



The Corporation of  
**THE TOWNSHIP OF LANARK HIGHLANDS**



***2011 BUDGET  
INTRODUCTION & OVERVIEW***



# 2011 BUDGET OBSERVATIONS & ASSUMPTIONS

The 2011 Budget was constructed assuming a status quo budget.

The tax rate used to estimate 2011 tax revenues remained at the 2010 rate.

A 1% change to the tax rate = \$ 41,000 ( approx. )

The wages rates remain unchanged from 2010

The 2011 benefit rates were applied.

A 1% change to Wages & benefits = \$ 16,000 (approx. )

# 2011 BUDGET OBSERVATIONS & ASSUMPTIONS

First draft of 2011 budget indicates a deficit of \$ 445,452.

Budget contains unfinanced capital expenditures

McDonalds Corners Firehall Expansion	\$ 125,000
Roads and Bridges increase over 2010	\$ 195,000
Transportation Equipment	<u>\$ 55,400</u>
Total	\$ 375,400

Budgeted increase in Road Maintenance  
verses 2010

\$ 81,300

# 2011 BUDGET OBSERVATIONS & ASSUMPTIONS

Where necessary and applicable a 2.4% inflation factor was used. (source Stats Can & CBC – Nov 23/10 )

The Ontario Municipal Partnership Fund Grant (OMPF) was reduced a further \$ \$ 54,800 for 2011. This follows A \$ 63,600 reduction in 2010 and a \$ 65,900 reduction in 2009. These reductions = 4.5% of taxation.

Assessment changes for 2011 taxation = \$ 276,000 in additional taxation revenue.

# 2011 BUDGET SUMMARY

			Status Quo	
	2010	2010	2011	
	BUDGET	FORECAST	BUDGET	BUDGET NOTES
<b>EXPENSES</b>				
Departments	\$ 5,528,982	\$ 5,494,847	\$ 6,280,021	Transferred from next page
Deficit	\$ -	\$ -	\$ -	
Conservation Authority Levy	\$ 24,886	\$ 24,886	\$ 26,000	Estimate for 2011
<b>TOTAL EXPENSES</b>	<b>\$ 5,553,868</b>	<b>\$ 5,519,733</b>	<b>\$ 6,306,021</b>	
<b>REVENUES</b>				
Payments in Lieu	\$ 55,000	\$ 52,000	\$ 52,000	LCBO, Post Office, County Forest, Hydro
Interest & Penalties on Taxes	\$ 135,000	\$ 166,000	\$ 155,000	1.25%/month as per Municipal Act
Ontario Municipal Partnership Fund (OMPF)	\$ 1,453,800	\$ 1,453,800	\$ 1,399,000	Amount confirmed
Interest Income	\$ 15,000	\$ 10,900	\$ 11,000	Bank Agreement Specifies Rate
Aggregate Producers Grant	\$ 50,000	\$ 57,126	\$ 55,000	Reflects anticipated OMYA output
Prior Year Suplus	\$ 20,822	\$ 20,822	\$ 78,386	
Taxes	\$ 3,824,246	\$ 3,837,471	\$ 4,110,183	Based on returned roll for 2011 taxation
<b>TOTAL REVENUES</b>	<b>\$ 5,553,868</b>	<b>\$ 5,598,119</b>	<b>\$ 5,860,569</b>	
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 78,386</b>	<b>\$ (445,452)</b>	

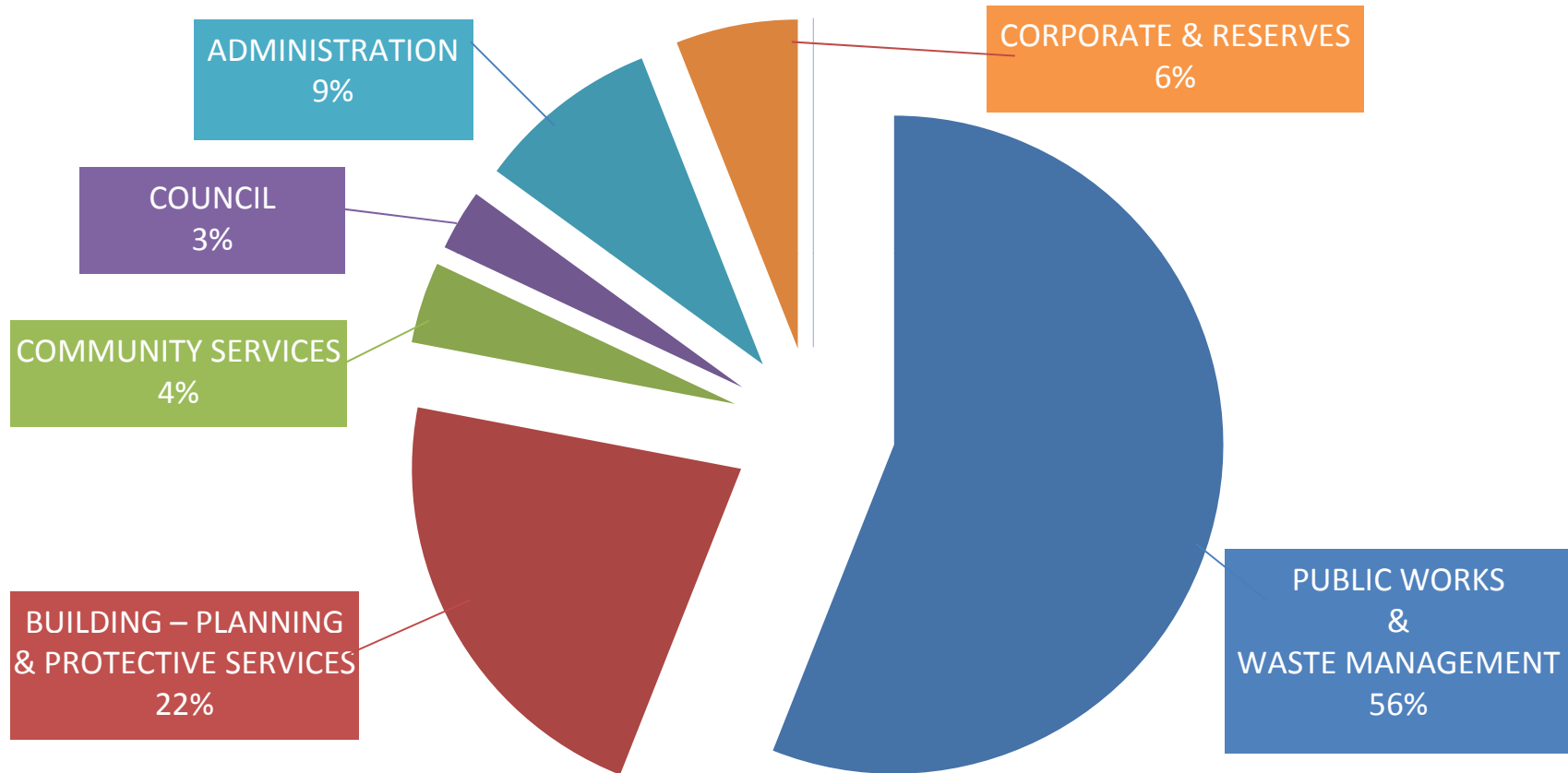
**BALANCED**

**SURPLUS**

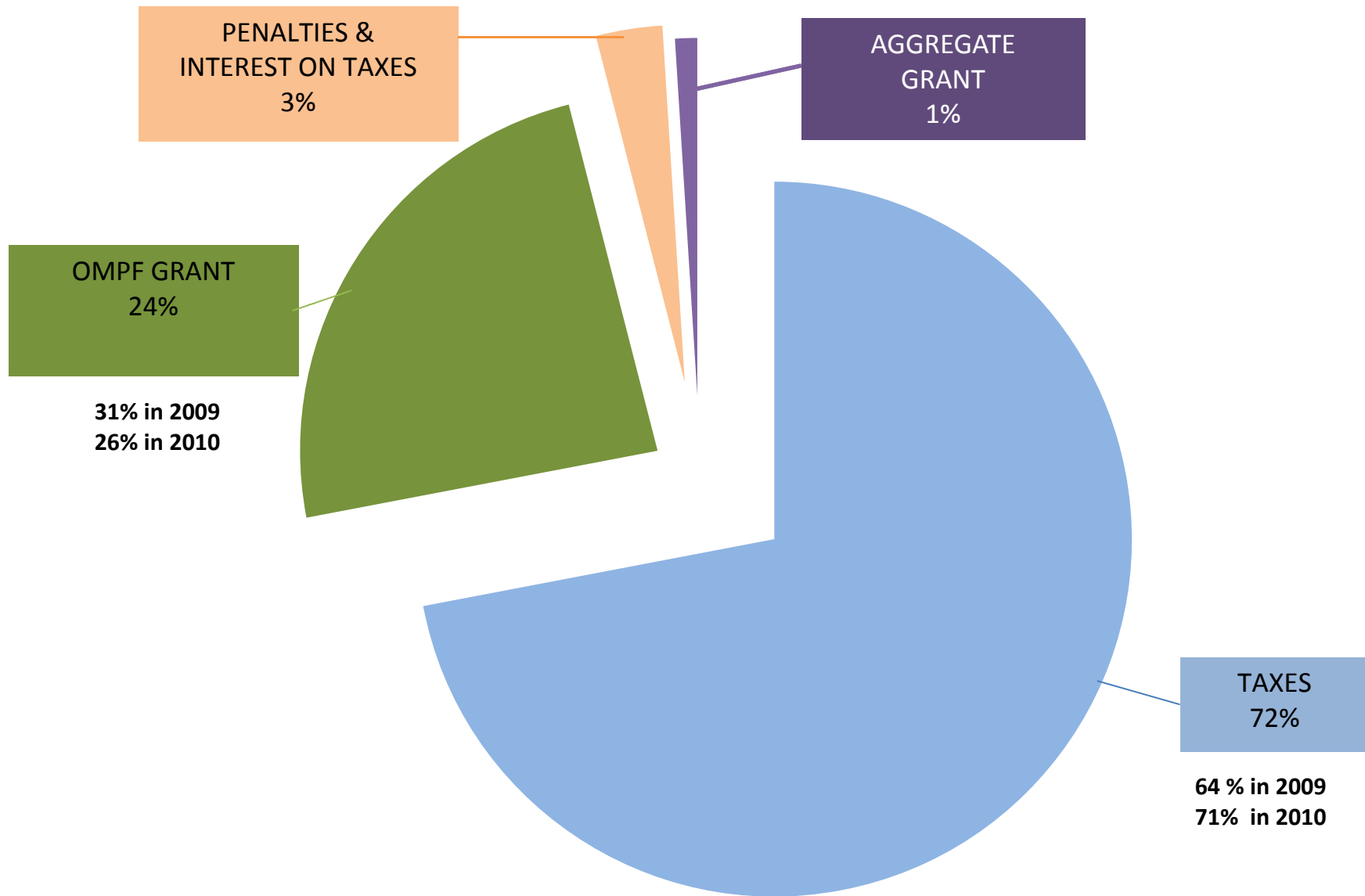
# 2011 BUDGET SUMMARY by DEPARTMENT

			Status Quo
	2010	2010	2011
DEPARTMENT	BUDGET	FORECAST	BUDGET
Corporate	\$ 1,151,084	\$ 1,139,602	\$ 1,147,204
Building, Planning & Protective Services	\$ 1,111,444	\$ 1,092,019	\$ 1,364,693
Community Services	\$ 245,532	\$ 262,692	\$ 280,880
Public Works & Waste Management	\$ 3,020,922	\$ 3,000,534	\$ 3,487,244
<b>TOTAL</b>	<b>\$ 5,528,982</b>	<b>\$5,494,847</b>	<b>\$ 6,280,021</b>

# 2011 NET EXPENDITURES by COST CENTRE



# 2011 GENERAL REVENUES



# 2011 BUDGETED TAX REVENUE

	Current Assessed Value 22-Nov-10	Current Assessed Value 11-Nov-09	Total Change	% Change	2010 Tax Rate	2010 Taxes at 2009 Rate
Residential	575,034,093	535,444,311	39,589,782	7.4	0.00689063	\$ 3,962,347
Multi - Residential	1,360,500	1,358,000	2,500	0.2	0.01650019	\$ 22,449
Commercial - Occupied	5,237,779	5,097,333	140,446	2.8	0.01077013	\$ 56,412
Commercial - Vacant	13,000	13,000	-		0.00753909	\$ 98
Industrial - Occupied	1,688,990	1,633,867	55,123	3.4	0.01908036	\$ 32,227
Industrial - Vacant	77,080	75,360	1,720	2.3	0.01240224	\$ 956
Farmland	14,857,825	14,843,970	13,855	0.1	0.00172266	\$ 25,595
Managed Forest	5,863,283	5,462,087	401,196	7.3	0.00172266	\$ 10,100
Total	604,132,550	563,927,928	40,204,622	7.1		\$ 4,110,183

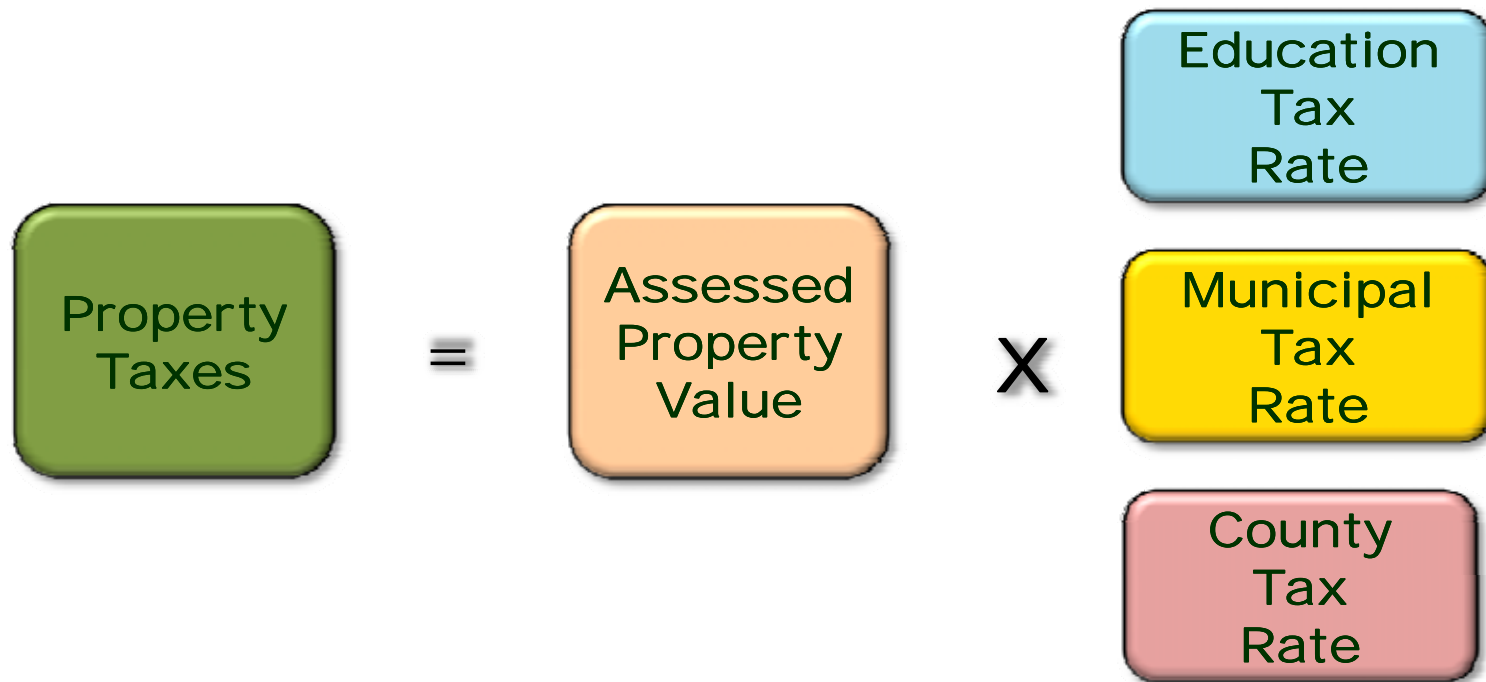
# 2011 NEW TAX REVENUE DUE TO ASSESSMENT GROWTH

	<b>Assessment Change due to Real Growth</b>	<b>2010 Tax Rate</b>	<b>Additional 2011 Taxes due to Real Growth</b>
Residential	<b>4905477</b>	0.00689063	<b>\$ 33,802</b>
Multi - Residential	<b>0</b>	0.01650019	<b>\$ -</b>
Commercial - Occupied	<b>4749</b>	0.01077013	<b>\$ 51</b>
Commmercial - Vacant	<b>0</b>	0.00753909	<b>\$ -</b>
Industrial - Occupied	<b>(5745)</b>	0.01908036	<b>\$ (110)</b>
Industrial - Vacant	<b>0</b>	0.01240224	<b>\$ -</b>
Farmland	<b>(237699)</b>	0.00172266	<b>\$ (409)</b>
Managed Forest	<b>909702</b>	0.00172266	<b>\$ 1,567</b>
Total	<b>5,576,484</b>		<b>\$ 34,901</b>
	<b>1.0%</b>		

# 2011 NEW TAX REVENUE DUE TO ASSESSMENT GROWTH ( cont. )

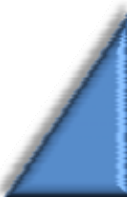
	<b>Assessment Change due to Reassessment</b>	<b>2010 Tax Rate</b>	<b>Additional 2011 Taxes due to Assessment Growth</b>
Residential	<b>34684305</b>	0.00689063	<b>\$ 238,997</b>
Multi - Residential	<b>2500</b>	0.01650019	<b>\$ 41</b>
Commercial - Occupied	<b>135697</b>	0.01077013	<b>\$ 1,461</b>
Commmercial - Vacant	<b>0</b>	0.00753909	<b>\$ -</b>
Industrial - Occupied	<b>60868</b>	0.01908036	<b>\$ 1,161</b>
Industrial - Vacant	<b>1720</b>	0.01240224	<b>\$ 21</b>
Farmland	<b>251554</b>	0.00172266	<b>\$ 433</b>
Managed Forest	<b>-508506</b>	0.00172266	<b>\$ (876)</b>
Total	<b>34628138</b>		<b>\$ 241,240</b>
	<b>6.1%</b>		

# PROPERTY TAXES HOW THEY'RE CALCULATED

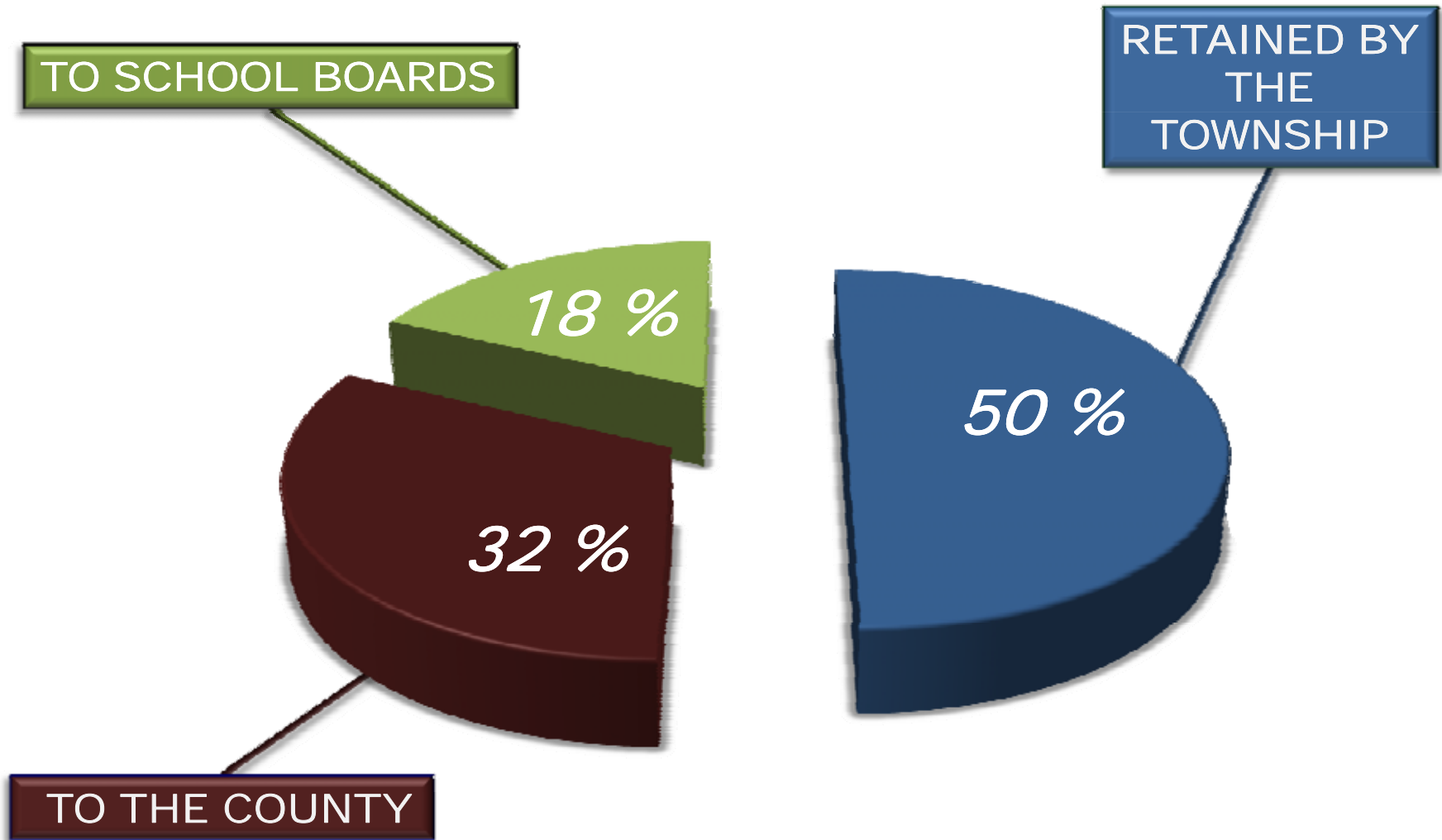


**Note :**

*Assessed Property Values provided by the Municipal Property Assessment Corporation ( MPAC )*



# WHERE OUR TAXES GO



# 2011 MUNICIPAL PROPERTY TAX OBLIGATION

***STATUS QUO BUDGET***

***ZERO % TAX RATE INCREASE***

**Example:**

**2010**

**Property assessed at \$149,942**



***Rising by average assessment increase***

***6.4%***



**2011**

**Property assessed at \$159,538**

# 2011 MUNICIPAL PROPERTY TAX OBLIGATION

***STATUS QUO BUDGET***

***ZERO % TAX RATE INCREASE***

**Example:**

**2010**

Change in Assessment 2010 to 2011

Equals 9,596

***Additional Municipal Tax \$ Required  
based on 2010 Residential Tax Rate***

***\$ 66.12 per Annum***

# 2010 LONG TERM DEBT

PURPOSE	LENDER	BAL. DEC. 31.10	INTEREST RATE	YEAR PAID OFF
Road Reconstr.	Infrastructure Ont.	\$ 795,754	4.73 %	2017
Road Reconstr.	Infrastructure Ont.	\$ 124,741	2.51 %	2014
Road Reconstr.	Infrastructure Ont.	\$ 578,233	3.75 %	2021
Fire Truck	Bank of Montreal	\$ -	4.65 %	2010
Fire Truck	Bank of Montreal	\$ -	4.74 %	2010
Fire Truck	Bank of Montreal	\$ -	4.74 %	2010
<b>TOTAL</b>		<b>\$ 1,498,728</b>		

# Reserve Balances

RESERVE	JAN. 1 2010	TRANSFER IN	TRANSFER OUT	DEC. 31 2010
Working Funds	\$ 371,864	\$ 29,000		\$ 400,864
Capital Funds	\$ 261,506	\$ 50,000		\$ 311,506
Administration Building	\$ 15,000	\$ 25,000		\$ 40,000
Road Equipment	\$ 101,702	\$ 214,572	\$ 194,264	\$ 122,010
Recreation	\$ 36,813	\$ 3,800	\$ 20,000	\$ 20,613
WSIB Contingency	\$ 60,000			\$ 60,000
CBO Vehicle	\$ 13,679			\$ 13,679
Tatlock Community Ctr.	\$ 8,961		\$ 8,961	\$ - 0 -
North Lavant CC	\$ 1,885			\$ 1,885
Investing in Ontario Act	\$ 241,259		\$ 201,259	\$ 40,000
Roads / Bridge Infrastr.	\$ 943,491		\$ 879,084	\$ 64,407
Election Expense	\$ 18,000		\$ 18,000	\$ - 0 -
LDNS - Recreation	\$ 1,408			\$ 1,408
Lanark Arena	\$ 63,524	\$ 25,000	\$ 12,500	\$ 76,024

# Reserve Balances . . . Cont'd

RESERVE FOR	JAN. 1 2010	TRANSFER IN	TRANSFER OUT	DEC. 31 2010
White Lake Community Ctr.	\$ 59,233	\$ 600		\$ 59,833
Move Ontario	\$ 50,000		\$ 50,000	\$ - 0 -
Reserve Employee Benefits	\$ 5,566			\$ 5,566
North Shore Road	\$ 53,300		\$ 53,300	\$ - 0 -
Gas Tax Infrastructure	\$ 199,863	\$ 158,897	\$ 181,700	\$ 177,060
Lanark Village Museum	\$ 7,801			\$ 7,801
Policing Contingency	\$ 9,858		\$ 9,380	\$ 478
Fire Department Capital	\$ 206,851	\$ 80,000	\$ 13,000	\$ 273,851
	\$ 2,731,564	\$ 586,869	\$ 1,641,448	\$1,676,385
Water & Sewer ( based on market value at Nov 30 <sup>th</sup> )	\$ 7,975,924	\$ 150,105	\$ 1,530,441	\$ 6,595,588
Cash in Lieu of Parkland	\$ 63,871	\$ 18,669		\$ 82,540
Development Charges	\$ 268,319	\$ 88,161	\$ 75,535	\$ 280,945

# Budget Reserve Balances

RESERVE	JAN. 1 2011	TRANSFER IN	TRANSFER OUT	DEC. 31 2011
Working Funds	\$ 400,864	\$ 50,000		\$ 450,864
Capital Funds	\$ 311,506	\$ 50,000	\$ 100,000	\$ 261,506
Administration Building	\$ 40,000	\$ 25,000		\$ 65,000
Road Equipment	\$ 122,010	\$ 130,000	\$ 252,010	\$ - 0 -
Recreation	\$ 20,613	\$ 4,750	\$ 11,000	\$ 14,363
WSIB Contingency	\$ 60,000			\$ 60,000
CBO Vehicle	\$ 13,679			\$ 13,679
North Lavant CC	\$ 1,885			\$ 1,885
Inventing in Ontario Act	\$ 40,000		\$ 40,000	\$ - 0 -
Roads / Bridge Infrastr.	\$ 64,407		\$ 64,407	\$ - 0 -
Election Expense	\$ - 0 -	\$ 6,500		\$ 6,500
LDNS - Recreation	\$ 1,408			\$ 1,408
Lanark Arena	\$ 76,024	\$ 25,000	\$ 15,000	\$ 86,024

# Budgeted Reserve Balances . . . Cont'd

RESERVE FOR	JAN. 1 2011	TRANSFER IN	TRANSFER OUT	DEC. 31 2011
White Lake Community Ctr.	\$ 59,833	\$ 600		\$ 60,433
Employee Benefits	\$ 5,566			\$ 5,566
Gas Tax Infrastructure	\$ 177,060	\$ 158,897	\$ 227,000	\$ 108,957
Lanark Village Museum	\$ 7,801			\$ 7,801
Policing Contingency	\$ 478			\$ 478
LH Fire Capital	\$ 273,851	\$ 82,400	\$ 46,000	\$ 310,251
	\$ 1,676,985	\$ 533,147	\$ 755,417	\$ 1,454,715
Cash in Lieu of Parkland	\$ 83,871	\$ 20,000		\$ 103,871
Development Charges	\$ 270,407	\$ 85,000	\$ 45,000	\$ 310,407