



Final
Finance and Responsible Governance
Committee

Wednesday, November 22, 2023

5:00 PM

Council Chambers/Virtual Meeting

FINANCE AND RESPONSIBLE GOVERNANCE COMMITTEE REPORT

For consideration by General Committee on November 29, 2023.

The meeting was called to order by Chair, Councillor, G. Harvey at 5:07 p.m. The following were in attendance for the meeting:

Present: 4 - Mayor, A. Nuttall
Deputy Mayor, R. Thomson
Councillor, G. Harvey
Councillor, A.M. Kungl

ALSO PRESENT:

Councillor, C. Riepma
Councillor, C. Nixon
Councillor, A. Courser
Councillor, N. Nigussie
Councillor, J. Harris
Councillor, S. Morales
Councillor, B. Hamilton.

STAFF:

Associate Director of Communications and Customer Services, C. Harris
Associate Director of Corporate Management, K. Oakley
Chief Administrative Officer, M. Prowse
Chief Building Official, P. Evans
Chief Financial Officer, C. Millar
City Clerk/Director of Legislative and Court Services, W. Cooke
Director of Corporate Facilities, R. Pews
Director of Development Services, M. Banfield
Director of Economic and Creative Development, S. Schlichter
Director of Human Resources, C. Gianino
Director of Information Technology, R. Nolan
Director of Infrastructure, S. Diemart
Director of Internal Audit, S. MacGregor
Director of Operations, D. Friary

Director of Recreation and Culture Services, D. Bell
Director of Transit and Parking Strategy, B. Forsyth
Executive Assistant to the Mayor, E. Chappell
Executive Director of Access Barrie, R. James-Reid
Fire Chief, C. Mainprize
General Manager of Community and Corporate Services, D. McAlpine
General Manager of Infrastructure and Growth Management, B. Araniyasundaran
Legislative Coordinator, T. Maynard
Manager of Building Services/Chief Building Official, P. Evans
Manager of Legal Services, A. Mills
Service Desk Generalist, K. Kovacs
Senior Manager of Accounting and Revenue, C. Smith
Senior Manager of Corporate and Finance Investments, C. Gillespie
Senior Project Manager Water Wastewater Planning, T. Reeves
Supervisor of Engineering Standards, M. Munshaw
Supervisor of Development Charges, M. Villeneuve
Supervisor of Fleet Strategy, A. Wicks.

The Finance and Responsible Governance Committee met and reports as follows:

SECTION "A"

PRESENTATION CONCERNING THE 2024 CITY SERVICES OPERATING BUDGET AND CAPITAL PLAN

Craig Millar, Chief Financial Officer provided a presentation concerning the 2024 City Services Operating Budget and Capital Plan.

Mr. Millar discussed slides concerning the following topics:

- The 2024 Business Plan Process;
- The City's policy framework and by-laws governing the City's financial management;
- A summary of the proposed 2024 tax rate impact;
- A pie chart illustrating the 2024 sources of operating revenue;
- The proposed user rate budgets for water, wastewater and parking;
- The objectives of the 2024 Capital Plan;
- A summary of the 2024 Capital Plan and key projects;
- A pie chart illustrating the requested capital spending authority by funding sources between 2024 and 2028;

- A chart illustrating the Tax Capital Reserve Balance;
- The Reinvestment reserve continuity schedule between 2024 to 2028;
- The forecasted debt levels between 2023 and 2028; and
- The next steps and timelines.

The Finance and Responsible Governance Committee met and recommends adoption of the following recommendation(s):

SECTION "B"

REFERRED BY MOTION 23-G-269 AT GENERAL COMMITTEE ON NOVEMBER 15, 2023 - INVESTIGATION - DESIGN AND RECONSTRUCTION OF THE MAIN PARKING LOT IN PAINSWICK PARK

That the following be deferred to a future Finance and Responsible Governance Committee meeting:

"That staff in the Development Services Department be directed to investigate the feasibility of designing and reconstructing the main parking lot in Painswick Park to a fully accessible asphalt parking lot and that the project be considered in the ten-year capital budget for completion in 2024 subject to available funding. (23-G-269)"

This matter was recommended (Section "B") to General Committee for consideration of adoption at its meeting to be held on 11/29/2023.

REFERRED BY MOTION 23-G-256 AT GENERAL COMMITTEE ON NOVEMBER 1, 2023 - CIRCULATION MEMORANDUM CONCERNING THIS WEEK IN BARRIE/LEGISLATIVE ADS IN BARRIE TODAY

That the following be deferred to the Finance and Responsible Governance Committee meeting in February 2024:

"Memorandum from C. Harris, Associate Director of Communications and Customer Service, dated October 25, 2023, concerning This Week in Barrie/Legislative Ads in Barrie Today. (A1, Circulation List dated October 25, 2023) (23-G-256)"

This matter was recommended (Section "B") to General Committee for consideration of adoption at its meeting to be held on 11/29/2023.

SECTION "C"

2024 BUSINESS PLAN AND BUDGET - CITY OPERATIONS AND INFRASTRUCTURE INVESTMENT FUNDING

Operating Budget Approvals

1. That the 2024 tax-supported base operating budget for City operations and the Infrastructure Investment Fund, with gross expenditures of \$325.5 million and a net property tax levy requirement of \$191.9 million, be approved with the following amendments to reflect changes since the 2024 Business Plan's publication on November 15, 2023:
 - a) That the temporary position of Project Coordinator (CCI) be extended to the end of 2024 with a budget of \$94,828, to be recovered from capital project IT1016 (CMMS Improvement Project - Cityworks), as described in the intake form in Appendix "F" of Report to Finance and Responsible Government Committee dated November 22, 2023;
 - b) That the temporary position of Project Coordinator (CCI) be extended to the end of 2024 with a budget of \$94,828, to be recovered from capital project IT1016 (CMMS Improvement Project - Cityworks), as described in the intake form in Appendix "F" of Report to Finance and Responsible Government Committee dated November 22, 2023;
 - c) That budget reductions totaling \$154,000 for the CAO and Mayor's Division, as outlined in Appendix "E" of Report to Finance and Responsible Governance Committee dated November 22, 2023, be included in the 2024 budget, with an equivalent decrease in the 2024 Tax Levy;
 - d) That budget reductions totaling \$407,742 for the Access Barrie Division, as outlined in Appendix "E" (with the exception of \$44,000 for reducing This Week In Barrie re: Barrie Advance no printed paper) of Report to Finance and Responsible Governance Committee dated November 22, 2023, be included in the 2024 budget, with an equivalent decrease in the 2024 Tax Levy;
 - e) That budget reductions totaling \$430,331 for the Infrastructure and Growth Management Division, as outlined in Appendix "E" of Report to Finance and Responsible Governance Committee dated November 22, 2023 be included in the 2024 budget, with an equivalent decrease in the 2024 Tax Levy;

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- f) That budget reductions totaling \$2,348,040 for the Community and Corporate Services Division, as outlined in Appendix “E” of Report to Finance and Responsible Governance Committee dated November 22, 2023 be included in the 2024 budget, with an equivalent decrease in the 2024 Tax Levy;
 - g) That the Chief Financial Officer be allowed to adjust the budget reductions in Appendix “E” of Report to Finance and Responsible Governance Committee dated November 22, 2023 as necessary to achieve a 0% tax rate increase on City Operations, excluding the Infrastructure Investment Funding and Service Partners; and
 - h) That New Investment and Service Recommendation Form 2864 - Carbon Management Software be deferred to 2024, resulting in a reduction to the net tax levy of \$20,000.
2. That \$150,000 be transferred from the Municipal Accommodation Tax Reserve to the Tax Capital Reserve for the 2023 and 2024 budget years.

City Operations and Infrastructure Investment Funding

3. That the 2024 budget request for City Operations, with a net tax supported municipal funding requirement of \$191.9 million (for the average assessed residential property this represents a 1.06% tax rate increase for City operations and a 2% increase associated with Infrastructure Investment Funding), be approved.
4. That the New Investment and Service Recommendations as outlined on page 20 of the 2024 Business Plan with a net cost of \$1.6 million (operating) and \$228 thousand (capital) and a net property tax levy requirement of \$925 thousand with additional funding of \$237 thousand from the water rate, \$28 thousand from the wastewater rate, \$460 thousand from capital projects, offset by \$21 thousand going towards reserves, be approved.
5. That the Water base Operating Budget, with gross expenditures of \$34.0 million and revenues of \$34.0 million, and the proposed 2024 Water Rates as outlined in Schedule “N” of the “Proposed Fee Changes” section of the 2024 Business Plan be approved.
6. That the Wastewater base Operating Budget, with gross expenditures of \$43.6 million and revenues of \$43.6 million, and the proposed 2024 Wastewater Rates as outlined in Schedule “N” of the “Proposed Fee Changes” section of the 2024 Business Plan be approved.
7. That the Parking Operations base budget, with gross expenditures of \$2.4 million and gross revenues of \$2.4 million, and the proposed 2024 Parking Rates as outlined in Schedule “O” of the “Proposed Fee Changes” section of the 2024 Business Plan be approved.

8. That pursuant to Ontario Regulation 284/09, Staff Report EMT005-23 serve as the method for communicating the exclusion of the following estimated expenses from the 2024 Business Plan:
- a) Amortization expense - \$ 65.5 million;
 - b) Post-employment benefit expenses - \$ 1.8 million; and
 - c) Solid waste landfill closure and post-closure expenses - \$ 200 thousand.

Capital Budget Approvals

9. That, consistent with the Capital Project Control Policy, the 2024, 2025, 2026, 2027 and 2028 Capital Budget relating to new capital spending requests of \$41.0 million, \$78.3 million, \$71.2 million, \$37.4 million, and \$24.9 million respectively be approved with the following amendments to reflect changes since the 2024 Business Plan's publication on November 15, 2023, and the 2024-2028 Capital Budget items not requiring spending approval, be received as forecast information:
- a) That the approved funding for IT1056 - Fleet Management System be increased by \$115,000, to be funded from the Fleet Management Reserve;
 - b) That the approved funding for EN1346 - Brownfield Redevelopment Readiness (Contaminated Lands Management Framework), be increased by \$130,000 to be funded from the Canada Community Building Reserve (formerly Federal Gas Tax);
 - c) That the budget of project EN1097 - Mapleview Drive East Improvements, be reduced by \$120,000 funded from Development Charge Reserves (\$96,061.18), Wastewater Capital Reserve (\$14,226.90), Tax Capital Reserve (\$5,859.45), Local Improvements Revenue (\$3,799.34) and Water Capital Reserve (\$53.12), and the budget of project EN1467 - Lovers Creek Mapleview LSRCA Compensation be increased by \$120,000 funded from Development Charge Reserves (\$54,000) and Tax Capital Reserve (\$66,000); and
 - d) That a new capital project called "Waterfront 1000 Tree Planting Program" be added to the 2024 Capital Plan with a budget request of \$50,000 for 2024 and forecasts of \$50,000 per year for the next 9 years to be funded from the Ecological Offsetting Reserve.

10. That any Industrial Development Charge Discounts in 2024 be funded by any year-end surplus, with any remaining balance funded from the appropriate capital reserve.

By-law updates and forecasts received for information

11. That effective May 1, 2024, By-law 2022-013, as amended, be repealed, and replaced with a by-law incorporating the fees and charges presented in the 2024 Business Plan.
12. That operating forecast information for 2025, 2026, and 2027 presented in the 2024 Business Plan be received for information.

Council and Staff authorization requests

13. That the Executive Management Team (EMT) be authorized to add temporary non-complement positions to the end of the budget year utilizing existing approved funds to deal with any unforeseen circumstances that impact the delivery of City operations.
14. That the Executive Management Team (EMT) be authorized to implement the economic adjustment for the Non-Union Group (NUG) of employees (including full time, part time and students), effective January 1, 2024.
15. That staff be authorized to submit applications for grants that would reduce expenditures associated with projects, programs and services approved as part of the Operating and Capital Budget.
16. That two of the following officers; either the Mayor, Clerk, Chief Financial Officer and Treasurer or their designates, be authorized to execute any agreements that may be required to accept grant funding from other levels of government or other partners, to reduce expenditures associated with programs, services, and/or capital projects.
17. That staff be authorized to submit applications for grants that would reduce future capital expenditures, fund service enhancements, or enable capital projects to be advanced, and a report or memo be presented, as appropriate, prior to the execution of any agreement associated with the acceptance of such grant.
18. That the Chief Financial Officer and Treasurer be authorized to make the necessary alterations to the transfer to and/or from reserves to reflect changes since the 2024 Business Plan's publication on November 15, 2023.
19. That the City Clerk be authorized to prepare all necessary by-laws to implement the above recommendations.

ADJOURNMENT

The meeting adjourned at 7:02 p.m.

CHAIRMAN