



Corporate Services, Strategy, Risk and Accountability Committee Meeting

Addendum

Date: January 21, 2021

Time: 9:30 am

Location: Council Chambers - members participating remotely

Pages

4. Regular Items:

4.1. 2021 operating budget overview (F-04-21)

- a. *Staff Presentation regarding 2021 operating budget overview (F-04-21)*

1 - 38



2021 Budget

Operating Budget Overview (F-04-21)
CSSRA January 21, 2021



Operating Budget Agenda

1. Budget Process and Format
2. COVID-19
3. Budget Pressures & Risks
4. Risk Mitigation Measures
5. Financial Overview & Tax Impacts
6. Public Engagement & Budget Approval Process



Operating Budget Principles

Budget is aligned with:

- Strategic Plan and Vision 2 Focus
- Asset Management Plan
- Long-term Financial Plan
- 2021 Budget Framework
- Emergency Response Strategy



Operating Budget Process

Base Budget Review
CFO and Service Leads (\$2.34M savings)



Corporate / Strategic Review
Strategy and Risk Team



Review and Approval
Committee and Council



2021 Operating Budget - Two Budgets in One

Ongoing Budget

Base budget plus priority
risk mitigation measures

- Results in a tax increase

2021 COVID Budget

Temporary revenue losses &
increased expenses

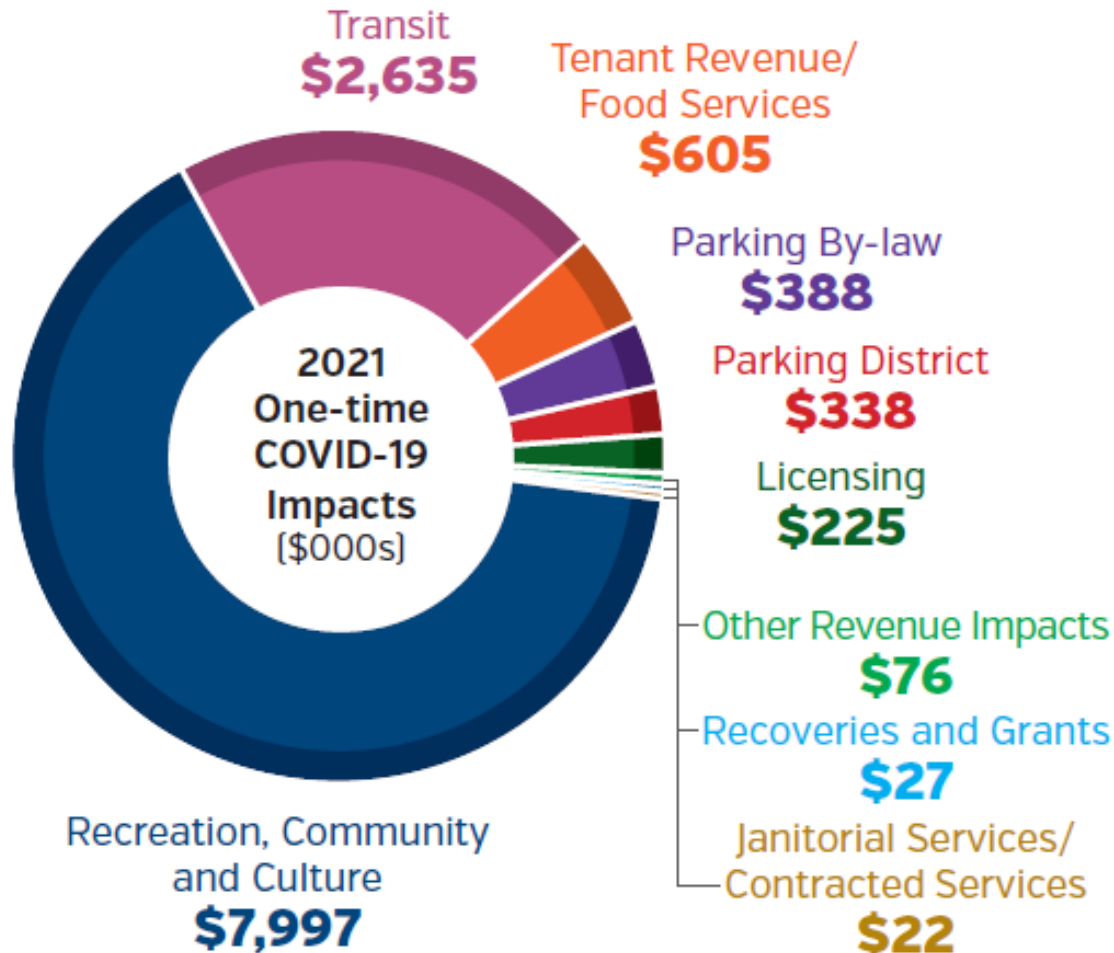
- Offset by temporary cost
savings and funding plan



COVID-19 Pandemic

2021 Budget

Estimated COVID-19 Impacts - \$12.3M





Senior Government Support

	Phase 1	Phase 2	Total
Safe Restart - Municipal Operating Pressures	\$4,470,700	\$7,302,000	\$11,772,700
Safe Restart - Public Transit	\$1,571,213	\$2,208,957	\$3,780,170
Municipal Transit Enhanced Cleaning	\$89,372	\$0	\$89,372
Total	\$6,131,285	\$9,510,957	\$15,642,242



Infrastructure Renewal Levy

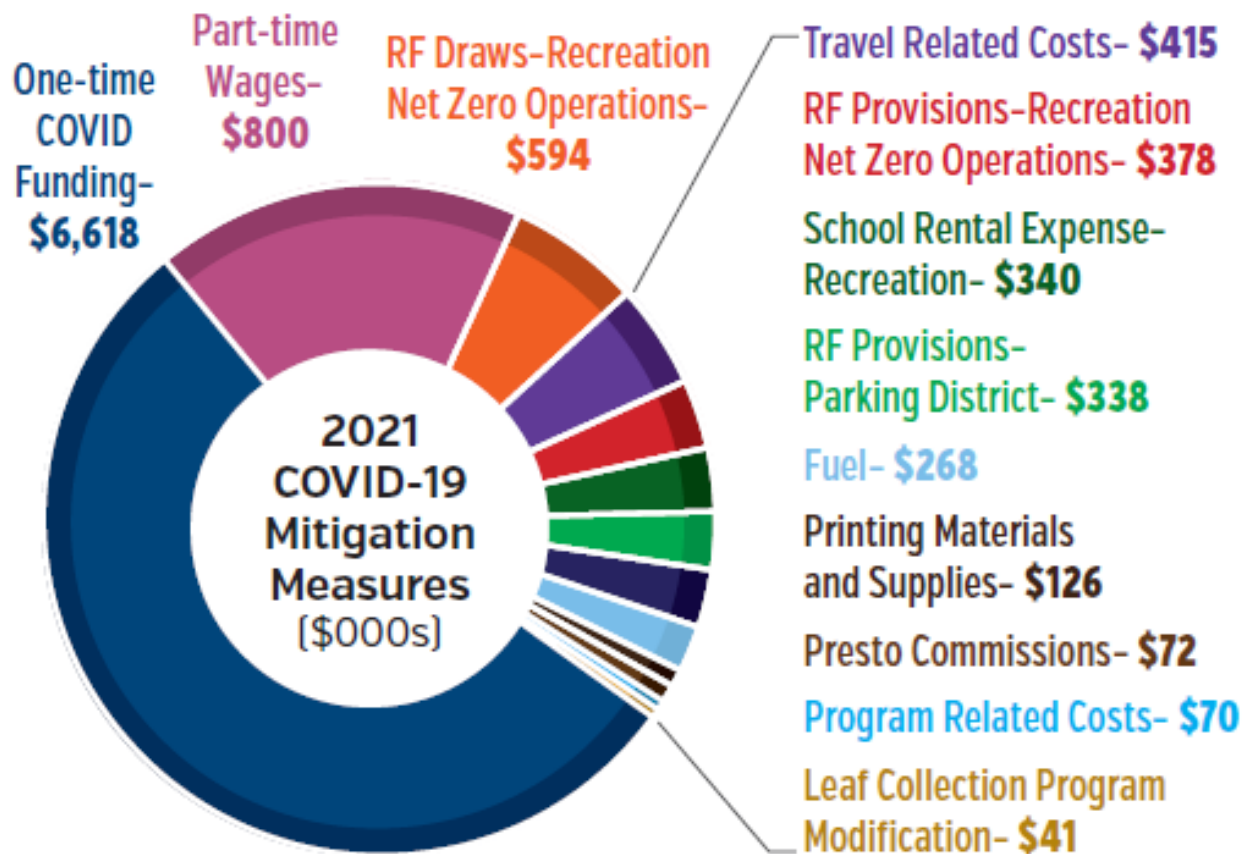
One-time COVID-19 Funding Recommendation

“That the planned 1.25% increase to the dedicated infrastructure renewal levy for 2021 be temporarily redirected to the operating budget for 1 year to provide funding for one-time COVID-19 related financial impacts.”

\$2,180,000

2021 Budget

COVID-19 Mitigation Measures - \$12.3M



Note – Chart excludes the \$2.18 M of funding from the redirection of the Capital Infrastructure Levy to support One-time COVID Impacts



Budget Pressures, Financial Sustainability and Risk



Designing and Evolving Our Organization

Assessing current
state resources

- Based on risks and City Service needs

Updating the plan

- Including resource rationalization and process improvement

Presenting the plan

- For review and approval in principle

Recommendations
to Council

- Consideration and approval of updated DEOO Plan & related Budget implications

2021 Budget



Designing and Evolving Our Organization

Services	Historical					
	2019		2020		2021 Proposed	
	FT	PT	FT	PT	FT	PT
Direct Customer Facing: Capital Works, Fire, Recreation, RPF, Community Planning, Transportation, Transit*, Building & By-Law, Customer Experience** Total	19.0	(3.2)	20.0	(2.5)	24.0	(3.6)
Strategic Support Services: Clerk's Department, Corporate Legal, Finance, HR, ITS, Corporate Strategy Team, Corporate Communications & Government Relations, EICS - Facilities and Environment & Energy Total	1.0	(0.6)	3.0	0.0	4.0	0.5
Grand Total	20.0	(3.8)	23.0	(2.5)	28.0	(3.1)

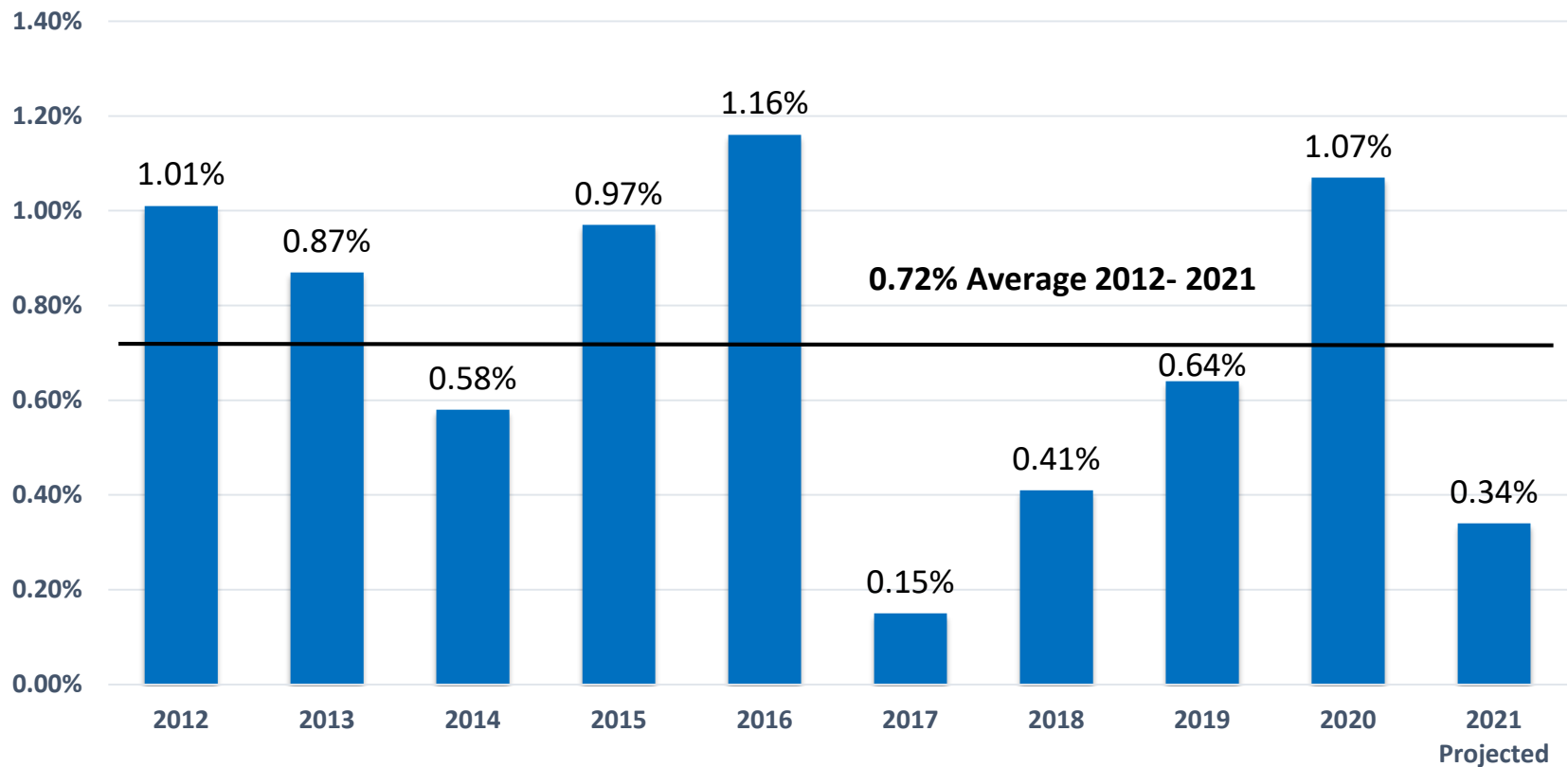


Human Resources

- Staff Attraction and Retention - #1 Risk
- Retirements
- Remote work



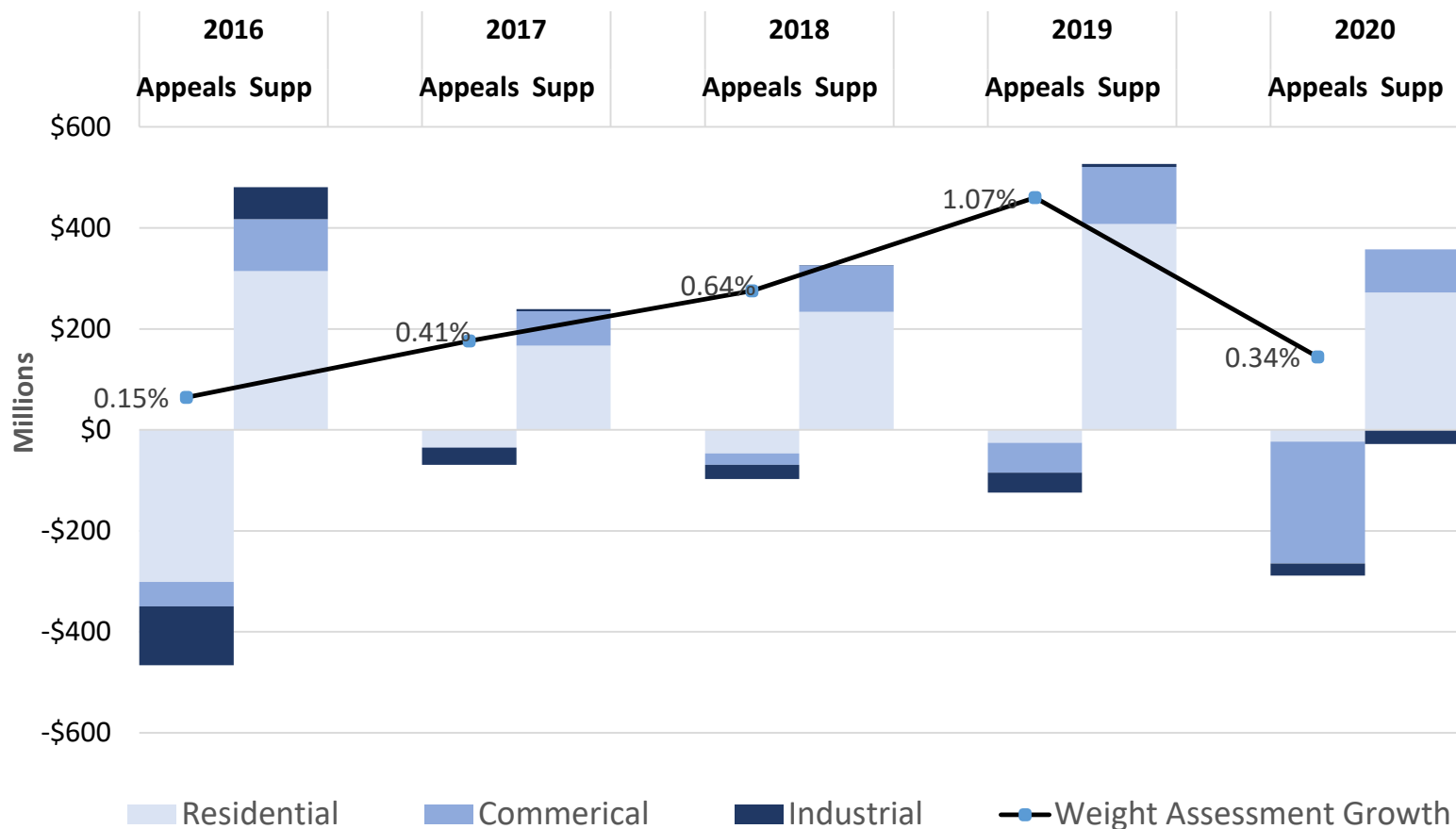
Weighted Assessment Growth



2021 Budget



In-Year Weighted Assessment Change



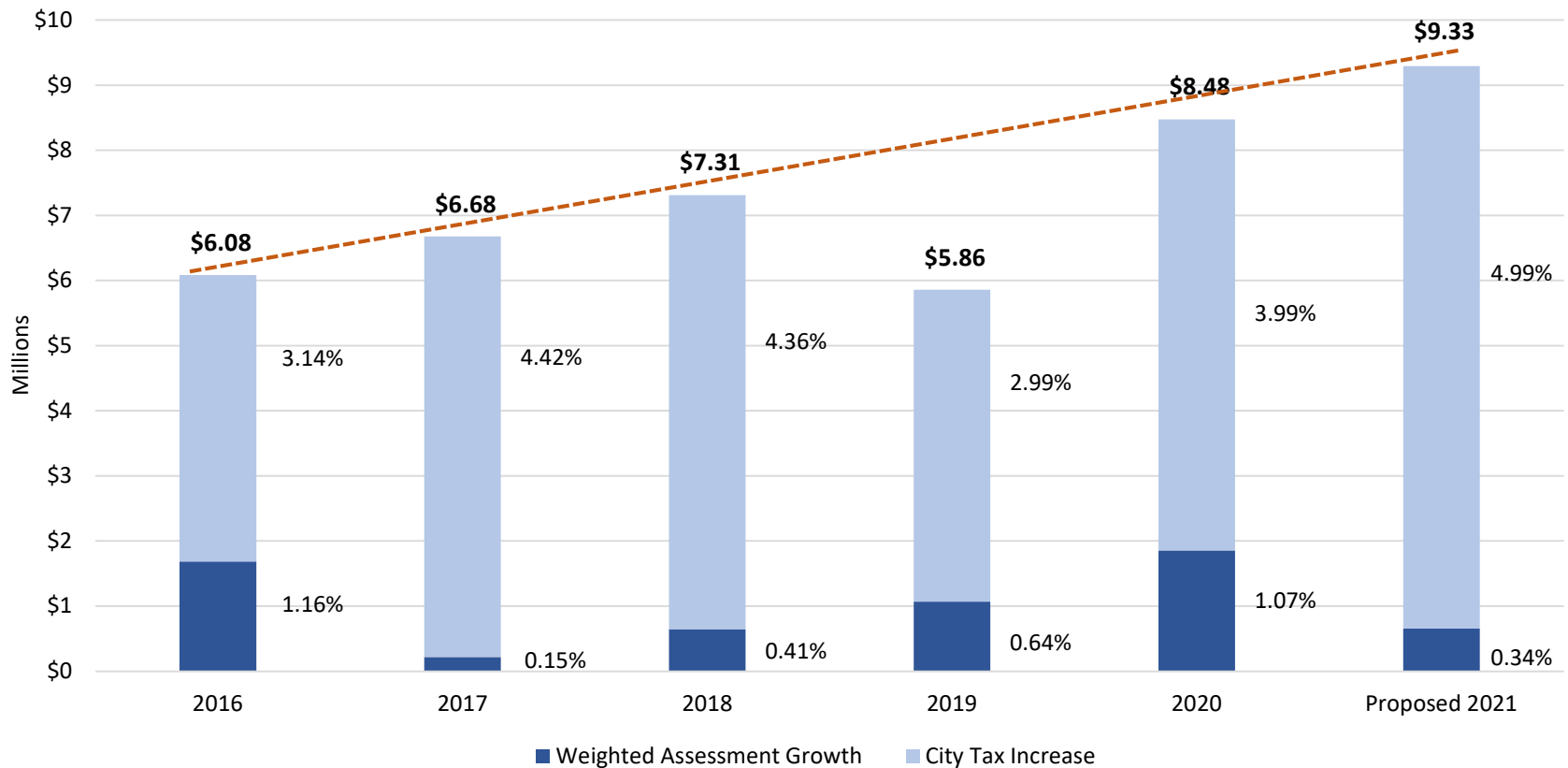
NOTE:

- Weighted assessment growth realized in a taxation year is accounted for in the budget for the following year. (e.g. 2019 growth of 1.07% is realized in the 2020 budget calculation; 2020 growth of 0.34% is realized in the 2021 budget etc.)

2021 Budget



2016 - 2021 Tax and Assessment Growth Changes



NOTES:

- Year-end weighted assessment growth for 2020 to be used in the 2021 budget is 0.34%
- As per 2021 Proposed Budget



Reserve Funds

	Target	Actual
Stabilization Reserve Funds	10-15% of net revenues	8.8% of net revenues
Capital Reserve Funds	\$60 million	\$31.3 million
Corporate Reserves and Reserve Funds	\$23.4 million	\$8.4 million



Risk Mitigation Measures (Formerly Business Cases)



Risk Mitigation Measures

4 Categories:

- Sustaining City Services (\$1.1 million)
- Managing Community Growth (\$155K)
- Enhancing Services (\$117K)
- Modifications to Services to address COVID-19 (\$168K savings)



Sustaining City Services \$1.1 M

- Recreation facility maintenance funding and staff conversion
- Business Intelligence Staffing (2)
- A/V support for Council Chambers (PT)
- Engagement and Volunteer Coordinator
- Arborists (3)
- Heavy Equipment Operators (3)



Managing Community Growth \$155K

- Zoning Bylaw Review (one-time funding)
- Major Transit Station Area (MTSA) planning project (one-time funding)
- Community Design and Development Review Staffing (4)
- Building Technologist
- Solicitor Planning and Development





Enhancing Services \$177K

- Free Transit for Seniors
- Basement Flood Prevention Program



Modifying Services \$168K savings

- Parking measures at Beachway and Lowville
- Municipal Bylaw Enforcement Officers (2)
(one-time funded)





Financial Overview & Tax Impacts

2021 Budget



Operating Investment

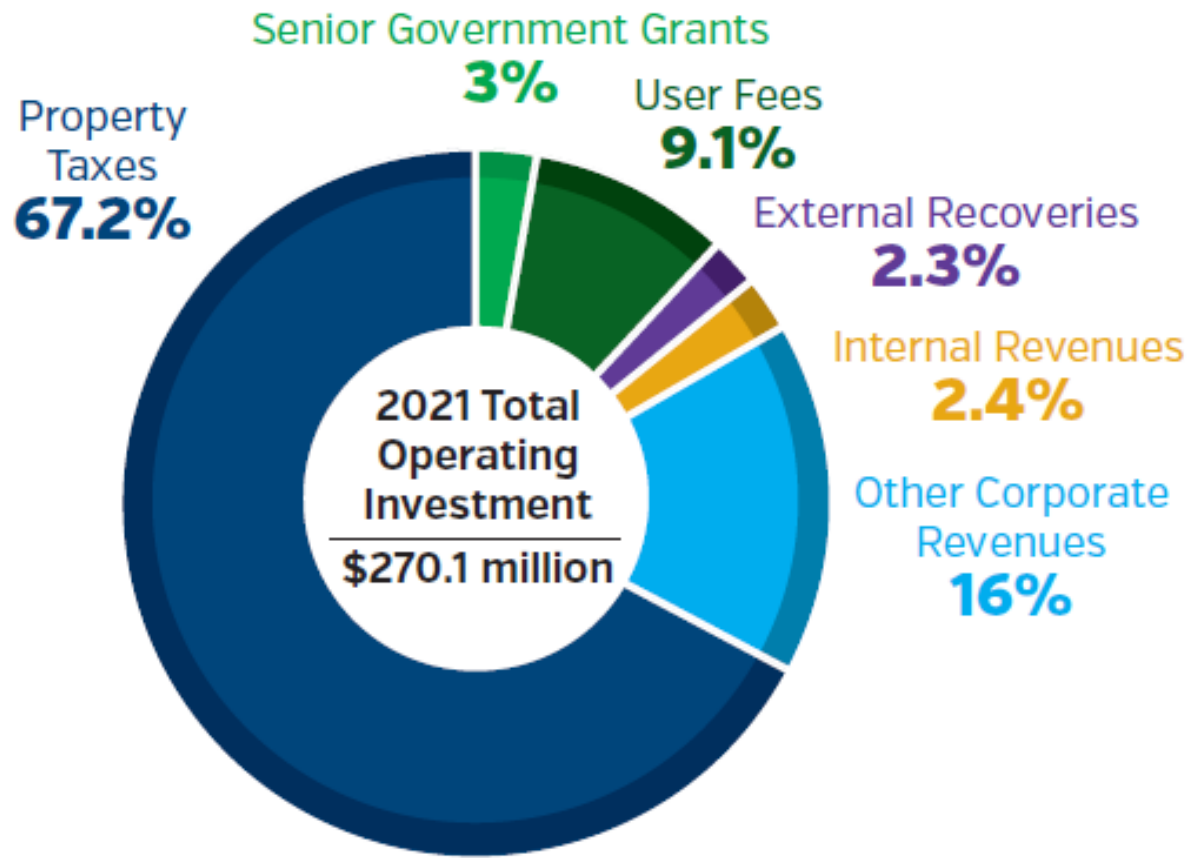
\$270.1 million

	 A City that Grows	 A City that Moves	 A Healthy and Greener City	 An Engaging City	 A Safe City	 Good Governance	 Enabling Services
Total Operating Investment	\$10.5	\$53.0	\$39.8	\$18.5	\$36.7	\$8.0	\$24.1
Portion Funded by Property Taxes	\$3.1	\$37.8	\$31.1	\$18.1	\$33.1	\$7.1	\$17.5

*values in millions



Operating Revenues*



*Figures presented exclude the one-time COVID impacts

2021 Budget



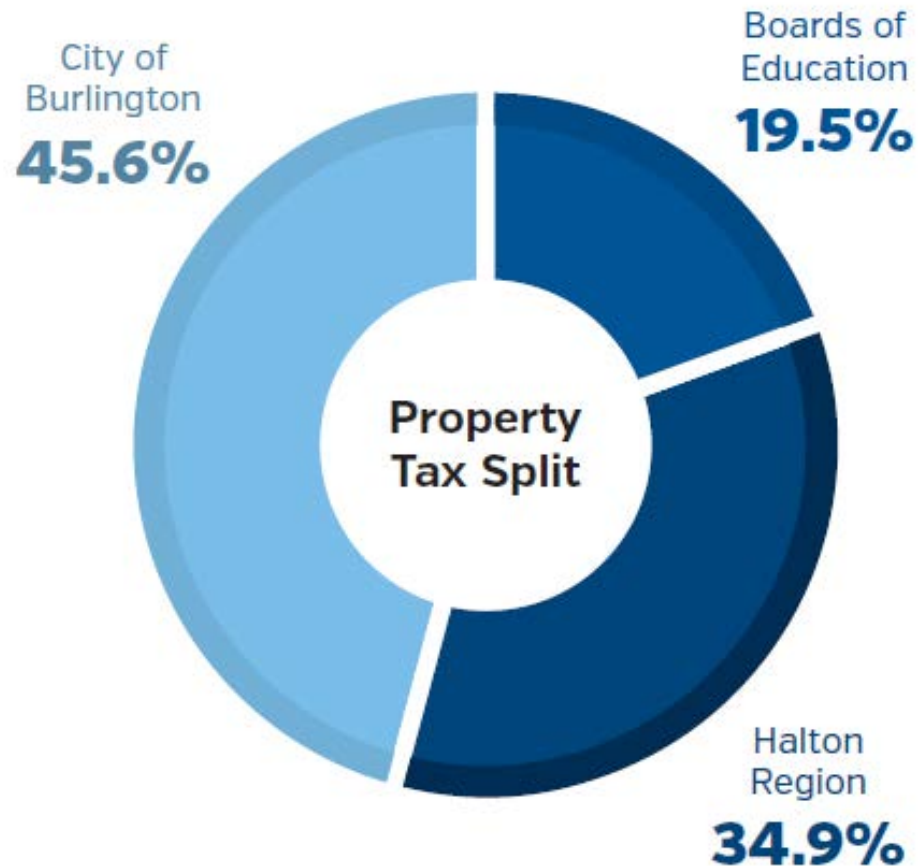
Proposed Tax Increase

	Base Budget Change	Tax Impact	One-time COVID Impacts	Tax Impact
City Services	\$ 5,999,080	3.43%	\$ 8,797,577	
Corporate Revenues and Expenditures	\$ 390,080	0.22%		
Base Impact	\$ 6,390,060	3.65%	\$ 8,797,577	5.03%
Assessment Growth		[0.34%]		
One-time funding Re: Projected Assessment Growth	\$ [450,000]	[0.26%]		
Revised Impact	\$ 5,940,060	3.05%		
Infrastructure Levy redirected to address one-time COVID Impacts	\$ 2,180,000	1.25%	\$ [2,180,000]	[1.25%]
One-time COVID funding			\$ [6,617,577]	[3.78%]
Cumulative Impact	\$ 8,120,060	4.30%	\$ [8,797,577]	[5.03%]
Sustaining City Services	\$ 1,108,502	0.63%		
Managing Community Growth	\$ 155,470	0.09%		
Enhancing Services	\$ 116,700	0.07%		
Modifications to Services to address COVID	\$ [168,000]	[0.10%]		
Total Impact	\$ 9,332,732	4.99%	\$ 0	0.00%
Estimated Overall Tax Impact* (City, Region, Education)		2.88%		

* Halton Region 1.84% and Board of Education 0.00%



Total Tax Bill Breakdown





Overall Tax Impact

	2020 Share of Tax Bill	2021 Share of Tax Bill	2020 Taxes	2020 Tax Increase	2021 Taxes	\$ Impact on Tax Bill	% Impact on Tax Bill
Burlington	44.7%	45.6%	\$ 339.95	4.99%	\$ 356.92	\$ 16.97	2.23%
Halton	35.2%	34.9%	\$ 267.62	1.84%	\$ 272.54	\$ 4.92	0.65%
Education	20.1%	19.5%	\$ 153.00	0.00%	\$ 153.00	\$ -	0.00%
TOTAL	100%	100%	\$ 760.57	2.88%	\$ 782.46	\$ 21.89	2.88%



A city increase of 4.99% results in a **2.88%** overall tax increase when combined with Halton Region and boards of education. A home assessed at **\$500,000** will see in a tax increase of

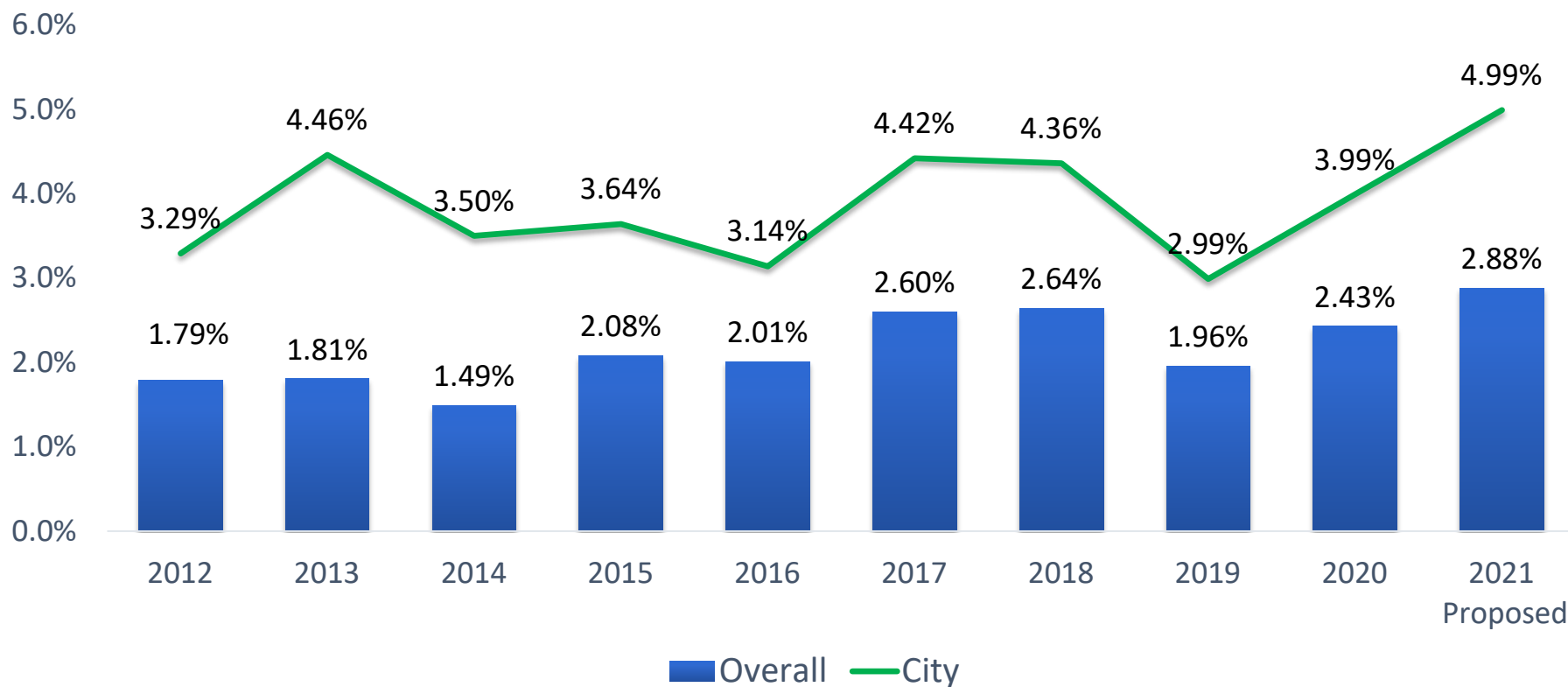
\$109.45

for the year

2021 Budget



Historical Tax Increases



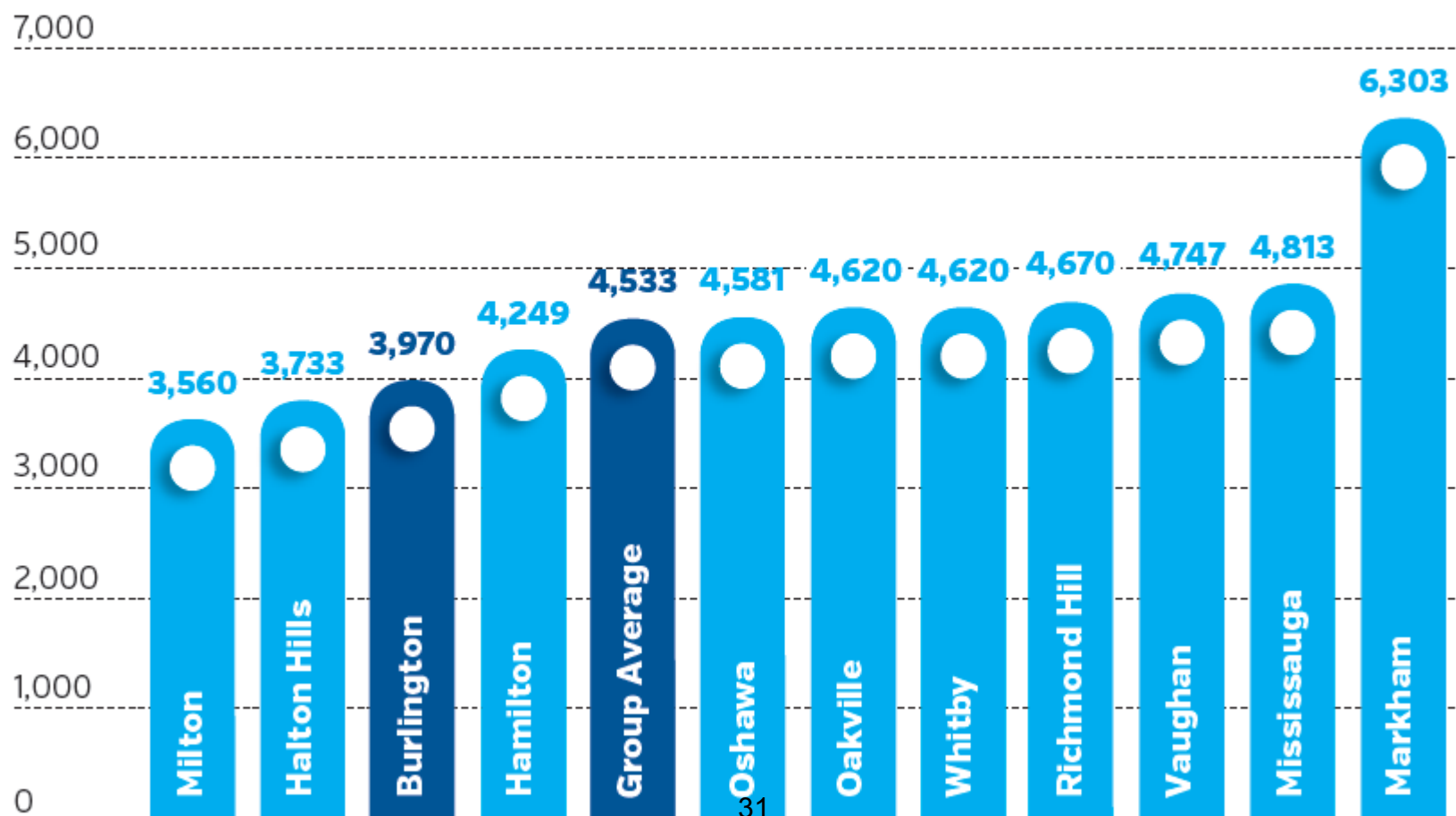
Average City – 3.88%
Average Overall – 2.17%

2021 Budget



Residential Property Tax Burdens

Detached Bungalow - BMA Management Consulting Inc. - Municipal Study 2019

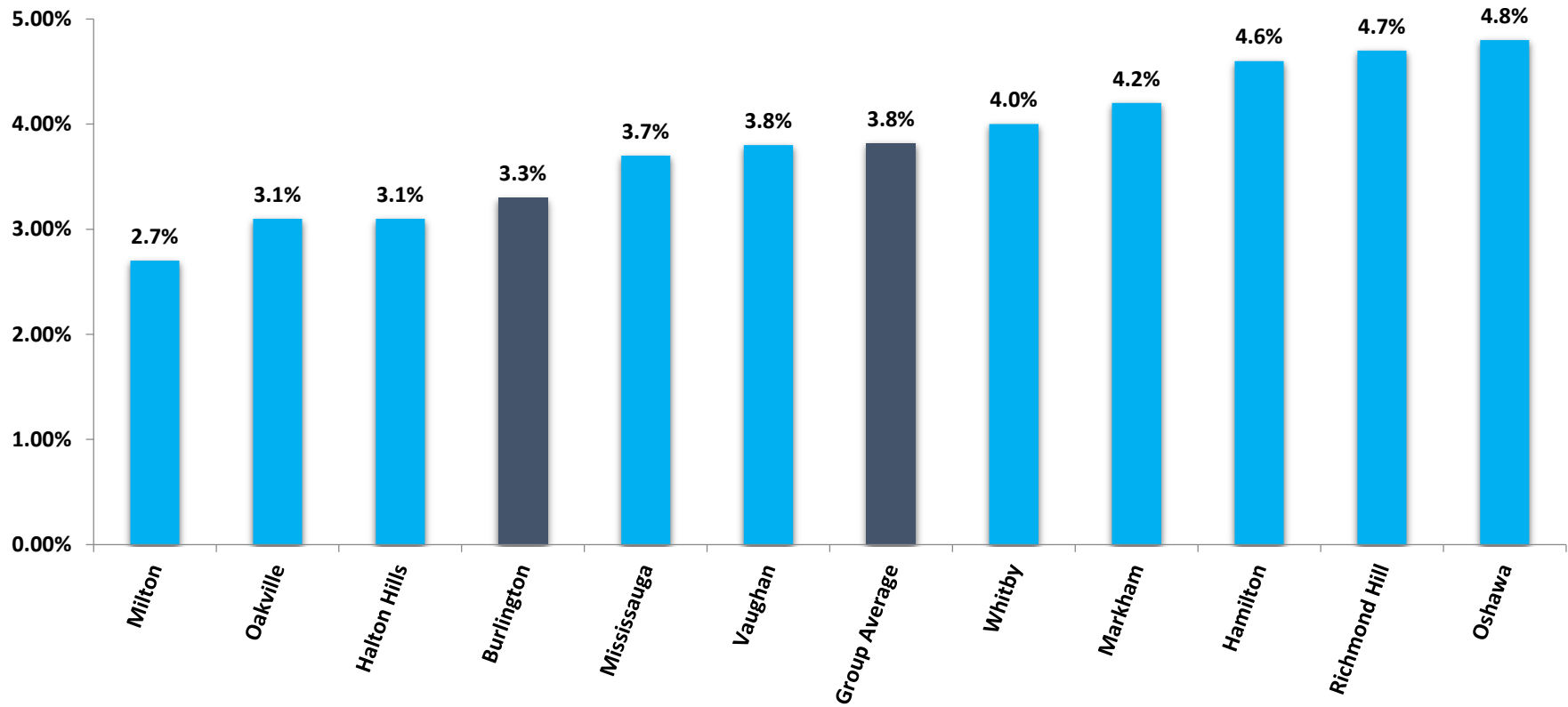


2021 Budget



Property Taxes as a % of Income

BMA Management Consulting Inc. - Municipal Study 2019





Public Engagement & Budget Approval Process



Public Engagement

Virtual Town Hall



Online Engagement



**Insight
Burlington**

Your insight, your city.

Questica Open Book



BalancingAct.



Operating Budget: Council Information Session

- Members of Council to provide operating budget related questions directly to Finance
- Finance will provide a Q&A memo with the Consolidated BAR Forms
- Virtual sessions can be arranged between January 25 and February 5



Operating Budget Action Request (BAR) Form

Each member of council completes a BAR form if they wish to propose amendments on specific items in the proposed operating budget during CCSRA Committee meeting.

CITY OF BURLINGTON
2021 OPERATING BUDGET ACTION REQUEST (BAR) FORM

Name of Council Member:

Please provide a listing of projects which you would like to propose an amendment to as part of the 2021 Operating Budget review. The list of items received from Councillors will be consolidated by staff. The consolidated listing will be distributed for the Corporate Services, Strategy, Risk & Accountability Committee meeting to form the agenda for discussion. The Budget Action Request form will also be used to ensure that the appropriate staff and information are available during the review for the areas highlighted.

* If Committee wishes to remain at a **4.99%** urban tax increase for a residential property, then any incremental amendments should be offset by a corresponding decrease.

Please email your completed form to the Chief Financial Officer by: **February 8, 2021 at 4:00 pm**

Discussion Item	Proposed Amendment	Reference Page #	Proposed Amendment Amount (if applicable)

Due: Monday February 8



Key Budget Dates

Date	Meeting	Item
Jan. 20, 2021	TEAMS Live	Virtual Budget Town Hall
Jan. 21, 2021	CSSRA Committee	Operating Budget Overview Report
Feb. 23 and 25, 2021	CSSRA Committee	Operating Budget Review and Approval
Mar. 3, 2021	Council	Operating Budget Approval

Note: CSSRA is Corporate Services, Strategy, Risk and Accountability



Thank you

