

Financial Overview

Special Council Meeting

June 11, 2019



Financial Position

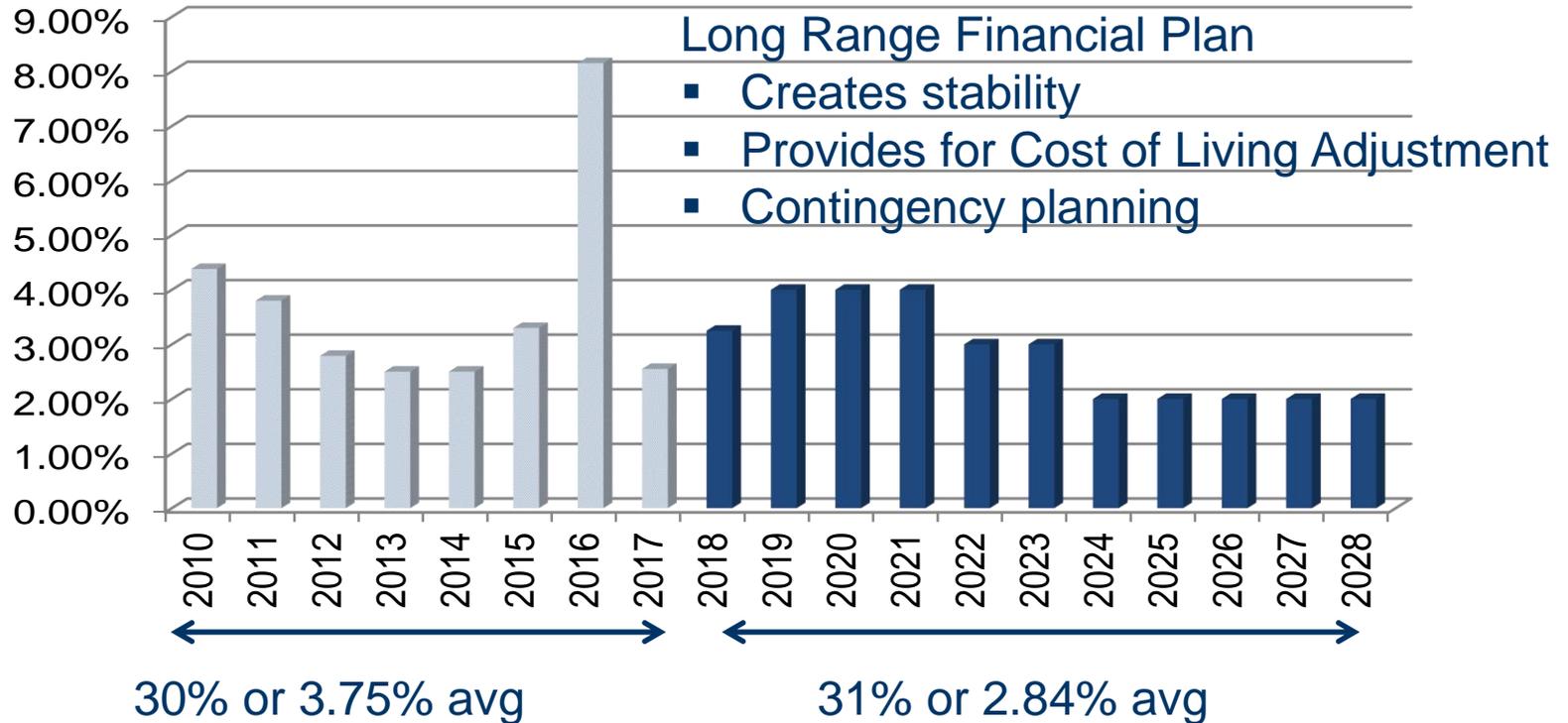
- 2016 the City undertook a Core Service Review
- 49 of the City's 200+ services were reviewed
- Savings of \$8 Million were achieved
- By the end of 2019, 170 staff will be trained in the Lean Six Sigma methodology

Financial Position

- In 2017 the City adopted the 10-Year Financial Plan
- Framework for sustainable tax levy increases while building reserves and maintaining capital infrastructure
- Enables longer term decision making

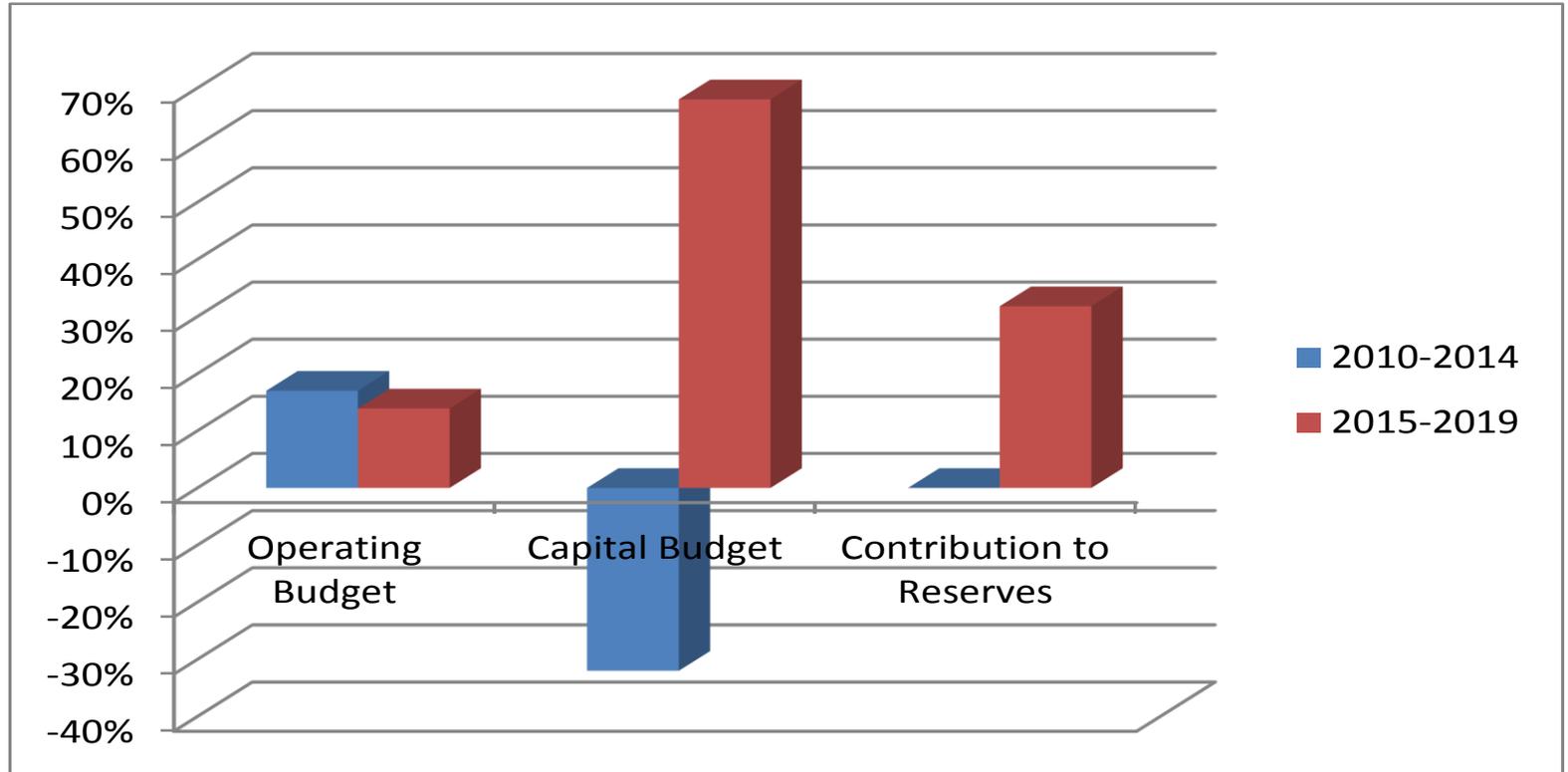
Financial Position

Tax Levy Increases



Financial Position

Investment Focus



Local Landscape

Unknowns that will impact 2020 and future budgets:

- 7 Collective Agreements expired/expiring
- Impact of increasing weather related events
- Waste contract renewal

Local Landscape

Unknowns that will impact 2020 and future budgets:

- Water/wastewater contract expiring
- Recycling now a cost rather than a revenue
- Increasing fuel prices

Provincial Landscape

Ontario Municipal Partnership Fund (OMPF)

- The City received \$7.4 million in 2019
- Equivalent to ~ 7% tax levy increase
- Reduction in funding expected for 2020
- New funding levels are unknown

Provincial Landscape

Paramedic Services

- Province currently funds 50% of budgeted expenditures
- Province will be holding Paramedic funding to 2018 levels
- 2020 anticipated impact ~ \$400,000 shortfall

Provincial Landscape

Child Care

- 2020 Funding Reduction:
 - Operations –Reduction in base funding by \$256,000
 - Administration threshold from 10% to 5% and cost shared 50/50
 - Expansion from 100% to 80%
- 2020 anticipated impact ~ \$850,000 shortfall shared by the City and County of Haliburton

Provincial Landscape

Long Term Care

- Province has historically funded ~\$150,000 in Structural Compliance Funding to support capital initiatives
- Funding eliminated effective August 2019

Provincial Landscape

Ontario Works

- Changes to administration allocations and performance targets
- 2020 anticipated impact ~ \$340,000 shortfall shared by the City and County of Haliburton

Provincial Landscape

Library Services

- Reduced support for interlibrary loans
- 2020 anticipated impact ~ \$10,000 shortfall

Provincial Landscape

Health Unit

- Province current funds 75%
- Funding is decreasing to 70% in 2020
- 2020 anticipated impact ~ \$310,000 shortfall

Provincial Landscape

Total Impact of Reduced Provincial Funding

| | Estimated Budget Impact |
|------------------------------------|-------------------------|
| OMPF | TBD |
| Paramedic Services | \$400,000 |
| Child Care Services | \$850,000 |
| Long Term Care | \$150,000 |
| Ontario Works | \$340,000 |
| Library Services | \$10,000 |
| Health Unit Services | <u>\$310,000</u> |
| Minimum Budget Impact | \$2,060,000 |
| Minimum Equivalent Tax Levy | 1.9% |

Summary

- The Core Service Review and Long Range Financial Plan position the City to better manage the unknowns however, Council will need to spend strategically until some of the uncertainties become known