

MINUTES
COMMITTEE OF THE WHOLE
ADMINISTRATION & FINANCE

Thursday, February 6, 2020, 5:00 PM
Corporation of The Township of Edwardsburgh Cardinal
Council Chambers, Spencerville Ontario

PRESENT: Mayor Sayeau
Deputy Mayor Deschamps
Councillor Cameron
Councillor Dillabough
Councillor Hunter
Jack Bradley, Advisory Member

Dave Robertson, Advisory Member

Dave Grant, CAO
Debra McKinstry, Clerk
Rebecca Williams, Deputy Clerk
Melanie Stubbs, Treasurer
Gord Shaw, Director of Operations
Brian Moore, Fire Chief
Mike Spencer, Manager of Parks, Recreation & Facilities
Jim Guest, Roads Superintendent

1. Call to Order – Chair, Mayor Sayeau

Mayor Sayeau called the meeting to order at 5:00pm.

2. Approval of Agenda

Moved by: H. Cameron

Seconded by: S. Dillabough

That the agenda be amended to add item 5f. Date of Next Meeting.

Carried

3. Disclosure of Pecuniary Interest & the General Nature Thereof

None.

4. Business Arising from Previous Committee of the Whole Meeting Minutes (if any)

There was a brief discussion with respect to previous Committee minutes approval process.

5. Action/Information Items

a. 2020 Draft Capital Revisions - Per Budget Meeting #2

Staff provided the Committee with a detailed summary of the revisions made to the capital budget since Budget Meeting #2 on January 27.

b. Effect of Tax Rate Change on Residential Bills

Committee reviewed the impacts of the proposed tax rates on residential properties with and without change in assessed value. Members noted the reduction of growth related tax revenue scheduled for 2020 and how it impacts the overall tax revenue expected. Members inquired how the growth related tax revenue is determined. It was noted that MPAC prepares an annual report which includes the new assessment growth. It was noted that the Township generally receives supplemental assessment due to the delay in incorporating new assessment. There was a general discussion with respect to why certain residential properties did not see a change in assessed value.

c. 2019 Year End Position

Committee reviewed the report and discussed the contributing areas of concern for the deficit. It was noted that at this time the staff recommendation includes drawing \$150,000 from the public works reserve and \$70,000 from the winter control reserve to offset the deficit. Committee discussed the 2020 winter control budget, specifically with respect to Members concerns that the winter control item is being under budgeted. It was noted that the winter control budget was approximately 91% spent in April 2019 when the 2019 budget was adopted. Committee highlighted factors that have contributed to the winter control being over budget, specifically; increase in materials needed and used, labour hours, and the increased number of winter events that took place on weekends which resulted in additional overtime pay. There was consensus from Committee to withdraw \$70,000 from the winter control reserve to offset the deficit.

Committee briefly discussed the vehicle expenses and the additional purchase of a truck part way through 2019 that was added onto the capital budget rather than the operating budget. Members noted their concerns that if they agree to draw \$150,000 out of the public works reserve then it would negatively impact Councils opportunity to purchase new vehicles for 2020. There was consensus from Committee to withdraw \$150,000 from the public works reserve to offset the deficit. Members confirmed that the withdrawals from the public works and winter control reserves will result in the pre-audit deficit being balanced.

It was noted that during budget meeting 2, there was consensus from Committee to withdraw an additional \$150,000 from the public works reserve to fund the purchase of vehicles/equipment. Members noted that the report recommends that Committee reconsider their previous decision. There was consensus from Committee to reconsider their previous recommendation to transfer out \$150,000 from the public works reserve. There was consensus from Committee that the previous \$150,000 discussed at budget meeting 2 will not be withdrawn from the reserve. There was consensus from Committee that a transfer of \$20,000 be included in the draft budget for winter control.

d. 2020 Proposed Capital Adjustments - Based on 2019 Year End

Committee reviewed the report and discussed the option to remove the gravel to surface program (excluding Latimer Rd) from the capital budget, which has an estimated cost of \$313,750 coming from taxation. There was a general discussion with respect to the joint project with North Grenville for the treatment of Latimer Rd, specifically regarding the new technology and micro surface products being used by North Grenville. Members spoke to the quality and lifespan of the current roads within the Township that have received surface treatment, specifically with respect to the durability of the products. It was noted that staff will be inspecting roads within North Grenville that have received the new micro surface treatment product to determine if it is something the Township wants to consider for future projects. There was consensus from Committee to remove the gravel to surface program (excluding Latimer Rd) from the 2020 budget.

Committee debated if \$150,000 should be set aside to purchase new vehicles/equipment for public works and place the remaining \$160,000 of the \$313,000 for future road improvement project(s). There was discussion with respect to how the remaining \$160,000 may be used. Members suggested the following uses: future road improvement/paving, reduce taxes and place it in a holding account for future discussion and decision. It was noted that if Committee decides to include the \$150,000 plus the \$20,000, Council would need to raise \$113,000 from taxation. There was consensus from Committee to raise \$150,000 from the original \$313,750 to be used for the purchase of public works vehicles/equipment.

Members made further suggestions with respect to how additional taxation money may be utilized; including adding an additional \$40,000 for Cardinal waterfront improvements, adding an additional \$20,000 for road improvements or winter controls, and placing money into reserves. It was noted that without adding the above mentioned Member suggestions, the Township taxation would be 1.97%.

Members suggested that staff prepare a 5 year trend report for Committee to review and gain a better understanding of how staff determine the budgeted amounts. It was noted that staff do prepare the annual budget

based on reviewing trends and determining what the 5 year averages are for each departmental budget. Members confirmed that Committee would like staff to prepare a report outlining the 5 year trends for winter control.

There was consensus from Committee to add an additional \$20,000 for winter control, on top of the original \$20,000 from item 5c.

e. **2020 Operating Budget Review**

Committee reviewed the draft operating budget and discussed the winter control budget. Members noted that the Township must meet and abide by the minimum maintenance standards and suggested that if there is not enough money in the budget then items, such as vehicles and road repairs/maintenance may result in another deficit. There was a general discussion with respect to trending and if staff should provide additional detailed reports to Committee when issues arise throughout the year.

Committee discussed the fire department capital budget, specifically with respect to if the \$20,000 for Fire Station 2 is necessary for 2020. Members debated if Council should move forward with completing the study to determine options for replacement versus renovation for the station. It was noted that Council passed a resolution in January supporting that \$15,000 be carried forward from 2019. It was noted that a report will be coming forward with respect to the Fire Station 2 study with the 1st Quarter report in the spring.

Members suggested that the idea to add an additional \$40,000 for Cardinal waterfront improvement to the capital budget be discussed at a future budget meeting. Members noted that the Township has also earmarked a portion of the budget to address the possible green stream funding project to improve the water/wastewater infrastructure along County Rd 2 in Cardinal. There was a brief discussion with respect to replacing the Recreation vehicle with the Port truck. It was noted that the purchase of a new vehicle for the Port may be discussed during the Port Management Committee meeting.

f. **Date of Next Budget Meeting**

There was consensus from Committee that the following budget meetings are set:

- Budget Meeting #4 - February 20 at 6:00 p.m.
- Budget Meeting #5 - February 27 at 6:00 p.m.

6. Question Period

None.

7. Closed Session

Moved by: J. Hunter

Seconded by: T. Deschamps

That Committee of the Whole proceeds into closed session at 7:23 p.m. in order to address a matter pertaining to:

- Personal matters about an identifiable individual, including municipal or local board employees; Specifically: Staff Levels - Administration and Facilities & Minutes of Closed Session dated January 13, 2020

Carried

- a. Personal matters about an identifiable individual, including municipal or local board employees; Specifically: Staff Levels - Administration and Facilities & Minutes of Closed Session dated January 13, 2020

Moved by: J. Hunter

Seconded by: T. Deschamps

That the closed meeting does now adjourn and the open meeting of Committee of the Whole does now resume at 8:25 p.m.

Carried

8. Report Out from Closed Session

Mayor Sayeau reported that Committee had discussed staffing issues and that direction was given with respect to Administration, and that it was agreed that there would be a future discussion with respect to Recreation and Facilities.

Moved by: H. Cameron

Seconded by: J. Hunter

That Committee of the Whole approves the minutes of closed session dated January 13, 2020.

Carried

9. Adjournment

Moved by: S. Dillabough

Seconded by: H. Cameron

That Committee of the Whole does now adjourn at 8:26 p.m.

Carried

Chair

Deputy Clerk