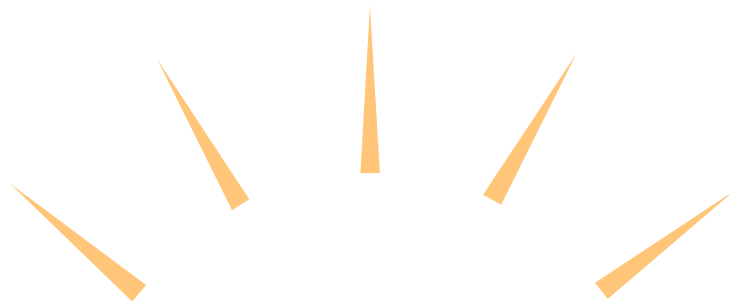




KIRKLAND LAKE
THE RIGHT ENVIRONMENT

2008 Financial Review and 2009 Budget



THE CORPORATION OF THE TOWN OF KIRKLAND LAKE

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www.teamkirklandlake.com

Message from Mayor and Council

We are pleased to present this financial summary of the Town's operations for 2008, as well as a summary of the 2009 budget estimates. For taxpayers who are looking for more information, a copy of the 2008 Consolidated Financial Report and the Auditor's report is available from the Treasury Division, Corporate Services located at Town Hall.

This year our net operating budget, including the water budget, is \$17,510,634, which is an increase of 1.52% over the 2008 budget figures and will allow \$122,636 to be transferred to working capital. Keeping our operating budget well below the cost of inflation, allows the town to increase expenditures in our capital budget. Our total capital budget for 2009 is \$4,337,096. These capital expenditures are made possible due to the financial contributions of both our provincial and federal partners. These contributions total \$4,089,957 leaving \$247,141 to be funded by reserve funds. Some of the projects that we will be undertaking are the Taylor Avenue reconstruction, replacement of the physical services roof, replacement of the upstairs library windows, completion of building demolitions and site remediation, equipment upgrades for various departments as well as improving water systems at the industrial park on Archer Drive.

To accomplish these projects we have increased the residential tax bill by 2.5%. This results in 2,269 residential properties having a tax increase of less than \$100, while 510 properties have an increase of greater than \$100. For the fourth year in a row, Council has reduced the commercial tax ratio resulting in a 16.8% decrease in the commercial tax ratio over this period. The impact on individual properties depends on their capping restrictions but the overall result is a positive one for this sector.

We are continuing our aggressive approach to tax collection and are starting to see results from our efforts. When a taxpayer does not pay their taxes it has an impact on every other taxpayer in Kirkland Lake. The following year, we have to raise taxes to offset this loss in revenue resulting in higher taxes for every taxpayer. If you are in arrears, contact our tax division and they will help you to develop a plan to assist in the repayment of your taxes.

We also like to take this opportunity to remind you that you can obtain more information on what Council and the town is doing by referring to our website at www.kirklandlake.ca.

Mayor: Bill Enouy

Councillors: Tony Antoniazzi

Linda Cunningham

Rick Emms

Al French

Norm Mino

Todd Morgan

Every attempt has been made to ensure the accuracy of the information in this brochure. In the event of any discrepancies, inquiries should be made to the Treasurer.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2008

FINANCIAL ASSETS

	<u>2008</u>	<u>2007</u>
Cash	4,213,729	4,599,376
Temporary Investments	2,274,755	
Taxes Receivable	484,597	419,222
User Charges Receivable	62,955	58,495
Accounts Receivable	1,199,886	1,967,646
Other Current Assets	14,734	12,448
TOTAL FINANCIAL ASSETS	<u>\$8,250,656</u>	<u>\$7,057,187</u>

LIABILITIES

Temporary Loans		255,982
Accounts Payable and Accrued Liabilities	2,398,886	1,622,665
Deferred Revenue	2,520,514	1,721,198
Accrued Interest on Net Long-Term Liabilities	142,879	25,191
Landfill Closure and Post-Closure Liability	360,083	316,028
Employee Benefits Payable	2,505,396	2,275,102
Net Long-Term Liabilities	12,061,513	11,249,704
TOTAL LIABILITIES	<u>\$19,989,271</u>	<u>\$17,465,870</u>

MUNICIPAL POSITION

Current Fund	10,000	10,000
Capital Fund	0	0
Reserves	1,715,326	1,864,828
Reserve Funds	1,605,930	1,582,514
FUND BALANCES	<u>\$3,331,256</u>	<u>\$3,457,342</u>
AMOUNTS TO BE RECOVERED	<u>(15,069,871)</u>	<u>(13,866,025)</u>
TOTAL MUNICIPAL POSITION	<u>(\$11,738,615)</u>	<u>(\$10,408,683)</u>

TOTAL LIABILITIES AND MUNICIPAL POSITION

<u>\$8,250,656</u>	<u>\$7,057,187</u>
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED DECEMBER 31, 2008

REVENUES

	2008	2007
Municipal Taxation	7,639,148	7,634,439
Taxation From Other Governments	595,777	637,577
User Charges	4,504,602	4,401,206
Government of Canada	620,696	266,145
Province of Ontario: Non-Specific	7,192,337	6,676,957
Province of Ontario: Specific	7,623,789	4,845,633
Other Municipalities	151,148	90,045
Other	1,422,316	1,051,994
TOTAL REVENUES	<u>\$29,749,813</u>	<u>\$25,603,996</u>

EXPENDITURES

CURRENT OPERATIONS

General Government	1,860,786	1,665,168
Protection to Persons and Property	4,301,412	3,952,184
Transportation Services	2,810,391	2,686,968
Environmental Services	3,808,743	3,785,606
Health Services	843,416	869,945
Social and Family Services	6,906,560	6,561,319
Social Housing	197,400	431,662
Recreation and Cultural Services	2,353,526	2,149,131
Planning and Development	478,584	597,616
	<u>23,560,818</u>	<u>22,699,599</u>
CAPITAL OPERATIONS	<u>7,518,927</u>	<u>3,149,433</u>

TOTAL EXPENDITURES

\$31,079,745 **\$25,849,032**

CHANGE IN MUNICIPAL POSITION

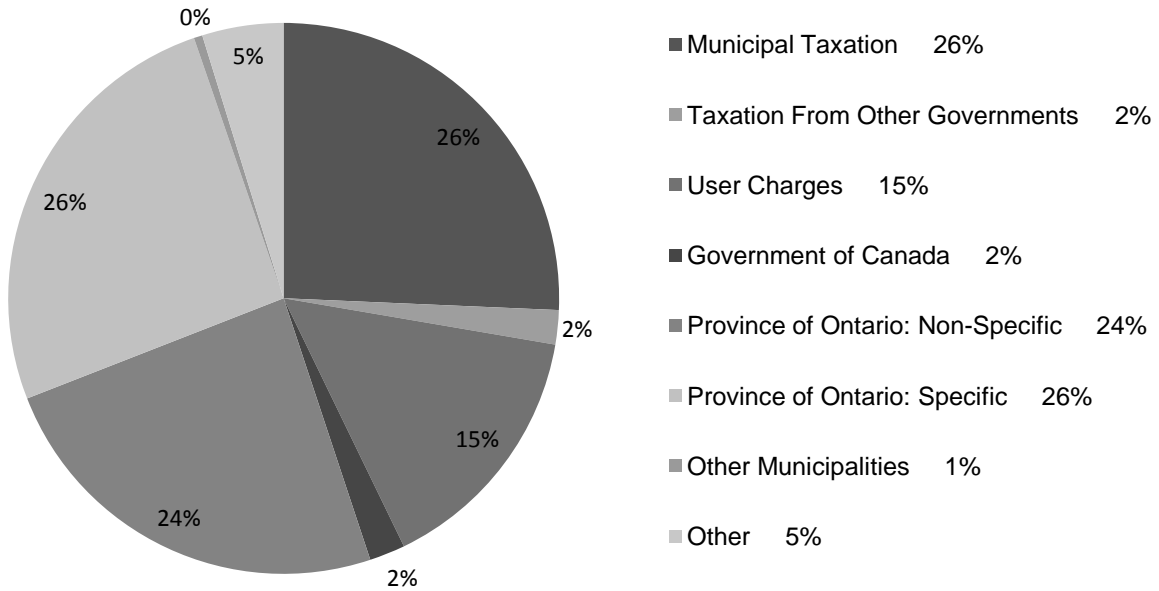
(\$1,329,932) **(\$245,036)**

New Debt Issued	1,277,963	3,906,073
Debt Principal repayments	(466,154)	(511,268)
Increase (Decrease) in Employee Benefits Payable	230,294	58,162
Increase (Decrease) in Accrued Interest on Net Long-Term Liabilities	117,688	
Increase in Landfill Closure and Post-Closure Liability	44,055	114,807
	<u>1,203,846</u>	<u>3,567,774</u>

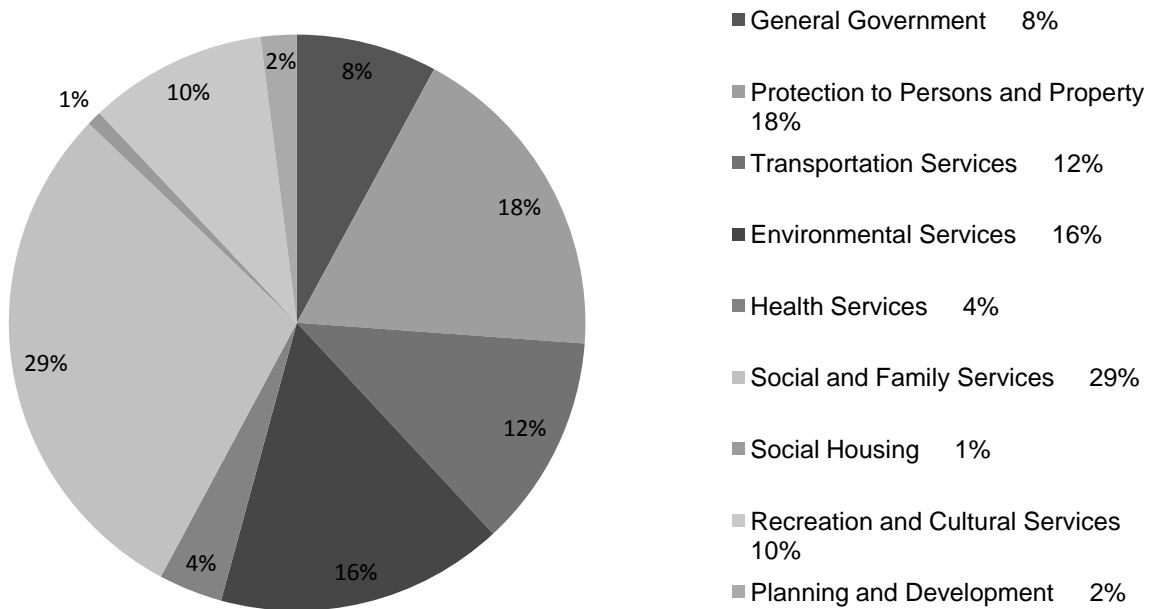
CHANGE IN FUND BALANCES

(\$126,086) **\$3,322,738**

Municipal Revenues 2008



Municipal Operations 2008



SUMMARY OF OPERATING BUDGETS

	2009	2008
	Budget	Budget
<u>DEPARTMENT OF CORPORATE SERVICES</u>	\$5,221,146	\$5,091,557
Administration	537,331	578,280
Treasury	705,897	693,640
Animal Control	44,427	51,620
Fire	1,253,891	1,252,595
Police	2,679,600	2,515,422
<u>DEPARTMENT OF ECONOMIC DEVELOPMENT & TOURISM</u>	\$961,850	\$1,130,708
Economic Development	168,800	224,050
Tourism	77,763	85,345
Museum	159,844	159,344
Management Information Systems	69,650	69,650
Hockey Heritage North	485,793	592,319
<u>DEPARTMENT OF COMMUNITY SERVICES</u>	\$1,024,854	\$1,002,214
Parks & Recreation	778,695	768,560
Day Care	3,607	-2,823
Library Board	216,219	210,602
Crossing Guards	26,333	25,875
<u>TECK PIONEER RESIDENCE</u>	\$621,861	\$563,025
<u>DEPARTMENT OF PHYSICAL SERVICES</u>	\$6,883,855	\$6,439,594
Planning & Engineering	909,345	610,040
Roads	2,324,889	2,459,430
Waste Management & Sanitation	1,881,996	1,659,624
Waterworks	1,767,625	1,710,500
<u>REGIONAL AGENCIES</u>	\$2,674,432	\$2,494,006
Timiskaming District Social Services Administration Board	2,231,270	2,052,491
Child Care	74,555	81,239
Social Services	1,394,387	1,315,308
Ambulance	440,628	371,564
Social Housing	321,700	284,380
Municipal Property Assessment Corporation	99,033	98,121
Timiskaming Health Unit	344,129	343,394
CAPITAL		\$527,927
TRANSFER TO WORKING CAPITAL	\$122,636	
NET EXPENSES	\$17,510,634	\$17,249,031
<u>REVENUES</u>		
Taxation Levies	7,903,701	7,584,394
Ontario Municipal Patnership Fund	7,135,400	7,066,400
Grants in Lieu of Taxes	523,908	605,800
Other	150,000	150,000
Supplemental Taxes	30,000	6,000
Provincial Grant		125,937
Waterworks	1,767,625	1,710,500
NET REVENUES	\$17,510,634	\$17,249,031

2008 TAX RATES AND ASSESSMENT

<u>Property Classes</u>	<u>Current Value Assessment</u>	<u>Municipal Tax Rate</u>	<u>Municipal Total</u>	<u>Education Tax Rate</u>	<u>Education Total</u>
Residential	129,321,047	0.0325535	4,209,853	0.002520	325,889
Multi-Residential	9,113,320	0.0410597	374,190	0.002520	22,966
Commercial Occupied	30,827,309	0.0719019	2,216,542	0.020000	616,546
Commercial Vacant	1,015,193	0.0503313	51,096	0.014000	14,213
Industrial Occupied	10,811,371	0.0748730	809,480	0.022500	243,256
Industrial Vacant	398,614	0.0486675	19,400	0.014625	5,830
Pipelines	2,675,750	0.0384945	103,002	0.01206316	32,278
Bernhardt/Morrisette	10,544,335	0.0113937	120,139	0.002520	26,572
TOTAL	<u>\$194,706,939</u>		<u>\$7,903,701</u>		<u>\$1,287,549</u>

SCHEDULE OF LONG TERM DEBT

<u>Activities</u>	<u>Date of Issue</u>	<u>Term</u>	<u>Interest Rate</u>	<u>2008 Payment</u>	<u>Principal Owed</u>
Teck Pioneer Residence	2/15/2008	20 years	4.94%	527,137	6,885,603
Equipment	12/27/2006	5 years	6.18%	127,980	432,566
Archer Drive	2/1/2009	9 years	6.00%		600,000
Hockey Heritage North	6/1/2007	20 years	4.55%	363,486	3,868,589
2nd Ice Surface	12/1/2008	5 years	2.65%		274,755
Total				<u>\$1,018,603</u>	<u>\$12,061,513</u>
Interest payable over the next five years					2,117,888
Total					<u>\$14,179,401</u>

<u>2009 CAPITAL BUDGET</u>	<u>Tax Levy</u>	<u>Subsidies</u>	<u>Reserves</u>	<u>Total</u>
General Government				
Building Renovations and Deductible		25,000		25,000
Building Maintenance - Clock and Concrete Repair		10,000		10,000
Software - Financial System Upgrade		30,000	80,000	110,000
Hardware - Wireless Upgrade		30,000		30,000
Training - Asbestos		20,000		20,000
Protection to Persons and Property				
Equipment Replacement - Two Way Radios		31,014		31,014
Transportation Services				
Building Maintenance - Physical Services Roof		105,000		105,000
Connecting Link - Government Road West		1,299,270		1,299,270
Reconstruction - Taylor Avenue		2,029,459	50,541	2,080,000
Vehicle - Plough Truck		154,000		154,000
Completion of First Street		60,512		60,512
Environmental Services				
Comfort Street Sanitation Deductible		10,000		10,000
Vehicle - Two Half Ton Trucks			39,600	39,600
Health Services				
Vehicle - Half Ton Truck		7,000		7,000
Building Repair - Roof Shingles		2,000		2,000
Social and Family Services				
Equipment - Laundry Cart		5,000		5,000
Equipment - Wide Vacuum		3,500		3,500
Recreation and Cultural Services				
Equipment - Floor Scrubber		6,000		6,000
Software		14,000		14,000
Vehicle - Half Ton Truck		18,300		18,300
Equipment - Oil Separator		12,000		12,000
Renovations - Arena Changeroom		6,000		6,000
Building Maintenance - Back Door		12,000		12,000
Land Improvement - Fill, Seed & Sod		3,200		3,200
Canadian Information Heritage Network		2,000		2,000
Building Maintenance - Porch Repair		7,000		7,000
Building Maintenance - Window Replacement		55,000		55,000
Planning and Development				
Planning & Zoning - King George Area			22,000	22,000
Building Demolitions and Remediation		130,000		130,000
Commercial Development - Archer Drive			55,000	55,000
Tourism - Mural Renovation		2,700		2,700
TOTAL		\$0	\$247,141	\$4,337,096

RESERVES AND RESERVE FUNDS**2008****2007****RESERVES**

Working Capital	1,125,657	1,370,274
Departmental Surpluses		0
Teck Pioneer Renovations	229,035	114,045
Landfill	145,346	145,346
Other	215,288	235,163
	\$1,715,326	\$1,864,828

RESERVE FUNDS

Archer Drive	140,066	133,608
Employees' Accumulated Sick Leave	338,426	330,824
Hockey Heritage North	50	50
Residential Development	5,731	5,599
Second Ice Surface	555,568	542,889
Sewage Treatment Plant	25,705	78,865
Teck Pioneer Residence	928	907
Waterworks Capital Projects	539,456	489,772
	\$1,605,930	\$1,582,514

TOTAL RESERVE & RESERVE FUNDS**\$3,321,256****\$3,447,342****Town of Kirkland Lake Contacts****CAO**

Nancy Allick 567-9361 x 236

Directors

Community Services	Bonnie Sackrider	567-5215 x 225
Corporate Services	Nancy Allick	567-9361 x 236
Economic Development & Tourism	Wilfred Hass	567-9361 x 239
Physical Services	Mark Williams	567-9365 x 231

Supervisors

Teck Centennial Library	Cheryl Lafreniere	567-7966
Daycare	Candace Renaud	567-4225
Treasurer	Valerie Goyer	567-9361 x 222
Fire Chief	Joe Kmyta	567-3400
Teck Pioneer Residence	Donna Legros	567-3257 x 400
Chief Building Official	Mike Aldred	567-9365 x 227
Superintendent of Works	Frank Spinato	567-9365 x 224
Museum of Northern History	Lynda Sinclair	568-8800
Hockey Heritage North	June Ward	568-4420