



City of
Peterborough

2008 BUDGET HIGHLIGHTS

Part 2

2008 Operating Budget

Non-Departmental

2008 Budget In Brief

The 2008 Budget in Brief shown on the next page provides a summary of key 2007 – 2008 Budget information at a glance such as tax rates, current revenues, assessed values and current expenditures.

Information shown will be explained in detail in later sections of the Highlights Book.

CITY OF PETERBOROUGH 2008 BUDGET IN BRIEF

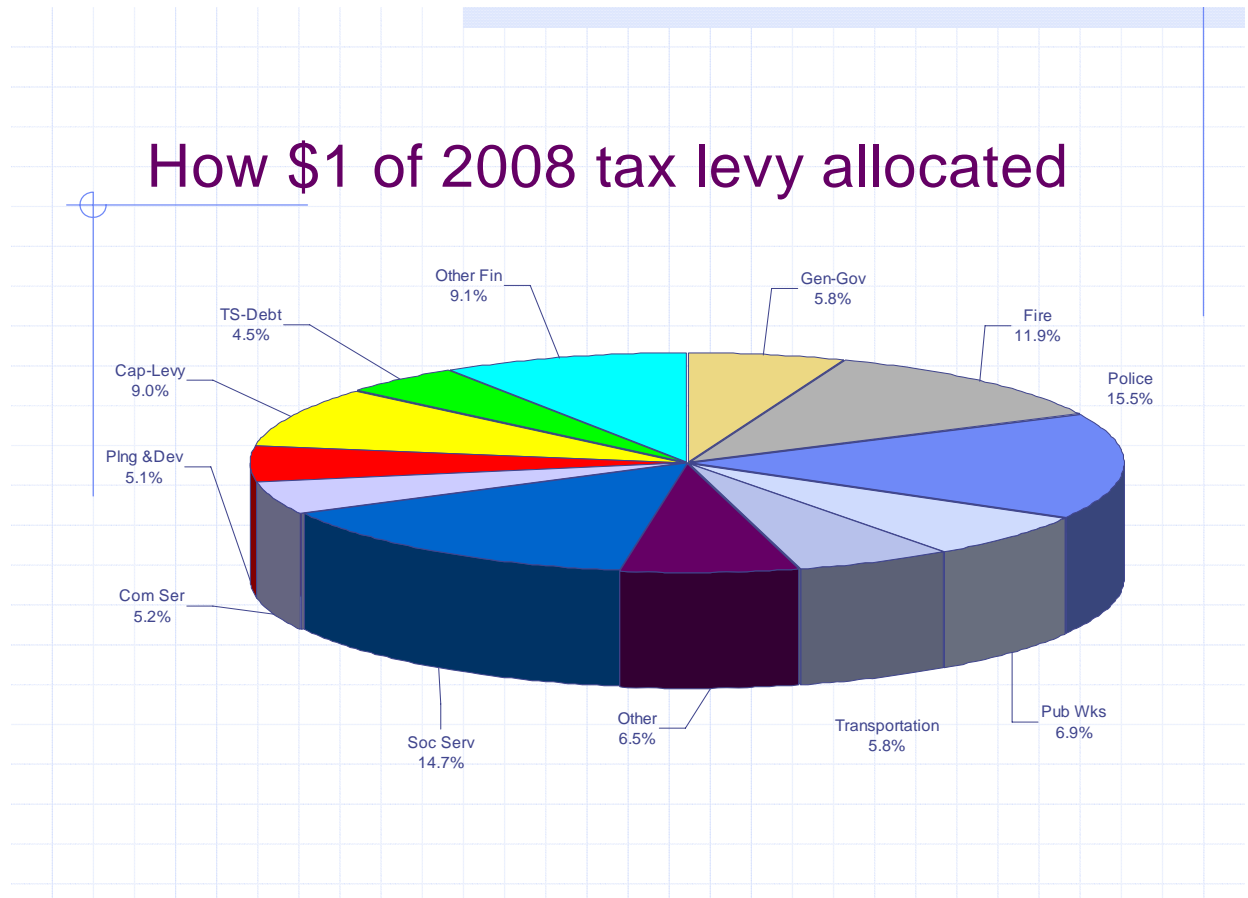
	2007		2008 Budget	% Change	\$ Change	% of TOTAL	2008 Operating Budget - Non Departmental						
	Budget	Actual					2007 Budget	2007 Actual	2008 Budget	% Change	\$ Change	% of TOTAL	
TAX RATES							CURRENT VALUE ASSESSMENT (Millions)						
Residential							Residential						
Residential	1.215394%	1.215394%	1.245698%	2.5%	0.030304%		Residential	4,364.9	4,364.9	4,472.4	2.5%	107.5	79.3%
New Multi-residential	1.215394%	1.215394%	1.245698%	2.5%	0.030304%		New Multi-residential	6.1	6.1	10.4	70.5%	4.3	0.2%
Multiresidential	2.484265%	2.484265%	2.522788%	1.6%	0.038523%		Multiresidential	366.7	366.7	365.2	-0.4%	(1.5)	6.5%
Farm Property Class	0.303849%	0.303849%	0.311425%	2.5%	0.007576%		Farm Property Class	3.1	3.1	4.3	38.7%	1.2	0.1%
								<u>4,740.8</u>	<u>4,740.8</u>	<u>4,852.3</u>	<u>2.4%</u>	<u>111.5</u>	<u>86.1%</u>
Commercial							Commercial						
Commercial Class	2.298553%	2.298553%	2.294451%	-0.2%	-0.004102%		Occupied	672.9	672.9	657.3	-2.3%	(15.6)	11.7%
Commercial Class, Excess Lands & Vacant Units	1.608987%	1.608987%	1.606116%	-0.2%	-0.002871%		Excess Lands & Vacant Units	9.4	9.4	9.5	1.1%	0.1	0.2%
Commercial Class, Vacant Land	1.608987%	1.608987%	1.606116%	-0.2%	-0.002871%		Vacant Land	6.6	6.6	6.6	0.0%	0.0	0.1%
								<u>688.9</u>	<u>688.9</u>	<u>673.4</u>	<u>-2.3%</u>	<u>(15.5)</u>	<u>11.9%</u>
Industrial							Industrial						
Industrial Class	3.196486%	3.196486%	3.235825%	1.2%	0.039339%		Occupied	97.1	97.1	94.4	-2.8%	(2.7)	1.7%
Industrial Tax Vacant Unit/Excess	2.077716%	2.077716%	2.103286%	1.2%	0.025570%		Excess Lands & Vacant Units	2.7	2.7	2.7	0.0%	0.0	0.0%
Industrial Class, Vacant Lands	2.077716%	2.077716%	2.103286%	1.2%	0.025570%		Vacant Land	2.2	2.2	1.8	-18.2%	(0.4)	0.0%
								<u>102.0</u>	<u>102.0</u>	<u>98.9</u>	<u>-3.0%</u>	<u>(3.1)</u>	<u>1.8%</u>
Pipeline	1.544280%	1.544280%	1.582784%	2.5%	0.038504%		Pipeline	13.3	13.3	13.1	-1.5%	(0.2)	0.2%
								<u>5,545.0</u>	<u>5,545.0</u>	<u>5,637.7</u>	<u>1.7%</u>	<u>92.7</u>	<u>100.0%</u>
CURRENT REVENUES							CURRENT EXPENDITURES						
Tax Levy	81,378,984	81,378,984	83,764,716	2.9%	2,385,732	43.9%	General Government	8,098,394	8,072,975	8,572,637	5.9%	474,243	4.5%
Conditional Grants - Federal Housing	3,559,900	3,641,593	3,691,357	3.7%	131,457	1.9%	Police	17,036,745	17,247,836	17,617,119	3.4%	580,374	9.2%
Conditional Grants - Social Services	33,195,487	33,468,998	32,682,014	-1.5%	(513,473)	17.1%	Other Protection	4,258,836	4,258,836	5,336,254	25.3%	1,077,418	2.8%
Conditional Grants - Culture and Heritage	298,214	285,634	293,625	-1.5%	(4,589)	0.2%	Utility Services	35,592,561	35,461,191	36,253,755	1.9%	661,194	19.0%
Provincial & Federal Gas Tax	3,276,242	3,276,242	3,740,447	14.2%	464,205	2.0%	Health	949,144	949,144	936,031	-1.4%	(13,113)	0.5%
COPHI Dividends and Interest	4,223,000	4,223,000	4,349,700	3.0%	126,700	2.3%	Social Services	54,529,208	54,795,295	52,170,608	-4.3%	(2,358,600)	27.3%
Sewer Surcharge	13,269,000	13,269,000	13,401,000	1.0%	132,000	7.0%	Community Services	24,905,092	24,686,560	26,115,295	4.9%	1,210,203	13.7%
Other Revenues	3,927,400	3,980,602	4,105,733	4.5%	178,333	2.2%	Planning and Development	14,932,792	15,087,170	17,404,903	16.6%	2,472,111	9.1%
Tipping Fees	3,585,269	3,585,269	3,598,974	0.4%	13,705	1.9%	Financial Services	25,117,266	24,849,990	26,452,366	5.3%	1,335,100	13.9%
Transfer from Provincial Gas Tax Reserve	1,517,172	1,517,172	1,517,172	0.0%	0	0.8%							
Other Fees and Service Charges	23,531,199	23,243,103	25,828,580	9.8%	2,297,381	12.2%							
County of Peterborough, Social Services	4,287,393	4,287,661	3,885,902	-9%	(401,491)	2.2%							
Ontario Municipal Partnership Fund	6,949,778	6,949,778	7,526,970	8%	577,192	3.9%							
Payments In Lieu	2,421,000	2,401,961	2,472,778	2%	51,778	1.3%							
	<u>185,420,038</u>	<u>185,508,997</u>	<u>190,858,968</u>	<u>2.9%</u>	<u>5,438,930</u>	<u>100.0%</u>		<u>185,420,038</u>	<u>185,408,997</u>	<u>190,858,968</u>	<u>2.9%</u>	<u>5,438,930</u>	<u>100.0%</u>

What a Residential Taxpayer pays for Municipal Services for the year 2008

Chart P2-1 shows what a typical homeowner with a home assessed at \$170,000 will pay for municipal services for the year 2008 if the draft 2008 Budget documents are approved as presented.

The components of Chart P2-1 are charted in pie graph form in Chart P2-2 to show how one dollar of tax levy is allocated to various services.

Chart P2-2 How \$1 of 2008 tax levy is allocated



2008 Operating Budget - Non Departmental

Chart P2-1 What a Residential Taxpayer Pays for Various Municipal Services For the Year 2008 Based on home assessed at \$170,000							
Ref	Service, program, transfers	2008					
		Net Requirement Before Indirect Revenue	Allocated Indirect Revenue	Net Total Tax Levy	Residential Municipal Tax rate	Tax Levy	% of Total
C1	C2	C3	C4	C5	C6	C7	C8
1	GENERAL GOVERNMENT						
2	City Council	494,025	(103,484)	390,541	0.005808%	9.87	0.50%
3	City Administrator	648,140	(135,767)	512,373	0.007620%	12.95	0.60%
4	City Solicitor	370,105	(77,526)	292,579	0.004351%	7.40	0.30%
5	Provincial Offices	(390,694)	81,839	(308,855)	-0.004593%	(7.81)	-0.40%
6							
7	CORPORATE SERVICES						
8	Financial Services	1,739,703	(364,417)	1,375,286	0.020452%	34.77	1.60%
9	Clerks Office	371,089	(77,732)	293,357	0.004363%	7.42	0.40%
10	Property Management	934,708	(195,794)	738,914	0.010989%	18.68	0.90%
11	Corporate Information Services	1,214,758	(254,457)	960,301	0.014281%	24.28	1.10%
12	Human Resources	747,365	(156,551)	590,814	0.008786%	14.94	0.70%
13							
14		6,129,199	(1,283,890)	4,845,309	0.072057%	122.50	5.80%
15	PROTECTIVE SERVICES						
16	Police	16,220,983	(3,397,827)	12,823,156	0.190698%	324.19	15.30%
17	Police Board	186,100	(38,983)	147,117	0.002188%	3.72	0.20%
18	Street Lighting	770,000	(161,293)	608,707	0.009052%	15.39	0.70%
19	Land Ambulance	3,839,000	(804,159)	3,034,841	0.045132%	76.72	3.60%
20	Conservation Authority	497,674	(104,248)	393,426	0.005851%	9.95	0.50%
21	Peterborough Humane Society	229,580	(48,090)	181,490	0.002699%	4.59	0.20%
22		21,743,337	(4,554,600)	17,188,737	0.255621%	434.55	20.50%
23							
24	UTILITY SERVICES DEPARTMENT						
25	Public Works						
26	Contribution to USD Reserve	400,000	(83,788)	316,212	0.004703%	7.99	0.40%
27	Solid Waste Collection	1,009,000	(211,356)	797,644	0.011862%	20.17	1.00%
28	Winter Control - Roads	1,396,100	(292,443)	1,103,657	0.016413%	27.90	1.30%
29	Winter Control - Sidewalks	340,400	(71,304)	269,096	0.004002%	6.80	0.30%
30	Pavement	351,800	(73,692)	278,108	0.004136%	7.03	0.30%
31	Street Cleaning	700,600	(146,755)	553,845	0.008236%	14.00	0.70%
32	Right of Way	122,600	(25,681)	96,919	0.001441%	2.45	0.10%
33	Surface Drainage	139,000	(29,116)	109,884	0.001634%	2.78	0.10%
34	Storm Sewers	413,400	(86,595)	326,805	0.004860%	8.26	0.40%
35	Weed Control	149,600	(31,337)	118,263	0.001759%	2.99	0.10%
36	Larviciding and Monitoring	27,750	(5,813)	21,937	0.000326%	0.55	0.00%
37	Parks & Playgrounds	1,427,384	(298,996)	1,128,388	0.016781%	28.53	1.30%
38	Forestry	567,500	(118,875)	448,625	0.006672%	11.34	0.50%
39	Horticulture	303,605	(63,596)	240,009	0.003569%	6.07	0.30%
40	Recoverables	0	0	0	0.000000%	0.00	0.00%
41		7,348,739	(1,539,348)	5,809,391	0.086394%	146.87	6.90%
42							
43	Engineering	0	0	0	0.000000%	0.00	0.00%
44	Traffic	1,305,441	(273,452)	1,031,989	0.015347%	26.09	1.20%
45	Transportation Demand Management	184,745	(38,699)	146,046	0.002172%	3.69	0.20%
46	Transit	4,246,083	(889,432)	3,356,651	0.049918%	84.86	4.00%
47	Parking	442,675	(92,728)	349,947	0.005204%	8.85	0.40%
48	Centennial Fountain	42,624	(8,928)	33,696	0.000501%	0.85	0.00%
49	Solid Waste Management	455,115	(95,333)	359,782	0.005350%	9.10	0.40%
50							
51	Total Utility Services Department	14,025,422	(2,937,920)	11,087,502	0.164887%	280.31	13.20%
52							
53	HEALTH UNIT	936,031	(196,071)	739,960	0.011004%	18.71	0.90%
54							
55	SOCIAL SERVICES						
56	Ontario Works Administration	2,337,335	(489,604)	1,847,731	0.027478%	46.71	2.20%
57	Ontario Works Benefits	3,876,538	(812,023)	3,064,515	0.045574%	77.48	3.70%
58	Ontario Disability Support Program Benefits	6,275,149	(1,314,462)	4,960,687	0.073772%	125.41	5.90%
59	Childrens Services	1,341,330	(280,970)	1,060,360	0.015769%	26.81	1.30%
60	Other Social Services	1,772,340	(371,254)	1,401,086	0.020836%	35.42	1.70%
61		15,602,692	(3,268,313)	12,334,379	0.183429%	311.83	14.70%
62							
63	COMMUNITY SERVICES						
64	Community Services Director	230,549	(48,293)	182,256	0.002710%	4.61	0.20%
65	Emergency Risk Management	245,096	(51,341)	193,755	0.002881%	4.90	0.20%
66	Fire - Protection, Prevention, Hydrants	12,639,683	(2,647,648)	9,992,035	0.148596%	252.61	11.90%
67	Recreation	802,153	(168,028)	634,125	0.009430%	16.03	0.80%
68	Heritage and Culture Admin	612,578	(128,317)	484,261	0.007202%	12.24	0.60%
69	Museum	409,349	(85,747)	323,602	0.004812%	8.18	0.40%
70	Library	1,919,048	(401,985)	1,517,063	0.022561%	38.35	1.80%
71	Arenas including Memorial Centre	1,007,557	(211,054)	796,503	0.011845%	20.14	1.00%
72	Peterborough Art Gallery	295,982	(62,000)	233,982	0.003480%	5.92	0.30%
73		18,161,995	(3,804,413)	14,357,582	0.213517%	362.98	17.10%

2008 Operating Budget - Non Departmental

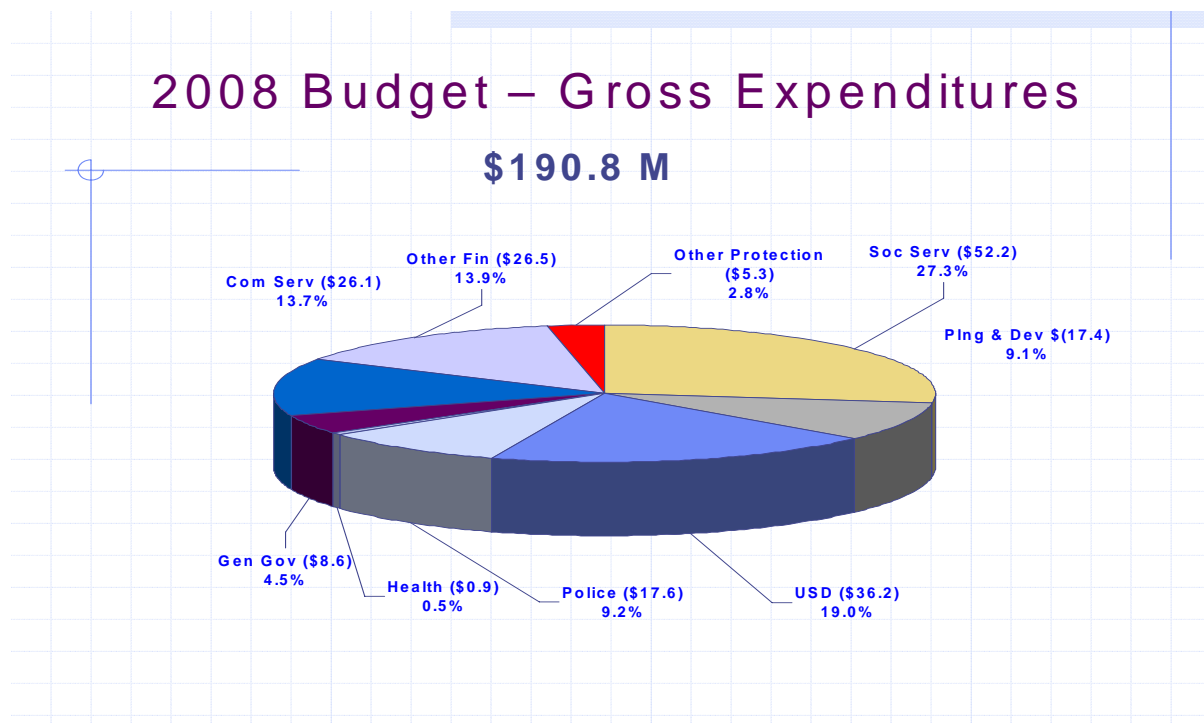
Individual taxpayers can calculate their own numbers by multiplying their assessed value times the 2008 proposed municipal tax rate (1.2456980%) to determine their 2008 municipal tax levy. They can then multiply their 2008 municipal tax on assessment by the percentage figures shown in Column 8 of Chart P2-1 to determine how much of their total municipal taxes apply for each service.

Gross 2008 expenditures amount to \$190.8 million

Gross 2008 expenditures amount to \$190.8 million for 2008 that represents a 2.9% (\$5.4 million) increase over the \$185.4 million budget amount for 2007.

Chart P2-3 shows the components of the gross expenditures for the year 2008 by percentage of the total, and the overleaf shows the totals by function.

**Chart P2-3
2008 Gross Expenditures (\$ Millions)**



Details of departmental gross expenditures and variances will be highlighted in Part 4 of this Highlights Book.

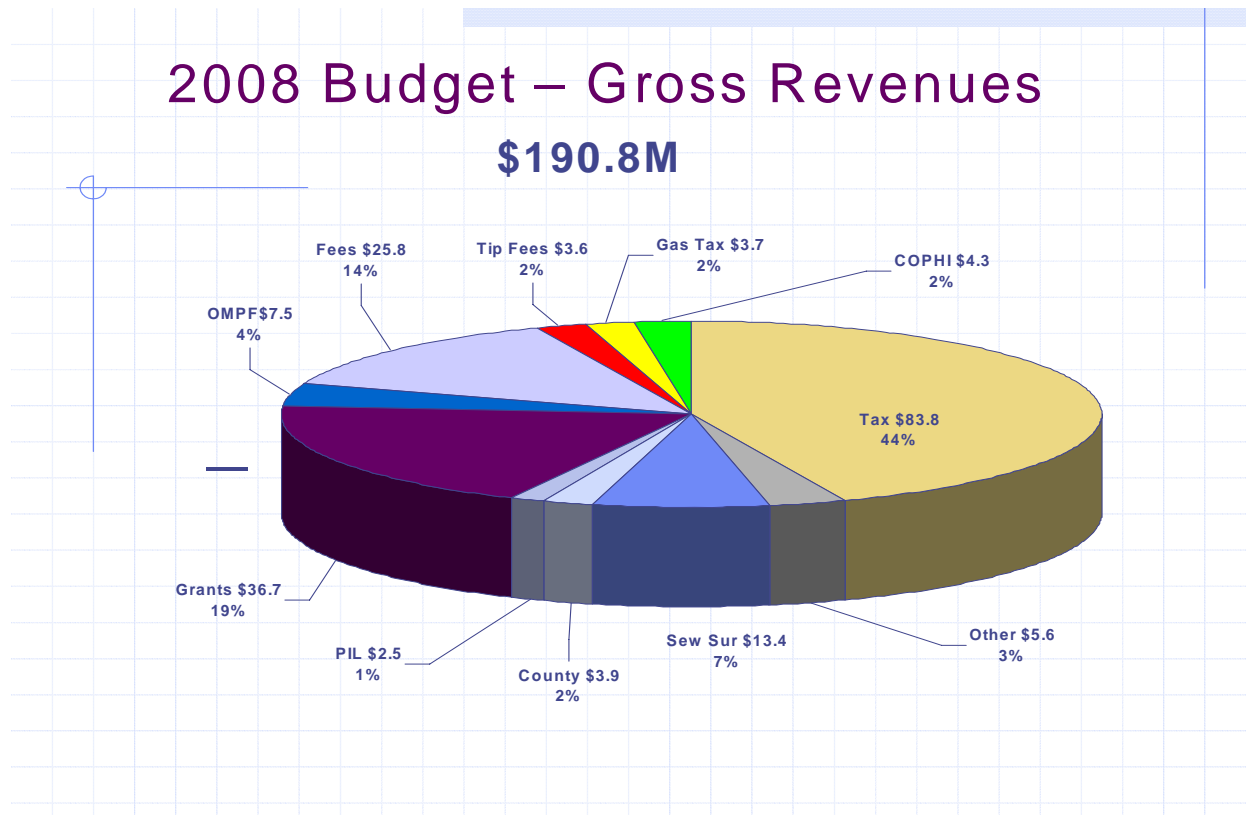
CITY OF PETERBOROUGH
2008 Operating Budget Summaries

DEPARTMENT - ACTIVITY	Page ref	2007 Approved	2007 Preliminary Actual	2008 Recommended	Variances 2007 - 2008 Budget	
					Over (Under) 2007 Budget %	Over (Under) 2007 Budget \$
GROSS EXPENDITURES						
General Government		8,098,394.00	8,072,975.00	8,572,637	5.9%	474,243
Police		17,036,745.00	17,247,836.00	17,617,119	3.4%	580,374
Other Protective Services		4,258,836.00	4,258,836.00	5,336,254	25.3%	1,077,418
Utility Services		35,592,561.00	35,461,191.00	36,253,755	1.9%	661,194
Health		949,144.00	949,144.00	936,031	-1.4%	(13,113)
Social Services		54,529,208.00	54,795,295.00	52,170,608	-4.3%	(2,358,600)
Community Services		24,905,092.00	24,686,560.00	26,115,295	4.9%	1,210,203
Planning & Development Services		14,932,792.00	15,087,170.00	17,404,903	16.6%	2,472,111
Financial Services - Other Financial		25,117,265.83	24,849,990.00	26,452,366	5.3%	1,335,100
		185,420,038	185,408,997	190,858,968	2.9%	5,438,930

Revenues amount to \$190.8 million

Chart P2-4 illustrates the sources of gross revenues reflected in the 2008 Operating Budget.

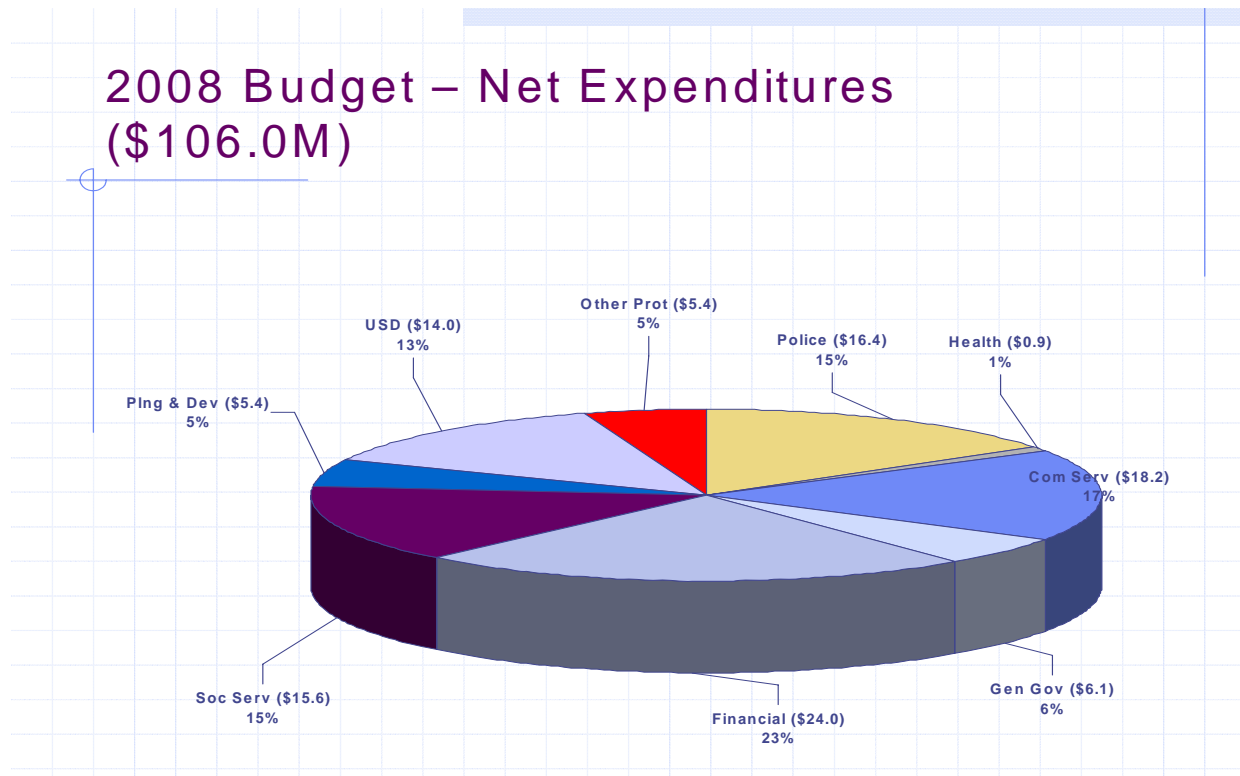
Chart P2-4
2008 Gross Revenues (\$ Millions)



Gross expenditures versus net expenditures

Gross expenditures, less direct revenues of \$86.8 million, such as conditional grants and user fees, result in net expenditure requirements for 2008 of \$106.0 million comprised of the amounts shown in Chart P2-5.

**Chart P2-5
Net Expenditures (Millions)**



A comparison of the gross and net expenditure charts highlights some interesting shifts in relative shares of the total expenditures. As an example, Social Services expenditures comprise 27.3% of total gross expenditures whereas they comprise 16.0% of net expenditures. Police comprise 9.2% of the total gross expenditures whereas they comprise 15% of total net expenditures.

Part 2
2008 Operating Budget - Non Departmental

CITY OF PETERBOROUGH
2008 Operating Budget Summaries

DEPARTMENT - ACTIVITY	Page ref	2007 Approved	2007 Preliminary Actual	2008 Recommended	Variances 2007 - 2008 Budget	
					Over (Under) 2007 Budget %	Over (Under) 2007 Budget \$
NET EXPENDITURES						
General Government		5,660,137	5,666,696	6,129,199	8.3%	469,062
Police		16,022,436	16,200,033	16,407,083	2.4%	384,647
Other Protective Services		4,258,836	4,258,836	5,336,254	25.3%	1,077,418
Utility Services		13,718,095	13,631,026	14,025,422	2.2%	307,327
Health		949,144	949,144	936,031	-1.4%	(13,113)
Social Services		17,046,328	17,038,636	15,602,692	-8.5%	(1,443,636)
Community Services		17,141,060	17,000,894	18,161,995	6.0%	1,020,935
Planning & Development Services		4,763,102	5,015,312	5,409,302	13.6%	646,200
Financial Services - Other Financial		22,617,266	22,349,990	23,952,366	5.9%	1,335,100
		102,176,404	102,110,567	105,960,344	3.7%	3,783,940

Part 2
2008 Operating Budget - Non Departmental

Net expenditures have increased 3.5% over the 2007 levels whereas gross expenditures have increased by 2.9%.

Corporate Revenues equal \$22.2 million

Corporate revenues, that are not attributable to any specific department, amount to \$22.2 million as reflected in Chart P2-6 and have increased by \$1.4 million (6.7%).

Chart P2-6
Corporate Revenues \$22.2 million

Ref	Description	2007	2008	\$ Change	% Change
1	Local Improvement Charges	(65,000)	(65,000)		
2	Supplementary Taxes	(1,513,000)	(1,513,000)		
3	Penalty and Interest	(500,000)	(500,000)		
4	Short Term Investment Interest	(1,600,000)	(1,750,000)	(150,000)	9.40%
5	Garbage Tax on Exempt	(35,000)	(38,000)	(3,000)	8.60%
6	Railway ROW	(4,400)	(4,400)		
7	Payment in Lieu	(2,421,000)	(2,472,778)	(51,778)	2.10%
8	Ontario Municipal Partnership Fund	(6,949,778)	(7,526,970)	(577,192)	8.30%
9	COPHI Return on Investment	(4,223,000)	(4,349,700)	(126,700)	3.00%
10	Provincial Gas Tax	(1,418,942)	(1,418,942)		
11	Federal Gas Tax	(1,857,300)	(2,321,505)	(464,205)	25.00%
12	Fines, Provincial Court	(100,000)	(100,000)		
13	Unclassified Revenue	(10,000)	(35,333)	(25,333)	253.30%
14	Surplus (Deficit)-Prior Year	(100,000)	(100,000)		
15					
16	Subtotal Indirect Revenue	(20,797,420)	(22,195,628)	(1,398,208)	6.7%

Net tax levy requirement equals \$83.8 million

The \$22.2 million corporate revenues are deducted from the \$106.0 million net departmental expenditures to derive the \$83.8 million net tax levy requirements for 2008.

Discretionary versus non-discretionary expenditures

Net tax levy requirement is an important number and is used in conjunction with assessed values to calculate the tax rates.

Net tax levy has increased by \$2.4 million (2.9%) and a significant \$1.5 million portion of the total increase (61.7%) can be considered mostly non-discretionary whereas only \$0.9 million portion of the total increase (38.3%) is discretionary.

Overall, \$50.5 million (60.3%) of the total \$83.8 million total net tax levy requirement can be considered non-discretionary and \$33.3 million (39.7%) of the total \$83.8 million is discretionary.

Discretionary versus non-discretionary becomes even more important when trying to reduce net tax levy requirements. If it is assumed \$33.3 million of the total \$83.8 million net tax levy requirement is discretionary, and Council wishes to reduce the 2008 tax rate by 1%, then \$817,000 must be found within the \$33.3 million discretionary pie which represents a 2.2% reduction.

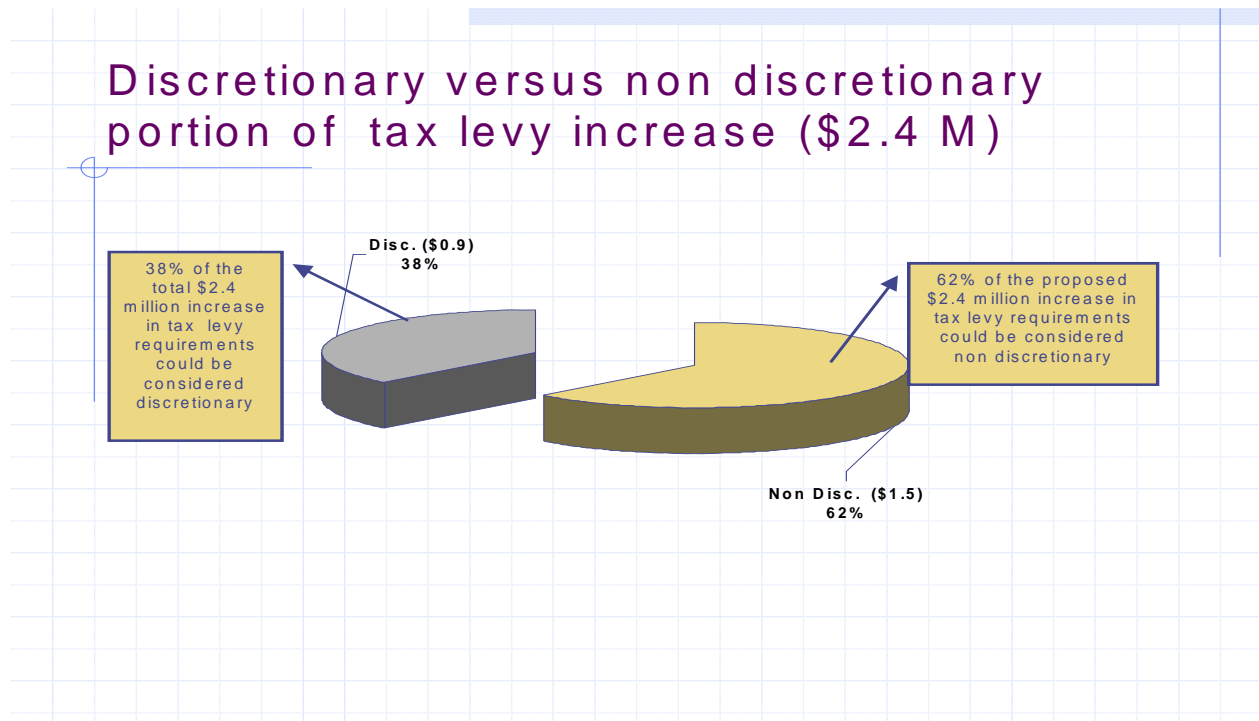
And often, although not always obvious, the discretionary expenditures are required to support the mandatory services.

The distinction between discretionary and non-discretionary is not always clear-cut and there are some grey areas.

2008 Operating Budget - Non Departmental

Chart P2-7 below shows in graph form the 38% portion of the total tax levy increase that Council has the flexibility to reduce.

Chart P2-7
Discretionary vs non discretionary
Portion of tax levy increase



Taxable Assessment

Re-assessment cancelled for 2007 and 2008

On June 29, 2006, the Minister of Finance, Greg Sorbara, announced that property tax re-assessments by the Municipal Property Assessment Corporation (MPAC) would be cancelled for the 2007 and 2008 taxation years to allow for the implementation of the Ombudsman's recommendations to Ontario's property assessment system.

The 2008 Budget impact is significantly simplified because there is no re-assessment. The majority of tax payers' municipal taxes will increase solely as the result of the proposed 2.5% increase in the 2008 municipal tax rate and their assessed values will remain at the 2006 levels.

Chart P2-8 provides a summary of the re-assessment cycles that have happened since Current Value Assessment was introduced.

Chart P2-8 Re-assessment cycles - 1998-2008

Reassessment Cycles 1998 - 2008

<u>YEARS</u>	<u>ASSESSED VALUE</u>
1998 - 2000	Current Value on June 30, 1996
2001	Current Value on June 30, 1999
2002	Current Value on June 30, 1999
2003	Current Value on June 30, 2001
2004	Current Value on June 30, 2003
2005	Current Value on June 30, 2003
2006	January 1, 2005 – updated from June 30, 2003
2007 & 2008	January 1, 2005 – updated from June 30, 2003

For 2009 and subsequent years, CVA increases are to be phased in equally over a four year period. This phase-in program is to be handled by the assessment office as it is phasing in the assessment itself not the tax implications.

2008 Operating Budget - Non Departmental

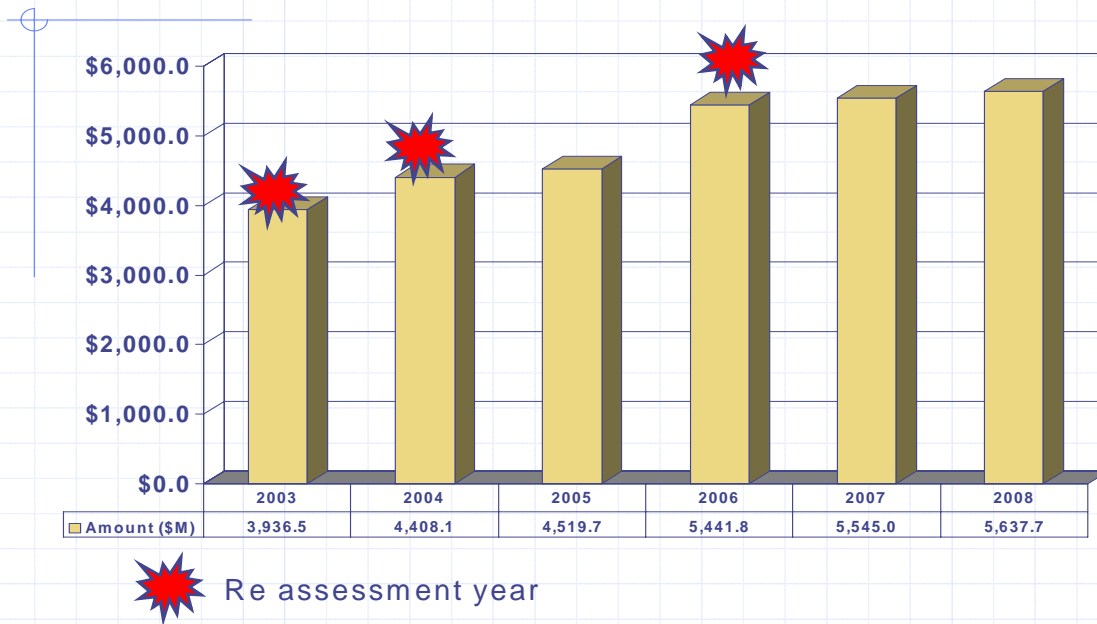
Taxable assessment increases by 1.7% (\$103.2 M)

The City's total taxable current value assessment, as determined by the Municipal Property Assessment Corporation for 2008, reflects an estimated 1.7% increase over the 2007 budgeted amount and will be \$5.6 billion for 2008. The 1.7% figure is based on September 18, 2007 preliminary numbers available from MPAC's homepage. Final numbers were not available as of the budget print date. The figure also includes the assessment from the new properties that will be annexed into the City as of January 1, 2008 from Otonabee-South Monaghan and Smith-Ennismore-Lakefield.

It has been assumed the median residential assessment for a single family dwelling (not on water) for 2008 will be \$170,000, the same as it was for 2007.

Chart P2-9
CVA totals for the years 2003-2008

CVA for the years - 2003 to 2008
(Millions)

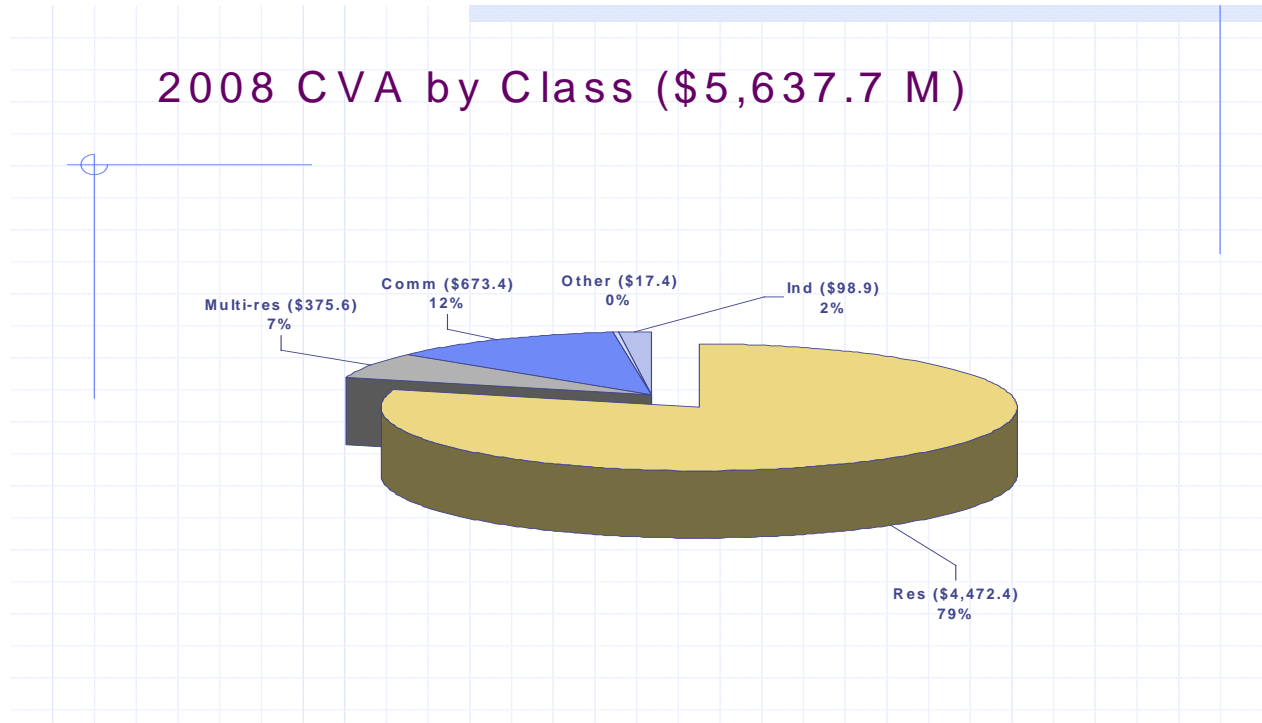


The overall 1.7% increase figure is a blended rate and changes per class vary significantly as shown on the current value assessment page.

2008 CVA by classes

Chart P2-10 shows the relative breakdown of the total \$5.6 billion 2008 taxable assessment by type.

Chart P2-10
2008 Taxable CVA by class



As can be seen, the residential category is by far the largest component at 79.0%.

Part 2
2008 Operating Budget - Non Departmental

CITY OF PETERBOROUGH						
2008 Operating Budget Summaries						
DEPARTMENT - ACTIVITY	Page ref	2007 Approved	2007 Preliminary Actual	2008 Recommended	Variances 2007 - 2008 Budget	
					Over (Under) 2007 Budget %	Over (Under) 2007 Budget \$
CURRENT VALUE ASSESSMENT						
<u>Residential</u>						
Residential (Taxable)		4,364,853,672	4,364,853,672	4,472,389,000	2.5%	107,535,328
Residential (Exempt for Garbage)		177,764,217	177,764,217	177,764,000		(217)
Multiresidential		366,685,200	366,685,200	365,190,000	-0.4%	(1,495,200)
New Multi-residential		6,137,250	6,137,250	10,378,000	69.1%	4,240,750
Farm Property/Farm Land Awaiting Development		3,126,140	3,126,140	4,282,000	37.0%	1,155,860
Subtotal Residential		4,918,566,479	4,918,566,479	5,030,003,000	2.3%	111,436,521
<u>Commercial</u>						
Commercial Class		672,900,954	672,900,954	657,327,000	-2.3%	(15,573,954)
Commercial Class, Excess Lands & Vacant Units		9,384,637	9,384,637	9,493,000	1.2%	108,363
Commercial Class, Vacant Land		6,618,600	6,618,600	6,590,000	-0.4%	(28,600)
Subtotal Commercial		688,904,191	688,904,191	673,410,000	-2.2%	(15,494,191)
<u>Industrial</u>						
Industrial Class		97,148,776	97,148,776	94,358,000	-2.9%	(2,790,776)
Industrial Tax Vacant Unit/Excess		2,662,891	2,662,891	2,713,000	1.9%	50,109
Industrial Class, Vacant Lands		2,187,700	2,187,700	1,815,000	-17.0%	(372,700)
Subtotal Industrial		101,999,367	101,999,367	98,886,000	-3.1%	(3,113,367)
Pipeline		13,256,000	13,256,000	13,128,000	-1.0%	(128,000)
Grand Total		5,722,726,037	5,722,726,037	5,815,427,000	1.6%	92,700,963
Excluding Exempt		5,544,961,820	5,544,961,820	5,637,663,000	1.7%	92,701,180

Tax Ratios and Tax Rates

Section 308 of the Municipal Act 2001 requires single tier municipalities to pass a by-law to establish the tax ratios for each property class no later than April 30 each year.

Tax ratios were introduced as part of the 1998 tax reforms as a means of weighting assessment so that ultimate relative tax burdens could be affected by changing the ratios. For 1998, the City opted to use transition tax ratios that maintained the relative tax burden between 1997 and 1998, and minimized potential impacts of the assessment reforms on property classes.

Tax ratio affect relationship between residential and other tax rates

Tax ratios have a direct bearing on the tax rate calculations and ultimately determine the relationship that industrial, commercial, and multi-residential municipal tax rates have to the residential tax rate. The City has stayed with the same tax ratios until 2008.

Through Report FAFS07-004 - 2007 Tax Policies, approved by Council on April 30, 2007, the following recommendation was approved:

- i) That starting in 2008, one-half of the revenue generated from the real assessment growth in the multi-residential, commercial and industrial classes be given back to that particular class as a tax ratio reduction with a goal that the tax ratios for the multi-residential, commercial and industrial classes be reduced until they equal 1.50.*
- ii) That this process be reviewed each year and endorsed by Council as part of the budget process.*

This strategy was approved as a means of providing some relief to the multi-residential, commercial and industrial classes without shifting the tax burden directly to the residential class.

By reducing tax ratios by one-half of the revenue generated from real assessment growth in that particular class, the additional revenue offsets any new tax levy requirements created by the reduction.

It is not possible to use the current year real assessment growth as final assessment numbers are not known at the time the budget is prepared. The previous year's real growth assessment (2006 to 2007 real CVA growth x 2006 tax rates x 50%) is being used to calculate the percentage decrease in the tax ratio.

2008 Operating Budget - Non Departmental

As mentioned above, while the new policy does not directly shift the tax burden to the residential class, it does mean the residential class is not benefiting for one-half of the real growth in the multi-residential, commercial and industrial classes. If the tax ratios had remained the same as in 2007, the residential class would benefit from all the real growth and the residential tax rate would be 1.8%, 0.7% lower than the 2.5% municipal residential tax rate proposed with this new tax policy.

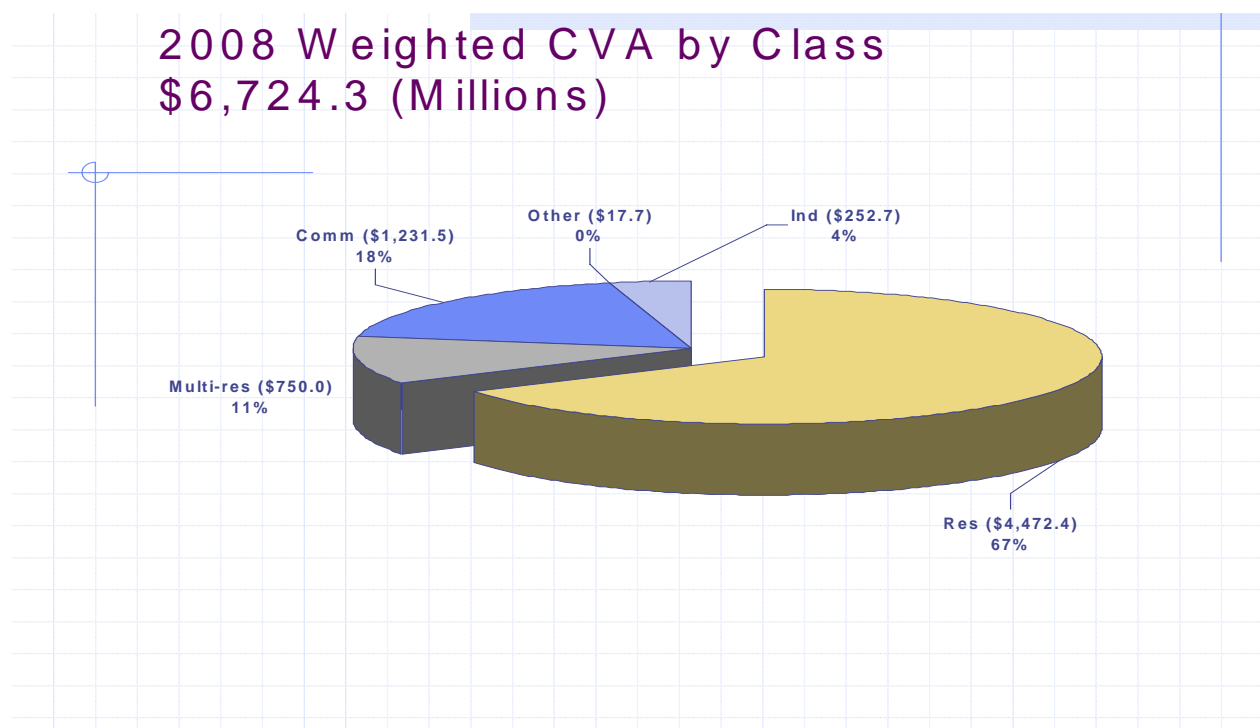
It is recommended that the 2008 tax ratios as set out in the 2008 Tax Ratios Summary page be adopted.

CITY OF PETERBOROUGH						
2008 Operating Budget Summaries						
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					Over (Under) 2007 Budget %	Over (Under) 2007 Budget \$
TAX RATIOS						
Residential						
Residential		1.00000000	1.00000000	1.00000000		
Multiresidential		2.04400000	2.04400000	2.02520000	-0.9%	(0.0188000)
New Multi-residential		1.00000000	1.00000000	1.00000000		
Farm Property/Farm Land Awaiting Development		0.25000000	0.25000000	0.25000000		
Commercial						
Commercial Class		1.89120000	1.89120000	1.84190000	-2.6%	(0.0493000)
Commercial Class, Excess Lands & Vacant Units		1.32384000	1.32384000	1.28933000	-2.6%	(0.0345100)
Commercial Class, Vacant Land		1.32384000	1.32384000	1.28933000	-2.6%	(0.0345100)
Industrial						
Industrial Class		2.63000000	2.63000000	2.59760000	-1.2%	(0.0324000)
Industrial Tax Vacant Unit/Excess		1.70950000	1.70950000	1.68844000	-1.2%	(0.0210600)
Industrial Class, Vacant Lands		1.70950000	1.70950000	1.68844000	-1.2%	(0.0210600)
Pipeline						
		1.27060000	1.27060000	1.27060000		

Weighted Taxable Assessment

Current Value Assessment multiplied by the applicable tax ratios generates weighted taxable assessment as shown on the next summary and ultimately impact the relative tax burden each property shares.

Chart P2-11
2008 Weighted Taxable CVA by class



CITY OF PETERBOROUGH

2008 Operating Budget Summaries

DEPARTMENT - ACTIVITY	Page ref	2007 Approved	2007 Preliminary Actual	2008 Recommended	Variances 2007 - 2008 Budget	
					Over (Under) 2007 Budget %	Over (Under) 2007 Budget \$
WEIGHTED CURRENT VALUE ASSESSMENT						
<u>Residential</u>						
Residential		4,364,853,672	4,364,853,672	4,472,389,000	2.5%	107,535,328
Residential (Exempt for Garbage)		177,764,217	177,764,217	177,764,000		(217)
Multiresidential		749,504,549	749,504,549	739,582,788	-1.3%	(9,921,761)
New Multi-residential		6,137,250	6,137,250	10,378,000	69.1%	4,240,750
Farm Property/Farm Land Awaiting Development		781,535	781,535	1,070,500	37.0%	288,965
Subtotal Residential		5,299,041,223	5,299,041,223	5,401,184,288	1.9%	102,143,065
<u>Commercial</u>						
Commercial Class		1,272,590,284	1,272,590,284	1,210,730,601	-4.9%	(61,859,683)
Commercial Class, Excess Lands & Vacant Units		12,423,758	12,423,758	12,239,610	-1.5%	(184,148)
Commercial Class, Vacant Land		8,761,967	8,761,967	8,496,685	-3.0%	(265,282)
Subtotal Commercial		1,293,776,009	1,293,776,009	1,231,466,896	-4.8%	(62,309,113)
<u>Industrial</u>						
Industrial Class		255,501,281	255,501,281	245,104,341	-4.1%	(10,396,940)
Industrial Tax Vacant Unit/Excess		4,552,212	4,552,212	4,580,738	0.6%	28,526
Industrial Class, Vacant Lands		3,739,873	3,739,873	3,064,519	-18.1%	(675,354)
Subtotal Industrial		263,793,366	263,793,366	252,749,598	-4.2%	(11,043,768)
Pipeline		16,843,074	16,843,074	16,680,437	-1.0%	(162,637)
Grand Total		6,873,453,672	6,873,453,672	6,902,081,219	0.4%	28,627,547
Grand Total excluding exempt		6,695,689,455	6,695,689,455	6,724,317,219	0.4%	28,627,764

Municipal tax rate calculation

The 2008 residential municipal tax rate is calculated by dividing the total net tax levy requirements for the year (\$83.8 million) by the total taxable weighted assessment (\$6,724.3) million. The residential tax rate is then multiplied by each of the other classes' applicable tax ratio to determine the tax rates for the other classes.

For example the 1.2456980%% residential tax rate for 2008 is calculated as follows:

A - Total 2008 net tax levy = \$83,764,716

B – Total weighted taxable assessment = \$ 6,724,317,219

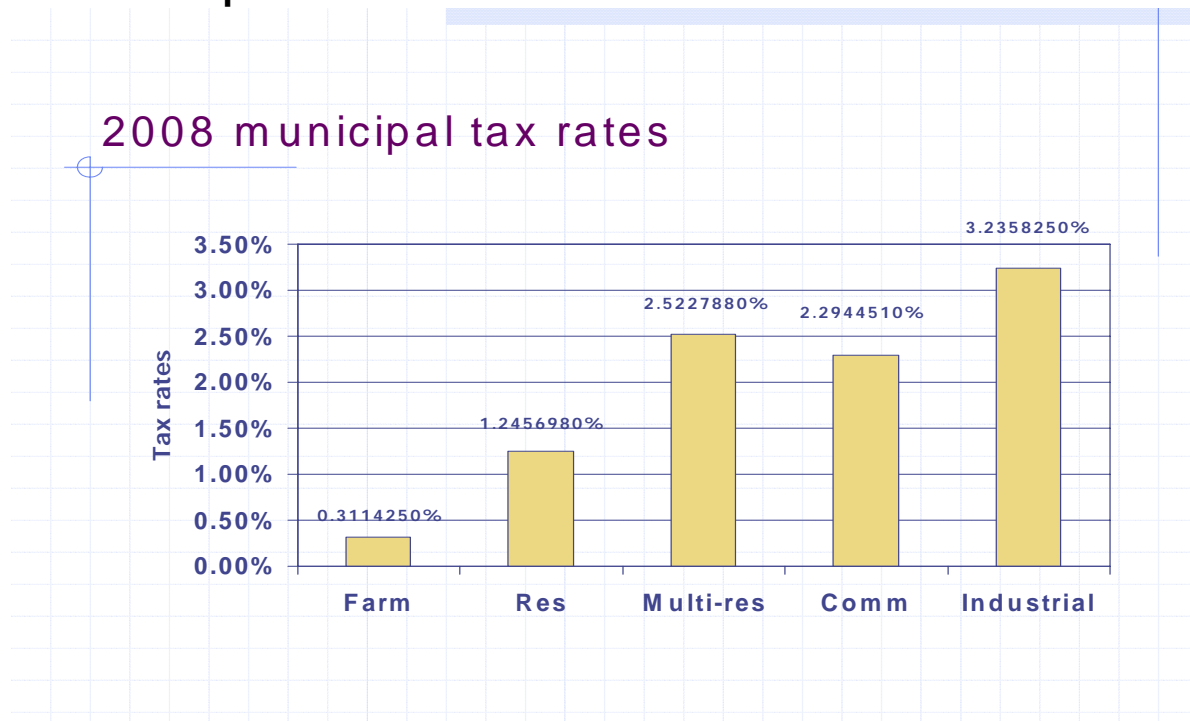
C – Residential Tax rate = 1.2456980% ($\$83,764,716 / \$ 6,724,317,219$) X 100

The 2.5227880% multi-residential rate for 2008 is then calculated by multiplying the 1.2456980% residential tax rate times the 2.0252 multi-residential tax ratio.

Since the tax ratios for the multi-residential, commercial and industrial classes have changed, the 2008 municipal tax rates have also increased or decreased by various percentages as shown on the Municipal Tax Rate Summary page.

The 2008 tax rates by class are highlighted in Chart P2-12.

Chart P2-12
2008 Municipal tax rates

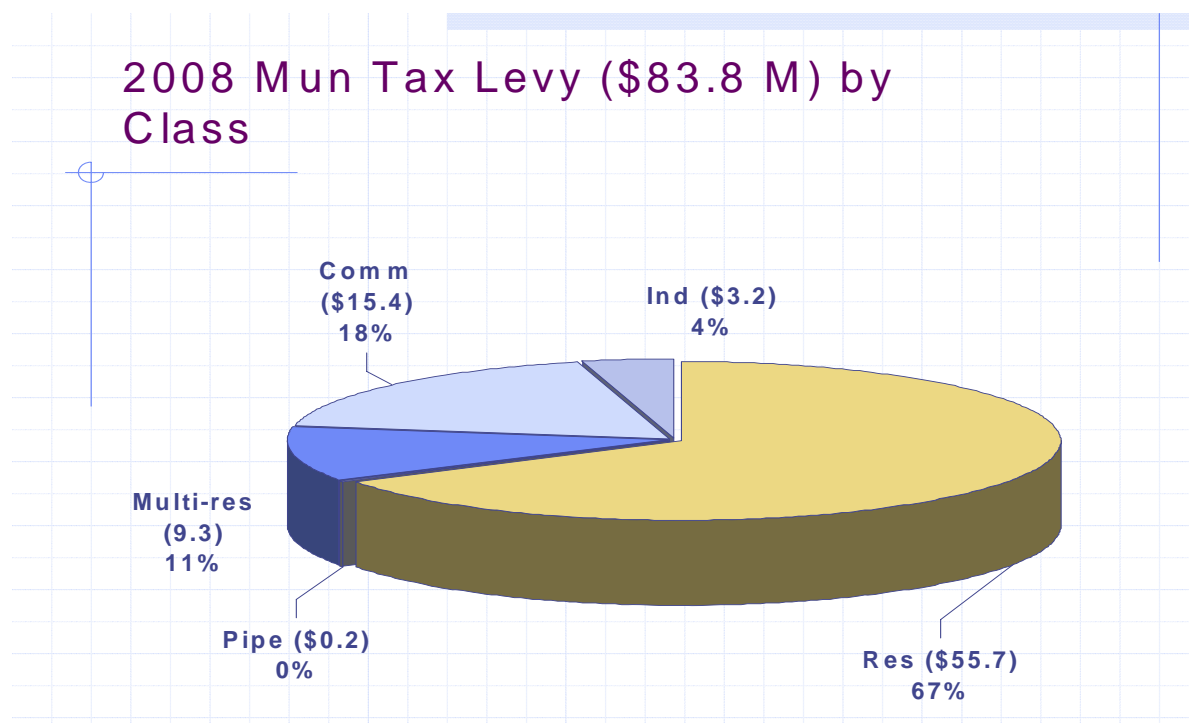


CITY OF PETERBOROUGH						
2008 Operating Budget Summaries						
DEPARTMENT - ACTIVITY	Page ref	2007 Approved	2007 Preliminary Actual	2008 Recommended	Variances 2007 - 2008 Budget	
					Over (Under) 2007 Budget %	Over (Under) 2007 Budget \$
MUNICIPAL TAX RATES						
<u>Residential</u>						
Residential		1.2153940%	1.2153940%	1.2456980%	2.5%	0.030304%
Residential garbage (Included above)		0.0204160%	0.0204160%	0.0212130%	3.9%	0.000797%
Multiresidential		2.4842650%	2.4842650%	2.5227880%	1.6%	0.038523%
New Multi-residential		1.2153940%	1.2153940%	1.2456980%	2.5%	0.030304%
Farm Property/Farm Land Awaiting Development		0.3038490%	0.3038490%	0.3114250%	2.5%	0.007576%
<u>Commercial</u>						
Commercial Class		2.2985530%	2.2985530%	2.2944510%	-0.2%	-0.004102%
Commercial Class, Excess Lands & Vacant Units		1.6089870%	1.6089870%	1.6061160%	-0.2%	-0.002871%
Commercial Class, Vacant Land		1.6089870%	1.6089870%	1.6061160%	-0.2%	-0.002871%
<u>Industrial</u>						
Industrial Class		3.1964860%	3.1964860%	3.2358250%	1.2%	0.039339%
Industrial Tax Vacant Unit/Excess		2.0777160%	2.0777160%	2.1032860%	1.2%	0.025570%
Industrial Class, Vacant Lands		2.0777160%	2.0777160%	2.1032860%	1.2%	0.025570%
<u>Pipeline</u>						
		1.5442800%	1.5442800%	1.5827840%	2.5%	0.038504%

Municipal Tax Levy By Class

The combination of CVA, tax ratios, weighted assessment, and tax rates results in municipal taxes levied by class as depicted in Chart P2-13 and as shown on the next page.

Chart P2-13
2008 Municipal Tax Levy By Class



As can be seen, the Residential class comprises the largest component at 67% of the total. The total levy includes both the general municipal and garbage tax levies.

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2008 Operating Budget - Non Departmental

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2008 Operating Budget Summaries						
DEPARTMENT - ACTIVITY	Page ref	2007 Approved	2007 Preliminary Actual	2008 Recommended	Variances 2007 - 2008 Budget	
					Over (Under) 2007 Budget %	Over (Under) 2007 Budget \$
TAX LEVY						
Residential						
Residential		53,050,170	53,050,170	55,712,460	5.0%	2,662,290
Multiresidential		9,109,432	9,109,432	9,212,969	1.1%	103,537
New Multi-residential		74,592	74,592	129,279	73.3%	54,687
Farm Property/Farm Land Awaiting Development		9,499	9,499	13,335	40.4%	3,836
		62,243,693	62,243,693	65,068,043	4.5%	2,824,350
Commercial Industrial & Business						
Commercial						
Commercial Class		15,466,985	15,466,985	15,082,046	-2.5%	(384,939)
Commercial Class, Excess Lands & Vacant Units		150,998	150,998	152,469	1.0%	1,471
Commercial Class, Vacant Land		106,492	106,492	105,843	-0.6%	(649)
		15,724,475	15,724,475	15,340,358	-2.4%	(384,117)
Industrial						
Industrial Class		3,105,347	3,105,347	3,053,260	-1.7%	(52,087)
Industrial Tax Vacant Unit/Excess		55,327	55,327	57,062	3.1%	1,735
Industrial Class, Vacant Lands		45,454	45,454	38,175	-16.0%	(7,279)
		3,206,128	3,206,128	3,148,497	-1.8%	(57,631)
Pipeline		204,688	204,688	207,818	1.5%	3,130
Total Levied By Tax Rate		81,378,984	81,378,984	83,764,716	2.9%	2,385,732

2008 Annexation

The 2008 budget reflects the estimated impact of the 2008 Annexation. The annexation is Phase II of a City annexation, which was approved by Council on January 20, 1997. Phase I of the annexation took place effective January 1, 1998 and Phase II of the annexation will take place effective January 1, 2008. Phase II includes 284 properties from Smith-Ennismore-Lakefield township and 63 properties from Otonabee-South Monaghan for a total of 347 properties. It includes 520 hectares of land. A full update on the 2008 Annexation was provided to Council through Report CSFPRS07-010 presented to Committee of the Whole on September 24, 2007.

The 2008 estimated assessment includes the new assessment from the annexed areas and accordingly the property tax revenue includes the gross revenue from the new properties. However, the annexation agreement provides for phasing in the tax increases the annexed properties may experience in 2008 as the result of the annexation over a four-year period and also requires the City to compensate the Townships for lost tax revenues by providing annexation payments to the Townships over the years 2008-2010. There are also some operational costs included in the 2008 budget, which were very broad estimates at the time the budget was being prepared. The estimated net cost to the City reflected in the 2008 budget is \$205,000. Chart P2-14 shows the tax revenue and expenditures from the new annexed areas included in the 2008 budget.

Chart P2-14
Revenue and Expenditures from the new Annexed Areas

Ref	2008		
	SEL*	OSM**	Total
1.00 Revenue			
1.10 Current Value Assessment	36,976,300	13,846,600	50,822,900
1.20 Gross Taxation Revenue Before Compensation	234,000	119,000	353,000
2.00 Expenditures			
2.10 Lost Assessment Compensation to Townships/County	175,000	89,000	264,000
2.20 Tax Increase Phase In to Property Owners	69,000	10,000	79,000
2.30 Development Charge Compensation to Townships (apportioned based on relative assmt)	10,920	4,080	15,000
2.40 Operating Costs Identified in Contingency for 2008 - (apportioned based on relative assmt)	145,600	54,400	200,000
2.50 Increase in Expenses Related to Annexation	400,520	157,480	558,000
2.60 Net Cost to City Related to Annexation	166,520	38,480	205,000
* Smith-Ennismore-Lakefield ** Otonagee-South Monaghan			

Local Improvement Charges (\$65,000)

Local Improvement charges represent annual principal and interest repayments from homeowners for local improvement work undertaken in the past, under provisions of the Local Improvement Act, for projects such as sidewalks, pavement, storm and sanitary sewers. Owners have an option, at the time, to pay their share in a lump-sum payment or to pay an annual instalment through their tax bills based on present value calculations. The City then issues debentures for the unpaid balance of each project and the annual principal and interest repayments incurred by the City are offset by these annual homeowner contributions.

At its meeting held October 3, 2005, based on recommendations outlined in Report USEC05-046 dated September 26, 2005 from the Director of Utility Services, Council resolved to abandon the use of the Local Improvement Act to charge owners a portion of Municipal Works except in some specific circumstances.

Accordingly, the amount of local improvement revenue is declining substantially.

Supplementary Taxes (\$1,513,000)

Supplementary taxes are those levied on assessment determined after the return of the assessment rolls. They arise primarily as the result of new construction such as new housing units as shown here that become ready for occupancy after the return of the roll, change in use, or the start-up of a new business. They are difficult to estimate. It has been assumed supplementary revenues will remain at the \$1.5 million level budgeted in 2007. However, preliminary estimates of the 2007 actual supplementary taxes indicate a potential shortfall of \$0.6 million. It appears the overage in supplementary taxes may be offset by investment revenues exceeding the 2007 budget.

Tax penalty (\$0.5 Million)

Tax penalty is based on 1.25% per month on monthly tax arrears. Traditionally the budget is established in relation to the previous year's actual.

Investment revenue (\$1.7 Million)

Financial Reporting and Accounting Services Division staff are responsible for the City's investment portfolio. Interest on investments is difficult to project and is dependent on interest rates, reserve and reserve fund balances and the flow of capital expenditures. The 2007 Budget was \$1.6 million based on an average investment balance of \$38.0 million and an average interest rate of 4.21%. The 2008 estimate has been increased by \$150,000 based on an average investment balance over 2008 of \$36.4 million and an average interest rate of 4.81%.

Garbage Tax On Exempt Properties (\$38,000)

This line reflects the garbage tax levied on properties that are otherwise exempt from taxation and includes school board properties and private schools, the Peterborough Regional Health Centre, cemeteries, the YMCA and a number of other exempt properties. The amount is based on the exempt assessment times the proposed applicable garbage rate which for 2008 will be 0.0212130%.

Section 391 of the Municipal Act 2001 gives Municipalities general authority to pass by-laws imposing fees or charges on any class of services or activities provided or done by or on behalf of it.

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DEPARTMENT - ACTIVITY	Page ref	2007 Approved	2007 Preliminary Actual	2008 Recommended	Variances 2007 - 2008 Budget	
					Over (Under) 2007 Budget %	Over (Under) 2007 Budget \$
Local Improvement Charges		65,000	65,000	65,000		
Supplementary Taxes		1,513,000	1,513,000	1,513,000		
Penalty and Interest		500,000	500,000	500,000		
Short Term Investment Interest		1,600,000	1,600,000	1,750,000	9.4%	150,000
Garbage Tax on Exempt		35,000	35,000	38,000	8.6%	3,000
Railway Right of Way		4,400	4,400	4,400		
Total		3,717,400	3,717,400	3,870,400	4.1%	153,000

Payments in Lieu (\$2.5 million)

Payments in Lieu of Taxes are levied against organizations that are otherwise exempt from taxation. They are billed based on separate invoices that are outside the normal billing process. Depending on the type of organization, they may pay both municipal and education taxes or may pay just the municipal taxes.

Organizations such as Trent University, Sir Sandford Fleming College, and Peterborough Regional Health Centre are taxed on a \$75 per head/bed basis that results in relatively flat increases year-over-year depending upon capacity and/or enrolment changes.

For the most part, the balance of the 2008 payment in lieu estimates have been based on 2008 assessed values times 2008 estimated tax rates.

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DEPARTMENT - ACTIVITY	Page ref	2007 Approved	2007 Preliminary Actual	2008 Recommended	Variances 2007 - 2008 Budget	
					Over (Under) 2007 Budget %	Over (Under) 2007 Budget \$
PAYMENT IN LIEU OF TAXES						
Canada		270,000	299,173	307,000	13.7%	37,000
Province of Ontario		199,000	177,000	181,000	-9.0%	(18,000)
Ontario Land Corporation		52,000	48,270	49,000	-5.8%	(3,000)
Ontario Hydro		89,000	82,457	85,000	-4.5%	(4,000)
Liquor Control Board		11,000	10,757	11,000		
Ministry of Natural Resources		554,000	511,528	524,000	-5.4%	(30,000)
P.U.S.I.		164,000	168,984	173,000	5.5%	9,000
Parking Division		285,000	279,042	286,000	0.4%	1,000
Kinsmen Club		2,000	2,450	3,000	50.0%	1,000
Trent University		448,000	486,225	486,000	8.5%	38,000
Sir Sandford Fleming College		298,000	287,550	288,000	-3.4%	(10,000)
PRHC and St. Joseph's LTC Facility		49,000	48,525	49,000		
PIL Properties in Annexed Areas				30,778		30,778
		2,421,000	2,401,961	2,472,778	2.1%	51,778

Ontario Municipal Partnership Fund

In March of 2005, the Province introduced the new Ontario Municipal Partnership Fund Program (OMPF) as a successor to the Community Re-investment fund.

The OMPF is now a major source of Provincial revenue designed to offset increases in some of the more volatile services that were downloaded as part of the local Services Re-Alignment exercise that happened in 1998.

Services included a number of specific Social Service and Social Housing services. The entitlement for each year is based on estimated cost to be incurred, as calculated by the Province, in the specific areas. The amount by which the total of the cost of the services exceed a threshold amount determined by applying a 0.18% tax rate to estimated weighted assessment becomes the base starting point for the grant.

There is also a reconciliation process that occurs that converts estimates used at the start of a year to actual impacts incurred.

The 2007 OMPF budget was \$6.9 million. For 2008, City staff have assumed the grant will increase by \$0.6 million to \$7.5 million, which matches the corresponding increase in Social Services excluding the elimination of the Drug Benefit expenditure.

There is a risk in assuming this increase since the 2008 amount has not been confirmed by the Province and it will be based on Provincial estimates which, in the past, are not necessarily the same as the City's estimates. In addition, when the change to the Drug Benefit program was announced, the province stated there would be no impact on the level of other provincial transfers in 2008. The 2008 budget assumes this statement includes the OMPF grant.

Other Revenues

Utility Group of Companies Revenues (\$4.4 million)

The \$4.4 million represents the dividend and interest payments expected from the Peterborough Utilities Group of Companies.

The payments are being made in accordance with the Shareholder Direction and Unanimous Shareholder Declaration clause 7.2 that was amended during 2006 through Report FAFS06-021 dated August 8, 2006 to reflect the amounts shown in Chart P2-15. The 2008 amount is \$126,700 higher than the 2007 levels.



Chart P2-15

City of Peterborough Holdings Inc Dividend and interest returns for the years 2007-2011

Ref	Description C1	2007 C6	2008 C7	2009 C8	2010 C9	2011 C10
Shareholder Loan Balance						
1	PUSI	1,782,848	1,782,848	1,782,848	1,782,848	1,782,848
2	PDI	21,657,680	21,657,680	21,657,680	21,657,680	21,657,680
3	PUI	2,508,677	2,508,677	2,508,677	2,508,677	2,508,677
4	Loan Balance	25,949,205	25,949,205	25,949,205	25,949,205	25,949,205
Interest rate						
5	PUSI	6.250%	6.250%	6.250%	6.250%	6.250%
6	PDI	6.250%	6.250%	6.250%	6.250%	6.250%
7	PUI	7.250%	7.250%	7.250%	7.250%	7.250%
Interest payable						
8	PUSI	111,428	111,428	111,428	111,428	111,428
9	PDI	1,353,605	1,353,605	1,353,605	1,353,605	1,353,605
10	PUI	181,879	181,879	181,879	181,879	181,879
11	Total	1,646,912	1,646,912	1,646,912	1,646,912	1,646,912
12	Dividend required	2,576,088	2,702,788	2,833,288	2,967,688	3,106,088
13	Total return to City assuming 3% annual increase	4,223,000	4,349,700	4,480,200	4,614,600	4,753,000
14	Increase over previous year	123,000	126,700	130,500	134,400	138,400
15	Accumulative increase over 2006 levels	123,000	249,700	380,200	514,600	653,000

Utilities revenue used to increase capital levy

As per Council direction in 2000, any Utilities revenue received is transferred to capital levy (the amount of funds raised in the Operating Budget to fund capital works directly).

2007 surplus carried forward as 2008 revenue (\$100,000)

The surplus from 2007 operations is expected to be \$153,000 but as approved during the 2007 budget discussions, the \$53,000 would be transferred to the capital fund.

Similarly, it is recommended that any surplus funds from 2008 operations in excess of \$100,000 be transferred to the Capital Levy Reserve to be used for capital works.

Provincial gas tax (\$1.4 million)

In October 2004, the Province announced a Provincial Gas Tax Plan and provided 1 cent/litre of gas tax funds towards 83 public transit systems representing 110 municipalities. Under the plan, the amount increased to 1.5 cents/litre as of October 2005 and 2 cents/litre in October 2006. The program will generate about \$312 million Province wide per year for public transportation, which will be subject to change based on annual sales of gasoline.



The total allocation is based on 70% transit ridership and 30% municipal population. When fully implemented 70% of about \$312 million (about \$218 million) will be distributed to municipalities on the basis of their public transportation ridership levels. Thirty percent (30%) of about \$312 million (about \$94 million) will be distributed on the basis of population levels. Public transportation ridership will include the totals of both conventional and specialized public transportation services.

Under the program the City has received \$3.6 million as of the end of 2007, and expects to receive another \$1.4 million in 2008.

A municipality receiving dedicated gas tax funds must ensure that all funds received are used exclusively towards the provision of public transportation service. Gas tax funds cannot be used to offset expenditures in other municipal departments.

The dedicated provincial gas tax funds are required to be spent on:

- Public transportation capital expenditures that promote increased transit ridership, and are above a municipality's baseline spending.
- Public transportation operating expenditures that are above a municipality's baseline spending.
- Capital expenditures that provide improvements to transit security and passenger safety and are above a municipality's baseline spending.
- Major bus refurbishment on any fully accessible, or to be made fully accessible, public transportation vehicle.

Each municipality is required to develop a Ridership Growth Plan and Asset Management Plan that sets out how the municipality is planning on using dedicated gas tax funds. These plans need to ensure that the achievement of municipal public transportation accessibility objectives are met according to local accessibility plans developed by all municipalities in response to the Ontarians With Disabilities Act (ODA). Any transit vehicles purchased using gas tax funds must be fully accessible. The City submitted both the Ridership Growth Plan and Asset Management Plan late in 2006.

Federal Gas Tax Program (\$2.3 Million)

During 2005 the Federal government announced Municipalities would receive some funding as part of the Federal Gas Tax Program.

At the December 12, 2005 Council meeting, based on recommendations outlined in Report FAFS05-046 dated December 5, 2005 of the Director of Finance and Administrative Services, Council ratified a Municipal Funding Agreement for the Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities.

Under the program the City will receive \$2.3 million in the 2008 Budget year. The Federal Gas Tax is allocated to each municipality based solely on each municipality's population compared to that of Ontario's total population. Peterborough's population represents 0.81% of Ontario's total population.

The City's allocation by year is set out in Chart P2-16.

Chart P2-16 Federal Gas Tax Allocations

Description Col 1	Stats Canada Population 2001 Col 2	Federal Gas Tax Allocation					
		Year 1 (2005-06) Col 3	Year 2 (2006-07) Col 4	Year 3 (2007-08) Col 5	Year 4 (2008-09) Col 6	Year 5 (2009-10) Col 7	5 year Total Col 8
Dollar allocation							
Ontario Share		172,586,637	172,586,637	230,089,821	287,593,006	575,186,012	1,438,042,113
City of Peterborough	71,446	1,393,152	1,393,152	1,857,328	2,321,505	4,643,009	11,608,145
Peterborough's share as % Of Ontario's Allocation		0.81%	0.81%	0.81%	0.81%	0.81%	0.81%
Estimated payment amounts and timing							
By December 31, 2005		1,393,152					1,393,152
July			696,576	928,664	1,160,752	2,321,505	5,107,497
November			696,576	928,664	1,160,752	2,321,505	5,107,497
Budget year availability							
Available for Budget year 2006			2,786,303				2,786,303
Available for Budget year 2007				1,857,328			1,857,328
Available for Budget year 2008					2,321,505		2,321,505
Available for Budget year 2009						4,643,009	4,643,009
Notes:							
1. The City received \$1,393,152 during first quarter of 2006							

Federal Gas Tax funds must be spent within 3 years after receipt

Municipalities have up to three years after the year the money was received to spend the funds on eligible environmentally sustainable municipal infrastructure projects. All monies must be expended on eligible infrastructure projects no later than December 31, 2012.

Types of infrastructure that can be funded by Federal Gas Tax

Environmentally sustainable municipal infrastructure projects within the following categories can be funded with the Federal gas tax revenues: public transit, water, wastewater, solid waste, local roads, bridges and tunnels, including active transportation infrastructure (e.g. bike lanes), capacity building and community energy systems (e.g. retrofit municipal buildings and infrastructure). Municipalities can undertake more than one category for investment.

Federal Gas Tax expenditures must be used for incremental expenditures

The Federal Government is recognizing that there is a significant infrastructure deficit and the goal of the Federal gas tax is to address this deficit. Municipalities must, therefore, be able to clearly demonstrate that the funding used for a project is incremental. In other words, the funding either enables a project's implementation, enhances its scope, or accelerates its timing.

Special rules apply in order to use the gas tax for local roads and bridges

Municipalities, with a population under 500,000, can invest in local roads and bridges. Municipalities who choose to use funding for the local roads, bridges and tunnel category, must submit, in advance of expending the funds, a plan outlining the sustainability outcomes of investing in local roads and bridges. Certain supporting documents must be submitted prior to spending.

Part 3 provides further details as to how the 2008 allocation is used for specific capital projects.

CITY OF PETERBOROUGH

2008 Operating Budget Summaries

DEPARTMENT - ACTIVITY	Page ref	2007 Approved	2007 Preliminary Actual	2008 Recommended	Variances 2007 - 2008 Budget	
					Over (Under) 2007 Budget %	Over (Under) 2007 Budget \$
OTHER REVENUE						
Ontario Municipal Partnership Fund		6,949,778	6,949,778	7,526,970	8.3%	577,192
City of Peterborough Holdings		4,223,000	4,223,000	4,349,700	3.0%	126,700
Provincial Gas Tax		1,418,942	1,418,942	1,418,942		
Federal Gas Tax		1,857,300	1,857,300	2,321,505	25.0%	464,205
One-time Prov Road and Bridge Grant						
Fines, Provincial Court		100,000	100,000	100,000		
Unclassified Revenue		10,000	10,000	35,333	253.3%	25,333
Surplus (Deficit)-Prior Year		100,000	153,202	100,000		
		14,659,020	14,712,222	15,852,450	8.1%	1,193,430

Staffing Complement and Dollars

Total staff complement is 920 FTE - \$53.5 million

The draft 2008 Budget reflects a complement of 769.186 full-time equivalents and 150.708 part-time equivalents. The dollar value of direct compensation related to the complement is \$49.2 million for full-time and \$4.3 million for part-time positions for a total straight salary cost amounting to \$53.5 million. This represents a \$2.5 million (4.9%) increase over the 2007 levels.

Benefit costs to increase by \$0.6 M to \$13.7 M

Benefit costs are expected to be \$13.7 million in 2008 and are up by \$0.6 million over the \$13.1 million for 2007. Benefit costs include a number of legislated benefits such as Canada Pension Plan Premiums, Unemployment Insurance Premiums, and OMERS premiums plus a number of negotiated benefits such as extended health, life insurance, and dental coverage.

Benefit costs will be charged out to departments by applying a 27% benefit overhead rate on all full-time labour and a 10% benefit rate on all part time labour.

Total compensation to be \$67.3 M in 2008 up \$3.1 M – 4.8%

When the 27% benefit rate in effect for the year 2008 for full time salaries, and the 10% benefit rate for part-time salaries are added, the total gross compensation for 2008 is \$67.3 million. The \$67.3 million represents 35.3% of the City's total \$190.8 million gross expenditures and is a \$3.1 million (4.8%) increase over the \$64.1 million total compensation reflected in the 2007 estimates.

Portion of total compensation recovered from non-tax sources

Social Services and Social Housing salaries and benefits generally attract various subsidies depending on the program and subsidy cap limits. The County is also responsible for a portion of the Social Service and Housing costs plus a portion of Waste Management operating cost. Some personnel costs are also recovered through the sewer surcharge and user fees as opposed to directly from taxation. Others, such as the Engineering Administration staff, are charged to capital projects and do not impact the net tax levy directly. Accordingly, the net tax supported salary and benefits, after considering other sources of revenue, will be less than the \$67.3 million dollars.

It is estimated that a \$0.4 million of the total \$3.1 million increase in total compensation costs is recoverable from non-tax sources.

Chart P2-17 shows the comparative payroll dollar amounts and FTE by Employee group for the years 2007 and 2008 and Chart P2-18 shows the Comparative FTE count and dollar value by department.



Staff join together to form the “Draggin R Paddles” team in the 2004 Dragon Boat Festival (picture courtesy of The Examiner)

Chart P2-17
FTE and Dollar Change by Employee Group

Group C1	2007							2008						Total	% change	\$ change
	Full time		Part-time		Total		Total	Full time		Part-time		Total		Including	Including	Including
	FTE C2	Amount C3	FTE C4	Amount C5	FTE C6	Amount C7	Inc Ben C8	FTE C9	Amount C10	FTE C11	Amount C12	FTE C13	Amount C14	Benefits C15	Benefits C16	Benefits C17
Police	168,000	12,261,415	4,000	118,081	172,000	12,379,496	15,701,886	168,000	12,885,917	4,000	145,000	172,000	13,010,917	16,499,215	5.1%	797,329
Local 126	200,186	9,140,894	13,290	493,718	213,476	9,634,612	12,152,025	203,186	9,535,951	13,533	525,820	216,719	10,061,771	12,689,059	4.4%	537,034
L504	120,000	5,861,243	17,921	625,490	137,921	6,486,733	8,131,817	120,000	6,054,972	20,516	744,958	140,516	6,799,930	8,509,268	4.6%	377,451
Fire	93,000	8,040,646			93,000	8,040,646	10,211,620	93,000	8,550,343			93,000	8,550,343	10,858,936	6.3%	647,316
Non Union	102,000	7,857,726	4,061	202,822	106,061	8,060,548	10,202,416	100,000	8,016,590	5,970	347,971	105,970	8,364,561	10,563,838	3.5%	361,422
ATU	65,000	3,244,564	19,842	646,279	84,842	3,890,843	4,831,503	67,000	3,357,979	20,474	729,966	87,474	4,087,945	5,067,596	4.9%	236,093
Library	15,000	633,424	14,424	429,270	29,424	1,062,694	1,276,645	15,000	654,628	14,424	441,949	29,424	1,096,577	1,317,521	3.2%	40,876
Mem Centre	3,000	137,142	13,512	218,120	16,512	355,262	414,102	3,000	141,087	13,514	233,203	16,514	374,290	435,704	5.2%	21,602
Other			52,127	1,027,487	52,127	1,027,487	1,130,236			53,072	1,099,944	53,072	1,099,944	1,209,938	7.1%	79,702
Concessions			5,205	85,762	5,205	85,762	94,338			5,205	92,166	5,205	92,166	101,383	7.5%	7,045
Subtotal	766,186	47,177,054	144,382	3,847,029	910,568	51,024,083	64,146,588	769,186	49,177,467	150,708	4,360,977	919,894	53,538,444	67,252,458	4.80%	3,105,870
							13,122,505						2,514,361	13,714,014	0	591,509
Council		313,075				313,075	344,383		318,150				318,150	349,965	1.60%	5,582
Total	766,186	47,490,129	144,382	3,847,029	910,568	51,337,158	64,490,971	769,186	49,495,617	150,708	4,360,977	919,894	53,856,594	67,602,423	4.8%	3,111,452

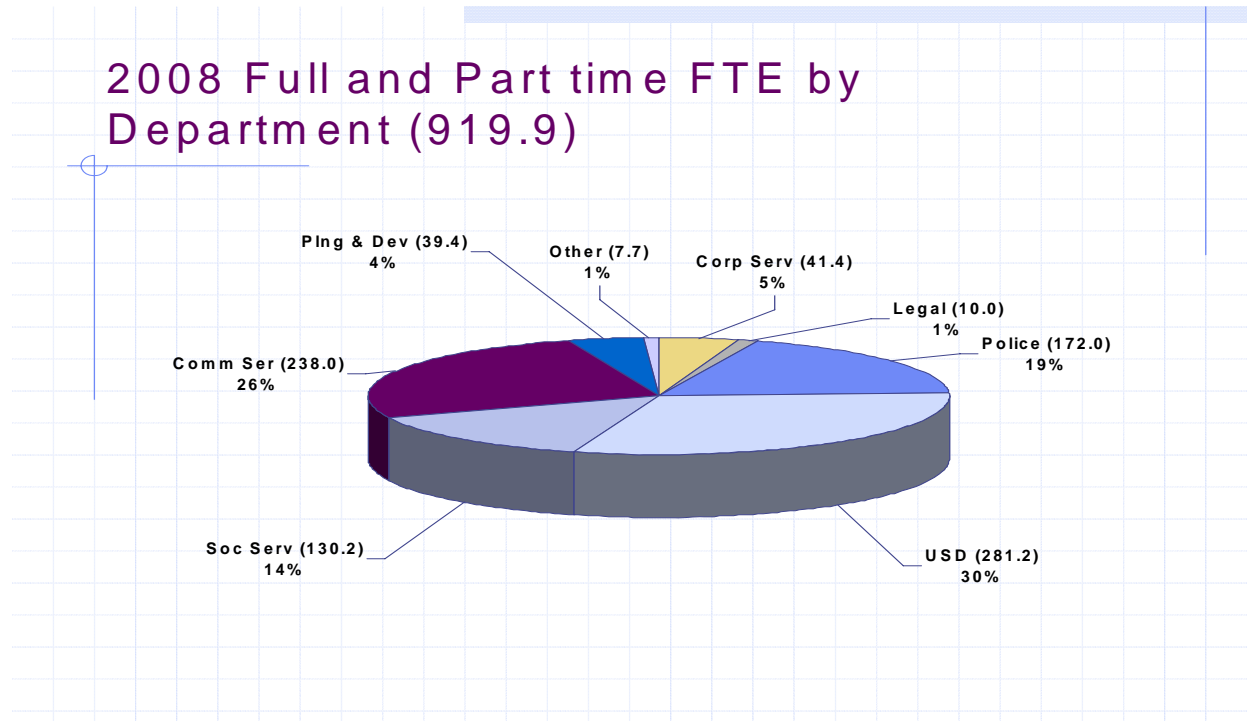
**Chart P2-18
FTE and Dollar Change by Employee Group**

Department C1	2007							2008							% change Including	\$ change Including
	Full time		Part-time		Total Ex Benefits		Including Benefits	Full time		Part-time		Total Excluding Benefits		Including Benefits		
	FTE C2	Amount C3	FTE C4	Amount C5	FTE C6	Amount C7		FTE C9	Amount C10	FTE C11	Amount C12	FTE C13	Amount C14			
Mayor's Office & Council																
Council Members & Staff	1.000	372,794			1.0000	372,794	420,226	1.000	379,596			1.000	379,596	428,001	1.9%	7,775
CAO																
CAO Operating	5.000	475,020	0.1480	5,000	5.1480	480,020	608,775	5.000	478,933	0.1360	5,000	5.136	483,933	613,745	0.8%	4,970
CAO Capital	1.000	83,434			1.0000	83,434	105,961			0.6000	51,508	0.6000	51,508	56,659	-46.5%	(49,302)
CAO	6.000	558,454	0.148	5,000	6.1480	563,454	714,736	5.000	478,933	0.736	56,508	5.736	535,441	670,404	(0)	(44,332)
Corporate Services																
Financial Services	21.000	1,319,814	2.0010	83,787	23.0010	1,403,601	1,768,329	22.000	1,417,029	2.1920	95,748	24.192	1,512,777	1,904,950	7.7%	136,621
Financial Services - Cap	2.000	106,057			2.0000	106,057	134,892	2.000	142,349			2.000	142,349	180,783		46,091
Human Resources	9.000	676,781	0.4820	20,883	9.4820	697,664	882,483	8.000	623,661	1.0630	57,766	9.063	681,427	855,592	-3.0%	(26,891)
Clerk's Office	5.000	273,403	0.1640	8,772	5.1640	282,175	356,871	5.000	335,826	0.1640	8,991	5.164	344,817	436,389	22.3%	79,518
Clerk's Office - Cap	1.000	43,756			1.0000	43,756	55,570	1.000	69,742			1.000	69,742	88,572	59.4%	33,002
Total	38.000	2,419,811	2.6470	113,442	40.6470	2,533,253	3,197,945	38.000	2,588,607	3.4190	162,505	41.419	2,751,112	3,466,286	8.4%	268,341
Solicitors																
Sol - Admin	4.000	325,512	-	-	4.0000	325,512	413,400	4.000	338,543	-	-	4.000	338,543	429,950	4.0%	16,550
Sol - POA	6.000	300,342	-	-	6.0000	300,342	381,434	6.000	307,539	-	-	6.000	307,539	390,575	2.4%	9,141
Total	10.000	625,854	-	-	10.0000	625,854	794,834	10.000	646,082	-	-	10.000	646,082	820,525	3.2%	25,691
Police																
Police	168.000	12,261,415	4.0000	118,081	172.0000	12,379,496	15,701,886	168.000	12,865,917	4.0000	145,000	172.000	13,010,917	16,499,215	5.1%	797,329
Utility Services																
US - PubWks	105.034	5,193,148	15.9220	560,178	120.9560	5,753,326	7,211,493	105.034	5,375,833	18.5170	677,761	123.551	6,053,594	7,572,845	5.0%	361,352
US - Eng	10.300	606,583	0.8720	28,481	11.1720	635,064	801,690	10.300	623,620	1.0000	33,012	11.300	656,632	826,311	3.3%	26,621
US - Eng - Cap	1.000	89,798			1.0000	89,798	107,373	1.000	72,380			1.000	72,380	91,923	5.2%	4,559
US - Transport	78.000	4,044,922	34.6410	1,001,584	112.6410	5,046,506	6,238,793	80.000	4,187,949	37.0000	1,174,619	117.000	5,362,568	6,610,776	6.0%	371,983
US - Waste Mgmt	4.200	240,742			4.2000	240,742	305,742	4.200	250,474	0.1930	5,216	4.393	255,690	323,840	5.9%	18,098
US - Env Ser	22.500	1,239,739	1.3790	45,061	23.8790	1,284,800	1,624,036	22.500	1,280,483	1.3790	46,329	23.879	1,326,812	1,677,175	3.3%	53,139
Total	221.034	11,393,932	52.814	1,635,304	273.8480	13,029,236	16,269,127	223.034	11,790,739	58.1790	1,936,937	281.213	13,727,676	17,104,870	5.1%	835,743
Social Services																
Comm Partnership & Family Services	21.241	1,044,817	5.3070	195,450	26.5480	1,240,267	1,541,913	21.739	1,071,320	5.3070	200,856	27.046	1,272,176	1,581,518	2.6%	39,605
Social Services	101.088	4,887,495	1.0220	20,985	102.1100	4,908,480	6,230,202	101.590	5,110,881	1.5180	41,281	103.108	5,152,162	6,536,228	4.9%	306,026
Total	122.329	5,932,312	6.3290	216,435	128.6580	6,148,747	7,772,115	123.329	6,182,201	6.8250	242,137	130.154	6,424,338	8,117,746	4.4%	345,631
Community Services																
CS - Director office	2.000	159,268			2.0000	159,268	202,270	2.000	166,495			2.000	166,495	211,449	4.5%	9,179
CS - Fire	99.000	8,448,998	-	-	99.0000	8,448,998	10,730,228	99.000	8,970,533	-	-	99.000	8,970,533	11,392,577	6.2%	662,349
CS - Culture & Heritage	5.564	317,207	3.8730	135,430	9.4370	452,637	551,826	5.564	327,301	4.0180	142,947	9.582	470,248	572,914	3.8%	21,088
CS Mem Centre	9.000	487,404	14.6020	257,888	23.6020	745,292	902,680	9.000	500,648	14.6040	274,366	23.604	775,014	937,626	3.9%	34,946
CS - Other Arenas	13.966	730,100	13.5760	281,150	27.5420	991,250	1,214,492	14.966	795,479	12.8900	256,523	27.856	1,052,002	1,292,434	6.4%	77,942
CS - Recreation	11.000	585,275			11.0000	585,275	738,867	11.000	609,576			11.000	621,261	784,549	4.3%	59,682
CS Art Gallery	3.543	205,362	0.8750	23,305	4.4180	228,667	286,445	3.543	214,054	0.8750	28,530	4.418	242,584	303,232	5.9%	16,787
CS - Library	16.750	749,803	14.4240	429,270	31.1740	1,179,073	1,424,447	16.750	776,973	14.4240	441,949	31.174	1,218,922	1,472,900	3.4%	48,453
Total	160.823	11,683,417	76.8020	1,702,105	237.6260	13,385,522	16,710,255	161.823	12,361,059	76.1680	1,765,576	237.981	14,126,635	17,640,681	5.6%	930,426
Planning & Ec. Dev																
PD - Building	15.200	785,121	1.6420	56,662	16.8420	841,783	1,059,432	15.200	830,327	1.3910	52,314	16.591	882,641	1,112,061	5.0%	52,629
PD - Planning Admin	9.300	654,095			9.3000	654,095	830,701	9.300	668,049			9.300	668,049	848,422	2.1%	17,721
PD - Land Info	3.000	181,461			3.0000	181,461	230,455	3.000	190,074			3.000	190,074	241,394	4.7%	10,939
PD - Land Info - Cap	4.000	151,591			4.0000	151,591	192,521	4.000	108,708			4.000	108,708	138,059	-28.3%	(54,462)
PD - Housing	6.400	418,687			6.4000	418,687	531,733	6.400	352,660			6.400	352,660	447,874	-15.8%	(83,859)
Total	38.000	2,190,955	1.6420	56,662	39.6420	2,247,617	2,844,842	38.000	2,149,818	1.3910	52,314	39.391	2,202,132	2,787,810	-2.0%	(57,032)
Other	1.000	51,185			1.0000	51,185	65,005	1.000	52,665			1.000	52,665	66,885	2.9%	1,880
Grand total	766.186	47,490,129	144.382	3,847,029	910.568	51,337,158	64,490,971	769.186	49,495,617	150.708	4,360,977	919.894	53,856,594	67,602,423	4.8%	3,111,452
Operating Portion	757.186	47,036,493	144.382	3,847,029	901.568	50,814,724	63,914,854	761.186	49,102,438	150.108	4,309,469	911.294	53,411,907	67,046,427	4.9%	3,131,573
Capital Portion	9.000	453,636			9.000	522,434	576,117	8.000	393,179	0.6000	51,508	8.6000	444,687	555,996	0	-20,121

2008 FTE by Department

Chart P2-19 shows how the total 920 full and part-time FTE are allocated by department.

Chart P2-19
2008 Full and part-time FTE by Department

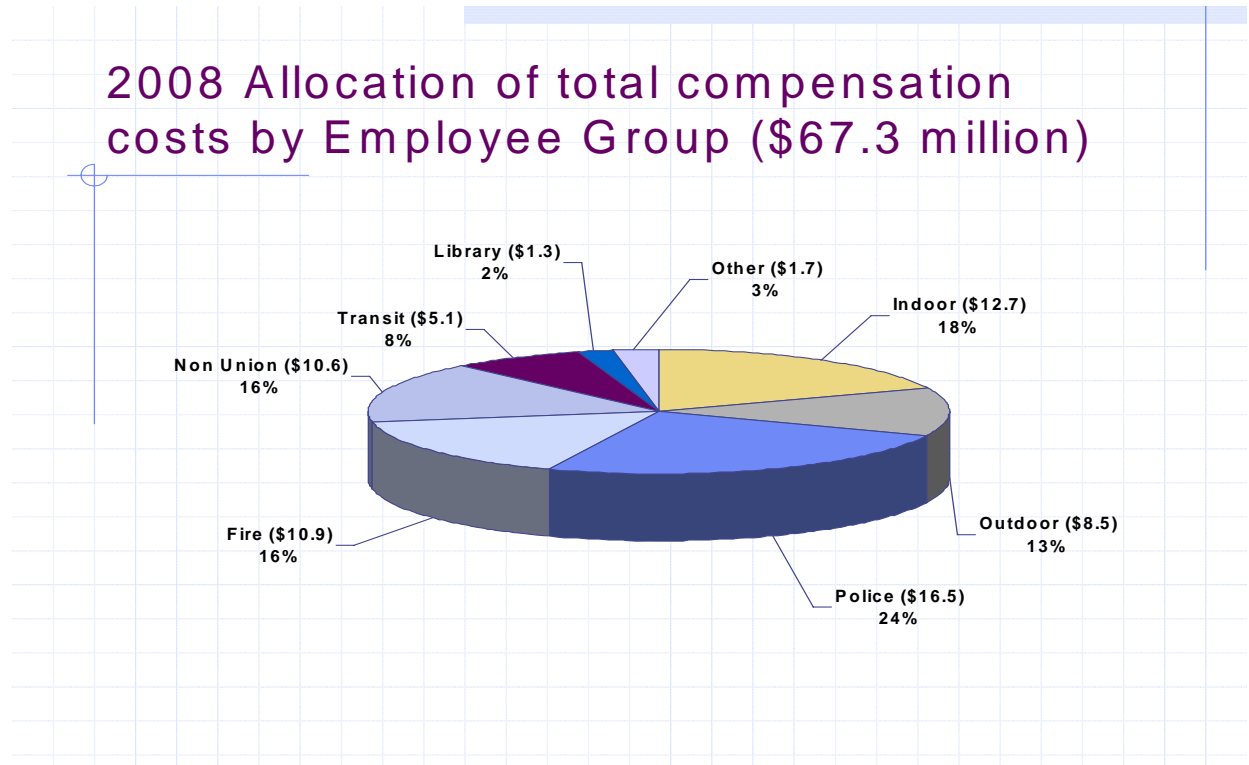


2008 Dollar Value of payroll by employee group

The allocation of the 2008 \$67.3 million total compensation, including benefits, is shown graphically on Chart P2-20.

Chart P2-20

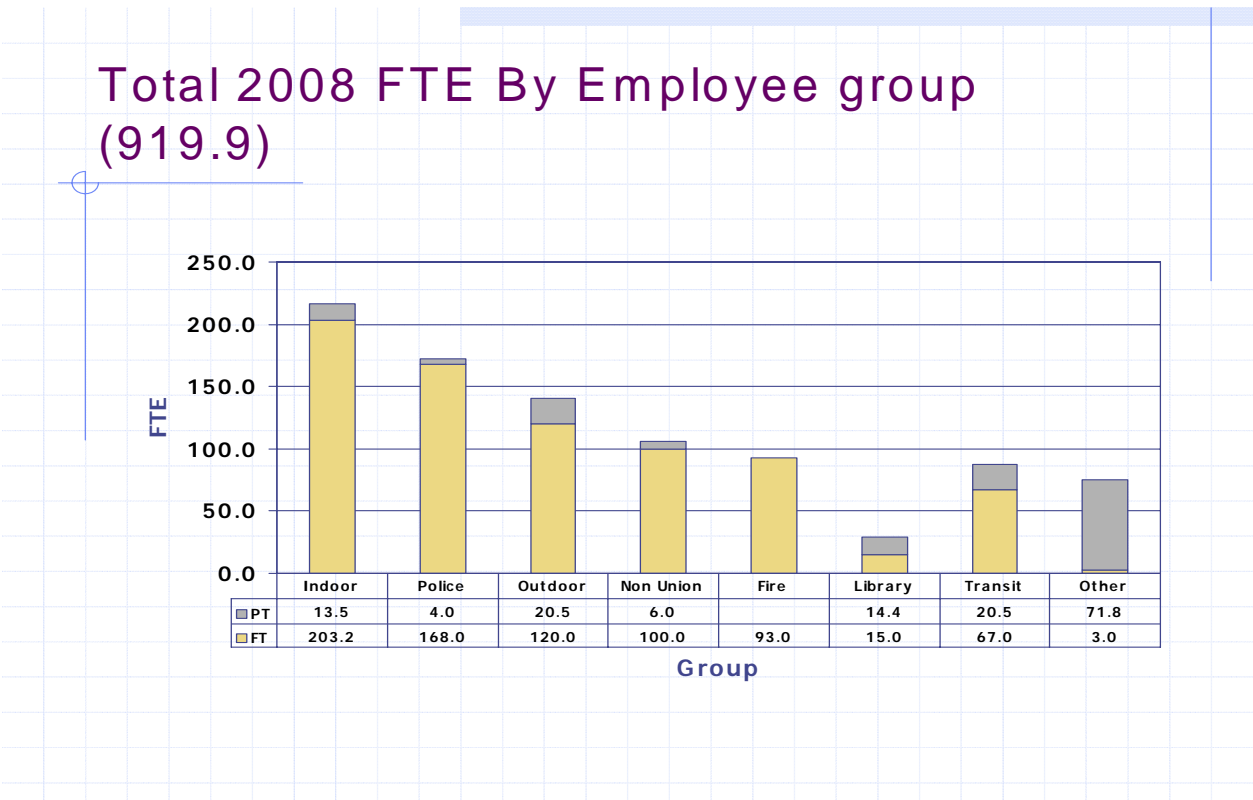
Allocation of 2008 total compensation by employee group



2008 FTE by Employee Group

Chart P2-21 shows the number of FTEs by employee group.

Chart P2-21
2008 Full and Part-time complement by employee group





OMERS

The Ontario Municipal Employees Retirement System (OMERS) continues to be a defined-benefit plan, equally funded by employers and contributing members.

OMERS contribution rates for the last number of years are set out in Chart P2-22. It has been assumed the 2008 rates will remain the same as 2007.

**Chart P2-22
OMERS contribution rates
1998 to 2007**

OMERS Contribution rates

	YMPE	NRA 65 Up to YMPE	over YMPE	NRA 60 Up to YMPE	over YMPE	RPP Max
2007	43,700	6.50%	9.60%	7.90%	10.7%	125,859.75
2006	42,100	6.50%	9.60%	7.90%	10.7%	119,764.25
2005	41,100	6.00%	8.80%	7.30%	9.80%	113,871.25
2004	40,500	6.00%	8.80%	7.30%	9.80%	105,335.25
2003	39,900	2.10%	2.60%	2.43%	2.93%	99,577.25
2002	39,100	0.00%	0.00%	0.00%	0.00%	99,307.25
2001	38,300	0.00%	0.00%	0.00%	0.00%	99,037.25
2000	37,600	0.00%	0.00%	0.00%	0.00%	98,801.00
1999	37,400	0.00%	0.00%	0.00%	0.00%	98,733.50
1998 (pay period including August 1, 1998)	36,900	0.00%	0.00%	0.00%	0.00%	99,026.00
1998 (pay period including Jan 1, 1998)	36,900	4.00%	5.50%	5.00%	6.50%	99,026.00

Staffing changes

Full-time staff complement increases by net of 3 to 769.186

Chart P2-23 summarizes the full time staffing changes that are proposed in the draft budget and shows a net increase of 3 FTE comprised of 4 new full-time positions, 1 part-time position converted to full-time permanent and 2 deletions. Another 9 positions were requested but are not being recommended.

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Chart P2-23

Reconciliation of full-time FTE change 2007 to 2008

Ref	Position and comments	Union	Op Cap	Type	FTE Extensions	FTE Change
C1	C2	C3	C4	C5	C6	C7
1.00	2007 approved FTE as of budget approval					765.186
2.00	Positions added/eliminated after 2007 budget approved					
2.01	CAO Administrative Support	NU	Op	FT		1.000
	Subtotal					1.000
3.00	2007 FTE as amended					766.186
4.00	Requested new full-time permanent					
4.01	Community Social Plan Facilitator	L126	Op	FT		1.000
4.02	Transit Bus Operators	ATU	Op	FT		2.000
4.03	Collections Clerk	L126	Op	FT		1.000
	Subtotal					4.000
5.00	Existing part-time proposed to become full-time					
5.01	Arena Secretary	L126	Op	PT		1.000
	Subtotal					1.000
6.00	Existing temp proposed to become permanent					
6.01	Customer Service Co-ordinator	NU	Op	FT-Temp	1.000	
6.02	Sign Inspector	L126	Op	FT-Temp	1.000	
6.03	Safety Field Specialist	NU	Op	FT-Temp	1.000	
6.04	Housing Supply Facilitator	NU	Op	FT-Temp	1.000	
	Subtotal				4.000	
7.00	Existing temp proposed to be extended as full-time temp					
7.01	Cartographic Technologist (FRMP)	L126	Cap	FT Temp	1.000	
7.02	Cartographic Technician (FRMP)	L126	Cap	FT Temp	2.000	
7.03	Assistant Emergency Planner (proposed to June 09)	NU	Op	FT-Temp	1.000	
7.04	Finance and Admin Assistant - Social Housing	L126	Op	FT-Temp	1.000	
	Subtotal				5.000	
	Total additions all types					5.000
8.00	Full Time Positions eliminated as part of 2008 budget process (Converted to part-time)					
8.01	Human Resources Consultant-SS	NU	Op	FT-Temp		(1.000)
8.02	Manager Flood Reduction Master Plan	NU	Cap	FT-Temp		(1.000)
	Subtotal					(2.000)
9.00	Positions Requested During 2008 Budget Process but not Recommended					
9.01	Traffic Systems Technologist	L126	Op	FT	(1.000)	
9.02	Dispatch Scheduler/Supervisor	NU	Op	FT	(2.000)	
9.03	Construction Services Co-ordinator	NU	Op	FT	(1.000)	
9.04	PW Operators	L504	Op	FT	(2.000)	
9.05	Fire Communications Supervisor	FAO	Op	FT	(1.000)	
9.06	Recycling Program Co-ordinator	L126	Op	FT	(1.000)	
9.07	GIS/Cartographic Technologist	L126	Op	FT	(1.000)	
	Subtotal				-9.000	
10.00	Total Full-time FTE per 2008 budget documents					769.186

Dollar impact of new staffing additions

Chart P2-24 is an extended version of Chart P2-23, and for each position it shows an operating or capital notation, a full-time or full-time temporary notation, a term if applicable, and the employee group. Columns 8 through 16 show annualized salaries and benefits, offsetting revenues, if any, and annualized net tax levy impact. The total annualized net tax levy (Column 21 - \$183,507) is what Council could expect to see for a full year in the 2009 Budget.

Net tax levy savings versus net tax levy increases

For Chart P2-24, the net tax levy impact (column 24) for each position is showing the amount by which the 2008 net tax levy would be reduced if the recommended position is not approved. For the new Full-time positions and the existing part-time proposed to be full-time, categories A and B, this is also the amount the net tax levy will increase if the position is approved.

However, for existing full-time temporary positions proposed to be permanent or extended as temporary, categories C and D, the salaries and benefits are already in the base budget and approving these positions will not increase the net tax levy.

The fine distinction becomes important when trying to determine by how much the new staffing requirements have contributed to the 2.9% increase in net tax levy over 2007.

Approach and factors considered when reviewing staffing requests

The recommendation to hire new staff and extend existing temporary positions has not been made lightly and has generally been limited to cases where a position is needed to comply with Provincial or Federal regulations, to minimize exposure to risk of legal liability or health and safety issues or can be self-financed either through direct revenues as a result of the position or through offsetting cost reductions to be achieved by hiring the position.

New staff justification

This section provides some additional details regarding the new staff requests identified on Chart P2-24.

Proposed new full-time permanent (4 FTE - \$12,946)

- **Community Social Plan Facilitator (1 FTE)**

The Community Social Plan Facilitator position is proposed to continue the work with rural Peterborough to establish Help Centre(s) and further develop procedures, policies and toolkits. It is contingent on Ministry of Agriculture, Food and Rural Development funding. If approved, 50% Provincial support and 50% City and County support will be used to fund the position.

- **Transit Bus Operators (2 FTE)**

The 2006 Public Transit Operations Review and subsequent 2007 Implementation Strategy Update included a number of service enhancements, which have been implemented and are continuing. The additional revenue service hours delivered in 2007 and proposed for 2008 total 27,200 hours. For initial implementation these hours were covered through a mix of part-time, extra board and full-time operator overtime.

Through the runcutting and staff rostering process it has been identified that two additional full-time pieces of work will be sustained.

The benefit is to reduce over-time and administration of distributing the extra work on an ad hoc and daily basis.

- **Collections Clerk (1 FTE)**

In the past, pursuing outstanding accounts was decentralized and the only department that used a collection agency was the POA office. The Solicitor's office assisted some departments in their collection efforts.

During 2007, the City started using Premier Receivables Management Ltd. (a COPHI subsidiary company) as the City's collection agency. During this process, it became evident that:

- There is a need to have a consistent and co-ordinated approach to collections through-out the corporation
- The City should ensure it takes every reasonable step to collect an outstanding account prior to sending the account to a Collection Agency
- Through a centralized approach, funds can be collected prior to a Collection Agency getting involved
- Pursuing all outstanding accounts diligently is in the best interests of other taxpayers

The greatest need is in the POA office with thousands of outstanding accounts annually.

In August 2007, it was announced that Premier was going to close. The CAO approved the hiring of a temporary Collection Clerk who began work on September 4, 2007 to continue the collections that had already been started by Premier and collect other accounts while the City prepared an RFP for a new Collections Agency. In the first seven weeks, the Collection Clerk has collected over \$30,000.

It is proposed that this position be a permanent FTE and 60% of the time be spent on POA outstanding accounts and 40% on outstanding accounts receivables from all other departments.

It is anticipated that the revenue collected will more than offset the cost of this position. In addition, the creation of this position will ensure our due diligence in treating clients/customers fairly while still pursuing outstanding accounts.

Existing part-time proposed to become full-time permanent (1 FTE - \$24,273)

- **Arena Secretary (1 FTE)**

The Arena Secretary is currently a part-time position that works 24 hours per week and resides at the Evinrude Centre. The additional 11 hours provided by a full time position will provide more administrative support to the division manager but will also free up more time for the arena foreman at Evinrude to focus on operational duties rather than administrative duties. This will result in better customer service and may provide some additional off-setting revenues.

Existing temporary positions proposed to be permanent (4 FTE - \$93,147)

- **Customer Service Co-ordinator (1 FTE)**

This position was initially approved by Council as a temporary position in August 2003 through Report CAO03-002 dated May 26, 2003. It was filled in January 2004 however the incumbent was seconded several times to assist at the Peterborough Memorial Centre. The position has been vacant since mid-2007 as the incumbent has accepted a permanent position at the Centre.

Initially the position was primarily project oriented but with each implementation there are on-going responsibilities to maintain the program. Some of initiatives that have been completed include telephone upgrades to all City locations, development of an Intranet site, upgrade of the City's main Internet site and implementation of a staff identification program and on-hold telephone message program. The greatest need is with the City's Internet site and the improvements that could still be made.

It is proposed that this position become a permanent FTE. On an ongoing basis, the Customer Service Co-ordinator would:

- Be responsible for the timeliness of the information on the Internet and the Intranet
 - Work with departments to add more on-line payment services onto the Internet such as Tax Certificates, POA fines, Room Rentals, Large article Pick-up, etc
 - Respond to inquiries from departments and City of Peterborough customers and provide guidance on the Services the City provides and how they are delivered
 - Act as the main resource for the City's operating departments that generate revenue by assisting with their staff training, system implementations and maintaining their software systems that are used to service its customers (ie. CLASS)
 - Be responsible for reviewing, issuing and posting media releases
 - Maintain the staff identification program
 - Work with departments to update the on-hold message system quarterly.
- **Sign Inspector (1 FTE)**

The sign inspector was initially hired as a two-year full-time temporary position in August of 2004 as the result of recommendations initially outlined in report PL02-017 dated March 11, 2002. The position was approved for a second two-year term as part of the 2006 Budget, which extends it to August 31, 2008. In the 2008 budget, it is proposed that the position become permanent as administering the sign by-law has continued to have a positive effect on the community especially by reducing the number of illegal signs. During 2008, discussions will

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be held with Clerk's office staff to consider increasing the scope of this position to include business licensing as it is closely aligned with new business signage. The position's salary and benefits are funded from sign permit fees.

- **Human Resources Safety Field Specialist (1 FTE)**

This HR Safety Field Specialist was a new position proposed in the 2006 Budget. An incumbent was hired in September 2006. The position is used as a resource to operational managers in implementing safety cultures and securing compliance to various Occupational Health and Safety Act Regulations.

The hands-on approach of this position helps to minimize potential risk to the organization associated with workplace accidents and injuries, WSIB costs, insurance claims against the City, new ticketing powers for Ministry of Labour Inspectors, fines and penalties under the Occupational Health and Safety Act and the Criminal Code. It is proposed that this position become full time permanent as of January 1, 2008.

- **Housing Supply Facilitator (1 FTE)**

The Housing Supply Facilitator position was established to ensure that all projects awarded capital funding under the Federal/Provincial Affordable Housing program were successful. The Housing Facilitator position worked with proponents, the Province, financial institutions, lawyers, etc. to clear development hurdles. The position was fully funded through Provincial administration grants.

As the Social Housing responsibilities have continued to grow, the Housing Supply Facilitator also became an internal contact to many housing organizations, the Affordable Housing Advisory Committee and Federal/Provincial Ministries. The levels of business in Housing has grown to the point where the core complement of the Housing Division must also increase to cover mandated responsibilities. For 2008, the Housing Division is requesting that the Housing Supply Facilitator become a permanent position. Additional grant money will be received from the Province to offset the costs of this position.

Existing full-time temporary proposed to be extended as full-time temporary (5.00 FTE - \$29,825)

There are a number of temporary positions proposed to be carried over for at least another year to complete specific assignments. Funding shown is not new funding but is a continuation of funding approved in previous budgets.

- **Cartographic Technologist (1 FTE) and Cartographic Technician) (2 FTE) (Funded from FRMP)**

As part of the Flood Reduction Master Plan, gathering sewer information and entering the data into an electronic format has been critical to completing the

seven watershed Environmental Assessments (EAs). In the second half of 2005, two contract staff members were hired to start data/information gathering for the storm and sanitary sewer systems in the Curtis Creek and Jackson Creek watershed areas. In 2006, Council approved the hiring of an additional 2 contract staff (total of 4 staff) to expedite data collection required for the remaining watershed studies. In 2007, the staffing was reduced to 3. The plan for 2008 shows the need for 3 contract staff positions for approximately 6 months. The positions are funded from the Flood Reduction Master Plan capital funding.

- **Assistant Emergency Planner (1 FTE)**

This position has been in place in a temporary capacity for several years to assist in meeting the mandatory requirements set out by Emergency Management Ontario. The amount of work required to accomplish compliance goes far beyond what current staffing levels can handle given the existing workload as set out in the Emergency work plan.

The position will also assist as the Emergency Management Services staff continue to work with the Province and Ontario Power Generation to fulfill its Nuclear Emergency Management responsibilities and the Social Services Department and our Community Partners on the City/County evacuation centre plans, training opportunities and exercises.

- **Housing Finance and Admin Assistant – (1 FTE)**

This position was initially requested as part of the 2005 Budget process. It is necessary due to the growing administration and complexity of the existing portfolio. In order to limit the risk to the City, many of the providers are requiring closer monitoring and considerable staff resources.

It is recommended that the full time permanent and full-time temporary staff, shown on Chart P2-24 be approved.

Positions not included in the budget

Chart P2-25 is in the same format as Chart P2-24 but shows the full-time positions initially requested in the 2008 budget but not approved at the staff level until a further review of the request is done. Should Council wish to consider any of these positions, Column 24 provides how much the net tax levy would increase.

Part 2
2008 Operating Budget - Non Departmental

Chart P2-25
Full Time Positions not approved in the 2008 budget (FTEs, annual impacts, 2008 net tax levy requirements)

Ref	Position and comments	Dept	Op Cap	Type	FTE	Annualized impact if in 2008 operating budget for whole year											Estimated Permanent Hire Date	Days to charge to 2008	2008 Net Tax Levy Impact		
						Gross expenditures			Sal&Ben	Revenues					Net Tax						
						Grp	Cls	Lvl	Salary	Benefits	Total	Subsidy	County	Other	Specify	Total				Levy Impact	C21
C1	C2	C3	C4	C5	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	
A	Positions not recommended in 2008 Budget																				
A.1	Traffic Systems Technologist	USD	Op	FT	1.000	L126		9	1	47,585	12,848	60,433				-	60,433	1-Apr-08	197	45,614	
A.2	Dispatch Scheduler/Supervisor	USD	Op	FT	2.000	NU		3	1	82,474	22,268	104,742				-	104,742	1-Apr-08	197	79,058	
A.3	Construction Services Co-ordinator	USD	Op	FT	1.000	NU		4	1	62,410	16,851	79,261			79,261	Capital Levy	-	1-Apr-08	197	-	
A.4	PW Operators	USD	Op	FT	2.000	L504				78,760	21,265	100,025				-	100,025	1-Apr-08	197	75,498	
A.5	Fire Communications Supervisor	COMSER	Op	FT	1.000	FAO				62,410	16,851	79,261	28,000		Cty Dispatch Contract	28,000	51,261	1-Jun-08	152	29,853	
A.6	Recycling Program Co-ordinator	USD	Op	FT	1.000	L126		8	1	45,023	12,156	57,179				-	57,179	1-Apr-08	197	43,158	
A.7	GIS/Cartographic Technologist	PD	Op	FT	1.000	L126		9	1	47,585	12,848	60,433				-	60,433	1-Jul-08	132	30,564	
	Subtotal				9.000					426,247	115,087	541,334	-	28,000	79,261	107,261	434,073	-		303,745	
Notes						Total															
1 Actual costs may vary depending on level and actual hire dates.						NU	3.000				144,884	39,119	184,003	-	-	79,261		79,261			79,058
2 Benefit calculations are based on the 27% benefit rate						L126	3.000			140,193	37,852	178,045	-	-	-		-	178,045			119,336
3 The actual hire dates may vary from those shown depending on the length of the recruitment process and urgency of filling the position.						L504	2.000			78,760	21,265	100,025	-	-	-		-	100,025			75,498
4 It is assumed capital financing would be used for something else if capital funded positions were not recommended						L519	0.000			-	-	-	-	-	-		-	-			0
						ATU	0.000			-	-	-	-	-		-	-			0	
						FAO	1.000			62,410	16,851	79,261	-	28,000	-		28,000	51,261			29,853
						Total	9.000				426,247	115,087	541,334	-	28,000	79,261	107,261	434,073	-		303,745