

City Of Barrie

2015 Business Plan & Budget

Budget Workshop

February 10th & 12th (If Required)

Agenda

Agenda Item #	Agenda Item	Purpose	Estimated Time	Lead
1	Update of Budget Summary	Inform Council of Current Position & potential changes	6:00-6:05pm	Patti Elliott-Spencer
2	Review of Scenario A	Review and discuss Scenario Service Level Change Forms	6:05-6:50pm	Patti Elliott-Spencer
3	Review of Scenario B – Service Partner Adjustments	a)Review and discuss changes b)Discuss 2014 Surplus and Transfer to County Capital Reserve	6:50 – 7:10pm	Patti Elliott-Spencer
4	Review of Scenario C - Parking	To explain need for additional revenue and the forecast of large deficits	7:10-7:50pm	Richard Forward/Dave Friary
	BREAK		7:50-8:05pm	

Agenda, Con't

Agenda Item #	Agenda Item	Purpose	Estimated Time	Lead
5	Scenario D – Infrastructure Renewal a) Capital Budget and discussion of Asset Management Needs b) FIA Update c) Infrastructure Levy Impact on Debt Forecasts	To understand the proposal for an infrastructure levy and how it benefits the City and Residents	8:05-8:50pm	Jacqueline Weston/Kelly Oakley Patti Elliott-Spencer
6	Review of Scenario E		8:50-9:10pm	Patti Elliott-Spencer
7	Question Period		9:10-10:00pm	

Update Of Budget Summary

Description	Feburay 2 Tax Impact % ¹	Feburay 10 Tax Impact % ¹
Prior Year Tax Levy		
Maintain Current Service Levels - Operations	1.94%	1.79%
Debt & Reserve Management	0.51%	0.51%
Total Increase to Maintain Service Levels before Service Partner Requests	2.45%	2.30%
Service Partner Budget Requests	1.20%	1.06%
Subtotal - Increase to tax levy before Recommended Scenarios	3.66%	3.36%
Recommended Scenarios:		
Scenario A - Alternate Service Delivery	0.16%	0.16%
Scenario B - Service Partners	-0.09%	-0.09%
Scenario C - Parking	-0.33%	-0.33%
Scenario D - 1% Infrastructure Levy	0.64%	0.64%
Subtotal - Recommended Scenarios	0.38%	0.38%
Total Tax Levy	4.04%	3.74%

Scenario A – Alternative Service Levels

Description	Number	Complement		2015 Budget		2016 Forecast		2017 Forecast	
		2015	2016	Operating	Capital	Operating	Capital	Operating	Capital
Online Citizen Engagement	119	1	-	-	-	-	-	-	-
After Hours Call Handling	329	-	-	(11,800)	-	(26,000)	-	(26,000)	-
Print Shop Equipment Replacement - High Speed Printers/Photocopiers	365	-	-	(7,800)	-	(2,800)	-	(2,800)	-
Elimination of Residential Landfill Tipping Fee Subsidy	384	-	-	(35,000)	-	(235,000)	-	(235,000)	-
Contaminated Inactive Land - PSAB 3260	641	-	-	125,000	-	-	-	-	-
CMMS Process Improvements	716	-	-	-	-	-	-	-	-
Waterfront and Marina Strategic Plan	861	-	-	-	-	-	-	-	-
Fee for Fourth and Subsequent Subdivision and Site Plan Submission Review	865	-	-	(20,500)	-	(20,500)	-	(20,500)	-
Fire Support Administrator	880	1	-	(9,656)	-	(3,518)	-	(73)	-
Facility Generalist Services	906	1	-	-	-	-	-	-	-
Corporate Initiative Rightsizing - Accessibility Compliance & Investment Coordination	907	2	-	-	-	-	-	-	-
Facility Services Electrician	917	1	-	(10,050)	-	(21,115)	-	-	-
Purchasing Agent - Temporary	920	-	-	(27,426)	7,690	(56,654)	-	(28,656)	-
Public Art Reserve	925	-	-	25,000	-	-	-	-	-
Benefits and Pension Plan Management Resources	927	1	-	(11,445)	-	(15,682)	-	(15,682)	-
IT Consulting Services Reduction	928	-	-	(16,000)	-	(16,000)	-	(16,000)	-
IT Software Reduction	930	-	-	(14,000)	-	(14,000)	-	(14,000)	-
Stormwater Management Pond Maintenance	936	-	-	250,000	-	-	-	-	-
Full Time Community Events Programmer	942	1	-	-	-	-	-	-	-
Reduction in Drop-In/Open Swim Hours	949	-	-	(25,000)	-	(25,000)	-	(25,000)	-
Reduction in Drop-In Fitness and Aqua-Fit Instructional Programs	950	-	-	(20,000)	-	(20,000)	-	(20,000)	-
Reduction in Custodial/Janitorial Contract Services	951	-	-	(80,000)	-	(80,000)	-	(80,000)	-
Internalization of Ticket Sales at Downtown Terminal	954	1	-	(68,394)	-	(140,290)	-	-	-
IT Purchasing and Invoicing Support	984	1	-	12,811	-	-	-	-	-
Growth Management	987	5	-	-	-	-	-	-	-
Stormwater User Rate Background Development	989	-	-	-	-	-	-	-	-
Operations Rightsizing	994	6	5	302,072	117,160	533,022	52,000	599,603	-
Total Net Budget Impact		21	5	357,812	124,850	(143,537)	52,000	115,892	-

Scenario B

- Total of \$200,000 – Tax impact reduction of 0.09%
 - Physician Recruitment Program – maintain 2014 service level – reduction of \$50,000
 - Reduce Library Maintenance Budget to match City Facilities Budget - \$150,000

Waterfront Parking

Dec 9/13

PARKING RATE REVIEW - PARKING ALONG THE WATERFRONT

That staff in the Roads, Parks and Fleet Department prepare a plan/options for early implementation of paid parking on the waterfront for non-residents.

Dec 16/13

PARKING RATE REVIEW - PARKING ALONG THE WATERFRONT AMENDMENT #1

That motion 13-G-327 of “Section “J” of General Committee Report dated December 9, 2013 concerning the Parking Rate Review - Parking Along the Waterfront be amended by adding the following words to the end of the sentence “and report back to the Transportation and Economic Development Committee”.

Jan 14/14 TED Committee

PARKING RATE REVIEW - PARKING ALONG THE WATERFRONT AND EVENING PARKING

That visitor parking charges on the waterfront be implemented as soon as practical in 2014.

Feb 19/14 TED Committee

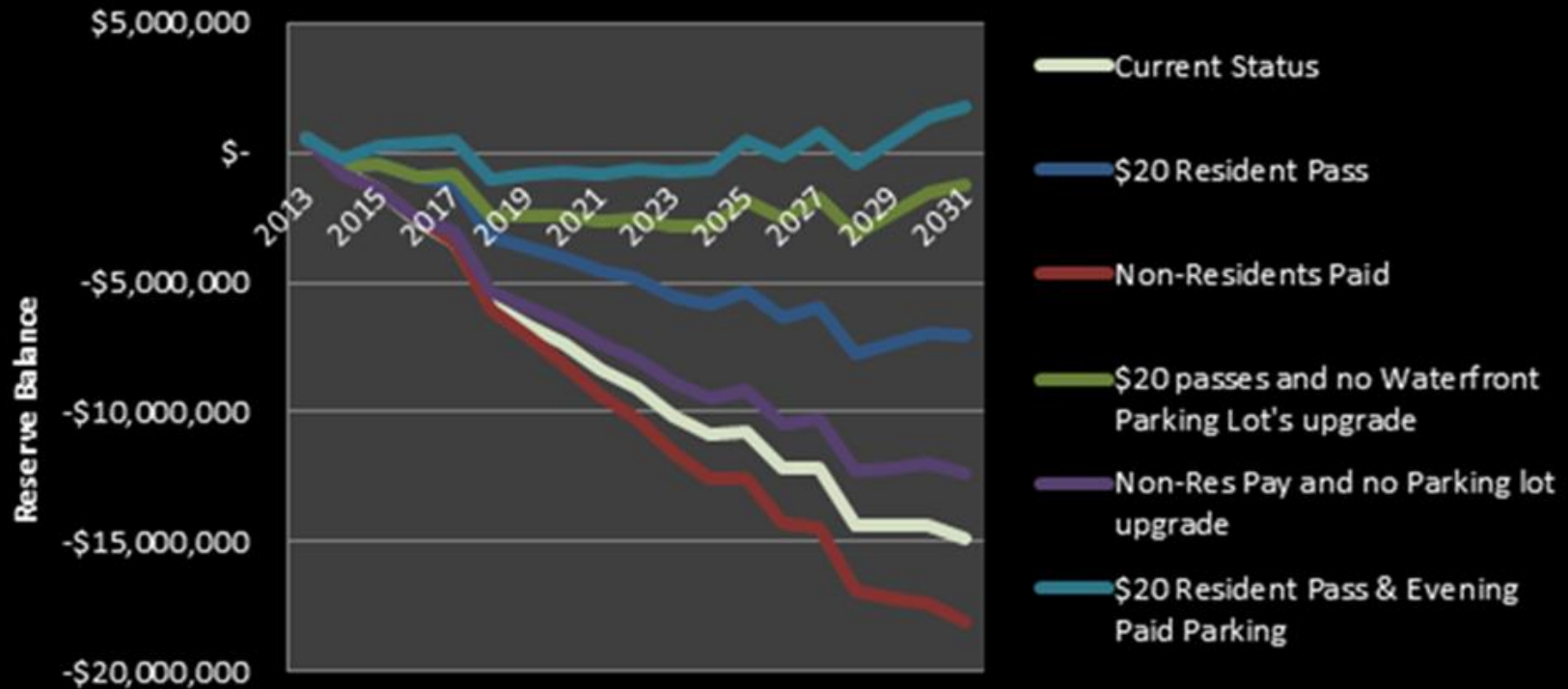
WATERFRONT PARKING PERMIT - DISTRIBUTION TO RESIDENTS

That the residential waterfront parking permits be distributed in the water bills.

March 17/14 Council Memo

Memo updating pass distribution and communication plan.

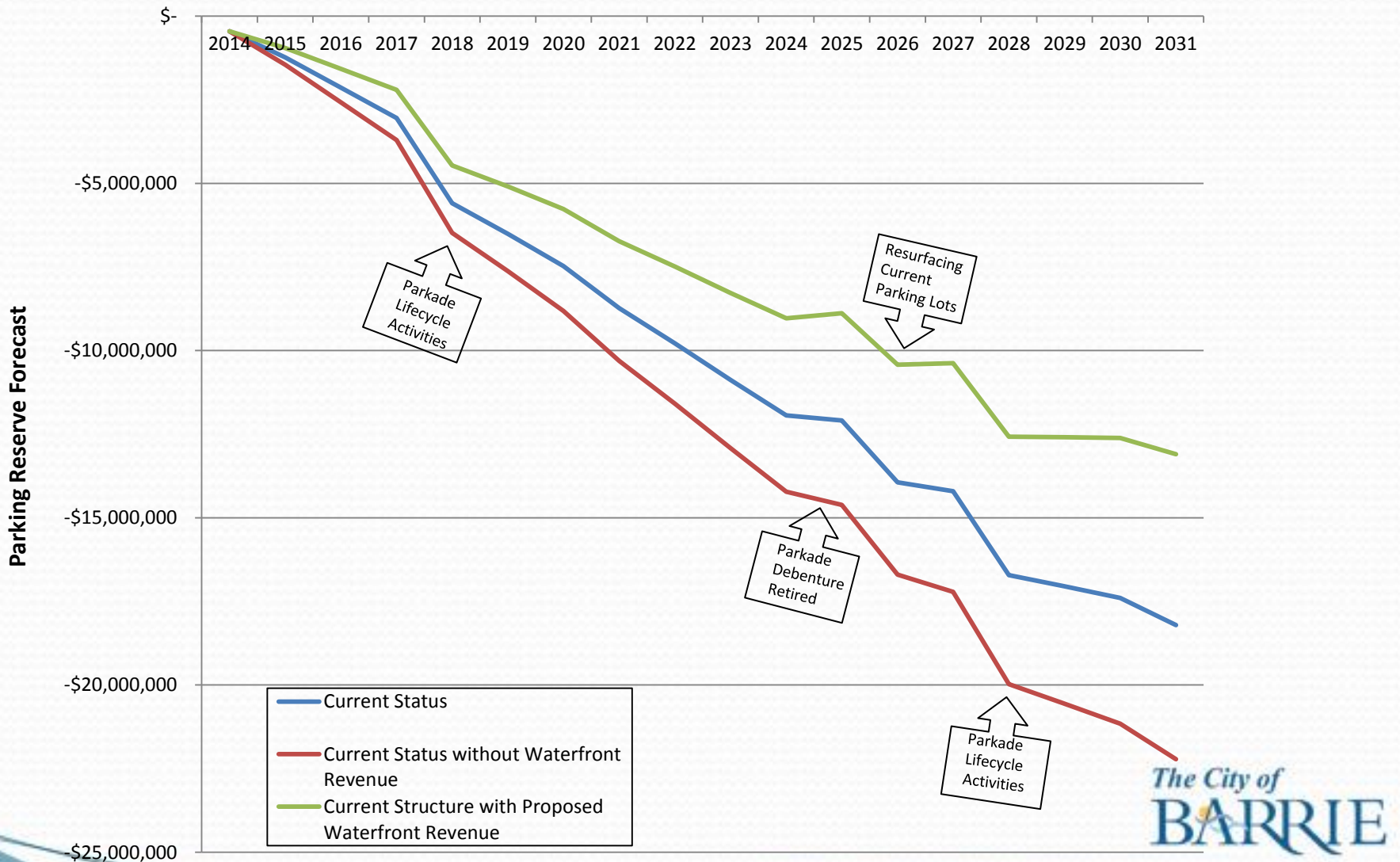
Parking Operations Scenario's



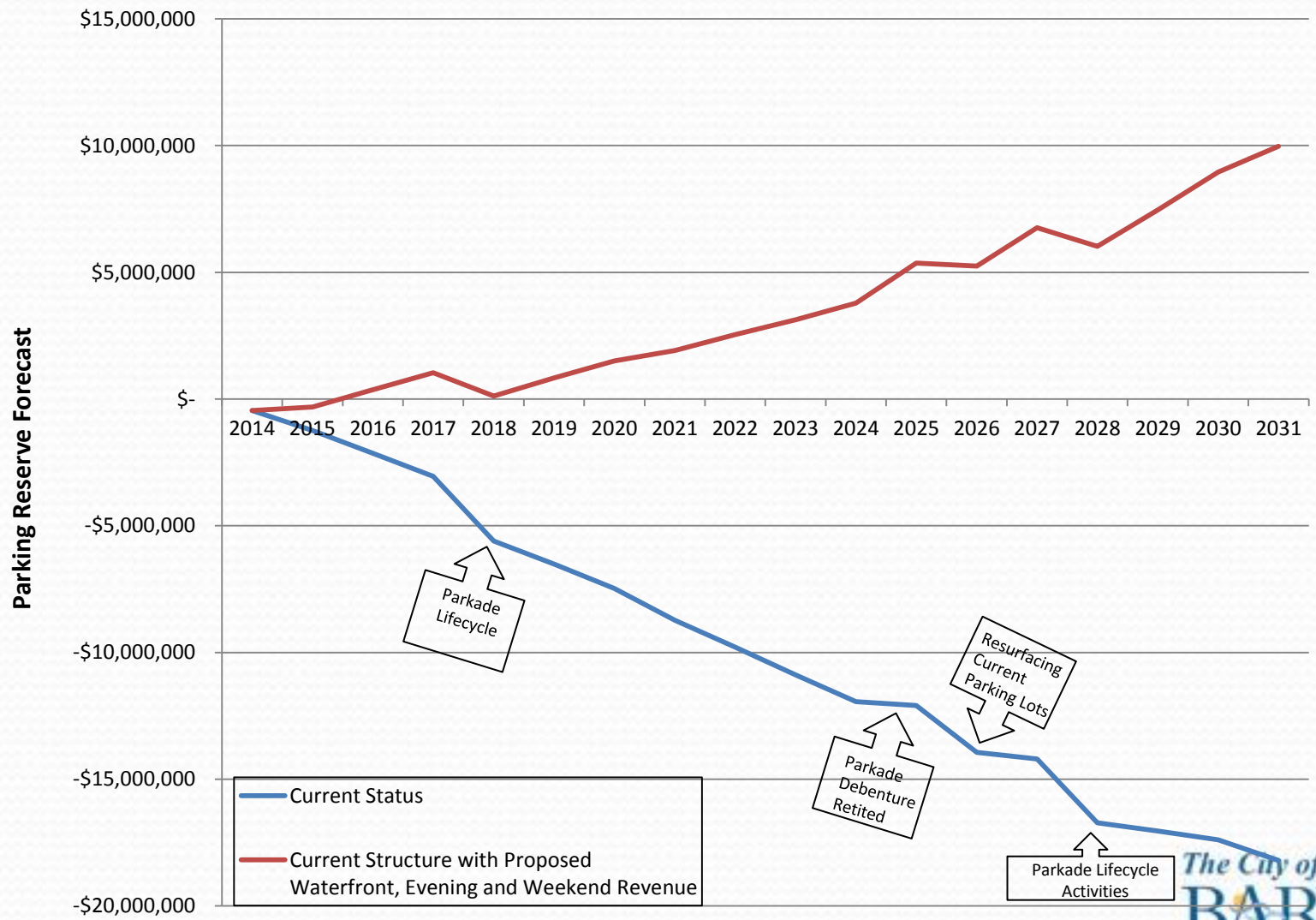
Assumptions staff used in estimates:

- Organizers of special events that used waterfront parking lots would pay the lot closure fees.
- The annual revenue associated with non resident paid parking was estimated at \$585,620 annually (\$292,810 in 2014 assuming implementation in June).
 - Actual implementation occurred in July after Canada Day and allowed for no enforcement at events in 2014 like Kempenfest
- Resident passes would have to be picked up at specified City facility.
- Assumed 5% of residents would pay if they lost or forgot their passes
- Gravel lots along west side of Lakeshore Drive would be fenced off.
 - The road lots were left open and offered free 3 hour parking.

Graph A: Current Parking Rate Structure with Impact of No Waterfront Revenue and Impact of Proposed Waterfront Revenue



Graph B: Current Parking Structure with Proposed Waterfront, Evening and Weekend Revenues



Innovate Barrie All Staff Forum

Capital Budget Presentation

FIA Update

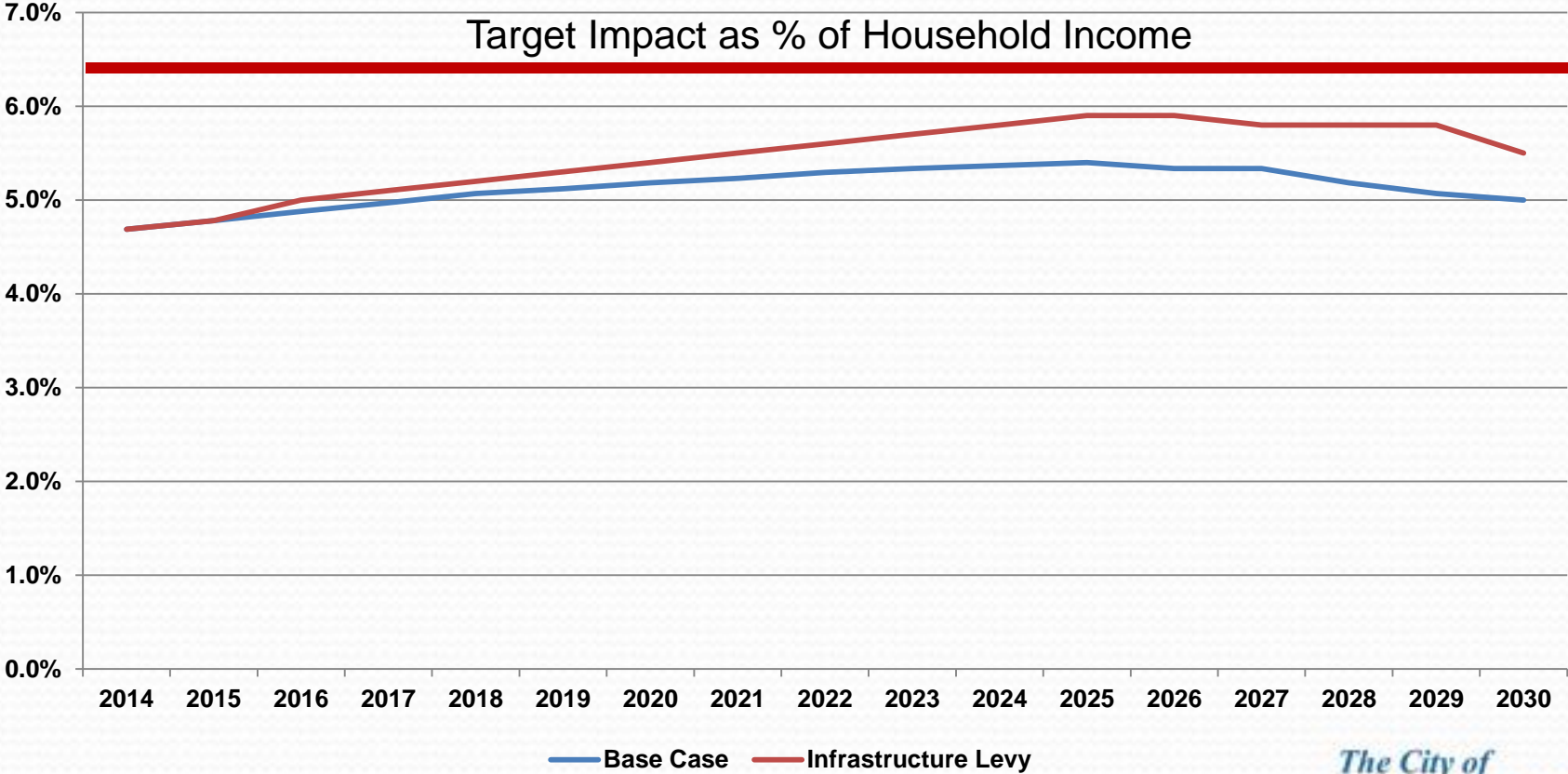
- Watson's updating FIA to 2014
- Preliminary results (Peak Year):

Council Directed Fiscal Thresholds	FIA April 2014 Scenario 4	Update - Preliminary Results
Municipal Taxes not to exceed 4% of Ave. household income	4.2%	4.6%
Water/Wastewater costs not to exceed 2.5% average household income*	0.8%	0.8%
Total Bill not to exceed 6.5% of average household income	5.0%	5.4%
Debt Charges not to exceed 20% of own source revenues	20%	20%
Tax Supported debt charges not to exceed 10% of Net levy requirement	19%	16%

*Updates are underway to Wastewater program which will likely increase these costs

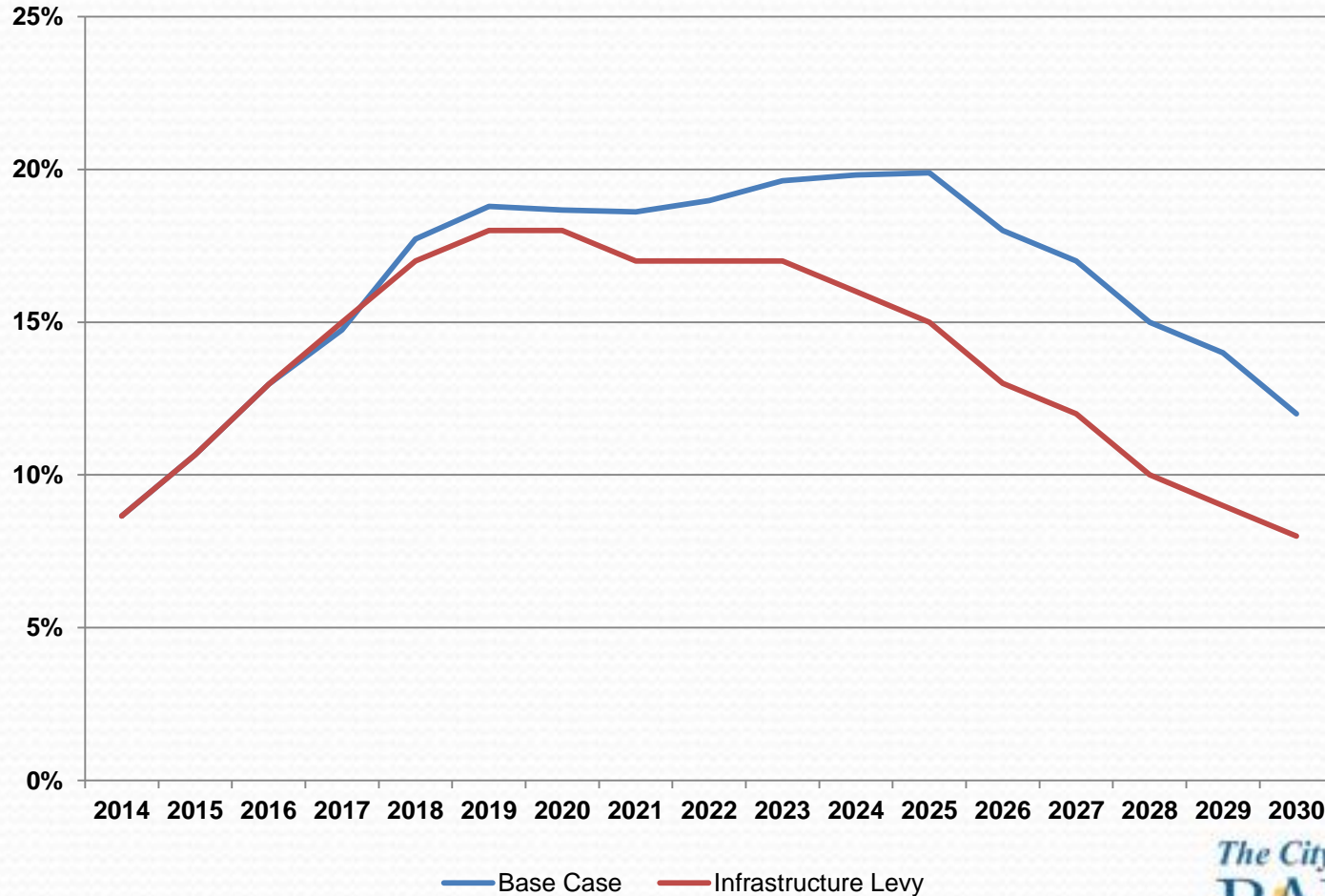


Infrastructure Levy Slightly Increases Impact on Household Income.... But Improves Financial Condition

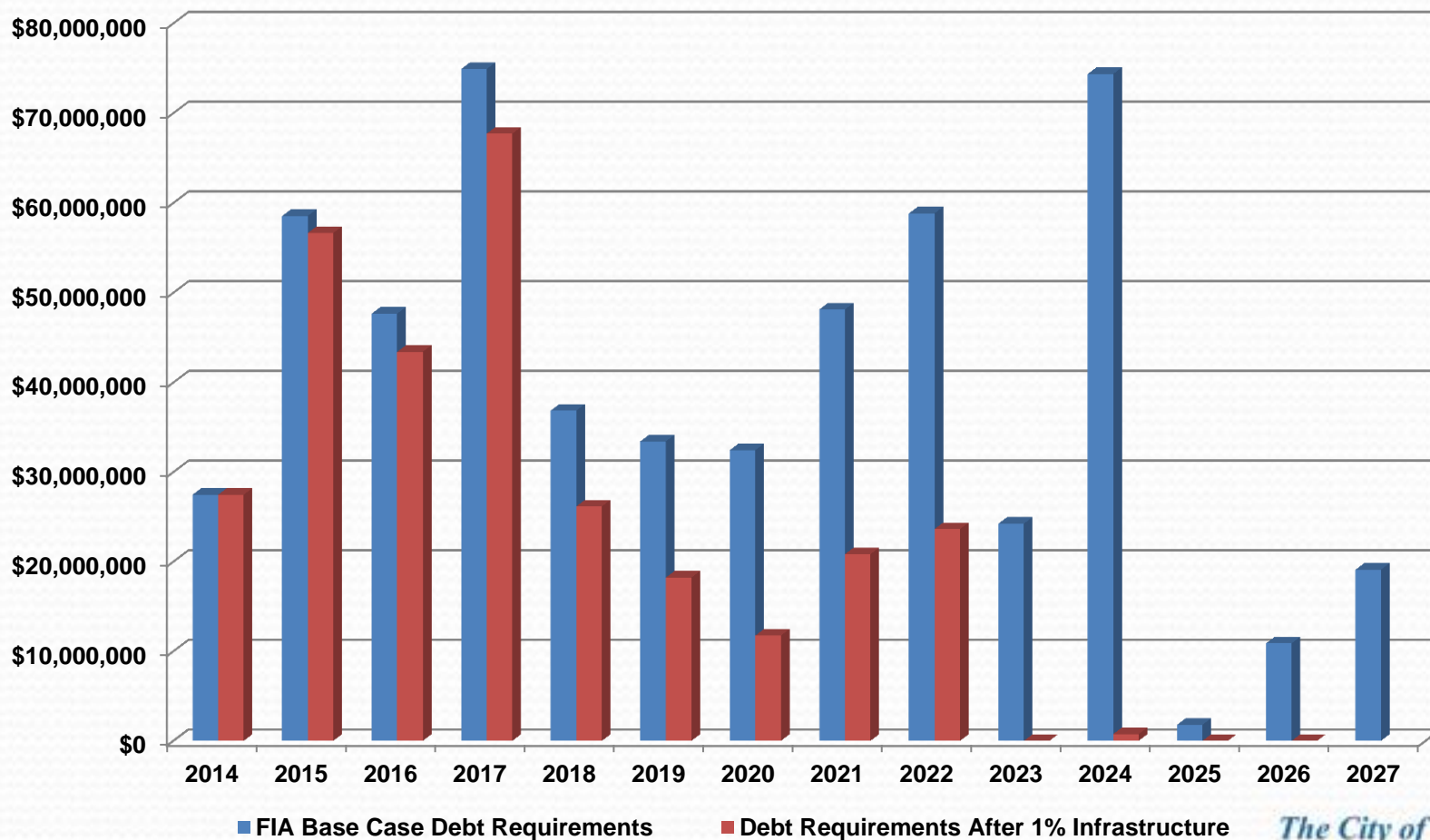


Infrastructure Levy Reduces Reliance On Debt

Debt Charges as % of Revenues

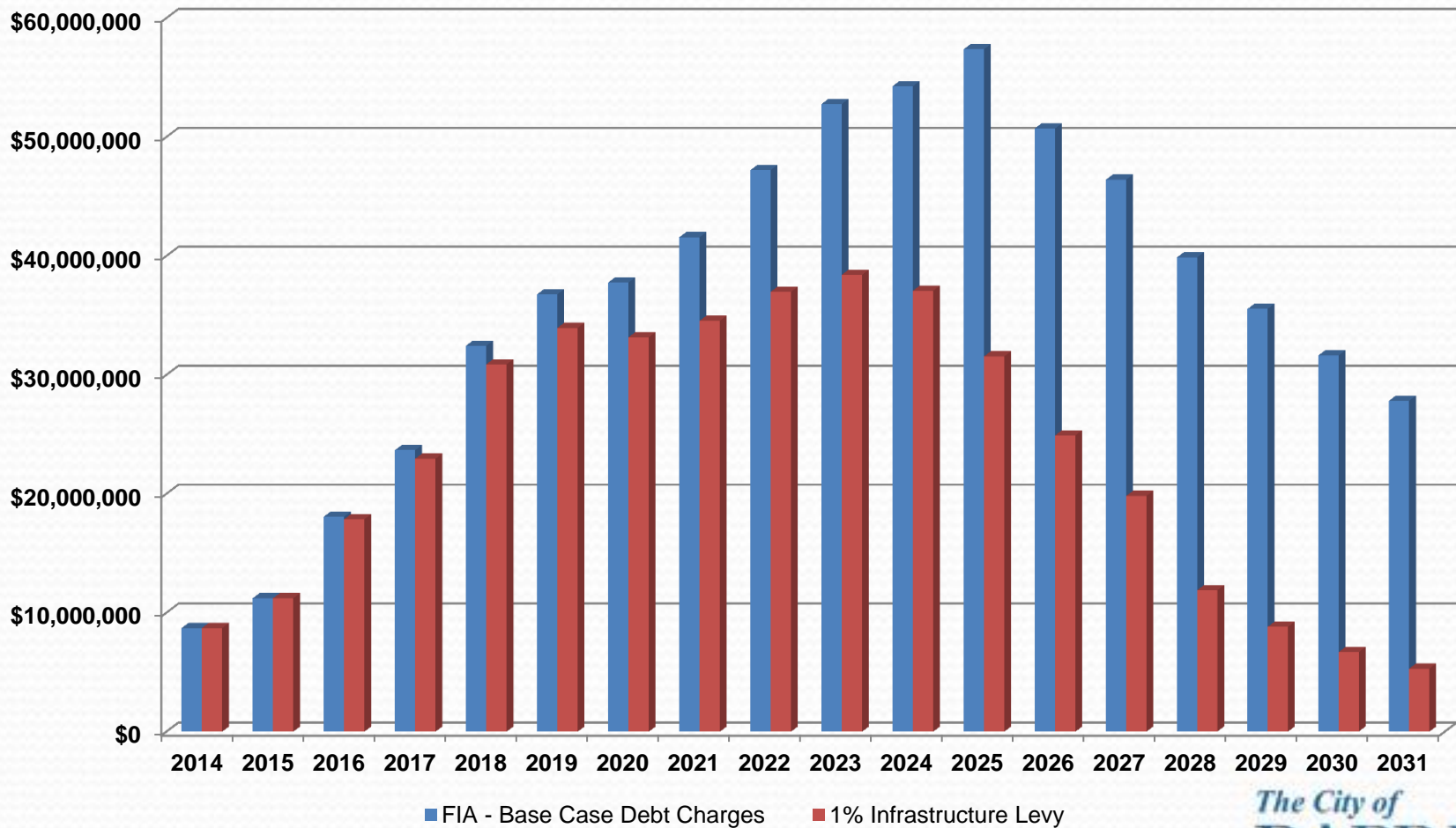


Infrastructure Levy Could Reduce Debt Issued by \$252 Million by 2027*



*Chart assumes all of the Infrastructure Levy is used to reduce debt. A portion could be used to increase asset renewal work.

Debt Charges Could be Reduced By \$239 Million by 2031*



*Chart assumes all of the Infrastructure levy is used to reduce debt. A portion could be used to increase asset renewal work

Infrastructure Renewal Levy

- Dedicated & Transparent Funding for Infrastructure
- Can be used to significantly reduce reliance on debt resulting in significant savings on interest costs OR for increased renewal of infrastructure, which will reduce maintenance expenditures
- Improves financial position, protects Credit Rating
- Common tool used by Municipalities to address

Infrastructure Funding:

- Kitchener, Oakville, Burlington, Brampton, Mississauga, Kingston, Halton Hills, Edmonton

Scenario E – Options for Council Consideration

Description	Number	Complement		2015 Budget		2016 Forecast		2017 Forecast	
		2015	2016	Operating	Capital	Operating	Capital	Operating	Capital
Fire Prevention Officer	63	1	-	70,384	38,500	133,629	-	133,629	-
Customer Service Strategy Implementation	331	-	-	50,000	-	-	-	-	-
Multi-Residential Organics Pilot Program	464	-	-	80,944	-	164,741	-	-	-
Organics Collection Program Enhancement	495	-	-	362,500	-	480,000	-	480,000	-
Multi-Residential Front End Garbage Collection	578	-	-	199,750	-	253,000	-	253,000	-
Geese Control in the Waterfront Parks	890	-	-	50,000	-	-	-	-	-
Inclusion Services - Capacity & Support	891	1	-	48,400	-	48,400	-	48,400	-
Elimination of Summer Beach Lifeguards - Centennial Beach & Johnson's Beach	948	-	-	(61,847)	-	(61,847)	-	(61,847)	-
Total Net Budget Impact		2	-	800,131	38,500	1,017,923	-	853,182	-

Question Period

Innovate Barrie All Staff Forum

Appendix

Scenario C - Parking



Scenario C - Parking

	2013	2014		2015
	Actual	Budget	Forecast	Budget
Expenditures				
Salaries and Benefits	\$368,153	\$370,267	\$350,614	\$367,100
Operating Expenses	\$518,503	\$466,168	\$528,522	\$664,014
Lease Equipment/Property: ¹	\$1,261,160	\$1,508,850	\$1,527,460	\$1,296,664
Financial Expenses	\$3,821	\$2,532	\$5,277	\$5,525
Total Expenditures before Tsf to Parking Reserve	\$2,151,637	\$2,347,817	\$2,411,873	\$2,333,303
Transfer to/from Parking Reserve	\$0	\$0	\$0	\$0
Total Expenditures	\$2,151,637	\$2,347,817	\$2,411,873	\$2,333,303
Revenues				
Licences, Permits, Application Fees:	(\$406,392)	(\$300,000)	(\$323,718)	(\$326,000)
Fees, Charges, Service Rentals:	(\$1,029,488)	(\$1,783,400)	(\$1,136,825)	(\$1,243,400)
Other Revenues	\$743	\$0	\$0	\$0
Total Revenue before Tsf from Parking Reserve	(\$1,435,137)	(\$2,083,400)	(\$1,460,542)	(\$1,569,400)
Contribution from Parking Reserve	(\$716,500)	(\$264,417)	(\$932,321)	(\$763,903)
Total Revenue	(\$2,151,637)	(\$2,347,817)	(\$2,392,863)	(\$2,333,303)

Notes:

1. Debenture cost was consolidated corporately in 2014 so the expense in the rate business areas has been moved from the financial expense line to lease equipment/property expense line in 2014. This change is reflected in the 2013 actuals on this report for comparison purposes.

Scenario C – Parking Reserve Details

Parking Reserve Forecast

	2015 -2031 Budget	2015 -2031 Budget With Evening & Weekend Parking Fees	
Operating Revenues:			
Parking Permits	\$5,948,182	\$5,948,182	
Parking Meters	\$22,260,066	\$22,260,066	
Parkade Parking Spaces (TD)	\$142,800	\$142,800	
Cash In Lieu (2015)	\$15,000	\$15,000	
Evening		\$14,640,413	
Saturday		\$6,654,733	
Sunday		\$1,774,596	
Operating Revenues sub-total	\$28,366,047	\$51,435,790	
Operating Costs:			
General Operating Expenditures	\$23,246,731	\$23,246,731	
OH Allocations	\$6,706,486	\$6,706,486	
Operating Costs sub-total	\$29,953,218	\$29,953,218	
Net Operating Funds	-\$1,587,170	\$21,482,572	
Debt Service:			
Collier Street Parkade (Principal)	-\$4,804,051	-\$4,804,051	
Collier Street Parkade (Interest)	-\$4,855,814	-\$4,855,814	
Sub-total All Debt Service	-\$9,659,865	-\$9,659,865	Debt retired in 2024
Net Funds after All Debt Service	-\$11,247,035	\$11,822,707	
Asset Replacement/Rehab:			
Pay & Display Machine Replacement	-\$2,238,216	-\$2,238,216	Based on 10 year useful life and includes assumptions for forecasted development work
Resurfacing Current Parking Lots	-\$1,114,696	-\$1,114,696	Forecasted in 2026
Collier St Parkade Lifecycle Activities	-\$3,150,028	-\$3,150,028	Forecasted in 2018 and 2028
Sub-total Asset Replacement/Rehab	-\$6,502,940	-\$6,502,940	
Net Funds after Asset Replacement/Rehab	-\$17,749,975	\$5,319,768	
Parking Reserve Fund Balance	-\$18,204,975	\$ 4,864,768	(Reserve balance at the end of 2014 was forecasted to be -\$455,000)

County of Simcoe Capital Reserve

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Opening Balance	1,262,063	1,284,602	(378,013)	(308,256)	307,404	1,094,403	1,176,458	1,315,921	1,789,230	839,743
Contribution	1,408,533	1,424,266	1,424,266	1,424,266	1,424,266	1,424,266	1,424,266	1,424,266	1,424,266	1,424,266
Draws	(1,385,994)	(3,086,881)	(1,354,509)	(808,606)	(637,267)	(1,342,211)	(1,284,802)	(950,957)	(2,373,753)	(1,017,679)
Closing Balance	1,284,602	(378,013)	(308,256)	307,404	1,094,403	1,176,458	1,315,921	1,789,230	839,743	1,246,330

Debt Capacity Based on Capital Plan

Debt Repayment of Principal and Interest as a Percentage of Own Source Revenues

