

City Of Barrie

2015 Business Plan & Budget

Budget Discussion

General Committee

March 2nd, 2015

Update Of Budget Summary

Financial Summary - Tax Rate						
	Budget Binder		Recommended Amendments		Recommended 2015 Budget	
	2015 Budget	Tax Impact ¹	Amendments	Tax Impact ¹	Recommended 2015 Budget	Tax Impact ¹
Prior Year Tax Levy	\$ 188,895,401				\$ 188,895,401	
Maintaining Current Service Levels - Operations:						
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%
Subtotal - Maintain Current Service Levels - Operations	\$ 7,048,230	1.94%	\$ (470,090)	-0.21%	\$ 6,578,140	1.74%
Debt & Reserve Management						
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%
Subtotal - Debt & Reserve Management	\$ 1,153,546	0.51%	\$ (206,268)	-0.09%	\$ 947,277	0.42%
Subtotal - Increase to tax levy before Recommended Scenarios and Service Partner Budget Requests	\$ 8,201,776	2.45%	\$ (676,358)	-0.30%	\$ 7,525,417	2.15%
Service Partner Budget Requests	\$ 2,723,371	1.20%		0.00%	\$ 2,723,371	1.20%
Subtotal - Increase to tax levy before Recommended Scenarios	\$ 10,925,147	3.66%	\$ (676,358)	-0.30%	\$ 10,248,788	3.36%
Recommended Scenarios:						
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%
Subtotal - Recommended Scenarios	\$ (585,188)	-0.26%	\$ (876,002)	-0.39%	\$ (1,461,190)	-0.65%
Total Tax Levy before Dedicated Infrastructure Fund	\$ 199,235,360	3.40%	\$ (1,552,360)	-0.69%	\$ 197,682,999	2.71%
Scenario D - 1% Dedicated Infrastructure Fund	\$ 1,448,409	0.64%		0.00%	\$ 1,448,409	0.64%
Total Tax Levy	\$ 200,683,768	4.04%		-0.69%	\$ 199,131,408	3.35%

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

² "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)
Total	(263,590)

Prior Period Decisions Annualized:

Transit Contract	(210,000)
Seniors Advisory Committee Budget	3,500
Total	(206,500)

Debt Management:

Wastewater Debt Servicing Costs	(6,268)
Total	(6,268)

Reserve Management:

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

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

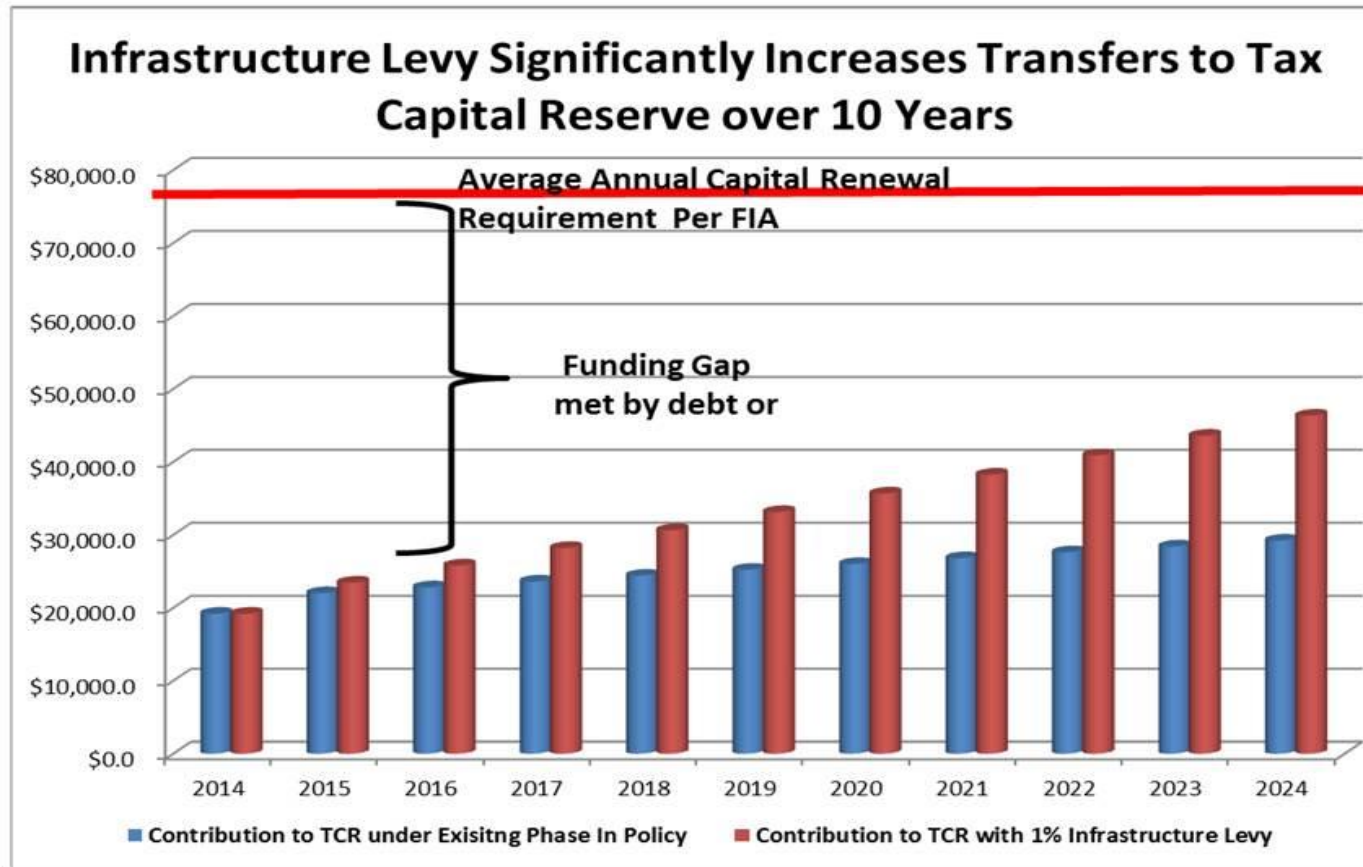
- Library 2014 Deficit of \$170,000 offset through year-end adjustments (Surplus or Reserves)
- Reduction to Simcoe County Operating Budget Request of \$315,171
- Reduction in transfer to County of Simcoe Capital Reserve of \$308,000
 - Original transfer based on simple average; 10 Year County Capital 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)
Total	2.71%	\$100
Scenario D – Infrastructure Renewal Levy	0.64%	\$23
Total Tax Impact	3.35%	\$122
Water Bill	2.5%	\$7
Waste Water Bill	5.0%	\$20
Total Impact to Average Home		\$149

Innovate Barrie All Staff Forum

Question Period

Innovate Barrie All Staff Forum

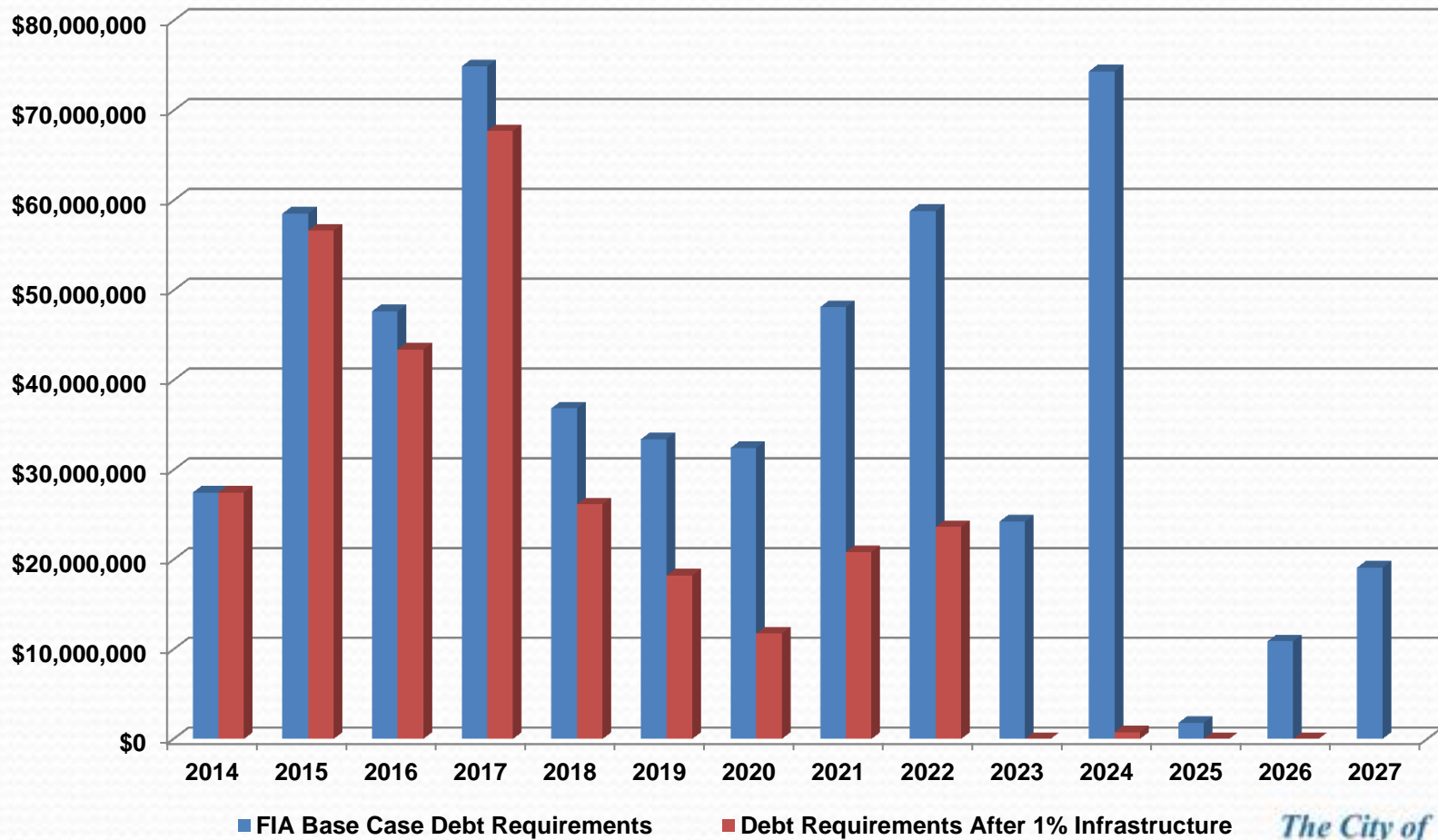
Appendix

Scenario B – Service Partner Adjustments

Scenario B (TAX) - Recommended

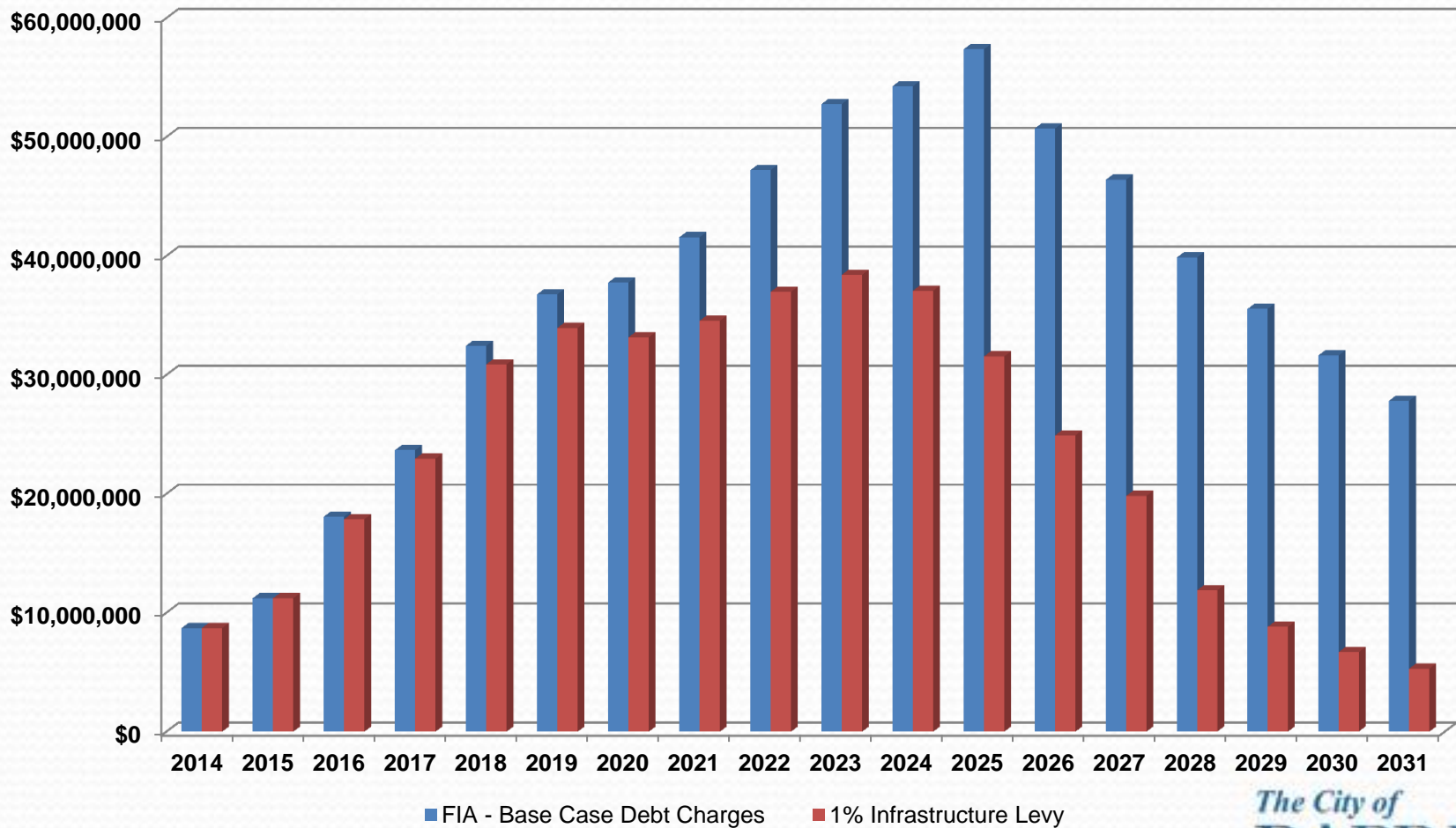
Description	Number	Complement		2015 Budget		Recommended		Amended 2015	
		2015	2016	Operating	Capital	Operating	Capital	Operating	Capital
Physician Recruitment	N/A	N/A	N/A	(50,000)	-	-	-	(50,000)	-
Library - Facility Maintenance Alignment	N/A	N/A	N/A	(150,000)	-	1,758	-	(148,242)	-
Library - 2014 Operating 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)	-
Total Net Budget Impact				(200,000)	-	(791,946)	-	(991,946)	-

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