

COUNTY OF RENFREW



MINUTES OF THE PROCEEDINGS

of the

COUNCIL OF THE CORPORATION

of the

COUNTY OF RENFREW

- Budget Workshop Information Session -

County Council
Pembroke, Ontario
January 23 and 24, 2019

BUDGET WORKSHOP INFORMATION SESSION

The Budget Workshop Information Session of the Council of the Corporation of the County of Renfrew was held at 9:00 a.m., on January 23 and 24, 2019.

The Warden, Jennifer Murphy, presided.

The roll was called and all members were found to be present. No pecuniary interest was disclosed.

The meeting opened with a moment of silent reflection and the singing of the National Anthem.

Warden Murphy provided opening remarks as follows:

Good morning Council and welcome to the 2019 County of Renfrew Budget Workshop.

I wish to express my appreciation to all Committees for your hard work in reviewing the draft budgets at Standing Committees during the past week. A budget is nothing more than a summary of our future plans expressed in dollars. I believe that we have a very effective and efficient budget process that allows Council to meet in January each year to debate, review and

finally approve a budget that provides direction to our staff regarding the level of municipal services we consider appropriate for the residents of our County.

Today's presentation will include a discussion on the alignment we have achieved between the County's Strategic Plan, Asset Management Plan, Long Term Financial Plan and Annual Budget process.

In September 2018, Council provided some clear direction to staff about the financial targets we wanted them to achieve through the 2019 budget process and during the presentation today, we will see how our staff have responded to this challenge.

I really believe in the importance of following the strategy outlined in the Long Term Financial Plan each year. The direction set out within the Plan should be maintained unless extraordinary circumstances dictate otherwise. As we will see during the presentation, this long term financial strategy eliminates the original infrastructure funding gap Council faced in 2014 and provides for full funding for our operating and capital needs for the next 10 years. This plan ensures a stable, predictable and reasonable levy change which allows us to renew our infrastructure in the future, and provide the excellent municipal programs and services our residents expect from the County of Renfrew.

The 2019 County Budget that will be presented today includes a proposed levy of \$45,655,946, an increase of 3.8% over the 2018 levy. Since new assessment growth was 1.2%, this budget represents a 2.6% increase over 2018 for existing County ratepayers.

I wish to express my appreciation to Mr. Paul Moreau, CAO, and to Jeff Foss, Treasurer, and to the Directors and their respective teams for a responsible approach to the 2019 County of Renfrew budget.

I will now ask Councilor Glenn Doncaster, Chair of the Finance & Administration Committee to begin the review of the draft budget.

Thank you.

Councillor Glenn Doncaster, Chair of the Finance & Administration Committee provided remarks as follows:

Welcome Warden and fellow members of County Council, CAO Paul Moreau and Department Heads, members of the media and the public.

Staff will be reviewing the bound booklet found on your desk today. For those of you that wish to follow along electronically, a copy of the package was sent to you via email Monday which can also be found on the County of Renfrew secure intranet where you would normally find the monthly Council package.

During the presentation today, I invite you to ask questions on the 2019 budget as presented to the January meetings of the various Standing Committee's of County Council. This is a large and complex corporation and the purpose of this workshop is to ensure that Council is comfortable with the information presented before making a decision on budget adoption.

It is my goal and the goal of the Finance & Administration Committee to make every effort to have the 2019 budget approved at the end of our Budget Workshop.

Council gave clear direction to staff in September 2018 on how they wanted the first draft of the 2019 Budget prepared. I am pleased to report that CAO Paul Moreau, Jeff Foss and staff have delivered a 2019 Consolidated Budget that meets those targets. On behalf of County Council, a sincere "Thank you" is extended to all staff involved in preparing this draft budget for us to review.

The Warden referred to the Long Term Financial Plan in her opening remarks. I am very pleased to report that, based on my review of this consolidated budget, not only have staff met all of the 2019 targets set by Council, but they have also ensured that this budget supports the objectives established within the Long Term Financial Plan to ensure that we sustain and renew our capital assets in the future. This budget supports \$19 million in capital renewal, \$2.1 million debt servicing costs for existing debt, \$2.2 million short-term construction financing for the Madawaska River Bridge project and a \$5.8 million investment in transfers to our TCA Renewal Reserve. This Long Term Financial Plan is healthy and solid and, as promised, the annual scorecard will be reviewed during the presentation today.

The Tax Policy Working Group, having staff representation from both the County of Renfrew and its local municipalities, will be examining the impact of the 2019 Current Value Assessment as provided by the Municipal Property Assessment Corporation, and they will be making a recommendation to the Finance & Administration Committee and to County Council later on this year. The budget you are reviewing today, if adopted, will translate into a residential tax rate increase of only \$1.69 per \$100,000 of assessed value, which is an increase of just 0.47% for our residential ratepayers, assuming that we adopt the same tax policies we approved for 2018.

As we receive the presentation today, staff will highlight a number of items that could not be accommodated within the 2.5% target set by this Council. Staff have identified these issues in a separate column titled "Budget Pressures". If these items were financed through the municipal

levy, the additional \$924,770 required translates into a levy increase of 5.9% over 2018 and a residential tax rate increase of \$9.11 per \$100,000 of assessed value. Council must decide if these items should be included in this 2019 budget, along with a decision on how to pay for these increased costs.

Again, I invite active participation from members of County Council today during and after the overview of the 2019 County of Renfrew Budget by staff. It is your responsibility to ask questions and be fully informed.

I would now like to ask our Chief Administrative Officer, Paul Moreau, for his comments before we begin this presentation.

Thank you.

I would now like to ask our Chief Administrative Officer, Paul Moreau, for his comments before we begin this presentation. Thank you.

Thank you Chair Doncaster. I would also like to welcome each of you to today's Budget Workshop.

Mr. Paul Moreau, Chief Administrative Officer provided comments as follows:

I am very pleased to report that the draft Consolidated 2019 County Budget meets all of the requirements established by Council in September including a 2.6% levy increase, utilization of the 1.2% CVA weighted growth, debt financing for capital projects in excess of \$3 million, utilization of federal and provincial capital subsidies and a provision of 2.5% for non-union staff salaries. In addition, I am pleased to advise Council that staff have restricted net operating expenses to an increase of only 2.3% over 2018, lower than the 2.5% established in the Long Term Financial Plan.

Before we begin, I would like to thank my Senior Leadership Team and their departmental staff for their hard work in helping us achieve these targets. The net operating target was challenging and, in some cases, very challenging. As Chair Doncaster mentioned, we are a very large and complex municipal corporation, employing 850 staff, across a large geographic area. Although our County levy is \$45 million, this represents only a portion of the \$150 million needed to operate the County on an annual basis. Our budget process begins for the staff in August and follows a very rigid schedule to ensure that we are ready to present the budget to Council in January.

I feel we have a very good budget process, and I am especially pleased that we have now aligned our annual budget process with our Strategic Plan, our Asset Management Plan, and our Long Term Financial Plan. As we go through the presentation today, I would ask that you pay special attention to the long term impact of the decision to reduce the levy target from 3% to 2.6% and the consequences of that decision on our ability to finance our infrastructure renewal for the next 10 years.

I also encourage Council to ask questions as we move through today's presentation to ensure that you are comfortable with the information contained within this budget before approval.

Lastly, I want to thank our Treasurer, Jeff Foss, for leading our corporation through this budget process. Jeff and his staff have done an excellent job in developing a budget process that is comprehensive, thorough and concise.

I would now ask Jeff to begin the presentation of our 2019 Budget.

Moved by: Councillor Emon

Seconded by: Councillor Reinwald

BE IT RESOLVED THAT Council move into a closed meeting pursuant to Section 239 of the Municipal Act, 2001, as amended to discuss a proposed or pending acquisition or disposal of lands by the municipality (Pembroke Property Study) Time – 9:22 a.m.

CARRIED.

Moved by: Councillor Emon

Seconded by: Councillor Sweet

THAT this meeting resume as an open meeting. Time: 11:15 a.m.

CARRIED.

Mr. Jeffrey Foss, Director of Finance/Treasurer distributed and overviewed the County of Renfrew consolidated budget summary along with assessment changes, which is attached as Appendix I.

Council recessed for lunch at 12:10 p.m. Council reconvened at 12:37 p.m. with the same persons present.

Mr. Foss, Director of Finance/Treasurer continued his presentation on the Long-Term Financial Plan and commenced an overview of the draft 2019 budget by committee.

Mr. Foss overviewed the Long-Term Financial Plan, changes to the levy and the Long-Term Financial Plan Report Card.

Discussion was held on what level of reserves the County should maintain. Mr. Foss overviewed the reserve balances for the County versus the other counties across Ontario for 2017.

Mr. Foss overviewed the 2019 Consolidated Budget along with changes to staffing hours.

Mr. Foss overviewed the Social Services Committee budget which includes Child Care, Ontario Works and Social Housing.

Discussion was held on the use of operating revenues to fund \$118,368 in social housing capital improvements rather than utilizing reserves.

Moved by: Councillor Emon

Seconded by: Councillor Peckett

THAT Council recessed at 3:10 p.m. Council to resume at 9:00 a.m. on Thursday, January 24, 2019.

CARRIED.

Council resumed at 9:00 a.m. on Thursday, January 24, 2019.

Mr. Foss overviewed the Health Committee budget which includes Emergency Services (Paramedic Services and Emergency Management), and Bonnechere Manor and Miramichi Lodge. Ms. Sheedy overviewed the proposed staffing changes for Bonnechere Manor and Miramichi Lodge. Mr. Nolan overviewed proposed staffing changes to the Emergency Services budget.

Council recessed at 10:40 a.m. Council reconvened at 10:52 a.m. with the same persons present.

Mr. Foss overviewed the Development & Property Committee budget (Planning Services, Forestry, Trails, Weed Management and GIS Services, Economic Development, which also includes the 2019 budget for the Ottawa Valley Tourist Association (OVTA).

Mr. Foss overviewed the Operations Committee budget.

Council recessed for lunch at 12:00 noon. Council reconvened at 12:40 p.m. with the same persons present.

Mr. Foss overviewed the Finance & Administration Committee budget which includes the Human Resources Department, Finance Department (Provincial Offences Act Administration, Information Technology Division) and Administration Department as well as the 2019 budget for members of County Council.

Warden Murphy thanked Mr. Moreau and all the staff that contributed to the 2019 budget.

Mr. Moreau thanked the elected for their participation in the 2019 budget.

Moved by: Councillor Robinson

Seconded by: Councillor Sweet

THAT County Council direct that staff advance the implementation of Option 6 as identified in the Pembroke & Area Property Study, through the discontinuation of external leases in the Pembroke area, placing services within the County Administration Building;

AND FURTHER THAT the implications of Option 6 are communicated to staff, respective landlords and tenants, noting that formal notice may be forthcoming in accordance with existing lease agreements;

AND FURTHER THAT staff is directed to proceed with the procurement of architectural services for County Administration Building renovations and for the design and construction of a Pembroke & Area paramedic facility, to be funded by the Building Reserve;

AND FURTHER THAT staff present the results of the consultation with the architectural services provider, along with a financial analysis of the implications of the architectural plans to Committee and Council for review and approval;

AND FURTHER THAT notice be provided to Pembroke Regional Hospital in accordance with existing lease agreement;

AND FURTHER THAT staff is directed to negotiate the purchase of the land directly west of the County Administration Building with the City of Pembroke, to be funded by the Building Reserve.

AND FURTHER THAT staff proceed with the design and construction of a Pembroke & Area paramedic facility on the acquired lands.

CARRIED.

Council directed that staff work with the Renfrew County and District Health Unit to either find them a place to relocate to or leave them in the current facility with a much smaller footprint (4,000 sq ft). The Renfrew County and District Health Unit could relocate some of their programs to Renfrew County Place.

Moved by: Councillor Emon

Seconded by: Councillor Reinwald

THAT an increase of \$86,438 for Council Remuneration be included within the 2019 Budget based on the Council Remuneration Panel Report and proposed revisions to the Council remuneration as approved at the October 31, 2019 meeting of County Council.

CARRIED.

Moved by: Councillor Donohue
Seconded by: Councillor Hunt

THAT County Council approve that the position of the Financial Services Officer commencing in the fourth quarter of 2019 and the higher cost for the Strategic Plan refresh at a cost of \$42,500.

CARRIED.

Moved by: Councillor Sweet
Seconded by: Councillor Grills

THAT County Council approve that \$100,000 be allocated to the Algonquin Trail within the 2019 budget.

CARRIED.

Moved by: Councillor Visneskie Moore
Seconded by: Councillor Donohue

THAT \$349,760 be allocated to the Paramedic PTSD (Post-Traumatic Stress Disorder) Program.

CARRIED.

Moved by Councillor Lynch
Seconded by Councillor Emon

THAT the Long-Term Care budget be increased by \$326,072 and that staff adjust the County share of the 2% Long-Term Care, Ministry of Health per diem increase (\$211,772) and reduction in the Provision for Unallocated Funds budget (\$8,208) to pay for the increased County share of Long-Term Care expenses following the shift in resident population from the City of Pembroke to the County of Renfrew;

AND FURTHER THAT the Transfer to the TCA Renewal Reserve be reduced by \$606,698 to pay for the increases in the County share of expenses for Council (\$86438), Administration (\$42,500), Algonquin Trail (\$100,000) and Paramedic Services (\$349,760).

CARRIED.

Moved by: Councillor Sweet
Seconded by: Councillor Hunt

THAT the Employee and Family Assistance Program (EFAP) be approved at \$117,000 which represents an increase of \$28,000 over the first draft of the 2019 budget; AND FURTHER THAT staff be directed to undertake an internal review of the EFAP and provide a report to County Council on the services provided, how many staff utilize each service and the cost for each service. AND FURTHER THAT the report to Council provide the budgeted amount for the program over the past five years and the actual costs.

CARRIED.

Moved by: Councillor Sweet
Seconded by: Councillor Donohue

THAT a By-law to adopt the estimates of the sums required during the year for 2019 for general, capital and all purposes of the County of Renfrew in the amount of \$45,655,946 be adopted at this session of County Council; AND FURTHER THAT the 2019 tax rates for County purposes be adopted by by-law after the adoption of the 2019 tax policy by-laws.

CARRIED.

Moved by: Councillor Robinson
Seconded by: Councillor Brose

THAT the following By-laws be enacted and passed:

- (a) By-law 4-19 – A By-Law to Adopt the Estimates for the Sums Required During the Year 2019 for General, Capital and all Purposes of the County of Renfrew.

CARRIED.

Councillor Love advised that is running for a position on the ROMA Board of Directors in Zone 6. Prior to the election there will be gathering in the Civic ballroom south at the Sheraton Centre in Toronto. Councillor Love will send an email to everyone on schedule of events.

Moved by: Councillor Visneskie Moore
Seconded by: Councillor Reinwald

THAT By-law 5-19, being a By-law to Confirm the Proceedings of the Council of the County of Renfrew at the meeting held on January 23 and 24, 2019 be now numbered, deemed read three times and passed.

CARRIED.

Moved by Councillor Doncaster
Seconded by Councillor Donohue

THAT County Council adjourn. Time –3:02 p.m.

CARRIED.