



MINUTES
SPECIAL COMMITTEE OF THE WHOLE
Tuesday, May 14, 2018
9:00 a.m.
City Hall Council Chambers

Present: Mayor D. Canfield
Councillor M. Goss
Councillor R. McMillan
Councillor D. Reynard
Councillor L. Roussin
Councillor S. Smith
Councillor C. Wasacase

Staff: Karen Brown, CAO, Heather Kasprick, City Clerk, Jeff Hawley, Manager of Operations & Infrastructure, Charlotte Edie, Treasurer, Sharen McDowall, Human Resources Strategist, Jon Ranger, Special Projects & Budget Officer

Call Meeting to order – Mayor Canfield

Mayor Canfield called the meeting to order at 8:04 a.m.

Public Notices

Take Notice that as required under Notice By-law #144-2007, 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. 2018 Operating Budget Review

The City is currently sitting at a 3.71% tax increase as the meeting opened. Jon Ranger, Special Projects and Budget Officer reviewed the general purpose tax levy with Council. The 2018 combined levy requirement is \$25,718,723 and the 2017 adjusted tax levy was \$24,798,664 with the additional requirement of \$920,058.

Jon then reviewed the proposed tax rates for 2018 and the tax tools and the tax impact on median typical property.

The OMPF allocation decrease is again being recognized in 2018 in the amount of \$322,100. Policing costs have increased \$68,200. Kenora Citizen's Prosperity Trust Fund income impacts are \$40,000. External organizations total overall increased impacts are \$148,800.

Decrease to capital and reserves is \$245,900 with a 1% tax increase to capital. Staff related increase impacts are \$266,600.

Council reviewed their operating budget in detail and discussed the donations and the Council per diems. Council agreed to remove the Sunset Country Travel Association donation as the dollars could be found in other areas including the new accommodation tax. It will be referred to the Lake of the Woods Development Commission for their direction on how much will be allocated to that Association. Further, instead of taking the \$25,000 for BLT, it should also come from the Accommodation Tax rather than general tax levy, but should wait until 2019. There is a new membership of the crime prevention network of \$500 which has been included in the draft budget. Council discussed the request for \$400 request from the Museum for a showing of "Indian Horse" movie which could be taken from Council donations line.

Jon presented Council with the current reserve funds for review. Council discussed recreation reserves and the levels of reserves into the various accounts.

Jon presented the budget discussion items that are not included in the draft budget. Trails promotion/maintenance/development is \$15,000, geese control projects of \$15,000 and Harbourfront Live Stream project of \$1,200. The live stream project can again be referred to the Development Commission for consideration.

Jon presented budget options for consideration which are already included in the draft budget. Administration is not recommending that we cut these items from the budget, but we are giving them options for consideration. The Heritage Kenora item is \$3,500 which is never spent annually and could be reduced. The asset management plan is \$245,900 and could be reduced and is being recommended by administration to reduce the \$24,600.

Jeff reviewed the items pertaining to Operations & Infrastructure. Paint sea can and shelving is a \$5,000 project. Recycle facility netting for bird control is a \$20,000 project which installs netting so the birds can't nest in the roof of the recycle building. The crossing guards program is not mandatory but is likely a risk management item. Council directed Karen to send a letter to the school boards to have discussion regarding this program. The senior leadership team reviewed their areas one more time, but went back and made recommendations for some minor tweaking that could be considered for cutting. Karen recommends the OPG renovations being reduced, special event materials, brochure design, training for Planning which would be approximately \$8,000.

Karen spent time reviewing the budget after the senior leadership team reviewed and whittled down some budgets and projects as much as she could. It is now up to Council to decide what service levels they would like to impact as staff have presented a budget which maintains service levels.

The numbers presented are not final numbers but they are updated regularly as they are being entered. There won't be significant changes to operating dollars. All the account payables and payroll are through. Future retiree benefits, equipment, fuel all of that has been allocated.

Council reviewed the expenditure summary and then the various department budgets that displayed increases that were notable. Council asked various questions pertaining to the various department budgets. Staff clarified or explained the various areas for the budget and the responded to the inquiries.

Resolution #1

Moved by D. Reynard, Seconded by M. Goss & Carried:-

That pursuant to Section 239 of the Municipal Act, 2001, as amended, authorization is hereby given for Committee to move into a Closed Session at 11:06 a.m. to discuss the following item:

Personal Matters about an Identifiable Individual (1 matter)

That Council returns to open session at 12:36 p.m. with no reports or direction from its closed session. CAO Karen Brown advised staff and public that there has been no changes to the draft budget as a result of the closed meeting.

Council was asked what the direction of Council is at this point in the budget discussion and what our next steps are. It was suggested that we defer the 1% asset management this year and see where we are next year with the OMPF funding and the policing costs. Our policing costs are driven by calls for service and there are opportunities to change this.

We are at 3.71% and staff have done their job and have cut where they can cut. The ball is in Council's court now and set parameters for staff so they know the direction. Council discussed the implications to various options for the budget.

Karen summarized the direction of Council to this point: Cut the \$4,000 Sunset Country Association membership and refer this item to the LOWDC along with the \$25,000 BLT fund which could be considered from the new accommodation tax. Remove the 1% for asset management plan in the amount of \$245,900. Remove \$1,500 from the Facility training, \$4,300 OPG repairs, \$1,500 in training for the Planning department and \$2,400 in special events materials. Mayor Canfield requested that staff check on the industrial rate. The Harbourview camera will be brought to the LOWDC to review this project and could be considered with the new accommodation tax. Other miscellaneous cuts could be around \$35,000.

Staff will need to closely watch budgets for surpluses that we can then put into asset management plans. Right now surpluses go into contingency reserves and instead in 2018 these dollars will go into the asset management plan. Karen advised they will set up a separate reserve for this.

Council directed staff to come back with in or around a 2.71% increase.

The meeting adjourned at 1:28 p.m.