



The Corporation of
THE TOWNSHIP OF LANARK HIGHLANDS



2011 BUDGET PRESENTATION
Tuesday May 10, 2011



2011 BUDGET PROCESS

- Council directed staff to produce a 2011 budget that limited tax revenue to no more than that collected in 2010 or a 0% levy increase.
- Over a number of meetings, Council and staff reviewed budget drafts in detail searching for efficiencies and cost reductions that would maintain services but also lessen the taxation burden on property owners.
- Positive directives from Council included directing limited available capital funding towards maintaining existing bridges, many in need of critical repair work, as opposed to new capital roads work. Capital roads work will be reviewed during the production of a multi year capital plan expected to be completed in 2011.

2011 BUDGET PROCESS

- Council also chose in certain circumstance to limit some funding for projects until the completion of business plan.
- Many of the new projects proposed within Fire Services have been deferred until they are reviewed by a new interim Fire Chief. Expected to be hired in the short term.

2011 BUDGET OBSERVATIONS

- The complete budget document can be located at the web site [www.lanarkhighlands.ca /Services/Budget.php](http://www.lanarkhighlands.ca/Services/Budget.php)
- The 2011 residential assessment in Lanark Highlands has increased on average 7.4%.
- The 2011 budget includes a municipal tax levy increase of 2%. This generates additional revenue of \$ 77,000 for Municipal operations.
- 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.

2011 BUDGET OBSERVATIONS

- The wages rates remain unchanged from 2010. The 2011 benefit rates were applied. Benefit premium increases for 2011 are \$ 30,000.
- To balance the 2011 budget, transfers from reserves are \$ 360,000 greater than transfers to reserves. The reserves used for road and bridge infrastructure in previous years and for 2011 have been fully expended as expected and required by the granting authorities.
- The expected 2010 surplus from operations has been transferred to a new reserve

2011 BUDGET OBSERVATIONS & ASSUMPTIONS

The 2011 budget includes \$ 1,071,500 in various projects. \$ 38,400 of this amount will be funded through the tax levy.

These include:

General Government:

Computer software for fire stations and public works garages	\$ 2,100
Transfer to reserve for future computer upgrades	6,000

Building & Protective Services:

Dry Hydrants at each of Joe's Lake, White Lake, Highway 511	12,000
---	--------

(continued)

2011 BUDGET OBSERVATIONS & ASSUMPTIONS

(continued)

Community Services:

Clyde Waterfront Park restoration and maintenance	12,000
Youth Centre capital work	3,000
Community Halls capital improvements	19,200
Property Acquisition – survey & legal – Clyde Forks Cemetery	5,000
Middleville Museum – replace/repair windows and doors	3,700
Lanark Arena – renovate washrooms / new furnace	8,000

(continued)

2011 BUDGET OBSERVATIONS

(CONTINUED)

Public Works – Transportation:

Lanark Village – Mill Street – sidewalk replacement	\$ 7,500
Robertson Drive – street light replacement	7,000
Various bridge repair and maintenance based on SAI bridge report	421,000
Transportation Department – fleet – excavator / water tank	275,000
Asphalt base in White Lake sand and salt shed	6,000

Public Works – Environmental Services:

Integrated Solid Waste & Recycling Plan	25,000
Lanark Village waste site closure	240,000
Shelter building – Watson’s Corners transfer station	9,000
Legal / Survey costs re land purchase – White Lake waste site	10,000

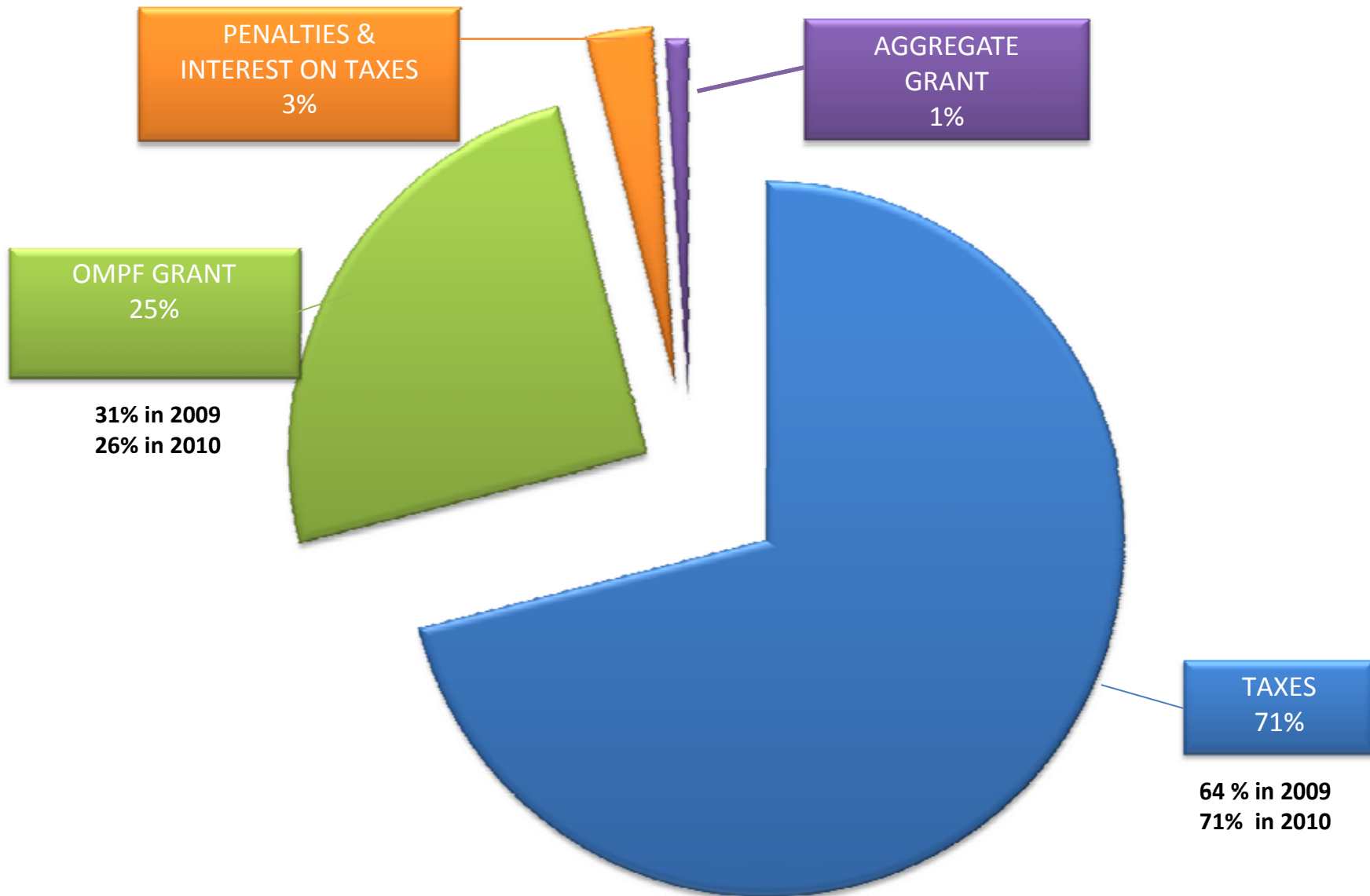
2011 BUDGET SUMMARY

	2010	2010	2011	
	BUDGET	ACTUAL	BUDGET	BUDGET NOTES
EXPENSES				
Departments	\$ 5,528,982	\$ 5,435,837	\$ 5,613,742	Transferred from next page
Conservation Authority Levy	\$ 24,886	\$ 24,886	\$ 26,524	as provided by MVCA
TOTAL EXPENSES	\$ 5,553,868	\$ 5,460,723	\$ 5,640,266	
REVENUES				
Payments in Lieu	\$ 55,000	\$ 80,636	\$ 52,000	LCBO, Post Office, County Forest, Hydro etc.
Interest & Penalties on Taxes	\$ 135,000	\$ 163,888	\$ 160,000	1.25%/month as per Municipal Act
Ontario Municipal Partnership Fund (OMPF)	\$ 1,453,800	\$ 1,457,800	\$ 1,399,000	Represents a 1.5% Levy reduction
Interest Income	\$ 15,000	\$ 11,129	\$ 10,000	Bank Agreement Specifies Rate
Aggregate Producers Grant	\$ 50,000	\$ 57,126	\$ 55,000	Reflects anticipated aggregate producers output
Prior Year Surplus	\$ 20,822	\$ -	\$ -	
Anticipated Salary Savings - Temporary staffing reallocations			\$ 22,600	Based on trial 6 month employee reassignment
Taxes	\$ 3,824,246	\$ 3,855,550	\$ 3,941,666	2010 Tax Revenue + 2% levy increase + \$ 25,000 est. growth revenue / write offs
TOTAL REVENUES	\$ 5,553,868	\$ 5,626,129	\$ 5,640,266	
SURPLUS / (DEFICIT)	\$ -	\$ 165,406	\$ -	

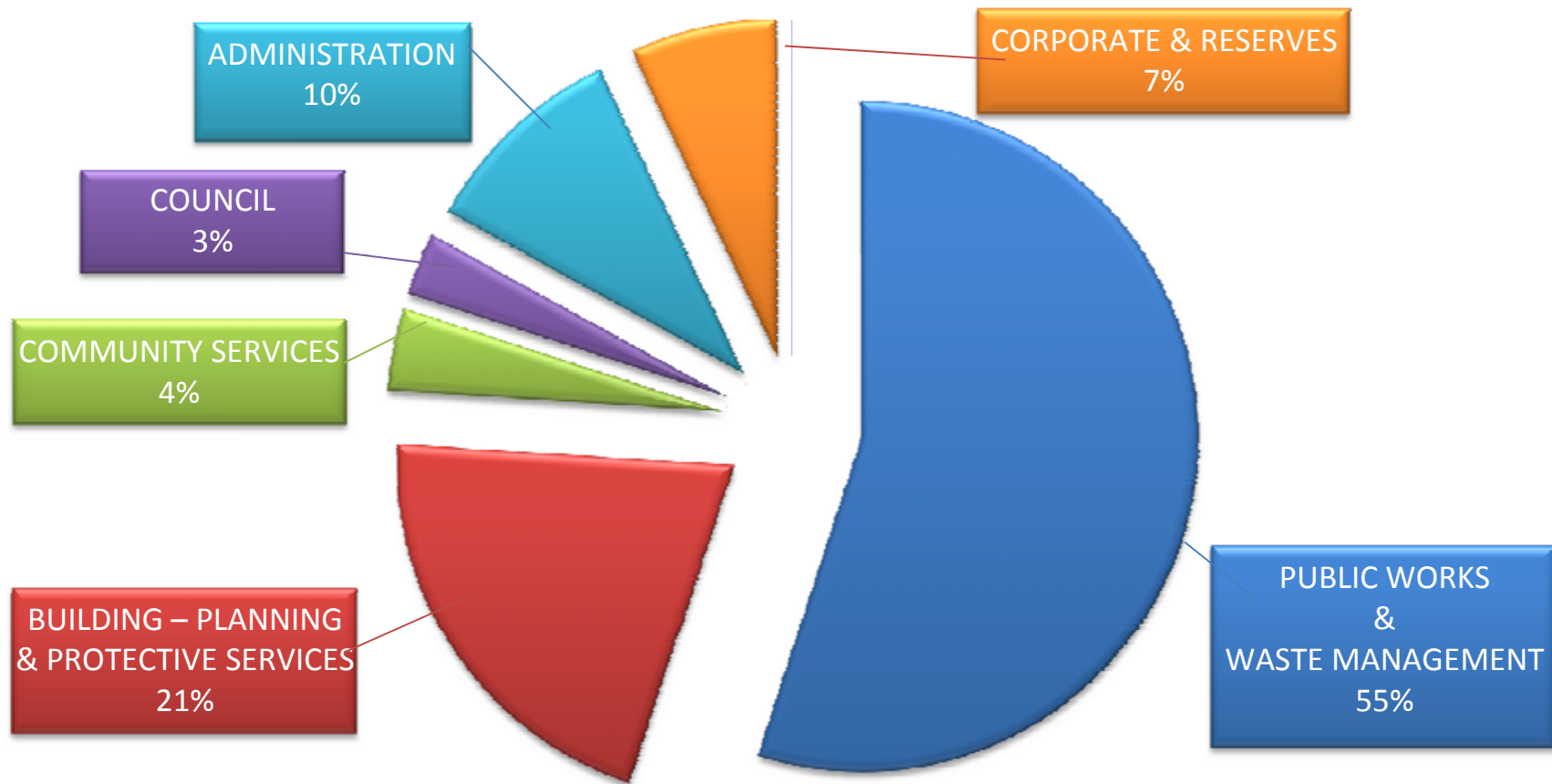
2011 BUDGET SUMMARY by DEPARTMENT

	2010	2010	2011
DEPARTMENT	BUDGET	ACTUAL	BUDGET
Corporate	\$ 1,151,084	\$ 1,231,619	\$ 1,115,842
Building, Planning & Protective Services	\$ 1,111,444	\$ 1,058,083	\$ 1,204,349
Community Services	\$ 245,532	\$ 289,301	\$ 240,220
Public Works & Waste Management	\$ 3,020,922	\$ 2,856,834	\$ 3,053,331
TOTAL	\$ 5,528,982	\$5,435,837	\$ 5,613,742

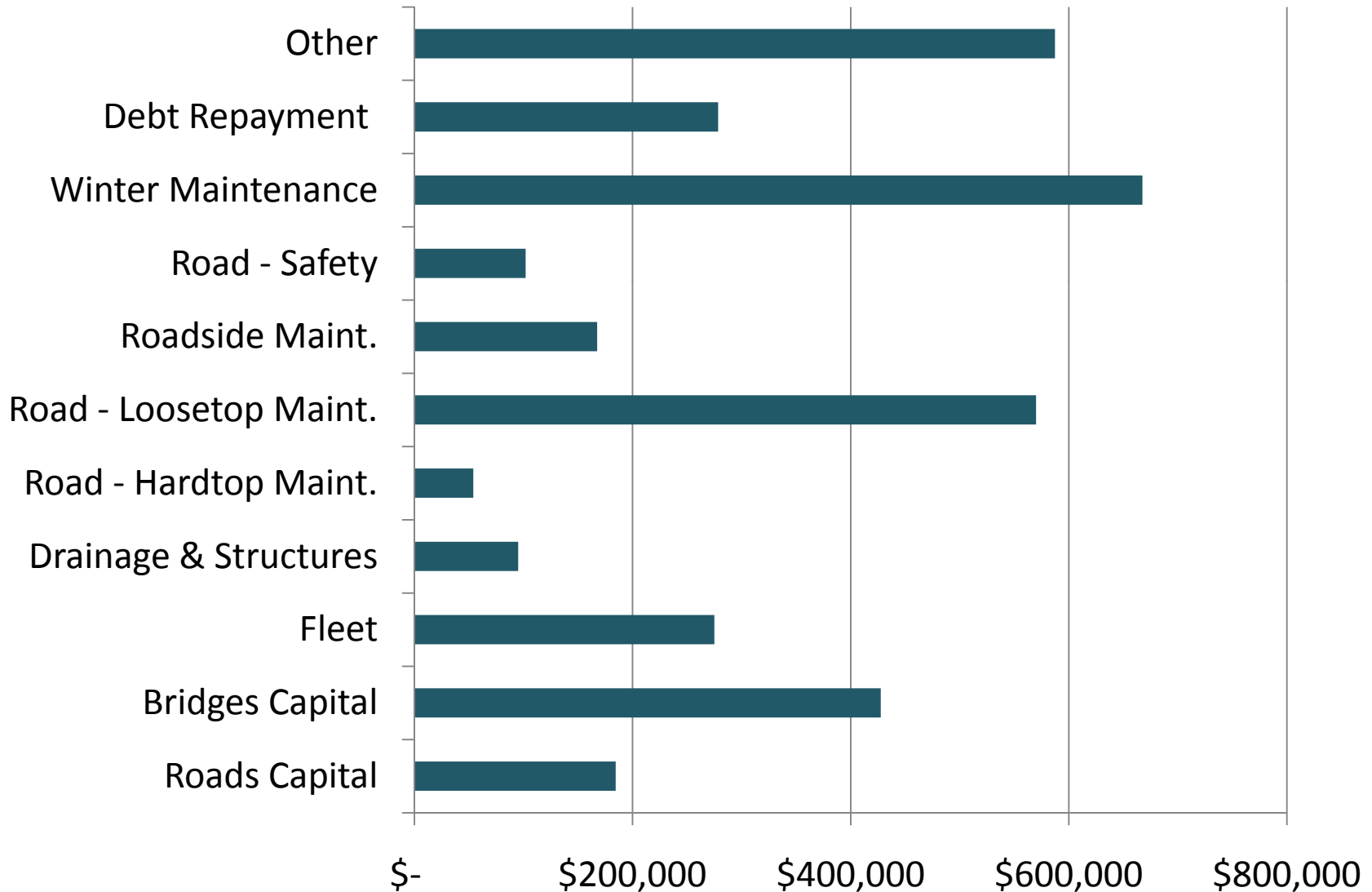
2011 GENERAL REVENUES



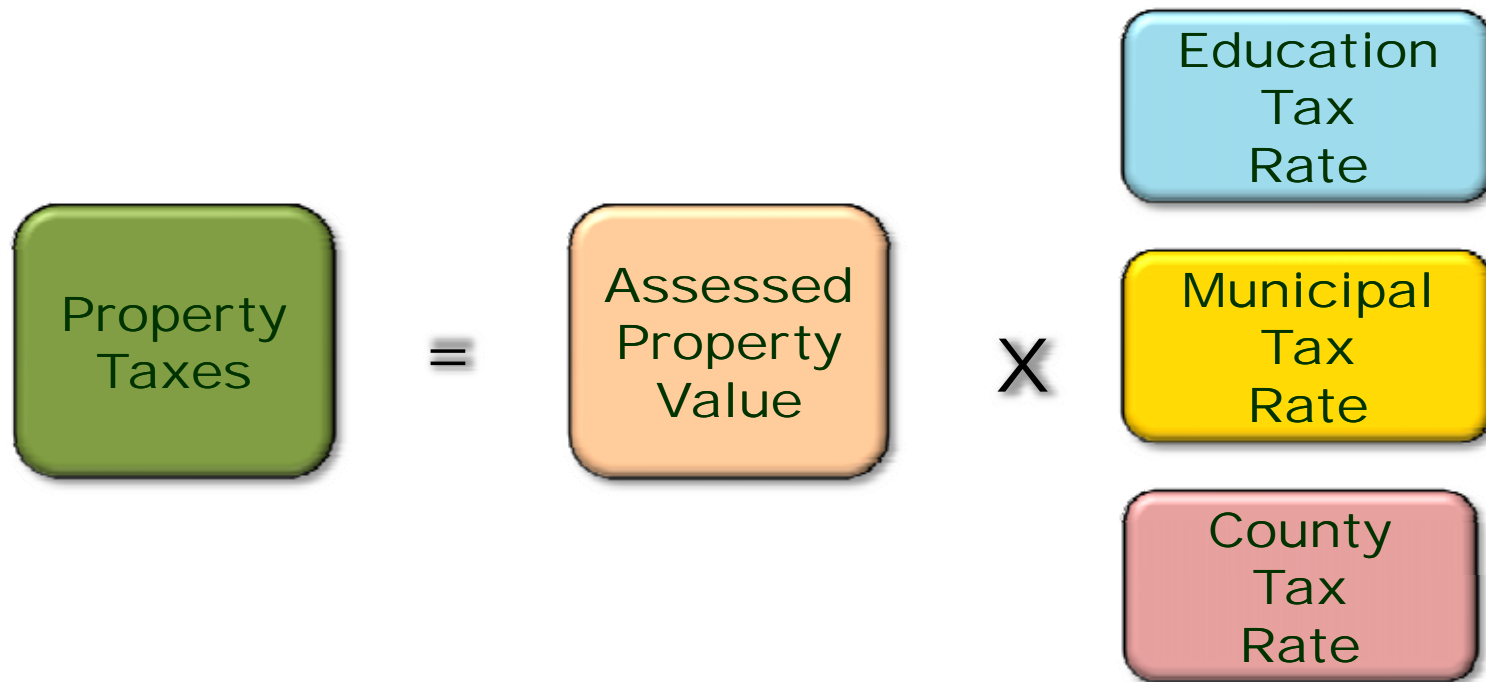
2011 NET EXPENDITURES by COST CENTRE



Gross Roads Expenditures by Function

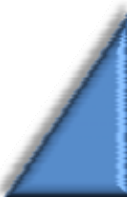


PROPERTY TAXES HOW THEY'RE CALCULATED

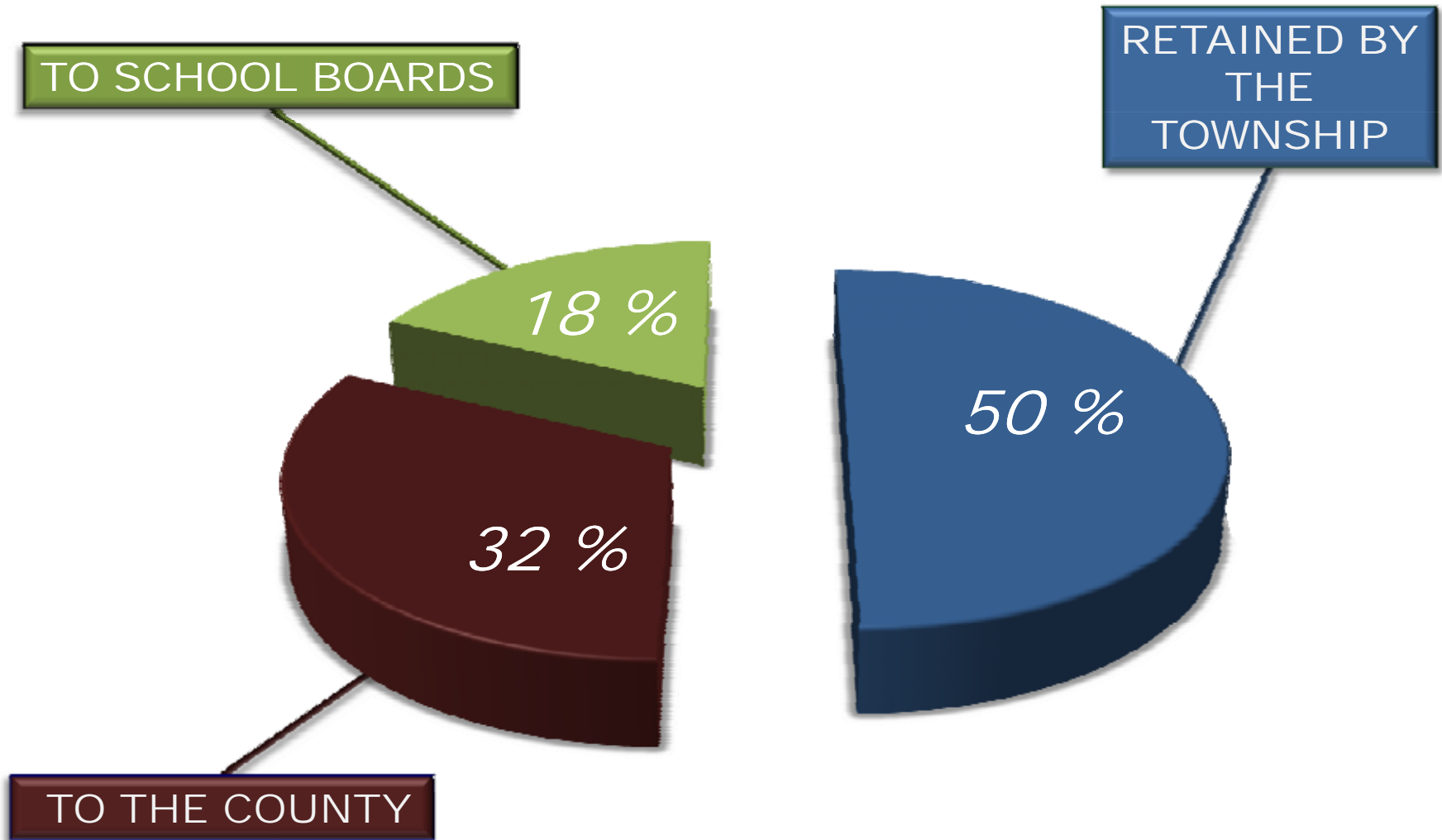


Note :

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



WHERE OUR TAXES GO



LANARK HIGHLAND'S 2011 TAX RATES

PURPOSE	Res/Farm (RT)	Multi-Res (MT)	Farmlands (FT)	Managed Forest (TT)
Township General	.00654417	.01593295	.00163604	.00163604
Special Area – Lanark Village	.00091800	.00223600	.00023000	.00023000
Education	.00231000	.00231000	.00057750	.00057750
County of Lanark	.00431698	.01051046	.00107924	.00107924

PURPOSE	Commercial (CT)	Commercial Vac/Exc (CX and CU)	Industrial (IT)	Industrial Vac/Exc (IX and IU)
Township General	.01033983	.00723788	.01887162	.01226655
Special Area – Lanark Village	.00145100	.00101600	.00266800	.00173500
Education	.01481315	.01036920	.01930000	.01254500
County of Lanark	.00682086	.00477460	.01218612	.00792098

2011 MUNICIPAL PROPERTY TAX OBLIGATION

2 % LEVY INCREASE

Example:

2010

Property assessed at \$150,000



*Rising by average assessment increase
7.4%*



2011

Property assessed at \$161,100

2011 MUNICIPAL PROPERTY TAX OBLIGATION

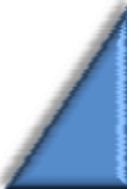
2 % LEVY INCREASE

	Assessed @ \$ 150,000 in 2010	Assessed @ \$ 161,100 in 2011	Net Change \$	Net Change %
Township	\$ 1,033.59	\$ 1,054.27	\$ 20.68	2.0%
Education	\$ 361.50	\$ 372.14	\$ 10.99	3.0%
County	\$ 665.28	\$ 695.47	\$ 30.19	4.5%
	\$ 2,060.37	\$ 2,121.88	\$ 61.86	3.0%

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.	Township of Lanark Highlands (Water & Sewer)	\$ 1,088,701	3.73 %	2021
		\$ 2,009,196		

Total annual repayment obligation combined principal & interest = \$ 307,204



Budget Reserve Balances

RESERVE	JAN. 1 2011	TRANSFER IN	TRANSFER OUT	DEC. 31 2011
Working Funds	\$ 400,864			\$ 400,864
Capital Funds	\$ 311,506	\$ 50,000	\$ 99,000	\$ 262,506
Administration Building	\$ 40,000	\$ 25,000		\$ 65,000
Road Equipment	\$ 169,569	\$ 130,000	\$ 266,000	\$ 33,569
Recreation	\$ 38,287	\$ 4,750	\$ 6,000	\$ 37,037
WSIB Contingency	\$ 60,000			\$ 60,000
CBO Vehicle	\$ 13,679			\$ 13,679
North Lavant CC	\$ 1,885			\$ 1,885
Investing in Ontario Act	\$ 72,759		\$ 71,731	\$ 1,028
Roads / Bridge Infrastr.	\$ 61,647		\$ 61,647	\$ - 0 -
Election Expense	\$ 14,359	\$ 6,500		\$ 20,859
LDNS - Recreation	\$ 1,408			\$ 1,408
Lanark Arena	\$ 82,654	\$ 25,000	\$ 8,000	\$ 99,654

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	\$ 157,725	\$ 158,897	\$ 316,622	\$ - 0 -
Lanark Village Museum	\$ 7,801			\$ 7,801
Policing Contingency	\$ 478			\$ 478
LH Fire Capital	\$ 249,546	\$ 82,400	\$ 24,000	\$ 307,946
Special Reserve (Surplus)	\$ 165,406		\$ 20,000	\$ 145,406
Contingency Reserve	\$ - 0 -	\$ 30,000		\$ 30,000
	\$ 1,914,972	\$ 513,147	\$ 873,000	\$ 1,555,119
Cash in Lieu of Parkland	\$ 82,540	\$ 20,000	\$ 15,000	\$ 87,540
Development Charges	\$ 218,879	\$ 85,000	\$ 27,000	\$ 276,879