

Another Municipal Election Looms

Ron Bolin: May 21, 2014

On Saturday, November 15, 2014 the citizens of Nanaimo will have the opportunity to select those who they feel can best serve their interests and those of Nanaimo for the next four years. To determine how many days remain until you must exercise your mandate, use the following web tool: <http://www.timeanddate.com/date/duration.html#>

Use this time wisely to consider what it is that can improve Nanaimo and the kinds of people who could bring about that improvement.

An election is important because it is now so rare (every four years) and so implacable (no recall and referendums are expensive if not associated with elections). It is important because, legally, Election Day is the only day where the public gets to express its opinion in a manner which commands action: Once elected, candidates, now turned, as if by magic into a Mayor and eight Councillors, are on their own with only moral suasion to control them.

While you may have heard talk about candidates who are brave enough to stick their heads above the “whack-a-mole” plain early, in Nanaimo the practice is for candidates to generally keep their heads and their name underground until the rules require them to do otherwise. Ask yourself why this should be the case and what it says about their vision for Nanaimo...

This year the rules for nomination are basically that nominations are not officially open until August 22 and must be registered about a month before the election.

The requirements for a Candidate for Municipal Office are, according to:

http://www.cscd.gov.bc.ca/lgd/library/election2011/Candidates_Guide.pdf

Candidates

A candidate is an individual seeking election as a mayor, councillor, electoral area director, school board trustee, or Islands Trust trustee within a municipality, regional district electoral area, school board trustee electoral area, or Trust area who has been nominated by eligible electors and declared a candidate by the Chief Election Officer.

CANDIDATES (http://www.municipalelections.com/faq_elections.html#off)

Can I run for office?

If you are **qualified to vote** in a general local election and if you have not otherwise been disqualified, you are eligible to run for office. In addition, you must:

1. be 18 or older;
2. be a Canadian citizen; and
3. be a resident of British Columbia for at least 6 months before the election.

Electors

The right to vote in local elections is conferred on two types of individuals – **resident electors** and **non-resident property electors**.

A resident elector must be: 18 years of age or older on general voting day; be a Canadian citizen; have lived in British Columbia for at least six months before registering to vote; have lived in the municipality, regional district electoral area, school district trustee electoral area, or Islands Trust area in which they intend to vote for **at least 30 days** before registering to vote; and, not be disqualified by the Local Government Act, any other Act, or the Courts from voting in a general local election.

A non-resident property elector must: be at least 18 years of age on general voting day; be a Canadian citizen; have lived in British Columbia for at least six months before registering to vote; and have owned property in the jurisdiction in which they intend to vote for at least 30 days before registering to vote.

**** You may note that if you owned property in every city of BC, you would be eligible to vote in every City of BC. Fortunately the benefit conferred on corporations of being recognized as a “legal person” does not extend to voting.*

The other actors on the Active side of the election are the:

Campaign Organizers

Campaign organizers are individuals or organizations that promote or oppose a candidate (or a point of view), or otherwise undertake election campaigns (e.g. advertising, arranging meetings and speeches) that support candidates or elector organizations in one or more jurisdictions. Campaign organizers may be a few individuals in a single community, or organizations that run election campaigns in multiple jurisdictions. An individual who undertakes or intends to undertake such a campaign in an election and accepts contributions from others is considered a campaign organizer.

***** Individuals and organizations of all types can act as Campaign Donors giving money to Candidates for their election campaign. If you would like to see who donated what to whose campaign this information can be found at:

<http://www.nanaimo.ca/EN/main/departments/Legislative-Services/4609/previous-elections/2011GeneralElection/CamFinDisclose.html>

Registered Campaign Organizers can go beyond this practice to raise and spend money on a candidates behalf without that money going through the hands of the candidate. **Funding of Candidates by Campaign Organizers is also shown on the disclosure page indicated above.**

The duties of those Elected: (From the Community Charter) See:

http://www.bclaws.ca/civix/document/LOC/complete/statreg/--%20C%20--/41_Community%20Charter%20%5BSBC%202003%5D%20c.%2026/00_Act/03026_05.xml#part5_division1

Division 1 — Council Roles and Responsibilities

Council as governing body

114 (1) The members of a municipal council are the mayor and the councillors.

(2) Despite a change in its membership, the council of a municipality is a continuing body and may complete any proceedings started but not completed before the change.

(3) The powers, duties and functions of a municipality are to be exercised and performed by its council, except as otherwise provided under this or another Act, and a council, in exercising or performing its powers, duties and functions, is acting as the governing body of the municipality.

(4) A council has all necessary power to do anything incidental or conducive to the exercise or performance of any power, duty or function conferred on a council or municipality by this or any other enactment.

Responsibilities of council members

115 Every council member has the following responsibilities:

- (a) to consider the well-being and interests of the municipality and its community;**
- (b) to contribute to the development and evaluation of the policies and programs of the municipality respecting its services and other activities;**
- (c) to participate in council meetings, committee meetings and meetings of other bodies to which the member is appointed;**
- (d) to carry out other duties assigned by the council;**
- (e) to carry out other duties assigned under this or any other Act.**

Pretty basic, wouldn't you say? Should this be a full time job, recognizing that any job can expand to fill the time available (Parkinsons's Law)?

Responsibilities of mayor

116 (1) The mayor is the head and chief executive officer of the municipality.

(2) In addition to the mayor's responsibilities as a member of council, the mayor has the following responsibilities:

- (a) to provide leadership to the council, including by recommending bylaws, resolutions and other measures that, in the mayor's opinion, may assist the peace, order and good government of the municipality;**
- (b) to communicate information to the council;**

- (c) to preside at council meetings when in attendance;
- (d) to provide, on behalf of the council, general direction to municipal officers respecting implementation of municipal policies, programs and other directions of the council;
- (e) to establish standing committees in accordance with section 141;
- (f) to suspend municipal officers and employees in accordance with section 151;
- (g) to reflect the will of council and to carry out other duties on behalf of the council;
- (h) to carry out other duties assigned under this or any other Act.

This is without doubt a full time job in a City the size of Nanaimo. Note particularly the role the Mayor plays between Council and Staff. It is a difficult role, not to be successfully filled by either a tyrant or a mediator.

What is it that Council leads?

Basic City Statistics	2013	2012	2011	2010	2009
		<i>Restated</i>	<i>Restated</i>	<i>Restated</i>	<i>Restated</i>
Population *	86,057	87,515	86,961	85,487	84,331
Registered Voters	63,383	63,383	63,383	62,687	61,860
No. of Properties (Folios)	35,852	35,333	35,010	34,698	34,025
Paved Roads in KM**	610	608	605	603	598
Sanitary Sewer Lines in KM	662	659	656	652	646
Storm Sewer Lines in KM	539	536	532	528	521
Water Lines in KM	635	629	624	620	613
Municipal Full-Time Employees	608	604	603	590	583
Police Protection					
Number of Stations	1	1	1	1	2
Number of Police Officers	140	140	135	135	124

Number of Criminal Code Offences	9,882	12,784	13,124	14,299	15,837
Fire Protection					
Number of Stations	5	5	6	6	6
Number of Full-Time Personnel	103	105	105	105	95
Paid On Call Firefighters	60	58	53	60	69
Number of Call Received	6,915	6,628	6,494	6,297	6,095
Number of Fire Hydrants	3,015	2,952	2,933	2,881	2,837
Value of Building Permits Issued	\$119,988,214	\$162,417,519	\$188,222,526	\$175,406,152	\$157,999,398

Revenues and Expenses

CONSOLIDATED STATEMENT OF OPERATIONS for the year ended December 31, 2013, with comparative figures for 2012		
	2013 Actual	2012
REVENUES		(Recast - Note 2)
Taxes	\$90,976,425	\$ 87,386,690
Payments in lien of taxes	1,436,385	1,398,588
Taxation and payments in lieu (Note 16)	92,412,810	88,785,278
User fees and sales of services (Note 17)	32,139,631	30,871,190
Investment income	2,995,973	3,498,620
Other revenue	9,569,737	9,473,103
Development cost charges (Note 9)	1,440,955	4,810,065
Donations and contributions - capital	455,741	1,214,965
Transfers from other governments - capital (Note 18)	15,765,334	8,518,460
Transfers from other govnmnts-operating	4,862,563	5,739,599
Municipal Finance Authority refunds and debt forgiven	74,734	119,159
Developer assets received (Note 12)	4,916,402	7,948,337

Gain (loss) on sale of assets	2,752,932	(705,491)
Total Revenues	167,386,814	160,273,285
EXPENSES		
Corporate services	11,953,331	9,371,524
Development services	10,407,901	9,625,776
Community safety	40,219,412	39,754,798
Strategic relationships	7,934,947	8,035,616
Parks, recreation and culture	29,694,708	31,653,640
Engineering and public works	23,844,219	24,371,693
Sewer system	4,225,625	4,251,970
Waterworks	9,126,708	8,855,130
Total	137,406,851	135,920,147
ANNUAL SURPLUS	29,979,963	24,353,138
ACCUMULATED SURPLUS - BEGINNING OF YEAR	636,706,221	620,556,771
Transfer to deferred revenue to apply Public Sector Accounting		
Standard 3410 (Note 2)		(8,203,688)
ACCUMULATED SURPLUS - END OF YEAR	\$666,686,184	\$ 636,706,221

Notes: Of the \$167,386,814 shown in Total Revenues, only \$137,406,851 is shown as Total Corporate Expenditures. The difference is made up of repayment of loans, additions to reserve accounts (eg. Development Cost Charges (DCCs)), Gifts and Contributions, etc. The 2013 Annual Report gives the sums held in Reserve Account to total to \$61,451,995.

Note too that "Developer Assets received are really only future maintenance expenditures. Asset management will be discussed on another occasion.

Property Tax Expenditures for City Services on an average \$340,000 Home

2013 Taxes & User Fees		
Corporate Services	\$232.22	9%
Development Services	108.01	4%
Fire	287.07	11%
Police	476.47	19%
Parks, Recreation & Culture	418.29	17%
Public Works	315.25	13%
Strategic Relationships	89.98	4%
Sewer User Fees	101.83	4%
Water User Fees	357.49	14%

<i>Garbage User Fees</i>	<i>125.74</i>	<i>5%</i>
<i>Total Municipal Taxes and User Fees</i>	<i>\$2,512.35</i>	<i>100%</i>

Property Tax Exemptions (2013) \$1,518,946

These are discretionary property tax exemptions provided at the will of Council. Most are top ups of the property tax exemptions to the owners of property used for religious services which are provided by the Province. Most of the others are exemptions on land owned by charitable organizations. The largest discretionary property tax exemption, \$284,054, was given to the Port Theatre Society.

Debts (2013)

The Largest Debts shown in 2013 include some \$22,690,217 still owed on the Port of Nanaimo Centre (VICC) and \$22,500,000 for the Water Treatment Plant.

What are the perks of Office?

Guaranteed employment with guaranteed pay for four years (unless you are removed from office for cause).

ELECTED OFFICIALS

Name Position	Remuneration	Taxable Benefits and Allowance Included in Remuneration	Expenses
RUTTAN, JOHN R. Mayor	\$ 88,827.97	\$1,446.00	\$11,705.84
ANDERSON, GEORGE Councillor	\$ 33,077.41	798.00	6,002.44
BESTWICK, BILL Councillor	\$ 32,279.41		1,898.88
BRENNAN, DIANE Councillor	\$ 33,725.41	1,446.00	4,525.20
GREVES, TED Councillor	\$ 32,387.14		4,060.00
JOHNSTONE, DIANA Councillor	\$ 33,725.41	1,446.00	6,368.14

KIPP, JIM A. Councillor	\$ 34,625.41	1,446.00	3,819.11
MCKAY, BILL Councillor	\$ 32,279.41		14,972.89
PATTJE, J. FRED K. Councillor	\$ 33,725.41	1,446.00	4,141.48
Totals	\$ 354,652.98	\$8,028.00	\$57,493.98

Note: Councillor Kipp did not receive more remuneration than other Councillors. This figure is an accounting error which is contained in the Statement of Financial Information for the City of Nanaimo for 2013. There are also a number of minor perks which may not be accounted for here.

But that's not All!!

The top seven vote getters from the City of Nanaimo are usually named to sit on the Board of the Regional District of Nanaimo. Council can decide to change this for their own reasons as a reward or a punishment.

REPORT OF DIRECTORS REMUNERATION & EXPENSES FOR 2013							
Name	Remuneration			Expenses		TOTAL	
	Taxable Payroll	Exempt Allowance	Total 2013	2013			
Brennan, D.	\$ 8,626.60	4,313.30 \$	12,939.90 \$	\$ 494.56		\$	13,434.46
Greves, T.	\$ 8,419.94	4,209.97 \$	12,629.91 \$	\$ 347.97		\$	12,977.88
Bestwick, B.	\$ 7,906.61	3,953.30 \$	11,859.91 \$	\$ 302.11		\$	12,162.02
Johnstone, D.	\$ 8,313.27	4,156.64 \$	12,469.91 \$	\$ 529.14		\$	12,999.05
Kipp, J.	\$ 8,333.27	4,166.64 \$	12,499.91 \$	\$ 425.12		\$	12,925.03
Ruttan, J.	\$ 7,579.94	3,789.97 \$	11,369.91 \$	\$ 158.71		\$	11,528.62
Anderson, G.	\$ 7,833.27	3,916.64 \$	11,749.91 \$	\$ 612.63		\$	12,362.54

Note that the RDN indicates the difference between what is paid and what is taxable. The City of Nanaimo does not do this, though, just as is the case with the RDN, 1/3 of Councillors pay is not taxable.

Putting it together, our Mayor brought home approximately \$102,000 (\$68,000 taxable) in 2013, while six other of our Councillors pulled in approximately \$45,000 (\$30,000 taxable), and only two were relegated to the \$33,000 base (\$22,000 taxable). Under a recommendation from

Staff, Council decided three years ago that they were entitled to an 8% increase in each of the next three years which compounds to about 26%. With the 8% increase of 2014, the figures for the City will have risen by 8% this year. I am not aware of the policy of the RDN. This would raise the average pay for a Councillor to \$35,640 (\$23757 taxable) and the Mayor's remuneration to \$95,934 (\$63949 taxable). To the best of my knowledge, policy for future years has not yet been established.

Of course all is not rosy in CouncilLand. One can never please all. There is always someone whose ox gets gored or who gets a golden benefit. The objective, however, should be that any goring or any golden benefit also benefits the community at large—and this determination is a far from easy task. In the meantime one can get an earful of guff.

I leave it to you to decipher the significance of this information for the upcoming election and for your interest in serving your community. I also hasten to add that though I can count, I do not claim to have the deftness with figures which are apparent in modern accountancy or an accountants understanding of the fine points of accounting definitions. Please point out in a comment any errors which may have been made in transcribing the figures shown or in their interpretation..

Also please let me know what important elements you think are missing from this overview and offer additions by your comments.

Important Documents:

Annual Reports, Budgets, Statements of Financial Information for a series of years can all be found at the City's web site: www.nanaimo.ca Usually under the Finance Department via "Financial Documents" or "Budget Documents".

Seek and ye shall find.