



TOWNSHIP OF
SOUTH ALGONQUIN

DRAFT Budget 2019

February 6, 2019 (vs March 15, 2018!)

OBJECTIVE

The Objective of this process is to:

- Meet the legislative requirements of the Municipal Act 2001
- Provide an open process that demonstrates spending
- Plan for the fiscal challenges of the Township
- Effectively manage operating expenses and capital planning
- Communicate financial plan for 2019 between council & staff
 - Revenue
 - Expenses
 - Changes Anticipated (CVA and Grant reductions)
 - Tax Rate
 - Available Funds

NON-TAX REVENUE

REVENUE	2017 ACTUAL	2018 BUDGET	2018 ACTUAL	2019 BUDGET	Explanation for change
GENERAL GOV	\$1,085,660	\$1,079,150	\$1,198,648	\$806,620	Less OMPF , No Tax Sales
PROTECTION	\$51,092	\$140,940	\$138,539	\$44,940	Bldg/septic No CSPT Grant
TRANSPORTATION	\$131,434	\$1,892,940	\$1,914,080	\$291,750	No OCIF top up/gas tax up
ENVIRONMENTAL	\$28,965	\$22,500	\$19,651	\$22,500	Tipping fees
HEALTH SERVICES	\$27,463	\$27,000	\$29,341	\$27,000	Rent/billing
SOCIAL SERVICES	\$10,848	\$10,850	\$10,848	\$3,600	Decreased Rent
RECREATION	\$108,538	\$123,550	\$146,202	\$112,610	Grant/fundraising
PLANNING	\$10,726	\$8,000	\$31,119	\$12,000	Fees/Shoreline
Total	\$1,454,726	\$3,304,930	\$3,149,074	\$1,321,020	\$133,706 less than 2017

PROVINCIAL GRANTS

2019 – Decreased \$155,870

Sources	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget
OMPF	\$840,900	\$792,200	\$792,200	\$943,400	\$707,550
Court Security	\$1,139	\$1,327	\$2,045	\$2877	\$0
OCIF	\$25,000	\$25,000	\$50,000	\$50,000	\$50,000
Gas Tax	\$70,000	\$76,399	\$85,344	\$77,143	\$160,000
Heritage	\$3,270	\$3,153	\$3,000	\$4,000	\$4,000
Totals	\$870,309	\$821,680	\$847,245	\$1,077,420	\$921,550

2019 – CSPT and OMPF Grant Under Review *100% and 25% reduction, respectively for budget purpose

EXPENSES

Variable Expenses

- Fuel (increased)
- Hydro (unchanged)
- Goods (unchanged)
- Postage (increased)
- Legal (increased)

Fixed Expenses

- Policing (decreased)
- Wages (increased)
- Insurance (increased)
- MPAC (increased)
- DNSSAB (increased)

LEVIES PAID FOR SERVICE

Agency	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget	Change 2018-2019
OPP	\$278,160	\$332,359	\$342,084	\$340,102	\$334,460	(\$5,642)
Health Unit	\$16,055	\$19,476	\$19,476	\$19,476	\$19,290	(\$186)
DNSSAB	\$468,074	\$468,830	\$474,743	\$478,910	\$498,910	\$20,000
Cassellholme	\$104,144	\$104,144	\$104,144	\$105,963	\$105,970	\$7
MPAC	\$41,210	\$41,073	\$41,151	\$41,502	\$41,640	\$138
TOTALS	\$907,643	\$965,882	\$981,598	\$985,953	\$1,000,270	\$14,317

2019 – Increased \$14,317
33% of Operating Expenses

PROPOSED CAPITAL 2019

FUNCTIONAL AREA	CAPITAL FUNDS	PROPOSED PROJECTS
ADMINISTRATION	\$7,000	Council Laptops (reserve)
PROTECTION SERVICES	\$50,000	MFD Fire Truck half-ton
TRANSPORTATION	\$489,760	Per Works Department outline (next slide)
RECREATION	\$27,500	\$27,500 Playground (Madawaska)
	\$23,000	\$ 3,000 Floating Dock (Whitney) \$20,000 Out Houses
LIBRARY	\$3,570	\$1,200 Media Display \$2,370 Shelving
Total	\$580,830	

TRANSPORTATION CAPITAL

PROJECT	ESTIMATED COST	Goal
Algonquin Street	\$200,000	surface replacement and improve drainage
Major Lake Road	\$150,000	Resurface 1 km
Rural Storm Sewer drainage	\$40,000	Throughout Township
Replace 2 Crew Cab Trucks	\$14,760	Five year financing \$80,000
Re-shingle Sand Dome	\$60,000	
Galeairy Lake & Paradise Rd	\$25,000	Engineered Design Drawings
Total	\$489,760	

HIGHLIGHTS

- Interest on taxes, would like to propose pilot
- Salary and Wages have been set to accommodate a 2% grid increase, average Consumer Price Index for Ontario is 2.3%
- Increased Fire Training to \$10k each
- Legal fees General Government \$10k
- Trucks have been included 5 year finance, dependent on provincial grants

PROPOSED RESERVE TRANSFERS

- Protection
 - SCBA \$20k/year returned to reserve 2018-2022
- Transportation
 - Truck #27 \$50k/year returned to reserve 2018-2022
- Recreation
 - \$2,111.39 Whitney & \$3,175.89 Madawaska

2018 RECREATION

M&L Bank Accts	2017	2018	Variance
Chequing	\$ 3,115.32	\$ 6,114.52	\$ 2,999.20
Enhanced Savings	\$ 7,525.54	\$ 7,585.62	\$ 60.08
GIC	\$ 12,956.78	\$ 13,073.39	\$ 116.16
Total	\$ 23,597.64	\$ 26,773.53	\$ 3,175.89

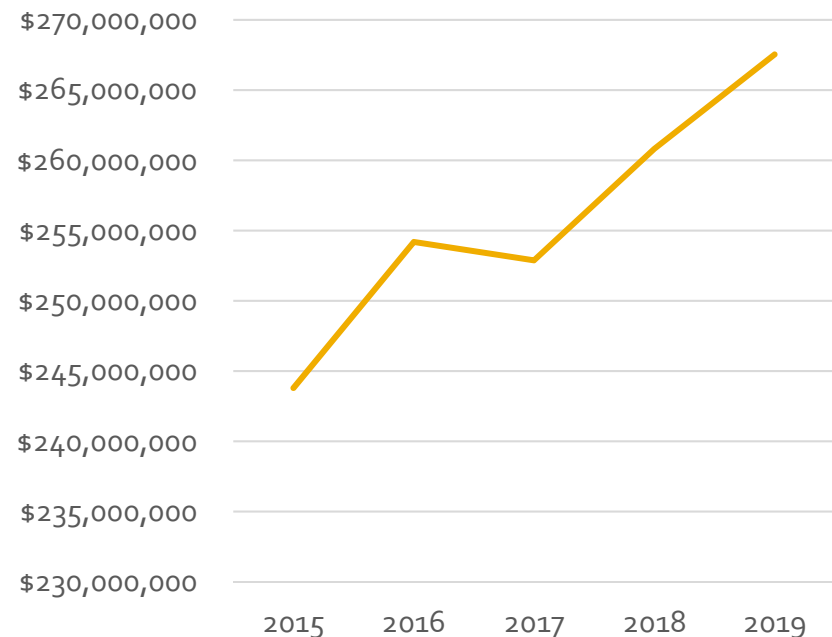
Whitney Bank Accts	2017	2018	Variance
Chequing	\$ 11,184.02	\$ 3,996.51	\$ (7,187.51)
Enhanced Savings	\$ 16,055.89	\$ 10,138.34	\$ (5,917.55)
GIC	\$ 25,464.63	\$ 40,681.08	\$ 15,216.45
Total	\$ 52,704.54	\$ 54,815.93	\$ 2,111.39

Recommended Reserve Transfer \$ 5,287.28

ASSESSMENT CHANGES

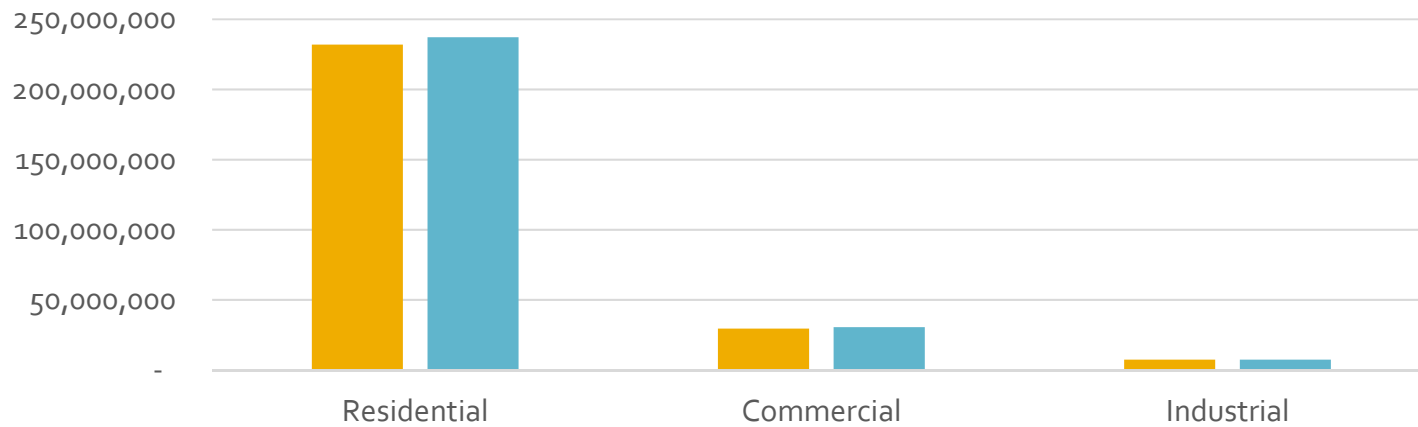
- Current Value Assessment (CVA) increase
- 2020 is an assessment year, decrease anticipated
- Non-weighted

Year	Assessment	Change
2019	\$267,539,669	\$6,719,255
2018	\$260,820,414	\$7,934,389
2017	\$252,886,025	-\$1,304,475
2016	\$254,192,500	\$10,392,652
2015	\$243,799,848	

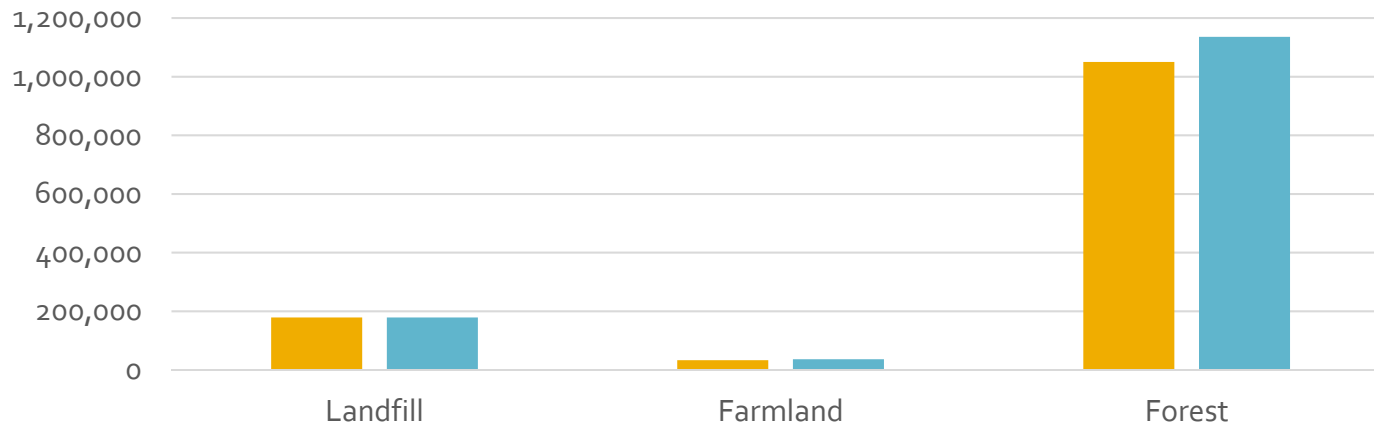


Weighted Assessment '18 vs '19

Major Taxable Assessment Classes



Minor Taxable Assessment Classes

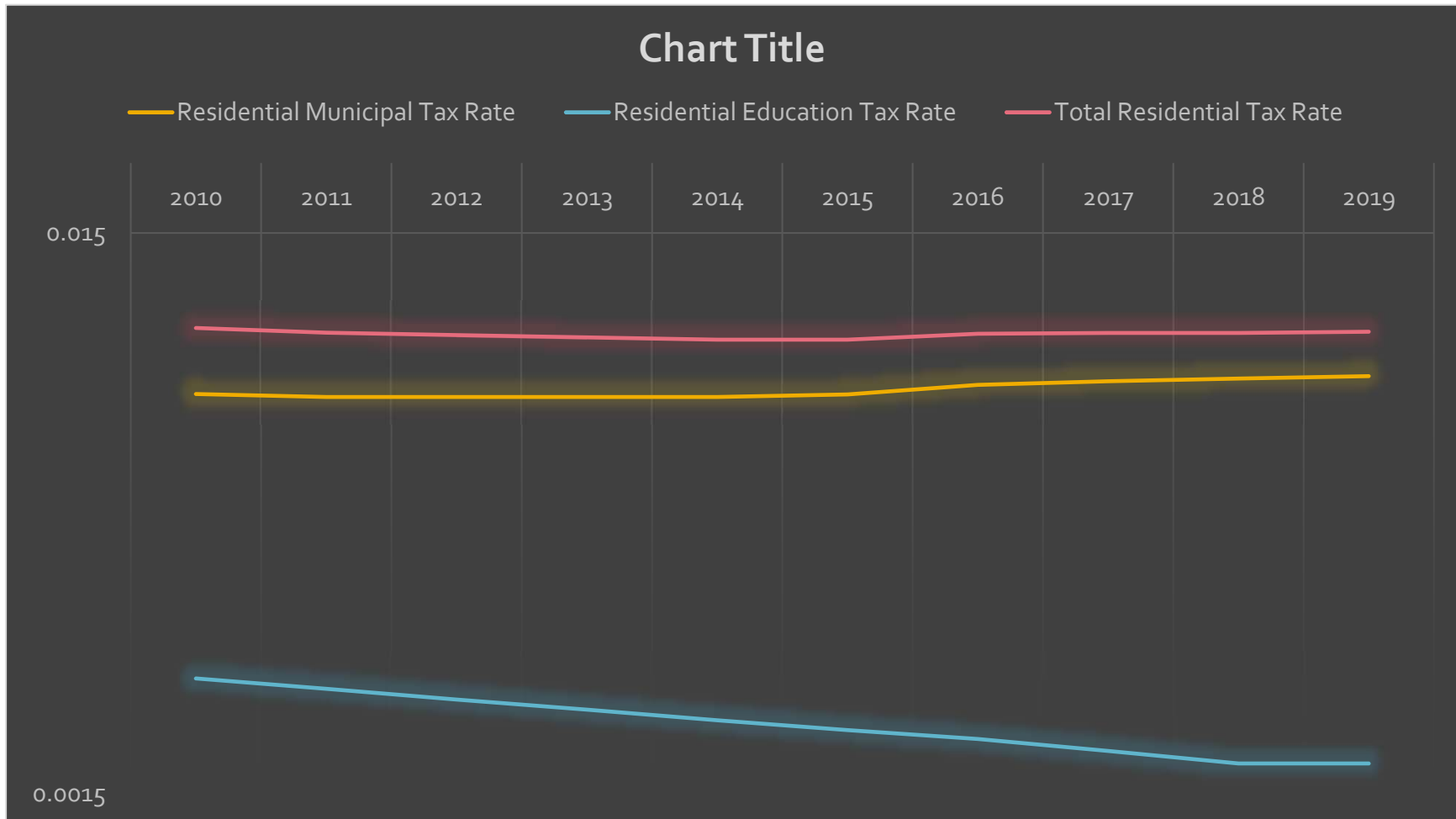


2019 RESIDENTIAL TAX RATE

- Council is to set Municipal Portion of the residential rate.
- The Province sets the Provincial portion of the tax rate for all tax classes (education) which has been based on 2018 rate as it will not be received until April.
- The Municipal tax rate for all other tax classes are calculated as a percentage of the residential rate.

Class	2019 Ratio
Residential	1
Commercial	1.98
Industrial	2.63
Farmlands	0.25
Managed Forests	0.25
Commercial Excess/Vacant reduction factor	0.0-1.0:0.7

TAX RATE COMPARISON



Residential Class Tax Impact

1 % Municipal tax rate to residential property owners

Municipal Tax Rate	2018	2019	Increase
\$ 150,000 CVA	\$ 1,238	\$1,250	\$12
\$ 200,000 CVA	\$ 1,651	\$1,667	\$16

2 % Municipal tax rate to residential property owners

Municipal Tax Rate	2018	2019	Increase
\$ 150,000 CVA	\$ 1,238	\$1,263	\$25
\$ 200,000 CVA	\$ 1,651	\$1,684	\$33

* Does not include Education tax rate

SURPLUS

- Unexpected Revenue... \$267,000
 - \$45,450 Sale of Capital Assets
 - \$55,425 Receipt of Tax Sale proceeds
 - \$12,494 Investment Income
 - \$11,200 Interest on taxes/Fees/Rent
 - \$18,000 Timber Ayleen Lake Project
 - \$7,400 Shoreline Rd Allowances
 - \$15,700 Planning Applications (some of which is not true revenue because it's consultant recovery)

UNSPENT 2018 BUDGET

- If we remove the \$165,700 that we didn't expect when we did the budget;
- Surplus is more like \$117, 000 (that's better)
 - \$20,000 Council meetings and Election costs
 - \$24,000 Admin Capital (website/eco-museum)
 - \$40,000 Emergency Services
 - \$12,000 Planning Consultant/Legal Fees
- These are all costs that we managed well

FUNDING THE BUDGET

- Levy required; \$2,607,560
 - Current Levy; \$2,281,261
- Revenue Required \$323,919
 - 1 % tax increase provides \$22,813
 - 1.5 % tax increase provides \$34,219
 - 2% tax increase provides \$45, 624
- A reserve transfer can balance this budget, due to the additional revenue collected in 2018 this is recommended as an interim measure until more information is provided about the grants