

THE CORPORATION OF THE TOWNSHIP OF HORTON

Finance Committee Meeting

April 24, 2015

There was a Meeting of the Finance Committee held in the Municipal Council Chambers on Friday April 24, 2015. Present was Chair Jamey Larone, Mayor Robert Kingsbury, Deputy Mayor Robert A. Johnston, Councillor Dave Bennett and Councillor Glen Campbell. Staff present was Jennifer Barr, Treasurer/Tax Collector.

1. CALL TO ORDER

Chair Larone called the Meeting to Order at 2:04 pm.

2. DECLARATION OF PECUNIARY INTEREST

None.

3. MINUTES

Chair Larone reviewed the minutes from the April 16, 2015 meeting. There were no comments or amendments.

4. RELOCATION OF RECREATION MANAGER BUSINESS PLAN

This item was referred from the Recreation Committee to the Finance Committee. Chair Larone opened the floor to discuss the draft business plan. Mayor Kingsbury inquired as to the status of the in floor heating at the community hall and reminded the committee that the Recreation Building Reserve funds are to be utilized for this project. Several committee members commented on the status of the in floor heating system. Council Bennett estimates the cost for this project is approximately \$12,000. Chair Larone clarified that based on the current 2015 budget proposal there is only a balance in the reserve of \$10,319. Mrs. Barr explained to the Committee that to the best of her knowledge this was discussed at a Recreation Committee meeting and that more estimates were to be received. It was the recreation committee intention to use the Recreation Building Reserve for in floor heating pending the outcome of the estimates. Mrs. Barr also noted that she wasn't aware of a recommendation or resolution of Council for this project but that it was deferred until all estimates were received. Councillor Bennett noted that the recreation committee did defer this project from 2014 to 2015 and that they still would like to do the project prior to winter. Deputy Mayor Johnston noted that it is anticipated there will be savings in heating of \$1,500 to \$2,000 which could be used to offset project costs. Mayor Kingsbury is still concerned that there aren't sufficient funds within the reserve to fund both the in floor heating and the relocation of the recreation program manager.

Mrs. Barr proposed borrowing from unallocated reserves and recreation can put the funds back into the reserve in 2016 pending any surplus from the recreation operating budget. She also stated that we could use the Horton corner ad savings but it is difficult to say what that value would be given that the estimate was an annual estimate and Val Miller from the recreation committee was concerned that additional ads made need to be placed for events to ensure proper notification.

Several committee members wanted to ensure that Mrs. Rodgers is happy with the proposed relocation. Both Mayor Kingsbury and Deputy Mayor Johnston noted that they have spoken with Mrs. Rodgers and feel she is happy with the relocation.

Following further discussion, the following recommendation was brought forward.

Moved by Robert A. Johnston, Seconded by Dave Bennett that the business plan be amended to utilize the advertising savings from reduced Horton Corner ads and if need be borrow funds from unallocated reserves to renovate the recreation office per the business plan and that any borrowing from the unallocated reserve be returned through either 2015 operating budget savings and/or the 2016 recreation budget.

Carried

5. 2015 % Levy Increase

Deputy Mayor Johnston suggested that in order to save time we can eliminate any scenarios we all agree upon. Councillor Campbell agreed to eliminate a 2% tax levy increase and all concurred. Deputy Mayor Johnston then suggested the 6% tax levy increase all concurred.

Chair Larone noted to all members that this is probably the last opportunity to capture any tax room from the education tax levy and that he is not in favour of a double digit levy increase ever.

Mayor Kingsbury is concerned that since we don't have a cost for Thomson Road that we should not be budgeting for an unknown cost.

Deputy Mayor Johnston noted the we have to do something and again Mayor Kingsbury inquired as to what are we budgeting for with an increase.

Chair Larone stated that with any levy increase this would be preparing the Township for whatever the cost will be on Thomson Road or other roads. If we don't increase the levy greater than 2% we will be here again next year in the same scenario, still going to be in a borrowing position. We have not been able to obtain funding from other sources so we are on our own. If we raise 5% we put ourselves in a decent position going forward. There will be other items going forward besides roads and there isn't any room in the operating budget to address other items.

Mayor Kingsbury referred back to the 2015 proposed department summary and stated that his preference would be 3% to 3.9% increase with an overall change of 2.4937%. This would begin to address concerns regarding the roads infrastructure.

Councillor Bennett has concerns on several other roads besides Thomson Road and the conditions due to the spring thaw. This has him leaning to a 5% increase with an overall impact of 2.97%. His decision is strictly based on the road conditions.

Councillor Campbell noted that the 2014 tax levy increase was lower than the previous 3 years. Chair Larone agreed with Councillor Campbell and further noted that the increases were needed to build up the tax base to be able to handle the current debenture payments. The increases did not deal with roads infrastructure.

Councillor Campbell again noted that the last term was on average 3.56% and that a 6% tax increase with an overall impact of 3.44% is still less than the previous term but he is sitting at the 4% or 5% increase.

Councillor Bennett noted that if we don't go with a 5% increase for an overall of 2.97% we won't be able to maintain our roads infrastructure.

Following further discussion, the following recommendation was brought forward.

Moved by Dave Bennett, Seconded by Robert A. Johnston that the 2015 tax levy increase by 5% for the Township with an overall tax impact, with school and county levies, be 2.97%.

Carried

Two Members Opposed – Mayor Kingsbury and Councillor Campbell

Chair Larone thanked the committee for their participation and discussion.

6. PUBLIC MEETING FOR 2015 BUDGET

Following a general discussion it was determined the meeting will be held Monday June 1, 2015 at 7:00 p.m.

Councillor Campbell suggested a calendar for Council to use noting all members' availability. This would assist when setting meetings.

7. 10 YR CAPITAL FORECAST

Mrs. Barr will circulate the current schedules to Manager's for them to discuss with their Chair's. It was suggested that committee's hold separate meetings for this discussion as it will be time consuming.

8. PROCUREMENT BY-LAW

Mrs. Barr is to circulate the draft by-law to the members to give them time to review prior to the next regular finance committee meeting.

9. POLICIES – RESERVE/DEBT/TANGIBLE CAPITAL ASSETS/DONATION

Mrs. Barr is to draft the donation policy for the next regular finance committee meeting. The balance of the policies will come forward as time permits.

10. ADJOURNMENT

Chair Larone declared the Meeting to be adjourned at 3:47 pm.

CHAIR

Treasurer/Tax Collector