

Environmental Health 2022-2023 Business Plan and Budget

ISSUE

City Council approval is required in order to set the Operating and Capital Business Plan and Budget for 2022 and 2023. The figures in this report are stated as 2022 and 2023 respectively, unless otherwise noted.

RECOMMENDATION

1. That the Environmental Health Business Line Operating Budget for 2022 totalling \$26,945,000 in expenditures and \$7,947,900 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
2. That the Environmental Health Business Line Operating Budget for 2023 totalling \$24,892,800 in expenditures and \$7,782,300 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
3. That the 2022 Capital Budget totalling \$6,761,000 be approved, subject to adjustments under the Business Plan Options section of the agenda; and
4. That the 2023 Capital Plan totalling \$4,873,000 be approved, subject to adjustments under the Business Plan Options section of the agenda.

BACKGROUND

The 2022/2023 Preliminary Business Plan and Budget (Preliminary Budget) was released on November 24, 2021.

DISCUSSION/ANALYSIS

Environmental Health Business Line Operating Budget

The Preliminary Budget includes a total of \$26,945,000 and \$24,892,800 in expenditure for the Environmental Health Business Line. An increase of \$535,700 (2.0%) and decrease of \$2,052,200 (-7.6%) are projected, mainly due to the following:

- The Sustainability service line introduced a new water conservation operating budget in 2022 to permanently manage and implement the Water Conservation Program. This is a mill rate neutral operating program funded by a re-direction of capital funding from the Water Conservation Capital Project.
- The Sustainability service line also has an increase of \$436,600 in 2022. This is due to an additional \$342,700 for repayment of the Energy Performance Contracting Loan and \$173,900 for the addition of a Water Conservation Program Manager FTE (\$117,400) as well as staff compensation costs from collective agreements. Additional funding from the Household Hazardous Waste Program in 2022 will offset these costs by \$80,000.

- Waste Handling Service line will have a decrease of \$2,351,000 in 2023 due to the transfer from Garbage Collections to the new City-wide Organics program. Notable items from this transfer include \$601,800 in staff compensation costs for the transfer of 7.2 FTEs (6.7 Utility Collections Operators and 0.5 Labourer) and \$1,073,400 transferred for vehicles and equipment.

This business line is also projecting \$7,947,900 and \$7,782,300 in non-tax revenue, which is an increase of \$189,000 (2.4%) and a decrease of \$165,600 (2.1%) over the prior years. The increase in revenue for 2022 is mainly due to adding back revenues that were previously reduced in the 2021 budget due to COVID-19. The decrease in 2023 is to account for loss of revenue from the subscription green cart program which will no longer exist after the implementation of City-wide Curbside Organics.

The property tax support provided to this business line is \$18,997,100 and \$17,110,500, which is an increase in 2022 of \$346,700 (1.9%) and a decrease in 2023 of \$1,886,600 (-9.9%) over the prior years. The decrease to property tax support is mainly due to the transfer from Garbage Collections to the new City-wide Organics program in 2023.

Environmental Health Business Line Capital Budget

The Environmental Health Business Line includes \$6,761,000 and \$4,873,000 in funded capital projects, most notably:

- Sustainability service line includes capital investments of \$1,150,000 in 2022 and \$1,248,000 in 2023 for waste reduction initiatives such as the development and implementation of a Solid Waste Reduction and Diversion plan, development of a pilot and program design for Multi Unit Organics, development of a Sustainable Food Pilot and implementation of Green Teams and Leading by Example. In addition to these waste reduction initiatives, funding is also requested for development of an Electric Vehicle (EV) Roadmap and a Community Adaptation Plan.
- Waste Handling Service includes funded projects totaling \$5,545,000 in 2022 and \$3,625,000 in 2023 to fund replacement and new residential waste carts, for Final Cover Stage E, the East Lateral Liner Expansion, and other Landfill Optimization work.

FINANCIAL IMPLICATIONS

The financial implications are included in this report.

OTHER IMPLICATIONS

There are no privacy, legal, social, or environmental implications identified.

NEXT STEPS

Upon approval of the Preliminary Budget, the Administration will finalize the Approved Business Plan and Budget to be released in 2022.

REPORT APPROVAL

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Approved by: Clae Hack, Chief Financial Officer

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