



## TOWN OF MINTO

**DATE:** March 29<sup>th</sup>, 2018  
**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 12<sup>th</sup>, 2017 and January 11<sup>th</sup>, 2018. These meetings were open to the public, recorded and posted on the Town website, and shown on local cable television. The public has access to all the same budget information used by Council including the Budget Summary Reports and Budget Presentations has been available on-line. The public open house held March 20<sup>th</sup> was sparsely attended

The 2018 budget theme was “**bringing it home**”, a “positive encouraging and motivating phrase” to arrive at a conclusion. With uncertainty in the world economy, a municipal election and possible change in Provincial government in 2018 (Federal 2019) the budget punctuated the Town’s infrastructure investments and “brings home” a responsible operating and capital proposal using Federal/Provincial tools currently in place. As always, the 2018 budget seeks to maintain a balance between investing in our infrastructure and services and the need to manage resources efficiently.

The 2018 capital budget includes a very large project, the reconstruction of the Connecting Link through downtown Clifford and the extension of services to the north end of the village. Minto is fortunate to receive funding under the restored Connecting Link grant program; however it just includes the restoration of the roadway and drainage to its prior standard. Replacement and extension of water and wastewater services, improvements to street lighting, and streetscape enhancements are not covered by this funding. As noted in previous reports debenture funding is needed to finance the Town’s share of the project, which Council previously authorized in context with the borrowing for the George Street South road reconstruction project. All told the 2018 budget requires \$2.1 million in new

borrowing. At the end of 2018, the net external debt is forecast to be \$8.7 million which is approximately the same figure as that for the end of 2016.

During capital budget deliberations staff presented a five year project plan to help this Council and the next anticipate projects to bring forward through merit based funding programs such as the Ontario Community Infrastructure Fund or the Community Water and Wastewater Fund which the Federal and Provincial governments propose to continue. The five year project plan is shown below:

<b>Public Works Project/Year</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Clifford</b>					
Elora St Park to West Heritage	\$ 3,870,000	\$ 500,000	\$ -	\$ -	\$ -
William Street Schwindt	\$ 180,000	\$ 65,000	\$ -	\$ -	\$ -
Ann Street Carry over Curb and Pav	\$ 280,000	\$ 280,000	\$ -	\$ -	\$ -
Park Street Reconstruction	\$ -	\$ -	\$ 50,000	\$ 1,000,000	\$ -
WWTP Pump Replacement	\$ 25,000	\$ -	\$ -	\$ -	\$ -
Wastewater Pump/Alum Tank	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ -
Allan Street Watermain to well 1	\$ -	\$ 150,000	\$ -	\$ -	\$ -
<b>Harriston</b>					
George Street South carry over	\$ 385,000	\$ -	\$ -	\$ -	\$ -
George Street North	\$ 80,000	\$ -	\$ 20,000	\$ 200,000	\$ -
William St Utilities (Metzger)	\$ 40,000	\$ 105,000	\$ -	\$ -	\$ -
Lawrence St Recon (Metzger)	\$ 50,000	\$ 480,000	\$ -	\$ -	\$ -
Industrial Park Pumping Stn	\$ 280,000	\$ -	\$ -	\$ -	\$ -
Legion Parking Lot	\$ 30,000	\$ -	\$ -	\$ -	\$ -
Queen Street N & S (condition)	\$ -	\$ 500,000	\$ 1,000,000	\$ -	\$ -
Industrial John St link and Recon	\$ -	\$ -	\$ 510,000	\$ 510,000	\$ -
Industrial John St extension 11 ac	\$ -	\$ -	\$ -	\$ 625,000	\$ -
Industrial 55 acres Ph 2	\$ -	\$ -	\$ -	\$ -	\$ 1,085,000
Pedestrian Crossovers	\$ 50,000	\$ -	\$ -	\$ -	\$ -
<b>Palmerston</b>					
Industrial Noble Road	\$ 300,000	\$ 50,000	\$ -	\$ -	\$ -
Industrial Minto Road Sewage Lift	\$ 75,000	\$ 1,100,000	\$ -	\$ -	\$ -
Industrial Pave Frank Lambier Crt	\$ 40,000	\$ -	\$ -	\$ -	\$ -
James St Paving Main to John	\$ 40,000	\$ -	\$ -	\$ -	\$ -
Queen Street Recon	\$ -	\$ 765,000	\$ 600,000	\$ -	\$ -
Speed Limit Signage	\$ 11,000	\$ -	\$ -	\$ -	\$ -
Brunswick and Nelson	\$ -	\$ -	\$ 750,000	\$ 750,000	\$ 400,000
Brunswick Street Culvert	\$ -	\$ -	\$ -	\$ -	\$ 600,000
WWTP Clarifier Design Work	\$ 100,000	\$ 500,000	\$ 500,000	\$ -	\$ -
Watermain loop Queen to Tower	\$ 70,000	\$ -	\$ -	\$ -	\$ -
Water White's Road	\$ -	\$ 131,000	\$ -	\$ -	\$ -
Main Street	\$ -	\$ -	\$ 25,000	\$ 1,750,000	\$ 2,250,000
<b>Rural</b>					
12th Line (design, culvert, recon)	\$ 200,000	\$ 400,000	\$ 300,000	\$ -	\$ -
3rd Line	\$ -	\$ 100,000	\$ 900,000	\$ -	\$ -
Minto Normandy TL Struct A, B, C	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000

<b>General</b>					
Wastewater SCADA Urban Areas	\$ -	\$ 50,000	\$ 150,000	\$ 50,000	\$ 50,000
Wastewater Inflow and Infiltration	\$ 170,000	\$ 155,000	\$ 235,000	\$ 235,000	\$ 235,000
Water Minto Pines Flowmeter, Pipe	\$ 60,000	\$ -	\$ -	\$ -	\$ -
Water Meter General	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Streetlights New LED non RealTerm	\$ 14,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Cemeteries Cremation Options	\$ 55,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Mobile Flood Pumps	\$ 30,000	\$ -	\$ -	\$ -	\$ -
Sidewalks	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Catchbasins and Drainage	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Asset Management CityWide	\$ 20,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
5 yr replace Pick-ups 2010, 2012	\$ 90,000	\$ -	\$ -	\$ -	\$ -
Plow Truck/Grader/Backhoe	\$ 150,000		\$ 400,000	\$ 180,000	\$ -
<b>Public Works Total</b>	<b>\$ 6,825,000</b>	<b>\$5,801,000</b>	<b>\$5,910,000</b>	<b>\$5,750,000</b>	<b>\$5,020,000</b>
<b>Other Depart Project/Year</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Fire</b>					
New Pumper/Tanker & Pickup	\$ 450,000	\$ -	\$ 300,000	\$ -	\$ -
Bunker Gear	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Building Renovations Clifford	\$ -	\$ -			\$ -
Training Equipment & Computers	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
<b>Facilities - Clifford</b>					
Refrigeration	\$ 50,000	\$ 5,000	\$ -	\$ -	\$ -
Auditorium and kitchen renovation	\$ -	\$ -	\$ -	\$ -	\$ 70,000
Lighting and Doors	\$ 5,000	\$ 20,000	\$ -	\$ -	\$ -
Equipment and Fixtures	\$ -	\$ -	\$ 5,000	\$ 15,000	\$ -
Parks Upgrades	\$ 50,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
<b>Facilities - Harriston</b>					
Ice Resurfacers and Truck	\$ -	\$ -	\$ 90,000	\$ -	\$ -
Auditorium and kitchen renovation	\$ -	\$ -	\$ -	\$ 85,000	\$ -
Lighting and Doors	\$ 8,000	\$ 20,000		\$ -	\$ -
Equipment and Fixtures					\$ 20,000
Parks Upgrades, convert Trailer Par	\$ 20,000	\$ 20,000	\$ 90,000	\$ 20,000	\$ 20,000
Ref's Room and Curling Club	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ -
General Upgrades and Flooring	\$ 5,000		\$ 30,000	\$ -	\$ -
Pool	\$ 100,000	\$ -	\$ -	\$ -	\$ -
<b>Facilities - Palmerston</b>					
Lighting and Doors	\$ 30,000	\$ 10,000	\$ -	\$ -	\$ -
Ice Resurfacers	\$ 80,000	\$ -	\$ -	\$ -	\$ -
Dehumidifier	\$ -	\$ 90,000	\$ -	\$ -	\$ -
Auditorium	\$ 20,000	\$ 100,000	\$ -	\$ -	\$ -
Parks Upgrades, Bridge Painting	\$ 5,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 10,000
Equipment and Fixtures	\$ -	\$ -	\$ 20,000	\$ 15,000	\$ 10,000
Pool	\$ 10,000	\$ -	\$ -	\$ -	\$ -

<b>Facilities - General</b>					
Trails	\$ 12,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Museum	\$ 15,000	\$ 15,000	\$ 10,000	\$ 5,000	\$ 5,000
Scoreboard	\$ 25,000				\$ -
Equipment and Fixtures	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
<b>Administration - Overall</b>					
Buildings	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Computer Replacement & Software	\$ 30,000	\$ 20,000	\$ 10,000	\$ 10,000	\$ 10,000
Service Club Entrance Signs	\$ 15,000	\$ -	\$ -	\$ -	\$ -
Building Dept Pick ups	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -
Assets Management & Records	\$ 12,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
<b>Grand Total</b>	<b>\$ 7,892,000</b>	<b>\$6,316,000</b>	<b>\$6,650,000</b>	<b>\$6,080,000</b>	<b>\$5,295,000</b>

The five year project plan has been modified to add a WWTP Pump in Clifford and Pedestrian Crossings in Harriston, defer Queen Street Palmerston (lack of grant funding), add mobile pumps for flooding, and add Service Club entrance signs. The Facilities Manager has added potential projects in 2019 for planning purposes. One change not made is to re-allocate funds for George Street North in Harriston to finish the section of road from Arthur to William in favour of watermain replacement in the final block leading to the Schickedanz subdivision. The price of that watermain alone is about \$115,000 including road restoration (not reconstruction).

The five year capital project plan will require further input and update annually at budget through Council as priorities are adjusted and new issues come to light. As such Council is not formally approving the five year project plan, but it will be available to help staff and Council to better prepare for future merit based grant programs.

## COMMENTS:

Residential education tax rates have been set by the Province of Ontario. If projected tax rates go forward, the overall increase for a typical single family home assessed at \$224,000 will be approximately 3.62% or \$104. If the County of Wellington makes any changes to tax ratios and other tax policies, this figure could be slightly adjusted. Between 2016 and 2018 the average increase for a typical home has been 2.5% per year as the 2017 increase was 1.63%. Urban commercial property owners in 2018 will have a very small reduction in actual tax paid.

For the first time since 2012 the Town was faced with a \$172,200 reduction in the main operating grant from the Province the Ontario Municipal Partnership Fund (OMPF). This reduction in OMPF represents about 75% of the additional \$235,000 that would be raised by the proposed operating levy in 2018.

As noted on the attached schedule, Reserves and Reserve Funds are expected to decrease by approximately \$300,000. Transfers from reserves to fund capital projects are budgeted

at \$1,608,000 reflecting Minto's commitment to funding capital expenditures through a mix of taxes, user fees, grants and reserves.

The Town has received funds or approvals under such programs as Federal Gas Tax Rebates, the Connecting Link program, Ontario Community Infrastructure Fund 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. In addition to the main street Clifford project, this budget includes certain projects such the start of upgrades on the 12<sup>th</sup> Line, paving of the Harriston Legion parking lot, road and service improvements in the Palmerston Industrial Park, the purchase of a fire pumper. Improvements to the Clifford Rotary Park, renovations at the Harriston Pool, a new ice resurficer for the Palmerston arena and upgrades and expansion of the community trail network.

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. Staff expects to bring forward an updated Asset Management Plan to Council before the end of June.

**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 29<sup>th</sup>, 2018 and considers the passage of the related Budget By-law in Regular Session.

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Gordon Duff  
Treasurer