



Managing the MPUC Sale Proceeds

Guiding Principles

Overriding Concepts

1. End reliance on MPUC dividend to offset operating expenditures
2. Create a “legacy” for the Town that benefits the broader community
3. Adopt formal policies to protect this new legacy fund



MPUC dividend Ends

- Dividend budgeted in 2017 = \$600,000
- Reduce reliance by \$100,000 annually to end reliance over 6 years to be fully integrated by 2023
- \$100,000 would increase the property taxes by approximately ½% in 2018



Legacy Guiding Principles

- Adherence to statutory requirements
- Preservation of capital
- Maximize benefit for community
- Fiscal sustainability
- Clear guidelines for determining the appropriate blend of risk/return
- Regular reporting on tangible outcomes



Formal Policy Protecting Principle

- Policy set by By-Law
- Use of long-term and less liquid investments in legacy portfolio
- Protections include requiring public notice followed by 2/3 majority to change



Comments?

- Your suggestions to advance the concepts presented in the report are welcome
- The full report can be found at www.midland.ca as item 8e) of the Council agenda for May 23, 2017
- Comments directed to Susan Turnbull, Director of Finance at sturnbull@midland.ca

