

2020 Town of Georgina DRAFT BUDGET

October 23, 2019



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2020 Budget Continuous Improvements

At the end of last year's budget process, staff made a commitment to continually improve the budget each year.

Some of the items improved during the 2020 budget process include:

- Public engagement was initiated earlier in the budget process
- Capital budgeting started in May instead of August
- Draft Budget was brought to Council in October (vs. December) for final approval in December (vs. January)
- New operating summaries which provide more meaningful corporate wide information
- Improved format and consolidation of two budget books into one book
- Increased financial planning around growth

2020 Draft Budget at a Glance

2020 Draft Budget for the Town of Georgina:

- Operating Expenditures \$67,085,780
- Reserve Contributions \$9,982,680
- Total Operating Budget \$77,068,460

- New Capital Projects \$13,035,900
- Approved 2020 MURC Cash Flow \$18,458,000
- Approved 2020 Civic Centre Cash Flow \$12,311,000
- Carry Forward Capital Projects \$24,188,690
- Total Capital Budget \$67,993,590

- The 2020 Draft Budget includes:
 - Requests for three new Town permanent full-time positions
 - Requests for ten new operating initiatives
 - Requests for fifty new capital projects

2020 Draft Budget at a Glance

Revenues	
Tax Levy	(44,810,830)
Water/Wastewater Rates	(15,571,140)
Misc Revenues	(4,131,170)
User Fees, Lease and Rental	(3,477,500)
Library Grant	(2,458,330)
Development Fees	(2,442,830)
Provision from Reserve	(1,603,980)
Local Improvements	(1,579,800)
Region or other Munic	(717,040)
Donations & Grants	(275,840)
Total Revenues	(77,068,460)

Expenses	
Salaries and Benefits	34,784,370
Staffing Other Direct Expenses	917,810
Water Payments to York region	10,461,430
Contributions to Reserve	9,982,680
Contracted/Consulting Services	6,626,840
Other Direct Costs	3,469,690
Supplies and Maintenance	3,359,610
Debenture Repayment	2,469,520
Library Grant	2,458,330
Hydro/Sewer/Gas	1,978,980
Donations & Grants	559,200
Total Expenses	77,068,460

2020 Tax Levy Draft Operating Budget

Proposed Tax Levy Impacts

Proposed 2020 Tax Increase

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

Translation of Proposed Tax Increase

For general Operating Budget 2.9% = \$58/Year*
When adding 1% to Capital Res 3.9% = \$78/Year*

* Based on an assessed value of \$402,995 (average single-family detached dwelling assessment for 2020)

2020 Tax Levy Draft Operating Budget

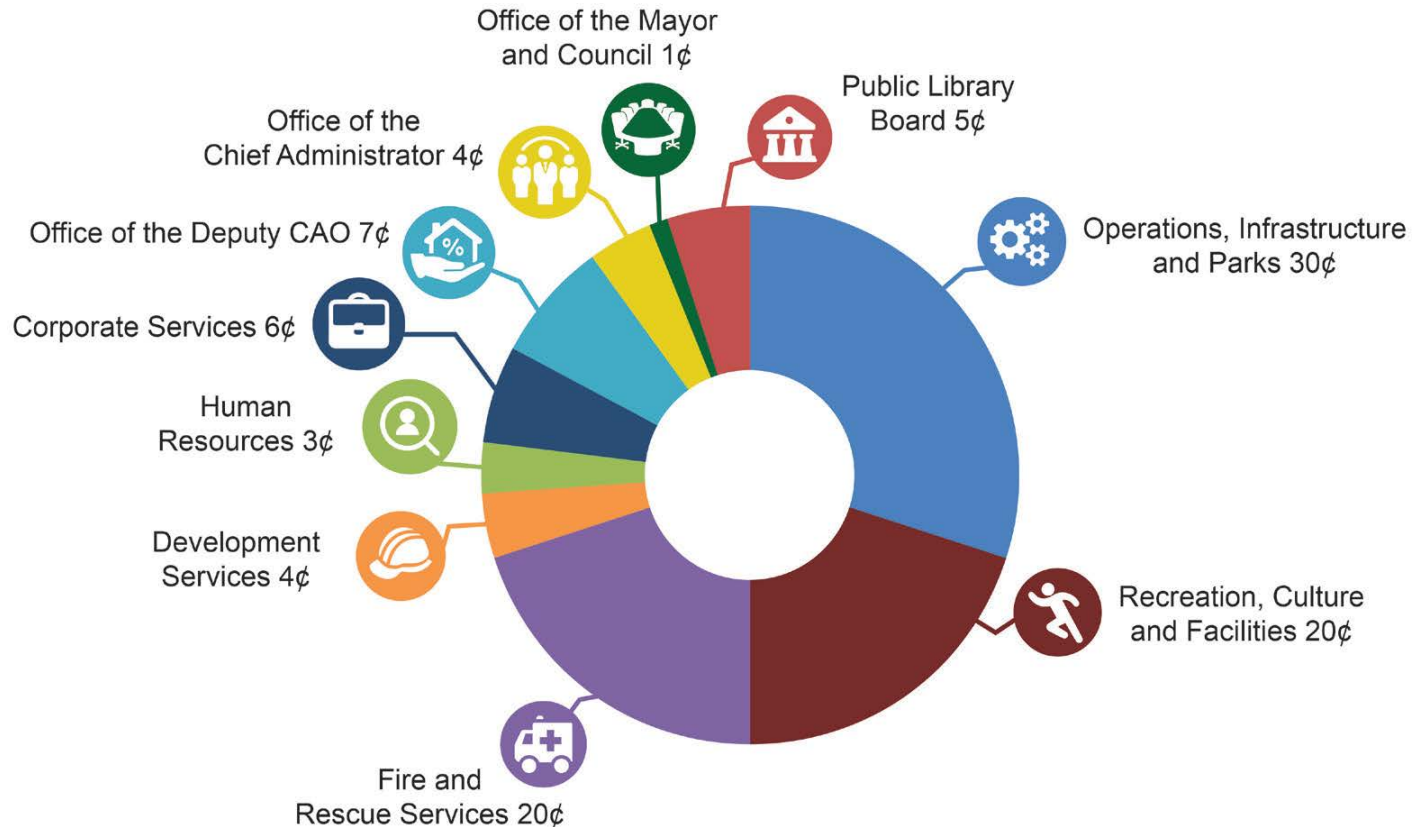
History of Budgeted Tax Increases (Operating + Capital Reserve Contribution)

- 2016 Operating Budget (3.5% + 0.9%) = 4.4%
- 2017 Operating Budget (3.7% + 0.8%) = 4.5%
- 2018 Operating Budget (1.7% + 1.2%) = 2.9%
- 2019 Operating Budget (2.6% + 1.0%) = 3.6%
- 2020 Operating Budget (2.9%* + 1.0%)** = 3.9%

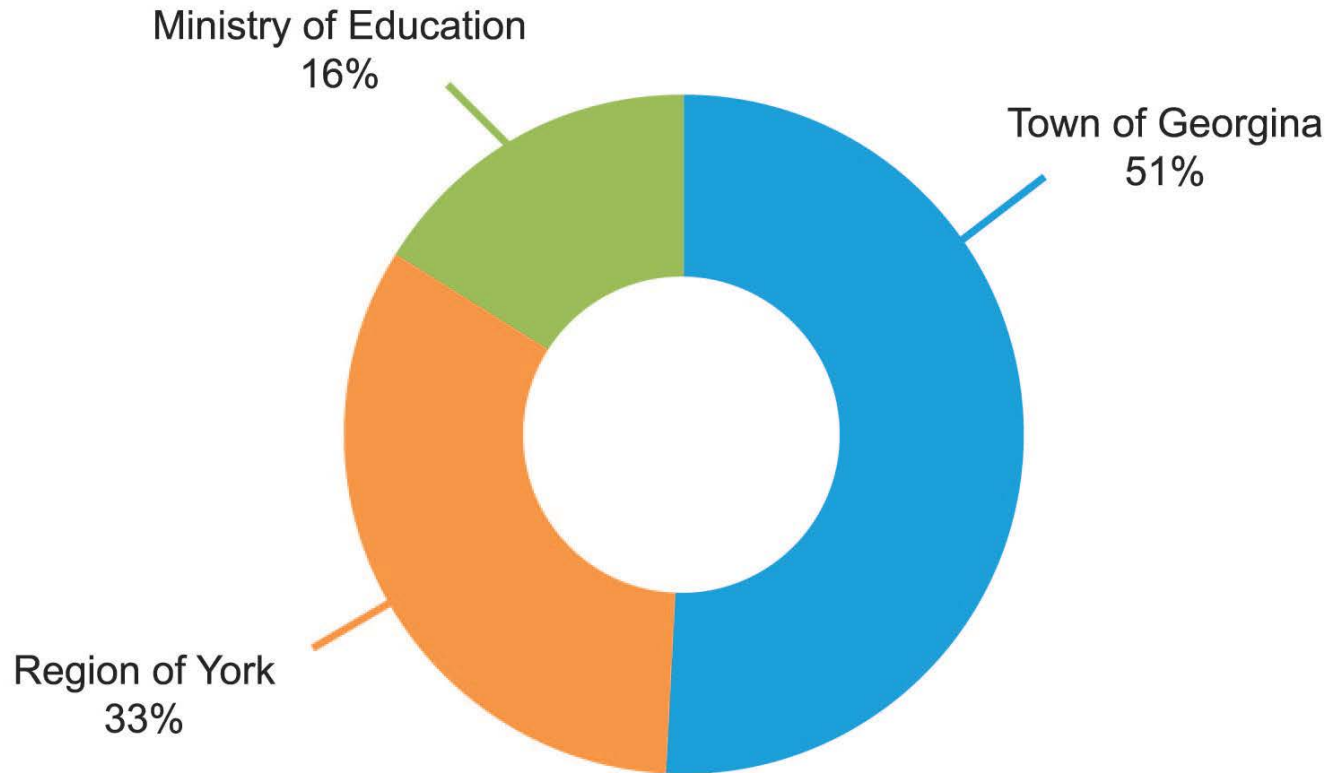
* Includes savings of \$160K which were achieved by reducing 92 accounts

** Proposed - Subject to Council's approval

How Your Georgina Tax Dollars are Spent: Breakdown of \$1



How Your Total Tax Dollars are Spent



2020 Tax Levy Draft Operating Budget

Cost Drivers

Driver	Percentage Inc./Dec.	Comments
Growth	(0.4%)	Assessment growth is 1.9%. The majority of assessment growth was allocated to current and future growth related operating expenditures. Remaining growth related revenue is due to increased planning fees, which is assisting in bringing down the overall tax levy increase.
Service Level / New Initiatives	0.5%	An increase of 0.5% relates to new operating and staffing initiatives.
Contractual / Inflationary	2.4%	An increase of 0.3% relates to salary annualizations from 2019 approved positions. 1.5% relates to an increase in payroll costs related to union and non-union bargaining contingencies and rising benefit costs. Remaining relates to miscellaneous contractual and inflationary impacts.
Debt Financing	0.4%	Includes 6 months of financing costs for the anticipated Link and Pefferlaw Fire Station debentures.
Capital Contribution (Optional)	1.0%	Council have been provided the option to increase the contribution to Capital Reserve by 1% of the tax levy to assist in closing the infrastructure funding gap.
Total	3.9%	

2020 Tax Levy Draft Operating Budget

Proposed New Staffing

2020 Staffing Summary

<u>New Positions</u>	Salary	2020	2021	
		Payroll Costs	Total	Annualized
Corporate Services			-	-
SR-CS-1 Data Analyst - GIS	73,000	21,900	94,900	96,300
SR-CS-2 Business Applications Analyst	73,000	21,900	94,900	96,300
Operations & Infrastructure				
SR-OI-1 Park Lead Hand	67,190	20,160	87,350	89,970
Total Salaries and All Other Payroll Costs - Permanent	213,190	63,960	277,150	282,570
<u>Georgina Public Library Board</u>				
SR-LIB-1 Library staffing requests	62,000	8,600	70,600	89,600
Total Salaries and All Other Payroll Costs	62,000	8,600	70,600	89,600
Total Salaries	275,190	72,560	347,750	372,170

Water and Wastewater Rate Supported Budget Proposed Impacts

	\$ Rate	% increase
Water Consumption Rate (\$/m3)	\$2.83	8.80%
Water fixed charge (\$/month)	\$3.55	9.20%
Wastewater Consumption Rate (\$/m3)	\$2.90	5.10%
Wastewater fixed charge (\$/month)	\$3.08	4.80%

Comments:

- The above rates encompass the proposed York Region increase of 9% for Water and Wastewater rates
- 59% of the Town's Water and Wastewater budget relates to payments made to York Region

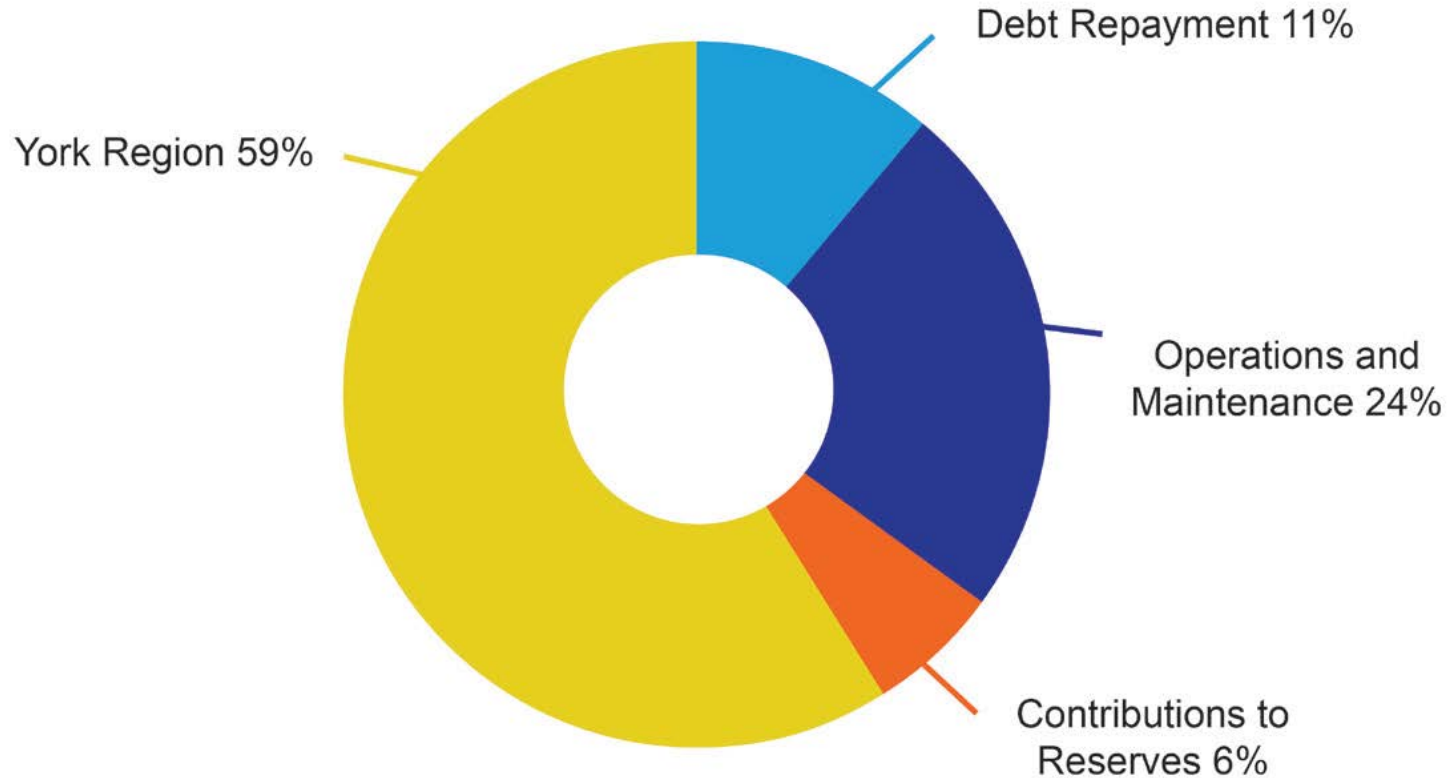
Water and Wastewater Rate Supported Budget

Average Monthly Increase

Average Quarterly Water and Wastewater Bills

	2019		2020	
	<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	\$18.57	\$19.89	\$1.32	7.1%
Water Bill	\$161.20	\$175.46	\$14.26	8.8%
Wastewater Bill	\$171.12	\$179.80	\$8.68	5.1%
Combined Rate	\$350.89	\$375.15	\$24.26	6.9%
Discount for timely Payment	(\$7.02)	(\$7.50)	(\$0.48)	
Total Bill	\$343.87	\$367.65	\$23.78	6.9%

Where Your Water and Wastewater Dollars are Spent



2020 Draft Capital Budget

- Capital program totaling \$43.8 million, which includes the 2020 MURC and replacement Civic Centre estimated cash flows
- Ten-Year Capital Forecast is set at \$286 million (2019 - \$275 million)
- Major Capital Projects
 - Bridge Rehabilitations and Replacements – \$2,365,100
 - Roads Plan – \$3,117,600
 - Playground Replacement and Enhancements (AODA) – \$360,000
 - BCA Program – \$1,421,000
 - Replacement of Rescue/Pumper Apparatus – \$820,000
 - Electronic Content Management Solution - \$283,000

Long Range Financial Plan

Defined

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.

Long Range Financial Plan

Updates made to the LRFP during the 2020 Draft Budget

Below is a list of significant updates made to the LRFP since the previous year's budget:

- Interest rates on 30-year loans in December 2018 were 3.5%. Currently they are 2.7%.
- Increases in the budget estimates for the Link, West Park, and the Sutton Community Park have been reflected in the future tax levy forecasts
- The debenture for West Park has been moved from 2022 to 2023
- Refined operating estimates for the MURC

Debt Financing

Estimated Terms and Annual Payments

Project	Budget Year	Estimated Year of Debenture	Total Debenture	Term of Debenture (Years)	Interest Rate	Annual Payment
Pefferlaw Fire Station	2017, 2018, 2019	July 2020	\$4.5M	30	2.7%	\$220,000
Civic Centre	2018, 2019	2022	\$27.0M	30	2.7%	\$1,321,000
Link Phase 2 and 3, Parking	2017, 2018, 2019	July 2020	\$3.7M	30	2.7%	\$181,000
West Park	2018, 2021	2023	\$10.5M	30	2.7%	\$513,000
Wexford Pump Upgrade	2018, 2019	2021	\$2.0M	20	2.6%	\$129,000
Sutton (NWSDA) Community Park Design	2018, 2019, 2020	2021	\$2.1M	10	2.3%	\$238,000
MURC	2017, 2019	2022	\$37.8M	20	2.6%	\$2,436,000

Public Consultations

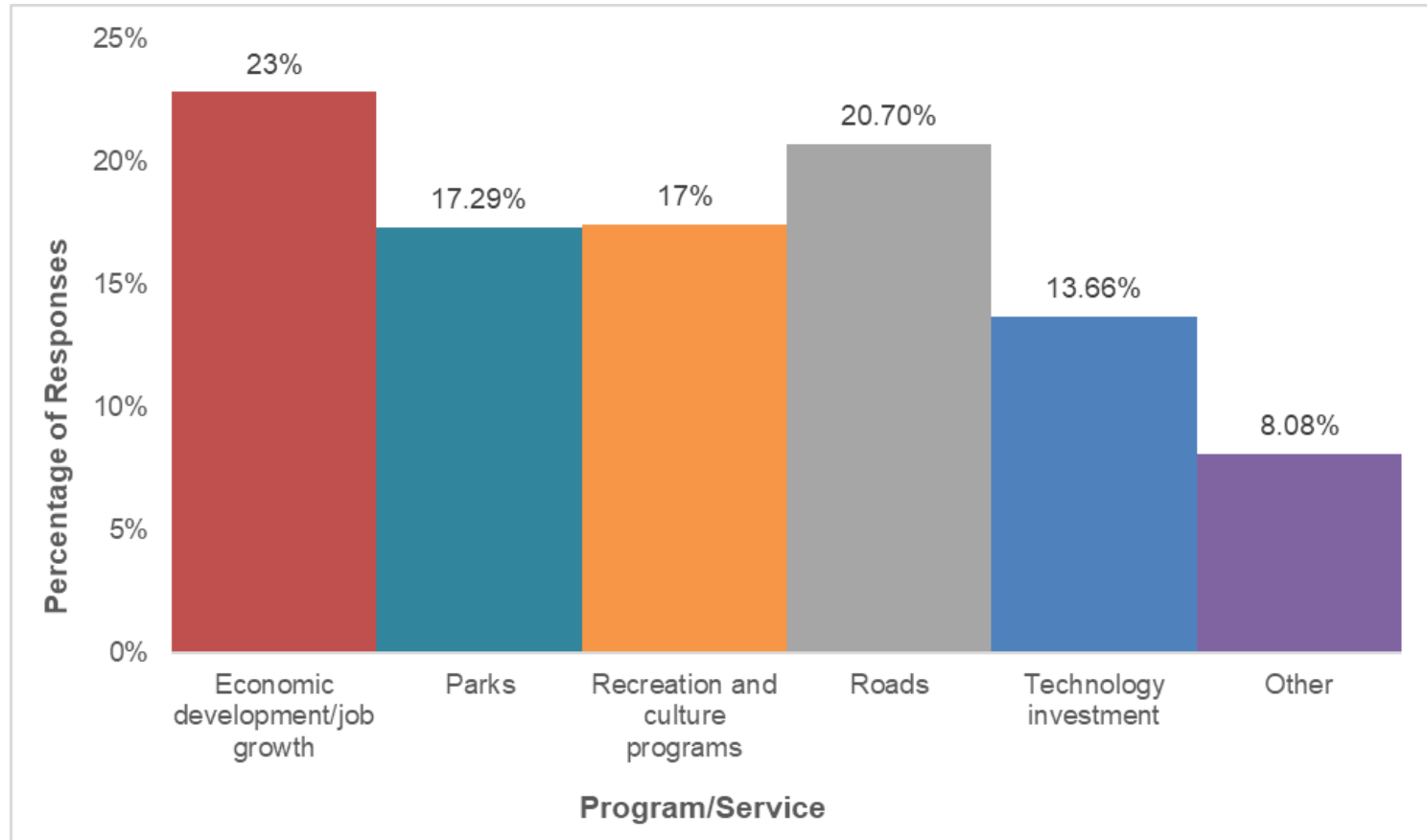
Overview

A number of opportunities were provided to promote public engagement and input into the 2020 budget process. These opportunities included:

1. Budget survey – 216 responses received (200 received in 2019)
 - 110 responses received online
 - 60 responses received through social media
 - 46 responses received through hard copy surveys
2. An email address to email comments: Budget@Georgina.ca
3. Four “Budget Chats” public consultation sessions which were made available at the Keswick Library, Sutton Library, Pefferlaw Library, and the Georgina Farmers Market
4. One-on-One Budget Chats with the Treasurer were made available.

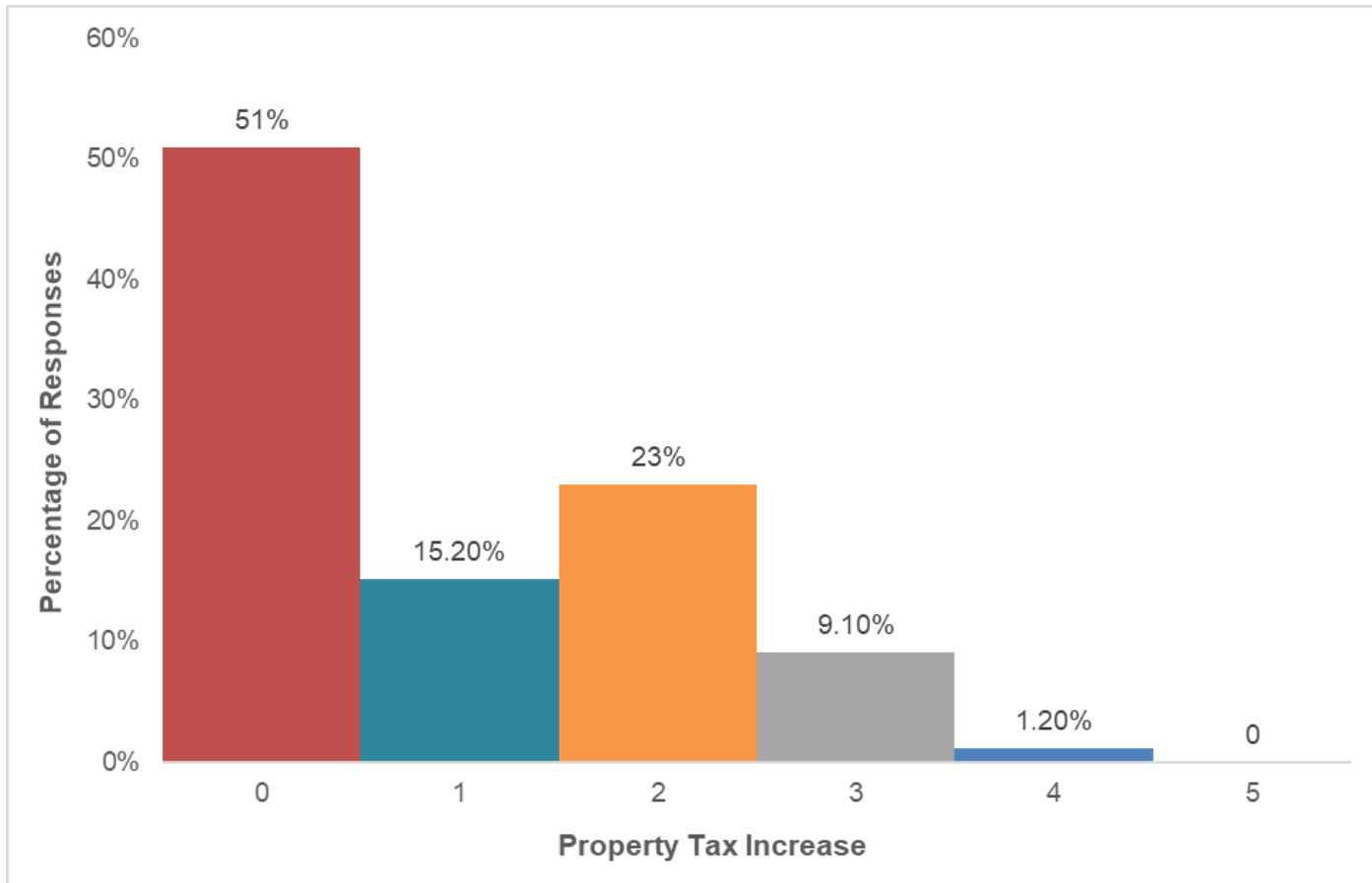
Public Consultations

Budget Survey Results: Where to spend tax dollars



Public Consultations

Budget Survey Results: Acceptable property tax increase



Next Steps

- Budget deliberation by Council on December 3, 2019 and December 4, 2019, with final approval on December 4, 2019
- Staff are requesting that Council consider the following item for pre-approval tonight:
 - Building Fee Review for \$20,000 to be funded from the building reserve (20-DS-1)

Contacts for the 2020 Draft Budget

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Questions?



2020 Town of Georgina **DRAFT BUDGET**

*Investing in service excellence
and
Building for tomorrow*