

Big G in Conversation: 2021 Budget October 13, 2020

Transcript

Host: Wendy King

Tara Baker, General Manager of Finance, Treasurer

Jenny Smith, Manger of Corporate and Community Strategic Initiatives

Wendy King 0:00

Welcome to Big G in Conversation, the podcast from inside Guelph City Hall. Hi, I'm Wendy King. And I'm going to talk with staff all about city things that matter to you. So let's get started. Welcome to the very first episode of Big G and Conversation, I can't tell you just how thrilled I am to be hosting this podcast, I get to ask all the questions that I know that you have been wanting to ask a city staff. And for the next few weeks, we're going to be talking about all things budget. Yeah, you heard me right budget. I know, I can hear your eyes glazing over. But we are going to try to make it informative and informal and fun. So with me today is Tara Baker at the city's General Manager of finance, and Treasurer as well, Jenny Smith, the manager of corporate and community strategic initiatives. So welcome to the show.

Guests 0:57

Thanks for having us.

Wendy King 0:59

Absolutely. So budget, so I'm sure this is the big deal around the corridors of City Hall. And for the folks who might not know exactly, you know, the inner workings of putting a budget together, could you kind of walk us through what we could expect to see in here, when it's presented to council later this year?

Jenny Smith 1:17

Sure. So thank you very much. Like you, I'm very excited about our podcasts and our ability to communicate about budget this year and a little bit of a different way. So we are talking about how we manage our rate and taxpayer money. And especially in a year like this with with the uncertainty and, and all of the impacts that the COVID pandemic has brought. It's really our job to present a council budget that they can understand and with data that they can then make the best decisions from

Wendy King 1:56

so I'm gonna just assume that you are for sure a numbers person. I am not a numbers person, I'm kind of more of a, you know, word person. And yeah, I don't even do my budget. Well, but but but isn't it kind of in a small way, basically, what you'd be doing with your own house in your, your, your household budget?

Jenny Smith 2:19

Absolutely, I think that thinking about the city budget can absolutely be reflective of thinking about your home budget, we have two pieces of our budget, the operating budget and the capital. And if you think about the operating budget as as the pieces of like your day to day expenses, you may have a car lease payment, or you know, your your utility payments on your home and your water payment, for example, for the usage. So that's just like the city, but the scale, you can obviously kind of think about is much different. And then on the capital side, it's the exact same thing, you know, putting money away so that you can replace your roof, when it gets to the stage that it needs to be that capital improvement needs to happen. And again, you know, the city has, in terms of scale, our capital is much different. We have roads, and we have major facilities, we have bridges, for example, but those still need to be replaced. And we just need to be thinking about the long term plan to make sure we have the money when those things need to be done.

Wendy King 3:30

For sure. Yeah. And right now I know that the staff is working on the 2021 budget. So where are you now with that?

Jenny Smith 3:40

I'm sure so we are in the final stages of developing the 21 budget, we have a considerable amount of work that goes in before it gets to the point that the public see it in mid disk in mid November. So we're really excited about where we're going. And we have a lot of new features this year. And the web presence is really going to be a highlight. We really want to make it interactive and accessible to a point that it's never been in the past. And so we're really excited about that. And that's really where our attention is focused right now is trying to make the that that external facing piece, really easy to use and easily understood.

Wendy King 4:33

Yeah, my understand was just gonna say my understanding was no big binders.

Jenny Smith 4:39

Yeah, so you know, as many people may realize, the council meetings are all virtual now. And so with virtual council meetings means that we have to think about how we deliver the budget differently this year. And so binders really are not probably the best way to convey information. And so we have really put significant focus on on virtual and having a web presence that's far enhanced from anything we've done in the past.

Wendy King 5:12

Sorry, Jenny, you were gonna say?

Jenny Smith 5:14

Yeah, no, I was just really gonna add to what Tara was saying about some of the things that we're doing for the budget this year, which is supposed to really kind of make it a bit more accessible and easier to understand. So one of the biggest changes that we're doing is really how we present the budget. So Tara talked about the operating and capital budget that the city creates. We also look at non tax budget that's funded through rates, fees, and charges and not from property taxes. And on top of that, we also work with local boards and shared services, like the police, the Elliott, the library, and they also put requests into council too. So really, what we're trying to do is, in the past, what would have happened is they would have all come forward and separate from one another. So you can imagine that's an awful lot to take in for Council, and the public has a lot of information there. But this year, what we're doing is we're actually aligning our budget with our strategic plan priorities, and coming forward with one budget.

Wendy King 6:23

Yeah, that's really interesting. So that's a whole new procedure for you guys.

Jenny Smith 6:27

Yeah, it's all very new. And really, the way that we thought about it was if the strategic plan sets out that Council's vision for the community over the long term, and the budget really is the gas pedal. So it's the tool that we use to prioritize those initiatives, and kind of when they can happen, so it's the how, and when we

implement the things that we want to looking at the funding requirements, the funding available for both the capital and operating portions of the project. So we get to make those decisions of can we do it this year? Or is it gonna have to happen over several years?

Wendy King 7:04

Yes, exactly. So the strategic plan, for lack of a better description would be maybe like a roadmap of initiatives. So you have all these different priorities for your community, obviously, is that basically it?

Jenny Smith 7:18

Yeah, that's exactly what it is. And, you know, that's really come from the the community. So we've engaged with the community over a long period of time to understand what are the priorities, and what do we have to do right now. So the strategic plan is just a way for us to kind of it's our map, essentially. Absolutely.

Wendy King 7:39

Exactly. And the 2021 budget presentation is when ladies?

Jenny Smith 7:45

So it starts on November the 17th. And it starts at 9am. And we'll present the budget all the operating capital, non tax and local boards and shared services. And for each of the five strategic plan priorities.

Wendy King 8:01

I think it's really interesting, because, you know, when, when those of us that aren't doing this all the time, we just think, Oh, you've started the budget process. And it's like, you've done this now for months, and probably, in effect years previous in some of these ideas. So it's certainly not just a month long job.

Tara Baker 8:23

No, it's it's definitely not only something that we take a month to pull together. This is there's a lot of work that goes into it. But but like Jenny was saying, this is really reflective, the budget is reflective of everything that we heard from the community. This is not a time where there's new, there's brand new things that are brought up

like these are these are really resourcing decisions that Council have have made or where deliberations are continuing. And so really, it's a point in time, where they're making route councils making resource decisions, but nothing that they're deciding on is new. It's it's a continuation of that that roadmap that we've we've spent a lot of time developing with community input.

Wendy King 9:18

So I browsed your website and taken a look at the strategic plan priorities like sustaining our future. So all the initiatives and then whatever amount of money will be required for each of those is presented then as one whole budget?

Jenny Smith 9:33

Yeah, that's absolutely right. So for example, if you look at the sustaining our future, which is really about caring for the environment, responding to climate change, and really where do we go for a netzero future as a community, so all the energy initiatives that are operating or capital projects, like the proposed hub to house transit, electric buses, all those items, that supporting sustaining our future Show will be bundled together so it's easy to see.

Wendy King 10:03

So that's a really creative way of doing it.

Tara Baker 10:08

Yeah, this is that presentation is completely different from the way we used to present the budget. And we really feel that this is going to provide in terms of a community's understanding of what we do as a city, I think it'll just really make it a lot easier. And so it is creative in terms of compareur municipalities and how typically, budgets are presented. But we do feel like it's, it's going to enhance the understandability and accessibility of the process immensely.

Wendy King 10:48

You know, over my career, I've spent a lot of time of budget meetings at different councils, what have you. And, you know, usually, basically what the taxpayer wants to know, is the bottom line. But I think it's so important to know how we got to the bottom line, you know, if taxes are going up, or if they're not going up, and how

you got to that. So I think what you guys are doing is really great to explain it to people before you get that possible shock in the system later in the year.

Jenny Smith 11:18

Yeah, and we will absolutely be talking about what that change is right. So so the budget at the end of the process does determine property tax rates for the next year, as well as our non our what we call our rate model. So our water and our wastewater and our stormwater fees. And so those will be the primary outcome of the budget. And so we'll be having a very transparent conversation about the drivers that are that are included in the change.

Wendy King 11:56

So you had mentioned November 17. But do we have to wait till then to find out what the proposed budget might be?

Tara Baker 12:04

So that's a great question, um, no, on on the road or on the journey to November 17. We have a number of meetings with counsel, that will help provide more context to some of the topics that are going to be discussed on November 17. So I would say that November Committee of the Whole, we're going to be talking about asset management, and an updated plan, and that that has a lot of good information about our infrastructure renewal strategy. So that's something to be mindful of. And then we're also going to have a workshop on November 10. And that workshop is going to be about our transit strategy and the operations campus. So it's a really complex topic. And I think that having a standalone workshop just to discuss and have counsel in the community, understand, that'll be really valuable as we get into November 17. And then the actual materials for the November 17 meeting will be available on November 5. So there'll be documents in the public realm. And on November 5, the website will be open, and the community can go and take a look. And as well, we have this podcast platform this year. And so we've got lots of good topics that we're excited to talk about over the next few weeks as well.

Wendy King 13:40

Yes, absolutely. I was just curious to, you know, if someone is a bit old school, can you see it? Can you see it somewhere other than online?

Jenny Smith 13:51

So that's a good question, um, at this point to, it would really only be upon request. So we, we really are looking to our website this year as the the one source of the primary source of information for the budget.

Wendy King 14:09

And also to I mean, here, we are all isolated, somewhere remotely doing doing our jobs. So I'm assuming it's the same with Council and budget deliberations in that it's all virtual, your meetings, etc.

Tara Baker 14:26

So our council meetings are virtual. New this year, the budget meeting will be an all day meeting. Typically, the budget had been broken into four different presentation nights. And that really led to I think of why the community may feel that it's difficult to understand how those pieces fit together. And so we're really changing it this year to say it's a one comprehensive budget presentation through on one day, and then they'll still be opportunity for delegations and the next week before final approval in the first week of December. So, yeah, it's all virtual. It's it's online, where you can go to guelph.ca. And you can watch the conversation unfold.

Wendy King 15:19

I know that that's got to have been a major. Gosh, I can't even imagine how you all did your jobs in this crazy world we're in at the moment. But and we're going to talk about that in another podcast is specifically how COVID has impacted all of the work that you're having to do at at City Hall and golf. But it What has this been kind of exciting learning curve for you guys?

Jenny Smith 15:47

Absolutely, I would say that this, this is a year of change. And there's no better way or no better year maybe to also bring the change to the budget process. I guess the last point, just in terms of change that I did want to highlight here is, is the the multi year aspect of the budget that's gonna come forward. In the past, it's really only been a single year, and now this year Council is going to see four years of operating budget, we're still only asking for approval of just 21. But it's going to it's going to enhance the conversation council can have by understanding the impacts over a four year period, given that our strategic plan and our initiatives are long term in nature. And so that then allows the it provides the platform for counsel to

have conversations about priorities and what year they fall in, to in a way that they've never been able to do in the past.

Wendy King 16:49

Yeah, that makes total sense, Jenny, how have you found it all the changes?

Jenny Smith 16:54

` Well, there's been a lot of changes. And I think like everybody in the community, we've done our best to adapt. And there have been some challenges along the way. But I think that, you know, some of the things that that we're now doing differently are certainly worth worth it and will take us to a good place in the future.

Wendy King 17:12

Absolutely. So, Jenny, and Tara, thank you so much for all that information. I know we're going to be chatting again over the next few weeks. So any last thoughts, ladies?

Tara Baker 17:24

No, thank you. This has been a great first. A great start first attempt here. So thank you.

Jenny Smith 17:33

Looking forward to seeing everybody at budget. Thanks so much.

Wendy King 17:37

Absolutely. So we got a lot of information, we can certainly look forward to a lot more as well. And that's all the time we have for today. Thanks to Tara and Jenny for joining me today.

I'm Wendy King with the city of Guelph. Big G in Conversation podcast. Thanks for joining me. If you have ideas for a show or comments, you can email bigGpodcast@guelph.ca. Until next time, take care and let's keep the conversation going.

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