



MINUTES
SPECIAL COMMITTEE OF THE WHOLE
Thursday, June 22, 2023
1:00 p.m.
City Hall Council Chambers

Livestream Recording: <https://kenora.civicweb.net/Portal/>

Present: Mayor A. Poirier
Councillor R. Bernie
Councillor G. Chaze (arrived at 1:26 p.m.)
Councillor L. Koch
Councillor B. Manson
Councillor L. Moncrief (arrived at 1:11 p.m.)
Councillor K. Van Belleghem

Staff: Kyle Attanasio, CAO, Heather Pihulak, Director of Corporate Services/City Clerk, Greg Breen, Director of Engineering & Infrastructure, Ryan Marsh, Director of Finance, David Pratt, Director of Fire & Emergency Services, Roberta Marsh, Director of Human Resources, Risk & Insurance, Janis Pochailo, Director of Planning & Building Services

Call Meeting to Order

Mayor Poirier called the meeting to order at 1:02 p.m.

Land Acknowledgement

Delivered by Councillor Van Belleghem

As we gather, we recognize that we are on Treaty Three Lands which are steeped in rich Indigenous history and home to many First Nations and Metis people today. We continue to be thankful for the partnerships with Indigenous people.

We give thanks for the many blessings we enjoy in the City of Kenora. We seek wisdom in our minds, clearness in our thinking, truth in our speaking and always love in our hearts, so that we may try always to unite the Citizens of Kenora. Let these principles guide us in our decision making.

Public Notices

Take Notice that as required under Notice By-law #160-2022, Council intends to adopt the following items at this Special Meeting of Council:

N/A

Declaration of Pecuniary Interest & General Nature thereof

i) On Today's Agenda

ii) From a Meeting at which a Member was not in Attendance

There were none declared.

Deputations

None.

1. 2024 Budget Introduction

The meeting today is to provide an opportunity for Council to provide feedback to administration on Council priorities and identify initial budgeting for 2024. This is a new process for us which will give Council a preliminary touch point on the budget before administration starts to build the 2024 budgets.

There is a rethinking budget survey that has been published and we are engaging the residents on this budget process. This initial budget meeting date is a new process and staff are aiming to submit their budgets by June 30th. The SLT will sit down and review the operating and capital budgets. That session is a challenge session so there are direct questions presented to each other (SLT) to see what projects and areas of budgeting could be reconsidered. That will take place at the end of July. Ryan Marsh, Director of Finance outlined the budget schedule and steps included in building the budget.

The 2023 budget additions and decisions saw unprecedented inflation. The starting point was status quo from 2022 was to increase the budget by 8.19% just to remain at same service levels and the capital program was an increase of 4.77% increase for an overall initial increase of 12.96%. Some things we had to do to bring the budget down was incorporate a reserve holiday of \$316,000 or 1.11%. There was a tax write off reserve of \$653,630 or 2.29% and the OPP rebate of \$522,474 or 1.80%. Other reductions included OCIF of 4.29% and replace NTL with reserve funding of \$242,000 or 0.85%.

The 2024 starting point:

Operating Budget	2022 Budget	2023 Adopted Budget	2024 Projected	2025 Projected
Revenue				
Total Revenue	\$14,259,135	\$11,827,051	\$10,429,868	\$10,394,527
Expense				
Total Expense	\$42,804,511	\$41,906,288	\$43,825,179	\$44,822,303
Total Surplus/(Tax)	(\$28,545,376)	(\$30,079,237)	(\$33,395,311)	(\$34,427,776)
	1% Tax Levy	300,792		
2024 Projected Budget increase over 2023 Adopted Budget			(\$3,316,073)	11.02%
Add: OCIF (Ontario Community Infrastructure Funding)			\$1,220,000	-4.05%
			(2,096,073)	6.97%

Utilities are a self-supporting service. The success or status of the reserve can be measured by reserve balances.

As staff begin to build the next year budget, instructions to staff are to have no impact to service levels. We have asked staff to hold to 2024 & 2025 forecasted budget, 2023

adopted and revisit fees & charges and seek efficiencies and innovation. Council asked that they could review the user fees and tariff of fees and charges as a whole as part of the budget process. It is an important item to look at as it provides opportunities for revenue but also establishes user fees to ensure we are providing fee for service. It would be nice if we had a general approach to the user fees with a blanket increase so we can ensure that we have regular increases to meet inflation.

The operating risk list is to increase in expenditures not offset by reductions. The starting point for administration from what we have heard from Council includes:

Operating:

Community Safety & Well Being
Enhancing Communications
Fire Service Master Plan Implementation

We have not included any money in the draft 2024 budget to include these three items. 2023 budget levels is where we are starting from. Under capital we do have some of the items built into the draft budgets but we need to decide what kind of funding we are putting into each area. We need to look at what costs we are willing to incur the various capital issues or projects and what areas do we need to look longer term at.

Capital:

Hospital & Related Development
Housing and Growth
Rural Roads / Bridges

Council took a 15 minute break at 2:01 p.m. and resumed with priorities for each member of Council.

Councillor Bernie supports what is presented, and his priority lies with Community Safety and Well Being with safety and the perception of safety. Councillor Bernie's priority is downtown safety and to get our police on board. Our policing costs are three times higher than the provincial average for policing in the province and we want to address crime in the downtown. Housing and growth are a second priority including reviewing our Harbourtown Centre businesses and streamlining our processes for development and continuing to grow. Communication is something we can grow and spin positive stories about Kenora. New Council has done some good things, and we need to get that message out there. The area needs to be resourced and it is a priority.

Councillor Koch first priority is communications and strategic and proactive communication is at the root of this. One communication person is not enough to have this. A communication person to support Council would also be beneficial and would provide for succession planning for the Director of Corporate Services. Developing an Arts and Culture space that is appropriate and available to various groups which could be an event centre that could host events that would benefit the community. Third priority would be to continue our proactive approach to rural roads and the works that need to be done in this area.

Councillor Manson priorities are specific to the budget and would like to see budget efficiencies with a target rate set that is affordable to everyone. Some economic

development as well as bylaw enforcement with proactive enforcement in our community. And bringing back Communities in bloom.

Councillor Moncrief would like to focus on development, and more emphasis on the downtown and have services moved to a different floor and not on the main floors of downtown. The downtown is at risk and whatever we can do to support our business community for a healthy growth, retaining business in the core is important. Development and encouraging development – whatever we can do to encourage growth and revenue rather than increasing taxes. Movement for people to build mini malls or larger spaces outside the core and move businesses out. Communication is a priority and we have gone over it a lot and want to continue with rural roads.

Councillor Van Belleghem accessible active transportation. Not the most accessible place to move around for active transportation and having that lens on that. Communication and north of the bypass in 2024.

Councillor Chaze concurs with comments on communications and development. A lot of things tied together with bylaws and processes that they need to go through costly and timely processes – timing of official plan and zoning bylaw would go a long way of doing business here easier. Not sure there will be budgetary impacts – more proactive on property standard enforcement and signage enforcement. Businesses that don't exist anymore and it creates and feeds into negative perceptions in the community. We need to focus on this a little more diligently. Creating a zone in our Harbourn Centre that encourages private sector development and attracts new businesses and new people here. We could succeed by just servicing what we already have. Unanimous we are on the same page here and ties into community safety and private sector development. Where we have control is in the zoning for the downtown to make changes for a vibrant downtown. Prioritize those things and if we can get this right and have more people invest and come downtown the rest will fall into place.

Mayor Poirier's priorities is the assessment and new assessment because of the impacts to the budget and tax increases. How we fund capital projects needs to be considered. We need to think about all the projects we need to fund and look closely at the things that could be done at today's cost and not wait 4 years. These could be debt financed and considered to fund differently. We are paying more by waiting. It is not efficient to continue this way and we need to think about how we procure these contractors and prioritize and implement things quicker. Our debt limit and where we are right now, there is a huge gap.

Proactive bylaws is on the list of priorities as well. Active transportation there are small changes we can make to make our downtown core more activated. A lot ties into feelings of community safety. The bottom line is we must go back to our taxpayers and say why we are increasing our taxes. Whatever we are thinking, the bottom line is we must go back to our taxpayers.

There is a small group of things that are tied back to perception and safety. You won't have development without safety. We need to have a good message about Kenora but you can't have that without safety. It is abundantly clear where our priorities are. We need to own this and address this. We are paying three times the provincial average in policing costs and that is unacceptable. We are crippled financially along with a perception of crime in Kenora and need to address the crime issues downtown. We need to see programming and measurable with short medium- and long-term goals. Someone must step up and take

responsibility for their action. Protecting our business community and seeing how they have rebounded is incredible and we need to help them. It is not enough to just be a sympathetic ear. People are going to be accountable, and business and safety is most important.

Councillor Van Belleghem feels that the official plan and zoning bylaw piece is how you plan and develop for your community. This is such a huge piece of these plans that we are talking about. We need activation downtown to have people comfortable which ties back to the community safety and well being.

Councillor Moncrief feels that we need to go forward today with the idea today that we are going to do everything we can to help them succeed in development. This group of people is willing to stand up, roll up their sleeves and do the work. We do believe that we will see an end to chronic homelessness by the end of this term. We are making changes to encourage development and increase assessment. We are open for business and making the changes to ensure that.

Councillor Chaze there needs to be a carrot and stick approach with community safety and downtown. There are incentives that we could look at but don't believe it will be as successful without enforcement. Encourage administration to look at what other communities are doing to hold property owners accountable to move things along, or let it go, as they are part of the solution as well.

Councillor Manson believes that Bylaw enforcement should not be complaint driven and bylaw needs to be proactive in enforcement. Communities in bloom should be brought back.

Councillor Bernie believes a dedicated community services position that works out of an office in the downtown core is a priority with targeted policing including foot patrol. It can't be in the back of a building, public facing, fully staffed and works 7 days per week. Our court system is failing us and we need to keep advocating for bail reform because these are things that are out of our hands. Sioux Narrows has dedicated officers and we need a dedicated community services officer position that works out of an office downtown, public facing fully staffed and not being reassigned.

Councillor Chaze believes we should also consider our investment policy and where we invest our reserve fund and our money. How we can use that money and how we can leverage it to invest in our own community. Would like to see us have access to that money. May not be as high of a priority but maybe the capital that we have and that we can lend to ourselves.

Councillor Van Belleghem is very in favour of reviewing our current investment policies and need specific reserves policies and should be a different for our prosperity trust fund which is very different with different goals and objectives. Those should be reflective of the actual needs of what those accounts are for so to make informed decisions, they objectively meet what they are intended for. They need to be reviewed sooner than later.

Mayor Poirier expressed again the calls for policing service needs to be reduced and we need to get our policing costs down. We can't continue with these costs increasing year after year for policing.

Kyle noted that we are targeting to have budgets passed in December. There are pros and cons to passing budgets early, one will be the unknowns from some of the funding agencies that we fund such as NWHU, KDSB and Pinecrest. CUPE negotiations is also an unknown at this time and will need to be considered.

Administration will take the priorities identified today away and Council will see these priorities included in the unfunded list and administration will provide continued opportunities for Council to discuss the budget as we move through the process.

Meeting adjourned at 3:41 p.m.