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Council Budget Meeting Minutes

Date: January 26, 2026
Time: 9:00 am
Location: Council Chambers

Members Present Don Murray, Mayor
Jim Hanna, Deputy Mayor
Larry Allison, Councillor
Shari Flett, Councillor
Scott Gibson, Councillor
Ed McGugan, Councillor
Carl Sloetjes, 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 attended virtually and all other members of Council and staff were present in the Council Chambers. Councillor McGugan arrived later in the meeting.

2. Disclosure of Pecuniary Interest

None disclosed.

3. Financial Reports

3.1 Requested Reports

a. Road Maintenance Cost 2026, PW-2026-04

Council discussed the rental rate and what costs might be included within this rate, specifically fuel costs were discussed.

Staff noted that the report is provided to indicate that additional investment would be required to convert gravel roads to paved roads for the building and ongoing maintenance. Including projects to convert gravel to paved roads within the current budget would reduce the quality of all paved roads.

Council spoke to the conditions of several roads, suggesting that investigation be done to improve them where possible.

Resolution No.: 2026/01/26 - 01

Moved by: Jim Hanna

Seconded by: Larry Allison

THAT Township of Huron-Kinloss Council hereby receives for information Report PW-2026-04 prepared by John Yungblut, Director of Public Works.

Carried

b. Hybrid Meeting or Livestreaming Consideration, CLK-2026-04

Resolution No.: 2026/01/26 - 02

Moved by: Carl Sloetjes

Seconded by: Shari Flett

THAT the Township of Huron-Kinloss Council receive for information Report CLK-2026-04;

AND FURTHER THAT Staff complete a more detailed review and return with a report that outlines options, costs, timelines, and other impacts required to prepare the Council Chamber for hybrid meetings.

Carried

3.2 Budget Reports

a. 2026 Budget Procedural Guideline, TRE-2026-07

This process has been mandated through changes to the municipal act and is not a decision of Council.

The Mayor noted that the process is intended to run as closely to previous budget discussions as possible.

Resolution No.: 2026/01/26 -03

Moved by: Jim Hanna

Seconded by: Scott Gibson

THAT the Township of Huron-Kinloss Committee of Whole hereby receives for information report TRE-2026-07 prepared by Christine Heinisch, Treasurer.

Carried

b. 2026 Budget Excluded Expenses, TRE-2026-06

Resolution No.: 2026/01/26 -04

Moved by: Scott Gibson

Seconded by: Larry Allison

THAT the Township of Huron-Kinloss Council hereby adopts Report TRE-2026-06 prepared by Christine Heinisch, Treasurer; and in doing so approves the exclusion of certain expenses from the 2026 budget as per Ontario Regulation 284/09.

Carried

c. 2026 Budget Community Engagement, TRE-2026-08

Resolution No.: 2026/01/26 - 05

Moved by: Carl Sloetjes

Seconded by: Shari Flett

THAT the Township of Huron-Kinloss Council hereby receives for information Report TRE-2026-08 prepared by Christine Heinisch, Treasurer.

Carried

4. 2026 Draft Budget Presentation

The Mayor has directed Staff to present a budget with a 4% tax rate increase. The Treasurer provided an overview of how the budget will be presented.

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

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

The revenue and expenses have been categorized. Revenue is broken down as follows:

- Cost Recovery
- Donations
- Grants
- Licenses & permits
- sale of land/equipment
- transfers from reserve
- user fees
- other (miscellaneous) revenue

Expenses are grouped as follows:

- Payroll & Benefits – staff wages and benefits
- General expense – includes overhead, insurance, office supplies, conference and training, association memberships et al.
- Maintenance – repairs and maintenance of equipment, buildings and public spaces
- Services – contracts and service agreements such as audit, CA's, SMART, BASWR, OCWA, Municipal Support Services.
- Transfers – transfer to reserve
- Utilities – hydro, propane, natural gas, telephone and internet
- Other Expense – miscellaneous expense

The Treasurer reported that the budget had been drafted with a proposed tax rate increase of 4%, that operating expenditures had increased \$704,150 or 5.8% over the 2025 budget.

4.1 Huron-Kinloss Overview

The Mayor noted that the proposed budget is a starting point for discussion, and is prepared to work collaboratively in a positive way

a. Proposed Staffing Changes 2026 Budget, CAO-2026-02

The positions outlined in the report are presented within the proposed budget. Council confirmed that the decision to add positions within the organization, has been delegated to Council by the Mayor, and that approving this motion will only add the positions to the organizational chart if they are approved within the budget.

Staff reported that the cost is prorated based on the Townships estimated ability to recruit. The cost includes approximately 75% of the costs for 2026 and will increase by 25% in 2027.

Resolution No.: 2026/01/26 - 06

Moved by: Jim Hanna

Seconded by: Larry Allison

THAT Township of Huron-Kinloss Council hereby receives Report Number CAO-2026-02 prepared by Jodi MacArthur, CAO;

AND FURTHER authorizes Staff to update the organizational chart as presented as approved in the 2026 Budget once the budget is deemed to be adopted.

Carried

4.2 Tax Rate and Budget Overview

The Treasurer presented information on the Tax rate, Reserves and Reserve Funds, as well as an overview of the Budget.

While the county tax rate had not yet been provided to Staff, the Mayor reported that the County has confirmed a rate of 4.37% for 2026.

Council inquired about the impact anticipated when the assessment values are updated. Staff provided information that although assessments

are expected to increase, this will not increase property taxes at the same rate, and will depend more on the total tax base and the required budget amount to be raised by taxation. Reserve statements were sent to all of Council in advance of the meeting, with an updated statement, and the projects that were being funded by reserve to assist Council in their consideration of the budget.

Council inquired about a project in 2025 that was to be funded by Lucknow Waterworks but does not appear to have been removed from the Lucknow water reserve. Staff suggested it would be the \$240,000 Gough Street project, which is carried over from 2025 as it hasn't been finalized yet.

Staff clarified that the water system operating surplus would be transferred to the Huron-Kinloss Waterworks Reserve Fund.

Staff also confirmed that there will be a modest surplus indicative of the \$115,000 indicated in the budget for tax funded portion of the budget.

Council took a Break at 9:40

Councillor McGugan arrived at 9:45 am

Council returned from break at 9:50

The Mayor reported that the budget survey draw occurred and the winner will be notified. The Mayor thanked respondents as their responses influence the development of the budget priorities

4.3 Council Overview

Members of Council requested more detail be provided in future budgets rather than an overview.

4.4 Corporate Services Overview

a. Chief Administrative Officer

The Chief Administrative Officer (CAO) provided the budget highlights within the Budget Book.

Council inquired about digitization of documents, and liability risks associated with retaining information when changing suppliers. Staff noted that this is investigated through each software to ensure that the Township retains ownership of the information and the feasibility to extract the information necessary.

Council inquired about the 100% year over year increase, with staff replying that is resulting from software costs which had previously been funded through the Digital Modernization Grant. The CAO department handles most of the general software costs and Information Technology (IT) costs.

Council inquired about whether staff have investigated creating our own software. Staff confirmed that this is considered, but has not been found to be feasible.

b. Financial Services

The Treasurer presented the Budget Highlights as outlined in the Budget Book.

c. Legislative Services

The Clerk presented the Budget Highlights as outlined in the Budget Book. Council inquired about the cost of a paper based at poll election. Although the information was not at hand, Staff confirmed that this had been reported at the beginning of the term and verified that the costs would be expected to be substantially higher for a paper based election.

d. Economic Development, Tourism and Point Clark Lighthouse

The Economic Development Officer presented the Budget Highlights as outlined in the Budget Book.

Staff highlighted the Downtown Improvement Program, the Ripley Downtown Revitalization Project and Tourism initiatives.

Council inquired about the funding for the Economic Development Budget. Staff reported there are some grants, but mainly funded from the Tax Base. Revenues from the lighthouse do not cover the full costs of the lighthouse operations to the Township, although Parks Canada does cover other infrastructure costs.

Staff noted this a National Historic Site which brings in visitors averaging 2000 visitors per year. Merchandise sales, and tour revenues off-set the costs. The Lighthouse is included in advertising materials, and is used to bring visitors to other sites and businesses.

At Council request, Staff provided information on the history of the Point Clark Lighthouse. Community efforts designated it as a

historic site and requested Council support. Parks Canada, would cover certain expenses and the municipality took on the funding for operating the lighthouse. Staff noted that lighthouses along the Lake Huron Shoreline are maintained under different financial arrangements, some through private organizations, other municipalities bear full costs, and some are not being maintained and are likely to be removed.

Staff provided information on the Industrial Park Development, confirming that the the proceed of sales for properties are used to repay development costs associated with the project.

e. Municipal Drains

f. Policing Budget

Staff reported that Policing costs had increased the maximum allowable 11% capped rate for 2026.

Council suggested including costs that are not controllable such as policing and conservation authorities as separate reporting with County and Education costs.

4.5 Building and Planning Overview

a. Building

The Chief Building Official presented the Budget Highlights as outlined in the Budget Book.

b. Planning

The Chief Building Official presented the Budget Highlights as outlined in the Budget Book. Council inquired about the requirements to move forward with the Comprehensive Official Plan and Zoning By-law Review. This is a carry-over project from 2025, as the County Official plan requires finalization before it proceeds.

c. By-Law Enforcement

The Chief Building Official presented the Budget Highlights as outlined in the Budget Book.

Staff noted that following Council's expectation, there will be an emphasis on parking enforcement through 2026.

d. Conservation Authorities

4.6 Fire and Emergency Services Overview

Council recessed for a break at 10:44 a.m.

Council returned to session at 10:53 a.m.

a. Lucknow and Ripley Fire Stations

The Fire Chief presented the Budget Highlights as outlined in the Budget Book.

The Fire Chief reviewed the Department Highlights including improved Community Engagement, Mental Health supports for Auxiliary Firefighters, and equipment such as Auto Extrication Equipment, Thermal Image Camera and Fire Fighter Gear.

The Chief confirmed that the Drone donated by the Lucknow Fire Fighter association, although stationed in Lucknow would be available for all of Huron-Kinloss and the area covered in Ashfield-Colborne-Wawanosh through the Joint Fire Services Agreement.

A member reported on information provided at the ROMA conference, regarding the Fire Smart Program. The Chief reported that they are aware of the program. The Department is working towards this and a grant is available. The Chief will provide more information at a later meeting. The Chief emphasized that Prevention and Education is a priority this year as indicated by the recommendation for the new full time position.

Council asked for more information on the proposed new position, such as Scope of Duties, expectations, location, etc. The Chief reported that while the position description and title had not yet been created, Fire Prevention is key to reducing fire losses. The Fire position would be working towards outreach programs in the community, and may have a suppression role, if they have the skills to do so. The Chief noted a preference for Fire Suppression experience, but noted that the Township may not be able to recruit as such. Staff confirmed that wages and benefits would be shared through the Joint Board using the same cost benefit as the Fire Chief, which would be 60/40%. It is expected that they will be working from the Lucknow and District Fire Department.

Council suggested a Fire Inspection program similar to the Septic Inspection Program. The Chief noted that there is an existing voluntary program to do so. The Chief reported that 2/3 of calls

responded to by Fire Services this year did not have working smoke alarms.

Council discussed the request for additional trucks, and emphasized due diligence in purchasing vehicles to ensure they have value. Staff confirmed that vehicles become part of the Huron-Kinloss fleet, but there is a rental charge to the department (such as to the Building Department or Lucknow and District Fire Board) for use. This permits flexibility in the operating use of vehicles and distribution of the fleet.

Council requested the Fire Chief provide information on what had been included within the 2026 budget which would be expected to improve response times, particularly within the lakeshore area.

The Fire Chief reported that there are many variables which impact response times, as has previously been reported to Council. The Chief reported that through the past year, improvements had been made which include the requirement for firefighters to have DZ licences. This is to ensure that the first available person could respond with the vehicle rather than waiting.

As had been previously reported, the Chief reminded Council that West of Lake Range Drive, historically the majority of calls have been medical calls and not related to fires. In approximately 90% of these calls, Emergency Medical Services (EMS) were already on scene and calls were turned around on-route, or when the firefighters arrive on scene. Staff are working to improve dispatch for these calls, so they are not resulting in unnecessary call outs to volunteer firefighters.

Council inquired about a satellite or micro-centre for medical response in the Lakeshore Area with the potential for EMS to share space with a public works shed, or other municipal facility. The Chief suggested this would be within the jurisdiction of the County of Bruce to enhance EMS services. Staff have been advocating for this, and have heard that EMS intends to increase their capacity to respond to this Lakeshore Area. Staff noted a reduction in EMS calls since the satellite Holyrood EMS station was created.

The Chief stressed that Fire Prevention is the key to reducing fire incidents and suggested that Council support the proposed Fire position, as an effective option to improve fire prevention in the

community. The Fire Officer could provide capacity for a review and update of the Fire Safety Plan with current information as much has changed since the report was written.

Council inquired about whether a study should be conducted to determine whether the Ripley Station should be relocated closer to the Lakeshore. The Chief did not believe that moving the station closer to the lakeshore would be expected to reduce response times, as the firefighters would still have to arrive to the station before responding.

Chief Bradley spoke to Tanker Shuttle accreditation as an opportunity to enhance water flow in non-hydrant areas. This may be included in the 2027 budget at an approximate cost of \$10,000 every 5 years.

The Chief noted that in recent Ripley Fire Fighter recruitments, there were few applicants from the lakeshore area. The Chief reported that there are risks to having a single person respond to a medical call, and there are standards to the number of fire fighters responding to a fire call to minimize risks to the Fire Fighters.

The Fire Chief noted that residents have a shared responsibility to prevent fires, by having working smoke alarms, ensuring access to fire services, and other preventative measures.

b. Emergency Management and Health and Safety

The Community Emergency Management Coordinator provided information on the types of training being budget for, which is proposed to include mental health first aid training, de-escalation training and personal mental health supports.

Council recessed for lunch at 11:39 am.

Council returned to session at 12: 35 p.m.

4.7 Public Works Overview

a. Transportation

The Director of Public Works presented the Budget Highlights as outlined in the Budget Book.

Council inquired about the study for signage along LakeRange. The Director reported that the completed study is scheduled to be presented at the February 2, 2026 meeting of Council.

Council inquired about the active transportation plan and whether there was a plan to link roads with trails. Staff anticipate that this is a leisure transportation network, rather than a commuting network, and would include sidewalks, trails or the side of roadways. Staff noted that there is some background work involved to ensure the completed plan is tailored to the needs of the Township.

Respecting bridge rehabilitation, Staff confirmed that both bridges are not expected to be closed at the same time, to ensure access for emergency services. Council inquired about performance measures are in place to ensure the contract is completed at the correct time to mitigate impacts to the agricultural community.

Staff provided a verbal update that the Ripley Sidewalk highlights should indicate that it is for the west side of Huron street from Park Street to the south part of the village limits. The Lucknow Inglis Street sidewalk - Gough street to Campbell street - previously awarded in 2025 is carried over to 2026.

The scope of the Point Clark Drainage Master Plan has changed over time as presented in previous Council reports. The Budget amount proposed allows for engagement on these changes.

Sunset Place Drainage concerns were previously reported to Council, and the budget includes a final proposal to resolve these concerns. Council inquired about having this project done on a property by property basis by homeowners under supervision. The Director indicated that this creates an issue in terms of continuity through the area, liability risk, future maintenance costs. This is on Township property and requires specific expertise to ensure correct drainage. Administering and Supervising, and dealing with errors would be administratively burdensome and is expected to cost more than as proposed in the budget. Staff confirmed that owners would have payment options and could choose the options that best suit the owner including debentures, invoices or inclusion with property taxes.

Council confirmed that there is no intention to include a multi-use path on Boiler Beach Road with the reconstruction project.

b. Equipment

The Director of Public Works presented the Budget Highlights as outlined in the Budget Book.

c. Streetlighting

Council discussed brightness testing for LED street lights, and expected asset life.

d. Water and Wastewater

The Director of Public Works presented the Budget Highlights as outlined in the Budget Book.

Staff confirmed that the Ross St Pumping Station Renovation will meet accessibility standards. The project would include renovations for 4 workstations and a meeting table, a washroom and new windows. Staff reported that most of the exterior will be maintained in existing condition.

Council inquired about the possibility of declaring the land surplus. Staff reported that the sports complex shares the land, and the parcel would be difficult to sever to sell. The Township's obligation with the current water operator is to supply a workplace. The water operator is working from the former fire hall in Lucknow, but that it is not a suitable workplace. Staff identified the Ross St Pumping Station as a more suitable location than the former fire hall in Lucknow, due to it being located outside the flood plain. Staff reported that the old Lucknow Fire Hall is suited as a storage area, and would need major renovations to be suitable for continuous use as office space.

The Water Operator has recommended a number of asset projects, which are included within the proposed budget.

Staff spoke to a major initiative regarding the Blair's Grove well site, which has notably hard water. Although the project has not been confirmed as feasible yet, Staff have proposed a budget for a project to drill a new well at the same site, with updated technology and changes to treatment processes to improve water quality.

Staff noted that the North Lakeshore Elevated Tank EA project would not proceed in 2026 unless an additional suitable site could be located.

Council inquired about the constraints in development respecting capacity in the Lucknow Wastewater system. Staff have been suggesting phased approaches to developers to maintain capacity. The Township has a policy to allocate capacity, so that requires developers to move their project forward or lose the capacity.

The CAO confirmed that the proposed new Staff position would be focused on roads, and wages would not be allocated to the water and wastewater rates.

Council questioned whether local providers could be involved in feasibility studies as a potential cost savings. Staff agreed this is a possibility, provided that a long term vision is in place to guide the changes to support future growth. Staff stressed the importance of ensuring that any changes, would not need to be removed in subsequent updates.

e. Waste Management

The Director of Public Works presented the Budget Highlights as outlined in the Budget Book.

Council inquired whether post closure costs for the landfill are being planned for by allocating funds to a reserve. Staff confirmed that this allocation takes place for all landfills. Council discussed various opportunities to extend the life of the current landfill. Staff noted that all options are still being considered.

4.8 Community Services Overview

Council recessed for a break at 2:20 p.m.

Council resumed at 2:30 p.m.

a. Facilities

The Director of Community Services presented the Budget Highlights as outlined in the Budget Book.

The Director noted a major capital project; upgrades on the Ripley Huron Community Centre for electrical panel upgrade, and ice plant replacement, as well as construction of a storage addition.

The Director reported significant savings from the conversion to natural gas at the Ripley Huron Community Centre. The Facility converted this year would be the Lucknow Town Hall. The funds

for conversion have previously been allocated in a reserve fund for this purpose.

Staff noted requests from the Lucknow Recreation Board including a pickup truck, roof repairs and parking lot paving. The member representing the Lucknow Recreation Board reported on the request for roof repairs and what was involved. Council discussed what would happen to the 2012 truck noted for replacement. It was reported that 57,000km was on the truck now.

Staff confirmed the budget book included the Huron-Kinloss share of the projects.

The members for the Lucknow Medical Centre committee reported that in the renovation done previously, the roof did not need to be replaced at that time. Members reported that this item represents the full cost for replacement, but repairs will be considered first.

b. Programming

The Director of Community Services presented the Budget Highlights as outlined in the Budget Book.

The Director noted that this is a highlight of the major expenses and not a comprehensive list of the all the ongoing programming.

c. Parks

The Director of Community Services presented the Budget Highlights as outlined in the Budget Book.

Council inquired about the signage plan, and confirmed that the Signage will follow consistent branding practices.

The Director noted that the results regarding the grant proposal for work in Heritage Park are expected to be released within the next month. Council discussed a potential partnership with local community groups regarding the proposed tree planting.

Staff advised Council that they would be submitting a grant application to offset the costs associated with the Point Clark Pickleball Courts project. The 2026 Budget proposes \$125,000 from the Community Wellbeing Reserve.

d. General Recreation

The Director of Community Services presented the Budget Highlights as outlined in the Budget Book.

The recreation budget also includes the general administration for tree permits, vehicle on the beach permits, and other administrative functions, as well as operating costs for Ripley Huron Community Centre and Point Clark Community Centre.

e. Lakeshore Services

The Director of Community Services presented the Budget Highlights as outlined in the Budget Book.

5. Motions for Consideration

In accordance with section 284.16 (3) of the Municipal Act, after receiving the proposed budget, council may, in accordance with the regulations, pass a resolution making an amendment to the proposed budget. 2022, c. 18, Sched. 2, s. 1.

In accordance with Ontario Regulation 530/22, Section 7 and PART VI.1 OF THE Municipal ACT Council may pass a motion to shorten the 30-day period to propose an amendment.

Staff reported that correspondence had been received and provided to members of Council at the meeting for consideration during the budget process.

Council recessed momentarily for the Clerk to provide procedural advice regarding proposing amendments and timelines for consideration of proposed amendments.

Council provided feedback to staff for the formatting and information to include with the 2027 budget presentations.

6. Confirming By-Law

Resolution No.: 2026/01/26 - 07

Moved by: Ed McGugan

Seconded by: Larry Allison

THAT the " Confirmatory January 2026 (2) By-law" be deemed to be read a first, second, third time and finally passed and numbered as By-law No. 2026-0

Carried

7. Adjournment

Resolution No.: 2026/01/26 - 08

Moved by: Carl Sloetjes

Seconded by: Jim Hanna

THAT the Township of Huron-Kinloss Council hereby adjourn at 3:46 p.m.

Carried

Mayor

Clerk