

*Town of Ingersoll*  
**2010 Draft Budget**  
Budget Highlights

March 22nd Meeting  
**HIGHLIGHTS**

**1** Factors that have affected this year's levy are as follows:

(a)	Reduced OMPF funding to be received in 2010 \$273,000	3.1%
(b)	Infrastructure Debenture Debt Charges - Increase \$230,700	2.6%
(c)	Trsf to Gas Tax Reserve omitted in 2009 budget - \$357,000	4.0%
(d)	Pay Equity increases - \$96,000	1.1%
(e)	Cost of Living Increases - CPI index 1.3%	1.0%
(f)	Staff Additions in 2009 - annualized for 2010 - \$85,000	1.0%
(g)	OPP Contract (2% increase \$51,000) - impact on levy	0.6%
	<b>Total</b>	<u><u>13.4%</u></u>

Note : 1% Levy = \$90,000

**2** The first DRAFT budget came in at 15.2% levy increase (after growth).

**NOTES** The 2010 Departmental Budget Cut sheets attached (*see package A*) summarize the budget cuts (approx \$270,000) that were made by each Department in attempt to arrive at a 0% increase within their respective departments and resulted in the first DRAFT budget submission of 15.2% (after growth) levy increase for 2010.

It should also be noted that the first DRAFT budget submission at 15.2% levy increase included a 0% increase for all Non-Union Salaries. However, this budget included a 3% increase to Union Salaries.

A 3% increase in salaries for all Non-Union employees would represent a 1.5% levy increase

In addition Dept Heads were asked to absorb all increases resulting from Pay Equity within their respective budgets ie: Parks & Rec financed all their Pay Equity increases within their current budget to arrive at 0% impact on their 2010 budget.

**3** Staff were requested to make additional cuts and these are summarized on the attached 2010 Budget Review (see package B) to arrive at a budget submission of 4.6% levy increase for 2010

Additional Budget cuts are summarized as follows:

Net Operational Reductions	\$449,388
Net Capital Reductions	<u>\$450,273</u>
Total Additional Reductions	<u><u>\$899,661</u></u>
Net Levy (before Assessment Growth)	5.6%
Assessment Growth (expressed as a % of Levy)	<u>1.0%</u>
<u>Net Levy Increase</u>	<u><u>4.6%</u></u>

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<b>4</b>	A net Levy increase (after growth) of <u>4.6%</u> on an average residential property assessed at \$205,000 will realize an annual tax decrease of <u>(\$4.09)</u> -0.3% over 2009 residential property taxes		
	Average Value	Taxes	
	Residence 2010	\$205,000	\$1,579.81
	Residence 2009	\$205,000	\$1,583.90
	Net Levy Decrease 2010	<u>(\$4.09)</u>	-0.3%

**NOTE:**

Even after an increase in the 2010 levy of 4.6%, there is a reduction in Residential Taxes of -0.3% resulting from Year 2 of the 4 year "Phase In" of the CVA (*Current Value Assessment*) on Residential Assessments. This CVA "Phase In" will cause an increase in the annual Residential Assessment through to 2012 and therefore will cause a reduced Residential Tax Rate. This will continue for the next two years until all Residential properties reach their CVA level.

Most Residential properties may not realize a decrease if their property was subject to the 4 year CVA "Phase In" in 2009.

The Residential TAX RATE decreased from .772636% (2009) to .770641% (2010) or (.1995%)

In other words, if a property owner's residential assessment does not change in 2010 from the 2009 assessment then that property owner will experience a decrease of 0.3% in taxes due to the reduced Residential Tax Rate for 2010.

**5** The 2010 Capital Budget is attached (see package C) and reflects a total of \$742,225 from levy to finance 2010 Capital Projects totalling \$6,335,305. This represents a levy increase of 0.27%, \$23,255 over 2009.

However, please note that if the reallocation of Mill funds is approved then this will decrease the total levy amount by \$300,000 to \$442,225 which would represent a decrease of 3.26% (\$276,745) over 2009. This is noted in the 2010 Budget Review (package B) in the list of proposed cuts to Capital

The balance of financing the 2010 Capital will come from Debentures, Other Grants and from Reserves and Reserve Funds as summarized below.

Total 2010 Capital Projects	<b>\$6,335,305</b>	
<u>Sources of Financing</u>		
2010 Levy	\$742,225	<i>(still subject to Mill reallocation of funds \$300K)</i>
Debentures	\$1,422,830	
Other Grants	\$3,288,210	
Reserves/Res Fds	\$882,040	
	<b>\$6,335,305</b>	

Please be advised that the 5 Year Capital Forecast will be presented to Council at a future Council meeting.

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6 The 2010 Budget Submission includes the following transfers to and from Reserves;

<u>OPERATING BUDGET</u>	<u>TO</u>	<u>FROM</u>	<u>NET</u>
Public Works	\$219,905		
Engineering - Roads	\$50,000	\$43,800	
Engineering - Bridges	\$25,000		
Gas Tax Subsidy	\$360,738		
IT Hardware	\$20,000		
Fire Dept	\$107,516		
Para Transit		\$7,200	
Parks Ice Fees	\$19,210		
Cultural Arts		\$8,000	
Museum	\$30,000	\$2,370	
Election		\$37,000	
Police Facility	\$15,000		
Building Dept	\$10,000		
	\$857,369	\$98,370	\$758,999

<u>CAPITAL BUDGET</u>	<u>TO</u>	<u>FROM</u>	<u>NET</u>
Public Works		\$191,840	
Gas Tax Subsidy		\$511,700	
IT Hardware		\$22,700	
Fire Dept		\$113,000	
Para Transit		\$10,800	
Museum		\$17,000	
Building Dept		\$10,000	
Economic Development		\$5,000	
	\$0	\$882,040	(\$882,040)

<b>NET OPERATING &amp; CAPITAL</b>	<b>\$857,369</b>	<b>\$980,410</b>	<b>(\$123,041)</b>
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**7 GRANTS TO VOLUNTARY ORGANIZATIONS**

Please be advised that this budget includes a 0% increase over the 2009 budget for Grants to Voluntary Organizations of \$81,350

Requests have been made from various organizations for the 2010 allotment of Grants but Council still needs to review and approve the 2010 Grants, the requests are summarized as follows;

**Town of Ingersoll  
Grants to Voluntary Organizations  
2010 Budget**

#	AGENCY	Actual Grant 2009	Requested 2010	Incr / (Decr)
1	Rotary Club - Christmas Parade	\$3,000	\$3,000	\$0
2	Camp Hope <b>(subject to review)</b>	\$12,000	\$15,000	\$3,000
3	Canterbury Folk Festival	\$15,670	\$12,000	-\$3,670
4	Harvest Run	\$500	\$1,000	\$500
5	Big Brothes & Sisters	\$5,000	\$5,000	\$0
6	Big Brothes & Sisters - Bowling		\$250	\$250
7	Block Parents	\$2,000	\$2,000	\$0
8	Ingersoll Services for Seniors	\$25,000	\$30,000	\$5,000
9	Ingersoll Library	\$500	\$1,000	\$500
10	Royal Canadian Legion	\$2,865	\$2,900	\$35
11	Lions Club	\$1,730	\$1,760	\$30
12	Oxford Community Child Care	\$2,712	\$2,750	\$38
13	Ingersoll Masonic Temple	\$0	\$4,150	\$4,150
14	Project Linus Ingersoll Chapter	\$0	\$1,000	\$1,000
15	Operation Sharing	\$0	\$12,000	\$12,000
16	Recreation Trails Committee	\$10,000	\$0	-\$10,000
17	Royal Canadian Legion	\$400	\$0	-\$400
18	Youth Leadership Seminar	\$500	\$0	-\$500
19	Unallocated - 2009 budget \$3200		\$3,200	\$3,200
		<b>\$81,877</b>	<b>\$97,010</b>	<b>\$15,133</b>
	Chk - Account #04-0100-113 Actual	\$81,877	chk	\$15,133
20	Add Ingersoll Pipe Band trsf from 04-0100-102 as should be Grants	\$1,000	\$1,000	\$0
		<b>\$82,877</b>	<b>\$98,010</b>	<b>\$15,133</b>