

Minutes - Special Meeting of Council – Budget



MEETING DATE: December 9, 2011
LOCATION: Town Hall, Council Chamber
PREPARED BY: Corrina Giles, Town Clerk

A. Call to Order

- Mayor Anderson called the meeting to order with all members in attendance save Councillor Martin absent due to a previous commitment

Also in attendance was CAO Troy Speck, Manager of Human Resources Tracey McKenna, Director of Recreation Shawn Everitt, Director of Finance and IT Robert Cummings, Manager of Solid Waste and Environmental Initiatives Jeffrey Fletcher, Manager of Water and Wastewater Services John Caswell, Director of Planning and Building David Finbow, Communications and Economic Development Coordinator Lisa Kidd, Director of Engineering and Public Works Reg Russwurm, Deputy Fire Chief AJ Lake, Financial Analyst Debbie Brown, Administrative Assistant Serena Wilgress, Fire Chief Ron Doherty, Chief Librarian Carol Cooley, Manager of Roads and Drainage Jim McCannell

- Approval of Agenda:

Moved by: John McKean Seconded by: Gail Ardiel

THAT the Agenda of December 9, 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.

B. Closed Session

Moved by: R.J. Gamble Seconded by: John McKean

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 8:55 am.
Council moved into public session at 10:17 am.

C. 2012 Budget.

- 1. Follow up from November 30, 2011 Meeting**
- 2. Current Status of 2012 Budget**

Director of Finance and IT Robert Cummings provided a follow up to the November 30, 2011 Special Meeting of Council, Budget. Rob noted the Town requires \$11.5M to run its operations.

Rob spoke noting the Town is relying on summer students more in the last couple of years noting working for the Town is a great opportunity for students in the Town and their wages are often subsidised through grant funding.

Rob noted the Town currently has 37 vehicles in its fleet.

Councillor Halos spoke questioning the vehicle operation expense increase of \$40,000 from 2011 and noted he would like to see no increases and the rate capped at the previous year's rate, being .4% of the budget.

Deputy Mayor McKinlay spoke questioning if there is any background information for this increase between 2011 and 2012, Rob replying the increase at the Roads Department of \$18,000 is correcting a budgeting issue from 2010 and the increase of \$18,000 is for new tires for a large piece of equipment at the landfill. Rob confirmed the Roads budgeting issue in 2010 is being corrected here.

Joe noted Council should still strive for no increase in vehicle expenses, speaking on operational costs of gas, oil and maintenance. Duncan then spoke noting in the long term, Staff are looking at the appropriate size of vehicle for the job, noting this may make a difference in the long term, Rob confirming that Staff are seeking out new more efficient vehicles when replacing vehicles.

Moved by: Joe Halos Seconded by: R.J. Gamble

THAT the final draft 2012 budget shall include the 2012 Vehicle Expense Budget capped at the 2011 rate and that the replacement tires for the landfill loader be moved to the minor capital account, for consideration by Council.

In speaking to the Motion, Deputy Mayor McKinlay noted he is in support of the intent of the motion, but the \$18,000 understatement in the 2011 budget would indicate that Council is seeking a reduction in the 2012 budget.

Councillor Martin spoke noting he believes the Motion to be premature at this point, Rob replying that this is the time to make changes to the draft budget.

Duncan noted because \$18,000 was understated in the 2011 budget, that this would amount to just less than a 2% increase proposed.

Rob then spoke noting vehicle expenses includes fuel, oil, licencing, tires and regular maintenance.

Council then voted on the Motion, Carried.

Duncan then confirmed the vehicle expense budget rate is \$328,000.

Rob then spoke regarding the cost of advertising and noted advertising will be brought forward at the Senior Management Team meeting for discussion, further noting much of the advertising is legislated and for accountability and transparency.

Rob then noted some savings have been realized through increased insurance deductibles and reduced premiums, Conservation Authority savings, and telecommunications savings.

Rob noted the budget is currently at 3.26% increase, blended rate, with the Town's portion being 5.8%.

3. Continuation of Library Budget – Capital

Councillor Halos then spoke as representative for the Library Board recognizing members of the Board present.

Joe reviewed the Library's Operating budget, noting the library will have a surplus of \$7,000 to \$10,000 in 2011, because of good financial management.

Joe confirmed the bookmobile and all associated costs were removed from the budget in 2011.

Joe then reviewed the program service review and noted the Board maintains the Library as a legacy building and future expansions will be in keeping with accessibility and improved service.

Joe then spoke regarding the items in the capital budget and tax transfers from capital, being a minor increase in tax transfers for capital expenses and tax transfer to asset reserves.

Joe noted an expansion to the Library will likely occur in 2017 to 2020 and referenced new growth in the area of electronic information and confirmed e-books are a standard core service provided by libraries across Canada.

Joe referenced the replacement of carpets in the future and the five year plan of furniture and equipment replacement.

Joe spoke regarding the tax transfer for asset management reserve and the referenced refurbished items using \$45,000 in grants. Joe then spoke regarding the tax transfer for reserves in 2012 of \$18,897.

Joe then spoke regarding the Library Strategic Plan 2011 to 2014 and the Library expansion to 177 Bruce Street with the next step to be establishing a Planning Committee with a project initiation date in 2017 to 2020.

Joe noted the Library's budget is realistic and responsible with a surplus realized in 2011.

Councillor Gamble spoke referencing the overall position of the municipality and noted each department requires additional funds over and above taxation and believes the Library intends to continue regardless of the current economic climate. Bob noted that Council needs to be realistic and look at the needs of the community and questioned if there is a possibility for a reduction in services. Bob noted a 0% to 2% increase should be considered by Council, and in the future when the economy recovers, Council could then look at enhancing services.

Joe spoke in response to Bob noting the Library had over 55,000 visitors last year and believes the Library has done a good job in presenting a responsible budget and in holding the line in its 2012 budget.

Moved by: Michael Martin Seconded by: John McKean

THAT the final draft 2012 budget shall include the Library Operating and Capital Budget as presented, for consideration by Council.

In speaking to the Motion, Councillor McKean noted Council reduced the Library budget by \$10,000 last year, and noted services should not be cut at the Library as residents may use this Library more in the future because of the downturn in the economy.

Council then voted on the Motion, Carried.

Councillor Gamble then spoke questioning if \$60,000 is the total cost for one year, Reg replying yes. Bob then questioned if the Town could direct that less service be provided to achieve savings of \$10,000 per year, Reg replying that slips and falls are a concern and noted the Town can work on reduced service through the winter and into the spring. Duncan then spoke noting the Town is currently measuring standards and are seeking savings.

Reg then spoke regarding less dust control noting this is not mandated or legislated. Reg noted dust can be a pollutant and noted the apple growers have issue with dust on the trees as the suppression of the dust on the leaves prohibits the spray from absorbing into the leaves which may affect the crop.

Reg then noted the Town could expect to receive a significant number of complaints if the dust suppression is reduced and road structures may be compromised if the dust is increased.

Councillor McKean then spoke noting the new initiative of placing gravel in June may help with the savings in dust control to provide a better crossfall. Reg noted dust control has been reduced in the last couple of years by 10%.

Mayor Anderson then questioned if sidewalk clearing savings could be realized, Reg replying there could be slip hazards, but noted the Town could reduce service on the sidestreets.

Reg then spoke regarding the Town is not legislated or mandated to clear the parking lots of snow, and noted \$2000 is budgeted to clear the parking lot at the Thornbury Canada Post outlet. Reg noted he does not recommend removing this service from the budget.

Mayor Anderson noted Council has no comment with respect to this service.

Reg then spoke regarding the possibility of a reduction in grading of unpaved roads noting that 75 days per year is spent grading roads, being three rounds of grading. Reg noted that if grading was reduced to two rounds that savings in fuel could be realized and a reduction of 20 days spent grading.

Reg noted that Minimum Maintenance Standards are legislated and the Town could monitor the size of pot holes and concentrate its efforts in the areas requiring increased grading.

Duncan spoke questioning if this will work given the traffic volumes on gravel roads, Reg replying it is unknown at this time if there will be any efficiencies, and noted he has requested Jim McCannell, Manager of Roads and Drainage, to monitor this.

Councillor Halos then questioned if one less round of road grading could be performed, while maintaining the dust control, Jim replying that the grading is tied to the amount of rainfall. John then spoke noting upscale gravel with an increased crossfall reduces the need for grading as water drains off the road better.

Reg then spoke regarding the possibility of reducing the roadside grass maintenance noting the Town maintains the road width and contours. Reg noted this could be a service that is tendered out, keeping in mind it could become an insurance issue with marginal savings achieved, but 30 days of staff time could be freed up to perform other duties.

Jim then spoke noting the roadside grass cutting could be put out for tender, but a local farmer may not have the proper type of mower and insurance could be an issue.

Duncan then referenced drainage studies to be undertaken at Craigleith and Camperdown and questioned if these studies are being completed when staff have capacity, Reg replying yes.

Bob then spoke regarding the proposed drainage studies and noted most of the location where the water is generated has been placed under development review and believes there will not be a significant amount of development in the Camperdown area in the future, Reg replying that his goal is to get ahead of developers to understand the implications downstream and the need to regionalize services as much as possible. Reg noted stormwater ponds are a liability that are not adequately funded and noted drainage standards have changed with some areas being understated. Reg noted changes in climate also have an impact on drainage.

Duncan then noted things have changed in the Camperdown area with more pavement and more development and significant homes with high values and noted this is a risk for The Blue Mountains. Duncan noted the Drainage Act is a concern to take the load off the ratepayer, but place on the benefitting owner.

Bob then referenced a Drainage Act event of approximately ten years ago north of the Georgian Trail near Georgian Peaks, Duncan noting the review of the drainage issues should have started at the top of the escarpment, Bob replying that all drainage issues should be looked at very closely before a terms of reference is sent out. Reg made note of Councillor Gamble's comments and will use this information as background information.

Rob then spoke regarding professional fees in the budget that cover environmental assessments and consulting fees and referenced applicable government grants and possible sources of revenue.

Rob then spoke regarding Solid Waste and Environmental Initiatives noting the landfill expansion will add approximately \$300,000 to the budget in 2012, \$500,000 in 2013, noting that tipping fees may reduce this slightly.

Reg then spoke noting further information will be provided to Council at the December 12 Council Meeting.

Rob then spoke noting waste collection has increased because of new units in the municipality, Bob questioning when the contract will expire, Reg replying that the Town is currently in year two of a six year contract, further noting the Town can do an annual renewal.

Councillor Ardiel then questioned if the cost of waste collection would be higher if the Town's agreement was based on an annual review, Reg replying the cost would be closer to the actual cost.

Rob then spoke noting the increase in Environmental Initiatives relates to the Environmental Initiatives position becoming full time. Rob noted this person works with the Agricultural Advisory Committee, Beaver River Watershed Group, and the Sustainability Committee.

Bob then questioned the environmental initiatives revenues, Rob replying these revenues have increased \$17,000 in 2011. Reg then spoke noting the rolled cost of collection and the cost of revenues is based on the price of goods with the best overall cost achieved from the selected contractor. Reg further noted that the price for recyclables has dropped.

Duncan then spoke noting Council needs to remember the value of recyclables as it saves landfill capacity, Reg agreeing, Bob noting the Town needs to look at revenues where possible.

Rob then spoke regarding Recreation, noting this budget is up slightly with an additional \$5000 in special events.

Rob noted the Beaver Valley Community Centre remains status quo with an expected increase in hydro and natural gas and a small decrease in revenue.

Bob then questioned if some of the improvements at the BVCC would achieve a decrease in hydro charges, Rob replying that the 2010 budget included \$40,000 for hydro at the BVCC, but the final cost was \$61,000. Director of Recreation Shawn Everitt then spoke noting the new condenser is more efficient, and water consumption is reduced, and noted some efficiencies should be realized but he is looking at past usage.

Shawn then reviewed the BVCC kitchen, noting there is an existing issue with the inventory of plates and the condition of the dishwasher. Shawn noted removing the plates from the kitchen could realize some savings and noted he will consult with ratepayers and community groups about this.

Rob then spoke regarding parks and trails and noted the stewardship program will increase efficiencies.

Joe then questioned the cost of the Sunset Park Boulevard, Shawn replying there was no increase in costs and noted he has budgeted \$3000 for maintaining the washroom facilities, but this could be tendered out.

Bob spoke in response to Shawn noting the Town needs to be careful when tendering out and questioned if current internal costs can be reduced as well. Bob noted Council needs to look at opportunities to expand the current force or equipment, Duncan concurring.

Rob then spoke regarding Tomahawk and noted Staff will prepare an RFP moving forward on providing admission services for Tomahawk. Shawn then spoke noting the Town is very fortunate to have a partnership with Lora Bay and Georgian Bay Club to assist with the Integrated Pest Management services at Tomahawk.

Rob then spoke regarding the Depot and noted the Depot is a great cornerstone and noted partnerships with neighbouring municipalities will be developed.

Rob then reviewed the Small Halls budget.

Shawn then spoke regarding the cemetery noting efficiencies continue to be created, and referenced the incentive program to purchase internments to promote the sale before a plot is required. Shawn noted the Strategic Plan has identified that there is approximately 20 – 25 years remaining in existing cemetery and noted he believes Staff provide a good level of service at the cemetery.

Joe then questioned if the Strategic Plan makes reference to “green burials”, Shawn replying that the Ministry has approved green cemeteries and a number of municipalities are moving forward with green cemeteries.

Rob noted the cemetery expenses and revenues are down.

Rob then spoke noting the harbour facility maintenance and operations remain status quo and the priority continues to include the replacement of docks.

Bob then spoke noting there has been a strong push by the City of Owen Sound to dredge the Owen Sound harbour and questioned if the Town’s dredging of the Town’s harbour could be done in coordination with Owen Sound, Shawn replying that the Town is in constant discussions with the Department of Oceans and

Fisheries and that the Town's harbour is in good condition with 10' – 13' of depth in the channel. Shawn noted that Ryan continually monitors the need for channel depth and advises boat-owners.

Rob noted that the harbour expenses are well controlled, being up 1%, and is funded through user fees.

Director of Planning and Building David Finbow reviewed the Planning and Building overview and the service delivery.

David noted that Planning and Building Department consists of three divisions, being By-Law, Planning and Building and noted the 5 year review of the Official Plan is a major project to complete.

David spoke regarding the Building Division, noting staffing costs are up 21.2% due to an upcoming maternity leave, and noted costs should be in-line with 2011 costs. David noted the enhancement of a summer student will be reviewed by Council. David noted a major project of the Building Department is the energy efficiency provisions in the Ontario Building Code.

David then reviewed By-Law Enforcement, Parking and Animal Control noting costs have increased 18.4% due to greater allocation of the Manager's salary. David referenced parking enforcement revenues of \$50,000 in 2011. David noted the major projects of the By-Law Enforcement continue to be short term accommodation enforcement, education program in animal control and extending enforcement of parking restrictions on private property.

Deputy Mayor McKinlay then spoke noting he will provide the Chair's service delivery report of the Planning and Building Committee at the next Special Meeting.

F. Adjournment

Moved by: Gail Ardiel Seconded by: John McKean

THAT this meeting does now adjourn at 2:35 p.m., Carried.

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Ellen Anderson, Mayor

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Corrina Giles, Town Clerk