



Date: 2025-01-27

To: Township of Lake of Bays Mayor and Councillors
Patricia Allen, Township of Lake of Bays Treasurer
Carrie Sykes, Township of Lake of Bays Clerk

Re: **2025 Draft Operating and Capital Budget**

The Lake of Bays Association (LOBA) has the following comments on the Draft 2025 Township Budget being considered by the Council on January 28, 2025.

In our past letter, we raised concerns about the deficiency and lack of transparency of the budget process. The most recent staff report to Council does provide more information and rationale, particularly the information about 2024 actuals and the roads and fire department costs. This is a positive development, but it comes late. For the 2026 Budget, we urge the Council to use a process that is more open, informative and consultative from the beginning, as was done for the 2024 budget.

LOBA accepts that a 5.99 % levy increase is responsible. It compares reasonably with increases in other jurisdictions. The Township faces a range of increased costs that need to be scrutinized but then must be met. We support expenditures to improve library services around the Lake, and the Muskoka District Road 117 streetscape in Baysville. We do hope that expenditure slows through traffic, improves the public realm, and encourages needed business development.

A priority area for expenditure that is not being adequately addressed is by-law enforcement. The Shoreline Development and Water Quality discussion paper for the Township's Official Plan review accurately states that development standards are "not often enforced." More needs to be done to stop the deterioration of the shoreline caused by non-compliant property owners. The Township should be staffed to adequately enforce the Community Planning Permit System.

At the same time, there is a troubling budgetary trend that has to be addressed. The township has not been generating enough revenues to meet its expenses and capital costs without significantly depleting reserve funds.

... / 2

One revenue omission that we continue to believe should be further considered is development charges. While consultant costs are apparently required before those charges can be put into effect, those costs will be offset in two years, and the charges should then start to produce net revenue for the Township.

Better identification of actual Short Term Rentals (STRs) may also be a source of revenue potential. The current budget forecasts revenues of \$90,045 versus expenses of \$123,715. We support further investigation of a tax on STRs as a potential future revenue stream.

LOBA would not be opposed to the selling of surplus land assets, that are not of heritage, housing, shoreline protection or other long-term interest to the Township, for the purpose of adding to capital reserves.

In any case, depletion of reserves and large use of debt financing are not a long term answer. The Township needs to concretely plan how to balance its budget in 2026 and following years. That will put it in the best position to sustainably provide the services and infrastructure that are so valued by the members of LOBA.

Thank you for your attention.

Sincerely,

Tim Hadwen, Chair Planning, Development and Government Relations Committee

Copies: Paul Gleeson, LOBA President

Kathryn Ogryzlo, LOBA Treasurer

LOBA Planning Development and Government Relations Committee members