



City of Niagara Falls
2012 Operating Budget
January 31, 2012

Budget Process to Date



Department Budget's prepared based on:

- **Maintaining Core Service Levels**
- **Reviewing Expenditures from bottom up**
- **Preliminary reductions in expenditures made**
- **Include new expenditures on operational needs**
- **Budget Binders**

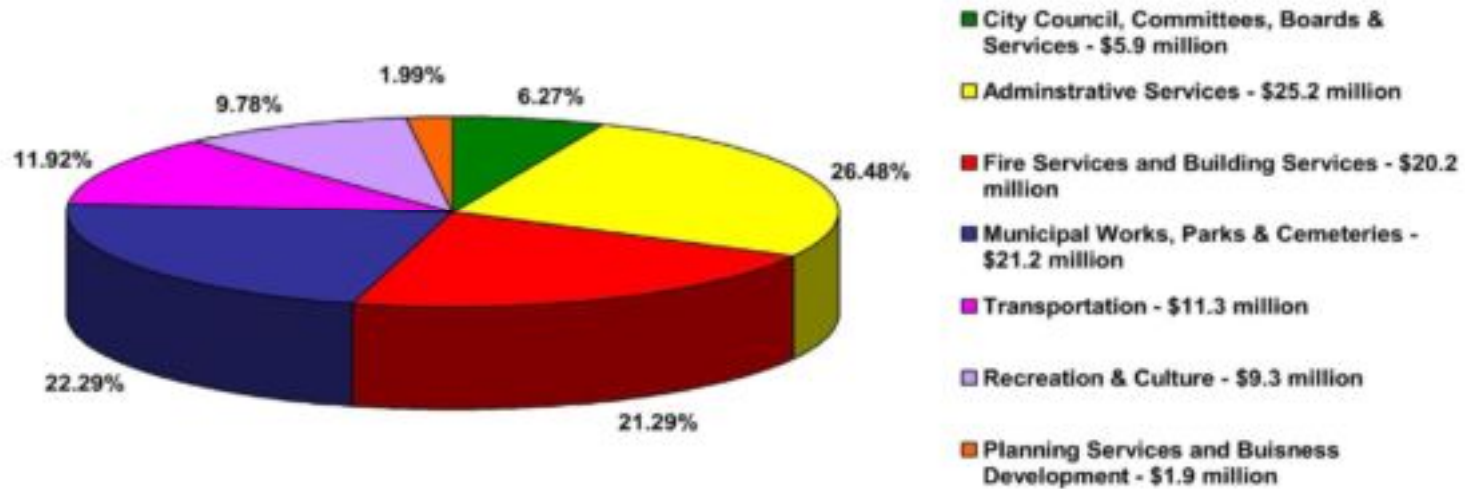
Proposed Review Process



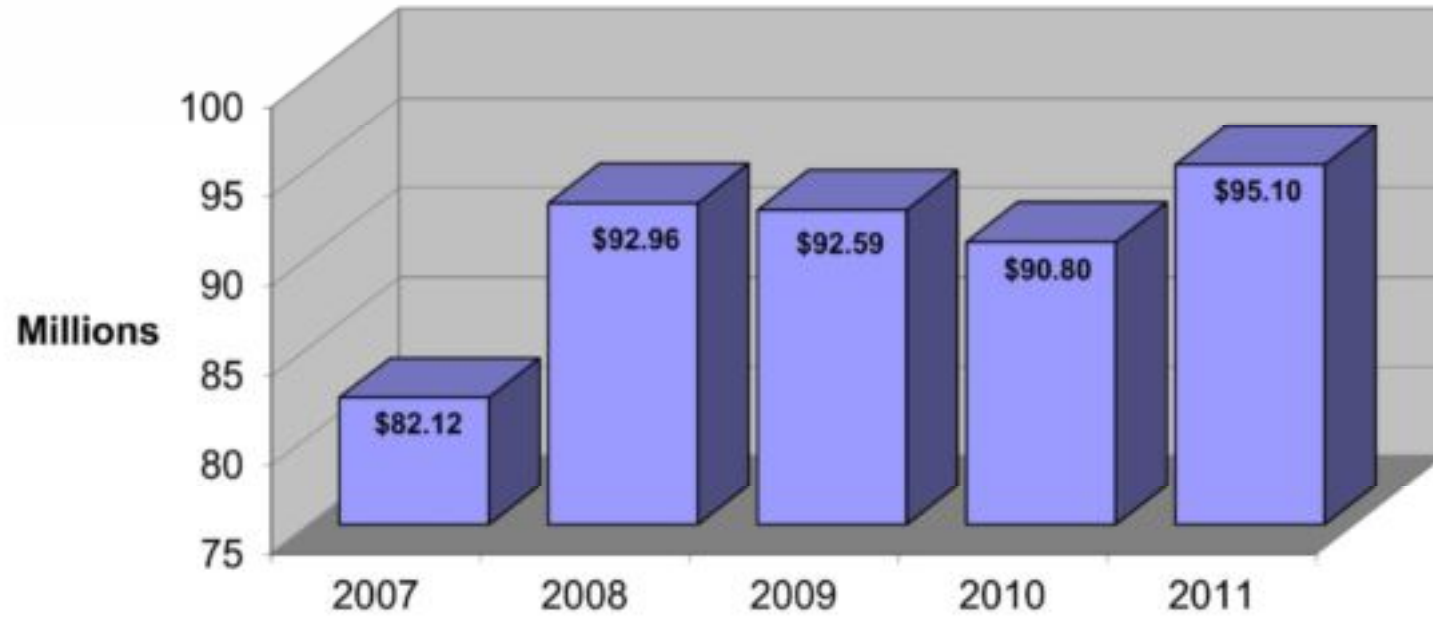
- **Discussion will focus on Operational Expenditures**
- **Review by Expenditure Categories: Labour, Materials & Debt Services**
- **Departmental Review – by Responsibility Centre**
- **Grand and Third Party Agencies**
- **Discuss Non-Tax Revenues**
- **Discuss Tax Levy Impacts**

2011 Expenses by Department

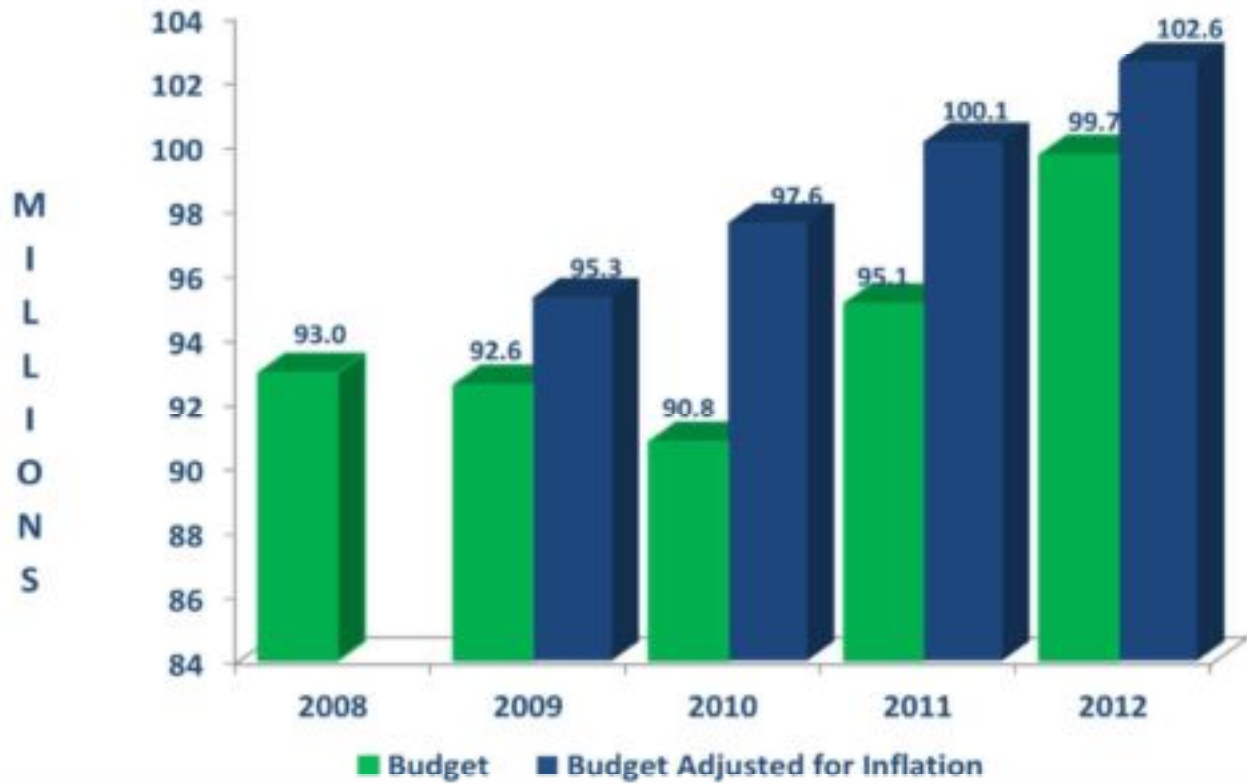
Total Expense for 2011 \$95.1 million



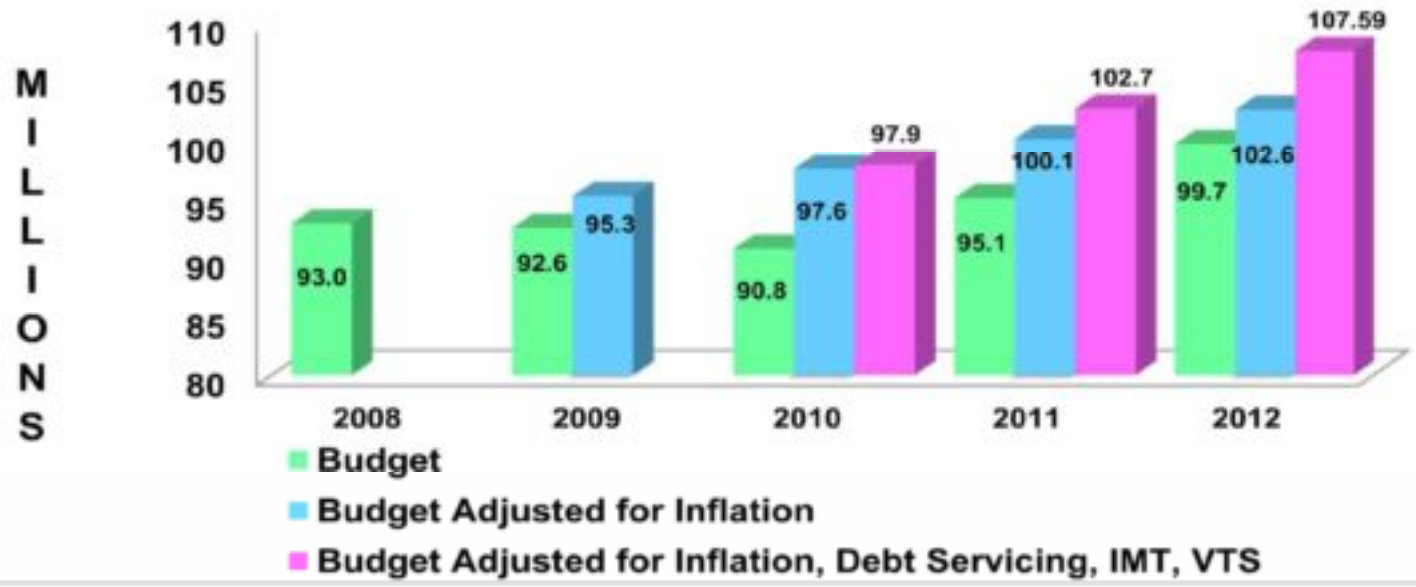
2007-2011 Budget Expenditures



Historical Budget Adjusted for Inflation



Budget Adjusted for Inflation, Debt Servicing, IMT and VTS



Budget Inclusions



- **Increased Operating Expenditures for Gale Centre**
- **Increased Insurance & Risk Management Expenditures**
- **Increased Debt Servicing Charges**
- **Maintain Level of Capital Funding**
- **Initial Cost of V.T.S (Visitor Transportation System)**
- **Full Cost of I.M.T. (Inter-municipal Transportation System)**

Budget Exclusions

- **Increased Expenditure for Road Patching & Overlay**
- **Implementation of New Transit Plan**
- **Increases in Capital Funding**
- **New Salary Positions**

Other Related Budget Initiatives



- **10 Year Capital Needs**
- **Debt Management Strategy**

Summary of All Responsibility Centre Expenses



| Responsibility Centre | 2012 Expense Budget | 2011 Expense Budget | \$ Variance More (Less) than 2011 Budget | % Variance More (Less) than 2011 Budget |
|-----------------------------------|---------------------|---------------------|--|---|
| City Council, Committees & Boards | \$6,047,962 | \$5,961,796 | \$86,166 | 1.45 |
| Administrative Services | 24,958,693 | 25,177,968 | (219,275) | (0.87) |
| Fire & Building Services | 20,243,802 | 20,241,553 | 2,249 | 0.01 |
| Municipal Works | 17,751,624 | 16,537,103 | 1,214,521 | 7.34 |
| Parks & Cemeteries | 4,935,165 | 4,657,635 | 277,530 | 5.96 |
| Transportation | 13,466,958 | 11,335,847 | 2,131,111 | 18.80 |
| Recreation & Culture | 10,312,273 | 9,297,383 | 1,014,890 | 10.92 |
| Planning & Business Development | 1,970,119 | 1,887,857 | 82,262 | 4.36 |
| Total | \$99,686,596 | \$95,097,142 | \$4,589,454 | 4.83 |

Review By Expenditure Codes



- **Ten (10) Expenditure Classifications**
- **Controllable vs. Fixed**
- **Review Each Classification**

Year Over Year Comparison



| Expenditures | 2012 | 2011 | \$ Variance | % Variance |
|---|-------------------|-------------------|------------------|-------------|
| Salaries & Wages | 40,496,920 | 38,348,433 | 2,148,487 | 5.60 |
| Employee Benefits | 9,874,250 | 9,024,919 | 849,331 | 9.41 |
| Long Term Debt Interest Charges | 2,945,585 | 3,001,005 | (55,420) | (1.85) |
| Long Term Debt Principal Payments | 4,403,849 | 3,879,601 | 524,248 | 13.51 |
| Materials & Services | 15,324,546 | 13,618,447 | 1,704,909 | 12.52 |
| Contract Services | 16,414,789 | 15,848,735 | 566,054 | 3.57 |
| Rents & Financials | 631,354 | 625,300 | 6,054 | 0.97 |
| Transfers to Boards, Agencies & Commissions | 154,726 | 472,424 | (317,698) | (67.25) |
| Transfers to Capital, Reserves, Reserve Funds | 6,463,973 | 6,671,278 | (207,305) | (3.11) |
| Internal Transfers | 2,976,604 | 3,607,000 | (630,396) | (17.48) |
| Total | 99,686,596 | 95,097,142 | 4,588,264 | 4.82 |

General Materials



| Department | 2012 Budget | 2011 Budget | Increase/ (Decrease) |
|--|---------------------|--------------------|-------------------------|
| Council, Committee, Boards & Services | 200,270 | 121,560 | 78,710 |
| Administrative Services | 2,547,328 | 2,657,429 | (110,101) |
| Fire & Building Services | 705,405 | 734,105 | (28,700) |
| Municipal Works | 2,342,906 | 2,224,736 | 118,170 |
| Parks & Cemeteries | 347,100 | 355,755 | (8,655) |
| Transportation | 3,378,350 | 2,515,221 | 863,129 |
| Recreation & Culture | 688,919 | 870,583 | (181,664) |
| Planning & Business Development | 108,050 | 72,050 | 36,000 |
| Total | \$10,318,628 | \$9,551,439 | 766,889 |

Professional Development, Conferences, Memberships & Subscriptions



| Department | 2012 Budget | 2011 Budget | Increase/ (Decrease) |
|--|------------------|------------------|-------------------------|
| Council, Committee, Boards & Services | 21,850 | 8,650 | 13,200 |
| Administrative Services | 165,295 | 175,650 | (10,355) |
| Fire & Building Services | 76,475 | 62,525 | 13,950 |
| Municipal Works | 68,611 | 57,588 | 11,023 |
| Parks & Cemeteries | 10,950 | 7,450 | 3,500 |
| Transportation | 45,790 | 41,270 | 4,520 |
| Recreation & Culture | 31,630 | 21,200 | 10,430 |
| Planning & Business Development | 22,288 | 21,170 | 1,118 |
| Total | \$442,889 | \$395,503 | \$47,386 |

Utilities



| Department | 2012 Budget | 2011 Budget | Increase/ (Decrease) |
|--|--------------------|--------------------|-------------------------|
| Council, Committee, Boards & Services | - | - | - |
| Administrative Services | - | - | - |
| Fire & Building Services | 434,381 | 421,715 | 12,666 |
| Municipal Works | 573,030 | 572,515 | 515 |
| Parks & Cemeteries | 200,665 | 143,111 | 57,554 |
| Transportation | 127,000 | 127,500 | (500) |
| Recreation & Culture | 1,456,261 | 981,584 | 474,677 |
| Planning & Business Development | - | - | - |
| Total | \$2,791,337 | \$2,246,425 | \$544,912 |

Insurance



| Department | 2012 Budget | 2011 Budget | Increase/ (Decrease) |
|--|--------------------|--------------------|-------------------------|
| Council, Committee, Boards & Services | 2,122 | 4,618 | (2,496) |
| Administrative Services | 161,698 | 143,633 | 18,065 |
| Fire & Building Services | 80,361 | 119,025 | (38,664) |
| Municipal Works | 646,941 | 531,740 | 115,201 |
| Parks & Cemeteries | 3,601 | 7,815 | (4,214) |
| Transportation | 438,433 | 266,751 | 171,682 |
| Recreation & Culture | 218,983 | 172,298 | 46,685 |
| Planning & Business Development | - | - | - |
| Total | \$1,552,139 | \$1,245,880 | \$306,259 |

Advertising



| Department | 2012 Budget | 2011 Budget | Increase/ (Decrease) |
|--|------------------|------------------|-------------------------|
| Council, Committee, Boards & Services | 10,600 | 11,100 | (500) |
| Administrative Services | 27,000 | 30,500 | (3,500) |
| Fire & Building Services | - | - | - |
| Municipal Works | 10,000 | 2,600 | 7,400 |
| Parks & Cemeteries | 2,000 | 2,000 | - |
| Transportation | 87,000 | 55,500 | 31,500 |
| Recreation & Culture | 56,953 | 51,000 | 5,953 |
| Planning & Business Development | 26,500 | 26,500 | - |
| Total | \$220,053 | \$179,200 | \$40,853 |

Contract Services



| Department | 2012 Budget | 2011 Budget | Increase/ (Decrease) |
|--|---------------------|---------------------|-------------------------|
| Council, Committee, Boards & Services | 4,950,615 | 4,890,865 | 59,750 |
| Administrative Services | 7,481,717 | 7,652,934 | (171,217) |
| Fire & Building Services | 158,096 | 133,050 | 25,046 |
| Municipal Works | 1,522,633 | 1,412,198 | 110,435 |
| Parks & Cemeteries | 280,440 | 283,440 | (3,000) |
| Transportation | 1,551,108 | 1,525,245 | 25,863 |
| Recreation & Culture | 443,680 | 216,903 | 226,777 |
| Planning & Business Development | 26,500 | 32,500 | (6,000) |
| Total | \$16,414,789 | \$16,147,135 | \$267,654 |

Rents & Financials



| Department | 2012 Budget | 2011 Budget | Increase/ (Decrease) |
|--|------------------|------------------|-------------------------|
| Council, Committee, Boards & Services | 9,000 | 9,000 | - |
| Administrative Services | 409,400 | 411,100 | (1,700) |
| Fire & Building Services | 102,590 | 101,500 | 1,090 |
| Municipal Works | 12,500 | 12,500 | - |
| Parks & Cemeteries | 26,550 | 23,700 | 2,850 |
| Transportation | 22,750 | 22,500 | 250 |
| Recreation & Culture | 18,564 | 15,000 | 3,564 |
| Planning & Business Development | 30,000 | 30,000 | - |
| Total | \$631,354 | \$625,300 | \$6,054 |

Fees for Service



| Group | Department | 2012 Request | 2011 Approved Amount |
|--------------------------------------|----------------------|--------------------|----------------------|
| Boys & Girls Club | Recreation & Culture | \$192,800 | \$192,800 |
| Niagara Falls Summer Swim Lessons | Recreation & Culture | 13,000 | 12,825 |
| Animal Control Services (NFHS) | Clerks | 452,542 | 452,542 |
| Niagara District Airport Commission | Finance | 94,588 | 89,291 |
| Stamford VFF Assoc. (Firemen's Park) | Parks | 14,440 | 14,440 |
| Chippawa Lions Park | Parks | 35,000 | 33,000 |
| Optimist Park | Parks | 28,500 | 28,500 |
| Niagara Falls Tourism | Bus. Dev. | 360,000 | 360,000 |
| NF Illumination Board | Finance | 38,550 | 38,550 |
| Winter Festival of Lights | Bus. Dev. | 342,000 | 342,000 |
| St. John Ambulance Water Patrol | Fire | 32,900 | 32,900 |
| Chair a Van | Transportation | 398,428 | 398,428 |
| NF Horticultural Society | Recreation & Culture | 0 | 648 |
| Niagara Falls Concert Band | Recreation & Culture | 4,500 | 3,600 |
| Project Share | Finance | 298,400 | 298,400 |
| Niagara Falls Art Gallery | Recreation & Culture | 27,000 | 27,000 |
| Total | | \$2,332,648 | \$2,324,924 |

Next Steps



February 14th:

- **Grant Organizations**
- **Continuation of Expenditure Review**

February 28th:

- **Review of Non-Tax Revenues & Impacts on Levy**
- **Potential Budget Approval**
- **Introduction of Utilities Budget**

March 27th:

- **Potential Utility Budget Approval**
- **Debt Management Plan & 10 Year Capital Needs Discussions**



Questions?