



# City of Barrie

70 Collier Street  
P.O. Box 400  
Barrie, ON L4M 4T5

## Minutes - Final - Final Finance and Corporate Services Committee

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Wednesday, November 22, 2017

7:00 PM

Council Chamber

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**For consideration at General Committee on December 11, 2017.**

The meeting was called to order by the Chair, Councillor, B. Ward at 7:00 p.m. The following were in attendance for the meeting:

**Present:** 4 - Mayor, J. Lehman  
Councillor, B. Ward  
Councillor, S. Trotter  
Councillor, M. McCann

**Absent:** 1 - Councillor, A. Prince

**ALSO PRESENT:**

Councillor, B. Ainsworth  
Councillor, A. Khan.

**STAFF:**

Acting City Clerk/Director of Legislative and Court Services, W. Cooke  
Chief Administrative Officer, M. Prowse  
Committee Support Clerk, T. McArthur  
Director of Finance/Treasurer, C. Millar  
Director of Internal Audit, S. MacGregor  
Director of Roads, Parks and Fleet, D. Friary  
General Manager of Community and Corporate Services, D. McAlpine.

The Finance and Corporate Services Committee met and reports as follows:

**SECTION "A"**

**PRESENTATION BY DELOITTE CONCERNING THE 2017 AUDIT SERVICE PLAN**

Ms. Paula Jesty, Partner of Deloitte LLP provided an overview of the 2017 Audit Service Plan and noted that the Plan describes Deloitte LLP audit scope and strategies, and their audit approach and the planned communications with City staff.

Ms. Jesty discussed slides concerning the following topics:

- The audit scope and terms of engagement associated with the City and Service Partners Financial Statements for the year end of 2017;
- The significant events, materiality, and audit risks;
- The fraud risks, use of specialists, audit fees, and complete engagement reporting;
- Audit risks related to revenue recognition, management override of controls, audit responses and Management estimates; and
- The approach associated with planning and assessing.

In closing, Ms. Jesty discussed the audit approach, communication requirements and the new public sector standards.

Members of the Committee asked several questions and received responses from Ms. Jesty and City staff.

The Finance and Corporate Services Committee met and recommends adoption of the following recommendation(s):

**SECTION "B"**

**2017 AUDIT SERVICE PLAN**

That the 2017 Audit Service Plan presented by Deloitte LLP to the Finance and Corporate Services Committee on November 22, 2017, be received. (File: F00)

This matter was recommended to General Committee for consideration of adoption at its meeting to be held on 12/11/2017.

The Finance and Corporate Services Committee met and reports as follows:

**SECTION "C"**

**PRESENTATION CONCERNING THE LONG RANGE FINANCIAL PLAN AND FINANCIAL POLICIES FRAMEWORK UPDATE**

Mr. Craig Millar, Director of Finance/Treasurer introduced Mr. Jim Bruzzese of BMA Management Consulting Inc. would be providing a presentation concerning the Long Range Financial Plan (LRFP) and the Financial Policies Framework. Mr. Millar noted that updating the LRFP and City policies provides guidance in preparing future Budgets and Business Plans.

Mr. Bruzzese noted that his findings that were to be presented are based on a 5 year historical review and the present 5 year Financial Forecast.

Mr. Bruzzese discussed slides concerning the following topics:

- The LRFP;
- The purpose of the Financial Condition Assessment;
- A chart illustrating a comparison of municipalities based on 2016 population, land areas and 2016 population density per kilometre;
- Three key indicators used as the basis for a financial condition assessment;
- A graph illustrating Barrie's Population Growth from 1991 - 2041;
- The status of Barrie's assessment condition;
- A chart illustrating a comparison of household income of Barrie and other municipalities;
- A summary of ratings associated with the Socio-Economic Indicators;
- A chart analyzing the comparison of Barrie's tax levy with other municipalities;
- Two charts illustrating a comparison of Barrie with peer municipalities by average residential taxes, water and wastewater costs for a typical two-storey home;
- A summary of ratings associated with municipal levy, property taxes and affordability;
- A chart illustrating a comparison of Barrie with other municipalities associated with the 2016 Tax Reserves/Reserve Funds;
- A graph illustrating the targets for the City's 2012 - 2016 Tax Stabilization Reserves/Reserve Funds;
- A pie chart illustrating Barrie's outstanding debt;
- A chart illustrating Barrie's net financial Development Charge position;

- Graphs illustrating a comparison between Barrie and other municipalities associated with net financial position; and
- A summary of ratings associated to the City's Finance Position.

Members of the Committee asked several questions of Mr. Bruzzese and received responses.

Mr. Bruzzese discussed slides concerning the following topics:

- The LRFP as a forecasting and financing tool;
- Tax Highlights:
  - Graphs and charts illustrating the forecasts of Tax Operating Budgets between 2017 and 2021 and the 5 year Tax Capital related to growth projects;
  - The Community Benefit Reserve and Capital Contribution Reserve Fund;
  - Graphs illustrating the forecast of the City's target of Tax Debt Charges and the net Tax Development Charges Reserve Fund Position for 2017 to 2021;
- Water and Wastewater Highlights:
  - Graphs illustrating the Operating Budget - Change in Rate Revenue Requirements, water and wastewater Capital Reserves, debt outstanding recoverable from rates, and net Development Charges Reserve Forecasts for 2017 to 2012;
- Parking:
  - A graph illustrating the Parking program forecast for 2017 - 2021;
- Affordability Metrics:
  - A graph illustrating forecasts associated with the Tax, Water and Wastewater as a percentage of household income for 2017 - 2021;

In closing Mr. Bruzesse summarized the strengths, opportunities to support the City's future growth and financial sustainability.

Members of the Committee asked a number of questions and received responses from Mr. Bruzzese and City Staff.

**REPORT OF THE TOWN AND GOWN COMMITTEE DATED OCTOBER 24, 2017**

The Report of the Town and Gown Committee dated October 24, 2017 was received. (File: C05)

**REPORT OF THE ACCESSIBILITY ADVISORY COMMITTEE DATED  
OCTOBER 26, 2017**

The Report of the Accessibility Advisory Committee dated October 26, 2017 was received. (File: C05)

The Finance and Corporate Services Committee met and recommends adoption of the following recommendation(s):

**SECTION "D"**

**POWER WHEELCHAIR/SCOOTER CHARGING STATIONS**

That staff from Corporate Facilities and Human Resources Departments investigate the feasibility of utilizing existing power outlets to create a mobility device charging station pilot project at public facing external power outlets at City owned facilities (eg. Library, City Hall, Recreation Centres.) and public spaces, power outlets and report back to the Accessibility Advisory Committee.

This matter was recommended to General Committee for consideration of adoption at its meeting to be held on 12/11/2017.

**CHARITABLE TAX REBATE POLICY**

1. That By-law number 2001-115 be repealed.
2. That the Charitable Tax Rebate Policy described in Appendix "C" of the Finance and Corporate Services Committee report dated November 22, 2017, be approved.

This matter was recommended to General Committee for consideration of adoption at its meeting to be held on 12/11/2017.

**LONG RANGE FINANCIAL PLAN AND FINANCIAL POLICIES  
FRAMEWORK UPDATE**

1. That the BMA reports attached as Appendix "A" (Financial Condition Assessment) and Appendix "B" (Long Range Financial Plan) to the Report to the Finance and Corporate Services Committee dated November 22, 2017, be received as the basis for the recommended Financial Policies Framework.
2. That the existing Financial Policies Framework be replaced with the revised Financial Policies Framework as identified in Appendix "C" to the Report to the Finance and Corporate Services Committee dated November 22, 2017.
3. That the following strategies be implemented to strengthen the City's financial condition:
  - a) That staff be authorized to establish a "Capital Contributions Reserve" with the Reserve to be funded by landowner capital contributions collected under the Salem/Hewitt's Memorandum of Understanding (MoU), and the Reserve be used to fund the growth related as prescribed in the MoU; and
  - b) That staff be authorized to establish a "Community Benefit Reserve" with the Reserve to be funded by dividends received from Barrie Hydro Holdings Inc. to a maximum reserve balance of \$10 million, and the Reserve be used to fund projects and initiatives deemed to have significant strategic and/or community benefit.
4. That staff provide options of increasing the Tax Capital Reserve contributions to achieve the targets identified on page 14 of the Long Range Financial Plan including the use of a portion of the BHHI dividends. (File: F00)

This matter was recommended to General Committee for consideration of adoption at its meeting to be held on 12/11/2017.

The meeting adjourned at 10:12 p.m.

CHAIRMAN