

2017 Budget Direction

Finance and Administration
Committee

August 9, 2016



Purpose of This Presentation

To provide the Committee with:

- A description of the proposed 2017 Budget development process
- A preliminary assessment of factors influencing the 2017 Budget
- An opportunity to provide direction regarding the development of the 2017 Budget

New Budget Process

1. Receive direction from Committee on the 2017 Budget (today)
2. Update Committee on progress (September/October)
3. Present the 2017 Budget document (November 15)
4. Final approval of the document by Committee (December 6) and Council (December 13)

New Budget Document

- Larger focus on describing the plans and priorities of the divisions
- Plans are supported with financial information presented at a summary level



Continuous Management Cycle

Strategic Planning

- Receive strategic direction
- Develop strategies to achieve goals
- Risk analysis
- Capacity consideration



Annual Planning

- Set objectives for the planning period
- Plan strategies
- Identify inputs, activities and outputs
- Allocate resources



Program
Delivery

Measuring, Monitoring, and Assessing Results

- Measure and monitor results
- Assess progress
- Compare actual results to planned results
- Explain variances



Performance Reporting

- Report results against plans
- State why information is credible and balanced
- Demonstrate use of and learning from results



Learning &
Adjusting

2017 Business Plan

- 3.6% Property Tax increase for Operating Budget
- 1.5% additional Capital Levy
- 7.4% Water & Wastewater User Rate increase
 - This generates approximately \$2.5 million of additional capital

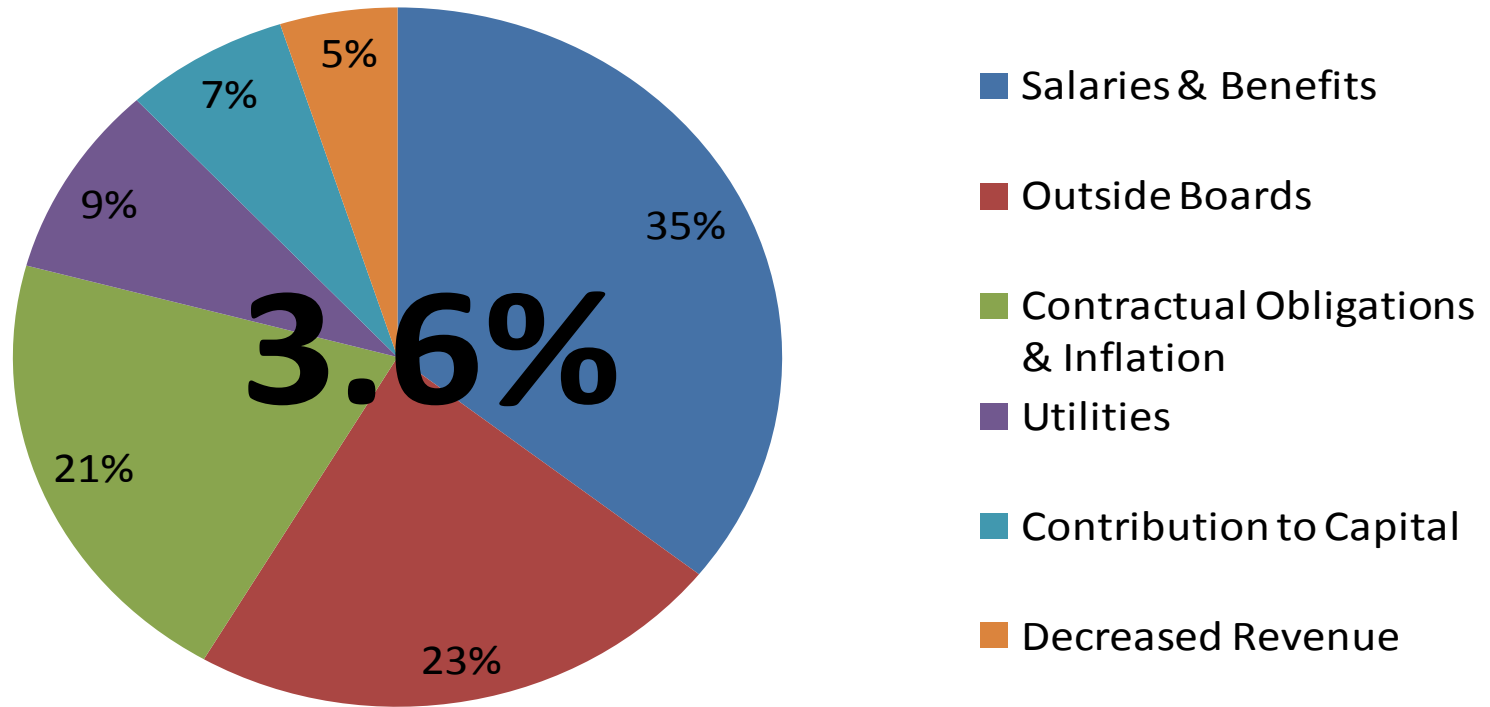


Base Budget

\$528 million operating budget

- A 3.6% increase in the property tax levy:
 - 1.3% Provincially mandated plus decrease in OMPF
 - 1.0% Outside Boards (Police, SDHU, NDCA)
 - 0.3% Policy driven inflation on capital envelopes
 - 1.0% Increase for existing municipal services (net of 0.5% assessment growth)

Property Tax Increase



Key Issues

- Anticipated reduction in OMPF
- Minimal assessment growth
- Presumptive legislation for WSIB
- Increasing utility rates



Capital Levy

- 1.5% Capital Levy = \$3.6 million
- Beneficial to assist the City with the significant infrastructure capital deficit and capital needs especially in Roads and Facilities
- Option to use towards new external debt



Water and Wastewater User Rates

- 7.4% increase per the 2011 10 year Water and Wastewater Financial Plan
- Assist to achieve financial sustainability



QUESTIONS

