

THE CORPORATION OF THE TOWNSHIP OF HORTON

FINANCE COMMITTEE MEETING

October 27, 2008

There was a meeting of the Finance Committee held in the Community Centre on Monday October 27, 2008. Present were Chair Bob Hall, Mayor Robert A. Johnston, also present were Councillors Dave Bennett, Don Eady and Bob Kingsbury.

1. CALL TO ORDER

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

2. DECLARATION OF PECUNIARY INTEREST

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

3. MINUTES OF SEPTEMBER 23, 2008 COMMITTEE MEETING

Chair Hall reviewed the September 23, 2008 Committee Meeting Minutes . He referred to item No 7 on page 1, the Broadband Funding Program. Mayor Johnston, the CAO/Clerk and he attended an Information Night on October 21, 2008 at the County of Renfrew Council Chambers. It was learned that under the grant program the grant picks up one-third and the municipality is responsible for two-thirds. However, the two-thirds could be recoverable from the internet provider that is selected and from in-kind services provided by the municipality without actually costing the municipality any dollars. This was the situation with Greater Madawaska with their recent application.

4. AFFECTS TO 2009 BUDGET

Retro Insurance Demand

The CAO/Clerk confirmed that Bill Bishop, director of Finance for OMEX will be attending the November 4, 2008 Council meeting. He will be discussing terms as the CAO/Clerk has requested that we extend the terms. Chair Hall noted that the terms are actually a promissory note where demand payment can be made at any time. Mr Bishop will be asked if some municipalities did opt out of the reciprocal at the start of 2004 without giving sufficient notice, as our percentage of the premium increased from 0.92% in 2000 to 2.84% in 2004. Mr Bishop will be asked for names of municipalities who received similar requests for additional premium and what the potential of the three claims that still remain will be for additional premium.

Tax Write-Off for Renfrew Golf Club

The CAO/Clerk reported that he has now verbally been made aware that the Renfrew Golf Club was successful in having its assessment reduced on their appeals for Assessment Years 2004, 2005, 2006, 2007 & 2008. Our share of this could be approximately \$20,000. Total tax refund would be in the neighbourhood of \$70,000. We do not have \$20,000 in the budget for tax writeoffs. There is approximately \$14,000 that we can find that has to cover this and other assessment changes during the year. It may be possible that the notices will not be received until January 2009, at which time arrangements can be made in the 2009 Budget.

Borrowing for Community Centre Change Room Building

Chair Hall informed the Committee that when he had learned of the Golf Club Assessment reduction and of the retro-insurance demand he became concerned with borrowing for the Change Room at the Community Centre. In addition the economic times have changed.

Councillor Eady said that he has not seen any information in writing about a business plan for the construction of Rink Change Room and Storage Room. He has seen a total figure of \$100,000, he is not against construction of the building but wants to see how we plan to pay for it.

Councillor Bennett had prepared a detailed estimate of the building which is 30 x 40 and will house the emergency generator. It will have full electrical wiring, two change rooms, include two handicap accessible washrooms, a garage for the tractor and zamboni and a well for flooding the rink or providing water to the Community Centre and the existing well will be used for flooding. Drawings have now been prepared, estimated cost is \$100,000. This was priced out approximately six month's ago taking a list of all materials.

Councillor Eady asked what the Toronto Dominion borrowing rate was and if that was a floating rate? The CAO/Clerk was to find out.

Chair Hall said the Township needs to know where we are going for next year as a result of our new found demands on the budget.

Mayor Johnston said that the Rink building is a necessity as there is no point in spending \$75,000 on a rink if we do not support. He noted that costs are increasing 8% per year versus the borrowing rate of 4.87%. He is in favour of carrying on with the plans to construct the building this Fall.

Councillor Kingsbury said he supports Mayor Johnston's comments. He noted that recreation has picked up over the past number of years and we need to put more money into recreation to support this.

Councillor Eady asked what kind of income is expected? Has there been an analysis done for potential revenue? Has there been any approach made to Minor Hockey to offer outdoor ice time?

Councillor Kingsbury noted that following the October Recreation Committee Meeting ice time currently charged by Municipalities for outdoor rinks is being gathered and at the November meeting a rate will be determined for ice rental.

Councillor Eady said he believes that it could be possible to raise enough money from ice rental to cover the cost of financing this building. \$15,000 in revenue should not be impossible.

Councillor Eady suggested that if the Township was interested in holding tournaments – four dressing rooms are ideal, as two small dressing rooms were a concern in the old Community Centre building.

Mayor Johnston said that there would be an opportunity to move walls around and to see if it is possible to make four change rooms.

Chair Hall asked if useage of the building is based on use of ice surface?

Councillor Eady said the building is designed to accommodate a dome over the ice in the future. Is there any design of this building to accommodate that?

Chair Hall asked if we are doing this backwards – should we make the ice cover first?

Councillor Bennett said that the estimate is \$300,000 to do the ice cover.

Mayor Johnston noted that washrooms in this building are useable for soccer and outside volley ball.

Chair Hall noted that the ice season seems to be shrinking over the past decade – a cover is therefore required. Will Council be asked by Recreation Committee to borrow more money next year for the ice cover?

Councillor Kingsbury said that this would be next council's decision, in his view.

Chair Hall suggested that the Township should be selling this project as a service to our ratepayers and that it is intended to create income.

5. INVESTING IN ONTARIO ACT, 2008 – REGULATION 277/08

The CAO/Clerk reported that there was some discussion by Council Members individually to him. The \$136,953 slated to come to the Township from the Invest in Ontario Act was to be used pay down some of the potential borrowing on the Office Addition. The Regulation will not permit that, under the guidelines produced by the Province.

The Committee members discussed uses for this funding.

Chair Hall asked when the Goshen Road Project will be completed?

It was noted that what remains to be carried out is the final three inch lift of gravel plus hard surface.

Councillor Bennett said that at today's prices there is no cost savings to do a hard surface road versus a good gravel surface road, because the price of asphalt is so high.

Councillor Eady referred to information he received that a municipality applied two applications of Tembine per year on a road for two years, one application per year, and the surface tightened up as if it was hard surface, could we try to do this with calcium now that there is no local supplier for Tembine?

Chair Hall asked what will we do with \$136,000 in funding?

Councillor Bennett said that this will be part of our one-third share if we are successful in Build Canada Fund for Garden of Eden Road improvements.

Council Members agreed that we need to borrow funds for our expansion projects at the cheapest possible price.

6. COUNTY RESOLUTION REQUIRED FOR BROADBAND GRANT PROJECT
Chair Hall informed the Committee that the County wants a response from each municipality by October 30, 2008 if we are submitting an application to the Broadband Program. He noted that we would be partnering with the cluster of Admaston/Bromley, McNab/Braeside, Greater Madawaska and ourselves. Mayor Johnston noted that we need to secure a local person to coordinate the local application process for the grant and it has been suggested to other municipalities that we all put in up to \$4,000 to cover the cost of employing a person to represent and prepare our application.

Moved by Dave Bennett, seconded by Robert A. Johnston

That Finance Committee recommends to Council that they commit to submitting an application to the Rural Connection Program by the February 12, 2009 deadline with the assistance of the County of Renfrew Highspeed Broadband Coordinator.

Carried.

7. BONNECHERE RIVER WATERSHED PROJECT REQUEST FOR \$1,000
Chair Hall informed the Committee that they have not made a recommendation on a request received for 2008 funding in the amount of \$1,000 for the Bonnechere River Watershed Project.

Councillor Bennett suggested that it was too late for the 2008 Budget, as it had already been set by the time the application was submitted. It was noted by the CAO/Clerk that a submission has now been received for next year as well.

Councillor Bennett offered the following suggestion as a way of contributing funding to this project and to other community projects, whereby the Township would cooperate with Dances, where a percentage of the proceeds would be given to project Organizers. An example would be six dances a year - where there would be different partners – fifty percent of the take would be distributed.

The Finance Committee suggested that this idea be reviewed with Recreation Committee.

8. OTHER BUSINES
2008 Budget to Actual Review
The CAO/Clerk presented a Budget to Actual Review as of September 30, 2008. He pointed out several accounts that were short in revenue or overspent. He noted that the budget for Dog Tag Revenue was \$4,000 or which only \$1,354 has been received, due to the lack of someone traveling around the Township door to door. For the last two years we have been unsuccessful in getting someone to do this job.
Councillor Eady suggested changing the collection time to later in the Spring or Summer months when people are out rather than in the winter months.
After discussion it was agreed that this topic would be tabled for review after suggestions are made on alternatives by staff.
The Committee discussed the need to retain the Chief Building Official to provide Internship Program for our Municipal Infrastructure Manager. The Municipal Infrastructure Manager will have sufficient courses in place by January 1, 2009 to act as Building Inspector, but must work under the authority of the Chief Building Official for two years. The CAO/Clerk noted the need to have a resolution before year end to transfer funding in from the Lot Development Charge Fund to cover the \$5,800 cost for the development of the Lot Development Charge Study.

Shea Minor Variance – Costs to Defend Township’s Decision

The CAO/Clerk reported that following the Planning Meeting of October 22, 2008, Janet Bradley, Township Solicitor, has estimated that the costs for a one day OMB Hearing, including preparation time is \$5,000 to \$6,000. Our Planner has also responded that there would be approximately \$2,500 in Planning time would be required. It was also noted by our Solicitor that the Township may not want to or does not have to defend our position at the Hearing and simply let the Applicant and the Appellant argue before the Board. This way there would be no cost to the Township and there would be no costs to pass on to the Sheas.

After discussion it was agreed to forward this information to Mr & Mrs Shea for their input.

Correspondence

The CEO/Clerk presented an AMO Alert on the Fall Economic Statement delivered on October 22, 2008, which the Government is now predicting an operating deficit of \$500 million.

Also received was correspondence from Cheryl Gallant, Member of Parliament on the Broadband Program that is part of Build Canada.

9. CONFIRMING RESOLUTION

Moved by Don Eady, seconded by Robert A. Johnston

That the Committee pass this confirming resolution to cover 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 or Resolution.

Carried.

10. ADJOURNMENT

Moved by Bob Kingsbury, seconded by Dave Bennett

That this Committee Meeting be adjourned at 5:50 p.m.

Carried.

Chair

CAO/Clerk