

STAFF REPORT: Financial and Information Services

REPORT TO: Council
MEETING DATE: March 9th, 2009
REPORT NO.: FIS.09.05
SUBJECT: 2009 Proposed Budget
PREPARED BY: Elizabeth Thompson, Deputy Treasurer

A. Recommendations

THAT Council receive Staff Report FIS.09.05 "2009 Proposed Budget" being the estimates of all sums required during 2009 for the purposes of the Town of The Blue Mountains,

AND THAT Council enact a By-law to adopt the estimates in the amount of \$9,527,545 required for municipal tax purposes and estimates in the amount of \$2,913,936 required for the water system purposes and \$2,160,722 required for the wastewater system purposes.

B. Background

Notice has been given of Council's intent to adopt all or part of the annual budget in accordance with Town Policy POL-COR-07-03.

Section 290 of The Municipal Act, provides that a local municipality shall in each year prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality including

- (a) amounts sufficient to pay all debts of the municipality falling due within the year;
- (b) amounts required to be raised for sinking funds or retirement funds; and
- (c) amounts required for any board, commission or other body.

Council has reviewed and amended the 2009 Budget through public sessions on December 4th, 2008, January 6th, 8th, 13th, 15th, February 9th, and March 2nd, 2009, with a public meeting being held on January 26th, 2009. Through the review of existing programs and Town priorities, Council develops a guideline for departments and their spending limits for the objectives of the Town.

New staff hires were reviewed with Council and adjustments made to remove two Cemetery students and change the Youth Advisor status from full-time to full-time contract. The hiring of an Information Services Technician was reviewed and removed from the budget. An additional \$20,000 is required to extend the Information Services Contract to cover vacation and other office and on-call

coverage. The impact of the new Waste Disposal Site Operator was considered and dollars remain in the 2009 budget. This matter was deferred to Engineering and Public Works Committee to determine how the budgeted dollars (\$16,800 of operating budget, plus \$54,800 capital budget) will be spent to resolve the legislative requirements of the landfill. The additional 30% Roads and Drainage Operator was not approved for inclusion in the 2009 budget.

After an extensive discussion, Council approved the reduction of \$50,000 from the 2009 training and travel budget.

The proposed Capital Project Plan 915 will be changed to include a grant contribution from the Investing In Ontario Provincial grant, decreasing the annual taxation allocation from \$200,000 to \$135,000 per year, for the next 4 years. The remaining grant will be allocated to reserves for use on future projects.

Of the proposed new hires, Council will add an additional allotment of 2.5 days to the Health & Safety Coordinator for 2009, increasing that position to full-time and the addition of one snow plow operator (5 months) for the winter maintenance.

The final proposed budget, as amended, contains the revenues and expenditures required for the year for the taxation departments of the Town (including Building and Harbour user fees). The tax rate calculation will be calculated based on the approved revenue and expenditures required for the year with a Tax Rate By-law being presented for Council's approval in the near future.

The 2009 water and wastewater budgets, as amended, contain the revenue and expenditures required for the year. The 2009 budget for water and wastewater was reviewed by Council on December 4th, 2008 and was further recommended to a public information session to review a new rate structure with the public on February 21st, 2009. The proposed estimates for water and wastewater will proceed to a By-law for Council approval and will be the basis for the water and wastewater rates. A public meeting for the proposed water and wastewater rates is scheduled to be held on March 23rd, 2009, with the proposed water and wastewater rates By-law being presented to Council for approval on April 15th, 2009.

C. The Blue Mountains' Strategic Plan

To ensure long-term financial sustainability of the Town of The Blue Mountains

D. Environmental Impacts

The proposed budget contains several programs enhancing and preserving the natural and environmental features, and cultural heritage of the community.

E. Budget Impact

The proposed 2009 Budget will be levied on the ratepayer of the Town of the Blue Mountains for taxation purposes and water and wastewater user fees to raise sufficient funds to cover the proposed estimates.

F. Attached

1. By-law to adopt the estimates of all sums required for 2009 for own purposes

Respectfully submitted,

Elizabeth Thompson, Deputy Treasurer

THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

BY-LAW NUMBER 2009 -

Being a By-law to adopt the estimates of all sums required for 2009 for own purposes

WHEREAS Section 290 of *The Municipal Act*, S.O. 2001, Chapter 25, provides that a local municipality shall in each year prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality including (a) amounts sufficient to pay all debts of the municipality falling due within the year; (b) amounts required to be raised for sinking funds or retirement funds; and (c) amounts required for any board, commission or other body;

AND WHEREAS the Council of The Corporation of the Town of The Blue Mountains has given notice before adopting all or part of the annual budget and such notice was given in accordance with Town Policy POL-COR-07-03;

AND WHEREAS the Council of The Corporation of the Town of The Blue Mountains has prepared such an estimate of all sums required during the year of 2009;

NOW THEREFORE the Council of The Corporation of the Town of The Blue Mountains enacts as follows:

1. The estimate of all sums required for own purposes for The Corporation of the Town of The Blue Mountains for the year 2009 is hereby adopted.
2. The estimate of all sums required for own purposes, including estimates for all taxation purposes and for water and wastewater purposes, for The Corporation of the Town of The Blue Mountains for the year 2009, also called the 2009 Budget, is attached hereto as Schedule "A" and forms part of this By-law.
3. This by-law shall come into force and take effect upon being passed by Council.

ENACTED AND PASSED THIS 9TH DAY OF MARCH, 2009.

Ellen Anderson, Mayor

Stephen Keast, Clerk

Schedule "A"
By-law Number 2009 –

Local Estimates for Tax Purposes

	Approved 2008 Budget \$	2009 Budget \$	Budget Change %
Expenses:			
Operating Expenses	12,738,692	14,860,350	
Transfers	1,974,851	590,631	
Sub-Total	14,713,543	15,450,981	
Revenues:			
Operating Revenue	5,060,390	5,448,436	
Supplementary Taxes & PIL	450,000	275,000	
Previous Year's Surplus	300,000	200,000	
Less Sub-Total	5,810,390	5,923,390	
Net Funds - Local Tax Levy	8,903,153	9,527,545	7.0%
Revenue Neutral Rate/Levy	-8,542,716	-9,321,601	4.7%
Change in Levy Required	360,437	205,944	2.2%

Schedule "A"
By-law Number 2009-

Water and Wastewater – Estimates

Water System Estimates	Approved 2008 Budget \$	2009 Budget \$	Change %
Expenses:			
Operating Expenses	1,579,746	1,822,056	
Transfers	1,334,230	1,341,116	
Sub-Total	2,913,976	3,163,172	
Revenues:			
Less Operating Revenue	61,858	249,236	
Net Funds – User Rate	2,852,118	2,913,936	2.1%

Wastewater System Estimates	Approved 2008 Budget \$	2009 Budget \$	Change %
Expenses:			
Operating Expenses	1,068,036	1,111,220	
Transfers	1,025,101	1,193,852	
Sub-Total	2,093,137	2,305,072	
Revenues:			
Less Operating Revenue	34,350	144,350	
Net Funds – User Rate	2,058,787	2,160,722	5%