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**MINUTES
COMMITTEE OF THE WHOLE - ADMINISTRATION & FINANCE
BUDGET MEETING #4
THURSDAY, FEBRUARY 7, 2019
6:30 PM
SPENCERVILLE MUNICIPAL OFFICE**

Present: Mayor Sayeau, Chair
Deputy Mayor Deschamps
Councillor Cameron
Councillor Dillabough
Councillor Hunter
Dave Robertson, Advisory Member

Regrets: Jack Bradley, Advisory Member

Staff: Debra McKinstry, CAO/Clerk
Dave Grant, Director of Operations
Melanie Stubbs, Treasurer
Brian Moore, Fire Chief
Mike Spencer, Manager of Parks, Recreation & Facilities
Rebecca Williams, Deputy Clerk

1. Call to Order

Mayor Sayeau called the meeting to order at 6:30 pm.

2. Approval of Agenda

Moved by: T. Deschamps seconded by: H. Cameron that the agenda be approved as amended to add item 2a) Opening Remarks.

Carried

a) Opening Remarks

Mayor Sayeau made the following remarks:

- The Director of Operations, Dave Grant received his Diploma in Municipal Management from AMCTO
- Team Industrial business is expanding to include Team Truck and Equipment Repairs
- Provided update to UCLG budget, specifically: 1% increase in UCLG tax rate is equal to approximately \$400,000, committing to fund additional paramedic services, and County Council has directed staff to review the budget to cut the proposed 1% increase

3. Disclosure of Pecuniary Interest & the General Nature Thereof – None

4. Discussion Items – 2019 Budget

a) 2019 Draft Budget Revisions & b)i) Source of Funding Options Update

Staff summarized the budget changes as directed by Committee from the previous January 31 meeting, and highlighted that Committee is deferring \$1,123,500 in capital projects, leaving \$1,745,900 to be supported by taxation. It was noted that the 2018 Mary Street Outlet project final cost was lower than expected, leaving \$20,888.86 available to be carried forward. Staff noted that the remaining Mary Street Outlet money can be used to fund the Johnstown drainage work in 2019 which would reduce the total operating budget to a 2.54% increase.

Staff outlined the current deficit and noted that to fund the \$436,235 would require a 7.82% tax rate increase, however if \$300,000 was borrowed or transferred out of reserve funds, it would result in an increase to the tax rate of only 2.44%. Committee discussed the possibility that the Township may see a decrease in OMPF funding by the Province. It was noted that staff made the suggestion to reduce the transfers to capital reserves to offset the budget line if the OMPF allocation amount is less than past years. There was consensus from Committee to reduce the transfer to capital reserves if the OMPF allocation amount is less for 2019.

Committee briefly discussed where the funding provided by the Province with respect to cannabis is being held. It was noted that the Township has received \$5000 of the \$10,000 thus far and is currently put in a holding account with the Municipal Drug Strategy funds. Members noted that the money should be shown within the 2019 budget at some point. It was note that the money is earmarked for specific areas and criteria outlines how the money may be used.

Committee discussed budget implications if the Township received OCIF Top-up funding for the County Rd 2 project. It was noted that if the Township does not receive funding then Committee may want to consider deferring the project and using the \$188,754 from the OCIF formula to fund other capital projects which would reduce the projected deficit. Members discussed the possibility that the 2019 OCIF formula based funds of \$188,754 could be put into reserves in hopes that funding may be available in 2020. It was noted that the OCIF top up could be up to \$1.6 million for the project. Staff noted that the \$188,754 OCIF money isn't earmarked and no other areas within the Township have been able to benefit from this funding. Members noted that they will discuss this issue at a later date.

Next meetings were scheduled for Thursday, March 7 at 6:30 pm and Thursday, March 28 at 6:30 pm.

b)ii) Long Range Capital Forecast Update

Committee reviewed the updated long range capital forecast and enquired if staff could provide a more detailed report to show effects of projects being deferred across 2020-2021. Members discussed possible reductions to the Galop Canal bridge and Smith Rd culvert. It was noted that staff will be reviewing the projects to determine if efficiency's can be identified to reduce the project costs.

Committee reviewed and discussed various possible options to repair/replace the Fire Department and Public Works Department vehicles, specifically; leasing, repairing, refabricating the truck box, outright purchase and spreading the purchase cost out over a few years, purchasing a demo model, and tendering options. Committee discussed the Fire Department deployment model and how the truck and van would be needed to sufficiently transport firefighters, bunker gear, and equipment. It was noted that the current vehicle is a 1996 and does not comply with vehicle weight requirements and cannot be modified any further to accommodate additional weight.

Members noted the benefits to the Township departments and the tax payers of purchasing new vehicles through financing options which would spread the cost out over a number of years. There was a general discussion with respect to the Township reaching out to a few local dealers for quotes versus preparing tender packages for the trucks. Members noted their concern if the Township did not prepare tender packages. Members suggested that staff review the options and have pre-budget approvals prepared for a future meeting.

5. Question Period – None
6. Closed Session – None
7. Adjournment

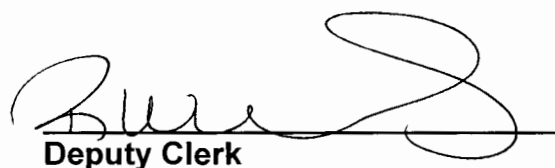
Moved by: D. Robertson seconded by: H. Cameron that Committee does now adjourn at 7:45 pm.

Carried

These minutes were approved in open Council this 25th day of February, 2019.



Chair



Deputy Clerk