

2021 Draft Budget Report

Presentation to:
Town of Lakeshore

Todd Casier, CA
Manager, Financial and Administrative Services

Mark Peacock, P. Eng.
C.A.O. / Secretary Treasurer

Lower Thames Valley Conservation Authority
November 10, 2020



2020 Budget– 2% Levy Increase

- ▶ 2020 Budget Development Criteria set August 2019, October. 2019 Mtg. approved budget
- ▶ Approved a 2% levy increase, an increase of \$28,700 resulted.
- ▶ After significant reduction in costs and capital purchases a balanced budget was prepared
- ▶ Under this scenario, staff was provided a 1% cost (\$19,400) of living wage increase, but all 2020 staff merit increases were cancelled.

2021 Budget Background

- ▶ 2021 Budget Development Criteria was set by the board in the Aug. 2020 Mtg.
- ▶ one percent (1%) increase was recommended for the levy which means a \$14,600.00 increase in levy
- ▶ The board approved staff working to find the funding to provided the merit increase to staff cancelled in the 2020 budget

Provincial Grant – still at reduced level

- ▶ In 2019 the province reduced the Section 39 grant (a grant that had been the same since 1998) by approximately 50% from \$157,807.00 (2018) down to \$81,467.23 (2019).
- ▶ The 2021 draft budget has been prepared to address this major cut.

Major Negative Impacts

| Negative impacts on Budget | | Difference to Prior Year Budget |
|---------------------------------|--|---------------------------------|
| ¹ | CPP Increase | -\$3,700.00 |
| ² | Benefits Increase (10%) | -\$9,500.00 |
| ³ | Deferred 2020 Merit Increase (To maintain current programs) | -\$29,000.00 |
| ⁴ | Insurance (10% current year increase plus remainder of last year increase) | -\$11,900.00 |
| ⁵ | Water Resources Engineer | -\$82,600.00 |
| ⁶ | Outreach Specialist | -\$64,500.00 |
| ⁷ | Strategic Plan | -\$20,000.00 |
| ⁸ | Net Asset purchase increase compared to 2020 | -\$17,000.00 |
| Total Negative Impact on Budget | | -\$238,200.00 |

Major Positive Impacts

| Positive Impacts on Budget | | |
|----------------------------|---|--------------|
| ¹ | Education Staff Reduction | \$28,000.00 |
| ² | Property Taxes (Conservation Land Tax Incentive Program, Managed Forest Tax Incentive Program and property reassessments) | \$7,900.00 |
| ³ | Water Resources Engineer Grant | \$55,100.00 |
| ⁴ | Natural Hazards Program Staff Reduction | \$32,700.00 |
| ⁵ | Outreach Specialist Grant | \$64,500.00 |
| ⁶ | Reduced Cleaning Admin Office | \$6,600.00 |
| ⁷ | Cancelled TODS | \$3,800.00 |
| ⁸ | Various Increased grants | \$25,000.00 |
| | | |
| | Total Positive Impacts on Budget | \$223,600.00 |

Total Impact on Budget

| Results | | |
|----------------------------------|---------------------------------|---------------|
| Total Positive Impacts on Budget | | \$223,600.00 |
| | Total Negative Impact on Budget | -\$238,200.00 |
| | | |
| | Net Change | -\$14,600.00 |
| | | |
| | General Levy Increase | \$14,600.00 |
| | | |
| | Total Change | \$0.00 |

Reduced Capital Budget

| Cost | Description | Reason For Expenditures |
|--------------|----------------------------------|--|
| \$ 6,000.00 | Computer equipment | Start updating aging computers and IT infrastructure through out the organization |
| \$ 51,500.00 | Three new vehicles (trucks/vans) | replacing 3 vehicles 11+ yrs old |
| \$ 15,000.00 | portion of side scanning sonar | LTVCA Share of a co-owned side scanning sonar to support dyke reconstruction in river and shorelines |
| | | |
| \$ 72,500.00 | Total Proposed in 2021 | |

Consultation:

- ▶ Staff have been directed by the LTVCA board to consult with municipalities on the draft budget and to bring results of that consultation back before the draft budget is approved
- ▶ Due to timing of consultation the approval of the draft budget will be delayed until December 2020

Thank you

Questions?