City of Burlington
Summary of 2013 Key Operating Issues & Analysis (Thousands)

Description	Ref #	2013 Proposed Cost Change	City Tax Impact		Overall Tax Bill Impact *	City FTE Complement	
			Incremental	Cumulative			
City Tax Levy (e.g. starting point is the 2012 Tax Levy)		**$ 121,956**					**1121.49**
Base Budget							
Corporate Challenges	1-14	$ 3,573	2.9%			-	
Local Boards & Committees	15	$ 233	0.2%			-	
Removal of 2012 One-time Expenditure/Revenues	16	$ (0)	0.0%			(3.92)	
Operating Challenges	17-31	$ 547	0.4%			(0.25)	
Re-deployment	32	$ (8)	0.0%			(4.62)	
Operating Efficiencies	33-47	$ (1,469)	-1.2%			-	
Total Base Budget		**$ 2,875**				**(8.79)**	**1,112.70**
Base Budget Levy		**$ 124,831**		**2.3%**	**1.2%**		
Tax Bill Impact ($/100,000 Current Value Assessment (CVA))				**$8.89**	**$11.77**		
Increased Levy for Joseph Brant Memorial Hospital (JBMH)	48	$ 1,200	1.0%	3.3%	1.6%		
Total Levy (incl. Base Budget & JBMH)		**$ 126,031**		**3.3%**	**1.6%**		
Tax Bill Impact ($/100,000 CVA)				**$12.78**	**$15.66**		
Decision Making Business Cases, not included in Base Budget							
City - EBC Recommended	49-66	$ 876	0.7%	**4.0%**	**1.9%**	**8.60**	**1,121.30**
City - Transit referred to 2013 Budget	67	$ 584	0.5%	4.5%	2.1%	4.20	
City - EBC not Recommended	68-72	$ 1,043	0.9%	5.4%	2.4%	10.00	
Recommended by Local Boards						Local Boards' FTE Requests	
Burlington Public Library	73-75	$ 497	0.4%		2.6%	7.8	
Burlington Economic Development Corp	82	$ 370	0.3%		2.7%	1.0	
Burlington Performing Arts Centre	79-81	$ 357	0.3%		2.8%	2.0	
Burlington Art Centre	77-78	$ 170	0.1%		2.9%		
Burlington Museums	76	$ 7	0.0%		2.9%	0.2	
Sub-total Local Boards' Business Cases		$ 1,401	1.1%	6.5%	2.9%	11.0	

* ***Approved Region of Halton = 0.8%***
Province of Ontario (Education) = 0.0%

City of Burlington
Summary of 2013 Key Operating Issues & Analysis (Thousands)

Ref #	Base Budget Challenges	2013 Proposed Cost	2013 Tax Impact	2013 Cumulative Cost	Cumulative Change over 2012	2013 FTE Impact
	2012 City Tax Levy			**$121,956**		
	Human Resource Impacts					
1	**Wage and Salary adjustments** - Includes provision for merit adjustment/union contracts, overtime and vacation pay.	$ 1,603	1.31%	$ 123,560	1.31%	
2	**Benefits** - includes Standard Life benefit costs, Canada Pension Plan (CPP), Employment Insurance (EI), Workplace Safety & Insurance Board (WSIB), employer costs for Employee Health Tax (EHT) and other HR costs such as professional development and employee membership.	$ 493	0.40%	$ 124,052	1.72%	
3	**OMERS** - effective with the first full pay in 2013, increase by 0.9% or $551,832 (employee/employer) as a percentage of members earnings.	$ 552	0.45%	$ 124,604	2.17%	
	Sub-total Human Resource Impacts	**$ 2,648**	**2.17%**	**$ 124,604**	**2.17%**	**-**
	Inflationary Impacts					
4	**Commodity Costs** - An overall **4.0% increase** in commodity costs such as diesel, gasoline, hydro, water and wastewater. This is primarily due to increased diesel fuel prices in Transit ($157,562) & RPM ($23,470); increased hydro costs due to annualization of new lit fields ($49,366), street lighting cost increases ($98,300); partially offset by savings in natural gas.	$ 314	0.26%	$ 124,918	2.43%	
5	**Inflationary Pressures** - Through prudent measures, the overall **increase** to material & supplies and purchased services is **1.19%**.	$ 291	0.24%	$ 125,210	2.67%	
	Sub-total Inflationary Impacts	**$ 605**	**0.50%**	**$ 125,210**	**2.67%**	**-**
	Corporate Expenditure Impacts					
6	**Insurance** - The annual 2012 premium cost was $2.4 million. The 2013 proposed budget is increased by $200,000 to bring the provision to $2.4 million.	$ 200	0.16%	$ 125,410	2.83%	
7	**Provision to Contingency** to accommodate confidential Legal and Human Resources matters. As in previous years, the uncommitted balance in the Contingency Reserve is low. A $50k increase is planned to bring the provision to $1,538,445.	$ 50	0.04%	$ 125,460	2.87%	
8	**Vehicle Depreciation Reserve Fund (VDRF)** - Provision to the VDRF is forecasted to increase by 3% per year.	$ 68	0.06%	$ 125,528	2.93%	

Ref #	Base Budget Challenges	2013 Proposed Cost	2013 Tax Impact	2013 Cumulative Cost	Cumulative Change over 2012	2013 FTE Impact
9	**Decreased Provisions to Reserve Funds**	$ (111)	-0.09%	$ 125,416	2.84%	
	Sub-total Corporate Expenditure Impacts	**$ 207**	**0.17%**	**$ 125,416**	**2.84%**	**-**
	Tax Supported Capital Levies					
10	**GTA Tax Room Transfer to Capital** (0.8% levy) - In December 2007, Regional Council removed local infrastructure funding from Halton's levy ($6.1 million). Annual saving to the Region is equivalent to approximately a 1% tax reduction. The 2013 incremental increase has been calculated by using Burlington's share of the total Regional Weighted Assessment for 2012. Note that the 2013 capital budget and forecast is based on these amounts. This is the final year for the GTA Tax Room.	$ 910	0.75%	$ 126,326	3.58%	
11	**Dedicated Infrastructure Renewal Capital Levy** (0.5% levy) - Over the years, the dedicated infrastructure levy has provided additional funding to the capital program for renewal.	$ 610	0.50%	$ 126,936	4.08%	
	Sub-total Tax Supported Capital Levies	**$ 1,520**	**1.25%**	**$ 126,936**	**4.08%**	**-**
	Revenue Impacts					
12	**Assessment Growth** (0.87%)	$ (1,060)	-0.87%	$ 125,876	3.21%	
13	**Investment Income** - Increase in investment income anticipated with recent change to investment policy.	$ (100)	-0.08%	$ 125,776	3.13%	
14	**Increased general revenues and recoveries** i.e. tenant lease revenue ($143,455), Ice Rentals ($40,826), Ice Rental Surcharge ($40,322) and Building Permit Revenues ($69,760), which are partially offset by decreases (i.e. Catering Revenues for $94,047)	$ (247)	-0.20%	$ 125,529	2.93%	
	Sub-total Revenue Impacts	**$ (1,407)**	**-1.15%**	**$ 125,529**	**2.93%**	**-**
	Local Boards & Committees					
15	A year-over-year increase of 2.0% is provided for local boards and committees.	$ 233	0.19%	$ 125,762	3.12%	
	Sub-total Local Boards & Committees	**$ 233**	**0.19%**	**$ 125,762**	**3.12%**	**-**
	One-time Expenditures					
16	Removal of 2012 One-time Expenditures and One-time Revenues (net zero impact)	$ (0)	0.00%	$ 125,762	3.12%	(3.92)
	Sub-total Removal of 2012 One-time Expenditures and One-time Revenues	**$ (0)**	**0.00%**	**$ 125,762**	**3.12%**	**(3.92)**

Ref #	Base Budget Challenges	2013 Proposed Cost	2013 Tax Impact	2013 Cumulative Cost	Cumulative Change over 2012	2013 FTE Impact
	Operating Challenges					
17	**E-Government facility rental & communications** for 2013-2015 ($55k per year for 3 years) (**one-time expenditure**)	$ 165	0.14%	$ 125,927	3.26%	
18	**Reduced Parking Fine Revenue (Volume)** - fewer violations observed, greater use of education/courtesy notices, and increased use of exemptions from 3 hour limit	$ 95	0.08%	$ 126,022	3.33%	
19	**Schools** - increase in custodial and rental rates for board properties, including a 5% increase beginning September 2013 and new overtime costs for HCDSB on Saturdays.	$ 83	0.07%	$ 126,105	3.40%	
20	**Snow removal** contract service responsibilities of facility parking lots shifted from RPM to P&R.	$ 68	0.06%	$ 126,173	3.46%	
21	**Network Fibre Services/Provision of network connectivity** for user access to applications and data. (Report ITS-01-12)	$ 58	0.05%	$ 126,231	3.51%	
22	Increase in **vacancy rebates** to reflect 4-year rolling average.	$ 50	0.04%	$ 126,281	3.55%	
23	Increase in **external services** related to Monthly Equipment Technical Support Charges per Metrolinx Operating Agreement.	$ 45	0.04%	$ 126,326	3.58%	
24	Reduction in **Handi-Van fare revenues** as a result of the implementation of Fare Parity effective January 1, 2013 (Report TR-07-12)	$ 41	0.03%	$ 126,367	3.62%	
25	Increase in **Business Applications Annual Maintenance and Support**	$ 30	0.02%	$ 126,397	3.64%	
26	Increase to annual **vehicle licensing costs.**	$ 23	0.02%	$ 126,420	3.66%	
27	**Parking District:**	$ 16	0.01%	$ 134,585	10.36%	
a	Increased **Provision to Parking District Reserve Fund** ($1,078,884)					
b	**Charge for enforcement & staff time**					
c	Reduced Revenue (Volume) of **Parking Fines**					
d	Increase in **Parking Levy**					
e	Increase in **Parking Revenues** (rental revenue plus daily parking revenues)					
f	Reduced **Debt charges** for existing parking garage					
28	Remove recovery from Capital for **Business Process Co-ordinator** contract position in Transit which ended March 31, 2012.	$ 16	0.01%	$ 126,451	3.69%	(0.25)

Ref #	Base Budget Challenges	2013 Proposed Cost	2013 Tax Impact	2013 Cumulative Cost	Cumulative Change over 2012	2013 FTE Impact
29	**Burlington Teen Tour Band** - To provide annual funding for the BTTB's travel expenses in their 'trip' year (every second year), without the need to request a one time business case.	$ 15	0.01%	$ 126,466	3.70%	
30	New costs for **Health and Safety** to meet Ministry of Labour standards/requirements at facilities (building and electrical codes).	$ 10	0.01%	$ 126,476	3.71%	
31	Transfer from the **Tax Rate Stabilization Reserve Fund**	$ (168)	-0.14%	$ 126,308	3.57%	
32	**Redeployment -** Realignment of FTEs to other priority areas	$ (8)	-0.01%	$ 126,300	3.56%	(4.62)
Sub-total of Operating Challenges		**$ 538**	**0.44%**	**$ 126,300**	**3.56%**	**(4.87)**
Sub-total of Base Budget Challenges (Items 1 thru 32)		**$ 4,344**	**3.56%**	**$ 126,300**	**3.56%**	**(8.79)**

City of Burlington
Summary of 2013 Key Operating Issues & Analysis (Thousands)

Ref #	Base Budget Efficiencies	2013 Proposed Cost	2013 Tax Impact	2013 Cumulative Cost	Cumulative Change over 2012	2013 FTE Impact
33	Reduced **leaf disposal costs**, due to construction of decanting pad with storm sewer system at the Operations Centre.	$ (5)	0.00%	$ 126,295	3.56%	
34	Proposed increase to Engineering's department **vehicle recovery rate** to offset increase in annual maintenance for repair costs to vehicles.	$ (7)	-0.01%	$ 126,288	3.55%	
35	Proposed increase to **Engineering rates & fees** - 2% increase for trench excavation permits and driveway modification permits and increase in permit volume.	$ (7)	-0.01%	$ 126,281	3.55%	
36	Increase in **Payment-in-Lieu** of taxes	$ (18)	-0.01%	$ 126,263	3.53%	
37	Increased **recoveries** from Halton Court Services (POA)	$ (20)	-0.02%	$ 126,243	3.52%	
38	**Reduced School Crossing Guard Mileage** - Eliminate mileage payment to school crossing guards for the first and last trip of the day (annualization of 2012 budget decision)	$ (23)	-0.02%	$ 126,220	3.50%	
39	Reduced **Debt charges** for 414 Locust (tenant space)	$ (24)	-0.02%	$ 126,196	3.48%	
40	Reduction in **Equipment Parts & Supplies for conventional transit vehicle maintenance**. Savings ($39.000) resulting from participation in the Metrolinx Joint Parts Procurement Project, offset by increase ($3.000) for out-of-warranty repairs for PRESTO devices.	$ (36)	-0.03%	$ 126,160	3.45%	
41	**Bell Service requirement**s are reduced as a result of the new phone system	$ (40)	-0.03%	$ 126,120	3.41%	
42	Corporate reduction in **general office expenses**	$ (92)	-0.08%	$ 126,029	3.34%	
43	Reduction in allocation for **Strategic Plan implementation** to $300,000	$ (100)	-0.08%	$ 125,929	3.26%	
44	Increased recoveries under **Region Road Maintenance Agreement**	$ (118)	-0.10%	$ 125,811	3.16%	
45	Increase in **Rental and Programming Revenue** (Registrations and Memberships) due to overall increase in registration and membership sales as a result of a variety of rates and fees increases, ranging from 1-5%, depending on what the market will bear, plus additional revenue related to agreement between City and the tenant at Discovery Landing (exclusive use of the Observatory).	$ (269)	-0.22%	$ 125,541	2.94%	

Ref #	Base Budget Efficiencies	2013 Proposed Cost	2013 Tax Impact	2013 Cumulative Cost	Cumulative Change over 2012	2013 FTE Impact
46	Increased **transit fare and charter revenues -** PRESTO ($244.000) and GFI ($56.000) attributed to increased ridership (5.4% increase in 2013) plus increased transit charter revenues ($10,000).	$ (312)	-0.26%	$ 125,229	2.68%	
47	Increased **Planning & Building revenues** i.e. Site Plan Application fees ($178,000), General Licencing fees ($47,280), Committee of Adjustment applications ($30,000), Sign Permit Revenues ($52,789) and Zoning/Grading/Drainage ($35,000).	$ (398)	-0.33%	$ 124,831	2.36%	
Sub-total Identified Base Budget Efficiencies		**$ (1,469)**	**-1.20%**	**$ 124,831**	**2.36%**	**-**
Sub-total of Items 1 thru 47		**$ 2,875**	**2.36%**	**$ 124,831**	**2.36%**	**(8.79)**

City of Burlington
Summary of 2013 Key Operating Issues & Analysis (Thousands)

Ref #	Decision Making Business Cases	2013 Proposed Cost	2013 Tax Impact	2013 Cumulative Cost	Cumulative Change over 2012	2013 FTE Impact
	Business Cases Included in the 2013 Proposed Budget					
48	**Contribution to the Joseph Brant Memorial Hospital** - Increase Hospital levy by $1.2M in 2013 to $3.6M (RPM-09-02)	$ 1,200	0.98%	$ 126,031	3.34%	
49	**Risk & Consulting Services -** 3 contract positions for 3 years to implement the service management framework throughout the corporation (one-time expenditure)	$ 909	0.75%	$ 126,940	4.09%	3.00
50	Reduction in **supplementary taxes** by $400,000 to $1.35 million to reflect 2012 actuals and 10 year history of current year revenues.	$ 400	0.33%	$ 127,340	4.41%	
51	**Alton Community Centre** - Resources required by Parks and Recreation for the new Alton Community Centre effective September 2013. The Halton District School Board, Burlington Public Library and City of Burlington jointly formed a partnership to build the Alton Centre, scheduled to open in September 2013. By combining facilities and sharing resources, the partners were able to enhance the scope and quality of services and programming and produce operational synergies and efficiencies.	$ 324	0.27%	$ 127,664	4.68%	4.60
52	**Leadership Training** - Partnership with the DeGroote School of Business to provide a Municipal Management Program	$ 160	0.13%	$ 127,824	4.81%	
53	Further increase to **insurance provision** to accommodate premium increase (refer to key issue 6)	$ 100	0.08%	$ 127,924	4.89%	
54	Maintaining and Growing the Success of **Burlington's Sound of Music Festival** (increase from $54,101 to $91,101)	$ 37	0.03%	$ 127,961	4.92%	
55	Addition of **Intermediate Designer** position to assist with cost estimating and delivery of the Capital Program. (One time expenditure of $3,700 for workstation and computer)	$ 17	0.01%	$ 127,978	4.94%	1.00
56	**Burlington Teen Tour Band** – Ireland Tour 2013 - Request for band staff and support personnel to travel with the Burlington Teen Tour Band to Ireland in March of 2013. (one-time expenditure) (refer to key issue 29)	$ 15	0.01%	$ 127,993	4.95%	
57	**Safety inspections -** at grade railway crossings (3 locations) required to meet the changes in the Transport Canada Rail Safety Regulations. (one-time expenditure)	$ 15	0.01%	$ 128,008	4.96%	

Ref #	Decision Making Business Cases	2013 Proposed Cost	2013 Tax Impact	2013 Cumulative Cost	Cumulative Change over 2012	2013 FTE Impact
58	**Growth in assets**, including road markings and sidewalks. Resources necessary to maintain the existing levels of service for road markings in the Alton Community and 30.7 kilometres of sidewalk.	$ 13	0.01%	$ 128,020	4.97%	
59	**Ontario One Call Agreement** - In June 2012, the Province of Ontario passed legislation requiring municipalities to join Ontario One Call, in order to provide a single point of contact for all underground infrastructure. The city will be required to pay a unit fee each time a person calls Ontario One Call, as it is the owner of underground storm sewers, traffic signal and street lighting conduits. Costs to perform the locates are in addition to these fees.	$ 12	0.01%	$ 128,032	4.98%	
60	Reduction of $230,000 in provision to **Railway Crossing Reserve Fund** offset by an increase in provision to Reserve Fund for **Randle Reef** ($230k per year for 10 years). (DI-1-12-1)	$ -	0.00%	$ 128,032	4.98%	
61	Removal of **portable washrooms** from Kerncliffe, Kerns, Burloak and LaSalle Parks.	$ (11)	-0.01%	$ 128,021	4.97%	
62	Conversion of approximately 10% of passive **Park** areas to **naturalized areas**.	$ (24)	-0.02%	$ 127,997	4.95%	
63	**Sidewalk Plowing** - Level of Service reduction for plowing of local sidewalks to match the service level of local road plowing. Sidewalk plowing would not commence until accumulation reachs three inches (from present level of service at two inches).	$ (31)	-0.03%	$ 127,966	4.93%	
64	**Elimination of Taxi Scrip Program for Handi-Van -** savings of ($71.500) in expenditures offset by reduction of revenues ($45.000). Given BT's fleet is now 100% fully accessible, ambulatory passengers can use conventional transit services. Consistency of services impact related to Fare Parity (TR-07-12) effective January 1, 2013.	$ (27)	-0.02%	$ 127,940	4.91%	
65	**Elimination of Auxiliary Taxi (overflow) for Handi-Van** - savings of $90.000. Given BT's fleet is now 100% fully accessible, ambulatory passengers can utilize conventional transit services. Requests for service will continue to be prioritized based on medical appointments and discretionary trips. Consistency of services impact related to Fare Parity (TR-07-12) effective January 1, 2013.	$ (90)	-0.07%	$ 127,850	4.83%	
66	Transfer from the **Tax Rate Stabilization Reserve Fund**	$ (942)	-0.77%	$ 126,907	4.06%	
Sub-total Business Cases Included in the 2013 Proposed Budget		**$ 2,076**	**1.70%**	**$ 126,907**	**4.06%**	**8.60**
Total of Items 1 thru 66		**$ 4,951**	**4.06%**	**$ 126,907**	**4.06%**	**(0.19)**