



The Corporation of the City of Stratford Finance and Labour Relations Sub-committee MINUTES

Date: January 16, 2018

Time: 4:32 P.M.

Location: Council Chamber, City Hall

Sub-committee Present: Councillor Clifford - Chair Presiding, Councillor Mark - Vice Chair, Councillor Beatty, Councillor Vassilakos

Regrets: Councillor McManus

Staff Present: Michael Humble - Director of Corporate Services, Mike Beitz - Corporate Communications Lead, Tatiana Dafoe – Deputy Clerk

Also present: Member of the Media and Public

1. Call to Order

The Chair called the meeting to Order.

2. Disclosure of Pecuniary Interest and the General Nature Thereof

The *Municipal Conflict of Interest Act* requires any member of Council declaring a pecuniary interest and the general nature thereof, where the interest of a member of Council has not been disclosed by reason of the member's absence from the meeting, to disclose the interest at the first open meeting attended by the member of Council and otherwise comply with the *Act*.

Name, Item and General Nature of Pecuniary Interest

Councillor Vassilakos declared a pecuniary interest on Item 4.2 "Capital Amounts Carried Forward to 2018 (FIN18-005)" as she is a resident on Dawson Street.

3. Delegations

None scheduled.

4. Report of the Director of Corporate Services

4.1 2018 Corporate Services Administrative Priorities – Treasury Division (FIN18-004)

Sub-committee Discussion: The Director of Corporate Services advised this report has been prepared to provide Council with information on priorities to be undertaken in 2018 by the Treasury Division. The projects included on the list are the review of the current budget process, development of policies such as a reserve, debt, investment and tangible capital asset policy, along with implementing a variance reporting model. The Director noted some of these projects are required by legislation while others are to improve accountability and transparency. The Director further noted this list will continue to develop throughout the year as other priorities arise.

The development of a reserve and debt policy is essential for the City. It was questioned whether there is an update on adding development charges to transit. The Director advised he would follow up on this item and report back to Sub-committee.

It was questioned whether a policy should be developed surrounding the carry forward of operating budget items. The Director recommended the practice of not carrying forward operating budgets as these budgets are approved for a 12-month period and thus should be re-budgeted for. The Director noted there could be exceptions and would review the creation of a policy.

An inquiry was made into how the growing reserve accounts for advisory committees can be addressed. The Director noted there is currently \$120,000 in reserve accounts for advisory committees and that the

purpose of these reserves will be reviewed when 2019 budget requests are submitted.

It was questioned whether investments have been ceased until a policy is developed. The Director advised investment trading has ceased. An update was requested on asset management. The Director advised an update on asset management will be forthcoming but at this time the project is being reviewed and it is being questioned what the end result of this project should be.

An inquiry was made into when the auditor RFP was issued. The Director advised it was issued in 2014 for a three year term with the option of a two year extension. He noted the benefits to issuing a new RFP such as competitive pricing.

It was noted a new strategic plan is required.

It was questioned whether information could be provided to the Sub-committee regarding programs that are cost-recovery versus those that are subsidized. The Director advised he would work with other departments to compile this information for the Sub-committee.

An inquiry was made into whether reserves earn interest. The Director advised reserve funds earn interest while reserves do not. He further noted the importance of reviewing the City's reserve accounts and developing a policy.

It was questioned whether any reserve accounts are in the negative. The Director advised there are a few and that most reserves have been budgeted for and thus the funds are available while there are a few projects which are unfunded.

The City's debt position was questioned. The Director advised a report would be forthcoming.

Motion by Councillor Vassilakos

Sub-committee Recommendation: THAT the report of the Treasurer on 2018 Corporate Services Administrative Priorities – Treasury Division (FIN18-004) be received for information.

Carried

4.2 Capital Amounts Carried Forward to 2018 (FIN18-005)

Sub-committee Discussion: The Director of Corporate Services advised a review of capital projects was undertaken to determine how many projects had been approved, which ones were completed and for those that were not completed, the reason why. The Director noted 45 capital projects remain incomplete.

He noted two concerns with the amount of projects being carried forward is the pre-mature commitment of tax and reserve funds and that it is not a maintainable work plan.

More information is needed on projects that are multi-year in nature and how the funds compare year over year. The Director advised this plan will work towards breaking this information down as well as capturing capital costs in relation to a specific project instead of capital items for the same project being accounted for in different areas.

A request was made for more information to be obtained on the resurfacing and asphalt capital budget item prior to the next Finance and Labour Relations Committee meeting. It was questioned how much money is required to maintain roads and how much is repaired annually.

It was suggested phased projects with pre-budget approval for two years could be beneficial. The Director noted this model is a challenge but would be cost effective.

Motion by Councillor Beatty

Sub-committee Recommendation: THAT Management Report FIN18-005 describing capital projects being carried forward to 2018 be received for information.

Carried

Councillor Vassilakos, having declared a pecuniary interest on this item, did not partake in the vote.

5. Monthly Project Update

Sub-committee Discussion: The Director of Corporate Services provided a verbal update on the status of Corporate Services projects. The Director noted the 2018 budget process is almost complete, that a reserve policy has been drafted, and that a variance reporting format has been initiated.

For the tax division, the 2018 interim tax bills have been sent out. For IT, the unified communications project has been awarded and that staff are working on the creation of an external GIS viewer. With respect to the Clerk's Office, preparation for the 2018 Municipal and School Board Election is underway and the next report on the Parking Action Plan is being prepared.

6. Advisory Committee/Outside Board Minutes

The following Advisory Committee/Outside Board minutes were provided for the information of Sub-committee:

Sesquicentennial Ad-Hoc Committee minutes of October 18, 2017
Stratfords of the World Committee minutes of October 25, 2017

7. Next Sub-committee Meeting

The next Finance and Labour Relations Sub-committee meeting is Tuesday, February 20, 2018 at 4:30 p.m. in the Council Chamber, City Hall.

8. Adjournment

Motion by Councillor Mark

Sub-committee Decision: THAT the Finance and Labour Relations Sub-committee meeting adjourn.

Carried

Meeting Start Time: 4:32 P.M.

Meeting End Time: 5:36 P.M.