

THE CORPORATION OF THE TOWNSHIP OF HORTON

Finance Committee Meeting

June 26, 2015

There was a Meeting of the Finance Committee held in the Municipal Council Chamber on Friday June 26, 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 and Mackie McLaren, CAO/Clerk.

1. Call to Order

Chair Larone called the Meeting to Order at 1:30 pm.

2. Declaration of Pecuniary Interest

There was no declaration of pecuniary interest at the commencement of the meeting. However, during the discussion of agenda item 6 – Donation Policy, Mayor Kingsbury and Councillor Bennett declared pecuniary interest.

3. Fire Fees – Legal Opinion

The Members reviewed a Privileged and Confidential letter from the Township's Solicitor in response to the Fire Committee's request for a legal comment on our Open Air Burning By-law. The opinion suggested the Township could proceed and collect fees for fighting two fires that have already been invoiced and also suggested on ways the by-law could be strengthened.

Councillor Campbell, Chair of the Fire Committee said he wants to ensure the Township is in the position to recover our costs if we decide to enforce the by-law in the future. He noted that the 30 day payment period is on hold while the Committee and Council review the legal opinion. He suggested that the Fire Committee and Council meet together to consider the opinion.

Other Members agreed that Council should meet with the Fire Committee. If we are going to start charging, people need to be informed that this is an outcome if proper fire practices are not followed. Fines and charges have to be fair and equal.

Councillor Bennett asked if the fire equipment was damaged. Is this why the invoices were sent out? The rates in our Fees and Charges by-law are the same rates paid by MTO on Highway call outs. Does not want these rates charged to our residents for fighting a fire on their property. He does not believe that charging is what the Horton Fire Department is all about. These two fires were accidents, the Department is there to protect not to make each fire scene a monetary opportunity.

Mayor Kingsbury asked if the Members agreed to forward a copy of the legal opinion in confidence to the Chief and Deputy. The Members agreed.

Councillor Campbell said if there was an outside Department called in under Mutual Aid that their costs should be backed out of the fees charged to the landowners.

The CAO/Clerk asked what would be the "trigger" that would determine a charge of the costs.

The Members agreed to wait until Council meets with the Fire Committee as a joint meeting July 16, 2015 to consider amendments to the by-law.

4. PUBLIC WORKS ITEMS

- Grader

The CAO/Clerk reported that we had interest in the grader from a contractor from Grand Calumet Island. After speaking with Councillor Bennett, Chair of the Public Works Committee, he was asked to contact the bidder and ask for a firm offer. The final offer of \$26,500 has now been received.

Councillor Bennett said that the grader with the attachments is worth in the \$32,000 range and we will get that amount if we hold on. However, we need a new picture for the ad showing all the attachments that are included in the sale.

Councillor Campbell asked why the Township would not tender out this equipment with a deadline and a reserve bid. Councillor Bennett said there was no problem with the suggestion, but traditionally contractors try to get equipment as cheap as possible from municipalities. This is another way of marketing the grader. He said we needed to get \$35,000 for the grader.

Mayor Kingsbury asked Councillor Bennett how he arrived at the value of the grader. Councillor Bennett said he reviewed market sales for similar pieces of equipment. He suggested that this grader would end up in the overseas market come fall. The local market is about \$25,000 for this equipment.

Councillor Campbell said he believes that the offer received is close to the value of the equipment. We can leave the equipment sit but a sitting vehicle usually goes down in value i.e. battery, rust etc. He supports accepting the offer.

Councillor Bennett said we just put \$10,000 of new tires on the grader this spring. The machine is clean. There is a similar grader in Ottawa without the eliminator, no scarifier, beat up wing asking \$26,000. The maintenance has been carried out on this unit. It is in excellent shape. We are not marketing it right. He wants the opportunity to put an ad together.

Deputy Mayor Johnston said he has to agree with Councillor Bennett's comments re markets.

Mayor Kingsbury said he is aware of a "government deals.com" website that we could advertise the grader as well.

The members agreed not to accept the final offer of \$26,500 for the grader.

- Gravel Program/Staffing

Councillor Bennett, Chair of the Public Works Committee informed the Members that the Public Works Committee met earlier in the day to discuss using the 2015 gravel program to repair the damage done to Humphries, Lime Kiln, Fraser and Garden of Eden Roads during the Spring breakup. There was also a discussion about the need to hire two casual operators for up to 12 weeks this summer, one to replace an employee on leave and one to permit the Township to carry out this work ourselves.

The Members discussed this proposal which is going to the July 7th Council Meeting as a recommendation from the Public Works Committee. It was noted that Fraser Road is a townline road shared with McNab-Braeside Township. Horton is responsible for maintenance of the road while capital improvements are carried out jointly. Councillor Bennett said McNab-Braeside has been approached about assisting in this work this year.

The Members discussed whether there would be any dig outs of the material that "boiled" up this spring. The Public Works Committee have recommended not,

just provide an overlay of 450 mm (18") of pit run material and 150 mm (6") of granular M. Filter cloth may be used under the gravel.

The Public Works Committee made the following recommendation to Council at their meeting earlier today:

THAT the Public Works Committee recommends that Council adopt a motion to:

- (a) Contract ditching on Humphries Road;*
- (b) Utilize Township pit run material on Humphries Road and Lime Kiln Road;*
- (c) Purchase Granular 'M' for Humphries Road and Lime Kiln Road;*
- (d) Purchase both pit run material and Granular 'M' for Garden of Eden.*

Councillor Bennett advised that two other recommendations to Council were made by the Public Works Committee- to advertise for 2 casual operators and to investigate restricting large trucks from travelling on Lime Kiln Road.

5. MAYOR – ADDITIONAL TRAINING COSTS (AMO CONFERENCE)

Mayor Kingsbury informed the Members that the County is sending him to the AMO Conference this year in Niagara Falls. The County will cover all convention costs. However there is a special "Heads of Council" training session ahead of the conference that he would like to attend while there, but the cost is not covered by the County. He asked for authority from Council to attend the training session. Cost is approximately \$500.

Chair Larone asked if the convention/training budget had room. The CAO/Clerk stated that there is room, but that there would not be room for another member to attend a convention.

The Finance Committee Members supported the application for the additional training while Mayor Kingsbury is at the AMO Convention.

6. DONATION POLICY

The Treasurer/Tax Collector presented a draft Donation Policy and noted the "standard" donations that have been made in the past. Comments from the Members included: draft was more extensive than would have thought; should look at increasing Sunshine Coach donation of \$1,050; the draft only references Horton based organizations, but some organizations in Renfrew serve Horton residents i.e. Golden Activity Centre; what groups would be eligible for funding, i.e. special tournaments, school etc.; why do we need to go to this extent with a policy, Council can make this decision; policy would give staff the authority to administer; Donation Policy seems long and detailed but upon review most of the questions are yes/no answers that Council would want answered anyway.

The Treasurer/Tax Collector noted that there are several requests on hand now. How did the Committee wish to deal with them? When asked she said we have a request from the Golden Age Activity Centre, Police Service Board for \$500 for their DARE program, Hospice Renfrew for donation towards their walk a thon, and Queen E school for girls trip to Tennessee. She noted that the Hospice and Queen E events are already over for this year.

Chair Larone said that we have been assisting the Friends of the Disabled (Sunshine Coach), Renfrew and District Seniors Home Support and Renfrew Health Services Village (Physician recruitment) for a number of years. We should consider adding the Golden Age Activity Centre to this annual list. The Treasurer noted that the draft policy would have to be amended to include this organization.

At this point in the meeting Mayor Kingsbury and Councillor Bennett declared pecuniary interest and did not take part in further discussion or the recommendation. Mayor Kingsbury's wife was previously employed by the Centre and Councillor Bennett is on the Board of Directors.

Moved by Robert A. Johnston, Seconded by Glen Campbell that the Finance Committee recommend that Council make a \$1,000 donation to the Golden Age Activity Centre in Renfrew for 2015.

Carried.

Mayor Kingsbury and Councillor Bennett had declared pecuniary interest and did not take part in the vote.

7. RECREATION COMMITTEE

Mayor Kingsbury said that when he appointed Deputy Mayor Johnston as Chair of the Recreation Committee, he charged him with the task of researching the possibility of making the Recreation Committee an arm's length association and he asked if there had been any progress towards this review.

Deputy Mayor Johnston said he hasn't started the review and agreed to sit down with the Treasurer once the holidays are over and take the discussion to the Recreation Committee.

8. YEAR-END SURPLUS/DEFICIT POLICY

The Treasurer informed the Members that every year near year end she calculates the potential surplus or deficit that each Department will have at year end and recommends a resolution from Council to move surpluses into Department reserves or move funds from reserves to offset anticipated Department deficits. She proposes that a policy be approved which will automatically require this action without an annual resolution. Council would still be informed of the year end Department totals. After discussion the Members requested that an updated draft be prepared.

9. LONG TERM FINANCIAL STRATEGIES

- Adopt 10 Year Capital

The Treasurer reviewed a power point presentation on the 10 year Capital Plan and 2016 budget direction.

She presented a copy of a draft 10 year capital plan and requested that it be adopted at the July Council Meeting. The information in the plan was generated by each Committee/Department. However if Council was not in a position to approve the plan in July she recommended that Council hold off till the 2016 budget review.

Chair Larone asked why the forecast includes items from individual Departments that can't be supported due to cost. The Treasurer said it could be a directive to the Committees that for the 2016 budget review that they make their 10 year Capital Forecast more realistic.

The Treasurer's report included a suggested levy increase of 7.5% predicted for 2016. Chair Larone said that that increase can't happen. Direction needs to be given by this Committee to each Committee/Department to come back to Finance Committee with a realistic forecast of their needs for 2016, removing items they would not actually carry out.

- 2016 Budget Direction

The Treasurer presented three worksheets. She suggested that each Department can be directed to review the capital forecast to remove items not expected to be completed next year.

The Treasurer asked if there would be direction to each Department from Finance Committee. Chair Larone suggested a target of 2% increase as a starting point for the operating budget. Mayor Kingsbury said this would be a good target. After discussion the Members agreed with this starting point to be stated in the Treasurer's direction to each Manager and Committee Chair.

10. PROCUREMENT BY-LAW

Chair Larone noted that the time was late and suggested that this item be put off until the next meeting. He suggested that there be two meetings in September, one deal with the Procurement By-law and a second meeting to complete other business.

11. RESERVE/DEBT/TANGIBLE CAPITAL ASSET POLICIES

The Members agreed to discuss these policies in September.

12. NEXT MEETING

The Members agreed to the following meetings:

Friday September 4, 2015 at 1:00 pm – Procurement Policy only, and
Tuesday September 29, 2015 at 6:00 pm.

13. ADJOURNMENT

Chair Larone declared the Meeting to be adjourned at 3:59 pm.

CHAIR

CAO/Clerk