



City of
Peterborough

2009 BUDGET HIGHLIGHTS

Appendix B

Items not included in the

2009 Budget

Municipal Tax Rate could increase another 4.5%

This has been an extremely difficult budget process in an effort to keep the net tax levy requirement at a reasonable amount. This Appendix will list and explain the key items not included in the 2009 Operating Budget. These include risks that might come to fruition, recommendations approved by Council during the 2008 Budget process and some initiatives where there is a legitimate need in the community or a staff resource issue. If all these items were added into the Budget, the municipal tax rate would increase by an additional 4.5%.

Positions not included in the Budget

Chart 1 is in the same format as Appendix A - Chart 8 but shows nine full-time positions initially requested in the 2009 Budget but not approved at the staff level. Should Council wish to consider any of these positions, Column 21 provides how much the net tax levy would increase and Column 22 shows the percentage impact.

**Chart 1
Full Time Positions not approved in the 2009 Budget (FTEs, annual impacts, 2009 net tax levy requirements)**

Ref	Position and comments	Dept	Op Cap	Type	FTE	Annualized impact if in 2009 operating budget for whole year											Estimated Start Date of Expense	Days to charge to 2009 C20	2009 Net Tax Levy Impact	2009 Tax Rate Impact		
						Gross expenditures			Total	Revenues				Net Tax								
						Grp	Cls	Lvl	Salary	Benefits & Oh'd	Gross Exp	Subsidy	County	Other	Specify	Total					Levy Impact	
C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	
1.00	Salary/Wage and Benefit Expenses																					
1.01	Social Services Co-ordinator	CS-Social Services	Op	FT	1.000	NU	5	1	71,035	19,179	90,214		16,239			16,239	73,975	1-Apr-09	197	55,836	0.1%	
1.02	Adult Crossing Guards	US-Traffic	Op	PT	0.113	Other			2,142	86	2,228					-	2,228	1-Jan-09	261	2,228	0.0%	
1.03	Dispatch Schedulers/Supervisors	US-Transit	Op	FT	2.000	NU	3	2	115,374	31,151	146,525					-	146,525	1-Jan-09	261	146,525	0.2%	
1.04	Transit Permanent Operators	US-Transit	Op	FT	3.000	ATU 1320			143,319	38,696	182,015			189,060	Increased OT and PT	189,060	(7,045)	1-Jan-09	261	(7,045)	0.0%	
1.05	Airport Receptionist	PD-Airport	Op	FT	1.000	L126	5	1	38,303	10,342	48,645					-	48,645	1-Jan-09	261	48,645	0.1%	
1.06	Community Social Plan Facilitator	CS-Social Services	Op	FT	1.000	L126	6	1	41,683	11,254	52,937					-	52,937	1-Jan-09	261	52,937	0.1%	
1.07	PW Wages - Streetcleaning	USD-PW	Op	FT		L504			53,700	53,700	107,400					-	107,400	1-Jan-09	261	107,400	0.1%	
1.08	Accessibility Co-ordinator (PT to FT)	PD-Accessibility	Op	PT	0.398	L126	6	3	17,311	9,125	26,436					-	26,436	1-Jan-09	261	26,436	0.0%	
1.09	Traffic Operations Technologist	USD	Op	FT	1.000	L126	9	1	48,826	13,183	62,009					-	62,009	1-Jan-09	261	62,009	0.1%	
1.10	Subtotal				9.511				531,693	186,716	718,409	-	16,239	189,060		205,299	513,110			494,971	0.6%	

Other items not in the Budget (\$3.4 million - potential 3.9% tax rate impact)

In addition to the positions requested that are not in the Budget, there are several other items not in the Budget. They are shown in Chart 2. The items were either in the 2009 Budget requests at some point and have been removed at the staff level or were discussed by Council previously but not included as of means of limiting the tax rate increase. Column 13 shows the tax rate impact of each item and Line 3.00 shows the impact if all the positions and items were added back into the Budget.

**Chart 2
Other Items not in the Budget**

Chart 2 "Below the Line" Items Not Currently Included in 2009 Budget												
Ref	Position and comments	Dept	Op Cap	Revenues					Net Tax		2009 Net Tax Levy Impact	2009 Tax Rate Impact
				Total Gross Exp	Subsidy	County	Other	Specify	Total	Levy Impact		
C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13
2.00	Other "Below the Line" Items											
2.01	OMPF Funding (based on Special 2008 ODB Upload	Corporate Revenues	Op	1,129,200					-	1,129,200	1,129,200	1.3%
2.02	OMPF Funding (ODSP Admin Savings less est. of SS	Corporate Revenues	Op	793,366					-	793,366	793,366	0.9%
2.03	Capital Levy - 5% Increase for 2009	Other Financial	Op	516,000					-	516,000	516,000	0.6%
2.04	Decrease in Contribution to Waste Mgmt Reserve	USD-WM	Op	200,000					-	200,000	200,000	0.2%
2.05	Downtown Youth Centre	CS-Recreation	Op	150,000					-	150,000	150,000	0.2%
2.06	Employee Future Benefits Payable - Cont'n to Reserv	Other Financial	Op	100,000					-	100,000	100,000	0.1%
2.07	YW Crossroads Support	CS-Social Services	Op	100,000					-	100,000	100,000	0.1%
2.08	Recievership Fees	PD-Social Housing	Op	75,000					-	75,000	75,000	0.1%
2.09	Community Service Grant for Market Hall	CS-Administration	Op	70,000					-	70,000	70,000	0.1%
2.10	Housing Contractual Services (2nd Social Worker)	PD-Social Housing	Op	54,725					-	54,725	54,725	0.1%
2.11	Increase in Discretionary Benefit Costs	CS-Social Services	Op	292,810	234,248	11,626			245,874	46,936	46,936	0.1%
2.12	Library Collection Expansion	CS-Library	Op	27,085					-	27,085	27,085	0.0%
2.13	Relocation of PERC - OW Admin	CS-Social Services	Op	26,836		4,830			4,830	22,006	22,006	0.0%
2.14	Festival of Lights	CS-Administration	Op	20,000					-	20,000	20,000	0.0%
2.15	\$2 Per Bed Increase for Hostels (effective August /09)	CS-Social Services	Op	16,065					-	16,065	16,065	0.0%
2.16	Decrease in Contribution to Dr Recruitment Reserve	Other Financial	Op	15,000					-	15,000	15,000	0.0%
2.17	Community Social Plan Operating Costs	CS-Social Services	Op	14,272					-	14,272	14,272	0.0%
2.18	Streetcleaning	USD-PW	Op	8,000					-	8,000	8,000	0.0%
2.19	Relocation of PERC - Employment Admin	CS-Social Services	Op	9,615		1,731			1,731	7,884	7,884	0.0%
2.20	Activity Haven - Queen Alexandra	CS-Administration	Op	6,420					-	6,420	6,420	0.0%
2.21	Relocation of PERC - Child Serv Admin	CS-Social Services	Op	4,565		1,050			1,050	3,515	3,515	0.0%
2.22	Subtotal			3,628,959	234,248	19,237	-		253,485	3,375,474	3,375,474	3.9%
3.00	Total all items below the line			4,347,368	234,248	35,476	189,060		458,784	3,888,584	3,870,445	4.5%

Ontario Municipal Partnership Fund

Staff have assumed the City's OMPF will remain at the 2008 level. As of the Budget print date, however, the level of the Ontario Municipal Partnership Fund for 2009 has not been announced. There are two OMPF risks listed identified. The first amount, \$1,129,200, is the amount of the Drug Benefit costs that were uploaded to the Province starting in 2008. At the time of the upload, the Province stated there would be no impact on other Provincial transfers for 2008. The second amount, \$793,366, is the net decrease in Social Services costs in 2009, specifically, the elimination of ODSP Administration costs netted with the increase in some other costs such as ODSP Client Benefits. These have been separated because the City could be at risk of either one or both of these being clawed back.

Capital Levy 5% Increase

Over the years, the City has had a policy in place to increase the Capital Levy/Debt Base by 5% in an effort to address the City's infrastructure deficit and Capital pressures. However, due to Operating Budget pressures, it was cut in half in 2006 and eliminated in 2007. A 5% increase was included in 2008 and, during that process, Council approved the following:

It is recommended that, subject to annual Budget discussions, the combined tax supported debt charge and base Capital levy provision be increased by at least 5% in each of the years 2009 through 2013 as a means of financing a larger portion of Capital projects directly and reducing future debenture requirements.

While this was approved by Council, to mitigate the 2009 tax levy requirement, it was removed.

Contribution to Waste Management Reserve Fund

During the 2008 Budget discussions, Council approved the following:

It is recommended that for the years 2009 and 2010, the annual Contribution to the Waste Management Reserve Fund be increased to \$600,000 subject to the annual long-term review of revenues and expenditures.

However, on September 2, 2008, at the 2009 Budget Director's meeting, staff removed the \$600,000 and is recommending an increase to \$400,000 for 2009. This decision was also made in an effort to mitigate the tax levy requirement increase, however, it did not come lightly as future Capital expenditures will require more funding as shown in Part 2 of this Highlights book.

Increase in Discretionary Benefit Costs

In 2008, a review of discretionary benefits was completed and a revised policy was approved by Council through Report CSSS08-008, dated June 30, 2008. The new policy increased the benefits available to eligible clients. The increase in funding required for 2008 was offset by savings in mandatory benefits. For 2009, the report stated that increases would be included in Budget deliberations.

While the increased benefits, according to the policy, would be available to clients in 2009, an increase in funding would be considered an enhancement to the existing service levels, therefore the 2009 Budget as presented does not reflect an increase in dollars to fund the new policy. In order to meet the projected demand in 2009, it is estimated that an additional \$292,810 would need to be added to the City's discretionary benefits budget. This would result in an increase of \$234,248 in subsidy, \$46,936 to the City net requirements and \$11,626 to the County requirements.

A strong argument could be made for each of these items listed in Chart 2 to be included in the 2009 Budget, and Council may wish to reconsider them as part of their review of the Budget.