



## TOWN OF MINTO

DATE: March 22<sup>nd</sup>, 2017  
REPORT TO: Mayor and Council  
FROM: Gordon Duff, Treasurer  
SUBJECT: Budget Adoption

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### **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 December 21<sup>st</sup>, 2016 and January 24<sup>th</sup>, 2017. 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 21<sup>st</sup>, 2017.

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 maintain a very high level of investment in capital infrastructure in the 2017 budget. There will be \$250,000 in net new borrowing in the current fiscal year.

### **COMMENTS:**

The proposed levy increase will result in an approximate 1.2% increase for a typical residential property for local purposes only. This is based upon preliminary projections for ratios and other County-wide policies. 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 go forward, and education rates do not change, the overall increase for a typical single family home will be approximately 2.2% or \$65.

Metered water and sewer fees were adjust in mid-2016 to address forecast revenue shortfalls. These 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<sup>th</sup>, 2015.

As noted on the attached schedule, Reserves and Reserve Funds are expected to increase by approximately \$130,000. Transfers from reserves to fund capital projects are budgeted at \$1,473,000 reflecting Minto's commitment to funding capital expenditures through a mix of taxes, user fees, grants and reserves.

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, Ontario Community Infrastructure Fund, Ontario Trillium Foundation and SaveON Energy. This revenue is used to assist with the cost of road construction, improvements at the arenas as well as water and sewer upgrades. This budget includes certain projects such as a reconstruction of a section of George Street in Harriston 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 and this budget may be amended, although there will be no changes in tax levies.

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 and other Provincial rules is well underway.

**FINANCIAL CONSIDERATIONS:**

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

**RECOMMENDATION:**

The Council of the Town of Minto accepts the Treasurer's report dated March 22<sup>nd</sup>, 2017 and considers the passage of the related Budget By-law in Regular Session.

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Gordon Duff  
Treasurer