



FOR IMMEDIATE RELEASE
November 21, 2019

Budget Update #2

Wasaga Beach – On Tuesday, Nov. 19, members of Wasaga Beach town council, sitting as committee of the whole, received Draft 2 of the 2020 operating and capital budgets.

Jocelyn Lee, treasurer, started the presentation with an overview of where the town is at in preparing the 2020 budget.

Lee began by noting that council received the first draft of the budget on Oct. 1. For details on that draft see here: <http://bit.ly/2oOhZzH>.

She noted that on Oct. 24, members of council received additional information pertaining to the first draft of the budget. The focus of the discussion was a review of optional financial strategies to deal with known future costs, the impact to reserves and debt capacity when financing major capital projects, and projected operating costs for the new library and arena. Read a related staff report here: <http://bit.ly/2qwkkjo> and watch the related discussion here: <http://bit.ly/35f5AEL>.

Following the Oct. 24 meeting, staff continued to work on the draft budget to identify further opportunities to reduce the tax rate increase.

Staff were able to reduce the Draft 1 tax rate of 4.19 percent down to 2.52 percent before considering an updated assessment base.

The assessment base change lowered the tax rate to 2.15 percent.

Draft 2 of the budget started at the 2.15 percent tax rate increase and then staff added the phase-in and debenture costs of the new arena and library. This added 2.39 percent to the tax rate increase. Staff then added 0.42 percent as a contribution to reserves to help finance the town's asset management plan, bringing the total proposed tax rate increase to 4.96 percent.

For a house assessed at \$450,000, the proposed municipal tax rate increase works out to an increase of \$120.60 for the year or \$10.05 per month.

Details on the adjustments are in a staff report here: <http://bit.ly/2rVpl5X>.

Under draft 2, the total operating budget sits at \$41-million and the total capital budget – representing funds used for various infrastructure initiatives – is \$32-million.

The 2020 budget is very much a budget for today as well as preparing for the future. If the focus was only on the coming year, the recommended tax rate increase would only be 2.15 percent. Staff, with council's support have included funds for the future operating costs of the arena and library (\$362,504) and the future debenture for the new facility (\$187,741). The intent is to set aside these funds – or rather phase them in – in 2020 and the next two year years to offset the operating and carrying costs when the facility opens.

The contribution to the reserve in support of the asset management plan stands at \$191,830.

Department heads then provided operational and capital highlights for their respective draft budgets.

Highlights mentioned include the reinstatement of the doctor recruitment program, new vehicles for various departments, as well as the refurbishment of other vehicles to prolong their life, and new software to support the efficient delivery of town services.

There are also investments in new staff in IT, engineering, and parks in order to meet municipal service level requirements.

Within the fire department budget, \$40,000 has been included in the capital budget for the purchase of auto extrication tools. This is to replace older equipment. As well, \$107,000 is allocated to start the process for renovations at Station 2 on Mosley Street. These funds will be used to retain an architect and have renovation drawings completed. And \$140,000 is set aside for two smaller vehicles, which the department is calling community response vehicles. These would be used for calls where a pumper truck is not needed. The aim with these new vehicles is to reduce the wear on the department's pumper trucks.

In the public works budget, \$150,000 is budgeted for the first year of a two-year town-wide drainage master plan. The department will continue to advance several infrastructure projects in 2020 as well, including the Main Street Bridge Project, geometric improvements to Veterans Way, and streetlight pole replacement. Water and wastewater improvements are also planned, including water main replacement work on Sunnidale Road and interior painting and repairs at the River Road West water tower.

Transit investments include \$18,000 for two new bus shelters and \$40,000 to relocate the transit hub at the Superstore, from in front of the store to the northeast corner of the building. This will make bus departures and arrivals less disruptive in the parking lot.

The town will invest \$90,000 in playground replacement equipment as the municipality commences annual upgrades to its play structures in local parks. The new equipment replaces equipment at end of life.

For more information, you can watch a detailed departmental budget overview presentation on our YouTube channel here: <http://bit.ly/343ttyY>. The presentations start around the 56-minute mark.

To review the treasurer's staff report on draft 2 of the budget see here: <http://bit.ly/2rVpl5X>.

Next steps:

At the Dec. 3 Committee of the Whole budget meeting, staff will present the third draft of the budget. They will also present the 4-year Operating Forecast and the 10-Year Capital Forecast.

The following are the key dates in the coming weeks regarding the budget process:

Dec. 3 – Committee of the Whole as Budget meets. Presentation of Draft 3 of budget and the 4-year Operating Forecast and the 10-Year Capital Forecast.

Dec. 10 – Public meeting for the proposed 2020 Operating and Capital Budgets, plus the 4-year Operating Forecast and the 10-Year Capital Forecast.

Dec. 17 – Council considers approving the 2020 Operating and Capital Budgets, plus the 4-year Operating Forecast and the 10-Year Capital Forecast.

Members of the public are welcome to provide comment and input to the 2020 budget. Please send them to the undersigned and they will be forwarded to the treasurer.

Further updates will be provided as the town moves forward.

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For media requiring additional information, please contact:

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