

1st Draft 2023 Budget & 2024 - 2026 FORECASTS

November 24, 2022

Agenda

- Economic Outlook
- Budget Timetable & Process
- 1st Draft 2023 Base Budget and 2024-2026 Forecasts
- Tax Trends and Financial Comparators
- Resource Requests
- Capital Requests

Economic Outlook

- The government announced the continued postponement of the province wide assessment update. This means that property taxes for the 2023 taxation year will continue to be based on the January 1, 2016 valuation date
- Interest rates are expected to continue to rise. The current Bank of Canada Rate announced October 26, 2022 is 3.75%
- The Inflation rate posted by Stats Canada for September and October 2022 was 6.9%.
- The average price of unleaded fuel in Toronto in October 2022 was \$1.64/l compared to a year ago of \$1.32/l. The trend is rising prices with a 17.8% rise in October compared with October 2021.
- Ontario is expected to continue seeing job vacancies, inflation and an uneven economic recovery.
- A moderate recession is expected in Canada early in 2023.

2022 Budget Timetable

2023 Budget Timetable	
Monday, October 3 to Sunday, October 30, 2022	Budget Survey 2023 goes online with pop up surveys at Farmers Markets.
3:00 p.m. Thursday, November 24, 2022	1st Draft 2023 Budget with 2024 to 2026 Forecasts (Council and Public Consultation). Includes Budget Survey Results.
3:00 p.m. Thursday, December 8, 2022	Final 2023 Budget with 2024 to 2026 Forecasts Presentation

Residents provided input through online Budget Survey and pop ups at Farmers Market.

1st Draft 2023 Operating Budget

	2023 vs 2022 <u>Variance</u> 000's
Changes in Revenues	
2022 Budget	\$ 13,240
Fees	15
Water Revenues	39
Assessment Growth	86
Trf fm Reserves and Res. Funds	(70)
Interest Income	48
Planning	7
Other	104
Total Revenues	\$ 13,469
Changes in Expenditures	000's
2022 Budget	\$ 13,240
Program expenditures	251
Development	9
Planning	(30)
Trf to Reserves	(2)
Labour Costs	255
Change in Capital Requests	(3)
Debt Servicing	(23)
Other	127
Total Expenditures	\$ 13,824
Additional Tax Requirement	(355)

% Tax Increase 4.50%

Tax Amount Increase \$ 84.60

**based on \$600k assessed value*

- Fire Tanker
- Replace Culvert 2053 (27th Sideroad)
- Road surface treatment program
- Tandem Axle Snow Plow
- Trackless Sidewalk Plow
- Tractor Unit 41
- Kubota Tractor
- Parkland Improvements
- Cloudpermit Building Application Portal
- Multi Use Recreation Feasibility Study
- EV for By-Law

Draft 2024 - 2026 Forecasts

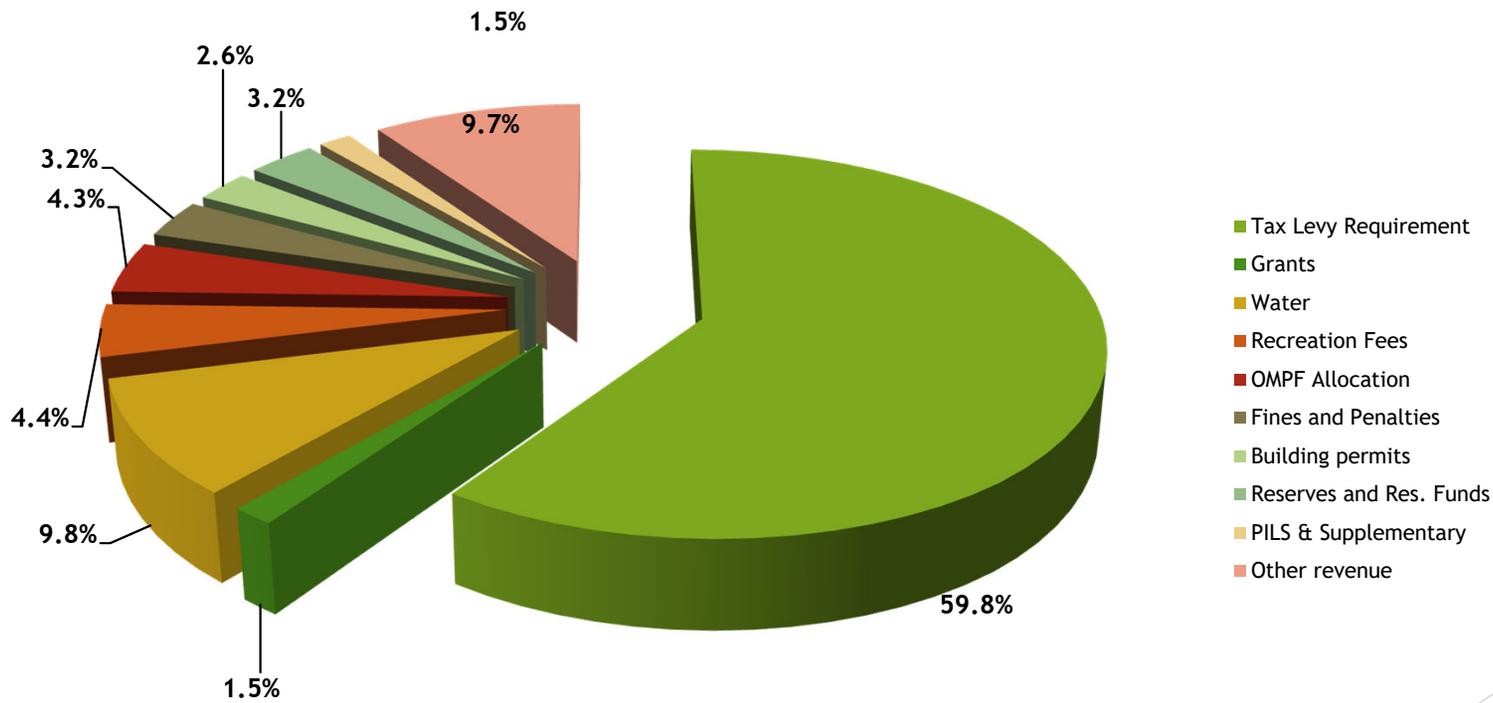
	2024	2025	2026
Additional Tax Levy Requirement	\$ 201,373	\$ 212,687	\$ 122,716
Tax Rate change	2.5%	2.6%	1.5%

Budget Documentation

The budget documentation is organized by the following:

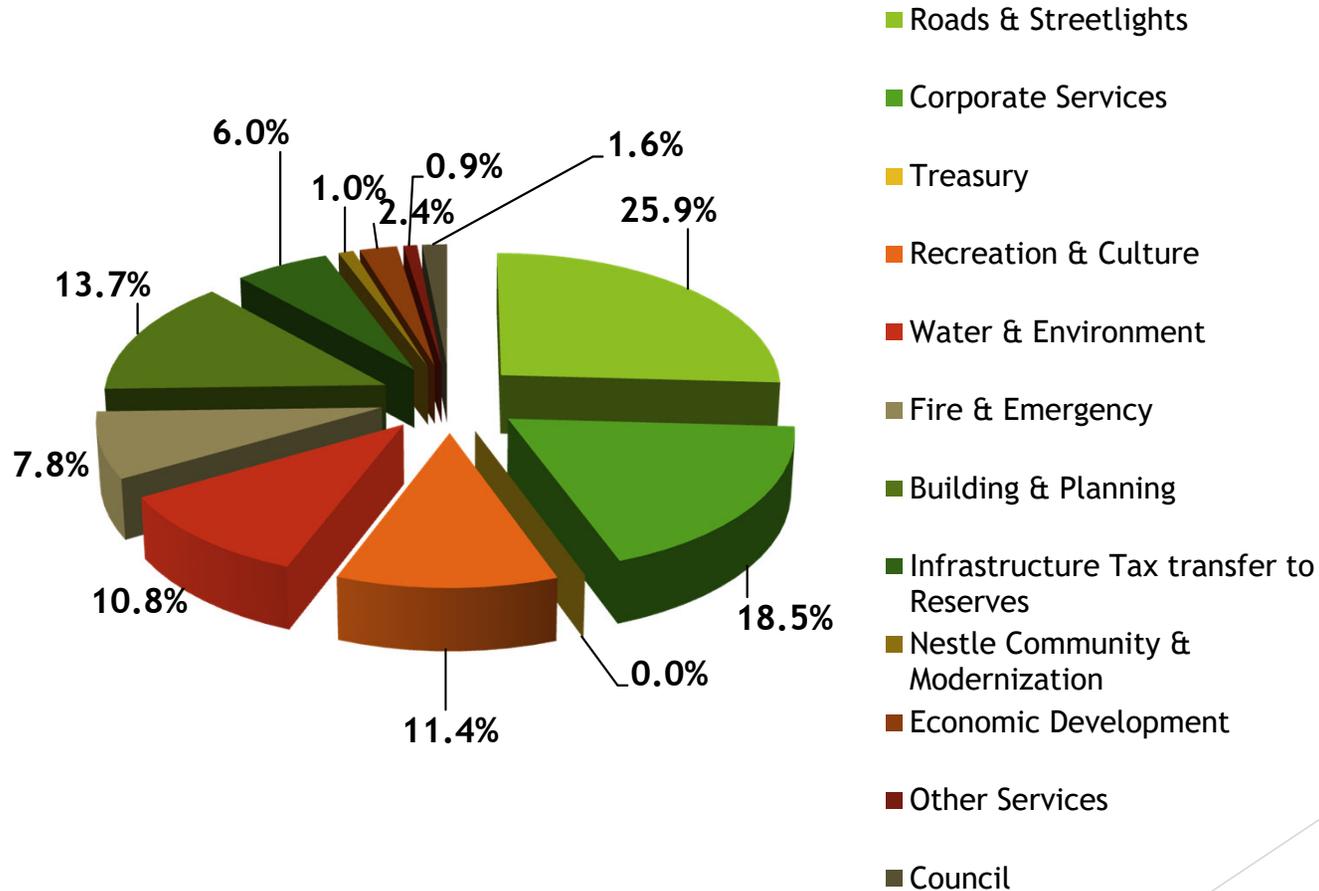
- Appendix A contains financial summaries by program and account grouping for the 1st Draft 2023 Budget and 2024 - 2026 Forecasts.
- Appendix B contains a summary of all Resource Requests organized by program and proposed funding strategies.
- Appendix C provides a summary of all Capital Requests by program and proposed funding strategies.
- Appendix D has a schedule of Reserves and Reserve Funds for 2022 to 2026.
- Appendix E provides debt obligations summary and Annual Repayment Limit.
- Appendix F contains budget submission packages by program that include financial summaries with variance explanations along with Business Plans, Resource Requests and Capital Requests.
- Appendix G contains the results of Community Engagement from the Budget Survey.

\$12.2m Revenues for Operations

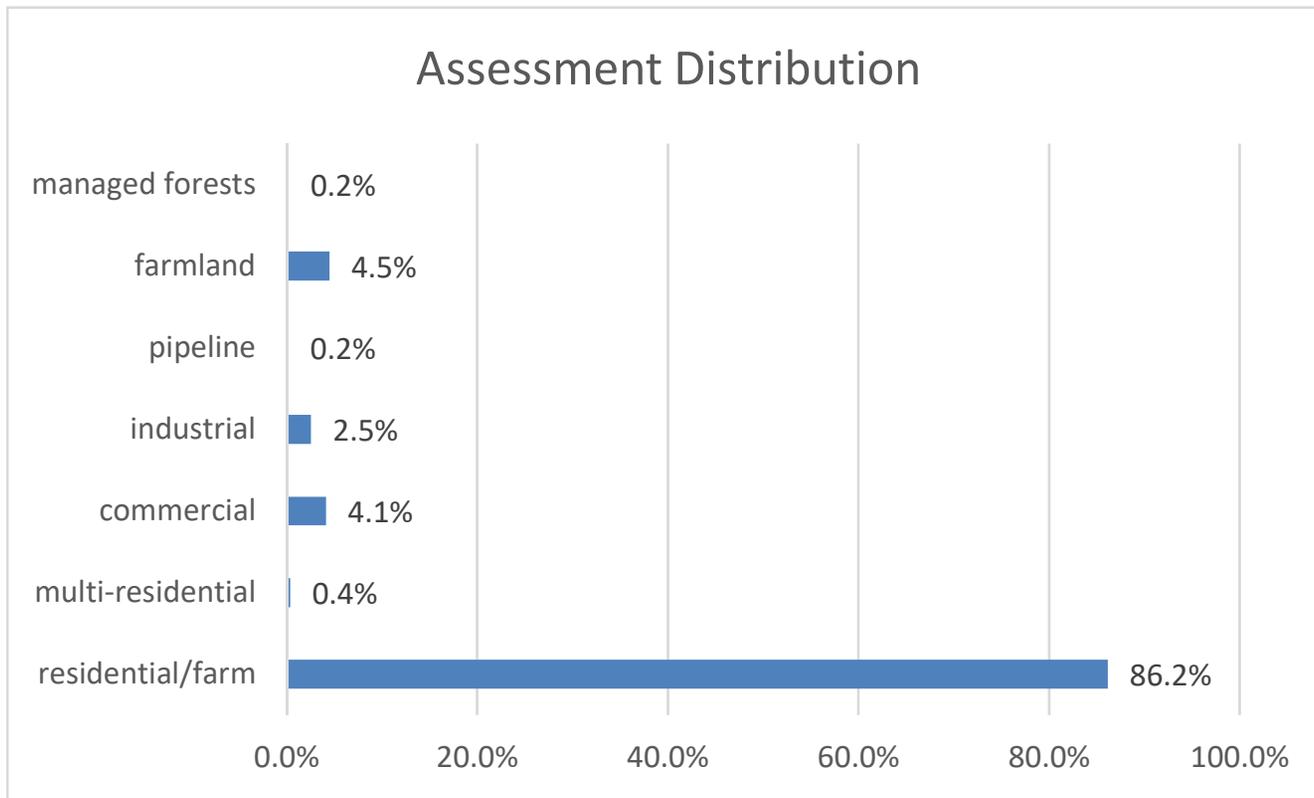


* Excludes CCBF and OCIF that are specific to capital projects

\$12.7m Expenditures by Programs



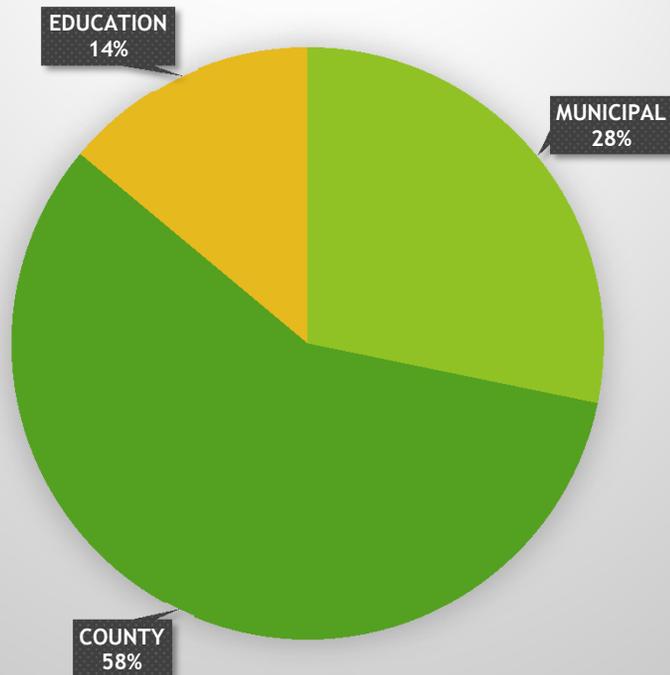
Assessment Distribution



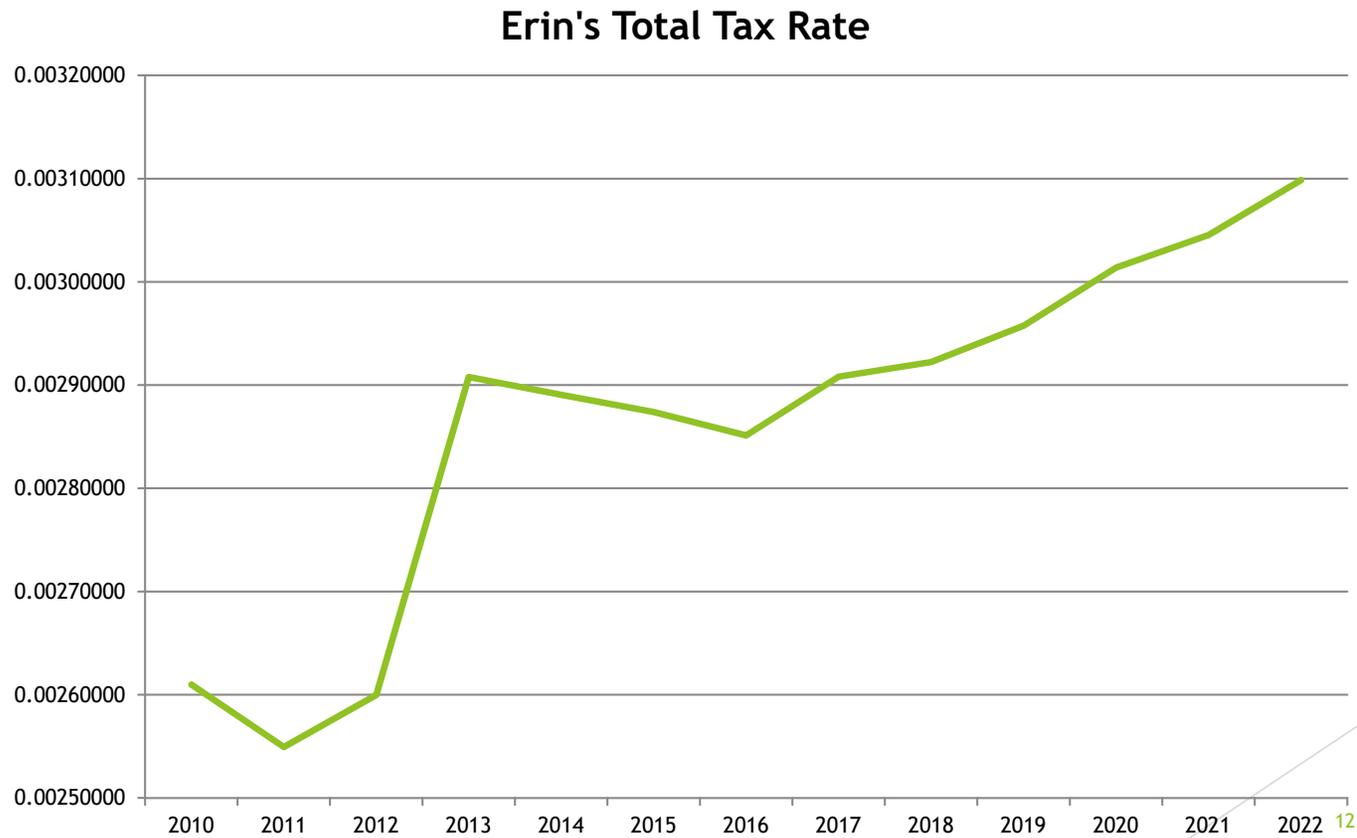
2022 Tax Distribution

For every \$100,000 Assessment =
\$1,097.52

Erin Residential Tax by Source 2022

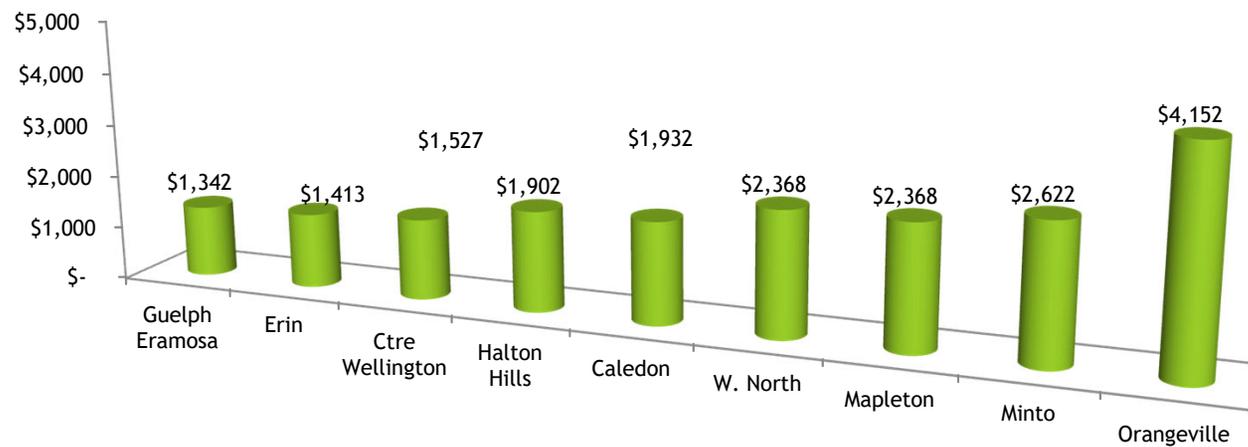


Erin's TOTAL Tax Rate Trend



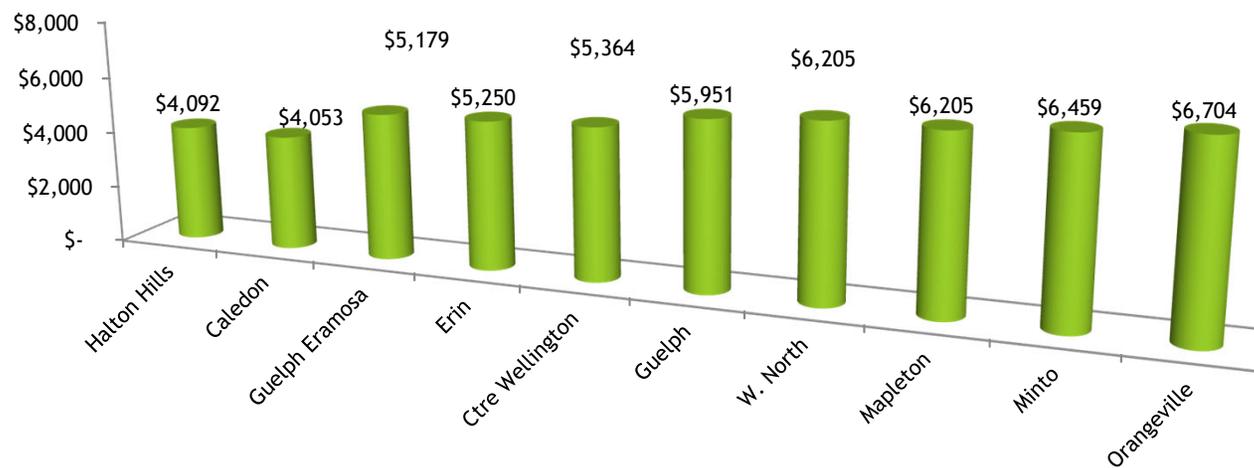
Town Portion Only Comparison

Based on \$500,000 assessment value of residential home

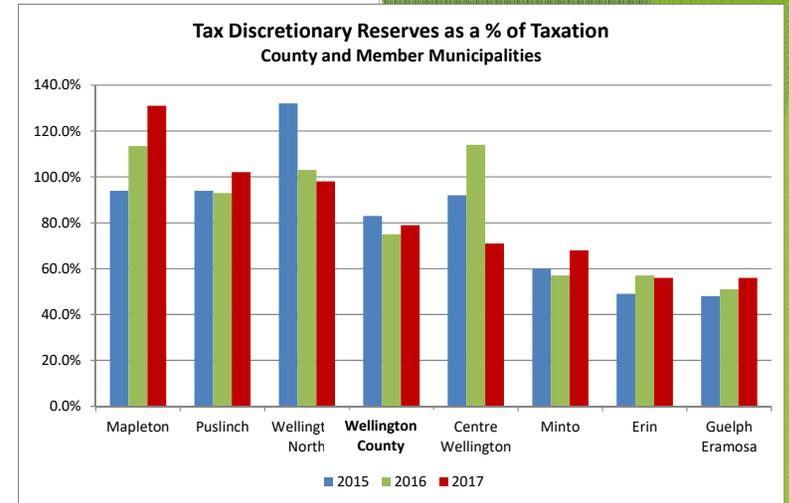
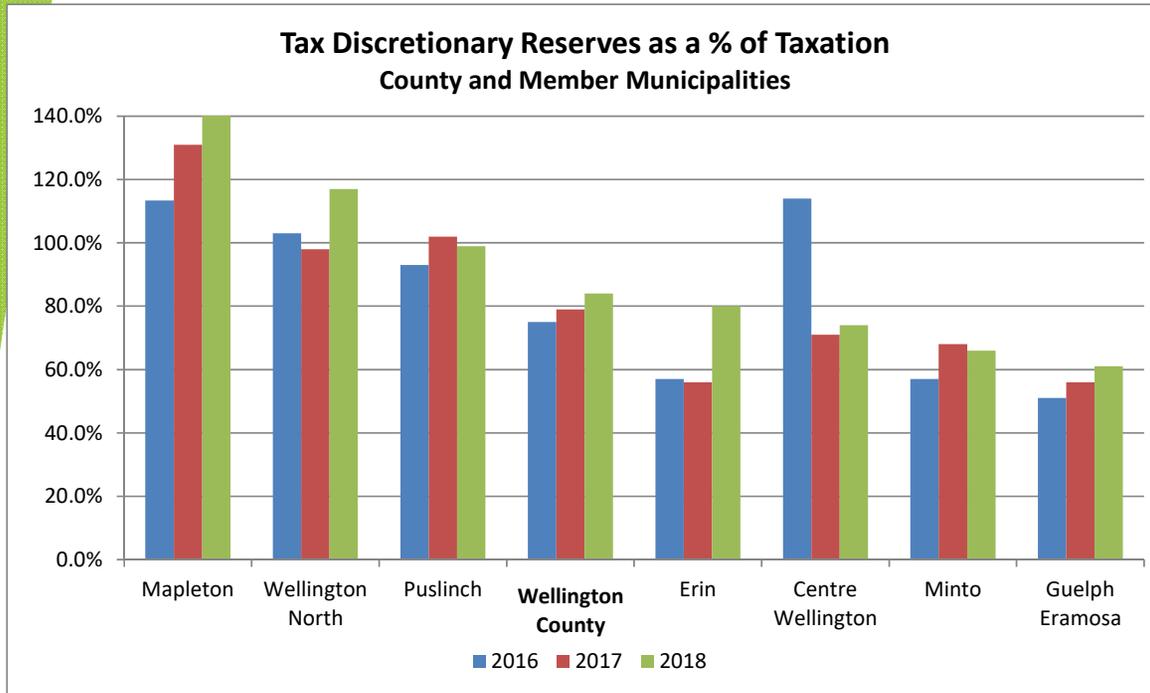


Total Tax comparison

Based on \$500,000 assessment value of residential home



Reserves

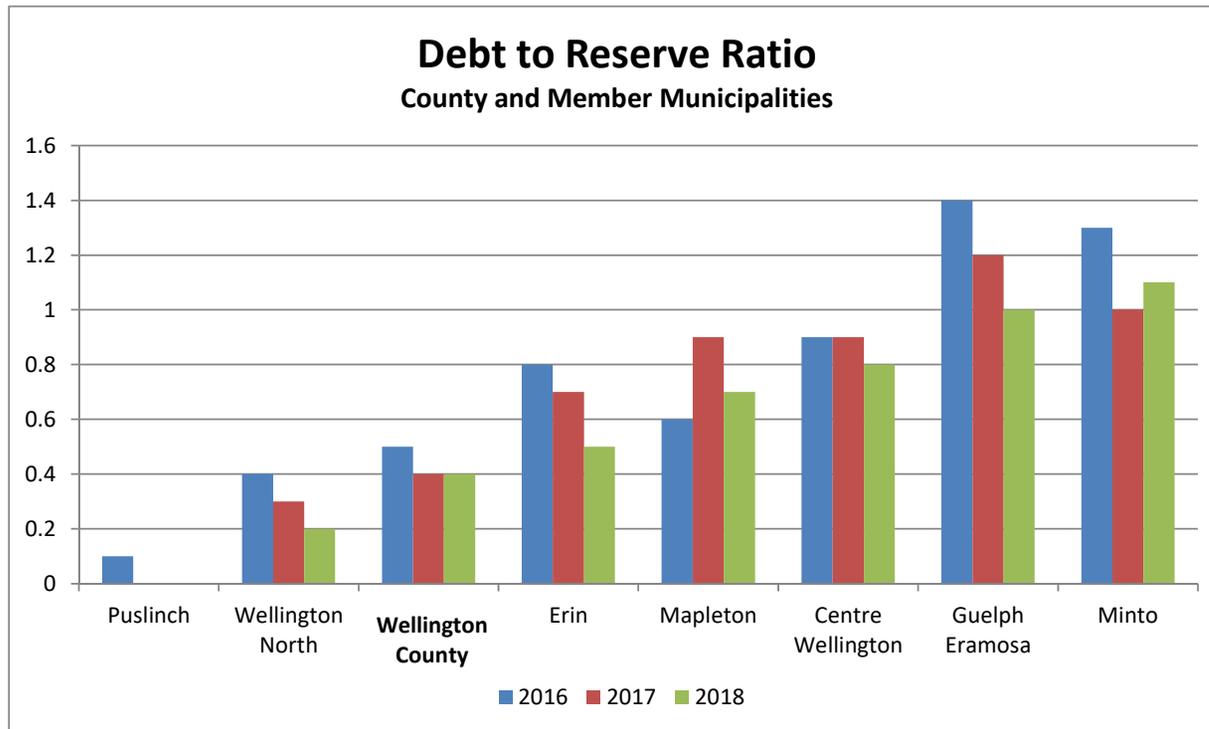


Source County of Wellington - 2020 "BMA Municipal Study - Financial Indicators Analysis"

Reserves

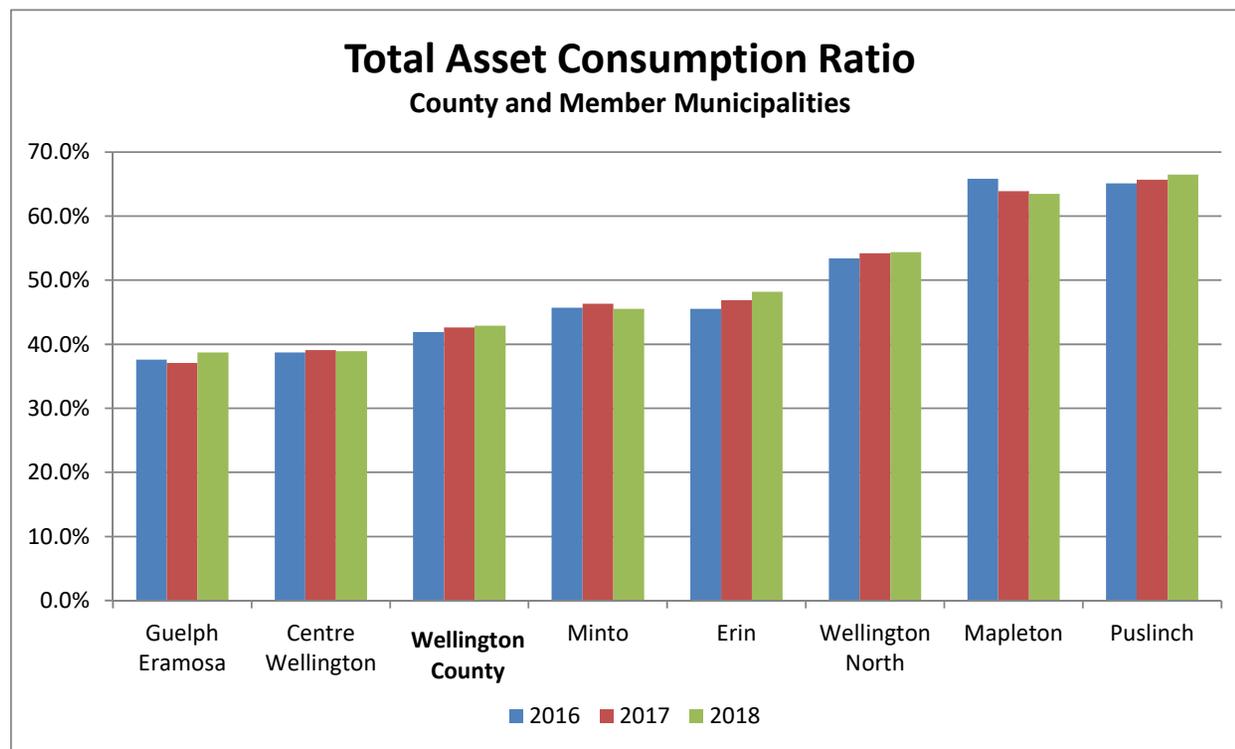
	Reserves		Reserve Funds	
	Additions	Disbursements	Additions	Disbursements
Beginning balance	13,418,542		24,749,559	
2022	2,335,654	1,042,445	2,082,316	5,942,619
2023	1,544,881	960,014	19,145,637	23,940,500
2024	1,585,913	1,065,460	26,473,910	27,959,455
2025	1,614,455	873,961	20,474,540	21,130,509
2026	1,601,755	872,206	20,443,572	21,130,509
	8,682,658	4,814,086	88,619,975	100,103,592
Ending Balances	17,287,114		13,265,942	
Total Ending balance	30,553,056			

Debt to Reserve Ratio



Source County of Wellington - 2020 "BMA Municipal Study - Financial Indicators Analysis"

Asset Consumption Ratio



Source County of Wellington - 2020 "BMA Municipal Study - Financial Indicators Analysis"

RESOURCE REQUESTS

Forecast Period 2023

Request Id	Description	Department	Priority	Amount	Taxation	Res. & Res. Funds	Grants
RQ-CRP-0001	eScribe Closed captioning	Corporate Services	30	11,000	11,000		
RQ-CRP-0002	Cybersecurity Assessment	Corporate Services	50	8,500		8,500	
RQ-ECO-0001	Temporary Washrooms at Events	Economic	35	5,000	5,000		
RQ-ECO-0002	Community Improvement Plan	Economic	20	40,000	40,000		
RQ-FIR-0001	Recruit Training	Fire	50	60,000	60,000		
RQ-FIR-0002	Fire Building Improvements	Fire	30	100,000		100,000	
RQ-PLN-0001	Application Fees Review	Planning & Development	20	40,000		40,000	
RQ-PLN-0002	Septic Inspections	Planning & Development	40	40,000	40,000		
RQ-RDS-0001	Roads Maintenance	Roads	40	50,000	50,000		
RQ-RDS-0002	Summer Student	Roads	40	12,000			12,000
				366,500	206,000	148,500	12,000

RESOURCE REQUESTS

Forecast Period 2024

Request Id	Description	Department	Priority	Amount	Taxation	Res. & Res. Grants Funds
RQ-CRP-0001	eScribe Closed captioning	Corporate Services	30	11,000	11,000	
RQ-ECO-0001	Temporary Washrooms at Events	Economic	35	5,000	5,000	
RQ-ECO-0002	Community Improvement Plan	Economic	20	40,000	40,000	
RQ-FIR-0001	Fire Building Improvements	Fire	30	100,000		100,000
RQ-FIR-0003	Station 10 Study	Fire	30	50,000		50,000
RQ-RDS-0001	Roads Maintenance	Roads	40	50,000	50,000	
				256,000	106,000	150,000

RESOURCE REQUESTS

Forecast Period 2025

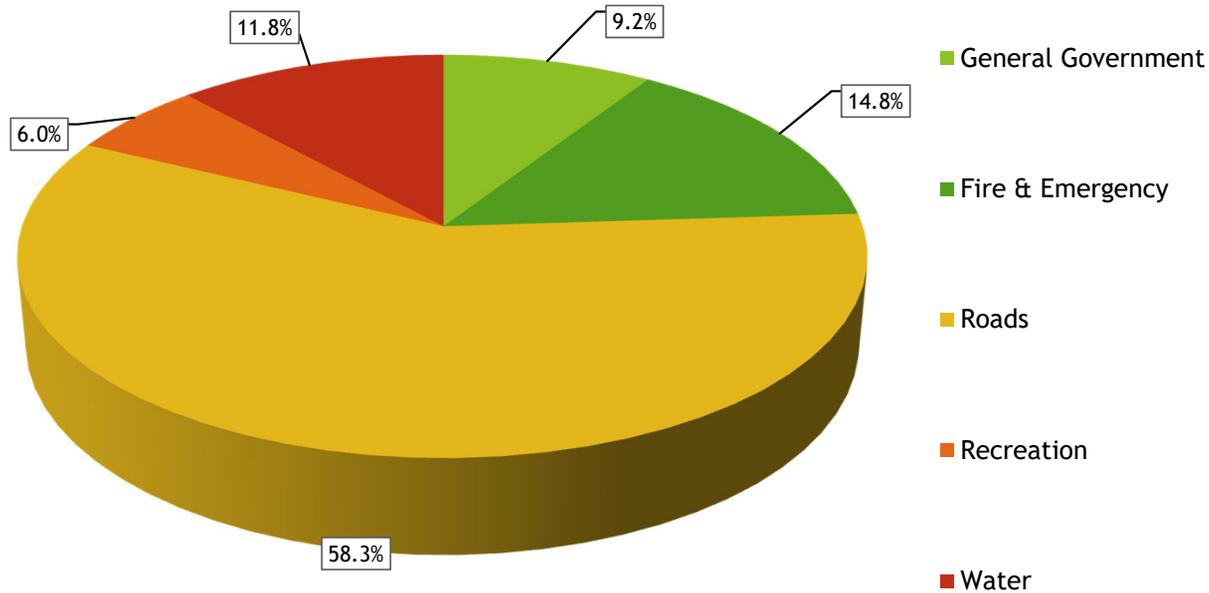
Request Id	Description	Department	Priority	Expenditure	Taxation	Res. & Res. Funds
RQ-CRP-0001	eScribe Closed captioning	Corporate Services	30	11,000	11,000	
RQ-ECO-0001	Temporary Washrooms- Events	Economic	35	5,000	5,000	
RQ-ECO-0002	Community Improvement Plan	Economic	20	40,000	40,000	
RQ-FIR-0001	Fire building improvements	Fire	30	100,000		100,000
RQ-FIR-0002	Fire Station 10 paving	Fire	30	35,000		35,000
RQ-PLN-0001	Town of Erin Green Standards	Planning & Development	20	40,000		40,000
RQ-RDS-0001	Roads Maintenance	Roads	40	50,000	50,000	
				281,000	106,000	175,000

RESOURCE REQUESTS

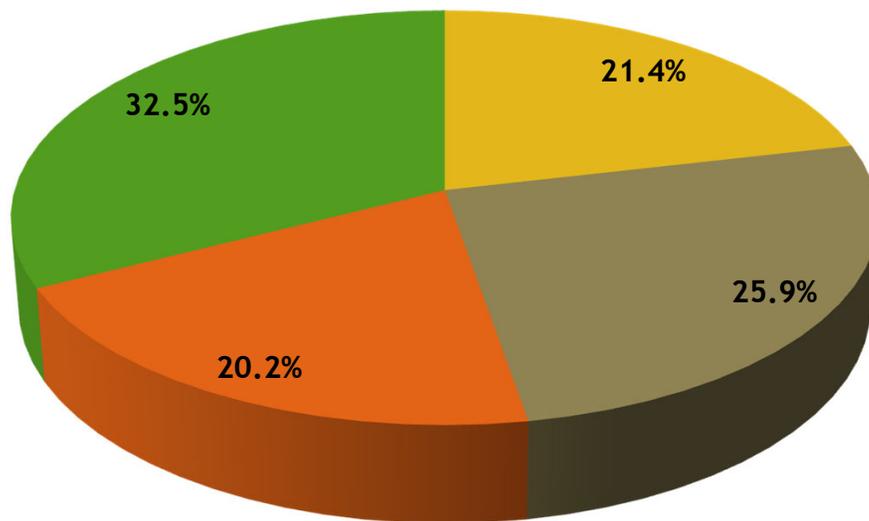
Budget Year	2023
Version	Department Submission
Forecast Period	2026

Request Id	Description	Department	Priority	Expenditure	Taxation	Res. & Res. Funds	Grant
RQ-CRP-0001	eScribe Closed captioning	Corporate	30	11,000	11,000		
RQ-ECO-0001	Temporary Washrooms - Events	Economic	35	5,000	5,000		
RQ-ECO-0002	Community Improvement Plan	Economic	20	40,000	40,000		
RQ-FIR-0001	Fire Building Improvements	Fire	30	158,500	0	158,500	
RQ-RDS-0001	Roads Maintenance	Roads	40	50,000	50,000		
				264,500	106,000	158,500	

2023 Capital Projects by Program



Funding for 2023 Capital Projects



- CCBF/Grants
- Development Charges
- Other Reserves
- Property Tax

2023 Capital Projects

CAPITAL REQUESTS

Forecast Periods		2023								
Project Id	Description	Department	Priority	Expenditures	Res. & Res. Funds	DCs	Debt	CCBF Grant	Other Grants	Taxation
RDS0017	Culvert 2053 (27th Sideroad)	Roads	80	675,000				675,000		
RDS0020	Surface Treatment Program	Roads	80	300,000		300,000				
WTR0010	Water System Existing	Water System	80	263,106	263,106					
FIR0011	Tanker 58	Fire	70	450,000		250,000				200,000
CRP0008	Townhall Repairs	Corporate Services	60	25,200						25,200
CRP0009	HVAC System	Corporate Services	60	25,300						25,300
PKR0009	Ballinafad BCA	Parks & Recreation	60	15,000					5,000	10,000
RDS0013	Trackless Sidewalk Plow	Roads	60	205,000		100,000				105,000
RDS0022	Tandem Axle Snow Plow	Roads	55	500,000	150,000					350,000
RDS0024	Tractor (2008 Unit 41)	Roads	55	170,000						170,000
PKR0011	Parks Improvements	Parks & Recreation	50	40,500						40,500
PKR0013	Replace Kubota Tractor (F3680)	Parks & Recreation	50	75,000						75,000
PKR0014	Replace Driveprod Plow Blade	Parks & Recreation	50	10,000						10,000
RDS0019	Energy Conervation Projects	Roads	50	5,000						5,000
WTR0009	Water Equipment to Extend Life	Water System	50	45,000	45,000					
WTR0004	Meter Replacement	Water System	40	30,000	30,000					
WTR0005	Water Capital Equipment	Water System	40	22,500	22,500					
WTR0006	Water Building and minor	Water System	40	15,000	15,000					
FIR0012	Fire Hose Cache	Fire	40	20,000						20,000
BLDG0012	EV for By-Law	By-law	40	100,000	-	100,000	-	-	-	-
CRP0010	IT - System Upgrades- Software/Hardware	Corporate Services	80	117,000	117,000					
BLDG0013	Cloudpermit building Application Portal	Building & Planning	80	25,000		25,000				
PRKR0021	Fundraising Feasibility study -benchmark Multi-Use Recreational Centre	Parks & Recreation	70	50,000		50,000				
				3,183,606	642,606	825,000	0	675,000	5,000	1,036,000

Please note: Wastewater System is not included as it is funded by developers.

CAPITAL REQUESTS

Forecast Periods 2024

Project Id	Description	Department	Priority	Expenditures	Res. & Res. Funds	DCs	Debt	CCBF Grant	Other Grants	Taxation	CF
RDS0018	Culvert 2027 (Sideroad 32 West	Roads	80	613,500	-	-	-	613,500	-	-	-
RDS0020	Surface Treatment Program	Roads	80	300,000	-	300,000	-	-	-	-	-
RDS0021	Winston Churchill Blvd with Caledon (50%)	Roads	80	3,155,000	-	-	3,155,000	-	-	-	-
WTR0010	Water System Existing	Water System	80	263,106	263,106	-	-	-	-	-	-
RDS0022	Tandem Axle Snow Plow - Roll off with	Roads	55	500,000	300,000	-	-	-	-	200,000	-
RDS0026	Steamer Replacement (Unit 52)	Roads	55	50,000	-	-	-	-	-	50,000	-
RDS0027	Cube Van Replacement (Unit 25	Roads	55	100,000	-	-	-	-	-	100,000	-
PKR0015	Replace Dodge 2017 Ram 1500	Parks & Recreation	50	100,000	-	-	-	-	-	100,000	-
PKR0016	Replace 2017 GMC Sierra	Parks & Recreation	50	100,000	-	-	-	-	-	100,000	-
RDS0019	Energy Conervation Projects	Roads	50	5,000	-	-	-	-	-	5,000	-
WTR0009	Water Equipment to Extend Life	Water System	50	45,000	45,000	-	-	-	-	-	-
WTR0004	Meter Replacement	Water System	40	30,000	30,000	-	-	-	-	-	-
WTR0005	Water Capital Equipment	Water System	40	5,000	5,000	-	-	-	-	-	-
WTR0006	Water Building and minor	Water System	40	15,000	15,000	-	-	-	-	-	-
RDS0025	Wood Chipper Replacement	Roads	40	100,000	-	-	-	-	-	100,000	-
RDS0028	Roads Shop BCA	Roads	50	5,000	-	-	-	-	-	5,000	-
RDS0028	Roads Patrol EV Vehicle	Roads	50	100,000	-	-	-	-	-	100,000	-
PRKR0020	Parks & Recreation EV Vehicle	Parks & Recreation	50	100,000	-	-	-	-	-	100,000	-
PRKR0022	Recreation -Utility Vehicle with attachments	Parks & Recreation	50	30,000	-	-	-	-	-	30,000	-
FIR0012	Hose Cache	Fire	40	20,000	-	-	-	-	-	20,000	-
FIR0013	Station 10 Feasibility Study	Fire	40	50,000	-	-	-	-	-	50,000	-
BLDG0013	Cloudpermit building Application Portal	Building & Planning	80	25,000	-	25,000	-	-	-	-	-
FIR0014	Station 50 Floor Renovations	Fire	40	100,000	100,000	-	-	-	-	-	-
PKR0017	Architectural design, cost estimate Multi-Use Recreation Complex	Parks & Recreation	50	150,000	-	-	-	-	-	150,000	-
				5,961,606	758,106	325,000	3,155,000	613,500	0	1,110,000	

Please note: Wastewater System is not included as it is funded by developers.

CAPITAL REQUESTS

Forecast Periods

2025

Project Id	Description	Department	Priority	Expenditures	Res. & Res. Funds	DCs	Debt	CCBF Grant	Other Grants	Taxation
RDS0030	Culvert 2051 (8th line)	Roads	80	126,000				126,000		
RDS0031	Culvert 10 (17th Sideroad West)	Roads	80	675,500				675,500		
RDS0021	Winston Churchill Blvd with Caledon (50%)	Roads	80	3,155,000			3,155,000			
FIR0015	Pumper 52 Replacement	Fire	80	1,600,000		800,000				800,000
RDS0020	Surface Treatment Program	Roads	80	300,000		300,000				
WTR0010	Water Service Existing	Water System	80	263,106	263,106					
PKR0011	Parks	Parks & Recreation	50	11,000						11,000
RDS0019	Energy Conservation projects	Roads	50	5,000						5,000
WTR0009	Water Equipment to Extend Life	Water System	50	45,000	45,000					
WTR0004	Meter Replacement	Water System	40	30,000	30,000					
WTR0005	Water Capital Equipment	Water System	40	5,000	5,000					
WTR0006	Water Building and minor	Water System	40	15,000	15,000					
BLDG0014	EV for Building	Building	40	100,000	0	0	0	0	0	100,000
BLDG0013	Cloudpermit building Application Portal	Building & Planning	80	25,000		25,000	0			
RDS0028	Roads Shop BCA	Roads	40	5,000						5,000
PKR0017	Architectural design, cost estimate for Multi-Use Recreation Complex (2)	Parks & Recreation	50	150,000	100,000	0	0	0		50,000
RDS0022	Tandem Axle Snow Plow	Roads	55	500,000	150,000					350,000
FIR016	Fire Station 10 - Asphalt paving	Fire	50	35,000	35,000					
				7,045,606	643,106	1,125,000	3,155,000	801,500	0	1,321,000

Please note: Wastewater System is not included as it is funded by developers

CAPITAL REQUESTS

Forecast Periods 2026

Project Id	Description	Department	erin	Expenditures	Res. & Res. Funds	DCs	Debt	CCBF Grant	Other Grants	Taxation
RDS0023	Bridge 9 (8th Line)	Roads	80	410,000						0
RDS0024	Culvert 2060	Roads	80	553,500				553,500		
RDS0020	Surface Treatment Program	Roads	80	300,000		300,000	0	0	0	0
WTR0010	Water System Existing	Water System	80	263,106	263,106		0	0	0	
RDS0022	Replace 2005 Cat 314CR	Roads	55	650,000	150,000		0	0	0	500,000
RDS0027	Construction of Multi-Use Recreation	Parks & Recreation	50	30,000,000		30,000,000	0	0	0	
PKR0011	Parks	Parks & Recreation	50	239,000			0	0	0	239,000
RDS0019	Energy Conservation Projects	Roads	50	5,000			0	0	0	5,000
WTR0009	Water Equipment to Extend Life	Water System	50	45,000	45,000		0	0	0	0
WTR0004	Meter Replacement	Water System	40	30,000	30,000		0	0	0	0
WTR0005	Water Capital Equipment	Water System	40	5,000	5,000		0	0	0	0
WTR0006	Water Building and minor	Water System	40	15,000	15,000		0	0	0	0
FIR0016	Fire Chiefs Command Vehicle	Fire	60	100,000	50,000	50,000	0	0	0	
BLG 003	Cloudpermit building Application Portal	Building& Planning	80	25,000		25,000	0	0	0	
FIR0017	Fire Station 10 and 50 building upgrades	Fire	60	158,500	158,500					
				32,799,106	716,606	30,375,000	-	553,500	-	744,000

Please note: Wastewater System is not included as it is funded by developers

Questions?