

Minutes of the Amherstburg Municipal Council's budget meeting held February 5, 2007
at 7:00 p.m.

PRESENT

Mayor Wayne Hurst
Deputy Mayor Robert Bailey
Councillor Rick Fryer
Councillor Robert Pilon
Councillor Paul Renaud
Councillor John Sutton
Councillor Rosa White

ALSO PRESENT

Frank Pizzuto, Chief Administrative Officer
David Mailloux, Clerk
Paul Beneteau, Treasurer
Pam Malott, Dep. Treasurer/Tax Collector
Carol Bendo, H.R. Specialist/Dep. Clerk
Lou Zarlenga, Public Works Manager
George Balango, Manager of Development Services
Stephen Brown, Chief Building Official
Lory Bratt, Planning Coordinator
Rick Murray, Fire Chief
Dave Carpenter, Information Technologies
Ron Dzombak, Manager of Recreational Services
Press: Windsor Star, Amherstburg Echo, River Town
Times
Approximately 12 residents were in attendance

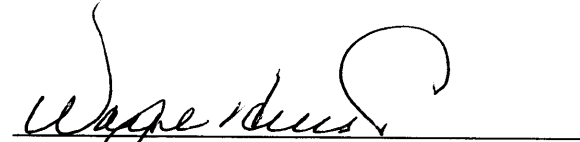
Mayor Hurst opened the meeting and welcomed all present. He stated that this meeting is being held to present the operational and capital budgets for 2007. There will be an opportunity for questions and comments.


Mayor Hurst then turned the meeting over to Treasurer Paul Beneteau to make the presentation (see attached).

Following the presentation Mayor Hurst opened the meeting to questions from the residents.

1. Marc Beneteau – 314 Lakewood Drive – requested that Point Boulevard be coated with tar and chips.
2. Gord Freeman posed the following questions and comments:
 - Clarification on the Heritage & Urban Design Study;
 - He also suggested that POA Revenues be credited to Police Department. Treasurer is preparing a report for Council;
 - Questioned if Council debated Grant Requests. Is the money being given seed money or grant money? The response was that grants were not seed money.
 - Grants in kind – has Public Works and Police Time been valued for Special Events and Festivals.
 - Thanked Council for approving lights on County Road 20.
 - Fire Department Area Rating – response was that the Master Fire Plan being done is addressing that issue.
 - Garbage rates should be charged on a per H/H basis. Council will be considering a report on Feb. 26, 2007.
3. Serina Kohl on behalf of Ann Kohl requested that repairs be completed on the Third Concession Road.
4. Joe Varicelli requested that Council consider plowing the road between North and South sections of Kingsbridge. Response was that it was not actually a road yet – hopefully the developer will be in a position in the near future to complete the road and turn it over to the Town.
5. Ed Allen requested that the 9th Concession be coated with tar and chips.

Being no further questions Mayor Hurst thanked everyone for attending. Council will consider the adoption of the capital and operational budgets at the February 12, 2007 Council meeting.


MAYOR


CLERK

CORPORATION OF THE TOWN OF AMHERSTBURG



2007 budget
February 5, 2007

Town of Amherstburg

2007 BUDGET TIMELINES

1. Preparation of preliminary departmental budgets by Departments – October 2006 COMPLETE
2. Submission of preliminary departmental budgets to Treasurer – November 7, 2006 COMPLETE
3. Review of preliminary departmental budgets by Administrator – week of November 27, 2006 COMPLETE
4. Review of preliminary departmental budgets by Budget Review Committee (CAO, Treasurer, Department Heads) - January 8 and 9 and January 16, 2007 COMPLETE
5. Review of consolidated budget by Council – January 25 & 26, 2007
- 6. Public Information Session – February 5, 2007**
7. Final Budget approval – February 12, 2007

Town of Amherstburg

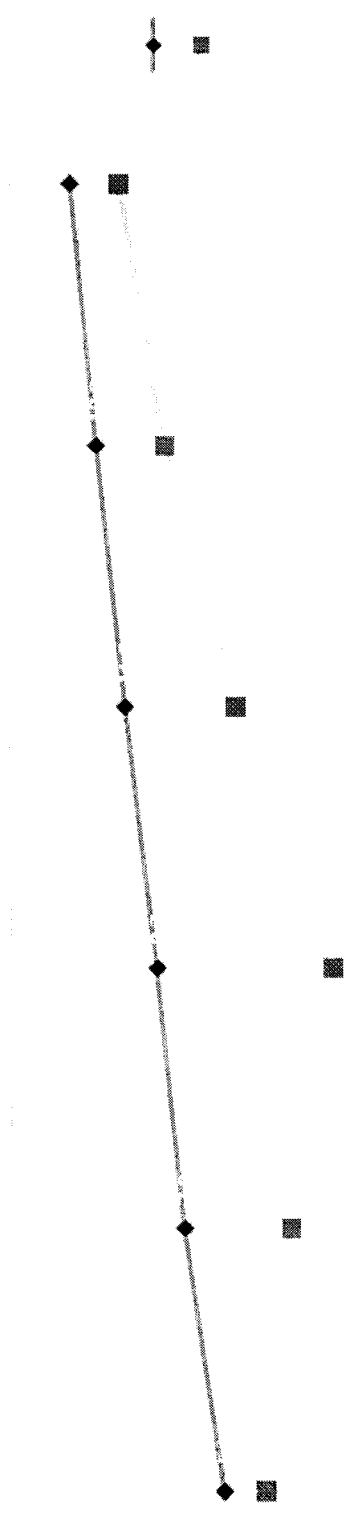
ASSESSMENT

- There was no reassessment for the 2007 taxation year.
- The last reassessment occurred in 2005 for 2006.
- Total assessment has increased by a modest .94% per the returned roll.

Town of Amherstburg

INFLATION

- The Consumer Price Index has risen 1.8% year over year, from December '05 to December '06
- Most of the factors influencing the CPI such as food, shelter, household operations and the like, do not influence the cost of doing business for municipalities



Town of Amherstburg

OTHER FINANCIAL CHALLENGES

- Labour contracts have expired at the end of 2006
- Extending the useful life of aged infrastructure
- Renew capital assets where needed
- Increased pressure on long term financing to fund expenses of a capital nature (Approx. \$5.65 Million in 2007 alone)

Town of Amherstburg

Other Factors

- Bill 124 was introduced allowing for municipalities to recover all building department related charges through permit fees and charges (Full implementation in 2007)
- Bill 175 was introduced allowing for cost recovery of all Water & Waste Water expenses to be recovered through like charges (completed implementation in 2007)
 - Life cycle costing of infrastructure previously introduced in water rate & sanitary sewer rate
- The Equipment Reserve established in 2007 will assist in future purchases of equipment with less reliance on long term financing
 - Additional \$110,773 + 1% of future value of fleet estimated at \$6.4 million included in 2007 budget

TOWN OF AMHERSTBURG

2007 Draft Budget

- **INFRASTRUCTURE**
 - Recent studies prepared for the Town identify that there is over \$600,000,000 invested in it's infrastructure
 - Little had been spent in previous years to address infrastructure
 - Last year alone, the Town invested over \$9.5 million in roads and bridges, Sanitary Sewers and Water projects, including reconstruction of 4 bridges and various road improvement projects, as well as the first phase of Sewer Separation (partially funded through COMRIF grants,) and several watermain replacements as part of the life cycle renewal program identified in the Water rate study

TOWN OF AMHERSTBURG

2007 Draft Budget

- **DEBENTURE DEBT**
 - The Town currently has \$14,880,817 in debt
 - \$227,798 Shoreline and Tile Loans, & Drains, & other locals
 - \$2,694,952 in Water lines and Water Plant debt
 - \$3,802,508 in Sanitary Sewer area rated debt
 - \$8,155,559 in General Rated Debt
 - The above noted debts are currently being retired at a rate of \$2,755,938 per year, including interest
- **ANNUAL REPAYMENT LIMIT**
 - The Town has approximately \$2,302,836 as additional repayment room as reported by the Province of Ontario on January 16, 2007
 - This would support an additional \$16,174,155 of 10 year debt at a rate of 7% per annum

TOWN OF AMHERSTBURG

TOWN OF AMHERSTBURG CAPITAL ANALYSIS 2006-2011

¹ Per 2007 budget submission

	2006	2007	2008	2009	2010	2011
New Capital						
General	5,048,738	2,526,810	10,312,446	3,489,140	4,682,200	1,885,000
Water Dept.	2,309,469	2,982,900	2,929,000	1,208,000	354,000	173,000
Sanitary Sewer	2,489,774	7,367,273	12,390,597	10,891,547	2,021,679	1,063,000
Total New Capital	9,847,981	12,876,983	25,632,043	15,588,687	7,057,879	3,121,000

	2006	2007	2008	2009	2010	2011
Funding Sources						
Current Revenue						
- General Tax Rate	1,202,559	782,790	800,000	900,000	1,000,000	621,000
- Water Rate	1,032,350	1,032,350	1,100,000	1,200,000	1,300,000	1,400,000
- Sanitary Sewer Rate						
Gas Tax Revenue		366,920	528,702	1,057,405	1,100,000	1,100,000
Grants	631,223	3,357,785	6,939,431	2,193,068		
Reserves	56,000	948,550	550,000			
Development Charges per San. Sewer Study		505,637	599,122	651,105	354,305	
Development Charges	38,286	1,165,000	290,000	585,000	2,290,000	
Other	215,860	61,000				
Total Funding Sources	3,176,278	8,210,032	10,807,255	6,586,578	6,044,305	3,121,000
Debt Requirements	6,671,703	4,666,951	14,824,788	9,002,109	1,013,574	-
Total as of Jan. 1	8,209,114	14,880,817	16,791,831	28,265,637	32,515,030	27,814,936
Debt repayments	(2,207,142)	(2,755,937)	(3,350,982)	(4,752,716)	(5,713,668)	(5,546,583)
Total debt as at Dec. 31	14,880,817	16,791,831	28,265,637	32,515,030	27,814,936	22,268,353
Debt repayments as a % of total expenditures	9.46%	11.81%	13.94%	19.20%	22.41%	21.12%

* This has been adjusted for DCs only

Footnotes:

¹ The forecast capital for 2007 to 2011 is as proposed in the 2007 proposed capital budget

² The Development Charges per the Sanitary Sewer Study line indicates only Development Charges that can be reasonably be collected based on forecasted collections from building department activity

TOWN OF AMHERSTBURG

2007 TAX RATE CALCULATION			
	2006 BUDGET	2006 PROJECTED ACTUALS	2007 BUDGET
PREVIOUS YEAR (SURPLUS)/DEFICIT	295,981.24	220,576.00	- 250,675.74
TOTAL CURRENT BUDGETED EXPENDITURES	13,966,422.00	13,872,378.00	14,621,074.25
TOTAL CAPITAL EXPENDITURES	5,154,841.00	5,048,738.00	2,781,310.00
TOTAL DEBT PRINCIPAL & INTEREST PAYMENTS	1,487,755.00	1,545,919.00	1,801,155.00
TOTAL GENERAL RATED EXPENDITURES	20,904,999.24	20,687,611.00	18,952,863.51
TOTAL CONTRIBUTIONS FROM RESERVES	- 15,000.00	- 15,000.00	- 6,000.00
TOTAL TO BE LONG TERM FINANCED	- 4,235,052.00	- 3,729,393.00	- 1,542,320.00
TOTAL REVENUE FROM OTHER SOURCES	- 137,054.00	- 254,146.00	- 216,000.00
SUPPLEMENTARIES	- 250,000.00	- 183,596.00	- 250,000.00
TOTAL NON-TAX REVENUES	- 4,186,636.00	- 4,674,896.50	- 4,484,271.00
LOCAL IMPROVEMENTS	- 455,626.00	- 455,624.00	- 334,867.00
SUBTOTAL OF REVENUES FROM OTHER SOURCES	- 9,279,368.00	- 9,312,655.50	- 6,833,458.00
TOTAL TO BE RAISED THROUGH TAXATION	11,625,631.24	11,374,955.50	12,119,405.51

TOWN OF AMHERSTBURG

TAX RATE CALCULATION

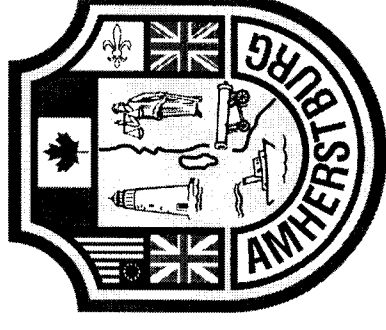
	2006	2007
TOTAL TO BE RAISED THROUGH TAXATION		
(Per Budget)		
<u>12,121,705.51</u>	.00649360	0.00670400
Taxable Assessment		
1,807,786,888		3.24%

Town of Amherstburg

HIGHLIGHTS

1. NEW 75FT. AERIAL LADDER FIRE TRUCK 2007-2008 ACQUISITION
2. URBAN DESIGN AND HERITAGE STUDIES
3. DEVELOPMENT CHARGES STUDY
4. TRANSIT SERVICE TO CITY OF WINDSOR (EXPECTED START DATE SEPTEMBER '07)
5. HIRE OF A SPECIAL EVENTS AND FESTIVAL COORDINATOR
6. HIRE OF A NEW POLICE OFFICER THROUGH THE 1000 OFFICER PROGRAM
7. COMPLETION OF SOUTH RIVERVIEW RESURFACING
8. REOPENING OF THOMAS ROAD
9. RECONSTRUCTION OF KEMPT STREET IN CONJUNCTION WITH SEWER SEPARATION PROGRAM
10. DALHOUSIE STREET RECONSTRUCTION & STORM SEWER CONSTRUCTION
11. RESURFACING OF COLLISON SIDEROAD
12. MAJOR REPAIR TO BRIDGE OVER THE RIVER CANARD ON 2ND CONCESSION NORTH
13. STREET LIGHT INSTALLATION ON COUNTY ROAD 20 FROM TEXAS ROAD TO COUNTY ROAD 10
14. FULL IMPLEMENTATION OF THE HARMONIZED SANITARY SEWAGE RATE
15. IMPLEMENTATION OF PHASE II OF THE SEWER SEPARATION PROGRAM WITH THE ASSISTANCE OF THE FEDERAL AND PROVINCIAL GOVERNMENTS THROUGH THE COMRIF GRANT PROGRAM
16. ENVIRONMENTAL ASSESSMENT AND FINAL DESIGN OF SEWAGE TREATMENT PLAN (ALSO COMRIF FUNDED)
17. WATERMAIN REPLACEMENT PER WATER RATE STUDY AND LIFECYCLE RENEWAL PROGRAM
18. WATER TOWER REPLACEMENT COMMENCING IN 2007-2008
19. OTHER WATER PLANT & WATER SYSTEM IMPROVEMENTS

Town of Amherstburg



2007 Operating BUDGET

COUNCIL

2006 Operating Budget	\$205,592
2006 Actual Operating	\$191,620
2007 Operating Budget	\$196,114
Increase / (Decrease)	(\$9,478)
% Increase/(Decrease)	(4.61%)

ADMINISTRATION

2006 Operating Budget	\$1,841,621
2006 Actual Operating	\$1,877,850
2007 Operating Budget	\$1,964,464
Increase / (Decrease)	\$122,843
% Increase/(Decrease)	6.67%

Increase due to:

- 1. Professional Fees for Environmental Reviews (increase of \$150,000)**

Retiree benefits

2006 Operating Budget	\$170,764
2006 Actual Operating	\$167,683
2007 Operating Budget	\$174,491
Increase / (Decrease)	\$3,727
% Increase / (Decrease)	2.18%

INFORMATION TECHNOLOGY

2006 Operating Budget	\$140,685
2006 Actual Operating	\$124,340
2007 Operating Budget	\$144,310
Increase / (Decrease)	\$3,625
% Increase/(Decrease)	2.58%

GEOGRAPHIC INFORMATION SYSTEM (G.I.S.)

2006 Operating Budget	\$90,434
2006 Actual Operating	\$92,151
2007 Operating Budget	\$93,024
Increase / (Decrease)	\$2,590
% Increase/(Decrease)	2.86%

FIRE DEPARTMENT

2006 Operating Budget	\$1,033,450
2006 Actual Operating	\$1,014,788
2007 Operating Budget	\$1,112,833
Increase / (Decrease)	\$79,403
% Increase / (Decrease)	7.68%

Increase due to:

- 1. Fleet Reserve allocation of \$99,396 based on Future Value**

PROTECTIVE SERVICES

2006 Operating Budget	\$207,540
2006 Actual Operating	\$209,258
2007 Operating Budget	\$212,766
Increase / (Decrease)	\$5,226
% Increase/(Decrease)	2.52%

Change due to:

1. Slight increase in ERCA levy and Animal control contract

DEVELOPMENT SERVICES

2006 Operating Budget	\$644,872
2006 Actual Operating	\$694,283
2007 Operating Budget	\$701,141
Increase / (Decrease)	\$56,269
% Increase / (Decrease)	8.73%

Increase due to:

- 1. Urban Design and Heritage studies \$35,000**
- 2. Development Charges study update \$8,000**

CULTURAL SERVICES

2006 Operating Budget	\$147,538
2006 Actual Operating	\$151,229
2007 Operating Budget	\$119,118
Increase / (Decrease)	(\$28,420)
% Increase / (Decrease)	(19.26%)

Decrease due to:

1. **Heritage Expenses allocated to Development Services \$23,000**
2. **Reduction in Grants \$30,000**

TOURISM & ECONOMIC DEVELOPMENT

2006 Operating Budget	\$117,766
2006 Actual Operating	\$97,451
2007 Operating Budget	\$100,519
Increase / (Decrease)	(17,247)
% Increase / (Decrease)	(14.65%)

PUBLIC WORKS

(and transportation services)

2006 Operating Budget	\$3,038,955
2006 Actual Operating	\$2,961,755
2007 Operating Budget	\$3,110,683
Increase / (Decrease)	\$71,728
% Increase/(Decrease)	2.36%

Increase due to:

1. Transfer to fleet reserve \$62,598
2. Transit Windsor transportation service \$30,000

ENVIRONMENTAL SERVICES

2006 Operating Budget	\$1,126,936
2006 Actual Operating	\$1,081,269
2007 Operating Budget	\$1,134,381
Increase / (Decrease)	\$7,455
% Increase / (Decrease)	.66%

PARKS & RECREATION

2006 Operating Budget	\$496,217
2006 Actual Operating	\$521,236
2007 Operating Budget	\$548,717
Increase / (Decrease)	\$52,500
% Increase / (Decrease)	10.58%

Increase due to:

- 1. Parks Maintenance & improvements \$40,000**
- 2. Park Scheduling software \$15,000**

Amherstburg ARENA

2006 Operating Budget	\$589,532
2006 Actual Operating	\$656,840
2007 Operating Budget	\$658,763
Increase / (Decrease)	\$69,231
% Increase/(Decrease)	11.74%

Increase due to:

- 1. Recreation Software \$15,000**
- 2. Facility Audit \$25,000**
- 3. Reserve for Zamboni Replacement \$7,000**
- 4. Increase in utilities \$5,000**
- 5. Ammonia Sniffer \$5,000**

POLICE SERVICE

- The Police Services Board approves the Police Service Board Budget
- Police Services Budget is proposing a net increase of 3.44%.

2006 Net Operating Budget

2006 Actual Operating

2007 Operating Budget

Increase /(Decrease)

\$4,319,807

\$4,152,347

\$4,468,217

\$ 148,410

3.44%

% Increase/(Decrease)

Town of Amherstburg

The following do not effect the tax rate

These departments are recovered by user rates by those individuals who benefit from the service provided.

- The Sanitary Sewer expenses are recovered through the Sewer Rates
- The Water Department expenses are recovered by Water Rates
- Ranta Marina has historically not been part of the General Tax Rate calculation and has it's own Surplus/(Deficit)

SANITARY SEWERS

2006 Operating Budget	\$2,118,273
2006 Actual Operating	\$2,210,704
2007 Operating Budget	\$2,238,015
Increase /(Decrease)	\$ 119,742
% Increase/(Decrease)	5.65%

Increase due in part to:

- Revised cost sharing of collection charges with Water Dept. \$51,685
- Increase cost in line repairs \$29,000
- Increase in staffing with office clerk and technician shared with Water Dept. \$65,000 per dept.

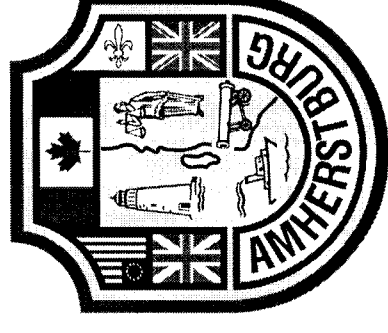
RANTA MARINA

2006 Operating Budget	\$107,202
2006 Actual Operating	\$109,076
2007 Operating Budget	\$113,790
Increase / (Decrease)	\$6,588
% Increase/(Decrease)	6.15%

Increase due to:

Increase of \$1,800 for advertising
Incremental wage & benefit adjustment \$2,700

Town of Amherstburg



2007 capital BUDGET

Town of Amherstburg

CAPITAL EXPENDITURES (General Tax Rate)

	2006 PROPOSED BUDGET	2006 ACTUALS	2007 PROPOSED BUDGET
COUNCIL	17,800.00	19,523.00	5,000.00
ADMIN.	19,341.00	1,065.00	0.00
I.T.	23,500.00	16,101.00	20,000.00
FIRE	0.00	0.00	100,000.00
POLICE	136,500.00	135,068.00	165,000.00
PUBLIC WORKS	4,560,100.00	4,745,488.00	2,186,810.00
PARKS & REC.	324,600.00	118,302.00	233,000.00
ARENA	73,000.00	1,949.00	68,500.00
CULTURAL	0.00	0.00	3,000.00
GORDON HOUSE	0.00	11,242.00	0.00
	5,154,841.00	5,048,738.00	2,781,310.00

TOWN OF AMHERSTBURG

2007 Draft Budget

CAPITAL BUDGET

SOURCES OF FINANCING

TOTAL GENERAL TAX RATED CAPITAL (from previous slide) \$2,781,310

REVENUE SOURCES

Cost sharing / Subsidy	\$41,000
Development Charges	\$175,000
Reserves	\$6,000
Debentures	\$1,542,320
Current Tax Rate Revenue	<u>\$1,022,990</u>

Total Revenue Sources \$2,781,310

**TOWN OF AMHERSTBURG
2007 Draft Budget**

CAPITAL BUDGET

WATER DEPARTMENT **\$2,886,450**

FUNDING SOURCES

Development Charges **-\$403,000**

Reserves **-\$881,550**

Debentures **-\$,605,000**

Current Revenue **-\$996,900**

Total Revenue Sources **\$2,886,450**

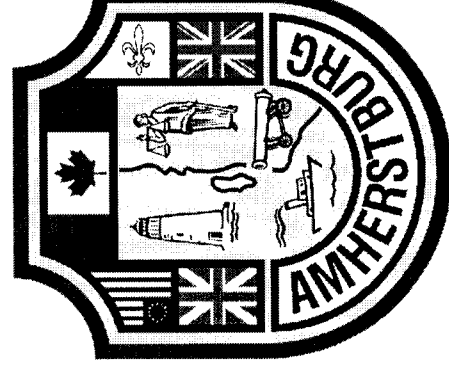
TOWN OF AMHERSTBURG

2007 Draft Budget

CAPITAL BUDGET

SANITARY SEWERS	<u>\$7,552,273</u>
FUNDING SOURCES	
Cost Sharing	\$187,000
Grants	-\$3,457,785
Development Charges	-\$400,000
Debentures	<u>-\$3,507,488</u>
Total Revenue Sources	<u>\$7,552,273</u>

Town of Amherstburg



The End