

Hastings Highlands heading for surplus

By Sarah Sobanski

Hastings Highlands treasurer has released a report on the municipality's 2016 finances.

The unaudited report suggested that Hastings Highlands saw a \$396,096 surplus at the end of 2016 – two-thirds from unexpected revenue and one-third from fewer expenses than budgeted. It also included a highlight reel for the municipality and graphics. "A lot of our intent was to do a lot of education and communication. The flavour is we just want to make sure we increase the transparency and the accountability," said municipal treasurer and tax collector David Stewart, explaining they also send a newsletter with final tax bills for better understanding. "It's public dollars so residents need to know where the money is being spent."

He added, "We've had a lot of questions in the past because they don't know where their money goes in terms of their taxes. We created that loonie [graphic] to show that the municipality doesn't get dollar for dollar all the time. When we collect taxes, every quarter we have to pay the education system, all the different school boards, and then we have to pay the County of Hastings, and then we also have to pay the Ministry of Finance for the OPP services. That demonstrates to people that they might have paid \$1,000 but we only got \$530 of those dollars for municipal services."

There was a three per cent variance higher in the municipal revenues budget and a 1.68 per cent variance lower in municipal expenses.

"It gives council a good idea that we, in terms of our expense budget for last year, we were pretty much bang on track. As we present the budget for 2017, there will possibly be less questions in terms of the variances in some of the accounts," said Stewart. The municipality budgeted \$8,461,166 for expenses and came in at \$8,319,097 for a total savings of \$142,069. The report read that council/governance had actual expenditures that were moderately less than budgeted. The majority of the un-used funds were from salary and wages. This was due to a councillor position being vacant for a short time as well as the municipality receiving funds back through the GST/HST Rebate Program for a portion of council's wages.

Corporate management and administration, fire services, police services and building and bylaw expenditures also came in under budget.

In revenues, the municipality budgeted for \$8,461,166 and ended the year with \$8,715,194 gaining \$254,028. The report read that municipal taxation actuals were \$21,323 more when compared to budget, which was a result of omitted assessments being added to property tax accounts through the fiscal year. It also stated municipal payment in lieu of taxes was \$9,848 over the anticipated budget as the municipality continues to work with the ministry to reconcile amounts owing for years prior to 2014. It suggested these payments are almost updated, so actuals in 2017 should be closer to budget.

These were made up in municipality fees and service charges, according to the report. It recorded Stewardship Ontario revenue as higher than expected due to the municipality enhancing its monitoring and reporting of blue box materials and the elimination of residual waste. Also, landfill tipping fees and community centres were more than expected.

"Council and staff, we're really worked hard to reduce our operating costs, at least in the costs that we control. [We're] looking at streamlining a lot of our operations in an effort to save those costs and still move the municipality forward into a good financial position."

In total, the municipality's operating surplus was 4.68 per cent of the municipality's total operating budget. "We're 95 per cent confident these are going to be the year end figures but they are subject to change," said Stewart. He noted auditing would be happening before the next council meeting, but a final report by the auditors would not be finished until May or June. Stewart encouraged anyone with tax concerns or questions to contact him.