

2023 Draft Budget

PRESENTATION

2023 Budget Highlights ...



- Draft budget – 1.9% tax increase
- 2023 Budget Summary - \$6,118,163
 - Operating Expenses \$4,783,086
 - Capital Budget \$1,335,077

Property tax is the main source of revenue to delivery municipal services. User fees, grants and transfers from reserves are among additional sources of revenue. Water and sewer services do not receive funding from municipal property taxes.

Budget Pressures

- Inflation and increased interest rates
- Supply chain issues that are impacting municipalities' ability to purchase items and secure services that are essential to municipal operations, while increasing their cost
- Project delays are now commonplace due to labour shortages and supply chain issues
- Capital projects that were not able to be completed due to supply chain issues and labour shortages will now cost more to complete
- Sharp increases in fuel prices translates into increasing costs for parts and supplies, calcium, gravel, contract services, asphalt and construction, to name a few
- Utility invoices are increasing which affects municipal facilities, as it is costing more in heat and hydro

Assessment and Tax Impact

- The 1.9% increase from the 2022 residential rate is an additional \$15.86 per \$100,000 assessed value for residential properties

Property Taxation		
Year	Residential Assessment	Taxes
2023	$\$100,000 \times 0.00850435$	\$850.44
2022	$\$100,000 \times 0.00834578$	\$834.58
	Increase	\$15.86

Budget Components



Revenues:

- Taxation
- Borrowing
- Reserves
- User Fees
- Grants

Operating Expenses:

- The annual cost to deliver services and maintain infrastructure

Capital Expenses:

- Investments in infrastructure that provide long term benefits

Property Assessment – Who's Responsible

Ontario Provincial Government

- Passes legislation
- Sets assessment policies
- Determines education rates

Municipal Property Assessment Corporation (MPAC)

- Determines current value assessments and classifications of all properties in Ontario

Village of Merrickville-Wolford

- Sets Municipal tax rate and policies
- Collects property taxes

Municipal Taxation

Property Taxes

=

Property's
Assessed
Value
(MPAC)

X

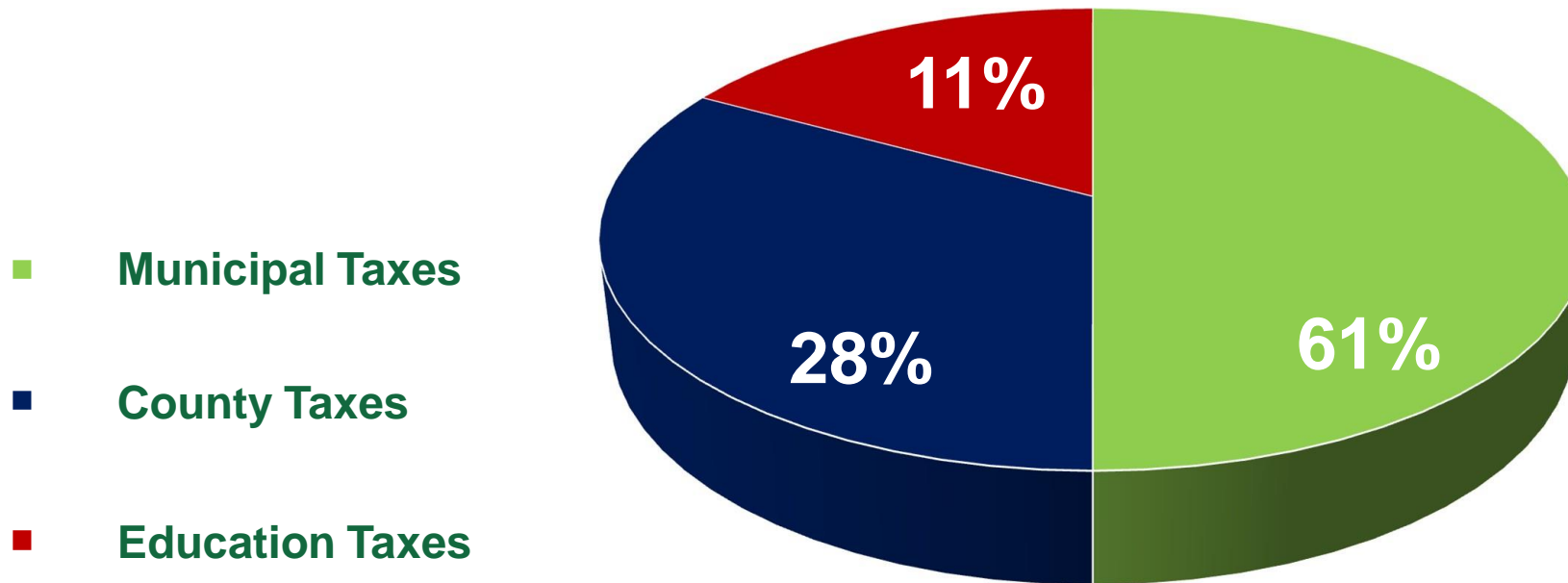
Municipal Rates

Education Rates

County Rates



What makes up my residential property tax bill?



2023 Budget Revenues

Description	Amount
Municipal Operating & Capitals Costs	\$6,118,163
Funding Sources:	
1) Municipal Taxes & Payments in Lieu	\$3,656,594
2) Reserves	\$574,644
3) Operating Grants	\$313,100
4) Ontario Community Infrastructure Fund	\$196,510
5) Capital Grants	\$196,945
6) Cash in Lieu	\$54,000
7) Gas Tax	\$265,978
8) Other Revenue	\$860,392
Total Revenue	\$6,118,163

2023 Budget Expenses

Description	Amount
Operating Expenses:	
Corporate Services:	
1) Administration	\$1,150,441
2) Rideau Valley Conservation Authority Levy	\$24,965
3) Library Levy	\$99,000
4) Community Grants	\$12,850
5) Transfer to Reserves	\$607,598
Emergency & Protective Services:	
1) Fire Services	\$306,014
2) Transfer to Fire Reserve	\$30,000
3) Police	\$445,162
4) Community Emergency Management Plan	\$2,500
5) By-Law	\$5,984
6) Animal Control	\$2,900

2023 Budget Expenses

Description	Amount
Public Works:	
1) Roads	\$1,284,408
2) Waste Management	\$222,867
3) Transfer to Reserves	\$50,000
Planning and Building:	
1) Planning	\$102,805
2) Building	\$249,749
Parks, Recreation and Culture:	
1) Economic Development	\$30,600
2) Recreation	\$117,042
3) Museum	\$38,201
Total Operating Expenditures	\$4,783,086
Capital Expenditures	\$1,335,077
Total Expenditures	\$6,118,163

2023 Municipal Taxation

Cost of Service Per Year for Residential Taxpayer

(Municipal Taxes Only)

Municipal Service	Annual Cost per \$100,000 Assessment:
Corporate Services	\$249.63
Police (OPP contract)	\$61.88
Fire Services	\$47.05
By-Law Services	\$1.23
Planning Services	\$14.29
Building Services	\$34.72
Economic Development	\$4.25

2023 Municipal Taxation

Cost of Service Per Year for Residential Taxpayer

(Municipal Taxes Only)

Municipal Service	Annual Cost per \$100,000 Assessment:
Library Services	\$13.76
Recreation	\$16.27
Museum	\$5.31
Public Works	\$183.40
Waste Management	\$33.07
Capital Projects	\$185.58
Total	\$850.44

2023 Water & Wastewater Budget

Description	Amount
Operating Revenue	
1) User Fees	\$1,161,092
2) Other	\$51,082
Capital Revenue	
1) User Fees	\$159,900
2) Transfer from Reserve	\$105,543
Total Revenues	\$1,477,617
Operating Costs	\$1,212,174
Capital Costs	\$265,443
Total Expenses	\$1,477,617



MERRICKVILLE-WOLFORD
Jewel of the Rideau

Summary of Borrowing:



Name	Start Date	End Date	Term (years)	Principle Amount	Rate
Fire Communications System	2014	2024	10	\$112,922	2.88%
Fire Tanker	2016	2036	20	\$350,000	3.33%
Main St Watermain	2021	2031	10**	\$473,000	3.63%
Sewage Treatment Plant	2014	2044	30	\$3,506,377	3.98%
Grader & Snow Plow	2016	2026	10	\$205,000	2.59%

**term to be renewed for 5 years in 2031

2023 Debt Payments

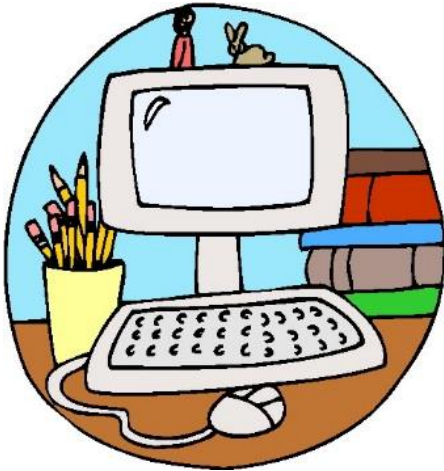


Description	Amount
Fire Pumper	\$24,110
Fire Communication System	\$13,085
Main Street Watermain	\$29,496
Grader and Plow Truck	\$23,401
Sewage Treatment Plant Upgrades	\$201,255
Total	\$291,347

2023 Capital Budget Highlights

Administration

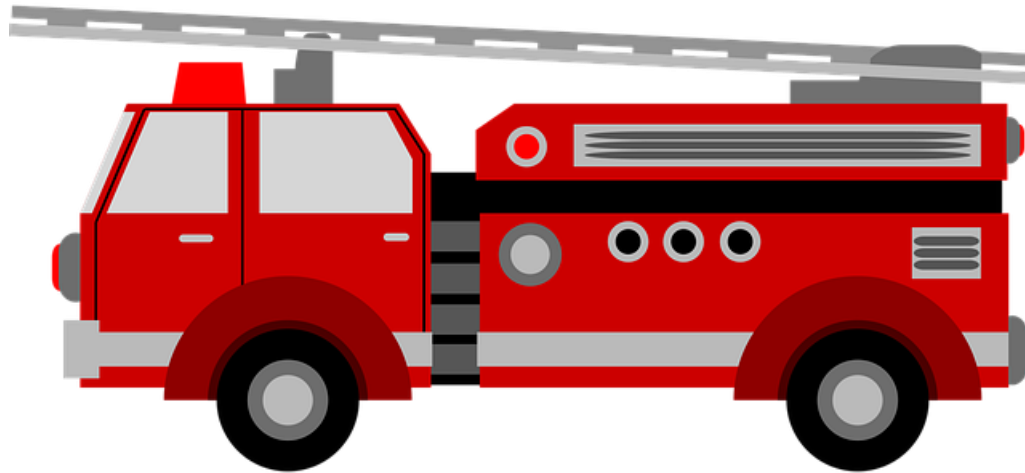
- Development Charges or Impost Fees Study



2023 Capital Budget Highlights

Emergency & Protective Services

- Emergency Repeater
- Bunker Gear Decontamination Washer



2023 Capital Budget Highlights

Recreation

- Merrickville Ball Diamond Lights
- Accessible Doors for Merrickville Community Centre, Easton's Corners Hall and Rink House



2023 Capital Budget Highlights

Public Works

- Read Street Widening & Paving & Walking Lane
- Kubota Implements
- Landfill Accessibility Ramp & Building Skirting
- Sander and Plow for 5500 Truck
- Gravel Road Needs Study



2023 Capital Budget Highlights

Water & Wastewater

- Request for Proposal for Competitive Bidding for Water & Wastewater Services



2023 Draft Capital Project by Funding

Department	Project Description	Project Cost	Taxation	Funding Source	
				Reserves	Cash in Lieu Gas Tax
Corporate Services	• Development Charges or Impost Fee Study	\$30,000		\$30,000	
Emergency & Protective Services	• Emergency Repeater	\$15,000	\$15,000		
	• Bunker Gear Decontamination Washer	\$6,000	\$6,000		
Public Works	• Read St Paving & Walking Lane	\$71,000			\$71,000
	• Kubota Implements	\$26,000	\$26,000		
	• Sander and Plow for 5500 Plow Truck	\$5,000		\$5,000	
	• Gravel Road Needs Study	\$10,000		\$10,000	
	• Landfill Accessibility Ramp & Building Skirting	\$11,000		\$11,000	
Parks & Recreation	• Ball Diamond Lights	\$20,000			\$20,000
	• Accessible Doors	\$34,000			\$34,000



Carryforward Capital Projects

- There are several projects that were approved in the 2021 and 2022 capital budgets, that are either ongoing or will be completed in 2023. These projects were previously approved in the 2021 and 2022 capital budgets and have already been expensed. The funding source for these projects are reserves of \$498,644, grants for \$196,945, Gas Tax for \$194,978 and Ontario Community Infrastructure Fund for \$196,510.
- There is no taxation funding needed for these capital projects, as they were already funded in the 2021 and 2022 budgets.

2023 Draft Water & Wastewater Capital Budget by Funding



Projects funded through User Fees:

- STP OCWA capital expenses - \$109,900
- Water OCWA capital expenses - \$50,000

Projects funded through Water and Wastewater Reserves:



- Sanitary Sewer Grouting - \$50,000
- STP capacity analysis/Master Plan - \$35,543 (carryforward project)
- Manhole Covers - \$20,000
- Request for Proposal for Competitive Bidding for Water/Wastewater Services - \$20,000

Questions & Comments can be e-mailed to:
finance@merrickville-wolford.ca

All questions and comments received by 4:30 P.M on
Thursday May 4th will be provided to Council for consideration
at the regular Council meeting on May 8th, 2023

Thank you