



*Vibrant · Creative · Caring*

# 2016 Operating Budget

*A vibrant, creative and caring  
community*



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[pelham.ca](http://pelham.ca)

# 2016 Operating Budget Overview

- 2016 Operating Budget presented for Council consideration is a budget that was developed to align with the proposed construction of the new Pelham Community Center.
- Overall Increases in some departments are required to maintain current customer service standards with the Town.
- Includes those items approved at the pre-budget meeting from Public Open House (detailed in spreadsheet)
- Includes municipal grant recommendations presented to Council tonight in the amount of \$39,200.
- Includes incremental increase in debt specifically for new Pelham Community Center.
- If center is not constructed in 2016, funds will be transferred to Pelham Community Center Reserve.



# Operating Budget Open House Requests

Budget Requests	Decision Made
Pelham Public Library request for 2.78% grant increase in the amount of \$20,916	Provide COLA increase on salaries only of 1.3%. Remaining budget treated similar to internal departments
Fenwick Lions Club – addition to the Centennial Park Pavillion Roof Canopy	Recommended as a project in the 2017 Capital Budget, application process for Trillium funding will occur in 2016.
Fonthill Bandshell Concerts – tiered grading of the park and lighting for safety concerns	Lighting at Peace Park was approved as part of the 2016 Capital Budget. Grading concerns will be addressed as part of the operating budget in 2016.
P. & D. Loos and L. Ferguson – sidewalks and traffic lights on Pelham Street	Referred to Public Works for analysis and recommendation in future capital budget.
A. Keus & J. Song – improvements to the Arena, specifically the girls changeroom	Addition of girls changeroom has been completed. Improvements to potential safety hazards at arena are continually addressed.



# Operating Budget Open House Requests

Budget Requests	Decision Made
J. Marando – completion of Highland Avenue project	Highland project will be completed in 2016.
J. Easson – insufficient water pressure for part of Cherry Ridge subdivision	Referred to Public works for analysis and a future recommendation.
G. Howe – installing 2 permanent chicanes for Haist Street North	1 chicane has been approved as part of the 2016 Capital Budget.
Bill & Marion Fleming – Pelham Arena 300 sq metre fenced playground area	Request has been referred to Facilities for consideration in a future capital budget.
Chris Irwin – Sidewalks on Welland Road	Request has been referred to Public Works for consideration in a future capital budget.
Shatfords – Maple Acre Library upgrade and additional hours	Design and pending construction of new addition is scheduled for 2016.



# OPERATING Budget Comparison

5 Year Expense Budget Comparison (Excluding Salaries/Reserve Transfers)					
	2012	2013	2014	2015	2016
Materials and Supplies	\$2,518,398	\$2,427,966	\$2,400,550	\$2,577,090	\$2,354,085
Contracted Services	\$1,075,192	\$1,155,315	\$1,133,105	\$931,598	\$1,085,724
Rentals	\$49,823	\$40,510	\$39,050	\$8,970	\$8,970
External Cont	\$36,050	\$36,050	\$39,200	\$39,200	\$39,200
Debenture	\$684,674	\$667,593	\$692,511	\$624,933	\$1,041,917
<b>Total</b>	<b>\$4,364,137</b>	<b>\$4,327,434</b>	<b>\$4,304,416</b>	<b>\$4,181,791</b>	<b>\$4,529,896</b>
Annual Change	(\$329,592)	(\$36,703)	(\$23,018)	(\$122,625)	\$348,105
<b>Total Decrease from 2012</b>					<b>(\$163,833)</b>



# Pre-Budget Meeting Recap

- Expenditures impacting 2016 budget presented on December 8, 2015 projected 4.98% increase to Town portion of Tax Levy
- Net Expenditure increases dictated by external organizations or previously approved by Council totaled \$516,188.
- Extensive work done by staff to maintain customer service levels within budget constraints.
- Consideration of possible incremental increases to budget for PCC incorporated since pre-budget meeting.
- Result of work is a net expenditure increase of \$792,873 as presented on page 1.2 of the budget binder. This is an increase in expenditures of \$276,685 or 54% over original projection.



# Budget Summary

## 2016 OPERATING BUDGET NET INCREASE

	2016 BUDGET	2015 BUDGET	INCREASE (DECREASE) FROM 2015 BUDGET	INCREASE (DECREASE) FROM 2015 BUDGET
	\$	\$	\$	%
Total Expenditures	13,513,992	12,436,025	1,077,967	8.67
Total Revenues	2,450,681	2,350,056	100,625	4.28
	11,063,311	10,085,969	977,342	9.69%
Assessment Growth			184,469	1.83%
<b>Net 2016 Operating Budget Increase</b>			<b>792,873</b>	<b>7.86%</b>

\*\* Includes PIL revenues



**Corporate Services**

# Table 2

## Summary of Increases Presented in 2016 Budget

Employee Salary COLA/grid movement increase	\$250,786
40 hour work week/10 Benefit increase	
Increase in grant funding to Library	\$11,007
Sustainability (Transfer to Reserves)	\$269,830
Principal and Interest estimated amounts	\$416,984
Utility rate increases in Facilities	\$49,731
Maintenance demands with Facilities	\$79,629
<b>Total 2016 Proposed Increase**</b>	<b>\$1,077,967</b>
<b>Less:</b>	
Increase in Revenues	(\$100,625)
Increase in Growth	(\$184,469)
<b>Net 2016 Operating Budget Increase</b>	<b>\$792,873</b>



# Budget Summary

## 2016 OPERATING BUDGET NET INCREASE

	2016 BUDGET	2015 BUDGET	INCREASE (DECREASE) FROM 2015 BUDGET	INCREASE (DECREASE) FROM 2015 BUDGET
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Net * 2016 Operating Budget Increase			792,873	7.86%



Corporate Services

# 2015 Growth Carry Forward

## CALCULATION OF 2015 GROWTH

	2015 Assessment Per Budget	2015 Assessment Pre-flip	2015 Tax Rate	2015 Levy	2015 Levy Pre-flip	Growth	
	\$	\$		\$	\$	\$	
Residential	1,997,562,043	2,029,511,373	0.004561650	9,112,179	9,257,921	145,742	
Multi-Residential	18,613,264	17,964,507	0.009324020	173,550	167,501	(6,049)	
New Multi-Residential			0.000000000	-	-	-	
Commercial	63,837,021	65,974,309	0.008022120	512,108	529,254	17,146	
Commercial Vacant	798,394	4,256,689	0.005615490	4,483	23,903	19,420	
Industrial	3,089,640	3,610,310	0.011997150	37,067	43,313	6,247	
Industrial Vacant	50,500	91,996	0.007798140	394	717	324	
Pipelines	14,508,804	14,656,579	0.007764390	112,652	113,799	1,147	
Farmland	115,473,497	115,901,520	0.001140410	131,687	132,175	488	
Managed Forests	1,616,844	1,621,197	0.001140410	1,844	1,849	5	
	<b>2,215,550,007</b>	<b>2,253,588,480</b>		<b>10,085,965</b>	<b>10,270,434</b>	<b>184,469</b>	<b>1.83%</b>



# Budget Summary

Town wide increase across all assessment categories

2016 Average residential increase

2016 OPERATING BUDGET NET INCREASE				
	2016 BUDGET	2015 BUDGET	INCREASE (DECREASE) FROM 2015 BUDGET	INCREASE (DECREASE) FROM 2015 BUDGET
	\$	\$	\$	%
Total Expenditures	13,513,992	12,436,025	1,077,967	8.67
Total Revenues	2,450,681	2,350,056	100,625	4.28
	11,059,736	10,085,969	977,342	9.69%
Assessment Growth			184,469	1.83%
<b>Net 2016 Operating Budget Increase</b>			<b>792,873</b>	<b>7.86%</b>

	2015	2016	Increase	% Increase
Average Residential Assessment	\$ 302,815	\$ 309,200	\$ 6,385	2.11%
Tax Rates	0.00456165	0.00481491	0.0002533	5.55%
Average Tax Levy	1381.34	1,488.77	107.44	7.78%
Cost per day to average tax levy	\$ 3.78	\$ 4.08	\$ 0.29	7.77%
Annual increase to average ratepayer			\$ 107.44	



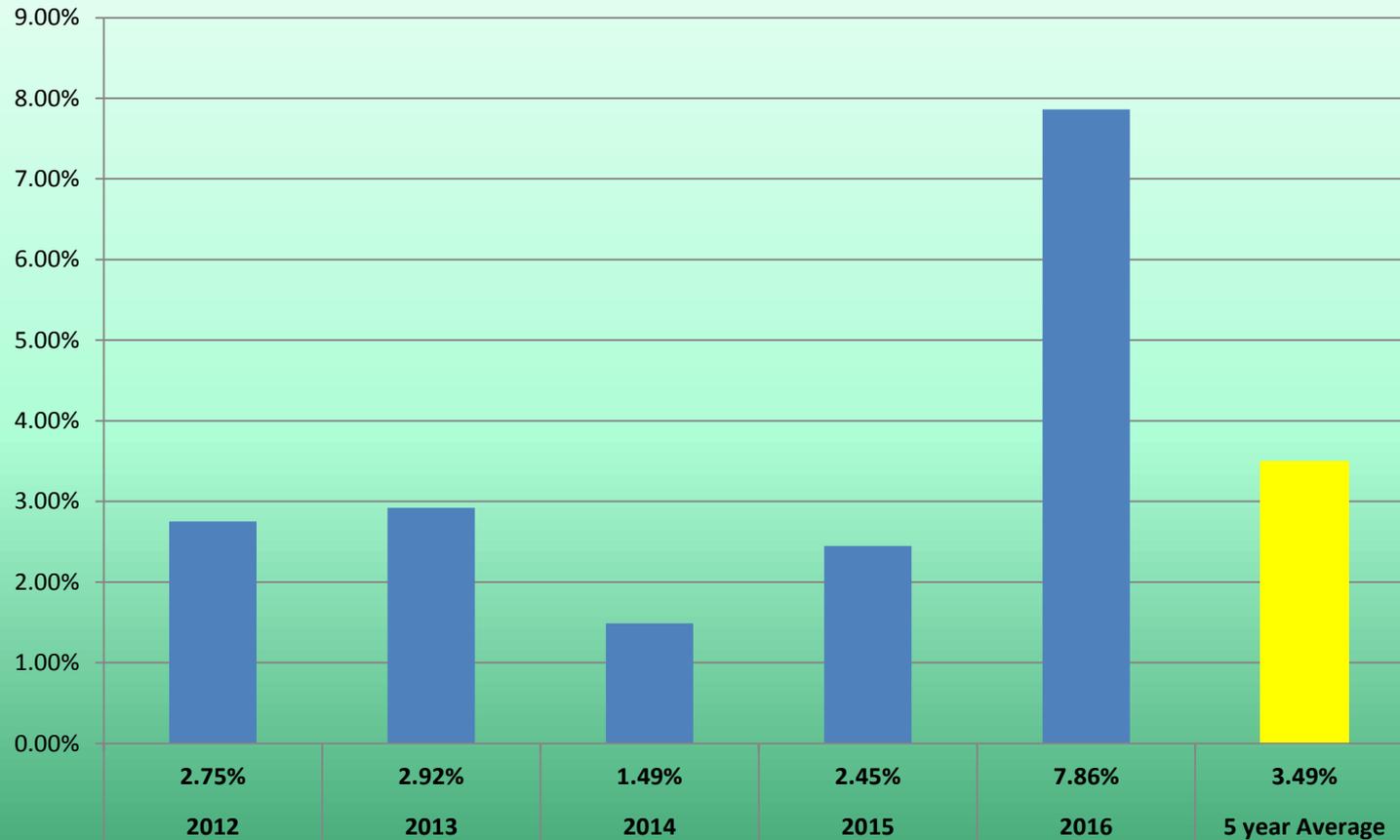
# 2016 Assessment Changes

## SUMMARY OF YEAR OVER YEAR ASSESSMENT CHANGES

PROPERTY CLASS	<u>2016</u>	<u>2015</u>	<u>INCREASE (DECREASE)</u>	<u>% CHANGE</u>
RESIDENTIAL	2,068,323,217	1,997,562,043	70,761,174	3.54%
MULTI - RESIDENTIAL	18,609,000	18,613,264	- 4,264	-0.02%
COMMERCIAL OCCUPIED	67,849,061	63,837,021	4,012,040	6.28%
COMMERCIAL VACANT UNITS	4,382,972	798,394	3,584,578	448.97%
INDUSTRIAL OCCUPIED	3,663,597	3,089,640	573,957	18.58%
INDUSTRIAL VACANT LAND	93,000	50,500	42,500	84.16%
PIPELINES	14,900,000	14,508,804	391,196	2.70%
FARMLANDS	124,200,753	115,473,497	8,727,256	7.56%
MANAGED FORESTS	1,748,200	1,616,844	131,356	8.12%
<b>TOTAL ASSESSMENT FOR TAX PURPOSES</b>	<b><u>2,303,769,800</u></b>	<b><u>2,215,550,007</u></b>	<b><u>88,219,793</u></b>	<b><u>3.98%</u></b>
<b>PROPERTIES SUBJECT TO PAYMENTS IN LIEU OR EXEMPT</b>	90,184,800	81,963,020	8,221,780	10.03%
<b>MUNICIPAL TOTAL</b>	<b><u>2,393,954,600</u></b>	<b><u>2,297,513,027</u></b>	<b><u>96,441,573</u></b>	<b><u>4.20%</u></b>



# 5 year Average Operating Budget Increase



Corporate Services

# 2016 Operating Budget Overview

- Tonight's presentation reflects only the Town's portion of the Tax Levy for 2016.
- 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 2016).



# THANK YOU

- Questions

