



Corporate Services Committee Agenda

Friday, June 1, 2018
11:00 a.m.

Council Chambers
County Administration Centre, Walkerton

1. Declaration of Pecuniary Interest
2. Action Items
 - A. 2018 Landfill Tax Ratio Determination and Limits
 - B. 2018 Insurance Program Savings and Risk Management Recommendations
3. Information Item
 - A. Long Term Debt Analysis - December 31, 2017
 - B. Cash Holdings and Investment Portfolio - December 31, 2017
 - C. County Jail - Events 2018
4. Next Meeting

July 5, 2018
5. Adjournment



Committee Report

To: Warden Paul Eagleson
Members of the Corporate Services Committee

From: Bettyanne Cobean, C.M.O.
Director of Corporate Services

Date: June 1, 2018

Re: 2018 Landfill Tax Ratio Determination and Limits

Recommendation:

That the 2018 Landfill Tax Ratio Determination and Limits report be adopted; and,

That Bylaw 2018-013, a by-law to adopt estimates, tax ratios and tax rates for the year 2018 be amended to alter the landfill tax ratio to 1.225583.

Background:

On December 7, 2017 Committee established the 2018 county-wide tax ratios and class discounts based on the current Municipal Act parameters. Bylaw 2018-13 to adopt the budget, tax ratios and tax rates was adopted on March 1, 2018 based on the current information. Subsequently the landfill class ratio has been reviewed and an adjustment is required.

In 2017 the Minister of Finance introduced tax ratio framework for the new landfill property class for 2017-2020. Under the regulations, municipalities must set a tax ratio and tax rates for the new Landfill class, even if the only property in the class is a PIL property owned by the municipality. Municipally owned landfills are public utilities. As per Ontario Regulation 98/17 under the Assessment Act, portions of public utilities that are classified in the Landfill class are required to pay an amount equal to the taxes for municipal and school purposes that would be payable if they were taxable and classified in the landfill property class. Bruce County has 17 landfill properties all municipally owned and are classified as Payment-In-Lieu-of-Taxes (PILT).

Legislation states that the landfill property class established for 2018 must be adopted and approved by Council in the tax policy by-law. The 2018 Starting Ratios for the Landfill Class are the 2018 Starting Ratios for the Commercial Class and the ratio that was adopted in the March 1st bylaw.



Except for three special cases, the *ratio* is the *Revenue Neutral Ratio* plus 5%. Unlike the other tax classes, the default *2018 Tax Ratio* for the Landfill class is the *Revenue Neutral Ratio*. However, municipalities may select any ratio within the Range of Flexibility.

- The upper end of the *Range of Flexibility* for the Landfill class tax ratio is the greater of (a) the *Revenue Neutral Ratio* for the class, increased by 5%, or (b) 1.1.
- The *Range of Fairness* for the Landfill class is 0.6 to 1.1.

Revenue Neutral Ratios are calculated the same as for any other class and will maintain the tax burden for the Landfill class based on the 2017 taxes paid by the individual Landfill properties based on the commercial tax rate in 2017.

The ratios were established early to avoid any delays to the lower tier municipalities in issuing their property tax notices however at times information is received after requiring amendments. In this instance the calculated Revenue Neutral Ratio, increased by 5% is less than the Starting Ratio for the Commercial Class and it must be adjusted as follows:

Adopted 2018 Landfill Class Tax Ratio	1.2331
Revenue Neutral Landfill Class Ratio +5%	1.225583

Financial/Staffing/Legal/IT Considerations:

That amending bylaw will be introduced to Council on July 5th, however because there is no impact to the taxable assessment the amended ratio can be adjusted in Online Property Tax Analysis (OPTA) upon the adoption of this report to avoid any delays to the lower tier municipalities in issuing the property tax notices.

There is no staffing, legal or IT considerations associated with this report.

Interdepartmental Consultation:

None identified.

Link to Strategic Goals and Elements:

None.

Approved by:

Kelley Coulter
Chief Administrative Officer



Committee Report

To: Warden Paul Eagleson
Members of the Corporate Services Committee

From: Bettyanne Cobean, C.M.O.
Director of Corporate Services

Date: June 1, 2018

Re: 2018 Insurance Program Savings and Risk Management
Recommendations

Recommendation:

That the savings from the 2018 Insurance Program be applied to the cost to install exterior security cameras and enhanced lighting at the Park Street Administration Centre and the remainder be transferred to the insurance reserve.

Background:

The 2018 approved budget included an annual insurance cost \$683,000 based on the 2017 costs with a 5% increase projected. The results of the Request for Proposal (RFP) issued late 2017 generated a \$219,000 surplus in 2018, excluding the premium for the optional Cyber Insurance. In the Q1 Financial update to the Executive Committee on May 17th it was reported that staff were preparing a report to recommend how the surplus could be redirected.

The introduction of the full time CEMC Community Emergency Management Coordinator in 2018 supported job responsibilities including the insurance program and support of risk management initiatives to continue to minimize the corporate exposure. The County has a huge investment of land, property and people, and as a result of expanding the risk management program, we have reviewed a number of opportunities to limit current and potential risk.

A preliminary premium for the Cyber Insurance, based on a high level review was received and staff have had discussions with AON Reed Stenhouse Inc and received proposals based on the cyber market. Staff continue to evaluate the need and costs and will provide a recommendation at the next Corporate Services Committee meeting.



In order to protect the Park Street Administration Centre, staff have reviewed the installation of exterior security cameras and enhanced lighting. Currently there are no exterior cameras at the Administration Centre and there is no lighting at the lower east parking lot.

A thorough evaluation by Facilities and Information Technology Services with qualified security companies resulted in a surveillance proposal to meet the current needs and allow for expansion. The estimated cost including taxes, is \$8,700.

Staff are currently analyzing the possibility of installing lamp posts at the lower east parking lot but because of its close proximity to the hospital and the flight path for Ornge, discussions are ongoing with their Aviation Support Coordinator & Helipad Inspector. The next step is to hire an aviation consultant to identify the options and limitations surrounding the helipad and assist with Transport Canada requirements.

Financial/Staffing/Legal/IT Considerations:

The recommendation is that the \$219,000 savings from the 2018 Insurance Program be applied to the cost to install exterior security cameras and enhanced lighting at the Park Street Administration Centre and the remainder be transferred to the insurance reserve for future considerations which may include the premium for Cyber Insurance.

Interdepartmental Consultation:

The Senior Management Team have reviewed and support the need for exterior security cameras and enhanced lighting at the Park Street Administration Centre.

Link to Strategic Goals and Elements:

None.

Approved by:

Kelley Coulter
Chief Administrative Officer



Committee Report

To: Warden Paul Eagleson
Members of the Corporate Services Committee

From: Bettyanne Cobean, C.M.O.
Director of Corporate Services

Date: June 1, 2018

Re: Long Term Debt Analysis - December 31, 2017

Recommendation:

The Long Term Debt Analysis - December 31, 2017 Report is for information.

Background:

At the April 5, 2018 meeting, Committee received a report regarding the 2017 Annual Repayment Limit. It identified that the County's annual debt repayment limit is \$9,687,380. The County's gross debt charges total \$3,878,784, as reported based on the 2016 Financial Statements and Financial Information Return (FIR).

Attached is a summary of the County's long-term liabilities including ten mortgages payable related to the Bruce County Housing Corporation and the debenture payable related to the construction of the Long Term Care facilities and the Museum and Cultural Centre and the loan payment related to the balance of the Museum construction and renovations at the Park Street Administration Building.

The County's annual debt payment for 2018 is estimated at \$3,878,784, well below the Annual Repayment Limit of \$9,687,380. The balance of the long term liability as at December 31, 2017 totaled \$21,608,046 (December 31, 2016 - \$24,244,219).

Financial/Staffing/Legal/IT Considerations:

There are no financial, staffing, legal or IT considerations associated with this report.

Interdepartmental Consultation:

None required.



Corporation of the County of Bruce
Corporate Services

brucecounty.on.ca

BRUCE
county

Link to Strategic Goals and Elements:

None.

Approved by:

Kelley Coulter
Chief Administrative Officer

The Corporation of the County of Bruce
Notes to Financial Statements

December 31, 2017

4. Long-Term Liabilities

The balance of long-term liabilities reported on the consolidated statement of financial position is made up of the following:

	<u>2017</u>	<u>2016</u>
Bruce County Housing Corporation		
Mortgage payable, Canada Mortgage & Housing Company, 4.37%, repayable in blended monthly instalments of \$2,631, due February 2018	\$ 5,235	\$ 35,860
Mortgage payable, Canada Mortgage & Housing Company, 3.65%, repayable in blended monthly instalments of \$3,448, due May 2018	17,086	57,057
Mortgage payable, Canada Mortgage & Housing Company, 3.54%, repayable in blended monthly instalments of \$7,958, due July 2018	55,058	146,860
Mortgage payable, Canada Mortgage & Housing Company, 1.39%, repayable in blended monthly instalments of \$6,566, due February 2020	168,092	243,985
Mortgage payable, Canada Mortgage & Housing Company, 1.01%, repayable in blended monthly instalments of \$10,113, due February 2021	1,442,508	1,548,743
Mortgage payable, Scotia Bank, 3.938%, repayable in blended monthly instalments of \$5,014, due June 2021	297,341	344,880
Mortgage payable, TD Canada Trust, 6.117%, repayable in blended monthly instalments of \$7,406, due April 2024	620,148	669,919
Mortgage payable, People's Trust, 2.66%, repayable in blended monthly instalments of \$6,133, due September 2024	598,531	655,480
Mortgage payable, People's Trust, 1.79%, repayable in blended monthly instalments of \$6,734, due May 2020	<u>728,428</u>	<u>795,604</u>
Carried forward	\$ 3,932,427	\$ 4,498,388

The Corporation of the County of Bruce
Notes to Financial Statements

December 31, 2017

4. Long-Term Liabilities - (continued)

	2017	2016
Bruce County Housing Corporation - brought forward	\$ 3,932,427	\$ 4,498,388
Mortgage payable, Canada Mortgage & Housing Company, 2.61%, repayable in blended monthly instalments of 14,442, due December 2023	1,656,745	1,785,223
Total Bruce County Housing Corporation	5,589,172	6,283,611
County of Bruce		
Debenture payable, 6.73%, repayable in blended quarterly instalments of \$597,315, due July 2022	9,696,813	11,362,814
Loan payable, OSIFA, 5.32%, repayable in blended semi-annual payments of \$311,399, due October 2032	6,322,061	6,597,794
Total County of Bruce	16,018,874	17,960,608
	\$21,608,046	\$ 24,244,219

All mortgages are secured by real property.

The gross interest paid relating to the above long-term debt was \$1,248,814 (2016 - \$1,396,605).

The gross interest expensed during the year was \$1,247,979 (2016 - \$1,387,982).

Principal payments for the next five fiscal years and thereafter are as follows:

2018	\$ 2,229,954
2019	2,737,674
2020	2,831,608
2021	2,987,618
2022	3,167,714
Thereafter	7,653,478
	\$ 21,608,046



Committee Report

To: Warden Paul Eagleson
Members of the Corporate Services Committee

From: Bettyanne Cobean, C.M.O.
Director of Corporate Services

Date: June 1, 2018

Re: Cash Holdings and Investment Portfolio as of
December 31, 2017 - 2018 Activity

Recommendation:

In compliance with the provincial legislation governing municipal investment practices, the 2017 Cash Holdings and Investment Portfolio as of December 31, 2017 and 2018 Activity, is for information.

Background:

The County's Investment Policy goal is to invest all available funds of the Corporation in a prudent manner so as to maximize the rate of return while minimizing the degree of risk and ensuring an adequate level of liquidity.

The policy also requires that all investments by the Municipality shall be subject to the Municipal Act.

Analysis

This report provides a summary of the status of the County's cash holdings and investment portfolio as of December 31, 2017.

The Social Housing portfolio, as mandated, is administered by Phillips Haggar and North and is also included in the 2017 Analysis.

A cash balance of \$27,916,078 is being held in bank accounts at one Canadian chartered bank as part of a centralized cash control service. Temporary investments of \$3,012,966 (2016 - \$4,098,842) consist of investments in Canadian short-term bond funds and a non-redeemable Guaranteed Investment Certificate with interest at 2.05% that was cashed in June 2017.

The cash balance includes \$18,119 (2016 - \$143) in U.S. dollars.



Summary

It is the opinion of the Treasurer, that the rates of interest are competitive, and that the investments are secure. Recognizing that the cash balance of the corporation continues to improve year after year and seeing no significant variances in our capital forecast it was determined to invest a portion of our cash balance into a principal protected investment portfolio.

At the end of 2017 Finance met with our banking institution regarding available secure investment opportunities. As a result, in January 2018, \$14,000,000 new investments were secured with our banking institution.

As of January 2018 the corporate investment portfolio contains the following:

Investment Type	% of Portfolio	Value	Term of Investment
Coupon Deposit Note	17.6%	\$3,000,000	Medium
Guaranteed Yield Note	35.3%	\$6,000,000	Medium
Financials Growth Note	11.8%	\$2,000,000	Long
Index Growth Note	17.6%	\$3,000,000	Long
Short Term Bond Fund - 1	12.5%	\$2,124,375	Short
Short Term Bond Fund - 2	5.2%	\$ 888,590	Short
Total Investment Portfolio	100%	\$17,012,965	

It is the opinion of the Treasurer that all investments were made in accordance with the investment policies and goals of the County.

Financial/Staffing/Legal/ITS Consideration:

There are no staffing, legal or IT considerations associated with this report.

Interdepartmental Consultation:

None required.

Link to Strategic Goals and Elements:

Approved by:

Kelley Coulter
Chief Administrative Officer



Committee Report

To: Warden Paul Eagleson
Members of the Corporate Services Committee

From: Bettyanne Cobean, C.M.O.
Director of Corporate Services

Date: June 1, 2018

Re: County Jail -Events 2018

Recommendation:

The County Jail -Events 2018 Report is for information.

Background:

Although the County Jail remains vacant the staff continue to keep it maintained and manage the costs of retaining ownership.

There has been one use of the Jail in 2018 and two others scheduled later in the year.

1. On Saturday September 29th from 10 am - 4 the County Jail will be open to the Public as part of the Province's Doors Open event sponsored by the Ontario Heritage Trust and the Walkerton & Area Doors Open Committee. This stone building cost \$14,670 to build in 1866 as a condition of Bruce County becoming an independent County. In 1968, the provincial government began leasing the jail, which served as a correctional institution until it was closed in December 2011. It has previously been included on the Doors Open program but is expected to be a popular event once again.
2. The Saugeen Valley Conservation Authority (SVCA) has been developing a new tourism experience centred around the Greenock Swamp. Legends of The Great Greenock Swamp tours began in 2017 and the SVCA are planning to host additional tours in 2018 and have asked to include a tour of the Jail. History would suggest that many bootleggers may have found themselves inside the jail walls for a night or two. The SVCA will enter into a no fee agreement that requires them to meet any obligations of the municipality for a public place.



3. The Ontario Rhythm Cloggers received permission to use the Jail as a set to create a not for profit video as a demonstration, performed at the Nickel City Clogging Workshop, in Buffalo, NY on Apr. 21, 2018. Join Sgt. Lightonfeet, Clogalong Cassidy and the Sundancing Kid on a fun clogging adventure in this black and white movie titled "Got Your Number."

<https://youtu.be/n8Fmurfi080>

Financial/Staffing/Legal/IT Considerations:

There is no staffing, legal or ITS considerations associated with this report.

Interdepartmental Consultation:

None

Link to Strategic Goals and Elements:

Find creative new ways to engage our public.

Approved by:

Kelley Coulter
Chief Administrative Officer