

Minutes - Special Meeting of Council



MEETING DATE: November 30, 2011
LOCATION: Town Hall, Committee Room
PREPARED BY: Corrina Giles, Town Clerk

A. Call to Order

- Deputy Mayor McKinlay called the meeting to order with all members in attendance, save Councillor Martin absent due to a previous commitment and Mayor Anderson absent due to inclement weather

Also in attendance was CAO Troy Speck, Director of Engineering & Public Works Reg Russwurm, Manager of Human Resources Tracey McKenna, Director of Recreation Shawn Everitt, Director of Finance and IT Robert Cummings and Director of Planning and Building David Finbow

- Approval of Agenda:

Moved by: Gail Ardiel Seconded by: R.J. Gamble

THAT the Agenda of November 30, 2011 be adopted as circulated, including any revisions to be made, Carried.

No member declared a pecuniary interest with any matter as listed on the Agenda.

Mayor Anderson then joined the meeting and assumed the Chair.

B. Closed Session

Moved by: John McKean Seconded by: Joe Halos

THAT with regard to subsection 239 of the *Municipal Act, 2001*, this Council do now move into closed session in order to address matters pertaining to personal matters about an identifiable individual, including Town or local board employees; and

WITH regard to personnel matters, Carried.

Council moved into closed session at 9:31 am.
Council moved into public session at 11:20 am.

C. 2012 Budget

Councillor Martin then joined the meeting.

Director of Finance and IT Services Robert Cummings reviewed the draft budget timelines noting much of the information has been provided to Council through the service delivery reviews.

Robert noting because of the downturn in the economy, the Town is experiencing lower assessment growth than projected and lost revenue, though reduced expenditures have been realized.

Robert noting the building permit revenue and development charges have been lagging and lower investment income is being received.

Robert reviewed inflation in the current economic climate and interest rates noting the Municipal Price Index ("MPI") is 2.8%, noting MPI is a better measure than the Consumer Price Index as it only includes municipal costs. Rob noted that employment has grown by 1.5% in the last 12 months.

Robert then reviewed the development charges and the cost of development charge projects. Councillor Halos questioned if there are comparables available for the figures noted, Robert replying the figures in 2011 are similar to that proposed in 2012. Director of Planning and Building David Finbow spoke noting 67 dwellings were built in 2009, 84 in 2010 and 50 to date in 2011, but noted the Town is projecting 60 – 65 building permits by year end.

Robert then noted 50 building permits are required to break even in 2012.

Robert spoke noting discretionary expenses are down 2%, but the cost of insurance has increased 7% and utilities have increased 4%.

Deputy Mayor McKinlay questioned if there is any indication that the current property assessment may be reduced, Robert replying some may increase, some may decrease, noting the result would be revenue neutral.

Robert then noted that currently the budget stands at 3.4% overall increase over 2011, Mayor Anderson noting this is assuming the County comes in with a 3% increase over 2011.

Robert then noted The Blue Mountains is the highest assessed municipality in the County, paying 26% of the County's levy.

Council then broke for lunch at 12:00 noon.

D. Lunch Break – 12:00 p.m. to 1:00 p.m

Moved by: D.R. McKinlay Seconded by: Gail Ardiel

THAT Council take a recess for lunch to resume at 1:00 p.m., Carried.

Moved by: Gail Ardiel Seconded by: John McKean

THAT the Special Meeting of Council is back in session at 1:07 p.m., Carried.

C. 2012 Budget (continued)

Robert then reviewed the municipal comparison of 2011 to neighbouring municipalities. Robert reviewed the Town tax levy historical and proposed, noting because of assessment dollars, increases have been kept low in recent years and through to 2014. Robert noting a 2% increase in 2012 may affect 2013 and 2014 increases and noted Council decisions must be sustainable.

Robert then noted the Chair of each Committee shall recommend changes to service delivery and noted Directors will provide service delivery considerations.

Robert then reviewed the full time staff numbers, being 98 in 2011 and 2012 and compared these numbers with neighbouring municipalities. Councillor Gamble

spoke noting Owen Sound reduced their staff in 2007, Robert replying Owen Sound has included their fire and police staff in the figures.

Mayor Anderson then questioned hiring students, Robert replying that students are an excellent resource, their hourly rate being half the cost of a full time employee, with the municipality eligible to apply for grants to help pay their wage. Robert further noting it is good experience for youth and noted the cost of student wages is proposed to be down \$9000 in 2012 from 2011.

Robert then spoke regarding Town owned vehicles, Bob noting the number of vehicles owned by the Town equates to 1 vehicle per two employees and questioned if the number of vehicles can be reduced or rationalized in the future. Bob noted the Town has too many vehicles as compared to neighbouring municipalities.

Duncan spoke in response to Bob, noting the Infrastructure and Recreation Committee seek smaller and more economical vehicles, but do require large and heavier vehicles for some jobs. Robert spoke noting the 1988 harbour pickup is proposed to be replaced in 2012.

Robert then spoke regarding the Finance and Administration Committee service delivery recommendations. Chair Gamble spoke noting insurance costs have increased and suggested increasing the Town's deductibles to reduce premium costs and noted this would be a benefit in the next few years. Bob questioned if Council would consider this option.

Mayor Anderson then spoke questioning when the Town's insurance was last reviewed, Robert replying in 2006, Ellen then questioned if the Town could seek other options for the 2013 budget. Robert then spoke noting Staff are currently looking for savings in insurance, and noted the last experience with an alternate insurance carrier was not successful. Robert noted this is part of the Risk Manager's work plan.

Councillor Halos then referenced vehicle insurance and questioned if all vehicles are under one umbrella insurance plan, Robert replying yes. Councillor Ardiel then spoke questioning if the Town could partner with the County and/or other municipalities for cost savings. Mayor Anderson spoke noting there may be such opportunities available in the future through the Grey County Finance and Personnel Committee.

Bob then questioned if the Town could absorb losses if the deductible is increased to \$2500, Robert replying risk management is always changing and referenced the reserves in place to absorb deductibles.

Robert then noted a detailed staff report regarding insurance will be brought to the next Finance and Administration Committee Meeting. Council then concurred to increase deductibles to reduce premiums.

Moved by: R.J. Gamble Seconded by: D. R. McKinlay

THAT a detailed staff report be brought forward to the next Finance and Administration Committee meeting regarding insurance costs, Carried.

Robert then spoke regarding the cost of living increase and reviewed possible scenarios, noting it a 2.25% increase is recommended, split 1% at the beginning of the year and an additional 1.25% mid-year.

Robert then spoke regarding the overtime costs associated with meetings

Moved by: R.J. Gamble Seconded by: Gail Ardiel

THAT the dates and times of meetings and the requirements of staff be reviewed to reduce proposed overtime costs of \$10,000.

In speaking to the Motion, Duncan noted he looks forward to receipt of this report though noted that some meetings have to be scheduled in order to serve the public.

Council then voted on the Motion, Carried.

Councillor Halos spoke regarding the cost of living increase and the current difficult economy and noted Council should look to its staff to get through the tough times and believes the cost of living increase should be reduced to realize savings.

Duncan then spoke noting the cost of living increase will have to be looked at carefully as the Town needs to have a balance and to remain competitive in the municipal world. Duncan noted Council needs to realize that the Town's housing is more expensive than other municipalities and that the cost of housing in the Town should be reviewed with other comparators.

Bob then spoke noting the cost of living increase is a controversial concern, noting a 2% increase does not amount to much of an increase for those lesser paid staff, but is a significant increase for the higher paid staff. Bob noted he is in favour of a per-hour rate increase, rather than a percentage increase.

Councillor Martin then spoke noting Council appears to be debating each matter, line by line. CAO Troy Speck then spoke noting Council can make decisions as this is a meeting of Council.

Ellen then spoke noting she would like additional information, further noting if Finance and Administration is suggesting a 2.25% increase and questioned what increase is being offered by other municipalities.

Councillor McKean then spoke noting two years ago staff did not receive a cost of living increase and does not believe Council should ask this of staff again.

Ellen then spoke noting the Town enjoys a non-unionized environment.

Robert then noted the cost of living increases in the past have been, 2% in 2011, 1% in 2010 and 1% in 2009.

Moved by: Gail Ardiel Seconded by: Joe Halos

THAT the proposed cost of living increase of 2.25% for 2012 is referred back to the Finance and Administration Committee for further review, Carried.

Troy then spoke regarding the effect of the retirement of the baby-boomers and noted the municipality needs to be competitive to retain staff.

Manager of Human Resources Tracey McKenna spoke noting the Ontario Municipal Human Resources Association, representing non-union groups, reports 2012 cost of living increases of 1.9%.

Moved by: D.R. McKinlay Seconded by: John McKean

THAT the previous motion to refer the proposed cost of living increase of 2.25% back to the Finance and Administration Committee for further review be rescinded, Carried.

CAO Troy Speck spoke noting the cost of living increase is in the base budget at this time and Council could discuss this later if necessary, further noting a motion is not required at this time.

Councillor McKean spoke noting a flat, by hour, increase does not give the cost of living increase to managers or senior staff, further noting a percentage increase is provided in the private sector.

Bob then questioned if the percentage increase has an impact on the pay equity plan and requested this be reviewed by Staff, Tracey spoke in response noting yes a percentage increase would have an impact, further noting a percentage keeps everything in line.

Robert then referenced the budgeted amount for the Christmas party, being \$5000.

Robert then spoke regarding the library budget, noting if the Town's proposed increase is 2% that the Town supported initiatives such as the library should follow. Councillor Halos spoke in response noting he agrees, but indicated the Town's budget is currently at 6.2% increase.

Robert then spoke regarding staff continuous improvement and savings to be realized with the consolidation of services and savings of \$200,000 over the next ten years. Robert noted a staff report will be brought forward to the Finance and Administration Committee regarding potential savings in the telecom services. Bob spoke in response commending staff for identifying possible savings, and expressed a concern with the cost of newspaper advertisement costs in local papers. Robert spoke in response noting staff would appreciate council direction on how staff can reduce advertisement costs. Gail questioned if the advertisements could be part of the Town's website to save costs.

Troy then spoke noting advertisements will be brought forward to the next Senior Management Team meeting, further noting AMCTO is looking at the cost to advertise in newspapers as well and will be lobbying changes to the Municipal Act with respect to legislated communications.

Robert then reviewed the budget of the Office of the CAO and the Finance and IT Services Department. Bob questioned if the IT enhancements will level off, Robert replying that the Town has moved to a four year rollover of computers from the previous three years.

Mayor Anderson then questioned if Council has any issue with the IT Department budget, noting none.

Mayor Anderson then questioned if Council has any questions or concerns with the CAO Office budget, Joe replying he is in favour of this budget as it is reduced by 13%, Troy replying the savings is because of the elimination of a position.

Mayor Anderson questioned if Council has any issue with the Finance budget, noting none.

Robert then reviewed the tentative conservation authorities budget, noting NVCA is down 4% and GSCA is up 2%, which will amount to savings of approximately \$5800 to the base budget.

Robert then spoke regarding the Police Services budget, noting it is up \$40,000, which equates to 1.7%, and confirmed a credit was received this year. Duncan questioned what is proposed in 2013, Troy noting this is unknown at this time, but confirmed the Police Services contract expires at the end of 2012.

John then questioned if Council are able to direct the Police to specific services, Ellen replying this is an option, but the Police operate in a triage system. Troy spoke noting there could be a discussion about this that will determine if an increase of the complement is sought.

Robert then spoke regarding the Fire Services budget noting expenses have increased 7.6% and the increase relates to the Fire Master Plan and the replacement of a tanker pumper and the upgrade to an Emergency Communication System.

Mayor Anderson questioned \$55,000 increase in wages, Fire Chief Ron Doherty replying this includes a 2% cost of living increase for staff and volunteers, Ellen questioning if more volunteers are sought, Ron replying yes.

Bob then spoke regarding the Fire Master Plan and noted it should be reviewed to determine if the Fire Department is providing the appropriate level of service. Bob then referenced the costs of \$1.5 million to replace equipment and noted Council should look at the duplication of equipment at each fire station. Bob noted the Town cannot afford the proposed \$1.5 million in the next few years.

Ellen then spoke noting time and response is a concern. Ron replying that the Fire Master Plan addresses deficiencies in the municipality, further noting the Plan will be reviewed by Council to look at core services and following that review, these services may change. Ron noted at that time a development plan is determined and Council will determine what level of service should be provided to residents. Ron noted the Ontario Fire Marshall is putting the onus on municipalities for fire services, which will have to be relayed to residents. Ron then referenced the proposed replacement of 1986 and 1988 equipment.

Duncan then spoke noting the changes to be made will take most of next year and may not effect this budget, Ron agreeing.

Operating Budget 2012 – 2016, The Blue Mountains Public Library

Councillor Halos reviewed the library operating budget, and recognized Library Board members present.

Joe noted the proposed bookmobile was removed during the 2011 budget discussions.

Joe noted the library has completed a full service review, including the hours of service and complement of staff, and noted 55,000 visitors used the library in 2011.

Joe then noted to maintain the core operating services, the library requires a 2.4% increase or \$13,445. Joe noted the budget has been reduced by \$70,000 as they are not seeking funds for new operating initiatives.

Joe then spoke regarding the e-books collection and noted the library is purchasing this technology.

Joe referenced the hours of service and noted the library is a great place for children to come after school to participate in the library programs or to do homework.

Mayor Anderson questioned if 173 Bruce Street is currently being used, Chief Librarian Carol Cooley replying yes it is used for storage and is shared with the Beaver Valley Outreach and another agency that may utilize the space for storage. Carol noted the space cannot be used for anything other than storage at this time.

Councillor Ardiel spoke noting the \$2900 in snow-removal costs seems excessive, Carol replying it includes the walkways and driveways.

Joe then referenced the space needs analysis and confirmed additional space is required and noted the Library Board is seeking a design expansion that would not require additional staff.

Gail then questioned if there is a cost associated with the after school programs, Carol replying the cost is minimal, further noting most come after school to hang out in the library, conduct research on the computers, and noted it is a safe place for kids. Gail then questioned if the library should charge more than a nominal fee for programs, Carol replying she does not know if charging a higher fee would bring in more revenue.

Bob then spoke noting Council is trying to restrain the impact on taxpayers and questioned if the proposed increase can be reduced, Joe replying that Council needs to be serious about the budget. Carol spoke noting the capital budget for e-books has been reduced and reductions will be carried forward in future years. Bob noted Council needs to look at services to get closer to the 2% increase.

Mayor Anderson then thanked Council and Staff for their time.

F. Adjournment

Moved by: Michael Martin Seconded by: D.R. McKinlay

THAT this meeting does now adjourn at 3:04 p.m, Carried.

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Ellen Anderson, Mayor

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Corrina Giles, Town Clerk