

Town of Morden

2006 Financial Plan
Public Hearing
Monday, April 10, 2006
7:00 p.m.

Presentation Format

- **Introduction**

- **Overview**

- **Highlights**
 - **Revenues**
 - **Expenditures**
 - **Utilities**

- **Charts**

- **Conclusion**

Introduction

- The intent of the hearing is to provide residents with the opportunity to hear and see what plans are in store for 2006 and beyond. We are pleased that you have chosen to take the time to be present at this hearing.
- The 2006 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 2006 annual estimates and the 2007 proposed estimates. Also included in the package is the 2006 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 2006 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 a decrease in the 2006 Municipal Mill Rate of 1.28 mills from 2005. The 2006 Municipal Mill Rate is 22.78.



WESTERN SCHOOL DIVISION

There is a decrease in the Western School Division Education Special Levy of 1.14 mills. The 2006 Western School Division Mill Rate is 20.61



EDUCATION SUPPORT LEVY

The Education Support Levy (ESL) has been removed in Residential properties for 2006. The 2006 ESL Mill Rate for Commercial properties is 16.08 - down slightly from 2005.



OVERALL

Normally we compare the mill rate to the previous year. With 2006 being a reassessment year, we have to include assessment increases into the comparison. With the average residential assessment increase being 13%, we've compared a tax bill on a \$135,000 house in 2006 to a \$119,470 house in 2005.

Overview (Cont'd)

- What does this Plan mean to a resident in Morden?
 - A residential property assessed at \$135,000 will have an increase of

\$41.48 per year

- What does this Plan mean to a business in Morden?
 - A business property assessed at \$135,000 will have an increase of

\$395.72 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 2006 Municipal Mill Rate is 22.78
 - The following chart shows how we compare to the 2005 mill rates of other towns and cities in Manitoba, as 2006 rates for other communities are not yet available.

City/Town Name	2005 Mill Rate	Municipal Tax on \$120,000 Residence
Dauphin	38.776	2093.90
Selkirk	32.877	1775.36
Thompson	32.751	1768.55
Neepawa	31.290	1689.66
Portage la Prairie	30.956	1671.62
Winnipeg	29.686	1603.04
Swan River	28.530	1540.62
Brandon	26.204	1451.02
Morden - 2005	24.060	1299.24
Winkler	20.590	1111.86
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	2004	2005	2006
Residential	78.43%	78.16%	78.39%
Commercial	21.57%	21.84%	21.61%

- At this rate of change it will take us decades 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	\$2,050
Commercial	65% of 200,000	130,000	\$2,962
Difference			\$ 912

- 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:

➤ East Commercial Dev. - over	\$400,000
➤ Jefferson Street Infrastructure	\$330,000
➤ Economic Development Fund	\$ 60,000
➤ Willcocks Road Development	\$500,000

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.
 - Continued improvements to Morden Park.
 - Continued improvements to Lake Minnewasta
 - Funding to the Morden Tourism Marketing Team \$35,000
 - Increased funding to the Corn & Apple Festival
 - Increased funding to the Canadian Fossil Discovery Centre

**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.

➤ Parks

- Morden Park lighting Phase III \$12,000
- Morden Park Washrooms replaced \$50,000
- Sun Catch Area will have \$8,600 spent on bricks and benches.

➤ Playground Equipment

- A total of \$42,900 will be spent on playground equipment

➤ Facilities Upgraded

- Recreation Centre Re-development – over \$1,000,000
- Post Office Building Refurbished \$21,000

2006 Revenues

- **Tax Levy** – The Municipal Portion has increased by a total of \$355,234. This results both from both new construction and re-assessment.

- **Other Revenue** – is up by \$332,700 from 2005. Some of the more significant amounts that make up this total include:
 - **Community Services** – revenues have increased by \$28,600 as a result of a more accurate reflection of actual amounts in facility rentals.

 - **Sales of Goods** - has increased by \$4,000 as a result of sales of Town of Morden Logo products and the sale of some of the old ornamental lights.

 - **Trailer Park Fees** - have increased by \$3,200 due to new rates for trailers in Mobile Home Parks.

2006 Revenues (Cont'd)

- **Other Revenue Cont'd** – Some of the more significant amounts that make up this total include:
 - **Provincial Municipal Tax Sharing** – has increased by \$59,000 as a result of the Province of Manitoba allocating more funds to Towns, Cities and Municipalities for General Assistance Grants and Share of VLT revenues.
 - **Provincial Conditional Grants** – increased by approximately \$237,000 primarily as a result of the Gas Tax payments coming to all municipalities. The Town of Morden will receive \$230,000 in 2006 representing both the 2005 & 2006 portions. These funds may only be used for eligible projects as outlined in the agreement with the Province.

2006 Expenditures

➤ GENERAL GOVERNMENT SERVICES

This area in the Financial Plan sees a increase of 7.58% or \$48,900. Some of the more significant areas of change include:

- **Administration Office Staff** – expenses are up by \$21,000 primarily as a result of an allowance for a half time receptionist position for the Administration Office in 2006 and the Executive Assistant position for the full year, as last year the position started mid year.
- **Legal costs** - are down \$10,000 to more accurately reflect actual expenditures anticipated in 2006.
- **Audit Expenditures** – are up \$11,000 in 2006 as the Town will continue in their independent audits of individual departments within the Town. In 2006, it is expected that the Public Works Department will be audited.
- **Municipal Assessment Levy** – is up \$4,000 to reflect the actual cost the Province incurs in assessing properties in the Town of Morden.
- **Elections** – is up \$14,500 due to 2006 being an Election year.
- **Grants to Organizations** - are up \$2,500 to a total of \$48,500 in 2006.

2006 Expenditures (Cont'd)

➤ **PROTECTIVE SERVICES**

Protective Services sees a 13.6% or \$127,900 increase from 2005. Some of the more significant areas of increase include:

- ***Police Salaries*** – increased by \$96,500 primarily as a result of movements within the scale of constables in the current collective agreement and the addition of 1 (one) new Police Constable. Morden costs remain considerably lower than RCMP costs.
- ***Automobile Expenses*** – are up \$9,000 to reflect the actual expenditures for repairs and gasoline on the police vehicles
- ***Fire Protection Services*** – sees an increase of \$18,500 primarily as a result of training and education of fire fighters, increasing number of fire calls and repairs on equipment.
- ***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 \$9,250.

2006 Expenditures (Cont'd)

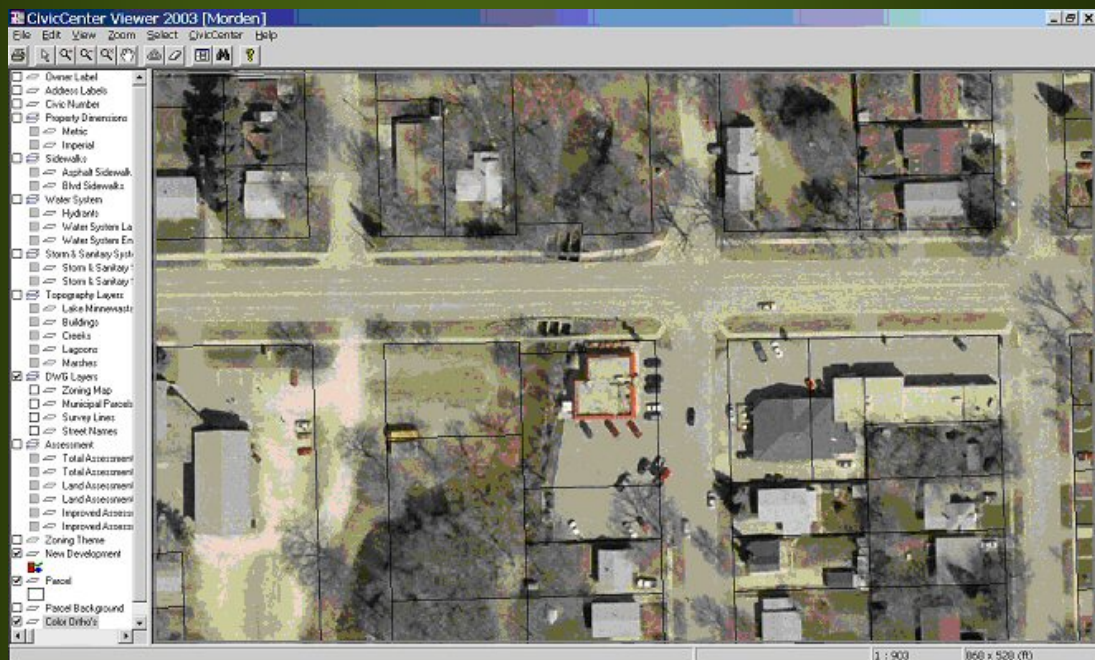
➤ TRANSPORTATION SERVICES

Transportation Services sees a increase of 12.6% or \$75,900 in 2006. Some of the areas of change include:

- **Engineering** – there is an increase in costs for maintaining and updating the GIS (Geographic Information System) program. The increased costs include a summer student to assist in updating and providing current information to the system.

SAMPLE BELOW:

View of Dairy Queen on Thornhill Street.



2006 Expenditures (Cont'd)

➤ TRANSPORTATION SERVICES (Cont'd)

- **Equipment Operation** – is up by \$29,000 in 2006 primarily as a result in the substantial spikes in the fuel costs. The cost of repairs to equipment also contribute to the increase in costs.
- **Workshop and Yard Operations** – have increased by \$3,000 as a result of higher heating costs and tool purchase and repair costs.
- **Road Maintenance** – costs are up by \$17,500 in 2006 primarily as a result of higher labor allocations to maintaining the Town of Morden streets.
- **Snow Removal** – is up \$23,000 for 2006 as a reflection of actual expenditures incurred in 2005.
- **Street Lighting** – expenses are up \$5,000 as a result of higher hydro costs as well as more street lights in the Town of Morden.
- **Sidewalks** – the 2006 proposed Sidewalk Program will see 2,400 feet of sidewalks replaced in the following areas:
 - 12th Street – 100 Block west side
 - 11th Street – 100 Block west side
 - 6th Street – 200 Block west side

2006 Expenditures (Cont'd)

➤ **ENVIRONMENT HEALTH SERVICES**

This area is up by 4% or \$12,300. Some of the more significant areas of change include:

- Waste Collection and Recycling Contract - has gone up \$7,500 as a result of a new 5 year contract with Pembina Valley Containers.
- Tipping Fees - (fees for dumping the waste at the disposal site) are up \$2,400 to reflect the actual costs.

2006 Expenditures (Cont'd)

➤ **PUBLIC HEALTH & WELFARE**

This area is up by 102% or \$57,000. Some of the more significant areas of change include:

- Agassiz Medical Centre - In 2006 there is an annual contribution of \$20,000 to the Agassiz Medical Centre
- Return of Service Agreements - A contribution of \$18,750 will be made to the Centre as part of "Return of Service Agreements" to encourage local medical students to practice in Morden following their education.
- MRI Contribution - There is also a \$40,000 annual contribution made to the MRI facility at Boundary Trails Health Centre. This contribution will continue annually until 2009.

2006 Expenditures (Cont'd)

➤ **ENVIRONMENTAL DEVELOPMENT**

This area is up by 98% or \$40,500. Some of the more significant areas of change include:

- C4 Project Costs - are up \$44,000 of which \$40,000 extra revenue is also realized in the other revenue portion. The Town share would be the additional \$4,000.
- Plumbing Inspections - are down \$3,500 as the inspections are now performed by the MSTW Planning District Office.

2006 Expenditures (Cont'd)

➤ **ECONOMIC DEVELOPMENT**

This area sees an increase of 9.2% or \$38,000 from 2005. The more significant areas of undertaking this year are:

- **PVCD Membership** - The Town of Morden is proposing to become a member of the Pembina Valley Conservation District at a cost of \$16,000. In 2005, \$12,000 was budgeted, however the Town was unsuccessful in gaining membership last year. 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 \$35,000 in 2006. This is \$5,000 more than they received in 2005.
- **The Morden Chamber of Commerce** - will receive a grant of \$43,000 in 2006. This is an increase from the \$42,000 they received in 2005.
- **The Municipal Airport** - will benefit by runway repairs at a cost of \$18,000.

2006 Expenditures (Cont'd)

➤ **ECONOMIC DEVELOPMENT (Cont'd)**

- The Community Development Department - costs are down by \$28,000 in 2006 due to the downtown revitalization project that was undertaken in 2005.
- The Community Resource Department - is up \$34,000. This department will among other advertising and communication responsibilities also focus on the new Town of Morden brochures and the supply and sale of Town of Morden logo and promotional materials.
- The Tourism Marketing Committee - has an allocation of \$35,000 for the year 2006 to promote the Town of Morden as a tourist destination. This amount includes an amount of \$10,000 that was carried over from 2005.
- 125 Celebrations - The Town of Morden will also contribute \$12,000 to the 125 Anniversary Committee as they prepare for the celebration in 2007.

2006 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 increase of 10.3% or \$157,000 in 2006. Some of the Department highlights are as follows:

- ***Art Gallery*** – will see a grant of \$32,000 in 2006. This is an increase of \$2,500 from 2005.
- ***Recreation Centre & Sports Fields*** – expenditures are up by \$137,800 to more accurately reflect actual expenditures in 2005. The department has also incorporated a By-law Enforcement Officer / Community Justice Coordinator into the department for 2006. Concession costs are also up as a result of McDonalds leaving at the end of April.
- ***Parks Department*** – expenditures are up \$33,000 to more accurately reflect the actual costs of operating in 2005, including more of an allowance for seasonal employment.
- ***Morden Beach*** – expenditure increased by \$21,800 primarily as a result of department restructuring and a more accurate reflection of actual costs in 2005.
- ***Canadian Fossil Discovery Centre*** – will receive an operating grant of \$88,000 in 2006. A further \$10,000 is allocated to the Museum and transferred to General Reserve for future capital expansion. This is a \$10,000 increase in the amount they received in 2005.

2006 Expenditures (Cont'd)

➤ FISCAL SERVICES

This area is down by 40.2% or \$178,000.
Some of the highlights include:

- **Transfer to Replacement Reserve** – The amount allocated to this account for 2006 is \$8,000 and is to allow for future purchases and replacement of equipment to better provide services to the residents of the Town of Morden. Normally, there would be a \$148,000 contribution in 2006, however this year \$140,000 is allocated to the new fire hall construction. This amount is based on long term projections.
- **Transfer to General Reserve** – The amount allocated to this account in 2006 is \$266,900 which includes Museum (\$10,000), future accounting software(\$30,000), future 1st Street Paving (\$35,000), with the balance being earmarked for future capital projects.
- **General Debenture Debt** – for the Town of Morden in 2006 is \$155,570 and is made up of \$109,800 for the Recreation Centre Upgrades and the new Fire Hall purchase and expansion, and \$45,770 are frontage levies that applicable homeowners pay for street paving in their developments in the Town of Morden.

2006 Expenditures (Cont'd)

➤ **CAPITAL PURCHASES**

The Capital Expenditures from the General Fund amount to **\$682,700**. 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 \$ 28,200
- Street Lighting \$ 35,200
 - mainly the 200 blocks north of Thornhill (as budget allows)
- Paving \$150,000
 - Route 100 S.Rail to 3M (Overlay)
 - 5th St N. Rail to Tracks (Overlay)
 - Willcocks Road – Concrete (Portion)
- Art Gallery \$ 21,000
- Library Repairs \$ 8,000
- Billboard Signs \$ 10,000
- Protective Vests (Police) \$ 2,400
- In-Car Radio Systems (Police) \$ 3,500
- Surveillance Cameras (Police) \$ 1,675

2006 Expenditures (Cont'd)

➤ *Capital Purchases General Fund Cont'd*

➤ Turn Out Gear – Fire Dept.	\$ 8,000
➤ Fire Hall Construction	\$ 140,000
➤ SCBA Equipment	\$ 13,500
➤ Radios (Fire Department)	\$ 10,500
➤ Gilmour Pedestrian Bridge	\$ 31,800
➤ Vending Machines – Rec Centre	\$ 20,000
➤ Morden Park Lighting	\$ 12,000
➤ Trees (Main & Livingston Park)	\$ 15,000
➤ Playground Equipment	\$ 32,000
➤ Main Park Washroom	\$ 50,000
➤ Volleyball Courts	\$ 4,500
➤ Sun Catch Park	\$ 3,600
➤ New Entrance Gate – Beach	\$ 20,000

TOTAL

\$682,700

2006 Expenditures (Cont'd)

➤ **CAPITAL PURCHASES RESERVE FUNDS**

The balance of the Capital expenditures of **\$1,982,920** comes from Reserve & Surplus Funds in 2006 and includes:

➤ General Paving (Carryover)	\$ 11,100
➤ Jefferson Street extension	\$330,000
➤ Willcocks Road concrete	\$440,000
➤ East Property Infra. (Carryover)	\$ 17,000
➤ Industrial Park Drainage	\$ 50,000
➤ Billboard Signs	\$ 40,000
➤ Art Gallery Building	\$ 9,100
➤ Police – Office Renovations	\$ 30,000
➤ Police Vehicle	\$ 50,000
➤ Meeting Room – Fire Department	\$ 10,000
➤ Jaws Upgrade – Fire Department	\$ 30,000
➤ Ladder Truck 131 – Fire Department	\$ 20,000

2006 Expenditures (Cont'd)

➤ CAPITAL PURCHASES RESERVE FUNDS (Cont'd)

➤ Fire Hall Construction – Fire Dep.	\$ 102,100
➤ Skid Loader – Public Works	\$ 4,525
➤ Sweeper – Public Works	\$ 84,700
➤ Pickup ½ Ton – Public Works	\$ 25,000
➤ Street Lighting – Carryover - 2005	\$ 6,215
➤ Parkhill Bridge	\$ 17,900
➤ Main Street Ornamental Lites – Carryover	\$ 42,000
➤ Ball Diamond Bleachers – Carryover	\$ 23,800
➤ L.E.D. Sign	\$ 40,000
➤ Lobby Floor – Rec. Ctr. Carryover	\$ 20,000
➤ Sun Catch Park – Carryover	\$ 5,000
➤ Playground Equipment – Carryover	\$ 10,980
➤ Change Room & Shower Upgrade – Beach	\$ 9,500
➤ Sewer Relining	\$ 300,000
➤ Lagoon Outfall	\$ 150,000
➤ Water & Sewer Extension	\$ 100,000
TOTAL	\$1,982,920

2006 Expenditures (Cont'd)

➤ **TOTAL CAPITAL PURCHASES**

- *With the expenditures from the General Fund and Reserve Funds combined, our total capital investment for 2006 is*

\$2,665,620.

2006 Utilities

- The Town of Morden Utility Operating Budget for 2006 is **\$966,875**. The Town is also proposing to expend \$38,600 for Capital in 2006 for the following:
 - Miscellaneous Equipment \$ 3,600
 - Water Meters \$ 35,000

- The Town of Morden is also proposing to expend \$300,000 from the Utility Reserve on a sewer relining program in 2006. As well, \$150,000 has been budgeted for a Lagoon Outfall Project in 2006. There is also an amount of \$100,000 allocated to Water Line extensions. The \$35,000 noted above is allocated for Water Meter replacements in 2006 as the Town heads towards having all meters replaced with remote read meters.

2006 General

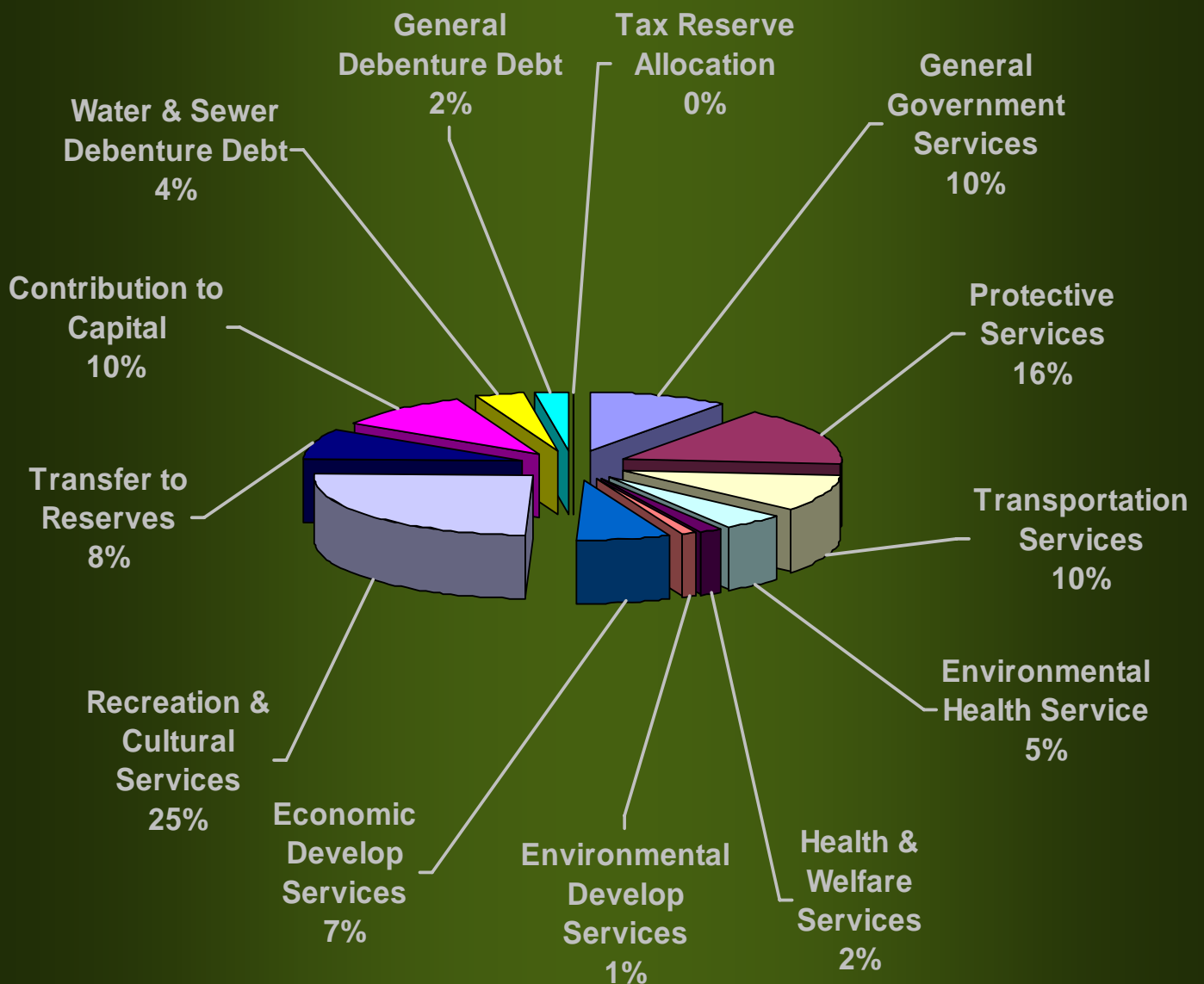
➤ The Town of Morden is also proposing expenditures that will be borne by Debentures as follows:

➤ Recreation Centre Redevelopment \$2,000,000

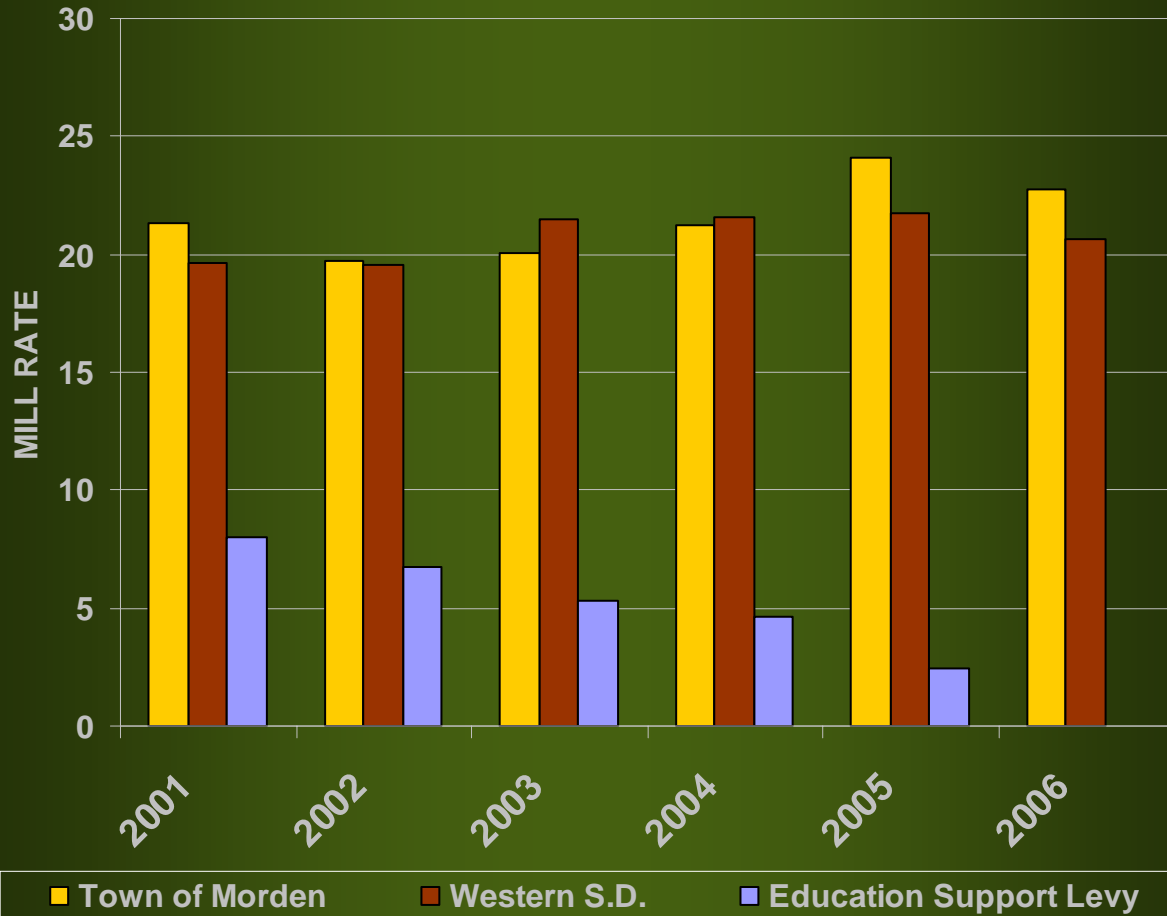
➤ Paving – Subdivisions \$ 537,000

The Paving is levied to property owners who benefit from the new streets in their respective subdivisions.

Town of Morden Budgeted Municipal Expenditures 2006



Town of Morden Residential Mill Rate Comparison



Mill Rates	Years					
	2001	2002	2003	2004	2005	2006
Town of Morden	21.31	19.71	20.09	21.22	24.06	22.78
Western S.D.	19.60	19.55	21.52	21.56	21.75	20.61
Education Support Levy	8.01	6.70	5.34	4.62	2.45	0.00
TOTALS	48.92	45.96	46.95	47.40	48.26	43.39

Our strategy is to ensure the total mill rate is subject to reasonable annual incremental increases. In reassessment years such as 2006, the increase in overall assessment is also taken in to consideration.

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 started the process –
now we need to continue with***

FOCUSED ACTIONS

Questions?