

**FINANCE COMMITTEE
AGENDA
WEDNESDAY, JANUARY 18, 2012
4:30 P.M.
COUNCIL CHAMBERS, CITY HALL**

ROLL CALL

1. DECLARATION OF CONFLICTS OF INTEREST

2. PRESENTATIONS / DELEGATIONS (list, if any, available at meeting)

3. CONGRATULATORY / CONDOLATORY RESOLUTIONS

4. ITEMS FOR CONSIDERATION

4.1 [Review of Departmental Budgets](#) (CS2012-002)

- A. THAT Report CS2012-002 regarding a review of Departmental Budgets BE RECEIVED; and
- B. THAT Finance Committee PROVIDE direction to Staff on the budgets to be reviewed, the timing of the reviews and the form the reviews will take.

4.2 [Financing Lease Policy – Establish Non-Material Lease Categories for 2012](#) (CS2012-001)

THAT pursuant to Policy Number: Finance 006, the Municipal Council of the Corporation of the City of Brantford hereby ACCEPTS and AGREES with the opinion of the City Treasurer, Director of Finance that the total number of all financing leases of the following categories, already entered into or proposed to be entered into during the year 2012, will not result in a material impact for the municipality:

- a. All existing non-material financing leases which have been duly entered into on or before the date hereof;
- b. Leases for photocopiers and facsimile machines which have been entered into pursuant to the City's Purchasing Policy;

- c. Leases of real property where the lease is for nominal or token consideration;
- d. Vehicle leases, including leases for cars, vans and pickup trucks, where replacement reserve funding is unavailable for such vehicles;
- e. Vehicle leases, including leases for cars, vans and pickup trucks, where such vehicles will be subject to extensive usage (mileage and/or hours) over a short lease period;
- f. Short-term rentals for vehicles, equipment and furnishings used in seasonal or project specific activities;
- g. Golf Cart leases where replacement reserve funding is unavailable for such equipment; and
- h. Cardio Fitness Equipment leases where the equipment is subject to high usage and high annual maintenance costs.

5. CONSENT ITEMS

5.1 Minutes

THAT the following Minutes BE APPROVED:

5.1.1 [Finance Committee](#) – December 14, 2011

5.1.2 Finance Committee – Private & Confidential Minutes – December 14, 2011

5.2 [Investment Report for December 2011](#) (CS2012-008)

THAT Report CS2012-008, Investment Report for December 2011 BE RECEIVED.

5.3 [Revised Five Year Capital Plan](#) (CS2012-005)

THAT Report CS2012-005, regarding the Revised Five Year Capital Plan BE RECEIVED.

5.4 [2012 Mileage Reimbursement Rate](#) (CS2012-004)

THAT Report CS2012-004 regarding 2012 Mileage Reimbursement Rates, BE RECEIVED.

6. RESOLUTIONS

6.1 [Taxpayers Bill of Rights](#)

City Council at its meeting held December 19, 2011 REFERRED the following resolution to the Finance Committee to initiate the process of public consultation and implementation:

WHEREAS a rational and open tax policy is the goal of municipal Council; and

WHEREAS the citizens of the community have a right to have the free flow of information on how municipal government functions, and how the taxes they pay are assigned to each function; and

WHEREAS a Taxpayers Bill of Rights is an effective mechanism to draw the citizens of a community into a broader public discourse on the collection and allocation of tax dollars; and

WHEREAS a Taxpayers Bill of Rights will assist in moving the municipality to a longer term view of tax collection and allocation; and

WHEREAS a Taxpayers Bill of Rights should or could include the following elements:

- Right to answers to your tax questions
- Right to information in clear and simple language
- Right to access information in e-government format
- Right to know list of services and government units
- Right to know percentage values of taxation assigned to each unit
- Right to know percentage values for at least the last five years
- Right to know staffing levels
- Right to have access to public budgeting data as raw data
- Right to have multiple mechanisms to present to Council before and during budget process
- Right to know that measurable values are assigned to the services provided, and that service values are in a process of constant improvement
- Right to have two budget updates in April and early September of each year
- Right to have access to Council's 4 year strategic community plan and how percentage values are assigned to each strategy area

WHEREAS inflation and mandated government services must be identified and a percentage value tax increase be assigned to each category; and

WHEREAS increases larger than 1.5% or the rate of inflation (whichever is higher) are subject to a mandated consultation process; and

WHEREAS an increase within a four year Council mandate of above 3% is subject to a mandated consultation process; and

WHEREAS capital increases not to exceed 1% per term without a mandated consultation process, and including an identification of capital envelopes or projects assigned to the increase; and

WHEREAS an assessment increase matrix must be created in a format easily accessible by the public;

THEREFORE BE IT RESOLVED THAT Council accept the introduction of a Taxpayers Bill of Rights and that the Finance Committee initiate the process of public consultation and implementation; and

THAT, after the resolution is considered by the Finance Committee, that it be placed on the City's website and in the Civic News for public input before it comes forward to City Council for final approval.

7. NOTICES OF MOTION

8. PRIVATE & CONFIDENTIAL ITEMS
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8.1 Ten Largest Property Tax Arrears Accounts as at December 30, 2011 (CS2012-009)

Litigation or potential litigation, including matters before administrative tribunals

9. ADJOURNMENT



DATE: January 18, 2012

REPORT NO. CS2012-002

TO: Chair and Members of the Finance Committee

FROM: Catherine Brubacher,
City Treasurer, Director of Finance

1.0 TYPE OF REPORT **CONSENT ITEM []**
ITEM FOR CONSIDERATION [x]

2.0 TOPIC

Review of Departmental Budgets

3.0 RECOMMENDATION

A. THAT report CS2012-002 regarding a review of departmental budgets BE RECEIVED; and

B. THAT Finance Committee PROVIDE direction to staff on the budgets to be reviewed, the timing of the reviews and the form the reviews will take.

4.0 PURPOSE

To provide the Finance Committee with a list of City departments to assist in scheduling reviews of individual departmental budgets, and to receive input from the Committee of the form these reviews will take.

5.0 BACKGROUND

Council recently approved the following resolution from the December 14, 2011 Finance Committee meeting:

"THAT Staff BE DIRECTED to schedule reviews of individual Departmental budgets throughout 2012 at the Finance committee meetings, including financial challenges for each department; and

THAT the Finance Committee DETERMINE the expectations and outcomes of these Reviews."

During discussion of this resolution, Finance staff advised that the "Program Review" process undertaken by Finance Committee members during the previous Council took over three years to complete a review of all departments.

With this in mind, the Committee asked staff to provide a list of all departments at this meeting that would assist the Committee in determining which areas it wished to review during 2012.

6.0 CORPORATE POLICY CONTEXT

N/A

7.0 INPUT FROM OTHER SOURCES

N/A

8.0 ANALYSIS

A list of City departments and selected external agencies is attached for the Committee's review. In most cases, the departments are consolidated to the Director level of responsibility.


In addition to selecting the departments to review for 2012, the Committee also needs to determine the expectations and outcomes of these reviews in order for Finance staff to coordinate the consistent collection of relevant information from departments to facilitate these reviews.


9.0 FINANCIAL IMPLICATIONS

The program review process undertaken by the Finance Committee during the previous term of Council identified approximately \$350,000 in reductions and took over three years to complete. The reviews focused on the Operating Budget only. Again, it is important that the current Committee determine its expectations and outcomes for this next round of reviews to be beneficial.

10.0 CONCLUSION

The attached list has been provided to assist the Finance Committee in determining which departments it may wish to review in 2012.

per 
Catherine Brubacher
City Treasurer, Director of Finance


Darryl Lee
General Manager, Corporate Services

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

- By-law required yes no
- Agreement(s) or other documents to be signed by Mayor and/or City Clerk yes no
- Is the necessary by-law or agreement being sent concurrently to Council? yes no

4.13

BUDGET BY DEPARTMENT

	OPERATING					CAPITAL	
	2012 GROSS REVENUES	2012 GROSS EXPENSES	2012 NET OPERATING BUDGET	% OF OVERALL BUDGET	2011 NET OPERATING BUDGET	2012 CAPITAL BUDGET	2011 CAPITAL BUDGET
EXECUTIVE AND LEGISLATIVE							
MAYOR'S OFFICE	67,916	266,936	199,020	0.17%	183,841	-	-
MEMBERS OF COUNCIL	108,746	382,199	273,453	0.23%	227,297	-	-
TOTAL EXECUTIVE AND LEGISLATIVE	176,662	649,135	472,473	0.39%	411,138	-	-
CHIEF ADMINISTRATIVE OFFICER							
CHIEF ADMINISTRATIVE OFFICER	159,750	698,139	478,389	0.40%	374,161	80,000	-
BRANTFORD POWER DEPARTMENT	5,464,158	5,464,158	-	0.00%	-	-	-
CHIEF ADMINISTRATIVE OFFICER	5,623,908	6,102,297	478,389	0.40%	374,161	80,000	-
PUBLIC HEALTH, SAFETY & SOCIAL SERVICES							
ONTARIO WORKS & CHILD CARE	33,574,538	41,621,475	8,046,937	6.70%	7,845,733	-	-
SOCIAL HOUSING	9,859,730	17,727,811	7,868,081	6.55%	7,642,240	490,000	507,000
FIRE	1,611,088	15,385,458	15,356,758	12.78%	14,626,280	625,000	205,000
POLICE SERVICES	-	28,432,382	26,821,294	22.33%	25,428,254	277,542	182,103
External Agencies:							
BRANT COUNTY HEALTH UNIT	-	2,174,625	2,174,625	1.81%	2,111,287	-	-
LAND AMBULANCE	-	2,692,424	2,692,424	2.24%	2,588,931	-	-
JOHN NOBLE HOME	88,346	1,625,309	1,536,963	1.28%	1,492,860	-	-
LIBRARY	-	3,936,199	3,936,199	3.28%	3,899,155	-	-
OTHER EXTERNAL AGENCIES	860,000	1,802,487	942,487	0.78%	939,264	-	-
TOTAL PUBLIC HEALTH, SAFETY & SOCIAL SERVICES	46,022,402	115,398,170	69,375,768	57.76%	66,572,004	1,392,542	894,103
COMMUNITY SERVICES							
PARKS AND RECREATION	6,888,868	15,987,369	9,096,501	7.57%	8,816,395	2,160,000	890,000
GOLF OPERATIONS	1,812,155	1,924,500	112,345	0.09%	409,144	-	250,000
PLANNING	295,000	1,928,728	1,633,728	1.36%	1,619,655	-	-
BUILDING SERVICES & PROPERTY STANDARDS	1,737,025	2,217,759	480,734	0.40%	442,868	-	-
ECONOMIC DEVELOPMENT, TOURISM & COMMUNICATIONS	293,740	2,171,851	1,878,111	1.56%	1,811,001	-	-
SANDERSON CENTRE	1,916,828	2,529,749	612,921	0.51%	663,952	95,000	140,000
TOTAL COMMUNITY SERVICES	12,943,616	26,760,956	13,817,340	11.50%	13,757,015	2,505,000	1,280,000
ENGINEERING & OPERATIONAL SERVICES							
ENGINEERING ADMINISTRATION	1,148,964	2,496,298	1,347,334	1.12%	1,334,218	516,150	287,150
DESIGN & CONSTRUCTION	405,334	1,364,087	958,753	0.80%	983,370	12,925,000	14,251,980
PUBLIC WORKS, OPERATIONS & MAINTENANCE	608,636	6,894,759	6,286,123	5.23%	6,226,365	975,000	1,295,000
TRANSPORTATION SERVICES	4,146,591	12,151,778	8,005,187	6.66%	7,798,811	1,195,000	1,000,000
WATER TREATMENT & DISTRIBUTION	21,636,784	21,636,784	-	0.00%	-	7,160,000	1,580,000
WASTEWATER	15,222,000	15,222,000	-	0.00%	-	3,250,000	150,000
SOLID WASTE MANAGEMENT	6,134,350	7,665,483	1,531,133	1.27%	1,740,351	7,150,000	4,475,000
PROPERTY MANAGEMENT	2,867,163	3,993,191	1,126,028	0.94%	1,131,358	1,550,000	2,331,528
FLEET SERVICES	7,136,845	7,136,845	-	0.00%	-	2,775,000	2,515,000
TOTAL ENGINEERING & OPERATIONAL SERVICES	59,306,667	78,561,225	19,254,558	16.03%	19,154,453	37,496,150	27,885,658

BUDGET BY DEPARTMENT

	OPERATING					CAPITAL			
	2012 GROSS REVENUES	2012 GROSS EXPENSES	2012 NET OPERATING BUDGET	% OF OVERALL BUDGET	2011 NET OPERATING BUDGET	\$ INCR/(DECR) 2012 vs 2011	% INCR/(DECR) 2012 vs 2011	2012 CAPITAL BUDGET	2011 CAPITAL BUDGET
CORPORATE SERVICES	327,427	1,252,020	924,593	0.77%	919,294	6,299	0.68%	70,000	-
HUMAN RESOURCES	2,245,171	2,309,508	64,337	0.05%	86,484	(22,147)	-34.42%	-	-
LEGAL & REAL ESTATE	1,114,708	2,624,171	1,509,463	1.26%	1,530,848	178,615	11.83%	-	-
CITY CLERK	4,756,492	7,435,928	2,679,436	2.23%	2,554,706	124,730	4.66%	67,500	26,000
FINANCE	1,460,109	3,682,316	2,222,207	1.85%	2,151,778	70,429	3.17%	960,000	1,110,000
INFORMATION TECHNOLOGY	9,909,907	17,303,943	7,400,036	6.16%	7,042,110	357,926	4.84%	1,097,500	1,136,000
TOTAL CORPORATE SERVICES	133,977,162	244,775,726	110,798,564	92.24%	107,310,881	3,487,683	3.15%	42,571,192	31,195,761
SUBTOTAL PRIOR TO CORPORATE FINANCING	15,688,804	25,007,921	9,319,117	7.76%	8,559,648	759,469	8.15%	-	-
CORPORATE FINANCING	149,665,966	269,783,647	120,117,681	100.00%	115,870,529	4,247,152	3.54%	42,571,192	31,195,761
TOTAL NET EXPENDITURE									



DATE: January 18, 2012

REPORT NO. CS2012-001

TO: Chair and Members of the Finance Committee

FROM: Catherine Brubacher
City Treasurer, Director of Finance

1.0	TYPE OF REPORT	CONSENT ITEM []
		ITEM FOR CONSIDERATION [X]

2.0 TOPIC

Financing Lease Policy – Establish Non-Material Lease Categories for 2012

3.0 RECOMMENDATION

THAT pursuant to Policy Number: Finance 006, the Municipal Council of the Corporation of the City of Brantford hereby ACCEPTS and AGREES with the opinion of the City Treasurer, Director of Finance that the total number of all financing leases of the following categories, already entered into or proposed to be entered into during the year 2012, will not result in a material impact for the municipality:

- a. All existing non-material financing leases which have been duly entered into on or before the date hereof;
- b. Leases for photocopiers and facsimile machines which have been entered into pursuant to the City's Purchasing Policy;
- c. Leases of real property where the lease is for nominal or token consideration;
- d. Vehicle leases, including leases for cars, vans and pickup trucks, where replacement reserve funding is unavailable for such vehicles;
- e. Vehicle leases, including leases for cars, vans and pickup trucks, where such vehicles will be subject to extensive usage (mileage and/or hours) over a short lease period;
- f. Short-term rentals for vehicles, equipment and furnishings used in seasonal or project specific activities;
- g. Golf Cart leases where replacement reserve funding is unavailable for such equipment; and
- h. Cardio Fitness Equipment leases where the equipment is subject to high usage and high annual maintenance costs.

4.0 PURPOSE

The purpose of this report is to approve the list of non-material leases for the year 2012 in accordance with the requirements of Policy Number: Finance 006.

5.0 BACKGROUND

Ontario Regulation 653/05 (O.Reg 653/05) allows a municipality to enter into lease financing agreements for the purpose of obtaining long-term financing of a capital undertaking of the municipality. The regulation also establishes rules to ensure that when a municipality chooses leasing over other financing options, it recognizes and accepts the impact that the fixed payments will have on the municipality's debt and financial limit.

Under the regulation, Council may only enter into a lease financing agreement if the municipality has adopted a statement of lease financing policies and goals and if the lease itself includes a schedule of all fixed payments that are required, or may be required under any possible extensions or renewals of the lease. At a minimum, the statement must include a discussion of the financial and other risks to the municipality.

In addition, the statement may provide for a category of lease financing agreements that, in the opinion of both the council of the municipality and the treasurer, would not result in a material impact for the municipality. If leases fall within this category, they are exempt from the detailed and onerous reporting requirements that apply to all other financing leases.

6.0 CORPORATE POLICY CONTEXT

General Policy 10.2.3 in the City's Strategic Financial Plan states that Staff will monitor the Ministry of Municipal Affairs and Housing, the Public Sector Accounting Board (PSAB) and other legislative/association websites and literature to ensure that the City is aware of changes affecting financial reporting and, where necessary, will amend accounting procedures or develop policies for consideration by Finance Committee in order to comply with the most current reporting requirements. The annual review and establishing of categories of non-material leases ensures that the City is in compliance with the current requirements of O.Reg 653/05, which satisfies the requirements of the Strategic Financial Plan.

7.0 INPUT FROM OTHER SOURCES

Consideration of new categories of non-material leases is generally triggered by requests submitted by departments through the Purchasing department.

8.0 ANALYSIS

Although there is no requirement to renew the City's Lease Financing Policy each year; a new resolution detailing leases that will not result in a material impact for the municipality must be considered annually. The last change to the list was in 2011 when a new category of Cardio-Fitness Equipment leases where reserve fund financing is not available was added at the request of the Parks and Recreation department. There have been no new categories requested for 2012.

9.0 FINANCIAL IMPLICATIONS

The categories of non-material leases will not result in costs or risks that will significantly affect, or would reasonably be expected to have an effect on, the debt and financial limits prescribed for the municipality.

10.0 CONCLUSION

That in accordance with the requirements of O.Reg 653/05 and the City's Lease Financing Policy, Council approve the categories of non-material leases for 2012.

Catherine Brubacher
City Treasurer, Director of Finance

Darryl Lee
General Manager of Corporate Services

Attachments: none

Copy to: none

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

By-law required	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Agreement(s) or other documents to be signed by Mayor and/or City Clerk	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Is the necessary by-law or agreement being sent concurrently to Council?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

**FINANCE COMMITTEE
MINUTES
WEDNESDAY, DECEMBER 14, 2011
4:30 P.M.
COUNCIL CHAMBERS, CITY HALL**

ROLL CALL

PRESENT: Mayor Friel, Councillor Utlely, Councillor Wrobel, Councillor Carpenter,
Councillor McCreary

REGRETS: Councillor Kings

ALSO IN ATTENDANCE: Councillor Neumann

A. ELECTION

Councillor McCreary nominated Councillor Carpenter for the Chair position.

Councillor Carpenter assumed the Chair

Councillor Utlely nominated Councillor McCreary for the Vice-Chair position. Councillor Carpenter nominated Councillor Wrobel for the position. Councillor McCreary was elected to the Vice-Chair position.

1. DECLARATION OF CONFLICTS OF INTEREST

None

2. PRESENTATIONS / DELEGATIONS (list, if any, available at meeting)

None

3. CONGRATULATORY / CONDOLATORY RESOLUTIONS

None

4. ITEMS FOR CONSIDERATION

- 4.1 Technical Breach of Agreement between City and Wilfrid Laurier University for the Development of an Academic Centre on the Heritage Block (CS2011-016)**

Moved by Councillor Utley
Seconded by Councillor McCreary

- A. THAT Report CS2011-016 BE RECEIVED; and
- B. THAT the technical breach on the part of Wilfrid Laurier University to meet the June 30, 2011 date for substantial completion of the Academic Centre BE WAIVED.

CARRIED

4.2 Temporary Borrowing for the Municipality (CS2011-034)

Moved by Councillor Utley
Seconded by Councillor McCreary

THAT a By-law to authorize the temporary borrowing of monies to meet, until the Taxes are collected, the current expenditures of the Corporation for the year 2012 BE PRESENTED to City Council for adoption.

CARRIED

5. CONSENT ITEMS

5.1 Minutes

Moved by Councillor Wrobel
Seconded by Councillor Utley

THAT the following Minutes BE APPROVED:

5.1.1 Finance Committee – October 19, 2011

5.1.2 Finance Committee – Private & Confidential Minutes – October 19, 2011

CARRIED

5.2 Investment Report for November 2011 (CS2011-032)

Moved by Councillor Wrobel
Seconded by Councillor Utley

THAT Report CS2011-032, Investment Report for November 2011 BE RECEIVED.

CARRIED

5.3 2011 Third Quarter Casino Report (CS2011-018)

Moved by Councillor Wrobel
Seconded by Councillor Utley

THAT the 2011 – Third Quarter Casino Report BE RECEIVED.

CARRIED

Mayor Friel reported on the progress made to date with 22 other Ontario Mayors relating to loss of revenues caused by the new accounting process adopted by OLG.

5.4 2011 Third Quarter Variance Report (CS2011-029)

Moved by Councillor Wrobel
Seconded by Councillor Utley

THAT Report 2011-029 regarding 2011 Third Quarter Variance Report BE RECEIVED.

CARRIED

5.5 2012 Corporate Insurance Program Renewal (CS2011-035)

Moved by Councillor Wrobel
Seconded by Councillor Utley

- A. THAT Report CM2011-035 regarding the 2012 Corporate Insurance Programs Renewal BE RECEIVED; and
- B. THAT City Council approve the Proposal of The Frank Cowan Company for the provision of a Corporate Insurance and Risk Management Program for the City of Brantford and affiliated agencies, boards and commissions, for 2012 at a forecast annual premium of \$1,886,762 (plus applicable taxes); and
- C. THAT City Council approve the Proposal of Nacora International Insurance Brokers for the City's Airport Insurance Program and annual Airshow Liability coverage for the City of Brantford for 2012 at a total cost of \$ 8,210. (plus applicable taxes)

CARRIED

5A. BOARD/ADVISORY COMMITTEE REPORT
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5A1. Brantford Police Services Board

Moved by Councillor Utley
Seconded by Councillor Wrobel

THAT City Council APPROVE the transfer of \$50,000 from the 2011 Reserve Fund RF132 (PRIDE) to Minor Capital Account PD1101 to fund the completion of Technical Services projects.

CARRIED

6. RESOLUTIONS

6.1 Review of Specific Budgets on Annual Basis – Councillor Carpenter

Moved by Councillor Wrobel
Seconded by Councillor Utley

- A. THAT Finance Staff BE DIRECTED to provide for annual reviews of specific departmental budgets to the Finance Committee commencing in 2012; and
- B. THAT all Senior Management, Councillors expenses and City Credit Cards be the first to be reviewed for the past years expenses.

CARRIED

Moved by Councillor McCreary
Seconded by Councillor Utley

THAT the following Notice of Motions noted in the Agenda Package BE DELIBERATED under Resolutions:

- Review of 2011 Budget Process
- Review Goals for 2012
- Plan for 2013 & 2014 Budgets
- Review of Departmental Budgets

CARRIED BY REQUIRED 2/3 MAJORITY

6.2 Review of 2011 Budget Process – Councillor Utley

Moved by Councillor Utley
Seconded by Councillor Wrobel

THAT Staff BE DIRECTED to undertake a review of the 2011 Budget Process to determine:

- what went well

- what can be improved
- what methods can be employed to reduce staff time at Estimates Meetings
- How the Workbook could be improved; and
- Any other ideas for improvement.

CARRIED

It was noted that individual interviews with members of Council could occur to discuss the success and areas for improvements of the past budget process.

6.3 Review Goals for 2012 – Councillor Utley

Moved by Councillor Utley
Seconded by Councillor Wrobel

THAT Staff BE DIRECTED to provide a listing of goals for 2012 for review by the Finance Committee.

Moved by Councillor Wrobel
Seconded by Councillor Utley

THAT the motion BE REFERRED to the next City Council Retreat Session scheduled in February 2012 for consideration.

CARRIED

6.4 Plan for 2013 and 2014 Budgets – Councillor Utley

Moved by Councillor Utley
Seconded by Councillor Wrobel

THAT Staff BE DIRECTED to review the planning for process for 2013 and 2014 budgets, including a review of the feasibility of a 2 year budget and timing on when to start the process.

CARRIED

6.5 Review of Departmental Budgets – Councillor Utley

Moved by Councillor Utley
Seconded by Councillor Wrobel

THAT Staff BE DIRECTED to schedule reviews of individual Departmental budgets throughout 2012 at the Finance Committee meetings, including financial challenges for each department; and

THAT the Finance Committee DETERMINE the expectations and outcomes of these Reviews.

CARRIED

Ms. C. Brubacher advised that she could bring forward a listing of all the business units and Committee could determine which units they want to review during 2012. It was noted that this review occur with the departments that are showing larger variances and are having difficulty keeping within budget.

7. NOTICES OF MOTION

7.1 Councillor Wrobel indicated that he would be bringing forward a motion requesting that Questions be added to the Finance Committee meeting agenda.

8. PRIVATE & CONFIDENTIAL ITEMS
--

Moved by Councillor Wrobel
Seconded by Councillor Utley

THAT Finance Committee MOVE In-Camera (5:15 p.m.) to discuss the following items:

8.1 Confidential Information Regarding Minutes of Settlement for Assessment Appeals (CS2011-023)

Litigation or potential litigation, including matters before administrative tribunals

8.2 Ten Largest Property Tax Arrears Accounts as at November 30, 2011 (CS2011-024)

Litigation or potential litigation, including matters before administrative tribunals

8.3 Eligible Tax Sale Properties (CS2011-025)

Personal matters about an identifiable individual, including municipal or local board employees and Litigation or potential litigation, including matters before administrative tribunals

CARRIED

The Committee met In Camera to discuss Items 8.1, 8.2 and 8.3 and resumed in Open Session at 5:27 p.m.

9. ADJOURNMENT

The meeting adjourned at 5:27 p.m.

Councillor R. Carpenter
Chair

V. Kershaw, Council & Committee
Services Co-ordinator



DATE: January 18, 2012 **REPORT NO.** CS 2012-008
TO: Members of the Finance Committee
FROM: Catherine Brubacher
City Treasurer, Director of Finance

1.0 TYPE OF REPORT **CONSENT ITEM** [x]
ITEM FOR CONSIDERATION []

2.0 TOPIC
Investment Report for December 2011

3.0 RECOMMENDATION
THAT Report CS 2012-008 Investment Report for December 2011 BE RECEIVED.

4.0 PURPOSE
To provide a monthly update of the City's investment activities.

5.0 BACKGROUND
Each month investment activities are summarized in report format and forwarded to the Finance Committee.

6.0 CORPORATE POLICY CONTEXT
In accordance with the Strategic Financial Plan Policy Statements, the Finance Committee will monitor cash and investment income balances on a regular basis to ensure investment income is maximized.

7.0 INPUT FROM OTHER SOURCES
N/A

8.0 ANALYSIS

- The Bank of Canada maintained the overnight rate at 1.00% on December 6th, 2011. Forecasts indicate that this rate will remain in place throughout 2012. The next interest rate announcement is January 17th, 2012.
- There were no long-term purchases in December. A long-term Ontario bond totaling \$1 million matured this month. One municipal owned debenture totaling \$400,000 was purchased in December. The average rate of return on our long-term investments is 2.77% to the end of December, which is a decrease of .01% from November. The long-term average rate of return to the end of December 2010 was 3.00%.

- There were no short-term purchases or maturities in December. The average rate of return on our short-term investments is 1.28% to the end of December, which is unchanged from November. The short-term average rate of return to the end of December 2010 was 0.90%.
- For the amounts on deposit in the City's bank account, the average rate of return for December was 1.22%. The current bank rate offered is 1.20% on the City's general account and 1.25% on the Local Housing account. The annual average rate of return in the City's bank account to the end of December 2010 was 0.88%.

9.0 FINANCIAL IMPLICATIONS

Preliminary results support an estimated \$100,000 deficit in investment income to the end of the year, consistent with 3rd quarter projections. A final report on investment activities for 2011, as required annually by the Municipal Act, will be provided with the audited financial statements later this year.

Council has approved our request for the addition of investment advisors from TD Waterhouse, BMO Nesbitt Burns and CIBC Wood Gundy. Safekeeping accounts have been set up with TD Waterhouse and CIBC Wood Gundy and Finance staff is in the process of setting up a safekeeping account with BMO Nesbitt Burns. Finance is conducting cashflow analysis and it is our intention to take advantage of short-term instruments offered by these additional brokers in the near future.

10.0 CONCLUSION

Receive report(s) as presented.

Catherine Brubacher
City Treasurer, Director of Finance

Darryl Lee
General Manager of Corporate Services

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

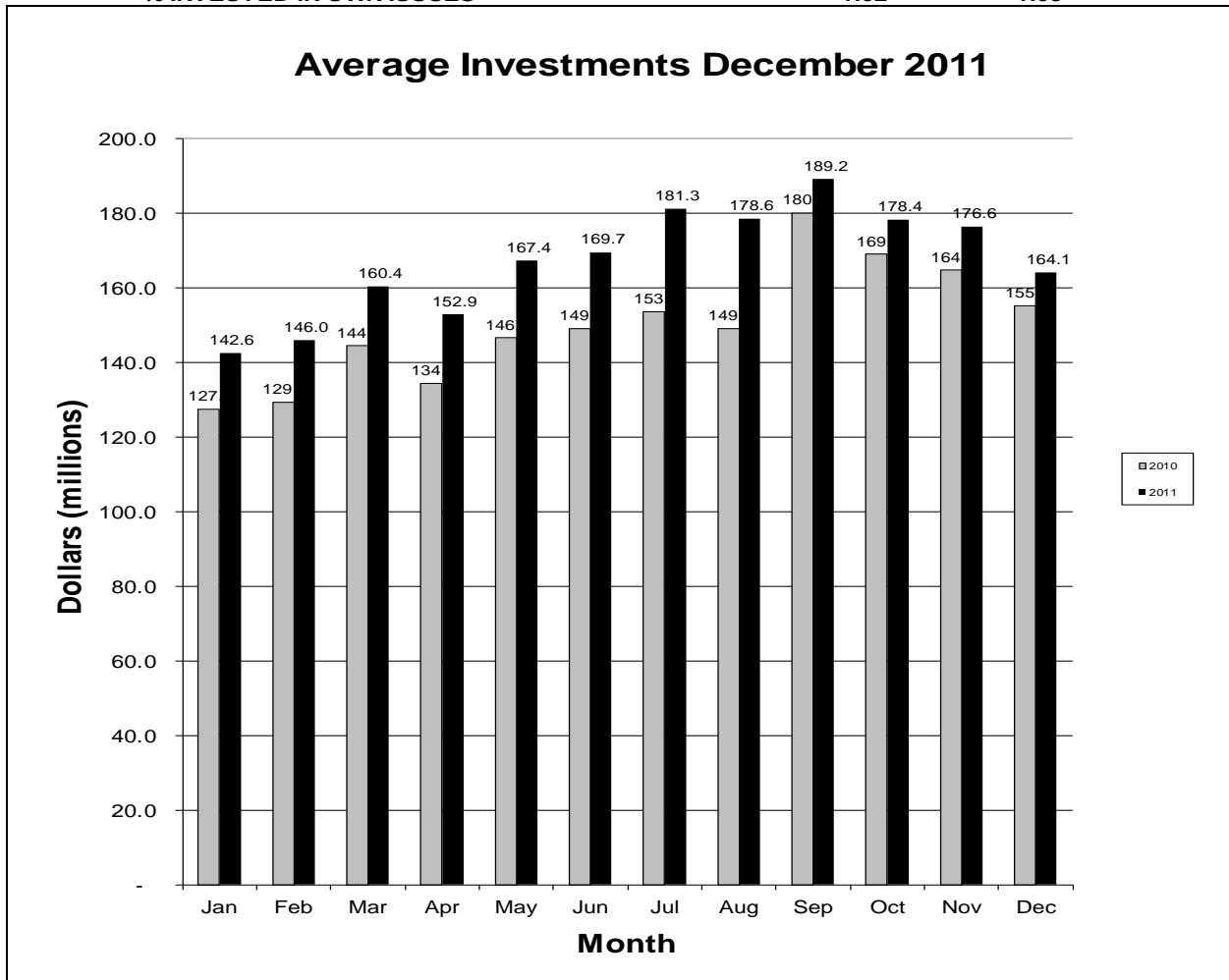
By-law required	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Agreement(s) or other documents to be signed by Mayor and/or City Clerk	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Is the necessary by-law or agreement being sent concurrently to Council?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

City of Brantford
Investment Report for December 2011

<u>AVERAGE</u>	<u>LONG-TERM</u>	<u>SHORT- TERM INVESTMENTS</u>			<u>TOTAL</u>	<u>TOTAL</u>
		<u>B/A, ISA, etc</u>	<u>ONE - MMF</u>	<u>ROYAL CASH</u>	<u>SHORT-TERM</u>	<u>PORTFOLIO</u>
January	101,032,935	13,838,710	143,179	27,576,576	41,558,464	142,591,399
February	95,816,484	9,000,000	143,349	41,061,126	50,204,475	146,020,958
March	106,546,898	15,967,742	143,474	37,749,879	53,861,095	160,407,994
April	107,030,769	15,000,000	143,610	30,756,955	45,900,565	152,931,334
May	105,088,205	15,000,000	143,790	47,125,415	62,269,206	167,357,411
June	99,913,822	15,000,000	143,961	54,627,582	69,771,542	169,685,364
July	100,223,804	15,000,000	144,100	65,891,874	81,035,974	181,259,778
August	98,002,219	15,000,000	144,278	65,482,425	80,626,703	178,628,922
September	99,302,219	16,833,333	144,437	72,952,528	89,930,298	189,232,517
October	102,002,219	20,000,000	144,541	56,257,986	76,402,527	178,404,746
November	101,909,136	20,000,000	144,626	54,555,264	74,699,890	176,609,026
December	101,114,207	20,000,000	144,722	42,833,368	62,978,089	164,092,296
Balance	101,498,577	15,886,649	144,005	49,739,248	65,769,902	167,268,479
Rate	2.77%	1.49%	1.21%	1.22%	1.28%	2.19%

2010 AVERAGE						
Balance	93,679,792	17,953,623	142,507	38,546,070	56,642,199	150,321,991
Rate	3.00%	95.00%	0.77%	0.88%	0.90%	2.21%

	2011	2010
TOTAL AVERAGE INVESTMENTS FOR December	164,092,296	155,197,351
TOTAL AVERAGE INVESTMENTS IN OWN ISSUES	2,662,594	2,535,565
% INVESTED IN OWN ISSUES	1.62	1.63





DATE: January 18, 2012 **REPORT NO.** CS2012-005
TO: Chair and Members of the Finance Committee
FROM: Catherine Brubacher,
City Treasurer, Director of Finance

1.0 TYPE OF REPORT **CONSENT ITEM** [x]
ITEM FOR CONSIDERATION []

2.0 TOPIC

Revised Five Year Capital Plan

3.0 RECOMMENDATION

THAT Report No. CS2012-005, regarding the Revised Five Year Capital Plan, BE RECEIVED.

4.0 PURPOSE

To inform the Finance Committee of the impact on the Five Year Capital Plan resulting from the Estimates Committee proposal to reduce the annual transfer from the Operating budget to the Capital Funding Envelope.

5.0 BACKGROUND

For the last number of years, approximately \$14M has been included in the annual Operating Budget to be used for Capital purposes. From this provision, a number of City departments are provided “capital funding envelopes” to facilitate their individual capital programs. These envelopes can be used immediately, or can accumulate in a reserve fund over time to fund larger projects.

As part of the 2012 Estimates process, staff was directed to provide a list of proposed 2012 capital projects or reserve fund transfers that were funded using

the 2012 Capital Funding Envelope that could be considered for elimination. Eliminating some of these projects would reduce the Capital Funding Envelope, thereby reducing the Operating Budget. The Committee was advised that eliminating these projects, and reducing the Operating Budget in 2012, meant that the annual capital funding envelope would be reduced permanently to avoid an unavoidable increase to the Operating Budget in 2013. Decisions of the Estimates Committee to date have reduced the annual envelopes for the following departments:

- Parks & Recreation \$100,000
- Property Management \$150,000
- Design & Construction – Industrial Roads \$400,000
- Planning – Downtown Reinvestment \$100,000

6.0 CORPORATE POLICY CONTEXT

N/A

7.0 INPUT FROM OTHER SOURCES

Revised Five Year Capital plans were provided by the specific departments.

8.0 ANALYSIS

The following chart provides information on the departments that are impacted by the proposed reduction to the Capital Funding Envelope:

Department	Previous Envelope	Proposed Reduction	Revised Envelope	2012 Capital Project Approved for Deletion
Parks & Recreation	\$700,000	\$100,000	\$600,000	Lorne Park Renovations
Property Management	\$1,546,528	\$150,000	\$1,396,528	Wayne Gretzky Sports Centre- Existing Aquatic Parking Lot Repairs
Design & Construction – Industrial Roads	\$400,000	\$400,000	\$0	Hachborn Road
Planning – Downtown Reinvestment	\$200,000	\$100,000	\$100,000	Transfer to Reserve Fund
Total Envelope Reduction		\$750,000		

Because this \$750,000 reduction to the Capital Funding Envelope is a permanent reduction to the Operating Budget, the Department's Five Year Capital plans have been revised to highlight the impact of this decision.

The revised plans are attached as Appendix A.

9.0 FINANCIAL IMPLICATIONS

The decisions of the Estimates Committee to date propose to reduce the Operating Budget contribution to Capital by \$750,000. This is being considered a permanent reduction; otherwise, an unavoidable increase would need to be included in the 2013 Operating Budget. As such, the five year capital plans provided to the Committee by the departments who will experience a reduction to their capital envelope have been updated and are included as Appendix A.

10.0 CONCLUSION

This report and the attached Appendix A seek to inform the Finance Committee how the proposed reduction in the Operating Budget's annual contribution to Capital impacts the Five Year Capital plan as originally submitted by Staff.

Catherine Brubacher,
City Treasurer, Director of Finance

Darryl Lee,
General Manager, Corporate Services

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

By-law required yes no

Agreement(s) or other documents to be signed by Mayor and/or City Clerk yes no

Is the necessary by-law or agreement being sent concurrently to Council? yes no

PARKS & RECREATION - REVISED FIVE YEAR CAPITAL PLAN

	2012	2013	2014	2015	2016
Project Name	Gross Cost	Gross Cost	Gross Cost	Gross Cost	Gross Cost
Minor Capital	310,000	310,000	310,000	345,000	345,000
Sports Field Renovations	100,000	150,000	150,000	-	85,000
Playground Retrofits	115,000	150,000	200,000	165,000	140,000
New Park Development	200,000	200,000	300,000	120,000	150,000
Trails/Bikeway Improvements	100,000	100,000	100,000	100,000	100,000
Arenas Renovations	100,000	80,000	110,000	110,000	85,000
Branlyn/Notre Dame Roof Replacement	100,000				
Aquatics Renovations	120,000			110,000	85,000
Community Centre Design	500,000				
Steve Brown Fieldhouse	150,000				
Woodman Community Centre Parking Lot	365,000				
Lorne Park Renovations (phase 1)	-				
Gilkison Flats Area Renovations		50,000			
Community Centres Renovations		110,000	90,000		
Spray Pad Design & Construction		250,000			
Recreational Facilities Renovations			50,000		
Neighbourhood Parks - Develop New Play Opportunities			-		
Total Parks & Recreation	2,160,000	1,400,000	1,200,000	950,000	990,000

2015 project eliminated from 5 year plan. \$110,000 project with \$100,000 funding from the envelope. 2016 project reduced by \$25,000.

2016 project reduced by \$25,000

Project eliminated from 5 year plan. \$200,000 project with 50% funding from the envelope

Project reduced from \$90,000 to \$50,000. Will still go ahead with design component.

2013 Community Centre Renovations reduced \$60,000. 2014 Renovations reduced \$10,000.

Project eliminated from 5 year plan. \$90,000 - 100% envelope funded.

PROPERTY MANAGEMENT - REVISED 5-YEAR CAPITAL PLAN

	2012	2013	2014	2015	2016
City Hall Mechanical Upgrades	600,000				
Wayne Gretzky Sports Centre Aquatics Parking Lot repairs					\$150,000 project eliminated from 2012 Plan
Airport Apron Repairs	450,000				
Sanderson Centre Interior Repairs	300,000				
Sanderson Centre Auditorium Roof Replacement		550,000			
City Hall Courtyard Repairs		250,000			
Steve Brown S.C. Finishes & Scoreboard		50,000			
Northridge Golf Course Parking Lot		300,000			
Glenhyrst Main House Roof Repairs		100,000			
Pool and Mechanical Renovations - Woodman Community Centre		50,000			
Interior and Mechanical Upgrades - Arrowdale Golf Course		50,000			
Interior and Mechanical Upgrades - Northridge Golf Course		100,000			Originally a 2013 project, deferred to 2014
Plumbing and Mechanical Repairs - City Yards Buildings.		50,000			Originally a 2013 project, deferred to 2014
Civic Centre Interior Repairs				300,000	Originally a 2014 project, deferred to 2015
Market Centre Parkade Lighting Upgrade			200,000		
84 Market/Mechanical Repairs/ Interior Upgrades			600,000		
Various Parks Facilities Upgrades			400,000		
Steve Brown S.C. Mech./Elect. Repairs				320,000	
Tourism Centre Upgrades				76,000	
John Noble Home Upgrade				250,000	
Parks and Recreation Storage			150,000	150,000	Originally fully funded in 2014, now funded 1/2 in 2015 and 1/2 in 2016
Library Upgrades				300,000	Originally a 2015 project, deferred to 2016
Various Parks Facilities Upgrades			254,000		
John Noble Home Upgrades				200,000	
Parkade Deck and Interior repairs				315,000	
Northridge Facility finishes				100,000	
Parks & Recreation office repairs					\$110,000 project deferred until 2017
Yards/Traffic Building Upgrades				260,000	
Earl Haig Parking and Slide					\$380,000 project deferred until 2017
Airport Fence					\$100,000 project deferred until 2017
Transfer to Reserve - Facilities Asset Management		46,528	46,528	46,528	71,528
Total Property Management	1,396,528	1,396,528	1,396,528	1,396,528	1,396,528

INDUSTRIAL ROADS - REVISED 5-YEAR CAPITAL PLAN

	2012	2013	2014	2015	2016
Hachborn Road	-				\$400,000 project eliminated from 2012 Plan
Curbs and top lift asphalt surace on existing industrial roads - specific road not identified		-			\$400,000 project eliminated from 2013 Plan
Curbs and top lift asphalt surace on existing industrial roads - specific road not identified			-		\$400,000 project eliminated from 2014 Plan
Curbs and top lift asphalt surace on existing industrial roads - specific road not identified				-	\$400,000 project eliminated from 2015 Plan
Curbs and top lift asphalt surace on existing industrial roads - specific road not identified					\$400,000 project eliminated from 2016 Plan
Total Industrial Roads	-	-	-	-	-

Note: Proposed reduction eliminates the entire Industrial Roads Capital Envelope. These needs will now need to be considered within the Annual Roads Program envelope.

PLANNING - DOWNTOWN REINVESTMENT

The Capital Funding Envelope provided annually to the Downtown Reinvestment Program was previously \$200,000. This amount is proposed to be reduced to \$100,000 annually beginning in 2012.

All of the Capital Funding Envelope money is transferred annually to the Downtown Reinvestment Program Reserve Fund, which was established as part of the 2006 Budget to encourage private sector investment in the Downtown. A five year capital plan is not submitted.

The Reserve Fund currently funds incentives under the Downtown Facade Grant Program and the Downtown Performance Grant Program. The reserve fund currently has a balance of approximately \$580,000 and as requests under the incentive programs are identified, approval to transfer amounts from the reserve fund is obtained through Council resolution.



DATE: January 18, 2012

REPORT NO. CS 2012-004

TO: Chair and Members of Finance Committee

FROM: Catherine Brubacher
City Treasurer, Director of Finance

1.0 TYPE OF REPORT **CONSENT ITEM [X]**
ITEM FOR CONSIDERATION []

2.0 TOPIC

2012 Mileage Reimbursement Rates

3.0 RECOMMENDATION

THAT Report No. CM2012-004 regarding 2012 mileage reimbursement rates, BE RECEIVED.

4.0 PURPOSE

To provide Council with the 2012 rates that employees will be reimbursed when required to drive their personal vehicles for business purposes.

5.0 BACKGROUND

On August 22, 2005 Council approved a recommendation from the City Treasurer that:

1. An annual review of mileage rates be undertaken each year utilizing the Canada Revenue Agency's two reasonable kilometer rates that are set at the end of each year;
2. The mileage reimbursement rates be automatically adjusted effective January 1st of the following year based on the average of these two rates;
3. Staff be authorized to amend the Staff Travel and Expense Policy to incorporate any change in rates;
4. Council be informed of the change in mileage rates by an information report from the City Treasurer.

6.0 STRATEGIC FINANCIAL PLAN CONTEXT

N/A

7.0 INPUT FROM OTHER SOURCES

The Federal government has set the 2012 limit on tax-exempt allowances paid by employers to employees using their personal vehicle for business purposes at \$0.53 per kilometer for the first 5,000 kilometers driven and \$0.47 for each additional kilometer. These rates increased from 2011 by 1 cent.

8.0 ANALYSIS

Calculating the average of these two rates results in the mileage reimbursement for 2012 to be set at \$0.50 per business kilometer driven. For employees' receiving the \$5 per day car allowance, the rate of reimbursement will continue to be \$0.07 per kilometer less which results in \$0.43 per business kilometer driven. These rates increased from 2011 by 1 cent.

9.0 FINANCIAL IMPLICATIONS

Although there is an increase to the mileage reimbursement of 1 cent per kilometer, staff is assuming similar driving patterns in 2012 as in 2011, and therefore only a nominal expenditure increase is expected. In 2012 staff will track mileage reimbursement separately from other similar expenditures to see the actual impact.

10.0 CONCLUSION

Mileage reimbursement rates for employees who are required to occasionally use their personal vehicles for business purposes will be increased to \$0.50 per kilometer for 2012. The rate for regular drivers who receive the \$5 per day car allowance will increase to \$0.43 per kilometer.

Catherine Brubacher
City Treasurer, Director of Finance

Darryl Lee
General Manager of Corporate Services

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

- | | | |
|--|------------------------------|--|
| By-law required | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
| Agreement(s) or other documents to be signed by Mayor and/or City Clerk | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
| Is the necessary by-law or agreement being sent concurrently to Council? | <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |

6. RESOLUTIONS

6.1 Taxpayers Bill of Rights

City Council at its meeting held December 19, 2011 REFERRED the following resolution to the Finance Committee to initiate the process of public consultation and implementation:

WHEREAS a rational and open tax policy is the goal of municipal Council; and

WHEREAS the citizens of the community have a right to have the free flow of information on how municipal government functions, and how the taxes they pay are assigned to each function; and

WHEREAS a Taxpayers Bill of Rights is an effective mechanism to draw the citizens of a community into a broader public discourse on the collection and allocation of tax dollars; and

WHEREAS a Taxpayers Bill of Rights will assist in moving the municipality to a longer term view of tax collection and allocation; and

WHEREAS a Taxpayers Bill of Rights should or could include the following elements:

- Right to answers to your tax questions
- Right to information in clear and simple language
- Right to access information in e-government format
- Right to know list of services and government units
- Right to know percentage values of taxation assigned to each unit
- Right to know percentage values for at least the last five years
- Right to know staffing levels
- Right to have access to public budgeting data as raw data
- Right to have multiple mechanisms to present to Council before and during budget process
- Right to know that measurable values are assigned to the services provided, and that service values are in a process of constant improvement
- Right to have two budget updates in April and early September of each year
- Right to have access to Council's 4 year strategic community plan and how percentage values are assigned to each strategy area

WHEREAS inflation and mandated government services must be identified and a percentage value tax increase be assigned to each category; and

WHEREAS increases larger than 1.5% or the rate of inflation (whichever is higher) are subject to a mandated consultation process; and

WHEREAS an increase within a four year Council mandate of above 3% is subject to a mandated consultation process; and

WHEREAS capital increases not to exceed 1% per term without a mandated consultation process, and including an identification of capital envelopes or projects assigned to the increase; and

WHEREAS an assessment increase matrix must be created in a format easily accessible by the public;

THEREFORE BE IT RESOLVED THAT Council accept the introduction of a Taxpayers Bill of Rights and that the Finance Committee initiate the process of public consultation and implementation; and

THAT, after the resolution is considered by the Finance Committee, that it be placed on the City's website and in the Civic News for public input before it comes forward to City Council for final approval.



	YES / NO
COUNC. J. VANDERSTELT	_____ : _____
COUNC. V. BUCCI	_____ : _____
COUNC. D. DIGNAN-RUMBLE	_____ : _____
COUNC. D. WROBEL	_____ : _____
COUNC. D. NEUMANN	_____ : _____
COUNC. M. CESCHI-SMITH	_____ : _____
COUNC. R. CARPENTER	_____ : _____
COUNC. D. McCREARY	_____ : _____
COUNC. J. UTLEY	_____ : _____
COUNC. L. KINGS	_____ : _____
MAYOR C. FRIEL	_____ : _____