



# 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

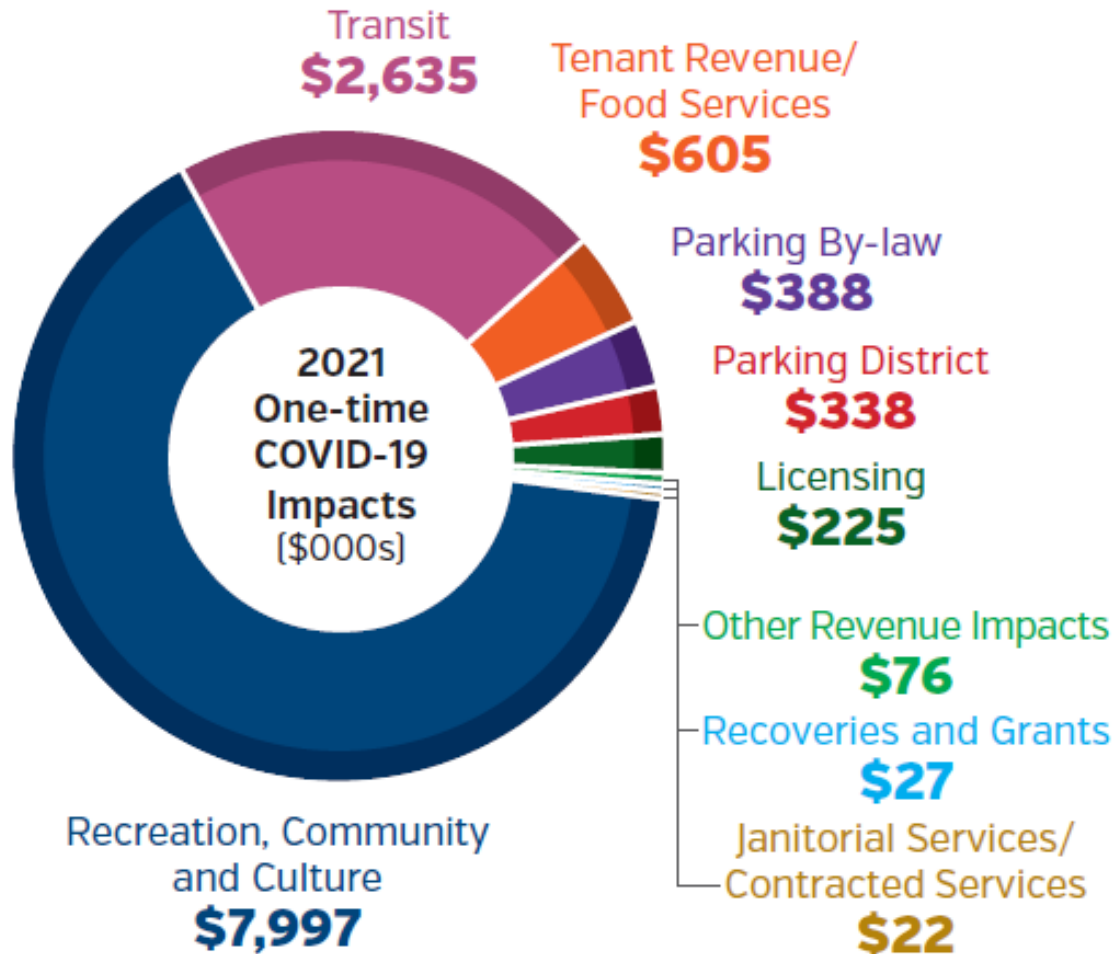
- Offset by temporary cost  
savings and funding plan



## COVID-19 Pandemic

# 2021 Budget

## Estimated COVID-19 Impacts - \$12.3M



# 2021 Budget



## Senior Government Support

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



## Infrastructure Renewal Levy

### One-time COVID-19 Funding Recommendation

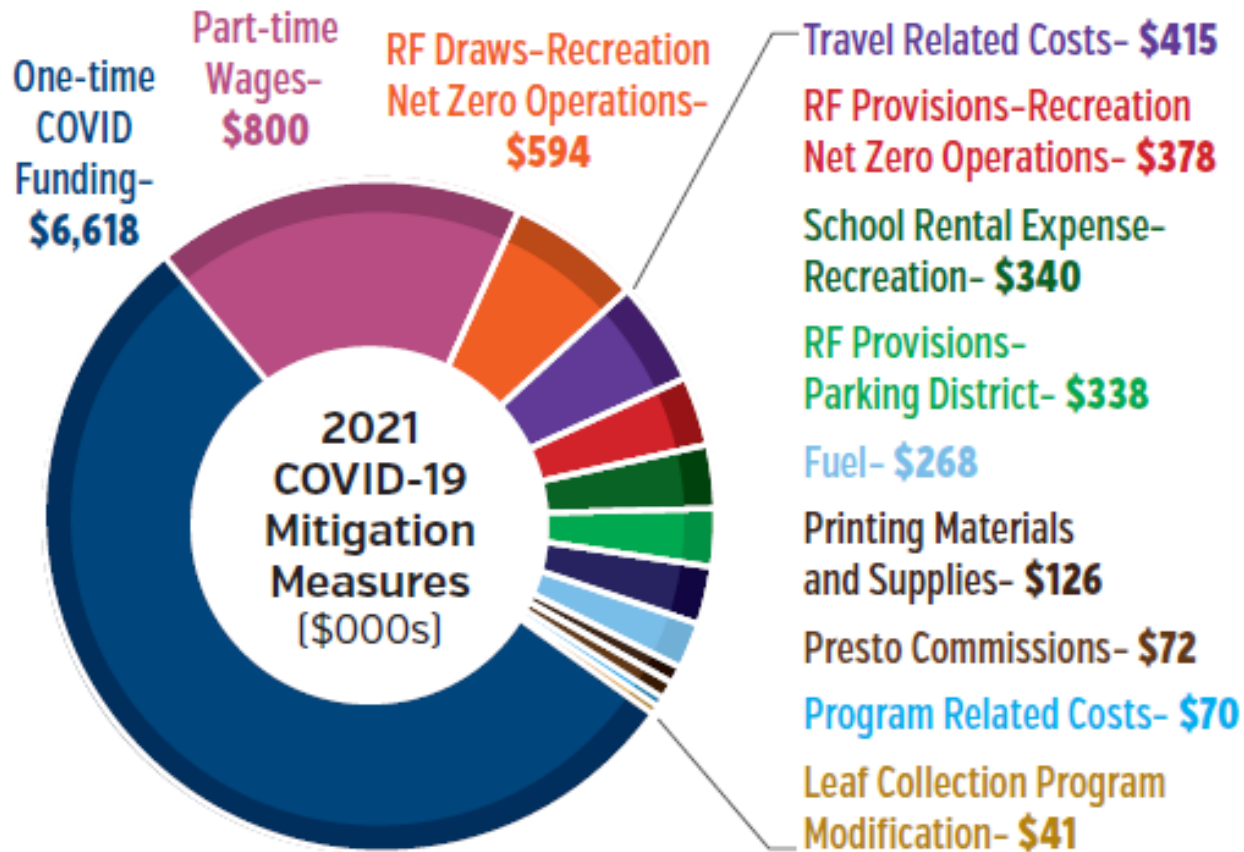
*“That the planned 1.25% increase to the dedicated infrastructure renewal levy for 2021 be temporarily redirected to the operating budget for 1 year to provide funding for one-time COVID-19 related financial impacts.”*

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



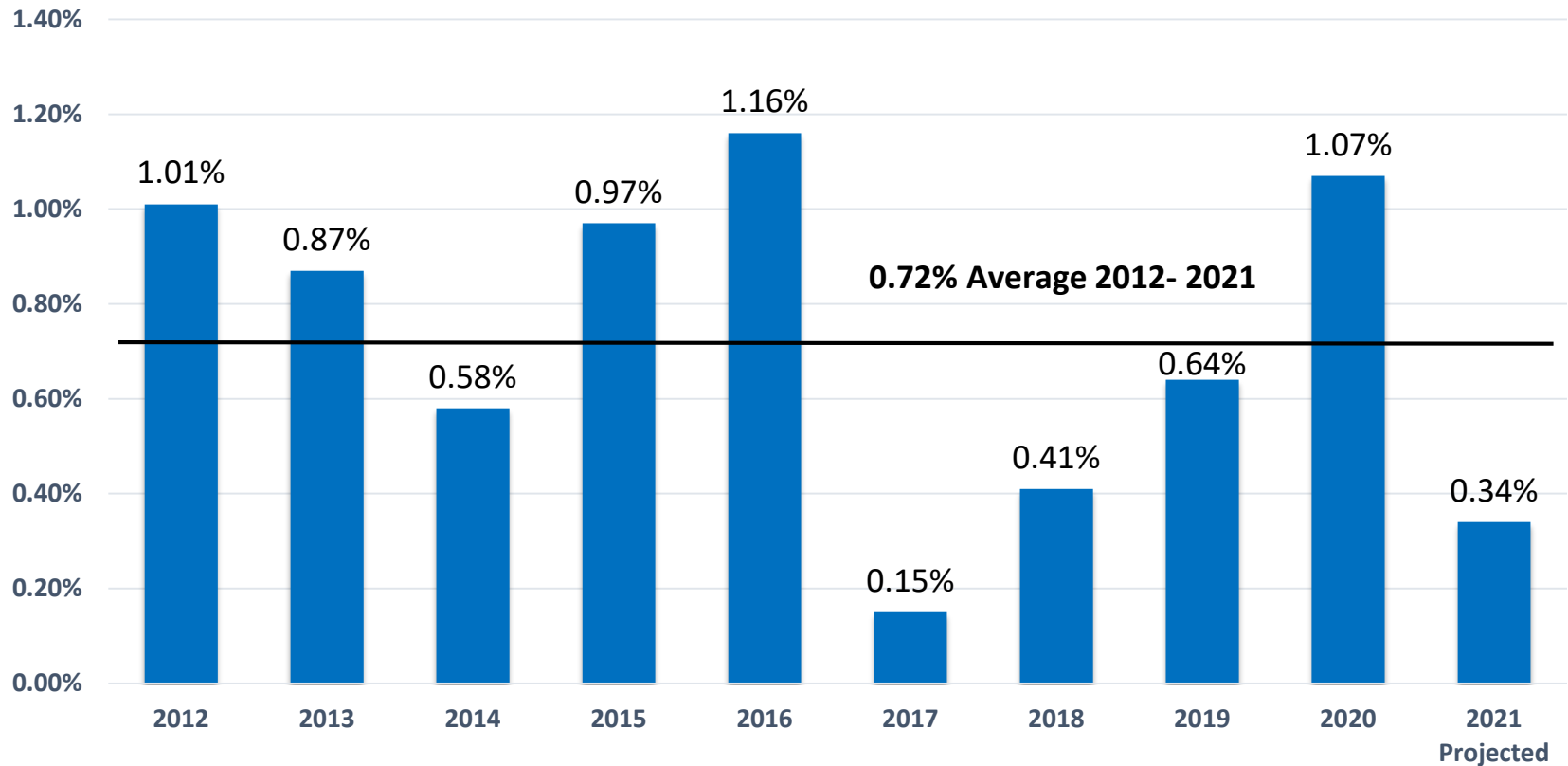
## Human Resources

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

# 2021 Budget



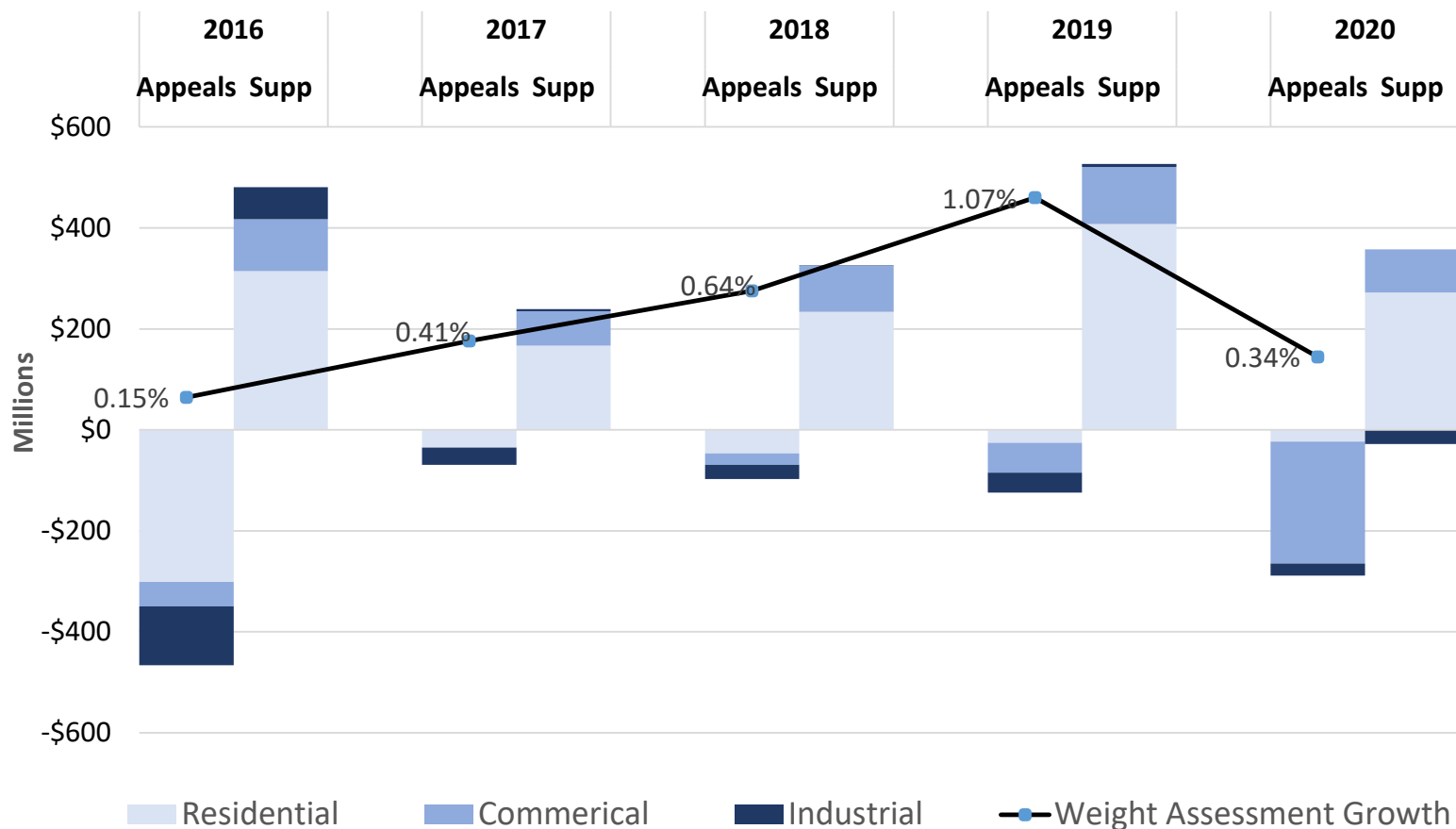
## Weighted Assessment Growth



# 2021 Budget



## In-Year Weighted Assessment Change



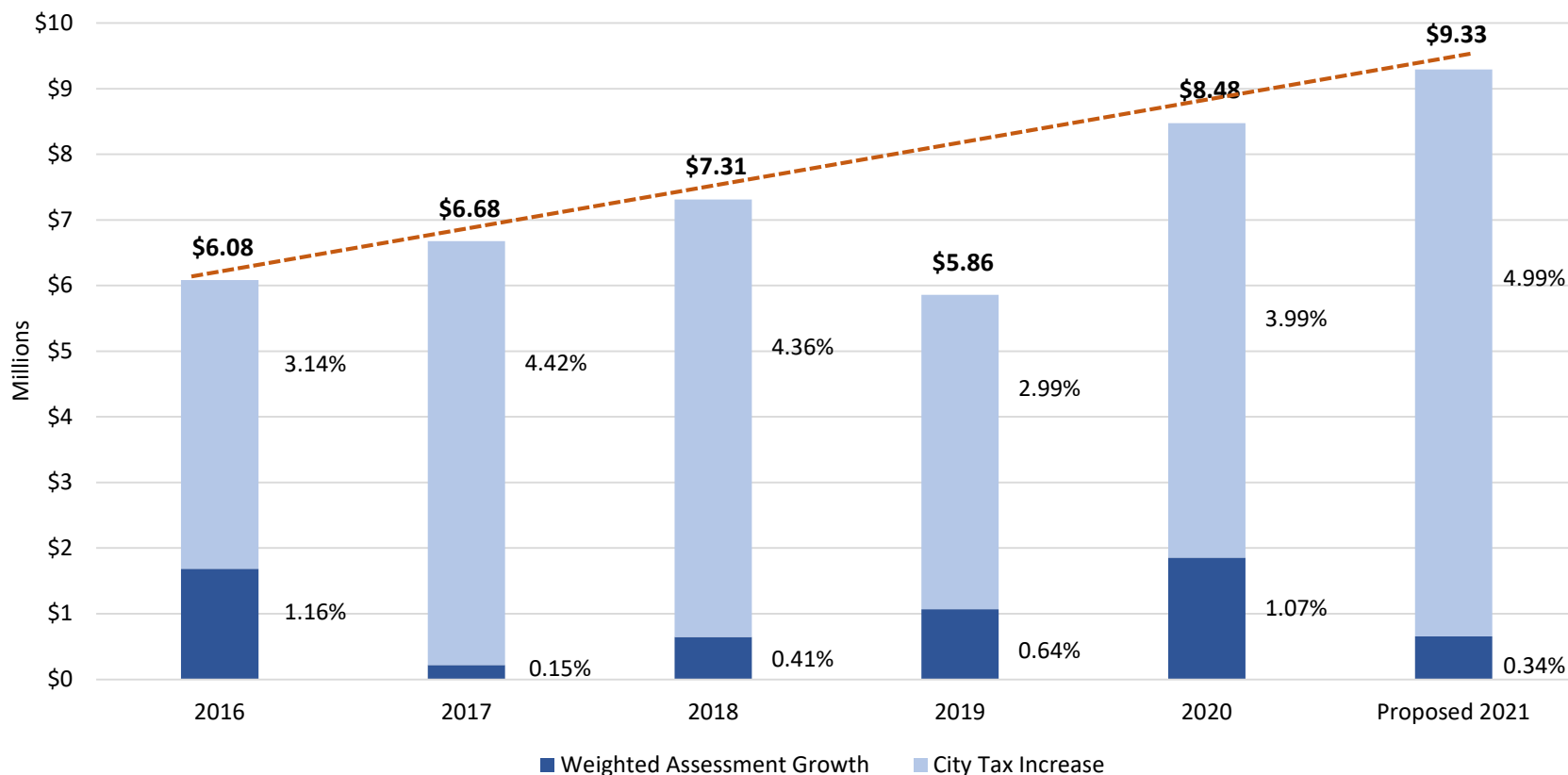
### NOTE:

- 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

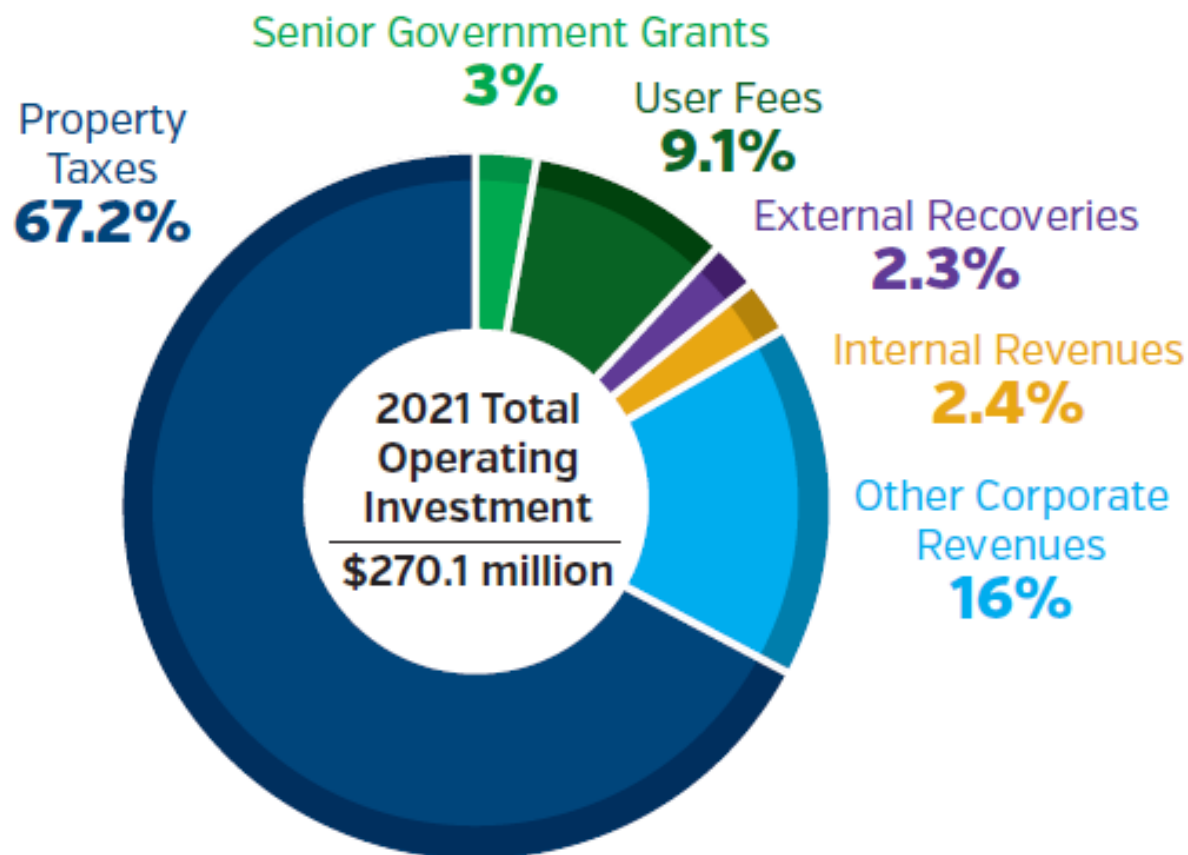
\$270.1 million

	 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



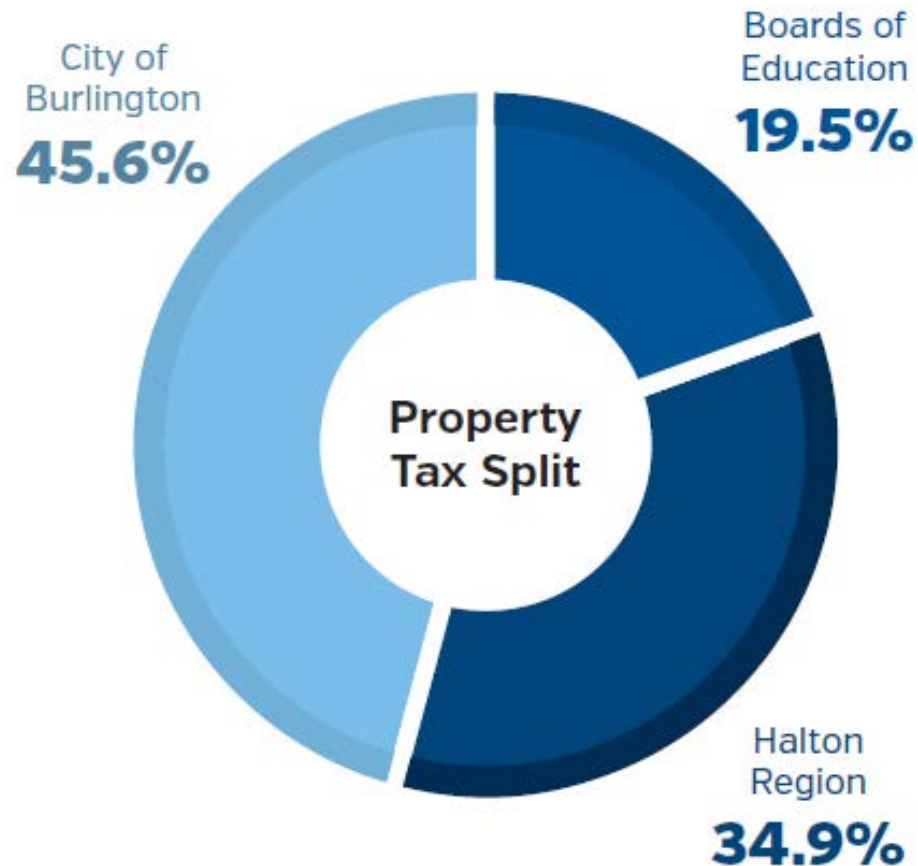
## Proposed Tax Increase

	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%		
<b>Base Impact</b>	<b>\$ 6,390,060</b>	<b>3.65%</b>	<b>\$ 8,797,577</b>	<b>5.03%</b>
Assessment Growth		[0.34%]		
One-time funding Re: Projected Assessment Growth	\$ [450,000]	[0.26%]		
<b>Revised Impact</b>	<b>\$ 5,940,060</b>	<b>3.05%</b>		
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%]
<b>Cumulative Impact</b>	<b>\$ 8,120,060</b>	<b>4.30%</b>	<b>\$ [8,797,577]</b>	<b>[5.03%]</b>
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%]		
<b>Total Impact</b>	<b>\$ 9,332,732</b>	<b>4.99%</b>	<b>\$ 0</b>	<b>0.00%</b>
<b>Estimated Overall Tax Impact* (City, Region, Education)</b>		<b>2.88%</b>		

\* Halton Region 1.84% and Board of Education 0.00%



## Total Tax Bill Breakdown



# 2021 Budget



## 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%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>\$ 760.57</b>	<b>2.88%</b>	<b>\$ 782.46</b>	<b>\$ 21.89</b>	<b>2.88%</b>



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

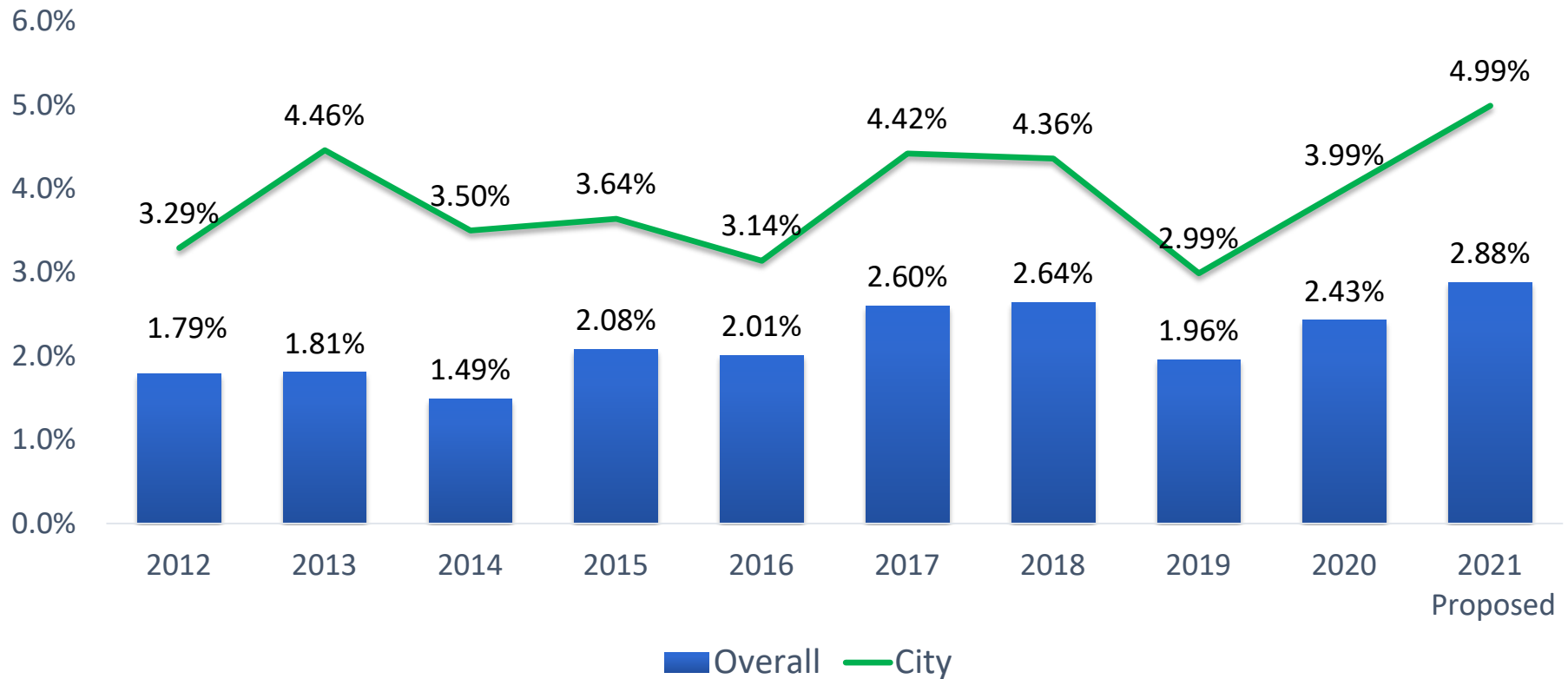
[burlington.ca/budget](http://burlington.ca/budget)



# 2021 Budget



## Historical Tax Increases



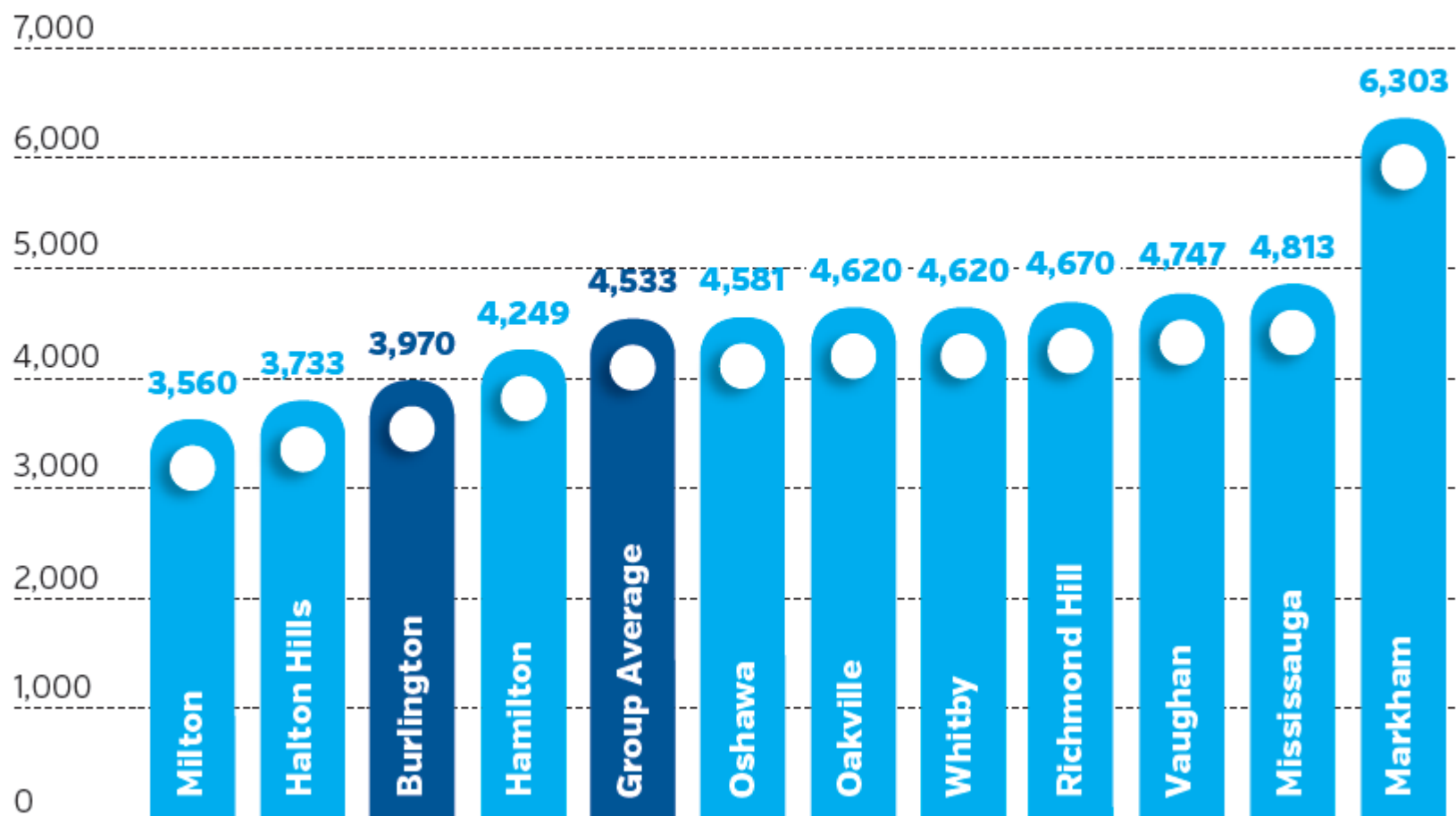
Average City – 3.88%  
Average Overall – 2.17%

# 2021 Budget



## Residential Property Tax Burdens

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

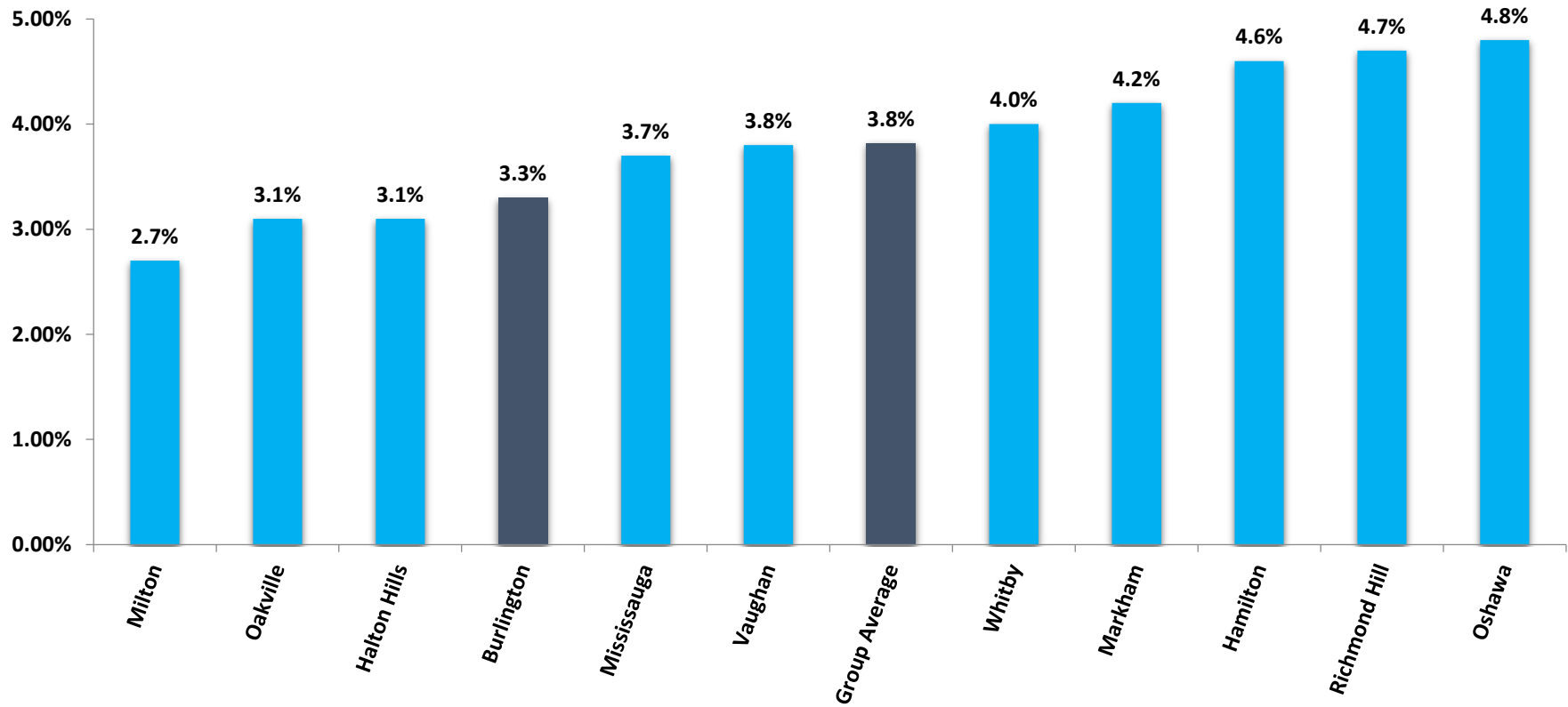


# 2021 Budget



## 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.**

[burlington.ca/budget](http://burlington.ca/budget)





## 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

# 2021 Budget

## 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

