

THE CORPORATION OF THE TOWNSHIP OF HORTON

FINANCE COMMITTEE MEETING

MAY 28, 2007

There was a meeting of the Finance Committee held in the Municipal Council Chambers on Monday May 28, 2007. Present were Chair Deputy Mayor Bob Hall and Mayor Bob Johnston, also present were Councillors Dave Bennett, Don Eady and Bob Kingsbury. Staff present were Treasurer/Deputy Clerk Linda Novossiltzeff, Public Works Superintendent Rod Eady and CAO/Clerk Mackie McLaren.

1. CALL TO ORDER

Chair Hall called the meeting to order at 4:00 p.m.

2. DECLARATION OF PECUNIARY INTEREST

Councillor Bennett declared pecuniary interest in Agenda Item No 7 – purchase of demo Sander Unit for Public Works Department.

3. MINUTES OF APRIL 19, 2007 COMMITTEE MEETING

The Committee briefly reviewed these Minutes as they had already been approved at the Council Meeting on May 1, 2007.

4. BUSINESS ARISING

There was no business arising.

5. DELEGATIONS

4:05 Bob Keene, OSIFA Representative

(Also present for this presentation were Murray Humphries and Rick Lester of the Public Works Committee)

Mr. Keene gave a power point presentation on funding of large infrastructure projects for the Committee's review. Following the presentation there were questions asked by members. Councillor Bennett asked if the Township decided to build a road on a day labour basis rather than a construction contract basis would the OSIFA Loan still be available? Mr. Keene said that it would be. What OSIFA officials check out is our ability to repay. A by-law is required to be passed before the project commences and this is their authority. They require project reporting on a three month basis, if the project is completed within that first three months then at the end they want a final report. They would also offer a service of reviewing a project if we wanted their opinion and their expertise.

Councillor Bennett asked that if we borrowed \$200,000 in this year or next year's budget and down the road several years borrowed \$150,000 for another road would that be permitted? Mr. Keene said yes – that is acceptable.

Councillor Eady asked if the Township wanted a loan for a number of road projects in different locations would the Township be eligible for an OSIFA loan? Mr. Keene said yes, basically it is up to the Municipality to do whatever roads we wish or whatever infrastructure project we wish, if the Township can afford it. It is not up to OSIFA to tell us where our money should be spent.

Councillor Eady asked Mr. Keene if he had any advice on how we could win future COMRIF type grant applications, as we have been unsuccessful on four. Mr. Keene said he had no specific answer, many municipalities use consultants but he also informed us that many municipalities were rejected on all four applications as we were.

With no further questions, Chair Hall thanked Mr. Keene for attending

6. REQUEST FOR CONTRIBUTIONS
CHEO – Tiny Hearts Magazine Advertisement
Friends of the Disabled (Sunshine Coach)
Heart & Stroke Big Bike Ride – Renfrew

Councillor Eady suggested that we not contribute to the CHEO Foundation or the Heart & Stroke Big Bike, that this is for individuals in the Township to do, it is not up to the Township to spend the ratepayers money this way, whereas Sunshine Coach is something the Township has supported in the past and we should continue to support. Other Council members agreed.

Moved by Don Eady, seconded by Robert A. Johnston

That they continue to support Sunshine Coach with an annual donation.

Carried.

7. RECOMMENDATION FROM PUBLIC WORKS

Purchase two Laptop Computers for Asset Management

Chair Bennett informed the Committee that one computer is required now for the student asset management workers, and that can be a basic laptop computer. He is suggesting that a better quality computer be purchased for the CAO/Clerk with more memory. Both computers will be used, following the summer asset management use, for the Council Meeting software program.

Purchase Demo Sander Unit for Public Works Department

Chair Bennett had declared pecuniary interest in the purchase of this Sander. Rod Eady informed the Committee that he has found a demo Sander. The prices received last November were Burnetts \$6,834.30, Springtown Welding \$5,586.00 and \$7,075.00 for a new sander. We have an opportunity to purchase a demo sander with approximately ten hours of use for \$4,000 from Renfrew Rent-all. The capital budget has \$4,000 set up for this purchase.

Moved by Don Eady, seconded by Robert A Johnston

That the Finance Committee recommend to Council that they purchase two laptop computers and also purchase a demo Sander from Renfrew Rent-all at \$4,000.

Carried.

8. 2007 DRAFT MUNICIPAL BUDGET

Report on 2006 Deficit

The CAO/Clerk reported to the Finance Committee that in February and March 2007 \$157,000 was removed from the 2006 Operating Budget for programs that had grants attached to them that were not complete in 2006 but would be completed in 2007. Also included was \$56,000 CRF reserve which was used in the 2006 Budget solely for the purpose of reducing the taxes. It is now apparent that it should not have been removed from the 2006 Budget as the draft deficit is \$59,833.30. We started the year with a deficit of \$3,360.50. He suggested that a resolution be passed to draw this \$56,000 back into the 2006 budget, as it was originally planned.

Moved by Don Eady, seconded by Robert A Johnston

That the Finance Committee recommend to Council that they move back in the \$56,000 from the CRF Reserve, which was originally withdrawn from the 2006 budget in February 2007.

Carried.

To Reduce \$40,000 to \$6,000 from Fire Budget

The CAO/Clerk read a report that as above, in February 2007, \$40,000 was to be taken from the Fire Budget and put back into reserves. \$34,000 of this was from unspent Provincial grant, \$6000 was from unspent operating funds. The \$34,000 did not have to be setup as a Reserve as it already has been so this should not have been part of the resolution. He suggested the Committee pass a resolution to reduce the \$40,000 to \$6,000. Councillor Eady suggested that the remaining \$6,000 was part of the operating budget in 2006 it should go back into operating budget, it should not have been taken out in the first place.

Moved by Robert A. Johnston, seconded by Don Eady

That Finance Committee recommends to Council that Resolution 07-067 be amended by removing the \$40,000 for Fire Department from the Resolution.

Carried.

Councillor Eady discussed the need to pull unspent funds from operating when it was not spent, or anticipated that it would not be spent, as it is all part of the Township's Operating Budget. The Committee supported this concept.

Revenue & Expenditure Budget – Building Permit Fees

The CAO/Clerk presented a spread sheet showing the previous building permit fees and the proposed permit fees that were discussed by the Committee in April. He noted that the Chief Building Official has suggested that we not charge a plumbing fee but increase the residential building fee in lieu of the plumbing fee. The Committee discussed this and supported removing the plumbing fee but did not change the proposed fee for residential buildings.

Moved by Robert A. Johnston, seconded by Don Eady

That Finance Committee recommends to Council that the Building Permit Fees, as proposed, be accepted with the exception of the plumbing fee which will be removed from the proposal.

Carried.

The Committee spent considerable time discussing the proposed 2007 Revenue and Operating Budgets. The proposal submitted by staff following the previous meeting was for a 4.9 % overall increase. The Committee discussed ways and means of reducing this further. After discussion the Committee agreed that the CAO/Clerk and Treasurer continue to review the information discussed and the numbers reviewed with the aim to reduce the overall increase of 4.9% to 3.8%.

Councillor Bennett will contact a representative of Renfrew Hydro to see if they still have plans to construct a Dam on the Bonnechere River. If a dam is constructed a culvert that is failing could be replaced by Hydro as the head pond will be higher than the culvert elevation is at that time. If that is the case, monies that are held in reserve from the Federal Gas Tax can be use for other projects to reduce this budget.

10. OTHER BUSINESS

The Committee agreed to come back to a further Finance Meeting on June 4, 2007 at 4:00 p.m.

11. CONFIRMING RESOLUTION

Moved by Robert A. Johnston, seconded by Don Eady

That the Committee pass this confirming resolution to validate any actions or directions given during the open portion of this meeting which are minor in nature and which were not set out in By-law of Resolution.

Carried.

12. ADJOURNMENT

Moved by Dave Bennett, seconded by Robert A. Johnston

That this Finance Committee Meeting be adjourned at 6:50 p.m.

Carried.

