

The background of the slide is a light gray with several large, overlapping fingerprints. On the right side, there are green geometric shapes, including triangles and polygons, some of which are semi-transparent. The text is centered in the middle of the slide.

2024 2nd Round Draft Budget

Council Presentation
February 21, 2024

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Budget Timeline - 2024

1st Round Presentation to
Council - Complete

3rd Round Presentation to
Council & Public Meeting

7 Feb.

21 Feb.

6 Mar.

20 Mar.

2nd Round Presentation to
Council

Budget Adoption

Overall Budget Impacts

Insurance is Budgeted Entirely Under Finance

- Overall 15% Increase from 2023
 - Significant Increases in Property Values
 - Auto Fleet Count up 4 units from 2023
 - Main source - Trending/Ongoing Claims

Significant Amalgamation of General Ledger Accounts

- Financial Audit Highlighted the Need to Reduce Number of GL Accounts
 - Year 1 of Transitioning/Consolidating Underutilized Accounts/Budgets
 - HR/IT Budget Consolidated Under Administration
 - Emergency Management Budget Consolidated Under Fire

Compensation & Benefits

- \$85,955 - Merit Increase (Approved Step Increases)
- \$141,320 - COLA Increase 3.3% (Council Resolution)
- \$180,000 - 2023 Market Check Impact (2023 Budget Carryover)
- \$208,449 - Organizational & Compensation Review Assumptions
- \$78,673 - Dental Benefits
- (\$17,000) - Elimination of Post-Retirement Benefit

Deferred Items

Items/projects not included in draft one and/or deferred to future years:

Overall Budget Impact

- \$27,873 Expanded Dental Plan (Orthodontics)

Public Works

- \$400,000 - Additional Tandem Plow
- \$130,000 - Road 24 - Rail Trail to SDR 71 - Remain Gravel
- No Major Bridge/Culvert Replacements

Clerks

- \$6,000 - Reduced Staff Training & Conferences

Recreation

- \$27,000 Capital - Tractor Purchase (\$24,000 Taxation + \$3,000 Reserves)

Finance

- \$600 Reduced Staff Training

Fire Department

- \$5,610 Public Education Wages
- \$4,835 New Recruit Incident Wages
- \$7,955 Truck Check Wages

Changes from Round 1

| Changes | Tax Rate Impact |
|---|-----------------|
| Round 1 Budget Presentation | • 7.62% |
| Alternate Implementation of Organization Review • (\$196,622) Reduction due to recommended Org Review Implementation Plan | • (1.17%) |
| Inclusion of Roads Projects - Funded through Land Sales (Reserves) • \$100,000 Microsurfacing SDR 15 (Rd 22-14) • \$390,000 Road 22 - SDR 71 to SDR 15 - DST • \$336,800 Add Road 15 10-12 CIP Pave 50mm HL 4 (\$357,200 funded through taxation remains the same as 1 st Round Presentation for Road 15 08-10 CIP) TOTAL: \$826,800 | • 0.00% |
| Round 2 Budget Presentation | • 6.45% |

Taxpayer (Homeowner) Impact



\$254.20/year

On average home
assessment of \$276,093



\$21.18/month

On average home
assessment of \$276,093



6.45% Increase

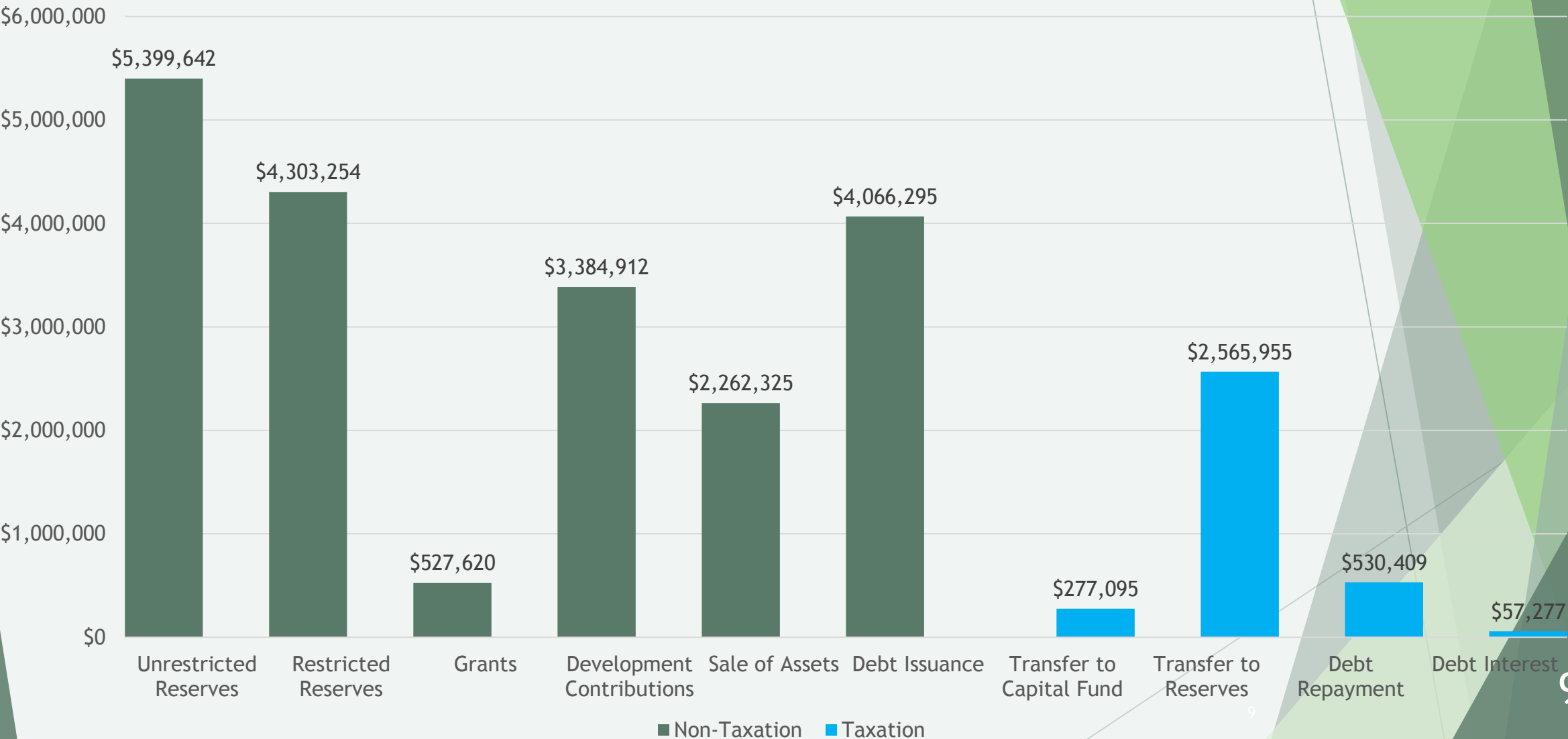
In the blended Tax Rate

Further Considerations to Impact Tax Rate

- ▶ Options to change funding source and/or change Tax Rate of 6.45%
- ▶ 1% of the Tax Rate is Equivalent to \$167,422

| Options | Tax Rate Impact |
|---|--|
| <ul style="list-style-type: none">• Deferred Items from Round 1 Presentation<ul style="list-style-type: none">• \$6,000 Clerks Staff Training and Conferences• \$18,400 Additional Fire Wage Increases• \$25,228 Benefits for Council (\$5,045.60/person) | <ul style="list-style-type: none">• 0.04%• 0.11%• 0.15% <hr/> <p>6.75%</p> |
| <ul style="list-style-type: none">• Dedicating a 2% to Fund Reserves• \$334,844 | <ul style="list-style-type: none">• 2.00% <hr/> <p>8.75%</p> |

Capital Funding Sources



General Reserves

| 2024 | Beginning | IN | OUT | Ending |
|-----------------------------------|---------------------|--------------------|----------------------|---------------------|
| Tax Stabilization & Working Funds | \$1,332,304 | \$0 | -\$249,348 | \$1,082,956 |
| Reserves - Working Purposes | \$8,652,175 | \$1,190,000 | -\$3,148,586 | \$6,693,589 |
| Reserves - Capital Purposes | \$8,195,707 | \$3,002,461 | -\$2,470,911 | \$8,727,257 |
| Reserve Funds | \$585,630 | \$75,000 | -\$127,500 | \$533,130 |
| Obligatory Reserves | \$10,485,259 | \$1,774,032 | -\$4,160,234 | \$8,099,057 |
| Total | \$29,251,077 | \$6,041,493 | -\$10,156,579 | \$25,135,989 |

Capital Budget - Public Works

| Department | Items | Total \$ | Funding |
|-------------|--|---|--|
| Roads | <ul style="list-style-type: none"> Street Lights Storm Drains - Main St. East Roads Signs Equipment | <ul style="list-style-type: none"> \$14,437 \$64,028 \$10,010,343 \$16,000 \$1,070,000 <p>TOTAL \$11,174,808</p> | <ul style="list-style-type: none"> Taxation (Debt Repayment) Taxation (Debt Repayment) Reserves (\$1,151,800), Restricted Reserves (\$626,032), Grants (\$527,620) Sale of Assets (\$1,737,325), Debt Issue (\$4,066,295), Taxation (\$1,901,271) Taxation Reserves (\$330,000), Restricted Reserves (\$335,000), Sale of Assets (\$20,000), Taxation (\$385,000) |
| Solid Waste | <ul style="list-style-type: none"> 2003 System Start-Up Roll-Off Bin 1-40 Yard Carts Collection Truck Dundalk Transfer Station Redesign | <ul style="list-style-type: none"> \$166,748 \$17,500 \$60,000 \$423,124 \$15,000 <p>TOTAL \$682,372</p> | <ul style="list-style-type: none"> Taxation (Debt Repayment) Taxation (\$7,000), Restricted Reserves (\$10,500) Offset by Sale of Bins Reserves (\$127,235), Sale of Asset (\$15,000), Taxation (\$280,889) Taxation |
| Cemetery | <ul style="list-style-type: none"> Beautification | <ul style="list-style-type: none"> \$10,000 | <ul style="list-style-type: none"> Reserves |
| Wastewater | <ul style="list-style-type: none"> Sewage Treatment Facility Upgrades SCADA Technology | <ul style="list-style-type: none"> \$2,000,000 \$468,200 <p>TOTAL \$2,468,200</p> | <ul style="list-style-type: none"> Reserves (\$200,000), Restricted Reserves (\$1,800,000) Restricted Reserves (\$468,200) |
| Water | <ul style="list-style-type: none"> Well D5/Main Street Water Tower Ida St. S Victoria to Hanbury Main St. W Pre-Design Van Replacement | <ul style="list-style-type: none"> \$342,473 \$111,136 \$14,978 \$250,000 \$25,000 <p>TOTAL \$743,587</p> | <ul style="list-style-type: none"> Debt Repayment: Reserves (\$126,732), Restricted Reserves (\$215,741) Debt Repayment: Reserves (\$32,229), Restricted Reserves (\$78,907) Debt Repayment: Reserves Future Year Funding Reserves & Sale of Asset |

Capital Budget

| Department | Items | Total \$ | Funding |
|-------------------|---|--|---|
| Finance | <ul style="list-style-type: none"> Financial System Replacement/Budget Software DC Study Computer Reserve | <ul style="list-style-type: none"> \$200,000 \$30,000 \$3,000 | <ul style="list-style-type: none"> Reserves Reserves (\$27,000 DCs) Transfer to Reserve (Taxation) |
| Clerks/Council | <ul style="list-style-type: none"> Website Migration/Upgrades Replacement Laptops & Contribution - Election | <ul style="list-style-type: none"> \$10,000 \$12,500 | <ul style="list-style-type: none"> Transfer to Reserve (Taxation) Transfer to Reserve (Taxation) |
| Administration | <ul style="list-style-type: none"> Computers/Office Furniture Infrastructure Reserve Multi-Use Facilities Master Plan Sale of Properties Renovations/Rental for Additional Staff | <ul style="list-style-type: none"> \$7,500 \$38,827 \$80,000 \$410,000 \$20,000 | <ul style="list-style-type: none"> Transfer to Reserve (Taxation) Transfer to Reserve (Taxation) Reserves Transfer to Reserve Taxation |
| Building & By-Law | <ul style="list-style-type: none"> Replace HEV Vehicle Equipment (Laptops, Tablets, Camera) Contribution to Infrastructure | <ul style="list-style-type: none"> \$50,000 \$16,500 \$17,820 | <ul style="list-style-type: none"> Reserves Reserves Transfer to Reserve |
| Industrial Land | <ul style="list-style-type: none"> HWY 10 Bypass Rd - Construction | <ul style="list-style-type: none"> \$6,769,823 (50% of project in 2024 & 50% in 2025) | <ul style="list-style-type: none"> 50% to be paid by Developer (\$3,384,912) DCs for Sewage (\$607,200) Reserves (\$2,777,712) |
| Fire | <ul style="list-style-type: none"> New Tanker Truck (Replace Unit 708) Equipment (Computer, Tablet, PPE) | <ul style="list-style-type: none"> \$570,000 \$22,500 | <ul style="list-style-type: none"> Reserve (\$298,163), Melancthon Reserve (\$41,581), Sale of Unit 708 (\$20,000), Taxation (\$210,256) Reserve (\$9,000), Taxation (\$13,500) |
| Recreation | <ul style="list-style-type: none"> Accessibility (MacIntyre Building & Pool) Parkland & Trail Development Roof in Hopeville Ice Surface Lighting to LED | <ul style="list-style-type: none"> \$27,000 \$40,000 \$15,000 \$15,000 | <ul style="list-style-type: none"> Reserves Reserves & DCs Reserves Reserves |
| Library | <ul style="list-style-type: none"> Library Collection (Replacement & Growth) Equipment Contribution to Reserves | <ul style="list-style-type: none"> \$26,500 \$6,000 \$18,150 | <ul style="list-style-type: none"> Reserves (\$15,000), Taxation (\$11,500) Taxation Taxation |

Debenture Summary

| Loan | Payment Amount | Outstanding Balance | Maturity Date |
|------------------------|----------------|---------------------|---------------|
| Infrastructure Ontario | \$420,936.76 | \$2,523,699.45 | 12-16-2029 |
| CIBC | \$166,747.80 | \$368,768.22 | 03-01-2026 |
| | | | |
| Total | \$587,684.56 | \$2,892,467.67 | |

Ontario Annual Repayment Limit
= Own Source Revenues x 25% (Limit for Annual
Debt Principal & Interest Payments)
 $\$11,490,038.79 \times 25\% = \$2,872,509.70$

Thank you & Questions ?

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February 21, 2024



Township of
Northgate