

**CORPORATION OF THE TOWN OF LATCHFORD
MINUTES OF THE FINANCE COMMITTEE BUDGET MEETING OF
COUNCIL
THURSDAY MARCH 3RD 2016
At 6:30 p.m.
HELD AT THE LATCHFORD COMMUNITY RECREATION**

1. Call to order and mayoral comments.

PRESENT:

Council: Mayor George Lefebvre, Councilors Theo Cull, Jo-Anne Cartner, Scott Green, Perry Livingston, Mike Brooks and Trudy Lepage.

Regrets: nil

Staff: Lise Remillard, CFO. Jaime Allen Clerk, Pat Tresidder WTP, Roger Clark Public Works.

Public: ONE

Press: nil

Mayor Lefebvre called meeting to order.

1.

2. Adoption of the agenda as circulated
Resolution No.16/037

Moved By: Theo Cull

Seconded By: Jo-Anne Cartner

CARRIED

3. DECLARATION OF PECUNIARY INTEREST/CONFLICT OF INTEREST (NIL)

4. DELEGATIONS:

Bryan Searle, Municipal Advisor, Ministry of Municipal Affairs and Housing

Discussed FIR from 2014 need to start building reserves. Water should be full cost recovery only 60 % at the end of 2014.Receivables was at 12.3 percent at the end of 2014.We have improved since. Job well done.

Britt Herd Miller Paving;

Reviewed proposal for surface treatment project with Council.

05. ONGOING: Council reviewed 2016 Budget.

06. ADJOURN

Resolution No. 16/038

Moved By: Theo Cull

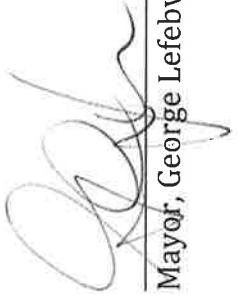
Seconded By: Jo-Anne Cartner

Be it resolved that Council now adjourn at 8:27 p.m. until the next regular meeting or call from the Mayor.

CARRIED

Minutes of Budget Meeting March 3rd 2016

**Dated at Latchford this 3rd day
Of March 2016.**



Mayor, George Lefebvre.



CFO, Lise Remillard.

FINANCIAL INDICATOR REVIEW

(Based on 2014 Financial Information Return)

Latchford T

Date Prepared:

02-Oct-15

Tier:

Single Tier

MSO Office:

Northeast Ontario

MAH Code:

90406

Prepared By:

Bryan Searle

MUNID:

54006

REV Code:

5406

FINANCIAL INDICATORS

Indicator	Ranges	Actuals	North - Population <= 1000		Level of Challenge	
			Median	Average		
Net Financial Assets or Net Debt as a % of Own Purpose Taxation Plus User Fees Low: > -50% Mod: -50% to -100% High: < -100%		2010	-219.0%	50.5%	51.6%	HIGH
		2011	-217.4%	50.2%	50.6%	HIGH
		2012	-196.6%	49.2%	52.6%	HIGH
		2013	-151.8%	54.7%	58.1%	HIGH
		2014	-140.9%	47.0%	48.4%	HIGH
Total Reserves and Discretionary Reserve Funds as a % of Operating Expenses Low: > 20% Mod: 10% to 20% High: < 10%		2010	4.5%	35.9%	36.3%	HIGH
		2011	5.1%	36.1%	36.3%	HIGH
		2012	4.8%	31.2%	38.8%	HIGH
		2013	5.0%	34.1%	40.2%	HIGH
		2014	5.2%	33.2%	37.4%	HIGH
Debt Servicing Cost as a % of Total Operating Revenue Low: < 5% Mod: 5% to 10% High: > 10%		2010	7.5%	1.3%	2.6%	MODERATE
		2011	5.4%	1.4%	2.7%	MODERATE
		2012	5.9%	1.6%	3.0%	MODERATE
		2013	6.3%	1.7%	2.5%	MODERATE
		2014	7.5%	1.4%	3.1%	MODERATE
Total Taxes Receivable less Allowance for Uncollectables as a % of Total Taxes Levied Low: < 10% Mod: 10% to 15% High: > 15%		2010	7.3%	12.6%	18.7%	LOW
		2011	6.6%	12.5%	16.9%	LOW
		2012	4.3%	12.0%	16.3%	LOW
		2013	4.4%	13.6%	16.5%	LOW
		2014	12.3%	13.8%	16.7%	MODERATE
Total Cash and Cash Equivalents as a % of Operating Expenses Low: > 10% Mod: 5% to 10% High: < 5%		2010	5.2%	24.4%	28.0%	MODERATE
		2011	6.2%	34.7%	33.4%	MODERATE
		2012	18.5%	31.1%	35.0%	LOW
		2013	40.3%	34.7%	37.8%	LOW
		2014	15.7%	31.3%	36.0%	LOW
Net Working Capital as a % of Total Municipal Operating Expenses Low: > 10% Mod: 10% to -10% High: < -10%		2010	-33.1%	40.4%	41.4%	HIGH
		2011	-40.0%	38.8%	42.2%	HIGH
		2012	-20.1%	40.6%	44.7%	HIGH
		2013	-1.1%	43.0%	47.5%	MODERATE
		2014	3.8%	34.5%	43.1%	MODERATE
Net Book Value of Capital Assets as a % of Cost of Capital Assets Low: > 50% Mod: 35% to 50% High: < 35%		2010	69.5%	56.1%	54.7%	LOW
		2011	66.8%	54.6%	53.4%	LOW
		2012	63.9%	53.6%	51.4%	LOW
		2013	62.1%	51.5%	50.0%	LOW
		2014	59.5%	51.2%	50.7%	LOW

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MUNICIPAL FINANCIAL PROFILES

(Based on 2014 Financial Information Return)

Latchford T

Tier:	Single Tier	2014 Households:	229
MAH Code:	90406	2014 Population:	446
MUNID:	54006	2015 Annual Repayment Limit:	174,053
REV Code:	5406	Borrowing Capacity 7% over 10 yrs:	1,222,472
2014 FIR Load Status:	Clean	2014 FIR Load Status:	29,255
Last Updated:	24-Aug-15	Median Household Income (2011):	29,255

STATISTICAL INFORMATION

	2010	2011	2012	2013	2014	11/10 %	12/11 %	13/12 %	14/13 %
Population ¹	446	446	446	446	446	0.0%	0.0%	0.0%	0.0%
Households ²	229	229	229	229	229	0.0%	0.0%	0.0%	0.0%
Municipal Operating Expenses ⁷	\$ 1,471,398	\$ 1,307,981	\$ 1,365,642	\$ 1,329,332	\$ 1,281,106	-11.1%	-2.7%	-3.6%	-4.4%
Own Source Revenues	\$ 863,189	\$ 916,995	\$ 969,686	\$ 1,034,972	\$ 1,029,142	6.2%	6.7%	6.7%	5.7%
Total Operating Revenue	\$ 1,126,886	\$ 1,112,016	\$ 1,217,104	\$ 1,420,884	\$ 1,263,974	-1.3%	9.5%	16.7%	9.5%
Annual Repayment Limit	\$ 190,319	\$ 123,431	\$ 127,622	\$ 169,197	\$ 170,832	-35.1%	3.4%	32.6%	9.1%
Own Purpose Taxation	\$ 506,297	\$ 544,359	\$ 593,711	\$ 650,993	\$ 650,573	7.5%	9.6%	9.6%	-0.1%
Direct Water Billings as % of Gross Water Expenditures	48.9%	0.0%	54.2%	112.9%	60.7%				
Taxable Res. Assessment as a % of Total Taxable Assessment	38.0%	38.7%	39.1%	38.8%	40.9%				

DISCOUNTED WEIGHTED ASSESSMENT¹ (Source: Financial Information Return)

	2010	2011	2012	2013	2014
Taxable	43,265,382	47,697,984	51,978,890	58,177,468	61,300,988
PII	707,469	1,054,488	1,290,816	1,301,339	1,400,816
Total	43,972,851	48,752,472	53,269,706	59,478,807	62,701,804

RESIDENTIAL TAXES

	2010	2011	2012	2013	2014	11/10 %	12/11 %	13/12 %	14/13 %
# of Residential Households	228	236	239	239	241	3.5%	1.3%	0.0%	0.8%
Avg Municipal Property Taxes Per Avg Residential Household	\$ 820	\$ 875	\$ 950	\$ 1,021	\$ 1,075	6.7%	8.5%	7.5%	5.3%
Avg Total Property Taxes per Avg Residential Household	\$ 980	\$ 1,051	\$ 1,133	\$ 1,216	\$ 1,281	7.2%	7.9%	7.3%	5.3%
as a % of Median Household Income	3.3%	3.6%	3.9%	4.2%	4.4%				
# of Residential Households Excluding Recreational Properties (RDUs)	-	173	177	178	178	0.0%	2.3%	0.6%	0.0%
Avg Municipal Property Taxes Per Avg Residential Household (Excl. RDUs)	\$ -	\$ 911	\$ 833	\$ 911	\$ 967	0.0%	-8.6%	9.4%	6.2%
Avg Total Property Taxes per Avg Residential Household (Excl. RDUs)	\$ -	\$ 1,085	\$ 994	\$ 1,085	\$ 1,152	0.0%	-8.4%	9.2%	6.2%
as a % of Median Household Income	0.0%	3.7%	3.4%	3.7%	3.9%				

RESIDENTIAL TAX RATES² (Source: Financial Information Return)

	2010	2011	2012	2013	2014	11/10 %	12/11 %	13/12 %	14/13 %
Lower / Single-Tier General Rate	0.0123628	0.0115297	0.0114388	0.0110681	0.0105979	-6.7%	-0.8%	-3.2%	-4.2%
Upper-Tier General Rate	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Education Rate	0.0024100	0.0023100	0.0022100	0.0021200	0.0020300	-4.1%	-4.3%	-4.1%	-4.2%

MUNICIPAL FINANCIAL PROFILES

(Based on 2014 Financial Information Return)
Latchford T

TAXES RECEIVABLE

	2010	2011	2012	2013	2014	14/13 %	13/12 %	12/11 %	11/10 %
Total Taxes Receivable less Allowance for Uncollectables	\$ 74,797	\$ 69,874	\$ 62,423	\$ 51,808	\$ 143,772	177.5%	-17.0%	-10.7%	-6.6%
Total Taxes Rec. less Allowance for Uncollectables as % of Total Taxes Levied	7.3%	6.6%	4.3%	4.4%	12.3%	127.5%	-17.0%	-10.7%	-6.6%
Current Year Taxes Receivable as % of Total Taxes Receivable	47.6%	23.5%	40.0%	53.3%	49.8%	107.5%	-17.0%	-10.7%	-6.6%
Working Fund Reserves & Contingency Funds as % of Current Yr Taxes Rec.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Previous and Prior Years Taxes Receivable as % of Total Taxes Receivable	33.5%	47.4%	34.9%	38.0%	44.4%	131.3%	-17.0%	-10.7%	-6.6%

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GRANTS

	2010	2011	2012	2013	2014	14/13 %	13/12 %	12/11 %	11/10 %
Total Unconditional Grants	\$ 157,800	\$ 130,900	\$ 136,712	\$ 131,300	\$ 127,700	-2.7%	-4.0%	4.4%	-17.0%
Ontario Municipal Partnership Fund	\$ 157,800	\$ 130,900	\$ 129,200	\$ 131,300	\$ 127,700	-2.7%	-4.0%	4.4%	-17.0%
As % of Municipal Operating Expenses	10.7%	10.0%	9.5%	9.9%	10.0%	107.5%	-17.0%	-10.7%	-6.6%
Other	\$ -	\$ -	\$ 7,512	\$ -	\$ -	0.0%	-100.0%	0.0%	0.0%
Total Ontario Conditional Grants	\$ 178,139	\$ 31,860	\$ 36,614	\$ 57,350	\$ 102,430	78.6%	56.6%	14.9%	-82.1%
As % of Municipal Operating Expenses	12.1%	2.4%	2.7%	4.3%	8.0%	321.3%	-17.0%	-10.7%	-6.6%
Total Ontario Conditional and Unconditional Grants	\$ 335,939	\$ 162,760	\$ 173,326	\$ 188,650	\$ 230,130	127.5%	-17.0%	-10.7%	-6.6%
As % of Municipal Operating Expenses	22.8%	12.4%	12.7%	14.2%	18.0%	145.6%	-17.0%	-10.7%	-6.6%

TOTAL DEBT BURDEN

	2010	2011	2012	2013	2014	14/13 %	13/12 %	12/11 %	11/10 %
Total Debt Burden	\$ 767,727	\$ 737,954	\$ 932,549	\$ 916,882	\$ 866,005	-5.5%	-1.7%	26.4%	-3.9%
Per Household	\$ 3,353	\$ 3,223	\$ 4,072	\$ 4,004	\$ 3,782	-5.5%	-1.7%	26.4%	-3.9%
Debt Servicing Cost	\$ 84,116	\$ 60,278	\$ 72,104	\$ 89,288	\$ 95,105	6.5%	23.8%	19.6%	-28.3%
Per Household	\$ 367	\$ 263	\$ 315	\$ 390	\$ 415	6.5%	23.8%	19.6%	-28.3%
As a % of Municipal Operating Expenses	5.7%	4.6%	5.3%	6.7%	7.4%	161.3%	-17.0%	-10.7%	-6.6%
As a % of Own Purpose Taxation	16.6%	11.1%	12.1%	13.7%	14.6%	131.3%	-17.0%	-10.7%	-6.6%
As a % of Own Source Revenue	9.7%	6.6%	7.4%	8.6%	9.2%	139.3%	-17.0%	-10.7%	-6.6%
As a % of Total Operating Revenue	7.5%	5.4%	5.9%	6.3%	7.5%	139.3%	-17.0%	-10.7%	-6.6%

LIABILITIES (Including Post-Employment Benefits)

	2010	2011	2012	2013	2014	14/13 %	13/12 %	12/11 %	11/10 %
Temp. Loans for Current Purposes as % of Municipal Op. Expend. / Expenses	0.0%	19.1%	18.3%	18.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Post-Employment Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%
Total Reserves and Reserve Funds for Post-Employment Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%

MUNICIPAL FINANCIAL PROFILES

(Based on 2014 Financial Information Return)
Latchford T

RESERVES AND RESERVE FUNDS

	2010	2011	2012	2013	2014	11/10 %	12/11 %	13/12 %	14/13 %
Total Reserves	\$ 66,206	\$ 66,206	\$ 66,206	\$ 66,206	\$ 66,206	0.0%	0.0%	0.0%	0.0%
Total Discretionary Reserve Funds	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%	0.0%
Total Reserves and Discretionary Reserve Funds	\$ 66,206	\$ 66,206	\$ 66,206	\$ 66,206	\$ 66,206	0.0%	0.0%	0.0%	0.0%
Per Household	\$ 289	\$ 289	\$ 289	\$ 289	\$ 289	0.0%	0.0%	0.0%	0.0%
As a % of Total Taxes Receivable	88.5%	45.1%	100.2%	127.8%	46.0%				
As a % of Municipal Operating Expenses	4.5%	5.1%	4.8%	5.0%	5.2%				
As a % of Own Purpose Taxation	13.1%	12.2%	11.2%	10.2%	10.2%				

FINANCIAL ASSETS

	2010	2011	2012	2013	2014
Net Financial Assets or Net Debt as a % of Total Operating Revenue	-138.9%	-147.2%	-131.7%	-94.3%	-95.9%
Net Financial Assets or Net Debt as % of Own Purpose Taxation + User Fees	-219.0%	-217.4%	-196.6%	-151.8%	-140.9%
Net Working Capital as a % of Operating Expenses	-33.1%	-40.0%	-20.1%	-1.1%	3.8%
Net Book Value of Capital Assets as a % of Cost of Capital Assets	69.5%	66.8%	63.9%	62.1%	59.5%

OTHER INDICATORS

	2010	2011	2012	2013	2014
Total Cash & Cash Equivalents as a % of Operating Expenses	5.2%	6.2%	18.5%	40.3%	15.7%
Net Working Capital as a % of Municipal Operating Expenses	-33.1%	-40.0%	-20.1%	-1.1%	3.8%
Operating Balance as a % of Total Operating Revenue**	-31.6%	-18.9%	-13.6%	5.4%	-2.7%
Cumulative Annual Growth Rate*	-0.6%	-4.1%	-7.7%	3.7%	5.3%
Interest Payments as a % of Total Operating Revenue	4.3%	2.7%	3.4%	3.1%	3.5%

NOTES

- 2010, 2011 and 2012 assessment uses Phase-in Assessment based on 2008 property values. 2013 and 2014 assessment uses Phase-in Assessment based on 2012 property values.
- Average tax rates are calculated where necessary when amalgamations occur.
- Household and Population data are as reported by the municipality on Schedule 02 of the FIR.
- Median Household Income - Source: Ministry of Finance
- The Total Operating Revenues used for these indicators include revenues from other municipalities.
- The Cumulative Annual Growth Rate has been measured over a three year period. Infrastructure Ontario uses a five year period.
- Municipal Operating Expenses exclude amounts for other municipalities

MUNICIPAL FINANCIAL PROFILES

(Based on 2014 Financial Information Return)

Latchford T

FINANCIAL INDICATORS

Actuals	North - Population <= 1000	North	Province
Median	Average	Median	Average

Net Financial Assets or Net Debt as a % of Own Purpose Taxation Plus User Fees

2014	2013	2012	2011	2010
-219.0%	-217.4%	-196.6%	-151.8%	-140.9%
50.5%	50.2%	49.2%	53.2%	47.9%
51.6%	50.6%	52.6%	57.3%	49.0%
29.0%	33.7%	33.7%	40.5%	34.1%
30.2%	30.5%	31.4%	38.7%	36.8%
23.6%	27.1%	28.4%	30.5%	29.1%
22.8%	23.5%	27.2%	31.8%	31.6%

Total Reserves and Discretionary Reserve Funds as a % of Operating Expenses

2014	2013	2012	2011	2010
4.5%	5.1%	5.1%	4.8%	4.5%
35.9%	36.1%	36.3%	31.2%	35.9%
36.3%	36.3%	36.3%	38.8%	36.3%
32.7%	33.7%	33.7%	30.3%	32.7%
34.5%	36.3%	36.3%	38.5%	34.5%
38.9%	38.9%	38.9%	41.4%	38.9%
42.9%	44.0%	44.0%	46.1%	42.9%
48.9%	47.6%	47.6%	46.1%	48.9%

Debt Servicing Cost as a % of Total Operating Revenue

2014	2013	2012	2011	2010
7.5%	6.3%	5.9%	5.4%	7.5%
1.3%	1.4%	1.6%	1.4%	1.3%
2.6%	2.7%	3.0%	2.7%	2.6%
2.0%	2.3%	2.3%	2.2%	2.0%
2.8%	3.2%	3.4%	3.2%	2.8%
3.0%	3.5%	3.6%	3.9%	3.0%
3.9%	3.9%	4.0%	3.9%	3.6%

Total Taxes Receivable less Allowance for Uncollectibles as a % of Total Taxes Levied

2014	2013	2012	2011	2010
7.3%	4.3%	4.3%	6.6%	7.3%
12.6%	12.0%	12.0%	12.5%	12.6%
18.7%	16.3%	16.3%	16.9%	18.7%
12.0%	11.3%	11.3%	11.6%	12.0%
16.9%	14.8%	14.8%	15.7%	16.9%
9.5%	9.0%	9.0%	9.4%	9.5%
11.6%	10.7%	10.7%	11.2%	11.6%

Total Cash and Cash Equivalents as a % of Operating Expenses

2014	2013	2012	2011	2010
15.7%	40.3%	18.5%	6.2%	5.2%
32.7%	34.7%	31.1%	34.7%	24.4%
36.8%	37.7%	35.0%	33.4%	28.0%
32.1%	33.1%	29.0%	28.9%	22.5%
38.0%	38.3%	33.6%	31.5%	26.4%
33.1%	34.6%	32.4%	32.3%	24.0%
40.9%	41.2%	38.6%	35.3%	30.0%

MUNICIPAL FINANCIAL PROFILES

(Based on 2014 Financial Information Return)

Latchford T

Net Working Capital as a % of Operating Expenses

Year	2010	2011	2012	2013	2014
2010	-33.1%	-40.0%	-20.1%	-1.1%	3.8%
2011	40.4%	38.8%	40.6%	42.6%	37.1%
2012	41.4%	42.2%	44.7%	47.2%	44.4%
2013	36.7%	38.3%	38.2%	43.5%	38.5%
2014	39.8%	43.5%	44.1%	48.3%	47.3%
Province	39.1%	40.7%	43.0%	44.5%	42.7%
NORTH	43.7%	46.4%	48.4%	50.7%	49.6%

Net Book Value of Capital Assets as a % of Cost of Capital Assets

Year	2010	2011	2012	2013	2014
2010	69.5%	66.8%	63.9%	62.1%	59.5%
2011	56.1%	54.6%	53.6%	51.2%	51.1%
2012	54.7%	53.4%	51.4%	49.9%	50.3%
2013	55.4%	55.7%	54.4%	52.6%	53.5%
2014	55.1%	54.4%	52.7%	51.6%	51.6%
Province	62.7%	61.9%	60.3%	59.0%	58.2%
NORTH	62.0%	60.2%	58.4%	57.4%	56.6%

Number of Municipalities in Comparison Groups

Year	2010	2011	2012	2013	2014
2010	70	144	144	144	144
2011	70	144	144	144	144
2012	70	144	144	144	144
2013	70	144	144	144	144
2014	67	144	144	144	144
Province	70	144	144	144	144
NORTH	70	144	144	144	144