

January 17, 2011
SPECIAL COMMITTEE OF THE WHOLE
MEETING MINUTES

The Committee of the Whole of Council met on Monday, January 17, 2011 at 9:09 am. All members were present except Councillor Standen. Councillor McKenzie arrived at 9:14 am.

1. CALL TO ORDER

Mayor Close called the meeting to order at 9:09 am.

2. DECLARATION OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

Mayor Close reminded Committee members to declare any pecuniary interests at this point in the meeting or whenever they had an interest.

3. PRELIMINARY BUDGET MEETING

Manager of Financial Services Neifer circulated the budget package. She indicated that she has scanned all Grant and Donation Applications for Committee consideration and the fact that she will be presenting these for consideration. She explained that work plans are included from each department. She explained the fact that there are new account codes and her hope for consistency in the work plans.

Clarification was requested regarding conferences. CAO Cook explained that Council is allowed one major conference per year plus everyone attends the MMAH conference. The budgeted amount is larger this year due to the new Councillor training sessions. This is an estimate for the total conferences to be attended in 2011 but does not include mileage as mileage is included under a separate account code.

CAO Cook explained that a five year history will be provided for Council which can be loaded onto the Councillor's laptops for easier viewing and review.

Manager of Financial Services Neifer explained that depreciation expense has not been budgeted for. Going forward to 2012, this will change based upon asset replacement and reserves required under Tangible Capital Assets. The 2010 year end has not been completed. The numbers presented are preliminary.

She explained that year end surplus reserve transfers have not been recorded yet. General reserves have also not been recorded yet.

She explained that some departments have been reorganized and will look different than presented in the November month end documents.

General Government – changes based on no tax rate change. Growth will be based on assessment phase in and new construction. MPAC will be providing information regarding new construction. The tax summary indicates 7.457 million for 2010 and 8 million for 2011. The budget has been prepared using this tax revenue. The current budget proposal would show a \$159,000 surplus. Surplus carry forwards will not be reflected in any of the departments.

Grey Sauble Conservation Authority – Number subject to change as they have not provided their levy requirements at this time. The number has historically increased \$10,000 per year.

Building Department – Self sustaining department with no tax impact. They have a reserve which they draw on or place surplus into. This is in accordance with Provincial legislation. Their fees have been justified by a study which was prepared by a consultant. Committee discussed the possible septic re-inspection program being brought forward as a new initiative. A work plan has not been provided for the Building Department at this time but it will be forthcoming.

Animal Control – Contract is up in March 2011. We put the same relative numbers in as last year and an RFP will be put out for services. Livestock kills are part of the animal control budget. Committee discussed the license fees and the costs and justification for animals running at large. CAO Cook will bring forward numbers when she makes a further report on Animal Control and the RFP for services.

By-Law Enforcement – Numbers are relative to the current contract. CAO Cook will bring a report forward with regard to the requirement for coverage. It will be a Council decision for the service levels required. Committee discussed the possible qualifications required including municipal law enforcement, law and security and some background with attending court hearings.

Paid Parking – 2010 surplus has been transferred to a reserve. It will be a Council decision to consider whether Paid Parking is to be self sustaining. The current surplus is being rolled into the general revenue. CAO Cook explained that historically, the surplus was to be placed in a general reserve for use by the entire Town. Previously, the salaries have not been split out to the various functions but this has now been changed for 2011. Committee discussed that they believed that surpluses were to be used toward washrooms and other facilities and expenditures at the Beach. CAO Cook believes that we should try to operate as one Town and placing surplus in a general account could be used for any projects as required. Manager of Financial Services Neifer indicated that Council direction may be required to indicate whether or not they require paid parking to be a separate account or whether they would be better served by rolling paid parking into another department.

Public Works – The account coding has a series of different codes which is explained in the legend. It was explained that “wayfinding” is the signage program. The sign budget has been broken down into different types of signage. The Federal gas tax projects being funded in 2010 were not completed but will be completed in 2011 therefore the grant/revenue amounts will not be booked until the expense has been realized. There will be a capital spreadsheet which will show the capital project expenditures and revenues (grants). Committee discussed the fact that

the plow truck and the digital sign were paid for in 2010 and will appear as a prepaid expenditure as we received the items in 2011. Manager of Financial Services Neifer explained that we work under the accrual accounting principles. She explained the depreciation of an asset under Tangible Capital Assets and the replacement value of assets. The 2009 financial statements were the first time Tangible Capital Assets were included in the statements. The 2008 financial statements had to be re-stated. Committee discussed reserves and the historical lack of replacement of those reserves. They discussed the fact that roads and bridges are also to be considered when making commitment to reserves. CAO Cook explained that working capital reserves should equal the tax arrears. Committee discussed the fact that the arrears are between 6 and 7% which is a low number. Manager of Financial Services Neifer explained the arrears collection initiatives. She explained that there were two tax sales last year. CAO Cook explained that she will be bringing back Town owned property for Council to consider declaring as surplus. The sale of surplus properties increases the revenue to the Town.

Public Works is broken down between functions. Historically the salaries were recorded with each function and the benefits were not. The benefits will now be matched against the salaries within each function. Manager of Financial Services Neifer will provide a payroll report which will show wages and benefits. Committee discussed the allocation of supervisor time. Committee discussed the receiving of grant monies and the fact that the grants are based on actual costs to the maximum allowable amount.

CAO Cook explained that she has implemented a time management program for the month of February which will be helpful in budgeting. Committee discussed the benefit of having one version of budgeting and programming which would streamline business and leave less room for error.

Manager of Financial Services Neifer explained that the Public Works Rentals accounts are where the Town is doing the work for another department – this is an inter-functional transfer. Rental revenue for vehicles is by the job.

Committee discussed the new streetlight initiatives in Hepworth.

It was explained that vehicle fuel used to be tracked separately from maintenance. This will now be tracked together under a maintenance account for each vehicle. The Manager of Emergency Services and Manager of Public Work believe that this will help them to assess the cost of vehicles.

Wiarion Airport – The Airport Board has not yet had a budget meeting. Our portion of operating the airport is not going to change. This amount is under the grants and donations line (page 38).

Wiarion/Amabel Water System – Are self sufficient and have no bottom line impact on the taxes. The reserve funds will be updated.

Garbage Disposal/Collection – Tipping fees in the past were recorded as a garbage collection. It was determined that this was a revenue to the landfill and would be better shown in garbage disposal. Committee discussed moving the garbage collection costs to each park as opposed to

having the collection in the 10-42 account code. CAO Cook explained that the by-law number is for enforcement of illegal dumping protocols. Committee discussed the possibilities of having in-house garbage collection and possible costs. Mayor Close indicated that these types of possibilities should be incorporated in a short report which would be included in the agenda for discussion and consideration. Manager of Financial Services Neifer will look into the expiry date of the garbage collection contract.

The bear proof dumpsters were offered at a reduced rate due to a grant which was received. CAO Cook explained that the Town may be competing with the private sector as the hardware stores may also sell these bins. There are issues surrounding delivery should the Town continue to provide the bins. There must be a policy surrounding the placement of the dumpsters. Historically the revenue and expenses for bear proof dumpsters were placed in the same account. This will be changed in 2011. CAO Cook explained that the Town also has solar cones which were partially funded by a Nuclear Waste Management grant. These were purchased to encourage reducing waste and composting. Committee discussed the fact that the tipping fees did not cover the costs to run the landfill. They discussed the reserves associated with the landfill.

Recycling – There is a reallocation of revenues with electronic and tire stewardship programs as they were previously under garbage collection. Committee discussed the increased recycling products and the fact that additional items could be considered for recycling. Committee discussed the possibility of increased enforcement and penalty for those who are not recycling.

Warton/Sauble Sewer – Self sustaining unless the Sauble project does not proceed at which time it will be placed on the general tax levy. If the project does not proceed, we may have to pay back the grant monies received so far and we may have to find a way to cover the costs to date. The capital project is not indicated in the budget until direction is given by Council. Committee discussed the fact that the pipeline proposal had already been expensed in previous years. Any cost sharing for the proposed project would be dependent upon the number of end users. CAO Cook explained that Municipal Affairs has indicated that if the project does not go ahead, it would be charged to the general levy. Manager of Financial Services Neifer and CAO Cook will look into this.

Cemetery – In the past the cemeteries were not broken out into the separate cemeteries. Moving forward, there will be separate account codes for each cemetery.

Parks and Information – The parks wages will be broken out separately including Sauble Beach, special events and other parks. The major streets account code will be for flower baskets in the summer.

Mayor Close left the meeting and Deputy Chair Bowman assumed the chair. **TIME 11:03AM**

Grant and Donation Program – All applications will be given to Council for review. Manager of Financial Services Neifer will make a summary. The Physician Recruitment amounts listed are known amounts as outlined in previously accepted agreements. Other amounts which are known and are under agreements have been placed in the budget. The Chamber of Commerce MOU

will not be disbursed until a report is received. Committee discussed the fact that the Town no longer runs the Canada Day celebrations. Council will make determination on grant amounts to be given based upon grant applications received and approved. Everyone who received grants in previous years received a grant application. The Manager of Financial Services will look into whether or not the Town applied for the Federal Government grant for Canada Day celebrations in 2010. Manager of Financial Services Neifer explained that last year if a community centre applied for a grant through the Town Grant Program, Council gave equal monies to all community centres even if they didn't apply. Protocol moving forward will be at the discretion of this Council.

Sauble Community School – We have 17% responsibility for the school and they need a new roof.

Sauble Beach Community Centre – The Town has received an annual operating grant as the centre is an elderly persons centre. We are allocating a portion of the Facility Coordinator and Recreation Programmer to the SBCC. Sandpipers revenue will now be shown separately where previously it was under full facility rentals.

Pool – Wages have changed to allocate staff to the facility.

Medical Clinic – The Town is responsible for snow removal and grass cutting as part of the lease agreement. This is in lieu of paying a lease.

Arena – This will be impacted through the wage reallocations. The grants portion will be different due to the RiNC grant being extended into 2011. There may be a change due to the lack of rentals due to the in-availability of the facility during construction. CAO Cook explained that more revenue may be realized once the new facility is opened.

Warton Information Centre – Camping fees were previously reported under department 51 but will now be under the campground department. There will be a breakdown of the information centre, the campground and the train station. The capital will be for set up of the new tourist information centre however good used equipment and furnishings may be used.

Warton Willie – There will be a change with respect to the wages to reallocate Town staff wages. The 2011 budget has already been approved by this Council.

Docking – This is a new department which will segregate the costs of docking.

BIA – The Canada Day event is recorded under the BIA budget. Committee discussed the reserves.

Reserves – This document does not address the reserves in Manager of Financial Services Neifer's report at the end of 2010. She will make a similar reserve report addressing the 2010 situation and showing the reserve position once year end is completed. Committee discussed the spending from reserves by previous Councils without a replenishment plan.

Committee discussed assessment capping and the increase of development. Committee discussed the possibility of allowing the public to have input into the budget. CAO Cook explained the public meeting requirements prior to passing the budget. Should Council choose, they can advertise for public input. Members of the public are encouraged to speak with their elected representative or with staff members.

Committee discussed the farm taxation structure and the fact that a house and one acre are taxed at the full residential rate. The farm land is taxed at 25% of the residential rate. The municipality is not rebated for the 75%. This is part of the local service realignment and had been implemented a number of years ago.

CAO Cook explained that budget meetings are being held in open session unless a matter is about an identifiable individual.

Capital – The capital is presented in the detail. Under Fire Protection, the gas detection should be labeled assorted equipment. The unfinanced is based upon completion in 2010. The expenditures are capital planned for 2011. The chart shows the impact on taxation, the user fees which would finance the amount and the reserves which could be used to finance the capital. The obligatory are those which we are required to maintain. Committee discussed the lease to the County of the Ross Whicher Centre.

Surplus Properties – Committee discussed the surplus properties and the budgeted amount. CAO Cook explained that since there is no letter of opinion for additional properties, it is difficult to place a budget dollar figure on the possible surplus properties. Committee discussed the fact that the public may have concerns with the Town selling properties and the research required prior to the declaration of the properties as surplus.

4. ADJOURN MEETING

It was **MOVED** by K. Klages, **SECONDED** by C. Thomas and **CARRIED**

THAT the Committee meeting adjourn.

TIME 11:46 AM