

March 4, 2019

City of Owen Sound Operating and Capital budget

Purpose of Tonight's Meeting

- To Review the final draft of the 2019 Operating and Capital Budget
- Receive staff report with recommendation to direct staff to bring forward a by-law accepting the 2019 Budget as presented

Process to Date

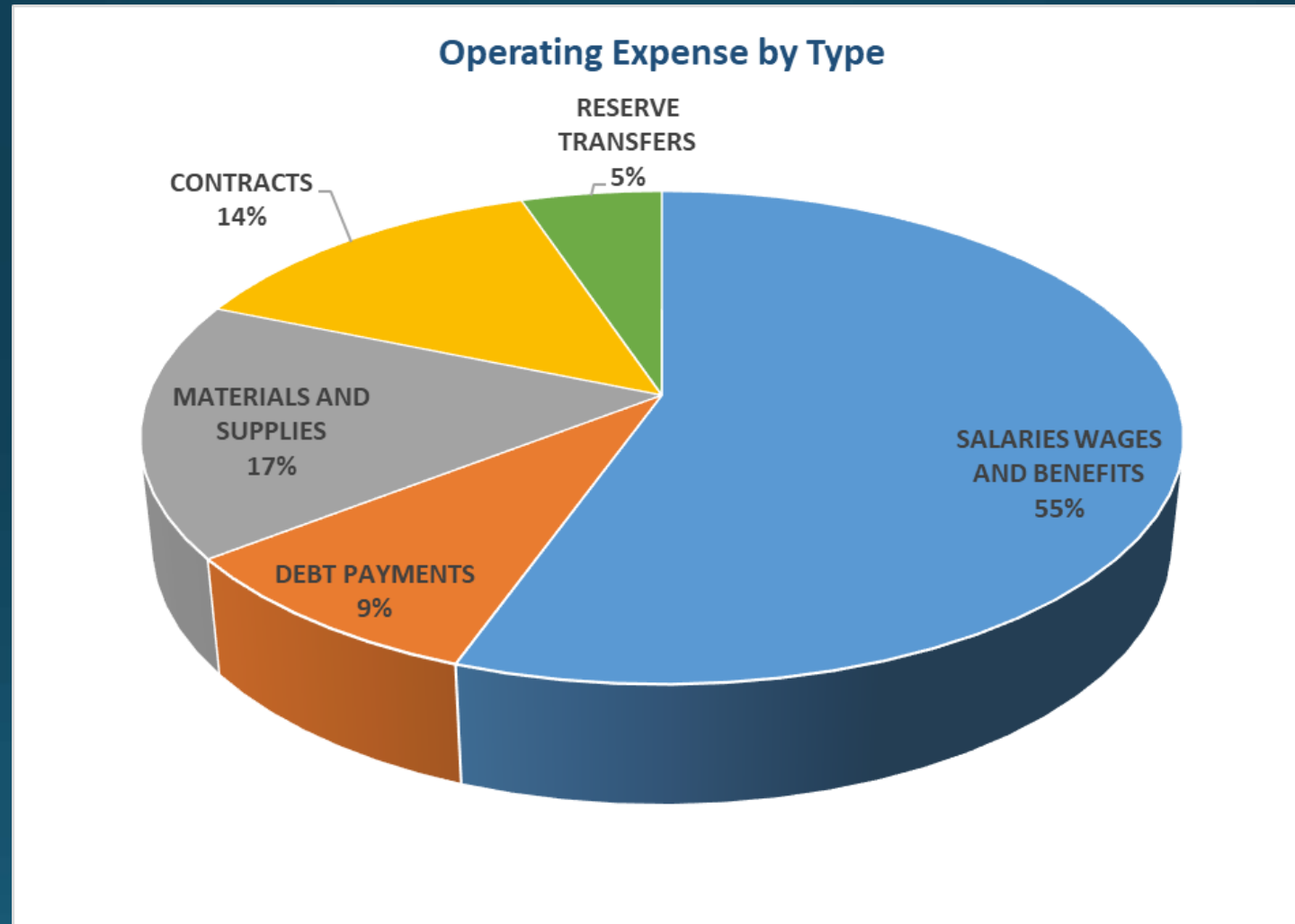
- The budget process starts in the late summer as staff begin to plan and prepare the next year's budget.
- Operating budgets are carried forward and then changes are made to reflect current year conditions and service levels
- Staff meet as a group to discuss potential recommended and planned capital projects
- Council meetings are held at three stages to review each component of the budget. The first meeting in early January on the Capital budget and the second meeting in January focused on Operating.
- Tonight is the final budget meeting to review the completed draft document.

2019 Draft Operating Budget

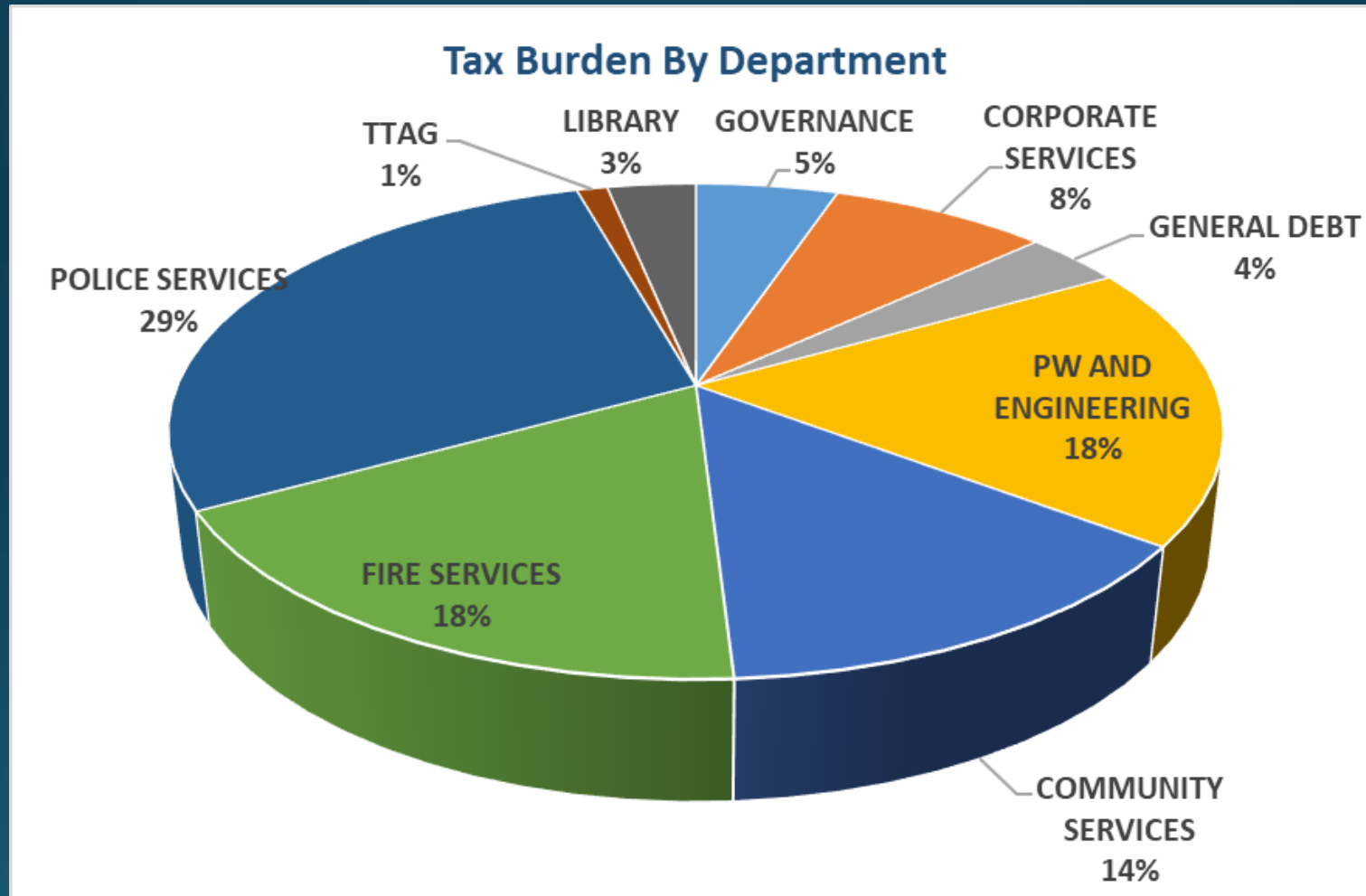
- Overall Levy increase is \$1,006,077 or 3.06%
- Combined increase after prior year growth is factored in is 2.51%
- Estimated Total increase to average household is \$88.16

<i>Increase Summary</i>	
BASE BUDGET	1.96%
GROWTH IMPACT	-0.97%
CORRECTIONS	-0.58%
SERVICE LEVEL CHANGES	0.81%
PRIOR YEAR DECISION IMPACT	0.76%
POLICE SERVICES	0.60%
OMPF (TBA)	0.00%
CAPITAL	0.90%
BUDGETARY INCREASE	3.48%

Operating Expenses by Type



Tax Burden by Division



2019 Capital Program

- Budget includes a dedicated 0.9% increase to capital spending
- Plus allocation of matured debenture payments totalling \$307,000
- \$202,000 is transferred to reserves to help offset capital burden in future years.

Major Capital Projects

- Completion of electrical and water upgrades at Harrison Park and the Campground
- Continuing engineering and starting construction phase of the 10th St Bridge replacement
- “Horseshoe” watermain upgrades in anticipation of 10th St Bridge replacement
- Downtown River Precinct Phase 1 design and construction
- Enhancements to Duncan McLellan Baseball complex
- Enhancements to Harrison Park
- Retaining wall replacement at the Library and main floor renovations

Summary of changes since Pre Budget II

- Notice from province that OMPF will remain virtually the same
- Police budget increase is 2.25%, down from 3.7%
- County Budget increase is 1.75%, down from 2.3%
- Reduced salary expenses for change in scope of non union position
- Reduced winter control materials to \$400,000
- Removed the funding to the DC Reserve

How Tax Dollars are Allocated

- Average Residential Taxes in 2019 after 2.64% increase estimated to be \$3,603.

COUNTY	\$ 688.00		
SCHOOL	\$ 357.00		
CITY	\$2,560.00	}	CORE SERVICES \$1,066.33
			POLICE AND FIRE \$1,056.32
			LIBRARY \$ 76.78
			CAPITAL AND DEBT \$ 360.57

Questions or Comments

2019 PROPOSED BUDGET - TALLY SHEET

DIV	Division Name	2018 Approved Budget	2019 Draft Budget	Difference
1000	Mayor and Council	\$236,781	\$288,351	\$51,569
2000	City Manager	\$250,860	\$255,010	\$4,150
6000	DIA Management	\$0	\$52,674	\$52,674
2301	Non Departmental	\$458,100	\$273,100	(\$185,000)
2302	Debentures	\$1,576,785	\$1,523,451	(\$53,333)
2502	Grants	\$241,122	\$188,170	(\$52,952)
2100	Corporate Services Director	142,568	166,608	\$24,040
2110	City Clerk	467,287	490,094	\$22,807
2513	Animal Control	43,700	43,450	(\$250)
2511	Bylaw	219,369	221,277	\$1,908
2512	Parking	(0)	60,203	\$60,203
2120	Human Resources	272,383	276,776	\$4,393
2130	WSIB	168,444	71,244	(\$97,200)
2230	Information Technology	331,243	397,483	\$66,240
2310	Accounting	181,391	241,591	\$60,200
2340	Payroll	77,094	77,114	\$19
2320	Purchasing	137,935	90,724	(\$47,211)
2370	Asset Manager	\$24,941	\$32,017	\$7,076
2360	GIS	10,825	9,595	(\$1,230)
2330	Tax Office	85,281	93,708	\$8,427
2140	Service Owen Sound	38,088	45,453	\$7,365
2400	Operations Director	89,841	107,039	\$17,198
2401	Transit	937,601	975,524	\$37,922
2402	Airport	199,202	207,447	\$8,244
2410	Works Administration	158,650	181,485	\$22,835
2411	Labour and Fleet	(5,940)	(2,101)	\$3,839
2412	Works Maintenance	843,002	847,626	\$4,624
2412	Winter Control	1,594,927	1,672,466	\$77,539
2426	Storm and Drainage	98,905	99,105	\$200
2501	Source Water Protection	-	-	\$0
2440	Engineering	275,165	277,386	\$2,220
2413	Traffic and Street Lights	434,850	403,684	(\$31,166)
2416	Waste Management	344,977	488,634	\$143,657
2417	Solar Revenue	(60,000)	(121,712)	(\$61,712)
2425	Landfill	193,162	204,543	\$11,381
2500	Community Services Director	43,568	50,789	\$7,221
2510	Building/Plumbing Inspections	18,523	14,285	(\$4,238)
2520	Planning	266,955	298,144	\$31,190
2532	Community Programs	(6,250)	3,611	\$9,861
2533	Facilities Bookings	(773,999)	(802,378)	(\$28,379)
2414	Parks and Open Spaces	1,352,346	1,471,958	\$119,612
2415	Cemetery	278,506	302,761	\$24,255
2530	Community Development	238,341	236,446	(\$1,895)
2531	Business Enterprise Centre	15,000	-	(\$15,000)
2540	Tourism	161,495	161,943	\$448
2541	Special Events	126,646	143,207	\$16,561
2430	Building Manager	42,509	38,535	(\$3,974)
2431	City Hall	178,800	221,204	\$42,404
2432	Police Building	264,800	269,361	\$4,561
2433	Bayshore	961,498	994,517	\$33,019
3436	Regional Recreation Complex	846,491	902,548	\$56,057
2435	Other Properties	282,430	177,600	(\$104,830)
2600	Fire Department	4,976,083	5,202,604	\$226,521
3000	Police Services Board	42,536	64,046	\$21,510
3100	Police Officers	6,090,102	6,135,942	\$45,841
3200	Police Civilians	839,053	1,053,140	\$214,087
3300	Court Security	345,579	228,579	(\$117,001)
4000	Art Gallery	285,000	325,000	\$40,000
5000	Library	906,849	939,800	\$32,951
	Sub Total Net Operations	27,851,402	28,672,859	821,457
	Tax Supported Capital	1,946,394.35	2,171,000.00	\$224,606
	Matured Debt	247,606	307,370	\$59,764
	Sub Total Net Expenses	30,045,402	31,151,229	\$1,105,827

Other Revenues

100	Supplemental Assessment		(100,000)	(175,000)	(\$75,000)
100	DC 'HOLIDAY' FUNDING		0	-	\$0
100	Education Portion Retained		(95,000)	(95,000)	\$0
100	Anticipated			-	\$0
100	Appealed Tax Write Off's & Rebates		700,000	700,000	\$0
103	Penalty and Interest on Taxes		(300,000)	(350,000)	(\$50,000)
103	General Interest Income		(35,000)	(5,000)	\$30,000
101	Payment In Lieu of Taxation (H & B's)		(80,946)	(85,696)	(\$4,750)
102	OMPF		(1,140,000)	(1,140,000)	\$0
Sub Total Other Revenues					
			(1,100,946)	(1,150,696)	(\$49,750)
Difference to Raise From Taxation					
			\$ 28,994,456	\$ 30,000,533	\$1,006,077

Net Levy Increase 3.47%

Previous Year's Growth		-	(117,495)	(\$117,495)
Difference to Raise From Taxation				
		\$ 28,994,456	\$ 29,883,038	\$888,582

Increase Realized by Tax Payers 3.06%
Combined Increase 2.51%

Revenue Neutral Departments			
Water operating surplus	(1,080,278)	(1,198,644)	(118,366)
Waste Water operating surplus	(63,255)	(240,148)	(176,893)

Average Household		2018	EST. INCREASE	
Municipal	71%	2,484.31	\$ 76.14	3.06%
County	19%	672.73	\$ 15.00	1.75%
School	10%	357.40	\$ -	0.00%
		3,514.44	\$ 88.16	2.51%

2019 BUDGETED OPERATING EXPENDITURES AND REVENUES BY DEPARTMENT

	SALARIES AND BENEFITS	MATS AND SUPPLIES	CONTRACT SERVICES, EXTERNAL TRANSFERS, AND RENTS	DEBT PAYMENTS	TRANSFER TO RESERVES	INTERNAL ALLOCATIONS	TOTAL EXPENSES		GRANTS & MUNICIPAL CONTRIBUTIONS	USER FEES, RENTALS AND OTHER REVENUE	TAX LEVY
<i>GOVERNANCE</i>	498,766	535,050	228,350	1,042,433	63,500.00	180,000	2,548,099	5%			2,548,099
<i>CORPORATE SERVICES</i>	1,522,508	986,728	512,250	84,574	48,500	(502,276)	2,652,284	6%		334,950	2,317,334
<i>PUBLIC WORKS AND ENGINEERING</i>	2,610,957	1,412,921	2,903,100	168,627	250,000	(35,000)	7,310,605	16%	483,000	1,486,480	5,341,125
<i>WATER AND WASTE WATER</i>	3,199,818	2,293,438	665,250	2,256,515	1,513,793	357,276	10,286,089	22%		12,042,950	(1,756,860)
<i>FACILITIES</i>	982,685	838,590	223,000	42,631	79,000		2,165,906	5%		52,705	2,113,201
<i>COMMUNITY SERVICES</i>	2,820,834	814,478	357,645	68,681	198,500		4,260,137	9%	8,000	2,371,370	1,880,767
<i>FIRE</i>	4,649,549	247,555	78,000	4,672	239,000		5,218,776	11%		11,500	5,207,276
<i>POLICE SERVICES</i>	9,058,649	551,529	330,634	476,347	0		10,417,159	22%	648,618	1,541,127	8,227,414
<i>LIBRARY</i>	9,081		972,821		0		981,902	2%	42,102		939,800
<i>ART GALLERY</i>	419,790	129,325	32,900	50,000	0		632,015	1%	150,265	156,750	325,000
	25,772,636	7,809,615	6,303,950	4,194,479	2,392,293	0	46,472,972		1,331,985	17,997,832	27,143,155
	55%	17%	14%	9%	5%	0%					
									OMPF FUNDING		(1,140,000)
									PIL'S		(85,696)
									NET CAPITAL LEVY		2,481,000
									NET WATER AND WASTE WATER CAPITAL LEVY		1,756,860
									TAX PENALTIES AND INTEREST		(350,000)
									INTEREST INCOME		(5,000)
									SUPPS AND MISC TAX CHANGES		535,000
									NET TAX LEVY		30,335,320



City of Owen Sound Capital Budget Summary - 2019 AS AMENDED JANUARY 23, 2019

Project Description	2019															Total		
	2019	2020	2021	2022	2023	Recom'd	Taxation	Carry Forward	Reserves	Utilities	Donations/User Fees/Other Municipal	Grants	OCIF	Gas Tax	Debenture / Future Financing		Development	Funding
	Information Technology	723,738	391,000	415,000	176,000	242,000	\$ 529,438	171,333	71,250	147,192	139,663	-	-	-	-		-	-
General Government	15,000	45,000	-	-	-	\$ 15,000	-	15,000	-	-	-	-	-	-	-	-	\$ 15,000	
Asset Management	62,040	-	-	-	-	\$ 62,040	-	12,000	-	-	-	50,040	-	-	-	-	\$ 62,040	
GIS	-	5,000	5,000	5,000	5,000	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -	
Parks, Cemetery and Playgrounds																		
Prior year and Carry forward	771,000	253,000	-	-	-	\$ 765,000	-	-	215,000	-	-	-	-	-	550,000	-	\$ 765,000	
Harrison Park	463,500	417,000	233,000	228,000	153,000	\$ 213,500	146,500	10,000	34,000	-	23,000	-	-	-	-	-	\$ 213,500	
Kelso Beach Park	5,000	90,000	315,000	250,000	-	\$ 5,000	5,000	-	-	-	-	-	-	-	-	-	\$ 5,000	
Victoria Park	109,500	-	-	100,000	-	\$ 105,000	5,000	-	-	-	100,000	-	-	-	-	-	\$ 105,000	
Queen's Park	19,000	7,500	7,500	77,500	115,000	\$ 19,000	16,000	3,000	-	-	-	-	-	-	-	-	\$ 19,000	
Other Parks	34,500	32,500	7,500	57,500	7,500	\$ 29,500	29,500	-	-	-	-	-	-	-	-	-	\$ 29,500	
Sportsfields	165,000	-	216,000	260,000	150,000	\$ 165,000	40,000	-	-	-	125,000	-	-	-	-	-	\$ 165,000	
Kiwanis Soccer Complex	15,000	10,000	10,000	10,000	10,000	\$ 15,000	14,000	-	-	-	1,000	-	-	-	-	-	\$ 15,000	
Trails	20,000	10,000	10,000	10,000	110,000	\$ 20,000	10,000	10,000	-	-	-	-	-	-	-	-	\$ 20,000	
Cemetery Capital	65,000	60,000	209,500	39,500	29,500	\$ 65,000	40,000	25,000	-	-	-	-	-	-	-	-	\$ 65,000	
Playgrounds	648,500	39,500	7,500	97,500	157,500	\$ 618,500	142,500	-	-	-	100,000	376,000	-	-	-	-	\$ 618,500	
Planning and Heritage	77,500	2,500	2,500	2,500	2,500	\$ 77,500	-	52,500	15,000	10,000	-	-	-	-	-	-	\$ 77,500	
Special Events	-	-	-	-	-	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -	
Economic Development	25,000	-	-	-	-	\$ 10,000	10,000	-	-	-	-	-	-	-	-	-	\$ 10,000	
Facilities																		
City Hall	-	300,000	-	-	-	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -	
Bayshore	106,000	1,717,000	468,000	274,000	125,000	\$ 106,000.00	106,000	-	-	-	-	-	-	-	-	-	\$ 106,000	
JMRRRC	48,000	72,000	200,000	12,000	-	\$ 48,000.00	13,000	-	25,000	-	-	10,000	-	-	-	-	\$ 48,000	
Works	166,500	275,000	-	-	44,000	\$ 76,500.00	61,500	15,000	-	-	-	-	-	-	-	-	\$ 76,500	
Police Building	-	87,000	-	10,000	70,000	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -	
Animal Control	-	67,000	2,000	7,000	12,000	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -	
Other	443,500	467,000	65,000	25,000	79,000	\$ 93,500.00	68,500	25,000	-	-	-	-	-	-	-	-	\$ 93,500	
Energy Management Plans	66,000	60,000	45,000	-	-	\$ 66,000.00	36,000	-	30,000	-	-	-	-	-	-	-	\$ 66,000	
Library	273,000	176,000	61,000	61,000	121,000	\$ 273,000	131,000	-	142,000	-	-	-	-	-	-	-	\$ 273,000	
Engineering																		
Water	3,185,000	1,490,000	2,545,000	1,265,000	500,000	\$ 3,150,000.00	-	-	645,000	805,000	-	-	-	-	1,700,000	-	\$ 3,150,000	
Waste Water	755,000	2,585,000	1,110,000	3,550,000	350,000	\$ 605,000.00	-	-	150,000	455,000	-	-	-	-	-	-	\$ 605,000	
Roads, Bridges, Culverts and sewer	6,248,000	10,037,500	8,200,500	7,332,000	8,337,000	\$ 6,370,000.00	923,250	15,000	211,550	347,200	105,000.00	1,372,000	1,950,000	666,000	700,000	80,000	\$ 6,370,000	
Streetlights	260,000	340,000	340,000	95,000	100,000	\$ 265,000.00	50,000	50,000	109,000	-	-	56,000	-	-	-	-	\$ 265,000	
Traffic Signals	-	250,000	250,000	325,000	325,000	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -	
Contract Services																		
Transit	78,000	12,000	65,000	-	-	\$ 78,000.00	-	-	-	-	-	78,000	-	-	-	-	\$ 78,000	
Airport	102,500	82,000	380,000	80,000	80,000	\$ 102,500.00	73,000	-	29,500	-	-	-	-	-	-	-	\$ 102,500	
Waste Management	15,000	200,000	17,000	-	-	\$ 15,000.00	-	-	15,000	-	-	-	-	-	-	-	\$ 15,000	
Energy	-	-	-	-	-	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -	
Fleet & Equipment	1,554,700	500,500	357,500	84,500	61,500	\$ 1,554,700.00	-	-	1,554,700	-	-	-	-	-	-	-	\$ 1,554,700	
Parking	-	-	-	-	-	\$ -	-	-	-	-	-	-	-	-	-	-	\$ -	
Fire	85,900	2,188,800	335,800	7,300	232,300	\$ 73,900.00	34,700	30,000	9,200	-	-	-	-	-	-	-	\$ 73,900	
Police	150,000	150,000	150,000	150,000	150,000	\$ 150,000	150,000	-	-	-	-	-	-	-	-	-	\$ 150,000	
Division Total	\$ 16,756,378	\$ 22,419,800	\$ 16,030,300	\$ 14,591,300	\$ 11,568,800	\$ 15,741,578	\$ 2,276,783	\$ 333,750	\$ 3,332,142	\$ 1,756,863	\$ 454,000	\$ 1,942,040	\$ 1,950,000	\$ 666,000	\$ 2,950,000	\$ 80,000	\$ 15,741,578	