



2011 Municipal Budget

Financial Plan Public Hearing
February 8, 2011

Overview



■ Council's Priorities

- ❑ Quality of life
- ❑ Controlled growth
- ❑ Sustainability
- ❑ Efficiency
- ❑ Prudent, not excessive, financial reserves

Format



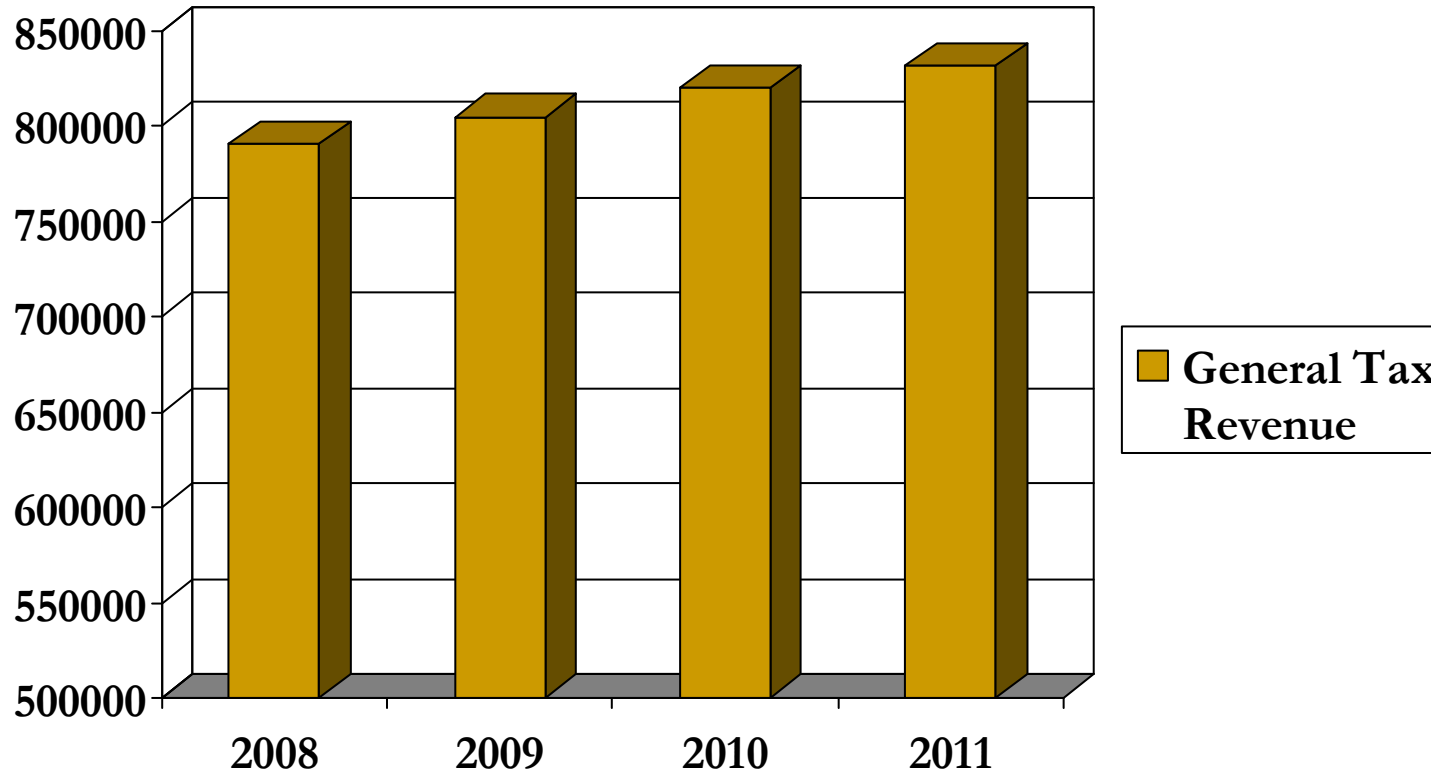
- Revenue
 - Operating Expenses
 - Major Initiatives – Capital Budget
 - Utility
 - Reserves and Debt
 - Summary
 - Questions
-

Revenue - Assessment



- Assessment largely residential
 - Slight residential growth in 2010
 - Reassessment each 4 years makes long-term comparisons impossible
 - 2010 total assessment \$59.954 million
 - 2011 preliminary “ \$60.794 “
 - Year-over-year growth 1.4%
 - Limited flexibility
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Revenue – Taxes

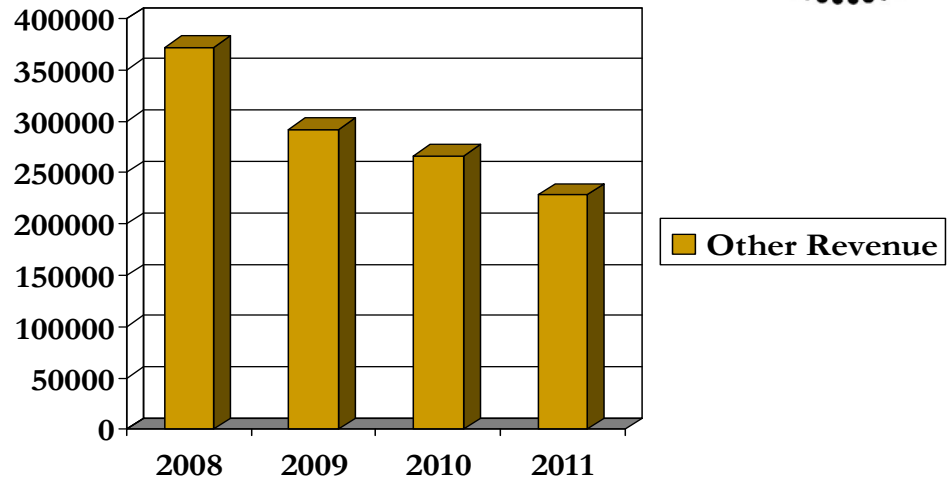


Average annual increase 1.7%

Revenue – Other Income



- Varies depending on revenue from province, grants, etc.
- Trend is downward, due to reductions in grants, bank interest
- Council has not increased user fees in 2011



Revenue - Total



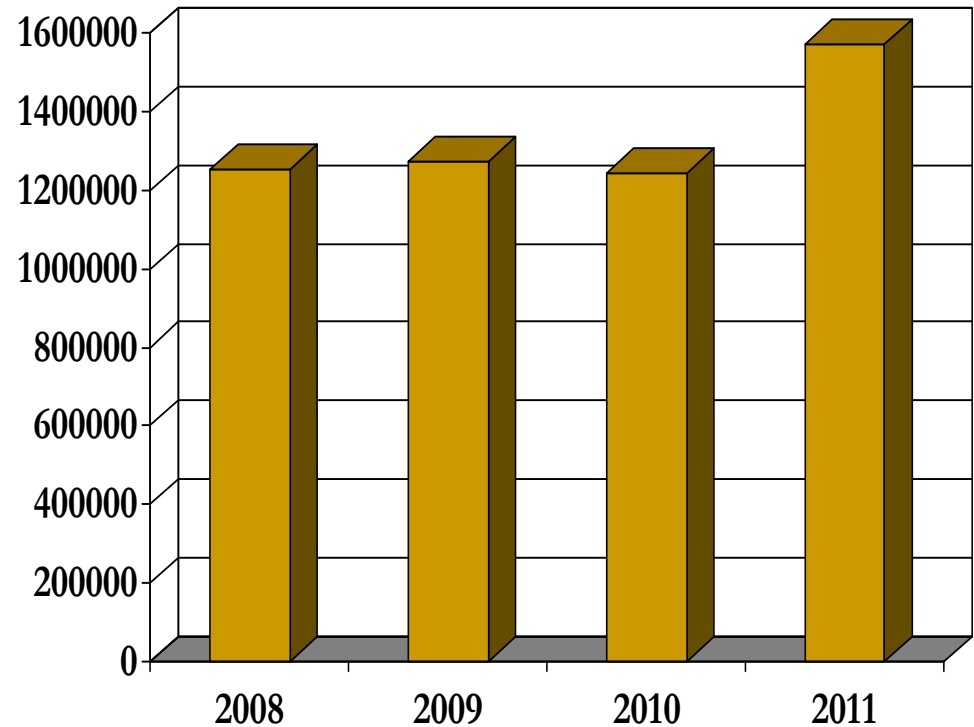
■ Expected Revenue in 2011:	
□ General Taxes	\$831,400
□ Local Improvement Taxes (Utility)	137,800
□ Other Revenue	228,000
□ Transfer from Reserves	<u>373,000</u>
□ Total	\$1,570,200*

*2010 Actual \$1,308,400. The major difference is in transfer from reserves.

Operating Expenses



- Overall Historical Expenses (less Utility)
 - Increase related to increased capital spending, funded from reserves
 - Expenses exactly match revenue - \$1,570,000

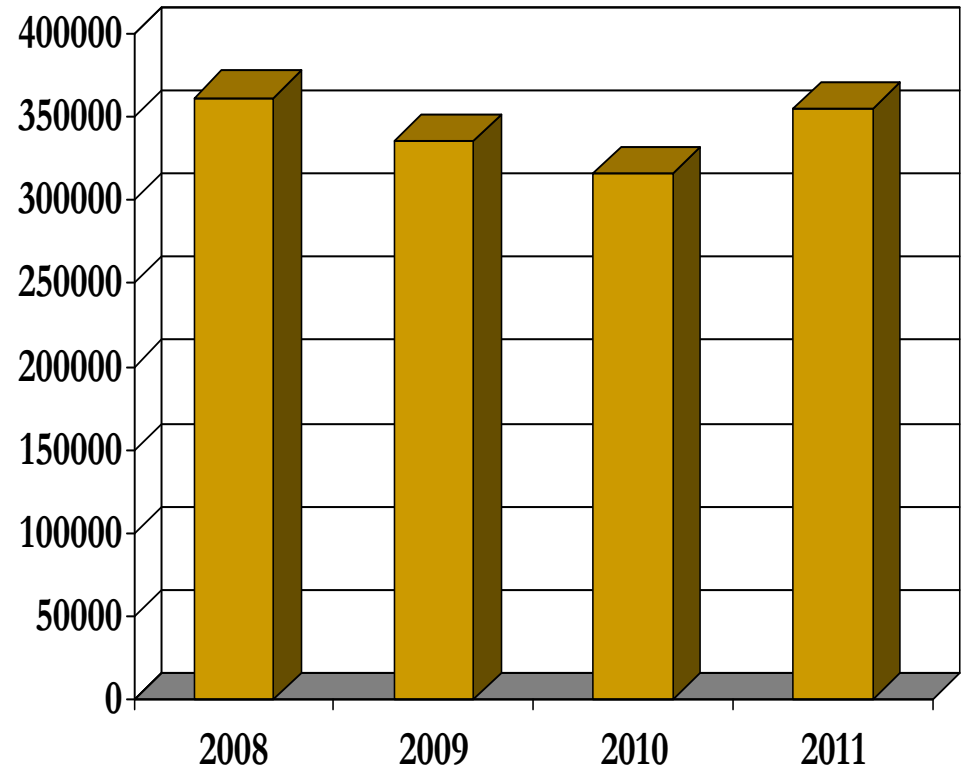


2008 – 2010 actual expenditures; 2011 estimated

Operating Expenses – General Government



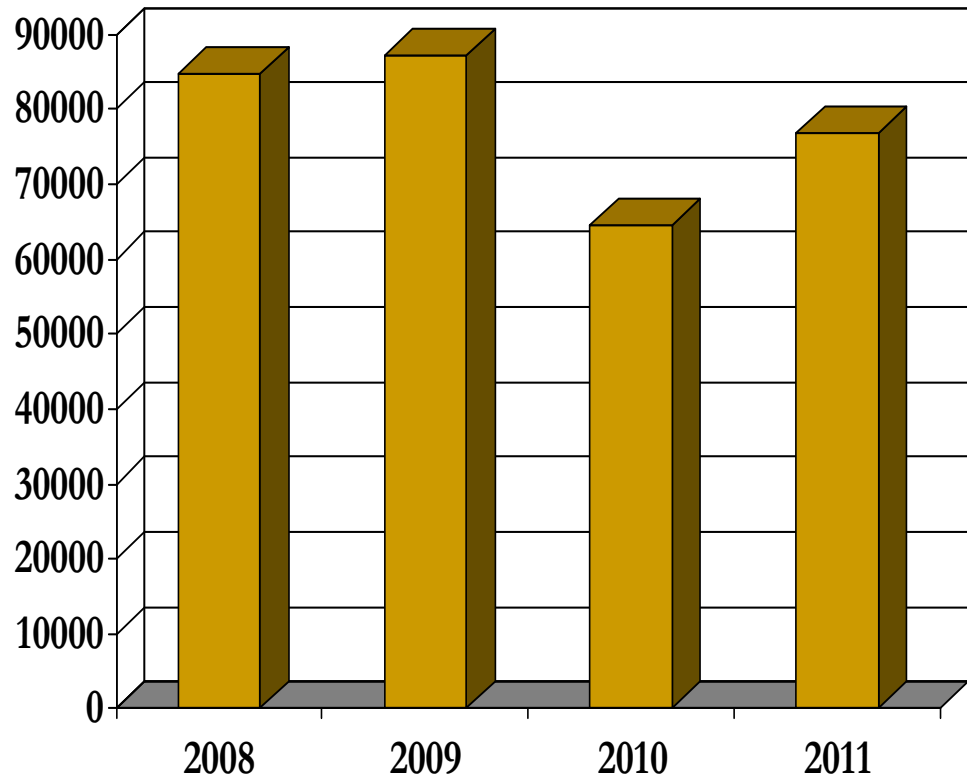
- Involves office costs and expenses relating to whole of government, such as the cost of tax assessment
- Stable spending
 - No major initiatives



Operating Expenses – Protective Services



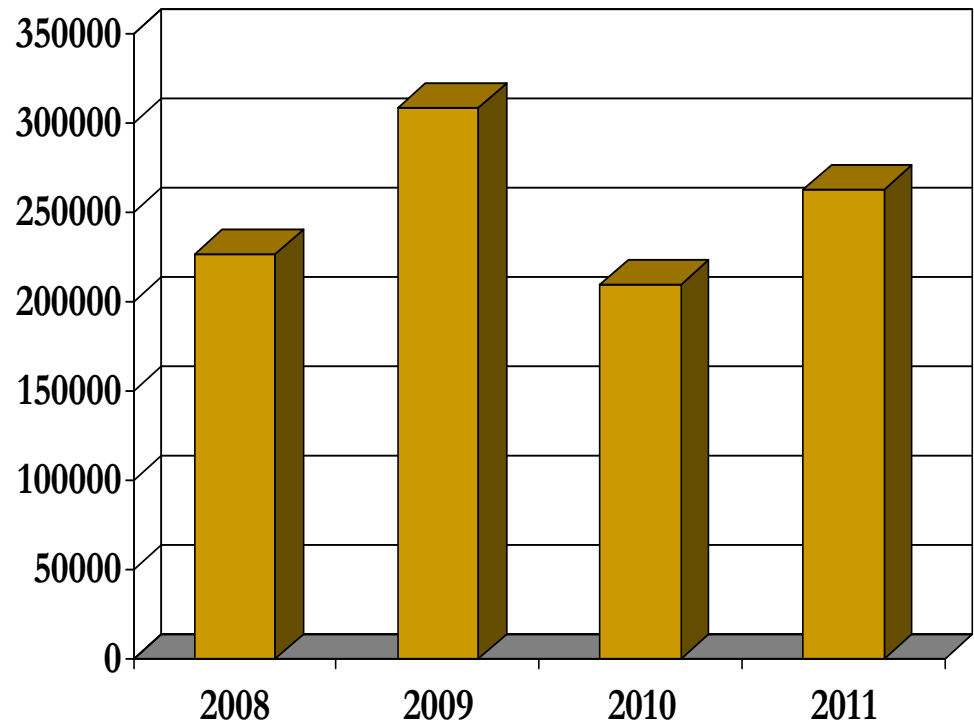
- Fire protection, emergency measures, 9-1-1 response
- Added \$7,000 in 2011 for increased Fire Department training
- Added \$2,000 in anticipation of flood response costs



Operating Expenses – Transportation



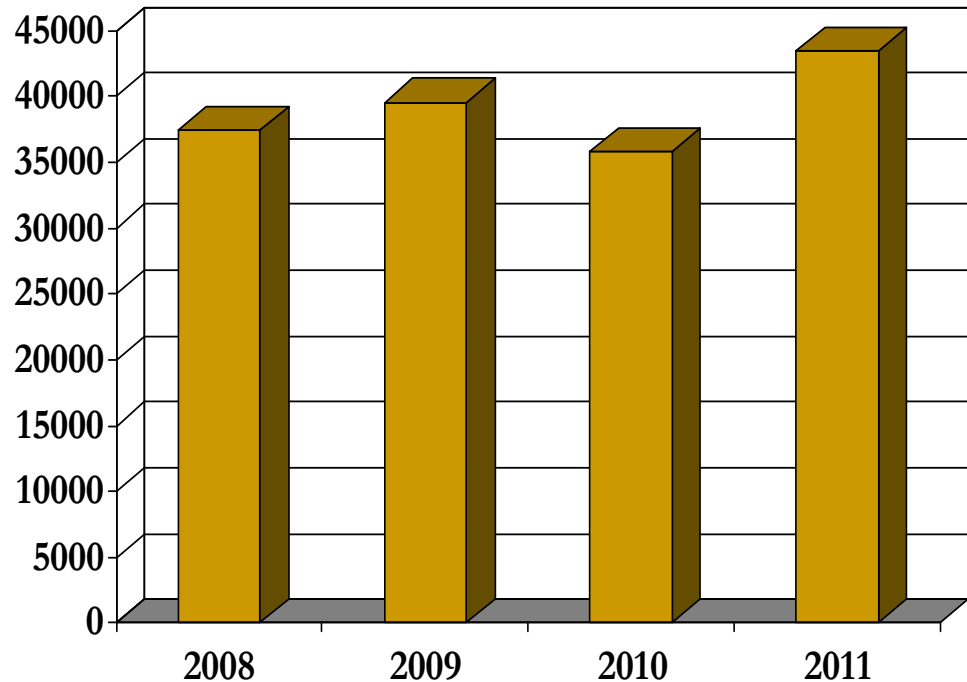
- Public works: roads, drainage work, gravel, dust control, snow, grass, street lighting
- Added \$12,800 for additional drainage work
- 2010 low as dust control program was not executed



Operating Expenses – Environment



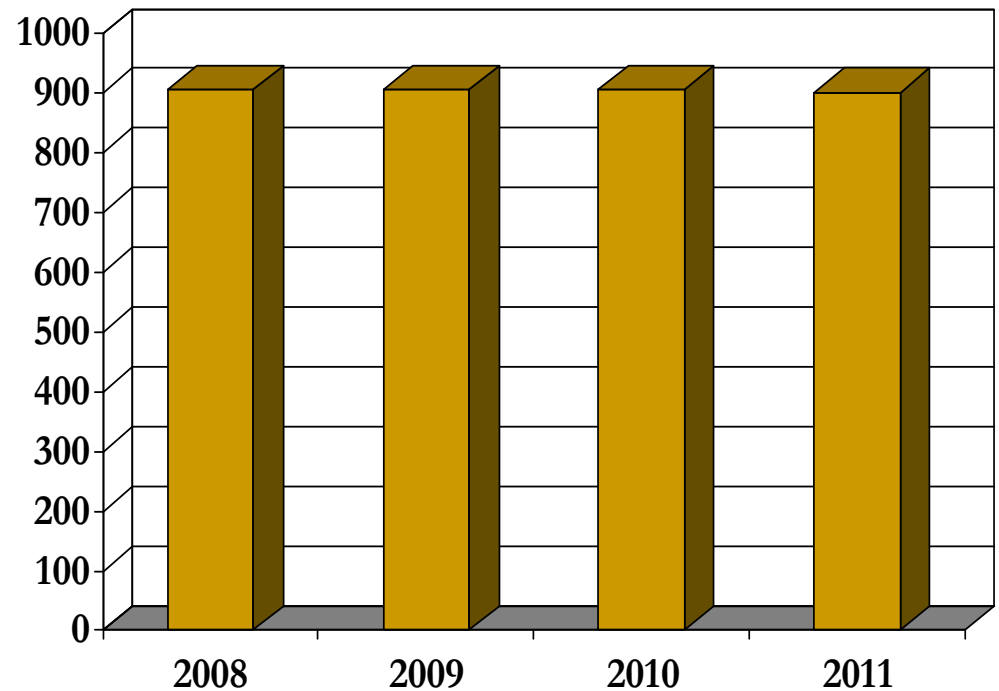
- Nuisance grounds, recycling, sewage lagoon
- New provincial levy on garbage of \$10 per tonne (estd. \$7,500)



Operating Expenses – Public Health and Welfare



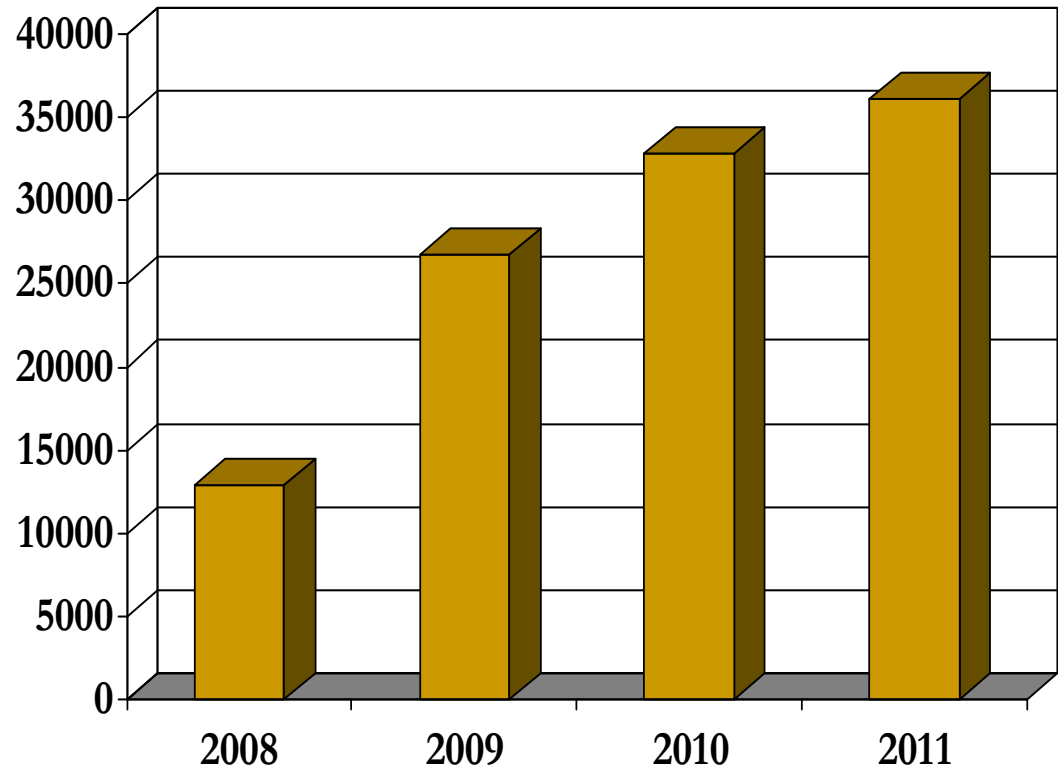
- Fee paid to Province to cover welfare costs



Operating Expenses – Economic Development



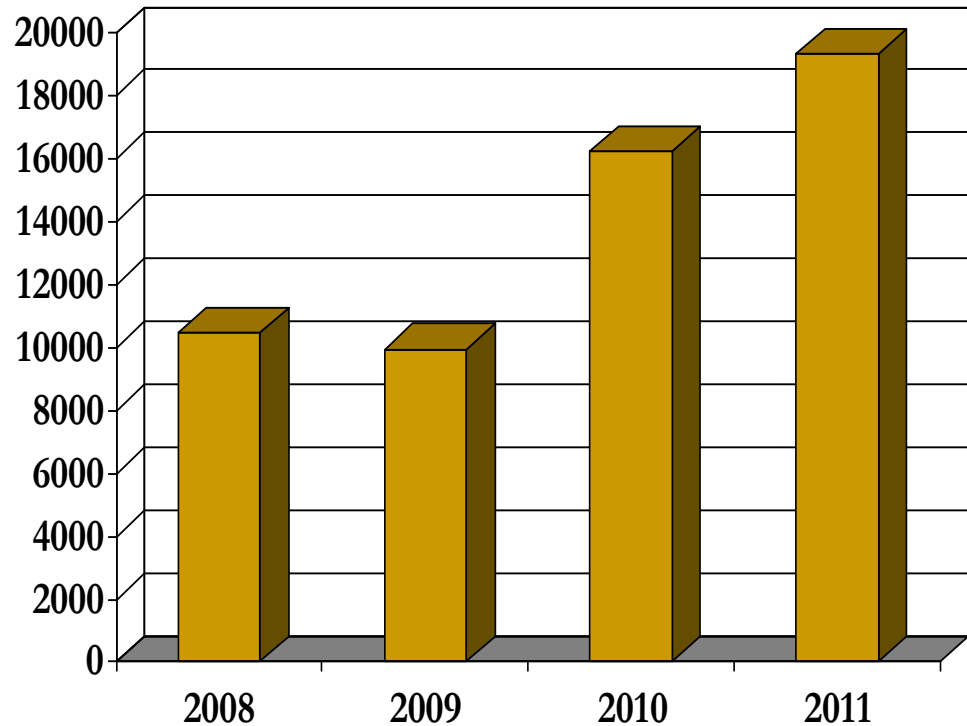
- Building inspection, planning, zoning
- Increases:
 - Expanded building inspection services
 - Increased costs of building inspection services



Operating Expenses – Environmental Development



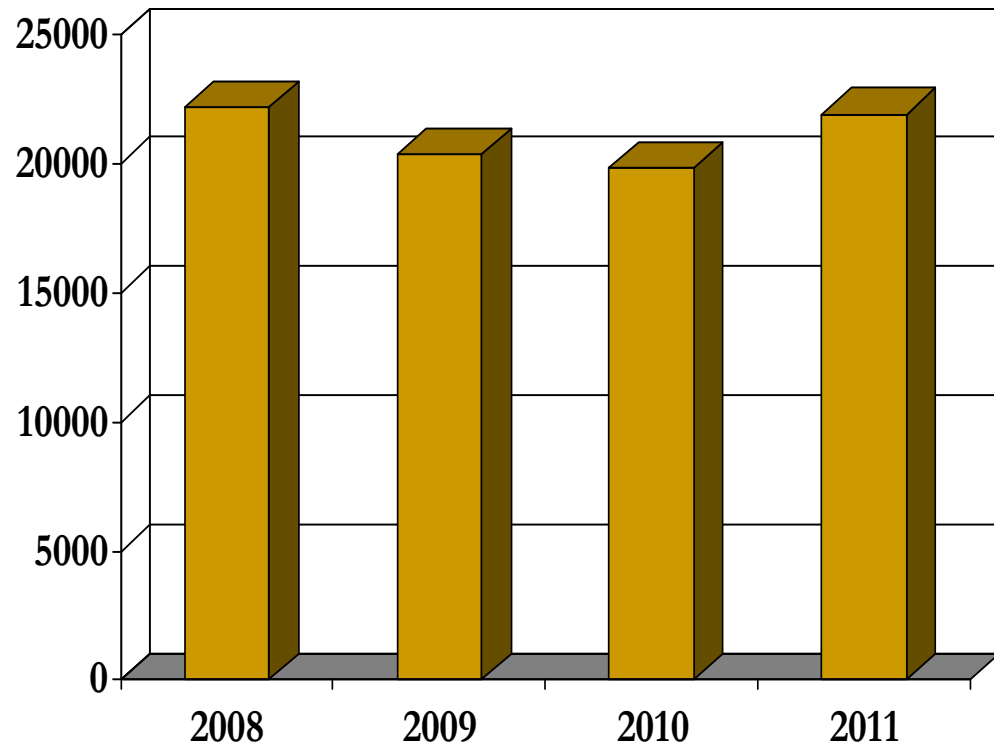
- Pest control, weed control, drainage costs
- Increases reflect increased resource devoted to drainage, mosquito control



Operating Expenses – Recreation, Culture



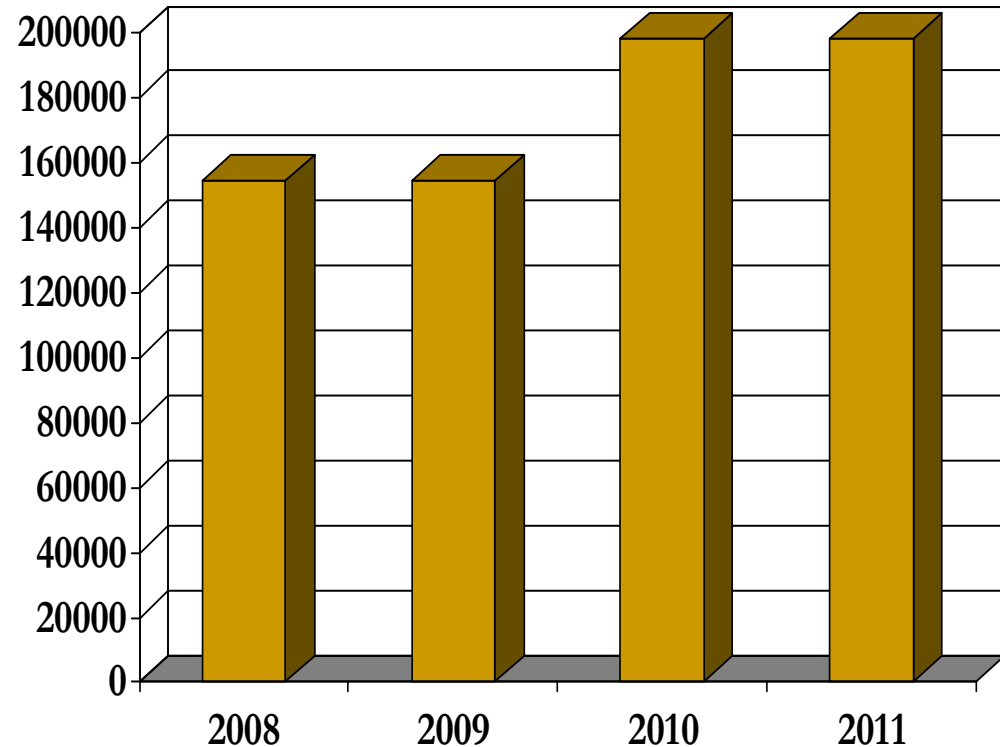
- Grants to organizations, parks and playgrounds
- Dip in 2009, 2010 reflects withdrawal from Recreation District
- Increase in 2011 reflects added resources



Operating Expenses - Debt



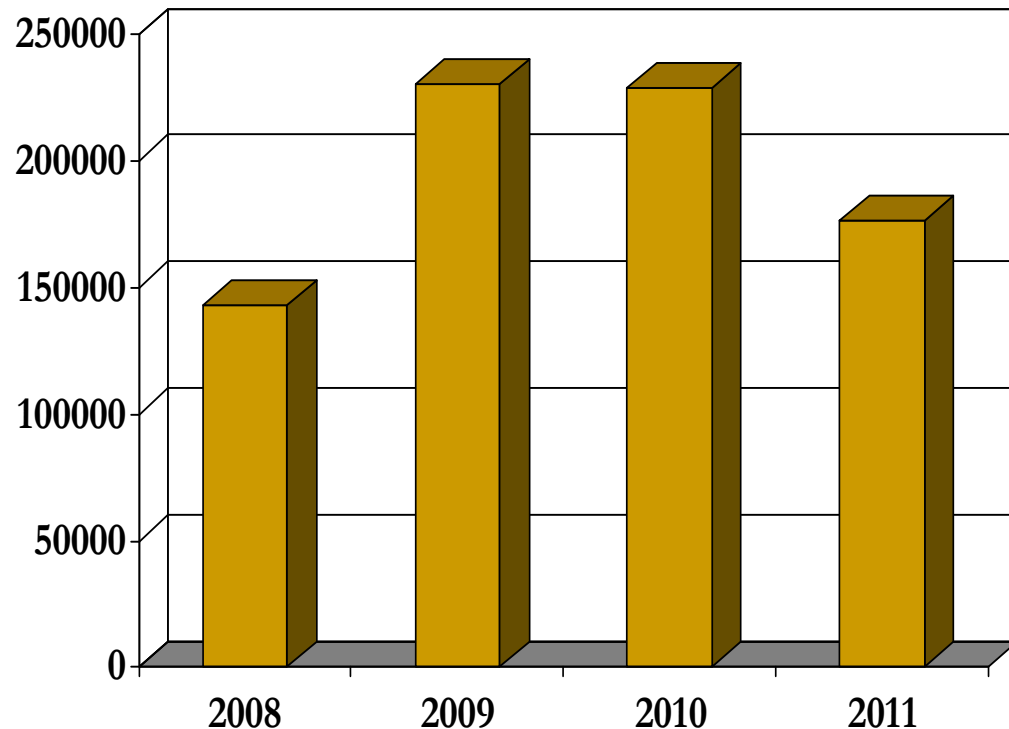
- Debt includes general (e.g., fire trucks) and utility (e.g., water west)
- Debt analyzed further on in presentation
- Note:
 - 2010 added fire truck, water west



Operating Expenses – Contribution to Reserves



- Reserves used to pay for capital projects
- Reserve contributions are treated as an operating expense
- Reserves based on a 20-year capital plan



Capital Program - 1



■ Community sign	\$15,000
■ Software upgrades	4,000
■ Fire department	13,000
□ Video system for training	
□ 2 x personnel protective equipment	
□ Air bottle filling system	
■ Sustainable community work	10,000
■ Skateboard park	5,000
■ Capital grants for community	40,000

Capital Program - 2

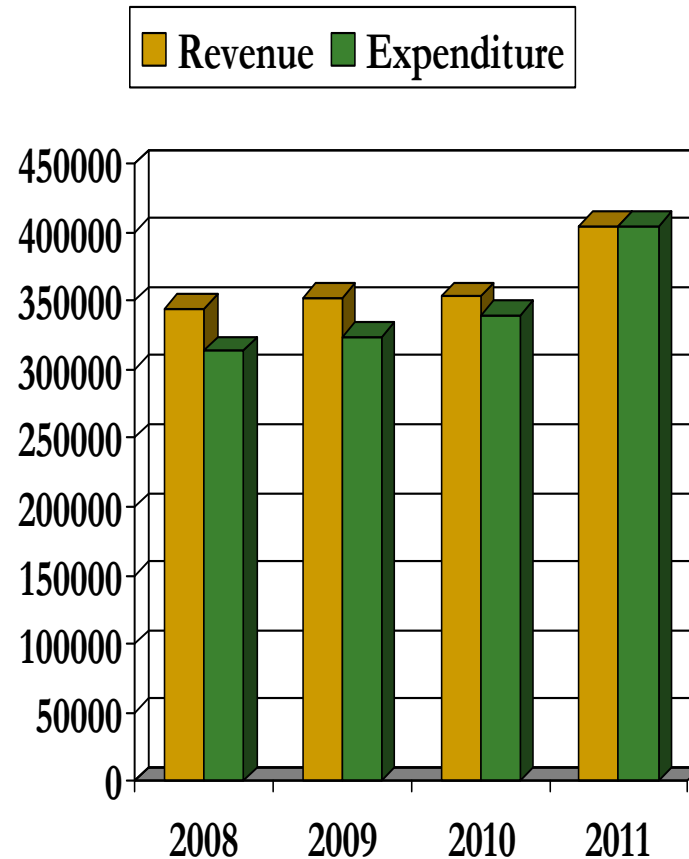


■ Motor grader	\$168,000
■ Lease/rent mini-excavator	8,000
■ Road work, Nuisance Grounds	15,000
■ Road work, Rosser Road	50,000
■ Road work, Jubilee Road	25,000
■ Land purchase, expand lagoon	<u>20,000</u>
■ TOTAL CAPITAL	\$373,000

Utility - 1



- Charges unchanged since 2008
- Surplus less each year as costs increase
- Rate review to be conducted in 2011
- Chart shows revenue and expenditures



Utility - 2



■ Utility Capital

□ Flush water lines	\$50,000
□ 2 x fire hydrants	17,000
□ Software upgrades	<u>4,000</u>
□ TOTAL	\$71,000

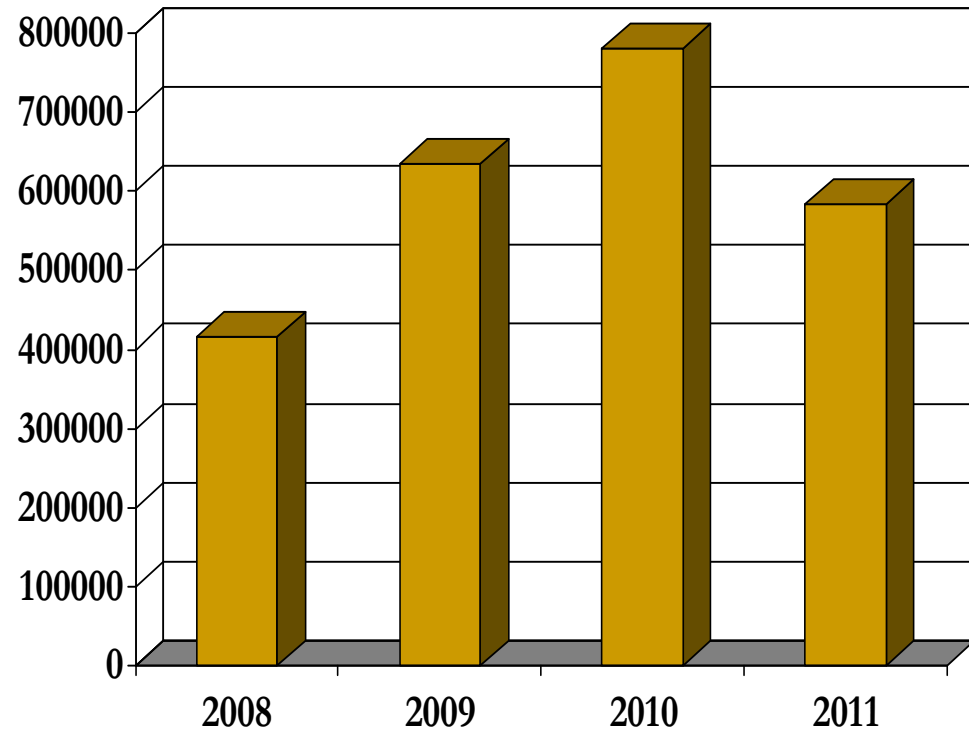
■ Utility Reserves

- As at end 2010 \$273,400
- Sufficient to major expenses – line flushing, major breaks, etc.

Reserves Accumulation



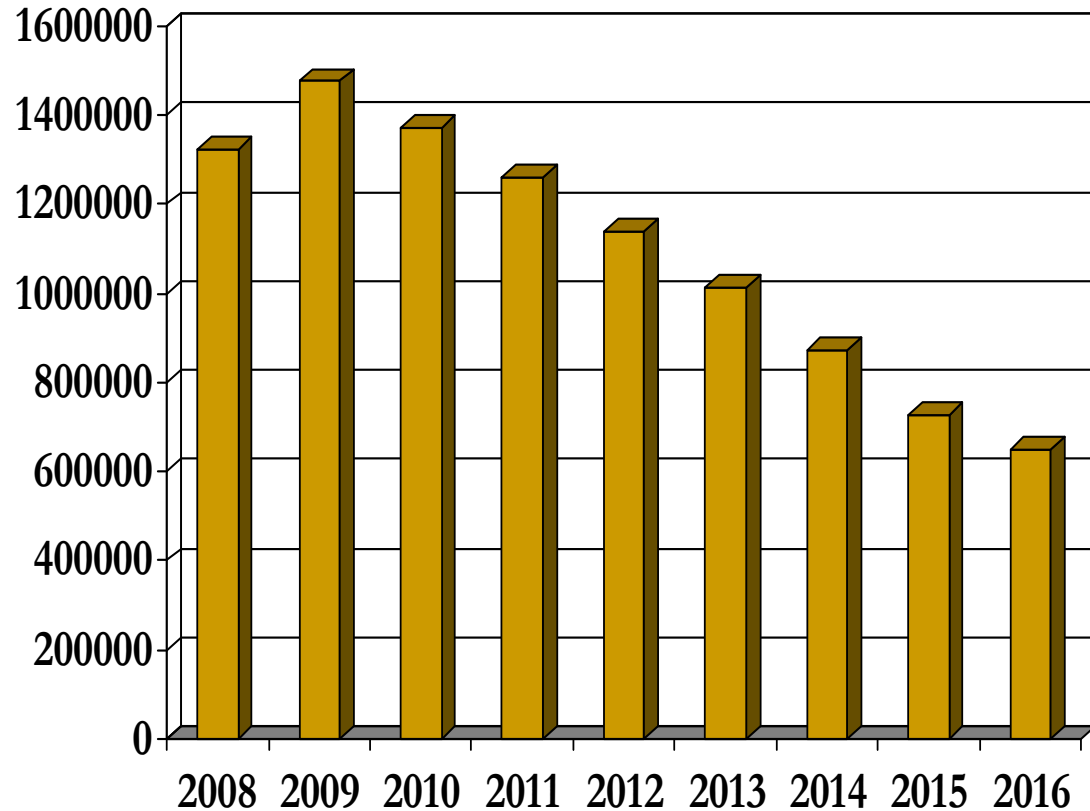
- Based on 20-year capital plan
- Aim to cover most of major capital items with cash, not borrowing
- Chart shows end-of-year balance



Debt



- 2008 Fire truck, \$172,000
 - At large
- 2009 Water west, \$243,000
 - Specific properties
- Chart shows end of year balances expected



Summary



- No tax increase
 - Costs rise each year and growth is necessary to prevent tax increases in future
 - Most capital dedicated to sustainability – roads, environment, quality of life
 - Debt load currently moderate, decreasing quickly
 - Utility in deficit soon without rate review
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Questions?

