



TOWN OF AURORA FINANCE ADVISORY COMMITTEE MEETING MINUTES

Date: Tuesday, August 11, 2015

Time and Location: 5:30 p.m., Leksand Room, Aurora Town Hall

Committee Members: Councillor Michael Thompson (Chair), Councillor Harold Kim, and Mayor Geoffrey Dawe (departed 6:32 p.m.)

Member(s) Absent: None

Other Attendees: Councillor Tom Mrakas, Councillor Paul Pirri, Patrick Moyle, Interim Chief Administrative Officer, Dan Elliott, Director of Corporate and Financial Services/Treasurer, and Linda Bottos, Council/Committee Secretary

The Chair called the meeting to order at 5:36 p.m.

1. DECLARATION OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

There were no declarations of pecuniary interest under *the Municipal Conflict of Interest Act*.

2. APPROVAL OF THE AGENDA

Moved by Mayor Dawe
Seconded by Councillor Kim

THAT the agenda as circulated by Legal and Legislative Services, with the following addition, be approved:

- Item 2 – CFS15-029 – Council Budget Process, Policies and Directives

CARRIED

3. RECEIPT OF THE MINUTES

Finance Advisory Committee Meeting Minutes of May 26, 2015

**Moved by Councillor Kim
Seconded by Mayor Dawe**

THAT the Finance Advisory Committee meeting minutes of May 26, 2015, be received for information.

CARRIED

4. DELEGATIONS

None

5. CONSIDERATION OF ITEMS

1. CFS15-033 – Updated Investment Policy – Final Draft

Staff presented the proposed final draft of the updated Investment Policy – Policy No. 61, and highlighted some of the most recent revisions, including the addition of limits with respect to equity investments in the ONE Investment Program, as well as limits on the protected principle notes (PPNs) and the proportions of the portfolio. The Committee provided feedback and staff agreed to incorporate the stipulation that no purchase of PPNs would exceed a ten-year term. Staff noted that the updated Policy allows for O.Reg. 438/97 to set the limits with the exception of the “Additional Local Limitations on Investments” of the Policy. Staff confirmed the intent to provide an annual report during the budget process, which would include investment performance during the last fiscal year, rates of return, change from opening balance, and benchmark indexes.

**Moved by Councillor Kim
Seconded by Mayor Dawe**

THAT Report No. CFS15-033 be received; and

THAT the final draft of the revised Investment Policy – Policy No. 61 be referred to a future Council meeting for its review and approval; and

THAT a ONE Investment Program enabling participation bylaw be brought to a future Council meeting for its review and approval.

CARRIED

2. CFS15-029 – Council Budget Process, Policies and Directives
(Added Item)

Staff presented a draft framework of high level guidelines for budget development for discussion in the context of balancing the need for detail and transparency with

expediting the budget approval process. Staff provided a brief overview of the proposed Council Budget Principles, Council Budget Review and Approval Process, and Directives of Council to Staff for Preparing 2016 Budget and Forecasts. The Committee discussed elements of the documents in further detail, provided feedback, and expressed its support of the guidelines. The Committee inquired about alternative budgeting concepts, such as performance-based budgeting, and staff discussed another municipality's recent transition from traditional to service-based budgeting and results-based accountability. Staff further discussed the advantages of Council providing principle-based direction early in the process. The Committee suggested that, in order to advance the budget review process, staff prepare a separate report for the September 8, 2015 General Committee meeting with the information needed, including tax pressure range, for Council to provide staff with direction in the preparation of the 2016 Operating and Capital Budgets.

Moved by Councillor Kim
Seconded by Councillor Thompson

THAT Report No. CFS15-029 be received; and

THAT Finance Advisory Committee comments and discussion be referred to staff for preparation of an updated Council Budget Process, Policies and Directives report for **consideration** at a future meeting of the **General** Committee.

CARRIED AS AMENDED

6. NEW BUSINESS

The Committee referred to the Notice of Motion on the Council meeting agenda of August 11, 2015, regarding "Town of Aurora Financial Health Status." Staff noted that a financial report card was currently in progress, as requested by Mayor Dawe following the adoption of the audited financial statements for the year ended December 31, 2014, and any enhancements required by Council could be added to that document or reported separately.

7. ADJOURNMENT

Moved by Councillor Kim
Seconded by Councillor Thompson

THAT the meeting be adjourned at 6:46 p.m.

CARRIED

COMMITTEE RECOMMENDATIONS ARE NOT BINDING ON THE TOWN UNLESS ADOPTED BY COUNCIL AT A LATER MEETING.