



Operating and Capital Budget Overview
Committee of the Whole – Budget meeting
January 17th, 2019

burlington.ca/budget



Agenda

1. Strategic Plan & Corporate Direction
2. 2019-2028 Proposed Capital Budget and Forecast
3. 2019 Proposed Operating Budget
4. Timelines and Next Steps

burlington.ca/budget



2019 Budget

Budget Principles

Budget aligned with:

- Strategic Plan & Corporate Direction
- Long-term Financial Plan
- Asset Management Plan
(incremental infrastructure renewal funding)
- Other Council Approved Policies

burlington.ca/budget



2019 Budget

2015 – 2040 Strategic Plan



A City that Grows

>> The City of Burlington attracts talent, good jobs and economic opportunity while having achieved intensification and balanced, targeted population growth for youth, families, newcomers and seniors.



A City that Moves

>> People and goods move throughout the city more efficiently and safely. A variety of convenient, affordable and green forms of transportation that align with regional patterns are the norm. Walkability within new/transitioning neighbourhoods and the downtown are a reality.



A Healthy and Greener City

>> The City of Burlington is a leader in the stewardship of the environment while encouraging healthy lifestyles.



An Engaging City

>> Community members are engaged, empowered, welcomed and well-served by their city. Culture and community activities thrive, creating a positive sense of place, inclusivity and community.

burlington.ca/budget



2019 Budget

Achieving the Strategic Plan The City of Burlington's Corporate Direction



burlington.ca/budget



2019 Budget

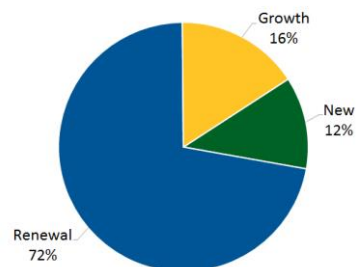
2019 Proposed Capital

2019: \$96.8 Million
2019-2028: \$819.3 Million

Program continues to focus on:

- Existing Infrastructure
- Growth Related Capital
- New / Enhanced

2019-2028 Proposed Capital Budget
By Project Type



burlington.ca/budget



2019 Budget

Capital Budget Process

In-depth panel reviews by Asset Category



Corporate / strategic review by the Capital Budget Leadership Team



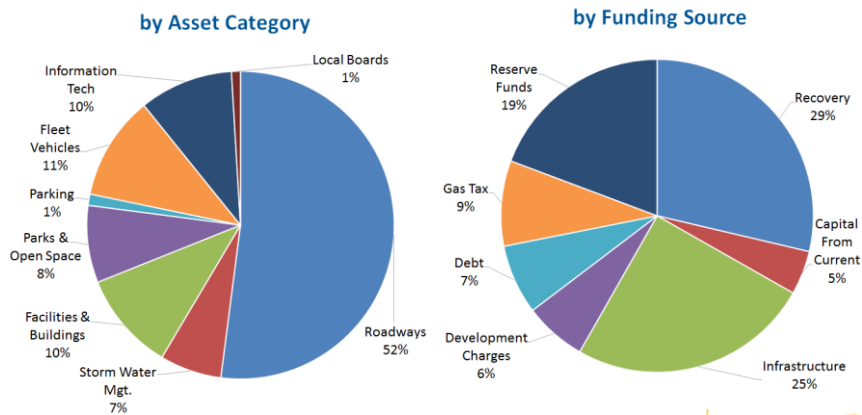
Alignment to strategic objectives and new initiatives

burlington.ca/budget



2019 Budget

2019 Proposed Capital \$96.8 Million



burlington.ca/budget



2019 Budget

Predictable Infrastructure Investment

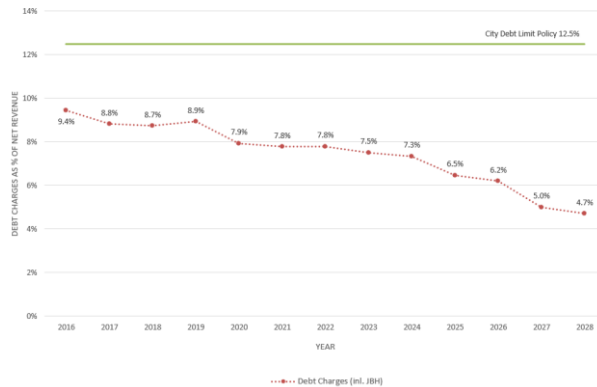
- 72% of projects are for renewal needs
- 2019 capital program funding increase:
 - 1.25% (\$2 million) dedicated to infrastructure renewal from 2015-2022, reducing to 1.0% from 2023-2033 and further reducing to 0.5% from 2034 and beyond
 - Repurposing the decrease in the hospital levy (\$1.7M)

burlington.ca/budget



2019 Budget

Debt Capacity



The City's debt capacity is measured by the city's total debt charges as a percentage of net revenues

- Total debt limit is 12.5%
- Tax supported debt limit is 10%

burlington.ca/budget



2019 Budget

2019 Proposed Operating

	2019 Budget Change (000)	2019 Tax Impact
City Services	\$2,407	1.49%
Local Boards and Other Agencies	\$183	0.11%
Corporate Revenues and Expenditures	\$(38)	(0.02)%
Cumulative Impact (\$ / %)	\$2,553	1.58%
Regulatory and Contractual obligations	\$1,654	1.03%
Assessment Growth Offset		(0.64%)
Cumulative Impact (\$ / %)	\$4,207	1.97%
Repurposing of Hospital Levy to Infrastructure	(\$1,700) \$1,700	0.0%
Dedicated Infrastructure Renewal Levy	\$2,001	1.25%
Cumulative Impact (\$ / %)	\$6,209	3.22%
Public Transit Enhancements	1,029	0.64%
Other Recommended Business Cases	\$214	0.13%
Cumulative Impact (\$ / %)	\$7,453	3.99%
Overall Tax Impact (City, Region, Education)		2.45%



2019 Budget

Operating Budget Process

Line-by-line review of the base budget
- \$1.15 million of savings



Corporate / strategic review by the Operating Budget Leadership Team



Alignment to strategic objectives and review of business cases

2019 Budget

Base Budget Pressures

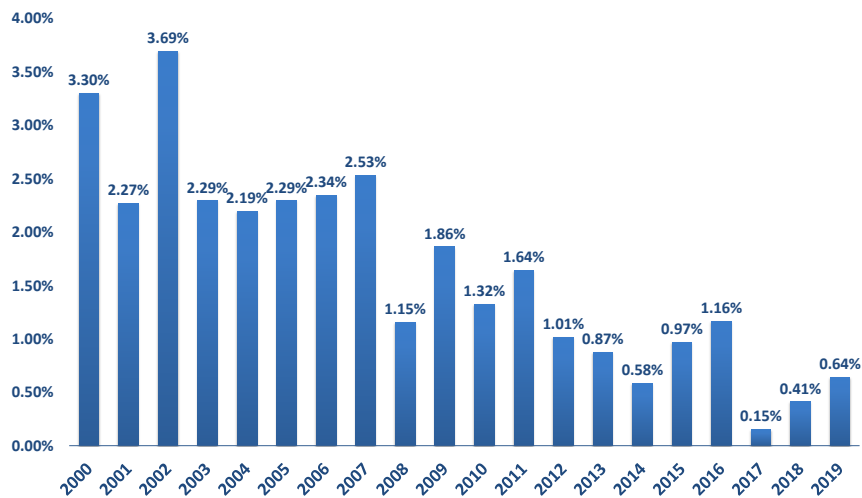
- Growth-related , inflationary and regulatory / contractual obligations costs of \$4.2 million
- \$1 million of additional revenue from assessment growth of 0.64%

13

burlington.ca/budget


2019 Budget

Assessment Growth



2019 Budget

Business Case Summary

Business Case #	Service	Description	2019 Net Cost	Tax Impact
Infrastructure Renewal				
2019-034	Capital Financing Transactions	Infrastructure Renewal Levy	\$ 2,001	1.25%
2019-035	Capital Financing Transactions	Repurposing of the Hospital Levy	\$ -	0.00%
Total			\$ 2,001	1.25%
Public Transit Enhancement				
2019-006	Conventional Transit Service	6 Additional Conventional Transit Operators	\$ 529	0.33%
2019-027	Transit Administration	Transfer \$500,000 of Provincial Gas Tax from Operating to Capital	\$ 500	0.31%
Total			\$ 1,029	0.64%
Building a 21st Century Workforce				
2019-009	Information Technology Projects	ERP Project Team	\$ -	0.00%
2019-029	Transportation Network Planning	Integrated Transportation Plan staffing	\$ -	0.00%
Total			\$ -	0.00%
Other Recommended Business Cases				
2019-001	By-law Enforcement	Additional Municipal By Law Enforcement Officer	\$ 111	0.07%
2019-005	Specialized Transit Service	Additional Para Transit Operator	\$ 103	0.06%
2019-017	Parking By-law Enforcement	Additional Customer Service Hours for Parking	\$ -	0.00%
2019-025	Fire Prevention and Education	Citywide Home Fire Safety Program	\$ -	0.00%
Total			\$ 215	0.13%
Total Proposed Business Cases			\$ 3,244	2.02%

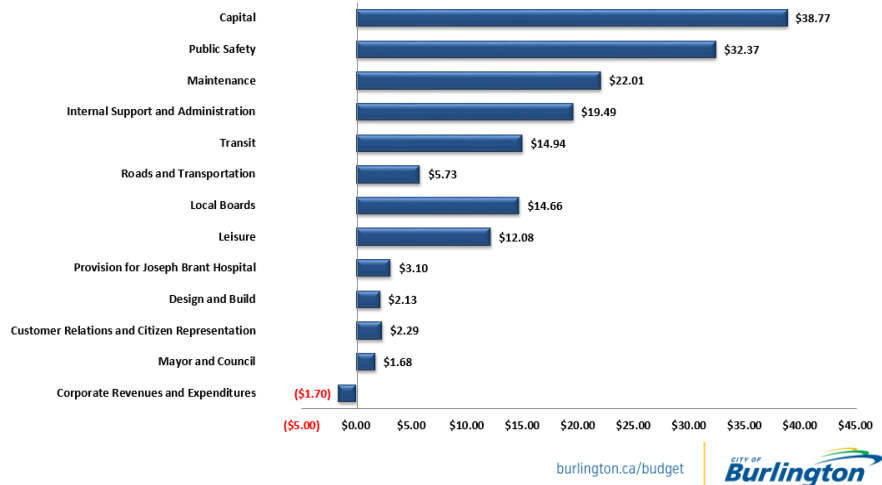
2019 Budget

Additional Items for consideration

Description	2019 Net Cost	Tax Impact
Additional Business Cases for Council's Consideration		
Senior Urban Designer	\$ 118	0.07%
Staffing for Joseph Brant Museum Expansion	\$ 150	0.09%
Emerald Ash Borer	\$ 620	0.38%
Second Additional By Law Enforcement Officer	\$ 111	0.07%
Housing Strategy Study and Action Plan	\$ -	0.00%
Old Lakeshore Precinct Plan - Peer Reviews	\$ -	0.00%
Service Growth Response Strategy for Adult /55+	\$ 114	0.07%
Total Business Cases for Council's consideration	\$ 1,113	0.69%

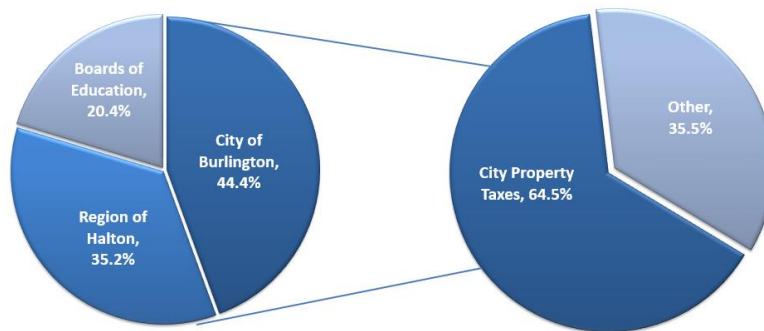
2019 Budget

2019 Tax Levy - \$167.5 M



2019 Budget

Total Tax Bill Breakdown



burlington.ca/budget



2019 Budget

Overall Tax Impact

	2019 Share of Tax Bill	2018 Taxes	2019 Tax Increase	2019 Taxes	\$ Impact on Tax Bill	% Impact on Tax Bill
Burlington	44.4%	\$ 356.69	3.99%	\$ 370.91	\$ 14.22	1.74%
Halton	35.2%	\$ 288.50	2.00%	\$ 294.27	\$ 5.77	0.71%
Education	20.4%	\$ 170.00	0.00%	\$ 170.00	\$ -	0.00%
Total	100.0%	\$ 815.19	2.45%	\$ 835.18	\$ 19.99	2.45%

Every 0.5% decrease in city taxes requires \$800,000 of budget reductions

Translates to \$1.76 per \$100,000 of assessment (\$8.80 / year for a \$500,000 home)

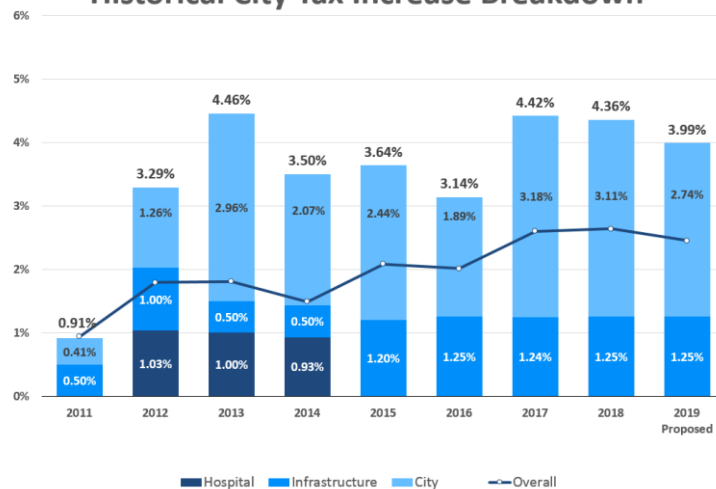
= 0.21% reduction to the total tax bill

19

burlington.ca/budget


2019 Budget

Historical City Tax Increase Breakdown



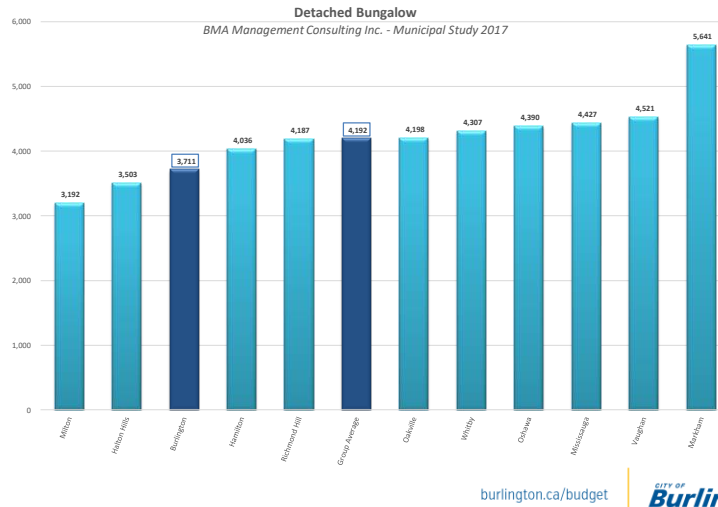
Average City - 3.52%
Average Overall - 1.98%

20

burlington.ca/budget


2019 Budget

Residential Property Tax Burdens



2019 Budget

Public Engagement



Telephone Town Hall

Thursday, February 7th, 2019

- 7:30PM – 8:30PM

In-person Town Hall, Central Arena

Monday, February 11th, 2019

- 1:00PM – 4:00PM



Burlington Open Budget

- Data provided via the City website

burlington.ca/budget



2019 Budget

Council Information Sessions

- Council Information Sessions provide members of Council the opportunity to ask questions regarding the proposed budget to staff
- Each individual member of council completes a **Budget Action Request (BAR)** form if they wish to propose amendments or comment on specific items in the proposed budget during Committee of the Whole meetings
- Capital Session – January 24
- Operating Session – January 29

CITY OF BURLINGTON
2019 BUDGET ACTION REQUEST (BAR) form

OPERATING BUDGET

Name of Council Member: _____

Please provide a listing of items which you would like to highlight during the 2019 Operating Budget Review. The list of items received from Councilors will be consolidated by staff. The consolidated listing will be distributed at the Committee meeting and may form the agenda for discussion. The budget review form will be used by staff to ensure that the appropriate staff and information are available during the review for the areas highlighted.

If Committee wishes to remain at a 3.9% 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 Director of Finance by: **February 5, 2019 at 4:00 pm**

	Proposed Amendment / Staff Decision	Reference Page #	Proposed Amendment Amount (if applicable)

burlington.ca/budget



2019 Budget

Next Steps

Date	Meeting	Item
January 17 th	COW - Budget	Budget Overview
January 24 th	COW - Budget	Council Information Session - Capital Budut
January 29 th	COW - Budget	Council Information Session - Operating Budget
February 7 th	COW - Budget	Delegations for the Capital and Operating Budgets
February 21 st	COW - Budget	Capital Budget Review & Approval Operating Budget Review
February 25 th	Council	Capital Budget Approval
February 26 th	COW - Budget	Operating Budget Review & Approval
February 28 th	COW - Budget	Operating Budget Review & Approval (if required)
March 25 th	Council	Operating Budget Approval

burlington.ca/budget



2019 Budget

Staff Direction

- Budget options for 3.25%, 3% and 2% for 2019
- Impacts of removing the 1.25% infrastructure levy for 2019
- Memo in today's agenda as well as a report on the City's Asset Management Program (item 4.1)

burlington.ca/budget



2019 Budget

Questions



burlington.ca/budget

