



Town of Midland

2012 Budget

**presented for Council's consideration
January 23, 2012**

Budget Workplan

The budget process starts in June when direction is received from Council

Staff begin working on capital and operating budgets throughout July and August

There are two, line by line, Administrative reviews that occur throughout the budget process

From Sept to Dec, there were six meetings with Council, to review the four prepared drafts of the budget.

Adoption, proposed for Dec, is scheduled to occur Jan 23

Budget Overview

	TOTAL	LEVY CHANGE	% CHANGE
REVENUE	(21,525,226)	\$ 45,967	-0.2%
EXPENDITURES			
PAYROLL	13,622,695	369,165	2.8%
EXPENDITURES	6,289,662	(299,613)	-4.5%
	19,912,357	69,552	0.3%
TRANSFERS TO RESERVE			
FOR OPERATING PURPOSES	45,130		
FOR CURRENT CAPITAL PURPOSES	1,664,880		
	1,710,010	(18,378)	-1.1%
NET LEVY CHANGE	\$ 97,141	\$ 97,141	0.57%



2012 OPERATING BUDGET HIGHLIGHTS

Revenue

Court Security Grant - new

In October the Ontario government announced the upload of court security and prisoner transportation costs beginning in 2012 and phased in by equal amounts over seven years.

On Dec 15, 2011 the Town received notice that the funding for 2012 would be \$49,401.75

This new funding assisted the Police Service in achieving an overall 2% increase.



Revenue Dividend Income

Dividend revenue from MPUC
is down by \$100,000

A dividend study is being undertaken to
determine appropriate annual levels



Expenditure Insurance Renewal Savings

The tax based savings across all departments is **\$243,476**

This is equivalent to a
1.4% tax rate reduction

2012 Staffing Levels

A Management Review Study will be conducted to determine appropriate staffing levels; in the meantime, no additional staff have been approved.

2012 Staffing Costs

Police & Fire

- Police negotiations resulted in a minimum increase of 3%.
- Fire negotiations for 2011 are pending and previously unsettled contracts are in arbitration. We have provided some funds which may or may not be sufficient to cover the settlements.
- The Fire Department overtime was significantly reduced to reflect the pre-2004 deployment system

2012 Staffing Costs

Union, Non-union & Management

- A 2.5% increase was negotiated with Town union groups and then agreed to for management and non-union staff.
- During budget deliberations, Council decided to cap the 2012 wage increase to 2% for management and non-union staff; and, requested the unions participate in this same cap. All union groups declined.

Community Support

Hospital - 3 year commitment	\$ 41,600
Physician Recruitment	\$ 22,000
Downtown Outreach Program	\$ 5,000
Museum Cash Support (2% increase)	\$ 74,300
Chamber/Tourism <i>pending further review</i>	\$ 40,828
Airport Funding (0% increase)	\$ 55,574
Sustainability Initiative	\$ 6,000
Askennonnia Senior Centre	\$ 6,000

Community Support cont'd

Boys and Girls Club	\$ 83,113
Horticultural Society	\$ 6,000
Senior's Council	\$ 2,000
Midland Legion Pipes and Drums	\$ 1,200
Affordable Recreation Program (\$5,000 increase)	\$ 20,000
Total support	\$ 363,615

Town Promotions

Santa Claus Parade	\$ 1,000
Canada Day Celebrations	\$ 14,000
Winterfest Celebrations	\$ 16,000
Tourism Events (in prep for Tall Ships event)	\$ 17,500
Plus: Staff support on various community events (cost not measured)	
Total Town Promotion Costs	\$ 48,500

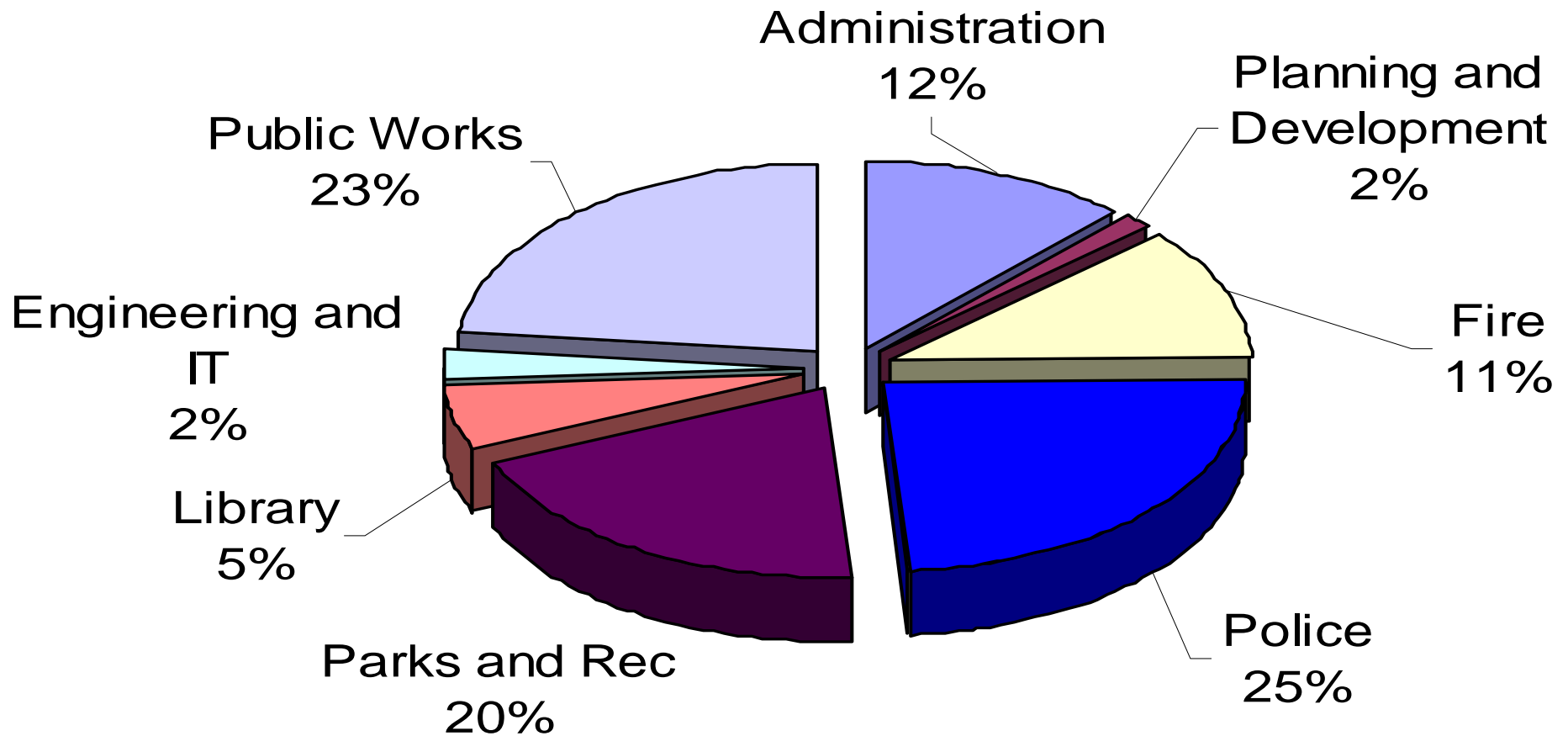
2012 Transit - Funding

Provincial Gas Tax Funding is being kept for capital replacement needs.

Regular Transit			
	2011	2012	Change
From Prov Gas Tax Revenues:	\$32,417	\$ -	
From Taxation:	\$96,807	\$144,860	50%
Accessible Transit			
	2011	2012	
From Prov Gas Tax Revenues:	\$40,590	\$ -	
From Taxation:	\$31,274	\$ 74,128	137%

2012 Total Operating Expenditures

\$21,394,902

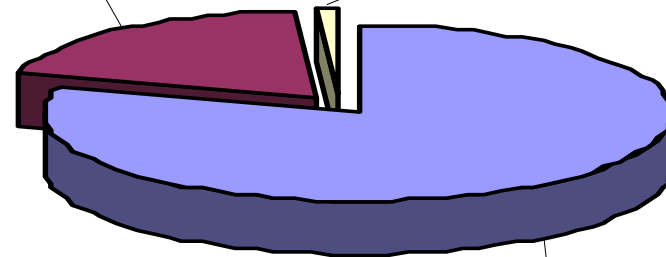


2012 Sources of Operating Revenue

\$21,394,902

User fees, licences,
permits, penalties,
interest and other
19%

Transfers from
Reserve
1%



Taxation
80%



2012 CAPITAL BUDGET HIGHLIGHTS

Road Reconstruction

\$1,500,000 for William Street

using \$500,923 from Federal Gas Tax Grant
with the balance coming from Water,
Sewer and Development Charge
Reserves

Road Reconstruction

PHASE II Hugel (FIFTH TO EIGHTH)

Will proceed using
carry forward funding from 2011

Storm Sewers

\$440,000 for Ruby St (Wm to Irwin)

**\$470,000 for Queen St (Gloucester to
Dominion)**

With funding also coming from
Water & Sewer Reserves



ROAD RESURFACING

\$350,000

SIDEWALK CAPITAL

\$145,000



Public Works Capital Cont'd

\$ 50,000 for **Trail Development**

\$ 7,000 for **Tree replacements**

\$ 45,000 for conversion to **LED street lights**

\$140,000 for a **street sweeper replacement**, and

\$240,000 for a **dump/sander replacement**

However, a one year deferral has been placed on the development of a new **Depot Complex**

Transit

\$60,000 is required for the replacement of the accessibility van

An additional \$52,747 in tax support is being transferred to capital reserve to assist with future capital replacement needs. A bus replacement is scheduled for 2013

Parks Capital

\$ 34,000 for **dock** replacements

\$ 70,000 for **mower & truck** replacements

\$ 30,500 for **Tiffin Park:** parking lot & trail improvements

\$145,000 **Mac McAllen Park** new washrooms & parking lot improvements

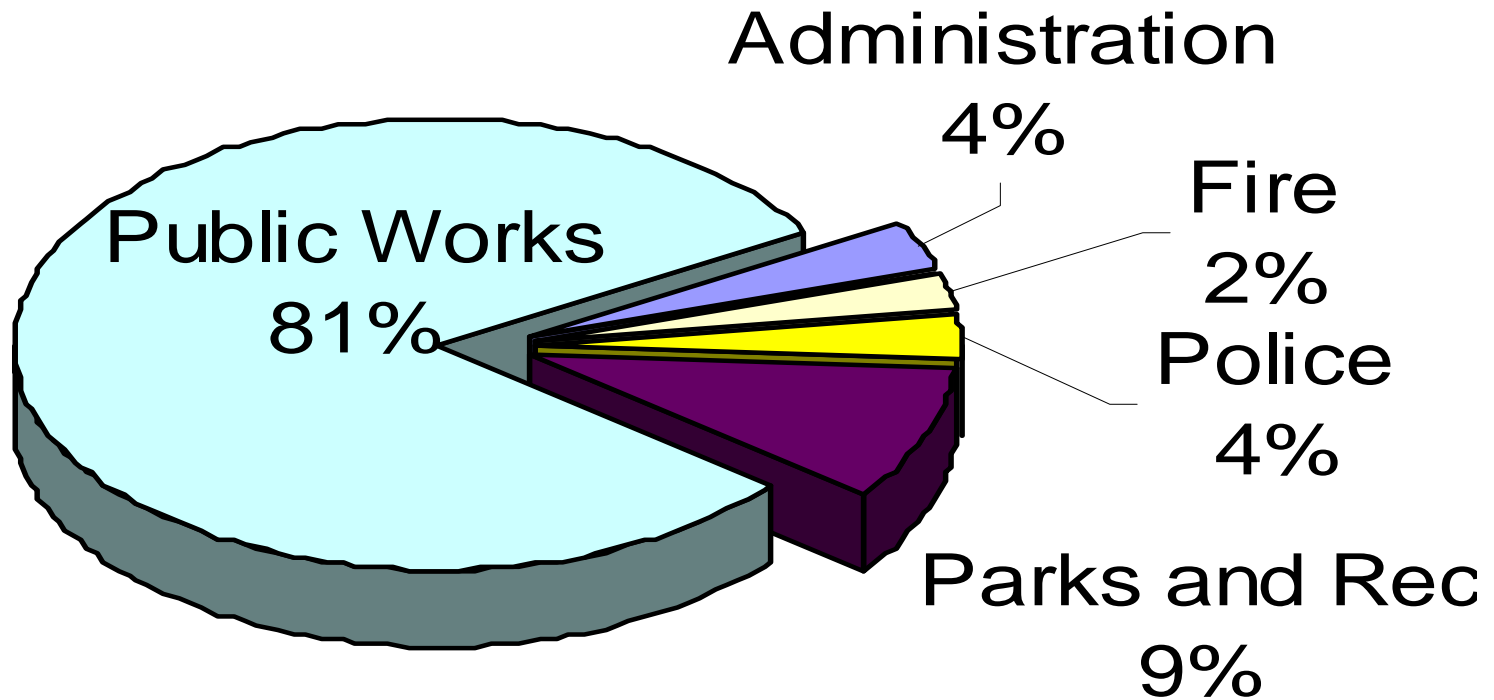
\$ 5,000 **Waterfront Trail** resurfacing

NSSRC Capital

\$35,000 for new **automated front doors**
for increased accessibility

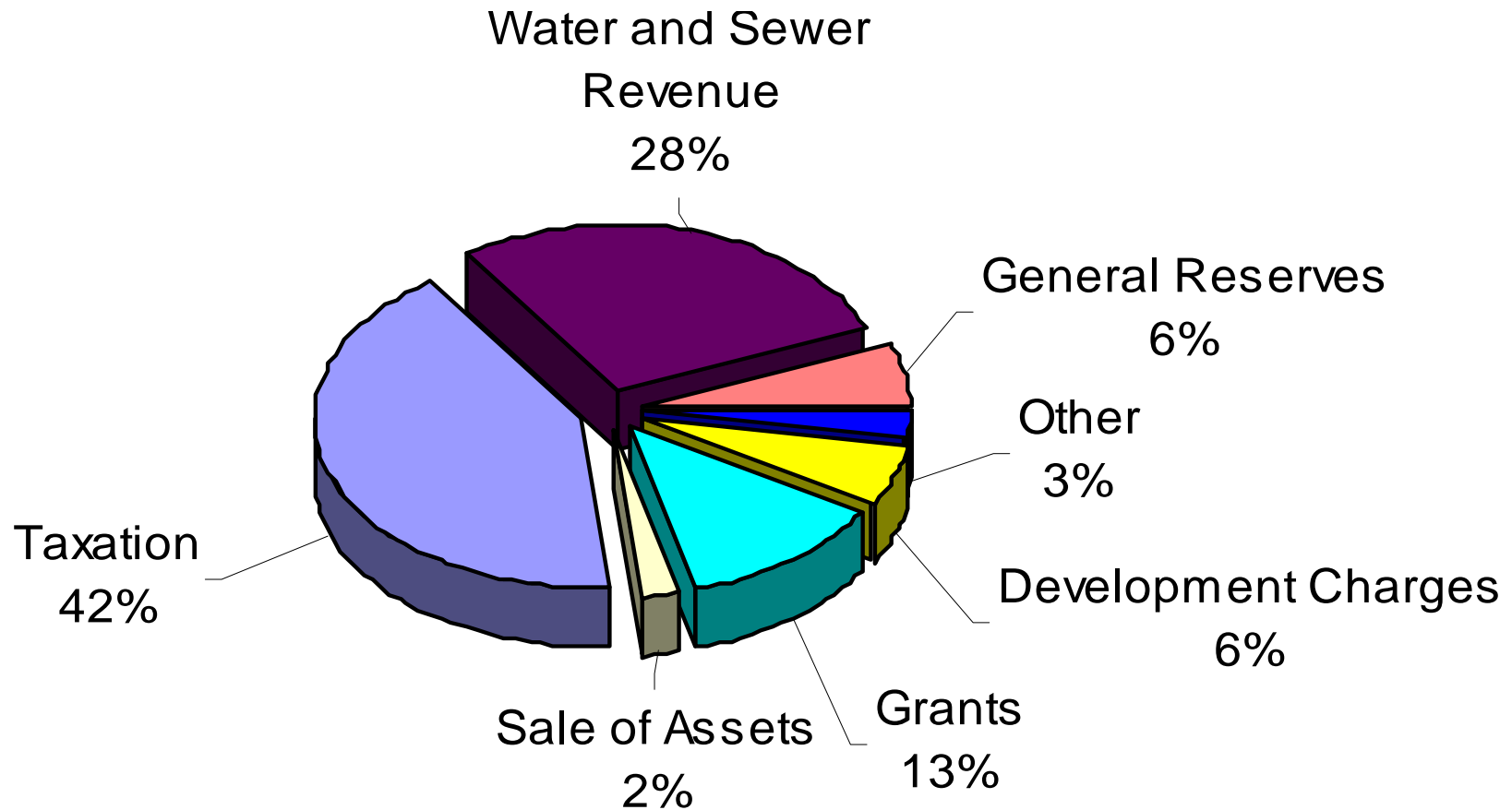
2012 Total Capital Expenditures

\$4,862,370



2012 Sources of Capital Funding

\$4,862,370



Parking Self Funding

Total revenues amount to \$224,600

After covering the operating costs, there is only \$500 left to transfer to reserve.

Equipment needs amount to \$12,000 and will be funded from reserves.

The reserve balance will be decreasing to \$22,621.

No parking lot improvements will be done this year.



2012
WATER & WASTEWATER
SERVICES - SELF-FUNDING

Water and Sewer Rates

The rates fully cover the operating costs and the in-year capital needs.

The rates provide for a gradual movement toward full cost recovery on future asset replacement needs – the inventory value of which is in excess of \$80 million

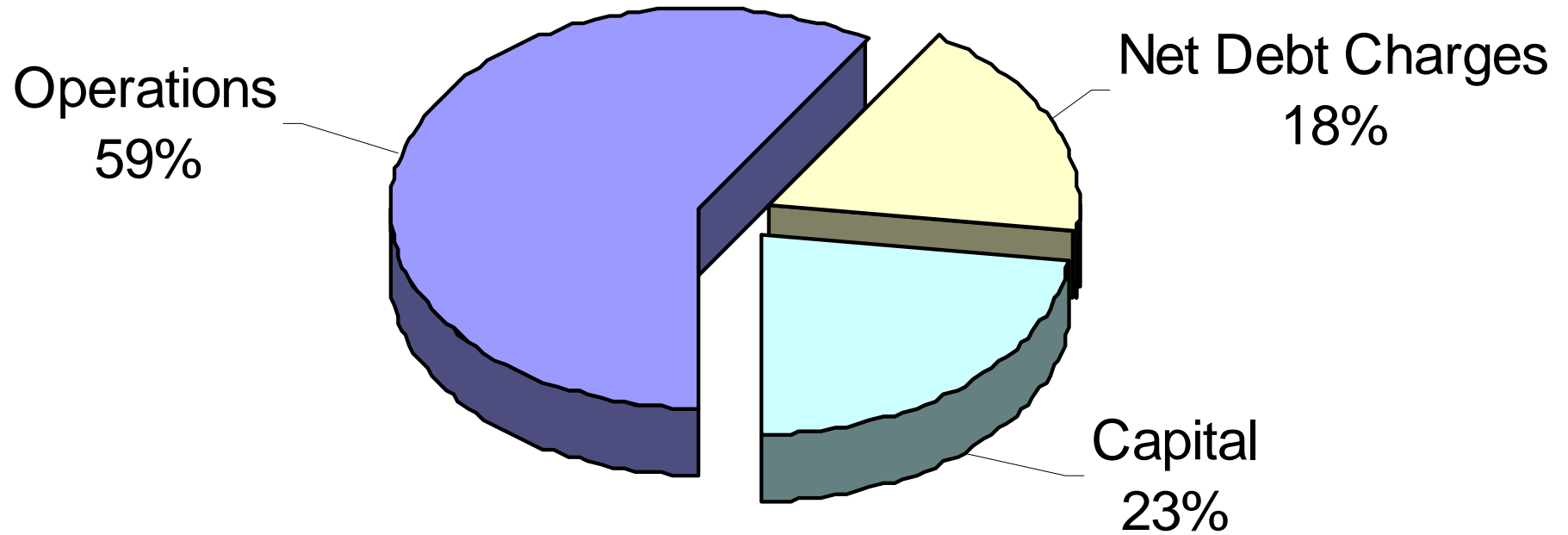
2012 Rates

The average household will see a 5% increase in their sewer and water bill.

Midland's rates remain one of the lowest in the area.

2012 Water and Sewer User Fees

\$6,306,500



Water Capital

FUNDED FROM WATER RATES & RESERVES

\$285,000 for Lescaut booster Russell Tower

\$190,000 for well rehabilitation

\$108,250 for vehicle & equipment replacements

Plus the water portion of Road and Storm Sewer reconstruction work

Wastewater Capital Funded from WW Rates and Reserves

\$300,000 for Bay St Forcemain twinning

\$128,250 for roof replacement & equipment

\$60,000 toward leachate pre-treatment facility

Plus the sewer portion of Road and Storm Sewer reconstruction work



2012 RESERVES

Operating Reserves

REMAIN STABLE AT \$1.642 MILLION

To cover specific needs such as:

- Funding of tax arrears
- Tax shifts resulting from assessment base updates
- Insurance and sick leave liabilities
- Operational reserves for Public Works, Planning Police and Fire

Capital Reserves

2012 USAGE EXCEEDS CONTRIBUTIONS
BY \$337,537

THE ENDING BALANCE DROPS TO \$2 MILLION
FOR FUTURE ASSET REPLACEMENT NEEDS

THIS TREND IS NOT SUSTAINABLE
OVER THE LONGER TERM



2012 TAX LEVY

Assessment Base

- The 2012 budget is presented, at this time, within the framework of the 2011 phased assessment values.
- Where the **average single residential household is valued at \$192,200**

Growth

- The **growth** in the assessment base for 2012 budget is valued at **\$78,180 – a 0.5%↑** (*the 5 year average being 2.1%↑*)
- Assessment growth lessens the impact of the levy increase on the residents

2012 Town Tax Levy

2011 TOWN TAX LEVY \$17,078,580

2012 TOWN TAX LEVY \$17,253,901

1.01% TOTAL INCREASE IN LEVY \$175,321

0.46% covered by growth \$ 78,180

0.57% impact on TOWN TAX RATE \$ 97,141

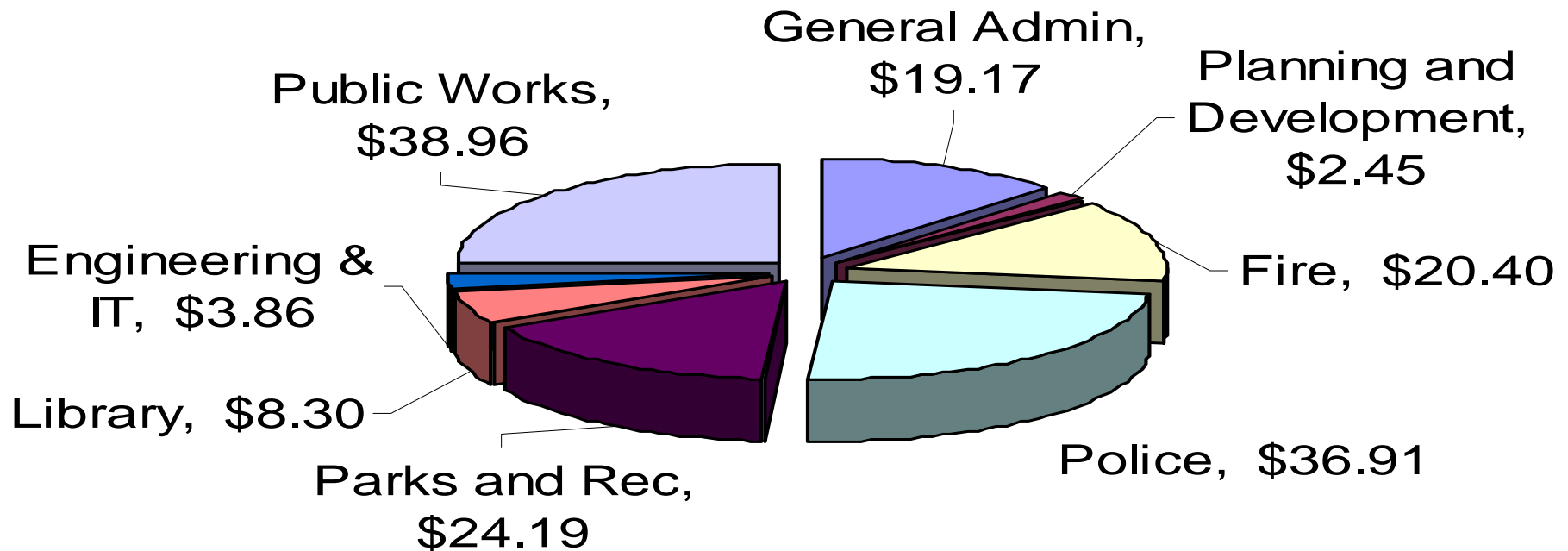
Average Taxes

PURPOSE	2011 TAXES	\$ INCREASE	% INCREASE	2012 TAXES
TOWN	\$1,840	\$11	0.57%	\$1,851
COUNTY	510	T B D	T B D	
WASTE	111	T B D	T B D	
SCHOOL	444	T B D	T B D	
TOTAL	\$2,906	T B D	T B D	

Monthly Costs – Total

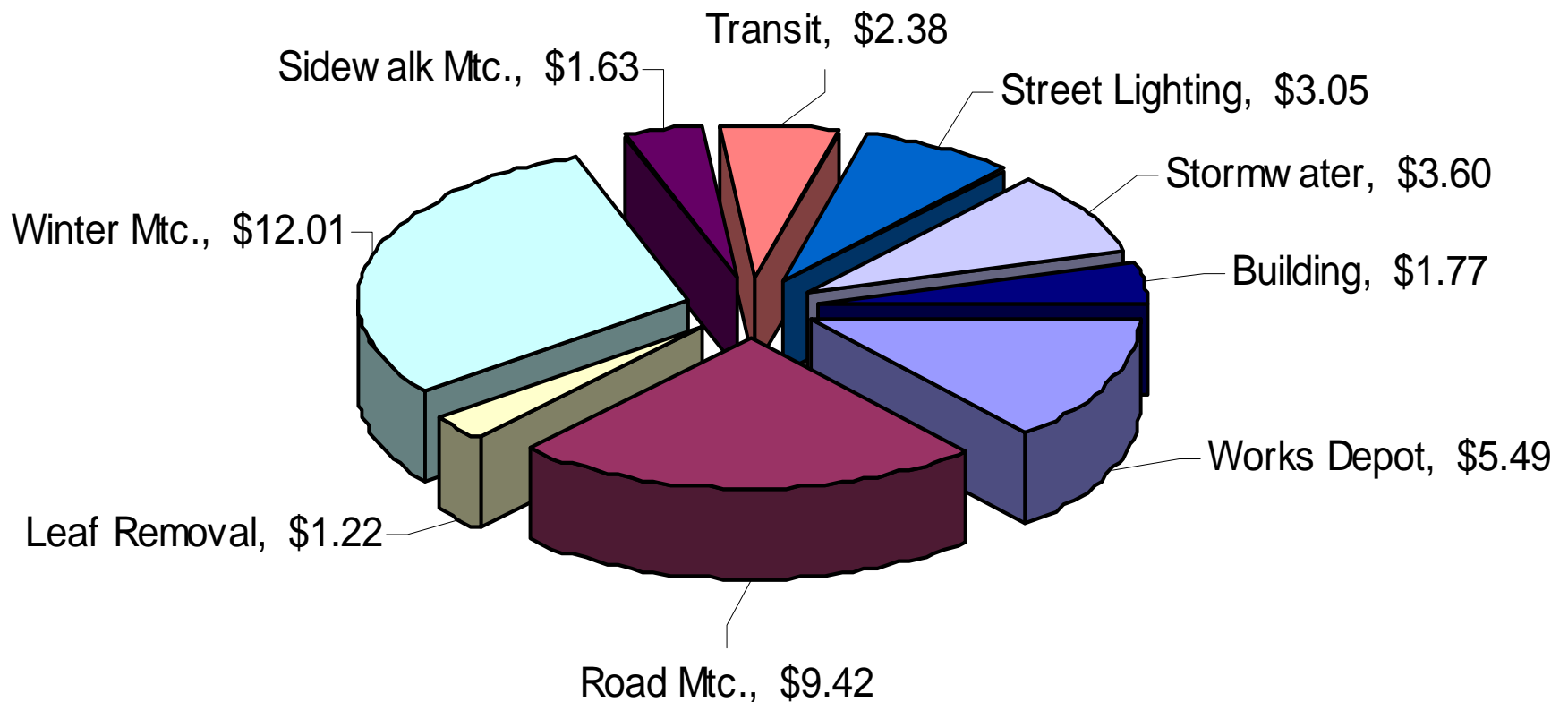
*For town programs, services and infrastructure
(based on an average household assessed at \$192,200)*

Total Monthly Cost = \$154.25



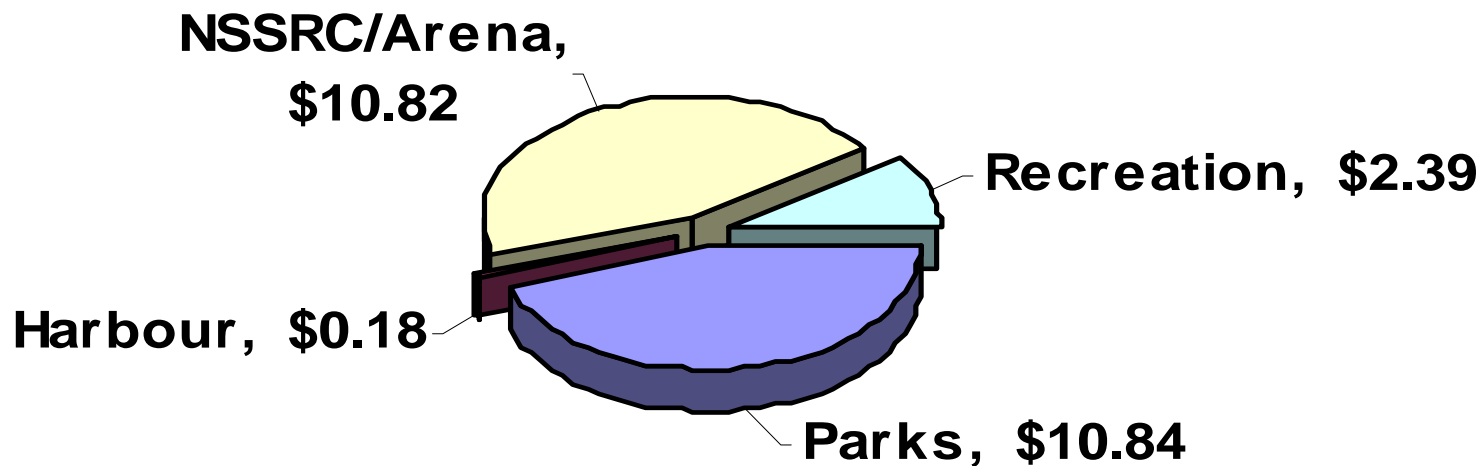
Monthly Costs – Public Works

*For programs, services and infrastructure
(based on an average household assessed at \$192,200)*



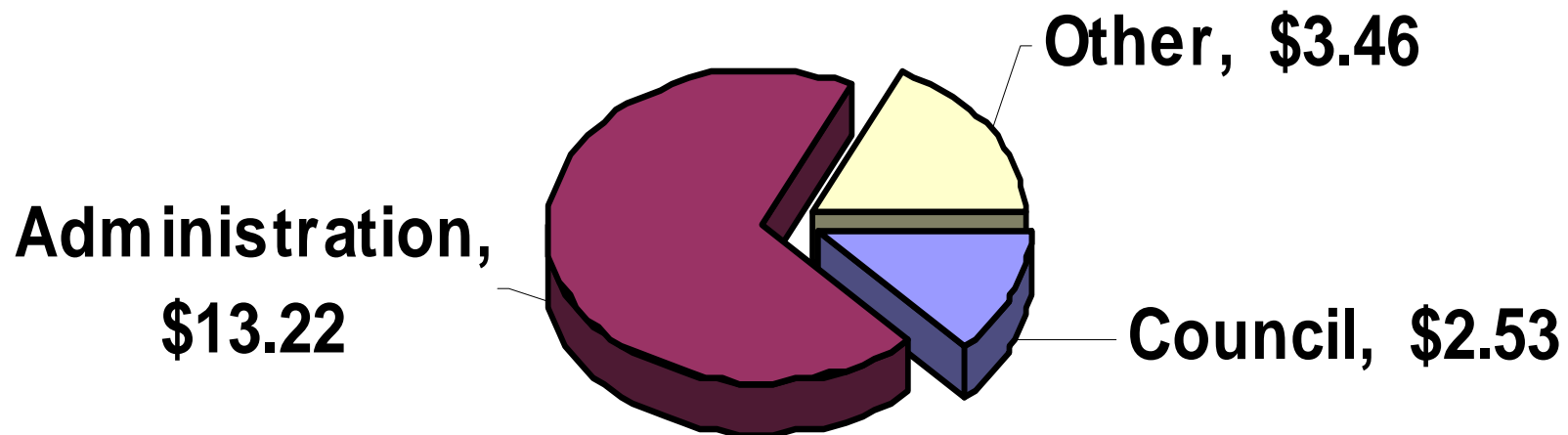
Monthly Costs – Parks and Rec

*For programs, services and infrastructure
(based on an average household assessed at \$192,200)*



Monthly Costs – General Admin

*For programs, services and infrastructure
(based on an average household assessed at \$192,200)*



Other includes Corporate and Community Health and Safety, By-Law, Animal Control, Airport, Huronia Museum and the Chamber of Commerce

2012 Town Taxes

Percentage Breakdown

