

To provide input on an item on the agenda, please call (250) 632-8900 or email dok@kitimat.ca by 4:30 p.m. on Monday, December 14, 2020.



KITIMAT

A Marvel of Nature and Industry

COMMITTEE OF THE WHOLE
MEETING TO BE HELD AT MUNICIPAL HALL,
270 CITY CENTRE
ON MONDAY, DECEMBER 14, 2020 AT 6:00 P.M.

1. Call to Order
2. Public Input / Questions on Agenda Items
3. Media Inquiries - For Clarification Only
4. New Business/Adoption of Agenda
5. Airshed Group
6. 2021 Budget Deliberations (budget binders previously provided)

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**CLOSED MEETING TO BE HELD FOLLOWING
THE COMMITTEE OF THE WHOLE
ON MONDAY, DECEMBER 14, 2020**

Call for Closed New Business Items and Agenda Changes

Moved by _____, Seconded by _____.

THAT the agenda be adopted and Council deal with
these matters in closed session.

At this point the public leaves.

- | | |
|--------|---|
| Page 1 | 1. Closed Meeting Minutes – 7 December 2020 |
| Page 3 | 2. Closed Meeting Minutes – 9 December 2020 |
| Page 5 | 3. Negotiation item between the municipality and a provincial or federal government– S.90(2)(b) |
| | 4. Release of Closed Items |
| | 5. Adjournment |

NOTICE

Date: 14 December 2020
File No: 1.6.3.29
To: Mayor and Council
From: Ethan Anderson, Director of Corporate Administration
Re: Kitimat Airshed Group



Councillor Gibson provided the following documents with respect to the Kitimat Airshed Group:

- 1) Kitimat Airshed Group Draft Bylaws
- 2) Kitimat Airshed Group Draft Constitution

The following motion is offered for Council:

THAT Council ratifies approval of the Kitimat Airshed Group's Bylaws and Constitution.

Attachments:

- 1) Kitimat Airshed Group Draft Bylaws; 2) Kitimat Airshed Group Draft Constitution

Kitimat Airshed Group DRAFT Bylaws (for Governance Committee approval)

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General Points for Consideration:

This document is a living document which may be continuously changed throughout the Bylaws development process, and should be reviewed periodically to ensure it fully reflects the needs and objectives of the Kitimat Airshed Group.

Conflict with Act or Regulations

If there is conflict between these Bylaws and the Societies Act or the regulations under the Societies Act, the Societies Act or the regulations, as the case may be, will prevail.

Code of Conduct

All members of the Kitimat Airshed Group (the Group) will adhere to this Code of Conduct while conducting all operations relating to the Kitimat Airshed Group. The Code of Conduct (and all behaviours expected of the Group) are as follows:

1. Psychological safety
 - a. Help people and organizations feel safe
 - b. Adopt a professional attitude
 - c. Be kind to each other, and show mutual respect and appreciation
 - d. Be transparent, authentic (honest and genuine), and open.
2. Objectivity
 - a. Use objective data to inform decisions
 - b. Work towards shared group success
 - c. Build trust through a fact-based approach and mutual understanding
 - d. Be tough on the problem, but not on the people or organizations.
3. Confidentiality
 - a. Ensure that messages (i.e. media releases) that leave the Group are approved by the Group
 - b. Bring problems and issues that need solving to the Group as a whole instead of outside the Group
 - c. Respect and honour the decisions of the Group once a decision has been made
 - d. Inform the Group if information cannot be shared for confidentiality reasons and/or discuss alternative solutions (e.g. alternative information data sources, confidentiality agreement, etc.).
4. Accountability
 - a. Be accountable
 - b. Define roles such as Chair, Vice-chair, Secretary/treasurer, General Member, and Secretariat
 - c. Have an agenda for meetings and a workplan following meetings
 - d. Plan and prepare for your contribution
 - e. Support the actions and decisions of the group
 - f. Ensure that actions and next steps are clearly defined and fairly delegated
 - g. Support prioritization of the work plan based on considerations such as budget and resourcing
 - h. Disclose existing or potential conflicts of interest.
5. Managing “Air-time”
 - a. Make sure all participants get a fair amount of “air-time”
 - b. Avoid dominating the conversation
 - c. Draw out silent participants to ensure active participation
 - d. Respect the need for breaks

- e. Stay on topic – use parking lots if needed
- f. Note the unique nature of online meetings and help out as required.

Vision of the Kitimat Airshed Group

The public has access to and understands, trusted air quality information from a representative monitoring network, which informs decisions and prioritizes the overall health, wellbeing and safety of people and the environment.

Mission

The Kitimat Airshed Group facilitates communication between the public, industry, First Nations, and government agencies to promote transparency and continuous improvement in the airshed as well as providing input for the Statutory Decision-Making process. The Kitimat Airshed Group provides air quality education to support public awareness of timely, representative, and scientific monitoring data that has been reviewed and promotes clean air for the health, wellbeing and safety of people and the environment.

Scope

The scope of the Kitimat Airshed Group is:

1. To review, analyze and report on data from continuous and passive ambient air quality monitoring stations that are representative of the Kitimat Airshed on an ongoing basis;
 - a. Representative monitoring locations will be based on a transparent scientific process (by a third-party qualified professional) considering geography and meteorology, adequate coverage to monitor human health and environmental impacts, inclusion of all relevant contaminants of concern, current permit conditions, and existing and probable emission sources.
 - b. The review should consider climate change impacts (e.g. large forest fires).
 - c. The review should also consider existing studies as part of definition of geographic scope for monitoring.
 - d. It is anticipated that the Kitimat Airshed Group will hire a third-party vendor to provide ongoing monitoring and/or maintenance services of the air monitoring network, pending feasibility review in line with best practices.
 - e. Air quality data reporting should provide context on industry activities as well as other factors that have influence on the air quality during the data collection time frame.
2. To provide input and recommendations to government (municipal, provincial, and First Nations levels of government) officials relating to the management and protection of the Kitimat Airshed;
3. To promote positive/constructive relationships in the community through education, ongoing communication, transparency, and outreach;
 - a. Facilitate ongoing discussions and collaboration among stakeholders with an interest in the management and protection of the Kitimat Airshed/
 - b. Promote public awareness of air quality and citizens' own impact on the Kitimat Airshed;
 - c. Develop ongoing partnerships with academic institutions/
 - d. Discuss potential emerging air quality issues and how KAG can support resolution of the issues.
4. To measure impacts from emissions on ambient air quality in the Kitimat Airshed. The geographic area of the Kitimat Airshed Group shall be defined by the assessment outlined in Scope (Point 1)

above, or “gap assessment”. Once this assessment is completed, a phased implementation plan will be developed for addressing gaps associated with monitoring locations, contaminants of concerns, geographic coverage and/or group composition. Information beyond the geographic area may be considered to understand air movement and potential impacts.

Membership

Definition of a Member

1. A member is defined as an individual or organization/group that fits the membership eligibility requirements.

Membership Eligibility Requirements

1. All members must have a connection to the Kitimat Airshed either through:
 - a. Impact on air quality (e.g. an emitter in the airshed)
 - b. Residing within the airshed region, which will be defined by the third-party review (outlined in Scope, Point 1)
 - c. Fulfilling an advisory role and providing input on improvement of air quality within the airshed

Membership Application and Admission

1. An interested party which meets the eligibility criteria, may apply to be a general member of the Kitimat Airshed Group by submitting a written expression of their intent and reasons for joining the Group.
2. Approval of a membership application, and thus admission of a member, is solely at the Governance Committee’s discretion, using consent-based decision making outlined in these Bylaws. Membership applications will be reviewed at Governance Committee meetings and approval will be communicated to new members by the Governance Committee or the Secretariat.

Member not in Good Standing

1. A member would be “not in good standing” if:
 - a. Membership fees are in arrears.
 - b. The member does not follow the Bylaws.
 - c. The member (primary or alternate representative) on the Governance Committee, Data Review Committee, or any other sub-committee, misses two consecutive meetings (without permission of the Governance Committee), this would qualify as not meeting the attendance threshold.
2. Members who are “not in good standing” are not allowed to vote.
3. Members will be returned to good standing at the discretion of the Governance Committee.

Revocation of Membership

1. Members may have their membership revoked by the Governance Committee.
2. Members may have their membership revoked if they are “not in good standing”.
3. The Governance Committee may revoke membership through the following process:

- a. The Governance Committee will issue two warnings for a member to return to good standing.
 - b. The member may have the opportunity to address the Governance Committee to discuss their reasoning for not being in good standing.
 - c. Upon the third warning, if the member does not return to good standing, the Governance Committee may revoke their membership.
4. The former member may address the Governance Committee to discuss reinstatement of membership, on a case by case basis.

Voluntary Relinquishment of Membership

1. A member may, at any time, voluntarily relinquish their membership to the Group through delivering their resignation in writing to the Group. The Governance Committee will accept the resignation and remove said member from the registry.

General Membership Guidelines

1. Membership will be annual and may be renewed each year.
2. All individuals/companies who hold membership will have a formal primary and secondary representative. These will remain consistent unless notice of change is given to the Group at least one month in advance. Only one representative is required at meetings. If both the primary and secondary participants cannot attend the meeting, that member will forfeit their voice and vote at a given meeting. Formal notice to the Group about changes to primary or secondary representatives is required.
3. New members, inducted post July 2021, are required to undertake new member orientation and training as set out by the Group. The composition, organization, updating, and maintenance of these training materials is the responsibility of the Secretariat. This includes, but is not limited to:
 - a. Introduction and training in group decision-making and discussion methods.
 - b. Introduction and information on the Group's history and the airshed.
 - c. Overview of relevant and important decisions and actions taken by the Group to date.

Membership Fees

1. All members will pay an annual membership fee consistent with their capacities, capabilities, and status designations, as amended from time to time.
2. The amount of annual membership fees will be established by the Governance Committee through the annual budgeting process.
3. It is expected that members will provide in-kind contributions (e.g. providing expertise, venues for meetings, knowledge in grant writing, facilitation, communication, etc.).
4. The membership fee structure will be reviewed by the Governance Committee annually.
5. General membership fees will be due at the Annual General Meeting (AGM) or at time of enrollment.

Specified General Member Roles

General Members

1. General members are responsible to be prepared for all general membership meetings, which includes, but is not limited to:
 - a. Completing pre-readings
 - b. Determining possible objections to decisions being made
 - c. Contributing to coming to consent on a given proposal
2. General members have the right to:
 - a. Vote in all General Membership voting processes
 - b. Contribute to discussions at general membership meetings and AGMs
 - c. Participate in sub-committees established by the Governance Committee
 - d. Address the Governance Committee.

Advisory Members

1. Advisory members may be appointed by the Governance Committee. These members will not have a vote but may contribute to Group discussion. Examples of advisory members include academic, technical, political, and First Nations advisors.
2. Advisory members are categorized as follows:
 - a. General members who do not have a vote in official election proceedings
 - b. Individuals who are not eligible for general membership but have been invited by the Governance Committee to participate in Group activities.
3. Advisory members will have an obligation to:
 - a. Advise on best practices for the Group
 - b. Use their expertise to provide independent, objective opinions and advice to the Governance Committee.
4. Advisory members have the right to:
 - a. Participate in general membership meetings and AGMs
 - b. Participate in sub-committees established by the Governance Committee.

Secretariat

1. The Secretariat shall be a third-party individual or organization who completes the Group's administrative and financial duties, including but not limited to:
 - a. Note-taking at all Group and sub-group meetings
 - b. Keeping records in accordance with the Societies Act
 - c. Performing financial bookkeeping and reporting in accordance with Societies Act and as outlined in the Funding section of these Bylaws
 - d. Developing and maintaining orientation materials to be used in induction of new members
 - e. Maintaining website and tracking queries from the public
 - f. Sending internal communications to members (e.g. for upcoming meetings)
 - g. Any other duty which the Governance Committee deems should be the responsibility of this position.
2. The Secretariat will report to the Chair of the Governance Committee.
3. The Secretariat's position will be funded by the Group.

Data Review Committee

1. General Members may apply to the Governance Committee to be a participant on the Data Review Committee.
2. Third-party advisory individuals may be appointed by the Governance Committee to participate on the Data Review Committee.
3. The Data Review Committee's primary responsibility will be to provide validation and communication of air quality monitoring data for the group and the public, and work towards continuous improvement.
4. The Data Review Committee may retain the services of qualified professionals and academic institutions to carry out its mandate.
5. A Data Review Committee member (with the exception of Rio Tinto members) may participate in the day-to-day operations of the air quality monitoring stations with Rio Tinto and the service provider.

Governance Structure

Governance Committee

1. Governance Committee Members will be defined as "Directors".
2. The primary role of the Governance Committee will be to guide the Group's strategy and operations toward achieving its vision and mission as outlined in these Bylaws.
3. The Governance Committee will approve an annual budget.
4. The Governance Committee will approve the operation of semi-autonomous working groups (sub-committees) to form and operate within the Group to advance the vision and mission of the Group and/or to address specific airshed issues as they arise.
5. All decisions made within the Governance Committee will be made through consent-based decision-making as outlined in these Bylaws. Governance Committee members will receive training on this decision-making model.
6. The Governance Committee strives to have cross-sectional representation from among its members.
7. Mandated seat representation will be chosen by the organization or group which holds that seat. The Governance Committee will be comprised of 4 mandated (non-elected seats) which include:
 - a. Permit holder 1: Rio Tinto
 - b. Permit holder 2: LNG Canada
 - c. District of Kitimat
 - d. Haisla Government
8. The Governance Committee will be comprised of 4-5 elected seats. These seats will consist of representatives of the following areas/organizations and only allow for a restricted number of each:
 - a. 1 labour union or professional association
 - b. 1 small/medium local business with an interest in air quality or the Kitimat Chamber of Commerce
 - c. 1-2 citizen residents of the airshed (no organizational affiliation necessary) *
 - d. 1-2 NGOs with an interest in air quality*

(*There will be of up to 3 seats between c. and d. combined)
9. General members may apply for the elected director seats and will be chosen by a vote of the general membership of the Group, as outlined in the "Voting" section of these Bylaws at the

AGM. General members may only apply for an elected Director position if they fit the elected seat categories as outlined. Application for upcoming seats must be submitted to the current Governance Committee to be shared and reviewed with the general membership a month prior to the vote. Applications must address the following:

- a. Why the member is interested in the group and the outcome of the group's actions.
 - b. How the member has been involved in air quality issues and their personal interest with these issues.
10. Elected Directors will hold their seats for a 2-year term, and can re-apply for their position, but may not serve longer than two consecutive terms (e.g. 4 consecutive years) as a Director. Mandated Director seats may only be changed extraordinarily.
 11. All working groups and the general membership will receive their general objectives from and report to the Governance Committee.

Election of Governance Committee Leadership

1. The following are Governance Committee Leadership positions, and will be elected:
 - a. The Chair
 - b. The Vice Chair
 - c. The Secretary/Treasurer
2. The election process will be as follows:
 - a. Director will state their nomination for a position or be nominated by another Director
 - i. A Director may nominate themselves or be nominated for more than one position, but must specify their ranking of position preference;
 - ii. Nominations will take place over a period of two weeks prior to vote;
 - iii. Directors may confirm their nominations up until the point of the vote
 - b. Once nominations are complete, voting will take place by private ballot, which will be facilitated by the Secretariat.

Governance Committee Chair

1. The Chair will be elected by the Directors and must hold a Director position themselves.
2. The Chair will hold their seats for a 2-year term, and can re-apply for their position, but may not serve longer than two consecutive terms (e.g. 4 consecutive years) as the Chair.
3. The Chair will be responsible for the following duties:
 - a. Facilitate discussion at general and Governance Committee meetings and keep these meetings focused on KAG's goals and meeting objectives.
 - b. Uphold the Group's culture of collaboration and consent-based decision making by modelling appropriate behaviours and attitudes and facilitating meetings in a manner that promotes inclusion, respect for diversity, and creative consent-based solutions.
 - c. Act as a spokesperson for the Group to the media. The Chair will complete media training.
 - d. Set the agenda of priorities for the Governance Committee in consultation with other members.
 - e. Ensure that the Governance Committee adheres to its policies.
 - f. Encourage Governance Committee members to participate – including preparation of pre-meeting materials and completion of assigned responsibilities.

- g. Support the Secretariat in orientation of new Directors.
- 4. The Chair will have signing authority for the Group.

Governance Committee Vice-Chair

- 1. The Vice-Chair will be elected by the Directors and must hold a Director position themselves.
- 2. The Vice-Chair will hold their seats for a 2-year term, and can re-apply for their position, but may not serve longer than two consecutive terms (e.g. 4 consecutive years) as the Vice-Chair.
- 3. The Vice-Chair will be responsible for taking on the duties of the Chair (as noted above) if the Chair is absent for any reason or as required.
- 4. The Vice-Chair will have signing authority.

Governance Committee Secretary/Treasurer

- 1. The Secretary/Treasurer will be elected by the Directors and must hold a Director position themselves.
- 2. The Secretary/Treasurer will hold their seats for a 2-year term, and can re-apply for their position, but may not serve longer than two consecutive terms (e.g. 4 consecutive years) as Secretary/Treasurer.
- 3. The Secretary/Treasurer will be responsible for:
 - a. Coordinating with the Secretariat on administration and finances, including the annual budget.
 - b. Coordinating with the Secretariat on training materials.
 - c. Reporting to the Governance Committee on Group finances on a quarterly basis at minimum.
- 4. The Secretary/Treasurer will have signing authority.

Governance Committee Member

- 1. Governance Committee Members will be responsible for the following duties:
 - a. Providing input on the creation of the Group's strategic direction, bylaws, policies, and budget
 - b. Ensuring that the Group's strategic direction, bylaws, policies, and budget are adhered to
 - c. Participating in regular planning processes
 - d. Attending and actively participating in all Governance Committee meetings (including pre-readings and follow-up actions)

Meetings

Meeting Frequency

- 1. Whole group, general membership meetings will occur 3 times per year (fall, winter, and spring). One of these meetings will serve as the Group's Annual General Meeting (AGM).
- 2. Sub-committee meetings will occur dependent on the nature of the committee work. The following committees will be mandated to meet at the said frequency:
 - a. Governance Committee: minimum 4 times per year
 - b. Data Review Committee: minimum 4 times per year

3. Any meetings may be called ad hoc by the Governance Committee to discuss specific issues.
4. It is expected that meeting frequency will be greater for the initial establishment of the Group.
5. The meeting frequency will align with the dates of deliverables milestones, which will shift from year to year.

Meeting Protocol

1. All meetings will have the following elements:
 - a. A chairperson to facilitate conversation and discussion including time management (e.g. starting and ending on time, discussion focused on agenda, all members prepared)
 - b. An agenda distributed to meeting attendees at least 48 hours beforehand
 - c. The Secretariat (or other appointed individual) to take minutes/meeting notes, as well as maintain a “parking lot” for topics that come up but cannot be address during a meeting due to time constraints. Meeting minutes will be distributed to the Group in a timely manner.
2. All meetings and meeting attendees will follow the Code of Conduct outlined in these Bylaws.
3. Decision-making at all meetings will follow consent-based decision-making as outlined in these Bylaws.
4. Virtual platforms may be used to conduct any meetings.
5. If in person, the geographic meeting location will be specified 2 weeks in advance.

Funding

1. Funding allocation for administration and deliverables will be determined by airshed study (including geographic area, monitoring locations, contaminants considered). Funding requirements will also be based on future projects, operations and maintenance of the monitoring stations – subject to feasibility review.
2. The Group’s funding will come primarily from membership fees and specific member contributions with the possibility of receiving additional funding from grants and research opportunities.
3. Funding from industrial members will be proportional to emissions.
4. Funding from non-emitting members will be fixed.
5. The Group’s funding will help to supplement work done by all working-groups mandated by the Governance Committee.
6. The Group’s fiscal year end will be December 31st.

Decision Making

Consent Based Decisions

1. Consent is defined as having no reasonable objections to the matter being discussed. To reach a decision, all members must consent to the proposed solution.
2. Any objections must be:
 - a. Based on the decision’s adverse effect on the member’s ability to fulfill their roles and responsibilities in achieving the Group’s vision or mission.
 - b. Reasonable, meaning that reasons for the objection must be explained clearly and openly enough for the Group to resolve the objection.

3. All decisions will be made through consent, unless specified in the Bylaws (as outlined in “Voting” section) or as decided by the Group
4. If required, members may request a ratification period to consult with their organizations regarding their stance on a given topic or issue.

Voting

1. Voting will only occur if the following circumstances are met:
 - a. All members have in good faith, attempted to address the objections brought forward.
 - b. All voices have been heard and all attempts to solve the objection reasonably have been made.
 - OR
 - c. To determine the Governance Committee elected seats.
 - OR
 - d. To determine procedural affairs.
2. If a vote is called, a two-week ratification period must be given to allow members to consult with their organizations regarding their stance on a given topic or issue.
3. In order for a vote to pass, the following circumstances must be met:
 - a. There must be quorum. Quorum is defined as 65% of membership of a given group (e.g. full general membership, the committee, or the sub-committee) in attendance for any vote.
 - b. The voting approval threshold must be met.
 - i. The threshold for general membership meetings, committee meetings, and sub-committee meetings (excluding the Governance Committee) is 75% approval
 - ii. The threshold for the Governance Committee is 75% approval from elected seats AND 75% approval from mandated seats
4. If a primary member is unavailable the official secondary may vote in their place.
5. Proxy voting (by another member who is not the alternate) will not be allowed.
6. Voting by email or phone in vote will be allowed.

Communication

External Information Sharing

1. There will be a defined and structured communication outline to external parties interested in the Group.
2. All information shared within the Group is allowed to be shared publicly, unless directly specified otherwise formally by a member. All members must comply with the confidentiality outlined, otherwise they may be found to have broken rules of conduct as outlined in these Bylaws. Confidentiality is the exception to the rule, and members should expect the vast majority of information is not confidential.
3. The Chair will be the designated spokesperson on behalf of the group for all formal, external communications.

Internal Group Communication

1. Analysis and interpretation of air quality data information and trends will be communicated primarily at general member meetings. Data used for this analysis and interpretation is available publicly through online sources.
2. Formal communications to statutory decision makers will be performed by the Secretariat at the direction of the Governance Committee.

Copyright and Intellectual Property

1. All the materials produced by the Group are owned by the Group.

Review and Changes of Bylaws

1. These Bylaws will be reviewed:
 - a. Annually by the general membership and may be changed accordingly.
 - b. When the Governance Committee feels that changes need to be made.
2. Changes to the Bylaws may occur before annual review at the decision of the Governance Committee and through general membership consent.

Kitimat Airshed Group DRAFT Constitution

Kitimat Airshed Group

The purpose of the Kitimat Airshed Group is to facilitate communication between the public, industry, First Nations, and government agencies to promote transparency and continuous improvement in the airshed as well as providing input for the Statutory Decision-making process. The Kitimat Airshed Group will provide air quality education to support public awareness of timely representative, and scientific monitoring data that has been reviewed and promotes clean air for the health, wellbeing and safety of people and the environment.

DRAFT

COUNCIL REPORT

Date: December 8, 2020
 File: 2.10.3
 To: Mayor and Council
 From: Warren Waycheshen, CAO
 Re: 2021 Budget Deliberations



Recommendations:

Action: That Council provides input on the 2021 budget, community grants, and capital items. Once discussion is complete:

Motion: THAT the 2021 budget report and presentations be received for information.

BACKGROUND:

Community groups presented their budgets November 23 (amounts approved and referred to the budget process are included in this document) and District departments will be presenting budgets December 14 and 15, with more days scheduled if needed. The Director of Finance and CAO will provide an overview of the budget and revenues, followed by operational budgets. Capital projects will be discussed after the operational presentations are concluded or at a later date if needed. Staff suggests the presentations be discussed, direction provided if deemed necessary by Council, and receive the budgets for information. The capital projects requesting early approval and operating budgets will then be brought back for approval in early January.

Layout of Budget binder: budget papers are provided in this binder we ask Council members to have it each budget meeting. Any new pages or updates can be added to the binder, providing Council one location to store all budget papers.

Immediately following this report are: a high-level summary of revenues and expenses between 2020 and 2021; followed by tabs for the summary of revenues; departmental summary sheets providing an overview of operations; balances of the various reserves and accumulated surplus; and capital working papers and justification sheets.

Budget Assumptions:

Property Taxes: this budget incorporates a 3% increase in municipal property taxes for initial discussion as, generally, the Financial Plan includes a 3% annual increase for budgeting, although the actual increase and distribution of property taxes will be determined when the budget is finalized. In 2020, there was no property tax increase for all classes except Class 2 Utilities, which were increased 3%.

If Council wishes to consider having no increases in property taxes in 2021 this reduces revenues by approximately \$810,000 from a 3% increase. Similarly, if Council wishes to increase property taxes by 6% (to make up for no increase in 2020 and provide for a 3% increase in 2021), this increases property tax revenues by about \$810,000.

This is the third year of the LNG Canada property tax agreement and those increases are included in the budget (the increase is set in the bylaw and independent of other decisions.) In 2019, when setting the property taxes to be paid by LNG Canada under Bylaw 1923, an estimate was made based on tax revenue lost when properties were to be transferred from Rio Tinto to LNGC. The projected footprint of the LNG property was estimated for property taxation purposes using BC Assessment Roll Numbers and Property Identifiers (PIDs).

Some of the assets located on the parcels included in the Bylaw were not part of the LNGC facility, for example the Methanex Jetty, but these assets did not have a separate PID and were therefore not separately assessed from the LNG Canada plant parcels, and corresponding PIDs, when the 2019 municipal property taxes were calculated. As the discrepancy was not determined until after the property taxes were adopted (the tax rates must be adopted by bylaw prior to May 15) there was a shortfall in Class 4 property taxes of about \$1.255 million that was included for one-time recapture from Class 4 property taxes in the 2020 budget. That amount (\$1.255 million) has been removed from the Class 4 taxes in this budget.

Provincial COVID-19 Safe Restart Grant: the Province provided one-time grants to local governments to assist with the effects of COVID-19, of which the District of Kitimat received \$2,176,000. Half of the grant (\$1,088,000) is included in the 2021 operational budget and half is proposed to be held in reserves, although Council may direct changes to how much is used in 2021 (this will likely be dependent on the number of capital projects and direction on property tax rates.)

Utility user fees: current residential water fees are \$144 annually and refuse pick up is \$95 annually. Refuse pick up was increased from \$62 to \$95 in 2020. This budget includes an increase in the refuse pick up fees to \$120 annually (or \$0.48 per weekly pick up) as per direction provided at the 30 November Committee of the Whole, and the increase must still be adopted through a bylaw amendment. Both water and refuse pick up fees are billed on the property tax notice. Commercial water charges are invoiced separately.

2021 Capital Budget Items: will be discussed after the individual departmental operational presentations are concluded, or at a later date if needed.

With the capital spreadsheets, staff have proposed projects; however, it is Council's decision on the capital items to be completed in 2021 and the staff list is respectfully submitted for discussion purposes (Alternative Project Initiatives are included after the projects that have been proposed and are not included in the budget). As presented, the capital budget items are funded from reserves, grants and \$590,930 from current year revenues (the 2016 to 2020 five-year average was \$1,745,983 annually from operations to capital, meaning 2021, at this time, is about 1/3 of the average.) If, during deliberations, Council wishes to change operational objectives or capital projects staff will explore available options including increased use of reserves and surplus, and increasing/reducing revenues and expenses.

Options:

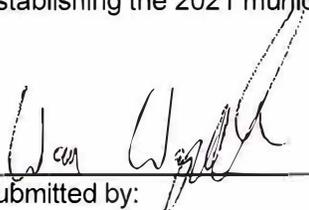
1. During the meetings Council may make motions to remove, amend or approve individual items.

Budget Implications: Establishing the 2021 municipal budget.


Treas. Initials

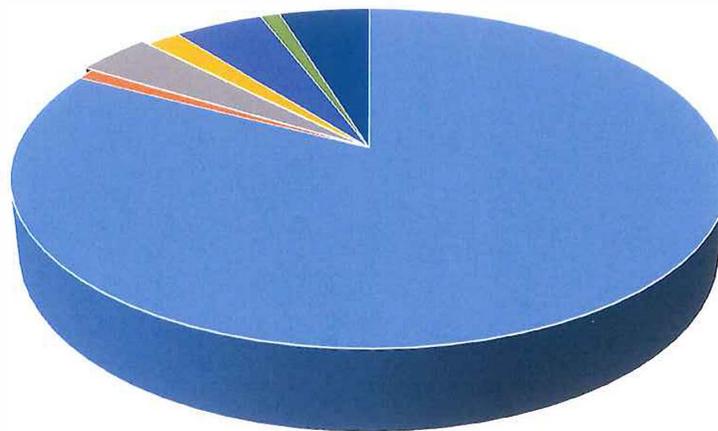
Council Initiative:

Establishing the 2021 municipal budget and five-year financial plan.


Submitted by:
Warren Waycheshen, CAO

	2020 Budget	2021 Budget	\$ Change	% Change
Revenue				
Taxation and grants in lieu	28,608,004	29,389,666	781,662	2.7%
Utility Tax	356,219	355,949	(270)	-0.1%
Sale of Services	1,971,629	1,435,225	(536,404)	-27.2%
Water Utility Rates	642,074	642,074	-	0.0%
Revenue from own sources	3,039,190	1,696,690	(1,342,500)	-44.2%
Return on investments	336,000	361,000	25,000	7.4%
Contributions from other governments	587,017	1,717,633	1,130,616	192.6%
Total Revenue	35,540,133	35,598,237	58,103	0.2%

2021 Budget



- Taxation and grants in lieu
- Utility Tax
- Sale of Services
- Water Utility Rates
- Revenue from own sources
- Return on investments
- Contributions from other governments

	2020 Budget	2021 Budget	\$ Change	% Change
GENERAL OPERATING EXPENSES				
General Government	7,141,380	6,194,242	(947,138)	-13.3%
Council	1,323,539	359,540	-963,999	-72.8%
Administration	596,376	498,193	-98,183	-16.5%
Corporate Services	1,403,985	1,432,219	28,234	2.0%
Finance, Purchasing, Stores	1,573,128	1,601,922	28,794	1.8%
Information Technology	474,702	484,305	9,603	2.0%
Grants	1,769,650	1,818,063	48,413	2.7%
Protective Services	7,311,770	7,628,286	316,516	4.3%
RCMP	2,739,083	2,838,612	99,529	3.6%
Fire Department	3,800,225	3,998,592	198,367	5.2%
Building/Bylaw	528,000	537,340	9,340	1.8%
Animal Control	244,462	253,742	9,280	3.8%
Public Works	9,027,935	9,197,458	169,523	1.9%
PWY - Roads and Streetlights	4,853,000	4,897,000	44,000	0.9%
Public Transport	930,940	958,558	27,618	3.0%
Traffic lights, signs, bridges	214,000	140,000	-74,000	-34.6%
Building	553,732	574,000	20,268	3.7%
Landscaping & Grass Management	371,563	383,750	12,187	3.3%
Sewer Operations	617,000	586,500	-30,500	-4.9%
Water Operations	1,364,000	1,517,250	153,250	11.2%
Cemetery Operations	123,700	140,400	16,700	13.5%
Engineering	1,984,943	2,401,016	416,073	21.0%
Engineering	950,000	1,118,700	168,700	17.8%
Landfill / Residential Refuse Collection	1,034,943	1,282,316	247,373	23.9%
Community Planning & Development	674,600	677,475	2,875	0.4%
Economic Development	780,495	795,947	15,452	2.0%
Economic Development	640,645	653,300	12,655	2.0%
Chamber of Commerce	139,850	142,647	2,797	2.0%
Recreation and Cultural Services	6,895,523	7,007,007	111,484	1.6%
Recreation Facilities & Parks	6,237,330	6,308,965	71,635	1.1%
Kitimat Youth Centre	131,845	134,158	2,313	1.8%
Gardening	320,848	351,384	30,536	9.5%
Community Promotion	205,500	212,500	7,000	3.4%
Transfer to Reserves	770,213	1,105,875	335,662	43.6%
Total Expenses	34,586,858	35,007,306	420,448	1.2%

590,930 Currently to Capital Budget