

THE REGIONAL MUNICIPALITY OF NIAGARA
CORPORATE AND FINANCIAL SERVICES COMMITTEE

REPORT 14-2005

Minutes of a meeting of the Corporate and Financial Services Committee held in Committee Room 4, Regional Municipal Building, Thorold, Ontario, on Wednesday, September 14, 2005, commencing at 10:00 a.m.

ATTENDANCE

Committee: Councillors Martin, Chair; Angelone; Eke; Heit; Hildreth; Leavens; Saracino.

Staff: Mr. Trojan, Chief Administrative Officer; Mr. Diakow, Acting Commissioner, Corporate Services; Mr. Lockyer, Treasurer/Director of Financial Management and Planning; Ms. Reilly, Legislative Assistant.

Staff
(Part-time): Ms. Bianco, Communication Strategist; Mr. Kyne, Director, Legal Services; Ms. Murphy, Manager, Current and Capital Budgets; Mr. Weaver, Manager, Organizational Effectiveness.

Others: Mary Stack, Co-Chair, Corporate Social Responsibility Team.

CORPORATE SERVICES DEPARTMENT

Presentations – Multi Year Financial Plan

209. **Multi Year Financial Plan – Linking Strategy to Action**

Mr. Lockyer, Treasurer/Director of Financial Management & Planning, made the following presentation at previous Standing Committee meetings this week. The Treasurer introduced the objectives of the Multi Year Financial Plan and provided background information for upcoming budget deliberations. The Treasurer highlighted the timetable, the concept and benefits of the Multi Year Financial Plan and its benefits. Mr. Lockyer outlined the Council Goals and Objectives as follows and presented a brief description of each:

- Optimal Access to Niagara
- Balanced, Planned Land Use
- Environmental Stewardship
- Affordable Service Excellence and Satisfying Work
- Healthy, Safe and Productive Communities
- Sustainable Economic Development

A chart detailing the impact on the tax levy of the Multi Year Plan Base and new initiatives was presented. The summary indicated that the two Council Goals; Optimal Access and Healthy/Safe and Productive Communities had the largest impact on the 2006 tax levy at 2.54% (\$6.4 million) and 1.58% (\$4.0 million) respectively. The predominant challenge created by Optimal Access is "Roads" and is primarily due to debt charges. The second most significant challenge is Healthy, Safe and Productive Community, primarily due to ODSP caseload increase and further development of emergency services.

The analysis excludes Non Tax Revenues, Police and Assessment Growth and does not reflect budget preparation work currently underway.

Mr. Lockyer commented that the presentations on the Multi Year Financial Plan appear to be well received at Standing Committees this week and a good lead into budget discussions. The introductory information he presented was the same at all committees with the Commissioners providing information specifically tailored to their departments. The information provided gives Committee a good understanding of the challenges facing each department. The Treasurer commented that the early September timing seems ideal to the budget process.

Mr. Lockyer commended Margaret Murphy, Manager, Current and Capital Budgets, for presenting the first Multi Year Financial Plan for approval last year and for her co-ordination of this year's multi year financial plans for all departments.

Moved by Councillor Eke
Seconded by Councillor Leavens

That the presentation by Mr. Gord Lockyer, Treasurer/Director Financial Management and Planning, regarding the Multi Year Financial Plan, be received.

Carried.

210. Corporate Services Department – Multi Year Financial Plan

Mr. Diakow, Acting Commissioner, Corporate Services, presented the Multi Year Financial Plan for the Corporate Services Department, noting that the plan includes Clerks; Information Systems; Financial Management & Planning and Legal Services.

Mr. Diakow advised that the following preliminary projections were included in the June Report:

- 2006 Multi Year Projection - \$11.9 million (+8.6%)
- 2007 Multi Year Projection - \$12.9 million (+8.5%)

The plan primarily supports strategic direction 4 – “Affordable Service Excellence and Satisfying Work”. A chart detailing the goals and objectives for the Corporate Services Department indicate a total of \$10,984,525 for the 2005 budget; \$11,931,013 for the 2006 Multi Year; and \$12,949,544 for the 2007 Multi Year.

Mr. Diakow highlighted the Multi Year cost drivers as follows:

- Debt Charges
- Bell Canada Data Lines
- Katalogic Services
- Salary and benefits increases
- Goods and services – 2% per year

Actual budget challenges were presented as follows:

- Significantly lower debt charges than expected for 2006.
- Potentially higher legal costs due to litigation initiated by other departments (e.g. Planning).

Mr. Diakow presented the following strategies to mitigate the impact on the Financial Plan:

- Detailed program prioritization exercise to identify measures required for 3%, 0% and -3%.
- Implementation of approved ICS recommendations.
- Further ICS recommendations forthcoming.
- Ongoing Capital spending prioritization to limit impact of debt charges.

211. Administration – Multi Year Financial Plan

Mr. Trojan, Chief Administrative Officer, presented an overview of the Administration Multi Year Financial Plan that includes the Regional Chair; Councillors and CAO’s office.

The following preliminary projections were presented as follows:

- 2006 Multi Year Projection - \$1,598,268 (+4.7%)
- 2007 Multi Year Projection - \$1,635,173 (+2.3%)
- Supports Strategic Direction 4 – Affordable Service Excellence and Satisfying Work.

The C.A.O. outlined the following business assumptions:

- Projected Impact for 2006/2007.
 - Related to Salary – approx. 3% (subject to PFP Plan)
 - Other inflationary adjustments tied to CPI (2%)
- No new initiatives were projected.
- Organizational Structure Changes in CAO’s Office resulting from CAO 15-2005 will require adjustment to projections.

Mr. Trojan presented the following mitigation strategies:

- Cost Reduction Strategies will be reviewed.
- Ongoing service Delivery Reviews.
- Implementation of ICS recommendations.
 - Identification of additional savings.
 - Dedication of resources to focus on intergovernmental affairs (advocacy and partnership development).

(Refer to staff direction on page CFS 130.)

212. Multi Year Financial Plan 2004-2007

Moved by Councillor Heit
Seconded by Councillor Hildreth

That Report CSD 77-2005, June 1, 2005, respecting Multi Year Financial Plan, be received.

Carried.

ADMINISTRATION

213. 2004 Municipal Performance
Measurement Program (MPMP) Report

Moved by Councillor Angelone
Seconded by Councillor Leavens

That Report CAO19-2005, September 14, 2005, respecting 2004 Municipal Performance Measurement Program (MPMP) Report, be received.

That this report be posted on the Regional Municipality of Niagara Internet site to comply with the requirement of the Municipal Performance Measurement Program regarding the publication of Niagara's 2004 performance measurement information.

Carried.

214. OMBI Joint Initiative
- A Municipal Guide to Accounting for Capital Assets

Moved by Councillor Saracino
Seconded by Councillor Eke

That Report CAO 21-2005, September 14, 2005, respecting OMBI Joint Initiative – A Municipal Guide to Accounting for Capital Assets, be received.

That the Regional Chair and Regional Clerk be authorized to execute an agreement with the Ministry of Finance/Ministry of Municipal Affairs to receive

full funding for the implementation phase of the OMBI Municipal Guide to Accounting for Capital Assets initiative.

Carried.

215. Communications Update September 2005

Moved by Councillor Hildreth
Seconded by Councillor Saracino

That Report CAO 22-2005, September 14, 2005, respecting Communications Update September 2005, be received for information.

Carried.

CORPORATE SERVICES DEPARTMENT (Continued)

216. Forecast of Year-End Results and Budget to Actual Comparison for the Month Ended July 31, 2005

Moved by Councillor Eke
Seconded by Councillor Angelone

That Report CSD 132-2005, September 14, 2005, respecting Forecast of Year-End Results and Budget to Actual Comparison for the Month Ended July 31, 2005, be received for information.

Carried.

CORRESPONDENCE

217. Moved by Councillor Angelone
Seconded by Councillor Heit

That Communication CFS 71-2005 from Deb Morton, Executive Director, Regional Municipality of Niagara Police Services Board (August 30, 2005) respecting NRPS Financial Variance Report to July 31, 2005, be received.

Carried.

MINUTES

218. Report 2-2005

Moved by Councillor Leavens
Seconded by Councillor Eke

That Report 2-2005, being the minutes of the Audit Committee meeting of Wednesday, August 24, 2005, be received and reports contained therein be approved.

Carried.

CLOSED SESSION

219. Moved by Councillor Eke
Seconded by Councillor Leavens

That this Committee do now meet in Closed Session for purposes of receiving information of a confidential nature relating to property and personnel matters.

Carried.

220. Arts, Culture and Heritage Committee Membership

Moved by Councillor Angelone
Seconded by Councillor Heit

That Report CAO 20-2005, September 14, 2005, respecting Arts, Culture and Heritage, be received for information;

That the list of Arts, Culture and Heritage Committee members as recommended by staff be approved.

Carried.

221. Lease Extension
Niagara Falls P.O.A. Court
4635 Queen Street, Niagara Falls

Moved by Councillor Leavens
Seconded by Councillor Eke

That Report CSD 131-2005, September 14, 2005 (PWA 158-2005, September 13, 2005) respecting Lease Extension, Niagara Falls P.O.A. Court, 4635 queen Street, Niagara Falls, be received and the recommendations contained therein be approved.

Carried.

222. Public Health Department
30 Hannover Drive
City of St. Catharines

Moved by Councillor Leavens
Seconded by Councillor Hildreth

That Report PHD 55-2005, September 12, 2005 (PWA 163-2005, September 13, 2005/CSD 133-2005, September 14, 2005) respecting Public Health Department, 30 Hannover Drive, City of St. Catharines, be referred to the Closed Committee of the Whole meeting on Thursday, September 22, 2005, for a further report from the Legal Department.

Carried.

223. Impact of the Fuel Price Increases

Conflict of Interest

Councillor Heit declared an indirect pecuniary interest with respect to Report CSD 135-2005, Impact of the Fuel Price Increases, as this may involve a client of the company for which he is employed and he therefore vacated the Committee Room and took no part in the discussion of, or voting on, this matter.

Moved by Councillor Angelone
Moved by Councillor Hildreth

That Report CSD 135-2005, September 14, 2005, respecting Impact of the Fuel Price increases, be received.

That a working group of Regional and Police staff be formed to identify issues with respect to the increased retail fuel prices and formulate recommendations and solutions to these issues.

Carried.

224. Moved by Councillor Eke
Seconded by Councillor Hildreth

That this Committee do now rise with report.

Carried.

STAFF DIRECTION

That staff be directed to:

- (i) Budget Information - Provide two to three years of actual figures versus budgeted figures. (Refer to minute 211.)

ADJOURNMENT

Committee adjourned at 11:20 a.m. to meet again on Wednesday, October 5, 2005, at 10:00 a.m. in Committee Room 4, Regional Headquarters.

Doug Martin
Chair

Gail Reilly
Legislative Assistant

Pam Gilroy
Regional Clerk