

**TOWNSHIP OF ESSA
SPECIAL COUNCIL BUDGET MEETING
WEDNESDAY, 19 MARCH 2008
1:00 P.M.
COUNCIL CHAMBERS**

A Special Council meeting was held to discuss the 2008 Budget on Wednesday, 19 March 2008 at 1:00 p.m. in the Council Chambers of the Administration Centre, Township of Essa.

In attendance: Mayor David Guergis
Deputy Mayor Terry Dowdall
Councillor Rick Newlove
Councillor Ron Henderson
Councillor Sandie Macdonald

Staff in attendance: Greg Murphy, CAO/Manager of Public Works
Julie Barrett, Treasurer/Deputy Clerk
Paul Macdonald, Fire Chief

CALL TO ORDER

Mayor Guergis called the meeting to order at 1:30 p.m.

2. DEPUTATION

Council welcomed Inspector Dave Farrar and Staff Sergeant Dirk Cockburn.

Inspector Farrar explained that the costing formulae used in previous estimates was a blend of 2001/2003 costing and that the early renewal proposal uses the 2003 costing formulae. The 2003 costing formulae will be fixed for the duration of this five year contract and would result in savings upon the expected release of the 2008 costing formulae. Costing formulae covers operations such as computers, gas, cars, stationary, equipment, Regional and General Headquarters support etc. In past budget estimates, 5% was charged for overtime and now 9% is charged for overtime.

Inspector Farrar explained that the 2008 OPP estimate includes salaries for the existing compliment of staff plus the addition of 3 constables and 1 sergeant. These enhancements were scheduled to start January 1, 2008 and the 2008 contract estimate reflected a January 1, 2008 implementation. The enhancements are scheduled to start in April, 2008. There will be an official revision sent from Contract Policing Bureau to reflect a change to the estimated Policing costs for 2008. For Essa this could result in approximate savings of \$67,000 from the original estimate.

Inspector Farrar also reported that salaries are calculated at the highest level for purposes of the policing estimate and if junior constables are on duty, then those lesser salaries will be reflected in the reconciliation process of actual costs at calendar year end.

Inspector Farrar reported that the 2007 reconciliation was complete and that there is a surplus and that figures would be forwarded to the municipality soon.

3. BUDGETS & STAFF REPORTS

a. Proposed 2008 Budget and Revisions

The Treasurer reviewed Report TR-2008-13 and TR-2008-12 with members of Council. The province has provided the 2008 Ontario Municipal Partnership Funding (OMPF) information and Essa will be receiving \$112,600 more OMPF in 2008 compared to 2007. The CAO and the Treasurer suggested recommendations for decreases to the proposed 2008 budgets, which if approved by Council, equal a 4% increase over the 2007 levy and a 1.3% increase in the residential tax rate over the 2007 tax rate. The recommended decreases are listed as follows:

Capital:

	<u>Savings:</u>
1. Lease computers – \$14,400 less \$4,400/year for 4 years/8 computers (\$17,600)	\$10,000
2. Remove Fire Dept. Duty vehicle	\$12,000
3. Emergency Measures – Plan to do the Roads Depot emergency power in '09	\$29,000
4. Remove paving around Roads Building	\$70,000
5. Remove Steel beam for Denney Dr. Embankment project	\$45,000
6. Remove 8 th Line Cty. Rd 21 to 7133 Road reconstruction	\$346,500
7. Remove Angus Arena laser Olympia	\$14,000
8. Remove Angus Arena – new rink door	\$10,000
9. Remove Thornton Arena – new hall floor	\$11,250
10. Remove Angus Arena TV video link	\$2,560
11. Remove Truck in Parks (transfer 2001 Ford ½ ton from Roads to Parks)	\$30,000
12. Remove Angus Gymnasium Bathrooms & Change Rooms renovation	\$12,000
13. Remove partial Angus Sidewalk construction (leave \$20,000 in budget)	\$30,000
14. Remove Streetlights in Public Works (hold off install of SL in S.E. Township)	<u>\$13,000</u>
TOTAL	<u>\$635,310</u>

Operating:

1. Treasury – L.18 EFT software training	\$1,287
2. Treasury – L. 38 Other write offs – put off the uncollectibles from 02/03	\$5,400
3. Fire – L. 2 Salaries/Wages part time remove additional clerical of 1hr/day	\$3,282
4. Fire – L. 15 Miscellaneous	\$1,000
5. Recreation – Thornton Arena – L 13 Remove 2 months salary – STD	\$8,152
6. Recreation – Parks & Buildings – Consider selling Elmgrove Hall property	REVS120,000
7. Recreation – Skateboard Park – L. 89 remove security system	\$2,320
8. Recreation – Angus Gym – L. 124 remove purchases due to limited rentals	\$7,200
9. Recreation – Elmgrove Hall – L. 141 if hall is sold remove partial maintenance	\$1,000
10. Library – L. 2 Remove additional 17 part time hours = 6 hours more open time	<u>\$8,500</u>
TOTAL	<u>\$158,141</u>

Finance from Reserves, Reserve Funds and Development Charges:

1. Police operating - \$4,646 (capital start up costs) from Development Charge for Police
2. Police operating - \$200,000 from Reserve for Policing to assist with the increase in

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- the Policing budget. (Reserve at Dec 31, 2007 = \$626,705)
3. Planning operating - \$200,000 – OMB costs, from Special Project reserve.
 4. Public Works Capital - \$220,000 Baxter Sidewalk (construction project not completed in 2007 and recommend taxes raised in 2007 of \$163,500 to be transferred to reserve for Capital Equipment and then transferred back into budget in 2008 to finance the 2008 Baxter Sidewalk construction.

TOTAL	<u>\$568,146</u>
GRAND TOTAL	<u>\$1,361,597</u>

Discussion regarding the recommended decreases and budget items took place as follows:

- Is \$20,000 enough in the Angus sidewalk construction budget to address certain sections of deteriorated sidewalk. The CAO/Public Works Manager responded that Council has been very aggressive in past budgets replacing deteriorated sections of Angus sidewalks. The CAO suggested that sections of sidewalk may need improved drainage since there are no ditches, storm sewers or catch basins installed that would allow water to escape faster during the spring thaw. Council requested that these areas be reviewed.
- Are any recommended decreases liability concerns in respect to health and safety such as the arena door and the arena laser equipment. The CAO responded that the proposed budget incurred funds to change the arena overhead door to electric opener, replacing the current manually opened door. The arena laser equipment is good for the ice, but not necessary since ice maintenance has been done on a manual basis for many years with good success.
- It was stated that it is sad that community halls are being sold; however it seems that the Elmgrove hall is not being used and that it is difficult to justify the expenditures for heat, insurance and maintenance.
- The Treasurer read out the written submission from the Library CEO regarding a proposal requesting three more open hours at the Angus Branch.
- There is interest in surveillance cameras to discourage vandalism or to apprehend the vandals. The CAO reported that companies were being approached to request proposals for surveillance cameras or other security measures.
- It was suggested that the Thornton Arena Hall does not have enough chairs and that funds should be put in the budget to purchase chairs.
- Will the ½ ton truck be adequate for Parks? The CAO commented that the Manager of Parks will be required to schedule the parks staff for specific work at locations that may not require the use of a larger vehicle or a vehicle at all for some work. The ½ ton truck would be adequate.
- It was noted that there are still maintenance problems at the former NVCA office as a result of the leaking roof.
- It was suggested that there should be a dedicated facilities maintenance staff person and that this person may also provide the Township with part time by-law enforcement. It was noted that this is not in the proposed budget.
- The mileage rate of \$.42/km should be reviewed since there is an increase in the price of fuel.

- The Treasurer asked Council to review the list of reserves stating that this budget proposes using \$1.4M of available reserves. The Treasurer stated that this is significant use of available reserves and reserve balances are quickly depleting.
- The Mayor asked why there is such an increase in this budget. The increase in the 2008 budget is reflected in the operational budgets. Staff stated that there are lesser revenues in the budget compared to 2007 due to a large decrease in revenues from the sale of land. There is an increase in policing costs and an increase in the planning budget for OMB legal costs. The Treasurer stated that an analysis of the past 5 years for Capital, Operating, Assessment and Payroll could be prepared for Council's information.
- Council held a discussion regarding an acceptable increase in the municipal levy that will allow a lesser amount of reserves used in the 2008 budget than what is currently proposed. Council stated that if there is a 2007 surplus that this amount be transferred into reserves.

Resolution No: SP02-2008 Moved by: Dowdall Seconded by: Newlove

Be it resolved that reports TR-2008-12 and TR-2008-13 from the Treasurer be received; and That the Treasurer be directed to present a budget with a 4.3% increase.

Carried

4. OTHER BUSINESS

a. Memo from Chief Administrative Officer - Proposed 3% COLA increase

Council discussed implemented a true COLA increase of 2.4% or implementing an increase of 3% effective April 1, 2008.

Resolution No: SP03-2008 Moved by: Henderson Seconded by: Macdonald

Be it resolved that the memo from the CAO/Public Works Manager be received; and That a 3% increase to salaries and wages for all Employees and Members of Council be approved retroactive to the first day of the first pay period in 2008.

Carried

- c. Council directed that the CAO's memo on installation of guide rail systems in Angus for a total estimate of \$25,500 be included in the 2008 budget.
- d. Council stated that they would like to have a discussion about implementing a 3 to 10 year program to convert the 47.5 kilometers of gravel road into hard top surface.
- e. Councillor Macdonald stated that the BIA budget would be presented to Council.

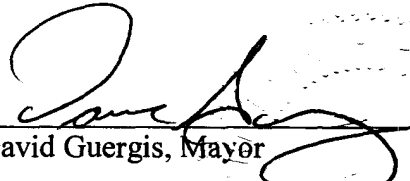
5. ADJOURNMENT

Resolution No: SP04-2008 Moved by: Henderson Seconded by: Newlove

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Be it resolved that this Special Council meeting of The Township of Essa adjourn at 5:00 p.m. to meet again on 16 April 2008 at 3:00 p.m.

Carried



David Guergis, Mayor



Julie Barrett, Treasurer/Deputy Clerk