

# 2012 Budgets

January 17th, 2012



# Order of Presentation

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## GENERAL FUND

- **Rates**
- **Equalization method**
- **Main features**
- **Budget**
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# Order of Presentation

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## **WATER & SEWER PUBLIC UTILITY FUND**

- **Main features**
- **Budget**
- **Comparative figures**

## **ENERGY UTILITY FUND**

- **Main features**
- **Budget**

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# GENERAL FUND

# Tax Rates

Zone	Edmundston	St-Jacques	St-Basile	Verret	LSD Mad.
<b>Tax Rates</b>					
<b>2011</b>	<b>1.6250</b>	<b>1.3730</b>	<b>1.5867</b>	<b>1.6250</b>	<b>1.3145</b>
<b>Equalization Method</b>	<b>0.0000</b>	<b>0.0481</b>	<b>0.0000</b>	<b>0.0000</b>	<b>0.0434</b>
<b>Increase</b>	<b>0.0000</b>	<b>0.0000</b>	<b>0.0000</b>	<b>0.0000</b>	<b>0.0000</b>
<b>Total</b>	<b>0.0000</b>	<b>0.0481</b>	<b>0.0000</b>	<b>0.0000</b>	<b>0.0434</b>
<b>2012</b>	<b>1.6250</b>	<b>1.4211</b>	<b>1.5867</b>	<b>1.6250</b>	<b>1.3579</b>

# Equalization Method

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- Each taxation zone has its own tax rate which is made up of rates for fire protection and previous debts, along with a common rate for all other expenses. The common rate is different from one zone to another.
- The equalization method was passed by Resolution #2006-009 and began with the adoption of the 2006 budgets.
- The equalization method establishes the schedule of catch-up increments for common rates .
- We are in the 7th year of its application, it will end in 2013.

# Main Features

## 2. Revenues - Tax Base

<u>Taxation Zones</u>		<u>2011</u>	<u>2012</u>	Revenues	%
Zone 1	Edmundston	\$872,322,084	\$918,192,033	\$45,869,949	5.26
Zone 2	St- Jacques	\$158,766,550	\$162,816,850	\$4,050,300	2.55
Zone 3	St- Basile	\$149,677,900	\$155,236,900	\$5,559,000	3.71
Zone 4	Verret	\$22,317,900	\$22,609,500	\$291,600	1.31
Zone 5	LSD Mad.	\$5,202,200	\$5,289,600	\$87,400	1.68
<b>TOTAL</b>		<b>\$1,208,286,634</b>	<b>\$1,264,144,883</b>	<b>\$55,858,249</b>	<b>4.62</b>

# Main Features

Zone / Revenues	Tax Base	Equalization	RATE INCREASE	Total increase
Edmundston	745,387	-	-	745,387
St-Jacques	55,610	78,315	-	133,925
St-Basile	88,205	-	-	88,205
Verret	4,739	-	-	4,739
DSL Mad	1,149	2,295	-	3,444
<b>Total</b>	<b>895,090</b>	<b>80,610</b>	<b>-</b>	<b>975,700</b>

Zone	Edmundston	St-Jacques	St-Basile	Verret	DSL Mad
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Revenues by \$ .01 of tax	91,819	16,282	15,524	2,261	529
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<b>Total</b>	<b>126,415</b>				
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# Main Features

## 2. Comparative – Tax Bases

<u>Taxation Zones</u>	<u>2011</u>	<u>Revenues</u>	<u>2012</u>	<u>Revenues</u>
Zone 1 Edmundston	3.88%	526,597	5.26%	745,387
Zone 2 Saint-Jacques	2.17%	44,412	2.55%	55,610
Zone 3 Saint-Basile	3.62%	81,992	3.71%	88,205
Zone 4 Verret	3.41%	11,583	1.31%	4,739
Zone 5 LSD Mad.	0.34%	222	1.68%	1,149
<b><u>TOTAL</u></b>	<b>3.60%</b>	<b>664,806</b>	<b>4.62%</b>	<b>895,090</b>

# Main Features

## . Revenues – Unconditional Grant & Miscellaneous

	<u>2011</u>	<u>2012</u>	<b>Differences</b>	
			<u>\$</u>	<u>%</u>
<b>Unconditional grant</b>	<b>2,637,666</b>	<b>2,584,913</b>	<b>(52,753)</b>	<b>(2.00)</b>
<b>Miscellaneous</b>	<b>4,056,919</b>	<b>4,333,932</b>	<b>277,013</b>	<b>6.83</b>

# Main Features

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## 3. General Overview

- **Property tax rate stabilization for Edmundston, St-Basile & Verret.**
- **St-Jacques & former Madawaska LSD have 1 more year or property tax equalization.**
- **Keep formula to share administrative charges.**
- **Respect contract agreements.**
- **Maintain in the investments paid through the operating fund (\$300,000).**

# Main Features

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- **3. Expenses**
- **Legislative**
  - Freeze legislative expenses budget for 2012.
- **General Management and Administrative Services.**
  - Increase of contribution to Madawaska Planning Commission.
  - Maintain the contribution to Edmundston Madawaska Tourism Office.
  - Maintain organizational subsidies envelope (including funding for the (Congrès Mondial Acadien in 2014.)
  - Succession planning within the Finance Department

# Main Features

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## 3. Expenses

- **Police and 911**
  - **First full year of operation in the new police building.**
  - **Moving the 911 service to the new building and permanently closing old police station.**
- **Public Works & Environment**
  - **Increased fuel costs.**
  - **Increased asphalt costs.**
  - **Maintain COGERNO rates at \$ 57 per ton.**
  - **Decrease in waste disposal expenses for non-residential units.**

# Main Features

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## 3. Expenses.

- **Leisure and Culture**
  - **Addition of 3 new installations (Verret Community Center, La Petite Église Arts Centre, and outdoor skating rink in St- Jacques).**
  - **Limit expenses in all other installations.**
- **Fire Services**
  - **Reduce transfer to the water & sewer service for hydrants cost, According to provincial standards. (accounting procedure).**

# Main Features

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## 3. Expenses

### •Financial Services

- All debts contracted before the municipal amalgamation are now paid off.
- New debenture for rain water network on Victoria Street and the new police building.
- Debt service ratio increase relating to total expenses now at 17.12%, respecting the fixed provincial standard of 20%.
- No contribution coming from reserve funds in 2012.

# Budget *(see annex "A")*

## 1. Common Net Budget

<u>Categories</u>	<u>2011</u>	<u>2012</u>	<u>Difference</u>
Legislative	220,020	220,202	0
General Management	251,662	257,658	5,996
Administrative Services	2,171,564	2,270,169	98,605
Public Safety	4,176,518	4,411,603	235,085
Public Works & Environ.	5,774,969	5,815,254	40,285
Planning & Development	296,306	238,483	(57,823)
Leisure & Culture	2,395,391	2,500,486	105,095
Financial	<u>4,395,906</u>	<u>4,901,105</u>	<u>505,199</u>
<b>SUBTOTAL</b>	<b>19,682,336</b>	<b>20,614,778</b>	<b>932,442</b>



# Budget

## 3. Net Budget by Zones

	<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>	<u>Zone 4</u>	<u>Zone 5</u>	<u>TOTAL</u>
<b><u>2012</u></b>						
Fire	1,332,542	92,466	129,870	13,640	1,584	1,570,102
Water cost	300,764	80,674	116,051	39,331		536,820
Fiscal	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>SUBTOTAL</b>	<b>1,633,306</b>	<b>173,140</b>	<b>245,921</b>	<b>52,971</b>	<b>1,584</b>	<b>2,106,922</b>
<b><u>2011</u></b>						
Fire	1,279,813	86,946	124,580	13,640	1,584	1,503,562
Water cost	356,493	86,194	121,341	39,331		603,360
Fiscal	<u>0</u>	<u>0</u>	<u>9,495</u>	<u>0</u>	<u>0</u>	<u>9,495</u>
<b>SUBTOTAL</b>	<b>1,633,306</b>	<b>173,140</b>	<b>255,416</b>	<b>52,971</b>	<b>1,584</b>	<b>2,116,417</b>
<b>DIFFERENCE</b>	<b>0</b>	<b>0</b>	<b>(9,495)</b>	<b>0</b>	<b>0</b>	<b>(9,495)</b>

# TAX RATE (GROUPS A & B)

Municipality	Tax rates		
	2011	2012	Rank
Saint John	1.7850	ND	1st
Moncton	1.6418	1.6393	5th
Fredericton	1.4211	1.4211	8th
Bathurst	1.7550	1.7550	2nd
Campbellton	1.7504	1.7504	3rd
Miramichi	1.7189	ND	4th
Edmundston	1.6250	1.6250	6th
Dieppe	1.5645	1.5645	7th
Edmundston (compound)	1.5858	1.5929	6th

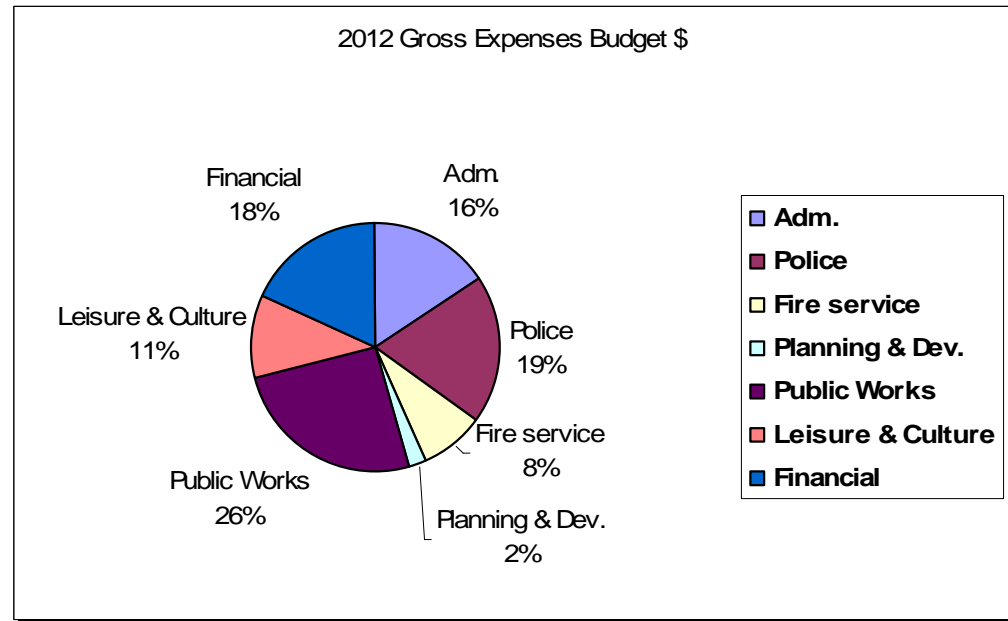
# Comparative Tax Basis (Groups A et B)

Municipality	2011	2012	Variation \$	Variation %
Bathurst	924,487,178	948,333,107	23,845,929	2.58%
Campbellton	411,463,908	421,839,700	10,375,792	2.52%
Dieppe	2,186,058,656	2,381,996,300	195,937,644	8.96%
<b>Edmundston</b>	<b>1,208,286,634</b>	<b>1,264,144,883</b>	<b>55,858,249</b>	<b>4.62%</b>
Fredericton	5,807,716,114	6,091,366,212	283,650,098	4.88%
Miramichi	1,205,698,470	1,241,863,072	36,164,602	3.00%
Moncton	6,282,021,612	6,639,708,000	357,686,388	5.69%
St-John	6,096,081,660	6,414,814,937	318,733,277	5.23%
<b>Total</b>	<b>24,121,814,232</b>	<b>25,404,066,211</b>	<b>1,282,251,979</b>	<b>5.32%</b>

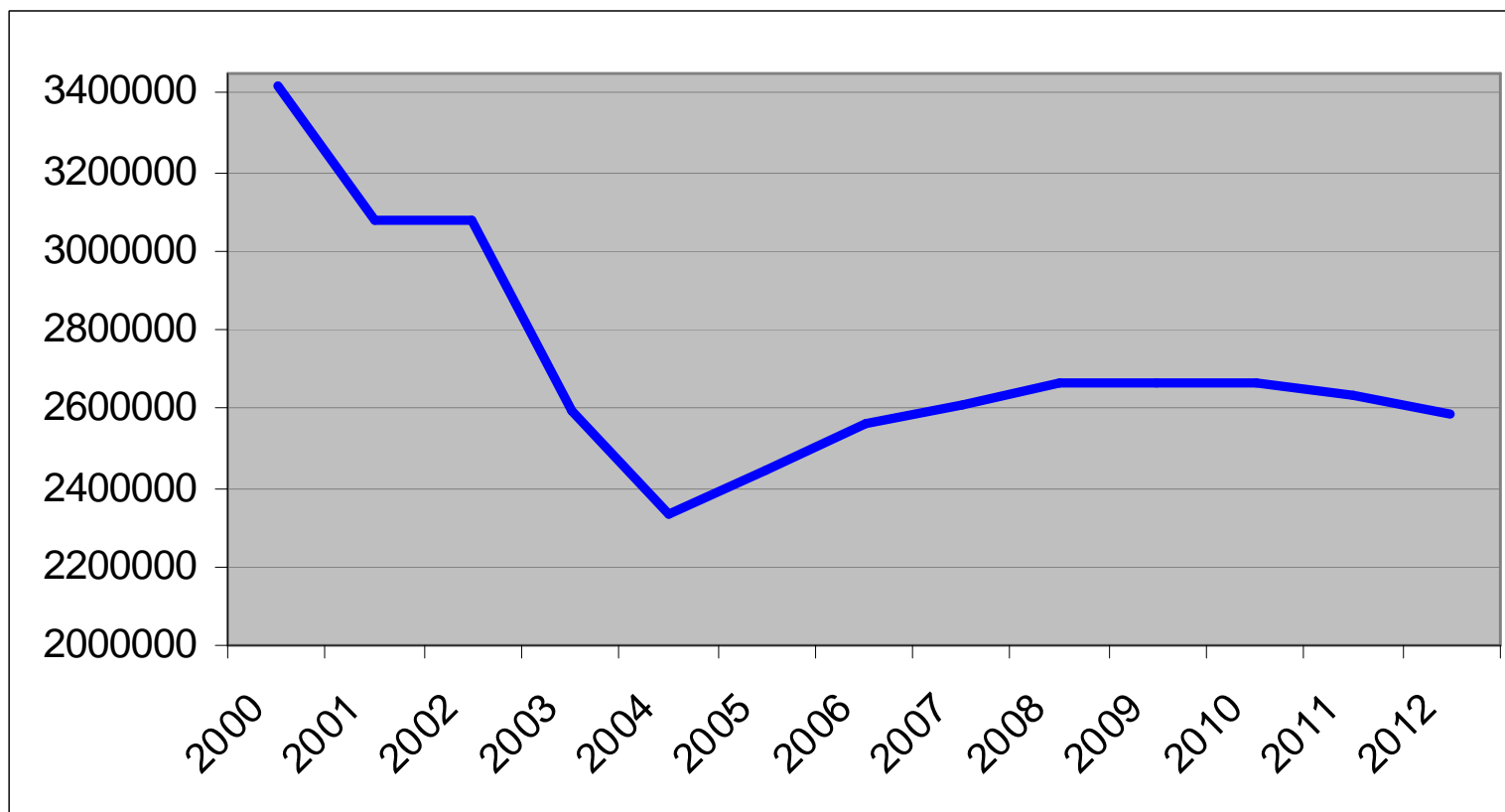
# Budget Summary

## 2012 Gross Expenses Budget

Service	\$	%
Adm.	4,252,064	16%
Police	5,213,511	19%
Fire service	2,257,728	8%
Planning & Dev.	627,407	2%
Public Works	6,840,765	25%
Leisure & Culture	2,917,444	11%
Financial	4,946,713	18%
<b>Total</b>	<b>27,055,632</b>	<b>100%</b>



# Unconditional Grant



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total	3,417,115	3,078,822	3,078,822	2,593,371	2,334,034	2,447,443	2,560,851	2,612,068	2,664,309	2,664,309	2,664,309	2,637,666	2,584,913

GENERAL FUND - NET BUDGET		ANNEXE "A"				
		Expenses	2012 N.-Fiscal Rev.	Net Budget	2011 Net Budget	Difference
<b>COMMON EXPENSES:</b>						
Legislative	Municipal Council	338,493	118,473	220,020	220,020	-
General Admin.	General Expenses	239,823	83,938	155,885	152,052	
	Communications	156,574	54,801	101,773	99,610	
		396,397	138,739	257,658	251,662	5,996
Administrative serv.	Ass.CAO	168,061	59,171	108,890	108,911	
	Clerk	121,823	42,918	78,705	78,753	
	Finance	1,218,583	462,504	756,079	643,064	
	Data Processing	179,195	70,330	108,865	130,840	
	Human Resources	410,026	146,239	263,787	237,618	
	Health & Safety	100,331	35,466	64,865	62,606	
	Customer service	118,898	59,949	58,949	57,619	
	E.M.O.	11,090	4,232	6,858	7,598	
	Planning	425,743	149,010	276,733	266,772	
	Tourism Office	176,000	61,600	114,400	114,400	
	Municipal Airport	143,090		143,090	145,580	
	Urban Development	289,535	101,337	188,198	217,053	
	Industrial Development	155,000	54,250	100,750	100,750	
		3,517,175	1,247,006	2,270,169	2,171,564	98,605
Police Force	Police	4,379,287	455,560	3,923,727	3,697,096	
	E-911	834,224	346,348	487,876	479,422	
		5,213,511	801,908	4,411,603	4,176,518	235,085
Public Works & Envir.	Streets	5,588,620	1,011,134	4,577,486	4,280,525	
	Garbage Collection	595,410		595,410	866,410	
	Properties management	656,735	14,377	642,358	628,034	
		6,840,765	1,025,511	5,815,254	5,774,969	40,285
Plan & Development	Planning & Infrastructures	390,233	152,913	237,320	273,912	
	Inspection	237,174	236,011	1,163	22,394	
		627,407	388,924	238,483	296,306	(57,823)
Recreation & Cult.	Adm., Planning & Programming	2,063,351	138,610	1,924,741	1,814,569	
	Arenas	513,470	278,348	235,122	247,857	
	Library	165,623		165,623	157,965	
	Sports Complex	175,000		175,000	175,000	
		2,917,444	416,958	2,500,486	2,395,391	105,095
Financial	Fiscal	4,633,380	45,608	4,587,772	4,095,906	
	Capital	313,333		313,333	300,000	
		4,946,713	45,608	4,901,105	4,395,906	505,199
<b>Subtotal Common Expenses</b>		<b>24,797,905</b>	<b>4,183,127</b>	<b>20,614,778</b>	<b>19,682,336</b>	<b>932,442</b>

		ANNEXE "A" CONTINUE				
		2012			2011	
		Expenses	N.-Fiscal Rev.	Net Budget	Net Budget	Difference
<b>EXPENSES BY ZONE</b>						
Fire	Zone 1 Edmundston	1,395,542	63,000	1,332,542	1,276,813	55,729
	Water cost Edm.	300,764		300,764	356,493	(55,729)
	Zone 2 Saint-Jacques	137,474	45,008	92,466	86,946	5,520
	Water cost St-Jacques	80,674		80,674	86,194	(5,520)
	Zone 3 Saint-Basile	172,668	42,798	129,870	124,580	5,290
	Water cost St-Basile	116,051		116,051	121,341	(5,290)
	Zone 4 Verret	13,640	-	13,640	13,640	-
	Water cost Verret	39,331		39,331	39,331	-
	Zone 5 L.S.D. Mad.	1,584	-	1,584	1,584	-
		2,257,728	150,806	2,106,922	2,106,922	-
Financial	Zone 3 Saint-Basile	-	-	-	9,495	(9,495)
		-	-	-	9,495	(9,495)
<b>Subtotal - Expenses by zone</b>		<b>2,257,728</b>	<b>150,806</b>	<b>2,106,922</b>	<b>2,116,417</b>	<b>(9,495)</b>
<b>NET BUDGET</b>		<b>27,055,633</b>	<b>4,333,933</b>	<b>22,721,700</b>	<b>21,798,753</b>	<b>922,947</b>
<b>UNCONDITIONAL GRANT</b>				2,584,913	2,637,666	(52,753)
<b>WARRANT</b>				20,136,787	19,161,087	975,700

Denominator (Tax base)		Edmundston Zone 1	Saint-Jacques Zone 2	Saint-Basile Zone 3	Verret Zone 4	L.S.D. Mad. Zone 5	TOTAL
Year 2012	Total	918,192,033	162,816,850	155,236,900	22,609,500	5,289,600	1,264,144,883
Year 2011	Total	872,322,084	158,766,550	149,677,900	22,317,900	5,202,200	1,208,286,634
Variation	Total	45,869,949	4,050,300	5,559,000	291,600	87,400	55,858,249
	%	5.26%	2.55%	3.71%	1.31%	1.68%	4.62%

**TAX rates**

Year 2011		1.6250	1.3730	1.5867	1.6250	1.3142
Year 2012		0.0000	0.0000	0.0000	0.0000	0.0000
Equalization		0.0000	0.0481	0.0000	0.0000	0.0437
Total 2012		1.6250	1.4211	1.5867	1.6250	1.3579
DIFFERENCE	Amount	0.0000	0.0481	0.0000	0.0000	0.0437
	Percentage	0.0%	3.5%	0.0%	0.0%	3.3%

**INFORMATION OF THE CALCULATIONS:**

Revenues by "cent" of tax	91,819	16,282	15,524	2,261	529	126,414
	72.6%	12.9%	12.3%	1.8%	0.4%	100.0%

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# Water & Sewer Public Utility Fund



# Main Features

## Customer Rates

	<u>2011</u>	<u>2012</u>	<u>Difference</u>	
			<u>\$</u>	<u>%</u>
Flat Rate	658.00	670.00	12.00	1.8
Meter Rate <sup>3</sup> / <sub>4</sub> in Minimum Rate	592.00	603.00	11.00	1.8

# Main Features

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- **Income budget**

- **Forecasted income reduction caused by decreased consumption by clients who upgrade their equipments.**
- **Reduction of income from fire hydrants.**

# Main Features

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- **Budget expenses**
  - Maintain administration charges from the general operation fund.
  - Increased water quality control according to stricter provincial standards.
  - Better network maintenance helped reduce operation cost.
  - Reduction of capital expenditures, out of operating budget. ( \$128,000)

# Rates (groups A & B)

Municipality	2011	2012	Rank
<b><u>Class A</u></b>			
Saint John	936	972	1st
Moncton	790	857	3rd
Fredericton	689	738	5th
<b><u>Class B</u></b>			
Bathurst	911	961	2nd
Dieppe	716	780	4th
Edmundston	658	670	6th
Miramichi	618	ND	7th
Campbellton	388	400	8th



		<b>Annexe B</b>		
<b>Water &amp; Sewer Rates</b>		<b>2012</b>	<b>2011</b>	<b>Difference</b>
<b>Expenses</b>	<b>Water</b>			
	Sources	303,909	313,882	(9,973)
	Purif. & Treatment	107,156	104,424	2,732
	Distribution	1,627,609	1,686,034	(58,425)
	Administration	652,116	645,080	7,036
	Fiscal	722,737	659,096	63,641
	Capital	39,850	116,400	(76,550)
	Reserve Fund	25,000	25,000	-
	Subtotal - Water	3,478,377	3,549,916	(71,539)
	<b>Sewer</b>			
	Collection & Transp.	990,458	984,956	5,502
	Treatment	357,084	332,815	24,269
	Administration	404,960	376,929	28,031
	Fiscal	679,345	622,872	56,473
	Capital	26,570	77,615	(51,045)
	Reserve Fund	25,000	25,000	-
	Subtotal - Sewer	2,483,417	2,420,187	63,230
	<b>Total Expenses</b>	<b>5,961,794</b>	<b>5,970,103</b>	<b>(8,309)</b>
	<b>Revenue from own and other sources</b>			
	<b>Water</b>			
	Other revenue	46,350	46,350	-
	Water Supply	536,820	603,360	(66,540)
	Subtotal - Water	583,170	649,710	(66,540)
	<b>Sewer</b>			
	Other revenue	-	-	-
	Previous Surplus	9,709	2,943	6,766
	<b>Total Other Revenue</b>	<b>592,879</b>	<b>652,653</b>	<b>(59,774)</b>
<b>Rates</b>	<b>WATER</b>	<b>402.00</b>	<b>395.00</b>	<b>7.00</b>
	<b>SEWER</b>	<b>268.00</b>	<b>263.00</b>	<b>5.00</b>
	<b>TOTAL</b>	<b>670.00</b>	<b>658.00</b>	<b>12.00</b>



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# Energy Utility Fund

# Main Features

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- **Income Budget**

- **No rate increase budget. (promised by the Province)**
- **Generation from the new Madawaska power station for the full year.**
- **Income subsidy from the federal Eco Energy program for generating energy through our new power station.(estimated \$200,000 yearly for 10 years)**

# Main Features

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- **Budget expenses**
  - **Reduction of energy purchases.**
  - **Administration charges from the general operation fund are maintained.**
  - **New payment of a debenture for the financing of new Madawaska power station.**
  - **Increase of capital expenditures, out of operating budget. ( \$237,000)**



# Budget overview 2012

## Electric energy operating budget



REVENUES	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	VARIATION 2012-2011
	2012	2012	2012	2011	2011	2011	
	Distribution	Production	Total	Distribution	Production	Total	
ENERGY SALES	\$18,576,776	\$2,838,880	\$21,415,656	\$19,290,211	\$1,512,777	\$20,802,988	\$612,668
OTHER REVENUES	\$658,644	\$0	\$658,644	\$556,977	\$250,000	\$806,977	(\$148,333)
<b>GROSS REVENUES</b>	<b>\$19,235,420</b>	<b>\$2,838,880</b>	<b>\$22,074,300</b>	<b>\$19,847,188</b>	<b>\$1,762,777</b>	<b>\$21,609,965</b>	<b>\$464,335</b>
<b>OPERATING EXPENSES</b>							
ENERGY PURCHASE	\$14,932,068	\$0	\$14,932,068	\$15,165,710	\$0	\$15,165,710	(\$233,642)
ADMINISTRATION	\$1,873,345	\$89,888	\$1,963,233	\$1,887,813	\$91,572	\$1,979,385	(\$16,152)
PLANNING AND ENERGY MANAGEMENT	\$140,417	\$65,068	\$205,485	\$154,312	\$38,578	\$192,890	\$12,595
MARKETING AND CUSTOMER SERVICE	\$47,666	\$0	\$47,666	\$47,368	\$0	\$47,368	\$298
MAINTENANCE AND IMPROVEMENTS	\$1,597,967	\$508,657	\$2,106,624	\$1,567,169	\$467,881	\$2,035,050	\$71,574
FISCAL FEES	\$783,783	\$1,798,702	\$2,582,485	\$537,409	\$1,652,153	\$2,189,562	\$392,923
CAPITAL EXPENDITURES	\$0	\$236,739	\$236,739	\$0	\$0	\$0	\$236,739
<b>TOTAL OPERATING EXPENSES</b>	<b>\$19,375,246</b>	<b>\$2,699,054</b>	<b>\$22,074,300</b>	<b>\$19,359,781</b>	<b>\$2,250,184</b>	<b>\$21,609,965</b>	<b>\$464,335</b>
<b>SURPLUS (DEFICIT)</b>	<b>(\$139,826)</b>	<b>\$139,826</b>	<b>\$0</b>	<b>\$487,407</b>	<b>(\$487,407)</b>	<b>\$0</b>	<b>\$0</b>