

Finance Committee Meeting

February 16, 2012

There was a Meeting of the Finance Committee held in the Municipal Council Chambers on Thursday, February 16, 2012. Present were Co-Chairs Don Eady (9:09 am) and Councillor Jamey Larone (8:45 am) and Councillors Bob Kingsbury, Glen Campbell, Margaret Whyte. Staff present was Jennifer Barr, Finance Manager and Mackie McLaren, CAO/Clerk.

1. CALL TO ORDER

Acting Mayor Bob Kingsbury called the Meeting to Order at 8:40 a.m. in the absence of Mayor Eady.

2. DECLARATION OF PECUNIARY INTEREST

There was no declaration of pecuniary interest by members of the Committee or Staff present.

3. MINUTES OF DECEMBER 13, 2011 COMMITTEE MEETING

Acting Mayor Kingsbury reviewed the January 31st, 2012 Finance Committee Meeting minutes with the Council and staff.

Jennifer Barr reported that she has forwarded the answers to the questions Ray Puhalski submitted following the last Committee Meeting.

Ms. Barr briefly reviewed the draft Fees and Charges that will be presented at a Public Meeting at 7 pm during the March 6, 2012 Council Meeting.

Mackie McLaren reviewed the contact he has made with the owner of the property that contains Service Road. This road is the right of way that a Township lot fronts onto but we do not have legal access to use the road way. The Township was deemed to own this lot as a result of a Tax Sale that did not attract any bids due to the fact that the property was legally landlocked. The Owner of the road way seemed interested in discussing the Township gaining access to the right of way. He will contact the Township once he returns from his winter vacation.

Ms. Barr reviewed a tax levy comparison for the 2012 budget deliberation based on budget presented for review this morning.

Mayor Eady arrived at this point in the meeting and assumed the Chair.

The Members discussed the increase to the OPP costs. Jennifer Barr said that the OPP's estimate is based on 1.5 officers. Mayor Eady said that we have no control over OPP costs; we have to pay what they request. Councillor Kingsbury said he would like Council to investigate a Police Board. Mayor Eady said he would like Council to carry out a complete investigation about our OPP costing options. Council requested that the OPP be contacted for options. He said he hopes to speak to the OPP while at the Ontario Goods Road Convention at the end of this month.

4. RESERVES AND RESERVE FUNDS

The Finance Manager reviewed the proposed reserves and reserve funds as presented in the proposed line by line budget.

Councillor Kingsbury suggested that we leave the purchase of a grader for the future. Mayor Eady said a business plan is needed to see what option is best, whether we purchase a good used grader or a new grader. Councillor Campbell said he has started a review of inside vs. outside pricing on using the excavator

and grader. Mayor Eady discussed future equipment purchases – possible joint tender with the County to access fleet pricing to keep our costs down.

Co Chair Larone suggested that when we tender for insurance this fall that we build in options for increasing the deductible from \$5,000 to \$7,000.

5. LOT DEVELOPMENT FUND

The Finance Manager reviewed the proposed lot development fund as presented in the proposed line by line budget with estimates of fees and interest for 2012.

6. 2012 CAPITAL FINANCING

The Finance Manager reviewed the proposed 2012 capital financing as presented in the proposed line by line budget.

The Committee recessed for a lunch break at 12:00 pm returning at 12:55 pm with the same people present.

7. 2012 PROPOSED BUDGET

Jennifer Barr, Finance Manger presented the Members with a copy of the draft budget that had received input from the individual Committees, amended by Committees and finally reviewed and amended by the Finance Committee January 31, 2012. Also part of the budget package is a summary of what if scenarios if the budget was to stay as is and the impact on the total tax levy inclusive of the County and Education portions.

The Members discussed the transmission repair to the backup snow plough truck #3. Mayor Eady called for a report from the Public Works Department on the value of the Township keeping this truck as backup. The Members agreed and call on the Infrastructure Manager and the Public Works Superintendent to bring forward a report on what maintenance is expected on this truck this year and what has to be sandblasted. Co-Chair Larone asked for a report on how many kilometers are put on each vehicle each year.

Mayor Eady asked what the condition of the grader was. Is it good enough to spend upwards of \$50,000 to fix it up to give it longer life and delay when a new or good used grader must be purchased? The Members agreed to have the grader inspected by the manufacture to report on what it would cost to give the grader a longer life.

Mayor Eady called for a review of all heat and hydro costs.

The Members discussed the Township Beach. They agreed that there needed to be a business plan or study on what is required and cost to use the property i.e. fence installed, water testing, access road upgrade, wood removal and staffing.

The Members discussed the Fire Hall overhead doors which are on a timer and stay open for 5 minutes after the fire trucks leave on a fire call. They questioned why there wasn't a remote garage door opener in the trucks to shut the doors as they leave.

After review of the rest of the budget information, the Members were able to reduce the budget increase from \$140,535 to \$98,585.

Mayor Eady asked what next year's budget issues will be. Jennifer Barr suggested that OMPF, Policing costs, use of \$35,000 from Working Funds Reserve and \$50,000 from Gas Tax for gravel.

Jennifer Barr was requested to calculate the effect of today's reductions to the tax rate for Horton and overall tax rate.

Mayor Eady suggested that the next budget meeting would be after the Council Members return from their winter holidays.

8. CONFIRMING RESOLUTION

Moved by Jamey Larone, Seconded by Margaret Whyte that the Committee pass this confirming resolution to cover any actions or directions given during the open portion of this Committee Meeting which are minor in nature and which were not set out in By-law or Resolution.

Carried.

9. ADJOURNMENT

Moved by Glen Campbell, Seconded by Bob Kingsbury
That this Committee Meeting be adjourned at 5:35 p.m.

Carried.

CHAIR

CAO/Clerk