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Report To: Joint Committees

From: Trevor Pinn, Director of Financial Services/Treasurer

Date: January 31, 2022

Memo #: Memo-003-22

File No.:

Re: 2022 Operating and Capital Budget Update Resolutions

The 2022 Draft Operating and Capital Budget was released on January 18, 2022 and since its release Staff are aware of some minor changes which could occur which will reduce the overall impact of the tax levy.

The budget process begins in the summer of the previous year and Financial Services tries to cut off adjustments as late as possible to allow for as accurate information as possible. The following changes are relatively minor, however, to ensure transparency, accountability and accuracy of the budget they are being proposed below for Council's consideration

Revenues

It was identified during discussion with Councillors that the Supplemental Taxation was omitted from the budget. Some municipalities do not budget for supplemental taxation during the year, and this becomes "bonus" funds that go into reserves; the practice in Clarington has been to budget for supplemental taxation.

It is recommended that the following resolution be passed

Resolution #1

That the 2022 Budget be amended to increase Supplemental Taxation to \$1,000,000

Office of the CAO

Council passed resolution #C-409-21 that directed the recreation and leisure guide to no longer be produced, necessary changes be made to the 2022 operating budget and that Staff continue to develop targeted and sessionally updated Marketing Campaigns to promote registration in municipal programs and activities. This was passed on December 13, 2021 after the department submissions would have occurred. Staff recommend the following resolution:

Resolution #2

That the Communications Division budget of the Office of the CAO (sub-department 170) be adjusted to remove \$15,000 in revenue and reduce postage expense by \$900.

Legislative Services

Staff are aware of a data entry error in a municipal election revenue account, the revenue was entered as an expense. This results in a \$8,000 reduction in the draw from the Municipal Election Reserve, there is no tax levy impact.

Resolution #3

That the Municipal Election Revenue be adjusted from \$4,000 to (\$4,000), and the corresponding adjustment of \$8,000 be made in the transfer from the Municipal Elections Reserve.

The proposed new staffing for Legislative Services indicates that the net levy impact is \$126,200; however \$35,100 is funded by the Municipal Election Reserve. The budget request is overstated by that amount as the transfer.

Resolution #4

That the proposed net staffing impact in Legislative Services be reduced by \$35,100 and funded by the Municipal Election Reserve, the funding from the reserve to be adjusted accordingly.

Community Services

There is an error in the part time wage submission for Community Development in the 2022 budget. This wage should be reduced by \$50,834, Staff recommend the following resolution

Resolution #5

That the Community Development (sub-department 427) Salaries, Wages and Benefits be decreased by \$50,834 to reflect a reduced need in Inclusion Services part time wages.

The impact of the above is a reduction of the municipal levy of \$871,834. This will reduce the tax levy as proposed from 3.74% to 2.41%.

If there are any questions regarding the above resolutions please let me know.

Thanks,

Trevor Pinn, CPA, CA:
Director of Financial Services/Treasurer
Financial Services Department

cc: Department Heads