

TOWNSHIP OF O'CONNOR – MINUTES BUDGET MEETING – MAY 29, 2017

Minutes of the budget meeting held on Monday, May 29, 2017 at 7 p.m. in the Council Chambers.

Present: Mayor Vezina
Councillors: Alkins, Foekens, Loan, Racicot,
Clerk-Treasurer Buob
Deputy Clerk-Treasurer Racicot
Leadhand Kelly Johnson
Fire Chief Henry Mattas, Deputy Fire Chief Monica Budiselic

Mayor Vezina called the meeting to order at 7:07 p.m.

Disclosure of pecuniary interest and the general nature thereof: none.

Mayor Vezina turned the meeting over to the Clerk-Treasurer to present the full draft budget line by line. The Clerk-Treasurer explained how the line numbers were presented and how the taxation revenue included in draft #1 budget was determined. Due to the Municipal Property Assessment Corporation's (MPAC) reassessment, and the large increase in the Township's overall assessment values, this year's taxation is based on the 2017 assessment values and a 1% increase in the 2016 own purposes budget and not using the 2016 tax rates as in previous years. The line items in accounts 4020 and 4040, titled Taxation Arrears are actually the Education taxes. The bottom line of the full budget shows the variance required to balance the budget as presented.

The rest of the revenue accounts were explained. Transferring from Reserves was discussed. As was previously discussed at a recent Council meeting, \$650 will be pulled from the Fire Department reserve account for the First Response Manikins, which were budgeted for and not purchased in 2016. The purchase price of the air conditioner for the municipal office will also be transferred from the Municipal Building reserve as it was setup in this reserve at the end of 2016 for this purpose. The amount of \$3,187.25 will be pulled out of the Federal Gas Tax Reserve to cover the cost of 2017 projects, if approved by Council. The Clerk-Treasurer also noted that at the end of last year the Council did put \$1,000 into the Turnout Gear Reserve as the Fire Department did not purchase a suit in 2016, however \$2,000 was actually budgeted for the suit. It was agreed to transfer the additional \$1,000 from the Fire Department Reserve to the Turnout Gear Reserve through this budget process.

The meeting continued with the review of the expenses for the Township.

Council meeting expenses were discussed. Special meeting and conference attendances were confirmed with each member of Council.

The Insurance Benefit Plan line item was discussed. The Clerk-Treasurer noted that she is still awaiting quotes for benefit coverage. The current prices budgeted for are for the current supplier with the 6.6% increase in plan coverage as of June 1st.

Under the line item of Township hall heating it was noted that due to the replacement of the oil furnaces with new propane furnaces this summer, a credit to this account will occur when the fuel is removed from the current tanks, depending on the amount of oil left in the tanks at that time. The total cost for this year's heat will also depend on the tank size required for the community centre and whether or not the municipal office and the community centre can share a tank.

In this draft budget the full purchase price of the backhoe is currently included, Council will need to determine whether they would like to pull money from the reserve or get a loan or cover the full amount through the budget.

The new Joint Police Services Board was discussed. There may be some setup or training expenses that will be shared with the municipalities and Council agreed to budget a small amount for this.

The Tax Write-off line was also discussed. There are currently approximately 10 properties appealing their current assessment, which if they are successful in their application the Township will be required to do write-downs for their property. At this

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time we do not know as to what the new values will be so an estimated amount has been included on this line.

Mr. Kelly Johnson, Leadhand, was welcomed to the table to review the Road Department's portion of the budget and explain any changes which have been made since draft #1 which was presented on April 10, 2017. One of the big changes was for grader repairs in the amount of \$3,620 and additional repairs to the 4 x 4 truck, including an additional \$2,000 for bodywork. Wages have also been added to road project's #2 & #3.

Fire Chief Mattas was welcomed to the table to review the Fire Department's portion of the budget and explain any changes which have been made to draft #1 presented on April 24, 2017. Fire Chief Mattas presented Council with a new quote for a 4 x 4 side-by-side for the Fire Department for use during a grass fire. This price was lower than the original quote presented at the meeting on April 24th and the department feels it is a better machine for their needs. The Fire Department Auxiliary has agreed to pay for half of the costs through their fundraising efforts. The quad that the department currently owns will be put up for sale and the revenue from the sale will be split evenly between the Auxiliary and the Township. Other minor line items were also amended.

Council discussed the budget further and adjusted line items were they felt they were required. After further discussed with regard to covering the cost of the purchase of the backhoe it was agreed to transfer \$35,000 from the Road Equipment Reserve fund and apply for a two-year bank loan in the amount of \$40,000.00. An additional \$2,500 will be pulled from the Road Department Reserve for the purchase of the Packer. \$23,035.00 will be pulled from the Working Fund Reserve to cover the cost of one of the Road Resurfacing Projects. It was also agreed to pull \$5,577 from the Fire Department Reserve for the Township's share of the purchase of the 4 x 4 side-by-side. The resurfacing of Earl Road will be cut from 3.2 km to 1.6 km. Council also discussed what an acceptable tax increase over 2016 for all municipal purposes and after working with the numbers agreed to a 2.25% increase. It was noted that due to the reassessment all properties will be affected differently.

The Clerk-Treasurer will make the changes as agreed to by Council and present them with a final copy of the new numbers at the next Council meeting.

The Administration Report presented to Council to comply with Ontario Regulation 284/09 and confirming that the 2017 budget was developed using cash basis and has excluded amortization expenses and landfill closure and post-closure expenses was reviewed and it was

1. Moved by K. Foekens
Seconded by Chantal Alkins

THAT THE ADMINISTRATION REPORT DATED MAY 29, 2017 ENTITLED REQUIRED DISCLOSURE REGARDING BUDGET IMPACTS AS PER ONTARIO REGULATION 284/09 BE ADOPTED AND READ.

Carried

The Tax Rate By-law was presented to Council with the new rates as determined this evening and it was

2. Moved by Bishop Racicot
Seconded by B. J. Loan

THAT BY-LAW NUMBER 2017-18 BEING A BY-LAW TO ADOPT THE ESTIMATES OF ALL SUMS REQUIRED DURING THE YEAR 2017 FOR THE GENERAL PURPOSES OF THE MUNICIPALITY, AND TO STRIKE THE LEVY FOR THE YEAR 2017 AND TO PROVIDE FOR THE ADOPTION OF TAX RATES AND TO FURTHER PROVIDE FOR PENALTY AND INTEREST IN DEFAULT OF PAYMENT THEREOF FOR 2017 BE PASSED AND ENTERED IN THE BY-LAW BOOK.

Carried

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Everyone was thanked for attending the budget meeting and it was

3. Moved by B.J. Loan
Seconded by K. Foekens

**THAT THE BUDGET MEETING ADJOURN TO THE COUNCIL MEETING TO
BE HELD ON MONDAY, JUNE 12, 2017 AT 7:00 P.M.**

TIME BEING: 10:22 P.M.

Carried

Mayor

Clerk-Treasurer