

**2008
Financial Plan**



PUBLIC HEARING

**Monday
April 21st, 2008**

Council Chambers

7:30 PM

Presentation Format



- ❑ Introduction

- ❑ Overview

- ❑ Highlights

- ❑ Successes
- ❑ Revenues
- ❑ Expenditures
- ❑ Utilities
- ❑ General

- ❑ Charts

- ❑ Conclusion



Introduction

- ❑ The intent of this hearing is to provide residents with the opportunity to hear and see what plans are in store for 2008 and beyond. We are pleased that you have chosen to take the time to be present at this hearing.
- ❑ This 2008 Financial Plan is based on the Town of Morden Strategic Plan as well as the Business Plan, which outline our Core Services, Core Strategies and Strategic Directions. Both the Business Plan and this presentation will be posted on the Morden website.
- ❑ There is a package available which includes copies of this presentation, the 2008 annual estimates, the 2009 proposed estimates, the 2008 Capital estimates and the 5-Year Capital Expenditure Program from both the General Fund and the Utility Fund.
- ❑ This evenings presentation will be a general overview of the 2008 Financial Plan. If anyone wishes a further explanation, it will be provided upon request. There will be an opportunity for questions following the presentation.

Overview



POPULATION GROWTH



There is a 4.5% increase in the 2008 assessment, due to growth, providing \$191,400 in new tax dollars.

MUNICIPAL MILL RATE



There is an increase in the 2008 Municipal Mill Rate of 1.6 mills from 2007. The 2008 Municipal Mill Rate is 25.86.

WESTERN SCHOOL DIVISION



There is a decrease in the Western School Division Education Special Levy of .02 mills. The 2008 Western School Division Mill Rate is 22.31

EDUCATION SUPPORT LEVY



The 2008 ESL Mill Rate for commercial properties is 16.08 - no change from 2007.

OVERALL



The Residential Mill Rate including School Taxes has increased to 48.17 from 46.59 in 2007.

Overview Cont'd.



The following compares a 2008 tax bill against a 2007 tax bill on a property valued at \$150,000.

RESIDENTIAL

Including the increase of \$75.00 in the Provincial Education Property Tax Credit, a residential property assessed at \$150,000 will have a net increase of –

\$31.65 per year in 2008

BUSINESS

A business property assessed at \$150,000 will have an increase of –

\$154.05 per year in 2008

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 2008 Municipal Mill Rate is 25.86.
- The following chart shows how we compare to the 2007 mill rates of other towns and cities in Manitoba, as 2008 rates for other communities are not yet available.

City/Town	2007 Mill Rate	Municipal Tax on \$150,000 Property
Dauphin	39.676	2,678.13
Thompson	32.490	2,193.08
Neepawa	30.620	2,066.85
Portage La Prairie	29.343	1,980.65
Selkirk	30.022	2,026.49
Swan River	27.200	1,836.00
Winnipeg	25.448	1,717.74
Morden 2007	24.26	1,637.55
Brandon	24.180	1,632.15
Winkler	20.520	1,385.10
Steinbach	15.800	1,066.50

Overview Cont'd.



What is our goal?

- For many years now we have been investing in the land and infrastructure needed to attract new residents and businesses. The aim is to reach an ideal community ratio of –

- 60% Residential 40% Commercial**

- The ratio for the three most recent years are –

Type	2006	2007	2008
Residential	78.39%	78.93%	79.36%
Commercial & Other	21.61%	21.07%	20.64%

- The residential market is booming and we will need to expand our boundaries yet again.
- Commercial and industrial businesses are now taking notice and are selecting Morden as their location of choice. Activity is on the rise and we expect some exciting announcements soon.

Overview Cont'd.



Why is business assessment so important?

- If a community does not have a good 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	\$2,327.40
Commercial	65% of 200,000	130,000	\$3,361.80
Difference			\$1,034.40

Overview Cont'd



What will our focus be for the future?

- ❑ **Support Business by –**
 - ❑ Actively promoting Morden as the place to invest.
 - ❑ Encouraging immigration to ensure a larger labour force for the future.

- ❑ **Attract Tourism by –**
 - ❑ Using creative marketing tools to promote our tourist attractions.

- ❑ **Support our 'Quality of Life' by –**
 - ❑ Continued investment in Culture, Recreation, Safety and Health issues in Morden.

Successes

Some of our successes are;

- ❑ Cultural Capital of Canada Award
 - ❑ One of only two in Canada with populations under 50,000, and the first ever in Manitoba.
- ❑ 4.5% growth in population and assessment in 2007.
- ❑ Industrial Land Sales
- ❑ New Businesses –
 - ❑ High Tech Agro
 - ❑ 3M Expansion
- ❑ Billboards – the sixth and final billboard is now in place.
- ❑ New Morden Park Washrooms
- ❑ Police Office Expansion
- ❑ New sidewalk and pathway development.
- ❑ 125 Celebration
- ❑ New Fire Hall Completion
- ❑ Golf Course Clubhouse

2008 Revenues



■ TAX LEVY

The Municipal Portion has increased by a total of \$502,346. This results from new construction within the Town of Morden as well as the increase in the mill rate.

■ OTHER REVENUE – is up by \$823,000 from 2007. Some of the more significant amounts that make up this total include –

- *Added Taxes* – is up by \$130,500 as a result of significant construction in the Town of Morden. This added portion is funding 50% of the proposed Engineer position as well as \$100,000 toward the Recreation Centre renovation project.
- *Protective Services* – is up by \$41,055 primarily as a result of a new Fire Agreement with the RM of Stanley. This higher figure more accurately reflects our cost for servicing Stanley.
- *Community Services* – revenue is up \$343,000 primarily due to anticipated revenues at the campground as a result of Pipeline crews and also to reflect actual revenues in the Recreation Centre.

2008

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 \$125,000 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 \$71,500 primarily as a result of the Town of Morden receiving additional Gas Tax payments in 2008. These funds may only be used for eligible projects as outlined in the agreement with the Province. The Town of Morden has also applied for a Grant-In-Aid payment of \$24,900 for paving of 5th Street.
- ❑ **Rentals** – The Industrial Park rentals have increased by \$24,000 as a result of Superior Propane relocating to the Industrial Park and Ledcore renting property in the park during the pipeline project.
- ❑ **Transfers from Reserves** – The transfers have increased by \$73,000 primarily as a result of amounts previously levied in 2006 and 2007 to the reserve for the Cultural Capitals of Canada project

2008 Expenditures



■ GENERAL GOVERNMENT SERVICES

This area in the Financial Plan sees an increase of 10.9% or \$83,346. Some of the more significant areas of change include:

- ***Administration Office Staff*** – expenses are up by \$44,800 primarily as a result of the Human Resource .6 time position for the Administration Office in 2008 and a further 5% reallocation of salary costs to administration from utilities to more accurately reflect the actual costs of the departments.
- ***Grants to Organizations*** – are up \$2,500 to a total of \$57,500 in 2008. The \$2,500 increase results from an increase to funding the Pembina Hills Arts Gallery.
- ***Legislative Costs*** – Mayor and Council are up by \$31,100 to more accurately reflect the actual costs incurred in 2007.
- ***Insurance Costs*** – are up by approximately \$23,000 resulting from substantial claims by municipalities throughout the province. The rates billed to each municipality result from claims throughout the province and are beyond the control of the Town of Morden.
- ***General Government Expenditures*** – are down by \$4,000 as there were Strategic Planning costs in 2007.

2008

Expenditures Cont'd.



■ PROTECTIVE SERVICES

Protective Services sees a 17.1% or \$201,700 increase from 2007. Some of the more significant areas of change include:

- ***Police Salaries*** – increased by \$112,700 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 Office Maintenance*** – is up by \$10,000 primarily to put the finishing touches on completion of the expansion / renovation project.
- ***Police Other*** – increased by \$38,700 as a result of training for current constables and one new constable, as well as outfitting the new member. Also included in the above number is the Town of Morden cost for a Central Dispatch system to aid the Morden Police Service.
- ***Fire Protection Services*** – sees an increase of \$36,500 primarily due to the Fire Chief position being full time for the entire year, to reflect actual office utility costs which were not known in 2007, and training costs for fire fighters .

2008

Expenditures Cont'd.



❑ **TRANSPORTATION SERVICES**

Transportation Services sees an increase of 5.3% or \$39,700 in 2008. Some of the areas of change include:

- ❑ ***Engineering*** – there is an increase in costs primarily as a result of the newly proposed engineer position that will be created by the Town of Morden.
- ❑ ***Equipment Repairs*** – are up \$15,000 as a result of maintaining our existing equipment such as graders, loaders, sweepers, etc.
- ❑ ***Road Maintenance*** – costs are down by just over \$22,000 in 2008 to reflect the actual costs in 2007.
- ❑ ***Snow Removal*** – is down \$7,300 for 2008 as a reflection of actual expenditures incurred in 2007.

2008

Expenditures Cont'd



❑ TRANSPORTATION SERVICES Cont'd

- ❑ **Street Lighting** - expenses amount to \$111,400 as a result of hydro costs for all the street lights, as well as the annual addition of 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 2008 proposed Sidewalk Program will see an increase in cost of over \$16,000 with 2,480 feet of sidewalks added or replaced in the following areas:
 - At Milne Park
 - 3rd Street 100 Block West Side
 - 3rd Street Downtown Block West Side
 - 5th Street West Side at Wardrop
 - Nelson Street 100 Block East Side
 - Stephen Street 11 – 12th Street South Side
 - 7th Street 200 Block West Side
 - 13th Street West Side - partial

2008

Expenditures Cont'd



□ ENVIRONMENTAL HEALTH SERVICES

This area is up by 6.4% or \$21,619. Some of the more significant areas of change include:

- *Waste Collection and Recycling Contract* - has gone up \$18,600 reflecting the actual costs to provide the service from our contractor Pembina Valley Containers. As well there are more residences that require waste collection in 2008.
- *Tipping Fees* - (fees for dumping the waste at the disposal site) are up \$3,000 to recover some of the accumulated deficit that has built up over the years of providing the service.
- *The Waste Collection / Recycling Service and the Disposal* - expenditures are not part of the Mill Rate of the Town of Morden but rather a special levy on your tax bills. In 2008, cost for these services is \$136.00 per resident for the entire year.

2008

Expenditures Cont'd.



❑ PUBLIC HEALTH & WELFARE

This area has virtually no change from 2007. Some of the more significant areas of cost in this area include:

- ❑ ***Agassiz Medical Centre*** - In 2008 there is an annual contribution of \$25,000 to the Agassiz Medical Centre which is an increase of \$5,000 from 2007.
- ❑ ***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.
- ❑ ***Hillside Cemetery*** - This area also includes the operation and maintenance of Hillside Cemetery at a cost of \$14,150 in 2008.

2008

Expenditures Cont'd.



ENVIRONMENTAL DEVELOPMENT

This area is up by \$56,650. The most significant area of change includes:

- ***Cultural Capitals of Canada Project*** – The Town of Morden was awarded this prestigious award for 2008. The Town will be receiving a significant grant in the amount of 75% of actual expenditures up to a maximum of \$500,000. The Town of Morden contribution towards this project for 2008 is \$60,000 and has been offset by a transfer from General Reserve.



“In your mind, in your heart, in Morden – The Chautauqua Spirit.”

2008

Expenditures Cont'd.



❑ **ECONOMIC DEVELOPMENT**

This area sees an increase of 2.5% or \$11,800 from 2007. The more significant areas of undertaking this year are:

- ❑ ***PVCD Membership*** - The Town of Morden is a member of the Pembina Valley Conservation District at a cost of \$15,700. The Province matches these funds as high as a 3 to 1 basis.
- ❑ ***The Corn & Apple Festival*** - will receive a sponsorship and grant from the Town of Morden of \$42,500 in 2008. This is \$2,500 more than they received in 2007.
- ❑ ***The Morden Chamber of Commerce*** - In keeping with the Chambers desire for self sufficiency, they will receive a \$40,000 grant plus 50% up to \$6,000 maximum for the Business Retention & Expansion Project. This is a decrease from the \$44,290 for operating plus \$5,000 for tourist booth beautification they received in 2007.

2008

Expenditures Cont'd.



- ❑ **ECONOMIC DEVELOPMENT - Cont'd**
 - ❑ *The Community Development Department* - costs are up by \$19,800 in 2008 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 \$25,000 for the year 2008 to promote the Town of Morden as a tourist destination.

2008

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 an increase of 3.9% or \$72,670 in 2008. Some of the Department highlights are as follows:

- ***Recreation Centre & Sports Fields*** – expenditures are up by \$20,000 to more accurately reflect actual expenditures in 2007.
- ***Parks Department*** – expenditures are up \$12,000 to more accurately reflect the actual costs of operating in 2007, as well as more weed control for the CPR property through Town. There are also annual increases in purchase prices of our plant material for summer beautification for our parks and boulevards.
- ***Morden Beach*** – the cost to operate the Minnewasta Beach and Campground for 2008 is estimated to be \$190,000. This will be offset by revenues generated by the Beach and campground.

- **COMMUNITY SERVICES - Cont'd**

- *Canadian Fossil Discovery Centre* – will receive an operating grant of \$117,200 in 2008 which is the same they received in 2007.
- *Minnewasta Golf and Country Club* – There is a contribution of \$50,000 to Minnewasta Golf and Country Club as the Town of Morden five year contribution to the Clubhouse relocation project. This is year two of five.

2008

Expenditures Cont'd.



■ FISCAL SERVICES

This area is up by 69% or \$767,600. Some of the highlights include:

- ***Transfer to Replacement Reserve*** – The amount allocated to this account for 2008 is \$158,000 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 2008 is \$124,733 which includes, future accounting software(\$30,000), future 1st Street Paving (\$35,000), Cultural Capitals of Canada (\$40,000), with the balance being set aside for future capital projects.
- ***General Debenture Debt*** – for the Town of Morden in 2008 is \$488,139 and is made up of \$109,800 for past Recreation Centre Upgrades and the new Fire Hall purchase and expansion, \$291,370 for Recreation Centre expansion and renovation and \$86,970 are frontage levies that applicable homeowners pay for street paving in their developments in the Town of Morden.

2008

Expenditures Cont'd.



❑ CAPITAL PURCHASES – General Fund

The Capital Expenditures from the General Fund amount to **\$1,171,408**. Normally this figure is about \$400,000 to \$600,000. 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	\$ 30,200
❑ New Street Lighting	\$ 30,000
❑ Paving	\$180,000
❑ 5 th Street – 400 Block (Overlay)	
❑ 5 th Street – 200 Block (Overlay)	
❑ Parkwood Street Sealcoat, Frontage Road Rural Repair and various preservations and repairs as budget allows	
❑ South Railway Pathway	\$ 45,000
❑ Development Plan – North	\$ 20,000
❑ Industrial Park Roads	\$ 10,000
❑ Golf Course Road Sloping	\$ 35,000
❑ Art Gallery Brick Repairs	\$ 30,000

2008

Expenditures Cont'd.



■ CAPITAL PURCHASES – General - Cont'd.

■ Storm Drain – Nelson St	\$ 8,500
■ Digital In-Car Video (Police)	\$ 6,745
■ Fleetnet Radios (Police)	\$ 11,072
■ Surveillance Cameras (Police)	\$ 4,000
■ Turn Out Gear – Fire Dept.	\$ 8,000
■ High Pressure Compressor	\$ 15,000
■ East Lot Develop – Fire	\$ 15,000
■ SCBA Units – Fire	\$ 8,000
■ Signage – Fire Hall	\$ 7,500
■ Recreation Centre Renov.	\$ 140,340
■ Morden Park Lighting	\$ 5,000
■ Trees (Main Park)	\$ 10,000
■ Playground Equipment	\$ 53,200
■ Soccer Pitch Design	\$ 10,000
■ Dead Horse Cr. Rehab.	\$ 20,000
■ Skateboard Park	\$ 40,000
■ Campground Expansion	\$ 300,000
■ Beach Maintenance Shed	\$ 25,000
■ Various smaller (see list as provided)	

TOTAL

\$1,171,408

2008

Expenditures Cont'd.



❑ CAPITAL PURCHASES – Reserve Funds

The balance of the Capital expenditures of **\$2,442,190** comes from Reserve & Surplus Funds in 2008 and includes:

❑ Victim Services Computer	\$ 1,500
❑ Library Façade & Roof Repairs	\$ 10,200
❑ Boundary Annexation	\$ 41,000
❑ Fire Truck #144 Replacement	\$ 165,000
❑ Conner Hill Storm Drain	\$ 100,000
❑ 2008 Skid Steer	\$ 4,000
❑ Trackless – Public Works	\$ 55,000
❑ Tandem Truck – Used	\$ 65,000
❑ Blower for Skid Steer	\$ 4,850
❑ Street Lighting (Carryover)	\$ 33,000
❑ ESRI Completion (Carryover)	\$ 6,930
❑ Ornamental Light (Carryover)	\$ 4,000
❑ Concrete – Enterprise	\$ 155,000
❑ Sewer Main – Enterprise	\$ 21,000
❑ Concrete – Jefferson	\$ 132,000
❑ Industrial Park Land Purchase	\$ 216,000
❑ Water Main Steppler/Willcocks	\$ 51,000

2008

Expenditures Cont'd.



❑ CAPITAL PURCHASES – Reserve Funds Cont'd.

❑ Hydrants – Jefferson	\$ 36,000
❑ SewerMain – 9 th / Willcocks	\$ 91,000
❑ Manholes – Jefferson/Enterprise	\$ 32,000
❑ Engineer Plan Ind. Park	\$ 20,000
❑ Street Lighting – Jefferson	\$ 3,000
❑ Drainage Plan – Industrial Park	\$ 13,000
❑ Street Lighting – Willcocks	\$ 12,000
❑ Culverts/Approaches – Jefferson	\$ 35,000
❑ Drainage – Industrial Park	\$ 5,000
❑ Route 100 (1 st Street) Walkpath	\$ 15,000
❑ 9 th Street South Paving	\$ 50,000
❑ 2008 Zamboni	\$ 80,000
❑ Recreation Centre Sign	\$ 5,000
❑ East Arena Bleachers	\$ 23,800
❑ Recreation Centre Exp/Renov	\$ 292,000
❑ Creek Rehabilitation (PVDC)	\$ 20,000
❑ Woodchipper	\$ 35,000
❑ Skateboard Park	\$ 10,000

2008

Expenditures Cont'd.



■ **CAPITAL PURCHASES – Utility Reserve Fund**

Utility

■ Sewer Relining	\$ 250,000
■ Parkhill Looping	\$ 35,000
■ Lift Station – North End	\$ 185,000
■ Lagoon Dyke Repair	\$ 30,000
■ Thornhill Watermain (Carryover)	\$ 8,910
■ Sludge Removal – Lagoon	\$ 75,000
■ Test Holes – Monitoring Wells	\$ 5,000

TOTAL

\$2,442,190

■ **TOTAL CAPITAL PURCHASES**

- *With the expenditures from the Reserve and Surplus Funds combined, our total capital investment for 2008 is -*

\$3,671,898

2008 Utilities



- The Town of Morden Utility Operating Budget for 2008 is **\$1,479,473** including debenture payments for the Water Treatment Plant (last year) and the Lagoon Expansion . The Town is also proposing to expend \$58,300 for Capital in 2008 for the following:

▪ Water Meters	\$ 35,000
▪ Trench Shoring	\$ 5,500
▪ Safety Equipment	\$ 4,800
▪ Utility Trailer	\$ 3,000
▪ Hydrant Replacement	\$ 10,000

- As shown previously in the expenditures from Reserves summary, the Town of Morden is also proposing to expend \$250,000 from the Utility Reserve on a sewer relining program in 2008. As well, \$35,000 is budgeted for Parkhill Water Looping, \$185,000 for a Lift Station for North West part of Town, \$30,000 for Lagoon Dyke repair, \$8,910 to finish Thornhill West Watermain, \$75,000 for Lagoon Sludge removal, and \$5,000 for Test Holes for Monitoring Wells. The \$35,000 noted above is allocated for Water Meter replacements in 2008 as the Town heads towards having all meters replaced with remote read meters.

2008 General



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

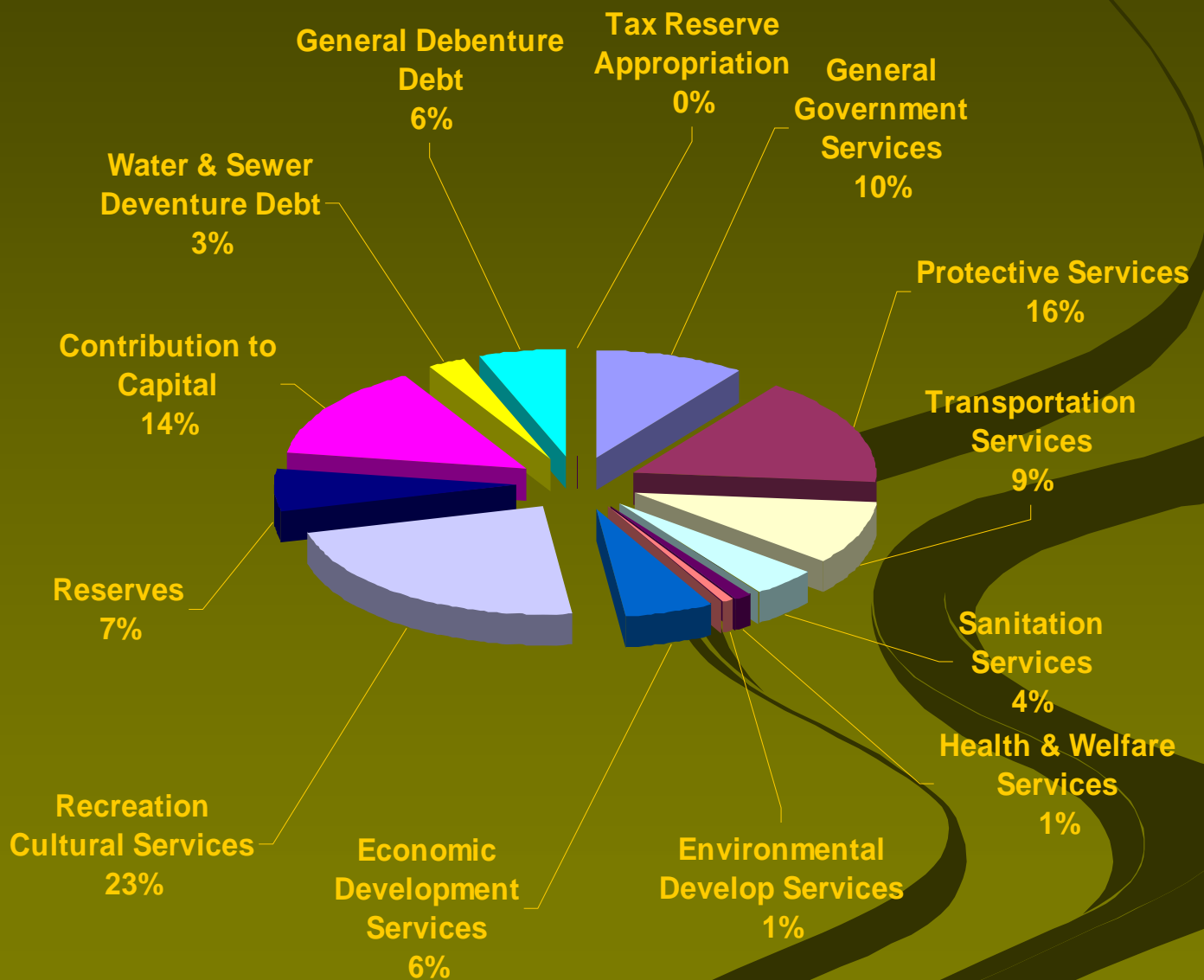
- Paving – Subdivisions \$ 629,950.

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

2008 Expenditures Graph



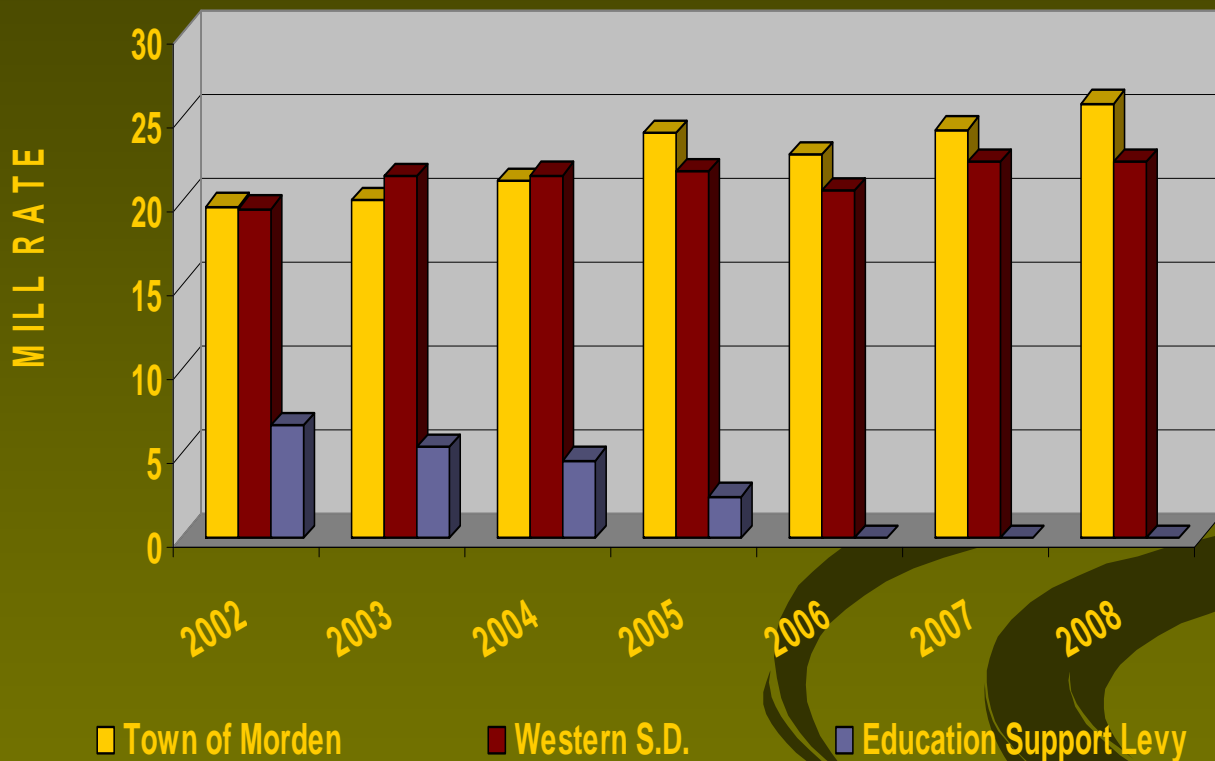
Budgeted 2008 Expenditures



2008 Comparison



RESIDENTIAL MILL RATE COMPARISON



Mill Rates	Years					
	2003	2004	2005	2006	2007	2008
Town of Morden	20.09	21.22	24.06	22.78	24.26	25.86
Western S.D.	21.52	21.56	21.75	20.61	22.33	22.31
Education Support Levy	5.34	4.62	2.45	0.00	0.00	0.00
TOTALS	46.95	47.40	48.26	43.39	46.59	48.17

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

Conclusion



❑ How will we invest in the future?

❑ Support Business by –

- ❑ Actively promoting Morden as the place to invest.
- ❑ Encourage Immigration to ensure a larger labour force for the future.

❑ Attract Tourism by -

- ❑ Using creative marketing tools to promote our tourist attractions.

❑ Support our 'Quality of Life'

- ❑ Continued investment in Morden's Culture, Recreation, Safety & Health to ensure our "Quality of Life" for the future.

Our Mission is -

"To provide a healthy, safe & welcoming community."



Conclusion

What can you do to help?

- Shop locally.
- Support our local tourist attractions and non-profit organizations that contribute so much to Morden's quality of life.
- Be an ambassador for Morden. Promote the Town whenever you travel. People are searching for the –

Quality of Life

That Morden has to offer.

Questions?

