



# 2025 Draft Operating Budget

Tom Thomson Art Gallery

November 6, 2024

# Purpose

- Provide committee with background on budget development
- Share feedback received through public survey
- Present the draft budgets (costings) for divisions and understand how the committed service levels inform budgets and workplans
- Provide an opportunity for feedback and input from committee members ahead of Council review of budget

# Budget Timeline

- 2025 Budget initiated June 2024
- Public Budget Survey via website – Closed August 12
- Staff Budget Kickoff Meeting – July 16
- Departmental Budget Meetings with Finance – August 13 and 14
- Draft Budget Meetings with City Manager – September 6 and 9
- Committee Presentations – October
- Finalize Draft Budgets – November
- Council Special Meeting – December 9 and 10



# Public Survey

# Public Survey

- In mid-July, a dedicated [2025 Budget Engagement project page on the OurCity platform](#) was launched to provide background and basic information about the municipality's budget process.
- It served as an education tool for understanding how the City's budget is built and the responsibilities of each level of government.
- The online survey was active from July 16 - August 12, 2024.
- 110 people completed the survey.
- Paper copies of the survey were available by request.



# Survey Promotions

- A media release emailed to all local media outlets and news subscribers.
- A direct link with an image on the City's website homepage and the Budget and Finance web page.
- Promotional posts on Facebook, Instagram, Twitter, and the City Hall digital screen repeated twice per week during the survey period.
- Promotion in the tax insert sent with all final property tax bills in June and it was included in the City Manager's monthly updates at Council.



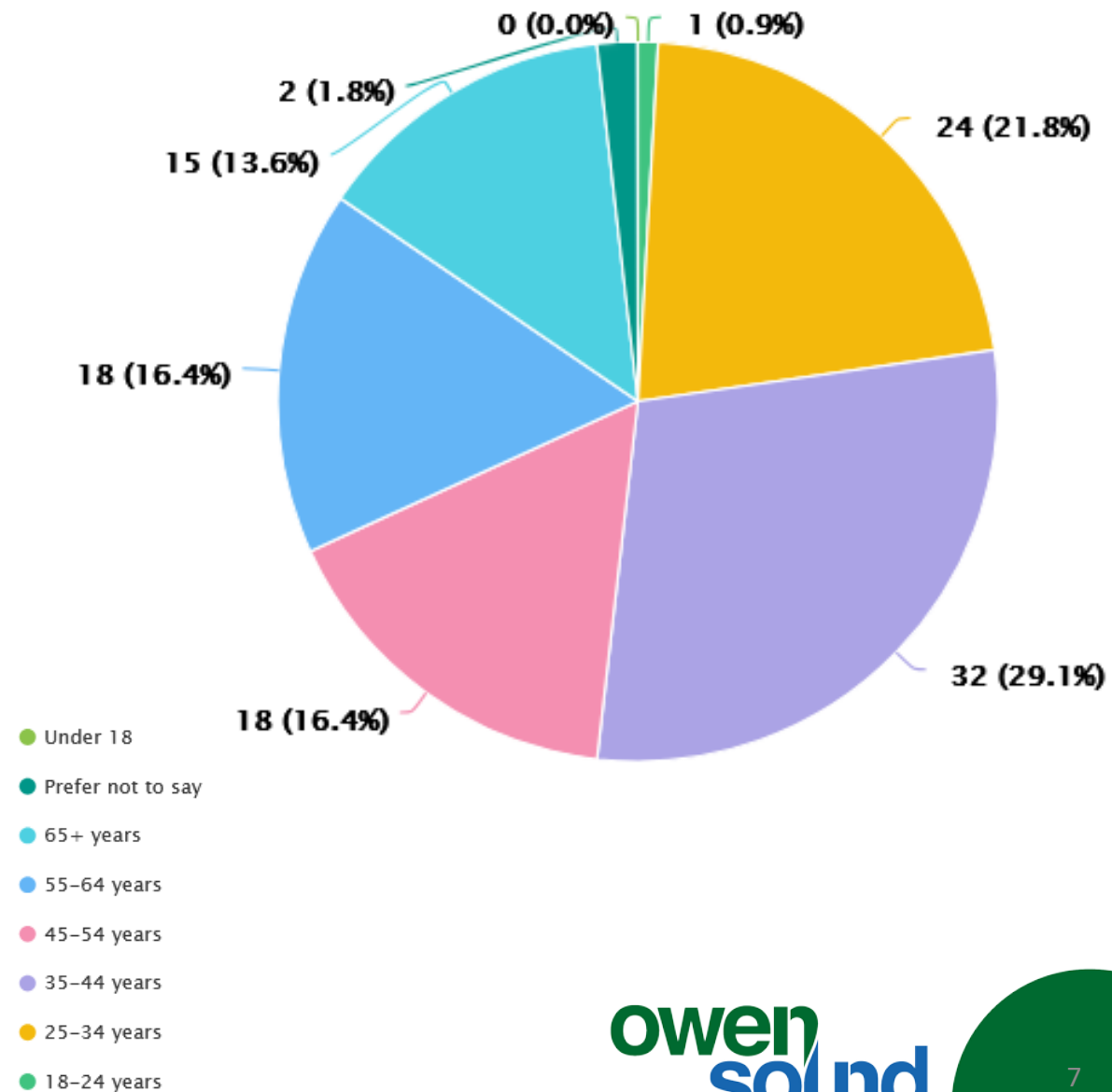
**ENGAGE IN THE CITY'S  
BUDGET PROCESS**

**owen  
sound**  
where you want to live

Take the survey and learn more at  
[OurCity.OwenSound.ca](https://www.ourcity.owensound.ca)

# Survey Demographics

- 51% of respondents are between the ages of 25 - 44 years old
- 78% of respondents live in Owen Sound; 43% work in Owen Sound, 9% own businesses in Owen Sound, 19% live nearby and use municipal services



# Survey Insights

- The top-ranked way to deal with increased costs for municipal services is to increase user fees (increasing property taxes is the lowest-ranked option)
- 32% of respondents would appreciate multi-year budgeting (four-year rates set each term of Council), but 47% prefer to remain with one year at a time changes
- 82% of respondents prefer to provide feedback via an anonymous online survey



# What Did We Learn?

- The most frequently mentioned response to where people go to receive information about the municipality's budget is the City's website; the majority of respondents indicated that they heard about this survey through social media.
- Several questions in the budget survey were related to level of service and cost implications. As service review projects are underway, information from the budget survey will be considered in that analysis.



# Budget Development

# Budget Development

What is a budget and why is it important?

- Legislatively required • Governed by Part VII of the Municipal Act.
- Provide fiscal accountability to residents and businesses •
- Allocate resources (People, \$) to deliver services to the public •
- Demonstrate fiscal management •
- Manage internal controls •
- Provide management information •
- A communication tool to the public how property tax money is spent •
- Achieve strategic goals
  
- The budget drives Property Tax Revenue

# Municipal Act

- Budgets must be balanced (revenues equal expenditures)
- Budgetary basis of accounting is different than GAAP
  - Budgets include debt payments
  - Do not include amortization, post employment benefit accruals, accretion expense associated with ARO and post closure costs
  - Commonly referred to as a modified cash basis
  - Multi Year budgets are allowed since 2006
  - In election years, budgets must be adopted by Council in the year they are prepared

# Council's Role in the budget

- Identifies Council priorities to the Senior Leadership team
  - Strategic Plans
  - Tax Rate impacts
  - Conveys resident and business concerns
  - Sets Service Levels
- Holds leadership accountable in how the town spends its money.
  - Financial impacts of decisions
  - Regular financial updates
- Responsible for budget approval

# Treasurer Role in the Budget

- Prepares budget guidelines and assumptions
- Provides revenue projections
- Allocates funding forecasts
- Consolidates department budgets into budget documents
- Determines levy requirement to fund the budget
- Analyzes impacts to reserves and reserve targets
- Ensures adherence to fiscal policies and legislative requirements
- Analyzes long term financial impacts (fiscal health)



# Management Role in the Budget

- Develops costings given the service levels provided by Council
- Identifies cost pressures and containment options
- Works with finance to develop strategies to address funding shortfalls
- Communicates with leadership how funding allocations may impact service levels.

# Role for Committee

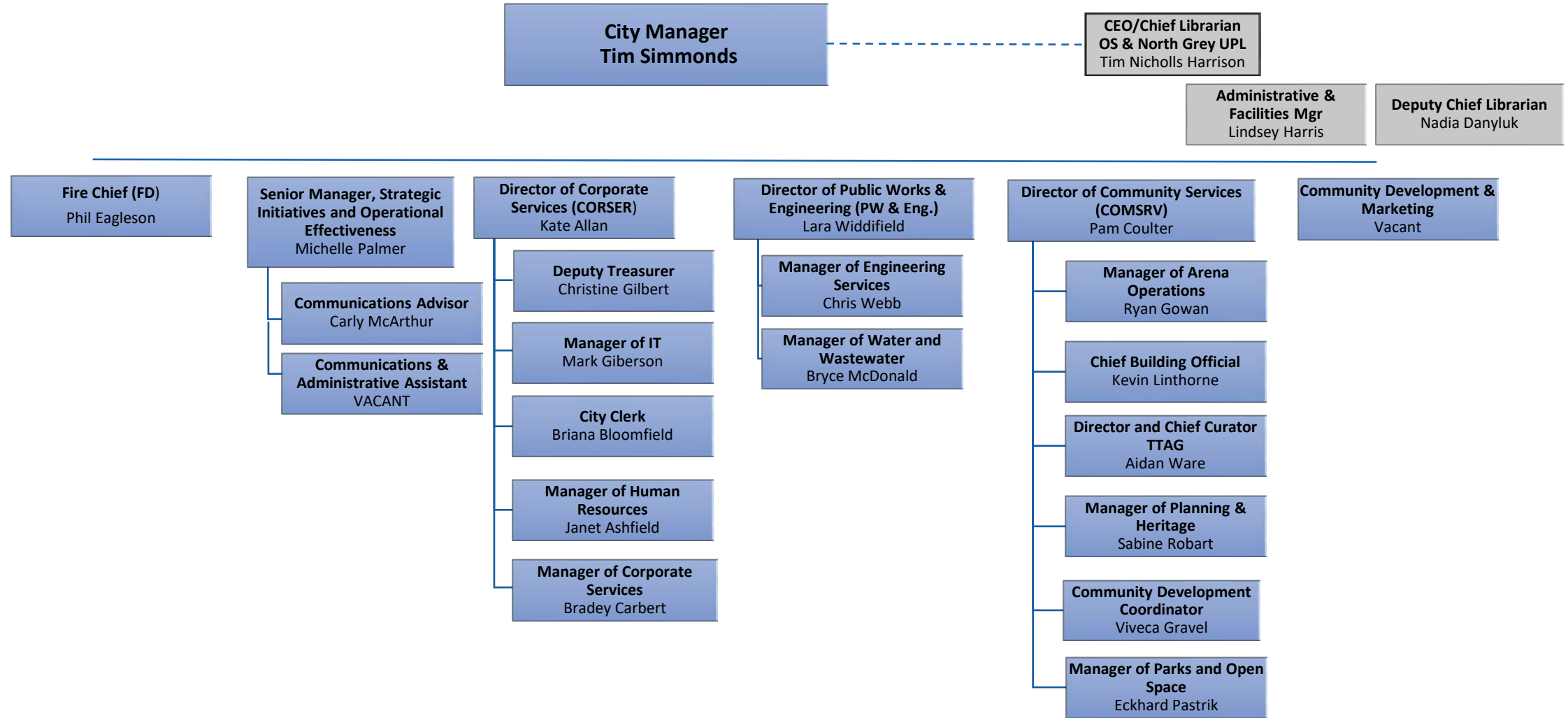
- Including committees in draft budget presentations is an engagement exercise to capture feedback and suggestions from public members that may be considered in future workplan development.
- Develop an understanding of required funding for each division and department based on confirmed service levels and existing staff complements
- Allow the budget to provide context for future work plan development
- Allow the budget to provide context for future service level considerations

# Common Budget Approaches

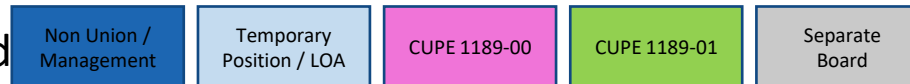
- Zero Based
- Incremental
- Traditional
- Priority Driven
- Participatory
- Service Based

# 2025 Draft Operating Budget

Increase Summary							
							<i>% Impact</i>
BB	BASE BUDGET		701,268	2.01			
SLC	SERVICE LEVEL CHANGES CURRENT YEAR		(84,000)	(0.24)			
PYC	PRIOR YEAR DECISION IMPACT		94,464	0.27			
GROWTH	GROWTH IMPACT		35,000	0.10			
OMPF	ONTARIO MUNICIPAL PARTNERSHIP FUND		-	-			
ADJ	ADJUSTMENTS		148,690	0.43			
	<b>OPERATING INCREASE</b>		<b>895,422</b>				<b>3.86%</b>
CAP	CAPITAL		363,990	1.04			
<b>GENERAL BUDGETARY INCREASE</b>			<b>1,259,412</b>				<b>4.79%</b>
	POLICE SERVICES		554,370	1.59			6.46%
	LIBRARY		43,000	0.12			4.10%
<b>COMBINED BUDGETARY INCREASE</b>			<b>1,856,782</b>				<b>5.32%</b>
REGION	REGIONALIZATION		-	-			
<b>TOTAL BUDGETARY INCREASE</b>			<b>1,856,782</b>	<b>5.32</b>			<b>5.32%</b>



Legend



CITY OF OWEN SOUND  
TOM THOMSON ART GALLERY  
DRAFT 2025 OPERATING BUDGET

		2025 DRAFT	2024	2023	VARIANCE
		BUDGET	BUDGET	BUDGET	
7501	GALLERY GENERAL	373,190	417,751	431,685	(44,561)
7510	GIFT SHOP	(2,150)	(3,650)	(9,650)	1,500
7520	MOVIES	(29,050)	(36,350)	(24,150)	7,300
7522	SPECIAL EVENTS	(58,000)	(79,500)	(65,000)	21,500
7525	ENDOWMENT FUNDS	(8,000)	(8,000)	(8,000)	-
7530	MEMBERSHIP	(7,500)	(7,500)	(9,500)	-
7533	COMMUNITY OUTREACH	400	400	400	-
7540	EXHIBITIONS	49,275	47,700	59,000	1,575
7550	COLLECTION MANAGEMENT	25,500	20,250	20,250	5,250
7560	EDUCATION	(3,200)	(3,200)	(3,200)	-
7562	STUDIO	(5,500)	(5,500)	(5,500)	-
7571	ONTARIO SEED	6,000	6,000	6,000	-
7585	BUILDING	84,500	84,500	82,000	-
		<b>425,465</b>	<b>432,901</b>	<b>474,335</b>	<b>(7,436)</b>



# Tom Thomson Art Gallery

	<b>BUDGET BREAKDOWN</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>change</b>
<b>5 FTE</b>	WAGES	571,871	629,957	587,785	(58,086)
<b>1 PTE</b>	DEBT PAYMENTS	-	-	50,000	-
	MATERIALS	187,500	174,250	182,950	13,250
	LEGAL AND CONTRACT	47,100	26,900	26,700	20,200
	<b>Gross Operating Costs</b>	<b>806,471</b>	<b>831,107</b>	<b>847,435</b>	<b>(24,636)</b>
					-
	GRANTS	(121,106)	(139,106)	(193,106)	18,000
	REVENUE AND USER FEES	(195,325)	(200,500)	(174,500)	5,175
	<b>Net Operating Budget</b>	<b>490,040</b>	<b>491,501</b>	<b>479,829</b>	<b>(1,461)</b>
	NET TRANSFERRED TO OTHER DEPT.	(34,575)	(43,600)	(5,495)	9,025
	MAT REVENUE	(30,000)	(15,000)	-	(15,000)
	<b>TAX BURDEN</b>	<b>425,465</b>	<b>432,901</b>	<b>474,335</b>	<b>(7,436)</b>