

MUNICIPALITY OF RED LAKE
2011 BUDGET

The Budget Committee consisted of:

Councilor Debra Shushack, Chair of the Finance Committee
Deputy Mayor Ken Forsythe
Councilor Paul Parsons (until March 17)
Councilor Sandy Middleton (from March 18)
Brian Anderson, Chief Administrative Officer
Shelly Kocis, Clerk
Rhonda Mann, Deputy Treasurer
Kaveh Etezadi, Operations Superintendent
Brian McQuarrie, Treasurer

The Committee recognized with the economic environment that prevails at present, a fiscally prudent budget would be prepared and presented.

The Committee reviewed the Budgets submitted by the Department Heads on a line by line basis. Where deemed appropriate, some of the requests made by the Departments were adjusted accordingly.

Requests made by the Departments that were not deemed urgent, essential or a safety issue have been deferred to future years. A five year capital plan is being prepared. As part of the Budget process, discretionary spending has been reduced.

Taxation:

--Property Taxation has been projected to increase by 2.9%;
--Increase from \$6,159,574 to \$6,338,202. (Net \$178,628).

Ontario Municipal Partnership Funding: (O M P F)

--Provincial Funding has decreased to \$1,804,400 in 2011 from \$1,954,800 in 2010.
--**Decrease** in funding of \$150,400 or 7.7%.
--Reduction of result of direct uploads of Social Assistance Benefits to the D S S A B's.

Health Clinic:

--The Health Clinic requested financial assistance of \$72,000.
--Committee projected \$50,000.
--2010 assistance was \$30,000.
--**Increase** of \$20,000 or 66.7%.

Homeless Shelter:

--The Shelter requested financial assistance of \$50,000.
--Committee projected \$20,000.
--2010 assistance was \$15,000.
--**Increase** of \$5,000 or 33.3%

Levies:

--Over all the total levies assessed increased to \$1,239,545 from \$1,171,177 in 2010.
--Over all increase of \$68,368 or 5.8%

D S S A B (K D S B):

--2011 Assessed Levies = \$707,738
--2010 Assessed Levies were \$670,857
--**Increase** of \$36,881 or 5.5%

Northwestern Health Unit (N W H U):

--2011 Assessed Levies = \$192,165
--2010 Assessed Levies were \$202,542
--**Decrease** of \$10,377 or 5.1%

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Levies: (Continued)

Homes for Aged Persons:

- 2011 Assessed Levies = \$339,642
- 2010 Assessed Levies were \$297,778
- Increase** of \$41,864 or 14.1%

Policing Costs:

- Policing costs have increased from \$2,046,690 in 2010 to \$2,287,728 for 2011.
- 2011 **Increase** of \$241,038 or 11.8%.
- O M P F component of Policing Costs grant for 2011 is \$679,100.
- O M P F component of Policing Costs grant for 2010 was \$776,600.
- Decrease** in funding of \$97,500 or 12.6%.

Long Term Debt:

- Principal payments for Long Term Debt **increased** from \$942,157 to \$1,718,760 for 2011.
- Debt principal repayments will **increase** slightly for 2012 and 2013, and then start seeing reductions in 2014, when a number of the existing loans are paid in full.

Municipal Boards Support:

Libraries:

- 2011 Requisition = \$210,616
- 2010 Requisition = \$220,000
- Decrease** of \$9,384 or 4.3%

Heritage Center:

- 2011 Requisition Requested = \$170,000
- 2011 Requisition Approved = \$137,300
- 2010 Requisition = \$120,000
- Approved Requisition = \$17,300 **Increase** or 14.4%
- Requested Requisition = \$50,000 **Increase** or 41.7%

Child Care Services:

- Child Care Services costs continue to **increase** more rapidly than the revenue generated from provision of the services.
- A deficit of \$434,865 has been projected for 2011.

	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2010 Budget</u>
Government Grants	\$ 655,145	\$ 659,594	\$ 816,776
Users Fees	<u>496,600</u>	<u>482,124</u>	<u>485,482</u>
Revenue	1,151,745	1,141,718	1,302,258
Operating Expenses	<u>1,586,610</u>	<u>1,338,595</u>	<u>1,495,595</u>
Net Income (Deficit)	\$(434,865) =====	\$(196,877) =====	\$(193,337) =====

Water and Sewage Services:

- Deficits in the water and sewage services are projected to decrease in 2011 and each of the following three years when the service is projected to be fully user pay.
- 2010 actual deficit incurred was \$881,288. (Water = \$621,662; Sewage = \$259,626)
- 2011 projected deficit is \$509,613.