

2024 Pre-Budget Presentation

Committee of the Whole – Administration and Operations

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Date: November 13, 2023

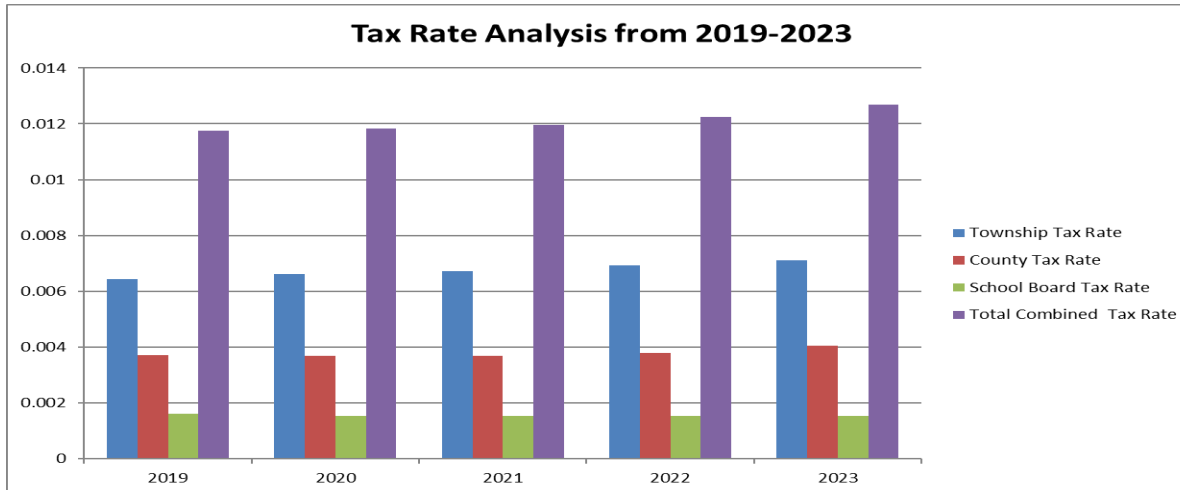
Agenda

1. 2023 Tax Collection Review and Analysis
2. Operating Budget Considerations
3. Draft 5 Year Capital Plan
 - a) Overall Summary
 - b) Levy Based Capital Projects
 - c) Rate Based Capital Projects
4. Proposed Meeting Schedule

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2023 Tax Collection Review and Analysis

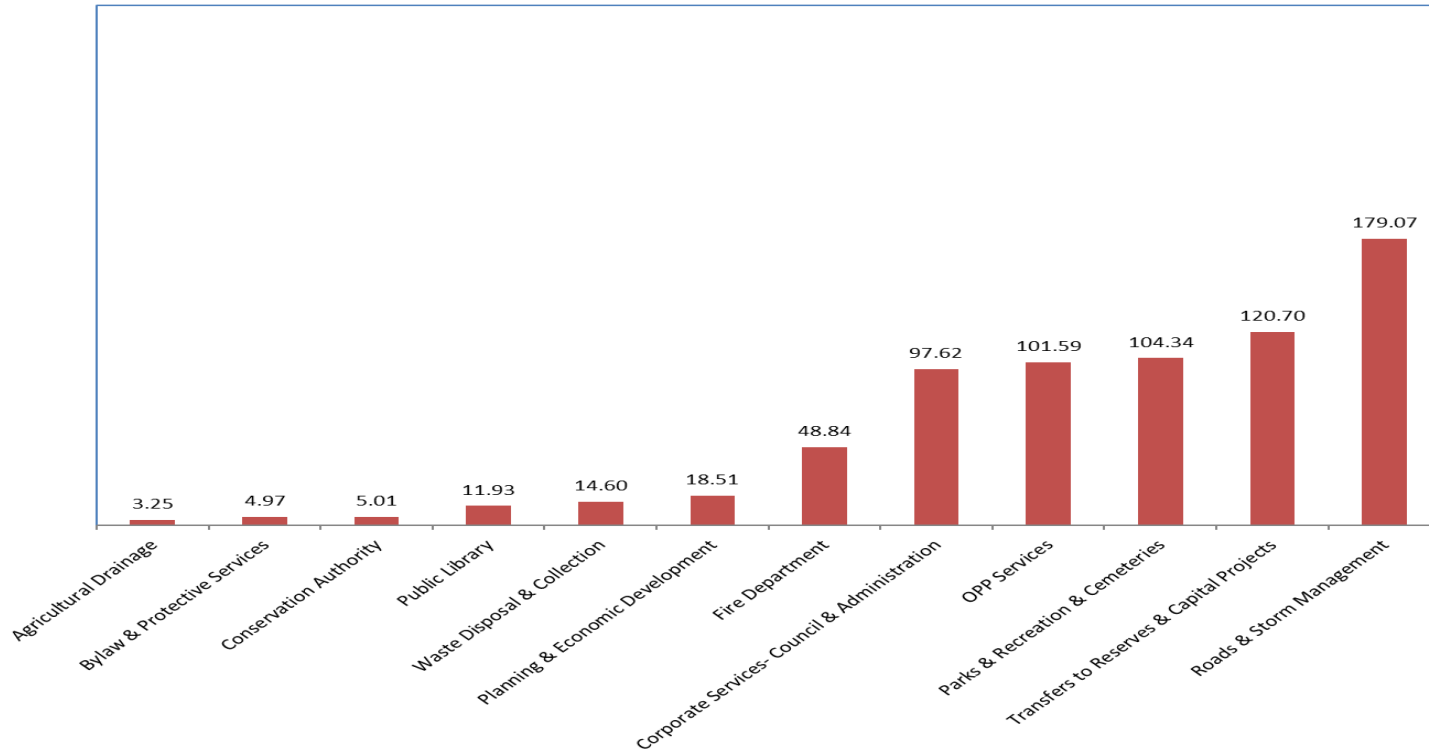
Year	Township Tax Rate	County Tax Rate	School Board Tax Rate	Total Combined Tax Rate	Tax Billing per \$100,000.00 Assessment	Change in Tax Bill from Prior Year	Overall Rate Increase	Municipal Increase	County Increase	School Board Increase
2019	0.00644294	0.00370869	0.00161	0.01176163	\$1,176.16	(\$9.00)	-0.759%	0.000%	0.000%	-5.294%
2020	0.00660667	0.00369649	0.00153	0.01183316	\$1,183.32	\$7.15	0.608%	2.541%	-0.329%	-4.969%
2021	0.00673294	0.00369475	0.00153	0.01195769	\$1,195.77	\$12.45	1.052%	1.911%	-0.047%	0.000%
2022	0.00692223	0.00378308	0.00153	0.01223531	\$1,223.53	\$27.76	2.322%	2.811%	2.391%	0.000%
2023	0.00710428	0.00404298	0.00153	0.01267726	\$1,267.73	\$44.20	3.612%	2.630%	6.870%	0.000%
Total change over 5 years						\$82.56				



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2023 Tax Spending Analysis

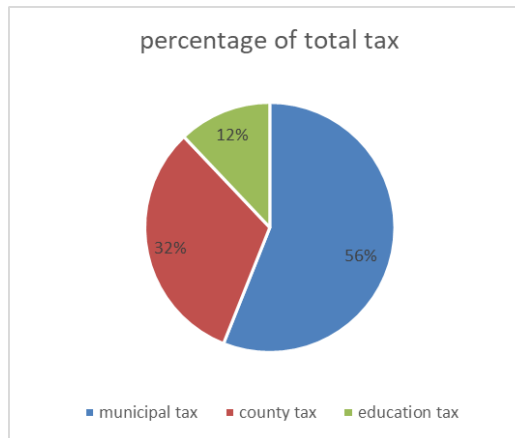
2023 Breakdown of Annual Municipal Services per \$100,000 of Residential Assessment



Total = \$710.43 per \$100,000 of assessment

Impacts to 2024 Tax Collection

- No updated assessment from MPAC for 2024. Only change we will see is related to growth. Growth is projected by MPAC to be 1.14% or \$11.28M in assessed value
- Based on 2023 tax rates, a 1% increase in the tax levy will generate **\$65,452.44** to the Township
- Of the 2023 property taxes collected, 75% were paid by Residential taxpayers, 22% paid by Commercial taxpayers and the remaining 3% paid by other sources. 2024 is expected to be similar in percentages
- Of the total taxes collected, 56% remain in the Township, 32% remitted to the County and 12% remitted to various School Boards



Operating Budget Considerations

Increases in Tax Levy or Funding

- Currently still in an inflationary period. This will affect fuel cost and availability of parts for repairs and materials for routine maintenance
- Salaries are projected to rise approximately 4%. Union contract states that 2024 salaries increase by 1.75% or COLA (OMERS), whichever is greater. If 4% is the final OMERS amount, salaries will increase by **\$115,987.92** in 2024. This includes union and non-union staff
- OPP fees for 2024 are set to increase by \$20,976 annually which is an increase of 1.8%
- OMPF for 2024 is scheduled to be \$673,300, a (\$1,000) decrease from 2023

Decreases in Tax Levy or Funding

- Interest rates are currently high. 2023 budgeted interest income from our main operating account was set at \$100,000. The 2023 realized amount will be closer to **\$200,000**. This can be used to offset higher costs as noted above. Interest on this account is currently 5.45% annually. Interest income on the reserve account and GIC investment will be approximately **\$260,000** and can be used to fund future capital projects

Operating Budget Considerations – Continued

Increases in Community Grants and Donations

- Currently there is \$15,000 allocated in the budget for community grants and donations. Several requests for additional funding have been discussed. They include:
 - Maple View Lodge – \$7,500 commitment for 3 years totaling \$22,500. \$7,500 requested for 2023
 - Sherwood Park Lodge - \$7,000 commitment for 5 years starting in 2024 totaling \$35,000
 - Potential \$20,000 annual capital donation fund
- This will increase total grants and donations to an annual commitment of **\$49,500** in 2024
- Further discussion will be needed to determine if the funds are available for the extra donations. Should there be a surplus in 2023 we can allocate the surplus to some of the larger term donations such as the Maple View and Sherwood Lodges to pay in one lump sum

Draft 5-Year Capital Plan



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Summary of 5-year Capital Plan

CAPITAL PROJECTS	2023	2024	2025	2026	2027	2023-2027 Total
<u>Levy Based Capital</u>						
Fire Department	\$ -	\$ 385,000	\$ 2,395,000	\$ 2,280,000	\$ 290,000	\$ 5,350,000
Administration	\$ 85,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 385,000
Recreation	\$ 819,840	\$ 419,000	\$ 310,000	\$ 335,000	\$ 401,000	\$ 2,284,840
Public Works	\$ 2,850,328	\$ 1,324,000	\$ 1,118,000	\$ 100,000	\$ 583,000	\$ 5,975,328
Public Works - Roads	\$ 1,833,664	\$ 3,464,241	\$ 3,514,157	\$ 2,441,763	\$ 2,087,235	\$ 13,341,060
Total Levy Based Capital	\$ 5,588,832	\$ 5,892,241	\$ 7,337,157	\$ 5,156,763	\$ 3,361,235	\$ 27,336,228
<u>User Rate Based Capital</u>						
Cardinal Wastewater	\$ 1,274,890	\$ 86,000	\$ 30,000	\$ 120,926	\$ 43,000	\$ 1,554,816
Cardinal Water	\$ 1,431,807	\$ 34,500	\$ 100,000	\$ 230,000	\$ 932,750	\$ 2,729,057
Spencerville Wastewater	\$ 96,467	\$ 25,000	\$ -	\$ -	\$ 158,000	\$ 279,467
Industrial Park Water System	\$ 6,140	\$ -	\$ -	\$ -	\$ -	\$ 6,140
Windmill Pumping Station	\$ 216,932	\$ -	\$ -	\$ -	\$ -	\$ 216,932
Total User Rate Based Capital	\$ 3,026,236	\$ 145,500	\$ 130,000	\$ 350,926	\$ 1,133,750	\$ 4,786,412

- Funding sources and priorities to be determined by project – point in time estimate of all work to be done
- Funding for Capital comes from a combination of the Operating Surplus, Grants, Reserves and any additional dedicated Capital Levies



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Levy Based Capital Projects

Fire Department and Administration

CAPITAL PROJECTS	2023	2024	2025	2026	2027	2023-2027 Total
<u>FIRE DEPARTMENT</u>						
Pumper 1	\$ -	\$ -	\$ 280,000	\$ 280,000	\$ 290,000	\$ 850,000
Station #2 Design & Engineering	\$ -	\$ 385,000	\$ 115,000	\$ -	\$ -	\$ 500,000
Bldg. Capital Upgrades	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 4,000,000
Total	\$ -	\$ 385,000	\$ 2,395,000	\$ 2,280,000	\$ 290,000	\$ 5,350,000

Fire Department

- 2024 item is engineering and design costs for the new Fire Hall in Cardinal
- Pumper 1 will need to be tendered in 2025. Delivery will be in 2027. Will contribute to reserves over a 3 year period to fund

CAPITAL PROJECTS	2023	2024	2025	2026	2027	2023-2027 Total
<u>ADMINISTRATION</u>						
Administration Office Upgrades	\$ 50,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 350,000
Equipment & Software- Server	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ 35,000
Total	\$ 85,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 385,000

Administration

- 2024 item will be upgrades to the Council Chambers and Administration office not covered by insurance and may include items such as IT upgrades. A more formal proposal will be presented at the Capital Budget Meetings in January

Recreation – Parks, Ball Diamonds and Tennis Courts

CAPITAL PROJECTS		2023	2024	2025	2026	2027	2023-2027 Total
RECREATION							
Parks	Lawn Tractor	\$ 33,000	\$ -	\$ -	\$ -	\$ 35,000	\$ 68,000
	Picnic Tables / Garbage Cans	\$ -	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ 20,000
	Bleachers	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
	Docks	\$ 15,000	\$ -	\$ 15,000	\$ -	\$ 15,000	\$ 45,000
	Truck	\$ 55,000	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 155,000
	Paving Walk Way / Legion Way	\$ -	\$ -	\$ -	\$ -	\$ 130,000	\$ 130,000
	Play Structure	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ 75,000
Waterfront Washroom Upgrades	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000	
Ball Diamonds	North Ball Diamond Lights	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ 25,000
	Johnstown - Lights	\$ -	\$ 90,000	\$ -	\$ -	\$ -	\$ 90,000
	Cardinal - Lights	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ 40,000
	Cardinal - Backstop	\$ -	\$ -	\$ -	\$ -	\$ 26,000	\$ 26,000
Tennis Courts	Johnstown Tennis/ Pickle Ball Court	\$ 226,840	\$ -	\$ -	\$ -	\$ -	\$ 226,840
	Cardinal Tennis/ Pickle Ball Court	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
Total Parks, Ball Diamonds and Tennis Courts		\$ 349,840	\$ 380,000	\$ 310,000	\$ 35,000	\$ 256,000	\$ 1,330,840

Recreation – Arenas, Pools and Halls

CAPITAL PROJECTS		2023	2024	2025	2026	2027	2023-2027 Total
<u>RECREATION</u>							
Arenas	Spencerville - Decommission arena	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
	Ingredion - HVAC System	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
	Ingredion - Parking Lot Expansion	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000
	Portable Defibs - all locations	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Pools	Johnstown - Pool Liner/Piping	\$ -	\$ -	\$ -	\$ 300,000	\$ -	\$ 300,000
	Cardinal - Liner Replacement Phase 2	\$ 290,000	\$ -	\$ -	\$ -	\$ -	\$ 290,000
	Both Pools - Pool Heaters	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
South Centre	Hall lighting	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000
	Furnace / AC Unit Upgrades	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
	New Flooring	\$ -	\$ 19,000	\$ -	\$ -	\$ -	\$ 19,000
Total Arenas, Pools and Halls		\$ 470,000	\$ 39,000	\$ -	\$ 300,000	\$ 145,000	\$ 954,000
Grand Total - Recreation		\$ 819,840	\$ 419,000	\$ 310,000	\$ 335,000	\$ 401,000	\$ 2,284,840

Recreation

- All highlighted amounts are all the future major items for consideration

Public Works – Equipment

CAPITAL PROJECTS

	2023	2024	2025	2026	2027	2024-2027 Total
<u>PUBLIC WORKS</u>						
Vehicles						
1/2 Ton truck	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000
Tandem Axle Plow truck	\$ 350,000	\$ 370,000	\$ 380,000	\$ -	\$ -	\$ 1,100,000
Drainage						
	\$ 2,391,160	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 2,791,160
Transfer Site						
	\$ 37,168	\$ -	\$ 310,000	\$ -	\$ -	\$ 347,168
Bridge Rehab						
Weir Road Bridge	\$ -	\$ 794,000	\$ -	\$ -	\$ -	\$ 794,000
Campbell Road culvert	\$ -	\$ -	\$ 328,000	\$ -	\$ -	\$ 328,000
Ventnor Rd. Culvert	\$ 72,000	\$ -	\$ -	\$ -	\$ 483,000	\$ 555,000
Total Public Works	\$ 2,850,328	\$ 1,324,000	\$ 1,118,000	\$ 100,000	\$ 583,000	\$ 5,975,328

Public Works

- Total of three new tandem trucks needed by 2025-2026 to replace aging equipment and reduce repair costs
- Weir Road Bridge expansion joint not completed in 2023 so entire project will take place in 2024

Public Works – Roads

CAPITAL PROJECTS					2023	2024	2025	2026	2027	2023-2027 Total	
PUBLIC WORKS											
		Length (m)	Width (m)	Area (m2)							
Various Gravel Roads											
Rooney Rd CR 44 - 5.1km east		5100			\$ -	\$ -	\$ 540,702	\$ -	\$ -	\$ 540,702	
Connell Road Civic 7236 to CR21		1900			\$ -	\$ -	\$ 366,587	\$ -	\$ -	\$ 366,587	
Totem Ranch Road West		390			\$ -	\$ -	\$ 47,137	\$ -	\$ -	\$ 47,137	
Road reconstruction Section											
Rural											
Edison	CR2-Greenfield	355	8.2	2911	\$ -	\$ 103,575	\$ -	\$ -	\$ -	\$ 103,575	
Totem Ranch Road East	CR44-end	1710	7	11970	\$ -	\$ 125,638	\$ -	\$ -	\$ -	\$ 125,638	
Cedar Grove	Fraser -Noe	2050	7	14350	\$ -	\$ 662,622	\$ -	\$ -	\$ -	\$ 662,622	
Cedar Grove	Noe-Boundry	1550	7	10850	\$ -	\$ 501,007	\$ -	\$ -	\$ -	\$ 501,007	
Armstrong Rd.	Rock-CR21	1200	7	8400	\$ -	\$ 275,818	\$ -	\$ -	\$ -	\$ 275,818	
Armstrong Rd.	Rock-Crowder	1000	7	7000	\$ -	\$ 229,849	\$ -	\$ -	\$ -	\$ 229,849	
Cedar Grove	CR44-Fraser	1200	7	8400	\$ -	\$ 382,541	\$ -	\$ -	\$ -	\$ 382,541	
Rock Street	Armstrong - Crowder	2250	5	11250	\$ -	\$ 369,400	\$ -	\$ -	\$ -	\$ 369,400	
WIP Edison - 2023						\$ (103,575)				\$ (103,575)	
Cardinal											
Middle St.	John St. -Dundas	240	8	1920	\$ -	\$ 77,459	\$ -	\$ -	\$ -	\$ 77,459	
Middle St.	James -John	100	8	800	\$ -	\$ 32,274	\$ -	\$ -	\$ -	\$ 32,274	
Reid St	Joseph-Dundas	310	7	2170	\$ -	\$ 89,810	\$ -	\$ -	\$ -	\$ 89,810	
Waddell	Dundas-Canal	130	6	780	\$ -	\$ 35,626	\$ -	\$ -	\$ -	\$ 35,626	
New St.	John-James	90	10	900	\$ -	\$ 36,309	\$ -	\$ -	\$ -	\$ 36,309	
New Wexford											
Riverview Cres.	All	200	6	1200	\$ -	\$ 49,664	\$ -	\$ -	\$ -	\$ 49,664	
Reilly St.	All	370	6	2220	\$ -	\$ 91,879	\$ -	\$ -	\$ -	\$ 91,879	
Hooker St.	All	150	5.5	825	\$ -	\$ 34,144	\$ -	\$ -	\$ -	\$ 34,144	
Keefer St.	All	110	6	660	\$ -	\$ 27,315	\$ -	\$ -	\$ -	\$ 27,315	
Johnstown											
Sophia	Second-Albert	810	5.5	4455	\$ -	\$ 146,282	\$ -	\$ -	\$ -	\$ 146,282	
Sutton Dr.	Sofia-JCC parking	360	6.5	2340	\$ -	\$ 76,835	\$ -	\$ -	\$ -	\$ 76,835	
Second St.	Sophia-Elizabeth	400	6	2400	\$ -	\$ 78,805	\$ -	\$ -	\$ -	\$ 78,805	
Spencerville											
Henderson St.	CR44-School	62	8	496	\$ -	\$ 20,528	\$ -	\$ -	\$ -	\$ 20,528	
South St.	Water-Slone	330	7	2310	\$ -	\$ 95,604	\$ -	\$ -	\$ -	\$ 95,604	
Water St.	Spencer-Mill	100	6	600	\$ -	\$ 24,832	\$ -	\$ -	\$ -	\$ 24,832	
County Road 2 Rehab - portion will WIP to 2024						\$ 1,833,664				\$ 1,833,664	
Future HBC and LBC Roads							\$ 2,559,731	\$ 2,441,763	\$ 2,087,235	\$ 7,088,730	
Total Public Works - Roads					15077	\$ 1,833,664	\$ 3,464,241	\$ 3,514,157	\$ 2,441,763	\$ 2,087,235	\$ 13,341,060



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Rate Based Capital Projects

CAPITAL PROJECTS

	2023	2024	2025	2026	2027	2023-2027 Total
ENVIRONMENTAL SERVICES						
<u>Cardinal Wastewater</u>						
William St Reline	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000
Henry St Reline	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000
Purchase and replace Seepex VFD	\$ 8,851	\$ -	\$ -	\$ -	\$ -	\$ 8,851
Henry St Pump Panel	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Sewer manhole rehab (8 manholes)	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
County Road 2 main replacement (St Lawrence to West limit)	\$ 1,210,150	\$ -	\$ -	\$ -	\$ -	\$ 1,210,150
Adelaide Pump rebuilt	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ 30,000
Adelaide Pump Panel	\$ -	\$ -	\$ -	\$ 60,926	\$ -	\$ 60,926
Boiler Replacement	\$ 15,889	\$ 21,000	\$ -	\$ -	\$ -	\$ 36,889
Rotopac replacement	\$ -	\$ -	\$ -	\$ -	\$ 43,000	\$ 43,000
Total	\$ 1,274,890	\$ 86,000	\$ 30,000	\$ 120,926	\$ 43,000	\$ 1,554,816
<u>Cardinal Water System</u>						
Filter Upgrades	\$ -	\$ 17,500	\$ -	\$ -	\$ -	\$ 17,500
SCADA Upgrades	\$ 29,400	\$ -	\$ -	\$ -	\$ -	\$ 29,400
County Road 2 main replacement (St Lawrence to West limit)	\$ 1,388,407	\$ -	\$ -	\$ -	\$ -	\$ 1,388,407
County Road 2 main replacement (St Lawrence to East Limit)	\$ -	\$ -	\$ -	\$ -	\$ 932,750	\$ 932,750
UV Replacements at Water Plant	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000
Replace potable/raw turbidity analyzers	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ 14,000
Interior touch ups Water tower	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000
Reid Street Water Service Replacements	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
Low lift pump starters/filer analyzer	\$ -	\$ 17,000	\$ -	\$ -	\$ -	\$ 17,000
Total	\$ 1,431,807	\$ 34,500	\$ 100,000	\$ 230,000	\$ 932,750	\$ 2,729,057

Cardinal Water

- 2025 is related to a UV upgrade
- County Road 2 is for the east upgrade
- Reid Street will be coordinated with Public Works as to when that road portion is rebuilt

CAPITAL PROJECTS

	2023	2024	2025	2026	2027	2023-2027 Total
ENVIRONMENTAL SERVICES						
<u>Spencerville Wastewater System</u>						
Sluice Gate Valve Replacement	\$ 26,892	\$ -	\$ -	\$ -	\$ -	\$ 26,892
Guide Rails- SPS 2/3	\$ 1,400	\$ -	\$ -	\$ -	\$ -	\$ 1,400
Splitter Box Relining	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Transfer Switch PS # 1	\$ 7,175	\$ -	\$ -	\$ -	\$ -	\$ 7,175
Spencerville PS 1 Pump Upgrades	\$ -	\$ -	\$ -	\$ -	\$ 158,000	\$ 158,000
Wet Vs Dry Flow Study	\$ 31,000	\$ -	\$ -	\$ -	\$ -	\$ 31,000
Ammending ECA	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Total	\$ 96,467	\$ 25,000	\$ -	\$ -	\$ 158,000	\$ 279,467
<u>Industrial Park Water System</u>						
Hymax clamps/pipe purchase	\$ 6,140	\$ -	\$ -	\$ -	\$ -	\$ 6,140
<u>Windmill Station</u>						
Pump station upgrades	\$ 216,932	\$ -	\$ -	\$ -	\$ -	\$ 216,932

All charges for rate based capital are paid by the direct users of the asset

Proposed Meeting Schedule

1. January 8th COW-AO – Capital Meeting #1
2. January TBD – Capital Meeting #2 (if needed)
3. February 12th COW-AO – Operating Budget #1
4. February TBD – Operating Budget #2 (if needed)
5. March 11th COW-AO – Final Consolidated Budget Presentation
6. March 25th General Council – Budget Bylaw Presented