

**Report from** Financial Management Services, Director

**Date of Report:** November 26, 2018

**Date of Meeting:** November 28, 2018

**Report Number:** FMS-B032-2018

**File:** 10.57.12

**Subject:** Impact on Median Household of Revision and Reduction to the 2019 Operating Budget

## Background and Recommendation

At its November 22, 2018 meeting, BSC directed staff to show the impact on the 2019 operating budget and the median household of a few changes.

That the BSC approve these changes to the 2019 operating budget and forward 2019 operating budget to Council for presentation at its December 10<sup>th</sup>, 2018 meeting.

## Report

The impact of these changes are shown in the table below.

| <b>Description of Item</b>  | <b>Dollar<br/>(in 000's)</b> | <b>% Change from<br/>2018</b> |
|---|------------------------------|-------------------------------|
| Total Draft 2019 Operating Expenditures   | \$116,340.7                  | 5.13%                         |
| Changes to Draft Budget:  |                              |                               |
| Increase to SCCIP   | \$7.1                        |                               |
| Increase to Waiving of Fees   | \$5.0                        |                               |
| Increase to Residential Rat Rebate Program  | \$10.0                       |                               |
| Decrease in Meridian Centre utilities budget  | (\$41.8)                     |                               |
| Decrease in CAO-Printing outside contracts budget line                                    | (\$10)                       |                               |
| Decrease FEMS, TES, PRCS Equipment Reserve Allocations and fund with Hydro Dividend Funds | (\$590)                      |                               |
| Increase in Building Permit Revenues  | <u>(\$300)</u>               |                               |
| Transfer ParaTransit bus purchase to capital budget                                       | <u>(\$200)</u>               |                               |
| Revised Draft 2019 Operating Expenditures   | \$115,221.0                  | 4.12%                         |

The table below shows the impact of the above changes to the 2019 operating budget on the median residential home.

|                       | <b>2019</b>              | <b>2018</b>              | <b>\$ Change</b>      | <b>% Change</b>     |
|-----------------------|--------------------------|--------------------------|-----------------------|---------------------|
| CVA                   | <u>\$246,000</u>         | <u>\$238,000</u>         | <u>\$8,000</u>        | <u>3.36%</u>        |
|                       |                          |                          |                       |                     |
| City                  | \$1,509.93               | \$1,454.90               | \$55.09               | 3.78%               |
| Hospital              | <u>\$31.70</u>           | <u>\$31.89</u>           | <u>(\$0.19)</u>       | <u>(0.60%)</u>      |
| <b>Sub-Total City</b> | <b>\$1,541.63</b>        | <b>\$1,486.79</b>        | <b>\$54.90</b>        | <b>3.69%</b>        |
| Infrastructure Levy   | \$14.42                  | \$14.12                  | \$0.30                | 2.12%               |
| <b>Total City</b>     | <b><u>\$1,556.05</u></b> | <b><u>\$1,500.91</u></b> | <b><u>\$55.20</u></b> | <b><u>3.68%</u></b> |

Appendix 1 contains an updated 2019 Operating Budget – Expenditures by Department, Boards or Committees.

**Prepared, Submitted and Approved by:**

Kristine Douglas, Director of Financial Management Services/City Treasurer

## City of St Catharines

## 2019 Operating Budget - Expenditures by Department, Board or Committee

|   | 2019<br>Budget | 22-Nov<br>Revisions | 2019<br>Revised | 2018<br>Budget | 2017<br>Budget | 2017<br>Actuals | 2016<br>Actuals | \$ Change<br>2018 Budget | % Change<br>2018 Budget |
|---|----------------|---------------------|-----------------|----------------|----------------|-----------------|-----------------|--------------------------|-------------------------|
| Office of Mayor and Members of Council  | 808,522        | 0                   | 808,522         | 736,461        | 706,257        | 697,084         | 646,115         | 72,061                   | 9.78%                   |
| Grants and Committees                   | 16,000         | 5,000               | 21,000          | 21,000         | 5,000          | 3,450           | 8,905           | 0                        | 0.00%                   |
| <b>City Departments</b>                 |                |                     |                 |                |                |                 |                 |                          |                         |
| CAO                                     | 1,486,215      | -10,000             | 1,476,215       | 1,183,446      | 1,267,481      | 1,409,205       | 1,143,863       | 292,769                  | 24.74%                  |
| Legal Services and Clerks               | 1,716,865      | 0                   | 1,716,865       | 1,507,934      | 1,504,067      | 1,561,742       | 1,907,770       | 208,931                  | 13.86%                  |
| Planning and Building Services          | 2,200,758      | -290,000            | 1,910,758       | 2,006,187      | 2,229,313      | 1,329,761       | 1,646,987       | -95,429                  | -4.76%                  |
| Fire Services                           | 25,467,233     | -75,000             | 25,392,233      | 24,825,636     | 24,338,181     | 24,589,258      | 22,468,977      | 566,597                  | 2.28%                   |
| Economic Development & Tourism          | 1,108,462      | 0                   | 1,108,462       | 1,061,141      | 1,010,207      | 895,871         | 930,256         | 47,321                   | 4.46%                   |
| Transportation & Environmental Services | 19,127,361     | -302,000            | 18,825,361      | 18,471,522     | 18,844,317     | 18,322,290      | 18,660,884      | 353,839                  | 1.92%                   |
| Parks, Recreation and Culture Services  | 18,112,251     | -205,913            | 17,906,338      | 17,341,429     | 16,430,187     | 15,953,742      | 15,666,743      | 564,909                  | 3.26%                   |
| Meridian Centre                         | 694,531        | -41,842             | 652,689         | 673,941        | 661,548        | 779,649         | 675,549         | -21,252                  | -3.15%                  |
| First Ontario Performing Arts Centre    | 1,511,701      | 0                   | 1,511,701       | 1,461,502      | 1,510,609      | 1,424,455       | 1,329,427       | 50,199                   | 3.43%                   |
| Financial Management Services           | 3,871,114      | 0                   | 3,871,114       | 3,989,715      | 4,001,830      | 4,085,324       | 4,677,603       | -118,601                 | -2.97%                  |
| Corporate Support Services              | 5,587,973      | 0                   | 5,587,973       | 5,642,170      | 5,394,008      | 5,361,181       | 4,966,118       | -54,197                  | -0.96%                  |
| Contribution to Capital                 | 1,811,000      | 0                   | 1,811,000       | 1,563,000      | 1,529,000      | 1,545,000       | 1,408,000       | 248,000                  | 15.87%                  |
| Total City Departments and Commissions  | 83,519,986     | -919,755            | 82,600,231      | 80,485,084     | 79,432,005     | 77,958,012      | 76,137,197      | 3,034,902                | 3.77%                   |
| Debt Repayment                          | 14,112,019     |                     | 14,112,019      | 13,405,620     | 12,461,990     | 12,568,258      | 12,074,181      | 706,399                  | 5.27%                   |
| Total City Expenditures                 | 97,632,005     | -919,755            | 96,712,250      | 93,890,704     | 91,893,995     | 90,526,270      | 88,211,378      | 2,821,546                | 3.01%                   |
| <b>Outside Boards and Commissions</b>   |                |                     |                 |                |                |                 |                 |                          |                         |
| Library Board                           | 5,512,338      | 0                   | 5,512,338       | 5,398,960      | 5,491,200      | 5,491,200       | 5,572,035       | 113,378                  | 2.10%                   |
| Transit Commission                      | 12,951,179     | -200,000            | 12,751,179      | 11,164,914     | 10,467,726     | 10,515,667      | 10,187,981      | 1,586,265                | 14.21%                  |
| Niagara District Airport                | 245,263        | 0                   | 245,263         | 207,853        | 207,853        | 207,853         | 203,793         | 37,410                   | 18.00%                  |
| Total Expenditures                      | 116,340,785    | -1,119,755          | 115,221,030     | 110,662,431    | 108,060,774    | 106,740,990     | 104,175,187     | 4,558,599                | 4.12%                   |