

Municipality of Port Hope

2015 Capital & Operating Budget

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Budget Process

- Departments prepare and submit budgets
- Management Team reviews and establishes proposed budget
- 3 Budget Committee meetings to review complete budget
 - Advertised on the 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 Committee recommends final review and approval by Council



Budget Additions

- Maintaining the Bylaw Enforcement Officer
- Maintaining the Heritage Planner position
- Providing interim Finance Department assistance
- Administering Emerald Ash Borer treatments



Community Grants

- Included in non-departmental budget
- 17 applications were received, totalling \$250,966
- 10 community grants approved \$138,647
 - ” \$92,100 from Levy
 - ” \$46,547 from Reserve



Budget Reductions

- Eliminating paper ballot voting for the 2018 election
- A reduction of 2 roads operators which also eliminates the need to replace a plow truck
- Placing a hold on re-hiring the Development Technician position in 2015
- Discontinuing the spring and fall leaf and yard waste pickup program as the County is now providing this service
- Reduction of annual Works and Engineering programs of \$190,057, excluding roads resurfacing and sidewalk repair



Top Three Challenges

- \$400,000 decrease in revenue which previously arose as a result of charging the water utilities interest on the open projects which were being interim funded out of the general bank account. This circumstance no longer generates the amount of revenue previously budgeted for and therefore must be removed from the budget.
- Need to recognize an estimated \$100,000 for allowance for doubtful tax accounts receivable pertaining to properties with property valuations less than the amount owed to the Municipality that are moving through the tax sale process
- The 2015 impact of annual decrease in Ontario Municipal Partnership Fund (OMPF) amounting to \$77,000



Water and Wastewater Utility Systems

- Within the capital and operating budgets identified in the rate study
- No levy impact



Positive Steps

- Use of the Equipment & Building Reserves
 - Limited to capital projects that resulted in operational savings
 - Paid back within a few years
- No new debenture requirements
- Any remaining contingency to be contributed to capital reserves



Capital (6 of 26 Projects)

- Alexander Street Water and Sewer Rehabilitation
- Sanitary Sewer Twinning
- Pumper/Rescue Truck Down Payment
- Challice Line . joint project with Township of Cavan Monaghan
- Ward Street Improvements (Developer Partnership)
- Off Leash Dog Park . Fencing



Capital

26 Projects Total \$3.04 Million

General Municipal

- ” 15 projects
- ” \$0.66 million
- ” \$0.31 million from levy
- ” \$0.35 million from other funding sources

Water and Wastewater Utilities

- ” 11 projects
- ” \$2.38 million
- ” Outstanding grant application for \$0.42 million



Summary of Draft Municipal Levy Changes

		Levy Impact Inc (Dec)	% Levy Impact
2014 Levy	15,459,150		note 1% = \$154,592
Weighted Assessment Increase	3.8%	(580,283)	
Weighted Assessment Adjust from levy	0.4%	(61,837)	
Total change in Weighted Assessment	4.2%	(642,119)	
Service Departments Operating		(134,213)	-0.9%
Capital moved to Operating		751,355	4.9%
Previously Capital now not in Capital		(751,355)	-4.9%
Capital change vs last year		73,355	0.5%
General Corporate		702,977	4.5%
Municipal before External Boards		<u>(0)</u>	0.0% after 3.8% Growth
External Board Departments		16,618	0.1%
Subtotal		<u>16,618</u>	0.1%
Contingency Fund		215,382	1.4%
Total		<u>232,000</u>	1.5%



Future Budget Considerations

- Staff were requested to provide additional reduction options
- Incorporated as determined by Budget Committee (e.g. 2015 reduction of annual Works and Engineering programs)
- Effect of increase in future year budgets when re-incorporated
- Future budgets will need to incorporate contributions to reserves in accordance with the Strategic Financial Plan and Asset Management Plan
- Not achievable within 0% target in 2015



Impact to Taxpayer

- Budget identified for 38 major budget components
 - Total dollars
 - Value per \$100,000 weighted assessment
 - Amount for an average residential property value
- Includes common and special services



Special Services

Ward 1 Special Services Include:

- “ Port Hope Police Service
- “ Parking
- “ Transit
- “ Sidewalks
- “ Christmas Tree/Yard Waste Pickup
- “ Registered non site-specific Parks, Recreation and Culture programming administered by the Municipality

Ward 2 Special Services Include:

- “ Ontario Provincial Police

- “ A portion of the cost for the Police Services Board, Community Policing, crossing guards, streetlights, and parks is included in the special service charges for each Ward.



2015 Budget

	Ward 1		Ward 2		Total
Common Allocated by WA	\$ 7,284,919	\$	2,696,921	\$	9,981,840
Special Services	\$ 5,504,731	\$	846,697	\$	6,351,428
Phase in Adjustment	\$ 877,500	\$	(877,500)	\$	-
Phase in adjusted Ward specific	\$ 6,382,231	\$	(30,803)	\$	6,351,428
Total Municipal Budget Levy by Ward	\$ 13,667,150	\$	2,666,118	\$	16,333,268
Use of LLRW Funds	\$ (231,200)	\$	(248,000)	\$	(479,200)
Municipal Levy After Use of LLRW Funds	\$ 13,435,950	\$	2,418,118	\$	15,854,068
Increase/(Decrease) Compared to Prior Year	\$ 359,408	\$	35,510	\$	394,918
Change on Municipal Levy	3%		1%		3%



Full Property Tax Bill Impact

	Per \$100,000 Weighted Assessment (WA)			AVG RES* WA: 256,000	
	Common	Special Service		Common & Special Service	
		Ward 1	Ward 2	W1 Total	W2 Total
2014 Total Property Tax		1,593.19	1,128.22	4,079	2,888
2015 Property Tax Components					
Municipal		908.84	441.83	2,327	1,131
County		471.78	471.78	1,208	1,208
Education		195.00	195.00	499	499
2015 Total Property Tax		1,575.61	1,108.60	4,034	2,838
Total Property Tax Increase/(Decrease)		(17.57)	(19.62)	(45)	(50)
		-1.1%	-1.7%	-1.1%	-1.7%

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



Anticipated Next Steps

- Pass Resolution to approve 2015 Capital and Operating Budget
- Pass By-law to authorize use of LLRW funds and establish 2015 Levy Rates
- Early June 2015
 - Final Tax Bills issued
 - Tax Installment Due Dates:
 - June 30, 2015
 - September 30, 2015

