



# CITY OF NORTH BAY

## 2010 COMMITTEE RECOMMENDED OPERATING BUDGET

### PUBLIC PRESENTATION

JANUARY 18, 2010

## 2010 Preliminary Operating Budget Summary

*as presented to Committees of Council in December 2009*

2010 Preliminary Operating Budget	2009 Approved Operating Budget	Tax Levy Impact \$ Increase / (Decrease) <i>Over 2009</i>	Tax Levy Impact % Increase / (Decrease) <i>Over 2009</i>
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Total City Activities	\$45,330,517	\$42,935,550	\$2,394,967	5.58%
Ontario Municipal Partnership Funding	(\$8,417,500)	(\$8,417,500)	\$0	0.00%
<i>Total City</i>	<i>\$36,913,017</i>	<i>\$34,518,050</i>	<i>\$2,394,967</i>	<i>6.94%</i>
Local Agencies, Boards & Commissions	\$35,565,386	\$37,270,143	(\$1,704,757)	(4.57%)
Ontario Municipal Partnership Funding	(\$3,439,500)	(\$6,177,700)	\$2,738,200	44.32%
<i>Total Local Agencies, Boards &amp; Commissions</i>	<i>\$32,125,886</i>	<i>\$31,092,443</i>	<i>\$1,033,443</i>	<i>3.32%</i>
<b><i>Required Tax Levy</i></b>	<b><i>\$69,038,903</i></b>	<b><i>\$65,610,493</i></b>	<b><i>\$3,428,410</i></b>	<b><i>5.23%</i></b>

## 2010 Committee Recommended Operating Budget Summary

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget Adjustments	2010 Proposed Changes / Enhancements	2010 Total Adjustments; Changes / Enhancements
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<b>Total General Government</b>	(\$598,200)	\$38,000	(\$560,200)
<b>Engineering &amp; Works</b>	(\$15,400)	(\$52,500)	(\$67,900)
<b>Total Community Services</b>	(\$132,000)	(\$13,100)	(\$145,100)
<i>Total City Adjustments</i>	(\$745,600)	(\$27,600)	(\$773,200)

<i>Local Agencies, Boards &amp; Commissions Adjustments</i>	(\$353,800)	\$0	(\$353,800)
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## 2010 Committee Recommended Operating Budget Summary

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget	2010 Proposed Adjustments / Changes / Enhancements	2010 Committee Recommended Operating Budget	2009 Approved Operating Budget	Tax Levy Impact \$ Increase / (Decrease) <i>Over 2009</i>	Tax Levy Impact % Increase / (Decrease) <i>Over 2009</i>
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City Operations	\$36,913,017	(\$773,200)	\$36,139,817
ABC's	\$32,125,886	(\$353,800)	\$31,772,086

<b>Total City</b>	<b>\$69,038,903</b>	<b>(\$1,127,000)</b>	<b>\$67,911,903</b>	<b>\$65,610,493</b>	<b>\$2,301,410</b>	<b>3.51%</b>
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2009 Assessment Base Growth	(\$584,000)
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<i>2010 Required Tax Levy</i>	<i>\$67,327,903</i>	<i>\$65,610,493</i>	<i>\$1,717,410</i>	<i>2.62%</i>
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## 2010 Committee Recommended Operating Budget Summary

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget	2010 Proposed Adjustments / Changes / Enhancements	2010 Committee Recommended Operating Budget	2009 Approved Operating Budget	Tax Levy Impact \$ Increase / (Decrease) <i>Over 2009</i>	Tax Levy Impact % Increase / (Decrease) <i>Over 2009</i>
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<b>Total City</b>	<b>\$69,038,903</b>	<b>(\$1,127,000)</b>	<b>\$67,911,903</b>	<b>\$65,610,493</b>	<b>\$2,301,410</b>	<b>3.51%</b>
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*Reduction in OMPF for 2010:*

OMPF - City	(\$8,417,500)	(\$7,532,600)	\$884,900		
OMPF – ABC's	(\$3,439,500)	(\$3,778,700)	(\$339,200)		
<b>OMPF - Total</b>	<b>(\$11,857,000)</b>	<b>(\$11,311,300)</b>	<b>\$545,700</b>	<b>\$545,700</b>	<b>.83%</b>

<i>2010 Required Tax Levy</i>	<i>\$68,457,603</i>	<i>\$65,610,493</i>	<i>\$2,847,110</i>	<i>4.34%</i>
<b>2009 Assessment Base Growth</b>	<b>(\$584,000)</b>			
<i>2010 Required Tax Levy</i>	<i>\$67,873,603</i>	<i>\$65,610,493</i>	<i>\$2,263,110</i>	<i>3.45%</i>

## 2010 Committee Recommended Operating Budget Summary

*as submitted following Committee budget meetings in December 2009*

2010 Committee Recommended Operating Budget	2009 Approved Operating Budget	Tax Levy Impact \$ Increase / (Decrease) <i>Over 2009</i>	Tax Levy Impact % Increase / (Decrease) <i>Over 2009</i>
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2010 Tax Levy – before assessment growth	\$68,457,603	\$65,610,493	\$2,847,110	4.34%
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### Major Items Resulting in 4.34% Tax Levy Increase:

- **Negotiated wage settlements and employee benefit plans increases, \$977,200**
- **Council continues to invest in city roads and infrastructure through the pay-as-you-go capital levy included in the operating budget, \$898,200**
- **Reduction in Ontario Municipal Partnership Fund grant, \$545,700**
- **Estimates for Local Agencies, Boards and Commissions.**

## GENERAL GOVERNMENT COMMITTEE SUMMARY

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget <i>-per Budget Book-</i>	2010 Preliminary Operating Budget Adjustments	2010 Proposed Changes / Enhancements	2010 Total Adjustments; Proposed Changes / Enhancements	2010 Committee Recommended Operating Budget	\$ Increase Over 2009	% Increase Over 2009
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Corporate Services	\$4,767,700	(\$112,900)	\$38,000	(\$74,900)	\$4,692,800	\$58,200	1.26%
G.G. Activities	\$11,813,300	(\$485,300)	\$0	(\$485,300)	\$11,328,000	\$949,300	9.15%
<b>General Government C.</b>	<b>\$16,581,000</b>	<b>(\$598,200)</b>	<b>\$38,000</b>	<b>(\$560,200)</b>	<b>\$16,020,800</b>	<b>\$1,007,500</b>	<b>6.71%</b>



### 2010 Preliminary Operating Budget Adjustments, (\$598,200):

- Increased use of reserves, (\$305,300), to help offset one-time or short term reductions in: interest revenue, (\$180,000); tax assessment write-downs, (\$125,300)
- Reduction in transfers to reserves (\$119,000) for: vested sick leave, (\$60,000); election costs, (\$36,000); insurance claims, (\$23,000)
- Estimated savings from HST implementation, (\$100,000)
- Increased transfer from Tax Rate Stabilization reserve, (\$80,000)
- Other adjustments: increase in city hall maintenance contract, \$5,100; reduction in parking operations advertising & promotion, (\$5,000); increase in Humane Society estimates, \$6,000

## GENERAL GOVERNMENT COMMITTEE SUMMARY

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget -per Budget Book-	2010 Preliminary Operating Budget Adjustments	2010 Proposed Changes / Enhancements	2010 Total Adjustments; Proposed Changes / Enhancements	2010 Committee Recommended Operating Budget	\$ Increase Over 2009	% Increase Over 2009
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Corporate Services	\$4,767,700	(\$112,900)	\$38,000	(\$74,900)	\$4,692,800	\$58,200	1.26%
G.G. Activities	\$11,813,300	(\$485,300)	\$0	(\$485,300)	\$11,328,000	\$949,300	9.15%
General Government C.	\$16,581,000	(\$598,200)	\$38,000	(\$560,200)	\$16,020,800	\$1,007,500	6.71%



### 2009 Proposed Changes / Enhancements, \$38,000:

- Increase in Corporate staff training budget, \$25,000
- Addition of full time Custodian commencing September 2010, \$13,000

## **GENERAL GOVERNMENT COMMITTEE SUMMARY**

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget <i>-per Budget Book-</i>	2010 Preliminary Operating Budget Adjustments	2010 Proposed Changes / Enhancements	2010 Total Adjustments; Proposed Changes / Enhancements	2010 Committee Recommended Operating Budget	\$ Increase Over 2009	% Increase Over 2009
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<b>General Government C.</b>	\$16,581,000	(\$598,200)	\$38,000	(\$560,200)	\$16,020,800	\$1,007,500	6.71%
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### **General Government Committee 2010 Recommended Operating Budget increase of \$1,007,500, or 6.71% over 2009 resulting from:**

- Increase in infrastructure capital spending funded through the operating budget, \$898,200, as per Council's approved long-term capital funding policy
- Negotiated wage increases and employee benefit plans increases, \$136,500
- Lower short term investment interest revenue, \$259,300, *partially offset* by use of reserve funds, (\$180,000)
- Lower transfer from Tax Rate Stabilization fund, \$70,000

***PARTLY OFFSET BY:***

- Estimated saving from HST implementation, (\$100,000)
- Higher parking revenues, (\$71,000).

## **ENGINEERING & WORKS COMMITTEE SUMMARY**

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget <i>-per Budget Book-</i>	2010 Preliminary Operating Budget Adjustments	2010 Proposed Changes / Enhancements	2010 Total Adjustments; Proposed Changes / Enhancements	2010 Committee Recommended Operating Budget	\$ Increase Over 2009	% Increase Over 2009
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<b>Engineering, Environmental Services &amp; Works</b>	\$9,126,117	(\$15,400)	(\$52,500)	(\$67,900)	\$9,058,217	\$155,297	1.74%
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### 2010 Preliminary Operating Budget Adjustments, (\$15,400):

- **Elimination of the purchases of blue boxes and composters for resale**

## **ENGINEERING & WORKS COMMITTEE SUMMARY**

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget <i>-per Budget Book-</i>	2010 Preliminary Operating Budget Adjustments	2010 Proposed Changes / Enhancements	2010 Total Adjustments; Proposed Changes / Enhancements	2010 Committee Recommended Operating Budget	\$ Increase Over 2009	% Increase Over 2009
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<b>Engineering, Environmental Services &amp; Works</b>	\$9,126,117	(\$15,400)	(\$52,500)	(\$67,900)	\$9,058,217	\$155,297	1.74%
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### 2010 Proposed Changes / Enhancements, (\$52,500):

- Increase tipping fee rate \$3 per tonne from \$68 to \$71 per tonne, (\$67,500)

*PARTIALLY OFFSET BY:*

- Increase in survey staff training budget, \$15,000.

## **ENGINEERING & WORKS COMMITTEE SUMMARY**

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget <i>-per Budget Book-</i>	2010 Preliminary Operating Budget Adjustments	2010 Proposed Changes / Enhancements	2010 Total Adjustments; Proposed Changes / Enhancements	2010 Committee Recommended Operating Budget	\$ Increase Over 2009	% Increase Over 2009
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<b>Engineering, Environmental Services &amp; Works</b>	\$9,126,117	(\$15,400)	(\$52,500)	(\$67,900)	\$9,058,217	\$155,297	1.74%
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**Engineering & Works Committee 2010 Recommended Operating Budget  
increase of \$155,297, or 1.74% over 2009 resulting from:**

- **Negotiated wage increase and employee benefit plans increases, \$165,500**
- **Higher street lighting rates to be charged by North Bay Hydro, \$150,000**

*PARTIALLY OFFSET BY:*

- **Higher tipping fee net revenues, (\$135,200)**
- **Higher hazardous waste depot grants, (\$70,000).**

## **COMMUNITY SERVICES COMMITTEE SUMMARY**

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget -per Budget Book-	2010 Preliminary Operating Budget Adjustments	2010 Proposed Changes / Enhancements	2010 Total Adjustments; Proposed Changes / Enhancements	2010 Committee Recommended Operating Budget	\$ Increase Over 2009	% Increase Over 2009
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<b>Community Services</b>	\$8,813,900	(\$147,000)	(\$13,100)	(\$160,100)	\$8,653,800	\$49,170	.57%
<b>Fire Department</b>	\$10,809,500	\$15,000	\$0	\$15,000	\$10,824,500	\$409,800	3.93%
<b>Total Community Services C.</b>	\$19,623,400	(\$132,000)	(\$13,100)	(\$145,100)	\$19,478,300	\$458,970	2.41%



### 2010 Preliminary Operating Budget Adjustments, (\$132,000):

- Increase in use of transit Provincial Gas Tax funding, (\$100,000)
- Reduce Brownfield Improvement Plan allocation, (\$50,000)

#### *PARTIALLY OFFSET BY:*

- Increase fire department training supplies and certification requirements, \$15,000
- Increase to office equipment lease budget, \$3,000.

## **COMMUNITY SERVICES COMMITTEE SUMMARY**

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget <i>-per Budget Book-</i>	2010 Preliminary Operating Budget Adjustments	2010 Proposed Changes / Enhancements	2010 Total Adjustments; Proposed Changes / Enhancements	2010 Committee Recommended Operating Budget	\$ Increase Over 2009	% Increase Over 2009
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Community Services	\$8,813,900	(\$147,000)	(\$13,100)	(\$160,100)	\$8,653,800	\$49,170	.57%
Fire Department	\$10,809,500	\$15,000	\$0	\$15,000	\$10,824,500	\$409,800	3.93%
<b>Total Community Services C.</b>	<b>\$19,623,400</b>	<b>(\$132,000)</b>	<b>(\$13,100)</b>	<b>(\$145,100)</b>	<b>\$19,478,300</b>	<b>\$458,970</b>	<b>2.41%</b>



### **2010 Proposed Changes / Enhancements, (\$13,100):**

- Increase transit cash fare by \$0.25, (\$33,400)
- Implement a summer ice energy surcharge at Pete Palangio arena, (\$9,000)

#### *PARTIALLY OFFSET BY:*

- Additional Arena / Facility Supervisor commencing September 2010, \$23,900
- Summer Student for Heritage Gardener program, \$5,400.

## **COMMUNITY SERVICES COMMITTEE SUMMARY**

*as submitted following Committee budget meetings in December 2009*

2010 Preliminary Operating Budget -per Budget Book-	2010 Preliminary Operating Budget Adjustments	2010 Proposed Changes / Enhancements	2010 Total Adjustments; Proposed Changes / Enhancements	2010 Committee Recommended Operating Budget	\$ Increase Over 2009	% Increase Over 2009
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Community Services	\$8,813,900	(\$147,000)	(\$13,100)	(\$160,100)	\$8,653,800	\$49,170	.57%
Fire Department	\$10,809,500	\$15,000	\$0	\$15,000	\$10,824,500	\$409,800	3.93%
<b>Total Community Services C.</b>	<b>\$19,623,400</b>	<b>(\$132,000)</b>	<b>(\$13,100)</b>	<b>(\$145,100)</b>	<b>\$19,478,300</b>	<b>\$458,970</b>	<b>2.41%</b>



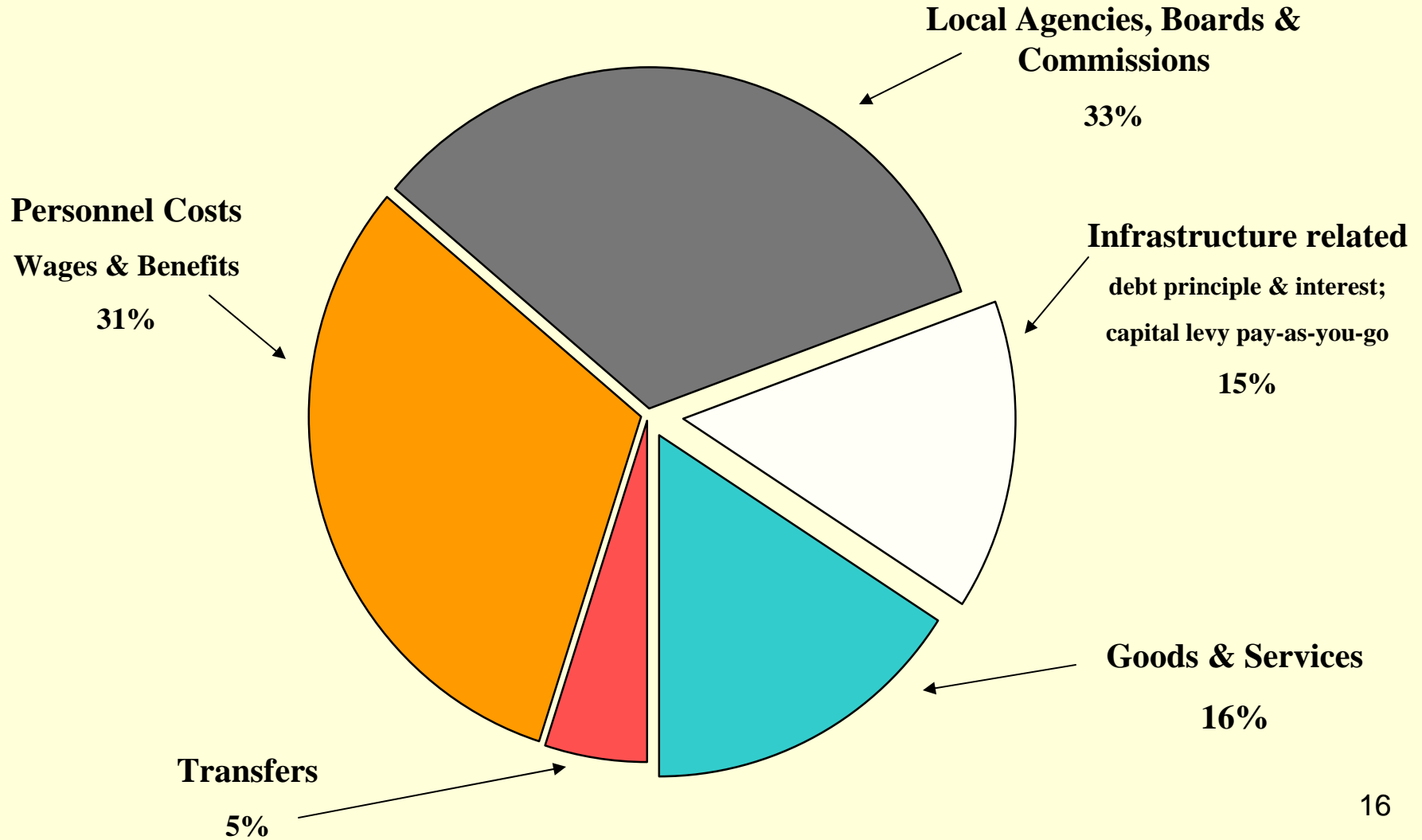
**Community Services Committee Recommended 2010 Operating Budget  
increase of \$458,970, or 2.41% over 2009 resulting from:**

- **Negotiated wage increases and employee benefit plans increases, \$660,200**

*PARTIALLY OFFSET BY:*

- **Increased use of transit Provincial Dedicated Gas Tax, (\$100,000)**
- **Reduce Brownfield Improvement Plan allocation, (\$50,000)**
- **Increase transit cash fares by \$0.25, (\$33,400).**

**COMMITTEE RECOMMENDED OPERATING BUDGET**  
**TOTAL 2010 EXPENDITURES**  
*\$105,345,783, down (\$4,290)*



## COMMITTEE RECOMMENDED 2010 OPERATING BUDGET

### Personnel Costs \$32,570,017 up \$1,033,067 or 3.27%

**Wage Costs, \$26,196,400 up \$772,370 or 3.0%**

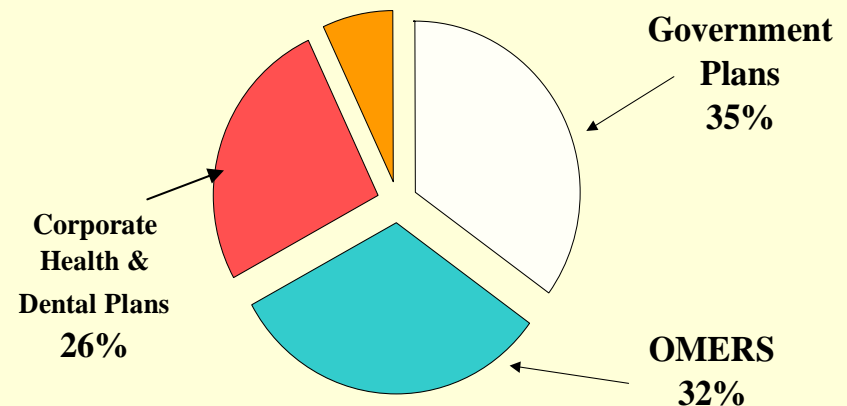
**resulting from:**

- \$0.58 per hour negotiated wage increase for unionized employees
- 2.6% wage increase for non-unionized employees
- 3.5% arbitrated wage settlement for firefighters

**Benefit Costs, \$6,373,617, up \$260,697, or 4.3%**

**resulting from:**

- Increase in overall wages
- Government statutory benefits
  - CPP / EHT / EI / WCB – very little change
- City benefits package:
  - OMERS Pension Plan, 1.7% increase
  - Extended Health – 1.5% increase
  - Dental – 2.8% increase

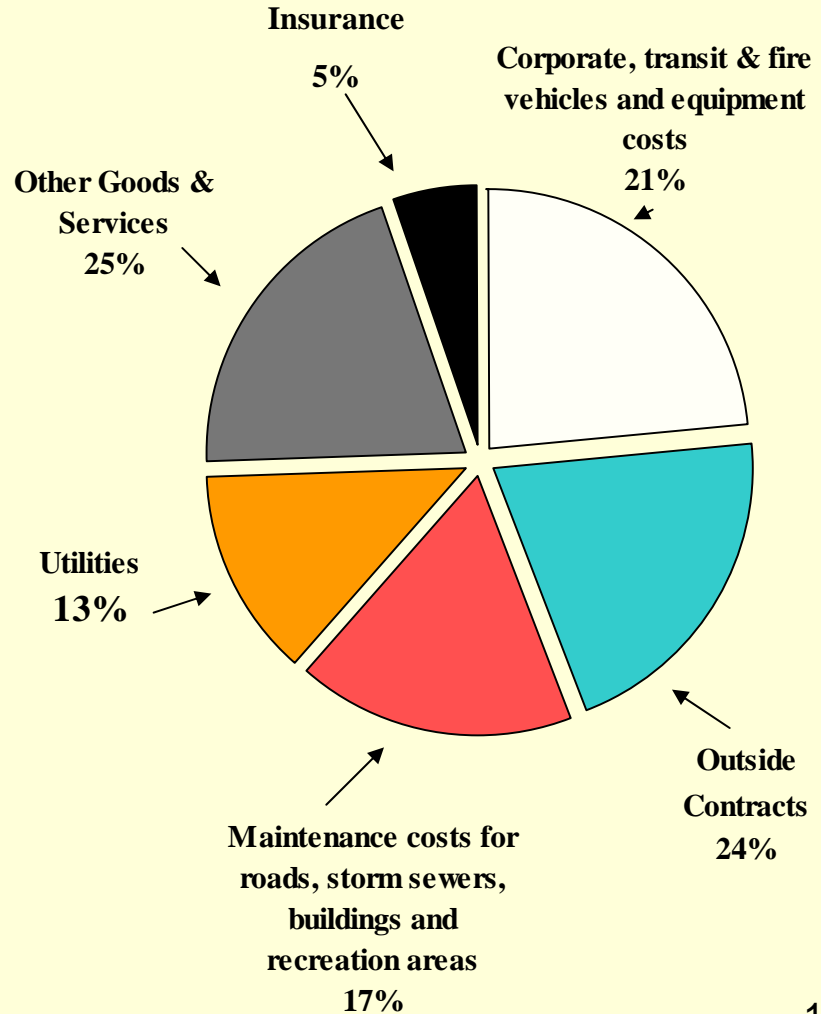


## COMMITTEE RECOMMENDED OPERATING BUDGET

**Goods & Services \$16,597,600 up \$401,100 or 2.48%**

### Resulting from inflationary increases in:

- **Maintenance costs for roads, storm sewers, buildings, fleet and recreation areas ... \$156,600**
- **Major contracts .... \$161,100**, resulting from inflationary increases in garbage & blue box collection contracts, Merrick landfill operating contract, Corp of Commissionaires and higher activity in hazardous waste program.
- **Utilities ... \$110,000**, resulting from higher street lighting rates to be charged from North Bay Hydro and 5% increases in electricity and natural gas rates partially offset by city wide conservation programs reducing consumptions.
- **HST ... (\$100,000)**, resulting from the implementation of the Harmonized Sales Tax in July 2010.

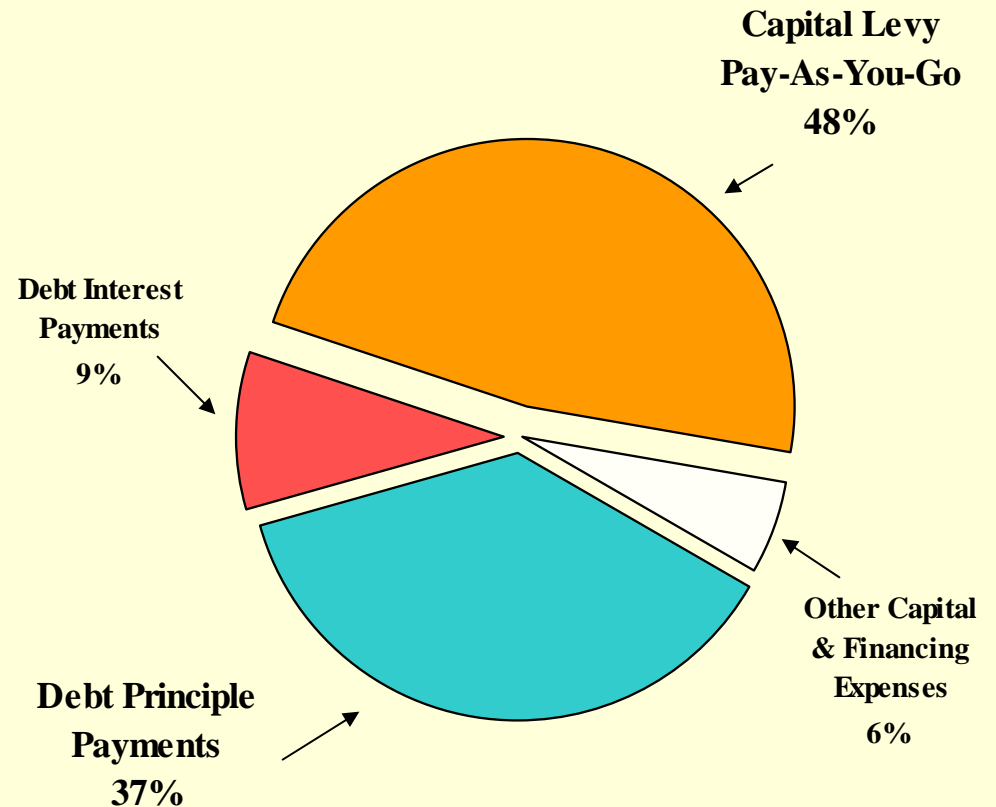


## COMMITTEE RECOMMENDED OPERATING BUDGET

**Capital & Financing Expenses \$15,576,500 up \$829,400 or 5.62%**

**Total infrastructure spending included in the operating budget, \$14,487,100:**

- **Debt principle payments, \$5,779,000, down (\$44,100)**
- **Debt interest payments, \$1,490,000, down (\$34,000)**
- **Capital Levy Pay-As-You-Go, \$7,433,000, up \$898,200**
- **Other capital purchases, \$605,200, up \$100,000**



## COMMITTEE RECOMMENDED OPERATING BUDGET

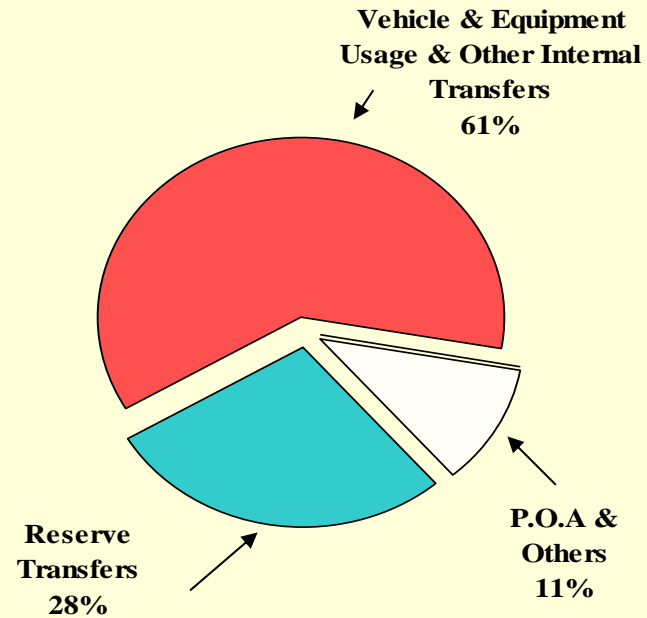
Transfers \$5,390,080 down (\$209,300) or (3.74%)

### Results from :

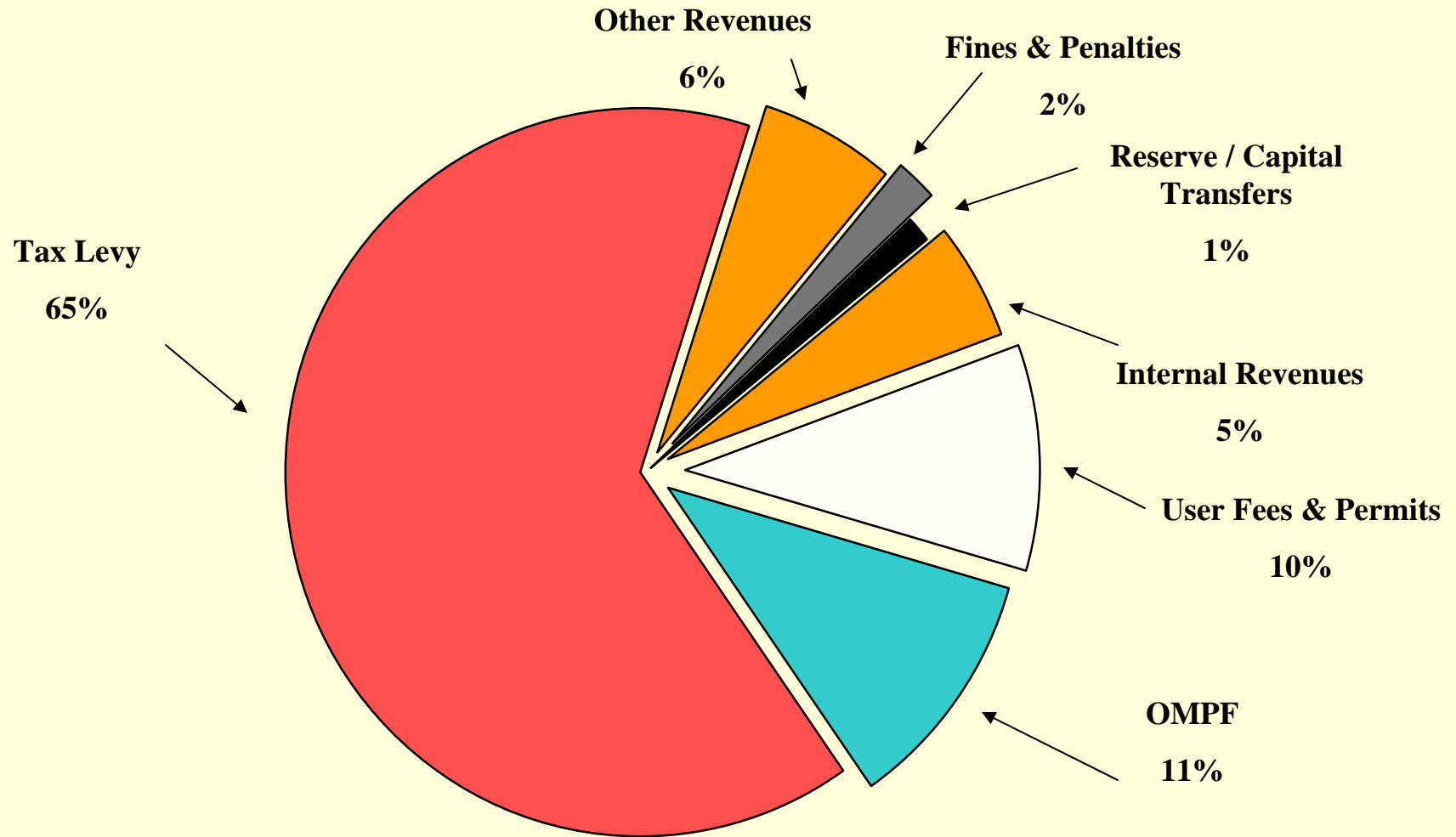
➤ Lower projected P.O.A fine revenues results in lower net revenue distribution to POA municipal partners

➤ Lower transfers to reserves for:

- \$81,400 to building code reserve
- \$60,000 for vested sick leave reserve
- \$36,000 to election costs reserve
- \$23,000 to insurance claims reserve

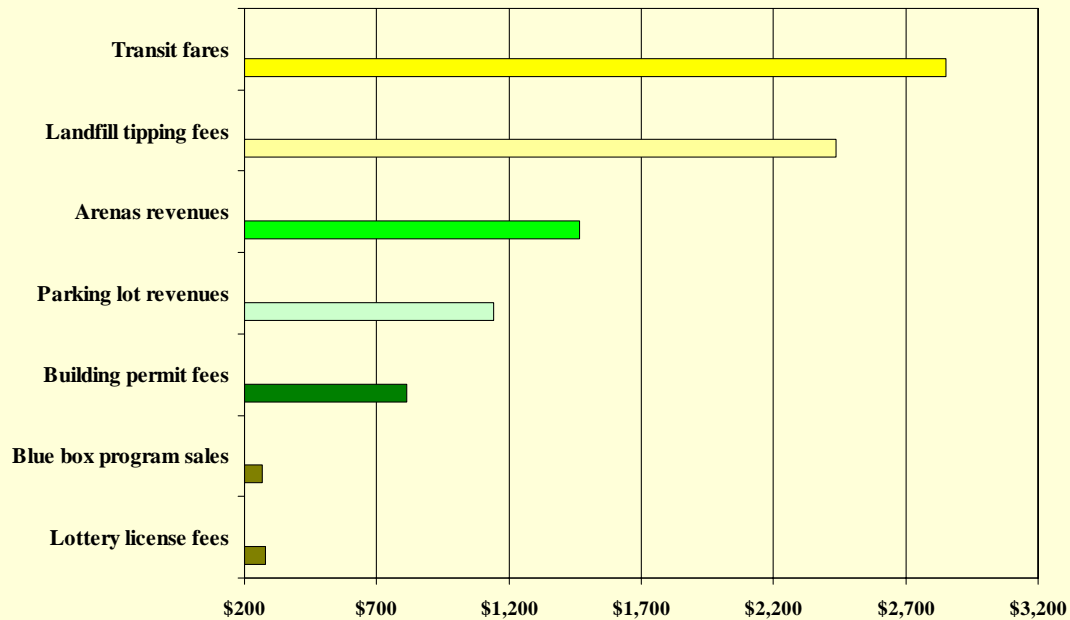


**COMMITTEE RECOMMENDED OPERATING BUDGET**  
***TOTAL 2010 CITY REVENUES - \$105,345,783, down (\$4,290)***



## COMMITTEE RECOMMENDED OPERATING BUDGET

### USER FEES AND PERMITS \$10,272,000 up \$284,100 or 2.84% over 2009



**Over 2.1 million transit rides will generate over \$2.8 million**

**Disposal of over 30,000 tonnes of garbage at the city landfill will generate over \$2.4 million**

**Use of city arenas for hockey leagues, tournament and other events will generate over \$1.4 million**

**Nine city parking lots, on-street pay and display machines and parking meters will generate over \$1.0 million**

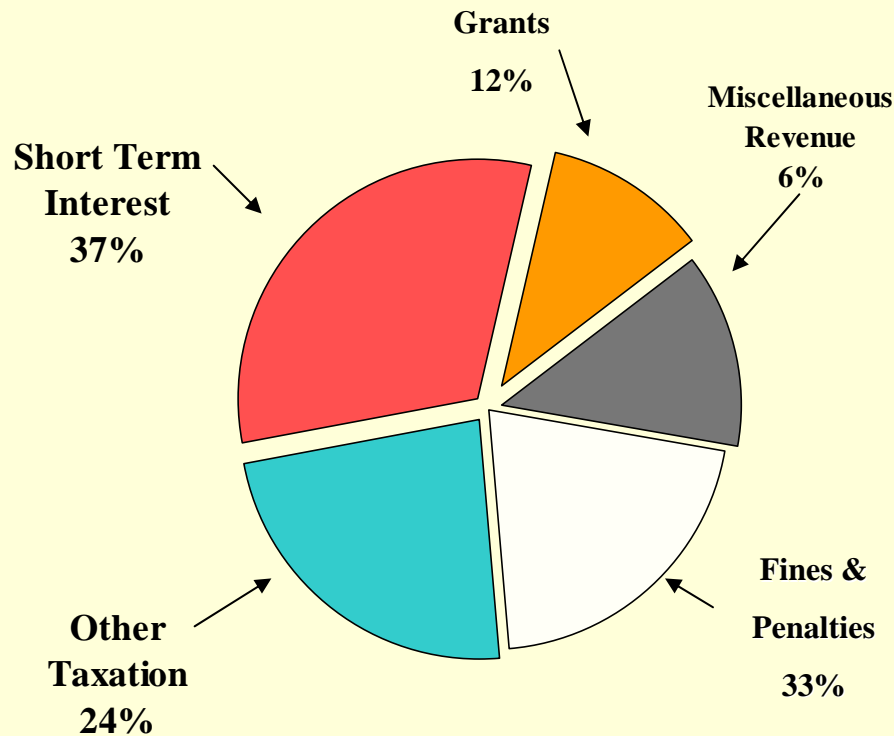
**The value of new construction, residential and business renovations is expected to top \$70 million and generate over \$0.8 million**

**Sales of over 3,500 tonnes of recyclable items collected through the blue box program will generate over \$0.2 million**

**Issuance of over 600 lottery licenses for bingos, Nevada's and other games of chance will generate over \$0.2 million**

## COMMITTEE RECOMMENDED OPERATING BUDGET

**Other Revenues and Fines & Penalties \$8,543,080 down (\$30,200) or (.35%) over 2009**



### OTHER REVENUES:

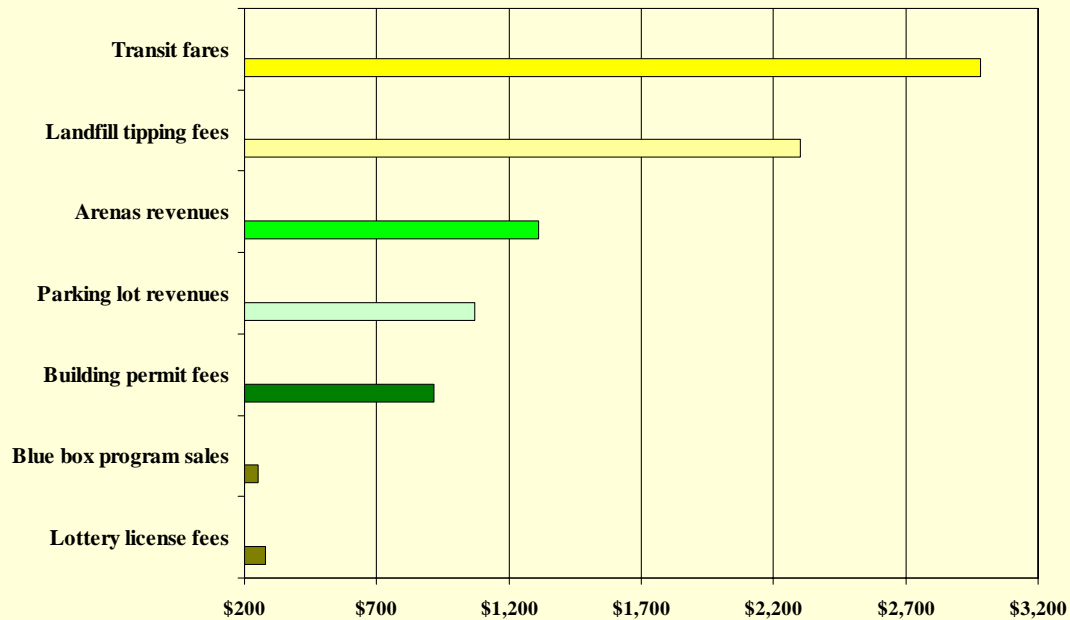
- **Short term investment interest will generate over \$2.8 million down (\$259K) over 2009.**
- **Other taxation revenue will generate over \$1.6 million**
- **Grants revenues will generate over \$1 million**
- **Other miscellaneous revenues will generate over \$1.2 million**

### FINES & PENALTIES:

- **Fines collected for over 16,000 traffic and other provincial acts violations will generate over \$1.6 million. The city shares this revenue with its POA partners and retains 56%**
- **Parking fines will generate over \$.3 million**

## COMMITTEE RECOMMENDED OPERATING BUDGET

### USER FEES AND PERMITS \$10,722,000 up \$356,100, 3.4% over 2008



**Over 2.2 million transit rides will generate over \$3.2 million**

**Disposal of over 30,000 tonnes of garbage at the city landfill will generate over \$2.3 million**

**Use of city arenas for hockey leagues, tournament and other events will generate over \$1.3 million**

**Ten city parking lots, on-street pay and display machines and parking meters will generate over \$1.0 million**

**The value of new construction, residential and business renovations is expected to top \$80 million and generate over \$0.9 million**

**Sales of over 3,500 tonnes of recyclable items collected through the blue box program will generate over \$0.2 million**

**Issuance of over 600 lottery licenses for bingos, Nevada's and other games of chance will generate over \$0.2 million**

## 2010 Committee Recommended Operating Budget Summary

*as submitted following Committee budget meetings in December 2009*

	GST	PST	Harmonized Sales Tax		
			GST	PST	Total
<b>Current Rate</b>	5%	8%	5%	8%	13%
<b>Rebate</b>	(5%)	(0%)	(5%)	(6.24%)	(11.24%)
<b>Total Tax Rate</b>	0%	8%	0%	1.76%	1.76%
<b>Total Goods &amp; Services Costs</b>	\$16,597,600	\$6,600,000	\$16,597,600		
<b>Taxes Paid</b>	\$0	\$492,000	\$292,200		
			<i>Annualized Savings (\$200,000)</i>		