



THE CORPORATION OF THE TOWNSHIP OF HORTON

Public Budget Meeting

March 19th, 2024

4:15 p.m.

Horton Municipal Chambers

1. Call to Order
2. Land Acknowledgement

“As we gather today, I would like to acknowledge, on behalf of Council and our community that we are meeting on the traditional territory of the Algonquin People. We would like to thank the Algonquin People and express our respect and support for their rich history, and we are extremely grateful for their many and continued displays of friendship. We also thank all the generations of people who have taken care of this land for thousands of years.”
3. Confirmation of Public Meeting Agenda
4. Declaration of Pecuniary Interest
5. Purpose of Public Meeting – CAO/Clerk
6. CAO/Clerk’s Report on Notice
7. Delegations – None
8. Staff Reports – 2024 Budget Presentation
9. Staff Report – PSAB Budget Report
10. Council Members Questions/Concerns
11. Public Questions/Concerns
12. Adjournment

PG.2

PG.27

RETURN TO AGENDA

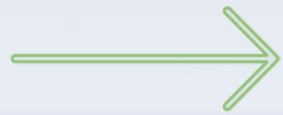


**2024
PROPOSED
BUDGET
PRESENTATION**

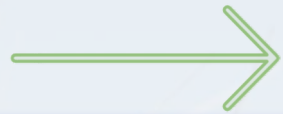
**TOWNSHIP
COUNCIL
CHAMBERS**

**MARCH 19, 2024
@ 4:15 PM**

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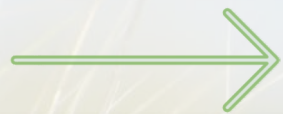
BUDGET ESSENTIALS



FEDERAL & PROVINCIAL FUNDING



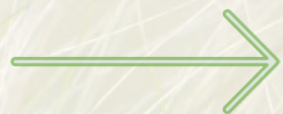
DEPARTMENTAL SUMMARIES



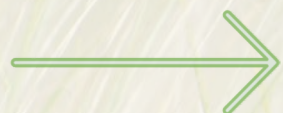
OPERATING & CAPITAL SUMMARIES



RESERVE CONTRIBUTIONS



PROPERTY ASSESSMENT & TAXES



CLOSING / DISCUSSION / NEXT STEPS

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THE BUDGET IS ESSENTIAL TO THE MANGEMENT OF THE MUNICIPALITY

The overall budget is comprised of two main components – the Operating Budget and the Capital Budget.

All municipalities are mandated through the Municipal Act to prepare a balanced budget annually.

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OPERATING BUDGET

PAYS FOR ONGOING OPERATIONS OF THE MUNICIPALITY

SALARIES

MAINTENANCE

SUPPLIES

DEBT SERVICING

CAPITAL BUDGET

PAYS FOR PHYSICAL ASSETS (OVER \$5,000)

EQUIPMENT \ FLEET

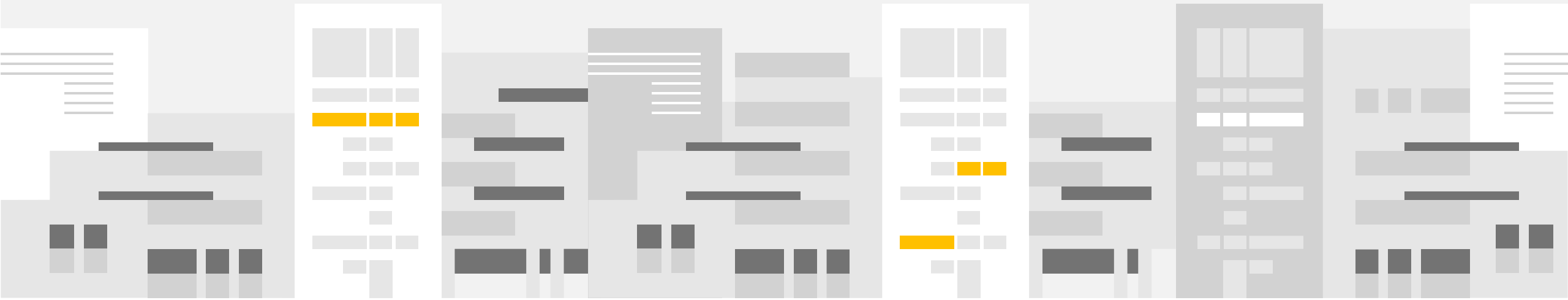
FACILITIES

ROADS

PARKS

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WHAT IS 1% OF THE BUDGET?



\$ 28,359

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FEDERAL & PROVINCIAL FUNDING

OMPFP

ONTARIO
MUNICIPAL
PARTNERSHIP
FUND

\$ 252,700

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FEDERAL & PROVINCIAL FUNDING

OMPFP

ONTARIO
MUNICIPAL
PARTNERSHIP
FUND

\$ 252,700

OCIF

ONTARIO
COMMUNITY
INFRASTRUCTURE
FUND

\$ 186,969

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FEDERAL & PROVINCIAL FUNDING

OMPF

ONTARIO
MUNICIPAL
PARTNERSHIP
FUND

\$ 252,700

OCIF

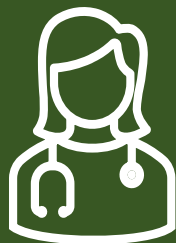
ONTARIO
COMMUNITY
INFRASTRUCTURE
FUND

\$ 186,969

CCBF

CANADIAN
COMMUNITY
BUILDING
FUND

\$ 100,042



DEPARTMENTAL SUMMARIES



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GENERAL GOVERNMENT

2023 PROPOSED

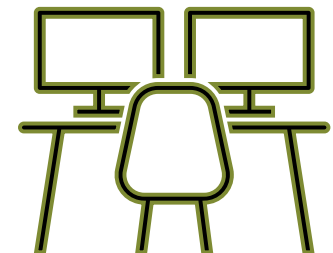
\$2,510,392

2024 PROPOSED

\$2,488,202

VARIANCE

-\$22,190



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TRANSPORTATION

2023 PROPOSED

\$1,243,300

VARIANCE

\$38,374

2024 PROPOSED

\$1,281,674



ENVIRONMENTAL SERVICES

2023 PROPOSED

\$434,497

2024 PROPOSED

\$319,283

VARIANCE

-\$115,214



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FIRE DEPARTMENT

2023 PROPOSED

\$211,053

VARIANCE

\$22,805

2024 PROPOSED

\$233,858



RECREATION

PROTECTION

2023 PROPOSED

\$144,435



2023 PROPOSED

\$437,402

2024 PROPOSED

\$173,846



2024 PROPOSED

\$435,765

VARIANCE

\$29,411

VARIANCE

-\$1,637

BUILDING

2023 PROPOSED

\$ 0

2024 PROPOSED

\$ 0

VARIANCE

\$ 0



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PLANNING

2023 PROPOSED

\$2,400

2024 PROPOSED

\$2,000

VARIANCE

\$400



HEALTH SERVICES

2023 PROPOSED

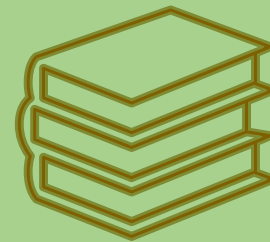
\$36,470

2024 PROPOSED

\$37,117

VARIANCE

\$647



LIBRARY

2023 PROPOSED

\$8,489

2024 PROPOSED

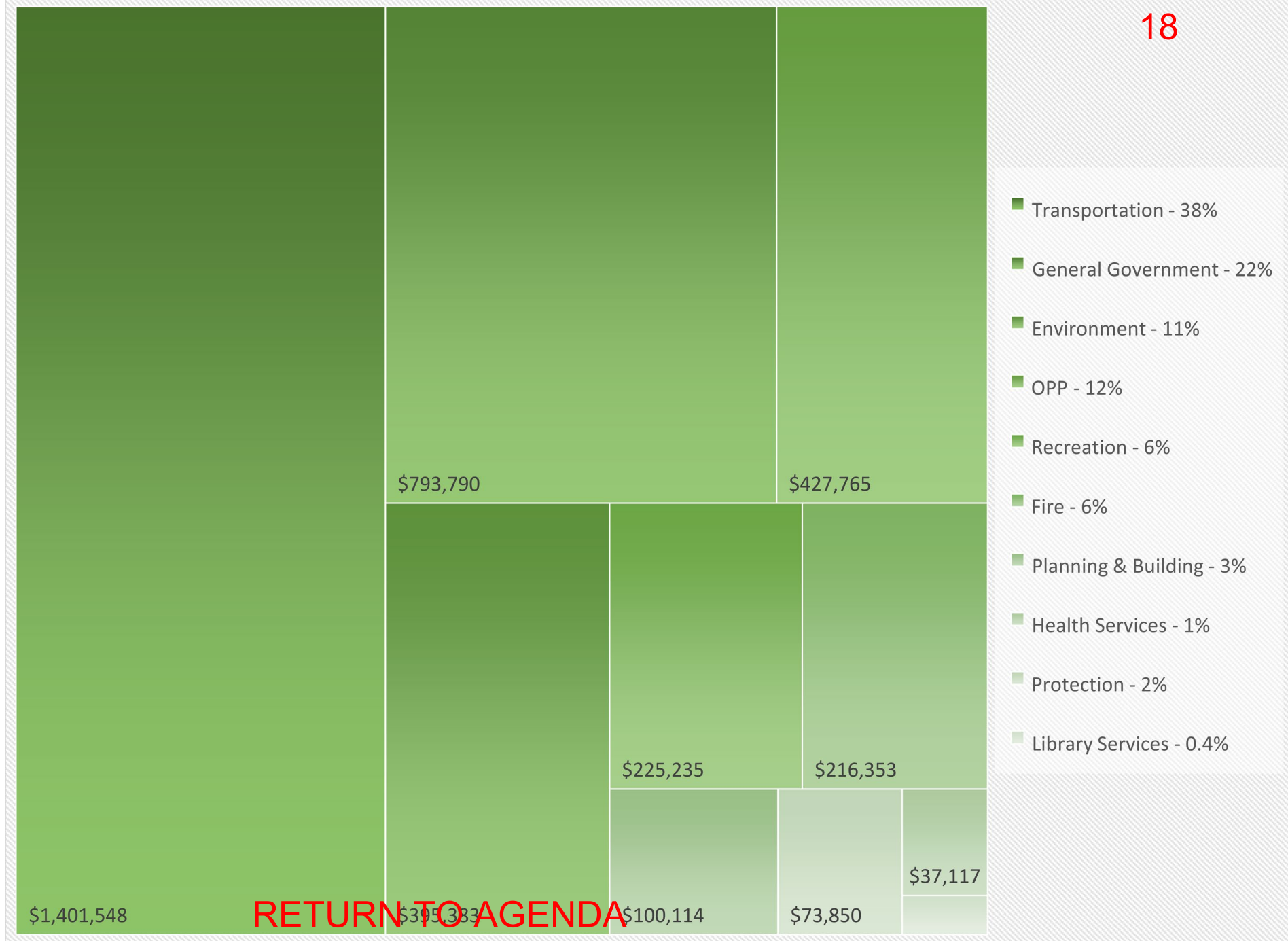
\$8,659

VARIANCE

\$170

BREAKDOWN OF PROPOSED 2024 OPERATING BUDGET

(EXCLUDES CAPITAL)



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2024 PROPOSED CAPITAL

GENERAL GOVERNMENT										
Item	Opening Unfinanced	2024 Budget	Taxation	Fees/ Charges/ Donations	Dev. Chgs.	Grants	CCBF (Gas Tax)	Reserves	Reserve Name	Estimated Closing Unfinanced
Office Equipment Room		10,000						10,000	Office Building	0
General Government Sub-Total	0	10,000	0	0	0	0	0	10,000		0

FIRE DEPARTMENT										
Item	Opening Unfinanced	2024 Budget	Taxation	Fees/ Charges/ Donations	Dev. Chgs.	Grants	CCBF (Gas Tax)	Reserves	Reserve Name	Estimated Closing Unfinanced
Replace 9837		85,000						85,000	Working Funds	0
Walkway & Door Replacement		10,000			5,000			5,000	Working Funds	
Fans and Pumps		10,000						10,000	Working Funds	0
Fire Department Sub-Total	0	105,000	0	0	5,000	0	0	100,000		0

TRANSPORTATION										
Item	Opening Unfinanced	2024 Budget	Taxation	Fees/ Charges/ Donations	Dev. Chgs.	Grants	CCBF (Gas Tax)	Reserves	Reserve Name	Estimated Closing Unfinanced
Johnston Rd	122,500		24,500							98,000
Thompson Hill Streets	2,370,267		81,733							2,288,534
Gravel Prog - Eady / Lime Kiln		55,000	20,000		5,000		30,000			0
Lime Kiln Road		97,277			8,680		38,255	50,343	Rds Infrastructure	0
Jamieson Lane		9,996					9,996			0
Goshen Road		137,645			10,151		55,049	72,444	Rds Infrastructure	0
Excavator		478,468						478,468	Wrkg/Rds Equip	0
Lawn Tractor		7,000						7,000	Roads Equipment	0
Transportation Sub-Total	2,492,767	785,386	126,233	0	23,831	0	133,300	608,255		2,386,534

ENVIRONMENT										
Item	Opening Unfinanced	2024 Budget	Taxation	Fees/ Charges/ Donations	Dev. Chgs.	Grants	CCBF (Gas Tax)	Reserves	Reserve Name	Estimated Closing Unfinanced
Expansion Feasibility Study		19,500						19,500	Env. Reserves	0
Environment Sub-Total	0	19,500	0	0	0	0	0	19,500		0

BUILDING										
Item	Opening Unfinanced	2024 Budget	Taxation	Fees/ Charges/ Donations	Dev. Chgs.	Grants	CCBF (Gas Tax)	Reserves	Reserve Name	Estimated Closing Unfinanced
Office Equipment Room		13,000						13,000	Building Dept	0
Building Sub-Total	0	13,000	0	0	0	0	0	13,000		0

TOTAL	2,492,767	932,886	126,233	0	28,831	0	133,300	750,755		2,386,534
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DEBENTURE PAYMENT SCHEDULE

TRANSPORTATION	DEC. 31 2023	DEC. 31 2024	DEC. 31 2025	DEC. 31 2026	DEC. 31 2027	DEC. 31 2028	DEC. 31 2029	DEC. 31 2030	DEC. 31 2031	DEC. 31 2032	DEC. 31 2033
Johnston Rd	122,500	98,000	73,500	49,000	24,500						
Thompson Hill Streets	2,370,267	2,288,533	2,206,800	2,125,067	2,043,333	1,961,600	1,879,867	1,798,133	1,716,400	1,634,667	1,552,933
TOTAL	2,492,767	2,386,533	2,280,300	2,174,067	2,067,833	1,961,600	1,879,867	1,798,133	1,716,400	1,634,667	1,552,933

TRANSPORTATION	DEC. 31 2034	DEC. 31 2035	DEC. 31 2036	DEC. 31 2037	DEC. 31 2038	DEC. 31 2039	DEC. 31 2040	DEC. 31 2041	DEC. 31 2042	DEC. 31 2043	DEC. 31 2044
Thompson Hill Streets	1,471,200	1,389,467	1,307,733	1,226,000	1,144,267	1,062,533	980,800	899,067	817,333	735,600	653,867
TOTAL	1,471,200	1,389,467	1,307,733	1,226,000	1,144,267	1,062,533	980,800	899,067	817,333	735,600	653,867

TRANSPORTATION	DEC. 31 2045	DEC. 31 2046	DEC. 31 2047	DEC. 31 2048	DEC. 31 2049	DEC. 31 2050	DEC. 31 2051
Thompson Hill Streets	572,133	490,400	408,667	326,933	245,200	163,466	81,733
TOTAL	572,133	490,400	408,667	326,933	245,200	163,466	81,733

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2024 PROPOSED RESERVE CONTRIBUTIONS

\$417,124

GENERAL GOVERNMENT	
OFFICE EQUIPMENT	8,323.00
BUILDING	7,200.00
ELECTION / TRAINING	7,000.00
TRANSPORTATION	
BUILDING	22,523.00
WINTER MAINTENANCE	1,125.00
ASSET MANAGEMENT	6,000.00
EQUIPMENT	121,378.00
INFRASTRUCTURE	134,905.00
LINE PAINTING	5,500.00
STREETLIGHTING	4,080.00
ENVIRONMENT	
LANDFILL	16,500.00
LANDFILL BUILDING	3,000.00
RECREATION	
BUILDING	32,810.00
EQUIPMENT	5,000.00
FIRE DEPARTMENT	
FIRE	36,780.00
BUILDING	5,000.00

HISTORY OF TAX RATE CHANGES

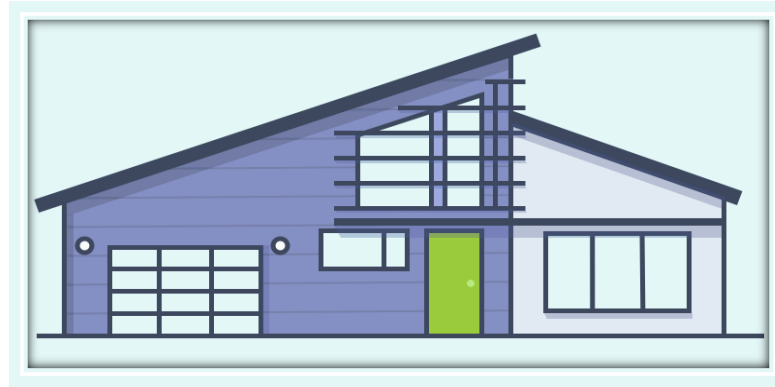
YEAR	INCREASE
2024 PROPOSED	5.4 %
2023	2.5 %
2022	1.5 %
2021	2.0 %
2020	2.0 %
2019	3.1 %
2018	3.5 %
2017	1.9 %
2016	6.3 %
2015	5.0 %
2014	2.4 %
2013	6.9 %
2012	7.0 %
2011	8.5 %

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2024 MEDIAN RESIDENTIAL ASSESSMENT



\$241,000



2023 MUNICIPAL PORTION

$\$241,000 \times 0.00573182 = \$1,381.37$ Annually

MUNICIPAL PORTION WITH 5.4% ↑

$\$241,000 \times 0.00604134 = \$1,455.96$ Annually

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HOW WILL THIS AFFECT THE MUNICIPAL PORTION OF MY TAXES?

THIS LEVY INCREASE
RESULTS IN A **\$74.59**
CHANGE ON MEDIAN
ASSESSED PROPERTY OR:
\$6.22 per month

***THAT IS LESS THAN 3
LARGE TIM HORTONS
COFFEE PER MONTH!!

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BREAKDOWN OF RESIDENTIAL TAXES



51%

35%

14%

TOWNSHIP
SHARE



COUNTY
SHARE



SCHOOL
BOARD
SHARE

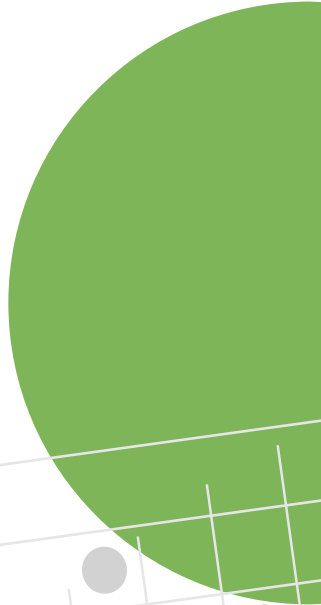


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QUESTION COMMENTS DISCUSSION



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Township of Horton
COUNCIL / COMMITTEE REPORT

Title: 2024 FULL ACCRUAL BUDGET (PSAB)	Date:	March 19, 2024
	Council/Committee:	Council
	Author:	Nathalie Moore
	Department:	General Government

RECOMMENDATIONS:

THAT the Council adopts the Ontario Regulation 284/09 Report for the 2024 Budget, as printed and circulated.

BACKGROUND:

Ontario Regulation 284/09 under the Municipal Act, states that a municipality may adopt a budget that excludes amortization expenses, post-employment benefits and solid waste landfill closure and post-closure expenses, provided that the municipality prepares a report about the exclusions and adopt the report by resolution. The report is hereto attached.

The impact of PSAB on the budget does not change the amount of taxes needed to be raised each year. The PSAB budget includes amortization requirements versus the transfer to and from capital and reserves currently in the budget.

The implementation of full accrual accounting in accordance with PSAB is not an accounting exercise, it is a management exercise, and the information should be used for capital investment planning. The goal is to have municipalities set aside funds for future replacement of its infrastructure and estimates of when they will need to be replaced.

FINANCIAL IMPLICATIONS: None.

CONSULTATIONS: None.

Prepared By: Nathalie Moore, Treasurer
Reviewed By: Hope Dillabough, CAO/Clerk

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ONTARIO REGULATION 284/09 REPORT 2024 BUDGET – PSAB BASIS

OVERVIEW

Ontario Regulation 284/09 under the Municipal Act, states that a municipality may adopt a budget that excludes amortization expenses, post-employment benefits and solid waste landfill closure and post-closure expenses, provided that the municipality prepare a report about the exclusions and adopt the report by resolution.

2024 Budget – Tax Rate Purposes

The 2024 Budget incorporates a tax levy of \$2,876,359. This budget will adopt 2024 tax rates for taxation purposes based on a modified accrual basis similar to previous years. Under this budget, amortization was not included as expenditure while capital expenditures and debt principle were included. Post-employment benefit expenses and solid waste landfill closure/post closure expenses were also not included. Revenue included transfers from reserves while expenditures included transfers to reserves.

2024 Budget – PSAB Basis

Under a PSAB based budget, capital expenditures and debt principal are not included as expenditures, while amortization expenses are included. Transfers into reserves and withdrawals out of reserves are also not included in the budget as expenditures and revenues respectively but are considered Financing and Transfers on the Schedule of Financial Activities. The net value between debt principal, capital expenditures and amortization will result in a transfer to/from equity in tangible capital assets on the Schedule of Financial Activities. The dollar difference for 2024 is \$4,312.

POST-EMPLOYMENT BENEFITS EXPENSE

Post-Employment Benefits Expenses for retired employees for 2024 will be \$5,853.72.

LANDFILL SITE CLOSURE AND POST-CLOSURE EXPENSE

As of December 31, 2023, the Municipality will have an estimated balance of \$285,085 in a Reserve for Solid Waste Disposal. The Municipality currently has one active land fill site. Although the Township does not have a specific reserve for landfill site closure, there is sufficient dollars available in the Solid Waste Disposal Reserve and the Working Funds Reserve based on the current estimated landfill site liability amount of \$130,000. Council should continue to transfer funds into this Reserve until reaching the estimated liability value of \$130,000 plus the replacement value of the department's infrastructure assets.

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AMORTIZATION EXPENSE AND RESERVES

For the 2024 year, the Township included capital expenditures in the budget while amortization expenses were excluded. Amortization expenses attribute to the capital cost of an asset over its life span. However, amortization expenses does not include replacement values, therefore transfers to reserves should include forecasted replacement values.

In 2024, a total of \$932,886 was budgeted for new capital expenditures within the Operating Budget.

In 2024, no funds will be withdrawn from reserves in the Operating Budget and a total of \$884,055 will be withdrawn from reserves in the Capital Budget. Consequently, for the 2024 year, transfers to reserves for Capital asset replacement are \$ 517,206. In the past, the Township has utilized transfers to reserves, reserve funds and current year capital expenditures to replace existing tangible capital assets such as equipment, fleet and road construction. For 2024, the amount being withdrawn from reserves is more than the contributions being made into reserves.

Based on current estimates for the 2024-year, amortization expenses will amount to approximately \$ 644,981.

CONCLUSIONS

To avoid a large increase in the tax rate the Township should continue to make reserve contributions each year, over and above any reserve withdrawals. The Asset Management Plan will assist Council in making long term financial strategy decisions. Council should adopt a 10-year capital forecast annually.

It is projected in the Long-Term Financial Strategies to increase the annual levy by 3.5% to continue to add COLA of 2% to reserves and also increase the gravel and hard top maintenance programs to extend the life of our road network.