



2023 PROPOSED BUDGET

Agenda

- ✓ Brief Introduction
- ✓ 2023 Draft Operating Budget
 - Administration and Finance
 - Protection Services
 - Operations, Waste, Drains
 - Community Services
 - Water/Wastewater
- ✓ 2023 Draft Capital Budget
- ✓ Long Range Capital Forecast
- ✓ Conclusions and Recommendations

Guiding Principles

- ✓ Comprehensive Review / Trend Analysis
 - Comprehensive review of every line item
 - 3 year trend analysis of every line item
- ✓ Supporting Studies / Informed Data
 - Reliance upon third party studies and other data to inform budget
- ✓ Neighboring Municipalities Comparison



Draft 2023 Operating Budget

Operating Budget Impacts

✓ Ontario Municipal
Partnership Fund (OMPF)

2018	2019	2020	2021	2022	2023
\$1,613,500	\$1,371,500	\$1,165,800	\$991,000	\$842,400	\$720,300

Decrease of \$122,100 (15%)

Operating Budget Impacts

- ✓ COLA increase
 - Non-union staff: 2.7%
 - Unionized staff: 2.7%

Adelaide Metcalfe	3%	Thames Centre	1.95%
Middlesex Centre	2.5%	Strathroy Caradoc	2.5%*
Lucan Biddulph	4%		

Operating Budget Impacts



- ✓ Municipal Insurance Premium is increased by 14%
- ✓ Inclusive of Cyber insurance coverage
- ✓ Transfers to (from) reserves included in Capital Project Fund

Operating Budget Admin and Finance



Highlights:

- ✓ Council – Education and Training increased since it is a new term of council
- ✓ Council – Clothing Allowance increased to include purchase of North Middlesex attire

Operating Budget Admin and Finance



Highlights:

- ✓ Conference and Convention budgets increased to resume participation following COVID hiatus

Operating Budget Protective Services



Highlights:

- ✓ FD – Transfer to Lambton Shores – increase of \$10,000 as per Fire Committee recommendation and following RTC
- ✓ FD – Conference and Convention budgets increased to resume participation following COVID hiatus

Operating Budget Protective Services



Highlights:

- ✓ FD – Cell phone allowance – \$2,500 for use of VFF's personal cell phone for the "Who's Responding" APP
- ✓ FD – Uniform account to segregate purchase of VFF dress uniforms and station wear

Operating Budget Protective Services



Highlights:

- ✓ Emergency Management – new Department to address NM's Emergency Management including the setup of the EOC
- ✓ Policing – Decrease of \$68,977 as per the OPP 2023 billing statement

Operating Budget Protective Services



Highlights:

- ✓ Building Permits – distribution of admin salaries previously omitted from budget
- ✓ Building Permits – increase to licences to include CloudPermit

Operating Budget Protective Services



Highlights:

- ✓ By-Law Enforcement – Increase to Contracted Services based on the new contract with Tenet Security

Operating Budget

Operations, Drains and Waste

Highlights:

- ✓ Operations – reallocation of salaries and wages based on previous 4 years %
- ✓ Operations – Increase to Education and Training to resume participation to Road School Training following COVID hiatus

Operating Budget

Operations, Drains and Waste



Highlights:

- ✓ Telephone – Increase to supply all PW Operators with cell phone for access to CityWide Work Orders
- ✓ Materials – Increase to purchase broken streetlight brackets
- ✓ Small Tool Purchases – Increase to equip McGillivray Shop with proper tools

Operating Budget

Operations, Drains and Waste



Highlights:

- ✓ Contracted Services – IT – Increase to outfit McGillivray Shop office area with proper connectivity
- ✓ Bridge Maintenance – Increase for a bi-annual bridge inspection

Operating Budget

Operations, Drains and Waste

Highlights:

- ✓ Hardtop Patching – Increase to Materials and Contracted Services for catchup needed due to poor asphalt
- ✓ Dust Layer – Increase to reflect true cost of calcium application

Operating Budget

Operations, Drains and Waste



Highlights:

- ✓ Road Signs and Safety Devices – Increase for retroreflectivity contractor (to be compliant with MMS) as well as the purchase of two additional speed signs
- ✓ Road Patrol – Increase for a weather forecast service from Ontario Good Roads

Operating Budget

Operations, Drains and Waste



Highlights:

- ✓ Waste – increase in small / medium / large bin fee as per the approved 2023 User Fees and Charges By-law.

	2022 Fee	Proposed 2022 Fee
Small bin	\$95	\$100
Medium bin	\$150	\$160
Large bin	\$210	\$225

Operating Budget

Operations, Drains and Waste

Highlights:

- ✓ Waste – Engineering costs – Increased for landfill closure/post closure report
- ✓ Waste – Garbage/Recycling contracts with Bluewater Recycling increased 2023 budgets

Operating Budget

Operations, Drains and Waste

Highlights:

- ✓ Closed cemeteries – NM is in the process of assuming the operation of two additional closed cemeteries: McTaggart and Ebenezer cemeteries

Operating Budget

Operations, Drains and Waste

Highlights:

- ✓ Closed Cemeteries – Increase to Legal fees for survey and acquisition of easements and potentially property of landlocked closed cemeteries
- ✓ Ebenezer Cemetery – Increase to Legal fees for a court created deed

Operating Budget Community Services



Highlights:

- ✓ Conferences and Conventions – Increase to resume participation following COVID hiatus
- ✓ Education and Training – Increase to resume participation for 5 Operators to ORFA training following COVID hiatus

Operating Budget Community Services



Highlights:

- ✓ Conferences and Conventions – Increase to resume participation following COVID hiatus
- ✓ Parkhill Arena – Building Repairs and Maintenance – increase due to reframing of the lobby between the Ice Surface and the Lobby

Operating Budget Community Services

Highlights:

- ✓ Leisure Club – Increase to Building Repairs and Maintenance for the purchase and installation of 4 windows (one large viewing window)
- ✓ Ye Old Towne Hall – Increase to Building Repairs and Maintenance for brick repointing

Operating Budget Planning & Econ Dev

Highlights:

- ✓ Economic Development –
Conferences and Convention –
Increase to resume participation
following COVID hiatus
- ✓ Economic Development – creation of
a Community Building Events and
local Business Workshops

Operating Budget Planning & Econ Dev



Highlights:

- ✓ Economic Development – Contracted Services – Increase for the APP annual maintenance

Operating Budget Water / Wastewater



Highlights:

- ✓ In 2022 a new consumption category was created 0-50 cubic meters in order to recognize the lower consumption users with a commitment to review in the following year.

Operating Budget Water / Wastewater



Highlights:

- ✓ 0-50 cubic meter category
 - ✓ 81 Business accounts
 - ✓ 198 Resident accounts
- ✓ 0-75 cubic meter category
 - ✓ 102 Business accounts
 - ✓ 375 Resident accounts

Operating Budget Water / Wastewater

Highlights:

- ✓ Staff believe this better reflects Council's objective in reaching a target group of lower consumption users therefore recommends replacing the 0-50 cubic meter category with a 0-75 cubic meter category.

Operating Budget Water / Wastewater

Highlights:

- ✓ Replacement of the 0-50 cubic meter consumption category for a 0-75 cubic meter category
- ✓ Water/Wastewater rate increase of 5%

Operating Budget Water / Wastewater



Highlights:

- ✓ Water purchased – Based on the 1.5% increase per Regional Water Supply
- ✓ Contracted Services – Increase based on the 2023 OCWA budget
- ✓ Loan Interest – Increase for the IO water tower loan and the Pipeline loan

Operating Budget Water / Wastewater



Highlights:

- ✓ Water – Combination of Materials accounts for
 - ✓ Service/Curb Stop
 - ✓ Watermain Breaks
 - ✓ Hydrant Maintenance
 - ✓ Backflow
 - ✓ Meter Pit

Operating Budget Water / Wastewater



Highlights:

- ✓ Water – Combination of Subcontractor accounts for
 - ✓ Service/Curb Stop
 - ✓ Road Repair and Restore
 - ✓ Watermain Breaks

Operating Budget Water / Wastewater



Highlights:

- ✓ Wastewater – CCTV Inspections – Increase per OCWA recommendation. Program expanded for Asset Management purposes.



Draft 2023 Capital Budget

2023 Proposed Capital Projects

2023 Proposed Capital Budget
includes 29 capital projects – total
investment of \$10,917,650.

2023 Draft Capital Projects



Investment Type	Capital Investment	% of Total Investment
Studies/Software	\$295,000	2.70%
Land Improvement	\$ 90,000	0.82%
Vehicles	\$706,000	6.47%
Machinery & Equipment	\$231,400	2.12%
Facilities	\$684,000	6.27%
Linear Assets	\$8,911,250	81.62%
Total	\$10,917,650	100%

2023 Draft Capital Projects



Funding	Amount	% of Funding	Funding	Amount	% of Funding
Working Capital Reserve	\$152,171	1.40%	Vehicle & Equipment Reserve	\$736,000	6.75%
Hydro Proceeds	\$ 24,229	0.23%	Tax Funded	\$460,000	4.22%
Econ Dev Reserve	\$ 40,000	0.37%	Future Debt	\$8,000,000	73.28%
Facility Reserve	\$ 84,000	0.77%	OCIF	\$686,250	6.29%
Water Reserve	\$100,000	0.92%	Gas Tax	\$575,000	5.27%
Sewer Reserve	\$ 60,000	0.55%			
			Total	\$10,917,650	100%

Capital Projects – Admin/Studies

- Fire Master Plan
 - A plan that will help roadmap the Fire Department expenses for the next 10 years
- Zoning By-Law Update
- Paved Road Condition Assessment
 - Engineering consultant to complete (approximately 100 kms of road)

Capital Projects – Admin/Studies

- Water Engineering Studies
 - To address the many issues we have with the water distribution system
- Stormwater Drainage Studies
 - To develop stormwater drainage plans and studies for the urban areas within NM
- Structural Analysis - Arena
 - Required by law every 5 years

Land Improvements

- Ball Diamond netting to protect skateparks

Capital Projects - Vehicles

- 2012 Truck Replacement
- 2013 F250 Replacement
 - With a $\frac{3}{4}$ ton full size crew cab
- 2013 International Replacement Tandem Plow Truck

Capital Projects - Vehicles

- 2005 EZ Load 21 Ton Tag Float Replacement
- Compact 4x4 Crew Cab
 - 2021 F150 to be repurposed to PW
- Trackless MT57 Sidewalk Tractor
 - Refurbish existing 2003 Trackless MT57

Capital Projects – Machinery and Equipment

- Bunker Gear Replacement
 - Lifecycle replacement
- Meter Pit Installations
- Generator – Ye Old Towne Hall
 - Currently inadequate as NM's alternate EOC

Capital Projects – Machinery and Equipment

- Computer Equipment
 - Lifecycle replacement
- Digital Sign
 - Ye Old Towne Hall
- Refuelling System
 - Replacement for existing Fuelmaster system

Capital Projects - Facilities

- AC Rec Centre Cooler
- AC Rec Centre Flooring
- AC WWTP Roof Rehabilitation
- Mount Carmel Reservoir Upgrade Design
 - To offer larger storage capacity

Capital Projects - Facilities

- Pavilion at Lieury Ball Diamond
 - Steel roof replacement
- YMCA Weightroom Flooring
- Ball Diamond Dugout Upgrade
 - Increase size, concrete in, cover, make accessible
- William St Pumping Station
 - Pump replacement

Capital Projects – Linear Assets

- Station St/Mill St catchbasin/sidewalk improvement
 - To improve drainage and sidewalk condition
- Sidewalk improvements
 - To complete sidewalk repairs and improvements on an annual basis
- Rolling Road Rehabilitation
- Queen St Watermain Reconstruction
 - From the water tower to Mary St

Capital Projects – Linear Assets

- Queen St Gas Main Relocation
 - Required to be completed in advance of the Queen St Watermain Reconstruction Project
- Fernhill/Wood Rd Culvert Replacement Design
 - With Middlesex Centre
- McGuffin Hills Slope Stabilization

Long Range Capital Forecast

- ✓ Snapshot in time of known pressures
- ✓ Includes master plans and studies
- ✓ Varying levels of accuracy and probability
 - 1 – 5 years and 6 – 10 years
- ✓ May be impacted by grant opportunities
- ✓ Fluid document meant to help inform financial planning

Long Range Capital Forecast



Long Range Capital Forecast (10 Year) 2024-2033

	Year	1	2	3	4	5	1-5	6-10	1-10
		2024	2025	2026	2027	2028	2024-2028 Total	2029-2033 Total	2024-2033 Total
TOTAL LONG RANGE CAPITAL FORECAST		\$ 7,621,600	\$ 5,274,050	\$ 5,956,400	\$ 33,908,700	\$ 4,619,100	\$ 57,364,850	\$ 13,705,000	\$ 71,069,850

Taxation

Draft 2023 Budget

- ✓ The current draft budget is presented with a **2% Municipal Tax Rate increase.**
 - ✓ Each additional 1.0% Municipal Tax Rate increase would generate an additional \$84,652 in tax revenue
 - ✓ Staff is recommending a 2.0% Municipal Tax Rate increase which results in additional revenues of \$169,304 for additional contributions to reserves.

Taxation



The following table outlines tax rate increases for neighboring municipalities:

	Tax rate increase
North Middlesex	2.00%
Strathroy Caradoc	3.00%
Middlesex Centre	2.50%
Southwest Middlesex	
Newbury	
Adelaide Metcalfe	2.54%
Lucan Biddulph	3.00%
Thames Centre	3.43%

approved

proposed

Next Steps

- ✓ Budget Deliberations
 - ✓ February 7th , 8th and 9th, 2023
- ✓ Budget Approval
 - ✓ Last day of deliberations

Thank you!