



Township of Malahide

Cultivating Malahide
"Planting the Seeds Together for Our Future"

2019 Annual Report

Contents

Township Council	3
CAO's Message	4
Organizational Structure.....	5
Asset Report Card.....	8
Key Performance Indicators	10
Key Performance Indicators	11
Key Performance Indicators	12
Key Performance Indicators	13
Key Performance Indicators	14
Grants	15
2019 Consolidated Financial Statement Overview	16
2019 Statistical Overview	24

***Complete Audited 2019 Financial Statements are available
 on the Township's website – www.malahide.ca.***

Township Council

Malahide Township Council - 2018-2022



Seated L to R: Councillor Max Moore, Deputy Mayor Dominique Giguère, Mayor Dave Mennill, Councillor Chester Glinski

Standing L to R: Councillor Rick Cerna, Councillor Scott Lewis, Councillor Mark Widner

CAO's Message



The objective for our Administration is to strengthen accountability and communication with our community and stakeholders alike.

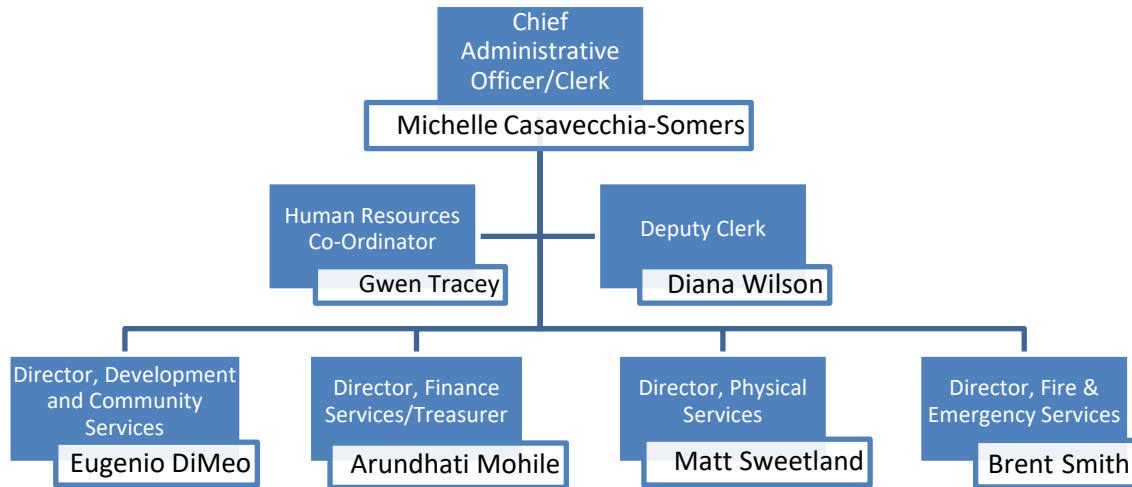
The Township Staff will continue to provide our taxpayers the excellent customer service that they deserve by working collaboratively with each other and the Council.

We are always striving to establish both operational and financial efficiencies within the organization in order to provide a more efficient, fiscally responsible, and business friendly culture.

It is the Staff's goal to improve the quality of public service for everyone in our Township. We look forward to serving you.

Michelle Casavecchia-Somers

Organizational Structure



Township Staffing Complement:

Department	Union Staff	Contract	Non Union Staff & Management	TOTAL
CAO/Clerk's Office & HR			3	3
Development & Community Services		1	6	7
Finance Services			4	4
Physical Services	14		5	19
Fire & Emergency Services			1	1
TOTAL Township	14	1	19	34

Does not include part-time staff, summer students, and volunteer fire personnel.

Chief Administrative Officer/Clerk's Office

The Chief Administrative Officer (CAO) is the Head of Staff at the Municipality. The CAO acts as the primary liaison between the Staff and the Council, ensuring that the Council's directives are properly implemented between the various departments as well as providing support to the Council in their policy, planning, budgeting, and economic development functions. The CAO ensures that programs and policies are implemented in a timely and efficient manner and within the goals and values of the organization.

The Clerk's Office is responsible for coordinating public information, governance, and records management function. This primarily occurs through preparation of Council Agendas, Minutes, Resolutions, and the disposition of all resulting actions of Council as required. The Clerk's Office is also responsible for Freedom of Information (FOI) requests as well as vital statistics (for example, birth and death registration) and acts as the Commissioner of Oaths.

Direct Reports: Deputy Clerk, Directors, and Human Resources Coordinator.

Development and Community Services

The Development and Community Services Department is responsible for a broad range of services to Township residents, such as: building permits, planning and zoning, economic development, and recreational facilities, as well as facility management, IT and GIS services to the Corporation as a whole. Some of our municipal partners across Elgin County have outsourced their IT and GIS functions to the Township.

Direct Reports: Building/By-law Enforcement Manager, IT Manager, GIS Planning Technician, Community Services Coordinator, Facilities Maintenance Supervisor, and Community Services Clerk.

Finance Services

The Finance Services Department provides financial advice and guidance to the Council and to the Departments of the Township. There are three main areas of financial responsibility: Revenue and Receivables, Procurement and Payables, Budgets and Accounting.

Direct Reports: Deputy Treasurer/Tax Collector, Finance/Payroll Clerk, and Receptionist.

Physical Services

The Physical Services Department is responsible for all of the Township's linear infrastructure - the management, maintenance, operations, and capital works for roads and sidewalks, municipal water and sanitary sewers, drainage. This includes snow removal operations, fleet, and waste management services. The Department also manages maintenance of County roads that fall within the Township.

Direct Reports: Roads & Construction Manager, Water/Wastewater Operations Manager, CET/Drainage Superintendent, and Physical Services Clerk.

Fire & Emergency Services

The primary mission statement of the Malahide Fire & Emergency Services Department is to provide a range of programs to protect the lives and property of the inhabitants of the Township from the adverse effects of fires or exposure to dangerous conditions created by man or nature.

Direct Reports: District Chiefs, Chief Fire Prevention Officer, Chief Training Officer, and Volunteer Fire Personnel.

Asset Report Card

CONDITION BASED RATINGS

ASSET GROUP	2016	2017	2018	2019	TREND	COMMENTS (major factors impacting scores)
Condition-based Ratings						
ROAD BASE	B-	B+	B+	A-	➡	Condition is good and is sustainable for the foreseeable future.
ROAD SURFACE	B	A-	A-	A-	➡	Condition is good and is sustainable for the foreseeable future.
BRIDGES	D	B+	B	B+	➡	Two critical bridges were replaced in 2017. (B-6 - Broadway St, C-18 - Pressey Line East). One critical bridge scheduled for replacement in 2020 (B-5 - Pressey Line West).
CULVERTS	D+	C+	C+	C+	➡	Three culverts have been identified for major rehabilitation or replacement over the next 5-10 years. (C-12 - Glencolin Line, C-13 - Rogers Road, C-15 - Hacienda Road)

The Township hires professional engineers to review the above-listed assets. The Engineers provide condition ratings, recommendations for rehabilitation, and cost estimations for planning purposes.

The Trend arrows indicate whether we anticipate the conditions to hold steady (forward arrow), improve (up arrow) or deteriorate (down arrow). An asset category with an “A” rating indicates that Council has recently made a significant investment into that category (thus, most of the individual assets are new or nearly new). An asset category with a “B” or “C” rating would indicate that some individual assets are new, some are old and the rest are somewhere in-between. “C” is where, generally, many asset categories may rate most of the time and is a very reasonable level.

During the past year, the Staff conducted individual asset condition assessments based on direct knowledge and expertise for the below listed assets that are not regularly reviewed by engineers. Some assets are still rated based on the age of the asset compared to the life expectancy of the asset.

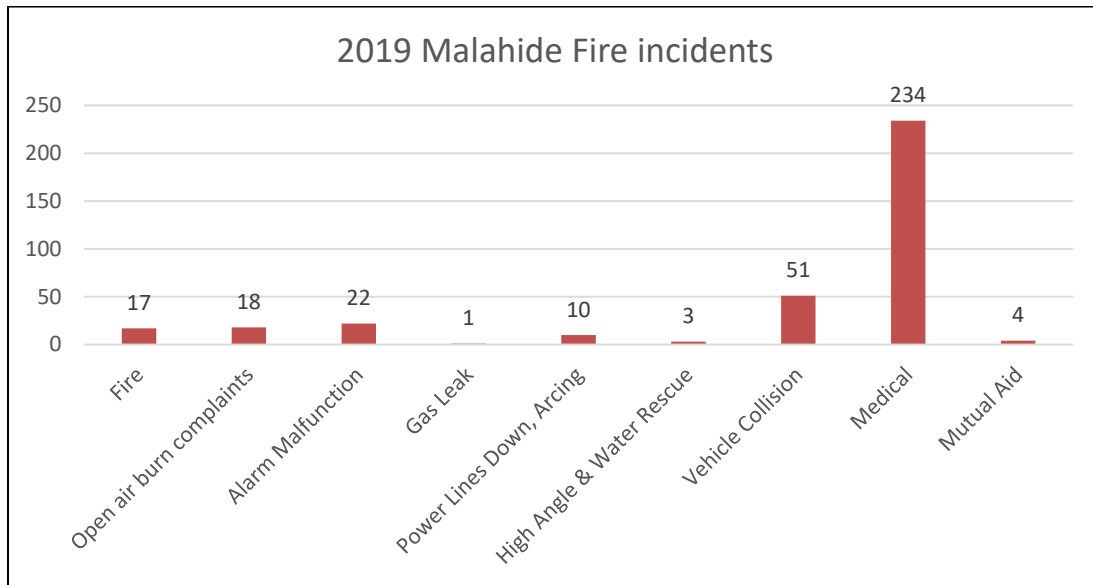
AGE-BASED / STAFF-EVALUATED RATINGS

ASSET GROUP	2016	2017	2018	2019	TREND	COMMENTS (major factors impacting scores)
Age-based and Staff-evaluated conditions						
STREET LIGHTING	A-	A+	A+	B+	➡	Streetlights were replaced in 2014 with LED and are in excellent condition. Condition rating is affected by the age and condition of the streetlight arms. Most arms are several years older and in fair condition.
SIDEWALKS	B+	A	B+	A	➡	Most sidewalks replaced over last few years, following Sidewalk Master Plan.
VEHICLES	D	C	C	B-	⬆	Vehicles have not been routinely replaced on a timely basis and are frequently held past "end of life" time frames. In 2019, Roads department developed a Fleet Replacement Plan to address overall needs of the Township over the long term.
BUILDINGS	D	B-	B-	B-	➡	Two critical buildings were replaced in 2018. Three others (roads department) have been identified as requiring major rehabilitation or replacement over the coming 5-7 years.
EQUIPMENT	D	C+	C+	C+	➡	Age indicates fair condition but most assets are functioning within acceptable parameters. Appropriate replacement schedules are in place (i.e. computers, bunker gear).
LAND IMPROVEMENTS	D	C	C	C	➡	Age indicates fair condition but most assets are functioning within acceptable parameters (i.e. gravel parking lots).
PIER	F	F	F	F	⬇	Major rehabilitation or replacement of the pier was beyond the scope of the Township's asset management plan, however, work had to be undertaken in 2019 to address critical, high risk issues. Completion of the work in 2020 will result in a rating of A.

Please note the above ratings and trend analysis is for the broad asset category – each asset is rated individually within the asset category.

Key Performance Indicators

FIRE



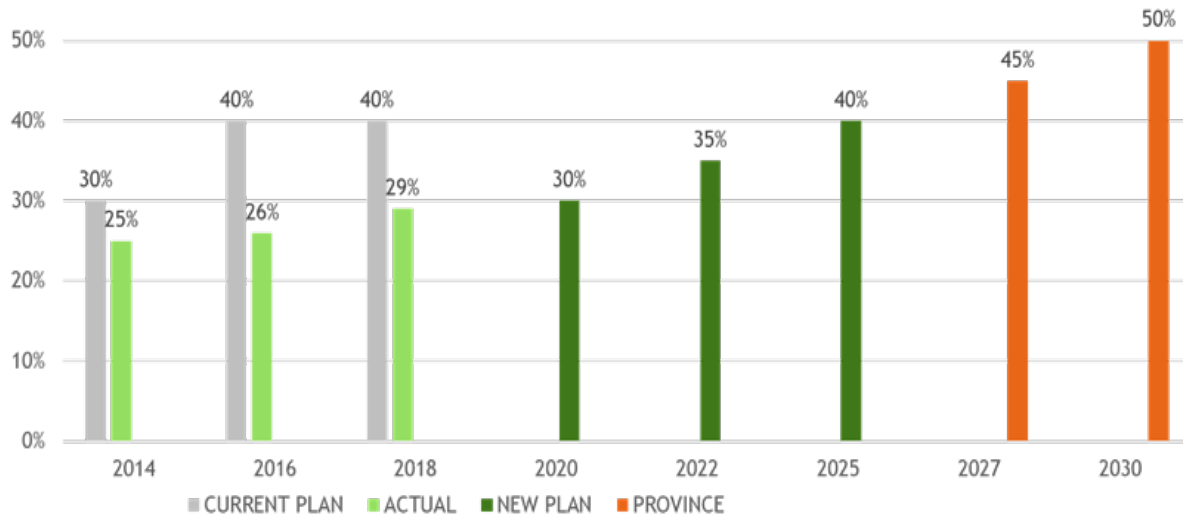
Fire Prevention Staff volunteered 596 hours to conduct 23 different fire prevention activities that reached out to the equivalent of approximately 2,419 people across Malahide Township.

Average Response Time (minutes)

2019	10:40
2018	11.27

Key Performance Indicators

GARBAGE AND RECYCLING



Malahide residents recycle approximately 29% of their total household waste.

Help Malahide achieve its' future goal of 40% by continuing to recycle and by composting organic materials. Compost buckets and black composters are available at a nominal cost to residents to help divert organics from household waste. Recycling all possible materials is good for the environment and helps everyone!

Key Performance Indicators



ROADS

The Township Staff maintains the road network to ensure connectivity throughout the year for Township roads as well as the County roads that fall within the Township as per a contract with the County of Elgin.

Roads maintained	Length (km)
Township Roads	511
County Roads	146

Conservation Line and Glencolin Line road reconstructions were undertaken in 2019. The roads were pulverized, improved, and resurfaced to improve driving and drainage conditions for our ratepayers.



COMMUNITY SAFETY

Electronic flashing signs and a reduced speed zone were installed at the South Dorchester School and the Mount Salem Christian School.

Sidewalks were constructed on Pressey Line in the Village of Springfield, and a pedestrian crosswalk erected on Ron McNeil Line to serve the Springfield Public School.

As recommended in Phase 1 of the Road Safety Audit, guiderails were installed in the northern third of the Township in roadside areas with dangerous side slope drop-offs which did not meet safety warrants/criteria established by the Ministry of Transportation.

Key Performance Indicators

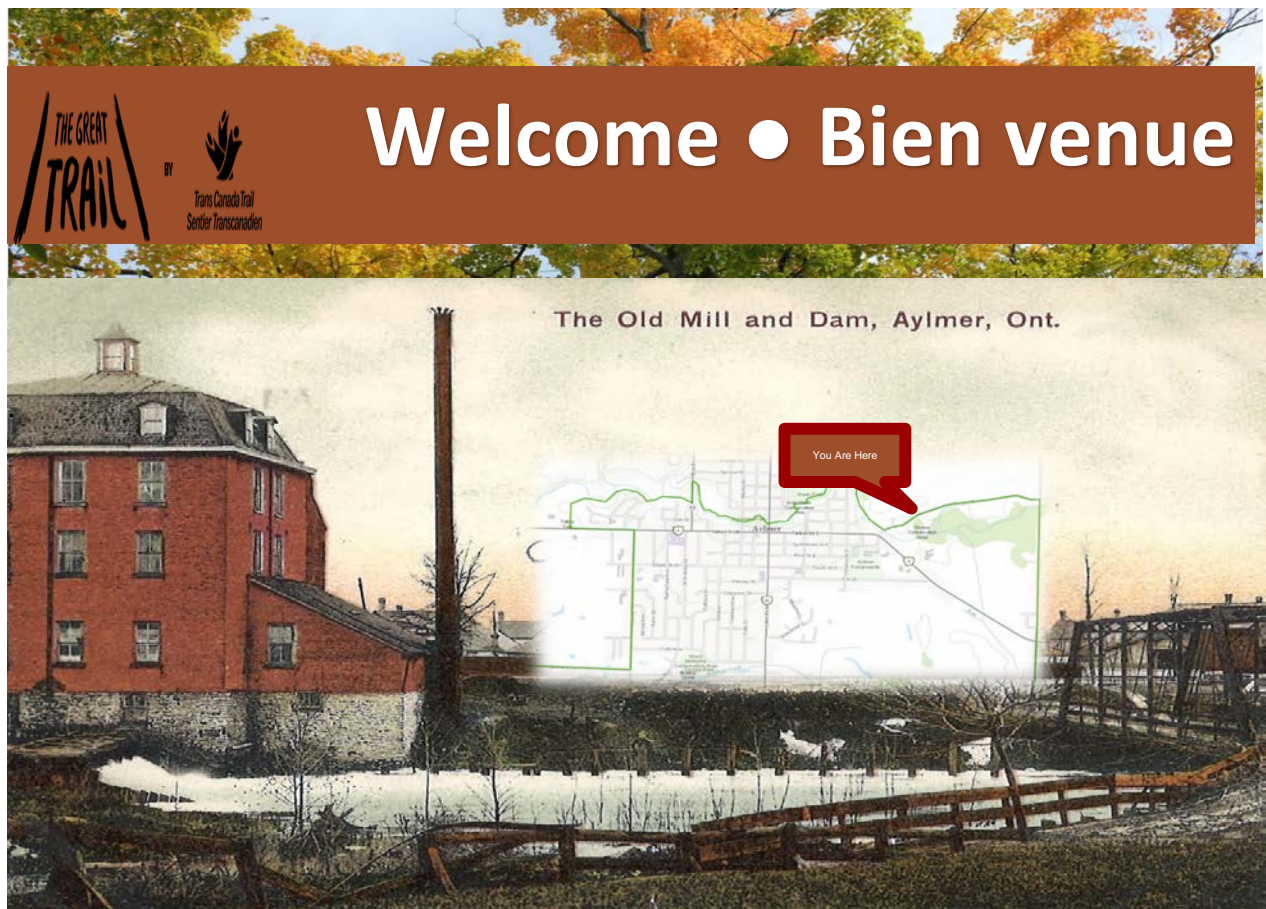
GREEN SPACE



The Township recognizes the value that residents place on green spaces and outdoor activities, and has increased investments in Township parks as well as waterfront public spaces in Port Bruce. Wonnacott Park and Cenotaph Park saw enhancements such as paved walkways and seating rocks, while the Mill Street Park now has accessible picnic tables. Additionally, the Township continues to invest in park redevelopment and baseball infrastructure in Springfield.



Funding from the Trans Canada Trail project resulted in four rest stops being established, each consisting of a bench, garbage receptacle, and signage.



Key Performance Indicators

BUILDING AND DEVELOPMENT



Total Building Permit Values 2009 - 2019			
Year	Total Permits	New Home Starts	Construction Value
2009	164	27	\$15,148,250
2010	155	34	\$14,786,000
2011	170	26	\$14,718,835
2012	154	18	\$10,846,955
2013	126	21	\$10,759,437
2014	169	23	\$14,324,500
2015	178	21	\$17,339,500
2016	181	25	\$20,090,500
2017	246	43	\$30,091,220
2018	223	37	\$26,708,400
2019	173	22	\$28,393,300



Development Charges	Amount
Balance on Jan 1, 2019	\$366,084
DCs collected	\$218,453
Interest earned	\$8,309
Funds used	\$20,000
Balance at Dec 31, 2019	\$572,846

Grants

The Township and its' residents have benefited from some significant Federal and Provincial grants over the past few years.

Gas Tax Funding

Gas Tax funding continues to be a key source of funding for Malahide's roadworks capital projects. The Township acknowledges the Federal government's support of municipalities and the need to update and improve local infrastructure. Recent projects include Glencolin Line, Conservation Line, and Century Line. www.gastaxatwork.ca has an interactive map of Gas Tax funded projects across Ontario.

Ontario Community Infrastructure Fund

The Ontario Community Infrastructure Fund (OCIF) assists the Township with capital projects. Past projects include the Broadway Street Bridge and the Pressey Line Bridge East rehabilitations.

Ontario Cannabis Legalization Initiative Fund

The Township received one-time Ontario Cannabis Legalization Initiative Funds (OCLIF) solely for the purpose of paying for implementation costs directly related to the legalization of cannabis.

Unconditional Grants

The Ontario Government provided one-time funds to small and rural municipalities to help improve local service delivery and effect operational efficiencies. The Township has put these funds towards the development of an improved, interactive website that is expected to launch in the summer of 2020. Further proposals for the use of these funds are under development.

Ontario Municipal Partnership Fund (OMPF)

The Township relies on the Ontario Municipal Partnership Fund (OMPF) which is the Province's main general assistance grant to municipalities, particularly to support northern and rural municipalities.

Other Grants

The Township has been successful in receiving various other Grants such as Accessibility funding, Greenlane Land Trust Funding, and Main Street Revitalization Grants that have helped fund various projects.

2019 Consolidated Financial Statement

Overview

The Township of Malahide's consolidated financial statements have been prepared in accordance with the Municipal Act and the Public Sector Accounting Board (PSAB) standards.

There are four required schedules that form the consolidated financial statements:

- Statement of financial position
- Statement of operations
- Statement of change in net financial assets
- Statement of cash flows

Together these consolidated financial statements provide information on the cost of Township activities, how they were financed, and the assets and liabilities of the Township. The information reflects the full nature and extent of the Township's financial affairs similar to a private sector financial statement presentation.

The following is a high-level overview of the 2019 financial results for the Township.

Consolidated Statement of Financial Position

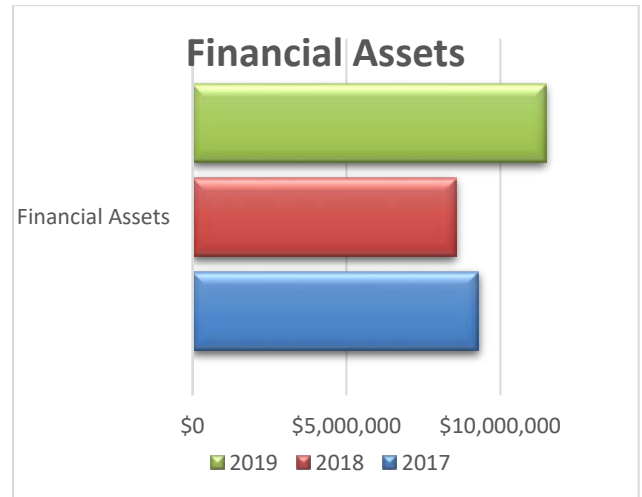
The consolidated statement of financial position highlights four key indicators that taken together describe the financial position of the Township:

1. Net financial position calculated as the difference between financial assets and financial liabilities
2. Non-financial assets that are normally employed for providing services such as tangible capital assets
3. Accumulated surplus
4. Cash resources

The accumulated surplus summarizes the Town's consolidated equity which identifies the financial position, including tangible capital assets, and financial resources of the Township.

Financial Assets

Financial assets in 2019 were \$11.5 million (\$8.5 million in 2018), a \$3.0 million increase over the prior year. This is mostly due to an increase in cash balances from Grants received which increased the deferred revenue and sale of property which increased reserves, as well as Taxes Receivable.



Financial Liabilities

Financial Liabilities in 2019 were \$6.9 million (\$6.2 million in 2018) an increase of \$0.7 million. The increase is mostly associated with accounts payable balances which the Township expects to pay within the next year, an increase in deferred revenue balances and long term debt.

Deferred revenue is payments received in advance for services or goods not yet delivered. In the Township's case a large portion of this is made up of Development Charge Funds for growth related infrastructure and services.

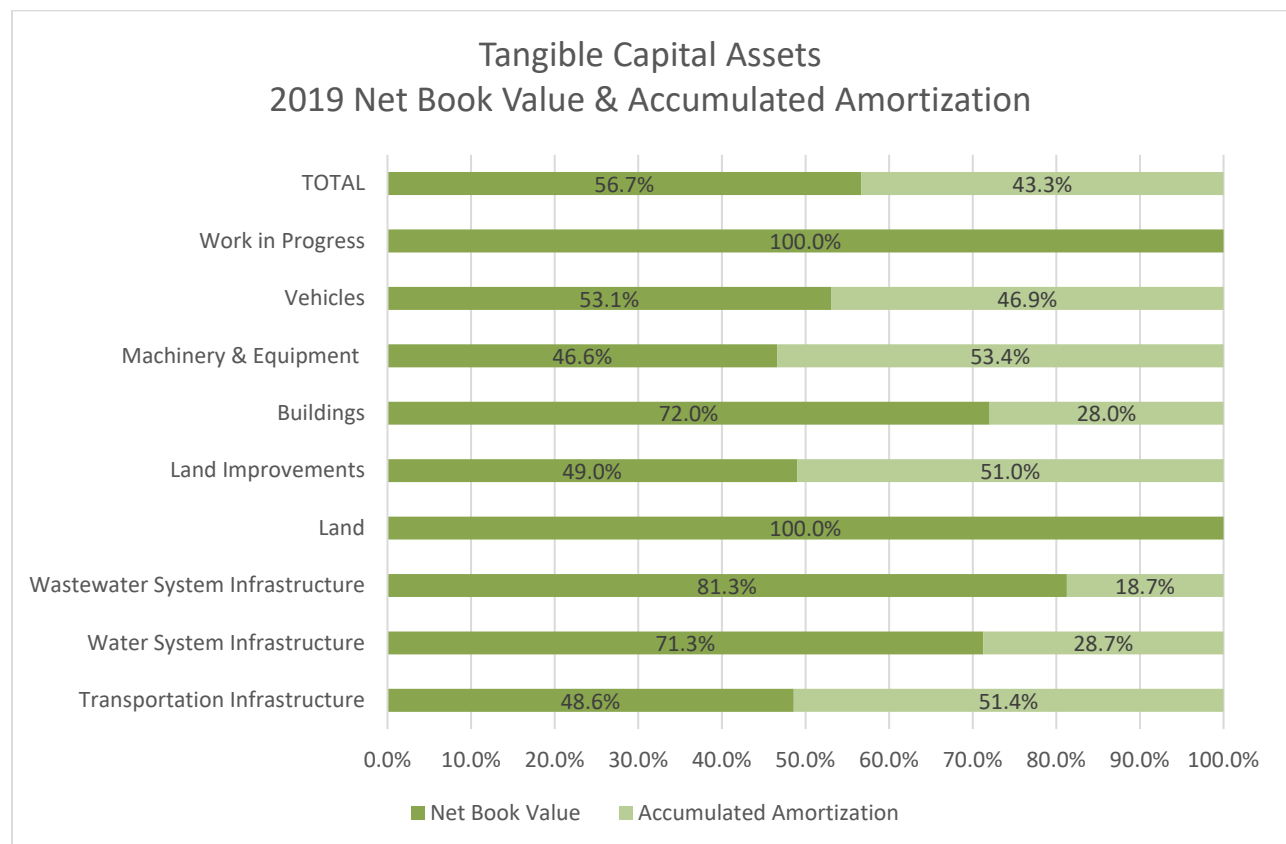
Non-Financial Assets

The largest component of non-financial assets is the Township's investment in tangible capital assets. These assets are used to deliver programs and services to Township residents, businesses, and visitors.

All Township assets at the end of 2019 have been inventoried, valued, and recorded in an asset registry for accounting and reporting purposes.

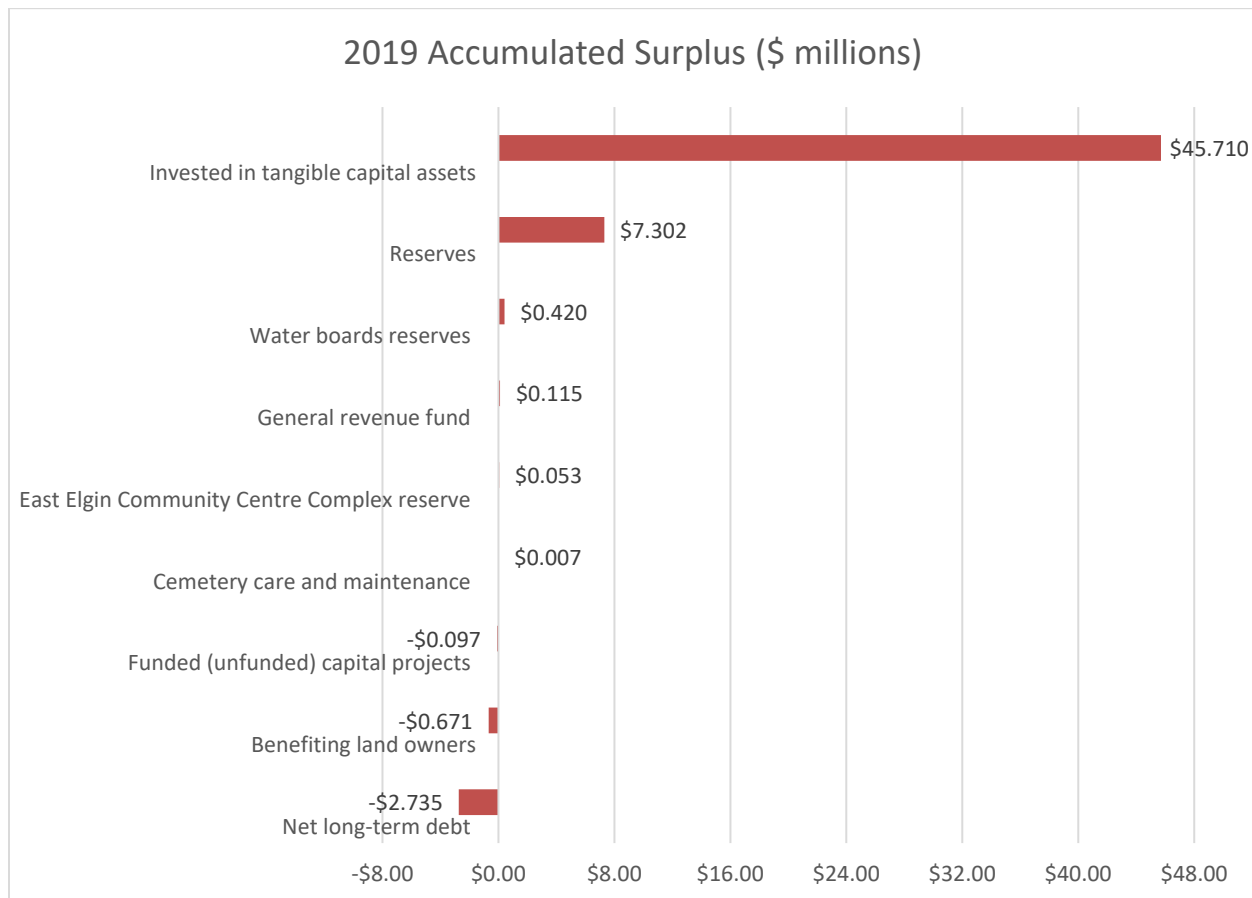
The net book value of tangible capital assets is \$45.7 million (\$46.5 million in 2018). Historical costs are \$80.6 million (\$79.4 million in 2018) and total accumulated amortization was \$34.9 million (\$32.9 million in 2018), implying that on average 43.3% (41.5% in 2018) of the estimated useful life of Township assets have been utilized in the delivery of services.

Amortization can be useful to estimate future capital spending requirements keeping in mind that asset replacement costs tend to be significantly higher than historical costs.



Accumulated Surplus

The Township's 2019 accumulated surplus of \$50,105,068 is comprised of investments in tangible capital assets, reserve and reserve funds (including the water boards, the East Elgin Community Complex, and the Burdick and Trinity Cemeteries), offset by long term debt.



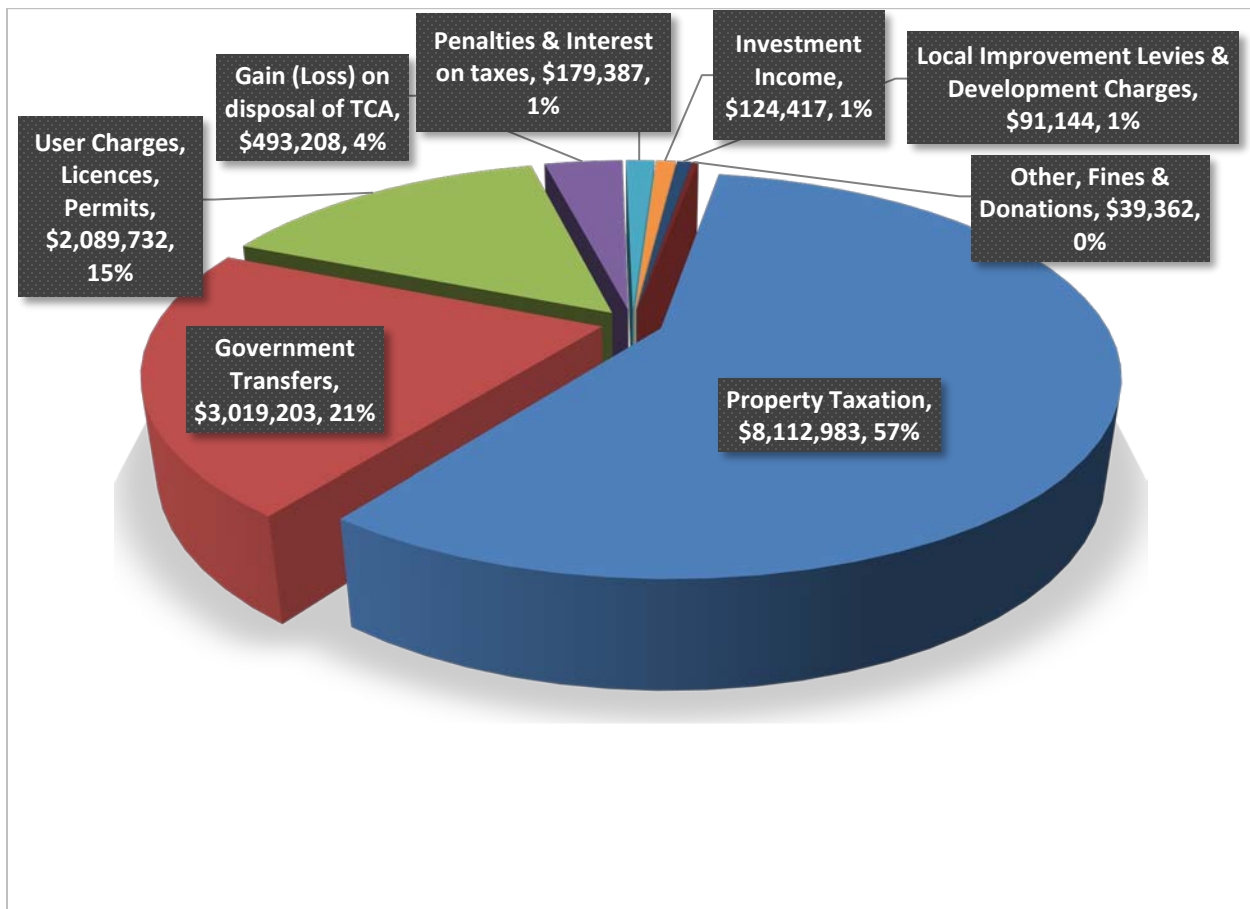
Consolidated Statement of Operations

The consolidated statement of operations reports the annual surplus from operations during the accounting period. The statement shows the cost of providing Township services, the revenue recognized in the period, and the difference between them.

Revenues

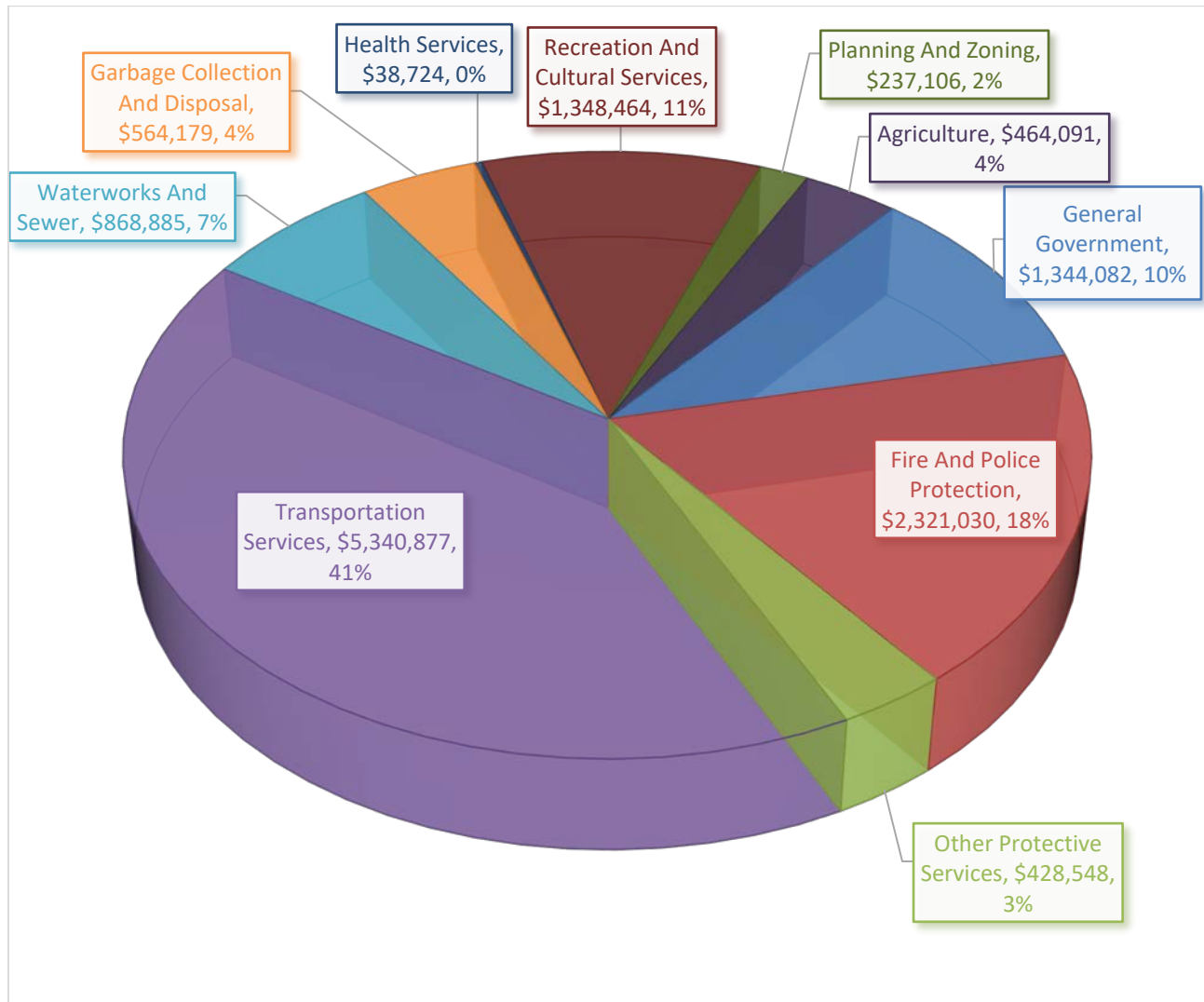
Revenues in 2019 were \$14.15 million (\$13.07 million in 2018), an increase of \$1.08 million over the prior year. This increase is due to a gain on the sale of capital assets, higher revenues from taxation, grant revenues, and investment income which are offset by decreases in user charges, licences and permits revenue, penalties and interest on taxes, and other revenues.

The Township was successful in selling vacant land for development purposes that had been acquired in the prior year. Two Fire Hall properties were also sold during 2019. The Unconditional Grant from the Province and additional Gas Tax funds are other items that were not in the revenue budget. Taxation revenue (property taxes and taxation from other governments) was \$8.1 million (2018 \$7.8 million), an increase of \$0.3 million over the prior year.



Expenses

Expenses in 2019 were \$12.9 million (\$12.8 million in 2018), an increase of \$0.1 million over the prior year. Recreation & Culture, Fire, Policing, and Other Protective Services saw the largest increase (in dollars), while Transportation Services and General Government were the functions that showed a decrease in expenses. The remaining functional areas experienced increased expenses across the board.



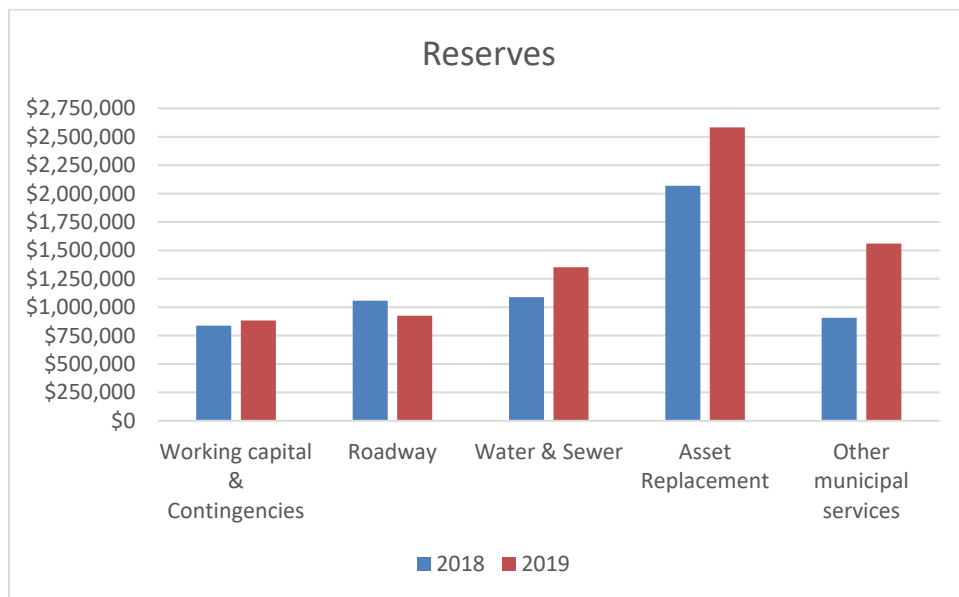
Consolidated Statement of Cash Flows

The consolidated statement of cash flows reports changes in cash resulting from operations and shows how the Town financed its activities during the year and met its cash requirements.

Reserves and Reserve Funds Overview

Although reserves and reserve funds are not formally reported directly in the financial statements, they are critical to financial management. Reserves and reserve fund balances form a part of the accumulated surplus. Refer to note #8 in the financial statements for more reserve and reserve fund information.

Reserves and reserve funds are established by the Malahide Township Council. These funds are set aside to fund capital projects and future obligations. They are drawn upon to finance specific initiatives as designated by the Council to minimize tax rate fluctuations due to unanticipated expenditures, revenue shortfalls, and ongoing programs. Reserve and reserve fund balances at the end of 2019 totalled \$7.30 million (\$5.96 million in 2018), an increase of \$1.3 million from the prior year, primarily due to an Unconditional Grant, surpluses from property sales and water/sewer operations.



These reserve and reserve fund totals do not include Development Charges or unspent government grants as those are recorded as Deferred Revenue on the Statement of Financial Position. Refer to note #9 in the financial statements for more Deferred Revenue information.

2019 Statistical Overview

General Statistics	2019	2018	2017
Households ¹	3,205	3,170	3,150
Population ²	9,292	9,292	9,292
Construction Activity based on Permits Issued ³	\$28,393,300	\$26,708,400	\$30,091,220
Roads in good / very good condition (lane km) ³	471	469	460
Bridges & Culverts (number of) ³	35	35	35

Malahide - Assessments ¹			
Property Type	2019	2018	2017
LAND	12,838,549	13,345,988	10,642,350
FARM	1,042,612,566	930,417,231	823,644,400
RESIDENTIAL	562,309,069	538,084,786	521,781,125
COMMERCIAL	17,013,310	16,817,341	15,850,225
INDUSTRIAL	29,195,603	28,526,576	28,007,800
INSTITUTIONAL	73,756,587	70,288,673	66,791,625
SPECIAL PURPOSE	13,969,025	13,148,050	11,373,875
GOVERNMENT	981,250	945,500	909,750
TOTAL	1,752,675,959	1,611,574,145	1,479,001,150
Malahide -Tax Levy ³			
	2019	2018	2017
TOWNSHIP	\$8,126,837	\$7,757,040	\$7,611,510
COUNTY OF ELGIN	\$6,733,662	\$6,346,858	\$6,091,043
EDUCATION	2,137,531	2,115,369	2,110,695
TOTAL	16,998,030	16,219,267	15,813,248

Data Sources:

1 MPAC

2 Census

3 Township Records