

# 1<sup>st</sup> Draft 2020 Budget & 2021 TO 2023 FORECASTS

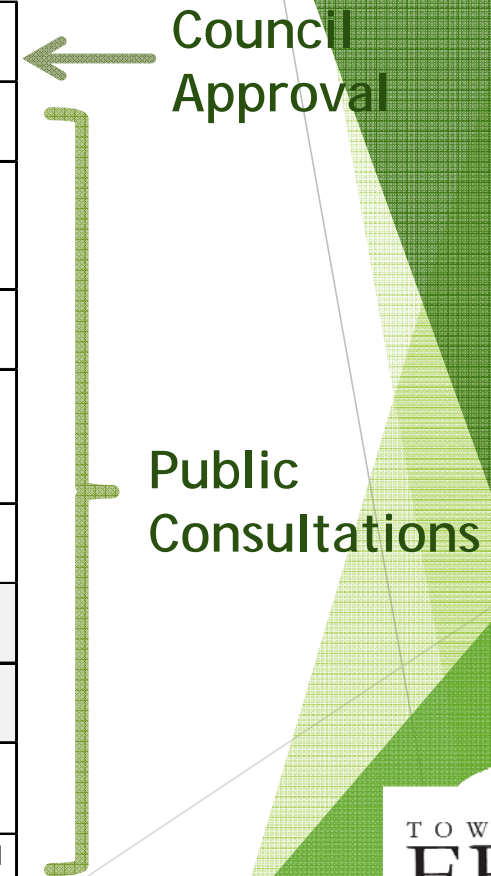
November 19, 2019

# Agenda

- Budget Timetable & Process
- 1<sup>st</sup> Draft 2020 Base Budget and 2021-2023 Forecasts
- Resource Requests
- Capital Requests
- Tax Trends and Financial Comparators

# 2020 Budget Timetable

Tuesday, September 17, 2019 6:30pm	Proposed Budget Process & Guideline Presentation
September 17 - October 16, 2019	Public Consultation (Budget Survey released until October 16)
Tuesday, October 1, 2019	Council Prioritization of <b>Initiatives</b> in the Strategic Plan, Economic Development Strategy and Parks & Recreation Masterplan (2020-2023)
Wednesday, October 23, 2019	Department Submissions
Tuesday, November 5, 2019	Council Prioritization of <b>Capital Projects</b> based on Building Assessments, Energy Audits, Conservation Demand Management, Bridges Condition Report (OSIM))
Tuesday, November 19, 2019 7:30pm (Special Council)	1st Draft 2020 Budget (Council and Public Consultation) Include Budget Survey Results
Wednesday, November 20, 2019 7:30pm (Special Council)	Budget Public Consultation (Roads, Water, Parks and Recreation)
Thursday, November 21, 2019 7:30pm (Special Council)	Budget Public Consultation (Corporate Services, Fire & Emergency, Building/Planning/Enforcement)
Tuesday, December 3, 2019 7:30pm (Special Council)	2nd Draft 2020 Budget (Council and Public Consultation)
Tuesday, December 17, 2019 7:30pm (Special Council)	Final 2020 Budget & User Fees By-law Presentation (Special Council Presentation)



# Draft 2020 Operating Budget

	<b>2020 vs 2019 Variance</b>
	<b>000's</b>
<b>Changes in Revenues</b>	
2019 Budget	\$11,556
Other Grants	\$ 465
Assessment Growth	351
Planning	(102)
Revenues to Offset to Resource Requests	580
Other	(90)
<b>Total Revenues</b>	<b>\$12,760</b>
<b>Changes in Expenditures</b>	<b>000's</b>
2019 Budget	\$11,556
Program expenditures	51
Change in Capital Requests	217
Change Infrastructure Renewal Reserve Contributions	112
Resource Requests	964
<b>Total Expenditures</b>	<b>\$12,901</b>
<b>Total Expenditures</b>	<b>(141)</b>

% Tax Increase	2.00%
Tax Amount Increase	\$ 29.57

*\*based on \$500k assessed value*



Special Area Charges for Streetlights will be reduced by approximately \$31 for 1,940 rate payers

# Draft 2021 - 2023 Forecasts

	2021	2022	2023
Additional Tax Levy Requirement	\$150,984	\$153,800	\$157,000
Tax Rate Change	2.00%	2.00%	2.00%

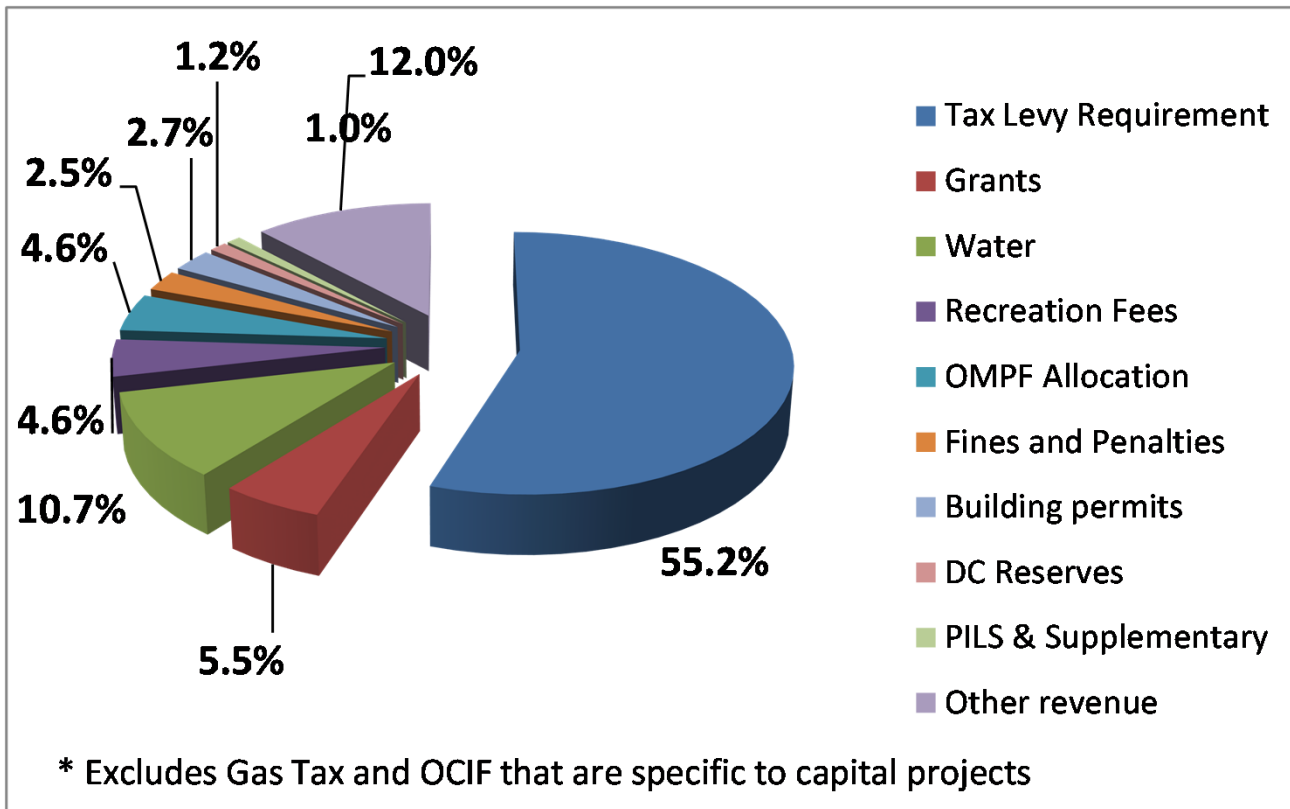
Includes increases to the following:

	2021	2022	2023
Infrastructure Renewal Reserve	\$145,000	\$105,000	\$100,000
Funding of Capital Projects	\$24,384	\$36,500	\$99,900

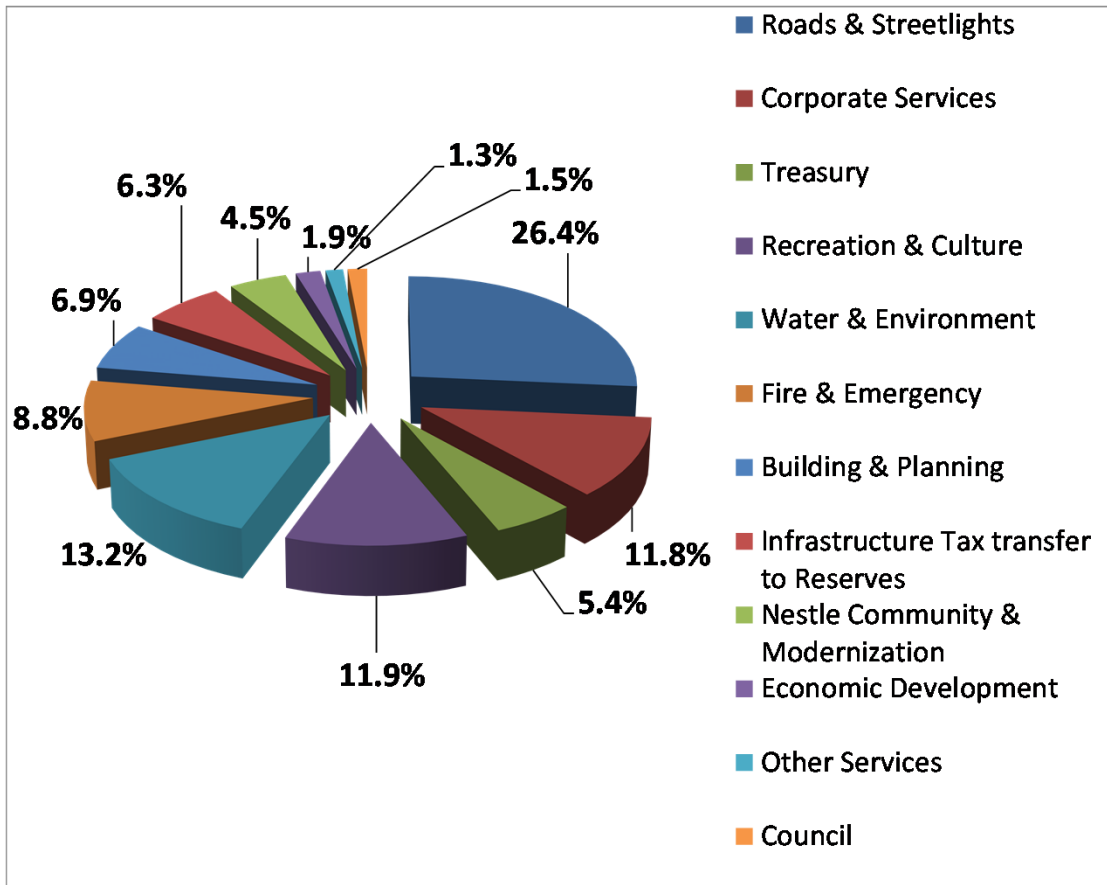
# Budget Submissions

1. Draft 2020 Base Budget & 2021-2023 Forecasts
2. Operations Plan (2020 - 2023)
3. Resource Requests (2020 - 2023)
4. Capital Budget Requests (2020 - 2023)

# \$12.8m Revenues for operations



# \$12.9m Expenditures by Programs

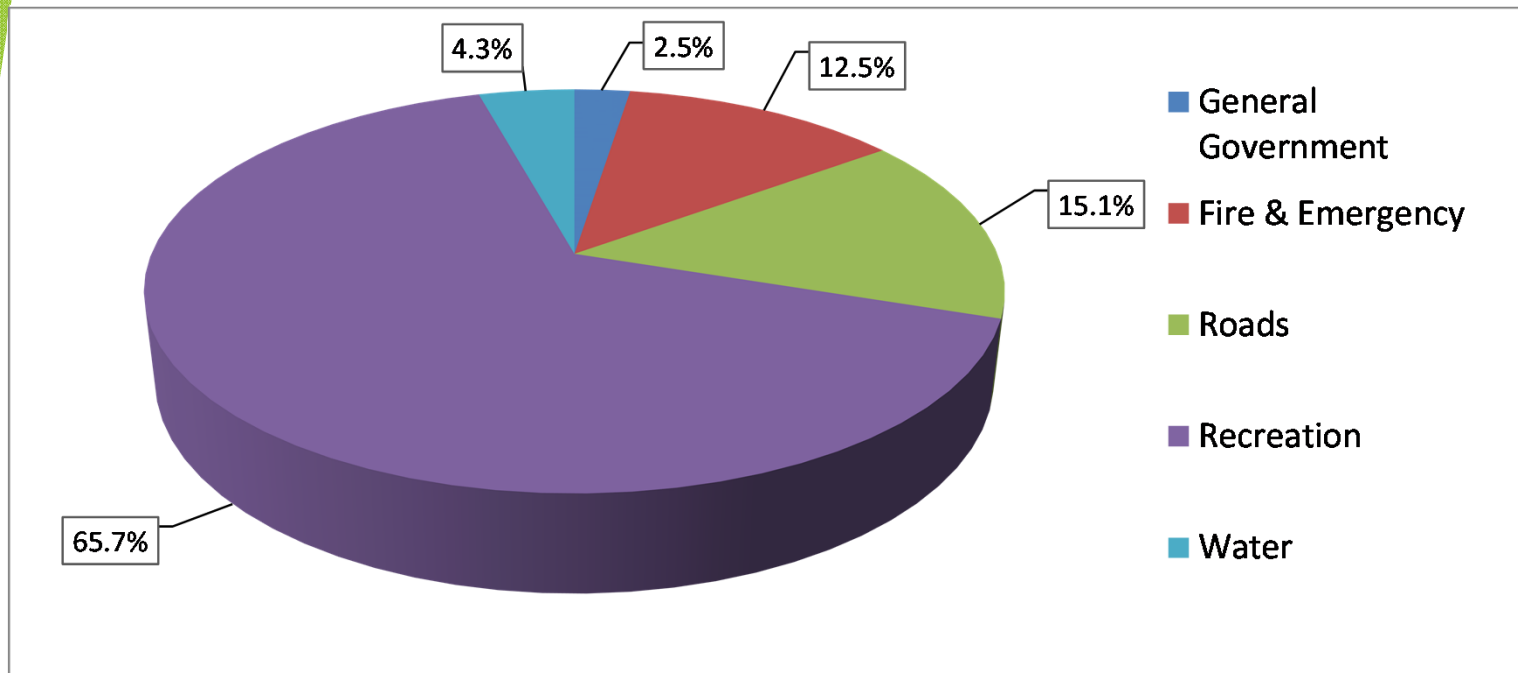




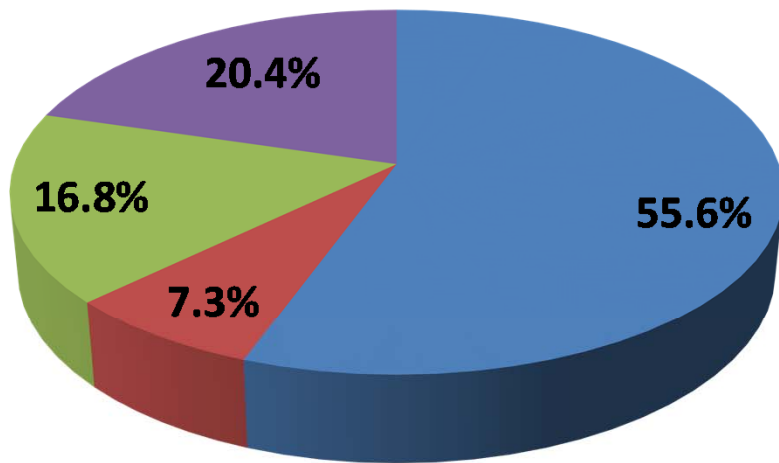
# RESOURCE REQUESTS

<b>Program</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Corporate Services	\$ 184,000	\$ 2,000	\$ 2,000	\$ 132,000
Economic Development	\$ 50,000	\$ 65,000	\$ 70,000	\$ 75,000
Planning	\$ 325,000	\$ 130,000	\$ -	\$ -
Fire & Emergency Services	\$ 220,000	\$ 105,000	\$ 125,000	\$ 105,000
Roads	\$ 110,000			
Water Operations	\$ 75,000	\$ 150,000	\$ 150,000	\$ 150,000
Parks & Recreation	\$ -	\$ 100,000	\$ -	\$ 60,000
<b>Total</b>	<b>\$ 964,000</b>	<b>\$ 552,000</b>	<b>\$ 347,000</b>	<b>\$ 522,000</b>
Funded from Reserves	\$ 579,500	\$ 240,000	\$ 150,000	\$ 321,000
Funded from Tax	\$ 384,500	\$ 312,000	\$ 197,000	\$ 201,000

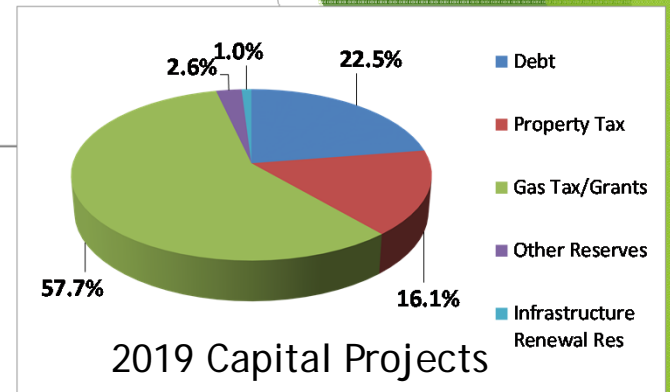
# 2020 Capital Projects by department



# Funding for 2020 Capital Projects

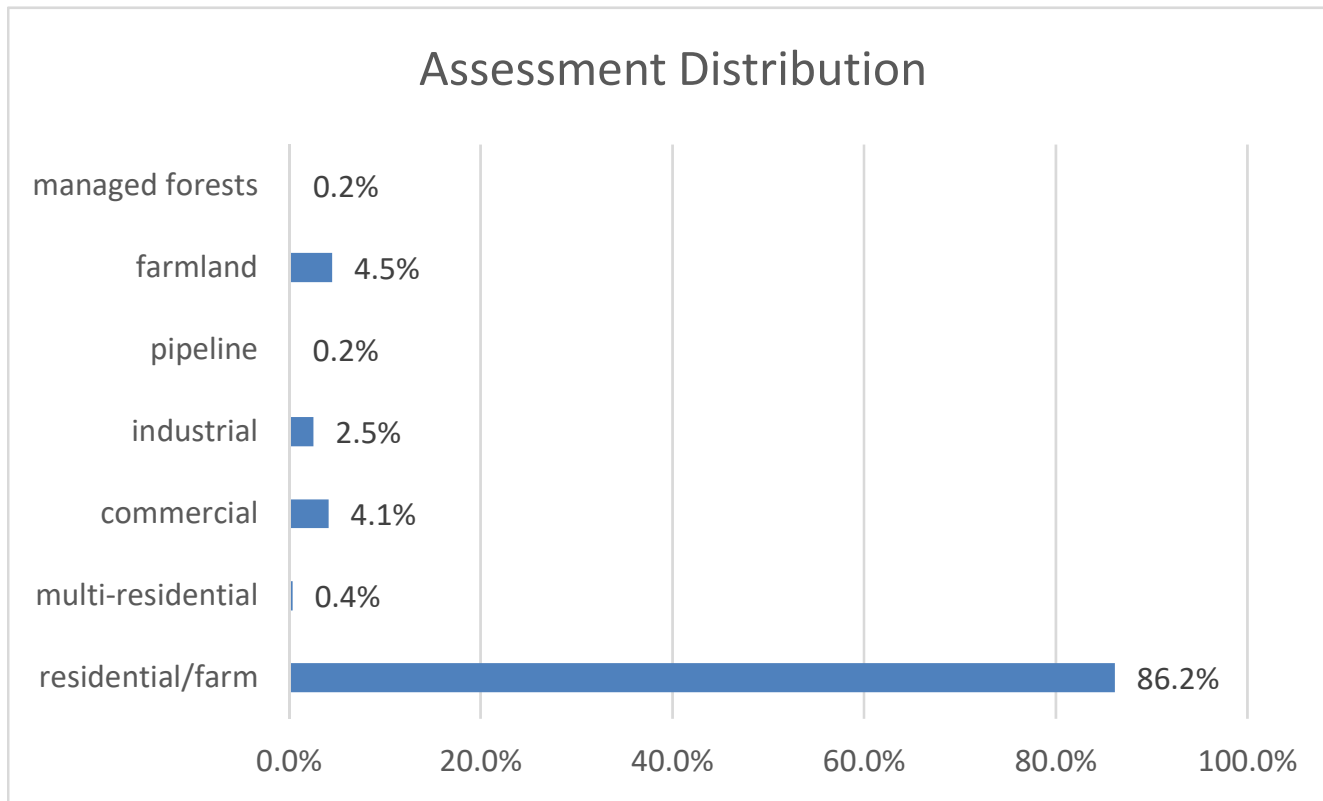


- Gas Tax/Grants
- Development Charges
- Other Reserves
- Property Tax

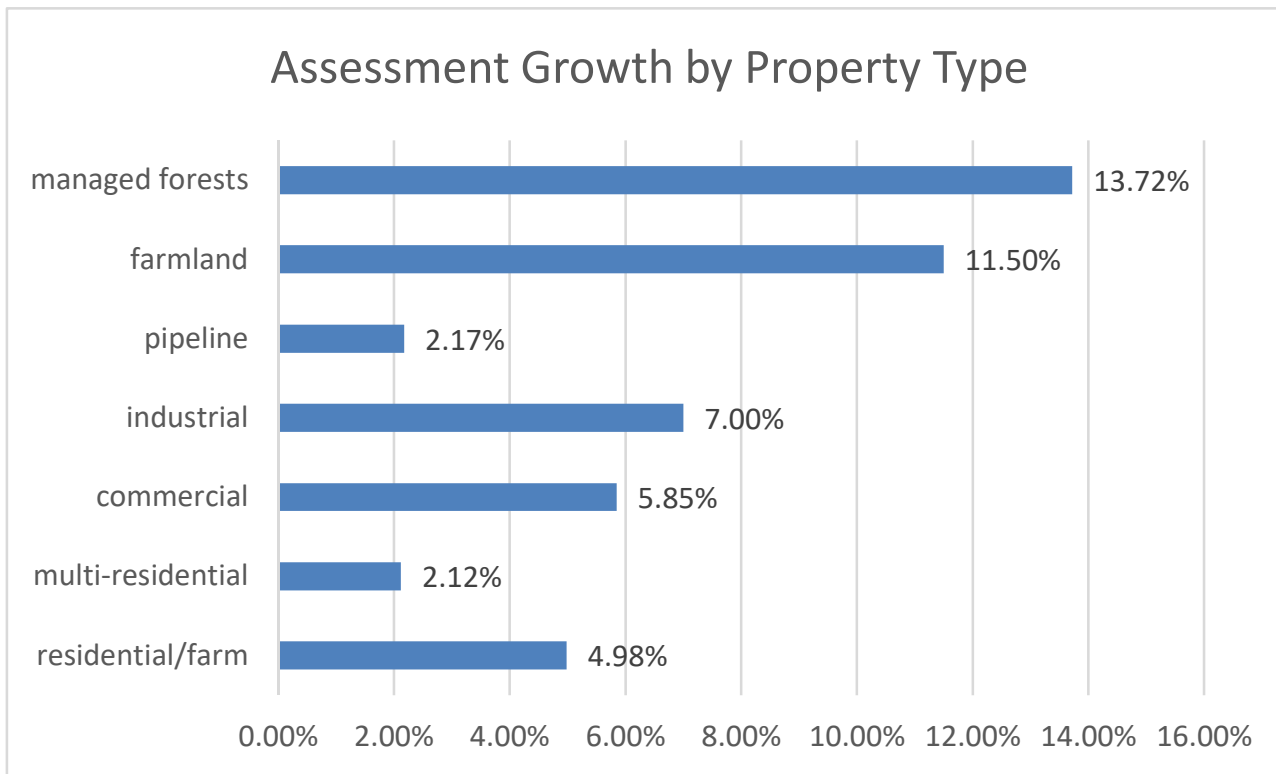


2019 Capital Projects

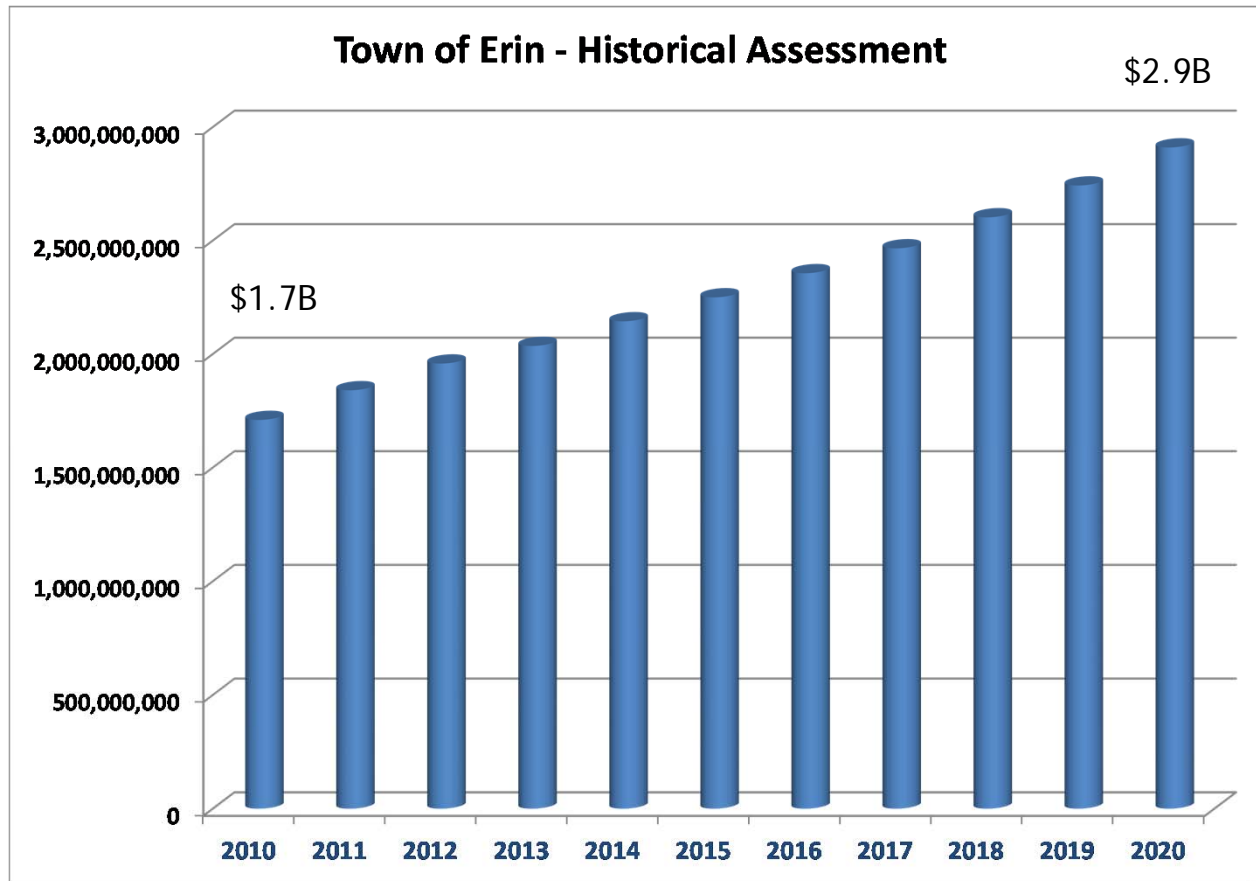
# Assessment Distribution



# Changes to Assessments

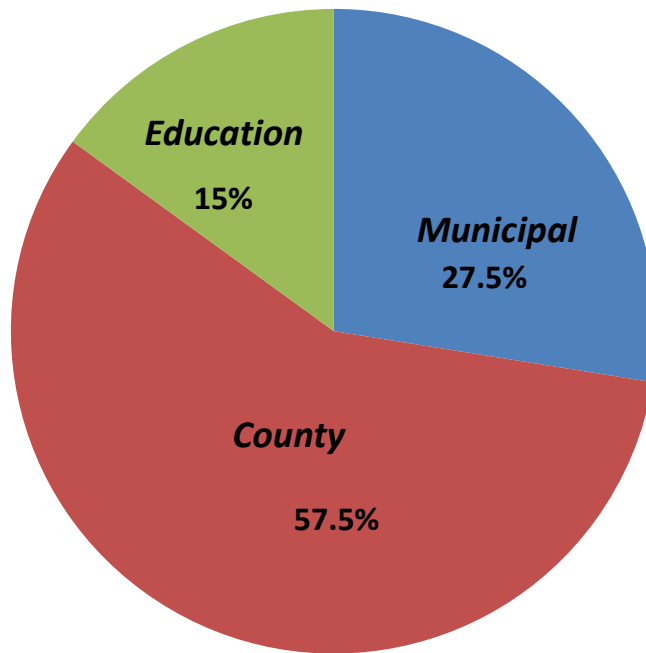


# Erin's Assessment trend

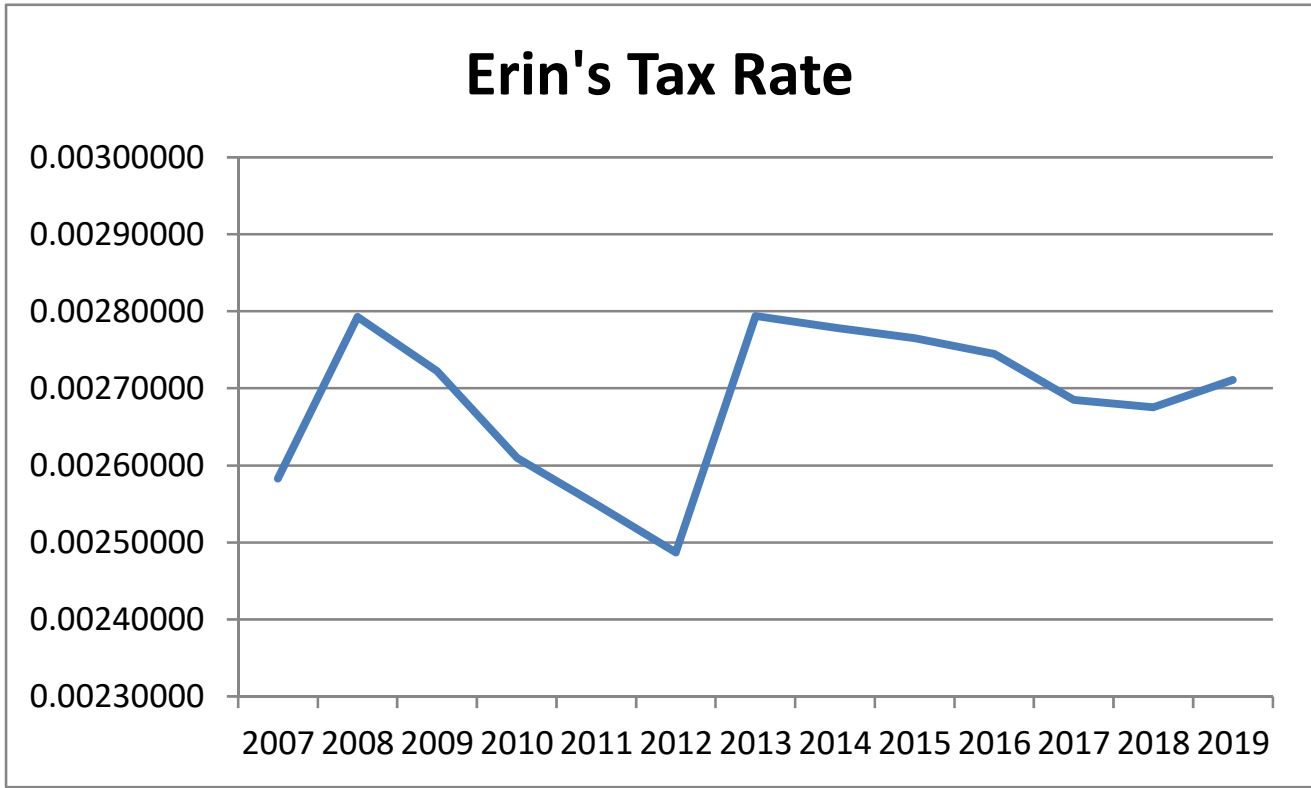


# 2019 Tax Distribution

Total Erin Residential Tax by Source

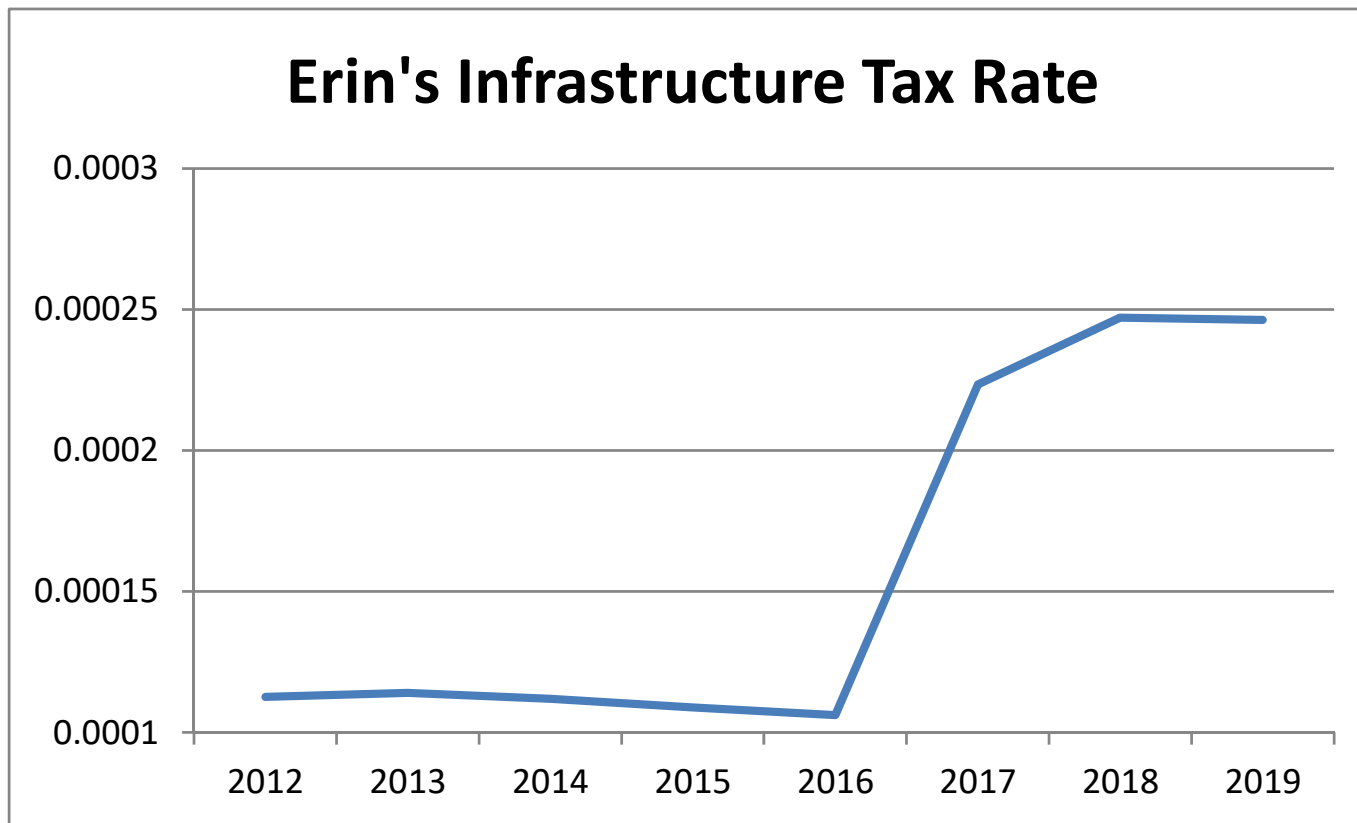


# Erin's Tax Rate Trend (NO INFRASTRUCTURE)

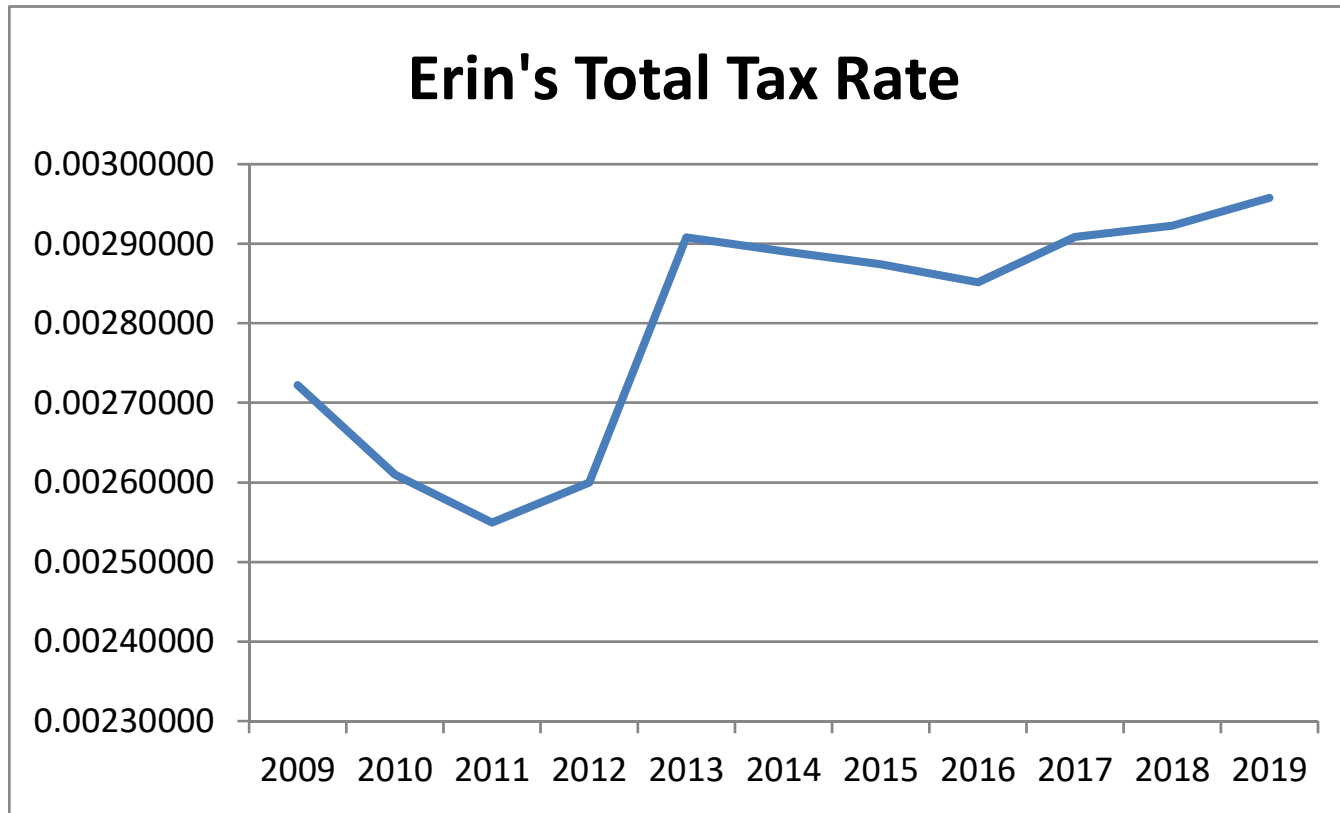




# ERIN'S INFRASTRUCTURE TAX TREND

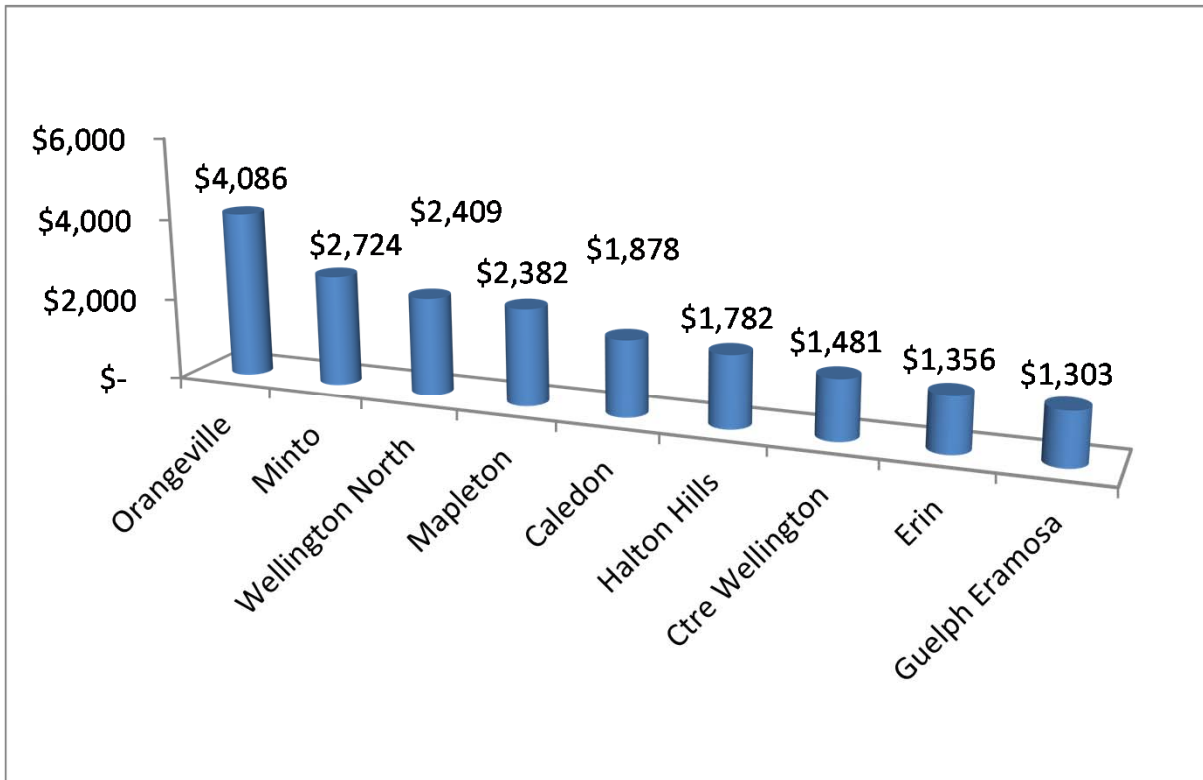


# Erin's TOTAL Tax Rate Trend



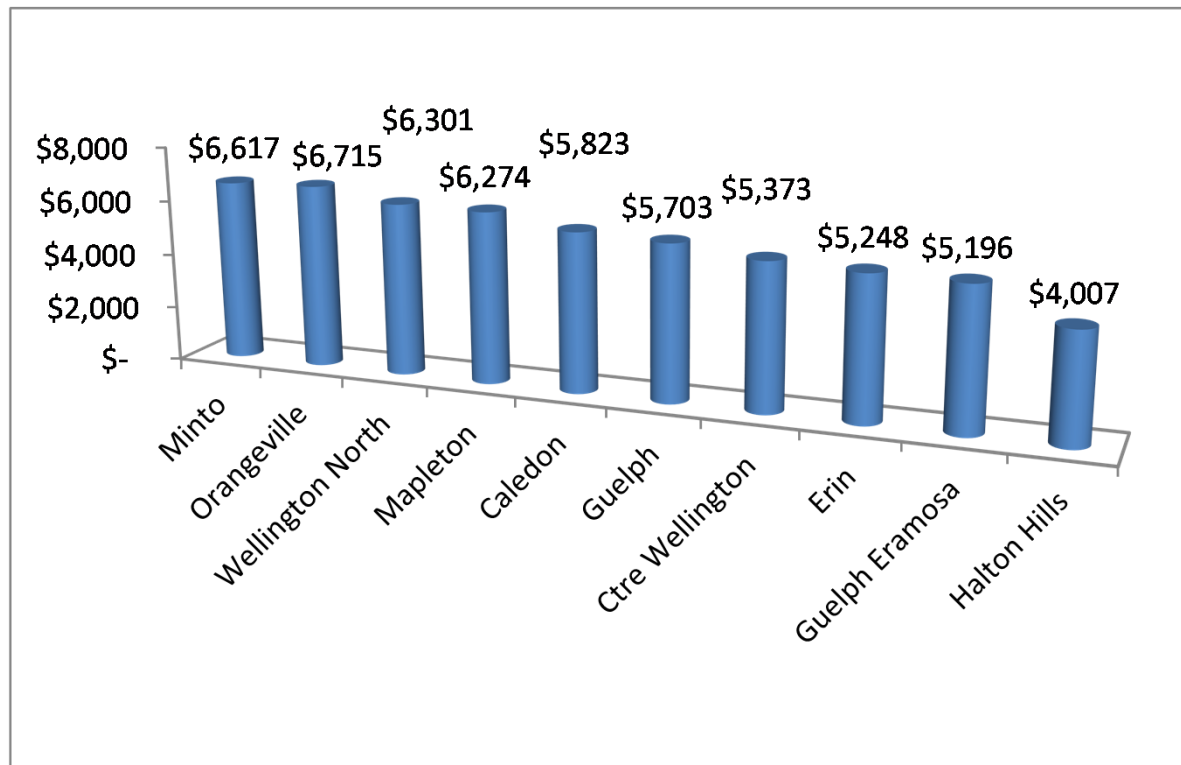
# Town Portion Only Comparison

Based on \$500,000 assessment value of residential home



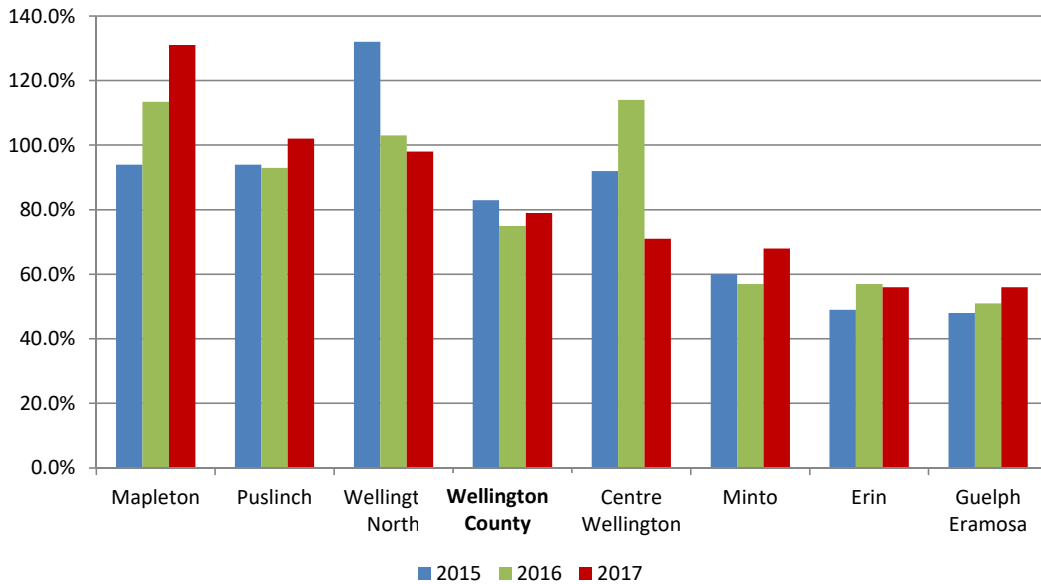
# Total Tax comparison

Based on \$500,000 assessment value of residential home



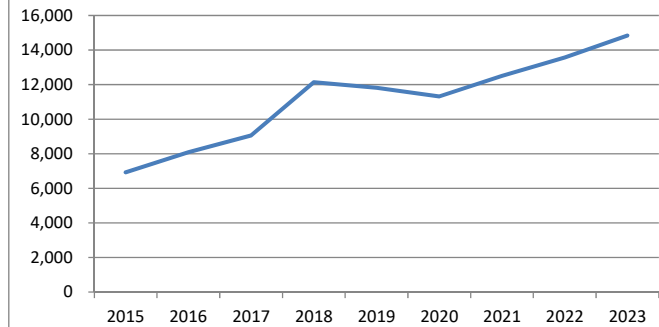
# 2020 Reserves Forecast

**Tax Discretionary Reserves as a % of Taxation  
County and Member Municipalities**

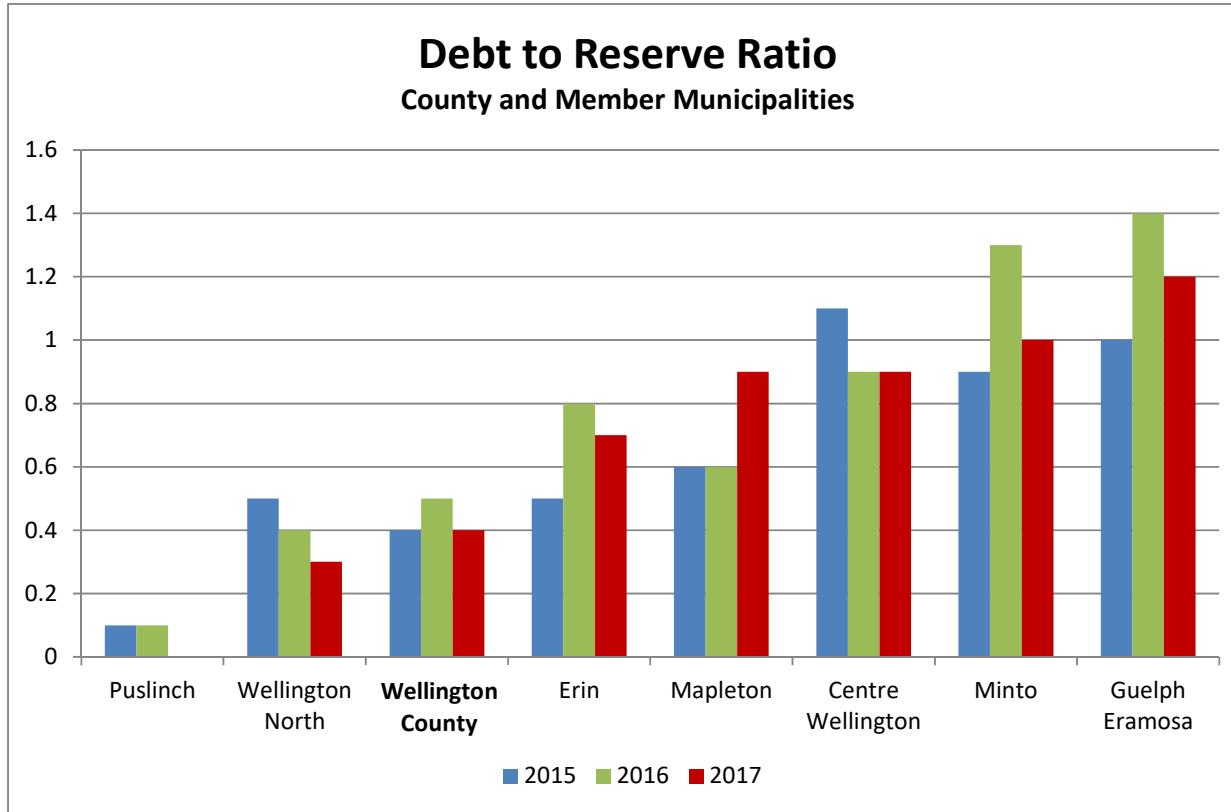


Source County of Wellington - January 15, 2019 "BMA Municipal Study - Financial Indicators Analysis"

**Reserves**

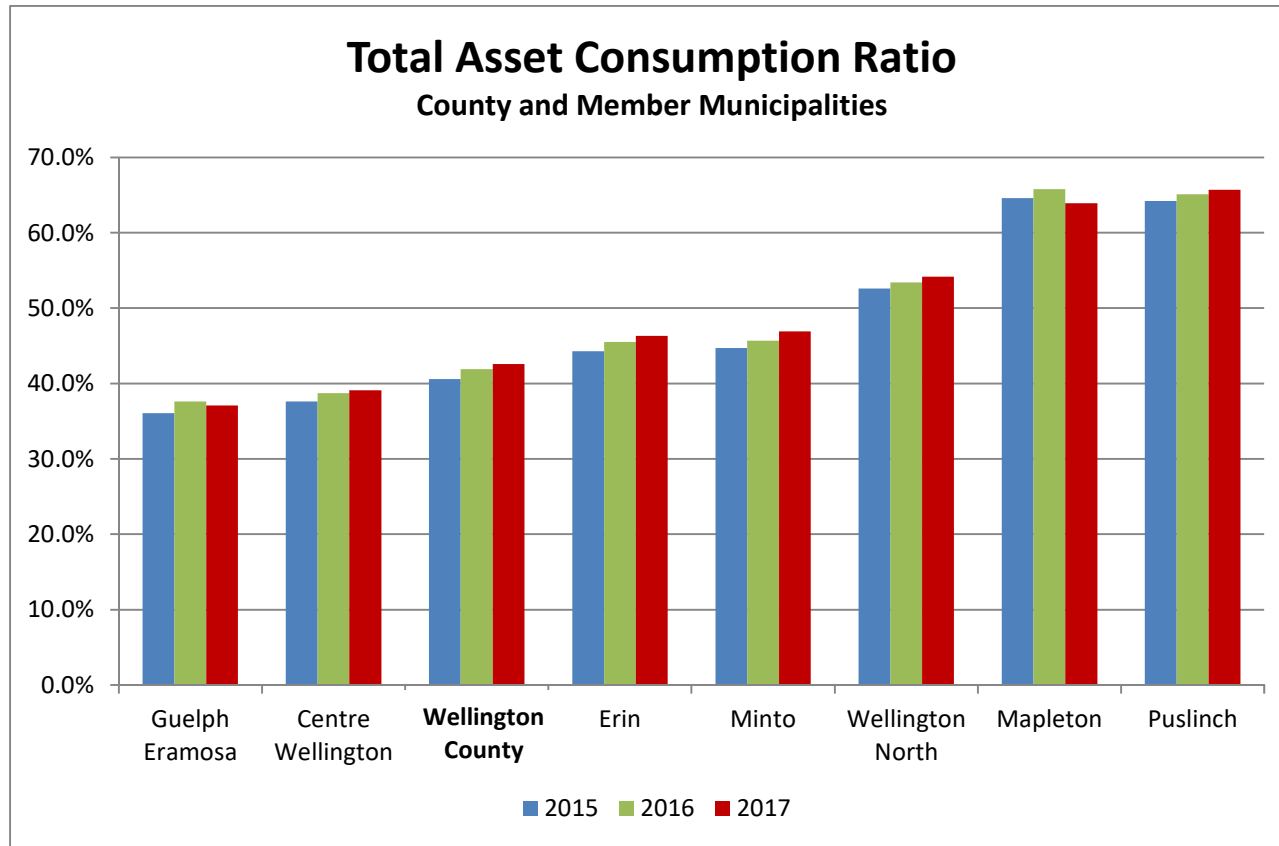


# Debt to Reserve Ratio



Source County of Wellington - January 15, 2019 "BMA Municipal Study - Financial Indicators Analysis"

# Asset Consumption Ratio



Source County of Wellington - January 15, 2019 "BMA Municipal Study - Financial Indicators Analysis"

# Debt Summary

Debt Summary					
Year	Opening Balance	Principal	Interest	Payment	Ending Balance
2019	\$ 3,924,600.51	\$ 325,730.37	\$ 106,752.31	\$ 432,482.68	\$ 3,598,870.14
2020	\$ 3,598,870.14	\$ 329,543.31	\$ 99,428.29	\$ 428,971.60	\$ 3,269,326.83
2021	\$ 3,269,326.83	\$ 337,388.68	\$ 95,406.26	\$ 432,794.94	\$ 2,931,938.15
2022	\$ 2,931,938.15	\$ 351,267.79	\$ 85,044.98	\$ 436,312.77	\$ 2,580,670.36
2022*	\$ 2,580,670.36	\$ -	\$ -	\$ 907,000.00	\$ 1,673,670.36
2023	\$ 1,673,670.36	\$ 216,181.97	\$ 45,241.61	\$ 261,423.58	\$ 1,457,488.39
2024	\$ 1,457,488.39	\$ 221,132.50	\$ 40,070.72	\$ 261,203.22	\$ 1,236,355.89
2025	\$ 1,236,355.89	\$ 199,356.00	\$ 34,512.26	\$ 233,868.26	\$ 1,036,999.89
2026	\$ 1,036,999.89	\$ 184,000.00	\$ 29,806.50	\$ 213,806.50	\$ 852,999.89
2027	\$ 852,999.89	\$ 75,000.00	\$ 25,298.50	\$ 100,298.50	\$ 777,999.89
2028	\$ 777,999.89	\$ 77,000.00	\$ 23,386.00	\$ 100,386.00	\$ 700,999.89
2029	\$ 700,999.89	\$ 79,000.00	\$ 21,307.00	\$ 100,307.00	\$ 621,999.89
2030	\$ 621,999.89	\$ 81,000.00	\$ 19,095.00	\$ 100,095.00	\$ 540,999.89
2031	\$ 540,999.89	\$ 84,000.00	\$ 16,746.00	\$ 100,746.00	\$ 456,999.89
2032	\$ 456,999.89	\$ 86,000.00	\$ 14,268.00	\$ 100,268.00	\$ 370,999.89
2033	\$ 370,999.89	\$ 89,000.00	\$ 11,645.00	\$ 100,645.00	\$ 281,999.89
2034	\$ 281,999.89	\$ 91,000.00	\$ 8,886.00	\$ 99,886.00	\$ 190,999.89
2035	\$ 190,999.89	\$ 94,000.00	\$ 6,065.00	\$ 100,065.00	\$ 96,999.89
2036	\$ 96,999.89	\$ 97,000.00	\$ 3,104.00	\$ 100,104.00	-\$ 0.11

\* Balloon payment of \$907,000 in year 2022 for Hillsburgh Fire Hall loan





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Questions?