Budget 2018
Agencies, Boards & Committees and Town Operating

February 22, 2018
Overview
2018 Tax-Based Budget
Highlights - 2017

• Implementation of MIDLAND FORWARD
  o 19 priorities identified – 70% now trending as complete or nearing completion

• Strategic Plan
  o 18 priorities identified – positive advancements reported in over 90% of the plan

• Service Delivery Review – Project Undertaken

• MPUC RFP – Sale to Newmarket-Tay Power

• OPP Costing Process Complete – Transition Underway
Budget 2018 Highlights

1. Enhancing Service Delivery
2. Meeting Regulatory requirements and providing for staff training
3. Staffing new & temporary positions
   - 2 IT Staff contracts positions (SDR)
   - Part-time Building Inspector (1 year - Reserve)
   - Procurement Coordinator (SDR)
2018 Deliverables

Enhancing Service Delivery

- Official Plan Review
- Zoning By-Law Update
- Recreation Master Plan
- Transit Master Plan
- Service Delivery Implementation
- Governance Review Procedural By-Law Update
- Technology Enhancements – New Phone System
- Tourism Enhancements – Feast Fest – Prep. Tall Ships
2018/19 Deliverables

Regulatory Requirements

• MPS Transition and support to MPS Board; records management; disposition of Assets

• Municipal Election
  o Preparations for 2018 including applicable training
  o Council Orientation post election

• Municipal Act
  o Transition to a modern Municipal Act

• MPUC Sale
  o Working through the OEB application
  o delivering new opportunities for community investment through the new funds
2018 Deliverables

Staff Training

• Changing Roles and Responsibilities – MPS Board – Section 10 and Support of new Board Secretary
• Health and Safety – ongoing training
• Change Management – Upgrading Technology Skills
• New Procurement Processes – Roll out
• Re-implementation of Financial Systems – Staff training
• New HRIS and Payroll implementation and training
2018 Deliverables

Staffing

• Technology Resources 2 Contract Positions - SDR
• Procurement Coordinator - SDR
• Part-Time Building Inspector

Ongoing Recruitment – Retention Processes

• Current vacancies and summer student hires underway
Budget 2018 Process

• Four phases as outlined in budget guideline report;
  o Phase 1 – initial planning
  o Phase 2 – budget preparation
  o Phase 3 – budget review and alignment
  o Phase 4 – approval

• Today begins Phase 3
Draft 1 Overall Impact

• Proposed budget before Council deliberations reflects a 2.37% tax levy increase

• Approved budget guideline report provided target rate of 2.5%
## One-Time & Service Level Changes Included

<table>
<thead>
<tr>
<th>Description</th>
<th>One Time</th>
<th>Service Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAO Department</td>
<td></td>
<td>$825</td>
</tr>
<tr>
<td>Service Delivery Review from 2017 report</td>
<td>$170,000</td>
<td></td>
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<tr>
<td>Clerk's Department Training</td>
<td>$3,445</td>
<td></td>
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<tr>
<td>Full-time Procurement Coordinator in Finance</td>
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<td>$80,000</td>
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<tr>
<td>2 New FTEs for Information Technology</td>
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<td>$150,000</td>
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<tr>
<td>Health &amp; Safety Emergency Kit</td>
<td>$1,000</td>
<td></td>
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<tr>
<td>HR - Change Management, Microsoft &quot;Go-Skills&quot;, Courses</td>
<td></td>
<td>$25,000</td>
</tr>
<tr>
<td>Part-Time Building Inspector - Contract</td>
<td>$26,000</td>
<td></td>
</tr>
<tr>
<td>Feast Festival</td>
<td></td>
<td>$10,000</td>
</tr>
<tr>
<td>Tall Ships Initiative</td>
<td></td>
<td>$25,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$200,445</td>
<td>$290,825</td>
</tr>
</tbody>
</table>
Assessment Growth

• New assessment growth included in Base Budget revenues

• Net increase - $295,936 (for Town portion of municipal property taxes only)

• Net growth – 1.6% (up from 0.1% in 2017)
Budget Definitions remain as established in 2017

- **Base Budget** – staff’s estimate of expenditures needed to maintain 2017 level of service

- **One Time** – items that should be excluded from the Base in future years

- **Service Level** – items that, if approved, will be added to the Base in future years
Improving on Principles established in 2017

• Continue to improve transparency through increased disclosure (e.g. Expense allocation to each member of council)

• Continue to provide true cost of services/functions through appropriate distribution (e.g. cost centre for new Ops Centre facility)

• Continue to refine funding mechanism for IT related operating and capital expenditures (2018 reflects level that is expected in short-term; expected to be reduced to sustain the organization in the longer term)
Improving Transparency

• Further rigour in separating tax-based services from rate-based services
  o New agenda format
  o Actual cost of hydrant maintenance

• Capital requests proposed not previously provided in reserves disclosed as additions to the tax levy
Appropriate Recognition of True Costs

• Town Hall “rent” based on square footage
  o Cost of space allocated to Police Services continues to be charged to that budget

• All known wage and benefit costs included in relevant department/service area

• New approach to internal loans approved in October 2017 has been reflected
Enhancements to Draft 1 Document

- Bookmarking of digital document to allow for ease in navigation
- Disclosure of each department/service area on separate page
- Capital funding sources expanded
- Capital project summary included for all Rate-Based capital projects
February 22, 2018

• Begin detailed deliberation of the operating budgets which will occur over two days:
  o Starting with Tax-Based Operating
  o Followed by Rate-Based Operating (expected to occur on Day #2)

• One agenda will be provided for today and for March 1, 2018

• Capital projects will be explored in detail on March 22, 2018
Today’s Process

1. Agencies, Boards and Committees deputations are up next

2. Consideration of “Community Capacity Building Grants” proposed and consideration of new grant requests

3. A more detailed look at key elements of the Operating Budget and how the changes have impacted individual budgets

4. Consideration of Council Requests as time permits
Community Capacity Building Grants
Community Capacity Building Grants

• In 2017 Community Health & Safety held 55%; Culture 32%; balance of 13% to Tourism and other categories

• Beginning with Budget 2019, all will included in one grant budget to facilitate administration of robust grant policy under development

• Reduction in continued needs has reduced the requests traditionally carried forward
# Community Capacity Building Grants

<table>
<thead>
<tr>
<th>Organization</th>
<th>2017 Approved</th>
<th>2018 Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Transportation Committee</td>
<td>$1,500</td>
<td>$0</td>
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<tr>
<td>Broadband Gap Analysis Study</td>
<td>$12,000</td>
<td>$0</td>
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<tr>
<td>Hospital Capital Campaign (complete-equipment in service)</td>
<td>$41,600</td>
<td>$0</td>
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<tr>
<td>Ontario Special Olympics</td>
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<td>$0</td>
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<tr>
<td>Sports Hall of Fame</td>
<td>$500</td>
<td>$500</td>
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<tr>
<td>Town Crier</td>
<td>$600</td>
<td>$600</td>
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<tr>
<td>MMS Scholarship</td>
<td>$1,000</td>
<td>$1,000</td>
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<tr>
<td>St. Theresa's Scholarship</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Education Grant to County</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Senior's Council Lunch</td>
<td>$1,600</td>
<td>$1,000</td>
</tr>
<tr>
<td>Santa Claus Parade</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Simcoe County Cycle Maps</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Midland Legion Pipes &amp; Drums</td>
<td>$1,200</td>
<td>$1,200</td>
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</tbody>
</table>
# Community Capacity Building Grants

<table>
<thead>
<tr>
<th>Organization</th>
<th>2017 Approved</th>
<th>2018 Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Link - TLC Program - Accessible Transit</td>
<td>$4,820</td>
<td>$4,820</td>
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<tr>
<td>Salvation Army Outreach Services</td>
<td>$5,000</td>
<td>$5,000</td>
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<tr>
<td>BIA - Summer Student</td>
<td>$5,000</td>
<td>$5,000</td>
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<tr>
<td>Midland Horticultural Society</td>
<td>$5,000</td>
<td>$5,000</td>
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<tr>
<td>Sustainable Severn Sound</td>
<td>$9,800</td>
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<tr>
<td>Town's Contribution to Buttertart Festival</td>
<td>$10,000</td>
<td>$10,000</td>
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<tr>
<td>Midland Cultural Center - Insurance Donation</td>
<td>$16,135</td>
<td>$12,000</td>
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<tr>
<td>Physician Recruitment</td>
<td>$22,000</td>
<td>$14,000</td>
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<tr>
<td>Askennonia Seniors Centre ($6,000 cash; $22,000 in kind)</td>
<td>$6,000</td>
<td>$28,000</td>
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<tr>
<td>Huronia Museum</td>
<td>$83,933</td>
<td>$84,000</td>
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<tr>
<td>Boys &amp; Girls Club (grant per agreement $93,231 + $5,000)</td>
<td>$91,763</td>
<td>$98,231</td>
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<tr>
<td>Affordable Recreation (2017 actual $4,897; $5,000 to B&amp;G)</td>
<td>$10,000</td>
<td>$0</td>
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</table>

**TOTAL**                                                            $333,951        $284,351
Impact of Changes
Review of Council Budget
Council

• Fine tuning of costing of council committees along with elimination of expenses for five committees

• New disclosure of Council member’s expenses to align with previous by-laws in this regard
<table>
<thead>
<tr>
<th>Item</th>
<th>Proposed 2018 Budget</th>
<th>Approved 2017 Budget</th>
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<tr>
<td>Payroll</td>
<td>$253,061</td>
<td>$252,563</td>
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<tr>
<td>Expenses</td>
<td>$82,142</td>
<td>$80,994</td>
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<tr>
<td>New Disclosure Council Members Expense</td>
<td>$85,523</td>
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<tr>
<td>Financial Assistance</td>
<td>$3,000</td>
<td>$15,000</td>
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<tr>
<td>Council Committee's Expense</td>
<td>$150,167</td>
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<tr>
<td>Contribution to EDCNS</td>
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<td>$126,420</td>
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<td>Contribution to I.T. Reserve</td>
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<td>$36,599</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$693,883</strong></td>
<td><strong>$739,069</strong></td>
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<tr>
<td></td>
<td>PROPOSED 2018 BUDGET</td>
<td>APPROVED 2017 BUDGET</td>
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<tr>
<td>------------------------------</td>
<td>-----------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Mayor - G. McKay</td>
<td></td>
<td></td>
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<tr>
<td>Mayor's Promo Expenses</td>
<td>$1,000</td>
<td>$1,000</td>
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<tr>
<td>Conferences</td>
<td>$4,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Internet/ITC</td>
<td>$525</td>
<td>$5,000</td>
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<tr>
<td>To I.T. Reserve</td>
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<td>$36,599</td>
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<td></td>
<td>Total</td>
<td>$11,947</td>
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<td>Deputy Mayor and Seven Members of Council</td>
<td></td>
<td></td>
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<tr>
<td>Conferences</td>
<td>$2,250</td>
<td>$15,000</td>
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<tr>
<td>Internet/ITC</td>
<td>$525</td>
<td>$5,000</td>
</tr>
<tr>
<td>To I.T. Reserve</td>
<td>$6,422</td>
<td>$36,599</td>
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<tr>
<td></td>
<td>Total</td>
<td>$9,197</td>
</tr>
<tr>
<td>Summary</td>
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<tr>
<td>Mayor's Promo Expenses</td>
<td>$1,000</td>
<td>$1,000</td>
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<tr>
<td>Conferences</td>
<td>$22,000</td>
<td>$15,000</td>
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<tr>
<td>Internet/ITC</td>
<td>$4,725</td>
<td>$5,000</td>
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<tr>
<td>To I.T. Reserve</td>
<td>$57,798</td>
<td>$36,599</td>
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<tr>
<td></td>
<td>Total</td>
<td>$85,523</td>
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</tbody>
</table>
2018 Departmental Presentations & Operating Budget Considerations
Planning & Building
2018 Highlights

• OPR Project - Growth Plan Review
• Sign By-law Review
  o Q1 & Q2
• Zoning By-law Housekeeping
  o Q1 & Q2
Planning Division – COA and Heritage

COA
• No major changes proposed
• Operational Changes will be required in light of Ontario’s new Planning Approvals System (Bill 139)

Heritage
• No major changes proposed
• Committee working on a number of initiatives – all of which will come to Council
Building Division

- Building Fee Harmonization – harmonizing all OBC services and fees with Penetanguishene
- Software Implementation – full roll out of Marmak Permit Software
- Contract Inspector for 2018 – to assist with large complex building projects underway (Waypoint Chigamik & GBDSS)
Midland Fire Service
2018 Highlights
Training
Operational Improvements
Human Resources / Legislation
Master Fire Plan
Asset Management
Corporate Services - Clerks

• Municipal Elections 2018
• New Council – Inaugural, Orientation and ongoing Training
• Develop RFP for Electronic Data Management System (EDMS) – SDR Initiative
• Governance Review & Procedural By-Law Review – ongoing
Corporate Services - IT

• Service Delivery Review Recommendations – Steps towards a Future State
  o IT Steering Committee (internal)
  o Upgrade software and re-implement systems
  o Staffing
  o Enhance system security (Water/Wastewater SCADA network)

• Customer Service Enhancement – Capital Investments
  o $125,000 to build a platform to enable on-line Customer Service Enhancements
  o $175,000 to support telephone enhancements
Corporate Services – Communications

• Focus on Council’s Strategic Priorities and SDR
  o Community Engagement Plan
  o Website Redesign Plan
  o Internal Intranet - Corporate Culture Change
Corporate Services - Culture

• Artrepreneur - develop partnerships and community outreach
• Culture Midland Awards – build on 2017 success
• Culture Fair at the Butter Tart Festival will include the tART Show – expansion of the Butter Tart Festival Festivities
• Cultural Roundtables – Building Community Capacity – mentorship for arts, culture and heritage organizations in board governance and corporate sponsorship.
• Cultural Connections – community engagement e-blast to over 150 individuals and organizations.
Corporate Services - Tourism

• Town of Midland Events
  o Butter Tart Festival - Expanding & Building on Success
  o Winterfest – February
  o Candle Light Tribute Ceremony - May
  o Kids Fishing Derby - June
  o Canada Day - July
  o Tugfest - August
  o Cruise Ships – June to September
    » 10 Mini events – welcome will be organized each time a Cruise Ships visits Midland

• Developing Partnerships
  – Simcoe County, RTO 7, BIA, Huronia Historical Parks, Great Lakes Cruising Coalition, Ministry of Tourism, Culture & Sport, Several Events – Ribfest (June), Floatie Fest and Feast Fest (July), Destination Marketing Organization, Tall Ships Festival in 2019
Corporate Services - Tourism

Butter Tart Festival
Corporate Services - Tourism

Cruise Ships
Corporate Services - Tourism

Feast Fest
Corporate Services - Tourism

Canada 150
Engineering
Engineering

- Development Engineering Plan Review & Inspections
- Midland Bay Landing
- 9 Construction Projects
- 6 Major Maintenance Projects
- King Street Rejuvenation Project
- Road Reconstruction Projects
  - Norene Street
  - Hugel Ave from Midland to George
  - Yonge Street from 1st to 8th
Engineering - continued

- Asset Management and Capital Budgets
- Traffic Calming Policy
- Masterplans
  - Water
  - Wastewater
  - Transportation
  - Stormwater
- Service Delivery Review
- Great Lakes Cruise Ships
- Stormwater Policy and Funding Mechanisms
Human Resources, Health & Safety
Human Resources

Culture Change

PEOPLE

TECHNOLOGY

PROCESS
Human Resources

Service Delivery Review

Key Findings:

- Communications between management and staff is deficient
- Policies not existent/out of date
- Duplication evident
- Records Management is problematic - Paper based
- Some staff do not have email addresses
- Training is lacking
- Time and Attendance manual (significant waste > 2 FTE’s in non-value added activities
- Plans are not integrated
- No complaint management
- Reactive processes

No Long Term Planning, Complaint Tracking, Management, Work Planning or Performance Metrics
Human Resources

**Your Total Rewards Package**

- **Benefits**: Health, Income Protection, Wellness, Retirement
- **Compensation**: Base Pay, Variable Pay
- **Rewards & Recognition**: Performance Management, Awards
- **Career Development**: Training Opportunities, Tuition Reimbursement
- **Worklife**: Paid Time Off (PTO), Diverse Work Environment, Support of Community & Environment
# Building Capacity

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>28</td>
<td>27</td>
<td>23</td>
<td>22</td>
</tr>
<tr>
<td>Administration</td>
<td>24</td>
<td>26</td>
<td>25</td>
<td>27</td>
</tr>
<tr>
<td>Support</td>
<td>80</td>
<td>95</td>
<td>88</td>
<td>93</td>
</tr>
<tr>
<td>Contract</td>
<td>3</td>
<td>3</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>Police</td>
<td>42</td>
<td>35</td>
<td>36</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>191</strong></td>
<td><strong>209</strong></td>
<td><strong>192</strong></td>
<td><strong>166</strong></td>
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</tbody>
</table>
# Human Resources

<table>
<thead>
<tr>
<th>Training Invested</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>% / Year</td>
<td>0.48%</td>
<td>0.34%</td>
<td>0.59%</td>
</tr>
<tr>
<td>$ / Employee</td>
<td>$384.80</td>
<td>$266.19</td>
<td>$420.93</td>
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Operations
# Operations – Public Works

## Summary of Assets Maintained

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads (Km)</td>
<td>125</td>
</tr>
<tr>
<td>Lanes (Km)</td>
<td>263</td>
</tr>
<tr>
<td>Sidewalks (Km)</td>
<td>99</td>
</tr>
<tr>
<td>Trails (Km)</td>
<td>18</td>
</tr>
<tr>
<td>Park Area (Acres)</td>
<td>570</td>
</tr>
<tr>
<td>Road Signs</td>
<td>2,400</td>
</tr>
<tr>
<td>Traffic Signals</td>
<td>26</td>
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<tr>
<td>Bus Shelters</td>
<td>14</td>
</tr>
<tr>
<td>Sports Field / Courts</td>
<td>21</td>
</tr>
<tr>
<td>Parks</td>
<td>27</td>
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<tr>
<td>Playground Structures</td>
<td>14</td>
</tr>
</tbody>
</table>
Operations – Public Works

- Costs in-line with 2017 Expenses
- Rising Costs
- Winter Maintenance
- Increase = 5 Year Average
- Costs in-line with 2017 Expenses

- Roads
- Sidewalks
- Street Lighting
- Storm Sewers
## Operations – Recreation

<table>
<thead>
<tr>
<th>MIDLAND HARBOUR</th>
<th>• Increased Revenue in last 2 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>MIDLAND PARKS</td>
<td>• Service Level Increase</td>
</tr>
<tr>
<td></td>
<td>• Parks &amp; Trails Master Plan Underway</td>
</tr>
<tr>
<td>NORTH SIMCOE SPORTS &amp; RECREATION CENTRE</td>
<td>• Costs in-line with 2017 Expenses</td>
</tr>
</tbody>
</table>
Operations – Enforcement

Parking
- Costs in-line with 2017 Expenses
- Increase in Operating
- Parking lots & signage

By-Laws
- Costs in-line with 2017 Expenses
- Property Standards Ad-Hoc Committee to review by-law
Operations – Facilities

Legislative Compliance

• Asset Management
Finance
2018 Work Plan Highlights

• Solidify new departmental organizational structure within & external to Finance
• Re-implement financial software for all elements of payroll and related job costing
• Complete transition of Treasurer Role for Severn Sound Environmental Association to the Township of Tay
• Begin Development Charges Study
Budget 2018
Agencies, Boards & Committees
and Town Operating

February 22, 2018
Overview
Tax-Based Budget
## Tax Levy Impact – March 1st

<table>
<thead>
<tr>
<th></th>
<th>Base</th>
<th>One Time</th>
<th>Service Level</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-0.20%</td>
<td>1.05%</td>
<td>1.52%</td>
<td>2.37%</td>
</tr>
<tr>
<td>Proposed Changes:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>Description</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feb-22 Balance of Trillium Grant - Culture</td>
<td>(37,000) -0.19%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>-37,000</td>
</tr>
<tr>
<td>Feb-22 PT Building Inspector - Reserves</td>
<td>(26,000) -0.14%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>-26,000</td>
</tr>
<tr>
<td>Feb-22 Harbour - correct Hydro expense</td>
<td>20,000 0.10%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>20,000</td>
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<tr>
<td>Feb-22 Active Transportation</td>
<td>1,500 0.01%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>1,500</td>
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<tr>
<td>Feb-22 Remove King St Rejuvenation Committee</td>
<td>0 0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0</td>
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<tr>
<td>TOTAL</td>
<td>-$79,669</td>
<td>$200,445</td>
<td>$290,825</td>
<td>411,601</td>
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<tr>
<td></td>
<td>-0.42%</td>
<td>1.05%</td>
<td>1.52%</td>
<td>2.16%</td>
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## Distribution of Taxy Levy Revenues

<table>
<thead>
<tr>
<th>FUNDING TYPE</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>TAX-BASED FUNDING</td>
<td>19,618,263</td>
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<td>% TAX-BASED FUNDING</td>
<td>75.45%</td>
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<td>GOVERNMENT GRANTS &amp; FUNDING</td>
<td>1,312,829</td>
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<td>5.05%</td>
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<td>USER FEES AND CHARGES</td>
<td>3,254,076</td>
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<td>% USER FEES AND CHARGES</td>
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<tr>
<td>RESERVE FUNDING</td>
<td>1,817,256</td>
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<tr>
<td>% RESERVE FUNDING</td>
<td>6.99%</td>
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<tr>
<td>TOTAL REVENUE</td>
<td>26,002,424</td>
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Creation of Proposed Budget 2018

• Complied by Director of Finance based on 2018 budgets used in forecasts that underlay Council’s decision of September 6, 2017
  o MPS projection until February 12, added to
  o Prorated OPP projection of transition contract for remainder of the year

• Police Services Board contemplate the transition to a Section 10 Board
Budget 2018 Detail - Operating

- “Payroll” and “Payroll – Civilian” includes the cost of MPS for the active period in 2018 but does not include any termination costs.
- “Expenses” includes a new account called Contracted Services for estimated cost of the OPP transition contract for the year.
- “Police Services Board” costs include budgets that will be used for the training & education necessary to assist them in the transition to a Section 10 Board.
# Police Services Budget at March 1st

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2017</th>
<th>$</th>
<th>2018</th>
<th>2018</th>
<th>2018</th>
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<tr>
<td></td>
<td>YTD</td>
<td>APPROVED</td>
<td>CHANGE</td>
<td>ONE</td>
<td>SERVICE</td>
<td>TOTAL</td>
<td>BUDGET</td>
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<td>ACTUALS</td>
<td>BUDGET</td>
<td>ACTUAL VS BUDGET</td>
<td>BASE</td>
<td>TIME</td>
<td>LEVEL</td>
<td>1st DRAFT</td>
<td>CHANGE</td>
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<td>1 OPERATIONS</td>
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<tr>
<td>44 POLICE SERVICE</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>221 POLICE</td>
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<td>0510 REVENUE</td>
<td>-382,885.30</td>
<td>-366,881</td>
<td>16,004.30</td>
<td>-344,644</td>
<td>-344,644</td>
<td>22,237</td>
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<td>1000 PAYROLL</td>
<td>3,485,429.76</td>
<td>3,454,101</td>
<td>-31,328.76</td>
<td>671,413</td>
<td>671,413</td>
<td>-2,782,688</td>
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<td>1020 PAYROLL - CIVILIAN</td>
<td>732,159.80</td>
<td>853,933</td>
<td>121,773.20</td>
<td>159,200</td>
<td>159,200</td>
<td>-694,733</td>
<td>(81.4%)</td>
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<td>1111 EXPENSES</td>
<td>864,017.14</td>
<td>721,522</td>
<td>-142,495.14</td>
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<td>4,309,065</td>
<td>3,587,543</td>
<td>497.2%</td>
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<td>2210 POLICE SERVICES BOARD</td>
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<td>1137 INTER-DEPT’L STAFF SUPPORT</td>
<td>44,520.00</td>
<td>44,520</td>
<td>27,300</td>
<td>27,300</td>
<td>-17,220</td>
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<td>1192 REMUNERATION</td>
<td>5,812.91</td>
<td>19,200</td>
<td>13,387.09</td>
<td>10,781</td>
<td>10,781</td>
<td>-8,419</td>
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<td>1219 PAYROLL BENEFITS</td>
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<td>2120 LEGAL FEES</td>
<td>51,000.59</td>
<td>20,000</td>
<td>-31,000.59</td>
<td>16,565</td>
<td>16,565</td>
<td>-3,435</td>
<td>(17.2%)</td>
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<tr>
<td>2130 CONSULTANTS FEES</td>
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<td>20,000</td>
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<td>20,000</td>
<td>20,000</td>
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<tr>
<td>3005 INSURANCE</td>
<td>5,680</td>
<td>5,680</td>
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<td>5,680</td>
<td>5,680</td>
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<tr>
<td>3020 MEETING EXPENSES</td>
<td>286.14</td>
<td>550</td>
<td>263.86</td>
<td>373</td>
<td>373</td>
<td>-177</td>
<td>(32.2%)</td>
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<tr>
<td>3025 CONFERENCES</td>
<td>3,877.28</td>
<td>6,500</td>
<td>2,622.72</td>
<td>6,500</td>
<td>6,500</td>
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<tr>
<td>3030 TRAINING</td>
<td>2,865</td>
<td>2,865.00</td>
<td>3,000</td>
<td>3,000</td>
<td>135</td>
<td>4.7%</td>
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<td>3036 SUBSCRIPTIONS &amp; PUBLICATIONS</td>
<td>143</td>
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<td>3040 MEMBERSHIPS &amp; DUES</td>
<td>2,249.37</td>
<td>2,265</td>
<td>15.63</td>
<td>542</td>
<td>542</td>
<td>-1,723</td>
<td>(76.1%)</td>
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<tr>
<td>3050 OFFICE SUPPLIES</td>
<td>40.63</td>
<td>1,061</td>
<td>1,020.37</td>
<td>559</td>
<td>559</td>
<td>-502</td>
<td>(47.3%)</td>
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<tr>
<td>3070 POSTAGE &amp; SHIPPING</td>
<td>58</td>
<td>58.00</td>
<td>60</td>
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<td>2</td>
<td>3.4%</td>
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<tr>
<td>3075 TELEPHONE</td>
<td>903.12</td>
<td>910</td>
<td>6.88</td>
<td>842</td>
<td>842</td>
<td>-68</td>
<td>(7.5%)</td>
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<tr>
<td>3085 ADVERTISING</td>
<td>500</td>
<td>500.00</td>
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<td></td>
<td>-500</td>
<td>(100.0%)</td>
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<tr>
<td>3292 GIFTS &amp; MEMENTOS</td>
<td>282.26</td>
<td>750</td>
<td>467.74</td>
<td>171</td>
<td>171</td>
<td>-579</td>
<td>(77.2%)</td>
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<tr>
<td>Total 2210 POLICE SERVICES BOARD</td>
<td>108,991.97</td>
<td>99,179</td>
<td>-9,812.97</td>
<td>92,516</td>
<td>92,516</td>
<td>-6,663</td>
<td>(6.7%)</td>
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<tr>
<td>9990 TRANSFERS TO RESERVE</td>
<td>161,300.00</td>
<td>161,300</td>
<td>476,730</td>
<td>476,730</td>
<td>315,430</td>
<td>195.6%</td>
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<tr>
<td>Total POLICE SERVICES</td>
<td>4,969,013.37</td>
<td>4,923,154</td>
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<td>5,364,280</td>
<td>5,364,280</td>
<td>441,126</td>
<td>9.0%</td>
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</tbody>
</table>
Analysis of Projected Savings

• Report TR-2018-07 (attached to agenda) recommends distributing approximately one-half of the estimated savings expected over the next 10 years

• Allows taxpayers to benefit from savings without waiting

• This estimate savings has been included in Draft 1 of Budget 2018
$4,500,000 of police savings projected over the course of 10 years are recommended to be allocated as follows:

Year 1: $800,000  Year 6: $400,000
Year 2: $700,000  Year 7: $350,000
Year 3: $600,000  Year 8: $300,000
Year 4: $500,000  Year 9: $200,000
Year 5: $450,000  Year 10: $200,000
The operating budget includes a contribution to capital to cover the anticipated capital costs provided by the OPP proposal.

The above contribution along with advancing the savings as previously noted will continue to mean the new Police Operations Reserve will remain in an overdraft position for a period of several years, however once all of the related transition costs have been paid out we will revisit the proposed model to determine what if any adjustments may be required.
Consideration of Council’s Requests
Proposed Bike Lanes

Yonge Street - Eighth Street to County Road 93
Proposed Dedicated Bike Lane Extension

Map showing proposed dedicated bike lanes along Yonge Street, Eighth Street, and County Road 93.
Proposed Sidewalks

Dominion Avenue - Margaret Street to Penetanguishene Road
Proposed Sidewalk

- Glen Eagles Cres.
- Montreal St.
- Playfair Rd.
- Margaret St.

GBCH
Penetanguishene Rd.
Dominion Ave.
Woodland Dr.
Hugel Ave.
Ingram Cres.
GBDH

Existing Sidewalk
Proposed Sidewalk
Total Length: 578 m

0 50 100 150 200
That the Director of Finance be Authorized to create a Police Services Reserve for the purpose of financing the transition related costs associated with the transition to an OPP Integrated Policing model for the Town of Midland subject to further consultations with the Committee and upfront costs be covered by savings from going with the OPP, with the actual mechanism to be determined by Committee and Council.
Re-cap of Tax-Based Budget
Overview
2018 Rate-Based Budget
Water & Wastewater
Water & Wastewater

- Efficient and Effective Operation of the Facilities
  - Process control, Asset Management/Maintenance, Utility Monitoring and Control
Water

- Protection of Public Health / Environment
  - Legislative Sampling, Security of the facilities, Asset Integrity
Wastewater

- Protection of Public Health / Environment
  - Legislative Sampling, Security of the facilities, Asset Integrity
Water

• Implement Service Improvements
  o Asset Management Maintenance and Renewal
  o Procedural Review (sop)
Wastewater

• Implement Service Improvements
  o Asset Management Maintenance and Renewal
  o Assume operations of the linear wastewater assets
  o Procedural Review (sop)
Water & Wastewater

• Water Conversation & Efficiency Strategy
  o Toilet rebates/Rain Barrels, Water Efficiency Strategy, Public Education/Awareness
Water & Wastewater

• Employee Development
  o Enhance technical skills, Legislative Training, Health and Safety, Conferences/Networking
Water & Wastewater
Financial
Model Assumptions

• Revenue
  o 3% per year starting in 2016 as per the Hemson 2016 rate study (Council didn’t approve a rate increase in 2017)
  o Growth at 1%
• Annual Inflation over 20 years
  o 2 % CPI
  o Wages 1.5%
• 10 Year Capital budget as per 2018 Draft
• Operating budget as per 2018 Draft
Water Asset Age

Pipework Age

- Length of Pipes (Meters)
- Timeline from 1900 to 2010

Legend:
- Unknown
- PVC
- PE
- HDPE
- Galvanized Steel
- Ductile Iron
- CI
- Asbestos Cement
Water Asset Replacement

Asset Replacement Schedule

Expenditures ($)

- Pipes
- Hydrant
- Valves
- Treatment
- Supply
- Structures
- Pumping
- Storage
- Annual Cost of Sustainable Ownership

Year Range: 2017 to 2116
Water – No Rate Increase

Note: No additional debt
Notes:
• 3% rate increase until 2022
• no additional debt
Water – Rate Increase + New Debt

Notes:
• 3% rate increase until 2021
• $10.285 million in new debt
Wastewater Asset Age

Pipework Age

Length of Pipes (Meters)

- 1900
- 1910
- 1920
- 1930
- 1940
- 1950
- 1960
- 1970
- 1980
- 1990
- 2000
- 2010

- Unknown
- PVC
- PE
- Concrete
- CI
- Asbestos Cement
Wastewater Asset Replacement
Wastewater – No Rate Increase

Note: No additional debt
Wastewater – 3% Rate Increase

Notes:
• 3% rate increase until 2023
• no additional debt
Notes:
• 3% rate increase until 2024
• $9.79 million in new debt
Recommendation

• Set the 2018 water and wastewater rates as per the Hemson 2016 rate study

Water and Wastewater Rate Recommendation

Data Source: Hemson Rate Study 2016

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>Increase</th>
<th>2017</th>
<th>2018</th>
<th>Increase</th>
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<td>Monthly Fixed Fee</td>
<td>$9.87</td>
<td>$10.47</td>
<td>6.08%</td>
<td>$11.68</td>
<td>$12.39</td>
<td>6.08%</td>
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<tr>
<td>Variable Charge / m3</td>
<td>$1.32</td>
<td>$1.40</td>
<td>6.06%</td>
<td>$1.56</td>
<td>$1.65</td>
<td>5.77%</td>
</tr>
<tr>
<td>Typical User 170m3/year</td>
<td>$343.00</td>
<td>$363.00</td>
<td>5.83%</td>
<td>$405.00</td>
<td>$429.00</td>
<td>5.93%</td>
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Re-cap of Budget 2018 Operating