



The Municipality of North Perth

2015 Capital and Operating Budget

FINAL REPORT

Presented By: Doug Kellum, Deputy Mayor
& Budget Chair

Dated: April 13th, 2015

Municipality of North Perth

2015 Budget

Project & Operating

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Municipality of North Perth

2015 Budget Presentation to Council

On behalf of Council, I am respectfully presenting the 2015 Budget for Council approval. Council started the 2015 Budgeting Process with a visioning session that gave each member of Council the opportunity to outline their concerns with regard to the numerous municipal services provided and the delivery of those services in North Perth. Eighteen items were identified and staff have or will be bringing back reports to Council during the year to address each concern that was raised.

Through the 2015 Budget Process, members of Council and staff have worked to find a balanced position between the need to support important municipal services while limiting tax increases.

Operating Budget

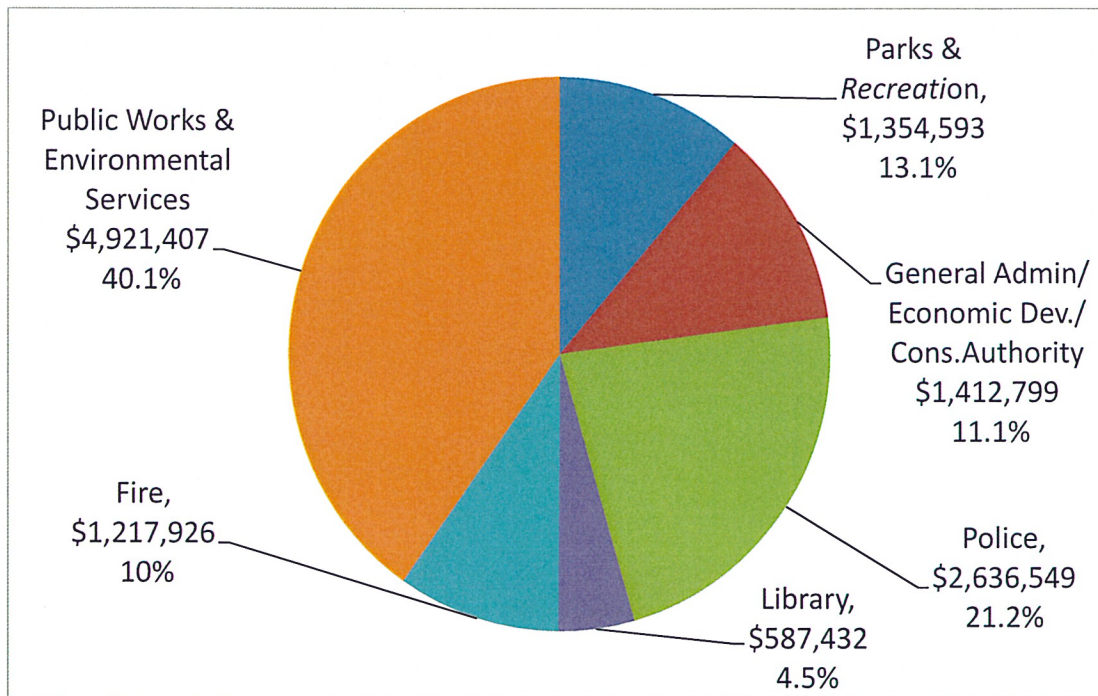
Prior to the budgeting process, the Province announced a further reduction in North Perth's annual Ontario Municipal Partnership Fund (OMPF) revenue transfer of \$399,500 which is in addition to the combined 2013/14 reduction of \$ 482,600. The 2015 revenue transfer is reduced by 18.4% and translated into a 4.3% tax levy increase for North Perth ratepayers before the budgeting process began. This funding reduction imposes a serious constraint on the whole budgeting process as various other factors including high energy costs, low investment returns and additional legislative requirements continue to place cost pressure on North Perth's operations.

As one of the visioning items, Department Heads were directed to look at reducing operating costs by 5%. Staff provided Council with a report outlining what services would have to be modified or eliminated to achieve this reduction. After reviewing each service, Council only modified the budget proposal to include rate increases for Solid Waste Management and Cemetery Services. This consideration supports the finding of the *Perth Area Municipalities Joint Service Review* completed by KPMG last April that noted North Perth's operating costs are low relative to other municipalities of a similar size and that the current level of growth will further that demand on internal resources.

On the positive side, the new OPP Police Services contract formula has resulted in a cost savings of 3% which offsets the 8.2% increase North Perth experienced in 2014. The new contract formula should trend this way for the next couple of years.

The following chart illustrates the allocation of North Perth tax dollars:

2015 Net Operating Budget



Project Budget

The 2015 Budget includes numerous and significant ongoing initiatives that look to the long term viability of North Perth. We are still anticipating relatively low construction costs and financing rates to be able to move forward with the projects proposed for 2015 including:

- New North Perth Day Care Centre in conjunction with the new elementary school
- Intersection improvements for Main Street/Hwy #23/County Line 86 – roundabout
- Extension of Binning Street West with municipal services and utilities
- Environmental Assessment and Upgrades at the Wastewater Treatment Plant
- Road Surface Treatment – fiber mat
- Fire Station Replacement – Monkton Station
- Numerous Parks and Recreation upgrades and rehabilitation projects

The new North Perth Day Care Centre, as part of the new elementary school build, is a key economic development driver for our community and a wonderful opportunity to meet the current needs of our young families. The Binning Street extension and the intersection upgrades are both needed to enable the development of the new school and proposed recreation complex, as well as other development to the northwest. A number of smaller projects are also planned with an overall project spending estimated at \$9.9 million, including carryovers, for 2015. The ongoing significant project work is appreciably being funded by Development Charges revenues, reserves, the sale of the lands, generous

corporate and personal donations and some provincial/federal grant funding. Interim financing may be required while the related projects are in the construction phase.

Council will be considering two potential projects separately as possible 2015 Budget amendments. The North Perth Public Library Feasibility and Justification Study will have recommendations for Council consideration and staff will be presenting funding options for Council consideration with regard to the Steve Kerr Memorial Complex Project.

Maintaining and improving North Perth's municipal infrastructure will continue to require significant and planned investment. During 2015, Council has included a 1% tax levy to fund capital project work.

Impact on Property Taxes

North Perth continues to prosper, generating net growth in property assessment over the past year. The North Perth Building Department issued 304 permits in 2014 of which 74 were for new residential dwelling units. This increased tax base allows the costs related to this growth to be applied across a greater number of properties.

All properties in Ontario were reassessed for 2013 based on January 2012 values. Any decreases in property values resulting from this reassessment were applied in 2013; however, property assessment increases are being phased-in over the subsequent four years thereby staggering the increased tax impact. The assessment phase-in over the four years results in reduced but ongoing property tax impacts. An individual's property tax impact will vary depending on whether their property assessment was higher or lower than the overall assessment increase.

The North Perth 2015 tax levy increase of \$890,109.24 results in a 9.6% levy increase for local municipal purposes. However, your total property tax billing reflects taxes levied by the Municipality of North Perth, the County of Perth and local school boards. When all three 2015 levy requisitions are combined, the overall levy increase on the average residential units in North Perth will be about a 6% increase or 36 cents/day. Your actual % change will depend on assessment changes and relative tax classes.

On behalf of Councillor Ken Buchanan, Vice-Chair, and myself, I thank members of Council and our staff for working through the challenges we faced during our 2015 budget deliberations. This budget addresses operational and infrastructure needs to maintain appropriate municipal service levels required by our community while managing the provincial revenue cutbacks in OMPF funding. Council will be closely monitoring the 2015 financial statements to ensure that the Municipality is sustaining the desired levels of services while moving forward with current development to ensure growth and prosperity during 2015.

Yours sincerely,

Doug Kellum
Deputy Mayor & Budget Chair

Municipality of North Perth - 2015 Combined Project Budget

	New 2015 Projects	2015	2016	Sales/Dev. Chgs	Grants/Donations	Segregat.Surplus	Annual Dep.
Administration	North Perth Signage Revitalization Project	\$ 75,000.00				\$ 75,000.00	
Clerk/Day Care	Day Care H & S Funding	\$ 10,805.00	\$ -		\$ 10,805.00		
	New North Perth Day Care Centre	\$ 1,917,000.00	\$ 53,204.00	\$ 625,600.00	\$ 1,291,400.00		
	New Day Care and BSCFC-Playgrounds		\$ 93,500.00				
Finance	Payroll Solution	\$ 70,000.00	\$ 70,000.00			\$ 70,000.00	
	Information Technology Corp. Infrastructure Update	\$ 98,000.00	\$ 57,660.00			\$ 98,000.00	
Administration Total		\$ 2,170,805.00	\$ 274,364.00	\$ 625,600.00	\$ 1,302,205.00	\$ 243,000.00	\$ -
Library	Listowel Library Roof Replacement	\$ 42,500.00	\$ 110,000.00			\$ 42,500.00	\$ 2,125.00
Library - Total		\$ 42,500.00	\$ 110,000.00			\$ 42,500.00	\$ 2,125.00
Fire	All Station-Breathing Air Compressor Replacement	\$ 28,000.00				\$ 28,000.00	
	Atwood-Auto Extrication Equipment Replacement	\$ 30,000.00				\$ 30,000.00	
	Atwood-Repairs to Building	\$ 5,700.00				\$ 5,700.00	
	Monkton-Repairs to Building(\$6,600.00)						
	Monkton-Asphalt Replacement(\$32,000.00)						
	Monkton Station-Replacement of Monkton Station	\$ 300,000.00	\$ 300,000.00			\$ 300,000.00	\$ 10,020.00
Fire-Total		\$ 363,700.00	\$ 300,000.00	\$ -	\$ -	\$ 363,700.00	\$ 10,020.00
Cemetery	New Cemetery Planning	\$ 78,000.00	\$ 30,000.00			\$ 78,000.00	
Cemetery-Total		\$ 78,000.00	\$ 30,000.00			\$ 78,000.00	\$ -
Water/	Water/Wastewater-Haverkamp Ave. N.	\$ 29,645.00	\$ 118,758.00	\$ 29,645.00			\$ 2,000.00
Wastewater	Water/Wastewater -Software	\$ 21,025.00	\$ 5,580.00			\$ 21,025.00	
	Carry-over Projects:						
	Water/Wastewater-Hamilton Court(Revised)	\$ 93,463.00		\$ 93,463.00			
	Water/Wastewater-Davidson Ave. S.	\$ 295,828.00				\$ 295,828.00	\$ 2,363.00
	Bolton St./Wellington Ave. S(Revised)	\$ 28,850.00		\$ 28,850.00			\$ 500.00
	Listowel Water Distribution Model (Carry-over)	\$ 25,000.00				\$ 25,000.00	
WWTP	Wastewater Treat.Plant-Filter Refurbishment	\$ 80,535.00				\$ 80,535.00	\$ 3,835.00
	Wastewater Treat. Plant Upgrades	\$ 818,082.00	\$ 2,167,692.00		\$ 264,363.00	\$ 553,719.00	
	Wastewater Treat. Plant Mater Plan(Carry-over)	\$ 76,434.00	\$ 31,000.00			\$ 76,434.00	
Water/Sewer - Total		\$ 1,468,862.00	\$ 2,323,030.00	\$ 151,958.00	\$ 264,363.00	1,052,541.00	\$ 8,698.00
Public Wk.Roads	Roundabout	\$ 197,667.20	\$ 790,668.80	\$ 197,667.20			\$ 10,793.00
	Haverkamp Ave. N.	\$ 65,643.60	\$ 262,574.40	\$ 65,643.60			\$ 6,450.00
	Road 140 Re-construction	\$ 250,000.00	\$ 250,000.00			\$ 250,000.00	
	Tremaine Ave. S.(Road 158)Rebuild	\$ 632,400.00	\$ 100,000.00	147,212.00		\$ 485,188.00	\$ 10,400.00
	Norjohn(Fibre Mat)	\$ 1,000,000.00	\$ 1,000,000.00			\$ 1,000,000.00	\$ 100,000.00
	Roads Needs & Condition Report	\$ 54,000.00		\$ 26,773.00		\$ 27,227.00	
	Bridge Maintenance 1-5 yr. repairs	\$ 775,000.00	\$ 885,000.00		\$ 107,000.00	\$ 668,000.00	\$ 10,500.00
	Structures-Retain. Wall at Davidson Ave. N. Bridge	\$ 22,000.00			\$ 22,000.00		\$ 500.00
	Structures-E9	\$ 440,700.00			\$ 396,630.00	\$ 44,070.00	\$ 5,900.00
	Sidewalk New Construction	\$ 45,000.00				\$ 45,000.00	\$ 1,500.00
	Lights at Crosswalks	\$ 36,000.00				\$ 36,000.00	
	Carry-over Projects:						
	Hamilton Court-Revised	\$ 308,078.00		\$ 308,078.00			\$ 8,751.00
	Elizabeth St. W.-Revised	\$ 59,400.00				\$ 59,400.00	\$ 2,550.00
	Davidson S/Bolton/Wellington S-Revised	\$ 312,749.00	\$ 150,000.00			\$ 312,749.00	\$ 8,624.00
	Binning St.W. Extension - Revised	\$ 759,705.00	\$ 120,000.00	\$ 759,705.00			\$ 11,000.00
	Equipment Replacement	\$ 470,000.00				\$ 470,000.00	\$ 31,350.00
Public Works - Total		\$ 5,428,342.80	\$ 3,558,243.20	\$ 1,505,078.80	\$ 525,630.00	\$ 3,397,634.00	\$ 208,318.00
Recreation	Listowel-Memorial Park Pavilion Floor	\$ 20,000.00				\$ 20,000.00	\$ -
	Listowel-Trail Connection	\$ 9,500.00				\$ 9,500.00	
	E/L Rec. Complex-Air Conditioning Units	\$ 6,800.00			\$ 2,584.00	\$ 4,216.00	
	E/L Rec. Complex-Warming Room Flooring	\$ 13,000.00			\$ 4,940.00	\$ 8,060.00	
	E/L Rec.Complex-VCT Flooring	\$ 5,000.00			\$ 1,900.00	\$ 3,100.00	
	Wallace Comm.Ctr.-Generator Connections	\$ 20,000.00				\$ 20,000.00	
	Future Park Conceptual Plans	\$ 11,000.00		\$ 11,000.00			
	Dump Trailer	\$ 6,000.00				\$ 6,000.00	\$ 400.00
	Other Funded Projects:						
	Kinsmen Park Projects	\$ 35,000.00			\$ 35,000.00		\$ 400.00
	Listowel Batting Cage	\$ 15,000.00			\$ 15,000.00		
	Listowel Rotary Club -Memorial Park Bridge	\$ 55,900.00			\$ 55,900.00		
	Atwood Lions Club - Ice Rink Building	\$ 35,000.00			\$ 35,000.00		
	2014 Carry-over Projects:						
	Memorial Park Barrier Fence	\$ 11,000.00				\$ 11,000.00	
	Wallace Kitchen Project	\$ 57,200.00			\$ 47,200.00	\$ 10,000.00	
	Memorial Park Rehabilitation Project	\$ 75,000.00	\$ 75,000.00		\$ 70,000.00	\$ 5,000.00	
	Livingstone Park Walkway	\$ 5,200.00			\$ 3,000.00	\$ 2,200.00	
	Wallace Parking Lot Lighting	\$ 3,500.00				\$ 3,500.00	
	EMCC Refurbishment Planning	\$ 5,000.00				\$ 5,000.00	
Recreation - Total		\$ 389,100.00	\$ 75,000.00	\$ 11,000.00	\$ 270,524.00	\$ 107,576.00	\$ 800.00
TOTAL	Total 2015 Capital	\$ 9,941,309.80	\$ 6,670,637.20	\$ 2,293,636.80	\$ 2,362,722.00	\$ 5,284,951.00	\$ 229,961.00

Municipality of North Perth - 2015 Combined Operating Budget									
	2014	2014	2015	2015	2015	%	Budget	%	%
	Actual	Budget	Revenue	Expense	Budget	+ / -	Variance	>	Levy
Administration									
General Administration	(32,736.63)	340,230.50	454,577.00	870,795.00	416,218.00	22.3%	75,987.50	8.5%	0.8%
Economic Development	97,000.00	97,000.00	25,000.00	140,450.00	115,450.00	19.0%	18,450.00	2.1%	0.2%
Police	2,717,466.00	2,717,466.00	57,000.00	2,693,549.00	2,636,549.00	-3.0%	(80,917.00)	-9%	-0.9%
Clerk Department	239,562.65	226,794.60	115,850.00	336,898.00	221,048.00	-2.5%	(5,746.60)	-0.6%	-0.1%
Day Care Department	0.00	0.00	851,092.00	851,092.00	0.00				
Building Department	(20,896.00)	0.00	337,142.00	337,142.00	0.00				
Finance Department	370,148.09	387,300.00	144,850.00	552,840.00	407,990.00	5.3%	20,690.00	2.3%	0.2%
Conservation Authorities	240,388.01	240,434.00	0.00	252,093.00	252,093.00	4.8%	11,659.00	1.3%	0.1%
BIA	0.00	0.00	77,837.00	77,837.00	0.00				
Current Operations	3,610,932.12	4,009,225.10	2,063,348.00	6,112,696.00	4,049,348.00	1.0%	40,122.90	4.5%	0.4%
Library									
Library Operations	535,515.61	535,515.61	75,358.50	662,790.89	587,432.39	9.7%	51,916.78	5.8%	0.6%
Current Operations	535,515.61	535,515.61	75,358.50	662,790.89	587,432.39	9.7%	51,916.78	5.8%	0.6%
Fire									
Administration	0.00	0.00	6,550.00	6,550.00	0.00				
Listowel Fire Station	536,088.40	605,487.71	15,000.00	666,187.83	651,187.83	7.5%	45,700.12	5.1%	0.5%
Atwood Fire Station	302,699.93	335,005.18	7,000.00	347,630.94	340,630.94	1.7%	5,625.76	0.6%	0.1%
E/L Monkton Station	263,499.48	161,794.92	105,050.00	270,433.40	165,383.40	2.2%	3,588.48	0.4%	0.0%
Minto fire Agreement	59,533.00	59,533.00	0.00	60,724.00	60,724.00	2.0%	1,191.00	0.1%	0.0%
Current Operations	1,161,820.81	1,161,820.81	133,600.00	1,351,526.17	1,217,926.17	4.8%	56,105.36	6.3%	0.6%
Public Works									
Road Department	3,943,676.92	4,172,317.50	16,150.00	4,384,582.52	4,368,432.52	4.7%	196,115.02	22.0%	2.1%
Storm Water Mgmt	169,501.57	189,160.00	0.00	194,930.00	194,930.00	3.1%	5,770.00	0.6%	0.1%
Drainage	34,312.07	28,190.00	36,425.00	87,470.00	51,045.00	81.1%	22,855.00	2.6%	0.2%
Equipment Account	90,321.08	0.00	0.00	0.00	0.00				0.0%
Waste Management	85,022.32	231,880.00	696,700.00	913,700.00	217,000.00	-6.4%	(14,880.00)	-1.7%	-0.2%
Cemeteries	83,482.19	98,200.00	134,350.00	224,350.00	90,000.00	-8.4%	(8,200.00)	-0.9%	-0.1%
Water/Sewer	160.82	0.00	4,375,591.00	4,375,591.00	0.00				
Current Operations	4,406,476.97	4,719,747.50	5,259,216.00	10,180,623.52	4,921,407.52	4.3%	201,660.02	22.7%	2.2%
Recreation									
Recreation Administration	369,341.55	357,639.00	10,000.00	372,877.00	362,877.00	1.5%	5,238.00	0.6%	0.1%
Recreation Programs	(4,317.55)	15,630.00	106,438.03	122,068.03	15,630.00	0.0%	-	0.0%	0.0%
Elma/Logan Arena & Parks	165,705.22	130,061.18	405,071.11	561,007.00	155,935.89	19.9%	25,874.71	2.9%	0.3%
EMCC	186,352.68	165,325.00	145,050.00	314,345.00	169,295.00	2.4%	3,970.00	0.4%	0.0%
Lions Pool	48,200.15	51,224.16	35,800.00	91,975.00	56,175.00	9.7%	4,950.84	0.6%	0.1%
Listowel Arena & Parks	290,004.10	307,260.00	430,975.00	743,700.00	312,725.00	1.8%	5,465.00	0.6%	0.1%
Kinsmen Pool	49,177.87	34,850.00	59,800.00	94,810.00	35,010.00	0.5%	160.00	0.0%	0.0%
Wallace Arena & Parks	202,324.72	199,075.00	135,000.00	341,370.00	206,370.00	3.7%	7,295.00	0.8%	0.1%
North Perth Trails	16,797.42	12,445.00	0.00	15,400.00	15,400.00	23.7%	2,955.00	0.3%	0.0%
Beautification Committee	22,208.94	33,145.00	9,400.00	34,575.00	25,175.00	-24.0%	(7,970.00)	-0.9%	-0.1%
Current Operations	1,345,795.10	1,306,654.34	1,337,534.14	2,692,127.03	1,354,592.89	3.7%	47,938.55	5.4%	0.5%
Combined Totals	\$ 11,060,540.61	\$ 11,732,963.36	\$ 8,869,056.64	\$ 20,999,763.61	\$ 12,130,706.97	3.4%	397,743.61	44.7%	4.3%
Plus: 1% for Projects					92,865.63		92,865.63	10.4%	1.0%
Less: Annual Surplus	352,000.00	(275,000.00)			(275,000.00)	0.0%	-	0.0%	0.0%
Less: OMPF	(2,171,400.00)	(2,171,400.00)			(1,771,900.00)	-18.4%	399,500.00	44.9%	4.3%
Overall Totals	9,241,140.61	9,286,563.36	\$ 8,869,056.64	\$ 20,999,763.61	\$ 10,176,672.60	9.6%	890,109.24	100.0%	9.6%

The Municipality of North Perth
 Schedule "A" By-law # ??-2015

Municipality of North Perth - 2015 Tax Levy & Rates

Assessment for 2015 Tax Year- with 2015 Approved Tax Levy & Rates

Tax Class	Taxable	Tax	Weighted	General	
	Assessment	Ratios	Assessment	Tax Rate	Levy
CT DT XT YT	125,122,286	1.2469000	156,014,978	0.00882930	1,104,742.10
ST	2,281,232	1.2469000	2,844,468	0.00882930	20,141.68
CU SU XU CX	4,602,981	0.8728300	4,017,620	0.00618051	28,448.77
			-		
FTP/FTS	761,293,778	0.2500000	190,323,445	0.00177025	1,347,680.36
			-		
IT IH	14,941,855	1.9692000	29,423,501	0.01394391	208,347.82
LT	13,964,632	1.9692000	27,499,153	0.01394391	194,721.51
I4	897,250	0.4923000	441,716	0.00348598	3,127.79
IU IX LU	2,860,075	1.2799800	3,660,839	0.00906354	25,922.40
JT	6,494,923	1.9692000	12,789,802	0.01394391	90,564.59
MTEP/MTES/MTF	16,578,900	2.1505000	35,652,924	0.01522769	252,458.37
			-		
PT	5,178,908	1.6391000	8,488,748	0.01160647	60,108.83
FAD R1 EP	340,325	0.2500000	85,081	0.00177025	602.46
FAD R4	864,625	0.2500000	216,156	0.00177025	1,530.60
RTP/RTS/RTPFS/	959,481,944	1.0000000	959,481,944	0.00708100	6,794,091.88
			-		
TT	220,250	0.2500000	55,063	0.00177025	389.90
Total Taxable	1,915,123,964		1,430,995,439		\$ 10,132,879.05

PIL

Tax Class	Assessment	Ratios	Assessment	General	
CF	2,457,850	1.2469000	3,064,693	0.00882930	21,701.09
CG	2,130,025	1.2469000	2,655,928	0.00882930	18,806.63
CY	32,500	0.8728300	28,367	0.00618051	200.87
CZ	64,375	0.8728300	56,188	0.00618051	397.87
IP IG	87,550	1.9692000	172,403	0.01394391	1,220.79
RG	203,825	1.0000000	203,825	0.00708100	1,443.28
RP	3,250	1.0000000	3,250	0.00708100	23.01
Total PIL	4,979,375		6,184,655		\$ 43,793.55

Total 1,920,103,339 1,437,180,094 **\$ 10,176,672.60**

Apportioned Levy

Based Rate Own Purposes:

0.0070810

53.7%

Percentage increase over last year

9.6%

North Perth