



2017 Budget Guideline Report

Budget Committee
First Public Meeting

June 29, 2016

Sandra Clancy
Director of Corporate Services



No decisions necessary tonight

- Council is not being asked to make any budget decisions tonight
- Council will receive the presentation and hear public delegations
- Public meeting added to provide a forum for the public to comment prior to discussion on July 25th

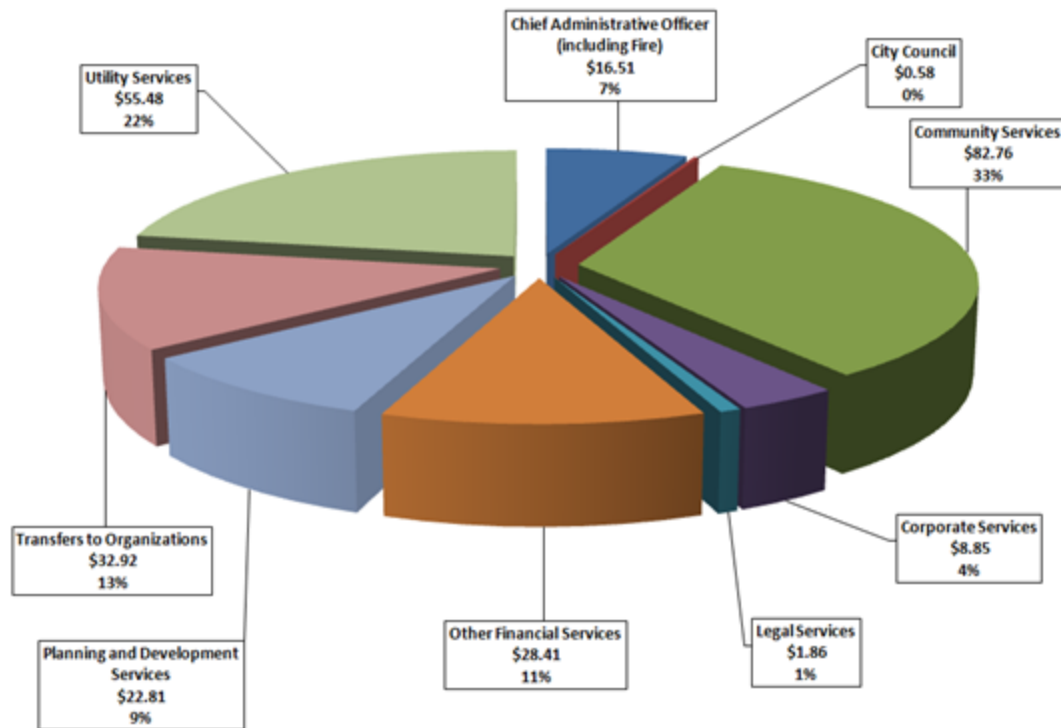


Guideline Process

- Setting a 2017 Budget Guideline starts with the 2016 Approved Budget

2016 Budget

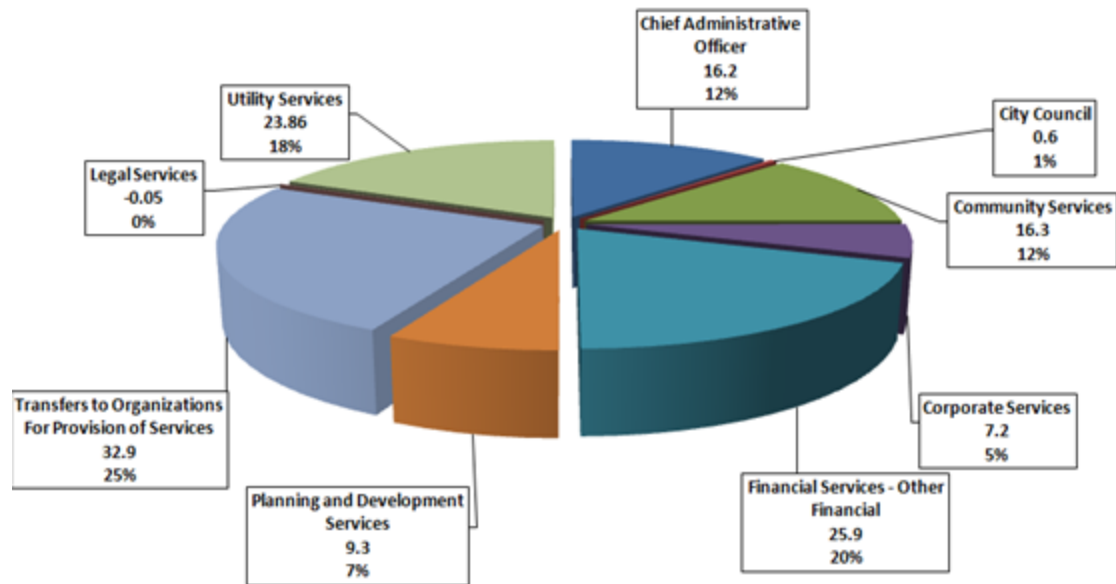
Operating Gross Expenditures \$ 250.2 (Million)



2016 Budget

Gross expenditures less direct revenues of \$118.0 M result in \$132 net

Net Expenditures - increased by 3.92 %





Guideline Process

- Guideline Report provides update on key information and recommendations for 2017
- Overall Guideline provides staff with a target that staff will meet when Draft Budget presented in November 2016



2017 Preliminary Budget Guideline

Key recommendations for 2017



2017 Preliminary Budget Guideline

- The key recommendation included in the preliminary Budget Guideline Report CPFS16-015 for July 25, 2016:
 - 1) Draft budget to reflect an estimated 2.00% all-inclusive tax increase for increased operating costs and traditional support for the capital program
 - 2) An additional 1.0% all-inclusive tax increase to implement the Capital Financing Policy approved by Council at its meeting held April 23, 2012.



Additional Capital Financing 1.0%

Decision of November 23, 2015 in consideration of the 2016 Capital Budget

That a further increase of 0.5% be added to the 0.5% 2016 capital component of the all-inclusive tax increase, for a total 2016 all-inclusive increase of 3.01%, and that the 2017 Draft Capital Budget be prepared to include a further 1.00% all-inclusive tax rate increase for key specific projects.



Additional Capital Financing 1.0%

- The more of the 1.0% that is added to tax supported debt, the more work can be done
- For 2017, due to continued low interest rates & high volume of work that needs to be done – staff propose to allocate ALL of 1.0% to tax supported debt
- Equates to \$13.7 M of financing.



All inclusive increase proposed – 3.00%

- “all inclusive” means municipal, education, & sewer surcharge levies increase for single family dwelling “not on water” assessed at \$233,500 for 2017 = \$111.69 annual increase.
- The 2016 equivalent increase was also 3.0%



Tax Ratio Reduction Program (TRRP)

- Under the 8 year tax ratio program **Multi-Residential, Commercial, and Industrial Tax** ratios would be reduced by a set amount in each of the years **2010 through 2017** so that by 2017, the tax ratio for all three classes would be 1.5
- **Shifts tax burden** from the three classes to residential
- For 2015 Council deferred the program for one year - the Commercial and Industrial ratios remained unchanged. The Multi-Residential ratios have been maintained at 2010 levels.



Tax Ratio Reduction Program – con't

- With the work that has been done to date, the City is now below average among its peers in each of the Commercial, Industrial and Multi-res Tax Classes
- The goal is still to have each of the Commercial, Industrial and Multi-res Tax Classes at 1.5% the Residential Tax Class
- In 2016 Council resumed the TRRP program, albeit at ½ the pace it was previously – if maintained, program extends to 2021
- 2017 impact is \$387,700 shift in tax burden from the Comm & Ind Classes to other classes



2017 Preliminary Budget Guideline – Peterborough Police Service

- Key recommendation being proposed:

That the increase in the Police Services portion of the draft 2017 Operating Budget reflect no more than the Operating portion of Net Tax Levy increase (estimated to be 2.1%), and any increase in the net Police Services budget beyond the estimated Operating Portion of the Net Tax Levy increase be addressed by Council as part of the detailed 2017 Budget deliberations to occur in November of 2016.

- If final amount is 2.1 %, equates to approximately \$500,400



2017 Preliminary Budget Guideline – Ptbo County/City Paramedics

- PCCP has now completed the 10 Year Resources and Facilities Master Plan consultation process for service delivery.
- Numerous deliverables including identifying optimal station locations, the number of ambulances required and personnel requirements
- Too early to quantify financial impacts for the 2017 Budget, but Council should expect to see budget increases



2017 Preliminary Budget Guideline

- Support for low income families:
 - 1) Investment in child recreation – continue with \$50,000 enhancement from 2016 (\$200/child)
 - 2) Municipal Rent Supplement – commitment of additional \$100,000 investment in 2017
 - 3) Dentures - continue with \$50,000 enhancement from 2016



2017 Preliminary Budget Guideline

- Maintain Levels of Service:
 - 1) Solid Waste Collection & Winter control – need to expand fleet and staff resources
 - 2) Utility costs
 - 3) Other



Next Steps - Budget Review Timetable

Date	Event
Budget Committee Approves 2017 Guideline Report	August 2, 2016
Documents presented to Budget Committee	Nov 7
Public Meeting (before reviews similar to last year)	Nov 23
Council members review documents individually	Until Nov 28
Budget Committee Reviews	Nov 28 – Dec 1
2017 Budget Approved	Dec 12



Questions