



FINANCE DEPARTMENT

DRAFT BUDGET

February 17, 2016



2016 Budget

- Planning for Growth
- Sustaining our Assets
- Addressing Roads Needs (\$160 million now needs)
- Looking for operating efficiencies and revenue generation sources

2016 BUDGET

- The focus of the 2016 Budget:
 - ▣ Maintain existing service & program levels
 - ▣ Minimize tax increases
 - ▣ Looking for efficiencies (Examples include: LED Streetlight Conversion, Energy Audit, Solar Fit Project, Cell Phone Plan Review)
 - ▣ Looking at business opportunities (Municipal Services Corporation) with a view towards alternative revenue sources

- The Township is committed to an open, responsible and transparent budget process

2016 BUDGET PRESSURES

- Limited Development/Limited Growth
- Previous Unsuccessful Capital Grant Attempts
- Recognition of Tax Burden
- Reassessment Appeals

What Services Does The Township Provide

Township Areas of Responsibility

- Road Maintenance/Rehab.
- Economic Development
- Sports Fields
- Street Lighting
- Storm Water Mgmt.
- Planning
- Cultural & Recreation
- Building
- Fire (Emer. Service)
- Treasury & Clerks
- Parks/Splash Pad
- Baseball Diamonds
- Museums
- Halls/Arenas/Library
- Bylaw Enforcement
- Crossing Guards
- Vital Statistics
- Animal Control

Core Responsibilities

- Core responsibilities are services provided by the Township - mandated by Legislation.
- The Township cannot choose to discontinue providing these services, however, in some instances, there is **discretion around the level of service** that can be provided.
- Council and Staff have worked diligently to ensure that the current level of services were not reduced while keeping tax increases in line with inflation.

Core Responsibilities

Core Services Include:

- Right-of-Way Operation and Maintenance
 - Affected by Minimum Maintenance Standards, Bridge Code, Signage, etc.
- Streetlighting
 - Affected by Minimum Maintenance Standards, Court Decisions and Taxpayer Requests

Crossing Guards

- Mandatory when conditions meet approved warrant criteria.

Core Responsibilities

- Ontario Building Code Administration and Enforcement
 - Per the Building Code Act and the Ontario Building Code.
- Fire & Emergency Services
 - Per the Fire Protection and Prevention Act
- Treasury
 - Per the Municipal Act

Core Responsibilities

- Clerks & Council Services
 - Per the Municipal Act
 - The Municipal Act also requires a minimum of 5 members of Council.
 - The Township of Scugog is a lower-tier municipality to the Region of Durham and is required to have two representatives on Regional Council.
- Planning Services
 - Per the Planning Act
 - Official Plan, Zoning By-Laws, Subdivision Applications, Condo and Minor Variance Applications

Non-Core Responsibilities

- Museum & Cultural
- Recreation Programming
- Pool/Splash Pad
- Daycamps/Arenas
- Community Halls
- Parks Maintenance & Playgrounds (Flower Gardens)
- Sports Fields/Ball Diamonds
- Streetlighting that does not meet Minimum Maintenance
- Sidewalk Snow Removal
- Library Services
- By-Law Enforcement
- Some Crossing Guard Services/Locations
- Animal Control Services
- Public Parking
- Community Grants/Santa Claus Parade/Canada Day/Hospital

2016 MUNICIPAL TAXES

2016 DRAFT BUDGET

- Total Operating and Capital Budget for 2016 - \$25,678,338
 - 43.69% is funded by Tax Levy (\$11,219,808)
 - 19.80% is funded by Operating Revenue (\$5,085,551)
 - 33.15% is funded by Capital Revenues (\$8,511,381)
 - 3.36% is funded by OMPF (\$513,400), Rate Stabilization Draw (\$123,400), Municipal Projects Reserve Draw (\$104,798), 2015 Budget Savings (\$50,000), PIL (\$40,000) and Growth (\$30,000)

2016 COMBINED BUDGET

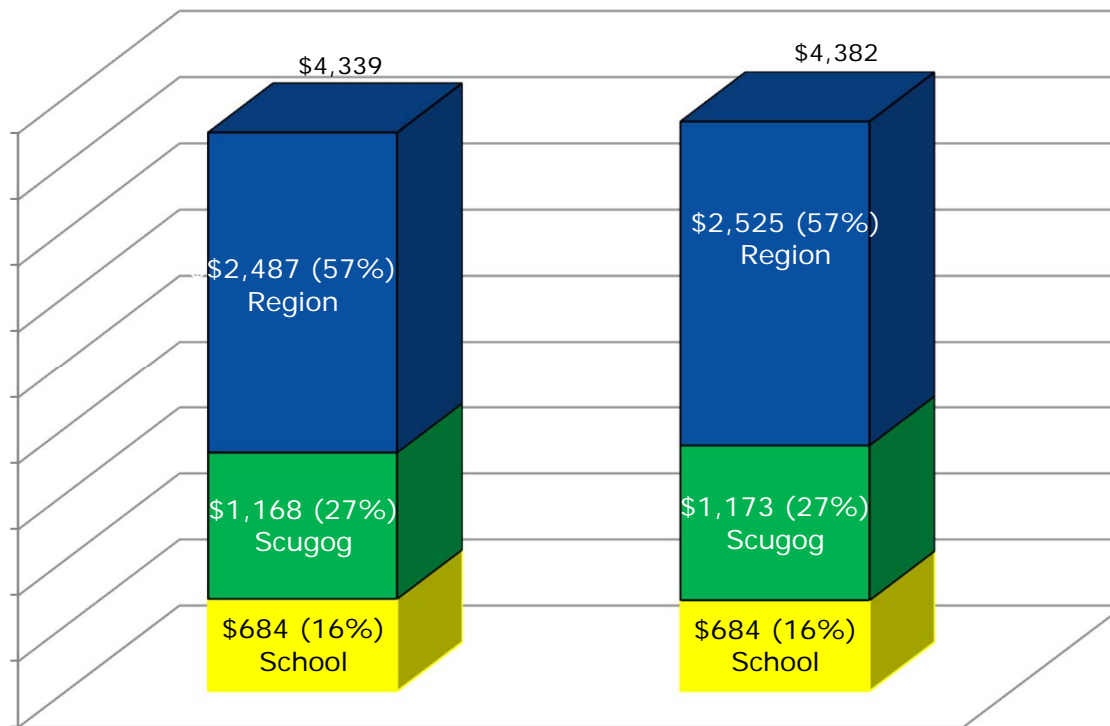
- On the Scugog portion of your property taxes, this will result in an increase of approximately \$5 for an average residential home assessed at \$360,200. This is equivalent to an increase of 1.2% on total levy required by the Township and a budgetary impact (after accounting for growth) to taxpayers in Scugog of 0.4% for 2016.
- Estimated that the total combined property taxes (including Scugog, Region of Durham and Board of Education) for an average residential property assessed at \$360,200 will result in an overall property tax increase of approximately \$43 or 0.99% (this assumes no increase for Board of Education Taxes in 2016), as follows:
 - Region of Durham \$38 or 1.53% est. increase for 2016
 - Township of Scugog \$5 or 0.4% est. increase for 2016

2016 Municipal Taxes

- The Average Residential Current Value Assessment for 2016 is \$360,200 (for Scugog).
- Based on this value, average residential taxes are estimated as \$4,382 for 2016, as follows:
 - Region of Durham - \$2,525 (increase of approx. \$38 over 2015)
 - Township of Scugog - \$1,173 (increase of approx. \$5 over 2015)
 - Board of Education - \$684 (assumes no increase for 2015)

Combined Average Residential Tax

Combined Tax - Year over Year Change



Average Residential CVA: \$351,000 (2015)

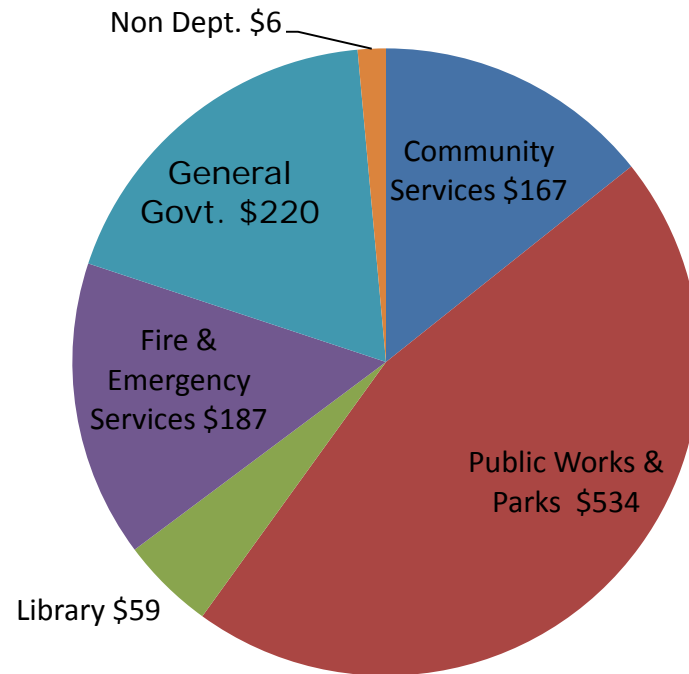
\$360,200 (2016)

2016 DRAFT BUDGET

- The Budgetary Impact to the Average Residential Home in Scugog for 2016 is 0.4%, after adjusting for assessment growth of 0.8% for 2016.
- Township of Scugog Levy Increase for 2016 is 1.2% as follows:

	% Change
Net Budget Increase	0.2%
1% Special Levy for Roads & Bridges	<u>1.00%</u>
Levy Increase 2016	<u>1.2%</u>

What Taxpayers Receive for Their 2016 Proposed Local Taxes of \$1,173



2016 Municipal Taxes

WHAT CONTRIBUTES TO A TAX INCREASE?

- (1) Annualization of Salaries & Inflation for Salaries & Benefits (including increases in benefit costs).
- (2) Energy Costs increases (hydro)
- (3) Material cost increases (asphalt, sand, gravel, etc.)
- (4) Litigation cost increases
- (5) Asset Management

Highlights Included in 2016 Budget

- There is total capital included in the budget of \$9,095,752. With the exception of \$584,371 in capital levy, the remainder is funded from other revenue sources.
- Some Highlights Include:

Project	Cost	Funding
Edgerton Road Rehabilitation	460,000	Levy
Chandler Drive Rebuild	370,000	CEF
Aldred Drive Repair	130,000	Gas Tax
Public Works Capital Reserve	110,872	Levy
SCRC Roof Replacement	275,000	CEF
Fire Tanker	300,000	CEF & DCA
ISP Project	6,397,880	Grant From Reserves & Borrow
Hospital Contribution	37,500	Fill Revenue

2016 Budget

- Any Questions?

2016 MUNICIPAL TAXES

General Information

QUESTION:

HOW IS THE TAX RATE CALCULATED?

ANSWER:

Divide the Municipal Budget Levy by the total weighted assessment.

2016 Municipal Proposed Budget Levy	\$11,219,808
/2016 Total Weighted Assessment	<u>\$3,446,322,106</u>
= Residential Tax Rate	0.00325559

QUESTION: HOW IS MY TAX BILL AMOUNT CALCULATED?

ANSWER:

Multiply your property assessment by the tax rate.

2016 Proposed Tax Rate	0.00325559
X Average Current Value Assessment	<u>\$360,200</u>
= 2016 Tax Bill Amount (Residential)	\$1,173

Note: This is the Township Portion Only