

TOWNSHIP OF ADMASTON/BROMLEY
FINANCE AND ADMINISTRATION COMMITTEE

MINUTES

Thursday, January 16, 2025

At 6:00 p.m.

Present – Mayor Michael Donohue, Brian Hamilton, Angela Field, Keith Gourley and Kevin Legris

Staff present – CAO/Clerk Charkavi, Treasurer-Deputy CAO/Clerk Coughlin, Public Works Superintendent Visinski and Finance Clerk Fraser

Guest – None.

1. Mayor Donohue called the meeting to order at 6:06 p.m.
2. Declaration of Pecuniary Interest
3. Approval of Agenda

Resolution No. 01/01/25

Moved by Keith Gourley

Seconded by Brian Hamilton

BE IT RESOLVED that the Committee approve the agenda for the January 16, 2025 Finance and Administration Committee meeting.

“Carried”

4. Review projected 2024 Surplus for use in 2025 Draft Budget
 - a) Motion to suspend Notice Rules of the Procedural By-Law concerning a Motion for Reconsideration. (Section 20 (b).)

Mayor Donohue began the meeting by providing some context on item number four of the agenda, which is a fairly convoluted process. At the meeting on December 19th, 2024 committee did make a motion recommending that the budget, as then decided, would be approved by council. Since then a few councilors wish to engage in a further discussion regarding recognizing the possible surplus at year end. To facilitate this request, we have to engage in this process to reopen discussion. A motion to reconsider requires notice, and the waiving of the notice period requires a two thirds majority, which is four of the council members.

Resolution No. 02/01/25

Moved by Keith Gourley

Seconded by Brian Hamilton

BE IT RESOLVED that the Finance & Administration Committee suspend the rules of the Township’s Procedural By-Law 2012-34, Section 20 (a) Notice of Motion;

WHEREAS a notice of a motion advises that the motion will be on the next agenda or an alternate date, however Committee would like to deal with it immediately Section 20 (b);

AND WHEREAS the Finance & Administration Committee is desirous of reconsidering its motion from December 19, 2024 where a recommendation was made to adopt the Draft 2025 Budget that was presented and debated at the December 19, 2024 Finance & Administration Committee meeting to discuss the projected 2024 surplus and how it could be utilized in the draft 2025 Budget.

“Carried”

- b) Motion to Reconsider the Resolution Recommending Council Adopt the 2025 Draft Budget as discussed at the December 19, 2024 Finance & Administration Committee Meeting. (Section 20 (i))

Mayor Donohue gave some further context on the next motion, there was some discussion whether the committee was going to rescind the motion adopted by committee from December 19th or to reconsider. Given that it is entirely possible that committee decides to abide by the decision, after discussion, that was decided December 19th, the council is in fact reconsidering not rescinding. It does also require a two thirds majority vote. There are three possible outcomes Continue to abide by the December 19 resolution adopted December 19th, minor revisions to accommodate the budget presentation or the thirds defer or table the budget adoption if revisions are too substantive.

Resolution No. 03/01/25

Moved by Keith Gourley

Seconded by Brian Hamilton

BE IT RESOLVED that the Finance & Administration Committee are desirous to reconsider their motion made on December 19, 2024 to discuss the projected 2024 surplus and how it could be utilized in the draft 2025 Budget.

December 19, 2024 Motion Passed:

- BE IT RESOLVED that the Finance & Administration Committee recommend to Council to adopt the 2025 Budget at the January 16, 2025 Council meeting.

“Carried”

- c) Motion to Recommend Adopting the 2025 Draft Budget as amended at the Finance & Administration Committee meeting of January 16, 2025 to either the January 16, 2025 Council Meeting or the February 6, 2025 Council Meeting.

Mayor Donohue referenced the Treasurer’s report and trial balance as of December 31, 2024, as a starting point for the meeting. The mayor’s projections indicated a substantial surplus, however, he inquired if there were any year end accruals and potential unrecorded expenditures or revenues that had not been recognized. CAO/Clerk Charkavi indicated she had asked Treasurer-Deputy CAO/Clerk Coughlin to provide a sample year end audit for purposes of discussion rather than going through the trial balance to give the councillors more perspective.

Treasurer-Deputy CAO/Clerk Coughlin fast tracked a year end reconciliation identifying not only expenditures but any changes that had been posted to the GL since the trial balance had been prepared that had been included in the budget package from the budget deliberations. Treasurer-Deputy CAO/Clerk Coughlin provided a treasurer’s report to committee. Discussion on year-end accruals and potential unrecorded expenditures or revenues. Current surplus identified is approximately \$128,000.

There was a discussion amongst committee on the nature of funds as obligatory and deferred revenue. Clarification was provided on how unutilized revenues affect the trial balance and surplus representation. The capital budget was explained and usually adjustments and surplus entries are not usually completed until March of the following year as part of the year end audit.

Treasurer-Deputy CAO/Clerk Coughlin provided an explanation income vs expenses and the trial balance, column that is referred to as “Balances” are the year to date expenditures or revenues that have been received. She then went further to explain that when she finished analysing the capital and reconciling everything, however, that is not completed until the year has been closed off and finalized/wrapped up as part of the year end process.

CAO/Clerk provided some clarification to the committee that she asked Treasurer/Deputy CAO/Clerk Coughlin to explain how the budget needs to be generated as per the municipal Act, Council must be aware of revenues and expenditures going in and out. Old totals can cause confusion, so staff will provide emphasis on focusing on revenues and expenditures going forward.

Treasurer/Deputy CAO/Clerk Coughlin continued with her summary and began to break down the expenses section of the budget. She emphasized that this was preliminary, and she was just trying to provide an analysis for the committee that encompassed the ask of the CAO/Clerk.

Discussion on budgeting for the upcoming year with a possible surplus. Suggestion to utilize surplus for budget adjustments. Anticipation of substantial surplus despite not being realized yet. Discussion on moving forward with budget options. There was a suggestion to use approximately \$100,000 from reserves for the 2025 budget with an anticipation of \$130,000 surplus to replenish reserves mid-year.

The aim of committee was to reduce the tax rate to 5%, however, some committee members suggested the township needs to maintain contributions to reserves for future needs. There was concern in taking money out of reserves even with the possibility of replenishing it.

Staff caution regarding surplus estimation. Surplus will not be known until audited financial statements are received. There was a reminder of significant equipment purchases in 2026 and increasing debt repayment limits.

There was a discussion on consensus for tax rate reduction. Some of the committee members favor lowering to 5% or 6%, however, there were concerns about future budgetary needs and ratepayer feedback. CAO/Clerk Charkavi suggested a need for a firm target for the budget. There was a suggestion from the committee to take money from reserves to achieve the desired tax rate. The resolution at the end of the meeting was what was needed from committee to finalize the approach.

Committee preferred a budget target for the levy. Current levy is at 8.13%, aiming to reduce to approximately 5.13%. The resolution was to direct staff to revise the budget to restrict the levy increase to 5.13%. There were concerns raised however about tying hands to a precise number, so the suggestion was to have a goal of 5% with an upset limit of 6%.

Resolution No. 04/01/25

Moved by Keith Gourley

Seconded by Kevin LeGris

BE IT RESOLVED that the Finance & Administration Committee direct staff to bring back to a future Finance & Administration meeting a tax rate increase with a goal of 5% with an upset limit of 6%.

“Carried”

5. Next meeting - February 6, 2025

6. Adjournment

Resolution No. 05/01/25

Moved by Keith Gourley

Seconded by Brian Hamilton

BE IT RESOLVED that the January 5, 2025, Township of Admaston/Bromley Finance & Administration Committee meeting be adjourned at 7:53 p.m.

“Carried”

Chair

CAO/Clerk