



CITY OF STRATFORD

DRAFT 2022 BUDGET

SUPPORTING DOCUMENTS



2022 OPERATING BUDGET – WORK PLAN

Department:	Stratford Tourism Alliance (Destination Stratford)
Budget Division:	G810 Requisitions from Others

Department/Division Overview:

Stratford Tourism Alliance (DBA Destination Stratford) is Stratford’s dedicated outreach Destination Marketing Organization. It was formed in 2007 as a not-for-profit organization governed by an independent Board of Directors comprised of diverse community leaders. Its mandate is to market Stratford as a national and international tourism icon to benefit the local economy.

Key Activities for 2022:

1. Assist in tourism economic recovery efforts that holistically lift the destination. Economic recovery projects include Lights On Stratford which is budgeted independently.
2. Dedicated high quality concierge-style services for both in-person visitors and online visitors with goals to safely encourage first-time and return visits
3. Meaningful, targeted destination marketing across all media channels including social media, print, digital, tv distribution, earned media and radio
4. Broaden relationships and project-specific funding sources with strategic partners, including all levels of government, to maximize investments in destination development and tourism/community infrastructure (\$450,000 Boathouse public washroom expansion project via government grant and partner contributions including a \$337,500 Federal grant successfully awarded to Destination Stratford), encourage development of new tourism experiences (Destination Animation Project ~\$35,000, Lights On Stratford ~\$500,000), multi-seasonal expansion, and sport tourism (as an example, continuing collaborative cycle tourism projects and proceeding with a focused sport tourism consult)
5. Expand target audience via continually updated branding to introduce new markets to Stratford for future development
6. Continuous improvement efforts for tourism operators including Equity, Diversity and Inclusion training, digital sophistication, and digital excellence services delivered together with partner organizations
7. Interpret and leverage visitor and destination data insights from all available sources to help inform on-going strategic planning
8. **NOTE:** Management of the Stratford AI Fresco economic recovery project in 2021 represented significant resource in staff and budget (~\$100,000). This ultimately required additional partner funding and some one-time Federal grant money. If pandemic health and safety along with the City’s liquor-with-food Bylaw staffing requirements were to relax in 2022, this would greatly reduce the cost of managing the highly successful and impactful AI Fresco program. Destination Stratford would be

pleased to continue running the program for the 2022 patio season but additional budget from the City would be required to cover these extra project-specific costs.

How This Work Plan Reflects Council's Strategic Priorities

Destination Stratford's work plan supports the following Council Priorities:

-Further activating Market Square; enabling and marketing Market Square activation with projects such as Stratford Al Fresco, Perth County Cycle Tour and Lights On Stratford

-Sport Tourism Strategy; especially maximizing technology and spillover into local economy, initial focus on developing cycle tourism including County-wide membership with Ontario By Bike, creation of print and digital cycle routes starting in Stratford, and working with strategic partners to invite cycle clubs and cyclists to our destination.

-Building Community Well-Being through Partnerships; leading key strategic partnerships and providing resources, including obtaining Federal and Provincial grants, towards developing and improving community infrastructure such as Tom Patterson Island and the Boathouse public washrooms for the benefit of both local residents and visitors.

Significant Variances (2022 proposed budget vs prior year actuals):

While forecasting some decreases in revenue due to the pandemic (no membership fees or print ad revenues), a renewed focus on proactively applying for tourism-related grants as well as pursuing collaborative partner co-funding initiatives keeps the 2022 budget request to a 2.15% increase (\$12,000) over the 2019 pre-pandemic City-funded portion (\$568,000) from 3 years ago. This allows Destination Stratford to build on existing successful initiatives and helps offset the increased cost of goods/services and cost of living adjustment for wages and our commitment to be a living wage employer. *It is important to note that Destination Stratford reduced the 2021 funding ask from the City by \$20,000 less than the previous year's contribution as per the City's request for departments to assist given pandemic economic conditions and uncertainty at that time. It was only possible for Destination Stratford to maintain its level of activity and service with the one-time financial supports from Federal and Provincial tourism recovery grants.*

Staffing remains constant at 6 full-time permanent staff and 4 – 7 part-time/contract staff.

Will the Services Offered by this Department/Division be impacted by

COVID-19? yes no

If yes, please review impacts:

2022 destination marketing and development efforts will be carefully designed to be toggled off/on depending on the current conditions of the pandemic. As our office is open to the public, our in-person services for assisting visitors, selling experiences such as the Culinary Trails, and supporting economic recovery initiatives such as Lights On Stratford, may be impacted depending on changing Provincial health and safety COVID-19 guidelines.

Outline a list of priorities and services that could be reduced to mitigate impacts of COVID-19 (or other 2022 challenges) on your department's operations:

- Flexible work-from-home protocols are in place to mitigate potential office closures
- Flexible terms for destination advertising that may need to be toggled off for markets deemed as COVID-19 hotspots
- Protocols in place for reduced in-person services including public access to washrooms, computers and concierge

DS DRAFT 2022 Budget

	2019 Budget	2020 Budget	2020 Revised	RRRF GRANT	2021 Budget	2022 Draft Budget
Income						
4050 · MARKETING SALES	79,350.00	78,450.00	15,905.00		48,000.00	75,000.00
4240 · MEMBERSHIP SALES	55,410.00	55,410.00	0.00	55,410.00	0.00	0.00
4260 · PARTNERSHIPS	619,000.00	619,000.00	1,008,247.00		745,000.00	748,500.00
(4001 · City of Stratford Portion)	568,000.00	568,000.00	560,000.00		540,000.00	580,000.00
4280 · DESTINATION MARKETING FUND	95,000.00	95,000.00	13,300.00		32,000.00	20,000.00
TOTAL INCOME	848,760.00	847,860.00	1,037,452.00		825,000.00	843,500.00
Expense						
5100 · CONTRACT AND CONSULTING	5,500.00	5,500.00	15,000.00		5,500.00	5,500.00
5107 · 4 Season Tourism Development	2,500.00	2,500.00	100.00		0.00	0.00
5637 · BANK CHARGES	3,800.00	3,800.00	3,800.00		3,800.00	3,800.00
5645 · INSURANCE	3,600.00	3,600.00	4,010.00		3,600.00	4,019.00
5660 · TRAVEL	3,900.00	4,400.00	500.00		4,400.00	2,200.00
5950 · SPECIAL PROJECTS						15,000.00
5990 · Destination Animation Fund	5,000.00	5,000.00	5,000.00		5,000.00	10,000.00
Total Administration Fees	18,800.00	19,300.00	13,410.00		16,800.00	35,019.00
6000 · MARKETING - INTERNET	112,230.00	100,230.00	95,230.00	10,000.00	90,230.00	65,230.00
6150 · MARKETING - Media & Print	81,500.00	66,000.00	113,600.00	67,000.00	114,300.00	99,300.00
6151 · MARKETING - RADIO	1,000.00	1,000.00	1,000.00		5,000.00	2,500.00
6152 · MARKETING	52,800.00	68,300.00	38,446.00	7,779.55	77,300.00	75,000.00
6153 · PROFESSIONAL FEES	23,000.00	23,000.00	23,000.00		23,000.00	23,000.00
6155 · FACILITY MAINTENANCE	4,500.00	4,500.00	4,500.00		4,500.00	4,500.00
6480 · PAYROLL	451,291.00	459,224.00	492,434.50	102,000.00	453,724.00	473,804.00
6540 · OFFICE EXPENDITURES	24,550.00	24,550.00	24,550.00		24,550.00	24,550.00
6550 · EVENT EXPENSES	3,900.00	3,900.00	3,900.00		3,900.00	2,200.00
7000 · TELEPHONE/COMMUNICATIONS	8,500.00	11,190.00	11,190.00		11,190.00	12,890.00
7300 · Stratford Always On (RRRF)			140,000.00	140,000.00		
Total Expense	786,571.00	785,694.00	975,260.50	382,189.55	824,994.00	823,493.00
5154 Transfer to Reserve	20,000.00	20,000.00	20,000.00		0.00	20,000.00
7100 City Repayment on Loan	42,187.50	42,187.50	42,187.50		0.00	0.00
Net Income	1.50	-21.50	4.00		6.00	7.00

September 23, 2021

Mayor Mathieson and Members of Council
City of Stratford
1 Wellington Street
Stratford, ON N5A 2L3

RE: Stratford Economic Enterprise Development Corporation (SEED Co.)
Budget Request, 2022

Dear Mayor Mathieson and Members of Council:

Stratford Economic Enterprise Development Corporation (SEED Co.), branded in 2015 as investStratford, is principally funded by the City of Stratford as a stand-alone entity with a singular focus on economic development. The Corporation, under the guidance of a Board of Directors, supports business retention and expansion, attraction & foreign direct investment and entrepreneurship – assisting companies and industry to grow and invest.

In 2021 we completed COVID19 response and recovery projects funded by FedDev and finalized the investment of \$750,000 into businesses hit hardest by the pandemic. We also completed our Attainable Housing project, supported by the Province of Ontario, and began the implementation of the recommendations in that report. These special projects, along with our core business functions rounded out a full year of activity and outcomes.

In 2021, industrial land sales in the Wright Business Park are projected to total \$985,438.00 (9.3 ac/3.7 ha), with another 16 ac/6.4 ha in reserve for pending sales. Between new investment and expansions, over 56,000 sq ft/5,202 sq metres of new industrial buildings have been completed or are underway for construction within the Wright Business Park. It is projected that over 60 jobs will be created or retained. New investments are also being coordinated in the Crane West Business Park, with all four lots now in reserve for pending sales and proposed new industrial buildings totaling over 120,000 sq ft/11,148 sq metres. Additional investment files are also currently being facilitated between new companies and local developers for design-build-lease arrangements for both industrial and commercial developments.

Within the SEED Co. portfolio, the Stratford-Perth Centre for Business supports local start-up companies delivering small business programming and services to Stratford, St. Marys and Perth County. This service continues to be extraordinarily important as the pandemic continues. In addition to providing individual consultations, our Centre has increased its portfolio of workshops and continues to partner with other community organizations to offer programs for small businesses and entrepreneurs. From September 1, 2020 to August 31, 2021 the Centre provided over 362 small business consultation meetings and supported the creation and expansion of 160 businesses creating 152 new jobs.

investStratford will again align to the Strategic Priorities that Council set in 2019. Our core efforts and special projects in 2022 will remain committed to ***Widening our Economic Opportunitites***. Our co-location with Infrastructure & Development Services will expand the concierge service we provide to local industry further improving the service delivery to our businesses and ***Strengthening our Plans, Strategies and Partnerships***.

As such, SEED Co. makes the following budget request for the 2022 operational year, as follows:

- \$622,202 in core funding for SEED Co. operations in 2022 for the delivery of the City's economic development service (\$514,000) and Stratford-Perth Centre for Business operations (\$108,202). This budget includes the reimbursement of annual operating fees back to the City of Stratford for finance, payroll and insurance services (\$23,000), and rent & CAM (\$22,000).
- \$35,000 in special project funding to implement recommendations contained in the *Stratford Housing Project – A Road Map for Attainable Market Housing Development Report* with the following Key Performance Indicators reported to Council quarterly, or more frequently as requested.
 - Continue interdepartmental Working Group activities
 - Explore, apply for and leverage external funding programs
 - Secure project management resource(s)
 - Develop the implementation work plan
 - Develop budget and financial modelling of CIP & Incentive Program
 - Support the work & recommendations to City Council to declare lands surplus for residential development
- Continue to hold in trust, surplus funds of a projected opening reserve of \$170,844. (Of this balance, \$64,000 of project funds were advanced in 2020 for spending in 2021. The Centre for Business is funded on a fiscal-year and roll overs occur annually.). Reserve funds are held in Board Restriction for special projects. For example, in 2021, SEED Co. invested \$25,000 of it's existing reserves to support the Al Fresco Outdoor Dining Project in partnership with Destination Stratford.

On behalf of SEED Co. and the Board of Directors, we look forward to working closely with the City of Stratford to strengthen and promote our economy.

Respectfully submitted,



Joani Gerber
CEO, SEED Co.

SEED Co. is governed by a Board of Directors consisting of 12 members: the Mayor and CAO, 2 Members of Council, 7 Industry Leaders and 1 Member of the Public. Industry Sectors represented are: small business, digital/creative economy, education, agriculture, manufacturing, technology, banking/finance.

The SEED Co. Board reports quarterly to the City's Finance and Labour Relations Sub-Committee and Council to maintain continued dialogue, collaboration and transparency.

Joan Thomson, CAO, City of Stratford
Karmen Kreuger, Director of Corporate Services (A), City of Stratford

Attachment: 2022 Budget for SEED Co. (Operations and Special Projects)

**2022 Budget for SEED Co.
OPERATIONS**

	Budget 2022
REVENUE	
City of Stratford - InvestStratford	514,000
City of Stratford - SBEC	108,202
City of Stratford - Housing Special Project	35,000
Province Funding- SBEC	217,806
Recoverable Expenses and Charges	8,000
Events and User Fees	-
	\$ 883,008
EXPENSES	
Salaries, Benefits and Contract Labour	518,045
Training and Professional Development	7,500
Insurance and Custodial	6,000
Equipment, Capital and Software	5,000
Support Services and Fees	28,200
Office Supplies and Operations	29,177
Consultants (Housing Project) and Mentorship	45,000
Legal and Audit	5,000
Meals and Meetings	6,000
Conferences, Trade Shows, Travel and Mileage	40,000
Promotion, Marketing, and Materials	30,000
Memberships	35,000
Programming and Project Support	-
Rent and common area maintenance	21,781
Utilities (included in Rent/CAM)	-
Events	10,306
Grants	86,000
Contingency/Reserve Transfer	10,000
	-
	\$ 883,008
Projected Ending Surplus (Deficit)	\$ (0)

**2022 Budget for SEED Co.
BOARD RESTRICTED RESERVE**

	Budget 2022
REVENUE	
Projected opening surplus (from 2020)	170,844
Annual Transfer from Operations	10,000
	180,844
EXPENSES	
Expenses - Special Projects Future Years	
2020 Completed Projects	64,025
2021 Committed Projects	25,000
	-
Total - Available for Future Years	89,025
PROJECTED ENDING SURPLUS	91,819

City of Stratford					
Summary of Operating Reserve Funds - Projected to December 31, 2021					
Prepared for 2022 Budget Planning Purposes					
Acct #	Name	Opening Balance 2021	Budgeted Transfer In	Budgeted Transfer Out *	Projected Closing Balance
G-R00-ELEC-0000	Election Expenses	(169,117.86)	(55,000.00)		(224,117.86)
G-R00-INSR-0000	Insurance	(241,153.79)			(241,153.79)
G-R00-SICK-0000	Sick Leave	(5,994,089.88)	(475,000.00)	277,800.00	(6,191,289.88)
G-R00-WCBO-0000	WSIB	(695,510.87)			(695,510.87)
G-R00-WNTR-0000	Winter Control	(253,591.91)			(253,591.91)
G-R06-PCIN-0000	Library- Perth County Information Netwo	(16,341.25)			(16,341.25)
G-R07-BSUR-0000	Building Permit Reserve	61,976.79	(90,998.95)		(29,022.16)
G-R14-STAR-0000	Economic Development	(37,520.00)			(37,520.00)
G-R14-TAXS-0000	Tax Rate Stabilization	(1,727,405.27)	(75,000.00)	500,000.00	(1,302,405.27)
G-R18-BRDS-0000	Local Boards & Committees	(34,387.54)		7,340.00	(27,047.54)
G-R18-CLRK-0000	Clerk Investigations	(46,256.29)	(10,000.00)	30,000.00	(26,256.29)
G-R18-HRCO-0000	HR Salary Contingency	(258,174.00)		27,984.00	(230,190.00)
G-R18-SPEC-0000	Special Projects	(771,739.79)	(10,000.00)	245,000.00	(536,739.79)
G-R18-STUD-0000	Management & Planning Studies	(190,094.41)	(10,000.00)		(200,094.41)
G-R18-WATR-0000	Water Rate Stabilization	(1,255,353.80)			(1,255,353.80)
G-R18-WWTR-0000	Wastewater Rate Stabilization	(1,454,803.20)	-		(1,454,803.20)
	TOTALS	(13,083,563.07)	(725,998.95)	1,088,124.00	(12,721,438.02)

City of Stratford					
Summary of Reserve Funds - Projected to December 31, 2021					
Prepared for 2022 Budget Planning Purposes					
		Adjusted			Projected
		Opening	Budgeted	Budgeted	Closing
		Balance 2021	Transfer In	Transfer Out *	Balance
R-DGS-ADMN	General Services Admin	-429,079.90		70,000.00	-359,079.90
R-DGS-FIRE	General Services Fire	-1,239,466.47			-1,239,466.47
R-DGS-IREC	General Services Indoor Rec	-2,913,183.91			-2,913,183.91
R-DGS-LIBR	General Services Library	-1,110,726.49		20,000.00	-1,090,726.49
R-DGS-MPKG	Municipal Parking	-97,251.01			-97,251.01
R-DGS-OREC	General Services Outdoor Rec	-1,578,963.49			-1,578,963.49
R-DGS-POLI	General Services Police	-800,149.36			-800,149.36
R-DGS-TRAN	Transit	-453,400.06			-453,400.06
R-DIS-OTRN	Infrastructure Transportation	-443,062.83		175,000.00	-268,062.83
R-DIS-ROAD	Roads and Traffic Signals	-2,280,591.36		111,575.00	-2,169,016.36
R-DIS-WAST	Wastewater	-1,076,238.70			-1,076,238.70
R-DIS-WATS	Water Service	-511,760.25			-511,760.25
R-DSC-STWM	Area Specific Storm	338,335.72			338,335.72
	Dev Charges	-12,595,538.11	0.00	376,575.00	-12,218,963.11
R-R11-RFED	Federal Gas Tax	-6,241,054.98	-1,995,834.00	6,257,175.00	-1,979,713.98
R-R11-RGAS	Provincial Gas Tax	-612,878.21	-467,239.00	994,000.00	-86,117.21
R-R11-RPLT	Public Land Reserve	-673,955.27		82,000.00	-591,955.27
R-R11-OCIF	Ontario Community Infrastructure	-962,233.23		796,308.00	-165,925.23
	Subtotal	-8,490,121.69	-2,463,073.00	8,129,483.00	-2,823,711.69
	Obligatory - subtotal	-21,085,659.80	-2,463,073.00	8,506,058.00	-15,042,674.80
R-R11-AIRP	Capital - Airport	-460,863.66	-80,000.00		-540,863.66
R-R11-BRIT	Capital - Britannia St Apts	-169,288.30	-114,340.00		-283,628.30
R-R11-CEME	Capital - Cemetery	58,117.02	-184,000.00	95,410.00	-30,472.98
R-R11-FACI	Capital - Facilities	-845,401.84	-290,000.00	1,053,585.00	-81,816.84
R-R11-FIRE	Capital - Fire	-852,451.78	-125,000.00		-977,451.78
R-R11-FLET	Capital - Fleet	-4,188,199.52	-704,560.00	1,270,000.00	-3,622,759.52
R-R11-GTCH	Grand Trunk Community Hub	-5,417,303.80			-5,417,303.80
R-R11-HOUS	Capital - Housing	-1,503,239.33	-673,000.00	850,000.00	-1,326,239.33
R-R11-ITCA	Capital - IT equipment	-1,061,579.53	-155,570.00	415,000.00	-802,149.53

City of Stratford
Summary of Outstanding and Authorized Debt
At December 7, 2021

Description	Initial Loan Balance	Initial Amortization Period	Principal Payments	Interest Payments	Total Payments	Maturity of Current Term	Current Interest Rate	Outstanding Principal
RBC - \$11M (023)	11,000,000.00	20	829,994.57	15,422.71	845,417.28	2022	2.63%	211,883.16
RBC - \$1.5M (Loan 18 Cooper)	1,500,000.00	20	68,069.31	28,242.30	96,311.61	2023	2.51%	1,087,267.85
IO - \$5.5M	5,500,000.00	15	366,666.66	58,839.26	425,505.92	2024	4.28%	1,466,666.74
IO - \$1.34M	1,340,000.00	20	67,000.00	6,981.22	73,981.22	2024	2.78%	268,000.00
RBC - \$3M (024)	3,000,000.00	20	189,881.56	18,801.68	208,683.24	2025	2.42%	700,424.09
RBC - \$2M (Loan #17 Cooper)	2,000,000.00	10	206,999.41	21,400.05	228,399.46	2025	2.49%	740,479.01
RBC - \$1.5M (Loan #19 Cooper)	1,500,000.00	20	67,234.67	31,733.80	98,968.47	2026	2.80%	1,095,880.27
IO - \$21.042M	21,042,000.00	15	1,402,842.34	258,898.78	1,661,741.12	2026	3.21%	8,417,053.94
RBC - \$4.550M (Loan #14 UW)	4,550,000.00	25	150,757.74	105,902.68	256,660.42	2027	2.84%	3,646,448.09
RBC - \$4.5M (Loan #15 UW)	5,000,000.00	25	148,669.47	106,312.78	254,982.25	2028	2.88%	3,610,171.02
IO - \$5.7M	5,700,000.00	20	289,201.24	61,243.64	350,444.88	2028	2.74%	2,313,610.12
Cooper Site (internal repayment)	5,897,975.00	10	589,797.50	161,504.75	751,302.25	2029	3.00%	4,718,380.00
IO - \$33.5M	33,500,000.00	25	1,339,845.12	387,359.14	1,727,204.26	2032	2.57%	15,408,218.88
IO - \$6.113M	6,113,000.00	15	407,533.33	164,110.64	571,643.97	2033	3.27%	5,297,933.32
IO - \$1.295M	1,295,000.00	25	49,522.76	22,083.06	71,605.82	2034	2.70%	830,188.78
IO - \$16.8M	16,800,000.00	25	672,654.80	458,727.73	1,131,382.53	2034	4.96%	9,417,167.20
			6,846,670.48	1,907,564.23	8,754,234.71			59,229,772.47
Approved Borrowing - Proposed / Estimated Payment Terms								Authorized
Quinlan Pumping Station (from DCs)	4,000,000.00	15	266,666.67	110,000.00	376,666.67	2037	2.75%	4,000,000.00
Queen Street trunk storm	15,355,000.00	15	1,023,666.67	422,262.50	1,445,929.17	2037	2.75%	15,355,000.00
Fire Truck	1,864,100.00	25	74,564.00	57,041.46	131,605.46	2047	3.06%	1,864,100.00
Britannia St Phase 2	4,685,000.00	25	187,400.00	93,700.00	281,100.00	2047	2.00%	4,685,000.00
			1,552,297.33	683,003.96	2,235,301.29			25,904,100.00
Total			8,398,967.82	2,590,568.19	10,989,536.00			85,133,872.47