

Corporate Governance and Finance 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 Corporate Governance and Finance Business Line Operating Budget for 2022 totalling \$76,755,300 in expenditures and \$9,646,700 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
2. That the Corporate Governance and Finance Business Line Operating Plan for 2023 totalling \$79,758,200 in expenditures and \$9,348,000 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
3. That the 2022 Capital Budget totalling \$9,269,000 be approved, subject to adjustments under the Business Plan Options section of the agenda; and
4. That the 2023 Capital Plan totalling \$10,944,000 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

Corporate Governance and Finance Operating Budget

The Preliminary Budget includes a total of \$76,755,300 and \$79,758,200 in expenditures for the Corporate Governance and Finance Business Line. Decrease of \$107,000 (0.1%) in 2022, and an increase of \$3,002,900 (3.9%) in 2023, are projected, mainly due to:

- \$1,481,900 and \$1,183,800 within the Corporate Support Service Line related to new positions required within Communication, Supply Chain Management, and IT, inflationary increases as a result of collective agreements, as well as increased system and support costs. Some of these positions are funded through operational savings in other business lines or cost recoveries.
- An increase of \$1,279,000 in 2023, restores 50% of the overall temporary global budget reduction from the 2021 approved budget.
- The Administration made a global budget reduction of \$2,600,000 to keep the rate increase lower. Savings and deferrals will need to be found in 2023 and beyond in

order to realize this. This amount is not allocated to one area or service of the City, and the Administration will be required to find global savings in all areas to offset this amount.

This business line also includes decreases in non-tax revenues of \$296,300 and \$297,400, largely related to reductions as part of a phased approach to bring recoveries from Water and Wastewater Utilities in line with current recovery rates.

The projected property tax support provided to this business line is \$67,108,600 and \$70,410,200, which is an increase of \$189,300 (0.3%) and \$3,301,600 (4.9%). The increases in property tax support are due to net impact of the increases in expenditures and revenues as previously outlined in this report.

Corporate Governance and Finance Business Line Capital Budget

The Corporate Governance and Finance Business Line includes \$9,269,000 and \$10,944,000 in funded capital projects, most notably:

- \$11,871,000 for the continued implementation of the Fusion Project as detailed in Appendix 1, including Enterprise Asset Management and Human Capital Management modules in Fusion 2.0, as well as Fusion 3.0 and continued support of all phases; and
- \$5,400,000 to pursue a downtown entertainment district, including Bus Rapid Transit.

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.

APPENDIX

1. Fusion Implementation

REPORT APPROVAL

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