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STAFF REPORT: Finance & IT Services



REPORT TO: Council
MEETING DATE: February 13, 2012
REPORT NO.: FIT.12.07
SUBJECT: 2012 Proposed Budget - Update
PREPARED BY: Robert Cummings, Director of Finance & IT Services

A. Recommendations

THAT Council receive Staff Report FIT.12.07 "2012 Proposed Budget - Update" for information purposes.

AND THAT Council provide further direction on the 2012 Budget Enhancements as follows:

1. THAT Council **does or does not** support the enhancement of the Wayfinding Signage Strategy at an estimated cost of \$10,000 on the tax levy;
2. THAT Council **does or does not** support the enhancement of the Volunteer Officer Annual Honorarium Increase at a cost of \$9200;
3. THAT Council **does or does not** support the enhancement of the Environmental Farm Plan, in the total amount of \$5000, which amount shall include any surplus from the 2011 Environmental Farm Plan budget;
4. THAT Council **does or does not** support the enhancement of the Source Separated Organic Waste Collection in the amount of \$29,600;
5. THAT Council **does or does not** support the enhancement of the Full User Pay Collection System, with an estimated revenue of \$125,000;
6. THAT Council **does or does not** support the enhancement of a Roads and Drainage Operator as a contract position for the full 2012 season at an estimated cost of \$35,840; and,

THAT the contract Roads and Drainage Operator position shall be revisited at the Infrastructure & Recreation Committee at the end of the contract and before the winter of 2012/2013;

7. THAT Council **does or does not** support the enhancement of a Summer Student, Planning Services, at an estimated cost of \$7854;
8. THAT Council **does or does not** support the enhancement of a Municipal Law Enforcement Officer, Short Term Accommodation with a budget impact of \$94,240;
9. THAT Council **does or does not** support the enhancement of the Tar & Chip Road Resurfacing in the amount of \$52,000;

10. THAT Council **does or does not** support the enhancement of the Sidewalk Replacement, in the amount of \$29,000;
11. THAT Council **does or does not** support the enhancement of the Maintenance Gravel, in the amount of \$61,000;
12. THAT Council **does or does not** support the enhancement of \$20,000 in funding to the Blue Mountain Village Association, in support of the 2012 Centurion Cycling Event, subject to an agreement being approved by the Town's solicitor;
13. THAT Council **does or does not** support funding in the amount of \$5000 for the Apple Pie Trail, Blue Mountain Village Association;
14. THAT Council **does or does not** support the Blue Mountains Chamber of Commerce in the amount of \$6500 to be used as follows:
 - a. \$2000 investment in a community promotional brochure;
 - b. \$2500 investment in business and community excellence awards;
 - c. \$2000 investment in a community and business resource guide;
15. THAT Council **does or does not** support the Thornbury BIA in the amount of \$10,000;
16. THAT Council **does or does not** support the Clarksburg Business Group in the amount of \$2000;
17. THAT Council **does or does not** support the Small Business Enterprise Centre in the amount of \$2000 for the Regional Entrepreneurs Competition (SPARC);
18. THAT Council **does or does not** support the enhancement of the proposed Satellite Police Office at Blue Mountain Village in the amount of \$20,000 to be funded from police reserves.

AND THAT Staff be directed to prepare a By-law to adopt 2012 Budget estimates based on the information and direction received to date.

B. Background

The 2012 Proposed Budget has been reviewed by Council and the Public over a series of meetings in 2011 and 2012. Prior to moving forward with a By-law for 2012 budget estimates, Staff wants to ensure Council's direction on a number of items that have received notable attention at recent meetings. Council may want to reconsider these items prior to moving forward with the 2012 Proposed Budget.

Municipal Law Enforcement Officer – Short Term Accommodation

Council at its December 21, 2011 meeting recommended a Municipal Law Enforcement Officer for the ongoing enforcement of short term accommodation issues. After further

reviewing this budget addition, Council may want to reconsider this direction given that it increases the Town's staff complement and vehicle fleet.

Full User Pay Garbage Collection System

The Full User Pay Garbage Collection System was adopted by Council in a Budget Enhancement on December 21, 2011. The main objective of this initiative is to promote diversion of waste from the Landfill and assign cost accountability for the users. There has been a good level of feedback received on this item. Staff would like to ensure Council's intentions on this matter prior to moving forward.

C. The Blue Mountains' Strategic Plan

Providing a strong, well managed municipal government

D. Environmental Impacts

Supporting environmentally sound decisions

E. Financial Impact

The Town's 2012 Proposed Budget presently requires an increase of 3.45% in tax levy over 2011 levy. The impact of decisions reducing or increasing budget dollars can be extrapolated from Attachment # 2 - 2012 Proposed Budget Impact on Property Taxes.

On a property assessed at \$300,000, the increase results in about \$103 over 2011.

F. In Consultation With

Public Budget Consultation, Town Staff

G. Attached

1. 2012 Proposed Budget - Breakdown of Property Tax Levy Increase
2. 2012 Proposed Budget Impact on Property Taxes

Respectfully submitted,

Robert Cummings, CMA

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Town of The Blue Mountains
2012 Proposed Budget - Breakdown of Property Tax Levy Increase
10-Feb-12

2012

Revenue:

2011's Property Taxes @ 0% \$ 10,524,933

Main 2012 Cost Drivers	% Change	\$ Change
Inflation	2.9%	308,802
Capital Projects		
Landfill Mining & Expansion	2.9%	300,000
Enhancements to Base Budget		
Short Term Accomodation	0.9%	94,239
Roads & Drainage	1.7%	177,840
Grants to Community Organizations	0.6%	60,000
Less: Garbage Bag Tag Revenue	-1.2% -	125,000
Proposed Property Tax Levy Increase	7.8%	\$ 815,881

Changes to 2012 Proposed Budget (FIT.12.07)

Less:

Additional OMPF Grant	-	39,000
Additional Golf Course Revenue	-	28,000
Reduction in Winter Control Materials	-	25,000
Revised Proposed Property Tax Levy Increase	6.9%	\$ 723,881

County Property Tax Levy Increase	2.49%
Education Property Tax Levy Increase	0%
Weighted Tax Levy Increase	<u><u>3.45%</u></u>

Approx. Change in tax levy on a \$300,000 assessment \$ 103

Town of The Blue Mountains

2012 Proposed Budget Impact on Property Taxes

13-Feb-12

Increase in Residential Taxation Based on Proposed 2012 Budget

		Assessment Value						
		\$150,000	\$300,000	\$350,000	\$450,000	\$600,000	\$750,000	\$950,000
2011	Tax Rate							
Town	0.00344841	\$517	\$1,035	\$1,207	\$1,552	\$2,069	\$2,586	\$3,276
County	0.00415091	\$623	\$1,245	\$1,453	\$1,868	\$2,491	\$3,113	\$3,943
Education	0.00231000	\$347	\$693	\$809	\$1,040	\$1,386	\$1,733	\$2,195
Total	0.00990932	\$1,486	\$2,973	\$3,468	\$4,459	\$5,946	\$7,432	\$9,414

2012 Proposed	% Increase							
Town	6.92%	\$553	\$1,106	\$1,290	\$1,659	\$2,212	\$2,765	\$3,503
County	2.49%	\$638	\$1,276	\$1,489	\$1,914	\$2,553	\$3,191	\$4,042
Education	0.00%	\$347	\$693	\$809	\$1,040	\$1,386	\$1,733	\$2,195
Total	3.45%	\$1,538	\$3,075	\$3,588	\$4,613	\$6,151	\$7,688	\$9,739

Net \$ Increase

Town		\$36	\$72	\$83	\$107	\$143	\$179	\$227
County		\$16	\$31	\$36	\$47	\$62	\$78	\$98
Education		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total		\$51	\$103	\$120	\$154	\$205	\$256	\$325