

# **Town of Morden**

2005 Financial Plan

Public Hearing

Monday, April 11, 2005

7:00 p.m.

# ***Presentation Format***

- **Introduction**
- **Overview**
- **Highlights**
  - **Revenues**
  - **Expenditures**
  - **Utilities**
- **Charts**
- **Conclusion**

# ***Introduction***

- With the adoption of the new Municipal Act in 1997, it became a requirement in the Province of Manitoba to hold a public hearing prior to adopting the annual Financial Plan. As the intent of the hearing is to provide residents with the opportunity to hear and see what plans are in store for 2005 and beyond, we are pleased that you have chosen to take the time to be present at this hearing.
- The 2005 Financial Plan is based on the Town of Morden Strategic Plan as well as the Business Plan which outlines our Core Services, Core Strategies and Strategic Directions. Both the Business Plan and this presentation will be posted on the Morden website.
- There are copies of the hearing presentation available for you as well as reports that outline both the 2005 annual estimates and the 2006 proposed estimates. Also included in the package is the 2005 Capital Estimates as well as the 5-Year Capital Expenditure program for both the General Fund and the Utility Fund.
- The information that will be presented this evening is a general overview of the 2005 Financial Plan. If anyone wishes to have a further explanation, this will be provided upon request. As well, there will be an opportunity to ask questions following this presentation.

# Overview



## **MUNICIPAL MILL RATE**

There is an increase in the 2005 Municipal Mill Rate of 2.84 mills from 2004. The 2005 Municipal Mill Rate is 24.06.



## **WESTERN SCHOOL DIVISION**

There is an increase in the Western School Division Education Special Levy of .19 mills. The 2005 Western School Division Mill Rate is 21.75



## **EDUCATION SUPPORT LEVY**

There is a decrease in the Education Support Levy for Residential of 2.17 mills. The 2005 ESL Mill Rate for Residential is 2.45 and for Commercial is 16.54



## **OVERALL**

In combining all of the above, Residential properties will see .86 mill increase on their property tax bill which equates to a 1.8% increase.

# ***Overview (Cont'd)***

➤ What does this Plan mean to a resident in Morden?

➤ A residential property assessed at \$120,000 will have an increase of

**\$46.44 per year**

➤ What does this Plan mean to a business in Morden?

➤ A business property assessed at \$120,000 will have an increase of

**\$239.46 per year**

*These figures are calculated after combining all municipal and education taxes (including the Provincial Education Support Levy.)*

# Overview (Cont'd)

- How do we compare?
  - The 2005 Municipal Mill Rate is 24.06
  - The following chart shows how we compare to the 2004 mill rates of other towns and cities in Manitoba.

City/Town Name	2004 Mill Rate	Municipal Tax on \$120,000 Residence
Dauphin	38.276	2066.90
Selkirk	32.774	1769.80
Neepawa	32.020	1729.08
Portage la Prairie	31.655	1709.37
Winnipeg	29.686	1603.04
Thompson	29.593	1598.02
Swan River	27.850	1503.90
Brandon	25.703	1387.96
<b>Morden - 2004</b>	<b>21.220</b>	<b>1145.88</b>
Winkler	18.930	1022.22
Steinbach	18.100	977.40

# Overview (Cont'd)

- What is our goal?
  - We aim to reach an ideal community ratio of:
    - **60% Residential 40% Commercial**
  - Our ratios for the last three years are:

Type	2003	2004	2005
Residential	78.63%	78.43%	78.16%
Commercial	21.37%	21.57%	21.84%

- At this rate of change it will take us over 76 years to reach the recommended ratio. We must act now.
- Our first priority is to make Morden “Open For Business”. It is this increase in business assessment that will help us realize our dreams for Morden.

# Overview (Cont'd)

## ➤ Why is business assessment so important?

- If a community does not have the recommended ratio, the mill rate will stay high. See the difference in the municipal tax collected on just one property worth \$200,000.

Type	Calculation	Taxable Amount	Tax Charged
Residential	45% of 200,000	90,000	\$2,166
Commercial	65% of 200,000	130,000	\$3,129
<b>Difference</b>			<b>\$ 963</b>

- We must invest now to encourage more commercial and industrial businesses to come to Morden.

# *Overview (Cont'd)*

➤ How will we invest in the future?

*By supporting Morden as:*



“Open For Business”



“A Tourist Destination”



“Best In Country Living”

# *Overview (Cont'd)*

## ➤ “Open For Business”

- We will encourage more commercial and industrial businesses to come to Morden, by supporting the following projects:
  - Downtown Re-vitalization \$25,000
  - East Commercial Land Purchase \$391,000
  - East Commercial Land Development \$55,000
  - Jefferson Street Infrastructure \$360,000
  - Economic Development Fund \$60,000

These projects will make us  
**Ready, Willing & Able**  
to provide an immediate start for any  
business coming to Morden.

# ***Overview (Cont'd)***

## ➤ “A Tourist Destination”

- We will invest in making Morden a better tourist destination. Some highlights are:
  - Billboards on Highways to guide visitors to Morden.
  - Increased funding for the Canadian Fossil Discovery Centre to allow for the hiring of an Executive Director.
  - Lighting on the Boardwalk at Lake Minnewasta

**Good planning, past and present  
makes sure that Morden has -**

***A place for everything  
and everything in its  
place.***

# Overview (Cont'd)

## ➤ “Best In Country Living”

➤ We will invest funds to continue to improve the quality of life in Morden.

### ➤ Stephen Street Sidewalks

- 4<sup>th</sup> to 6<sup>th</sup> and 9<sup>th</sup> to 11<sup>th</sup> sidewalks to be resurfaced.
- Corners reconfigured providing improved accessibility.

### ➤ Parks

- Confederation Park will have \$5,000 spent on lighting, flower pots, and bench repairs.
- Morden Park will have the posts and cable removed and upgraded.
- Sun Catch Area will have \$5,000 spent on bricks and benches.

### ➤ Playground Equipment

- A total of \$32,500 will be spent on playground equipment for Rampton and Elks Parks.

### ➤ Building Access

- Automatic Doors will be installed at the Recreation Centre and the Civic Centre

# 2005 Revenues

- **Tax Levy** – The Municipal Portion has increased by a total of \$486,800. This results both from new assessment and the 2.84 mill rate increase.
  
- **Other Revenue** – is up by \$84,800 from 2004. Some of the more significant amounts that make up this total include:
  - ***Added Taxes*** – revenues increased by \$21,300 primarily as a result of new construction and the development of the former Morden Hospital property.
  
  - ***Business Licenses*** – are down by \$2,000 primarily as a result of a collaborative effort between the Town of Morden, City of Winkler, and the R.M. of Stanley whereby businesses in any of the jurisdictions generally will now only need a license in any one community to operate in the other communities as well.
  
  - ***Community Services*** – revenues are decreased by \$12,700 as a result of a more accurate reflection of actual amounts in facility rentals.

# 2005 Revenues (Cont'd)

- **Other Revenue Cont'd** – Some of the more significant amounts that make up this total include:
  - **Federal Conditional Grants** – revenue is increased by \$100,000 as a result of the Town of Morden now receiving back 100% of the GST.
  - **Provincial Conditional Grants** – decreased by approximately \$34,800 mostly as a result of receiving a Grant In Lieu Grant in 2004 for the paving of Wardrop Street.

# **2005 Expenditures**

## ➤ **GENERAL GOVERNMENT SERVICES**

This area in the Financial Plan sees a increase of .76% or \$4,900. Some of the more significant areas of change include:

- **Legislative** – expenses are down by \$3,800 as a reflection of more actual costs in 2004.
- **Administration Office Staff** – expenses are up by \$19,600 primarily as a result of an allowance for an Executive Assistant position for the Administration Office in 2005.
- **Legal costs** - are up \$10,000 to more accurately reflect actual expenditures.
- **Insurance Expense** – costs are down \$6,000 in 2005 to more accurately reflect the actual costs.
- **Grants to Organizations** are down \$9,000 to a total of \$46,000 in 2005.
- **Other General Government Sundry** – expenses are down by \$5,300 from 2004 as a result of the Strategic Planning Session that was undertaken last year.

# ***2005 Expenditures (Cont'd)***

## ➤ **PROTECTIVE SERVICES**

Protective Services sees a 12.2% or \$102,763 increase from 2004. Some of the more significant areas of increase include:

- ***Police salaries*** – increased by \$109,130 primarily as a result of the new contract agreed to between the Town of Morden and the Boundary Trails Police Association and the addition of 1 (one) new Police Constable. Morden costs remain considerably lower than RCMP costs.
- ***Youth Justice*** – a Coordinator position to deal with youth justice in the community was proposed at a cost of \$20,000 in 2004. The 2005 budget includes an amount of \$6,100 for the position which more accurately reflects the actual expenditures that this new service is expected to incur.
- ***Fire Protection Services*** – sees an increase of \$8,400 primarily as a result of training and education of fire fighters and higher costs on the new fire hall.
- ***An Emergency Coordinator*** will be equally cost shared by the Town of Morden, City of Winkler and the Town of Plum Coulee with the Town of Morden's cost being \$5,200.

# 2005 Expenditures (Cont'd)

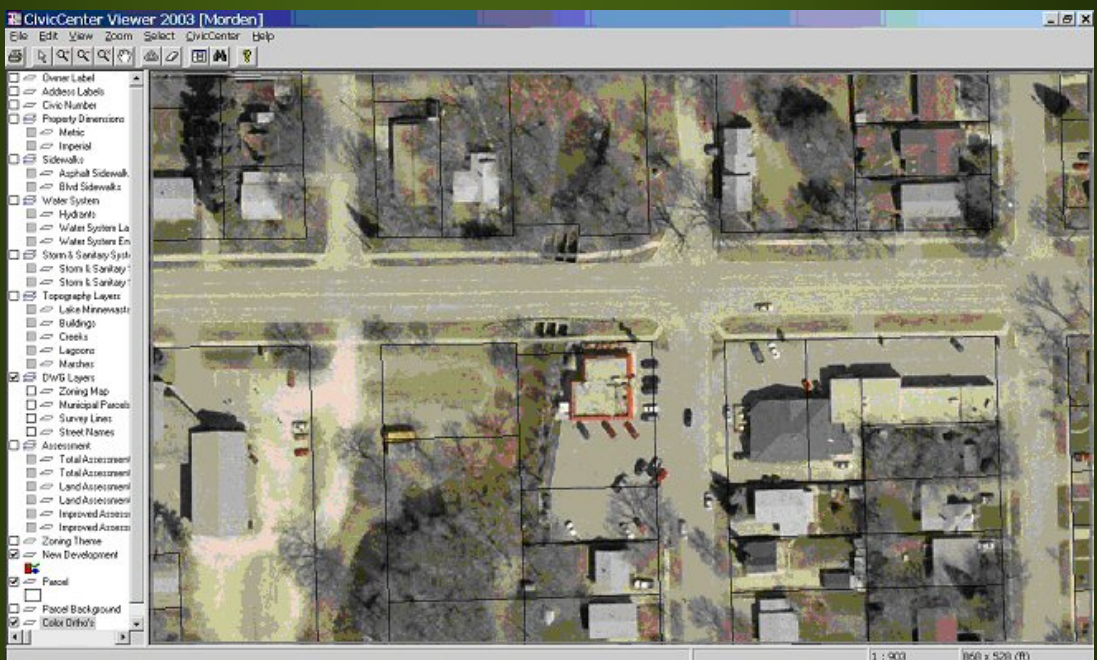
## ➤ TRANSPORTATION SERVICES

Transportation Services sees a decrease of 1.6% or \$9,700 in 2005. Some of the areas of change include:

- **Engineering** – there is an increase in costs for maintaining the new GIS program. The increased costs are estimated at \$2,700 for the annual subscriptions and \$7,500 for a maintenance agreement relating to the (Geographic Information System) GIS system.

SAMPLE BELOW:

View of Dairy Queen on Thornhill Street.



# ***2005 Expenditures (Cont'd)***

- **TRANSPORTATION SERVICES** (Cont'd)
  - ***Workshop and Yard Operations*** – have decreased by \$9,200 to more accurately reflect the actual costs.
  - ***Street Lighting*** – expenses are up \$7,000 as a result of higher hydro costs as well as more street lights in the Town of Morden.
  - ***Traffic Services*** – there is an additional \$2,500 budgeted in 2005 to replace a number of the signs that need replacing due to fading.
  - ***Sidewalks*** – the 2005 proposed Sidewalk Program will see 2,600 feet of new sidewalks in the following areas:
    - Along Thornhill Street from Mountain Street to Eagle Drive

# ***2005 Expenditures (Cont'd)***

## ➤ **PUBLIC HEALTH & WELFARE**

This area is down by 58% or \$76,800. Some of the more significant areas of change include:

- In 2004 there was a \$90,700 contribution to the proposed new Medical Centre. This was made up of a one time contribution of \$84,000 as well as an annual \$20,000 contribution towards operating costs. ***The 2005 amount will be \$20,000 .***
  
- Social Assistance costs are down by \$11,200 as a result of the Province of Manitoba taking over Social Assistance. The change took place in 2004 and as a result the Province of Manitoba now looks after social assistance. The Province charges the Town of Morden a flat fee of \$9,800 in 2005 to provide this service. There is also a corresponding decrease in the revenues received from the Province of Manitoba as a result of this change.

# ***2005 Expenditures (Cont'd)***

## ➤ **COMMUNITY DEVELOPMENT**

This area sees an increase of 10% or \$38,000 from 2004. The more significant areas of undertaking this year are:

- The Town of Morden is proposing to become a member of the Pembina Valley Conservation District at a cost of \$12,000, which is prorated for 2005. The Province matches these funds on a 3 to 1 basis.
- The Corn & Apple Festival will receive a grant from the Town of Morden of \$30,000 in 2005. This is the same amount as they received in 2004.
- The Morden Chamber of Commerce will receive a grant of \$42,000 in 2005. This is a decrease from the \$47,000 they received in 2004, when extra funding was provided for relocation and office area development costs.
- The Community Development Department will spearhead a downtown revitalization project in 2005 at a cost of \$25,000.
- The Marketing Committee has an allocation of \$25,000 for the year 2005 to promote the Town of Morden as a tourist destination. This amount is the same as was allocated in 2004.

# ***2005 Expenditures (Cont'd)***

## ➤ **COMMUNITY SERVICES**

This area encompasses the Town of Morden Recreation Centre & Sports Fields, Morden Parks, Morden Beach & Campground, Canadian Fossil Discovery Centre, Morden Library, and the Art Gallery Building. These areas will see a decrease of .39% or \$6,125 in 2005. Some of the Department highlights are as follows:

- ***Art Gallery*** – will see a grant of \$29,500 in 2005. This is down by \$500 from 2004.
- ***Recreation Centre & Sports Fields*** – expenditures are down by \$12,900 to more accurately reflect actual expenditures.
- ***Parks Department*** – expenditures are down \$8,100 primarily as a result of a reduction in seasonal employment.
- ***Morden Beach*** – expenditure decreased by \$5,300 primarily as a result of department restructuring.
- ***Canadian Fossil Discovery Centre*** – will receive an operating grant of \$78,000 in 2005. A further \$10,000 is allocated to the Museum and transferred to General Reserve for future capital expansion. The total increase of \$28,000 will provide sufficient funds to hire an Executive Director.

# ***2005 Expenditures (Cont'd)***

## ➤ **FISCAL SERVICES**

This area is up by 40.2% or \$361,000. Some of the highlights include:

- ***Transfer to Replacement Reserve*** – The amount allocated to this account for 2005 is \$148,000 and is to allow for future purchases and replacement of equipment to better provide services to the residents of the Town of Morden. This amount is based on long term projections.
  
- ***General Debenture Debt*** – for the Town of Morden in 2005 is \$160,100 and is made up of \$109,800 for the Recreation Centre Upgrades and the new Fire Hall purchase and expansion, and \$50,300 are frontage levies that applicable homeowners pay for street paving in their developments in the Town of Morden.

# ***2005 Expenditures (Cont'd)***

- **Capital Purchases** - The Capital Expenditures from the General Fund amount to **\$856,270**. Normally this figure is about \$400,000 to \$450,000. The following is a list of some of the projects paid for through the General Fund. (A detailed listing is available for your perusal in the back of the Council Chamber tonight and at the Town office tomorrow):

- Technology Upgrades \$ 22,100
- Airport Upgrades \$ 15,000
- Street Lighting \$ 36,000
  - mainly the 200 blocks north of Thornhill (as budget allows)
- Paving \$113,500
  - 11<sup>th</sup> Street - 200 Block (Overlay)
  - Elmwood Avenue (Overlay)
  - 4<sup>th</sup> Street - 400 Block (Overlay)
  - Southdale Street (Overlay)
  - Morden Park (Overlay)
- Main Street Sidewalk & Lighting \$ 95,000
- Art Gallery \$ 16,100
- Library Repairs \$ 4,500

# 2005 Expenditures (Cont'd)

## ➤ **Capital Purchases General Fund Cont'd**

➤ East Property Infrastructure	\$ 55,500
➤ Billboard Signs	\$ 40,000
➤ Protective Vests (Police)	\$ 2,250
➤ Turn Out Gear – Fire Dept.	\$ 7,000
➤ Fire Hall Construction	\$ 96,000
➤ Gilmour Bridge Repair	\$ 50,000
➤ Parkhill Street Bridge Repair	\$ 20,000
➤ Hydraulic Study – Dead Horse Creek	\$ 15,000
➤ Fire Code Upgrade – Rec Centre	\$ 10,000
➤ Ball Diamond Bleachers	\$ 23,800
➤ Development Plan – Rec Centre	\$ 10,000
➤ Lobby Floor – Rec Centre	\$ 20,000
➤ Morden Park Lighting	\$ 14,000
➤ Playground Equipment	\$ 32,500
➤ Change Room Upgrade – Beach	\$ 10,000
➤ Lighting on Boardwalk – Beach	\$ 8,000

**TOTAL**

**\$856,270**

# ***2005 Expenditures (Cont'd)***

## ➤ **CAPITAL PURCHASES RESERVE FUNDS**

The balance of the Capital expenditures of **\$1,769,300** comes from Reserve & Surplus Funds in 2005 and includes:

➤ Land Purchase – East of Town	\$400,000
➤ Administration Office Renovation	\$ 50,000
➤ Civic Centre Roof Replacement – Bal	\$ 12,000
➤ Energy Retrofit – Municipal Buildings	\$100,000
➤ Projector & Screen –Chambers	\$ 6,500
➤ Jefferson Street Infrastructure	\$360,000
➤ Industrial Park Drainage	\$ 50,000
➤ Industrial Park Billboard	\$ 10,000
➤ Airport – Terminal Building	\$ 15,000
➤ Main Street Project	\$ 51,900
➤ Police – Office Renovations	\$ 30,000
➤ Police Vehicle	\$ 40,000
➤ Rescue Unit – Fire Department	\$150,000
➤ Jaws Upgrade – Fire Department	\$ 30,000
➤ Scene Light – Fire Department	\$ 10,000

# ***2005 Expenditures (Cont'd)***

## ➤ **CAPITAL PURCHASES RESERVE FUNDS (Cont'd)**

➤ Meeting Room Furniture – Fire Dep.	\$ 10,000
➤ Skid Loader – Public Works	\$ 17,200
➤ Street Lighting – Carryover from 2004	\$ 5,700
➤ ½ Ton Truck – Community Services	\$ 15,000
➤ Nature Park	\$ 20,000
➤ Front Mount Mower – Beach	\$ 20,000
➤ Change Room Upgrade – Beach	\$ 2,000
➤ Garbage Recycle Areas – Beach	\$ 4,000
➤ Store Renovation – Beach	\$ 15,000
➤ Sewer Relining	\$ 100,000
➤ Lagoon Outfall	\$ 150,000
➤ W & S Extension Nelson	\$ 95,000
<b>TOTAL</b>	<b>\$1,769,300</b>

# ***2005 Expenditures (Cont'd)***

## ➤ **TOTAL CAPITAL PURCHASES**

- ***With the expenditures from the General Fund and Reserve Funds combined, our total capital investment for 2005 is***

***\$2,625,600.***

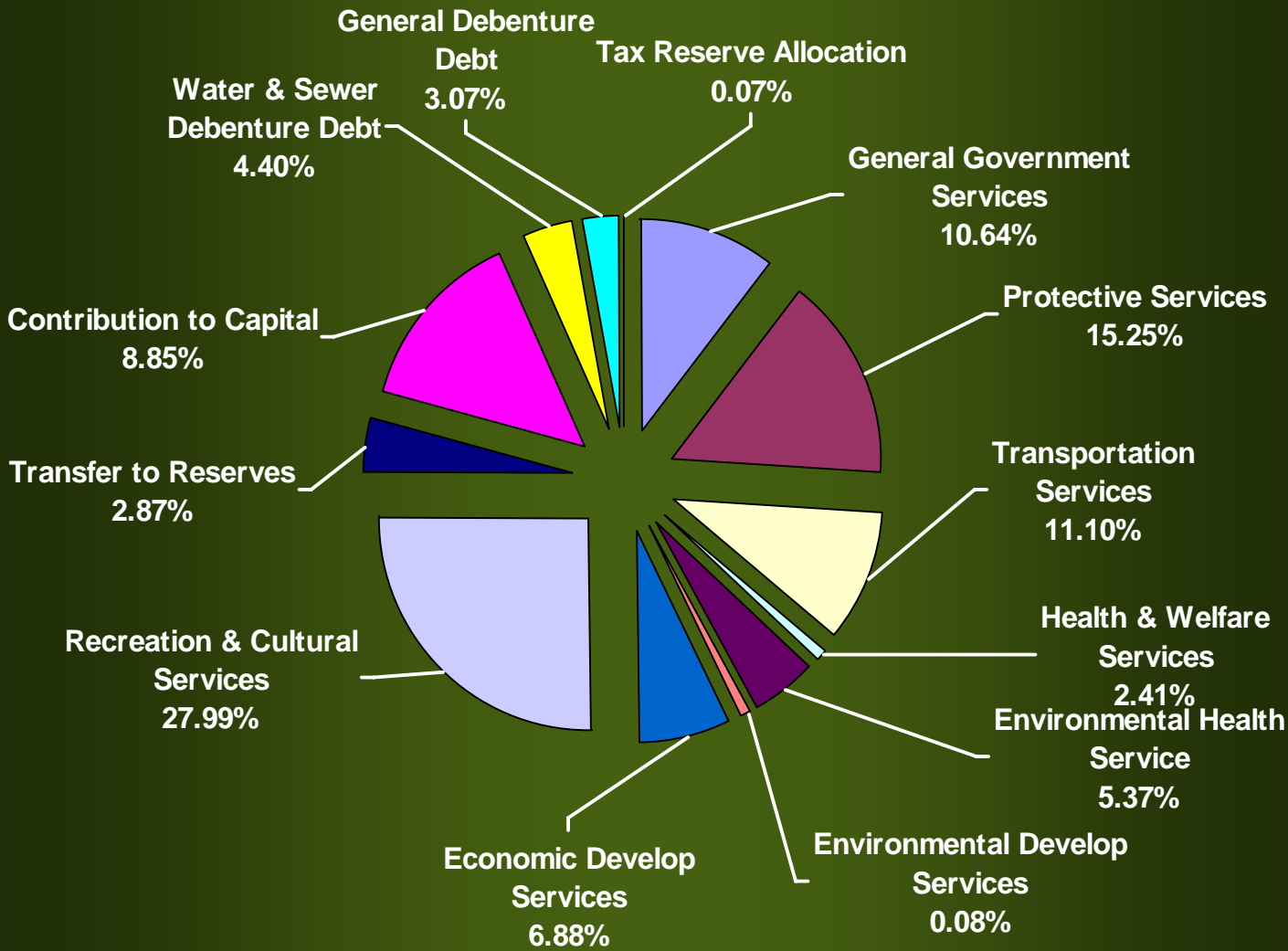
# 2005 Utilities

- The Town of Morden Utility Operating Budget for 2005 is **\$916,500**. The Town is also proposing to expend \$52,245 for Capital in 2005 for the following:
  - Lab Equipment \$ 4,300
  - Computer Replacement \$ 3,745
  - Computer Backup Program \$ 9,200
  - Water Meters \$ 35,000
  
- The Town of Morden is also proposing to expend \$100,000 from the Utility Reserve on a sewer relining program in 2005. As well, \$150,000 has been budgeted for a Lagoon Outfall Project in 2005. These funds will come from the Utility Capital Development Fund. The \$35,000 noted above is allocated for Water Meter replacements in 2005 as the Town heads towards having all meters replaced with remote read meters.

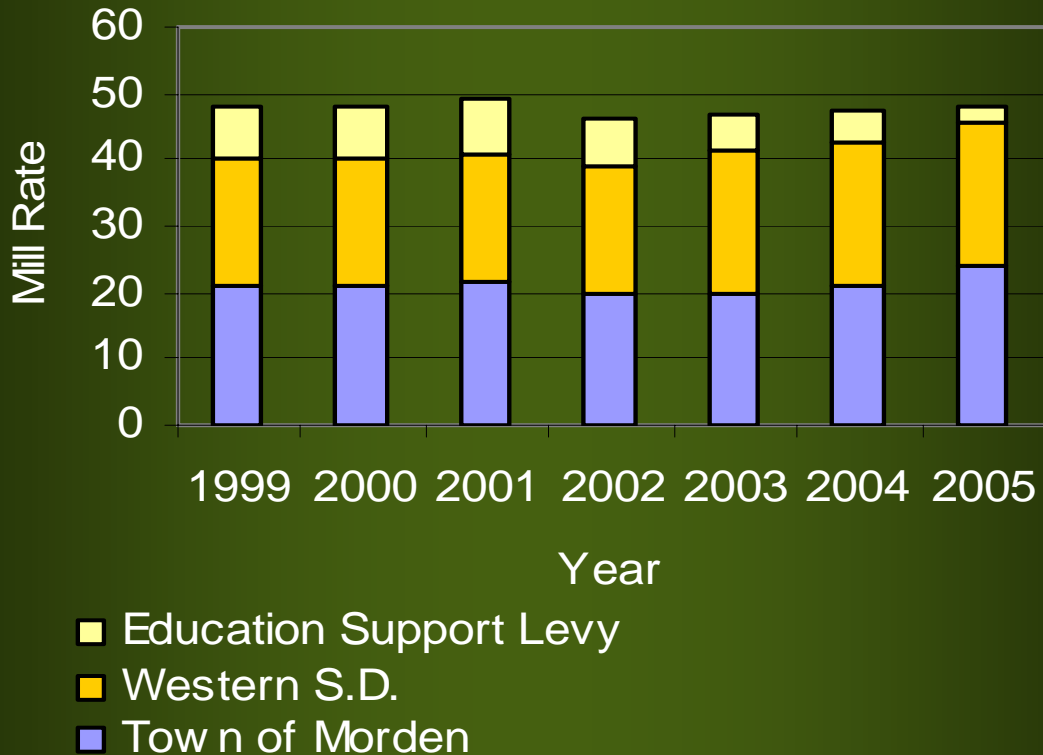
## ***2005 Utilities (Cont'd)***

- The Town of Morden is also proposing expenditures that will be borne by Debentures as follows:
  - Sewer Main Relining                      \$ 550,000
  - Lagoon Expansion                              \$ 2,500,000
  
- The Town of Morden will be undertaking a Water Rate Study in 2005 in an effort to determine how we can ensure the Utility Infrastructure is maintained and if the Water & Sewer rates are sufficient to accomplish this.

# ***Town of Morden Budgeted Municipal Expenditures 2005***



# ***Town of Morden Residential Mill Rate Comparison***



Mill Rates	Years						
	1999	2000	2001	2002	2003	2004	2005
Town of Morden	21.04	20.97	21.31	19.71	20.09	21.22	24.06
Western S.D.	18.94	19.20	19.60	19.55	21.52	21.56	21.75
Education Support Levy	8.01	8.01	8.01	6.70	5.34	4.62	2.45
<b>TOTALS</b>	<b>47.99</b>	<b>48.18</b>	<b>48.92</b>	<b>45.96</b>	<b>46.95</b>	<b>47.40</b>	<b>48.26</b>

*Our strategy is to ensure the total mill rate is subject to reasonable annual incremental increases.*

# ***Conclusion (Cont'd)***

➤ How will we invest in the future?

By supporting Morden as:

➤ “Open For Business”

**Ready, Willing & Able**

to provide an immediate start for any business coming to Morden

➤ “A Tourist Destination”

Market Morden as a GREAT Tourist Attraction by supporting the Canadian Fossil Discovery Centre and by ensuring that Morden continues it's good planning -

***A place for everything and everything in its place.***

➤ “Best In Country Living”

We will continue to improve the quality of life in Morden, giving us the right to use the phrase

**“Best In Country Living”**


# ***Conclusion (Cont'd)***

- How can you invest in the future?
  - By supporting the local businesses by shopping locally whenever possible.
  - By communicating with local businesses. Let them know your satisfaction or dissatisfaction with the service supplied.
  - By promoting the Town when you travel. More and more people are looking for -

**“Quality of Life” & the  
“Best In Country Living”**

# ***Conclusion (Cont'd)***

*If we always do what we always did we will always get what we always got!*



## ***Higher Mill Rates***

By attracting more commercial and industrial businesses to Morden we will be investing in a future with sustainable mill rates. Tourism and Quality of Life also play an important part in attracting businesses as well as the tourists.

***We have talked long enough –  
it is time for***

***ACTION***

***Questions?***