

**Full Authority**  
**17 November 2022**  
**Agenda Item: 11**

**2023 Draft Budget Deliberations**

**Background**

Please reference 15 September 2022 Agenda Item 12.

**Rationale**

As discussed at the prior meeting, the CVCA operations and capital infrastructure has reached a stage where a decision is required how the organization wants to operate moving forward given the ongoing development pressures in the watershed.

The facts substantiate the increase in permits, planning, property inquiries and violations and the public's expectation for a certain level of service has placed incredible pressure on the staff capacity to deliver the provincially mandated programs.

Undeniably, the base level of service has not been met due to the increased workload. For an agency like the CVCA, this is not acceptable and the public has repeatedly made note of their issues and concerns.

There are a number of other issues at play when reviewing the CVCA's operations and infrastructure. For example, on the operational spectrum, there are the recent inflationary pressures, staff retention issues, succession concerns, staff on long term disability, new staff members, lack of specialized positions, require correct or updated tools and resources that have not even been available to the CVCA (floodplain mapping). Regarding our assets, the dam infrastructure has reached the stage where repairs will be required (Marmora dam repair example) or upgrades for issues like Belmont stairs to be repaired and brought up to building code standards.

The above noted issues have also been exacerbated by external forces beyond the control of the CVCA, such as the impacts of COVID speeding up the demographic shift of people from the GTA to rural Ontario.

The CVCA Board has definitely taken steps during this past four year municipal cycle to address some of these ongoing issues. This proposed 2023 Draft Budget is presented to continue to build on the excellent work by the Board and take the necessary next step to begin to rectify capacity

related issues. As discussed at the last Board meeting, this will require a significant financial contribution. The decision of course, is whether to proceed with this course of action or remain with the status quo, which will not address the service delivery the public and our member municipalities expect to be improved upon.

## **Operations Budget**

### *Revenue*

- Briefly, on the revenue side of the equation, the highlights of this Draft Budget include an increase to the regulations and planning fees, as noted in the Fee Policy and Fee Schedule report.
- Staff have used the 5 year average to determine various other streams of revenue, such as the Orillia Power Plant profit sharing and Cordova Dam (Algonquin Power) operations.
- Staff have made an assumption Provincial grant transfer payments will remain at the same level.
- Hunting leases were modestly increased, as hunters have expressed concerns that the lease amounts are approaching levels that do not make their hunting viable.
- Cottage rental rates were increased by \$10.00/day.
- Staff included an application for a Canada Summer Jobs (CJS) grant funding to help offset expenses for the Benthic Monitoring Program.

### *Expenses*

- To remain consistent with prior years to keep pace with inflation, the September inflationary rate was used for the budget. The amount was 6.84% and was applied to staff wages and most expenses.
- Another Regulations position was added to raise the staff complement to assist with addressing capacity issues.
- Wage expenses for one summer student fully funded by CVCA and one funded by the CSJ grant.

## **Capital Budget**

### *Revenue and Expenses*

- Continue contributing to asset replacement program (32,942)
- Continue contributing to Infrastructure Replacement Program (25,000)
- Use 2021 regulations surplus to purchase new vehicle (35,600) plus asset replacement program funds for vehicle purchase (4,500(new vehicle) & 4,900 (Santa Fe))
- WECI Projects include stairs at Belmont Dam and repairs to boxes at Marmora and Belmont Dams & Safety Line repairs at Wollaston Dam
- Flood Hazard Identification & Mapping Program (FHIMP) flood plain mapping for Chandos lake – staff recommend requesting North Kawartha & Chandos Lake cottage association contribute to help pay for CVCA’s 50% (62,500)
- FHIMP – funding for flood plain mapping for Crowe River (137,500)
- Funding Options for Capital:
  - North Kawartha special Benefiting levy for Chandos lake flood plain mapping
  - CVCA Reserves
  - Municipal Levy

### *Board Discussion*

### *Staff Recommendation*

- 1) *That the Draft 2023 Budget be circulated to the member municipalities for their 30 day review period and*
- 2) *That the Draft 2023 Budget be approved at the proposed 19 January 2023 CVCA Board meeting.*

*TP*