



SUBJECT: 2021 Budget Approval by City Council

TO: Mayor and Members of Council

FROM: City Manager's Office

Report Number: CM-07-21

Wards Affected: All

File Numbers: NA

Date to Committee: NA

Date to Council: March 3, 2021

Recommendation:

Receive and File

PURPOSE:

Vision to Focus Alignment:

The 2021 Budget process, both capital and operating, represents the fundamental decision-making process for allocating scarce City resources to implement Council's 25 Year Strategic Plan and Vision to Focus (V2F) 4-Year Strategic Action Plan.

Background and Discussion:

On February 23rd and 25th Corporate Services, Strategy, Risk and Accountability Committee undertook a lengthy and detailed review of the proposed 2021 Operating Budget. The outcome of those discussions resulted in recommendation to City Council to ratify a 2.5% overall property tax increase reflecting a change to the city's portion of 4.14%. The table below summarizes the overall tax bill impact reflecting the outcome of the deliberations by Committee, the approved budget from the Region and no change to education tax.

	2020 Share of Tax Bill	2021 Share of Tax Bill	2020 Taxes	2021 Tax Increase	2021 Taxes	\$ Impact on Tax Bill	% Impact on Tax Bill
Burlington	44.7%	45.4%	\$ 339.95	4.14%	\$ 354.02	\$ 14.07	1.85%
Halton	35.2%	35.0%	\$ 267.63	1.84%	\$ 272.55	\$ 4.92	0.65%
Education	20.1%	19.6%	\$ 153.00	0.00%	\$ 153.00	\$ -	0.00%
Total	100.0%	100.0%	\$ 760.58	2.50%	\$ 779.57	\$ 18.99	2.50%

As you can see from the table, the city's portion of the tax bill is approximately 45% of the overall tax bill. The 4.14% city tax increase translates to a 1.85% increase to the total tax bill. As indicated at Committee, this would result in a total property tax increase of 2.5% or \$18.99 for every \$100,000 of Current Value Assessment for a residential property.

I anticipate Council, in its formal decision-making capacity, will consider further 2021 budget amendments on March 3rd. Both the Chief Financial Officer and I are available to discuss any further budget amendments you might wish to bring forward in advance of March 3rd and we will ensure other staff are available to attend as required.

At this time, recognizing that Corporate Services, Strategy, Risk and Accountability has made their 2021 budget recommendation to Council, my advice is that any further amendments should relate to Council 2021 Budget Bar Form items that you may have further interest in considering at the Council meeting.

The City Clerk has confirmed that the budget as amended will be brought forward to a Special Council meeting on March 3, 2021 for ratification. The report from Committee will include only approved amendments, and this is customary to how committee reports are prepared and submitted to Council. At Council, amendments to the budget recommendation are in order, there are no requirements for a reconsideration of past committee decisions.

Financial Matters:

In accordance with the Municipal Act, municipalities are required to pass a budget each year. Approval of the budget allows Council to pass a tax levy by-law which includes property taxes to be raised for the City, Region of Halton, Boards of Education, Burlington Downtown and Aldershot Village BIAs as well as the defined parking area which allows the city to meet the scheduled remittances to all of the other agencies.

Engagement Matters:

NA

Conclusion:

City Council will ultimately make their final decision on ratifying the 2021 Budget. The Budget, like the Official Plan and Strategic Plan, is a fundamental decision-making process that ensures City resources are approved and available to implement Council's annual and multi-year plans. My primary interest as City Manager is for staff including the Chief Financial Officer and myself, to provide whatever advice and information is needed to support approval of the 2021 Budget by City Council.

Respectfully submitted,

Tim Commisso

City Manager

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.