

CITY COUNCIL AGENDA



DATE February 15, 2011 – 6 p.m.

Please turn off or place on non-audible all cell phones, PDAs, Blackberrys and pagers during the meeting.

PRESENTATIONS RE: 2011 TAX SUPPORTED OPERATING & CAPITAL BUDGETS

6 p.m. – 7:30 p.m. - Police Services
 - Library Services
 - Public Health
 - Social & Housing Services/Childcare

7:30 p.m. – 8:30 p.m. CAO Budget
 - Emergency Services
 - Information Services
 - Economic Development
 Mayor & Council

8:30 p.m. – 10 p.m. Finance Department
 Grants
 General & Capital Financing

ADJOURNMENT

2011 Budget Presentation

Guelph Police Service

February 15, 2011



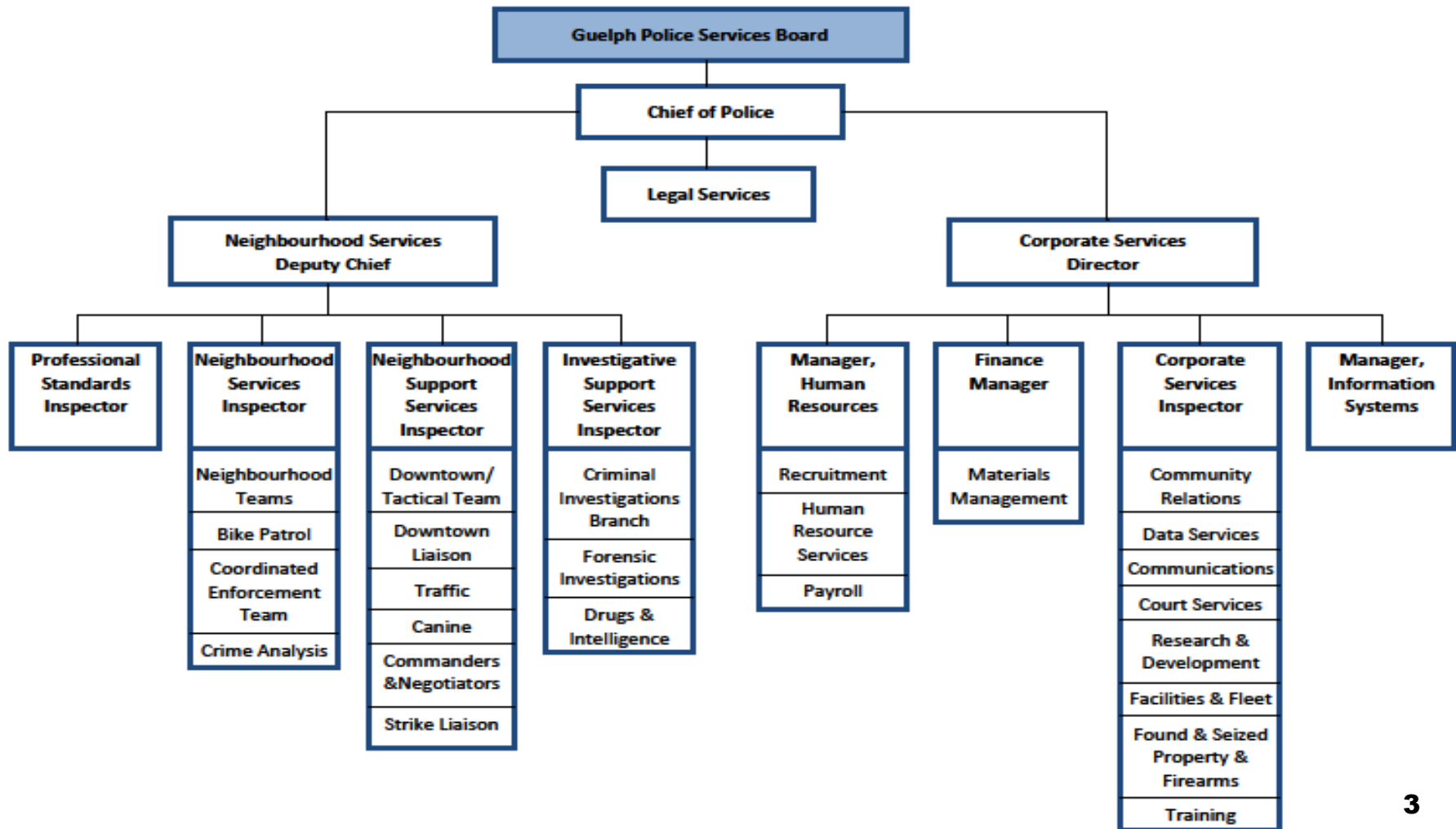
PRIDE  SERVICE  TRUST

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- Departmental Overview
- Operating Summary
- Operating Pressures and Highlights
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- Link to Strategic Plans/Directions
- Questions

Departmental Overview



Financial Overview

Operating Summary



	2010 Approved Budget	2011 Estimates	Change (2011 over 2010)	% Change
Compensation	29,467,000	30,803,500	1,336,500	4.54%
Direct Operating Expenses	3,149,900	3,486,700	336,800	10.69%
Gross Operating Budget	32,616,900	34,290,200	1,673,300	5.13%
Revenues/Recoveries	(2,300,200)	(2,184,600)	115,600	-5.03%
Net Budget	30,316,700	32,105,600	1,788,900	5.90%

- Compensation 90.34 % 89.83%
- Direct Operating Exp. 9.66 % 10.17%

2011 Operating Pressures



- Collective agreements (4) – expired Dec. 31, 2010.
- SEESS – operating and staffing costs.
- Ontario Strategy for Community Policing – Mobilization and Engagement with community partners.
- Management of high risk domestic violence cases – 66% increase in Domestic Disturbance calls.

2011 Operating Pressures



- IT support – 3X increase in systems in 7 years with no staff increases.
- Increased accrual to cover financial liability of banked time (e.g. sick leave).
- Labour relations costs (legal).
- Inflationary increases – e.g. fuel.
- PRIDE shared services contract managed by WRPS – staffing increases.

Operating Base Budget Highlights



- Base budget adjustments represent a 4.41% over the 2010 budget and include:
 - an estimated collective bargaining adjustment
 - contractual PRIDE agreement increase
 - Other contractual increases and lifecycle uniform equipment replacements
 - Reinstatement of training / promotional expenses removed (one time) from 2010 budget
 - Inflationary adjustments and operating efficiencies

Operating Impact – New Facilities



- The South End ES Facility move in date will be May 1, 2011 and approximately 42 staff will be moving from the GPS Headquarters building.
- An additional 3.0 FTE's have been requested to staff the joint facility:
 - 1.5 FTE Civilian - Reception (common area)
 - 1.0 FTE Civilian - Custodian (police and common areas)
 - 0.5 FTE Civilian - Information Systems Technician (police)
- General building operating costs.
- 8 month budget – requires annualization in 2012.

Impacts due to Growth



- 3.0 FTE Police - Community Response Unit (CRU) to support provincial direction for Mobilization and Engagement for Community Policing.
- 1.0 FTE Police - High Risk Domestic Violence Officer to identify and manage high risk domestic violence cases.
- 0.5 FTE Civilian - Information Systems Technician to support increasing current and new technology.
- Constable converted into a Sergeant Position in Forensic Identification Unit to manage unit.
- Additional uniform vehicle fuel and maintenance.

Revenues and Recoveries



- Revenues and Recoveries decreased by 5.03% year over year due primarily to the removal of a secondment recovery and the expiry of a grant (both are offset in expenses for a net impact of zero)
- The majority of the revenues are from Grants (\$1.1M).
- There was a slight increase in the Schedule of Fees - bylaw revenues admin fees.

Operating Items - Forecasted into 2012+



- 2012 Collective Agreement increases.
- Inflationary/contractual increases (PRIDE).
- South End Facility budget annualization.
- Growth FTE's annualization.

Capital Highlights



- Lifecycle replacement of 12 vehicles in 2011.
- One additional uniform vehicle requested in 2011 to support neighbourhood policing.
- Completion of 3 year life cycle replacement of portable radios and chargers (14 portables/29 chargers).
- On going funding to address headquarters building maintenance and upgrades.
- Major renovations to the headquarters building are required to address previously identified high risk areas and space deficiencies as part of relocation to SEESS.

Capital Items – Forecasted into 2012 +



- The headquarters renovations are expected to begin in summer 2011 and be completed in 2014.
- Lifecycle replacement of vehicles, radios and equipment beyond 2011.
- New vehicles beyond 2011.
- Emergency Command Vehicle Replacement (Police/Fire).

Link to Strategic Plans/Directions



- Continue to seek solutions to neighbourhood issues in partnership with the community.
- Provide appropriate responses to the needs of our community including domestic violence.
- Support efficient and effective policing, including member development.
- Improve efficiency and effectiveness through increased use of information technology.
- Enhance communication and infrastructure supports.
- Ensure police building infrastructure meets community demands and organizational needs.

City of Guelph
2011 Budget Presentation
February 15, 2011

Guelph Public Library



2011 Budget Presentation
February 15, 2011

Guelph Public Library

...provides friendly and
efficient public library service.



The Guelph Public Library is all about...

- People
- Excellent customer service
- Connecting people to the information and reading material they need in a cost and time effective manner
- Using technology to reach out to our customers



2011 Operating Pressures

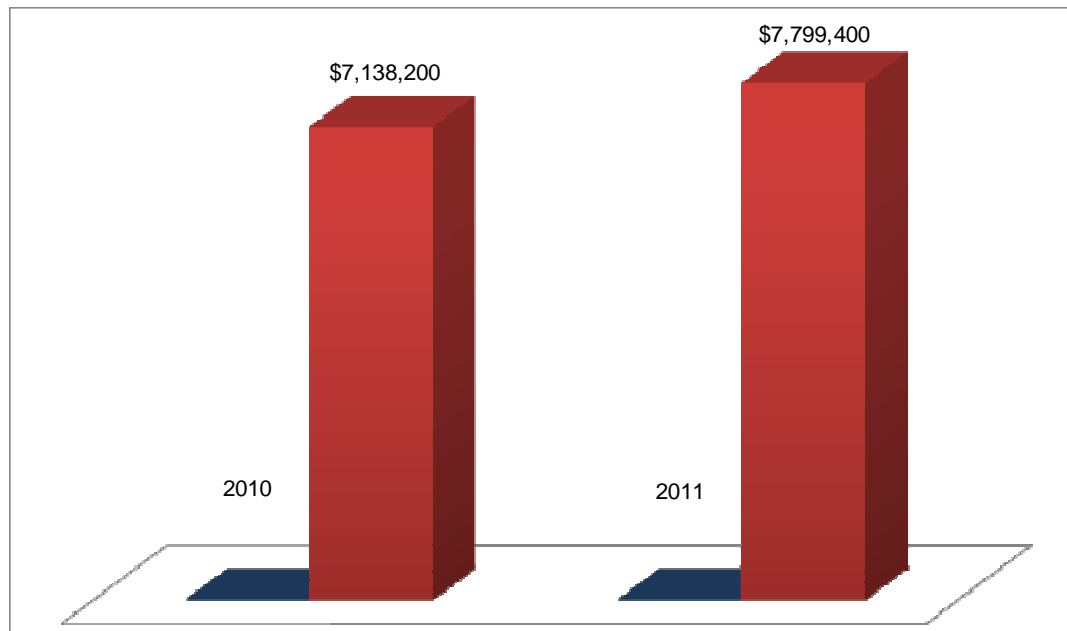
- Library usage was up 16% in 2010. Over 1,500 folks walk into the GPL daily.
- East Side Branch is now in full operation.
- Old infrastructure gets more and more expensive to maintain.



Financial Overview

Requesting; 4% to cover the ongoing expenses of the new East Side Branch, 2.9 % for operations and 2.4% for system wide growth.

GPL Budget 2010 vs. Proposed 2011



Operating Base Budget Highlights

Base Budget Variances:

- Salary/Benefits + 5%
- Purchased Goods + 6%
- Purchased Services + 8%
- Internal Charges +9 %
- Communications -12%



Operating Budget Impact

The East Side Branch opened in May 2010 and has increased the base operating budget by 4%. The branch circulated over 150,000 items in its first nine months of operation.



Impact due to Growth

Requesting:

- 1.5 FTE (17 hr/week/branch) for the Bull, Scottsdale and the West End. For health and safety reasons this is essential.
- 1 FTE Network Engineer to support the IT network and 159 workstations.
- 1 FTE Marketing/Communications Co-ordinator hired in the 3rd quarter to develop alternate revenue sources.



GPL Revenue

2010 \$519,900 (7.2% of the budget) from: grants, parking, fines /fees and services.

2011 \$519,000 from traditional sources plus develop alternate revenue sources.

By 2013, the goal is to realize at least 10% of the total GPL budget from alternate revenue sources.



Capital Forecast 2011-2013

- Inventory control system (RFID) \$140
- Network upgrades \$25
- Infrastructure upgrades and sustainability \$59

2011 - 2013 Capital forecast \$224



2011 Capital Highlights

- RFID
inventory control system \$35
 - Library upgrades/
sustainability \$34
- 2011 Capital forecast \$69



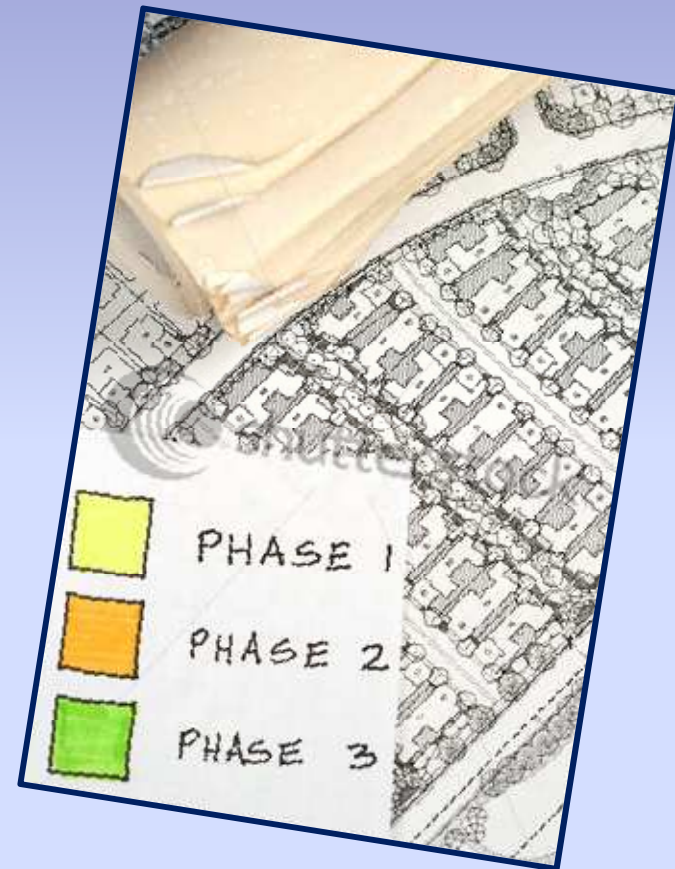
2011 GPL Priorities...

Reach out to Guelph in
new and innovative ways



2011 GPL Priorities

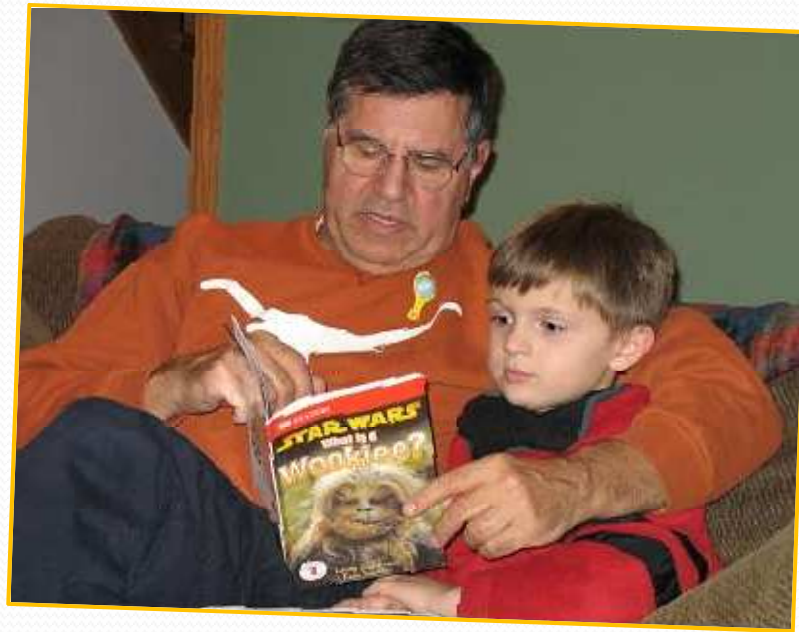
Complete the new Main library building program



2011 priorities...



2011 is going
to be a great
year in
Guelph!



CAO Department

2011 Budget Presentation

February 15, 2011

Departmental Overview

- CAO Administration
- Strategic Planning
- Community Energy
- Downtown Renewal
- Emergency Services
- Information Services
- Economic Development

Departmental Highlights

- CAO Administration
- Strategic Planning
- Downtown Renewal
- Community Energy

Corporate Administration Budget Impacts

Object	(\$) Change
Employee Compensation	24,100
Purchased Goods	(3,000)
Purchased Services	30,000
Internal Charges & Recoveries	<u>(33,400)</u>
TOTAL	\$ 17,700 (5.4% Increase)

Operating & Capital Highlights

- 2011-2014 Strategic Plan (\$58,206)
- Downtown Assessment Growth Fund (\$425,000)
- Community Energy Initiative implementation leveraging third party funding (\$60,000)

Emergency Services



Service Provision



Emergency Services for Guelph and Wellington County

- Emergency Planning - Guelph
- Emergency Medical Service - Guelph-Wellington
- Fire Service
 - Guelph Fire Department
 - Guelph Eramosa Twp. Fire Department



New Services

Legislative Response Standard Impacts

- Effective 2011 – Additional Paramedic staffing hours for EMS to address Paramedic Response Standards
- Fire-Training Simulator – Occupational Health and Safety Act – Capital Budget

Addressing Service Pressures

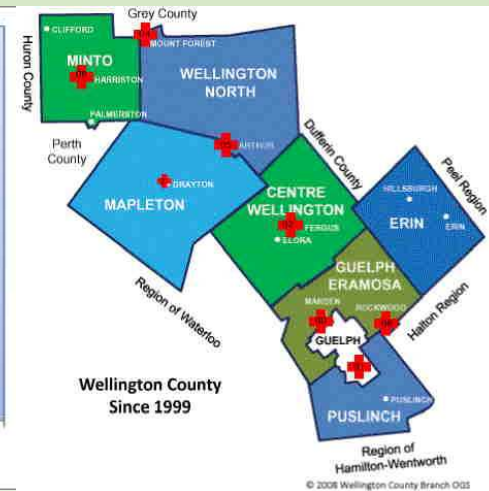
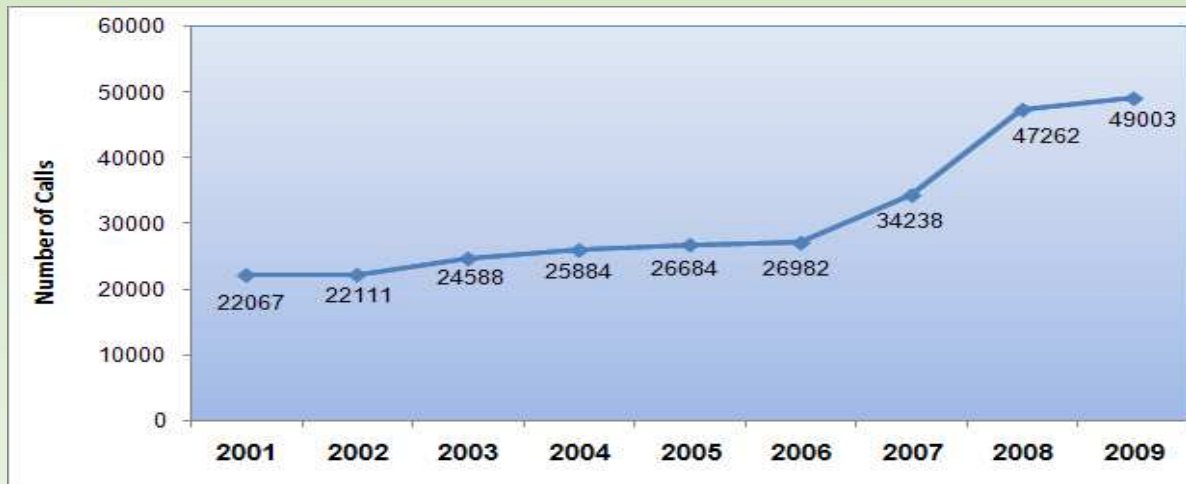
- South End Emergency Services Facility
- Fire Prevention Officer
- Emergency Medical Services



2011 Operating Pressures

Response Time Performance Plan - Provincial Response Time Standard.

- Increased demand for service
- EMS Scheduling Clerk



2011 Impact from Capital – New Facilities

Staffing requirements for south end emergency services facility.

- Balancing coverage in south end of Guelph

District	Sq. Kilometres	Sq. Miles	Approx. # of Buildings per District
1	10	3.9	3500
2	14	5.4	4900
3	34	13	11900
4	16	6.2	5600
5	13	5 District	4550

2011 Impact from Growth

Additional Fire Prevention Officer - \$99,937

- equipment ,vehicle, wages and benefits
- Responding to service demands for life safety inspections

Capital Budget Highlights

Fire & Land Ambulance

- Includes reserve requirements for emergency services vehicle and equipment acquisition and replacement.





Information Services

- Clerk's Office
- Corporate Communications
- IT Services

Operating Budget Impacts

- Reinstatement to 2009 levels for:
 - self-funded salary reductions
 - training and professional development
- Increased licence and maintenance fees for software implemented in 2010

Efficiencies in 2011 Budget

- Reduced telephony charges
- Reduced postage costs
- Reduced print shop cross charges

2011 IT Capital Budget Highlights

- Equipment provision and replacement for desktops, servers, network, printer and software upgrade
- Replacement of infrastructure based on life cycle strategy

Economic Development & Tourism Services

Operating Budget Highlights

Program Summary

- Council's 2010 Strategic Priorities
- Prosperity 2020
- 2010 Employment Land Strategy
- Places to Grow Legislation
- Growth Management Strategy

2011 Targets/Objectives

Growth - Projected New Economic Activity

• Economic Development

- New Serviced Employment Land = 80 acres
- New Planned Employment Land = ~ 100 acres
- New Direct Jobs = 280
- New ICI Direct Tax Assessment = \$1,568,000 annually
- New Development Charges = \$731,800

• Tourism

- New Annual Visits = 500,000
- New Annual Visitor Spending = \$ 421,500 annually
- Increased Average Daily Hotel Occupancy = From 50% to 52%
- New Tourism/Cultural/Recreational Events = 5

Operating Budget Highlights

Program Summary

Business Investment Initiatives

- Trade Shows
- Print & Electronic Media
- Proposals
- Partnerships & Joint Ventures

Tourism Initiatives

- Local Sports, Cultural and Recreation Events
- Regional Tourism Program

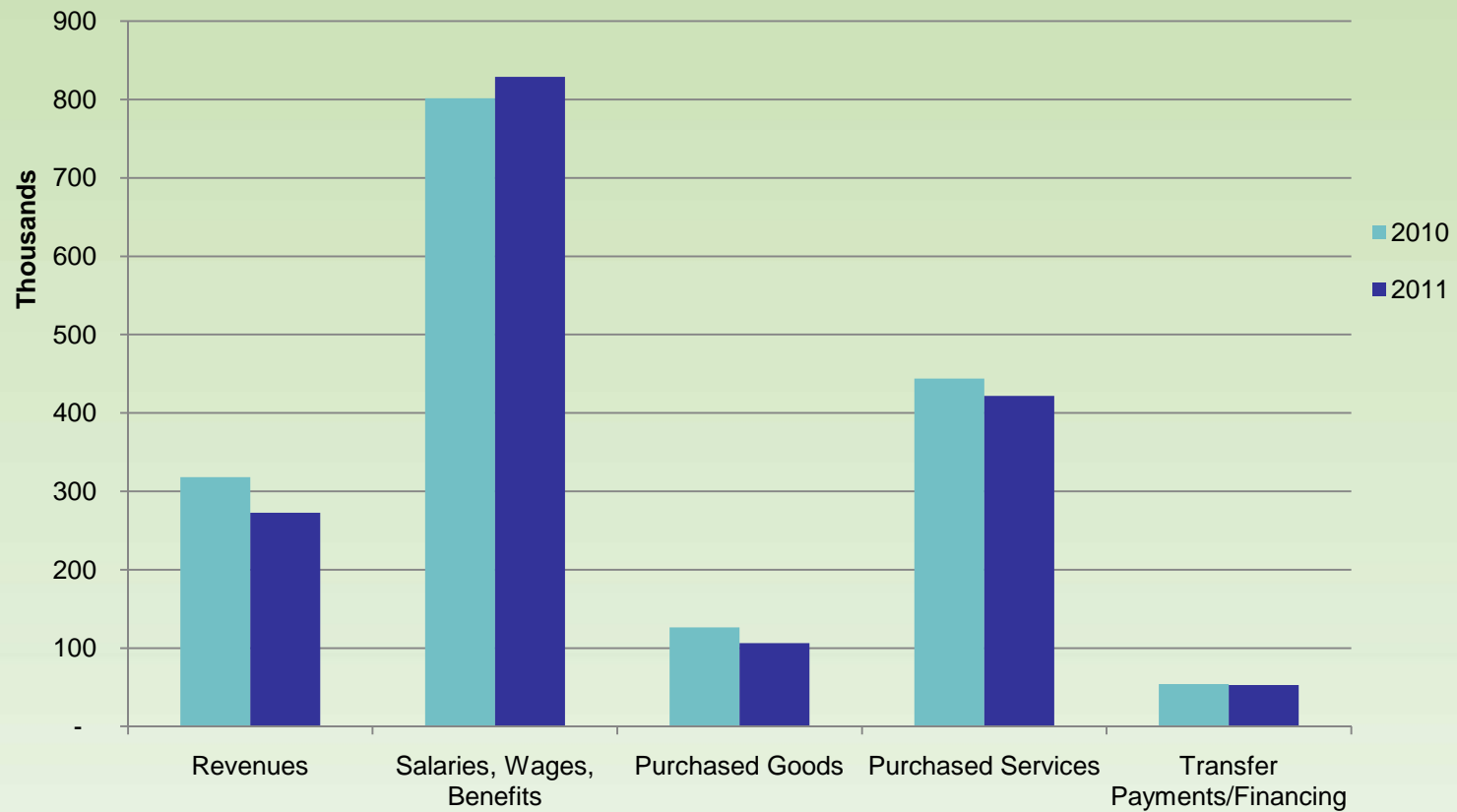
Strategic Initiatives

- New Product Development
- Prosperity 2020 Strategic Objectives
- One Window - Business Champion

Base Budget

Budget Summary	2010	2011	\$ Change	% Change	Description
Revenues	(\$318,200)	(\$272,800)	\$45,400	-14.27%	-Prov./Fed Grants & Subsidies/Recoveries
Salary, Wages, Benefits	\$801,700	\$829,000	\$27,300	3.41%	-Economic Development – Tourism Staff
Purchased Goods	\$126,300	\$106,400	-\$19,900	-15.76%	-Administrative & Operational
Purchased Services	\$443,800	\$421,800	-\$22,000	-4.96%	-Mkting Programs - Material - Trade Shows, etc.
Transfer Payments/Financing	\$53,900	\$52,850	-1,050	-1.95%	-Grants - Small Business Centre, others
Totals =	\$ 1,107,500	\$ 1,137,250	\$ 29,750	2.69%	

Economic Development 2011/2010 Operating Budget Comparison



Efficiencies Found Through Strategic Partnerships

- University of Guelph, Guelph Chamber of Commerce
- Southern Ontario Agri-Tech Marketing Consortium
- Southern Ontario Clean -Tech Consortium
Regional Four Tourism Organization

Capital Budget Highlights

Hanlon Creek Business Park

- Phase 1
 - Servicing & Marketing
 - Projected Land Sales = 20 acres
- Phase 3
 - Environmental Implementation Report

Operational Review

- Joint Venture with Planning, Building & Engineering
- Secured Matching Funds from Industry Canada
Community Initiative Fund

Mayor's Office

Mayor's Office Budget Highlights

- Compensation: \$304,700*
- Purchased Goods: \$ 22,700
- Purchased Services: \$ 14,350
- Internal Charges: \$ 1,100

- Total: \$342,850 (1.2% increase)

* 3 positions including Mayor

Mayor's Office Budget Highlights

- Reinstatement of self-funded days; includes approved compensation increases
- No major changes
- No growth impacts

City Council

Council Budget Highlights

- Compensation: \$437,200
- Purchased Goods: \$ 4,600
- Purchased Services: \$ 100,100
- Internal Charges: \$ 16,200

- Total: \$558,100 (13.4% increase)

Operating Budget Highlights

- Compensation including the reinstatement of self-funded days
- Training, conferences and catering to previous 2009 level
- Budget also reflects approved compensation increase

New Service

- Integrity Commissioner (\$6,800)

Financial Services

2011 Budget Presentation

February 15, 2011

Financial Services

- Budget reflects revised organizational structure and staffing levels recommended in BMA Operational Review:
 - Financial Planning
 - Accounting & Financial Reporting
 - Procurement & Risk Management
 - Taxation

Financial Services Operating Summary

	2010	2011	% change
Revenues	\$ 126.1	\$ 124.3	
Expenditures	\$ 2,458.0	\$ 3,204.5	
Internal Recoveries	\$ 116.8	\$ 438.8	
Net Budget	\$2,216.0	\$2,641.4	19.2%

2011 Operating Budget Changes

- Expenditures primarily compensation (96%)
 - Contractual increases, re-instatement of 5 days off, training & maternity leave \$ 277,500
 - BMA Study – 7 FTE's \$ 468,000*
 - Increased recoveries (OMBI) (\$322,000)

* *pro-rated for 2011: annualized impact = \$749,000*

Operating Base Budget Highlights

(supplementary information in binder 21.3)

- 7 positions to address service gaps:
 - Departmental analysts (2)
 - Revenue/investment analyst
 - Systems analyst
 - Risk management specialist
 - Tax collector
 - Capital Asset analyst

A Corporate Initiative

- Executive Team supports/concurs
- Recognize corporate value of recommendations
- Requires departmental support to implement
- Next step...Service Level Agreements

Community Grants

- 2011: \$536K (increase \$20K)
- Financial assistance to community groups
- Arts, culture, sports, social, special events
- Allocation review process starts in fall
- Recommendations on allocation-March CAFES

General Expenditures \$2.9 million (Tab 27)

- MPAC Assessment Charges (provincial requirement)
- Increased allowance – tax write-offs/rebates
- Insurance premiums
- Audit fees
- Recoveries from other program areas
- Allowance for management imposed salary gapping – new: \$500K

General Revenues \$12.3 million (Tab 27)

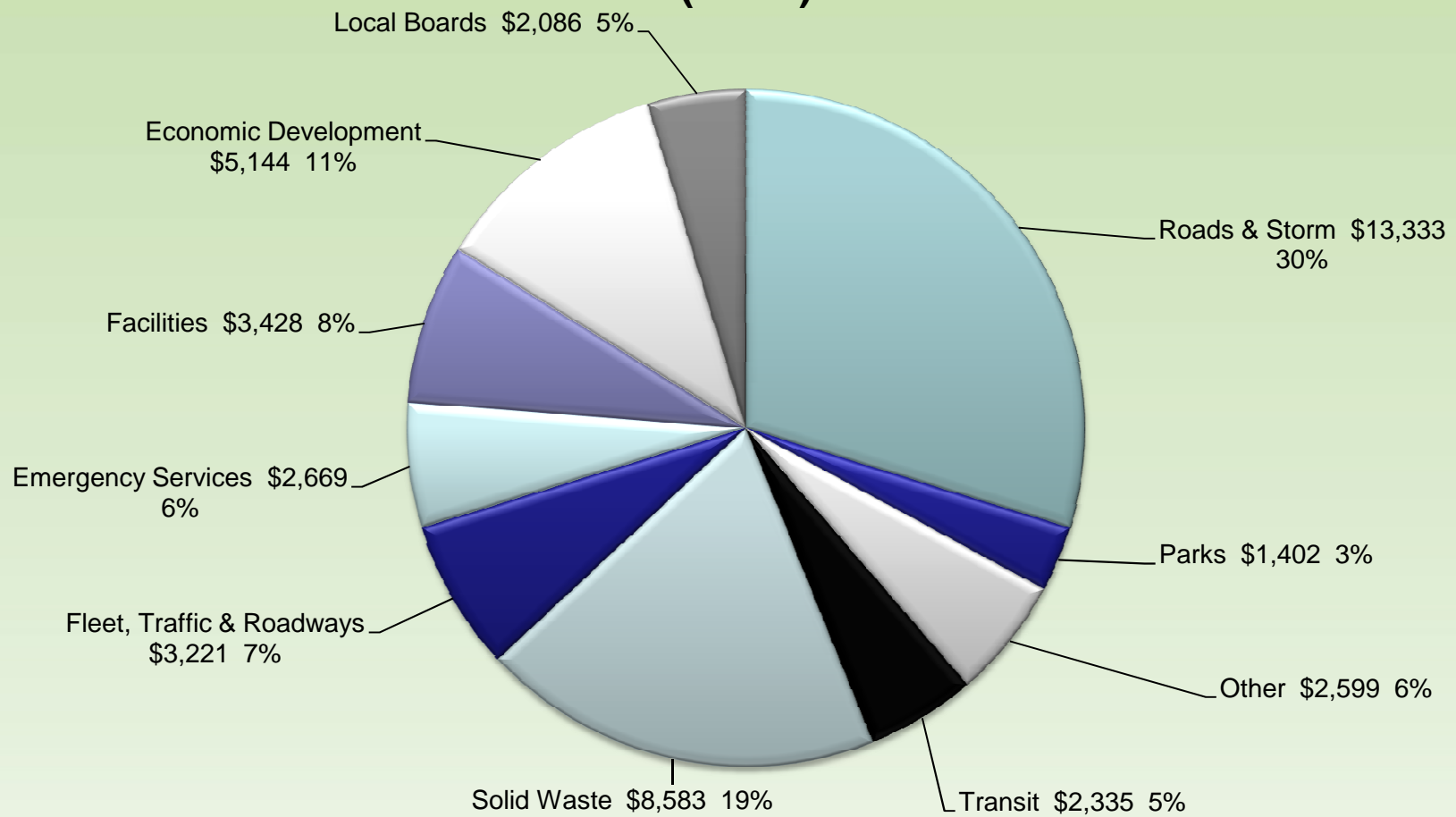
- Revenue not associated with any department
- Reduction in Hydro note interest \$1.365 million
- Budget correction for Hydro dividends \$750,000 (\$1.5 million per shareholder declaration)
- Increase in Investment income of \$360,000
- Increase PIL & Supplementary revenues \$2.5 million

Capital Financing (Page 28.1)

- 20% guideline = \$31 million from tax levy towards:
 - debt P&I payments \$11.4 M
 - capital improvement reserves \$19.6 M

Capital financing (\$44.8 million)

2011 Tax Supported Capital Project Categories ('000s)

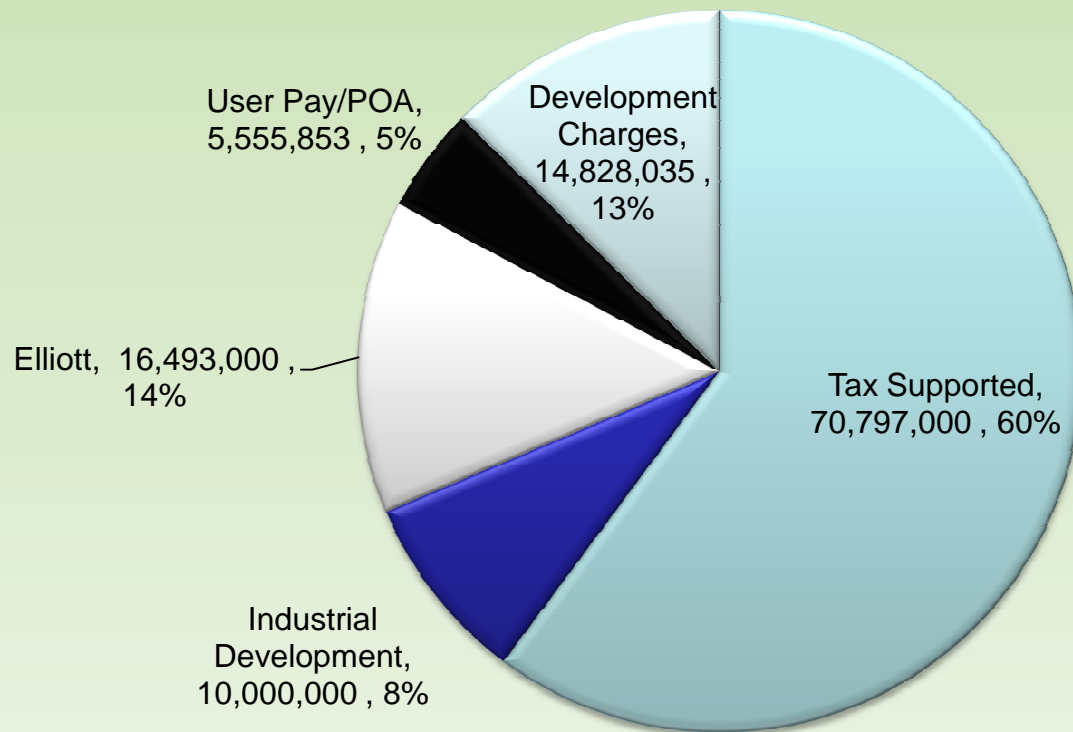


Capital Financing Challenges

- Existing capital funding sources are insufficient to address:
- Facility/structural repairs
- Equipment replacement (technology, vehicles & heavy equipment)
- Examination of funding gaps & strategies to resolve on ET workplan for March – July – report back with preliminary forecast in September

Debenture Forecast

December 31, 2011 = \$117 million

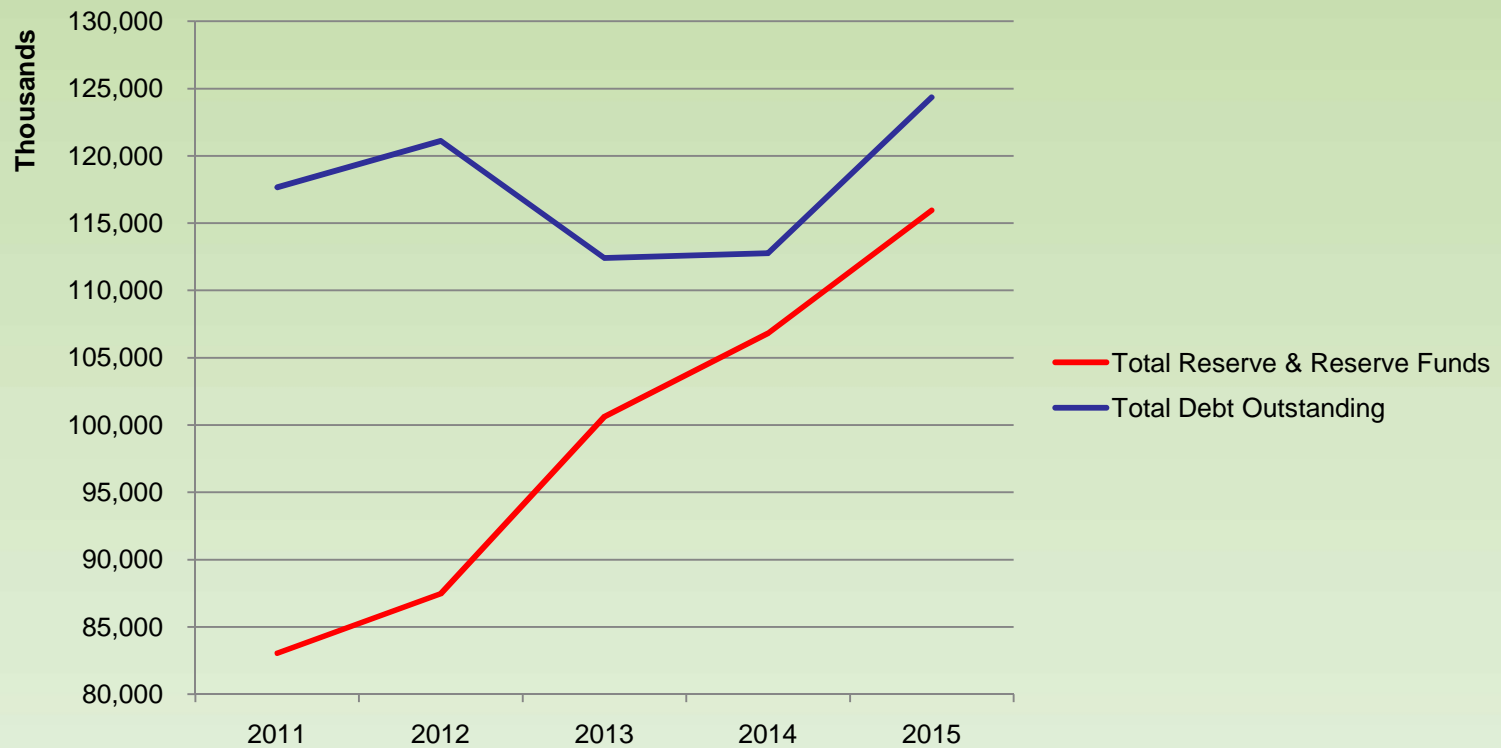


Debenture Forecast (Page 28.79)

- Debt forecast within policy limits
- Health Unit \$10 million – not included in forecast
- Assumes Business Park land sales (2012 – 2014) – purchase agreements being negotiated
- Risk: Debt @ 55% of Operating Revenue (policy limit) in 2012 with Health Unit & w/o land sales

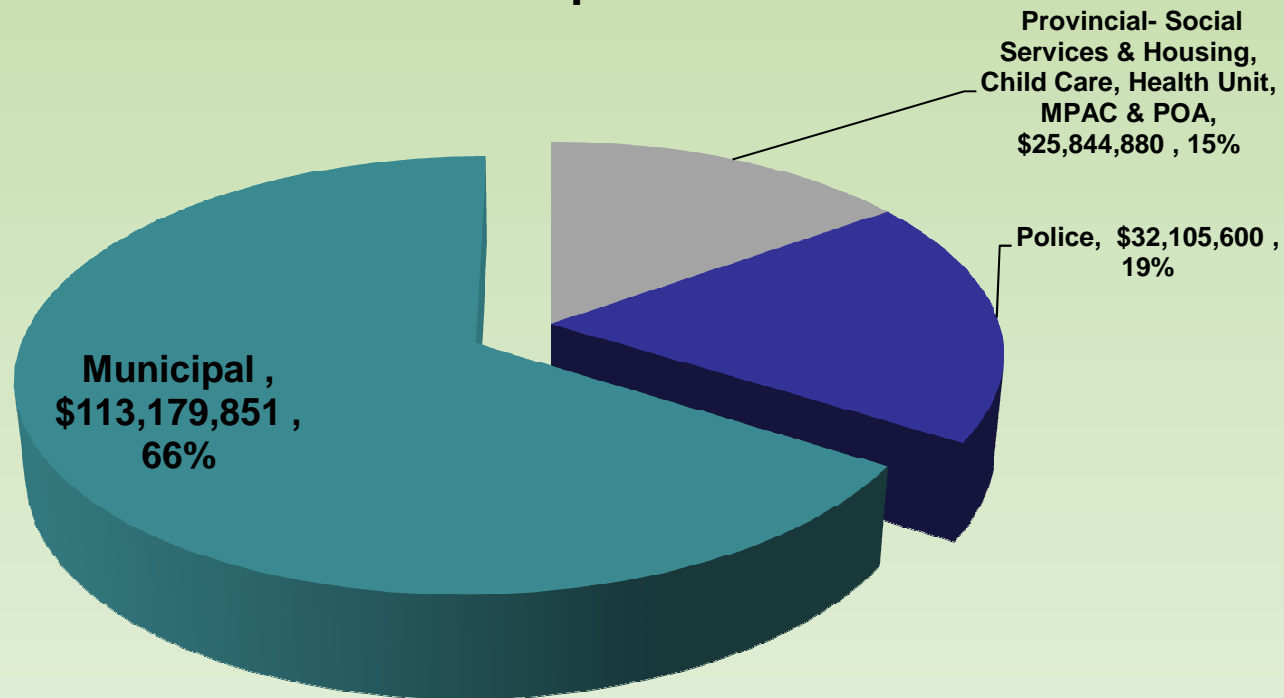
Uncommitted Reserves

	<u>2011</u>
Tax Supported	9,944,579
Hydro Note	15,106,097
Other Discretionary Reserves	2,145,176
	<u>27,195,852</u>
Grant Funded	1,905,864
Industrial Land Reserve	(180,493)
Development Charges & Parkland Dedication	8,724,700
	<u>10,450,071</u>
User Pay Rate Funded Reserves	20,835,713
Total Year End Capital Reserve Balances	<u><u>58,481,636</u></u>
Operating Reserves	24,562,377
Total Reserves	<u>83,044,014</u>
Total Debt Outstanding	<u>117,673,888</u>
Debt to Reserve Ratio	<u>1.42</u>



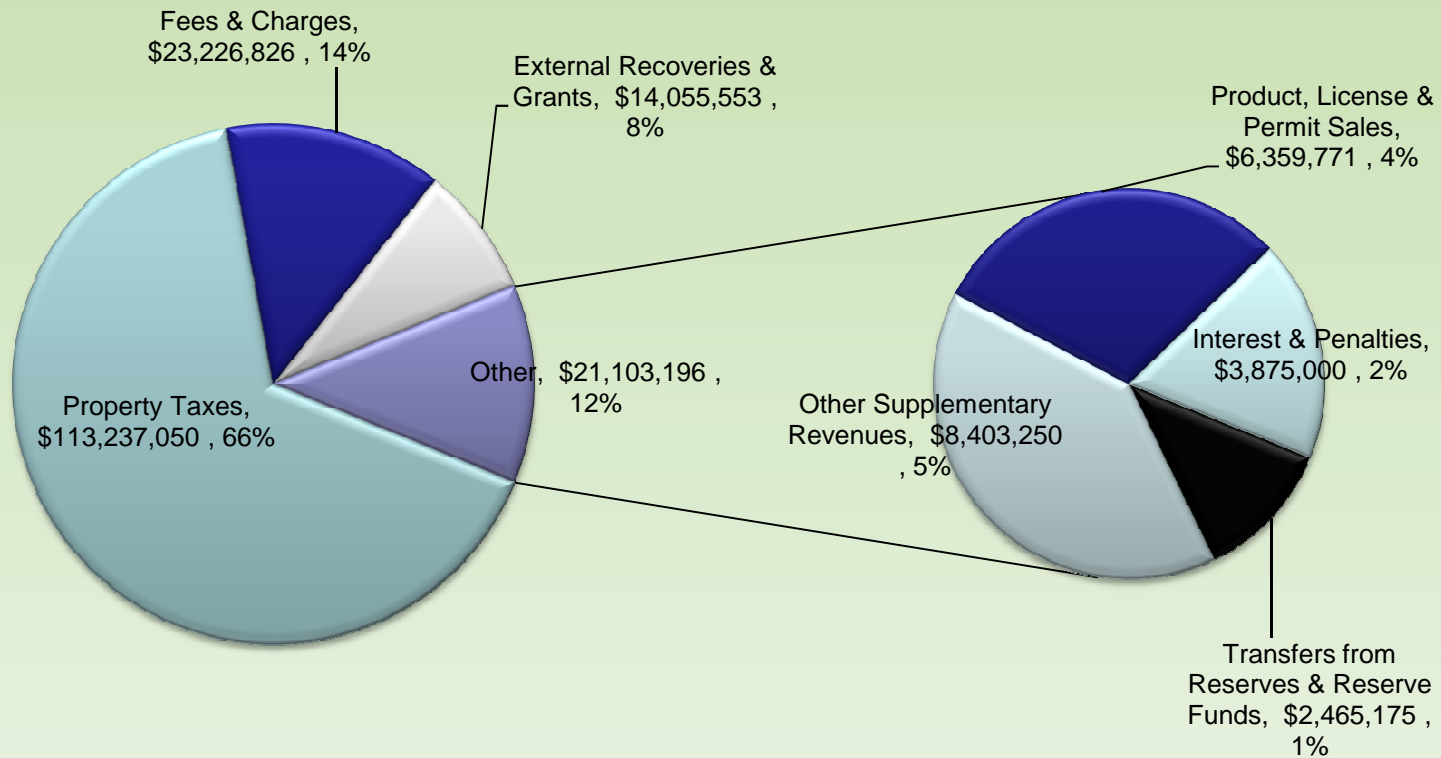
Policy: Debt to Reserve Ratio: 1:1 (for every dollar of debt we should have a dollar in reserve funding) – moving toward this target

2011 Use of Municipal Tax Dollars

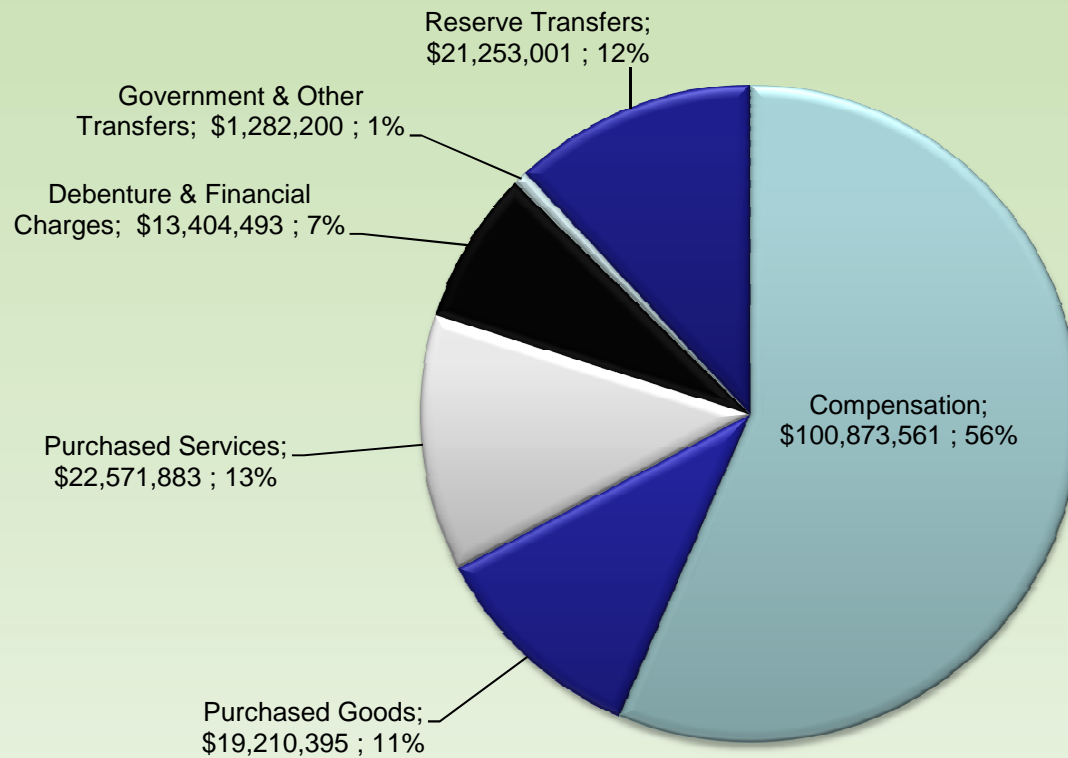


*For the City of Guelph, this means approximately one-third or 66% of our budget is not directly controlled by City Council.

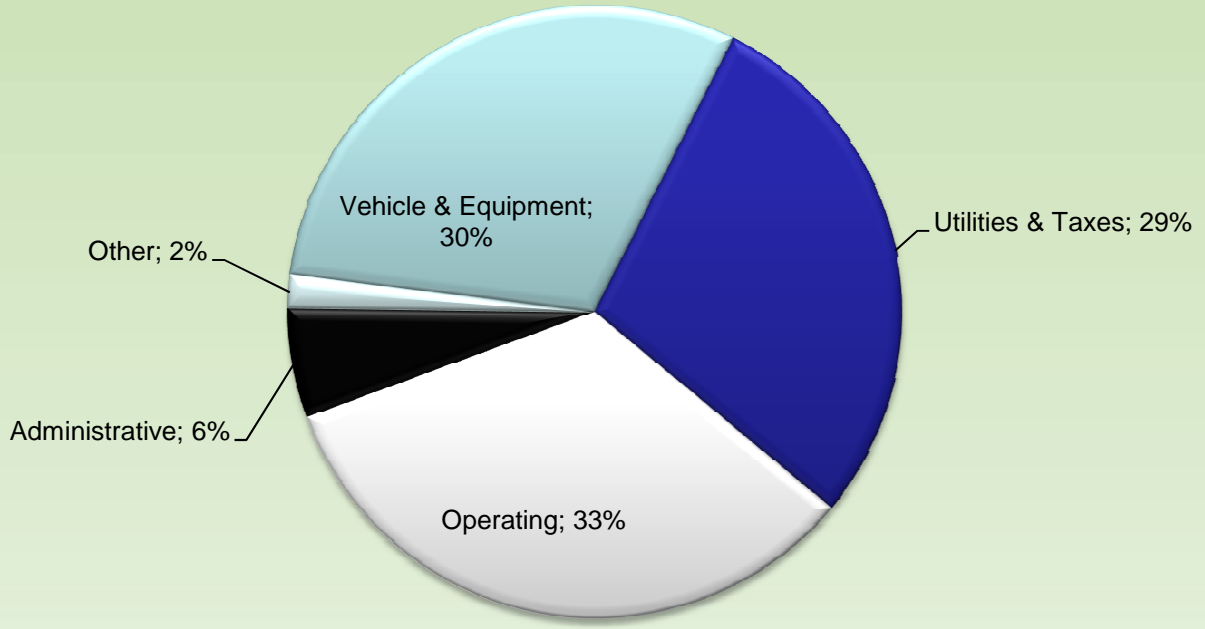
City of Guelph 2011 City Controlled (66%) Tax Supported Revenues (by Category)



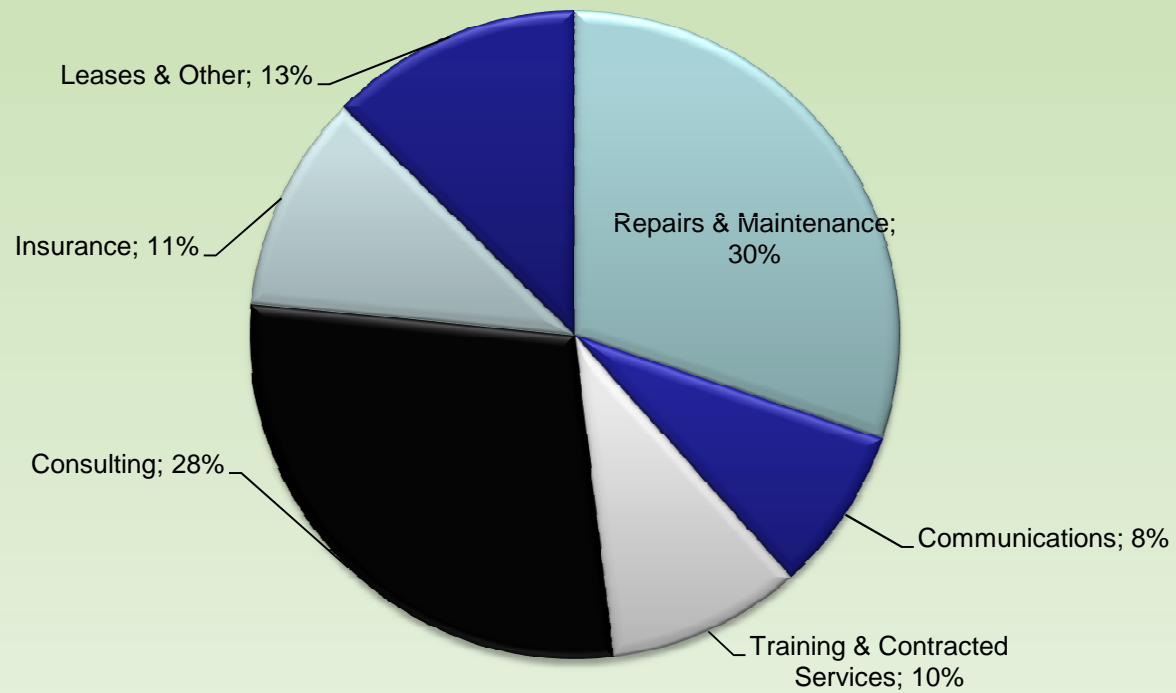
City of Guelph 2011 City Controlled (66%) Tax Supported Expenditures (by Category)



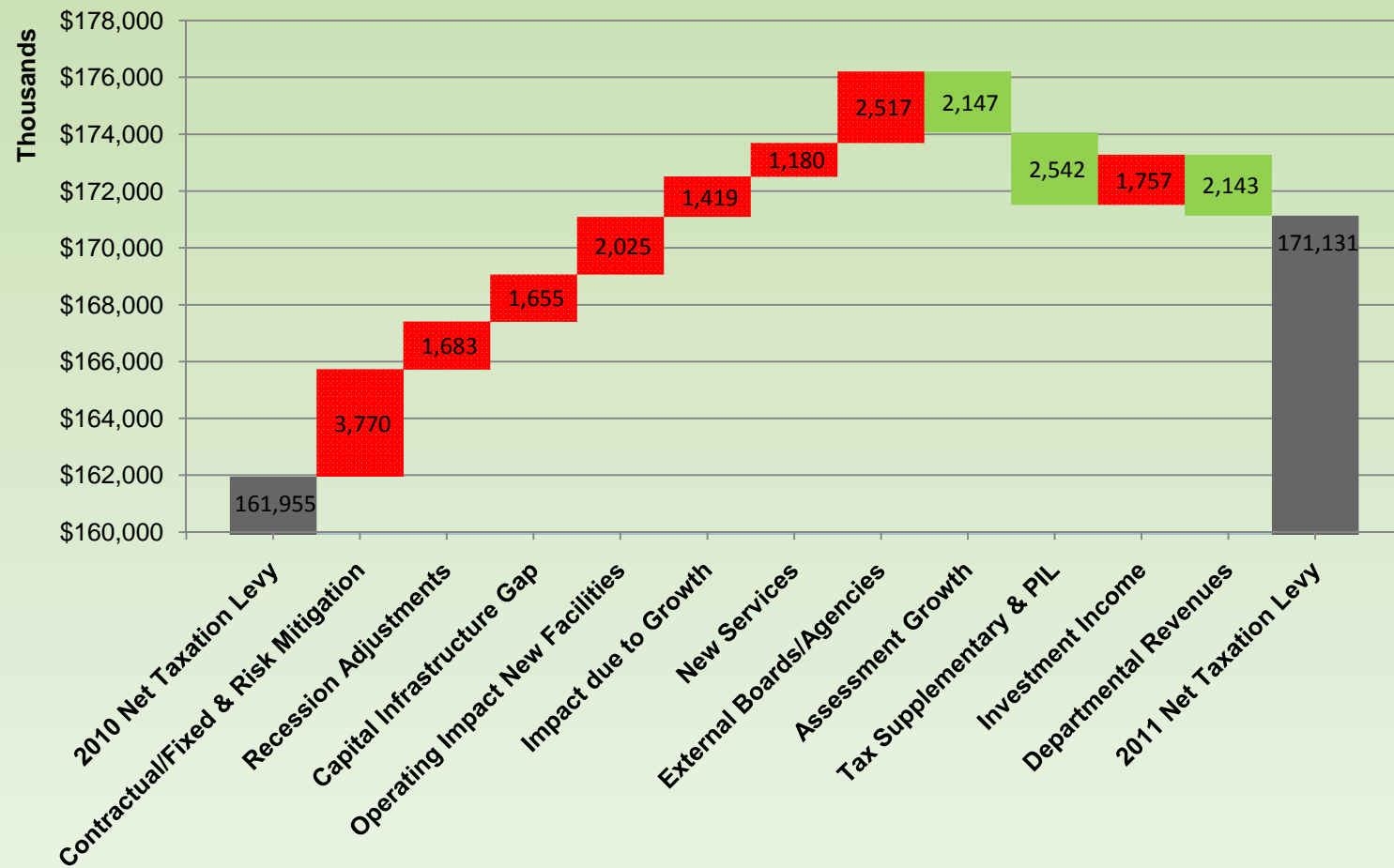
City of Guelph 2011 City Controlled (66%) Purchased Goods Expenditures



City of Guelph 2011 City Controlled (66%) Purchased Services Expenditures



2011 Budget Impacts



Impact to Guelph Residents

Tax Supported*	\$121
User Pay **	<u>\$ 71</u>
Total	\$192

*based on \$281,702 CVA single detached residential

**based on average annual residential bill (250m3)

Next Steps – Finalizing 2011

- Delegations February 22
- Council budget deliberation – March 2
- Tax policy (ratios) – April 11 CAFES
- Tax ratio, rate bylaws – April 26

Next Steps – Preparing for 2012

- ET – in-depth review of 10 year capital
- Integrate strategic planning into LTFP
- Finalize capital priority setting model
- Budget policy development