



# MUNICIPALink

## Municipal Budget 2011

### *How is the Municipal budget drafted?*

The Municipal fiscal year is January 1 to December 31. Department Heads submit Capital budgets in October and Operating budgets in November.

The Management Team meets regularly to review preliminary budget information with a view to reflecting the same level of service as the prior year except where specific Council direction and approval has been given to alter the level of service. Any service level changes recommended by the Management Team must be clearly identified including the rationale for the change.

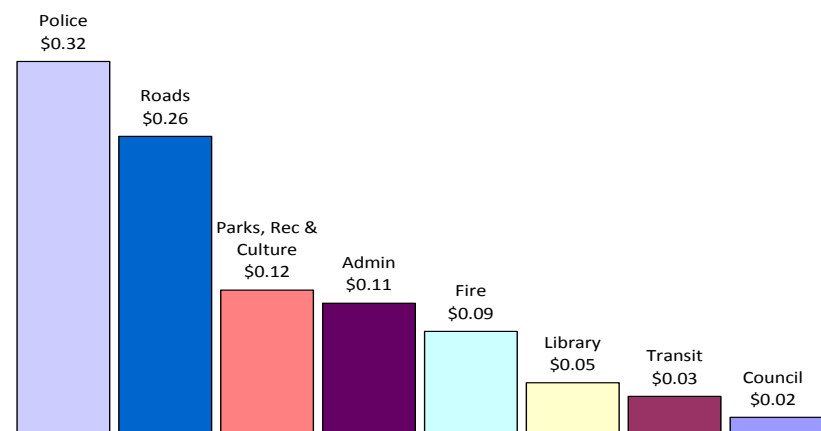
Once the Management Team review is complete, the Capital and Operating budgets are presented to the Budget Committee (a Committee of Council) for review, deliberation, and revision.

**Operating Budget** covers costs associated with Municipal operations e.g. salaries, maintenance, supplies and utilities.

**Capital Budget** covers capital projects e.g. road reconstruction, new building/facility construction, Town Hall window replacement, purchase/replacement of vehicles and equipment.

**The Budget Committee** met 10 times to review the 2011 budget line by line, seek clarification where necessary and make adjustments where required. The Budget Committee meets monthly to monitor the budget, ensure spending is in line with the approved budget, and avoid unplanned expenditures wherever possible. All meetings are open to the public.

### *How is my Municipal tax dollar spent?*



### *Where does the money come from?*

Only 57% of all expenditures (i.e. capital and operating) is funded by your tax dollars. The balance of expenditures are funded through reserves, user fees/licenses, income from development charges, water and sewer billing, loans, donations and grants.

## *Municipal Capital Projects 2011*

Fifty-six projects valued at \$5.1 million (with no 2011 tax levy impact) started in 2010 or earlier and are carried forward to 2011 for completion:

- Joint Operations Centre
- Town Hall HVAC and Windows
- West End Park/Baulch Road Park

The budget includes 53 new projects for 2011 including:

- Town Hall Masonry
- West End/Baulch Road Park (phase II)
- Rotary Park Bridge
- Port Hope Police Station Stage 1
- Fire Pumper/Rescue Truck for Welcome
- Casket Lowering Device
- Final phase of phone system upgrade
- Annual Street Resurfacing
- GRCA projects
- King St Design Phase 2
- Bridge and Guiderail Maintenance

40 additional projects were submitted but are not receiving funding in 2011.

## *Joint Operations Centre Capital Projects 2011*



The new Joint Operations Centre integrates and consolidates operations for Roads, Water Distribution, and Parks, Recreation & Culture to maximize efficiencies and improve level of service with a fully accessible, environmentally sound design.

Two thirds of the approximate \$5.2 million cost was funded through Canada’s Economic Action Plan and the balance through Municipal Capital budgets for 2010/2011.

## *Fire Rescue Pumper Truck Capital Projects 2011*



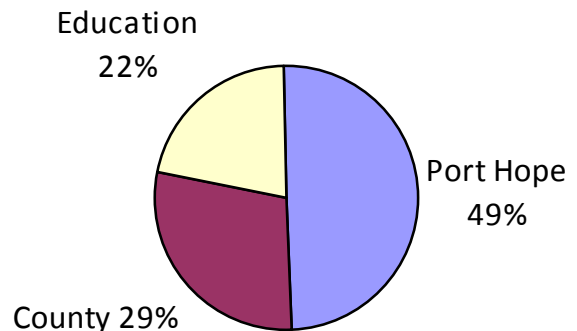
The 2011 rescue/pump truck currently under construction is a front-line pumper designed to carry rescue equipment, air bottles, and medical equipment.

Equipped with an on-board light tower, 15kw generator, and electronic remote-controlled, high-volume nozzle, the truck will replace a 1991 pumper truck currently in service at Welcome’s Station 2. An identical pump/rescue truck will be delivered in 2012 to replace the 1990 pumper at Station 1.

## *How are my tax dollars allocated?*

Only 49% of the taxes collected by the Municipality are applied to the Municipal budget.

The balance is forwarded to the Province of Ontario and County of Northumberland to fund services they provide.



## *Rotary Park Bridge Rehabilitation—Capital Projects 2011*



Through biennial bridge inspections in 2006 and 2008, the Rotary Park Pedestrian Bridge was determined to have components of deterioration requiring rehabilitation and/or replacement. Options of either rehabilitating or replacing the structure were reviewed and discussed at Public Information Sessions and in meetings with the Rotary Club of Port Hope.

Partial rehabilitation of the bridge will extend its usable life by 25 years and allows for long term preservation of the historic bridge. The approach provides a cost effective solution for preserving the bridge's aesthetic appeal while addressing the health and safety issues in its current state. The anticipated cost is approximately \$110,000 and work is expected to be completed by September.

## *Municipal Budget Summary 2011*

The Municipal operating budget shows an increase of \$64,600 or 0.8% over 2010, less than the rate of inflation. The \$21,000 increase in levy funding for capital is a step toward returning to prior infrastructure maintenance levels.

The police budget increase of \$186,300 is attributed as \$171,200 to the Port Hope Police Service and \$15,100 to OPP policing. The library increase of \$29,500 is primarily attributable to the annual cost of pension contributions for part-time employees, a new budget line in 2011.

Department	2010	2011	2011 vs. 2010 Budget	
	Approved Budget	Proposed Budget	Variance	
			\$	%
Municipal Operating	8,004,400	8,069,000	64,600	0.8%
Police Operating	4,289,600	4,475,900	186,300	4.3%
Library Operating	573,400	602,900	29,500	5.1%
Capital	<u>842,000</u>	<u>863,000</u>	<u>21,000</u>	<u>2.5%</u>
Net Tax Levy Requirement	<u>13,709,400</u>	<u>14,010,800</u>	<u>301,400</u>	<u>2.2%</u>

### **Municipal Development Team—NEW LOCATION**

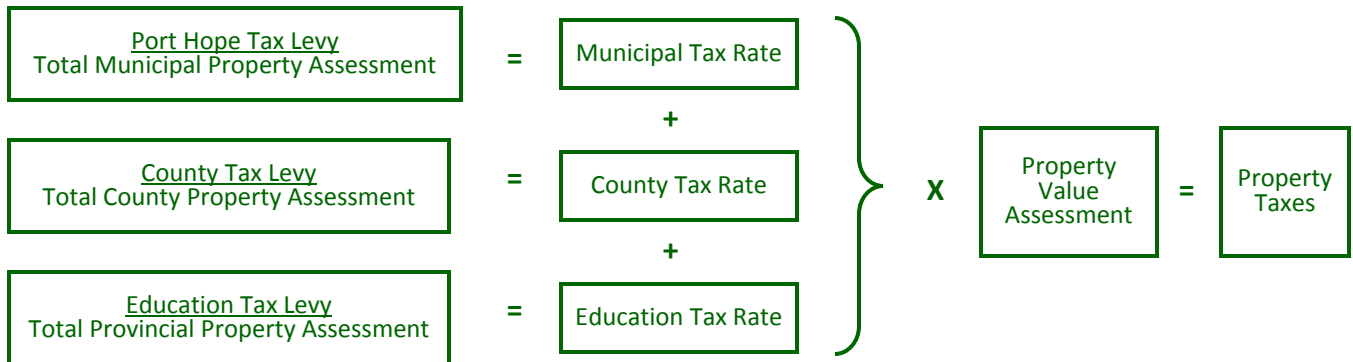
Economic Development • Planning and Development Services • Works and Engineering

Visit us at 5 Mill Street South at the bottom of Walton Street

## How are my property taxes calculated?

Each level of government—Municipal, County and Provincial (Education) - sets an annual budget and identifies the amount that must be raised through taxation (Tax Levy). The Tax Levy is divided by the total Property Value Assessment for that level of government to determine the Tax Rate.

Those three Tax Rates are added together and that total is multiplied by your Property Value Assessment (determined by MPAC) to determine your Municipal property taxes.



## What is the impact of the 2011 budget on my property taxes?

	Ward 1	Ward 2
2011 tax rate	0.009382	0.004180
2010 tax rate	<u>0.009809</u>	<u>0.004351</u>
Change in Tax Rate	<u>-0.000427</u> -4.4%	<u>-0.000171</u> -3.9%

Increase in Municipal portion of taxes on property assessed at:

2010 Assessment	2011 Assessment*	Ward 1	Ward 2
\$150,000	\$157,500	\$6	\$6
\$175,000	\$183,750	\$7	\$7
\$200,000	\$210,000	\$8	\$8
\$225,000	\$236,250	\$9	\$9

\* Based on MPAC phase-in of 5% assessment increase. Does not assume or determine that all assessments will increase by 5%.

## How is my property assessment calculated?

The Municipal Property Assessment Corporation (MPAC) assigns values to every property under a market-value assessment system. The assessed value of a property should roughly correspond to its estimated sale price as at a specific date. Property values used in calculating 2011 taxes are based on an assessment date of January 1, 2008.

The Municipality, County, and Province have no authority over assessments. If you have questions or concerns about the assessed value of your property, contact MPAC by phone at 1-866-MPAC (6722), by fax at 1-866-297-6703 or [www.mpac.ca](http://www.mpac.ca).

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