

**City Of Barrie**

**2015 Business Plan & Budget**

**Budget Discussion**

**General Committee**

**March 2<sup>nd</sup>, 2015**

# Update Of Budget Summary

Financial Summary - Tax Rate						
	Budget Binder		Recommended Amendments		Recommended 2015 Budget	
	2015 Budget	Tax Impact <sup>1</sup>	Amendments	Tax Impact <sup>1</sup>	Recommended 2015 Budget	Tax Impact <sup>1</sup>
<b>Prior Year Tax Levy</b>	<b>\$ 188,895,401</b>				<b>\$ 188,895,401</b>	
<b>Maintaining Current Service Levels - Operations:</b>						
Economic Adjustments	\$ 6,449,176	2.85%	\$ (263,590)	-0.12%	\$ 6,185,586	2.73%
Prior Period Decisions Annualized	\$ 1,856,104	0.82%	\$ (206,500)	-0.09%	\$ 1,649,604	0.73%
Interfund Charges	\$ (1,257,050)	-0.56%		0.00%	\$ (1,257,050)	-0.56%
Estimated Assessment Growth		-1.17%				-1.17%
<b>Subtotal - Maintain Current Service Levels - Operations</b>	<b>\$ 7,048,230</b>	<b>1.94%</b>	<b>\$ (470,090)</b>	<b>-0.21%</b>	<b>\$ 6,578,140</b>	<b>1.74%</b>
<b>Debt &amp; Reserve Management</b>						
Debt Management	\$ (1,046,153)	-0.46%	\$ (6,268)	0.00%	\$ (1,052,422)	-0.46%
Reserve Management	\$ 2,199,699	0.97%	\$ (200,000)	-0.09%	\$ 1,999,699	0.88%
<b>Subtotal - Debt &amp; Reserve Management</b>	<b>\$ 1,153,546</b>	<b>0.51%</b>	<b>\$ (206,268)</b>	<b>-0.09%</b>	<b>\$ 947,277</b>	<b>0.42%</b>
<b>Subtotal - Increase to tax levy before Recommended Scenarios and Service Partner Budget Requests</b>	<b>\$ 8,201,776</b>	<b>2.45%</b>	<b>\$ (676,358)</b>	<b>-0.30%</b>	<b>\$ 7,525,417</b>	<b>2.15%</b>
<b>Service Partner Budget Requests</b>	<b>\$ 2,723,371</b>	<b>1.20%</b>		<b>0.00%</b>	<b>\$ 2,723,371</b>	<b>1.20%</b>
<b>Subtotal - Increase to tax levy before Recommended Scenarios</b>	<b>\$ 10,925,147</b>	<b>3.66%</b>	<b>\$ (676,358)</b>	<b>-0.30%</b>	<b>\$ 10,248,788</b>	<b>3.36%</b>
<b>Recommended Scenarios:</b>						
Scenario A - Alternate Service Delivery	\$ 357,812	0.16%	\$ (84,056)	-0.04%	\$ 273,756	0.12%
Scenario B - Service Partner Adjustments	\$ (200,000)	-0.09%	\$ (791,946)	-0.35%	\$ (991,946)	-0.44%
Scenario C - Parking	\$ (743,000)	-0.33%	\$ -	0.00%	\$ (743,000)	-0.33%
<b>Subtotal - Recommended Scenarios</b>	<b>\$ (585,188)</b>	<b>-0.26%</b>	<b>\$ (876,002)</b>	<b>-0.39%</b>	<b>\$ (1,461,190)</b>	<b>-0.65%</b>
<b>Total Tax Levy before Dedicated Infrastructure Fund</b>	<b>\$ 199,235,360</b>	<b>3.40%</b>	<b>\$ (1,552,360)</b>	<b>-0.69%</b>	<b>\$ 197,682,999</b>	<b>2.71%</b>
Scenario D - 1% Dedicated Infrastructure Fund	\$ 1,448,409	0.64%		0.00%	\$ 1,448,409	0.64%
<b>Total Tax Levy</b>	<b>\$ 200,683,768</b>	<b>4.04%</b>		<b>-0.69%</b>	<b>\$ 199,131,408</b>	<b>3.35%</b>

<sup>1</sup> "Tax Impact %" reflects the total impact on the property tax bill, including the education component.

<sup>2</sup> "Estimated Assessment Growth" reflects additional tax revenue that will be realized in 2015 without changing rates. Therefore, this line reduces the tax impact.

# Tax Base Budget Adjustments – Reduced \$676,400

## Tax - Base Budget Recommended Amendments

### **Economic Adjustments:**

Mady Theatre Contracted Services	(40,000)
Access Barrie Employee Compensation	(43,590)
Mady CIP Incentive	(30,000)
Blue Box Revenue	(150,000)
<b>Total</b>	<b>(263,590)</b>

### **Prior Period Decisions Annualized:**

Transit Contract	(210,000)
Seniors Advisory Committee Budget	3,500
<b>Total</b>	<b>(206,500)</b>

### **Debt Management:**

Wastewater Debt Servicing Costs	(6,268)
<b>Total</b>	<b>(6,268)</b>

### **Reserve Management:**

DC Discounts/Exemptions Reserve Contribution	(200,000)
<b>Total</b>	<b>(200,000)</b>

# Scenario A – Tax Adjustments Reduced by \$84,000

## Appendix C of Staff Report

- Deleted
  - Elimination of Residential Landfill Tipping Fee Subsidy – tax impact +\$35,000
  - Deleted Waterfront and Marina Strategic Plan - \$0
- Stormwater Management Pond Maintenance funded with Federal Gas Tax – tax impact (\$250,000)
- Added:
  - Multi Residential Organics Pilot – tax impact +\$80,994
  - Geese Control Waterfront Parks – tax impact +\$50,000



# Scenario B – Service Partner Adjustments

## Reduce Impact by \$792,000

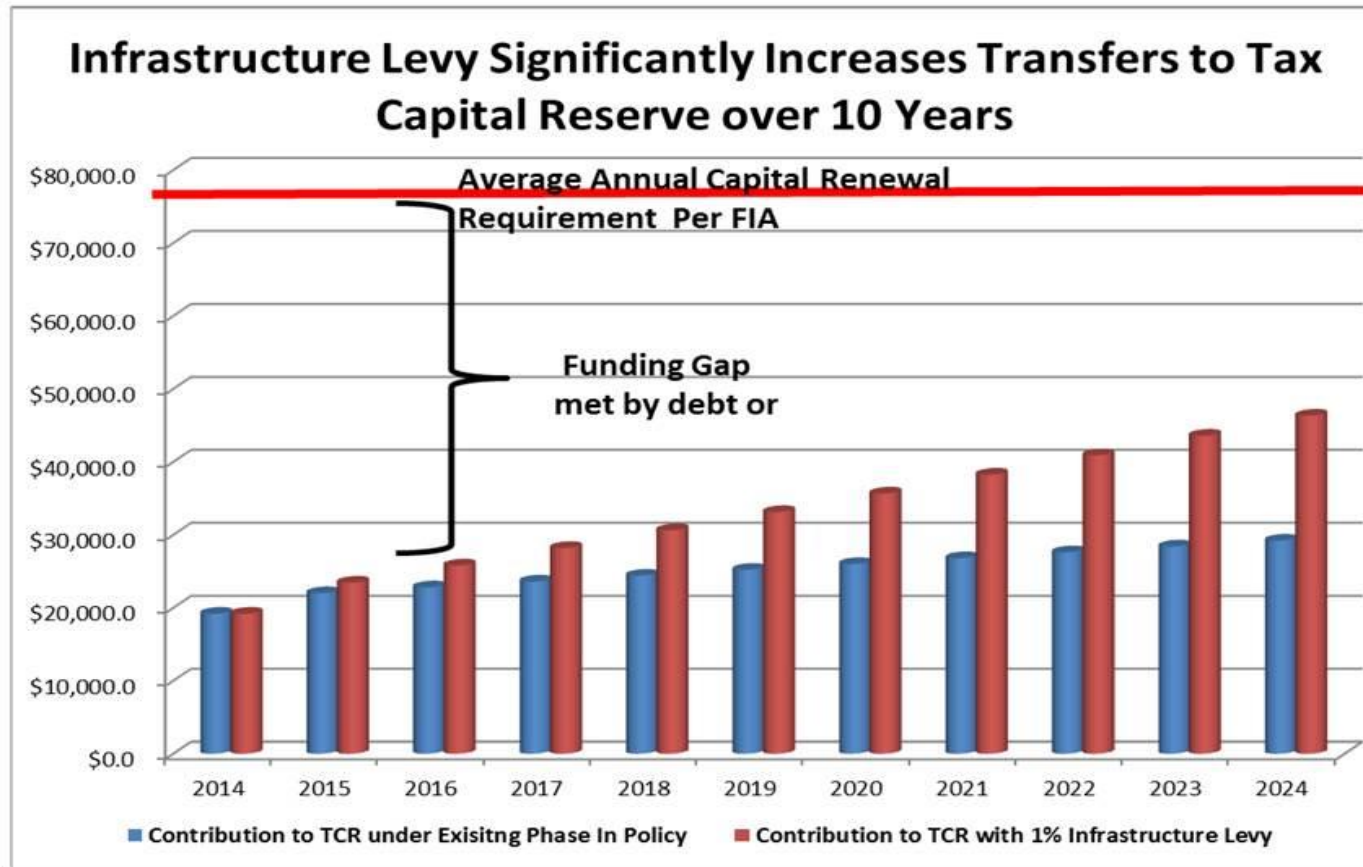
- Library 2014 Deficit of \$170,000 offset through year-end adjustments (Surplus or Reserves)
- Reduction to Simcoe County Operating Budget Request of \$315,171
- Reduction in transfer to County of Simcoe Capital Reserve of \$308,000
  - Original transfer based on simple average; 10 Year County Capital Forecast required \$1.408 M per year
  - Change will phase in reserve transfer to achieve same level of funding over 10 years

# Scenario C – Parking (Appendix F)

- Recommend implementation of Weekday Evening Parking (Mon-Fri 5 to 11)
  - 2015 Revenue - \$412,500; \$58,000 Operating Deficit
  - 2016 Revenue - \$825,000; Operations Self Sustaining
  - If not approved, tax subsidy of \$470,000 required – tax impact of 0.2%
- Appendix F outlines a number of alternative options

# Scenario D – Dedicated Infrastructure Fund

- Recommended



# Additional Information Requests

Items not included in recommended 2015  
Business Plan and Budget

- Multi Residential Front-End Garbage Collection
- Organics Collection Program Enhancement (Diapers)
- Operations Rightsizing implemented over three years



# Total Impact on Average Home

Description	% Increase	\$ Increase
Maintain Existing Service Levels	1.74%	\$64
Debt & Reserve Management	0.42%	\$15
Service Partners	1.20%	\$44
Scenarios A, B, C	(0.65)	\$(23)
<b>Total</b>	<b>2.71%</b>	<b>\$100</b>
Scenario D – Infrastructure Renewal Levy	0.64%	\$23
<b>Total Tax Impact</b>	<b>3.35%</b>	<b>\$122</b>
Water Bill	2.5%	\$7
Waste Water Bill	5.0%	\$20
<b>Total Impact to Average Home</b>		<b>\$149</b>

# Innovate Barrie All Staff Forum

## Question Period

# Innovate Barrie All Staff Forum

## Appendix

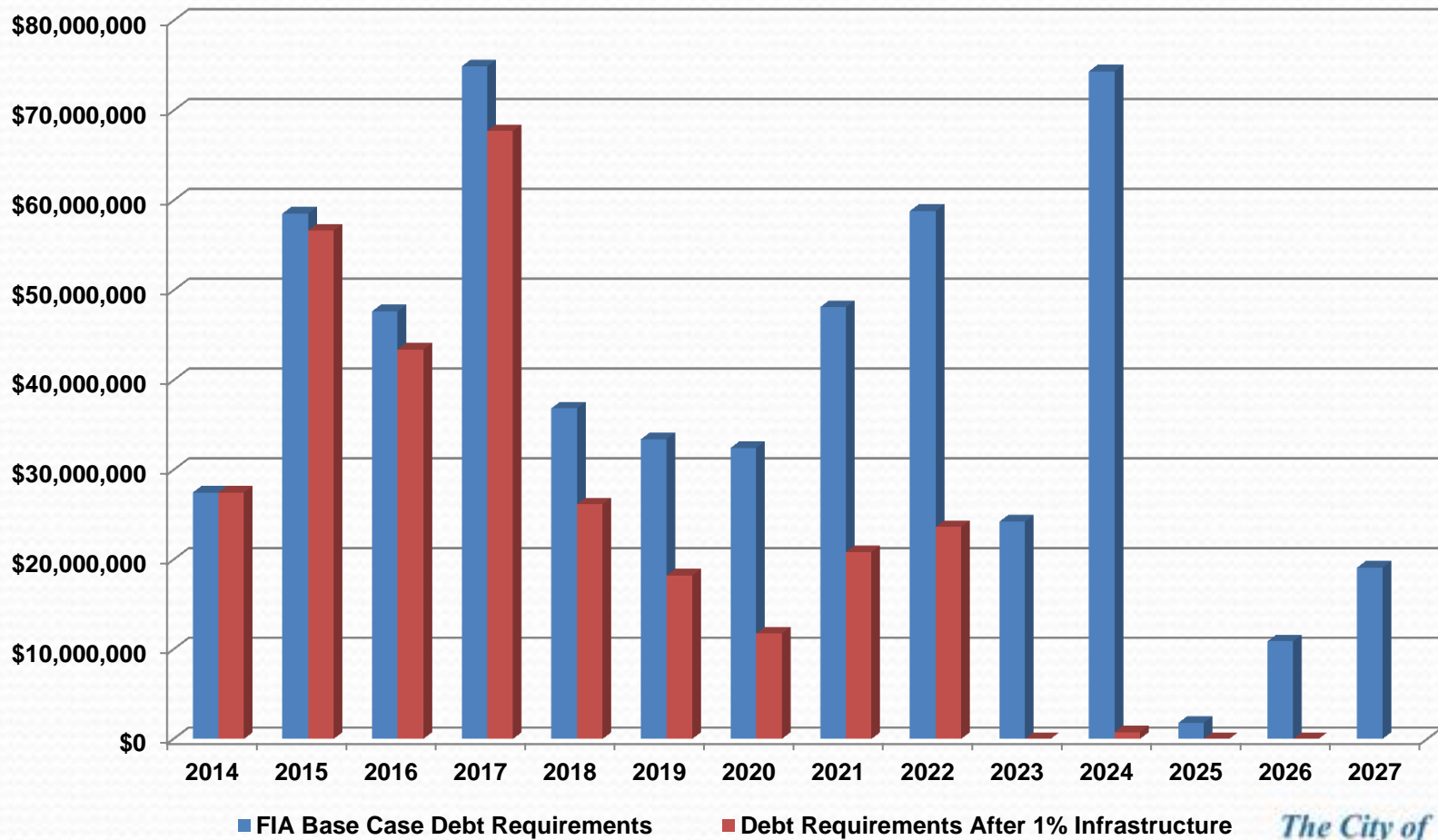
# Scenario B – Service Partner Adjustments

## Scenario B (TAX) - Recommended

Description	Number	Complement		2015 Budget		Recommended		Amended 2015	
		2015	2016	Operating	Capital	Operating	Capital	Operating	Capital
Physician Recruitment	N/A	N/A	N/A	(50,000)	-	-	-	(50,000)	-
Library - Facility Maintenance Alignment	N/A	N/A	N/A	(150,000)	-	1,758	-	(148,242)	-
Library - 2014 Operating Deficit	N/A	N/A	N/A	-	-	(170,000)	-	(170,000)	-
County of Simcoe - Capital Reserve Contribution	N/A	N/A	N/A	-	-	(308,533)	-	(308,533)	-
County of Simcoe - 2015 Operating Request	N/A	N/A	N/A	-	-	(315,171)	-	(315,171)	-
<b>Total Net Budget Impact</b>				<b>(200,000)</b>	<b>-</b>	<b>(791,946)</b>	<b>-</b>	<b>(991,946)</b>	<b>-</b>

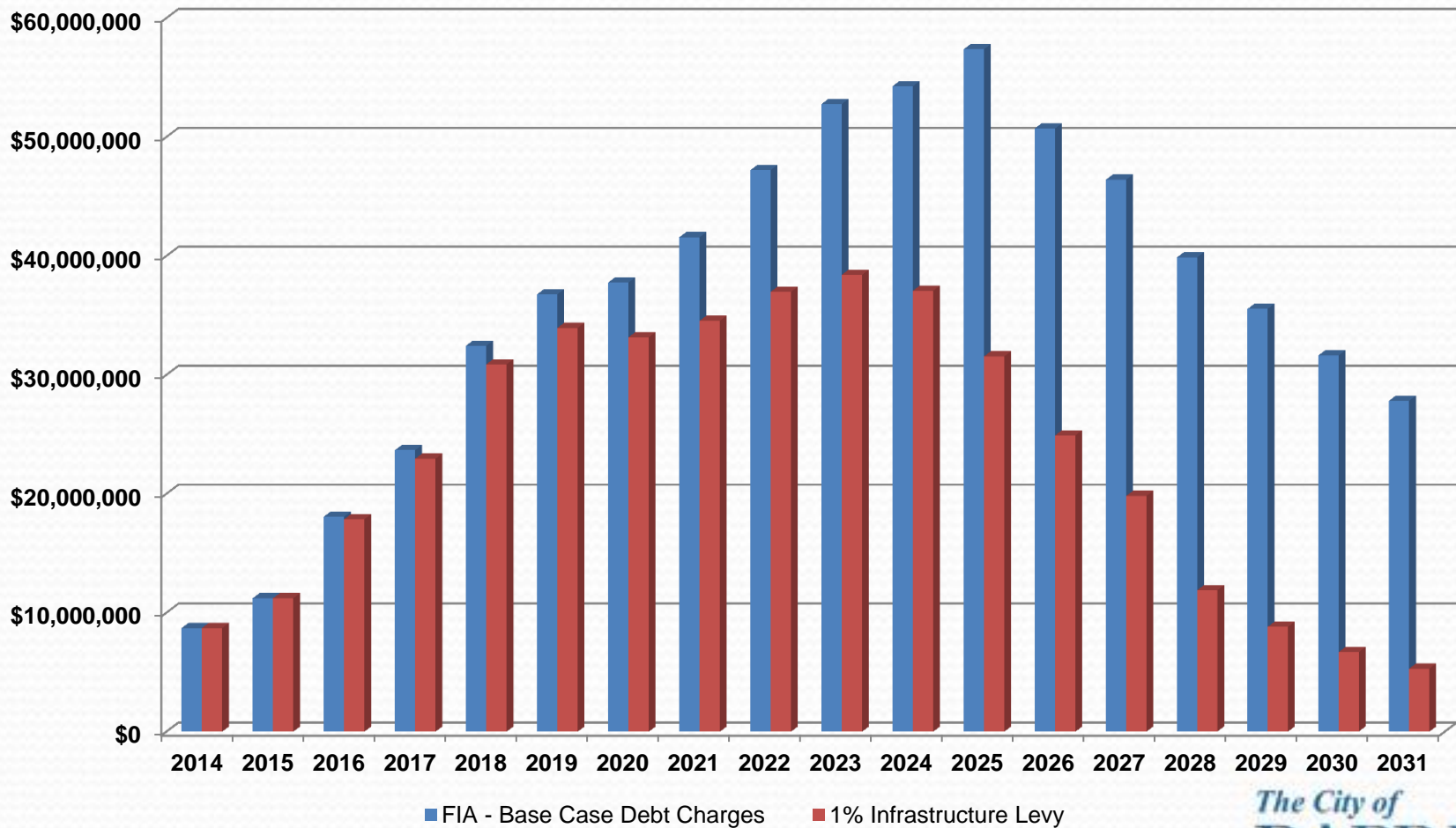


# Dedicated Infrastructure Fund Could Reduce Debt Issued by \$252 Million by 2027\*



\*Chart assumes all of the Dedicated Infrastructure Fund is used to reduce debt. A portion could be used to increase asset renewal work.

# Debt Charges Could be Reduced By \$239 Million by 2031\*



\*Chart assumes all of the Dedicated Infrastructure Fund is used to reduce debt.  
A portion could be used to increase asset renewal work

# Dedicated Infrastructure Fund

- Dedicated & Transparent Funding for Infrastructure
- Can be used to significantly reduce reliance on debt resulting in significant savings on interest costs OR for increased renewal of infrastructure, which will reduce maintenance expenditures
- Improves financial position, protects Credit Rating
- Common tool used by Municipalities to address Infrastructure Funding:
  - Kitchener, Oakville, Burlington, Brampton, Mississauga, Kingston, Halton Hills, Edmonton