

2024 Budget

Township of Stirling-Rawdon

Understanding Budgeting and Taxation

Under legislation, the Municipality is required to set a budget establishing the approved expenditures and establishing the expected funding sources for these expenditures.

Budgets have two main categories: operating and capital.

Operating budgets cover all the financial activity relating to regular day-to-day operations for providing the set services approved by Council to the public. These include parks maintenance, road maintenance, staff answering phones, providing fire protection services, policing, etc.

Capital budgets cover all the financial activity relating to the assets owned by the Municipality to provide services. These include buildings, vehicles, roads, water and sewer infrastructure, bridges, etc.

How Municipal Budgets Work

- <https://youtu.be/UG6aksviyFc>

How Property Tax is Calculated

- <https://youtu.be/nrWry5i3TBU>

Understanding Budgeting and Taxation, continued

- Property taxes are the main source of funding for many of the services that the Municipality provides to the residents and taxpayers.
- Under legislation, the Municipality is required to also collect property taxes on behalf of the upper tier (Hastings County) and schoolboards (4 school boards in our area).
- When setting property tax rates each year, Council is setting the municipal rate only but residents are required to pay all 3 portions (municipal, county and education).
- Council is required under Provincial legislation to set property taxes at an amount that balances the budget. Due to this, Council looks at all expenditures, both operating and capital, first and then identifies funding sources available, leaving the remaining amount to property taxation.
- Funding sources come from user fees, grants, loans (internal and external), reserves and reserve funds, and property taxation.

Capital budget presentation to Committee/Council in October 2023

Further Budget information provided in December 2023

Additional Budget Meetings February 2024 and April 2024

Budget Timeline

Summary of 2024 Budget Costs covered by the levy

\$ 6,463,134.55	Total proposed tax levy for 2024
\$ (697,878.00)	2024 OPP Policing costs
\$ (279,110.00)	2024 Insurance
\$ (186,300.00)	2024 Gas, Fuel, and Diesel costs
\$ (396,000.00)	2024 Debt (external/internal) Payments from Taxes
\$ (121,000.00)	2 Ton Truck & Plow Tax Impact
\$ (229,400.00)	2024 Vehicle and Equipment Maintenance costs
\$ (272,500.00)	2024 Sanding and Salting costs
\$ (181,638.00)	2024 Joint Fire Services costs
\$ (209,231.00)	2024 Library costs
\$ (104,975.00)	2024 Arena costs
\$ (44,900.00)	2024 Landfill costs
\$ (212,240.00)	2024 Parks/Cemetery costs
\$ (71,206.00)	2024 Conservation Authority costs
\$ (548,446.00)	2024 Hardtop Maintenance (patching, pulverizing gospel road, etc.)
\$ (100,000.00)	2023 Deficit (estimated)
\$ (50,000.00)	Sand Dome Repairs & Building Maintenance
\$ (164,100.00)	2024 Roadside Maintenance (Brushing, shouldering, ditching)
\$ (37,033.00)	2024 By-Law Enforcement Services costs
<u>\$ (277,600.00)</u>	2024 Bridge & Culverts (Replacement of culverts former Hwy #14)
\$ 2,279,578.55	All other remaining services

2024 Significant Budget Impacts

- From 2023 to 2024, we have had significant loss in revenue to help offset the tax levy.
- In 2023 we had \$2,650,000 in revenue for Transportation Services and in 2024 we are only able to include \$779,474, which is a decrease of \$1,870,526
- However, the expenditures for Transportation Services only decreased by \$1,287,349.00, therefore the tax levy to cover Transportation Services has increased by \$583,177.00 over 2023.
- Expenditures decreased because the downtown project is complete, however, we also brought significant dollars in from Reserves, Gas Tax and Development Charges to offset the expenditures in 2023 that we are not able to use in 2024.
- Funding Debt Payments represents 6.13% of the tax levy.
- With Growth the Annual increase for 2024 \$442.89 or \$1.21 per day.

Significant Future Capital Impacts

- 2023 OSIM Bridge Inspection Reports indicate 32 bridges/large culvert structures, with an estimated \$52,410,000 of significant maintenance, rehabilitation or replacement.
- Within 1 to 5 years we have \$8,980,000 worth of bridges/large structures requiring replacement.
- To do the recommended replacements over the next five years we would need an average \$1,796,000 per year or 27.79% tax levy increase
- Many other capital areas have similar concerns and impacts that need to be considered by Council

Taxation

Assessments Growth

2024 Assessments were held at the previous amounts by the Province for another year. Only changes relate to in year construction or loss of structures.

2024 Taxable Assessment increase 2.57%

2024 - \$615,055,430

2023 - \$599,655,430

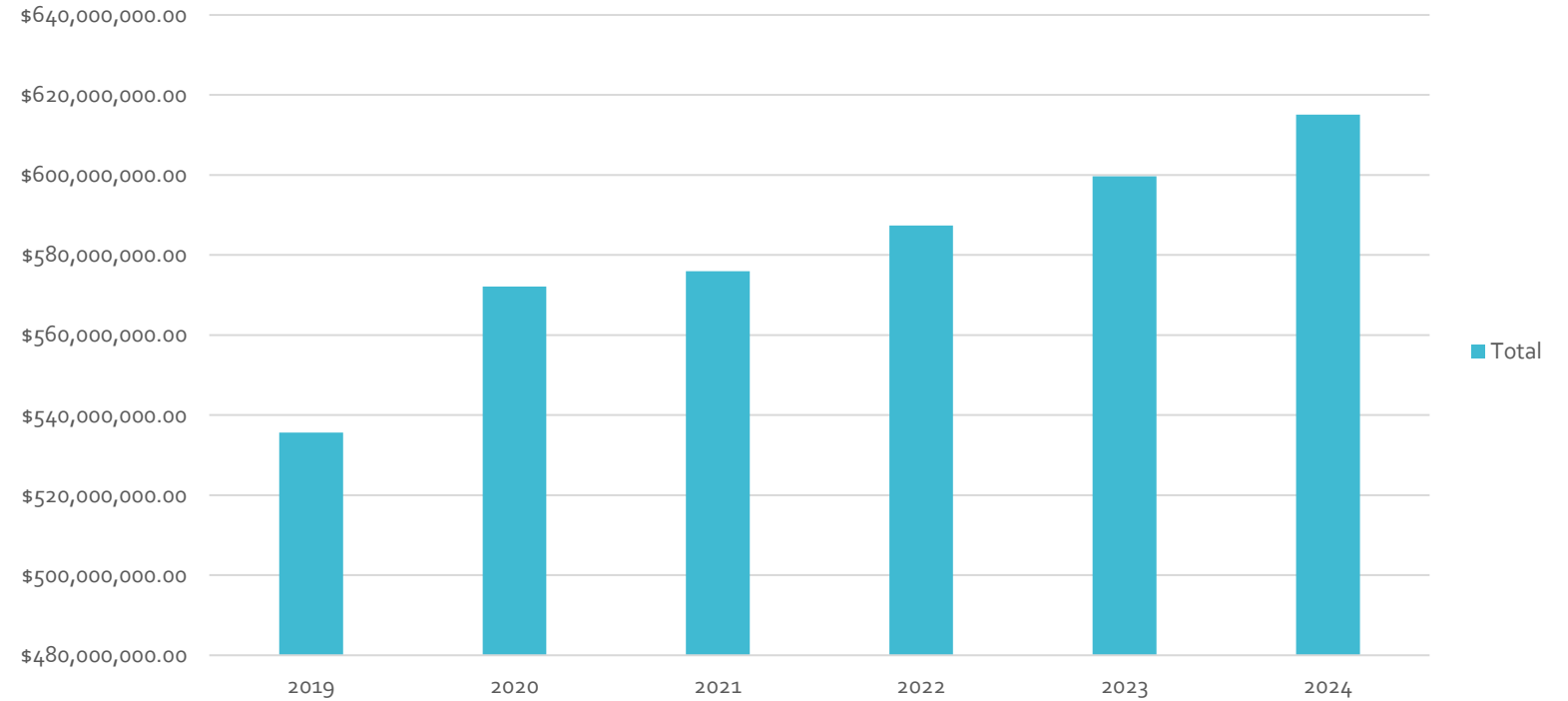
Difference \$15,400,000

The Municipal Property Assessment Corporation (MPAC) is responsible for setting assessment values for all properties and classifying properties in Ontario. The Municipality must apply the tax rate to the assessments provided from MPAC.

Taxation

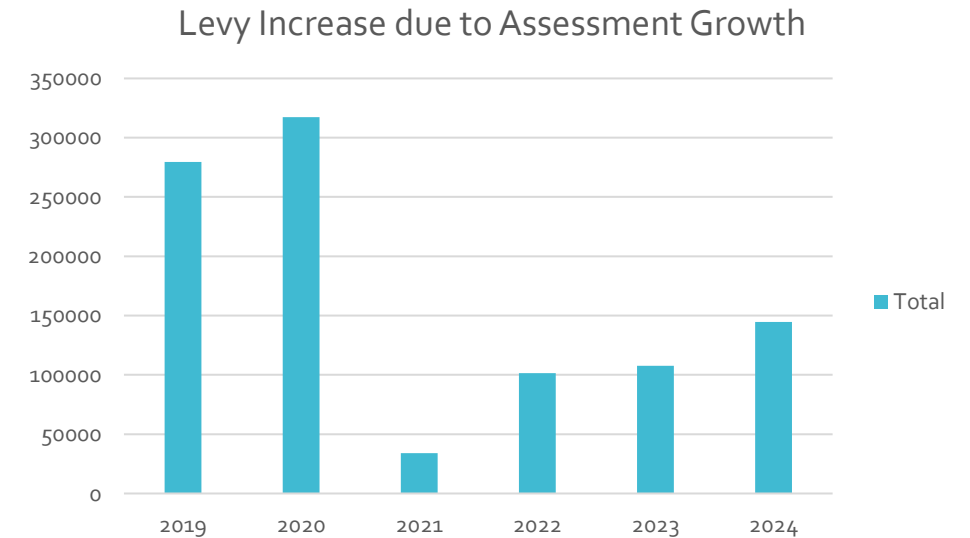
Assessments Growth (Historical)

Assessment Growth 2019 to 2024



Extra Levy due to Assessment Growth.

- Since reassessment was being completed in 2019 and 2020 as MPAC was able to follow the provincial 4-year assessment review – you will note larger impact on the levy.
- however, since COVID the province has not allowed the reassessment cycle to be followed – you will note a lesser impact on the levy.



Municipal Tax Levy

Municipal taxes for our own purposes based on an average assessment of \$261,327 is divided to the following services:

General Government Services	(\$ 46.88)
Protection to Persons and Property	\$ 805.17
Transportation Services	\$2,165.17
Environmental Services	\$ 37.09
Health/Recreation/Culture Services	\$ 277.10
Planning Services	\$ 40.17

Comments

Please complete the comment page at the below link by Thursday, May 2nd, 2024 at noon.

<https://forms.stirling-rawdon.com/Stirling-Rawdon-2024-Draft-Municipal-Budget>

Summary of 2024 Budget				
Department	Revenue	Expenditures	Difference	
Default	\$ -	\$ 100,000.00	\$ 100,000.00	
Council		\$ 123,410.00	\$ 123,410.00	
Administration	\$ 1,198,600.00	\$ 859,150.00	-\$ 339,450.00	
Medical	\$ 10,000.00	\$ 10,600.00	\$ 600.00	
Sundry	\$ 12,800.00	\$ 33,500.00	\$ 20,700.00	
JFSB	\$ 181,637.50	\$ 363,275.00	\$ 181,637.50	
Fire	\$ -	\$ 445,715.00	\$ 445,715.00	
Emergency Management	\$ -	\$ 3,500.00	\$ 3,500.00	
Policing	\$ -	\$ 905,528.00	\$ 905,528.00	
Conservation Authorities	\$ -	\$ 71,206.00	\$ 71,206.00	
By-Law	\$ 89,506.95	\$ 126,540.00	\$ 37,033.05	
BISB	\$ 765,000.00	\$ 765,000.00	\$ -	
Animal Control	\$ 5,000.00	\$ 15,200.00	\$ 10,200.00	
Other Protection	\$ -	\$ 4,000.00	\$ 4,000.00	
Storm Water	\$ -	\$ 183,860.00	\$ 183,860.00	
Roads	\$ 740,474.00	\$ 4,794,496.00	\$ 4,054,022.00	
Traffic Control		\$ 31,350.00	\$ 31,350.00	
Street Lights - Springbrook	\$ 4,000.00	\$ 4,000.00	\$ -	
Street Lights - Stirling	\$ 35,000.00	\$ 35,000.00	\$ -	
Sewer	\$ 890,000.00	\$ 890,000.00	\$ -	
Water	\$ 770,985.00	\$ 770,985.00	\$ -	
Source Protection	\$ -	\$ 28,228.00	\$ 28,228.00	
Garbage Collection - Stirling	\$ 76,500.00	\$ 76,500.00	\$ -	
Garbage Collection - Rawdon	\$ 43,400.00	\$ 43,400.00	\$ -	
Landfill	\$ 197,000.00	\$ 241,900.00	\$ 44,900.00	
Recycling	\$ 500.00	\$ 500.00	\$ -	
Recycling - Rawdon	\$ 52,575.00	\$ 52,575.00	\$ -	
Recycling - Stirling	\$ 105,150.00	\$ 105,150.00	\$ -	
Cemetery	\$ 10,000.00	\$ 52,360.00	\$ 42,360.00	
Parks & Recreation	\$ 51,000.00	\$ 219,880.00	\$ 168,880.00	
Community Hall	\$ -	\$ 1,240.00	\$ 1,240.00	
Theatre	\$ -	\$ 19,100.00	\$ 19,100.00	
Arena		\$ 104,975.00	\$ 104,975.00	
Library	\$ -	\$ 209,231.00	\$ 209,231.00	
Planning	\$ 15,000.00	\$ 23,000.00	\$ 8,000.00	
Economic Development	\$ -	\$ 29,500.00	\$ 29,500.00	
Train Station	\$ -	\$ -	\$ -	
Municipal Taxation	\$ 76,591.00	\$ 50,000.00	-\$ 26,591.00	
County	\$ -	\$ -	\$ -	
Education	\$ -	\$ -	\$ -	
BIA	\$ 7,500.00	\$ 7,500.00	\$ -	
Totals	\$ 5,338,219.45	\$ 11,801,354.00	\$ 6,463,134.55	Proposed Levy
			\$ 5,628,847.72	2023 Levy
			\$ 834,286.83	14.8% Levy increase
			1.2543%	2024 Proposed Residential Tax Rate
			1.1127%	2023 Residential Tax Rate
				12.6% tax rate increase

2024 Proposed Budget				
General Government Services	Salaries/Benefits	\$609,850.00	\$674,560.00	\$64,710.00
	Heat	\$3,200.00	\$3,200.00	\$0.00
	Hydro	\$5,000.00	\$6,500.00	\$1,500.00
Includes Surplus/Deficit from previous year, Administration, Council, Sundry	Insurance	\$59,245.00	\$59,100.00	-\$145.00
Economic Development, municipal taxation	Contracted Services/Leases	\$62,500.00	\$62,500.00	\$0.00
	Materials/Supplies	\$202,300.00	\$217,700.00	\$15,400.00
	Previous Year Surplus/Deficit	\$0.00	\$100,000.00	\$100,000.00
	Write Offs	\$50,000.00	\$50,000.00	\$0.00
	Capital	\$47,000.00	\$22,000.00	-\$25,000.00
	Reserve Transfer to	\$0.00	\$0.00	\$0.00
	Total Expenditures	\$1,039,095.00	\$1,195,560.00	\$156,465.00
Inflationary adjustments to various categories plus cost of living and grid/step movement				
Surplus budgeted for in 2023 and in 2024 budgeted a deficit from previous year.				
	Bell Mobility lease	\$13,000.00	\$12,800.00	-\$200.00
	Ontario Municipal Partnership Fund	\$908,800.00	\$937,100.00	\$28,300.00
	User Fees/Penalties on taxes/Interest	\$220,500.00	\$239,500.00	\$19,000.00
	Supplementary Taxation	\$75,691.00	\$76,591.00	\$900.00
	Reserve Transfer in	\$52,000.00	\$22,000.00	-\$30,000.00
	Previous Year Surplus/Deficit	\$236,341.00	\$0.00	-\$236,341.00
	Total Revenue	\$1,506,332.00	\$1,287,991.00	-\$218,341.00
Revenue collected to help offset the taxes collected.				
	Tax Levy +/-	-\$467,237.00	-\$92,431.00	\$374,806.00

2024 Proposed Budget				
Protection to Persons and Property	Salaries/Benefits	\$981,435.00	\$1,034,050.00	\$52,615.00
	Heat	\$10,500.00	\$10,500.00	\$0.00
	Hydro	\$9,600.00	\$12,000.00	\$2,400.00
Fire & JFSB, OPP, Emergency management	Insurance	\$71,250.00	\$69,900.00	-\$1,350.00
By-Law, BISB, Animal Control, Other Protection	Contracted Services/Leases	\$800,398.00	\$744,378.00	-\$56,020.00
	Materials/Supplies	\$623,760.00	\$568,430.00	-\$55,330.00
	Capital	\$100,000.00	\$77,500.00	-\$22,500.00
	Reserve Transfer to	\$73,725.00	\$112,000.00	\$38,275.00
	Total Expenditures	\$2,670,668.00	\$2,628,758.00	-\$41,910.00
Inflationary adjustments to various categories plus cost of living and grid/step movement				
Lease of air packs paid off in 2023				
	Shared Services Revenue	\$248,040.41	\$271,144.45	\$23,104.04
	Building User fees	\$700,000.00	\$765,000.00	\$65,000.00
	Users Fees/Livestock/Dog tags	\$7,500.00	\$5,000.00	-\$2,500.00
	Reserve Transfer in	\$100,000.00	\$0.00	-\$100,000.00
	Total Revenue	\$1,055,540.41	\$1,041,144.45	-\$14,395.96
Shared services Revenue for BISB, BESB and JFSB				
Revenue collected to help offset the taxes collected				
	Tax Levy +/-	\$1,615,127.59	\$1,587,613.55	-\$27,514.04

Transportation Services	Salaries/Benefits	\$703,155.00	\$996,910.00	\$293,755.00
	Heat	\$10,000.00	\$10,000.00	\$0.00
	Hydro	\$22,500.00	\$27,650.00	\$5,150.00
All Road Maintenance and operational costs, Storm	Insurance	\$89,000.00	\$89,300.00	\$300.00
Traffic Control and Street Lights.	Contracted Services/Leases	\$201,000.00	\$456,000.00	\$255,000.00
	Materials/Supplies	\$2,335,400.00	\$2,375,246.00	\$39,846.00
	Capital	\$2,925,000.00	\$1,043,600.00	-\$1,881,400.00
	Reserve Transfer to	\$50,000.00	\$50,000.00	\$ -
	Total Expenditures	\$6,336,055.00	\$5,048,706.00	-\$1,287,349.00
Leases increased - excavator and grader replaced - instead of purchasing we are leasing				
Capital decreased - as downtown project completed				
however purchasing a 2 ton truck and plow to replace our 2010 dodge 5500 and replacing 4 culverts on Stirling-Marmora Rd and reconstructing Wingfield Rd South				
along with storm water upgrades at Foodland parking lot				
Material cost for patch increase due to the extra areas to patch as roads are deteriorating				
Material/Supplies includes the gravel tender and winter sand tender along with our debt repayments				
Inflationary adjustments to various categories plus cost of living and grid/step movement				

2024 Proposed Budget				
	Area Rated Revenue	\$40,000.00	\$39,000.00	-(41,000.00)
	Provincial Funding	\$1,126,429.00	\$154,824.00	-(971,605.00)
	User Fees		\$15,000.00	\$15,000.00
	Sale of Equipment		\$20,650.00	\$20,650.00
	Reserves Transfer in	\$1,483,571.00	\$400,000.00	-(1,083,571.00)
	Unfunded Liability		\$150,000.00	\$150,000.00
	Total Revenue	\$2,650,000.00	\$779,474.00	-(1,870,526.00)
OCIF Formula Funding decreased with no explanation from province				
Grant funding for downtown project in 2023 not in 2024				
Sold equipment - packer and water tank				
Reduced reserve funds transfer as we need to rebuild them				
Budget doesn't include the two large trucks that are on order - Financing setup with Bank				
	Tax Levy +/-	\$3,686,055.00	\$4,269,232.00	\$583,177.00

Environmental Services	Salaries/Benefits	\$441,255.00	\$443,605.00	\$2,350.00
	Heat	\$3,000.00	\$3,000.00	\$0.00
	Hydro	\$85,000.00	\$85,000.00	\$0.00
Water, Sewer, Recycling, Garbage Collection	Insurance	\$86,600.00	\$92,000.00	\$5,400.00
Landfill, source water protection	Contracted Services/Leases	\$565,483.44	\$658,133.00	\$92,649.56
	Materials/Supplies	\$588,000.00	\$690,100.00	\$102,100.00
	Capital	\$2,234,545.00	\$37,000.00	-(2,197,545.00)
	Reserve Transfer to	\$0.00	\$200,400.00	\$200,400.00
	Total Expenditures	\$4,003,883.44	\$2,209,238.00	-(1,794,645.44)
Inflationary adjustments to various categories plus cost of living and grid/step movement				
Recycling Contract - Quinte Waste Solutions - large increase				
Less Capital - Downtown Project done				
	Area Rated Revenue	\$244,415.44	\$277,625.00	\$33,209.56
	Provincial Funding	\$499,064.00	\$0.00	-(499,064.00)
	User Fees	\$185,500.00	\$197,500.00	\$12,000.00
	Sale of Equipment	\$0.00	\$0.00	\$0.00
	Water/Sewer Fees	\$1,420,000.00	\$1,565,000.00	\$145,000.00
	Reserves Transfer in	\$345,131.00	\$95,985.00	-(249,146.00)
	Unfunded Liability	\$0.00	\$0.00	\$0.00
	Infrastructure Loan	\$1,128,045.00	\$0.00	-(1,128,045.00)
	Total Revenue	\$3,822,155.44	\$2,136,110.00	-(1,686,045.44)
Less Revenue - as downtown project completed, no grant funding and less reserve transfers				
Bags tags and tipping fees - user fees				
Area Rate is covering the Garbage Collection and Recycling for each ward				
	Tax Levy +/-	\$181,728.00	\$73,128.00	-(108,600.00)

2024 Proposed Budget				
Health Services/Recreation and Cultural	Salaries/Benefits	\$50,745.00	\$61,080.00	\$10,335.00
	Heat	\$0.00	\$0.00	\$0.00
	Hydro	\$3,000.00	\$3,500.00	\$500.00
Library, Arena, Medical, Cemetery, Parks, Theatre	Insurance	\$11,530.00	\$13,100.00	\$1,570.00
Community Hall, Train Station	Contracted Services/Leases	\$102,000.00	\$113,800.00	\$11,800.00
	Materials/Supplies	\$358,840.13	\$365,906.00	\$7,065.87
	Capital	\$232,000.00	\$55,000.00	-\$177,000.00
	Reserve Transfer to	\$5,000.00	\$5,000.00	\$0.00
	Total Expenditures	\$763,115.13	\$617,386.00	-\$145,729.13
Inflationary adjustments to various categories plus cost of living and grid/step movement				
Reduced the capital in Parks				
Materials/supplies includes the requisitions to the Arena and Library				
	Provincial Funding	\$100,000.00	\$0.00	-\$100,000.00
	User Fees	\$11,000.00	\$11,000.00	\$0.00
	Reserves Transfer in	\$110,000.00	\$60,000.00	-\$50,000.00
	Total Revenue	\$221,000.00	\$71,000.00	-\$150,000.00
Not as much money coming from reserves as less capital this year				
Hard to estimate Cemetery revenue as it is unknown how many plot sales or interments				
	Tax Levy +/-	\$542,115.13	\$546,386.00	\$4,270.87

Planning Services	Materials/supplies	\$53,250.00	\$23,000.00	-\$30,250.00
	Requisition Payments	\$62,809.00	\$71,206.00	\$8,397.00
Planning and Conservation	Total Expenditures	\$116,059.00	\$94,206.00	-\$21,853.00
In 2023 development standards was completed, therefore not as much consulting in 2024				
Conservation Authorities requisition payments also did Strategic Plan in 2023				
	User Fees	\$5,000.00	\$15,000.00	\$10,000.00
	Reserve Transfer in	\$40,000.00	\$0.00	-\$40,000.00
	Total Revenue	\$45,000.00	\$15,000.00	-\$30,000.00
Rezoning, minor variance and site plan fees				
Transfer from Reserves to help offset Strategic Plan				
	Tax Levy +/-	\$71,059.00	\$79,206.00	\$8,147.00

	Municipal Tax Levy	\$5,628,847.72	\$6,463,134.55	\$834,286.83