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THE REGIONAL MUNICIPALITY OF NIAGARA
COMMITTEE OF THE WHOLE

REPORT 1-2003

The Municipal Council of the Regional Municipality of Niagara met in the Council Chamber, Regional Municipal Building, Thorold, Ontario, on Thursday, January 16, 2003, commencing at 4:10 p.m.

ATTENDANCE

Council: Regional Chair Zimmerman; Councillors Andreychuk, Badaway, Bailey, Beamer, Bentley, Brickell, Burroughs, Collins, Davidson, Eke, Forster, Gabriel, Haeck, Harry, Hildreth, Konkle, Marshall, Martin, McMullan, Muir, Nicholson, Partington, Redekop, Saracino, Smeaton, Thomson, Timms, Trombetta.

Staff: Messrs. Trojan, Chief Administrative Officer; Bacchus, Commissioner of Corporate Services; Hollick, Regional Clerk; Cambray, Commissioner of Planning Services; Neville, Commissioner of Public Works; Nicol, Commissioner of Human Resources; Ms. Reid, Commissioner, Community Services Department; Dr. Williams, Medical Officer of Health; Police Chief Gary Nicholls; Ms. Gilroy, Deputy Regional Clerk.

Other: Councillor Heit, Deputy Mayor, City of St. Catharines (non-voting replacement for Councillor Rigby)

Other Staff: **Administration:** Harry Schlange, Manager, Partnership Development; Kathy Sirotnik, Executive Assistant to the Regional Chair; **Corporate Services Department:** Helen Chamberlain, Fixed Assets Analyst; Harry Kaas, Manager Financial Operations & Support; Gord Lockyer, Treasurer, Financial Management & Planning; Margaret Murphy, Manager, Current & Capital Budgets; **Community Services Department:** Brian Hutchings, Director Operational Support Services; **Public Works Department:** Joe Cousins, Director, Transportation Services; David Payne, Director, Waste Management Services; Mike Roach, Manager, Public Works Financial Services; **Public Health Department:** Bob Jones, Director, Administration; **Niagara Economic and Tourism Corporation:** Alan Teichroeb, Manager, Business Development; Gary Hardy, Tourism Manager; Bob Ross,

Comptroller/Office Administrator; **Niagara Housing Corporation**: Lora Beckwith; General Manager; **Niagara Peninsula Conservation Authority**: Andy Burt, General Manager; **Niagara Regional Police Service**: Wendy Southall, Chief Administrative Officer; Monica George, Acting Manager of Finance; Supt. Mike Locke.

RESOLVE INTO COMMITTEE OF THE WHOLE

1. Moved by Councillor Collins
Seconded by Councillor Harry

That this Council do now resolve into Committee of the Whole.

Carried.

OPENING REMARKS

2. Regional Chair Zimmerman called the meeting to order, and recognized Councillor Brian Heit, Deputy Mayor of the City of St. Catharines, who was sitting in as a non-voting replacement for Councillor Rigby.

Regional Chair Zimmerman welcomed Councillor Smeaton back to the Chamber, after his absence. Councillor Smeaton thanked everyone for their prayers, kind words and best wishes during his recent illness.

Regional Chair Zimmerman made reference to the Conference Board of Canada forecast, as reported in the Welland Tribune.

Councillor Martin, Chair, Budget Review Committee, provided an update of the budget process and the work of the Budget Review Committee.

Mr. Trojan, Chief Administrative Officer, outlined the process to date, and the matters to be considered at this evening's meeting.

PRESENTATION

3. Resident of St. Catharines

Mr. Stan Oliver, resident of St. Catharines, expressed his concerns about the proposed increase in the Region's 2003 Current Budget, with particular reference to the senior citizens, whose pensions have not increased more than one per cent over the past five years. He suggested that property taxes, as well as property assessment, be based upon the ability to pay. He requested that Council improve the economy by reducing the taxes, not increasing the deficit.

Regional Chair Zimmerman thanked Mr. Oliver for his presentation.

4.

CORRESPONDENCE

Communications were received and dealt with as follows:

- a) E-Mail from Carol Disher, resident, of St. Catharines (January 6, 2003) asking that the improvements to Carlton Street from the Lake Street Intersection to Kernahan Street, City of St. Catharines be included in the 2003 Capital Budget.

Moved by Councillor Eke
Seconded by Councillor Trombetta

That Communication a) from Carol Disher be received.

Carried.

- b) Letter from Deb Morton, Board Administrator, Regional Municipality of Niagara Police Services Board (January 13, 2003) motion to approve the 2003 Police Service and Board budget at 9.2 per cent and requesting the opportunity to make a formal presentation to Regional Council.

Moved by Councillor Bentley
Seconded by Councillor Muir

That Communication b) from Ms. Morton be received and the presentation of the Niagara Regional Police Services Budget be made at the Committee of the Whole meeting prior to Regional Council on January 23, 2003.

Carried.

- c) Letter from Councillor McMullan, (January 13, 2003), expressing concerns with the budget process, and how the Region functions and makes decisions.

Moved by Councillor Smeaton
Seconded by Councillor Harry

That Communication c) from Councillor McMullan, be received and referred to budget discussions.

Carried.

BUDGET RECAP

5. Shafee Bacchus, Commissioner of Corporate Services, provided a recap of the 2003 Current Budget, which included the Action Taken to Date, and the major components of the increase in Regional Expenditures. Mr. Bacchus concluded his presentation noting that, including the proposed increase for the Niagara Regional Police Service, the net levy impact would be 6.79%.

CAO REPORT 2-2003

6. 2003 Current Budget
Proposal for Further Reductions

Mike Trojan, Chief Administrative Officer, provided an overview of Report CAO 2-2003, which provides Council with a proposal for further reductions in the current budget. He noted the proposed target for Regional Departments, Boards and Agencies, exclusive of Police Services, and before assessment growth, was a net expenditure budget of \$136,334,585 or 4.95%. Mr. Trojan explained the proposed strategy and the sharing formula to reduce the tax levy impact, with a proportionate reduction in both Council controlled expenditures and the Police Services Board expenditures. The tax levy impact with these reductions, and less assessment growth, would be 4.00%.

Mr. Trojan advised that, if his recommendations were accepted, a staff report would be presented to Council on February 20, 2003, with details of the proposed measures to meet this target. The strategy will include both a short-term approach with immediate measures and a longer term, more sustainable approach with measures to be reported later in 2003.

Mr. Trojan also explained a base funding increase of \$800,000 for major pension, benefit and WSIB costs as they relate to the ambulance service contract with the Hotel Dieu Health Sciences Hospital Niagara. He further outlined the impact of this increase on the Regional budget.

(Please see Minute Item 14, on page CW 7 for motion on Report CAO 2-2003.)

7. **CONFLICT OF INTEREST**

Councillor Partington declared an indirect pecuniary interest with respect to the Non-Union Salary Structure for 2003 Budget - Alternative Proposal, which was deferred from the meeting of December 19, 2002, as his spouse is employed by the Public Health Department, and he therefore vacated the Council Chamber, and took no part in the discussion of, or voting, on this matter.

8. **CLOSED SESSION**

Moved by Councillor Davidson
Seconded by Councillor Brickell

That this Council do now move into closed Committee of the Whole for the purposes of receiving information of a confidential nature relating to personnel matters.

Carried.

The Closed Committee of the Whole recessed at 5:30 p.m. for dinner, and resumed at 6:54 p.m. Committee of the Whole returned to Open Session at 7:30 p.m.

9. Non-Union Salary Structure for 2003
Budget – Alternative Proposal

Moved by Councillor Gabriel
Seconded by Councillor Harry

That Report HR 45-2002, Non-Union Salary Structure for 2003 Budget – Alternative Proposal, be received; and

That, as part of the strategy to achieve \$3.6 million in reductions, alternatives to the proposed structure of non-union compensation be considered to reduce the current envelope of \$1.2 million; and

That the structural proposal may include adjustments to the non-union salary structure; and

That staff report back to Council on February 20, 2003.

Carried.

CLOSED COMMITTEE OF THE WHOLE, RISE AND REPORT

10. Moved by Councillor Harry
Seconded by Councillor Smeaton

That this Committee now rise with report.

Carried.

11. **CONFLICTS OF INTEREST**

Councillor Brickell declared an indirect pecuniary interest with respect to any matters related to the Youth Connection School Team, as his wife is employed by the Niagara District School Board, and he therefore took no part in the discussion of, or voting, on these matters.

Councillor Forster declared an indirect pecuniary interest with respect to any matters related to the Youth Connection School Team, as she is employed by the Ontario Nurses Association, and she therefore took no part in the discussion of, or voting, on these matters.

Councillor Gabriel declared an indirect pecuniary interest with respect to any matters related to the Youth Connection School Team, as he is employed by the Niagara Catholic District School Board, and he therefore took no part in the discussion of, or voting, on these matters.

Councillor Partington declared an indirect pecuniary interest with respect to any matters related to the Youth Connection School Team, as his spouse is employed by the Public Health Department, and he therefore took no part in the discussion of, or voting, on these matters.

PROPOSED AMENDMENTS TO THE BUDGET

12. School Nurse – Youth Connection Program

Councillor Hildreth provided an explanation of the funding for the school nurse program, following which, it was:

Moved by Councillor Hildreth
Seconded by Councillor Davidson

That funding for the school nurse – Youth Connection Program, as approved by Community and Health Services Committee (Minute Item 137, June 10, 2002), and Council (Minute Item 249, June 20, 2002), from the Community Participation Revenues for 2003 be approved; and

That the Public Health Department absorb the ongoing cost of that program in its base budget in 2004.

Carried.

13. Ambulance Service

Moved by Councillor Martin
Seconded by Councillor Partington

That the proposed funding increase of \$800,000 for the ambulance service contract with the Hotel Dieu Health Sciences Hospital Niagara be funded from the Region's contingency reserve for 2003.

Lost.

Moved by Councillor Eke
Seconded by Councillor Hildreth

That the proposed funding increase of \$800,000 for the ambulance service contract with the Hotel Dieu Health Sciences Hospital Niagara be added to the net expenditure budget for 2003 for the Region's departments, boards, agencies, and commissions, exclusive of the Niagara Regional Police Service.

Carried.

14. 2003 Current Budget
Proposal for Further Reductions
Continued from Minute Item 6 on page CW 4

Moved by Councillor Muir
Seconded by Councillor Konkle

That Report CAO 2-2003, 2003 Current Budget, Proposal for Further Reductions, be received; and the following recommendations be approved:

1. Adoption of a reduction target of \$3,638,339 for expenditures under Council's control in Regional Departments, Boards and Agencies (exclusive of Police).
2. Adoption of a 2003 net expenditure budget of approximately \$136,334,585 plus the addition of \$800,000 for the ambulance service contract, for a total of \$137,134,585 for Regional Departments, Boards and Agencies exclusive of Police Services, representing a net spending increase of 5.57% before assessment growth.

3. That staff report back to Council on February 20 with details of the proposed measure to meet the above target.
4. That staff be directed to proceed with the Longer-Term Strategy as outlined in this report and provide a mid-year status report of progress.
5. That the Police Services Board be requested to adopt a reduction target of \$2,136,803 to achieve a net spending increase of 6.42% before assessment growth.

Carried.

(Note: Report CAO 2-2003 includes the recommendations adopted at the Committee of the Whole meeting on December 19, 2002)

15. Attendance Management Program

Council had for consideration, a motion from the Committee of the Whole meeting of December 19, 2002, with respect to the Attendance Management Program.

After discussion, it was:

Moved by Councillor Bentley
Seconded by Councillor Harry

That a target for productivity increases associated with the Attendance Management Program of \$200,000 in addition to the hard dollar saving of \$16,696. be established for the budget year 2003, and incorporated into the direction approved in Report CAO 2-2003.

Carried.

CONSIDERATION OF 2003 CAPITAL BUDGET

16. Overview

Mr. Bacchus, Commissioner, Corporate Services Department, provided an overview of the 2003 Capital Budget, and responded to questions from Councillors.

After a lengthy discussion, it was:

Moved by Councillor Brickell
Seconded by Councillor Eke

That the Capital Management Strategy as recommended in Report CAO 17-2002 and Report CAO 19-2002, and as recommended by the Budget Review Committee, be adopted; and

That staff find \$10.9 million in debt reductions from the 2003 Capital Budget and report back to Council on same by February 20, 2003.

Carried.

17. Ontario Street, Beamsville

Moved by Councillor Hildreth
Seconded by Councillor Konkle

That the Ontario Street, Beamsville project remain in the 2003 Capital Budget and not be considered for potential deferral/elimination during the preparation of the report referenced in the previous motion.

Moved by Councillor Timms
Seconded by Councillor Andrychuk

That the foregoing motion be deferred for consideration after the report on the reduction in debt charges from the 2003 Capital Budget, is presented to Council on February 20, 2003.

Carried.

COMMITTEE OF THE WHOLE, RISE AND REPORT

18. Moved by Councillor Collins
Seconded by Councillor Harry

That this Council do now rise with report.

Carried.

ADJOURNMENT

The Committee of the Whole adjourned at 9:45 p.m.

Debbie M. Zimmerman
Regional Chair

Pam Gilroy
Deputy Clerk

Thomas R. Hollick
Regional Clerk