

# 2016 Business Plan Update

Council Workshop

October 21, 2015



# Agenda

- 2016 Budget Directions
- 2016 Preliminary Business Plan & Budget
- 2016 New Investment & Service Recommendations
- 2016 Capital – Key Investments
- 2016 Budget Engagement
- Next Steps

# 2016 Budget Directions

- Cost of maintaining current programs at current service levels
- Annualization of prior period decisions
- Funding sources that result in a decreased reliance on property taxes
- Continuation of the annual 1% dedicated Infrastructure Renewal Fund
- Reserve contributions consistent with the Financial Policies Framework
- Increased public education and engagement





# 2016 Capital Budget Direction

Capital Budget that advances the City's Strategic priorities while considering:

- Resource availability
- Addressing the City's most critical needs
- Master plans and infrastructure implementation plans
- Council's strategic goals



# 2016 Preliminary Business Plan & Budget

# Building Blocks of the 2016 Budget



# Maintain Current Service Levels

	2016 Budget	Tax Impact %
<b>Maintain current programs at current service levels:</b>		
Economic Adjustments - Labour	2,562,038	1.07%
Economic Adjustments - Contracts & Other	1,296,882	0.54%
Approved Service Level Changes	1,942,260	0.81%
Efficiencies & Cost Savings	(228,440)	-0.10%
Revenue Changes	(215,980)	-0.09%
Interfund Charges	(693,453)	-0.29%
Utilities	(507,100)	-0.21%
Other	509,340	0.21%
<b>Maintaining current programs at current service levels</b>	<b>4,665,547</b>	<b>1.95%</b>

- Labour reflects cost of living allowances
- Contracts include rail operations, residential curbside collection, transit and road salt
- Utilities realizing savings from LED retrofit



# Debt & Reserve Management

	2016 Budget	Tax Impact %
<b>Debt &amp; Reserve Management:</b>		
Debt Management	1,806,553	0.75%
Contributions to Reserves	905,458	0.38%
<b>Debt &amp; Reserve Management</b>	<b>2,712,011</b>	<b>1.13%</b>

- Debt servicing includes 2015 and proposed 2016 costs
- Contributions to Reserves consistent with Financial Policy Framework



# Preliminary Budget – Service Partners

	2016 Budget	Tax Impact %
<b>Service Partner Budget Requests</b>	<b>1,311,754</b>	<b>0.55%</b>

- Barrie Police +3.4 %
  
- County of Simcoe
  - Land Ambulance +3.8%
  - Long Term Care +9.1%
  - Ontario Works -12.6%
  - Local Housing Authority -8.3%
  - Child Care +0.6%
  - Museum & Archives +3.6%
  
- Nottawasaga Valley  
Conservation Authority +2.9%

# Preliminary Total Budget - Tax

	2016 Budget	Tax Rate Impact
<b>2015 - Net Tax Levy</b>	<b>\$ 198,766,858</b>	
Maintain Current Programs at Current Service Levels	\$ 4,665,547	1.95%
Debt & Reserve Management	\$ 2,712,011	1.13%
Growth Assessment Benefit		-0.54%
<b>Subtotal</b>	<b>\$ 7,377,558</b>	<b>2.54%</b>
1% Infrastructure Renewal Fund	\$ 2,398,000	1.00%
Service Partners	\$ 1,311,754	0.55%
New Investment & Service Recommendations	\$ 924,920	0.39%
<b>Subtotal</b>	<b>\$ 4,634,674</b>	<b>1.94%</b>
<b>2016 - Net Tax Levy (preliminary)</b>	<b>\$ 210,779,090</b>	<b>4.48%</b>

# Rate Budgets

## Water & Wastewater

- Financial Plan – Finance & Corporate Services Committee – Oct/Nov 2015
- 2016 Water rate 2.5% increase
- 2016 Wastewater rate 5% increase

## Parking

- Waterfront Parking report to IIDC in November
- Continued draw on Parking Reserve



# New Investment & Service Recommendations

- Infrastructure
- Economic Investment
- Financial Management
- Public Safety & Asset Security
- Environmental Protection
- Growth Management
- Customer Service
- Workforce
- Technology Infrastructure & Business Systems



# Infrastructure

- The City has \$3.3Bn in assets, to support services delivered, with an additional investment of \$3.1Bn in new assets and asset replacement over the next 20 years.
- Additional resources are required to better manage our assets and to ensure they are constructed to standard.

# Economic Investment

- Consistent with Invest Barrie's Integrated Strategy presentation, all but one of the Economic Investment requests are aimed at deploying phase 1 of the strategy.
- The 2 positions are requested to support rollout of the transformational layer of the strategy.

# Economic Investment

- Work was initiated in the Q4 2014 on developing a new brand for Invest Barrie; the project scope evolved to include our Corporate brand resulting in a more comprehensive strategy and plan.
- The implementation of the brand in 2016 would be phased-in beginning with our website, social media platforms, business papers (letterhead, business cards), email signatures and marketing material as new programs were launched.

# Financial Management

- Delivery of “value for money services” requires strong financial management to:
  - Develop a long term financial plan, and supporting policies, to ensure growth pays for growth while existing assets are maintained in a state of good repair,
  - Ensure adequate controls and processes to protect City resources and assets,
  - Improve financial systems and processes,
  - Enhance reporting, results measurement, and forecasting,
  - Support efficiencies and innovation to reduce costs,
  - Identify opportunities to increase existing non-tax revenues and explore new revenue opportunities.



# Public Safety & Asset Security

- Additional resources are required to achieve compliance with internal controls designed to ensure the security of our assets; and, to enhance the resiliency of our assets in response to climate change.

# Environmental Protection

- Additional measures are recommended to improve waste diversion to extend the life of the landfill; and, to protect our drinking water source by managing risks.

# Growth Management

- Expanding use of the City's investment in a new building permit solution for the processing of all other development related applications and permits.
- Resources are needed to support increased building service and GIS (asset data coordination and management) activities in the annexed lands.

# Customer Service

- The Customer Service Plan builds on the City's existing commitment to customer service excellence and provides an approach to customer service that can adapt to the changing needs and expectations of residents, and make it easier for staff to deliver consistent customer service across the corporation. The plan includes:
  - Creating a Call Centre that merges 40+ existing phone numbers into **ONE number**.
  - Providing a “one stop” customer **Contact Centre**.
  - Focusing on **1<sup>st</sup> contact resolution**.
  - Introducing a consistent **corporate-wide tracking** method.
  - Creating a **centralized knowledge base**.
- It is proposed that a Contact Centre be formed utilizing existing staff through a phased implementation beginning in 2016.
- A key component of the Customer Contact Centre is the use of Customer Relationship Management (CRM) technology to better track, manage, and improve customer interactions with the city.



# Workforce

- Training and Development programs to prepare for the future.
- Recognition program adjustments to reflect staff growth and allow for new initiatives that encourage innovation.
- Strategic Workforce Planning to ensure we have the right people, in the right place, with the right skills.
- The Staff Strategic Plan outlines need for all of the above.
- Adjustments to Training and Recognition G/Ls have not been made in over 10 years.

# Technology Infrastructure & Business Systems

- From 2014 to 2015, the City has made a \$13M investment in technology.
- Resources are needed to sustain this investment and realize system integration opportunities and improved controls through our new ERP (financial) system and our work order maintenance management systems.

# 2016 Capital Key Investments

# 2016 Capital – Highway 400 Projects

Highway 400 Projects	Phase
Harvie/Big Bay Point Road (New Crossing)	Design (approved fall 2015)
Tiffin Street (Replacement & widening)	Construction (by MTO)
McKay Road (Replacement)	Construction (by MTO)

# 2016 Capital Plan – Waterfront

<b>Waterfront</b>	<b>Phase</b>
Military Heritage Park	Design & construction
Centennial Park	Construction
Memorial Square	Construction (committed)
Marina Basin	Design



# 2016 Capital – Neighbourhood Renewal

<b>Neighbourhood Renewal</b>	<b>Phase</b>
Gunn Street (Peel – St. Vincent)	Design
Henry Street (Frances – Eccles)	Design
Johnson Street (Shanty Bay – beach)	Construction
Rodney Street (Blake – Kempenfelt)	Construction

# 2016 Capital – Major Roads

Major Roads	Phase
Dunlop Street (Mulcaster–Five Points)	Design
Ferndale Drive (Dunlop – Tiffin)	Construction
Morrow Road	Construction
Mapleview Drive East (Hurononia – Country Lane)	Construction
Mapleview Drive East (Country Lane – Yonge)	Property
Duckworth Street (Bell Farm – St. Vincent)	Design

# 2016 Capital – Major Facilities

Major Facilities	Phase
Allandale Station	Design & construction (approved 2015)
First Responders Campus	Design

# 2016 Capital Plan – Technology

Technology	Phase
Existing technology infrastructure	Renewal / Replacement
Existing applications (Cityworks, Archibus, External Website)	Maintenance
Mobility	Replacement / New Purchase
APLI	Deployment & Maintenance
SAP	Deployment & Maintenance

# Projects to be Discussed

Project Name	Status in Draft Capital Plan
Waterfront Centre (Sea Cadets) (Gross cost \$4.25 million)	Pre-design 2016; design 2017; Based on affordability construction recommended beyond 2020
Spirit Catcher Commercial (Gross cost \$10.3 million)	Pre-design 2016; design 2018; Based on affordability construction recommended beyond 2020; Assume 50% external funding for construction



# 2016 Budget Engagement

## **Online Budget Allocator Tool:**

Residents will have the opportunity to choose how to invest their tax dollars for a number of service areas with the ultimate goal of creating a balanced budget.

## **Community Road Show:**

The City is bringing the budget to the community.

## **Animated Video:**

Access Barrie created a video to help improve public understanding about how tax dollars are spent.

# Next Steps

- Begin public engagement activities
- Budget binders distributed mid-December
- Budget deliberation:
  - January 18 General Committee meeting
- Budget passed:
  - January 25 Council meeting