

CITY OF STEINBACH

2011 Financial Plan

Mission Statement

The City of Steinbach is a clean, safe, vibrant community that values its tradition and prosperity. Our mission is to continue to preserve the quality of life that Steinbach is known for while effectively managing its growth and resources.



2011 Budget Cycle

May 31, 2010

Departments submit draft operating
& capital budgets

Management projection of
revenues & programs

February 1, 2011

Financial Plan public hearing
and budget adoption

July 7, 2010

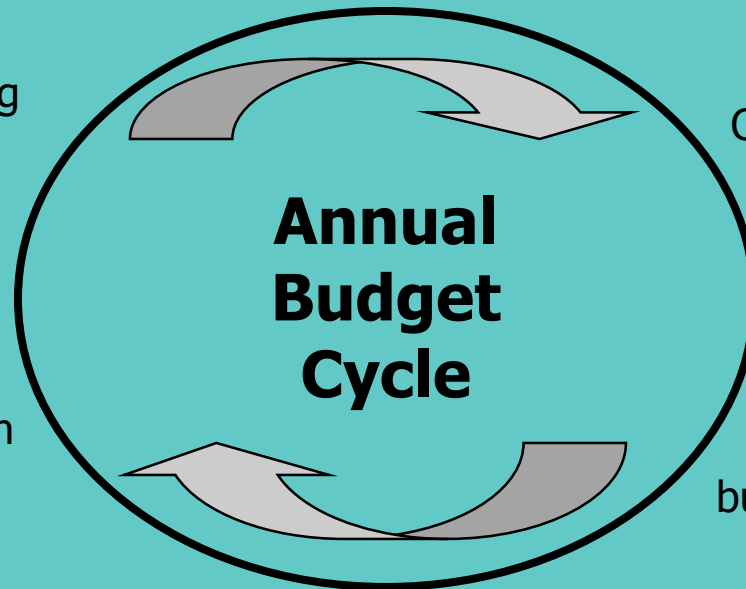
Council review of 1st budget
draft

Sep, 2010 – Feb, 2011

2011 capital program design
& tender process

Oct 15, 2010

Dept operating & capital
budget submissions complete



Nov 26-27, 2010

Final Council
budget review

Nov 15, 2010

Final budget draft
presented to Council

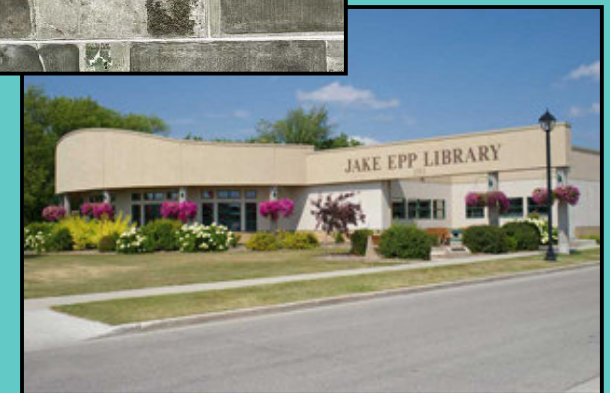
2011 Directives

- Municipal tax rate - 14.76 mills - unchanged
- Business tax rate - 0.5% - unchanged
- Water & Sewer rates - 4% increase July 1st
- \$200,000 recreation reserve levy
- \$11.3 million of capital improvements planned including infrastructure renewal program



2011 Directives

- Infrastructure renewal program – allocation of stable funding for ongoing and deliberate program to replace aging infrastructure
- Frozen mill rate – combined with use of reserve funds - adequate funding available for current year programs.
- Lagoon capacity sufficient to 2025
- Landfill capacity sufficient to 2030
- Water & sewer utility rates reflective of services cost



2010 Projects

- Beaver Cres resurface
 - Willow Cres resurface
 - Tennis Courts rebuild
 - Football Fields rebuild
 - Pump station upgrades
 - Sewage lagoon expansion in progress
 - Landfill expansion in progress
 - Grader/Crawler replacements
-
- Commitment to stewardship of City's infrastructure
 - Total 2010 program - \$12.9 million

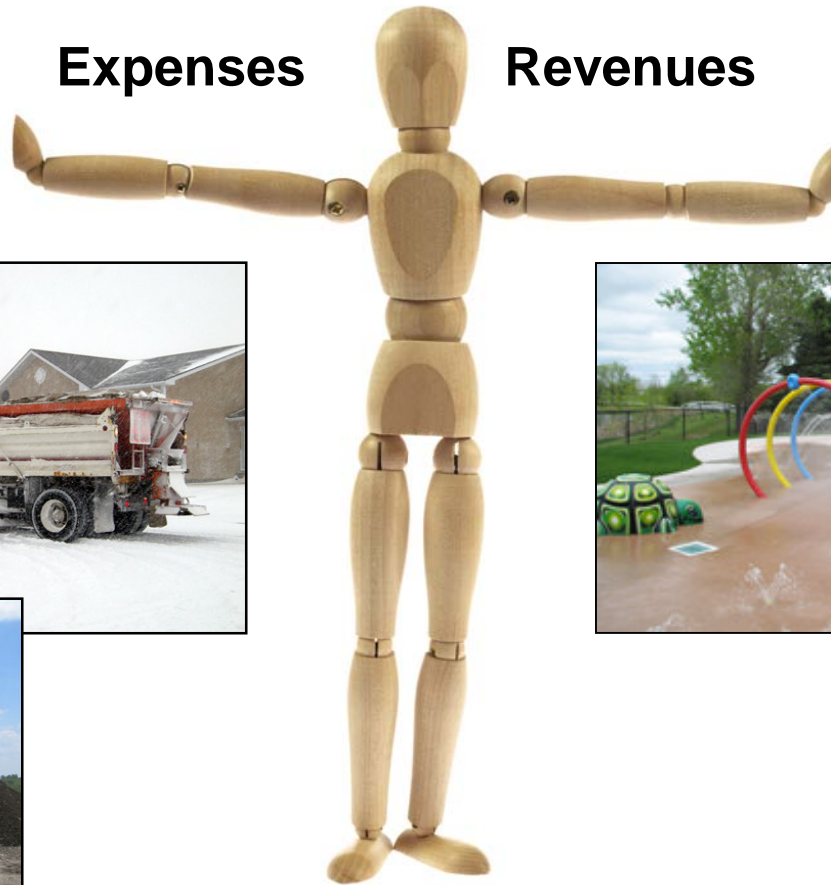


2011 Operating Budget



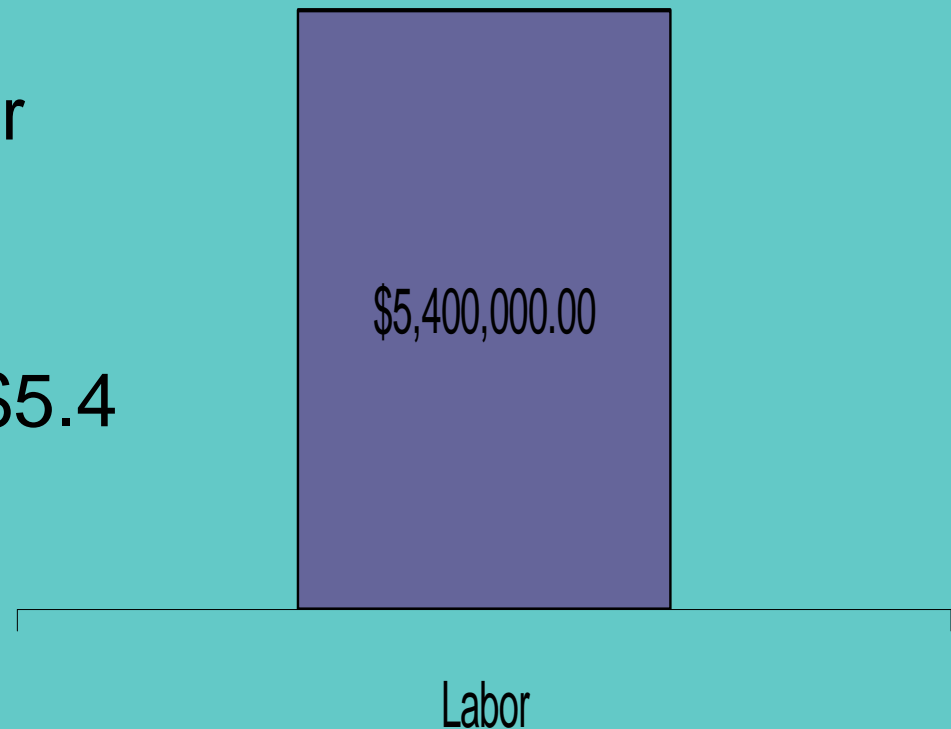
Expenses

Revenues



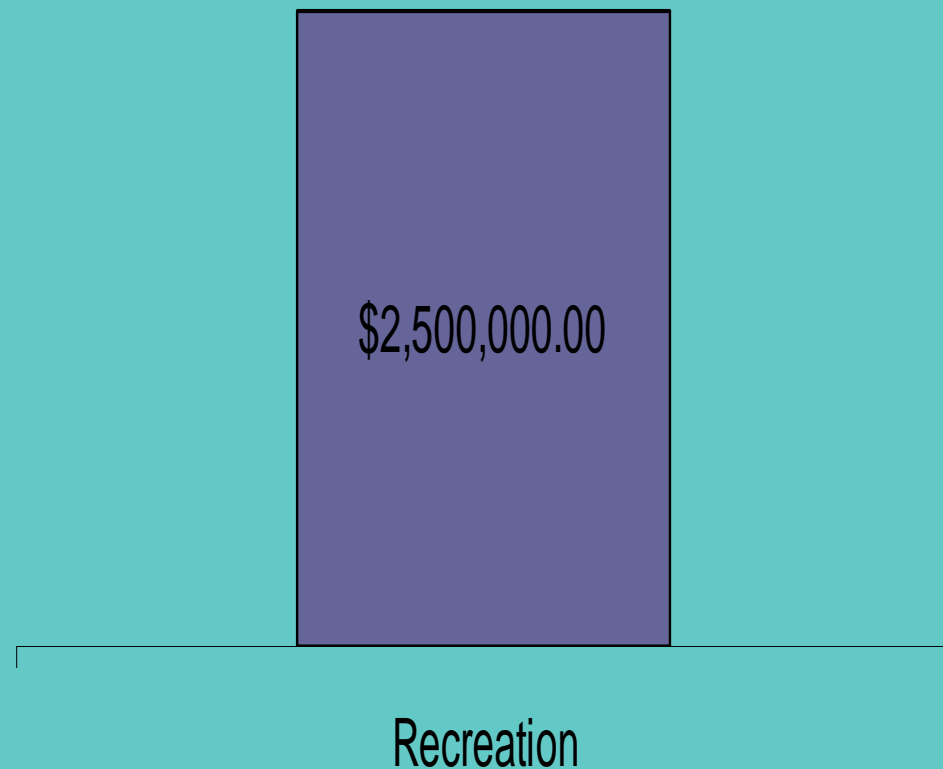
Work Force

- 110 FTEs for 2011
- 230,000 total labor hours
- Aquatic Center – over 20% of City labor hrs
- Labor costs - 33% of operating budget or \$5.4 million



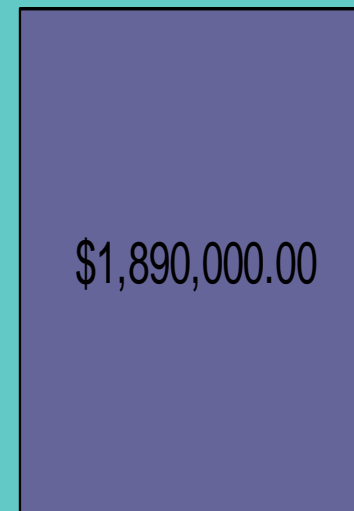
Recreation

- Aquatic Centre, Arena, Soccer Complex – primary facilities
- 50 baseball / football teams
- 35 hockey / ringette teams
- 60 soccer teams
- 80,000 public swims
- 3,500 swim lessons
- \$2.5 million



Road Maintenance

- Property development adds infrastructure
- 1.5 lane kms of road surface added in 2010 - 1.0% increase
- Results in maintenance program expansion and requires more resources to deliver basic services
- \$1.89 million

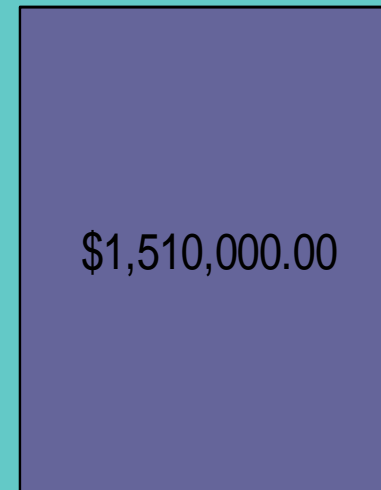


Road Maintenance

Policing



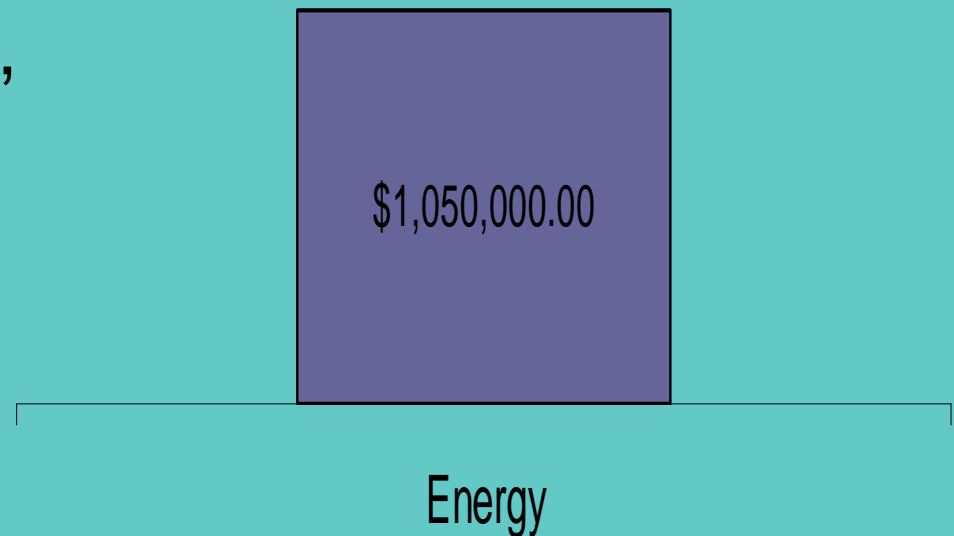
- RCMP officer added in Q4 2010
- Request additional visibility of police and additional officer for 2012
- \$1.51 million



Policing

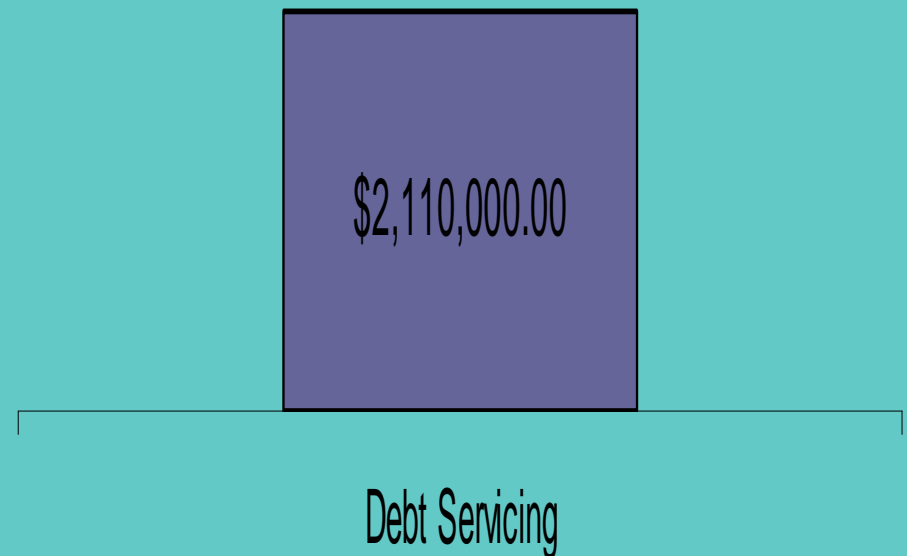
Energy

- Includes: Electricity, Natural Gas, Fuel
- Consumption increases with additional infrastructure, facilities, and equipment
- Energy saving pgms where cost effective
- \$1.05 million



Debt Servicing

- Payments on funds borrowed for capital projects
- Small decrease from prior year
- 2011 debt service tax rate = 3.40 mills (23%)
- Total debt pmt in 2011 = \$2.11 million



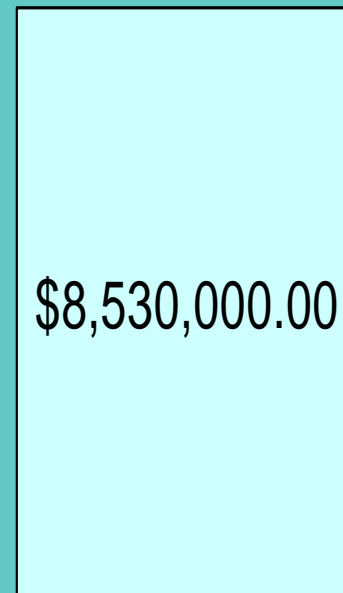
Revenues

- Appropriate mix – combination of:
 - Taxation
 - User fees
 - Federal & provincial grants
 - New revenues
- Factors that impact this mix
 - Assessment base
 - Growth – new tax revenue from developing areas
 - Economic conditions
 - Federal/provincial support pgms



Property Taxation

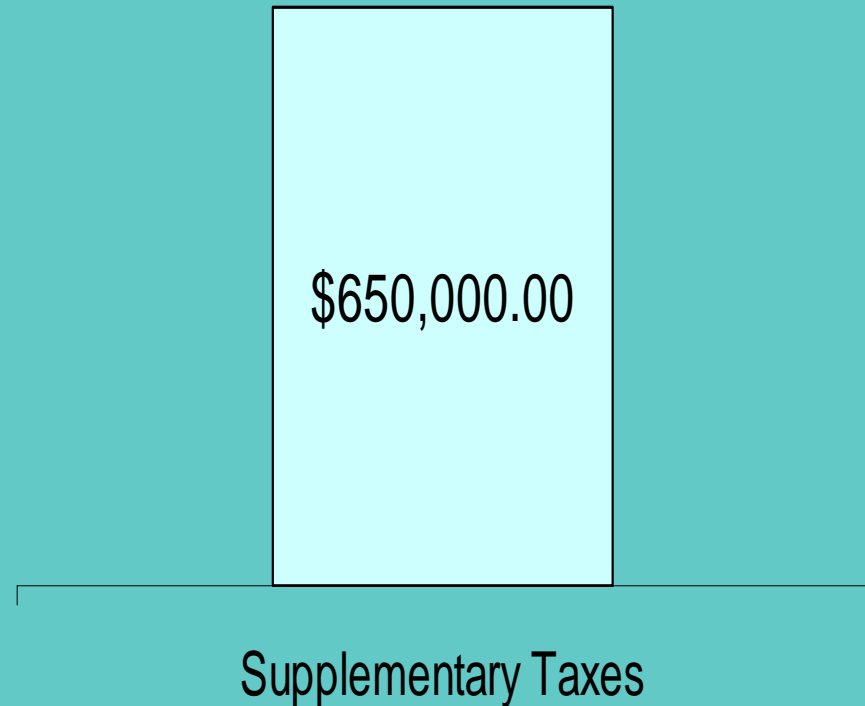
- Mill rate stable - 14.76
- Revenues fund a broad range of City programs and services
- 52% of total 2011 revenue
- \$8.53 million



Property Taxation

Supplementary Tax Revenue

- Represents taxes levied on assessment from new construction
- Typically lags development by 1-2 years
- \$650,000



Growth

- Increased assessment values due to property development & construction in prior years
- \$230,000 of new revenue available
- Property valuation of \$1.2 Billion
- 3-4% growth expected



Operating Grants

- Annual grants provide for maintenance, programming and capacity building
- Allocation of funds at City's discretion
- \$2.07 million

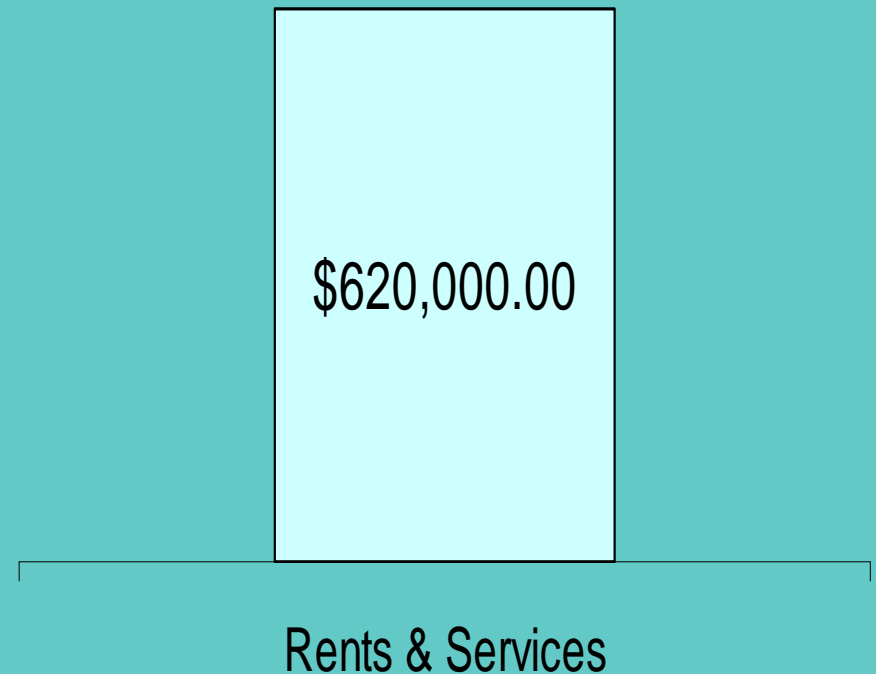


\$2,070,000.00

Operating Grants

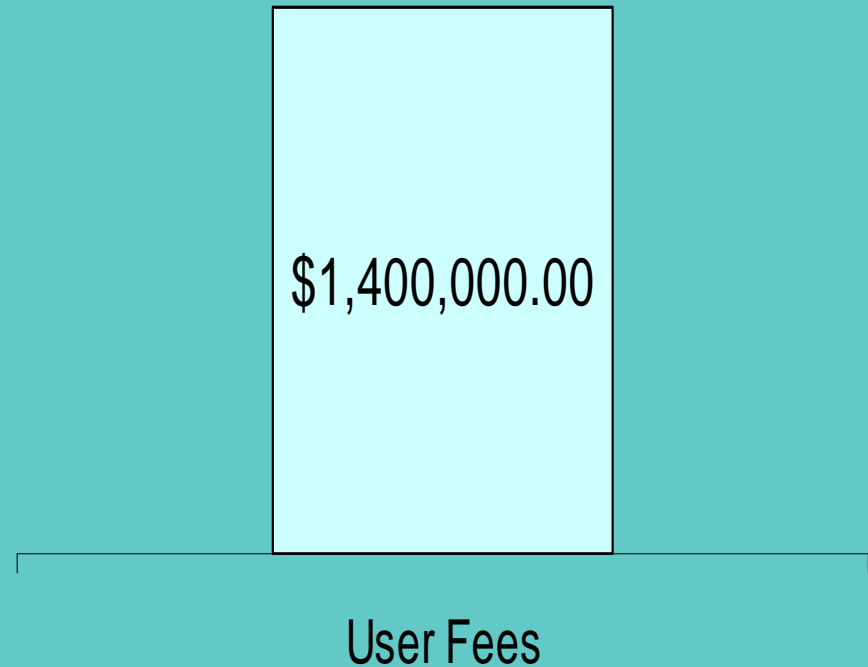
Rents & Services

- Building and land rentals
- General services to others
- \$620,000



User Fees

- Fees paid by users or those who benefit from the provision of the service
- Many compete with open market
- Rates may be subsidized
- \$1.4 million



2011 Revenues & Expenditures

Total: \$18,726,217

Grants \$2,671,000
User Fees - Other \$4,381,422
User Fees - Utility \$2,388,000
Property & Business Taxes \$9,285,795

Revenues

Total: \$18,726,217

Water & Sewer \$1,617,100
Solid Waste \$1,529,100
Transportation \$1,891,215
Parks & Recreation \$2,507,726
Protective Services \$2,436,093
Capital & Financing \$5,240,521
Administrative \$3,504,462

Expenses

Taxation



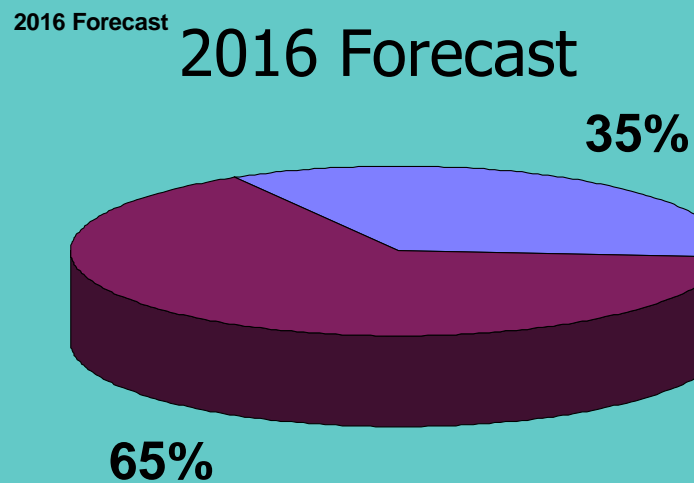
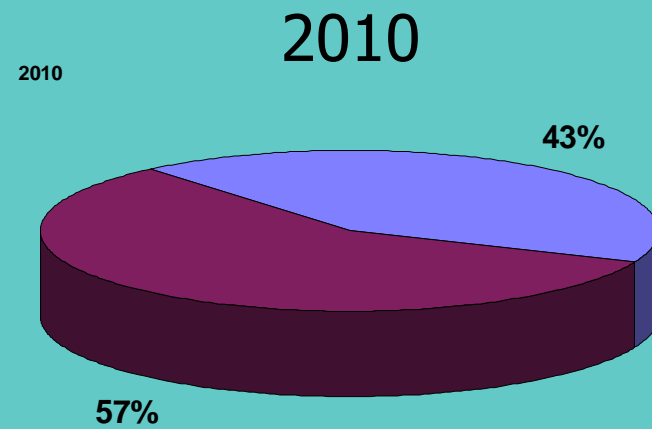
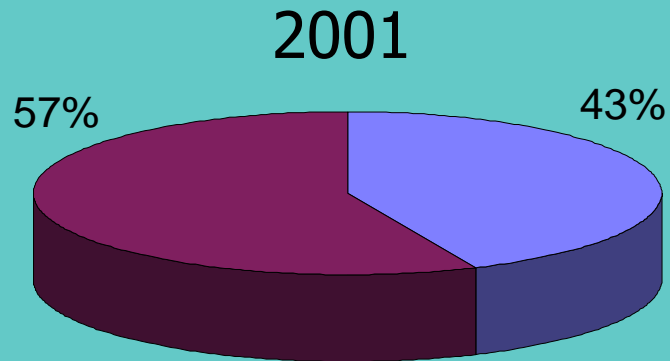
Typical Home Market Value = \$170,000
Taxable Assessed Value = \$76,500
Annual City Tax Liability = **\$1,129.14**
Monthly City Tax Liability = **\$94.10**

Other Monthly Expense Comparisons

- Shaw Digital TV subscription - \$62.95
- Large cup of Tim Hortons' coffee every work day = \$34.54
- All-purpose insurance for 2005 Ford Freestar = \$121.00

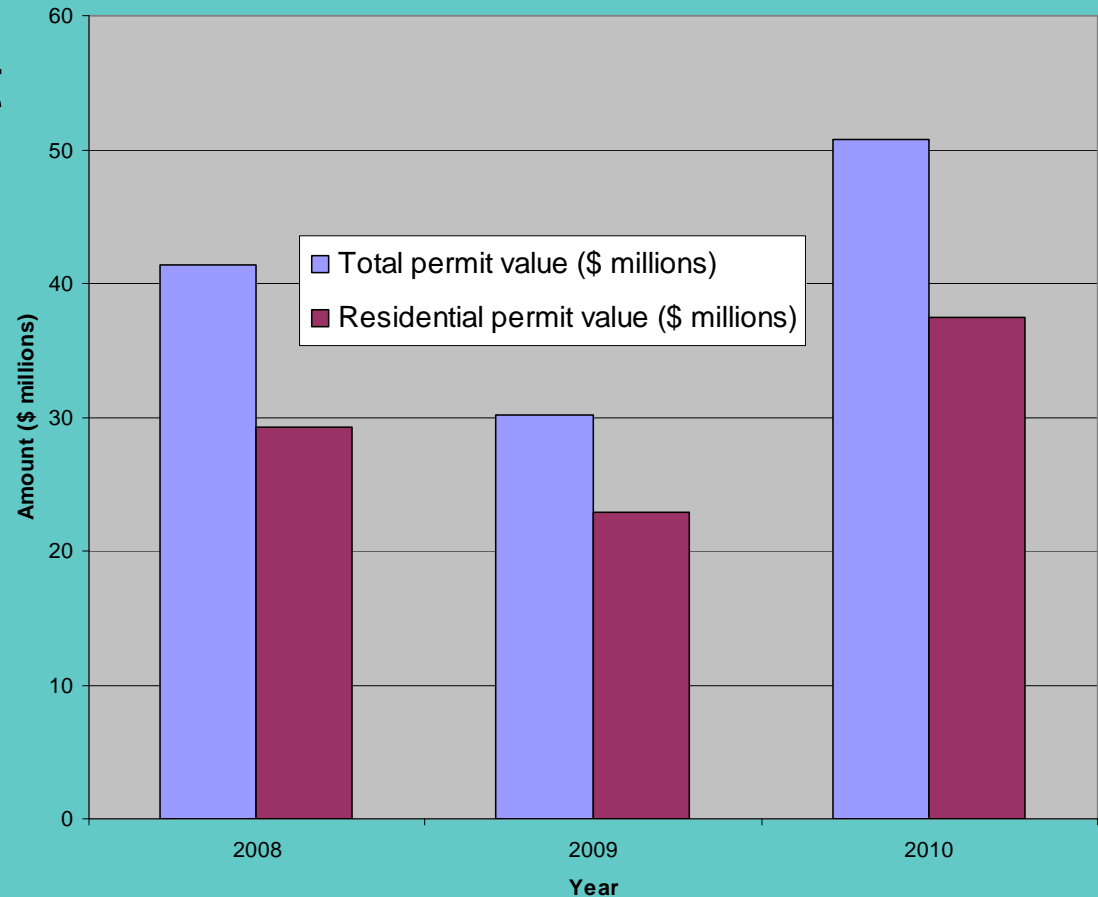
Taxation Trends

Tax Levy Distribution



Property Development

- 254 dwelling unit permits in 2010
- 84 single family home permits
- Population increase of 389 to 13,663 (2.9%) in 2010



2010 Permits = \$50.7 million (est. \$40 million)

2011 Permit Estimate = \$43.0 million

2011 Capital Program

- Wastewater Lagoon (2009-11) - \$10.5 million
- Jake Epp Library (2011) - \$2.0 million
- Landfill (2010-11) - \$2.8 million
- Pavement management - \$520,000
- Deerfield pathway (2010-11) - \$750,000
- Heavy equipment - \$810,000
- Infrastructure renewal - \$1.3 million
- Facilities - \$750,000

Total Program - \$11.3 million

2011 Capital Grant Funding

Building Canada – Communities Component

- Wastewater Lagoon Expansion - \$7.0 million total
- Grant period extended to Oct 31 2011

Recreation Infrastructure Canada (RIInC) Program

- 1/3 cost share with federal government - \$167,000 available
- Deerfield area pathway project
- Grant period extended to Oct 31 2011

Building Manitoba Fund

- \$600,000 awarded for Library expansion



2011 Debt Creation

Long-term Debt Authority

- Wastewater Lagoon - \$500,000
- Jake Epp Public Library Expansion - \$900,000
- Reimer Ave Resurfacing - \$590,000
- Fire Dept Ladder Truck - \$350,000
- Dec 2011 debt balance est. = \$6.8 million



2011 Programs / Services

- Grants to organizations - \$713,000
- Citizens on Patrol Program (COPP)
- “Summer in the City” Festival - \$50,000
- Residential composting depots - \$30,000
- Residential recycling program - \$230,000
- Mosquito control pgm - \$22,000
- Neighborhood park dev pgm - \$12,500
- Dutch Elm Disease prevention pgm - \$8,000
- Beautification program - \$97,000
- Canada Day fireworks

Looking Forward

Capital Imp Plan – 2012 to 2016

2012 – \$5.4 million

- infrastructure renewal, drainage improvements

2013 – \$4.1 million

- infrastructure renewal, landfill decom

2014 – \$5.4 million

- water supply expansion, landfill decom

2015 - \$5.5 million

- water supply expansion

2016 - \$2.6 million

Looking Forward

- 1) Facility expansions - complete in 2011 - lagoon, landfill, library
- 2) Infrastructure renewal program
- 3) Pressure on City's operating depts to keep pace with growth – effective cost & service mgmt essential
- 4) Education taxes – continue to represent the largest component of property tax bills
- 5) Property development expected to continue at pace above long term average