



PROPOSED

# 2014 Budget

Municipality of Port Hope  
David Baxter, Director of Finance  
March 18, 2014

# Overview

- “ Budget Process
- “ Budget Highlights
- “ Budget Summary
- “ Anticipated Next Steps

# Budget Process

September

Departments prepare and submit Capital

October

Departments prepare and submit Operating

November

Management Team Review/Prioritization of Capital

December

Management Team Review of Operating

January -  
March

Budget Presentation to and Review by Budget Committee  
Recommendation to Committee of the Whole

March

Review and Approval by COW and Council

# Budget Process

- “ 3 meetings to review complete budget
  - “ Advertised on website and local papers
  - “ Meetings were open to public
  - “ Agendas posted on website
  
- “ Budget Committee posed questions for clarification, requested reporting back, made amendments to the budget based on information provided
  
- “ Budget approved for consideration at GGF

# 2014 Draft Budget Highlights

**Improves long term Fiscal Responsibility and Sustainability, implementing steps towards the Corporate Strategic Plan:**

- “ Goal 4: Implementing the Strategic Financial Plan
- “ Goal 6: Adequately fund existing infrastructure

“ **Within an increase in tax levy rate of 2.1% :**

- “ Overcomes funding challenges
- “ Accomplishes many positive aspects, both financial but also for community service level enhancement

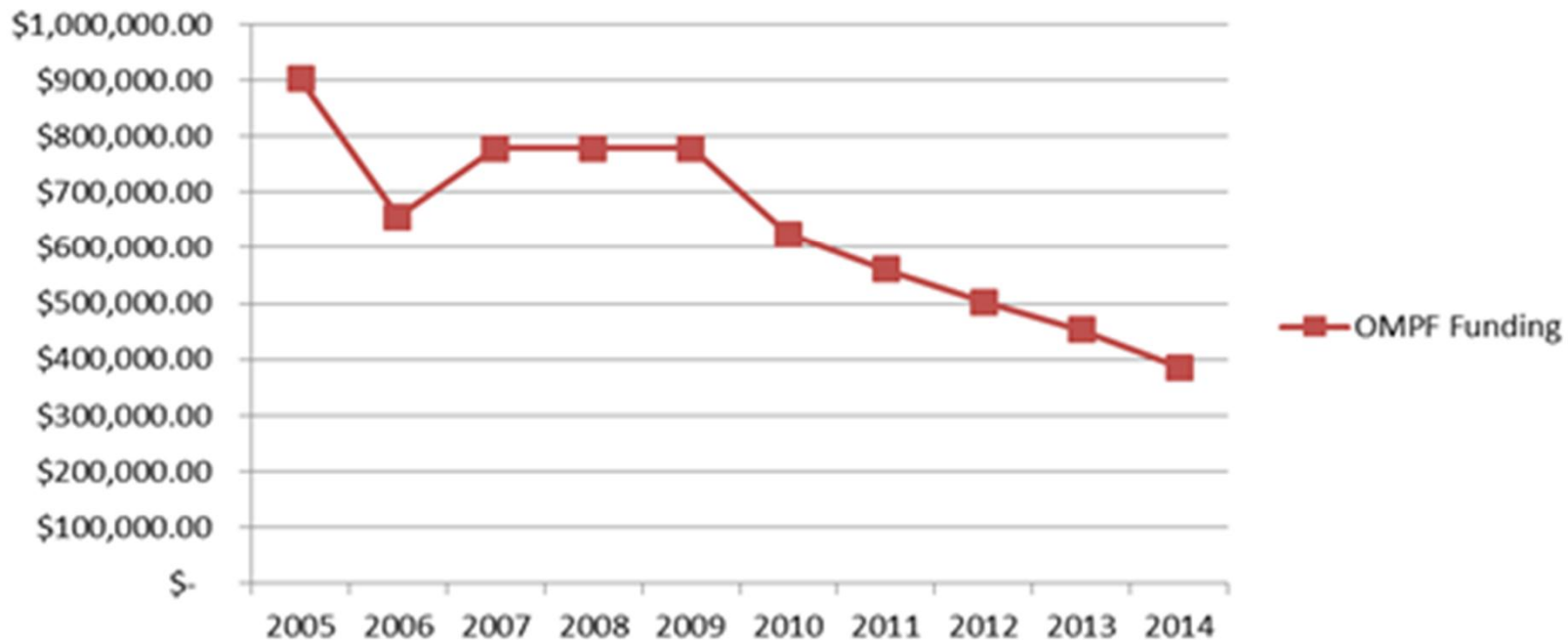
# 2014 Draft Budget Highlights

The 2014 Draft Budget includes financial challenges beyond the Municipalities control, including:

- “ **Reduction in payment in lieu of taxes** of \$90,000 from Hydro One based on successful tax appeal (reflected in general corporate).
- “ **Continued reduced OMPF funding** over the past 10 years, with 2014 being a 15% decrease or \$67,900 less compared to 2013 (Reduction higher than Strategic Plan anticipated by \$17,900).

# 2014 Draft Budget Highlights

**Ontario Municipal Partnership Fund (OMPF)  
Financial Support to Municipality of Port Hope**



# 2014 Draft Budget Highlights

- “ **Service Delivery Review** opportunities implementation resulting in overall cost efficiencies
  - ” Corporate Strategic Plan Goal 8
  
- “ **Assessment Growth** - 2013 was a very strong year for assessment growth in the Municipality of Port Hope, primarily from residential development. As a result, the total weighted assessment of the Municipality has increased 4.6%.



# 2014 Draft Budget Highlights

## **CAPITAL:**

- “ **Downtown Revitalization Plan** (\$310,000 - 100% from Reserves)
  - “ Corporate Strategic Plan Goal 10.3
  
- “ **Renovation and Expansion of the Jack Burger Sports Complex** (\$597,000 - 100% from Reserves)
  
- “ **The addition of an Annual Rural Subdivision Resurfacing program** (\$30,000 – 100% from Reserves)

# 2014 Draft Budget Highlights

**Achieves significant steps, consistent with the Strategic Financial Plan, to enable the Municipality to improve long term sustainability and address the financial requirements of future infrastructure needs:**

- “ **Increased Capital contributions from levy**  
(\$186,000 - 23% improvement from 2013)
- “ **Decreased reliance on reserves for Capital**  
(\$880,000 – 31% reduction from 2013)

# 2014 Draft Budget Highlights

**No longer requires reliance on LLRW interest usage directly applied to reduce levy**

- “ Enables the interest to be used to fund the Equipment and Building reserves
- “ Supports the long term financial requirements of maintaining the Municipal infrastructure - Improving Sustainability
- “ Accomplishes a recommendation in the Strategic Financial Plan
- “ Indirectly lowers current taxes, supports stability and mitigates the risk of longer term increased tax requirements that would otherwise be required without sufficient reserves.

# 2014 Draft Budget Highlights

## Service Level Improvements:

### “ **Shared Contract By-Law Enforcement**

- “ new position to enhance current service level (\$20,000)

### “ **Contract Planning Technician/Heritage Planner**

- “ new position to enhance current service level (\$17,000 – 100% from reserves)

# 2014 Draft Budget Summary

Department	2013	2014		
	Approved Budget	Draft Budget	Budget Variance \$	Budget Variance %
General Corporate	(1,309,300)	(1,200,008)	109,292	8.35%
Council	226,000	224,400	(1,600)	-0.71%
Corporate Services and Administration	1,350,500	1,460,355	109,855	8.13%
Economic Development and Tourism	562,500	575,240	12,740	2.26%
Finance	660,400	797,270	136,870	20.73%
Fire and Emergency Services	1,320,900	1,354,038	33,138	2.51%
Parks Recreation and Culture	1,843,300	1,902,471	59,171	3.21%
Planning and Development	237,600	273,600	36,000	15.15%
Works and Engineering	3,543,600	3,554,728	11,128	0.31%
Capital (includes Library Capital)	803,100	989,000	185,900	23.15%
<b>Sub Total Municipal Operating</b>	<b>9,238,600</b>	<b>9,931,094</b>	<b>692,494</b>	<b>7.50%</b>
Library	633,100	637,600	4,500	0.71%
Police	4,764,700	4,890,457	125,757	2.64%
<b>Total Operating and Capital</b>	<b>14,636,400</b>	<b>15,459,150</b>	<b>822,750</b>	<b>5.62%</b>

# 2014 Draft Budget Summary

Tax Rate Calculation	2013	Draft 2014	Variance \$	Variance %
Budget Levy	14,636,400	15,459,150		
Less LLRW Interest Usage	(150,000)			
Total Net Levy	14,486,400	15,459,150		
Total Weighted Assessment	1,859,303,774	1,944,118,386	84,814,612	4.6%
Base/Residential Rate	0.77913%	0.79518%		
<b>Per \$100k Weighted Assessment</b>	779	795	<b>16</b>	<b>2.1%</b>
Average Residential CVA 2013**	242,065	242,065	-	
Tax Impact on above	1,886	1,925	<b>39</b>	2.1%
Average Residential CVA Change**	242,065	243,520	1,455	0.6%
Tax Impact on above	1,886	1,936	50	2.7%

\*\* Based on MPAC Property Tax Code 301 - Single Residential Unit

# Anticipated Next Steps

- “ March 25, 2014 – Council approval of 2014 Budget
- “ April 1, 2014 – Report to GGF regarding area rating approach and tax rates requesting direction
- “ April 2014 – Approval of tax rating by-law
- “ May 2014 – Preparation of final tax bills
- “ June 2014 – Final Tax Bills sent