

MINUTES OF A SPECIAL BUDGET MEETING OF COUNCIL of the Township of North Frontenac, held Wednesday, December 17, 2008 at the Upstairs Multi-purpose Room above the Fire Hall, Plevna, ON.

PRESENT: Mayor Ron Maguire; Councillor Wayne Good and Councillor Fred Perry – Ward 1; Councillor Lonnie Watkins and Councillor Elaine Gunsinger - Ward 2; Deputy Mayor Jim Beam and Councillor Bob Olmstead – Ward 3.

ALSO PRESENT: Cheryl Robson, CAO/Treasurer; Brenda Defosse, Clerk/Planning Coordinator; John Ibey, Public Works Manager; Angela Millar, Administrative/Financial Coordinator; Steve Riddell, Director of Emergency Services/Fire Chief and Corey Klatt, Community Liaison/Property Building Coordinator.

The Mayor called the Meeting to order and asked for Disclosures of Pecuniary Interest and none were declared.

NEW BUSINESS - 2009/10 “Draft” budget

MAYOR’S OPENING REMARKS

Mayor Maguire explained that today’s meeting is for Council, CAO and Department Heads to review the draft 2009 and 2010 budgets. By starting the budget process early again this year it will increase efficiencies and projects will start earlier, etc.

Deputy Mayor Beam explained the legislation changes with respect to the Current Value Taxable Assessment; the new four-year assessment cycle and the phase-in of assessment increases. The CAO explained that any assessment decreases will not be phased-in, but totally credited in 2009.

Note: Councillor Watkins arrived at this time.

CAO/TREASURER’S DRAFT 2009/10 BUDGET REPORT

The CAO/Treasurer, on behalf of all the employees, thanked Council for their continued cooperation and extended a special appreciation to all the Department Heads for their involvement and commitment to the early budget process. (Again this year we will be discussing a two year plan, commencing in December of the previous year.)

The CAO/Treasurer explained the Current Value Taxable Assessment for the Township of North Frontenac increased from 2008 to 2009 approximately \$60.2 Million or 13.08%. Assessment comparison from 2008 to 2009 and Ward comparisons were circulated. It was noted that last year’s Taxable Assessment increased by approximately \$13.3 Million or 2.98%. This assessment increase equals extra dollars to be collected through taxation, if Council approves the same municipal tax rate as 2008. Samples were discussed and a breakdown was circulated.

The CAO/Treasurer explained the following:

- 2009 no information received to date on Education tax rates.
- 2009 no final information received to date on County tax rates.

Mayor Maguire explained that the County of Frontenac will not review a 2009 draft budget until January 2009. It was the consensus of Council that Mayor Maguire continues to request the County budget include monies for the Pine Meadow Nursing Home and Rural Transportation, as they are social programs that should be funded at the Upper Tier level; along with reconfirming Capital dollars for Broadband for North Frontenac's application in February 2009.

Note: PWM arrived at this time.

- Municipal share – This is the first draft proposal dated December 17, 2008 and it is based on very preliminary figures for discussion purposes only. The CAO and Department Heads are seeking advice and basic guidelines/direction from Council for the CAO and Department Heads to fine tune this draft for the next scheduled 2009/10 draft budget – Special Council meeting – tentatively scheduled for January 14, 2009 @ 9:30 a.m.

The Chairman suggested the next 2009/10 draft budget discussion be rescheduled for Thursday, January 22nd at 9:30 a.m.

Basic rules used in first municipal budget draft:

(Plus some additional changes were required)

- 2008 Year End Actuals are not finalized and once known further adjustments may be required;
- Salaries 2009 = 3% increase (per Council resolution) plus possible actual merit increases ½ year; plus November 1, 2008 new Organization Chart = new position of Administrative/Financial Assistant and new Office Support Pool and new position of IT Technician / Mapping Coordinator. Also, possible new/increased levels for some Employees; the Office Support Pool and/or Equipment Operator/Labourers different levels; along with the possibility of one additional Equipment Operator/Labourer. (Personnel-Audit Committee to revisit prior to June 2009 - overtime, review of Role Descriptions, maximum job rates, etc for recruitment/retention); (2010 we used 3% estimate plus possible ½ year merit increases for a total of 4.5%);
- Fuel will be changed to recognize actuals from 2008 for 2009, plus a 5% increase;
- (2010 = 5% increase);
- Mileage was frozen per Personnel-Audit Committee resolution approved by Council on November 27, 2008 and it shall be reviewed again in six months;
- Utilities (Heat and Hydro) will be changed to recognize actuals from 2008 for 2009, plus a 5% increase (2010 = 5% increase);
- Insurance per Paul Dorman should be the same rates, unless major claim(s) and/or new vehicles, buildings, property (i.e. new trucks purchased in 2008 during the year and Jardine OME Insurance Company does not invoice during the year). Therefore, suggests using an estimate only for 2009 and 2010 at 3% each year;
- Conferences (estimated at \$2,000 each to recognize actuals from previous years);
- General items – such as Training, Other Materials, Telephones and Dispatch, etc., have been changed to recognize actuals in 2008 for 2009, and a 3% increase in 2010.
- Per Auditor effective 2006 – Capital = \$10,000 Minimum. This note applies to the draft budget. However, due to new Public Sector Accounting Board (PSAB) requirements, this may be changed for 2009 and future years (budget readjusted) to recognize actual long term plan goals. The implementation of PS 3150 starting with 2009 is an accounting change, not a budgeting change. Although the budget and financial statements are both important financial documents that are closely linked, the budget process determines what services and level of each service will be provided for that price (or tax rate). There are advantages and disadvantages for Cash-based Budgeting and for Accrual-based Budgeting (for the life of the asset). No set rules have been established and greater details are unknown at this time. Therefore, based on discussions with our Auditor and other municipalities, we will complete the 2009 budget in the same manner as 2008 and adjustments to the 2009 and future budgets will be a work in progress.

- Tangible Capital Assets – policies to be approved by Council in January 2009. As part of these policies, we are recommending that an annual advertisement be placed in the local newspaper and on the township's website re: Surplus vehicles, equipment and supplies for sale.

It was the consensus of Council that the CAO/Treasurer be authorized to annually advertise surplus vehicles, equipment and supplies for sale.

The CAO/Treasurer then started to review each individual Department's proposed first draft budget (line-by-line); including the 2008 actual year-to-date information. The Department Heads were all present to explain any details and answer questions.

DEFAULT:

- ◇ 2008 = Extra \$233,000 (2007 Surplus over \$150,000) – using the same tax rate as 2008 extra dollars raised would be \$301,625 less \$233,000 lost (depending on 2008 actual surplus once known) = \$68,625 extra dollars before starting the review of individual department needs.

COUNCIL:

- ◇ Conferences increased by \$2,500 (based on 2008 actuals – estimated at \$2,000 each, not \$1,500);
- ◇ Office Supplies increased by \$7,000 (proposed laptops for Council members for discussion purposes only). A majority of Council was not in favour of Council laptops at this time.
- ◇ County Meeting Expense increased by \$2,000 (based on 2008 actuals);
- ◇ Publications increased by \$1,200 (i.e. resolutions circulated by AMO at \$600 each);

ADMINISTRATION:

- ◇ New Administrative/Financial Assistant, but less Accounting Clerk for the Public Works Department (Nil net effect - Former Accounting Clerk for the Public Works Department position has been removed from Roads);
- ◇ 3 extra Conferences (i.e. ROMA/OGRA – CAO & Clerk (per Council); AMTCO - Administrative/Financial Coordinator);

ECONOMIC DEVELOPMENT:

- ◇ It is important that the Township enhance Economic Development initiatives to promote our community.
- ◇ In 2008 the former Recreation/Economic Development Program Coordinator (REDPC) position was charged 75% to Property/Building Mtce and 25% to MNR Parks (Crown Land Stewardship Program).

The REDPC position title changed on November 1, 2008 to Community Liaison / Property Building Coordinator. A new position of Property Building Maintenance / Crown Land Recreation Stewardship Supervisor was created effected 2009. Therefore, we are proposing the following:

- CLPBC salary = 45% Economic Development; 35% Property/Bldg Mtce; and 20% MNR Parks/CLSP);
- PBM/CLRS Supervisor (new position) salary = 50% Property/Bldg Mtce; and 50% MNR Parks/CLSP);
- ◇ The Mileage rate remains unchanged, per Council; however increase in mileage actual as CLPBC attends several meetings outside the municipality for Economic Development purposes.
- ◇ Promotions increased by \$9,000 (i.e. Proposals = Trade Shows; Chris' Amazing Race; Appreciation Dinner for local businesses; etc.);

It was consensus of Council that funds not be allocated towards the Frontier Adventures Sports & Training.

- ◇ Grants/Donations increased by \$2,500 (i.e. Proposal = NF Local Festival initiatives and \$500 to AFAR);
- ◇ Broadband Outreach Program – estimated at \$40,000;

SUNDRY:

- ◇ Grants/Donations increased by \$3,000 (\$2,000 to Cloyne 150th Anniversary);
- ◇ Joint Request for Proposal (RFP) with Addington Highlands Township for a Needs Assessment for Community Health Care – new proposed at \$15,000.

FIRE:

- ◇ Contributions from Reserves Fund in 2008 for the new Pumper at \$40,000 (Revenue);
- ◇ Protective Clothing increased by \$9,800 (see list on draft budget);
- ◇ Plevna Tanker Truck mandatory new baffles \$11,600;
- ◇ Equipment Replacement/Repairs increased by \$22,500 (see list on draft budget – i.e. dry well installation increase cost; 3 SCBAs at \$15,000);
- ◇ Training increased by \$9,000 – mandatory Occupational Health and Safety Committee is required to be set up.
- ◇ Communications increased by \$4,000 – Kingston dispatch agreement;
- ◇ Capital increased by \$50,000 (SUV and Wildfire ½ ton for Ompah);
- ◇ Contributions to Reserve Funds for Ompah new fire hall increased from \$50,000 to \$100,000;

POLICE:

- ◇ Estimate only – information not received yet;

CONSERVATION AUTHORITY:

- ◇ Estimate only – information not received yet;

BUILDING DEPARTMENT:

- ◇ Funded within this department;

BY-LAW ENFORCEMENT:

- ◇ Contracted Services increased by \$3,000 – estimate only – pending new contract with Ken Gilpin, By-law Enforcement Officer;
- ◇ Mileage increased by \$1,000 based on actuals;

PROTECTION & EMERGENCY SERVICES:

- ◇ New IT Technician / Mapping Coordinator tentative start date is January 5, 2009;
- ◇ Emergency Plan reduced as Director of Emergency Services/Fire Chief's salary goes to 30 hours to Fire Chief and 5 hours to Occupational Health and Safety Coordinator. (Previously 25 hours to Fire Chief and 5 hours to Emergency Plan);
- ◇ Helipad increased \$25,000 estimate to build new in Plevna area;

ANIMAL CONTROL:

- ◇ 3% increase proposed only;

STREETLIGHTS:

- ◇ Contracted Services increased by \$500 (\$50 per hour increase);

ROADS:

- ◇ 2008 Municipal Roads and Bridges Infrastructure Investment Grant \$1,362,831 less \$303,300 used in 2008 (\$1,059,531 to a new Roads and Bridges Infrastructure Reserve Fund for future projects);

Also, 2008 Investing in Ontario \$90,667 – recommending to Council on December 18, 2008 that this be transferred to the NF Capital Acquisition Reserve Fund for future Capital projects.

- ◇ Road Salaries reduced (i.e. Accounting Clerk for the Public Works Department position redundant – work to be completed in Administration Office Support Pool);
- ◇ Construction remains at \$250,000 total (2009 draft budget in 2008 plus \$25,000 for South Road added);

- ◇ Winter Control Mtce increased by \$35,000 based on actuals;
- ◇ Capital Expenditures increased by \$165,000 for new Tandem Truck at \$200,000 less \$35,000 for 2008 Brush Cutter;
- ◇ 506/509 Capital increased by \$23,000 for a new float;

It was the consensus of Council to delete the proposed expenditure to hire a consultant to complete a Cost Benefit Analysis re: Road Classification and Maintenance Levels, as Council will set up a Roads Task Force in 2009 to complete this in-house. The Roads Task Force will use the Goldier Road Inventory Priority Setting System (GRIPSS) to assist them. Also, it was noted that GRIPSS is now updated only by the consultant to ensure accuracy.

Discussion took place on road maintenance in several areas. Olmstead explained a ditch and culvert concern on Gulley Road and the PWM explained that 4 culverts were dug out and reseeded; however the corduroy is coming up as well and perhaps needs construction work completed. Perry explained why Shabomeka Lake Road should be completed. Council did not approve any additional expenditure for these two roads in the draft 2009 budget at this time.

Also, Perry stated that the Barrie and Palmerston Road Garages should be signed. It was the consensus of Council to add \$1,200 to the draft 2009 budget for these two signs.

Council discussed several roads that do not have turnarounds to accommodate our larger trucks. (i.e., South Road, Tumblehome Road, etc.) Council did not approve any additional expenditure for such turnarounds in the draft 2009 budget at this time.

The CAO/Treasurer will continue to keep 506/509 expenditures separated in future years (even though these roads will not be funded through a Reserve Fund effective 2008) for documentation and possible grant purposes.

WASTE DISPOSAL:

- ◇ Estimates pending TSH and MOE inspections and reports;
- ◇ Capital Expenditures increased by \$68,000 for Waste Mgmt Plan @ \$20,000; used Trash Compactor @ \$45,000;
- ◇ Discussion took place on the cost of an operator for the Trash Compactor and Household Hazardous Waste Attendant and this estimate will need to be added to the budget.

RECYCLING:

- ◇ Reduced as Household Hazardous Waste decreased and programs in place (i.e. bins, etc in previous years);
- ◇ Capital Expenditures @ \$45,000 NF share over 5 years to purchase Renfrew Recycling Centre and Business Plan @ \$2,100;

CEMETERIES:

- ◇ Capital Expenditures @ \$10,000 – plotting/marketing cemeteries;

COMMUNITY HALLS:

- ◇ Humidex units for all halls @ \$5,000 were discussed.

It was the consensus of Council that a unit be installed in Harlowe Community Hall (Clar-Mill was completed in 2008) and the other Halls do not require a unit.

- ◇ TSH Reports = Ompah @ \$10,000 and Clar-Mill @ \$50,000 for discussion;

A discussion took place on ongoing building maintenance requirements at the Clar-Mill Community Hall and how the repairs have still not rectified the water issues and library concerns.

It was the consensus of Council that the Administrative/Financial Coordinator obtains the actual expenditures to date that have been incurred with respect to renovations to the Clar-Mill Community Hall for water and other urgent issues.

RECREATION:

- ◇ Tennis Courts increased by \$2,800 (2008 Contributions from Reserves);
- ◇ Rink repairs and maintenance increased by \$3,000;
- ◇ Proposed Promotions of \$5,000 (Northern Rural Youth Program – see draft budget for details);

MNR PARKS (Crown Land Stewardship Program):

- ◇ Taxation dollars increasing by \$19,641 – income reduced by \$20,000 based on actuals.

It was the consensus of Council that the CAO and Community Liaison / Property Building Coordinator contact Robert Walroth, Ministry of Natural Resources to explain the need for increased, unconditional, grants for the Crown Land Stewardship Program to ensure the program continues to be successful.

LIBRARIES:

- ◇ Capital Expenditures original proposal was increased by \$18,000 (\$19,500 for the proposed Portable for Clar-Mill Library and \$10,000 for Cloyne Library repairs less 2008 \$12,000 budgeted Expenditures).

However, at the meeting Council increased the estimated expenditure for the relocation of the Portable to \$26,000 (\$7,500 to move; \$4,000 upgrades/repairs; \$3,000 electrician connection/upgrades; \$5,000 for installation of wheelchair accessible washroom; \$6,500 for septic repairs and/or connection, plus water connection.)

It was the consensus of Council to relocate the donated Portable for the future Clar-Mill Library to the old MNR Site in Plevna and Council will consider a motion at the January Council meeting authorizing the Community Liaison / Property Building Coordinator to make the required arrangements for the relocation and setting up of the portable at the earliest possible date. Therefore, Council is approving the estimated expenditure of \$26,000 in advance of approving the final 2009 budget.

PLANNING:

- ◇ Zoning By-law Amendment Review increased by \$10,000;

PROPERTY/BUILDING MAINTENANCE:

- ◇ Capital Expenditure – new roof for Municipal Complex @ \$22,000;
- ◇ Septic System at old MNR Building in Plevna @ \$10,000 (alternate EOC);
- ◇ Long Term Capital Plan @ \$20,000;
- ◇ Discussion took place on the necessity for a proper enlarged fireproof vault for the correct maintenance of important municipal records/documentation. The CAO noted that Council has transferred \$50,000 to a Reserve Fund for a new or addition to the municipal complex in 2008 and this remains in the 2009 proposal.

MUNICIPAL - TAXES:

- ◇ Estimate increase due to Reassessment Year = additional appeals and Requests for Reconsiderations (Write-offs to be received in the first year – not phased in);

The Mayor confirmed the next 2009/10 draft budget discussions are scheduled for Thursday, January 22nd at 9:30 a.m.

OTHER BUSINESS

ADDITION TO DECEMBER 18, 2008 AGENDA

By-law No. 95-08 – To authorize the Mayor and Clerk to sign an Agreement of Purchase and Sale with MTO re Land Conveyance for Road Purposes (Copy attached – urgent as required by MTO no later than Jan. 16/09).

2009/2010 DRAFT BUDGET

Moved by Councillor Perry, Seconded by Deputy Mayor Beam #574-08

BE IT RESOLVED THAT Council receives the 2009/2010 first draft budget as presented on December 17, 2008 for information purposes only.

Carried

2009 ASSESSMENT REPORTS

Moved by Councillor Perry, Seconded by Deputy Mayor Beam #575-08

BE IT RESOLVED THAT Council receives for information the Assessment Comparison Report for 2009 prepared by the Treasurer.

Carried

2008 SURPLUS

Moved by Councillor Perry, Seconded by Deputy Mayor Beam #576-08

BE IT RESOLVED THAT Council instructs the CAO/Treasurer to transfer any 2008 surplus over \$150,000.00 to the North Frontenac Capital Contingency Reserve Fund, to be used for future capital projects.

Carried

ADJOURNMENT

Moved by Councillor Perry, Seconded by Deputy Mayor Beam #577-08

BE IT RESOLVED THAT the meeting adjourns at 5:30 p.m. until December 18, 2008 or at the call of the Chair.

Carried

Mayor

Clerk