



Budget 2023

Township of Russell Budget Brief



A collaborative, connected and sustainable community for everyone

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The Budget Process

Timeline

1. October 26 to November 8, 2022 — Public Survey on Strategic Priorities
2. December 12, 2022 — Council's Public Consultation for the 2023 Budget
3. December to February — Development of the draft budget
4. February 13, 2022 — Draft Budget Report available
5. February 22 and 23, 2023 — Working sessions to discuss the draft budget
6. February 24 to March 12, 2023 — Staff update the draft Budget as directed
7. March 13, 2023 — Council reviews and adopts the 2023 Budget

Public Input

Before presenting the draft budget to Council, Township administration asked residents about their strategic priorities for the 2023 budget via an online survey. The online survey asked two simple, but strategically focused questions:

1. In your opinion, how should the rising overall cost of programs and services be budgeted?
2. Which of these objectives are most important to you when Council discusses the 2023 Budget? Please rank them in order of importance from 1 to 5 (ranking of 1 being most important).

The Township received 451 responses to the survey out of a population of 19,000 residents. Respondents ranked these priorities in the following order (from highest priority to lowest):

1. Strong Infrastructure
2. Vibrant Quality of Life
3. Environment and Sustainability
4. Growth and Investment
5. Attainable Housing

On December 12, 2022, residents attended Council's Public Consultation on the 2023 Budget. The meeting began with a short presentation on the Budget process. Next, residents had the opportunity to share their priorities for the 2023 Budget with Council members, Township staff, and other residents. Twenty-four (24) requests were made during the public consultation and six (6) from committees. As the result of these consultations and public feedback an additional \$635,159 has been included in the draft budget.

Strategic Plan

Our Vision:

A collaborative, connected and sustainable community for everyone.

Strategic priorities:

Strategy #1: We will be known as a bold leader among our peers.

Strategy #2: We will prioritize innovation and collaboration in service delivery models and processes.

Strategy #3: The future will be supported by long-term and sustainable fiscal and administrative planning and accountability.

Strategy #4: We will focus on sustainable development while promoting the character of our community.

Strategy #5: We will foster empathy, trust and equity in every initiative supporting residents, businesses and township staff.

Strategy #6 Our community will develop in a safe, healthy and accessible manner.

Chief Administrative Officer's Message

It gives me great pleasure to introduce the Township of Russell 2023 Financial Budget.

This year's budget is based on our recently completed *2023-2026 Strategic Plan* which sets out the vision, strategies, and objectives for our growing community over the next four years and beyond. Our budget serves a number of purposes, including holding Township leaders accountable when spending tax dollars, and assuring our residents that we are working hard to align our financial plans with the objectives set out in our Strategic Plan.

The most important aspect of a budget is to ensure that our financial priorities remain focused on outcomes which benefit you, the residents. The growth of our Township has been exceptional over the last number of years, and we expect this growth to continue for the foreseeable future. I hope you will see your own strategic priorities reflected in this year's budget.



Dan Faughnan, Chief Administrative Officer

Treasurer's Message

The preparation of the 2023 budget was undertaken with significant challenges on a financial as well as a human resources level. With inflation nearing 7% in the nation and with having to respond to significant residential growth in the Township of Russell, our ability to maintain, not to mention improve our levels of municipal services, places us under immense pressure fiscally.

This budget is highlighted by an increased investment of taxation dollars into the renewal and expansion of our infrastructure by 8%, the continuation of the Recreation Complex Financial Plan which sees the total tax allocation increased to \$1,500,000, as well as the first year of the implementation of a human resources plan aimed at eliminating capacity gaps in the delivery of programs and services to our residents and businesses.

The Township will capitalize on the additional revenue from growth as well as on strategic reserve management decisions that have been taken over the past five years in order to address these pressures while maintaining a marginal tax increase of 4%, which is about 3% lower than the year-to-year inflation rate. In addition, there are no increases to water and wastewater rates, and no additional debt is being issued in 2023.

With the unpredictable nature of today's economy as well as significant upcoming investment requirements into our existing and new infrastructure, it is more important than ever to apply for long-term and sustainable fiscal and administrative planning and accountability. This budget respects those principles while supporting the community's priorities of having strong infrastructure and investing in a vibrant quality of life.

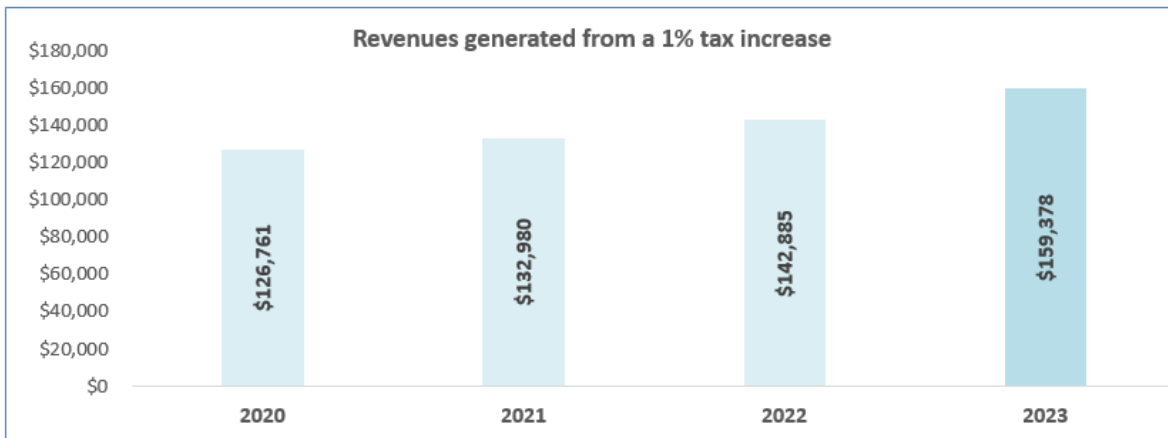
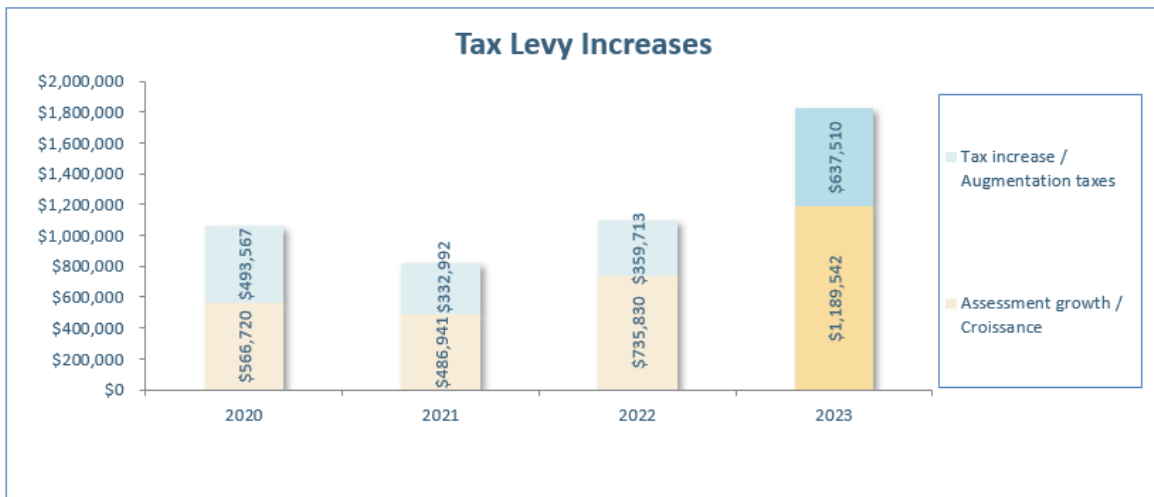
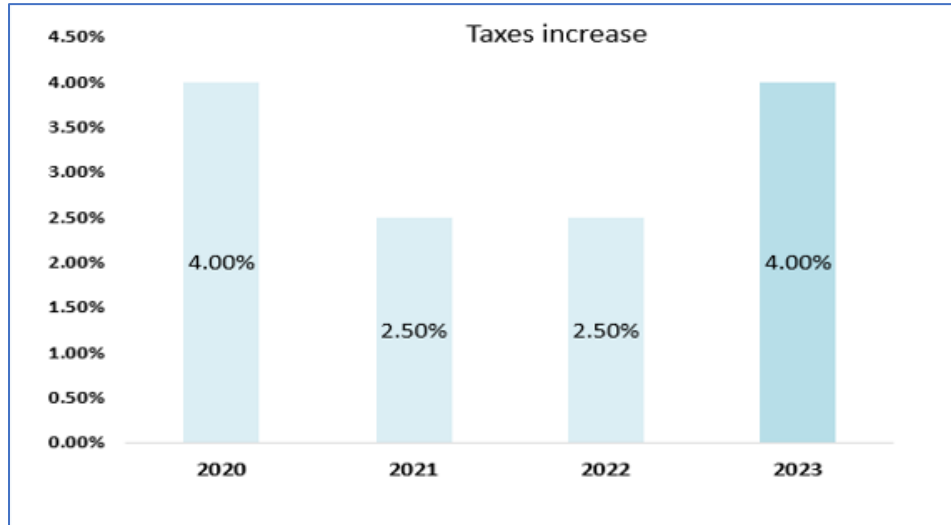


Richard Godin, Director of Finance/Treasurer

Taxation and How We Compare

Municipal Taxation

The total tax levy in 2023 is estimated to be \$16,575,272. Below are some statistics on the increases to our taxes over the last four (4) years:



Residential Tax Rates

The Township of Russell has the second-lowest tax rate across all eight municipalities of the United Counties of Prescott and Russell, which includes East Hawkesbury, Champlain, Casselman, Alfred and Plantagenet, Clarence-Rockland, Nation, and Hawkesbury. The rate proposed for the 2023 Budget maintains this position.

Prescott-Russell Residential Tax Rates										
Taux de taxes résidentielles dans Prescott-Russell										
STATISTICS FOR 2022 - PRESCOTT-RUSSELL MUNICIPALITIES - MUNICIPAL TAX PORTION										
STATISTIQUES 2022- MUNICIPALITÉS DE PRESCOTT-RUSSELL - PORTION MUNICIPALE										
Municipalities / Municipalités Prescott - Russell	2022 Residential Rate / Taux résidentiel	Per each \$100,000 assessment / A chaque 100 000\$ d'évaluation \$	Comparison in % with other Municipalities / Comparaison en % avec les autres municipalités	TAX RANKING ORDER BY YEAR / CLASSEMENT PAR ANNÉE						Population 2021 CENSUS Recensement 2021
				Ranking order changes by year / L'ordre change à chaque année Lowest (1) to highest (8) / Du plus bas (1) au plus élevé (8)						
				2022	2021	2020	2019	2018	2017	
EAST HAWKESBURY	0.00491175	\$491.18	-7.12%	1	1	1	1	1	1	3,418
RUSSELL *	0.00528819	\$528.82	0.00%	2	2	2	2	2	2	20,076
CASSELMAN	0.00635598	\$635.60	20.19%	3	4	4	4	4	4	8,665
CHAMPLAIN	0.00639350	\$639.35	20.90%	4	3	3	3	3	3	3,970
ALFRED/PLANTAGENET	0.00699179	\$699.18	32.22%	5	5	5	6	6	5	9,949
CLARENCE/ROCKLAND	0.00709487	\$709.49	34.16%	6	6	6	5	5	6	26,505
NATION	0.00738369	\$738.37	39.63%	7	7	7	7	7	7	13,350
HAWKESBURY	0.01129644	\$1,129.64	113.62%	8	8	8	8	8	8	10,194

* Budget 2023 approved rate / Taux approuvé pour le budget 2023 : 0.00549972

Average Property Assessment

The Township of Russell has the highest average property assessment across all eight municipalities in the United Counties of Prescott and Russell, and the fourth-highest average tax levy.

Municipalité / Municipality	Average assessment in 2022 / Évaluation moyenne en 2022		Municipal taxes levied on AVG assessment / Impôts fonciers prélevés basés sur l'évaluation moyenne	
	\$	Rank (highest to lowest) Classement (plus élevé au plus bas)	\$	Rank (highest to lowest) Classement (plus élevé au plus bas)
Russell	346,143	1	1,830	4
Clarence-Rockland	305,747	2	2,169	1
Casselman	286,979	3	1,824	5
Nation	266,953	4	1,971	2
Champlain	234,305	5	1,498	6
Alfred & Plantagenet	211,433	6	1,478	7
East Hawkesbury	207,729	7	1,020	8
Hawkesbury	172,663	8	1,950	3

The Township of Russell is a lower-tier municipality. This means that municipal taxes are paid to both the Township of Russell and the United Counties of Prescott and Russell. In total, municipal taxes paid in 2022 for the average home was approximately \$3,340. This is about 8% lower than the average home in Ottawa, which paid approximately \$3,640.

Human Resource Action Plan

While the Township of Russell has witnessed significant growth since 2016, the Township's ability to service that growth has not kept adequate pace. In order to address this discrepancy, and more importantly in order to position the Township of Russell for the future, a level of service and organizational review was undertaken in 2022 with the support of our consultant, KPMG. The results of that study indicated that the Township needs to consider reinforcing certain critical areas of its administration which support services to residents.

To bring Township services into line with our growth strategy, a specific human resource action plan will be implemented over the next few years. Details regarding this plan were presented to Council on February 13th, 2023 ([see item 11 \(j\)](#)). This budget includes the first year of the implementation of a Human Resources Plan which accounts for the addition of nine (9) additional full-time employees in the second half of 2023. The cost associated with these additions for 2023 is approximately \$385,000.

Taxation revenues related to new construction in the Township will once again reach record highs in 2023. However, we have started to witness minor declines in the issuance of building permits and can reasonably expect that our growth levels may have reached their peak in the current economic cycle. With that in mind, we are strategically proposing to 'front load' many of these FTE additions to maximize our capacity at a time of need while benefiting from the financial gains resulting from this growth. The 2023 budget also includes a specific credit line item representing our vacancy rate. Based on an analysis of the last five (5) years, we've recognized a vacancy rate averaging approximately 5%. Due to prudent reserve management policies put in place over previous years, we are able to budget more aggressively while having the proper safeguards in place and we will be able to benefit from this fiscal planning in order to implement the HR plan while reducing the burden on taxpayers.

A salary market study is currently underway and has yet to be completed. As such, this budget does not include a specific recommendation on market salary or cost of living adjustments. The salary market study report and recommendations will be presented to the Council at a later date; however, provisions have been included in the Budget to be able to implement the recommendations retroactive to January 1st, 2023.

Council, CAO and Corporate Services

This section of the Budget includes the Township’s Council, the Office of the Chief Administrative Officer, the Clerk’s Office, Human Resources, Information Technology, Communications, Finances and Asset Management.

Operations

Operating costs are the day-to-day expenses for existing assets, services, and facilities.

Total Operational Budget: \$3,808,005 (2022 — \$3,425,479)

Highlights:

- ✓ \$385,000 credit representing our payroll vacancy rate and earmarked to support HR capacity improvements over the coming year.
- ✓ \$300,000 increase in interest revenue following the implementation of the Township’s new investment policy.
- ✓ \$60,000 in professional fees to be allocated for condition assessments and asset management-related initiatives.
- ✓ \$20,000 to be allocated for the first year of implementation of a corporate professional development program.

Average Municipal Portion of Taxes

	<u>2023</u>	<u>2022</u>
<u>CORPORATE SERVICES</u>	\$	\$
COUNCIL	\$49.02	\$47.91
CAO'S OFFICE	\$29.69	\$29.73
COMMUNICATIONS	\$21.71	\$19.82
CLERK'S OFFICE	\$34.90	\$36.53
HUMAN RESOURCES	\$25.20	\$18.38
IT INFORMATION TECHNOLOGY	\$17.42	\$17.06
ADMINISTRATION	\$67.04	\$62.45
ASSET MANAGEMENT	\$61.34	\$71.35
OTHER REVENUES, (Grants, reserve transfers)	(\$105.24)	(\$66.41)
Municipal tax invoice (average home)	\$201.08	\$236.82



Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$1,530,310

Notable Project List:

- ✓ \$121,210 in improvements and renewals at the Townhall
- ✓ \$1,351,000 Fleet replacement & additions
- ✓ \$11,100 Continuation of the Historical Plaques program
- ✓ \$67,000 in IT equipment replacement & additions

Building and Planning

Building and Planning Services include construction permits, building inspections, development applications, site plan reviews, zoning, and planning for the growth and evolution of the community in terms of land uses.

Operations

Operating costs are the day-to-day expenses for existing assets, services, and facilities.

Total Operational Budget: \$1,677,532 (2022 — \$1,662,339)

Highlights:

- ✓ \$25,000 to update the CIP programs for the Villages of Embrun and Russell
- ✓ \$26,000 for the Official plan consolidation
- ✓ \$12,000 for the Zoning by-law consolidation

Average Municipal Portion of Taxes

	<u>2023</u>	<u>2022</u>
<u>BUILDING AND PLANNING</u>	\$	\$
BUILDING INSPECTION (User fee funded)	\$0.00	\$0.00
PLANNING & ZONING	\$35.50	\$31.85
Municipal tax invoice (average home)	\$35.50	\$31.85

TAX CONTRIBUTION %



Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$15,000

Notable Project List:

- ✓ \$15,000 for Landscaping at the gateway to the Village of Embrun

Economic Development

Economic Development Services include the Township’s Industrial Park and Business Park, the sale of municipally owned commercial/industrial land, our Community Improvement Program, the main street parklets, the village core revitalization, and all initiatives relating to business support, retention, or growth.

Operations

Operating costs are the day-to-day expenses for existing assets, services, and facilities.

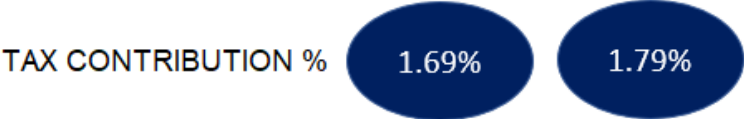
Total Operational Budget: \$9,011,047 (2022 — \$4,4301,803)

Highlights:

- ✓ \$10,000 for promotional materials (community profile)
- ✓ \$4,000 for the organization of community gatherings that promote local businesses -
- ✓ \$2,100 to create a shop local campaign, \$15,000 to develop a business plan for a coworking centre \$5,000 to develop a business licensing program \$12,000 to update the Retail Market Demand Study, and \$50,000 to update the Economic Development Strategic Plan
- ✓ \$4,500,000 in additional land sales and reserve transfers

Average Municipal Portion of Taxes

	<u>2023</u>	<u>2022</u>
<u>ECONOMIC DEVELOPMENT</u>	\$	\$
417 INDUSTRIAL PARK	\$7.43	\$11.10
ECONOMIC DEVELOPMENT	\$24.66	\$21.59
Municipal tax invoice (average home)	\$32.10	\$32.69



Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$1,806,840

Notable Project List:

- ✓ \$1,776,840 for the construction of new roads in the Industrial Park and \$100,000 for the installation and connection of new streetlights in the Industrial Park.

Fire and Rescue

Fire and Rescue Services include fire protection, emergency and rescue response, fire safety inspection and enforcement, and public education initiatives.

Operations

Operating costs are the day-to-day expenses for existing assets, services, and facilities.

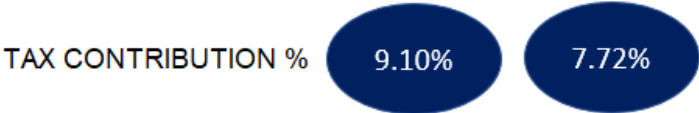
Total Operational Budget: \$1,781,046 (2022 — \$1,291,278)

Highlights:

- ✓ \$31,500 for firefighter training certification courses. This training will take place either in-house or at a regional training centre, and is focused on providing new firefighters with basic and ongoing professional development in order to meet mandatory firefighter qualifications and certification requirements in the Province of Ontario
- ✓ \$131,600 for current firefighters (including 10 recruits) salaries, to complete the mandatory training as required by Ontario Firefighter Qualification and Certification Regulation

Average Municipal Portion of Taxes

	<u>2023</u>	<u>2022</u>
<u>FIRE AND RESCUE</u>	\$	\$
FIRE STATION #1	\$92.39	\$75.16
FIRE STATION #2	\$80.05	\$66.10
Municipal tax invoice (average home)	\$172.44	\$141.26



Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$57,898

Notable Project List:

- ✓ \$23,000 for firefighter bunker gear and a washer/extractor for Station 1. This equipment is used to sanitize contaminated bunker gear ensembles in the fire station in accordance with the manufacturer’s recommendations and industry best practices and guidelines. This was also a recommendation from the Russell Township Master Fire Plan 2020-2024
- ✓ \$23,912 for firefighter bunker gear replacement for both fire stations. The life expectancy of the bunker gear ensembles is 10 years, and this is in line with industry best practice and recommended guidelines

Infrastructure

Infrastructure Services include the maintenance of roads and sidewalks, waste management, water and sanitary sewer services, lagoons, snow removal, road signs, culverts and bridges, storm sewers, streetlights, and environmental services.

Operations

Operating costs are the day-to-day expenses to maintain existing assets and facilities and provide services to residents.

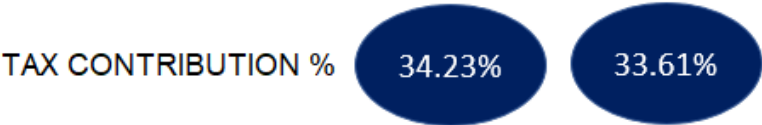
Total Operational Budget: \$16,786,516 (2022 — \$ 14,976,776)

Highlights:

- ✓ Water and sanitary sewer user-fees will be maintained (price per single home)
 - Water flat fee - \$275
 - Variable rate - \$3.04 per m³
 - Sewer flat fee - \$300
- ✓ Waste Management user-fee will be maintained (price per unit)
 - Collection fee- \$88
 - Disposal fee - \$51
 - Recycling fee - \$73
- ✓ Adjustment will reflect increases in different contracts.
- ✓ Storm Sewer System: \$200,000 in increased investments to address deficiencies and perform condition assessments of the system. The objective will be to establish a user-fee system for this program.
- ✓ \$300,000 in additional transfers to the road system and infrastructure.

Average Municipal Portion of Taxes

	<u>2023</u>	<u>2022</u>
<u>INFRASTRUCTURES</u>	\$	\$
PUBLIC WORKS	\$607.56	\$586.79
STORM SEWERS	\$41.32	\$23.26
SAN. SEWER SYSTEMS (User fee funded)	\$0.00	\$0.00
WATER SYSTEMS (User fee funded)	\$0.00	\$0.00
WASTE AND RECYCLING (User fee funded)	\$0.00	\$0.00
Municipal tax invoice (average home)	\$648.88	\$614.94



Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$8,115,713

Notable Project List:

- ✓ \$1,718,600 for Road Rehabilitation
 - Paving of Route 400 – South Russell to Wade
 - Paving of Loucks Drive – Maple to Kinnaird
 - Paving of Route 500 – St-André to Ste-Catherine
 - Paving of Blais Street – Notre-Dame to St-Jean-Baptiste
 - Paving of Wade Road – Castor to Sujack
 - Resurfacing Commercial Park in Embrun

- ✓ \$1,111,471 for Road Rehabilitation in the Industrial Park
 - Paving of Entreprise Road – St-Guillaume to Burton
 - Paving of Clement Street – Entreprise to Entreprise
 - Paving of Universelle Street – Clement to Dead End
 - Paving of Commerce Street – Clement to Dead End

- ✓ \$351,000 – Pedestrian Crossing at Blais/ Notre-Dame and at Notre-Dame/ St-Guillaume
- ✓ \$100,000 – Sidewalk improvements
- ✓ \$1,645,000 – St-André Bridge rehabilitation
- ✓ \$2,000,000 – Replacement of the storm sewer on Craig St
- ✓ \$175,000 – Sidewalk Snow Removal Equipment

Library

Library Services include books (e-books), movies, magazines, online resources, free access to the internet, babies/children, teens and adult programs, radon kits and iPad lending and much more.

The library greets an average of 100 people/day at each branch.

The library is a well-used community gathering place in the Township of Russell.

Our mission is to enrich, inform and provide a safe and secure place while fostering a love of reading and lifelong learning through diverse activities and programs.

The library budget was approved by the Library Board on February 16, 2023.

Operations

Operating costs are the day-to-day expenses for existing assets, services, and facilities.

Total Operational Budget: \$885,068 (2022 — \$ 832,283)

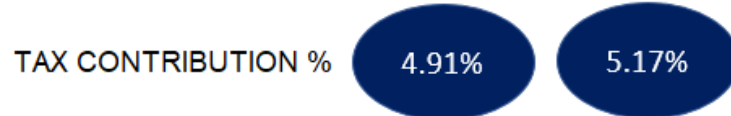
Highlights:

- ✓ \$6 500 for Overdrive (Libby) e-book platform and magazines (annual licence)
- ✓ \$10 500 for additional titles (e-books) in Overdrive

- ✓ \$5 000 for Hoopla (e-books, magazines, audiobooks, music, tv) purchases.
- ✓ \$1 500 for MaBiblio numérique
- ✓ \$100 for Mes Racines
- ✓ \$550 for Ancestry (in Library Access only)
- ✓ \$450 for Large Print Pool (French & English)
- ✓ \$2 100 for new papers, magazines and ILL fees (Interlibrary Loan)
- ✓ \$8 000 for professional fees (author visits, animation, TD Summer Reading Club Activities, etc.)

Average Municipal Portion of Taxes

	<u>2023</u>	<u>2022</u>
<u>LIBRARY</u>	\$	\$
LIBRARY	\$93.13	\$94.55
Municipal tax invoice (average home)	\$93.13	\$94.55



Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$182,236

Notable Project List:

- ✓ \$43 500 for Books (French & English)
- ✓ \$11 000 for new play table at the Russell Branch, 2 iPads, 1 laptop
- ✓ \$127 736 for new Embrun Branch (building design, studies)

Parks and Recreation

Parks and Recreation Services include the Russell Centennial Public Pool, New York Central Recreational Trail, the Sports Dome, the bowling hall, arenas, daycares, the Community Grants Program, recreation classes and programs, sports courts and fields, parks and play structures, and the future Recreation Complex.

Operations

Operating costs are the day-to-day expenses for existing assets, services, and facilities.

Total Operational Budget: \$9,332,520 (2022 — \$5,674,786)

Highlights:

- ✓ \$1,200 for a new spin bike (Municipal Programs – Adults).

- ✓ \$1,800 to make our Programs Guide accessible (Municipal Programs – General).
- ✓ New programs for children, youth and adults (Lacrosse, Chess, Tai Chi, Mom and Baby Yoga, etc.).
- ✓ Exploration to bring back the New Frontiers program in the fall for challenged youth.
- ✓ Opening new daycare centres in École Saint-Joseph (270 spaces) and Mother Teresa Catholic School (186 spaces) - \$2,500,000 operational budget.
- ✓ Additional full-time Parks & Recreation facility operator
- ✓ 5% increase - ice rental rates

Average Municipal Portion of Taxes

	<u>2023</u>	<u>2022</u>
<u>PARKS AND RECREATION</u>	\$	\$
DAYCARES (User fee funded)	\$0.00	\$0.00
RECREATION - ADMINISTRATION	\$26.52	\$25.60
MUNICIPAL PROGRAM	\$0.20	\$8.96
PARKS	\$62.58	\$55.04
BEAUTIFICATION	\$2.47	\$2.70
EMBRUN ARENA	\$24.40	\$23.00
CANTEEN EMBRUN	(\$0.21)	(\$0.23)
C.COM. C. PICHÉ	\$12.38	\$11.89
BOWLING	\$6.25	\$1.80
RUSSELL ARENA	\$30.07	\$27.11
CANTEEN RUSSELL	(\$0.21)	(\$0.23)
MARIONVILLE COMMUNITY HALL	\$6.56	\$6.66
R.S.Y.C.	\$2.37	\$1.87
POOL	\$3.58	\$6.54
SPORTS DOME	\$4.32	(\$0.68)
RECREATION COMPLEX	\$157.97	\$126.83
KEITH BOYD MUSEUM	\$2.63	\$2.53
Municipal tax invoice (average home)	\$341.88	\$299.39

TAX CONTRIBUTION %

18.04%

16.36%

Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$416,541

Notable Project List:

- ✓ \$42,000 for LED lighting in Marionville Baseball Park
- ✓ \$50,000 for new playground equipment at Russell Pool Park
- ✓ \$30,000 for additional backstop netting at Richelieu Ball Diamond
- ✓ \$7,800 for wind barriers at Michel Malboeuf Tennis Court (Embrun)
- ✓ \$60,000 for Russell Trails Park design
- ✓ \$60,000 for Russell Splash Pad design
- ✓ \$14,179 for plastic table replacements in Marionville Community Centre and Camille Piché Community Centre
- ✓ \$35,000 for Brine Pump Replacement Embrun Arena

- ✓ \$50,000 for working from heights platform at Marionville Community Centre

Recreation Complex

The future Recreation Complex is the largest municipal project being managed by the Parks and Recreation Department. The conceptual design was approved by Council in December 2022. This plan will include three (3) ice rinks, a (6) six-lane pool, a community hall and common areas. The estimated cost was set between \$82.3M - \$88.8M. As per the Recreation Complex Financial Plan, in 2023, \$1,489,000 will be transferred into the recreation complex reserve for a total accumulation of approximately \$3,425,000.

Public Safety and Enforcement

Public Safety and Enforcement Services include the drafting and enforcement of by-laws, animal care and control, the implementation of the municipal emergency response plan (including programs for health and safety as well as school crossing guards), the management of the Public Safety Office at 225 Industriel St and the Multi-use facility which includes the dog pound at 855 Route 400 and the dog park. Other responsibilities include corporate security at special events, community projects, community watches and coordination with the Ontario Provincial Police.

The last additional full-time Municipal Law Enforcement Officer was hired in 2014 and since then, we have seen an increase of 190% in call volume. As a result, an additional officer will be hired in 2023.

Operations

Operating costs are the day-to-day expenses for existing assets, services, and facilities as well as providing services such as OPP Policing, South Nation Conservation, animal control, emergency measures, health and safety and school crossings.

Total operational budget: \$3,440,765 (2022 — \$3,275,796)

Highlights:

- ✓ Speed camera radars
- ✓ Police Services Board to be implemented with the new Community Safety and Policing Act

Average Municipal Portion of Taxes

	<u>2023</u>	<u>2022</u>
<u>PUBLIC SAFETY AND ENFORCEMENT</u>	\$	\$
POLICES SERVICES	\$244.69	\$261.60
S.N.C. (S.NATION CONSERVATION)	\$19.44	\$19.55
BY-LAW ENFORCEMENT	\$81.57	\$73.62
ANIMAL CONTROL	(\$0.21)	\$0.21
EMERGENCY MEASURES	\$11.36	\$9.71
HEALTH & SAFETY	\$4.61	\$4.62
SCHOOL CROSSING GUARDS	\$9.05	\$8.89
Municipal tax invoice (average home)	<u>\$370.51</u>	<u>\$378.20</u>

TAX CONTRIBUTION %

19.55%

20.67%

Capital Projects

Capital projects are new projects and/or improvements.

Total Spending for Capital Projects: \$98,202

Notable Project List:

- ✓ \$75,000 for corporate security - installation of security cameras at various Township infrastructure locations
- ✓ \$85,000 for the Village of Russell Sign project carried forward from 2022
- ✓ \$8,000 for a speed radar on a trailer
- ✓ \$29,500 for repairs and a generator at 225 Industriel Street.
- ✓ \$10,000 to pave the remainder of the path at the dog park
- ✓ \$7,000 to install emergency communications at the Russell Fire Hall

Operational Budget Summary

The Operational Budget items are the day-to-day expenses to operate the current buildings, programs, and services of the Township.

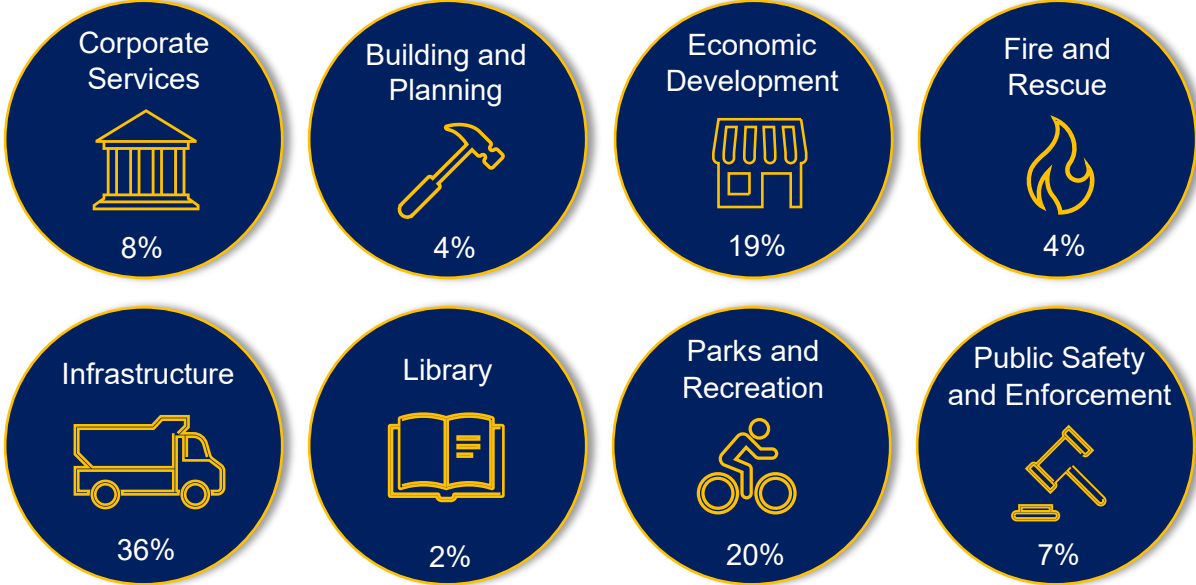
Where Money Comes From

The percentage of day-to-day operating costs, by where it comes from:



Where Money Goes

The percentage of operational budget, which includes tax dollars, user fees and other expenses, by department:



Capital Budget Summary

Total Capital Budget: \$12,803,740

The Capital Budget and projects are funded by:

- Infrastructure Fund: \$4,200,996
- Asset Replacement (User-fee from Depts): \$536,000
- Specific Reserves: \$4,456,499
- Development Charges: \$ 757,330
- Grants: \$1,659,173
- Loan: \$0
- User Charges / Other: \$1,168,742
- Tax Levy: \$25,000

Below is more information on how we manage our capital financing.

Infrastructure Funding

The Infrastructure Fund is the total tax levy invested into capital assets.

A few highlights:

- The 2023 Budget includes a total increase of \$423,160 to the Infrastructure Fund, bringing the total investment to \$3,469,465 and the deficit down to \$1,245,932.
- Taking into account our debt payments (which will be transferred to the infrastructure fund upon the conclusion of the loan terms) as well as federal and provincial grants, our net deficit, as defined in our 2018 Asset Management Plan, has been eliminated, allowing us to further invest in critical infrastructure.
- We continue our yearly 5% increases to the Infrastructure Fund.
- Over the next two years, the annual requirement will see significant adjustments as we further define desired levels of services for each asset classification (e.g., improving road paving standards, other maintenance requirements, etc.).

Grants

Grants are a key component of capital budget financing.

- Ontario Community Infrastructure Fund (OCIF): \$1,112,999
- Canada Community-Building Fund (CCBF): \$546,174

Reserves and Development Charges

Township reserves also provide a strategic funding mechanism for our capital projects as well as for operational initiatives. Below are some key highlights from the 2023 budget:

- The total projected reserves and development charges balance as of December 31st, 2023, is \$20,158,192.
- A minimum balance of over \$400,000 (representing approximately 10% of our annual requirement) is maintained for our Infrastructure Fund.

- Now that we are two years out of the Covid-19 pandemic, the COVID-19 Fund, which was established following a 2020 operational surplus to deal with financial pressures resulting from the pandemic, was deemed no longer necessary. As such, the funds, totalling just over \$800,000, have been transferred in part to our Asset Management reserves as well as towards our Energy Fund, allowing us to further invest into infrastructure and energy efficiency.
- The Growth Management Fund, which was introduced in 2021, has accumulated a total of approximately \$875,000 in two years. \$551,080 of this is used in the 2023 budget to help fund growth-related capital projects and studies. The continuation of this practice will go a long way towards mitigating the risk of a loss of revenue emanating from the introduction of Bill 23, the More Homes Built Faster Act, 2022.
- The Administration will be monitoring Bill 23 impacts on a regular basis and will make the required adjustments and recommendations, when necessary, to ensure we maintain fiscal sustainability.

Debt

The 2023 budget does not require any additional debt. Our total debt payments in 2023 are estimated at \$1,464,457, well within our borrowing limitations.

Transfers to Organizations for Services

The Township provides funding to several organizations for services in our community with the largest amount going to the Ontario Provincial Police as the community's police service as well as the South Nation Conservation Authority:

- Ontario Provincial Police \$2,195,428
- South Nation Conservation Authority \$170,003

In addition, the Township is the collecting agent for:

- The United Counties of Prescott-Russell with their requisition being approximately 37% of total taxation billing.
- The four school boards of the area with their total requisitions being approximately 17.2% of total taxation billing.