



Department: Community and Corporate Services  
Division: Corporate Services

**APPROVED BY  
COUNCIL**

Report Number: 2014-10

Date: March 24, 2014

**MAR 24 2014**

**SUBJECT: 2014 Operating/Capital Budget**

**A. GRIGG  
CITY CLERK  
CITY OF PORT COLBORNE**

**1) PURPOSE:**

This report is presented to Council for adoption and approval of the 2014 Operating and Capital Budget.

**2) HISTORY, BACKGROUND, COUNCIL POLICY, PRACTICES**

Budget deliberations commenced for the year 2014 with an overview presentation to the Committee of the Whole of Council on December 16, 2013. The budget was reviewed and discussed in great detail by the Committee for consideration of the operating and capital portions of the budget on December 16, 2013, January 20, 2014, and finalized on February 11, 2014.

The budget requirements for 2014 were provided to the Committee and with considerable discussion with the Committee and staff decisions were made by the Committee to arrive at a local municipal net tax levy requirement increase of 3.73%. Decisions were made regarding levels of service, staffing requirements, new services, operating expenditures, capital projects and financing.

As it was being anticipated that an overall budget increase of 4% to 5% would be projected, departments were requested to bring forth a base level of service budget with inflationary increase at approximately 1.5% for base operations. In 2013, staff projected an operating budget increase of 2% to 3% plus the annual capital levy increase of \$100,000 (0.75%) and the balance of debt charges from 2013 of 0.5% for an estimated overall levy increase of 3.25% to 4.25%.

The 2014 initial department operating budget was presented with a 3.92% operating levy increase including the increase to the capital levy and the balance of the 2013 new debt charges. Staff further reviewed the budget and proposed cost reductions, some cost increases, increased revenues and other changes. The schedule (Operating Levy Changes) provided a 3 year average of costs, the current budget amount and after discussion with the departments, a proposed budget amount with increases or decreases in budgeted expenditures. In some cases, budgeted expenditures were increased due to new information or more relevant actual costs. This review actually increased the operating expenditures by \$126,155 and reduced expenditures by \$86,120 for a net budget increase of \$40,035. This was countered by an increase in revenues of \$50,000 and a net reduction to the operating budget amounting \$9,965.

Other proposed changes included:

- A reduction of \$20,000 from Property Standards for site clean ups.
- A reallocation of Fire Equipment funding from the operations to be funded through the capital levy in the amount of \$50,000. As the Fire Equipment is

capital replacement, the capital levy funds finances the Fire Equipment and reduced the operating levy by \$50,000.

- The Parks Sub-foreman changed to year round from six months with a cost of \$4,820 and in the Roads Division a temporary staff person costing \$19,400
- Additional \$30,000 in funds allocated to the Ash Borer Disease tree trimming/removal

The 2014 revised operating budget is presented with a 2.09% operating levy increase for the base level of service, an increase to operations for tree removal due to the Ash Borer disease, the Parks sub-foreman and Temp Roads Division staff person for an increase of \$54,220 (0.41%) or overall 2.50% increase. With the annual capital levy increase of \$100,000 (0.75%) and the balance of debt charges from 2013 (0.48%), the proposed levy increase amounts to 3.73% amounting to \$495,830 over the 2013 levy.

Some good news this year regarding the Ontario Municipal Partnership Fund (OMPF) is the announcement that Port Colborne receives \$247,300 over the 2013 allocation, after reductions in the last two years. With such funding being very volatile Committee approved that the increase be applied to fund one-time expenditures, new capital projects and/or the unfunded capital (levy) amortization. The amount allocated to the operating levy budget remains at the same level as 2013 of \$2,345,900. Committee approved the expenditure of the additional OMPF funds for one-time projects amounting to \$133,000 and new capital projects amounting to \$114,300

Council approved in 2012 to a minimum 10 year plan to annually increase the Capital (Levy) Amortization amount by \$100,000. Continuation of this plan in 2013 and 2014, along with the allocation of the tourism/EDO operating savings of \$147,052 to the capital levy has now provided a total capital levy amounting to \$1,437,000. Together with the continuation of the Federal Gas Tax funds program of \$535,000 annually; a total of \$1,972,000 is available for capital projects. While still short of the required \$2,820,000 in amortization to replace capital assets, this helps reduce the capital infrastructure deficit to fund existing capital assets to approximately \$848,000. To meet this deficit, Council could levy \$120,000 each year over the next 7 years to the Capital Levy.

Council reviewed the listing of unfinanced requests and after deliberation; the overall levy for 2014 is \$13,796,390 (Operating levy of \$12,359,538 and Capital levy of \$1,436,852). This amounts to an increase of \$495,830 (Operating levy of \$395,830 and Capital levy of \$100,000) over 2013 or a 3.73% levy increase.

The above information is presented as 2014 Operating Levy Summary attached to this report.

Council reviewed staff's recommendations for capital replacement projects to be funded from capital (levy) amortization (included in the base levy requisition), Federal Gas Tax Funds and reserve funds. With some changes and additions the total amount of capital replacement projects amounts to \$2,120,852. This is funded through the capital levy of \$1,436,852, Federal Gas Tax funds of \$655,000 and reserve funds of \$29,000. In addition, new capital projects amounting \$159,300 are funded from the OMPF funds (\$114,300) and reserve funds of \$45,000.

After detailed discussions on many issues presented, the following were approved for 2014 as per the attached schedules:

- Total operating expenditures of \$19,594,346
- Total operating revenues/fees/reserves of \$7,234,808
- Net Operating levy increase of \$395,830 and reallocation of EDO operating savings of \$147,052 to the capital levy for a net increase (\$248,778) from 2013 operating levy of \$12,110,760 to \$12,359,538 in 2014
- Capital expenditures of \$2,280,152 funded from capital levy amortization of \$1,436,852 (included in net tax levy), Federal Gas Tax funds of \$655,000, OMPF funds of \$114,300 and reserve funds of \$74,000.
- Capital levy increase of \$100,000 plus allocated EDO operating savings of \$147,052 increases the capital levy from \$1,189,800 to \$1,436,852 in 2014
- Total net tax levy amounts to \$13,796,390
- Municipal net tax levy increase is 3.73%
- Residential tax rate increase of 0.98% from 2013
- Approval of projects to be financed from Federal Gas Tax Funds
- Approval of expenditures to be financed from reserves amounting to \$1,430,244
- Approval of funds to be transferred into reserves amounting to \$255,869

### **3) STAFF COMMENTS AND DISCUSSIONS**

The 2014 budget estimates for the operations and capital are presented to Council for adoption based on discussions and approvals of the Committee of the Whole of Council.

The 2014 budget estimates will be approved by by-law in accordance with Section 290(1) of the Municipal Act, 2001, as amended.

Staff advises that a net levy requirement increase of \$495,830 represents a 3.73% increase to the City levy. With the reassessment values of properties and the levy increase the residential tax rate will increase by 0.98% from 0.00737087 to 0.00744332 for 2014. With the 2014 reassessment increase to assessed property values (being the 2nd year of the assessment phasing program), the annual blended tax increase (with Regional and Education tax) to the average assessed residential homeowner with an assessment of \$170,392 amounts to a zero change in tax levy.

The final tax rates for the City will be provided to Council in a later report and a by-law prepared in conjunction with the final tax rates for the Region and School Boards. The Regional tax rates (including education rates) and ratios/policy are approved by Regional Council. The report will be presented to Council to pass all tax rates.

#### Ontario Regulation 284/09 – Budget

Historically, municipal budgets have been developed on a cash requirement basis, including the funding of capital projects. Audit requirements have changed to require municipalities to report their tangible capital assets on the balance sheet and amortize the assets over their expected useful life. This results in the financial statements being prepared under the accrual basis of accounting, similar to most private corporations. The new accounting standards, however, do not require that municipal budgets be

prepared on the same basis. We recommend that the City of Port Colborne continue to prepare budgets on the traditional cash requirement basis, as has been done for 2010 to 2013.

Ontario Regulation 284/09 states that: "In preparing the budget for a year, a municipality or local board may exclude from the estimated expenses described in paragraph 3 of subsection 290(2) of the Municipal Act all or a portion of the following: Amortization expenses and Post-employment benefits expenses."

Under Ontario Regulation 284/09, to continue budgeting on the cash basis, the municipality shall, before adopting a budget for the year that excludes any of the expenses for amortization or post-employment benefits, report on the excluded expenses and adopt, by resolution, that the 2014 budget has excluded the following non-cash expenses:

- Amortization expenses of tangible capital assets
- Post-employment benefit expenses

As described previously in this report, amortization expenses are estimated to be approximately \$2,820,000 and a portion is excluded as a cost in the 2014 budget. Included in the budget are the cash requirements of \$1,972,000 for capital funding of amortization to fund the purchase of tangible capital assets. The cash requirements for funding the purchase of new assets are lower than the historical amortization expense and, therefore, the difference of \$848,000 is not budgeted.

The present value of post employment obligations are estimated at \$5,321,000 with annual net benefit expense estimated at \$450,000 and are excluded as a cost in the 2014 budget. The budget contains \$296,000 for the current year's post employment benefit expense for the retired employees eligible for this expense. The difference of \$154,000 is not budgeted.

#### **4) OPTIONS AND FINANCIAL CONSIDERATIONS:**

##### **a) Do nothing.**

This is not an option as budget estimates must be provided and approved by Council for the 2014 year as per the Municipal Act.

##### **b) Other Options**

- Council may change and establish new budget estimates
- The proposed 2014 budget for operating and capital purposes establishes the City's spending requirements for this year. There is a 3.73% tax levy increase and with the phase in of reassessment in 2014 the tax rate has increased by 0.98% from the 2013 level. A residential property with an average home reassessed at \$170,392 will have a 1.42% increase to the City portion of their tax bill of approximately \$18.00 in 2014. The blended tax change will have a zero increase to the average residential property.

**5) COMPLIANCE WITH STRATEGIC PLAN INITIATIVES**

Not applicable

**6) ATTACHMENTS**

- Budget document with schedules
- By-law to Adopt the Estimates for the City of Port Colborne for its Own Operations for the year 2014

**7) RECOMMENDATION**

1. That Council, in compliance with Ontario regulation 284/09, hereby confirms and approves that the 2014 budget was developed using the cash basis and has excluded the following accrual expenses: a portion of the amortization expense which amounts to approximately \$848,000 and the amount of post-employment benefits expense which amounts to approximately \$154,000.
2. That the Council of the City of Port Colborne approves the 2014 Budget as presented.
3. That Council adopt the attached by-law for the estimates for all sums required for the operations for the year 2014

**8) SIGNATURES**

Prepared on March 5, 2014 by:



Peter Senese  
Director of Community and Corporate Services

Reviewed and Respectfully Submitted:



Robert J. Heil  
Chief Administrative Officer

**CITY OF PORT COLBORNE  
2014 OPERATING LEVY SUMMARY**

<b>2013 Tax Levy</b>			13,300,560	
General Operations		319,354		
Increased revenues		(155,178)		
Loss of Revenues		114,000		
		<u>                    </u>	<u>278,176</u>	2.09%
<b>2014 Operating Levy</b>			13,578,736	
<b>General Operations Changes</b>				
Tree removal-Ash Borer Disease		30,000		
Full time Parks Sub-foreman		4,820		
Temp Roads Division staff person		19,400		
			<u>54,220</u>	
<b>Revised 2014 Operating Levy</b>			13,632,956	2.50%
<b>Capital Levy</b>				
Capital Amortization-PSAB	0.75%	100,000		
<b>New Debt Cost</b>				
2013 Debentures -				
Second part of semi-annual payment	0.48%	<u>63,434</u>		
			<u>163,434</u>	
<b>Proposed 2014 Tax Levy</b>			<u><u>13,796,390</u></u>	3.73%



**CITY OF PORT COLBORNE  
OPERATING LEVY CHANGES  
11-Feb-14**

Levy Requirement for 2013							<u>13,300,560</u>		
Proposed Levy Requirement at Dec 16th 2013							13,822,135	3.92% Levy Increase	
<b>Expenditure Reductions/Increases</b>	<b>3 YR AVE</b>	<b>Budgeted</b>	<b>Proposed Budget</b>	<b>Proposed Budget</b>	<b>Proposed Budget</b>				
				<b>Increase</b>	<b>Decrease</b>				
<b>Council</b>									
Travel	1,754	2,200	2,200						
Mayors Conferences	947	3,000	3,000						maintain budget for FCM and AMO
Conferences	2,111	8,000	8,000						maintain budget for FCM and AMO
Promotion	11,626	12,000	11,800		(200)				maintain budget for FCM and AMO
Physician Recruitment									
Travel	2,630	4,000	3,000		(1,000)				maintain budget of 3,000
Public Relations	3,243	5,000	3,500		(1,500)				maintain budget of 3,500
<b>CAO</b>									
Office supplies	1,400	1,500	1,500						maintain budget
Telephone	1,500	2,900	1,600		(1,300)				
public relations	4,633	6,100	5,000		(1,100)				
Miscellaneous	721	1,030	730		(300)				
Nyon OMB Appeal	75,000	50,700	75,000	24,300					ongoing cost
Bertie Carts OMB Appeal		0	33,000	33,000					new cost
<b>IT</b>									
Staff Development	1,687	3,500	3,500						maintain budget for add'l training
<b>Health &amp; Safety</b>									
Travel	402	1,200	600		(600)				
Telephone	976	1,230	1,000		(230)				
WSIB Claims Mgmt	911	2,740	1,500		(1,240)				
<b>Corporate Services</b>									
Office supplies	28,410	32,000	32,000						maintain budget
Office Equip maintenance	8,673	10,000	9,500		(500)				maintain budget of 9,500
Postage (ALL DEPTS)	45,000	39,545	45,000	5,455					
City Hall - hydro	62,000	55,000	62,000	7,000					
Insurance Claims	101,198	100,000	101,200	1,200					
Vacancy rebates	32,775	40,000	33,000		(7,000)				
Charity Rebates	10,883	15,000	11,000		(4,000)				



**CITY OF PORT COLBORNE  
OPERATING LEVY CHANGES  
11-Feb-14**

Levy Requirement for 2013							<u>13,300,560</u>	
Proposed Levy Requirement at Dec 16th 2013	3 YR AVE	Budgeted	Proposed Budget	Proposed Budget Increase	Proposed Budget Decrease		13,822,135	3.92% Levy Increase
<b>Expenditure Reductions/Increases</b>								
Animal shelter								
Building repairs & maintenance	1,335	4,500	1,500		(3,000)			
Utilities (assumed by operator)	2,925	5,850	2,925		(2,925)			
Fire								
WSIB Pension	25,000	21,000	25,000	4,000				
Telephone	7,300	6,000	7,300	1,300				
Emergency Measures	2,189	6,000	3,000		(3,000)			
Critical Incident	0	1,000	1,000					
Education Materials/Equip	19,860	30,000	30,000					
Operations								
Traffic signs-leased property	0	260	0		(260)			
Storm sewer Maintenance	6,544	15,000	15,000					manholes failing
Driveway - materials	1,588	3,100	2,000		(1,100)			maintain budget of 2,000
Subscriptions	1,274	3,400	1,500		(1,900)			maintain budget of 1,500
Vale Rail line crossings	11,000	0	11,000	11,000				
Street lighting hydro	300,000	280,000	300,000	20,000				
License plates	12,000	8,800	12,000	3,200				
Transit								
Transfer to reserve	0	7,800	3,000		(4,800)			potential revenue for expanded service
Public Works								
Telephone	21,328	24,250	22,000		(2,250)			
Engineering								
Travel	2,246	3,040	2,300		(740)			
Office Supplies	4,883	7,175	5,000		(2,175)			
Other Materials	463	1,400	500		(900)			
Computer programs	7,537	15,000	15,000					second software package required
Contract services	228	8,000	1,000		(7,000)			
Miscellaneous	1,681	2,000	1,700		(300)			
Killaly St Environ Monitoring	18,348	24,000	20,000		(4,000)			maintain budget of 20,000
Drains								
Other Materials	176	6,000	2,000		(4,000)			maintain budget of 2,000
staff development	1,000	2,000	2,000					maintain budget of 2,000
Roselawn								
Travel	500	1,000	500		(500)			
Credit card fees	8,500	5,000	8,500	3,500				



**CITY OF PORT COLBORNE  
2014 OPERATING LEVY SUMMARY**

<b>2013 Tax Levy</b>			13,300,560	
<u>Operating Costs</u>				
Salaries/Wages/Benefits	1.46%	193,877		
Utilities/Telephone	0.79%	104,867		
Library	0.06%	8,409		
Other net costs	0.44%	58,166		
 New revenues	 -0.87%	 <u>(115,178)</u>	 <u>250,141</u>	 1.88%
 <b>2014 Operating Levy</b>			 13,550,701	
<u>Cost Reductions</u>				
Flavours of Niagara (2 day event)	-0.12%	<u>(16,000)</u>	<u>(16,000)</u>	
 <b>Revised Operating Levy</b>			 13,534,701	 1.76%
<u>Other Costs</u>				
Capital Amortization-PSAB	0.75%	100,000		
2013 Debentures - Second part of semi-annual payment	0.48%	<u>63,434</u>	<u>163,434</u>	
 <b>Operating Levy plus new debt costs and capital levy</b>			 13,698,135	 2.99%
<u>Other Unexpected Costs</u>				
Loss of Revenues	0.93%	124,000	<u>124,000</u>	0.93%
 <b>Proposed 2014 Tax Levy</b>			 <u><u>13,822,135</u></u>	 <u>3.92%</u>

**CITY OF PORT COLBORNE  
2014 BUDGET  
ONTARIO MUNICIPAL PARTNERSHIP FUND**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Community Reinvestment Fund	359,000									
Ontario Municipal Partnership Fund	1,487,430	1,593,238	1,718,315	1,718,315	1,718,315	2,377,100	2,438,600	2,446,900	2,384,000	2,345,900
Ontario Municipal Partnership Fund - New			552,800	658,785	61,500	8,300		(62,900)	(38,100)	247,300
	1,846,430	1,593,238	1,718,315	2,271,115	2,377,100	2,438,600	2,446,900	2,384,000	2,345,900	2,593,200
Funds applied to tax levy	590,000	798,000	875,706	1,718,315	1,778,315	2,438,600	2,446,900	2,384,000	2,345,900	2,345,900
Funds applied to levy during budget				504,618						
	<u>1,256,430</u>	<u>795,238</u>	842,609	552,800	94,167	0	0	0	0	247,300
- Tax Appeal Outstanding			(170,000)							
2014 recommended allocation of OMPF										(133,000)
- one time projects										(114,300)
- new capital projects										
Funds Available			672,609	552,800	94,167	0	0	0	0	0

**Recommendation**

- staff recommend that the OMPF funding at the 2013 level of \$2,345,900 be applied to the general operations budget as grant revenue for its intended purpose of assessment equalization
- staff recommend that the increased OMPF funding of \$247,300 be applied to fund the unfunded capital amortization or one time expenditures (new capital or initiatives)

CITY OF PORT COLBORNE

2014 BUDGET

FUNDING CAPITAL LEVY AMORTIZATION  
FUNDS TRANSFERRED TO CAPITAL PROJECTS

	2013 budget	2014 Est Cost	Capital Levy Funds	Reserve Funds	Fed Gas Tax	Defer Funding
Capital Replacement Requests						
Sidewalk Replacements	75,000	75,000	75,000			
Killaly St West	88,000					
	(70,000)					
Fed Gas Tax Funds	32,000					
Lions Field parallel parking	900,000	990,000	490,000		500,000	
Annual allocation	(650,000)					
Fed Gas Tax Funds	17,600	34,567	34,567			
	150,000					
3 storm sewers designed in 2011/2012	5,000	5,000	5,000			debtenture cost for roads
replinish Heritage Archives Reserve-4 yrs	5,000	5,000	5,000			funding year 3 of 4 years
Archives specialized equipment	10,000	10,000	10,000			museum lump sum \$15,000 each year
Building equip/repairs	48,000	46,000	46,000			funding year 2 of 5 years
Furnace Repair/Upgrade	35,000	5,000	5,000			per library capital budget
Annual allocation	15,000	35,000	35,000			
	300,000	300,000	300,000			10 tables-\$3,000 50 chairs-\$3,750
	6,750	6,750	6,750			
	9,000	9,000	9,000			
cultural block library/museum	10,000	9,000	9,000			
Round tables and chairs	9,000	35,000	7,000	14,000		funding year 2 of 5 years
Parking lot repairs	14,000	6,400	6,400			7,000 each for 5 parks-2 in 2013
Dock Condition study	35,000	35,000				3 options avail - varying costs \$3,200-\$6,400
Weed Harvester	35,000	47,800	47,800			defer to 2015
new solar park lighting	47,800	47,800	47,800			meet Public Health requirements
Harbourmaster Building roof replacement	28,900	28,900	28,900			meet Public Health requirements
Asphalt pathway repairs	15,000	30,000	15,000			phase over 2 yrs-repair courts and fence
Septic Tank and bed	15,000	10,000	10,000			
Septic Tank and bed	7,000	7,000	7,000			
Tennis Courts	10,000	10,000	10,000			
replace inside front doors	6,500	6,500	6,500			
replace portions of carpeting	14,000	14,000	14,000			
door security swipe pads	7,500	7,500	7,500			
front entrance hand rails	9,500	13,200	13,200			
back doors replacement	11,700	275,000	275,000			
bunker gear replacement	19,000	19,000	19,000			
air bottle replacement	2,000	50,000	50,000			\$250,000+\$25,000 debtenture in 2014/2015
replace 1990 Tanker plus equipment	24,000	24,000	24,000			asphalt replacement
Fire station 2 roof						
Annual Fire Equipment						
hydroseeding						
Spray pad pump house						
Playground fencing replacement						
roof						
furnace/AC unit						
Decorative city entrance signs						
Hamlet signs (8)						
Traffic Signal						
Flashing beacons on sign posts						
	20,000	205,000	50,000		155,000	King at Clarence rebuild/2014 Fed Gas Tax
		30,000	30,000			remove/replace 3 intersections per report
		98,235	98,235			
Total Budgeted Capital Funds	1,189,800	2,296,617	1,436,852	29,000	655,000	49,000
Future Capital Amortization			(100,000)			
Funds Available in Library capital levy			(35,000)			
Tourism EDO savings to capital levy			(147,052)			
Funds Available in capital levy			(1,154,800)			
Unallocated capital funding						

NOTE: Amortization for the City's operations capital assets amounts to \$2,820,000 of which the City levys \$1,437,000 and allocates Federal Gas Tax funds of \$535,000. The total allocation for capital amounts to \$1,972,000 with a shortfall in covering capital amortization in the amount of \$848,000.

CITY OF PORT COLBORNE

2014 BUDGET

FUNDING NEW CAPITAL PROJECTS  
FUNDS TRANSFERRED TO CAPITAL

	2014 Est Cost	OMPF Funds	Reserve Funds	Defer Funding	
New Capital Requests					
Vale Health&Wellness centre					
Scissor Lift	22,000		5,000	17,000	VHWC reserve-rent to own over 5 yrs
4 cameras in stairwells	11,000			11,000	
4 emergency exit door alarms	2,000		2,000		VHWC reserve
Computer/software in arena office to monitor cameras	2,000			2,000	
Community room improvements-sound proof blinds	7,000			7,000	PC Minor hockey grant application
Community room dividers/drop ceiling	35,000			35,000	PC Minor hockey grant application
Dressing room bench extensions	18,000		18,000		VHWC reserve
Electrical upgrade-main floor events	20,000		20,000		VHWC reserve-electrical pedestals
Heritage Resource building	15,000			15,000	Phase 2 of shelving-defered 2012
Log Cabin acquisition	20,000				Fundraising over 5 years
Archives specialized equipment	8,000			8,000	ScanPro
Tractor (rented) and beach groomer (lrg capacity)	75,000			75,000	
microphones,cameras,controller,software	60,000			60,000	live network to internet and cogeco
Phase 2	18,700	10,000			basketball court and pathway
Pathway	20,800				included in above
Various enhancements	?			?	per memo-defered 2012
Skatepark Lighting-usage	110,000			110,000	not approved-petition & request from council
Skatepark Lighting-security	32,000			32,000	not approved
Skatepark infra-red cameras	5,500	5,500			replace existing cameras & use elsewhere in City
Drains Construction	225,000				debutenture city cost with full projects
Potential new access to Lakeshore Highschool	350,000			350,000	waiting for response to Mayor's letter to the Board
Boat Storage	100,000	75,000			tractor/forklift/trailer/jib crane
WiFi system for docks	7,000	7,000			
Emergency Notification Sirens					deferred pending report from Fire chief
West St Washroom Facility	150,000	30,000			retrofit Harbourmaster building
School Zone warning flashers	18,000			18,000	for one school location-not approved
Capital reserve		(13,200)			
Total New Capital Requests	1,332,000	114,300	45,000	740,000	
OMPF Funds Available for capital		(114,300)			
Unallocated capital funding					

**CITY OF PORT COLBORNE  
FEDERAL GAS TAX REVENUES  
2014**

<b>2008/2009 Funds (net of Charlotte St project costs)</b>	204,896	
<b>2009 Funds</b>	<u>599,499</u>	
	804,395	
<b>2009 Projects</b>		
- Vehicle Replacements	350,000	completed 2010
- Michener Road Concrete Box Culvert	50,000	completed 2009
- Snider Road Drainage Basins	40,000	completed 2009
- Eagle Marsh Drain @ Scholfield (East Wall)	25,000	2013 defer to 2014
	<u>(465,000)</u>	
	339,395	
<b>2010 Funds</b>	<u>570,524</u>	
	909,919	
<b>2010 Projects</b>		
Roads	80,000	completed 2010
New Sidewalks	35,000	completed 2010
Traffic Signals	216,939	completed 2 signals 2012
Traffic Signals	104,552	2013 defer to 2014
Storm Sewer Flushing Program	50,000	completed 2010
City Hall Renovations		
Front Vestibule	30,000	completed 2012
HVAC System	85,000	completed 2011
New Roof	150,000	completed 2010
	<u>(751,491)</u>	
	158,428	
<b>2011 Funds</b>	570,524	
<b>2011 Projects</b>		
- City Hall HVAC System (Council approved Jan 10/11)	50,000	completed 2011
- Storm Sewer Infrastructure Needs Study	100,000	2013/2014
	<u>(150,000)</u>	
	578,952	
<b>2012 Funds</b>	570,524	
<b>2012 Projects</b>		
- Community Centre Project	(1,000,000)	2013
	<u>149,476</u>	
<b>2013 Funds</b>	570,524	
<b>2013 Projects</b>		
- Roads	650,000	
- Killaly St. Sidewalk	70,000	2013 defer to 2014
	<u>(720,000)</u>	
	-	
<b>2014 Funds</b>	<u>535,000</u>	
<b>2014 Funds Available</b>	<u>535,000</u>	Roads \$500,000 Traffic Signals \$35,000
<b>Projects to be completed</b>		
- Eagle Marsh Drain @ Scholfield (East Wall)	25,000	
- Storm Sewer Infrastructure Needs Study	100,000	
- Killaly St. Sidewalk	70,000	
- Traffic Signals	104,552	
- Traffic Signals (unspent funds from other projects)	15,627	
	<u>120,179</u>	
<b>Available in Reserve Fund</b>	<u>315,179</u>	

**Note: Federal Gas Tax Funds were announced to be permanent funding beyond 2014**

**CITY OF PORT COLBORNE  
2014 BUDGET  
FUNDING OUT OF RESERVES AND RESERVE FUNDS  
REDUCTION TO TAX LEVY**

Employee Benefits Reserve		
Benefits		40,000
Economic Development Reserve		
Business Retention & Expansion Project		19,500
Planning Reserve		
Official Plan/Zoning OMB (potential)		30,000
Development Charges Reserve		
Development Charges Study		30,000
Fire Salary Reserve		
Fire Dept Retirement Sick Leave		60,179
Heritage Reserve (LACAC)		
heritage projects		7,200
Federal Gas Tax Reserve		
Roads		500,000
Traffic Signals		155,000
Physician Recruitment Reserve		
Health services		12,000
Main St CIP Reserve (matured debentures)		
Main St CIP unfinanced project		153,549
VHWC Sponsorship Reserve		
VHWC Debenture		343,816
Parks Reserve		
Solar lighting in parks		14,000
Tennis courts		15,000
VHWC Capital Reserve		
Various projects		45,000
Development Charges Reserve		
Library		5,000
		<u>1,430,244</u>

**TRANSFERS INTO RESERVES  
INCLUDED IN TAX LEVY**

Elections		15,000
Drains	Maintenance	22,000
Transit	Operations	3,000
Main St CIP Reserve (matured debentures)		210,869
Museum	Replenish Heritage Archives reserve	5,000
		<u>255,869</u>

Note: Under new PSAB accounting rules Reserves are now considered surplus funds although Council can continue to track funds for the specific projects as earmarked by Council as allocated surplus (formerly reserves)



THE CORPORATION OF THE CITY OF PORT COLBORNE

BY-LAW NO. \_\_\_\_\_

**BEING A BY-LAW TO ADOPT THE ESTIMATES  
FOR THE CITY OF PORT COLBORNE  
FOR ITS OWN OPERATIONS  
FOR THE YEAR 2014**

**WHEREAS** Section 290 of The Municipal Act, 2001, as amended, provides that Council shall in each year prepare and adopt estimates of all sums required during the year for the purposes of the municipality; and

**WHEREAS** it is necessary for the Council of the Corporation of the City of Port Colborne to raise for the year 2014 certain sums; and

**WHEREAS** the Council deems it necessary to comply with Ontario Regulation 284/09, regarding budgeting using the cash basis and excluding accrued amortization and post employment benefits expenses; and

**WHEREAS** the Council of the Corporation of the City of Port Colborne during its budget deliberations considered and accepted the estimates and requirements of the municipality for the year 2014.

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY  
OF PORT COLBORNE ENACTS AS FOLLOWS:**

1. (a) (i) That the 2014 budget was developed using the cash basis and has excluded the following accrual expenses: a portion of the amortization expense which amounts to approximately \$848,000 and a portion of post employment benefits expense which amounts to approximately \$154,000.
  - (ii) That the estimates set out in Department of Community and Corporate Services, Corporate Services Division Report No. 2014-10, attached hereto and forming part of this By-law, be adopted.
  - (iii) That the summary of 2014 budget estimates on Schedule "A" be adopted.
- (b) That the estimates to be raised by levy on Schedule "A" be adopted.

**READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED THIS  
24TH DAY OF MARCH, 2014.**

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Vance Badawey  
MAYOR

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Ashley Grigg  
CITY CLERK

SCHEDULE "A"

2014 BUDGET

	<u>REVENUE</u>	<u>EXPENDITURES</u>
General Operations	7,234,808	19,594,346
Capital (Levy Funded)	843,300	2,280,152
	<hr/>	<hr/>
	8,078,108	21,874,498

Tax Levy

General Operation	12,359,538
Capital	1,436,852
Business Improvement Area-Downtown	25,000
Business Improvement Area-Main Street	10,000