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**MINUTES
 COMMITTEE OF THE WHOLE - ADMINISTRATION & FINANCE
 BUDGET MEETING #3
 THURSDAY, JANUARY 31, 2019
 6:00 PM
 SPENCERVILLE MUNICIPAL OFFICE**

Present: Mayor Sayeau, Chair
 Deputy Mayor Deschamps
 Councillor Cameron
 Councillor Dillabough
 Councillor Hunter
 Jack Bradley, Advisory Member
 Dave Robertson, 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 6:00 pm. Deputy Mayor Deschamps provided a brief summary of events with respect to MP Michael Barrett's swearing in ceremony which took place on January 28, 2019.

2. Approval of Agenda

Moved by: T. Deschamps seconded by: H. Cameron that the agenda be approved as presented.

Carried

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

4. Discussion Items – 2019 Budget

a) Operations Budget Revisions

Committee reviewed the revised operations budget and noted that as a result of additions the operations budget increase has been raised to 2.89%. There was a general discussion with respect to the relationship between the 2019 budget and 2018 actuals, specifically noting that in 2018 the Township overspent by approximately \$108,000.00. Members asked for clarification with respect to the

budget revision for the storm water management staff would have to review the general ledger entries to determine the explanation for the revision. Members recognized that staff can not predict every scenario and possible unexpected operating expense, such as vehicle breakdowns, which affected the Public Works 2018 actual budget line.

Committee reviewed the increase in taxation revenue from the 2018 actual to 2019 budget and noted that \$61,000 will need to go to cover the operational budget increase. There was a brief discussion with respect to the possible decrease in provincial funding through the OMPF. It was noted that the \$47,957.00 added to the Grants and Grants-in-Lieu budget item may need to be used to neutralize the possible decrease in OMPF funding.

b) 2019 Capital Budget

i) Source of Funding Options

Committee reviewed the source of funding/draft capital projects list and noted that currently the Township requires \$2.8 million from taxation to complete all the projects listed. It was noted that in 2018 the Township taxation supported \$1 million in capital spending and as a result the Township requires approximately \$1.8 million additional from taxation for the projects.

Committee reviewed and discussed the proposed road work, specifically with respect to road condition and traffic count. Members debated if only a part of Pittston Road should be completed in 2019 and defer the other portion until 2020. There was consensus from Committee that the portion from Young to Hutton on Pittston Rd could be completed in 2019, along with Weir Rd, which would also cut the overall project cost.

Committee asked for clarification with respect to the location, condition, and engineering study of the Galop Canal bridge. Members debated if staff should be directed to acquire a second review from a different engineer to confirm if the cost estimate of \$150,000 is accurate. Members discussed deferring the project and the risk of failure. There was consensus from Committee to direct staff to prepare and issue the tender documents for the Galop Canal bridge railing, being sure to note in the tender document that the Township does not have to accept or award any bids.

Committee discussed the budget for the Smith Road culvert and whether deferral of the project is an option. Staff noted that the bottom of the culvert has rotted out and it must be replaced. It was noted that the engineer provided an estimate for a concrete box culvert which could be installed in a more timely and efficient manner than other options which could affect traffic flow. There was consensus from Committee to include Smith Road culvert in the budget and to direct staff to look at alternative options.

Committee reviewed the Recreation capital projects and discussed the lifespan of the arena chiller versus the lifespan of the Spencerville arena. It was noted that the current arena chiller has exceeded its lifespan of 20-24 years. It was noted that if the chiller breaks down during the ice season the arena would be shut down for approximately 3 months to receive and install a replacement. There was a brief discussion with respect to the cost of installing stairs in the Cardinal pool. There was consensus to use funds from the Cardinal Hydro Reserve to cover the cost of the capital work at the Cardinal Pool.

Committee reviewed the Public Works projects and discussed replacement of Truck 1. It was noted that Truck 1 is the main patrol vehicle and had been slated for replacement in 2018 but the item was deferred for other priority spending. Committee debated replacement of the tandem axle plow truck. Committee discussed options for the excavator, specifically leasing options versus purchase. Staff confirmed that the maintenance for the equipment had been included in the lease package.

Committee discussed sidewalk replacement and concerns received from residents regarding sod damage from plowing in some narrow locations. Members confirmed that the replacement sidewalks will be installed at a more standard width to help avoid damage. It was noted that there is always the possibility of the plow turning up sod due to decreased visibility of the sidewalk in winter weather.

Committee reviewed the gravel to surface treatment program and there was consensus to defer gravel to surface treatment on Campbell Road, Chambers Road, and Cucman Road for 1 year. There was a brief discussion with respect to the surface treatment on Latimer Rd. It was noted that it is a joint project shared with North Grenville, with the Township covering 50% of the cost.

ii) Long Range Capital Forecast

Staff outlined the capital forecast and highlighted that over the next few years the Township is facing approximately \$20 million in capital requirements. Staff noted that Committee and Council must look at future spending and determine what level of service they wish to provide. At current levels of taxation there will continue to be a shortfall.

Members noted that even by removing approximately \$900,000 from the capital projects list, the Township still has approximately \$931,000 in the budget that is unfunded. Members discussed various potential funding options including use of reserves and borrowing.

c) Fire Update

Staff provided an overview of possible alternative options with respect to the replacement of Van 1. It was noted that the current vehicle does not comply with vehicle weight requirements. Staff highlighted the issues surrounding the current deployment model at Fire Station #1 and how the Fire Department could make changes to accommodate a reduction in the 2019 budget.

Next meetings were scheduled for Thursday, February 7 at 6:30 pm and Tuesday, February 12 at 6:30 pm.

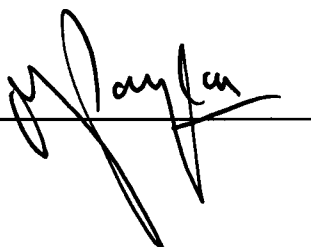
5. Question Period – None
6. Closed Session – None
7. Adjournment

Moved by: D. Robertson seconded by: H. Cameron that Committee does now adjourn at 8:34 pm.

Carried

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

Chair



CAO/Clerk / D. Clerk

