

THE CORPORATION OF THE TOWNSHIP OF HORTON

FINANCE COMMITTEE

March 30, 2009

There was a meeting of the Finance Committee held in the Horton Community Centre on Monday March 30, 2009. Present were Chair Bob Hall, Mayor Robert A. Johnston, Councillors Dave Bennett, Don Eady and Bob Kingsbury. Staff present were Linda Novossiltzeff Treasurer/Deputy Clerk and Mackie McLaren CAO/Clerk.

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. REPORT FROM DEPUTY MAYOR HALL ON MEETING MARCH 6, 2009 WITH CHERYL GALLANT AND HEADS OF COUNCILS

Chair Hall represented Horton, as Mayor Johnston was on holiday, at the March 6, 2009 Meeting called by Cheryl Gallant MP. He presented a Report on subjects discussed during that meeting. The Federal Government is concerned that Atomic Energy Commission of Canada is possibly moving the isotope development to Saskatchewan and has requested local support to leave this at Chalk River.

RINK Program, a new Federal Infrastructure Program for recreation, is looking for projects in the area. He noted that Horton may have an eligible project with a cover over our outdoor rink.

Councillor Bennett informed the Committee that while at Good Roads, at a presentation made by Jim Watson he learned that the Township of Nair and Hyman near Espanola, received funding to do just that. He had been in contact with the Township who referred him to their engineer Northline Engineering of Sudbury and he has received a comment back. They suggest that we should be able to construct this building for \$250,000. They would need a geotech review of the soil condition before they would draw up the design, but would not have to attend the property.

Deputy Mayor Hall asked if this was an opportunity to add artificial ice? Councillor Eady said that there would not be enough power in this area. Councillor Bennett agreed, adding that it would be good for economic development three phase power was available.

Chair Hall suggested that this be made a shovel ready project. Councillor Kingsbury, Chair of Recreation Committee said the Recreation Committee at their meeting last week made that recommendation.

Other topics discussed were a second round of Canada Infrastructure Programs \$12 billion, application to be simplified to two pages, the high speed internet funding is to be decoupled from the Build Canada Funding, Community Development Fund previously for one industry towns, the fund is looking to expand, the projects should be a high tech nature to replace lost jobs. An example would be something to replace the pulp wood industry.

Training Programs - \$500 million across Canada for people who have exhausted EI. He added that Fisheries and Oceans Department are currently looking at different rules for work in small streams, a more streamlined process, as they are aware of the time and cost for culvert replacement etc. He added that there is

also a push on to extend highway 417 to the Town of Renfrew as soon as possible.

4. BUILD CANADA PROGRAM – FINANCE PROPOSAL FOR TOWNSHIP SHARE

The CAO/Clerk presented a Report on Financing the Township's one third share of the Build Canada Grant. The approval is for \$1.9 million, however, Public Works Committee is hoping it will be closer to \$1.3 million, if certain works are carried out to prove the existing roadbed is adequate. Based on one-third cost of \$1.3 million the Township share is \$433,333. The Report recommended that the Township use \$136,953 Investing in Ontario Act Funding received last Fall, which would leave approximately \$300,000 balance which will be covered through a five year debenture loan with OSSIFA with an annual payment coming from the Federal Gas Tax Funding up to the maximum of 50% Federal share and the final \$79,714 to be financed using other Provincial funds currently in reserve for capital purposes.

The Finance Committee recommended that Council approve this proposal.

5. RENFREW LIBRARY CONTRACT REQUEST

The Committee reviewed a letter from the Renfrew Public Library, March 2, 2009, which set out a request to extend the Library Contract which has expired with the Town of Renfrew Library Board and that the payment for this service be increased from \$10,000 to \$15,000.

Councillor Eady questioned if it was time to institute a user fee. Councillor Bennett noted that the Township has previously capped the contract at \$10,000. There was no support to increase this capped amount.

6. 2009 DRAFT BUDGET

The CAO/Clerk and the Treasurer/Deputy Clerk presented a Report to Finance Committee on the draft 2009 Budget. The Audit has now been completed and \$32,370 is identified as surplus from 2008, which is added as revenue to the 2009 Budget. This along with a previous reduction to the Reserve Budget of \$18,500 would reduce the tax increase for 2009 to \$76,426 (6.12%) Township increase or 4.5% overall when calculating School and County for Councillor Eady's proposal of financing the cost of the capital construction of \$300,00 from our Reserve Fund or \$84,588 (6.84%) which would represent a 4.70% overall using the OSIFFA Loan Program to cover the cost of the capital improvements. He noted that the only remaining unknown at this time is the credit to 2008 OPP costs. As the Township goal was to get a 2% overall tax increase this year, the budget would have to be reduced by an additional \$74,000. The recommendation from staff was that a potential 2009/10 JEPP Program for communication equipment and supplies, the net cost to the Township of \$15,650 be put off until January 1, 2010 and that the OPP credit be estimated at \$10,000.

After further discussion the Committee agreed to cut \$15,000 in gravel from the Public Works Budget, \$10,000 from Fire Budget, \$10,000 from legal in the General Budget and \$5,000 for the berm at the Community Centre, \$2,000 from Emergency Management – leaving \$6,660 short of the goal. The Committee agreed to temporarily add that to the OPP credit to accomplish the 2% overall goal.

During the discussion the CAO/Clerk reported that the County of Renfrew had approved an increase for staff of 2.5% and customarily the Township of Horton follows the County of Renfrew lead. The budget is prepared at 3%, which historically has been the increase, 2.5% will offer approximately \$2,500 in savings. After discussion the Committee agreed to leave the salary proposal at 3% for 2009.

Chair Hall then thanked the Committee Members for their hard work in reducing the Budget down to the 2% goal. A goal that is 1.5% lower than last year. He

said now the Township must decide on a method to cover the construction loans for the Office Addition of approximately \$200,000 and the Rink Change Room Building at \$100,000. The methods discussed to date are to use working capital reserve, to use the loan that has been applied for and approved, or a hybrid of both.

Councillor Bennett proposed that the loan be used instead of revenues for current construction costs leaving reserves if there is an opportunity to get a two thirds grant for the construction of a rink cover.

After discussion the following resolution was put forward.

Moved by Dave Bennett, seconded by Bob Kingsbury

That the Township as established by Resolution in 2008 cover the cost of the financing of the Office Expansion and Rink Change Room from the Provincial OSSIFA fund.

Carried on division

Opposed – Councillor Eady

7. OTHER BUSINESS

Councillor Eady referred to the Joint Recycling Presentation held recently in Horton Community Centre. The Consultant has provided a business plan with financial numbers for options for the purchase and operation of the Beauman facility. An answer has to be back from the Councils involved by April 24, 2009. He informed Council that he invited Rick Findlay, the Consultant to attend a meeting to review the financial numbers. A date is to be determined, but will be coordinated with three other municipalities in the area who want to meet the same day.

8. CLOSED MEETING

There was no request for a closed meeting.

9. NEXT MEETING

There is no need for a further meeting on the budget. The next Committee meeting will be at the call of the Chair.

10. CONFIRMING RESOLUTION

Moved by Dave Bennett, seconded by Bob Kingsbury

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

Carried.

11. ADJOURNMENT

Moved by Don Eady, seconded by Robert A. Johnston

That this Finance Committee Meeting be adjourned at 5:29 p.m.

Carried.

Chair

CAO/Clerk