

Municipality of North Perth

2017 Capital and Operating Budget

FINAL REPORT

Presented by: Matt Richardson, Councillor & Budget Chair

Dated: April 24, 2017



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2017 Budget Presentation to Council

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Budget Chair’s Review

On behalf of Council, I am tabling the 2017 Budget for Council approval. Through the 2017 Budget Process, members of Council and staff have worked to find a balanced position between the need to support important municipal services while restraining tax increases.

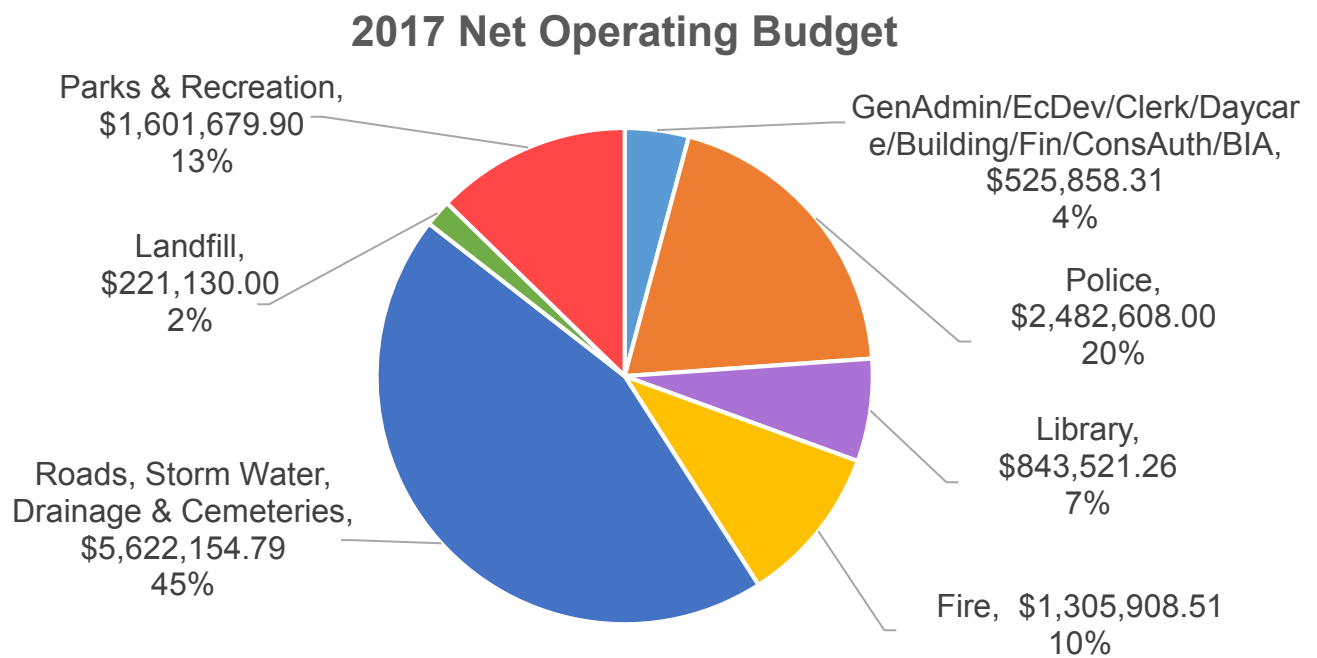
Council started the 2017 Budgeting Process with a policy statement followed by a visioning session. The visioning session gave each member of Council the opportunity to outline their concerns about municipal services provided and the delivery of those services in North Perth.

Through the development of a Budget webpage and the hosting of a Budget Open House, members of the public were given the opportunity to provide input on the proposed 2017 Operating and Capital Budgets.

2017 Operating Budget

Prior to the budgeting process, the Province announced further reduction in North Perth’s annual Ontario Municipal Partnership Fund (OMPF) revenue transfer of \$218,400.00. The 2017 OMPF revenue reduction translated into a 2.2% tax levy increase for North Perth ratepayers before the budgeting process began. The ongoing OMPF funding reduction continues to negatively impact the municipal revenue stream in North Perth. Since 2013, North Perth has experienced a combined OMPF revenue reduction of \$1,137,000.00.

The total Operating Budget for 2017 is to be set at \$12,602,861.00 for services provided by tax dollars. The following chart illustrates the allocation of North Perth tax dollars to various services:



Other operational budgets totalling \$6.5 million are funded by user fees include: Childcare Services, Building Department, Water Services and Wastewater Services.

2017 Project Budget

The 2017 Budget includes numerous and significant ongoing initiatives that prepare for the long-term viability and sustainability of North Perth. Construction for 2017 include:

- Replacement of Monkton Fire Station
- Completion of the Roundabout and Servicing Upgrades at Mitchell Rd. S. (Hwy 23) and Perth Line 86
- Road 165 Re-Construction
- Nichol Street Re-Construction
- Wastewater Treatment Plant Upgrades
- Completion of the Steve Kerr Memorial Complex and Park Development

Numerous other projects are also planned with an overall project cost estimate of over \$23 million. This includes multiple carry over projects from 2016. The ongoing project work is being funded by Development Charges revenues, segregated surplus, sale of lands, generous corporate and personal donations, the tax levy and provincial/federal grant funding. Interim to medium term financing will be required given the volume of work being completed.

Maintaining and improving North Perth's municipal infrastructure will continue to require significant and planned investment. During 2017, Council has included a 2% transfer to reserves in the tax levy to further fund capital project work.

Impact on Property Taxes

North Perth continues to grow and has generated net growth in property assessment over the past year of nearly 1.23%. The North Perth Building Department had a record-setting year in 2016, issuing 368 building permits, which included the creation of 144 new residential dwelling units. This increased tax base allows the costs related to growth to be applied across a greater number of properties.

MPAC reassessed all properties in 2017 based on January 2016 values. Increases in property value will be phased-in over the next four tax years, resulting in staggered, ongoing tax impacts. Decreases in value will be applied in full immediately in 2017. Depending on assessment changes, tax impacts will vary from property to property.

An individual's property tax impact will vary depending on whether their property assessment was higher or lower than the overall assessment increase. The value of farmland has increased significantly in recent years and farm properties will experience increases in property taxes due to increased property values.

The North Perth 2017 tax levy increase is \$1,141,015.81 for local municipal purposes. However, your total property tax bill reflects taxes levied by the Municipality of North Perth, the County of Perth and local school boards. Specifically, for every residential tax dollar received in 2017, .57 cents is kept by North Perth, .21 cents will be transferred to Perth County and .22 cents will be transferred to local school boards. When all three 2017 levy requisitions are combined, the overall levy increase in North Perth will be 6.5%. Due to assessment shifts, the residential levy

impact is less than 5.69% or .39 cents/day. Actual % change will depend on individual assessment changes and specific relative tax class.

Our final 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 2017 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 2017.

On behalf of Councillor Matt Duncan, Vice-Chair, and myself, I thank members of Council and our staff for working through the challenges we faced during our 2017 budget deliberations.

Yours sincerely,

Matt Richardson

Councillor & Budget Chair

Municipality of North Perth - 2017 Combined Operating Budget

	2016	2016	2017	2017	2017	%	Budget	%	%
	Actual to Date	Budget	Revenue	Expense	Budget	+ / -	Variance	>	Levy
Administration									
General Administration	(951,921.17)	420,052.50	442,061.50	937,064.60	495,003.10	17.8%	74,950.60	6.6%	0.7%
Economic Development	142,670.47	143,336.00	0.00	231,950.00	231,950.00	61.8%	88,614.00	7.8%	0.8%
Police	2,458,631.00	2,458,631.00	55,500.00	2,538,108.00	2,482,608.00	1.0%	23,977.00	2%	0.2%
Clerk Department	219,230.10	233,095.00	132,350.00	378,944.83	246,594.83	5.8%	13,499.83	1.2%	0.1%
Day Care Department	0.00	0.00	1,244,040.01	1,244,040.01	0.00				
Building Department	0.00	0.00	398,512.00	398,512.00	0.00				
Finance Department	577,927.05	517,150.00	130,650.00	700,760.38	570,110.38	10.2%	52,960.38	4.6%	0.5%
Conservation Authorities	267,199.00	265,450.00	0.00	280,600.00	280,600.00	5.7%	15,150.00	1.3%	0.1%
BIA	0.00	0.00	96,218.00	96,218.00	0.00				
Current Operations	2,713,736.45	4,037,714.50	2,499,331.51	6,806,197.82	4,306,866.31	6.7%	269,151.81	23.6%	2.3%
Library									
Library Operations	746,361.09	746,361.09	57,002.06	900,523.32	843,521.26	13.0%	97,160.17	8.5%	0.8%
Current Operations	746,361.09	746,361.09	57,002.06	900,523.32	843,521.26	13.0%	97,160.17	8.5%	0.8%
Fire									
Administration	0.00	0.00	6,050.00	6,050.00	0.00				
Listowel Fire Station	618,428.23	700,716.63	15,000.00	724,081.06	709,081.06	1.2%	8,364.43	0.7%	0.1%
Atwood Fire Station	288,151.70	352,193.04	7,000.00	363,917.54	356,917.54	1.3%	4,724.50	0.4%	0.0%
E/L Monkton Station	320,404.54	174,074.80	76,100.16	253,500.35	177,400.19	1.9%	3,325.39	0.3%	0.0%
Minto Fire Agreement	61,634.51	61,634.51	0.00	62,509.72	62,509.72	1.4%	875.21	0.1%	0.0%
Current Operations	1,288,618.98	1,288,618.98	104,150.16	1,410,058.67	1,305,908.51	1.3%	17,289.53	1.5%	0.2%
Public Works									
Roads	4,774,362.44	4,798,662.59	13,750.00	5,053,424.01	5,039,674.01	5.0%	241,011.42	21.1%	2.1%
Storm Water Mgmt	195,840.64	183,480.00	0.00	183,540.00	183,540.00	0.0%	60.00	0.0%	0.0%
Drainage	74,728.10	74,336.27	40,632.00	108,151.00	67,519.00	-9.2%	(6,817.27)	-0.6%	-0.1%
Equipment Account	122,890.06	(3,967.0)	0.00	0.00	0.00				0.0%
Cemeteries	117,073.82	91,791.00	132,450.00	234,634.88	102,184.88	11.3%	10,393.88	0.9%	0.1%
Current Operations	5,284,895.06	5,144,302.86	186,832.00	5,579,749.89	5,392,917.89	4.8%	248,615.03	195.0%	244.3%
Environmental Services									
Waste Management	221,119.16	217,240.00	735,700.00	956,830.00	221,130.00	1.8%	3,890.00	0.3%	0.0%
Water/Wastewater	0.00	0.00	4,877,560.00	4,877,560.00	0.00				
Current Operations	221,119.16	217,240.00	5,613,260.00	5,834,390.00	221,130.00	1.8%	3,890.00	0.3%	0.0%
Recreation									
Recreation Administration	387,125.54	374,890.00	5,000.00	398,195.00	393,195.00	4.9%	18,305.00	1.6%	0.2%
Recreation Programs	3,394.46	15,630.00	117,695.21	133,325.21	15,630.00	0.0%	(0.00)	0.0%	0.0%
Elma/Logan Arena & Parks	192,167.11	169,580.20	381,860.10	559,930.00	178,069.90	5.0%	8,489.70	0.7%	0.1%
EMCC	173,450.33	193,995.00	125,775.00	332,570.00	206,795.00	6.6%	12,800.00	1.1%	0.1%
Lions Pool	54,088.66	55,330.00	36,500.00	92,550.00	56,050.00	1.3%	720.00	0.1%	0.0%
Listowel Arena & Parks	403,752.58	355,020.00	445,525.00	923,565.00	478,040.00	34.7%	123,020.00	10.8%	1.1%
Kinsmen Pool	39,084.79	39,210.00	60,300.00	100,970.00	40,670.00	3.7%	1,460.00	0.1%	0.0%
Wallace Arena & Parks	128,121.31	180,010.60	150,350.00	340,725.00	190,375.00	5.8%	10,364.40	0.9%	0.1%
North Perth Trails	17,236.97	15,870.00	0.00	16,905.00	16,905.00	6.5%	1,035.00	0.1%	0.0%
Beautification Committee	25,646.95	24,355.00	9,700.00	35,650.00	25,950.00	6.5%	1,595.00	0.1%	0.0%
Current Operations	1,424,068.70	1,423,890.80	1,332,705.31	2,934,385.21	1,601,679.90	12.5%	177,789.10	15.6%	1.6%
Combined Totals									
Plus: % for Projects	101,766.73	101,766.73			229,236.90	125.3%	127,470.17	11.2%	1.1%
Plus: Assessment Growth		250,000.00			-	-100.0%	(250,000.00)	-21.9%	-2.2%
Less: Annual Surplus		(231,250.00)			-	-100.0%	231,250.00	20.3%	2.0%
Less: OMPF	(1,516,800.00)	(1,516,800.00)			(1,298,400.00)	-14.4%	218,400.00	19.1%	1.9%
Overall Totals	10,263,766.17	11,461,844.96	\$ 9,793,281.04	\$ 23,465,304.91	\$ 12,602,860.77	10.0%	1,141,015.81	100.0%	10.0%

2017 COMBINED PROJECT BUDGET SUMMARY

		2017
		ESTIMATED
DEPARTMENT	PROJECTS	EXPENDITURES
Administration	Occupational Noise Exposure Assessment	\$ 15,544.28
	Municipal Office Projects	\$ 24,000.00
	Website	\$ 30,600.00
	Canada 150 Celebration	\$ 75,000.00
	Signage Revitalization Project - Carry Over	\$ 100,000.00
Admin Total		\$ 245,144.28
Daycare	Natural Playground Drainage & Equip Purchase	7,500.00
	Additional Cubbies	2,500.00
Daycare Total		\$ 10,000.00
Building	Building Department Inspection Vehicle	40,000.00
Building Total		\$ 40,000.00
Finance	CARRYOVER-IT Corporate Upgrades	\$ 155,000.00
	CARRYOVER - Payroll Solutions	\$ 130,000.00
	Development Charges Review/Update	\$ 32,000.00
	Replace Black Only Copier/Printer/Scanner	\$ 8,000.00
Finance Total		\$ 325,000.00
Library	Phase 2 Environmental Site Assm't Atwood	\$ 20,000.00
	Monkton Br relocation - Elma Logan Recreation Complex	\$ 67,320.00
	Listowel Library Window Seals	\$ 26,000.00
	Listowel Library Masonry Repointing	\$ 5,000.00
Library Total		\$ 118,320.00
Fire	CARRY-OVER Replacement Monkton Station	\$ 1,400,000.00
Fire Total		\$ 1,400,000.00
Water	Molesworth Well Building Upgrade	\$ 30,000.00
	Automated Trailer Mounted Valve Operating System	\$ 80,000.00
Water Total		\$ 110,000.00
WWTP	CARRY OVER - WWTP Upgrades	\$ 1,087,220.00
	Bio solids Upgrades	\$ 2,100,000.00
	Septage Receiving Station Auger Replacement	\$ 45,000.00
WWTP Total		\$ 3,232,220.00

2017 COMBINED PROJECT BUDGET SUMMARY

		2017
		ESTIMATED
DEPARTMENT	PROJECTS	EXPENDITURES
Landfill	CARRY OVER-Listowel Landfill Remedial Action Plan	\$ 32,500.00
	CARRY OVER - Elma Landfill Custom Dumpsters	\$ 8,000.00
Landfill Total		\$ 40,500.00
Roads and Drainage	CARRYOVER-Roundabout Contract	\$ 1,807,000.00
	CARRY OVER - Equipment Water Truck	\$ 80,000.00
	CARRY OVER - Road 165 Re-Construction	\$ 1,488,570.00
	CARRY OVER-Roads Needs Study and Traffic Counts	\$ 102,321.00
	CARRY OVER-Davidson Ave. (Bolton/Wellington X3)	\$ 136,488.00
	Line 140 Rehabilitation	\$ 250,000.00
	Sidewalk Plow with Attachments	\$ 149,950.00
	Nichol Street Re-Construction	\$ 439,400.00
	Motor Grader	\$ 370,000.00
	Sidewalk Plan and Installations	\$ 58,500.00
	Binning West Pre-Engineering	\$ 25,000.00
	Rural Asphalt Resurfacing and Crack Seal	\$ 120,000.00
	Asphalt Resurfacing - Pulverization and Paving	\$ 400,000.00
	Fleet AVL and Inspection Software Upgrades	\$ 21,000.00
	Storm Water Levy Master Plan	\$ 30,000.00
	Davidson Storm System Upgrade	\$ 20,100.00
Roads and Drainage Total		\$ 5,498,329.00
Cemetery	CARRY OVER - Donegal Cemetary Gates	\$ 12,000.00
	New Columbarium Design	\$ 5,000.00
Cemetery Total		\$ 17,000.00
Recreation	CARRY OVER-Parks & Recreation Services Master Plan	\$ 43,325.00
	CARRY OVER-New Park Conceptual Plans	\$ 11,000.00
	CARRY OVER-Memorial Park Barrier Fence	\$ 9,441.00
	CARRY OVER-EMCC Refurbishment Planning	\$ 4,200.00
	CARRY OVER-Steve Kerr Memorial Complex & Park Dev	\$ 10,882,971.00
	Elma Logan Recreation Complex Parking Lot	\$ 99,500.00
	Improvements to Memorial and Optimist Park Trails	\$ 327,000.00
	Front Mount Tractor with Attachments-Revised Carry Over	\$ 16,000.00
	EMCC Roof Replacement	\$ 25,000.00
	SKMC Solar Roof Panels	\$ 570,000.00
Recreation Total		\$ 11,988,437.00
TOTAL		0 \$ 23,024,950.28

