



MUNICIPALITY OF NORTH MIDDLESEX SPECIAL BUDGET MEETING MINUTES

A Special Budget Meeting of the Council of the Municipality of North Middlesex was held on Wednesday March 9, 2016 in the Council Chambers of the Shared Services Building, 229 Parkhill Main Street, Parkhill with a quorum present.

1. CALL TO ORDER

The Mayor called the meeting to Order at 7:00 p.m.

2. ROLL CALL

Present:

Mayor Don Shipway

Deputy Mayor Brian Ropp

Councillor Ward One Doreen McLinchey

Councillor Ward Two Joan Nichol

Councillor Ward Three Gord Moir

Councillor Ward Four Andrew Hemming

Councillor Ward Five Adrian Cornelissen

CAO, Marsha Paley

Clerk, Jackie Tiedeman

Acting Treasurer, Debbie Jonah

Chief Building Official/By-law Officer, Vic Stellingwerff

Public Works Manager, Brad Davies

Drainage and Water Manager, Glen Bullock

Facilities/Recreation Manager, Scott Nickles

Fire Chief, Will Davidson

3. DISCLOSURE OF PECUNIARY INTEREST

None at this time

4. PRESENTATION OF DRAFT 2016 OPERATIONS AND CAPITAL BUDGET

The following overview of changes since the January 27 presentation was then reviewed.

GENERAL:

- To date, we do not have the County levies or the Education amount; however, this does not affect the municipal tax rates, only the amount that we have to collect from the taxpayers.
- All 2015 actuals are accurate with an effective date of February 24, 2016, and will have minimal changes.
- All insurance premiums are the actual amounts
- 9.5% increase in employee benefits in budgeted amounts due to the increase in Green Shield premiums.
- Hydro budgets have increased to reflect 2015 actuals.

COUNCIL

- Other “donations and support payments” is the actual amount approved for 2016 for the grants to organizations.

ADMINISTRATION

- Special Projects has been reallocated from Economic Development Contracted Services and is intended for the Strategic Plan and possibly, the Community Energy Plan.
- Reservoir reserve to cover estimated repairs and will need to occur over the next three (3) years.
- A minimum of \$5,000 set aside for Canada's Sesquicentennial Birthday Celebration for 2017
- A total of \$50,000 for the Comprehensive Asset Management Plan (\$31,500 from 2015) note: *this does not include any possible restructuring plan costs.
- Need to set aside \$25,000 in 2016 and 2017 in reserves (Total cost: approx.. \$50,000) for Official Plan Review including a Lands Needs Assessment to bring Official Plan policies up-to-date with most recent Provincial Policy Statement. Review to be undertaken in 2017/2018.

FIRE DEPARTMENT

- The transfer to Lambton Shores amount reduced to reflect 2016 cost. Subsequently, the equipment reserve increased by \$3,706.12 (difference between \$13,000 estimate and \$9,293.88 actual-for the Lambton Shores Fire Service Agreement).

MOSQUITO CONTROL AND ABCA

- The mosquito control estimate is for Pestalto only which includes the addition of Nairn, and monitoring as needed. ABCA expense is the actual amount from their 2016 budget.

BUILDING DEPARTMENT

- Revenue from building permits has been reduced by \$10,000. Budgeted revenue should not exceed expenses within this department.

PUBLIC WORKS

- The new vehicle expenses accounts will be for the annual licenses and GPS units. The corresponding Machine Repairs and Expenses accounts have been reduced to reflect this change.
- The Employee Benefits accounts have been reduced in the wage accounts mainly used for the seasonal employees.
- Recovery from Cemetery Board revenue of \$5,000 has been added to reflect the 2016 amount.
- Tree removal – Contracted services included \$5,000 for a tree health and replacement plan by an arborist.
- Ditching – Road Maintenance: tile drainage has an increase of \$15,000 for Elmtree and Ausable Dr.
- Ditching - Road Maintenance Mun. Drain Maint. has an increase of \$63,000 for Westpark/Elliott Dr.
- Ditching – Contracted Services has an increase of \$10,000

UNUSED/UNFINISHED Public Works Projects from 2015 (Total \$169,000) broken down as follows:

- \$113,000 of unused funds from 2015 from ditching will be used to complete unfinished projects in 2016.

- \$35,000 of unused funds from 2015 for culvert maintenance will be used to complete unfinished projects in 2016.
- \$8,000 of unused funds from 2015 for catch basin and storm sewers will be used to complete unfinished projects in 2016.
- \$13,000 of unused funds from 2015 for Pits and Quarries will be used to complete unfinished projects in 2016.
- \$18,000 from the 2015 Sidewalk Repair budget that was not used will be used for the new Union St sidewalk and Main/King St sidewalk and curbing capital projects
- Litter Pickup – Salaries & Wages increased by \$1,500 to include Ailsa Craig
- Hardtop Resurfacing – Materials purchased \$15,000 reallocated from gravelling department
- There were approximately 150 man hours for the street sweeper in 2015
- Culvert Maintenance – Materials purchased account increased by \$5,000
- Culvert Maintenance – Contracted services account increased by \$7,000
- Catch Basin & Storm Sewers – Contracted services increased by \$2,000
- Shop maintenance – Building Repairs includes \$2,750 for McGillivray shop doors, \$15,000 for McGillivray shop insulation, \$ 5,000 for roof repairs for the Parkhill shop and \$15,000 general maintenance for all shops
- Name change for Account 3136. This account amount has been reduced and now will not include vehicle fuel. Vehicle fuel purchases will be recorded in the Fuel Inventory account and allocated out to the applicable piece of equipment
- In previous budget versions, machine 3207 was missing budgeted amounts, these have now been added. Surplus machines 3208, 3210, 3235 and 3241 do not have budget amount but are included to reflect historical costs
- Total fuel budgets are reduced by approximately \$31,000

WASTE COLLECTION:

- Costs include 4 months of bag tags and 8 months of the new wheelie bin services
- Spring cleanup bin expense has been increased to \$12,000 to reflect 2015 bin costs

CEMETERY

- St Mary's Equipment expense of \$13,000 is for Ground Penetrating Radar.
- \$9,000 of unused funds from the cemetery department in 2015 will be used to complete unfinished projects in 2016.

RECREATION

- Various wage accounts have been increased to reflect the extra costs to cover employees on sick leave. This does not apply to benefits or OMERS
- A \$10,000 grant is expected for an energy study which will apply to the cost associated with Preliminary Engineering Study in the Professional Consulting account
- There are minor changes to equipment costs. Arena propane costs are now allocated to Ice Resurfacer – Fuel
- Ice rental revenue estimate has been reduced
- Upon review of future contracts, facility rental revenue has been adjusted for all venues
- Snow removal accounts have been added to Ailsa Craig Rec Centre and Medical Centre/Library
- Hydro costs increased to reflect 2015 actuals
- Nairn Ice Rink costs have been reallocated from parks
- Water and sewer accounts for 3 accounts venue were allocated incorrectly in 2015. Corrections were made, and the budget now reflects the actual amounts.

ECONOMIC DEVELOPMENT

- No change in budget at this time; need to consider given Economic Development Strategy.

MUNICIPAL DRAINS

- Superintendent's grant is actual amount for which applied.
- Wages costs are split with water/sewer. 50% for manager and 20% for administration staff

CAPITAL PROJECTS

- Admin Equipment – cell phone replacement plan for all departments at a cost of \$2,000 has been added
- Three additional security cameras with motion sensors at a cost of \$2500 are added.
- Fire Department Plans for possible combined Fire Station/EMS building \$147,000.
- Works Projects
 - additions are sidewalks addressed in Public Works section above, completion of the transfer station and guardrails for Millcraig and Sylvan Rd. These projects are from 2015 amounts raised through taxation and will have no effect on the 2016 budget.
 - The Salem Rd Culvert Extension project is proposed for 2017 instead of 2016.
 - The Decorative Street Light/Pole reserve will be funded from any surplus in the street lighting budgets and not taxation and has been removed from the capital project list. This is for replacement as needed of decorative street light poles in Ailsa Craig and Parkhill.
 - The Poplar Hill bridge project has been deferred until 2018 at the earliest.
- Facilities Projects:
 - Carnegie Library has been deferred until 2017, with \$250,000 budgeted each year for 2 years; dependent on availability of Trillium Foundation Grant of \$150,000 applied for accessibility in 2016/2017.
 - Arena Lighting Retrofit Project (\$4,000 grant is expected)

RECREATION PROJECTS

- The upgrade to the Nairn soccer field has been removed from the capital project list

NOTE

To keep below 2%, \$775,000 needs to be cut or raised, and that half of that amount is due to the cut in OMPF Funding.

**** Additional funding may include Vibrancy Funds of \$200,000**

Questions were then asked by Council and responded to by the applicable Manager.

Following the review, staff offered the following suggestions:

Carnegie Library – reduce renovation by \$100,000. The amount could go into reserves pending outcome of application to the Trillium Foundation

The reserves that were recently reallocated as a result of the permit fees from the Bornish Wind Project were discussed. Council inquired if Building Department expenses could be offset by these reserves. Ms. Paley advised that she felt they could.

Arena Condenser could possibly be moved to Priority 2 and revisited next year.

Fire Dept (reserve for future combined building Fire/EMS be reduced by \$72,000

Central Public Works Garage reserve – removal of entire amount \$150,000

The discussion ensued regarding the Ailsa Craig Fire Hall expansion. Council concurred that this matter has to be resolved in order to be able to order the new fire truck.

Chief Davidson is to bring a report back to council with building options.

The Managers were asked to review their respective 2016 operations budget for possible reductions. Council also asked that Managers review past projects to determine status to ensure this get completed before adding more to the budget.

MOTION/2016

MOIR/HEMMING: That Council direct staff to review the budget for savings that would result in an overall budget increase of 2% or under ~~and COLA at 2%.~~ ** amended motion on April 6, 2016

CARRIED

MOTION/2016

CORNELISSEN/NICHOL: That Council direct staff to transfer the amount of \$257,215.00 raised from taxation in 2015 to the Bridge Reserve –Ward #4 to provide a current amount of \$328,869.05;

And further that with \$192,785.00 from the 2015 Gas Tax and \$202,785.00 from the 2016 Gas Tax, by 2017, the Bridge Reserve –Ward #4 should have a balance of \$724,439.05

CARRIED

Councillor Moir indicated that he would like indication from the auditors as to year-end surplus for 2015. Acting Treasurer Debbie Jonah advised that she will relay this message to the auditors.

5. CLOSED MEETING (Under Section 239 of the Municipal Act)

MOTION/2016

ROPP/MCLINCHEY: That the regular meeting adjourn to Closed meeting for the following purpose at 9:40 p.m.

a. Personal Matters about an identifiable individual, including municipal or local board employees – Budget/Structuring Plan

additional items added March 8:

b. Advice that is subject to client-solicitor privilege –Information on tax implications for Medical Centre Transfer and donation of land on Mill St.

CARRIED

6. RISE AND REPORT

Council rose from the Closed Meeting with no report at 10:24p.m.

7. ADJOURNMENT

MOTION/2016

HEMMING/MOIR: That the meeting adjourn at 10:25 p.m.

CARRIED

MAYOR

CLERK