



# 2018 BUDGET DISCUSSION

March 26, 2018

## 2018 Budget Discussion

# MARCH 5, 2018

	2017	2018	Change from 2017	% Change
Capital Spending	\$2,185,349	\$2,953,400	\$768,051	35.1%
Net Operating Spending	\$4,612,097	\$4,407,711	-\$204,386	-4.4%
Transfer to Reserves & Res Funds	\$189,607	\$518,466	\$328,859	173.4%
<b>Total Levy</b>	<b>\$6,987,053</b>	<b>\$7,879,577</b>	<b>\$892,524</b>	<b>12.8%</b>

- 12.8% Levy Impact
- Total Capital budget ask - \$12.8 Million



## MARCH 26, 2018

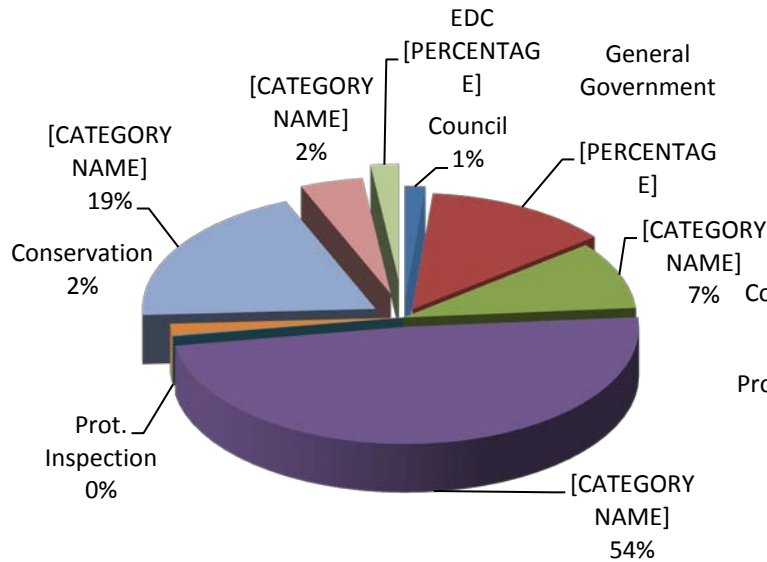
	2017	2018	Change from 2017	% Change
Capital Spending	\$2,185,349	\$2,185,349	\$0	0.0%
Net Operating Spending	\$4,612,097	\$4,407,963	-\$204,134	-4.4%
Transfer to Reserves & Res Funds	\$189,607	\$518,466	\$328,859	173.4%
<b>Total Levy</b>	<b>\$6,987,053</b>	<b>\$7,111,778</b>	<b>\$124,725</b>	<b>1.8%</b>

- 1.8% Levy Impact
- Total Capital budget ask - \$10.3 Million (March 12<sup>th</sup> discussion items, Connecting Link – George – Smith St. removal, King St. W update)
- Capital impact on levy is flat
- Increased reliance on reserves to fund capital projects & in-year expense increases (debt servicing costs)

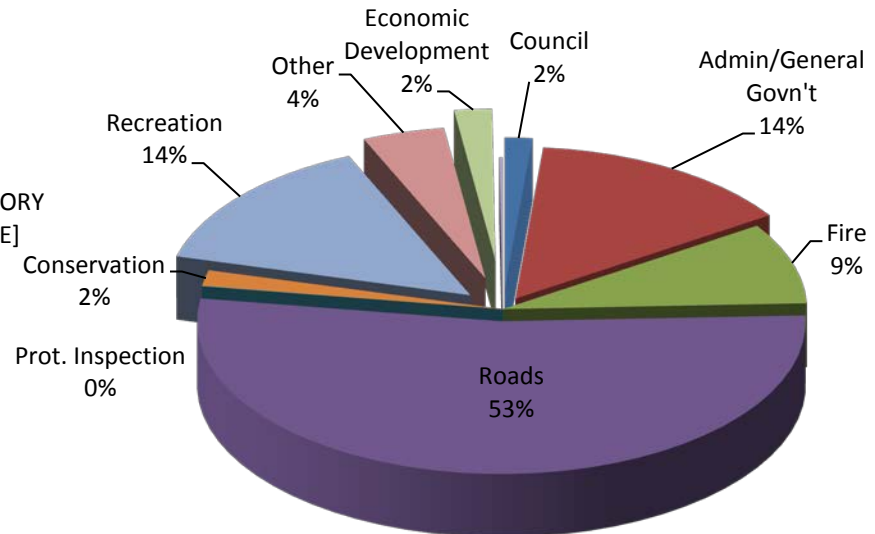


# Comparison – Departmental Budgets

## 2017 Where Budget Dollars Go

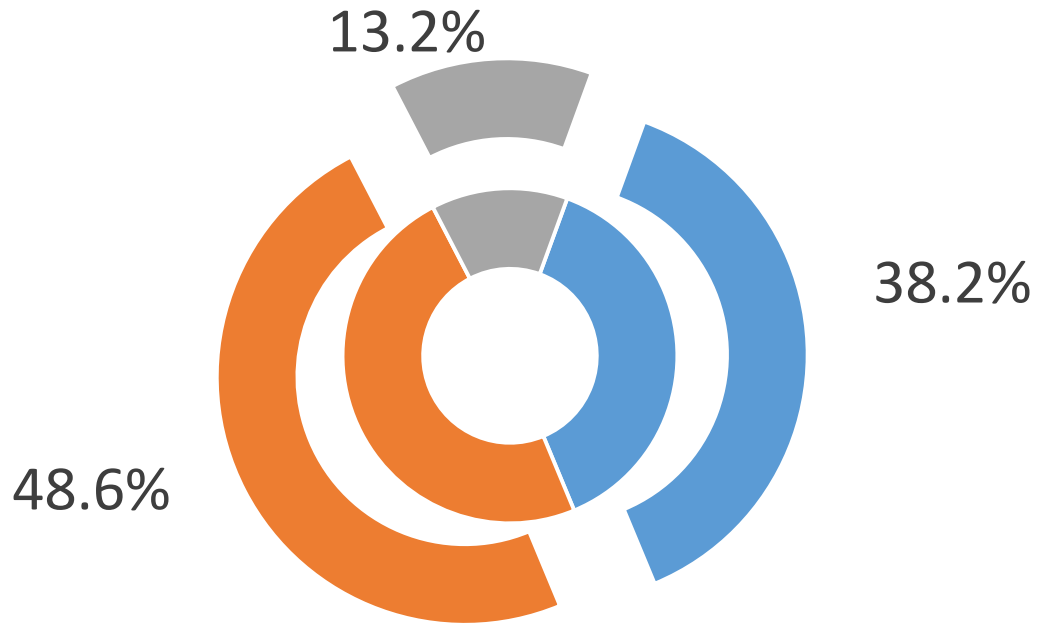


## 2018 Where Budget Dollars Go



# Distribution of Total Tax Dollars Collected by the Township

## 2018



■ Municipal ■ County ■ Education

# Taxes on the Average Residential Household

**2017 Assessment \$236,726**

**2018 Assessment \$246,996**

Levy Destination	% of 2018 Total Tax Bill	2017 Taxes	2018 Taxes	\$ Change	% Change
Township	38%	\$ 1,212.26	\$ 1,217.10	4.84	0.40%
County	49%	\$ 1,515.68	\$ 1,550.80	35.12	2.32%
Education - Estimate	13%	\$ 423.74	\$ 419.89	-3.85	-0.91%
Total	100%	\$ 3,151.68	\$ 3,187.79	36.11	1.15%



# Impact on Taxpayers – Wellington North Portion Only

Property Type	2017 Assessment	2018 Assessment	2017 TWP Taxes	2018 TWP Taxes	\$ Tax Change	% Tax Change
RT-Single Family Dwelling (average)	236,726	246,996	1,212.26	1,217.10	4.84	0.40%
RT – Farm House (typical)	155,100	177,350	794.26	873.91	79.65	10.03%
FT – Farmland (typical)	630,275	691,621	806.90	852.01	45.10	5.59%
CT – Commercial (typical)	351,768	412,314	2,685.87	3,029.29	343.42	12.79%
IT – Industrial (typical)	611,803	626,950	7,519.23	7,414.45	(104.78)	-1.39%



# 2017 Reserve & Reserve Funds Closing Balance Estimate

	2015 Year-end Balance	2016 Year-end Balance	2017 Year-end Balance (Estimated)
Obligatory reserve funds - DCs, Fed. Gas Tax	2,925,161	3,321,553	3,760,152
Discretionary Reserve Funds - Capital Purposes	5,638,889	5,305,770	5,367,820
<b>Total Reserve Funds</b>	8,564,050	8,627,323	9,127,972
<b>Reserves</b>	9,466,646	10,247,225	9,240,667
<b>Total Reserves &amp; Reserve Funds Before YE Transfers</b>	18,030,696	18,874,548	18,368,639
		<b>Estimated Transfers back to Reserves / Reserve Funds from Capital</b>	2,200,000
		<b>Unaudited Estimated Closing Reserve / Reserve Fund balance Dec. 31, 2017</b>	<b>20,568,639</b>





# Reserve & Reserve Fund Utilization (Operating) – Net Impact

## Net Reserve & Reserve Fund Transfers

2017				2018			
	<u>From</u>	<u>To</u>	<u>Net</u>		<u>From</u>	<u>To</u>	<u>Net</u>
Admin	34,190	52,000	17,810	Admin	40,700	20,000	(20,700)
Property	0	16,000	16,000	Property	0	16,000	16,000
Fire	0	13,000	13,000	Fire	0	153,000	153,000
CBO	0	9,000	9,000	CBO	0	42,550	42,550
Roads	0	79,482	79,482	Roads	0	79,482	79,482
Streetlights	0	5,000	5,000	Streetlights	0	5,000	5,000
Rec	150,495	0	(150,495)	Rec	996,450	200,000	(796,450)
Planning	0	4,125	4,125	Planning	0	2,434	2,434
Cemetery	5,000	11,000	6,000	Cemetery	5,000	0	(5,000)
WNP Holding	0	0	0	WNP Holding	49,100	0	(49,100)
Sewer	171,724	0	(171,724)	Sewer	203,199	0	(203,199)
Water	0	226,100	226,100	Water	0	319,210	319,210
	<b>361,409</b>	<b>415,707</b>	<b>54,298</b>		<b>1,294,449</b>	<b>837,676</b>	<b>(456,773)</b>

**2017 Taxation net impact : (\$78)**

**2018 Taxation net impact : (\$572,784)**



# Reserve & Reserve funds Utilization 2018

## Activity

2017 YE Closing Balance Estimate	20,568,639
Moving Expenses - Admin Office Reno	(22,618)
Net Operating Reserve & Reserve Fund Impact	(456,773)
2018 Capital Contributions	(1,839,851)
<b>Estimated Residual Reserve / Reserve Funds</b>	<b>18,249,397</b>

### Reserve Fund Type Estimated Balance

Taxation Reserves	2,505,857
Taxation Reserve Funds	2,693,506
User Fee Reserves	7,924,919
User Fee Reserve Funds	2,425,798
Development Charges	2,478,352
Other Obligatory Reserve Funds	220,965
<b>Total</b>	<b>18,249,397</b>



# Capital Trend

<b>Project Costs</b>					
Dept/Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018 (Proposed)</u>
Development Projects	-	-	-	-	1,166,000
Roads & Drainage	1,669,200	2,372,662	4,658,403	3,093,788	3,961,952
Waterworks	777,000	1,250,280	933,367	1,096,800	642,014
Sanitary Sewers	792,000	1,055,453	1,138,101	2,501,100	1,912,346
Fleet	-	452,000	462,000	485,000	1,100,000
Parks & Recreation	118,500	57,900	159,382	435,830	392,899
Fire	18,000	50,000	45,176	660,600	567,000
Admin & Property	48,000	52,000	293,750	116,750	522,000
Cemetery	8,200	7,000	-	-	-
<b>Total</b>	<b>3,430,900</b>	<b>5,297,295</b>	<b>7,690,179</b>	<b>8,389,868</b>	<b>10,264,211</b>



# Capital Funding Trend

Funding Model					
Source/Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018 (Proposed)</u>
Revenue (levy, fees, etc)	2,328,865	2,210,196	2,327,351	4,237,940	4,141,251
Grants	-	529,122	1,487,112	1,801,792	1,292,203
Dev't Charges & Reserves	757,035	706,440	2,094,473	1,352,665	1,839,851
Developer Contributions	-	-	-	-	594,000
External Debt	-	-	-	-	-
Gas Tax	345,000	161,520	503,294	497,000	627,000
Sustained OCIF	-	294,841	294,841	500,471	705,210
Prior Year Carry Fwd	-	1,395,176	571,284	-	1,064,696
Unfunded Amounts	-	-	411,824	-	-
	<b>3,430,900</b>	<b>5,297,295</b>	<b>7,690,179</b>	<b>8,389,868</b>	<b>10,264,211</b>



# Capital Project Highlights

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b><u>Development Driven Projects</u></b>	
Durham St. East (Brad Wilson Severances)	840,000
Wellington St. East (P & M Reeves Severances)	166,000
London Road (Bye Construction Subdivision)	TBD
Update Master Servicing Plans Arthur & Mount Forest-Water, Wastewater	65,000
Develop Master Stormwater Management Plan	65,000
Development Charges Study	30,000



# Capital Project Highlights (Continued)

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b>ADMINISTRATION</b>	
Community Initiated Projects	50,000
Kenilworth Phone System	34,600
Admin IT	79,800
AMP Roadmap Consulting Costs	65,000
CLASS System Replacement	5,000



# Capital Project Highlights (Continued)

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b>BUILDING / PROPERTY</b>	
Building Department Truck	35,000
Mount Forest Archives - Boiler	7,600
Arthur Municipal Office Renovation	220,000
Former Mount Forest Municipal Office - Roof	15,000
Former Mount Forest Municipal Office - Accessibility Ramp Repair	10,000
<b>WELLINGTON NORTH FIRE SERVICE</b>	
MF 2017 Pumper Truck (Carry Fwd)	567,000



# Capital Project Highlights (Continued)

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b>ROADS-FLEET</b>	
Excavator - Pit Work, Roadside Brushing and ditching	300,000
Road Grader	450,000
Urban Plow Truck (Replacement for Unit # 13 2003 Sterling Dump Truck)	220,000
Tractor and Blower	130,000
<b>BRIDGES/CULVERTS</b>	
Bridge 2004 - Sideroad 3 E. (Between Hwy 6 and Conc. 8)	188,000
Bridge 2025 - Concession 6 S (Between Siderd. 9W and Siderd. 10W)	255,000
Bridge 2042 - 2 Line (Between Siderd 13 and Siderd 15)	59,000





# Capital Project Highlights (Continued)

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b>ROADS</b>	
<b><u>Engineering Only</u></b>	
Queen St. E. - Hwy to Whites Bridge (Engineering Only)	72,500
Isabella St. E (Engineering Only)	22,500
William Street Road Reconstruction (Engineering Only)	30,000
<b><u>Water/Sewer/Roads Projects</u></b>	
King St. West (Mount Forest Elgin between King and Wellington & between Queen and Main)	677,752
Charles St. E. / Leonard St (Between George & Eliza)	420,000



# Capital Project Highlights (Continued)

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b>ROADS</b>	
<b><u>Connecting Link</u></b>	
Queen St - Hwy. 89 Connecting Link (Queen St. - Sligo Rd. to Dublin St.)	1,290,000
<b><u>Gravel - Base Rebuild</u></b>	
Actual road project TBD	100,000



# Capital Project Highlights (Continued)

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b>ROADS</b>	
<b><u>Resurfacing - Rural</u></b>	
Paving of Line 6 (East of county Rd. 16)	140,000
Paving of Concession 9 South (6.5 KM of existing Rural Road)	350,000



# Capital Project Highlights (Continued)

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b>ROADS</b>	
<b><u>Resurfacing - Urban</u></b>	
Resurface Oakview Cres.	50,000
Resurface Eastview (Lynwood)	60,000
Resurface Byeland Drive (West-side to Durham St)	40,000
Paving of Walton St. (Clark to Conestoga)	30,000
Paving of Mount Forest Municipal Lot (Paved Parking behind TD Bank)	50,000
Paving of Arthur Municipal Lot (Behind TD Bank)	70,000
Paving of Elgin St. Municipal Lot (Paved right of Way from Elgin St. to Foodland Lot)	10,000
LED Street Lighting	22,200
Sidewalk Installation	25,000



# Capital Project Highlights (Continued)

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b>SANITARY SEWERS</b>	
<b><u>Engineering Only</u></b>	
Queen St. E. (Hwy to Whites Bridge) - Engineering Only	23,500
Isabella St. E (Engineering Only)	15,000
William Street Road Reconstruction (Engineering Only)	15,000
<b><u>Water/Sewer/Roads Projects</u></b>	
King St. West (Mount Forest Elgin between King and Wellington & between Queen and Main)	536,846
Charles St. E. / Leonard St (Between George & Eliza)	330,000
<b>Other Sanitary Sewer Items for Consideration</b>	
AV - OCWA recommended projects	124,000
MF - OCWA recommended projects	65,000
AV - WWTP Detailed design of upgrade/GRCA recommendations	803,000



# Capital Project Highlights (Continued)

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b>WATERWORKS</b>	
<b><u>Engineering Only</u></b>	
Queen St. E. (Hwy to Whites Bridge) - Engineering Only	4,000
Isabella St. E (Engineering Only)	12,500
William Street Road Reconstruction (Engineering Only)	15,000
<b><u>Water/Sewer/Roads Projects</u></b>	
King St. West (Mount Forest Elgin between King and Wellington & between Queen and Main)	430,514
Charles St. E. / Leonard St (Between George & Eliza)	180,000



# Capital Project Highlights (Continued)

Description of Capital Project	Estimated Total Cost of Project Including all Applicable Taxes
<b>PARKS &amp; RECREATION</b>	
MF - Kinsmen Ball Diamond	76,899
Mount Forest Ice Plant Upgrades	25,500
Mount Forest Message Board	15,500
Mount Forest Splash Pad	185,000
Arthur Storage Building	32,000
Arthur Pool Fencing	8,000
Arthur Rec. Truck Replacement	35,000
Arthur Pool Heater	15,000



# 2018 Operating Overview (Revenue)

	2016 ACTUALS	2017 BUDGET	2018 BUDGET	NET BUDGET CHANGE	
				\$	%
<b>REVENUE</b>					
General Expenses/revenues (Surplus fwd)	-	-	-	-	
Tax Levy Requirement	6,750,774	6,987,053	7,111,778	124,725	1.8%
PIL'S and Supplementary Taxes	595,474	458,291	400,837	(57,454)	-12.5%
OMPF Allocation	1,176,200	1,379,700	1,317,000	(62,700)	-4.5%
Tax Write/Offs	(67,918)	(52,540)	(52,540)	-	0.0%
Grants and Subsidies	183,064	47,300	53,165	5,865	12.4%
Municipal Recoveries	164,207	161,900	160,900	(1,000)	-0.6%
Licences, Permits and Rents	461,594	499,516	531,016	31,500	6.3%
Fines and Penalties	203,586	205,000	205,000	-	0.0%
User Fees and Charges	5,475,556	5,401,511	5,462,011	60,500	1.1%
Sales Revenue	127,889	139,289	124,700	(14,589)	-10.5%
Other Revenue	688,020	231,500	251,850	20,350	8.8%
Internal Recoveries	117,200	117,220	117,520	300	0.3%
Capital Project Recovery	-	-	-	-	0.0%
Transfer from Reserves/Reserve Funds	1,917	361,409	1,294,449	933,040	258.2%
<b>Total Revenue</b>	<b>15,877,563</b>	<b>15,937,149</b>	<b>16,977,686</b>	<b>1,040,537</b>	<b>6.5%</b>





# 2018 Operating Overview (Expenses & Transfers)

EXPENDITURES					
Salaries, Wages and Employee Benefits	4,061,167	4,223,670	4,413,405	189,735	4.5%
Long Term Debenture Charges	1,239,755	1,246,896	1,671,718	424,822	34.1%
Materials, Supplies and Equipment	2,987,664	3,327,984	3,330,839	2,855	0.1%
Contracted Services	1,672,372	1,922,273	2,046,974	124,701	6.5%
Rents, Insurance and Financial Expenses	970,806	419,308	434,481	15,173	3.6%
External Transfers	183,329	204,151	215,822	11,671	5.7%
Internal Charges	117,200	117,220	117,520	300	0.3%
<b>Total Expenditures</b>	<b>11,232,293</b>	<b>11,461,502</b>	<b>12,230,759</b>	<b>769,257</b>	<b>6.7%</b>
Net Revenue Before Transfers	4,645,270	4,475,647	4,746,927	271,280	6.1%
				-	
Transfer to Reserves	932,148	388,707	739,566	350,859	90.3%
Transfer to Reserve Fund	953,752	27,000	98,110	71,110	263.4%
Transfer to Capital Fund	2,139,001	4,059,940	3,909,251	(150,689)	-3.7%
Surplus (for transfer to reserves)	620,369	-	-	-	0.0%
	4,645,270	4,475,647	4,746,927	271,280	6.1%
				-	
<b>Net Operating Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

