



**The Corporation of the City of Stratford
Finance and Labour Relations Committee
Open Session
AGENDA**

Date: Tuesday, October 27, 2015
Time: 4:45 P.M.
Location: Council Chamber
 City Hall
Committee Present: Councillor Clifford - Chair Presiding, Councillor Mark - Vice Chair, Mayor Mathieson, Councillor Beatty, Councillor Brown, Councillor Bunting, Councillor Henderson, Councillor Ingram, Councillor McManus, Councillor Ritsma, Councillor Vassilakos
Staff Present: Ron Shaw - Chief Administrative Officer, Andre Morin - Director of Corporate Services, Ed Dujlovic - Director of Infrastructure and Development Services, David St. Louis - Director of Community Services, Cindy McNair - Deputy CAO/Director of Human Resources, Carole Desmeules - Director of Social Services, Joan Thomson - City Clerk, Charlene Lavigne - Deputy Clerk, John Paradis - Fire Chief, Marilyn Pickering - Supervisor of Tax Revenue, Naeem Khan - Manager of IT, Barb Smith - Recording Secretary, Janice Beirness - Manager of Financial Services

Pages

1. Call to Order

Councillor Clifford, Chair presiding, to call the Budget Meeting to order.

2. Declarations 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

3. Delegations

None scheduled.

4. Report of the Director of Corporate Services

4.1 Draft 2016 Budget Summary (FIN15-019)

6 - 7

The Director of Corporate Services to provide opening comments on the 2016 Budget

Motion by _____

Staff recommendation: That the Draft 2016 Budget Summary report dated October 27, 2015, be received.

4.2 Budget 2016 – Subsequent information (FIN15-020)

8 - 17

The Director of Corporate Services will provide a follow-up report from the September 9, 2015 Pre-Budget Meeting

Motion by _____

Staff recommendation: That the Budget 2016- Subsequent Information to September 9, 2015 Pre-Budget Meeting report be received.

5. Review of Draft 2016 Operating Budgets by Department

5.1 G112 Human Resources (pg 13)

Motion by _____

Staff recommendation: That the 2016 G112 Human Resources operating budget be adopted as presented at the October 27, 2015 Finance and Labour Relations Committee meeting, for a 2016 net budget of \$569,037.00.

5.2 G411 Stratford Public Library (pg 78)

Motion by _____

Staff recommendation: That the 2016 G411 Stratford Public Library operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$2,098,968.

5.3 G211 Fire (pg 41)

Motion by _____

Staff recommendation: That the 2016 G211 Fire operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$6,897,409.

5.4 G512 Municipal Airport

Motion by _____

Staff recommendation: That the 2016 G512 Municipal Airport operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$174,775.

5.5 G611 Social Services (pg 88)

Motion by _____

Staff recommendation: That the 2016 G611 Social Services operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$832,320.

5.6 G613 Anne Hathaway Day Care Centre (pg 95)

Motion by _____

Staff recommendation: That the 2016 G613 Anne Hathaway Day Care Centre operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$81,017.

5.7 G615 Housing (pg 102)

Motion by _____

Staff recommendation: That the 2016 G615 Housing operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$1,789,238.

5.8 G616 Child Care (pg 115)

Motion by _____

Staff recommendation: That the 2016 G616 Child Care operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$350,074.

5.9 G617 Early Learning and Child Development (pg 116)

Motion by _____

Staff recommendation: That the 2016 G617 Early Learning & Child Development operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$0. (\$3,596,169. rev/exp).

5.10 G101 Mayor's Office (pg 4)

Motion by _____

Staff recommendation: That the 2016 G101 Mayor's Office operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$85,902.

5.11 G102 Council (pg 7)

Motion by _____

Staff recommendation: That the 2016 G102 Council operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$222,239.

5.12 G111 Office of the CAO (pg 10)

Motion by _____

Staff recommendation: That the 2016 G111 Office of the C.A.O. operating budget be adopted as presented at the October 27, 2015, Finance and Labour Relations Committee meeting, for a 2016 net budget of \$522,628.

6. New Business

7. 2016 Budget Dates

Committee members are reminded of these upcoming scheduled budget meeting dates:

Wednesday, November 4 at 4:45 p.m. in the Auditorium
 Tuesday, November 10 at 4:45 p.m. in the Council Chamber
 Monday, November 16 at approx. 5:30, following Social Services
 Wednesday, November 25 at approx. 5:30 following ITS
 Monday, December 7 at 4:45 p.m. in the Council Chamber

8. Adjournment

Meeting Start Time:

Meeting End Time :

Motion by _____

That the Finance and Labour Relations Committee 2016 Budget Meeting adjourn.



MANAGEMENT REPORT

Date: October 27, 2015
To: Finance and Labour Relations Committee
From: André Morin, Director of Corporate Services
Report#: FIN15-019
Attachments: None

Title: Draft 2016 Budget Summary

Objective: To provide Committee with a summary of the Draft 2016 Budget.

Background:

Staff have been preparing and coordinating department budget submissions since July 2015. A Pre-Budget meeting and Open House were held on September 9, 2015.

Committee will deliberate the 2016 Budget as follows:

- October 27, 2015
- November 4, 2015
- November 10, 2015
- November 16, 2015
- November 25, 2015
- December 7, 2015

At the above noted meetings, Committee will hear from each Department about their respective 2016 Budgets and operating plans. The 2016 Budget is expected to be passed on January 25, 2016.

Analysis:

The Draft Budget contains the following estimates:

- Net Operating Budget Increase of \$1,869,309 or 3.64%
- Net Capital Budget Increase (Infrastructure levy) of \$500,000 or 19.26%
- Estimated Net Assessment Growth of \$500,000
- **NET TAX LEVY INCREASE of 3.59% (Operating 2.63% + Infrastructure Levy of 0.96%)**

Significant items to note in the 2016 Budget include:

- An additional 1% Infrastructure Levy (\$500,000) is included
- The G810 Requisitions from Others Budget represents an increase of \$872,271; in other words makes up 1.68% of the Net Levy Increase
- Recommendations from the 2015 Fire Review have not been included
- No new Long Term Debt borrowing has been included for 2016

Further details are provided within the 2016 Budget Binder. The 2016 Budget Summary will be updated as changes are made throughout deliberations.

The 2016 draft Capital Budget will be updated within the next 2 weeks and it is expected that one Committee meeting will be solely dedicated to discussing the Capital and Unfunded Capital for 2016 and beyond.

Financial Impact: Not applicable.

Staff Recommendation: That the Draft 2016 Budget Summary Report be received.



Director of Corporate Services



Ron Shaw, Chief Administrative Officer



MANAGEMENT REPORT

Date: October 27, 2015
To: Finance and Labour Relations Committee
From: André Morin
Report#: FIN15-020
Attachments: Comparative Property Tax Ratios 2014
 Long Term Debt Information including interest rates
 Estimated Future Outstanding Debt Principal
 Stratford Growth Projections
 2016 Provincial and Federal Uploads and Funding
 2016 Budget – Staffing Comparison

Title: Budget 2016 – Subsequent information to September 9, 2015 Pre-Budget Meeting

Objective: To provide Committee with responses to questions raised at the Pre-Budget Meeting held in September 2015.

Background: On September 9, 2015, a 2016 Pre-Budget meeting and Open House were held. At that meeting, some further information was requested by Committee members.

Analysis: The following further information was requested:

- **Comparative Property Tax Ratios** – Attached is an excerpt from the 2014 BMA Municipal Study which summarizes Multi-Residential, Commercial, and Industrial tax ratios for a number of Municipalities in Ontario. These comparatives are from Municipalities that opted to be included in the BMA study and do not represent all Municipalities in Ontario
- **Long Term Debt** – Attached is a revised chart identifying the interest rates for each debt instrument. Also attached is a chart projecting long term debt principal balances – note this projection is for current debt obligations only, it does not anticipate new debt
- **Stratford Growth Projections** – In 2012, the City hired Watson & Associates Economists to complete an Official Plan Amendment Background Report – Residential Intensification Assessment. A summary taken from that report, used in the 2012 Development Charge Study, has been attached
- **Provincial and Federal Uploads** – Attached is a summary of 2015 versus 2016 budgeted Provincial and Federal Uploads. This is not an exhaustive list of all

government funding, but some of the main funding envelopes affecting various budgets

- **2016 Staffing Resources** – Attached is a summary comparing the 2015 and 2016 budgeted staffing resources by Department

Financial Impact: Not applicable

Staff Recommendation: That the Budget 2016 – Subsequent Information report dated October 27, 2015 be received.



Director of Corporate Services

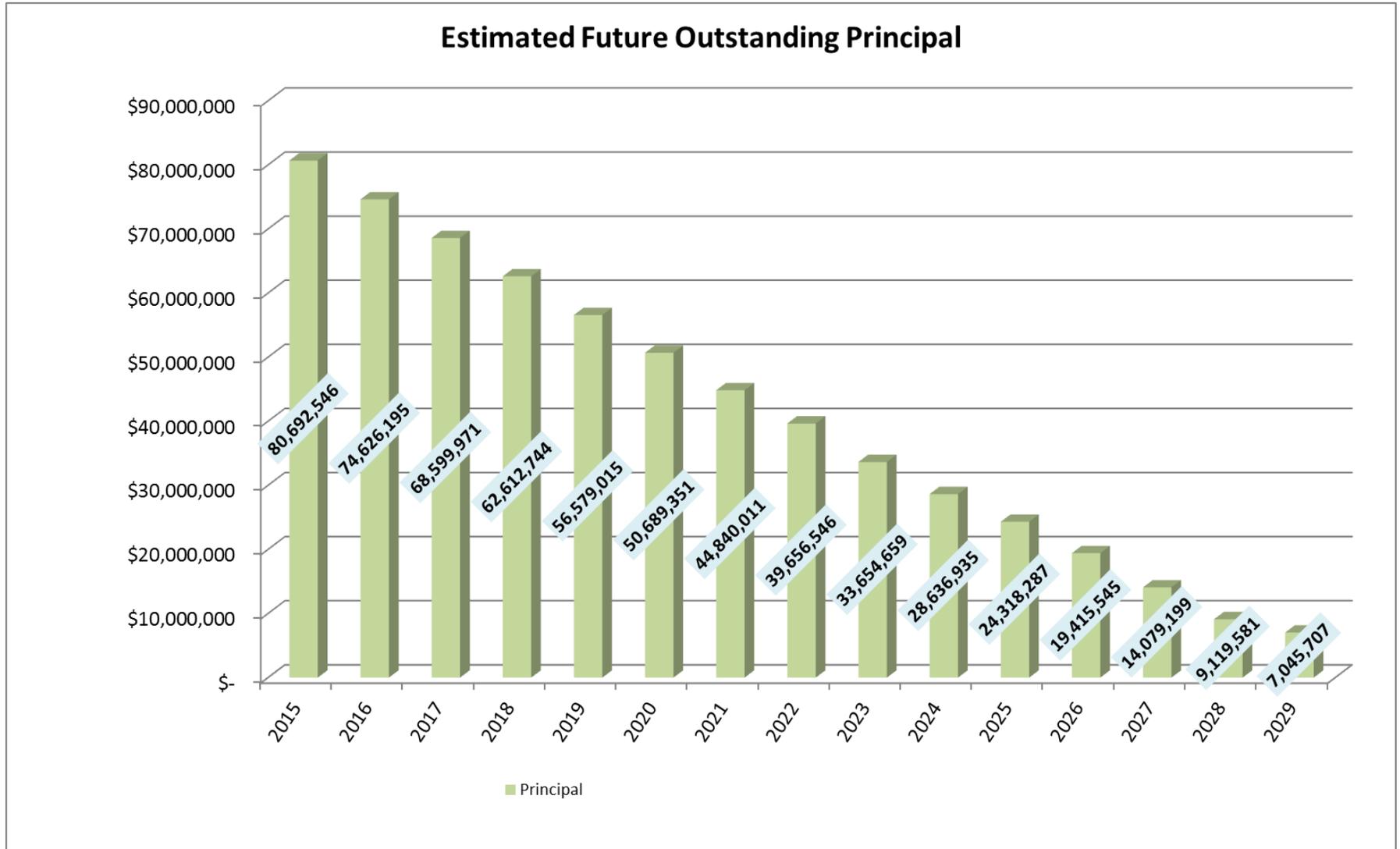


Ron Shaw, Chief Administrative Officer

2014 Tax Ratios

Municipality	Multi Residential	Commercial (Residual)	Industrial (Residual)
Barrie	1.0000	1.4331	1.5163
Belleville	2.5102	1.9191	2.4000
Brampton	1.7050	1.2971	1.4700
Brockville	1.7700	1.9482	2.6131
Caledon	1.6843	1.3124	1.5805
Central Elgin	2.3458	1.6376	2.2251
Dufferin	2.6802	1.2200	2.1984
Durham	1.8665	1.4500	2.2598
Essex	1.9554	1.0820	1.9425
Greater Sudbury	2.2294	2.1865	3.1780
Grey	1.4412	1.3069	1.8582
Guelph	2.0819	1.8400	2.4174
Halton	2.2619	1.4565	2.3599
Hamilton	2.7400	1.9800	3.1752
Kenora	1.6390	1.9835	2.1232
Kingston	2.2917	1.9800	2.6300
Lambton	2.4000	1.6942	2.0476
London	1.9800	1.9800	2.2200
Middlesex	1.7697	1.1449	1.7451
Mississauga	1.7788	1.4098	1.5708
Muskoka	1.0000	1.1000	1.1000
Niagara	2.0440	1.7586	2.6300
North Bay	2.2054	1.8822	1.4000
Ottawa	1.5316	1.9344	2.6288
Owen Sound	2.4002	1.9662	2.4496
Oxford	2.7400	1.9018	2.6300
Perth	2.1505	1.2469	1.9692
Peterborough (City)	1.9472	1.6202	1.9116
Prince Edward County	1.4402	1.1125	1.3895
Quinte West	2.1300	1.5385	2.4460
Sault Ste. Marie	1.2808	2.0936	2.8453
Simcoe	1.5385	1.2521	1.5385
St. Thomas	2.4987	1.9475	2.2281
Stratford	2.1539	1.9759	2.9005
Thunder Bay	2.6856	1.9800	2.5400
Timmins	1.7866	1.8525	2.2708
Toronto	3.1185	2.9218	3.1185
Waterloo	1.9500	1.9500	1.9500
Windsor	2.5403	2.0037	2.4200
York	1.0000	1.1172	1.3124
Average	2.0068	1.6854	2.1802
Median	2.0120	1.7993	2.2266
Minimum	1.0000	1.0820	1.1000
Maximum	3.1185	2.9218	3.1780
Provincial Threshold	2.7400	1.9800	2.6300

Estimated Future Outstanding Long Term Debt Principal for current Debt Obligations only – no new debt included



Long Term Debt Information – including Interest Rates

				2014 Actual	2015 Projected		
Description	Initial	Year Complete	Interest Rate	Balance	Principal	Interest	Balance
	Amortization Period						
RBC - \$3M	20	2025	2.42%	1,905,727.51	145,015.59	73,265.13	1,760,711.92
RBC - \$11M	20	2022	2.63%	5,520,115.64	709,561.87	135,855.41	4,810,553.77
IO - \$33.5	25	2032	2.57%	23,447,289.60	1,339,845.12	593,963.25	22,107,444.48
IO - \$1.7M	10	2017	2.47%	421,692.05	168,676.84	9,371.36	253,015.21
IO - \$5.7M	20	2028	2.74%	4,048,817.56	289,201.24	108,625.50	3,759,616.32
IO - \$21.042M	15	2026	3.21%	16,834,107.98	1,402,842.34	529,086.21	15,431,265.64
IO - \$5.5M	15	2024	4.28%	3,666,666.70	366,666.66	152,999.25	3,300,000.04
IO - \$1.295M	25	2034	2.70%	1,100,986.66	42,161.86	29,443.96	1,058,824.80
IO - \$16.8M	25	2034	4.96%	13,453,096.00	672,654.80	657,173.05	12,780,441.20
IO - \$1.34M	20	2024	2.78%	670,000.00	67,000.00	18,159.07	603,000.00
RBC - \$4.550M	25	2027	2.84%	4,550,000.00	84,960.28	86,146.67	4,465,039.72
RBC - \$4.5M	25	2028	2.88%	4,500,000.00	83,588.17	86,400.00	4,416,411.83
RBC - \$1.3M	5	2020	1.75%	1,311,186.00	168,812.07	15,297.17	1,142,373.93
RBC - \$2M	10	2025	2.49%	2,000,000.00	119,066.31	33,200.00	1,880,933.69
RBC - \$1.5M	20	2023	2.51%	1,500,000.00	39,107.74	25,100.00	1,460,892.26
RBC - \$1.5M (2)	20	2026	2.80%	1,500,000.00	37,978.98	28,000.00	1,462,021.02
SubTotal				86,429,685.70	5,987,139.86	2,582,086.03	80,692,545.84

**TABLE 3-1
CITY OF STRATFORD
RESIDENTIAL GROWTH FORECAST SUMMARY**

Year	Population (Excluding Census Undercount)	Institutional Population	Population (Net of institutional)	Housing Units					
				Singles & Semi- Detached	Multiple Dwellings ¹	Apartments ²	Other	Total Households	Person Per Unit (PPU) ³
<i>Mid 1996</i>	29,007	552	28,455	7,725	1,005	2,945	85	11,760	2.47
<i>Mid 2001</i>	29,780	785	28,995	8,170	1,065	2,970	30	12,235	2.43
<i>Mid 2006</i>	30,516	741	29,775	8,385	1,355	3,045	80	12,865	2.37
<i>Mid 2011</i>	30,886	821	30,065	8,840	1,335	3,125	30	13,330	2.32
<i>Early 2013</i>	31,000	845	30,155	8,913	1,357	3,141	30	13,441	2.31
<i>Early 2018</i>	31,591	925	30,666	9,173	1,441	3,287	30	13,931	2.27
<i>Early 2023</i>	32,460	1,005	31,455	9,470	1,538	3,453	30	14,491	2.24
<i>Early 2028</i>	33,289	1,085	32,204	9,741	1,624	3,599	30	14,993	2.22
<i>Early 2033</i>	34,129	1,165	32,964	9,991	1,699	3,724	30	15,443	2.21
<i>Buildout</i>	47,809	1,632	46,177	13,313	2,695	5,596	30	21,633	2.21
Mid 1996 - Mid 2001	773	233	540	445	60	25	-55	475	
Mid 2001 - Mid 2006	736	-44	780	215	290	75	50	630	
Mid 2006 - Mid 2011	370	80	290	455	-20	80	-50	465	
Mid 2011 - Early 2013	114	24	90	73	22	16	0	111	
Early 2013 - Early 2018	591	80	511	260	85	146	0	490	
Early 2013 - Early 2023	1,460	160	1,300	557	182	312	0	1,050	
Early 2013 - Early 2028	2,288	240	2,048	828	267	458	0	1,553	
Early 2013 - Early 2033	3,129	320	2,809	1,078	342	583	0	2,003	
Early 2013 - Buildout	16,808	787	16,021	4,400	1,338	2,455	0	8,193	

Source: Watson & Associates Economists Ltd., January, 2013.

1. Includes townhomes and apartments in duplexes.
2. Includes bachelor, 1 bedroom and 2 bedroom+ apartments.
3. PPU is based on population including institutional divided by total households.

2016 Provincial and Federal Uploads/Funding

	2015 Budget	2016 Draft Budget	Difference
Police - Prisoner Transport and Court Security	323,125	353,000	29,875
Ontario Works	6,575,434	7,353,164	777,730
Childcare	1,860,899	1,860,899	0
Housing	1,819,623	2,372,703	553,080
Daycare	10,000	48,977	38,977
¹ Ontario Community Infrastructure Fund - Formula Bas	263,545	263,545	0
¹ Provincial Gas Tax	407,046	407,046	0
¹ Federal Gas Tax	1,788,634	1,878,065	89,431
Total	13,048,306	14,537,399	1,489,093

¹ Part of Capital Budget

City of Stratford				
2016 Budget - Staffing Comparison				
	DEPARTMENT	2015 BUDGET	2015 IN-YEAR APPROVED CHANGES	2016 DRAFT BUDGET
CAO's OFFICE				
	Full-Time	4		4
HUMAN RESOURCES				
	Full-Time	4		4
CORPORATE SERVICES				
Finance				
	Full-Time	10		10
	¹ Part-Time	1	1	2
	² Contract		1	1
Tax				
	Full-Time	3		3
Information Technology				
	Full-Time	2		2
	Part-Time	1		1
	Contract	3		3
Clerks				
	Full-Time	7		7
	Part-Time	1		1
	Contract - Parking	1.75		2.5
FIRE				
	Full-Time	53		52
POLICE				
	Full-Time	75		74
	Part-Time	3		3
LIBRARY				
	Full-Time	15		15
	Part-Time	17		17
	Contract	2		2

City of Stratford				
2016 Budget - Staffing Comparison				
	DEPARTMENT	2015 BUDGET	2015 IN-YEAR APPROVED CHANGES	2016 DRAFT BUDGET
INFRASTRUCTURE & DEVELOPMENT SERVICES				
Building				
	Full-Time	7		7
	Part-Time	2		2
Planning				
	Full-Time	14		15
	Part-Time	1		1
	Other	3		3
Engineering				
³	Full-time	14	-1	13
Public Works				
³	Full-Time	26	1	27
Sanitary				
	Full-Time	4		4
Water				
	Full-Time	12		12
	Summer Student			1
Waste				
	Full-Time	3		3
SOCIAL SERVICES				
Ontario Works				
	Full-Time	18		20
⁴	Contract	1	2	2
Daycare				
	Full-Time	12		12
	Part-Time	4		4
	Supply	6		6
Housing				
⁶	Full-Time	12	1	15
	Part-Time	0		1
	Contract	1		0
Childcare				
⁵	Full-Time	6	1	7

City of Stratford				
2016 Budget - Staffing Comparison				
	DEPARTMENT	2015 BUDGET	2015 IN-YEAR APPROVED CHANGES	2016 DRAFT BUDGET
COMMUNITY SERVICES				
Parks				
	Full-Time	6		8
	Seasonal	24		24
Recreation				
	Full-Time	3		3
	Seasonal	16		16
Facilities				
	Full-Time	16		16
	Part-Time	7		7
	Seasonal	23		23
Cemetery				
	Full-Time	4		3
	Seasonal	4		4
Transit				
	Full-Time	19		21
	Part-Time	14		12
Parallel Transit				
	Full-Time	3		3
	Part-Time	8		8
OUTSIDE BOARDS				
¹	SEED Co. - Seconded Part-Time	1	-1	0
	STA - Seconded Full-Time	2		2
¹	Transfer of City Part-Time employee from SEED Co. to Corporate Services in 2015			
²	Contract Asset Management Position approved August 10, 2015			
³	Fleet Supervisor added, Engineering Co-Ordinator removed, Project Engineer Added, Manager of Dev. Eng. Removed - Approved July 27, 2015			
⁴	Hire two temporary Caseworkers - Approved July 27, 2015			
⁵	Hire Full-Time Clerk Secretary II - Approved September 28, 2015			
⁶	Hire Full-Time Social Services Supervisor - Approved July 27, 2015			