



1st Draft 2020 Budget & 2021 TO 2023 FORECASTS

November 19, 2019



Agenda

- Budget Timetable & Process
- 1st 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 Initiatives 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 Capital Projects 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)

Council Approval

Public Consultations

Draft 2020 Operating Budget

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

% 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%

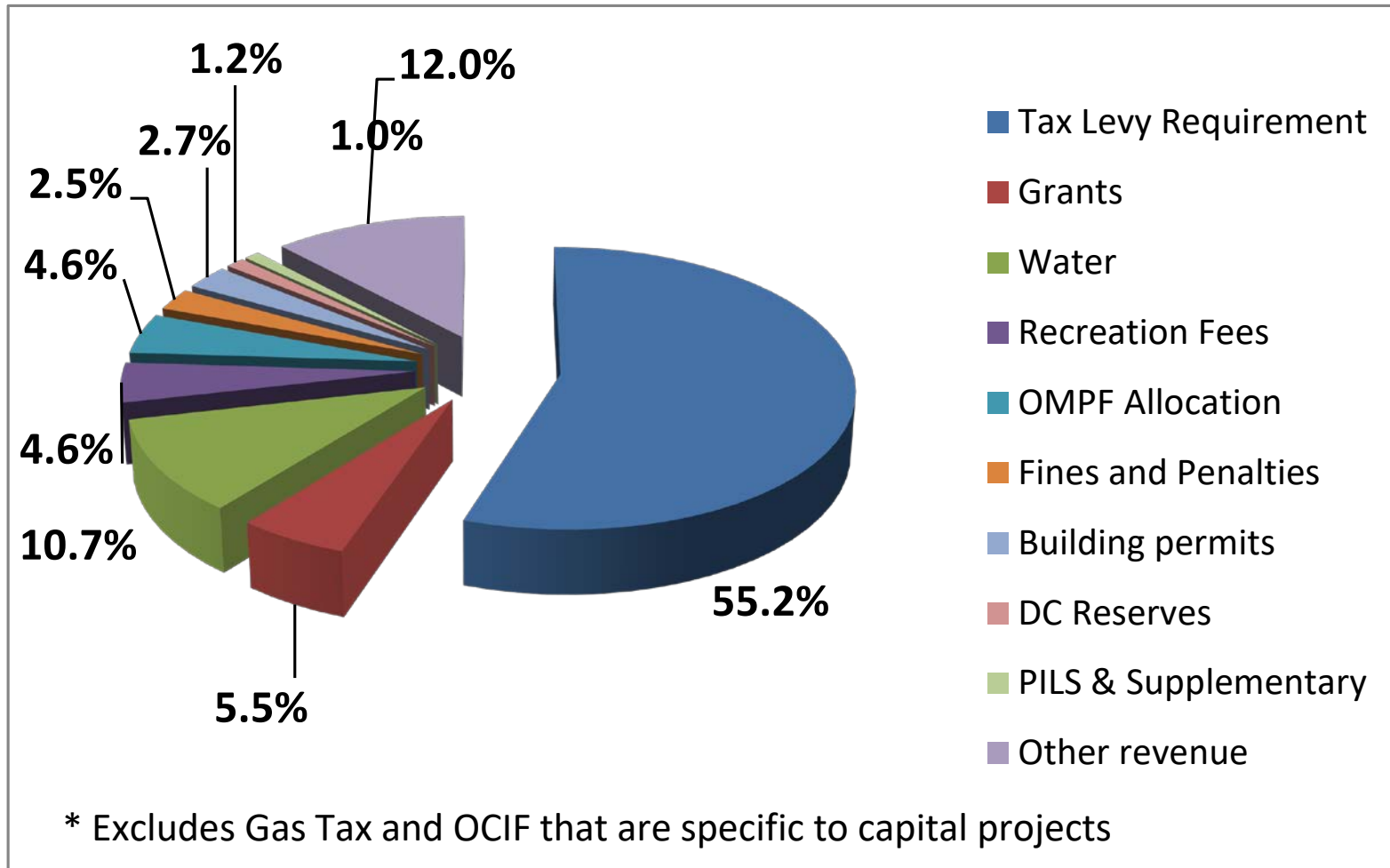
Includes increases to the following:

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

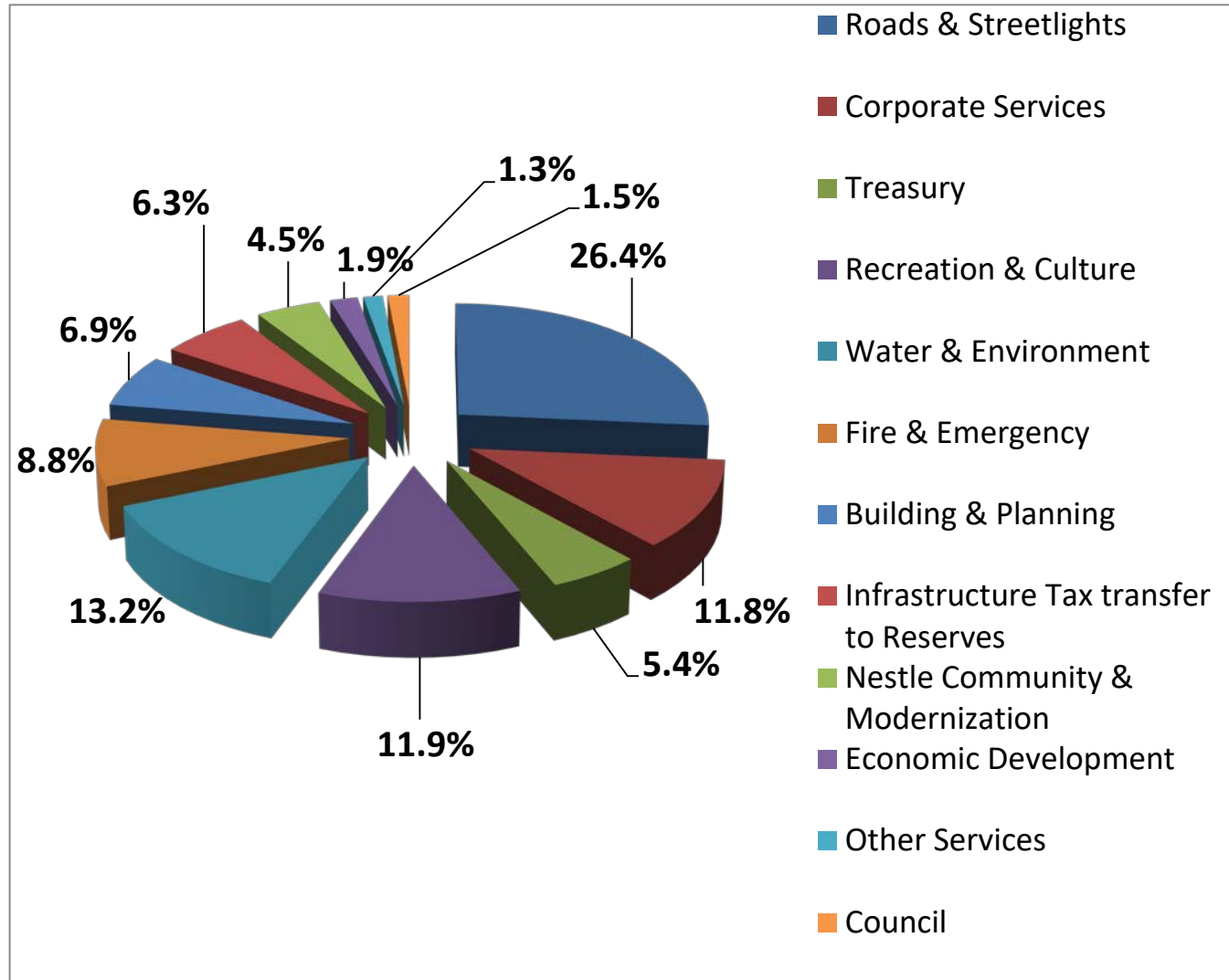
Budget Submissions

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

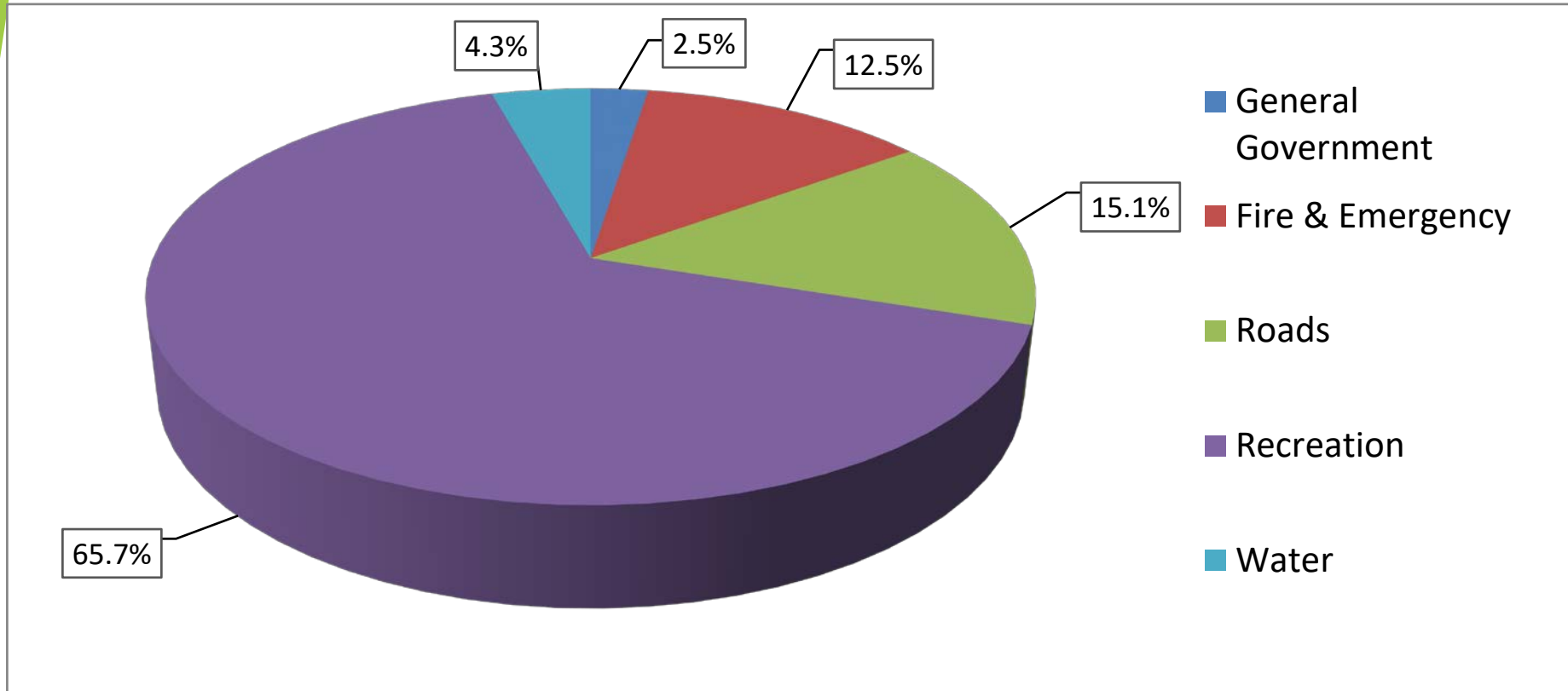


RESOURCE REQUESTS

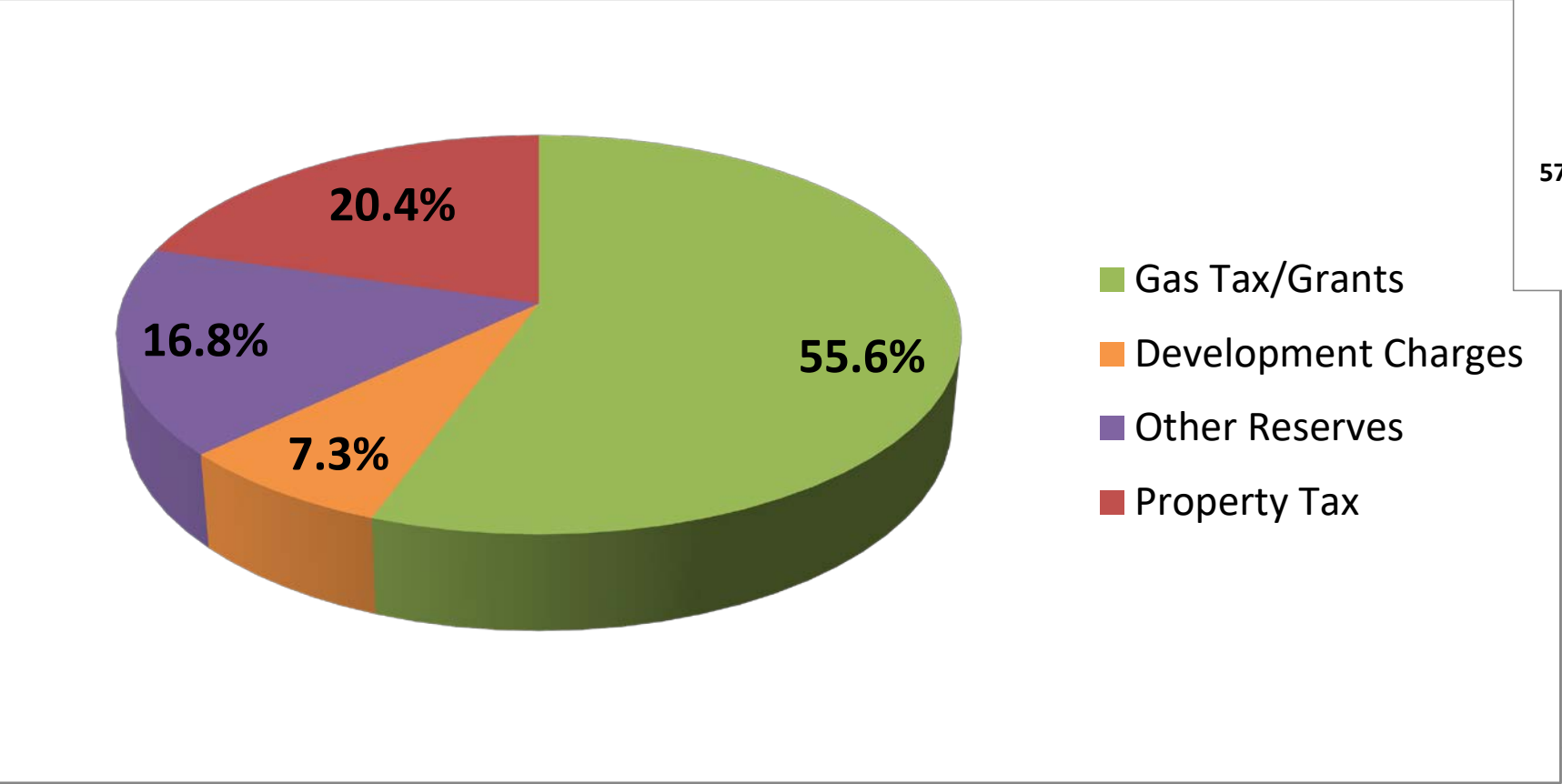
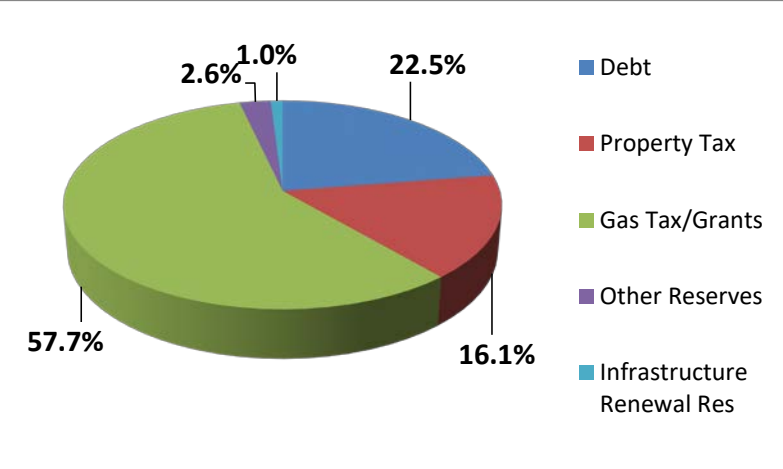
Program	2020	2021	2022	2023
Corporate Services	\$ 184,000	\$ 2,000	\$ 2,000	\$ 132,000
Economic Development	\$ 50,000	\$ 65,000	\$ 70,000	\$ 75,000
Planning	\$ 325,000	\$ 130,000	\$ -	\$ -
Fire & Emergency Services	\$ 220,000	\$ 105,000	\$ 125,000	\$ 105,000
Roads	\$ 110,000			
Water Operations	\$ 75,000	\$ 150,000	\$ 150,000	\$ 150,000
Parks & Recreation	\$ -	\$ 100,000	\$ -	\$ 60,000
Total	\$ 964,000	\$ 552,000	\$ 347,000	\$ 522,000
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 Program



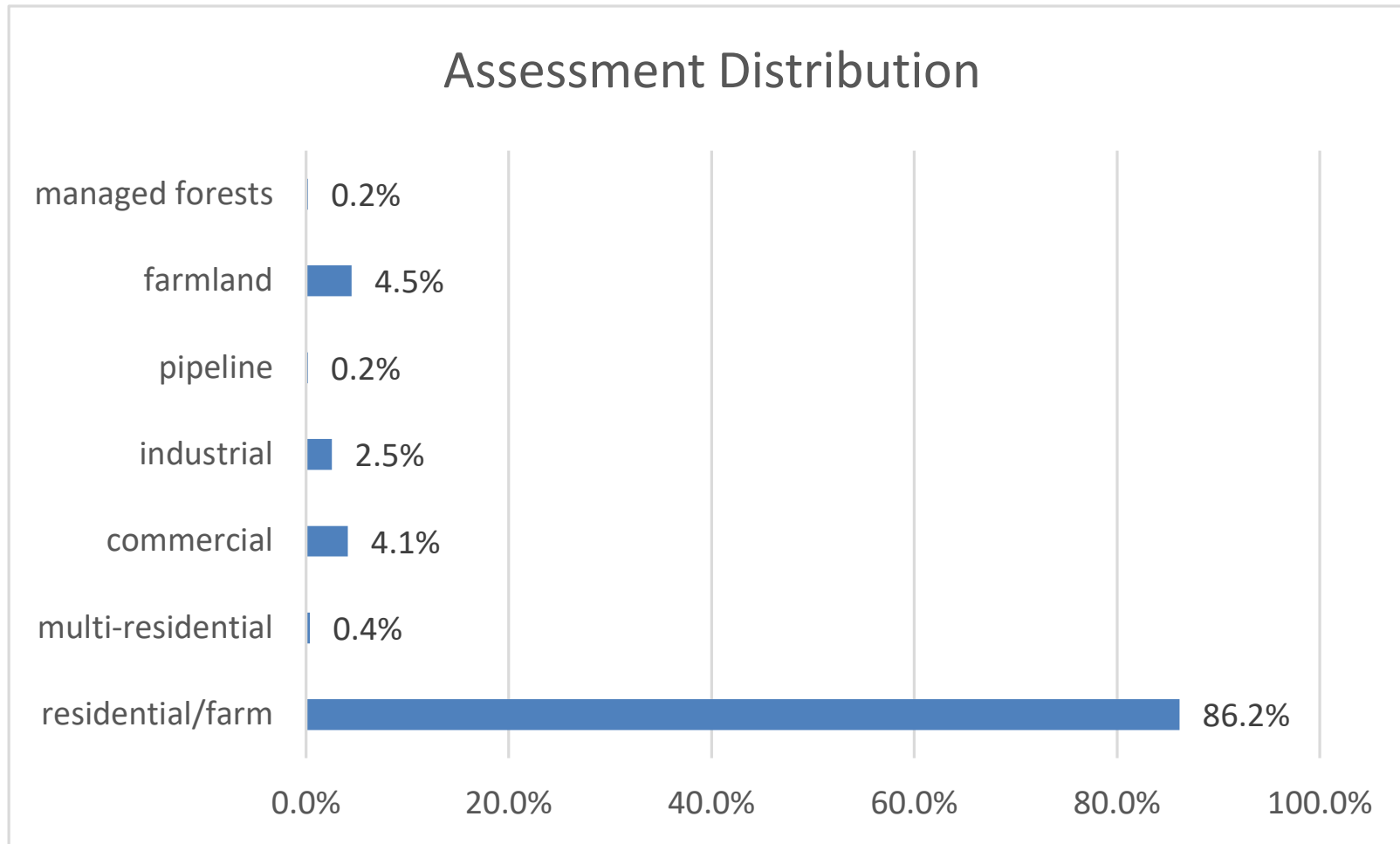
Funding for 2020 Capital Projects



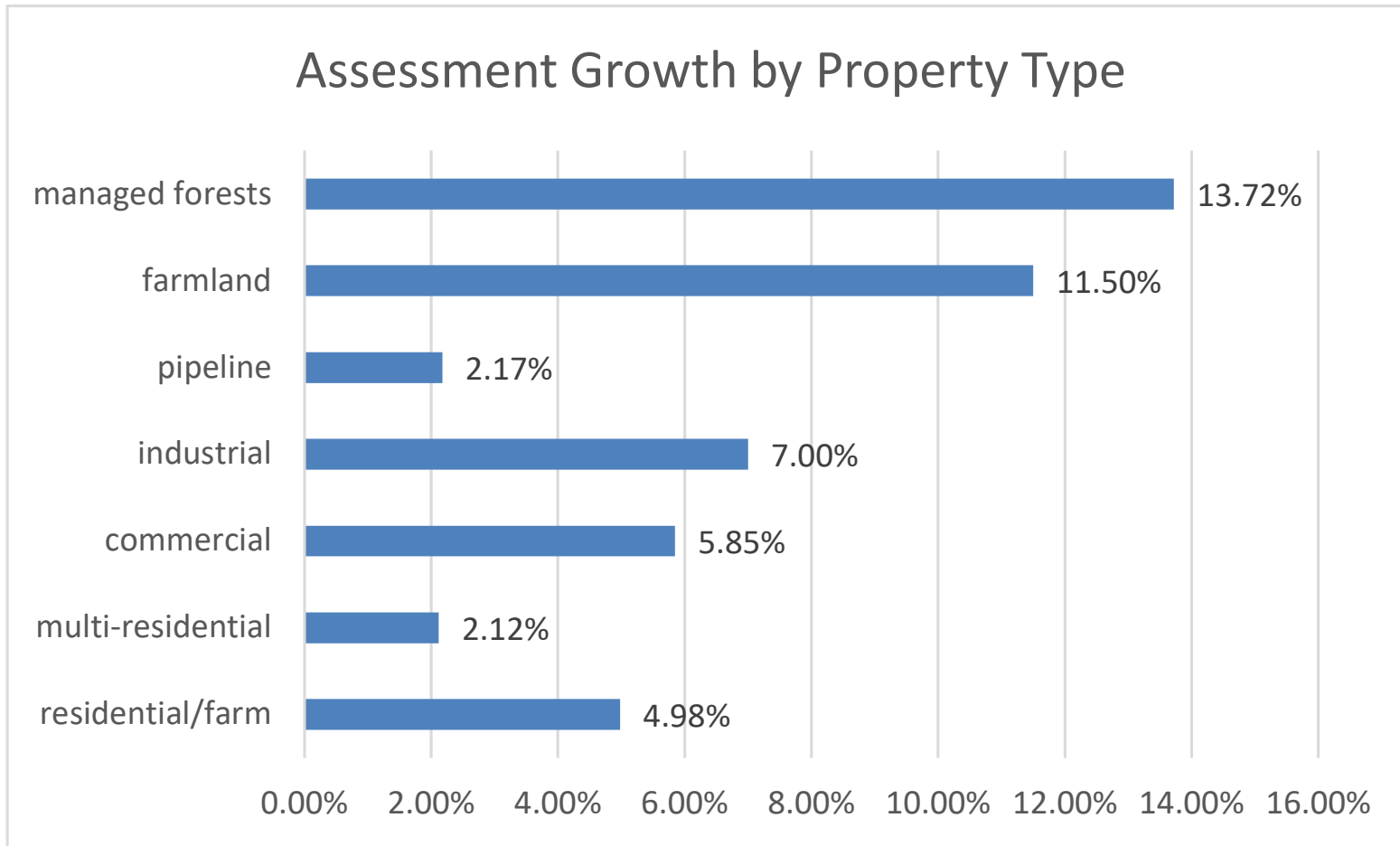
- Gas Tax/Grants
- Development Charges
- Other Reserves
- Property Tax



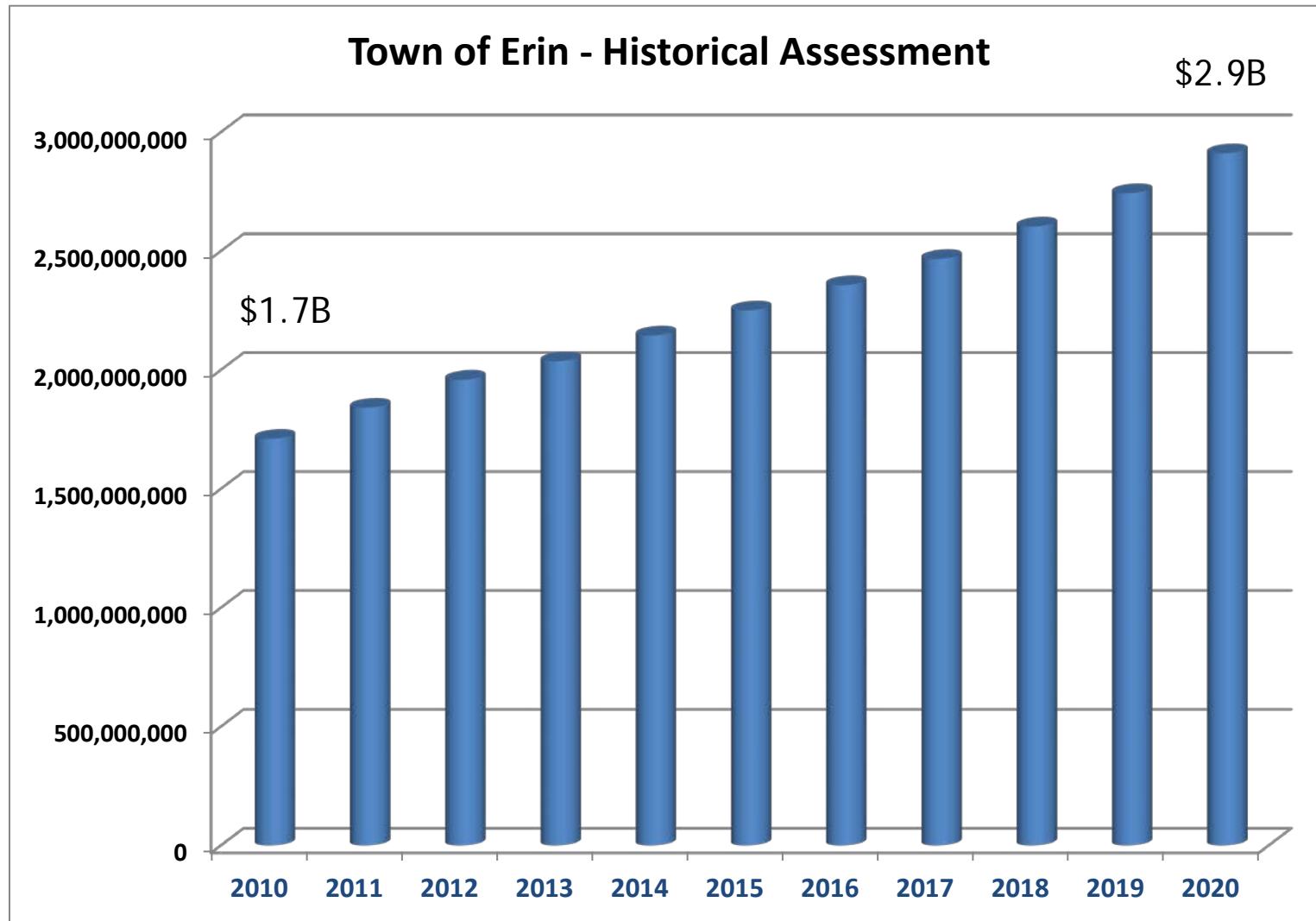
Assessment Distribution



Changes to Assessments

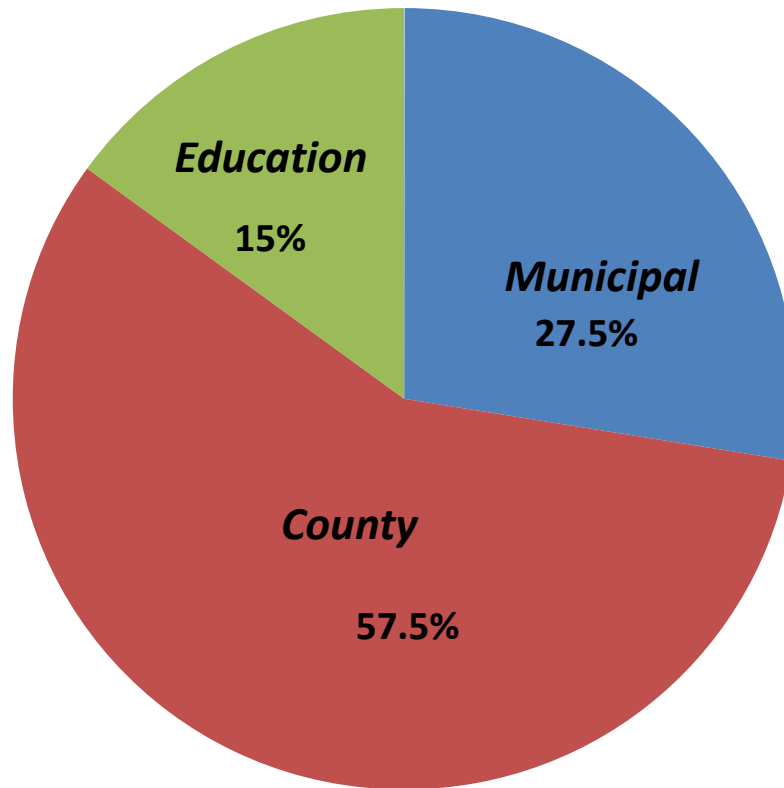


Erin's Assessment Trend



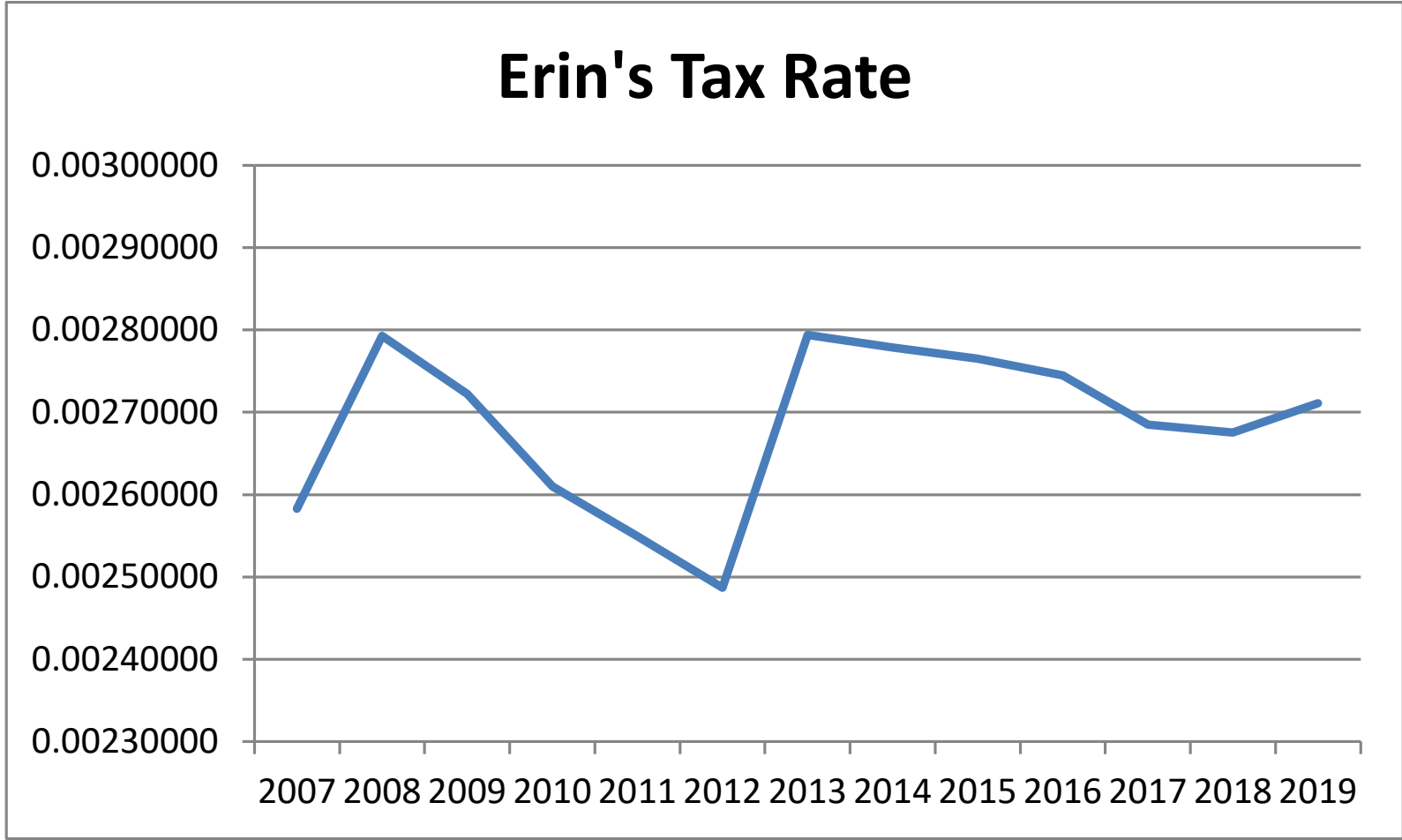
2019 Tax Distribution

Total Erin Residential Tax by Source



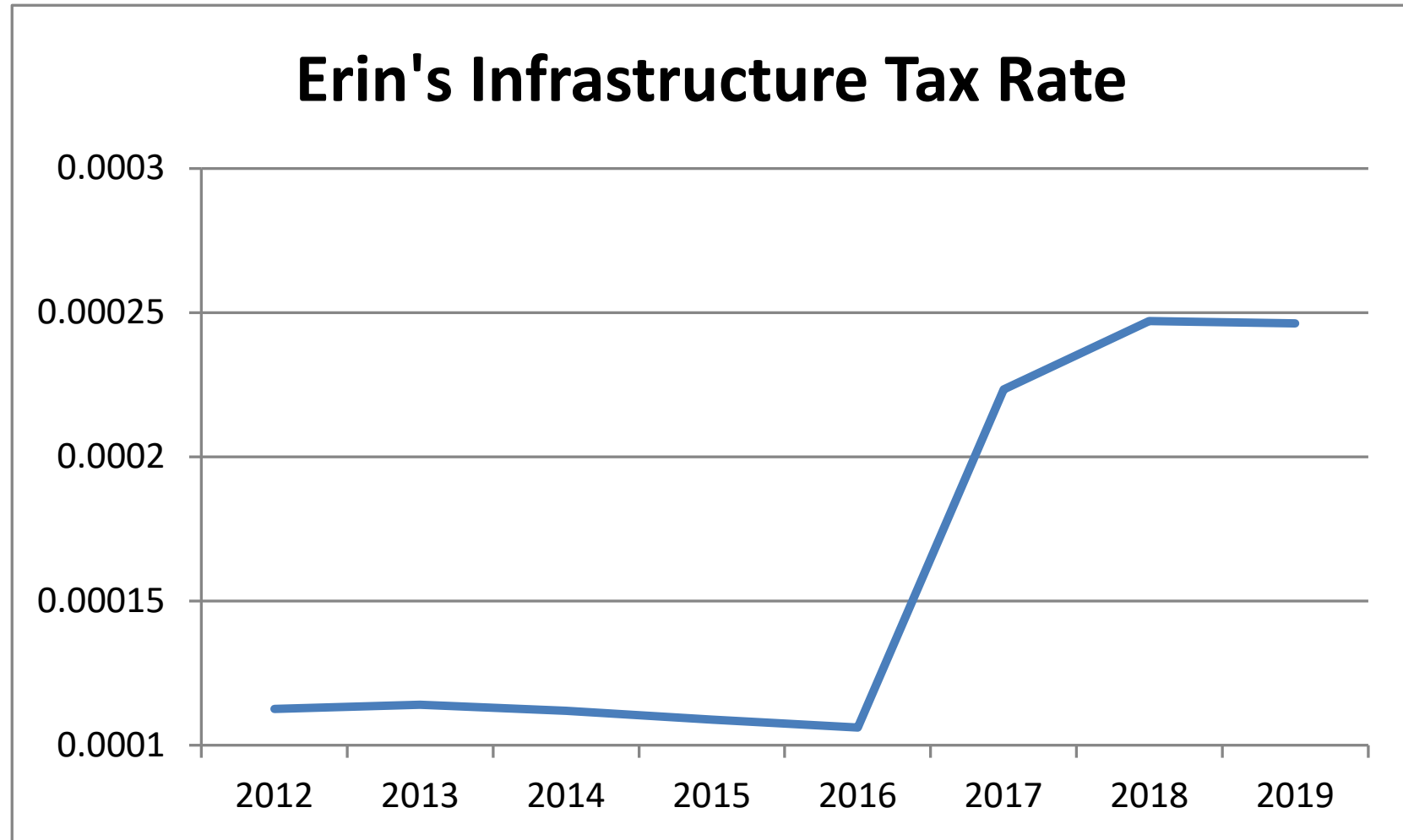


Erin's Tax Rate Trend (NO INFRASTRUCTURE)

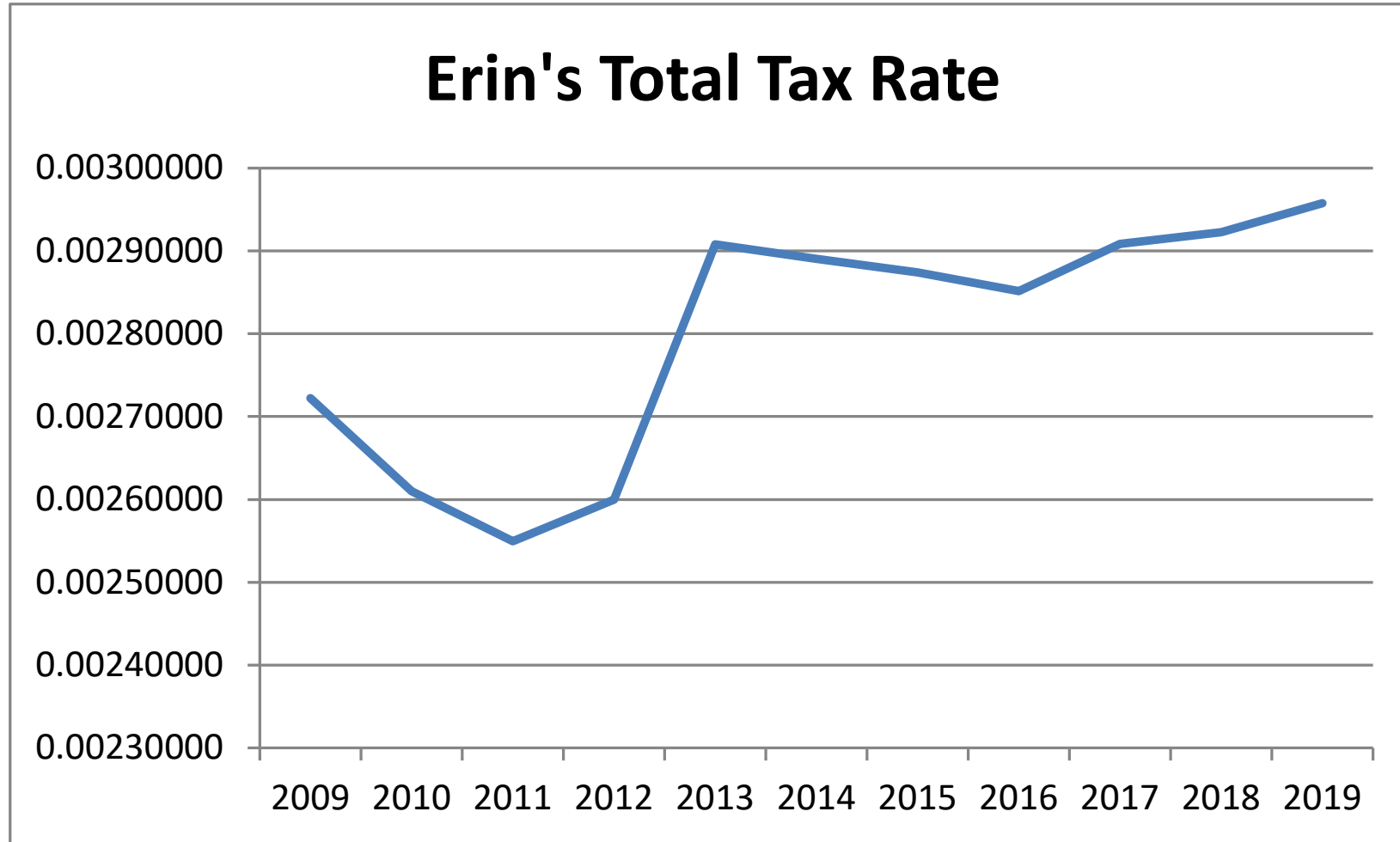




ERIN'S INFRASTRUCTURE TAX TREND

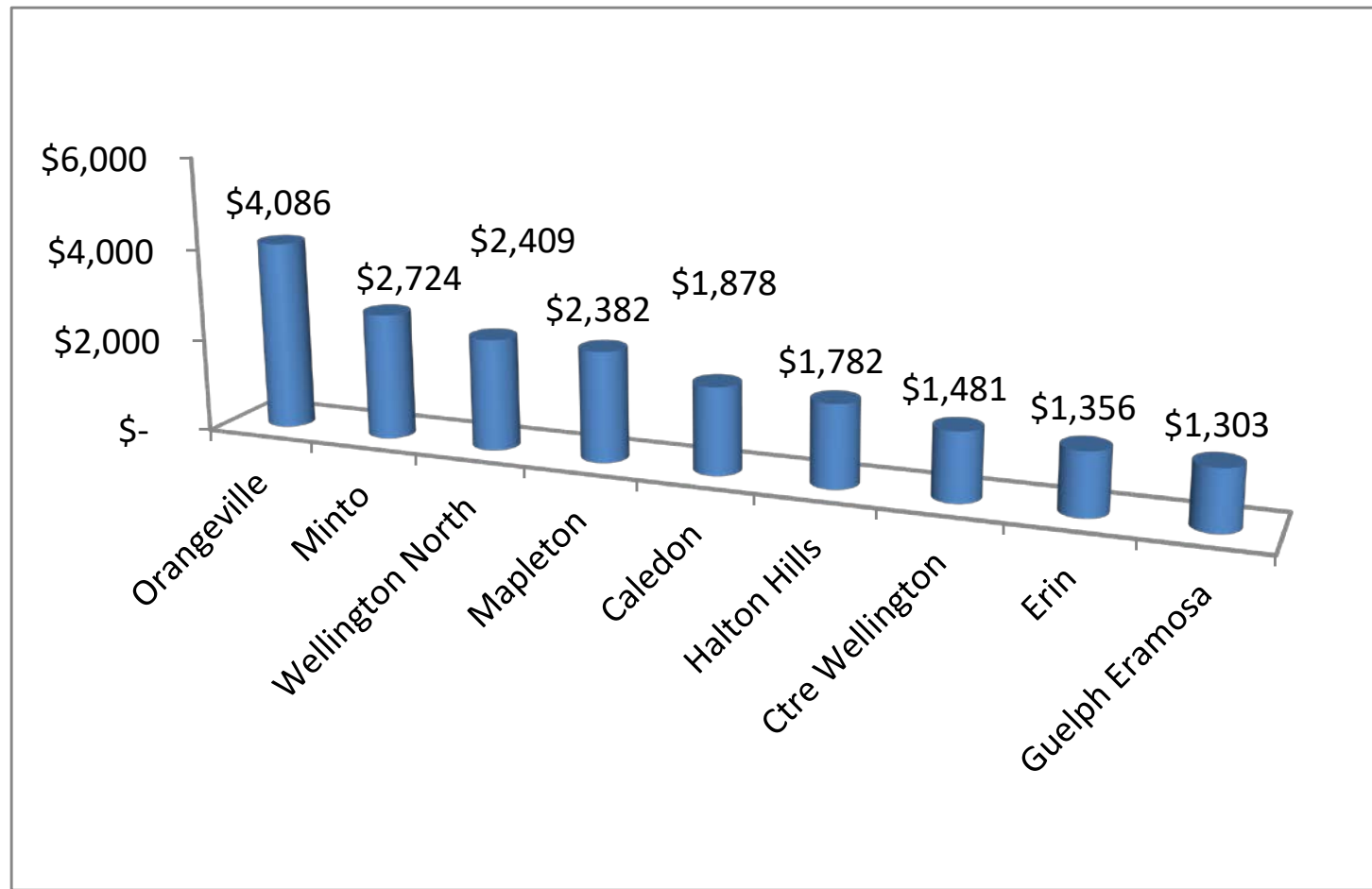


Erin's TOTAL Tax Rate Trend



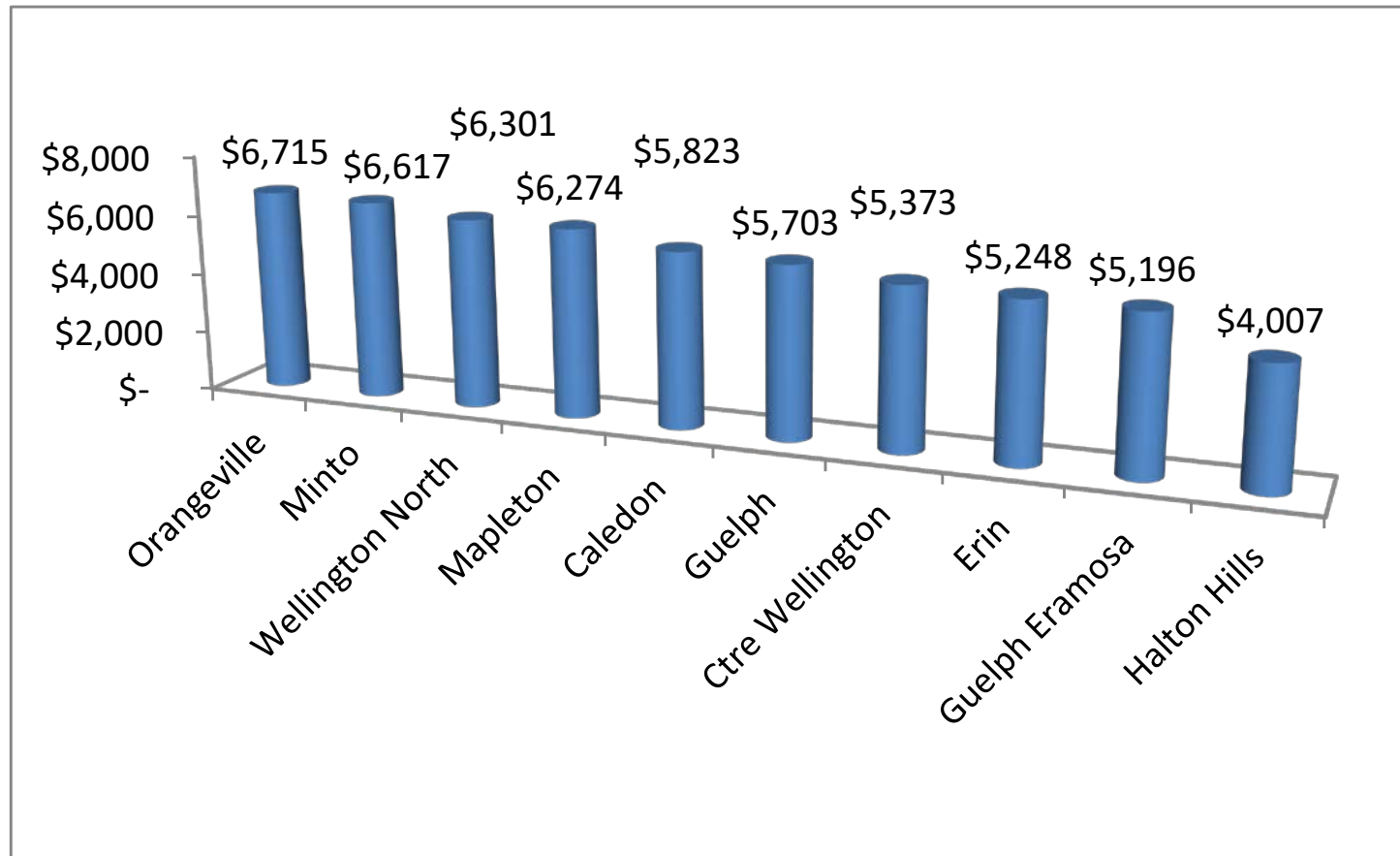
Town Portion Only Comparison

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



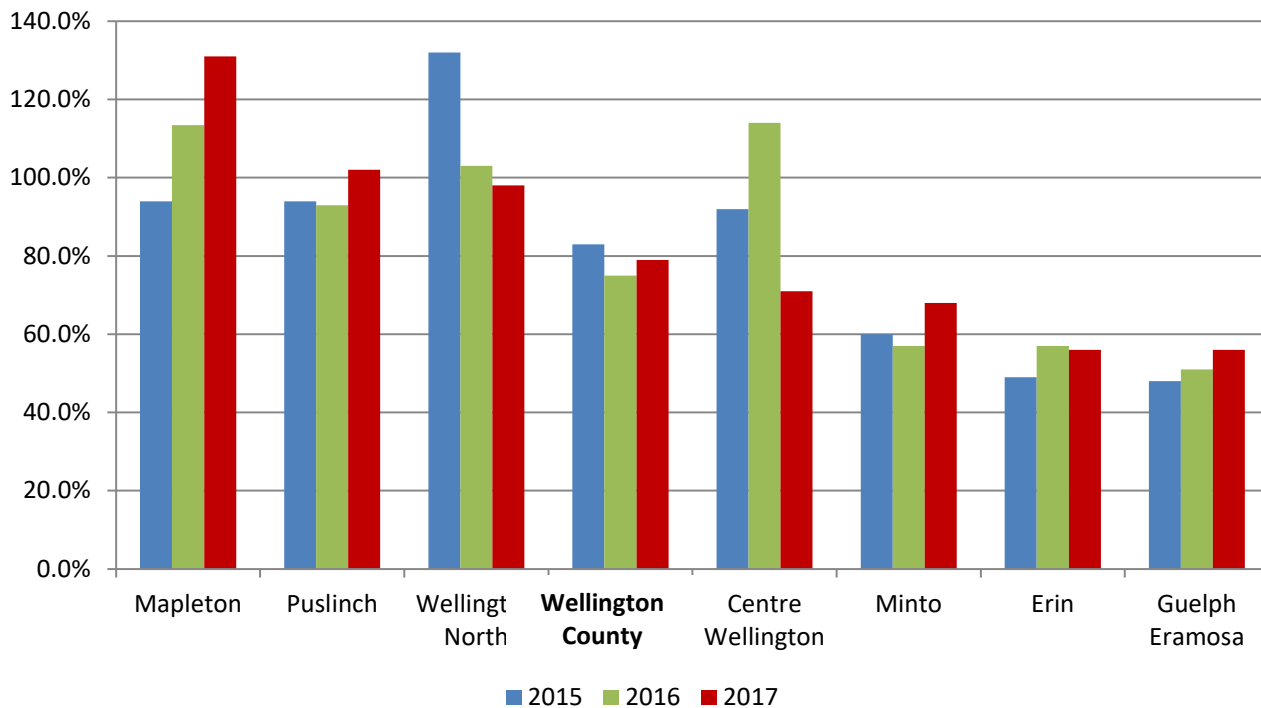
Total Tax comparison

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



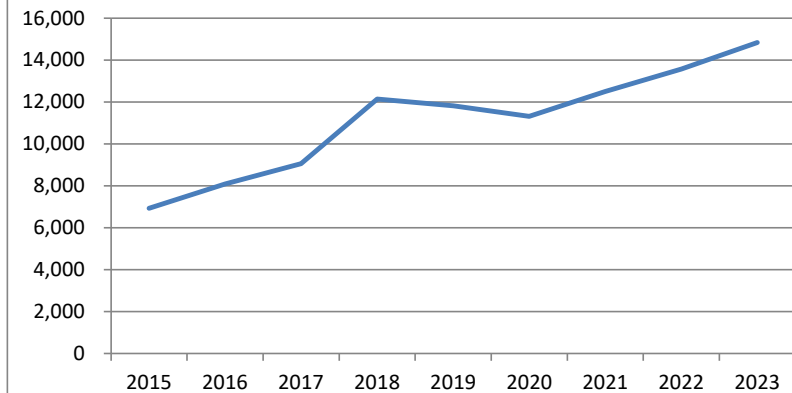
2020 Reserves Forecast

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

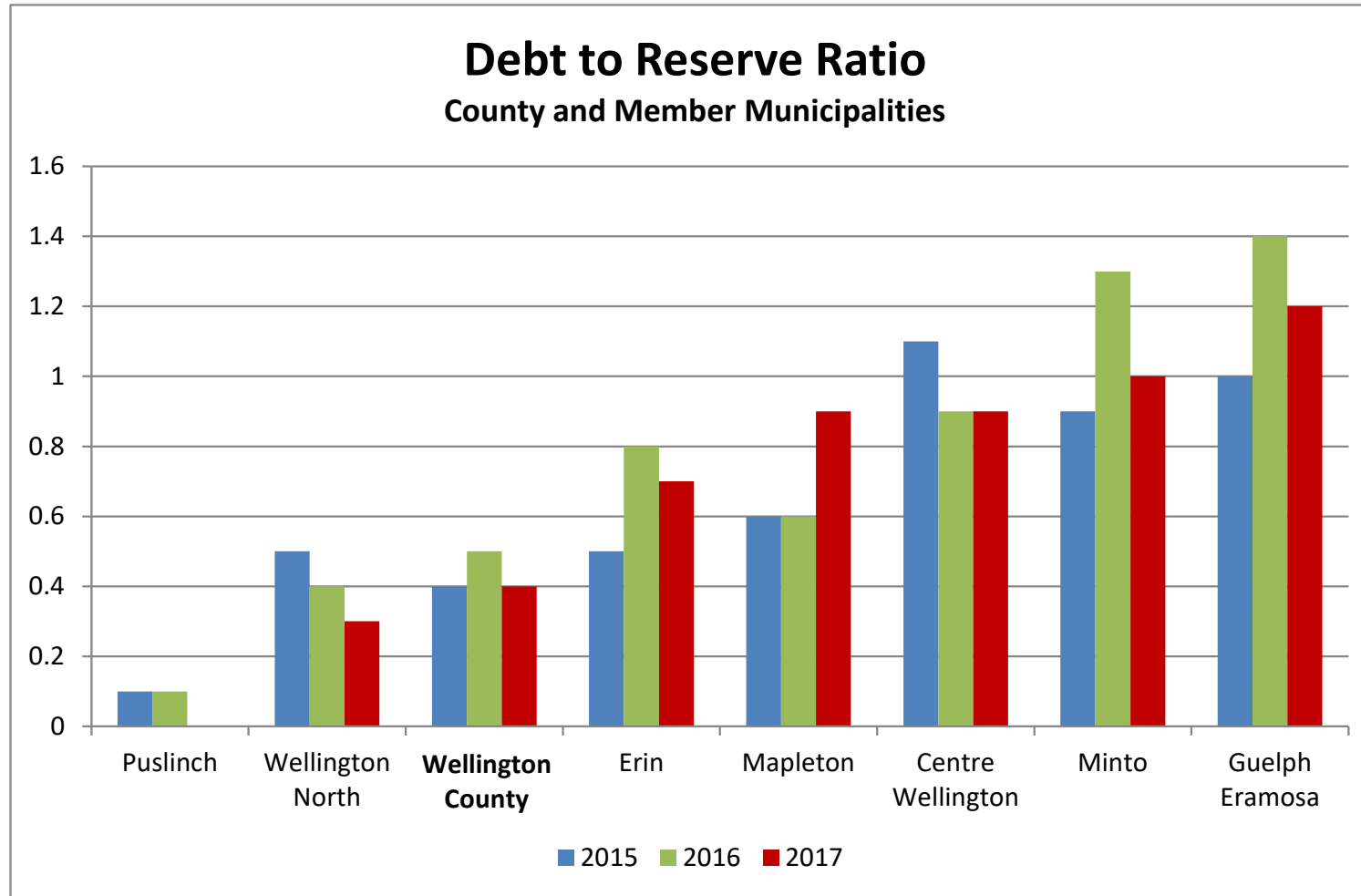


Source County of Wellington - January 15, 2019 "BMA Municipal Study - Financial Indicators Analysis"

Reserves

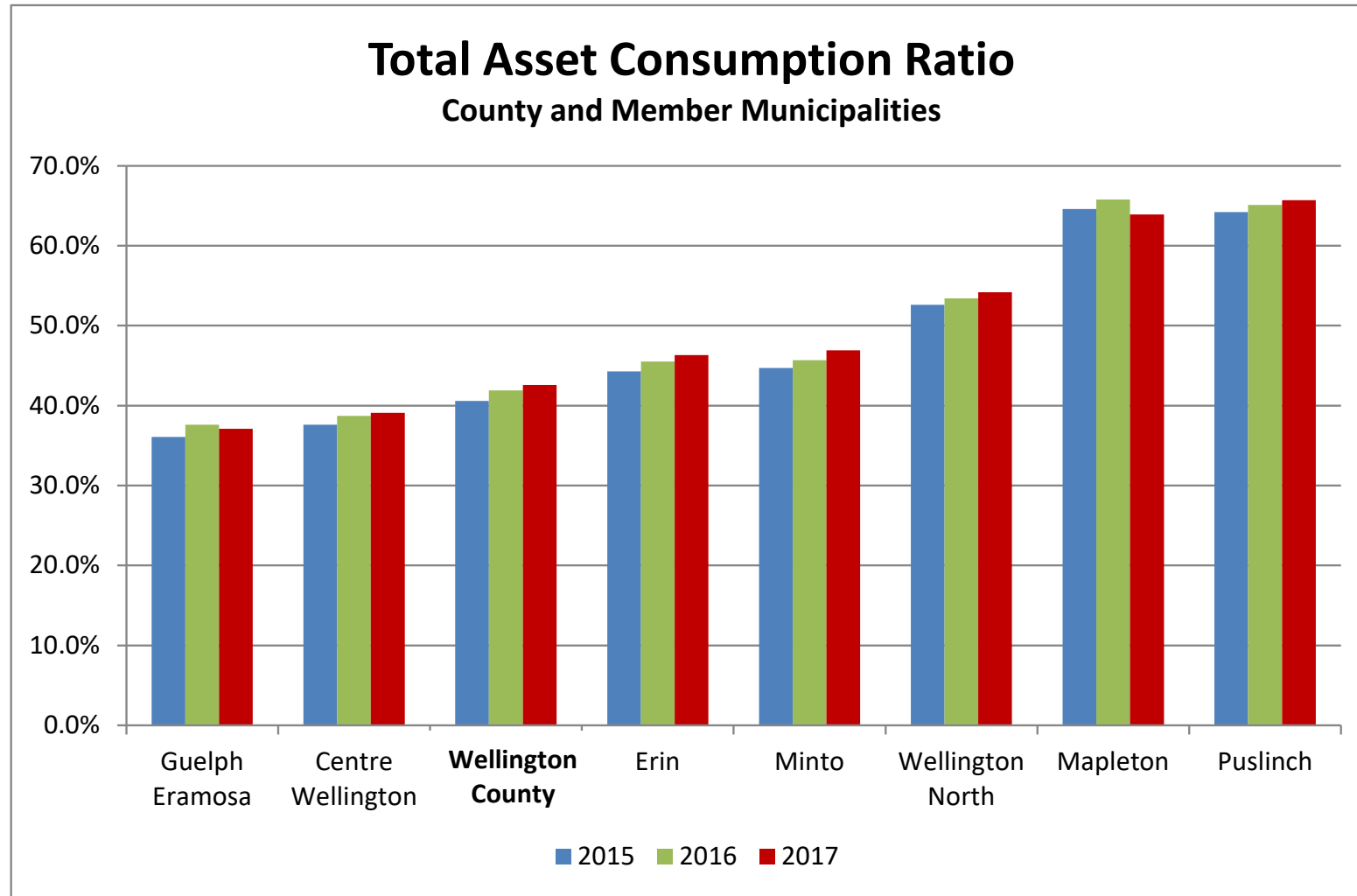


Debt to Reserve Ratio



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?

