



Town of
East Gwillimbury

2012 Business Plan and Budget

Executive Summary



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This is a summary of the Town of East Gwillimbury 2012 business plan and budget as approved by Council on December 19, 2011. A detailed budget document is available on the Town web site at www.eastgwillimbury.ca or by calling 905.478.4282.

East Gwillimbury

The Town is organized to provide services to its residents through a Town Council, a Chief Administrative Officer, and five departments as follows:



In September 2011, Council approved the Town’s strategic plan for 2011-2014. This is the Town’s vision for the future: it sets direction and priorities for how we will spend our residents’ tax dollars, how we will continue to build on our investments, and provide quality programs and services for our residents.

The vision is *Our Town, Our Future*: We are proud of our strong community values, our culture, and our healthy mix of residential, employment, recreational, agricultural and natural areas. We work together to plan and retain a thriving community for today and tomorrow.

This vision is achieved by organizing effort within five strategic pillars:

Programs & Services

provide programs and services for a safe, accessible and livable community

Growth Management

manage growth for a community that is environmentally responsible and provides healthy places to live, work, play and learn

Natural Environment

protect, restore and enhance the Town's natural resources while working for a cleaner environment

Infrastructure

maintain and build on the Town's investment in infrastructure including roads, sidewalks, facilities, parks, water and sewer systems, and information technology

Municipal Government

continue to enhance a transparent and accountable municipal government focused on excellence

The annual business plan and budget is part of the implementation of the strategic plan, and identifies the priorities and funding for programs and services that support the strategic pillars this year. This guides how we continue to build on our investments and deliver the programs to our residents.

Key themes

In the development of the 2012 business plan and budget, Town Council and staff established these guiding principles:

- appreciate the current economic climate
- generally limit any tax levy increase within the current rate of inflation
- maintain quality programs and services for residents
- ensure services are provided cost-effectively
- consider new initiatives separately from the base budget

Budget pressures

There were financial pressures that needed to be addressed in the 2012 budget:

- recessionary trends in the global economy
- increased parklands and trails to maintain
- expanded community facilities at the sports complex to maintain
- increased costs related to replacement and renewal of Town assets
- preparations for growth in advance of growth revenues
- increased length of roads and sidewalks for maintenance and snow removal

Mitigating factors

Pressures were mitigated by:

- ensuring services are provided in cost-effective ways
- retiring the Town debt
- limiting new initiatives
- promoting the tax deferral option for seniors
- leveraging partnerships and joint purchasing opportunities
- increasing non-residential assessment and non-tax revenues
- realigning existing resources to address new priorities where possible to keep costs down

The Town's 2012 budget

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2012 budget summary

What's new in the 2012 budget?

Although the current provincial rate of inflation is running around 2.6%, the Town of East Gwillimbury has achieved a 2012 base budget that does not require a tax levy increase. The base budget provides for the same level of programs and services residents received in 2011.

The 2012 budget also provides for a public safety initiative that will add one new firefighter as well as an increased level of service to support community parks, facilities and events. The cost of these enhanced services equates to a 2.1% tax levy increase, well below the provincial rate of inflation.

For an average home in East Gwillimbury assessed at a value of \$375,000, the 2.1% tax levy increase represents an approximate \$27 increase per year.

Please note that the property tax increase referred to pertains only to the Town portion.

In addition to achieving the above, the Town is also debt free beginning in 2012.

With regard to water/wastewater, although the Region has increased its charges to the Town by 10% in 2012, rates to our property owners are proposed to increase by only 9%.

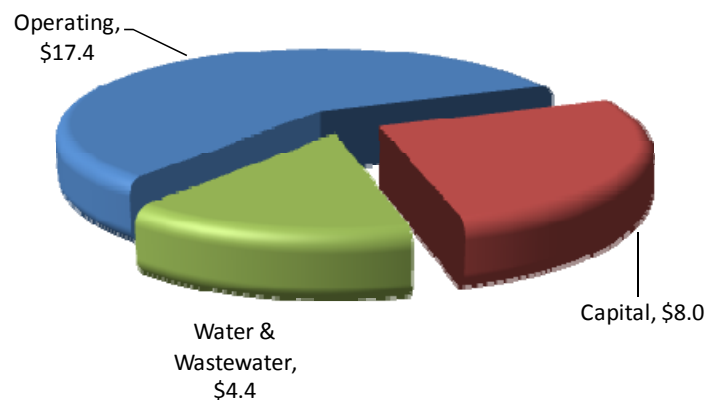
In summary, quality, cost-effective programs and services have been enhanced with a tax levy increase well below the provincial rate of inflation. In addition, the proposed water/wastewater rate increases have been held below the Region cost increase.

Property taxes are collected by the Town based on the assessed value of each property as established by the province's Municipal Property Assessment Corporation. Of the total property taxes paid by a property owner, only about one-third of it goes to the Town. The remaining two-thirds of the total taxes collected is transferred to the Province to pay for public schools, and to York Region to pay for programs such as health services, police, transportation, and regional roads (about half the roads in East Gwillimbury are owned and managed by the Region).

Spending

The total 2012 budget is \$29.8 million. To represent how the budget will be spent, expenditures are grouped into three categories: operations, capital, and water/wastewater.

Figure 6
2012 Gross Expenditures
(Shown in millions, total \$29.8 million)



Operating Fund (\$17,383,605)

The operating budget deals with the recurring costs of services. These services include road maintenance, snow removal operations, garbage collection, fire and emergency services, maintaining parks, planning, and library services. Approximately 90% of property tax revenue collected by the Town is allocated to the operating fund. The balance supports capital.

Capital Fund (\$8,042,730)

The capital budget deals with the non-recurring costs of projects and the purchase of tangible assets. These include items such as road and bridge construction, purchase of snow removal equipment and emergency vehicles, and construction of parks. Capital expenses are paid for primarily by development-related charges and capital grants from other levels of government. Key capital priorities in 2012 include:

- road and sidewalk repairs
- community space partnership with the York Region District School Board
- a new fire pumper/tanker truck
- playground replacement in Queensville
- lighting and furniture enhancements in Town parks

Water/Wastewater Fund (\$4,349,691 - proposed)

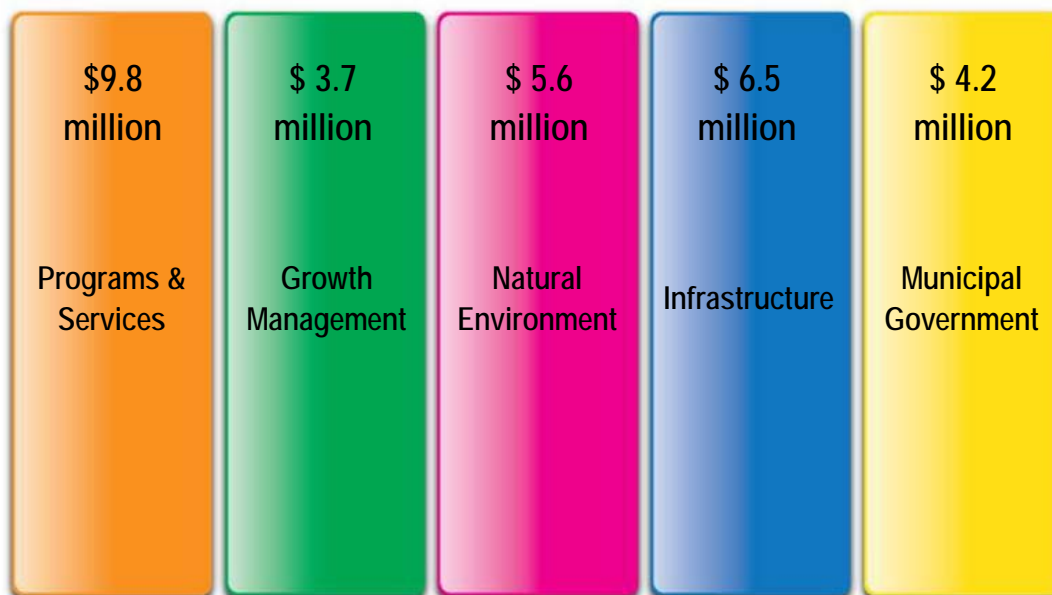
The water and wastewater budget deals with the costs of providing clean, safe drinking water, and the removal and treatment of sewage. Included are the repair and replacement of infrastructure as well as testing to ensure the safety of the water our families drink. Property owners in East Gwillimbury pay for these services not through taxes but directly through water and wastewater charges each quarter.

In 2010, the Town began to phase in a new water/wastewater rate structure that provides a financial incentive for residents and businesses to save money when they reduce their consumption. In 2012 the final phase of this new structure will be implemented.

Spending matches strategic directions

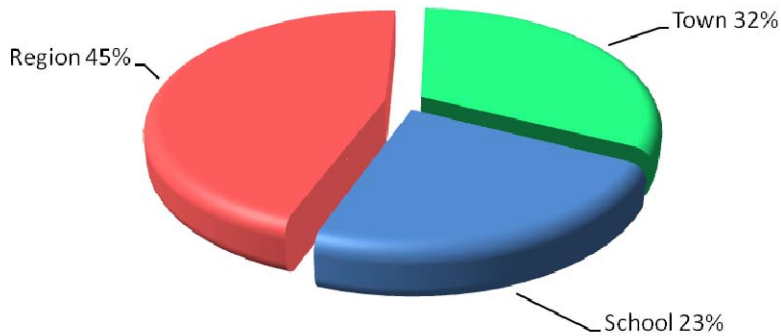
Through its strategic plan the Town is guided by the five pillars described on page 2. Figure 7 illustrates how the 2012 budget supports these strategic pillars.

**Figure 7
Alignment with strategic pillars**



Revenues

Figure 2
Where your residential property taxes go



The 32% Town portion of the residential property tax dollar is used by the Town to provide programs and services for East Gwillimbury residents. Figure 3 shows how much of each tax dollar is spent on these programs.

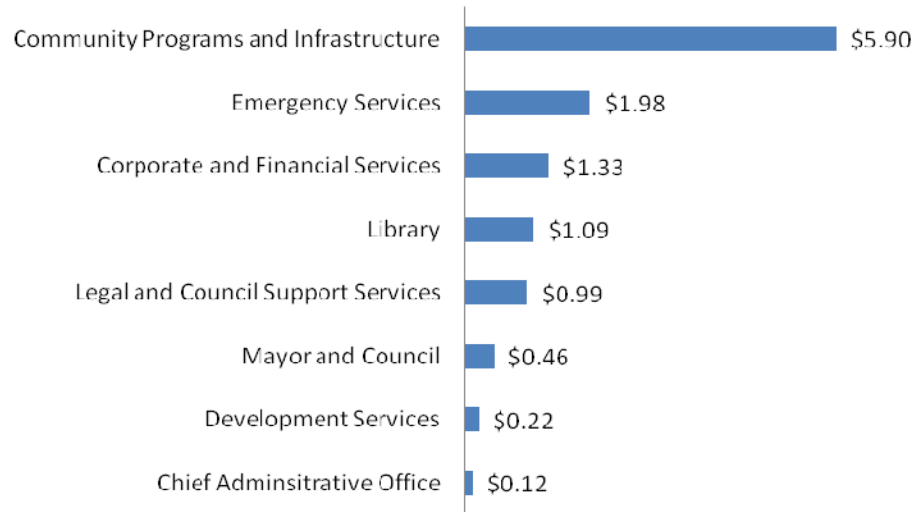
Figure 3
How the Town portion of property taxes is spent

Roads, bridges & sidewalks	32 ¢
Fire & emergency Services	21 ¢
Recreation facilities	13 ¢
Public library	12 ¢
Parks services	15 ¢
Garbage & waste collection	7 ¢



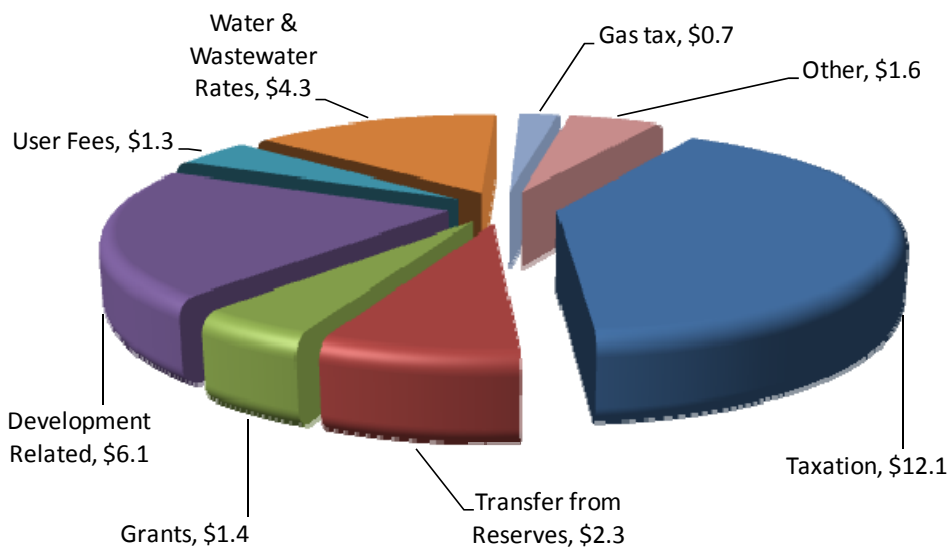
Another way to understand how property taxes are used by the Town is demonstrated in Figure 4, which shows allocation by municipal department. The responsibilities of each of these departments are summarized on page 1.

Figure 4
2012 Net Budget Funded From Taxes
(Shown in millions, total \$12.09 million)



In addition to property tax revenue, the Town is able to leverage other sources of funding to access the money needed to provide for our residents. In Figure 5, you can see that property taxation represents about one-third of the Town's total revenues.

Figure 5
2012 Sources of Funding
(Shown in millions, total \$29.8 million)



Budget process overview

The Town's business plan and budget process is a year-round initiative. A proposed draft is brought forward in the fall and Council typically approves the business plan and budget in December or January. Program implementation throughout the year is accompanied by in-year reporting, and the process begins again the next fall.

Figure 8
2012 Budget Process



Throughout the process there have been many opportunities for public input. The budget process was advertised regularly on the Town's page in the Era newspaper. All Budget Committee meetings were open to the public and those in attendance were invited to provide comments and suggestions. Written submissions from the public were also welcome at any time. Budget documents, including draft proposals, were posted on the Town's website with an on-line opportunity for input and/or comment. Budget displays, information packages and comment forms were also available at the Town office.

Comments?

Do you have a comment or suggestion regarding our programs, services, or budget process? If so, we'd like to hear from you.



On-line

www.eastgwillimbury.ca and click on the "2012 Business Plan & Budget" button



Email

customercare@eastgwillimbury.ca



Phone

905.478.4282



In person or by mail

Town of East Gwillimbury Civic Centre
19000 Leslie St., Sharon ON
L0G1V0

We welcome your comments