

The Blue Mountains Budget 2012





2012 Proposed Budget

Public Meeting
January 23, 2012

Council Chambers



2012 Budget Timeline

Service Delivery Review	July to November, 2011
Distribution of Electronic Budget	October, 2011
Budget Meeting – Operating Review	November 30 & December 9, 2011
Budget Meeting – Capital Review	December 16, 2011 (revised)
Budget Meeting – Final Review	December 21, 2011 (revised)
Public Information Meeting	January 23, 2012
Public Meeting	January 23, 2012
Budget By-law Enactment	February, 2012



Committee Process

- Reviewed services delivered and budget highlights by Department
- Committee Chair recommended changes to service delivery to the Committee of the Whole meetings



Economic Climate

- Inflation

- Consumer Price Index = 2.9%

- (Ontario – October data(Sept = 3.2%))

- <http://www.bankofcanada.ca/rates/indicators/capacity-and-inflation-pressures/inflation/historical-data/>

- Energy prices increased 11.7%

- Gasoline prices rose 18.2%

- Consumers paid 4.3% more for food

- Interest rates are stable



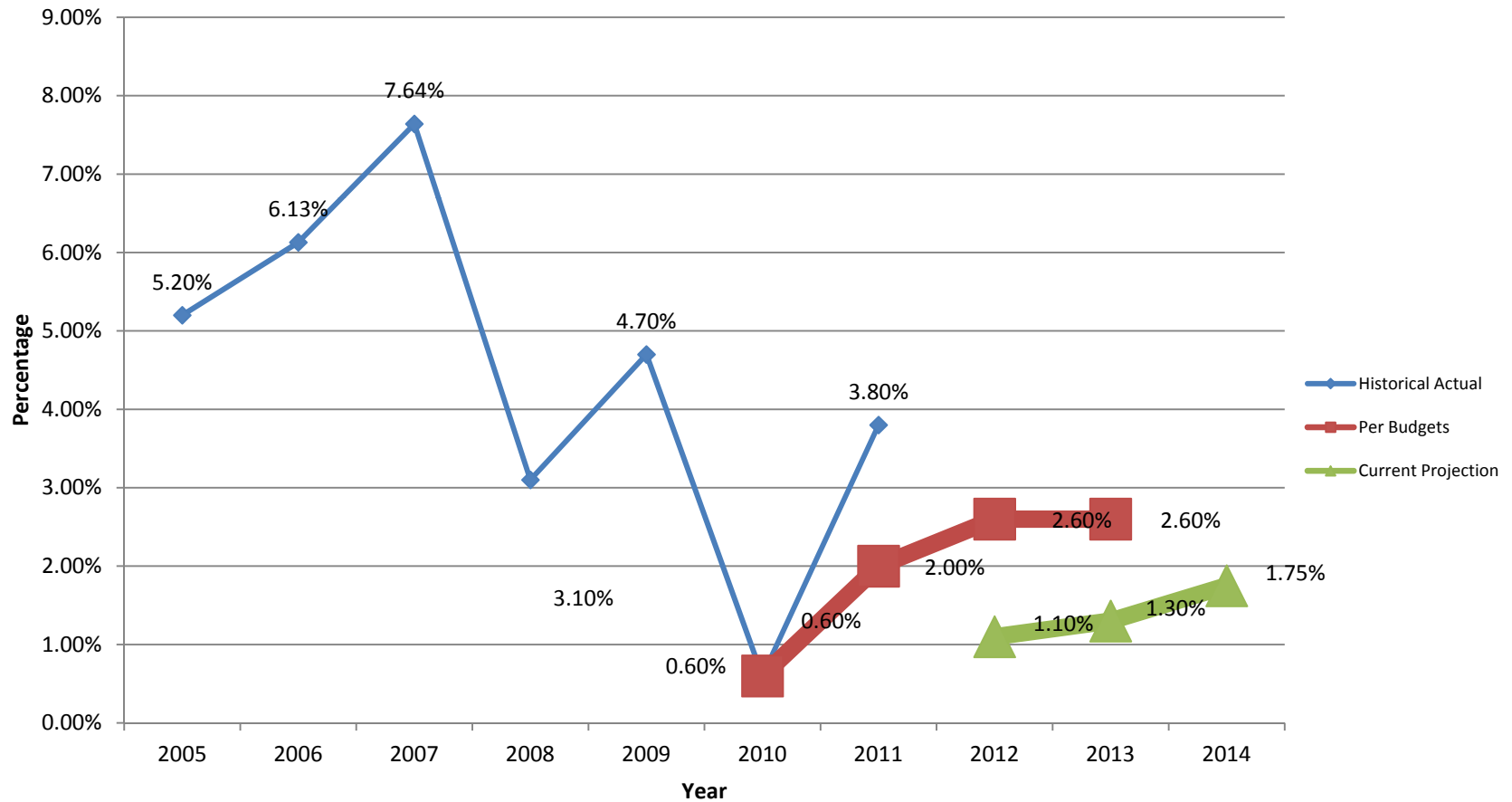
2012 Proposed Budget Summary

- 2012 Base Budget is about lost revenue
- Discretionary expenses are down 2% excluding enhancements



Assessment Expectations

Historical and Projected Assessment Growth





Budget Objective

- Balance the **ability** of a community to pay while ensuring:
 1. Long-term financial stability/sustainability
 2. Desired Service levels of the Town
(support Strategic Plan activities)

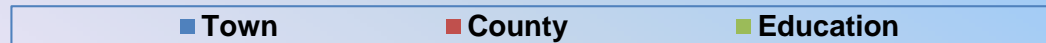
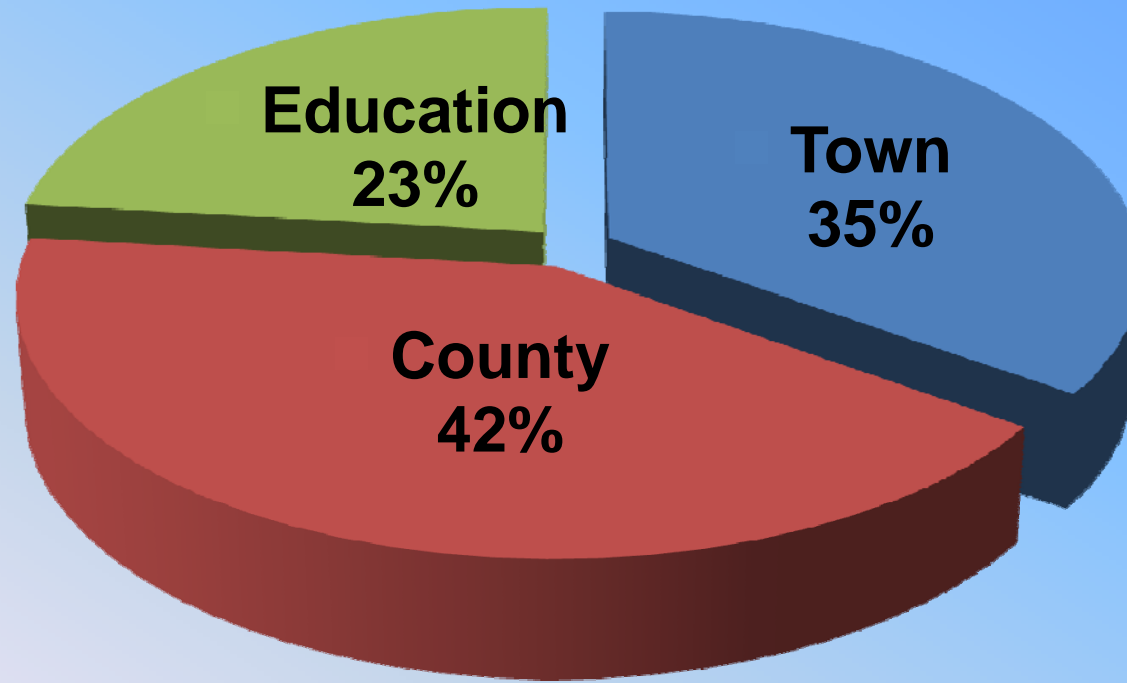


Desired Service Levels- New

- Landfill Mining & Expansion
- Roads & Drainage works
- Short Term Accommodation Enforcement
- Additional Grants to Community Organizations



2011 Taxes By Level of Government





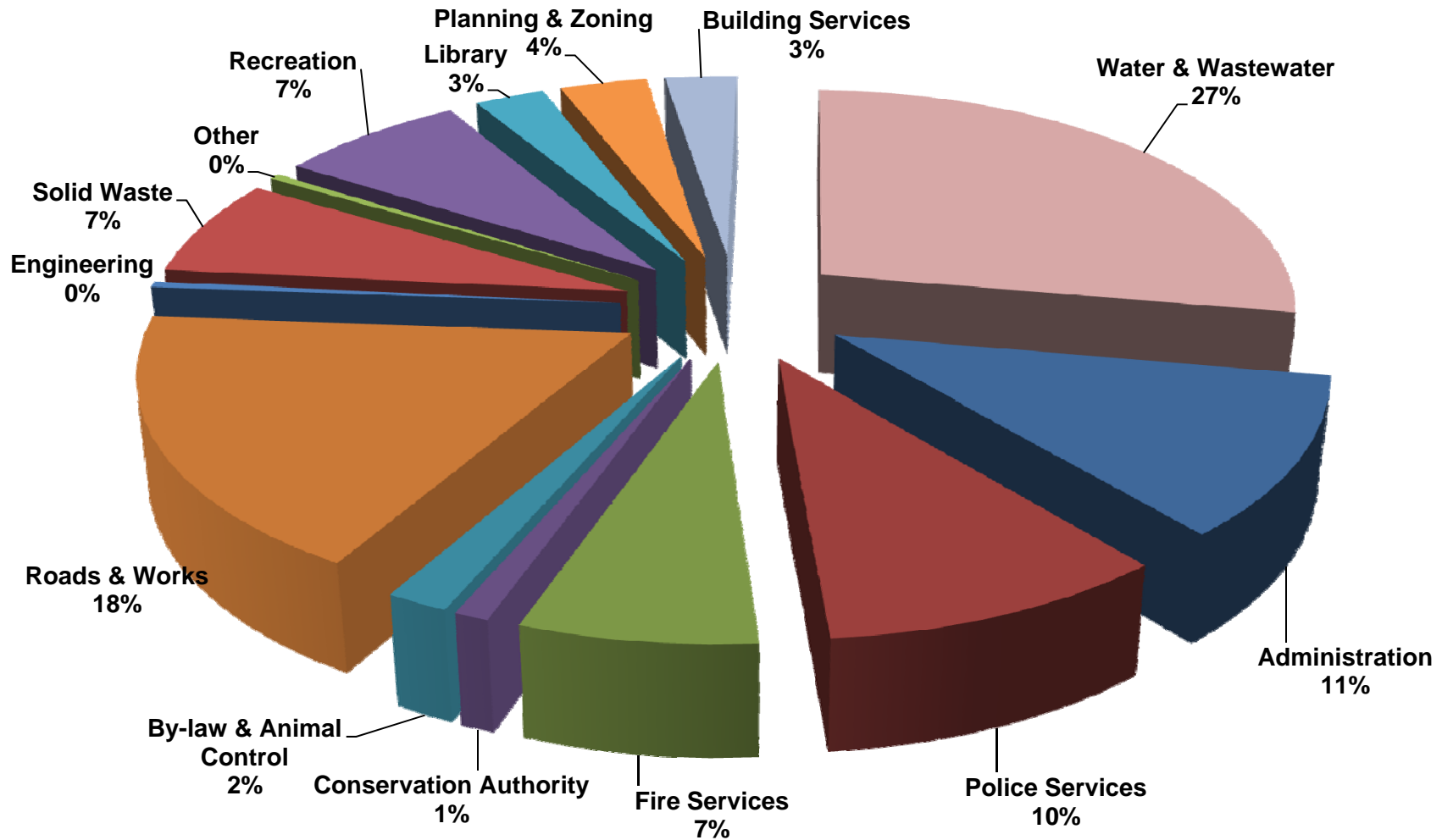
2012 Proposed Budget Dollars

- Total 2012 Proposed Budget has over \$31.4 M in service & project spending (2011 = \$32.5 M)
- Proposed Operating Budget = \$24.8 M
- Proposed Capital Budget = \$6.6 M



2012 Expenses by Service

2012 Proposed Operating Budget - Expenses & Transfers





Tax Levy Calculation

2012 Proposed	% Chg
Town	7.79%
County	2.49%
Education	0.00%
Total	3.75%



2012 Budget - Service Increase

		2012
Revenue:		
2011's Property Taxes @ 0%		\$ 10,524,933
Main Cost Drivers	% Change	\$ Change
Inflation	2.9%	308,802
Capital Projects		
Landfill Mining & Expansion	2.85%	300,000
Enhancements to Base Budget		
Short Term Accommodation	0.9%	94,239
Roads & Drainage	1.7%	177,840
Grants to Community Organizations	0.6%	60,000
Less: Garbage Bag Tag Revenue	-1.2%	- 125,000
Proposed Property Tax Levy Increase	7.8%	\$ 815,881



Impact on Property Taxes

Assessed Value		\$150,000	\$300,000	\$350,000	\$450,000	\$600,000	\$950,000
2011							
Town		\$517	\$1,035	\$1,207	\$1,552	\$2,069	\$3,276
County		\$623	\$1,245	\$1,453	\$1,868	\$2,491	\$3,943
Education		\$347	\$693	\$809	\$1,040	\$1,386	\$2,195
Total		\$1,486	\$2,973	\$3,468	\$4,459	\$5,946	\$9,414
2012							
Proposed	% Chg						
Town	7.79%	\$558	\$1,115	\$1,301	\$1,673	\$2,230	\$3,531
County	2.49%	\$638	\$1,276	\$1,489	\$1,914	\$2,553	\$4,042
Education	0.00%	\$347	\$693	\$809	\$1,040	\$1,386	\$2,195
Total	3.75%	\$1,542	\$3,084	\$3,598	\$4,627	\$6,169	\$9,767
Net \$ Increase							
Town		\$40	\$81	\$94	\$121	\$161	\$255
County		\$16	\$31	\$36	\$47	\$62	\$98
Education		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total		\$56	\$112	\$130	\$167	\$223	\$353

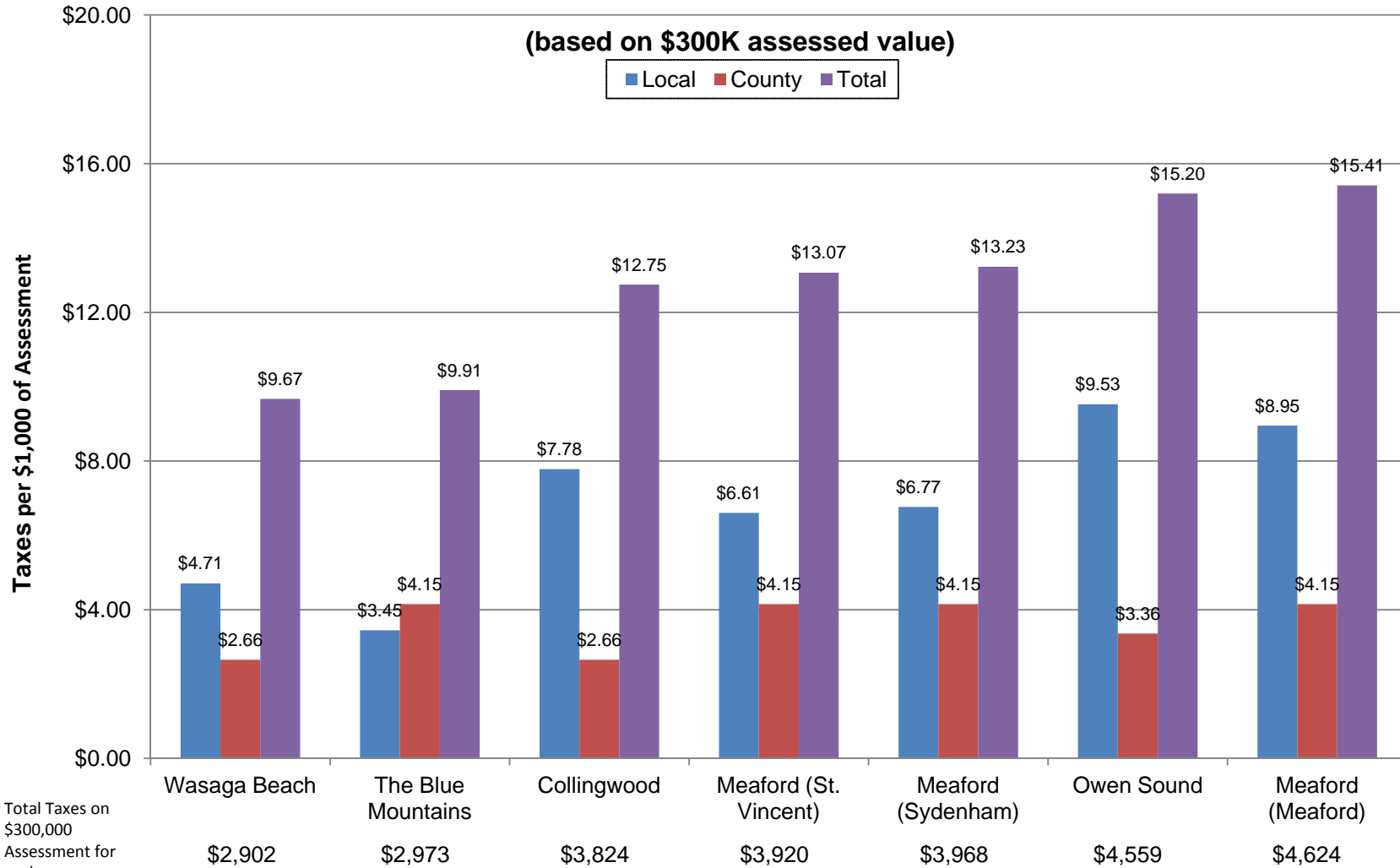


2012 Proposed Budget – Tax Impact

- 3.75% increase over 2011 levy means \$9.30/month more for a \$300k residence
- If Town was at 2% increase, it would mean a \$5.00/month increase.
- \$4.30 / month difference



Municipal Comparison of 2011 Taxes

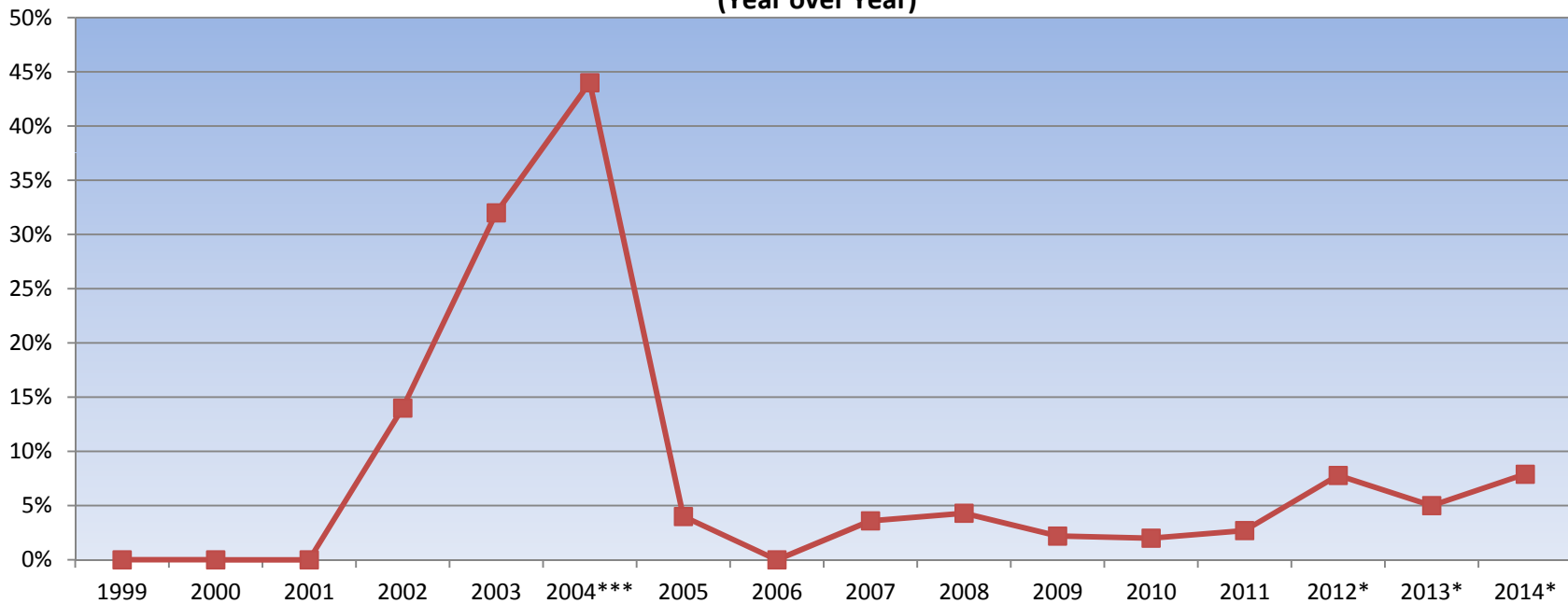


Total Taxes on \$300,000 Assessment for each Municipality in comparison:



Historical Town Tax Levy Changes

Historical & Proposed Tax Levy Changes - The Blue Mountains
(Year over Year)



Notes:

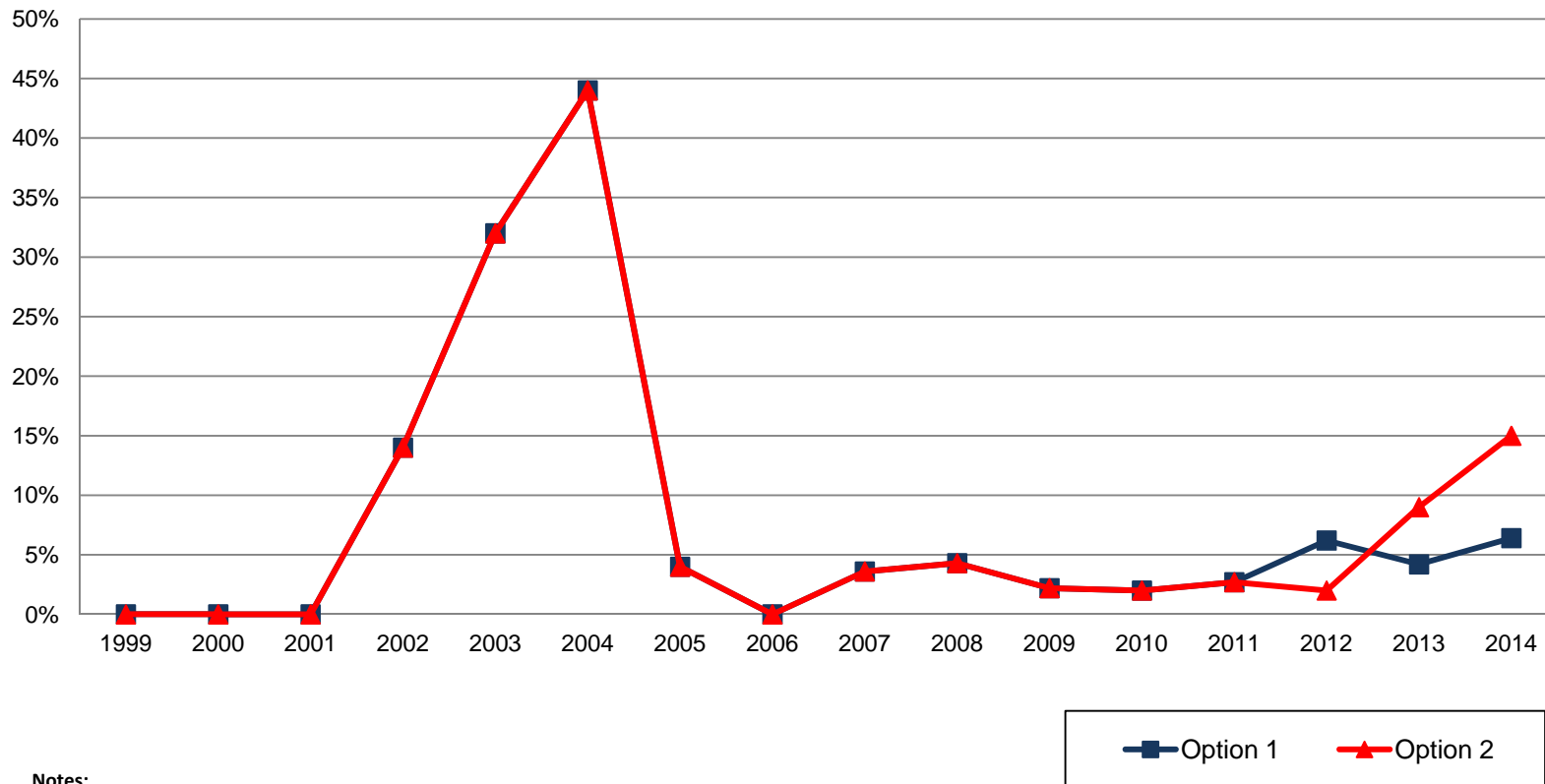
* Proposed tax rate increase for 2012, 2013 & 2014

*** Provincial funding for Police Services was discontinued which accounted for 22% of this tax rate increase. The program was replaced with the Community Reinvestment Fund in 2005 and the better part of the grant received (\$1.5 million) was subsequently accounted for in the Town's Working Capital reserve.



Potential Future Pressures

if rates kept too low – erosion of services vs. higher tax increases



Notes:

* Proposed tax rate increase for 2012, 2013 & 2014

*** Provincial funding for Police Services was discontinued which accounted for 22% of this tax rate increase. The program was replaced with the Community Reinvestment Fund in 2005 and the better part of the grant received (\$1.5 million) was subsequently accounted for in the Town's Working Capital reserve.



2012 Budget - Feedback

- Solid Waste – Landfill & Garbage Collection
- New Town Hall - Debt
- Staffing Levels
- Vehicles
- Water/Wastewater

Solid Waste and Environmental Initiatives





Landfill Mining & Expansion

- \$8.5 M project
- Known about this for some time and that in 2012 we would have to address it.
- Original estimate was \$500 k in 2012
- Now at \$300 k due to timing of project



Full User Pay vs. Partial User Pay System

- Partial user pay system (\$1 for the second bag) to a full user pay system (\$2 for every bag, still maximum 2 bags).
- Generating new revenue that has become common in Ontario Municipalities, our neighbours in Meaford have recently implemented full user pay.



Full User Pay vs. Partial User Pay System

- Assigns the cost to the user
- Promotes increased participation in recycling & composting. (diversion)
- If curbside organics collection goes forward, residents will have further ability to reduce waste



2012 Proposed Budget

Staffing Levels

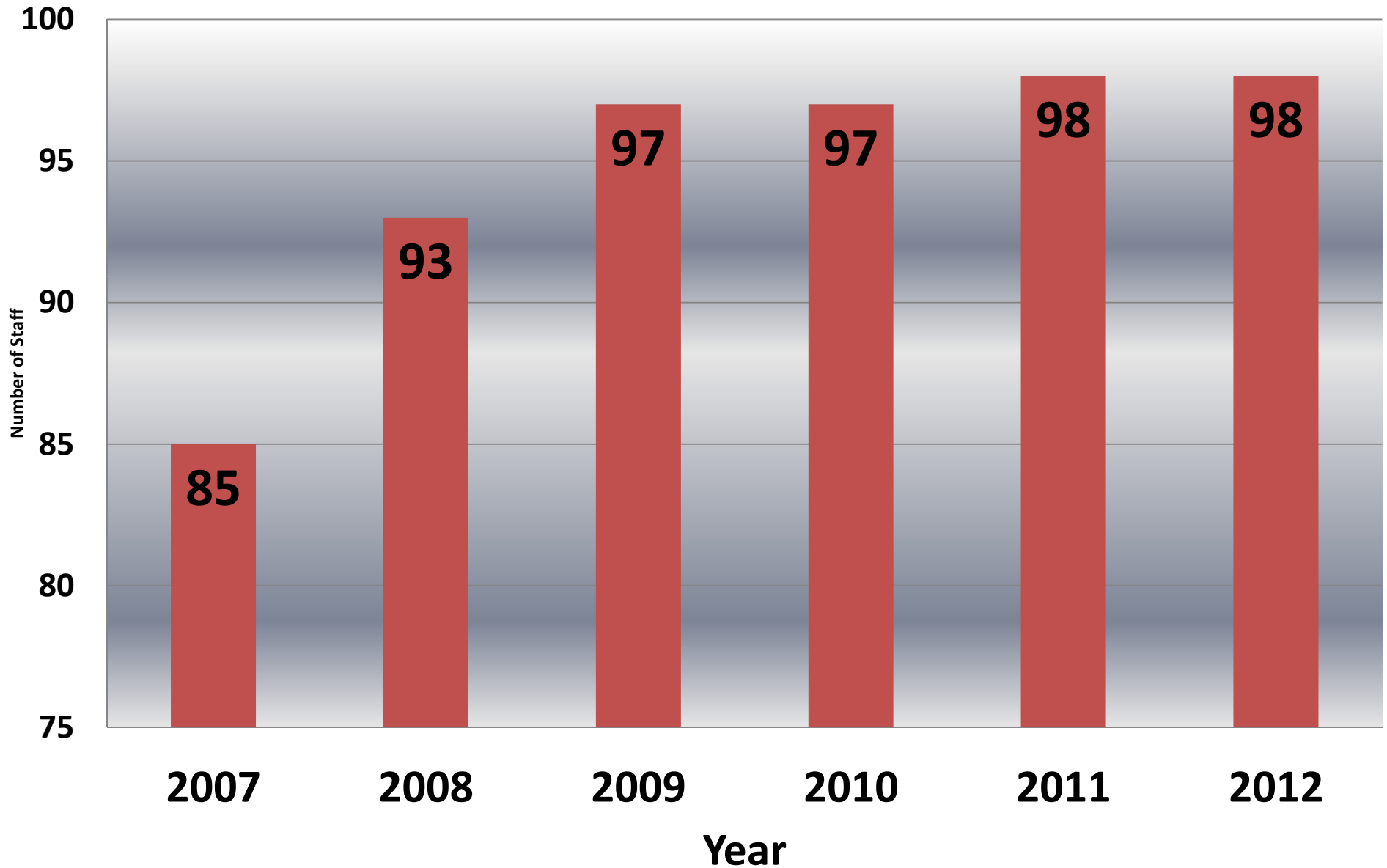


2012 Proposed Budget-Staffing

- Always pressure for additional services
- Proposed addition of a Municipal By-law Enforcement Officer
- Enforcement of the implementation of short term accommodation by laws
- Full-time staff complement is **same** as 2011



Full Time Staff - history

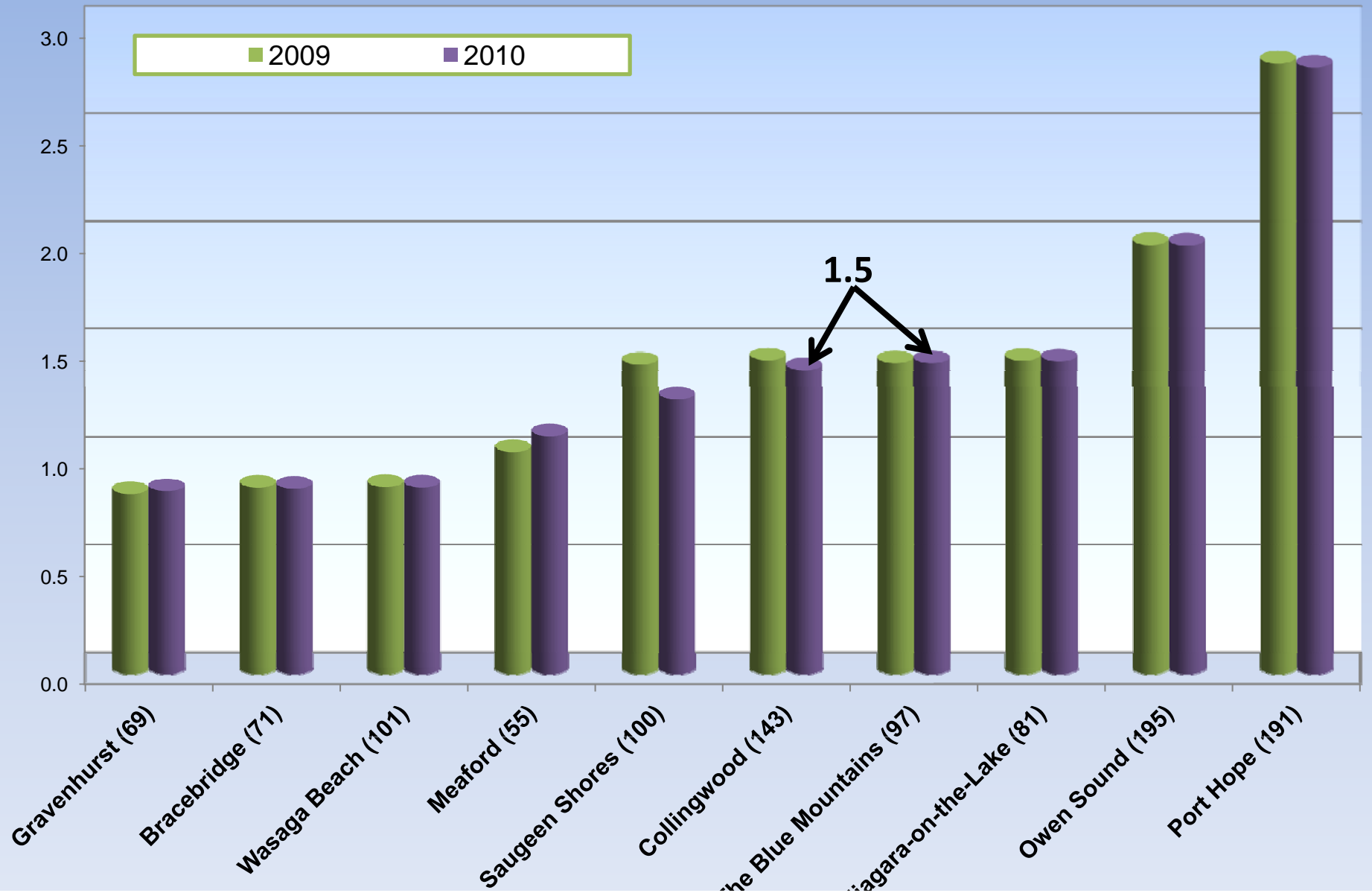




Summer Students- History

Department	2009	2010	2011	2012	2013	2014
Recreation	7	11	12	10	10	10
Roads	0	0	2	2	2	2
Library	2	2	2	2	2	2
User Rates	0	0	2	2	2	2
User Fees	3	3	3	3	3	3
Total:	12	17	20	18	18	18

of Employees per 100 Households





New Town Hall

- Mostly funded from grants and reserves
- Cost of debt of the new Town Hall equates to < \$0.005 per \$1.00 in property tax
- 0.7% of Tax levy
- \$0.60/month/\$300,000 assessed residential property



Vehicles

- 37 light duty vehicles(LDV) in 2011 fleet
- 1 additional LDV in 2012 – MLEO/STA
- Replacing 1998 pick-up truck in 2012(no property taxes – Harbour User Fees)



Municipal Vehicle Survey

- Surveyed 30 smaller municipalities last week
- 60% planning replacement vehicles in 2012
- 20% adding a vehicle in 2012
- 0.3 LDV per employee is average
- 0.4 LDV per employee in The Blue Mountains



Factors on # of Vehicles

- # of hectares serviced is 28,678 (110 miles²)
- # of facilities, parks, linear kilometres & distance
- # of major roads across area = 1
- Level of service/peak population
- Use of employees own vehicles and rate paid on mileage



Vehicles

Department	2009 Fleet	2010 Fleet	2011 Current Fleet	2012 Replacement Vehicles	2013 Replacement Vehicles	2014 Replacement Vehicles
Building/By-law	4	4	4		1	
Engineering	2	2	2			
Fire	4	5	5		1	1
Recreation	9	10	11	1		
Roads	4	4	4		1	
Water/Wastewater	11	10	11		2	
Total:	34	35	37	1	5	1

Water Services





Annual Water and Wastewater Bill by Comparator Municipality

(Based on 180 m³/year)



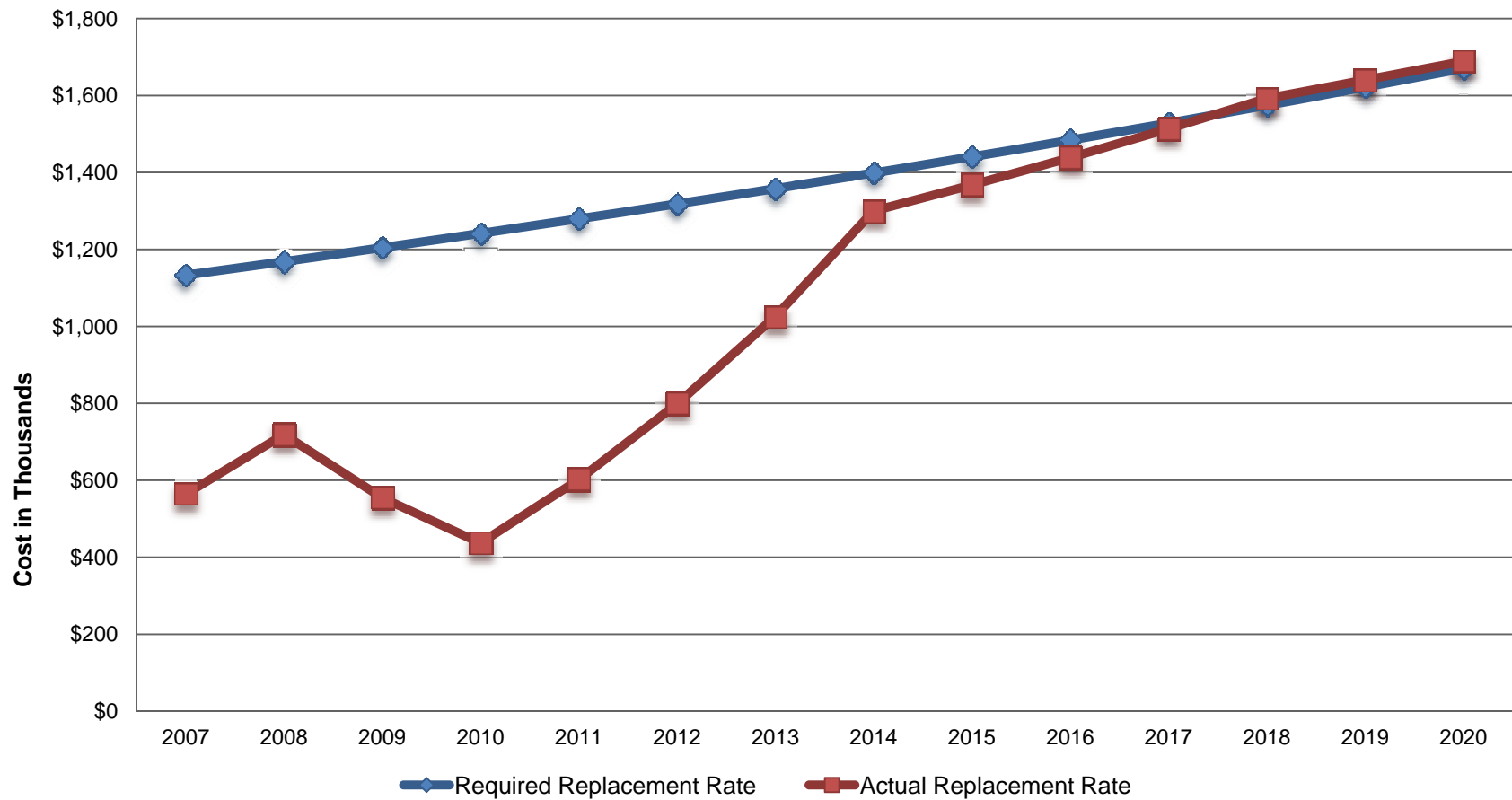


Water & Wastewater

- Budget and corresponding water rates are based on Staff report FIS.11.11 – “20 Year Capital Plan – Water Division” adopted by Council in April 2011.
- Budget and corresponding wastewater rates based on the philosophy of the “20 Year Capital Plan – Water Division”.
- 2012 Proposed Rates (fixed & consumption) up 7.7% for water and 8.4% for wastewater.
- Council **reduced** to 6.25% for water and 7.25% for wastewater at the Dec 2011 Budget meeting
- Total increase for Water & Wastewater < \$60 based on 180 m³ / year



Water Infrastructure Deficit Gap





More Information

Please visit the Town's website at www.thebluemountains.ca for updates regarding the 2012 Proposed Budget

Sign up to receive up-to-date Town news, bulletins and departmental information by visiting:

www.thebluemountains.ca/subscribe.cfm

Contact Director of Finance Robert Cummings at rcummings@thebluemountains.ca or 519-599-3131 x245 or toll free 888-258-6867