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Date: January 9, 2017
To: Mayor and Council
Author: Sandra Zwiers, Director of Financial Services
RE: Updates to 2017 Draft Budget (Provided on December 12, 2016)

AIM

To provide council with a summary of changes made to the draft budget since its original filing date to identify new information obtained by administration.

BACKGROUND

Since the filing of the draft budget in mid-December, administration has obtained more information which improves the budget figures previously provided to council. These changes have been included in the revised draft.

DISCUSSION

The following changes have been made to the draft budget:

1. BIA Budget has been entered with a proposed levy totaling \$98,889.
2. Esseltine Drain – revised information received from engineer which increases the total cost estimate to \$4,072,005 and lowers the estimated allocation to the road authority from \$500,000 to \$192,192.
3. Transfer to PW Road Lifecycle Reserve – as a result of the change in funding needed for the Esseltine Drain, \$215,000 is now proposed to be allocated to reserve to address road reconstruction projects (eg. Main Street West).
4. LED Lighting Project at Kingsville OPP Detachment has been removed.
5. Truck Accessories for the Command #2 Truck in the fire department have been added to Fire Small Capital in the amount of \$1,500.
6. Miscellaneous Revenue in Information Technology has been removed in the amount of \$8,000.
7. Kingsville Historical Park – request for 5 year agreement for \$50,000 (\$10,000 annually) has been added to the grants and donation listing.
8. General Insurance was negotiated in late December resulting in a savings of 5.5% over 2016 premiums. The departmental allocations for insurance have all been decreased accordingly. The savings totals approximately \$32,000.
9. General Insurance Deductible – decreased by \$25,000 to absorb impact of utility increases noted in #12.
10. General Admin Small Capital – increased by \$1,500 for desk furniture.
11. Grants and Donations – increased estimate included in budget to equal 2016 level (\$3,000 increase).

12. Utility Accounts in Parks and Recreation – various utility and communication accounts were adjusted to reflect actual year end utility costs. The total impact was an increase to utilities by \$22,980.

LINK TO STRATEGIC PLAN

To encourage leadership and management that will provide the direction to achieve our goals and maximize the effectiveness of our strategies.

FINANCIAL CONSIDERATIONS

The combined impact of these changes results in a revised proposed residential tax increase of 4.7% (previously reported as 4.8%).

CONSULTATIONS

Senior Administration

RECOMMENDATION

That council receives the summary of changes made to the draft 2017 budget and considers them as part of the deliberations held on January 10, 2017.

**Sandra Zwiers MAcc, CPA, CA
Director of Financial Services**

**Peggy Van Mierlo-West C.E.T.
CAO**