

## Report CCR-PCD-02-15

**To:** Chair Wright and Members of the Planning and Community Development Committee

**From:** Sharon Vokes, County Clerk/Director of Council Services, Randy Scherzer, Director of Planning, and Geoff Hogan, Director of Information Technology

**Meeting Date:** January 15, 2015

**Subject:** **2015 Draft Budget for the Planning and Community Development Committee Portfolio**

**Status:** Recommendation adopted as amended by requiring staff to bring forth an amended budget report showing a \$50,000 reduction within the Planning and Community Development Committee budget per Resolution PCD14-15; Endorsed by Council February 3, 2015 per Resolution CC34-15;

### Recommendation(s)

**THAT Report CCR-PCD-02-15 regarding the Draft 2015 budget be received;**

**AND THAT the 2015 budget for the Planning and Community Development Committee portfolio be forwarded as presented/amended to County Council for its consideration.**

### Background

The Planning and Community Development Committee has stewardship of the following budgets: Planning, Civic Addressing, Agriculture, Forestry, Trails, Economic Development, Tourism and Grey Roots. The budgets have been drafted in recognition of the [Grey County Approved Corporate Strategic Plan 2012-2015](#) .

In addition, the budget development has been guided by a number of approved policies such as the Transportation Services Review, Recreational Trails' Strategy, Grey Roots Marketing Plan, Interpretive Plan and Business Plan, Tourism Destination Development Action Plan and the Economic Development Study. Key initiatives related to these

policies and strategies, along with budget implications have been included for ease of reference.

The 2015 draft budget has total expenditures of \$5,958,823 and requires a net levy contribution of \$4,242,605, which is an increase of \$437,300, being a 11.49% increase and translates to a corporate 0.84 % increase on the levy.

## *Planning*

The Planning budget consists of three specific components: Planning (General) Operating, Civic Addressing and Planning Capital. The Planning Operating budget includes a requested levy contribution of \$653,076 which is an increase of \$29,701. The increase is primarily attributed to an increase in salaries as a result of the 2014 Non-Union External Salary Review, a proposed 2% increase in salaries, as well as increased costs to some of the benefits.

The Planning Capital budget includes a transfer to reserves of \$31,250 for studies that were identified in the approved five year capital forecast and the Development Charges Background Study, which include \$3,250 for the Natural Heritage Systems Study, \$3,000 for Housing Study Data Update, \$4,000 for future Active Transportation Master Plan, \$10,000 for Archaeological Master Plan (proposed 2017 project), \$4,000 for future Growth Management Study Update, \$4,000 for a future replacement purchase of a Multi-Function Plotter, and \$3,000 for a future Transportation Master Plan Update. See the following link to the five year capital report for further information about these various projects - [CCR-PCD-20-14 Five Year Capital Forecast Planning and Community Development Committee 2015 - 2019](#).

The Planning Capital budget includes a carry-over of funds for the continuation and completion of the Transportation Master Plan, the Natural Heritage Systems Study, the Planning Application Tracking Software (to be completed by a contract Information Technology staff person), and the Growth Management Study Update. The Capital budget also includes funds to update the data in the Housing Study which is necessary for future initiatives, including the development of Housing policies to be included in the County Official Plan as well as ensuring that the ten year Housing and Homelessness Plan initiatives are targeting the areas of greatest need. The Capital budget includes a carry-over of funds received from the provincial government for the implementation of the Source Protection Plans as well as a collaborative Source Protection Implementation project referred to as 'RMO/RMI In a Box' and the 'Property Tracking System' – see the following reports for further information about the Source Protection Implementation project - [Addendum 2 to Report PDR-PCD-05-14 Source Protection Implementation Collaborative Funding Breakdown Costs, Addendum to PDR-PCD-05-14 Source Protection Implementation Funding.doc](#).

## *Agriculture*

The Agriculture budget includes the management of the County's Forest Management By-law (which is performed under contract with the Grey Sauble Conservation Authority), beaver and coyote control, and funding to organizations that support the agricultural industry, including the Grey County Agricultural Services and the Grey County 4-H. The draft 2015 budget proposes a levy commitment of \$143,280 which is an increase of \$5,780.

## *Forestry*

The Forestry budget includes the management of the County's 45 forest properties, which includes harvesting through good forestry practices as well as trail development and maintenance of trails within the County forests. The County Forests are managed by the Grey Sauble Conservation Authority under contract with the County. The draft 2015 General Forestry budget proposes total expenditures of \$145,440 which is offset by the projected forestry revenue (\$250,000) from tree harvesting, and a transfer from reserves of \$35,000. A Transfer to Reserves of \$20,000 is proposed as this budget includes an increase in Forestry Revenue of \$60,000 compared to the 2014 budget and the \$20,000 Transfer to Reserve is proposed as a way to phase in the increase in case the total proposed Forestry Revenue increase is not realized. The previous 3 year average for Forestry Revenue has been approximately \$250,000 but this can fluctuate based on market conditions.

A total of \$35,000 is proposed to be transferred from the Forestry Reserve to fund the spraying of tent caterpillar in some of the forest tracts that are showing signs of distress due to a tent caterpillar infestation detected in 2014 (\$15,000), as well as funds to begin the update of the Forest Management Plan (\$20,000) which is proposed to be updated over the next 2 to 3 years with the cost to update the Plan being spread out over that time period. Based on the total proposed expenditures and revenue for the 2015 Forestry Operating budget it is estimated that there will be an overall surplus of \$139,560.

The Forestry Trails Operating budget includes funds to maintain and develop trails in the County Forests. The draft 2015 budget proposes a levy commitment of \$53,946 which is a decrease of \$1,654. The 2015 budget proposes to decrease some line items in the Forestry Trails budget (i.e. signs and travel expenses) in order to offset a proposed increase to some of the line items in the CP Rail Trails budget as a result of more time being spent on matters related to the CP Rail Trail than the Forestry Trails. The Forestry Trails budget includes an increase of \$2,500 in order to fund the spraying of Wild Chervil which is present in at least one of the County Forest tracts. Based on

the General Forestry Operating budget and the Forestry Trails budget, the total net levy impact is a surplus of \$85,614 which is an increase of approximately \$40,000 surplus compared to the 2014 budget.

### *Trails*

The Trails budget covers the management of the CP Rail Trail. The Rail Trail Bridge and Culvert Inspection Report conducted in 2011 identified a number of structures in need of repair. The 2015 CP Trail Capital budget includes funds for the rehabilitation of Culvert 9 (see the following link for further information about Culvert 9 - [Attachment to CCR-PCD-20-14 Trails 2015-2019 Five Year Capital Forecast](#)). The total net levy requirement for the CP Rail Trail Operating and Capital Budget is \$138,360 which is an increase of \$2,085.

### *Intelligent Community / Local Broadband*

Report [ITR-PCD-01-15](#) details the plans for the Connected County (Intelligent Community) work for 2015. The budget includes \$92,640 funded from one time reserve and cost recoveries for the Connected County portion. \$216,000 funded from the levy is allocated towards Grey County's contribution to the regional South West Integrated Fibre Technology (SWIFT) project.

### *Economic Development*

Grey County's Economic Development Strategy and Action Plan will be finalized in the first quarter of 2015, and will include orientation for County Council and staff, and an investment readiness assessment. This will be completed with unspent provincial and reserve funds moved forward from 2014 (estimated at \$22,000.) While the main themes and high level actions have been identified, the final plan with specific implementation actions and costs will be finished in March, after further input from stakeholders. The 2015 budget requests an investment of \$50,000 for implementation of the high priority actions that will be identified. A portion of these funds will purchase a data package (\$2400) to provide on-going tracking of the detailed data gathered in the strategy. There is also an opportunity to apply for further RED (Rural Economic Development) program funding to offset or further leverage this investment, once the actions are known.

Salary increases due to the 2014 Non-Union External Salary Review are \$16,000 and \$5,000 has been added for video/photography. The requested levy contribution for economic development is \$381,505, an increase of \$81,160. As proposed in the Five Year Capital Forecast, an ongoing amount of \$15,000 is being built into the annual

budget to enable ongoing updates to the County's Economic Development Strategy every five years.

## *Tourism*

The Tourism budget comprises Grey County's General Operating budget, as well as several regional tourism budgets, RTMP (Regional Tourism Marketing Partners), and Fall Conference and Brochure Swap. Grey County had been the banker for the Georgian Bay Partnership for many years but has passed this responsibility to Simcoe County.

Grey County's General Tourism Operating budget has a requested net levy increase of \$27,275 to \$475,085. Much of this increase results from the 2014 Non-Union External Salary Review, and \$8,000 towards the Destination Development Action Plan. There is a \$2,000 net increase in all regional budgets to a total net levy of \$38,000, for a total investment in tourism of \$513,085.

Major initiatives in 2015 are launching tourism's re-developed website (\$10,000), finishing up and implementing a new marketing plan (\$5,000), and working with the Transportation Services department on a Grey County signage criteria study (\$49,500), which are all funded from carry-over funds from 2014. A significant new initiative is updating the Tourism Destination Development Action Plan (DDAP) at an expected cost of \$40,000, with \$32,000 of this funded from Reserve. [2015-19 Capital Project Tourism Destination Development Action Plan](#)

Grey County's Tourism Destination Development Action Plan (DDAP) was completed in May 2010, and identified 16 recommendations under four pillars. Over the past four years, Grey County Tourism, guided by the Tourism Committee and its replacement, the Tourism Advisory Committee has substantially completed the actions identified under these recommendations, and can point to many successes. The existing plan created many "tools in the toolbox" which need to be reviewed and refreshed for today's needs. Just after the DDAP was finished, Ontario instituted Regional Tourism Organizations (RTOs) which have greatly changed how tourism partners work together. Finally, the existing DDAP pre-dated Grey County's Strategic Plan and there is a need for better alignment with corporate goals and actions.

At the same time, Grey County created an economic development department and mandate, and is now embarking on an overall economic development strategy and action plan. This economic strategy has identified several themes and tourism as one of the key sectors. Beneath the strategy will be implementing action plans for each theme and key sectors. Updating the DDAP is seen as the action plan for tourism, and will focus on how Grey County can further develop as Ontario's recreation jewel.

## *Grey Roots*

The Grey Roots draft budget includes a requested levy contribution of \$2,251,663 which is an increase of \$109,863 over the 2014 net levy. Revenue projections for 2015 remain consistent with what was budgeted in 2014. The budget as presented continues to build on the strong programming offered by Grey Roots.

The other main thrust of the 2015 budget is to complete capital projects currently underway and use 2015 as a year to properly plan for projects through architectural and engineering design and costing of capital projects in the village. In the past estimates have not always been based on architectural drawings, or costs have been discounted based on receiving in-kind support from local businesses. This has resulted in estimates being lower than required putting pressure on staff to make requests to access reserves to fund overages.

In addition, experience has shown that technology upgrades for the theatre can be costly, so the budget includes the beginning of what will be a \$5,000 annual transfer to reserve to avoid costly budget fluctuations in the future.

Several capital projects begun in 2014 have not been completed and are being brought forward to 2015. These projected are \$35,000 for an augmented reality app and tablets. This will enable visitors to download an app to their phone, or use county owned devices to enhance their experience. For example, when outside the log house, a person will be able to see and hear Mrs. O'Hara talking about the trials and tribulations of moving from Ireland to Grey County.

A few minor components that have been approved for the logo sculpture will also be completed at an estimated cost of \$9,800. There is more work to be done to complete the sculpture as envisaged by the architect, but this has not been budgeted in 2015 as the value of in-kind support has not been quantified and there is the possibility that the amount could be greater if the contractor can do some of the work over the winter months. Additionally, staff would like to explore other options which may be more cost effective. The cost of finishing the sculpture as proposed and identified in Report CCR-PCD-17-14 is approximately \$31,000 and estimates now have raised this amount by an additional \$5,500 (including a \$1,300 contingency). Only work authorized by Council will be completed on this project.

Additionally, all of the budgeted work related to the agricultural exhibit building was not completed in 2014 as the same contractor won the bid to correct deficiencies with the sawmill and the coordination of the two projects made it difficult to complete all work anticipated in 2014.

The complete listing of capital projects for 2015 is as follows:

- Capital Improvements for Main Building (\$99,500) and Village Buildings (\$33,000) in accordance with building condition assessments
- Grey Roots Video - \$16,500
- Pre Engineering/Architectural for various proposed heritage buildings - \$40,000
- Collection Management Plan preparation - \$8,400 for student preparing data
- Consulting to evaluate and recommend update to Grey County Gallery - \$50,000
- Finish Agricultural Exhibit Building – \$88,700 (portion brought forward from 2014)
- Repay Grey Roots Reserve (2014 over expenditure of Sawmill) - \$36,000 (estimate)
- Construct an Orange Lodge - \$220,800 to be fully funded by community and construction timing dependent upon completion of fund raising
- Augmented Reality App - \$35,000 (project brought forward from 2014 and RFP awarded in late December)
- Logo Sculpture - \$9,800 (project brought forward from 2014)

The debenture for Grey Roots was paid off in 2014 and the 2015 draft budget allocates \$175,000 of the debenture payment towards capital for Grey Roots. The majority of this has been allocated towards reserve to provide for future capital maintenance of the main building and heritage village buildings as identified in the building condition assessments. The remaining \$175,207 has been allocated to reserve within the Grey Roots budget but it is on the understanding that its use will be determined by County Council and will be used for other County initiatives such as an addition to the administration building.

#### Financial / Staffing / Legal / Information Technology Considerations

There are no legal considerations related to this report.

Overall, a levy increase of \$437,300 is requested, which is a 11.49% increase compared to the 2014 budget, which is a corporate levy impact of 0.84%.

#### Link to Strategic Goals / Priorities

The annual budget is a key tool used to ensure the County's long term financial sustainability and for the provision of ongoing accountability. At the same time, budgets are utilized to realize the approved strategic goals and objectives of the corporation.

Respectfully submitted by,

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[Attachment to CCR-PCD-02-15 2015 Planning & Community Development Committee  
Draft Budget January 15, 2015](#)