



2013 Operating Budget TOWN OF PELHAM

A vibrant, creative and caring community



2013 Operating Budget Overview



- ❑ 2013 Operating Budget presented for Council consideration is a responsible budget reducing budget increase from 4.12% presented at pre-budget meeting to 2.92% presented tonight.
- ❑ Re-organizational changes resulted in centralizing departments which caused the 2012 budget to be restated for comparison purposes.
- ❑ 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 permissive grant recommendations presented to Council in December in the amount of \$25,600 included in section 8 in the budget binder

OPERATING Budget Comparison



4 Year Expense Budget Comparison (Excluding Salaries/Reserve Transfers)

	2009	2010	2011	2012	2013
Materials and Supplies	\$2,517,075	\$2,417,365	\$2,538,074	\$2,518,398	\$2,427,966
Contracted Services	\$1,295,647	\$1,291,997	\$1,200,305	\$1,075,192	\$1,155,315
Rentals	\$69,278	\$58,078	\$63,428	\$49,823	\$40,510
External Contributions	\$30,400	\$31,000	\$36,300	\$36,050	\$36,050
Debenture	\$807,959	\$906,303	\$855,622	\$684,674	\$667,593
Total	\$4,720,359	\$4,704,743	\$4,693,729	\$4,364,137	\$4,327,434

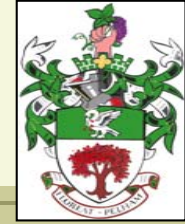
Annual Decreases		(\$15,616)	(\$11,014)	(\$329,592)	(\$36,703)
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Total Expenditure Decrease from 2009					(\$392,925)
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Pre-Budget Meeting Recap

- Expenditures impacting 2013 budget presented on November 6, 2013 projected 4.12% increase to Town portion of Tax Levy
- Net Expenditure increases dictated by external organizations or previously approved by Council totaled \$373,536
- 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 \$265,955 as presented on page 1.3 of the budget binder. This is a reduction in expenditures of \$107,581 or -1.2%

Budget Summary



TOWN OF PELHAM 2013 OPERATING BUDGET NET INCREASE

	2013 BUDGET	2012 BUDGET	INCREASE (DECREASE) FROM 2012 BUDGET	INCREASE (DECREASE) FROM 2012 BUDGET
Total Expenditures	\$11,728,127	\$11,259,666	\$468,461	4.16%
Total Revenues	\$2,221,200	\$2,152,281	\$68,919	3.20%
	<u>\$9,506,927</u>	<u>\$9,107,385</u>	<u>\$399,542</u>	<u>4.39%</u>
Assessment Growth			<u>\$133,587</u>	<u>1.47%</u>
Net 2013 Operating Budget Increase			<u>\$265,955</u>	<u>2.92%</u>

**Includes PIL revenues

Table 2

Summary of Increases Presented in 2013 Budget



Recreation Departmental expense increase (offset by revenues)	\$ 32,869
Employee Salary COLA/grid movement increase	\$ 96,601
Employee Benefits (Employer portion)	\$ 55,798
2013 Proposed Re-organization Changes*	\$ 2,926
Legal Fee increase to better reflect actual cost	\$ 50,000
Transfer of Bylaw impact on Building Department	\$ 44,632
Capital Budget Approved Transfer to Reserves increase	\$ 160,635
Arena concession supplies increase (offset by revenues)	\$ 20,000
Fenwick 160th contribution	\$ 5,000
Total 2013 Proposed Increase**	\$ 468,461
Less:	
Increase in Revenues	\$ (68,919)
Increase in Growth	\$ (133,587)
Net 2012 Operating Budget Increase	\$ 265,955

2013 Budget Increases Explained - Externally Regulated increases

Externally Regulated increases - \$55,798

- Omers Pension plan increase of 1% ending a 3 year increase proposal
- CPP and EI insurance increases in salary contribution limits
- Extended Health Benefits increase at 2.5%

2013 Budget Increases Explained - Organizational Changes

Organizational Changes - \$2,926

➤ 5 Job-reclassifications

- Equipment Operator to Facilities Coordinator
- Assistant Arena Supervisor to Programmer
- Administrative Assistant Building Department to Administrative Assistant Recreation, Culture and Wellness
- Community Services Coordinator to Supervisory level Recreation, Culture and Wellness Coordinator
- Manager of Community Services to Director, Culture and Wellness

➤ 1 Marketing and Communications Officer

➤ 2 Positions on contract to permanent

➤ Organizational Chart included in section 8

2013 Budget Increases Explained - Organizational Changes

Organizational Changes - \$44,632

➤ Bylaw to Fire Services

- Impact on Building Department due to transfer to Fire Services
- Portion of CBO's salary allocated to Bylaw now 100% under Building Department
- Impact proposed to be supported for 2013, Building Department to consider expense pick up in 2014.
- Alternative would result in Building Department reserve deficit for 2013.

2013 Budget Increases Explained - Previously Approved Increases

Previously Approved Increases - \$312,236

- Staff Wage Increases
 - COLA increase of 2.5% approved in 2011 for years 2012 and 2013.
 - Grid level changes for staff according to Compensation Review.
- Sustainability increases approved at the 2013 Capital Budget presentation total \$160,635.
- Fenwick 160th contribution approved to be included in tonight's budget presentation
- Legal fees in the amount of \$50,000 to better reflect actual

2013 Budget Increases Explained - Expenditures offset by Revenues

Expenditure increase of \$52,869

- Community Services Special Event increases
 - Increase reflects actual expenditures realized in 2012 for special events such as Summerfest etc.
 - All increases are offset by increases in revenues thus no impact on the tax levy.

- Concession Supply increase
 - Included in 2013 budget is the expense for supplies at the concession result of Town operating concession approved in 2012.
 - Increase is offset by revenues in the arena.

2013 Increase by Major Category

2013 Increase by Major Category			
Major Categories	Amount		
Externally Regulated Increases	55,798.00		
Organizational Changes	2,926.00		
Organizational Changes - Bylaw	44,632.00		
Previously Approved Increases	312,236.00		
Expenses offset by revenues	52,869.00		
	468,461.00		

Budget Summary



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Assessment Growth			<u>\$133,587</u>	<u>1.47%</u>
Net 2012 Operating Budget Increase			<u>\$265,955</u>	<u>2.92%</u>

** Includes PIL revenues



2013 Growth Carry forward



TOWN OF PELHAM CALCULATION OF 2013 GROWTH

	2012 Assessment Per Budget \$	2012 Assessment Pre-flip \$	2012 Tax Rate	2012 Levy \$	2012 Levy Pre-flip \$	Growth \$	
Residential	1,824,128,689	1,850,242,489	0.004530550	8,264,306	8,382,616	118,310	
Multi-Residential	16,412,560	16,412,560	0.009260450	151,988	151,988	-	
New Multi-Residential			0.004530550	-	-	-	
Commercial	55,171,553	57,103,693	0.007967430	439,575	454,970	15,394	
Commercial Vacant	1,572,140	1,069,000	0.005577200	8,768	5,962	(2,806)	
Industrial	2,706,468	2,948,768	0.011915350	32,249	35,136	2,887	
Industrial Vacant	49,000	49,000	0.007744980	380	380	-	
Pipelines	13,384,000	13,571,000	0.007711450	103,210	104,652	1,442	
Farmland	93,022,290	91,668,890	0.001132640	105,361	103,828	(1,533)	
Managed Forests	1,342,400	1,247,500	0.001132640	1,520	1,413	(107)	
	<u>2,007,789,100</u>	<u>2,034,312,900</u>		<u>9,107,357</u>	<u>9,240,944</u>	<u>133,587</u>	1.47%



New Growth

Budget Summary



Town wide increase across all assessment categories

2013 Average residential increase

	INCREASE FROM 2012 BUDGET	INCREASE FROM 2012 BUDGET
Total Expenditures	\$468,461	4.16%
Total Revenues	\$68,919	3.20%
	<u>\$399,542</u>	<u>4.39%</u>
Assessment Growth	<u>\$133,587</u>	<u>1.47%</u>
NET INCREASE	<u>\$265,955</u>	<u>2.92%</u>

	<u>2012</u>	<u>2013</u>	<u>Increase</u>
Average Residential Tax Rate	\$284,556	\$291,556	\$7,000
Tax Rates	0.004530164	0.004579042	0.0000489
Average Tax Levy	\$1,289.13	\$1,335.05	\$45.91
Average ratepayer increase			<u>\$45.91</u>

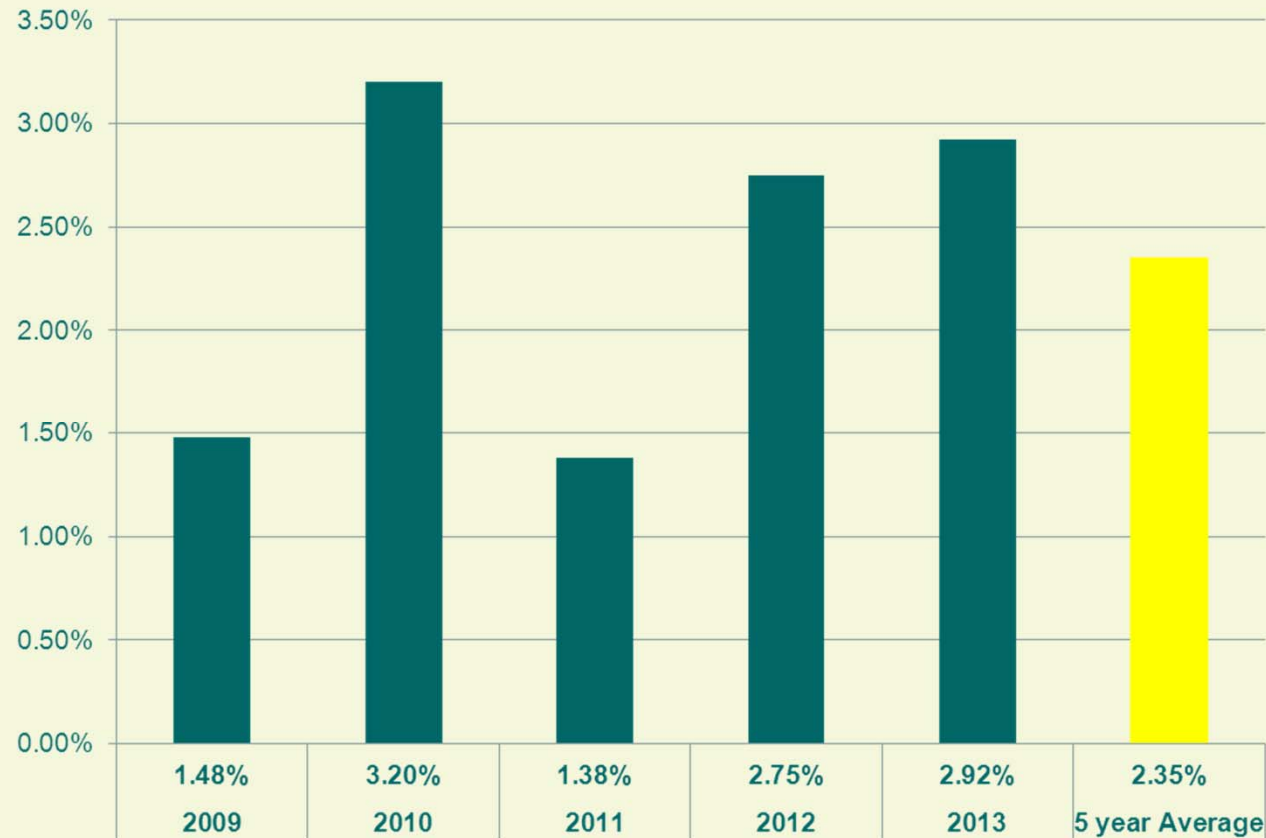
2013 Assessment Changes



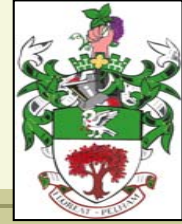
TOWN OF PELHAM SUMMARY OF YEAR OVER YEAR ASSESSMENT CHANGES

Property Class	2013 \$	2012 \$	Increase (Decrease) \$	% Change
Residential	1,880,906,047	1,824,128,689	56,777,358	3.11%
Multi-Residential	17,122,170	16,412,560	709,610	4.32%
Commercial Occupied	58,072,995	55,181,353	2,891,642	5.24%
Commercial Vacant Units	1,150,500	1,562,340	(411,840)	-26.36%
Industrial Occupied	2,996,976	2,706,468	290,508	10.73%
Industrial Vacant Land	49,500	49,000	500	1.02%
Pipelines	13,807,500	13,384,000	423,500	3.16%
Farmlands	99,760,456	93,022,290	6,738,166	7.24%
Managed Forests	1,306,850	1,342,400	(35,550)	-2.65%
Total Assessment for Tax Purposes	2,075,172,994	2,007,789,100	67,383,894	3.36%
Payments In Lieu or Exempt	69,065,304	63,994,970	5,070,334	7.92%
MUNICIPAL TOTAL	2,144,238,298	2,071,784,070	72,454,228	3.50%

5 year Average Operating Budget increase

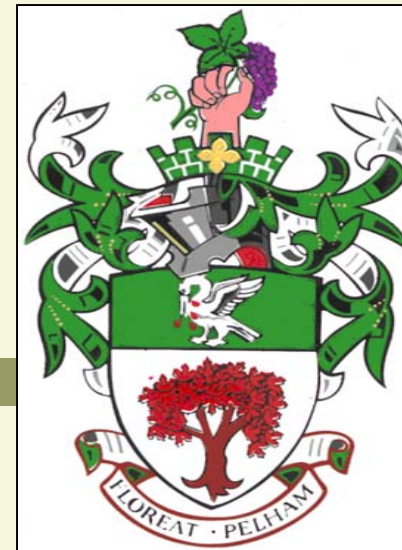


2013 Operating Budget Overview



- ❑ Tonight's presentation reflects only the Town's portion of the Tax Levy for 2013.
- ❑ 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 2013).

THANK YOU



QUESTIONS