

## TOWNSHIP OF O'CONNOR – MINUTES BUDGET MEETING – June 21, 2021

Minutes of the budget meeting held virtually on Monday, June 21, 2021 at 7 p.m.

Present: Mayor Vezina  
 Councillors: Crane, Handy, Loan, Racicot,  
 Clerk-Treasurer Buob (in the Municipal Office)  
 Deputy Clerk-Treasurer Racicot  
 Fire Chief Henry Mattas  
 Leadhand Kelly Johnson (in the Council Chambers)  
 Administrative Assistant Erin Laforest

Mayor Vezina called the meeting to order at 7:00 p.m.

1. Moved by Jerry Loan  
 Seconded by Bishop Racicot

**THAT THE AGENDA FOR THE MEETING BE APPROVED.**

Carried

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

No visitors, other than staff, were online virtually.

Mayor Vezina turned the meeting over to the Clerk-Treasurer to present the draft budget line by line. The Clerk-Treasurer explained how the numbers were presented and how the taxation revenue included in draft #1 budget was determined. The bottom line of the full budget shows the variance required to balance the budget as presented. The revenue taxation in the first draft is based on the 2021 assessment values and the same rates used for the 2020 final billing. As a result of the delay in the reassessment, due to COVID-19, the assessment values have remained stable from 2020, with only slight increases for properties with improvements made to them and picked up by MPAC. The line items in accounts 4020 and 4040, titled Taxation Arrears are the Education taxes for budget purposes.

The proposed amounts in the revenue accounts were explained. The Ontario Municipal Partnership Fund (OMPF) for 2021 is once again lower than the previous year, \$3,500 less than what was received in 2020. The Federal Gas Tax allocation for 2021, as well as the Top-Up amount will be spent in 2021 and the full amount is included in the budget. It was noted that the OCIF funding for 2021 is \$50,000, however the estimated unspent balance will be put into a deferred revenue account on the expense side. New accounts have been created for the Municipal Operating Fund for COVID revenue and expenses. The full amount received in 2021 has been included in the revenue account. New accounts have been created for the Northern Ontario Heritage Fund for an Intern and for the Canada Summer Jobs for the summer student. At this time the Intern position has not been approved, but is included in the budget for a 5-month period in 2021. If a reply to our application is received prior to the final approval of the budget, these numbers will be adjusted accordingly. The interest earned amount is lower than budgeted last year as the interest rates have dropped due to COVID-19. With the Community Centre closed due to COVID-19, the user fees revenue is also down. The balance of the COVID-19 2020 funding is being pulled from the deferred revenue account to be spent in 2021. The Township was successful in their application to Hydro One for funding to purchase a backup generator for the Township office and an account has also been created for this. No Long-Term Debt Proceeds have been budgeted for at this point, however if Council agree to the purchase of a truck for the Road Department, the bank loan portion can be included here. As the Fire Department Auxiliary have not been meeting, there have been no decision made as to whether or not any purchases will be made this year through the Township.

The meeting continued with the review of the expenses for the Township. Council meeting expenses were discussed. Due to COVID-19, less meetings are being held in person, however conferences did continue this year virtually. Expenses have occurred for registration and honourarium. The estimates for regular Council meetings are currently based on to-date expenses as well as estimated full attendance at all upcoming meetings.

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The Administration salaries line does include both full time staff and the administrative assistant's wages. As the Deputy Clerk-Treasurer will be taking a leave, these numbers will be confirmed prior to approval. The Administrative Assistant's wages have been increased slightly also, to account for the absence. The Miscellaneous wages include the groundskeeper's wage for the Community Centre yard, for times prior to and following the summer student's employment.

The Clerk-Treasurer is still waiting for the actual breakdown for the insurance policy. The total expense has been included; however, the actual account balances may change slightly when this final information is received.

The proposed building repairs and maintenance and outdoor recreation area were discussed.

The Protection and Services accounts were reviewed. The Clerk-Treasurer suggested that perhaps some decorative trees could be purchased for the cemetery, as a lot of the Jackpine trees currently in the cemetery are dying off. It was also suggested that if the Township was to move forward with this purchase that it would be cheaper in the fall to do so.

The Disposal Site accounts were reviewed. There are no major issues with the compacting truck, however one cylinder will need replacement. Other regular maintenance and fuel are also being budgeted. The wages include extra time to have the site cleaned up, regular caretaker wages, as well as some time for Road Employees for the time spent there. The recycling expenses continue to increase. It is recommended that the bins receive a coat of paint this year to preserve them.

The Federal Gas Tax account includes the balance of the expense for the Disposal Site Study previously completed and two road resurfacing projects.

Under Professional Fees, it was suggested that a small amount be included in the legal fees account. If it is not required, it could be transferred to the potential new legal reserve account at year-end.

The Joint Board expenses were reviewed. All amounts are similar to 2020.

The Government Mandated Programs were reviewed including Land Ambulance, Policing, Property Assessment, Public Health and DSSAB. It was noted that these programs together increased slightly in final total, however some have increased and some decreased.

The Reserve Allocation line includes the deferred estimated amount of the unspent OCIF 2021 funding. The Clerk-Treasurer suggested that if a loan for a new truck is not required that perhaps an amount equal to payments could be included to help lower the amount required when a loan is applied for in the near future.

The meeting was then turned over to Fire Chief Mattas to discuss any changes made to the Fire Department budget since the previous budget meeting held on April 19, 2021. Fire Chief Mattas noted that there were no major changes made to the budget since that time. Fire Chief Mattas was thanked for the update.

The meeting was then turned over to Mr. Kelly Johnson, Leadhand, to review the Road Department's portion of the budget and explain any changes which have been made since draft #1, which was also presented on April 19, 2021.

Mr. Johnson informed Council that the Building Repairs and Maintenance account has been increased to include garage door inspections, as well as the purchase of a new well lid.

He also informed Council that as the full Shop B construction will no longer be completed in 2021, only the estimated cost to prepare for construction, including drawings, will be included in this year's budget. The balance of the project will be included in the 2022 budget for construction to begin early in the season.

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Two new tires for the 4 x 4 truck have been added, as well as additional maintenance costs for Truck #7 & #9.

As the quotes have been received for the structure inspection, the actual cost for this work has been updated.

The meeting was turned back to Council for discussion. The purchase of a new snowplow/sander combination truck for the Road Department, as well as pumper truck for the Fire Department were discussed.

Fire Chief Mattas feels that even with the age of the Township's pumper truck, it does pass all the test requirements for Underwriters and is still in good shape at this point. He will be doing a pump test again this year, however does not feel that a new truck is required at this time.

A truck for the Road Department was also discussed. Currently, the full cost of a truck is included in the budget without any financing to offset the cost. Mr. Johnson informed Council that he feels that a new truck should be purchased this year, as per our Asset Management Plan, as the oldest truck is a 1993 and the second truck is a 2004.

Council discussed the options. It was suggested that Mr. Johnson continue to look for a good used truck and continue to drive the current fleet until either a good deal comes along, or one of the trucks breaks down. A loan would be required at that time to make the purchase. Mr. Johnson was then instructed to continue to look, and if something becomes available, to bring it to Council's attention, however, at this time, no expense for the purchase will be included in the 2021 budget.

The balance of the Reserve and the Deferred Revenue accounts were reviewed. The difference between the OMPF funding and the Provincially mandated programs was discussed. It was agreed that this amount would come from the Levy Stabilization Reserve.

The bottom line of the budget was once again reviewed, with the truck removed, and line items discussed further. An acceptable percentage tax increase was discussed and comparison numbers were presented to Council with the different options. The Clerk-Treasurer noted that as the Assessment values are at the same or similar value as they were in 2020 for most properties, the increase in taxes will be split more evenly amongst all taxpayers. Council agreed that a 3% increase would be acceptable for this budget. The amount required to balance the budget with this increase will be pulled from the Levy Stabilization Reserve, once all other numbers have been confirmed.

It was agreed that as the next Council meeting is only one week away, that the Clerk-Treasurer will make the changes as required and bring the final budget back to the July 12, 2021 meeting where the by-law to approve the tax rates will be presented. It was agreed that the final tax installments will then be due at the end of August and the end of October.

Everyone was thanked for their participation in the budget meeting and it was

2. Moved by Bishop Racicot  
Seconded by A. Crane

**THAT THE BUDGET MEETING ADJOURN TO THE COUNCIL MEETING TO BE HELD VIRTUALLY ON JUNE 28, 2021 AT 7:00 P.M.**

**TIME BEING: 9:27 P.M.**

Carried

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Mayor

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Clerk-Treasurer