

**THE REGIONAL MUNICIPALITY OF NIAGARA**  
**BUDGET REVIEW COMMITTEE OF THE WHOLE**  
**REPORT 7-2010 BUDGET**

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Minutes of a meeting of the Budget Review Committee of the Whole held in Council Chambers, Regional Municipal Building, Thorold, Ontario, on Thursday, December 10, 2009, commencing at 4:18 p.m.

**ATTENDANCE**

Committee: Councillors Rigby, Vice-Chair presiding; Partington, Regional Chair; Augustyn; Badawey; Baty; Bentley; Burroughs; Bylsma; Casselman; Cordiner; D'Angela; Forster; Gabriel; Garcia; Goulbourne; Greenwood; Heit; Henderson; Hodgson; Katzman; Lepp; Marshall; Puttick; Smeaton; Timms; Trombetta; Zimmerman.

Staff: Mr. Trojan, Chief Administrative Officer; Mr. Bergsma, Commissioner, Corporate Services; Mr. Brothers, Commissioner, Public Works; Mr. Hutchings, Commissioner, Community Services; Mr. Robson, Commissioner, Integrated Community Planning; Mr. McQueen, Operating Officer, PH; Mr. Bain, Regional Clerk; Ms. Reilly, Legislative Assistant.

Staff (Others): Corporate Services: Mr. Armstrong, Manager, Organization & Leadership Development; Mr. Bernard, Associate Director, Court Services; Ms. Brens, Tangible Capital Assets Analyst; Ms. Crowley, Current Budget Analyst; Mr. Diakow, Director, IT Solutions; Mr. Kyne, Director, Legal Services; Mr. Lockyer, Treasurer/Director, Financial Management & Planning; Ms. Murphy, Associate Director, Current & Capital Budgets; Mr. Roach, Manager, Public Works Financial Services; Ms. Rose, Court Supervisor; Ms. Stranges, Capital Assets Analyst.

Administration: Mr. Roberts, Executive Officer to the Regional Chair; Mr. Weir, Director, Administration.

Integrated Community Planning: Mr. Weaver, Director, Corporate & Community Planning.

Public Health: Mr. Cunnane, Director, E.M.S.; Mr. Jones, Director, Administrative Services; Mr. Kaas, Financial Services Mgr., P.H.

Public Works: Mr. Baker, Associate Director, Water & Wastewater; Mr. Cousins, Director, Transportation.

Niagara Regional Police: Chief Wendy Southall; Deputy Chief Matthews; Mr. Fuentes, C.A.O.; Ms. DiDonato-DeChellis, Manager of Finance; Ms. George, Director, Business Services; Mr. Iggulden, Chair, Police Services Board; Ms. Deb Morton, Executive Director, Police Services Board.

**CALL TO ORDER**

35. Councillor Rigby, Vice-Chair, Budget Review Committee of the Whole, called the meeting to order at 4:18 p.m.

**PRESENTATIONS**

36. Request to Speak

Councillor Rigby apprised Committee of an email circulated from Mr. Andy Petrowski who requested to speak to Committee with respect to the motion passed at the last BRCOTW meeting regarding the “report” on Region efficiencies, it was therefore:

Moved by Councillor Puttick  
Seconded by Councillor Timms

That Mr. Andy Petrowski be allowed to speak to the Budget Review Committee of the Whole for a period of five minutes.

Carried.

37. Mr. Andy Petrowski, Resident, St. Catharines

Mr. Petrowski reiterated his comments regarding the growth in investments and the budget surpluses advising that these monies should be used for police programs (domestic violence); ambulance and social housing as well as to reduce the Region’s budget to “zero”.

Mr. Petrowski advised that, upon investigation, the report he was referring to was CAO 16-2004, Integrated Common Services Project Report. He asked that staff bring this report forward and amend it in a format that would allow the report to be open to the public.

Moved by Councillor Heit  
Seconded by Councillor Bentley

That the presentation from Mr. Andy Petrowski be received.

Carried.

38. 2010 Proposed Current/Operating Budget  
Niagara Regional Police and Police Services Board

Chief Wendy Southall, Niagara Regional Police Services, together with Mr. Larry Iggulden, Chair, Regional Municipality of Niagara Police Services Board, Mr. Fuentes, Chief Administrative Officer, and Deputy Chief Matthews, attended to provide an overview of the Police 2010 Proposed Current/Operating Budget.

Mr. Iggulden advised that the NRPS Operating Budget is prepared with the objective of providing a realistic estimate of the cost of providing mandated policing services within an affordable and sustainable tax levy. The budget preparation is conducted in consideration of regional objectives, while balancing the requirements of the Region as outlined in the Municipal Act with the accountabilities of the Police Services Board under the Police Services Act.

Mr. Iggulden advised that the Service differs from Regional Departments in the fact that it does not have revenue increases as a potential source of budget reduction. Mr. Iggulden advised of the impacts on the Police Budget with respect to salaries and wages and other benefits.

Mr. Fuentes advised that the base budget was established through the OCCOPS Minutes of Settlement at a 4.08% increase for 2009. The 2010 budget was therefore impacted by the requirement to fund a starting variance of \$762,041. Mr. Fuentes highlighted the steps taken to absorb the 2009 lost funding in the amount of (\$728,251).

The 2010 Current Budget is proposed at \$120,835,193 in total net expenditures, consisting of Niagara Police Service Board \$864,050 and Niagara Regional Police Service at \$119,971,143. The consolidated 2010 Current Budget represents a total base budget increase of 4.55%, consisting of a base budget increase of 4.05% combined with program change increases of 0.5%, and excluding the proposed increase to \$1,975,347 for the interim facilities expenditures, which are proposed to be funded temporarily by the Region (as was the case for 2009).

Deputy Chief Matthews highlighted the 2010 Program Changes which consist of 5 positions which reflects a total net cost of \$578,778 or budget impact of 0.50%.

Chief Southall advised that every 1% (\$1.15 million) budget reduction is equivalent to approximately 12 uniform front line officers which would result in: increased call wait times; increased response time; and slower case clearances.

Chief Southall reiterated that the budget is largely impacted by salaries and benefits (93%). She advised that collective bargaining agreements struck for other forces, such as the Toronto Police Service and Ontario Provincial Police,

establish benchmarks for other emergency services to follow. Provincial arbitrators ruling in contract disputes tend to overlook the ability of individual municipality's to pay in favour of recent settlements reached by similar police services.

**CLOSED SESSION**

39. Moved by Councillor Badawey  
Seconded by Councillor Hodgson

That this Committee do now meet in Closed Session for purposes of receiving information of a confidential nature relating to a matter of Labour Relations.

Carried.

40. Moved by Councillor Zimmerman  
Seconded by Councillor Badawey

That this Committee do now rise without report.

Carried.

41. 2010 Proposed Current/Operating Budget  
Niagara Regional Police and Police Services Board (continued)

A chart on historical budget increases was provided which indicated that the five year average for the period 2001 to 2005 was 9.60%. Chief Southall advised that, under her leadership and with the concerted efforts of her management team, that for the period 2006 to 2010, the five year average was reduced to 4.06%.

Moved by Councillor Bentley  
Seconded by Councillor Smeaton

That the presentations by the Niagara Police Services and Police Services Board Representatives be received; and

That the 2010 Proposed Current/Operating Budget for the Niagara Regional Police Service and Police Services Board be received and approved in principle, and forwarded for consideration with the Niagara Region's 2010 Consolidated Operating Budget.

Carried.

(Councillor Timms requested to be recorded as opposed to the foregoing motion.)

**ITEMS FOR INFORMATION**

42. Report 4-2010 Budget

Moved by Councillor Zimmerman  
Seconded by Councillor Trombetta

That Report 4-2010 Budget, being the minutes of the Budget Review Committee of the Whole meeting of Thursday, November 5, 2009, be received.

Carried.

**CORRESPONDENCE**

43. Moved by Councillor Zimmerman  
Seconded by Councillor Trombetta

That the following communications be received:

BRCOTW(C) 6-2010      Memorandum from Gord Lockyer, Treasurer/Director, Financial Management & Planning, regarding Comments and Suggestions Received from St. Catharines-Thorold Chamber of Commerce on November 19, 2009

BRCOTW(C) 7-2010      Deb Morton, Executive Director, Regional Municipality of Niagara Police Services Board (November 27, 2009) respecting 2010 Proposed Current/Operating Budget Niagara Regional Police Service and Police Services Board.

BRCOTW(C) 8-2010      AMO Alert regarding Advocacy for OMPF and OMPF Mitigation Funding for 2010

BRCOTW(C) 9-2010      Gord Lockyer, Treasurer/Director, Financial Management & Planning (November 25, 2009) regarding Councillor Information Request – November 5, 2009

Carried.

*Committee recessed at 6:55 p.m.*

*Committee reconvened at 7:23 p.m.*

44. Remaining Issues – 2010 Budgets

Mr. Bergsma, Commissioner, Corporate Services, provided a summary of deliberations to date for the Capital Budget, highlighting Councillor concerns with respect to Niagara Central Airport; Niagara District Airport; Transit; Ft. Erie EMS Station; use of Reserves; ability to get the work done; Capital impact on Operating Budget and need to update "Affordability".

Following discussion of the above issues, Committee put forward the following motions:

45. Transit

Moved by Councillor Zimmerman  
Seconded by Councillor Puttick

That funds in the amount of \$3.1 million be allocated for Transit in the 2010 Capital Budget.

Carried.

46. Niagara Central Airport

Moved by Councillor Baty  
Seconded by Councillor Henderson

That funds in the amount of \$533,000, 1/3 of the \$1.6 million request, be allocated for the Niagara Central Airport (NCA) in the 2010 Capital Budget, subject to NCA securing the remaining 2/3; and

That Corporate Services and the Niagara Economic Development Corporation (NEDC) assist the Niagara Central Airport in securing funds from other sources.

Carried.

(Councillors Bylsma; Casselman; Gabriel; Greenwood; Heit; Smeaton and Trombetta wished to be recorded as opposed to the foregoing motion.)

47. Emergency Medical Services

Moved by Councillor Zimmerman  
Seconded by Councillor Cordiner

That additional funds in the amount of \$600,000 be allocated for Emergency Medical Services in the 2010 Capital Budget.

Carried.

48. Capital Budget

Moved by Councillor Augustyn  
Seconded by Councillor Gabriel

That the 2010 Capital Budget for Regional Departments and Agencies, Boards and Commissions, as presented and listed below, be approved, subject to project initiation in accordance with the Capital Asset Management Policy:

Gross Expenditures:	\$132,518,359
Financing Sources:	
Reserves	\$54,188,846
Long-term Financing	\$53,245,836
External contributions	<u>\$25,083,677</u>
Total	\$132,518,359

Carried.

(Councillors Bylsma; Greenwood and Hodgson wished to be recorded as opposed to the foregoing motion.)

49. *Operating Budget – Remaining Issues*

Mr. Bergsma provided a summary of budget deliberations to date, highlighting Councillor concerns with the Operating Budget pertaining to: concerns over Police impact; use of Year End Surplus; use of Uploading; restatement of opening levy amount; EMS increase; NEDC request for \$230,000; new FTEs and use of Interest Income.

*It was the consensus of Committee that further consideration of the Operating Budget be referred to the next Budget Review Committee of the Whole meeting (date to be determined).*

**ADJOURNMENT**

The Budget Review Committee of the Whole adjourned at 8:25 p.m. to meet again on a date to be determined.

Tim Rigby  
Vice-Chair

Gail Reilly  
Legislative Assistant

Kevin Bain  
Regional Clerk