



Staff Report

Finance

Report To: Council Meeting
Meeting Date: January 17, 2022
Report Number: FAF.22.005
Title: 2022 Draft Budget
Prepared by: Ruth Prince, Director Finance & Information Technology Services

A. Recommendations

THAT Council receive Staff Report FAF.22.005, entitled "2022 Draft Budget";

AND THAT Council receive the 2022 Draft Budget that delivers a net tax increase to a maximum of 3% as directed by Council;

AND THAT Council endorse the revised draft 2022 budget and proposed fees and charges as attached to Staff Report FAF.22.005, and to continue with the timeline adopted at the December 13, 2021 Council Meeting as noted below:

- I. February 7, 2022 Council, Public Meetings – Public Meeting to receive comments on the Draft 2022 Budget and Draft Fees and Charges;
- II. February 15, 2022 Committee of the Whole – Follow up report from Public Meeting considered by Committee of the Whole;
- III. February 28, 2022 Council – Recommendations from February 15th Committee of the Whole considered by Council, consideration of the 2022 Budget By-law.

AND THAT Council approve the IT Infrastructure Analyst for inclusion in the 2022 Draft Budget;

AND THAT Council approve the full-time 18-month contract By-law Officer for inclusion in the 2022 Draft Budget.

B. Overview

This report outlines the 2022 Draft Budget as well as the Proposed Additions to the Base Budget for Council's endorsement to receive public comments.

C. Background

The 2022 Proposed Budget was released to Council and the public on November 12, 2021. On December 2, 3, 6 & 8 Special Committee of the Whole meetings occurred for Council and staff to go through in detail the Proposed 2022 Budget. Council provided the following motion:

Moved by: Councillor Matrosovs Seconded by: Councillor Hope

THAT Council approve the Proposed 2022 budget, as presented, including the By-law and Licensing Additional Positions, subject to modifications that would deliver a net tax increase to a maximum of 3%, for further consideration by Council;

Attached to this staff report is the 2022 Draft Budget for Council's endorsement. The 2022 Draft Budget has a Total Tax Levy of \$18,367,900 which is an increase of \$971,137 or 5.6% over the 2021 Approved Tax Levy, however; due to growth the increase on the tax rate over 2021 is 1.86%.

In early December, after budget deliberations, staff were advised that additional Ontario Community Infrastructure Funding would be received by the Town in 2022. The Town will receive \$1,755,937 in 2022, which is an increase of \$843,022 over the 2021 allocation.

Council provided the following motion to staff at the December 13, 2021 Council meeting:

AND THAT Council direct staff to consider using a minimum of 50% of the Ontario Community Infrastructure Funding additional funding to assist in achieving the 3% increase
Yay (6): Mayor Soever, Councillor Bordignon, Councillor Hope, Councillor Matrosovs, Councillor Sampson, and Councillor Uram

D. Analysis

The following analysis provides an overview of the changes to the 2022 Proposed Budget.

Ontario Community Infrastructure Fund (OCIF) – On December 8, 2021 the Town received notification of an increase in the OCIF 2022 Funding allocation. The Town will receive \$1,755,937 in 2022, which is an increase of \$843,022 over the 2021 allocation. The OCIF can only be used for capital expenditures on core infrastructure projects (roads, bridges, water, wastewater).

Based on the motion provided by Council, the original transfer to the Infrastructure and Public Works Asset Replacement Reserve Fund was \$1,008,000 which was decreased by \$100,000 to \$908,000 after the operations budget deliberations. With the additional OCIF funding, and Council direction the transfer was further reduced by \$421,500 to \$486,500.

Sustainability Advisory Committee Funding – the 2022 Proposed Budget included \$75,000 to fund action items that come from the Integrated Community Sustainability Plan. Staff have removed the \$75,000 as there is still \$75,000 in unspent funding from previous years for these action items.

Additions to the Budget - Council gave direction to include two additions to the budget that have taxation impacts in 2022. The first is the creation of a Manager of Infrastructure and

Capital Projects and the second is a Compensation Review. These two additions have an impact of \$130,169 on the tax levy.

Fees and Charges - Council directed that the proposed 2022 Fees and Charges, as presented be increased by 5% to cover the compensation review impact and COLA for those fees impacted by staff resources. The 2022 Draft budget includes the revised fees and charges, and revenue from the increases.

IT Infrastructure Analyst – With the increased size and complexity of IT infrastructure, it is difficult for one staff member to effectively support and respond to issues in a timely manner. There have been recent pressures from cyber incident insurance companies to provide ever increasing security measures to protect cyber incidents.

By-law Officer – This 18-month full time contract by-law position will be focused on water and wastewater infiltration, theft and general enforcement issues, in addition to general by-law enforcement. This position has changed from the original request of a 3-year full-time contract to an 18 month contract to evaluate the revenue generation potential. The annual revenue projection for this position has increased from \$15,000 to \$23,000. It is anticipated that the Administrative Monetary penalties will be in place by Q1 of 2022.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

N/A

G. Financial Impacts

The draft budget currently is proposed to have a tax rate increase of 1.86% or for a house assessed at \$540,000 the municipal portion annual tax increase is \$37.00. The additional recommendation of the IT Infrastructure Analyst and the 18 month contract By-law Officer would increase the tax rate to 2.68% or \$53.00.

H. In Consultation With

Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets
Heather McFarlane, Budget Analyst
Vicky Bouwman, Financial Analyst
Senior Management Team

I. Public Engagement

The topic of this Staff Report will be the subject of a Public Meeting in accordance with the following schedule:

- January 6, 2022 Public Meeting Notice posted;
- January 6/13, 2022 Public Meeting advertised in Collingwood Connection;
- February 7, 2022 Council – Public Meeting at 1:00 p.m.
- February 15, 2022 Committee of the Whole – Follow-up report with Public Meeting feedback; and
- February 28, 2022 Council – Recommendations from February 15, 2022 Committee of the Whole confirmed, along with any required By-law.

Comments regarding this report should be submitted to Ruth Prince, Director Finance & Information Technology Services, directorfit@thebluemountains.ca.

J. Attached

1. 2022 Draft Budget Package

Respectfully submitted,

Ruth Prince
Director Finance & Information Technology Services

For more information, please contact:
Ruth Prince, Director Finance & Information Technology Services
directorfit@thebluemountains.ca
519-599-3131 extension 228

Report Approval Details

Document Title:	FAF.22.005 2022 Draft Budget.docx
Attachments:	
Final Approval Date:	Jan 5, 2022

This report and all of its attachments were approved and signed as outlined below:

Ruth Prince - Jan 4, 2022 - 4:32 PM

Shawn Everitt - Jan 5, 2022 - 10:28 AM

Report Approval Details

Document Title:	FAF.22.005 2022 Draft Budget.docx
Attachments:	- 2022 Draft Budget.pdf
Final Approval Date:	Jan 7, 2022

This report and all of its attachments were approved and signed as outlined below:

Ruth Prince - Jan 7, 2022 - 11:49 AM

No Signature found

Shawn Everitt - Jan 7, 2022 - 11:50 AM