

The Corporation of the Township of Brock

Finance Committee Minutes

Municipal Administration Building

Session Seven

Monday, May 13, 2019

The Seventh Meeting of the Finance Committee of the Township of Brock, in the Regional Municipality of Durham, was held on Monday, May 13, 2019, in the Municipal Administration Building Council Chamber.

Members present: Mayor: Debbie Bath-Hadden
Regional Councillor: W.E. Ted Smith
Councillors: Claire Doble
Walter Schummer
Cria Pettingill
Lynn Campbell

Members absent: Councillor: Michael Jubb (regrets)

Staff Members present: Clerk Becky Jamieson
(recording the minutes)
Acting Deputy Clerk Deena Hunt
Interim CAO Garth Johns at 1:20 p.m.
Treasurer Laura Barta
Director of Public Works Nick Colucci

1. Call to Order

Chair Walter Schummer called the meeting to order at 1:04 p.m.

2. Declaration of Pecuniary Interest

Regional Councillor Smith and Councillor Schummer declared pecuniary interest with respect to communication number 664 as their businesses are members of the Brock Board of Trade.

3. Confirmation of Minutes – 6th meeting – April 8, 2019

Resolution Number 1-7

MOVED by W.E. Ted Smith that the minutes of the 6th meeting of the Finance Committee as held on April 8, 2019 be adopted as typed and circulated.

MOTION CARRIED

4. Hearing of Deputations

None

5. Communications Referred or Submitted to Committee

Referred from Council April 15, 2019

619 Laura Barta – Report: 2019-FI-11, Annual Building Permit Fee Report – For the 2018 Fiscal Year

Regional Councillor Smith enquired as to the deficit listed for 2018 and was advised that this is due to operational costs exceeding revenue within the Building Department noting that a reserve fund was created in 2017 for surplus revenue which can be used toward a deficit in future years.

There was discussion with respect to the increasing costs for postage and budgeting for alternative methods of distribution.

620 Laura Barta – Report: 2019-FI-09, Township of Brock Annual Investment Report

Mayor Bath-Hadden requested clarification to which the Treasurer advised that she invests operating funds into appropriately secure investments depending on the rates and cashflow to earn more interest. She advised that the reserve fund investments are reviewed at the time of renewal to determine whether they could be re-invested or are required for projects.

There was discussion with respect to the One Fund through AMO (high interest savings account) which allows flexibility for withdrawal without penalty and is a low risk investment. There was discussion with respect to investing additional amounts from the reserves into the One Fund, as well as the rate comparable to the banks GIC rates.

Referred from Council May 6, 2019

676 AMO – Policy Update – Municipal budgets may be affected by animal cruelty enforcement changes

685 Penelope Beaudrow – Back to Your Roots, sponsorship request

Mayor Bath-Hadden enquired as to advertising on their behalf and was advised that it could be promoted within the Township's community e-newsletter and on the Township's events web page.

689 AMO – 2019 Ontario Budget

770 Durham Catholic District School Board – Education Development Charges By-law

Referred Directly

798 MPAC – 2018 Annual Report

816 Durham District School Board – Education Development Charge Rate Increase to Be Collected as of May 1, 2019

833 Laura Barta – Report: 2019-FI-14, Financial Update Report – April 2019

Mayor Bath-Hadden enquired whether the increase to the outstanding tax receivable balance is due to increased development (i.e. more residents finding it difficult to pay taxes) to which the Treasurer advised in the affirmative as well as additional items added to the tax roll such as water bill arrears, illegal burns, property standards maintenance, etc. She enquired whether tax arrears are growing and was advised in the affirmative.

There was discussion with respect to a remedy for winter control when the budget is exceeded, the timing of budget transfers, the Tourism and Economic Development budget, and the process for tax sales.

Resolution Number 2-7

MOVED by W.E. Ted Smith that communication numbers 619, 620, 676, 685, 689, 770, 798, 816, and 833 be received for information.

MOTION CARRIED

Resolution Number 3-7

MOVED by Cria Pettingill that Mayor Bath-Hadden be appointed to act as Chair for communication number 664.

MOTION CARRIED

Chair/Councillor Schummer vacated the chair and Mayor Bath-Hadden assumed the position of Chair.

664 Brock Board of Trade – 2019 Tourism Summer Student Position

The Clerk provided a summary of the assistance provided to the Township by the summer student last year noting that the decrease in funding for this position was covered by the Township last year enabling the student to work for the month of August.

Resolution Number 4-7

MOVED by Claire Doble that the request by Brock Board of Trade to seek additional funding for a summer student position be approved.

MOTION CARRIED

Chair/Councillor Schummer and Regional Councillor Smith refrained from discussing and voting on Resolution Number 4-7 following which Councillor Schummer resumed the position of Chair.

6. Reports of Sub-Committees

None

7. General Items and Enquiries

- (1) Deferred Resolution Number 44-19 (Sunderland Legion Request to use Sunderland Arena, May 25, 2019) May 6, 2019 – Council

834 Sunderland Legion Branch 141 – Use of Sunderland Memorial Arena

Resolution Number 5-7

MOVED by W.E. Ted Smith that Resolution Number 44-19 of Council be lifted and voted on.

MOTION CARRIED

Resolution Number 44-19

MOVED by Lynn Campbell and SECONDED by Cria Pettingill that the request by the Sunderland Legion to use Sunderland arena for their 90th Anniversary Celebration on May 25 in case of rain be approved on the condition that the organization be in touch with township staff to confirm whether the community centre is required based on weather prediction.

The Clerk advised that staff would have to be scheduled to work in the event of rain which could be cancelled with enough notice provided.

Resolution Number 44-19

MOVED by Lynn Campbell and SECONDED by Cria Pettingill that the request by the Sunderland Legion to use Sunderland arena for their 90th Anniversary Celebration on May 25 in case of rain be approved on the condition that the organization be in touch with township staff to confirm whether the community centre is required based on weather prediction.

MOTION CARRIED

- (2) Laura Barta – Bill 108 Update (More Homes, More Choice Act)

The Treasurer advised that changes to the development charges (DC) are proposed within Bill 108 noting that the updates to the legislation are not yet available, therefore, a detailed update on the legislation would be forthcoming at the Planning Committee meeting on May 27, 2019. She suggested that, given the timing restraints, a new DC by-law be passed under the old legislation and upon enactment of the new legislation, the existing municipal DC by-law be revised.

The Treasurer proposed the following recommendations for development charges in collaboration with the Township's consultant:

- The definition for 'lots of record' or 'single existing lots of record' be removed and replaced with a separate grant program which would permit individuals to apply for a \$4,000 grant toward the \$20,000 residential DC rate.
- The new development charges by-law could be segregated into two separate by-laws: a hard and soft services by-law. The hard services by-law would encompass fire and road services related to highways while the soft services by-law would encompass library, parks and recreation, and general government.

The Treasurer advised that the hard services DC rate would be a total of \$11,032 and the soft services DC rate would be \$9,968. She noted that Bill 108 proposes the removal of the soft service charges from the DC calculation which is the rationale for suggesting two separate by-laws. She advised that Bill 108 also proposes to include a Community Benefits Charges By-law under the Planning Act and, should Bill 108 not be passed, the two by-laws could be combined again during the next DC study.

The Treasurer advised that the recommendation above does not include a proration of the charge in the DC rate as suggested when selecting the \$20,000 rate instead of the proposed \$22,701. This reduction would be fully applied to the library, parks and recreation soft services rate. This methodology was recommended by our consultant initially and, with Bill 108 pending, is appropriate for the residential allocation. She noted that, should Council elect to continue with the proration and Bill 108 is passed, the amount collected for hard services would be lower than that required in the DC background study. At that point Council could decide to update the by-law which would result in the consultant updating the DC background study, a public meeting would be required to inform the public of the changes, following which the by-law could be presented for approval. She cautioned that the proposed elimination of a general government DC charge would result in a shortfall for expenses such as an additional DC background study.

The Treasurer advised that the non-residential rate remains unaffected and would be included within both by-laws noting that \$1.39 of the \$41.45 rate would be applied to government general. She advised that the numbers provided today could be adjusted by the consultant when the by-laws are prepared to ensure the desired outcome is achieved.

Mayor Bath-Hadden acknowledged the difficulty in understanding the full scope of the information given that Bill 108 has not been finalized. There was discussion with respect to the potential loss of soft service charges and the proration of the DC's to each individual category.

There was discussion with respect to the rules governing the residential DC grant program and the concern for implementing same as well as the timeline for having a by-law in place (prior to June 23, 2019).

Resolution Number 6-7

MOVED by Debbie Bath-Hadden

That the Finance Committee recommends the following to Council:

That the Treasurer be directed to prepare a Grant Program for "Single Existing Lots of Record", up to \$4,000, that achieves the objectives as outlined in previous Development Charge rate discussions;

That Hemson Consulting be instructed to create a Hard Service Development Charge By-law that reflects the rates as calculated in the background study for all residential lots;

That Hemson Consulting also be instructed to create a Soft Service Development Charge By-law that reflects, when combined with the Hard Service Development Charges By-law, a combined residential rate of \$20,000; and,

That both By-laws reflect the non-residential rate of \$41.45 per square metre allocated on a prorated basis using the amounts recommended in background study.

There was discussion with respect to handling a previously adopted resolution with respect to single lots of record which would be replaced by the grant program should it be approved.

Chair/Councillor Schummer enquired whether the shortfall to the DC's through the proposed grant program would be funded through municipal taxes and was advised in the affirmative. The Treasurer noted that any shortfall to the DC's would be funded by the municipal taxes.

Resolution Number 7-7

MOVED by W.E. Ted Smith that Resolution Number 6-7 be to the next Council meeting.

MOTION LOST

Mayor Bath-Hadden requested Committee's support on the motion due to the short time frame to have a by-law in place noting that staff would provide a draft grant policy for review at a future meeting and the consultant could prepare the two new by-laws.

There was discussion with respect to addressing all comments/resolutions involving development charges at a future special Council meeting to be held on May 27, 2019.

There were concerns expressed with respect to creating a grant policy and the impact it would have on the DC's.

It was determined that the consultant should be present at the special Council meeting on May 27, 2019.

Resolution Number 6-7

MOVED by Debbie Bath-Hadden

That the Finance Committee recommends the following to Council:

That the Treasurer be directed to prepare a Grant Program for "Single Existing Lots of Record", up to \$4,000, that achieves the objectives as outlined in previous Development Charge rate discussions;

That Hemson Consulting be instructed to create a Hard Service Development Charge By-law that reflects the rates as calculated in the background study for all residential lots;

That Hemson Consulting also be instructed to create a Soft Service Development Charge By-law that reflects, when combined with the Hard Service Development Charges By-law, a combined residential rate of \$20,000; and,

That both By-laws reflect the non-residential rate of \$41.45 per square metre allocated on a prorated basis using the amounts recommended in background study.

MOTION CARRIED

(3) Mayor Debbie Bath-Hadden

Mayor Bath-Hadden advised that she spoke with the CAO of Uxbridge who advised that their livestreaming program for meetings records the minutes concurrently with the livestreaming.

(4) Regional Councillor W.E. Ted Smith

Regional Councillor Smith advised that the Sunderland Maple Syrup Festival's annual general meeting is scheduled for tomorrow evening in the Sunderland Town Hall.

(5) Clerk

The Clerk advised that a policy will be forthcoming with respect to free use of meeting space for non-profit organizations, but in the interim, requested approval to provide free space for meetings for the organizations that have historically receive free use.

(6) Public Questions and Clarifications

There were no public questions for clarification.

8. Adjournment

Resolution Number 8-7

MOVED by W.E. Ted Smith that we do now adjourn at 2:41 p.m.

MOTION CARRIED

CHAIR

SECRETARY