



TOWN OF MINTO

DATE: March 17, 2016
REPORT TO: Mayor and Council
FROM: Gordon Duff, Treasurer
SUBJECT: Budget Adoption

STRATEGIC PLAN:

5.1 Actively seek out Federal and Provincial grants and revenue-sharing programs, and promote sustainable and equitable funding programs that require a minimal amount of reporting and promote local autonomy.

5.3 Ensure financial plans to include a blend of capital financing methods including long-term debt, user fees, grants, internal reserves and taxation, and maintain reserves to the point where Minto reduces reliance on borrowing or tax increases to finance major capital expenditures.

5.8 Ensure operations, facilities and programs operate efficiently and effectively through a business plan process implemented at budget.

BACKGROUND:

Council and staff held budget meetings November 24th, 2015 and January 19th, 2016. These meetings were open to the public, recorded and posted on the Town website, and shown on local cable television. Budget binders used by Council have been available for public review during office hours and the Budget Summary Report and Budget Presentation has been available on-line. A public open house was held March 15th 2016.

It is a continuing challenge to provide a high standard of service at an affordable cost and invest in infrastructure, even with several grant applications. There is a large pending grant application which if not successful will require amendments to the capital budget. Through the use of reserves and the assistance of Provincial capital funding programs, the Town of Minto has been able to increase its level of investment in capital infrastructure in the 2016 budget. There will be approximately \$760,000 in net new borrowing in the current fiscal year.

COMMENTS:

The proposed levy increase will result in an approximate 4.9% increase for a typical residential property for local purposes only. If the County of Wellington makes any changes to tax ratios and other tax policies, this figure could be slightly adjusted. Residential education tax rates have not been set by the Province of Ontario at this time. If County projected tax rates do not change, and education rates do not change, the overall increase for a typical single family home will be approximately 2.9% or \$84.

Metered water and sewer fees have been implemented and the initial results reviewed. Certain adjustments are being made to ensure compliance with the objective of cost recovery as outlined in the updated Water and Wastewater Financial Plan dated November 20, 2015.

As noted on the attached schedule, Reserves and Reserve Funds are expected to decrease by approximately \$250,000. Transfers from reserves to fund capital projects are budgeted to be more than the transfers into reserves from the operating budget and other sources in 2016.

The Town has been fortunate to receive funding under the Ontario Municipal Partnership which will be used to support core services. The Town has received funds or approvals under such programs as Federal Gas Tax Rebates, Small Communities Fund and the Ontario Community Infrastructure Fund. This revenue is used to assist with the cost of road construction, bridge replacements as well as water and sewer upgrades. This budget includes certain projects such as design work on the Clifford Connecting Link for which grant funding applications have been submitted but not yet reviewed. Depending upon the success of these applications, the proposed projects may or may not proceed.

The Town continues to meet the goals set out in several initiatives mandated by the Province including Green Energy Conservation Plans, Asset Management Plans and Accessibility Plans. The work required to expand and improve the Asset Management Plan as required by the new Federal Gas Tax Agreement has commenced.

FINANCIAL CONSIDERATIONS:

The adoption of the Budget gives authority to the expenditures for the year.

RECOMMENDATION:

The Council of the Town of Minto accepts the Treasurer's report dated March 17th, 2016 and considers the passage of the related Budget By-law in Regular Session.

Gordon Duff
Treasurer