



TOWNSHIP OF  
**Adelaide  
Metcalfe**

# 2022 DRAFT BUDGET

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Treasurer

Presentation to Municipal Council | March 15, 2022

# Agenda

- ▶ **Purpose of a Budget**
- ▶ **2022 Budget Development**
- ▶ **Budget Funding**
  - Property Taxes
  - Assessment
  - Reserves and Reserves Funds
- ▶ **Budget Costs**
  - 2022 Capital Budget Highlights
  - 2022 Operating Budget Highlights
- ▶ **Summary**



# What is a Budget?

The budget is a key planning document in achieving the Townships strategic priorities.



# What is a Budget?

- ▶ Financial Plan
  - Sets out the planned expenditures and the means of financing
  - Statement of priorities
  - Establishes spending limits on programs and services
  - Reflects funding priorities
  - Basis of financial decision making



# What is a Budget?

- ▶ Political Document
- ▶ Management Document
- ▶ It also:
  - links to Operational Plans, Asset Management Plan, Development Charges Study and Master Plans, among others. Many of which are currently being developed
  - serves as a communications tool to inform and engage residents and the community



# Requirements under the Municipal Act

- ▶ Legal requirement: Section 290(1) –
  - Council must adopt estimates of all sums required during the coming year for the purposes of the municipality
  - Budget shall be prepared during the year or in the immediately preceding year.
- ▶ Must present balanced budget: Section 290(2) –
  - The budget shall provide that estimated revenues are equal to the estimated expenditures

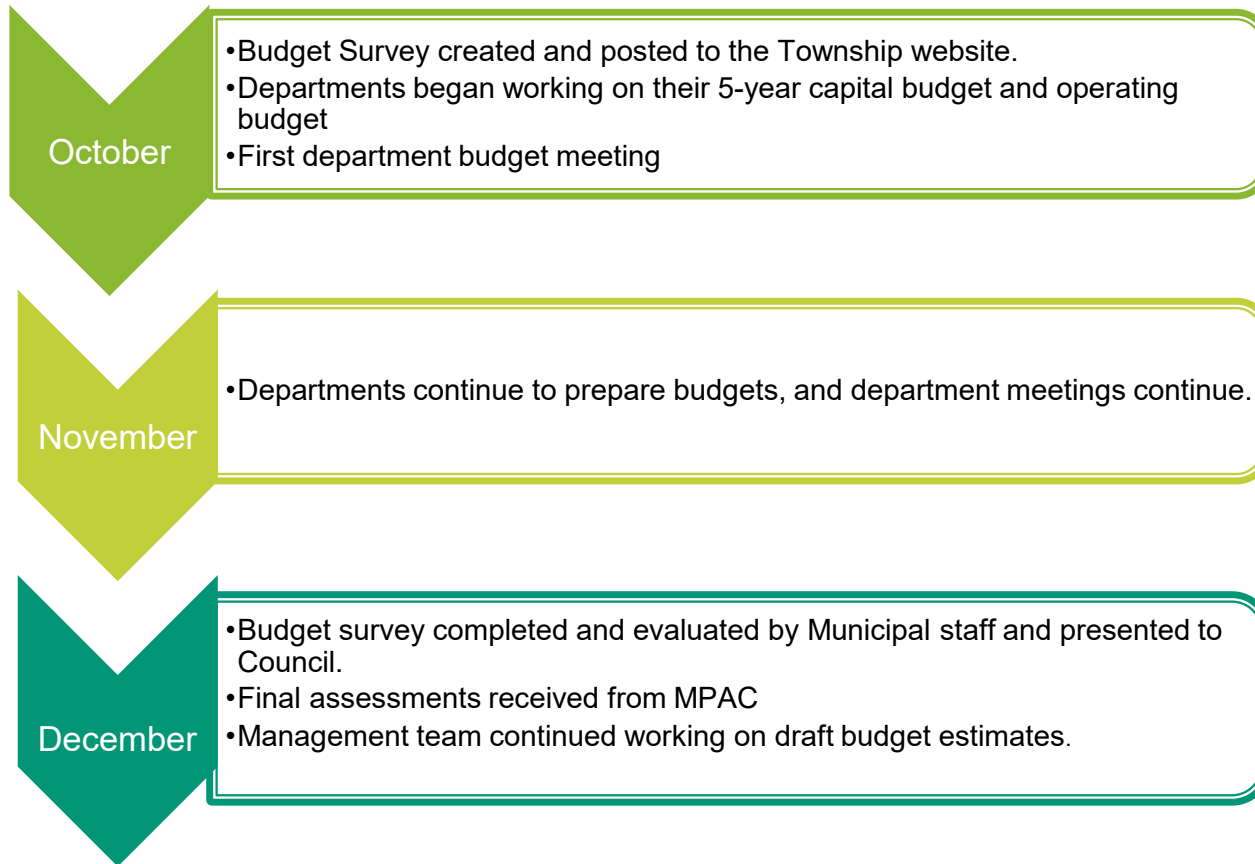


# Our Challenge

- ▶ Meet the needs of as many of our “customers” as possible in a fiscally responsible way.
- ▶ Complicated by:
  - the needs and wants of our residents vary from person to person
  - misperceptions about which services are under the control of the local government

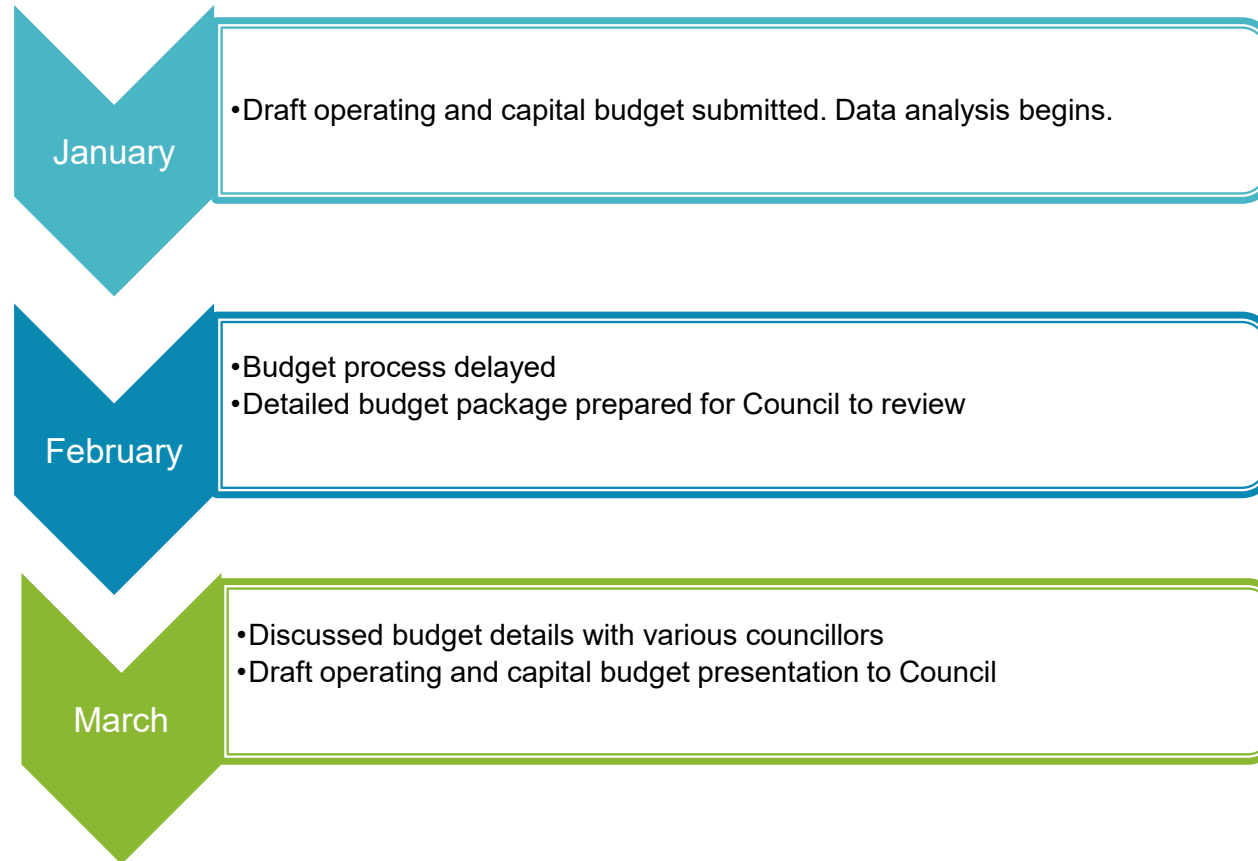


# Budget Development





# Budget Development



# Budget Development – Budget Survey Results

- ▶ Over 73% of respondents thought the services they received for their tax dollars were either fair, good, or excellent.
- ▶ Some issues identified by residents included:
  - Increased road maintenance
  - Keep taxes at 0%
  - Roads not wide enough
  - More street lights
  - Speed limit enforcement
  - Cost containment and spending reduction
  - Recruit more business to increase the tax base



# Budget Development

- ▶ Service levels were not cut in 2022
- ▶ Focus on Kerwood Park
- ▶ Continued communication strategies and improvements
- ▶ Asset management a priority
- ▶ Reduce operating and capital costs

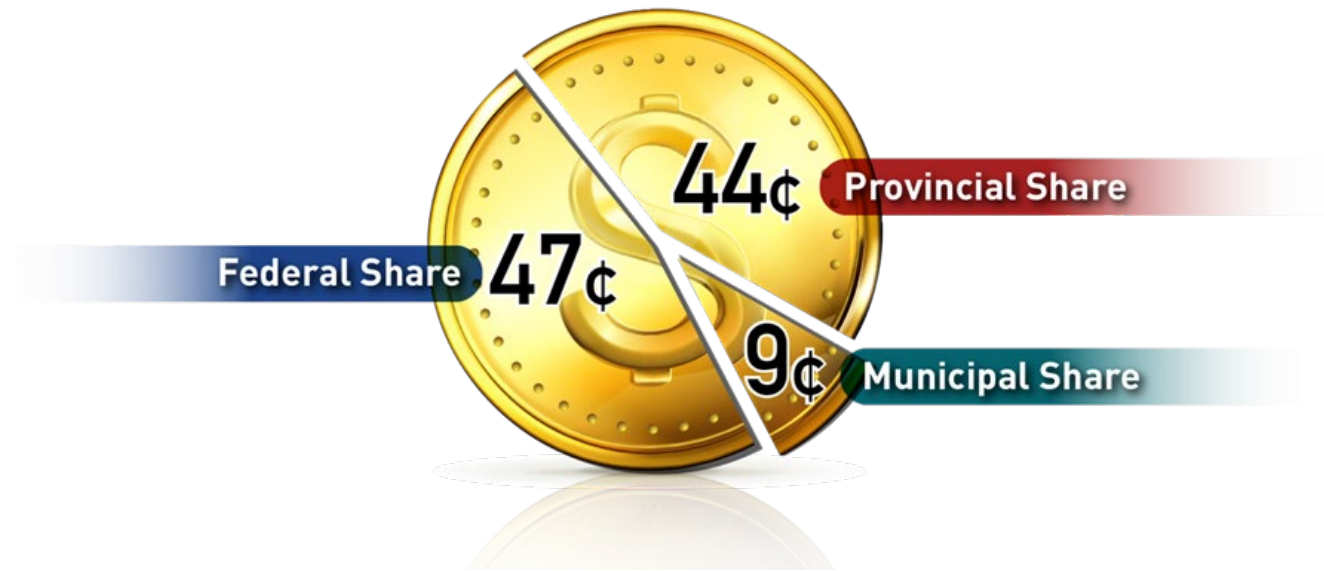


# Budget Funding - Revenue

- ▶ Municipalities use a variety of revenue sources to pay for a wide range of services that residents and businesses depend on and use regularly, including:
  - Property tax
  - Grants from Federal and Provincial Governments
  - User Fees - (Kerwood wastewater & Centre Rd water/wastewater)
  - User Fees – General (revenue from services such as recreation, planning applications, building permits, etc.)
  - Transfers From Municipal Reserve Funds
  - Other miscellaneous revenues



# Municipal Share of Taxes Paid – only 9 cents!



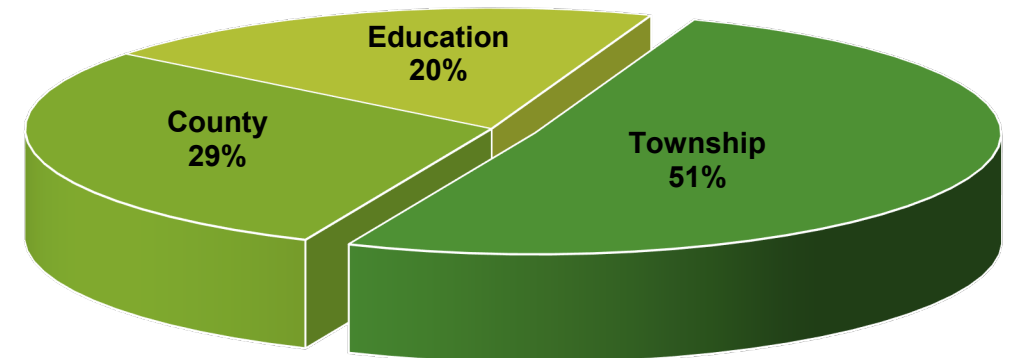
Source: AMO, 2015



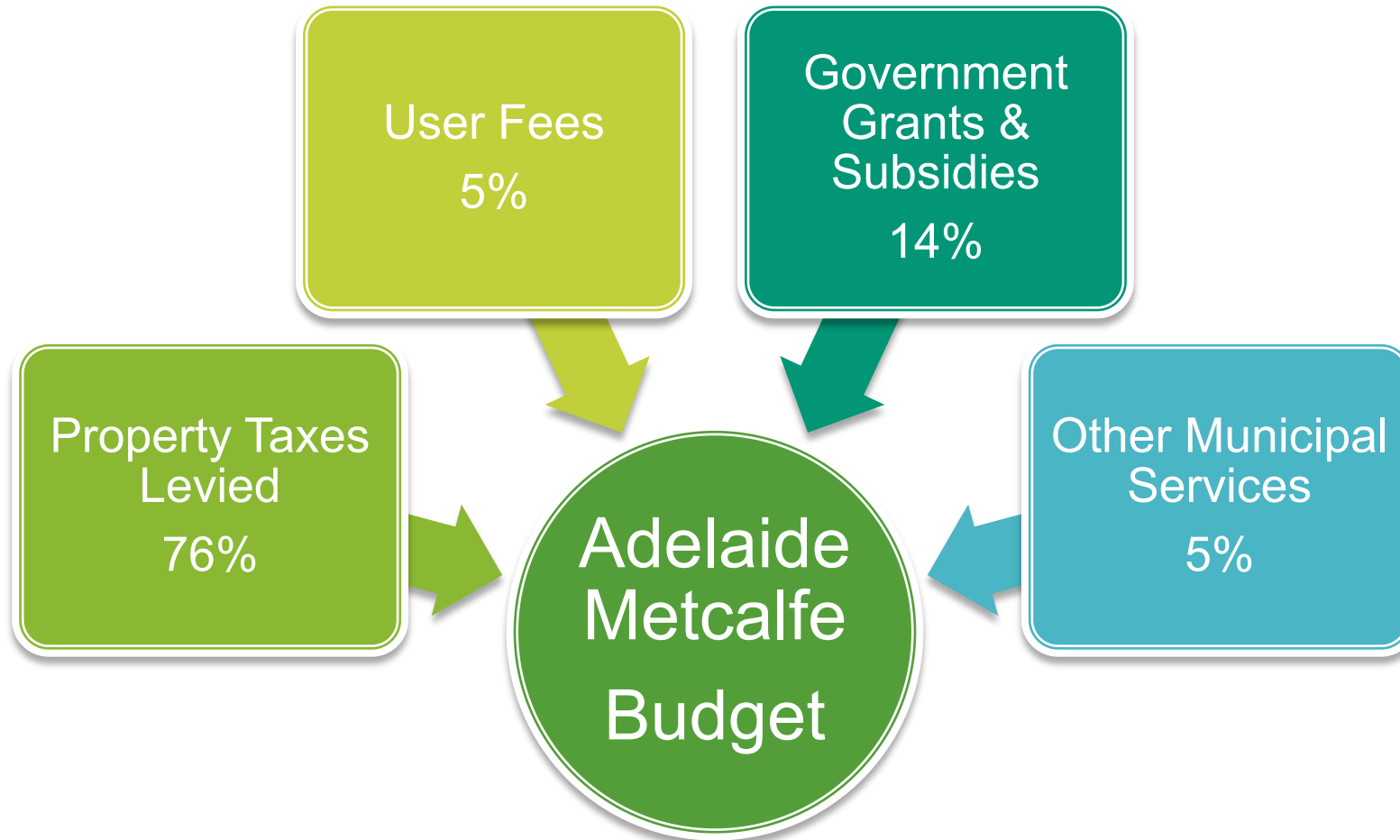
# Roles of Adelaide Metcalfe

- ▶ Determine revenue requirements for the township through budgeting
- ▶ Set municipal tax rates
- ▶ Collect property taxes for:
  - Township of Adelaide Metcalfe
  - County of Middlesex
  - School boards

Distribution of Property Taxes Collected by Adelaide Metcalfe, 2021



# Sources of Revenue



# Property Tax Calculation

HOW ARE MY PROPERTY TAXES CALCULATED?





# Assessment

- ▶ Property assessment is the basis upon which municipalities raise taxes. A strong assessment base is critical to a municipality's ability to generate revenues.
- ▶ MPAC has delivered the 2022 final assessment to Adelaide Metcalfe in December of 2021



MUNICIPAL PROPERTY ASSESSMENT CORPORATION



# Assessment Breakdown

- ▶ This chart shows the Total Assessments by Property Type

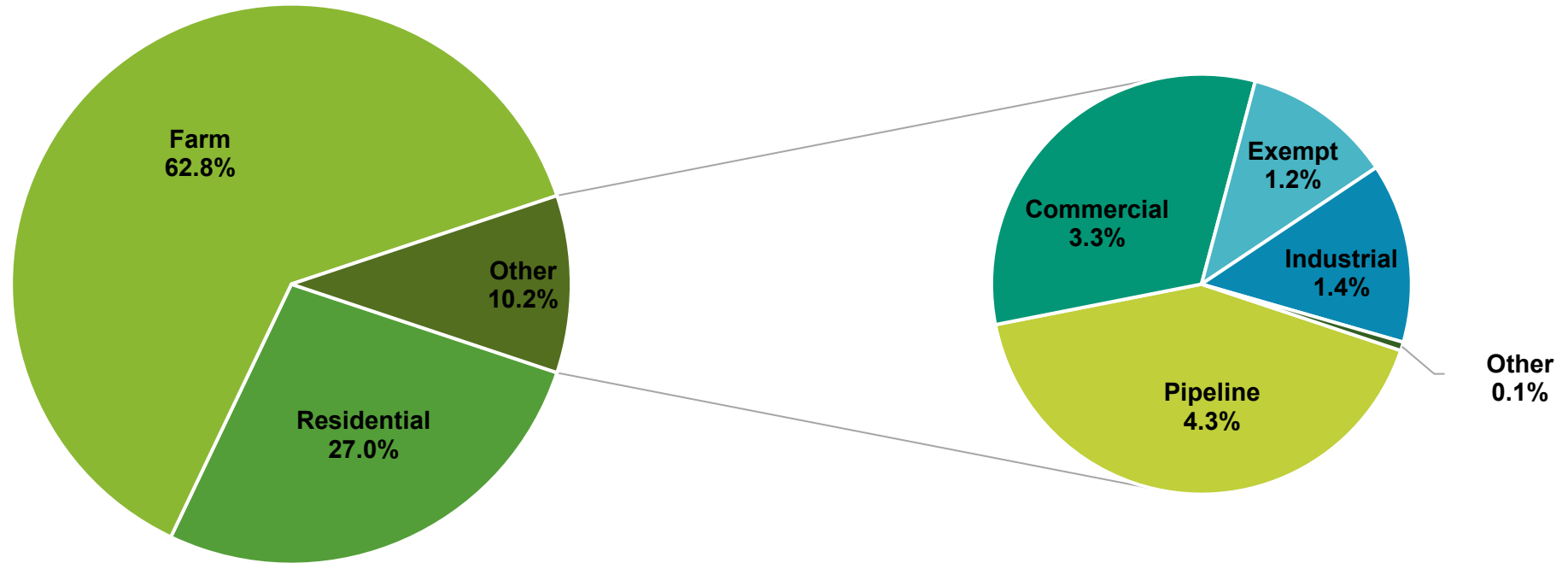
## 2022 Assessment Breakdown

Property Type	Assessment
Farm	736,873,300
Residential	316,358,400
Pipeline	50,189,000
Commercial	38,691,600
Industrial	16,602,900
Exempt	13,820,800
Other	791,400
<i>Total Assessment</i>	<i>\$ 1,173,327,400</i>



# Assessment Breakdown

## 2022 Assessment



# Assessment Revenue

- ▶ This chart shows the Total Revenue by Property Type for 2022

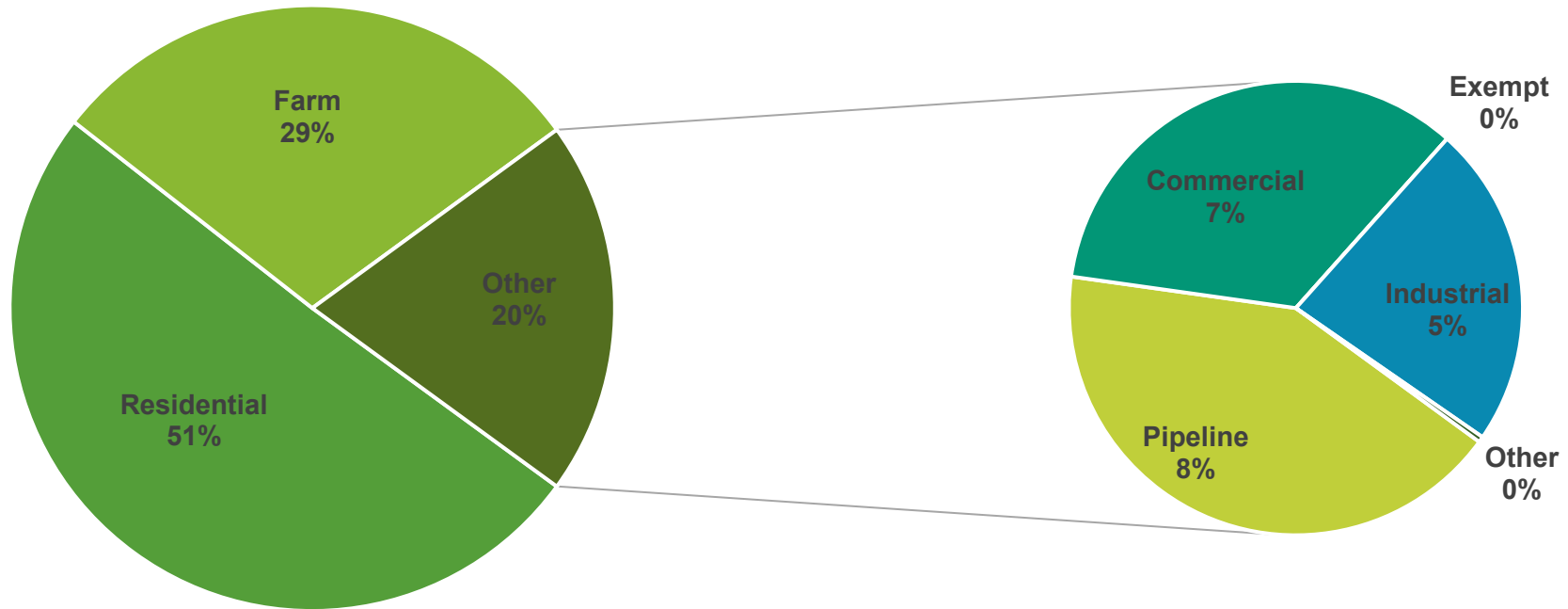
## 2022 Projected Assessment Revenue

	2022
Residential	2,202,503
Farm	1,282,537
Pipeline	368,811
Commercial	300,572
Industrial	201,173
Other	3,514
Exempt	-
<b>Total Assessment Revenue</b>	<b>\$ 4,359,110</b>

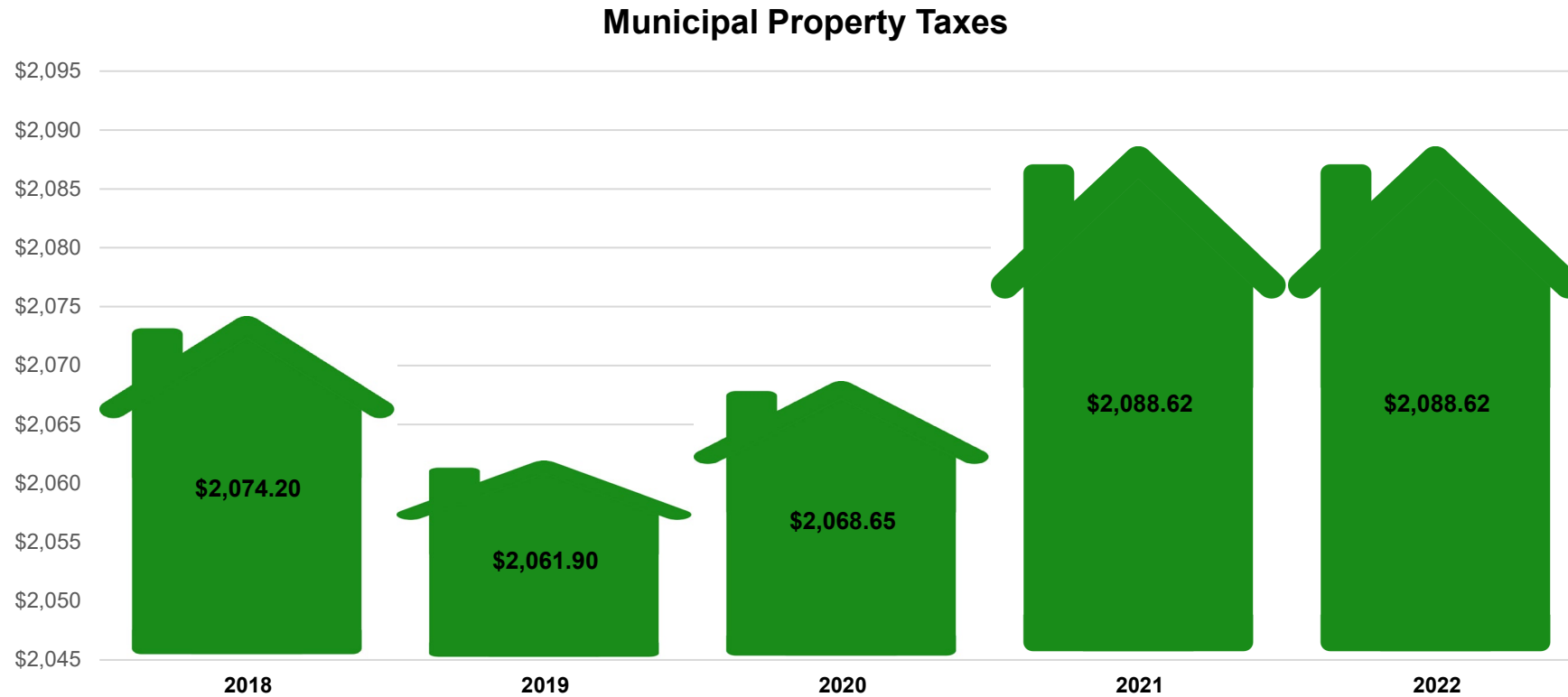


# Assessment Revenue – Who is paying?

2022 Projected Assessment Revenue



# Tax Rates over the Years



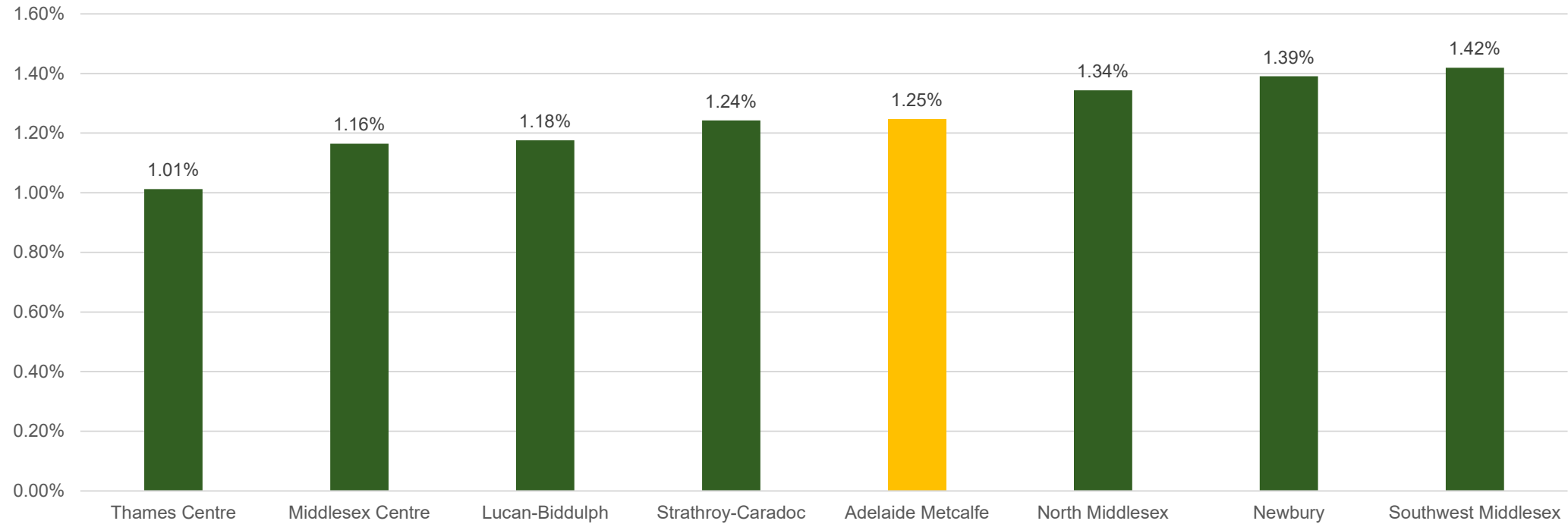
**Note:** Average rate payer owning a home assessed value of \$300,000 (Assessed Value unchanged) and for 2022 applying the projected 0% tax rate increase.

Excludes the Education tax as set by Province and County Tax portion as set by Middlesex County.



# How do we compare?

Middlesex County Residential Tax Rates Comparison (2021)



# Reserve & Reserve Funds

## Reserves & reserve funds are critical...

### ▶ Why are they critical?

- To pay bills (liquidity)
- To cover liabilities and emergencies
- For effective asset management (ensure funds are available to renew or replace assets while “charging” the appropriate taxpayer)

### ▶ What happens without Reserves and Reserve Funds?

- Costs will increase (debt service costs, short-term borrowing costs, larger contingency budgets)
- Reduction of capital works
- Loss of flexibility to take advantage of opportunities
- Could have liquidity problems





# Operating vs. Capital Budgets

<b>Operating Budget</b>	<b>Capital Budget</b>
Normal operating expenditures and revenues associated with the day-to-day provision of services.	Significant expenditures to acquire, construct or improve land, buildings, engineering structures or machinery and equipment used to provide municipal services with a benefit lasting beyond one year.
Annual Planning - Driven by Departmental Business Plans	Long-term Planning - Five-year Forecast



# 2022 CAPITAL BUDGET HIGHLIGHTS

# 2022 Budget Issues and Drivers

- ▶ Create enhanced transparency and accountability
- ▶ Delivery of a fiscally responsible budget
- ▶ Maintaining a sustainable financial position for the Township
- ▶ Continued analysis on reducing costs and creating more efficient processes



# 5-Year Capital Plan

## Township of Adelaide Metcalfe

Capital Expenditure Summary

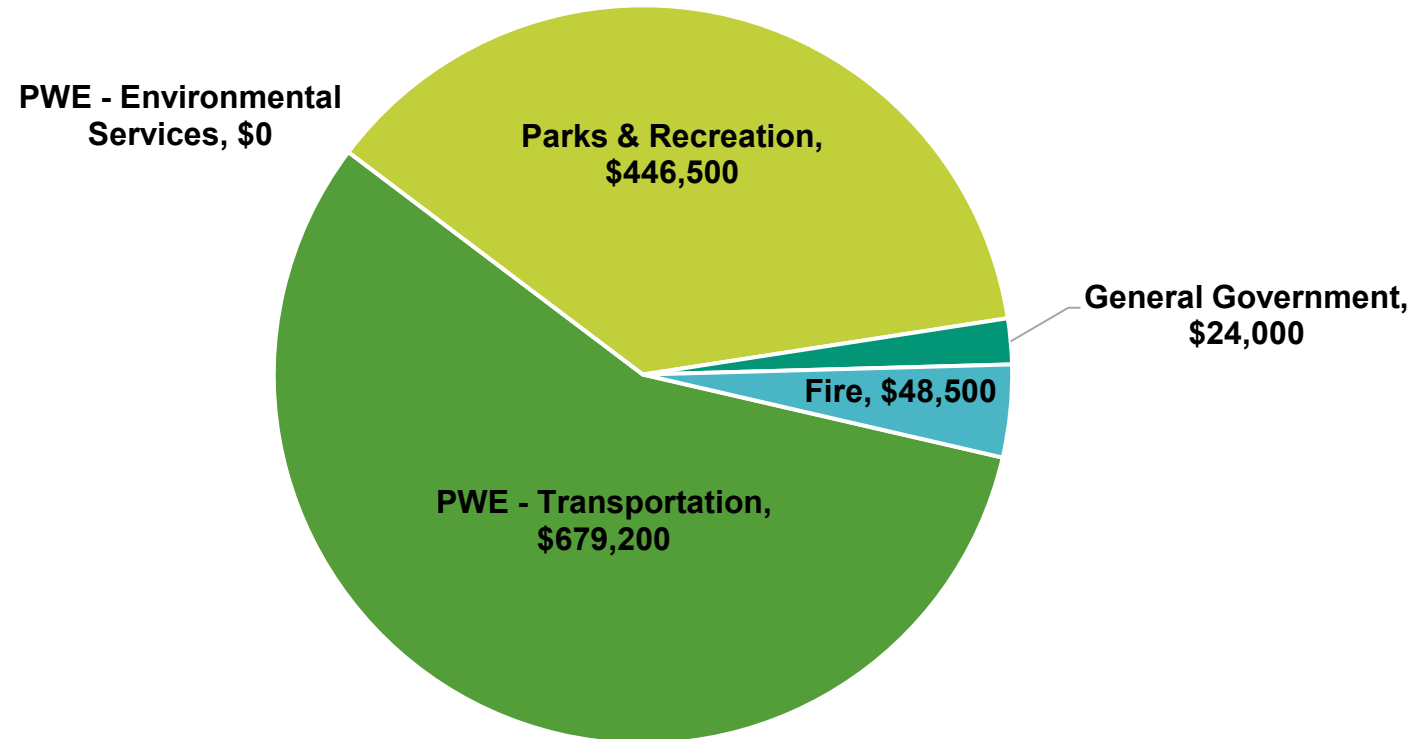
2022 Draft Budget - 5 Year Forecast

Expenditure Detail	Total Budget	Capital Forecast					Total 5 Year Plan
	2022	2023	2024	2025	2026		
PW - Transportation (Total)	\$ 679,200	\$ 3,552,500	\$ 3,035,000	\$ 1,255,000	\$ 1,045,000	\$ 9,566,700	
PW - Environmental Services (Total)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Parks & Recreation (Total)	\$ 446,500	\$ -	\$ -	\$ -	\$ -	\$ 446,500	
General Government (Total)	\$ 24,000	\$ 320,000	\$ 20,000	\$ -	\$ -	\$ 364,000	
Fire (Total)	\$ 48,500	\$ -	\$ -	\$ 400,000	\$ 50,000	\$ 498,500	
<b>Total Capital Expenditures</b>	<b>\$ 1,198,200</b>	<b>\$ 3,872,500</b>	<b>\$ 3,055,000</b>	<b>\$ 1,655,000</b>	<b>\$ 1,095,000</b>	<b>\$ 10,875,700</b>	



# Capital Projects by Department

## 2022 Capital by Department



# Departmental Highlights – General Government

- ▶ \$12,000 Folding Machine (Folder/Stuffer/Inserter)
- ▶ \$12,000 Keystone Upgrade



# Departmental Highlights – General Government

## Capital Financing

Expenditure Detail	Total Budget 2022	Financing					
		Donations/Other	Reserves				Tax Levy
Recreation	Modernization		OCIF	Federal Gas Tax	Total Reserves		
<b>General Government</b>							
Folding Machine	12,000		12,000			12,000	-
Keystone Upgrade	12,000		12,000			12,000	-
<b>General Government (Total)</b>	<b>\$ 24,000</b>	<b>\$ -</b>	<b>\$ 24,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,000</b>	<b>\$ -</b>





# Departmental Highlights - Fire

- ▶ \$26,000 Gear
  - Turnout gear, helmets, bunker gear
- ▶ \$15,000 SCBA Accessories
  - Apparatus and cylinders
- ▶ \$7,500 Hoses
  - Various sizes and lengths





# Departmental Highlights – Fire

## Capital Financing

Expenditure Detail	Total Budget 2022	Financing						
		Donations/Other	Reserves				Total Reserves	Tax Levy
Recreation	Modernization		OCIF	Federal Gas Tax				
<b>Fire</b>								
SCBA (Apparatus x2 and Cylinders x5)	15,000					-	15,000	
Gear (Turnout Gear x5 and Helmets x10, Bunker Gear x2)	26,000					-	26,000	
Hose (Various size and lengths)	7,500					-	7,500	
<b>Fire (Total)</b>	<b>\$ 48,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,500</b>	



# Departmental Highlights – Parks and Recreation

- ▶ \$330,000 Kerwood Park Phase 2 Improvements
  - New ballpark lighting
  - Backstop
  - Fencing
  - Landscaping
  - Pave Parking Lot and Provide Drainage
- ▶ \$17,000 Remaining Kerwood Park Phase 1 Improvements



# Departmental Highlights – Parks and Recreation

- ▶ \$25,000 Electronic Signage
- ▶ \$8,000 Keypad and Lock Automation
- ▶ \$45,000 Add Dugout Structure (x2)
- ▶ \$3,500 Outdoor Ice Rink
- ▶ \$18,000 Lawn Tractor
  - Grass cutting & ball diamond dragging



# Departmental Highlights – Parks and Recreation

## Capital Financing

Expenditure Detail	Total Budget
	2022
<b>Parks &amp; Recreation</b>	
<i>KERWOOD PARK</i>	
Phase 1 Improvements	17,000
Phase 2 Improvements	330,000
Electronic Signage	25,000
Keypad and Lock Automation	8,000
Add dugout structure x2 (not included in phase 2)	45,000
Outdoor Ice Rink	3,500
<b>Total Parks &amp; Recreation</b>	<b>428,500</b>
<b>Vehicles &amp; Equipment</b>	
Lawn Tractor for ball diamond drag/grass cutting	18,000
<b>Total Vehicles &amp; Equipment</b>	<b>18,000</b>
<b>Parks &amp; Recreation (Total)</b>	<b>\$ 446,500</b>

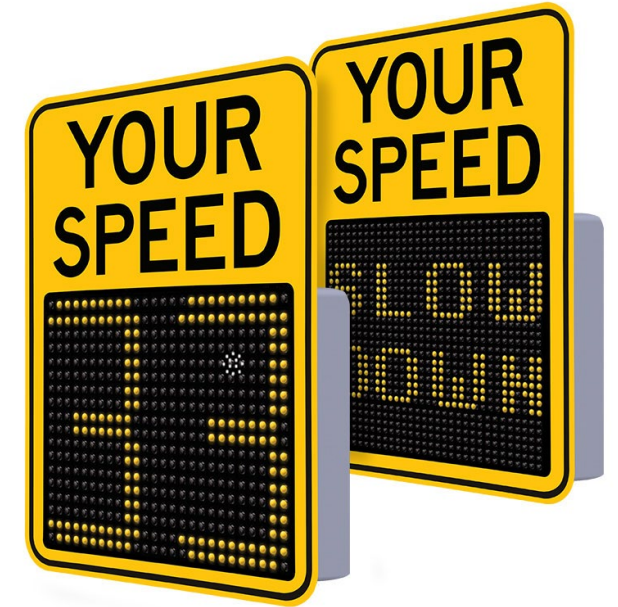
Financing						
Donations/Other	Reserves					Tax Levy
	Recreation	Modernization	OCIF	Federal Gas Tax	Total Reserves	
					-	-
					-	17,000
				239,715	239,715	90,285
					-	25,000
					-	8,000
					-	45,000
	3,500				3,500	-
-	3,500	-	-	239,715	243,215	185,285
					-	18,000
-	-	-	-	-	-	18,000
<b>\$ -</b>	<b>\$ 3,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 239,715</b>	<b>\$ 243,215</b>	<b>\$ 203,285</b>





# Departmental Highlights – Public Works

- ▶ \$270,000 Sidewalks - Boundary on Second Street to Buttery Creek
  - Includes lighting
- ▶ \$400,000 Tandem Snowplow
- ▶ \$9,200 Mobile Speed Sign (x2)



# Departmental Highlights – Public Works

## Capital Financing

Expenditure Detail	Total Budget
	2022
<b>PWE - Transportation</b>	
<b>Construction</b>	
Sidewalks - Boundary on Second Street to Buttery Creek	270,000
<i>Total Construction</i>	270,000
<b>Structures</b>	
<i>Total Structures</i>	-
<b>Vehicles &amp; Equipment</b>	
Tandem Snowplow	400,000
Mobile Speed Sign X2	9,200
<i>Total Vehicles &amp; Equipment</i>	409,200
<b>Facilities</b>	
<i>Total Facilities</i>	-
<b>PWE - Transportation (Total)</b>	<b>\$ 679,200</b>

Financing						
Donations/Other	Reserves					Tax Levy
	Recreation	Modernization	OCIF	Federal Gas Tax	Total Reserves	
			175,172	94,828	270,000	-
-	-	-	175,172	94,828	270,000	-
-	-	-	-	-	-	-
					-	400,000
4,600					-	4,600
4,600	-	-	-	-	-	404,600
-	-	-	-	-	-	-
<b>\$ 4,600</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 175,172</b>	<b>\$ 94,828</b>	<b>\$ 270,000</b>	<b>\$ 404,600</b>



# Reserve & Reserve Funds Projections

RESERVE ACCOUNT	Estimated Jan 1/2022	Ending Dec 31/2022	Total Activity		
	BALANCE	BALANCE	Contributions	Withdrawals	In Year Change
<b>RESERVE FUNDS</b>					
Fire Equipment	244,806.67	284,806.67	40,000.00	-	40,000.00
Road Projects	806,857.30	1,006,857.30	200,000.00	-	200,000.00
West Williams Water	4,900.00	4,900.00	-	-	-
Water/Sewer Purposes	554,000.00	554,000.00	-	-	-
Hwy 81 W/WW Reserve	323,595.67	453,050.67	129,455.00	-	129,455.00
Hwy 81 Sewers Capital Improvement	75,000.00	75,000.00	-	-	-
Obligatory Reserve Fund: Building Services	409,394.81	409,664.81	270.00	-	270.00
Recreation Purposes	-	491.00	3,991.00	(3,500.00)	491.00
Kerwood Wastewater	541,416.00	566,416.00	25,000.00	-	25,000.00
Modernization Reserve Fund	249,264.17	166,361.83	-	(82,902.34)	(82,902.34)
Kerwood Park Upgrade	-	-	-	-	-
Sand/Salt Shed/Amalgamated Garage	100,000.00	100,000.00	-	-	-
Capital Purposes	962,354.05	962,354.05	-	-	-
Obligatory Reserve Fund: Federal Gas Tax	472,271.99	195,557.47	94,828.00	(371,542.52)	(276,714.52)
Obligatory Reserve Fund: OCIF	17,824.02	35,753.02	193,101.00	(175,172.00)	17,929.00
Landfill Restoration	293,161.27	318,161.27	25,000.00	-	25,000.00
Computer Equipment	20,000.00	20,000.00	-	-	-
Election	11,500.00	-	-	(11,500.00)	(11,500.00)
Gough Cemetery	15,580.00	15,580.00	-	-	-
Neighbourhood Watch	2,052.64	2,052.64	-	-	-
Signs-Mar for Mayors & AED	31,055.42	12,055.42	-	(19,000.00)	(19,000.00)
Reserve Fund - Trees	54,711.47	50,711.47	-	(4,000.00)	(4,000.00)
Obligatory Reserve Fund: Parkland	34,486.54	34,486.54	-	-	-
Reserve Fund - BATTERY Creek Subdivision	19,992.02	19,992.02	-	-	-
Covid19 - Safe Restart	65,760.64	52,220.64	-	(13,540.00)	(13,540.00)
<b>TOTAL RESERVE FUNDS</b>	<b>5,309,984.68</b>	<b>5,340,472.82</b>	<b>711,645.00</b>	<b>(681,156.86)</b>	<b>30,488.14</b>





# 2022 OPERATING BUDGET HIGHLIGHTS



# 2022 Budget Issues and Drivers

- ▶ Incorporating public feedback
- ▶ Emphasis on allocating budgeted expenses and revenues to better reflect actual costs within the departments
- ▶ Create enhanced transparency and accountability
- ▶ Delivery of a fiscally responsible operating budget
- ▶ Maintaining a sustainable financial position for the Township
- ▶ Continued analysis on reducing costs and creating more efficient processes



# Challenges

- ▶ Provide funding and resources to address future priorities (Reserves)
- ▶ Staff capacity and resources
- ▶ Customer service approach: Two levels - traditional and digital
- ▶ Managing/reducing costs and recovering fees
- ▶ Commercial corridor policy realignment
- ▶ Covid19 uncertainties
- ▶ Cost predictability and timing of receiving goods



# Operating Highlights - Impacts

- ▶ No change to property assessment – No phase-in growth
- ▶ Cost of living increase for employees of 2%
- ▶ Employee benefits cost increase 5%
- ▶ Insurance increase 17%
- ▶ Recycling fees increase of 2%
- ▶ Automated garbage pickup and disposal increase of 4.4%
- ▶ Conservation authorities increase of 7.6%
- ▶ 2022 Ontario CPI (Consumer Price Index January 2022-12 mth) 5.1%
- ▶ OMPF (Ontario Municipal Partnership Fund) decrease of 15%



# Operating Budget Summary

Department	2022 Budget			2021 Budget		
	Revenue	Expenditures	Taxes	Revenue	Expenditures	Taxes
<b>General Government</b>						
Administration	465,834	1,365,295	899,461	135,000	853,708	718,708
General Municipal Revenue	475,900	-	(475,900)	553,600	-	(553,600)
Livestock	-	-	-	-	-	-
Council	11,600	110,454	98,854	-	99,637	99,637
<b>Total General Government</b>	<b>953,334</b>	<b>1,475,749</b>	<b>522,415</b>	<b>688,600</b>	<b>953,344</b>	<b>264,744</b>
<b>Protection to Persons &amp; Property</b>						
Fire						
Fire Dept Operations	8,300	333,289	324,989	2,500	326,000	323,500
Fire Dept Fleet	-	27,103	27,103	-	-	-
<i>Total Fire</i>	<i>8,300</i>	<i>360,392</i>	<i>352,092</i>	<i>2,500</i>	<i>326,000</i>	<i>323,500</i>
Other						
Policing	-	440,496	440,496	1,685	446,904	445,219
Provincial Offences	13,000	-	(13,000)	15,000	-	(15,000)
Conservation Authorities	-	57,038	57,038	-	52,992	52,992
Building Services	75,720	75,720	-	95,250	84,057	(11,193)
By-law Enforcement	-	7,000	7,000	-	9,000	9,000
Animal Control	13,300	12,600	(700)	15,000	15,600	600
<i>Total Other</i>	<i>102,020</i>	<i>592,854</i>	<i>490,834</i>	<i>126,935</i>	<i>608,553</i>	<i>481,618</i>
<b>Total Protection to Persons &amp; Property</b>	<b>110,320</b>	<b>953,246</b>	<b>842,926</b>	<b>129,435</b>	<b>934,553</b>	<b>805,118</b>



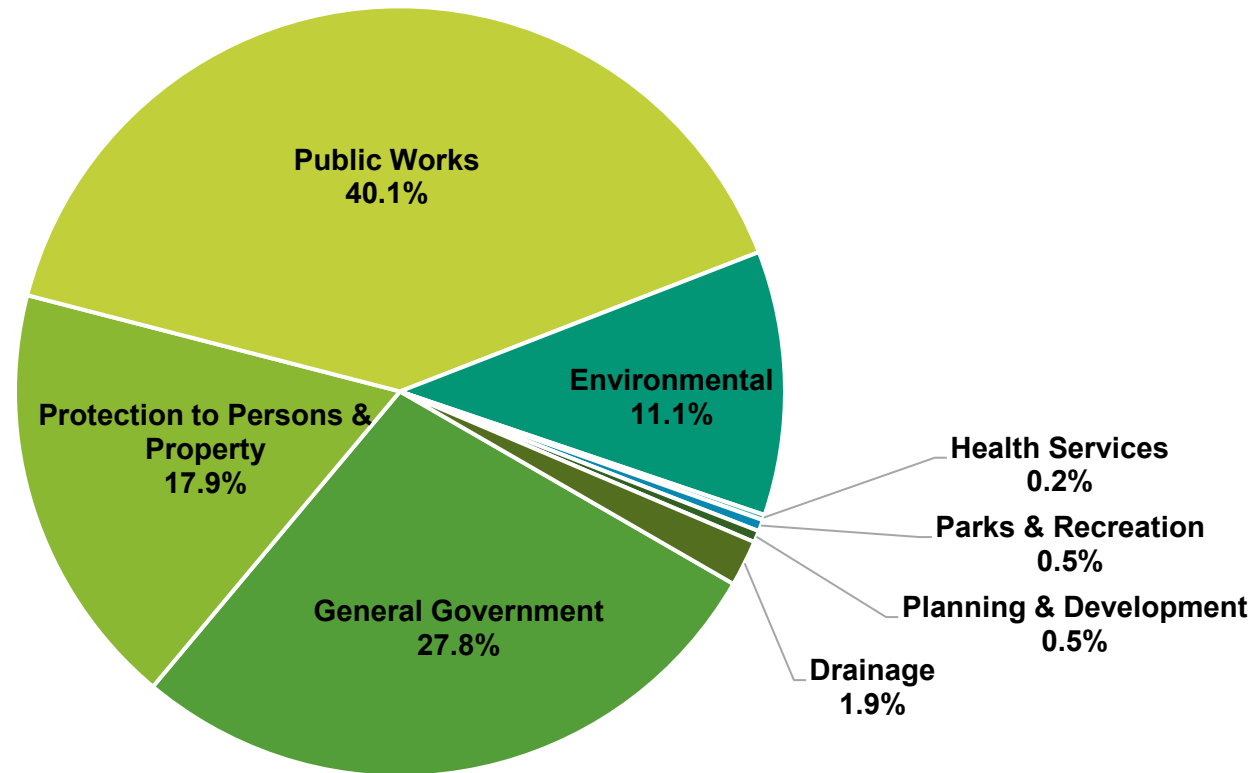
# Operating Budget Summary

Department	2022 Budget			2021 Budget		
	Revenue	Expenditures	Taxes	Revenue	Expenditures	Taxes
<b>Public Works</b>						
Transportation Operations	39,500	1,576,478	1,536,978	311,914	3,011,775	2,699,861
Transportation Fleet	-	200,785	200,785	-	-	-
Waste Management	144,945	353,756	208,811	115,000	287,437	172,437
<b>Total Public Works</b>	<b>184,445</b>	<b>2,131,019</b>	<b>1,946,574</b>	<b>426,914</b>	<b>3,299,212</b>	<b>2,872,298</b>
<b>Environmental</b>						
Water & Wastewater Systems	249,450	589,905	340,455	235,847	371,996	136,149
<b>Total Environmental</b>	<b>249,450</b>	<b>589,905</b>	<b>340,455</b>	<b>235,847</b>	<b>371,996</b>	<b>136,149</b>
<b>Health Services</b>						
Cemeteries	-	11,968	11,968	-	10,500	10,500
<b>Total Health Services</b>	<b>-</b>	<b>11,968</b>	<b>11,968</b>	<b>-</b>	<b>10,500</b>	<b>10,500</b>
<b>Parks &amp; Recreation</b>						
Kerwood Park	800	21,786	20,986	401,000	482,500	81,500
Trees	4,000	4,000	-	2,000	2,000	-
<b>Total Parks &amp; Recreation</b>	<b>4,800</b>	<b>25,786</b>	<b>20,986</b>	<b>403,000</b>	<b>484,500</b>	<b>81,500</b>
<b>Planning &amp; Development</b>	<b>46,400</b>	<b>26,000</b>	<b>(20,400)</b>	<b>37,800</b>	<b>4,000</b>	<b>(33,800)</b>
<b>Drainage</b>						
Drainage Superintendent	33,800	71,600	37,800	19,000	70,500	51,500
Drainage Debenture Payments	31,236	31,236	-	25,665	25,665	-
<b>Total Parks &amp; Recreation</b>	<b>65,036</b>	<b>102,836</b>	<b>37,800</b>	<b>44,665</b>	<b>96,165</b>	<b>51,500</b>
<b>Total</b>	<b>1,613,785</b>	<b>5,316,510</b>	<b>3,702,725</b>	<b>1,966,261</b>	<b>6,154,270</b>	<b>4,188,009</b>



# Operating Budget by Department

2022 Operating Budget - By Department



\* In this chart, general government includes approx. \$300,000 of reserve transfers



# Operating Highlights

## Personnel Changes

- ▶ Labour budget model used (Zero-based budgeting applied)
- ▶ Salary cost of living increase 2.0%
- ▶ Benefits (health and dental) increase of 5%
- ▶ Step increases (13 employees eligible in 2022)
- ▶ Co-op position
  - Records Management Assistant - Summer Student





# Departmental Highlights

## General Government - Administration

- ▶ Net operating increase of 25.15% or \$180,754
  - Includes transfers to reserves and associated grant revenue
- ▶ Interest income corrected, removed \$74,000 of revenue
  - Should be allocated to reserves
- ▶ 5 of 6 employees received step increases
- ▶ Full year of Financial Analyst (change from Financial Assistant)
- ▶ Significant increases to IT costs
- ▶ Computer replacements
- ▶ Fee By-law





# Departmental Highlights

## General Government - Administration

- ▶ Commercial corridor policy realignment
- ▶ Offer marriage licences
- ▶ Implementation of Gov Deals for asset sales
- ▶ Policy manual update
- ▶ Ongoing review of operational accounts for savings
- ▶ Increase collections of outstanding tax arrears and receivables
- ▶ Development charge study \$31,000 (carryover from 2021)
- ▶ Municipal Comprehensive Review \$2,500 (carryover from 2021)
- ▶ Service Delivery Review - Planning, Drainage & Records (carryover from 2021) \$20,000
  - Fully funded by a grant and remaining from modernization



# Departmental Highlights

## General Government - Administration

- ▶ Community Improvement Plan \$8,500
- ▶ Asset Management Plan \$32,000
  - Funded by Federal Gas Tax
- ▶ Communication Strategy development \$4,600
  - Email newsletter, keeping it local magazine and budget survey
- ▶ Centre Rd. Stormwater Study - \$29,000
  - To be completed if the grant application is successful
- ▶ Review health and safety program \$2,500
- ▶ Implementation of new payroll system \$10,000
  - Fully funded by modernization funds



# Departmental Highlights

## General Government – General Municipal Revenues

- ▶ Net operating decrease of 1.62% or (\$77,039)
- ▶ Decrease in OMPF funding \$65,300
  - Ontario Municipal Partnership Fund
- ▶ Decrease in penalties and interest on taxes due to increased collections
  - Total decrease \$15,000
- ▶ Increased total tax write-offs to account for Tax Incentive approvals \$90,000
  - Farm/Residential tax class changes
  - Increased by \$60,000
- ▶ Corrected Payments in Lieu of taxes from education \$53,000
  - Not included as revenue in prior years



# Departmental Highlights

## General Government - Council

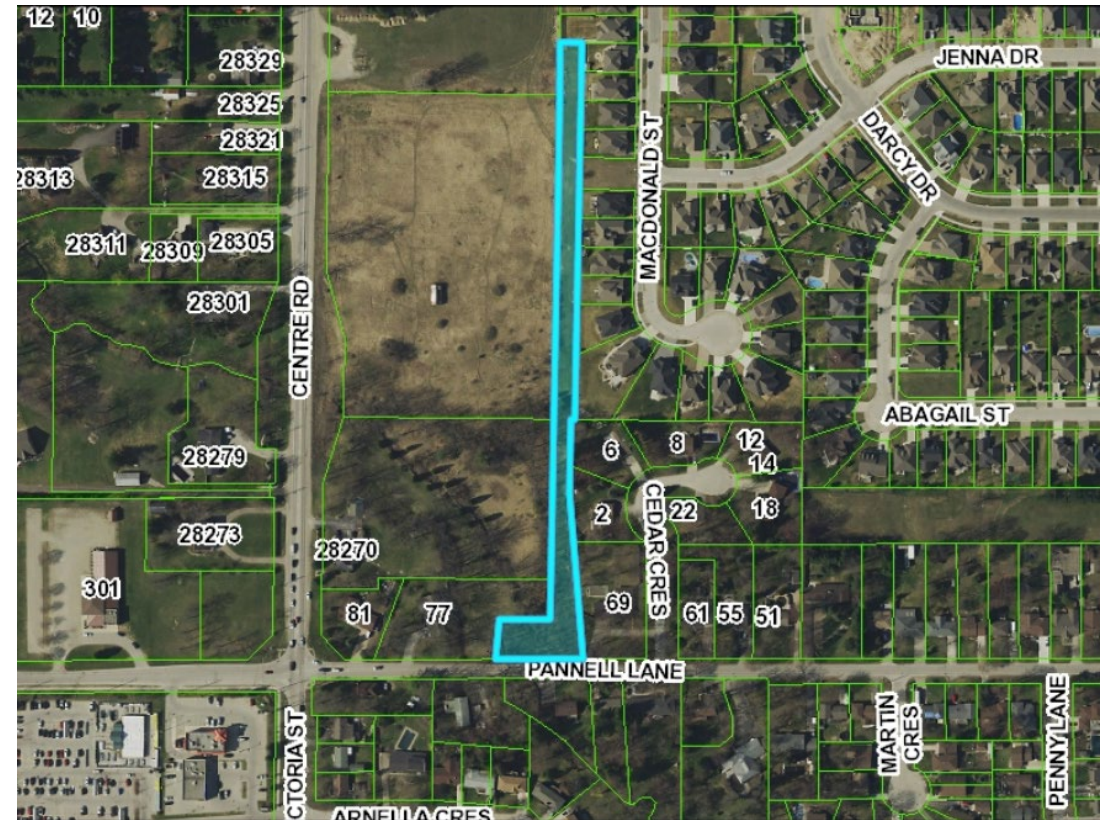
- ▶ Net operating decrease of 0.8% or (\$783)
- ▶ Reserve transfer to partially offset cost of municipal elections \$11,500
- ▶ Estimated Municipal Election cost \$15,000
- ▶ Council grant program \$17,700
- ▶ Includes various onboarding costs for new council term



# Departmental Highlights

## Planning

- ▶ Net operating decrease of 39.6% or (\$13,400)
- ▶ Increased revenues to align with 5-year average
  - 2020 budget was low
- ▶ Disposition of lands \$10,000
  - Panell lane land to be disposed
- ▶ Legal fees for planning decisions \$10,000
- ▶ Official plan update
  - Included in County levy





# Departmental Highlights

## Health Services - Cemeteries

- ▶ Net operating increase of 13.98% or \$1,468
- ▶ Increase in grass cutting to align with contract \$8,500
- ▶ Cemetery management review
  - Completeness
  - Understanding status of all cemeteries
  - Reporting requirements
  - Finances



# Departmental Highlights

## Protection to Persons and Property: Fire Department

- ▶ Increase in net operating costs by 8.4% or \$28,592
  - Adjusted for prior year capital
- ▶ Cost of living increase for firefighters of 2%
- ▶ Increase to insurance
- ▶ Non-capital equipment – Smoke machine and accessories \$3,000, replace and upgrade radios \$3,000
- ▶ Implement a program to ensure ongoing volunteer participation \$3,000
- ▶ Fire plan review to understand opportunities and potential constraints \$25,000



# Departmental Highlights

## Protection to Persons and Property: Fire Department

- ▶ IT Upgrades \$6,500
  - iPad for truck, TV for the training room, who's responding app, computer replacement
- ▶ Volunteer firefighters' compensation review \$2,500
- ▶ New Recruits
  - Projecting 4 new recruits to be hired (2 new, 2 backfills)
  - Each recruit will require specialized equipment and various degrees of training
- ▶ Annual reserve contribution for future capital \$40,000
- ▶ New fleet department created
  - Increased oversight on vehicle expenses





# Departmental Highlights

## Protection to Persons and Property: Policing

- ▶ Decrease in net operating costs by 1.4% or (\$6,408)
- ▶ Contracted service with the Ontario Provincial Police
- ▶ 2022 Contract total \$440,496



# Departmental Highlights

## Protection to Persons and Property: Provincial Offences

- ▶ Decrease in net operating costs by 13.3% or (\$2,000)
- ▶ Decrease estimated revenues to align with amount last received
  - Estimating \$13,000
- ▶ Provincial offences include traffic fines, tobacco law violations, and other violations outlined in the Provincial Offences Act



# Departmental Highlights

## Protection to Persons and Property: Conservation Authorities

- ▶ Increase in net operating costs by 7.6% or \$4,046
- ▶ Two conservation authorities
- ▶ Split into two separate departments for better tracking
- ▶ Ausable Bayfield Conservation Authority
  - Total levy: \$30,824
- ▶ St. Clair Region Conservation Authority
  - Total levy: \$26,214



# Departmental Highlights

## Protection to Persons and Property: Building Services

- ▶ Decrease in net operating costs by 100% or (\$11,193)
  - Corrected as it should be a revenue-neutral department
  - Department surplus to be transferred to a reserve fund
- ▶ Contracted service with the Municipality of Middlesex Centre
  - Total cost (including contingency) \$66,000
- ▶ Projecting a conservative year for permits, per Chief Building Official \$70,000
  - Not expecting new fees to significantly impact revenue
- ▶ Cloud permit annual fee \$9,450



# Cloudpermit



# Departmental Highlights

## Protection to Persons and Property: By-Law Enforcement

- ▶ Decrease in net operating costs by 22% or (\$2,000)
- ▶ Contracted service with MEU – Municipal Enforcement Unit
- ▶ Service used on an as-needed basis
  - Anticipating increased use to address various by-law complaints





# Departmental Highlights

## Protection to Persons and Property: Animal Control

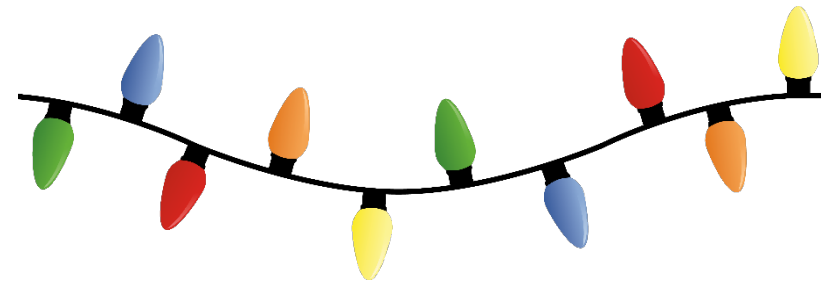
- ▶ Decrease in net operating costs by 216.7% or (\$1,300)
- ▶ Decrease in revenue vs prior year to align with 2021 actuals \$13,300
  - Will advertise on socials
  - To be billed in April
- ▶ Animal control services provided by Vicki Kyle \$12,000
  - Decrease from 2021 as no tagging to occur in 2022 per contract



# Departmental Highlights

## Parks & Recreation

- ▶ Increase in net operating costs by 11.6% or \$2,186
  - Adjusted for prior year capital
- ▶ Kickoff off tree program - \$4,000
- ▶ Increased material and supplies due to the new washroom facility \$2,000
- ▶ Internet connectivity to utilize remote functionality of keypad and lock automation \$1,800
- ▶ Grounds maintenance to be completed by the Township – Increasing level of service
- ▶ Increase to insurance
  - Also related to the new structure
- ▶ Christmas lights for the park \$1,500



# Departmental Highlights

## Public Works – Roads

- ▶ Decrease in net operating costs by 5.99% or (\$86,760)
  - Adjusted for prior year capital
- ▶ 6 employees received step increases
- ▶ Overtime budget at 15% or \$44,000
- ▶ Delivery of sustainable transportation infrastructure
- ▶ Maintenance of roadway network, including winter operations
- ▶ Asset management a priority
- ▶ Change in grant allocation methodology, now flows through administration - removed \$179,914





# Departmental Highlights

## Public Works – Roads

- ▶ New fleet department created
  - Increased oversight on vehicle expenses
- ▶ Implementation of road patrol app
- ▶ Roads by-law development
- ▶ Increase level of service to roadside maintenance
  - 3 rounds of grass cutting
  - Better weed control at our overpasses
  - Spraying full township for roadside weeds
- ▶ Township signage improvement plan \$19,000
  - Fully funded by Mayor for Mayors reserve



# Departmental Highlights

## Public Works – Roads

- ▶ Increase in insurance
- ▶ Increase cost for dust control (19% or \$15,000 increase) \$95,000
- ▶ Transfer to reserves for future capital works on Mullifarry Dr. \$200,000



# Departmental Highlights

## Public Works – Waste Management

- ▶ Net operating cost increase 11.4% or \$21,374
- ▶ Increasing waste management disposal and automated fees
  - 4.4% increase over 2021
- ▶ Increasing recycling fees of 2%
- ▶ Wheelie bin program summary
  - Projected wheelie bin revenue \$124,445
  - Cost of program \$230,238
  - Total shortfall \$105,793
- ▶ Wheelie bin fees remain unchanged
  - Small - \$50 bin fee + \$50 weekly pickup = \$100 Total
  - Medium - \$90 bin fee + \$50 weekly pickup = \$140 Total
  - Large - \$135 bin fee + \$50 weekly pickup = \$185 Total



# Departmental Highlights

## Public Works – Waste Management

- ▶ Landfill expansion delayed; study determined we have a few years left of capacity
  - Switch to wheelie bin program has increased the landfill life as waste is diverted away from the township
- ▶ Landfill not properly assessed in previous years, now paying property taxes at landfill rate \$14,000
- ▶ Kellam landfill closure plan, 2021 carryforward project \$11,500
- ▶ Reserve transfer for future landfill closure and liability \$25,000
- ▶ Projecting a landfill operating loss of \$103,018
  - Fee by-law to address part of the revenue shortfall
  - We will need to determine an appropriate percentage of cost recovery for this facility



# Departmental Highlights

## Environmental Services – Wastewater – Kerwood

- ▶ Net operating cost increase 19.71% or \$9,142
- ▶ System operating revenue, billed on final taxes \$37,800
- ▶ Connection fees not budgeted to be conservative
- ▶ Rate study to be completed \$7,000
- ▶ Contracted service with OCWA to maintain and operate system \$50,000
- ▶ Hydro increased vs prior year \$5,000 (\$17,000 total)
- ▶ Reserve transfer for future capital \$25,000
- ▶ Overall department deficit \$55,512





# Departmental Highlights

## Environmental Services – Water/Wastewater - Centre Rd/Hwy 81

- ▶ Net operating cost increase 150.1% \$204,306
- ▶ System operating revenue, billed through Entegrus \$60,000
- ▶ Potential infrastructure and capacity study - \$30,000
- ▶ Rate study to be completed \$7,000
- ▶ Contracted service with OCWA to operate and maintain system \$50,000
  - Pending agreement
- ▶ Reserve transfer for the potential future purchase of water meters to track usage \$126,000
- ▶ Overall department deficit \$284,943





# Departmental Highlights

## Drainage Services

- ▶ Net operating cost decrease 26% or (\$13,700)
- ▶ Drainage superintendent grant of 50% on eligible hours \$33,800
  - Grant through OMAFRA (Ontario Ministry of Agriculture, Food and Rural Affairs)
- ▶ Contracted service with the Municipality of Southwest Middlesex \$67,600
  - Drainage superintendent in the office 2 days per week
- ▶ Consulting services with Spriets to assist with old drain drawings and documentation for grant submissions \$3,000



# Operating Budget Breakdown

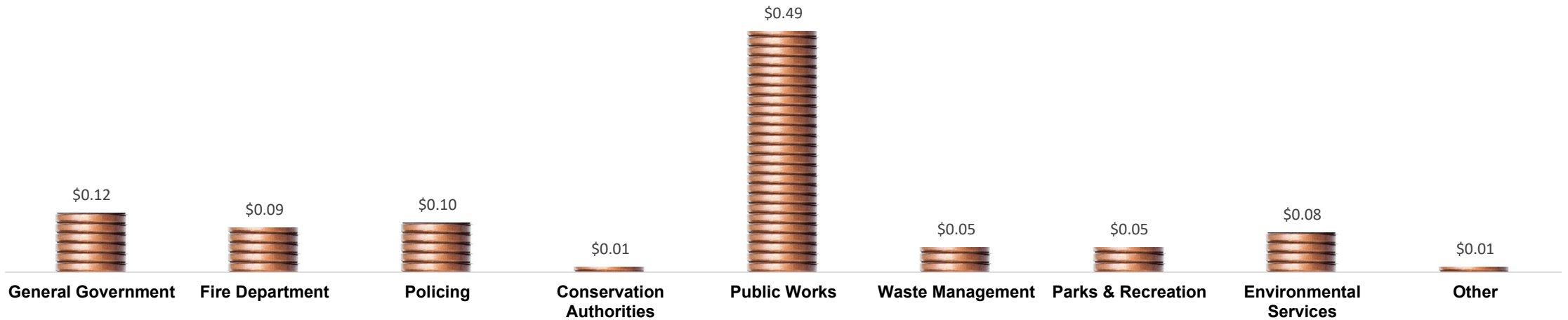
- ▶ 71% of the operating expenses of the Township are within 7 accounts

Expenditures	%	\$
Salaries & Wages	27.08%	\$1,440,585
Contracted / Purchased Services	19.24%	\$1,023,334
Transfer to Reserves	13.38%	\$ 711,645
Loose Top Road Maintenance	4.14%	\$ 220,000
Repairs and Maintenance	2.92%	\$ 155,500
Insurance	2.34%	\$ 124,461
Roadside Maintenance	2.07%	\$ 110,000



# How municipal property taxes are distributed

- ▶ Every \$1 of Municipal property taxes is shared between the services shown in this chart.



# Residential Impact

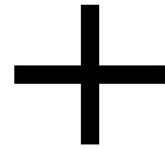
## Tax Rate Increase and Assessment Increases

**Council Responsibility**

2021 Taxes: \$2,089 Assessment: \$300,000	Unchanged <b>\$0</b>	2022 Taxes: \$2,089 Assessment: \$300,000
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2021



2022



**MPAC Responsibility**

Assessment: \$300,000	Unchanged <b>\$0</b>	Assessment: \$300,000
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= **\$0**

Note: Average ratepayer owning a home assessed value of \$300,000. Excludes the Education tax as set by Province and County Tax portion as set by Middlesex County.



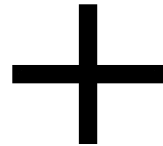
# Farm Impact

## Tax Rate Increase and Assessment Increases

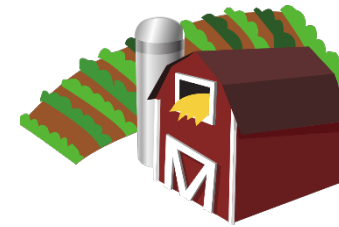
Council Responsibility		
2021 Taxes: \$1,741	Unchanged <b>\$0</b>	2022 Taxes: \$1,741
Assessment: \$1,000,000		Assessment: \$1,000,000



2021



2022



MPAC Responsibility		
Assessment: \$1,000,000	Unchanged <b>\$0</b>	Assessment: \$1,000,000

**= \$0**

Note: Average ratepayer owning a farm with an assessed value of \$1,000,000. Excludes the Education tax as set by Province and County Tax portion as set by Middlesex County.



# Summary

- ▶ 0% Tax Rate Increase
- ▶ 4.09% Tax Levy Increase
- ▶ \$5,316,510 in Operating Costs
- ▶ \$1,198,200 in Capital Projects
- ▶ \$711,645 Transfers to Reserves
- ▶ \$681,157 Transfers from Reserves





# Stay in Touch!



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