



**2009  
Municipal Budget**

**Adopted by Council  
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**For further information, contact:**

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## 2009 North Grenville Municipal Budget

### Summary

This document is a general outline and description of the 2009 North Grenville municipal budget. It does not include any taxation or other revenues collected and transferred to the school boards or the United Counties of Leeds & Grenville. The complete budget will be available on-line at [www.northgrenville.ca](http://www.northgrenville.ca) or at the Municipal Offices at 285 County Road 44 in Kemptville.

The 2009 budget summary, in comparison to the 2008 budget, is outlined below. As you will notice, the operating expenditures have increased by 3.0% and the capital expenditures have increased 10.1%. The revenues for operations have decreased by 2.0% however the capital revenues have increased by 17.1%.

	2007	2008	2009	Difference
Operating Expenditures	\$10,659,250	\$11,532,377	\$11,881,172	3.0%
Capital Expenditures	\$3,343,970	\$5,049,744	\$5,559,500	10.1%
Total Expenditures	\$14,003,220	\$16,582,121	\$17,440,672	5.2%
Operating Revenues		\$5,305,725	\$5,198,971	-2.0%
Capital Revenues		\$4,142,334	\$4,850,500	17.1%
Total Non-Tax Revenues	\$7,272,938	\$9,448,059	\$10,049,471	6.4%
Required Tax Levy	\$6,730,282	\$7,134,062	\$7,391,201	3.6%
Less Growth:			\$125,000	
Net Tax Levy	\$6,730,282	\$7,134,062	\$7,266,201	1.9%
<b>Net Tax Rate Impact</b>				<b>1.9%</b>

In 2009 all municipal programs/services and service levels will remain the same. The operating revenues are down by approximately \$100,000 from 2008. The reasons for this reduction in operating revenues is less funds being transferred from reserves and reserve funds and a reduction in fees and charges in the areas of fire, building and planning. The reductions in fees and charges reflect both the economic forecast in the area of building and development, as well as over-estimates in 2008.

In 2009 capital expenditures are increasing. A list of the key capital projects is listed in Schedule "A". The main reason for the increase in spending on capital projects is the provincial grant of \$797,000 from its 2007/08 provincial government surplus and the federal gas tax revenues. As well, the Municipality will borrow approximately \$1.7

million to finance part of the new fire station and part of the expansion of the Oxford Mills public works facility.

### **Taxation:**

In 2008 the Municipal Property Assessment Corporation re-assessed all taxable properties in Ontario. The impact for all classes of properties (residential, commercial, industrial, etc.) for North Grenville was an increase of 24.57%. However, the Province will be phasing in this re-assessment over four years with the overall increase in 2009 being 6.01%. Individual property owners received their re-assessment notices in October/November 2008.

Below is a chart of the average assessment increases for 2009:

<b>Tax Class</b>	<b>% Change in Assessment (Average)</b>
Residential	6.20%
Multi-Residential	5.84%
Farm	5.22%
Commercial	3.81%
Office Building	7.42%
Shopping Centre	3.02%
Industrial	8.95%
Pipeline	3.82%
Managed Forest	34.42%
<b>Total Average</b>	<b>6.01%</b>

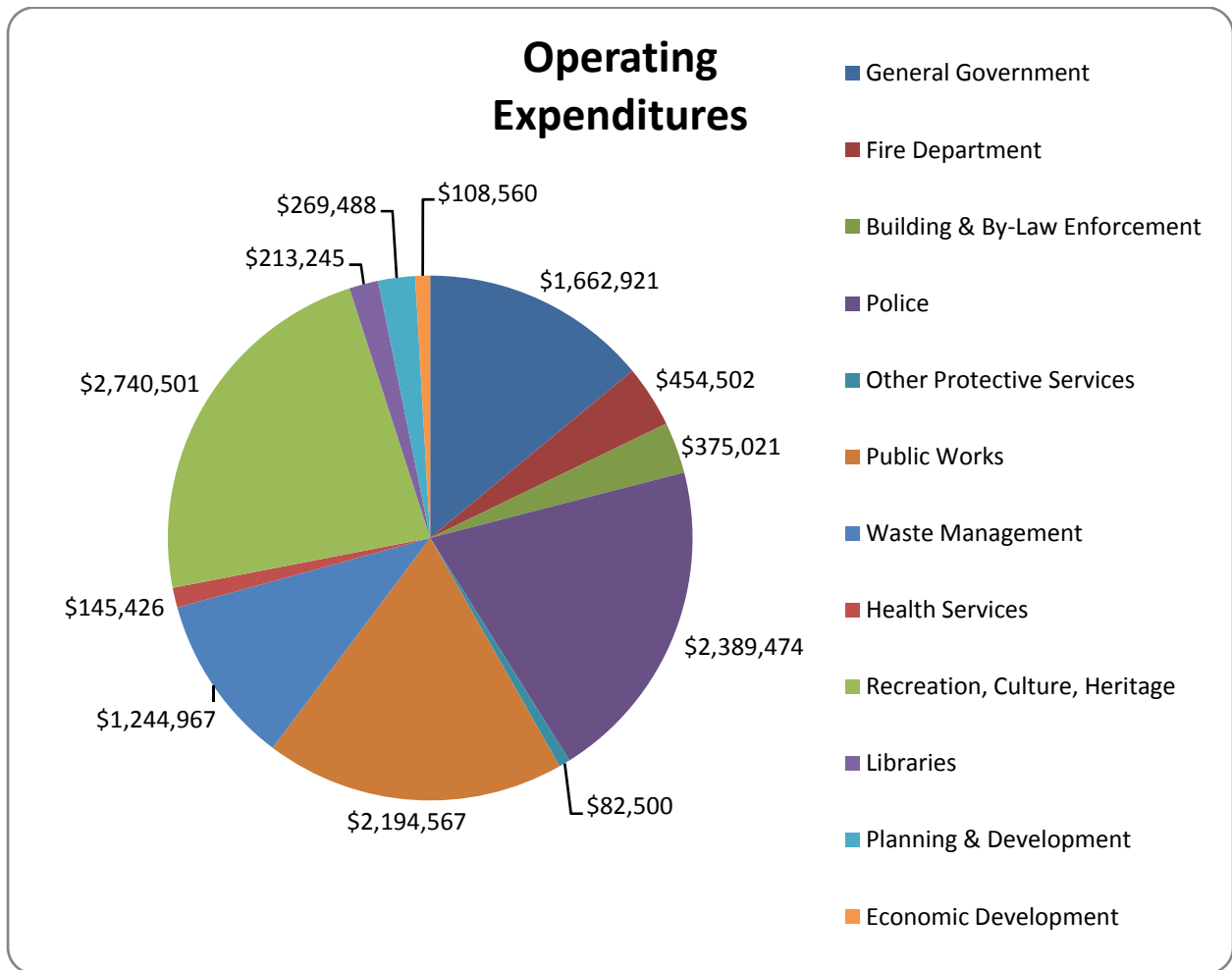
In November 2008 North Grenville Council adopted a policy to prepare the municipal taxes based on 'revenue neutrality'. In other words, Council did not take advantage of the 6.2 % assessment growth due to the province-wide re-assessment, but rather it used the 2008 tax revenues as a basis to build upon the 2009 tax rate. In the end, the average impact on North Grenville taxpayers for 2009 will be 1.9%. However, this will vary depending on individual property re-assessments. Please refer to the above table for the average assessment increase for a particular tax class.

Let's take the example of a residential house. If its assessment increased by 6.2%, the 2009 taxes would be 1.9% above the 2008 taxes. If the house's assessment increased less than the 6.2%, the tax increase would be less than 1.9%. If the house's assessment increased greater than the 6.2%, the tax increase would be greater than 1.9%.

In the case of a home with an assessment of \$200,000, in 2009 the municipal taxes will be \$1,155 – not including school or counties taxes. This same home in 2008 would have paid \$1,134 in municipal taxes (taking into account the assessment increase of 6.2% and the tax increase of 1.9%). This represents a difference of \$21.

### Highlights of the 2009 Budget

Below is a chart of the operating expenditures. As noted above, Council plans to maintain all programs and services and service levels.

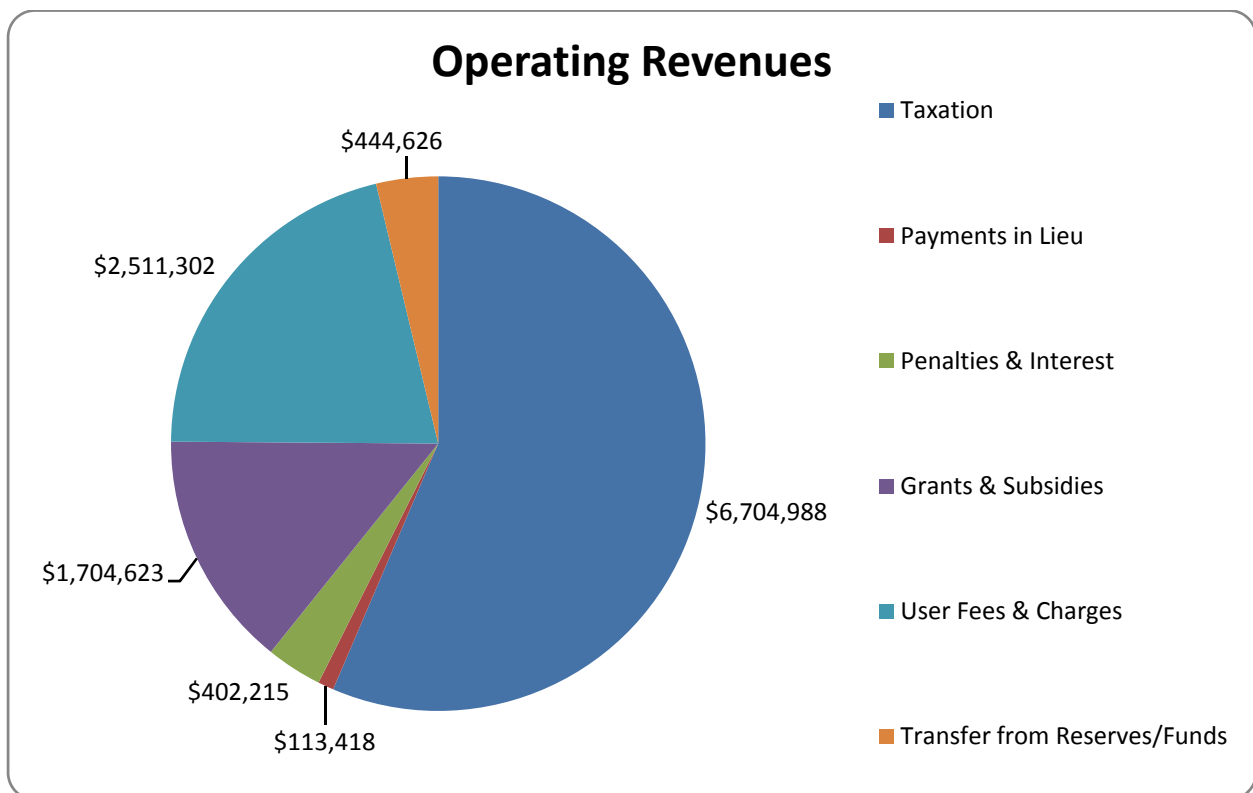


*Note: In the above chart, you can see the estimated 2009 operating expenditures. For ease of understanding, the estimated operating expenditures for General Government are \$1,662,921. You can then work clock-wise around the chart for the corresponding dollar amount for each department.*

Further details of the operating budget include:

- a minor reduction in costs for Council by freezing 2008 honoriums for 2009 and limiting conference expenses
- new lease with Ferguson Forest Centre no longer requires municipal expenditures to be recovered from the Centre
- increase in fees paid to water for rural fire protection (from \$10,000 to \$47,000)
- minor reduction in building costs due to return of full-time inspector and reduction in contractual services
- increase in snow removal costs based on 2008 actual costs and predicted weather
- increase waste tipping and transportation costs – shipping to Lafleche Environmental in Moose Creek – have full year experience in 2008 for basis
- payment of \$130,000 towards hospital expansion
- increase in salary costs in recreation due to programs and increased activities at the Municipal Centre
- reduction in Planning costs due to staffing costs
- increase in economic development to hire economic development officer in June 2009

Below is a chart of the operating revenues.

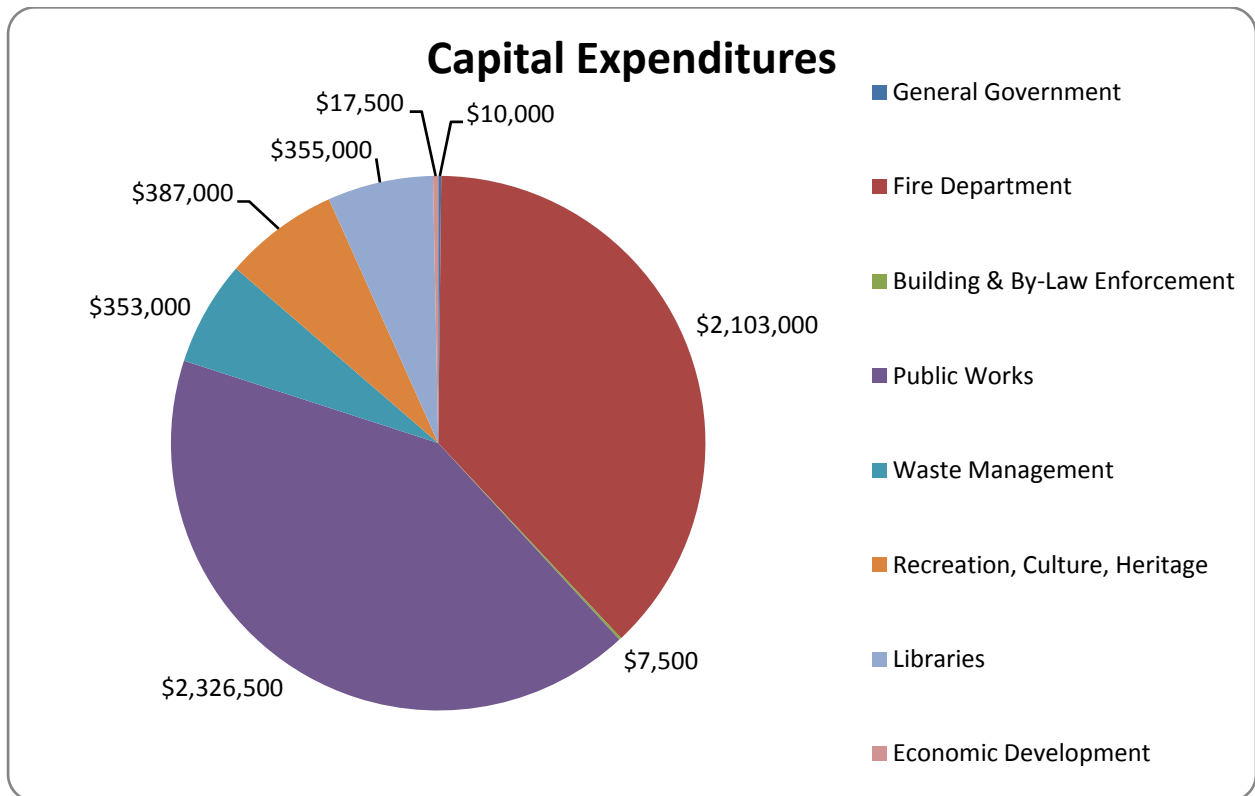


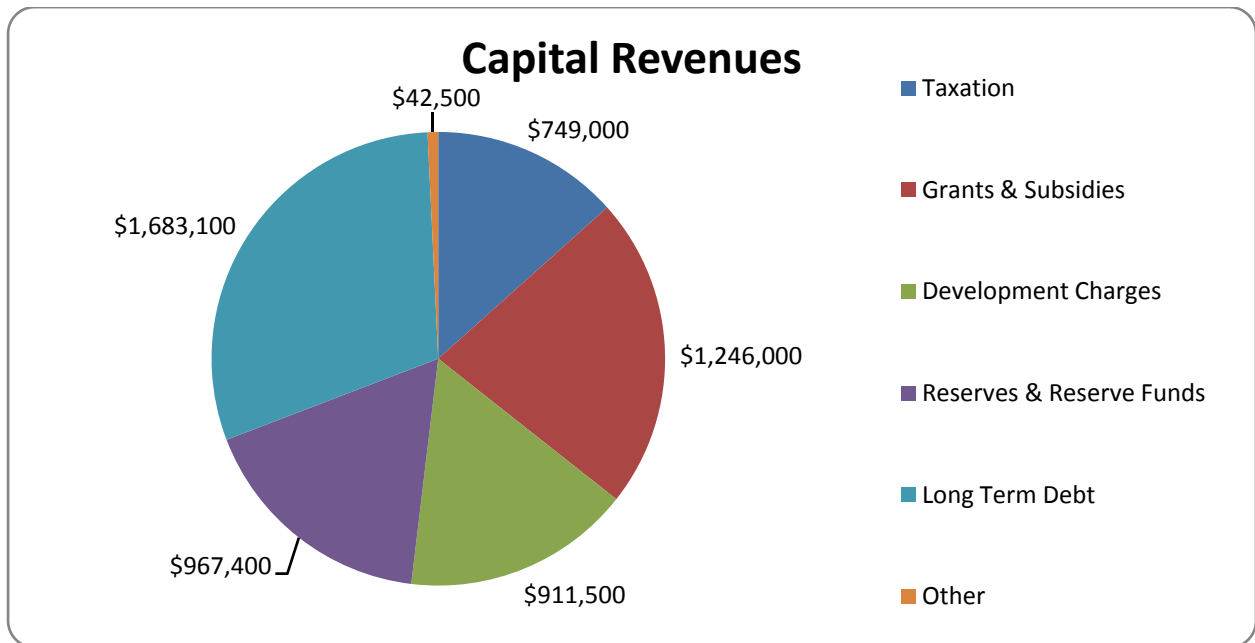
*Note: In the above chart, you can see the estimated 2009 operating revenues. For ease of understanding, the estimated taxation revenue is \$6,704,988. You can then work clock-wise around the chart for the corresponding dollar amount for each type of revenue.*

The 2009 capital projects are listed in Schedule “A” attached. Highlights of the projects are:

- the completion of Pine Hill Road – opening from Clothier Street to County Road 43 (Counties plan on constructing round-a-bout at intersection of County Road 43 and Pine Hill in 2009)
- surface treatment on Muldoon Road from County Road 43 to River Road
- numerous other roadway improvements and asphalt overlay
- repairs to Clothier Bridge (on Bridge Street)
- installing new sidewalks, including along VanBuren Street and County Road 44 from County Road 43 to the North Grenville Municipal Centre
- upgrades to the Oxford Mills public works facilities, including the garage expansion, repairs to the existing salt dome, and a new coverall structure
- continuing the closure of the Kemptville landfill site
- funds for the design, project management and fundraising of the new central library (applied for Building Canada funding for construction of a new library)
- replace decking, pipes and filtration improvements at the pool
- installation of an irrigation system at the new South Gower soccer fields

Below are two charts – the capital expenditures and the capital revenue sources.





## Water/Sewer

The water/sewer budget is separate from the general municipal budget. The purpose of this separation is to ensure that the users of water/sewer pay 100% of the costs of water and sewer, including the costs of such infrastructure. This is a policy encouraged by senior governments and adopted by the Municipality.

In response to this policy, Council undertook a review of its water and sewer rates in 2008. As a result, Council adopted a new water/sewer rate by-law. This by-law increased the rates by 9.3% effective October 1, 2008, and 5% each year after for a period of four years. The review found that without such an increase, the water/sewer infrastructure would not be maintained, provincial regulations/laws would not be adhered to, and it could not ensure the system’s sustainability.

The 2009 budget for water and sewer is attached as Schedule “B”. Its highlights are:

- \$1,490,000 fees collected from water/sewer users
- \$1,735,225 costs to operate water and sewer for 2009
- transfer \$200,000 in fees for capital projects
- water optimization projects in the amount of \$535,000 will proceed forward subject to provincial funding (OSWAP)
- completing the Environmental Assessment for the optimization and expansion of the wastewater treatment facility
- water and sewer servicing the east quadrant (along County Road 43 east to the commercial lands on the west side of Highway 416)
- commencing the Environmental Assessment for a new well and reservoir

## **Going Forward**

The 2009 adopted budget will form the foundation for Council's and management's 2009 work plans. Not only will the budget and plans be implemented, but both Council and management will continue to monitor and evaluate them. Reports will be prepared by management and presented monthly to Council at one of its regular Committee of the Whole meetings. Should any budget estimates prove not to be accurate or realized, then measures will be taken to adjust spending or increase revenues to ensure financial stability, and ultimately to work with available resources only.

Council has also resolved that any supplementary tax revenues be set aside for capital purposes. In other words, any taxes collected based on new assessments during 2009 will be set into a reserve/reserve fund for future capital projects.

For further information, please feel free to contact the Municipality of North Grenville or visit the municipal website at [www.northgrenville.ca](http://www.northgrenville.ca).

**Schedule "A"**  
**2009 Capital Projects and Financing Sources**

Project	Estimated Cost	Funding							Comments
		Taxation	Borrowing	Reserves Reserve Funds	Hydro Assets	Development Charges	Grants	Other	
<b>Public Works</b>									
Pine Hill Road	\$350,500	\$72,100		\$167,400		\$23,000		\$88,000	other - gas tax revenues
Muldoon Road (Cty Rd 43 to River Rd)	\$123,000						\$123,000		Investing in Ontario Act
Boundary Road (French Settlement to Arcand)	\$85,000	\$42,500						\$42,500	cost shared with North Dundas
Townline Road (Dangerfield to Beach)	\$157,000	\$17,000				\$140,000			
Various overlay (rural)	\$50,000						\$50,000		Investing in Ontario Act
Various overlay (urban)	\$50,000						\$50,000		Investing in Ontario Act
Clothier Bridge (Bridge Street)	\$270,000						\$270,000		Investing in Ontario Act
Other bridge work	\$50,000						\$50,000		Investing in Ontario Act
Sidewalks	\$30,000						\$30,000		
New Sidewalks (44 & VanBuren)	\$162,000					\$40,000	\$122,000		
Public Works Garage	\$650,000		\$250,000	\$400,000					
Shingles - OM salt dome	\$40,000	\$40,000							
New Salt Dome - coverall	\$80,000		\$29,000	\$51,000					2008 unused roads/bridges grant
Vehicle Replacement Program	\$210,000	\$210,000							
Prescott Street beautification	\$6,000				\$6,000				bike rack, benches, waste receptacles
Christmas decorations	\$6,000				\$6,000				Prescott Street - purchasing some yearly
Office Equipment	\$7,000	\$7,000							plotter to print drawings
<b>Total Public Works Capital:</b>	<b><u>\$2,326,500</u></b>	<b><u>\$388,600</u></b>	<b><u>\$279,000</u></b>	<b><u>\$618,400</u></b>	<b><u>\$12,000</u></b>	<b><u>\$203,000</u></b>	<b><u>\$695,000</u></b>	<b><u>\$130,500</u></b>	
<b>Waste Management</b>									
Kemptville Landfill Closure	<u>\$353,000</u>							<u>\$353,000</u>	gas tax - 2-year project, \$440,000 in 2010
<b>Fire</b>									
Fire Hall	\$2,065,000	\$40,400	\$1,404,100	\$287,000		\$333,500			
Capital (miscellaneous)	\$38,000	\$38,000							
<b>Total Fire Capital:</b>	<b><u>\$2,103,000</u></b>	<b><u>\$78,400</u></b>	<b><u>\$1,404,100</u></b>	<b><u>\$287,000</u></b>	<b><u>\$0</u></b>	<b><u>\$333,500</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	
<b>Library</b>									
Project Management	\$70,050					\$70,050			
Design	\$259,213				\$74,263	\$184,950			
Fundraising & Other	\$25,737				\$25,737				
<b>Total Library Capital:</b>	<b><u>\$355,000</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$100,000</u></b>	<b><u>\$255,000</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	

**Schedule "A"**  
**2009 Capital Projects and Financing Sources**

Project	Estimated Cost	Funding							Comments
		Taxation	Borrowing	Reserves Reserve Funds	Hydro Assets	Development Charges	Grants	Other	
<b>Recreation &amp; Facilities</b>									
NGMC									
theatre - carpet replacement	\$1,000	\$1,000							
reserve - ice resurfacers	\$10,000	\$10,000							
Kemptville Pool	\$0								spread project/costs over 2 years
filtration, plumbing, deck replacement	\$140,000			\$40,000			\$100,000		Investing in Ontario Act & Hydro One grant
accessible left	\$15,000	\$15,000							
Parks	\$0								
irrigation system - South Gower Park	\$110,000	\$110,000							
power - South Gower Park	\$25,000	\$25,000							
accessible play equipment - Riverside	\$75,000	\$75,000							
accessible picnic tables	\$6,000	\$6,000							
Cemetery - replace mower deck	\$5,000	\$5,000							
Total Recreation Capital:	<u>\$387,000</u>	<u>\$247,000</u>	<u>\$0</u>	<u>\$40,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$100,000</u>	<u>\$0</u>	
<b>Finance &amp; Administration</b>									
New server	<u>\$10,000</u>	<u>\$10,000</u>							
<b>Planning &amp; Development</b>									
Planning & Building	\$0								
reserve for vehicle	\$7,500	\$7,500							
Legacy Projects	\$17,500	\$17,500							
Total P&D Capital	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
<b>Totals:</b>	<b><u>\$5,559,500</u></b>	<b><u>\$749,000</u></b>	<b><u>\$1,683,100</u></b>	<b><u>\$945,400</u></b>	<b><u>\$112,000</u></b>	<b><u>\$791,500</u></b>	<b><u>\$795,000</u></b>	<b><u>\$483,500</u></b>	

## Schedule "B"

### Water/Sewer 2009 Budget

Operating Budget		Capital Budget	
<b>Operating Revenues:</b>	<b>2009 Budget</b>	<b>Capital Revenues:</b>	<b>2009 Budget</b>
Uesr Rates	\$1,490,000	OSWAP Funding	\$535,000
Penalties & Interest	\$22,042	Transfer from Operating Fund	\$200,000
Rural Fire Protection Charge	\$47,000	Development Charges	\$276,500
Development Charges (debt payment)	\$169,220	Long-Term Debt	\$1,690,000
Other Fees	<u>\$14,935</u>	<b>Total Capital Revenues:</b>	<b><u>\$2,701,500</u></b>
<b>Total Revenues:</b>	<b><u>\$1,743,197</u></b>		
<b>Operating Expenditures:</b>		<b>Capital Expenditures:</b>	
Administration	\$938,545	Demand Management Program	\$25,000
Water	\$163,410	UFW Assessment Report	\$25,000
Sewer	\$433,270	Leak Detection Program	\$60,000
Transfer to Capital Fund	\$200,000	Water Meter Assessment	\$15,000
<b>Total Operating Expenditures:</b>	<b><u>\$1,735,225</u></b>	Asset Management Inventory	\$50,000
		Well Assessments & Rehabilitation	\$360,000
<b>Net Operations:</b>	<b><u>\$7,972</u></b>	Reservoir Baffles - Alfred	\$45,000
		Vehices (2)	\$90,000
		EA Wastewater Treatment	\$61,500
		east servicing	\$1,690,000
		project management	\$65,000
		EA for new well & storage (east)	\$150,000
		design - Rideau/Sanders water/sewer	\$65,000
		<b>Total Capital Expenditures:</b>	<b><u>\$2,701,500</u></b>