



2025 Draft Budget Presentation

Trish Serratore
Chief Financial Officer

2021-2025 Strategic Action Plan Vision

We are a proud rural community
strengthened by a balance of social,
equity, culture, environmental integrity
and progressive economic
development

The 2025 budget and the services we offer continue to align with our five strategic focus areas

- Preserving, enhancing and supporting **Heritage, Culture and Community**
- Providing for and planning for services and amenities that enhance the **Quality of Life** of Brockton residents
- **Land Use Planning** to enhance available housing options and preservation of our **Natural Environment**
- **Economic Development** that helps that community grow and thrive
- **Municipal Governance** that is inclusive, responsive and efficient while maintaining fiscal reasonability now and for the future.

CAO Comments



2025 Draft Tax Supported Annual Budget Update

Agenda

Tax-Supported Operating Budget

- Council Budget
- General Government
- Human Resources
- EDC
- ERBP
- Tourism (VIC)
- Public Works
- Streetlights
- Brockton Child Care
- Materials Management
- Fire Services
- Emergency Measures
- Health and Safety
- OPP – Police Service Board

Tax-Supported Operating Budget - continued

- Animal Control/By-law Enforcement
- Recreation
- Cemetery
- Physician Recruitment
- Library
- Municipal Drains
- Planning
- Conservation Authority
- Heritage

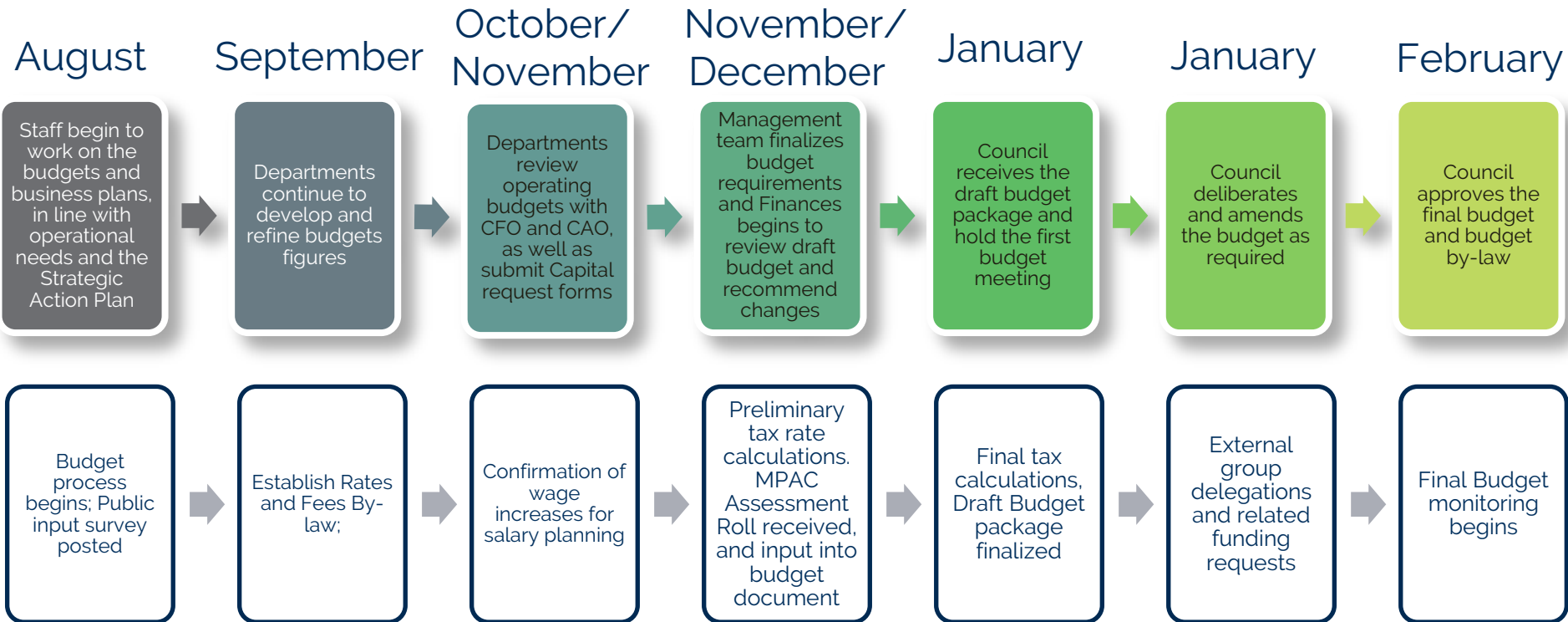
Agenda Continued

- Municipal Capital Requests
- Council Discussion on Budget and Consideration items
- Current Tax Rate Implications

Non-Tax Supported Budget

- Water and Wastewater Overview
- Capital Projects - Utilities
- Ontario Building Code Administration/Property Standards

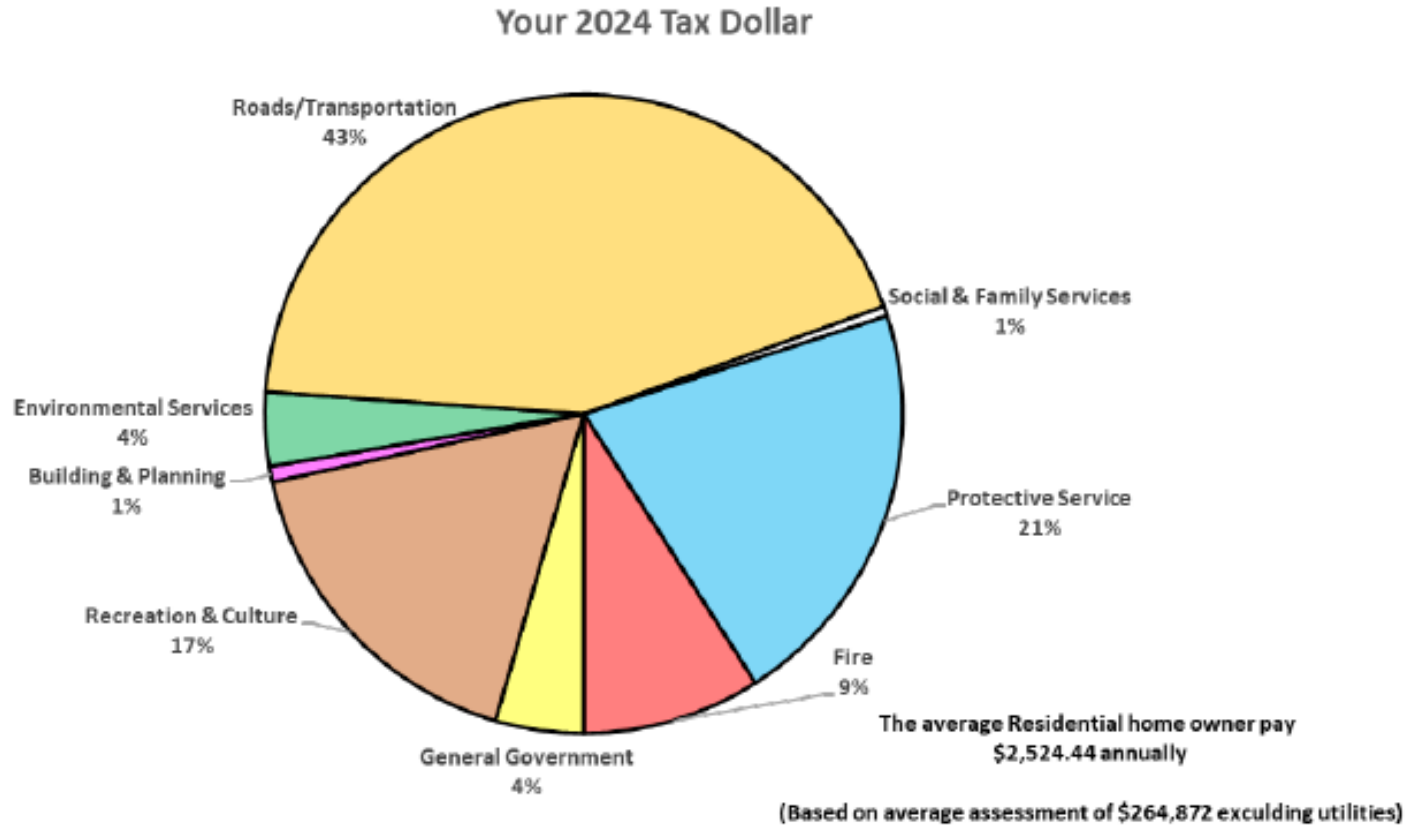
Budget Process



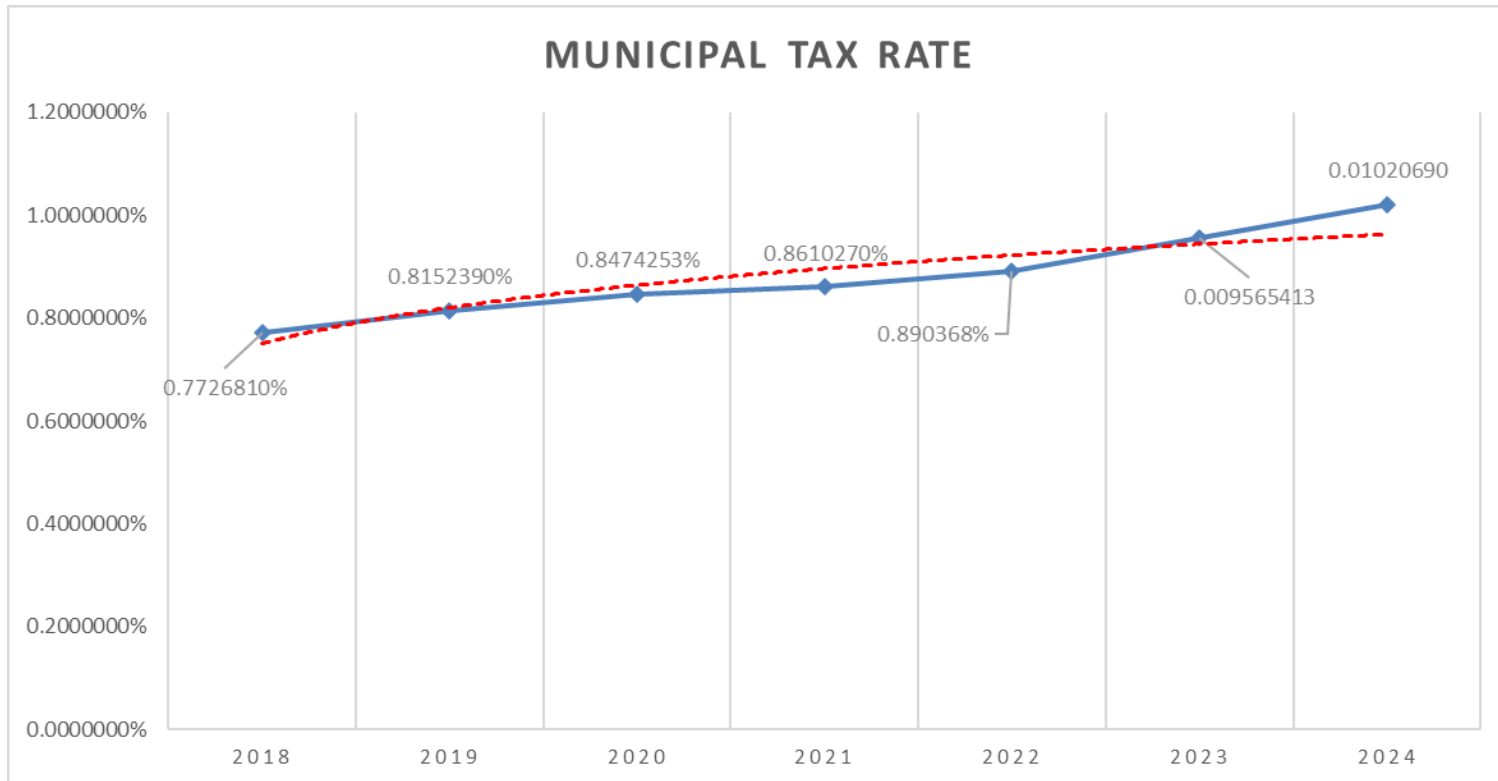
2025 Budget Approach

- The first draft of the budget incorporating the funding amounts required by each department to sustain current service levels
 - The initial draft budget would have also included amounts for projects or initiatives that are not necessarily required, but are perceived as favourable for the organization
- The 2024 Draft Budget is presented with a 6.34% operating increase and 2.84% capital tax rate increase
- Management has revisited their budgets several times over the last two month to present the most lean operating and capital budget without any reductions to services
- Staff have provided an itemized list in the Budget Report for Councils consideration, along with the implications of each reduction

Where do our tax dollars go?



Tax Rate Effect



For 2025, a 1% increase on the municipal tax rate equals \$127,499.

Brockton Property Tax Assessment

In 2016, MPAC updated the assessed values of every property in Ontario. These values will continue to be used to calculate the property taxes for 2024, unless there have been changes to the property that resulted in an updated assessment from MPAC.

The Province will conduct a review of the property taxation and assessment system focusing on fairness, equity and economic competitiveness. Property reassessment will be deferred until this work has been completed.

The table below details the change in the total taxes collected over the past 5 years (includes PIL education retained):

How does the assessed value of a home impact the property tax bill?

Property Tax Calculation Examples with a 9.18% tax rate increase

A

B

$A \times B = C$

D

C-D

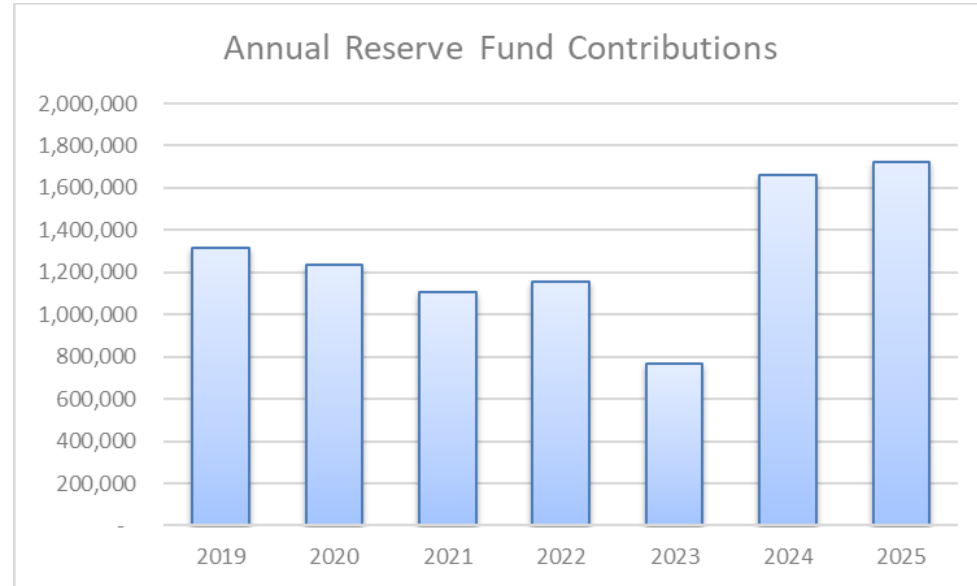
Property Assessment Value	Draft 2025 Municipal Tax Rate	Draft 2025 Municipal Property Tax Bill	2024 Property Tax Bill	Cost of Proposed Tax Rate Increase
100,000	0.01112457	1,112.46	1,020.69	91.77
264,872	0.01112457	2,946.59	2,703.52	243.07
300,000	0.01112457	3,337.37	3,062.07	275.30
400,000	0.01112457	4,449.83	4,082.76	367.07
500,000	0.01112457	5,562.29	5,103.45	458.84
600,000	0.01112457	6,674.74	6,124.14	550.60
700,000	0.01112457	7,787.20	7,144.83	642.37
800,000	0.01112457	8,899.66	8,165.52	734.14

Assessment Values are determined by MPAC

→ Tax Rate determined by Municipality

Reserve and Reserve Funds

- Reserves and Reserve Funds are an essential part of the Municipality of Brockton's finances. The purpose of the Reserve and Reserve Funds is to save for future infrastructure needs to avoid spikes and dips in the overall tax levy.
- The chart illustrates the annual reserve fund contributions and their steady increase over the past five years. In 2025, reserve fund contributions mostly remained consistent with 2024 contributions, with a minimal additional contribution within the recreation reserve fund for future equipment replacement.



Current Long-term Debt Commitments

- Long-term borrowing is one mechanism used for funding the large capital projects, along with capital levy and reserve funds.
- Brockton has issued debentures for long-term borrowing to provide financing for larger capital work. Each year Council approves the financing of the Municipality's Capital Plan during the budget deliberation. The Municipality records all annual debt charges (principal and interest) in the operating budget, which requires either property tax dollars or user fees to fund these amounts.
- Each year during the Audited Financial statement presentation, our external auditor stresses the importance of sustain a 1:1 ration of long-term debt to reserve fund balances

Current Long-term Debt Commitments Continued

OUTSTANDING LOAN	Maturity Year	2024	2025	Annual Repayment Amount - P&I	Fixed or Variable Rate
JACKSON & YOUNGE STREET - 2004-034	2024	61,334	0	0	Fixed
DE-OX WATER	2025	8,000	0	0	Variable
CAYLEY ST RECONSTRUCTION	2025	292,904	270,254	38,067	Fixed
CDOF ENTRANCE - MUNICIPAL SHARE	2025	249,030	230,302	28,868	Fixed
BRIDGE 11	2025	139,984	116,653	32,047	Variable
DS WEIS BRIDGE	2026	478,500	423,591	67,262	Fixed
REC 2500 Sierra Crew Cab	2027	28,403	21,482	8,938	Fixed
REC 1500 Silverado Crew Cab #1	2028	64,853	51,876	14,741	Fixed
REC 1500 Silverado Crew Cab #2	2028	64,063	51,244	14,552	Fixed
DS WEIS BRIDGE	2028	103,053	79,921	27,986	Fixed
2023 Ford F150	2029	737,148	638,884	147,444	Fixed
Emergency Services 2024 Ford F 250	2029	755,222	732,706	16,913	Fixed
Emergency Services 2024 Ford F 250 - Leslie Motors	2030	98,937	0	0	Fixed
McCURDY BRIDGE #2	2030	188,247	173,703	21,438	Fixed
SIDE ROAD 10	2030	76,043	63,369	17,411	Variable
TRACKLESS	2030	88,531	73,776	20,270	Variable
BALL DIAMOND ENTRANCE	2030	21,664	0	0	Variable
DS WEIS BRIDGE	2031	78,714	69,173	14,503	Fixed
MCGVERN ST	2032	80,123	70,411	14,702	Variable
Tractor	2032	95,578	939,984	142,711	Fixed
SOCCER FIELDS 2016-057	2034	36,320	0	0	Variable
WALKERTON LANDFILL - 2013-100	2034	625,000	562,500	102,206	Variable
McCURDY BRIDGE	2034	193,066	168,909	23,792	Fixed
Market Garden	2034	118,000	116,447	888	Fixed
KAAKE DRAIN	2035	2,059	0	0	Variable
PICK-UP TRUCK	2035	28,000	0	0	Variable
LANG DRAIN	2035	18,800	9,468	9,544	Fixed
CONCESSION 6W	2036	259,442	239,783	23,913	Fixed
CONCESSION 10 BRANT/QUEEN	2036	904,078	845,069	89,374	Fixed
SOUTH STREET PHASE I RECONSTRUCTION 2016-057	2037	356,290	320,137	51,209	Fixed
LEE & COATS 2017-074	2037	354,114	339,433	34,638	Fixed
CHEPSTOW CULVERT	2037	479,541	454,523	50,521	Fixed
Soccer Concession Booth	2039	220,400	218,693	20,382	Fixed
Graders	2039	540,920	536,749	50,136	Fixed
KLEIST LAND PURCHASE ERBP	2047	1,072,866	1,044,390	70,127	Fixed
RIVERSDALE	2053	2,342,796	2,305,588	141,539	Fixed
YONGE STREET RECONSTRUCTION/TRUNK MAIN REPLACEMENT	2053	2,283,001	2,265,757	149,323	Fixed
ERBP - PHASE 1 & 2	2054	2,714,987	2,714,987	165,271	Fixed
YONGE STREET RECONSTRUCTION	2054	681,601	681,601	36,404	Fixed
Westario Transformer & ERBP Expansion	2054	1,119,886	1,119,886	62,617	TBD
Total		\$16,608,358	\$15,769,844	\$1,445,701	

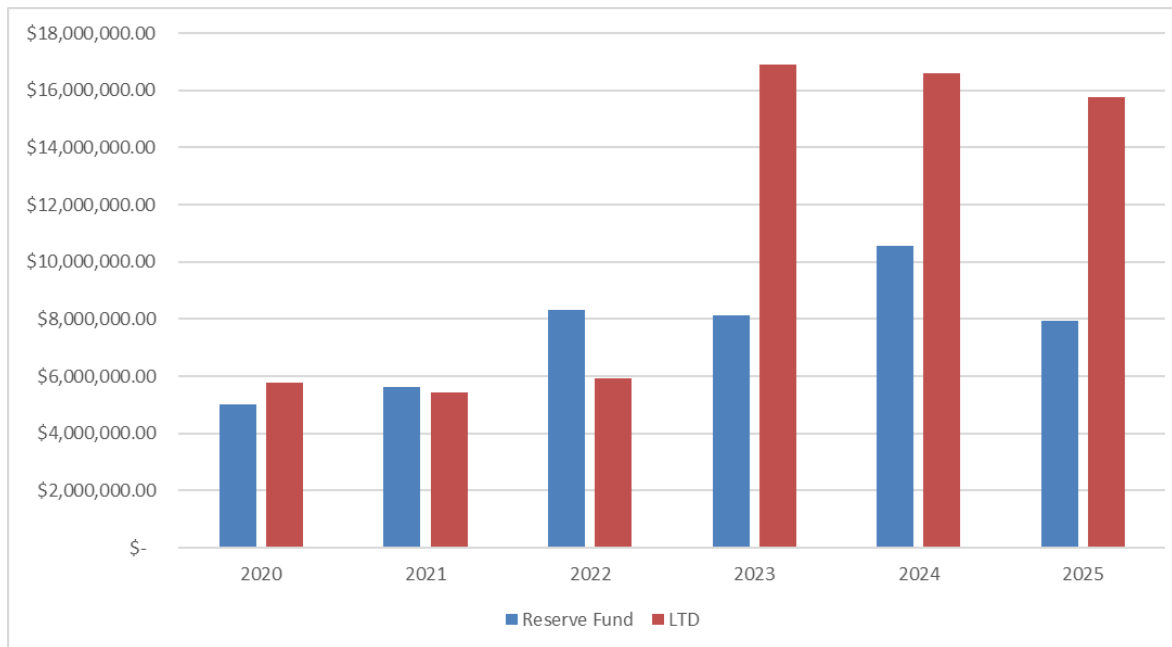
Total annual long-term debt repayment equals \$1,445,701

Phase 3 and 4 of the ERBP is still optimizing the construction loan and current payments are interest only.

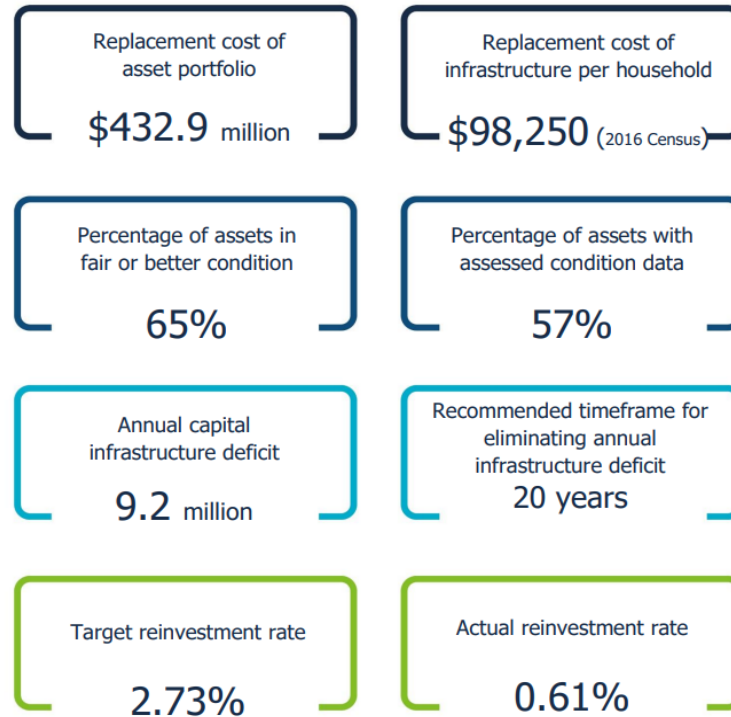
Legend	
	Expire within 2 years
	Expire within 3 - 9 years
	Expire in 10+ years

Current Long-term Debt Commitments (Continued)

- A key concern raised by our auditors is the balance between our reserve funds and outstanding long-term debt (LTD). Below is a chart that illustrates that the operating LTD is significantly increasing compared to the available reserve fund balance over the last three years. Which illustrates the importance of continuing to contribute to our Reserve Funds for future infrastructure projects or unknown emergencies that arise throughout the year.



Asset Management Plan



The 2021 Asset Management Plan identified the following key statistics, specifically that the target reinvestment rate for the replacement and maintenance of our core infrastructure is 2.73% and Brockton is only reinvesting 0.61%

Budget Overview

- The 2025 draft operating budget has been prepared using current service levels.
- User fee revenue has been adjusted to take into account the 2025 Consolidated Rates and Fees By-law and prior year actuals.
- The 2025 draft budget consists of tax-supported operating expenses of \$22,117 million, compared to \$20,994 million in 2024.
- Draft budget includes a tax rate increase of 9.18%, 6.34% towards operating increases and 2.84% for capital investments.



Tax-Supported
Operating Budget

6.34 % 2025 draft tax rate increase

\$166.74 Increase per average household

\$2,870 Total municipal portion per household



Capital Investment

3.64% Tax rate increase to fund capital

\$1,720M Total in annual capital contribution

\$455,050 Total contribution to tax-funded capital projects, which is an increase of \$410,350 from 2024

\$2.175M Total 2025 capital contribution



Average Household Assessment

The average household assessment value used to calculate property taxes is **\$264,769**



Population

A population of 7,784 with an estimated 4,654 households

Municipal Services Pressures and Trends

- There are a number of current factors that are putting pressure on the Municipality to maintain its current level of service while maintaining a responsible tax increase:
 - **Legislative Changes:** There were several legislative changes such as:
 - **Cutting Red Tape to Build More Homes Act (Bill 185)**
 - **Get It Done Act (Bill 162)**
 - **Working for Workers Five Act (Bill 190)**
 - **Strengthening Cyber Security and Building Trust in the Public Sector Act, 2024 (Bill 194)**
 - **Municipal Accountability and Integrity Act (Bill 207)**
 - **Ontario Provincial Police (OPP):** Significant increase in the OPP Billing statement for 2025, which resulted in \$303,682 or 11.6% increase.
 - **Program Growth:** With the increased growth within the community, there is a higher demand within our recreation department for programs and services. With our aging infrastructure, it has illustrated many challenges and limitations on growing our programs over the years. Additionally, the increase in our waiting list for child care services with the Brockton Child Care Centre as well as the Day camp program offered within the recreation department.

Summary of Significant Changes

- A chart on the next slide summarizes the changes in the draft 2025 Operating Budget

Significant Changes from the 2024 Municipal Levy to the 2025 Proposed Municipal Levy

Predetermined Changes to Tax Funded Operating Budget	Tax Levy Impact	User Funded Portion	Total Budget Impact	% Levy Increase	Reason
OPP Contract Cost Increase/(Decreases)	303,682	-	303,682	2.48%	Contractual obligation
Saugeen Valley C.A. Levy	44,491	-	44,491	0.36%	Contractual obligation, additional changes expected
BASWRA Recycling Contract	-	-	-	0.00%	Inflationary
SMART	8,900	-	8,900	0.07%	Inflationary
Saugeen Municipal Airport	8,298	-	8,298	0.07%	Inflationary
Insurance Premiums	45,566	7,845	37,721	0.31%	Inflationary
Utilities	12,000	-	12,000	0.10%	Inflationary
Long-term Debt repayment	64,140	(30,026)	94,166	0.77%	
Service Agreement - Elmwood Fire	70,668	-	70,668	0.58%	Increase for Capital requirements at the Elmwood station. Jointly shared with West Grey
Walkerton Hanover Landfill Expansion	379,000	-	379,000	3.10%	Expansion of the Walkerton/Hanover Landfill
Salaries & Benefits	740,463	41,842	698,621	5.71%	COLA at 2.1%; Merit Increase; As per policy for 145.5 employees
Total Predetermined Cost Increase:	\$ 1,677,208	\$ 19,661	\$ 1,657,547	13.55%	
Asset Lifecycle Maintenance Activities					
Buildings - Repairs and maintenance	19,600	-	19,600	0.16%	Required maintenance
Materials (dust, hardtop, loosetop, sand, dust)	70,000	-	70,000	0.57%	Inflationary; Required maintenance
Asset Lifecycle Maintenance Activities Increase:	\$ 89,600	\$ 0	\$ 89,600	0.73%	
Optional Expenses for Council Consideration					
Future Olympia Replacement Reserve Fund	20,000	-	20,000	0.16%	
Playground Equipment Replacement Reserve Fund	30,000	-	30,000	0.25%	
Chepstow Lions Ball Diamond Donation Request	20,000	-	20,000	0.16%	
VJH Donation Request - Curtains	22,983	-	22,983	0.19%	
Kleist Land Stage 1 Archaeological Assessment Study	40,000	-	40,000	0.33%	
Elmwood Joint Board Capital Increase	3,000	-	3,000	0.02%	
Cliff Erosion Cost Reduction new preferred alternative	(60,000)	-	(60,000)	-0.49%	
Optional Expenses for Council Consideration	\$ 75,983	\$ 0	\$ 75,983	0.62%	
New Revenues & Budgetary Savings:					
CWELCC Funding Increase	(484,404)	-	(484,404)	-3.96%	
OMPF Increased funding	(215,000)	-	(215,000)	-1.76%	
	-\$ 699,404	\$ 0	-\$ 699,404	-5.72%	
One-Time Tax Mitigation Measures					
Westario Dividend Increase	(50,000)	-	(50,000)	-0.41%	
One-Time Transfer from Tax Mitigation Reserve	300,000	-	300,000	2.45%	Dereased funding from 2024 from \$300,000 to \$0
Removed one time Reserve Fund Transfer	75,000	-	75,000	0.61%	
Total One-Time Tax Mitigation Measures	\$ 325,000	\$ 0	\$ 250,000	2.04%	
Total Net Property Tax Impact (+/- 0.2%)	\$ 1,468,387	\$ 19,661	\$ 1,373,726	11.23%	
Property Tax Assessment Growth impact	(\$ 220,130)	-	(\$ 220,130)	-1.80%	
Other cumulative budgetary variances	\$ 77,279	-	\$ 77,279	0.00%	
2025 Draft Operating Levy Increase	\$ 1,325,536	\$ 0	\$ 1,325,536	10.84%	
2025 Current tax rate				9.98%	

Council Consideration

Optional Expenses for Council Consideration					
Future Olympia Replacement Reserve Fund	20,000	-	20,000	0.16%	
Playground Equipment Replacement Reserve Fund	30,000	-	30,000	0.25%	
Chepstow Lions Ball Diamond Donation Request	20,000	-	20,000	0.16%	
VJH Donation Request - Curtains	22,983	-	22,983	0.19%	
Kleist Land - Environmental Assessment Study (1/2)	40,000	-	40,000	0.33%	
Elmwood Joint Board Capital Increase	3,000		3,000	0.02%	
Cliff Erosion Cost Reduction new preferred alternative	(60,000)		(60,000)	-0.49%	
Optional Expenses for Council Consideration	\$ 75,983	\$ 0	\$ 75,983	0.62%	

Department Questions/Discussion

- Council Budget – Fiona Hamilton, Director of Legislative and Legal Services (Clerk)
- General Government - Trish Serratore, CFO, Sonya Watson, CAO and Fiona Hamilton, Director of Legislative and Legal Services (Clerk)
- Human Resources – Sonya Watson, CAO
- EDC – Sonya Watson, CAO
- ERBP – Sonya Watson, CAO
- Tourism (VIC) – Sonya Watson, CAO
- Public Works – Nicholas Schnurr, DOO
- Streetlights – Nicholas Schnurr, DOO
- Brockton Child Care – Sonya Watson, CAO, Trish Serratore, CFO
- Materials Management – Nicholas Schnurr, DOO
- Fire Services – Chris Wells, Director of Fire and Emergency Services
- Emergency Measures – Chris Wells, Director of Fire and Emergency Services

Department

Questions/Discussion Continued

- Health and Safety – Chris Wells, Director of Fire and Emergency Services
- OPP – Police Service Board, – Fiona Hamilton, Director of Legislative and Legal Services (Clerk)
- Animal Control/By-law Enforcement - Dieter Weltz, Building and Planning Manager | Chief Building Official
- Recreation – Colleen Gillis, Director of Community Services
- Cemetery – Trish Serratore, CFO
- Physician Recruitment – Trish Serratore, CFO
- Library - Colleen Gillis, Director of Community Services
- Municipal Drains - Fiona Hamilton, Director of Legislative and Legal Services (Clerk)
- Planning - Dieter Weltz, Building and Planning
- Conservation Authority – Nicholas Schnurr, DOO
- Heritage- Fiona Hamilton, Director of Legislative and Legal Services (Clerk)

2025 Proposed Capital Projects

	2024 Net Budget	2025 Revenue	2025 Expenditures	2025 Net	2025 Net Budget Change (\$)	2025 Net Budget Change (%)
Fire-Walkerton			25,300	25,300	25,300	100.0%
Streets/Roads		3,425,000	3,555,000	130,000	130,000	100.0%
Water		810,000	810,000			
Brant and Greenock Landfills			75,000	75,000	75,000	100.0%
Recreation Parks		259,500	310,000	50,500	50,500	100.0%
Recreation Pool		17,500	62,000	44,500	44,500	100.0%
Recreation Community Centre			29,750	29,750	29,750	100.0%
Recreation Cargill DCF		18,000	18,000			
EDC		199,000	199,000			
Total		4,729,000	5,084,050	355,050	355,050	100.0%

Questions

