



COUNCIL MEETING AGENDA – SPECIAL MEETING (BUDGET)

Thursday, February 23, 2023 at 9:30 a.m.

W & M Edelbrock Centre, Dufferin Room, 30 Centre St, Orangeville ON L9W 2X1

The meeting will be live streamed on YouTube at the following link:

<https://www.youtube.com/channel/UCCx9vXkywflJr0LUVkKnYWQ>

1. APPROVAL OF THE AGENDA

THAT the Agenda and any Addendum distributed for the February 23, 2023 meeting of Council, be approved.

2. DECLARATION OF INTEREST BY MEMBERS

Members of Council are required to state any pecuniary interest in accordance with the Municipal Conflict of Interest Act.

3. PUBLIC QUESTION PERIOD

Members of the Public in attendance are able to ask a question. If you are unable to attend and would like to submit a question, please contact us at info@dufferincounty.ca or 519-941-2816 x2500 prior to 4:30 p.m. on February 22, 2023.

4. PRESENTATION AND CONSIDERATIONS OF REPORTS

4.1. Manager of Corporate Finance, Treasurer's Report – 2023 Draft Budget

A presentation and report from the Manager of Corporate Finance, Treasurer, dated February 23, 2023, regarding the draft 2023 budget.

THAT the report of the Manager of Corporate Finance, Treasurer, dated February 23, 2023, regarding 2023 Budget Update, be received,

AND THAT the 2023 budget with tax levy of \$45,039,748, be approved.

To view the 2023 Draft Budget (divided by Committee), please visit the following link:

<https://www.dufferincounty.ca/finance-and-purchasing/budget>

5. CONFIRMATORY BY-LAW

2023-xx A by-law to confirm the proceedings of the Council of the Corporation of the County of Dufferin at its meeting held on February 23, 2023.

THAT by-law 2023-xx be read a first, second and third time and enacted.

6. ADJOURNMENT

THAT the meeting adjourn.



Report To: Warden Mills and Members of County Council

Meeting Date: February 23, 2023

Subject: 2023 Budget Update

From: Aimee Raves, Manager of Corporate Finance, Treasurer

Recommendation

THAT the report of the Manager of Corporate Finance, Treasurer, dated February 23, 2023, regarding 2023 Budget Update, be received,

AND THAT staff be directed to prepare the Estimates By-law for the March 9, 2023 Council meeting, with the Dufferin County tax levy for 2023 set at \$45,039,748.

Executive Summary

Council has requested a special Council meeting to discuss the 2023 budget. This report will provide an overview of the budget including changes made previously at Committee and Council. The net tax payer increase after growth is currently 4.61%.

(in 000s)	2022 BUDGET	2023 DRAFT	2023 REVISED
Expenses	\$98,673	\$111,046	\$111,046
Non-tax revenue	-\$50,108	-\$58,883	-\$58,883
Reserves and DC's used	-\$6,144	-\$8,135	-\$8,135
Status quo Tax Levy*	\$42,421	\$44,028	\$44,028
Status quo Tax Levy Increase	\$1,378	\$1,607	\$1,607
Status quo Tax Levy % Increase	3.36%	3.79%	3.79%
Total Additions		\$830	\$1,012
Total Tax Levy	\$42,421	\$44,858	\$45,040
Total Tax Levy Increase	\$1,378	\$2,437	\$2,619
Total Tax Levy % Increase	3.36%	5.74%	6.17%
New Assessment Growth	1.42%	1.56%	1.56%
Net Tax Payer Impact	1.94%	4.18%	4.61%

* Status quo includes additional provincial and federal programs that provide funding

Background & Discussion

A status quo budget is presented to Council incorporating all past strategic initiatives (review latest <https://www.dufferincounty.ca/sites/default/files/clerks/CC%202022-10-13%20Strat%20Plan%202021-2022%20Final%20Report.pdf>), provincially mandated programs (including Ontario Works and Paramedic Services) and commitments or priorities approved by previous Councils (such as climate and equity work). The costs associated with continuing to provide the same services are incorporated into the status quo budget.

Any significant items within the status quo budget are highlighted within the department relevant sections of the budget package. Due to the size of the package and limitations of our existing website, the package has been split into five separate sections: Budget Overview (which provides a consolidated summary of all County departments), Infrastructure and Environment, General Government Services, Health and Human Services and Community and Development. All of these can be found in the Budget section of our website: <https://www.dufferincounty.ca/finance-and-purchasing/budget>.

Budget Package

As stated above the budget package has been split into five separate sections due to limitations of our existing website. The Budget Overview provides a summary of the consolidated results for the entire County. A high level summary can be found on page 7 with further breakdown of expenses, revenues and capital found on pages 8, 10 and 16. The overview as well as the all other sections will be updated once the final budget is approved by Council. It includes an explanation as to what is included in each expense and revenue category as well as background on reserves and development charges. The final pages include a high level overview of the Capital Asset Fund outlining the value of the fund, work to be completed as well as funding sources.

The committee packages include the following for each County functional area:

- Overview of the roles and responsibilities of each area, key team members, key functions, challenges, some statistical information and information about what's on the horizon
- Financial Plan, covering Draft Budgets for the years 2023 to 2026 including budget highlights and details to support proposed additional staffing requirements
- Capital Fund Summaries and Capital Work Plans detailing planned work by asset category and project information

Highlights related to County departments and divisions can be found in each of the relevant Committee packages immediately following their relative Financial Plan. The summaries below indicate the document page number for each relevant section (not the page number of the pdf). Click on each committee title to open the budget package for the corresponding committee:

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Financial, Staffing, Legal, or IT Considerations

A number of changes have been proposed to date including the addition of funds for the International Plowing Match, elimination of the proposed new service for Transit and an additional transfer from reserve. The summary below highlights the proposed additions to the 2023 Draft Budget as well as the net changes proposed by Council shown as 2023 revised:

(in 000s)	2023 DRAFT	2023 REVISED
Additional Staff	\$525	\$480
New Service - Transit	\$305	\$25
Food for Thought Grant		\$70
International Plowing Match		\$787
Transfer from Reserve		-\$500
Paramedics Addition		\$150
Total Additions	\$830	\$1,012

The start date for one staff was shifted from May to September resulting in a reduction to the additional staff. The new service of Transit was not approved but Council did leave some funds to investigate alternate solutions to enhance transportations services for seniors through Dufferin County Community Support Services.

It should be noted that the additional staff are not enhancements and are required to maintain the status quo. Additional positions include an IT Service Desk Manager, Payroll Clerk, Development Review Technologist/Engineer, Corporate Climate Initiatives Coordinator, Facilities Coordinator, Quality Coordinator and additional housekeeping hours at Dufferin Oaks.

The summary below provides an overview by department of the 2022 budget, 2023 draft budget as well as the 2023 revised budget based on the adjustments shown above. Note that the International Plowing Match (\$787,000) and Transfer from Reserve (\$500,000) have been incorporated into Corporate Finance due to its one time nature and its impact on several departments.

(in 000s)	2022 BUDGET	2023 BUDGET	2023 REVISED	% CHANGE
Council	\$678	\$771	\$841	24.07%
Office of CAO	\$1,237	\$1,255	\$1,255	1.53%
People and Equity	\$1,204	\$1,319	\$1,319	9.50%
Corporate Services	\$3,125	\$3,470	\$3,425	9.59%
Corporate Finance	\$294	-\$1,665	-\$1,378	-568.61%
Infrastructure and Environment	\$17,086	\$18,222	\$18,222	6.65%
Health Services	\$6,016	\$6,359	\$6,509	8.19%
Dufferin Oaks	\$4,689	\$6,577	\$6,577	40.28%
Community Services	\$6,189	\$6,118	\$6,118	-1.14%
Development and Tourism	\$1,905	\$2,127	\$2,127	11.66%
Transit	\$0	\$305	\$25	100.00%
Total All County Departments	\$42,421	\$44,858	\$45,040	6.17%

Inflation has had a significant impact on everyone's pocketbooks, the status quo budget is 3.79% higher than 2022, well below the 6.8% inflation Ontario experienced in 2022. In comparison with other Counties, Dufferin is slightly ahead of the game. A quick poll of other Counties shows that the average increase being seen is approximately 5.5% after growth, whereas Dufferin is currently sitting at 4.61%. Many are seeing similar pressures related to capacity, inflation, and climate.

Overall government transfers, other revenue and reserve contributions fund over 60% of County operations. For 2023, over 65% of debenture payments are offset by Development Charges, this will drop to zero in 2024. Nearly 40% of all salary and benefits costs as well as 60% of service delivery expenses are covered directly by revenues or reserve transfers, mostly government transfers.

Further analysis of the budget shows that our status quo costs are climbing at a higher rate than our associated government transfers. This is most evident while reviewing Dufferin Oaks where expenses are up approximately 12% and revenues only 5%. The grant received for the Museum has remained constant for nearly 20 years.

Higher costs have had the most significant impact on utilities, insurance and fuel, but increases are also being seen in areas such as software annual fees, maintenance and winter materials. There is a decrease in rent revenue from our housing programs as rent is tied directly to income and delays in renovating and repairing vacant units hinders our ability to collect rent revenue.

Priorities and strategic decisions previously approved also impact the 2023 budget. A commitment to security, both physical and cyber, results in enhancements to several areas as the corporation commits to protecting staff, residents and information. The same holds true as a result of initiatives to support the recreation plan and climate action plan.

As new programs and strategic initiatives are approved by Council the need for staff continues to grow. The same holds true for new government funded programs. As these programs grow they put pressure on existing support staff such as Human Resources, Information Technology and Finance. The summary below provides a look at what is contributing to the \$3.18M increase to Salaries and Benefits.

(in 000s)	2022 BUDGET	2023 BUDGET	DOLLAR CHANGE
Salaries and Benefits	\$32,315	\$35,495	\$3,180
Council compensaton increase, addition of 1 councillor, elimination of internet allowance			\$84
<i>Non-union</i>			
Proposed 4% Cost of Living increase (effective July 1st)			\$348
Contract positions added for government funded program increases *			\$619
Temporary contract positions for Digital Modernization projects (transfers from reserves)			\$179
Childcare and Early Learning Hours Increased to meet current requirements			\$59
Steps increase - grid movement			\$456
<i>Union</i>			
Contract Increase per collective bargaining			\$698
PSWs \$3.00 per hour premium, as per provincial mandate and funding*			\$547
OMERS added for all PT			\$189
Total			\$3,180
Vacancy Savings			\$750
Net Increase			\$2,430
Additional Staffing			\$480
Total Salary and Benefit Increase			\$2,910

*Government transfers received

There are a number of one time costs for various consultants or ongoing projects also included in the budget, the majority of these are directly offset by reserves. Approximately \$1.545M are being used to mitigate increases to IT, Operations, Climate and Energy as well as People and Equity all of whom have seen significant increases over the past few years. This amount also includes the \$1M included to reduce the balance of the rate stabilization reserve. Over \$1.8M has been allocated to offset one time projects and \$1.9 for the digital modernization projects that were approved and initiated in 2022.

In Support of Strategic Plan Priorities and Objectives

Good Governance – ensure transparency, clear communication, prudent financial management

Service Efficiency & Value – determine the right services for the right price

Respectfully Submitted By:

Aimee Raves, CPA, CMA
Manager of Corporate Finance, Treasurer

Reviewed by: Sonya Pritchard, Chief Administrative Officer

CORPORATION OF THE COUNTY OF DUFFERIN

BY-LAW NUMBER 2023-10

A BY-LAW TO CONFIRM THE PROCEEDINGS OF THE COUNCIL OF THE CORPORATION OF THE COUNTY OF DUFFERIN AT ITS MEETING HELD ON FEBRUARY 23, 2023.

WHEREAS Section 5 (1) of the *Municipal Act, 2001*, as amended, provides that the powers of a municipality shall be exercised by its Council;

AND WHEREAS Section 5 (3) of the *Municipal Act, 2001*, as amended, provides that municipal powers shall be exercised by by-law;

NOW THEREFORE BE IT ENACTED BY THE MUNICIPAL COUNCIL OF THE CORPORATION OF THE COUNTY OF DUFFERIN ENACTS AS FOLLOWS:

1. All actions of the Council of the Corporation of the County of Dufferin at its meetings held on February 23, 2023 in respect to every report, motion, by-law, or other action passed and taken by the Council, including the exercise of natural person powers, are hereby adopted, ratified and confirmed as if each report, motion, resolution or other action was adopted, ratified and confirmed by its separate by-law.
2. The Warden of the Council and the proper officers of the Corporation of the County of Dufferin are hereby authorized and directed to do all things necessary to give effect to the said action, to obtain approvals where required and except where otherwise provided, to execute all documents necessary in that behalf.

READ a first, second and third time and finally passed this 23rd day of February, 2023.

Wade Mills, Warden



Michelle Dunne, Clerk