

2023 Business Plan & Budget

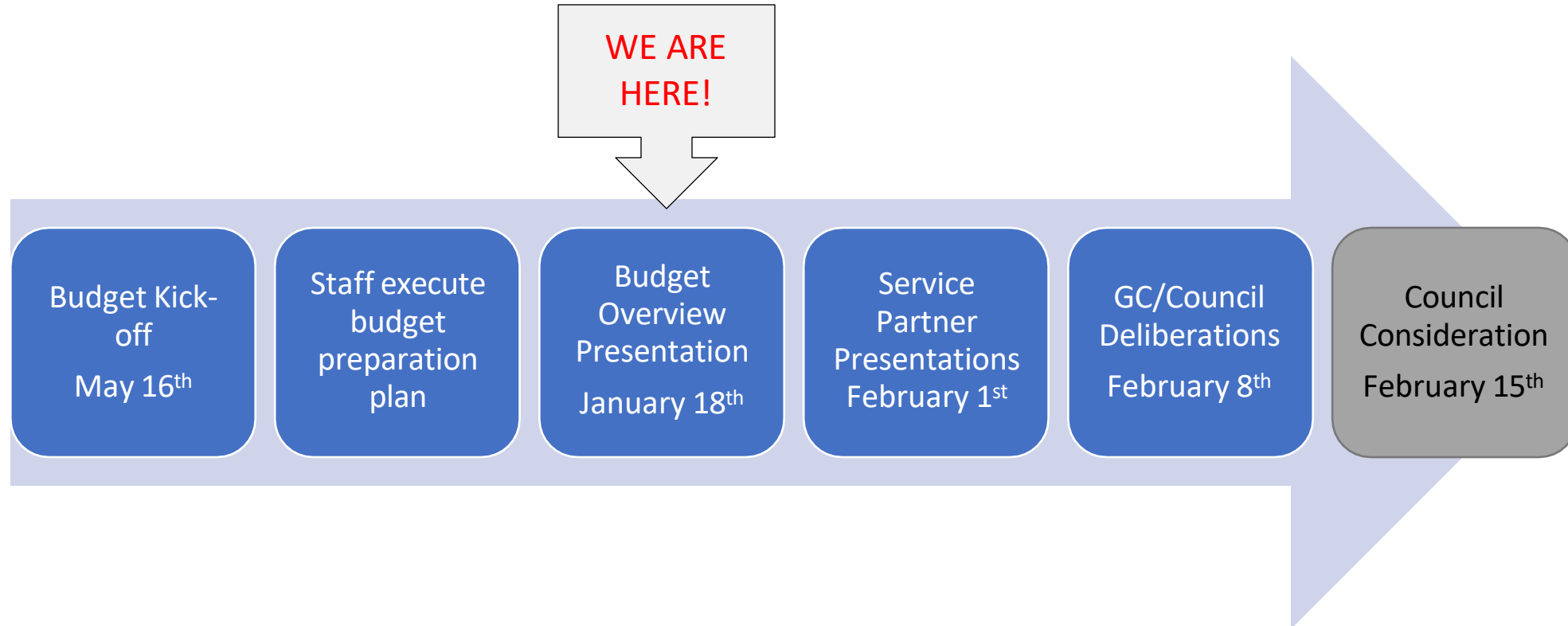
Overview Presentation



Services and Service Levels



2023 Business Plan Process



Financial Management & Condition

- Financial Policy Framework
- Capital Financing and Debt Policy
- Purchasing By-law
- Dedicated Infrastructure Renewal Fund
- 2022 Standard & Poor's increased the City's credit rating to AA+ 
- Capital Reserve Balances
- Development Charge Reserves



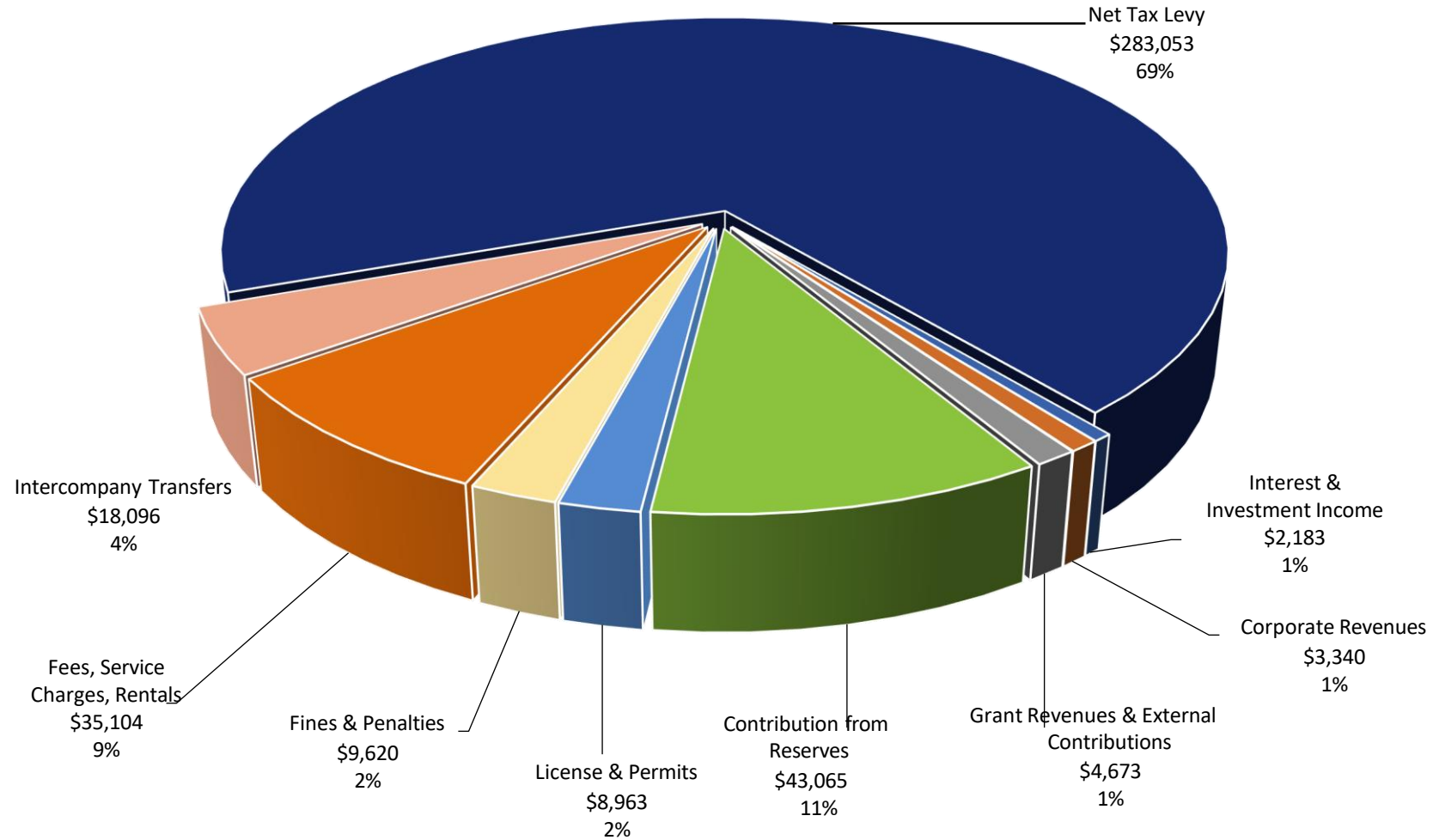
2023 and Beyond Pressures

- Inflation and higher interest rates
- Operating costs of New Capital Infrastructure coming online in the City
- County of Simcoe Reserve will face increasing pressures in the next 5 years related to County Capital Plan
- Bill 23 will have an impact on development charge collections
- Development charge collections are variable and an economic slowdown could lead to stranded infrastructure

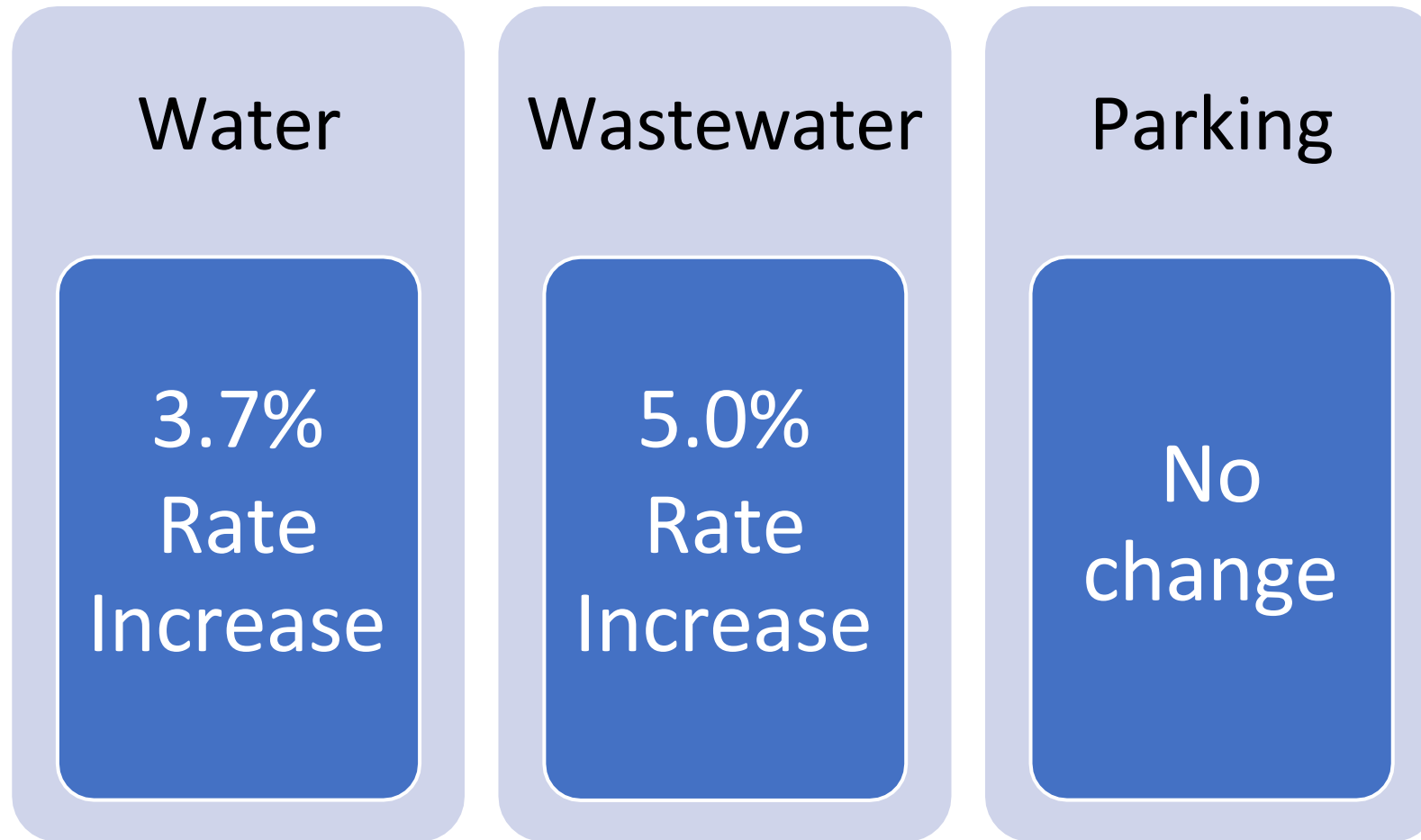
2023 Proposed Tax Rate Impact

Description	Tax Levy Increase/ (Decrease)	Tax Rate Impact
Maintain service levels for City operations	\$ 8,108,973	2.66%
Decreased Operational Subsidy (Safe Restart, Reserve Draws)	\$ 4,775,000	1.57%
Debt Management	\$ (870,716)	-0.29%
Reserve Contributions (excluding DIRF, CoS)	\$ (6,635,834)	-2.18%
New Investment & Service Recommendations	\$ 1,320,843	0.43%
Estimated Assessment Growth	\$ (4,000,000)	-1.31%
City Operations	\$ 2,698,265	0.88%
Service Partner Budget Requests (including CoS Capital Transfer)	\$ 6,303,393	2.07%
Dedicated Infrastructure Renewal Funding	\$ 3,050,000	1.00%
Total	\$ 12,051,657	3.95%

2023 Sources of Operating Revenue - \$408M (\$000s)



User Rate Budgets



Stormwater Charge Implementation

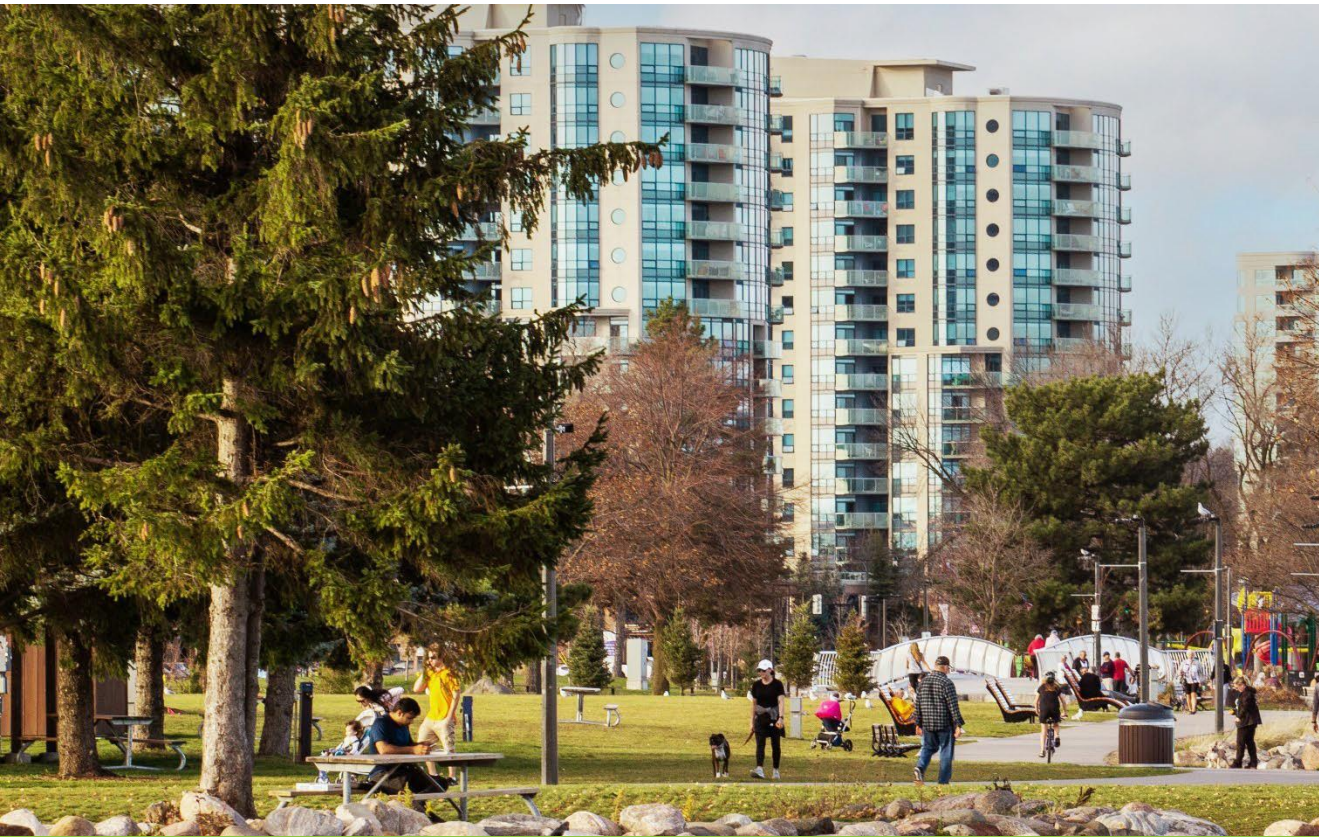
Stormwater Rate Impacts	
Description	2023 Budget
Stormwater User Fees	\$ 7,875,000
Federal Gas Tax to cover first three months of 2023	\$ 2,625,000
New Stormwater Climate Action Fund Revenue*	\$ 10,500,000

* Previous funding for the same services was included in the tax levy

The average annualized stormwater bill paid by a Residential Detached unit was \$174 on the tax levy. Under the new Stormwater rate, the proposed annualized charge will be \$129 or \$10.75 per month. For 2023, the proposed rate will be billed for 9 months beginning April 1, 2023, and will total \$96.75 for the year.

2023 Capital Plan

Overview Presentation

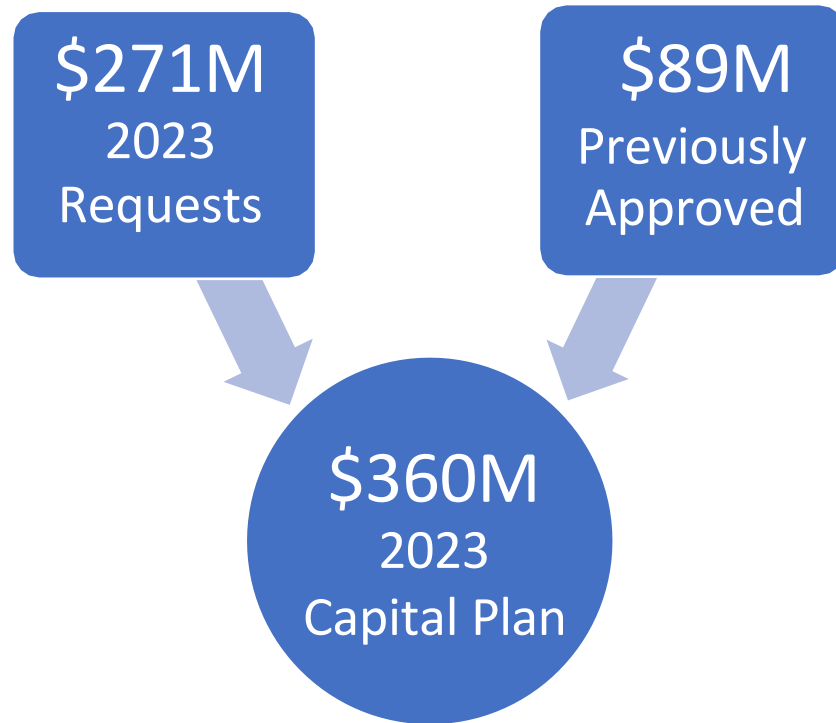


CAPITAL PLAN 2023

Capital Plan Objectives

- Update existing **10 Year Capital Plan** (1 Year Budget, 4 Year Forecast, 5 Year Outlook)
- Prepare 2023 Capital Budget with appropriate consideration of:
 - Council's **strategic goals**,
 - Focus on the execution of **Growth Management Plans**,
 - Investment in renewing the City's existing infrastructure utilizing a **risk based approach to project selection**,
 - Availability of **financial resources** and consideration of the Financial Policy Framework, and
 - Availability of **staff resources** to do the work

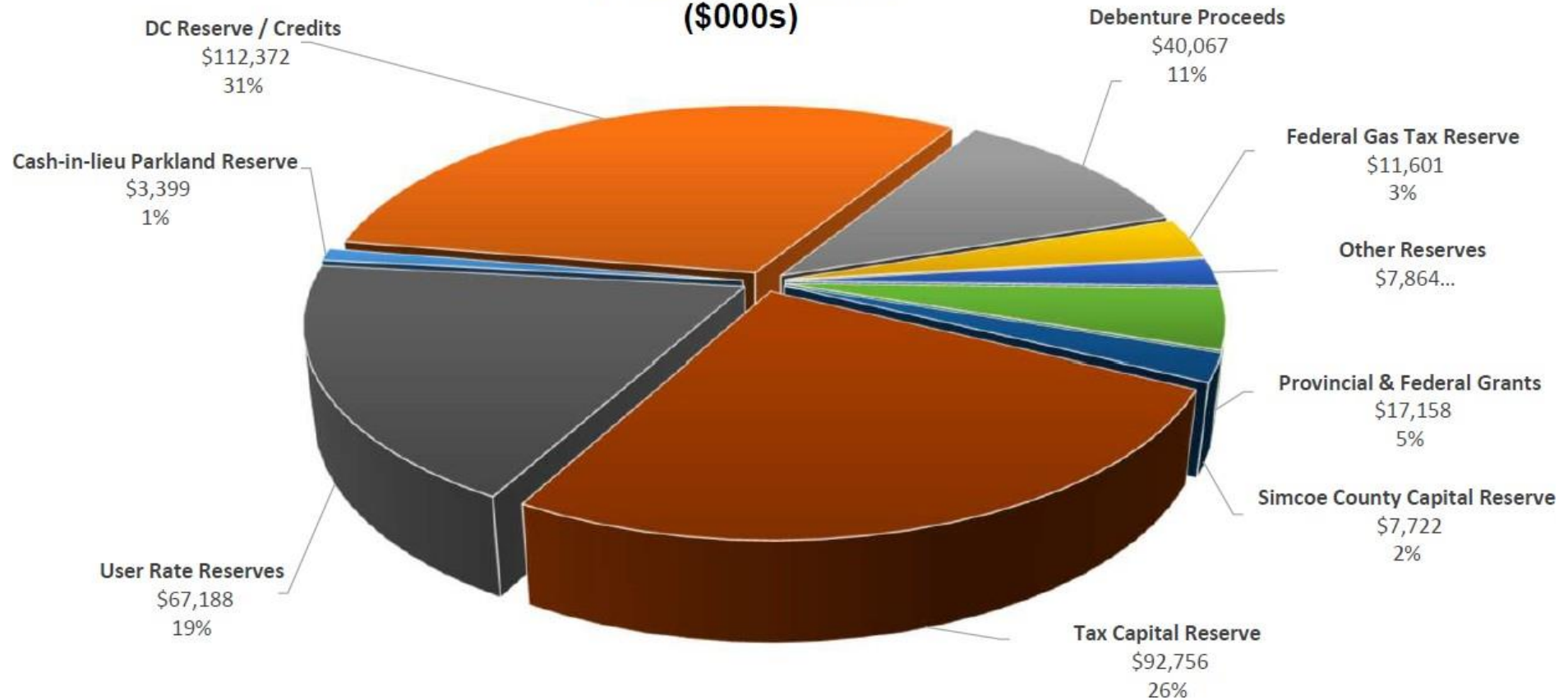
What's in the Plan?



Some of the key projects included in 2023 are listed below:

Capital Plan Key Projects	2022 Phase
Wastewater Treatment Facility upgrades and capacity expansion	"Study/EA Pre-Design/Design Construction"
Fire Station 6	"Property Construction"
NRP–HNS Brock Park Neighbourhood Reconstruction	Construction
Bayfield Street Right of Way Expansion–Cundles to Grove (aligned with MT interchange work)	EA/Pre-Design
Road Resurfacing Program	Construction
Operations Centre Master Plan – Implementation	Construction
Various Flood Mitigation Improvements	All phases
Duckworth Street – Bell Farm to St. Vincent	Construction
Bryne Drive – Harvie to Caplan	Construction
Infrastructure Master Plans to 2051	Study

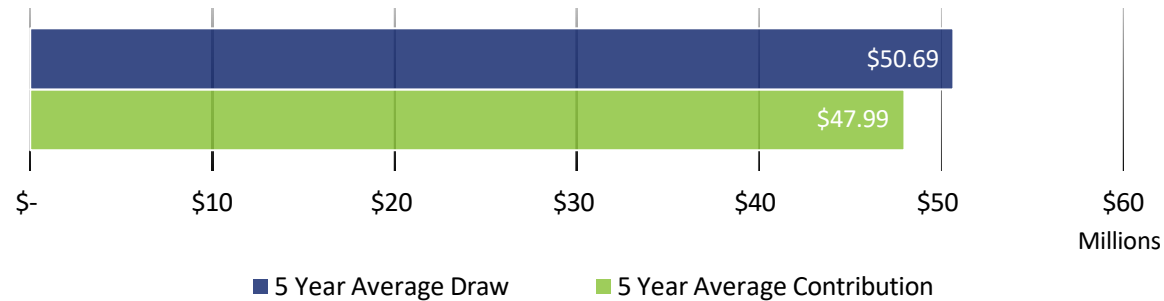
2023-2027 Requested Capital Spending Authority By Funding Source Total \$360.1 Million (\$000s)



Tax Capital Reserve balance is low

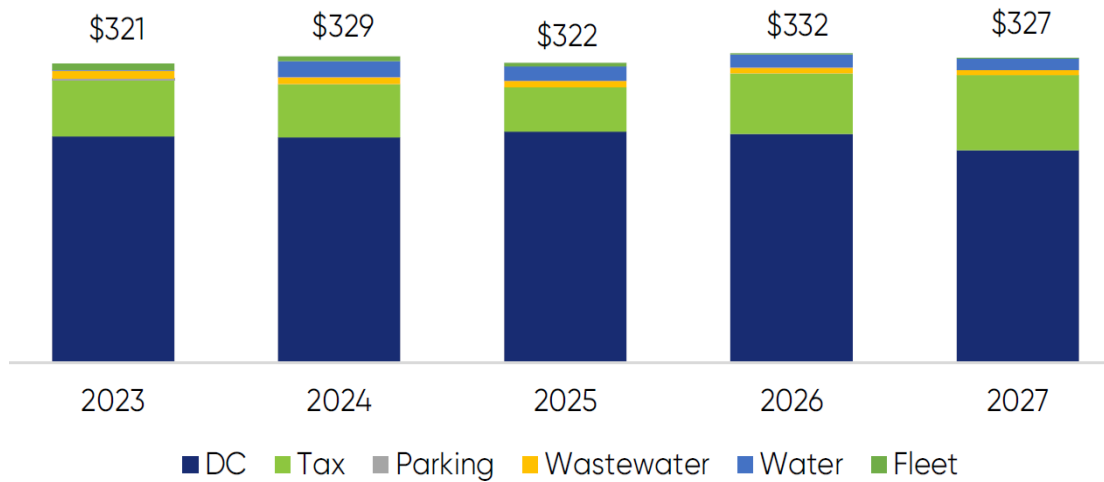
Tax Capital Reserve	2023	2024	2025	2026	2027
Beginning Balance	\$ 31,444,140	\$ 15,935,598	\$ 1,635,216	\$ 825,214	\$ 9,973,877
Draws: Previous Commitments	\$ (14,963,480)				
Draws: 2023 Business Plan	\$ (38,858,124)	\$ (55,466,320)	\$ (49,631,520)	\$ (47,193,952)	\$ (47,336,224)
Contributions: MOU Capital	\$ 2,520,000	\$ 2,730,000	\$ 7,650,000	\$ 12,430,000	\$ 11,410,000
Contributions: 2023 Business Plan	\$ 35,793,061	\$ 38,435,938	\$ 41,171,518	\$ 43,912,615	\$ 43,912,615
Uncommitted / (Overcommitted) Reserve Balance	\$ 15,935,598	\$ 1,635,216	\$ 825,214	\$ 9,973,877	\$ 17,960,268

Tax Capital Reserve 5 year Average Draw and Contribution

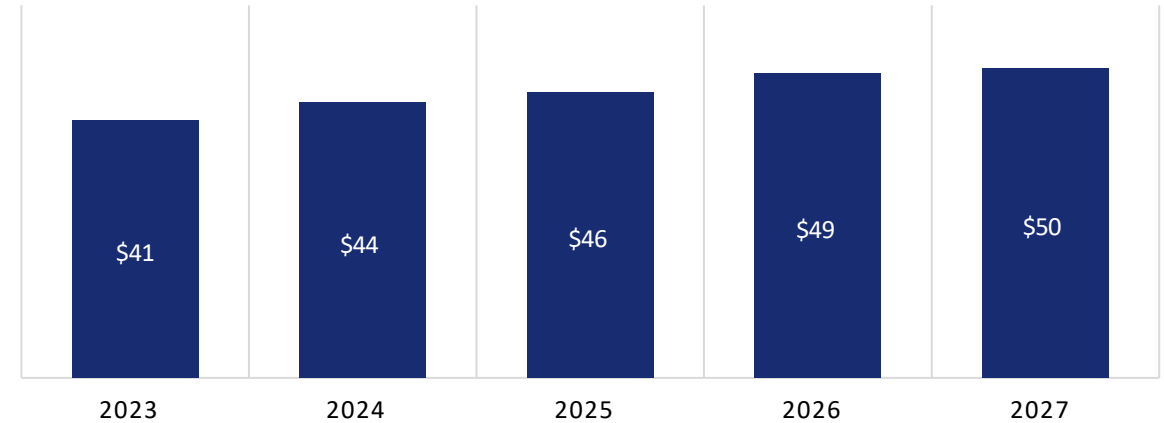


Debt

FORECASTED DEBT LEVEL PER YEAR BY FUNDING SOURCE (In Millions)



EXPECTED DEBT SERVICING COST PER YEAR (IN MILLIONS)



Key Credit Rating Factors: Institutional Framework, Economy, Financial Management, Budgetary Performance, Liquidity and Debt Burden

Next Steps

January 18th, 2023

- Budget Binder Distribution

January 18th – February 3rd 2023

- Budget Q&A

February 1, 2023

- Service Partner Presentations

February 8th & 15th, 2023

- GC /Council Consideration and Approval of 2023 Budget & Business Plan

Refer to www.Barrie.ca/Budget for City of Barrie budget information

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