



LIVE LAC DU BONNET

2019 FINANCIAL PLAN PUBLIC HEARING

Presented: Tuesday, April 9, 2019

Vision Statement (Local Area)

- The Rural Municipality of Lac du Bonnet captivates residents and visitors with a highly desired lifestyle and positive image. People know that to *LIVE LAC DU BONNET* means natural beauty, peaceful surroundings, friendly people, unlimited social/recreation opportunities, full community services, and economic diversity.

Vision Statement (Organization)

- The Rural Municipality of Lac du Bonnet is a leader in local governance and an employer of choice within the region that is known for the business and service excellence; progressive and collaborative nature; and putting people first

Mission Statement

- The Rural Municipality of Lac du Bonnet exists to provide effective governance and community leadership through the delivery of quality municipal services; response to community needs; and enhancement of our local economy, pride, history, culture, and overall quality of life.

LIVE LAC DU BONNET

Financial Plan Process



What will be happening with the 2018 Surplus?

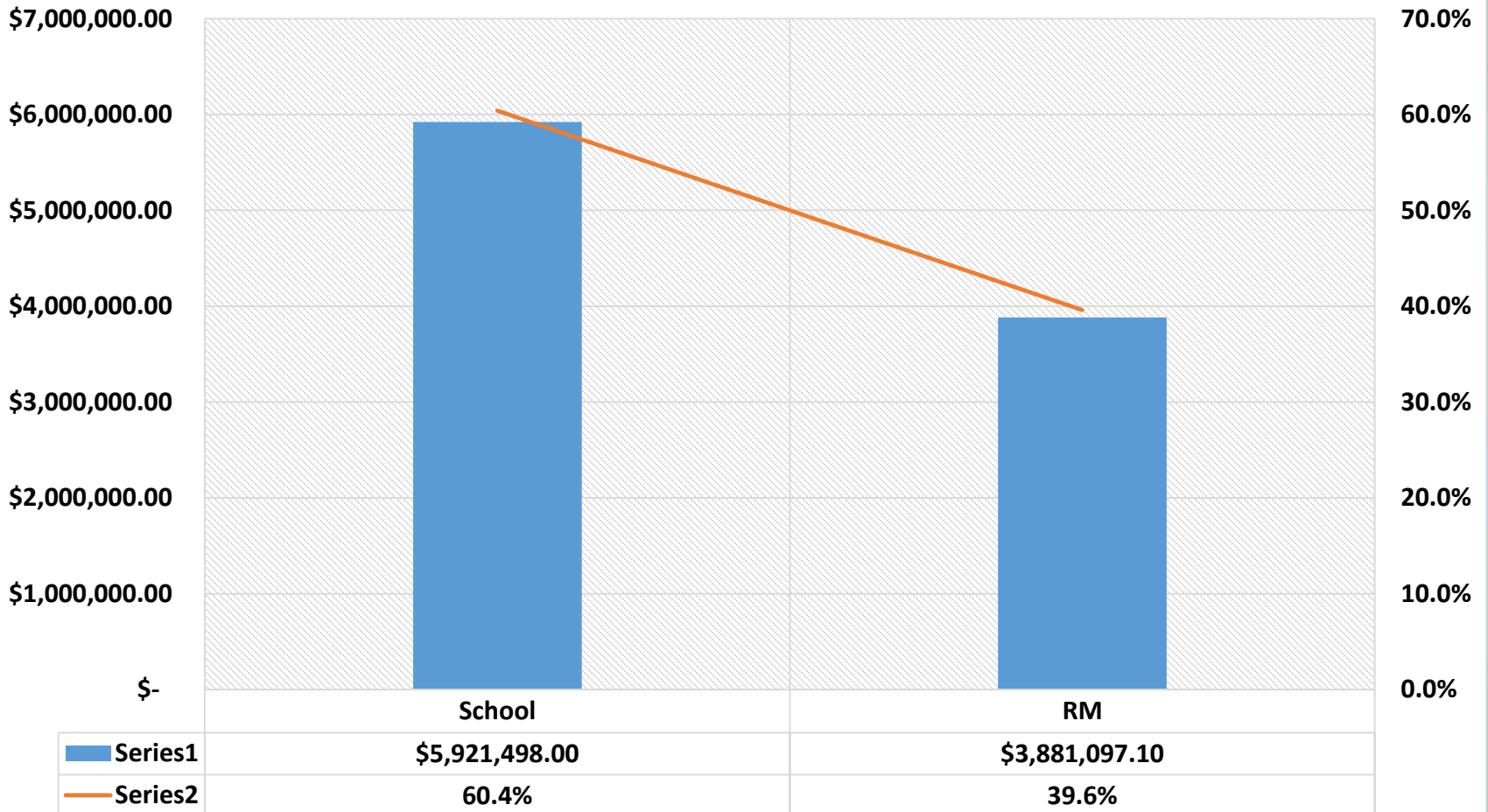
- ✓ **The Surplus of \$354,533.76 will be allocated to specific Reserve Funds, the 2018 Operating Fund and held for Auditor Year End Adjustments:**

| | |
|---------------------------------------|-------------------|
| ▪ Fire Fighting Equip Reserve | 40,000.00 |
| ▪ 2019 Operating Fund | 262,500.00 |
| ▪ Year End Auditor Adjustments | 52,033.76 |

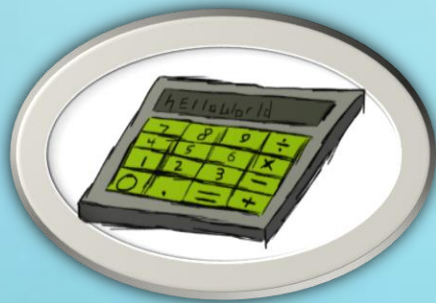
LIVE LAC DU BONNET

Did you know.....

School Taxes = 60.4 % of Levied Taxes



Let's Review The 2019 Financial Plan!



| Consolidated Balance Sheet | | | | |
|---------------------------------------|----------------|---------------|-----------------|---------------|
| | 2008 | % | 2007 | % |
| Assets | | | | |
| Current Assets | | | | |
| Cash & Bank Balances | 4,825 | 1.5% | 1,353 | 0.4% |
| Receivables | 187,451 | 51.4% | 138,729 | 45.6% |
| Prepayments & Accrued Income | 8,277 | 2.0% | 10,003 | 3.3% |
| Total Current Assets | 199,553 | 55.0% | 150,085 | 49.3% |
| Non-Current Assets | | | | |
| Investment in Subsidiaries/AF | 10,700 | 3.3% | 13,725 | 4.5% |
| CAPEX | 27,308 | 8.4% | 27,640 | 9.1% |
| Intangible Fixed Assets | 106,819 | 32.8% | 112,284 | 37.6% |
| IT Receivables | 951 | 0.1% | 794 | 0.1% |
| Total Non-Current Assets | 146,778 | 44.0% | 154,443 | 50.7% |
| TOTAL ASSETS | 325,633 | 100% | 303,678 | 100% |
| Liabilities & Equity | | | | |
| Shareholder's Equity | | | | |
| Paid up Capital | 24,860 | 7.3% | 24,860 | 8.2% |
| Reserves | (26,710) | -7.6% | (42,034) | -14.1% |
| Profit/Loss Brought Forward | 2,106 | 0.6% | 2,106 | 0.7% |
| Retained Earnings/Loans | (18,815) | -5.2% | (11,715) | -3.4% |
| Total Equity | (6,559) | -1.9% | (17,883) | -5.6% |
| Current Liabilities | | | | |
| Deferred Taxes | 408 | 0.1% | 630 | 0.3% |
| Total Current Liabilities | 408 | 0.1% | 630 | 0.3% |
| Non-Current Liabilities | | | | |
| Bank Borrowings | 118,532 | 36.2% | 110,412 | 36.4% |
| Other Borrowings | 142,336 | 43.2% | 102,429 | 33.7% |
| Payables | 102,216 | 31.4% | 103,616 | 34.1% |
| Accruals & Deferred Incomes | 22,754 | 7.0% | 20,896 | 6.9% |
| Rest of Service Evidently | 2,859 | 0.9% | 3,148 | 1.0% |
| Total Non-Current Liabilities | 388,697 | 119.7% | 340,501 | 112.4% |
| TOTAL LIABILITIES & EQUITY | 325,633 | 100% | 303,678 | 100% |

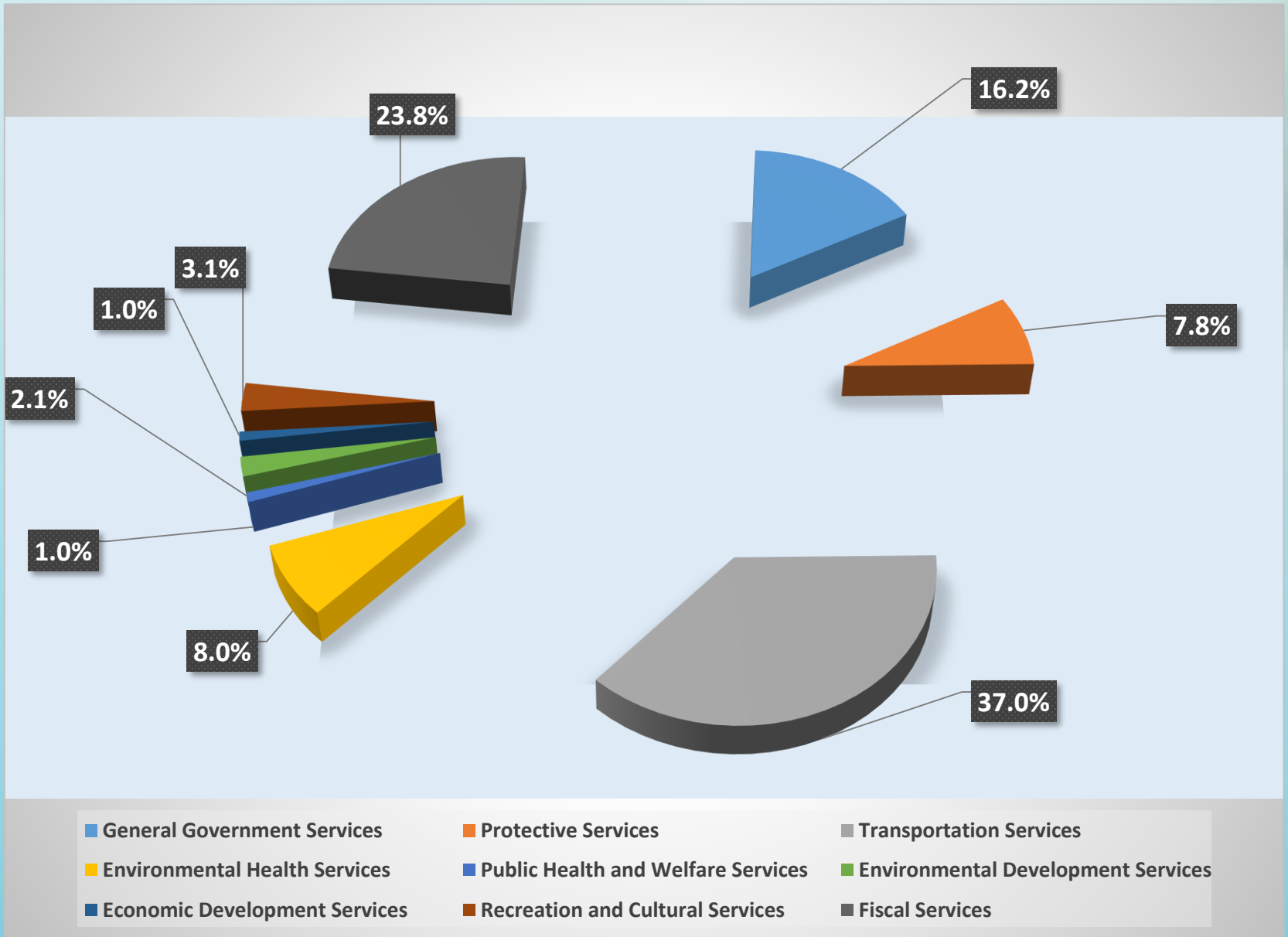
**GENERAL OPERATING FUND
BUDGETED REVENUE AND SCHOOL TAX
REQUISITION
4 YEAR COMPARISON**

| | 2019 | 2018 | 2017 | 2016 |
|--|--------------|--------------|--------------|--------------|
| REVENUE | | | | |
| Tax Levy (includes School Taxes) | 8,642,329.10 | 8,438,594.12 | 8,002,779.73 | 7,839,242.55 |
| Grants in Lieu of Taxes | 1,160,266.00 | 1,151,257.20 | 1,160,104.71 | 1,168,153.70 |
| Sub total | 9,802,595.10 | 9,589,851.32 | 9,162,884.44 | 9,007,396.25 |
| Requisitions - page 8 (schools) | 5,921,498.00 | 5,812,330.00 | 5,551,828.00 | 5,336,426.00 |
| Net Municipal Taxes & Grants in Lieu of Taxes | 3,881,097.10 | 3,777,521.32 | 3,611,056.44 | 3,670,970.25 |
| Other Revenue-page 2 | 1,311,475.55 | 1,108,190.40 | 1,414,081.79 | 1,067,586.00 |
| Transfers from Accumulated Surplus & Reserves - pg 2 | 2,017,500.24 | 2,120,232.12 | 2,806,633.13 | 1,866,767.74 |
| Total Revenue | 7,210,072.89 | 7,005,943.84 | 7,831,771.37 | 6,605,323.99 |

GENERAL OPERATING FUND
BUDGETED EXPENDITURES
4 YEAR COMPARISON

| EXPENDITURES | 2019 | 2018 | 2017 | 2016 |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
| General Government Services | 1,101,975.77 | 1,002,812.68 | 1,017,799.57 | 940,717.53 |
| Protective Services | 531,768.80 | 455,725.35 | 319,462.92 | 389,180.08 |
| Transportation Services | 2,523,022.13 | 2,360,997.37 | 3,101,395.20 | 2,621,636.41 |
| Environmental Health Services | 542,225.00 | 708,077.81 | 582,015.00 | 505,658.02 |
| Public Health and Welfare Services | 70,261.23 | 121,387.42 | 71,636.00 | 36,236.00 |
| Environmental Development Services | 145,433.36 | 129,820.00 | 143,500.00 | 147,500.00 |
| Economic Development Services | 68,400.00 | 67,895.00 | 45,995.00 | 57,475.00 |
| Recreation and Cultural Services | 211,765.42 | 272,372.00 | 326,052.91 | 308,863.80 |
| Fiscal Services | 1,623,763.48 | 1,375,405.24 | 1,065,148.40 | 770,920.00 |
| Transfers to Reserves - pg 5 | 390,738.44 | 510,773.00 | 1,158,238.10 | 797,703.00 |
| Total Basic Expenditure | 7,209,353.63 | 7,005,265.87 | 7,831,243.10 | 6,575,889.84 |
| Allow for Tax Assets - pg 8 | 719.26 | 677.96 | 528.27 | 29,434.15 |
| Total Expenditure | 7,210,072.89 | 7,005,943.83 | 7,831,771.37 | 6,605,323.99 |

Departmental Expenses as % of Budget



Service Department Definitions and what the 2019 \$ Budget is paying for...

General Government Services: Legislative, General Administrative, Legal, Audit, Assessment, Taxation, Elections, Conventions, Damage Claims Liability & Insurance, Intergovernmental Relations:

2019 Increase over L/Y- \$99,163 - Records Management System, Service Agreements, Wages, Inter-government Relations

Protective Services: Police, Fire, Emergency Measures, Handi-Van Services, By-Law Enforcement:

2019 Increase over L/Y- \$76,043 - Training, Increased Firefighting costs, By-law Enforcement Contract, Animal Control Contract

Transportation Services: Engineering, Road Maintenance & Construction, Snow Removal, Gravelling, Ditches, Drainage & Culverts, Beaver Control, Permits:

2019 Increase over L/Y- 162,024 - Filled 4.5 vacant permanent positions, extension of public works yard

Service Department Definitions and what the 2019 \$ Increase is paying for...

Environment Health Services: Garbage and Recycling, Tipping Fees, Lagoon, E-Waste
2019 Decrease over L/Y- (\$165,853)

Public Health & Welfare Services: Cemeteries, Larviciding, Social Welfare Assistance
2019 Decrease over L/Y- (\$51,126)

Planning (Environmental) Development Services: Planning & Zoning, Land Development
2019 Increase over L/Y- \$15,613 - Wages, Offset by Planning revenue

Economic Development Services: Airport, Tourism
2019 Increase over L/Y- \$505

Recreational & Cultural Services: Recreation, Community Centre, Arena, Parks and
Playgrounds, Public Boat Launches, Museums, Library, Youth Centre
2019 Decrease over L/Y- (\$60,607)

Fiscal Services: Contribution to Capital, Debt Charges
2019 Increase over L/Y- \$248,358 Capital Purchases

Why are Reserves Important for the RM?

- More efficient way of managing public funds by saving for future projects and earning interest
- *Planning* and *Saving* for future capital needs can reduce or eliminate interest on debt
- Provide a cushion for unforeseen expenditures or revenue shortfalls
- Reserve withdrawals have no impact on taxation
- Reserves are very often used to minimize mill rate increases

2019 Reserve Strategies

| Reserve | 2019 Beginning Balance | Additional Funds / Levy * | Prior Commitment | 2019 Estimated Expenditures | Estimated 2019 Ending Balance |
|----------------------|------------------------|---------------------------|----------------------|-----------------------------|-------------------------------|
| Airport | \$ 158,121.91 | \$ 10,000.00 | | \$ 146,000.00 | \$ 22,121.91 |
| Building | \$ 35,837.69 | \$ - | | \$ 35,000.00 | \$ 837.69 |
| Capital Development | \$ 42,469.15 | \$ - | | \$ - | \$ 42,469.15 |
| Economic Development | \$ 88,524.54 | \$ - | | \$ 35,000.00 | \$ 53,524.54 |
| Federal Gas Tax | \$ 439,464.95 | \$ 167,962.00 | | \$ 192,500.00 | \$ 414,926.95 |
| Fire Department | \$ 395,304.32 | \$ 107,776.44 | | \$ 457,895.00 | \$ 45,185.76 |
| Emergency | \$ 234,099.05 | \$ - | | \$ 100,000.00 | \$ 134,099.05 |
| General Reserve | \$ 424,223.40 | \$ - | | \$ 81,211.44 | \$ 343,011.96 |
| Liquid/Solid Waste | \$ 549,272.02 | \$ - | | \$ 308,893.80 | \$ 240,378.22 |
| Machinery Reserve | \$ 366,438.00 | \$ - | \$ 25,000.00 | \$ 210,000.00 | \$ 131,438.00 |
| Municipal Office | \$ 13,807.21 | \$ - | | \$ 13,000.00 | \$ 807.21 |
| Personal Care Home | \$ 1,051,573.40 | \$ - | | \$ - | \$ 1,051,573.40 |
| Public Works | \$ 13,779.14 | \$ 5,000.00 | | \$ 5,500.00 | \$ 13,279.14 |
| Recreation | \$ 117,400.72 | \$ - | | \$ 20,000.00 | \$ 97,400.72 |
| Road Reconstruction | \$ 379,271.83 | \$ 140,000.00 | \$ 150,000.00 | \$ - | \$ 369,271.83 |
| Stead/Glenmoor | \$ 42,454.76 | \$ - | | \$ - | \$ 42,454.76 |
| TOTALS | \$ 4,352,042.09 | \$ 430,738.44 | \$ 175,000.00 | \$ 1,605,000.24 | \$ 3,002,780.29 |

2019 Projects from Reserves

| Reserve | Project |
|-----------------------|---|
| Airport | Crown land purchase |
| Building | Office Renovations |
| Capital Development | no plans |
| Economic Development | Community Development Corporation |
| | Replacement Bin, Airport Taxi-way Improvement, Road Reconstruction - Wendigo, Osprey Parking Lot Improvements, Gravel - RM Road Classification Improvements |
| Federal Gas Tax | |
| Fire Department | Radio Tower, West Fence Painting, Fire Truck |
| Emergency | Emergency Measures |
| General Reserve | Cemetery Enhancements, Scanners, Computers/Monitors/Arms, AV solutions/wiring, |
| Liquid/Solid Waste | Waste Management Project, Recycling Drop off Depot, Utility Module |
| Machinery Reserve | Aggregate Screener, \$175K towards grader purchase |
| Machinery - Handi Van | Committed \$5,000 for Handi-van replacement |
| Municipal Office | Office Renovations |
| Personal Care Home | no plans |
| Public Works | Yard Structure |
| Recreation | Committed \$20,000 to Osprey Dredging Project |
| Road Reconstruction | 1/3 of gravel inventory |
| Stead/Glenmoor | no plans |

2019 Capital Budget

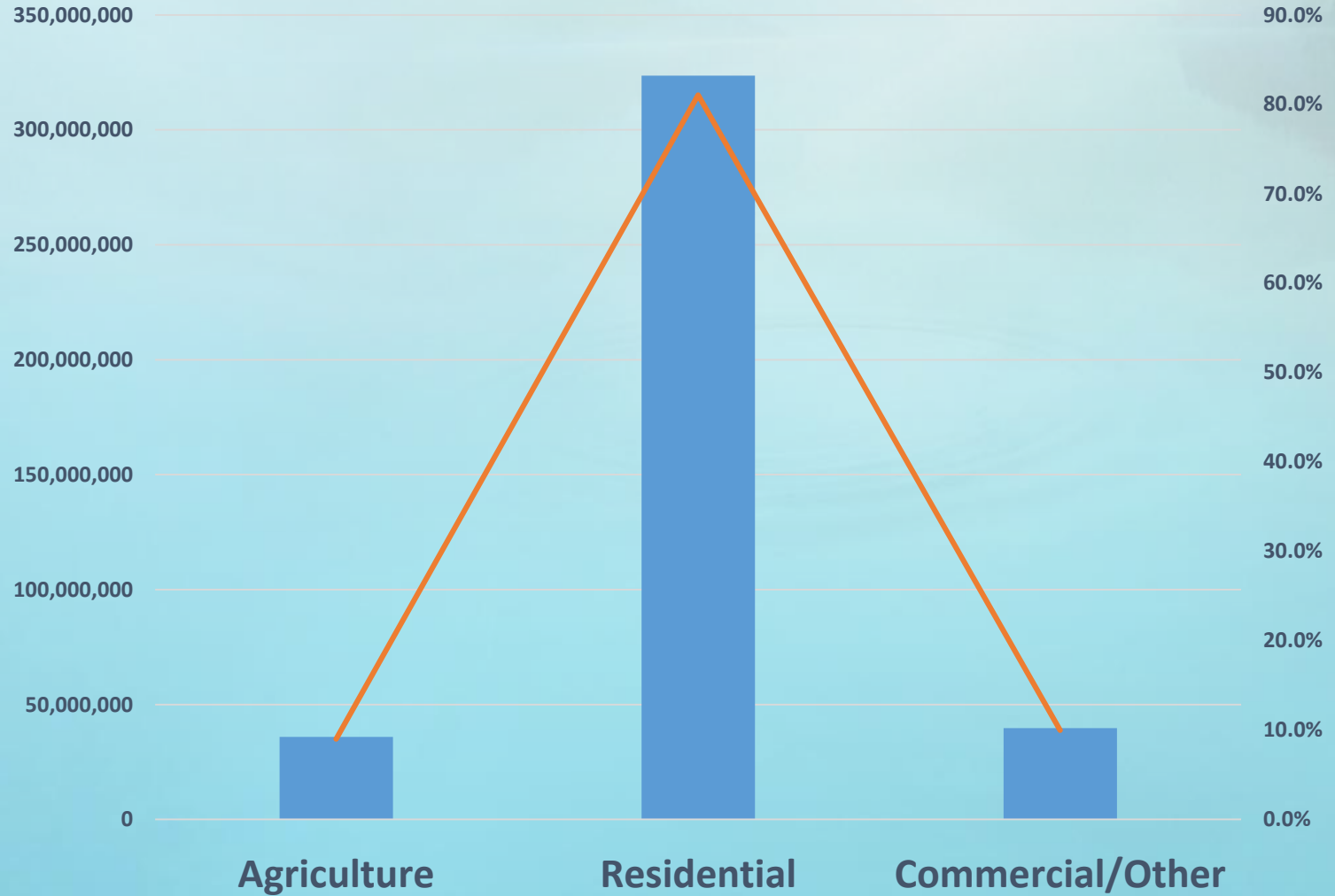
| Particulars of Expenditure | Estimated Total Cost | Borne by General Fund | Borne By Reserves | Borne By Borrowing |
|---|------------------------|-----------------------|-----------------------|--------------------|
| Grader | \$ 221,400.00 | \$ 46,400.00 | \$ 175,000.00 | |
| Computers/monitor and arms | \$ 16,663.00 | | \$ 16,663.00 | |
| Cloud back up | \$ 4,087.00 | 4087 | \$ - | |
| Server | \$ 24,374.44 | | \$ 24,374.44 | |
| Muniware Utility Module | \$ 8,893.80 | | \$ 8,893.80 | |
| AV Solutions /Wiring | \$ 23,794.00 | 8620 | \$ 15,174.00 | |
| Office Renovations/Accessibility Upgrades | \$ 150,000.00 | \$ 102,000.00 | \$ 48,000.00 | |
| Office / chambers Furniture | \$ 51,380.00 | \$ 51,380.00 | | |
| 2 scanners | \$ 4,026.24 | \$ 4,026.24 | | |
| EFT (Electronic Funds Transfer) | \$ 1,750.00 | \$ 1,750.00 | | |
| Waste Management | \$ 300,000.00 | | \$ 300,000.00 | |
| PW Handheld Radios | \$ 2,000.00 | \$ 2,000.00 | | |
| PW Yard Structure | \$ 5,500.00 | | \$ 5,500.00 | |
| FD Radio Tower | \$ 30,000.00 | | \$ 30,000.00 | |
| FD - Fire Truck | \$ 424,895.00 | | \$ 424,895.00 | |
| Aggregate Screener | \$ 30,000.00 | | \$ 30,000.00 | |
| To obtain Crown Land for Airport | \$ 146,000.00 | | \$ 146,000.00 | |
| Road Reconstruction Wendigo | \$ 50,000.00 | | \$ 50,000.00 | |
| RM Roads Classification Improvement | \$ 112,500.00 | | \$ 112,500.00 | |
| Replacement Bin | 10000 | | \$ 10,000.00 | |
| | \$ 1,617,263.48 | | | |
| TOTAL | | \$ 220,263.24 | | |
| | | Page 5 | \$1,397,000.24 | |

% of Total Assessment by Classification

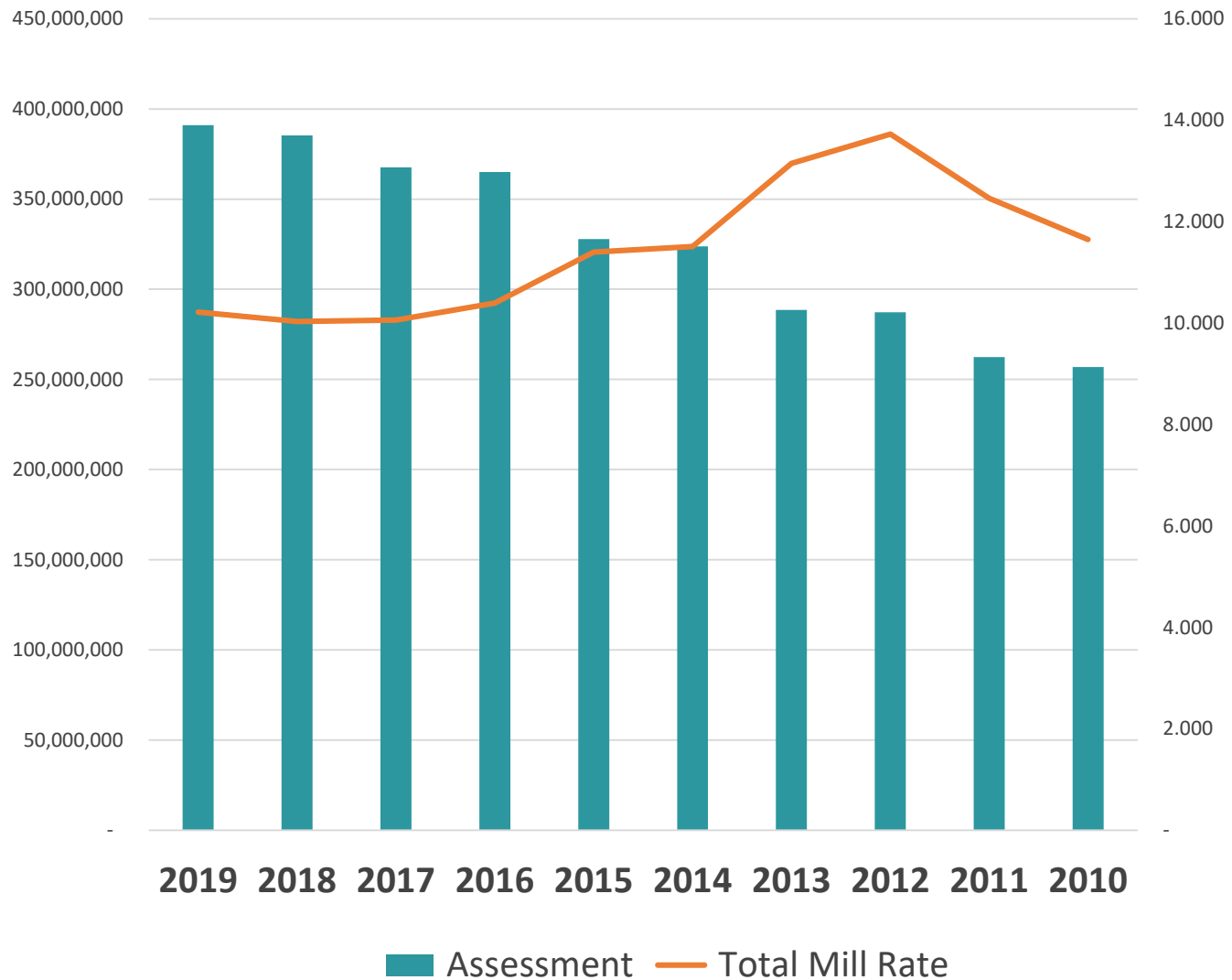
Agriculture 9.0%

Residential 81.0%

Commercial/Other 10.0%



Assessment and Mill Rate Comparison



**RM OF LAC DU BONNET
ASSESSMENT AND LEVY
5 YEAR >>>YEAR OVER YEAR COMPARISON**

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| ASSESSMENT | 391,085,850 | 385,291,900 | 367,638,760 | 365,069,860 | 327,811,320 |
| % Increase - Year over Year Comparison | 1.5% | 4.8% | 0.7% | 11.4% | 25.0% |
| | | | | | |
| TOTAL MUNICIPAL MILL RATE | 10.217 | 10.032 | 10.059 | 10.214 | 11.398 |
| % Increase - Year over Year Comparison | 1.84% | -0.27% | -1.5% | -10.4% | -8.5% |
| | | | | | |

For 2019>>>> 1 mill raises \$391,086

What does the 2019 Mill Rate mean to you as a Property Owner in the RM of Lac du Bonnet.....

| RM Resident - Property Tax Bill Sample | | | | |
|---|--------------------|--------------------|------------------|-----------------|
| Property Tax Bill Sampling | <u>2019</u> | <u>2018</u> | \$ Change | % Change |
| Assessment (Residence) | \$255,400.00 | \$255,400.00 | \$0.00 | 0.0% |
| Portion % | 45% | 45% | | |
| Portioned Assessment | \$114,930.00 | \$114,930.00 | \$0.00 | 0.0% |
| General Municipal | | | | |
| Mill Rate | \$10.217 | \$10.032 | \$0.19 | 1.84% |
| General Municipal Tax Owing | \$1,174.24 | \$1,152.98 | \$21.26 | 1.84% |

Other Matters

- Taxes Due: September 13, 2019
- Tax Penalty: 1.25% applied monthly on the outstanding balance
- Payment Options: Interac, Post Dated Cheques, On-line Banking, Telpay, e-transfer
- Board of Revision: Wednesday, September 18, 2019
- Check out our Website and sign up as a registrant to receive public notices.



Public Works Presentation