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that cultivates opportunities and
embraces our rural lifestyle.

We deliver services that responsibly utilize
resources, respect our environment, and
foster a community ready to shape its future.

Council Budget Meeting Minutes

Date: February 21, 2025

Time: 9:00 am

Location: Council Chambers

Members Present Don Murray, Mayor
Jim Hanna, Deputy Mayor
Shari Flett, Councillor
Ed McGugan, Councillor
Carl Sloetjes, Councillor

Members Absent Larry Allison, Councillor
Scott Gibson, Councillor

Staff Present Jennifer White, Clerk
Jodi MacArthur, Chief Administrative Officer
Jeff Bradley, Fire Chief
Mike Fair, Director of Community Services
Christine Heinisch, Manager of Financial Services/Treasurer
John Yungblut, Director of Public Works
Brett Pollock, Manager of Building and Planning, CBO

1. Call to Order

Mayor Murray called the meeting to order at 9:03 a.m. Councillor Sloetjes and Deputy Mayor Hanna attended the meeting virtually and all other members of Council and Staff were present in the Council Chambers.

The Mayor thanked the public works staff and first responders for the care they have taken during the significant weather event which has occurred over the last few weeks.

2. Disclosure of Pecuniary Interest

None disclosed.

3. Financial Reports

3.1 2025 Budget Community Engagement, TRE-2025-08

Council noted that responses came from all areas of the Township, and not exclusively from one area. Staff reported that the survey results and number of respondents were similar year over year. Staff are considering changes to the 2026 budget survey to encourage higher participation from residents.

Resolution No.: 02/21/2025 - 01

Moved by: Shari Flett

Seconded by: Ed McGugan

THAT the Township of Huron-Kinloss Council hereby receives for information Report TRE-2025-08 prepared by Christine Heinisch, Treasurer.

Carried

3.2 2025 Budget Excluded Expenses, TRE-2025-09

Resolution No.: 02/21/2025 - 02

Moved by: Ed McGugan

Seconded by: Carl Sloetjes

THAT the Township of Huron-Kinloss Council hereby receives for information Report TRE-2025-09 prepared by Christine Heinisch, Treasurer

AND FURTHER approves the exclusion of certain expenses from the 2025 budget as per Ontario Regulation 284/09.

Carried

4. 2025 Draft Budget Presentation

The Treasurer provided an overview of the 2025 budget proposed. The budget was prepared based on direction provided by Council, which mainly preserves municipal services at current levels. Changes to service levels have been outlined in the highlights and budgets included with each department in the budget book.

The operating budget consists of the day to day expenses needed to deliver services to residents. These are recurring expenses and include such items as staff wages, office supplies and utilities.

The Capital budget will include a purchase, build, major repair or replacement of an asset or infrastructure.

The budget as presented includes a 4.75% tax rate increase. A 1% increase to the tax rate would generate approximately \$109,000.

Staff recognized inflation has been a challenge in delivery of municipal services, and also for the Township's residents. The proposed Budget was developed with spending intended to keep infrastructure in good repair while delivering services as affordably as possible.

Council discussed the current organizational structure slide, with Staff providing an update on the staffing strategy review currently underway. Staff anticipate the review process to be completed by March. Although this is not a formal organizational review, Staff are reviewing the current staffing levels, workloads, and where process changes could assist service delivery or future staffing needs may occur.

Staff confirmed that the Municipal Property Assessment Corporation (MPAC) assessments are still at 2016 values, as they remain frozen at these values by the Province of Ontario.

Council requested Staff speculate on how assessment changes would impact residents when this freeze was lifted. While details have not yet been provided on any property assessment changes, Staff noted assessments are weighted according to the average. When province-wide assessment updates occur, individual property taxes are impacted based on how the property's assessed value has changed relative to the average change for the property type in the municipality. If the assessment increased more than the average assessment, property taxes could see an increase, but if the assessment did not increase as much as the average taxes could be less.

MPAC provides resources on the relationship between property assessments and property taxes.

<https://www.mpac.ca/en/UnderstandingYourAssessment/PropertyAssessmentandPropertyTaxes>.

Classification changes for properties due to physical changes on properties through 2024 resulted in an increase of 1.44% to the tax base.

Resolution No.: 02/21/2025 - 03

Moved by: Shari Flett
Seconded by: Ed McGugan

THAT Council recommend that the budget come forward as presented with a 4.75% tax rate increase, for approval at the March Council meeting.

Carried

4.1 Tax Rate and Budget Overview

Staff are requesting direction from Council on the tax rate for the proposed budget.

Council discussed previous tax levies and what impacts this would have. Staff reported that a 1% increase to the tax rate would generate approximately \$109,000.

Council discussed concerns with the amount of reserves being used to achieve this tax rate, seeking to ensure that reserves include enough funds for upcoming capital projects. Council requested information on the mechanism for how reserve funds received contributions or accumulated funds.

Staff reported that \$2,382,609.89 is the amount in this years proposed budget being transferred from reserves for capital projects, and provided information on how funds are accumulated in the reserves.

Current reserves are available as a result of due diligence from past Council's with past budgets. Staff are conservative with the amount being placed into reserves, and the actual amount transferred may exceed the budgeted expectations.

Reserves are used to plan for upcoming capital projects. Reserve funds may be increased through annual contributions, as for election cost or capital project planning, through grant contributions such as for bridge replacements, or through water and waste water contributions, which are user funded. If projects are under budget, the allocated reserve funds are not transferred out and remain in place for future projects.

4.2 Council Overview

Council spoke to the value of coffee break with the Mayor in terms of communication and engagement.

Council had an inquiry regarding physician recruitment committees and how representation occurs. Staff responded that it varied by Committee.

The decision to support the hospital redevelopment project, a commitment of \$100,000 per year during this term, is discussed annually, despite a multi-year request having been made so as not to bind future councils.

The Mayor provided an update from Bruce County Council, that the County has decided not to continue supporting health care funding of hospitals, as it is a provincial responsibility.

4.3 Corporate Services Overview

The General Administration category reflects 2024 numbers. At the direction of Council, this category has now been broken into CAO, Financial Services and Legislative Services. Facility costs previously included with the General Administration accounts have been moved to the facilities budget lines.

a. Chief Administrative Officer

Council questioned the software and IT costs reflecting a \$0 cost. Staff reported that as there are no dedicated IT staff, the software and Information Technology costs are built into operating costs through existing staff time and costs of services and software programs that are already provided.

b. Financial Services

c. Legislative Services

Staff noted that although \$0 costs were reflected in the highlights, these projects are being provided using existing staff time and resources beyond their regular duties. Council queried the accessibility training, and whether it would be available to local businesses. The budget reflects internal staff training, intended to ensure that municipal documents meet legislated responsibilities to provide document formats which are accessible to all residents. Staff to investigate accessibility training which could be made available to interested business owners, and community groups.

d. Economic Development, Tourism and Point Clark Lighthouse

Council expressed support for Staff continuing the Arts and Crafts Festival, while acknowledging the support for arts, culture and heritage opportunities ranking low in the budget survey. Staff

provided information on eligibility for the Downtown Improvement Program and confirmed the Secrets of the Back 40 program was being supported in the proposed budget.

e. Municipal Drains

Staff provided information on the County of Bruce's Beaver Bounty program, and noted that the Drainage Superintendent could contract beaver removal from municipal drains as a maintenance activity under the Drainage Act.

f. Policing Budget

Staff estimated that based on the original estimate provided for 2025 policing costs, if the Province of Ontario hadn't provided a reduction to the rate, the impact to the Township's budget would have been roughly a 2% increase.

4.4 Building and Planning Overview

a. Building

The Chief Building Official reported that establishing relationships with the various conservation authorities has been identified as a key priority for 2025. Staff are committed to improve communications between all parties regarding requirements for permits to be issued.

b. Planning

Staff reported that the Official Plan and Zoning By-law update are expected to begin in the fall and continue into 2026.

c. By-law Enforcement

d. Conservation Authorities

Council discussed support for tree planting activities within the Township.

The Mayor called a ten minute recess at this time. Council resumed at 10:20.

4.5 Fire and Emergency Services Overview

a. Lucknow and Ripley Fire Stations

The Fire Chief presented the highlights of the Budget which include some health and safety equipment to permit decontamination of equipment and operational asset management such as SCBA and turnout gear. The Ripley station does not have room to build a separate Decontamination room, whereas the Lucknow station does, resulting in different pricing for each project.

The Fire Chief is projecting a requirement of eight (8) new firefighters to replace current and expected vacancies, who will each need new fire gear.

The decontamination project is expected to be equipment ready by April but the decontamination room at the Lucknow station is not expected to be completed until September. Council inquired whether a trailer outside the Ripley station might be helpful in the summer months as a decontamination site. Staff do not foresee this being a benefit, based on the process to decontaminate gear.

b. Emergency Management

4.6 Public Works Overview

a. Transportation

Staff provided verbal information on that anticipated paving projects within Point Clark area, are not expected to improve the roadways, just to maintain them. These roads were originally built in Point Clark with fill under the roads (including a large amount of tree stumps) to buildup the roadway, which is not expected to be removed as this would add significant cost and complexity to the projects.

Staff reported that a Traffic Study will be done by a qualified consultant to evaluate traffic on selected roads which will provide data for decision making on speed limits and signage.

Staff addressed the Lakeshore Active Transportation Network. Investigations will take place in 2025 to create a plan, expected to include connecting roads such as Boiler Beach and Lake Range to potentially develop an active transportation corridor from South end to North End of the Township. Engagement would occur as this project progresses, but the project is in the investigation stage now. The Investigations will assist in determining when this type of

project could progress and to prepare for when funds are available through grants or other initiatives.

Council inquired about the potential to widen Lake Range Drive for a cycling path. Staff have received a recommendation by the Township's insurance provider that roadways with speed limits of 80km or more should not be a part active transportation path on the roadway. Widening the road at current speed limits on the road is not deemed advisable. Staff confirmed that you can widen roads at a later date which have received micro-surfacing treatment.

The work being done on Boiler Beach Road is maintenance in advance of future projects to resolve existing drainage issues. This area is impacted by Conservation Authority permitting.

Staff expect that the work being done on St. Arnaud could potentially tender next year. This year's budget includes design work for the project to prepare it for tendering.

Staff noted that Sidewalks on Hayes Street had been removed from the 2025 plan.

Staff confirmed that efforts are being made to integrate sub pump connections to storm sewers rather than sanitary sewers with reconstruction projects.

Staff confirmed that no capital work is being suggested for 2025, for Sunset Drive to prioritize other works. Staff noted there are existing erosion issues in this area, and there will be more maintenance required, but these costs would be lower than those required to reconstruct the area to urban standards. There has been no landowner support of cost sharing to proceed, and Staff have not deemed the drainage issues to be of such urgency that any work should be funded by taxpayers

b. Equipment

Council discussed the line item for Used Compact Wheel Loader. Staff are investigating needs, and are considering purchasing a used model to see if it meets needs, rather than purchasing new and not having it work as expected.

Council discussed leasing as an option to test a vehicle, as opposed to buying used. Compact wheel loader- suggest trying a telehandler to provide more options for use.

Council inquired about the grader refurbishment, and staff noted that it is the parts which wear that are being replaced, and has been a reliable piece of equipment.

Council inquired about how items are budgeted for if delivery is not expected in the same year. Staff explained that they are budgeted in the year they are ordered, and the funds can be put in reserve if delivery is taken in a future budget cycle. The expense will only be paid when it is incurred, but the asset purchasing process can begin now.

c. Streetlighting

d. Waste Management

Staff reported that progress is being made on the Daily Cover issues at the landfill as alternate solutions are being sourced. Staff are attempting to cover these costs internally, rather than requiring them to be contracted out.

Staff's update on the Blue Box program transition indicated that information has not yet been received regarding the collection of non-eligible sources.

e. Water and Wastewater

Council inquired about whether Kin-Bruce Park could be a suitable location for a North Shore Lakeshore Elevated Tank EA and whether an Elevated Tank could be combined with a sports facility at that location.

Staff noted that the Kin-Bruce park location would need a large extension of the trunk main to build in this area, creating additional costs for the project. These costs might be offset if property needs to be acquired in a different area.

Sites are still being investigated and are not being limited to existing Township properties.

Maximum use of the storage would be north of the tenth, but properties to the south could be considered.

Ripley Lift Station Dumping Station - still working with MOE to obtain a permanent approval to allow for the Ripley Lagoon to accept imported septage from portable toilets, septic tanks and holding tanks. Staff are not recommending substantial investment

at this stage, until a permanent approval is obtained. Staff is considering this service as a potential revenue source to the Township. Staff recommend a modular approach would could be added to over time.

The Mayor recessed the meeting until 12:30 p.m.

4.7 Community Services Overview

a. Facilities

Council resumed the meeting at 12:30 p.m.

Council confirmed the \$80,000 for the Ripley Huron Community Centre Kitchen renovation was allocated into a reserve in the 2024 budget, and is being completed this year using those reserve funds.

Staff confirmed that the conversion to natural gas for the Fire Hall in Lucknow is a shared cost per the agreement with the Township of Ashfield-Colborne-Wawanosh.

Staff verbally updated that the Lucknow Town Hall Basement Flooring, ceiling and lighting capital project has been deferred until 2026, and was not included in the budget calculations presented.

Council inquired about whether a future expansion was anticipated for the Point Clark Community Centre (PCCC). Staff have not seen a demonstrated need for expansion based on current use as the facility is currently serving the needs of the community events for this area.

Council inquired about a possible expansion of the PCCC to accommodate Day Care spaces. Staff noted that the building was moved to this location in 1988, and improvements should be considered prior to expanding. Staff have not been approached by residents or businesses to accommodate day care, but a business case could be considered if presented.

Council inquired about whether more Township programs could be organized in Point Clark. Staff indicated that the Point Clark Beach Association runs many events to fill this gap.

Point Clark Pickleball Courts have been included as a collaborative effort with the community to fundraise by grants or donations the costs to construct. Council discussed the potential for excessive noise at the proposed site. Staff have relocated the site within the

Point Clark Community Centre lands from the proposed location of the courts to minimize noise. Staff to include Point Clark Community Centre on the Roads Tour.

Lighthouse Park Play Equipment is extensively used by residents and visitors, the equipment is 23 years old now, and surfacing needs to be redone. This type of surfacing is required, due to wind patterns at this location. Staff reported that the pricing of playground equipment had increased substantially.

Council inquired whether there was an additional need for lands adjacent to the dog park, but Staff have no future plans requiring additional lands.

Staff have applied for a trillium grant on two occasions for the roof at the Lucknow Community Centre without success. The budgeted amount will add insulation to the roof, and would decrease heating costs.

b. Programming

c. Parks

Council inquired about the impact of removal of Kin-Bruce Park as park inventory to the parkland per resident calculation. Staff suggested that with this park removed from the inventory the Township would still be on the high end of this calculation. Additionally, it was clarified that at this time there is no expectation that the parkland would be removed from the inventory.

d. General Recreation

Council inquired as to what is covered in the Kincardine Recreation Agreement costs. This agreement is intended to subsidize Huron-Kinloss residents to use recreation facilities in Kincardine, preventing Kincardine from implementing non-resident pricing for use of recreation facilities

Staff are obtaining legal advice prior to presenting the finalized agreement to Council for ratification and approval.

The budget graph for general recreation covers the net of all general recreation including Ripley Huron Community Centre, Kincardine Recreation Grant, Point Clark Community Centre and

Lucknow and District Sports Complex, which are not included in detail in the budget book.

Council requested more of a breakdown to differentiate these costs.

e. Lakeshore Services

Council discussed Invasive Species, and requested Staff to advocate to the County for managing phragmites in ditches, and along roadways.

Council discussed support for the Pine River Watershed Initiative Network and acknowledged the significant contribution their conservation efforts have made to protecting the local environment.

5. Confirming By-Law

Resolution No.: 02/21/2025 - 04

Moved by: Carl Sloetjes

Seconded by: Shari Flett

THAT the "Confirmatory February (2) By-law" be deemed to be read a first, second, third time and finally passed and numbered as By-law No. 2025-17.

Carried

6. Adjournment

Resolution No.: 02/21/2025 - 05

Moved by: Shari Flett

Seconded by: Ed McGugan

THAT the Township of Huron-Kinloss Council hereby adjourn at 1:49 p.m.

Carried

Mayor

Clerk