



2024 DRAFT OPERATING BUDGET OVERVIEW

Message from CAO

Planning for Today and Tomorrow



2023 Steps Forward

- Adoption and implementation of Strategic Action Plan
- Records Management – migration of department documents and implementation of new online documents management system
- New HR and H&S Policy Manuals
- Fire Master Plan Update Report
- Master Servicing Plan development
- Pre-authorized Debit Implemented- Municipal Water/Sewer Payments
- Zoning By-law Housekeeping Update
- Lancer Centre -Amending Agreement with School Board
- Route Optimization Project – National News “In this Ontario municipality, AI is coming for the garbage”



2024 Priorities

Strategic Action Plan Goals



**Safe and Reliable
Infrastructure**



**Diverse and
Prosperous
Economy**



**Welcoming and
Vibrant
Community**



**Exceptional and
Accountable
Government**

2024 Priority Initiatives Identified in Goals



Safe and Reliable Infrastructure

6 Initiatives Identified in Plan



Diverse and Prosperous Economy

5 Initiatives Identified in Plan



Welcoming and Vibrant Community

13 Initiatives Identified in Plan

10 Initiatives Identified in Plan



Exceptional and Accountable Government

2024 DRAFT BUDGET

Budget Process for 2024

The Township of South Stormont Council adopted multi-year budget processes in 2022. The budget is reviewed on an annual basis to address significant changes resulting from unforeseen activities, legislated changes and emergent needs.

In 2024 changes based on new information, development pressures and the economic outlook have necessitated a more intensive review and recommendations that are divergent from the traditional budget process in South Stormont.

The recommendations made are viewed as the first steps to support longer term financial viability and sustainability for the Township as a community and the Township's operations.

Short Term (5yr) Growth Outlook

What is Known

Significant development on horizon, it will bring

- Jobs
- Housing
- New commercial enterprises

Many planned and ongoing community-based capital projects

Township Opportunities

- Being ready to meet the new phases of growth
- Brings expanded assessment base
- More diversified local economy
- More diversified community
- Being able to complete what's in pipeline

Short Term (5yr) Growth Outlook

What is Needed

- Introduction of more housing options
- Service growth to support development
- Infrastructure improvements in Ingleside and Long Sault to meet the growth requirements
- Organizational capacity expanded to support level of services expected/required
- Long term financial plan

2024 Economic Outlook

Financial Indicators

Ontario's 2023 Fall Economic Outlook and Fiscal Review predicts:

- Unemployment rate of 6.4%
- Canadian Dollar \$0.76 to the American Dollar by end of 2024
- Annual CPI growth of 2.5% in 2024

September 2023, Ontario CPI was 3.8%

CPI measures average household spending based on a fixed basket of goods and services, and therefore cannot be directly compared to municipal expenditure increases. Other inflationary and investment pressures on the municipality are also considered.

2024 Economic Outlook

Financial Indicators

Many economists are not as optimistic as the Province:

- 0% or marginal growth of 1% is anticipated
- Canadian Mortgage and Housing Corporation (CMHC) expects housing prices to rise in 2024 and 2025, largely driven by immigration and lack of supply
- Fixed 5-year mortgage rates anticipated in the 5.7% range
- Consumer spending likely to be low due to higher debt payments from rising interest rates
- Interest rates may rise once more, unlikely to begin to drop until mid 2024 or later.

Planning for Today and Tomorrow Considering the Needs of Current and Future Residents

Geography	2021	2016	% Change
North Stormont	7,400	6,873	7.7%
Cornwall	47,845	46,589	2.7%
South Stormont	13,570	13,110	3.5%
South Dundas	11,044	10,852	1.8%
South Glengarry	13,330	13,150	1.4%
North Dundas	11,304	11,278	0.2%

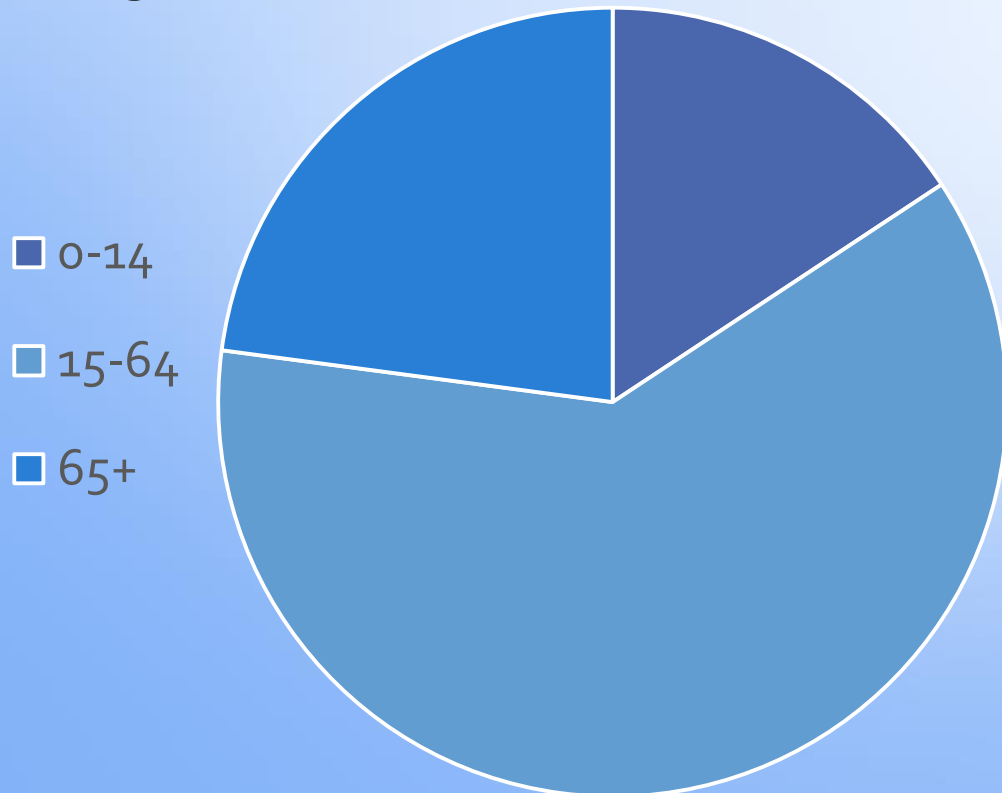
Statistics Canada, above & statistical charts in following 4 slides, 2021 Census of Population

Planning for Today and Tomorrow

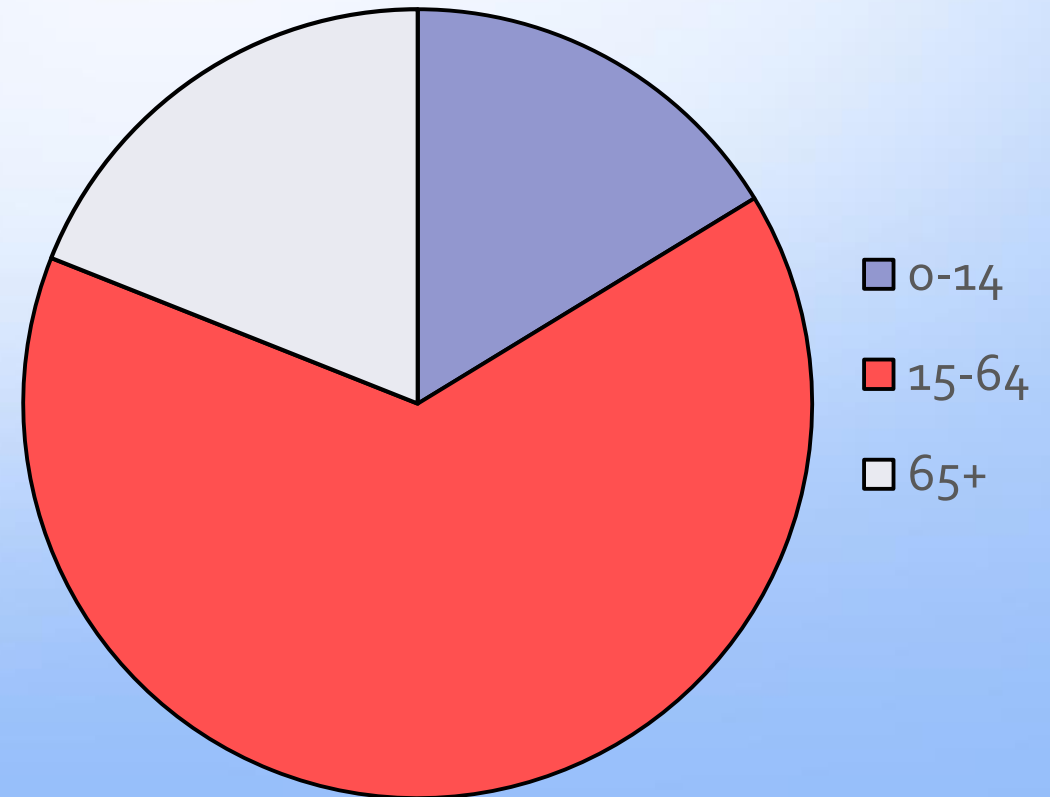
Considering the Needs of Current and Future Residents

The Operating Budget focuses on delivering services based on the needs of current residents. Senior's and children's program demand is growing. In the last five years, age demographics in South Stormont show the over 65 group and the under 15 group are growing.

Age Distribution in South Stormont



Age Distribution in Canada



Planning for Today and Tomorrow

Considering the Needs of Current and Future Residents

	Number of People	% total pop.	% minority pop.	Number of People	% total pop.	% minority pop.
Pop.	12,995	100.0		13,419	100.0	
Visible Minority	140	1.1	100.0	355	2.6	100.00
South Asian	30	0.2	20.7	80	0.6	22.5
Chinese	25	0.2	13.8	45	0.3	11.3
Black	45	0.3	31.0	80	0.6	22.5
Latin American	0	0.0	0.0	35	0.3	12.7
Korean	15	0.1	13.8	25	0.2	7.0
Multiple Vis. Minorities	0	0.0	0.0	15	0.1	5.6

Planning for Today and Tomorrow Considering the Needs of Current and Future Residents

Broad Occupational Category	Frequency (count)	Percentage
Legislative and senior management	40	0.6%
Business, Finance and Administration	960	14.8%
Natural and Applied Sciences	305	4.7%
Health	715	11.0%
Education, Law and Social/Community/Government	780	12.0%
Art, Culture, Recreation and Sport	65	1.0%
Sales and Service	1,385	21.4%
Trades, Transport and Equipment Operators	1,585	24.5%
Natural Resources, Agriculture and Related Production	200	3.1%
Manufacturing and Utilities	440	6.8%

Planning for Today and Tomorrow

Considering the Needs of Current and Future Residents

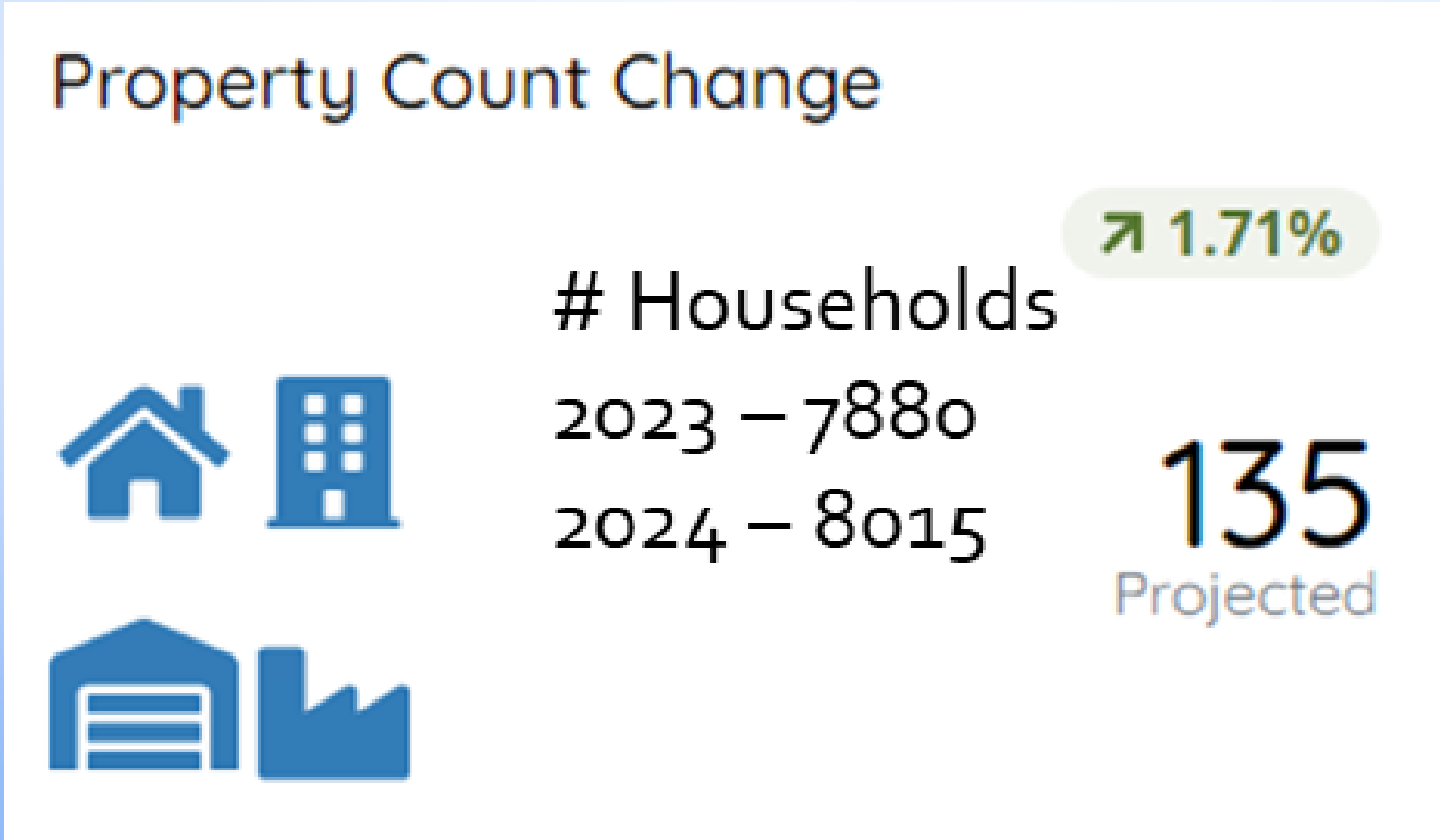
South Stormont household median after-tax income is \$81,000, up 11.7% from \$72,500 in 2015.

South Stormont household incomes are among the highest within the United Counties and Cornwall.

Geography	Number of Households			Households Median After-tax Income		
	2016	2021	% Change	2015	2020	% Change
Cornwall	20,930	21,385	2.2	46,800	\$55,200	17.9
North Dundas	4,480	4,535	1.2	74,000	\$79,000	6.8
North Stormont	2,630	2,855	8.6	72,500	\$81,000	11.7
South Dundas	4,555	4,650	2.1	62,800	\$69,500	10.7
South Glengarry	5,300	5,430	2.5	73,000	\$80,000	9.6
South Stormont	5,150	5,410	5.0	72,500	\$81,000	11.7

Planning for Today and Tomorrow Considering the Needs of Current and Future Residents

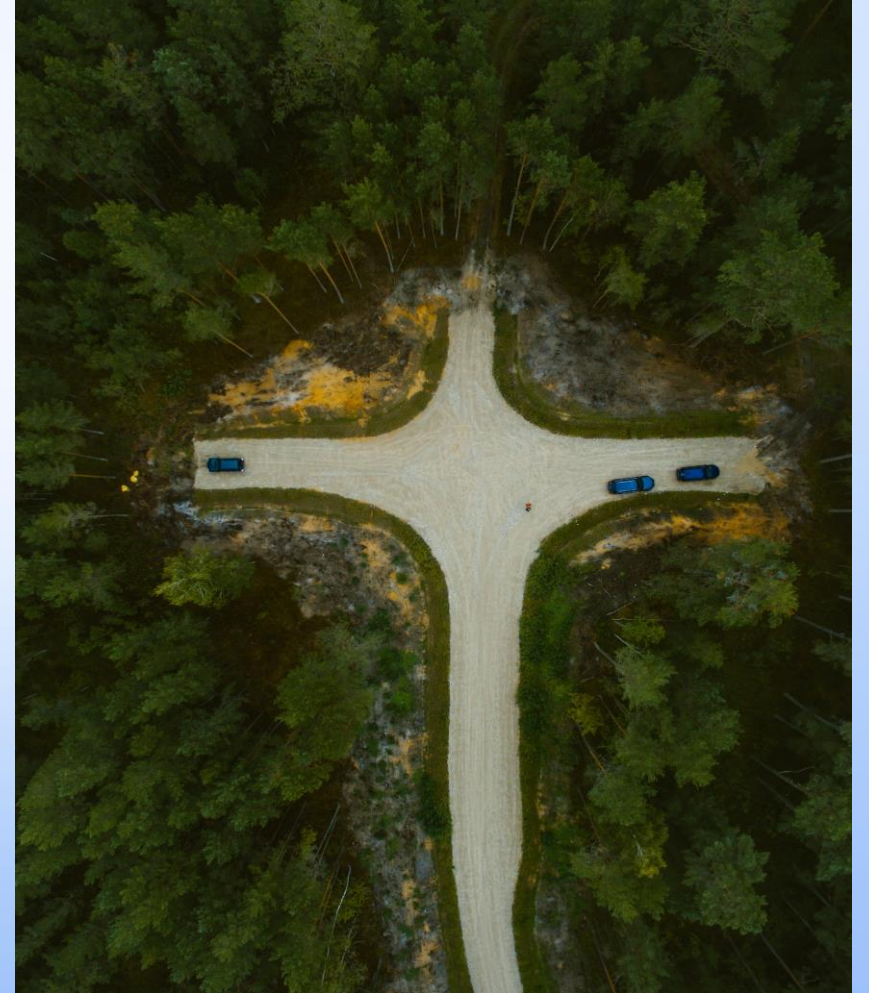
MPAC Household Count Projection based on Assessment Data



Township at Crossroads

Within Context of World and Canadian Economic Climates

- Growth Pressures
- Lack of housing options
- Aged and Aging Infrastructure
- No shared cost infrastructure programs, loans only
- Increased Expectations for Service
- Changing demographic
- Rising cost of supplies and materials
- High interest rates
- Lack of Long-Term Financial Plan



Township at Crossroads

Within Context of World, Canadian and Provincial Economic Climates

To meet the challenges Township must change the traditional direction used for budgeting

New Directions Required!

New Approaches Needed!



2024 DRAFT Budget

DRAFT budget prepared taking into consideration:

- Impact of current economic climate, interest rates up, inflation, supply chain issues, increased demand for labour/skills
- Significance of projects underway, project dollars not fully committed
- Grant funding reduced, lack of infrastructure programs
- Service delivery costs have increased significantly, e.g. fuel
- Legislative changes, downloaded responsibilities
- Asset Management Plan, addition of all other assets in 2024
- \$15.2M capital servicing expenditures in Ingleside and Long Sault required over next 5 years – does not include upgrades to water and wastewater plants
- Change historic use of funds to address capital pressures

2024 DRAFT Budget

DRAFT Department budgets prepared on basis of:

- No new operating or capital dollars unless previously approved
- Capital programs to remain within confines of money allocated in 2023
- Majority of grant funds previously used for Transportation reallocated for use in Water and Wastewater
- Introducing capital levy
- Minimal use of reserves, unless previously approved, e.g. 2023 projects that did not get started
- No debentures in 2024

2024 DRAFT Budget

Introduces Capital Asset Sustainability Levy

- Unable to rely on stable capital funding grants
- Recognizes long term needs
- Eliminate reliance on debentures for numerous small projects
- First step towards development of financial sustainability plan
- For use in Transportation, Parks and Recreation, Fire and By-law Services, Waste Management, Facilities and Storm Water Management – services and facilities accessed and used in all areas of Township
- Required to meet planned expenditures in 2024 without debenture

Message from Treasurer

Planning for Today and Tomorrow



Planning for Today and Tomorrow

What is an Operating Budget?

- Township's plan to pay costs to provide day-to-day services residents rely on; road maintenance, fire services, arena operations, parks maintenance, snow clearing, by-law enforcement, etc.
- It includes expenditures for materials, supplies and salaries for the people who deliver the services. It is largely funded by tax dollars.
- User fees help cover costs for individually accessed services; building permits and inspections, burn permits, recreation program fees and planning services.
- By law, municipal governments cannot budget for a deficit. The annual budget review process is critically important, it ensures services and initiatives are financially responsible.

Planning for Today and Tomorrow

What is a Capital Budget?

- The Township creates a capital budget to plan for significant costs related to buildings, land and other corporate asset projects.
- It is the annualized plan to support significant maintenance, repairs and replacement of equipment, facilities, in-ground infrastructure and Township owned land.
- All assets necessary for the safe and effective delivery of services.

Planning for Today and Tomorrow 2024 DRAFT Budget

Over the years, the Township of South Stormont has faced changes to the municipal environment that impact financial pressures:

- Covid 19 economic impact,
- inflationary pressures and rising interest rates,
- downloading of service delivery,
- new legislation, changes to property reassessment processes, and
- the implementation of items identified in the Township's Strategic Plan.

The 2024 Budget reflects a culmination of the various budget pressures through the different expense and revenue categories.

Planning for Today and Tomorrow

2024 DRAFT Budget

Budget Challenges

Many factors are considered throughout the budget process. Several factors, however, are beyond the Township's control.

Collective Agreement

- CUPE 4219 contract signed in 2023 expires in March of 2026.

Non-Union Policy

- The policy established for non-union wages increases is based on Consumer Price Index in October. The perMany factors are considered throughout the budget process. Several factors, however, are beyond the Township's control.
- Percent increase is not yet known and will be approved by Council as part of the budget.

Payroll Costs/Benefits

- Payroll costs, other than direct wages, include CPP, EI, EHT, WSIB and the Ontario Municipal Employees Retirement System (OMERS) pension plan. Effective January 2024 CPP will have a two-tier earnings limit.

Planning for Today and Tomorrow

2024 DRAFT Budget

Further Challenges

Fuel

Fuel Budgets have been aligned to better reflect actuals in the 2024 Budget.

Consumer Price Index

The October 2022 Ontario Consumer Price Index was 6.5%. The September 2023 Consumer Price Index was reported at 3.8%. The Bank of Canada predicts that Consumer Price Index will remain around 3% for the next year, returning to the 2% target by the middle of 2025

	2020	2021	2022	2023	
Average Monthly Fuel Prices (Stats Can)	Average	Average	Average	Average	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Sep	
DIESEL Ottawa-Gatineau, Ontario	101.283	126.117	198.992	169.711	
		24.5%	57.8%	-14.7%	
UNLEADED Ottawa-Gatineau, Ontario	98.567	130.592	167.608	156.733	
		32.5%	28.3%	-6.5%	
	2020	2021	2022	2023	2024
Township Expenses	Jan-Dec	Jan-Dec	Jan-Dec	Est. Ttl	
Total Fuel	\$198,999	\$238,591	\$385,851	\$353,984	
Average monthly fuel=	\$16,583	\$19,883	\$32,154	\$29,499	
		19.9%	61.7%	-8.3%	
Budget	\$42,900	\$13,800	\$150,816	\$156,346	\$315,800
		-67.8%	992.9%	3.7%	102.0%

Planning for Today and Tomorrow

2024 Budget

Included In The Draft Budget

- Capital Levy at 8% = \$726,311
 - supports moving OCIF/OMPF for water/wastewater in future budgets and use of Gas Tax for water/wastewater in 2024.
- Sale of Lands = \$650,000
 - (\$400,000 to reserves, \$250,000 to support budget expenditures)
- Carry Forward Project Reserve = \$378,000
- No Debentures
- No Working Capital Reserve used, 2023 used \$421K from working capital to support budget.

Other Considerations

- Review 2023 Capital Projects – savings in 2023 projects carry to a capital reserve and used to support 2024 capital projects

Planning for Today and Tomorrow 2024 DRAFT Budget

Why is a Capital Asset Sustainability Levy Needed?

- Similar to other municipalities, South Stormont is facing the challenge of the infrastructure funding gap – the difference between the funding needed to keep assets in a state of good repair and the funding available.
- The Capital Asset Sustainability Levy is needed to ensure there are funds to repair and maintain infrastructure such as roads, parks and buildings.
- South Stormont has over \$325 million in core infrastructure assets that need to be maintained for the safe use of residents.
- In 2024 additional infrastructure assets, as mandated by the Province, will be added to the Asset Management Plan, buildings and equipment.
- Township growth and development will require more funds to build and maintain the service delivery infrastructure.

Planning for Today and Tomorrow 2024 DRAFT Budget

Using Proposed Capital Asset Sustainability Funds to Repair and Maintain South Stormont Infrastructure

- The Capital Asset Sustainability Fee is a levy on each property, based on a percentage of the Phased-In Assessment Value of a property as determined by the Municipal Property Assessment Corporation (MPAC).
- Administering the levy based on property values is an equitable approach to infrastructure funding.
- Council will set the overall amount to be collected through the levy during the Budget process.
- In 2024 the levy will appear on the Final Tax Bills, which are mailed to residents in July of every year.

Planning for Today and Tomorrow 2024 DRAFT Budget

Using Proposed Capital Asset Sustainability Funds to Repair and Maintain South Stormont Infrastructure

- The Township of South Stormont is responsible to repair and maintain roads, sidewalks, storm water ditches and ponds, community centres, fire stations, buildings, trails, parks, and more.
- Stable grant funding is reducing
- Based on published eligibility criteria Township has not been eligible for recent infrastructure grant programs
- A portion of paying the cost of that responsibility is proposed to come - in part - from a capital asset sustainability levy fee added to property tax bills.

Planning for Today and Tomorrow 2024 DRAFT Budget

Capital Asset Levy Options – 8% - 5% - 3%

Class	Levy Amount at 8%	Levy Amount at 5%	Levy Amount at 3%
Commercial	\$59,172	\$36,982	\$22,189
Industrial	\$26,681	\$16,676	\$10,005
Residential	\$604,425	\$377,765	\$226,659
Pipeline	\$36,004	\$22,502	\$13,501
Landfill	\$30	\$19	\$11
Total	\$726,311	\$453,944	\$272,367

2024 DRAFT Budget

Capital Levy Impact on Residential Taxpayer

Assessment Value	Capital Levy Rate @ 8%	Capital Levy-Residential	Capital Levy Rate @ 5%	Capital Levy-Residential	Capital Levy Rate @ 3%	Capital Levy-Residential
Per \$100,000 of Assessment	0.042590	\$42.59	0.026619	\$26.62	0.015971	\$15.97
Median Household \$210,000	0.042590	\$89.44	0.026619	\$55.90	0.015971	\$33.54

Planning for Today and Tomorrow

Property taxes are essential revenue streams distributed among our municipalities to fund various public services.

Property Tax Billing Mandate

As mandated by Provincial law the majority of tax payments paid to the Township are collected and transferred to the United Counties of SDG and school boards.

Less than 1/3 of taxes collected by South Stormont are spent on Township services.

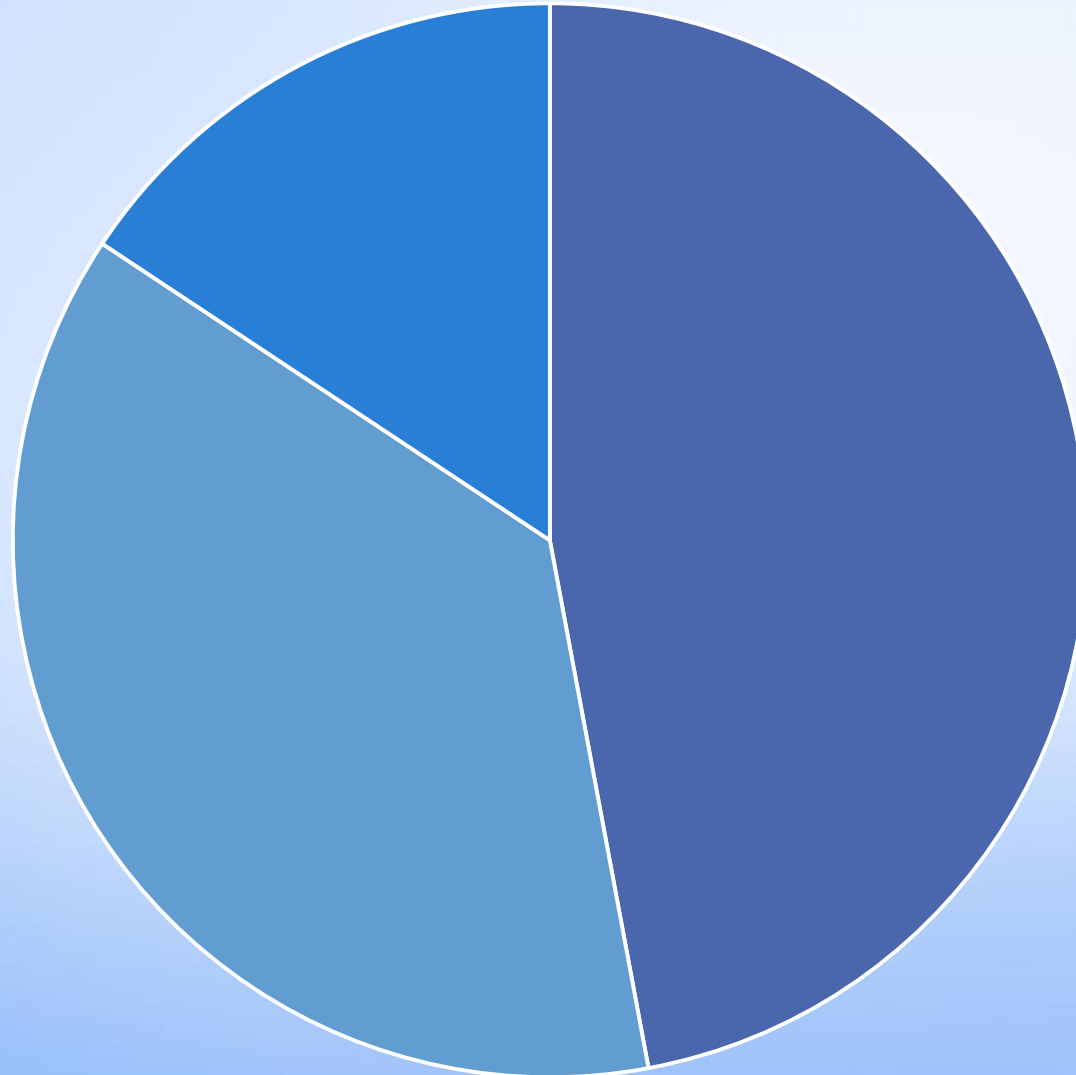
Tax Bill Distribution

Some Services provided by Tax Dollars

County	South Stormont	Local School Boards
Transportation Services	Fire and Emergency	Educational and Extracurricular programs
Health & Social Services	Facilities	Social Services
Police Services	Parks and Trails	
Library Services	Planning and Building	
Planning and Economic Development	By-Law Enforcement	
Forest & Weed Management	Waste Collection	
Court Services	Road Maintenance	
	Winter Maintenance	
	Drainage	

Tax Bill Distribution

Per \$1 Tax Dollar (Based on 2023 Tax Levy)



■ Counties (\$0.48) ■ South Stormont (\$0.38) ■ Education (\$0.16)

Planning for Today and Tomorrow

2024 DRAFT Budget

Property Assessment Growth

Generally, every four years, the Municipal Property Assessment Corporation (MPAC) updates all the property assessment values in Ontario, with the changes phased-in over four years.

The last update was January 2016, with the values phased-in for the taxation years 2017 through to 2020.

Due to COVID-19, the provincial government postponed the province-wide property assessment update, and paused the process updates in 2021, 2022, 2023, and the update will continue to be postponed for 2024.

Planning for Today and Tomorrow

2024 DRAFT Budget

Property Assessment Growth

As a result, property assessments for the 2024 taxation year will continue to be based on the fully phased-in January 1, 2016 current values (i.e., the same valuation date in use for 2020, 2021, 2023 and 2024 taxation year).

The updated average residential property assessment value, excluding multi-residential properties, is \$210,000 based on the January 2016 assessment base year.

Assessment Growth 2024 DRAFT Budget

Category	2023 Count	2023 Assessment	2024 Projected Count	2024 Projected Assessment	Variance 2023 to Projected 2024 (Growth)	% Growth
Commercial	147	43,042,800	149	43,086,300	43,500	0.10%
Government	5	2,245,000	5	2,269,000	24,000	1.06%
Industrial	108	115,611,000	115	128,429,500	12,818,500	9.98%
Institutional	8	14,988,000	8	20,879,000	5,891,000	28.21%
Residential/Farm	5922	1,470,628,500	5992	1,504,837,600	34,209,100	2.27%
Special/Exempt	38	10,085,500	38	10,085,500	-	0.00%
Vacant	1652	68,384,900	1708	69,637,500	1,252,600	1.80%
Total	7880	1,724,985,700	8015	1,779,224,400	54,238,700	3.05%

2024 DRAFT Budget Update - Expenditures

South Stormont's 2022 to 2024 Multi-Year Operating Budget proposed tax increases of 3 percent in 2022, 3 percent in 2023 and 4 percent in 2024.

In 2023 Council approved the tax increase at 5 percent.

For the 2024 draft budget Administration recommends the 4 percent increase as previously set and is proposing an 8 percent annual capital asset sustainability levy to support the capital infrastructure gap.

Impact on The Average Residential Tax Bill

The tax increase is applied to the assessed value of a property. The 2016 MPAC median assessed value is \$210,000 for residential homes in South Stormont.

Homes assessed at \$210,000, will see an annual average tax increase proposed in this budget for the Municipal portion of \$43.00 in 2024.

The Township's share of the average bill increases from \$1,074.98 in 2023 to \$1,117.98 in 2024.

Assessment Value	2023 Municipal Tax Rate	2023 Municipal Levy-Residential	2024 Municipal Tax Rate (4% Increase)	2024 Municipal Levy-Residential	Variance 2023 - 2024
Per \$100,000 of Assessment	0.51189495	\$511.89	0.532370748	\$532.37	\$20.48
Median Household \$210,000	0.51189495	\$1,074.98	0.532370748	\$1,117.98	\$43.00

Breakdown by Class - Municipal Levy

Breakdown of 2024 Municipal Tax Rate by Class (4% increase)

Class	2023 Levy	2024 Levy	Levy Increase
Commercial	\$1,030,003	\$1,190,066	\$160,063
Industrial	\$301,215	\$333,511	\$32,296
Residential/Farm	\$7,108,085	\$7,555,307	\$447,222
Total	\$8,439,302	\$9,078,884	\$639,581

2024 Budget Update - Expenditures

Total Township Budget

The draft budget for 2024 Total Expenditure Budget will be \$21,120,890, including the Operating, Contribution to Reserves and Capital Budgets. Water and Wastewater Budget is not included.

2024 Tax Levy Impacts

The 2024 Draft Operating Budget proposes a 4% tax levy increase.

Total Expenditure Budget	2023 Budget	2024 Budget	Variance Increase/ (Decrease)
Operating	\$12,683,384	\$13,260,012	\$576,628
Contribution to Reserves	\$925,658	\$1,580,000	\$654,342
Capital	\$7,001,877	\$6,280,878	(\$720,999)
Total Budget	\$20,610,919	\$21,120,890	\$509,971

2024 Budget Update – Total Operating and Capital Budget

	2024 Budget
Revenue:	
TAXATION	\$ 9,078,884
PAYMENTS IN LIEU	514,764
FEES AND CHARGES	1,783,995
UNCONDITIONAL/CONDITIONAL GRANTS	4,514,585
RENTS	642,793
INVESTMENT INCOME	550,000
DONATIONS AND OTHER	1,800,441
LOAN FUNDING/DEBENTURES	-
RESERVES	2,235,428
OTHER	
TOTAL REVENUE	\$ 21,120,890

2024 Budget Update – Total Operating and Capital Budget

	2024 Budget
Expenditures:	
Operating	
GENERAL GOVERNMENT	2,698,023
FIRE&RESCUE/PROTECTION PERSONS&F	1,598,610
TRANSPORTATION SERVICES	3,924,224
PARKS AND RECREATION	1,404,365
FACILITIES	1,310,565
PLANNING AND DEVELOPMENT	836,335
WASTE MANAGEMENT	1,337,100
DRAINAGE	150,790
TOTAL OPERATING EXPENDITURES	\$ 13,260,012
Reserves	
GENERAL GOVERNMENT	591,000
FIRE&RESCUE/PROTECTION PERSONS&F	325,000
TRANSPORTATION SERVICES	294,000
PARKS AND RECREATION	85,000
FACILITIES	5,000
PLANNING AND DEVELOPMENT	260,000
WASTE MANAGEMENT	20,000
DRAINAGE	
TAXATION	
TOTAL RESERVES EXPENDITURES	\$ 1,580,000
Capital	
GENERAL GOVERNMENT	240,000
FIRE&RESCUE/PROTECTION PERSONS&F	233,000
TRANSPORTATION SERVICES	1,776,500
PARKS AND RECREATION	3,883,205
FACILITIES	148,173
PLANNING AND DEVELOPMENT	-
WASTE MANAGEMENT	-
DRAINAGE	-
TOTAL CAPITAL EXPENDITURES	\$ 6,280,878
TOTAL EXPENDITURES	\$ 21,120,890

Reserve and Reserve Funds

Reserve Management

Reserves are used to fund capital projects and manage fiscal shocks to the operating budget. Reserves are funded through a number of sources including:

- Planned operating budget contributions to reserves funded through the tax levy or user rates
- Grants received from the provincial or federal governments
- Development charges and other development revenues collected for growth
- Operating budget surpluses which are allocated based on the Council approved surplus management strategy

Reserve and Reserve Funds

Development Charges are used to pay for growth

Development charges are collected on residential and non-residential developments. These funds are used to pay for the growth-related costs of capital projects needed to maintain consistent level of service to a growing community. The calculation of these development charges considers a number of factors:

Development charges include any growth projects that have been identified in the study, the historical service levels for each category and any benefit to existing residents; these costs are then distributed over the projected growth period included in the study

Reserve and Reserve Funds

Operating budget fiscal shocks are managed with stabilization reserves

In the operating budget, reserves are used to manage fiscal shocks to the budget which could result in large swings to the tax levy or user rates. This is done by smoothing the contributions to capital reserves and through the tax rate stabilization reserve.

A standard practice is to keep the tax stabilization reserve at a target balance of about 10 percent of annual tax revenue to pay for any unforeseen pressures. Our current Tax Stabilization Reserve balance is \$170,477 (2% of 2024 draft levy).

Projected Reserve/Reserve Fund Balances

	2023 Projected Balance	2024 Contribution to Reserve	2024 Contribution from Reserve	2024 Projected Balance
General Reserve Funds	\$218,238	\$205,00		\$423,238
General Reserves	\$7,117,043	\$1,375,000	-\$2,235,428	\$6,256,615
Grand Total	\$7,335,281	\$1,580,000	-\$2,235,428	\$6,679,853
Grand Total (Includes water/wastewater)	\$14,174,121	\$1,580,000	-\$2,235,428	\$13,518,693

Debt Management

Debt Management

Debt is a financing tool which enables South Stormont to manage the timing difference between when a capital project is constructed and when the funds are collected to pay for the project. This timing difference is most common for growth projects.

The 2024 Budget does not include any new debt authority to be approved at this time.

Existing Debt

	Opening Balance 2024	Principle	Interest	2024 Total Payment
EMS Building (2016)	\$528,941	\$24,598	\$11,804	\$36,402
Streetlights (2015)	\$61,845	\$61,845	\$1,251	\$63,095
Medical Clinic (2015)	\$945,849	\$69,350	\$28,799	\$98,149
Municipal Building (2012)	\$690,962	\$222,332	\$22,382	\$244,715
Fire Truck (2021)	\$507,693	\$23,088	\$12,578	\$35,666
Fire Truck (2023)	\$608,000	\$18,306	\$30,053	\$48,359
Bridge Work (2023)	\$656,000	\$19,751	\$32,426	\$52,177
Total (excluding Water/WW)	\$3,999,290	\$439,271	\$139,293	\$578,564

Current Debt – 10-year Outlook

Projection	2024 Opening	10 - year payments through Operating Budget										2033 Closing	
		2024 Payments	2025 Payments	2026 Payments	2027 Payments	2028 Payments	2029 Payments	2030 Payments	2031 Payments	2032 Payments	2033 Payments		
2022 Bridge Work	\$ 656,000	\$ 52,177	\$ 52,177	\$ 52,177	\$ 52,177	\$ 52,177	\$ 52,177	\$ 52,177	\$ 52,177	\$ 52,177	\$ 52,177	\$ 52,177	\$ 407,083
2022 Fire Truck	\$ 608,000	\$ 48,359	\$ 48,359	\$ 48,359	\$ 48,359	\$ 48,359	\$ 48,359	\$ 48,359	\$ 48,359	\$ 48,359	\$ 48,359	\$ 48,359	\$ 377,297
2021 Fire Truck	\$ 507,693	\$ 35,666	\$ 35,666	\$ 35,666	\$ 35,666	\$ 35,666	\$ 35,666	\$ 35,666	\$ 35,666	\$ 35,666	\$ 35,666	\$ 35,666	\$ 248,319
Municipal Building	\$ 690,962	\$244,715	\$244,715	\$244,715	-	-	-	-	-	-	-	-	\$ -
Medical Clinic	\$ 945,849	\$ 98,149	\$ 98,149	\$ 98,149	\$ 98,149	\$ 98,149	\$ 98,149	\$ 98,149	\$ 98,149	\$ 98,149	\$ 98,149	\$ 98,149	\$ 143,615
Street Lights	\$ 61,845	\$ 63,096	-	-	-	-	-	-	-	-	-	-	\$ -
EMS Building	\$ 528,941	\$ 36,402	\$ 36,402	\$ 36,402	\$ 36,402	\$ 36,402	\$ 36,402	\$ 36,402	\$ 36,402	\$ 36,402	\$ 36,402	\$ 36,402	\$ 255,828
Total Operating (excluding drainage)	\$3,999,290	\$578,564	\$515,468	\$515,468	\$270,754	\$270,754	\$270,754	\$270,754	\$270,754	\$270,754	\$270,754	\$270,754	\$1,432,141
Drainage Loans	\$ 94,267	\$ 9,693	\$ 10,274	\$ 8,879	\$ 11,544	\$ 7,835	\$ 6,579	\$ 4,270	\$ 2,692	\$ 2,854	\$ 3,025	\$ 3,025	\$ 3,209
Total Operating (including drainage)	\$4,093,557	\$588,257	\$525,743	\$524,347	\$282,298	\$278,589	\$277,333	\$275,024	\$273,446	\$273,608	\$273,779	\$273,779	\$1,435,351
Water - Windermere 2019	\$ 268,006	\$ 14,429	\$ 14,429	\$ 14,429	\$ 14,429	\$ 14,429	\$ 14,429	\$ 14,429	\$ 14,429	\$ 14,429	\$ 14,429	\$ 14,429	\$ 186,323
Water - 2007	\$3,165,046	\$290,493	\$290,493	\$290,493	\$290,493	\$290,493	\$290,493	\$290,493	\$290,493	\$290,493	\$290,493	\$290,493	\$ 831,600
Total Water	\$3,433,052	\$304,923	\$304,923	\$304,923	\$304,923	\$304,923	\$304,923	\$304,923	\$304,923	\$304,923	\$304,923	\$304,923	\$1,017,923
Total Debt	\$7,526,609	\$893,179	\$830,665	\$829,270	\$587,221	\$583,511	\$582,256	\$579,947	\$578,369	\$578,530	\$578,702	\$578,702	\$2,453,273

2023 Budget included new debentures of \$1,112,200. To-date capital project savings may result in not requiring debentures for 2023 projects.

Cost of New Debt

If debenture required for 2023 \$1,112,200 – 15 year @ 4.89%

Principal Amount \$1,112,200
Interest Amount \$459,489.361
Total Payment Amount \$1,571,698.31

Monthly Payments \$8731.61
Annual Payment Total \$104,779.32

If debentured instead of 2024 Capital \$726,311 – 15 year @ 4.89%

Principal Amount \$726,311
Interest Amount \$300,064.75
Total Payment Amount \$\$1,026,375.75

Monthly Payments \$5,701.64
Annual Payment Total \$68,419.38

Current Interest Rate with
Infrastructure Ontario:

15 year 4.89%

20 year 4.99%

25 year 5.01%

2023 Economic Recap

The Canadian economy has been resilient against the backdrop of high interest rates, as the Bank of Canada raised its Central Bank Overnight rate by an additional 75 basis points throughout 2023. The Overnight rate remained at 5% as of the central bank's most recent interest rate announcement on October 25, 2023. Stronger than expected household spending has been supported by population growth, while inflationary pressures still remain elevated. The unemployment rate stood at 5.5% and has yet to see any material softening in labour demand. Although there has been progress on CPI trending slower, it was 3.8% at the end of September and has been volatile in response to fluctuations in energy prices.

There has been increasing evidence that elevated interest rates continue to dampen economic activity, which has been most evident with weaker demand for housing. Although goods inflation continues to moderate, price pressures are widespread in core inflation, which encompasses the services side such as high mortgage interest costs and rents.

APPENDIX

STRATEGIC ACTION PLAN 2024 Goals and Initiatives

Goal 1: Safe and Reliable Infrastructure

Continuation of 2023 Priorities:

- Public education campaign stressing importance of water conservation.

Spring/Summer 2024 Priorities:

- Complete Asset Management Plan for non-core assets.
- Liaise with development community to encourage advocating upper levels of government to help fund water/wastewater system expansion.
- Assess potential options and phased approaches for alternative short-term water/wastewater solutions, (discuss with the City of Cornwall re connecting to City water/wastewater systems).
- Finalize location and engage and architect/engineering firm to produce concept plan and cost estimate for a new fire hall.

Fall/Winter 2024 Priorities:

- Work with the County to establish South Stormont Growth Priorities, identify zones and timelines for settlement expansion.

Goal 2: Welcoming and Vibrant Community

Continuation of 2023 Priorities:

- Select a location and design a future dog park and kayak launch
- Identify financial and staffing resources to implement Parks and Recreation Master Plan and Waterfront Development Plan recommendations and integrate these into long-term financial plan and budget process.
- Initiate discussions with the County and member municipalities about transitioning to a County-led animal control program.
- Review/assess Township-owned property for more affordable housing options. Advocate for senior government to financially contribute to this housing project.

Spring/Summer 2024 Priorities:

- Research and introduce a draft Public Art Policy.
- Establish policy requiring developers include dedicated neighbourhood parkland

Goal 2: Welcoming and Vibrant Community

Fall/Winter 2024 Priorities:

- Continue negotiations to acquire waterfront property.
- Partner to facilitate an annual community volunteer fair and volunteer recognition event.
- Council representation on Agriculture Board and host/promote a community-wide annual Agricultural Open House.
- Pursue options with school boards for added community use of schools.
- Establish an Environmental Action Committee to consider practical actions to enhance the Township's natural environment.
- Create a tree management program that includes Township-wide tree canopy targets.
- Revise zoning bylaws to establish zones where higher density housing is encouraged.

Goal 3: Diverse and Prosperous Economy

Spring/Summer 2024 Priorities:

- Create an Economic Development Action Plan confirming Township's competitive advantages; explore tourism potential; identify branding/marketing requirements; assess internal staff skills/capacity.
- Strengthen relationship with the Chamber of Commerce jointly host Business Town Hall/Business Awards event.
- Enhance current Community Improvement Plan (CIP) incentives in partnership with the County, increase support to local businesses in both programs.
- **Fall/Winter 2024 Priorities:**
- Initiate marketing plan to attract new business based on recommendations from Economic Development Action Plan.
- Establish an authentic and professional brand and associated marketing material to promote tourism from recommendations in Economic Development Action Plan.

Goal 4: Exceptional and Accountable Government

Spring/Summer 2024 Priorities:

- Establish a long-term financial plan with a comprehensive reserve policy.
- Complete a Government Relations Strategy in consultation with local MP and MPP clarifying the Township's advocacy priorities and key messages. Engage an external government relations resource if required.
- Host semi-annual Town Hall community information session with Council and senior staff.
- Increase/maintain municipal fees and charges, goal cost-recovery and avoiding unnecessary increases in taxes.
- Update development charges to ensure that growth continues to pay for growth.
- Introduce an annual staff recognition event hosted by the Mayor and Council.
- Facilitate a Council and staff education session on workplace diversity, equity, and inclusion.

Goal 4: Exceptional and Accountable Government

Fall/Winter 2024 Priorities:

- Create a dedicated position responsible for communication and customer service.
- Introduce Post-Council Update for a broad audience.
- Initiate a rebranding project to create a new brand/image and better promote Township activities and facilities.