

**County of Prince Edward  
2010 Budget Update and Cost Savings Proposals  
March 2, 2010**

At the February 2<sup>nd</sup> and February 4<sup>th</sup> Budget Meetings the 1<sup>st</sup> draft of the 2010 Operating Budget and the 2<sup>nd</sup> draft of the Capital Budget were presented. The following is a summary of the tax levy increase resulting from the draft Budgets presented:

Net to be Raised- Draft 1 Operating Budget & Draft 2 Capital Budget	<u>24,732,783</u>
2009 Tax Levy	22,766,013
2010 Taxes to be raised - Real Growth	<u>378,858</u>
2010 Tax Levy with no Tax Increase	<u>23,144,871</u>
Tax Levy Increase required to fund draft budget	6.86%

Council provided staff with direction to find budget reductions and efficiencies that would result in a tax levy increase in 2010 of less than 4%. To reach this target a number of line item reductions and potential solutions have been identified. With the approval of these reductions and solutions a Tax Levy Increase of 4.13% can be achieved. Additional savings can be achieved if pending Budget Enhancements, Community Grants and Capital Spending are reduced.

Schedule 1 "2010 Budget- Pressures and Cost Savings Summary" provides the significant Budget Pressures, Potential Solutions, Budget Enhancements, Community Grants and Budget Enhancements Postponed/Abandoned that are currently pending. The items are numbered and the item amount and the percentage that amount equals based on the 2010 Tax Levy with no Tax Increase (\$23,144,868). The summary also provides the cumulative effect of these items on the budget and the cumulative change expressed as a percentage. The last column provides the effect on Full Time Equivalent (FTE) if applicable. The items provided in the Summary can be summarized as follows:

	\$	Impact on 2010 Tax Levy
2010 Tax Levy with no Tax Increase	23,144,868	0.00%
Budget Pressures	1,587,915	6.86%
Potential Solutions	(873,326)	-3.77%
Budget Enhancements	190,936	0.82%
Community Grants	51,300	0.22%
Grand Total	<u>24,101,693</u>	<u>4.13%</u>
Budget Enhancements Postponed/Abandoned	<u>16,000</u>	<u>0.07%</u>

Schedule 2 "2010 Budget- Pressures and Cost Savings Description" provides additional explanation of the line item reductions and potential solutions. The following is an overview of the Schedules and the budget items.

**Budget Pressures** **\$1,587,915**

As previously discussed the 2010 Budget is facing significant Budget Pressures. The major pressures include decreased OMPF funding, increased OPP contract costs, additional positions, COLA, step and employee benefit increases, election costs, additional debt servicing, etc (identified on Schedule 1).

**Potential Solutions & Adjustments** **\$(873,326)**

If all solutions & adjustments are adopted a savings of \$880,876 can be achieved for the 2010 Budget. The Potential Solutions & Adjustments can be divided into three categories- Operating Budget Line Item Reductions, Capital Funding from sources other than the Tax Levy and Capital Spending reductions, and other.

**Operating Budget Line Item Reductions**

Commissioners and managers have identified a number of budget lines that can be reduced. All departments conducted a line by line review of their budgets to include reviewing all lines that were under spent by more than \$500 in 2009 and an overall review with the goal to reduce expenditures without adversely effecting service levels.

The line item reductions total \$241,211 and the individual amounts and lines affected are listed as items 26 through 48 on Schedule 1.

**Other**

Item 49 – Combining By-law and Canine Services. A report will be coming to Council recommending the combining of these two departments. The savings is related to reduced wages.

Item 50 – Library Transfer adjustment. The Library Board has requested a transfer in 2010 that represents a 7.3% increase versus 2009. The \$24,000 savings is a result of restricting this increase to 4.0%.

Item 51 – Regent Theatre 2010 Capital Grant. The Regent Theatre does not require the Capital Grant until 2011. This item has been removed and will be included in the 2011 Budget.

Item 52 – Ridge Road Aggregates funding of Debt Servicing. The \$157,618 of debt servicing for the Ridge Road Aggregates purchase was to come from aggregate sales and charges for County use of materials. In the 2010 Budget \$49,000 for Sale of Aggregates and \$175,000 for County use of materials is being transferred to the Pits and Quarries Reserve. This item will transfer an amount equal to the debt servicing requirements from reserves to offset the debt service charges. The net effect in the 2010 Budget is that the debt service payment will be funded from aggregate sales and usage and Reserves will increase by \$66,000.

Item 53 – Corporate Expense Allocation to Water & Waste Water Services: Currently there is no charge to Water & Waste Water Services for Corporate Service functions to include processing customer payments, assistance with collections, accounts payable, payroll, human resources, IT assistance and other administrative functions. In 2010 it is proposed that a portion of these costs be recovered by charging \$150,000 to Water and Waste Water Services.

Item 54 - Election Cost Funding. In 2010 the election is budgeted to cost \$149,365. \$20,000 has been transferred to Reserves in 2007, 2008 and 2009 resulting in a net expense of \$89,365 in 2010. This is an increase of \$69,365 versus 2009 Budget. It is appropriate to spread the cost equally over the past four years. A transfer from Contingencies Reserve is recommended in 2010 in the amount of \$52,000 to spread this cost. This is calculated as follows:

	Budgeted Expense	Transfer from Contingencies	"Adjusted" Expense
2010	89,305	(52,000)	37,305
2009	20,000	17,333	37,333
2008	20,000	17,333	37,333
2007	20,000	17,334	37,334

Item 55 – PELASS 2009 Surplus Distribution. Prince Edward Lennox & Addington Social Services estimates that there will be a \$65,000 surplus in 2009 to be distributed in 2010. It is recommended that this distribution be used to offset Social Services costs in 2010.

### Capital

Item 56 - Apply Community Hall Reserves to Capital Projects. There are Reserve amounts available to partially fund two Capital Projects that are to be funded from the Tax Levy. The details are as follows:

Project	Project #	Project Cost	Fund from Reserves	"Net" To Be Funded from Tax Levy
Mount Tabor entrances & parking lot	RPC 2010-002	12,000	(4,997)	7,003
Picton Town Hall new roof	RPC 2010-009	18,000	(3,500)	14,500
<b>TOTAL</b>		<b>30,000</b>	<b>(8,497)</b>	<b>21,503</b>

Item 57 – Crystal Palace Roof: The Crystal Palace Roof repairs project (RPC 2010-003) has been postponed as additional investigation of other roof deficiencies are required prior to proceeding.

Item 58 - Public Works Roof Projects – Fund from Carry Forward. In 2009 \$55,000 was contributed to reserves as a carry forward to re-shingle the Sandy Hook Dome. This project is not proceeding in 2010 and these funds are available for the Ameliasburgh Garage – Roof (PW2010-032) and Lake Street Garage – Roof (PW2010-033) with project costs of \$20,000 and \$48,000 respectively.

Item 59 - Apply Remaining Investing in Ontario Funding - 2010 Capital Projects. Currently \$70,000 of Investing in Ontario Funding remains unspent or uncommitted. It is recommended that these funds be used to fund the purchase of the Fire Department’s Rescue Van (\$65,000) and Bunker Suits (\$5,000).

**Budget Enhancements \$190,936**

If all budget enhancements are adopted the 2010 Budget will increase by \$190,936. Most of the budget enhancement items were reviewed at the February 2nd and 4<sup>th</sup> budget meetings. The Request for Operating Budget Enhancements are filed in the budget binder by commission. Some budget enhancements previously presented have been abandoned or postponed. These items are listed under Budget Enhancements Abandoned/Postponed. The following is an explanation of the items that have not been previously presented as budget enhancements.

Item 65 - Apply Community Hall Reserves to Budget Enhancements. There are Reserve amounts available to partially fund four of the community hall budget enhancements. The details are as follows:

Project	Enhancement #	Project Cost	Fund from Reserves	"Net" To Be Funded from Tax Levy
RPC- Athol Town Hall	RPC BE 002	6,000	(3,500)	2,500
RPC- Bloomfield Town Hall	RPC BE 003	4,200	(3,500)	700
RPC- South Marysburgh Town Hall	RPC BE 009	4,500	(2,670)	1,830
RPC- Sophiasburgh Town Hall	RPC BE 010	4,000	(3,500)	500
<b>TOTAL</b>		<b>18,700</b>	<b>(13,170)</b>	<b>5,530</b>

Item 71 - W & WW Staffing (PW BE 002)- Not Funded from Tax Levy. Water and Waste Water is “user paid” so the approval of Item 70 will not impact the tax levy.

Item 76 – Addition to Capital Budget for Priority Projects: The following projects were added to the Capital Project Priority list and result in a tax levy increase of \$90,000. The following projects were moved to approved projects (reductions) or are new projects added to the Priority Project list:

Project	Project #	Project Cost
McFarland Home - Gas Dryer	CS 2010-012	(4,300)
McFarland Home - Heat Seal Unit	CS 2010-015	(1,900)
Picton Branch Structural Mtce	LB 2010-001	66,200
IT - Workstation Replacement Plan	CS 2010-016	30,000
		<u>90,000</u>

**Budget Enhancements Postponed/Abandoned**

**\$16,000**

Four budget enhancements have been abandoned or postponed by staff. Item 78 is a reduction to Item 64.

**Tax Levy**

The following is a summary of the tax levy increase based on the draft Budget:

Net to be Raised after the Budget has been adjusted for the items contained in the summary: 24,101,693

2010 Tax Levy with no Tax Increase 23,144,871

Tax Levy Increase required to fund draft budget 4.13%

In 2009 the tax rate (Residential) for municipal purposes was 0.00930558. To raise the 2010 tax levy required to fund the 2010 Draft Budget (as at Mar 2, 2010 a tax rate for municipal purposes of 0.00904652 is required- a 2.8% reduction in the residential tax rate versus 2009.

The following is the potential municipal tax impact on a residential property:

2009 Assessment	100,000	150,000	200,000	250,000	300,000
2010 Assessment (adjusted for average residential CVA increase)	107,396	161,095	214,793	268,491	322,189

2009 Municipal Taxes	930.56	1,395.84	1,861.12	2,326.40	2,791.67
2010 Municipal Taxes	971.56	1,457.35	1,943.13	2,428.91	2,914.69

Increased Annual Municipal Taxes	41.00	61.51	82.01	102.51	123.02
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The 2010 Education Tax Rate has not been announced.

**Conclusion**

The 2010 Draft Budget as presented requires a municipal tax levy in the amount of \$24,101,693 an increase of 4.13% after adjusting for 2009 assessment growth. Residential tax rates would decrease 2.8% versus 2009.

Respectfully submitted,



James Hepburn  
Treasurer  
1-Mar-10

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M. Susan Turnbull  
Commissioner of Corporate Services and Finance

County of Prince Edward

2010 Budget- Pressures and Cost Savings Summary

As at February 23, 2010

S:\Corporate Services\2010 Budget\Pressures and Cost Savings\[Pressures & Cost Savings.xls]Reference

<u>Budget Item</u>	<u>Item #</u>	<u>2010 Cost / (Savings)</u>	<u>2010 Tax Levy Impact</u>	<u>2010 Cumulative Cost</u>	<u>2010 Cumulative Change</u>	<u>2010 FTE Impact</u>
<b>2009 Net to be Raised</b>						
Operating Revenues				(23,600,908)		
Operating Expenditures				<u>45,831,654</u>		
Operating Budget				22,230,746		
Capital Budget				<u>535,264</u>		
<b>2009 Tax Levy</b>				<b>22,766,010</b>		
<b>2010 Real Assessment Growth</b>				<u>378,858</u>		
<b>2010 Tax Levy with no Tax Increase</b>			<b>0.00%</b>	<b>23,144,868</b>		

Budget Pressures

CS- OMPF Additional Assistance Grant	1	744,800	3.22%	23,889,668	3.22%	
CS- OMPF Assessment Equalization Grant	2	228,800	0.99%	24,118,468	4.21%	
CS- Social Services- Net	3	(111,020)	-0.48%	24,007,448	3.73%	
CS- Police Services/OPP Contract	4	159,585	0.69%	24,167,033	4.42%	
CS- Election Cost Increase	5	69,365	0.30%	24,236,398	4.72%	
CS- Fire Dept/Capital Shift	6	70,000	0.30%	24,306,398	5.02%	
CS- Fire Dept/Master Fire Plan	7	25,000	0.11%	24,331,398	5.13%	
CS- Fire Dept Training Wages	8	61,000	0.26%	24,392,398	5.39%	
ALL- GIS Position & Costs	9	125,000	0.54%	24,517,398	5.93%	1.0
ALL- Insurance	10	40,000	0.17%	24,557,398	6.10%	
ALL- Wage & Benefit Increases	11	310,000	1.34%	24,867,398	7.44%	
PL - Fee Revenue Decrease	12	62,500	0.27%	24,929,898	7.71%	
PL - Wages Fully Funded	13	53,750	0.23%	24,983,648	7.94%	0.5
PL- Coyote/Wolf Compensation Prog	14	30,000	0.13%	25,013,648	8.07%	

SCHEDULE 1 – PAGE 2

Budget Item	Item #	2010 Cost / (Savings)	2010 Tax Levy Impact	2010 Cumulative Cost	2010 Cumulative Change	2010 FTE Impact
RPC- Grants to Others	15	(24,000)	-0.10%	24,989,648	7.97%	
RPC- Rent & Renovations	16	(23,100)	-0.10%	24,966,548	7.87%	
RPC- Community Halls/Ameliasburgh	17	20,800	0.09%	24,987,348	7.96%	
RPC- Museums/Capital Shift	18	25,000	0.11%	25,012,348	8.07%	
RPC-Library	19	59,600	0.26%	25,071,948	8.33%	
PW-Additional Gov't Revenue (aggregate fees)	20	(53,400)	-0.23%	25,018,548	8.10%	
PW- Engineers Office Cost Recovery	21	(185,000)	-0.80%	24,833,548	7.30%	
PW- Additional Debt Servicing	22	227,720	0.98%	25,061,268	8.28%	
Capital - Capital Reduction/Shift to Operating	23	(162,600)	-0.70%	24,898,668	7.58%	
ALL- Unidentified Increases (<\$20,000 individually)	24	212,973	0.92%	25,111,641	8.50%	
Growth Adjustment	25	(378,858)	-1.64%	24,732,783	6.86%	
			0.00%	24,732,783	6.86%	
<b>Total Budget Pressures</b>		<b>1,587,915</b>	<b>6.86%</b>	<b>24,732,783</b>	<b>6.86%</b>	<b>1.5</b>

**Budget Item**

Potential Solutions and Adjustments	Item #	2010 Cost / (Savings)	2010 Tax Levy Impact	2010 Cumulative Cost	2010 Cumulative Change	2010 FTE Impact
Council - Budget Reductions	26	(7,600)	-0.03%	24,725,183	6.83%	
PL - Planning Dept -Line Reductions	27	(10,000)	-0.04%	24,715,183	6.78%	
RPC- Community Halls/Ameliasburgh	28	(20,800)	-0.09%	24,694,383	6.69%	
RPC - Admin Prof Services & Data Processing	29	(8,000)	-0.03%	24,686,383	6.66%	
RPC - Spec Transit - Advert \$1000/Supplies \$1000	30	(2,000)	-0.01%	24,684,383	6.65%	
RPC - Exhibition Grounds - Prof Services	31	(1,000)	0.00%	24,683,383	6.65%	
RPC - Picton Harbour (to be approved by Council)	32	2,000	0.01%	24,685,383	6.66%	
RPC - Museum Reduction	33	(2,600)	-0.01%	24,682,783	6.64%	
RPC - Rec & Culture Line Reductions	34	(3,600)	-0.02%	24,679,183	6.63%	
PW - Roadside Mtce-tree /brushing	35	(5,000)	-0.02%	24,674,183	6.61%	
PW - Rds Surface Mtce - gravel/cold patch/surface treat	36	(60,000)	-0.26%	24,614,183	6.35%	
PW - Winter Mtce -	37	(35,000)	-0.15%	24,579,183	6.20%	
CS - Clerks Dept - Scanning Budget	38	(5,000)	-0.02%	24,574,183	6.18%	
CS - Admin Travel	39	(3,000)	-0.01%	24,571,183	6.16%	
CS - Treasury- Line Reductions	40	(4,200)	-0.02%	24,566,983	6.14%	

**SCHEDULE 1 – PAGE 3**

**Budget Item**

	<b>Item #</b>	<b>2010 Cost / (Savings)</b>	<b>2010 Tax Levy Impact</b>	<b>2010 Cumulative Cost</b>	<b>2010 Cumulative Change</b>	<b>2010 FTE Impact</b>
<b>Potential Solutions and Adjustments Continued</b>						
CS - Fire Dept - Training Wages	41	(7,170)	-0.03%	24,559,813	6.11%	
CS - Fire Dept - Professional Development	42	(25,255)	-0.11%	24,534,558	6.00%	
CS - Fire Dept - Repairs & Maintenance	43	(20,500)	-0.09%	24,514,058	5.92%	
CS - McFarland Home - New option for reducing hours across all Dept	44	(25,000)	-0.11%	24,489,058	5.81%	
CS - McFarland Home - Line Reductions	45	(1,220)	-0.01%	24,487,838	5.80%	
CS - EDO - Rent for add'l space at Edward Building	46	6,000	0.03%	24,493,838	5.83%	
CS - PELASS- Actual Budget versus Estimated Budget	47	(6,900)	-0.03%	24,486,938	5.80%	
CS- Hastings & Prince Edward Health Unit	48	4,634	0.02%	24,491,572	5.82%	
PL - Combining By-law and Canine Services	49	(10,000)	-0.04%	24,481,572	5.78%	
RPC - Library Adjustment	50	(24,000)	-0.10%	24,457,572	5.67%	
CS - EDO Regent Theatre- Delay Capital Grant until 2011	51	(10,000)	-0.04%	24,447,572	5.63%	
PW - Ridge Road Aggregates- Debt Servicing	52	(157,618)	-0.68%	24,289,954	4.95%	
PW - Reallocation Adjustment for Corporate Exp - Water/Waste Water	53	(150,000)	-0.65%	24,139,954	4.30%	
CS- Election Cost Funding	54	(52,000)	-0.22%	24,087,954	4.07%	
CS - PELASS- Distribution of 2009 Surplus	55	(65,000)	-0.28%	24,022,954	3.79%	
Capital - Apply Community Hall Reserves to Capital Projects	56	(8,497)	-0.04%	24,014,457	3.76%	
Capital - Crystal Palace Roof	57	(30,000)	-0.13%	23,984,457	3.63%	
Capital - Public Works Roof Projects-fund from Carry Forward	58	(55,000)	-0.24%	23,929,457	3.39%	
Capital - Apply Remaining Investing in Ontario Funding - 2010 Capital Projects	59	(70,000)	-0.30%	23,859,457	3.09%	
			0.00%	23,859,457	3.09%	
		-	0.00%	23,859,457	3.09%	
		<b>(873,326)</b>	<b>-3.77%</b>	<b>23,859,457</b>	<b>3.09%</b>	

**SCHEDULE 1 – PAGE 4**

**Budget Item**

**Budget Enhancements**

	Item #	2010 Cost / (Savings)	2010 Tax Levy Impact	2010 Cumulative Cost	2010 Cumulative Change	2010 FTE Impact
RPC- Ameliasburgh Town Hall (RPC BE 001)	60	3,000	0.01%	23,862,457	3.10%	
RPC- Athol Town Hall (RPC BE 002)	61	6,000	0.03%	23,868,457	3.13%	
RPC- Bloomfield Town Hall (RPC BE 003)	62	4,200	0.02%	23,872,657	3.14%	
RPC- South Marysburgh Town Hall	63	4,500	0.02%	23,877,157	3.16%	
RPC- SophiasburghTown Hall (RPC BE 010)	64	4,000	0.02%	23,881,157	3.18%	
RPC- Apply Community Hall Reserves to Budget Enhancements	65	(13,170)	-0.06%	23,867,987	3.12%	
RPC- Specialized Transit (RPC BE 011)	66	3,056	0.01%	23,871,043	3.14%	
RPC- Youth Park (RPC BE 014)	67	-	0.00%	23,871,043	3.14%	
RPC- Admin- Staff Replacement (RPC BE 015)	68	6,575	0.03%	23,877,618	3.17%	
RPC - Wellington & District CC Add Staff (RPC BE 016)	69	12,200	0.05%	23,889,818	3.22%	1.0
RPC - Miller Landing Canoe/Kayak Dock (RPC BE 017)	77	12,120	0.05%	23,901,938	3.27%	
PW- W & WW Staffing (PW BE 002)	70	34,500	0.15%	23,936,438	3.42%	1.0
PW- W & WW Staffing (PW BE 002)- Not Funded from Tax Levy	71	(34,500)	-0.15%	23,901,938	3.27%	
CS- Fire Dept - Bldg Maintenance Carrying Place (CS BE 002)	72	8,000	0.03%	23,909,938	3.31%	
CS- Fire Dept - Professional Development (CS BE 001)	73	19,255	0.08%	23,929,193	3.39%	
CS- HR - HRIS implementation (CS BE 006)	74	18,500	0.08%	23,947,693	3.47%	
CS- Clerks Office Communication Plan (CS BE 005)	75	12,700	0.05%	23,960,393	3.52%	
Capital - Addition for Priority Projects	76	90,000	0.39%	24,050,393	3.91%	

**Total Enhancements**

<b>190,936</b>	<b>0.82%</b>	<b>24,050,393</b>	<b>3.91%</b>	<b>2.0</b>
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**Community Grants**

PEFAC Capital Grant Request	78	24,000	0.10%	24,074,393	4.02%	
Prince Edward Agricultural Society Grant Request	79	20,000	0.09%	24,094,393	4.10%	
Festival Players Grant Request	80	7,300	0.03%	24,101,693	4.13%	

**Total Community Grants**

<b>51,300</b>	<b>0.22%</b>	<b>24,101,693</b>	<b>4.13%</b>	<b>0.0</b>
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**Grand Total**

<b>956,825</b>	<b>4.13%</b>	<b>24,101,693</b>	<b>4.13%</b>	<b>3.5</b>
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**Budget Enhancements Postponed/Abandoned**

RPC- SophiasburghTown Hall (RPC BE 010)	81	2,500	0.01%	24,104,193	4.14%	
PW- Operations Fleet Mechanic (PW BE 001)	82	-	0.00%	24,104,193	4.14%	1.0
CS- Fire Dept - Bldg Maintenance Rossmore (CS BE 003)	83	8,500	0.04%	24,112,693	4.18%	
CS- McFarland Home - Res Computer Station (CS BE 004)	84	5,000	0.02%	24,117,693	4.20%	

**Total Enhancements Postponed/Abandoned**

<b>16,000</b>	<b>0.07%</b>	<b>24,117,693</b>	<b>4.20%</b>	<b>4.5</b>
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**SCHEDULE 2 – Page 1**

**County of Prince Edward**

**2010 Budget- Pressures and Cost Savings Description - As at February 23, 2010**

<b>Item #</b>	<b>Budget Item</b>	<b>2010 Cost / (Savings)</b>	<b>Description</b>
<b><u>Budget Pressures</u></b>			
1	CS- OMPF Additional Assistance Grant	744,800	Loss of OMPF Additional Assistance Grant - see Section 1-4
2	CS- OMPF Assessment Equalization Grant	228,800	Loss of OMPF Assessment Equalization Grant - see Section 1-4
3	CS- Social Services- Net	(111,020)	Net Social Services Savings - see Section 1-5
4	CS- Police Services/OPP Contract	159,585	Additional Police Services Cost - See Section 1-5
5	CS- Election Cost Increase	69,365	Election Cost Increase - See Section 1-6
6	CS- Fire Dept/Capital Shift	70,000	Additional Costs for Repairs & Maintenance as discussed during Capital Budget presentation
7	CS- Fire Dept/Master Fire Plan	25,000	Additional amount budgeted in 2010 for Master Fire Plan
8	CS- Fire Dept Training Wages	61,000	Additional costs for training wages
9	ALL- GIS Position & Costs	125,000	New GIS position in IT plus GIS Implementation and Software Costs- Staff Report
10	ALL- Insurance	40,000	Insurance premium increasing by 5% in 2010
11	ALL- Wage & Benefit Increases	310,000	Estimated increase for Wages and Benefits not identified in items 8, 9 and 13
12	PL - Fee Revenue Decrease	62,500	Reduced fees from anticipated reduction in number of planning applications
13	PL - Wages Fully Funded	53,750	Increased wages to fund 2 positions for full year - previously funded for 9 months
14	PL- Coyote/Wolf Compensation Prog	30,000	As per recent Staff Report
15	RPC- Grants to Others	(24,000)	Reduction in Grants to Others- No request received from PEFAC when Draft 1 was completed
16	RPC- Rent & Renovations	(23,100)	2009 Budget included rent for Ross Street and Improvements for King Street
17	RPC- Community Halls/Ameliasburgh	20,800	Budget error- see item 30 below
18	RPC- Museums/Capital Shift	25,000	Additional Costs for Repairs & Maintenance as discussed during Capital Budget presentation
19	RPC-Library	59,600	Increase resulting from Library Budget submitted
20	PW-Additional Gov't Revenue (aggregate fees)	(53,400)	Increased Aggregate Revenues from Government based on 2009 Actuals
21	PW- Engineers Office Cost Recovery	(185,000)	Amount to be recovered from Roads Capital and Water & Waste Water
22	PW- Additional Debt Servicing	227,720	Increase in debt servicing costs for the Roads Capital Construction Program and Ridge Road Aggregates Loan
23	Capital - Capital Reduction	(162,600)	Decrease in 2010 Initial Capital Budget versus 2009 Capital Budget
24	ALL- Unidentified Increases (<\$20,000 individually)	213,973	Increases all departments for individual lines- includes increases for material and supplies inflationary pressures
25	Growth Adjustment	(378,858)	2010 Real Assessment Growth
<b>Total Budget Pressures</b>		<b><u>1,588,915</u></b>	

**SCHEDULE 2 – PAGE 2****Potential Solutions & Adjustments**

26	Council - Budget Reductions	(7,600)	Council Budget reduction as per Motion 2010-53
27	PL - Planning Dept -Line Reductions	(10,000)	Line item budget reductions identified for Planning Department
28	RPC- Community Halls/Ameliasburgh	(20,800)	Correction of budget error- see item 17 above
29	RPC - Admin Prof Services & Data Processing	(8,000)	Line item budget reductions identified for RPC - General and Admin
30	RPC - Spec Transit - Advert \$1000/Supplies \$1000	(2,000)	Line item budget reductions identified for RPC - Specialized Transit
31	RPC - Exhibition Grounds - Prof Services	(1,000)	Line item budget reductions identified for RPC - Parks
32	RPC - Picton Harbour	2,000	Line item budget increase identified for RPC - Marinas and Harbours
33	RPC - Museum Reduction	(2,600)	Line item budget reductions identified for RPC - Museums
34	RPC - Rec & Culture Line Reductions	(3,600)	Line item budget reductions identified for RPC - Recreation & Culture
35	PW - Roadside Mtce-tree /brushing	(5,000)	Line item budget reductions identified for PW - Roadside Maintenance
36	PW - Rds Surface Mtce - gravel/cold patch/surface treat	(60,000)	Line item budget reductions identified for PW - Roads Surgace Maintenance
37	PW - Winter Mtce -	(35,000)	Line item budget reductions identified for PW - Winter Maintenance
38	CS - Clerks Dept - Scanning Budget	(5,000)	Line item budget reductions identified for CS - Clerks Department
39	CS - Admin Travel	(3,000)	Line item budget reductions identified for CS - CAO/Administration Department
40	CS - Treasury- Line Reductions	(4,200)	Line item budget reductions identified for CS - Treasury Department
41	CS - Fire Dept - Training Wages	(7,170)	Line item budget reductions identified for Fire Department
42	CS - Fire Dept - Professional Development	(25,255)	Line item budget reductions identified for Fire Department
43	CS - Fire Dept - Repairs & Maintenance	(20,500)	Line item budget reductions identified for Fire Department
44	CS - McFarland Home - New option for reducing hours across all Dept	(25,000)	Line item budget reductions identified for H J McFarland Home
45	CS - McFarland Home - Line Reductions	(1,220)	Line item budget reductions identified for H J McFarland Home
46	CS - EDO - Rent for add'l space at Edward Building	6,000	Line item budget increase- rent amount missed in Draft 1
47	CS - PELASS- Actual Budget versus Estimated Budget	(6,900)	Line item budget reductions identified- reduction of Social Services costs
48	CS- Hastings & Prince Edward Health Unit	4,634	Line item budget increase- increased levy by Health Unit
49	PL - Combining By-law and Canine Services	(10,000)	Budget savings by combining By-law and Canine Services- Report pending
50	RPC - Library Adjustment	(24,000)	Decrease to Library Budget increase- limits increase to 4%
51	CS - EDO Regent Theatre- Delay Capital Grant until 2011	(10,000)	Capital Grant Delayed until 2011 per Regent Theatre request
52	PW - Ridge Road Aggregates- Debt Servicing	(157,618)	Funding for Ridge Road Aggregates Loan to come from Pits & Quarries Reserve
53	PW - Reallocation Adjustment for Corporate Exp - Water/Waste Water	(150,000)	Allocate a portion of Corporate expenditures to Water Waste Water Services (User Pay)
54	CS- Election Cost Funding	(52,000)	Fund portion of Election Costs from Contingencies to spread costs over 2007 through 2010

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55	CS - PELASS- Distribution of 2009 Surplus	(65,000)	PELASS 2009 Surplus to be applied to 2010 Social Services costs in 2010
56	Capital - Apply Community Hall Reserves to Capital Projects	(8,497)	Partially fund 2 Community Hall Capital Projects from reserves.
57	Capital - Crystal Palace Roof	(30,000)	(RPC 2010-003) postponed.
58	Capital - Public Works Roof Projects-fund from Carry Forward	(55,000)	Carry forward from 2009 applied to alternate projects.
59	Capital - Apply Remaining Investing in Ontario Funding - 2010 Capital Projects	(70,000)	Allocate unspent and uncommitted IOA funding to Capital Projects
<b>Total Potential Solutions</b>		<b><u>(873,326)</u></b>	

### Budget Enhancements

60	RPC- Ameliasburgh Town Hall (RPC BE 001)	3,000	Please see Request for Operating Budget Enhancement
61	RPC- Athol Town Hall (RPC BE 002)	6,000	Please see Request for Operating Budget Enhancement
62	RPC- Bloomfield Town Hall (RPC BE 003)	4,200	Please see Request for Operating Budget Enhancement
63	RPC- South Marysburgh Town Hall (RPC BE 009)	4,500	Please see Request for Operating Budget Enhancement
64	RPC- SophiasburghTown Hall (RPC BE 010)	4,000	Please see Request for Operating Budget Enhancement
65	RPC- Apply Community Hall Reserves to Budget Enhancements	(13,170)	Application of Community Hall Reserves to Town Hall Budget Enhancements
66	RPC- Specialized Transit (RPC BE 011)	3,056	Please see Request for Operating Budget Enhancement
67	RPC- Youth Park (RPC BE 014)	-	Please see Request for Operating Budget Enhancement
68	RPC- Admin- Staff Replacement (RPC BE 015)	6,575	Please see Request for Operating Budget Enhancement
69	RPC - Wellington & District CC Add Staff (RPC BE 016)	12,200	Please see Request for Operating Budget Enhancement
70	RPC - Miller Landing Canoe/Kayak Dock (RPC BE 017)	12,120	Please see Request for Operating Budget Enhancement
71	PW- W & WW Staffing (PW BE 002)	34,500	Please see Request for Operating Budget Enhancement
72	PW- W & WW Staffing (PW BE 002)- Not Funded from Tax Levy	(34,500)	Reduction for Item # 71. User Paid expenditure.
73	CS- Fire Dept - Bldg Maintenance Carrying Place (CS BE 002)	8,000	Please see Request for Operating Budget Enhancement
74	CS- Fire Dept - Professional Development (CS BE 001)	19,255	Please see Request for Operating Budget Enhancement
75	CS- HR - HRIS implementation (CS BE 006)	18,500	Please see Request for Operating Budget Enhancement
76	CS- Clerks Office Communication Plan (CS BE 005)	12,700	Please see Request for Operating Budget Enhancement
77	Capital - Addition for Priority Projects	90,000	Please see Capital Summary
<b>Total Enhancements</b>		<b><u>190,936</u></b>	

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### Community Grants

78	PEFAC Capital Grant Request	24,000	February 16, 2010 Presentation
79	Prince Edward Agricultural Society Grant Request	20,000	February 16, 2010 Presentation
80	Festival Players Grant Request	<u>7,300</u>	February 16, 2010 Presentation

### Total Community Grants

51,300

### Budget Enhancements Postponed/Abandoned

78	RPC- SophiasburghTown Hall (RPC BE 010)	2,500	Reduction - Item 64 (RPC BE 010)
79	PW- Operations Fleet Mechanic (PW BE 001)	-	Abandoned
80	CS- Fire Dept - Bldg Maintenance Rossmore (CS BE 003)	8,500	Postponed
	CS- McFarland Home - Res Computer Station (CS BE		Postponed
81	004)	<u>5,000</u>	

### Total Enhancements Postponed/Abandoned

16,000