

**Local Services Board of Gogama**  
Public Budget Estimates Meeting – November 26<sup>th</sup>, 2015  
Gogama Community Centre – 7:00 p.m.

**1. Call meeting to order at 7:00 and roll call**

**Attendance:**

Andre Jodouin - Chairperson & presiding  
Claude Secord – Vice Chairperson  
Gilles Veronneau– Board Member

**Regrets:**

Michel Veronneau – Board Member  
Roxanne Veronneau – Board Member

Gerry Talbot – Secretary  
Natalie Gaudette – Treasurer

General Public in attendance: 20 including 3 board members and 2 contracted staff

**2. Presentation of 2015-2016 User Fees and Budget Estimates:**

-The chairperson welcomed everyone thanking them for attending the meeting. The Chairperson proceeded to ask the treasurer to present the 2015-2016 budget estimates and User Fees.

**1. Administration budget:**

- No proposed User Fee increase for 2015-2016
- Capacity budget transferred to Reserve Fund
- Question from Diane Secord: What is the consulting money for? Ms. Gaudette replied that the monies are consulting dollars for projects as required.
- Question from Diane Secord: Who were the consultants? Ms. Gaudette replied that the Board contracted engineers on occasion, as well as others when required, such as herself as business consultant. Ms. Secord asked what type of work Ms. Gaudette did for the Board; Ms. Gaudette gave the example of work done on the Asset Management Plan.
- Question from Diane Secord: Did the Board advertise for these contracts? Ms. Gaudette replied that the Board advertises contracts following its “Procurement Policy”, a copy of which can be obtained from the office. The Policy states which value of contracts must be advertised.
- Question from Diane Secord: What is the Treasurer honorarium? Ms. Gaudette replied that it was for her services.
- Helipad budget part of Admin but grant monies can only be used for Helipad expenses
- Question from Tracy Smith: How come the phone budget is so high? Response from Mr. Talbot states that phone expenses are for 5 phones and one internet connection at a business rate. Three years ago, board took advantage of a BELL Canada business promotion for business phones and saved \$8000.00 over three years

**2. Fire Protection Services:** As explained by the Treasurer of the board

- No proposed User Fee increase for 2015-2016
- Fire Department has its own budget for which the Board has no responsibility. Included in the Board budget for audit purposes only.
- Fire department pays for the vehicle insurance except the Fire Truck which is paid for by the Fire Marshall. Fire Department reimburses the Board for the vehicle insurance costs

- Question from Tracy Smith: Why didn't Board put last year's leftover monies into this year's budget? Ms. Gaudette explained that because there was no shortfall this year, that the Board decided to put surplus dollars in the reserve, which is being used to offset the water and sewage proposed increases. The Board decides if budget surplus dollars at end of fiscal year is transferred to Reserve Account.
- Board responsible for expenses associated with the main fire hall building including snow removal.

### **3. Garbage Collection Budget:**

- No proposed User Fee increase for 2015-2016
- Question from Mark Smith: What are the monies paid to contractor specifically for? Ms. Gaudette responded that the monies are for garbage collection and disposal
- Administrative fees due to OPTA billing adjustment

### **4. Library Budget:**

- No User Fees applied to Library budget
- Library survives on yearly grant of \$1338.00 from government and fundraising
- Question from Mark Smith: Does the Board pay for the heat and electricity? Ms. Gaudette responded that LSB pays for operational expenses of the library, i.e. heat and electricity
- Library carries out fund raising activities for Children's Christmas Party, and Library Automation project and monies are tracked as part of the LSB budget but monies are assigned to the Library budget.
- The library also received two small government grants to help out with the Library Automation Project.

### **5. Recreation Budget:**

- No proposed User Fee increase for 2015-2016
- Question from Tracey Smith: Where do the revenues for Recreation come from? Recreation revenues come from court rent, clinic rent and hall rental fees including revenues from CN renting the hall during the train derailment
- Question from Tracy Smith: How much did the Board get from CN for hall rental? And where did that money go? Ms. Gaudette replied that she did not have information from last year's budget at hand but would call her the following day with the information. Mr. Talbot replied that in part, new tables were purchased for the hall at a cost of approximately \$7500.00. Mrs. Smith said that the whole town should be told this information and asked that the Board make the information public by doing a mailout. The board responded that the information would appear on the mail out.
- Comment from Tracey Smith: Hope that CN was charged the same as anyone else for the use of the hall. Ms. Gaudette replied that they were charged according to the rental rates in place, a copy of which is available from the office.
- Question from Tracey Smith: What am I getting for my recreation fee? Ms. Gaudette replied that the fee pays for community centre fees, which is there to be used by the community. Mrs. Smith said yes but then I have to pay again to use it. Ms. Gaudette explained that some activities are not charged a rental fee for using the hall, i.e. funerals, seniors and children community events. The board absorbs the costs for utilities and cleaning after the event.
- Question from Tracey Smith: Where are the receipts for the equipment expenses? Ms. Gaudette explained that the amounts being reviewed at this meeting are for this upcoming year, that there are no receipts because they have not been spent yet. The budget that was being discussed at the present time was the 2015-2016 budget estimates, not the previous year's actuals.

- Diane Secord asked if last year's budget will be provided to the public. Ms. Gaudette responded that the 2014-2015 budget will be audited in early spring and the audited financial statements will be publicly presented at that time, with the meeting being posted as it usually is.

#### **6. Ontario Communities Infrastructure Fund Formula Base Funding (OCIF):**

- The Board received a government grant of \$25000.00 in 2014-2015 and will also receive the same amount for 2015-2016 for Water & Sewer capital expenditures only. In the Spring of 2016, the sewage lagoon expansion cells have to be cleared of small trees and brush growing in the cells and a main water valve location repair project will also take place using the monies provided to the board.
- Question from Tracey Smith: What work has to be done at the Lagoon? The Board replied that the Ministry of Environment (MOE) has directed the Board to clear the trees and brush be from the lagoon expansion cells.

#### **7. MIII Asset Management Plan #1:**

- Two years ago, the board applied and received a government grant for \$20,251.00. The monies were used to put in place an Asset Management Plan which is now mandatory when applying for provincial grants. The balance remaining in this budget will be used by the board to pay consultants and/or engineers to update the AMP on a yearly basis.

#### **8. Water Services Budget:** Bullet points as presented by the Treasurer

- Proposed 10% User Fee increase
- Explanation of Service Fees as opposed to User Fees
- \$8,000.00 amount transferred from Water Budget to Reserve Account for emergency repairs and to pay for water line breaks
- \$15,927.00 amount transferred from reserve to Water Budget to pay for Remote Monitoring System of Water & Sewer system on budget line 7310-System R&M & to help pay increase in consulting fees
- Consulting fees means monies paid to Ontario Clean Water Agency (OCWA) to manage community Water & Sewer system
- Question from Mark Smith: What is the difference of Equipment R&M and Equipment? Ms. Gaudette explained that Equipment R&M means repairs & maintenance to equipment and equipment means purchase of new equipment for water system
- Question from Mark Smith: Why is it always the businesses that take the hit when it comes to increases? Ms. Gaudette explained that the percentages of the proposed increases was identical for residents and businesses, however not the same cash amount. Mr. Smith told those present that they need to pay if they want good water, and that while he didn't want anyone to be mad at him, he is a business person and feels that residents should pay a bigger share of increases.

A discussion and comments between some of the people attending and the Board members followed the presentation of the Water Budget estimates and proposed User Fee increase.

- Comment from Richard Gravelle: He stated that he did not quit, but rather that he did not renew his contract because he wanted the town water tested every month for hydrocarbons and the board chose not to do this. The response from the board was that MOE had accepted the responsibility of testing the town water for hydrocarbons every six months for the next two years ending in the fall of 2016.
- Question from Mark Smith: Did the Board request more than one quote for managing the Water & Sewer system? The reply from the board was that they had not requested three quotes due to time constraints and short non-renewal notification from Mr. Gravelle and that the board also had to continue being compliant with the Ministry of Environment guidelines. Mr. Gravelle stated that he had told the Chairperson in early summer that he would not renew his contract if hydrocarbon testing wasn't being done on a monthly basis. The board Chairperson also stated

that posting the position for another operator could lead the board to be in the same situation in the future.

- Comment from Diane Secord: The whole community wanted to have monthly testing. The Board said that this statement could not be confirmed because of only 20 people attending the meeting. Diane Secord stated that she would initiate a petition to prove her point.
- Question from Paul Secord: Is it possible for the board to ask CN or MOE to test the town water for hydrocarbons every month with the costs being paid by CN? The response of the Board was that they would contact CN and MOE to ask them the question.
- Comment from the Board: If CN or MOE did not accept the responsibility of monthly testing, the cost of the water sampling would have to be paid by the board. The board did not include money in the budget for these expenses.
- Comment from Mark Smith: CN should be made to pay for all water & sewer User Fee increases because the proposed increases is all CN's fault.
- Comment by Diane Secord: The board has invested lots of money in Richard Gravelle as operator for the water & sewer system and the board did not even contact him to negotiate a contract; that nobody spoke to Richard after he handed in his keys.
- Claude Secord, board member, left the meeting prior to the vote for the approval of the proposed User Fees.
- Question from Mark Smith: Will the board post the operator job? The chairperson responded that they would not post the job because a contract with OCWA was already in the making to manage the water & sewer system for the board for a year.
- Question from Jacqueline Gravelle: Is it CN's fault that the Board is proposing an increase to User Fees? The board responded that the operator had not renewed his contract and had handed in his keys and the board had to take steps to ensure compliance with MOE guidelines were followed.
- Question from Paul Secord: Were quotes had been requested for Insurance coverage and for auditing of the books? The board responded that quotes had not been requested and Mr. Secord suggested that maybe the Board should carry out a Request for Quotation process with the end result possibly being that savings may be incurred.
- Question from Christine Mathieu: If Richard Gravelle had been hired by OCWA? Mr. Talbot mentioned that having a local person working for OCWA was beneficial to the community and that yes Richard Gravelle was now employed by OCWA.
- Mr. Talbot stated that a request had been made to the Minister of Northern Development and Mines for funding dollars to assist with the increased costs associated with the hiring of OCWA but that no response had been received at this time. The board could not wait for the pending reply because of the budget estimates submission deadline of December 10<sup>th</sup>. Any delays could mean that the Board would not receive their first installment of government funds.

Having no further comment or questions on the matter, the Treasurer resumed her presentation of the budget.

#### **9. Sewer Services Budget:**

- Proposed 20% User Fee increase
- Explanation of Service Fees as opposed to User Fees
- Consulting Fees means monies paid to OCWA for managing Water & Sewer system
- Question from Rick Gravelle: Is the cost of the generator maintenance contract for a second generator than in the water budget? Ms. Gaudette explained that there is one generator, with the maintenance costs split equally between the water and sewage budgets. Back-up generator maintenance contract means monies paid for maintenance monthly check on back-up generator for the Water & Sewer system
- Equipment R&M and Equipment – same meaning as Water Budget

Having no further comment or questions on the matter, the Chairperson asked for a motion to approve the proposed User Fees as presented.

Moved by Natalie Gaudette to approve the proposed User Fees as presented and seconded by Gilles Veronneau.

Motion not approved by a vote of 11 people against and 8 people for, therefore the motion was defeated.

Question from the floor: What happens now? The Board replied they would review the budget again and verify if and where savings and budget changes could be applied for the possibility of presenting revised User Fees. A mail out will be done next week advising the general public of the next public meeting to vote on the approval of revised proposed User Fees.

- Comment from Mark Smith: What did the Board ask for from CN? Mr. Talbot replied a generator for the community centre, as well as renovations to the centre. Mr. Smith said do we really need a back-up generator? Mr. Talbot replied that the Community Centre has a back-up generator which is maintained by a local contractor and that it is imperative to have because of the type of services the community Centre provides, such as the clinic services, as well as being the emergency centre for the community. Mr. Smith said the monies received from CN should be used to keep user fees down, not for such things as generators and renovations. Mr. Talbot responded that the Board has not yet received an answer from CN regarding their request.

#### **10. Adjournment:**

Having no more business to discuss, the Chairperson asked for a motion to adjourn.

Moved by Cheryl Secord and seconded by Jacqueline Gravelle to adjourn the meeting.

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Gerry Talbot  
Secretary

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Andre Jodouin  
Chairperson