



**Town of Aurora
Budget Committee Report**

No. FS19-046

Subject: 2020 Budget Committee Additional Information

Prepared by: Rachel Wainwright-van Kessel, Director, Finance

Department: Finance

Date: November 25, 2019

Recommendation

1. That Report No. FS19-046 be received for information

Executive Summary

This report provides the background information requested by Budget Committee members to support their review of the Town's 2020 to 2022 proposed operating budget.

- The 2019 budget estimated the 2020 to 2022 tax increases to be 2.9 percent each year
- Annual salaries and benefits cost increases mostly relate to cost of living adjustments, step increases and new staff
- The Town added 23 new permanent full-time positions from 2015 through 2019

Background

The Town's proposed budget was presented to General Committee on November 5, 2019. A key part of the Town's budget process is Budget Committee reviews of the proposed budget. Budget Committee held the first meeting to review the proposed budget on November 18, 2019.

Budget Committee has requested additional information to help support their review of the proposed 2020 to 2022 budget. The information requested includes:

- Tax levy increase estimates for 2020 presented as part of the 2019 budget process
- Trend analysis on salaries and benefits
- Staffing approved through previous budgets

Analysis

The 2019 budget estimated the 2020 to 2022 tax increases to be 2.9 percent each year

As part of the previous 2019 budget process a forecast of 3.1 percent per year was provided for years 2020 to 2022. For the 2020 budget process Council provided direction to keep the tax levy increase within 3 percent. This included 2 percent for inflationary pressures and 1 percent for fiscal strategies. The proposed 2020 to 2022 budget includes a tax increase of 2.9 percent each year with an option to add an additional 0.5 percent in 2020 and 2021 for the Library Square tax levy debt carrying costs.

Annual salaries and benefits cost increases mostly relate to cost of living adjustments, step increases and new staff

A breakdown of the year-over-year increases for salaries and benefits from the 2015 budget to the proposed 2022 budget is shown in Attachment 1. The largest drivers of the increases relate to the cost of living, step increases (movement through the salary range) and new staff. Minimum wage provincial legislation changes in 2018 also created a pressure.

The table in Attachment 1 shows the full cost of salaries and benefits for the tax levy budget. It does not include the salaries and benefits for positions which are fully funded through the user rate budget. The Town also has positions which are funded through the capital budget, partially recovered from user rates or are funded directly through fees charges on the service the staff provide such as swimming lessons and camps.

The Town added 23 new permanent full-time positions from 2015 through 2019

From 2015 to 2019 the Town added 23 new permanent full-time positions as shown in Table 1 below. During this period the new positions were driven by the need to maintain service levels for growth and new initiatives.

**Table 1
2015 to 2019 New Full-Time Positions**

Year	2015	2016	2017	2018	2019	Total
# Full-Time Positions	4	0	8.5	2.5	8	23

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These positions supported a variety of initiatives across all departments at the Town. Attachment 2 shows year-over-year changes to the Town's permanent full-time positions including the position, salary and benefit cost and the impact to the tax levy.

Advisory Committee Review

None

Legal Considerations

None

Financial Implications

There are no financial implications associated with this report; However, Budget Committee may make changes to the 2020 to 2022 proposed budget at any time during their review.

Communications Considerations

This report will be posted to the Town's Budget and Financial Information web page for transparency and accountability as part of the overall annual budget communications and engagement plan.

Link to Strategic Plan

Developing the annual budget supports all aspects of the Strategic Plan. Specifically, this report supports the Plan principles of Leadership in Corporate Management, Leveraging Partnerships, and Progressive Corporate Excellence and Continuous Improvement.

Alternative(s) to the Recommendation

None. This information is provided to Budget Committee as supplemental information. The Committee may make recommendations for changes to the 2020 to 2022 proposed budget at any time during its review process.

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Conclusions

This report provides the additional information requested by Budget Committee on November 18th. The information is intended to support their review of the 2020 to 2022 proposed budget.

Attachments

Attachment #1 – Salaries and Benefits Budget Change History

Attachment # 2 – 2015 to 2019 Approved Staffing

Previous Reports

FS19-002: 2019 Operating Budget Introduction

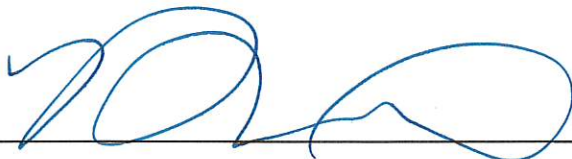
FS19-020: 2020-22 Budget Development Direction

FS19-031: 2020-22 Operating Budget

Pre-submission Review

The Agenda Management Team's review of this report was facilitated by e-mail on November 21st.

Departmental Approval



Rachel Wainwright-van Kessel, CPA, CMA
Director, Finance
- Treasurer

Approved for Agenda



Doug Nadorozny
Chief Administrative Officer

Attachment 1

Salary and Benefits Budget Changes

	2015	2016	2017	2018	2019	2020	2021	2022
\$000s								
Salaries & Benefits Opening	21,502.5	22,390.3	23,034.3	24,466.6	26,014.8	27,194.0	28,954.3	30,511.8
Salaries & Benefits - COLA and Step Increases	731.5	558.7	615.6	547.0	620.9	470.3	719.0	659.7
New Full Time Staffing	147.2	-	597.8	200.0	328.5	918.2	712.1	450.7
Part-Time Salaries	9.2	85.4	268.9	196.2	229.8	171.3	126.4	52.7
Provincial Labour Legislation Impacts	-	-	-	605.0	-	-	-	-
Compensation Review	-	-	-	-	-	323.1	-	-
Salary Gapping	-	-	(50.0)	-	-	(122.6)	-	-
Budget Change to Salaries & Benefits	887.8	644.0	1,432.3	1,548.2	1,179.2	1,760.3	1,557.5	1,163.2
Total Salaries & Benefits	22,390.3	23,034.3	24,466.6	26,014.8	27,194.0	28,954.3	30,511.8	31,675.0

**Additional Items to Budget Committee Meeting Agenda
2020-22 Operating Budget Review
Monday, November 25, 2019**

**2015 to 2019 Staffing
Converted and New Positions Included 2015-2019 Budgets**

	2015		2016		2017		2018		2019				
	FTE	Net	FTE	Net	FTE	Net	FTE	Net	FTE	Net			
Operational Services													
Parks Operations Crew Leader					1	47,800			1	51,600			
Fleet Supervisor									2	17,700			
Flex Serviceperson (2)										51,600			
										17,700			
Community Services													
Youth Programmer (Previously approved by Council)	1	39,300											
Facility Bookings Administrator	1	18,971											
Uplift P/T to F/T Special Events Coordinator					1	30,100							
Collections & Exhibitions Coordinator					1	58,635							
Contract Vendor Administrator					1	60,200							
Position will be funded 30% from Capital							1	30,000					
Uplift P/T to F/T Facility Advertising & Sponsorship Coordinator													
Position will be funded 100% from increased revenue													
Program Manager, Facility Capital Projects									1	46,500			
Position will be funded 100% from Capital										0			
Closing Full-Time Equivalent (FTE)	211	147,157	0	62,036	0	220	597,830	223	200,000	0	231	328,450	137,025