

DRAFT #1 2017 BUDGET

October 26, 2016



Creating a Road to Financial Sustainability

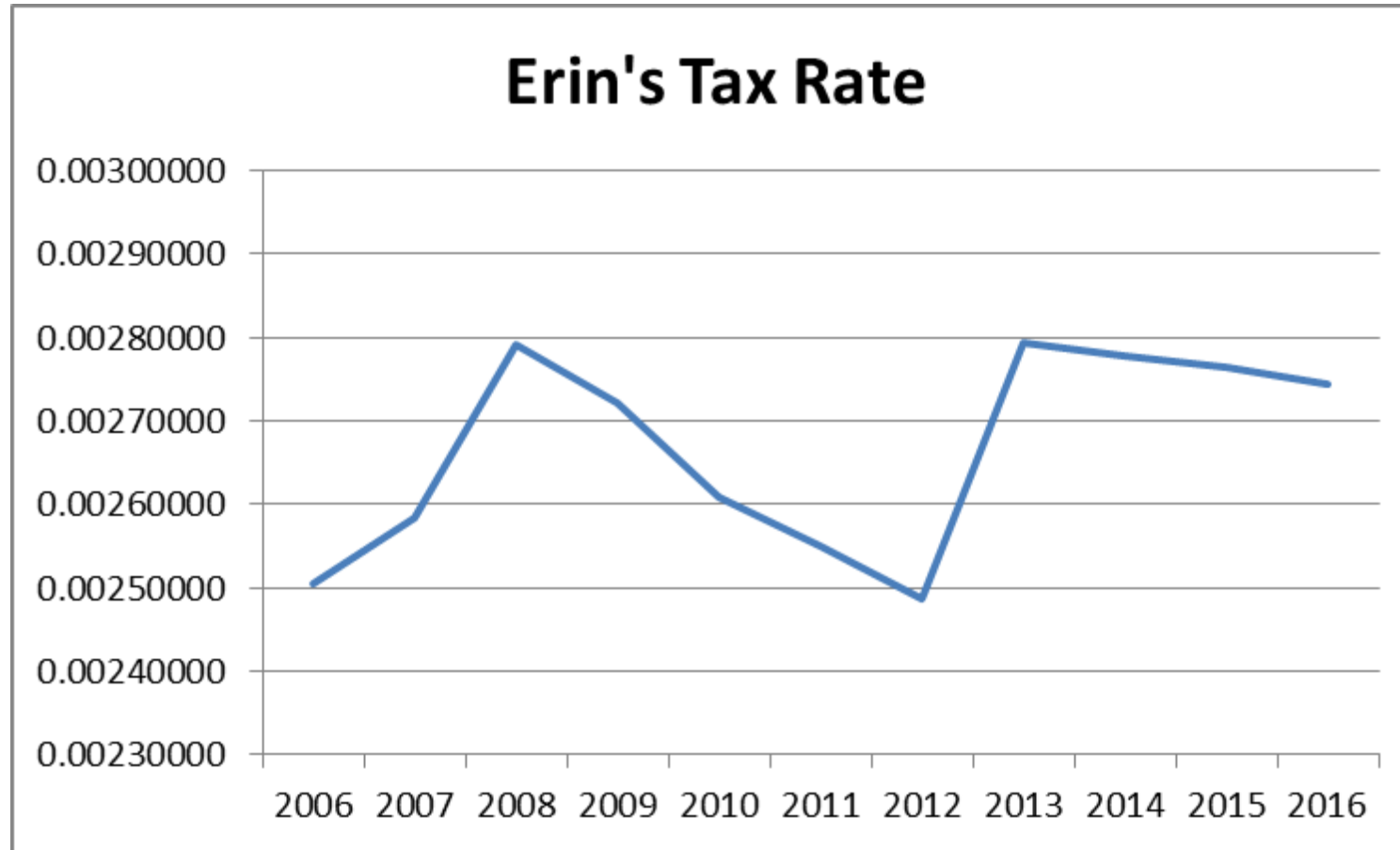


AGENDA

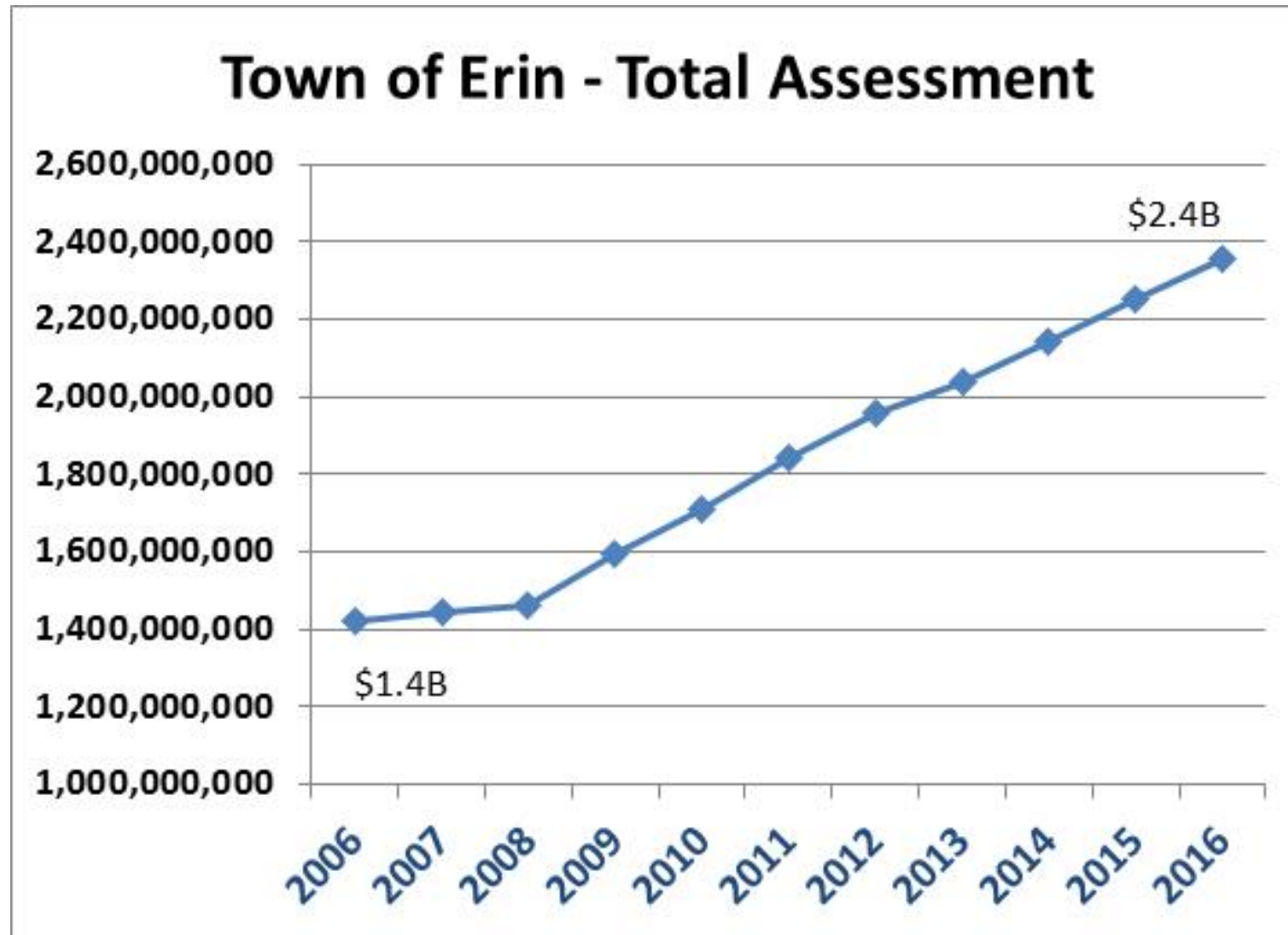
- Tax Trends and Comparisons
- BMA Results
- Budget Process
- 2017 Base Budget
- Draft 2017 Operating Budget
- Draft 2017 Capital Budget



ERIN'S TAX RATE TREND

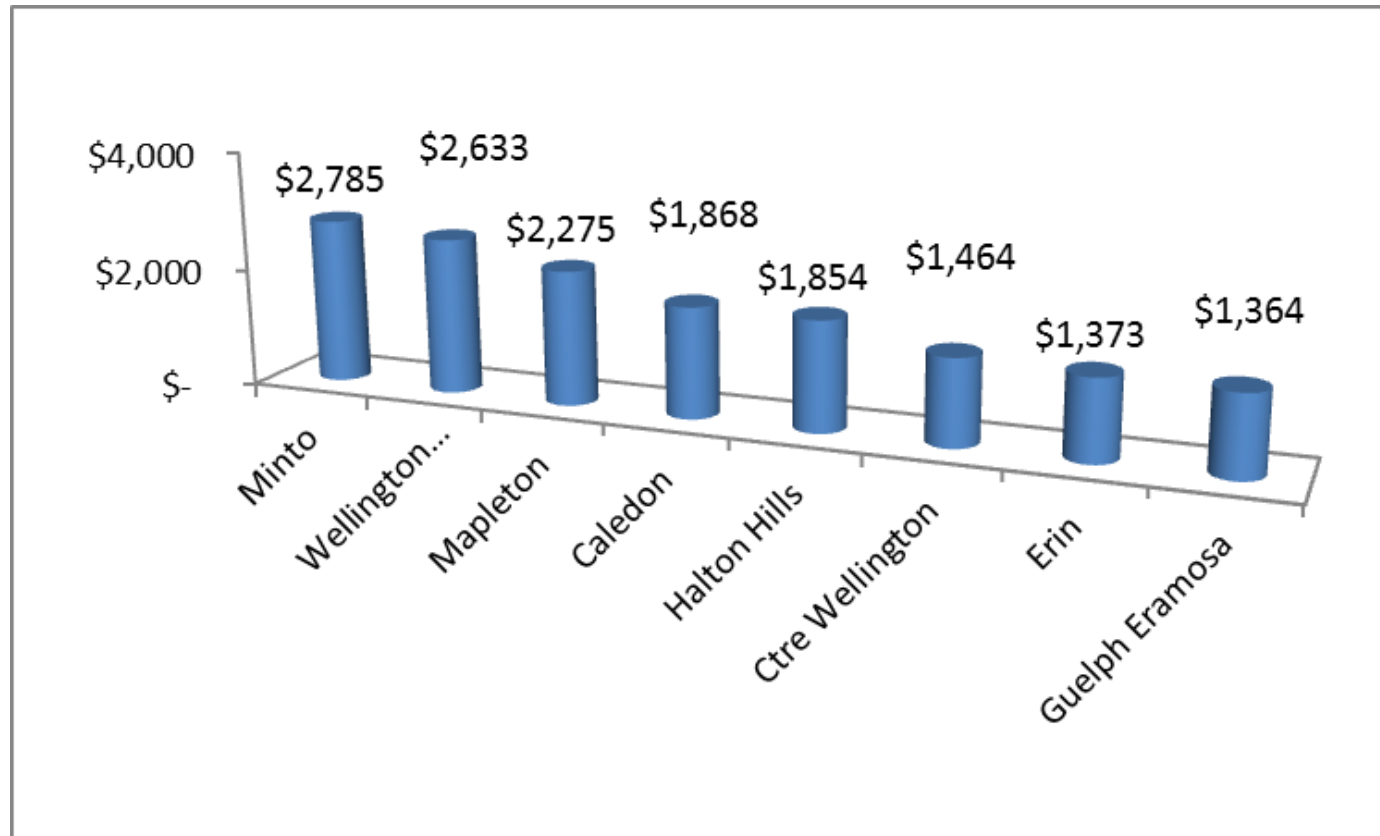


ERIN'S ASSESSMENT TREND



MUNICIPAL TAX COMPARISON

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

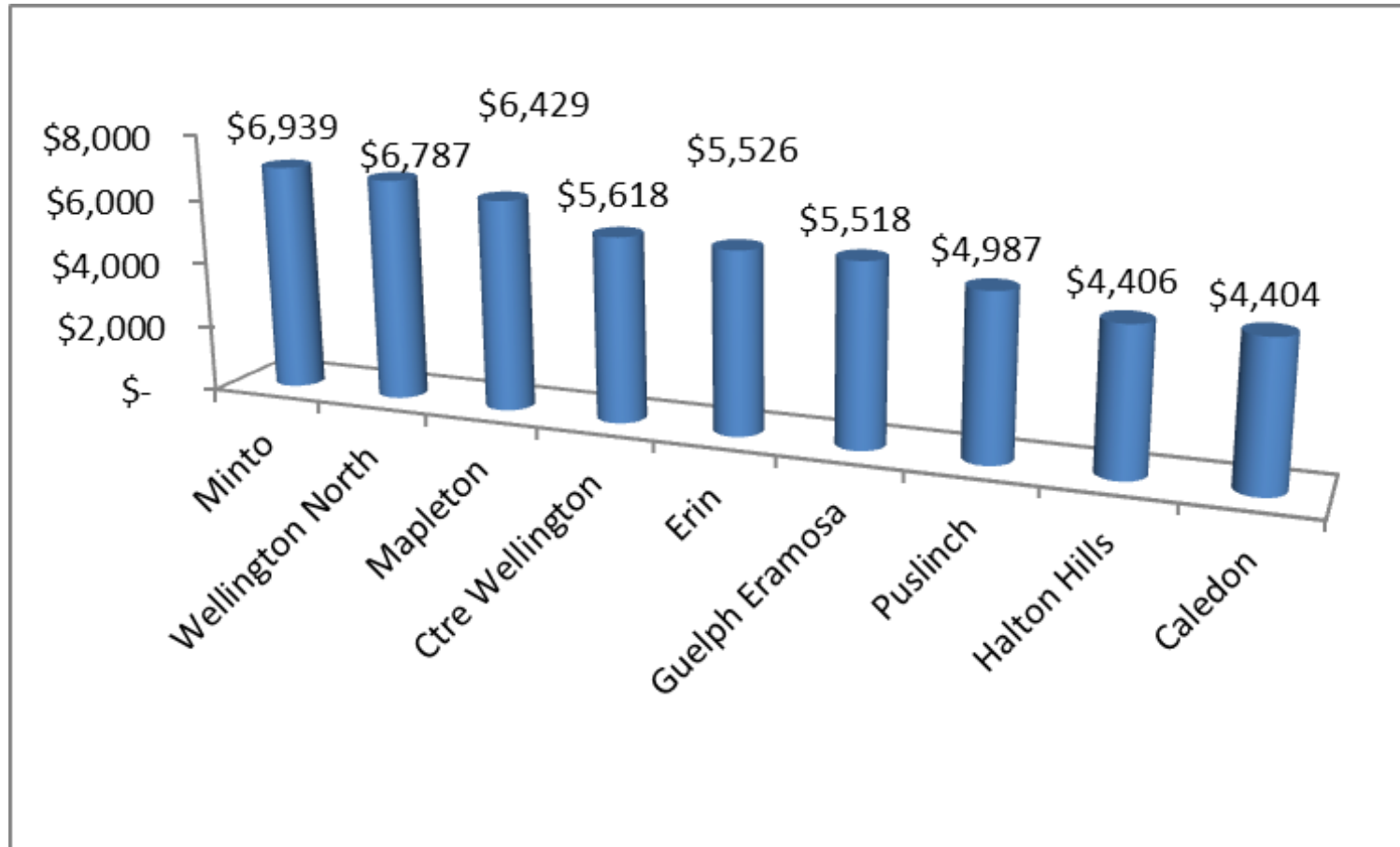


*Puslinch has a separate levy for fire so services would not be comparative with the other municipalities.



TOTAL TAX COMPARISON

Based on \$500,000 value residential home



No other levies are added to these figures.



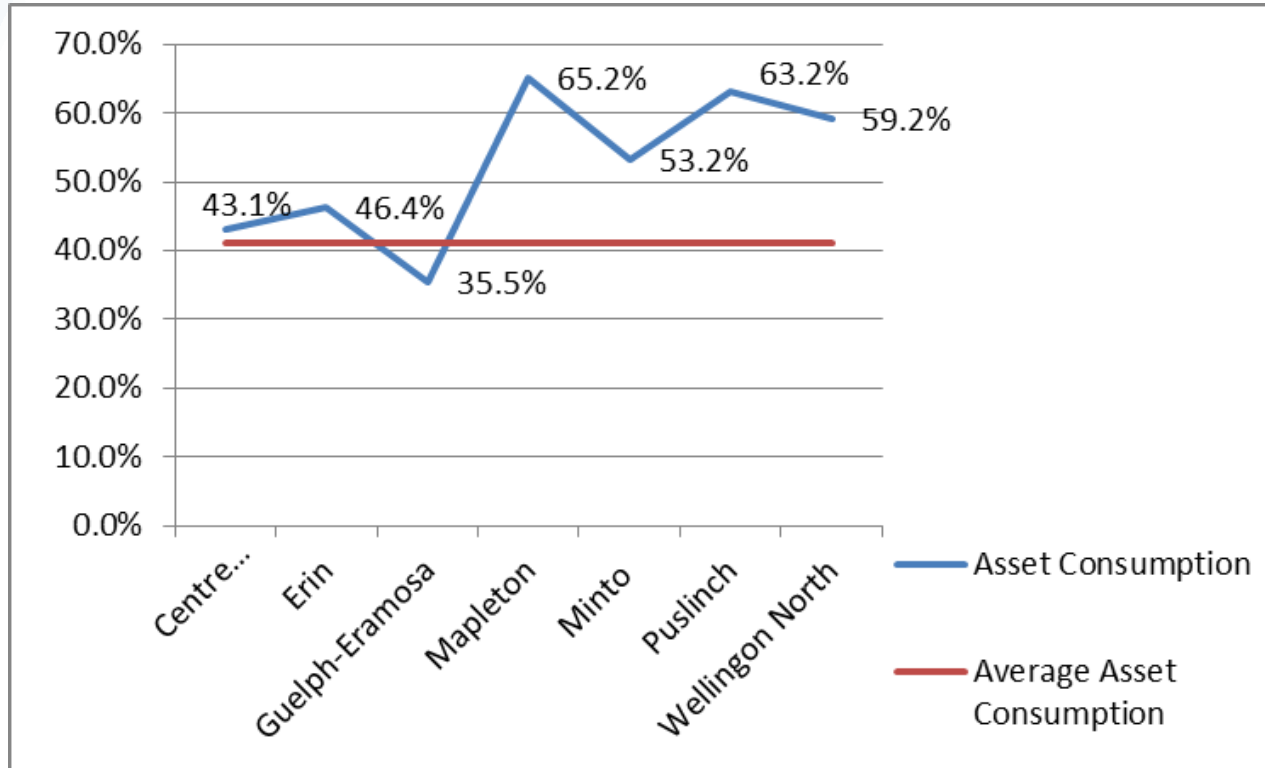
OTHER TAX LEVIES

Based on \$500,000 value residential home

Caledon	Broadband	\$	10
Ctre Wellington	Infrastructure	\$	57
Erin	infrastructure	\$	53
Guelph	Health	\$	97
Guelph Eramosa	Streetlight	\$	45
Guelph Eramosa	Infrastructure	\$	26
Halton Hills	Hospital	\$	15
Mapleton	Streetlight	\$	151
Minto	Streetlight	\$	182
Puslinch	Streetlight	\$	86
Puslinch	Fire	\$	292
Wellington North	Streetlight	\$	152



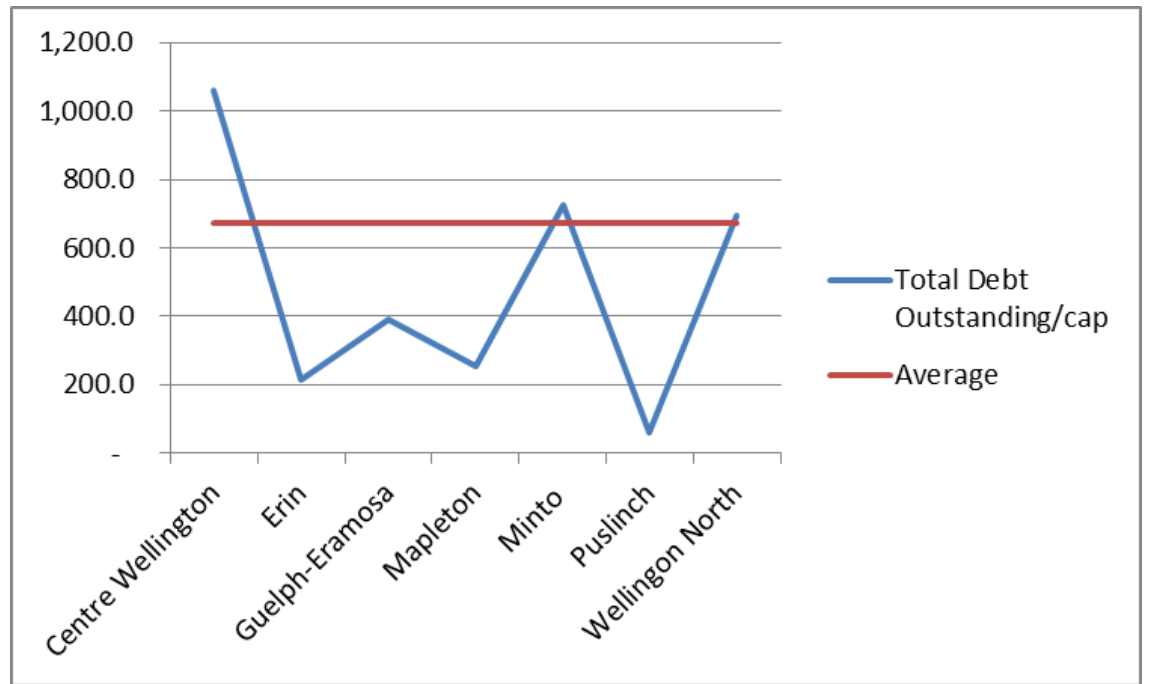
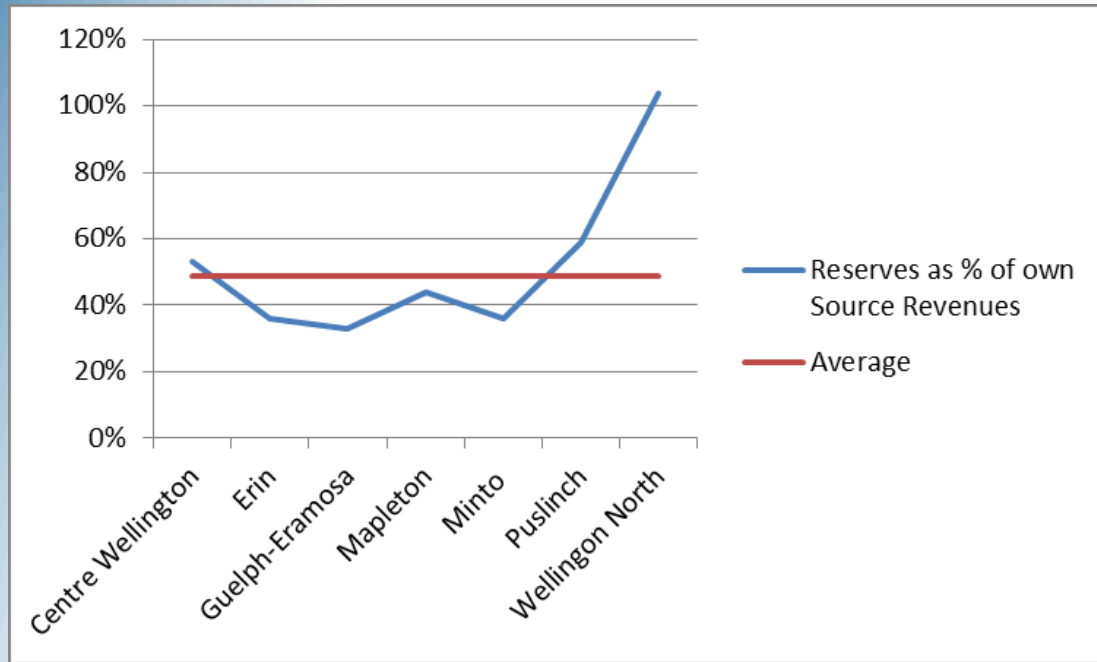
BMA RESULTS - SUSTAINABILITY



The ability to provide and maintain service and infrastructure levels without resorting to unplanned increases in rates or cuts to services.



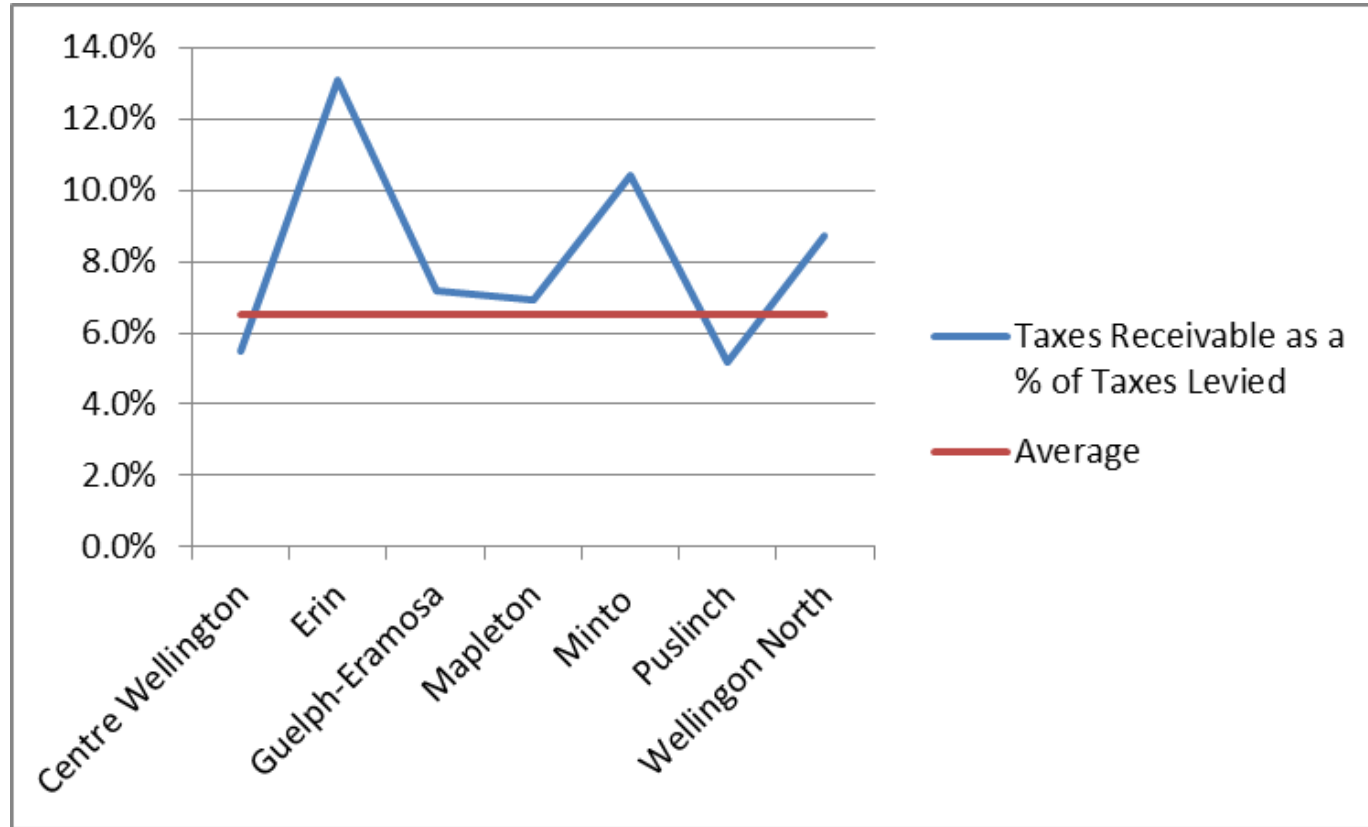
BMA RESULTS - VULNERABILITY



Addresses a municipality's vulnerability to external sources of funding that it cannot control and its exposure to risks.



BMA RESULTS - FLEXIBILITY



The ability to issue debt responsibly without impacting the credit rating. Also, the ability to generate required revenues.



BUDGET PROCESS

2017 Budget Process	
July 12, 2016	Proposed Budget Process & Guideline Presentation
July - August	Department meetings with Finance Department
September 9, 2016	Department Submissions to Finance Department
October 26, 2016 1pm	Draft 2017 Budget Presentation to Council
November 23, 2016 6:30pm	Draft 2017 Budget Presentation (Council and Public Consultation)
December 7, 2016 6:30pm	Final Budget & User Fees By-law Presentation (Special Council Presentation)

← **Council Approval**

Public Consultations



BUDGET SUBMISSIONS

1. Draft 2017 Base Budget
2. Operations Plan & Resource Requests
3. Capital Budget Requests



CREATING 2017 BASE BUDGET

The following were some assumptions that, in consultation with the Finance Department, were used by departments:

- maintain current staff complement
 - salary adjustments limited to progression. No cost of living adjustments allowed.
 - price changes for contractual obligations, fuel and natural gas were limited to CPI inflation rate limit at 2% (*Bank of Canada, Monetary Policy Report, April 2016, pg23*)
 - hydro estimates were based on 9 months of consumption plus three months from prior year plus 8%.
 - Water budgets were adjusted to current water consumption and no price increases as water rates will remain the same in 2017
- User Fees did not change

Base Budget

2016 Service Levels

Zero budget

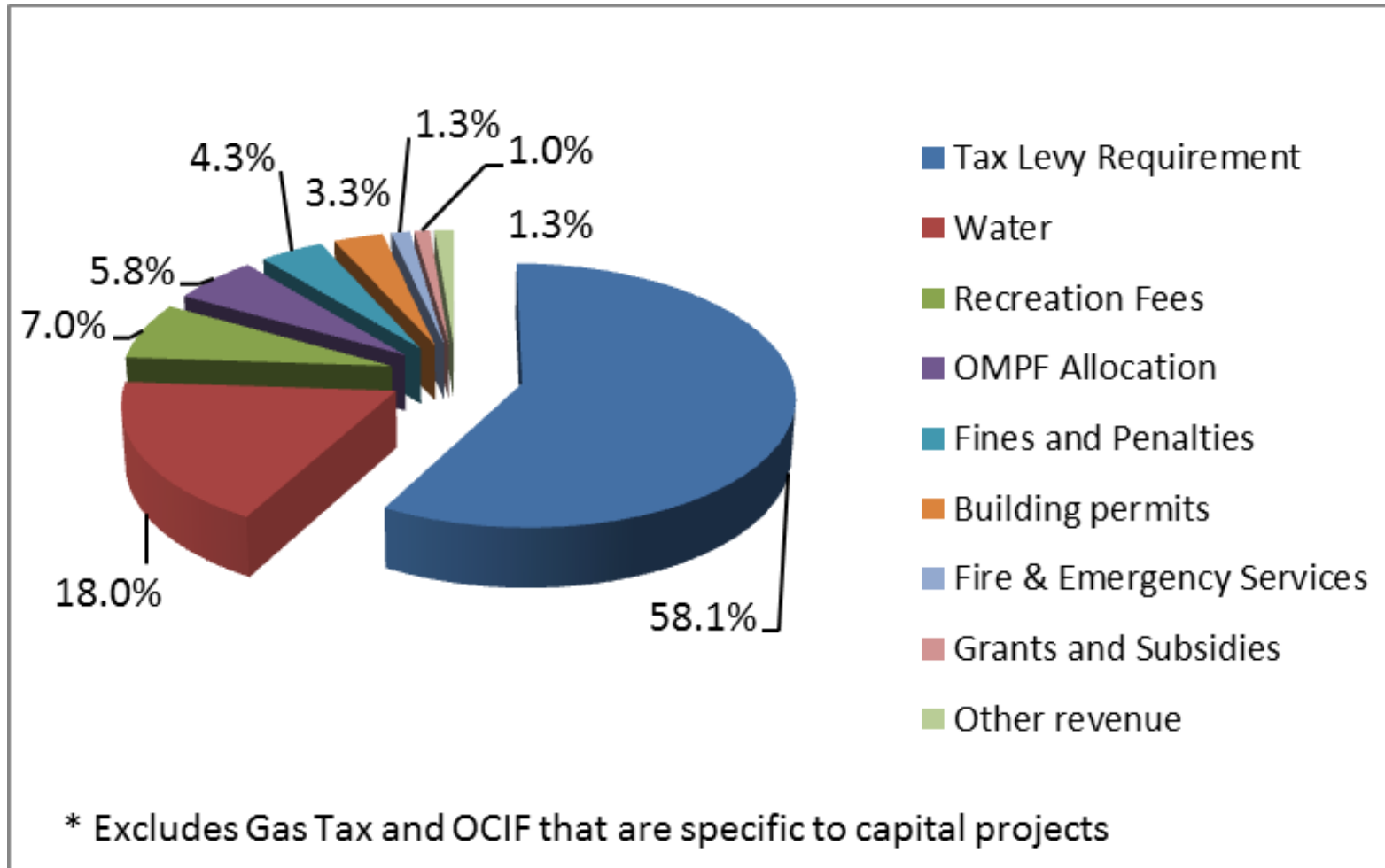


CHANGES TO REVENUES

Revenues	000's
2016 Budget	\$10,282
User Fees	82
License/Permits	29
Grants/Subsidies	(50)
Other	(31)
Total Revenues	\$10,312



REVENUES FOR OPERATIONS

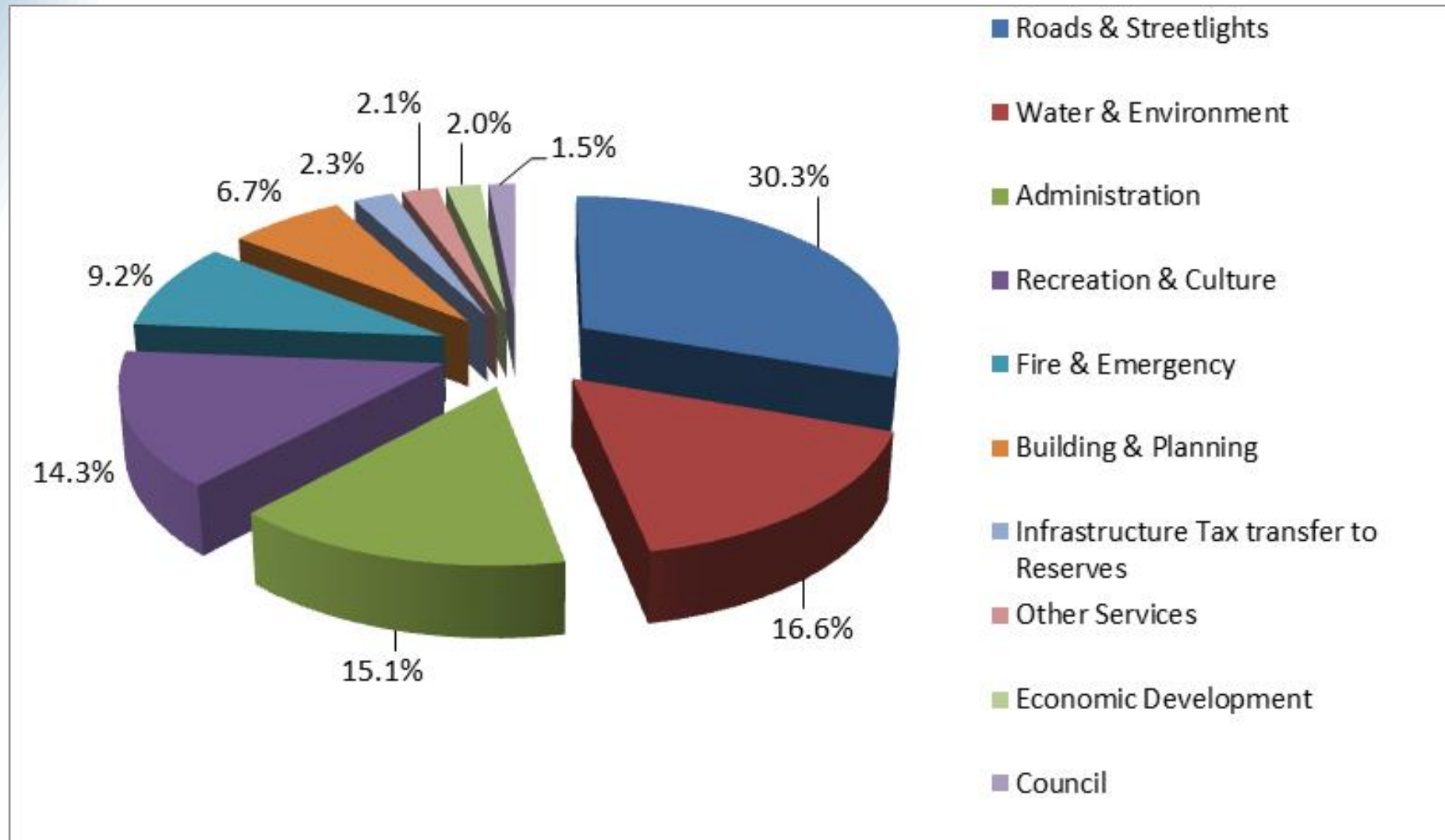


CHANGES TO EXPENDITURES

Expenditures	000's
2016 Budget	\$ 9,466
Debt charges	128
Transfer to Reserves	90
Purchased Services	21
Supplies, Materials	(31)
Labour Costs	(26)
Other	3
2017 Base Budget	\$ 9,651



EXPENDITURES FOR OPERATIONS



REQUESTS FROM DEPARTMENTS

\$244,700 in Resource Requests

\$9.4m in Capital Budget Requests



DRAFT 2017 RESOURCE REQUESTS

#	Department	Description	Cost	O=One time or C=Continuous	Recommended
1	Fire	Administrative staff from 2 days a week to 5 days a week	50,400	C	-
2	Fire	Fire Fighter protective gear/uniform	12,000	C	-
3	Fire	First Responders training	8,000	O	8,000
4	Fire	Additional Prevention Officer	4,500	C	-
5	Economic Development	Public washrooms	5,500	O	5,500
6	Economic Development	Replenish operating budget to 2015 Budget due to reduction in 2016 Budget to fund for capital projects.	30,000	C	30,000
7	Roads	Administrative staff from 3 days a week to 5 days a week	24,600	C	-
8	Recreation	Mandatory 10 year service to Fire Suppression System at Centre 2000	3,000	O	3,000
9	Recreation	Hillsburgh Community Centre – brine used to keep ice surface cool was analyzed and the recommendations was to install Brine Filter	3,500	O	-
10	Recreation	Increase operations budget for parks and playground maintenance	5,000	O	5,000
11	Recreation	Repairs to kitchen floor at the Hillsburgh Community Centre	3,000	O	3,000
12	Clerk	PT Administrative Assistant	38,000	C	-
13	Clerk	PT Administrative Assistant - computer/furniture/training	3,000	O	-
14	Clerk	Videotaping Council meetings	18,000	C	-
15	Water	Leak detection mechanism	24,000	O	24,000
16	Water	Summer student - vacation coverage	12,200	C	12,200
Subtotal			244,700		90,700
17	CAO	2 PT Administrative contract staff (3 days) - assist all departments with administration work		O	62,200
Total			244,700		152,900



DRAFT 2017 CAPITAL PROJECTS

GENERAL GOVERNMENT	
Council approved Project Ontario 150 Capital Grant - Town Hall - Renovations	303,000
IT System Upgrades	23,000
Town Hall - Security Cameras, Access control	15,000
<i>General Government - Totals</i>	341,000



DRAFT 2017 CAPITAL PROJECTS

FIRE & EMERGENCY	
Radio System upgrade, 2 repeaters for Pumpers 11 & 52	20,000
Erin Firehall 10 expansion - parking, bunker gear room	50,000
Erin Firehall 10 - Extractor for vehicle diesel fumes	85,000
<i>Fire Dept - Totals</i>	155,000



DRAFT 2017 CAPITAL PROJECTS

ROADS	
Council approved Project with Grant Application to Canada 150 Infrastructure:Station St Rehabilitation, includes Bridge 2064	1,221,154
Council approved Project with Grant Application for OCIF Top Up: Daniel St	1,218,750
Salt Dome shingle replacement	50,000
Sidewalk Maintenance Implementation	60,000
Grader Refurbishment - 2003 Volvo G740B	250,000
Thompson Cr Resurfacing	125,000
Vinyl Salt Storage structure	30,000
Bridge Culvert maintenance - OCIM structure inspection	606,700
Crosswalk on Main St Erin	50,000
Paving of Parking Lot at 109 Main St, Erin & signal crossing	65,000
Roads Dept - Totals	3,676,604



DRAFT 2017 CAPITAL PROJECTS

RECREATION	
Centre 2000 Sewage Agreement	20,000
Barbour Fields Septic System - Reserve Contribution	25,000
Hillsburgh Community Centre - Accessibility Renovations	11,200
Playground equipment program - Barbour Fields 2017	10,000
Arena Rooftop HVAC Units (2 at ECC) (1 at HCC)	34,500
Sports Fields - bleacher replacement program	11,000
Replace 30hp Compressor # 2 at Erin Arena	56,000
Victoria Park - rehabilitate garage, roof, and washrooms	25,000
Centre 2000 - Theatre Roof replacement	60,000
Hillsburgh Arena -ice surface lighting upgrade to florescent	15,000
Erin Arena replace rubber flooring - lobby, dressing rooms	35,000
RECREATION DEPT- Totals	302,700



DRAFT 2017 CAPITAL PROJECTS

ECONOMIC DEVELOPMENT	
Erin Rotary Riverwalk	90,000
Community Improvement Plan	20,000
Walking Trails development	10,000
<i>Economic Development - Totals</i>	120,000



DRAFT 2017 CAPITAL PROJECTS

Water Dept	
Well # 8 Generator upgrade, as per TSSA re-fuelling regs	20,000
Well # 2 Building Services - retrofit control panel, etc	15,322
Well # 7 Building Services - augment electrical equipment	10,000
Annual Fire Hydrant Program	12,000
Annual Meter Replacement Program	11,000
Replace 2009 Chevrolet Express Cube Van	48,000
Council Approved Daniel Street Rehabilitation	812,500
<i>Water Dept - Totals</i>	928,822



DRAFT 2017 CAPITAL BUDGET

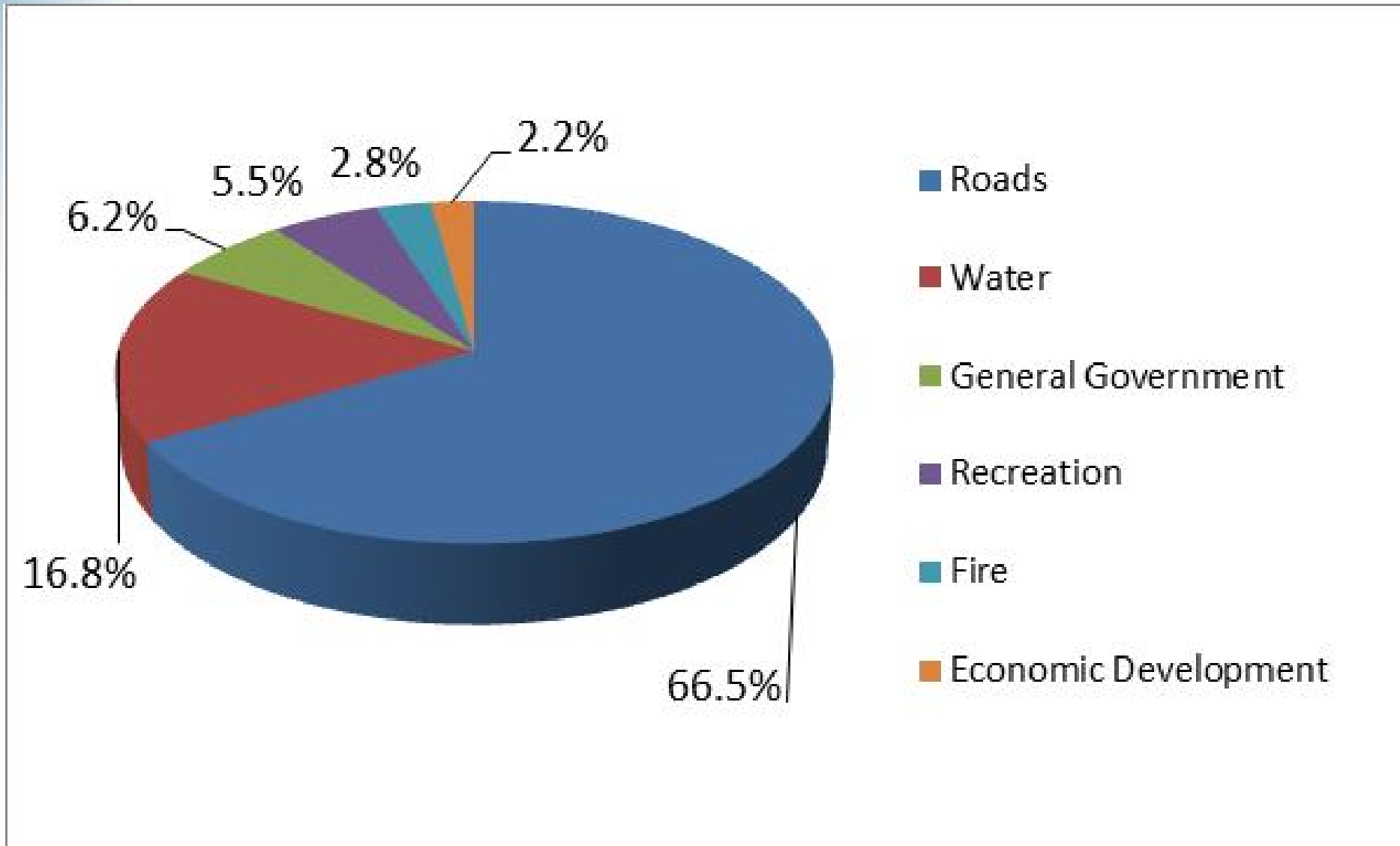
	000s	
Roads	\$ 3,676	66.5%
Water	929	16.8%
General Government	341	6.2%
Recreation	303	5.5%
Fire	155	2.8%
Economic Development	120	2.2%
Total	\$ 5,524	

Funded by:

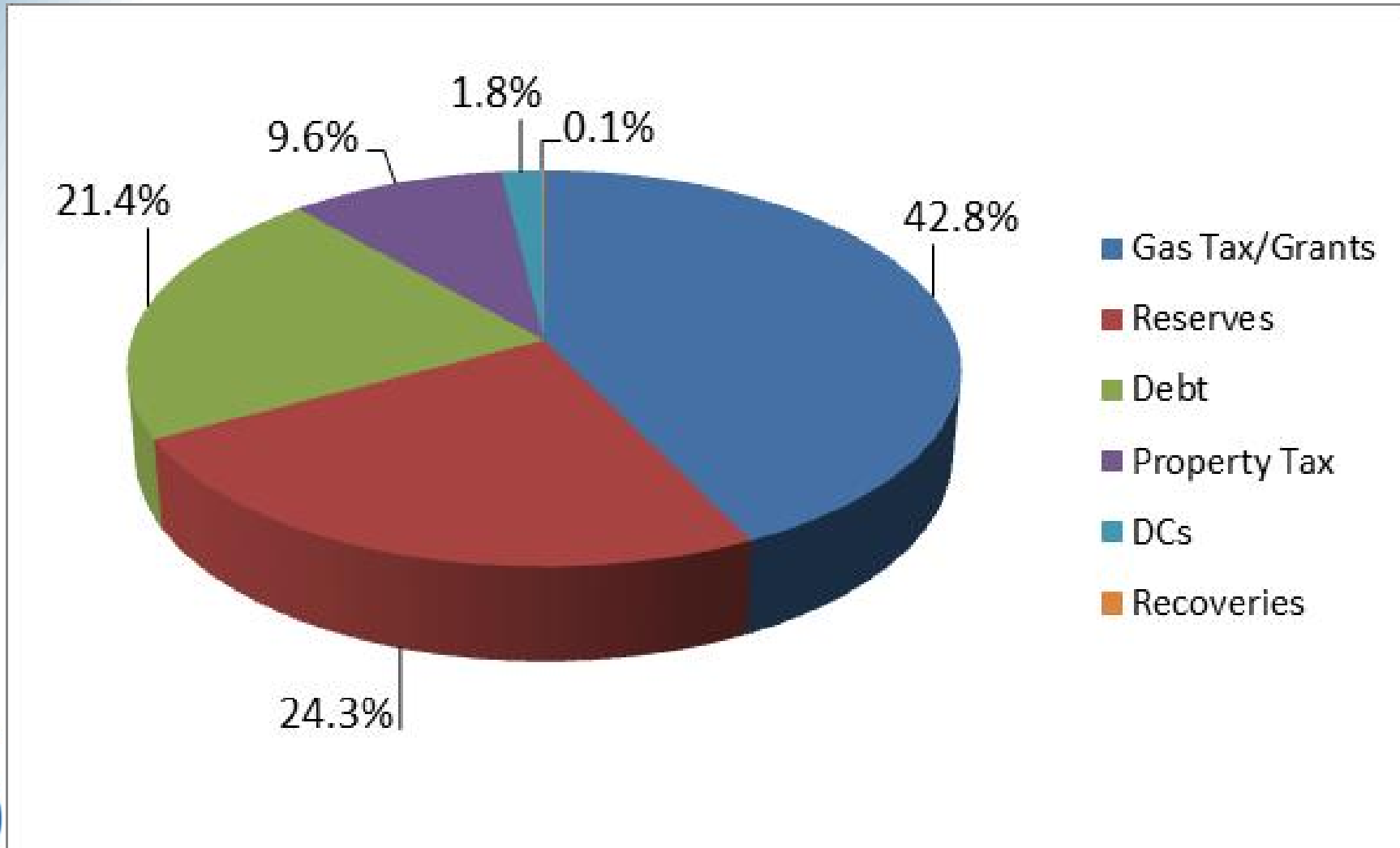
Grants/Gas Tax/OCIF	\$ 2,363	42.8%
Reserves	1,341	24.3%
Debt	1,184	21.4%
Taxation	533	9.6%
DCs	100	1.8%
Trade ins	3	0.1%
Total Funding	\$ 5,524	



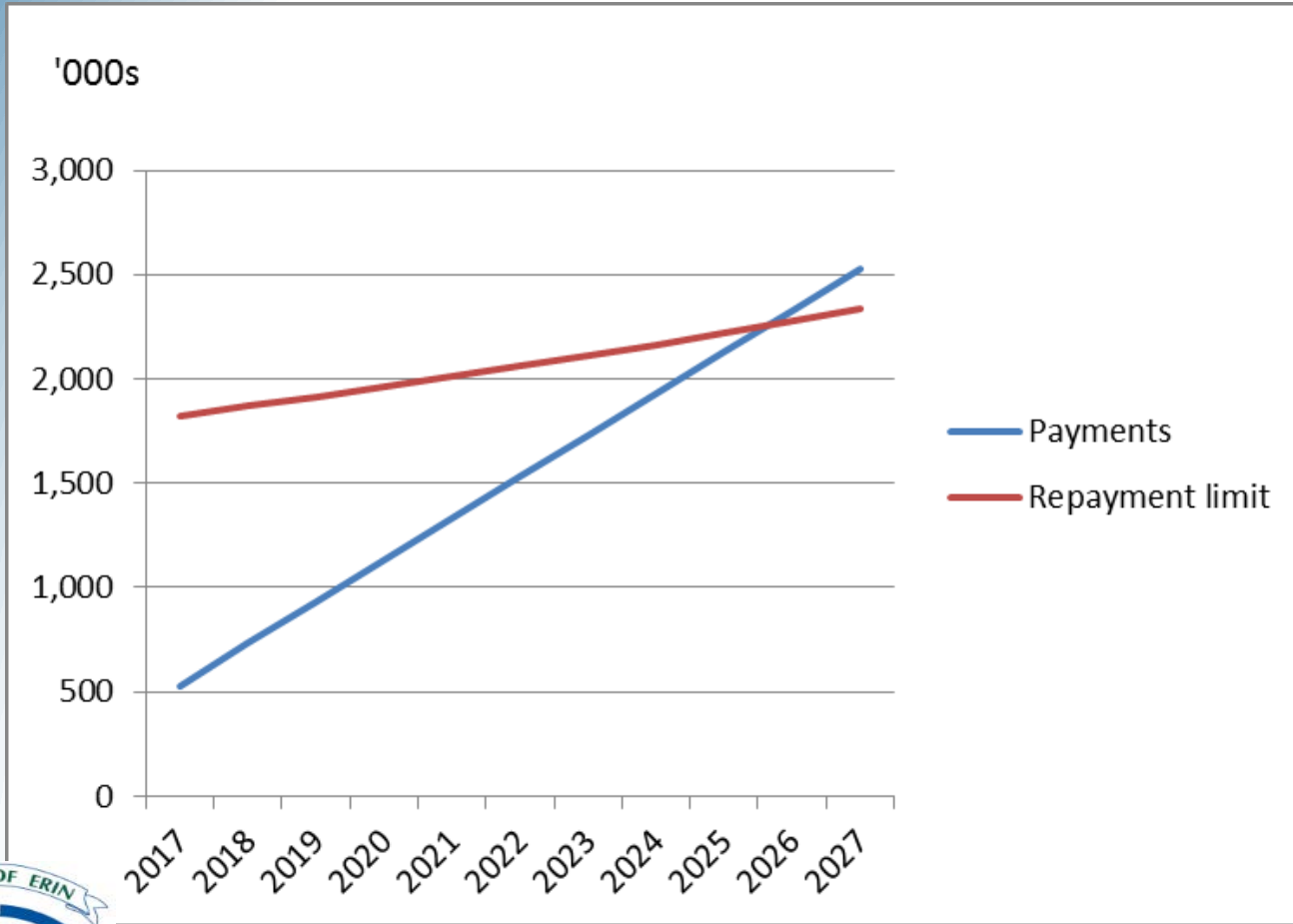
CAPITAL PROJECTS BY DEPARTMENT



FUNDING FOR CAPITAL PROJECTS



DEBT



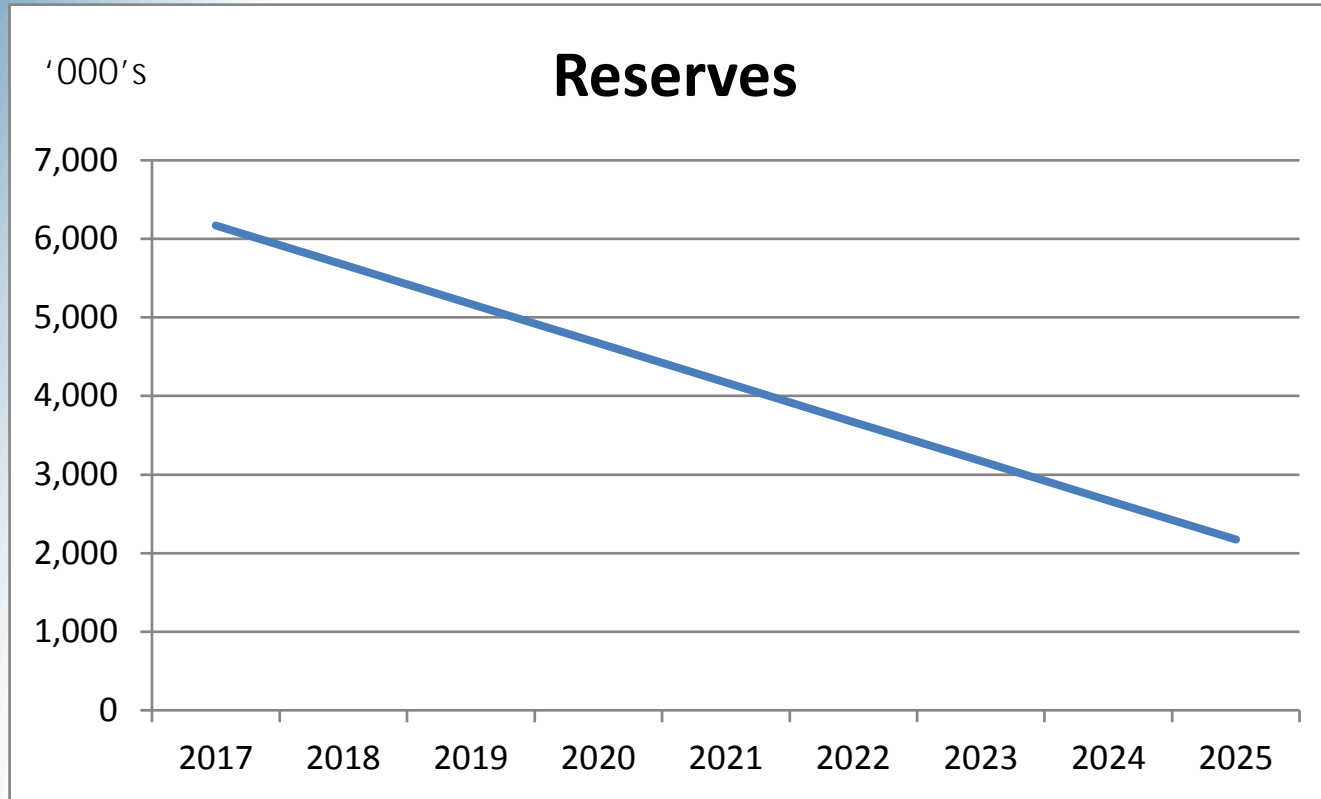
- \$17.7m capital projects shortfall
- By 2023, we meet \$17.7m shortfall
- Debt repayment limit reached 2025

Assumptions

- \$2m debt each year from 2018
- Debt repayment limit increases by 2.5% each year



RESERVES



Assumptions

- Net withdrawal \$500k each year
- Contributions are \$1.8m each year
- Spending \$2.3m

By 2025, we would have depleted the reserves to \$2m



DRAFT 2017 OPERATING BUDGET

*Infrastructure Tax Levy
Increase by \$120,000*

*Recommended Resource
Requests \$152,900*

*Capital Projects Funded from
Taxation \$533,200 for
Recommended Capital
Projects of \$5.5m*

2017 Base Budget



Infrastructure Levy



Resource Requests



Capital Requests



Draft 2017 Budget



DRAFT 2017 OPERATING BUDGET

	000's
Revenues	\$10,312
Base Budget Expenditures	9,651
Add'l Infrastructure Reserve	120
Resource Requests	153
Capital Projects	533
Total Expenditures	\$10,457
Tax Levy Requirement	(145)
% Tax Increase	2.5%
Tax Amount Increase	\$ 34.31

**based on \$500k assessed value*



QUESTIONS?

