

Town of Morden

2007 Financial Plan
Public Hearing
Monday, April 9, 2007
7:30 p.m.

Presentation Format

- **Introduction**

- **Overview**

- **Highlights**
 - **Past Successes**
 - **Revenues**
 - **Expenditures**
 - **Utilities**
 - **General**

- **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 2007 and beyond. We are pleased that you have chosen to take the time to be present at this hearing.
- The 2007 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 2007 annual estimates and the 2008 proposed estimates. Also included in the package is the 2007 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 2007 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 increase in the 2007 Municipal Mill Rate of 1.48 mills from 2006. The 2007 Municipal Mill Rate is 24.26.



WESTERN SCHOOL DIVISION

There is a increase in the Western School Division Education Special Levy of 1.72 mills. The 2007 Western School Division Mill Rate is 22.33



EDUCATION SUPPORT LEVY

The 2007 ESL Mill Rate for Commercial properties is 16.08 – no change from 2006.



OVERALL

The Residential Mill Rate including School Taxes has increased to 46.59 from 43.39 in 2006.

The recent Provincial Budget will increase the Property Tax Credit from \$400.00 to \$525.00 effective immediately.

For the purpose of comparison, we've compared a tax bill on a \$150,000 house in 2007 to the same house in 2006.

Overview (Cont'd)

- What does this Plan mean to a resident in Morden?
 - A residential property assessed at \$150,000 will have a net increase of

\$91.00 per year in 2007

- What does this Plan mean to a business in Morden?
 - A business property assessed at \$150,000 will have an increase of

\$312.00 per year in 2007

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 2007 Municipal Mill Rate is 24.26
 - The following chart shows how we compare to the 2006 mill rates of other towns and cities in Manitoba, as 2007 rates for other communities are not yet available.

City/Town Name	2006 Mill Rate	Municipal Tax on \$150,000 Residence
Dauphin	38.746	2,615.36
Thompson	31.495	2,125.91
Neepawa	30.150	2,035.13
Portage la Prairie	28.538	1,926.32
Selkirk	28.912	1,951.56
Swan River	26.240	1,771.20
Winnipeg	25.448	1,717.74
Brandon	23.625	1,594.69
Morden - 2006	22.780	1,537.65
Winkler	20.520	1,385.10
Steinbach	15.800	1,066.50

Overview (Cont'd)

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

Type	2005	2006	2007
Residential	78.16%	78.39%	78.93%
Commercial & Other	21.84%	21.61%	21.07%

- In the last four years we have made Morden “Open For Business” by putting the right infrastructure in place.
- Now our efforts can focus on attracting commercial and industrial businesses through marketing.

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	\$2,183.40
Commercial	65% of 200,000	130,000	\$3,153.80
Difference			\$970.40

- We are now ready for new 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”

- Having invested over \$1.3 million last year, we will continue to develop the infrastructure which businesses look for, by supporting the following projects:

➤ Enterprise Street Infrastructure	\$175,000
➤ Jefferson Street Infrastructure	\$ 59,000
➤ Economic Development Fund	\$ 60,000

- Promote our Downtown, East Commercial & Industrial Park to the business sector as a place to invest.

➤ Local, National & Int'l Marketing	\$ 8,000
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- We will encourage National & International immigration to Morden in order to ensure a larger labour force for the future.

➤ Support to Immigration	\$ 8,400
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These projects make us
Ready, Willing & Able
to attract and retain businesses in
Morden.

Overview (Cont'd)

- “A Tourist Destination”
 - We will continue to invest in making Morden a better tourist destination. Some highlights are:
 - LED Sign Message System
 - Website Improvements
 - 125 Street Banners – Thornhill & Stephen St.
 - Continued Billboards on Highways
 - Morden Park Improvements
 - Lake Minnewasta Improvements
 - Morden Tourism Marketing Team Funding Increased
 - Corn & Apple Festival Funding Increased
 - Canadian Fossil Discovery Centre Funding Increased

Support for our tourist attractions and creative marketing will attract -

National & International Tourists.

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	\$ 5,000
– Morden Park Washrooms	\$85,000
– Sun Catch Area	\$ 4,750
– Water Park Design	\$10,000

- Playground Equipment

– Overall Total	\$36,000
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- Facilities Upgraded

– Rec. Centre Re-development	\$2,000,000
– Art Gallery Bldg Stabilization	\$24,000

Our continued investment in Culture and Recreation will ensure that Morden’s “Quality of Life” will be a -

Legacy For Future Generations.

Past Successes

- **NEW BUSINESSES** – Tim Hortons, Boston Pizza, Best Sleep Centre, Border Excavating, Frostbite Mechanical, SRD Backhoe Services, Saban & Co, Robbins Electric, Destination Sports, Extreme Scooters, Esso-Mart and the new McDonald's on the highway.
- **LED SIGN** – Thanks to the support of Council, Marketing Team, Morden Area Foundation, the Lions Club and Coca-Cola Ltd. the LED Sign became a reality.
- **BILLBOARDS** – Thanks to the creative designs of a local graphic designer and the support of Council and the Marketing Team, Morden has 5 billboards up on the highways.
- **EAST COMMERCIAL** – this innovative and progressive project attracted Boston Pizza and will attract other businesses.
- **INDUSTRIAL PARK** – new concrete roads, new drainage and having the park sub-divided into smaller lots has made the industrial park more desirable.
- **IMMIGRATION** – a transition house was made available to new immigrants.

2007 Revenues

- **Tax Levy** – The Municipal Portion has increased by a total of \$422,663. This results from new construction within the Town of Morden as well as the increase in the mil rate.

- **Other Revenue** – is down by \$78,100 from 2006. Some of the more significant amounts that make up this total include:
 - ***Community Services*** – revenues have increased by \$53,200 as a result of a more accurate reflection of actual amounts in facility rentals and new fee structures.

 - **Returns on Investments** – are down by \$55,300 as a result of funds being used for large projects, such as Lagoon Outfall, East Commercial Infrastructure, Jefferson Street Concrete, and Fire Hall Construction in 2006.

2007 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 \$38,000 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** – decreased by approximately \$94,000 primarily as a result of the Town of Morden receiving two years of Gas Tax payments in 2006. The Town of Morden will receive approximately \$138,000 in 2007. These funds may only be used for eligible projects as outlined in the agreement with the Province.
 - **Federal Conditional Grants** – increased by approximately \$50,000 as a result of the Town of Morden receiving all the GST portion back.
 - **Miscellaneous Revenue** – decreased by \$75,000 due to the C4 project coming to completion as determined by the Provincial Government.

2007 Expenditures

➤ **GENERAL GOVERNMENT SERVICES**

This area in the Financial Plan sees a increase of 10.4% or \$72,299. Some of the more significant areas of change include:

- **Administration Office Staff** – expenses are up by \$72,900 primarily as a result of the receptionist position for the Administration Office becoming full time in 2007 and a reallocation of salary costs to administration from utilities to more accurately reflect the actual costs of the departments.
- **Elections** – is down \$14,750 due to 2006 being an Election year.
- **Grants to Organizations** - are up \$6,600 to a total of \$55,100 in 2007.
- **Legislative Costs** – Mayor and Council are up by \$4,500 to incorporate new Indemnity and Per Diem rates as approved by the previous Council.
- **Insurance Costs** – are up by approximately \$2,100.

2007 Expenditures (Cont'd)

➤ **PROTECTIVE SERVICES**

Protective Services sees a 10.2% or \$108,760 increase from 2006. Some of the more significant areas of change include:

- ***Police Salaries*** – increased by \$79,800 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.
- ***Police Other*** – increased by \$17,500 as a result of training for a replacement constable and one new constable, as well as outfitting the new members.
- ***Fire Protection Services*** – sees an increase of \$2,600 primarily as a result of maintenance of Fire Fighting 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 \$10,125.

2007 Expenditures (Cont'd)

➤ **TRANSPORTATION SERVICES**

Transportation Services sees an increase of 11% or \$74,200 in 2007. Some of the areas of change include:

- ***Engineering*** – there is an increase in costs of approximately \$10,000 primarily as a result of the Town's share of engineering costs for new development infrastructure.
- ***Equipment Repairs*** – are up \$6,000 as a result of maintaining our existing equipment such as graders, loaders, sweepers, etc.
- ***Workshop and Yard Operations*** – have increased by \$4,500 primarily as a result of the cost of moving the old Pembina Poultry shed to the Public Works Yard.
- ***Road Maintenance*** – costs are up by just over \$3,000 in 2007 primarily as a result of maintaining more roads due to the recent annexation .

2007 Expenditures (Cont'd)

- **TRANSPORTATION SERVICES** (Cont'd)
 - ***Snow Removal*** – is up \$3,000 for 2007 as a reflection of actual expenditures incurred in 2006.
 - ***Street Lighting*** – expenses are up \$22,950 as a result of higher hydro costs as well as more street lights in the Town of Morden. As well, there are added costs as a result of the town's share of the street lights in new developments as outlined in Development Agreements.
 - ***Sidewalks*** – the 2007 proposed Sidewalk Program will see an increase in cost of over \$20,000 and 2,100 feet of sidewalks added or replaced in the following areas:
 - Parkhill Street – Glenview Dr & East – North side
 - 8th Street – 200 Block west side
 - 6th Street – 300 Block west side

2007 Expenditures (Cont'd)

➤ **ENVIRONMENT HEALTH SERVICES**

This area is up by 5.7% or \$18,236.

Some of the more significant areas of change include:

- ***Waste Collection and Recycling Contract*** - has gone up \$8,150 reflecting the actual costs to provide the service with our contractor Pembina Valley Containers.
- ***Tipping Fees*** - (fees for dumping the waste at the disposal site) are up \$10,000 to recover some of the accumulated deficit that has build over the years of providing the service.

2007 Expenditures (Cont'd)

➤ **PUBLIC HEALTH & WELFARE**

This area is down by 11% or \$12,555. Some of the more significant areas of cost in this area include:

- ***Agassiz Medical Centre*** - In 2007 there is an annual contribution of \$20,000 to the Agassiz Medical Centre
- ***Return of Service Agreements*** - A contribution of \$7,500 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.

2007 Expenditures (Cont'd)

➤ **ENVIRONMENTAL DEVELOPMENT**

This area is down by \$74,000. The most significant area of change includes:

- ***C4 Project*** – The Provincial Government has ended the program and as a result no further costs will be incurred by the Town of Morden in 2007

2007 Expenditures (Cont'd)

➤ **ECONOMIC DEVELOPMENT**

This area sees an increase of 6.1% or \$27,700 from 2006. The more significant areas of undertaking this year are:

- ***PVCD Membership*** - The Town of Morden will become a member of the Pembina Valley Conservation District at a cost of \$15,000. The Province matches these funds as high as a 3 to 1 basis.
- ***The Corn & Apple Festival*** - will receive a grant from the Town of Morden of \$40,000 in 2007. This is \$5,000 more than they received in 2006.
- ***The Morden Chamber of Commerce*** - will receive a grant of \$49,290 in 2007. This is an increase from the \$43,000 they received in 2006.

2007 Expenditures (Cont'd)

➤ **ECONOMIC DEVELOPMENT (Cont'd)**

- ***The Community Development Department*** - costs are up by \$13,000 in 2007 to reflect projected costs in development activities in the Town of Morden.
- ***The Community Resource Department*** - This department will among other advertising and communication responsibilities also focus on the new Town of Morden brochures, updated website and the supply and sale of Town of Morden logo and promotional materials.
- ***The Tourism Marketing Committee*** - has an allocation of \$33,800 for the year 2007 to promote the Town of Morden as a tourist destination. This amount includes an amount of \$3,800 that was carried over from 2006.
- ***125 Celebrations*** - The Town of Morden will also contribute \$10,000 to the 125 Anniversary Committee as they continue with the celebration in 2007.

2007 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 \$173,900 in 2007. Some of the Department highlights are as follows:

- ***Art Gallery*** – will see a grant of \$32,000 in 2007. This is an increase of \$31,000 from 2006.
- ***Recreation Centre & Sports Fields*** – expenditures are up by \$57,033 to more accurately reflect actual expenditures in 2006.
- ***Parks Department*** – expenditures are up \$28,100 to more accurately reflect the actual costs of operating in 2006, as well as more weed control for the CPR property through Town. There is also a substantial increase in the purchase price of our plant material for summer beautification for our parks and boulevards.
- ***Morden Beach*** – expenditure increased by \$4,200 primarily as a result of a more accurate reflection of actual costs in 2006.
- ***Canadian Fossil Discovery Centre*** – will receive an operating grant of \$117,200 in 2007. This is a \$19,200 increase in the amount they received in 2006.

2007 Expenditures (Cont'd)

➤ **FISCAL SERVICES**

This area is up by 2.5% or \$26,800. Some of the highlights include:

- ***Transfer to Replacement Reserve*** – The amount allocated to this account for 2007 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.
- ***Transfer to General Reserve*** – The amount allocated to this account in 2007 is \$130,800 which includes, future accounting software(\$30,000), future 1st Street Paving (\$35,000), with the balance being set aside for future capital projects.
- ***General Debenture Debt*** – for the Town of Morden in 2007 is \$155,830 and is made up of \$109,800 for past Recreation Centre Upgrades and the new Fire Hall purchase and expansion, and \$46,030 are frontage levies that applicable homeowners pay for street paving in their developments in the Town of Morden.

2007 Expenditures (Cont'd)

➤ CAPITAL PURCHASES

The Capital Expenditures from the General Fund amount to **\$709,745**. Normally this figure is about \$400,000 to \$500,000. 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):

- Administration Capital \$ 4,875
- New Street Lighting \$ 35,000
(mainly the 200 blocks north of Thornhill
7th to 12th Streets (as budget allows))
- Paving \$150,000
Pearce Dr 6th to Cul-de-sac (Overlay)
S.Railway St Mountain to 9th (Overlay)
Various overlays as budget allows
- Concrete Approach \$ 40,000
West of Co-op off PTH 3
- Street Lighting Hwy #3 East \$ 35,000
- GIS Program (ESRI) \$ 26,100
- Buhler Drive Widening \$ 30,000
- Golf Course Road Sloping \$ 35,500
- Walking Path base – Route 100 \$ 15,000
- Art Gallery \$ 3,000
- Library Repairs \$ 13,200
- Billboard Signs \$ 8,000

2007 Expenditures (Cont'd)

➤ CAPITAL PURCHASES GENERAL **FUND Fund Cont'd**

➤ Digital In-Car Video (Police)	\$ 6,800
➤ Mobile CPIC System (Police)	\$ 2,850
➤ Surveillance Cameras (Police)	\$ 2,800
➤ Turn Out Gear – Fire Dept.	\$ 8,000
➤ Fire Hall Construction	\$ 49,500
➤ SCBA Equipment – Fire	\$ 3,500
➤ New Fire Hall Concrete	\$ 40,000
➤ Signage – Fire Hall	\$ 7,500
➤ APS Voice Program (Police)	\$ 7,400
➤ Vending Machines – Rec Centre	\$ 5,000
➤ Rec Centre Sign	\$ 5,000
➤ Morden Park Lighting	\$ 5,000
➤ Trees (Main Park)	\$ 10,000
➤ Playground Equipment	\$ 36,000
➤ Water Park Design	\$ 10,000
➤ Dead Horse Cr. Rehab.	\$ 20,000
➤ Paving Road – Beach Ent.	\$ 7,000
➤ Beach Miscellaneous	\$ 13,000

TOTAL

\$709,745.

2007 Expenditures (Cont'd)

➤ **CAPITAL PURCHASES RESERVE FUNDS**

The balance of the Capital expenditures of **\$1,627,900** comes from Reserve & Surplus Funds in 2007 and includes:

➤ Art Gallery Stone Repairs	\$ 21,000
➤ Library Roof Repairs	\$ 4,200
➤ Enterprise St Concrete	\$150,000
➤ Enterprise St Sewer	\$ 25,000
➤ Industrial Park Engineered Plan	\$ 10,000
➤ Jefferson St. Culverts & Approaches	\$ 30,000
➤ Jefferson Street Lighting	\$ 9,000
➤ Land Purchase	\$ 35,000
➤ Police – Office Renovations	\$100,000
➤ Sun Catch Park (Carryover)	\$ 4,750
➤ Morden Park Washroom	\$ 86,700
➤ Fire Truck #144 Replacement	\$150,000

2007 Expenditures (Cont'd)

➤ CAPITAL PURCHASES RESERVE FUNDS (Cont'd)

➤ Skid Loader – Public Works	\$ 8,000
➤ ¾ Ton Truck – Public Works	\$ 35,000
➤ 3 Ton Single Axle – Public Works	\$ 45,000
➤ Pickup ½ Ton – Public Works	\$ 29,000
➤ Industrial Park Roads	\$ 10,000
➤ Parkhill Bridge (Carryover)	\$ 5,000
➤ Jefferson Street – Carryover	\$ 20,000
➤ Ball Diamond Bleachers – Carryover	\$ 23,800
➤ Vehicle Replacement – Rec. Centre	\$ 16,240
➤ Condensor – Rec Centre	\$ 75,000
➤ <i>Utility Fund</i>	
➤ Sewer Relining	\$ 250,000
➤ Lagoon Expansion	\$ 370,000
➤ Water & Sewer Extension	\$ 115,000
TOTAL	\$1,629,690

2007 Expenditures (Cont'd)

➤ **TOTAL CAPITAL PURCHASES**

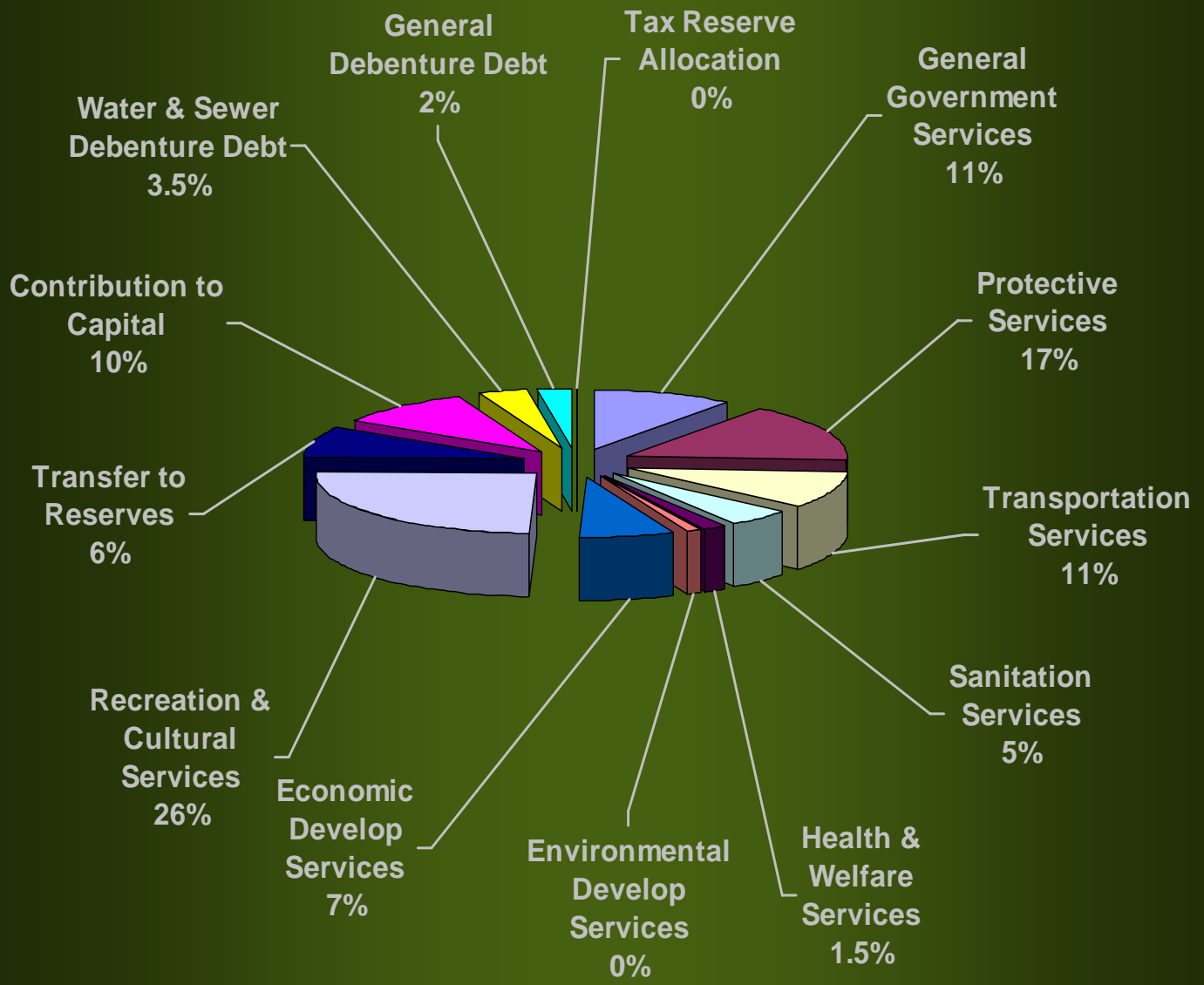
- *With the expenditures from the Reserve and Surplus Funds combined, our total capital investment for 2007 is*

\$2,393,435.

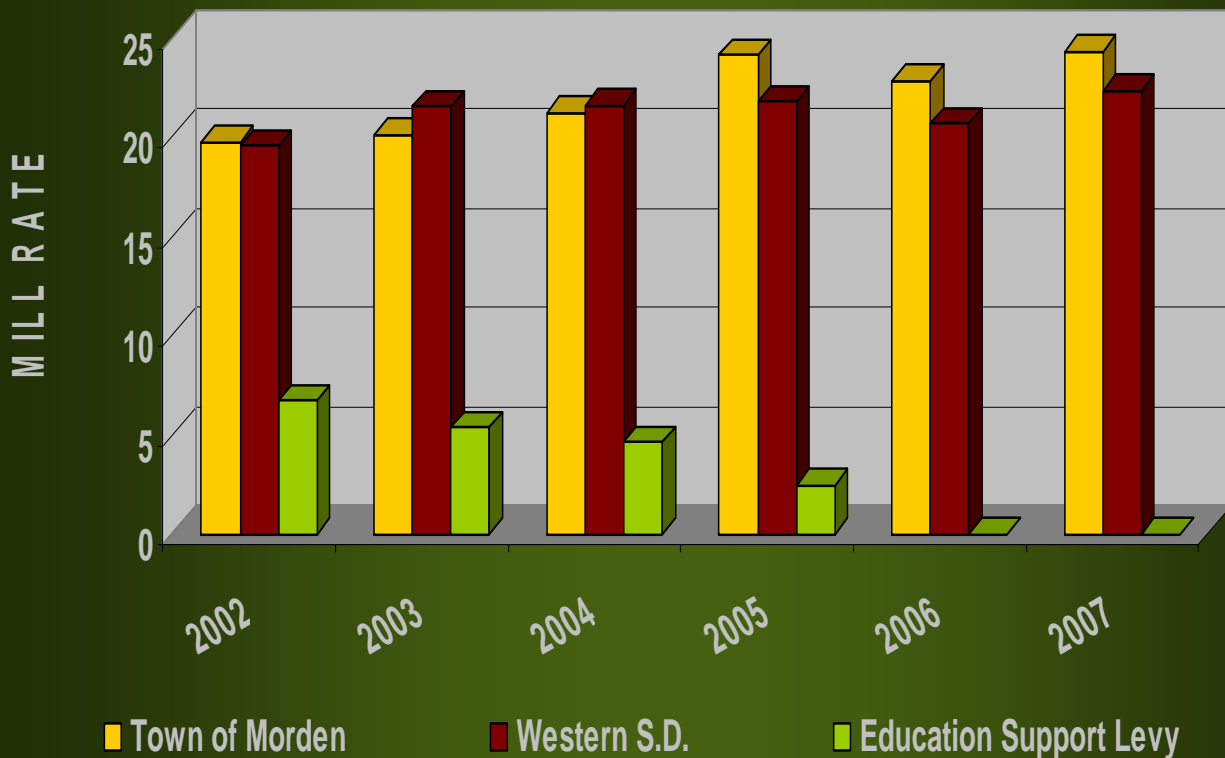
2007 General

- The Town of Morden is also proposing expenditures that will be borne by Debentures as follows:
 - Paving – Subdivisions \$ 1,090,795.
The Paving is levied to property owners who benefit from the new streets in their respective subdivisions.

Town of Morden Budgeted Municipal Expenditures 2007



Town of Morden Residential Mill Rate Comparison



Mill Rates	2002	2003	2004	2005	2006	2007
Town of Morden	19.71	20.09	21.22	24.06	22.78	24.26
Western S.D.	19.55	21.52	21.56	21.75	20.61	22.33
Education Support Levy	6.70	5.34	4.62	2.45	0.00	0.00
TOTALS	45.96	46.95	47.40	48.26	43.39	46.59

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 into consideration.

Conclusion (Cont'd)

- How will we invest in the future?

By supporting Morden as:

- “Open For Business”

Ready, Willing & Able

to attract and then provide an immediate start for any business coming to Morden

- “A Tourist Destination”

Support for Morden’s tourism attractions and creative marketing to attract –

National & International Tourism.

- “Best In Country Living”

Our continued investment in Culture and Recreation to ensure Morden’s “Quality of Life” will be a -

“Legacy For Future Generations”

Conclusion (Cont'd)

- You can invest in the future by?
 - Shopping locally whenever possible.
 - Supporting our local tourist attractions and non-profit organizations that contribute to Morden's quality of life.
 - 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 all work towards Morden's growth in it's business sector and in tourism we won't need -

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.

The results are showing that the focus of the last 4 years is working, let's help it to continue by

WORKING TOGETHER

Questions?