

Financial Management Services

Comparison of 2016 Draft Budget to 2015 Actuals

Budget Standing Committee, February 9, 2016

Background

At its meeting of February 3, 2016, the Budget Standing Committee directed staff to prepare a comparison report of the 2016 Draft Budget and 2015 Actuals.

Report

There are a number of reasons why a budget can be significantly more than the prior year actuals, such as new facilities, expanded services, infrastructure maintenance and improvements, legislation changes, wage and benefit increases and fixed cost increases. The 2016 Draft Operating Budget has increased by \$3.5 million or 3.34% over 2015 Actuals. The chart below contains the items that have significant changes from the 2015 Actuals and 2016 Draft Budget.

Description	<u>Amount</u> (rounded to nearest thousand)	<u>Explanation</u>
Debt Repayment	\$1,512,000	First full year of debt payments for the Meridian Centre (\$825K). Increase in other debt amounts – Victoria Lawn Cemetery Improvements (\$185K), Fire Communication Radio upgrades and generator replacement (\$150K), Storm Sewers (\$136K), Dunlop and West SC OAC washroom and parking lot improvements (\$85K), Library Plaza improvements (\$75K) and City Hall washroom and electrical upgrades and accessible counter (\$56K)
Fire Services	\$762,000	Increase in wages and benefits budget offset set by a decrease in overtime budget.
Planning Services	\$276,000	Increase due to wage and benefit increases due to a number of staff vacancies that occurred during 2015 that were filled later in the year, increased planning application revenues and one-time revenue from the Region in 2015 to support planning activities
Trees – General	\$189,000	This is a priority area for Council and during 2015 due to the severe winter weather Staff

		was required for Winter Control efforts and not able to perform as much tree work. Therefore Staff time is charged is charged to the activity area of where the work is performed.
Economic Development	\$183,000	Due to some staff vacancies during 2015 wages and benefits are lower than budgeted. In addition the Economic Development Strategy is being developed in 2016. In addition corporate contributions exceeded expectations in 2015 and uncertain if this will reoccur in 2016. Also in 2016 increase in promotion/publicity and Downtown Program initiatives.
CSS – Technology Centre	\$169,000	Due to realignment of the IT division there was some staff vacancies that were not filled before the end of 2015. In addition there is an increase in service contract costs due to the rising US dollar.
PRCS – Administration	\$163,000	There were some staff vacancies in the PRCS-Administration area during 2015. In addition, the allocations of staff time for marketing support to the various PRCS divisions was removed as these services are a centralized support and fluctuate to respond to changing needs.
Kiwanis Aquatics Centre	\$150,000	Wages and benefits often fluctuate in an operation that provides classes and lessons to the public. The budget is created based on expected activity levels and this may fluctuate from actual activity levels.
Swimming Pools and Beaches	<u>\$135,000</u>	During 2015 there were donations and other revenues received that will not be received in 2016. In addition, there are increases in pool supplies and equipment in 2016.
Total	<u>\$3,539,000</u>	

Appendix 1 contains the comparison of the 2016 Draft Operating Budget to 2015 Actuals.

Recommendation

Staff recommends that the Budget Standing Committee receive the comparison of the 2016 Operating Budget to 2015 Actuals for information purposes.

City of St. Catharines
2016 Draft Budget compared to 2015 Actuals

	<u>2016</u> <u>Amended</u> <u>Budget</u>	<u>2015 Budget</u>	<u>2015 Actuals</u>	<u>\$ Change 2015</u> <u>Actuals</u>	<u>% Change</u> <u>2015</u> <u>Actuals</u>
Office of Mayor and Members of Council	\$663,348	\$692,809	\$694,452	-\$31,104	-4.48%
Grants and Committees	\$10,000	\$10,000	\$5,755	\$4,245	73.76%
City Departments					
CAO	\$1,221,506	\$1,300,225	\$1,112,795	\$108,711	9.77%
Legal Services and Clerks	\$2,795,494	\$2,821,697	\$2,736,219	\$59,275	2.17%
Planning and Building Services	\$3,852,504	\$3,833,196	\$3,371,884	\$480,620	14.25%
Fire Services	\$24,197,713	\$23,344,464	\$23,432,696	\$765,017	3.26%
Economic Development & Tourism	\$940,908	\$905,889	\$801,987	\$138,921	17.32%
Operations Commission					
Transportation & Environmental Services	\$18,227,483	\$18,419,296	\$18,622,380	-\$394,897	-2.12%
Parks, Recreation and Culture Services	\$18,146,547	\$18,063,307	\$17,586,213	\$560,334	3.19%
Corporate Services Commission					
Financial Management Services	\$3,886,892	\$3,932,184	\$3,869,362	\$17,530	0.45%
Corporate Support Services	\$5,233,761	\$5,011,809	\$5,065,988	\$167,773	3.31%
Contribution to Capital	\$1,400,000	\$1,358,000	\$1,396,000	\$4,000	0.29%
Total City Departments and Commissions	\$80,576,156	\$79,692,876	\$78,695,731	\$1,880,425	2.39%
Debt Repayment	\$12,002,251	\$10,759,585	\$10,489,742	\$1,512,509	14.42%
Total City Expenditures	\$92,578,407	\$90,452,461	\$89,185,473	\$3,392,934	3.80%
Boards and Commissions					
Library Board	\$5,572,035	\$5,488,825	\$5,488,825	\$83,210	1.52%
Transit Commission	\$10,154,143	\$9,727,384	\$10,151,327	\$2,816	0.03%
Niagara District Airport	\$203,793	\$174,402	\$174,402	\$29,391	16.85%
Total Expenditures	\$108,508,378	\$105,843,072	\$105,000,027	\$3,508,351	3.34%