

2016 Budget

Budget Directions



## Town of Collingwood Preliminary Budget

Program	Budget 2014	Budget 2015	Inflationary Increases	Preliminary 2016	Unavoidable Increases	Base Budget 2016	Operating Efficiencies	Revised 2016	% Change
General Government	4,860,158	4,738,663	149,170	4,887,833	152,990	5,040,823	(212,746)	4,828,077	-1.22%
Protection Services	11,396,143	10,385,891	82,481	11,396,143	153,433	10,621,805	(199,301)	10,422,504	-0.44%
Public Works	4,932,110	5,242,310	113,710	4,932,110	398,349	5,754,371	(191,865)	5,562,506	3.86%
Solid Waste	148,581	105,500		148,581	105,000	500	0	500	-99.53%
Housing	80,708	99,620		80,708	13,300	112,920	0	112,920	13.35%
Parks, Recreation & Culture	3,672,580	4,089,862	130,795	3,672,580	339,551	4,560,208	(239,495)	4,320,713	10.42%
Planning & Development	1,110,073	1,323,887	1,366	1,110,073	22,470	1,347,723	(52,749)	1,294,974	-2.18%
Airport	130,345	113,770		130,345	14,673	128,443	(1,023)	127,420	12.00%
Library	1,391,659	1,525,510	14,703	1,391,659	38,932	1,579,145	(14,720)	1,564,425	2.55%
<b>Total Expenditures from Taxes</b>	<b>27,425,195</b>	<b>27,414,013</b>	<b>492,225</b>	<b>27,425,195</b>	<b>1,238,698</b>	<b>29,144,938</b>	<b>(911,899)</b>	<b>28,233,039</b>	<b>2.99%</b>
<sup>1</sup> Tax Related Revenue	518,000	688,000		688,000	129,725	558,275	10,000	568,275	-17.40%
<sup>2</sup> Capital Levy	140,000	1,027,000		1,027,000	0	1,027,000	0	1,027,000	0.00%
<b>To Be Raised From Taxes</b>	<b>27,047,195</b>	<b>27,753,013</b>	<b>492,225</b>	<b>28,245,240</b>	<b>1,368,423</b>	<b>29,613,663</b>	<b>(921,899)</b>	<b>28,691,764</b>	<b>3.38%</b>



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# Major Budget Variances 2016 vs. 2015

Program/Variance		Explanation		Major Components		
<b>Corporate</b>						
1	Employee Benefits - Corporate-wide	Estimated increase of 5% plus annualization of benefits for new hires and additional Council members on the plan.		\$180,228		
2	Salaries - Corporate-wide	Annualization of remuneration for 2015 hires and adjustments due to COLA increase of 1.6%.		\$311,997		



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## 2016 Unavoidable Increases

Program/Variance	Explanation	Major Components
<b>General Government</b>		
1 Transfer to Capital	Information Technology has increased the capital requirement to include an upgrade to the email server and to continue with the telephone system upgrades started in 2014.	\$40,000
2 Salary Contingency	This is a reallocation from Marketing & Business Development and brings the account back to traditional levels.	\$27,000
3 Legal	Increase legal estimates to include potential costs related to asset disposals.	\$25,000
4 Insurance	This increase includes both our corporate insurance and the supplementary insurance coverage we carry related to our WSIB Schedule 2 status.	\$20,272
5 Employee Benefits	This increase relates to the number of Council members on the benefit plan.	\$9,656
6 Annual Support	Increase in computer licensing and annual support costs related to the number of users and the number of modules the Town implements.	\$9,200
7 Training	Increase in training costs is related to the number of staff required to have mandatory professional development to maintain job related qualifications, additional health and safety and accessibility training.	\$8,500
<b>Protection Services</b>		
8 Revenue reduction	Reduction in court security revenue. This now forms part of the OPP contract.	\$50,733
9 Revenue reallocation - By-law Enforcement	Reallocation of cost recoveries net of salary reallocations	\$22,997
10 Salaries - Fire	Allowance for arbitrated settlement	\$58,295

## 2016 Unavoidable Increases

Program/Variance	Explanation	Major Components
<b>Public Works</b>		
11 Salaries and benefits	Estimated cost of winter overtime. Costs are based on a 5 year running average.	\$169,164
12 Sundry	Represents items throughout the Public Works budget - \$45,000 for asphalt crushing; \$10,000 additional road marking and traffic signs; \$7,000 in various Town "clean up" operations being the larger amounts	\$72,000
13 Machine Rental	Increased costs for activities such as sweeping and flushing, grass mowing and weed spraying, tree removal, snow removal and sidewalk snow removal.	\$66,270
14 Studies	Additional studies are required to update engineering standards and to conduct the bi-annual bridge study.	\$22,000
15 Debenture	Net change in debenture costs, specifically an increase in the principal portion being paid in 2016.	\$42,180
<b>Solid Waste Management</b>		
16 Reduction in Tipping Fees	Reduction in annual revenue due to the acceptance of the County offered landfill settlement in 2015. These funds will be used for the LED streetlight conversion throughout Town. It is estimated that we should realize a reduction in hydro costs of approximately \$60,000 this year due to partial completion of the project being forecast for 2016.	\$105,000

## 2016 Unavoidable Increases

Program/Variance	Explanation	Major Components
<b>Parks, Recreation and Culture</b>		
17 Salaries and benefits	Increase related to Healthy Kids program co-coordinator, and adjust to anticipated reflect levels in regard to part-time and seasonal staffing.	\$104,954
18 Utilities	Increased hydro costs related to operating recreational facilities. The increase is reflective of usage increases as well as price increase.	\$64,614
19 Repairs & Maintenance - Buildings	Increased maintenance costs for pool. This occurs every 3 to 5 years	\$30,000
20 Special events related	Increases in the cost of entertainers, promotion, competition programming, venues etc.	\$30,175
21 Administration costs	Increase in administrative expenses related to office space, departmental insurance costs	\$25,159
22 Professional fees - Elvis	This increase is related to the evolution of the Elvis Festival begun in 2015.	\$47,650
23 Revenue reductions	The Town of the Blue Mountains has indicated that they will not be renewing the contract with the Town to manage the Depot.	\$22,000
<b>Planning and Development</b>		
24 Overhead allocation - Planning	Occupancy costs for the operation of the Municipal Office/Library have increased particularly in regard to hydro costs. As a result, the portion of the costs allocated to Planning has increased accordingly.	\$16,038
25 Debenture	Minor incremental increase in the debenture on the Annex building.	\$2,000
26 Administration costs - Marketing	Increase in expense to reflect 2015 actual results.	\$2,000

## 2016 Unavoidable Increases

Program/Variance	Explanation	Major Components
<b>Tax Related</b>		
27 South Servicing revenue reduction	Reduction in revenue due to property owners paying off their outstanding balance or new owners opting to pay off the outstanding at the time of purchase.	\$129,725
<b>Airport</b>		
28 Revenue reduction	Decrease in contribution received from the Town of Wasaga Beach	\$4,510
29 Contracted Services increase	To recognize the COLA clause in the service agreement	\$4,756
30 Repairs and maintenance - Grounds	Increase related to necessary gas pump repairs for the aviation fuel pump.	\$3,000
31 Insurance	Incremental increase for 2016	\$1,614
<b>Collingwood Public Library</b>		
32 Utilities	Increase the cost of utilities to more closely reflect the actual 2015 operating results plus an estimated 5% increase in hydro rates. 2015 actual results were \$56,800 or \$10,300 higher than budget.	\$13,205
33 Materials	Increased cost of e-resources which are no longer funded by the Province.	\$8,000
34 Salaries and benefits	Increase due to COLA, benefit increases and staff hours.	\$8,894
35 Revenue reductions	Reduction of \$1,531 in Provincial grants and a reduction in donations to more closely reflect 2015 results.	\$2,531





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## 2016 Operating Efficiencies

Program/Variance	Explanation				Major Components		
<b>General Government</b>							
1	Debenture principal and interest	Normal reductions in annual payments as serial debentures are paid down.			\$67,096		
2	Investment Income	Increased revenue from cash reserves.			\$50,000		
3	Studies	Reduction in the number of studies required for 2016 fiscal year.			\$46,700		
4	Strategic Plan	The Community Based Strategic Plan was completed in 2015 and the cost of developing the plan can be reduced.			\$25,000		
5	Reduction in Transfers to Reserves	Elimination of transfer to Fleet Reserve (\$9,000) since these purchases will be funded through the Lifecycle/Capital Levy reserve and elimination of \$1,000 transfer to Disaster Relief reserve. Future spending for assistance to other municipalities will be funded through Sundry in Corporate Management or Council grants.			\$10,000		
<b>Protection Services</b>							
6	OPP contract	This reduction is a result of the new billing model.			\$182,233		
<b>Public Works</b>							
7	Reduction in Transfer to Capital	Adoption of pay-as-you-go policy.			\$15,000		
8	Increase in internal machine rental fees	Allows for an increase in the Public Works fleet replacement reserve.			\$30,000		
9	Streetlights	Estimated reduction in hydro charges related to replacement of standard streetlights to LED lights.			\$60,000		
10	Railway	Reduction in one-time costs added in 2015 related to repairs and maintenance of road crossings in other municipalities.			\$40,000		

## 2016 Operating Efficiencies

Program/Variance	Explanation			Major Components		
<b>Parks, Recreation and Culture</b>						
11 Revenue increases	PRC has budgeted an increase in revenues from the various activities and services they provide. The largest anticipated increase is in swimming lessons.			\$10,000		
12 Salaries and benefits	Overall the department is estimating a decrease for these costs.			\$39,958		
13 Parks Division - various	Reductions in various areas to more closely reflect the 2015 operating results			\$48,795		
14 Reduction in Transfer to Capital	Adoption of pay-as-you-go policy.			\$23,000		
15 Reduction in Transfer to Reserve	Transfers to Reserve have been reduced to reflect the Council approved direction during 2015 budget deliberations.			\$16,500		
16 Various	Given the diversity of the PRC portfolio and the incremental nature of revenues and expenses, there remaining amounts are varied and many. The large accounts that can be highlighted have been.			\$101,242		
<b>Planning and Development</b>						
17 Legal	Reduction in planning legal costs due to lower billing rates.			\$30,000		
18 Salaries and benefits - Marketing	Reduction in salaries related to specific contract positions that were anticipated in 2015.			\$18,250		
<b>Library</b>						
19 Employee benefits	Reduction to more closely reflect actual results			\$7,145		
<b>Tax Related</b>						
20 Vacancy Rebates	Reduction to more closely reflect actual results			\$10,000		



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