

2020 Business Plan Operating Budget Overview Presentation to Council

Presented by: Craig Millar, Director of Finance

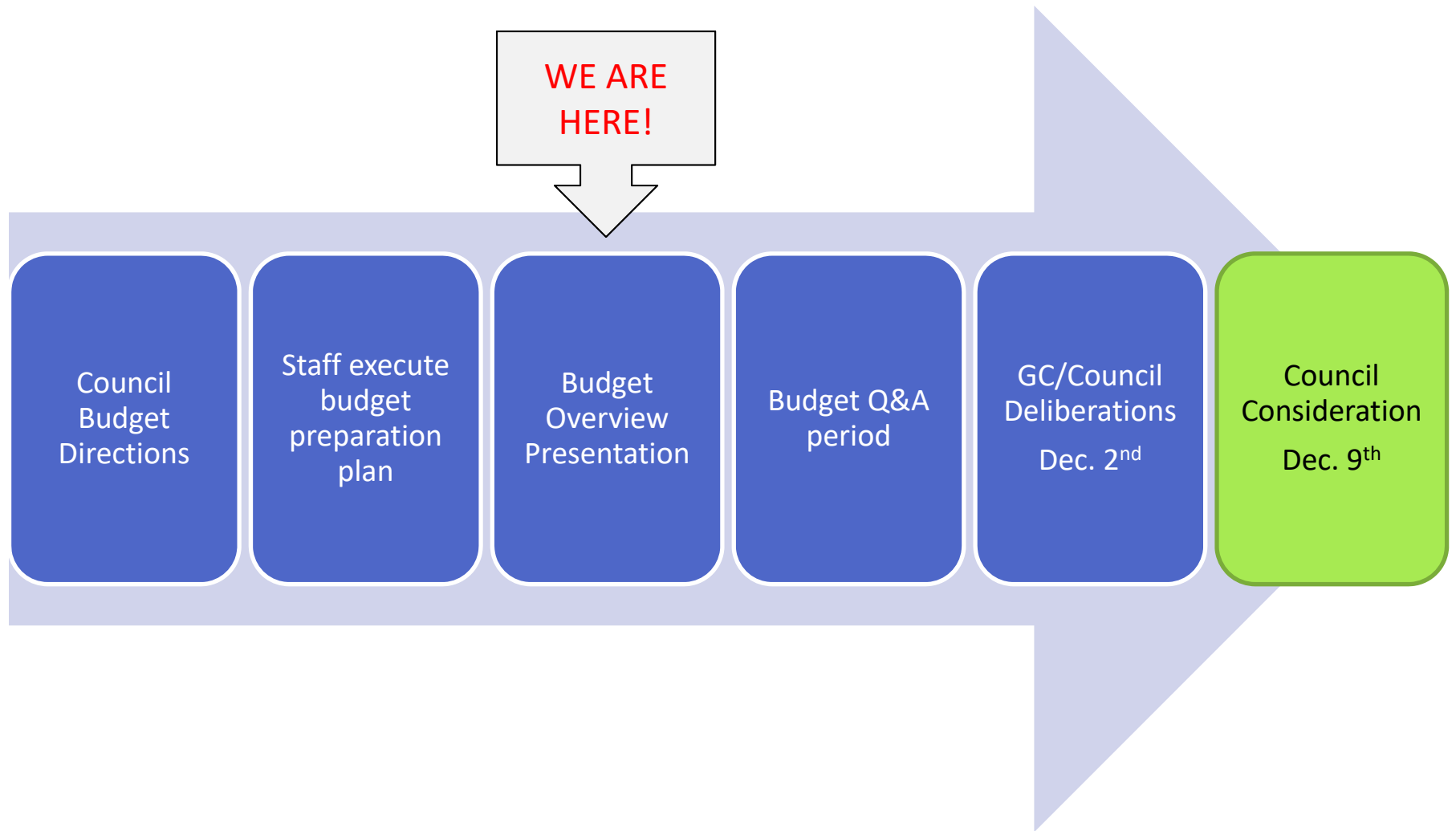
Date: November 4, 2019



Introduction



2020 Business Plan Process



2020 Budget Directions - Operating

Tax supported services

- Cap on any potential 2020 tax increase of 3%, excluding legislated changes, and the Dedicated Infrastructure Renewal Fund levy
- Options/strategies for smoothing the cost of service delivery related to growth pressures such as the net operating impact of capital

Service Partners

- Budget changes directly linked to Provincial legislated changes/announcements be identified separately

Other

- Increase the contribution to the tax capital reserve by \$110,000 for the purpose of accommodating an increase in active transportation initiatives

Summary of Proposed Tax Budget Changes

Descriptions	Tax Levy Increase/(Decrease)	Tax Rate Impact
Maintain service levels for current City operations	\$ 5,182,839	2.11%
Debt Management	\$ 1,179,911	0.47%
Growth Strategy	\$ (2,000,000)	-0.80%
Realized Assessment Growth		-1.60%
Investment & Service Recommendations	\$ 1,648,692	0.66%
Service Partners	\$ 2,586,163	1.03%
CITY & SERVICE PARTNER OPERATIONS	\$ 8,597,605	1.87%
Dedicated Infrastructure Renewal Fund	\$ 2,505,003	1.00%
Provincial Budget Impact	\$ 1,621,000	0.65%
TOTAL	\$ 12,723,608	3.52%



User Rate Budgets

Water

3.47%
Rate
Increase

Wastewater

3.83%
Rate
Increase

Parking

Held at
2019
Rates

Self-sustaining Operations. Revenue requirements based on full-cost recovery

Financial Outlook

S&P Global
Ratings

‘AA’ credit
rating
reaffirmed

“Barrie's growing and diversifying economy and strong financial management will continue supporting its fiscal performance and debt burden profile in the face of high population growth and elevated capital spending”

“...high levels of capital spending will continue stressing Barrie's budgetary performance, as the city prepares for very strong demographic growth in the coming decade...”

“However, we also expect the city to balance the implementation of growth-related projects with the materialization of external funds, chiefly development charges and developer front ending”

2020 Business Plan Capital Plan

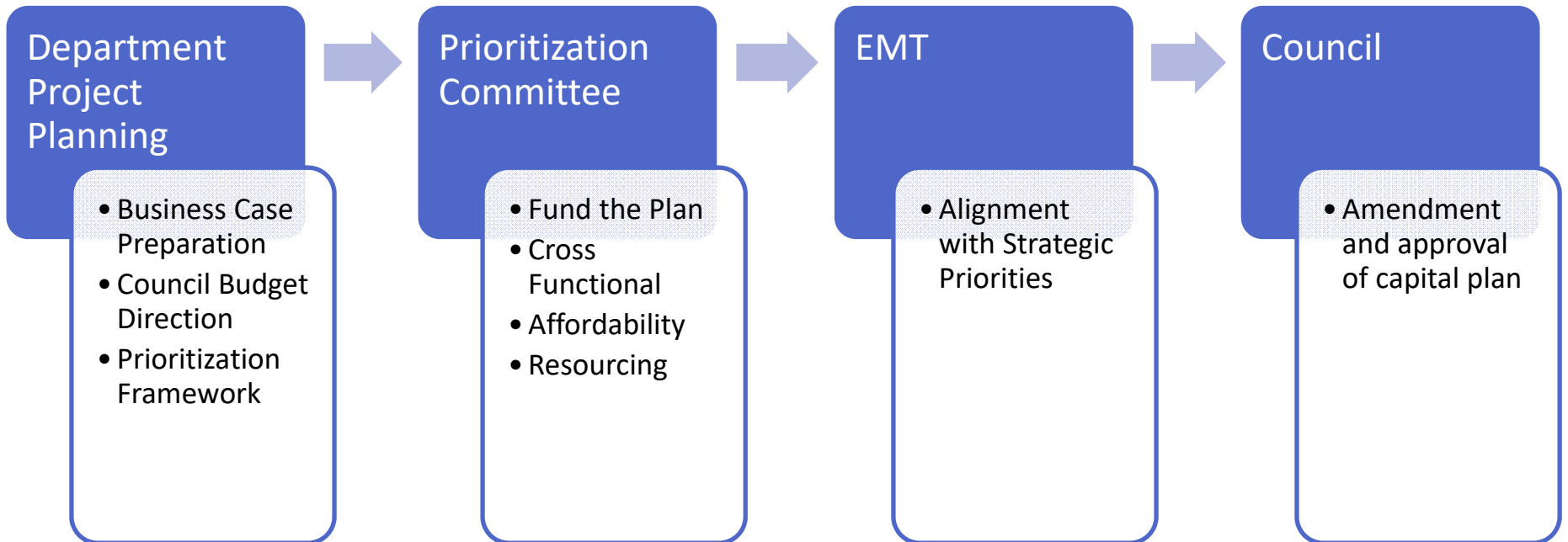


2020 Budget Directions - Capital

2020 – 2029 Capital Plan

- 10 Year Capital Plan
- Council's Strategic Goals
- Execution of Growth Management Plans
- Investment in renewing existing infrastructure using a risk based approach to project selection
- Availability of financial and staff resources
- Consideration of Net Operating Impact of Capital

The Capital Prioritization Process



Staff use a Prioritization Framework to develop a Capital Plan intended to address the City's highest priorities and most critical needs.

What's in the Plan?

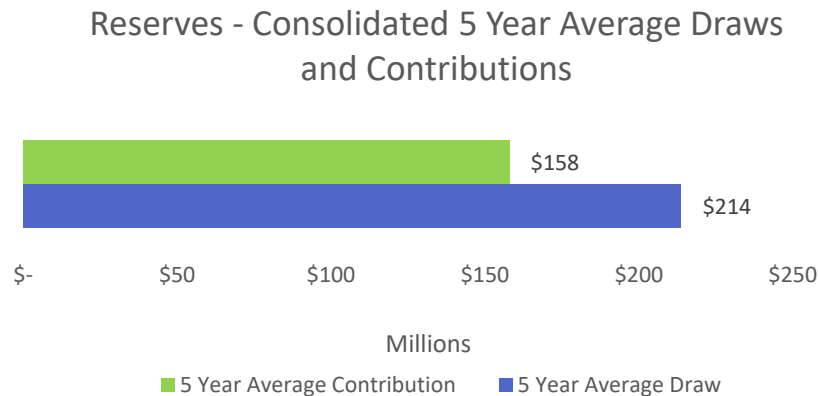


Capital Plan Key Projects

- Harvie Road Crossing
- Wastewater Treatment Facility upgrades and capacity expansion
- Bell Farm Road ROW expansion
- McKay Road ROW expansion
- Road Resurfacing
- Dunlop Street Corridor improvements
- Mapleview Dr. E Road expansion and new trunk watermain
- Storm pond upgrades

How is the Plan funded?

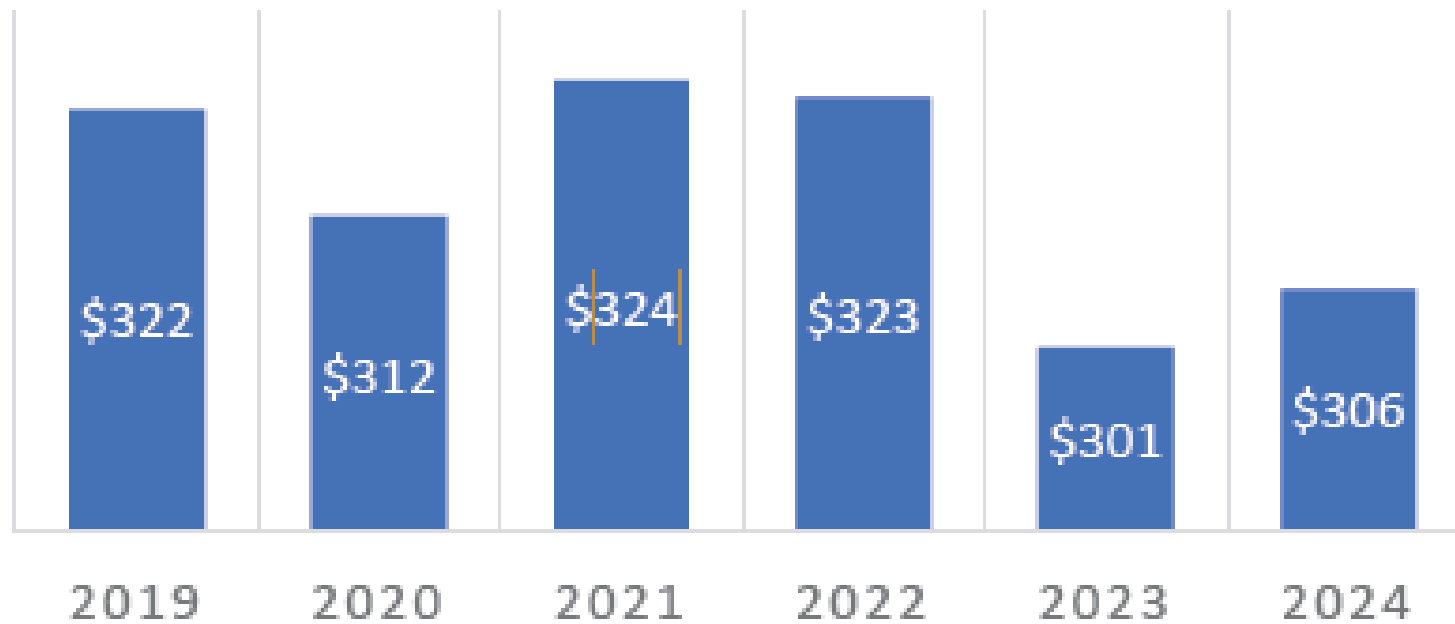
	2019	2020	2021	2022	2023	2024
Beginning Balance	\$ 142,384,383	\$ (34,581,618)	\$ (9,064,233)	\$ 41,262,136	\$ 47,719,757	\$ 2,122,712
Carryforward Capital Commitments	\$ (153,826,088)	\$ -	\$ -			
Approved Capital Commitments	\$ (158,487,269)	\$ (22,718,586)	\$ (2,762,883)	\$ -	\$ -	\$ -
Requested Capital Commitments	\$ -	\$ (76,154,837)	\$ (28,869,349)	\$ (13,245,000)	\$ (6,416,000)	\$ (1,350,000)
Forecasted Capital Commitments	\$ -	\$ -	\$ (84,936,298)	\$ (165,980,480)	\$ (205,336,346)	\$ (199,093,942)
Non-Capital Commitments	\$ (26,869,884)	\$ (25,913,230)	\$ (26,579,920)	\$ (28,240,987)	\$ (25,781,388)	\$ (29,693,663)
Total Commitments / Draws	\$ (339,183,240)	\$ (124,786,653)	\$ (143,148,450)	\$ (207,466,467)	\$ (237,533,734)	\$ (230,137,605)
Contributions to Reserves	\$ 147,509,337	\$ 150,304,038	\$ 193,474,819	\$ 213,924,087	\$ 191,936,689	\$ 193,541,795
Returned Carryforwards	\$ 14,707,902					
(Deficit)/Surplus Reserve Balance	\$ (34,581,618)	\$ (9,064,233)	\$ 41,262,136	\$ 47,719,757	\$ 2,122,712	\$ (34,473,099)



NOTE - Forecasted reserve balances are presented on a commitment basis and may not reflect actual cash flow.

Forecasted Debt Levels

Forecasted Debt Levels Per Year (\$ millions)



Next Steps

November 4 – 29, 2019

- Budget Q&A

November 25, 2019

- Service Partner Presentations

December 2, 2019

- GC Budget Deliberations

December 9, 2019

- Council Approves 2020 Budget & Business Plan

Contact www.Barrie.ca/Budget for City of Barrie budget information and to access the Budget Allocator tool.

Questions can be emailed to budget.questions@barrie.ca