



Vibrant · Creative · Caring

2015 Operating Budget

*A vibrant, creative and caring
community*



20 Pelham Town Square P.O Box 400 · Fonthill, ON L0S 1E0 p: 905.892.2607 f: 905.892.5055

pelham.ca

2015 Operating Budget Overview

- 2015 Operating Budget presented for Council consideration is a responsible budget reducing budget increase from 2.81% presented at pre-budget meeting to 2.49% presented tonight.
- Increases in one department offset by savings in another.
- Savings from new technologies and work process improvements have offset increases presented at pre-budget meeting.
- Includes those items approved at the pre-budget meeting from Public Open House (detailed in spreadsheet)
- Includes municipal grant recommendations presented to Council in December in the amount of \$39,200. This amount will remain unspent until Council Approval of allocation.
- Includes addition of Intake Technician in Building Department.



2015 Operating Budget Overview

Intake Technician – Building Department

- No impact on Tax levy
- Required to manage permit applications at time of submission to the Town
- Anticipated growth in the Town requires additional resources to meet customer service needs



Operating Budget Open House Requests

Budget Requests	Decision Made
Request for all or part of \$12,000 to fund the restoration of the Time Capsule.	Town staff are assisting Time Capsule Committee with alternative funding options.
Heritage Committee asked for an additional \$5,000 to their existing Operating Budget.	Funding for inventory of Heritage Buildings was allocated to Capital Budget.
The Niagara Central Airport requested an additional \$500 for the Operating Budget and \$30,000 debenture over 10 years.	The additional \$500 request is included in the enclosed 2015 Operating Budget.
Diesel asked for a waiver on fees for the rental of the arena for their fundraiser.	Fee subsidy is included in the enclosed budget.
Pelham Library requested an additional \$63,871 on top of grant provided.	Library CEO informed that development charges were available and staffing costs were lower in 2015 than 2014 reducing need for additional funding.



Operating Budget Open House Requests

Budget Requests	Decision Made
Municipal Grant Committee requested \$39,200 to allocate to local organizations.	Funding is equal to 2014 and is included in the enclosed 2015 budget.
PATC requested Active Transportation Master Plan; 4 benches; printing and PD funding	Master Plan is included in Capital Budget, benches, printing and PD funding are in 2015 operating budget.
Friends of Maple Acres requested an addition to the Library.	The request is included in the 2015 Capital Budget.
Carriage Hill Condos requested repairs to the stormwater management on Pelham St.	The request is included in the 2015 Capital Budget.



OPERATING Budget Comparison

5 Year Expense Budget Comparison (Excluding Salaries/Reserve Transfers)					
	2011	2012	2013	2014	2015
Materials and Supplies	\$2,538,074	\$2,518,398	\$2,427,966	\$2,400,550	\$2,577,090
Contracted Services	\$1,200,305	\$1,075,192	\$1,155,315	\$1,133,105	\$931,598
Rentals	\$63,428	\$49,823	\$40,510	\$39,050	\$8,970
External Cont	\$36,300	\$36,050	\$36,050	\$39,200	\$39,200
Debenture	\$855,622	\$684,674	\$667,593	\$692,511	\$624,933
Total	\$4,693,729	\$4,364,137	\$4,327,434	\$4,304,416	\$4,181,791
Annual Decreases	(\$11,014)	(\$329,592)	(\$36,703)	(\$23,018)	(\$122,625)
Total Decrease from 2011					(\$522,952)



Pre-Budget Meeting Recap

- Expenditures impacting 2015 budget presented on December 8, 2014 projected 2.81% increase to Town portion of Tax Levy
- Net Expenditure increases dictated by external organizations or previously approved by Council totaled \$318,479.
- Extensive work done by staff to review all expenditure requests and reduce costs where practical without impacting customer service levels.
- Result of work is a net expenditure increase of \$238,409 as presented on page 1.2 of the budget binder. This is a reduction in expenditures of \$80,070 or $-.36\%$



Budget Summary

2015 OPERATING BUDGET NET INCREASE

	2015 BUDGET	2014 BUDGET	INCREASE (DECREASE) FROM 2014 BUDGET	INCREASE (DECREASE) FROM 2014 BUDGET
	\$	\$	\$	%
Total Expenditures	12,436,025	12,060,585	375,440	3.11
Total Revenues	2,350,056	2,311,503	38,553	1.67
	10,085,969	9,749,082	336,887	3.46%
Assessment Growth			98,478	1.01%
Net 2015 Operating Budget Increase			238,409	2.45%

** Includes PIL revenues



Corporate Services

Table 2

Summary of Increases Presented in 2015 Budget

Employee Salary COLA/grid movement increase	\$149,461
New Director Complement/Performance Planning	
Insurance Premium increase	\$10,000
Community Improvement Plan Increase	\$25,000
Sustainability (Transfer to Reserves)	\$175,979
Health Care Spending Account	\$15,000
Total 2015 Proposed Increase**	\$375,440
Less:	
Increase in Revenues	(\$38,553)
Increase in Growth	(\$98,478)
Net 2015 Operating Budget Increase	\$238,409



Corporate Services

2015 Offsetting economies/revenues

- Reduction in Contracted Services (\$194,507)
 - Splitting of Payroll and HR Function (\$66,333)
Payroll position in place not new position
 - Reduction of part-time/overtime costs (\$38,342)
- Total (\$337,435)



Budget Summary

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Corporate Services

2015 Growth Carry Forward

CALCULATION OF 2015 GROWTH

	2014 Assessment Per Budget \$	2014 Assessment Pre-flip \$	2014 Tax Rate	2014 Levy \$	2014 Levy Pre-flip \$	Growth \$	
Residential	1,939,396,885	1,959,136,836	0.004548110	8,820,590	8,910,370	89,779	
Multi-Residential	17,948,527	17,948,527	0.009296340	166,856	166,856	-	
New Multi-Residential			0.000000000	-	-	-	
Commercial	59,983,147	61,897,579	0.007998310	479,764	495,076	15,312	
Commercial Vacant	2,253,525	777,814	0.005598820	12,617	4,355	(8,262)	
Industrial	3,046,183	3,042,683	0.011961540	36,437	36,395	(42)	
Industrial Vacant	50,000	50,000	0.007775000	389	389	-	
Pipelines	14,124,000	14,267,609	0.007741340	109,339	110,450	1,112	
Farmland	106,697,808	107,270,839	0.001137030	121,319	121,970	652	
Managed Forests	1,554,592	1,490,188	0.001137030	1,768	1,694	(73)	
	<u>2,145,054,667</u>	<u>2,165,882,075</u>		<u>9,749,078</u>	<u>9,847,555</u>	<u>98,478</u>	<u>1.01%</u>



Budget Summary

Town wide increase across all assessment categories

2014 Average residential increase

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	2014	2015	Increase	% Increase
Average Residential Assessment	\$ 298,000	\$ 302,815	\$ 4,815	1.62%
Tax Rates	0.00454811	0.00456165	0.0000135	0.30%
Average Tax Levy	1,355.34	1,381.34	26.00	1.92%
Cost per day to average tax levy	\$ 3.71	\$ 3.78	\$ 0.07	1.92%
Annual increase to average ratepayer			\$ 26.00	



2015 Assessment Changes

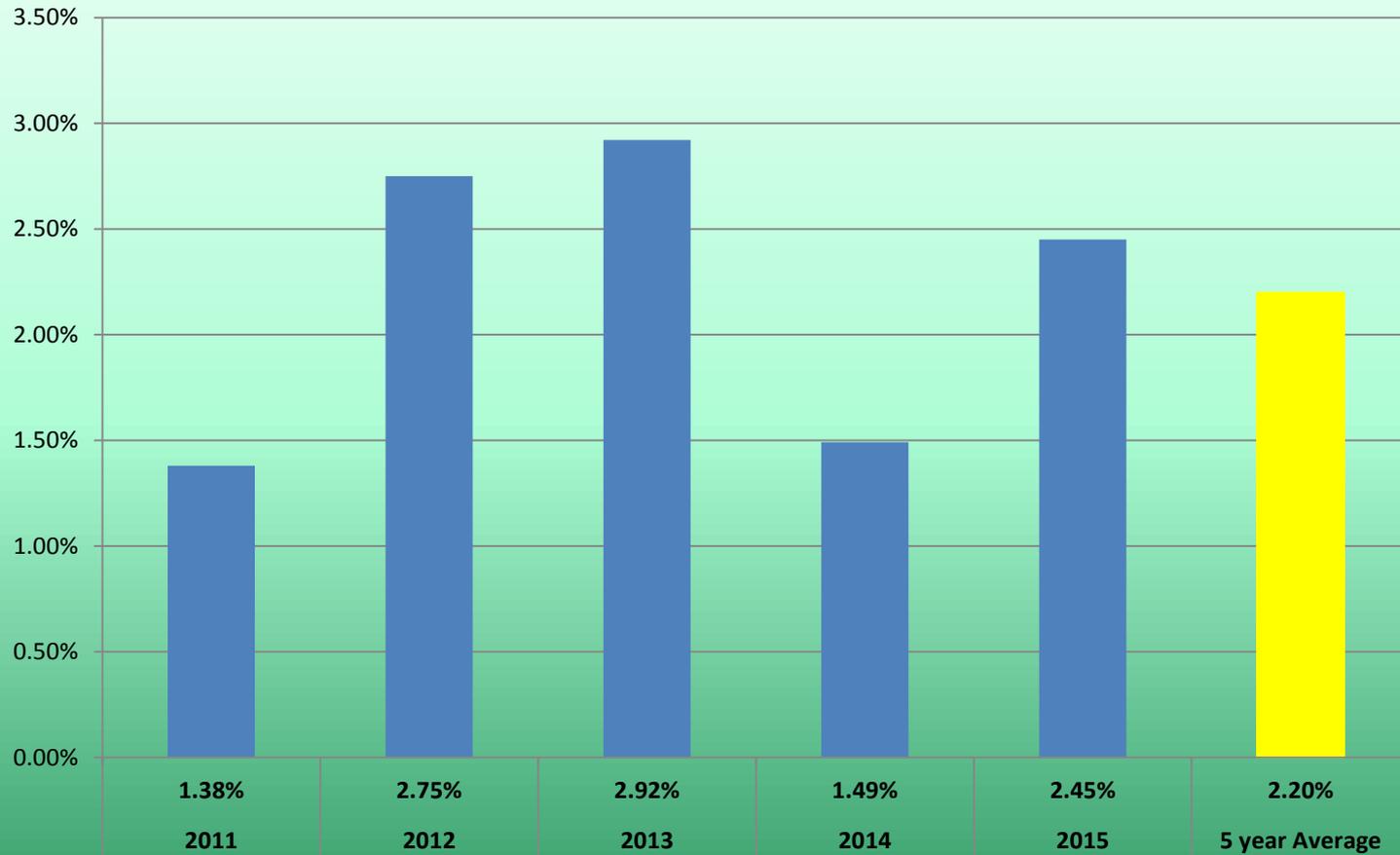
SUMMARY OF YEAR OVER YEAR ASSESSMENT CHANGES

PROPERTY CLASS	<u>2015</u>	<u>2014</u>	<u>INCREASE (DECREASE)</u>	<u>% CHANGE</u>
RESIDENTIAL	1,997,562,043	1,939,396,885	58,165,158	3.00%
MULTI - RESIDENTIAL	18,613,264	17,948,527	664,737	3.70%
COMMERCIAL OCCUPIED	63,837,021	59,983,147	3,853,874	6.42%
COMMERCIAL VACANT UNITS	798,394	2,253,525	- 1,455,131	-64.57%
INDUSTRIAL OCCUPIED	3,089,640	3,064,183	25,457	0.83%
INDUSTRIAL VACANT LAND	50,500	50,000	500	1.00%
PIPELINES	14,508,804	14,124,000	384,804	2.72%
FARMLANDS	115,473,497	106,697,808	8,775,689	8.22%
MANAGED FORESTS	1,616,844	1,554,592	62,252	4.00%
TOTAL ASSESSMENT FOR TAX PURPOSES	<u>2,215,550,007</u>	<u>2,145,072,667</u>	<u>70,477,340</u>	<u>3.29%</u>
PROPERTIES SUBJECT TO PAYMENTS IN LIEU OR EXEMPT	81,963,020	73,052,685	8,910,335	12.20%
MUNICIPAL TOTAL	<u>2,297,513,027</u>	<u>2,218,125,352</u>	<u>79,387,675</u>	<u>3.58%</u>



Corporate Services

5 year Average Operating Budget Increase



Corporate Services

2015 Operating Budget Overview

- Tonight's presentation reflects only the Town's portion of the Tax Levy for 2015.
- Once Region and Education tax rates are finalized, senior staff will bring forward the proposed tax rates.
- The new Tax Rates will then be presented to Council for consideration and approval (May 2015).



THANK YOU

- Questions

