

THE CORPORATION OF THE TOWNSHIP OF HORTON

Finance Committee

February 10, 2011

There was a meeting of the Finance Committee held in the Municipal Council Chamber on Thursday February 10, 2011. Present were Mayor Don Eady and Councillor Jamey Larone, Co-chairs of the Finance Committee. Staff present was Jennifer Barr, Acting Treasurer and Mackie McLaren, CAO/Clerk.

1. CALL TO ORDER

Mayor Eady called the Meeting to Order at 9:10 a.m.

2. DRAFT 2011 MUNICIPAL BUDGET

Jennifer Barr reviewed Schedule 40 from the Financial Information Return (FIR) document to discuss changes in the set up of the chart of accounts. She pointed out where our General Ledger was not following this structure, i.e. Fire Department should be under the heading Protection to Persons and Property, not a section of their own. She pointed out that this is not a priority to do right now. We would lose history if we did.

Jennifer suggested that there only needed to be one "benefit" account for each department. This will be changed for this year's budget. Mayor Eady questioned why the wages were set up by job or piece of equipment under the Public Works Department. Can they be combined? Jennifer Barr said she will check out to see if there is a report that can provide him with the answer he requires, but still give the Infrastructure Manager the information he needs.

Mayor Eady requested a report on the actual cost of the construction of a capital project i.e. rink construction, for actual budget control. Ms. Barr said this will be accomplished when she has the system working as she wants it to be, adding that the whole chart of accounts have to be structured around Schedule 40.

Mayor Eady said the County has a cost per square foot to run a facility. This is important information for us to have. Jennifer said we have the capability to do this if we have the information segregated properly. She added that she will make all her recommendations available to the Committee.

Tangible Capital Assets – Jennifer Barr provided the capital thresholds and the 2010 capital budget sheet she has developed. She said we need a minimum of a 20 year capital plan with a 50 year plan for Roads. She has setup the Infrastructure Manager with the ability to work on an excel spreadsheet to prepare a 10 forecast of what he believes needs to be completed based on useful life. She will then ask him to prepare a 15 year and then a 20 year plan.

Mayor Eady reviewed the reserve budgets he had set up in previous years. He reviewed his request of the Infrastructure Manager to prepare a binder on equipment and assets starting with the Roads Department. Jennifer Barr said he has the information in the Asset Management computer file to prepare this.

Mayor Eady said that Ms. Barr may be required to attend Committee budget sessions. She said she would. She said that the new Council Members should receive a copy of our asset plan.

Review of Draft Budget with Committees – Mayor Eady proposed that we present each Committee with a draft of their department budget for review. Ms. Barr said she needs to sit down with each Department Head as the budget has more concrete numbers. She will then have a document to present to the Committee chairs and their committees.

Jennifer Barr said in other work places she has prepared a payroll budget and gave this to the Department Head to start their budget preparation with their projects. She reviewed the payroll budget she prepared using 2010 rates plus 3% increase. Councillor Larone asked what percentage should salaries be of the overall budget. Jennifer said 50 to 70% of taxation is where most municipalities are.

Councillor Larone said there has to be a maintenance budget for each department so they know how many dollars are required without project costs. Jennifer agreed.

The Committee agreed to present the draft budget to the first committee on February 17th to the Waste Management Committee. Jennifer will review the draft with the Infrastructure Manager. The Committee will continue the overall budget review following the Waste Management Committee meeting. Sandwiches will be brought in so staff and Committee Members will not have to leave. Jennifer was also requested to advise Councillor Kingsbury, Chair of Planning Committee and Lime Stabilization Committee that she will have his budget information when he returns from vacation.

Reserve Funds – Mayor Eady said he wanted to know the 2010 balances of the reserves and the 2011 reserve balances.

The Committee reviewed the Lot Development Charge Fund and what the monies can be used for. Staff was requested to bring back a report on this information for the next meeting.

The Committee recess for lunch at 12:20 p.m.

The Committee resumed the meeting at 1:30 p.m. which the CAO/Clerk returning at 1:55 p.m.

The Committee continued with a lengthy discussion on reserve funds and the monies being used for cash flow purposes as required.

At the close of the meeting, Councillor Larone, Chair of the Waste Management Committee reported on a telephone conversation with Joe Hall on the CIF funding program. The CAO/Clerk was requested to contact Admaston/Bromley Township to see if they were interested in joining in with Horton on a joint application for continued funding for their recycling P & E program.

The meeting was adjourned at 3:30 p.m.

CHAIR

CAO/Clerk