

**The Corporation of the Town of Deep River**  
**REPORT**  
**2022-FIN-002**

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**Council Meeting Date: January 12, 2022**  
**Council Meeting Time: 6:00 PM**  
**Council Meeting Place: Electronic Meeting**

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**Subject: 2022 Budget Report**

**Author: Town Staff Team**

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**RECOMMENDATION(S):**

**BE IT RESOLVED THAT** report number 2022-FIN-002 “**2022 Budget Report**” be received,

THAT the 2022 Capital Budget be approved,

THAT the 2022 Water & Wastewater Budgets be approved, and

THAT the 2022 Operating Budget be approved as presented to Council.

**BACKGROUND:**

The following motion was passed at the August 11, 2021 Council meeting;

***BE IT RESOLVED THAT*** Report Number 2021-FIN-017, "**2022 Draft Budget Directions Report**", be received;

***THAT*** staff be directed to present the DRAFT 2022 Municipal Operating and Capital Budgets with an overall impact to the average taxpayer of not more than an increase of 3.2% (CPI);

***THAT*** the 2022 Water and Wastewater Budgets be presented at the same meeting with an overall increase consistent with our adopted five-year Water and Wastewater Financial Plan; and

***THAT*** the 2022 User Fee By-Law will be presented at the September 22, 2021 regular Council Meeting, the annual Capital Budget be presented at the regular Council Meeting on October 20, 2021, and the annual Operating Budget including Water and Wastewater Budgets be presented at a Special Council Meeting on November 24, 2021.

*The Capital portion of the 2022 Budget was presented to Council on November 03, 2021. The following resolution was passed*

The following resolution was passed at the November 3, 2021 Council meeting;

***BE IT RESOLVED THAT*** report number 2021-FIN-023 "**2022 Capital Budget**" be received,

***THAT*** the Capital Projects identified in Appendix-1 be utilized in the preparation of the 2022 proposed Operating Budget and

***THAT*** the 2022 proposed Capital Budget be presented to council for approval at the December 15, 2021 Regular Meeting of Council.

Further the following resolution was passed at the December 1, 2021 Council meeting;

***BE IT RESOLVED THAT*** report number 2021-FIN-024 "**2022 Budget Report**" be received,

***THAT*** the January 12th, 2022 Regular Meeting of Council be advertised as a Public Meeting for the purpose of gathering public input related to the 2022 proposed budgets,

***THAT*** the proposed 2022 Capital and Operating Budgets (Attachment 1), as amended, be presented to Council for potential approval at the January 12, 2022 Regular Meeting of Council

*THAT staff be directed to present the 2022 Water and Sewer Rates By-law to Council for approval the Regular meeting of Council on January 12, 2022, and*

*THAT staff be directed to present the 2022 Tax Rate By-law to Council for approval at a Regular Council Meeting in Q2, 2022.*

Notices of the Public Meeting to be held on January 12<sup>th</sup>, 2022, were placed on the Town's website and in the North Renfrew Times. As of the writing of this report, no public feedback on the proposed 2022 Operating Budget had been received.

Town of Deep River plans including but not limited to the following were utilized in the preparation of this recommendation:

- Strategic Plan
- Financial Master Plan (Attachment 2)
- Utility Rate Study (Attachment 3)
- Official Plan
- Community Improvement Plan
- Asset Management Plan
- Fleet Resource Plan
- Marketing Plan
- Secondary Plan

**RATIONALE:**

This recommendation will ensure compliance with the Town of Deep River annual Budget Policy, The Ontario Municipal Act and Council direction related to Capital and Operating Municipal budgets. Adoption of the proposed budgets will enhance the Town of Deep River's overall financial position consistent with the Town of Deep River plans

**OTHER ALTERNATIVES CONSIDERED:**

Many alternatives were considered in the preparation of this report but have not been recommended as the Town of Deep River Staff Team believe that this recommendation is consistent with Council direction and our identified Strategic Goals.

**FINANCIAL CONSIDERATONS:**

Minor revisions in the 2022 budget (Attachment 1) to reflect direction from Council and new information are as follows;

1. The *Operating Contingency (G-130-1110-8070)* is reduced from \$100,000 to \$25,000 as per Council direction.
2. The revenue received from the *Ontario Community Infrastructure Fund (OCIF) grant (G-300-3100-4610)* is increased from \$155,000 to \$290,304 as per the

grant announcement received in December 2021. Expenses for all OCIF-funded projects have been increased accordingly.

3. The entire revenue from land sales have been allocated to a *Transfer to Reserve (G-800-8200-8060)*, increasing from \$140,000 to \$240,000. (Note that staff have reviewed the applicable legislative and policy regulations and found no requirement to allocate revenue from municipally owned land sales to reserves.)
4. *Contracted Services (G-800-8100-7500)* for Planning and Development has been increased from \$30,000 to \$50,000, for the Development Charges Background Study (approved by Council in 2021 and initiated in December 2021).
5. The general *Transfer to Reserve (G-130-1110-8060)* has been decreased from \$454,000 to \$334,000 to create a net zero impact of changes 3 and 4 above.

### **STRATEGIC AREAS OF FOCUS:**

See Attachment 1

### **CONSULTATIONS:**

The preparation of our annual Capital and Operating Budgets requires consultation with all levels of governments from Federal trends and funding opportunities to Provincial and Upper Tier Municipal Ministries and Departments. Other Lower Tier Municipalities, Contractors, Service Clubs, and community groups were also consulted in the preparation of this budget.

### **ATTACHMENTS:**

Attachment 1 – 2022 Budget (Revised)

Attachment 2 – Financial Master Plan, Nigel Bellchamber

Attachment 3 – Utility Rate Study, Watson & Associates