



**FINANCE  
ADVISORY COMMITTEE  
MEETING AGENDA**

**THURSDAY, JULY 28, 2016**

**5:45 P.M.**

**LEKSAND ROOM  
AURORA TOWN HALL**



**TOWN OF AURORA  
FINANCE ADVISORY COMMITTEE  
MEETING AGENDA**

**DATE:** Thursday, July 28, 2016

**TIME AND LOCATION:** 5:45 p.m., Leksand Room, Aurora Town Hall

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**1. DECLARATION OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF**

**2. APPROVAL OF THE AGENDA**

RECOMMENDED:

THAT the agenda as circulated by Legal and Legislative Services be approved.

**3. RECEIPT OF THE MINUTES**

**Finance Advisory Committee Meeting Minutes of July 12, 2016**

RECOMMENDED:

THAT the Finance Advisory Committee meeting minutes of July 12, 2016, be received for information.

**4. DELEGATIONS**

**5. CONSIDERATION OF ITEMS**

**1. CFS16-025 – Budget Allocation 2017 – Cultural Partners**

RECOMMENDED:

THAT Report No. CFS16-025 be received; and

THAT the Finance Advisory Committee make the following recommendations to Council, for 2017 draft budget funding allocations, regarding the Aurora Historical Society, the Aurora Cultural Centre and Aurora Public Library Boards:

(Committee to provide direction)

**6. NEW BUSINESS**

**7. ADJOURNMENT**



**TOWN OF AURORA  
FINANCE ADVISORY COMMITTEE  
MEETING MINUTES**

**Date:** Tuesday, July 12, 2016

**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

**Member(s) Absent:** None

**Other Attendees:** Councillor Tom Mrakas, Doug Nadorozny, Chief Administrative Officer, Dan Elliott, Director of Corporate and Financial Services/Treasurer, Al Downey, Director of Parks & Recreation Services, Tracy Evans, Financial Analyst, Budget, and Samantha Yew, Council/Committee Secretary

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The Chair called the meeting to order at 5:34 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 Councillor Kim  
Seconded by Mayor Dawe**

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

- Additional Information to Item 1 – Draft Aurora Assist Policy for Parks and Recreation Financial Assistance

**CARRIED**

**3. RECEIPT OF THE MINUTES**

**Finance Advisory Committee Meeting Minutes of May 24, 2016**

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

THAT the Finance Advisory Committee meeting minutes of May 24, 2016, be received for information.

**CARRIED**

**4. DELEGATIONS**

None

**5. CONSIDERATION OF ITEMS**

- 1. Departmental Budget Review (Continued) – Parks and Recreation Services (PRS); Presentation by Director of Parks & Recreation Services, to include:
  - 1. Aurora Museum and Archives**
  - 2. Subsidy Program****

Mr. Downey continued the PRS departmental budget review with an overview of the Three-Year Plan for the Aurora Museum and Archives, collection management and public access opportunities, measures of success, and annual financial implications. The Committee and staff discussed aspects of the Plan.

Mr. Downey outlined the proposed Aurora Assist program, a financial assistance program that would provide qualifying low income residents with an annual subsidy of \$150 for Parks and Recreation programs. The Committee spoke in support of the program, and inquired about aspects of program qualification and funding. The Committee and staff discussed approval timelines for the program, and the possibility of implementing the program in time for the winter season.

The Committee suggested that the two new proposed service levels be raised for separate discussion during the 2017 Operating Budget review.

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

THAT the Departmental Budget Review (Continued) – Parks and Recreation Services (PRS) and Presentation by Director of Parks & Recreation Services be received; and

THAT the comments of the Committee be referred to staff for consideration.

**CARRIED**

**2. Memorandum from Treasurer  
Re: 2017 Budget Documentation Modifications**

Staff explained the key changes in the proposed modified format of the 2017 Budget documentation and the alternative presentation of the PRS Budget information. The Committee provided comments and suggestions regarding the formats.

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

THAT the memorandum regarding 2017 Budget Documentation Modifications be received; and

THAT the comments of the Committee be referred to staff for consideration.

**CARRIED**

**3. Extract from Council Meeting of May 10, 2016  
Re: Finance Advisory Committee Meeting Minutes of April 19, 2016**

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

THAT the Extract from Council Meeting of May 10, 2016, regarding the Finance Advisory Committee Meeting Minutes of April 19, 2016, be received for information.

**CARRIED**

**4. Extract from Council Meeting of June 28, 2016  
Re: Finance Advisory Committee Meeting Minutes of  
May 24, 2016**

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

THAT the Extract from Council Meeting of June 28, 2016, regarding the Finance Advisory Committee Meeting Minutes of May 24, 2016, be received for information.

**CARRIED**

**6. NEW BUSINESS**

None

**7. ADJOURNMENT**

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

THAT the meeting be adjourned at 6:45 p.m.

**CARRIED**

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



**TOWN OF AURORA**  
**FINANCE ADVISORY COMMITTEE No. CFS16-025**

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**SUBJECT:** *Budget Allocation 2017 – Cultural Partners*

**FROM:** *Dan Elliott, Director, Financial Services - Treasurer*

**DATE:** *July 28, 2016*

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**RECOMMENDATIONS**

*THAT Report No. CFS16-025 be received; and*

*THAT the Finance Advisory Committee make the following recommendations to Council, for 2017 draft budget funding allocations, regarding the Aurora Historical Society, the Aurora Cultural Centre and Aurora Public Library Boards:*

*(Committee to provide direction)*

**PURPOSE OF THE REPORT**

To provide background and additional information to Committee to assist in its deliberations and development of recommendations for Council regarding 2017 budget funding for the Town's cultural partners

**BACKGROUND**

At its meeting of July 12, 2016, Council considered Report No. CFS16-022 – 2017 Budget Preparation Directions. Recommendation 6) was referred to Finance Advisory Committee for further discussion and clarification.

- 6) THAT after accommodation of the budget underfunding, the Library Board, the Cultural Centre Board, and the Historical Society will each receive a designated budget funding amount for their respective budget development work.*

The budget directions report is an important procedural document in the budget development process. It allows Council to set clear budget targets and parameters for administrative staff to follow in preparing a budget which will ultimately be found to be acceptable for approval by Council. It is important that all Town Department Heads, and cultural partners who rely on funding from the tax levy or other Town sources to understand the clear budget directions of Council. Each are then expected to deliver a budget meeting the direction.

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**Report No. CFS16-025**

Council has full authority to establish annual funding amounts for the Town administration, the Aurora Historical Society, the Aurora Cultural Centre Board (as per the Cultural Services Agreement), and the Aurora Public Library Board. Council does not really have direct authority for any of these three partners as to how, where, or for what specific purposes the funds are spent, however, Council remains accountable to the taxpayer for ensuring value for dollar is achieved and appropriate services are delivered from these funds.

The following table provides the recent history of funding provided to each of the cultural partners:

<b>Partner</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Historical Society	\$60,000  Added \$10K for 1 of 2 extras for special programs	\$50,000  No special	\$60,000  Added second of two special \$10K amounts	\$70,000  Added \$10K to base, and \$10K for special prog.	\$67,500  Indexed by Council	\$70,500  Indexed by Council
Cultural Centre Board	\$346,500  Indexed per contract	\$356,900  Indexed per contract	\$370,000  Indexed per contract	\$377,000  Indexed per contract	\$387,000  Added \$10K at end of year	\$393,900  Indexed by Council
Library Board	2,964,500  Indexed by Council	3,199,700  Indexed by Council	3,313,500  Indexed by Council	3,439,200  Indexed by Council	3,538,700  Indexed by Council	3,659,000  Indexed by Council

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Report No. CFS16-025

**COMMENTS**

The upcoming annual operating budget contains all revenues and expenses of the prior year plus the following items:

1. Some budget rightsizing adjustments to correct historically underfunded budget items such as street lighting electricity, facilities operational costs, and parks operations;
2. Growth in taxation revenue from new residents and businesses whose properties were not assessed for tax last year;
3. Inflationary revenue allowances as directed by Council, which will be established with reference to the Toronto CPI as reported by Stats Canada for the period July 2015 to June 30, 2016 – both for tax and non-tax revenues;
4. Additional growth related expenses required to service the new residents and businesses (blue box, snow clearing, road maintenance, street lighting, parks maintenance, underground infrastructure, corporate administrative expenses etc.);
5. Additional expenses due to inflationary pressures on all costs of the organization and its activities, and services.

In approving the other recommendations of Report No. CFS16-022, Council has set the targets for the final budget summarized as an overall tax rate increase of “Inflation plus 1% for Infrastructure”. Other cost pressures of the Town which must be addressed has the effect that not all departments or partners will receive a funding increase equal to inflation. Administratively, new funding arising from the budget directions of Council will be allocated by department and partner based on a set of reasonable assumptions. The resulting allocations of new funding available for each portion of the town’s operational budget will ensure Town services remain consistent.

Based on allocation methodologies planned on being used for 2017, the cultural partners would have been given funding envelopes as follows:

	<b>2016 Funding</b>	<b>2017 Staff Suggestion</b>
Historical Society	\$70,500	\$72,600
Cultural Centre Board	\$393,900	\$405,600
Library Board	\$3,659,000	\$3,767,600

The staff recommended allocations incorporate a component of inflation and growth related revenue. The staff suggested increase to funding for each of its cultural partners is 2.97% over the 2016 Town funding amount. In calculating these amounts an inflation rate of 2.1% and a growth rate of approximately 4.1% was assumed. The Finance Advisory Committee is to provide a recommended funding amount for each partner. These change percentages do not necessarily need to be the same for each partner.

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Report No. CFS16-025

**ALTERNATIVE(S) TO THE RECOMMENDATIONS**

1. None: This matter was referred to Finance Advisory Committee for further discussion, and to provide advice to Council regarding the funding of the Town's cultural services partners.

**FINANCIAL IMPLICATIONS**

Providing funding to the cultural partners in amounts higher than the staff suggestion will result in a partner receiving a higher proportion of funding increase than will be available to the remaining town departments and other commitments for the 2017 operation budget. Any expected Increases in service levels beyond accommodating growth, such as new initiatives or programs, should have separate funding sources identified, which may include an additional tax rate increase beyond the "Inflation plus 1% for Infrastructure" target established by Council.

**CONCLUSIONS**

This report has been prepared in order to provide the Finance Advisory Committee and Council with background information to assist in setting the 2017 funding allocations for each cultural partner.

**PREVIOUS REPORTS**

July 12, 2016 Council Report No. CFS16-022 *2017 Budget Preparation Directions*

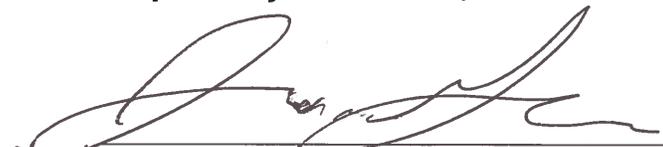
**ATTACHMENTS**

None

**PRE-SUBMISSION REVIEW**

CAO & Treasurer only.

***Prepared by: Dan Elliott, Director of Corporate & Financial Services - Treasurer***



**Dan Elliott, CPA, CA  
Director of Corporate & Financial  
Services - Treasurer**



**FOR Doug Nadorozny  
Chief Administrative Officer**