

THE CORPORATION OF THE TOWNSHIP OF BROCK

MUNICIPAL ADMINISTRATION BUILDING

FINANCE COMMITTEE

SESSION FIVE

MONDAY, MAY 1, 2006

The Fifth Meeting of the Finance Committee of the Township of Brock, in the Regional Municipality of Durham, was held on Monday, May 1, 2006, in the Municipal Administration Building Council Chamber.

Members present:	Mayor:	Keith Shier
	Regional Councillor:	Larry O'Connor
	Councillors:	Karen Windatt
		John Grant
		Debbie Bath
		Allan Simpson

Members absent:	Councillor:	Reg Starr – funeral
-----------------	-------------	---------------------

Staff Members present:	Clerk-Administrator George S. Graham (recording the minutes)
	Deputy Clerk-Administrator Thomas G. Gettinby
	Clerk-Stenographer Susan Creighton
	Treasurer Michael Legge
	Director of Public Works Judy Avery
	Chief Building Official Joe Bonura

I. CALL TO ORDER

Clerk-Administrator George Graham called the meeting to order at 11:33 a.m. in the absence of Chair Reg Starr. He then called for a motion to appoint an Acting Chair.

Resolution No. 1-5

MOVED BY Larry O'Connor that Mayor Keith Shier be appointed to act as chair in the absence of Chair Reg Starr.

MOTION CARRIED

Acting Chair/Mayor Keith Shier relayed to the committee members Councillor Starr's regrets as well as his thanks to staff for the work to date on the budget, which he sees as a good starting point on which to make further adjustments and provide staff with further direction insofar as the 2nd draft.

II. CONFIRMATION OF MINUTES – N I L

III. HEARING OF DEPUTATIONS – N I L

IV. PETITIONS – N I L

V. COMMUNICATIONS REFERRED OR SUBMITTED TO COMMITTEE – N I L

VI. REPORTS OF SUBCOMMITTEES – N I L

VII. GENERAL ITEMS & ENQUIRIES

(1) Schedule - 2006 Budget Meetings

Members of the committee and staff were provided with the proposed 2006 budget meeting schedule, advising that the May 1 and 15th, 2006 budget meeting review dates have been approved by the committee. The Public Budget Meeting at the Beaverton Arena on May 24, 2006, Finance Committee Meeting to consider public budget input on May 29th, culminating in approval of the Township of Brock 2006 municipal budget on June 12, 2006, is recommended.

The committee approved the dates as presented.

(2) History of Budget Increases

For the information of the Finance Committee, Treasurer Michael Legge provided a history of budget increases for the years 1992-2005.

(3) Items Impacting the 2006 Budget

Treasurer Michael Legge provided the following summary of items that will impact the 2006 municipal operating budget and will increase the budget due to inflation or cost of living related rate increases as follows:

2006 Wage/Salary Increase, Minimum Wage Increase, OMERS Rate Increase, WSIB Rate Increase, Municipal Insurance Program, Vehicle Fuel Costs, Utility Costs – Heat/Hydro/Water.

Councillor Allan Simpson commented that there is nothing we can do about most of these costs, however, does the opportunity exist for savings measures with respect to utility costs. He was advised by the Treasurer that one method in which to conserve is through energy audits, however money must be spent in this regard in order to save money. Mayor Keith Shier pointed out that the municipality has undertaken energy audits in the past and will undertake energy audits in the future.

(4) Presentation of 1st Draft of 2006 Budget

Treasurer Michael Legge confirmed the following:

- This draft shows a 2006 municipal tax levy of \$5,725,415 which is an increase of \$361,125 over the 2005 final budget. This represents a levy increase of 6.73%. With a growth factor of 1.2% for Brock in 2006, this represents an impact of 5.53% to the taxpayers.
- The \$ dollar impact to the average residential taxpayer at a 6.73% levy increase is approximately \$66.75.
- Pages 1-9 of this document are summary pages containing summaries of revenues, operating and capital expenditures, assessments and tax rates.
- Page 4 is the Estimated Expenditure to be met through the 2006 tax levy and is the main sheet for evaluating the overall impact of this budget. The bottom number in the municipal column represents the dollar total that must be raised through the tax levy.
- No tax rates have been entered for either the Region of Durham or the School Boards in this draft, thus the tax levy shown on pages 1, 2(a) and 4 reflect the municipal portion only of the total taxes.
- Pages 10 to 42 are the detailed expenditure budgets for each individual department. Detailed listings of each department's anticipated capital expenditures follow each department's operating budget.

Treasurer Michael Legge proceeded with the input of staff in attendance, a page by page review of the first draft of the 2006 Township of Brock Current and Capital Budget as follows.

Page 10 – Members of Council

Page 11 & 11a – Clerk-Administrator's Department

Regional Councillor Larry O'Connor commented that the quotation for a sound system in the council chambers appears high and enquired respecting the possibility of a combination wireless and hard system. The Deputy Clerk-Administrator advised that the vendor contacted has completed other sound systems within the municipal environment, including that in the Scugog Township council chamber and that all of the quotes obtained were consistent.

Clerk-Administrator George Graham advised of possible problems with a wireless system because of the light in the council chamber.

Councillor Karen Windatt enquired whether any grants are available for the telephone wiring to be placed in the council chamber and was advised there is not.

Page 12 – Treasurer's Department

Page 13 – Tax Department – Tax Write-Offs - 2006 Estimate \$70,000

Staff to review 2006 Estimate of \$70,000.00 in light of \$40,090.25 2005 Actual Figure for tax write-offs.

Pages 14a-e – Public Buildings & Property

The committee was advised that the main impact to this budget is the masonry works required at our three town hall facilities and that these costs have been moved to the left hand column due to the need to book this type of work one year in advance. Staff are suggesting that \$250,000.00 be placed in a reserve annually in order to undertake this work.

Councillor John Grant commented that the monies currently in reserve for the masonry works could be depleted and he is suggesting a schedule be prepared with work being prioritized, similar to that undertaken with respect to large road projects.

The Director of Public Works advised that a consultant is reviewing to prioritize the town hall repairs and that staff are trying to build a reserve in order to start repairs in 2007. She advised that a schedule of repairs for the town halls will be provided.

Regional Councillor Larry O'Connor enquired respecting the carpet replacement at the Beaverton Town Hall and whether the project could be completed over two years. He was advised that the treads are bad and that the stairs need to be reinforced prior to the carpeting being completed.

Regional Councillor Larry O'Connor questioned spending \$27,000.00 to replace the boiler at the Cannington Library/Seniors Building when there is a chance that the facility could become redundant. He was advised by the Director of Public Works that the boilers cannot be started in the fall nor will fuel be delivered to this site until the boiler is replaced. The Clerk-Administrator advised that the only other option is closure of the building as he does not feel the library will be in a position to move as the result of a study currently being undertaken within the Cannington library.

Councillor Karen Windatt commented whether the monies currently in reserve for masonry work at the town halls would purchase an amount of work that could reasonably be completed in one year and if not, why budget more if it cannot be completed in one year? The Treasurer advised that the intent of a reserve is to save yearly to do all of the required works in the future.

Director of Public Works, Judy Avery advised that certain works needed at the Cannington Town Hall are separate projects, however will be coordinated in order to save scaffolding costs.

Councillor Karen Windatt enquired whether by approving monies for work on the town halls within the 2006 budget, for commencement in 2007, is this council preapproving a 2007 expenditure, to which the Clerk-Administrator advised in the affirmative based on the nature of committing a work force.

Councillor Debbie Bath reiterated public concerns with respect to the monies spent on repairs to the town halls, and that to put away \$250,000.00 annually for repairs is a hard sell. She enquired whether the new entrance to the Seniors Room at the Beaverton Town Hall is necessary in view of the dwindling numbers using this room and was advised in the affirmative as the room is no longer accessible. Councillor Bath also expressed concern with respect to the fact that two boilers are being proposed to replace the existing single boiler at the Cannington Library building and was advised that two units are required to service the building. She suggested that one boiler be installed which would service one half of the building, which would reduce the costs to one half. Councillor Bath also enquired concerning the expenditure to replace the double doors in the basement of the Cannington Library building at a cost of \$4400.00 and was advised by the Clerk-Administrator that this expense will most likely be deleted from the 2006 budget upon finalization.

Councillor John Grant enquired whether there is any chance of the Cannington Town Hall group partnering on costs to repair the Cannington Town Hall and was advised by Regional Councillor Larry O'Connor that it is the intent of this newly formed group to

fund their efforts through government grants and he does not feel they are established enough to contribute in any way to repairs.

Councillor John Grant enquired whether the cost of the boiler repairs could be taken from reserves and whether the Beaverton Seniors door could be postponed for one year to which the Clerk-Administrator advised in the affirmative to his first question, however that the new door should be installed this year as there currently exists an accessibility issue at this facility. The Clerk-Administrator pointed out further that the lift at the Cannington Town Hall must be installed in 2007 or that funding under Superbuild will be forfeited.

Resolution No. 2-5

MOVED BY Karen Windatt that we break for lunch at 12:36 p.m. to reconvene at 1:36 p.m. in the same place.

MOTION CARRIED

Acting Chair Keith Shier reconvened the meeting at 1:40 p.m. with the same members of committee and staff in attendance.

Pages 15a-e – Fire Department

In reviewing the expenditure budgets for each Hall, Councillor Karen Windatt suggested that each Hall be allocated a specific amount of funding and be required to prioritize their requests/needs. Staff advised that the departmental budgets will be reviewed in consultation with the Fire Chief prior to the May 15, 2006 Finance Committee Meeting. Councillor Karen Windatt enquired whether Hall #3 has included air bags in their 2006 expenditure budget and was advised in the affirmative.

Page 16 – Health & Safety Committee
Pages 17 & 17a – Building Department

Councillor Debbie Bath enquired whether the new software being requested in the Building Department expenditure budget will result in more staff to input the information and was advised this is not the case.

Page 18 – Livestock Claims/Fenceviewers

Page 19 & 19a – Canine Control Department

It was noted that the capital expenditure in the amount of \$300,000 for a new animal shelter has been deferred from the budget. Mayor Keith Shier commented on the need for a new animal shelter and for the need to start a reserve for this project. The Mayor indicated that an initial reserve to be established in the amount of \$75,000.00 would be a move forward.

Page 20 – By-law Enforcement

Pages 21a-r – Road Department

Councillor John Grant enquired whether the gas tax is project specific and was advised it is intended to be used for roads and bridges. He further enquired whether some of these monies can be used for projects in 2006 and was advised by the Clerk-Administrator in the affirmative, however that staff recommend that as much as possible be put into reserve for bridge and road expenditures anticipated in 2007. The Director of Public Works advised that due to demand, COMRIF tenders are coming in much higher than normal.

Councillor Karen Windatt pointed out the over budget in 2005 at the Sunderland Patrol Yard and was advised that the cause of the over budget was maintenance items such as new windows, repairs to the overhead door and to the furnace tank.

Director of Public Works Judy Avery proceeded with a review of the Roads Capital budget.

Regional Councillor Larry O'Connor enquired as to the possibility of staging the work required on Doble and James Streets in Sunderland and whether municipal staff could complete the required sidewalk work. He was advised that in this instance municipal staff could not complete the sidewalk work as the design must be engineered prior. Regional Councillor O'Connor enquired with respect to possible problems in the Sunderland area should there be a heavy rain and was advised by the Director of Public Works that previous problems appear to have been the result of residents hooked into our system with no back flow connection intervention, and that there have been no recent flooding concerns that she is aware of in this regard.

Councillor Allan Simpson enquired whether work on James and Doble Streets is being put off due to potential development to the northwest of these roads, noting further that these streets are well used. He was advised that this is not the case, however that staff would not like to see the road works completed and a development commence which could jeopardize the newly completed road works. Councillor Simpson advised he would like to see some money in the 2006 budget for work on James Street due to the amount of traffic thereon. He was advised that consideration could be given to undertaking work on James Street in phases at a greater cost.

As contained within pages 21 o and p of the draft budget, the Director of Public Works reviewed the 2006 Rehab/Upgrade Strategy Program including prioritization of existing pavements/improvements.

Regional Councillor Larry O'Connor commented whether this work will include curb and gutter and was advised this will not be part of the strategy.

Regional Councillor Larry O'Connor enquired whether the purchase of a road badger might better be considered in the 2007 budget in order to obtain more information on its use and was advised that there is no local use of this piece of equipment however that it is extensively used out west and that a video is available through the Public Works Department for anyone wishing to view same.

In discussing the replacement of the communications tower as per page 21r, Regional Councillor Larry O'Connor enquired as to the cost to use an existing tower in the area and was advised that costs are unknown presently, however the tower in the Wilfrid area is being investigated as a possible location and alternative to erecting a new tower.

Councillor Karen Windatt enquired whether the funds in reserve will finance completion of the drainage study being undertaken and was advised in the affirmative. She enquired what will happen following the study completion and was advised that it will detail priority areas such as McLennan's Beach and the Teel property for action. Councillor Windatt enquired whether work in these areas will be priority items for consideration in the 2007 budget and was advised in the affirmative and that staff will try to obtain the required permits from the SLSCA prior to 2007 in order to be in a position to proceed.

Regional Councillor Larry O'Connor enquired as to the cost of the boreholes currently being drilled in our roads and was advised that the boreholes are not expensive, it is the lab testing that incurs the cost.

Pages 22 & 22a - Streetlights

Councillor Karen Windatt enquired whether a request for rural streetlight, for example one at the corner of concession 5 and regional road 23 would appear in this departmental budget and was advised that this is not the case as it would have to be part of the urban capital budget.

Page 23 & 23a – Sidewalks

Mayor Keith Shier requested an explanation of the \$25,000.00 capital amount for the CIBC walkway from Simcoe Street to the rear parking lot and was advised by the Director of Public Works that this money is being placed in the budget should the CIBC refuse to maintain this portion of sidewalk which would result in the municipality having to remove and resod the area.

Page 24 & 24a – Parking Lots

Page 25 – Traffic Control – Crossing Guards

Page 26 – Garbage Collection

A line has been entered into this departmental budget for landfill tipping fees. The budgeted amount of \$6,000.00 has already been depleted due to the cleanup and disposal of illegally dumped shingles at the former Thorah Dump Site, therefore this line item will have to be increased.

Resolution No. 3-5

MOVED BY Larry O'Connor that we take a 5 minute break at 3:00 p.m..

MOTION CARRIED

Acting Chair Keith Shier reconvened the meeting at 3:15 p.m. with the same members of committee and staff in attendance.

Page 27 – Sunderland Medical Centre

Page 28 – Beaverton-Thorah Health Centre

The committee were advised that the Beaverton-Thorah Health Centre has some capital needs in the form of shingles and flooring replacement. The Clerk-Administrator advised there is \$90,000 in revenue from this facility to offset the operating/capital costs.

Pages 29 & 29a – Cemeteries

Councillor Allan Simpson voiced his support to include the capital budgeted for works at the Scotch Cemetery.

Pages 30 a-b – Parks Department

Treasurer Michael Legge commented that the major impact to the parks department budget is the items to deter park vandalism. In discussing these items the committee suggested that the lighting remain within the budget as well as some minor items such as brushing and that the issues of security cameras and patrols be put on hold until it is determined whether the lighting makes an improvement in deterring vandalism. Councillor Debbie Bath suggested that the Mill Gateway Park in Beaverton be used as a pilot project where vandalism prevention measures could be implemented, however the general consensus was that consideration needs to be given to the three main parks within the municipality.

Councillor Allan Simpson enquired as to the number of picnic tables \$7,000.00 will purchase and was advised approximately 20 that are vandal proof. He also enquired respecting the amount budgeted for new bench seats and was advised this amount will provide for the fabrication of 12 new seats to go on the concrete bench bases recently obtained by the municipality.

Councillor Simpson enquired whether the proposed park patrols would be monitored by Hy-Tech Security and was advised in the affirmative.

Councillor Debbie Bath advised that the line item for the Beaverton Ball Shack should be removed as it is not township policy to maintain any of the area ball shacks and she does not want to see a precedent set in this regard. Councillor John Grant commented it is his understanding that due to vandalism the Beaverton Ball Association can no longer maintain this building and that they would like to donate it to the municipality and lease it back.

Councillor Debbie Bath enquired of staff whether federal funding is available for any of the works proposed at the Beaverton and Thorah Island Harbours and was advised that the Federal Government will contribute up to a maximum of \$40,000.00 and that a letter to this effect is forthcoming.

Pages 31 & 31a – Beaverton Thorah Community Centre

Regional Councillor Larry O'Connor enquired whether the glycol loop being requested would be a cost saving measure and was advised that this item is not a cost effective as was expected. He enquired whether funds should be placed in a reserve for the replacement of plexi glass in the arenas and was advised that there is a capital reserve for the arenas and that the issue of plexi glass does not currently appear to be as pressing an issue as it once was.

Councillor Debbie Bath enquired whether the committee would be throwing good money after bad to do the required repairs to the compressors in the Arenas and that possibly new compressors should be installed. She was advised that an overhaul of the compressors would come with some guarantee, however this matter will be reviewed further prior to the next meeting.

Pages 32 & 32a – Cannington Arena

Pages 33 & 33a – Sunderland Arena

Councillor Allan Simpson enquired whether the \$33,200.00 figure is with respect to the Veridian underpayment for hydro at the Sunderland Arena, and was advised this is one half of the outstanding amount.

Pages 34 & 34a – Manilla/Wilfrid/Port Bolster Community Halls

Councillor Debbie Bath questioned the Treasurer as to who is qualified to state that the Manilla Hall is in a deteriorating condition. She further commented that last year the Wilfrid Hall Board stepped up to the plate to provide the municipality with the information they require annually and to take ownership of their facility and that it is time for the Manilla Hall Board to do the same. She cannot support more money being spent at the Manilla Hall than at the Wilfrid Hall.

Councillor Allan Simpson advised that the Manilla Hall is in bad shape structurally, however that the Board is striving to maintain the Hall and have provided the financial information required by the municipality. Although it has taken some time, a line of communication between himself and the Board is currently in place and in addition he is in contact with the City of Kawartha Lakes councillor representative on the Hall Board to see what the City of Kawartha Lakes is willing to contribute to the Hall upkeep. He advised that if work on the interior of the building is not completed, the Hall Board will not have any means with which to generate funds to assist with building repair/maintenance.

Councillor Karen Windatt enquired whether hall revenues are flowing through the municipality and was advised they are not at this time, however this is a work in progress and things are improving in this regard.

Pages 35 & 35a – Brock Libraries

Within the Brock Library budget, Mayor Shier noted that in 2005 \$16,684.23 was spent on books and materials and in 2006, \$35,000.00 is being budgeted for books and materials. He requested clarification in this regard prior to the next budget draft.

Page 36 – Grants to Organizations

Members of the committee and staff were provided with a list of traditional municipal grant recipients as well as additional grant recipients in 2005. This budget has been increased from \$14,000.00 to \$24,000.00 in order to provide council more flexibility when considering grant requests.

Councillor Debbie Bath suggested this amount be reduced by \$5,000.00.

Page 37 – Planning and Zoning

The Deputy Clerk-Administrator advised that \$25,000.00 has been placed in reserves due to reports/studies which will be required to support official plan direction pertaining to hamlet growth.

Councillor Debbie Bath enquired whether there are any reserves for this department and was advised nothing specific to planning in that most past planning related appeals have

been financed by the development community. Councillor Bath enquired whether a reserve could be set up for planning issues and was advised in the affirmative.

Regional Councillor Larry O'Connor enquired whether the municipality could depend on the province for support, financial or other wise should an appeal be lodged in respect of the Township of Brock Official Plan due to the Greenbelt Legislation and was advised that it would be up to the Township to defend its position and that the support of regional planners would be enlisted, and possibly provincial planners subpoenaed.

Pages 38 & 38a – Tourism & Economic Development

This budget has been increased and will accommodate financing for the web server which has already been approved by council.

Page 39 – Committee of Adjustment

Page 40 – Tile Drainage

Pages 41 and 42 – Region of Durham and Boards of Education

Final figures for these two departments will be inserted once they are provided to us by the appropriate agencies.

Acting Chair Shier thanked staff for leading the committee through the budget and requested that the committee provide staff with some direction/comment in this regard.

Clerk-Administrator George Graham recapped some of the budgets staff will be giving consideration to prior to presentation of the 2nd budget draft on May 15, 2006, i.e.

Page 14 – Public Buildings & Property

Page 15 – Fire Department – Fire Trucks

Page 19 – Canine Control Department

Page 21r – Roads Capital Projects – Replacement of Communications Tower

Page 23a – Sidewalks – CIBC Walkway

Page 26 – Garbage Collection – Landfill Tipping Fees

Page 29 – Cemeteries

Page 30b – Parks General – Park Vandalism and Beaverton Ball Shack

Page 30b – Small Craft Harbour

Page 31 & 33 – Beaverton Thorah Community Centre & Sunderland Arena – Compressors

Page 32 – Cannington Arena

Page 35 – Brock Libraries

Page 36 – Grants to Organizations

Director of Public Works Judy Avery advised that gravel may cost more this year if CBM refuses to sell the municipality gravel from their concession 10 pit. She advised there are many needs in the Cannington and Sunderland areas when it comes to pavements and that from a safety perspective, Albert Street in Cannington is a must and that the best time to do the work on Albert Street would be during the summer months.

Councillor John Grant suggested a budget increase of less than 3% and that in order to achieve such an increase, expenditures would need to be reduced by \$165,000.00 and not have to touch any reserves. He is in favour of setting up an animal shelter reserve.

Councillor Allan Simpson enquired of the Treasurer how much would have to be removed from the existing budget to achieve a 3% increase and was advised approximately \$136,000.00.

Councillor Debbie Bath advised that the lowest budget increase she can support is 4% in order to cover the costs of operation. She advised that the public would not be in favour of a 0% budget increase.

Councillor Karen Windatt agreed that the budget increase needs to cover expenses and that she would like to see reserves increased and more projects within reason. On behalf

of the public she enquired about the relationship between increased assessment and tax rate and was advised that the tax rate drops as assessments increase.

Regional Councillor Larry O'Connor agreed that the budget increase not fall below the 3.58% increase in operational costs.

(5) Public Questions and Clarification

There were no public questions for clarification.

VIII. ADJOURNMENT

Resolution No. 4-5

MOVED BY Larry O'Connor that we do now adjourn at 4:40 p.m.

MOTION CARRIED

ACTING CHAIR

SECRETARY