

Delegation to City Council, November 12, 2021:

### **2022 Operating Budget**

I find the operating expense budget for 2022 and by extension for 2023 to be too much relative to the comparator city of Barrie which is also a single tier municipality, demographically is similar to Guelph in population and land mass. The proposed operating expense budget is \$481 million which translates to \$3,500 per person of the population. As shown below in 2019, Barrie only spent \$2,525 per person.

Historically Guelph has both on an absolute total basis and a per person basis spent more on operating costs than Barrie which is just as old a city as Guelph and has similar aging infrastructure.

In 2016, Guelph spent \$30 million more than Barrie in operating costs. By 2019 (the last year before Covid), Guelph spent \$442 million versus \$367 million in Barrie a difference of \$75 million. The gap between the two has grown by \$45 million in 3 years. In 2019 on a per person basis Guelph spent \$3,357 but Barrie spent \$2,525, a difference of \$832 or 33%. In 2019 the Customer satisfaction survey for Guelph indicated 89% were satisfied. In 2019 the Customer satisfaction survey for Barrie indicated 96% were satisfied. Where is the value in the operating cost spending in Guelph? Guelph spends more on a gross basis on a smaller population base and spends more on a per person basis, yet the customer satisfaction results are worse in Guelph than in Barrie. The big excuse in Guelph over its high operating costs has typically been we have no control over a number of expenses and it goes on to list: the library, policing, hospital, union contracts. Barrie has all the same items to contend with but it manages to spend significantly less money than Guelph yet have a higher customer satisfaction than Guelph. In Guelph's strategic plan, value for money is emphasized. Value for money is clearly not displayed in these numbers. Guelph has to cut down its operating costs.

The proposed capital budget for 2022 and 2023 is \$141M and \$162M which is considerably below that of 2021 which was \$263M. How do these projected numbers reconcile with the fact earlier this year the City added additional project managers to the payroll when it appears the number of projects is in fact diminishing in the near future. Are these project In a statement earlier this year the city converted 16 project managers to permanent. Are these now permanently in the base budget? Why are all these needed if expenditures are decreasing?

The question asked of me a few budgets ago was what services should we cut? Clearly in an organization of this size, there is a lot of administrative bureaucracy that could be cut that would not impact outward facing services. See the earlier comment on project management. The city goes through the motions of service reviews but these are conducted by the very departments that would be impacted by cuts. So how impartial and fair are these reviews? A citizens committee would be more independent and cut out built in biases.

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