

BMRA Comments on the Town of Blue Mountains 2021 Draft Budget

Having reviewed the 2021 draft TBM budget, the Blue Mountain Ratepayers Association would like to offer the following observations, thoughts and concerns.

Positive Points and Accomplishments

- The Town appears to have handled the complexities of Covid 19 very well overall:
 - Identified numerous savings
 - Managed Covid legal and bylaw issues, and hired part time staff to support enforcement
 - Tried to spend where needed to support the community and our business segment
- Staff elected to generously reduce TBM expenses by giving up COL increase approved by council in budget 2020. They definitely deserve appreciation for having taken that step.
- We applaud the Council directed goal for a zero per cent increase that TB residents will be paying on their 2021 tax bills. That kind of stability and certainty is important given the current pandemic challenges we're all facing.
- Kept the Town safe from Covid 19 and communicated regularly via websites, video conferencing and public notices
- Continually asked for broad public engagement via 17 different council committees
- Trying to manage the continuing record municipal growth, with enhancements having been made to the Development and Engineering Department to better meet infrastructure project deliverables
- Maintaining excellent financial reserves for the municipality
- Hired a new Operation Director to bring a fresh look and improved management skills to the senior management team
- Hired staff at the fleet and transportation management position to make better use of these assets, and hopefully to reduce costs

Concerns and Shortfalls

Beyond these actions that we believe merited recognition, there are a number of areas where we would like to see enhancements, or shifts in priorities.

- Appears to this point that the work to implement Zero Base Budgeting (ZBB) has been limited to implementing time sheets for Town staff. While we recognize this data will be necessary to effectively apply ZBB, the 2021 budget does not seem to identify areas where ZBB should provide budget “wins” – ie efficiency enhancements and opportunities to reallocate resources to areas of greater value or impact
- An extended history of the inability of TBM to complete capital projects on time and within approved past budgets. Depreciation is greater than new capital builds and has been for some time.
- Failure to execute The Thornbury Wastewater Headworks project on time and within budget has been identified by the town’s operations staff as a serious shortfall. BMRA has been told mitigation processes have been put in place so a repetition of faults will not occur again
- No mention of the potential future budgeting demands from the Asset Management Plan, and the size of the infrastructure gap identified earlier by the Hemson study
- No detail of TBM costs expended to date in support of Attainable housing. Town has purchased land, assisted in demolition and applied staff time. BMRA suggests there should be a budget page outlining Town expenditures and anticipated financial returns as this project will be included in the consolidated year-end financial statements
- There appears to be insufficient fiscal restraint displayed during the current development boom of the municipality. A significant amount of revenue from increased municipal assessment taxes is present in budget 2021, but none of the money appears to have been directed to reserves. We have become aware of other similar municipalities that have chosen to cap increased spending from the revenue generated by municipal tax growth. In fact, if all additional items proposed in the budget are approved, our understanding is that tax supported Town expenditures will increase by approximately 2.5%. We believe that setting a 0% increase for total spending would be responsible.
- BMRA is concerned about the increasing amount of municipal tax assessment dollars directed to County and not available for the Town to spend on needed capital projects such as a modern community center.
- BMRA is delighted with the Town’s request for public engagement via numerous council committees. But the current number of 17 committees is a cause for concern – not clear how the town can manage the resources and tax dollars requested to assist with these committees. We know a number of committees have struggled to gain traction in 2020.