

# Proposed 2020 Budget



# 2020 Budget Timeline

Nov 1<sup>st</sup> – Dec 1<sup>st</sup>

Online Budget Survey ~ Have your Say!

Nov 11th

2020 Budget Binders distributed to Council and posted on the Town's website – [caledon.ca/budget](http://caledon.ca/budget)

Nov 19th 9:30AM

Budget Introduction and Presentation, Department Presentations

Nov 27th 7:00PM

Budget Drop in Open House ~ Have your Say!

Dec 10th 7:00PM

General Committee Meeting 2020 Proposed Budget Deliberations

Dec 17th 7:00PM

Council Budget Meeting Final Consideration of 2020 Proposed Budget and 2020 Proposed Fees By-Law



# 2020 Budget Pressures

	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>
Inflation – CPI Canada (All Items)	2.0%	2.0%	2.0%	1.9%
Inflation – CPI Toronto (All Items)	2.0%	2.3%	2.2%	1.7%

- Salaries and Staffing

- Cost of Living Adjustments
- 2020 staffing due to growth
- 2020 CUPE & Fire Union Contract Renegotiation Year

- Growth

- Incremental equipment – e.g. fleet & other equipment
- Maintaining Service Levels – e.g. Roads, Parks, Recreation, Fire, Engineering
- Operating Costs related to new facilities – Southfields Community Centre, Caledon East Community Centre, Inglewood Community Centre

# 2020 BUDGET PRESSURES

- Legislative Changes

- Studies and projects related to legislative changes – e.g. Bill 108, Construction Act

- Capital Infrastructure

- Repair and renewal of aging infrastructure & funding Town's portion of growth-related infrastructure
- Debt-financed Decorative Streetlight and Surface Treatment Roads program (\$4.4 million)
- Continue to increase investment into Town infrastructure to reduce the infrastructure funding deficit & implement Asset Management Plan Recommendations

# 2020 BUDGET PRESSURES

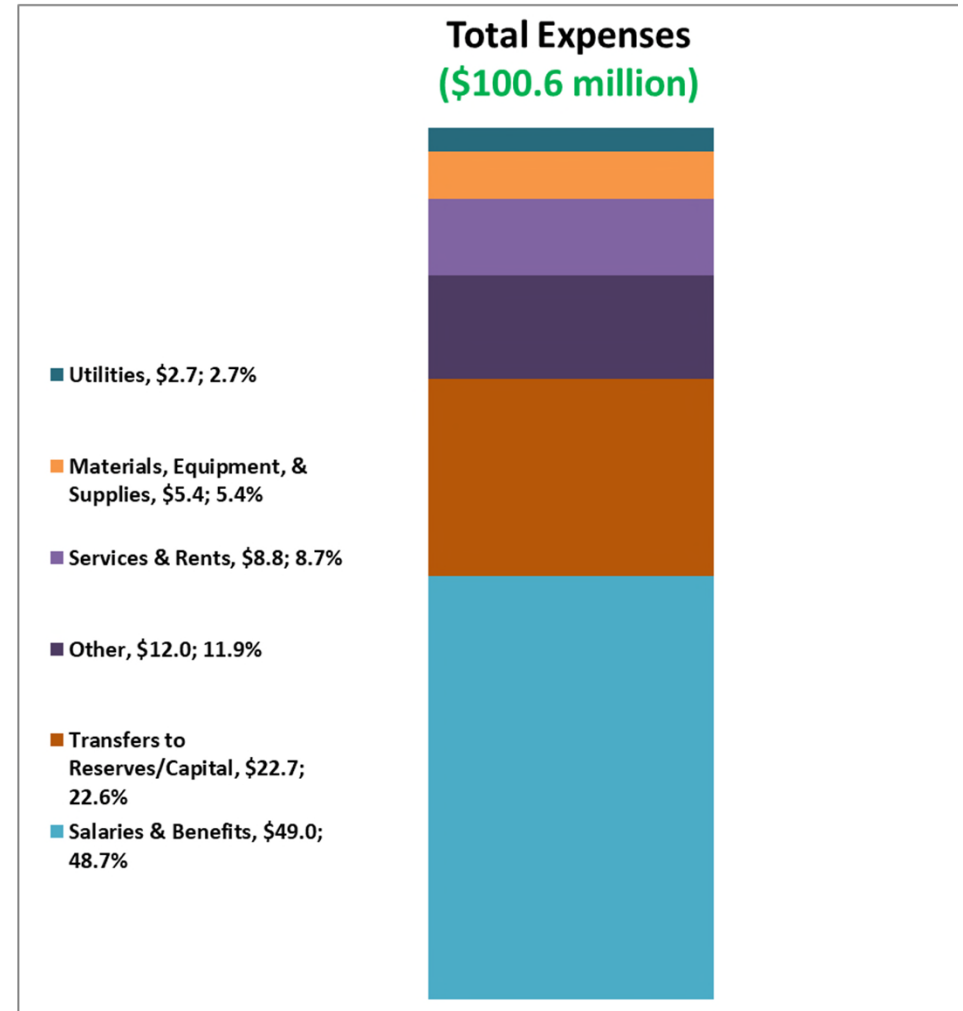
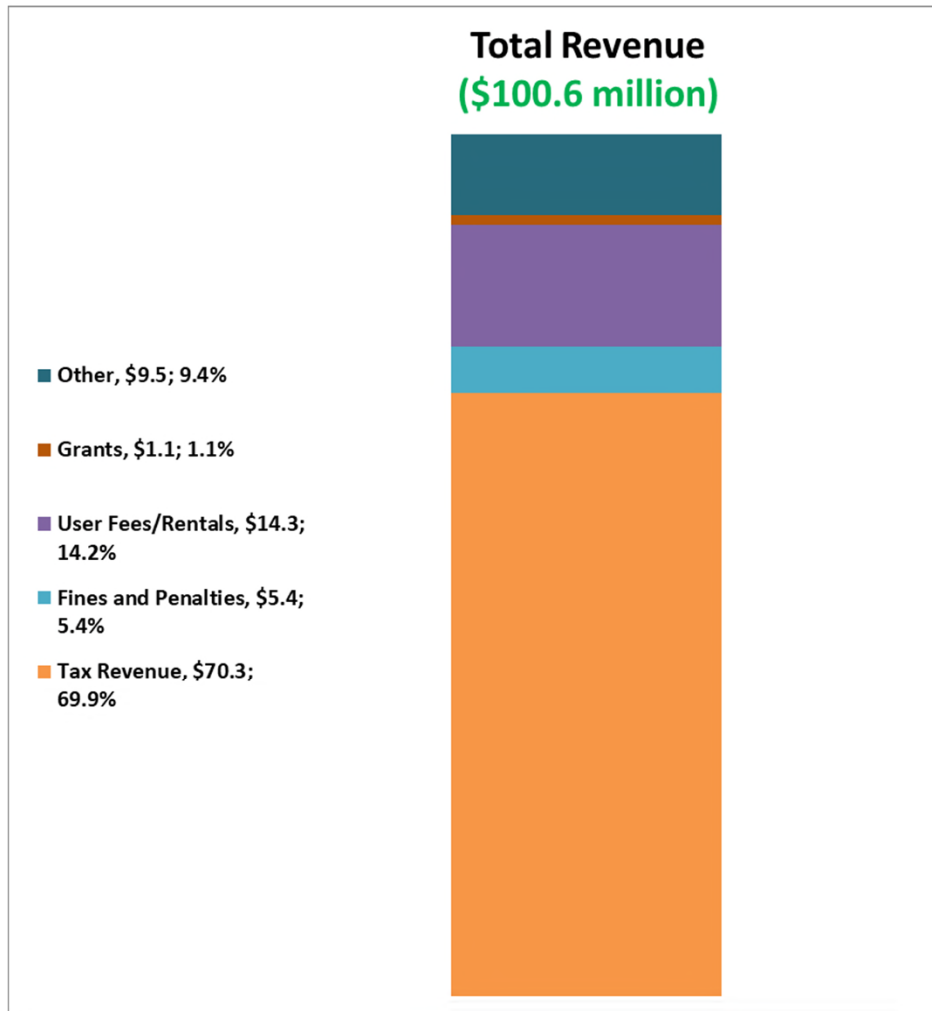
- **Debt**

- Planned 2020 debenture for 2017 Enhanced Road Program – debt servicing costs estimated at \$0.5 million/year
- Hydro debenture will mature in December 2019
- Capital Asset Replacement Reserve Contributions can now be utilized for the 2020 Capital Budget and future projects

- **Assessment Growth & User Fees to partially offset budget pressures**

- \$1.6M of assessment growth to help offset the operating and capital budget pressures
- \$0.06M of fee increases (proposed fee increases and new fees included in the 2020 budget binder and available online)

# Starting Point – 2019 Approved Operating Budget



# Proposed 2020 Budget Changes

Unavoidable Budget Increases \$887,185



Employee Compensation \$1,019,071



Inflationary \$633,795



Utilities \$87,038



# Proposed 2020 Budget Changes (continued)

Service Delivery Efficiencies (\$146,780)



Service Level Changes \$1,516,886



Additional Revenue due to Volume (\$1,145,858)



Revenue related to Fees Rate Increases (\$62,776)



# 2020 Proposed Operating Budget (continued)

\$2,788,561 – 2020 Increase to Budget




















(\$777,501) – Less 50% Assessment Growth allocated to  
Operating Budget




\$2,011,060 – Total 2020 Proposed Operating Budget  
Increase

**Increase of 2.87%**

# Proposed Service Level Changes included in 2020 Operating Budget






Council Work Plan Priorities	Department	Division	Ref #	Description	2020 Net Budget \$	Full Time Headcount	Annualized Budget \$
Good Governance  Good Governance  Good Governance 	Finance & Infrastructure Services	Engineering & Capital Projects	11	Senior Project Manager, Engineering	\$111,342		\$124,698
	Community Services	Recreation	18	Caledon East Community Centre Expansion Phase-In of Operating Budget	\$110,361		\$331,632
	Community Services	Recreation	21	Inglewood Community Centre Expansion Phase-In of Operating Budget	\$10,638		\$28,539
Sustainable Growth 	Community Services/Finance & Infrastructure Services	Planning & Development	17	Mayfield West Phase 2 Engineering Support Contract and Project Manager - Development Inspections	\$155,335		\$114,377
Connected Community 	Corporate Services	Regulatory Services	2	Funding to continue supporting the Community Cat Program	\$10,000		\$10,000
Connected Community 	Community Services	Fire & Emergency Services	14	Technical Rescue Program	\$75,000		\$19,000
Connected Community 	Community Services	Policy & Sustainability	19	Funds for Bi-Centennial Event Celebrations	\$15,000		\$0
Connected Community 	Community Services	Fire & Emergency Services	22	Full-Time Firefighters (2)	\$86,072		\$78,072
Other Operational Needs 	Corporate Services	Regulatory Services	1	Increase part-time Parking Enforcement Officers hours	\$0		\$0
Other Operational Needs 	Strategic Initiatives	Caledon Public Library	5	Conversion of Library Administrative Assistant position to permanent full time	\$34,703		\$34,703
Other Operational Needs 	Strategic Initiatives	Human Resources	8	Human Resources Recruitment Associate	\$86,780		\$80,430

\* Budget requests associated with headcount include salary, statutory payroll deductions, computer equipment and training costs

New Full-Time Headcount 


Conversion from Contract or Part-Time to Full-Time Headcount 

# Proposed Service Level Changes Included in 2020 Operating Budget (continued)

Council Work Plan Priorities	Department	Division	Ref #	Description	2020 Net Budget \$	Full Time Headcount	Annualized Budget \$
Improved Service Delivery	Corporate Services	POA	3	POA Collections Coordinator (Dufferin)	\$0		\$0
Improved Service Delivery	Corporate Services	POA	4	Conversion of Dufferin Bilingual POA Coordinator to permanent full time	\$0		\$0
Improved Service Delivery	Strategic Initiatives	Caledon Public Library	6	Library Information Technology Coordinator	\$96,785		\$89,935
Improved Service Delivery	Finance & Infrastructure Services	Roads & Fleet	9	Foreperson, Roads (2)	\$211,347		\$202,647
Improved Service Delivery	Finance & Infrastructure Services	New Division	12	Storm Water Services Manager & (2) Project Managers	\$295,425		\$385,702
Improved Service Delivery	Community Services	Fire & Emergency Services	13	Community Fire Public Education and Fire Public Relations Program	\$30,000		\$30,000
Improved Service Delivery	Community Services	Recreation	15	Increase in Customer Service Hours at Mayfield Recreation Complex	\$19,958		\$19,958
Improved Service Delivery	Community Services	Recreation	16	Part-time Recreation Programmer for Specialty Programs	\$49,460		\$42,610
Improved Service Delivery	Community Services	Parks	20	Parks Summer Maintenance Staff	\$118,680		\$118,680
<b>Total Proposed Funded Changes in Service Levels</b>					<b>\$1,516,886</b>		<b>\$1,710,983</b>

New Full-Time Headcount  13

\* Budget requests associated with headcount include salary, statutory payroll deductions, computer equipment and training costs

Conversion from Contract or Part-Time to Full-Time Headcount  4



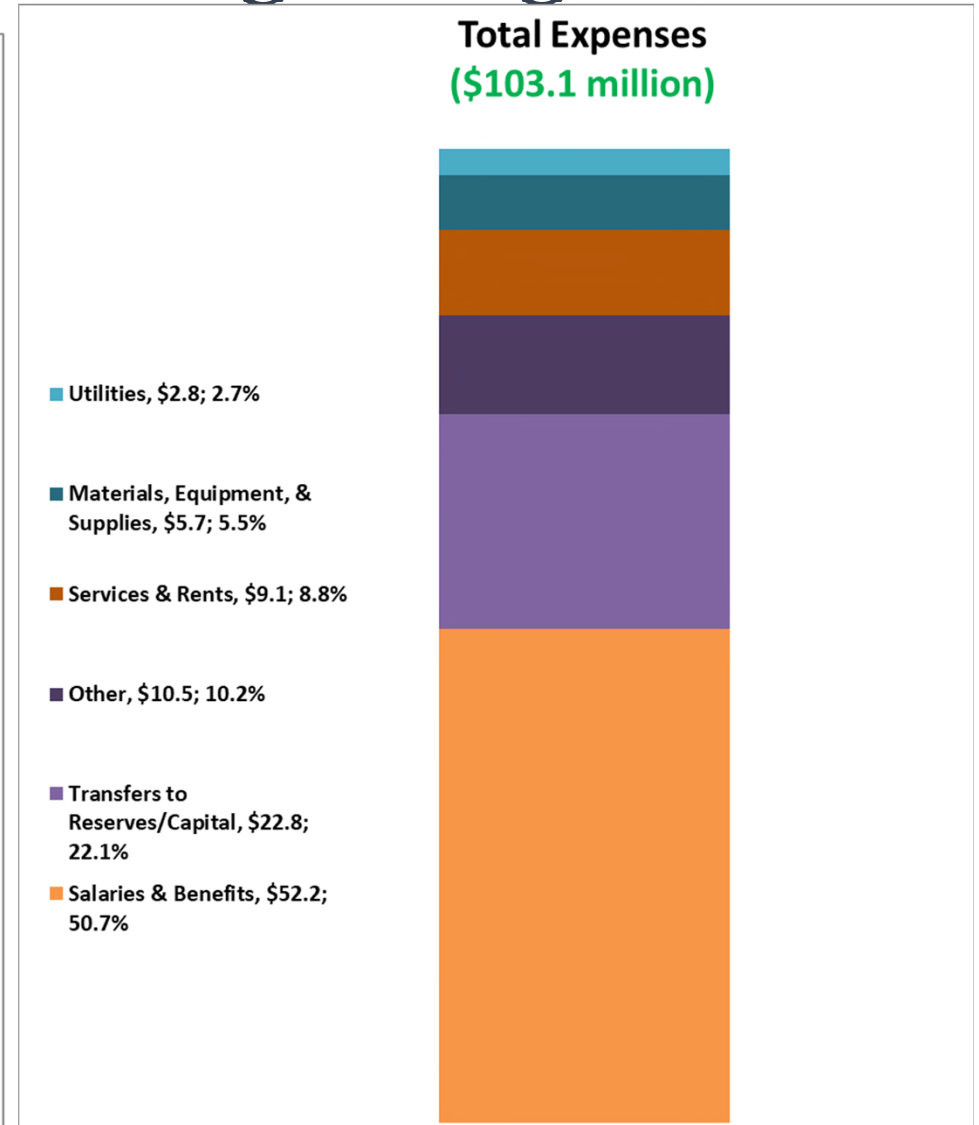
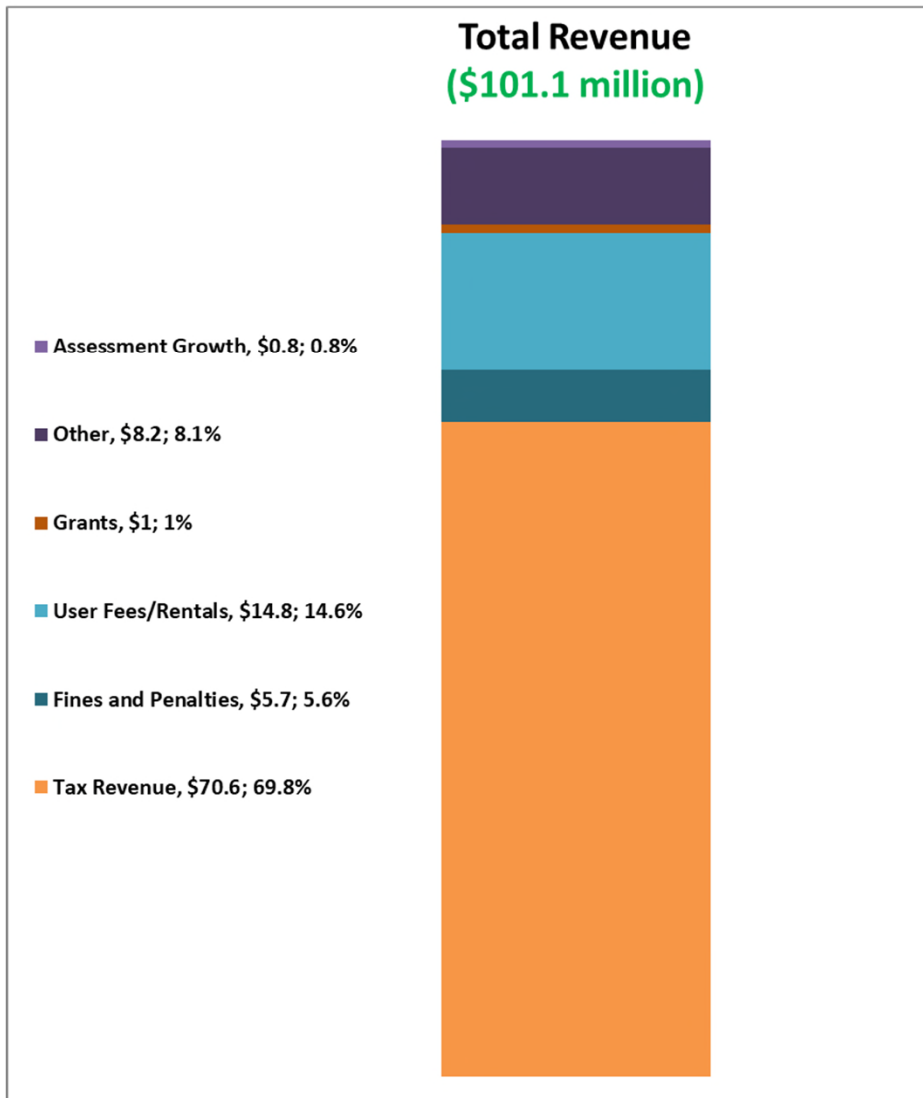
Finance and Infrastructure Services

# Proposed Unfunded Service Level Changes

Department	Number	Division	Description	2020 Net Budget Amount	Conversion / New FTE / Contract	Full-Time Head Count	Annualized Net Budget Amount
Finance & Infrastructure Services	23	Roads & Fleet	New winter windrow clearing service level for the entire municipality - Option A (Associated Capital Project # 20-128 has a budget request of \$4,200,000. Overall budget request including net operating budget impact is \$5,261,585)	\$1,061,585	New	8	\$1,674,606
	24	Roads & Fleet	New winter windrow clearing service level for the urban centres only including Bolton, Southfields and Caledon East - Option B. (Associated Capital project # 20-134 has a budget request of \$1,800,000. Overall budget request including the net operating budget impact is \$2,242,821)	\$442,821	New	3	\$720,772
	25	Transportation	Install an additional Red Light Camera to enhance road safety by reducing the number of right-angle collisions at intersections	\$22,500	N/A	0	\$45,000
<b>Finance &amp; Infrastructure Services Total</b>				<b>\$1,526,906</b>		<b>11</b>	<b>\$2,440,378</b>
Community Services	8	Recreation	Operations Coordinator for Bolton Family of Facilities	\$105,449	New	1	\$101,299
<b>Community Services Total</b>				<b>\$105,449</b>		<b>1</b>	<b>\$101,299</b>
<b>Total Proposed Change in Service Levels - Unfunded</b>				<b>\$1,632,355</b>		<b>12</b>	<b>\$2,541,677</b>

Budget Requests labelled as Unfunded and/or presented on Pink Paper in the Budget Binders are not included in the proposed funded budget due to funding constraints but are included for Council's consideration

# 2020 Proposed Operating Budget



**Additional Funding Required of \$2.0 million**



# Year Over Year Net Operating Budget Changes By Department

Departments	2019 Budget*	2020 Proposed Operating Budget (incl. Change in Service Level)	\$ Change 2020 vs. 2019	% Change 2020 vs. 2019
Community Services	\$ 19,197,197	\$ 20,454,987	\$ 1,257,790	6.55%
Corporate Accounts	\$ (51,199,825)	\$ (52,597,347)	\$ (1,397,522)	2.73%
Corporate Services	\$ 5,669,010	\$ 5,911,511	\$ 242,501	4.28%
Finance & Infrastructure	\$ 19,080,678	\$ 20,391,601	\$ 1,310,923	6.87%
Strategic Initiatives	\$ 7,252,940	\$ 7,850,308	\$ 597,368	8.24%
Total Additional Funding Required	\$ -	\$ 2,011,060	\$ 2,011,060	

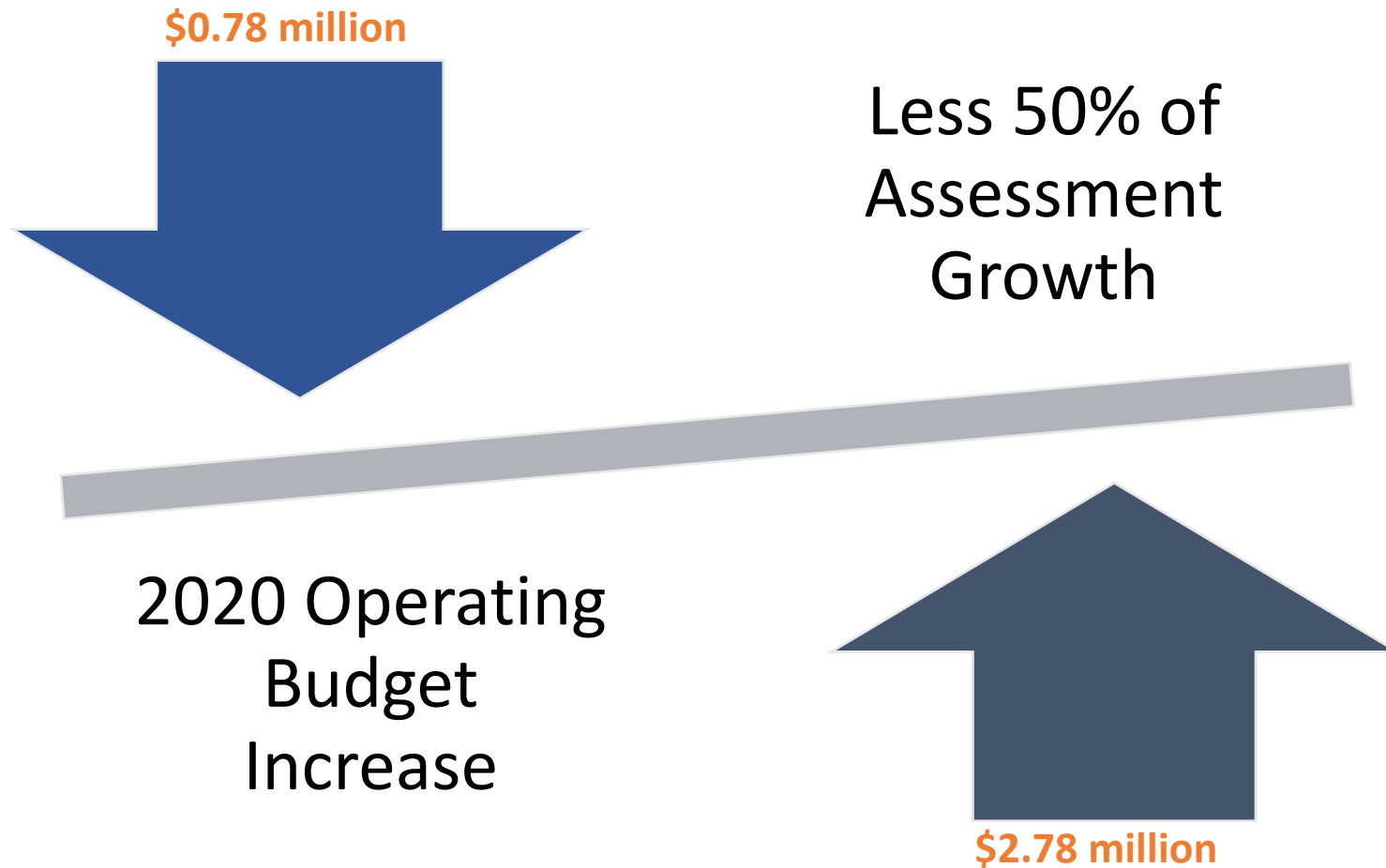
**Overall increase of 2.87% including 50% of assessment growth**

\* Restated for internal budget transfers



Finance and Infrastructure Services

# 2020 Proposed Operating Budget



**\$2.0 million net increase | 2.87% increase**



# Proposed 2020 Capital Budget



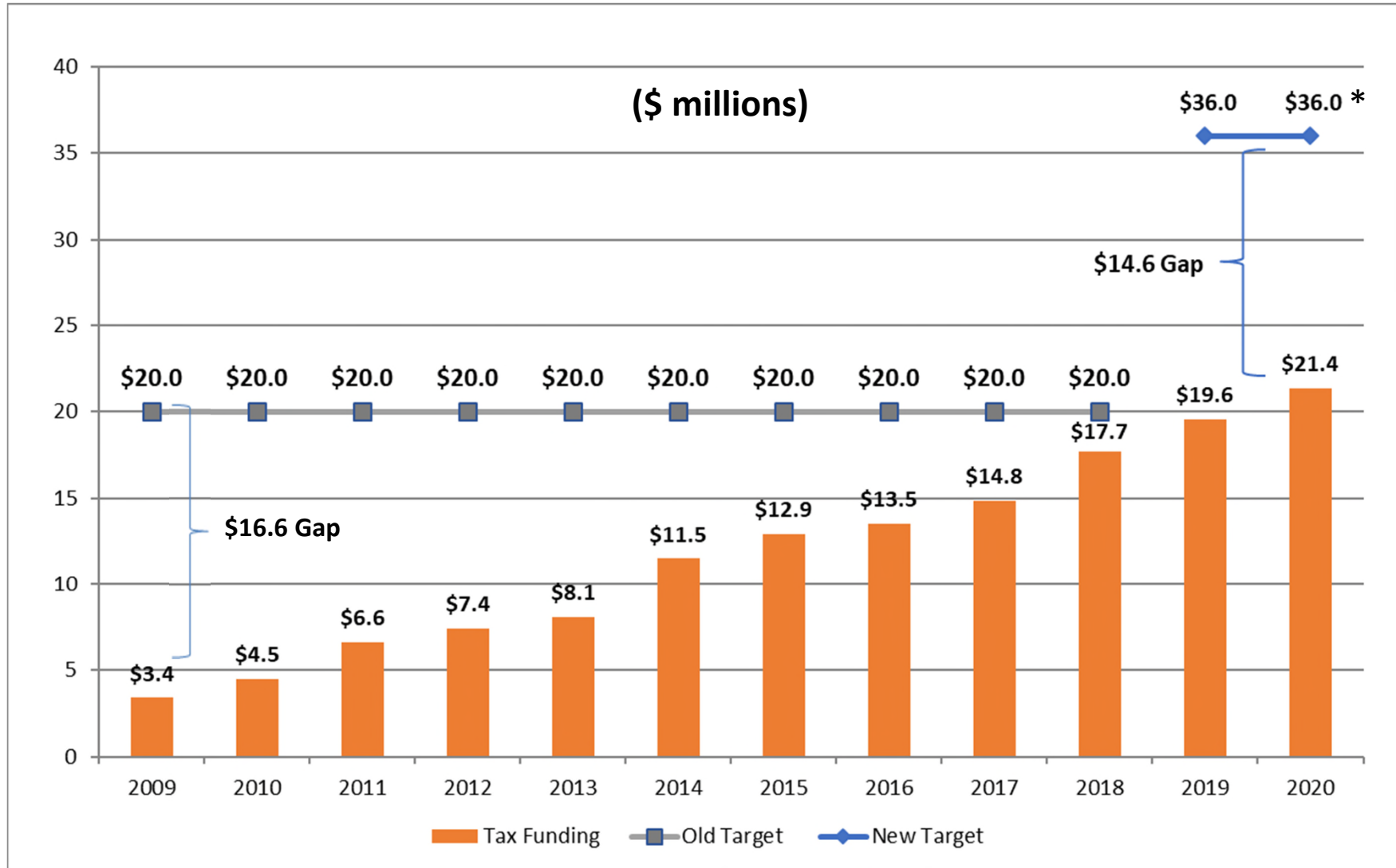
# Proposed 2020 Capital Budget

Base Tax Capital Funding (from 2019)	\$19,570,102
Assessment growth allocated to Capital	\$777,501
Increase to Base Capital	\$1,026,041
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Total Tax Funded Capital Program	\$21,373,644
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**Total Net New funding for the Tax Funded Capital Program is \$1,803,542**

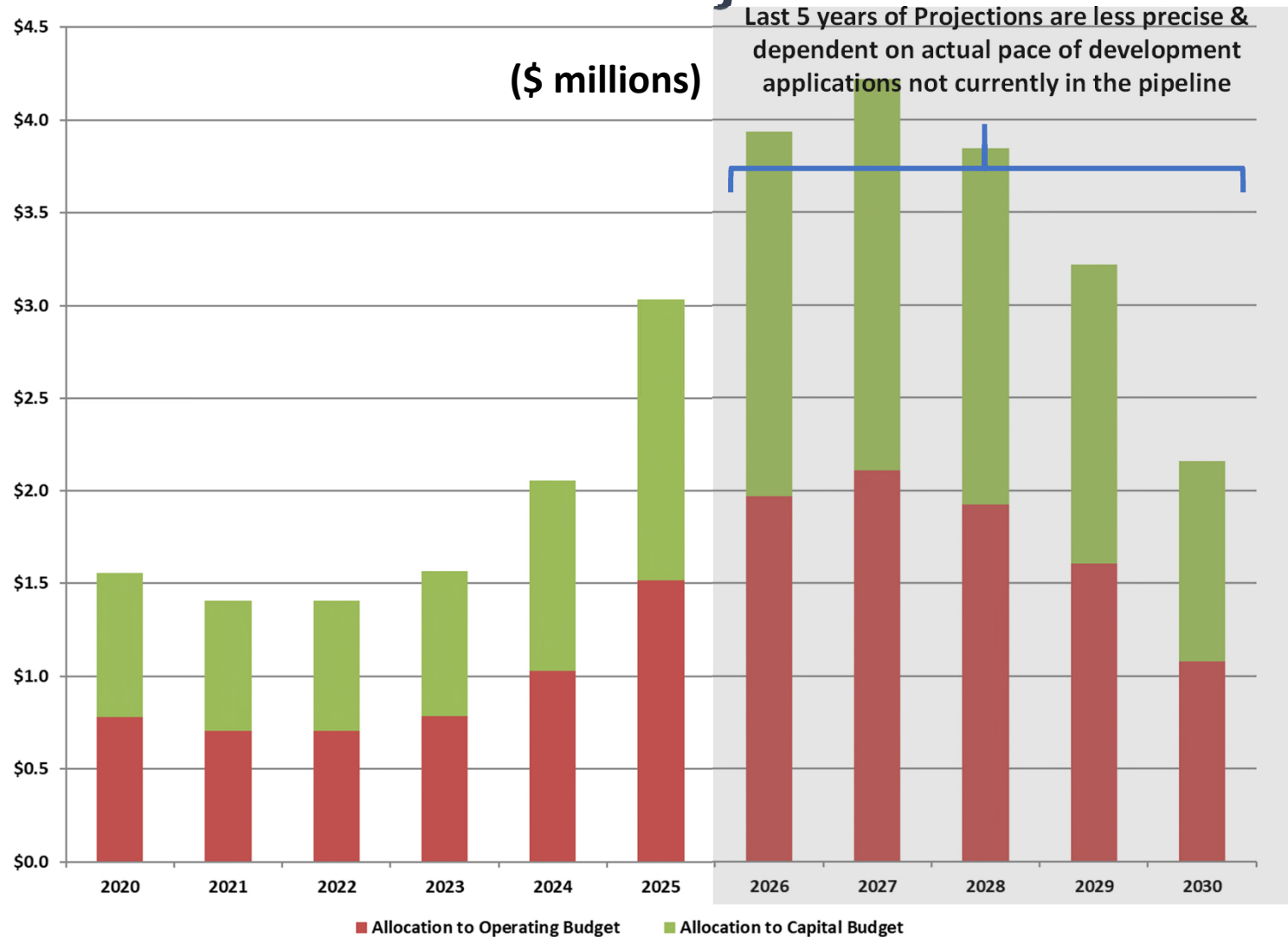


# Tax Levy Funded Capital



**\*Target of \$36 million based on the results of the Town's Asset Management Plan**

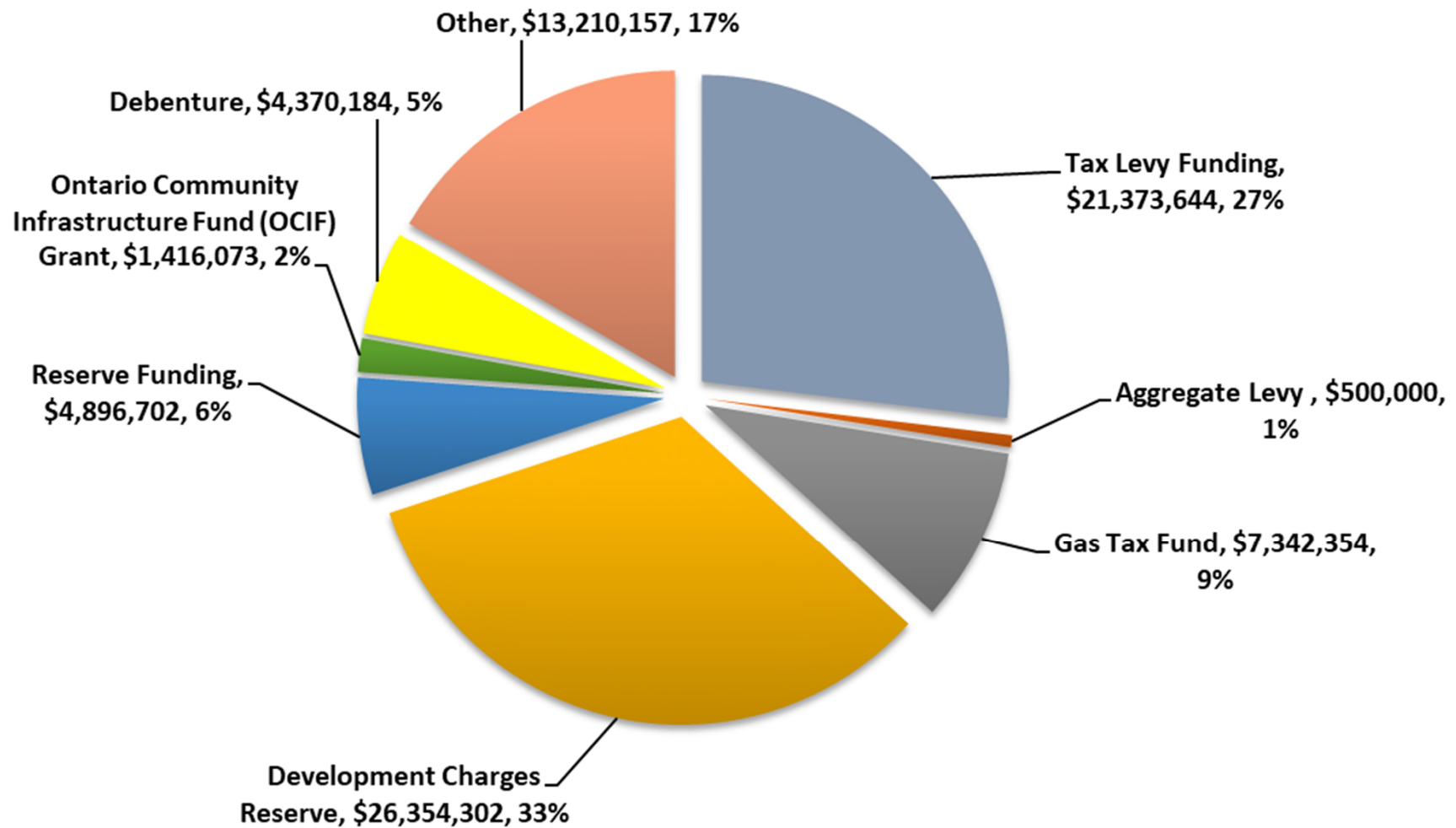
# Assessment Growth Projection



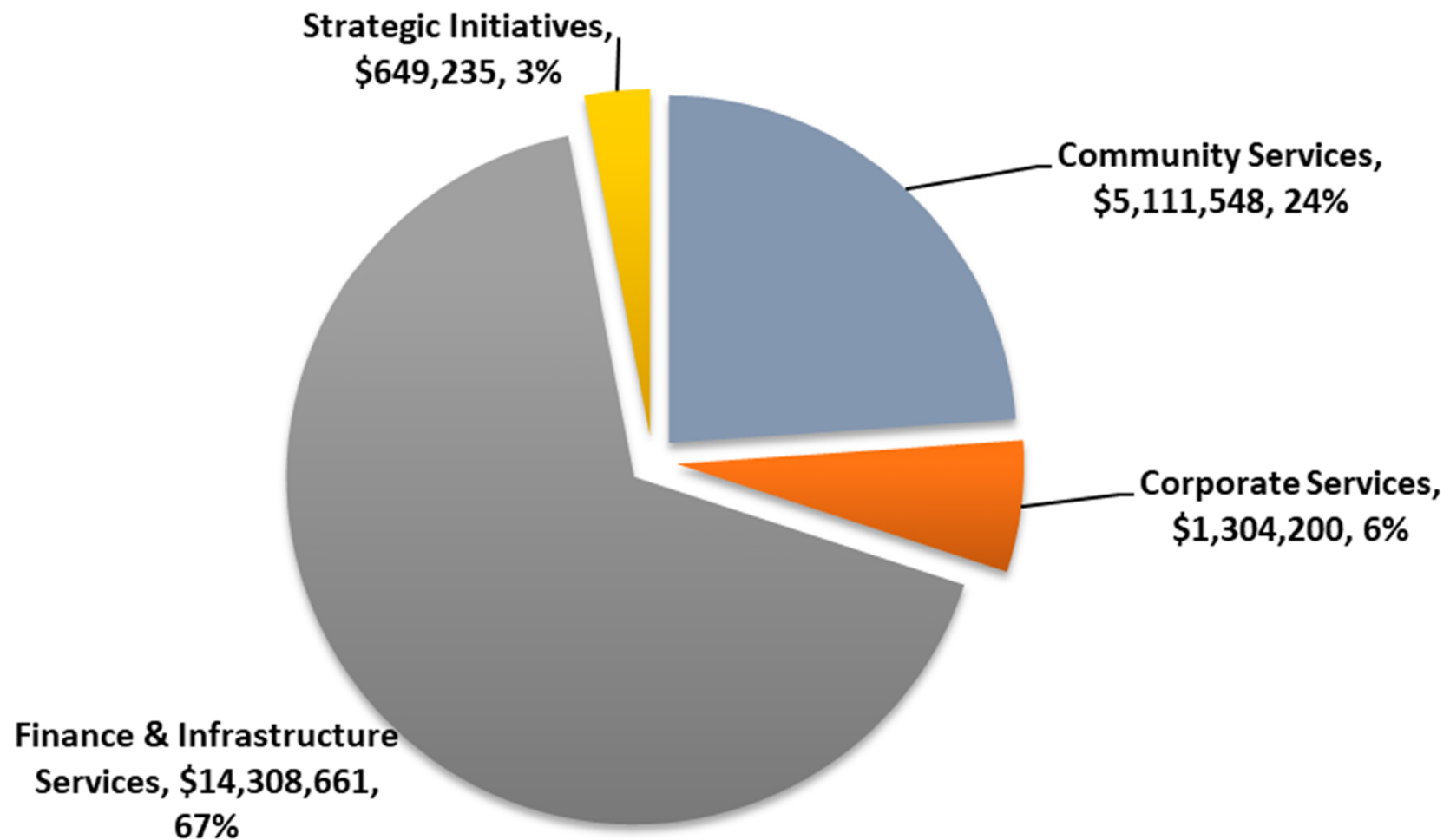
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Residential	81%	80%	80%	79%	78%	78%	78%	78%	78%	78%	79%
Non-Residential	19%	20%	20%	21%	22%	22%	22%	22%	22%	22%	21%

# Proposed 2020 Capital Budget Funding Sources

## Total \$79,463,416



# 2020 Tax Funded Capital By Department - \$21,373,644



# Proposed 2020 Capital Budget - Funded

Department	# of Projects	Total Budget	Tax Levy Funding	Examples of Projects
<b>Community Services</b>	41	\$ 9,419,517	\$ 5,111,548	<b>Includes:</b>
				Large Fire Apparatus Replacement (3)
				Rotary Senior Centre (Bolton) - Expansion (Term of Council)
				Caledon East Community Complex - Phase 3 Expansion (Term of Council)
				Sport Field and Playground Structure Improvements
<b>Corporate Services</b>	9	\$ 1,961,050	\$ 1,304,200	<b>Includes:</b>
				IT - Broadband, SWIFT & Library Hotspot Lending Program
				IT - Computer Refresh
				IT - AMANDA
<b>Strategic Initiatives (Library Services)</b>	4	\$ 660,485	\$ 649,235	<b>Includes:</b>
				Library Collections and Materials



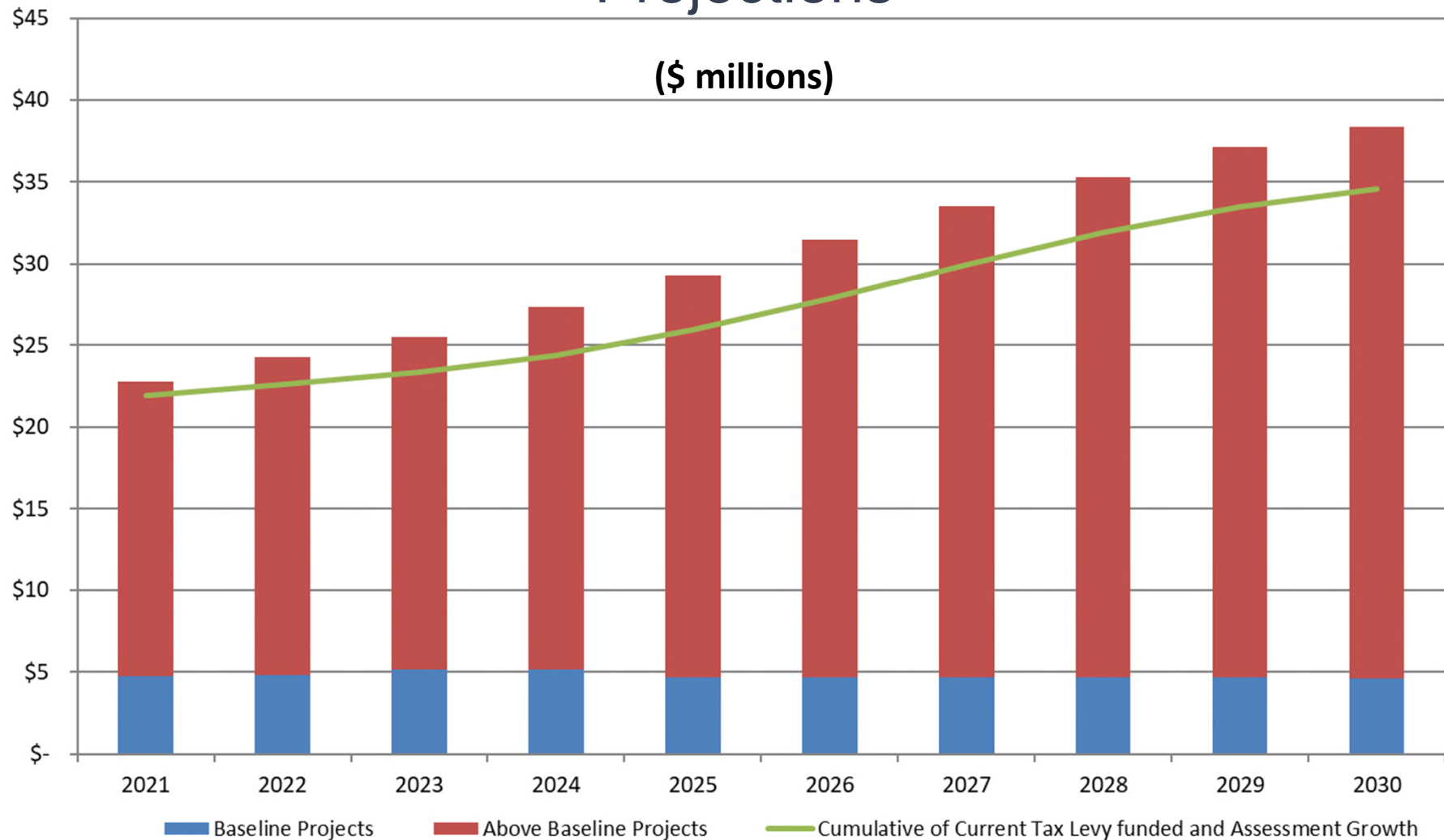
# Proposed 2020 Capital Budget - Funded

Department	# of Projects	Total Budget	Tax Levy Funding	Examples of Projects
Finance & Infrastructure Services	44	\$ 67,422,364	\$ 14,308,661	Includes:
				Growth-related Roads Program
				Traffic Calming Program
				Bridge & Culvert Construction Program
				Roads Rehabilitation & Reconstruction Program
				Stormwater Management Program
				Road Engineering Design and Environmental Assessments
				Surface Treatment Program (for Gravel Roads)
				Asphalt Roads Maintenance Repairs
				Post Winter Roads Program
				Decorative Streetlight Retrofit and Adaptive Controls Program
				Albion Vaughan Acoustic Fence Construction
				Works Yard 1 and Yard 2 Expansion
98	\$ 79,463,416	\$ 21,373,644	Total 2020 Proposed Capital Budget	

# Proposed Unfunded Capital Projects

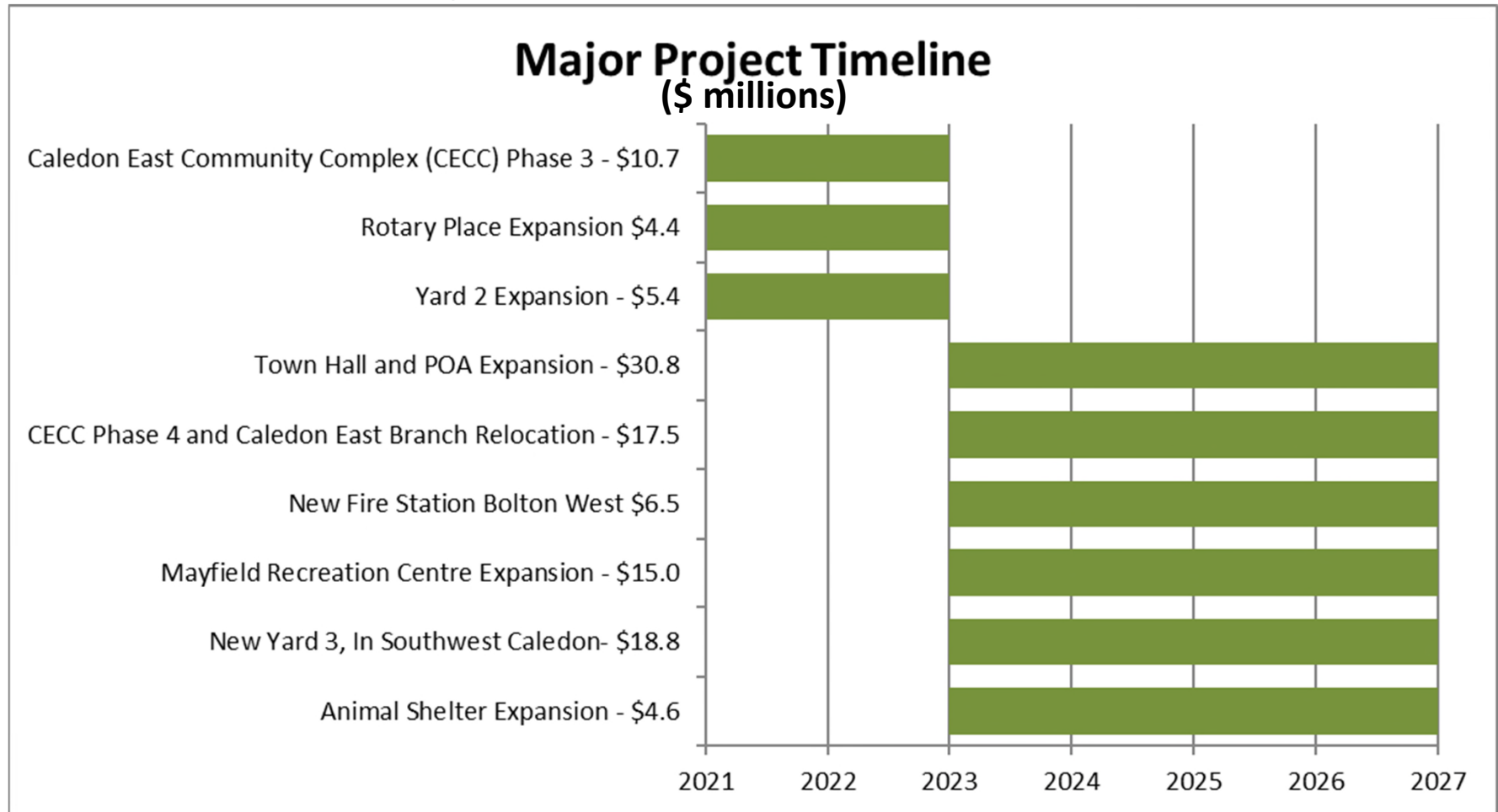
Department	Division	Priority	Project #	Project Name	Total Project Budget	Tax Levy Funding
Community Services	Recreation	1	20-080	Mayfield Recreation Complex - Infrastructure Improvements - Pool Complex Foundation - Pool Building Automation System (BAS) - Main Lobby and Arena Bathroom Flooring - Pool Deck and Arena Change Room Benches with Hangers - Arena Change Room Shower Upgrades	\$ 507,750	\$ 507,750
		3	20-082	Mayfield Recreation Complex - Pool User Equipment Replacement	\$ 32,500	\$ 32,500
		6	20-086	Margaret Dunn - Community Room Floor Resurfacing	\$ 15,000	\$ 15,000
		7	20-088	Lloyd Wilson Centennial Arena - Change Room Bathroom Upgrades	\$ 20,000	\$ 20,000
		4	20-090	Caledon Centre for Recreation and Wellness - Outdoor Rink Enhancements	\$ 100,000	\$ 100,000
		5	20-091	Albion Bolton Union Community Centre - Library Windows	\$ 10,000	\$ 10,000
		9	20-098	Recreation - Emergency EXIT Signage Refresh	\$ 20,000	\$ 20,000
		8	20-104	Caledon East Community Complex - Replace Flooring Lobby / Hallway Main Floor Complex	\$ 50,000	\$ 50,000
	13	20-136	Rotary Place (Bolton) - Theatre Hall Expansion	\$ 5,200,000	\$ 5,200,000	
	Parks Operations	10	20-071	Beryl Bland Parkette Swings	\$ 15,000	\$ 7,500
		11	20-073	Permanent Picnic Tables - Dennison Park	\$ 30,000	\$ 30,000
		2	20-135	Rehabilitation of Caledon Trailway Bridges	\$ 600,000	\$ 600,000
	Policy & Sustainability	15	20-124	Town Initiated Official Plan and Zoning Amendment - Poltawa Country Club Lands	\$ 210,000	\$ 210,000
Community Services Total					\$ 6,810,250	\$ 6,802,750
Corporate Services	Information Technology	16	20-131	IT - Council Chambers Cameras	\$ 55,825	\$ 55,825
Corporate Services Total					\$ 55,825	\$ 55,825
Finance & Infrastructure Services	Road & Fleet Services	17	20-047	By-Law Services Fleet (2)	\$ 100,000	\$ 100,000
		19	20-128	New Windrow Clearing Machines (28) for the entire municipality - Option A (Associated Change in Service Level #23 has a 2020 budget request of \$1,061,585. Overall 2020 budget request including net operating budget impact is \$5,261,585)	\$ 4,200,000	\$ 4,200,000
		20	20-134	New Windrow Clearing Machines (12) for the Urban Centres Only including Bolton, Southfields, and Caledon East - Option B (Associated Change in Service Level #24 has a 2020 budget request of \$442,821. Overall 2020 budget request including net operating budget impact is \$2,242,821)	\$ 1,800,000	\$ 1,800,000
Finance & Infrastructure Services Total					\$ 6,100,000	\$ 6,100,000
Strategic Initiatives	Economic Development	18	20-129	Bolton Business Improvement Area (BIA) - Self Watering Planters	\$ 100,000	\$ 100,000
Strategic Initiatives Total					\$ 100,000	\$ 100,000
Grand Total Town of Caledon - 2020					\$ 13,066,075	\$ 13,058,575

# 10 Year Capital Expenditures & Capital Funding Projections



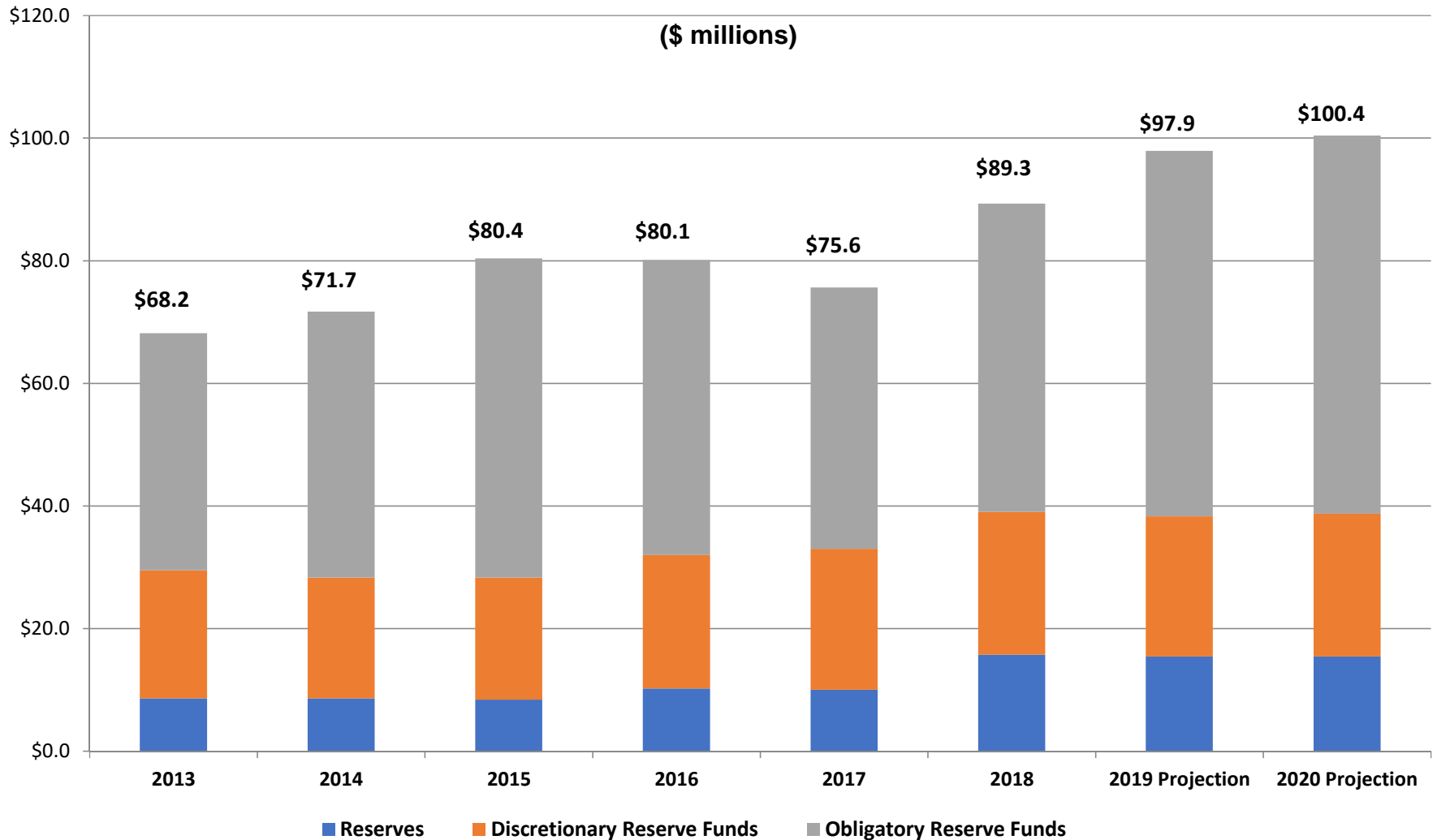
**NOTE: Capital Tax Funding shown above only includes increases from assessment growth but does not include any assumptions regarding future property tax increases**

# Key Major Projects In The 10 Year Capital Projections



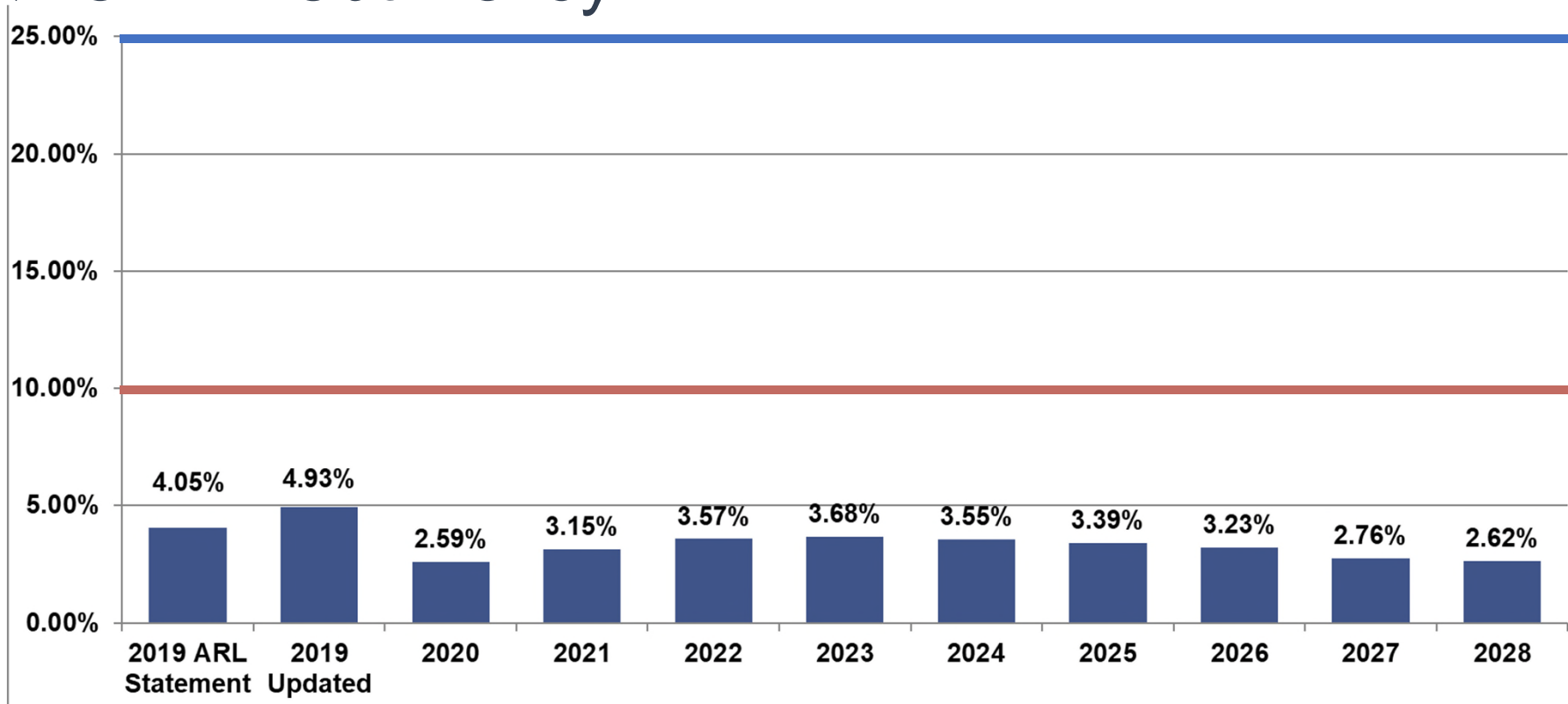
**This timeline shows placeholders for capital planning purposes. Term of Council projects are confirmed and approved in the first budget of each term of Council**

# Town Reserve Balances (Uncommitted)



**Reserve balances in the 2018 Year-end Financial Statements are not reduced by commitments and will show higher balances**

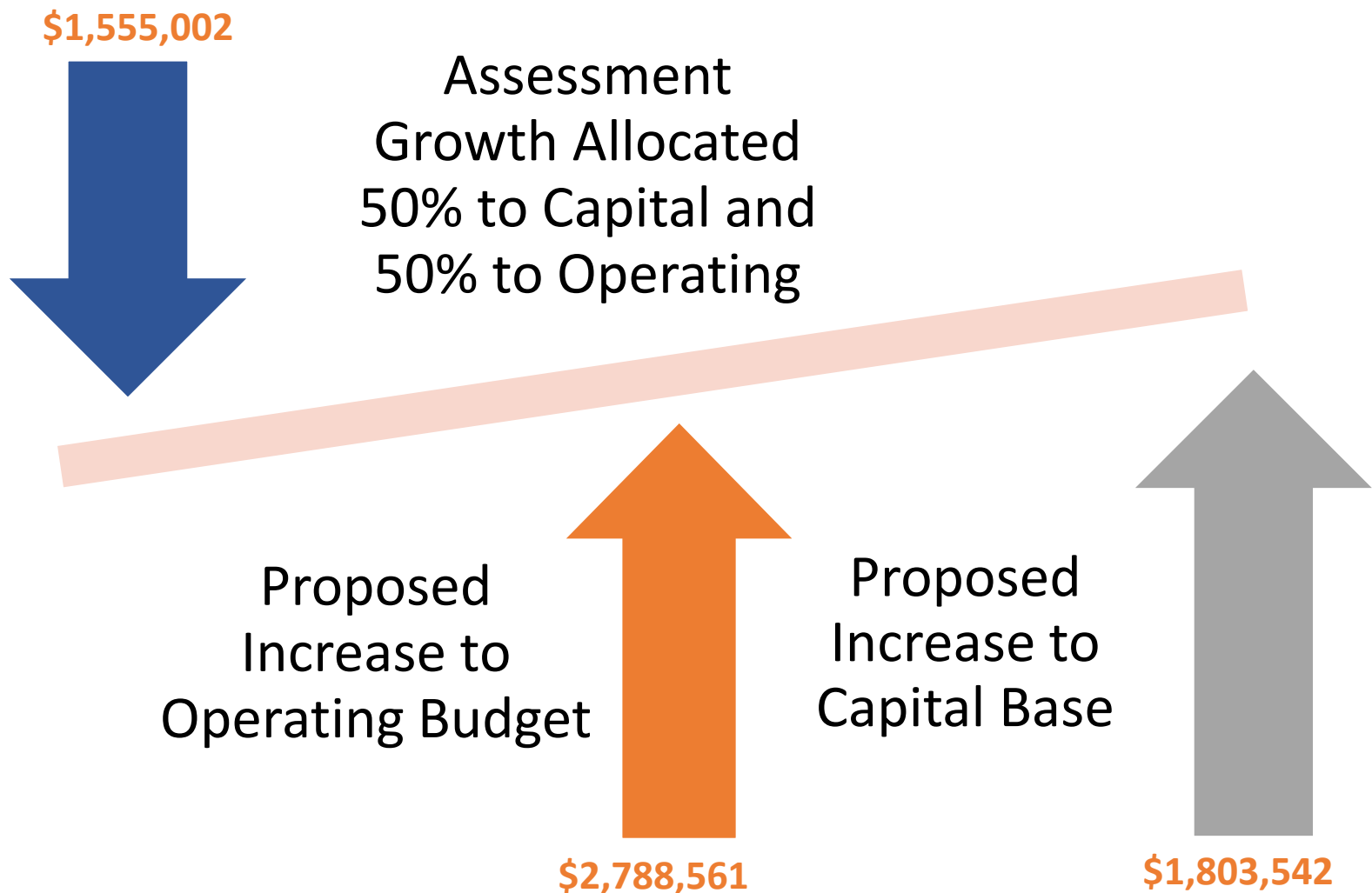
# Current Annual Repayment Limit (ARL) For Debt & Town Debt Policy



**Annual debt repayments/Debt servicing costs may not exceed 25% of revenues, as set by the Province of Ontario**

**Debt servicing costs are also projected to be within the Town's Debt Policy of 10% of Net Revenues**

# 2020 Proposed Budget



**\$3,037,101 = Tax Increase of 4.34% (Town Portion Only)**



# Estimated Impact Of Proposed 2020 Budget For A Typical Home Assessed At \$620,000

Typical 2019 Residential Assessment of \$620,000*	2019 Property Tax Bill	Estimated 2020 Property Tax Bill	Estimated \$ Change	Estimated % Change
<b>Town</b>	\$2,329.17	\$2,430.16	\$100.99	4.34%
<b>Broadband Levy</b>	\$10.21	\$9.98	(\$0.23)	(2.25%)
<b>Region**</b>	\$1,727.87	\$1,768.17	\$40.30	2.33%
<b>School Board***</b>	\$998.20	\$998.20	\$0.00	0%
<b>Total</b>	<b>\$5,065.45</b>	<b>\$5,206.51</b>	<b>\$141.06</b>	<b>2.78%</b>

\*MPAC's last reassessment was completed in 2016. Property taxes are based on MPAC assessments (every 4 years), not current market value

\*\*Regional budget impact is assumed until the Region of Peel's budget is approved (in December 2019)

\*\*\*Assumed zero. Information is not available until March/April 2020

# Budget Recap

- No Service Level decreases proposed
- Service Level Enhancements and additional staffing related to growth and to ensure service delivery continues to be a priority such as additional staff to focus on Stormwater matters across the Town
- Continue to grow the Town's Tax Funded Capital program to the asset management plan target of \$36.0 million
- 2020 unavoidable budget increases related to previously approved council decisions included in Operating Budget of \$0.9 million
- 2.78% increase in 2020 property taxes in Caledon
- The proposed budget strikes a balance between the continuation of service levels to existing residents/ existing infrastructure and growth