



## 2022 Budget – Our City. Our Future.

### Draft Budget and Business Plan

#### Question and Answer Session with Members of Council and Staff

**Date:** November 25, 2021 9:00 a.m. – 10:30 a.m.

**Members Present:** Councillor Wolf, Councillor Devine, Councillor Mann.

**Staff Present:** Dave Bush, Deputy City Manager – Corporate Services; Hardy Bromberg – Deputy City Manager – Community Development; David Calder – City Manager; Sheryl Ayres – Chief Financial Officer; Katie Fischer, Deputy Treasurer; Victoria Terella – Supervisor of Financial Planning; Usama Seraj – Budget Analyst; Kate Hyde – Budget Analyst; Ashton Patis – Chief of Staff; Briar Allison – Council Committee Services Coordinator.

Budget Section / Page Reference	Council Member	Question	Answer
Budget Overview			
Operating Summary	Councillor Wolf – Waving of Development Charges	Rather than pay in 2022, can we add to the bylaw that we will pay the Development Charges (DC's) once the developments start paying the increase in property tax? Would it be less impact to pull the DC's from the reserve funds later?	<p>Staff will be bringing forward a report with options on the waiving of DCs in the first quarter of next year.</p> <p>Note that many of the developments are also eligible for tax increment grants towards their brownfield cleanup costs. In these cases, the increase taxes from the new developments are already been applied towards these costs.</p>

	Councillor Devine – Full Time Employee’s	<p>How many additional Full Time Employees (FTE’s) are there from last year?</p> <p>Are there areas where we are contracting out services when we should be hiring staff to perform work instead? For example Forestry?</p> <p>What is the reduction of 2 FTE in Environmental Services (page 194)?</p> <p>What is the additional staff In the mayor’s office?</p> <p>What is the turnover rate at Cambridge?</p>	<p>Pg. 48-50 summarizes; there were approximately 6-7 additions last year, and fewer in earlier years.</p> <p>Infrastructure Services to report back in one year once they achieve full complement again; forestry will be replacing the manager shortly.</p> <p>Not getting rid of FTE in favour of contract but rather a relocation of staff.</p> <p>Administrative contract position for the mayor’s office.</p> <p>Approximately 4%, this is lower than neighbouring municipalities.</p>
	Councillor Mann – Staff Complement	<p>When was the last time we increased to complement? Have we increased much staff? Can we reduce the 23 at all? What was the original number?</p>	<p>Staff have done a detailed analysis to prioritize positions to arrive at 23 additional FTE. It is up to Council if it wants staff to take another look at trying to reduce this. The original number submitted by department staff was 32 FTE. Page 50 shows the funding sources for FTE’s – note that not all FTEs are funded from taxes and there are many on the list funded from other revenue sources or reduced contract services.</p>

		Can we stagger to have the less impact on the budget?	Based on historical analysis, the City's year end surplus is traditionally around \$2 million and about half of this is associated with the gapping savings resulting from staff turnover. That's why the budget includes \$1 million in funding to offset the increased staffing costs associated with these growth positions. Therefore, staggering doesn't have much of an impact.
Water Summary			
Capital Summary	Councillor Wolf – Riverside Dam and Preston Auditorium	Are the Riverside Dam and Preston Auditorium included?	Riverside Dam is included on page 69. Preston Auditorium was included in the 2021 budget.
	Councillor Devine – River Road Secondary Plan	River Road secondary plan details are not included.  Parking study in the Hespeler core is not included either	Community Development to report back.  RFP (Request for Proposal) is out and well underway.
	Councillor Mann – disposal of tractors	Regarding the two tractors- what does disposal mean? What do we do with equipment after?  Why not keep these two tractors instead of disposing them in order to still use in the summer?	Disposal is to send to auction at an opportune time and use the money to buy new equipment.  Age and rusting will become challenging. Infrastructure Services to look at overall business case of keeping for the summer, while bearing in mind the maintenance costs that come with that limited use.
	Councillor Wolf – Green Wall at City Hall	Regarding the Green Wall needing to be replaced - why?	Project details are on pages 327-328. The life expectancy of a green wall can vary between 10 to 12 years based on the availability of parts for the air circulation systems related to the wall (that may become redundant based on changes

			<p>in technology) or the degradation of the structural media (the mossy-like base for the plants) supporting plant growth.</p> <p>For the green wall at City Hall – it is 14 years old and the structural media is deteriorating at an accelerated pace due to its age. The maintenance contractor has recommended the replacement of the media for the health of the plants.</p> <p>The maintenance contractor has also noted that the design of the wall is obsolete after 14 years, and that the system requires upgrading, as parts for repair may not be available in the near future. Since the media is going to be replaced, it is timely to replace the mechanical system while the media and plants are already removed.</p> <p>Aside from being a key feature of City Hall, the green wall forms part of the building's HVAC system and provides humidity and additional air filtration to the building. If the system does not perform properly, this will have an impact on the building air quality.</p>
	Councillor Mann – Fire Fighters	Regarding the fire training tower, do we unify fire fighter training in the region?	<p>We train jointly as much as possible. We get limited use out of the Regional training centre. Working towards establishing a better dual schedule. The training tower is structurally sound and is used for key training uses.</p>

Reserves			
KPI			
Business Plans			
Mayor & Council	Councillor Wolf	What are the Materials and supplies expenses?	IT costs; courier and mailing costs.  Home internet costs for Council members have been transferred from IT.
City Manager			
Corp Services	Councillor Devine	For the City's SAP (Enterprise Resource Planning system) and Maximo (work management system), is the integration working?	With staff turnover in the past number of years from our Asset Management team, we have a gap in managing and driving forward improvements to the Maximo system. The growth position for a Maximo Business Systems Analyst will move this work forward.
		What are the Contract services for the Clerk's office?	Animal control, parking compliance professional services (first attendants office), and general maintenance work in Bylaw.
		The Stormwater  management funding strategy, what is this for?	A report will be brought forward on December 2 <sup>nd</sup> for the work completed to date, which recommends to move to a separate utility for storm water. This workplan item is to implement that then – determine what the rates will be and how to roll it out. This would bring us in-line with Kitchener, Waterloo and Guelph who all have separate storm water utilities paid for on their water bills.
Corp Enterprise			
Comm Dev			
Infra Serv			
Corp Exp			

Library			
Water Utility			
Capital Forecast	Councillor Devine – Unfunded Projects	<p>Will the unfunded projects not be completed?</p> <p>How do we get them back on the table?</p>	<p>They can be reconsidered but they will not be proceeding at this time. All but one are for future years and can be reconsidered in future budgets if priorities change or funding amounts change.</p> <p>This would require reprioritizing and taking something else out. The City could also implement a special capital infrastructure levy which would provide additional funding towards capital projects and help towards our \$92 million infrastructure gap; many municipalities have already implemented this special capital infrastructure levy.</p>
Appendices	Councillor Wolf – Grants to Communities	Where are the Grants to Community Groups?	<p>Pg 241.</p> <p>The application process for the 2022 Community Grants Program closes on November 30. A report summarizing all of the requests will be prepared for approval of Council in February</p>
	Councillor Devine – Grants to Communities	Some groups were previously included on this list and now are not shown; will they need to reapply?	<p>Yes, under the new Community Grants Program they will need to apply and they have been advised.</p> <p>Note that the list on page 241 is being revised through the report to Council on December 2 to amend Climate Action Waterloo Region to be \$60,000 instead of the \$30,000 currently shown.</p>