

THE CORPORATION OF THE MUNICIPALITY OF LAMBTON SHORES

Regular Council Meeting

Meeting No. 04-2011

Date of Meeting: Friday, January 28, 2011

Members Present: Mayor Bill Weber
Deputy Mayor Elizabeth Davis-Dagg
Councillor Dave Maguire
Councillor Doug Bonesteel
Councillor Lorie Scott
Councillor Ruth Illman
Councillor Martin Underwood
Councillor Doug Cook
Councillor John Russell

Staff Present: C.A.O. John Byrne
Clerk Carol McKenzie
Treasurer Janet Ferguson
Director of Community Services Peggy Van Mierlo West

Media Present: Gord Whitehead – Various Publications

1. CALL TO ORDER

The Mayor called the meeting to order at 9:00 a.m.

2. DECLARATION OF PECUNIARY OR CONFLICT OF INTEREST

Mayor Weber asked the members to declare any pecuniary or conflict of interest that they may have with respect to the business itemized on the agenda and none were declared. Mayor Weber noted that while notice of the meeting had been announced at the last Council meeting, and posted on the web site, it was not able to be published in the local newspapers. Given that this meeting is an “Education” or “briefing” meeting at which no decisions will be made in respect to the budget, he sought Council consent to proceed, which was subsequently given.

3. C.A.O. Report No. 04-2011 Re: 1st Draft of the 2011 Operating and Capital Budget

Chief Administrative Officer John Byrne presented the 1st draft of the 2011 Lambton Shores Operating and Capital budget, and advised that the document was prepared with a target goal of a 2% increase, in keeping with inflation. It was noted that the budget is impacted by influences outside of the control of Lambton Shores, such as

changes in utility costs, property liability insurance (which increased 17%) , and the 9.8% increase in policing costs which has a significant impact on the budget, as the police costs account for 25% of the tax dollars collected in this Municipality.

C.A.O. Report No. 04-2011 included information on the budget development strategy, which includes a “Core Budget”, “Changes to the Core Budget” “Business Unit Budgeting”, “Administrative Apportionments” and “Full Funding of Water and Wastewater”.

It was discussed that the core business of the Municipality is to provide services, and that the key services are allocated into “Business Units” and all costs associated with the provision of the service is accounted for in the “Business Unit” budget. This helps to determine the true cost of service delivery, so that the service can be self funding through fees for service, when possible.

Each business unit includes a short narrative on the scope of service provided, and any changes to the standard services provided are outlined in the section entitled “Changes to the Core”.

A review of past changes to the core budget was provided by Mr. Byrne, and included the recommendations resulting from the Grand Bend Beach audit, Health and Safety issue requirements of the Ministry of Labour, changing standards in firefighting equipment etc.

The 2011 Capital budget includes a summation of the proposed 2011 capital projects and acquisitions, and the 10 year capital and equipment forecast by “primary service”. Each primary service sheet includes the recommended projects and acquisitions, and the reserve fund balances and contributions to reserve funds are shown at the bottom of each section.

Director of Community Services Peggy Van Mierlo-West provided an overview of the various capital budget items, and the rationale for each recommendation. It was noted that the engineering for some of the projects has been undertaken, in preparation of the works; however, projects have not been tendered.

The 10 year projection and reserve status’ allows Council to plan for what is needed in the future, and if the funds will not be available at that time for the acquisition, decisions can be made to defer, determine another way to finance, or allocate more funds to the reserve.

Mr. Byrne notes in the report that the Municipality has established and built up reserves for each of the specific areas, with the objective being to avoid borrowing for the capital items. It was noted that the capital portion of the budget is funded from the reserves only, and that the annual contributions to the reserve funds are included in the Operating budget.

