



**The Corporation of
The Township of Madoc**

2019

Budget Analysis

FINAL DRAFT

May 2019

Overview

The 2019 draft budget for the Township of Madoc is \$5,346,630. with \$1,784,070. required to be raised in taxes. This is an increase of 6.54% over the 2018 tax levy.

Residential property assessment across the municipality increased on average approximately 3% over 2018 due to Province wide property reassessment.

The actual education tax rates have decreased this year but with the increase in property reassessment the education portion of taxes have increased slightly. As well, Hastings County tax rates have increased slightly.

As a result, following is a demonstration of the net result on a tax bill on a property assessment of 200,000.

The net result is that the average tax billing will increase approximately **2.97%**

2019 Residential Tax Rates			
		206400	Assessment
Municipal	0.00867700	\$1,790.93	
County	0.00283433	\$585.01	
Education	0.00161000	\$332.30	
	0.01340178	\$2,708.24	2.97%

2018 Residential Tax Rates			
		200000	Assessment
Municipal	0.00860340	\$1,720.68	
County	0.00284668	\$569.34	
Education	0.00170000	\$340.00	
	0.01340178	\$2,630.02	

2019 Overall Budget Summary

SUMMARY	2018 Budget	2019 Budget	
REVENUE			
General Admin Revenue	\$492,400	\$497,500	
Administration Revenue	\$77,100	\$80,960	
Protection	\$72,800	\$59,390	
Fire	\$49,730	\$63,500	
Public Works	\$2,247,800	\$2,739,870	
Recreation	\$86,370	\$113,340	
Planning	\$6,000	\$8,000	
Net revenue	\$3,032,200	\$3,562,560	
EXPENDITURES			
Administration	\$401,180	\$442,290	
Protection	\$458,450	\$458,540	
Fire/CEMC	\$227,100	\$282,080	
Public Works	\$3,221,360	\$3,733,622	
Recreation	\$382,600	\$417,568	
Planning	\$16,000	\$12,530	
Net Exp	\$4,706,690	\$5,346,630	
Net Tax Levy	\$1,674,490	\$1,784,070	6.54%

BUDGET SUMMARIES BY DEPARTMENTS

General Administration

GENERAL ADMINISTRATION	2018 Budget	2019 Budget
General Revenue		
Supplementary taxes	\$14,000	\$10,000
PIL's	\$8,000	\$9,000
OMPF	\$470,400	\$468,500
Cannabis Legalization	\$0	\$10,000
General Revenue	\$492,400	\$497,500

Administration Revenue		
Summer Youth Grant	\$2,100	\$2,100
Tax Certificates	\$3,500	\$3,000
Lottery Licenses	\$1,000	\$1,000
Bank Interest	\$1,000	\$3,000
Penalty/Interest on Taxes	\$59,000	\$60,000
Micro FIT Revenue	\$10,000	\$10,310
Misc.	\$500	\$1,550
Administration Revenue	\$77,100	\$80,960
Expenditures		
Council	\$50,000	\$52,910
Administration	\$351,180	\$389,380
	\$401,180	\$442,290
Net General Administration	\$324,080	\$361,330

Revenue:

The Ontario Municipal Partnership Fund (OMPF) from the Province has decreased slightly by \$1900.00. The Ontario government has given the Township a one-time payment of \$304,346 to help modernize service delivery and reduce future costs through investments such as: service delivery reviews, development of shared service agreements, and capital investments. The Ontario government has also given the Township \$10,000 through the Cannabis Legalization Fund. These monies are to be used on helping to fund such areas as education, policing etc.

Supplementary Taxes have been budgeted for, based on information from the Municipal Property Assessment Corporation (MPAC), which is tax revenue for new construction that was built after the 2019 assessment roll was completed.

Expenditures:

Included in the Council budget is \$2,000. for the purchase of iPads for Council members to be able to receive electronic agendas, efficient notification of staff and standardized emails. This will save in mileage to deliver the agendas and the cost of printing, as well as staff time for notification. Council will continue to have the option of paper agendas at Council meetings if requested.

Budgeted salaries, benefits and insurance for staff and Council have increased slightly due to Cost of Living Allowance increase. A pay scale was put into place which effectively allows for pay increases based on performance reviews.

Protection

PROTECTION	2018 Budget	2019 Budget
Revenue		
Source Water Protection	\$30,100	\$14,470
Policing Credit	\$1,200	\$3,070
Building Fees	\$31,500	\$38,700
Dog/ Kennel Licenses	\$8,000	\$3,000
Livestock Loss	\$2,000	\$150
	\$72,800	\$59,390
Expenditures		
Medical Centre	\$24,360	\$24,850
Policing	\$329,800	\$333,350
Animal Control	\$14,700	\$16,100
Bylaw Enforcement	\$6,800	\$7,830
Building Department	\$30,000	\$38,940
Conservation Authority	\$51,290	\$35,970
Civic Addressing	\$1,500	\$1,500
	\$458,450	\$458,540
Net Protection	\$385,650	\$399,150

The building department costs are self funded from permit fees. The municipality receives an administration fee of \$1,500. to cover internal costs for assisting the building inspector with files etc.

Fire Department

FIRE	2018 Budget	2019 Budget
Revenue		
Municipal Agreements	\$40,000	\$45,000
Fire Call Fees	\$9,000	\$6,000
Other Fees	\$730	\$500
From Reserves	\$0	\$12,000
Sale of Assets	\$0	\$0
	\$49,730	\$63,500
Expenditures		
Fire Operating	\$222,600	\$263,080
Capital- Fire Helmets	\$0	\$12,000
Fire Expenditures	\$222,600	\$275,080
CEMC Expenditures	\$4,500	\$7,000
Net Fire / CEMC	\$177,730	\$218,580

A contribution of \$50,000. to reserves has been budgeted for the expansion of a future fire hall.

\$20,000. has been budgeted under equipment for the purchase of helmets, bunker suits and safety gear.

\$7,000. has been budgeted for CEMC (Emergency Management) to set up a reserve for Emergency Operations Centre and for wage reallocation to show the true costs of CEMC.

Public Works

PUBLIC WORKS	2018 Budget	2019 Budget
Revenue		
Federal Gas Tax	\$260,000	\$260,000
OCIF Gravelling Rds.	\$50,000	\$50,000
OCIF-Queensboro Rd	\$1,900,000	\$1,906,890
Summer Youth Grant		\$2,100
One-Time Transition Fund		\$286,000
Road Closing Fees	\$500	\$500
Bag Tags Sold/Recycling	\$300	\$380
Pits and Quarries Fees	\$37,000	\$37,000
From Reserves	\$0	\$197,000
	\$2,247,800	\$2,739,870
Expenditures		
P.W. Overhead	\$283,670	\$360,882
Street Lights	\$4,500	\$4,500
Waste Management	\$120,190	\$122,000
Cemetery		\$5,500
Bridges & Culverts	\$50,000	\$52,000
Grass & Weeds	\$10,000	\$37,010
Brushing	\$30,000	\$45,050
Ditching	\$10,000	\$10,000
Litter pick up	\$4,000	\$5,550
Hard Top Patching	\$30,000	\$44,000
Sweeping, Flushing	\$1,000	\$1,200
Shoulder Maintenance	\$0	\$6,000
Loose Top Patching	\$15,000	\$19,940
Grading	\$50,000	\$52,000
Dust Layer	\$50,000	\$50,000
Gravel-Stockpile	\$27,000	\$29,080
Snowplowing	\$68,000	\$81,710
Sanding	\$130,000	\$135,000
Safety Signs	\$25,000	\$22,980
	\$908,360	\$1,084,402
Road Projects – Barry, Pigden North, Bannockburn (if funds remain from Capital projects)	\$0	\$18,840

Capital		
Tannery Hill Road	\$0	\$55,000
Public School Road	\$0	\$80,000
Island Road	\$0	\$141,520
Wood's Road Bridge/Closure (possible)		\$30,000
Harts Bridge	\$28,000	\$130,000
Queensborough Rd	\$2,100,000	\$2,094,220
Gravelling Roads	\$72,000	\$100,000
	\$2,200,000	\$2,354,220
Public Works Expenditures	\$3,221,360	\$3,733,622
Net Public Works	\$973,560	\$993,752

Public Works projects budgeted for 2019 are as follows:

Project	Details	Budget	Funded By
Tannery Hill	Rehabilitation of 1 km of roadway on hill	\$55,000	One-Time Transition Funding
Public School Road	3.1 kms of surface treatment	\$80,000	
Island Road	Rehabilitation of 2 km of roadway	\$141,520	
Wood's Road Bridge	Removal of bridge or closure of road	\$30,000	\$30,000 from Gas Tax
Harts Bridge	Replacement	\$130,000	\$100,000 from Reserves, \$30,000 from Gas Tax Fund.
Queensborough Road	Rehabilitation from Cooper Road intersection to the Madoc Township border. 6.1 km.	\$2,094,220	\$1,906,890 from OCIF funding. \$200,000 From Gas Tax Fund.
Gravelling Roads	South west quadrant of the Township.	\$100,000	\$50,000. from OCIF funding

Recreation

RECREATION	2018 Budget	2019 Budget
Revenue		
One Time Transition Fund		\$18,000
Hall Rental	\$7,000	\$3,800
Bar Receipts	\$15,000	\$10,000
Library Grant	\$3,270	\$3,270
Cash in Lieu of Parkland	\$500	\$3,600
From Reserves	\$58,500	\$74,670
	\$86,370	\$113,340
Expenditures		
Madoc Twp. Bldg.	\$28,100	\$22,008
Cooper Comm. Centre	\$2,000	\$4,320
Misc. bldgs.	\$100	\$120
Recreation Overhead	\$126,950	\$133,710
Arena	\$88,350	\$88,910
Library	\$36,100	\$38,300
	\$281,600	\$287,368
Capital		
Accessibility Renovation		\$50,000
Madoc Twp. Bldg.	\$42,000	\$41,000
Ball Park Towers	\$59,000	\$39,200
	\$101,000	\$130,200
Net Recreation	\$296,230	\$304,228

Madoc Township Building capital budget includes \$35,000 for the completion of the replacement of the municipal building generator to a propane generator. Current safety regulations require replacement.

\$18,000 has been budgeted under Madoc Township Building for water quality.

\$50,000 has been budgeted for accessibility enhancements to the Recreation Centre and office space.

Ball Park Capital Improvements budget in the amount of \$39,200 to complete the replacement of the Ball Park light towers.

Planning

PLANNING	2018 Budget	2019 Budget
Revenue		
Planning Fees	\$2,000	\$3,000
From Reserves	\$4,000	\$5,000
	\$6,000	\$8000
Expenditures	\$16,000	\$12,530
Net Planning	\$10,000	\$4,530

Included in the Planning budget for 2019 is \$5,000. for an update to the municipal Development Charges by-law that has lapsed. The 2012 Development Charges study and by-law included the update as part of the fee, which allows the municipality to utilize Development Charge reserves to fund the new study. As the full recommended fee from the study was not implemented, we have budget to fund \$5,000. from the Development Charges Reserve Fund.

Reserve Schedule

Township of Madoc				
Reserves				
2019				
	Opening			Closing
	Balance	Additions	Reductions	Balance
	Jan 1,2019			Dec 31,2019
Working Funds	\$ 462,876.86	\$38,115.77		\$500,993.83
Administration	\$5,057.87		\$5,000.00	\$57.87
EFB amount to be recovered	\$12,800.00			\$12,800.00
Fire Equipment	\$77,799.42		\$12,000.00	\$65,799.42
Fire – Building Expansion	\$100,000.00	\$50,000.00		\$150,000.00
Roads – Equipment	\$82,342.32	\$50,000.00		\$132,342.32
Roads – Bridge Construction	\$112,451.00		\$100,000.00	\$12, 51.00
Roads – Construction	\$254,805.78		\$97,000.00	\$157,805.78
Building Dept	\$10,500.00			
Waste management	\$10,000.00			
Recreation	\$69,646.56		\$30,000.00	\$39,646.56
Emergency Planning		\$1,000.00		\$1,000.00
Parks	\$9,115.00			\$9,115.00
Planning	\$16,000.00			\$16,000.00
Development Charges	\$62,939.39		\$5,000.00	\$57,939.39
Total Township Reserves	\$1,286,335.40	\$ 139,115.77	\$249,000.00	\$1,175451.17

Gas Tax Funding Schedule

Dec. 31, 2018 Balance	\$306,591.31	
2019 Funding	\$63,038.00	Madoc Township
	\$60,000.00	County
2019 Available Funds	\$429,629.31	
2019 Budgeted Use	\$30,000.00	Harts' Bridge
	\$30,000.00	Woods Road
	\$200,000.00	Queensborough Rd.
	\$260,000.00	
Net Funds at Dec 31, 2019	\$169,629.31	

Recommendations

The 2018 audit is complete. The audited financial statements were presented to Council on April 17, 2019. The auditor advised that they were very pleased to have audited financial statements completed this early. There was a surplus of \$38,115.77.

Recommendations:

That the 2018-year end surplus of \$38,115.77 be directed to the Working Fund reserve

and

That Council pass the 2019 municipal budget as presented in the amount of \$5,346,630.00 with \$1,784,070.00 required to be raised in taxes, a 2.97% increase.

Respectfully submitted,

Anne-Marie Goulah

Acting Treasurer Administrator