

2016 BUDGET SUMMARY

March 22, 2016

Township of
ESQUIMALT

The logo for the Township of Esquimalt features the words "Township of" in a small, white, sans-serif font above the word "ESQUIMALT" in a large, white, serif font. Below the text is a white, stylized wave graphic that curves under the letters.

BUDGET PROCESS

- Each department submits core, supplemental and capital requests
- Finance prepares preliminary figures regarding the additional tax revenue required to balance the budget
- Senior staff meet to deliberate and agree on potential budget reductions to achieve varying levels of tax increases
 - consider available staff and time resources
 - ability to defer items
 - prioritization of all requests



PROCESS RESULTS

- Incremental revenue or service reductions required = \$853,529
- \$263,000 would represent a 1% tax rate increase
- Initial rate = 3.24%



CREATION OF SCENARIOS

- Anticipated revenue calculated based on range of percentages
 - Property tax revenue estimated based on Completed Roll assessed values (Dec 31)
 - PILT revenue based on assessed value figures received from Public Works Canada
- Calculated rates could change once final assessed values produced (Mar 31) or if items are added/removed from Financial Plan



SCENARIO #1 - BUDGET TARGET @ 2.00%

Budget Requirements	\$	27,188,330
Total Anticipated Revenue @ 2.00%		(27,113,597)
Supplemental Reductions		
PILT Legal Costs		(10,000)
Participatory Budget Application		(5,000)
Fire Vehicle - Head Sets		(4,000)
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Budget Shortfall	\$	<u>55,733</u>
Actual Rate		<u>2.21%</u>



SCENARIO #2 - BUDGET TARGET @ 1.70%

Budget Requirements	\$	27,188,330
Total Anticipated Revenue @ 1.70%		(27,033,849)
Supplemental Reductions		
Total Reductions Under Scenario #1		(19,000)
Binding of Historical Minutes		(3,000)
Stairwell Repairs		(10,000)
EVP - Project Manager		<u>(70,000)</u>
Budget Shortfall	\$	<u><u>52,481</u></u>
Actual Rate		<u><u>1.90%</u></u>



SCENARIO #3 - BUDGET TARGET @ 1.40%

Budget Requirements	\$	27,188,330
Total Anticipated Revenue @ 1.40%		(26,954,105)
Supplemental Reductions		
Total Reductions Under Scenario #2		(102,000)
OCP - Legal Costs		(5,000)
Esquimalt Road Design Guidelines		(10,000)
Economic Development Consulting		(25,000)
Movie Licences/Bouncy Castle		(7,000)
Hot Water Lines		(5,000)
Engineering Tech Position - Reduced Hours		(15,000)
Labourer Position - Wages & Benefits		(9,126)
Budget Shortfall	\$	<u><u>56,099</u></u>
Actual Rate		<u><u>1.61%</u></u>



SCENARIO #4 - BUDGET TARGET @ 1.00%

Budget Requirements	\$	27,188,330
Total Anticipated Revenue @ 1.00%		(26,847,777)
Supplemental Reductions		
Total Reductions Under Scenario #3		(178,126)
Esquimalt Road Cleanup		(50,000)
Bylaw Legal Costs		(10,000)
Sanitary System Modelling		(75,000)
Emergency Program Prep Materials		(5,000)
Budget Shortfall	\$	<u><u>22,427</u></u>
Actual Rate		<u><u>1.09%</u></u>



CAPITAL REQUESTS – FUNDING SUMMARY

Does not require current tax revenue to fund:

Capital Projects Reserve Fund	\$994,900
Machinery & Equip. Reserve Fund	214,250
Grants	60,000
Debt Borrowing	1,500,000
Community Works Fund	1,346,967
Sewer Fund	177,062
Sustainability Fund	60,000
Accumulated Surplus	265,062
Residents	35,000
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	\$4,653,241
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CAPITAL REQUESTS – FUNDING SUMMARY

- Require to collect current tax revenue to fund:

General Operating - Core	\$ 50,000
Sewer Operating - Core	<u>93,811</u>
	<u>\$ 143,811</u>

TOTAL CAPITAL FUNDING REQUESTED \$ 4,797,052

*** Total capital funding requested remains the same for all budget scenarios.*



CAPITAL REQUESTS – DEFERRED/NOT RECOMMENDED

Information Technology

Electronic Document Mgmt System	90,000
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Public Works

HVAC System	10,000
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Recreation Centre

Roadside Digital Sign	50,000
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Water Features	50,000
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Sports Centre

Concession/Bathroom Countertops	50,000
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Bi-parting Doors	48,000
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Flat Roof Replacement	180,000
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Parks

Soil/Mulch/Compost Bin (Nursery)	15,000
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\$ 493,000



PROJECTED RESERVE FUND & ACCOUNT BALANCES

	2015	2016	2017	2018	2019	2020
M&E Reserve Fund	1,924,833.56	2,229,043.56	2,232,152.56	2,715,135.56	2,764,970.56	2,295,768.56
Capital Projects Reserve Fund	1,701,785.51	1,337,631.51	1,320,592.51	1,303,553.51	1,286,514.51	1,219,475.51
Local Improvement Fund	152,189.38	158,075.40	163,961.42	169,847.44	175,733.46	176,933.46
Tax Sale Lands Reserve Fund	114,273.24	115,273.24	116,273.24	117,273.24	118,273.24	119,273.24
Park Land Acquisition Reserve Fund	83,698.45	84,448.45	85,198.45	85,948.45	86,698.45	87,448.45
Municipal Archives Trust Fund	2,971.89	3,191.89	3,411.89	3,631.89	3,851.89	4,071.89
Sustainability Reserve Fund	196,122.71	226,622.71	257,622.71	289,122.71	321,122.71	353,122.71
Eva Chafe Reserve Fund	33,031.54	33,331.54	33,631.54	33,931.54	34,231.54	34,531.54
Infrastructure Reserve Fund	3,191,090.27	3,479,090.27	3,769,090.27	4,059,090.27	4,349,090.27	4,644,090.27
	7,399,996.55	7,666,708.57	7,981,934.59	8,777,534.61	9,140,486.63	8,934,715.63
Casino Revenue	200,729.91	206,479.91	212,229.91	217,979.91	223,729.91	200,729.91
Community Works Funding	1,781,042.00	1,155,359.00	875,143.00	844,927.00	814,711.00	834,495.00
	1,981,771.91	1,361,838.91	1,087,372.91	1,062,906.91	1,038,440.91	1,035,224.91

