

THE CORPORATION OF THE TOWNSHIP OF HORTON

Finance Committee Meeting

November 1, 2013

There was a Meeting of the Finance Committee held in the Municipal Council Chambers on Friday, November 1, 2013. Present was Mayor Don Eady and Councillor Jamey Larone. Staff present was Jennifer Barr, Finance Manager and Mackie McLaren CAO/Clerk.

1. CALL TO ORDER

Mayor Eady called the Meeting to Order at 9:12 a.m.

2. DECLARATION OF PECUNIARY INTEREST

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

3. MINUTES OF OCTOBER 17 AND 18, 2013

Mayor Eady requested each person review the draft Meeting Minutes.

Councillor Larone asked for a copy of David Bennett's costing that is to be submitted to the Municipal Office today be forwarded to him so he can review it over the weekend.

Chair Eady noted that it was David Bennett not him who commented that no part of the construction cost for the Community Centre expansion is to be covered by taxation. The minutes will be changed.

FINANCIAL INDICATORS

Jennifer Barr advised Council that she has just received the 2013 Financial Indicators from the Ministry of Municipal Affairs. She spoke with Stephen Seller, our Municipal Advisor who expressed concern with the "*Net Book Value of Capital Assets as a % of cost of Capital Assets*" which she said had a moderate level of challenge.

Mayor Eady asked if Jennifer could obtain copies of the Financial Indicators from the surrounding Townships of Greater Madawaska, McNab-Braeside and Admaston/Bromley. She said she would ask.

Ms. Barr noted that Mr. Seller offered to attend a Council Meeting to review the indicators with us. She asked if the Committee would accept his offer. Mayor Eady said this would be good as all Council would hear the explanations. Ms. Barr will try to set up an appointment for the December 3rd Council Meeting.

4. GRANT APPLICATION – THOMSON ROAD

Ms. Barr presented two staff reports which concerned the engineering work required on Thomson Road. Specifically the reports called for the Committee's recommendation to Council that Jp2g be authorized to proceed with the next step in the SRNMIF grant program due to the tight time lines if we were successful in our grant application.

The first report calls for Jp2g to produce the step 2 design requirements at a cost not to exceed \$7,500. The second report calls for Jp2g to carry out an aerial photography survey of Thomson Road at a cost of \$22,951.

This would actually save \$915.84 if done now as the flight it is being shared with another municipality.

Mayor Eady said the Township must be “shelf ready” with the project so this work is required, even if we don’t get the grant this time. Ms. Barr said the funds required would come from our own funds that we had earmarked for the project.

Moved by Jamey Larone, Seconded by Don Eady that the Finance Committee recommend that Council adopt the following resolution:

THAT Council contracts the services of Jp2g Consultants Inc. to complete the application for the Small, Rural and Northern Municipal Infrastructure Fund (SRNMIF) for Thomson Road, if the Township is successful in their Expression of Interest (EOI).

FURTHER THAT the cost for the completion of the SRNMIF Grant Application be funded from the Move Ontario Reserve to a maximum upset limit of \$7,500.00.

CARRIED.

Moved by Jamey Larone, Seconded by Don Eady that the Finance Committee recommend that Council adopt the following resolution:

THAT Council direct staff to complete an Aerial Photography, Ground Control, Digital Mapping, and Orthophoto Mosaic to assist in the completion of the application for the Small, Rural and Northern Municipal Infrastructure Fund (SRNMIF), and provide a base for the engineering design of Thomson Road.

AND THAT the estimated cost for the works be \$22,554.00 plus HST (net \$22,951.00), if the aerial photography is completed in conjunction with Boundary Road, providing a savings of \$915.84 to the Township.

FURTHER THAT the funds be taken from existing Gas Tax Reserve and the balance of the Move Ontario Reserve.

FURTHER THAT the Finance Committee recommends that the Public Works Committee invite representatives from Jp2g and all Council Members to their November 13, 2013 Committee Meeting to discuss future engineering requirements and costs on the Thomson Road project.

CARRIED.

5. CLOSED MEETING INVESTIGATOR

Jennifer Barr presented a report and Mackie McLaren reviewed which recommended that the Township enter into an agreement with Robert Rantz to act as the Township’s Closed Meeting Investigator. The Township currently uses LAS at a retainer cost of \$330 plus tax for 2 years and an hourly rate of \$225 during investigations. Mr. Rantz does not have a retaining fee and charges \$75.00 per hour during an investigation. Mr. Rantz is a retired Municipal Official and resides in the Petawawa area.

Moved by Jamey Larone, Seconded by Don Eady that the Finance Committee recommends to Council that they engage the services of Robert Rantz as the Township’s Closed Meeting Investigator.

CARRIED.

6. SERVICE AWARDS

Chair Eady reviewed a report on Staff Awards prepared by the Administrative Assistant. The HR Policy on Service Awards has 5 year milestones for staff appreciation. He pointed out that this is the first time that the awards will be given out so there will be catch up costs this year for the 21 employees that are eligible. The awards total cost is \$4,425.00. This amount will be greatly reduced each year from this point forward as only the employees that hit an employment milestone year will receive this benefit.

Moved by Jamey Larone, Seconded by Don Eady that the Finance Committee recommends the funds required for issuing Service Awards be funded from the Working Funds Reserve.

CARRIED.

7. RENFREW COUNTY REGIONAL SCIENCE & TECH FAIR

The Committee received a request from the Renfrew County Regional Science and Tech Fair for financial support. After discussion the Members agreed not to support this request.

8. 2014 BUDGET – REVIEW WORKING PAPERS

Jennifer Barr, Finance Manager presented draft working sheets for the 2014 Municipal Budget. She built in 2% COLA and any project costs that she was aware of. She included a levy increase of 3% and assumed anticipated assessment growth will generate new taxes of \$25,000. She budgeted for an OMPF grant deduction and an OPP increase.

Chair Eady said the Township needs a policy on building maintenance reserve funds so that there are funds in reserves to maintain our buildings. We can't continue to use equipment reserves as the funds will not be there to purchase equipment when it is scheduled to be replaced. Councillor Larone commented that we will have a Capital Asset Plan which will identify costs for reserves once we have completed our Asset Management Plan. He added that each Department has to come up with the funds for their maintenance reserve.

After further discussion, the Finance Committee Members agreed to direct the Departments to create reserve funds for maintenance of and replacement of buildings in the 2014 draft Budget and to fund the reserves from the existing budget limits.

The Committee Members discussed the cost to the Township for VISA payment options for our ratepayers. Two options were discussed: add our cost to the transaction or establish a flat fee payable by anyone using a VISA transaction. Ms. Barr pointed out that our rates are very small for Debit transaction. There will be further discussion on this issue at the next Finance Committee Meeting.

Mayor Eady discussed the need to close the unopened road allowance at the boat launch to allow for the construction of a "garage" type building to house the free diesel water pump they received. He said we need to bring this issue back to the drawing board and start the discussion again. Also included in this project was a separate washroom building for the boat launch. The CAO/Clerk was requested to contact the Chief Building Official for the septic bed size requirements. Fire Committee was also requested to review the need for the pump.

Councillor Larone reviewed the Community Centre expansion program noting that we are only completing the minimum required to meet the approved grant. Jennifer Barr said there will be borrowing costs for cash flow this coming year because of the funding shortfall which we are carrying.

Jennifer Barr reviewed the 2013 projects that remain to be carried out, including revenue of \$2,000 for rink board advertising. Also discussed was the cost to purchase used extrication equipment for the Fire Dept. The Finance Committee asked what the cost would be to enter into an additional 5 year extrication agreement with the Town of Renfrew. We have an agreement for 2014 only.

Ms. Barr was directed to present these working papers to the Committee Chair and Manager of each Department. She will give them out in the same format as last year. Each Department will be asked to provide justification for the need to increase the level of service and where the funds will come from. The Committees are to complete their draft budget documents and return them to the Finance Manager by December 17.

Chair Eady said we have had a surplus for the past two years, partly because projects budgeted by some Departments are not carried out. We need to make sure each Department only budgets for their needs. Councillor Larone expressed concern that Managers should not be forced to spend money at year end if it is not needed.

Chair Eady asked how the review of the Fees and Charges by-law will be carried out. Jennifer Barr said she has already sent it to Managers and Committee Chairs. Councillor Larone suggested that the fee for receiving contaminated soil at the landfill site should be reviewed to include future process costs of the soil by Township staff. He also suggested that staff need to develop a procedure and process template for receiving and processing contaminated soil. Ms. Barr said she will analyze the last vehicle accident where soil came in to the landfill site and see if we are recouping our costs.

9. NEXT MEETING

The Committee Members agreed that the next Meeting will be at the Call of the Chair.

10. ADJOURNMENT

Moved by Jamey Larone, Seconded by Don Eady that this Committee Meeting be adjourned at 1:50 p.m.

Carried

CHAIR

CAO/Clerk