

South Algonquin reviews 2023 draft budget]

By Mike Riley

Local Journalism Initiative Reporter

South Algonquin Township council, at their Human Resources/Administration/Public Relations meeting on March 15, reviewed the 2023 draft budget. CAO/Clerk-treasurer Byran Martin and deputy treasurer Jennifer Baragar presented this budget to council, and currently propose a five per cent tax levy increase, which while council thought was high, ultimately went along with this proposed tax increase. Council intends to review and pass the final budget at their April 5 meeting.

At the HR/Admin/PR meeting on March 15, Martin and Baragar presented the 2023 draft budget to South Algonquin Township council. The purpose of the budget presentation is to meet the legislative requirements of the Municipal Act, 2001, provide an open process that demonstrates spending, plan for the township's fiscal challenges, effectively manage operating expenses and capital planning and communicate the financial plan for 2023 between council and staff regarding revenues, expenses, anticipated changes, tax rate and available funds.

For non-tax revenues, Martin and Baragar told council that the grand total in the 2022 budget was \$1,624,930 and that the amount proposed for the 2023 budget was \$1,595,660, \$29,270 less than the 2022 figure. This figure encompassed General Government at \$1,099,050 (which includes the Ontario Municipal Partnership Fund and the Canada Summer Jobs Grant), Protection at \$62,500 (which includes Fire Department cost recovery, Ministry of Northern Development, Mines, Natural Resources and Forestry fire agreements, and building and septic permits), Transportation at \$307,430 (which includes the Gas Tax, Ontario Community Infrastructure Fund and Northern Ontario Resource Development Support Fund), Environmental at \$25,000 (which includes tipping fees and waste disposal reimbursement programs), Health Services at \$44,300 (which includes rent/cost recovery, EMS and medical centre), Social Services at \$9,600 (which includes the Rent Resource Centre), Recreation at \$33,780 (which includes the Canada Day Grant, Library Operating Grant and Recreation fundraising) and Planning at \$14,000 (which includes planning fees and shoreline sales).

Under Partnership Funds, the grand total proposed for 2023 was \$1,229,558, which is \$49,386 higher than the 2022 actual total of \$1,180,172, due to increases in OMPF, OCIF and the Gas Tax. The amount proposed for OMPF is \$1,013,100, Court Security is \$1,100, OCIF is \$137,916, Gas Tax is \$72,542 and Heritage (Canada Day) is \$4,900.

Grants expected (applied for) in 2023 are; the Canada Summer Jobs Grant at \$3,500, the Northern Ontario Resource Development Support Grant at \$94,700 and the Library Operating Grant at \$6,400.

Under Operating Expenses, as to whether they have increased, decreased, or remained unchanged for 2023, Martin and Baragar said that fuel, hydro, goods, wages, insurance and District of Nipissing Social Services Administration Board had increased, Policing and MPAC had decreased and Postage and Legal had remained unchanged.

Under Levies Paid for Service, Martin and Baragar said that the grand total proposed for 2023 was \$1,047,833, which was \$4,769 less than the \$1,052,602 spent in 2022. These levies account for 26 per cent of operating expenses. These service levies for 2023 included the OPP at \$309,532, the Renfrew County and District Health Unit at \$23,521, DNSSAB at \$563,510, Casselholme [Home for the Aged] at \$110,600 and MPAC at \$40,670.

For Capital Projects for 2023, there was a proposed grand total to be spent of \$187,500. Martin and Baragar said that under General Government, there was the Townsuite Accounting Software at \$72,000 (paid for by the Modernization Efficiency Grant), the windows' replacement at the township office at \$16,000 (paid for by a \$10,000 Safe Restart COVID-19 Grant and a \$6,000 municipal contribution), the Asset Management Plan at \$16,000 (paid for by the Gas Tax Grant) and the Generator for the township office at \$22,000 (paid for by a municipal contribution). Under Capital Projects- Protection, there was the WFD stairway/balcony railing and flammable resistant cabinets at \$11,000 (paid for by municipal contribution, and bunker gear, thermal image cameras,

and burn signal signs at \$22,000 (paid for by the Fire Equipment Reserve, to be paid back within three years).

Under Capital Projects-Recreation and Culture, there are flammable resistant cabinets and a storage container for the Madawaska Community Complex at \$13,000 (paid for by municipal contribution), and story boards for Tom and Mick Murray Park for \$5,000 (which is a cost carried over from 2022). For Capital Projects-Library, there is an automatic door opener at the Whitney Library for \$7,200 (paid for by the Accessibility Reserve) and a facility sign at the Madawaska Library for \$1,300 (to be paid for by municipal contribution).

For Transportation Capital Projects for 2023, there were Road Drainage Improvements for \$60,000 (to be paid for by the Gas Tax Fund), a heat and air-conditioning unit for the Public Works' Garage at \$15,000 (to be paid for by municipal contribution), a flammable resistant cabinet for \$2,000 (to be paid for by municipal contribution) and township entrance signs at \$6,000 (to be paid for by municipal contribution).

For Transfers to Reserve and Reserve Funds, Martin and Baragar said that under General Government, there will be a transfer of \$3,750 for the 2026 election, under Protection, there is the MNRF agreement for \$20,000 per year for future fire apparatus, under Transportation, there is the Hay Creek Road reconstruction for 2025 using NORDSF and OCIF for \$94,727 and \$137,916 respectively, and \$25,000 for future fleet costs/equipment, under Health, there is \$3,500 earmarked for a future paving project, and under Planning there is a zoning bylaw amendment at a cost of \$15,000.

For Transfers from Reserve, under General Government, there will be an \$18,000 transfer from the Gas Tax Reserve for the Asset Management Plan, a \$72,000 transfer from the General Reserve for the 2019 Efficiency Grant for Accounting Software, a \$10,500 transfer from the General Reserve for the COVID-19 Recovery Grant for Office Windows, and \$219,807 from the General Reserve for Tax Stabilization funds. Under Protection, there will be a \$22,000 transfer from the Fire Equipment Reserve for Fire equipment and under Transportation, there will be a \$60,000 transfer from the Gas Tax Reserve for road drainage improvements. Under Recreation, there will be a \$5,000 transfer from the Recreation Facility/Equipment Reserve which is carried forward from 2022 for the story boards, a \$13,500 transfer from the Recreation Facility/Equipment Reserve for the interior painting at the Madawaska Community Complex, and a \$7,200 transfer from the Accessibility Reserve for an automatic door opener at the Whitney Library.

Therefore, under total General Government, including revenues, withdrawal from reserves, operating expenses, capital expenses and contributions to reserves, came out to \$487,877. Under Protection Services, including revenues, withdrawal from reserves, operating expenses, capital expenses and contributions to reserves came out to \$633,260. Under Transportation Services, including revenues, withdrawal from reserves, operating expenses, capital expenses and contributions to reserves, came out to \$1,048,620. Under Environmental Services, including revenues, withdrawal from reserves, operating expenses, capital expenses and contributions to reserves, came out to \$375,490. Under Health Services, including revenues, withdrawal from reserves, operating expenses, capital expenses and contributions to reserves, came out to \$3,590. Under Social and Family Services, including revenues, withdrawal from reserves, operating expenses, capital expenses and contributions to reserves, came out to \$678,495. Under Recreation and Cultural Services, including revenues, withdrawal from reserves, operating expenses, capital expenses and contributions to reserves, came out to \$281,120. And under Planning and Development, including revenues, withdrawal from reserves, operating expenses, capital expenses and contributions to reserves, came out to \$92,500.

This all comes to a grand total of \$2,625,198, which Martin and Baragar said was the tax levy needed for 2023. This is \$125,009 higher than the levy required last year, which was \$2,500,189. Therefore, they proposed a five per cent tax levy increase to cover the cost of this extra \$125,009 needed for 2023.

So, for a Current Value Assessment of \$150,000 there would be an increase of \$66 that residents would need to bear, while a \$200,000 CVA would mean an increase of \$86.

While council was sympathetic to such a large tax increase, the current economic forecast made it unavoidable. They also discussed taking some of the required money from reserves to lessen the tax burden to the residents, especially those on fixed incomes. However, Martin cautioned against this, as they still needed to get an Asset Management Plan in place, and if there was a significant

infrastructure repair/replacement that needed to be made going forward, those reserves could be depleted in a hurry. Ultimately council decided to go along with the proposed five per cent increase, and thanked Martin, Baragar and staff for all their hard work on the budget.

The 2023 draft budget will be brought back for a first, second and third reading and will likely be passed at their April 5 meeting.