

2019

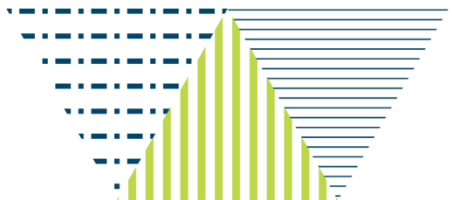
OPERATING LEVY BUDGET

Budget Review Committee of the Whole
February 28, 2019

2019 Consolidated Levy Budget

What we're going to cover tonight:

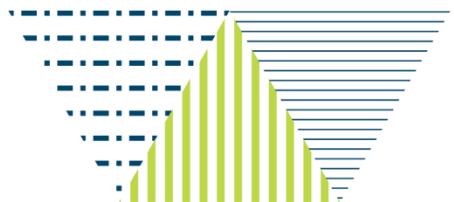
- Changes since February 14
- Updated consolidated and household impact
- Next steps



Revised 2019 Levy Operating Budget

Key Themes

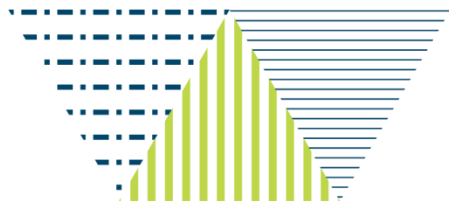
1. Regional departments increase below guidance inclusive of additional reductions (post CSD 22-2019 REVISED)
2. Maintains additional budget for DC exemptions funded with assessment growth and one-time items funded with NPCA refund
3. Includes Niagara Regional Transit enhancements and Niagara Investment in Culture sustainability
4. Modifies NRPS and NPCA budget in response to BRC motions
5. Decrease from 5.8% to 4.8% to 4.6% or \$68 on avg. household



Revised 2019 Levy Operating Budget

Revisions from February 14

(in millions)	2018 Budget	2019 Budget	\$ Change	Assessment Growth	% Change
Budget request per original CSD 22-2019	\$346.7	\$372.5	\$25.7	(\$5.7)	5.8%
Councillor Remuneration		(0.2)	(0.2)		-0.1%
Waterfront Improvement Program		(0.9)	(0.9)		-0.3%
NPCA special levy		(1.6)	(1.6)		-0.5%
NRPS April 1 program changes		(0.7)	(0.7)		-0.2%
Budget request per CSD 22-2019 Revised	346.7	369.0	22.3	(5.7)	4.8%
Cannabis Revenue		(0.5)	(0.5)		-0.2%
Revised budget per BRC Feb 28, 2019	\$346.7	\$368.5	\$21.8	(\$5.7)	4.6%



Departmental Budget at 1.6%

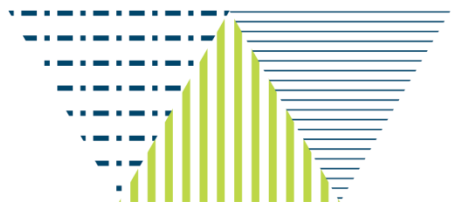
1.2% Base and 0.4% Discretionary

Base budget still includes:

- \$1.34M in capital financing
- \$0.78M in reserve draw reductions
- \$0.39M for Canada Summer Games legacy project financing
- (\$1.30M) in EMS provincial funding
- (\$1.09M) in investment income increases
- (\$0.51M) in cannabis revenue (new)

Discretionary guidance still includes:

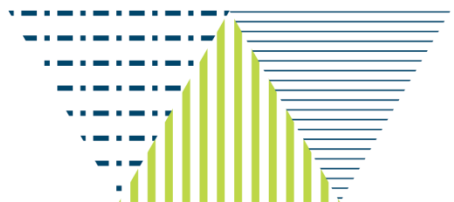
- \$0.41M for net Asset Management Governance costs



Total Budget Increase of 4.6%

In addition to the departmental base budget

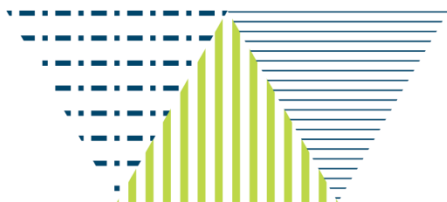
- \$7.9 million/2.3% for NRT service enhancements and \$0.25 million/0.1% for Niagara Investment in Culture grants
- \$3.5 million for DC discretionary grants and \$1.2 million for one-time initiatives from assessment growth and NPCA refund, 0% impact
- NRPS reduced budget from 6.5% to 6.0%, \$0.7 million reduction from adding FTEs effective April 1st
- NPCA reduced special levy by \$1.6 million: \$1.1 million from debt charge MOU and \$0.5 million land reserve transfer



2019 Levy Operating Budget

(in millions)	2018 Budget	2019 Budget	\$ Change	Assessment Growth	% Change
Regional Departments	\$174.6	\$177.4	\$2.8		1.6%
DC Grants (net of assessment growth)		3.5	3.5	(3.5)	0.0%
One-time initiatives (net of NPCA refund)		1.3 (1.3)	1.3 (1.3)		0.0%
<i>ABCs at guidance* (net of assessment growth)</i>	<i>172.2</i>	<i>177.7</i>	<i>5.5</i>	<i>(2.2)</i>	<i>2.0%</i>
Base Budget	346.7	358.6	11.9	(5.7)	1.8%
Niagara Regional Transit		7.9	7.9		2.3%
Culture program		0.3	0.3		0.1%
NPCA special levy reduction		(1.6)	(1.6)		-0.5%
NRPS in excess of guidance (net of other ABCs under guidance*)		3.5 (0.3)	3.5 (0.3)		0.9%
Levy Impact (net of assessment growth)	\$346.7	\$368.5	\$21.8	(\$5.7)	4.6%

*Courts, NRH and NPCA budget increases are less than guidance which is offsetting NRPS increase in excess

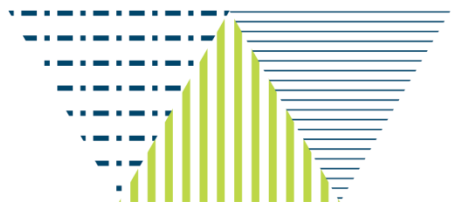


Household Impacts

Household assessed at \$267,711

	Household Impact	Subtotal	Total Household Impact
2018 Regional Property Tax Rate			\$1,461
Base Budget increase	35		
DC Exemption Grants	15		
Assessment Growth	(24)	26	
Niagara Regional Transit	34		
NPCA special levy amount	(7)		
Niagara Investment in Culture	1		
NRPS in excess of Guidance	14	42	68
4.6% Increase			1,529

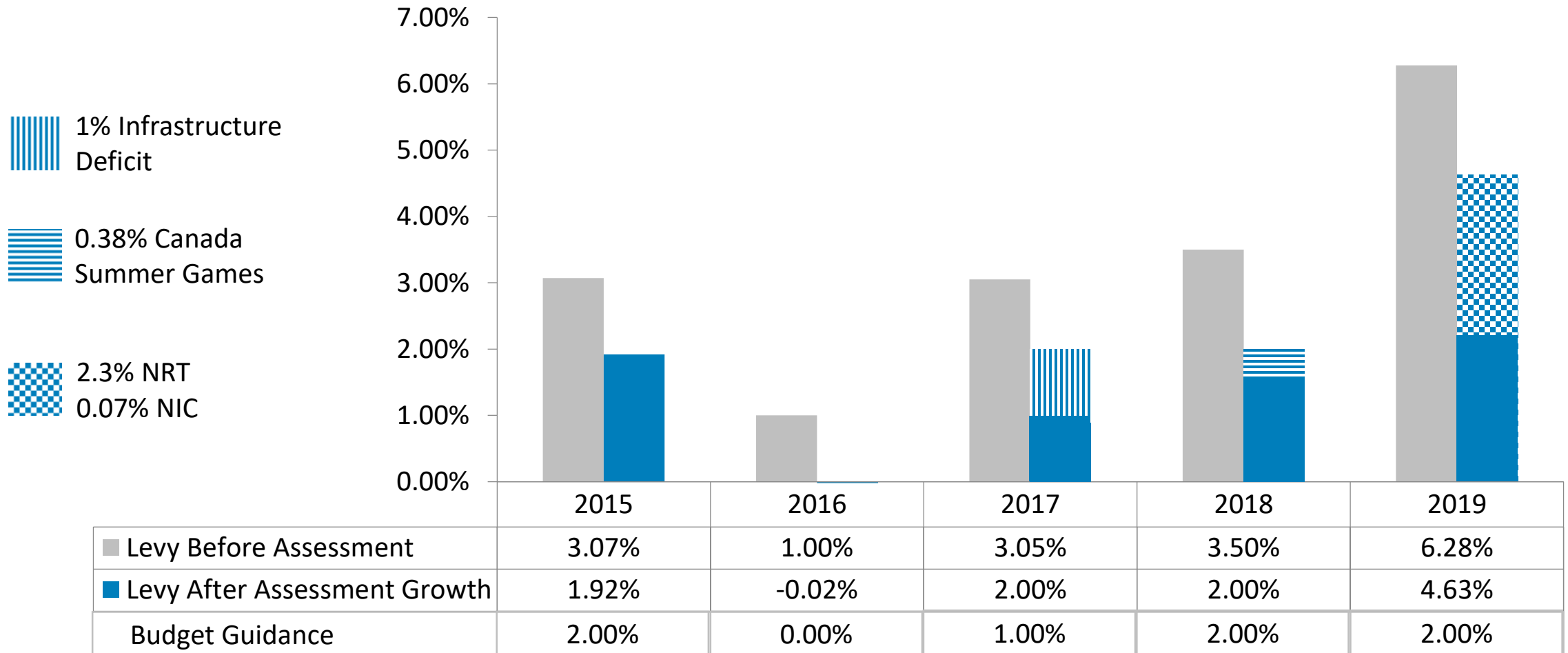
Changes identified in green



2019 OPERATING LEVY BUDGET

Historical Tax Levy Increases

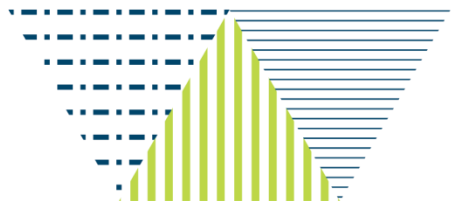
5 Year Average of 2.11%



Next Steps

Approvals and Tax Policy

- Council approval of budget (incl. By-laws) – tonight
- Communication with LAMs
- General tax rate set based on 2019 Assessment and Tax Policy decisions (estimated April. 2019)



Questions?

