



Town of  
East Gwillimbury

# 2012 Proposed Business Plan and Budget

---

**Public Presentation**  
**November 21, 2011**



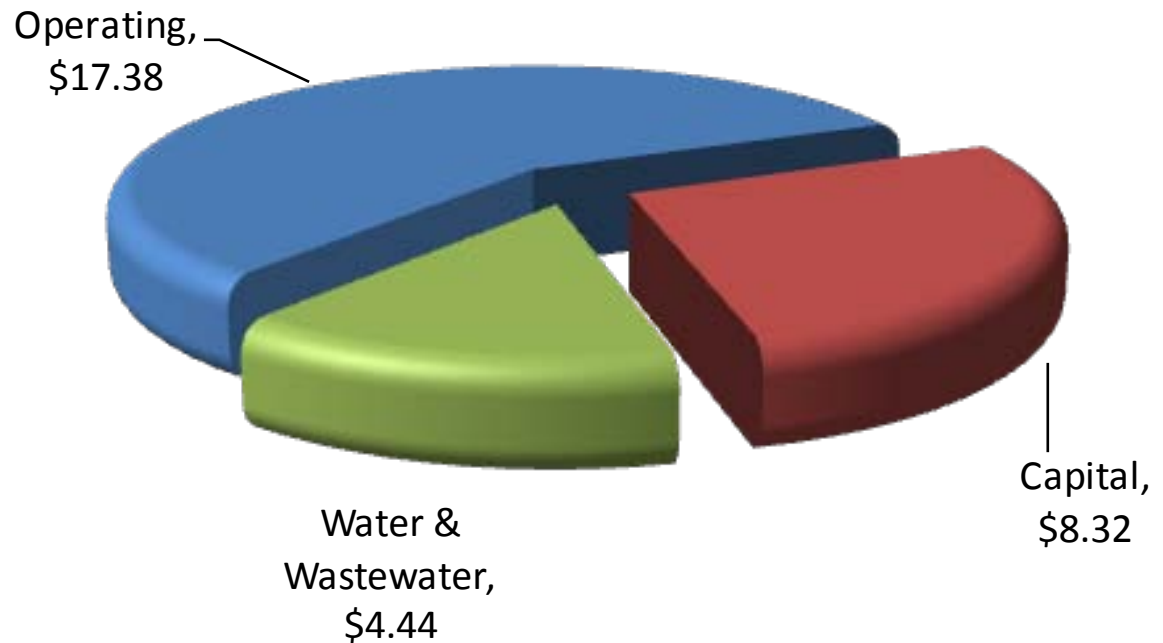
## Where the tax dollar goes

2012 budget





## Total 2012 Budget 2012 budget (\$30.14M)





## Town tax rate trend

- Average tax rate increase
  - 2001-2005: 5.24%
  - 2006-2010: 2.54%
  
  - 2011: 3.30%  
(Ontario inflation 3.30%)
  - 2012: 2.20% (preliminary)  
(Ontario year to date inflation at Oct 2011 is 2.60%)
- Average budget approval date
  - 2001-2005: March
  - 2006-2010: December-January
  
  - 2011: January, 2011
  - 2012: December 19, 2011  
(target date)



## 2012 guiding principles

- Current economic climate
- Council approved Strategic Plan
- Focus on base budget to maintain quality programs and services
- Growth in parks and community facilities
- Realign resources to strategically position the Town for the future
- Maximize non-tax revenues
- Identify new initiatives separately for consideration



## 2011 financial status

- Debt free in 2012
- \$155K tax room available from retirement of Civic Centre debt
- Used to supplement contributions to capital asset reserve in proposed budget



## 2011 financial status

<b>Reserves and Reserve Funds</b>	<b>Projected Balance (in millions)</b>
Rate Stabilization and Discretionary Reserves	\$2.74
Capital Asset Repair and Replacement	\$3.26
Development Charges and Community Capital Contribution	\$2.17
Fundraising and Donation	<u>\$0.47</u>
<b>Total Projected Balance at December 31, 2011</b>	<b>\$8.23</b>

- Town's assets historical cost - approximately \$197 million (estimated replacement value of over \$400 million).
- Current reserves for Asset Repair and Replacement - 1.65% of historical cost



## External factors

- Recessionary pressures in global economy
- Slow economic recovery
- Inflation & interest rates remain low
- YDSS agreement discussions ongoing with Region and stakeholders
- Preparing for growth



## Internal factors

- New parkland & trails
  - 3 refurbished parks (Holland Landing), 2 with new water features
  - 1 new park (Harvest Hills – 0.5 acres)
  - 1.2km upgraded Nokiidaa trail
- Sports complex extension (6,000 sq. ft. community space)
- Cost of living and salary adjustments
- Tangible capital asset replacement and renewal



## Mitigating factors

- Realigned existing resources to meet new priorities
- Improved efficiency and cost savings measures
- Proactively increased non-residential tax revenues
- Retired Town debt
- Focused on maintaining current programs and services (limited new initiatives)
- Publicized the tax deferral option for seniors



## 2012 major objectives

- Approve 2012 budget early and align with inflation
- Approve official plan
- Follow-up on employee survey
- Hire an HR manager
- Pursue strategic partnership opportunities
- Develop a multi-year capital budget
- Plan major facilities (operations centre, joint Fire/EMS)
- Review election process

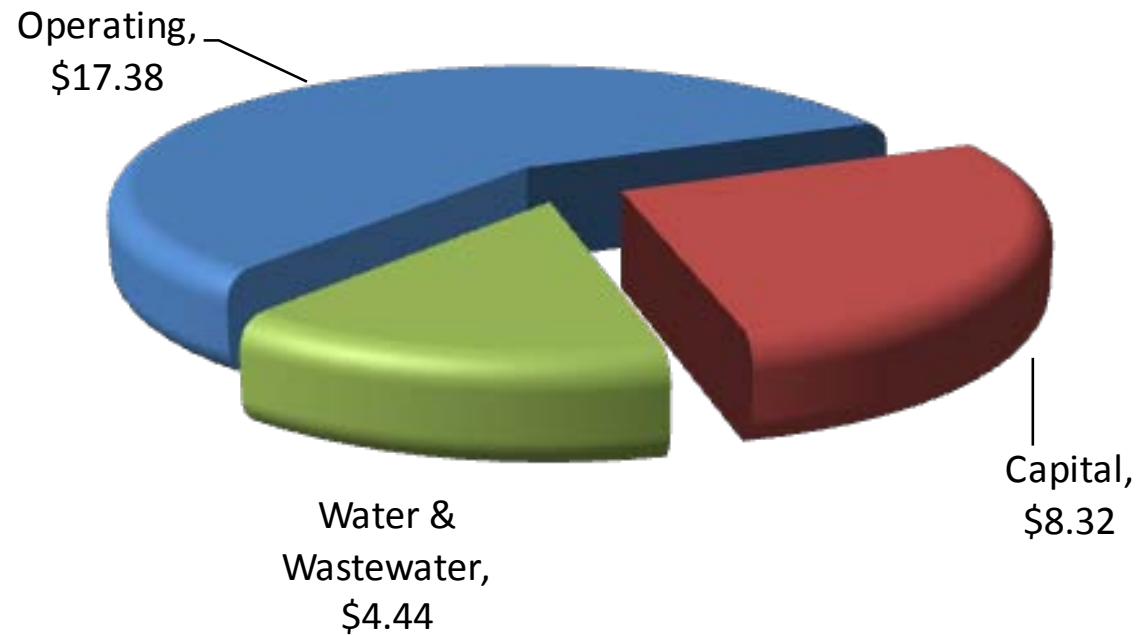


## 2012 major objectives

- Enhance communications/engagement
- Approve new commercial fill policies & operational guidelines
- Plan for development of 19040 Leslie St.
- Plan for Green Lane and 404 employment corridors
- Update DC bylaw
- Initiate implementation of economic development strategy
- Explore options for a post-secondary institution



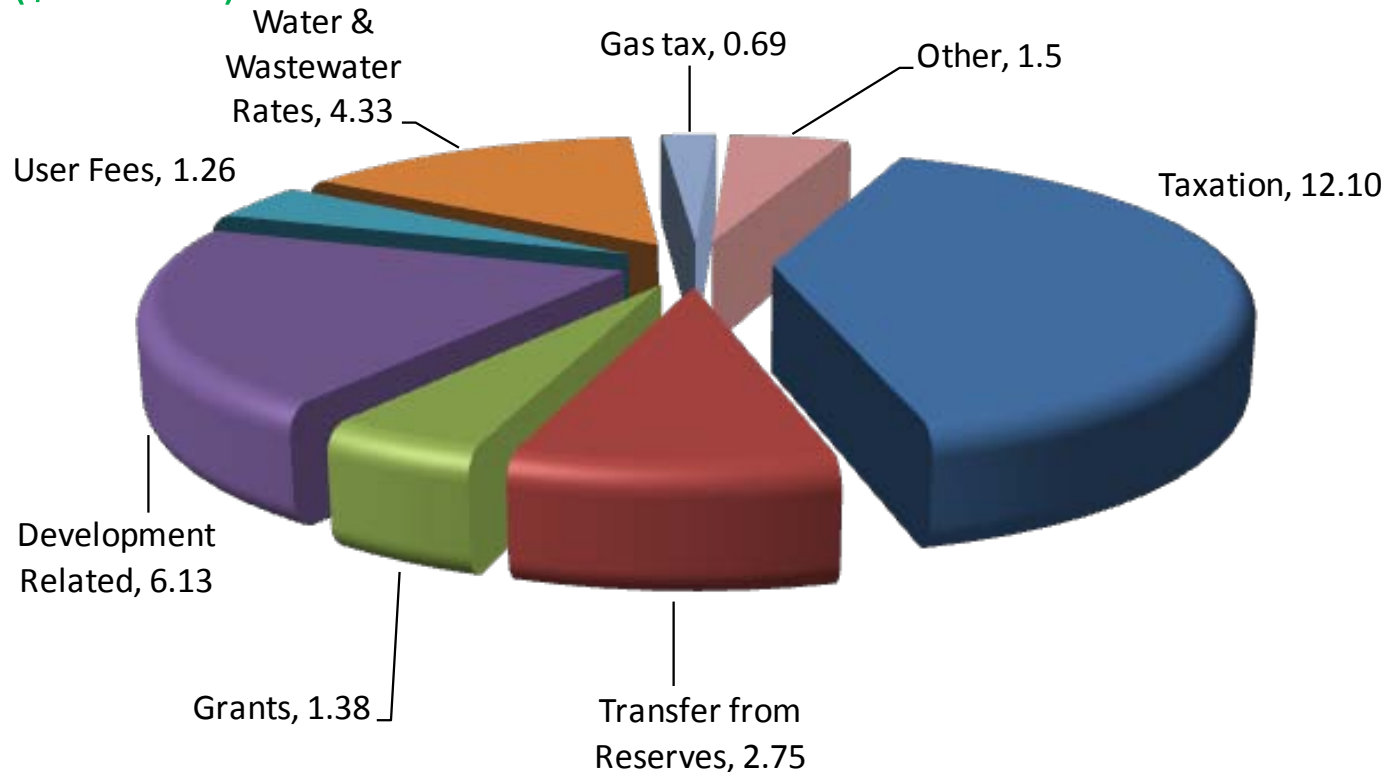
## Total 2012 Budget 2012 budget (\$30.14M)





## Funding sources

2012 budget (\$30.14M)

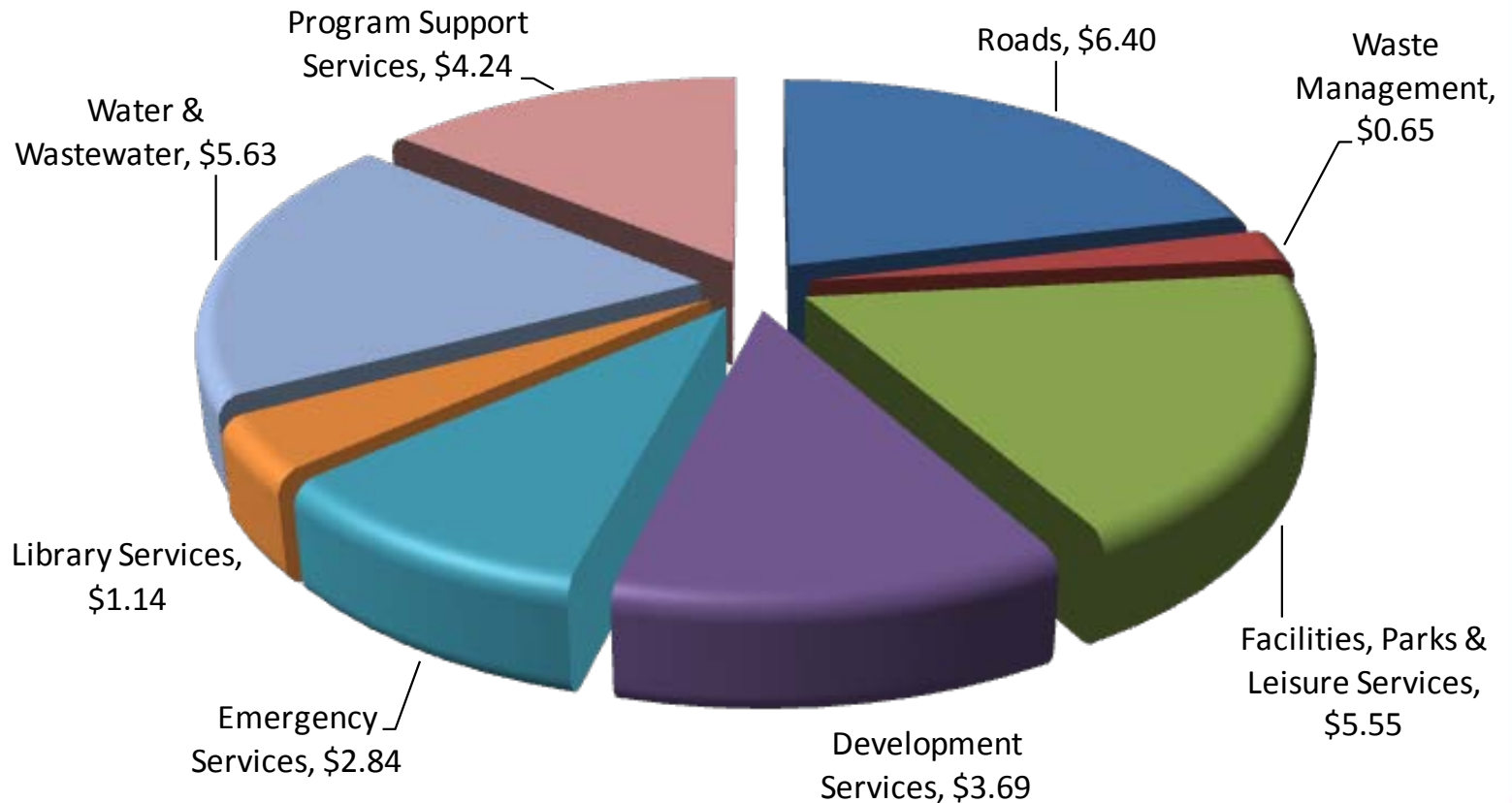


Note: 60% of revenue is from non-tax sources



## Allocation by program/service

2012 budget (\$30.14M)





## 2012 proposed budget – Net Operating (\$million)

Department	2011 Budget	2012 Budget	Difference
Community Programs & Infrastructure	\$5.71	\$5.92	\$0.21
Emergency Services	1.89	1.98	0.09
Development Services	0.11	0.21	0.10
Legal & Council Support	0.87	0.92	0.05
Corporate & Financial	1.24	1.39	0.15
Office of the CAO	0.21	0.18	(0.03)
Mayor and Council	0.46	0.46	0.00
Library	1.02	1.09	0.07
Corporate Salary Gapping Savings	-	(.05)	(0.05)
<b>Total</b>	<b>\$11.51</b>	<b>\$12.10</b>	<b>\$0.59</b>



## 2012 proposed base budget – Property Tax Calculation (\$million)

2012 Proposed Incremental Tax Revenue Required	\$0.59
Less: Change in Base Assessment	\$0.10
Less : Projected Assessment Growth (2%)	\$0.23
2012 Projected Net Incremental Tax Revenue Required	\$0.26
Proposed Property Tax Rate Increase	2.20%

Note: Ontario inflation as at Oct 2011 is 2.60%



## 2012 proposed tax rate increase

2.20% increase

Base Budget  
0.75%

Growth in Parks and  
Community Facilities  
1.45%

Note: Base budget includes Library Services increase of 0.54%



## 2012 proposed tax rate increase

Based on average current  
value assessment of \$360,000

2.2% tax increase equates to  
approximately \$28





## How is each Town tax dollar spent?

2012 budget (\$12.1M)





## 2012 proposed budget – capital (\$million)

2011 Approved Budget	<u>\$12.78</u>	
2012 Proposed Budget:		
Carried Forward (previously approved and funded)	3.53	
New Capital Projects proposed	<u>4.79</u>	
	<u>\$8.32</u>	
Difference	<u>(\$4.46)</u>	

Note: Significant community capital projects with leveraged funded completed in 2011



## 2012 proposed projects – highlights

	<b>Budget</b>
Road Surface Treatment – Various Locations	\$337,600
Asphalt Resurface – May Ave	\$111,500
Repave - Various Locations	\$392,300
McKenzie Pedestrian Link	\$335,000
New Sidewalks – Yonge St, Mount Albert Rd, McKenzie Dr	\$105,150
East/West Collector Environmental Assessment	\$600,000
New Operations Centre Design	\$200,000



## 2012 proposed increase in rates – water/wastewater

### Rates per Cubic Metre

	2011	2012	Increase
Water	\$1.66	\$1.81	9%
Wastewater	\$1.44	\$1.57	9%

*Note:*

- Regional rates are anticipated to increase by **10%** in 2012
- Total 2012 water and wastewater operating budget is \$4.4 million



## New initiatives for consideration – highlights

- 35 new initiatives submitted to date
  - Public
  - Council
  - Staff
- In addition to proposed budget over \$1 million in new initiatives have been identified including community event support



## Proposed Business plan & budget cycle





## Business plan & budget cycle

- Opportunities for public & stakeholder input
  - Budget meetings
  - Delegations
  - Written submissions
  - Web site
- Public notice
  - Town page
  - Web site





## Next Steps

- Detailed review of assessment growth
- Review projected development revenue in light of YDSS timing
- Council public deliberations starting at 9am on:
  - November 23
  - November 28
  - November 30
- Council approval of 2012 Business Plan and Budget (target date December 19)