



2018 Proposed Municipal Budget Index

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2018 BUDGET OVERVIEW

For Council approval Monday, March 5th, 2018

FINANCE COMMITTEE REVIEW

Finance Committee had three (3) meetings starting December 18, 2017 to review and recommend a 2018 budget for the Municipality. Finance Committee at its meeting Feb 12th, 2018 recommended the following:

Moved by Councillors Pelkman and Cowan

THAT: Finance Committee recommends to Council for its meeting March 5, 2018 approval of the 2018 Consolidated Operating and Capital Budget with an overall 2.42% tax levy increase.

Carried.

BUDGET

All information contained in this budget is based on unaudited financial information for 2017 and may be subject to change based on the results of the audit.

The 2018 Operating and Capital Budgets are provided in this package and include all departmental costs, including water and sewer systems, and is summarized as follows:

Year	Taxation	Non-Tax-Funding	Total
2018	\$15,666,226	\$21,530,766	\$37,196,992

TAX LEVY

Finance Committee, at its meeting February 12th, 2018 reviewed operating and capital budgets that outlined the tax dollars required to meet expenditures are \$15,666,226, an increase of \$370,458, or 2.42%, over 2017. This budget package reflects the budget as presented and revised on February 12th, 2018.

A breakdown of the tax increase is as follows:

Component	2018 Tax Increase	% Increase of 2018 taxes	2017 Tax Increase	% Increase of 2017 taxes
Operations	\$90,458	0.59%	\$(30,617)	(0.02%)
Capital	(\$20,380)	(0.19%)	\$381,000	2.54%
Allocation to Future Needs Reserve	\$309,380	2.02%	-	-
TOTALS	\$370,458	2.42%	\$350,383	2.34%

ASSET MANAGEMENT PLAN

In 2015, 2016 and 2017 Municipal Budget council approved taxation achieved through growth and phased-in assessment be set aside to support the asset management gap as identified in the Asset Management Plan. In 2018 council has approved the same allocation of the taxation achieved through growth and phased-in growth assessment. The budget provision for 2018 is \$230,000.

Detailed 2018 budgets available upon request.

HOMEOWNER TAX IMPACT

What is my Municipal Property Tax Increase?

\$1,475.45

\$1,440.54

Increase \$34.91 or 2.42%



2018



2017

Note: Based on an average home with an assessed value of \$213,000 (assessed value unchanged). Excludes the Education Tax set by the Province and County Tax set by Middlesex County. This increase does not reflect any change as a result of a shift in assessment between the assessment classes or any change as a result of growth or phased-in assessment or tax ratios. If there are changes to any of those amounts they will affect the tax rate.

DEBT

It is estimated that the municipal debt at year-end 2018 will be \$5.8 million. The annual debt payments for 2018 will be \$1.7 million. The existing debt will be paid in full by 2026. Please refer to the 2018 Debt Repayment Schedule provided.

CAPITAL BUDGET

The 2018 Capital Budget includes capital works totaling \$7.35 million which will be accomplished using \$1.37 million tax dollars. Included in the Capital budget are the 2018 Fleet purchases totaling \$486,500 and will be purchased through the fleet budget which has an annual contribution which is part of the operating budget. Please refer to the 2018 Capital project listing provided.

MOSC 2018 Preliminary Operating Budget Summary											
	2017 ACTUAL BUDGET	2018 PROPOSED BUDGET	\$ Difference	2017 TAXATION REQUIRED	2018 PROPOSED TAXATION REQUIRED	\$ Difference	% diff	2017 NON-TAX REVENUES	2018 PROPOSED NON-TAX REVENUES	Difference	Notes
Corporate Services											
Animal Control	\$ 89,787	\$ 61,544	\$ (28,243)	\$ 89,177	\$60,944	(\$28,233)	-32%	\$ 610	\$ 600	\$ (10)	New contract \$27,000 less
Council	285,670	350,297	64,627	285,670	280,297	5,373	-2%	-	70,000	\$ 70,000	2018 local election adds costs and Reserve funding
Crossing Guards	79,000	84,000	5,000	79,000	84,000	5,000	6%	-	-	\$ -	Reflects increase to new minimum wage
General Government	1,622,220	1,798,079	175,859	1,498,990	1,400,676	98,314	-7%	123,230	397,403	\$ 274,173	Inc. rental revenue for 351 Frances St., most legal fees to flow thru this budget with transfers from the other depts. Incl. Pay Equity Study consulting fee.
Information Technology	437,750	530,950	93,200	211,900	255,100	43,200	20%	225,850	275,850	\$ 50,000	Propose 2nd full-time for dept. in 2018
Property Management	319,175	278,977	- 40,198	314,175	273,977	- 40,198	-13%	5,000	5,000	\$ -	
Municipal Debt	1,740,807	1,684,506	- 56,301	227,805	203,067	- 24,738	-11%	1,513,002	1,481,439	\$ (31,563)	Continue to pay down existing debt
Taxations & Grants	1,450,470	1,508,823	58,353	192,969	144,046	- 48,923	-25%	1,643,439	1,652,869	\$ 9,430	
Protection of Persons & Property											
Building Inspection	352,895	467,167	114,272	-	-	-		352,895	467,167	\$ 114,272	Added: alloc. for indirect costs; summer student and bylaw enforcement.
Drainage	114,660	115,319	659	86,540	83,319	- 3,221	-4%	28,120	32,000	\$ 3,880	
Fire Service	1,366,804	1,425,970	59,166	1,250,804	1,282,970	32,166	3%	116,000	143,000	\$ 27,000	
Police Service	6,042,106	6,228,439	186,333	5,345,019	5,431,025	86,006	2%	697,087	797,414	\$ 100,327	A grant for a 2nd officer
Bylaw Enforcement (Property Standards)	39,850	100,300	60,450	-	-	-		39,850	100,300	\$ 60,450	Propose full-time starting 2018
Solid Waste	1,241,070	1,250,600	9,530	77,980	-	- 77,980	-100%	1,163,090	1,250,600	\$ 87,510	Cost recovery through fees. No tax \$ required.
Public Works & Cemetery											
Cemetery	159,900	204,175	44,275	70,500	102,225	31,725	45%	89,400	101,950	\$ 12,550	Part-time position made full-time November, 2017
Mount Brydges Sewers	115,436	125,000	9,564	-	-	-		115,436	125,000	\$ 9,564	Increased sewage treatment plant expenses
Mount Brydges Water System	600,930	633,960	33,030	-	-	-		600,930	633,960	\$ 33,030	Increased water supply expense due to growth, etc.
Roads	2,701,525	2,799,949	98,424	2,691,525	2,789,949	98,424	4%	10,000	10,000	\$ -	
Strathroy Sewers	2,739,656	2,794,189	54,533	-	-	-		2,739,656	2,794,189	\$ 54,533	
Strathroy Water System	3,269,300	3,437,000	167,700	-	-	-		3,269,300	3,437,000	\$ 167,700	
Streetlights	285,282	277,639	- 7,643	-	-	-		285,282	277,639	\$ (7,643)	
Social Housing											
Caradoc Housing		122,353	122,353		-	-		-	122,353	\$ 122,353	Housing agreement concluded. Now part of municipal budget. No tax impact for 2018.
Recreation & Leisure											
Aquatics	296,625	313,485	16,860	203,125	214,485	11,360	6%	93,500	99,000	\$ 5,500	Increased provision for overtime & utilities
Arena	1,236,100	1,259,358	23,258	508,740	507,498	- 1,242	0%	727,360	751,860	\$ 24,500	
Caradoc Community Centre	69,600	69,600	-	42,600	42,600	-	0%	27,000	27,000	\$ -	
Recreation	276,450	296,550	20,100	180,950	158,435	- 22,515	-12%	95,500	138,115	\$ 42,615	Increased day camp revenue & expenses & legal fees
Library Operations	175,123	175,123	-		-	-		175,123	175,123	\$ -	
Museum Operations	144,525	148,729	4,204	126,137	131,841	5,704	5%	18,388	16,888	\$ (1,500)	
Parks Operations	524,050	522,412	- 1,638	480,550	475,912	- 4,638	-1%	43,500	46,500	\$ 3,000	
Scout Hall	6,500	7,000	500	2,650	3,150	500	19%	3,850	3,850	\$ -	
Planning & Development											
Economic Development	155,520	108,000	- 47,520	155,520	108,000	- 47,520	-31%	-	-	\$ -	
Community Development		131,500	131,500		99,000	99,000		-	32,500	\$ 32,500	Separated from Ec. Dev. Budget starting in 2018
Planning Operations	139,350	121,772	- 17,578	59,250	41,672	- 17,578	-30%	80,100	80,100	\$ -	Increased fees revenue due to anticipated growth
Hospital	100,000	100,000	-	100,000	100,000	-	0%	-	-	\$ -	Final year of levy. Approved by Council Feb. 21, 2017
Total	\$ 28,178,136	\$ 29,532,765	\$ 1,354,629	\$ 13,895,638	\$ 13,986,096	\$ 90,458	0.65%	\$ 14,282,498	\$ 15,546,669	1,264,171	

Detailed Operating Budgets Available on Request

Total Tax Levy	
Increase =	0.60%
Operating Tax Levy	
Increase =	0.65%
1% Total Tax Levy	
increase =	\$150,000
1% Operating Tax	
Levy increase =	\$140,000

2018 Preliminary Consolidated Capital Budget																
Page #	Year	Department	Project	Total Budget Cost	Deferred Revenue	Grants	Notes	Recoveries	Gas Tax	Source of Financing		Water Rates	Sewer Rates	Loans	Taxation	Total Revenue
			Allocation to Future Needs Reserve											+2%	1,680,130	
4.1							Fleet								309,380	
																-
	2018	Parks	Loader with PTO & hitch (financing?)	\$ 80,000							\$ 80,000					\$ 80,000
	2018	Wastewater	Replace existing pickup at wastewater w/4 X 4 pickup	50,000							50,000					50,000
	2018	Fire	Command Car	62,500							62,500					62,500
	2018	Cemetery	Replace 1993 Ford 4WD pickup	35,000							35,000					35,000
	2018	Cemetery	Replace 2003 Kubota	50,000							50,000					50,000
	2018	Community Development	Landscape Trailer	10,000							10,000					10,000
	2018	Community Development	Side-by-Side Cart	12,000							12,000					12,000
	2018	Roads	4 x 4 Pickup	45,000							45,000					45,000
	2018	Roads	Replace CAT Loader	100,000							100,000					100,000
	2018	Roads	Mower for 2009 Trackless	9,000							9,000					9,000
	2018	Roads	Blower for 2011 Trackless Mower	15,000							15,000					15,000
	2018	Roads	Mower for 2012 John Deere Tractor	18,000							18,000					18,000
			TOTAL FLEET	\$ 486,500	\$ -	\$ -		\$ -	\$ -	\$ -	\$ 486,500	\$ -	\$ -	\$ -	\$ -	\$ 486,500
			TOTAL 2018 CAPITAL BUDGET	7,354,847	547,000	1,847,409	-	12,750	662,162	924,110	676,500	378,750	935,416	-	1,370,750	7,354,847

TAXATION AND GRANTS
The Municipality of Strathroy-Caradoc
Income Statement - Actual vs. Budget
Actual to December 31, 2017

		2015		2016		2017		2018			3-Year	Difference to
		BUDGET	ACTUAL	BUDGET	YTD	BUDGET	ACTUAL	BUDGET	\$ Diff	% Diff	Average	2018 Budget
OPERATING REVENUE:												
11-000-00000-00000	Gain on Land Held for Resale		342,010		192,211	\$ -	\$ 200		0	#DIV/0!	178,140	178,140
11-000-00000-40100	Taxation & Grant-Unrealized Gain					\$ -	\$ 11,537				3,846	3,846
11-000-00000-40390	Fees-Tracker Land Rental						\$ 60,000	\$ -				
11-000-00010-40220	GRANTS-ONT MUNICIPAL PARTNERSHIP FUND	454,400	454,400	386,300	289,725	\$ 328,400	\$ 328,400	\$ 279,200	-49,200	85.02%	357,508	78,308
11-000-00020-40220	GRANTS-AMO GAS TAX REV	611,782	607,427	611,782	637,798	\$ 611,782	\$ 649,089	\$ 668,169	56,387	109.22%	631,438	36,731
11-000-00020-40500	INTEREST INCOME-TAX & PENALTY INTEREST (1)		307,247		271,733	\$ 250,000	\$ 277,819	\$ 250,000	0	100.00%	285,600	35,600
11-000-00020-40510	INTEREST INCOME-INVESTMENT INTEREST (2)		139,845		99,476	\$ 38,000	\$ 291,760	\$ 40,000	2,000	105.26%	177,027	137,027
11-000-01000-40230	GRANT-POA COUNTY REBATE (3)	80,000	85,397	46,575	66,399	\$ 46,575		\$ -	-46,575	0.00%	50,599	50,599
11-000-01400-40110	MUNICIPAL TAXES REGULAR-Taxation and Grant--	14,598,153	14,529,201	14,945,302	14,885,778	\$ 15,295,686	\$ 15,403,983	\$ 15,666,226	370,540	102.42%	14,939,654	726,572
11-000-01400-40120	MUNICIPAL TAXES- SUPPLEMENTAL		186,047	100,000	189,167	\$ 100,000	\$ 480,347	\$ 146,000	46,000	146.00%	285,187	139,187
11-000-01400-40150	MUNICIPAL TAXES-PAYMENT-IN-LIEU	175,000	150,901	175,000	149,188	\$ 175,000	\$ 160,797	\$ 175,000	0	100.00%	153,629	21,371
11-000-01400-40170	MUNICIPAL TAXES - RIGHT OF WAY	40,000	40,844	40,000	40,687	\$ 40,000	\$ 40,664	\$ 40,000	0	100.00%	40,732	732
11-790-01400-40160	LOCAL CHARGES-STRATHROY B.I.A.	53,700	53,700	54,500	54,500	\$ 54,500	\$ 54,500	\$ 54,500	0	100.00%	54,233	267
	Total OPERATING REVENUE	16,113,035	16,897,019	16,359,459	16,876,662	\$ 16,939,943	\$ 17,759,096	\$ 17,319,095	\$ 379,152	102.24%	17,177,592	141,503
General Expenses:												
12-000-00000-00001	Loss on Disposal of Capital Assets-Taxation and Gr		165,196				\$ 6,477	\$ -			57,224	57,224
12-000-00000-00002	Cost of Land Sales-Taxation and Grant--							\$ -			-	-
12-000-00000-60000	TAXATION TRANSFER TO OPERATION-Taxation and G	13,887,626	13,880,378	13,904,129	12,834,827	\$ 14,088,607	\$ 14,088,607	\$ 14,130,142	41,535	100.29%	13,601,271	528,871
12-000-00000-60001	TAXATION TRANSFER TO CAPITAL-Taxation and Grant	821,599	821,592	1,019,048	945,585	\$ 1,400,048	\$ 1,556,241	\$ 1,370,750	-29,298	97.91%	1,107,806	262,944
12-000-00000-60002	Transfer to Asset Management Plan Reserve-Taxation	228,328	228,328	230,000		\$ 230,000	\$ 230,000	\$ 230,000	0	100.00%	152,776	77,224
12-000-00000-60003	CONTINGENCY-Taxation and Grant--	130,000		80,000		\$ 80,000	\$ 60,395	\$ 80,000	0	100.00%	20,132	59,868
12-000-00000-60750	CONSERVATION AUTHORITIES (4)	120,000	123,650	150,000	162,626	\$ 174,188	\$ 113,012	\$ 196,154	21,966	112.61%	133,096	63,058
12-000-00000-62280	GENERAL GOVERNMENT-TAXES WRITTEN OFF	250,000	185,438	300,000	138,170	\$ 300,000	\$ 318,341	\$ 280,000	-20,000	93.33%	213,983	66,017
12-000-00020-60510	Taxation and Grant-Transfer to Reserve		100,872				\$ 60,000	\$ 309,380	309,380	#DIV/0!	53,624	255,756
12-100-00000-61200	MPDC HOLDING COMPANY-EXPENSE (5)	10,000		10000		\$ -			0	#DIV/0!	-	-
12-000-00020-60770	TRANSFER TO RESERVES - AMO GAS TAX REV	611,782		611,782		\$ 611,782	\$ 649,089	\$ 668,169	56,387	109.22%	216,363	451,806
12-790-07900-40740	STRATHROY B.I.A.	53,700	53,700	54,500	54,500	\$ 55,318	\$ 54,500	\$ 54,500	-818	98.52%	54,233	267
	Total General Expenses	16,113,035	15,559,154	16,359,459	14,135,708	\$ 16,939,943	\$ 17,136,662	\$ 17,319,095	379,152	102.24%	15,610,508	1,708,587
	OPERATING SURPLUS (DEFICIT)	-	1,337,865	-	2,740,954	-	622,434	-	0	#DIV/0!		

1 Moved from gen gov

2 Moved from gen gov

3 Move to Property Standards (Bylaw Enforcement)

4 **2018- LTVCA-B-\$82,140 SCRCA-B-\$99,014 ; UTRCA Est. 15,000**

5 Moved to gen gov

2018 DEBT REPAYMENT SCHEDULE

Date: January 8, 2018

Prepared By: B. Dakin

	Bylaw No.		Interest		Estimated			2018	Estimated		
					Principal O/S	2018	2018	Total	Principal O/S	Original	Cost
Project		Due Date	Rate	Expires	31-Dec-17	Principal	Interest	Payment	31-Dec-18	Loan Amount	Recovery
Library/Museum Renovations (MC)	44-11	Jun/Dec	0%	2019	167,594	111,729	-	111,729	55,865	893,833	Development Charges
Mount Brydges Wastewater Project (MC)	9-12	Apr/Oct	0%	2020	525,000	262,500	-	262,500	262,500	2,100,000	Dev. Charges \$180,000/Sewer Charge \$82,500
Joint School Board Servicing (DC)	55-09	Jan	0%	2019	322,087	161,050	-	161,050	161,037	1,610,487	Development Charges
Molnar Industrial Park-servicing (MOSC)		Dec	0%	2019	275,000	137,500	-	137,500	137,500	1,100,000	Development Charges
Mount Brydges roadwork (MOSC)	45-12	Dec	0%	2019	40,000	20,000		20,000	20,000	160,000	Taxation
Strathroy Station Pumper Replacement (OPIC)	91-13	Jun/Dec	3.11%	2023	209,444	34,907	6,225	41,133	174,537	349,073	Taxation
Melbourne Station Tanker Replacement (OPIC)	91-13	Jun/Dec	3.11%	2023	76,956	12,826	2,486	15,312	64,130	128,260	Taxation
Roof-top Solar Project (OPIC)	91-13	Jun/Dec	3.11%	2023	265,016	44,169	7,877	52,046	220,847	441,693	Solar income
Mount Brydges & Area Water System (CMHC)	14-11	Mar	3.54%	2021	160,531	38,063	5,683	43,746	122,468	363,088	Water rates
Mount Brydges Sewer Project (CMHC)	14-11	Mar	3.54%	2021	237,383	56,286	8,403	64,689	181,097	536,912	Development Charges
Mount Brydges Sanitary Sewer (CMHC)	15-11	Mar	3.92%	2026	1,802,081	170,843	70,642	241,485	1,631,238	2,700,000	Development Charges
West Middlesex Memorial Centre (OPIC)	25-11	May/Nov	4.38%	2026	1,933,920	192,326	82,623	274,949	1,741,594	3,000,000	Dev. Charges 90% \$247,455; Taxation 10% \$27,494
LED Streetlight Project (CMHC)	38-16	Mar/Sept	1.50%	2020	527,512	150,718	8,521	159,239	376,794	753,589	Area Rated Taxation
Aerial Fire Apparatus (CMHC)	37-16	Mar/Sept	2.30%	2026	707,726	83,262	15,866	99,128	624,464	832,619	Taxation
TOTALS					\$ 7,250,250	\$ 1,476,180	\$ 208,326	\$ 1,684,506	\$ 5,774,070	\$ 14,969,554	