



Committee of the Whole Meeting
Thursday, November 12, 2015 – 9:00 a.m.
The Kingston Frontenac Rotary Auditorium,
2069 Battersea Road, Glenburnie, ON

AGENDA

Page

1. CALL TO ORDER
2. ADOPTION OF AGENDA
3. DISCLOSURES OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF
4. DEPUTATIONS AND/OR PRESENTATIONS

5. REPORTS

3 - 6

- a) **2015-107**
Office of the CAO
Pine Meadows Retirement Home – Northbrook – Request for Support
Recommendation

Resolved That the Council of the County of Frontenac receive with thanks the delegation and funding request from Pine Meadows Nursing Home requesting a \$125,000 contribution from the County of Frontenac and select Option ____ from staff Report 2015-107, namely

7 - 9

- b) **2015-109**
Planning and Economic Development
Establishment of the Canada 150th Anniversary Planning Advisory Committee
Recommendation

Resolved That the Council of the County of Frontenac receive the Corporate Services –Canada 150th Anniversary Report;

And Further That Council confirm its support for resolution 210-15, being a resolution for the County of Frontenac to lead a Canada 150th

Anniversary celebration;

And Further That should Council confirm its support for resolution 210-15, that \$ _____ be levied in the 2016 and 2017 budgets.

10 - 86

- c) **2015-108**
Corporate Services
2016 Draft Budget
Recommendation

Resolved that the Committee of the Whole of the County of Frontenac accept this Corporate Services – 2016 Draft Budget report and 2016 Draft Budget Document (Appendix A) for discussion;

And further that the Council of the County of Frontenac pass a by-law at its meeting on November 18, 2015 approving the 2016 Budget (as amended).

6. RISE AND REPORT

- a) **That** the Committee of the Whole rise.

And Further That the report of the Committee of the Whole Council be forwarded to County Council for Adoption.

7. COMMUNICATIONS

8. NOTICE OF MOTION

9. OTHER BUSINESS

10. PUBLIC QUESTION PERIOD

11. ADJOURNMENT



Report 2015-017

Committee of the Whole Recommend Report

To: Chair, Committee of the Whole
From: Kelly J. Pender, Chief Administrative Officer
Date of meeting: November 12, 2015

**Re: Office of the Chief Administrative Officer – Pine Meadows Retirement Home
– Northbrook – Request for Support**

Recommendation

That the Council of the County of Frontenac receive with thanks the delegation and funding request from Pine Meadows Nursing Home requesting a \$125,000 contribution from the County of Frontenac and select Option ____ from staff Report 2015-107, namely _____.

Background

On October 21, 2015 County Council received a delegation from Betty Hunter and Ernest Lapchinski from Pine Meadows Nursing Home in Northbrook, North Addington Township, requesting that County Council support a capital project for the replacement of bay windows in the facility. Estimated cost is \$125,000. They noted that the option to phase in the project over several years would be acceptable.

Pine Meadows is a 60 bed facility operated as a not-for-profit home by Land O' Lakes Community Services and managed by Extendicare (Canada) Inc. Extendicare is a for profit that owns/manages 112 long-term care facilities in Canada.

Pine Meadows recently completed a \$5M addition to their facility that increased their foot print by 51%. The addition will provide them with an additional 4 beds, but approval for the beds has not been received as of this date.

Further information regarding Pine Meadows can be found at [this website](#).

Comment

In Ontario there are three management models for long-term care facilities, namely:

- 1) Municipally owned (e.g., Fairmount)
- 2) Not-for-profit (e.g., Pine Meadows)
- 3) For Profit (e.g., Extendicare)

Within this framework, different management/ operational models exist, for example the County of Frontenac contracts to a for profit management company (Sodexo) for

building and food services management, while Pine Meadows contracts with a for profit management company for business support from Extencicare.

All three models are funded for operations by the Province on the same envelope funding formula. Funding for capital is generally not an eligible expense, but depreciation is fundable.

The delegation noted that approximately at any given time, 20 to 30% of the residents in the nursing home are residents of Frontenac County, in particular North Frontenac and Central Frontenac.

Staff confirmed with Lennox and Addington County that they are in the 8th year of a ten year \$250,000 commitment (\$25,000 per year for 10 years – 2008 to 2017).

The Long-Term Care Homes Act, 2007, S.O. 2007, states the following:

119. (1) Every southern municipality that is an upper or single-tier municipality shall establish and maintain a municipal home and may establish and maintain municipal homes in addition to the home that is required. 2007, c. 8, s. 119 (1).

The 1997 restructuring order for the City of Kingston and Frontenac County confirmed that Fairmount Home was the asset that met the requirement for the County to operate a Long-Term Care facility.

In Ontario, assignment to a long-term care facility is not based upon the geographic location of either the resident or the facility. As such, similar to the Pine Meadows, County residents may also make use of long-term care facilities in the City of Kingston, Lanark County, Leeds & Grenville and other homes in Lennox and Addington County (and vice versa) based upon availability and priority as determined by the Community Care Access Centre (CCAC). Therefore, beyond the legislated requirement to support Fairmount, no other obligation exists to provide funding support to another long-term care facility.

CAUTION:

The precedent set with funding a long-term care outside of our geographic and mandated responsibility will open the door for other facilities in neighbouring communities that routinely receive County of Frontenac residents. (For example, South Frontenac and Frontenac Islands residents are likely routinely placed at other municipal or not for profit homes in Kingston or Helen Henderson Care Centre in Amherstview)

RISK:

Providing funding for a non-mandated long-term care facility will undermine our total compensation negotiating position with our union(s) and jeopardize our affordability and maintaining increases to the consumer price index at risk and in particular, our “ability to pay” argument with the union and arbitrators.

Sustainability Implications

A County strategic goal is to “deal with the aging tsunami”. As well, there are economic and social benefits to our residents by ensuring that local options are available to seniors and their families.

Financial Implications

The County has established a goal of being financially sustainable for County infrastructure in nine more years by contributing an additional .65% levy increase (\$56,267 in 2016 – year 2 of 10). Funding the request from reserves will require an upward adjustment to this figure (not recommended), or if applied to levy, a tax increase for all County residents. A capital sustainability plan is required in order to comply with accounting standards and in order to receive of gas tax funding. Not for profit homes do not have to meet this same criteria.

A one-time donation of \$125,000 would result in a 1.45% tax increase for County residents. Spreading the commitment over a ten year period and placing this amount on the levy would require an approximate 0.145% tax increase above our inflationary target and our supplemental levy for capital sustainability.

Two requests have been made to receive a copy of the audited financial statements for Pine Meadows. This document has not been received to date. As such, staff are not able to make an assessment of the nature and amount in reserves for capital replacement.

Three options are provided for Council consideration:

Option One:

Respectfully decline to participate in providing funding for the project.

Option Two:

Agreeing to the request and provide for a \$125,000 donation in the 2016 budget to be placed on the general levy, in excess of Council’s target of the consumer price index.

Option Three:

Agreeing to the request and provide a \$125,000 donation over a ten year period commencing in 2016, with the amount placed on the general levy, in excess of Council’s target of the consumer price index.

Either of the Option Two or Three above could be amended to change the amount of the donation.

Organizations, Departments and Individuals Consulted and/or Affected

Steven Silver, Interim Administrator of Long-Term Care

Marian VanBruinessen, Director of Corporate Services/Treasurer

On Monday, October 26, 2015 a delegation including Warden Doyle, Councillor Inglis (Council Liaison for Long-Term Care), Steven Silver and Kelly Pender toured Pine Meadows and met with local administration, members of their board and a senior representative from Extendicare.

Report of the 150th Anniversary Planning Advisory Committee

- a) **That** the County of Frontenac lead a celebration for Canada's 150th Anniversary in 2017, at Centennial Park in Harrowsmith, with the help of an organizing committee including all Township Mayors.
- b) **That** any surplus funds remaining from the County's 150th Anniversary Fund be used to start the fund for the 2017 Canada's 150th Anniversary Celebration.
- c) **That** the 150th Anniversary Planning Advisory Committee, having completed its mandate, be hereby disband;

And Further That By-law 2013-0020 be amended accordingly.

CARRIED

Comment

The purpose of this report is to provide Council with the background of the planning and execution of the 150th Anniversary celebration event and what would be required should Council wish to proceed with a similar Frontenac County Canada 150th Anniversary event.

The 150th Anniversary celebration required 4 years of preparation, where the final year consumed a significant amount of staff time, specifically from both the Communications Officer and the Manager of Economic Development. With the Communications Officer currently on leave and the Manager of Economic Development, as directed by Council, focused on the implementation of the County's Economic Development Charter, there is a lack of staff resources capable of achieving this type of event. Should Council wish to proceed with a County wide celebration, additional staffing would be required, or staffing priorities would need to be re-set.

County Council, through a 4 year annual \$30,000 transfer to the 150th Anniversary Reserve (funded from reserves), committed \$120,000 for the County's 150th Anniversary celebration. Staff were also able to secure a grant in the amount of \$33,900 through the Department of Canadian Heritage's Community Anniversaries Building Communities Through Arts and Heritage Fund as well as a grant in the amount of \$16,000 from the Community Futures Development Corporation (CFDC). Although the final numbers for the 150th Anniversary event have not yet been tabulated, the cost of the event as of October 30, 2015 has been calculated at \$170,925.22; however this does not include the significant in-kind services provided by the Township of South Frontenac or Frontenac County staff time. Should Council wish to proceed with a Canada Day Frontenac event, significant financial resources will need to be allocated in the 2016 and 2017 annual budgets.

Sustainability Implications

As stated in *Directions for Our Future*, Cultural and Heritage Sustainability Indicators are tracked by the number of local festivals, attendance at community events, and spending on cultural activities per capita.

Financial Implications

The financial commitment to this initiative needs to be directed by Council for inclusion as a levied amount in the 2016 and 2017 budget.

Organizations, Departments and Individuals Consulted and/or Affected

Joe Gallivan, Director of Planning and Economic Development
Jannette Amini, Manager of Legislative Services/Clerk



Report 2015-108

Committee of the Whole Recommend Report

To: Chair, Committee of the Whole
From: Kelly J. Pender, Chief Administrative Officer
Prepared by: Marian VanBruinessen, Director of Corporate Services/Treasurer
Date of meeting: November 12, 2015

Re: Corporate Services – 2016 DRAFT Budget

Recommendation

Resolved that the Committee of the Whole of the County of Frontenac accept this Corporate Services – 2016 Draft Budget report and 2016 Draft Budget Document (Appendix A) for discussion;

And further that the Council of the County of Frontenac pass a by-law at its meeting on November 18, 2015 approving the 2016 Budget (as amended).

Background

Under the *Municipal Act, 2001, S.O. 2001, CHAPTER 25, as amended*, Section 289(1) states an upper-tier municipality shall in each year prepare and adopt a budget including estimates of all sums required during the year for the purposes of the upper-tier municipality.

In June 2015 Council adopted the Budget Policy, attached as Appendix B, which outlines the framework within which Council will establish its annual budget.

Comment

The guiding principles in the preparation of the 2016 budget may be summarized as follows:

- Maintain existing service levels
- Identify and incorporate efficiencies
- Recognize the challenges presented from previous budget decisions
- Provide for long term sustainability of current infrastructure
- Keep tax rates reasonable

Recommend Report to Committee of the Whole
Corporate Services - 2016 Draft Budget
November 12, 2015

Budget Policy: As outlined on page 3 of the Budget policy, it is the intent of Council to pass the budget before December 31st in a non-election year.

Target Levy Increase: Ontario CPI as of August 2015 is the Target levy increase for operations. The Stabilization reserve will be used to mitigate any difference between CPI and the levy, after adjusting for growth.

In 2016 there are two projects which are recommended as funded outside of the CPI target.

1. The sustainability reserve allocation of \$30,000. This would be a one-time levy increase of .35% in 2016. This would ensure that the funds required for future projects are available. Taking this amount from the Stabilization reserve is not in line with the concept of building a fund for this purpose as it would simply move funds from one pocket to another.
2. The infield communications project is outside of the scope of the County's normal business so should be funded outside of the CPI target.

Business Plans: Five year plans were presented to Council at its October 14 and October 23, 2015 Committee of the Whole meetings.

Project Proposals: Council considered thirteen project proposals, all of which were recommended to be included in the budget presentation. As shown in Appendix C to the report the net impact of these project proposals on the levy are \$18,684. The operating project proposals are listed separately as unapproved projects. The associated reserve transfers or City contribution related to those projects is carried in those budget lines. The capital project proposal for Land Ambulance is shown under capital as a new vehicle purchase.

Assessment: The assessment role is scheduled to be delivered in December 2015. At that time the tax rates will be provided.

Sustainability Implications

Sustainability is dependent on good governance and stewardship of County resources.

Financial Implications

The following table identifies the 2016 levy increase at 2.55% after mitigation.

2016 Levy Increase			
		\$	%
A	2015 Levy	8,602,527	
B	2016 Levy	8,866,670	
C	Levy increase	264,143	3.07%
	B-A		
D	Less projects levied outside of cap	-60,000	
	G+H		
E	Growth and Stabilization reserve mitigation	100,913	1.17%
	C-D-F		
F	Target Levy Increase - CPI August	103,230	1.20%
G	Allocation to sustainability reserve	30,000	0.35%
H	Infield communication project - regional	30000	0.35%
I	Levy increase after mitigation	163,230	1.90%
	F+G+H		
J	Dedicated Capital levy 2015	53,761	
K	Dedicated Capital levy 2016	56,267	0.65%
	(A+J) x.65%		
Total percentage increase			2.55%

Organizations, Departments and Individuals Consulted and/or Affected

County of Frontenac Staff
 City of Kingston
 Kingston Frontenac Public Library
 Kingston-Frontenac-Lennox and Addington Public Health Unit



2016 Draft Budget

November 12, 2015

County of Frontenac 2016 Draft Budget

Table of Contents

Budget Context

Budget Context Pages 1 – 10

Budget Detail

Budget Summary Pages 11 – 16

General Pages 18 – 19

Governance Pages 20 – 26

Corporate Services Pages 28 – 30

Planning and Economic Development Pages 32 – 34

Fairmount Home Pages 36 – 38

Land Ambulance Pages 40 – 42

Emergency Management Pages 44 – 45

Marine Services Pages 46 – 47

Health Unit Pages 48 – 49

Social Housing Pages 50 – 51

Social Services Pages 52 – 53

Kingston, Frontenac Public Library Pages 54 – 55

Other Transfers Pages 56 – 57

Budget Capital

Budget Capital Pages 59 – 61



2016 Draft Budget

Budget Context

November 12, 2015

2016 Budget Context

Economy

Global: The slowing economies of emerging markets, particularly China, have affected global growth. However growth in the developed world has improved, although marginally, despite the risks associated with the European politics, migration and deflation.

The growth in US economy, predicted at 3.0% in 2016, and the lower Canadian dollar, should positively impact the export market in Ontario. Oil prices, affected by over production and slowing demand, are predicted to rise.

Canada: Growth predictions for Canadian GDP vary between 1.5 and 2.0% for 2016, with the uncertain impact of a slowdown in global growth and around low oil prices factoring into these projections. The Liberal party's commitment to stimulus spending and infrastructure investment will have a temporary impact on growth as it is rolled out.

The Ontario Consumer Price Index (CPI) as of August 2015 was 1.2% while the national CPI was 1.3%.

Provincial: The Eastern Ontario Wardens Caucus (EOWC) in its briefing paper dated September 18, 2015 [EOWC Briefing Paper Moving Ontario Forward Outside the GTHA](#) continues to lobby the Provincial government for funding to support the priorities identified through municipal plans related to a) public safety b) role and contribution of specific assets to maintaining and growing local, regional and provincial economies and c) addressing local/regional environment challenges. The EOWC is seeking a ten year timeline to provide for predictable funding and long range capital planning.

County of Frontenac: The Council of the County of Frontenac is focused on economic development as its key priority. Over 2015 a collaborative approach to the future of the Frontenacs was taken, to arrive at an Economic Development Charter, below, which was endorsed by County Council.

We believe a strong economy is essential for vibrant, enduring communities, for the happiness, health, and satisfaction of our residents, and for the security of our citizens as well as our businesses, organizations and local governments

We value collaboration and pledge to work together to develop, gather support for, implement and measure the themes in this Charter.

We share a Vision of an economy that is rooted in the character of the Frontenacs and its people: welcoming, natural, healthy, clean, tranquil, entrepreneurial, and rural by choice and conviction.

We agree that success in bringing the Vision to life will come from proactive implementation of initiatives developed within the inter-related themes outlined in this Charter.

We pledge that the Frontenacs will be a stronger by focusing on the following themes: Trips and Trails; Local Food and Beverage; Recreation Lifestyle; Seniors; Families and Youth.

Population and Employment (from 2014 report)

The County contracted Watson and Associates to provide population projections, the highlights of which are identified below.

Residential Growth Trends

- Frontenac County's permanent population base is forecast to increase over the next 25 years, from approximately 27,900 in 2011 to 33,200 in 2036. This represents an annual growth rate of approximately 0.7% annually.
- The County's population is aging slightly more rapidly than the Province of Ontario as a whole.
- The rate of permanent population growth for Frontenac County is forecast to gradually decline over the next 25 years, largely due to the aging of the population.
- In terms of the geographic location of population growth, approximately 67% of forecast permanent population growth is anticipated to occur within the Township of South Frontenac.
- Similar to historical population growth trends, the majority of population growth is forecast in the County's rural areas.
- Seasonal housing accounts for a significant component of the County's total population base, accounting for just over 50% of total base population as of 2011
- Including the County's seasonal population base, the total permanent + seasonal population for Frontenac is forecast to reach a total of 64,200 persons by 2036.
- In spite of forecast new seasonal housing development, Frontenac County's seasonal housing and population base is forecast to increase only modestly over the next 25 years, due to the net conversion of existing seasonal housing units to permanent dwellings

Employment Growth Trends

- It is expected that job growth within Frontenac County will be slow to steady over the next 25 years, largely driven by employment growth in retail and tourism services to serve the growing permanent and seasonal population base.
- The number of residents within the County who work from home is expected to steadily increase.
- The County is expected to experience modest employment growth in the industrial sector.
- Over the 2011- 2036 period, the County's employment base is forecast to increase from approximately 3,900 in 2011 to 4,700 by 2036.

- The County of Frontenac has a **total employment base of 5,217 jobs** as of 2014, of which the majority are located in South Frontenac. The current number of jobs is an increase of 8.1% from the 4,825 jobs that existed in 2004. The majority of businesses, approximately 65% are small in nature having only 1 to 4 employees per industry operation. The County has an overall negative net import meaning the majority of the residents in the region are not employed in the region. (from a summary report from the EMSI Analyst Tool provided through OMAFRA)

Average income

- The National Household Survey (NHS) undertaken by Statistics Canada shows that in 2010 the average personal income in Frontenac County was \$40,647, compared to \$42,264 Provincially
- The NHS shows average household income in Frontenac County was \$80,923, below the Ontario average of \$85,772.

Conclusion

The County of Frontenac is comparable to its rural Eastern Ontario neighbours in terms of demographics – age, income, housing and employment growth. It is evident that there is value in investigating opportunities for regional collaboration, within the County and through the Eastern Ontario Wardens Caucus to ensure economies of scale are utilized to make the best use of the ratepayer contributions.

The following table provides the budget levy increases of the EOWC Counties, before growth over the past 4 years. The 2014 County of Frontenac Service and Delivery Review identified the need to have stable increases to tax rates to avoid the swings evident in the past. In 2015 County Council adopted a budget policy which provides for a levy increase based on CPI (2.8% in December 2014, 1.2% in August 2015), a dedicated levy of .65% for capital and an adjustment for growth.

2012- 2015				
EOWC Budget levy increases				
(not adjusted for growth)				
	2015	2014	2013	2012
Frontenac (includes .65% for capital)	4.65%	2.94%	-1.44%	-1.40%
Renfrew	3.45%	3.76%	2.01%	3.29%
Prescott-Russell	2.04%	0.01%	3.14%	5.64%
Northumberland	3.62%	3.52%	4.03%	3.73%
United Counties of Leeds Grenville	4.66%	3.39%	3.06%	5.84%
Peterborough	4.76%	2.75%	3.08%	2.58%
Hastings	1.33%	2.16%	2.08%	3.85%
Stormont Dundas Glengarry	4.31%	2.83%	3.95%	4.48%
Lanark	2.37%	1.54%	3.67%	4.10%
Lennox and Addington	3.30%	3.78%	4.71%	4.41%
Prince Edward County	4.84%	6.63%	5.01%	7.68%
Haliburton	5.60%	3.09%	3.23%	2.90%

Strategic Direction

Vision

The County of Frontenac is recognized for its unique pristine natural environment and lifestyle choices and commitment to – and promotion of – strong, resilient, diverse, rural communities.

Mission Statement

The County of Frontenac's mission is the effective, efficient and sustainable delivery of services to citizens.

Strategic Goals

Goal #1: Meeting the Aging Tsunami Challenge for Frontenac Seniors by:

- ✓ Addressing the existing gap in Seniors Transportation by ensuring 100% of Seniors receive a timely, affordable ride to scheduled medical appointments (when requests received in a timely fashion) – to be accomplished by the end of the 2015-2018 term of Council.
- ✓ Addressing the existing gap in Seniors Affordable Housing_stock by leveraging and/or funding the construction of a project in each of the four Frontenac Townships – to be accomplished by the end of the 2015-18 term of Council.

Goal #2: Meet the emerging “post landfill” Solid Waste Management challenge for Frontenac residents:

- ✓ Coordinate the establishment of a “Made in Frontenac” position and financial plan to be executed by the end of the current Council term, to inform the Eastern Ontario Wardens Caucus on solid waste management solutions, including energy-from-waste.
- ✓ Frontenac’s position will be supported by technical data and financial planning in collaboration with local municipalities.

Goal #3: Respect for the taxpayer and focused economic development:

- ✓ Recognizing that there is only one ratepayer that bears the burden of property taxes and further that ongoing spending control is a priority, Council will develop a long term financial plan that is sustainable.
- ✓ Council agrees to prioritize support to the economic development objective of employment/revenue generation; and to support continued efforts to rationalize costs across the Townships and County.

Capital Budget Highlights

New capital is anything not covered by a transfer from the replacement reserve and in 2016 only reflects purchases in Land Ambulance for stretchers and for a new logistics vehicle.

	Expense	Revenue	Reserve transfer	Net levy
	\$	\$	\$	\$
County				
Link to Building automation system (from prior year)	30,000		30,000	0
Land Ambulance				
Vehicle and Equipment Replacement	738,512		738,512	0
New stretchers	732,442	576,578	155,863	0
New logistics vehicle	35,000	27,552	0	7,448
Fairmount Home				
Equipment Replacement	237,700	161,636	76,064	0
Prior year Project (BAS)	105,200	71,536	33,664	0
Total Capital				\$7,448

Capital replacement is provided for through allocations from the capital replacement reserves. The Public Sector Digest identified that these replacement reserves were inadequate. In 2015 Council approved a .65% levy dedicated to capital replacement which will be coupled with borrowing for larger capital replacements.

An Asset Condition Assessment was undertaken in 2015 and will be presented to Council later in the year. At that time the appropriateness of the .65% will be evaluated.

Operating Budget Highlights

Revenue

User fees +1.10% increase

User fees are charged to the residents of Fairmount Home and on the Frontenac Howe Islander ferry. Any increase in resident fees is governed by the Province, but a nominal increase is anticipated for 2016.

Federal Provincial Funding .83% increase

Funding for the Land Ambulance Service and Fairmount Home is not confirmed by the Province until late spring or early summer. The estimates are based on historical commitments. 2015 included funding for the 150th Anniversary (\$33,500) and in 2016 the Aging in Place funding is anticipated, \$35,000. The Community Paramedicine project is completed in 2015, with related funding at \$156,400.

Provincial Offences - 13.25% decrease

The City of Kingston is estimating a decrease in net revenue in 2016.

Other Revenue – 111.16% increase

This reflects an increase in recoveries for the contract with the Townships for Shared Information Services.

Transfers from Obligatory Reserve -2.41% reduction

The amounts transferred from the Federal Gas Tax Reserve relate directly to projects approved by Council. These have been reduced in 2016.

Transfer from Reserves – 19.28% increase

Transfers reflect the ongoing operating requirements.

Expense

Salaries and benefits – 3.06% increase

The increase reflects the actual and estimated rate increases for union staff, the additional staff required for the Shared Information services and the implications of the non-union compensation review. Medical benefit costs have increased by 9% in 2016.

Materials – .50% increase

Minor changes have occurred across all departments.

Contracted Service – 4.10% reduction

The reduction in contract service relates primarily to the 2015 Community Paramedicine project.

Rent and Financing – 1.56% increase

Primarily reflects change in rental agreements

External Transfers – 0% change

2015 - 2016 Budget Variance by Department	Projects to be funded outside of CPI levy cap		Budget variance subject to CPI levy cap
	\$	\$	\$
General	71,506		71,506
Governance	27,349		27,349
Corporate Services	61,928	30,000	31,928
Emergency Services	-3,126		-3,126
Transportation	0		0
Housing	50,035		50,035
Fairmount Home	16,924		16,924
Ontario Works/Child Care	-27,455		-27,455
Health Unit	14,357		14,357
Land Ambulance	49,607		49,607
Library	13,131		13,131
Planning & Development	3,104	30,000	-26,896
Other Transfers	0		0
Total variance	277,360	60,000	217,360

Note that General includes a transfer from the stabilization reserve fund in 2015 of \$43,215. The 2016 transfer will not be determined until the 2016 assessment growth is known.

2016 Levy Increase

The 2016 levy increase excluding the Infield Communication project and the Sustainability Reserve transfer is 2.53%.

In accordance with the Budget Policy, the tax levy increase shall be held to the August CPI for the Operating requirements of the County. Therefore a transfer from the Stabilization reserve will be required to mitigate the difference between CPI and the levy increase. The amount required from the Stabilization reserve will be mitigated by assessment growth.

An additional levy amount is required for the Infield Communication project (.35%) and the allocation to the Sustainability reserve (.35%)

In 2015 Council approved a .65% dedicated levy for capital. This percentage will be revisited when the Asset Condition Assessment report is completed.

2016 Levy Increase			
		\$	%
A	2015 Levy	8,602,527	
B	2016 Levy	8,866,670	
C	Levy increase	264,143	3.07%
D	Less projects levied outside of cap	-60,000	
E	Growth and Stabilization reserve mitigation	100,913	1.17%
F	Target Levy Increase - CPI August	103,230	1.20%
G	Allocation to sustainability reserve	30,000	0.35%
H	Infield communication project - regional	30000	0.35%
I	Levy increase after mitigation	163,230	1.90%
J	Dedicated Capital levy 2015	53,761	
K	Dedicated Capital levy 2016	56,267	0.65%
Total percentage increase			2.55%

Reserves

	2016	2015	2015-2016		Target Balance
	Budget	Budget	Variance		
	\$	\$	\$	%	
Operating	1,811,496	2,373,331	-561,835	-23.67%	Meets current requirements
Capital Asset Management	5,998,327	6,071,074	-72,747	-1.20%	Underfunded - under review
Stabilization	1,337,765	1,186,625	151,140	12.74%	Underfunded
Strategic Regional	2,192,000	2,654,204	-462,204	-17.41%	In line with Council's current goals
Legally Restricted	344,731	437,087	-92,357	-21.13%	In line with requirements
External Agency	796,460	913,560	-117,100	-12.82%	In line with agency requirements
WSIB Reserve					Underfunded - balance to be determined
Total	12,480,779	13,635,881	-1,155,102	-8.47%	

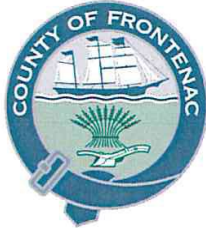
Capital Asset Management reserves include those that provide for new capital, i.e. Purchase of lands for the trail, and for capital replacement. The City of Kingston contributes to the asset replacement reserves for Land Ambulance.

The City of Kingston also contributes to the Operating reserves for Fairmount Home and Land Ambulance. The joint reserves (which are included in the table above) total \$2,515,108 (2016) in relation to an estimated balance at the end of 2015 of \$2,977,533.

The WSIB Reserve fund balance will be determined when the final departure fee and insurance costs are determined.

Long Term Liabilities

The County of Frontenac is responsible for a long term debenture issued for the redevelopment of the long term care facility, Fairmount Home. The total debenture was \$17,200,000 to be fully paid by 2022. The amount remaining on the debenture at the end of 2016 is \$7,368,209. The Province contributes \$483,552 annually to the debenture and the City of Kingston contributes \$712,503. The County net annual contribution is \$335,295 which has been offset by an annual reserve transfer of \$125,000.



2016 Draft Budget

Budget Detail

November 12, 2015

Budget Detail

This budget detail is provided in the format required for Ministry of Finance reporting and audited statements.

2015 Year End projections are unaudited and do not include any variance that might arise from services provided by the City of Kingston as this reconciliation is normally provided in March. Information re supplemental and omitted assessment has not yet been received from the Townships.

2017 – 2020 Projections have been calculated using a series of parameters. These parameters were determined based on a historical assessment of ten years of data and can be adjusted as new information arises.

Salaries – based on a CPI increase estimated at 2%

Benefits – based on a historical assessment and estimated at 4.03%

Fuel – this has been very volatile, but it is anticipated that over time the cost will increase by 2.5%

Utilities – the increase in Hydro and Gas rates have been estimated to increase by 5%

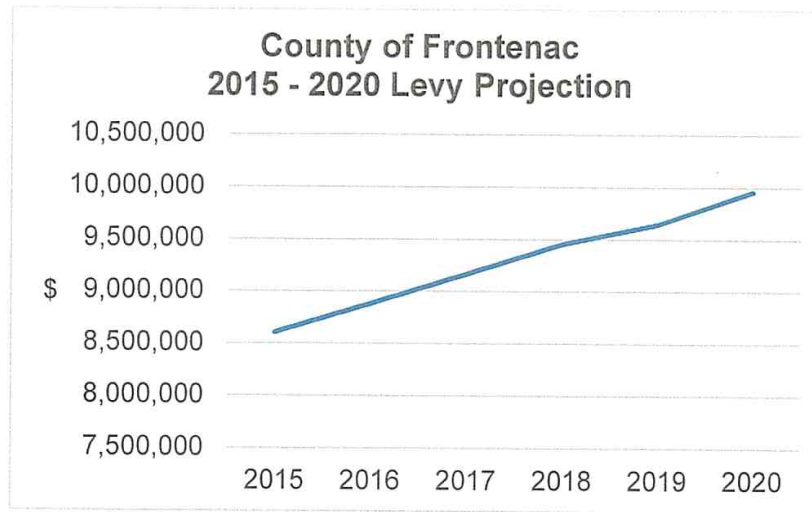
Insurance – these rates have typically increased at 3% per year.

Other Expenses – have been estimated based on an assessment of historical costs in the service area.

External agency expenses – these projections are based on information from the service providers.

5 Year Budget Projections

5 year business plans were provided to Council. The impact of these plans is reflected in the 5 year budget projections.



The chart above shows current projected levy changes 2015 – 2020 without mitigation. The annual increases average 3%.

Corporate Services: The LEAN project initiated in 2015 will be phased out over 2016 – 2018 as in-house expertise is developed. Information Services is proposing a new Scheduling software (net \$16.5k), Intranet in 2017 (\$15k) and unified communications in 2018 (\$25k).

Planning and Economic Development: Projects proposed for Planning and Economic development are primarily funded from reserve transfers in future years. Support to County Wide Trails (\$30k annually 2017 – 2020) is not funded from reserve.

Fairmount Home: Fairmount did not propose any projects in future years, pending the outcome of the water and septic assessments in 2016. Changes in levy represent the impact of Provincial funding increases consistently provided lower than increase in wages, benefits and expenses.

Land Ambulance: Of note is the projected requirement for an additional 12 hour car part way through 2017 with full implementation in 2018. In addition the Wolfe Island deployment plan is phased in over 2016 to 2018. These enhancements are funded 100% by the municipality in the first year, with 50% funding in the following year.

County of Frontenac
Summary of All Departments
2016 DRAFT Budget

	2016	2015	2015-2016	2015	2016	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	Year End	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	\$	\$	\$	\$	\$	\$	\$
			%						
Operating Revenue									
Taxation and User charges	70,000	70,000	0	70,000	70,000	70,000	70,000	70,000	70,000
Taxation from other governments	3,240,550	3,205,297	35,253	3,177,276	3,320,492	3,372,289	3,423,315	3,423,315	3,423,315
User charges	42,805	42,805	0	42,805	42,805	42,805	42,805	42,805	42,805
Payments in lieu of taxes									
Grants									
Federal and Provincial	14,506,311	14,387,039	119,272	14,632,640	14,691,795	15,200,135	15,681,352	16,000,750	
Other									
Financing									
Provincial Offences Net Revenue	172,306	198,623	-26,317	198,623	175,752	179,288	182,833	186,541	
Investment Income	140,000	140,000	0	117,563	140,000	140,000	140,000	140,000	
Other	401,818	190,289	211,529	160,009	421,438	431,001	440,983	451,507	
Total	18,573,790	18,234,053	339,737	18,813,123	19,383,721	19,830,242	20,314,918		
Transfer from Obligatory reserve	1,068,839	1,095,185	-26,346	803,795	763,699	763,699	763,699	763,699	
Transfer from reserves	743,894	612,749	131,145	519,449	462,290	356,616	244,508	217,458	
Total Operating Revenue and Reserve Tra	20,386,523	19,941,987	444,536	19,722,160	20,504,036	20,938,449	21,296,075		
Operating Expense									
Salaries & benefits	24,664,227	23,931,536	732,691	23,998,906	25,535,823	26,551,434	27,372,974	28,221,775	
Materials	2,501,235	2,886,806	14,429	2,982,762	2,989,555	2,989,421	2,993,185	3,019,912	
Contracted Service	7,678,588	8,006,766	-328,178	7,608,964	7,468,466	7,579,073	7,624,235	7,816,633	
Rent and Financing	228,652	225,134	3,518	227,027	232,240	235,899	239,632	243,439	
External Transfers	150,300	150,300	0	150,300	150,300	96,300	96,300	96,300	
Project Proposals Brought Forward	568,384	0	568,384	10,334	262,000	162,000	162,000	165,000	
Depreciation	1,464,027	1,538,526	-74,499	1,487,571	1,599,326	1,599,326	1,599,326	1,599,326	
Total Operating Expense	37,655,383	36,739,068	916,315	36,225,864	38,186,710	39,289,453	40,087,652	41,162,385	
Reserve Transfers	1,013,096	1,000,414	12,682	961,414	1,031,157	1,049,581	1,068,372	1,087,540	
Total Operating Expense with Reserve tra	38,668,479	37,739,482	928,997	37,187,278	39,217,867	40,339,034	41,156,024	42,249,925	
NET MUNICIPAL CONTRIBUTION	18,281,956	17,797,495	484,461	17,465,118	19,178,755	19,834,998	20,217,575	20,953,850	
less depreciation (non-cash)	1,464,027	1,538,526	-74,499	1,487,571	1,599,326	1,599,326	1,599,326	1,599,326	
NET MUNICIPAL CONTRIBUTION less de	16,817,929	16,258,969	558,960	15,977,547	17,579,429	18,235,672	18,618,249	19,354,524	
Other Municipal Contribution	-8,169,002	-7,926,238	-242,764	-7,750,766	-8,659,552	-9,063,175	-9,238,812	-9,661,971	
County Contribution	8,648,927	8,332,731	316,196	8,226,781	8,919,877	9,172,497	9,379,437	9,692,553	
NET CAPITAL EXPENSE	555,073	586,156	-31,083	286,592	130,696	202,696	130,696	130,696	
Other Municipal Contribution	-547,625	-526,655	-20,970	-236,895	-130,696	-187,227	-130,696	-130,696	
County Contribution	7,448	59,501	-52,053	49,697	0	15,469	0	0	
NET CONTRIBUTION TO DEBENTURE	210,295	210,295	0	210,325	210,295	210,295	210,295	210,295	
Requisition	8,866,670	8,602,527	264,143	8,486,803	9,130,172	9,398,261	9,589,732	9,902,848	
Requisition re capital levy	56,267	53,761	2,506	53,761	0	0	0	0	

County of Frontenac
Summary of All Departments
2016 DRAFT Budget

	2016	2015	2015-2016	2015-2016	2015	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	VARIANCE	Year End	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	\$	%	\$	\$	\$	\$	\$
Capital									
CAPITAL REVENUE									
Trans Canada Trails	0	849,599	0		31,027	1,373,016	467,016	863,016	307,016
Reserve transfer	955,781	0	106,182	12.50%	593,731	1,373,016	467,016	863,016	307,016
Total Capital Revenue and Reserve Trans	955,781	849,599	106,182	12.50%	624,758	1,373,016	467,016	863,016	307,016
CAPITAL EXPENSE									
Major improvements	0	40,000	-40,000	-100.00%	40,000	0	0	0	0
General Equipment	364,442	431,000	-66,558	-15.44%	63,000	770,000	0	0	0
Capital - Equipment Replacements	384,700	232,943	151,757	65.15%	116,948	192,200	192,200	192,200	213,200
Capital - IT New	0	15,264	-15,264	-100.00%	15,264	0	0	0	0
Capital - IT Replacement	48,512	63,600	-15,088	-23.72%	26,255	48,512	48,512	48,512	48,512
Capital - Prior Year	135,200	135,200	0		105,200	0	0	0	0
Capital Vehicle New	35,000	39,748	-4,748	-11.95%	30,067	0	0	0	0
Capital Vehicle Replacement	543,000	208,000	335,000	161.06%	172,762	493,000	357,000	753,000	176,000
Major Building project	0	270,000	-270,000	-100.00%	341,854	0	72,000	0	0
Total Capital Expense	1,510,854	1,435,755	75,099	5.23%	911,350	1,503,712	669,712	993,712	437,712
NET CAPITAL EXPENSE	555,073	586,156	-31,083	-5.30%	286,592	130,696	202,696	130,696	130,696
Other Municipal Contribution	-547,625	-526,655	-20,970	3.98%	-236,895	-130,696	-187,227	-130,696	-130,696
County Contribution	7,448	59,501	-52,053	-87.48%	49,697	0	15,469	0	0
Capital Financing									
County - Transfer to Long-Term Debt	1,037,462	975,969	61,493	6.30%	975,969	1,102,828	1,172,313	1,246,176	1,324,693
Debt Charges	493,888	555,381	-61,493	-11.07%	555,381	428,522	359,037	285,174	206,657
City Contribution to LT Debt FMT	-712,503	-712,503	0		-712,503	-712,503	-712,503	-712,503	-712,503
Provincial contribution to redevelopment	-483,552	-483,552	0		-483,522	-483,552	-483,552	-483,552	-483,552
Transfer from FRO Reserve	-125,000	-125,000	0		-125,000	-125,000	-125,000	-125,000	-125,000
NET CONTRIBUTION TO DEBENTURE	210,295	210,295	0		210,325	210,295	210,295	210,295	210,295

November 12, 2015

2016 General Budget Variance Highlights

Variance Discussion	\$	Budget Variance %
Transfer from Stabilization reserve in 2015 (2016 transfer not yet determined)	+\$43,215	+100.0%
Provincial Offences revenue reduction	+\$26,317	+13.25%
Inflationary increase in base capital reserve allocation	+\$ 1,974	+1.5%

County of Frontenac
General
2016 DRAFT Budget

	2016	2015	2015-2016	2015-2016	2015	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	VARIANCE	Year End	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	\$	%	\$	\$	\$	\$	\$
Operating Revenue									
Taxation and User charges									
Taxation from other governments	70,000	70,000	0		70,000	70,000	70,000	70,000	70,000
User charges	45,000	45,000	0		45,000	45,000	45,000	45,000	45,000
Payments in lieu of taxes	42,805	42,805	0		42,805	42,805	42,805	42,805	42,805
Grants									
Other									
Financing	172,306	198,623	-26,317	-13.25%	198,623	175,752	179,288	182,833	186,541
Provincial Offences Net Revenue	140,000	140,000	0		117,563	140,000	140,000	140,000	140,000
Investment Income	470,111	496,428	-26,317	-5.30%	473,991	473,557	477,093	480,638	484,346
Total									
Transfer from reserves	13,020	43,215	-30,195	-69.87%	43,215	6,510	0	0	0
Total Operating Revenue and Reserve Transfer	483,131	539,643	-56,512	-10.47%	517,206	480,067	477,093	480,638	484,346
Operating Expense									
Contracted Service	1,600	1,600	0		1,462	1,600	1,600	1,600	1,600
Rent and Financing	250	250	0		250	250	250	250	250
Total Operating Expense	1,850	1,850	0		1,712	1,850	1,850	1,850	1,850
Reserve Transfers	178,554	176,580	1,974	1.12%	176,580	182,125	185,768	189,483	193,273
Total Operating Expense with Reserve Transfer	180,404	178,430	1,974	1.11%	178,292	183,975	187,618	191,333	195,123
NET MUNICIPAL CONTRIBUTION	-302,727	-361,213	58,486	-16.19%	-338,914	-296,092	-289,475	-289,305	-289,223
NET MUNICIPAL CONTRIBUTION less debt	-302,727	-361,213	58,486	-16.19%	-338,914	-296,092	-289,475	-289,305	-289,223
County Contribution	-302,727	-361,213	58,486	-16.19%	-338,914	-296,092	-289,475	-289,305	-289,223
Requisition	-302,727	-361,213	58,486	-16.19%	-338,914	-296,092	-289,475	-289,305	-289,223
Requisition re capital levy	56,267	53,761	2,506	4.66%	53,761	0	0	0	0

November 12, 2015



2016 Governance Budget Variance Highlights

Variance Discussion	Budget Variance	
	\$	%
Salaries and benefits		
Change in remuneration	+\$11,062	+11.29%
Materials		
Expense allocation for Council members (resulting reduction in contract services)	+32,000	+82.06%
Contract Service		
Reduced with introduction of Council expense accounts	-\$16,474	-31.53%
Project Proposals		
Membership in the Great Lakes & St. Lawrence City Initiative and Community Schools Alliance	+\$4,000	+100.00%

County of Frontenac
Governance
(includes Warden, Council, Council Committees, Other Boards, Ontarians with Disabilities)
(Details on following pages)
2016 DRAFT Budget

	2016	2015		2015-2016		2015		2017		2018		2019		2020	
	DRAFT BUDGET	BUDGET	VARIANCE	BUDGET	VARIANCE	Year End	PROJECTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET
	\$	\$	\$	\$	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue															
Taxation and User charges															
Grants															
Other															
Financing	2,192	2,192	0	0		1,748	2,994	2,994	3,054	3,054	3,115	3,115	3,117	3,117	3,117
Other	2,192	2,192	0	0		1,748	2,994	2,994	3,054	3,054	3,115	3,115	3,117	3,117	3,117
Total	2,192	2,192	0	0		1,748	2,994	2,994	3,054	3,054	3,115	3,115	3,117	3,117	3,117
Total Operating Revenue and Reserve Tr	2,192	2,192	0	0		1,748	2,994	2,994	3,054	3,054	3,115	3,115	3,117	3,117	3,117
Operating Expense															
Salaries & benefits	109,057	97,995	11,062	11.29%		86,841	111,222	113,126	113,126	115,066	117,046	117,046	117,046	117,046	117,046
Materials	67,555	38,994	28,561	73.24%		37,579	68,153	68,660	68,660	70,380	69,711	69,711	69,711	69,711	69,711
Contracted Service	35,346	51,620	-16,274	-31.53%		47,020	34,093	34,347	34,347	34,606	34,870	34,870	34,870	34,870	34,870
Project Proposals Brought Forward	4,000	0	4,000			0	0	0	0	0	0	0	0	0	0
Total Operating Expense	215,958	188,609	27,349	14.50%		171,440	213,468	216,133	216,133	220,052	221,627	221,627	221,627	221,627	221,627
Reserve Transfers	10,000	10,000	0			10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Total Operating Expense with Reserve tra	225,958	198,609	27,349	13.77%		181,440	223,468	226,133	226,133	230,052	231,627	231,627	231,627	231,627	231,627
NET MUNICIPAL CONTRIBUTION	223,766	196,417	27,349	13.92%		179,692	220,474	223,079	223,079	226,937	228,510	228,510	228,510	228,510	228,510
NET MUNICIPAL CONTRIBUTION less de	223,766	196,417	27,349	13.92%		179,692	220,474	223,079	223,079	226,937	228,510	228,510	228,510	228,510	228,510
County Contribution	223,766	196,417	27,349	13.92%		179,692	220,474	223,079	223,079	226,937	228,510	228,510	228,510	228,510	228,510
Requisition	223,766	196,417	27,349	13.92%		179,692	220,474	223,079	223,079	226,937	228,510	228,510	228,510	228,510	228,510

November 12, 2015

**County of Frontenac
Governance -Warden
2016 DRAFT Budget**

	2016	2015	2015-2016	2015	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	BUDGET	Year/End	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	VARIANCE	\$	\$	\$	\$	\$
			%					
Operating Revenue								
Taxation and User charges								
Grants								
Other								
Financing								
Operating Expense								
Materials	7,500	7,500	0	8,000	7,500	7,500	7,500	7,500
Contracted Service	22,500	22,500	0	20,087	22,500	22,500	22,500	22,500
Total Operating Expense	30,000	30,000	0	28,087	30,000	30,000	30,000	30,000
Total Operating Expense with Reserve tra	30,000	30,000	0	28,087	30,000	30,000	30,000	30,000
NET MUNICIPAL CONTRIBUTION	30,000	30,000	0	28,087	30,000	30,000	30,000	30,000
NET MUNICIPAL CONTRIBUTION less de	30,000	30,000	0	28,087	30,000	30,000	30,000	30,000
County Contribution	30,000	30,000	0	28,087	30,000	30,000	30,000	30,000
Requisition	30,000	30,000	0	28,087	30,000	30,000	30,000	30,000

November 12, 2015

County of Frontenac
Governance -Council
2016 DRAFT Budget

	2016	2015	2015-2016	2015-2016	2015	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	VARIANCE	Year/End	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	\$	%	\$	\$	\$	\$	\$
Operating Revenue									
Taxation and User charges									
Grants									
Other	2,192	2,192	0		1,748	2,994	3,054	3,115	3,117
Financing	2,192	2,192	0		1,748	2,994	3,054	3,115	3,117
Other	2,192	2,192	0		1,748	2,994	3,054	3,115	3,117
Total	2,192	2,192	0		1,748	2,994	3,054	3,115	3,117
Total Operating Revenue and Reserve Tra	2,192	2,192	0		1,748	2,994	3,054	3,115	3,117
Operating Expense									
Salaries & benefits	103,057	86,970	16,087	18.50%	78,704	104,922	106,826	108,766	110,746
Materials	49,022	19,769	29,253	147.97%	18,926	49,328	49,640	51,159	50,286
Contracted Service	12,846	26,620	-13,774	-51.74%	26,064	11,593	11,847	12,106	12,370
Project Proposals Brought Forward	4,000	0	4,000		0	0	0	0	0
Total Operating Expense	168,925	133,359	35,566	26.67%	123,694	165,843	168,313	172,031	173,402
Total Operating Expense with Reserve tra	168,925	133,359	35,566	26.67%	123,694	165,843	168,313	172,031	173,402
NET MUNICIPAL CONTRIBUTION	166,733	131,167	35,566	27.12%	121,946	162,849	165,259	168,916	170,285
NET MUNICIPAL CONTRIBUTION less de	166,733	131,167	35,566	27.12%	121,946	162,849	165,259	168,916	170,285
County Contribution	166,733	131,167	35,566	27.12%	121,946	162,849	165,259	168,916	170,285
Requisition	166,733	131,167	35,566	27.12%	121,946	162,849	165,259	168,916	170,285

November 12, 2015

**County of Frontenac
Governance -Council Committees
2016 DRAFT Budget**

	2016	2015	2015-2016	2015-2016	2015	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	VARIANCE	Year/End	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	\$	%	\$	\$	\$	\$	\$
Operating Revenue									
Taxation and User charges									
Grants									
Other									
Financing									
Operating Expense									
Salaries & benefits	0	5,025	-5,025	-100.00%	2,138	0	0	0	0
Materials	3,813	5,475	-1,662	-30.36%	3,915	3,879	3,946	4,015	4,085
Contracted Service	0	2,500	-2,500	-100.00%	870	0	0	0	0
Total Operating Expense	3,813	13,000	-9,187	-70.67%	6,923	3,879	3,946	4,015	4,085
Total Operating Expense with Reserve tra	3,813	13,000	-9,187	-70.67%	6,923	3,879	3,946	4,015	4,085
NET MUNICIPAL CONTRIBUTION	3,813	13,000	-9,187	-70.67%	6,923	3,879	3,946	4,015	4,085
NET MUNICIPAL CONTRIBUTION less de	3,813	13,000	-9,187	-70.67%	6,923	3,879	3,946	4,015	4,085
County Contribution	3,813	13,000	-9,187	-70.67%	6,923	3,879	3,946	4,015	4,085
Requisition	3,813	13,000	-9,187	-70.67%	6,923	3,879	3,946	4,015	4,085

November 12, 2015

County of Frontenac
 Governance - Library and Health Unit Boards
 2016 DRAFT Budget

	2016	2015	2015-2016	2015	2016	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	Year End	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	%	\$	\$	\$	\$	\$	\$
Operating Revenue									
Taxation and User charges									
Grants									
Other									
Financing									
Operating Expense									
Salaries & benefits	4,500	4,500	0	4,500	4,800	4,800	4,800	4,800	4,800
Materials	4,220	4,250	-30	3,750	4,304	4,390	4,478	4,568	4,568
Total Operating Expense	8,720	8,750	-30	8,250	9,104	9,190	9,278	9,368	9,368
Total Operating Expense with Reserve tra	8,720	8,750	-30	8,250	9,104	9,190	9,278	9,368	9,368
NET MUNICIPAL CONTRIBUTION	8,720	8,750	-30	8,250	9,104	9,190	9,278	9,368	9,368
NET MUNICIPAL CONTRIBUTION less de	8,720	8,750	-30	8,250	9,104	9,190	9,278	9,368	9,368
County Contribution	8,720	8,750	-30	8,250	9,104	9,190	9,278	9,368	9,368
Requisition	8,720	8,750	-30	8,250	9,104	9,190	9,278	9,368	9,368

November 12, 2015

**County of Frontenac
Governance -Ontarians with Disabilities
2016 DRAFT Budget**

	2016 DRAFT BUDGET \$	2015 BUDGET \$	2015-2016 BUDGET VARIANCE \$	2015-2016 BUDGET VARIANCE %	2015 PROJECTED Year End BUDGET \$	2017 PROJECTED BUDGET \$	2018 PROJECTED BUDGET \$	2019 PROJECTED BUDGET \$	2020 PROJECTED BUDGET \$
Operating Revenue									
Taxation and User charges									
Grants									
Other									
Financing									
Operating Expense									
Salaries & benefits	1,500	1,500	0		1,500	1,500	1,500	1,500	1,500
Materials	3,000	2,000	1,000	50.00%	2,989	3,142	3,184	3,228	3,272
Total Operating Expense	4,500	3,500	1,000	28.57%	4,489	4,642	4,684	4,728	4,772
Reserve Transfers	10,000	10,000	0		10,000	10,000	10,000	10,000	10,000
Total Operating Expense with Reserve tra	14,500	13,500	1,000	7.41%	14,489	14,642	14,684	14,728	14,772
NET MUNICIPAL CONTRIBUTION	14,500	13,500	1,000	7.41%	14,489	14,642	14,684	14,728	14,772
NET MUNICIPAL CONTRIBUTION less de	14,500	13,500	1,000	7.41%	14,489	14,642	14,684	14,728	14,772
County Contribution	14,500	13,500	1,000	7.41%	14,489	14,642	14,684	14,728	14,772
Requisition	14,500	13,500	1,000	7.41%	14,489	14,642	14,684	14,728	14,772

November 12, 2015



2016 Corporate Services Budget Variance Highlights

Variance Discussion	Budget Variance	
	\$	%
Revenue: Township contribution to shared services (-\$201,792) directly related to shared services	-\$0	-0%
Salaries and Benefits		
Shared Information Technology service wages and benefits, fully offset by Township contribution (\$201,792)	+\$0	+0%
Impact of compensation review and CPI increase (1.5%)	+\$33,143	+6.1%
Benefit increases	+\$34,156	+27.9%
Materials		
Computer hardware reduction	-\$15,314	-79.2%
Training – LEAN (\$25k from prior year + \$15k current)	+\$ 6,000	+12.99%
Contracts		
Other projects not in 2016 – compensation review and capital asset condition assessment (-\$50k)	-\$45,000	-90.0%
Add survey as identified in Budget policy (+\$5k)		
Project proposals	\$0	
Work order software funded from Federal Gas Tax \$60,000		
Infield Communications project – funded outside of levy cap	-\$30,000	100%

County of Frontenac
Corporate
2016 DRAFT Budget

	2016	2015	2015-2016	2015	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	Year End	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	%	\$	\$	\$	\$	\$
Operating Revenue								
Taxation and User charges	305,249	101,329	203,920	78,554	322,957	331,330	340,115	349,461
Grants	305,249	101,329	203,920	78,554	322,957	331,330	340,115	349,461
Other	60,000	0	60,000	0	0	0	0	0
Financing	25,000	55,000	-30,000	55,000	0	0	0	0
Total	390,249	156,329	233,920	133,554	322,957	331,330	340,115	349,461
Transfer from Obligatory reserve								
Transfer from reserves								
Total Operating Revenue and Reserve Tr	390,249	156,329	233,920	133,554	322,957	331,330	340,115	349,461
Operating Expense								
Salaries & benefits	1,127,574	891,352	236,222	891,797	1,185,707	1,238,846	1,287,035	1,330,108
Materials	137,251	137,809	-558	122,502	119,823	117,193	113,801	115,840
Contracted Service	924,331	954,880	-30,549	941,882	965,685	970,991	958,031	970,281
Project Proposals Brought Forward	90,733	0	90,733	0	0	0	0	0
Depreciation	305,104	329,913	-24,809	299,415	305,104	305,104	305,104	305,104
Total Operating Expense	2,584,993	2,313,954	271,039	2,255,596	2,576,319	2,632,134	2,663,971	2,721,333
Reserve Transfers	5,000	5,000	0	5,000	5,000	5,000	5,000	5,000
Total Operating Expense with Reserve tra	2,589,993	2,318,954	271,039	2,260,596	2,581,319	2,637,134	2,668,971	2,726,333
NET MUNICIPAL CONTRIBUTION	2,199,744	2,162,625	37,119	2,127,042	2,258,362	2,305,804	2,328,856	2,376,872
less depreciation (non-cash)	305,104	329,913	-24,809	299,415	305,104	305,104	305,104	305,104
NET MUNICIPAL CONTRIBUTION less de	1,894,640	1,832,712	61,928	1,827,627	1,953,258	2,000,700	2,023,752	2,071,768
County Contribution	1,894,640	1,832,712	61,928	1,827,627	1,953,258	2,000,700	2,023,752	2,071,768
Requisition	1,894,640	1,832,712	61,928	1,827,627	1,953,258	2,000,700	2,023,752	2,071,768

November 12, 2015

**County of Frontenac
Corporate
2016 DRAFT Budget**

	2016 DRAFT BUDGET	2015 BUDGET	2015-2016 BUDGET VARIANCE	2015 PROJECTED Year End	2017 BUDGET	2018 PROJECTED BUDGET	2019 PROJECTED BUDGET	2020 PROJECTED BUDGET
	\$	\$	%	\$	\$	\$	\$	\$
Capital								
CAPITAL REVENUE								
Reserve transfer	30,000	54,422	-44.88%	26,255	0	0	0	0
Total Capital Revenue and Reserve Trans	30,000	54,422	-44.88%	26,255	0	0	0	0
CAPITAL EXPENSE								
Capital - IT Replacement	0	24,422	-100.00%	26,255	0	0	0	0
Capital - Prior Yea	30,000	30,000	0	0	0	0	0	0
Total Capital Expense	30,000	54,422	-44.88%	26,255	0	0	0	0

Capital Financing

November 12, 2015



2016 Planning and Economic Development Budget Variance Highlights

Variance Discussion	\$	Budget Variance %
Salaries and Benefits		
Staff Salaries – compensation review 2015, CUPE 2290 Union settlement.	+\$18,508	+4.67%
Contracts		
K&P Trail Maintenance increased due to increased kilometers of trail	+\$7,000	+28.00%
Ageing Communities project (\$35,000) fully funded	\$0	
150 th Anniversary celebrations completed in 2015	\$0	
Project Proposals brought forward		
K&P Trail Land Acquisition (\$80,000) – from Reserve	\$0	
Advancing Economic Development (\$210,000) – from Reserve	\$0	
Communal Services (1 st year - \$40,000) from Reserve	\$0	
Sustainability Reserve Allocation (\$30,000) funded outside of levy cap	+\$30,000	100.00%

County of Frontenac
 Planning and Economic Development
 2016 DRAFT Budget

	2016 DRAFT BUDGET	2015 BUDGET	2015-2016 BUDGET VARIANCE	2015-2016 BUDGET VARIANCE %	2015 PROJECTED Year End	2017 BUDGET	2018 PROJECTED BUDGET	2019 PROJECTED BUDGET	2020 PROJECTED BUDGET
	\$	\$	\$	%	\$	\$	\$	\$	\$
Operating Revenue									
Taxation and User charges									
User charges	20,000	20,000	0		31,500	15,500	15,500	17,500	17,500
Grants									
Federal and Provincial	86,426	85,326	1,100	1.29%	48,561	0	0	0	0
Other									
Financing	0	0	0		1,321	0	0	0	0
Other	106,426	105,326	1,100	1.04%	81,382	15,500	15,500	17,500	17,500
Total									
Transfer from Obligatory reserve	245,140	331,486	-86,346	-26.05%	40,096	0	0	0	0
Transfer from reserves	407,000	280,000	147,000	56.54%	177,438	314,000	212,000	97,000	67,000
Total Operating Revenue and Reserve Transfer	758,566	696,812	61,754	8.86%	298,916	329,500	227,500	114,500	84,500
Operating Expense									
Salaries & benefits	415,065	396,557	18,508	4.67%	395,860	434,751	458,090	482,677	503,511
Materials	46,858	47,391	-533	-1.12%	52,341	46,606	47,391	45,115	48,982
Contracted Service	457,038	730,407	-273,369	-37.43%	328,470	225,115	226,232	192,961	164,726
Project Proposals Brought Forward	360,000	0	360,000		10,334	162,000	102,000	2,000	2,000
Total Operating Expense	1,278,961	1,174,355	104,606	8.91%	787,005	868,472	833,713	722,753	719,229
Total Operating Expense with Reserve Transfer	1,278,961	1,174,355	104,606	8.91%	787,005	868,472	833,713	722,753	719,229
NET MUNICIPAL CONTRIBUTION	520,395	477,543	42,852	8.97%	488,089	538,972	606,213	608,253	634,729
NET MUNICIPAL CONTRIBUTION less debt	520,395	477,543	42,852	8.97%	488,089	538,972	606,213	608,253	634,729
County Contribution	520,395	477,543	42,852	8.97%	488,089	538,972	606,213	608,253	634,729
NET CAPITAL EXPENSE	0	39,748	-39,748	-100.00%	30,067	0	0	0	0
County Contribution	0	39,748	-39,748	-100.00%	30,067	0	0	0	0
Requisition	520,395	517,291	3,104	0.60%	518,156	538,972	606,213	608,253	634,729

November 12, 2015

**County of Frontenac
Planning and Economic Development
2016 DRAFT Budget**

	2016	2015	2015-2016	2015-2016	2015	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	VARIANCE	Year End	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	\$	%	\$	\$	\$	\$	\$
Capital									
CAPITAL REVENUE									
Trans Canada Trails	0	0	0		31,027	0	0	0	0
Reserve transfer	0	270,000	-270,000	-100.00%	310,827	0	0	0	0
Total Capital Revenue and Reserve Trans	0	270,000	-270,000	-100.00%	341,854	0	0	0	0
CAPITAL EXPENSE									
Capital Vehicle New	0	39,748	-39,748	-100.00%	30,067	0	0	0	0
Major Building project	0	270,000	-270,000	-100.00%	341,854	0	0	0	0
Total Capital Expense	0	309,748	-309,748	-100.00%	371,921	0	0	0	0
NET CAPITAL EXPENSE	0	39,748	-39,748	-100.00%	30,067	0	0	0	0
County Contribution	0	39,748	-39,748	-100.00%	30,067	0	0	0	0
Capital Financing									

November 12, 2015



2016 Fairmount Home Budget Variance Highlights

Variance Discussion	Budget Variance	
	\$	%
Revenue		
Ministry of Health – envelope funding/ resident funding increases (not yet confirmed)	-\$39,489	-1.34%
Other revenue related to Café	-\$7,609	-8.8%
Salaries and Benefits		
Wages	+\$123,318	+1.8%
Benefits – increase in medical benefits (9.%) offset by no increase in CPP, EI, OMERS in 2016	+\$49,430	+2.5%
Materials		
Building repairs identified in asset condition assessment	+\$13,582	+30.87%
Training fees to support software for mandatory training	+\$9,532	+81.24%
Additional raw food costs – offset by revenue or funding increases	+\$9,608	+2.38%
Contracted Services		
Plumbing system maintenance as identified in condition assessment report	+\$12,060	+49.04%
Electrical repairs required as identified in condition assessment report	+\$5,905	+23.16%
Project Proposals		
GUIDI assessment of ground water	+\$17,000	
Septic system assessment	+40,000	
Share of Disability Management consultant	+5,933	

County of Frontenac
Fairmount
2016 DRAFT Budget

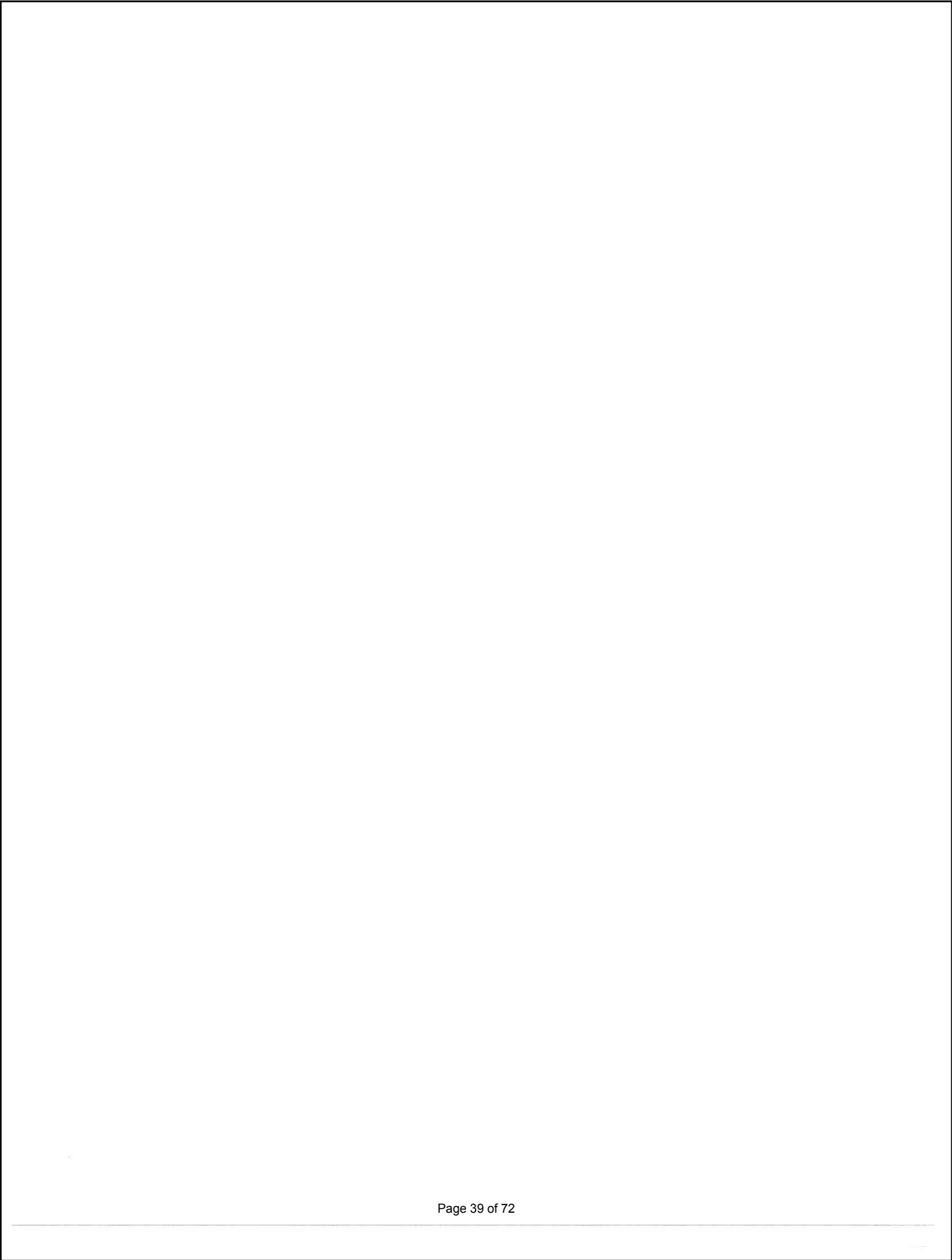
	2016	2015	2015-2016	2015	2017	2018	2019	2020
	BUDGET	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	\$	\$	VARIANCE	Year End	BUDGET	BUDGET	BUDGET	BUDGET
			%	\$	\$	\$	\$	\$
Operating Revenue								
Taxation and User charges								
User charges	2,979,822	2,940,333	1.34%	2,906,847	3,009,610	3,052,469	3,095,949	3,140,058
Grants								
Federal and Provincial	5,440,035	5,344,080	1.80%	5,438,799	5,513,265	5,588,706	5,665,274	5,742,985
Other								
Financing	94,077	86,468	8.80%	74,236	95,187	96,317	97,463	98,629
Other	8,513,934	8,370,881	1.71%	8,419,882	8,618,062	8,737,492	8,858,686	8,981,672
Total								
Transfer from reserves	137,774	92,434	49.05%	81,696	0	0	0	0
Total Operating Revenue and Reserve Tr	8,651,708	8,463,315	2.23%	8,501,578	8,618,062	8,737,492	8,858,686	8,981,672
Operating Expense								
Salaries & benefits	8,988,436	8,815,689	1.96%	8,491,674	9,138,463	9,415,945	9,701,732	9,995,096
Materials	976,137	939,382	3.91%	913,488	992,885	1,006,367	1,018,104	1,026,055
Contracted Service	1,222,523	1,202,551	1.66%	1,181,527	1,249,489	1,271,354	1,300,183	1,330,011
Project Proposals Brought Forward	62,933	0		0	0	0	0	0
Depreciation	534,897	520,766	2.71%	520,766	534,897	534,897	534,897	534,897
Total Operating Expense	11,784,926	11,478,388	2.67%	11,107,455	11,915,734	12,228,563	12,554,916	12,886,059
Reserve Transfers	112,681	111,592	0.98%	72,592	114,155	115,658	117,191	118,755
Total Operating Expense with Reserve tr	11,897,607	11,589,980	2.65%	11,180,047	12,029,889	12,344,221	12,672,107	13,004,814
NET MUNICIPAL CONTRIBUTION	3,245,899	3,126,665	3.81%	2,678,489	3,411,827	3,606,729	3,813,421	4,023,142
less depreciation (non-cash)	534,897	520,766	2.71%	520,766	534,897	534,897	534,897	534,897
NET MUNICIPAL CONTRIBUTION less de	2,711,002	2,605,899	4.03%	2,157,703	2,876,930	3,071,832	3,278,524	3,488,245
Other Municipal Contribution	-1,802,082	-1,722,648	4.61%	-1,417,210	-1,905,207	-2,036,718	-2,176,226	-2,317,774
County Contribution	908,920	883,251	2.91%	740,493	971,723	1,035,114	1,102,298	1,170,471
NET CAPITAL EXPENSE	233,472	206,525	13.05%	206,525	130,696	130,696	130,696	130,696
Other Municipal Contribution	-233,172	-197,480	18.07%	-197,480	-130,696	-130,696	-130,696	-130,696
County Contribution	300	9,045	-96.68%	9,045	0	0	0	0
NET CONTRIBUTION TO DEBENTURE	210,295	210,295	0	210,325	210,295	210,295	210,295	210,295
Requisition	1,119,515	1,102,591	1.53%	959,863	1,182,018	1,245,409	1,312,593	1,380,766

November 12, 2015

County of Frontenac
Fairmount
2016 DRAFT Budget

	2016	2015	2015-2016	2015	2017	2018	2019	2020
	BUDGET	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	\$	\$	VARIANCE	YearEnd	BUDGET	BUDGET	BUDGET	BUDGET
			%					
Capital								
CAPITAL REVENUE								
Reserve transfer	109,728	83,887	25,841	83,887	61,504	61,504	61,504	61,504
Total Capital Revenue and Reserve Trans	109,728	83,887	25,841	83,887	61,504	61,504	61,504	61,504
CAPITAL EXPENSE								
Major improvements	0	40,000	-40,000	40,000	0	0	0	0
General Equipment	0	13,000	-13,000	13,000	0	0	0	0
Capital - Equipment Replacements	237,700	116,948	120,752	116,948	192,200	192,200	192,200	192,200
Capital - IT New	0	15,264	-15,264	15,264	0	0	0	0
Capital - Prior Yea	105,200	105,200	0	105,200	0	0	0	0
Total Capital Expense	342,900	290,412	52,488	290,412	192,200	192,200	192,200	192,200
NET CAPITAL EXPENSE	233,172	206,525	26,647	206,525	130,696	130,696	130,696	130,696
Other Municipal Contribution	-233,172	-197,480	-35,692	-197,480	-130,696	-130,696	-130,696	-130,696
County Contribution	0	9,045	-9,045	9,045	0	0	0	0
Capital Financing								
County - Transfer to Long-Term Debt	1,037,462	975,969	61,493	975,969	1,102,828	1,172,313	1,246,176	1,324,693
Debt Charges	493,888	555,381	-61,493	555,381	428,522	359,037	285,174	206,657
City Contribution to LT Debt FMT	-712,503	-712,503	0	-712,503	-712,503	-712,503	-712,503	-712,503
Provincial contribution to redevelopment	-483,552	-483,552	0	-483,552	-483,552	-483,552	-483,552	-483,552
Transfer from FRO Reserve	-125,000	-125,000	0	-125,000	-125,000	-125,000	-125,000	-125,000
NET CONTRIBUTION TO DEBENTURE	210,295	210,295	0	210,325	210,295	210,295	210,295	210,295

November 12, 2015



**Emergency &
Transportation
Services**



2016 Land Ambulance Budget Variance Highlights

Variance Discussion	\$	Budget Variance %
Revenue - estimated increase from Province due to formula catch-up (not yet confirmed)	-\$190,003	-48%
- Community Paramedicine project in 2015 and related funding completed	+\$151,000	
Salaries and benefits		
Estimated wage and benefit increases	+\$315,217	+2.46%
Materials		
Fuel cost reduction due to current forecasts	-\$16,700	-8.5%
Decreased software costs	-\$62,150	-34.26%
Increased oxygen costs	+\$15,000	+27.27%
Contracts		
Community Paramedicine project completed in 2015 (was fully funded)	-\$115,180	-78.51%
Specialized Fees	-\$ 13,000	-43.33%
Equipment maintenance	-\$ 4,000	-16.67%
Vehicle maintenance	+\$ 20,150	+7.55%
Vehicle insurance	+\$ 7,121	+9.28%
Reserve allocation increase by CPI	+\$ 9,619	+1.5%
Special Project Approved 2015- Power lift stretchers (\$735,000 over 2 years) from reserve	+\$ 0	+0.00%
Project Proposal - .4 FTE Logistics position and vehicle (net cost). WI deployment,	+\$ 50,118	
Change in share of weighted assessment – impact on County share	+\$ 9,093	

County of Frontenac
Land Ambulance - Frontenac Paramedic Service
2016 DRAFT Budget

	2016 DRAFT BUDGET	2015 BUDGET	2015-2016 BUDGET VARIANCE	2015 PROJECTED Year End	2016 BUDGET	2017 PROJECTED BUDGET	2018 PROJECTED BUDGET	2019 PROJECTED BUDGET	2020 PROJECTED BUDGET
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue									
Taxation and User charges	0	0	0	8,172	0	0	0	0	0
Grants									
Federal and Provincial	8,196,938	8,157,905	39,033	8,402,257	8,373,638	8,781,338	9,160,838	9,374,738	
Other	0	0	0	3,851	0	0	0	0	0
Total	8,196,938	8,157,905	39,033	8,414,280	8,373,638	8,781,338	9,160,838	9,374,738	
Transfer from reserves	0	20,000	-20,000	20,000	0	0	0	0	0
Total Operating Revenue and Reserve Transfer	8,196,938	8,177,905	19,033	8,434,280	8,373,638	8,781,338	9,160,838	9,374,738	
Operating Expense									
Salaries & benefits	13,138,040	12,822,823	315,217	13,207,873	13,754,086	14,383,084	14,812,456	15,269,137	
Materials	870,853	922,974	-52,121	880,469	902,916	921,921	939,164	951,943	
Contracted Service	1,352,535	1,443,655	-91,120	1,512,453	1,323,757	1,368,705	1,338,501	1,434,150	
Rent and Financing	228,402	224,884	3,518	226,777	231,990	235,649	239,382	243,189	
Project Proposals Brought Forward	50,118	0	50,118	0	100,000	156,000	160,000	163,000	
Depreciation	619,424	640,529	-21,105	620,072	754,723	754,723	754,723	754,723	
Total Operating Expense	16,259,372	16,054,865	204,507	16,447,644	17,067,472	17,820,082	18,244,226	18,816,142	
Reserve Transfers	650,861	641,242	9,619	641,242	663,877	677,155	690,698	704,512	
Total Operating Expense with Reserve Transfer	16,910,233	16,696,107	214,126	17,088,886	17,731,349	18,497,237	18,934,924	19,520,654	
NET MUNICIPAL CONTRIBUTION	8,713,295	8,518,202	195,093	8,654,606	9,357,711	9,715,899	9,774,086	10,145,916	
less depreciation (non-cash)	619,424	640,529	-21,105	620,072	754,723	754,723	754,723	754,723	
NET MUNICIPAL CONTRIBUTION less depreciation	8,093,871	7,877,673	216,198	8,034,534	8,602,988	8,961,176	9,019,363	9,391,193	
Other Municipal Contribution	-6,366,920	-6,203,589	-163,331	-6,333,556	-6,754,345	-7,026,457	-7,062,586	-7,344,197	
County Contribution	1,726,951	1,674,084	52,867	1,700,978	1,848,643	1,934,719	1,956,777	2,046,996	
NET CAPITAL EXPENSE	321,901	339,883	-17,982	50,000	0	72,000	0	0	
Other Municipal Contribution	-314,453	-329,175	14,722	-39,415	0	-56,531	0	0	
County Contribution	7,448	10,708	-3,260	10,585	0	15,469	0	0	
Requisition	1,734,399	1,684,792	49,607	1,711,563	1,848,643	1,950,188	1,956,777	2,046,996	

County of Frontenac
Land Ambulance - Frontenac Paramedic Service
2016 DRAFT Budget

	2016	2015	2015-2016	2015	2017	2018	2019	2020
	BUDGET	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	\$	\$	%	Year End	BUDGET	BUDGET	BUDGET	BUDGET
					\$	\$	\$	\$
Capital								
CAPITAL REVENUE								
Reserve transfer	816,053	441,290	84.92%	172,762	1,311,512	405,512	801,512	245,512
Total Capital Revenue and Reserve Trans	816,053	441,290	84.92%	172,762	1,311,512	405,512	801,512	245,512
CAPITAL EXPENSE								
General Equipment	364,442	418,000	-12.81%	50,000	770,000	0	0	0
Capital - Equipment Replacements	147,000	115,995	26.73%	0	0	0	0	21,000
Capital - IT Replacement	48,512	39,178	23.82%	0	48,512	48,512	48,512	48,512
Capital Vehicle New	35,000	0		0	0	0	0	0
Capital Vehicle Replacement	543,000	208,000	161.06%	172,762	493,000	357,000	753,000	176,000
Major Buidling project	0	0		0	0	72,000	0	0
Total Capital Expense	1,137,954	781,173	45.67%	222,762	1,311,512	477,512	801,512	245,512
NET CAPITAL EXPENSE	321,901	339,883	-5.29%	50,000	0	72,000	0	0
Other Municipal Contribution	-314,453	-329,175	-4.47%	14,722	0	-56,531	0	0
County Contribution	7,448	10,708	-30.44%	10,585	0	15,469	0	0
Capital Financing								

November 12, 2015

**Emergency &
Transportation
Services**

2016 Emergency Management Budget Variance Highlights

Variance Discussion

	Budget Variance	%
1. Elimination of support for 211	\$ -3,200	-100.00%

**County of Frontenac
Emergency Management
2016 DRAFT Budget**

	2016 DRAFT BUDGET	2015 BUDGET	2015-2016 BUDGET VARIANCE	2016 BUDGET	2015-2016 BUDGET VARIANCE	2015 Year End	2015 BUDGET	2016 PROJECTED BUDGET	2017 PROJECTED BUDGET	2018 PROJECTED BUDGET	2019 PROJECTED BUDGET	2020 PROJECTED BUDGET
	\$	\$	\$	\$	%	\$	\$	\$	\$	\$	\$	\$
Operating Revenue												
Taxation and User charges												
Grants												
Other												
Financing												
Operating Expense												
Materials	3,734	3,700	34	0.92%		2,915	3,769	3,804	3,840	3,877		
Contracted Service	3,040	6,200	-3,160	-50.97%		5,765	3,081	3,123	3,165	3,208		
Total Operating Expense	6,774	9,900	-3,126	-31.58%		8,680	6,850	6,927	7,005	7,085		
Total Operating Expense with Reserve tra	6,774	9,900	-3,126	-31.58%		8,680	6,850	6,927	7,005	7,085		
NET MUNICIPAL CONTRIBUTION	6,774	9,900	-3,126	-31.58%		8,680	6,850	6,927	7,005	7,085		
NET MUNICIPAL CONTRIBUTION less de	6,774	9,900	-3,126	-31.58%		8,680	6,850	6,927	7,005	7,085		
County Contribution	6,774	9,900	-3,126	-31.58%		8,680	6,850	6,927	7,005	7,085		
Requisition	6,774	9,900	-3,126	-31.58%		8,680	6,850	6,927	7,005	7,085		

November 12, 2015



Emergency & Transportation Services

2016 Marine Services Budget Variance Highlights

Variance Discussion	\$	Budget Variance %
Salaries and benefits		
Contract settlement finalized in 2015	-\$21,066	-2.32%
Materials		
Vehicle retained for ferry - fuel costs to replace kilometrage rates	-\$1,500	-42.8%
Contract services		
Legal fees lower in 2016	-\$8,000	-80.0%
Vehicle maintenance & insurance costs	+\$5,200	+74.4%

Marine Services has no net impact on the County budget as it is funded by an 80% Provincial subsidy and fees and fares.

County of Frontenac
Ferry
2016 DRAFT Budget

	2016 DRAFT BUDGET	2015 BUDGET	2015-2016 BUDGET VARIANCE	2015 PROJECTED Year End	2016 BUDGET	2017 PROJECTED BUDGET	2018 PROJECTED BUDGET	2019 PROJECTED BUDGET	2020 PROJECTED BUDGET
	\$	\$	%	\$	\$	\$	\$	\$	\$
Operating Revenue									
Taxation and User charges									
User charges	195,728	199,964	-4,236	185,757	201,223	207,523	213,810	220,757	
Grants									
Federal and Provincial	782,912	799,627	-16,715	743,024	804,892	830,091	855,240	883,027	
Other									
Financing									
Total	978,640	999,591	-20,951	928,781	1,006,115	1,037,614	1,069,050	1,103,784	
Total Operating Revenue and Reserve Tr	978,640	999,591	-20,951	928,781	1,006,115	1,037,614	1,069,050	1,103,784	
Operating Expense									
Salaries & benefits	886,055	907,121	-21,066	864,862	911,594	942,343	974,008	1,006,877	
Materials	35,148	32,857	2,291	29,770	40,704	40,386	39,062	39,795	
Contracted Service	56,837	59,613	-2,776	34,145	53,817	54,885	55,959	57,112	
Project Proposals Brought Forward	600	0	600	0	0	0	0	0	
Depreciation	4,602	4,602	0	4,602	4,602	4,602	4,602	4,602	
Total Operating Expense	983,242	1,004,193	-20,951	933,379	1,010,717	1,042,216	1,073,651	1,108,386	
Total Operating Expense with Reserve tra	983,242	1,004,193	-20,951	933,379	1,010,717	1,042,216	1,073,651	1,108,386	
NET MUNICIPAL CONTRIBUTION	4,602	4,602	0	4,598	4,602	4,602	4,601	4,602	
less depreciation (non-cash)	4,602	4,602	0	4,602	4,602	4,602	4,602	4,602	
NET MUNICIPAL CONTRIBUTION less de	0	0	0	-4	0	0	-1	0	
County Contribution	0	0	0	-4	0	0	-1	0	
Requisition	0	0	0	-4	0	0	-1	0	

November 12, 2015



2016 Health Unit Budget Variance Highlights

Variance Discussion	Budget Variance \$	Budget Variance %
Contracts		
As per Health Unit requisitions	+\$14,357	+2.00%

**County of Frontenac
Health Unit
2016 DRAFT Budget**

	2016	2015	2015-2016	2015	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	Year End	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	%	\$	\$	\$	\$	\$
Operating Revenue								
Taxation and User charges								
Grants								
Other								
Financing								
Operating Expense								
Contracted Service	732,195	717,838	14,357	2.00%	717,838	746,839	761,775	792,551
Total Operating Expense	732,195	717,838	14,357	2.00%	717,838	746,839	761,775	792,551
Total Operating Expense with Reserve tra	732,195	717,838	14,357	2.00%	717,838	746,839	761,775	792,551
NET MUNICIPAL CONTRIBUTION	732,195	717,838	14,357	2.00%	717,838	746,839	761,775	792,551
NET MUNICIPAL CONTRIBUTION less de	732,195	717,838	14,357	2.00%	717,838	746,839	761,775	792,551
County Contribution	732,195	717,838	14,357	2.00%	717,838	746,839	761,775	792,551
Requisition	732,195	717,838	14,357	2.00%	717,838	746,839	761,775	792,551

November 12, 2015



2016 Social Housing Budget Variance Highlights

Variance Discussion	Budget Variance	
	\$	%
As requisitioned by the City of Kingston		
Reallocation of administrative costs	-\$ 7,938	-4.35%
Increase in cost of housing units in the County	+\$70,473	+10.93%

County of Frontenac
Social Housing
2016 DRAFT Budget

	2016 DRAFT BUDGET	2015 BUDGET	2015-2016 BUDGET VARIANCE	2015 PROJECTED Year End	2016 PROJECTED BUDGET	2017 PROJECTED BUDGET	2018 PROJECTED BUDGET	2019 PROJECTED BUDGET	2020 PROJECTED BUDGET
	\$	\$	\$	\$	\$	\$	\$	\$	\$
			%						
Operating Revenue									
Taxation and User charges									
Grants									
Other									
Financing									
Transfer from reserves	139,000	126,500	12,500	9.88%	126,500	141,780	144,616	147,508	150,458
Total Operating Revenue and Reserve Tr	139,000	126,500	12,500	9.88%	126,500	141,780	144,616	147,508	150,458
Operating Expense									
Contracted Service	889,560	827,025	62,535	7.56%	827,025	904,682	929,802	961,723	987,078
Total Operating Expense	889,560	827,025	62,535	7.56%	827,025	904,682	929,802	961,723	987,078
Reserve Transfers	25,000	25,000	0		25,000	25,000	25,000	25,000	25,000
Total Operating Expense with Reserve tra	914,560	852,025	62,535	7.34%	852,025	929,682	954,802	986,723	1,012,078
NET MUNICIPAL CONTRIBUTION	775,560	725,525	50,035	6.90%	725,525	787,902	810,186	839,215	861,620
NET MUNICIPAL CONTRIBUTION less de	775,560	725,525	50,035	6.90%	725,525	787,902	810,186	839,215	861,620
County Contribution	775,560	725,525	50,035	6.90%	725,525	787,902	810,186	839,215	861,620
Requisition	775,560	725,525	50,035	6.90%	725,525	787,902	810,186	839,215	861,620

November 12, 2015



2016 Social Service Budget Variance Highlights

Variance Discussion	Budget Variance	
	\$	%
As requisitioned by the City of Kingston – increase in administration costs	+\$18,581	+2.19%
Reduction in caseload costs due to uploading	-\$46,036	-12.29%

Future notes

Note that the upload, related to Ontario Works caseload costs is completed by 2018. The cost of caseworkers, included under administration, continues to rise and is not part of the upload. The municipal share of this cost is shared with the City of Kingston based on weighted assessment.

**County of Frontenac
Ontario Works, Child Care
2016 DRAFT Budget**

	2016	2015	2015-2016	2015	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	Year End	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	%	\$	\$	\$	\$	\$
Operating Revenue								
Taxation and User charges								
Grants								
Other								
Financing								
Operating Expense								
Contracted Service	1,195,865	1,223,320	-27,455	1,223,320	1,159,008	1,138,933	1,166,821	1,190,700
Total Operating Expense	1,195,865	1,223,320	-27,455	1,223,320	1,159,008	1,138,933	1,166,821	1,190,700
Total Operating Expense with Reserve tra	1,195,865	1,223,320	-27,455	1,223,320	1,159,008	1,138,933	1,166,821	1,190,700
NET MUNICIPAL CONTRIBUTION	1,195,865	1,223,320	-27,455	1,223,320	1,159,008	1,138,933	1,166,821	1,190,700
NET MUNICIPAL CONTRIBUTION less de	1,195,865	1,223,320	-27,455	1,223,320	1,159,008	1,138,933	1,166,821	1,190,700
County Contribution	1,195,865	1,223,320	-27,455	1,223,320	1,159,008	1,138,933	1,166,821	1,190,700
Requisition	1,195,865	1,223,320	-27,455	1,223,320	1,159,008	1,138,933	1,166,821	1,190,700

November 12, 2015



2016 Kingston Frontenac Public Library Budget Variance Highlights

Variance Discussion	Budget Variance	
	\$	%
1. As per requisition from the Library Board	+\$19,631	+2.49%

County of Frontenac
Library
2016 DRAFT Budget

	2016	2015	2015-2016	2015	2017	2018	2019	2020
	DRAFT	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	BUDGET	BUDGET	VARIANCE	Year End	BUDGET	BUDGET	BUDGET	BUDGET
	\$	\$	%	\$	\$	\$	\$	\$
Operating Revenue								
Taxation and User charges								
Grants								
Other								
Financing								
Transfer from reserves	22,100	15,600	41.67%	15,600	0	0	0	0
Total Operating Revenue and Reserve Tr	22,100	15,600	41.67%	15,600	0	0	0	0
Operating Expense								
Contracted Service	807,688	788,057	2.49%	788,057	801,300	817,326	833,673	850,346
Depreciation	0	42,716	-100.00%	42,716	0	0	0	0
Total Operating Expense	807,688	830,773	-2.78%	830,773	801,300	817,326	833,673	850,346
Reserve Transfers	31,000	31,000		31,000	31,000	31,000	31,000	31,000
Total Operating Expense with Reserve tra	838,688	861,773	-2.68%	861,773	832,300	848,326	864,673	881,346
NET MUNICIPAL CONTRIBUTION	816,588	846,173	-3.50%	846,173	832,300	848,326	864,673	881,346
less depreciation (non-cash)	0	42,716	-100.00%	42,716	0	0	0	0
NET MUNICIPAL CONTRIBUTION less de	816,588	803,457	1.63%	803,457	832,300	848,326	864,673	881,346
County Contribution	816,588	803,457	1.63%	803,457	832,300	848,326	864,673	881,346
Requisition	816,588	803,457	1.63%	803,457	832,300	848,326	864,673	881,346

November 12, 2015

2016 Other Transfers Budget Variance Highlights

Variance Discussion

None.

Budget Variance
\$
%

2016 Highlights

**County of Frontenac
Transfers to Lower Tiers and Other Agencies
2016 DRAFT Budget**

	2016 DRAFT BUDGET	2015 BUDGET	2015-2016 BUDGET VARIANCE	2015-2016 PROJECTED Year End	2016 PROJECTED BUDGET	2017 PROJECTED BUDGET	2018 PROJECTED BUDGET	2019 PROJECTED BUDGET	2020 PROJECTED BUDGET
	\$	\$	\$	\$	\$	\$	\$	\$	\$
			%						
Operating Revenue									
Taxation and User charges									
Grants									
Financing	300	300	0	300	300	300	300	300	300
Other	300	300	0	300	300	300	300	300	300
Total	300	300	0	300	300	300	300	300	300
Transfer from Obligatory reserve	763,699	763,699	0	763,699	763,699	763,699	763,699	763,699	763,699
Total Operating Revenue and Reserve Tr	763,999	763,999	0	763,999	763,999	763,999	763,999	763,999	763,999
Operating Expense									
Materials	763,699	763,699	0	763,699	763,699	763,699	763,699	763,699	763,699
External Transfers	150,300	150,300	0	150,300	150,300	150,300	150,300	150,300	150,300
Total Operating Expense	913,999	913,999	0	913,999	913,999	913,999	859,999	859,999	859,999
Total Operating Expense with Reserve tra	913,999	913,999	0	913,999	913,999	859,999	859,999	859,999	859,999
NET MUNICIPAL CONTRIBUTION	150,000	150,000	0	150,000	150,000	150,000	96,000	96,000	96,000
NET MUNICIPAL CONTRIBUTION less de	150,000	150,000	0	150,000	150,000	150,000	96,000	96,000	96,000
County Contribution	150,000	150,000	0	150,000	150,000	150,000	96,000	96,000	96,000
Requisition	150,000	150,000	0	150,000	150,000	150,000	96,000	96,000	96,000

November 12, 2015



2016 Draft Budget

Capital

November 12, 2015

**COUNTY OF FRONTENAC
2016 DRAFT Budget**

	2016 Budget	2015 Budget	2015-2016 Budget	
	\$	\$	\$	%
County Capital				
Revenue				
MIII Asset Management Funding				
Enabling accessibility fund				
Accessibility funding				
Investing in Ontario Transfer for Green projects				
Recoveries				
Transfer from capital replacement reserve		24,422		
Working Fund brought forward	30,000	30,000		
	<u>30,000</u>	<u>54,422</u>	<u>-24,422</u>	<u>-44.88%</u>
Expense				
Green Initiative				
GIS server replacement		24,422		
Asset management project				
Share of new server				
Accessibility project current year				
Accessibility project prior year				
Prior Year Projects -	30,000	30,000		
old hse heating hook up to BAS system with FMT reno				
2011 Capital Projects				
Total County Capital	<u>30,000</u>	<u>54,422</u>	<u>-24,422</u>	<u>-44.88%</u>
County Net Capital	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0.00%</u></u>
Economic Development				
Revenue				
External funding				
Total Economic Development Capital Revenue	<u>0</u>	<u>0</u>		
Reserve transfer				
Land acquisition reserve transfer				
Federal Gas Tax		270,000		
Total Economic Development Reserve Transfer	<u>0</u>	<u>270,000</u>		
Total Revenue and Reserve Transfer	<u>0</u>	<u>270,000</u>	<u>-270,000</u>	<u>-100.00%</u>
Expense				
K&P Trail		270,000	-270,000	-100.00%
Economic Development Net Capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>

**COUNTY OF FRONTENAC
2016 DRAFT Budget**

	2016 Budget	2015 Budget	2015-2016 Budget	
	\$	\$	Variance	%
Fairmount Home Capital				
Revenue				
City of Kingston contribution	182,426	146,734		
City of Kingston prior year contribution	50,746			
Transfer from Capital replacement reserve	76,064	50,223		
Transfer from Working fund reserve	33,664	33,664		
Total Revenue and Reserve Transfer	342,900	281,368	61,532	21.87%
Expense				
Elevator				
Flooring upgrades (building mtnce)	40,000	40,000		
Equipment replacement	197,700	116,948		
Equipment new		13,000		
Resident Internet Cabling		15,264		
Prior year Projects - Building Automootion System \$90k	105,200	105,200		
Total Fairmount Capital Expenditure	342,900	290,412	52,488	18.07%
Fairmount Net Capital	0	9,044	-9,044	-100.00%
Fairmount Home Redevelopment Debenture				
20 YEAR DEBENTURE				
	Total	17,200,000	Frontenac	City of Kingston
	2016	2003-2015	2016	2016
Principal	1,037,462	8,794,329	331,988	705,474
Interest	493,888	11,141,799	158,044	335,844
Ministry of Health Capital Contribution*	483,552	5,802,624	154,737	328,815
TOTAL	1,047,798	14,133,504	335,295	712,503
OUTSTANDING LIABILITY END OF 2015				7,368,209
Ambulance Capital				
Revenue & Reserve Transfers				
City of Kingston contribution	314,453	329,183	-14,730	100.00%
City of Kingston contribution - prior year	0	0	0	0.00%
Transfer from Working capital re prior year capital	0	0	0	0.00%
Transfer from Frontenac Ambulance Reserve	77,541	78,118	0	0.00%
Transfer from Other Projects Reserve	0	0	0	0.00%
Transfer - Vehicle Replacement Reserve	543,000	208,000	335,000	161.06%
Transfer - Equipment Replacement Reserve	195,512	155,173	40,339	26.00%
Total Ambulance Revenue and Reserve Transfers	1,130,506	770,474	360,032	46.73%
Expense				
Vehicles and Equipment Replacement	738,512	363,173	375,339	103.35%
New vehicle	35,000			
New capital equipment	364,442	418,000	-53,558	100.00%
Total Ambulance Capital Expenditure	1,137,954	781,173	321,782	41.19%
Land Ambulance Net Capital	7,448	10,699	-3,251	100.00%

By-Law No. 2015-0026

Of

The Corporation of the County Of Frontenac

Being a By-Law to Adopt a Budget Policy

Whereas Section 289(1) of the *Municipal Act, 2001* provides that for each year, an upper-tier municipality shall, in the year or the immediately preceding year, prepare and adopt a budget including estimates of all sums required during the year for the purposes of the upper-tier municipality, including,

- (a) amounts sufficient to pay all debts of the upper-tier municipality falling due within the year;
- (b) amounts required to be raised for sinking funds or retirement funds;
- (c) amounts in respect of debenture debt of lower-tier municipalities for the payment of which the upper-tier municipality is liable; and
- (d) amounts required by law to be provided by the upper-tier municipality for any of its local boards, excluding school boards; and,

Whereas the Council of the County of Frontenac deems it expedient to pass a Budget policy;

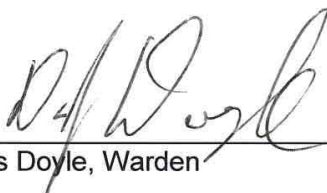
Now Therefore be it Resolved That the Council of the Corporation of the County of Frontenac authorizes the following:

1. **That** Council hereby adopts the Budget Policy for the County of Frontenac attached hereto as Schedule "A" to this by-law.
2. **That** this By-law shall come into force and take effect upon the date of final passing.


Read a First and Second Time this 17th day of June, 2015.

Read a Third Time, Signed, Sealed and Finally Passed this 17th day of June, 2015.

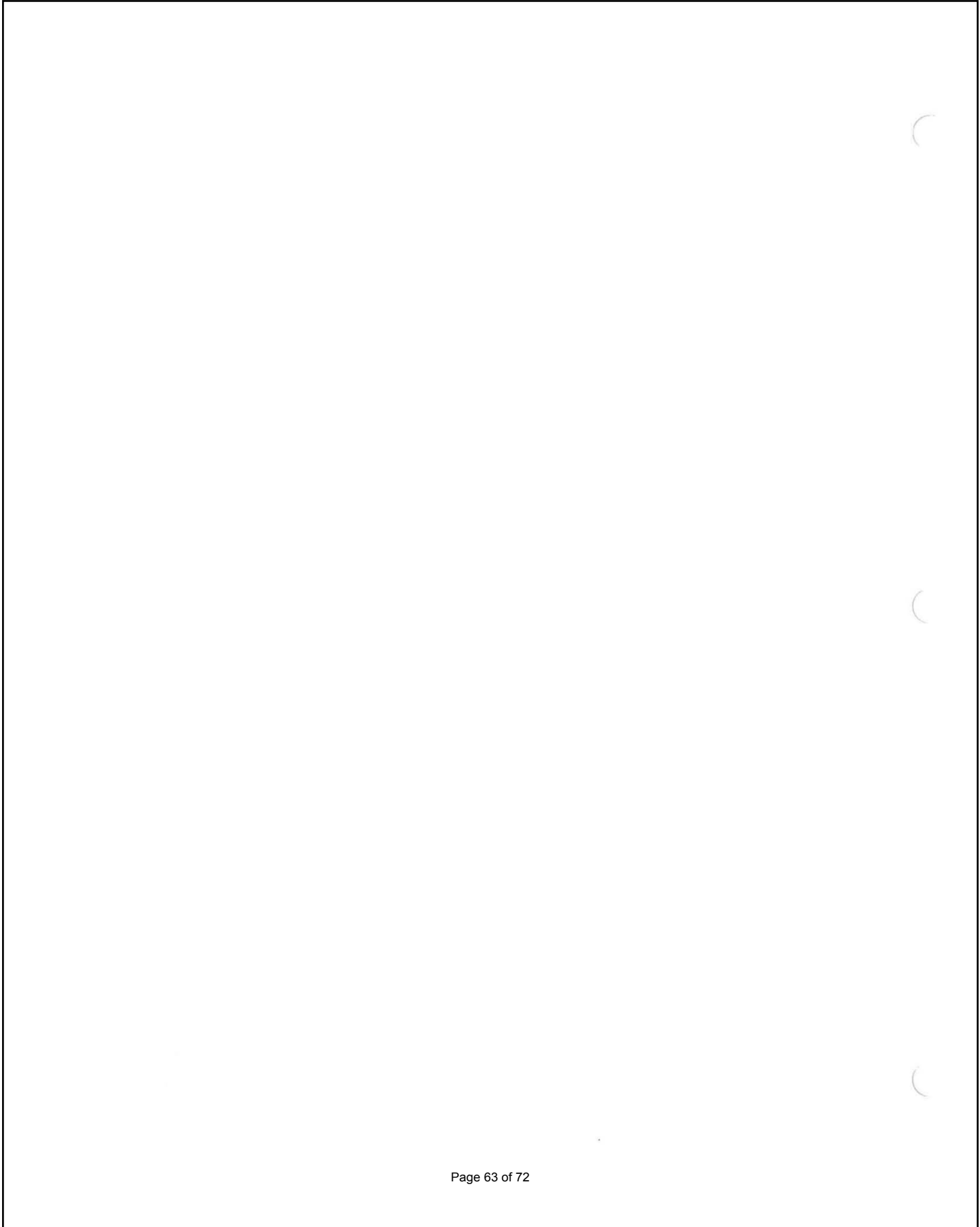
The Corporation of the County of Frontenac



Denis Doyle, Warden



Jannette Amini, Clerk





FINANCE Policy & Procedure Manual

Subject: Budget Policy
01

Index Number: FIN-1-

Page 1 of 8

Approved:

Effective:

Policy Statement

The development of a budget is the financial expression of the priorities of the organization. As a public entity the County of Frontenac has also recognized that “respect for the taxpayer” is of paramount importance.

In order to provide Council with the tools to make informed financial decisions, the County of Frontenac has adopted a Long Range Financial Planning (LRFP) framework. The LRFP builds upon recommendations received as part of our service delivery review, municipal best practice and the advice of our auditor.

Objective:

The intent of this budget policy is to:

- Enhance the quality of decisions by promoting consistency;
- Establish a timeline for the budget process;
- Ensure that Council has adequate information to exercise its due diligence in assessing the budget; and
- Integrate with other long term planning, financial and management objectives of the County

Principles

It is recommended that the County of Frontenac budget process be developed based upon the following principles:

- **Transparency:** Business plans, budget planning and budgets will be discussed and approved in open meetings of County Council except as permitted by the Municipal Act.
- **Fiduciary Responsibility:** It is the fiduciary responsibility of Council and staff to develop and approve budgets that balance both the short term and long term needs of the County and our citizens. This difficult balance requires that we use best estimates, likely scenarios, and evaluate risk.

Where a risk is known to staff, that risk will be identified to Council in a factual manner for Council consideration. In this regard, staff will use the following terminology in communicating to Council and taxpayers:



FINANCE Policy & Procedure Manual

Subject: Budget Policy
01

Index Number: FIN-1-

Page 2 of 8

Approved:

Effective:

- 1. **Risk:** an imminent or likely scenario requiring a strong change in course or a dramatic action.
 - 2. **Caution:** a known fact or recommended change of direction that may or will have future impact on budget or future decisions.
 - 3. **Advisement:** a minor change in direction or scope.
- **Accountability:** Within legislative limits, Council is ultimately accountable for the approval of business plans, budget policy and budgets, in particular the establishment and evaluation of service levels.

Staff are accountable for providing technical advice to Council, presenting options, identifying risk and ultimately implementing the decisions of Council. As an overall strategy, the staff member responsible for making procurement decisions will be responsible for developing the budget, for review by their director.

At the staff level, staff responsibilities are as follows:

- 1. **Chief Administrative Officer and Treasurer:**
 - Establishing the tone and direction of budget and reflecting the wishes of Council
 - Recommending financial policy and overall oversight of the budget process
 - Conducting a line by line review of all budgets and only allowing realistic budgets to be presented to Council
- 2. **Senior Leadership Team (Directors):**
 - Ensuring alignment with Council direction
 - Reviewing all service level change requests and establishing priorities
 - Providing guidance and direction to managers
 - Conducting in-depth reviews of budgets
 - Nominating budgets for review by the CAO/Treasurer
 - Reviewing quarterly reports and budget variances and developing mitigation strategies
- 3. **Managers:**
 - Developing budgets that are reflective of best practices, carefully considered options and in alignment with the policy direction provided by Council



FINANCE Policy & Procedure Manual

Subject: Budget Policy
01

Index Number: FIN-1-

Page 3 of 8

Approved:

Effective:

- Presenting budgets to the senior leadership team and Council
 - Continuous review of budgets and procurement to ensure they are completed within the budget and in accordance with procurement policies
 - Reporting budget variances as they are identified
- **Alignment:** Projects that support and align with the Strategic priorities of Council or as required by legislation will receive the highest priority for Council consideration.
 - **Citizen Input and Customer Satisfaction:** Citizen input will be welcome throughout the budget process, including but not limited to, strategic planning, business planning, budget development and service level changes.

Consultation will include input from member municipalities. Council will be the primary conduit for such consultations. Support will be provided by the CAO and Treasurer where appropriate.

Customer satisfaction will be measured and reported regularly. Surveys of customer satisfaction will be implemented by an objective third party in the second year of Council’s four year term.

- **Timing:** An annual budget will be passed by December 31st of the year proceeding, with staff providing a prediction of a four (4) years beyond the budget year.
 1. In an election year, the budget will be passed by February 28th of the budget year.
- **Target Levy Increase:** The target operational levy increase is Ontario CPI as calculated in August of the year prior to the budget
 1. The rate used for predicted years will be Bank of Canada’s target inflation, where appropriate, but will adjusted annually
 2. While the target levy is Ontario CPI, it is important to recognize that many parts of a municipal budget are composed of items that may fluctuate above or below CPI (e.g., fuel).
- **Business Planning:** Business plans will be developed and approved by Council. The planning horizon will generally be five years. At a minimum, the business plans will identify anticipated changes in service level, funding considerations, key performance indicators, risk and customer service objectives.
- **Total Cost of Ownership:** Proper stewardship of scarce resources requires that Council and staff evaluate budget and procurement decisions based upon the total cost of ownership concept.



FINANCE Policy & Procedure Manual

Subject: Budget Policy
01

Index Number: FIN-1-

Page 4 of 8

Approved:

Effective:

- **Sustainability and Resilience:** Sustainability and resilience principles will be considered by Council and staff in budget and procurement decisions.
- **Unit Cost:** Budgets will be developed based upon unit costs wherever possible. It is understood that, in the absence of a legislative requirement, the number of units is reflective of Council’s service level decision, while the unit cost will be developed by staff based upon a careful analysis of the following factors:
 1. Historical costs
 2. Economic and market conditions
 3. Costs incurred by others
 4. Professional estimates prepared by a competent professional (e.g., Engineer)
- **Budget Presentation:** The budget will be presented to Council at a departmental level in a manner that reflects the Provincial Financial Information Return (FIR) categories, namely:
 1. Salaries
 2. Materials and Supplies
 3. Contracted Services
 4. Rents and Financial
 5. Capital
 6. Reserves

Notes appended to the budget will focus on service level changes, inflationary increases above the CPI target and identified risks.

More detailed information is available at the request of Council.

- **Status Quo Budget:** The status quo budget is defined as last year’s service at this year’s price – Last year’s one time commitments + Previous year’s commitments + mandatory service level changes + Council directed changes spanning more than one year.
- **Service Level Changes:** In non-election years, service level changes (SLC) (both positive and negative) will be presented prior to the formal budget process for Council consideration.
 1. It is recognized that service level changes (except where mandated by legislation) are the sole prerogative of County Council.
 2. Ranking of SLCs will be completed by the senior leadership team based upon the following factors:
 - Safety to persons or property



FINANCE Policy & Procedure Manual

Subject: Budget Policy
01

Index Number: FIN-1-

Page 5 of 8

Approved:

Effective:

- Legislative requirements
- Policy strategic direction
- Operational efficiency
- **Capital:** Capital sustainability will be achieved by an additional amount being added to the budget in each year for ten years from 2015 to 2024.¹
 1. As assets are added, sold or re-furnished staff will report on the impact to sustainability projection as part of the budget requisition process.
- **Deviation from Target (Above):** Where the operating levy projection is above the inflation target, the County will consider the following in order:
 1. Assessment growth where available;
 2. The stabilization reserve where available;
 3. A levy increase above the target.
- **Deviation from Target (Below):** Where the operating levy projection is below the inflation target, the County will consider the following in order:
 1. Levy for the inflation target with the excess targeted for capital sustainability if sustainability has not been achieved;
 2. Levy for the inflation target with the excess targeted for the stabilization reserve if the reserve is less than its target balance;
 3. Other projects of priority to the community and/or Council;
 4. A levy amount below the target.
- **Levy Stabilization (One Time Items):** One time operational items should be considered for funding from reserves where available.
- **Levy Stabilization (Periodic Large Items):** In order to minimize levy fluctuation, large periodic operating items should be budgeted based upon the total cost/frequency. (e.g., expensive HVAC duct cleaning required every five years)
- **Services Provided by Others and Reconciliation:** Budgets for services provided to County residents by the City of Kingston and other agencies (i.e., Social Services, POA, Health Unit, MPAC and Library) are presented as estimates based upon submissions provided by the delivery organization and are subject to final reconciliation after the budget is approved.

¹ This amount was set by Council in 2014 at 0.65% and is subject to regular review.



FINANCE Policy & Procedure Manual

Subject: Budget Policy
01

Index Number: FIN-1-

Page 6 of 8

Approved:

Effective:

Council (including Council representatives) will annually communicate to outside agencies their expectations with respect to budget targets.

- **Assessment:** In Ontario taxes are calculated based upon the assessed value of a property as calculated by the Municipal Property Assessment Corporation (MPAC) on behalf of each municipality. For the County portion of the tax bill it is important to remember that every dollar of assessment in each of the four member municipalities pays exactly the same amount in tax.
 1. **Assessment Growth/Decline:** the year-over-year change in assessment. While generally positive due to new construction, in periods of economic downturn assessment may be a negative.
- **Supplementals and Omits:** During the year MPAC will make adjustments based upon assessment appeals and commercial/industrial vacancy. These items are difficult to predict but do have an impact on the amount of levy collected.
- **Grants:** It is the policy of the County to maximize funding from grants from senior levels of government and other granting agencies. It is recognized that in order to maximize the likelihood of receiving grants that partnerships and pre-planning are necessary.
- **Budget Reporting:** Budget reporting will be provided on a quarterly basis. In the event of an unexpected expenditure or revenue shortfall, Council will be advised at the earliest possible meeting.

Budget reporting will align with the budget presentation.

In assessing budget performance Council and staff will consider the following in order:

1. The effective delivery of services
2. The overall bottom line for the municipality
 - a. Bottom line for budgets within the control of the municipality
 - b. Bottom line for budgets controlled by external delivery agencies
3. The performance of divisions
4. The performance of departments
5. Unit cost – budget to actual
6. The performance of departments within the FIR categories.



FINANCE Policy & Procedure Manual

Subject: Budget Policy
01

Index Number: FIN-1-

Page 7 of 8

Approved:

Effective:

- **Key Performance Indicators:** key performance indicators will be developed for business units and reported to Council at minimum annually.

KPIs will also be developed based upon measuring outcomes anticipated from County strategic plan and the departmental business plans.

- **Operational Surplus/Deficits:** It is recognized that in Ontario municipalities are required to have a balanced budget. As such, County staff will make every effort to manage budgets within the Council approved allocations. However, within a multi-million dollar budget it is inevitable that unforeseen circumstances will arise, or that decisions made by others (e.g., City or MPAC) will affect the bottom line.

Best practice would suggest that planning for budget surpluses/deficits is a prudent fiscal management. For the purpose of budget policy it is important to distinguish between budget lines within our control and those beyond our control. In all instances variances will be reported at the earliest opportunity to Council.

- Where an operational deficit occurs that is less than 1% (+/-) of the total operational budget, staff will recommend the following in order:
 1. A withdrawal from the levy stabilization reserve if the withdrawal leaves the reserve within its target balance;
 2. A withdrawal from another reserve that may be in a surplus position;
 3. A tax levy above the levy target in the following year/or years.
- Where an operational surplus occurs that is less than 1% (+/-) of the total operational budget, staff will recommend the following in order:
 1. Transferred to the levy stabilization reserve where the reserve balance is below the target;
 2. Transferred to the capital replacement reserve where the reserve is below the target level;
 3. Transferred to another reserve that is that is below the target level;
 4. Transferred to the capital replacement reserve with the intent of reducing future borrowing;
 5. A levy in a future year(s) below the levy target.



FINANCE Policy & Procedure Manual

Subject: Budget Policy
01

Index Number: FIN-1-

Page 8 of 8

Approved:

Effective:

- Where an operational surplus/deficit occurs above the 1%+/- tolerance level a full report will be provided to Council with an evaluation of the above options presented and a recommendation provided.
- **Carried Over Projects:** While it is the intention of the County to complete projects within the year they are budgeted, in some circumstances it may be necessary to carry over a project to a future year.
 1. Where levy dollars are being used for a capital project, unexpended capital levy dollars will be temporarily transferred to the capital replacement reserve for use in the subsequent year. This will avoid levying the taxpayer again for an approved project.
 2. Where reserve dollars are being used for the capital project, dollars will be transferred from the reserve that were not expended in the calendar year.
 3. Where levy dollars are being used for an incomplete operating project, unexpended levy dollars will be temporarily transferred to the working fund reserve for use in the subsequent year. This will avoid levying the taxpayer again for an approved expense.

Capital Sustainability:

The capital sustainability of the assets of the County is integral to maintaining our commitment to taxpayers as well as a requirement of public sector accounting.

Capital sustainability must be viewed in the context of proper capital asset planning, levy planning, as well as our debt and reserve policies. Council established a target of an additional 0.65% tax for the 10 year period from 2015 to 2024. This amount will be reviewed annually and presented to Council at the time of budget.

The County will not be a slave to replacement schedules, rather will maintain accurate maintenance logs and condition assessment to ensure that replacement decisions are made at the most appropriate time.

County of Frontenac
2016 DRAFT Budget
Appendix C

Project Proposals	Project Cost	Levy (Stabilization Reserve)	Levy above CPI
	\$	\$	\$
Fairmount Home			
GUDI Evaluation for Water Supply Wells at 2069 Battersea Rd.	17,000	5,440	
Septic System Study	40,000		
Frontenac Paramedic Service			
Logistics part time to full time position – offset by reduction in discretionary paramedic hours and building maintenance reduction	-12,000	-2,553	
Logistics vehicle - capital	35,000	7,447	
Logistics vehicle – annual operating (offset by ESU vehicle savings)		0	
Planning and Economic Development			
Advancing Economic Development	210,000		
Sustainability Reserve Allocation – annual	30,000		30,000
Communal Services Project	40,000		
K&P Land Acquisition	80,000		
Corporate Services & Council			
Shared Services - Infield Communication Gap Analysis	30,000		30,000
Membership in Great Lakes and St. Lawrence City Initiatives	3,000	3,000	
Membership in the Community School Alliance	1,000	1,000	
Finance – Work order software	60,000		
Human Resources – Disability Management contract	12,500	4,350	
Total	\$546,500	\$18,684	\$60,000

Recommend Report to Committee of the Whole
Corporate Services - 2016 Draft Budget
November 12, 2015