



REPORT TO COUNCIL 2025-018

TO: Mayor Gerrits and Members of Council
FROM: Sabrina VanGerven, Treasurer
DATE: February 19, 2025
SUBJECT: 2025 Budget - Final Draft

Recommendation

Council adopt the 2025 General Budget with a required levy of \$_____, the Water Budget and Building Department Budget as presented and direct the Treasurer to prepare and present the appropriate By-law at the March 5, 2025, regular meeting of Council.

Background

The [Asset Management Plan](#) adopted by Council October 9, 2024 recommends an annual budget increase of 3.5% for required capital investments.

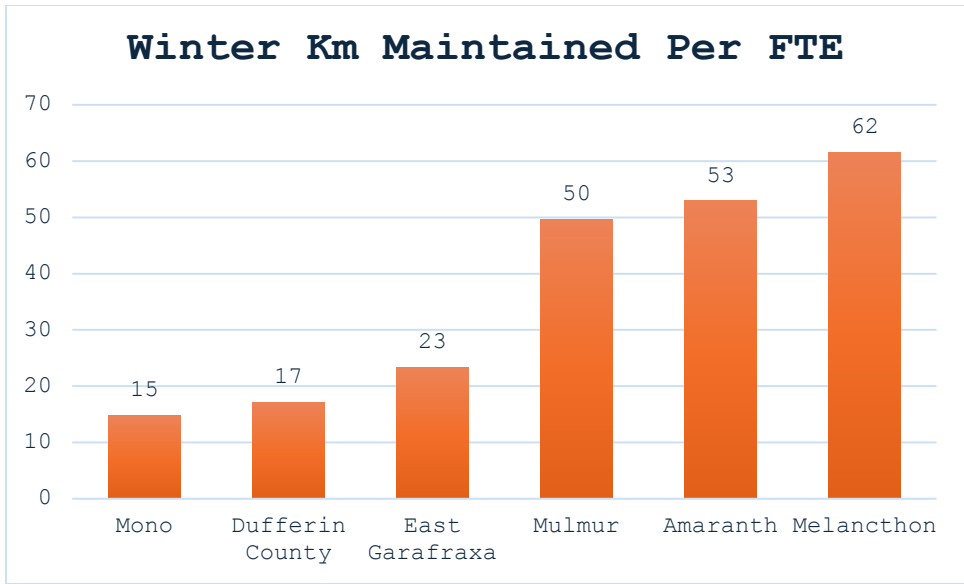
[CPI](#) increased 2.7% last year.

Previously presented 2025 Budget Discussion Reports and Presentations:

- September 4, 2024 [Report - 2025 Budgeting Plan and Preliminary Discussion](#)
- October 2, 2024 Report – [Water and Building Department Budget Discussion](#)
- November 6, 2024 [Report – 1st Draft Presentation](#) and [Slideshow](#)
- January 15, 2025 [2025 Budget Discussions Continued](#)
- February 5, 2025 [Report – 3rd Draft](#)

Currently, the Roads Foreman spends a significant portion of his time performing tasks that should be handled by equipment operators. This requires the Roads Superintendent to take on the Foreman responsibilities, leaving key asset management functions unsupported. When staff are overworked and stretched beyond their intended roles, the risk of costly mistakes increases, ultimately negating any expected savings from delaying necessary hires.

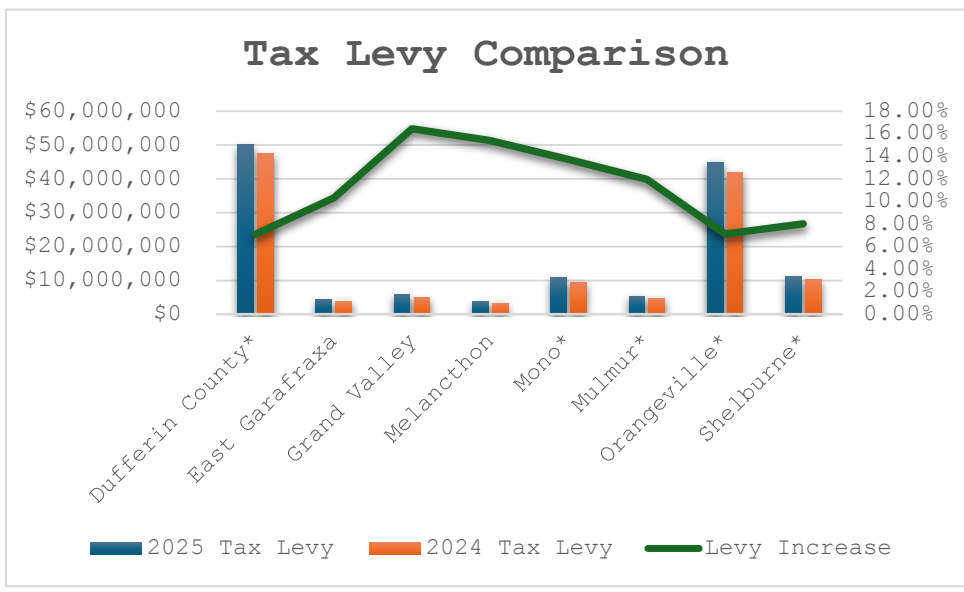
The following chart provides an overview of neighbouring municipalities with comparable road networks as Amaranth. Melancthon has the highest ratio of km/employee with Amaranth being the second highest. If 1 FTE was added to Amaranth's roster the Township would continue to be in the high end compared to the others at a ratio of 47:1.



Data obtained from 2023 Financial Information Return (FIR)

Analysis

Council's current budget, and the alternative scenario that includes the addition of 1 FTE Roads staff member, result in tax levy increases below the County and all neighbouring municipalities that have adopted their 2025 budgets as demonstrated in the following Tax Levy Comparison chart.



*2025 Budget adopted

Attached as Appendix 1 to this report is an updated version of the 2025 Draft Budget.

The following is a summary of the budget:

	2025 Budget \$		
	2024	2025	2025
Overall Levy	Budget	Budget	Budget w/addition of 1 FTE
Operating tax levy required	4,884,557	5,031,903	5,134,878
Capital tax levy required	306,596	363,324	363,324
	<u>5,191,153</u>	<u>5,395,227</u>	<u>5,498,202</u>
Increase		204,074	307,049
Increase from prior year levy		3.93%	5.91%

	2024	2025	2025
Operating Tax Levy Requirement	Budget	Budget	Budget w/addition of 1 FTE
Operating expenses			
General Government	1,426,255	1,602,915	1,602,915
Protection services	1,446,864	1,451,693	1,451,693
Transportation services	2,267,116	2,339,781	2,442,756
Environmental services	81,914	81,111	81,111
Recreation and cultural services	334,913	343,902	343,902
Planning and development	367,500	282,579	282,579
Total Operating expenditures	<u>5,924,562</u>	<u>6,101,980</u>	<u>6,204,955</u>
Operating revenues			
Other Taxation revenue	(295,900)	(301,818)	(301,818)
Payments-In-Lieu of Taxes	(14,000)	(14,280)	(14,280)
Ontario Unconditional Grants	(257,505)	(335,505)	(335,505)
Conditional Grants	(90,000)	(40,800)	(40,800)

Other revenue	(90,000)	(91,800)	(91,800)
Department revenue	<u>(292,600)</u>	<u>(285,874)</u>	<u>(285,874)</u>
Total Operating Revenues	<u>(1,040,005)</u>	<u>(1,070,077)</u>	<u>(1,070,077)</u>
Operating tax levy required	<u>4,884,557</u>	<u>5,031,903</u>	<u>5,134,878.00</u>
Increase from prior year levy		<u>3.02%</u>	<u>5.12%</u>

The 2024 Residential Tax Rate was 0.631648%, if the rate was to remain unchanged, the total levy collected would be \$5,404,606.

The budget in Appendix 1 reduces the tax rate to 0.630563%

The recommended budget shown in the summary as 'Budget w/addition of 1 FTE' increases the tax rate slightly to 0.642587%

Considering the majority of assets of the Township are at or past their half-life, a tax rate increase of only 1.73% would not be sustainable. Staff recommend increasing the amount of funds into reserves and/or lowering the amount of financing.

A tax levy increase of less than 6.2% is not recommended.

Conclusion

The purpose of this report is to present Council with a final draft budgets.

Strategic Pillar: Increase our Ability to Manage Growth

Goal #2 Maintain our existing infrastructure

Goal #3 Invest in infrastructure needed to enable growth

Strategic Pillar: Expand Our Capacity to Serve

Goal #2 Identify and prioritize areas for service improvement

Strategic Pillar: Manage an Efficient and Effective Township

Goal #1 Effective customer service

Goal #2 Prudent long-term financial management

Goal #3 Continue to invest in and grow the Township's team

Respectfully Submitted,

Sabrina VanGerven,
Treasurer

Attachments	
Appendix 1	2025 Budget – Version 4
Appendix 2	2025 Budget -Water
Appendix 3	2025 Budget – Building