



2020 Budget

Budget Overview Report
F-46-19

Committee of the Whole
November 4, 2019

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Agenda

1. Vision to Focus
2. New Budget Look
3. Budget Overview
4. Pressures, Sustainability and Risk
5. Public Engagement and Approval Process

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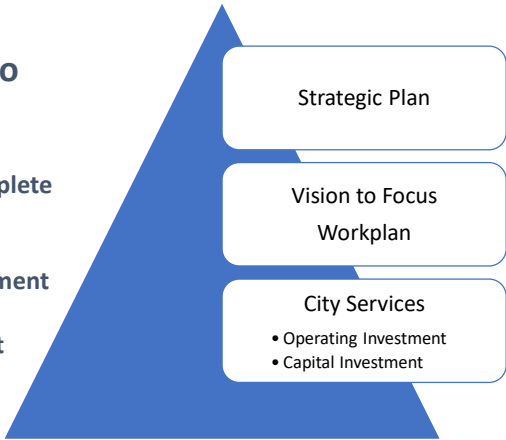
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Alignment of Budget to Vision to Focus

What are we trying to achieve ...

1. A Customer Focused Complete Service Approach
2. Demonstrates City Investment in Focus Areas
 - Operating Investment
 - Capital Projects



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Budget Review Process

Operating	Capital
Line-by-line review by the Chief Financial Officer and Service Leads	In-depth review by the Corporate Infrastructure Committee (CIC)
Corporate / strategic review by the Operating Budget Leadership Team	Corporate / strategic review by the Capital Budget Leadership Team
Budget Leadership Joint Review	
Committee and Council Review	

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Provincial Audit and Accountability Fund

- Corporate Fleet
- Leaf Collection
- Winter Maintenance
- Pre-Building Permit Development Approval Process

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New Budget Look

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Staff Direction (SD-08-19)

“Direct the Director of Finance to schedule a committee workshop focusing on how to retool, rethink and reinvent the capital and operating budget process, management and delivery.”

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Combined Budget Book

Includes:

- Service Business Plans
- Operating Budgets for each Service
- Listing of all capital projects (10 years) for each Service Category

Capital and Operating Budgets approved earlier and together

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A City that Grows

- Building Code Permits and Inspection
- Community Design and Development Review
- Burlington Economic Development Corporation



A City that Moves

- Parking Management
- Roadway and Sidewalk Maintenance
- Roads and Structures - Design and Construction
- Specialized Transit
- Traffic Operations Management
- Transit
- Transportation Planning



A Healthy and Greener City

- Cemetery
- Environment and Energy
- Organized Sport Support
- Parks and Open Space - Design and Development
- Parks and Open Space - Maintenance
- Recreation
- Surface Water Drainage
- Tree Management



An Engaging City

- Arts and Culture
- Strategic Communications and Government Relations
- Art Gallery of Burlington
- Burlington Museums
- Burlington Performing Arts Centre
- Burlington Public Library
- Tourism Burlington



A Safe City

- Animal Services
- Emergency Management
- Fire 911 Communication
- Fire Emergency Response
- Fire Prevention and Public Education
- Municipal By-Law Enforcement and Licensing
- Halton Court Services



Good Governance

- Corporate Legal
- Corporate Management
- Council and Citizen Committee
- Internal Audit
- Mayor and Council



Enabling Services

- Asset Management
- Facilities and Buildings - Design and Construction
- Financial Management
- Fleet Management
- Geographic Information and Mapping
- Human Resources
- Information Technology
- Service Burlington
- Sign Production Service

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2020 Budget Overview

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Budget Summary

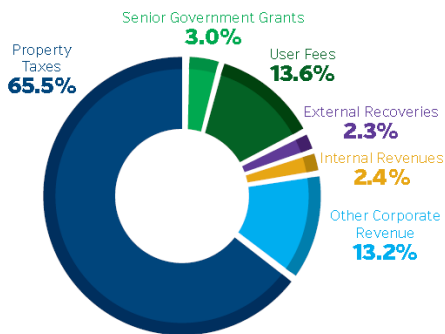
Operating		Capital	
Total investment:	\$264.9 M	2020:	\$85.8 M
Net tax levy :	\$173.6 M	2020-2029:	\$809.7 M
<ul style="list-style-type: none"> Program focus on: <ul style="list-style-type: none"> Maintaining existing services Addressing climate change impacts Addressing risk and corporate priorities 		<ul style="list-style-type: none"> Program focus on: <ul style="list-style-type: none"> Renewal of existing infrastructure New funding from ICIP program 	

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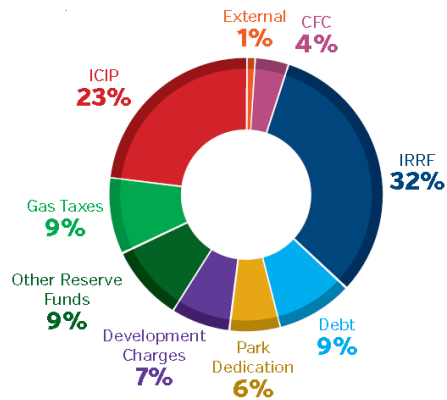


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Operating Revenues



Capital Funding



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Proposed Tax Increase

	2020 Budget Change	2020 Tax Impact
City Services	\$ 3,343,323	2.00%
Corporate Revenues and Expenditures	\$ 681,722	0.41%
Cumulative Impact (\$/%)	\$ 4,025,046	2.41%
Assessment Growth		-0.60%
Cumulative Impact (\$/%)	\$ 4,025,046	1.81%
Dedicated Infrastructure Renewal Levy	\$ 2,075,000	1.25%
Cumulative Impact (\$/%)	\$ 6,100,046	3.06%
Addressing Climate Change Impacts	\$ 920,558	0.55%
Addressing Risk Management and Corporate Priorities	\$ 653,966	0.39%
Grand Total	\$ 7,674,570	4.00%
Overall Tax Impact (City, Region, Education)		2.44%


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Proposed Tax Increase



A city increase of **4.0%** results in a **2.44%** 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 **\$96.90** for the year

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Business Cases – Climate Impacts



- 4 new transit buses and operating expenses (\$790K)
- 1 new Specialized Transit (Handi-van) and operating expenses (\$131K)

- Completion of the Climate Change Adaptation Plan (\$60K - one-time)
- Support for the Bay Area Climate Change Partnership (\$32K / year for 2020 & 2021)



- Update of the Urban Forestry Management Plan (\$200K - one-time)

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Business Cases – Risk and Corporate Priorities



- Non-union market competitiveness (\$450K phased) and job evaluation system (\$180K one-time)
- Health and Safety Associate (\$96K)
- Diversity and inclusivity strategy (\$75K - one-time)

- Steps to Safety Home Visit Program (\$25K / year for 4 years)



- Staff for Joseph Brant Museum expansion (\$120K one-time)
- BPAC Cultural Diversity Initiative (\$50K one-time)

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Business Cases – Risk and Corporate Priorities



- Improvements to Corporate Security (\$140K one-time)



- Cyber Security Analyst (\$110K)
- Cyber security resilience (\$75K one-time)
- IT service desk support (\$75K one-time)

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Additional Items for consideration



- Private Tree By-Law (\$320K)

- Free transit program for children under 12 (\$42K)



- Enhancements to winter sidewalk operations (\$243K)
- Winter maintenance Roads Technician (\$95K)
- Contracted Graders (\$150K)
- Contracted Loaders (\$210K)



- Gardner landscapers for Downtown Streetscapes (\$160K)

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Budget Pressures, Financial Sustainability and Risk

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#1 Enterprise Risk - Human Resources

- Staff Attraction and Retention
- Retirements
- Non-union Compensation

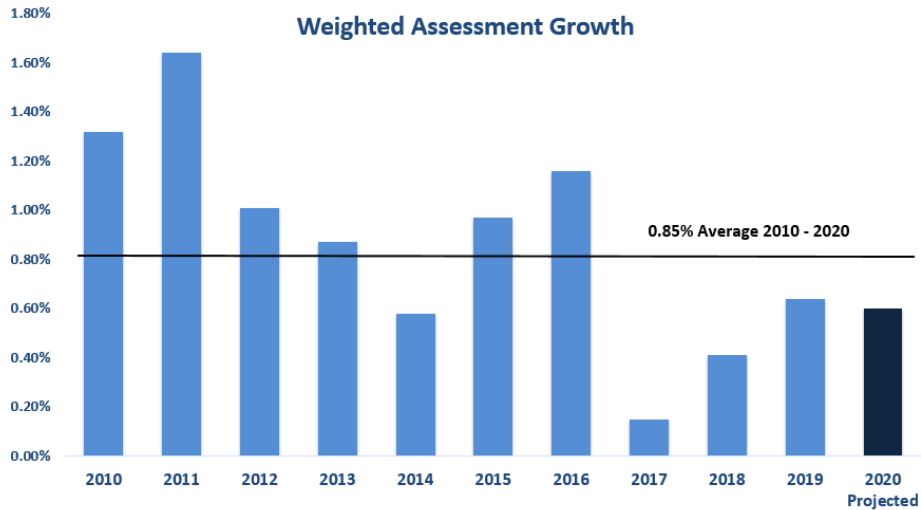
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Growth Impacts



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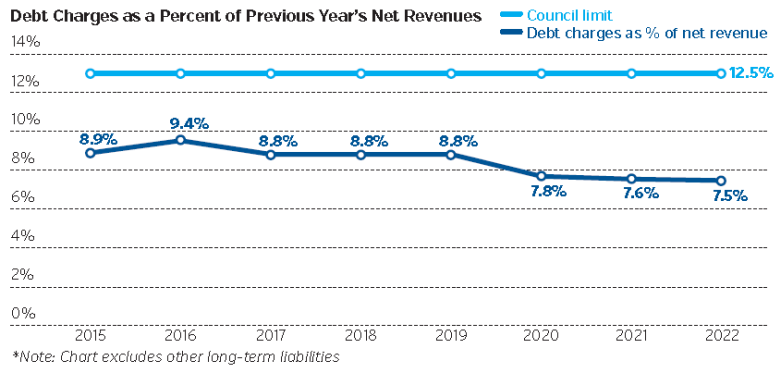


Economic Considerations

- US dollar exchange rate fluctuations
- Construction Price Index > inflation
- Tariffs on construction materials

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Debt



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%

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Legislative Changes

Bill 108 - More Homes, More Choice Act

- Changes to the Community Benefit Charge (CBC)
 - Soft Service DCs
 - Parkland Dedication
 - Section 37 Public Benefits

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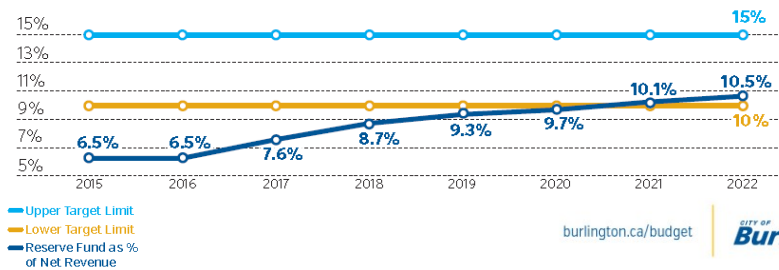


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Reserve Funds

- Stabilization Reserve Funds
- Capital Reserve Funds
- Corporate Reserve Funds

Stabilization Reserve Funds as a % of Net Revenue



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Infrastructure

\$3 billion in Assets
\$126.5 million backlog

Asset Management Funding Plan

- 1.25% levy in 2020 (\$2.075M)

Investing in Canada Infrastructure Program (ICIP)

- Public Transit
- Community, Culture and Recreation

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Infrastructure Challenges

- Funding Reduction in 2019 Budget
 - \$929,000 each year
 - \$9.3M to 10 year program and \$55.7M to 60 year plan
- Cost Escalations
- Climate Change Impacts
- Levels of Service

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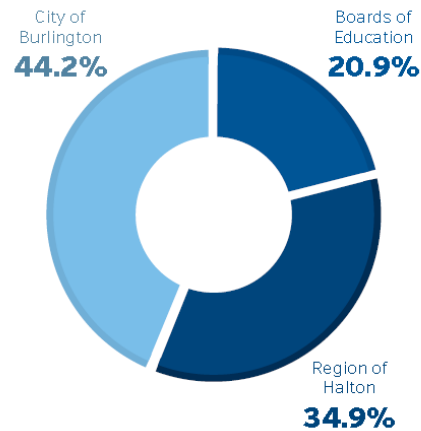
2020 Tax Impacts

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Total Tax Bill Breakdown



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Overall Tax Impact

	2019 Share of Tax Bill	2020 Share of Tax Bill	2019 Taxes	2020 Tax Increase	2020 Taxes	\$ Impact on Tax Bill	% Impact on Tax Bill
Burlington	43.6%	44.2%	\$345.45	4.00%	\$359.28	\$13.83	1.74%
Halton	35.0%	34.9%	\$277.32	2.00%	\$282.87	\$5.55	0.70%
Education	21.4%	20.9%	\$170.00	0.00%	\$170.00	\$ -	0.00%
TOTAL	100%	100%	\$792.77	2.44%	\$812.15	\$19.38	2.44%

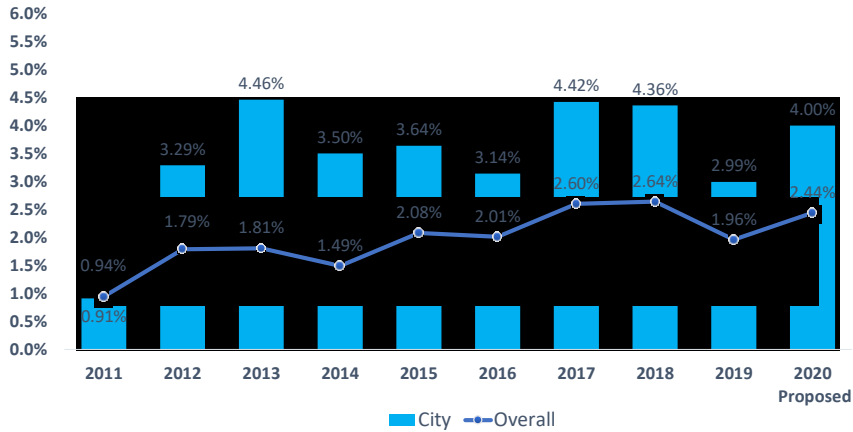
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Historical Tax Increases



Average City - 3.47%
Average Overall - 1.98%

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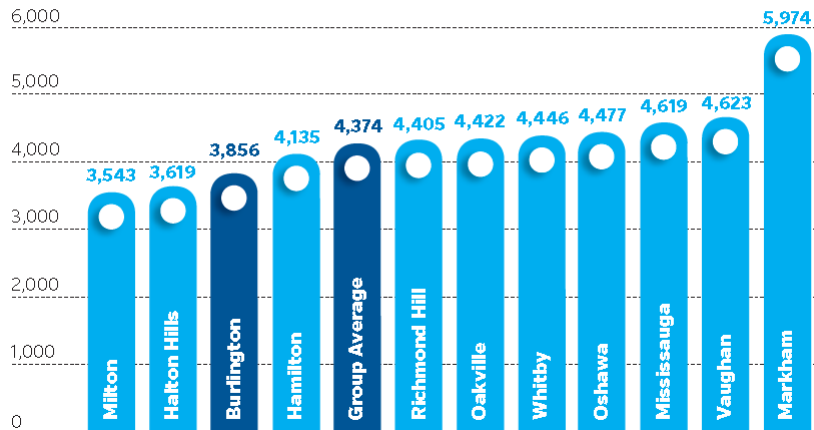


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Residential Property Tax Burdens

Detached Bungalow - BMA Management Consulting Inc. - Municipal Study 2018



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Public Engagement & Budget Approval Process

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Budget – Public Engagement

Online Engagement



Food for Feedback



Questica Open Book



Telephone Town Hall



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Council Information Sessions

Council Information Sessions provide members of Council the opportunity to ask questions regarding the proposed budget to staff

- Time slots arranged by Service Category
- November 12th, 13th & 14th

Each member of council completes a **Budget Action Request (BAR) form** if they wish to propose amendments to the proposed budget during Committee of the Whole meetings



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Budget Review Timelines

Date	Meeting	Item
Nov. 4, 2019	Committee of the Whole - Budget	Budget Overview Report
Nov. 12, 13 and 14, 2019		Council Information Sessions
Nov. 19, 2019		Telephone Town Hall
Dec. 10 and 12, 2019	Committee of the Whole - Budget	Budget Review & Approval
Dec. 16, 2019	Council	Budget Approval



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Future items

- December Committee agendas items:
 - Multi-year Simulation
 - Financial Status Report as of September 30th
 - Excluded Expenses

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Thank you



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