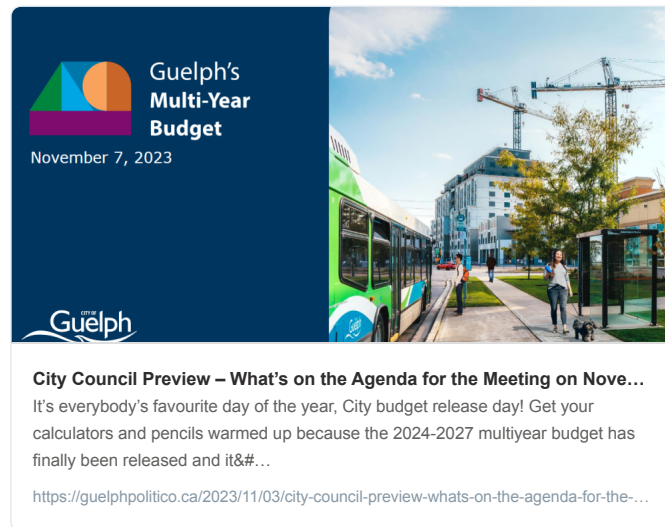




Adam A. Donaldson @adamadonaldson

Nov 7, 2023 · 71 tweets · [adamadonaldson/status/1721886629970002195](https://twitter.com/adamadonaldson/status/1721886629970002195)

Coming up at 9 am (🕒?) it's the council presentation of the 2024-2027 budget. To get some idea about what's coming, consult the Politico preview here:



Mayor Guthrie has called the meeting to order.

Disclosure of Pecuniary Interest and General Nature Thereof? Nope.

Guthrie begins by saying it's "a miracle" to see almost all of council in the chambers today.

Guthrie begins with [off the cuff] comments. He's heard from many people since the budget was released on Friday. It's broken down into three parts: City controllable portion, what the city has direct oversight on...

...then the outside boards, which council doesn't have direct oversight like the police, library, public health, et al, and third, which is new, the P.I.L.L. (provincial impacts local levy): hospital, housing and homelessness.

Previous council approved \$750k per year over 6 years for expansions of ER, mental health and neonatal unit. For homelessness, County has said that they need \$4-5 million more to address need, and housing is impact of ONgov legislative changes.

Guthrie says that they will need 13 heads to figure this out, and by "this" he means affordability. This is the largest increase, and council has to figure out how to get to something affordable to help the community out.

Guthrie adds that staff are doing their best to balance needs and affordability too. They have not come into this "frivolously" and this has been months in the making. He believes that the presentation today is key to understanding what's in the budget.

CAO Stewart starts the presentation. He says these services make up Guelph's foundation and makes is a community. The community relies on services and facilities every single day and S&P has already said that this will be a hard couple of years for cities due to inflation.

Stewart notes that Guelph is committed to creating 18,000 homes by 2031, though the City does not itself build housing. Stewart says the ONgov has put fiscal handcuffs on municipalities, and of course cities can't run deficit (not that he's suggesting they should).

Stewart says again that cities need a new financial deal. They are acting to make changes to allow growth and allow it at an accelerated pace. Points to recent City hire of development liaisons to build better relations with builders.

Along with growth there's pressures on things like water and wastewater services, the core services, that need to be in place. Capital budget includes significant investments in these areas, pre-housing infrastructure.

Stewart says they're not "tone deaf" to the affordability issues or the fact that Guelph has been painted into a spot. He says council needs to be clear what's in the budget and what's been deferred. Can't do everything all at once, and that's a dilemma.

Also, when you build facilities, you need to staff facilities, but you can't build a community with out these things. Along with the housing crisis, there's an infrastructure crisis, and that's a tough balancing act.

DCAO Lee takes over. He starts with foundations, what the City needs to be committed to good governance. Investments in labour relations and customer service as well as compensation to help Guelph recruit, attract and retain the best people.

There's also a need to maintain the City's healthy financial position. To do that, there needs to be some streamlining of user experience and increasing the digital infrastructure. Also need to prioritise equity, diversity and inclusion.

Delayed, deferred or removed under Foundations:

- Delayed the pace and time to develop a comprehensive People and Culture plan and HR strategy.
- Delayed advancing change management practices internally.

(cont'd)

-Delayed implementation of electronic doc management and records and information mgmt.

-Delayed progress to deliver on customer service program.

(cont'd)

- Removed expanded capacity for Continuous Improvement Office.
- Elevated risk of asset failure due to descoping and deferral of infrastructure renewal and facility projects.

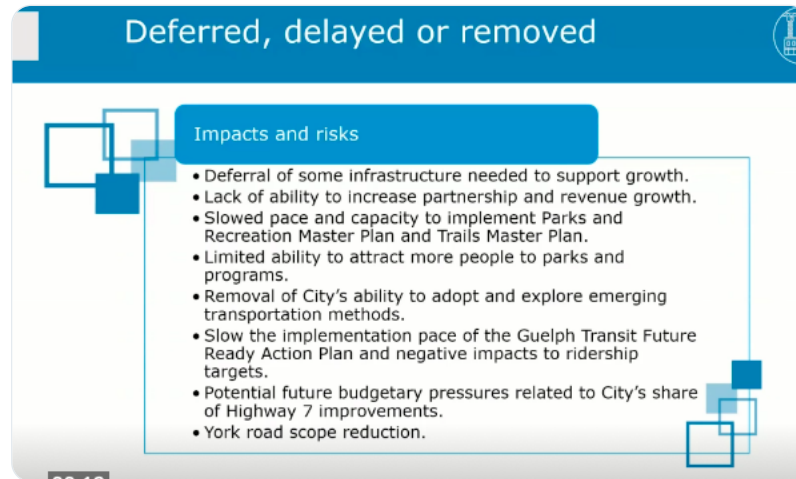
Next, DCAO Clack-Bush with City Building. This means supporting quicker housing timelines, advancing policy work to meet housing targets, and progressing with South End Community Centre and Baker Street.

Concern that high interest rates may impact the number of building permits issued in 2024, which could have in impact on support funding from ONgov. Still some question about how

ONgov is going to measure success: starts or permit or approvals.

Cultural Plan impact of \$905k for the bicentennial, more investment in maintenance staff to cut down wait time like turning part-time staff into full-time have those jobs dedicated to working park and road maintenance more flexibility.

Transit 10-year plan is being extended into a 13-15 year plan, but Clack-Bush says that there's \$9 million more in transit funding for the next four years, plus \$300 million in capital. The focus will also be on improving accessibility in transportation.



DCAO Holmes takes over to talk about Environment. This file is meant to guide the City about how to adapt to climate change, most notably through the electrification of the transit fleet. Still, it will be challenging to build new bus barn given current fiscal realities.

As discussed yesterday, the City is now ISO 50,001 certified, the first municipality to be so certified, which speaks to the City's commitment to move to net zero. Part of this is also canopy growth strategy, in other words, getting more trees in the ground.

Another part of this is empower the community to help reduce carbon footprint, and this budget includes support for Guelph Greener Homes and advocacy for other initiatives. Protecting water is also a priority.

Impacts and risks on Environment:

- Reduced ability to deliver a cohesive climate adaptation plan.
- Changed outcomes related to circular economy initiatives.
- Reduced ability to execute renewable energy projects that reduce greenhouse gases.

(cont'd)

- Environmental and flooding risks with delays in stormwater investment.
- Delayed ability to implement policies that protect Guelph's watershed.
- Delayed timelines associated with ongoing Urban Forest Management Plan implementation.

Next: People and the Economy. This file includes downtown renewal plus dedicated resources for small businesses and service requests. There's also resources for waste collections and improving the circular economy.

Worth noting that the current budget for Welcoming Streets programming is presently unchanged even though there was a request for a further \$300k in funding. On paramedics, the City is looking at options for new facilities as outlined at the June meeting.

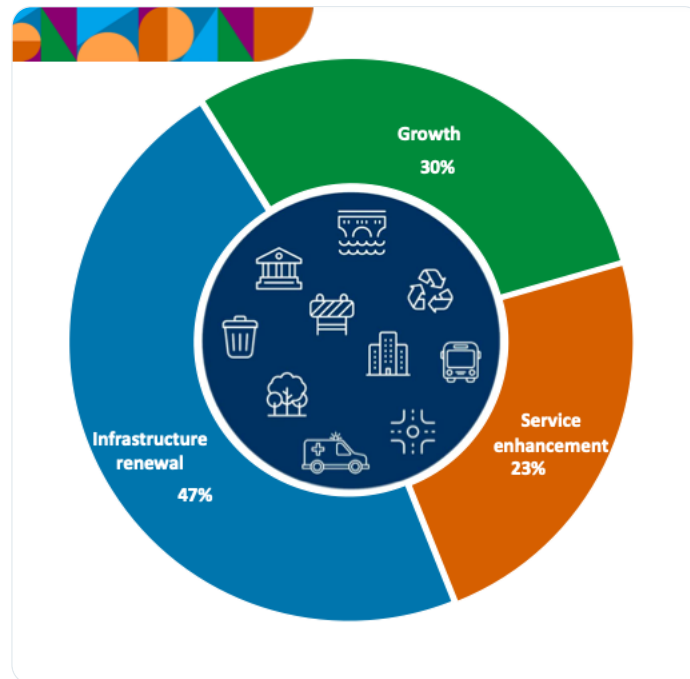
Deferred, delayed or removed:

- Reducing the investment for downtown streetscaping resulting in a level of “good” instead of “best.”
- Reduced staff capacity to delivery community investment programs.
- Inability to proactively respond to social issues affecting the community.

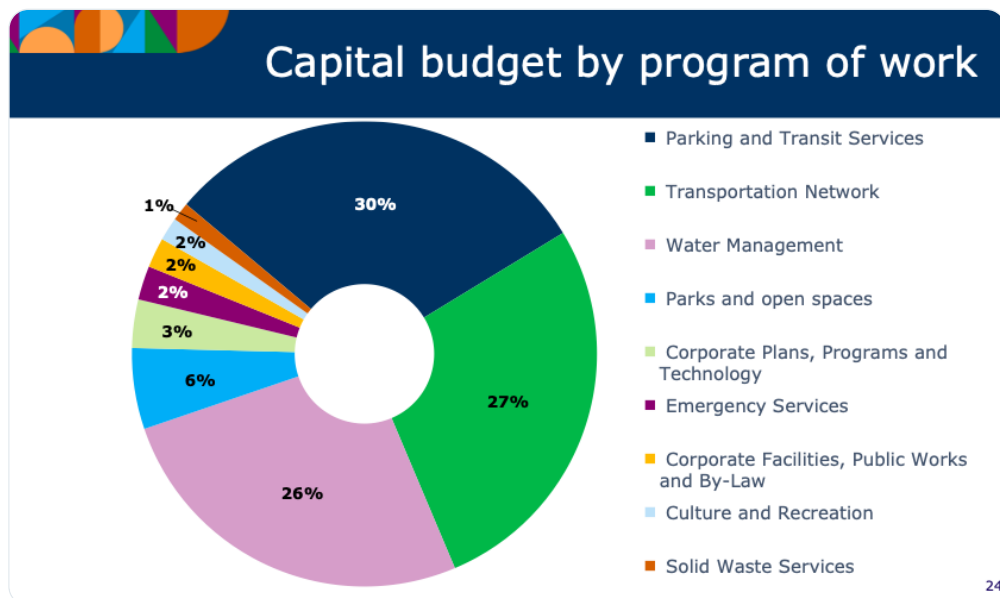
This means no base funding for patio program, no funding for community resource officers (non-police) to support social issues downtown, and some landscaping.

Lee is back saying that reducing the capital costs in 2024 by 60 per cent *could* lead to some "catastrophic" consequences down the line. Capital funding to balance growth need and maintenance are the biggest drivers in the increased capital costs.

This leads us to the capital budget, and the mayoral priority to take care of what we already own. It's the biggest chunk of the capital pie.



Broken down by programming:



Although downtown is prioritised in the 4-year plan, Clair-Maltby will also be investigated from front-ending agreements to at least begin the development planning for that area. The City is also looking at capital projects to support more housing in the east end.

Clack-Bush is back to talk about local boards and shared services. Spreadsheet:

Organization	2024	2025	2026	2027
Guelph Public Library	\$969,998	\$798,915	\$2,140,457	\$473,516
Guelph Police Services	\$3,467,339	\$4,153,974	\$3,836,275	\$3,695,104
The Elliott Community	\$165,275	(\$188,563)	\$52,302	\$51,025
Wellington-Dufferin-Guelph Public Health	\$94,401	\$74,231	\$77,215	\$75,150
County of Wellington	\$1,175,270	\$1,560,810	\$1,911,932	\$2,340,457
Net investment	\$5,872,283	\$6,399,367	\$8,018,181	\$6,635,252
Total LBSS tax impact	1.98%	1.94%	2.20%	1.66%

Members of the board are here virtually for questions (they don't take part in the budget board).

Library: Big driver for increase is the hiring of new staff to start the process of building capacity for the new main building.

Police: Staffing also driving increase, fulfilling the needs outlined in GPS' own KPMG report. Elliott: Includes capacity expansion for 29 new beds in 2024 before funding from Ministry comes in for '25. Increase in operating too.

Public Health: Not yet finalised, but they're anticipating modest increases driven by inflation.

Social Services: County process is different, but City is phasing in increases over four years. The focus is on homelessness prevention, which is \$34.8 million over 2023 or 34%.

DGBA: There's a 3% increase over 2023.

GRCA: Water and wastewater rates fund the City's apportionment and as of now, there's only

a draft budget with no significant changes.. yet. The new MOUs are still in development b/c of ONgov changes.

Holmes is back to talk about provincial changes. There's the loss of DCs prescribed by Bill 23, and regulations and definitions of what is "affordable", and thus eligible for discounts, is unavailable.

New positions at the City will be able to look at the housing continuum and figure out where the gaps are and advocate on how best to fill them. On homelessness, Holmes says much of the County budget is reflected from what was presented to council in September.

Hospital. 2024 will be year 4 of 6 for the funding, and while it's been committed using reserve funds for the first three years, staff are recommending to stop that practice. Holmes repeats Stewart: We need a new municipal deal.

Utility rates are also not immune from provincial changes, and some of that funding is having to be redirected to cover the shortfall. Holmes says that they're continuing to call on the government to make cities whole to cover the cost of needed infrastructure to build more homes

We're taking a break before diving into capital.

We begin again, and Guthrie opens with a question: Does anyone have questions for the GRCA? Nope.

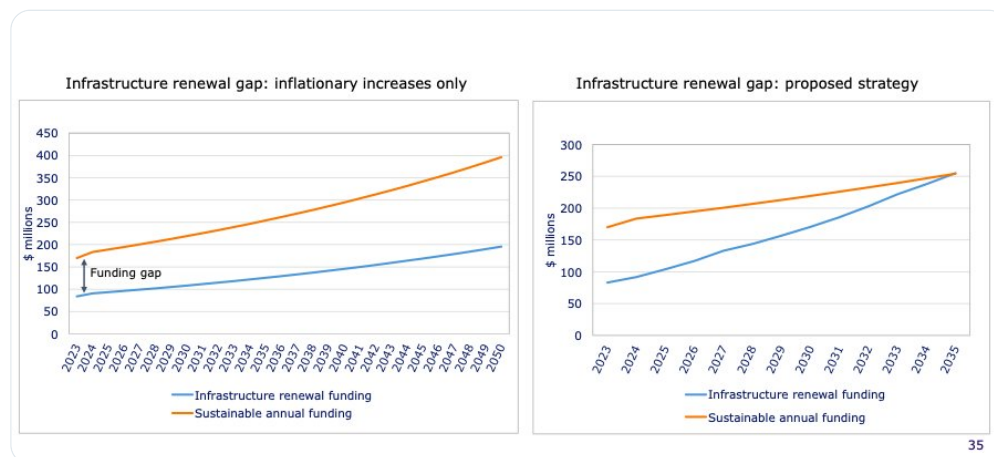
Elliott? Nope.

Public Health? O'Rourke wants to ask about the concerns around consolidation, which was something in the ether before COVID.

That leaves library, county and police. Seems like there's questions for all those peeps.

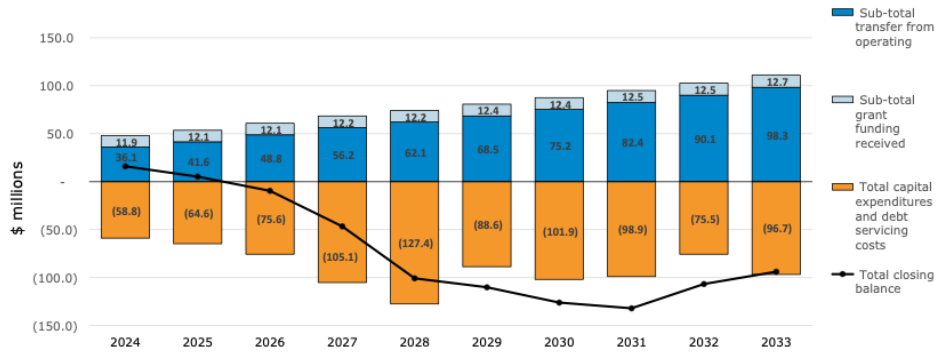
We now turn to Treasurer Tara Baker to talk about capital financing. The goal is to work towards a sustainable level of annual funding to make sure we don't get behind on renewal. There are a number of sources to accomplish this.

Inflation increases impact vs strategy:



Blue box is funding going into reserves, orange box is funding going out. Get used to this chart, you're going to be seeing it a lot.

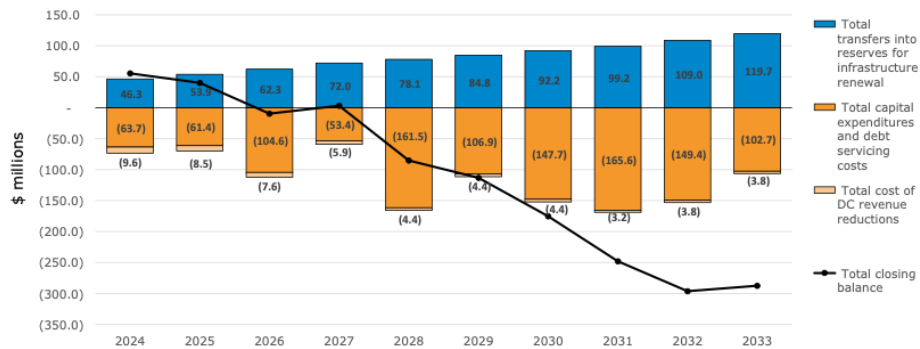
Infrastructure renewal: property tax-funded services



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The strategy recommends a more gradual increase over time than what was original proposed due to commitment to affordability. Reduction in funding and state of reserve funds makes it hard to add projects to the forecast.

This for water/wastewater, which is also affected by DC exemption. There's going to be less flexibility starting in 2026, but there will be a new spending plan coming to council in the future to help navigate the shortfalls.



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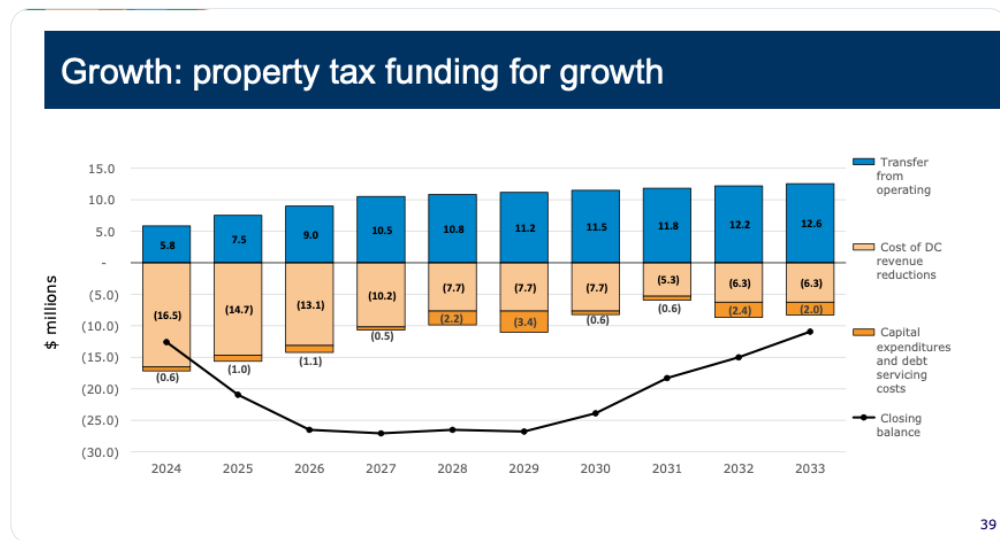
Changes to charges. Note that new DC bylaw has to be passed early in the new year, and that will be followed by updates to the CBCs and parkland, which have to be complete by 2027.

Growth: dedicated growth capital funds – legislated (\$ millions)

Ending balance:	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Parkland dedication cash-in-lieu	15.7	16.7	16.2	17.3	(7.6)	(6.9)	(6.5)	(5.8)	(5.4)	(5.0)	(4.6)
Community benefits charges	0.9	1.4	1.7	2.1	0.6	1.0	1.5	1.9	2.2	2.6	3.1
Development charges	21.5	37.1	61.2	31.8	(93.1)	(118.2)	(110.8)	(76.9)	(109.2)	(82.8)	(48.4)

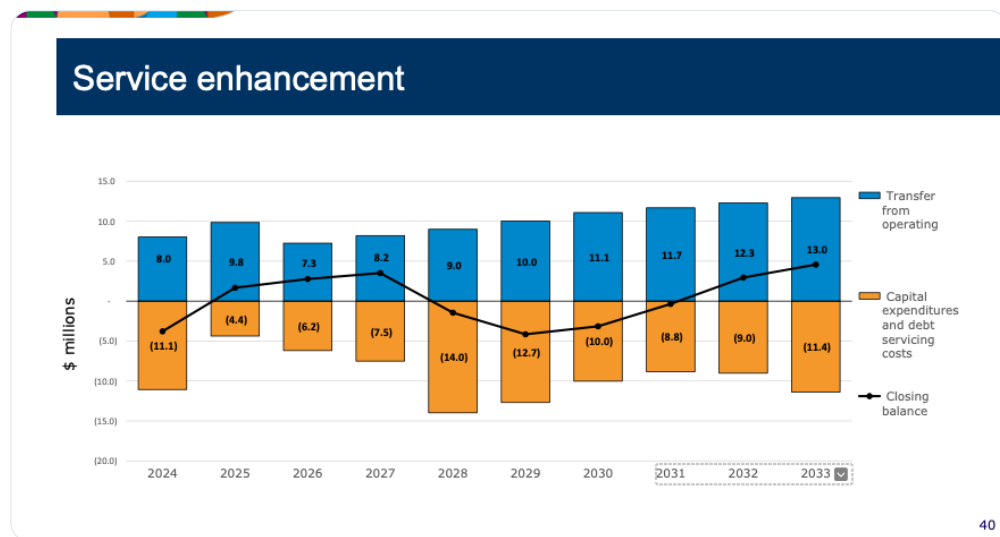
Light orange is the cost from changes to Bill 23, and those costs are already \$3 million despite \$1.6 million being budgeted. Baker says the City must continue to advocate to the

ONGov to make us whole and addresss the gap.



"This is the cost of growth that is being borne by all of us due to lost DCs." - Baker

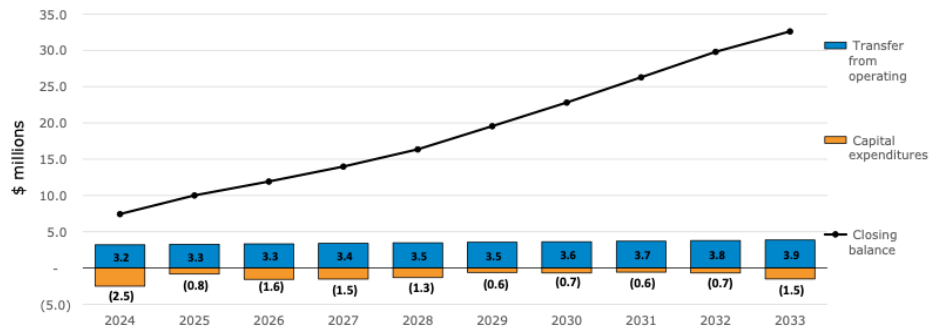
This chart includes costs for Baker District, transportation, transit route review, trails, digital enhancements, and more.



Brownfield strategy, funding for which comes from property taxes and utility rates. Why balance increase? Most of the funding is for studies and some remediation, but cannot reduce capacity without considering overall reserve position.

Brownfield renewal

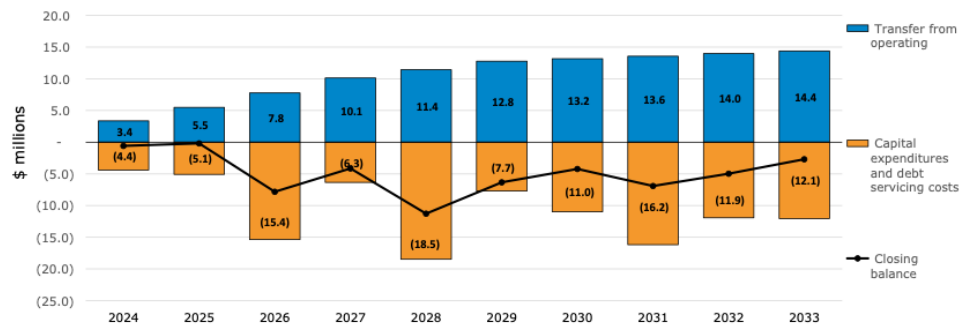
Liability of \$31.8 million as of 2022



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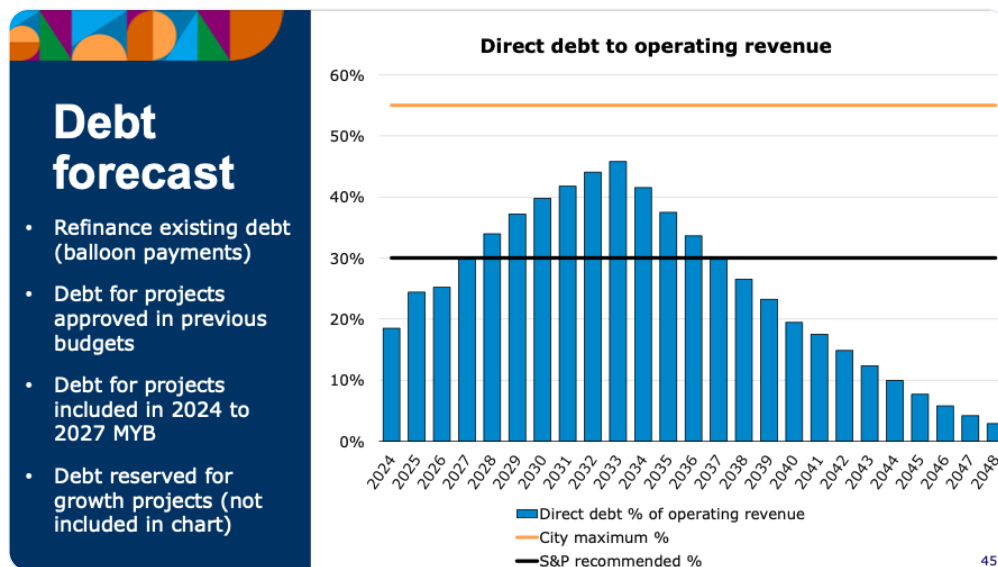
100% renewable position. There's not enough funding going into the reserve to fund all the projects, and one of the big driver is that cost for the bus barn. Staff will continue to work on making that project more affordable.

100 per cent renewable energy



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Debt! That black line is where S&P wants us to be and the orange line is the City's capacity. Not included is \$190 million in debt reserve for growth projects post-2030, timing of borrowing often happens after project is complete.



Stewart is back for the wrap up. First, the impact on your tax bill:

	2024	2025	2026	2027
City tax impact	4.97%	6.41%	6.06%	4.84%
LBSS tax impact	1.98%	1.94%	2.20%	1.66%
Provincial housing, homelessness and hospital tax impact	3.37%	0.92%	0.40%	0.17%
Total tax impact	10.32%	9.27%	8.67%	6.67%
Average monthly impact to the median residential homeowner *	\$37.66	\$37.77	\$38.18	\$31.92

* Based on the 2023 assessed value for the median residential single-family detached home of \$407,000 and the 2023 tax policy

Stewart says City staff do not take the situation lightly and realise the impact on people's personal bottom lines, but this is what it costs to keep services levels where they are, and staff are here to support council in whatever decision they make.

Stewart says this landing place is far from ideal, and staff have worked hard to get the levy down *this* far. Part of the issue is that if the City stops doing things, they're also penalised. Damned if they do, damned if they don't.

What's next?

Council led town halls :

- Wednesday November 8, 2023 through Tuesday November 28, 2023

Budget board:

- Friday November 3, 2023 through Sunday November 26, 2023

Budget delegation night:

- Wednesday November 15, 2023: 6 p.m.

(cont'd)


Special Council: Budget amendments:

- Wednesday November 29, 2023: 9 a.m.

Mayoral veto and Council override period (if required):

- Thursday November 30, 2023 through Wednesday December 13, 2023

Also:



Guelph's Multi-year Budget

We're here to ask the question "how do we build our community? And in turn, to learn what elements of community building matter most to you. Click here to begin Looking for other ways to get involved..."

<https://www.haveyoursay.guelph.ca/guelph-budget>

Stewart says that they want to support services that build a high quality of life and complete communities. That's the commitment.

Guthrie calls an 8 minute break, before getting into questions because he knows that there's going to be a lot of them. Questions for the boards will be first up, and a new thread will begin.



@threadreaderapp unroll please!

...