



TOWNSHIP OF
SOUTH ALGONQUIN

DRAFT Budget 2020
March 4, 2020

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 2020 between council & staff
 - Revenue
 - Expenses
 - Changes Anticipated
 - Tax Rate
 - Available Funds

NON-TAX REVENUE

REVENUE	2018 ACTUAL	2019 BUDGET	2019 ACTUAL	2020 BUDGET	Explanation
GENERAL GOV	\$1,193,660	\$1,173,870	\$1,623,982	\$ 1,116,500	'19 unexpected prov fund
PROTECTION	\$138,539	\$90,940	\$93,890	\$42,520	Decrease in reserve transf
TRANSPORTATION	\$1,881,456	\$211,750	\$225,703	\$263,770	Increase in Gas Tax use
ENVIRONMENTAL	\$19,870	\$22,500	\$21,968	\$22,500	Tipping fees
HEALTH SERVICES	\$29,341	\$27,000	\$33,915	\$34,000	Rent/billing
SOCIAL SERVICES	\$10,848	\$3,600	\$10,224	\$8,400	Rent
RECREATION	\$146,802	\$149,220	\$174,478	\$42,150	Less reserve trans
PLANNING	\$31,119	\$12,000	\$19,155	\$14,000	Fees/Shoreline/billing
Total	\$3,451,635	\$1,690,880	\$2,180,103	\$1,543,840	\$636,263 less than 2019 Actual

PARTNERSHIP FUNDS

2020 – Increase \$72,263

Sources	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
OMPF	\$792,200	\$792,200	\$943,400	\$962,600	\$972,300
Court Security	\$1,327	\$2,045	\$2,877	\$2,244	\$1,860
OCIF	\$25,000	\$50,000	\$50,000	\$53,476	\$51,520
Gas Tax	\$76,399	\$85,344	\$70,000	\$145,077	\$210,000
Heritage	\$3,153	\$3,000	\$4,000	\$3,920	\$3,900
Totals	\$898,079	\$932,589	\$1,070,277	\$1,167,317	\$1,239,580

2020- Gas Tax & OMPF increased, Court Security & OCIF decreased

GRANTS EXPECTED (APPLIED FOR)

- RED (Rural Economic Development \$25k)
- NHOFC (Northern Ontario Heritage Fund Corp. \$30k)
- CWWF (Clean Water/ Waste Water Fund \$30k)
- Canada Summer Jobs (\$5K)
- Library Operating (\$6k)
- Municipal Modernization Fund (\$29k)

OPERATING EXPENSES

Variable Expenses

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

Fixed Expenses

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

LEVIES PAID FOR SERVICE

Agency	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	Change 2019-2020
OPP	\$331,600	\$341,342	\$340,102	\$333,801	\$332,150	(\$1,651)
Health Unit	\$19,476	\$19,476	\$19,476	\$19,283	\$21,300	\$2,017
DNSSAB	\$468,830	\$474,743	\$478,910	\$497,317	\$519,410	\$22,093
Cassellholme	\$104,144	\$104,144	\$105,963	\$105,578	\$105,970	\$392
MPAC	\$41,073	\$41,151	\$41,502	41,630	\$41,740	\$110
TOTALS	\$965,123	\$980,856	\$985,953	\$997,609	\$1,020,570	\$22,961

**2020 – Increased \$22,961
31% of Operating Expenses**

PROPOSED CAPITAL 2020

FUNCTIONAL AREA	CAPITAL FUNDS	PROPOSED PROJECTS
ADMINISTRATION	\$47,300	2 laptops (Admin and EMO), RED grant, signs, well, asset mgmt software
PROTECTION SERVICES	\$89,950	hose, generator, laptop, well, truck, thermal image camera, air bag lifts
TRANSPORTATION	\$972,500	Outlined on next slide
RECREATION	\$107,500	outhouse, trestle bridge, well, chairs, benches, picnic tables, fridges
LIBRARY	\$9,500	laptops, JR Booth display, MPL furniture
Total	\$1,226,750	

TRANSPORTATION CAPITAL 2020

GL# 16-4000-1821

PROJECT	BUDGETED COST	Goal
Galeairy Lake Road	\$185,000	Surface replacement and improve drainage
Paradise Road	\$285,000	Surface replacement and improve drainage
Park Street	\$65,000	Surface replacement and improve drainage
Hay Creek Road	\$15,000	Engineering Drawings
Twp Roads	\$60,000	Road and drainage improvements
Works Yard	\$3,000	Lean to shelter
Twp Roads	\$16,000	Roads needs study
Twp Roads	\$11,000	Traffic Counts
Twp Roads	\$7,500	Sign Inventory
Total	\$647,500	

TRANSPORTATION CAPITAL 2020

GL# 16-4000-0940

Capital Equipment	BUDGETED COST	Goal
Tandem Snowplow Truck	\$250,000	Replace Truck #7
One Ton Single Axel Truck	\$75,000	Replace Truck # 20
Total	\$325,000	

TRANSPORTATION CAPITAL 2019

PROJECT	BUDGETED COST	Goal	Outcome
Algonquin Street	\$200,000	surface replacement and improve drainage	\$154,200 On time
Major Lake Road	\$150,000	Resurface 1 km	Cancelled
Rural Storm Sewer drainage	\$40,000	Throughout Township	\$45,500
Replace 2 Crew Cab Trucks	\$80,000	Five year financing \$80,000	\$75,000
Re-shingle Sand Dome	\$60,000		\$42,200
Galeairy Lake & Paradise Rd	\$25,000	Engineered Design Drawings	\$14,000
Total	\$555,000		\$330,900

HIGHLIGHTS

- Salary and Wages have been set to accommodate a 2% grid increase
- Increased Fire Wages and expenses
- Legal fees reduced, reserve available

PROPOSED RESERVE TRANSFERS

- Administration
 - Election \$1500
- Protection
 - SCBA \$20k/year returned to reserve 2018-2022
- Health
 - Helipad \$3500

2019 RECREATION

M&L Bank Accts	2018	2019	Variance
Chequing	\$ 6,114.52	\$12,453.28	\$ 6338.76
Enhanced Savings	\$ 7,585.62	\$ 8,990.53	\$ 1,404.91
GIC	\$ 13,073.39	\$13,256.42	\$ 183.03
Total			\$ 7926.70

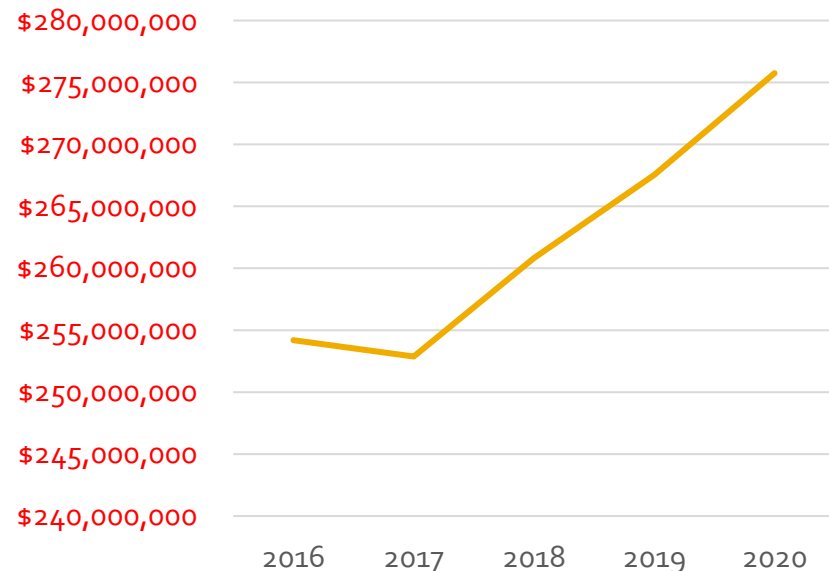
Whitney Bank Accts	2018	2019	Variance
Chequing	\$ 3,996.51	\$ 4,519.04	\$ 522.53
Enhanced Savings	\$ 10,138.34	\$ 4,236.77	\$ (5,901.57)
GIC	\$ 40,681.08	\$ 56,046.85	\$ 15,365.77
Total			\$ 9,986.73

Recommended Reserve Transfer \$ 17,913

ASSESSMENT CHANGES

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

Year	Assessment	Change
2020	\$275,749,900	\$8,210,231
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



Assessment Distribution



APPENDIX 2 Assessment Base Distribution Summary by Property Class Township of South Algonquin

This chart provides a comparison of the distribution of the total assessment for the 2016 base year, and the 2019 and 2020 phased-in assessment, which includes the percentage of the total assessment base by property class.

Property Class/Realty Tax Class	2016 Full CVA	Percentage of Total 2016 CVA	2019 Phased-In CVA	Percentage of Total 2019 Phased-In CVA	2020 Phased-In CVA	Percentage of Total 2020 Phased-In CVA
R Residential	242,665,900	88.00%	237,476,187	88.13%	242,665,900	88.00%
C Commercial	11,095,700	4.02%	10,675,338	3.96%	11,095,700	4.02%
X Commercial (New Construction)	409,900	0.15%	400,140	0.15%	409,900	0.15%
I Industrial	2,861,500	1.04%	2,822,801	1.05%	2,861,500	1.04%
F Farm	160,500	0.06%	145,975	0.05%	160,500	0.06%
T Managed Forests	5,175,900	1.88%	4,811,946	1.79%	5,175,900	1.88%
(PIL) R Residential	1,607,700	0.58%	1,596,163	0.59%	1,607,700	0.58%
(PIL) C Commercial	4,309,800	1.56%	4,161,875	1.54%	4,309,800	1.56%
(PIL) H Landfill	21,600	0.01%	21,600	0.01%	21,600	0.01%
E Exempt	7,441,400	2.70%	7,341,662	2.72%	7,441,400	2.70%
TOTAL	275,749,900	100.00%	269,453,687	100.00%	275,749,900	100.00%

2020 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).
- The Municipal tax rate for all other tax classes are calculated as a ratio to 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

<u>Municipality</u>	<u>Municipal Rate</u>	<u>County Rate</u>	<u>Education Rate</u>	<u>Total Tax Rate</u>	<u>Taxes per \$100,000 of Assessment</u>	<u>Compared to South Algonquin</u>	<u>Plus Water & Sewer ?</u>
Town of Mattawa	0.019196044		0.00161000	0.02080604	\$ 2,080.60	\$ 1,077.84	Yes
Killaloe Hagarty Richards	0.01210743	0.00363878	0.00161000	0.01735621	\$ 1,735.62	\$ 732.86	No
City of North Bay	0.01340246		0.00161000	0.01501246	\$ 1,501.25	\$ 498.49	Yes
Municipality of Mattawan	0.01318345		0.00161000	0.01479345	\$ 1,479.35	\$ 476.58	No
Township of Chisholm	0.01226442		0.00161000	0.01387442	\$ 1,387.44	\$ 384.68	No
Township of Papineau-Cameron	0.01103877		0.00161000	0.01264877	\$ 1,264.88	\$ 262.12	No
Municipality of Calvin	0.01087866		0.00161000	0.01248866	\$ 1,248.87	\$ 246.11	No
Municipality of West Nipissing	0.01057732		0.00161000	0.01218732	\$ 1,218.73	\$ 215.97	Yes
Township of Bonfield	0.01028782		0.00161000	0.01189782	\$ 1,189.78	\$ 187.02	No
Municipality of Hastings Highlands	0.00743825	0.00283433	0.00161000	0.01188258	\$ 1,188.26	\$ 185.50	No
Brudenell, Lyndoch and Raglan	0.00583414	0.00363878	0.00161000	0.01108292	\$ 1,108.29	\$ 105.53	No
Municipality of East Ferris	0.0089069		0.00161000	0.01051690	\$ 1,051.69	\$ 48.93	No
Township of Madawaska Valley	0.00514245	0.00363878	0.00161000	0.01039123	1,039.12	\$ 36.36	Yes
Township of South Algonquin	0.00841761		0.00161000	0.01002761	\$ 1,002.76	\$ -	No
Municipality of Temagami	0.00811923		0.00161000	0.00972923	\$ 972.92	\$ (29.84)	Yes

Residential Class Tax Impact

0.5 % Municipal tax rate to residential property owners

	2019	2020	Increase
Municipal Tax Rate	0.00841761	.00845970	
\$ 150,000 CVA	\$ 1,263	\$1,269	\$6
\$ 200,000 CVA	\$ 1684	\$1,692	\$8

1 % Municipal tax rate to residential property owners

	2019	2020	Increase
Municipal Tax Rate	0.00841761	0.00850179	
\$ 150,000 CVA	\$ 1,263	\$1,275	\$12
\$ 200,000 CVA	\$ 1,684	\$1,700	\$16

* Does not include Education tax rate

Education Tax Rate Impact

Education Tax Rate	2019 0.00161000	2020 0.00153000	Decrease
\$ 150,000 CVA	\$242	\$230	(\$12)
\$ 200,000 CVA	\$322	\$306	(\$16)

1 % Municipal tax rate to residential property owners

Municipal Tax Rate	2019 0.00841761	2020 0.00850179	Increase
\$ 150,000 CVA	\$ 1,263	\$1,275	\$12
\$ 200,000 CVA	\$ 1,684	\$1,700	\$16

SURPLUS

- Surplus \$467,720
- Unexpected Revenue
 - \$86,000 Grants
 - \$17,400 Investment Income
 - \$33,750 Interest on Taxes/Fees/Rent
 - \$22,000 Aggregate Licenses

SURPLUS

- Unspent 2019 Budget
 - \$150,000 Major Lake Road
 - \$45,800 Algonquin Street
 - \$17,800 Sand Dome Roof
 - \$11,000 Engineered Drawings
 - \$17,000 Planning Consultant/Legal Fees
 - \$36,900 Main St. Revitalization
 - \$20,000 Privy

FUNDING THE BUDGET

■ Levy required;	\$2,416,940
Current Levy;	\$2,393,013
■ Revenue Required	\$23,927
■ 1 % tax increase provides	\$23,931
■ 1.5 % tax increase provides	\$35,894
■ 2% tax increase provides	\$47,860