



The Corporation of

THE TOWNSHIP OF MELANCTHON

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Hello Fellow Melancthon Residents,

Well it certainly looks like Spring has paid a visit and, as our new Township Council is a little more than a year old now, I thought it would be an excellent time to let you all know how things are going, and what is new and upcoming in the near future.

At this time of year, budgets are being debated and finalized and as in other Municipalities we have finalized ours. Our budget has been accepted by Council with a 6% increase in the tax rate over last year. This budget includes both operating and capital spending for the coming year. Depending on your assessment, which is governed by MPAC, your actual tax levy in dollars may either increase or decrease.

All members of Council are cognizant of the real effects any tax increase has on our ratepayers, but a number of factors come into play when determining the budget. Some of the considerations are:

ROAD WORK AND CAPITAL MAINTENANCE: As owners of a road network of approx. 400 km, we have an obligation to do what we can to maintain those assets. Just like every asset you own, there is a life cycle on road beds, culverts and bridges, etc. As a Municipality, we are required by Provincial Legislation to maintain, to a certain level, the roads and structures you drive on every day.

OPERATIONS AND EQUIPMENT: The Township undertakes winter snow clearing operations as well as seasonal gravel and grading of roads. These ongoing operations are necessary as a "preventative maintenance" step. Additionally, our trucks and heavy equipment must be maintained so as to be available when needed.

POLICY AND ADMINISTRATION: Administration Staff are responsible for ensuring the Township is fully in compliance with all Provincial regulations, as well as ensuring that we are up to date and enforcing our Township By-laws. Planning conformity and land use considerations also make up a large part of the Administration Department, as does administering the finances of the Township. Official Plan Amendments, Minor Variances, Building Permits and Zoning By-law Amendments are some of the other things the Staff in the Administration Department do each day.

To give you an example of the actual dollars that we are talking about, here are some recent examples:

\$19,000.00 ~ The amount generated by a 1% tax increase.

\$220,000.00 ~ The approximate amount to re-pave 1 kilometre of two lane road (providing there is no base reconstruction needed or no culvert replacement).

\$240,000.00 ~ The approximate amount spent on road gravel each summer season (Not all gravel roads are top coated each year).

\$350,000.00 ~ The cost to replace one 2 lane bridge on a secondary road (15 Sideroad in 2015).

\$300,000.00 ~ The approximate cost of replacement of one large culvert.

\$430,380.00 ~ The cost of OPP policing this year.

\$194,394.00 ~ The cost of Fire Services this year, capital and operations (SDFD, MMFD and SFD)

As you can see by the numbers above, the cost to the Municipality continue to increase year after year. Many of these are beyond our control, yet we have to find ways to manage those impacts. As an example, over the past few years, the Province has cut the OMPF Allocations (Ontario

Municipal Partnership Fund) which is funding given to municipalities to assist with their expenditures, etc. Our current allocation of OMPF funding is \$176,300.00. While this funding continues to decline, our costs and the costs of other Municipalities increase. Regardless of the funding cut, we have to still complete enough road work and capital replacement each year to ensure we don't create an infrastructure deficit, which is a serious issue the County of Dufferin is currently dealing with.

When Council approves a road, bridge, or culvert project, we ensure that we apply for funding from the Province from a number of different grant programs which are designed to help offset municipal costs for these projects. Over the past few years, regardless of the project, our applications for funding have been routinely denied. We have been left to pay for these projects ourselves which is reflected in the tax rate, and has increased our debt load. We have been given different reasons for the rejection of funding from the grant programs but the one that bothers me the most is "your municipality is in good financial shape and funding will be given to municipalities that have an inability to finance projects themselves". Essentially, we are being told we are well managed financially, only poorly managed municipalities will receive funding. We have also been told things such as "your revenue from taxes on your residents is too low" and "you are not close enough to your debt ceiling". I believe these reasons are inappropriate. I don't think we should overtax residents and borrow up to our limit to qualify for funding. Below is a graphic taken from a response to a funding application we received from the Provincial government which lists reasons we don't qualify.

Melancthon Tp

MUNID: 22019
Tier: LT
Region: Central

With the exception of the bonus, the respective municipality's score indicated below is assigned based on their distance from the median of all eligible municipalities. Therefore, the municipality at the median is awarded five points, the municipality at the maximum is awarded ten points and the municipality at the minimum is awarded zero points. All of the other municipality's scores are based on where they fall in this range for the respective indicator. The bonus methodology is outlined in the description below.

Ontario Community Infrastructure Fund Fiscal Screen Summary

Indicator	Description	Melancthon Tp	Median of all Eligible Municipalities	Melancthon Tp Score	Maximum Available Score	Data Source	Distribution of Municipalities Melancthon Tp
Median Household Income (\$) ^{1,3}	Higher scores are given to municipalities with lower median household income. Its use as an indicator reflects the economic conditions of the municipality from the perspective of their household's capacity to contribute to the tax base.	83,000	62,000	3	10	Statistics Canada 2011 Census	
Weighted Assessment per Household (\$) ^{1,3}	Refers to the total assessment for a municipality weighted by the tax ratio for each class of property divided by the total number of households. This measure captures the value of the tax base of a municipality, from which the property tax rate is derived, and reflects the capacity of the municipality to raise revenue. Higher points are awarded to municipalities who have lower weighted assessments per household, as it indicates more challenging circumstances.	338,000	252,000	3	10	Municipal Property Assessment Corporation	
Net Financial Assets per Household (\$) ^{2,3}	Denotes the difference between total financial assets and total liabilities divided by the total number of households in the municipality. This measures the burden of a municipality's overall financial position on each household. More points are awarded to municipalities who have a lower financial position per household.	800	500	5	10	Financial Information Return /Municipal Property Assessment Corporation	
Property Taxes, User Fees and Service Charges per Household as a % of Median Household Income ^{2,3}	Captures the extent which municipalities are capitalizing from their residential households. Municipalities are awarded a higher score if the percentage is higher, as it implies those municipalities are capitalizing to a greater extent from their tax base to raise revenues. The municipalities with a higher percentage may also have more limited ability to raise taxes/rates to pay for projects.	3%	5%	3	10	Financial Information Return/ Statistics Canada	
Bonus: Total Additions and Betterments as % of Annual Amortization ^{2,3}	Ratio measuring the degree which municipalities are investing in their infrastructure assets to keep up with depreciation. Higher scores are awarded to municipalities with a higher percentage. E.g. A municipality which spends \$2.50 on additions and betterments for every \$1.00 they expense in annual amortization will be awarded 2.5 bonus points to a maximum of 3 points.	140%	160%	1	3	Financial Information Return	

1. Used as primary indicators for the Ontario Municipal Partnership Fund's Northern and Rural Municipal Fiscal Circumstances Index

2. Indicators are averaged over most recent five year period (2010 - 2014)

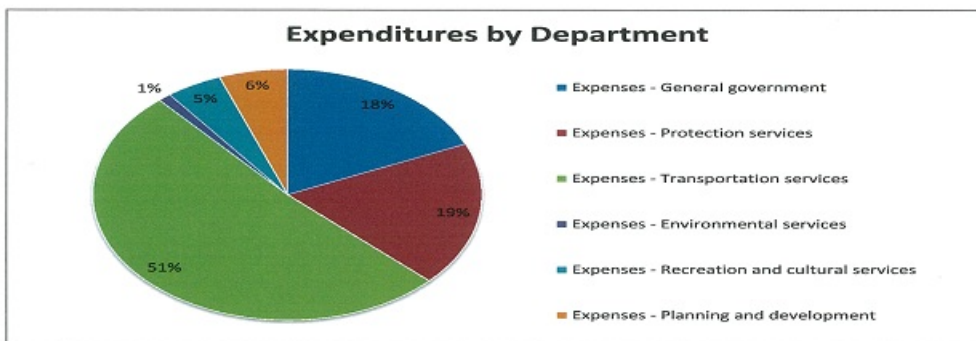
3. Values, scores and rank are rounded. Individual scores may not add up to total score as a result

Total Score	16
Rank	380

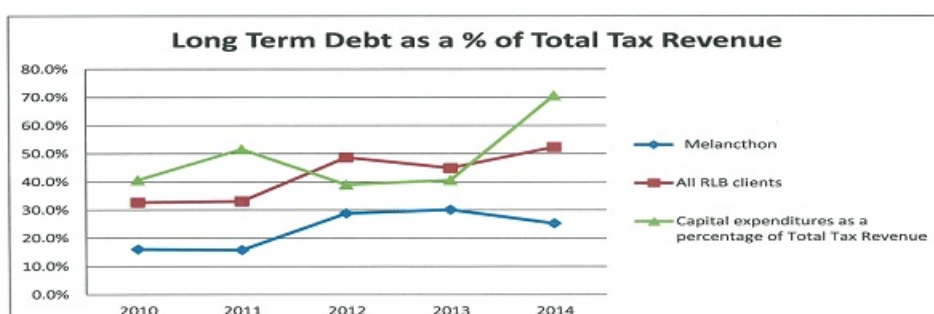
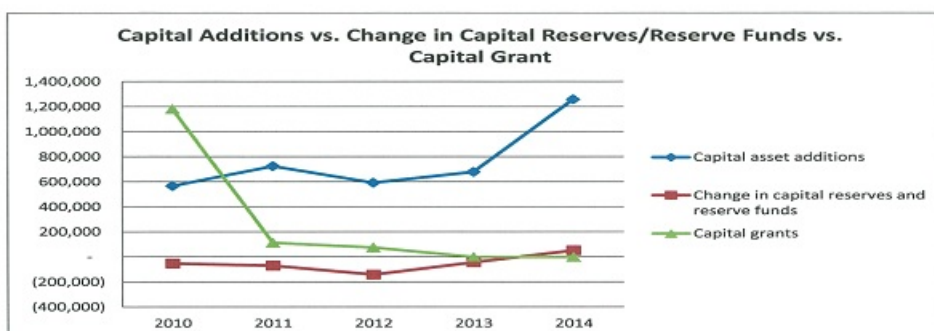
I recently attended the ROMA (Rural Ontario Municipalities Association) Conference held in February in Toronto, where I, and other municipal representatives from across Ontario, expressed our displeasure with the unfair formula used to determine who receives these grants. As a result, the Premier made comments and guaranteed to make the grant process fairer for all and to stop judging applications solely on financial need. She also increased the funding to the OCIF (Ontario Community Infrastructure Fund) at the same time. These two items are certainly welcome news. Moving forward, we certainly hope to tap into some of those provincial dollars as well as some of the promised Federal infrastructure funds.

Late in 2015 the Township had its annual audit. During the formal presentation of the results of the audit to Council, RLB, our Audit Firm made some interesting observations. The graphics below were in the RLB Report and highlight the financial strength of the Municipality as compared to others. The first graphic shows our expenditures by Department. The others show our debt to asset ratio, our borrowing capacity, and our tax realized based on assessment. The full Report can be found on the Township Website.

**Township of Melancthon
Summary of Key Operating Measures
December 31, 2014**



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WHAT'S HAPPENING AT THE COUNCIL TABLE

One of our new Council priorities was to review and update, as necessary, the Township's various By-laws. These By-laws can all be found on the Township Website for easy reference should you need them. The Township has By-laws that cover such things as "On Farm Business Uses" which governs what can be done on your farm, in addition to or secondary to your farming operation. Currently, we are discussing whether to add to this By-law to more clearly define the limitations of secondary business or should we add a category smaller than industrial uses but larger than a home occupation.

We have also recently reviewed the Procedural By-law which governs the operations of Council as well as the Reduced Loads Period (Half Load) By-law. In the next few months, we will look at the Property Standards By-law and the Site Alteration By-law. The Township Zoning By-law however, will be the larger one to work on this year. As a result of our new Official Plan, recently approved by the Province, we need to review our Zoning By-law to make sure one conforms with the other.

Council also continues to discuss issues such as Green Energy, fill dumping, local food initiatives and plans for a large subdivision near Dundalk, as well as a smaller one in the Horning's Mills area. Council has also, just recently, implemented a Code of Conduct for Council Members.

Council members also continue to represent your interests as residents on many Local Boards and Committees such as the Horning's Mills Hall Board, the Horning's Mills Park Board, the Shelburne Library Board, the North Dufferin Recreation Advisory Board, the Centre Dufferin Recreation Board just to name a few. Additionally, I represent Melancthon on the Nottawasaga Valley Conservation Authority and at the upper tier level at the County of Dufferin. At the County level, I sit as the Chair of the Community Services/Dufferin Oaks Committee of Management as well as being the Chair of the County of Dufferin Economic Development Steering Committee and the Chair of the Poverty Reduction Taskforce.

At the County Council Table, we are also working on a lot of strong initiatives which will benefit Melancthon. The County has undertaken a review of the County Forest Recreation Plan. This will govern what types of things can happen in the County Forest in the future. The County Economic Development Steering Committee looks to line up resources to help the lower tier Municipalities with their economic development plans and thereby increase jobs and industrial/commercial tax revenue in the County, which will benefit us all. The County is also working on an initiative which will bring sustainable and reliable high speed broadband internet to Dufferin and throughout rural southern Ontario. It's called the SWIFT initiative and you will likely be hearing more about it in the future as it progresses. Also, at the Upper Tier, we continue to recruit doctors to address our needs as a growing community.

WE WANT TO HEAR FROM YOU

Our Community has started a number of initiatives and we are always looking for resident input. As an example, this past summer we conducted a number of public meetings with the help of the OPP and the Police Services Board. Residents let us know of their concerns of speeding and reckless driving in the Villages. As a result, we have taken some actions to affect change. In Horning's Mills, some new stop signs have been installed, as well there is a radar speed control sign coming soon. In Corbetton, we will be installing a speed control radar sign in late Spring, as well as constructing a small Parkette in partnership with the County which will give the kids a place to play that is off the Main Street. The review of actions to help speeding in Riverview is ongoing. We also welcome resident input on the review of the Township By-laws and any other business.

Please feel free to contact any member of your Council should you have a question or comment. We are all here to help. Phone numbers and emails can be found on the Township Website for all Council members.

If you are planning to build or expand your current building, add farm structures or an on-farm business, why not consult the Township Planner early in the process. This can often make the process go faster and smoother when done ahead of time. You can make an appointment with the Planner by calling the office at 519-925-5525.

With spring here, the thawing snow reveals hidden treasures in the form of illegal dumping. Illegal dumping costs everyone and the Township will prosecute those caught doing it. Conversely, if you notice anything on the roads or in the road side ditches that needs attention, i.e. - plugged culvert, garbage dumped, washouts, etc., please contact the Roads Department so we may address the issue. Lets take pride in our community and try to keep it clean.

Should you like to bring anything to my attention or to ask a question please feel free to email me at dwhite@melancthontownship.ca and I will respond as soon as I can.

OTHER IMPORTANT CONTACT INFORMATION

Township Website		www.melancthontownship.ca
Main office	519 925 5525	info@melancthontownship.ca
Roads Department	519 925-5525 Ext. 105	roads@melancthontownship.ca

If you have any questions please don't hesitate to contact me or any Member of Council.

Sincerely,
Darren A. White
Mayor for the Township of Melancthon