

TOWNSHIP OF COLEMAN



2020 Municipal Budget

Report

For Presentation on:

5/27/2020

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Township of Coleman 2020 Budget Presentation to Council

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BUDGET COMMITTEE REVIEW

The Budget Committee has been working to prepare the 2020 Township of Coleman municipal budget, and are tabling the 2020 Budget for Council review and comment. The Committee’s priority for this budget was a restraint on spending, and remained mindful of our need to maintain the programs, services and infrastructure residents expect and deserve.

The Committee presented the draft working budget to Council at the regular meeting on Monday, April 20, 2020, to find a balanced position between the need to support important municipal services. Therefore, the 2020 budget maintains the current level of services, as well as includes infrastructure upgrades, at no additional cost to the resident; i.e. Council is proposing to maintain existing municipal tax rates.

Each year, Council approves the amount of expenditure required to support Municipal services. From this amount, revenue sources other than property taxes, such as license fees, user fees and provincial and federal grants are subtracted. The balance is the amount raised by property taxes. Property tax is calculated annually using the property's assessed value and the Council-approved property tax rate. Without these revenues, it would not be possible for the Municipality to provide the services residents rely on every day.

Property assessments were finalized in December 2019 and incorporated into the budget at that time. 2020 education rates were released in January 2020, and have been updated and incorporated into the budget.

Note: The Committee recognizes the impacts that COVID-19 may have on municipal operations; however, has substantially planned for a “business-as-usual” approach, given the uncertainty of the evolving situation. The Budget Committee and Staff will closely monitor the 2020 financial reports to ensure that the Municipality is sustaining the desired levels of services, and will make recommendations to Council based current information presented throughout the year.

The municipal budget for 2020 is **\$2,188,505.47** (without education).

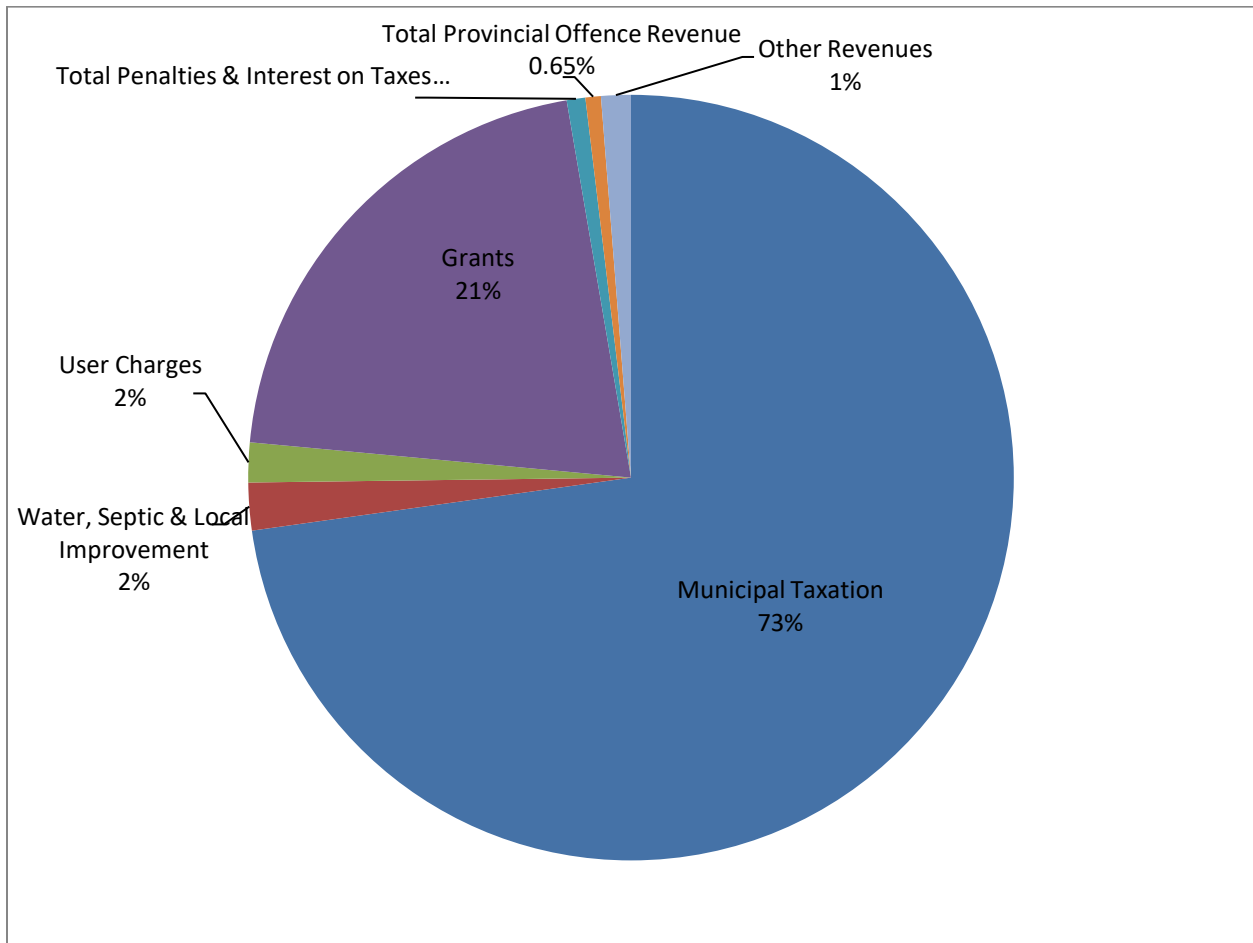
2020 Budget	
Total Revenue	2,188,505.47
Expenditures:	
- Operating	1,494,396.47
- Capital/ Projects	694,109.00
Total Expenditures	2,188,505.47
Variance	0.00

REVENUES

See **Appendix A** for 2020 Budgeted Revenues, and the illustration below for the sources of revenue.

2020 Budgeted Revenues

Category	Revenue	Percentage
Deferred Revenue/ Reserves	267,372.00	12.22%
Municipal Taxation	1,398,345.17	63.89%
Water, Septic & Local Improvement	38,594.00	1.76%
User Charges	32,200.00	1.47%
Grants	400,317.12	18.29%
Total Penalties & Interest on Taxes	15,100.00	0.69%
Total Provincial Offence Revenue	12,500.00	0.57%
Other Revenues	24,077.18	1.10%
Total	2,188,505.47	100.00%



Sources of Revenue

OCIF

The Township's Ontario Community Infrastructure Fund (OCIF) 2020 allocation is **\$50,000**, and was consistent to the funding received from 2019. These funds are used per the terms and conditions of the formula-based funding agreement – roads, bridges, water and wastewater treatment.

OMPF

In 2020, the government is maintaining the current structure of the OMPF. This means that all four grant components of the 2020 OMPF are providing the same level of support as in 2019. As a result, the 2020 OMPF will provide a total of \$500 million to 389 municipalities across the province through the following grant components and Transitional Assistance. Township of Coleman's allocation has increased by \$1,100.00, from \$163,500 in 2019 to **\$164,600** in 2020.

OMPF is a provincial unconditional grant, and is used to address challenges faced by northern and rural communities, as well as to assist municipalities with social program costs and rural communities with high policing costs.

Gas Tax

The 2020 Gas Tax Fund (GTF) is **\$36,100.12**, and was consistent with 2019 funding allocations. Annually, Gas Tax payments are allocated towards the repayment of the Road Resurfacing Program.

The GTF is a permanent, indexed fund provided to directly municipalities, flowing through provinces and territories to support strategic infrastructure investments. It provides over \$2 billion annually for local priorities, and is allocated on a per-capita basis for provinces, territories and First Nations. Funds must be used in accordance with the terms of the current Gas Tax Fund Administrative Agreement.

Rural and Northern Funding Stream of the Investing in Canada Infrastructure Program (ICIP)

The Township was successful in its application to the ICIP program under the Rural and Northern Funding Stream (subject to agreement execution). The Federal government will contribute up to 60 percent in total eligible costs up to a maximum of \$2,993,615.46; Ontario will contribute up to 33.33 percent in total eligible costs, up to a maximum of \$1,662,953.39; and the Township would be responsible for 6.67 percent of remaining eligible costs or \$332,790.25, including any associated cost overruns.

During 2020 budget discussions at the April 20, 2020 Council meeting, Council recommended the completion of an assessment and the associated engineering on the Larose bridge (prior to establishing a date for construction work), an approximate value of \$150,000, with a municipal contribution of \$10,005 or 6.67 percent. The completed assessment would be presented to Council, and engineering designs would be subsequently completed based on Council direction and assessment details.

Unconditional Grant for Small and Rural Municipalities

In 2019, the Province announced a one-time, unconditional payment to improve local service delivery and efficiency in small and rural municipalities. The Township of Coleman received **\$229,200**. At the time of the funding announcement, the Township's 2019 budget was substantially complete, and was allocated to a reserve account.

The unconditional grant payment can be utilized for projects to create efficiencies in municipal operations.

The Budget Committee recommends transferring the value in the reserve (\$229,200), to purchase a plow truck for the Public Works Department, in replacement of the 2012 Kenworth.

Main Street Revitalization Funding

In 2019, the Township of Coleman received **\$38,172.00** from the Main Street Revitalization Fund. The Township does not have a downtown core, or commercial centers; therefore, the following projects were discussed with the program Administrators and were supported. In 2019, Council adopted a resolution supporting the following allocations:

1. Exterior covered entryway over community hall entrance;
2. Accessible doors, hardware and access slopes;
3. Creation of flowerbeds, landscaping, picnic areas.
4. Installation of ramps for community gazebo for accessibility

Projects number 1 and 2 were tendered in 2019 without receipt of any bids. Council approved the completion of designed drawings for each entryway, and the projects will be retendered in 2020. Grant funds have been allocated from a deferred revenue account, for project completion by October 2020.

Miscellaneous Income

The Township received \$1,700 from the Timiskaming Health Unit for the creation of shade at Bass Lake Park. The Bass Lake Committee will be investigating options for the fund's allocation, such as tree planting, or creating sun canopies.

Two sale of land transactions are anticipated to be finalized in 2020, generating revenue of \$5,500.

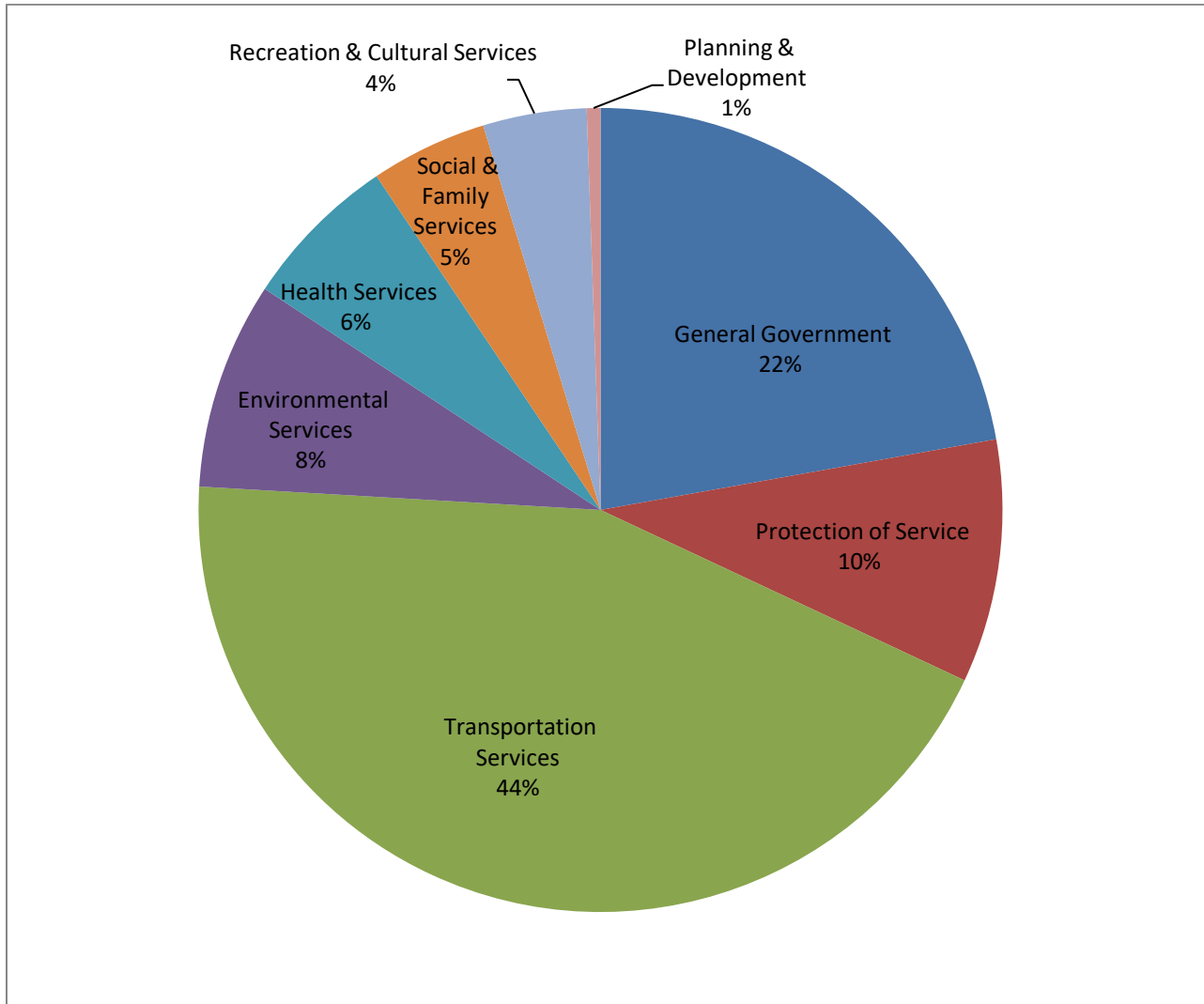
Bass Lake revenue was decreased from \$40,000 in previous years to \$10,000, as the impacts of COVID-19 on summer operations are not yet known.

EXPENDITURES

See **Appendix B** for the 2020 Budgeted Expenditures. The following chart illustrates the allocation of budgeted expenditures to various services.

2020 Budgeted Expenditures

Category	Revenue	Percentage
General Government	485,505.46	22.18%
Protection of Service	214,118.94	9.78%
Transportation Services	962,040.21	43.96%
Environmental Services	182,505.46	8.34%
Health Services	138,438.67	6.33%
Social & Family Services	102,712.79	4.69%
Recreation & Cultural Services	91,183.94	4.17%
Planning & Development	12,000.00	0.55%
Total	2,188,505.47	100.00%



EXPENDITURE HIGHLIGHTS

External Agencies

	2019 Statement (\$)	2020 Statement (\$)	Percentage Change (+/- %)
Ontario Provincial Police	132,395.00	130,836.00	-1.18%
DTSSAB	195,664.00	200,418.64	2.43%
MPAC	28,460.29	28,611.08	0.53%
Timiskaming Health Unit	26,563.66	28,842.22	8.58%
OCWA	14,239.00	14,481.60	1.70%
Earlton Airport	5,551.35	5,551.35	0.00%

2020 Proposed Capital Expenditures Budget

The 2020 Budget includes numerous and ongoing initiatives that prepare for the long-term viability and sustainability of Coleman Township, and are estimated at **\$694,109**. For a complete list see **Appendix C**. The project work is being funded by the user fee revenues, the tax levy and provincial/federal grant funding.

2020 Proposed Remuneration

The Consumer Price Index for Ontario rose 1.9% in the 12 months (January to December 2019). The municipal wage grid movement totalled, 2% for 2020, and was budgeted accordingly. Summer student wages were maintained in the budget, as the impact of COVID-19 on summer operations remains unknown.

2020 Proposed Donation Budget

Municipal donations were determined based on the budget funds available. Each year, the Township receives more donation requests than it can fund, and aims to share available resources. The Budget Committee and Council recognizes the valued contributions of area citizens and their commitments to various groups and organizations which provide events and programs to benefit our communities; and each year, Council must identify where funds are allocated. For a complete List, see **Appendix D**.

IMPACT ON PROPERTY TAXES

The Township of Coleman continues to grow and has generated growth in property assessment of 3.36 percent in 2020 (See **Appendix E**). The Township issued 15 building permits in 2019, which included the creation of three (3) new residential dwellings. This continued increased tax base allows the Township to maintain municipal tax rates at the same level as 2019.

MPAC reassessed all properties in 2019 based on January 2016 values. Increases in property value are phased-in over four tax years (2017-2020), resulting in staggered, ongoing tax impacts. An individual's property tax impact will vary depending on whether their property assessment was higher or lower than the overall assessment increase.

SUMMARY

The 2020 budget addresses operational and infrastructure needs to maintain appropriate municipal service levels required by our community. The Committee recognizes the potential impacts that COVID-19 may have on municipal operations; however, Council, the Budget Committee and Staff will closely monitor the 2020 financial reports to ensure that the Municipality is sustaining desired levels of services, while moving forward with current development to ensure progressive growth in 2020.

Sincerely,

Budget Committee Members

Appendix A: 2020 Budgeted Revenues

2020 TOWNSHIP OF COLEMAN REVENUE BUDGET	
Summary - Revenues	2020 Budget (\$)
Deferred Revenue/ Reserves	\$ 267,372
Municipal Taxation	\$ 1,910,761
Municipal (Residential & Commercial Taxes)	\$ 1,384,685
Education (Public & Separate)	\$ 512,416
Payments in Lieu	\$ 13,660
Water, Septic & Local Improvement	\$ 38,594
Municipal Water	\$ 31,894
Municipal Septic	\$ 2,000
Municipal Water Reserve	\$ 4,700
User Charges	\$ 32,200
Bass Lake	\$ 10,000
Waste Disposal	\$ 12,000
Other	\$ 10,200
Grants	\$ 400,317
Federal	\$ 126,100
Provincial	\$ 274,217
Total Penalties & Interest on Taxes	\$ 15,100
Total Provincial Offence Revenue	\$ 12,500
Sale of Land	\$ 5,500
Other Revenues	\$ 18,577
Recycling	\$ 11,344
Misc.	\$ 7,233
2020 Total Revenues (including education)	\$ 2,700,922

Appendix B: 2020 Budgeted Expenditures

2020 TOWNSHIP OF COLEMAN EXPENSE BUDGET	
Summary - Expenses	2020 Budget (\$)
General Government	\$ 485,505
Governance - Salaries & Materials	\$ 33,300
General Admin - Salaries & Materials	\$ 283,756
General Admin Contracted Services	\$ 154,600
Other	\$ 13,850
Protection of Service	\$ 214,119
Police	\$ 130,836
Fire	\$ 71,183
Other	\$ 12,100
Transportation Services	\$ 962,040
Salaries & Materials	\$ 551,383
Equipment	\$ 9,000
Contracted Services	\$ 373,606
Street Lighting & Airport & Bus Services	\$ 28,051
Environmental Services	\$ 182,505
Water Contracted Services	\$ 107,489
Septic Materials & Utilities	\$ 1,600
Waste salaries & Materials	\$ 27,496
Waste Recycling Salaries & Materials	\$ 40,920
Waste Reserve	\$ 5,000
Health Services	\$ 138,439
Public Health	\$ 28,842
Health Services Transfers	\$ 109,596
Social & Family Services	\$ 102,713
Children & Social Housing	\$ 80,242
Workfare	\$ 22,471
Recreation & Cultural Services	\$ 91,184
Parks Salaries & Materials	\$ 60,859
Recreation & Culture	\$ 27,525
Reserve	\$ 2,800
Planning & Development	\$ 12,000
Total Education	\$ 512,416
2020 Total Expenses (including education)	\$ 2,700,922

Appendix C: 2020 Projects and Capital Expenditures Budget Summary

Cost Centre	Project	2020 Expenditures	Comments
General Government	Municipal Maintenance Projects: - Refinish Community Hall Floors	3,500.00	Funded through Main Street Funding Initiative
	- Accessible Entrance - Municipal Building	38,172.00	
	- Construction of Community Hall Entrance	5,000.00	
	- Drop Box/Outdoor Bulletin Board/Little Library		
	Structure Demolition	6,000.00	
	Total	52,672.00	
Fire Department	Two (2) Dry Hydrant Installations	6,000.00	
	Total	6,000.00	
Public Works	Truck Purchase - 4x4 Standard Cab	10,632.00	Financed over 48 months (2018-2022)
	Bass Lake Crossing Installation	7,269.00	Amortized over 7 years (2017-2024)
	Road Resurfacing Program	191,336.00	Original Project Amortized over 10 years (2012-2022) - Annual Gas Tax Funds allocated. Follow-up surface treatment agreement executed by Council in 2019 - Extends payments for 3.5 years
	Equipment Purchases: - Plow Truck (Replace Kenworth -Trade-In Value Estimated)	210,000.00	Funded through Municipal Modernization Fund
	- Sweeper Attachment	21,000.00	
	Larose Bridge Assessment/ Engineering	150,000.00	93.33% Funded through ICIP (Municipal Contribution of 6.67% or \$10,005 required)
		Total	590,237.00
Environmental	Water Tower Project	15,200.00	Project administered through Town of Cobalt (Carry-over from 2019)
	Water Meter Reader	12,000.00	Replacement (Carry-over from 2019)
	Total	27,200.00	
Bass Lake	Infrastructure Upgrades: - Concession Stand washroom Retrofit: * Engineering	10,000.00	
	- Bass Lake Lodge Floors	8,000.00	
	Total	18,000.00	
	TOTAL	694,109.00	

Appendix D: 2020 Donation Budget

Recipient	2020 Budget
Cobalt Public Library (Grant)	1,500.00
Cobalt Public Library	500.00
Libraries	2,000.00
Cobalt Mining Museum	2,000.00
Cobalt Historical Society	2,000.00
Cobalt Bunker	2,000.00
Cobalt Classic Theatre	2,000.00
Culture	8,000.00
Temiskaming Transit	2,500.00
Transit	2,500.00
Cobalt/Coleman Catholic Cemetery	1,750.00
Silverland Cemetery	1,750.00
Royal Canadian Legion Cemetery (Hail)	500.00
Cemeteries	4,000.00
Seniors Van Service	500.00
Community Living	500.00
Cobalt Food Bank	1,000.00
St Pat School	150.00
Tri-Town Ski Village (Bus Sponsorship)	500.00
Cobalt Coleman Lions Club (Canada Day)	800.00
Misc.	3,450.00
Total	19,950.00

Appendix E: 2020 Tax Levy and Tax Rate Schedule

Tax Class	2020 Tax Ratio	2020 Taxable Assessment	2020 Tax Rate	2020 Levy	2020 Education Tax Rate	2020 Education Levy	2020 Levy/Tax Class
Residential - Occupied	1.000000	83,140,476.00	0.00905000	752,421.31	0.00153000	127,204.93	879,626.24
Residential Shared - PIL	1.000000	28,600.00	0.00905000	258.83	0.00153000	43.76	302.59
Residential PIL	1.000000	947,200.00	0.00905000	8,572.16	0.00153000	1,449.22	10,021.38
Residential PIL - General	1.000000	80,300.00	0.00905000	726.72	-	-	726.72
Commercial PIL: Full	1.500000	4,400.00	0.01357500	59.73	0.00980000	43.12	102.85
Commercial PIL (Prov): Full	1.500000	11,100.00	0.01357500	150.68	0.00980000	108.78	259.46
Managed Forest - Occupied	0.250000	-	0.00226250	0.00	0.00038250	-	-
Commercial - Occupied	1.500000	1,447,423.00	0.01357500	19,648.77	0.00980000	14,184.75	33,833.51
Commercial - Vacant Land	1.500000	2,087,200.00	0.00950250	19,833.62	0.00980000	20,454.56	40,288.18
Commercial - PIL General	1.500000	115,500.00	0.01357500	1,567.91	-	-	1,567.91
Industrial - Occupied	2.500000	974,401.00	0.02262500	22,045.82	0.00980000	9,549.13	31,594.95
Industrial - Vacant Land	2.500000	32,400.00	0.01470625	476.48	0.00980000	317.52	794.00
Pipeline - Occupied	1.756741	34,116,000.00	0.01589851	542,393.43	0.00980000	334,336.80	876,730.23
Commercial, NConstr. - Full Occupied	1.500000	478,700.00	0.01357500	6,498.35	0.00980000	4,691.26	11,189.61
Commercial, NConstr. - Excess Land	1.500000	3,300.00	0.00950250	31.36	0.00980000	32.34	63.70
Exempt - Properties	-	4,370,000.00	-				
Exempt - Landfill (Municipally Owned)	-	300.00	-				
Total		127,837,300.00		1,374,685.17		512,416.16	1,887,101.33