



## Motion Memorandum

**SUBJECT:** 2022 Budget Amendments

**TO:** Corporate Services, Strategy, Risk and Accountability  
Committee - Budget

**TO:** Mayor and Members of Council

**FROM:** Councillor Shawna Stolte & Mayor Marianne Meed Ward

**Date to Committee:** Dec. 9, 2021

**Date to Council:** Dec. 14, 2021

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### **Motion for Council to Consider:**

Approve the recommended changes summarized in Appendix A Budget Action Request Form of this memo to the proposed 2022 Operating Budget report F-36-21, subject to any modifications by Committee and Council.

### **Reason:**

After budget deliberations on Nov. 30 and Dec. 2, at least four members of council made it clear they were looking for additional reductions to the budget in order to support it. In that spirit, we have come together to present some additional items for council's consideration which would put us in a position to support this budget.

A key principle we have applied in bringing forward these items is to hold off on unknown changes in revenue or expenditures in light of additional work being done in 2022. That work will put us in a position to know more accurate budget forecasts to plan for 2023. An additional principle is to apply historical data to the suggested changes, particularly around gapping.

**Motion 1: Re-introduction of Item 18 which was previously withdrawn**

**Removal of an assumed \$100,000 “revenue reduction” in the Private Tree Bylaw.**

That reduction is based on part on actual revenue from 2020. Additionally, committee made it clear that they were comfortable with tax support for the tree bylaw, and we are too.

That said, we are undertaking a review of the Private Tree Bylaw, expected to be complete in March 2022, that may affect both revenue and expenses.

We are recommending that we wait till that review happens and not make assumptions about the revenue/expenses of the program through budget, but let that process unfold in March.

We will have actual revenue/expenses for the better part of a year under the new program in time to put more accurate information into the 2023 budget.

**Motion 2:**

**Increase the removal of Overtime Costs by an additional \$120,000, bringing the total removal to \$300,000**

Committee has already approved a reduction to the increase in Overtime Costs of \$180,000

An additional overtime reduction of \$523,655 was proposed by Councillor Bentivegna but withdrawn.

We are bringing a portion of that back for consideration for several reasons, including a desire to closely monitor overtime and the reasons for it via budget. Additionally, the bulk of overtime is in Transit, Fire and RPF, three areas where we don't yet have full vaccination for all staff and that can lead to sick days and Public Health quarantine measures which then requires others to use overtime to cover for these shifts.

**Our recommendation is to remove this additional \$120,000 from the Operating Budget and request this amount be added to the COVID one-time costs as this increased OT cost can be directly related to COVID response and Public Health protocols.**

**Motion 3: Re-introduction of Item 27 which was previously withdrawn**

**Increase budgeted Human Resource gapping from the current amount of \$625,000 to \$1 million (representing an increase of \$375,000)**

See chart below on historic gapping numbers for the past few years.

<b>All HR line items</b>					
				<b>Covid</b>	<b>Covid</b>
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020*</b>	<b>2021 (YE proj)**</b>
Starting point	917,719	435,786	852,489	6,162,925	1,852,639
Adjustments for COVID Mitigation				(5,189,401)	(1,808,733)
Favourable Variance	917,719	435,786	852,489	973,524	43,906
Budgetted Gapping	400,000	400,000	625,000	625,000	625,000
	<i>excludes PT savings and other HR mitigation measures related to the Expenditure Restraint program to offset COVID revenue shortfalls. The variance figure does include the deferral of filling new positions included in the 2020 budget at the onset of the pandemic.</i>				
	<i>** excludes PT savings used to offset COVID revenue shortfalls</i>				

This item was withdrawn after committee supported embedding \$190k in gapping for the two new staff positions, which got us part of the reduction. However, the two items are in effect very different. The \$190k motion was phasing in the hiring of positions partially in 2022 recognizing they won't start immediately with the balance in the base in 2023 budget. That change will have an increase on the budget in 2023.

**This proposal on increasing the gapping budget will not have an increased impact on the 2023 budget.**

Gapping represents the savings to the overall Human Resources budget based on the gap in time due to normal staff turnover, and the period between when someone leaves the organization, and someone is hired. During that period there is budget for that salary, but it is not paid as no one is in the position.

Currently, staff budget for \$625,000 reduction in the HR budget each year due to gapping.

In recognition of historic actual gapping amounts this proposal is to increase the gapping budget by \$375,000

**Motion 4: New item**

**Removal of the Human Resources Job Evaluation project of \$300,000 pending completion of the review.**

Based on the principle that we don't budget for what isn't approved by council and isn't yet known, we are proposing that this item be withdrawn from this year's budget.

Council will have an opportunity in 2022 to review the final findings of the report, make any changes, discuss and determine how and whether to phase in any approved changes, and then those changes can be embedded into the 2023 budget. This allows council to budget using actual data, not unapproved projections. The projected implementation of this project is over 3-5 years.

Based also on Council approval of the **Manager Total Rewards and Analytics** position in the 2022 Budget, the expectation is that this role will increase access to, and implementation of, industry best practices in the area of nonmonetary employee compensation incentives in order to mitigate the City's biggest risk of attraction and retention of skilled employees. As there is the potential for the development of a robust employee incentive program that will augment the Job Evaluation process it is prudent to explore all options before pre-committing funding.

**Outcome Sought:**

Approval of these additional reductions to pave the way for a successful budget vote.

**Vision to Focus Alignment:**

(check those that apply)

- Increase economic prosperity and community responsive city growth
- Improve integrated city mobility
- Support sustainable infrastructure and a resilient environment
- Building more citizen engagement, community health and culture
- Deliver customer centric services with a focus on efficiency and technology transformation

Motion Seconded by: as required  
Share with Senior Staff

Approved as per form by the City Clerk,

Reviewed by the City Manager - In accordance with the Code of Good Governance, Council-Staff Relations Policy and an assessment of the internal capacity within the City to complete the work based on a specific target date (quarter/year).

**Comments:**

City Clerk: none

City Manager: none

**CITY OF BURLINGTON**  
**2022 BUDGET ACTION REQUEST (BAR) FORM**

The following list of additional items, requested by Members of Council, will be highlighted during the continued review of the 2022 Budget. This consolidated listing will be distributed at the Corporate Services, Strategy, Risk and Accountability (CSSRA) Committee meeting as an addendum to form the agenda for discussion.

#	Budget Page Number	Reference Number	Service	Discussion Item	Proposed Amendment	Councillor	Gross Cost	One time funding /Revenues	Tax Impact
1	304, 643		Urban Forestry	Private Tree Bylaw	Fee structure and costs remain unknown; remove revenue reduction	Stolte/ Meed Ward	\$ (100,000)		\$ (100,000)
2	642 ,646	Appendix D of F-36-21-01 (page 1)	City Services	Overtime Costs	Reduce Base Budget Overtime and increase value shown as one-time COVID impact	Stolte/ Meed Ward	\$ (120,000)		\$ (120,000)
3	642 ,646	Appendix D of F-36-21-01 (page 25)	City Services	Human Resource gapping	Increase budgeted gapping from current \$625k to \$1million	Stolte/ Meed Ward	\$ (375,000)		\$ (375,000)
4	643, 646	Appendix D of F-36-21-01 (page 24 & 31)	City Services	Phased Funding for Job Evaluation System	Remove phased funding for job evaluation system	Stolte/ Meed Ward	\$ (300,000)		\$ (300,000)