



**The Corporation of the City of Temiskaming Shores
Special Meeting of Council
Monday, February 4, 2019
6:00 P.M.
City Hall – Council Chambers – 325 Farr Drive**

Agenda

1. Call to Order

2. Roll Call

3. Approval of Agenda

Draft Motion

Be it resolved that City Council approves the agenda as amended / printed.

4. Declaration of Special Council Meeting

Draft Motion

Be it resolved that the Council of the City of Temiskaming Shores declares this meeting a “Special Meeting of Council” in accordance to Section 7 of Procedural By-law No. 2008-160.

5. Disclosure of Pecuniary Interest and General Nature

6. New Business

a) Presentation – 2019 Operational Budget

Draft Motion

Be it resolved that the Council of the City of Temiskaming Shores hereby acknowledges the presentation of the 2019 Budget by City Manager, Chris Oslund and Treasurer, Laura-Lee MacLeod.

7. Closed Session

Draft Motion

Be it resolved that Council agrees to convene in Closed Session at _____ p.m. to discuss the following matters:

- a) **Under Section 239 (2) (b) of the Municipal Act, 2001 – personal matters about an identifiable individual – Organizational Chart**

Draft Motion

Be it resolved that Council agrees to rise with report from Closed Session at _____ p.m.

8. Adjournment

Draft Motion

Be it resolved that City Council adjourns at _____ p.m.

Mayor – Carman Kidd

Clerk – David B. Treen



2019 Operating Budget

Preliminary Draft #2 Summary by Department

	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
Council	195,773	288,996	(93,223)	-47.6%
City Manager	209,708	210,466	(758)	-0.4%
Fire & Emergency Management	601,631	621,938	(20,307)	-3.4%
Economic Development	317,496	393,697	(76,451)	-24.1%
Corporate Services	2,223,407	2,315,326	(91,919)	-4.1%
Recreation	1,580,441	1,672,507	(92,066)	-5.8%
Public Works	5,003,080	5,160,397	(157,317)	-3.1%
Transit	251,300	274,479	(23,179)	-9.2%
Libraries	379,299	398,079	(18,78)	-5.0%
Net Municipal Expenditures	10,762,135	11,336,135	(574,000)	-5.3%

Overall Impact of Preliminary Changes

	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
Net Municipal Expenditures	10,762,135	11,336,135	(574,000)	-5.3%
Total External Agency Expenditures	4,900,229	5,143,380	(243,151)	-5.0%
Net General Operations	15,662,364	16,479,515	(817,151)	-5.2%
Total Taxation & OMPF Revenues	(16,611,473)	(16,469,028)	(142,445)	-0.9%
Transfer to Capital	(949,109)	10,487	(959,596)	-101.1%

Council

	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
Council	195,773	288,996	(93,223)	-47.6%

Year over Year Highlights

- Honorariums/Per Diems - \$23,500 increase due to elimination of 1/3 tax exemption for municipal Councillors
- Training - \$5,875 increase due to additional attendance at conferences and increased costs
- Community Support - \$65,820 increase. Total of \$120,820 related to commitments made by Council for Seniors Affordable Housing Project including building permit fees, zoning & site plan fees, site servicing and legal/survey fees.


Recommendations/Solutions

The Community Development Reserve was established to support projects that promote growth and increased assessment in the community. The Seniors Housing Project fits this criteria. The reserve had a balance of \$291,155 as of December 31, 2017.

- Recommend to transfer from Community Development Reserve \$120,820 to fund City's commitment to project.

City Manager

	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
City Manager	209,708	210,466	(758)	-0.4%



Year over Year Highlights

- Wages/Overhead - \$755 increase as per contractual agreements

Recommendations/Solutions

Professional Fees – currently budget of \$30,000. Traditionally underspent; however engagement of professional services throughout the year is unknown at time of budget preparation.

- Conduct a further review of the line item; or
- Reduce to \$25,000

Overall Change to Budget - \$5,000

Fire & Emergency Services

	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
Fire & Emergency Management	601,631	621,938	(20,307)	-3.4%

Year over Year Highlights

- Maintenance Personnel - \$5,400 increase in honorariums
- Volunteer Other - \$2,375 increase to finalize standardization of ID Badges
- Fire Prevention - \$4,000 increase to replace Sparky Mannequin that was destroyed in water break at NL Station

Recommendations/Solutions

- Maintenance Personnel – postpone increase for future consideration, maintain at 2018 level
- Volunteer Other – postpone ID badge replacement for future consideration
- Small Tools & Equipment – after review of previous year's actuals, recommend a reduction of \$3,000
- Fire Prevention – postpone the replacement of the Sparky Mannequin for future consideration (net impact \$2,000 as grant received to offset cost)

Overall Change in Budget - \$12,775

Economic Development

	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
Economic Development	317,496	393,947	(76,451)	-24.1%

Year over Year Highlights

- Revised Draft #2 operating budget - \$351,697
- Administration Costs - \$50,000 decrease
- Overall Change in Budget - \$42,250

Corporate Services

	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
Corporate Services	1,337,674	1,410,156	(72,482)	-5.4%
Municipal Clerk	205,055	208,840	(3,785)	-1.8%
Cemeteries	0	0	0	0.0%
Finance	300,593	383,496	(82,903)	-27.6%
Taxation	13,893	11,690	2,203	15.9%
Planning	301,765	236,717	65,048	21.6%
Animal Control	64,427	64,427	0	0.0%
Total Corporate Services	2,223,407	2,315,326	(91,919)	-4.1%

Year over Year Highlights

Corporate Services

- Great West Life - \$40,400 increase in premiums/ASO benefit plans
- Wages/Overhead - \$14,800 increase as per contractual agreements
- Training/Travel - \$6,150 increase for training requirements
- Insurance - \$13,100 increase in premiums
- Software Contracts - \$17,100 increase for off site storage backup licence (3 yr)

Recommendations/Solutions

- Review GWL benefit plan – investigate self financing life insurance premiums
- 2018 premiums paid - \$38,856.49
- 2018 benefits paid out – zero
- Benefit still provided to staff at levels approved by Council, however Corporate Services would manage this component of the employee plan

Year over Year Highlights

Finance

- Miscellaneous Revenue - \$7,000 decrease
- Lottery Licences - \$10,000 decrease
- POA Revenues - \$31,000 decrease
- Wages/Overhead - \$2,800 increase as per contractual agreements
- Financing (principle & interest) - \$45,170 increase

Recommendations/Solutions


Investment:

- \$1.5 million was invested in November 2018
- Review of investments and cash flows indicates that the estimate for 2019 interest revenue derived from bank balance and investments is understated and should be revised to \$75,000 from \$45,000

POA Revenues:

- Directive from province that POA offices will begin prosecuting certain Part 3 trials
- No action to date on when this will download to Temiskaming Shores office
- Reduce estimated fees related to prosecuting to 2018 levels until agreement signed

Overall Change in Budget - \$61,000



Year over Year Highlights

Planning

- Operating Projects - \$78,500 decrease as no projects are anticipated in 2019
- Wages/Overhead - \$6,300 increase as per contractual agreements

Recreation

	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
Parks	1,511,111	1,523,159	(12,048)	-0.8%
Programs	(126,900)	(135,100)	8,200	-6.5%
Facilities	171,230	183,200	(11,970)	-7.0%
Age Friendly	25,000	101,248	(76,248)	-305.0%
Total Recreation	1,580,441	1,672,507	(92,066)	-5.8%

Year over Year Highlights

Age Friendly Program

- Projected cost of full time position including benefits, 35 hours/week, transportation, training and cell phone allowance - \$78,130
- As the program is fully funded until March 31, 2019, the full impact of the position will not be realized until 2020
- Programs costs - \$25,000 increase

Age Friendly Community

- Provincially recognized as an Age Friendly Level II Community
- Older Adult Community Guide spotlighted at provincial Age Friendly presentations as “best practice”
- Older Adults of Ontario has spotlighted “Sip & Learn” program as “best practice” in struggle to address social isolation
- Trent University is utilizing the example of City of Temiskaming Shores and its Age Friendly Community Plan as a positive reference in its study of Age Friendly Communities in small, rural and northern Ontario municipalities

Healthy Kids Community Challenge

- One of 43 communities across the province approved for 3 year funding
- Over 3 year period, 3 – 9 month theme messages that reached over **10,000** youth resulting in youth moving more, consuming more vegetables and fruit and drinking more water!
- More Healthy choices in Recreation settings
- Collaboration and less duplication of programs and activities
- Partnerships created and sustained



Age Friendly/Healthy Kids

Funding applied for and received since 2015 for the development and implementation of both initiatives

\$544,200

Recommendations/Solutions

- New Position
 - Is Age Friendly/Healthy Kids programming a core function of City?
 - Yes – maintain position and program costs in the 2019 budget
 - No – remove position and revise program costs

Year over Year Highlights

Bucke Park

- 2010 Council approved Business Plan to operate on cost recovery basis
- 2013-2015 Transfer to Reserve - \$23,291
- 2016 Water Treatment System 90% funded, 10% (\$9,061) funded from reserves
- 2017 - \$12,762 capital deficit
- 2018 – estimated \$8,500 operating deficit
- 2019 – budgeted \$13,000 operating deficit

Recommendations/Solutions

- Continue to operate the park with subsidization with 3-5 year plan for cost recovery
- Immediate rate changes to reflect cost recovery for 1 year and revisit
- Divest park
 - Is a municipal campground a core function of City?
 - Yes – continue with a cost recovery plan of some sort
 - No – divest park as of December 31, 2019

Public Works

	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
Roadways	2,870,505	2,890,971	(20,466)	-0.7%
Property Maintenance	717,438	760,869	(43,431)	-6.1%
Fleet	847,124	886,230	(39,106)	-4.6%
Solid Waste	568,013	622,327	(54,314)	-9.6%
Public Works	5,003,080	5,160,397	(157,317)	-3.1%

Year over Year Highlights

Public Works

- Work done for Others - \$2,500 increase
- Training - \$2,500 increase due to training requirements and Mgmt Training
- Bridges - \$20,000 decrease due to bi-annual inspection costs
- Dust Control - \$5,000 increase due to current level of service
- Culvert Maintenance - \$15,000 decrease due to lower replacement costs
- Materials & Supplies - \$5,000 decrease

Year over Year Highlights

Public Works

- STATO - \$4,000 increase due to increased line painting requirements
- Hydro - \$25,000 due to lower anticipated costs
- Line Painting - \$3,000 due to additional pavement markings
- Municipal Data Works - \$2,650 increase for agreements for software
- Salt - \$10,000 increase due to current level of service and costs
- Snow Plowing/Blowing - \$31,500 increase due to current level of service and cost for snow removal



Recommendations/Solutions

- To realize any savings within Roadways budget, a review and determination of service levels would be required to be conducted

Year over Year Highlights

Property Maintenance

- Materials & Supplies - \$13,000 increase
- Service Contracts - \$53,000 increase
- Utility Costs - \$36,150 decrease due to lower than anticipated costs
- Wages/Overhead - \$2,652 increase
- Bus Shelter Maintenance - \$3,000 increase

Recommendations/Solutions

Property Maintenance

- Service Contracts – reallocation of service contract related expenditures resulted in a miscalculation in the Materials & Supplies draft #1 figure
- Materials & Supplies should be reduced to \$70,000 an overall decrease of \$58,000
- Service Contracts – further review conducted and a recommendation to reduce the \$8,000

Overall Change in Budget - \$66,000



Year over Year Highlights

Fleet

- Fleet Replacement Plan – increase \$25,000 to \$500,000 for overall plan
- Operating Projects – increase \$12,000

Recommendations/Solutions

Fleet

- Maintain 2018 level for fleet replacement plan of \$475,000
- Reduction will utilize additional reserves to balance plan based on the proposed capital fleet requests for 2019
- Utilization of reserves will deplete reserve faster than anticipated

Overall Change in Budget - \$25,000

Year over Year Highlights

Solid Waste

- Contracts (landfill operations, spoke transfer station/transportation, collection of refuse/recycling and processing of recycling) – CPI increases as per contractual agreements
- Supplies & Contracts - \$15,000 increase in relation to covering Agnico material
- Provincial Funding – decrease \$14,000 based on anticipated reduction in relation to the Waste Free Ontario Act

Recommendations/Solutions

Solid Waste

- Transfer to Reserve (Landfill Operations) – based on a current reserve balance of approximately \$2 million, a reduction of \$35,160 is being recommended
- Transfer to Reserve (Recycling Operations) – based on 15 year operating forecast, a reduction of \$45,000 is being recommended

Overall Change in Budget - \$80,160

Transit

	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
Transit	251,300	274,479	(23,179)	-9.2%

Year over Year Highlights

- Transit Services - \$14,225 increase as per contractual agreement (CPI)
- Service Contract - \$6,315 increase for automated announcement system
- Materials & Supplies - \$2,500 increase
- Advertising Revenue - \$5,000 decrease
- Interest Repayment - \$1,882 decrease
- Provincial Gas Tax - \$7,297 increase as per agreement
- Transit Fares - \$2,500 increase due to increased ridership

Recommendations/Solutions

- Transfer to Reserves - \$25,000 decrease
 - In 2018 the City was advised \$1.28 million was being allocated through the Public Transit Infrastructure Fund over a 10 year period. A preliminary review of the transit fleet replacement plan incorporating this funding has been undertaken by staff. The funding will require a reduced funding requirement from Temiskaming Shores and Cobalt to replace aging fleet.

Libraries


	2018	2019	Variance	%
GENERAL OPERATIONS	Budget	Budget	B/(W)	Change
Libraries	379,299	398,079	(18,780)	-5.0%

Year over Year Highlights

- Revised Draft #2 operating budget - \$394,468
- Overall Change in Budget - \$3,611

Environmental Services

	2018	2019	Variance	%
	Budget	Budget	B/(W)	Change
Environmental Services	(138,710)	(230,792)	92,082	66.4%



Year over Year Highlights

- Anticipated transfer of \$98,582 to capital
- 4% increase in water & sewer rates
- Reduction in Hydro costs

Financial Support Requests

- Temiskaming Art Gallery
 - Art in the Park
 - \$24,000 for 4 years to organize and produce
 - \$6,000/year