



COMMITTEE OF THE WHOLE MEETING OF COUNCIL
Thursday, November 19, 2015
Council Chambers
30 Honour House Court, Riverview, NB
9:00 a.m.

Members Present:

Ann Seamans	Mayor
Ian Macdonald	Deputy Mayor (arrived at 9:05 a.m.)
Wayne Bennett	Councillor
Cecile Cassista	Councillor
Lana Hansen	Councillor
Russell Hayward	Councillor
Andrew LeBlanc	Councillor
Tom Toner	Councillor

Staff Present:

Colin Smith	CAO
Annette Crummey	Town Clerk
Robert Higson	Director of Finance
Tina Smith	Director of Human Resources
Gerry Cole	Director of Parks, Recreation & Community Services
Shane Thomson	Director of Economic Development
Michel Ouellet	Director of Engineering & Public Works
Chief Denis Pleau	Riverview Fire & Rescue
Denyse Richard	Deputy Town Clerk

PRESS:

Times-Transcript

1. CALL TO ORDER

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

2. ADOPTION OF THE AGENDA

Moved by: Councillor Cassista

Seconded by: Councillor Hayward

That the agenda be approved.

Motion Carried

3. DECLARATIONS OF CONFLICTS OF INTEREST

Councillor LeBlanc remarked that he will be declaring a conflict of interest pertaining to the Boys & Girls Club as he is employed by this organization.

4. REVIEW OF PROPOSED 2016 BUDGETS

Mr. Smith indicated that the budget process began in October and staff has done a significant amount of work in order to align with the Town's budget objectives and also to meet the expectations and objectives of the Town Council. He touched on a number of high level issues which have had an impact on the proposed budget. These include a reduction in the tax assessment growth which is predicted to be limited to 0.5% to 1% in 2016. This is below the figure included in the preliminary budget of 3.25% which was used and is significantly below last year's growth of rate of 5.16%. This reduction represents a swing of over \$400,000 in the operating revenue.

A further change pertains to the RCMP budget which includes a \$300,000 increase in costs to the Town of Riverview as compared to the original estimate of \$200,000. There is also still the unknown amount of the Unconditional Grant from the Province. The proposed budget reflects a decline of \$169,000 in this figure over the 2015 amount.

Mr. Higson outlined that the proposed budget was prepared in accordance with specific budget parameters including a zero percent increase in the tax rate for 2016 (1.5626 per \$100 of assessment); zero percent increase in the operating budgets (excluding salary, wages & benefits); maintaining debt ratio of 16%; focusing on infrastructure by diverting \$3 million from the operating budget to support capital projects; and provides a capital budget plan overall (with some modifications) in line with the five year capital budget plan approved by Council in May 2015.

The members of Council had been provided with the proposed budgets by the various Departments as well as other notable facts. Some of the new initiatives include the following: Administrative Services - \$25,000 for program review/audit; and \$45,000 for facilities management program; \$13,000 agenda management software; \$40,000 (capital investment) -Records Management; Human Resources- \$11,570 - three month term position; Economic Development - \$10,000 Sustainability Micro-Grants; Public Works & Engineering - \$26,000 (Heating – Biomass) at new Operation Centre; \$20,000 for the purchase of lane marking equipment (capital) which subsequently results in a reduction in operating costs of \$25,000 for this item as some of the lane markings work will be carried out by staff and the remainder will be tendered out; the addition of two new equipment operators (beginning in October 2016); an additional \$117,280 in property taxes largely due to the progress made to date at the Operations Centre; Parks & Recreation – \$25,000 for

staffing for Aquatic Program, plus the addition of \$28,122 in connection with the move of the administrative staff from the Boys & Girls Club to a portion of the Kinsmen Centre. Mr. Higson also provided an explanation on the cause of the 2015 projected deficiency in the protective services budget largely attributed to an inaccurate calculation of retroactive wages for the firefighters.

It should be noted that Councillor LeBlanc left the Council Chambers at 10:10 a.m. and returned at 10:15 a.m. while the discussion revolved around the grant provided to the Boys and Girls Club. It was pointed out that the increased grant amount reflects the true costs of the space occupied by the Boys & Girls Club which has expanded to include space at the Kinsmen Centre. These costs are offset as a revenue for the Parks & Recreation Department. The new arrangement at the Kinsmen Centre will be reviewed after a year to determine if the arrangement is working and then factor in the additional costs such as electricity.

A discussion ensued regarding the Codiac Transit service and the proposed 2016 budget of \$502,000 (as compared to the 2015 amount of \$507,000). A figure of \$80,000 would have to be added should Council wish to proceed with the proposed new routes. On average there are 230 users per day. The current number of hours of service is 139 and the proposed routes would see an increase to 143 hours. It was pointed out that route changes can take place three times a year – December, April and September. A report will be made available by the Governance Committee in January of 2016 which will contain useful information for Council's consideration. It was the consensus of Council to bring this item back for further discussion.

It should be noted that the Codiac Transit service falls within the Administrative Services budget along with Economic Development and Human Resources (as well as any items that do not specifically fit into the Parks & Recreation, Public Works & Engineering or the Fire category).

The Mayor remarked on a change in policy regarding attendance at the annual Federation of Canadian Municipalities conference. The policy reflects that no member of Council will attend the annual FCM Conference the year a municipal election falls in the Province of NB. This results in a cost saving of approximately \$13,000 for 2016 (which is an election year).

Mayor Seamans declared a break at 10:40 a.m. The meeting was reconvened at 10:55 a.m.

Mr. Higson conducted a review of the expenditures with respect to the debt service costs in the amount of \$4,307,086 (which reflects a \$1 million dollar increase over the 2015 figure). These proposed fiscal service costs are comprised of bank charges and bond discount fees of \$200,000; Long Term Debt Interest of \$628,086 and Long Term Debt Principal Payment - \$3,479,000. This includes a balloon debt payment of \$1,765,000. Mr. Higson recommended that the full amount of the balloon payment be paid rather than re-financing. Deferring the balloon payment would only serve to prolong the inevitable and limit the Town's future borrowing options. He pointed out that the Town must adhere to the Provincial guidelines of a maximum 20% debt ratio. The Town's debt ratio (which includes the balloon payment) will be 15.92%. The amount being borrowed in 2016 equals approximately \$16 million dollars.

Mr. Higson summarized the expenditures in the General Operating Fund of which \$3,011,902 would be for Capital paid from Operating (or "pay as you go") and Transfer to Capital Reserves of \$250,000 (earmarked for future Wellness Centre proposed in 7-8 years).

A discussion ensued on the impact of the increased RCMP costs. In 2016 the RCMP will experience a \$2.5 million dollar increase on a \$29,000,000 budget. Riverview's share equals 11.7% of the total budget which, under the cost sharing formula, translates into an 8.8% increase to the Town (over the 2015 figure) amounting to approximately \$300,000. It was noted that the Town is currently entered into a twenty year contract for RCMP services. Mr. Higson cautioned that the proposed new RCMP building to be completed in 2019 could also result in a considerable rent increase in the future which would be an additional expense to the Town of Riverview.

Mr. Higson touched on the revenue & expenses of the Fire & Rescue Department which will see a 4.6% increase over the 2015 figure of approximately \$2,968,000 to \$3.1 million. This takes into account wage increase as per the collective agreement of 3.75%. A discussion ensued on the topics of medical first responder calls, honorariums, and the call back system resulting in overtime hours.

Mayor Seamans declared a break at 12:25 p.m. The meeting reconvened at 1:15 p.m.

Mr. Higson provided a review of the General Operating expenses associated with the Engineering & Works Department totaling \$3,771,461 representing a 0.7% increase over the 2015 budget. Discussion ensued on the proposed purchase of new lane marking machine which will enable the Works staff to paint symbols, arrows, crosswalk bars, and stop bars. Concerns were raised over the reduction in the asphalt patching budget and the impact it will have. It was noted that a one year reduction to this work would not have a significant impact but the intention would be to reinstate the same level of work in future years. Council touched on the heating costs for the new Operations Centre which is only factored in for September of 2016 (as it is anticipated that the building will not be complete before that time). It was pointed out for comparison purposes that the new building is 4.5 times the size of the current building.

Mr. Higson moved on to highlight the Parks & Recreation General Operating expenses totaling \$4,449,229 (offset by revenue of \$1 million dollars) representing a 2.7% increase over the 2015 budget. He pointed out the risk of including \$42,000 in building as this may potentially have to be eliminated. Mr. Higson responded to inquiries concerning the Aquatic Centre in regard to staffing and the \$25,000 figure input to address the staffing inadequacies. In regard to the Byron Dobson Arena it was noted that a drop in revenue plus the fact that the ice rental rates are the lowest in the Province will see a need to increase the cost to users by 5%. (last increase was in 2007). The user groups are being made aware of the proposed change in order to prepare both the groups and parents for the financial impact. Given the holiday season it was noted that considerable resources have gone into putting up holiday decorations. Staff needs to have a better understanding of the expectations from Council as to the dollar value to invest in holiday decorations and their installation. This may be a capital budget item for discussion by Council in the future.

Mr. Higson outlined the Five Year Capital Plan which included a net reduction of \$698,500 (removed \$1,538,000 and increased \$839,500) from the previously approved plan. The Capital Plan for 2016 is as follows: General Government Services - \$110,000; Protective Services - \$82,000; Recreation & Community Relations - \$1,095,000; Transportation Services - \$14,346,000 for a total General Capital Fund equaling \$15,633,000.

Council entered into a discussion regarding computer hardware/software for \$75,000. It was noted that the Town is required to meet the legislative requirements with respect to records management. It was noted that the software will allow the Town to maintain and record information for historic

purposes and will be a tool that staff/council can utilize. It will be a positive enhancement and, more importantly, that the Town begin to modernize its approaches as it cannot rely on the memory/information retained by staff. The agenda software is designed to manage Council's decisions, agenda and minutes which will serve as an additional tool for staff to more efficiently manage these items and also enhance the Town's operational efficiency.

The members of Council entered into a discussion with respect to the Lions Community Park which in total represents a \$2.4 million dollar project. It was noted that the original amount planned for this item in 2016 was \$790,000 of which \$765,000 was deferred to 2017 resulting in the retention of \$25,000 in 2016 and \$995,000 in 2017.

Mr. Smith commented that Council must provide specific direction to staff as to whether the Town of Riverview is still in the outdoor pool business or not. He remarked that Council must also be specific as to the level of dollars they are willing to put into this project in conjunction with funding secured from outside sources. He remarked that there are four phases to the project and Council must identify whether the Town will be proceeding with all the components of the plan or only a portion. It was noted that currently the Town has a conceptual plan and the \$25,000 item in the capital budget would be for specific design work.

Mr. Cole confirmed that there is no doubt that the building and the pool are in need of attention. His priority would be to see the pool operational and up to standards. He confirmed that the \$995,000 figure in 2017 includes a complete new building. Mr. Cole pointed out that the Lions Club had committed \$5,000 per year for five years, and he hopes to see this amount increase over time. It was also pointed out that the Town has applied for funding under the Canada 150 Fund but has not received a response as yet.

Mr. Smith remarked that historically only \$70,000 has been awarded by the government for this type of project. The project would have to be completed by 2017 to meet the funding requirements. Mr. Smith cautioned Council that this item represents the biggest piece of this budget and indicated the Town could not afford this project with a price tag of \$2.4 million all on its own. Especially if our tax base is not growing. Other funding partners on a scaled back project would need to be considered.

The comment was made that the capital plans for the Parks & Recreations include the Lions Community Park (over \$2 million for total project); Mill Creek Nature Park (\$200,000 in 2016 – Total Project \$3,190,000); and Winter Wonderland Park - \$190,000 in 2016 (Total Project - (\$841,000). The suggestion was made that the Town focus on one project in light the tight financial constraints being faced by Council.

The Mayor called for direction from Council on whether to keep the Lions Pool operational. The majority of the members of Council concurred to keep the Lions Pool.

It was noted that the \$25,000 figure is a good starting point for the project.

The Mayor called for a break at 3:20 p.m. and reconvened the meeting at 3:30 p.m.

Mr. Higson highlighted some of the items included in the Five Year Capital Plan for Transportation Services for 2016. The total budget is \$14,346,000 of which \$9,175,000 relates to the new

Operation Centre. Under the roads & streets section the following has been proposed: \$82,000 – Asphalt Seal – Trites Road, Phase 2; \$800,000 – Street Pavement Management re Buckingham Avenue; \$8,000 – Asphalt Seal Cherry Court (McDowell); \$450,000 – Local Improvement – Woolridge; \$490,000 – Local Improvement - Beverly Crescent; \$970,000 -Local Improvement – Hawthorne; \$60,000 Predesign work (Hawthorne, Ashburn, Wentworth, Prescott, Olive & Fatima); \$1 million dollars – Pine Glen Road – Phase 4; (Bridge across Mill Creek); \$50,000 – Gunningsville/Coverdale Intersection improvements; \$200,000 Sidewalks; \$130,000 – Traffic Calming Cleveland Avenue area; \$35,000 Crosswalk Lights; \$50,000 – Traffic Signals; \$176,000 – Land Acquisition - West Riverview Blvd.

The members of Council entered into a discussion with respect to the tree planting program, the placement of sidewalks, replacement of the traffic signal at Blythwood Avenue.

Mayor Seamans noted that the budget deliberations will continue with another session scheduled for Saturday, November 21st at 9 a.m.

5. **ADJOURNMENT**

Moved by: Councillor Cassista

Seconded by: Councillor Toner

That the meeting be adjourned at 3:50 p.m.