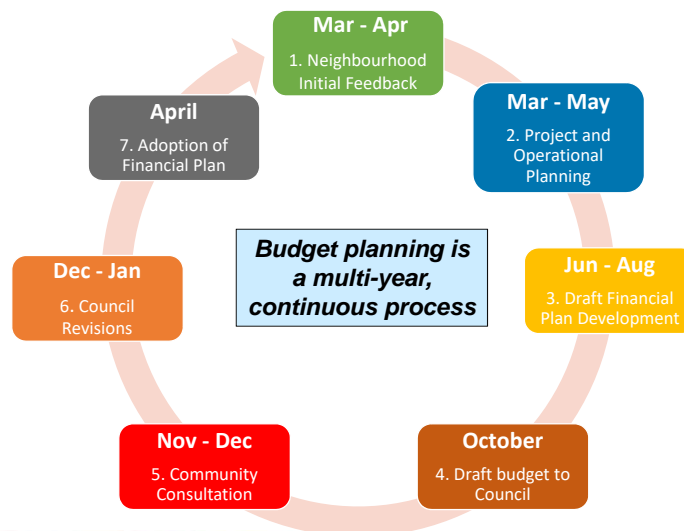


## Outline

- Budget Process and Proposed Timeline
- Financial Plan Document
- Direction for 2019
- Overview of Draft Financial Plan
- Next Steps

## Budget Process



Draft 2019-2023 Financial Plan

## Proposed Timeline

Tentative Dates	Task
November 15, 2018 Committee of the Whole	Introduce draft Financial Plan
November 26, 27 and December 7, 2018 Committee of the Whole	Detailed presentations of draft Financial Plan
December 13, 2018 Council	First reading of Financial Plan bylaw
December 2018 and January 2019	Public consultation
Latter half of January 2019	Town Hall / e-Town Hall meeting
Late January/early February 2019 Committee of the Whole	Present consultation results and seek direction on changes to Financial Plan and Strategic Plan
April 2019 Committee of the Whole	Final report on Financial Plan including incorporated changes; report on 2019 tax rates
April 2019 Council	Second and third reading of Financial Plan bylaw; first, second and third reading of tax bylaw
April 2019 Council	Adoption of Financial Plan bylaw and tax bylaw



Draft 2019-2023 Financial Plan

## Financial Plan Document

- Community overview and highlights of City Services
- Strategic priorities (to be populated after public input and Council approval)
- Public input (to be populated after public input)
- Financial plan framework and policies
- Operating budget
- Capital budget



Draft 2019-2023 Financial Plan

## Council Direction

In May 2018, Council directed staff to:

1. Prepare a draft 2019 Financial Plan for Council's consideration that:
  - a. maintains existing services and service levels
  - b. continues the in-progress initiatives within the 2015-2018 Strategic Plan
  - c. factors in \$200,000 in savings from the reduction in 2018 Medical Services Plan premiums to fund a portion of the premiums in 2019
2. Develop two options:
  - a. One that keeps the tax increase to no more than inflation plus 1% including police
  - b. A second that keeps the tax increase to no more than inflation plus 1% including police plus an additional tax increase to accommodate the impact of the new health tax increase which at this point is planned to be imposed by the Province
3. Bring forward the draft 2019 Financial Plan in the late fall 2018 to accommodate Council's orientation and strategic planning sessions



Draft 2019-2023 Financial Plan

# Planning to Budgeting



Draft 2019-2023 Financial Plan

## Overview

- Council sets service levels and allocates funding through the financial planning process.
- The draft Financial Plan outlines budgets for approximately two hundred services and over two hundred capital projects.
- The Financial Plan will be aligned with the new Strategic Plan upon completion.

### Highlights of City Services



Draft 2019-2023 Financial Plan

## Draft Financial Plan

Included in the draft Financial Plan:

- Five-year operating and a twenty-year capital plan
- The draft plan includes:
  - budgets for existing services at existing service levels
  - projects identified in master plans and condition assessments
  - projects underway
- Service reviews and efficiencies incorporated



Draft 2019-2023 Financial Plan

## Draft Financial Plan

Additional to the draft Financial Plan:

- Supplementary requests from staff
- Previous Council motions:
  - some with direction to fund from surplus
  - some with direction to consider as part of the 2019 financial planning process
- Strategic Plan direction to come
- Anticipated additional Council motions arising from budget presentations and public feedback



Draft 2019-2023 Financial Plan

## Draft Financial Plan

- Draft operating budget totals \$242.7 million excluding the Provincial employer health tax
- Draft capital budget totals \$118 million
- Most recent inflation is 2.4% (September)
- Proposed overall tax increase:
  - 2.85% excluding the Provincial employer health tax; including utilities 2.57% for average residential and 2.72% for typical business
  - 4.3% including the Provincial employer health tax; including utilities 3.76% for average residential and 4.06% for typical business



Draft 2019-2023 Financial Plan

## Draft Financial Plan

The draft budget including Provincial employer health tax (4.3%)

- Is below Council's first requested tax increase option – inflation plus 1% plus employer health tax (4.85%)
- Is above Council's second requested tax increase option – inflation plus 1% (3.4%), but can absorb a portion of the health tax

Options to achieve the second target – reduction of approximately \$1.2 million:

- Reduce services
- Reduce capital investment
- Use new tax revenue from new development



Draft 2019-2023 Financial Plan

## Next Steps

- November 26, 27 and December 7 - presentations from departments –
- December 13 - first reading of financial plan bylaw to commence public consultation
- January/February - report back on:
  - consultation results
  - responses to Council motions
  - recommendations for use of surplus, new tax revenue from new development

