



Vibrant · Creative · Caring

2017 Operating Budget

*A vibrant, creative and caring
community*



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2017 Operating Budget Overview

- 2017 Operating Budget presented for Council consideration is a budget that was developed to align with current customer service levels and increasing some of those levels, pending growth, funding one time expenditures and ensuring a responsible tax rate for Pelham.
- Overall Increases in some departments are required to maintain current customer service standards within the Town.
- Includes those items approved at the pre-budget meeting from Public Open House.
- Includes municipal grant recommendations presented to Council tonight in the amount of \$40,000.
- Pelham Transit, Maple Acres and Airport requests have been considered within the budget being presented tonight.
- Ratepayers at the heart of all decisions bringing this budget to Council for approval.



Operating Budget Open House Requests

Budget Requests	Decision Made
Al Bering - Halt spending	The Town Council and Staff prepare each budget with due diligence and a great sense of responsibility to Pelham ratepayers. Working with the community the Town prepares its annual budget ensuring the tax rate is affordable.
P. Kuczera & B. Heska– Splash pad	Request referred to Parks Facilities. A splash pad is part of the 20 year capital plan with the first one slated for 2021 at Woodstream Park.
J. Abbott – upgrading of the median on Pickwick Place. Proposed street lighting for Pickwick Place be reduced in height.	Public Works is currently working with residents on Pickwick Place to develop a solution that satisfies all parties.
J. & L. Addario – creating a wider, safer walking/cycling pathway on Canboro Rd from Oakridge Blvd to Effingham St and along Effingham St, from Pancake Lane and Hwy 20.	Request has been referred to Public Works for consideration in future budgets.
J. Turpel & E. McGill & B. Heska/Pelham Street – requested an increase in funding be committed to planting and maintenance of trees	Staff within Parks and beautification continue to meet with the individuals who requested additional planting. A volunteer committee to assist with the project is being considered.



Operating Budget Open House Requests

Budget Requests cont'd	Decision Made cont'd
S. Gibson/PMBA – numerous requests to Ball Diamonds throughout Pelham	The requests for improvements to the ball diamonds and peripherals has been implemented into multi-year budgets. Requests that formed part of the 2017 Capital Budget include; bullpens, netting and infield cutout.
Mr. Dolan/Kline Crescent – Change the design of street names signage to utilize upper and lower case lettering on blue signs. Also that consideration be given to moving toward buried hydro lines throughout the municipality.	The request has been forwarded to Public Works for consideration in future signage and future budget years.
Mr. Athay/Whitehall Gate & B. Heska – Suggested the use of roundabouts where practical and possible as an alternative to traffic lights to ease congestion in Pelham.	The Town is proposing several roundabouts within the East Fonthill Lands and continue to work with the Region and other external agencies to define areas where a roundabout would work best.



OPERATING Budget Comparison

5 Year Expense Budget Comparison (Excluding Salaries/Reserve Transfers)					
	2013	2014	2015	2016	2017
Materials and Supplies	\$2,427,966	\$2,400,550	\$2,577,090	\$2,354,085	\$2,282,575
Contracted Services	\$1,155,315	\$1,133,105	\$931,598	\$1,085,724	\$1,447,402
Rentals	\$40,510	\$39,050	\$8,970	\$8,970	\$12,340
External Cont	\$36,050	\$39,200	\$39,200	\$39,200	\$40,000
Debenture	\$667,593	\$692,511	\$624,933	\$1,041,917	\$1,118,764
Total	\$4,327,434	\$4,304,416	\$4,181,791	\$4,529,896	\$4,901,081
Annual Change	(\$36,703)	(\$23,018)	(\$122,625)	\$348,105	\$371,185
Increase from 2013					\$536,944
Customer Service Increases since 2016					
Snow Clearing of all Town sidewalks within 24 hours				\$	92,000
Continuation and expansion of Pelham Transit Service				\$	83,920
Expansion of Maple Acres Operating Hours				\$	28,000
New recreation, culture and wellness programs				\$	52,038
Increased Tree Planting and beautification				\$	60,555
Expanded level of service road base repairs/culverts/manholes				\$	24,286



Corporate Services

Pre-Budget Meeting Recap

- Expenditures impacting 2017 budget presented on November 14, 2016 projected 6.99% increase to Town portion of Tax Levy (including Pelham Transit, Airport and Library)
- Net Expenditure increases dictated by external organizations or previously approved by Council totaled \$679,717.
- Extensive work done by staff to maintain customer service levels, prepare for growth and fund one time expenditures.
- Result of work is a net expenditure increase of \$518,542 as presented on page 1.2 of the budget binder. This is an decrease in expenditures of \$161,175 or 23.7% below original projection.



Budget Decisions

- Original Budget decisions increased proposed rate to over 10%.
- Reductions made across all departments to reduce impact on ratepayers.
- Contracted Services in amount approximately \$125,000 removed from budget.
- Some of the requests offset by proposed additional staff.
- Building Department will fund its proportionate share of operating expenditures in 2017 and going forward.
- Water and Wastewater budget to fund some salaries. Full review to be done in 2017 of overall funding for operational expenses.
- One time expenditures funded by increase in supplementals. This will mitigate volatility in 2018.



Budget Summary

2017 OPERATING BUDGET NET INCREASE

	2017 BUDGET	2016 BUDGET	INCREASE (DECREASE) FROM 2016 BUDGET	INCREASE (DECREASE) FROM 2016 BUDGET
	\$	\$	\$	%
Total Expenditures	14,521,395	13,510,419	1,010,976	7.48
Total Revenues	2,730,131	2,450,681	279,450	11.40
	11,791,264	11,059,738	731,526	6.61%
Assessment Growth			212,984	1.93%
Net 2017 Operating Budget Increase			518,542	4.69%

** Includes PIL revenues



Corporate Services

Table 2

Summary of Increases Presented in 2017 Budget

Addition of 3 staffing complements, compensation review adjustments, statutory and Extended Health Benefit Increases	\$365,798
Debt for Fenwick Revitalization	\$76,847
Sustainability (Transfer to Reserves)	\$197,827
Contracted Service increase to maintain service levels	\$224,677
Utility Cost increases to reflect increased rates for 2017	\$33,515
Maple Acres Branch increased grant funding	\$28,000
Other increases in Materials and Supplies	\$84,314
Total 2017 Proposed Increase**	\$1,010,978
Less:	
Increase in Revenues	(\$279,450)
Increase in Growth	(\$212,984)
Net 2017 Operating Budget Increase	\$518,544



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Corporate Services

2016 Growth Carry Forward



CALCULATION OF 2016 GROWTH

	2016 Assessment Per Budget	2016 Assessment Pre-flip	2016 Tax Rate	2016 Levy	2016 Levy Pre-flip	Growth	
	\$	\$		\$	\$	\$	
Residential	2,068,323,217	2,113,447,917	0.004814910	9,958,790	10,176,062	217,271	
Multi-Residential	18,609,000	18,609,000	0.009841680	183,144	183,144	-	
Commercial	67,849,061	67,780,642	0.008467510	574,513	573,933	(579)	
Commercial Vacant	4,382,972	4,594,872	0.005927260	25,979	27,235	1,256	
Industrial	3,663,597	3,567,897	0.012663220	46,393	45,181	(1,212)	
Industrial Vacant	93,000	93,000	0.008231100	765	765	-	
Pipelines	14,900,000	14,965,000	0.008195460	122,112	122,645	533	
Farmland	124,200,753	120,727,653	0.001203730	149,504	145,323	(4,181)	
Managed Forests	1,748,200	1,661,900	0.001203730	2,104	2,000	(104)	
	<u>2,303,769,800</u>	<u>2,345,447,881</u>		<u>11,063,305</u>	<u>11,276,289</u>	<u>212,984</u>	1.93%



Corporate Services

Budget Summary

Town wide increase across all assessment categories

2017 Average residential increase

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	<u>11,791,264</u>	<u>11,059,738</u>	<u>731,526</u>	<u>6.61%</u>
Assessment Growth			<u>212,984</u>	<u>1.93%</u>
Net 2017 Operating Budget Increase			<u>518,542</u>	<u>4.69%</u>

	2016	2017	Increase	% Increase
Average Residential Assessment	\$ 309,200	\$ 316,400	\$ 7,200	2.33%
Tax Rates	0.0048149	0.0049253	0.000110	2.29%
Average Tax Levy	<u>1,488.77</u>	<u>1,558.37</u>	<u>69.60</u>	<u>4.68%</u>
Cost per day to average tax levy	<u>\$ 4.08</u>	<u>\$ 4.27</u>	<u>\$ 0.19</u>	<u>4.68%</u>
Annual increase to average ratepayer			<u>\$ 69.60</u>	



Corporate Services

2017 Assessment Changes



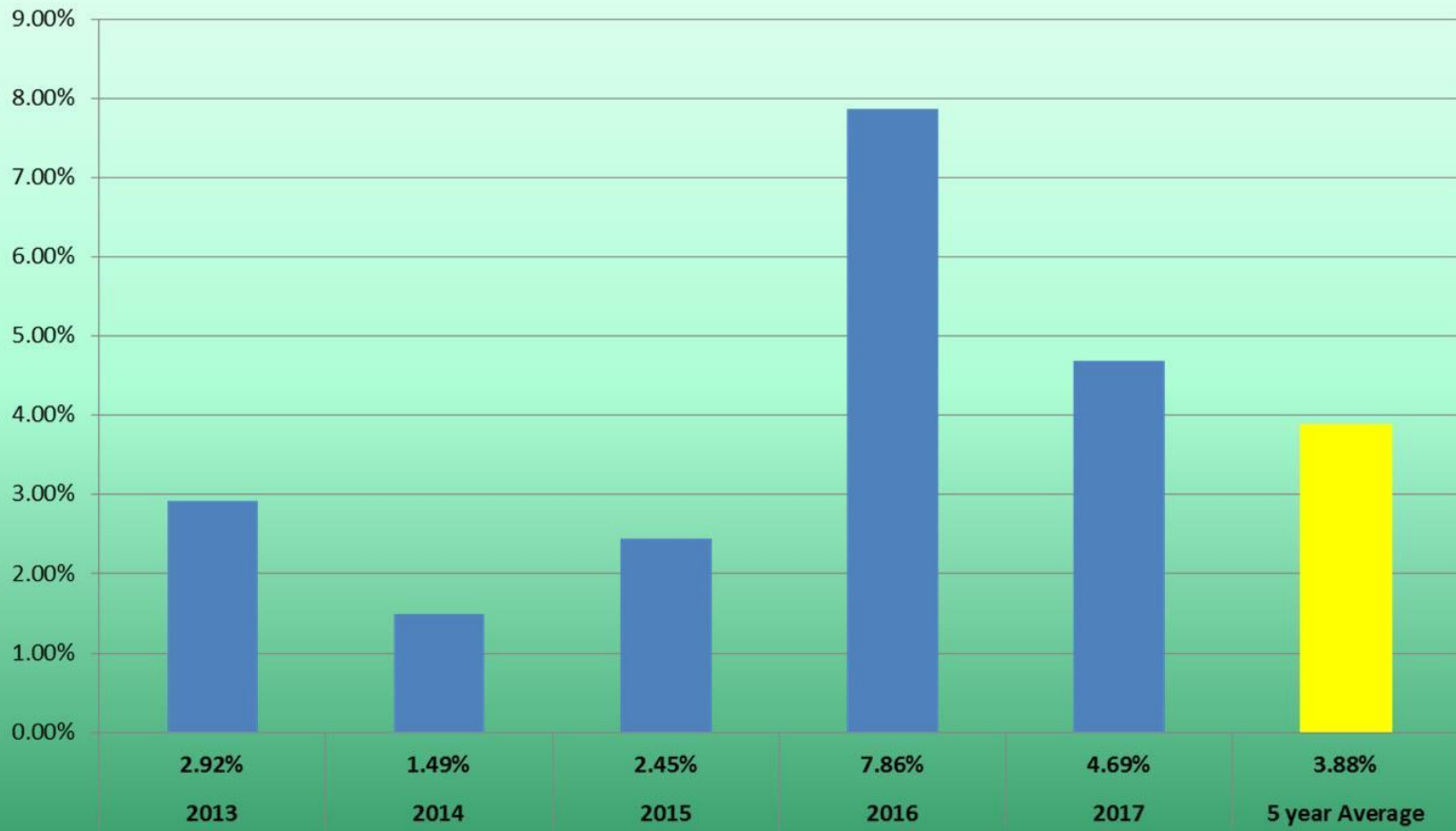
SUMMARY OF YEAR OVER YEAR ASSESSMENT CHANGES

PROPERTY CLASS	<u>2017</u>	<u>2016</u>	<u>INCREASE (DECREASE)</u>	<u>% CHANGE</u>
RESIDENTIAL	2,159,252,964	2,068,323,217	90,929,747	4.40%
MULTI - RESIDENTIAL	17,376,500	18,609,000	- 1,232,500	-6.62%
COMMERCIAL OCCUPIED	69,478,193	67,849,061	1,629,132	2.40%
COMMERCIAL VACANT UNITS	4,226,954	4,382,972	- 156,018	-3.56%
INDUSTRIAL OCCUPIED	3,812,348	3,663,597	148,751	4.06%
INDUSTRIAL VACANT LAND	110,525	93,000	17,525	18.84%
PIPELINES	15,421,250	14,900,000	521,250	3.50%
FARMLANDS	131,658,899	124,200,753	7,458,146	6.00%
MANAGED FORESTS	1,774,825	1,748,200	26,625	1.52%
TOTAL ASSESSMENT FOR TAX PURPOSES	2,403,112,458	2,303,769,800	99,342,658	4.31%
PROPERTIES SUBJECT TO PAYMENTS IN LIEU OR EXEMPT	92,259,395	90,184,800	2,074,595	2.30%
MUNICIPAL TOTAL	2,495,371,853	2,393,954,600	101,417,253	4.24%



Corporate Services

5 year Average Operating Budget Increase



Corporate Services

2017 Operating Budget Overview

- Tonight's presentation reflects only the Town's portion of the Tax Levy for 2017.
- 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 (April 2017).



THANK YOU

- Questions

