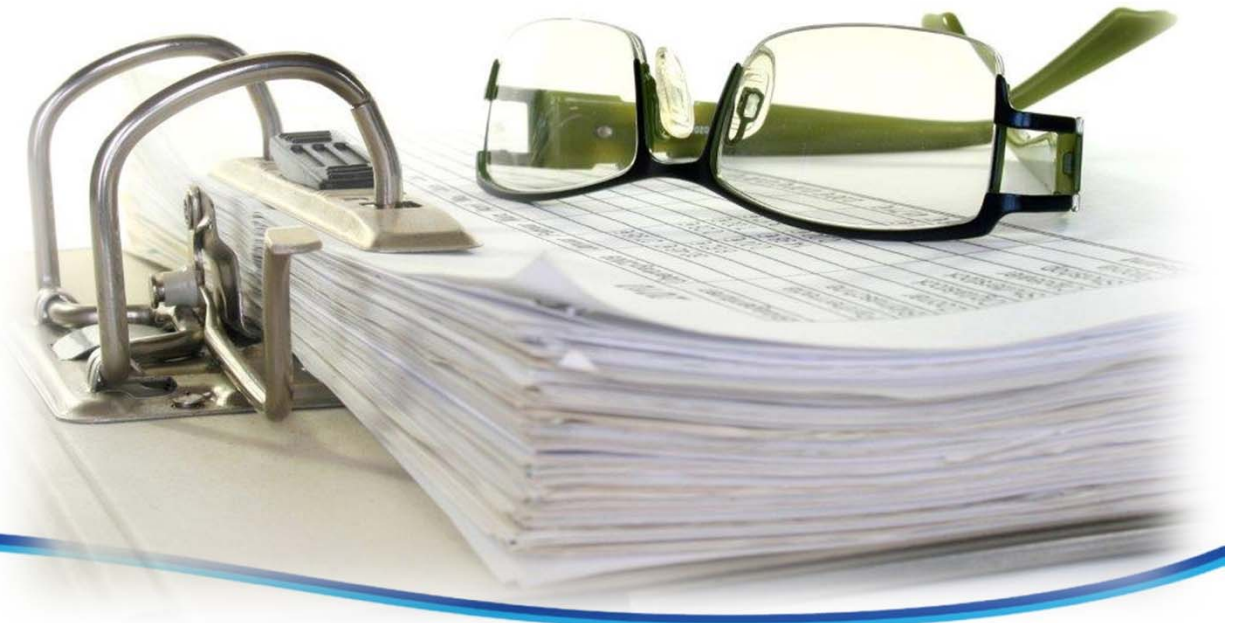


TOWN OF GEORGINA

2016 Budget - Draft

Council Meeting

Wednesday, November 11, 2015



Overview of Budget Presentation

Information presentation in binders:



- Corporate and Departmental Summaries**
- Capital, Reserves and Debt Summaries**
- New Initiatives**
- Operating Budget Detail**
- Public Engagement and Input**

Budget Presentation

Base Budget = same level of service as prior year

+

New Initiatives = new projects and programs

=

Proposed 2016 Budget



Budget Development



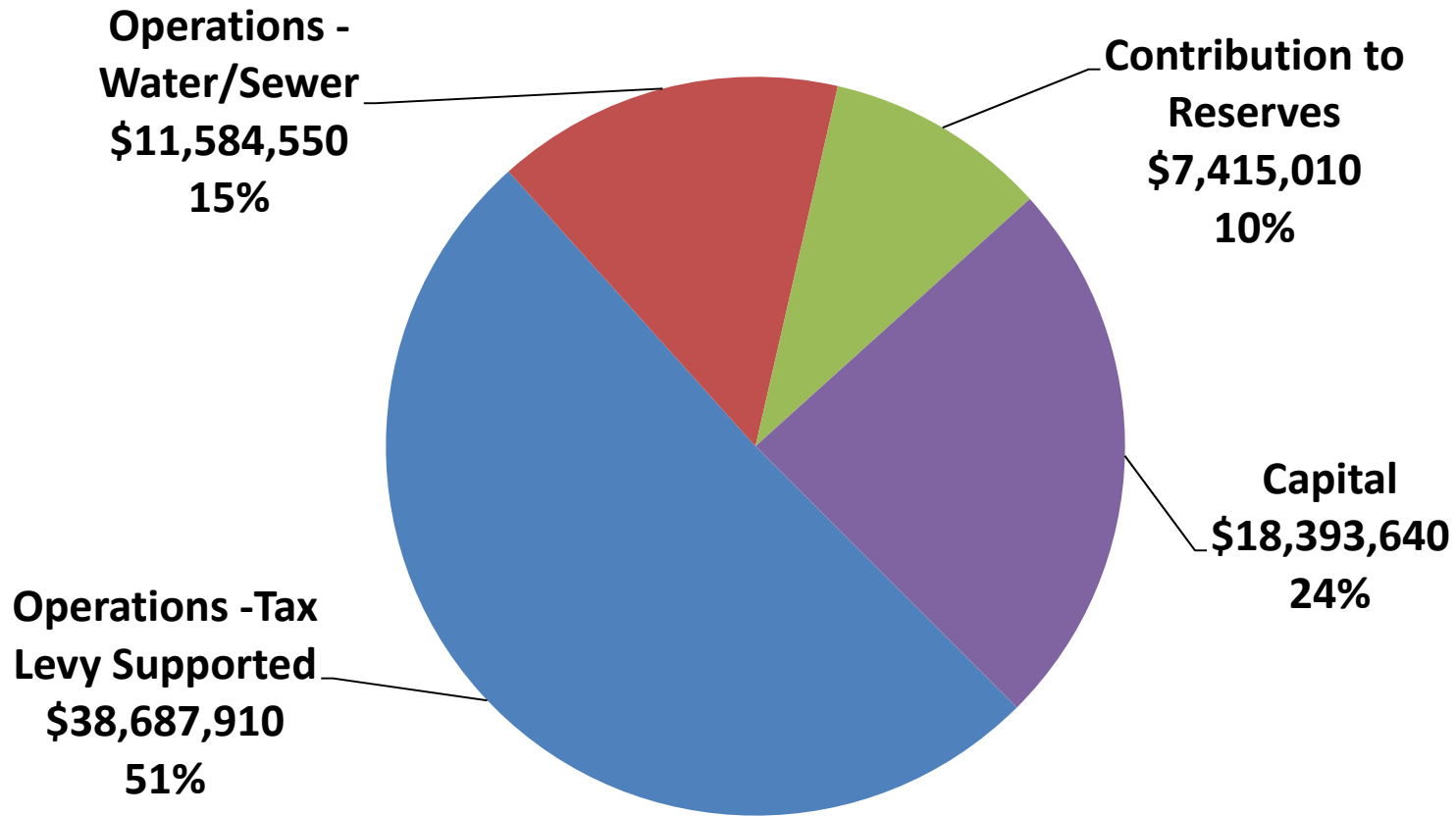
- **NEEDS, not WANTS**
- **Collaborative Senior Management review**
- **Note: “On the Radar” (3 pages in back of budget binder)**
 - **lists those items that were considered by the Senior Management Team, although they are not included in the budget at this time**

Budget Challenges

- **Population growth**
- **Current economic environment**
- **Stats Canada – Consumer Price Index 1% (Sept'14 to Sept'15)**
- **Stats Canada – Construction Price Index 1.8%**
- **Labour negotiations for collective agreements**
- **Evolving business and technological environment**

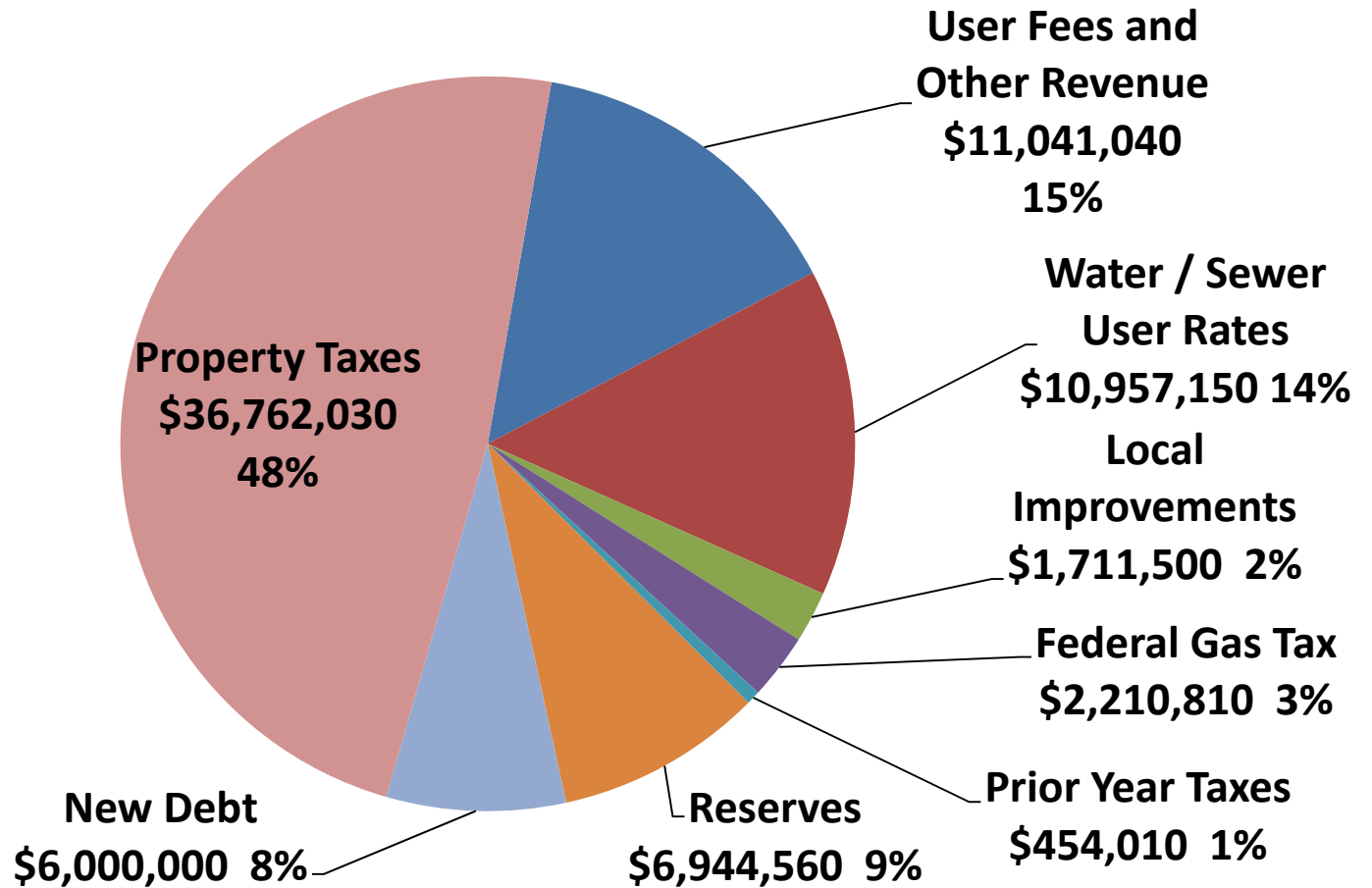
Draft Budget - 2016

Total Expenditures \$76,081,100



Draft Budget - 2016

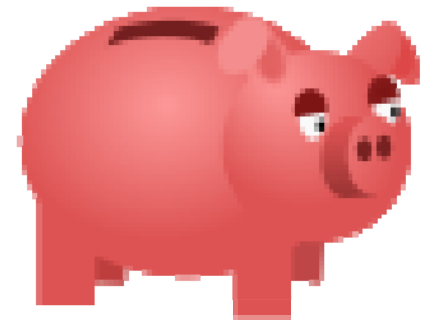
Total Funding \$76,081,100



Reserves

Primary uses of reserves:

- **Future major capital acquisitions and construction**
- **Lifecycle replacement of assets**
- **Contingent liabilities**
- **Working capital**
- **Rate stabilization**

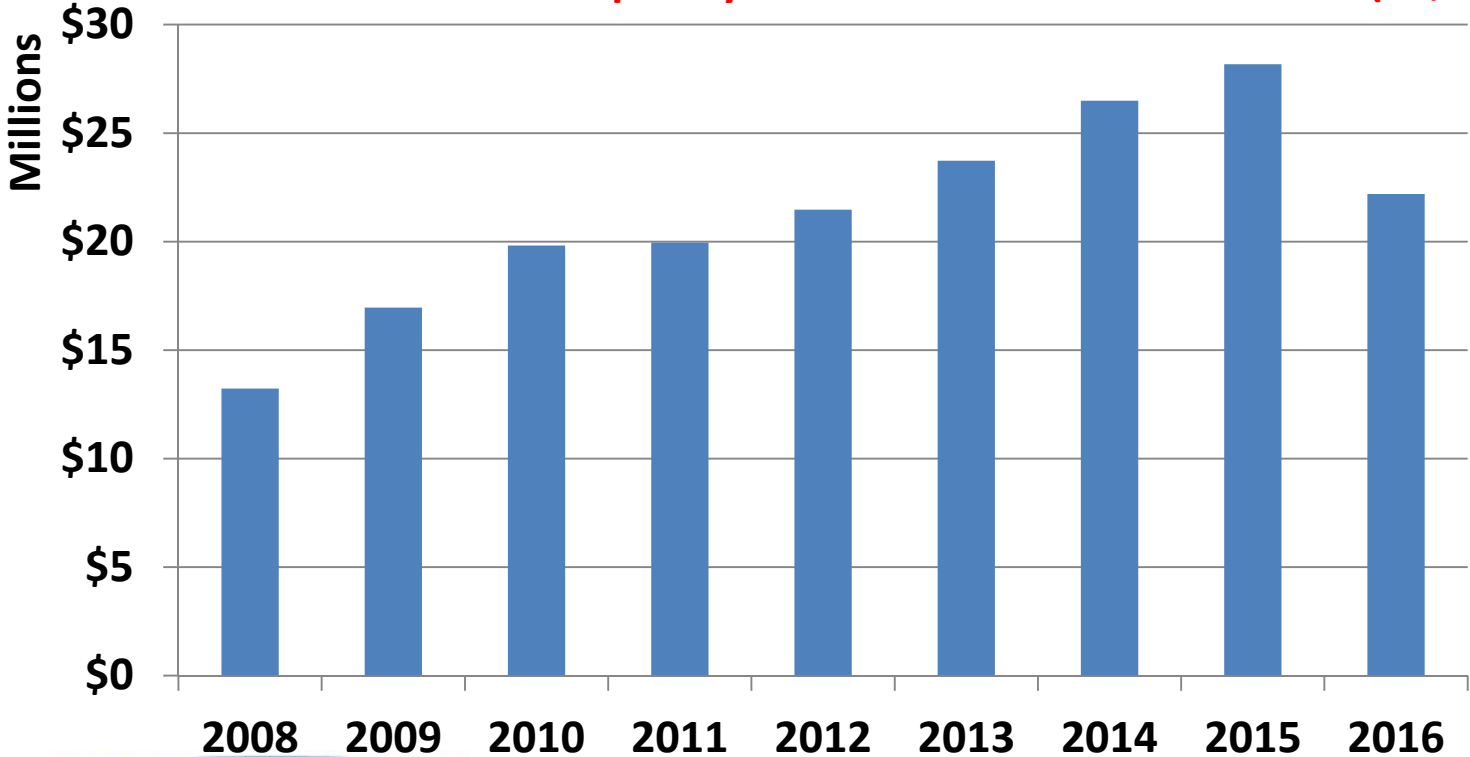


Reserves

2016 Contributions - \$7,415,010

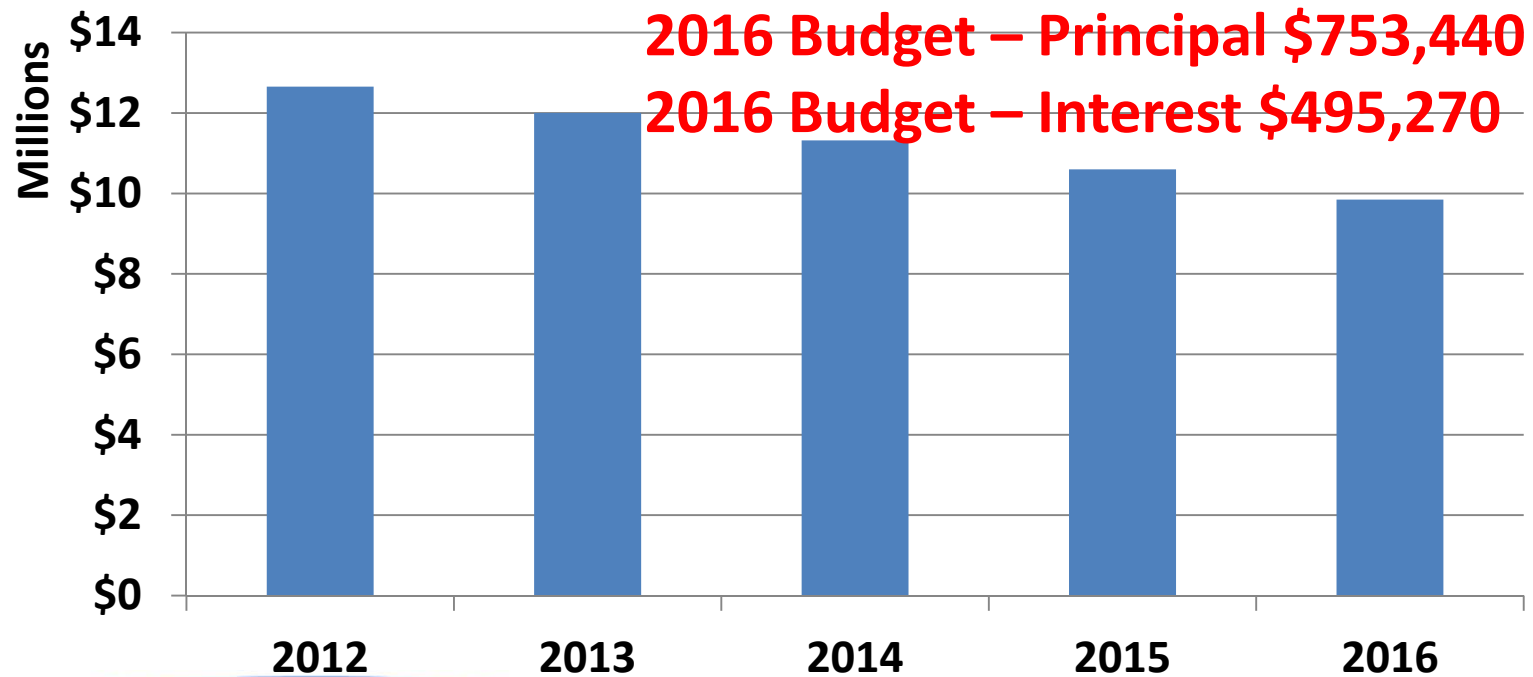
2016 Draws - (\$7,398,570)

2016 Temporary Draw for Dalton Road Works - (\$6,000,000)



Debt

Long Term Debt – Willow Beach Servicing (to 2026) -fully recovered by local improvement charges



Debt

Long Term Debt

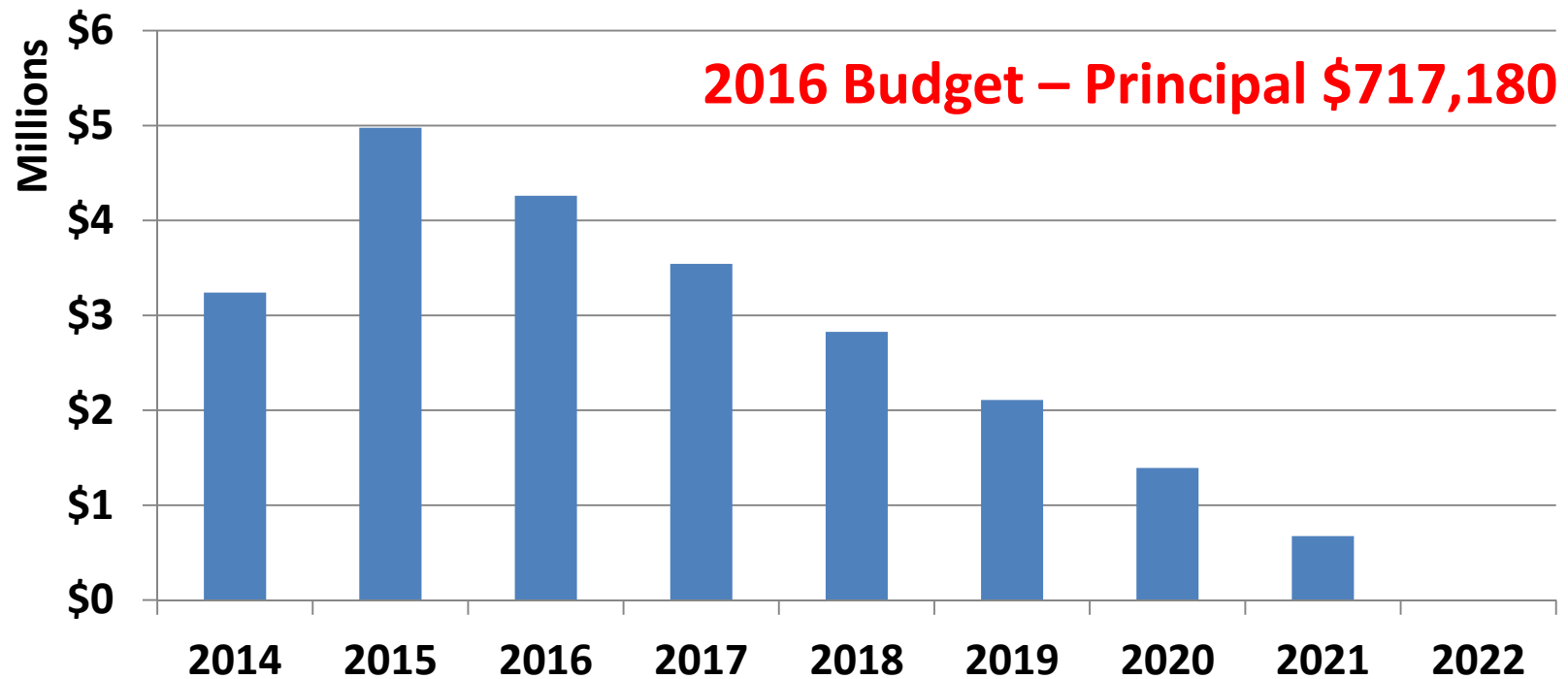
- Potential New Debt in 2016/17

Water main and sanitary sewer main on Dalton Road – Estimated Costs = \$6 Million

- Annual debt servicing costs will place pressure on future water and sewer user rates

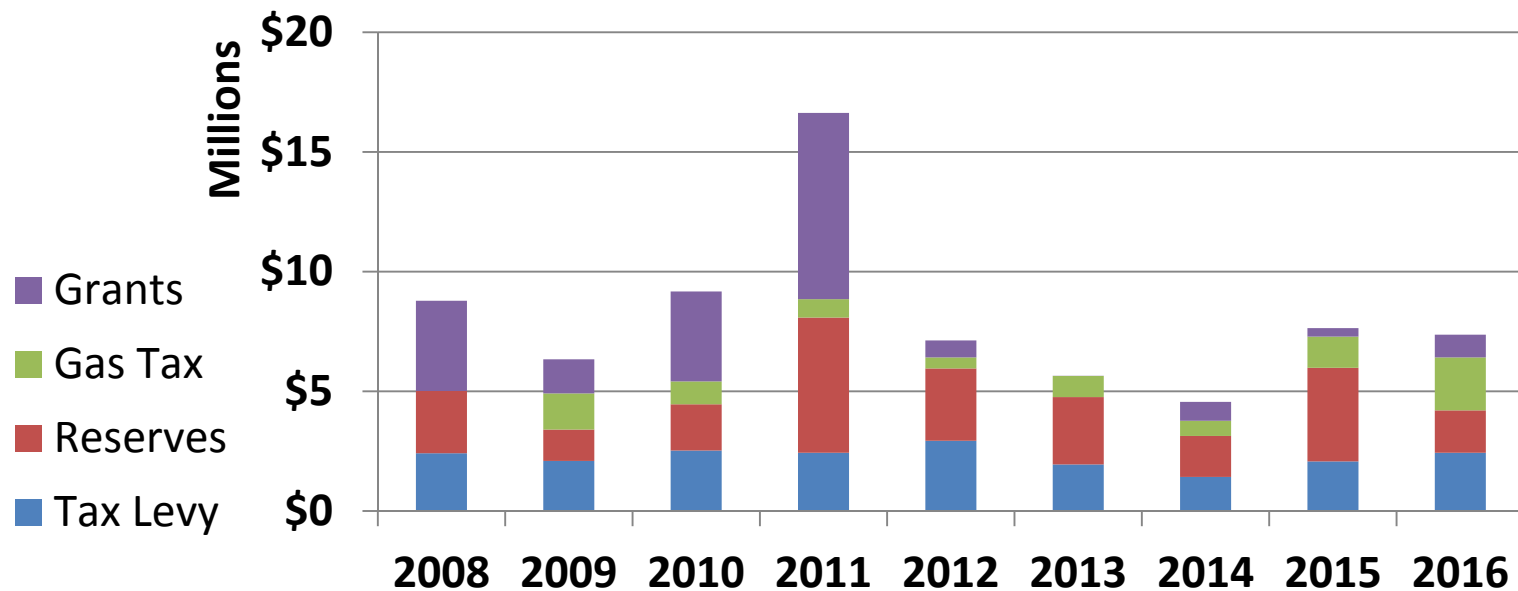
Internal Borrowings

Unfunded capital - future tax levy burden



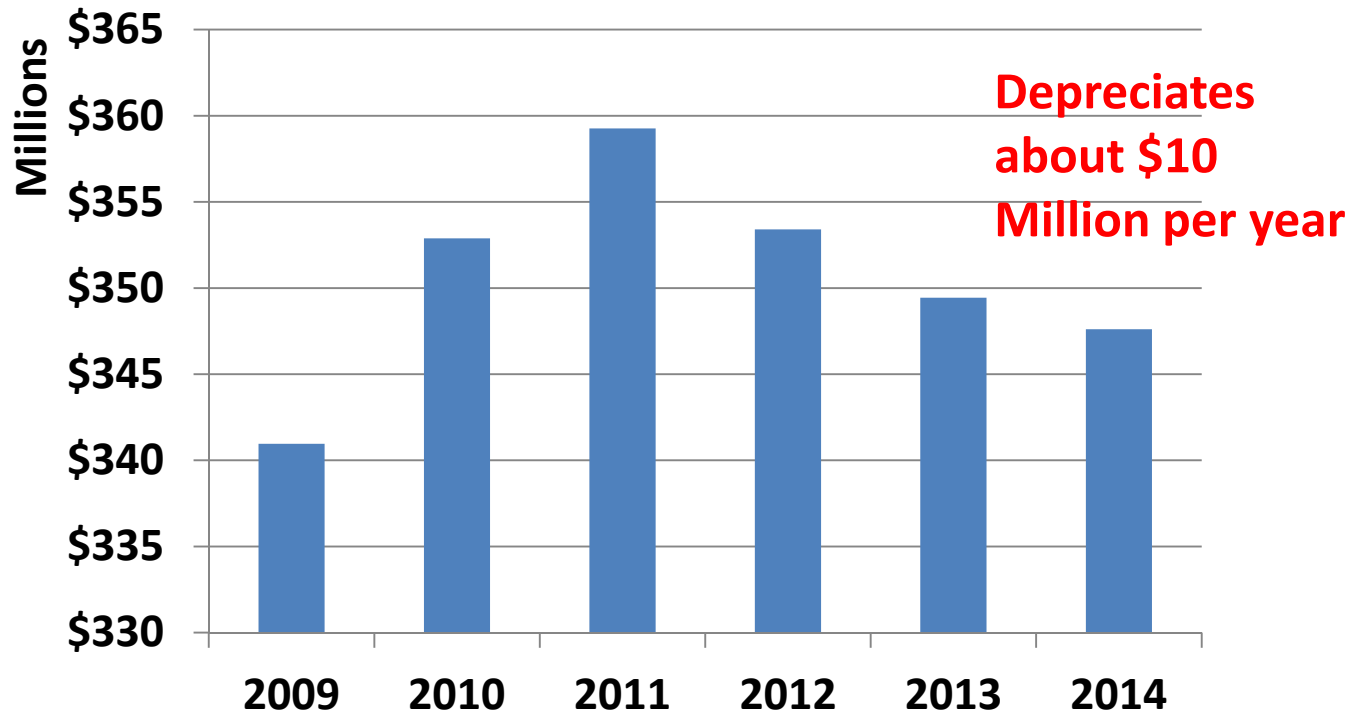
Annual Capital Investment

Capital is invested to maintain and rehabilitate existing assets and build new assets



Tangible Capital Assets

\$350 million invested in Assets (Net Book Value)



Asset Management

- **Initial asset investment value vs replacement value!**
- **Asset Management Plan (2014) - preliminary estimates of annual funding gap of \$2.5 million**
- **State of the Infrastructure Report–Roads (2015) estimates annual funding gap between \$3.2 Million and \$3.6 Million just for Roads**



Capital Program

- **Tax Levy funding increased by \$360,000 to enable phasing-in of the estimated infrastructure funding gap**
- **Federal Gas Tax sharing program requires the Town to “consider” its Asset Management Plan in its capital program**
- **Development Charges Act requires the Town to “consider” its Asset Management Plan in its capital program**

Major New Capital



- Dalton Rd Watermain Replacement **\$6,000,000**
- Lowndes Ave Gravity Sewer **\$1,580,000**
- Roads Capital Plan **\$830,000**
- Roof for Pefferlaw Ice Pad **\$786,230**
- Woodbine Ave Watermain Connect **\$750,000**
- Mossington Bridge Rehabilitation **\$575,000**
- Fire Pumper Replacement **\$556,700**
- DeLaSalle Park Accessibility **\$326,700**
- EAB Tree Removal, Stumping **\$180,000**

Capital Program

Staff note:

- **Proposed roof for the Pefferlaw Ice Pad is not “growth-related”, nor is it part of the Town’s Asset Management Plan**
- **Pedestrian bridge over the Maskinonge is not “growth-related”, nor is it part of the Town’s Asset Management Plan (Council has set aside \$1.6 Million of Federal Gas Tax for this project)**

New Initiatives - Staffing

- **4 Fire Fighters (permanent full-time)**
- **1 Planner (permanent full-time)**
- **2 Roads seasonal staff (5 months May to Sept)**
- **1 Operations Technologist (perm.full-time)**
- **1 Fleet Supervisor (permanent full-time)**
- **Increased staffing hours – Public Library**
- **1 Graphic Design Specialist (delete temporary contract and hire permanent full-time)**
- **1 Human Resources Consultant (2 yr contract)**

New Initiatives – Projects/Services (1)

- **The Link – New Contribution to Reserves for Future \$5,000**
- **Fire – Increase in Service Fees (\$40,000)**
- **Fire – Increase Contribution to Reserves for Vehicle and Equipment Replacement \$73,600**
- **Wireless Broadband – New Contribution to Reserves for Future Rehabilitation/Major Repairs \$20,000**

New Initiatives – Projects/Services (2)

- **Development Tracking Software – New Contribution to Reserves for Future \$10,000**
- **Purchasing – Annual licence/maintenance fees for proposed E-Bidding Software \$5,250**
- **Sutton 125th Anniversary Celebrations \$7,500**
- **Staff Training and Development – Public Library – to align budget with Georgina’s corporate standard \$13,750**

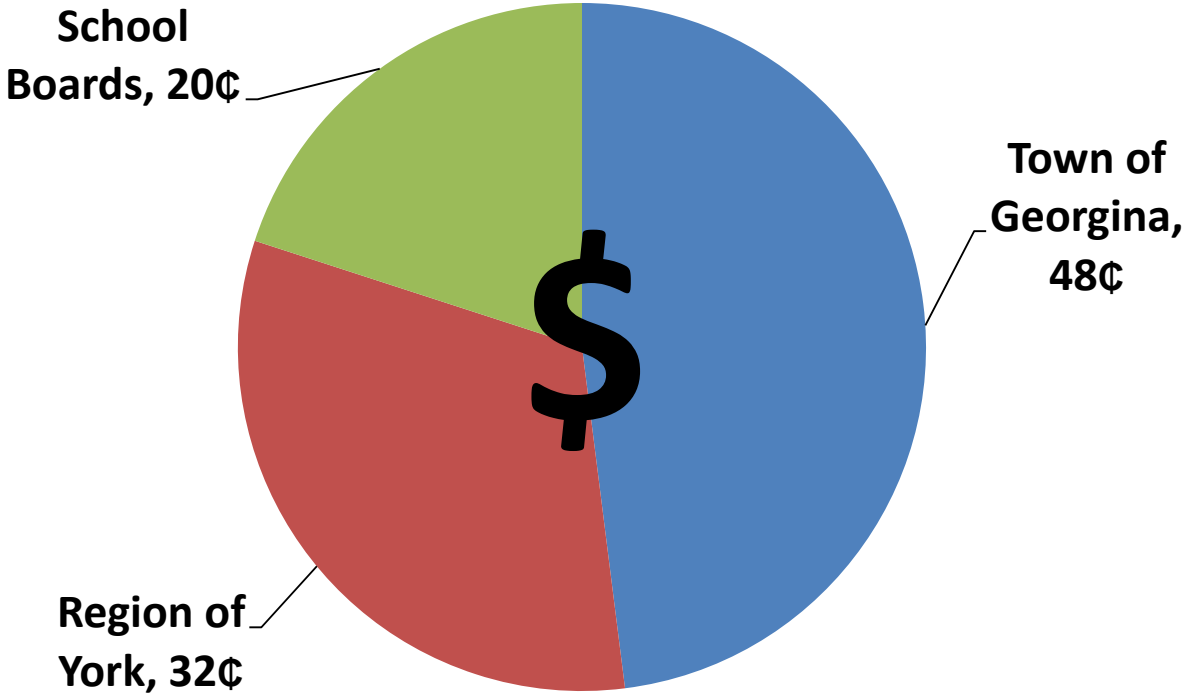
New Initiatives – Projects/Services (3)

- **CAO – Savings in various accounts to provide temporary funding to 2 year contract for HR Consultant (\$20,700)**
- **Council – Increase in Projects budgets \$12,500**
- **Non-Program – Savings in staff training (corporate-wide) to provide temporary funding to 2 year contract for HR Consultant (\$20,000)**

Property Tax Rates

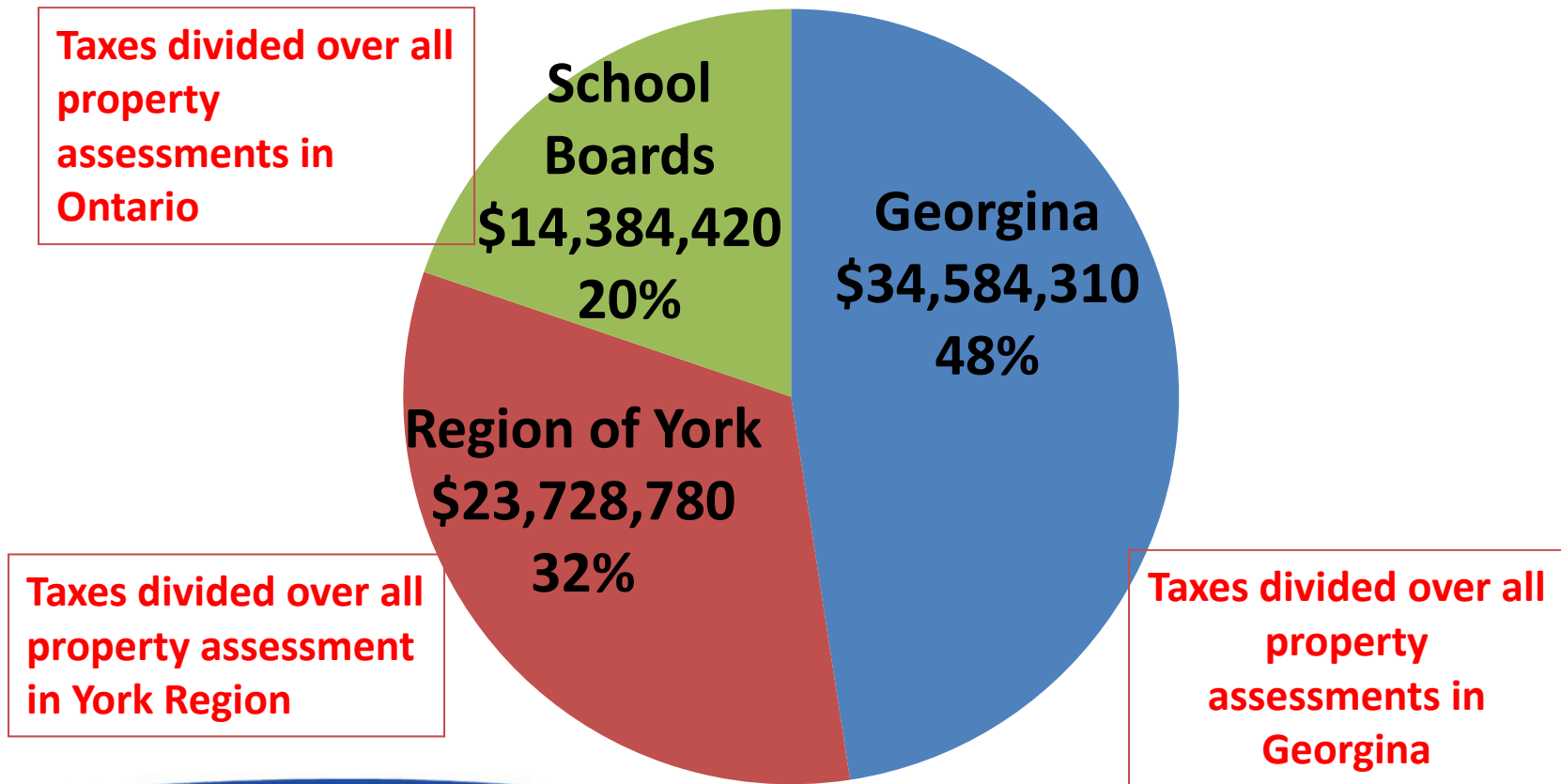


Property Taxation by Government

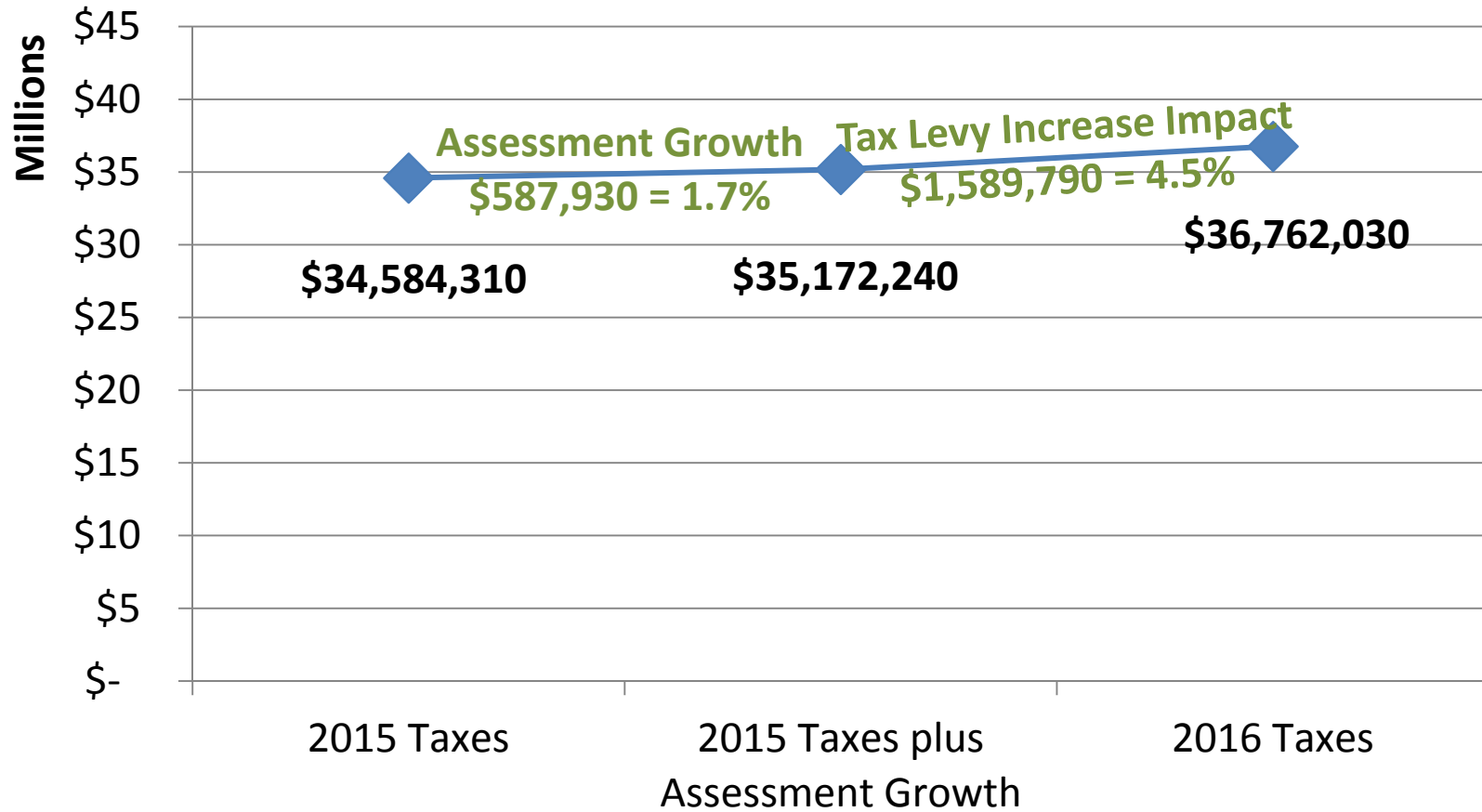


Total Property Taxes in 2015

\$72.7 Million



Tax Levy Increase Impact



Budget Summary – Tax Impact

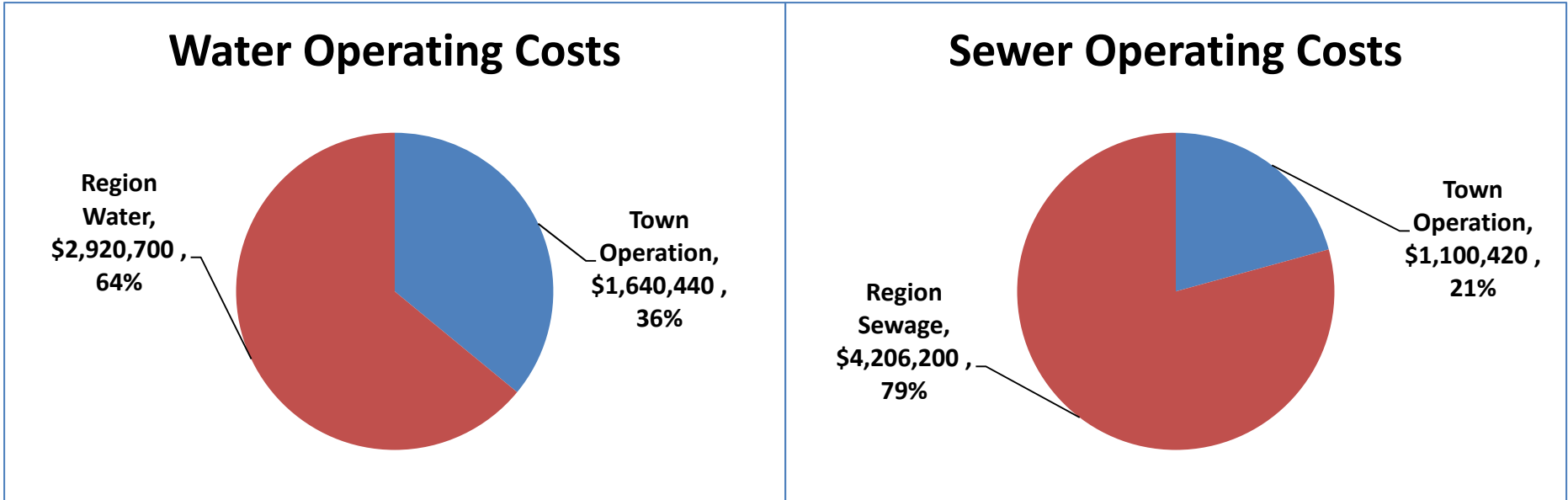
Town of Georgina Share of Taxes	\$	% Increase
2015 Property Taxes After Growth	35,172,240	
2016 Property Taxes – Draft Budget	36,762,030	
Total Increase in Tax Levy	1,589,790	4.5%

Average Home in Georgina	Property Taxes – 2015	Property Taxes - 2016	Increase 2016 \$	Increase 2016 %
Current Value Assessment CVA = \$297,070 (per MPAC)				
Total Property Taxes for Town of Georgina's Share	\$1,684	\$1,760	\$76	4.5%

Water and Sewer Rates



Water and Sewer Rates



Note: excludes Willow Beach debt principal and interest

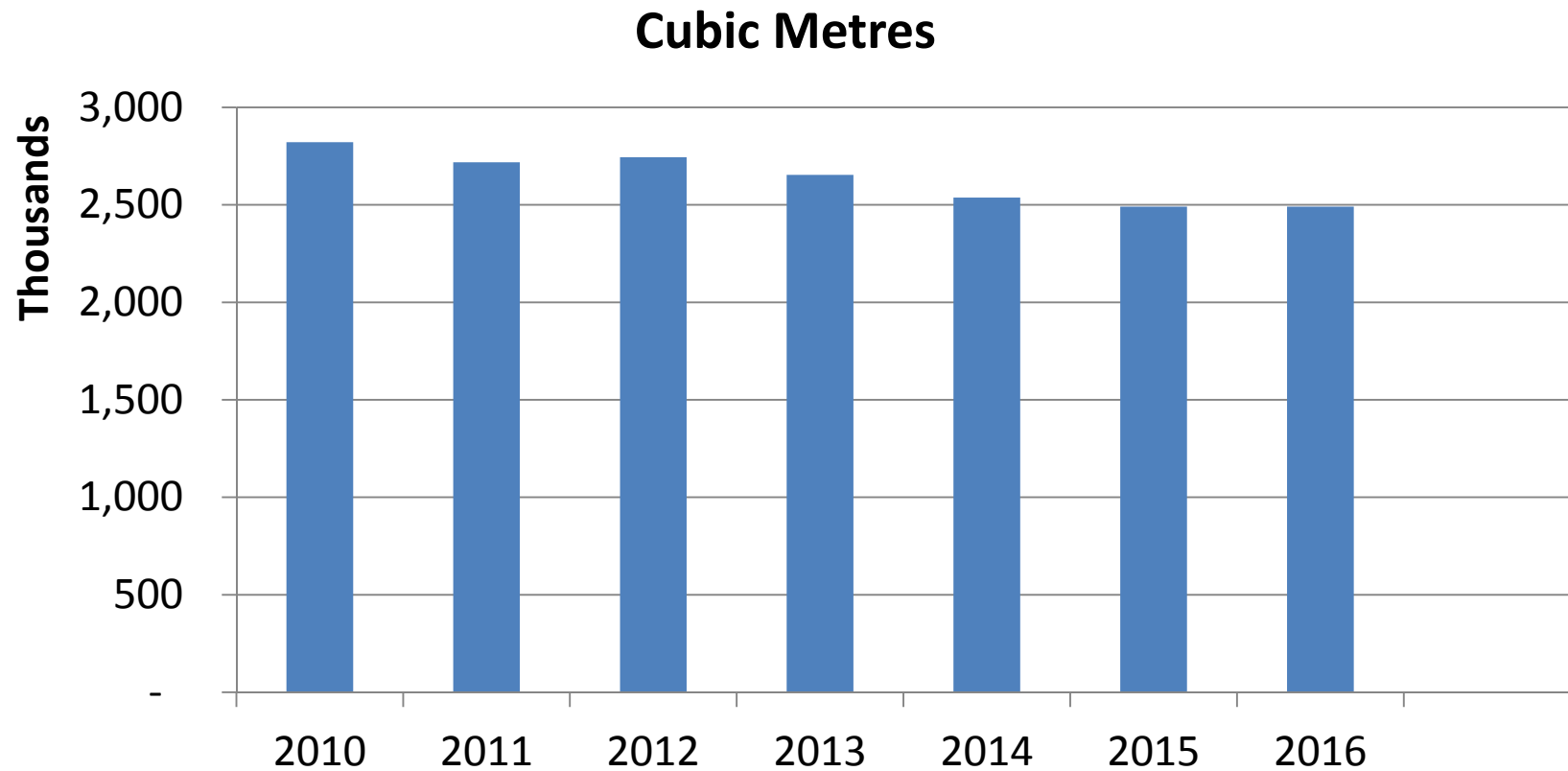


Water and Sewer Rates

Cost Pressures:

- **Region of York – Average Water and Wastewater (sewage) rate increase 9%**
- **Consumption trends – Water conservation
- Weather impacts**
- **Full cost recovery pressures**

Water Consumption -Billed



Water and Sewer Rates

Rates	Current Rate	Proposed Rate	Increase
Water	\$1.66	\$1.97	18.7%
Sewer	\$2.06	\$2.32	12.7%
Total	\$3.72	\$4.29	15.4%

Average Quarterly Bill	Current Rate	Proposed Rate	Increase
Flat rate capital	\$12.80	\$14.80	15.6%
Water (62m3)	\$102.92	\$122.20	18.7%
Sewer	\$127.72	\$144.00	12.7%
Discount for timely payment	(\$4.87)	(\$5.62)	
Total	\$238.57	\$275.38	15.4%



Next Meetings – 2016 Budget

Public is welcome to attend

Council's Budget Deliberations

Monday, November 23 at 9:00 a.m.

Tuesday, November 24 at 9:00 a.m. (*if required*)

Proposed Budget Adoption

Wednesday, December 16 at 7:00 p.m.

Council Chambers – Georgina Civic Centre

