

CORPORATE FINANCIALS / NON-PROGRAM REVENUES

**Audit, Finance & Administration Committee
March 4, 2011**



- Areas that do not fall within a specific operating department
- Includes non-program expense and revenue items such as:

Corporate contingencies, gapping, Ontario Municipal Provincial Funding (OMPF) and special grant revenue, property tax related revenues and provisions, Horizon Utilities Corporation dividend and Provincial Offences Act, Investment revenues, etc..



Corporate Financials

2011 Budget

2011 NET OPERATING BUDGET BY DIVISION

	2010 Budget	2010 Projected Actual ¹	2011 Draft Budget	2010 Budget / 2011 Draft	
				\$	%
Corporate Financials					
<i>Operating</i>	6,390,976	6,456,335	13,077,195	6,686,219	104.6%
<i>Gapping</i>	(4,140,000)	0	(4,140,000)	0	0.0%
<i>Senior Tax Credit</i>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>0</u>	<u>0.0%</u>
Total Corporate Financials	2,750,976	6,956,335	9,437,195	6,686,219	243.0%

¹ updated

Corporate Financials

2011 Budget

“OPERATING” - DETAIL

	2010 Budget	2010 Projected Actual ¹	2011 Draft Budget	2010 Budget / 2011 Draft	
				\$	%
Corporate Financials - Operating					
<i>Contingency Provision</i>	327,495	327,500	6,350,900	6,023,405	1839.2%
<i>Retiree Benefits</i>	8,883,379	8,883,379	8,885,249	1,870	0.0%
<i>Slot Revenues</i>	(4,400,000)	(4,400,000)	(4,400,000)	0	0.0%
<i>Area Rated Levy Parkland Purchases</i>	730,470	730,470	991,695	261,225	35.8%
<i>Operating Impact of Capital</i>	0	0	582,000	582,000	100.0%
<i>Other</i>	<u>849,632</u>	<u>914,986</u>	<u>667,351</u>	<u>(182,281)</u>	<u>(21.5)%</u>
Total Corporate Financials - Operating	6,390,976	6,456,335	13,077,195	6,686,219	104.6%

¹ updated

CLAIMS & PREMIUM COSTS

	(\$ 000's)		
	2010 Budget	2010 Projected Actual ¹	2011 Draft Budget
<i>Claims Costs</i>	6,847	6,135	6,905
<i>Premium Costs</i>	3,853	3,845	3,725
<i>Total Costs</i>	10,700	9,980	10,630
<i>Department Recovery</i>	9,511	9,125	10,222
<i>Contribution from Reserve</i>	1,189	855	408
<i>Total Revenues</i>	10,700	9,980	10,630

¹ updated

Non-Program Revenues

2011 Budget

2011 NET OPERATING BUDGET BY DIVISION

	2010	2010	2011	2010 Budget /	
	Budget	Projected Actual ¹	Draft Budget	2011 Draft	
				\$	%
Non Program Revenues					
<i>Hydro Dividends & Interest</i>	(5,000,000)	(5,000,000)	(5,000,000)	0	0.0%
<i>Investment Income</i>	(4,000,000)	(4,000,000)	(4,000,000)	0	0.0%
<i>Penalties and Interest</i>	(7,700,000)	(8,050,000)	(7,700,000)	0	0.0%
<i>PIL</i>	(13,999,999)	(14,105,452)	(13,999,999)	0	0.0%
<i>POA</i>	(2,884,638)	(2,729,902)	(3,168,851)	(284,213)	(9.9)%
<i>Right of Way Taxes</i>	(3,204,000)	(3,204,000)	(3,204,000)	0	0.0%
<i>Supplementary Taxes</i>	(6,300,000)	(9,000,000)	(6,700,000)	(400,000)	(6.3)%
<i>Tax Capping</i>	450,000	217,036	350,000	(100,000)	(22.2)%
<i>Tax Remissions/Write Offs</i>	<u>9,543,600</u>	<u>9,499,300</u>	<u>9,543,600</u>	<u>0</u>	<u>0.0%</u>
Total Non Program Revenues	(33,095,037)	(36,373,018)	(33,879,250)	(784,213)	(2.4)%
Provincial Funding/OMPF	(25,778,305)	(25,778,305)	(4,000,000)	21,778,305	84.5%
Total Non Program Revenues	(58,873,342)	(62,151,323)	(37,879,250)	20,994,092	35.7%



2011 MAJOR COST DRIVERS

- **Non-Program Revenues (\$21.0M)**
 - reduction in OMPF and special provincial funding (\$21.8M) offset by corresponding upload savings in CSD
 - assumes \$4.0M special funding in 2011 to remain neutral
 - Partially offset by:
 - Supplementary taxes (-\$400k) to reflect a 2011 budget = 1% of levy
 - POA (-\$284k)
 - Tax Capping (-\$100k) to reflect 2011 preliminary capping requirements



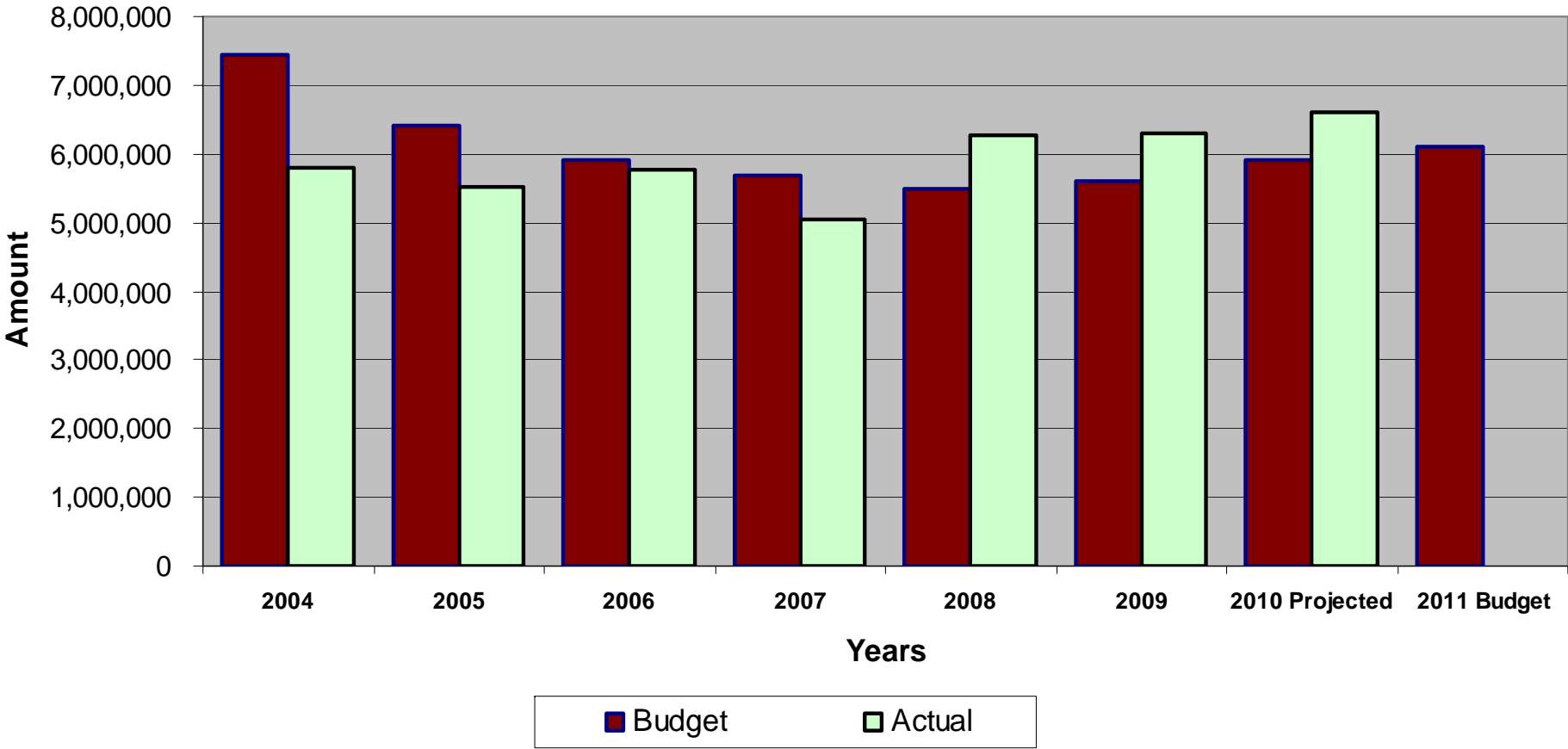
Non-Program Revenues

2011 Budget

HISTORICAL TRENDS

	Non-Program Revenues (\$ millions)						
	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual (Projected)	2010 Budget	2011 Budget (DRAFT)
Hydro Dividends & Interest	(5.7)	(7.9)	(8.2)	(5.3)	(5.0)	(5.0)	(5.0)
Investment Income	(4.4)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)
POA	(2.9)	(2.2)	(3.1)	(3.2)	(2.7)	(2.9)	(3.2)
Penalties and Interest	(8.6)	(8.2)	(8.8)	(8.1)	(8.1)	(7.7)	(7.7)
Payment-in-Lieu	(11.1)	(11.8)	(11.5)	(13.9)	(14.1)	(14.0)	(14.0)
Right of Way Taxes	(3.2)	(3.2)	(3.2)	(3.2)	(3.2)	(3.2)	(3.2)
Supplementary Taxes	(6.2)	(6.5)	(8.4)	(9.2)	(9.0)	(6.3)	(6.7)
Tax Capping	3.0	2.2	1.1	0.4	0.2	0.5	0.4
Tax Remissions/Write Offs	16.4	13.1	10.5	8.6	9.5	9.5	9.5
OMPF / Special Funding	(51.0)	(48.0)	(51.3)	(42.5)	(25.8)	(25.8)	(4.0)

POA Gross Revenues



2011 SAVINGS OPTIONS (not included in budget)

• Reduction in # of pay dates assumed	(\$900,000)
– 2011 budget reduced to 261 days from 262 days in 2010	
• Payment-in-Lieu additional revenues	(\$200,000)
– Heads & Beds	
• Annualized Printer Contract Savings	(\$94,000)
– FCS11024 (see next slide)	
• Annual Cell Phone Contract Savings	(\$77,700)
– FCS11024 (see next slide)	
Total Potential Additional Reductions	(\$1,271,700)

2011 SAVINGS OPTIONS (not included in budget)

- Information Services Contract Savings and Incentives (FCS11024)
 - *That annualized savings from the printer and cell phone contracts of \$94,000 and \$77,700 respectively, be incorporated into the 2011 Operating Budget to reduce the levy requirement by a total of \$171,700*
 - *That additional [cell phone contract] savings of \$218,000 in respect of the 5 year average annual contract incentive payments and bill credits be used to reduce the 2011 levy by \$131,000 and fund 1.0 FTE for a contract analyst (at a cost of \$87,000) to ensure further savings materialize*
- If report approved, Corporate Financials 2011 budget will be reduced by **\$171,700** (Corporate Services reduced by \$131,000)

