

TOWN OF GEORGINA

2019 Draft Operating and Capital Budgets



Improving today,
Investing for tomorrow

DRAFT 2019 Town of Georgina Budget



2019 Budget at a Glance

Proposed 2019 Tax Increase: 2.9%, with the option of adding 1% additional contribution to capital reserves, which would bring the total increase to 3.9%.

Operating Budget Expenditures:

- Gross expenditures: \$61.8M
- Contributions to Reserves: \$8.7M

Operating Budget Revenues:

- Net Tax Levy: \$42.5M
- Water/Wastewater Rates: \$14.4M
- User Fees and Other Revenues: \$13.1M
- Draws from Reserves: \$0.5M

2019 Budget at a Glance

Translation of Proposed Tax Increase:

- For general Operating Budget 2.9% = \$69/Year*
- When adding 1% to Capital Res 3.9% = \$89/Year*

* Proposed Town Portion Only - Subject to Council's approval

* Based on 2019 Georgina's average Current Value Assessment of \$385,810

2019 Budget at a Glance

Items of Significance in the 2019 Draft Operating:

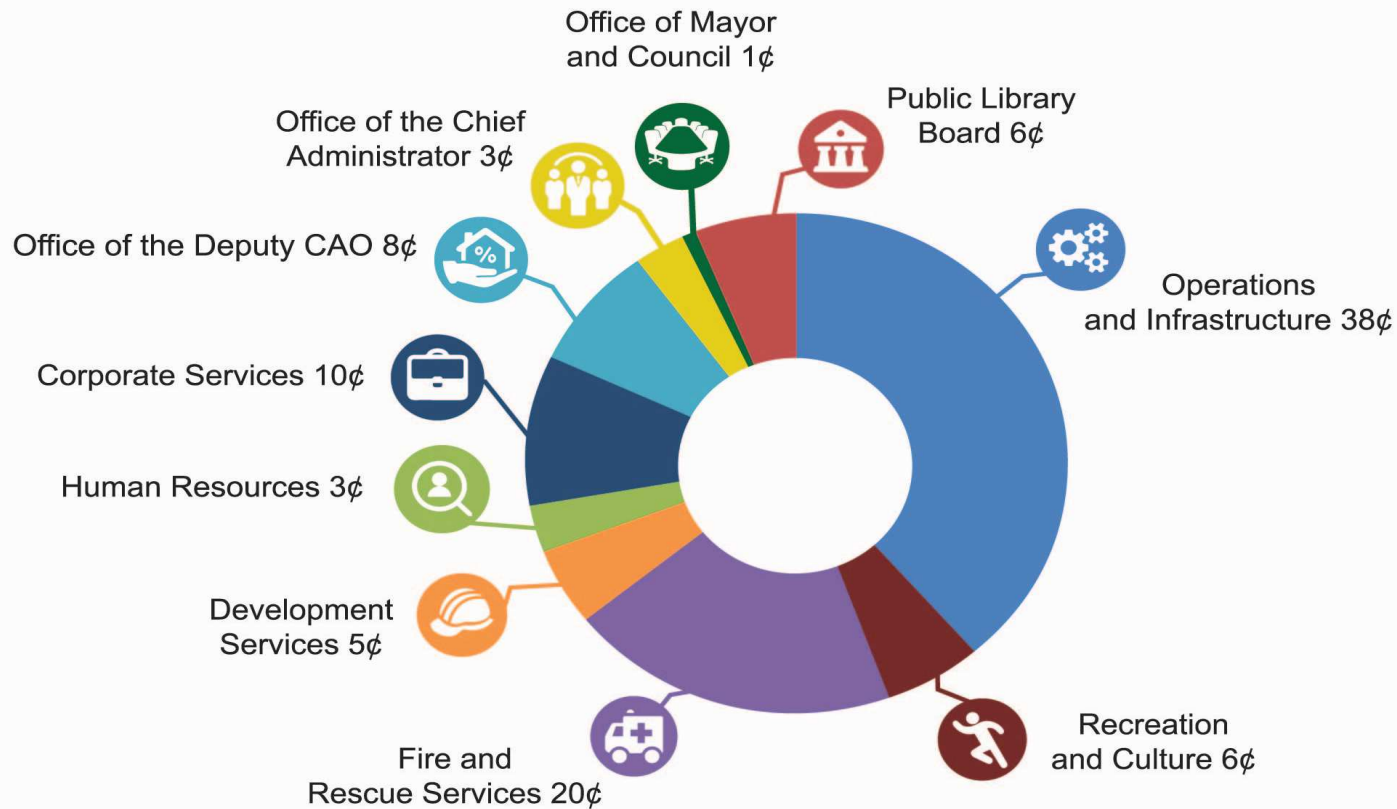
- Maintaining the property tax increase in-line with the rate of inflation (CPI Ontario – July 2018 – 3%)
- Preserving the level of contributions to capital reserves
- Provides an option to increase the contributions to Capital reserves by 1%
- New Urban Forestry Program
- Addition of 4 new staff and 4 transitional staff members

New Staff Complements

- New Positions
 - Senior Business Applications Analyst
 - Records and Information Management Clerk
 - Manager of Parks Development and Operations
 - Tax & Revenue Supervisor
- Transitional Positions
 - Fleet Capital Administrative Assistant – Contract to Permanent full-time
 - Program Manager, OD & Recruitment – Contract to Permanent full-time
 - Fire Administrative Assistant – Permanent part-time to permanent full-time
 - MLEO I Officer – Permanent part-time to permanent full-time
- Increased Library Hours

How the Tax Dollars are Spent in 2019

"Breakdown of \$1 Residential Taxes"



2019 Budget at a Glance

History of Budgeted Tax Increases

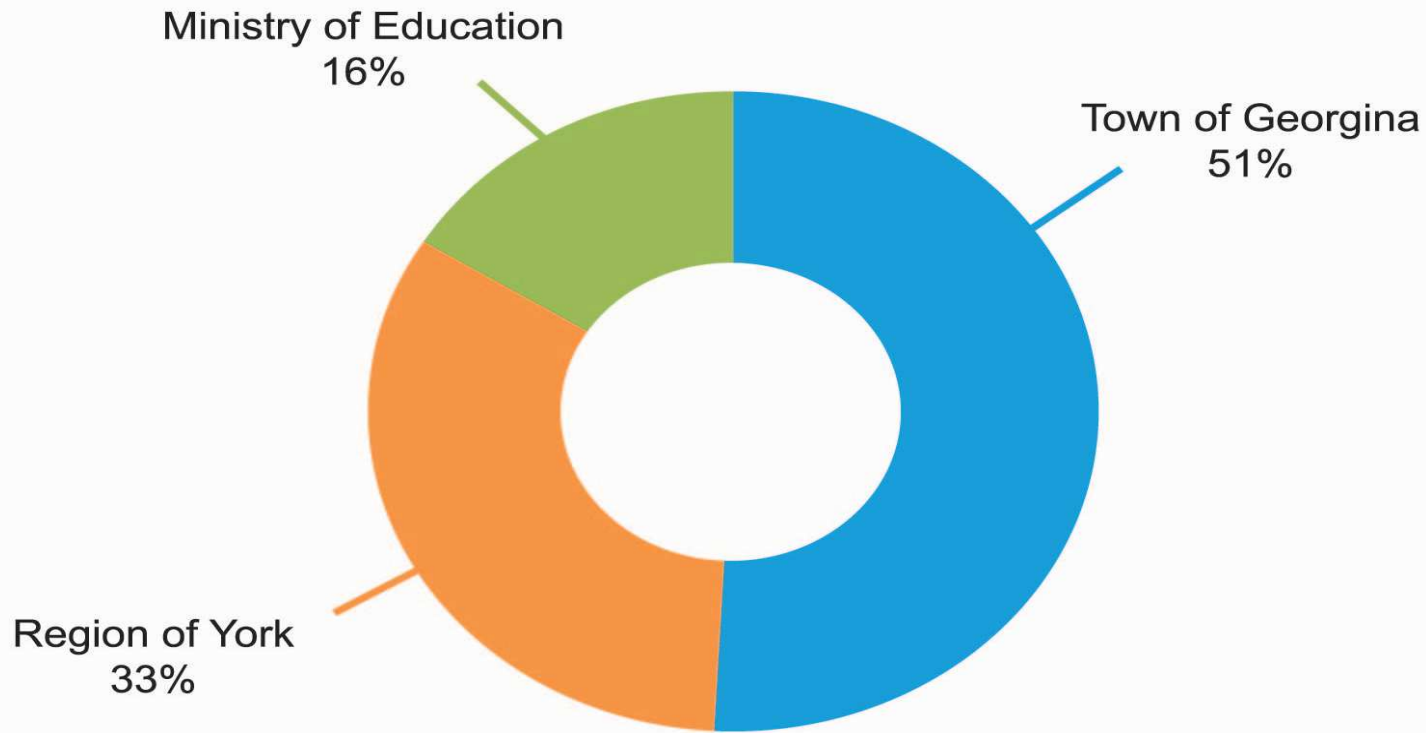
- 2016 Operating Budget 4.4%
- 2017 Operating Budget 4.5%
- 2018 Operating Budget 2.9%
- 2019 Operating Budget * 3.9%**

* **Proposed - Subject to Council's approval**

** Including add'l contribution of 1% to Capital Reserve

Where Did Your Tax Dollars Go in 2018

"Breakdown of \$1 Residential Taxes"



2019 Budget at a Glance

2019 Capital Budget

Expenditure/Funding Source	Draft 2019 (\$)	Final 2018 (\$)
Total Capital Expenditure:	17,293,350	16,348,400
Capital Reserves	6,782,190	7,489,350
Federal Gas Tax	2,150,000	1,899,550
Federal/ Provincial Grants	1,382,660	
Development Charges	507,500	27,000
Cash-in-Lieu of Parkland		260,000
Other Revenue	100,000	127,500
Debentures	6,371,000	6,545,000
Total Funding Sources:	17,293,350	16,348,400

2019 Budget at a Glance

Major Projects of the 2019 Draft Capital Budget: Total Cost Quoted

Fire & Emergency Services

- Pefferlaw Fire Station – \$4.5M

Operations & Infrastructure

- Multi-Use Recreation Centre (MURC) – \$42M
- New Civic Centre – \$27M
- Two Year Roads Maintenance and Reconstruction Contract - \$6.3M
- Hedge Road Bank Stabilization - \$1.7M
- Holmes Point Modular Washrooms - \$200,000

Recreation & Culture

- The Link Parking Lot - \$1M
- Sutton Community Park - \$1.5M

2019 Budget at a Glance

Ten Year Capital Forecast Breakdown:

Non-Growth Related	201.2 M
Growth Related	<u>73.6 M</u>
TOTAL	<u>274.8 M</u>

2019 Budget at a Glance

Average Quarterly Water and Wastewater Bills

	2018		2019	
	<i>Average Water Consumption = 62 cu m</i>		<i>Average Water Consumption = 62 cu m</i>	
	<u>Bill</u>	<u>Bill</u>	<u>Change</u>	
Flat Rate Capital Recovery Charge	\$17.25	\$18.57	\$1.32	7.7%
Water Bill	\$148.18	\$161.20	\$13.02	8.8%
Wastewater Bill	\$161.82	\$171.12	\$9.30	5.7%
Combined Rate	\$327.25	\$350.89	\$23.64	7.2%
Discount for timely Payment	(\$6.55)	(\$7.02)	(\$0.47)	
Total Bill	\$320.70	\$343.87	\$23.17	7.2%

Long Range Financial Plan

What is it? The model is used as a financing tool to bring together all previous studies and to provide a sustainable solution to funding the future needs of the municipality.

The LRFP does not include the following items:

- Inflation, Service level changes, Collective agreement settlements, Provincial labour law legislation.

The LRFP is subject to the following risk factors:

- Growth estimates, Interest rate risk, Capital cost estimates are preliminary, Useful life of assets is estimated, Economic downturn or slow down.

Long Range Financial Plan

Significant updates made to the LRFP since last year

- Interest rates have increased by about 0.3%
- The MURC has been updated to include an escalation factor to 2021
- Pefferlaw Fire Station cost updated to \$4.5M
- The Link renovation updated to include parking improvements

Debenture Estimates

What are the estimated terms and annual debt servicing payments?

Project	Year of Request	Estimated Year of Debenture	Total Debenture	Term of Debenture (Years)	Interest Rate	Annual Payment
Dalton Road Watermain	2016	Q1 2019	\$6.0M	10	3.3%	\$708,000
Pefferlaw Fire Station	2017, 2018, 2019	2020	\$4.5M	20	3.5%	\$315,000
Civic Centre	2018, 2019	2022	\$27.0M	30	3.7%	\$1,498,000
Link Phase 2 and 3, Parking	2017, 2018, 2019	2020	\$2.8M	20	3.5%	\$196,000
West Park	2018	2021	\$8.0M	30	3.7%	\$444,000
Wexford Pump Upgrade	2018, 2019	2020	\$2.0M	20	3.5%	\$140,000
Sutton (NWSDA) Community Park Design	2018, 2019	2020	\$1.7M	10	3.5%	\$203,000
MURC	2017, 2019	2022	\$42.0M	20	3.5%	\$2,938,000

Continuous Improvements

What additional Information and enhancements have been provided in the 2019 Draft Budget compared to 2018?

- Expanded ten-year capital plan
- Two year roads contract
- New executive summary & business plan format
- Improved budget report
- More financial planning around growth
- Expenditures are shown net of internal revenues
- Operating Budget trend analysis resulted in savings of \$188,000

Continuous Improvements

Reflecting on the 2019 Draft Budget Process

- For the 2020 Budget process, staff will begin Capital budgeting starting in May instead of August
- Staff will start public engagement earlier in the budget process
- Staff will consider any areas for improvement that are communicated from the Public, Staff, and Councillors

Next Steps

- Budget deliberation by Council on January 29th and January 30th, 2019 (if necessary)
- Staff are requesting that Council consider the following item for pre-approval tonight:
 - 19-PRK-1: Rental of three sidewalk tractors: \$120,000
 - To be funded from the Parks and Facilities Operating Budget

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Questions?

