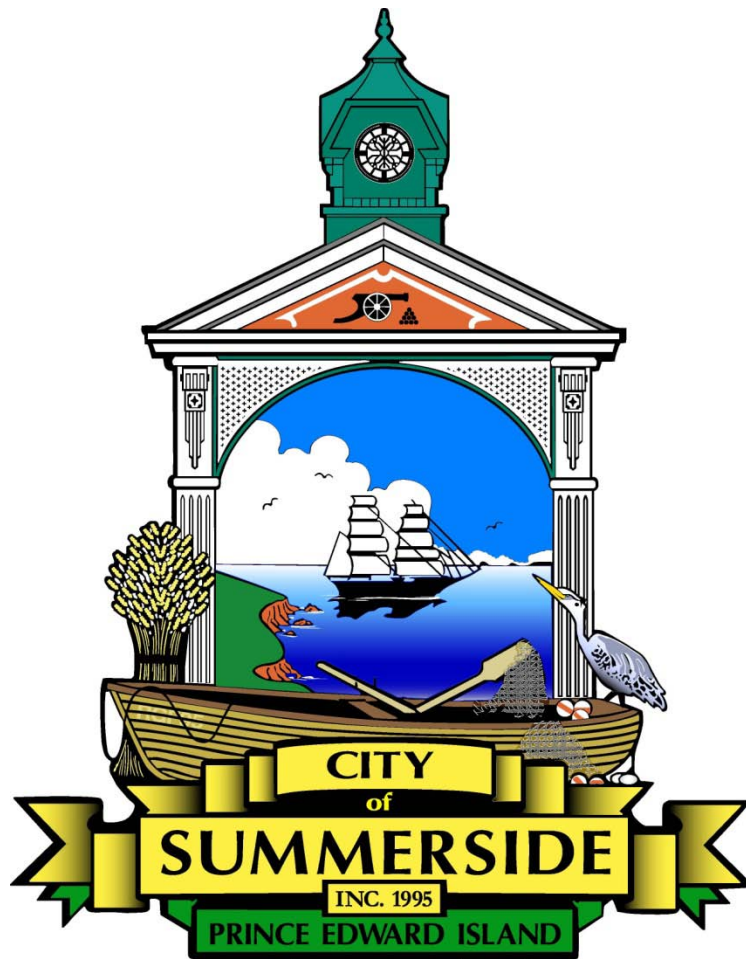


# City of Summerside

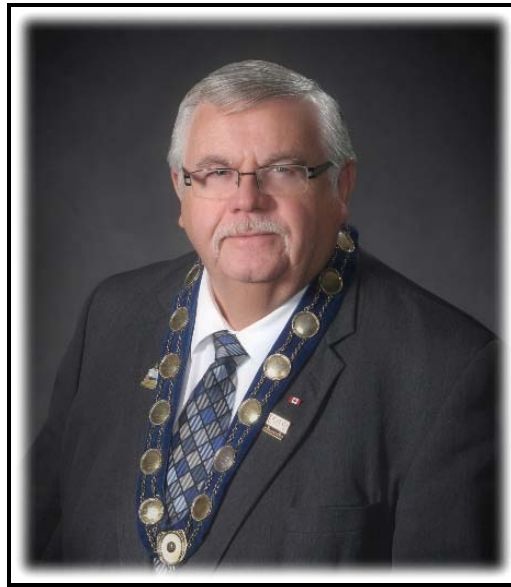
Incorporated April 1, 1995



## 2012 Budget

Presented By  
Deputy Mayor Bruce MacDougall  
Chairman of Financial Services





## **Mayor Basil Stewart**

**Deputy Mayor Bruce MacDougall, Councillor Cory Thomas  
Councillor Jeff Sullivan, Councillor Ron Dowling,  
Councillor Jim Steele, Councillor Peter Holman  
Councillor Tina Mundy, Councillor Frank Costa**



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## City of Summerside

### 2012 Budget Address Presented By Deputy Mayor Bruce MacDougall

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According to Webster, convergence is *"the merging of distinct technologies, industries or devices into a unified whole."* Austerity is *"a situation in which there is not much money and it is spent only on things that are necessary."* In light of provincial funding cuts, 2012 will be a year of austerity. Nonetheless, the service levels our residents and businesses have come to expect will be maintained or improved as we begin to reap the benefits of convergence.

Your Worship, fellow Councillors, City staff, citizens of Summerside, representatives from the business community and members of the media. I would like to welcome you all and thank you for taking the time to hear how our annual budget will continue to make Summerside greener, healthier, more culturally rich, more sustainable and more prosperous. These are the same objectives I mentioned in my opening remarks the past few years and the success of our past initiatives are exceeding our expectations and we expect that to continue into 2012 and beyond. Even as the need for austerity is being felt by all orders of government, Summerside's diligence and planning over the past few years has positioned it to see continued growth as our general government responsibilities converge with our business enterprises and the initiatives launched by Summerside Electric last year.

Before I begin, I would like to take a moment to introduce some special guests here tonight. I also want to welcome members of the Greater Summerside Chamber of Commerce, members of the Downtown BIA, Tourism Summerside, the Summerside Regional Development Corporation, and all other organizations who have joined us. Only by sharing our vision and working together can we make the best choices. The City cannot thank these organizations enough for their role in our community. Not only do they contribute directly to the success of Summerside, they, along with our residents, help to shape the vision and priorities of Council.

And of course, my thanks and welcome to our dedicated staff - front line personnel, supervisors, managers, directors, Terry Murphy, our Chief Administrative Officer and our Deputy CAO and Director of Finance, Malcolm Millar. We say it every year and we will say it again - our greatest asset is our dedicated staff.

Tonight I will present to you the state of the City's finances including our past accomplishments and our vision for this year. Your Worship, in 2011 we completed a number of infrastructure projects with financial support from the Building Canada Fund and the Economic Stimulus Program. Over the past three years the City completed over \$17.5 million of infrastructure work under these programs with over \$11 million coming from other orders of government. Work in 2011 included 2.5 kilometers of street paving, 2300 meters of new sidewalks, 1600 meters of storm drainage, 865 meters of new sewer mains and 2.5 kilometers of new water mains. Some of the capital projects in 2011 included the widening of the north end of Central Street from Pope Road to Walker Avenue which significantly improved pedestrian safety, the downtown Water Street reconstruction project was substantially completed with a finish coat of asphalt to be applied this spring, the expansion of the BMX facility at Credit Union Place was started, storm sewer sections in Stafford Estates, Weeks Drive and Briggs Street were completed, and we completed the renovation of the baseball grandstands and the boardwalk and green space development in the west end along MacKenzie Drive. Our fire department was equipped with new infrared cameras, our police department was supplied with new equipment, and the Fit Stop at Credit Union Place was outfitted with state-of-the-art exercise equipment.

The funding received by Summerside under infrastructure programs the past few years was much appreciated and we again extend our sincere thanks to our colleagues at both the provincial and federal levels. We certainly look forward to future programs to replace the Building Canada Fund and the Economic Stimulus Program. In the absence of cost sharing programs, we expect to keep our infrastructure spending as low as possible so that we will be in a position to take maximum advantage of future cost sharing opportunities. Municipal infrastructure is the responsibility of all orders of government. In PEI, 96 cents of every tax dollar collected goes to the federal and provincial governments with only four cents going to municipal governments. Even that has now been reduced by another five percent. A share of these dollars is required at the municipal level to invest in the infrastructure which many of us take for granted. Your Worship, we have worked with the other orders of government to leverage our own tax dollars as much as possible and we will continue to make the best use of our tax dollars in the years ahead.

At this point I must also mention the Federal Gas Tax Program which will have provided Summerside with \$9 million between 2005 when the program was introduced, and 2014, the period for which funding is confirmed. These funds were instrumental in the development of our wind farm, an investment which is serving our community well and will continue to do so for many years to come. We would like to recognize the Federation of Canadian Municipalities for the crucial role they played, and continue to play, in the development of this and other infrastructure programs, particularly at the federal government level. We would also like to thank you, Your Worship, as a past president of FCM and for your continuing role on several FCM committees who, we understand, are working with the federal government to establish new, and hopefully permanent, infrastructure programs. Likewise, in my capacity as Deputy Mayor and Chairman of the City's Financial Services Committee, and also in my role as President of the Federation of PEI Municipalities, I would like to extend thanks to the FPEIM Board and their executive director, John Dewey, who is continuously seeking support and cooperation from the provincial level in making these great accomplishments happen not only here in Summerside, but in all of PEI.

The Budget I am presenting tonight will show that Summerside's commitment to investing not just in its infrastructure, but also in its long term vision for improved sustainability, continued green growth, and the City's future health and prosperity, has not ended with the completion of recent infrastructure programs. As our past investments converge with new opportunities, 2012 will see continued success in achieving our long term goals. But first, a few highlights from last year.

Your Worship, I am pleased to report to you that on a consolidated basis we ended 2011 with a surplus of just over a million dollars. We were able to do this because we continue to pay for a number of capital projects with our annual revenues as opposed to borrowing for everything, a practice which has resulted in a decrease in our general fund long term debt for a fourth consecutive year.

Our water and sewer utility rates were frozen for 2011 so \$125,000 was used from reserves to balance their books for the year. Summerside Community Network saw its revenue from special projects and managed applications increase to 50% of its overall revenue while at the same time its Route 2 internet subscribers rose by 8%. Summerside Electric operated largely in line with expectations. During 2011, 50% of its power purchases came from PEI wind and all of its power was coming from wind alone a remarkable 23% of the time. This was helped along with the launching of the City's Electro Thermal Storage program late last year which enables the storage of wind energy making it available in the form of heat or hot water when needed. At the same time, residents and businesses who bought these units received lower power rates and early indications are showing an overall reduction in energy costs for participants. Even better for 2012, we just learned that these units will now be eligible for a 10% purchase rebate through the PEI Office of Energy Efficiency. Details are available on their web site.

The City's Annual Report is available here tonight, including the Report from our Auditors, Grant Thornton, who are also represented here this evening. The Annual Report and tonight's budget will both be available shortly on the City's web site at [www.city.summerside.pe.ca](http://www.city.summerside.pe.ca).



I would also like to mention that we will be launching our new web site within the next few weeks, a site which was developed internally by our talented staff at SCN and was designed to enable each department to update its information directly meaning more relevant and timely information for our residents, businesses and visitors.

Last year we used \$4.2 million from our General Revenue Fund for capital projects. In addition, \$2.5 million was invested in water and sewer upgrades and \$1 million for electric utility upgrades. With our wind farm up and running, we embarked on our project involving Electro Thermal Storage (ETS) units combined with Smart Grid technology so that our electric utility will be able to more effectively communicate with the homes and businesses it serves. Our \$1.25 million investment in the first stage included the back end design and the deployment of 250 smart meters and 80 ETS units which are expected to generate \$120,000 in incremental revenue as we literally begin to store wind energy. This, Your Worship, is the beginning of the convergence I mentioned earlier. These developments by our electric utility could not have happened without our investment in wind energy the past few years, and the foresight of my fellow Councillors and yourself in building on these accomplishments. I mentioned that last year, 50% of the City's electricity came from wind. By comparison, the other power supplier on the Island received only 17% from renewable sources. We are proud, Your Worship, to be leading the way when it comes to incorporating renewable energy into our everyday operations, and we will continue to do so in the years ahead as we expand our Smart Grid and our ETS program as more people look for ways to reduce their energy costs.

In 2011, police protection cost \$3.1 million, \$2.3 million was spent on public works, \$725,000 on economic development, and \$580,000 for fire protection. The net cost of providing recreation facilities and services was \$2.8 million. The City paid \$430,000 to support community groups and minor sports organizations. The provision of clean, safe drinking water, modern sewers, and effective environmental controls, cost \$4.4 million. These are the services people have come to expect and which make Summerside a safe, active, healthy and growing community.

Our Electric Utility came in \$280,000 better than budget and increased their transfer to the general fund by \$468,000. A consistently strong Canadian Dollar, and the operation of our own wind farm helped control costs.

Your Worship, these are just some of the highlights of what was accomplished in 2011. More specific details are available in both our 2011 Annual Report and 2012 Budget documents presented to you here tonight.

Your Worship, I have given you some of the highlights of what we accomplished last year and how our past investments have led to new opportunities. Now I would like to give you more specific details about our plans for 2012 and how we will be investing in our residents and our community...how we will be making the best choices...how convergence is leading to new opportunities for the City...and how austerity will allow us to maintain services during a time of declining revenues. The budget initiatives I am about to lay before you represent the City's eighteenth consecutive balanced budget.

At the core of what we do are the front line services we provide to our residents. It gives me great pleasure to tell you here tonight that we will provide:

- Fire protection services at a cost of \$599,000, a budget increase of \$43,000 from 2011;
- Police services at a cost of \$3,323,000, an increase of \$93,000;
- Economic development initiatives, including heritage properties and programming, costing \$876,000, a decrease of \$2,000;
- Community and recreation services and facilities at a cost of \$3,962,000, an increase of \$419,000, less offsetting revenue of \$1,679,000, a decrease of \$5,000;
- We will provide services through our Public Works Department at a cost of \$2,098,000, an increase of \$101,000.

Further, Your Worship, we are budgeting for capital spending from general revenue funds in the amount of \$3,570,000. This is a decrease of \$645,000 from last year's actual level reflecting austerity in the face of provincial funding cuts, reduced infrastructure funding and constrained revenue.

We disagree with how the province is abusing municipal service grants to take funding from the City even though our taxpayers will continue to pay as much or more into provincial coffers. The province is simply keeping these municipal tax dollars for themselves, which is wrong. This year will therefore be a year for belt tightening as we try to maintain our service levels. We will continue to work with the province and other PEI municipalities to address the issue of provincial encroachment on our taxation base, while at the same time we support and applaud the province's efforts to get its fiscal house in order. However, the message is clear that if we ever expect to be in control of our own destiny we need to find new and innovative sources of revenue which are not subject to provincial encroachment or political whim. We have long counted on the support and efficiencies from operating our own utilities, particularly Summerside Electric, and we are now in a position where we can, and we must, increase this value through expansion and convergence of these enterprises in ways which provide direct benefits to Summerside.

One example of convergence is the Economic Development Incentive Policy we introduced last year to increase our commercial assessment base, which combined the following benefits from our normal government tax base and our electric utility:

- No incremental municipal property taxes for up to five years on qualified projects;
- Up to five year electrical rate freeze on qualified projects;
- Projects over \$500,000 with at least a 25% commercial component will qualify.

The convergence of stable power rates combined with other development incentives led to an increase in commercial assessments of nearly \$4 million for qualified projects. The City will receive increased annual property taxes of about \$50,000 on these after the three to five year incentive period. That is why I am pleased to announce that our Summerside Economic Development Incentive Policy will be continued throughout 2012, and we will continue to search for new and unique ways to make Summerside the destination of choice for new residents and businesses. Our incentive policy offers a unique combination of property tax incentives along with electrical rate incentives made possible by our wind farm. With the freeze on Island electrical rates ending in March, 2013, our offer to freeze rates in Summerside for an extended period will be even more attractive to those looking to locate here, but this offer may not last forever so we encourage developers to get their plans in place sooner rather than later. More specific details of the Incentive Policy are available on the City's web site.

Your Worship, a vibrant and healthy community is one which invests in the richness of its arts, culture and heritage. This year we are increasing our support for arts, culture and heritage with \$400,000 being allocated to heritage properties for operations and \$51,000 for capital improvements. Base funding support for the Harbourfront Theatre, the home of Anne and Gilbert, will be increased to \$120,000 annually, and the College of Piping will be supported with \$50,000 annually.

We will continue our investment in crime prevention and community safety with a \$500 contribution to Crime Stoppers, \$5,000 to The East Prince Committee on Family Violence Prevention along with our continuing participation in their Purple Ribbon Campaign, and a \$3,000 contribution to the East Prince Women's Information Centre.

In support of post-secondary education we are providing two \$1,500 scholarships to assist Summerside students entering a program with Holland College and \$20,000 for their Learning for Life Capital Campaign as part of the City's total five year pledge of \$100,000.

We will support the PEI Sports Hall of Fame with a \$1,000 contribution.

We will provide a \$2,000 sponsorship to the Special Olympics.

We will support youth activities with operating grants to the Boys and Girls Club and Generation XX of \$20,000 and \$25,000 respectively, and we will support seniors activities with \$5,000 to support the provincial 55+ Winter Games, a \$1,000 operating grant for Parkview Seniors, and \$10,000 to upgrade their electrical system. We would particularly like to thank the volunteers who provide invaluable support to these organizations.

The youth and seniors of this City, and everyone in between, are one of our most precious resources and we've seen and heard first hand the great work being done by these organizations.

We are making a \$20,000 payment to the Prince County Hospital Foundation to support local enhancements to health care. This is the third of ten annual payments towards a \$200,000 pledge made in 2009 and is another example of how wind power is helping us increase our support to community organizations.

We will invest \$157,000 in equipment for Fire and Police Services.

We will continue to support the downtown with funding of up to \$100,000 for Sustainable Tourism and \$48,000 for Downtown Summerside Inc. to complement their BIA levy.

Our public works department will invest \$220,000 in a new loader and will share the \$90,000 cost of a new work order system with the water and sewer utilities.

Summerside Electric will invest \$1,653,000 to expand and upgrade its network, including \$825,000 for a used 2.2 megawatt generator to add to its backup capacity and \$408,000 to complete phase 2 of its Smart Grid.

Our water utility and sewer utility will invest \$517,000 and \$918,000 respectively on capital improvements while \$125,000 will be invested to upgrade information technology equipment for Route 2.

We have allotted \$1,476,000 for street and storm sewer upgrades, including \$616,000 for ditch infilling which I will speak more about in a moment. The top coat of paving for downtown Water Street from Granville Street to Summer Street will be completed at a cost of \$300,000.

We will continue to make Summerside more pedestrian friendly with the redevelopment of sidewalks at a cost of \$307,000 including a new section on Darby Drive from Charlotte Street to South Drive which will significantly improve safety in that area.

We will complete phase two of the BMX Park on Willow Avenue for \$170,000 with \$60,000 coming from the Island Community Fund.

Your Worship, we had many hard choices to make this year and in the face of declining revenues I believe we made the best choices. Since 2007 we have reduced our general fund long term debt from \$44 million to \$38 million, and we expect this to drop to \$36 million by the end of 2012 and to zero within 15 years after that, all in accordance with how we planned the convergence of our general fund infrastructure costs with the wind farm and our electric utility. There is not a day that goes by without a resident or a visitor complimenting us on our facilities whether it be Credit Union Place, the west end boardwalk and beach, City Hall, our heritage properties, the wind farm, or even our state of the art sewage treatment system. And we did all this while maintaining tax rates and user fees at rates which compare favourably on PEI and in the region thanks to planning and being able to take advantage of opportunities when they came our way. Some would say we accomplished a lot since amalgamation in 1994. I say it's just a good beginning.

Over the last few years the City of Summerside has invested significant resources into our roads and ditch infilling structure through the help of the federal and provincial governments' infrastructure programs. Although significant progress has resulted there is still considerably more to be accomplished. Thus, I am pleased to announce tonight two significant changes in our procedures that will help move this issue forward more quickly. First, we will be changing the standard on new subdivision street construction so that it matches the recent changes made to provincial standards and, secondly, with this year's ditch infilling on MacDougall Drive, Hatley Crescent and Cass Avenue we will have completed the list of ditch infilling petitions that met the criteria under the old ditch infilling program we will develop a new schedule of streets that will be surveyed and designed so they will be "shovel ready" when funding becomes available either through annual capital spending such as the \$616,000 budgeted this year, or through infrastructure funding which may be available in future years.

When the last round of infrastructure programs came around, Summerside had its homework done and was able to access \$11 million which would not have been available if we didn't have Council's priorities identified along with their commitment to get the work done. We were ready then and we will be ready now and in the future. I am pleased to announce tonight that the first area of improvements under this new strategy will be the Meadow Heights area where we will start the surveying and design of portions of Matheson Street and Baglole Avenue. This will allow us to have tender and reconstruction documents ready for the spring of 2013, which will also help us get the best pricing early in the construction season. As well, we will develop a design bank of approximately two million dollars worth of infrastructure which will be available on a go forward basis, based on criteria matching the capacity of ditches and street quality.

Your Worship, now let me tell you about the City's utilities. These include Summerside Electric, Summerside Community Network which operates *Route 2*, our new Electro Thermal Storage program and our Water and Sewer Utility. All of these utilities are operated on a "user pay" basis and are therefore expected to be self-sustaining.

I mentioned that Summerside Electric recently signed a new power purchase agreement with New Brunswick Power which will take effect September 1, 2012, and which will enable a return to profitability in 2013. I spoke about our successful wind farm operations and our plans to invest in smart meters, electro thermal storage (ETS) and domestic hot water (DHW) units, and the development of a smart grid. Dr. Larry Hughes, PhD from Dalhousie University recently completed his research report into Summerside's Smart-Grid Pilot Program in which he states, *"Overall the wind-heating pilot program has improved Summerside's energy security, by reducing customer cost, increasing utility revenues, reducing greenhouse gas emissions, and making ETS and DHW available to meet heating demands."* This report was completed with assistance from the Green Municipal Fund through the Federation of Canadian Municipalities. Initially, we looked at the ETS program and Smart Grid from an economic and environmental perspective. Dr. Hughes also raises the benefit of energy security. What happens when there's another disruption in the supply of oil in North America or, even worse, there is a permanent reduction in the availability of oil? This is not a question of *if*, it is a question of *when*. We will not be able to rely solely on wind in the immediate future, but if every step we take reduces our dependence on imported energy, the better off we will be in the long run. We will be better off economically, environmentally, and in terms of energy security. We will continue to promote the use of ETS units and Smart Grid technology throughout the City and this will be helped along with incentives through the PEI Office of Energy Efficiency. This, Your Worship, is convergence. This, Your Worship, is good economics. This, Your Worship, is green. And most importantly, Your Worship, this will increase Summerside's energy security.

We have already accomplished much in increasing our energy security and we will accomplish more through the use of smart meters, ETS units and a Smart Grid, and again I say that this is just a good beginning. In February this year the PEI Energy Commission released its discussion paper, *"Charting Our Electricity Future"*. This report points out that electricity accounts for only 13.5% of Prince Edward Island's energy use. The bulk of the remainder comes from petroleum products for the transportation sector. Increasing energy security for homes and commercial properties is just the tip of the iceberg. If any of us are to have real energy security in the future, we will need to tackle the issue of energy requirements for transportation. Your Worship, as we look to the future our vision is going to diverge a little from the vision of the PEI Energy Commission. For example, they see the construction of a third undersea cable as an investment in PEI energy security. We see it as an investment in PEI energy insecurity. When the present cables were laid, electricity pricing was comparable to Nova Scotia and New Brunswick. Over time, however, Nova Scotia and New Brunswick changed the way they do business and PEI could no longer receive any of their low cost or even average cost energy. Everything shifted to their highest marginal cost causing PEI electrical rates to be 50% higher than their maritime neighbours. By this time, however, PEI had lost the ability to produce its own electricity. In the long run, the undersea cables have been a major factor in PEI's energy insecurity and high electricity costs. Summerside Electric will continue to provide input to the PEI Energy Commission to encourage them to follow our proven success in increasing energy security for all Islanders.

Moving on to our water and sewer services, let me begin by saying that our foresight when we upgraded our sewage treatment facilities a few years ago to standards we knew would quickly become the norm, has undoubtedly saved the City millions of dollars. We are now seeing other municipalities in PEI and across the country having to upgrade their facilities to the standards Summerside adopted from the outset. Many are now grappling with huge increases in their rates which is why it gave me great pleasure to announce last week that Summerside's rate adjustment for water and sewer services will be limited to PEI inflation of 2.9%. This was good planning and we will continue to make the right choices in the years ahead. This modest rate adjustment will add less than \$1.33 per month for a single family home, less than the price of a small coffee. Your Worship, we sometimes fail to appreciate just how valuable our water resources really are, and how fortunate we are to be able to deliver fresh, clean safe water to every home in Summerside. We do this for less than \$13.00 per month which is only a fraction of the price paid for phone or cable services. The cost of filling a 10 gallon gas tank will pay for water for six months. It is also therefore critically important to have the best sewage treatment facilities to protect not only our drinking water, but also our beautiful harbour, Malpeque Bay, and the overall health of our community. Keeping our utilities on a sound financial footing with estimated revenues continuing to be equal to budgeted expenses is responsible fiscal management. Maintenance of our water and sewer services is critical to the health of our community, which leads me to our next initiative.

Earlier this month, the PEI Chief Public Health Officer released its first Health Officer's Report. Health and Wellness Minister Doug Currie, "... encourages Islanders to take action to improve their own health. Whether it's quitting smoking, increasing physical activity or having their children immunized – these individual actions will contribute to healthier communities over time." The report found that the Island population has higher rates of certain chronic diseases than the rest of the country and it also found that Islanders want to take action to improve their health. Your worship, we looked at ways convergence could allow us to be proactive in creating opportunities for our residents to take steps to improve their own health. We have outdoor parks and recreation facilities which are second to none, especially our incredible west end boardwalk which is seeing tremendous use since its development over the past few years. Your Worship, to increase the use and availability of our sports fields, including our new artificial turf field, Summerside Electric will cover the cost of its wind generated electricity so there will no longer be a charge to Summerside user groups for field lighting. Even better, to completely remove any financial obstacles to field use we are eliminating most user fees for the fields. On the flip side, the modest grants given to a few organizations to help them pay for the fields and lighting will be eliminated, but they will be much better off having the fees and lighting charges removed. Having said this, I should point out that the cost of owning and maintaining our outdoor facilities is quite modest compared to our indoor facilities. Although we need to continue charging a reasonable fee for the use of our indoor facilities, these will be frozen for another year. The Department of Community Services is carrying out an extensive review of its operations and facilities and we will look for guidance from the results of that review as to appropriate fee levels for the future.

Your Worship, this takes me to the setting of the City's tax rates for 2012. As you will recall, we reduced the commercial tax rate last year and you indicated you would like to follow that up with a residential rate reduction this year, a suggestion receiving unanimous support from Council. Unfortunately, the unexpected announcement in February by the province that they were cutting our Municipal Support Grant by 5% means that consideration of a residential tax cut will have to wait until next year, and may depend on the outcome of revenue sharing discussions currently underway with the province and other Island municipalities, including the Federation of PEI Municipalities. However, it still gives me great pleasure to confirm there will be no tax rate increases either.

Your Worship, being able to toe the line on tax rates while maintaining or increasing services was not an easy task. I would like to thank you, my fellow Councillors, and staff who together found opportunities for more value through convergence, savings through austerity, and a vision and a plan for an exciting and prosperous future.

Thank you, and good night.



**City of Summerside  
2012 Budget**

**Revenue and Expenditure Analysis  
As Percentage of Total Budget**

**Exhibit A**

	2012 Budget	% of Total Budget	2011 Actual	% of Total Actual	2011 Budget	% of Total Budget
<b>Revenue</b>						
Property Tax	\$ 7,222,535	40.1%	\$ 7,248,701	38.3%	\$ 7,235,765	39.4%
Provincial Government Grants*	6,844,213	38.0%	7,059,041	37.3%	7,039,019	38.3%
Wind Energy Sales	1,786,844	9.9%	1,995,579	10.5%	2,055,597	11.2%
Other	2,161,050	12.0%	2,646,064	13.9%	2,051,450	11.1%
<b>Total General Revenue</b>	<b>\$18,014,642</b>		<b>\$18,949,385</b>		<b>\$18,381,831</b>	
	2012 Budget	% of Total Budget	2011 Actual	% of Total Actual	2011 Budget	% of Total Budget
<b>Net Expenditure</b>						
General Government	\$ 508,650	2.9%	\$ 650,673	3.4%	\$ 468,230	2.6%
Financial Services	3,646,980	21.0%	4,029,470	21.3%	3,653,580	20.6%
Summerside Raceway	-	0.0%	-	0.0%	-	0.0%
Human Resources	204,646	1.2%	211,309	1.1%	198,619	1.1%
Fire Services	599,059	3.4%	583,504	3.1%	556,010	3.1%
Police Services	3,296,862	19.0%	3,068,525	16.2%	3,218,164	18.1%
Economic Development	739,969	4.3%	723,956	3.8%	735,932	4.2%
Community Services	2,283,042	13.1%	2,781,015	14.7%	1,858,949	10.5%
Technical Services	433,038	2.5%	402,395	2.1%	429,495	2.4%
Public Works	2,083,301	12.0%	2,282,809	12.0%	1,979,075	11.2%
Capital Projects	3,570,238	20.6%	4,215,137	22.3%	4,633,628	26.2%
<b>Total General Expenditures</b>	<b>\$17,365,785</b>		<b>\$18,948,793</b>		<b>\$17,731,682</b>	

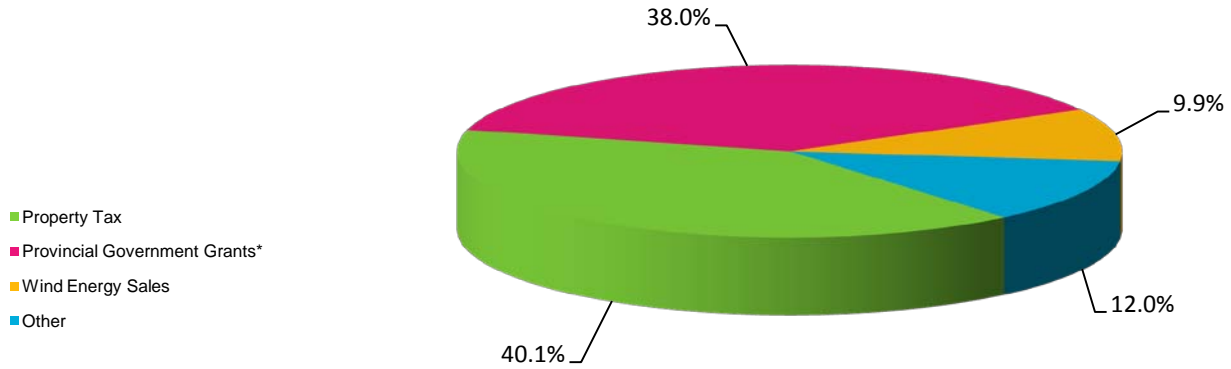
\* The City sets its tax rates annually pursuant to Section 28 of the City of Summerside Act. In 2008 the Province of PEI, through legislative amendments to Section 8 of the Real Property Tax Act, reduced the City's non-commercial tax rate from \$1.70 to \$.74, while at the same time rescinding a provincial property tax credit of \$.96. The result of the Provincial legislative amendments was a transfer of taxation capacity from the City of Summerside to the Province of PEI, a transfer which has not been agreed to by the City.

**City of Summerside  
2012 Budget**

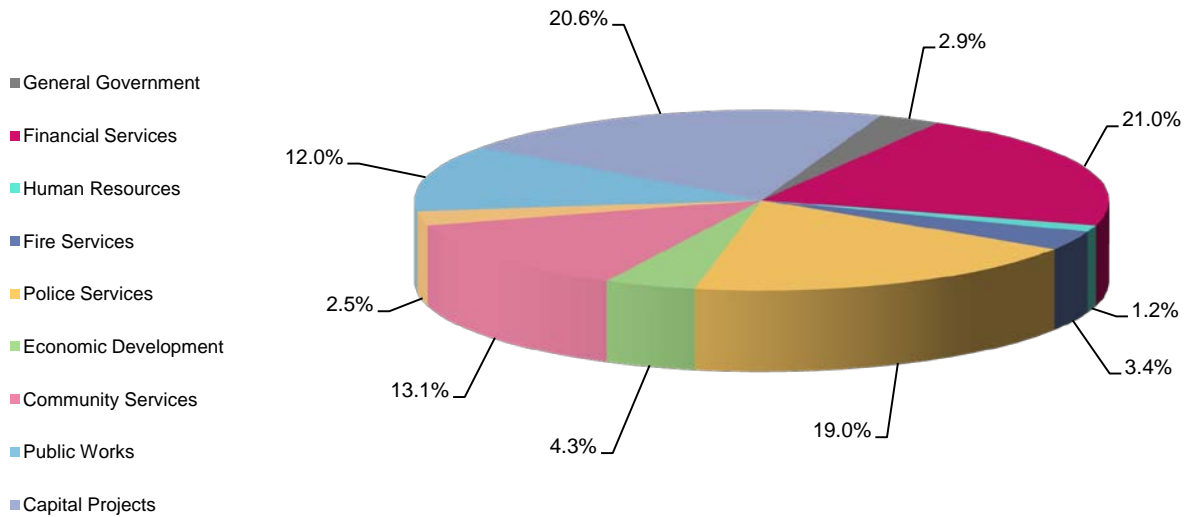
**Revenue/Expenditure Analysis**

**Exhibit B**

**Where The Dollars Come From  
2012 Revenues \$18,014,642**



**Where The Dollars Go  
2012 Net Expenditures \$17,365,785**



**City of Summerside  
2012 Budget**

**Summary of Commercial and Non-Commercial Assessments**

**Exhibit C**

	Tax Rate (Per \$100)	2012	2011	2010	2009	2008
Commercial	\$1.90*	\$144,434,000	\$145,192,000	\$141,749,000	\$137,747,800	\$136,890,500
Non-Commercial	\$0.74**	\$600,546,955	\$587,831,143	\$568,921,848	\$568,944,509	\$555,855,942
<b>Total:</b>		<b>\$744,980,955</b>	<b>\$733,023,143</b>	<b>\$710,670,848</b>	<b>\$706,692,309</b>	<b>\$692,746,442</b>

**Assessment Freeze Value (if different):**

Non-Commercial					\$555,669,223	\$548,310,738
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\*Commercial tax rate reduced from \$1.92 to \$1.90 effective January 1, 2011.

\*\*The City sets its tax rates annually pursuant to Section 28 of the City of Summerside Act. In 2008 the Province of PEI, through legislative amendments to Section 8 of the Real Property Tax Act, reduced the City's non-commercial tax rate from \$1.70 to \$.74, while at the same time rescinding a \$.96 credit applied to provincial property tax rates in Summerside. The result of the Provincial legislative amendments was a transfer of taxation capacity from the City of Summerside to the Province of PEI, a transfer which has not been agreed to by the City.

An additional levy of \$.18 per \$100 of assessment is applied to properties within the City's Business Improvement Area. This amount is transferred to Downtown Summerside Inc. for use in the downtown area.



**City of Summerside  
2012 Budget**

**Electric Rates**

**Exhibit D**

**Summerside Electric Utility Rates (Effective March 1, 2011)**

	Domestic	General Service I
Service charge	\$ 24.57 / month	\$ 24.57 / month
Demand charge		\$ 13.43 / kw over 20
1st block energy rate	\$ 0.1205 / kwh for first 2000 kwh	\$ 0.1518 / kwh for first 5000 kwh
2nd block energy rate	\$ 0.0920 / kwh for remainder	\$ 0.0931 / kwh for remainder
3rd block energy rate		

	General Service II (All Electric)	Unmetered
Service charge	\$ 24.57 / month	\$ 11.67 min. charge (includes energy)
Demand charge	\$ 5.68 / kw over 20*	
1st block energy rate	\$ 0.1519 / kwh for first 5000 kwh	
2nd block energy rate	\$ 0.1103 / kwh for next 5000 kwh	
3rd block energy rate	\$ 0.1047 / kwh for remainder	\$ 0.1522 / kwh estimated
	* or 0.00284 / kwh, whichever is less	

	Industrial	
Service charge		
Demand charge	\$ 7.46 / kw (5 kw min)	
1st block energy rate	\$ 0.1484 / kwh 1st 100 kwh/kw demand	
2nd block energy rate	\$ 0.0660 / kwh for remainder	

	Area Lighting	Street Lighting
70 hps	\$ 13.97 / month	\$ 13.97 / month
100 hps	\$ 17.72 / month	\$ 17.76 / month
150 hps	\$ 25.36 / month	\$ 25.36 / month
250 hps	\$ 34.47 / month	\$ 34.47 / month
400 hps	\$ 40.32 / month	\$ 40.32 / month
125 mv	\$ 13.83 / month	\$ 13.83 / month
250 mv	\$ 24.46 / month	\$ 24.45 / month
400 mv	\$ 31.24 / month	\$ 34.12 / month

**Note: An Energy Cost Adjustment Mechanism (ECAM) will be applied when calculating customers' monthly bills. The ECAM is applied to energy consumption only and does not affect the basic service charge. These rates, which are available on the City's website, are updated as rate adjustments occur.**

**City of Summerville  
2012 Budget**

**Electric Rates for Energy Thermal Storage Systems**

**Exhibit E**

Summerville Electric Utility Rates (Effective August 15, 2011)

**Hot Water Tank Storage Only - All Year**

	Residential Urban	Residential Seasonal
Service charge	\$ 24.57 / month	\$ 26.92 / month
Block A Energy rate	\$ 0.0800 / kwh for first 200 to 600 kwh*	\$ 0.0800 / kwh for first 200 to 600 kwh*
Block B Energy rate	\$ 0.1205 / kwh for next 2000 kwh	\$ 0.1205 / kwh for next 2000 kwh
Block C Energy rate	\$ 0.0920 / kwh for balance kwh	\$ 0.0920 / kwh for balance kwh

**Energy Thermal Storage Only (Steffes Unit) - Winter Rate**

	Residential Urban	Residential Seasonal
Service charge	\$ 24.57 / month	\$ 26.92 / month
Block A Energy rate	\$ 0.0800 / kwh for first 1000 to 22000 kwh* (October 1 to May 31)	\$ 0.0800 / kwh for first 1000 to 22000 kwh* (October 1 to May 31)
Block B Energy rate	\$ 0.1205 / kwh for next 2000 kwh (October 1 to May 31)	\$ 0.1205 / kwh for next 2000 kwh (October 1 to May 31)
Block C Energy rate	\$ 0.0920 / kwh for balance kwh (October 1 to May 31)	\$ 0.0920 / kwh for balance kwh (October 1 to May 31)

**Energy Thermal Storage Only (Steffes Unit) - Summer Rate**

	Residential Urban	Residential Seasonal
Service charge	\$ 24.57 / month	\$ 26.92 / month
Block A Energy rate		
Block B Energy rate	\$ 0.1205 / kwh for first 2000 kwh (June 1 to September 30)	\$ 0.1205 / kwh for first 2000 kwh (June 1 to September 30)
Block C Energy rate	\$ 0.0920 / kwh for balance kwh (June 1 to September 30)	\$ 0.0920 / kwh for balance kwh (May 1 to September 30)

**Hot Water Tank and Energy Thermal Storage Only (Steffes Unit) - Winter Rate**

	Residential Urban	Residential Seasonal
Service charge	\$ 24.57 / month	\$ 26.92 / month
Block A Energy rate	\$ 0.0800 / kwh for first 1200 to 22600 kwh* (October 1 to May 31)	\$ 0.0800 / kwh for first 1200 to 22600 kwh* (October 1 to May 31)
Block B Energy rate	\$ 0.1205 / kwh for next 2000 kwh (October 1 to May 31)	\$ 0.1205 / kwh for next 2000 kwh (October 1 to May 31)
Block C Energy rate	\$ 0.0920 / kwh for balance kwh (October 1 to May 31)	\$ 0.0920 / kwh for balance kwh (October 1 to May 31)

**Hot Water Tank and Energy Thermal Storage Only (Steffes Unit) - Summer Rate**

	Residential Urban	Residential Seasonal
Service charge	\$ 24.57 / month	\$ 26.92 / month
Block A Energy rate	\$ 0.0800 / kwh for first 200 to 600 kwh*	\$ 0.0800 / kwh for first 200 to 600 kwh*
Block B Energy rate	\$ 0.1205 / kwh for next 2000 kwh (June 1 to September 30)	\$ 0.1205 / kwh for next 2000 kwh (June 1 to September 30)
Block C Energy rate	\$ 0.0920 / kwh for balance kwh (June 1 to September 30)	\$ 0.0920 / kwh for balance kwh (June 1 to September 30)

\* Block A kwh is determined by the type and size of the Energy Thermal Storage System in service.

Note: An Energy Cost Adjustment Mechanism (ECAM) will be applied when calculating customers' monthly bills. The ECAM is applied to energy consumption only and does not affect the basic service charge. These rates, which are available on the City's website, are updated as rate adjustments occur.

**City of Summerside  
2012 Budget**

**Water and Sewer Rates**

**Exhibit F**

Classification	2012			2011		
	Water	Sewer	Combined	Water	Sewer	Combined

<b>Flat Rate - Residential*</b>	<b>\$ 13.22</b>	<b>\$ 33.91</b>	<b>\$ 47.13</b>	<b>\$ 12.85</b>	<b>\$ 32.95</b>	<b>\$ 45.80</b>
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**Commercial Base Rates:**

15 mm	9.99	27.29	37.28	9.71	26.52	36.23
19 mm	10.78	29.82	40.60	10.48	28.98	39.46
25 mm	13.04	37.48	50.52	12.67	36.42	49.09
40 mm	16.09	47.61	63.70	15.64	46.27	61.91
50 mm	24.43	75.57	100.00	23.74	73.44	97.18
75 mm	85.92	281.54	367.46	83.50	273.61	357.11
100 mm	108.72	357.81	466.53	105.66	347.73	453.39
150 mm	161.85	535.80	697.65	157.29	520.70	677.99
200 mm	222.58	739.20	961.78	216.31	718.37	934.68
250 mm	306.07	1,018.91	1,324.98	297.44	990.19	1,287.63

**Commercial Consumption Rates:**

<b>Per 1000 Gallons**</b>	<b>1.098</b>	<b>2.046</b>	<b>3.144</b>	<b>1.067</b>	<b>1.988</b>	<b>3.055</b>
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\*Apartments and Mobile homes pay 80% of flat rate.

\*\*Rates for consumption exceeding 1.5 million gallons per month are 70% of the above rates.

**City of Summerside  
2012 Budget**

**Debt Payment Schedule**

**Exhibit G**

**General Fund Debt**

	2012	2013	2014	2015	2016
Principal Payment	\$ 5,678,115	\$ 2,424,611	\$ 2,027,349	\$ 1,779,524	\$ 1,865,704
Interim Financing - Wellness Centre	(3,500,000)	174,794	181,786	188,275	196,588
Interest Payment	1,803,619	1,758,805	1,649,643	1,545,864	1,435,014
Current Year Payment	3,981,734	4,358,209	3,858,778	3,513,663	3,497,305
Outstanding Debt as of Dec 31	\$ 35,938,519	\$ 33,339,115	\$ 31,129,980	\$ 29,162,180	\$ 27,099,889

**Red Shores at Summerside**

	2012	2013	2014	2015	2016
Principal Payment	\$ 157,583	\$ 164,682	\$ 172,100	\$ 179,853	\$ 187,955
Interest Payment	116,240	109,142	101,723	93,971	85,869
Current Year Payment	273,823	273,823	273,823	273,823	273,823
Outstanding Debt as of Dec 31	\$ 2,550,198	\$ 2,385,517	\$ 2,213,417	\$ 2,033,564	\$ 1,845,609

**Electric Utility Debt**

	2012	2013	2014	2015	2016
Principal Payment	\$ 5,881,827	\$ 801,799	\$ 780,200	\$ 803,889	\$ 754,276
Interim Financing - Wind Farm	\$ (5,142,968)				
Interest Payment	657,880	537,074	503,756	472,097	435,496
Current Year Payment	1,396,740	1,338,874	1,283,955	1,275,985	1,189,773
Outstanding Debt as of Dec 31	\$ 13,368,867	\$ 12,567,068	\$ 11,786,868	\$ 10,982,979	\$ 10,228,703

**Water and Sewer Utility Debt**

	2012	2013	2014	2015	2016
Principal Payment	\$ 7,488,204	\$ 867,861	\$ 864,164	\$ 826,563	\$ 791,795
Interim Financing - Wastewater Plant	(6,700,000)				
Interest Payment	620,189	394,229	367,584	342,046	306,943
Current Year Payment	1,408,393	1,262,091	1,231,748	1,168,609	1,098,739
Outstanding Debt as of Dec 31	\$ 16,717,946	\$ 15,850,084	\$ 14,985,921	\$ 14,159,358	\$ 13,367,562

**Summerside Community Network Debt**

	2012	2013	2014	2015	2016
Principal Payment	\$ 69,048	\$ 92,162	\$ 94,705	\$ 83,491	\$ 58,330
Interest Payment	17,909	15,309	12,618	10,035	7,472
Current Year Payment	86,957	107,471	107,323	93,526	65,803
Outstanding Debt as of Dec 31	\$ 490,980	\$ 398,817	\$ 304,113	\$ 220,622	\$ 162,291

**Electro Thermal Storage Program**

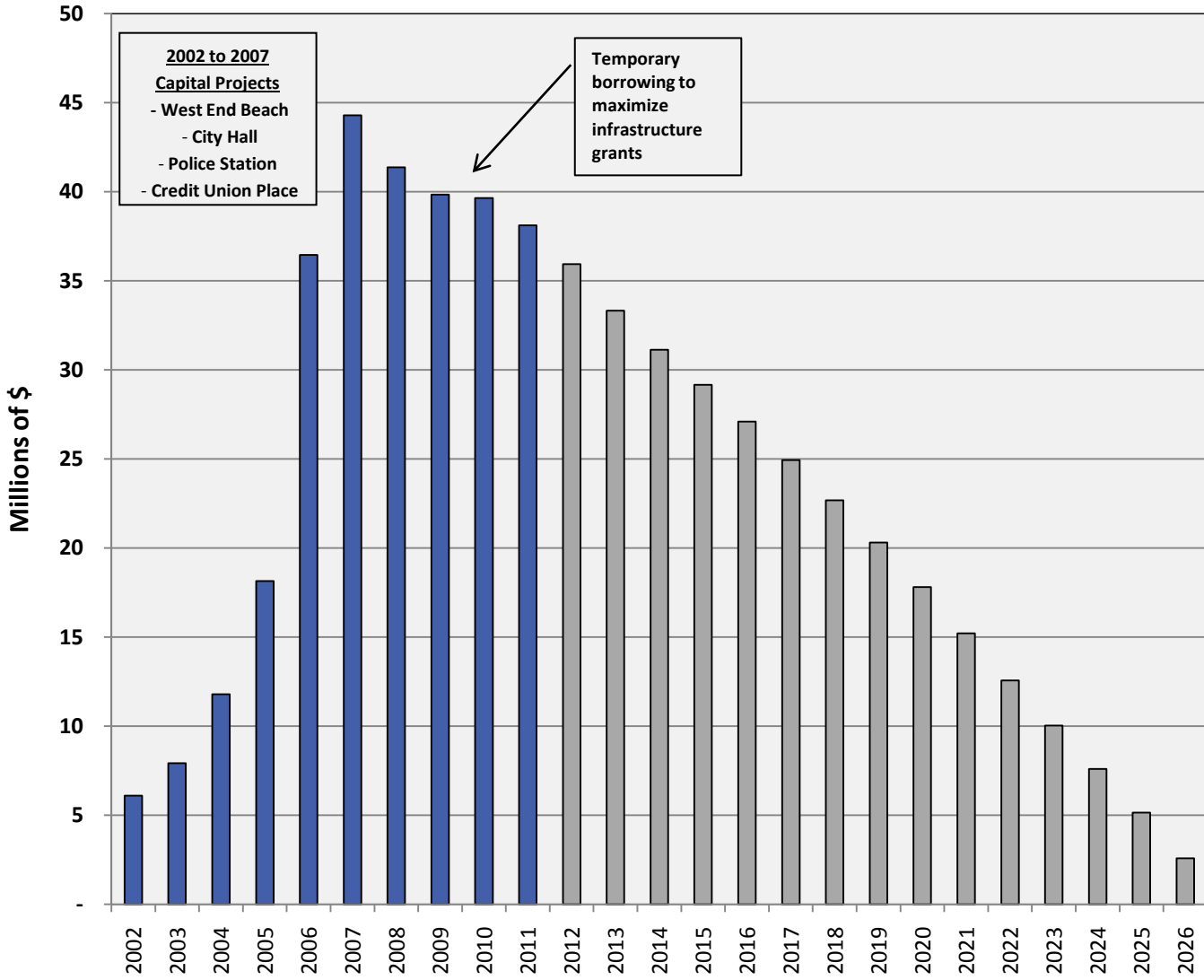
	2012	2013	2014	2015	2016
Principal Payment	\$ -	\$ 4,110	\$ 4,212	\$ 4,316	\$ 4,423
Interest Payment	1,140	1,140	1,038	934	827
Current Year Payment	1,140	5,250	5,250	5,250	5,250
Outstanding Debt as of Dec 31	\$ 46,000	\$ 41,890	\$ 37,678	\$ 33,362	\$ 28,939

<b>Total Outstanding Debt as of Dec 31</b>	<b>\$ 69,112,510</b>	<b>\$ 64,582,491</b>	<b>\$ 60,457,975</b>	<b>\$ 56,592,064</b>	<b>\$ 52,732,993</b>
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**City of Summerside  
2012 Budget**

**Total General Fund Long Term Debt (excluding Raceway)**

**Exhibit H**





## 2012 Budget Summary

### GENERAL FUND

	Page	2012 Budget			2011 Actual
		Expenses	Revenue	Net	Net
<b>General Revenue</b>	<b>17</b>	\$ -	\$ 18,014,642	\$ 18,014,642	\$18,949,385
<b>Expenses</b>					
General Government	18	508,650	-	508,650	650,673
Financial Services	19	3,646,980	-	3,646,980	4,029,470
Summerville Raceway	20	361,017	361,017	-	-
Human Resources	21	204,646	-	204,646	211,309
Fire Services	22	599,059	-	599,059	583,504
Police Services	23	3,323,262	26,400	3,296,862	3,068,525
Economic Development	24	786,565	46,596	739,969	723,956
Community Services	25-30	3,962,416	1,679,374	2,283,042	2,781,015
Technical Services	31	433,038	-	433,038	402,395
Public Works	32	2,098,301	15,000	2,083,301	2,282,809
Capital Projects	33	3,570,238	-	3,570,238	4,215,137
		19,494,172	2,128,387	17,365,785	18,948,793
Total		<u>\$ 19,494,172</u>	<u>\$ 20,143,029</u>	<u>\$ 648,857</u>	<u>\$ 592</u>
<b>General Fund Surplus (Deficit)</b>				<u>\$ 648,857</u>	<u>\$ 592</u>

### UTILITIES

	Page	2012 Budget			2011 Actual
		Revenue	Expenses	Net	Net
Electric Utility	34-37	\$ 17,908,472	\$ 19,441,098	\$ (1,532,626)	\$ (1,083,751)
Electro Thermal Storage Program	38	487,450	487,450	-	-
Summerville Community Network	39	549,107	549,107	-	-
Water Utility	40-41	1,622,617	1,622,617	-	-
Sewer Utility	42-43	2,829,968	2,829,968	-	-
<b>Total Utilities Surplus (Deficit)</b>		<u>\$ 23,397,614</u>	<u>\$ 24,930,240</u>	<u>\$ (1,532,626)</u>	<u>\$ (1,083,751)</u>



## 2012 Budget General Revenue

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	<u>2012</u> <u>Budget</u>	<u>2011</u> <u>Actual</u>
Taxation*	\$ 7,222,535	\$ 7,248,701
Province of PEI - Grants	6,844,213	7,059,041
Wind Energy Sales	1,786,844	1,995,579
Electric Utility - Grant	1,800,000	2,168,084
Wind Energy Royalties	48,750	51,256
Other		
Administration of Justice	100,000	112,893
Licenses and Permits	50,000	133,281
Miscellaneous Revenue	20,000	37,607
Rentals	112,300	112,943
Service Building	30,000	30,000
<b>Total General Revenue</b>	<b><u>\$ 18,014,642</u></b>	<b><u>\$ 18,949,385</u></b>

\* The City sets its tax rates annually pursuant to Section 28 of the City of Summerside Act. In 2008 the Province of PEI, through legislative amendments to Section 8 of the Real Property Tax Act, reduced the City's non-commercial tax rate from \$1.70 to \$.74, while at the same time rescinding a provincial property tax credit of \$.96. The result of the Provincial legislative amendments was a transfer of taxation capacity from the City of Summerside to the Province of PEI, a transfer which has not been agreed to by the City.

## 2012 Budget

### General Government Expenditures

	<b>2012 Budget</b>	<b>2011 Actual</b>
Mayor and Council Honorarium	\$ 191,000	\$ 183,529
Conferences and Memberships	111,200	200,023
Administrative	106,000	78,883
Election	25,000	25,000
Grants and Donations		
Air Show	5,000	-
Atlantic Motorcade	10,000	-
Baseball	-	1,950
Bedeque Bay Environment Association	2,000	4,000
Boys and Girls Club	20,000	20,000
Canada Games	-	25,000
College of Piping	59,300	59,240
East Prince Committee on Family Violence	5,000	5,000
East Prince Women's Information Centre	3,000	3,000
Figure Skating	2,750	2,750
Firefighters Curling	1,000	-
Generation XX	25,000	35,000
Governor's Plate	2,500	-
Harbourfront Theatre	168,000	170,256
Holland College Scholarship	3,000	3,000
Holland College	20,000	20,000
Lobster Carnival	-	12,000
Minor Basketball	500	500
Minor Hockey	17,000	17,000
Prince County Hospital Foundation	20,000	20,000
Parkview Seniors	1,000	1,000
PEI Crimestoppers	500	500
PEI Sports Hall of Fame	1,000	1,000
Provincial 55+ Winter Games	5,000	-
Royal Canadian Legion	-	5,000
SpayAid PEI	-	1,500
Special Olympics	2,000	2,000
Soccer	-	1,000
Softball	-	1,350
Summerside Ringette Association	2,000	-
Swimming	2,000	2,000
Other Grants and Donations	10,000	10,350
Misc Grants and Donations (under \$200)	5,000	5,225
Grants and Donations - Outbound Sport Events	2,000	300
	<b>394,550</b>	<b>429,921</b>
Other	20,000	46,329
<b>Subtotal General Government</b>	<b>847,750</b>	<b>963,685</b>
Less: Allocated to Other Funds		
Electric Utility	(271,280)	(249,723)
Water Utility	(33,910)	(31,215)
Sewer Utility	(33,910)	(31,215)
	<b>(339,100)</b>	<b>(312,153)</b>
<b>Total General Government</b>	<b>508,650</b>	<b>651,532</b>
Ditch Infilling Reimbursement	-	(859)
<b>Net General Government Expenses</b>	<b>\$ 508,650</b>	<b>\$ 650,673</b>





**2012 Budget**  
**Department of Financial Services**

---

	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>
Salaries and Benefits	\$ 777,000	\$ 751,312
Conferences, Memberships and Training	36,200	34,929
Retirement Benefits	45,000	42,999
Workers' Compensation	136,400	136,577
Administrative	65,000	58,862
Professional Fees	114,400	489,690
Building Operation and Maintenance	239,600	245,315
Summerville Housing Authority	15,000	17,414
Emergency Preparedness	5,000	5,093
Debt Payment - Principal	1,717,890	1,688,128
Debt Payment - Principal (Infrastructure)	460,110	501,200
Debt Payment - Interest	1,803,700	1,859,864
Water/Fire Protection	483,000	483,000
Short Term Interest and Bank Charges	180,000	150,807
<b>Total</b>	<b>6,078,300</b>	<b>6,465,190</b>
Less: Allocated to Other Funds		
Electric Utility	(1,945,056)	(1,948,576)
Water Utility	(243,132)	(243,572)
Sewer Utility	(243,132)	(243,572)
	<u>(2,431,320)</u>	<u>(2,435,720)</u>
<b>Net Financial Services Expenses</b>	<b>\$ 3,646,980</b>	<b>\$ 4,029,470</b>



**2012 Budget  
Summerside Raceway**

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	<u>2012 Budget</u>	<u>2011 Actual</u>
<b>Revenue</b>	<b>\$ 361,017</b>	<b>\$ 359,110</b>
<b>Expenses</b>		
Building Operation and Maintenance	24,500	25,767
Debt Payment - Principal	157,600	148,371
Debt Payment - Interest	116,300	125,453
Fiscal and Other	62,617	59,519
<b>Total Summerside Raceway Expenses</b>	<b>361,017</b>	<b>359,110</b>
<b>Excess of Revenue over Expenses</b>	<b>\$ -</b>	<b>-</b>



**2012 Budget**  
**Department of Human Resources**

---

	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>
Salaries and Benefits	\$ 283,345	\$ 267,039
Conferences, Memberships and Training	17,000	17,534
Initiatives and Programs	27,000	28,805
Contracted Services	2,500	2,357
Administrative	11,232	27,986
<b>Total</b>	<b>341,077</b>	<b>343,721</b>
Less: Allocated to Other Funds		
Electric Utility	(109,145)	(105,930)
Water Utility	(13,643)	(13,241)
Sewer Utility	(13,643)	(13,241)
	<u>(136,431)</u>	<u>(132,412)</u>
<b>Net Human Resources Expenses</b>	<b><u>\$ 204,646</u></b>	<b><u>\$ 211,309</u></b>



**2012 Budget**  
**Department of Fire Services**

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	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>
Salaries and Benefits	\$ 413,359	\$ 397,787
Conferences, Memberships and Training	18,500	20,224
Vehicle Repair and Maintenance	25,000	25,906
Equipment and Supplies	28,200	27,769
Administrative	25,800	21,449
Building Operation and Maintenance	88,200	90,369
<b>Total Fire Services Expenses</b>	<b>\$ 599,059</b>	<b>\$ 583,504</b>



**2012 Budget**  
**Department of Police Services**

---

	<u>2012</u> <u>Budget</u>	<u>2011</u> <u>Actual</u>
<b>Revenue</b>	<b>\$ 26,400</b>	<b>\$ 24,235</b>
<b>Expenses</b>		
Salaries	2,463,417	2,096,589
Benefits	361,095	326,270
Overtime	116,000	266,892
Conferences and Training	8,600	13,940
Vehicle Repair and Maintenance	72,000	73,472
Administrative	58,800	60,126
Building Operation and Maintenance	140,400	160,060
Equipment and Supplies	63,950	57,744
Professional Fees	39,000	37,667
<b>Total Police Services Expenses</b>	<b><u>3,323,262</u></b>	<b><u>3,092,760</u></b>
<b>Excess of Expenses over Revenue</b>	<b><u>\$ 3,296,862</u></b>	<b><u>\$ 3,068,525</u></b>



**2012 Budget**  
**Department of Economic Development**

	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>
<b>Venture Centre Building Rental Revenue</b>	<b>\$ 46,596</b>	<b>\$ 45,692</b>
Salaries and Benefits	163,150	158,708
Administrative	12,800	12,644
Meetings and Conferences	5,000	4,059
Program Development	134,000	136,659
Venture Centre Operations	22,700	26,317
Downtown Development	48,000	48,000
	<b>385,650</b>	<b>386,387</b>
<b>Wyatt Heritage Properties</b>		
Salaries and Benefits	327,830	304,724
MacNaught Archives and History Centre	15,060	15,374
Wyatt House Museum	9,050	8,547
Lefurgey Cultural Centre	18,400	15,890
Wyatt Heritage Properties General	92,486	93,572
Bishop's Foundry Building Operation	5,900	5,340
Armouries Building Operation	15,489	16,183
475 Notre Dame Street Building Operation	6,300	4,224
	<b>490,515</b>	<b>463,854</b>
Less Recoveries	89,600	80,593
Wyatt Heritage Properties, Net of Recoveries	<b>400,915</b>	<b>383,261</b>
<b>Total Expenses</b>	<b>786,565</b>	<b>769,648</b>
<b>Excess of Expenses over Revenue</b>	<b>\$ 739,969</b>	<b>\$ 723,956</b>



**2012 Budget  
Summary - Department of Community Services**

	Page	2012 Budget			2011 Actual
		Expenses	Revenue	Net	Net
Administration	26	\$ 719,698	\$ 8,750	\$ 710,948	\$ 647,795
Arena	27	1,455,647	608,485	847,162	1,097,294
Convention Centre	27	45,100	79,992	(34,892)	(35,274)
Special Events	27	180,000	180,000	-	182,147
Bowling Lanes	28	111,455	141,000	(29,545)	(28,288)
Pool and Fitness Centre	29	970,733	620,397	350,336	391,587
Total Credit Union Place		3,482,633	1,638,624	1,844,009	2,255,261
Green Spaces	30	405,723	31,900	373,823	443,904
Programs	30	74,060	8,850	65,210	81,850
Total		<b>\$ 3,962,416</b>	<b>\$ 1,679,374</b>	<b>\$ 2,283,042</b>	<b>\$ 2,781,015</b>



**2012 Budget**  
**Department of Community Services**

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<b>Administration</b>	<b>2012 Budget</b>	<b>2011 Actual</b>
<b>Building Rental Revenue</b>	<b>\$ 8,750</b>	<b>\$ 9,909</b>
<b>Expenses</b>		
Salaries and Benefits	518,353	437,467
Conferences, Memberships and Training	24,650	19,810
Equipment and Supplies	8,000	16,269
Administrative	133,000	141,926
Building Operation and Maintenance	35,695	42,232
<b>Total Administration Expenses</b>	<b>719,698</b>	<b>657,704</b>
<b>Excess of Expenses over Revenue</b>	<b>\$ 710,948</b>	<b>\$ 647,795</b>





**2012 Budget**  
**Department of Community Services**

<b>Arena</b>	<b>2012 Budget</b>	<b>2011 Actual</b>
<b>Revenue</b>		
Ice Time	\$ 328,000	\$ 283,741
Building Rentals	22,000	98,495
Public Skates	17,500	14,183
Miscellaneous Sales	192,985	290,054
Sky Box Rentals	48,000	44,319
<b>Total Arena Revenue</b>	<b>608,485</b>	<b>730,792</b>
<b>Expenses</b>		
Salaries and Benefits	538,429	550,020
Vehicle Maintenance	41,770	48,247
Equipment and Supplies	44,190	76,337
Administrative	33,150	122,558
Building Operation and Maintenance	798,108	1,030,924
<b>Total Arena Expenses</b>	<b>1,455,647</b>	<b>1,828,086</b>
<b>Excess of Expenses over Revenue</b>	<b>\$ 847,162</b>	<b>\$ 1,097,294</b>
<b>Veterans Convention Centre</b>		
<b>Revenue</b>	<b>\$ 79,992</b>	<b>\$ 61,947</b>
<b>Expenses</b>	<b>45,100</b>	<b>26,673</b>
<b>Excess of Revenue over Expenses</b>	<b>\$ 34,892</b>	<b>\$ 35,274</b>
<b>Special Events, Net of Revenue</b>	<b>\$ -</b>	<b>\$ 182,147</b>



**2012 Budget**  
**Department of Community Services**

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	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>
<b>Bowling</b>		
<b>Revenue</b>	<b>\$ 141,000</b>	<b>\$ 123,223</b>
<b>Expenses</b>		
Salaries and Benefits	85,460	75,013
Equipment and Supplies	13,780	7,867
Administrative	12,215	12,055
<b>Total Bowling Lanes Expenses</b>	<b>111,455</b>	<b>94,935</b>
<b>Excess of Revenue over Expenses</b>	<b>\$ 29,545</b>	<b>\$ 28,288</b>



**2012 Budget**  
**Department of Community Services**

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	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>
<b>Pool and Fitness Centre</b>		
<b>Revenue</b>	<b>\$ 620,397</b>	<b>\$ 434,920</b>
<b>Expenses</b>		
Salaries and Benefits	566,133	404,588
Equipment and Supplies	65,380	55,065
Administrative	22,400	19,853
Building Operation and Maintenance	316,820	347,001
<b>Total Pool and Fitness Centre Expenses</b>	<b>970,733</b>	<b>826,507</b>
<b>Excess of Expenses over Revenue</b>	<b>\$ 350,336</b>	<b>\$ 391,587</b>



**2012 Budget**  
**Department of Community Services**

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	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>
<b>Green Spaces</b>		
<b>Revenue</b>	<b>\$ 31,900</b>	<b>\$ 28,906</b>
<b>Expenses</b>		
Salaries and Benefits	258,789	308,682
Equipment and Supplies	146,934	164,128
<b>Total Green Spaces Expenses</b>	<b>405,723</b>	<b>472,810</b>
<b>Excess of Expenses over Revenue</b>	<b>\$ 373,823</b>	<b>\$ 443,904</b>
<b>Programs</b>		
<b>Revenue</b>	<b>\$ 8,850</b>	<b>\$ 7,530</b>
<b>Expenses</b>		
Salaries and Benefits	45,660	46,216
Administrative	6,500	7,978
Canada Day	3,000	10,007
Chamber of Commerce Trade Show	1,400	1,399
Green Shore Entertainment	5,000	7,355
Nature Fest	1,000	-
New Years Eve Celebration	5,000	10,204
New Years Day	5,000	5,078
Parade	1,500	1,143
<b>Total Programs Expenses</b>	<b>74,060</b>	<b>89,380</b>
<b>Excess of Expenses over Revenue</b>	<b>\$ 65,210</b>	<b>\$ 81,850</b>



**2012 Budget**  
**Department of Technical Services**

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	<u>2012</u> <u>Budget</u>	<u>2011</u> <u>Actual</u>
Salaries and Benefits	\$ 806,476	\$ 744,616
Conferences, Memberships and Training	13,600	8,930
Administrative	27,900	25,695
Local Transportation	13,100	7,362
IT Fees and Support	5,000	45,288
<b>Total Technical Services Expenses</b>	<b><u>866,076</u></b>	<b><u>831,891</u></b>
Less: Allocated to Other Departments		
Electric Utility	(216,519)	(214,748)
Water Utility	(129,911)	(128,849)
Sewer Utility	(86,608)	(85,899)
	<u>(433,038)</u>	<u>(429,496)</u>
<b>Net Technical Services Expenses</b>	<b><u><u>\$ 433,038</u></u></b>	<b><u><u>\$ 402,395</u></u></b>



**2012 Budget**  
**Department of Public Works**

	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>
<b>Revenue</b>		
Culvert Installation	\$ 1,000	\$ 351
Utility Use of Right of Ways	12,500	12,430
Other Revenue	1,500	(225)
<b>Total Public Works Revenue</b>	<b>15,000</b>	<b>12,556</b>
<b>Expenses</b>		
Administration		
Salaries and Benefits	206,699	184,793
Administrative	23,000	58,579
	<u>229,699</u>	<u>243,372</u>
Snow Removal		
Salaries and Benefits	90,938	84,218
Overtime	85,000	112,386
Equipment - Other	65,000	106,536
Salting	165,000	176,197
Winter Maintenance Contract	141,524	131,485
	<u>547,462</u>	<u>610,822</u>
Street Maintenance		
Salaries	198,415	183,751
Overtime	15,500	21,902
New Culverts	1,500	879
Replace Culverts	50,000	39,227
Ditch Cleaning - Summer	15,000	-
Ditch Cleaning - Winter	2,000	2,992
Patching and Supplies	316,000	367,135
Street Lighting	427,735	450,247
Traffic Lights	106,787	107,792
	<u>1,132,937</u>	<u>1,173,925</u>
Building Operation and Maintenance	<u>86,053</u>	<u>92,986</u>
Equipment Maintenance	<u>102,150</u>	<u>174,260</u>
<b>Total Public Works Expenses</b>	<b>2,098,301</b>	<b>2,295,365</b>
<b>Excess of Expenses over Revenue</b>	<b>\$ 2,083,301</b>	<b>\$ 2,282,809</b>



## 2012 Budget Capital Budget

GENERAL FUND	2012 Budget	2011 Actual
Financial Services	\$ 69,700	\$ 10,657
Human Resources	3,000	-
Fire Services	15,000	38,541
Police Services	142,000	119,282
Economic Development	186,200	127,636
Community Services	624,547	598,635
Technical Services	2,267,791	3,250,334
Municipal Services	262,000	70,052
	<b>3,570,238</b>	<b>4,215,137</b>
<b>Capital Fund - Wind Farm/Smart Utility Grid</b>	-	<b>1,256,129</b>
<b>Capital Fund - Heritage Garden &amp; West End Trail</b>	-	<b>590</b>
<b>Capital Fund - Summerville Raceway</b>	-	<b>22,604</b>
<b>Capital Fund - Water Street Rebuild</b>	-	<b>647,688</b>
<b>Total Capital Expenditures from General Fund</b>	<b>3,570,238</b>	<b>6,142,148</b>
 <b>UTILITIES</b>		
Electric Utility	1,653,000	1,067,795
Electric Thermal Storage	5,000	46,033
Summerville Community Network	125,000	113,362
Water Utility	516,800	1,769,816
Sewer Utility	918,162	786,553
<b>Total Capital Expenditures from Utilities</b>	<b>3,217,962</b>	<b>3,783,559</b>
	<b>\$ 6,788,200</b>	<b>\$ 9,925,707</b>



## 2012 Budget Electric Utility

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	<u>2012</u> <u>Budget</u>	<u>2011</u> <u>Actual</u>
<b>Revenue</b>		
Residential	\$ 6,214,388	\$ 6,274,609
Commercial	9,695,110	9,799,644
Industrial	1,153,636	1,165,275
Street Lights	408,056	408,763
Outside Area Lights	60,981	61,087
Unmetered	40,513	40,584
<b>Total Sales</b>	<u><b>17,572,684</b></u>	<u><b>17,749,962</b></u>
<b>Other Income</b>		
Pole Rental	107,557	107,556
Penalties	128,231	130,434
Miscellaneous	100,000	154,017
	<u>335,788</u>	<u>392,007</u>
<b>Total Revenue</b>	<u><b>17,908,472</b></u>	<u><b>18,141,969</b></u>
<b>Total Expenses (See Following Pages)</b>	<u><b>19,441,098</b></u>	<u><b>19,225,720</b></u>
<b>Surplus (Deficit)</b>	<u><b>\$ (1,532,626)</b></u>	<u><b>\$ (1,083,751)</b></u>



**2012 Budget  
Electric Utility**

	<b>2012 Budget</b>	<b>2011 Actual</b>
<b>Power Purchased</b>		
Electric Power Purchased	\$ 7,824,704	\$ 7,235,581
Summerside Wind Energy Purchases	2,479,094	2,733,392
NB Transmission and Losses	152,186	153,060
PE Transmission and Losses	808,452	748,552
Wind Farm Operations	412,589	419,311
	<u>11,677,025</u>	<u>11,289,896</u>
<b>Generation Operations</b>		
Labour	205,234	193,798
Major Equipment Repair	30,000	21,988
Equipment Maintenance	8,000	8,471
Fuel	30,000	18,662
Building Operation and Maintenance	85,000	95,445
Water	4,500	3,104
Lubricants	8,500	-
Office	250	125
	<u>371,484</u>	<u>341,593</u>
<b>Distribution Operations</b>		
Salaries	115,352	117,644
Equipment	5,500	4,561
Building Heat	15,000	13,511
Building Maintenance	3,400	2,909
	<u>139,252</u>	<u>138,625</u>
<b>Substation</b>		
Labour	5,426	13,506
Materials	40,000	73,160
	<u>45,426</u>	<u>86,666</u>
<b>Underground Conduit and Cables</b>		
Labour	6,556	1,420
Materials	3,000	7,563
	<u>9,556</u>	<u>8,983</u>

**2012 Budget  
Electric Utility**

	<b>2012 Budget</b>	<b>2011 Actual</b>
<b>Overhead Conductors</b>		
Labour	88,317	72,085
Materials	28,500	26,789
	<u>116,817</u>	<u>98,874</u>
<b>Poles and Fixtures</b>		
Labour	83,356	59,343
Materials	23,500	34,178
	<u>106,856</u>	<u>93,521</u>
<b>Transformers</b>		
Labour	8,082	7,482
Materials	14,000	8,336
	<u>22,082</u>	<u>15,818</u>
<b>Services</b>		
Labour	26,318	20,633
Materials	13,000	11,787
	<u>39,318</u>	<u>32,420</u>
<b>Street Lighting</b>		
Labour	39,956	22,992
Materials	33,000	35,522
	<u>72,956</u>	<u>58,514</u>
<b>Meters</b>		
Labour	99,977	63,785
Materials	9,500	10,478
Meter Testing	6,000	5,110
	<u>115,477</u>	<u>79,373</u>
<b>Customer Service</b>		
Labour	50,429	44,562
Materials	850	52
	<u>51,279</u>	<u>44,614</u>



**2012 Budget  
Electric Utility**

	<b>2012 Budget</b>	<b>2011 Actual</b>
<b>Administration</b>		
Salaries and Benefits	428,124	416,602
Clothing	10,000	8,732
Workers' Compensation	39,000	37,894
Travel and Training	15,000	8,548
Equipment and Supplies	22,000	32,211
Administrative	85,500	88,580
Building Operation and Maintenance	154,700	160,063
Pensioner Benefits	10,304	8,581
	<u>764,628</u>	<u>761,211</u>
<b>Other</b>		
Professional Fees	402,500	328,246
Bad Debts	2,500	28,588
Inventory Adjustment	-	953
Deposit Interest	3,500	3,398
Regulatory Expenses	20,000	20,000
Miscellaneous	33,600	3,565
Taxes	231,200	277,605
	<u>693,300</u>	<u>662,355</u>
<b>Financial</b>		
Debt Payment - Principal	466,790	460,745
Debt Payment - Interest	237,760	223,520
Interest - Operating Loan	90,000	51,726
	<u>794,550</u>	<u>735,991</u>
<b>Interfund Allocations</b>		
Fee for City Hall and Other Buildings	67,300	67,300
Fee to General Fund	1,800,000	2,168,084
Interfund Allocations		
General Government	271,280	249,723
Financial Services	1,945,056	1,948,576
Human Resources	109,145	105,930
Technical Services	216,519	214,748
Adjustment to Electro Thermal Storage Program	11,792	22,905
	<u>4,421,092</u>	<u>4,777,266</u>
<b>Total Expenses</b>	<b><u>\$ 19,441,098</u></b>	<b><u>\$ 19,225,720</u></b>



## 2012 Budget Electro Thermal Storage Program

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	<u>2012</u> <u>Budget</u>	<u>2011</u> <u>Actual</u>
<b>Sales</b>	<b>\$ 487,450</b>	<b>\$ 121,862</b>
<b>Expenses</b>		
Cost of Goods Sold	398,612	113,730
Salaries and Benefits	76,141	23,941
Administrative	23,349	7,096
Debt Servicing	1,140	-
Adjustment from Electric Utility	(11,792)	(22,905)
<b>Total Electro Thermal Storage Program Expenses</b>	<b>487,450</b>	<b>121,862</b>
<b>Surplus</b>	<b>\$ -</b>	<b>\$ -</b>



## 2012 Budget Summerville Community Network

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	<u>2012</u> <u>Budget</u>	<u>2011</u> <u>Actual</u>
<b>Revenue</b>	<b>\$ 549,107</b>	<b>\$ 549,653</b>
<b>Expenses</b>		
Bandwidth Costs	62,000	65,794
Installs and Servicing	131,686	177,102
Equipment and System Maintenance	82,001	89,634
Customer Service Costs	86,887	39,200
Building Operation and Maintenance	99,533	116,230
Debt Servicing	87,000	61,693
	<u>549,107</u>	<u>549,653</u>
<b>Surplus</b>	<u>\$ -</u>	<u>\$ -</u>



**2012 Budget  
Water Utility**

	<b>2012 Budget</b>	<b>2011 Actual</b>
<b>Revenue</b>		
Unmetered Sales	\$ 847,867	\$ 821,602
Metered Sales	275,678	267,138
Public Fire Protection	483,000	483,000
Penalties	4,001	3,962
Miscellaneous	12,071	11,952
<b>Total Revenue</b>	<b>1,622,617</b>	<b>1,587,654</b>
<b>Distribution Expenses</b>		
Maintenance of Reservoir	21,982	23,808
Water Treatment	51,306	60,249
Maintenance of Mains	117,823	122,587
Maintenance of Services	66,941	67,914
Maintenance of Meters	4,750	7,296
Maintenance of Hydrants	17,451	49,150
Maintenance of Plant	32,108	38,693
Supplies and Expenses	1,500	1,799
Insurance	40,400	43,207
Salaries - Administration	72,601	67,235
Employee Benefits	38,718	31,018
Workers' Compensation	4,800	5,472
Vehicle Maintenance, Net of Recoveries	(37,500)	(31,029)
	432,880	487,399
Other Expenses (See Following Page)		
Pumping	140,324	179,873
Administration and Other	56,071	(69,915)
Financial	582,950	499,234
Interfund Allocations	410,392	491,063
<b>Total Expenses</b>	<b>1,622,617</b>	<b>1,587,654</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>



**2012 Budget  
Water Utility**

	<b>2012 Budget</b>	<b>2011 Actual</b>
<b>Water Expenses Continued</b>		
<b>Pumping</b>		
Salaries	6,565	6,080
Overtime	1,000	-
Pumping Electricity	103,759	106,968
Maintenance	26,000	63,874
Lights and Fuel (Standpipe)	3,000	2,951
<b>Total Pumping</b>	<b>140,324</b>	<b>179,873</b>
<b>Administration and Other</b>		
Meter Labor	8,555	7,925
Office Supplies	16,100	16,860
Communication Expenses	8,250	7,849
Taxes	8,900	8,617
Adjusters/Claims	2,500	1,150
Conventions and Training	4,500	5,263
Pensioner Benefits	2,423	2,423
Amortization	4,843	4,843
Reserve for Future Expenditure	-	(124,845)
<b>Total Administration</b>	<b>56,071</b>	<b>(69,915)</b>
<b>Financial</b>		
Debt Payment - Principal	334,750	296,699
Debt Payment - Interest	248,200	202,535
	<b>582,950</b>	<b>499,234</b>
<b>Interfund Allocations</b>		
General Government	33,910	31,215
Financial Services	243,132	243,572
Human Resources	13,643	13,241
Technical Services	129,911	128,849
Adjustment from Sewer	(10,204)	74,186
<b>Total Interfund Allocations</b>	<b>410,392</b>	<b>491,063</b>



**2012 Budget  
Sewer Utility**

	<b>2012 Budget</b>	<b>2011 Actual</b>
<b>Revenue</b>		
Customer Revenue	\$ 2,724,463	\$ 2,640,067
Penalties and Miscellaneous	7,505	7,468
Revenue from Sludge Treatment	65,000	64,105
Revenue from Bio-Solids	33,000	53,867
<b>Total Revenue</b>	<b>2,829,968</b>	<b>2,765,507</b>
<b>Distribution Expenses</b>		
Salaries - Administration	49,451	45,796
Maintenance of Liftstations	33,177	35,963
Maintenance of Mains	66,822	68,518
Maintenance of Services	30,815	35,102
Maintenance of Plant and Warehouse	63,393	60,208
Property Insurance	28,500	30,542
Employee Benefits	21,233	17,102
Workers' Compensation	3,200	3,648
Machinery Maintenance	15,000	20,974
Vehicle Maintenance, Net of Recoveries	(20,794)	(18,491)
	290,797	299,362
<b>Operating Expenses</b>		
Solid Waste Disposal	20,000	15,222
Salaries and Benefits	431,670	389,685
Insurance	16,300	14,700
Transportation	4,700	7,496
Electricity - Lift Stations	66,724	60,844
Electricity - Plant	215,401	222,063
Electricity - Lagoon	22,514	23,211
Water	2,700	2,669
Fuel	127,274	127,274
Chemicals	290,000	345,879
Maintenance - Building	18,000	21,503
Maintenance - Lagoon	5,000	4,304
Plant Machinery	60,000	52,982
Lift Station Maintenance	5,000	5,317
Sludge Collections and Lines	10,000	13,013
Operating Supplies	18,000	16,535
General Expenses	8,000	8,076
Bio-Solids Loading Costs	8,000	7,808
	1,329,283	1,338,581





## 2012 Budget Sewer Utility

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	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>
<b>Administration and Other</b>		
Office Expenses	18,000	129,937
Telecommunications	17,900	17,576
Convention	5,000	3,549
Taxes	6,000	5,744
Pensioner Benefits	1,491	1,491
	<u>48,391</u>	<u>158,297</u>
<b>Financial</b>		
Debt Payment - Principal	453,600	361,214
Debt Payment - Interest	320,400	308,312
	<u>774,000</u>	<u>669,526</u>
<b>Interfund Allocations</b>		
General Government	33,910	31,215
Financial Services	243,132	243,572
Human Resources	13,643	13,241
Technical Services	86,608	85,899
Adjustment from Water	10,204	(74,186)
	<u>387,497</u>	<u>299,741</u>
Total Interfund Allocations	<u>387,497</u>	<u>299,741</u>
<b>Total Expenses</b>	<b><u>2,829,968</u></b>	<b><u>2,765,507</u></b>
<b>Surplus</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

## **City of Summerside**

### **2012 Budget Highlights**

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- Eighteenth consecutive general fund balanced budget for the City of Summerside.
- A \$45 million budget for 2012: General Government - \$20 million and Utility Budget - \$25 million.
- No change in electrical energy rates.
- Water and sewer rate adjustment limited to PEI inflation of 2.9%.
- No increase in user rates at our indoor recreational facilities and elimination of user fees and lighting charges at our outdoor facilities.
- No increase in property tax rates.
- Support for Downtown Summerside with \$48,000 to supplement their BIA levy.
- \$300,000 for the top coat of paving for the downtown Water Street redevelopment.
- One year extension to the City's Development Incentive Policy offering up to five years of municipal tax abatement and up to five years of frozen power rates.
- We have committed donations of \$395,000 to various organizations within the City.
- We have allotted \$1,476,000 for street and storm sewer upgrades, including \$616,000 for ditch infilling, and have introduced a new program to develop drawings and technical documents in advance in order to be "shovel ready" at all times.
- We have allotted \$307,000 for sidewalk reconstruction.
- The City will invest \$220,000 in a new loader for Municipal Services.
- The City will devote \$918,000 to the Sewer Utility for capital improvements.
- The City will devote \$517,000 to the Water Utility for capital improvements.
- The City will devote \$1,653,000 to the Electric Utility for capital improvements including the next phase of its Smart Grid.
- We will spend \$157,000 on new equipment for our Fire and Police Departments.
- We will invest \$170,000 to complete Phase Two of the BMX Park with \$60,000 coming from the Island Community Fund.
- In total we will spend \$3.6 million from general revenues on capital improvements.
- General Fund long term debt will decrease by \$2,350,000 – the fifth consecutive year of reduction.