



ARNPRIOR
• WHERE THE RIVERS MEET •

2024 Budget Recap

Jennifer Morawiec, GM Client
Services / Treasurer

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Budget Recap

- Current Draft Budget is presented with a 0% municipal tax rate increase and includes:
 - Operating Budget \$25.7M
 - Address inflationary & growth pressures
 - Increased contributions to reserves
 - Capital Budget \$10.7M
 - 25 new capital projects
 - Investment in linear infrastructure (65%)



Budget Recap

- **Challenges**
 - Legislative impacts (CVA, Bill 23)
 - Inflationary impacts / supply chain
 - Growth management
- **Advantages**
 - Robust capital plan / asset investment
 - PAYG model / reserve balances
 - Growth revenues



Municipal Tax Rate

- Recommended 2.0% MTRI will generate \$236,861 in additional taxation revenue.

| MTRI | Municipal Revenue | Annual Cost / \$ Assessed Value | |
|-------------|-------------------|---------------------------------|----------------|
| | | \$100,000 | \$241,000 |
| 0.5% | \$59,215 | \$4.57 | \$11.00 |
| 1.0% | \$118,431 | \$9.13 | \$22.01 |
| 2.0% | \$236,861 | \$18.26 | \$44.02 |
| 2.5% | \$296,076 | \$22.83 | \$55.02 |
| 3.0% | \$355,292 | \$27.40 | \$66.03 |



Municipal Tax Rate

- 2.0% MTRI will support:
 - Help addressing legislative impacts.
 - Bolster reserve / reserve fund balances for future infrastructure investment.
 - Increased capital investment will help towards reaching target reinvestment rates as per the Asset Management Plan.
 - Financial Sustainability: Maintain the PAYG financial model and avoid the need for sharp increases in the future.



Municipal Impact

- For average home valued at \$241,000

| Estimated Impact | 2022 | 2023 | 2024 |
|------------------------|----------------|----------------|----------------|
| MTRI % Increase | 0.0% | 3.0% | 2.0% |
| Municipal Tax Rate | \$0.00 | \$57.92 | \$44.02 |
| Water/Wastewater | \$30.96 | \$45.17 | \$28.91 |
| Garbage/Recycling Rate | \$0.00 | (\$20.00) | \$20.00 |
| TOTAL Annual | \$30.96 | \$83.09 | \$92.93 |
| TOTAL Monthly | \$2.58 | \$6.92 | \$7.74 |



2024 Budget

- Tab 12 - Budget Memos
 - 2024 Budget Consultations Memo
 - 2024 Staffing Inclusions Memo
 - 2024 Budget Query Memo #1 & Memo #2
 - Forms part of minutes
- 2023 Works-In-Progress
 - Draft By-Law Schedule
 - Most projects near completion, awaiting delivery of goods or multi-year projects



Budget Revisions

- 2024 Capital Budget
 - Remove EV Charger Stations
 - \$30K grant (\$0 impact), \$10K CERF (Levy)
 - Amend WFP Filter Media & Underdrains
 - Recent inspection of underdrains in filter #2 show damage that will require replacement as opposed to cleanout as initially anticipated.
 - \$120K Water Reserve



Budget Deliberations

- Review 2024 Budget Binder
 - Draft Operating Budget
 - Overview by Tab
 - Draft Capital Budget
 - Summary
 - Supporting Documents
 - Reserve and Reserve Funds
 - Debt Schedules
 - Long Range Capital Forecast



Budget Deliberations

- Review 2024 Budget
 - If needed Feb 7th – carry over from Feb 6th
- Council direction on:
 - Municipal Tax Rate % for 2024 Budget By-law
 - Any additions / revisions
- February 12th Council Meeting
 - 2024 Budget By-Law – Operating & Capital
 - 2023 Works-in-Progress By-Law
 - Long Range Capital Forecast Resolution
 - Municipal Grant Resolutions (SALC in-kind, Airport, etc)



Budget Binder

- Operating Budget items that impact multiple departments
 - Salaries & Wages
 - Cost of living adjustment (COLA) 2.0%
 - Minimum wage impact – summer student grid
 - Benefits
 - Corresponding impact of COLA increase, benefit premium (Manulife) decrease (6.0%) and statutory deduction decrease (0.38%)
 - Municipal Insurance
 - \$50K increase spread across multiple departments / buildings



Budget Binder

- Tab 1 – Operating Summary
 - Comparison to 2023 budget by department and shows variance by cost area
- Tab 2 – Taxation
 - Additional \$578K in revenues from prior year growth and estimated additional \$100K from current in-year growth



Tab 3 – General Governance

| | 2023 Budget | 2024 Budget | Variance |
|------------------|--------------------|--------------------|--------------------|
| Council | \$234,100 | \$232,100 | (\$2,000) |
| Clerk | \$380,950 | \$362,900 | (\$18,050) |
| Corporate | \$885,550 | \$677,450 | (\$208,100) |
| Human Resources | \$128,250 | \$132,850 | \$4,600 |
| Information Tech | \$321,900 | \$315,998 | (\$5,902) |
| TOTAL | \$1,950,750 | \$1,721,298 | (\$229,452) |



Tab 3 – General Governance

- Interest Earned - increased investment revenues from higher interest rates (\$250K)
- Tax Adjustments - expense decrease from lack of change in assessment base (\$15K)
- IT Hardware / Licensing – expenses increase for rising licensing and hardware costs



Tab 4 – Protection to Persons & Property

| | 2023 Budget | 2024 Budget | Variance |
|--------------------|--------------------|--------------------|------------------|
| Fire Services | \$769,876 | \$801,226 | \$31,350 |
| Police Services | \$1,682,080 | \$1,773,859 | \$91,779 |
| By-Law Enforcement | \$69,430 | \$71,468 | \$2,038 |
| Crossing Guards | \$38,200 | \$38,950 | \$750 |
| TOTAL | \$2,559,586 | \$2,685,503 | \$125,917 |



Tab 4 – Protection to Persons & Property

- Officer Pay increase to add annual compensation for Training Officer (\$8K)
- Fire Training – additional training requirements per new regulatory framework (\$3.5K)
- Police – decreasing per unit cost, increasing # of properties, overall increase (\$92K)



Tab 5 – Public Works

| | 2023 Budget | 2024 Budget | Variance |
|----------------------|--------------------|--------------------|------------------|
| Roads & Services | \$1,961,674 | \$2,036,649 | \$74,975 |
| Vehicles & Equipment | (\$370,500) | (\$331,400) | \$39,100 |
| TOTAL | \$1,591,174 | \$1,705,249 | \$114,075 |



Tab 5 – Public Works

- Asphalt R&M – additional contracted services for sidewalk maintenance program (\$20K)
- Sweeping – reduced expenses as County ended summer maintenance contract (\$15K)
- Tree Maintenance – increased need for tree removal and re-planting (\$13K)
- Streetlights – increase to cover additional streetlights and PXO installation (\$23K)



Tab 6 - Cemeteries

| | 2023 Budget | 2024 Budget | Variance |
|------------|----------------|----------------|----------|
| Cemeteries | (\$2,700) | \$0 | \$2,700 |

- Sale of Plots / Niches – increase in revenues to reflect increasing sale of earth burial plots and niches (new columbaria – Malloch Rd) (\$3.5K)
- Equipment Rental Internal – budgeted rates set at 70% of regular rate to help cost recovery



Tab 7 - Environmental

| | 2023 Budget | 2024 Budget | Variance |
|------------------|----------------------|----------------------|-------------------|
| Water | (\$1,100,424) | (\$1,127,336) | (\$26,912) |
| Wastewater | (\$492,266) | (\$538,880) | (\$46,614) |
| Waste Management | (\$51,000) | (\$46,950) | \$4,050 |
| TOTAL | (\$1,643,690) | (\$1,713,166) | (\$69,476) |



Tab 7 - Environmental

- Water / Wastewater
 - Increased revenues based on proposed rates and estimated volumes
 - \$110K Water, \$121K Wastewater
- WFP & WPCC
 - Light, Heat, Power & Chemicals increased expenses for inflationary impacts (\$8K/\$20K)
 - Minor Capital – to cover minor capital requirements including those from BCA (\$25K / plant)



Tab 7 - Environmental

- Waste Management
 - WM Revenues – higher revenues from increased Garbage/Landfill rate (\$142K)
 - Transfer WM Reserve – stabilize rate (\$41K)
 - Pilot Project – Counter top composters (\$11K)
 - Contracted Services – increase costs from landfill management and garbage collection tenders (\$98K)



Tab 8 – Recreation & Facilities

| | 2023 Budget | 2024 Budget | Variance |
|--------------|--------------------|--------------------|------------------|
| Programs | \$175,455 | \$223,000 | \$47,545 |
| NSC Programs | (\$188,628) | (\$155,650) | \$32,978 |
| Parks | \$384,950 | \$436,050 | \$51,100 |
| Marina | (\$3,300) | (\$800) | \$2,500 |
| NSC Building | \$1,376,020 | \$1,414,750 | \$38,730 |
| Buildings | \$355,750 | \$396,750 | \$41,000 |
| TOTAL | \$2,100,247 | \$2,314,100 | \$213,853 |



Tab 8 – Recreation & Facilities

- Increased revenues related to new and existing programs and events
- Remove M/B revenues, adjusted revenues to reflect trending and future projections
- Inflationary increases for operating supplies / maintenance and repairs
- Bring new parks online (growth)
- Consolidated all building operations under one department, creating efficiencies and capacity in the engineering branch



Tab 9 – Community Services

| | 2023 Budget | 2024 Budget | Variance |
|----------------------|------------------|------------------|-----------------|
| Museum | \$235,440 | \$269,070 | \$33,630 |
| Building Services | \$0 | \$0 | \$0 |
| Planning & Zoning | \$109,500 | \$118,980 | \$9,480 |
| Marketing & Econ Dev | \$217,100 | \$218,250 | \$1,150 |
| TOTAL | \$562,040 | \$606,300 | \$44,260 |



Tab 9 – Community Services

- Museum
 - Reduced grant revenues due to end of COVID operating grant
 - Increased registration revenues due to additional program offerings
- Building Services
 - Increased permit revenues
- Planning
 - Temporary adjustment between salaries / contracted services (staff on leave)



Tab 10 – Grants

| REVENUES | 2023 Budget | 2024 Budget | Variance |
|----------------|--------------------|--------------------|-------------------|
| OMPF | \$1,473,700 | \$1,359,500 | -\$114,200 |
| OCIF | \$934,657 | \$794,458 | -\$140,199 |
| CCBF (Gas Tax) | \$291,062 | \$302,737 | \$11,676 |
| TOTAL | \$2,699,419 | \$2,456,695 | -\$242,724 |

- Reductions in Government grants for the 2024 budget is equivalent to 2.05% municipal tax rate impact



Tab 10 - Grants

| EXPENSES | 2023 Budget | 2024 Budget | Variance |
|------------------|------------------|------------------|-------------------|
| Library | \$299,453 | \$308,095 | \$8,642 |
| Archives | \$32,500 | \$26,225 | (\$6,275) |
| Airport | \$55,000 | \$55,000 | \$0 |
| SALC | \$12,500 | \$12,500 | \$0 |
| ARH – CT Scanner | \$50,000 | \$0 | (\$50,000) |
| Municipal Grants | \$10,000 | \$10,000 | \$0 |
| TOTAL | \$459,453 | \$411,820 | (\$47,633) |



Grant Requests

- Municipal Grant Requests
 - Archives, Physician Recruitment, SALC are included in the 2024 draft budget at the requested amounts (equal or less than prior year requests)

| Organization | Request | Included Draft 2024 Budget |
|-----------------------|------------------------------------|------------------------------------|
| Archives | \$26,225 | \$26,225 |
| Physician Recruitment | \$20,000 | \$20,000 |
| SALC | \$12,500 (\$) \$7,500 (in-kind) | \$12,500 (\$) \$7,500 (in-kind) |



Grant Requests

- Library, Airport, ARH Foundation requests
 - Variance between grant requests and current 2024 budget is \$77,420
 - MTRI equivalent of 0.65%

| Organization | Request | Included in Draft 2024 Budget | Variance |
|--------------------------------|------------------------------|-------------------------------|-----------------|
| Arnprior Public Library | \$330,515 | \$308,095 | \$22,420 |
| Arnprior Airport | \$60,000 | \$55,000 | \$5,000 |
| ARH Foundation - CT Scanner | \$50,000 / Yr (for 3 yrs) | \$0 | \$50,000 |
| TOTAL | | | \$77,420 |



Tab 10 - Grants

- Arnprior Public Library

Breakdown of the 2024 request

\$330,515 vs \$308,095

Support for staffing
increase

\$13,420

Increase in Audit
and Insurance fees

\$5,000

Audit \$4100
Insurance \$900

Automation

\$4,000



Tab 10 - Grants

- Arnprior Public Library
 - Operational items already covered in the annual operating increase (JUA)
 - \$299,453 (2023), \$308,095 (2024)
 - Additional staffing request (\$13,420)
 - Only covers partial year
 - Consider future impact when alternate funding sources are not available
 - Joint Use Agreement – proportionate funding from McNab/Braeside for the position



Municipal Grants

- Arnprior Public Library - Options
 1. Fund the additional position (\$13,420).
 2. Fund the additional position (\$13,420) with the caveat that McNab/Braeside has to agree to fund their proportionate share as per the Joint Use Agreement.
 3. Do not provide additional funding at this time.



Municipal Grants

- ARH Foundation – CT Scanner - Options
 1. Fund the \$50,000 request for 2024.
 2. Fund the \$50,000 request and commit reserves to fund the next two years at \$50,000 each (total \$150,000).
 3. Fund another amount.
 4. Wait and see how the fundraising campaign progresses before committing any 2024 funding.



Municipal Grants

- Arnprior Airport - Options
 - Fund the \$60,000 grant request.
 - Provide annual funding at \$55,000.
 - Fund another amount.
 - Include conditions grant issuance:
 - 25% of the grant funds be issued by March 31, 2024;
 - 25% of the grant funds be issued upon completion of the financial audit for the 2023 fiscal year; and
 - 50% of the grants funds, the Town reserves the right to issue in whole, in part or withhold, dependent upon the results of the 2022 and 2023 financial audits.



Tab 11 – Contributions to Reserves

- 2024 contributions are \$7,093,402
 - Over \$4.2M to CERF
 - Over \$1.6M to Water / Wastewater
- 2024 contributions from the operating budget are \$313K higher than 2023



Capital Budget

- 24 capital projects
 - Total investment of \$10,757,200

| Investment Type | Capital Investment | % of Total Investment |
|-----------------------|---------------------|-----------------------|
| Linear Infrastructure | \$6,965,000 | 65% |
| Facilities | \$2,360,000 | 22% |
| Land Improvements | \$887,200 | 8% |
| Vehicles & Equipment | \$505,000 | 5% |
| Studies / Other | \$40,000 | 0.5% |
| TOTAL | \$10,757,200 | 100% |



Capital Budget

- Multi-year projects
 - Commit full project value for tendering

| | Project Value | 2024 Costs |
|--------------------------|---------------|-------------|
| NSC Arena Rehab | \$6,340,000 | \$1,585,000 |
| River Crossing Watermain | \$5,400,000 | \$1,350,000 |



Reserve / Reserve Funds

| | Opening Balance | Contributions | Operating Expenses | Capital Expenses | Closing Balance |
|----------------------|----------------------|---------------------|-----------------------|------------------------|----------------------|
| RESERVES | \$ 4,110,591 | \$ 23,500 | \$ (155,634) | \$ - | \$ 3,978,457 |
| RESERVE FUNDS | \$ 19,863,569 | \$ 6,902,707 | \$ (921,482) | \$ (9,061,733) | \$ 16,783,061 |
| GRANTS | \$ - | \$ 1,615,467 | \$ - | \$ (1,615,467) | \$ - |
| TOTAL | \$ 23,974,160 | \$ 8,541,674 | \$ (1,077,116) | \$ (10,677,200) | \$ 20,761,518 |



Net Impact of \$3,212,642 decrease



Long Range Capital Forecast

- 20 Year Capital Investment of \$186M
 - Average annual investment \$9.3M
 - Financial Planning Tool – snapshot in time

| INVESTMENT TYPE | YEAR 1-5 | YEAR 6-10 | YEAR 11-20 | TOTAL |
|-----------------------|-------------------|-------------------|-------------------|--------------------|
| LINEAR INFRASTRUCTURE | 31,610,100 | 33,119,900 | 41,459,500 | 106,189,500 |
| LAND IMPROVEMENTS | 6,590,000 | 2,423,000 | 315,800 | 9,328,800 |
| FACILITIES | 17,597,200 | 30,467,000 | 6,456,200 | 54,520,400 |
| MACHINERY & EQUIPMENT | 1,634,000 | 2,010,250 | 2,361,500 | 6,005,750 |
| VEHICLES | 978,000 | 2,755,000 | 4,580,000 | 8,313,000 |
| STUDIES & OTHER | 599,000 | 559,000 | 917,000 | 2,075,000 |
| Total | 59,008,300 | 71,334,150 | 56,090,000 | 186,432,450 |



Debt Schedules

- 2024 annual debt payments are \$1.7M
 - Within annual repayment limits set by the province
- Arnprior's debt servicing ratio (MMAH)
 - Improved from high to moderate



Municipal Tax Rate

- Council direction on:
 - Municipal Tax Rate % for 2024 Budget By-law

| MTRI | Municipal Revenue | Annual Cost / \$ Assessed Value | |
|-------------|-------------------|---------------------------------|----------------|
| | | \$100,000 | \$241,000 |
| 0.5% | \$59,215 | \$4.57 | \$11.00 |
| 1.0% | \$118,431 | \$9.13 | \$22.01 |
| 2.0% | \$236,861 | \$18.26 | \$44.02 |
| 2.5% | \$296,076 | \$22.83 | \$55.02 |
| 3.0% | \$355,292 | \$27.40 | \$66.03 |



Next Steps

- February 12th Council Meeting
 - 2024 Budget By-Law – Operating & Capital
 - 2023 Works-in-Progress By-Law
 - Long Range Capital Forecast Resolution
 - Grant Resolutions
 - In-Kind, Conditions

Questions?



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Overall Tax Impact

- For average home valued at \$241,000
 - County increase 5.47%
 - Education rates – no increase

| 2024 Impact with 2.0% Municipal Tax Rate | | | | |
|--|-----------|-----------|-----------|---------|
| | Town | County | Education | TOTAL |
| % Increase/(Decrease) | 2.0% | 5.47% | 0.0% | |
| \$241K of Assessment | \$241,000 | \$241,000 | \$241,000 | |
| Annual Estimated Increase | \$44.02 | \$51.61 | \$0.00 | \$95.63 |
| Monthly Estimated Increase | \$3.67 | \$4.30 | \$0.00 | \$7.97 |