

# Budget >>> 2014



## 2014 Budget Overview February 10, 2014

Draft – December 3, 2013

# Agenda



## *Topic*

- Where We Are At
- Assessment Growth
- Capital Levy Update
- 2013 Surplus

# Budget Update – Levy From Rates



Tax Levy From Rates	\$ Millions	%
Starting Point (Budget As Submitted – December 3, 2013)	\$15.1	3.1%
Adjustments (To Date):		
BC #4 - UTCRA Contract	0.07	0.0
BC# 6, 8-13 - Capital Cuts – <b>\$3.1 Million Capital Levy Added Back to the Budget</b> (BC #7 – Bus Purchase Renewal – funding not required)	3.10	0.7
Fire Operating Budget – <b>Reduced From 4% To 2%</b>	(1.09)	-0.2
BC#57 (Cultural Prosperity Plan)	0.10	0.0
Animal Welfare Contract (ongoing operating)	0.38	0.1
BC#54 (Traffic Calming)	0.03	0.0
BC#56 (Emerald Ash Borer)	0.20	0.0
Million Tree Challenge	0.05	0.0
London Police (reduction to 2.8%) <i>NOTE: Final Decision Pending</i>	(0.48)	-0.1
Budget Position (February 7)	\$17.4	3.6%

# Assessment Growth Funding



Description	\$ Millions		
	As Submitted Dec. 3/2013	SPPC	Remaining
\$8.3 Million – Available Assessment Growth Funding			
Category A - Cost of Services (BC# 14 to 30)	\$4.7	\$3.4	\$1.3
Category B - Cost of Services (BC# 31 to 40) <i>Note: Assumes Police Request Of \$0.9 M Will Be Approved.</i>	\$3.6	\$3.4	\$0.2
<b>Total</b>	<b>\$8.3</b>	<b>\$6.8</b>	<b>\$1.5</b>

**\$1.5 M**  
 could be contributed to the Economic  
 Development Reserve Fund (permanently)

# Capital Levy Update



Millions	Recommendation
\$3.1	Reinstated Capital Levy (decision from January 30 <sup>th</sup> )
\$(1.7)	Arterial Road Rehabilitation – SPPC Decision February 6th
\$(0.2)	Bike Lane Program – SPPC Decision February 6th
<b>\$1.2</b>	<b>Subtotal</b>
\$1.5	Global Reduction To 2014 Capital Budget
<b>\$2.7</b>	<b>Total Remaining Unallocated Capital Levy</b>

**\$2.7 M**

could be contributed to the Economic Development Reserve Fund (permanently)

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# Recommended Surplus Allocation



Millions	Recommendation	
<b>\$7.3</b>	<b><i>Projected Surplus Of \$7.3 Million</i></b>	
\$2.3	City Facilities Reserve Fund (Ontario Works)	✓ Highly Recommended
\$1.0	Economic Development Reserve Fund	✓ Highly Recommended
\$0.5	VMP Noise Wall	✓ Approved By SPPC
\$0.4	Animal Welfare Contract (capital component)	✓ Approved By SPPC
\$0.1	Grand Theatre	✓ Approved By SPPC
\$0.2	St. Joseph's Hospice	✓ Approved By SPPC
<b>\$2.8</b>	<b>Unallocated 2013 Surplus</b>	

$\$1.0 + \$2.8 = \mathbf{\$3.8\ M}$   
 could be contributed to the Economic Development  
 Reserve Fund (one-time)

# Economic Development Summary



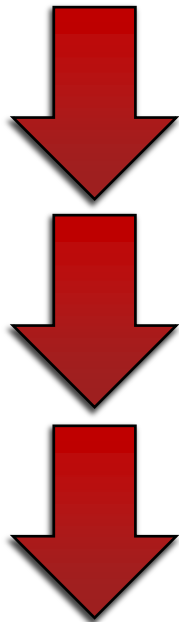
Millions	Recommendation
\$1.5	Unallocated Assessment Growth
\$1.2 \$1.5	Unallocated Capital Levy: <ul style="list-style-type: none"> <li>• Remaining From Reinstated Capital Levy</li> <li>• Global Reduction To 2014 Capital Budget</li> </ul>
<b>\$4.2</b>	<b>Subtotal – <u>Permanent</u> Contribution To the Economic Development Reserve Fund</b>
\$3.3	* 2013 Surplus – <u>One-Time</u> Contribution To the Economic Development Reserve Fund
<b>\$7.5</b>	<b>Potential 2014 Contribution To the Economic Development Reserve Fund</b>

\* \$0.5 million of the unallocated 2013 surplus be contributed to the Operating Budget Contingency Reserve.

# Budget Decisions



3.6% or \$17.4 million



Assessment Growth  
0.3% or \$1.5 million

Potential Savings From Capital Levy Decisions  
0.3% or \$1.2 million

Global Reduction To Capital Budget  
0.3% or \$1.5 million

2.7% or \$13.2 million

3.7% or \$17.9 million



\$0.5 Million Or 0.1%  
Additional Required To  
Achieve 1% Increase  
Related To Strategic  
Investments

\$4.2 Million Or 0.9%  
Redirected To The  
Economic Development  
Reserve Fund

NOTE: Unallocated 2013 surplus could be allocated to the Economic Development Reserve Fund on a one-time basis.