

THE CORPORATION OF THE TOWN OF PERTH

DRAFT BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2025



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The Corporation of the Town of Perth Overview of Proposed 2025 Budget

Further to the requirements of the Municipal Act Section, 2001, S.O. 2001, c.25, Section 290, the Town of Perth is required to have a budget approved “including estimates of all sums required during the year for the purposes of the municipality”.

The proposed Budget only includes Provincial Government operating and capital grants which have already been announced, primarily Ontario Municipal Partnership Fund (OMPF) and Ontario Community Infrastructure Fund (OCIF).

The Budget is divided into five parts:

- The budget proposed for normal operations;
- The budget proposed for One-time Operating Projects;
- The budget required for proposed capital expenditures and supporting funding;
- Proposed transactions in the Reserve Accounts;
- The budget proposed for the BIA.

The Budget is supported by projections of financial position and cash flows.

If the proposed Budget ran for the full year, the Operating Contribution from normal operations would be \$2.8M. The net cost of One-time Operating Projects is \$178K. The net cost of capital expenditures would be \$12.2M. Although the net costs of projects carried forward from 2024 to 2025 are not approved by Council until after the completion of the 2024 year-end audit, for completeness the estimated net cost of \$3.3M is included in the calculations of Reserves and the Statement of Financial Position. The Capital Reserve is projected to decline to \$4.8 million by December 2025 and the Water & Sewer Reserve will decline to \$4.0 million.

Based on non-climate adjusted projected capital expenditures between 2025 and 2029 and the replacement of the road segments contained in the Asset Management Plan, reserve amounts are expected to continue to decline. Continuing rate increases for property taxes and water and sewer at least equal to increases in inflation will be required to maintain positive balances in reserves assuming no change in service levels.

SUMMARIZED RECOMMENDATIONS

Recommendation #1

Council approve a 2025 Operating Levy of \$10,224,378 (increase in the tax rate of 10.0% and 1.0% related to growth).

Recommendation # 2

Council approve an increase of 6% in Water and Sewer rates.

Recommendation #3

Council approve the 2025 Operating Budget (as presented on page 8).

Recommendation #4

Council approve the 2025 One-Time Operating Expenditure Budget (as presented on page 9).

Recommendation #5

Council approve the 2025 Capital Expenditure Budget with associated funding (as presented on page 10).

Recommendation #6

Council approve the proposed 2025 Reserve transactions (as presented on page 11).

Recommendation #7

Council approve 2025 BIA levy of \$117,600 (no change).

Recommendation #8

Council approve the 2025 BIA General Operations Budget (as presented on page 20).

Recommendation #9

Council approve the 2025 BIA Stewart Park Festival Budget (as presented on page 21).

Recommendation #10

Council approve new \$10M in debt to fund capital projects.

ASSUMPTIONS

A number of assumptions must be made in the preparation of any budget. The most significant assumptions for 2025 Proposed Budget are listed below.

Property Assessments and Taxes

The market values of properties in Town used for tax assessments are not projected to increase in 2025 as MPAC has not yet commenced assessing changes in those values.

The projected Operating Property Tax Levy is \$10.2 million representing an increase of 11.0%, split as 10.0% for rate inflation and 1.0% for properties added in 2024.

Projected Water and Sewer revenues include a rate increase of 6%. The average annual impact of this increase for a household in Perth would be \$51.

The total annual impact of the rate changes for property tax and water and sewer are as follows:

MPAC Assessed Home Value	<u>\$100,000</u>	<u>\$200,000</u>	<u>\$300,000</u>	<u>\$400,000</u>
Impact of net 10% Property Tax Increase	90	180	270	360
Impact of 6% Water & Sewer Increase (avg)	51	51	51	51
Total Increase in 2025	<u>\$ 141</u>	<u>\$ 231</u>	<u>\$ 321</u>	<u>\$ 411</u>

Revenues

Other significant non-property tax revenue budgets are as follows:

- Operating Grant Revenue projected to be \$1.9 million including \$1.6 million from the Ontario Municipal Partnership Fund (OMPF);
- Investment Income is based on 4% interest rates and projected bank balances. Total projected investment income is \$500K, an decrease of \$200K from the 2024 Budget;

Expenditures

Significant expenditure budgets are as follows:

- Salaries reflect the current Collective Agreement;
- Employee Benefits reflect the changes in the salary accounts and a provision for inflation and Employee Benefit Plan impacts;
- Policing costs are based on estimates received from the Ontario Provincial Police;
- Equipment and building amortization is based on historical data;
- Interest expense on Long-Term Debt reflects the impact of outstanding debt;
- Proposed Grants to Others are as listed on the accompanying schedule;
- One-time Operating Projects are as listed on the accompanying schedule;
- All other expenses assume a consistent level of service delivery as in 2024 plus the impacts of inflation less identified efficiencies.

Reserves

Projected reserves include a \$2.7M decrease per the attached schedule.

Strategic Alignment of Proposed 2025 Budget

The directions of the proposed Strategic Plan have been used as guidance for proposed expenditures.

Capital Budget / Asset Management Plan

The Capital Budget has been informed by the Asset Management Plan (AMP) as approved by Council. All expenditures identified in the AMP for 2025 are accommodated in the Proposed Budget.

The AMP does not include any changes which may be required due to climate change adaptation.

Debt

The Proposed Budget includes \$10M new debt which is required to fund capital expenditures and to maintain Reserve balances.

From 2026 to 2029, it is expected that \$15M in new debt in addition to the \$10M in 2025 will be required to fund capital expenditures per the Asset Management Plan and to maintain Reserve balances.

Risk Management

There are areas of risk in the Proposed Budget which include the following:

Risk	Probability	Impact
• Communicable Disease Outbreak	Low	High
• Material change in total property assessment	Low	Medium
• Material change in total population	Low	Low
• Material change in Industrial activity	Low	Medium
• Material change in Provincial Operating Grants	Low	Medium
• Capital cost for catastrophic property loss	Low	High
• Loss of Miscellaneous Grants	Low	Low
• Climate Change Impacts	Low	High

Risk Mitigation

The proposed operating budget includes a General \$100K Contingency Account.

The proposed capital budget includes a \$100K contingency for unanticipated repairs or breakages.

The Emergency Reserve has a balance of \$750K which can be accessed during a declared emergency.

**Corporation of the Town of Perth
Summary of 2025 Operating Budget**

Description	2025 Amount	2024 Amount	Change
Property Taxes	10,224,378	9,224,232	1,000,145
Undistributed	1,570,880	1,751,900	(181,020)
Governance	(536,115)	(516,332)	(19,784)
Corporate Management - Admin	(247,761)	(230,369)	(17,392)
Corporate Management - Finance	(623,813)	(603,288)	(20,525)
Corporate Management - Emergency Plan	(2,400)	(1,800)	(600)
Technology	(496,000)	(376,000)	(120,000)
Proceeds of Crime/Mental Health Grant	-	-	-
Fire	(783,911)	(732,062)	(51,849)
Police	(1,997,175)	(1,548,087)	(449,088)
Animal	(31,970)	(19,970)	(12,000)
Building Inspection	0	(0)	0
Provincial Offences	69,889	85,000	(15,110)
Roadways	(879,167)	(771,941)	(107,225)
Winter Control	(254,000)	(254,000)	-
Parking	(129,424)	(125,158)	(4,266)
Street Lighting	(105,115)	(105,115)	-
Sanitary Sewers	862,557	755,615	106,942
Storm	(44,000)	(44,000)	-
Waterworks	750,131	626,764	123,367
Waste Collection	(245,747)	(234,140)	(11,607)
Waste Disposal	(417,532)	(409,482)	(8,050)
Recycling	(219,900)	(219,900)	-
Composting	(33,500)	(33,500)	-
Waste Diversion	-	-	-
Environmental Services Administration	(304,231)	(288,241)	(15,990)
Fleet	(484,214)	(479,983)	(4,231)
Parks - Last Duel	(16,752)	(16,388)	(364)
Parks - Stewart	(111,746)	(93,648)	(18,098)
Parks - All Other	(129,891)	(127,608)	(2,283)
BIA Beautification	(43,476)	(41,704)	(1,772)
Grants to Others	(609,196)	(591,648)	(17,548)
Recreation - Community Centre	(103,730)	(20,547)	(83,183)
Recreation - Conlon Farm	(50,435)	(54,176)	3,741
Recreation - Indoor Pool	(168,146)	(155,364)	(12,782)
Recreation - Crystal Palace	(16,654)	(15,896)	(758)
Triathlon	-	-	-
Heritage Management	(5,200)	(5,200)	-
Museum	(232,676)	(219,149)	(13,527)
Economic Development and Tourism	(199,272)	(193,697)	(5,575)
Recreation - Administration	(351,681)	(329,465)	(22,216)
Property Management	(353,617)	(321,577)	(32,040)
Planning and Zoning	(447,935)	(266,226)	(181,709)
Total	2,801,455	2,997,851	(196,397)

**Corporation of the Town of Perth
2025 One-time Operating Expenditures**

Description	Amount
Water & Sewer Development Charge	(390,000)
Town Hall Outdoor Bathrooms	40,000
Heritage Bikes Barn - Repainting exterior	8,800
Economic Development Plan Implementation	20,000
Corner of Herriott and Gore: Beautification	12,000
Repoint Stone Wall at Museum +Front Door	30,000
Museum Windows Exterior Painting	15,000
Daines Place Playground CleanUp	10,000
Addnl Labour for Events	15,000
Town Hall Painting	25,000
Arena Floors for Change rooms 2&3	26,000
Museum 100th Anniversary Celebrations	9,000
Floor at Fire Hall	15,000
Dog Park Project	30,000
Town Hall Reconfiguration	28,000
Volunteer Stipends for Public Education	15,000
Trial of additional resources for Emergency Management	33,000
Garage Trailer Rental	50,000
OLT	56,787
Administrative Support	130,000
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Net	<u>\$ 178,587</u>

**Corporation of the Town of Perth
2025 Capital Projects**

	Amount	External Funding	Funding Source
Landfill	835,000		
Works Garage	4,000,000		
Replacment of 2001 Pumper	970,790		
Fire Department Parking Lot	111,023		
Baseball Diamonds	41,935	34,256	CCBF
Fencing	30,000		
Cockburn, Robert Rd, Jamesville Pump Stations	383,187		
Plumbing Replacements	80,000	Arena	
Lagoon Sludge Removal	639,187		
Lagoon Mulch Replacment	191,593		
Fire Hall HVAC	8,374		
Town Hall Generator (2005)- Natural Gas	102,500		
Arena Compressor Motor	6,246		
Camera System	19,927		
Plotter Replacement - IT	16,141		
Submersible Pump - water plant	7,238		
Park & Play - Water Park	7,904		
Craig St Road	2,964,144	644,712	OCIF
Craig St Sanitary	948,290		
Craig St Water	947,205		
Craig St Storm	373,188	-	
Craig St Bridge	65,000		
UPS for traffic light	18,894		
Little Tay Bridge Rehabilitation	15,000		
Sub-total	<u>12,782,768</u>	<u>678,968</u>	
Contingency	100,000		
TOTAL	<u>\$ 12,882,768</u>	<u>\$ 678,968</u>	
Net	<u><u>\$ 12,203,800</u></u>		

**Town of Perth
Projected Reserves
2025 Year-end**

Operating	Budget
Change in Net Financial Assets	(12,101,216)
Less: Principal Payments	(634,670)
Allocation to UFCO	-
Additional Debt	10,000,000
Change in Prepaid Expenses	21,975
	<hr/>
Sub-total	(2,713,910)
Projected 2024 Reserves	12,443,259
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Projected 2025 Reserves at end of year	<u>\$ 9,729,348</u>
	-
Reserves set aside for specific purposes by Council:	
For Operating Purposes	
for building inspection	-
for strategic initiatives	64,309
for emergencies	750,000
for business improvement area	66,876
For Capital Expenditures	
for future capital expenditures	4,843,143
for waterworks and sewer capital	4,005,020
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Total Reserves	<u>\$ 9,729,348</u>

**CORPORATION OF THE TOWN OF PERTH
STATEMENT OF FINANCIAL POSITION**

	Projected December 2025	Projected December 2024
ASSETS		
Financial Assets		
Cash and short term deposits	\$ 14,577,492	\$ 17,070,611
Taxes receivable	770,075	700,068
User charges receivable	352,188	332,253
Other Accounts receivable	906,758	855,432
Inventory for resale	428,298	428,298
	17,034,811	19,386,662
LIABILITIES		
Financial Liabilities		
Accounts payable and accrued liabilities	1,454,691	1,454,691
Prepaid property taxes	761,501	692,273
Accrued landfill closure and post closure liability	2,272,323	2,272,323
Other current liabilities	580,561	558,232
Employee future benefit obligations	-	-
Deferred revenues	2,784,620	2,492,141
Long term liabilities	14,238,078	4,872,748
	22,091,773	12,342,408
NET FINANCIAL ASSETS	(5,056,962)	7,044,254
NON-FINANCIAL ASSETS		
Tangible capital assets	81,534,717	70,420,210
Prepaid expenses	388,233	366,258
	81,922,949	70,786,467
MUNICIPAL EQUITY	\$ 76,865,987	\$ 77,830,721

**CORPORATION OF THE TOWN OF PERTH
STATEMENT OF CASH FLOWS**

	Projected December 2025	Projected December 2024
OPERATING ACTIVITIES		
Results of Operations	\$ (964,734)	\$ 1,043,246
Amortization	3,120,000	3,120,000
Loss on sale of capital assets	-	-
Gain on Sale of Inventory	-	-
Write-down of tangible capital assets	-	-
	<u>2,155,266</u>	<u>4,163,246</u>
Net Change in Non-Cash Working Capital Balances		
Taxes receivable	(70,007)	(26,926)
User charges receivable	(19,935)	(18,807)
Accounts receivable	(51,326)	(48,421)
Inventory for resale	-	-
Accounts payable and accrued liabilities	-	-
Prepaid property taxes	69,227	26,626
Accrued landfill closure and post closure	-	-
Other current liabilities	22,329	21,470
Employee future benefit obligation	-	-
Deferred revenues	292,479	643,777
Prepaid expenses	(21,975)	(50,000)
	<u>220,792</u>	<u>547,720</u>
Working Capital from Operations	<u>2,376,058</u>	<u>4,710,966</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(14,234,507)	(7,465,536)
Proceeds on Sale of Capital Assets	-	-
Net investment in tangible capital assets	<u>(14,234,507)</u>	<u>(7,465,536)</u>
FINANCING ACTIVITIES		
Debt principal repayments	(634,670)	(583,456)
Increase in Debt	10,000,000	688,000
	<u>9,365,330</u>	<u>104,544</u>
NET INCREASE (DECREASE) IN CASH	(2,493,119)	(2,650,026)
CASH, BEGINNING OF YEAR	17,070,611	19,720,637
CASH END OF YEAR	<u>\$ 14,577,492</u>	<u>\$ 17,070,611</u>

Schedule A

**CORPORATION OF THE TOWN OF PERTH
STATEMENT OF OPERATIONS**

	Draft Budget 2025	Approved Budget 2024	Projected Actual 2024
REVENUES			
Property Taxes	\$ 10,224,378	\$ 9,224,232	\$ 9,295,346
Grant Revenue	1,906,648	1,888,043	2,272,134
Cost Sharing	461,575	449,440	449,440
Water and Sewer Revenue	3,651,912	3,447,690	3,536,736
Licenses and Permits	423,521	409,780	305,366
POA Revenue	687,487	687,487	659,271
Penalties and Interest on Taxes	91,000	91,000	137,797
Investment Income	500,000	700,000	988,842
Other Revenues	934,057	1,014,390	1,062,647
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	18,880,577	17,912,062	18,707,578
EXPENDITURES			
Salaries and Benefits	7,037,631	6,650,401	7,027,236
Utilities	659,111	622,667	612,219
OPP Contract	2,095,543	1,680,550	1,671,611
Other Professional Fees / Contracted Serv	2,592,931	2,282,950	2,645,937
Contingency	100,000	100,000	25,435
Debt Charges (Princ & Interest)	790,397	724,114	724,114
Grants to Others	609,196	598,855	598,855
POA Payments to other Municipalities	34,000	88,480	113,688
Other costs	2,160,153	2,170,195	2,214,689
Amortization	3,120,000	3,120,000	3,120,000
One Time Operating Projects and Carryforwards (2024)	2,128,732	1,643,167	703,673
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	21,327,693	19,681,378	19,457,457
NET REVENUE FROM OPERATIONS	162 (2,447,116)	(1,769,316)	(749,878)
OTHER			
Grants and transfers related to capital	847,712	746,997	1,209,668
Gain (Loss) on sale of tangible capital asset transactions	-	4,000	-
Write down of tangible capital asset	-	-	-
Add back Loan Princ Repaid	634,670	583,456	583,456
	<hr/>	<hr/>	<hr/>
ANNUAL SURPLUS	(964,734)	(434,863)	1,043,247
MUNICIPAL EQUITY, BEGINNING OF YEAR	77,830,721	76,787,475	76,787,475
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MUNICIPAL EQUITY, END OF YEAR	\$ 76,865,988	\$ 76,352,612	\$ 77,830,721

**CORPORATION OF THE TOWN OF PERTH
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

	Budget 2025
ANNUAL SURPLUS	<u>\$ (964,734)</u>
Amortization of tangible capital assets	3,120,000
Acquisition of tangible capital assets	(14,234,507)
Write down of assets	-
Proceeds on sale of capital assets	-
Gain (Loss) on sale of tangible capital asset transactions	-
(Acquisition) disposal of prepaid expenses	(21,975)
	<u>(11,136,482)</u>
(DECREASE) INCREASE IN NET FINANCIAL ASSETS	(12,101,216)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	7,044,254
	<u><u>\$ (5,056,963)</u></u>

**Corporation of the Town of Perth
Municipal Equity Reconciliation
As at December 31**

	Budget 2025	Projected 2024	Actual 2023
Tangible Capital Assets (cost less accumulated amortization)	81,534,717	70,420,210	66,074,675
Long Term Liabilities	(14,238,078)	(4,872,748)	(4,768,204)
Unfinanced Capital Projects	(160,000)	(160,000)	(360,000)
Reserves & Reserve Funds	9,729,348	12,443,258	15,841,005
	<hr/>	<hr/>	
Total Municipal Equity	<u>\$ 76,865,988</u>	<u>\$ 77,830,721</u>	<u>\$ 76,787,475</u>

**Corporation of the Town of Perth
Summary of Grant Revenue Included in 2025 Budget
(with comparative figures presented for 2024)**

	2025 Draft Budget	2024 Approved Budget	2024 Projected Actual
Operating Grants			
OMPF Grant	1,566,200	1,517,500	1,517,500
Police Community Safety Grant	139,080	139,080	468,199
RIDE Program Grant Revenue	7,968	7,968	7,968
MCSCS Court Security / Prisoner Transport	125,000	135,095	126,957
Blue Box Grant	40,000	60,000	80,000
Museum & Other Grants	27,000	27,000	23,547
Comm & Indust Misc Grants	1,400	1,400	17,500
Lanark County Climate Grant		-	11,500
Experience Ontario 2024/2025		-	14,000
FCM		-	4,963
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TOTAL	\$ 1,906,648	\$ 1,888,043	\$ 2,272,134
	-	-	-
Capital Grants			
OCIF	644,712	539,797	560,619
CCBF	203,000	180,000	203,386
Perthmore Recreation	-	78,463	78,463
Mill St Playground	-	140,000	140,000
Emergency Management Ontario	-	27,200	27,200
POA Offset	-	-	200,000
	<hr/>	<hr/>	<hr/>
TOTAL	\$ 847,712	\$ 965,460	\$ 1,209,668

Corporation of the Town of Perth Summary of Grants to Others

Recipient Name	2025	2024	2023
	Draft Budget	Approved Budget	Approved Budget
Y.A.K.	30,000	30,000	30,000
The Table Community Food Centre	15,000	15,000	15,000
Big Brothers / Big Sisters of Lanark County	3,000	3,000	3,000
Cornerstone Landing	10,000	10,000	10,000
Perth Citizen's Band	2,500	2,500	2,500
Tayside Community Options (By-law)	20,000	20,000	20,000
Perth Chamber of Commerce	10,000	10,000	10,000
Senior Craft Fellowship (By-law)	5,000	5,000	5,000
Perth Santa Claus Parade (By-law)	1,500	1,500	1,500
Other Grants	5,500	5,500	5,500
Community Improvement Plan	35,000	35,000	35,000
Heritage Building Restoration Grant	10,000	10,000	10,000
Library Rent Subsidy	2,400	2,400	2,400
Hospital Grant	98,000	98,000	98,000
Sub-Total	247,900	247,900	247,900
Grant to Library (per Lib. Budget)	301,935	287,557	258,307
Development Chg Rev for Library	(7,207)	(7,207)	(7,207)
Grant to RVCA (assumes 5% Increase)	66,568	63,398	60,379
Total	<u>\$ 609,196</u>	<u>\$ 591,648</u>	<u>\$ 559,379</u>

**Summary of Funded Positions
included in the 2025 Budget**

	Full-Time Funded Positions	Part-Time Funded Positions	Seasonal Employees
	#	#	#
Administration & Governance	7	-	-
Fire	2	1	-
POA	4	-	-
Crossing Guards	-	-	6
Parking	2	1	-
Environmental Services			
Roads	6	-	2
Sanitary Sewers	1	-	-
Water	5	-	-
Waste Disposal	2	-	-
Administration	2	-	-
Parks and Recreation			
Pool	4	9	6
Arena	1	2	4
Parks & Crystal Palace	2	-	8
Conlon	1	-	1
Administration	3	-	-
Museum, Tourism & Economic Development	3	1	6
Planning & Building Inspection	5	-	-
Property Management & Fleet	2	-	-
TOTAL	52	14	33

Figures do not include Council members.

**TOWN OF PERTH
2025 BIA BUDGET
GENERAL OPERATIONS**

	2025 Draft Budget		2024 Approved Budget	
Revenue				
BIA Levy	117,600		117,600	
Downtown Map Sales	2,400			
Associate Membership Fees	900		1,200	
Other Revenue	<u>2,500</u>	123,400	<u>4,000</u>	122,800
Expenditures				
Regular Salaries & Wages	36,400		58,126	
Employee Benefits	4,732		6,000	
Memberships, Registration and Training	3,750		2,500	
Office Supplies - General	2,450		1,500	
MEMBERSHIP AND MERCHANT PROMOTION				
Graphics & Printing	7,000		6,000	
Promotional Events	10,000		6,087	
AGM Expenses	2,500		1,500	
Web & Social Media Consultant	20,750		4,000	
Advertising	4,000		6,087	
Co-operative Business Grants			2,000	
DOWNTOWN ENVIRONMENT				
BIA Beautification (\$18.5 flowers, \$1.5 misc)	24,015		21,197	
Christmas Lights / Greenery	7,803	<u>123,400</u>	7,803	<u>122,800</u>
Net Contribution		<u>-</u>		<u>-</u>

**TOWN OF PERTH
2025 BIA BUDGET
STEWART PARK FESTIVAL**

Revenue	2025 Draft Budget		2024 Approved Budget	
Perth & District Community Foundation Grants	5,000		5,000	
Fundraiser Revenue	8,000		10,000	
After Hour Bracelets	4,500		8,800	
Souvenir & CD Sales	4,700		3,500	
Vendor Fees	9,000		7,500	
Donations - Gate and Other	24,000		20,000	
Bar Sales	5,000		6,000	
Grants	15,000		10,000	
Sponsorship	50,000		45,000	
	<hr/>	125,200	<hr/>	115,800
Expenditures				
Part Time Staff	4,000		4,000	
First Aid	2,000		1,000	
Reserve Repayment	-		1,000	
Artistic Director Honorarium	500		3,000	
SOCAN Fees	2,300		1,500	
Performer Accommodations	6,000		6,000	
Performer Meals and Drinks	-		1,000	
Merchandise	1,000		1,000	
Memberships	2,000		-	
Fundraiser Expenses	4,000		4,000	
Volunteer Supplies	5,500		5,000	
Bar Stock for Resale	500		5,000	
Signage	1,000		2,200	
Web Site Administration	5,300		5,000	
Tech (sound & lights)	15,000		15,000	
Promotion (radio, newspaper etc.)	4,000		3,000	
Printing (program, posters, etcà)	1,000		1,500	
Site, Tents, Security, etc	10,300		13,500	
Performer Fees	50,000		39,500	
Shuttle Bus Rental	2,200		1,500	
Grant Writing	1,800		-	
Miscellaneous	6,800	125,200	2,100	115,800
	<hr/>		<hr/>	
Net Contribution		<hr/> <hr/>		<hr/> <hr/>

2025 Draft Budget

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Background



2025 Budget – Proposed Property Tax Rate Increase

Rate Increase related to Policing	4.5%
Rate Increase related to Operations/Capital	<u>5.5%</u>
Total Rate Increase	10.0%
Increase related to Growth	<u>1.0%</u>
Total Increase in Levy	<u>11.0%</u>



What Does This Look Like?



Average assessed value of a home in Perth is around \$300,000



Monthly impact of proposed Property Tax Increase to average residential property owner



\$ Increase to Quarterly Property Tax Bill

Other Municipalities – Recommended Rate Changes

Mississippi Mills – 10% municipal, 13.55% Police Levy

Tay Valley – 11%

Lanark Highlands – 12% in 2023 and 2024 – 2025 N/A

Carleton Place – 9% including 2% growth

DNE – 6.9%

All recommended changes subject to confirmation by Councils.

Other Budget Pressures

- Much of the infrastructure, like roads, water systems, and sewers, built in the 1960s and 1970s is now old and needs replacing.
- Investment income has gone down due to lower rates and balances.
- Property tax increases since 2011 have been very low, leaving reserves too small.
- Inflation rates have been unusually high over the past five years.

Changes Throughout the Years



The Construction Price Index tracks changes in the cost of construction materials and labour.

For municipalities, this is especially important for our budget as much of our spending goes toward building and maintaining infrastructure, such as roads and buildings.



Five Year Projections

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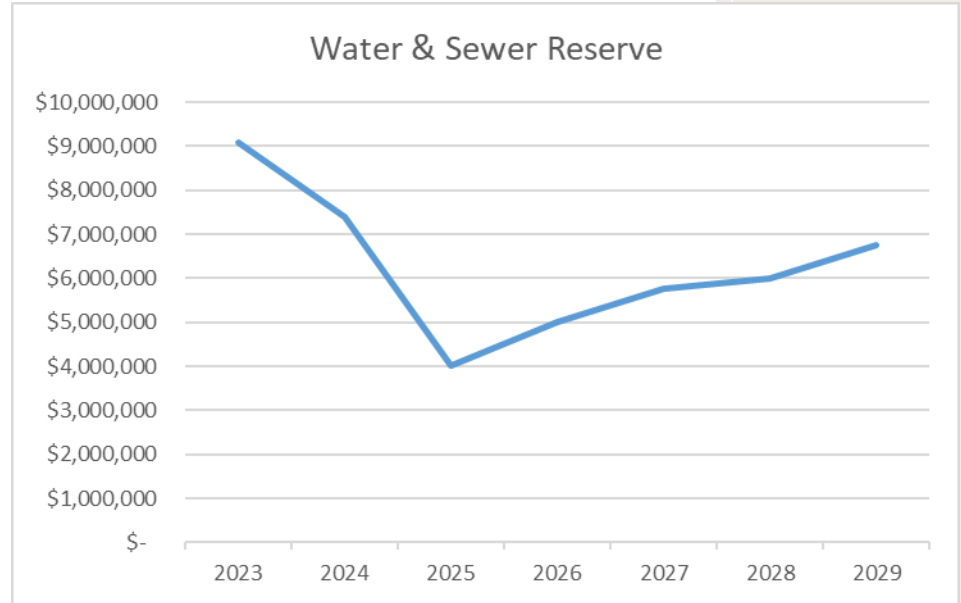
Overview: Reserves & Debt

The following five-year projections have been based on :

- maintenance of current service levels;
- 6% annual increase in property tax rates after 2025;
- 6% annual increase in water & sewer rates starting in 2025;
- reasonable rates of inflation for operating expenses and fee revenue;
- capital projections based on the Asset Management Plan;
- investment income rates of 4% per annum.

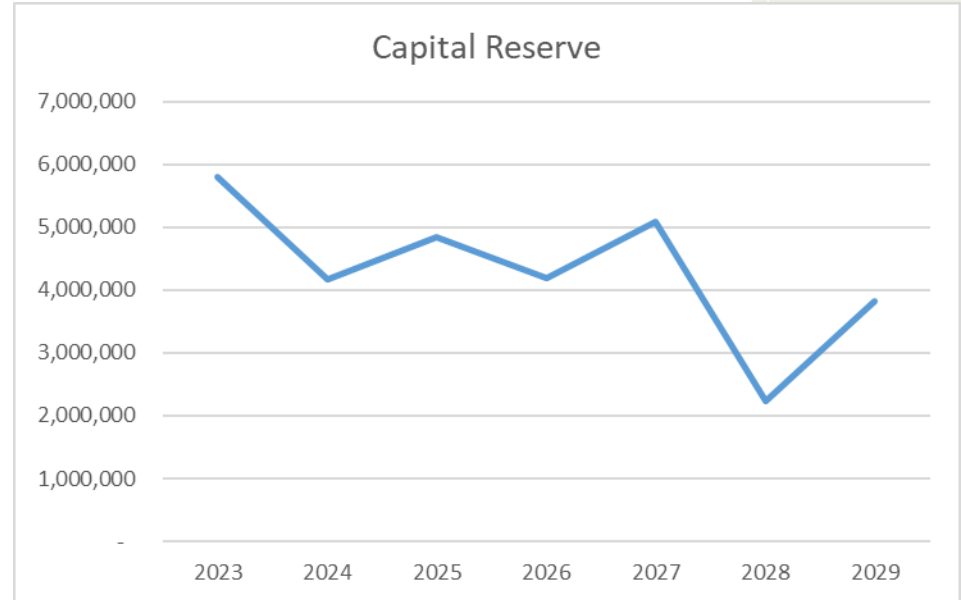
Water & Sewer Reserve

- The Water and Sewer Reserve declines from \$9.1 million at the end of 2023 to \$6.7 million at the end of 2029.
- There are \$13.0 million of capital expenditures from 2025 to 2029 including the expected redevelopment of Highway 7.
- There is \$6 million of new debt included in the Reserve projections also for Highway 7.



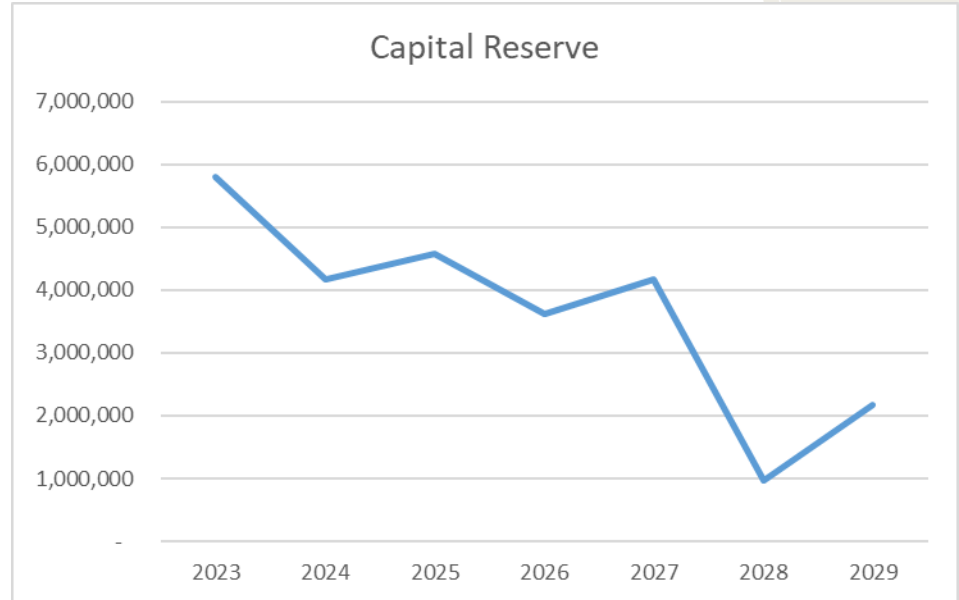
Capital Reserve – 10% rate increase in 2025

- The Capital Reserve declines from \$5.8 million at the end of 2023 to \$3.8 million at the end of 2029.
- There are \$22.2 million of capital expenditures from 2025 to 2029 including the expected redevelopment of Highway 7.
- There is \$19 million of new debt included in the Reserve projections.



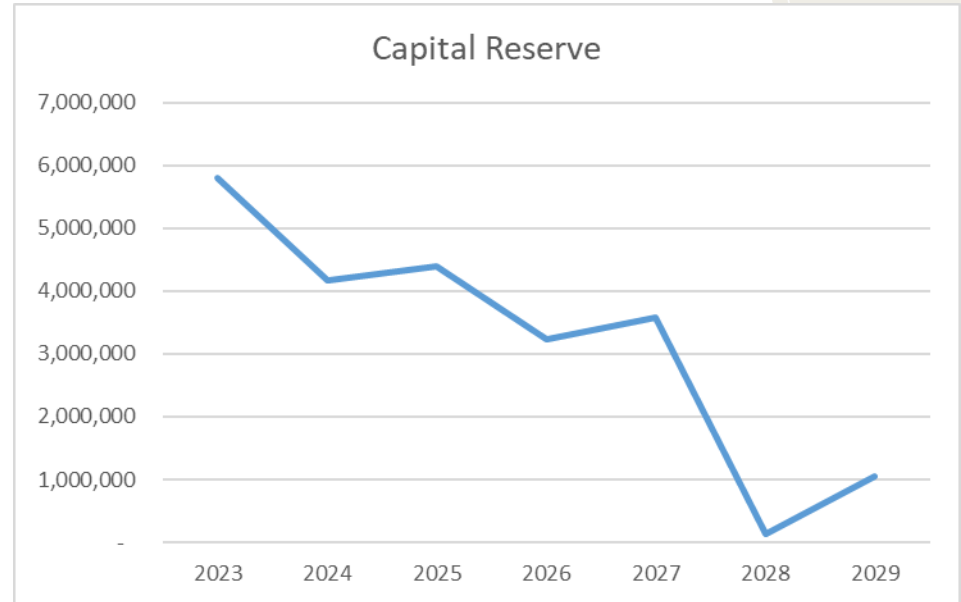
Capital Reserve – 8% rate increase in 2025

- The Capital Reserve declines from \$5.8 million at the end of 2023 to \$2.2 million at the end of 2029.
- There are \$22.2 million of capital expenditures from 2025 to 2029 including the expected redevelopment of Highway 7.
- There is \$19 million of new debt included in the Reserve projections.



Capital Reserve – 6% rate increase in 2025

- The Capital Reserve declines from \$5.8 million at the end of 2023 to \$1.1 million at the end of 2029.
- There are \$22.2 million of capital expenditures from 2025 to 2029 including the expected redevelopment of Highway 7.
- There is \$19 million of new debt included in the Reserve projections.



Options related to Service Level Changes



Efficiencies in Budget

In the preparation of the draft budget, numerous small efficiencies were introduced based on actual experience in 2024. Larger efficiencies include the sale of the White House (eliminate \$191K in repairs), staff restructuring in Environmental Services (\$58K) and tendering photocopiers and printing (\$21K).

Potential other changes were identified but are Service Level changes which are identified on the following slide.

Service Level Changes for Council to Consider

1. Defer Garage Capital Budget and \$4 million debt until separate report by staff – note no impact on tax rate in 2025.
2. Cut Planning consultant budget by \$112K. Result - increases time to respond to planning applications, equal to 1% cut in property tax rate.
3. Cut hospital grant by \$98K. Result – minimal decrease to hospital total budget (\$75M), equal to 1% cut in property tax rate.
4. Cut Non-Bylaw Grants to Others by 50% (\$61K). Result – equal to ½ % cut in property tax rate.

QUESTIONS?

