of Central Kootenay in 2024 was held on Friday, January 19, 2024 at 9:00 a.m. through a hybrid meeting model.

ELECTED OFFICIALS

PRESENT

Chair A. Watson	Electoral Area D	In-Person
Director G. Jackman	Electoral Area A	In-Person
Director R. Tierney	Electoral Area B	In-Person
Director K. Vandenberghe	Electoral Area C	In-Person
Director C. Graham	Electoral Area E	
Director T. Newell	Electoral Area F	
Director H. Cunningham	Electoral Area G	In-Person
Director W. Popoff	Electoral Area H	In-Person
Director A. Davidoff	Electoral Area I	
Director H. Hanegraaf	Electoral Area J	
Director T. Weatherhead	Electoral Area K	In-Person
Director B. Bogle	City of Castlegar	In-Person
Director A. DeBoon	Town of Creston	In-Person
Director S. Hewat	Village of Kaslo	In-Person
Director A. McLauren-Caux	Village of Nakusp	In-Person
Director K. Page	City of Nelson	In-Person
Director D. Lockwood	Village of Salmo	In-Person
Director L. Main	Village of Silverton	In-Person
Director J. Lunn	Village of Slocan	In-Person

ELECTED OFFICIALS

ABSENT

Director M. McFaddin	City of Castlegar
Director L. Casley	Village of New Denver

STAFF PRESENT

S. Horn	Chief Administrative Officer
A. Lund	Deputy Corporate Officer
Y. Malloff	Chief Financial Officer/General Manager of Finance, Information Technology and Economic Development
J. Chirico	General Manager of Community Services
S. Sudan	General Manager of Development & Community Sustainability Services
U. Wolf	General Manager of Environmental Services
D. Séguin	Manager of Community Sustainability
N. Wight	Planning Manager
H. Smith	Finance Manager
C. Gainham	Building Manager
C. Gaynor	Regional Parks Manager
C. Stanley	Regional Manager Operations & Asset Management
T. Davison	Regional Manager Recreation & Client Services
M. Friesen	Financial Analyst
D. Zol	Financial Analyst

D. Elliott

Communications Coordinator

1. WEBEX REMOTE MEETING INFO

To promote openness, transparency and provide accessibility to the public we provide the ability to attend all RDCK meetings in-person or remote (hybrid model).

Meeting Time:

9:00 a.m. PST

10:00 a.m. MST

Join by Video:

<https://nelsonho.webex.com/nelsonho/j.php?MTID=md29d89aa4786b302bdecb1bdc48af83d>

Join by Phone:

+1-604-449-3026 Canada Toll (Vancouver)

Meeting Number (access code): 2774 226 5209

Meeting Password: S5iMH3qqbj4 (75464377 from phones)

In-Person Location:

202 Lakeside Drive - Boardroom

Nelson, BC

2. CALL TO ORDER & WELCOME

2.1 TRADITIONAL LANDS ACKNOWLEDGEMENT STATEMENT

We acknowledge and respect the Indigenous peoples within whose traditional lands we are meeting today.

2.2 ADOPTION OF THE AGENDA

Moved and seconded,

And Resolved:

48/24

That Item 3.11 Portion of Electoral Area E Procter/Harrop/Balfour/Queens Bay Recreation Commission No. 10 be included in the agenda.

**Carried
2/3 vote**

Moved and seconded,

And Resolved:

49/24

The agenda for the January 19, 2024 Special Open Board meeting be adopted with the inclusion of Item 3.11 Portion of Electoral Area E Procter/Harrop/Balfour/Queens Bay Recreation Commission No. 10 and the addition of the addendum before circulation.

Carried

3. NEW BUSINESS

CFO Malloff indicated to the Board that the financial plan is a "preliminary draft" and discussed the following:

- that many year-end allocations and adjustments need to be incorporated into the draft financial plan that may have a significant effect on items, such as prior year surplus carried forward;
- more information becomes available on a daily basis;
- many services will have additional reviews of the budget at the committee/commission level over the coming weeks;

- reviews are in progress regarding funding levels for shared and contribution services with various municipalities and other partners; and
- the final General Administrative and IT fees remain to be calculated.

CFO Malloff indicated the public budget information sessions will be held between February and mid March and the draft budget will be ready for adoption by March 21, 2024.

3.1 RDCK BUDGETING 101

CFO Malloff provided an overview of the RDCK services.

DIRECTOR PRESENT Director Lunn joined the meeting at 9:16 a.m.

3.2 2023 SUMMARY

CFO Malloff provided a 2023 overview and discussed the following:

- the spending on wages, benefits, services and most other operating expenses trending significantly under budget for 2023;
- the user fees and other sales of services revenue items (eg: building permits) are significantly under budget for 2023;
- the capital project expenditures are under budget, largely offset by reduced borrowing and transfer from reserves to fund projects;
- it is too early to provide a solid overall financial picture of 2023; and
- the prior year surpluses are being carried forward to reduce taxation in future years.

3.3 2024 ASSESSMENTS

CFO Malloff discussed the following regarding the 2024 Assessments:

- how the annual property taxes are calculated;
- market & non-market changes to assessment values;
- converted assessment values;
- residential (converted) assessment changes from 2023 to 2024;
- annual assessment change (1 year vs. 8 year average);
- provided an example of the tax effect of assessment changes;
- tax area types and examples of services; and
- provided an example of a requisitions and assessed value for 2024.

3.4 2024 OUTLOOK

CFO Malloff provided a 2024 outlook and discussed the following:

- Consumer Price Index (CPI) increases on staff salaries and Director's stipends of 6.2% - the 2024 CPI increase is a catch-up from prior years;
- inflation and supply chain constraints will continue to have a cost impact across many services and projects/initiatives;
- interest rate increases are continuing to put pressure on both short term and long term borrowing costs with a partial offset from increased investment income; and
- the projected overall tax increase of approximately 11% for 2024.

CFO Malloff indicated there was a correction to the presentation and the “potential for the 11% year over year increase to drop to less than 10% by the March board budget meeting, largely driven by year end investment income allocations” was not going to occur.

RECESSED/

RECONVENED

The meeting recessed at 10:35 a.m. for a break and reconvened at 10:45 a.m.

DIRECTOR ABSENT

Director Davidoff left the meeting at 10:45 a.m.

2024 Outlook discussed continued.

- staff recruitment continues to be a challenge;
- HR initiatives;
- the continued work on the implementation of the Asset Management Program;
- the hybrid work model for staff has worked well and has reduced the need for building expansion or a new location; and
- the focus on implementing, and tying initiatives, workplans and goals to the strategic plan approved by the Board in December 2023.

CFO Malloff addressed the calculation for the 2024 salaried staff wages and Director's stipend increases as per the "RDCK Terms and Conditions of Employment" and the "Chair, Directors and Alternate Directors Remuneration Bylaw No. 2710, 2021". He provided a graph that indicated the cumulative change for CPI and wages from 2017 to 2023.

DIRECTOR PRESENT Director Davidoff rejoined the meeting at 11:01 a.m.

CFO Malloff discussed the 2024 requisition change in the current draft financial plan vs. the prediction from the 2023 financial plan.

3.5 GENERAL ADMINISTRATION

CFO Malloff provided an overview of the core service budget summary.

CFO Malloff discussed the following regarding the General Administration Service S100:

- the service includes Corporate Administration, Finance, Information Technology, Human Resources, Chief Administrative Officer and municipal directors;
- 6.2 % CPI increase in staff wages and Director's stipend increases;
- mileage rates set by Canada Revenue Agency increased to \$0.70/km on January 1, 2024;
- catch-up on post-pandemic training opportunities for staff continue;
- requisition is basically flat for 2024; and
- year over year increase is 9%.

CFO Malloff provided an overview of the services included in General Administrative Service S100.

CFO Malloff and CAO Horn answered the Board's questions.

ORDER OF AGENDA CHANGED The Order of Business was changed to address public time, with Item 4 Public Time considered at this time.

4. PUBLIC TIME

The Chair called for questions from the public and members of the media at 11:45 a.m.

No questions from the public or media.

ORDER OF AGENDA RESUMED Item 3.5 General Administration discussion continued.

RECESSED/ RECONVENED The meeting recessed at 12:00 p.m. for lunch and reconvened by 12:35 p.m.

3.6 RURAL ADMINISTRATION

CFO Malloff provided an overview of the Rural Administration Service S101 and discussed the following:

- the service houses rural directors expenses, fire services overhead and bylaw services;
- 6.2% CPI increase in staff salaries and rural director stipends;
- UBCM fire training grant supports staff wages, equipment and other training costs;
- 5% total increase in requisition for 2024;
- monies spent on unsightly property remediation in 2023 has been submitted to the province for recovery through property taxation for the property owners; and
- includes for the fire services command unit to be funded from reserves.

CFO Malloff and CAO Horn answered the Board's questions.

3.7 GEOSPATIAL INFORMATION TECHNOLOGY (GIS)

CFO Malloff provided an overview of Geospatial Information Systems (GIS) Services S102 and discussed the following:

- projected \$79K surplus carried forward from 2023;
- 6.2% CPI increase for GIS staff;
- GIS strategic assessment to review processes, software and technology to support future initiatives including asset management;
- 2024 requisition is reduced by 20K from the projection from the 2023 financial plan due to increased funding from other services for projects; and
- includes funds for the replacement of the real time kinematics unit and field computer funded from reserves.

Sangita Sudan answered the Board's questions.

3.8 BUILDING INSPECTION

CFO Malloff provided an overview of Building Inspection Services S103 and discussed the following:

- 6.2% CPI increase in salaries for Building staff;
- need fully staffed department to ensure better turn around on permit issuance and improved customer service;
- permit fees are down substantially (over \$300K) from 2023 - full staffing is required to service existing active permits;
- construction costs will be assessed using Marshall Swift Estimator which should drive an increase in permit revenue compared to previous methods; and
- to be included in the 2024 financial plan a phased digitization of historic building permits, replacement of building vehicles, CloudPermit implementation, replacement of laptops and funds for the mobile Starlink hardware.

Chris Gainham answered the Board's questions.

Moved and seconded,
And Resolved:

50/24

That the Board approve \$200,000 to be included as a transfer from reserve in the draft 2024 Financial Plan for S103 Building Inspection, and that requisitions be reduced in the draft plan by the same amount.

Carried

3.9 PLANNING

CFO Malloff provided an overview of Planning Service S104 and discussed the following:

- majority of the costs are staffing;

- 6.2% CPI increase in salaries for Planning staff;
- 19K reduction in requisition for 2024 compared to the estimate in the 2023 financial plan; and
- some opportunities exist for grants and other funding for planning projects from new provincial housing program.

Nelson Wight answered the Board's questions.

3.10 STAFFING

3.10.1 For Information: Community Services - Regional Park Staff

The Board Report dated January 3, 2024 from Craig Stanley, Regional Manager Operations and Asset Management, seeking Board approval to hire additional regional parks staff, has been received for information.

Joe Chirico, General Manager of Community Services, provided the Board with details for the staffing request and answered the Board's questions.

3.10.2 For Information: Development and Community Sustainability - Emergency Program Coordinator

The Board Report dated January 4, 2024 from Dan Séguin, Manager of Community Sustainability, seeking Board approval to hire an additional Emergency Program Coordinator - Nelson, has been received for information.

Dan Sequin, Manager of Community Sustainability, provided the Board with details for the staffing request and answered the Board's questions.

DIRECTOR ABSENT Director Newell left the meeting at 2:27 p.m.

3.11 PORTION OF ELECTORAL AREA E PROCTER/HARROP/BALFOUR/QUEENS BAY RECREATION COMMISSION NO. 10

DIRECTOR PRESENT Director Newell rejoined the meeting at 2:30 p.m.

Director Graham provided an overview of the Recreation Commission No. 10 service.

Director Page discussed the delivery of recreation services for Nelson, Areas E and F, the process taken for discontinuing the Recreation Commission No. 10 service for a year. Director Page requested more discussion regarding the service and how to move forward. He requested to restore the budget for 2024 and renew the commission member's terms until there are more details provided in April 2024.

Moved and seconded,
And Resolved:

51/24

That the Board refer any discussions regarding Portion of Electoral Area E Procter/Harrop/Balfour/Queens Bay Recreation Commission No. 10 until the Electoral Area E Director is able to hold a public meeting in February 2024.

Carried

5. ADJOURNMENT

Moved and seconded,
And Resolved:

52/24

That the meeting adjourn at 3:05 p.m.

Carried

Originally signed by

Aimee Watson, RDCK Board Chair

Originally signed by

Angela Lund, Deputy Corporate Officer