

THE REGIONAL MUNICIPALITY OF NIAGARA
BUDGET REVIEW COMMITTEE OF THE WHOLE
REPORT 1-2011 BUDGET

Minutes of a meeting of the Budget Review Committee of the Whole held in Council Chambers, Regional Municipal Building, Thorold, Ontario, on Thursday, May 20, 2010, commencing at 4:11 p.m.

ATTENDANCE

Committee: Councillors Martin, Chair; Regional Chair Partington; Councillors; Augustyn; Badawey, Burroughs; Bylsma; Casselman; Cordiner; D'Angela; Gabriel; Garcia; Goulbourne; Heit; Henderson; Hodgson; Lepp; Marshall; McMullan; Puttick; Rigby; Saracino; Smeaton; Timms; Zimmerman.

Staff: Mr. Robson, Acting Chief Administrative Officer; Mr. Bergsma, Commissioner, Corporate Services; Ms. Matthews-Malone, Acting Commissioner, Public Works; Ms. Cousins, Director, Operational Support Services, Community Services; Mr. McQueen, Operating Officer, PH; Ms. Pilon, Deputy Clerk; Ms. Reilly, Legislative Assistant.

Staff (Others): Corporate Services: Ms. Brens, Tangible Capital Assets Analyst; Ms. Crowley, Current Budget Analyst; Mr. Diakow, Director, IT Solutions; Ms. Elliott, Director, Human Resources; Mr. Kyne, Director, Legal Services; Ms. Learn, Director, Employee Services Centre; Mr. Lockyer, Treasurer/Director, Financial Management & Planning; Ms. Middleton, HR Consultant; Ms. Murphy, Associate Director, Current & Capital Budgets; Mr. Pilon, Associate Director, Service Quality & Improvement; Mr. Roach, Manager, Public Works Financial Services; Ms. Sandwell-Lavergne, Lead, Finance Operations; Ms. Stranges, Capital Assets Analyst.
Administration: Mr. Roberts, Executive Officer to the Regional Chair; Mr. Watkins, Co-Op Student, Policy Assistant; Mr. Weir, Director, Administration.
Integrated Community Planning: Ms. Papaiz, Assistant Director, Corporate Communications; Mr. Weaver, Director, Community & Corporate Planning.
Public Health: Mr. Kaas, Financial Services Manager, P.H.
Public Works: Mr. Baker, Associate Director, Water & Wastewater Engineering; Mr. Steele, Associate Director, Strategic Business Management.

CALL TO ORDER

Councillor Martin, Chair, Budget Review Committee of the Whole, called the meeting to order at 4:11 p.m. (A Quorum of 17 was reached.)

1. Opening Remarks

Councillor Martin advised that the presentation this evening was to provide Council with information that will assist them in providing direction to staff on the preparation of the 2011 budget. He commented that while they are not looking for a decision this evening, it would be helpful if Council will be able to provide this direction at its regular Council meeting on June 3rd. Councillor Martin advised that the Affordability Strategy has led Niagara to low increases for the last five years and that strategy tax increases will be no greater than the total of project assessment and income growth. A number of key issues are contained in the presentation: An economic overview of Niagara; a Capital Affordability Update and the 2011 Operating Budget. Councillor Martin also advised that Report CSD 56-2010 regarding the 2010 Debenture Issue has also been provided for background information and will be considered at the Corporate Services Committee on May 26th. The presentation, he commented, also references anticipated capital costs for the Region's 10 year forecast and that staff are currently in the midst of a full review of the 10 year capital forecast. As well, the presentation refers to the continuing flow of upload dollars from the province; the ongoing rationalization of reserves and the impact that all of these issues have on Niagara's borrowing capacity and credit rating.

PRESENTATIONS

2. 2011 Budget Guidance and
Capital Affordability Strategy Update

Mr. John Bergsma, Commissioner, Corporate Services, provided a presentation on the 2011 Budget Guidance and Capital Affordability Strategy Update. The presentation detailed a 2009 economic overview and future outlook for Niagara. An update on the Capital Affordability Strategy was presented detailing the 10 year capital demand; 10 year financing sources and Council decision points. Information on the 2011 Operating Budget was presented detailing significant impacts and variables to be taken into consideration during budget deliberations. A budget guidance was proposed at 1.4% before the anticipated real assessment growth of 1.0%, for a net increase of less than or equal to 0.4% for the preparation of the 2011 Budgets.

(A copy of Mr. Bergsma's presentation on the 2011 Budget Guidance and Capital Affordability Strategy Update is attached to the minutes.)

Moved by Councillor Rigby
Seconded by Councillor Marshall

That the presentation by John Bergsma, Commissioner, Corporate Services, on the 2011 Budget Guidance and Capital Affordability Strategy Update, be received; and

That a meeting of the Budget Review Committee of the Whole be scheduled in the month of June, at a date to be determined by the Chair.

Carried.

ITEMS FOR INFORMATION

3. 2010 Debenture Issue

Moved by Councillor Badawey
Seconded by Councillor Hodgson

That Report CSD 56-2010, May 26, 2010, respecting 2010 Debenture Issue, be received for information.

Carried.

(Report CSD 56-2010 can be found behind the CSC tab in the Blue Book.)

COUNCILLOR INFORMATION REQUESTS

That staff:

- (i) Include a line item in the base budget for development charges - as previously approved by Council. Provide minutes pertaining to that approval. (Burroughs/D'Angela) Refer to minute item 2.
- (ii) Review Slide 21 and correct totals. (Heit) Refer to minute item 2.
- (iii) Explore Reserves – Region consider borrowing from itself and therefore pay interest to itself. (Heit) Refer to minute item 2.
- (iv) Provide information on Niagara levy impacts compared to Windsor. (Timms) Refer to minute item 2.
- (v) Provide a list of all reserves (\$270 million) to BRCOTW (D'Angela) – as well, provide this information to the Corporate Services Committee on Wednesday, May 26th (Martin) Refer to minute item 2.

- (vi) Provide a priority list of the 10 Year Capital Projects. (McMullan) Refer to minute item 2.
- (vii) Provide a report on how other 1 tier governments' deal with debt and servicing charges (before Council makes a decision) as well as additional information on the Region's debt trend for the last 10 years. Also separate rates & levy. (Casselmann) Refer to minute item 2.
- (viii) Provide an analysis on any debt that can be retired/paid down this year. (Augustyn) Refer to minute item 2.
- (ix) Provide information with respect to fleet reserve funds vs. reserves – what are actual reserves and what is money flowing in and out? (Augustyn) Refer to minute item 2.
- (x) Ensure that discussions take place at the Committee level on what each department's impacts and variables/risks are. Request ABCs to provide a summary of their impacts, variables/risks. (Goulbourne) Refer to minute item 2.

ADJOURNMENT

The Budget Review Committee of the Whole adjourned at 6:40 p.m. to meet again on February 11, 2010 at 4:00 p.m. in Council Chambers.

Doug Martin
Chair

Gail Reilly
Legislative Assistant

Janet Pilon
Deputy Regional Clerk