



MINUTES
SPECIAL COMMITTEE OF THE WHOLE
Wednesday, January 8, 2020
8:30 a.m.
City Hall Council Chambers

Present: Mayor D. Reynard
Councillor M. Goss
Councillor R. McMillan
Councillor A. Poirier
Councillor K. Ralko (arrived at 8:45 a.m.)
Councillor S. Smith
Councillor C. Van Wallegghem

Staff: Heather Pihulak, City Clerk, A/CAO, Kelly Galbraith, Deputy Clerk, Jon Ranger, Deputy Treasurer, Charlotte Edie, Manager of Finance/Treasurer, Adam Smith, Manager of Development Services, Stace Gander, Manager of Community Services, Jeff Hawley, Manager of Operations & Infrastructure, Todd Skene, Manager of Fire & Emergency Services

Call Meeting to Order

Mayor Reynard called the meeting to order at 8:30 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. 2020 Operating Budget Review

Jon Ranger, Deputy Treasurer provided a high level overview and highlights of the 2020 budget and provided a presentation on the specifics of an operating budget.

Council questioned the street light line item. Charlotte shared that the street light savings have leveled out.

It was noted that the comparative analysis of assessment reflects an increase in every category with the exception of Industrial. Jon will review and follow-up with Council.

Councillor Ralko arrived at 8:45am

Council requested that the staffing model for 2020 be included with the operating budget as it provides an indicator. It was also requested that a comparison of full-time employees from 2019 (actual) to 2020 (budgeted) be provided with the budget information.

Council questioned if reserves are built up through tax levy/revenue and/or what hasn't been spent in previous years? Jon shared that some reserves do come from tax revenues, which are appropriations to reserves. It was asked if there could be a breakdown of how much comes from tax levy and surplus funds. Charlotte indicated that we do not know the surpluses right now as we are still getting the last of invoices from 2019 capital therefore, it is not reflected in the budget.

Councillor McMillan requested that a copy of Jon's presentation be sent to Council.

Total external impacts which are outside the City's control total \$788,000. External impacts are a large portion of the budget which Council does not have control over.

It was noted that a surplus of \$85,000 from the OPP will be accrued from 2019. There was a contract decrease. This is a reduction from 2.99% to 2.6%.

The Pinecrest Home for the Aged budget has not been finalized. It is anticipated to be complete in February. The number reflected is an estimate, based on inflation.

Councillor Smith will confirm if the Northwest Health Unit number is final. Jon shared that the actual increase is closer to \$300,000 and that 2020 is supplemented.

Council was presented with options for items of consideration. The options were reviewed and there were no changes.

The purchase of 5,000 sandbags for resident use was identified as a new purchase. Council felt this was an important precautionary item due to the high water levels in the fall and the anticipated high water levels in the spring.

Departmental budget requests were reviewed. Jon noted that there has been some re-allocation of wages between departments. Employee time has been reallocated to better reflect their time within departments.

Health Plan contributions are higher because we have been over budget the last few years. 2020 shows a significant increase for post-employment benefits. In the past health plan contributions have been under budgeted and this year better reflect costs.

Council travel was discussed extensively. With the current government there is access to our MPP who is the Minister of several portfolios with significant funding opportunities. Council will review the number of people that are travelling to the same conferences. It was agreed that an increase was not necessary and the proposed 2020 Council Travel budget would be reduced to reflect the same budget allocation as 2019.

The Police Service Board was discussed and it was noted that travel expenses should be should also reviewed.

Docking does not reflect the contributions from the Lake of the Woods Development Commission (LOWDC), municipal accommodation tax. Funding was given for upgrades to docking. Council requested a line to show the contributions from LOWDC.

The Thistle Arena utility costs are allocated in another area resulting in an over inflation of that budget. Council agreed the utility cost of the Thistle Arena would be significant and they would like to see a cost breakdown in the proper allocated department to reflect the true costs of utilities in the arena.

Council requested confirmation of where the two concession contracts are allocated to.

The Northwest Business Centre has an increase of \$40,000 from the 2019 budget to the 2020 budget. Previously, the other municipalities that receive the services benefits of the NWBC contributed to this annual operating budget, however, that stopped several years ago and no other municipality contributes any longer other than Kenora. There is a requirement by the Ministry as per the agreement that the City contributes as the office is located here. The Manager of the Northwest Business Centre reaches out to those communities to show the services provided however no contributions have been made. Council would like this brought forward at KDMA.

Conventional Transit operating at a deficit was discussed. Transit services were reviewed 3 years ago at which time changes were implemented. It was asked if Transit could assist with a summer shuttle. In order to do so the transit routes, schedules and signs would need to be adjusted. There would need to be Council direction for a service reduction. Council requested ridership statistics which Charlotte will provide to Council once the December 2019 numbers are populated along with what recommendations and changes were implemented 3 years ago. Options and economic impact were recently brought forward to Council by Stace. Council expressed that once housing developments proceed, we may need to address transit at that time.

2. Adjourn to Closed Session

Moved by Councillor McMillan, Seconded by Councillor Poirier & 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 11:32 a.m. to discuss the following items:

Labour Relations (1 matter)

2. Reconvene to Open Meeting

Council reconvenes to open session at 1:47 p.m. with no reports from its closed session.

Jon will make the requested changes to the budget over the weekend and a report for Committee of the Whole on Tuesday, January 14th will be prepared. Council will review and recommend the 2020 operating budget for ratification at Council on Tuesday, January 28th. Tax rates will come forward at a later date once the final numbers are in.

Jon shared he was given direction from Karen Brown, CAO to build a three year operating budget of which staff did prepare this year. Jon requested feedback from Council if they feel this would be beneficial and Council agreed this would be beneficial recognizing it is a working document. It was noted this will not reflect the levy but the budgeted detail will be there. While the information is in the system, due to the challenges with software, it could not be produced for Council this budget year. Administration will continue to work on the three year budgeting process for 2021.

The Solid Waste and Sewer & Water budget review will be held on Monday, January 13th at 8:30 a.m. A report will be prepared and the items will appear on the January 14, 2020 Committee of the Whole agenda, however, if Council is not comfortable with the review from the day before, the budgets can be deferred to a future meeting. The placeholder on the agenda is only in the event Council is prepared to move forward with the budgets.

Mayor Reynard thanked the staff for all their work preparing the 2020 budgets.

The meeting adjourned at 1:55pm.