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Minutes - Finance and Administration Committee

MEETING DATE:	**January 30, 2012**
LOCATION:	**Council Chambers**
PREPARED BY:	**Stephen Keast, Administrative Assistant**

A. Call to Order

Chair Gamble called the meeting to order with all members in attendance.

Also in attendance was Chief Administrative Officer Troy Speck, Director of Financial and Information Technology Rob Cummings, Manager of Revenue Ruth Prince, Manager of Purchasing Sherri Adams, Communications and Economic Development Coordinator Lisa Kidd, Director of Recreation Shawn Everitt, Facility Manager Aaron McMullen, Deputy Chief A. J. Lake, Manager of Human Resources Tracey McKenna and Chief Librarian Carol Cooley.

Chair Gamble then noted Committee appointments made by Council following the 2010 election were for the term of Council but the Chairs would be selected each year. Bob then first asked if any member present wished to volunteer for the Chair, Councillor Ardiel offering her name for the position.

Bob then noted there were no other members offering their names, the Committee concurring that Councillor Ardiel be appointed as Committee Chair for 2012.

Councillor Ardiel then accepted the position of Committee Chair and thanked the Committee.

The Committee then dealt with the following Resolution:

Moved by: John McKean Seconded by: Joe Halos

THAT the Agenda of January 30, 2012 be approved as circulated, including any items added to the Agenda, Carried.

Councillor McKean then noted at a previous Infrastructure and Recreation Committee meeting there was discussion of a Tree Management Program on road allowances and requested the proposal be discussed under New and Unfinished Business.

No member present declared a potential pecuniary Interest with any matter as listed on the Agenda.

The Committee then dealt with the following Resolution:

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

THAT the minutes of December 20, 2011, be approved as circulated, including any revisions to be made, Carried.

B. Deputations / Presentations

None

C. Staff Reports

C.1 Town Hall Public Usage Program, CEDC.12.1

Lisa then reviewed the Report, noting it follows the earlier implementation of an Interim Guide for Rental of Town Hall Space, adding the Report proposed some revisions to the Interim Policy if Council wished to continue with the Program.

Councillor Gamble then noted a function held in early December resulted in significant cleaning requirements for the lobby floor and questioned if there was an amount determined for the cleaning requirements and if there should be a charge collected.

Lisa then reported she was unaware of the cost of the cleaning following the event, adding the Report recommends post-event cleaning costs be addressed.

Councillor Halos then questioned if the Town Hall had been requested for use and then not used, Lisa replying all requests to date have been granted and facilities used.

Bob then noted one issue that came up during a function was that a fire alarm was triggered and there appeared to be confusion in addressing the matter, Troy replying there is an fire safety plan in place for the Town Hall and supervisory Staff should be aware of the plan when in attendance during events outside regular office hours. Troy further noted for the specific event referred to this was not in place and it is recommended for future events in the Report and is one reason for recommending some cost recovery.

Bob then questioned if there will be an additional Report outlining the Recommendations, Lisa replying Staff will bring back a further Report and revised Policy.

The Committee then dealt with the following Resolution:

Moved by: John McKean Seconded by: Joe Halos

THAT Council receive Report CEDC.12.1 “Town Hall Public Usage Program” for information purposes; and

THAT the Corporation continue the Town Hall Usage Program pending revisions as recommended herein, unanimously Carried.

C.2 Corporate Sponsorship Program, CEDC.12.2

Lisa then reviewed the Report, noting a Sponsorship Program had been considered at Senior Management Team, however, Staff requested the Committee such a Program prior to further consideration.

Councillor Gamble then stated he did not really understand what type of corporate was being proposed, for example would General Motors support a municipal vehicle fleet. Lisa replied Staff have reviewed some existing programs and they are of many different types and application.

Lisa further noted if it was the Committee’s wish, Staff could further review such programs and bring back additional information.

Councillor Halos then noted for example the Arena boards are currently rented and questioned if the Town or Beaver Valley Athletic Association received funding, Shawn replying the Town receives the sponsorship funding.

Bob then questioned if there was a community of our size that has something in place that could be reviewed, Lisa replying none that she has found so far but they may exist and if it is the Committee's wish they could be reviewed.

Troy then clarified that Staff is not asking to develop such a program at present, but rather research such programs to bring back for Committee consideration.

Chair Ardiel then questioned if the Arena time clock was still sponsored, Shawn replying the original agreement was with Coca Cola but there was no agreement at present.

Bob then proposed before there was too much involvement, perhaps a Public Meeting could be held to consider public interest in the matter, for example, if a competing interest proposed a sponsorship.

Councillor McKean then noted perhaps Staff could investigate sponsorship figures prior to a Public Meeting so taxpayers could gauge their interest, Joe agreeing with revenue examination first, adding a Public Meeting would be a idea to determine what people thought.

The Committee then dealt with the following Resolution:

Moved by: Joe Halos Seconded by: John McKean

THAT Council receive Staff Report CEDC.12.2, "Corporate Sponsorship Program", for information purposes; and

THAT Council direct Staff to proceed with research and development of a draft corporate sponsorship policy and program, and a public consultation process, unanimously Carried.

Troy then noted for clarification, there was no major objection to such a program and now Staff would investigate possible revenue and bring such information back to the Committee for later presentation at a Public Meeting.

C.3 LAS Electricity Procurement Program Update, FIT.12.04

Sherri then reviewed the Report, noting it was an update for Council on the Town's membership in the program.

Councillor Gamble then noted it appears the membership benefit is approximately one cent reduction in cost per kilowatt hour, Sherri replying it is slightly less at $0.92 per kwh.

Bob then noted al-inclusive contract cost for hedged electricity is 3.425 cents per kwh, with the Hourly Ontario Electric Price averaging 3.24 cents per kwh, then questioning what the 3.8 cents per kwh charge represents, Sherri replying the Global Adjustment commodity charge averaged 3.8 cents per kwh.

Councillor Halos then noted Financial Impact is shown as saving in the range of $35 to $45,000 in 2012 and questioned if this is reflected in the draft 2012 Budget, Rob replying it is not included in the Budget as it is an estimate only at this time, adding if the savings are realized, adjustments would be made through the year.

Bob then noted the savings would apply to the Thornbury Water and Wastewater Treatment Plants and questioned if the savings would also apply to the Craigleith Wastewater Treatment Plan, Sherri replying the savings would apply to all Town accounts.

The Committee then dealt with the following Resolution:

Moved by: John McKean Seconded by: Joe Halos

THAT Council receive Staff Report FIT.12.04 “LAS Electricity Procurement Program Update” for information purposes, Carried.

C.4 2012 Fees and Charges, FIT.12.01

Ruth then reviewed the Report, noting it was proposed to update to the current Fees and Charges By-law.

Councillor Gamble then questioned the increased Fire Services charge for a re-inspection with two inspectors, A.J. replying Fire Services has been using two inspectors to minimize liability exposure and for training purposes.

Bob then questioned liability, A.J. replying there have been instances in other municipalities where the Fire Department has been blamed for incidents in a building when a single inspector was present and having two inspectors present addresses this.

Councillor McKean then questioned how many re-inspections occurred per year, A.J. replying 10 to 20%, with many infractions not corrected and the current $25 fee is not an incentive to correct deficiencies. A.J. further noted an owner can re-schedule a re-inspection by telephone if not corrected to save the cost of the charge.

The Committee then dealt with the following Resolution:

Moved by: Joe Halos Seconded by: Jon McKean

THAT Council does hereby receive Staff Report FIT.12.01 “2012 Fees and Charges”

AND THAT a Public Meeting to review proposed Amendments to By-law 2008-113 as amended “Fees & Charges By-law”, Schedule “A” Administration, Schedule “D” – Fire Services, Schedule “H” – Recreation Department Services, Schedule “I” – Harbour, Schedule “J” – Craigleith Heritage Depot and Schedule “K” – Ice Rentals, be held on March 12, 2012, unanimously Carried.

C.5 2012 Annual Repayment Limit, FIT.12.02

Rob then reviewed the Report, noting the annual repayment limit is calculated by the Ministry of Municipal Affairs and Housing, noting the 2012 repayment limit has been calculated at $3,765,823 for the Town, with the Town being well within the limit, having debts totalling $1,529,774 for 2012.

Councillor Halos then questioned if there was any information comparing the Town with other municipalities, Rob replying each municipality has it’s own limit based on individual characteristics, adding if the Committee wished he could bring forth some comparators.

Councillor Gamble then noted concern with any addition to the debt load and if there was a legitimate reason to finance a new project that could be considered, but the Town should not be in a position of financing new projects and having to sell assets to pay financing costs.

Chair Ardiel then questioned what the Town's highest debt level had been, Rob replying in 2005, the Craigleith Wastewater Treatment Plant expansion represented approximately $7.5 million in debt.

Rob then noted in moving forward, Council can review the debt load annually, Gail adding it was an excellent tool to consider the Town debt load and financing costs.

Joe then questioned what is the long term debt over time at present, Rob replying there were two years left on each of the Thornbury and Craigleith Wastewater Treatment Plants, one year left on Tomahawk as well as the new Town Hall.

Bob then noted if there is a significant project forthcoming, Council will have to analyze how some of the project might be put out over several years, for example the Craigleith Wastewater Plant was directed for expansion by the Ministry of Environment but is now operating at approximately 40% capacity.

Rob then noted the last long term debt projection was approximately $8 million but it now appears this may be approximately $2 million high.

The Committee then dealt with the following Resolution:

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

THAT Council receive Staff Report FIT.12.02 "2012 Annual Repayment Limit" for information purposes, unanimously Carried.

C.6 Pre Year-end Financial Report Period Ending December 31, 2011, FIT.12.05

Rob then reviewed the Report, noting it would be very close in terms of coming in to Year-end.

Regarding taxation based, Ron noted revenues were down somewhat but no transfers from reserves are being considered, adding a surplus of $45 to $60,000 is projected.

Regarding user-fee based, Rob noted a deficit of $250 to $275,000 is projected for Building and Harbour operations. Rob further noted a deficit of approximately $70,000 is projected for Water and Wastewater, adding a 2011 Year-end Report is forthcoming.

Councillor Gamble then noted the Harbour is over Budget $17,000 for fuel but this should be revenue-neutral as the fuel is offered for sale.

Bob then noted Water salaries were over Budget, Rob noting the Year-end is not all reconciled yet, adding regarding Harbour fuel, revenue from sale was in line with projections.

Councillor Halos then noted a projected surplus in Engineering and Public Works and questioned what the savings were, Rob replying within EPW, several studies that were to be done were not completed and this revenue did not flow through.

Bob then noted regarding Harbour fuel, the tanks are kept full to prevent condensation but this is taken into account for inventory purposes.

The Committee then dealt with the following Resolution:

Moved by: John McKean Seconded by: Joe Halos

THAT Council receive Staff Report FIT.12.05 “Pre Year-end Financial Report Period Ending December 31, 2011” for information purposes, unanimously Carried.

D. Correspondence

D.1 St. John Ambulance – Request for funding

Councillor McKean then questioned if the Town has funded this organization in the past, Lisa replying no.

Councillor Gamble then noted funding may be something to consider as this is a volunteer group that provides services to the community, including some services that are offered on a cost-recovery basis, and perhaps the Town could consider purchasing some of these services.

Councillor Halos then suggested writing a letter to the organization advising of the Grants and Donations Program and related timelines, Chair Ardiel agreeing, adding she would like to know what events they have participated in within the Town.

Bob then noted the Town requires Health and Safety Training and perhaps St. John Ambulance could provide such service, Tracey reporting much of the Town training is completed through Fire Services Training Officers.

Joe then questioned if the Town provided any outside training through Fire Services, Tracey replying a number of volunteer firefighters are qualified trainers.

The Committee then dealt with the following Resolution:

Moved by: Joe Halos Seconded by: John McKean

THAT The Blue Mountains Council thanks St. John Ambulance for their community service and good works; and

THAT St. John Ambulance be advised that application for consideration of support through the Town Grants and Donations Program should be made no later than October 31 in any given year, unanimously Carried.

E. New and Unfinished Business

Councillor McKean then recounted previous consideration at an Infrastructure and Recreation Committee meeting of revised road design standards in new subdivisions including tree planting on the right of ways, with the cost of tree maintenance estimated at between $100 and $500, $300 used for Program purposes.

John further noted the tree maintenance was proposed to be funded as a tax-based program, and questioned if an area-rated charge could be applied, as the general taxpayer may not appreciate paying for tree maintenance on streets they may never drive on, adding such maintenance costs would likely include leaf clean-up.

Rob then noted he would investigate an area-rated charge, Councillor Halos adding there are many existing trees on road allowances in the community.

Councillor Gamble then stated the recommendation for tree plantings came from the Planning, Urban Design and Sustainability Guidelines, adding he did not believe the Guidelines had been approved by Council.

Bob further noted he believed trees located on a boulevard represented sight line hazard.

Joe then noted one option for new subdivisions would be to locate the plantings inside the sidewalk on private property, John reporting the revised standards show the location of proposed trees between the sidewalk and road surface.

Rob then noted for clarification, he would bring a Report back to the Finance and Administration Committee, John replying that would be fine but it would have to be passed on to the Infrastructure and Recreation Committee.

Bob then noted the issue may be driven more from the Planning side than Infrastructure, for aesthetics in new development, Chair Ardiel adding we could certainly encourage trees to be planted but it will have to be recognized there will be costs down the road.

Rob then noted the Report to be brought back will clarify if area-rating can be applied.

F. Adjournment

The Secretary then noted there is a special Senior Management Team meeting scheduled for Tuesday, April 17 to review Job Evaluations, and this would be a regular Committee meeting date. The Committee then concurred to meet on Tuesday, April 24.

As there was nothing further before the Chair the Committee then dealt with the following Resolution:

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

THAT this meeting does now adjourn to meet again in the Town Hall Council Chambers on February 21, 2012, at 2:00 pm, or at the call of the Chair, Carried.