

Report to Council

Report Title:	Finance Update – 2025 Budget Changes		
Prepared By:	Trish Serratore, Chief Financial Officer		
Department:	Finance		
Date:	May 27, 2025		
Report Number:	FIN2025-16	File Number:	C11FIN
Attachments:	N/A		

Recommendation:

That the Council of the Municipality of Brockton hereby receives Report Number FIN2025-16 – Finance Update – 2025 Budget Changes, prepared by Trish Serratore, Chief Financial Officer and in doing so approves Option _____.

Report:

Background:

Report WM2025-04, Hanover Walkerton Landfill 2025 Update, prepared by Nicholas Schnurr, Director of Operations, was presented to Council on April 8, 2025. The report noted that \$270,000 from the Walkerton/Hanover Landfill budget was no longer required for the landfill expansion, as the project tender came in under budget. Following this presentation, Council requested that staff prepare an additional report with recommendations for reallocating the surplus funds.

In addition to the landfill surplus, staff also presented Report FIN2025-09, 2025 Court Security and Prisoner Transportation Grant (CSPTG), on April 8, 2025. This report identified that the Municipality would receive an additional \$110,279 beyond what was included in the 2025 budget. Furthermore, while the Municipality had budgeted \$125,000 in recoveries from Bruce County to offset the financial burden of the CSPTG, the actual amount received was \$183,384—resulting in an additional \$58,384. In total, this represents a surplus of \$168,384 within the Protective Services budget.

Combined, these surplus funds present an opportunity to support several priority projects and initiatives across departments, with a focus on infrastructure upgrades, service enhancements, and advancing community development goals.

Analysis:

In response to Council's request for recommendations on the allocation of the \$270,000 landfill surplus and the \$168,384 received through the Protective Services budget, staff have prepared four options for Council's consideration. Each option reflects a different approach to balancing immediate community needs with long-term financial planning:

- Option 1: Invest in current infrastructure and community enhancement projects.
- Option 2: Prioritizes long-term financial stability through reserve contributions.
- Option 3: Allocate full amount to a dedicated reserve for future capital investments.
- Option 4: Apply the surplus to reduce the 2025 municipal tax rate

Option 1: Fund Priority Projects in 2025

Staff have reviewed current municipal priorities and departmental needs and recommend the following allocation of the combined \$438,384 in available funds:

Project / Initiative	Recommended Allocation	Description
Walkerton Ball Diamond Lighting Enhancements	\$127,395.15	Replace existing lighting that has reached life span to energy-efficient lighting to improve visibility and extend usability of the facility for evening events.
Green Bin Program Implementation	\$100,000.00 - \$50,000	Launch of a municipal green bin program to support organic waste diversion and environmental sustainability. The purchase of the bins for all of Brockton would cost approximately \$100,000 or \$50,000 for just Walkerton.
Brant Landfill – Earth Work for Cell 3	\$50,000.00	Earthworks required to prepare Cell 3 for future landfill operations, ensuring regulatory compliance and capacity planning.
Tennis Court Upgrades	\$21,912.23	Funding to address the fundraising shortfall identified in Report FIN2025-14 (presented May 13, 2025), ensuring completion of surface repairs and equipment upgrades for safe and accessible recreational use.
Walkerton Ball Diamond Fence Upgrades	\$19,500.00	Replacement and reinforcement of fencing to enhance safety and security for players and spectators.
Insurance Claims – Two Incidents	\$30,000.00	Funding to cover insurance deductibles for two facility damage claims filed in 2025, ensuring timely repairs and financial stability.
Pool Diving Board Replacement	\$7,941.83	Replacement of the diving board that was removed in 2023 due to age and safety concerns. A new board is required to restore full pool functionality and meet community recreation needs.
Child Care Centre – Bench Planters	\$2,000.00	Installation of bench planters to enhance outdoor learning and play environments at the child care centre in accordance with the Organizational Review recommendations.
Reserve for Future Needs – Invested in long-term debenture	\$79,634.79+/-	Invest into a long-term debenture for future infrastructure needs.

Option 2: Allocate to Reserve Funds

Proceed with the original recommendation from Report WM2025-04, Hanover Walkerton Landfill 2025 Update, presented by Nicholas Schnurr, Director of Operations, on April 8, 2025. Under this option:

- Allocate the \$270,000 landfill surplus to the Walkerton/Hanover Landfill Reserve Fund to support future post-closure costs.
- Allocate the \$168,663 received from the increased Court Security and Prisoner Transportation Grant (CSPTG) and Bruce County recovery funds to the Police Reserve Fund to help offset potential future increases in policing costs.

This approach ensures long-term financial preparedness for known future obligations.

Option 3: Invest in Future Capital Projects

Allocate the full \$438,384 into a dedicated Capital Investment to support future infrastructure and capital project needs. This option provides flexibility to respond to emerging priorities and helps reduce reliance on tax-based funding for major capital expenditures.

Option 4: Apply Surplus to Reduce the Tax Rate

Council may consider allocating the combined \$438,384 from the landfill surplus and Protective Services budget toward reducing the municipal tax rate for 2025. This option would provide immediate financial relief to taxpayers by offsetting a portion of the current year's tax levy.

However, this is not staff's recommended approach. There were many necessary projects removed from the 2025 budget by staff and Council due to the financial pressures associated with the Hanover/Walkerton Landfill cell expansion and the OPP costs. While tax relief may offer short-term benefits, the available surplus presents a valuable opportunity to address current infrastructure needs and invest in long-term community improvements. Applying these funds to capital projects or reserves would help reduce future financial pressures, support service delivery, and avoid deferred maintenance or emergency spending that will be inevitable without investment in necessary infrastructure improvements.

Staff recommend prioritizing sustainable investment in infrastructure and community assets to ensure long-term value and resilience.

Recommendation

That Council approve the proposed allocation of the \$270,000 landfill surplus and \$168,384 in Protective Services as outlined in Option 1, and that staff be directed to proceed with the implementation of the identified projects.

Strategic Action Plan Checklist:

What aspect of the Brockton Strategic Action Plan does the content/recommendations in this report help advance?

- Recommendations help move the Municipality closer to its Vision Yes
- Recommendations contribute to achieving Heritage, Culture, and Community Yes
- Recommendations contribute to achieving Quality of Life Yes
- Recommendations contribute to achieving Land Use Planning and the Natural Environment N/A
- Recommendations contribute to achieving Economic Development N/A
- Recommendations contribute to achieving Municipal Governance Yes

Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

The proposed allocation of the \$438,384 in surplus funds enables the Municipality of Brockton to advance key infrastructure and community enhancement projects in 2025. By utilizing non-tax-based funding sources, the Municipality can address priority needs across departments without increasing the tax burden. This approach supports responsible fiscal management while delivering meaningful improvements for residents.

Respectfully Submitted by:



Trish Serratore, Chief Financial Officer

Reviewed By:



Sonya Watson, Chief Administrative Officer