

Wednesday, October 11, 2023

5:00 p.m.

Municipal Council Chambers
Pages

1. CALL TO ORDER

2. OPEN FORUM (MAXIMUM FIFTEEN MINUTES)

Interested persons are invited to speak to Council about any matter that appears on this Agenda. Please sign the registration form available from the Deputy Clerk or Clerk. Individuals may only speak for a total of three (3) minutes.

3. APPROVE OR AMEND AGENDA

Resolution

THAT Township of Chatsworth Council adopt the Agenda as circulated.

4. DECLARATION OF PECUNIARY INTEREST

5. COMMITTEE OF THE WHOLE

Resolution

THAT Council now go into Committee of the Whole.

5.1 2024 Budget - Meeting No. 1

2

- i) Opening Remarks from CAO Clerk
- ii) Treasurer's Presentation
- iii) Council Discussion and Input

5.2 Rise and Report from Committee of the Whole

Resolution

THAT Committee of the Whole rise as Council to report and confirm the actions taken in Committee of the Whole.

6. ADJOURNMENT



TOWNSHIP OF CHATSWORTH

KICK OFF BUDGET MEETING 2024 BUDGET

October 11, 2023



Agenda

- Opening remarks from CAO
- Treasurer's Presentation
- Council Roundtable Discussion

Key to a Good Budget Process

- ▶ A Good budget process begins with an appreciation of purpose - what is that Council wants to accomplish? And then what does it cost to do that
- ▶ Staff would like to continue the budget work that we discussed during last year's budget process and that is focusing our budget on outcomes.
- ▶ Create a budget timeline - you have already accomplished this!
 - ▶ October 11 - Budget Introduction and Council Roundtable
 - ▶ October 25- Meeting No. 2
 - ▶ November 8 - Meeting No. 3
 - ▶ November 29 - Meeting No. 4
 - ▶ December 6 Meeting No. 5
 - ▶ December 20 - Budget Public Meeting
 - ▶ January 3 - Adopt Budget

Key to a Good Budget Process

- ▶ Choosing, not chopping - while the “line item” format might be easy to understanding, too much focus at the micro level rather than outcomes and performance
- ▶ Public Engagement - what does this look like - very little participation in the past

Key to a Good Budget Process

- ▶ Good advice from staff
- ▶ Good conversation among Council members and Council / Staff
- ▶ Ask questions if you don't know or need clarification



TOWNSHIP OF CHATSWORTH

KICK OFF BUDGET MEETING

2024 BUDGET

TREASURER'S PRESENTATION



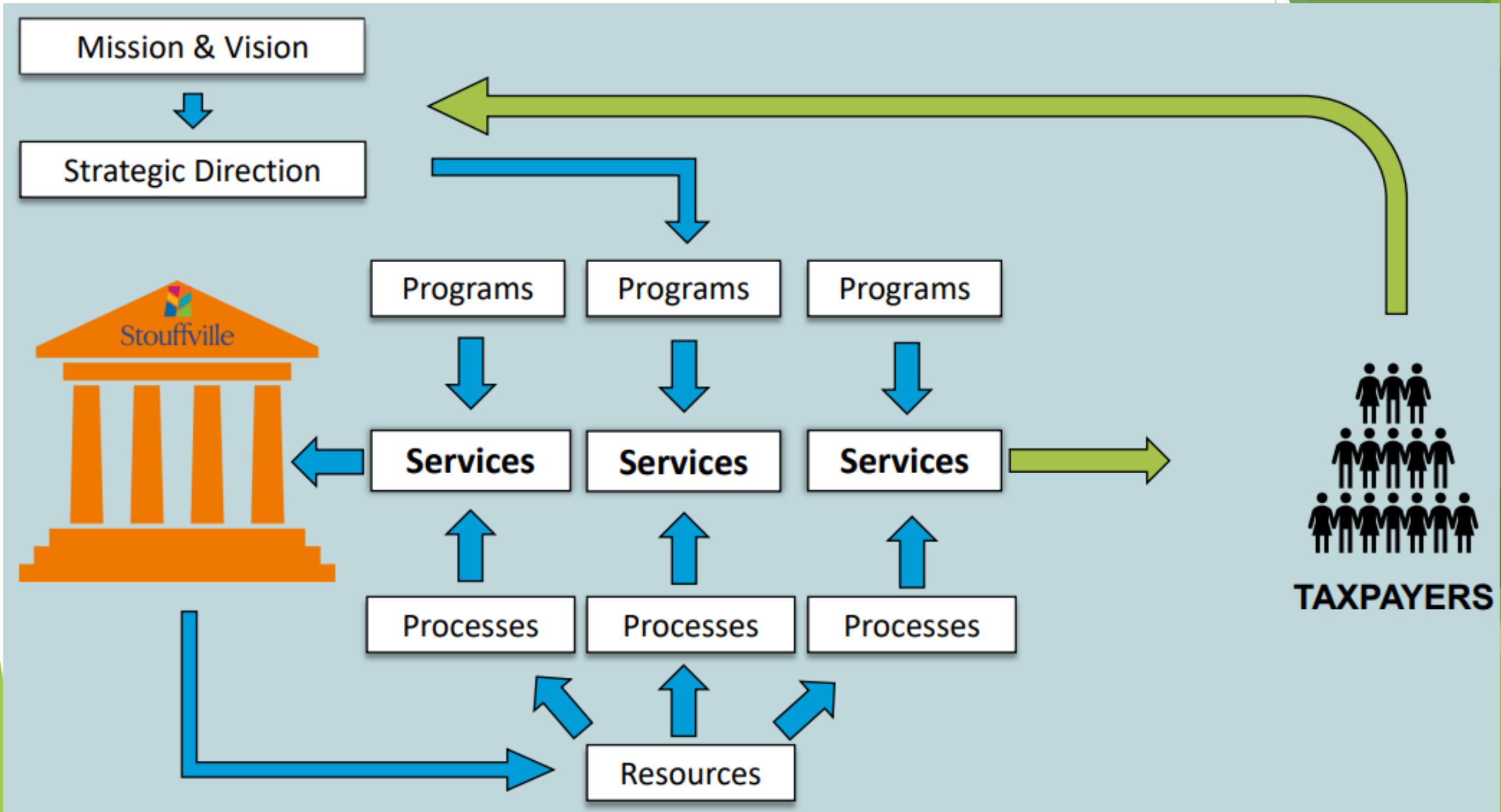
What is a Budget?

A budget is an
“estimate of income and
expenditure for a set period of
time”

Municipal Budget

“The budget process allows municipalities to prioritize projects, programs and service levels based on anticipated revenue and expenses”

Municipal Budget



1

- Determine Levels of Service

2

- Determine Costs to maintain service levels

3

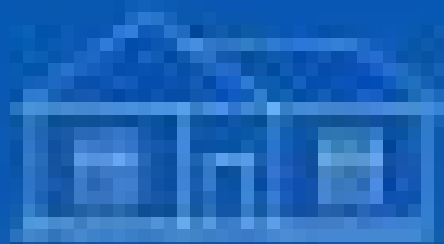
- Set Budgeted expenditures

Determine Required Tax Levy

Total	Less	Less	Equals
• Expenditures	• Funding	• Own Source Revenues	• Required Tax Levy

2023 Budget

Operating Expenditures	10,558,729	Portion of Budgeted Expenditures
Capital Expenditures	3,040,459	
Total Budget	13,599,188	
Government Funding	(1,916,165)	14%
Own Source revenues	(1,937,681)	14%
Funded from Reserves	(2,886,906)	21%
Municipal Tax Levy	6,858,436	50%



\$240,000

5%

x

0.125%

\$300



\$300,000

5%

x

0.125%

\$375



\$420,000

15%

x

0.125%

\$525



2023 Tax Comparison

Municipality	Residential CVA	Tax Bill	Variance from Chatsworth
Blue Mountains	546,000	5,035.74	1,807.82
Owen Sound	222,000	4,143.53	915.61
Meaford	277,000	3,972.65	744.74
Southgate	270,000	3,853.63	625.71
Georgian Bluffs	294,000	3,405.44	177.53
Hanover	224,000	3,386.65	158.74
West Grey	263,000	3,371.43	143.51
Grey Highlands	267,000	3,251.10	23.18
Chatsworth	250,000	3,227.92	

How does this relate to household income and affordability?

Municipality	Household Income
Blue Mountains	101,000
Grey Highlands	94,000
Georgian Bluffs	94,000
Southgate	85,000
Chatsworth	81,000
Meaford	79,500
West Grey	77,500
Hanover	69,000
Owen Sound	63,200

How does this relate to household income and affordability?

Municipality	Household Income	Income After Property Tax
Blue Mountains	101,000	95,964
Grey Highlands	94,000	90,749
Georgian Bluffs	94,000	90,595
Southgate	85,000	81,146
Chatsworth	81,000	77,772
Meaford	79,500	75,527
West Grey	77,500	74,129
Hanover	69,000	65,613
Owen Sound	63,200	59,056

General Government



Protection of Persons and Property

Fire

Police

By Law

Building

Animal
Control

Conservation
Authority

Environmental Services



Transportation Services

Roads

- Construction
- Maintenance
- Equipment Maintenance

Bridges and Culverts

- Maintenance
- Replacement

Permits

- Entrance
- Road crossing
- Right of way use

Gravel

- Maintenance

Mobility
Transportation

Parks and Recreation

Outdoor

- Playgrounds
- Ball Diamonds
- Soccer Fields
- Cemeteries

Indoor

- Keady CC
- Desboro CC

Community Center Boards

- Williamsford
- Walter Falls

Libraries

Planning and Development

Planning Act Applications

- Zoning
- Minor Variance
- Consents

Economic Development

- CIP
- Chamber

2023 Budget

Operating Expenditures	10,558,729
Capital Expenditures	3,040,459
Total Budget	13,599,188
Government Funding	(1,916,165)
Own Source revenues	(1,937,681)
Funded from Reserves	(2,886,906)
Municipal Tax Levy	6,858,436

2023 Reserves

Capital Expenses	\$3,040,459
Reserves	2,251,385
Gas Tax	434,435
OCIF	300,000
Other	54,639
Total Funding	\$3,040,459

2023 Transfers from Reserves	2,886,906
Reserves from Capital	2,251,385
Reserves for Operating	635,521

2023 Reserves

Hospital Donation	35,000
Previous year surplus	100,000
Use of former overcharge	45,000
Fund OSIM Report	25,000
Fund cost of gravel from other pits	77,000
Fund cost of sidewalk improvements	75,000
Fund Winter Maintenance	30,000
Fund equipment costs	41,928
General Funding - Markdale Transfer	34,593
Fund Biodigester payments	92,000
Fund Cemetery Maintenance	20,000
Fund CIP	60,000
Total Reserves for Operating	635,521

2023 Reserves

Use of Third Party Funding	60,000
Surplus Related	145,000
Use of Reserves for Operating	338,521
Use of Reserves for Financing	92,000
Total Reserves for Operating	635,521

Expenses

Staff Costs

Materials
and Supplies

Contracted
Services

Rents and
Financial
Expenses

Other
Transfers

Interest on
Debt

Expenses

The Audited Financial Statements present the expenses based on the FIR presentation in the categories of:

- Salaries/Staff Costs
 - Wages
 - Staff Expenses;
 - CPP
 - EI
 - EHT
 - WSIB
 - Benefits
 - Pension

Expenses

The Audited Financial Statements present the expenses based on the FIR presentation in the categories of:

- Salaries/Staff Costs
- **Materials and Supplies**
 - Operating costs
 - Equipment and Repairs
 - Utilities
 - Fuel
 - Etc.

Expenses

The Audited Financial Statements present the expenses based on the FIR presentation in the categories of:

- Salaries/Staff Costs
- Materials and Supplies
- **Contracted Services**
 - **OPP**
 - **Conservation Authority**
 - **Professional Fees (Audit, Legal, Engineers)**
 - **Roads Maintenance (Gravel, Calcium, Roadside Maintenance)**
 - **Waste Management**
 - **OCWA**

Expenses

The Audited Financial Statements present the expenses based on the FIR presentation in the categories of:

- Salaries/Staff Costs
- Materials and Supplies
- Contracted Services
- **Rents and Financial Expenses**
 - Rentals
 - Interest and Bank Charges
 - AR Write Offs

Expenses

The Audited Financial Statements present the expenses based on the FIR presentation in the categories of:

- Salaries/Staff Costs
- Materials and Supplies
- Contracted Services
- Rents and Financial Expenses
- **Other Transfers**
 - **PIL (Waste Transfer)**

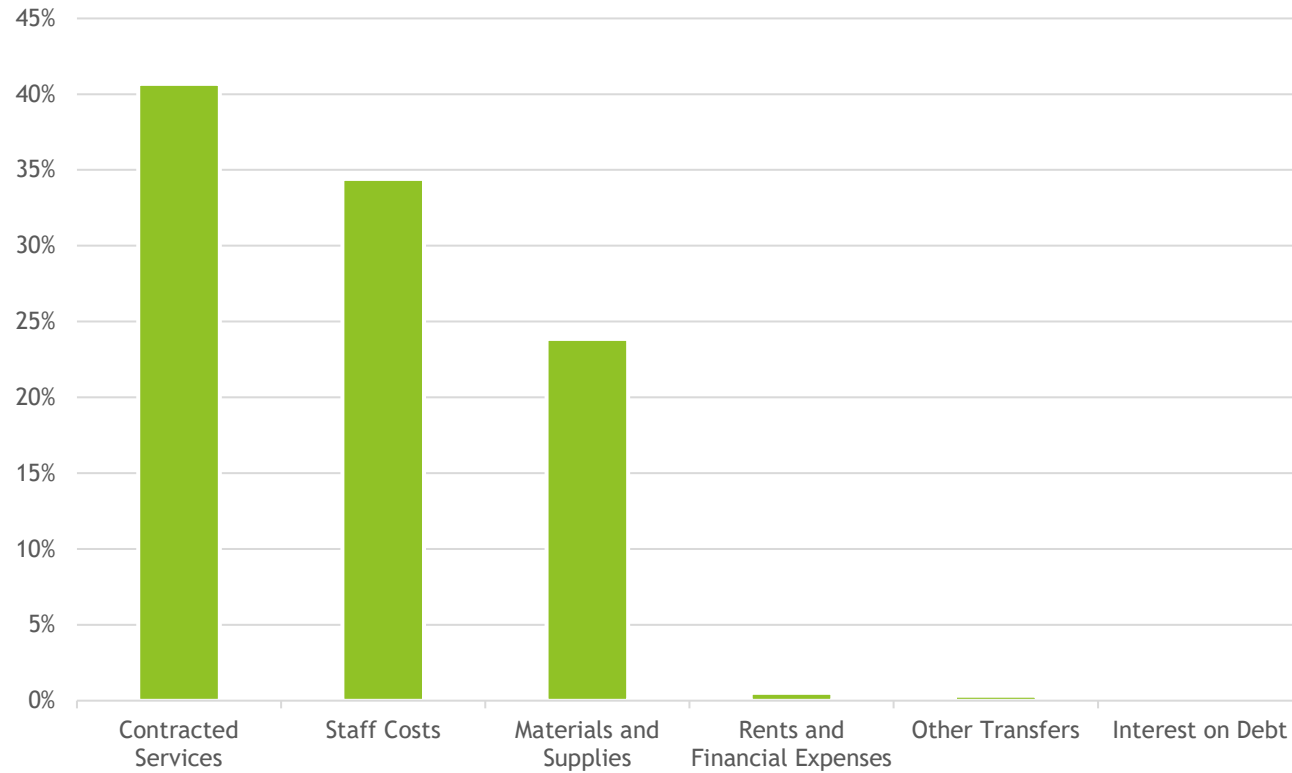
Expenses

The Audited Financial Statements present the expenses based on the FIR presentation in the categories of:

- Salaries/Staff Costs
- Materials and Supplies
- Contracted Services
- Rents and Financial Expenses
- Other Transfers

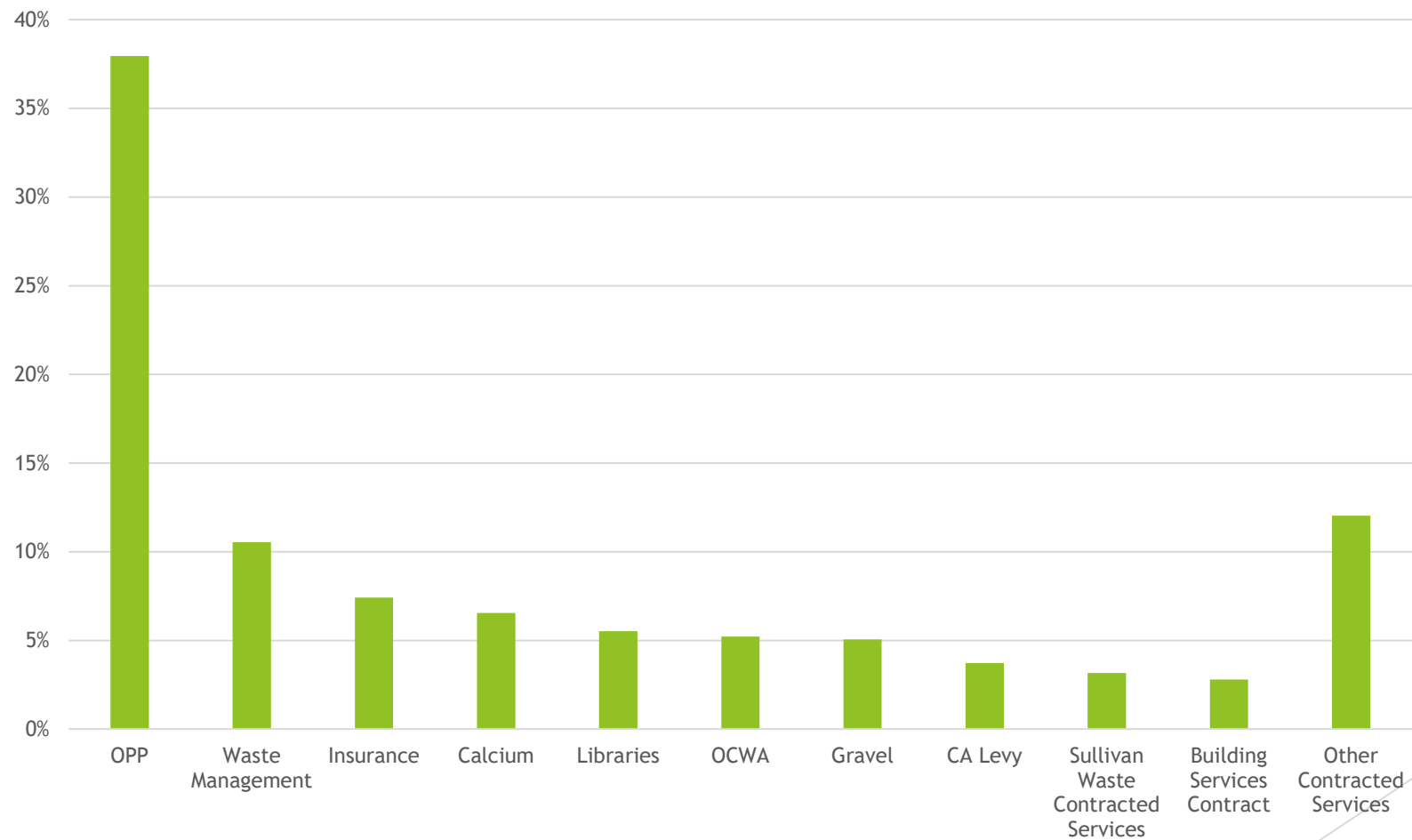
- **Interest on Debt**
 - Biodigester
 - Tile Drain
 - Ontario Infrastructure Equipment Loans

Expenses

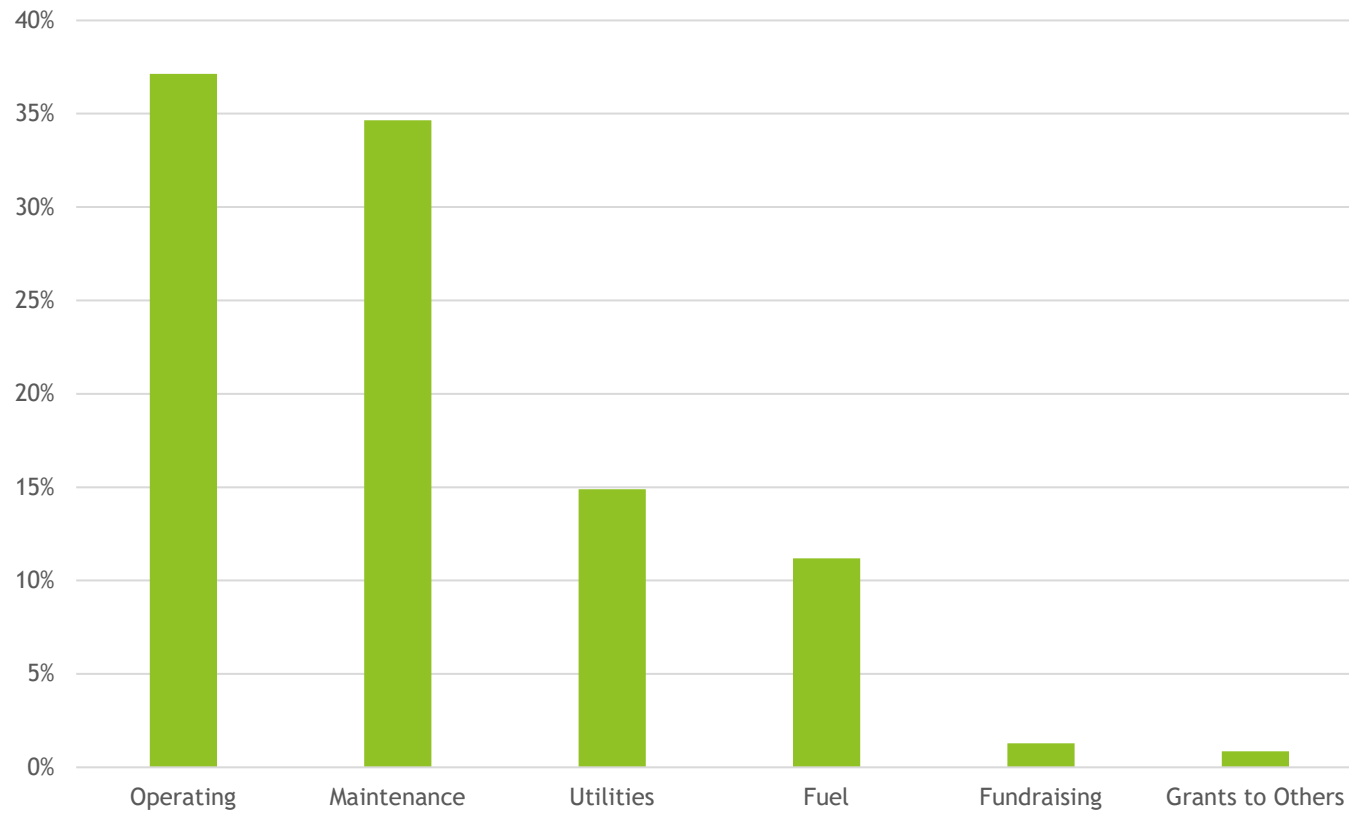


Based on the 2020 Audited Financial Statements, almost 99% of the expenses fit into the 3 categories of contracted Services, Staff costs and Materials and Supplies

Contracted Services



Materials and Supplies



Controllable Costs Contracted Services

Operating Budget	10,558,729	% Total	Cost Control?
OPP	1,062,091	10%	No
Waste Management	295,078	3%	No
Insurance	207,654	2%	No
Calcium	183,316	2%	Little
Libraries	154,564	1%	No
OCWA	146,140	1%	Only if we hire staff
Gravel	141,648	1%	No
CA Levy	104,324	1%	No
Sullivan Waste	88,593	1%	No
Building Services Contract	78,175	1%	Only if we hire staff
Other Contracted Services	336,838	3%	Very little
Total Contracted Services	2,798,422		

Controllable Costs Materials and Supplies

Put in numbers here for Materials and Supplies

Operating Budget	10,558,729	% Total	Cost Control?
Materials/Operating	487,937	5%	Some Control
Maintenance	455,317	4%	Little
Utilities	195,691	2%	Little
Fuel	147,093	1%	Little

Staff Costs as a percentage of Operating Expenses

Municipality	Salaries	Operating Expenses	%
Owen Sound	29,664,918	58,831,328	50%
West Grey	7,894,291	17,406,568	45%
Hanover	7,772,470	18,817,285	41%
Blue Mountains	14,629,536	35,892,004	41%
Meaford	8,431,580	22,644,597	37%
Grey Highlands	7,051,513	20,561,846	34%
Southgate	4,117,447	12,289,693	34%
Georgian Bluffs	3,851,896	14,509,154	27%
Chatsworth	2,315,826	8,942,409	26%

Looking to the future

What if we could calculate what the tax levy would increase where only the uncontrollable costs had increases?

What would the costs that could not be decreased look like?

Baseline Levy Increase?

Looking to the Future - Roads

	Kms	EUL/Yrs.	Cost per Km	Yearly Req
Paved Roads	99	20	147,000	727,650
Surface Treated	128	10	71,500	915,200
				1,642,850

Looking to the Future - Roads

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Paved Roads	727,650	747,297	767,474	788,195	809,477	831,332	853,778	876,830	900,505	924,819
Surface Treated	915,200	939,910	965,288	991,351	1,018,117	1,045,606	1,073,838	1,102,831	1,132,608	1,163,188
Total Expenses	1,642,850	1,687,207	1,732,762	1,779,546	1,827,594	1,876,939	1,927,616	1,979,662	2,033,113	2,088,007
Opening Reserve Balance	(2,229,607)	(1,674,948)	(1,097,695)	(497,087)	194,269	843,970	1,519,459	2,221,596	2,951,269	3,709,393
Reserves	(868,777)	(886,152)	(903,875)	(921,953)	(940,392)	(959,200)	(978,384)	(997,952)	(1,017,911)	(1,038,269)
Gas Tax	(219,414)	(223,802)	(228,278)	(232,844)	(237,500)	(242,250)	(247,095)	(252,037)	(257,078)	(262,220)
Total Funding	(1,088,191)	(1,109,954)	(1,132,153)	(1,088,191)	(1,177,892)	(1,201,450)	(1,225,479)	(1,249,989)	(1,274,989)	(1,300,488)
Ending Reserve Balance	(1,674,948)	(1,097,695)	(497,087)	194,269	843,970	1,519,459	2,221,596	2,951,269	3,709,393	4,496,911

Looking to the Future - Bridges

Timing	No. Structures	Cost
1-5 Years	24	1,180,300
6-10 Years	7	241,100
		1,421,400

Looking to the Future - Bridges

	2021 Yearly Req		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
1-5 Years	1,180,300		1,393,993	1,431,631	1,470,285	1,509,983	1,550,752	1,592,623	1,635,624	1,679,785	1,725,140	1,771,718
6-10 Years	24,100		28,463	29,232	30,021	30,832	31,664	32,519	33,397	34,299	35,225	36,176
Yearly Requirement	1,204,400		1,422,457	1,460,863	1,500,306	1,540,815	1,582,417	1,625,142	1,669,021	1,714,084	1,760,364	1,807,894
Opening Reserve Balance			558,278	1,603,039	2,678,652	3,786,004	4,238,628	5,412,214	6,620,349	7,864,023	9,144,253	10,462,087
Reserves			(52,081)	(53,123)	(54,185)	(55,269)	(56,374)	(57,502)	(58,652)	(59,825)	(61,021)	(62,242)
OCIF			(325,615)	(332,127)	(338,769)	(345,545)	(352,456)	(359,505)	(366,695)	(374,029)	(381,509)	(389,140)
Total Funding			(377,696)	(385,250)	(392,955)	(1,088,191)	(408,830)	(417,007)	(425,347)	(433,854)	(442,531)	(451,381)
Ending Reserve Balance			1,603,039	2,678,652	3,786,004	4,238,628	5,412,214	6,620,349	7,864,023	9,144,253	10,462,087	11,818,600

Reserve	Opening Balance	Contributions	Committed Reserves	Projected Ending Balance
Rate Stabilization	(45,577)		45,577	0
General Working Capital	(676,690)		100,000	(576,690)
Administration	(212,853)	(45,529)	40,000	(218,382)
Fire	(489,216)	(82,362)	247,000	(324,578)
Landfill General	(399,308)	(102,903)		(502,210)
Landfill Post Closure	(51,000)			(51,000)
Streetlight reserve	(62,088)	(10,278)		(72,366)
Equipment/Vehicles	(338,140)	(297,669)	483,883	(151,926)
Roads	(2,686,391)	(873,036)	1,054,820	(2,504,607)
Snow Removal	(3,243)			(3,243)
Bridges	574,339	(51,060)	35,000	558,279
Sidewalks	(35,000)			(35,000)
Biodigester	(335,408)		180,000	(155,408)
Parks & Rec	(858,631)	(104,342)	743,000	(219,973)
Chatsworth Water	(422,898)			(422,898)
WF Water System	(111,793)			(111,793)
Election reserve	0	(7,000)		(7,000)
Water Joint	(323,019)			(323,019)
Cemetery Operations	(37,252)			(37,252)
Modernization	(174,704)		174,704	(0)
Total	(6,688,872)	(1,574,179)	3,103,984	(5,159,067)

Detailed Budget Numbers as a Council Resource

Description	2020 Budget	2020 Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2023 Budget	2023 Actuals Aug 31	Projected Ending Balance	2024 Budget	\$ Increase	% Increase	2025 Budget	2026 Budget	2027 Budget	2028 Budget	
							8	18		3.4%							
COUNCIL																	
Donation Revenue	(10,000)	(10,000)	-	(21,613)	-	(40,000)	-	(30,000)	(30,000)	-	-		-	-	-	-	
Transfer From Reserves	-	-	-	(75,100)	(50,000)	(53,057)	(35,000)	(35,000)	(35,000)	(35,000)	-	0.0%	(35,000)	(35,000)	(35,000)	(35,000)	Hospital Commitment
Council Revenues	(10,000)	(10,000)	-	(96,713)	(50,000)	(93,057)	(35,000)	(30,000)	(65,000)	(35,000)	-	0.0%	(35,000)	(35,000)	(35,000)	(35,000)	
Total Wage Costs	120,278	118,763	120,899	115,198	127,789	111,444	130,168	79,550	114,905	132,206	2,038	-1.4%	135,511	138,899	142,372	145,931	2.5% Increase
Conventions & Training	6,800	5,987	6,800	-	6,800	7,101	8,500	13,010	19,515	11,000	2,500	29.4%	11,374	11,761	12,161	12,574	Higher in 2023 due to new Council. 2024 is anticipated to decrease to previous levels
Election Expenses	2,000	1,899	2,000	1,899	26,000	25,524	-	2,069	2,069	2,100	2,100		2,171	2,245	2,322	2,400	
Memberships	30	-	30	565	-	909	-	560	560	600	600		620	641	663	686	AMCTO, MEPCO, Multi Wind Group
Insurance	2,800	3,254	4,881	3,871	4,452	4,452	5,790	5,790	5,790	5,987	197	3.4%	6,190	6,401	6,619	6,844	Anticipated Increase from insurance company enquiry
Meeting Expenses	-	41	250	-	-	1,276	1,000	1,804	2,706	2,300	1,300	130.0%	2,378	2,459	2,543	2,629	Increased to reflect 2023 activity continuing in 2024 at a decreased rate
IT & IT Support	1,500	660	750	720	750	3,587	1,000	-	-	1,034	34	3.4%	1,069	1,106	1,143	1,182	Allocation made at year end
Mileage	5,000	1,690	4,000	1,106	4,000	2,561	3,000	3,272	3,400	3,400	400	13.3%	3,516	3,635	3,759	3,887	Increase to match in conventions and training
Miscellaneous Expense	5,000	2,000	5,000	4,131	5,000	6,358	5,500	1,165	1,748	4,000	(1,500)	-27.3%	4,136	4,277	4,422	4,572	decreased to reflect 4 year average
Donations Made	10,000	10,000	-	263,113	35,000	75,200	35,000	65,000	65,000	35,000	-	0.0%	36,190	37,420	38,693	40,008	Hospital Donation Increase over budget matches donation revenue above
Transfer to Reserves	5,000	5,000	5,000	5,000	-	-	7,000	3,500	7,000	7,238	238	3.4%	7,484	7,739	8,002	8,274	CPI increase
Council Expenses	159,208	149,703	150,110	229,331	210,291	238,412	196,958	175,862	337,739	204,865	7,907	4.0%	210,641	216,583	222,696	228,987	
Total Council	149,208	139,703	150,110	132,619	160,291	145,354	161,958	145,862	272,739	169,865	7,907	4.9%	175,641	181,583	187,696	193,987	

Budget GL Description	
Description	
COUNCIL	
Donation Revenue	
Transfer From Reserves	
Council Revenues	
Total Wage Costs	
Conventions & Training	
Election Expenses	
Memberships	
Insurance	
Meeting Expenses	
IT & IT Support	
Mileage	
Miscellaneous Expense	
Donations Made	
Transfer to Reserves	
Council Expenses	
Total Council	

Detailed Budget Numbers as a Council Resource

- Description of each budget line with:
- Revenue subtotal
- Expenditure subtotal
- Total for the department/functional area

Detailed Budget Numbers as a Council Resource

						2023 Actuals		Projected Ending Balance
2020 Budget	2020 Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2023 Budget	Aug 31	
							8	18
(10,000)	(10,000)	-	(21,613)	-	(40,000)	-	(30,000)	(30,000)
-	-	-	(75,100)	(50,000)	(53,057)	(35,000)	(35,000)	(35,000)
(10,000)	(10,000)	-	(96,713)	(50,000)	(93,057)	(35,000)	(30,000)	(65,000)

Historical Budget and Actual Numbers
Current Budget and Year to Date
Projected 2023 Ending Actuals

Detailed Budget Numbers as a Council Resource

2024							
Budget	\$ Increase	% Increase	2025 Budget	2026 Budget	2027 Budget	2028 Budget	Notes
3.4%							
-	-		-	-	-	-	
(35,000)	-	0.0%	(35,000)	(35,000)	(35,000)	(35,000)	Hospital Commitment
(35,000)	-	0.0%	(35,000)	(35,000)	(35,000)	(35,000)	

2024 Budget
Information
Future Budget
Proposal
Notes

Next Steps

- Budget Kickoff
- Discuss Budget process
- Council Input

Oct 11th



- Capital Budget
- Roads
- Bridges
- Machinery and Equipment
- Water

Oct 25th



- Capital Budget
- Recreation and Facilities
- Admin
- Fire
- Ec Dev (Update)

Nov 8th



- Operating Budget
- General Gov
- By-Law
- Building
- Police
- Conservation Authority

Nov 22nd



- Operating budget
- Public Works
- Water
- Fire

Nov 29th



- Operating budget
- Recreation and Facilities
- Solid Waste
- Recycling
- Biodigester

Dec 13th



- Final Discussions
- Public Presentation

Dec 20th

