



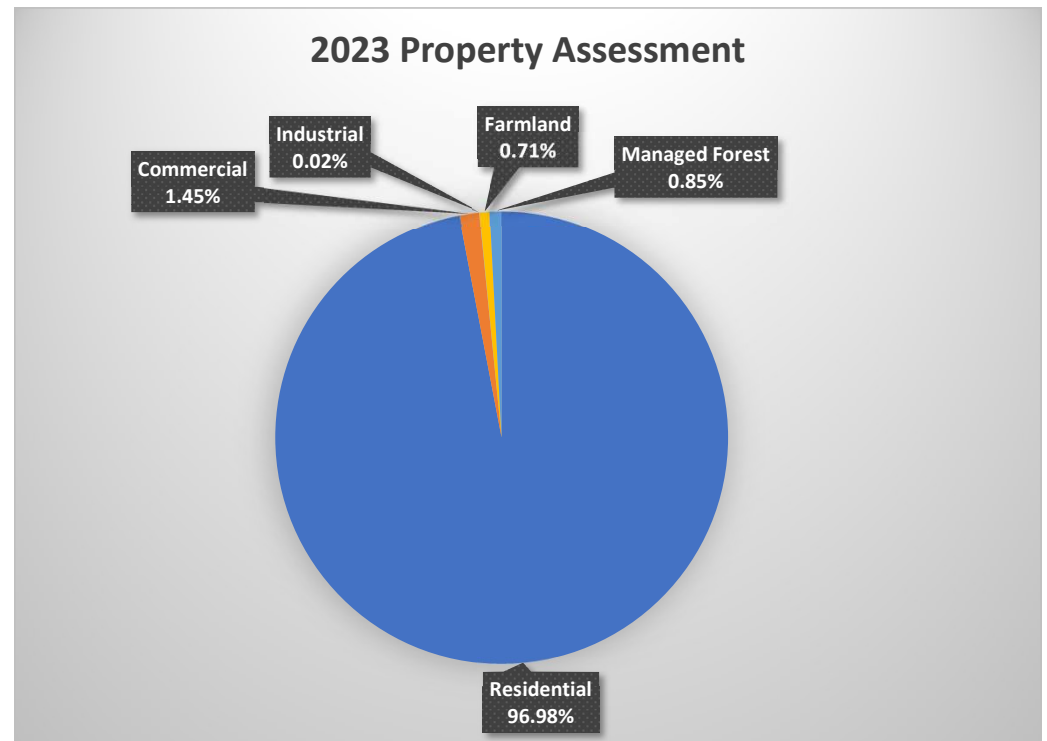
Budget 2023 Presentation

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February 16, 2023

Property Assessment

2023 Property Assessment

- Residential properties account for 96.98% of the Township's property assessment.
- Commercial properties represent 1.45% of the property assessment.
- Managed Forest properties are 0.85% of property assessment
- Farmland properties account for 0.71% of the property assessment.
- Industrial properties are 0.02% of the property assessment.



Municipal Tax Revenue Impact

Based on the 2023 Property Assessment:

- The impact of a 1% Municipal Tax Rate increase on the Township is an additional \$36,000 in revenues.
- The impact of a 1% Municipal Tax Rate increase on taxpayers is an annual tax billing increase of \$4.22 per \$100,000 in property assessment



Levy Requirement

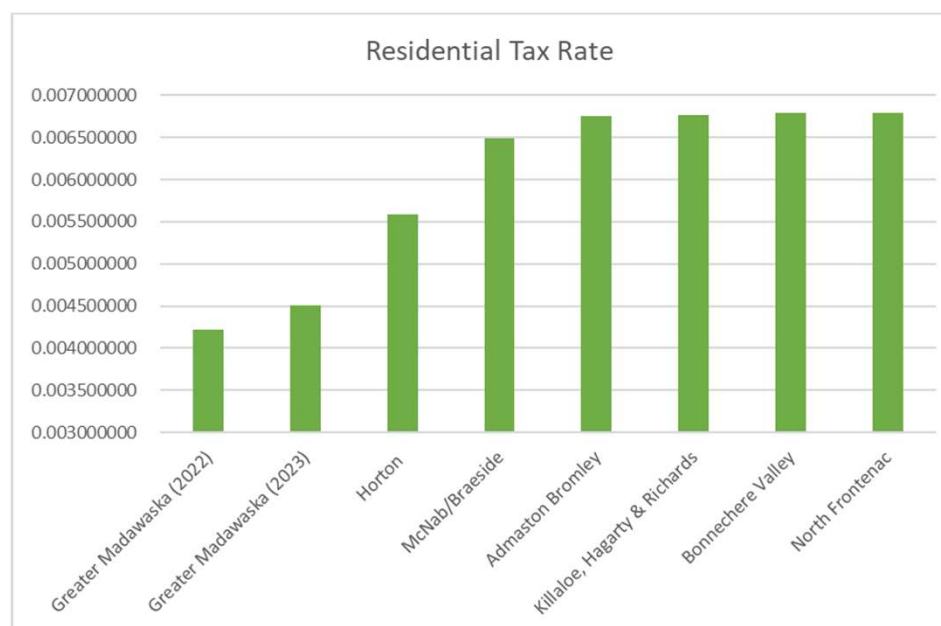
The 2023 Draft Budget reflects a levy requirement of \$3,834,713, which provides additional levy revenue of \$342,510 compared to 2022.

The levy requirement results in a municipal tax rate increase of 6.68%.

The impact of a 6.68% Municipal Tax Rate increase on taxpayers is an annual tax billing increase of \$28.23 per \$100,000 in property assessment.

Residential Municipal Tax Rate Comparison

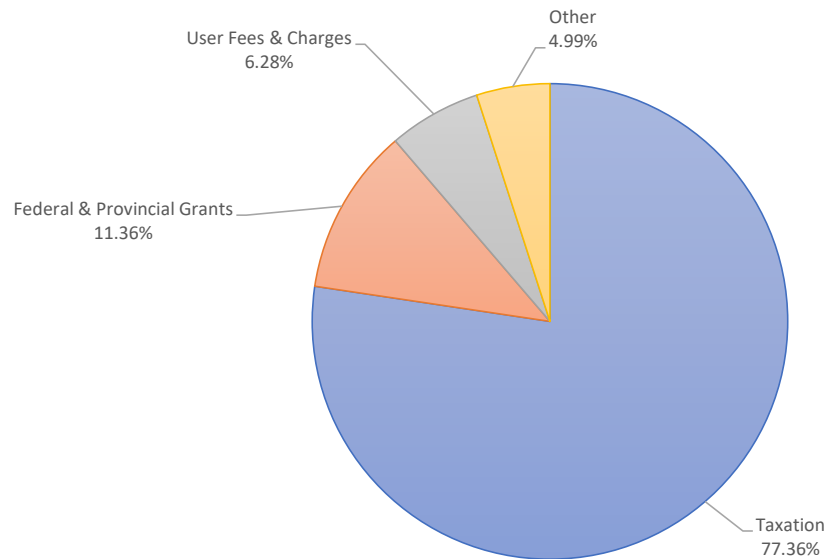
Township	Residential Tax Rate
Greater Madawaska (2022)	0.004220770
Greater Madawaska (2023)	0.004502820
Horton	0.005588400
McNab/Braeside	0.006492790
Admaston Bromley	0.006755920
Killaloe, Hagarty & Richards	0.006771630
Bonnechere Valley	0.006790694
North Frontenac	0.006792750



**Comparator rates are based on 2022 tax rates*

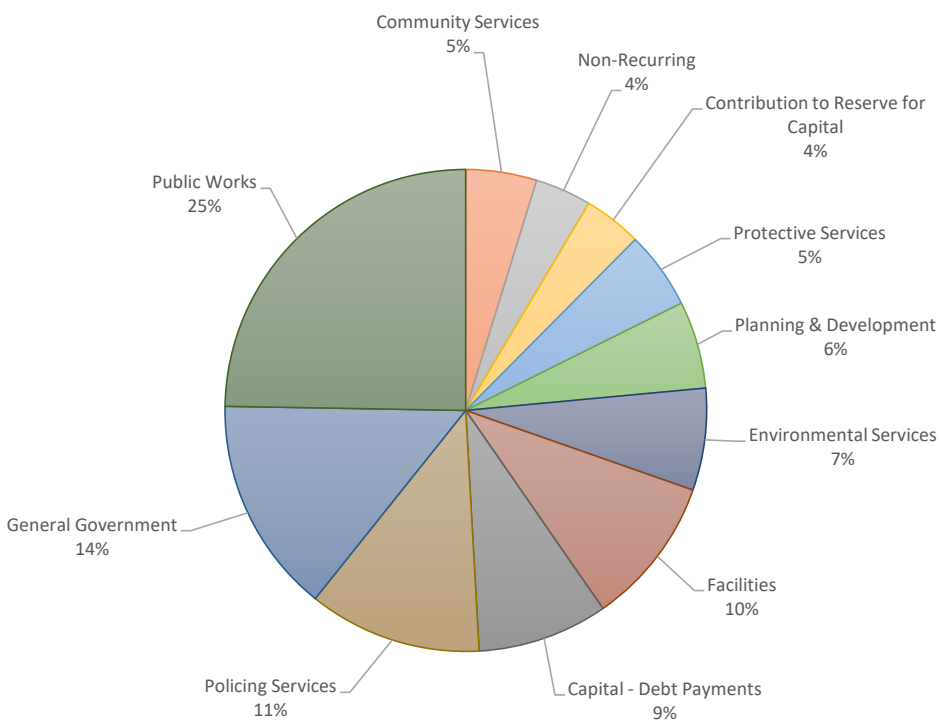
Overall Budget

Operating Revenues



	Budget 2023	Budget 2022	Budget Variance (\$)
OPERATING REVENUES			
Taxation	3,843,360	3,500,850	342,510
Taxation Adjustments/Supplemental	50,000	35,000	15,000
Payment in Lieu of Taxes (PILs)	855,500	853,500	2,000
Taxation & Tax Associated Revenues	4,748,860	4,389,350	359,510
General Government			
Administration	111,500	88,000	23,500
Ontario Grants Operating	611,400	627,300	(15,900)
Protective Services	12,903	11,500	1,403
Public Works	26,100	19,000	7,100
Environmental Services	137,000	107,000	30,000
Facilities	76,230	42,195	34,035
Community Services	13,500	4,000	9,500
Planning & Development	169,780	131,775	38,005
Sub-Total Operating Revenues	5,907,273	5,420,120	487,153
Non-Recurring Items	231,050	245,590	(14,540)
Total Operating Revenues	6,138,323	5,665,710	472,613

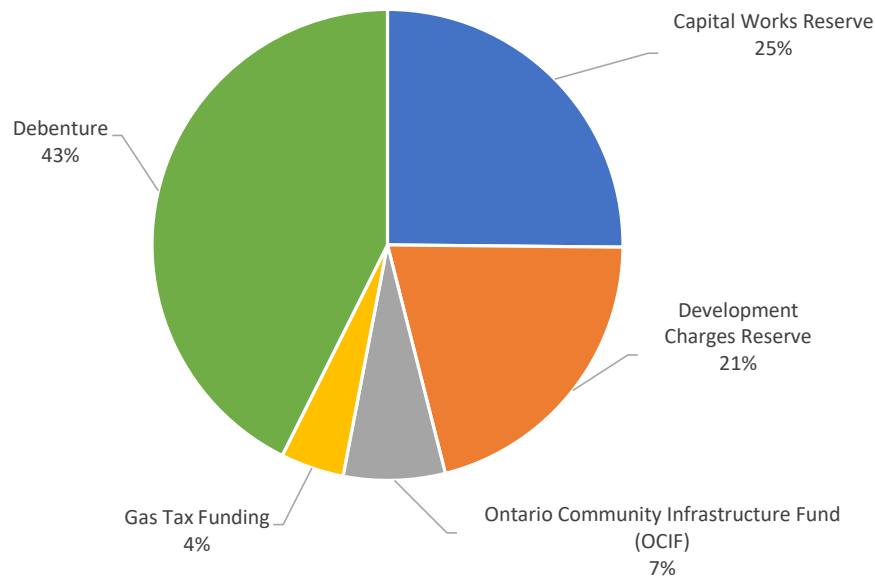
Operating Expenses



OPERATING EXPENSES

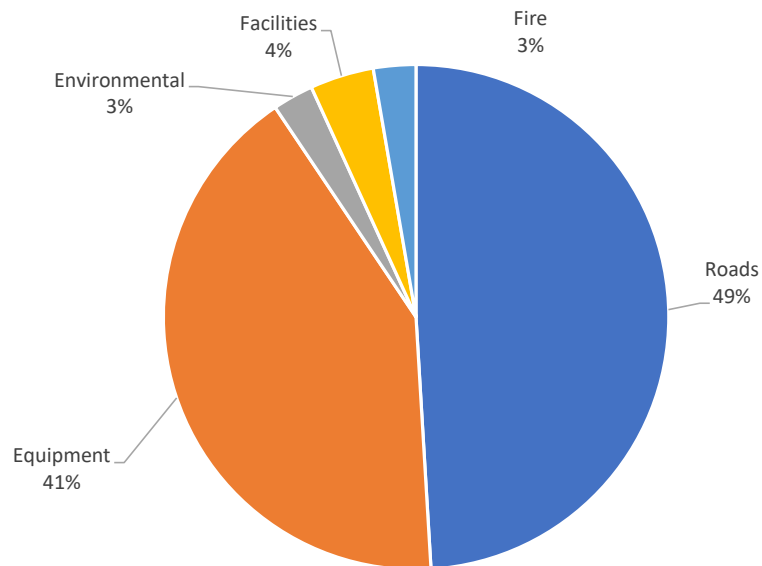
	Budget 2023	Budget 2022	Budget Variance (\$)
General Government	892,880	831,615	61,265
Protective Services	320,500	278,000	42,500
Police Services	713,696	721,950	(8,254)
Public Works	1,517,250	1,324,770	192,480
Environmental Services	420,350	410,250	10,100
Facilities	612,890	573,030	39,860
Community Services	292,427	207,138	85,289
Planning & Development	360,160	348,240	11,920
Sub-Total Operating Expenses	5,130,153	4,694,993	435,160
Non-Recurring Items	231,050	245,590	(14,540)
Capital - Debt Payments (Interest & F	537,120	545,805	(8,685)
Capital - Contribution to Reserves	240,000	179,322	60,678
Total Operating Expenses	6,138,323	5,665,710	472,613

Capital Revenues



Capital Revenues		Budget 2023
Capital Works Reserve		462,008
Development Charges Reserve		383,880
Ontario Community Infrastructure Fund (OCIF)		128,204
Gas Tax Funding		79,849
Investment in Canada Infrastructure Program (ICIP) Grant		-
Deventure		782,900
Total Capital Revenues		1,836,841

Capital Expenditures



Capital Expenditures

Roads	900,941
Equipment	762,900
Environmental	48,000
Facilities	75,000
Fire	50,000

Total Capital Expenditures	1,836,841
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Operating Budget

Taxation

Taxation	2023 Budget	2022 Budget	Increase/ (Decrease)
Taxation (Levy)	3,843,360	3,500,850	342,510
Taxation - Supplementary and Tax Adjustments	65,000	35,000	30,000
Payments-in-Lieu-of- Taxation (PILs)	855,500	853,500	2,000
Total Taxation Revenue	4,763,860	4,389,350	374,510

Taxation Changes

- The levy increase includes a 6.68% tax rate increase and a 2.95% growth in assessment.
- Taxation supplementary and tax adjustments are in-year adjustments to assessments, which have been adjusted to reflect trending.

Corporate Services

Corporate Services	2023 Budget	2022 Budget	Increase/ (Decrease)
Revenues	722,900	715,300	7,600
Expenses	906,500	831,615	74,885
Net Operating Costs	(183,600)	(116,315)	67,285

Corporate Services Changes

- Best practice review of Council wages completed in June 2022, increasing Council remuneration effective November 15, 2022. The salaries and benefits have been adjusted to reflect the increase and COLA of 3%.
- Council expenses increased for interest in conferences, lower in prior years due to COVID-19 restrictions resulting in virtual conferences.
- Wages and benefits include employment agreement adjustments, COLA of 3%, and progressions along the pay grid.
- Memberships increased to reflect actual expenses.
- Increased Staff development to promote professional growth. This has been reduced over the last few years as a result of COVID and the inability of staff to attend conferences.
- Taxation interest and Bank interest revenue increased due to trending.
- Ontario Municipal Partnership Fund (OMPF) reduced based on updated funding allocation (\$15,900).

Protective Services

Protective Services	2023 Budget	2022 Budget	Increase/ (Decrease)
Revenues	12,903	11,500	1,403
Expenses	1,034,196	999,950	34,246
Net Operating Costs	(1,021,293)	(988,450)	32,843

Protective Services Changes

- In 2022, with the departure of the CBO/Fire Chief/By-Law Enforcement Officer, the position was split into three positions. Full-time CBO, Part Time Fire Chief, and Contracted By-Law Enforcement. The increase in Fire wages reflects this change and COLA of 3%.
- Software fees include applications used for communication and responding to calls.
- Fuel increased to reflect actual costs.
- Policing decreased by \$8,254 based on the OPP invoicing for 2023.

Public Works

Public Works	2023 Budget	2022 Budget	Increase/ (Decrease)
Revenues	26,100	19,000	7,100
Expenses	1,542,750	1,324,770	217,980
Net Operating Costs	(1,516,650)	(1,305,770)	210,880

Public Works Changes

- Wages and benefits include COLA of 3%, progressions along the pay grid, and job evaluation assumptions. These lines include the overall cost of Public Works staffing.
- Road (RD) Wages Transfers allocate costs to other departments and Capital Projects. The capital allocation fluctuates based on capital road projects.
- Increased Staff development to promote professional growth.
- Small Equipment increased to reflect actual expenses.
- Culverts, Granular M, and Fuel increased based on inflationary costs for these products.
- Fleet increased due to aging equipment requiring maintenance.

Environmental Services

Environmental Services	2023 Budget	2022 Budget	Increase/ (Decrease)
Revenues	147,000	107,000	40,000
Expenses	420,350	410,250	10,100
Net Operating Costs	(273,350)	(303,250)	(29,900)

Environmental Services Changes

- Revenues increased to reflect actual revenues collected through tipping fees.
- Wages and benefits include an increase in Transfer Site hours, COLA of 3%, and progressions along the pay grid.
- Engineering Fees have been reduced for all Transfer Sites due to a successful tendering process resulting in savings for these services.
- Increased Staff development to promote professional growth.
- New Waste miscellaneous.
- Roll-off truck expenses have decreased due to the purchase of the new roll-off truck.
- Fuel increased to reflect actual expenses.

Facilities

Facilities	2023 Budget	2022 Budget	Increase/ (Decrease)
Revenues	86,230	42,195	44,035
Expenses	617,890	573,030	44,860
Net Operating Costs	(531,660)	(530,835)	825

Facilities Changes

- Rent revenues increased based on individual agreements.
- Wages and benefits include COLA of 3%, and progressions along the pay grid. Benefits include increased uptake in OMERS and Benefits.
- Insurance has been increased by 18%, mainly due to inflationary increases for building replacement.
- Minor adjustments throughout buildings.

Community Services

Community Services	2023 Budget	2022 Budget	Increase/ (Decrease)
Revenues	13,500	4,000	9,500
Expenses	292,427	207,138	85,289
Net Operating Costs	(278,927)	(203,138)	75,789

Community Services Changes

- A new position has been included, with the assumption that the position would be filled halfway through the year. The position would focus on economic development, tourism, and recreation.
- The Library Board increase is included in the community services budget and accounts for \$40,849 of the increase.

Planning & Development

Planning & Development	2023 Budget	2022 Budget	Increase/ (Decrease)
Revenues	191,780	131,775	60,005
Expenses	373,040	348,240	24,800
Net Operating Costs	(181,260)	(216,465)	(35,205)

Planning & Development Changes

- Revenues for planning and building increased to reflect actual revenue trending due to increased development.
- In 2022, with the departure of the CBO/Fire Chief/By-Law Enforcement Officer, the position was split into three positions. Full-time CBO, Part Time Fire Chief, and Contracted By-Law Enforcement.
 - The Building wages reflect the change to a full-time CBO.
 - By-law enforcement includes increased revenues to fund by-law enforcement and trail maintenance.
- In 2022, with the departure of the Planner, the Township entered into an agreement with the Town of Renfrew to provide planning services. The salary for the planner is included as contracted services to allow the Township to fund planning services through various resources as required.

Non-Recurring

Non-Recurring	2023 Budget	2022 Budget	Increase/ (Decrease)
Revenues	231,050	245,590	(14,540)
Expenses	231,050	245,590	(14,540)
Net Operating Costs	-	-	-

Non-Recurring Items

- This section includes non-recurring items such as plans and reviews and projects that are not considered capital or annual operating expenses.
- In 2023, we have included the following items:
 - Finance system – implementation in progress, initiated in 2022 to be completed in 2023.
 - Master Fire Plan & Risk Assessment - implementation in progress, initiated in 2022 to be completed in 2023.
 - Black Donald Pit Expansion Study – funds allocated in 2022, tender to proceed in 2023
 - New 2023 - Strategic Plan
- The projects listed above are funded through non-conditional modernization grant funding.

Reserve Contribution

Reserve	2023 Budget	2022 Budget	Increase/ (Decrease)
Contribution to Reserves	240,000	179,322	60,678
Net Reserve Contribution	(240,000)	(179,322)	60,678

Reserve Contribution Change

- The 2022 Asset Management Plan (AMP) identified an annual capital infrastructure deficit of \$1.5 million.
- Based on a 20-year recommended timeframe for eliminating the annual infrastructure deficit, the AMP recommended a 1.6% tax revenue increase to fund the Township's asset management program.
- The adjustment to the contribution to reserve for Capital Works has been increased to reflect this need (\$60,000).

Cost of Borrowing

Cost of Borrowing	2023 Budget	2022 Budget	Increase/ (Decrease)
Debt Interest	113,360	79,235	34,125
Debt Principle	423,760	466,570	(42,810)
Net Cost of Borrowing	(537,120)	(545,805)	(8,685)

Cost of Borrowing

- Decrease in interest on serial debentures.
- The Capital Budget includes a debenture which would be completed in Q4, with the cost of borrowing increasing in 2024.

Capital Budget

Capital Projects

Project	Source	2022 Capital Items WIP to 2023	2023 Capital Items Budget	Total Capital (WIP and 2023 Items)
Roads				
Flat Road	AMP		382,210	382,210
Matawatchan Road	AMP		80,475	80,475
Hutson Lake Road	AMP		248,656	248,656
Flat Road Resurfacing	2022 WIP	145,000		145,000
Mt. St. Patrick Resurfacing	2022 WIP	37,000		37,000
Tatty Hill	2022 WIP	7,600		7,600
Roads Total		189,600	711,341	900,941
Vehicles & Equipment				
Loader (Replace 2014 Backhoe)	AMP		280,000	280,000
One Ton Truck with Plow (Replace 2015 One Ton)	AMP		110,000	110,000
Tandem Plow Truck (Replace V#11 2013 Tandem)	2022 WIP	257,900		257,900
Used Dump Truck	2022 WIP	100,000		100,000
Engineering & Design - Various Roads			15,000	15,000
Vehicles & Equipment Total		357,900	405,000	762,900

Capital Projects

Project	Source	2022 Capital Items WIP to 2023	2023 Capital Items Budget	Total Capital Cost
Environmental				
Blue Box Compaction RollOff	AMP		18,000	18,000
Well Repair - Black Donald Site			30,000	30,000
Environment Total		0	48,000	48,000
Facilities				
Electrical - 1101 Francis Street	AMP		10,000	10,000
Air Conditioning - 1101 Francis Street	AMP		5,000	5,000
Barnet Park - Boat Launch	DC Study		60,000	60,000
				0
Facilities Total		0	75,000	75,000
Fire				
Bulk Safety Equipment Purchase Safety			50,000	50,000
Fire Total		0	50,000	50,000
Total Capital		547,500	1,289,341	1,836,841

Debentures

Debenture Schedule

By-Law	Debenture Year	Maturity Date	Interest Rate	Debt as of 12/31/23
By-Law 35-2015	2016	Aug. 2025	2.31%	115,400
By-Law 20-2019	2018	Apr. 2029	2.74%	608,637
By-Law 63-2019	2019	Dec. 2024	2.24%	51,897
By-Law 42-2022	2022	2032	4.47%	1,831,500
New	2024	2033	Est. 4.38%	782,900
Total				3,390,334

Reserve & Reserve Funds

Reserve & Reserve Fund Schedule

Name	Ending	Ending
	Balance 2022	Balance 2023
Working Funds	348,029	348,029
Capital Works	803,172	601,164
Capital Projects Carry Forward	-	-
Landfill Post Closure	340,000	340,000
General Operating Contingency	100,000	100,000
Grant Funding	318,458	87,408
Recreation and Culture	77,022	77,022
Other and unspecified (Prior year surplus)	-	200,000
Total Reserves	1,986,682	1,753,624
Reserve Funds		
Park Reserve Fund	23,171	23,171
Shoreline Reserve Fund	4,280	4,280
Development Charge Reserve Fund	(51,474)	(139,507)
Total Reserve Funds	(24,023)	(112,056)
Total Reserve and Reserve Funds	1,962,659	1,641,568