

Municipality of North Perth

2023 Capital and Operating Budget

FINAL REPORT

Presented by: Lee Anne Andriessen, Councillor & Budget Chair

Dated: May 1, 2023



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Municipality of North Perth

2023 Budget Presentation to Council

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Budget Chair's Review

Through the 2023 Budget Process, members of Council and staff have worked to find a balanced position between the need to support important municipal services, invest in current and future infrastructure and asset needs, while limiting tax increases.

Council began the 2023 Budgeting Process with a policy statement and pre-budget public survey, followed by a visioning session. The visioning session gave each member of Council the opportunity to outline their concerns about municipal services provided and the delivery of those services in North Perth, as well as their priorities for the 2023 budget.

Capital Project Ranking

All new proposed capital projects for 2023 were ranked based on standard criteria to assist in establishing a priority list for Council's consideration. The cumulative list was reviewed by the Senior Management team, with some minor adjustments being made. Any project that was not started in 2022 was not considered a carry-over and was ranked with the rest of the 2023 projects.

Public Engagement

The development of the proposed 2023 Operating and Capital Budgets included a range of opportunities for public input and engagement. Opportunities included:

- the "2023 North Perth Budget" project page on www.yoursaynorthperth.ca. Engagement activities hosted on this page included:
 - 2023 Pre-Budget Survey – a brief summary is attached outlining common concerns/themes in the survey results and how they are being addressed through the 2023 Budget and other municipal initiatives
 - 2023 Proposed Budget Virtual Consultation – video and feedback form
- a Budget page on the municipal website at www.northperth.ca/budget.

Interested parties had the opportunity to view the live stream of all 2023 Budget meetings on the North Perth YouTube channel.

Communication and engagement on the implementation of the proposed 2023 Budget will continue throughout the year.

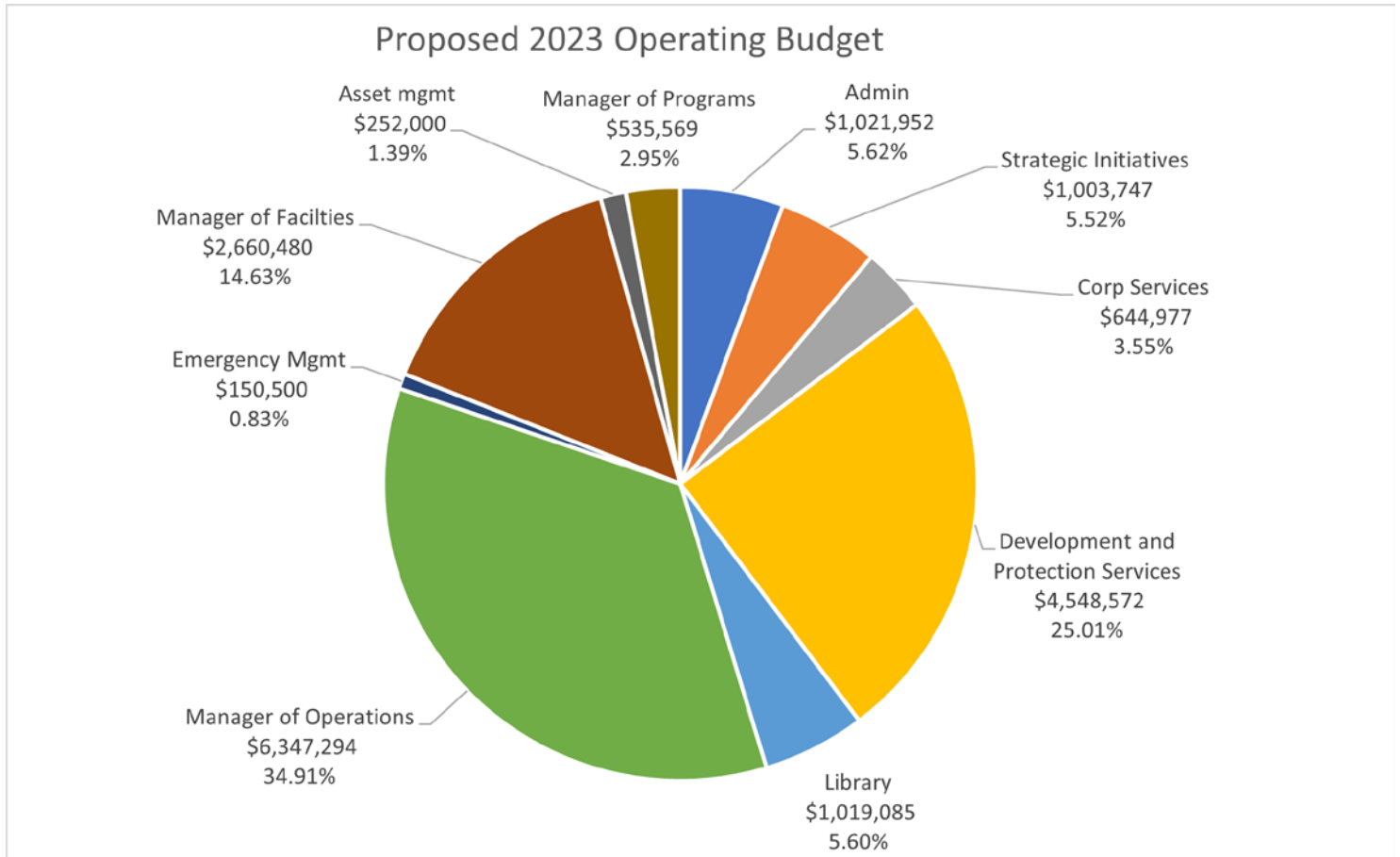
2023 Operating Budget

In 2023, the Province is providing the Municipality with \$1,620,900 in funding through the Ontario Municipal Partnership Fund (OMPF), which is equivalent to \$272 per household (compared to \$1,509,000 in 2022). 2023 OMPF revenue has been distributed amongst the municipal department operating budgets.

OMPF is the primary funding source provided by the Province to municipalities. When the current Provincial Government came into power, a review was conducted on the OMPF program. The Province has announced its commitment to consult with municipalities to better focus OMPF on communities that need it most, including small, northern and rural municipalities.

For services funded by tax dollars raised by the Municipality, the Municipality's operating expenses for 2023 are budgeted at \$18,184,173. The following chart illustrates the allocation of North Perth tax dollars to various services:





Other operational budgets totalling \$12,116,742.00 are solely funded by user fees, including Child Care Services, Building Department, Water Services, Wastewater Services, Waste Management and Perth Meadows.

As part of the Asset Management Financing Strategy approved by Council, \$242,000 per year (beginning in 2020) is included in the annual operating budget. This should close the funding gap by 2048.

The Stormwater Management Area Rate (SMAR) for 2023 is estimated at \$275,000 and is shared amongst the properties within the SMAR boundary. This area rated levy provides for future stormwater management services (SMS) in the built-up area of Listowel, including some of the fringe development.

2023 Capital Budget

The 2023 Capital Budget includes some carryover and new projects. Some significant projects include:

- NEDL Walton and Davidson Pump Station
- Transportation Master Plan
- Master Servicing Plan
- SRS/Clarifier Upgrades/Auger Replacement
- Atwood Core Revitalization and Water
- Monkton Ball Lights

- On-going Road 140 Reconstruction
- Water Meter Replacement
- Aquatic Facility Drawings
- Park Consultation and Development
- Listowel Memorial Park Playground Replacement
- PUC Building Roof
- Asphalt Resurfacing
- Downtown Listowel Parkette
- Development Charges Review and Update

The overall project cost estimate for 2023 is just over \$25.7 million. Carryover project costs represent \$17,444,390.00, or 68% of the overall amount. The ongoing project work is being funded by Development Charges revenues, reserves/reserve funds, the tax levy, donations and provincial/federal grant funding.

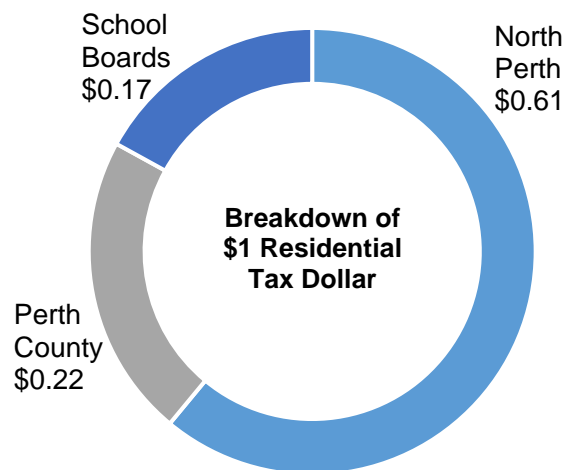
Maintaining and improving North Perth's municipal infrastructure will continue to require significant and planned investment.

Impact on Property Taxes

The North Perth Building Department had yet another busy year in 2022, issuing 415 building permits, which included the creation of 149 new residential dwelling units. This increased tax base allows the costs related to growth to be applied across a greater number of properties.

Due to the COVID-19 pandemic, MPAC postponed the 2020 property reassessment that would have reassessed properties based on a valuation date of January 1, 2019, with reassessments applied and used in budgeting through the 2021-2024 period. Therefore, 2020 property assessments have been used for the 2023 budget.

The North Perth 2023 tax levy increase is \$1,452,968 for local municipal purposes. A total property tax bill reflects taxes levied by the Municipality of North Perth, the County of Perth and local school boards. Specifically, for every residential tax dollar received in 2023, approximately 61 cents will be kept by North Perth, approximately 22 cents will be transferred to Perth County and 17 cents will be transferred to local school boards. The overall levy increase in North Perth is 8.7%. Due to growth in assessment, the residential impact is about 3.6%, or about .31 cents per day. Actual percentage change will depend on any individual assessment changes and specific relative tax class. This amount includes the Listowel Ward and fringe areas Stormwater Management Levy.



2023 Property Tax & User Fee Impact Example

A) Calculation based on \$450,000 residential assessment

	2023	2022	Difference	Per Day
Taxes	\$5,559.19	\$5,368.60	\$190.59	\$.52
Stormwater Levy	\$99.17	\$96.63	\$2.54	\$0.01
Small Waste Bin	\$135.00	\$132.00	\$3.00	\$0.01
Average Water/Sewer Bill	\$1,442.31	\$1,406.31	\$36.00	\$0.09
Total	\$7,235.67	\$7,003.54	\$232.13	\$.63

This example includes property tax and stormwater levy (charged to Listowel and fringe area only) on a \$450,000 assessed residence, small garbage wheelie bin and average water/sewer use. In this example, the ratepayer will experience an increase in their municipal costs for 2023 compared to 2022 totalling \$232.13. This equals .63 cents per day. For properties located in the municipality's hamlets, the services they do not receive, such as Stormwater Levy or Water/Sewer, can be removed to calculate their increase.

B) Calculation based on \$1,483,500 farm assessment with \$182,500 residential assessment

	2023	2022	Difference	Per Day
Taxes – Farm Portion	\$4,582.00	\$4,425.00	\$157.00	\$0.43
Taxes – Farm Residence	\$2,255.00	\$2,177.00	\$78.00	\$0.21
Small Waste Bin	\$135.00	\$132.00	\$3.00	0.01
Total	\$6,972.00	\$6,734.00	\$238.00	\$0.65

This example includes property tax a \$1,483,500 assessed farm property with \$182,500 assessed farm residence, as well as a small garbage wheelie bin. In this example, the ratepayer will experience an increase in their municipal costs for 2023 compared to 2022 totalling \$238.00. This equals .65 cents per day.

Conclusion

This budget addresses operational and infrastructure needs to maintain anticipated municipal service levels required by our community, while managing past provincial revenue cutbacks in OMPF funding. Members of Council will be closely monitoring the 2023 financial statements to ensure that the Municipality is sustaining the desired levels of services, while moving forward with current development to ensure growth and prosperity during 2023.

On behalf of Councillor Neil Anstett, Vice-Chair, and myself, I thank members of Council, our staff and the public for participating in developing the future of North Perth via the 2023 budget deliberations.

Yours sincerely,

Lee Anne Andriessen
Councillor and Budget Chair



2023 Combined Operating Budget



Municipality of North Perth
All Departments
Combined Operating Budget
 Run Date: 29-Mar-2023

	2023 Base Budget	2023 Inflationary Impact / Adjustment	2023 One Time Items	2023 Growth	2023 Service Level	2023 Capital Impact	2023 BUDGET
01 General	(1,604,415)	17,626,125	204,131	456,014	431,039		17,112,894
02 Waterworks		(34,500)	34,500				
03 Sewer							
04 Stormwater	494,298	(442,104)					52,194
06 Library	872,612	66,612	27,970	38,345	13,546		1,019,085
07 Solidwaste		(18,370)	11,000	7,370			
08 Perth Meadows							
Total Department	(237,505)	17,197,763	277,601	501,729	444,585		18,184,173



2023 Combined Capital Budget



2023 Budget Consultation Follow-Up

Pre-Budget Survey Themes Addressed in Budget

Below are some key concerns that were identified by residents who completed the 2023 Pre-Budget Survey. We have highlighted how components of North Perth's 2023 Capital and Operating Budget address these concerns.

Traffic Issues

Traffic issues was the most important concern among respondents of the survey. There are some projects outlined in the 2023 Public Works department budget that would address traffic concerns including the completion of the Transportation Master Plan which would include a report back to Council in the next month. Additionally, the beginning stages of a Listowel By-pass Plan was introduced in the 2022 budget and further funding was included in the 2023 Capital Budget

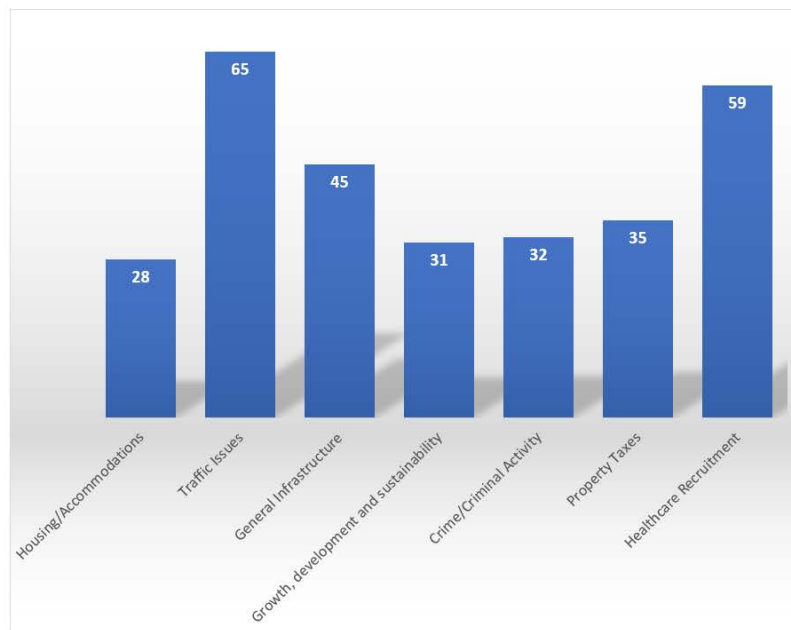
General Infrastructure

The second most important concern facing survey respondents was growth, development and infrastructure. There are numerous projects throughout the 2023 capital budget that address the need to maintain and enhance current infrastructure including; roadwork projects and replacing bridges and culverts. Additionally, the 2023 Operating Budget allows for routine maintenance of existing infrastructure.

Healthcare Recruitment

Concerns were addressed regarding Healthcare Recruitment. The Municipality's annual allocation towards healthcare recruitment has been increased by \$10,000 in 2023, for a total of \$20,000. Staff time and in-kind support is also expected through participation on the North Perth Recruitment Committee and related initiatives.

Topics that ranked highest as the most important concerns currently facing the Municipality.
(Pick your top five.)



2023 Budget Visioning Registry



2023 Department Business Plans

