



2025 Proposed Business Plan & Budget

Presentation to Town Council December 10, 2024

2025 Proposed Budget

- Overview – Chief Administrative Officer
- Budget – Treasurer & Deputy Treasurer
 - Budget Document
 - Operations
 - General
 - Water & Wastewater
- Lifecycle
- Reserves
- Conclusion
- Q & A



Council Vision:

Proud of the Past. Confident in the Future. A Community for everyone.



Council Mission:

Working together for sustainable growth and service delivery to support an exceptional quality of life.



Strategic Priorities 2023-2026



Sustainable Growth

Achieve prosperity and a livable community through sustainable growth.



Community Health & Inclusion

Integrate community health and inclusion into our places and spaces and everything we do.



Service Experience

Enhance the experience of Team Tecumseh and our citizens through responsive and respectful service.



2025 Objectives: Sustainable Growth

- Continue with growth-related initiatives:
 - Tecumseh Hamlet Secondary Plan Area – secondary plan adoption, water & wastewater servicing (with HEWSF grant - secured); stormwater management facilities (with CHIF grant – pending)
 - Manning Road Secondary Plan Area – stormwater management facilities (with HECS grant – pending); planning applications
 - Housing Action Plan (with HAF grant – secured) – Initiatives 1 to 9
 - Oldcastle Heights subdivision build-out – 220 residential lots
 - Oldcastle Special Planning Study – future plans for Oldcastle Hamlet
 - Town New Comprehensive Zoning By-law – completion
 - Installation of local sanitary sewers in Oldcastle Hamlet



2025 Objectives: Sustainable Growth

- Continue with growth-related initiatives cont'd:
 - Design/construction of capital projects with secured funding:
 - DMAF Storm & Sanitary Pumping Stations
 - Centennial & Woodbridge watermain replacements
 - Lesperance Road multi-use trails (Riverside Drive to First Street and CR22 to CR42)
 - Studies & Plans
 - Continue work on Asset Management
 - Storm water rates study
 - Class EA's for water and wastewater services



2025 Objectives: Community Health & Inclusion

- Develop community amenities and facilities:
 - Lakewood Park South water feature and washrooms
 - Southfield Park trail, water feature, washrooms
 - Rocheleau Park improvements
 - Optimist Park/St. Clair Beach Community Centre pavilion refresh
 - Next phase of Sports Fields rehabilitation
 - Improve connectivity at municipal sites & add to public wireless hotspots



2025 Objectives: Community Health & Inclusion

- Accessible Programs & Services
 - Maintain hybrid transit system & introduce 3 new electric transit buses
 - New educational & friendship activities with our Indigenous Community
 - Expand the offerings of the Senior's Active Living Centre
 - Implement updated Emergency Response Plan
 - Support the new OPP Detachment Board – North & Policing Services
- Studies & Plans
 - Climate Change Mitigation Strategy
 - Parks & Recreation Master Plan update
 - Healthy Aging Strategy



2025 Objectives: Service Experience

- New/Improved Programs & Services
 - Launch 2-year pilot for Administrative Monetary Penalty System (AMPs)
 - Revamp Municipal Freedom of Information/Protection of Privacy process
 - Implement regional Food & Organics and Biosolids waste management
 - Finalize & implement branding study for 4 main commercial districts
 - Implement county-wide Emergency Services radio system upgrades
- Citizen Outreach
 - Carry out and report findings of 2024/25 Citizen Satisfaction Survey
 - Prepare annual report out of 2023-2026 Corporate Strategic Priorities



2025 Objectives: Service Experience

- Internal Service Improvements
 - Commence new Records & Information Management processes
 - Implement new HRIS/Payroll Time & Attendance software
 - Positive labour relations & collective bargaining with 4 CUPE Locals
 - New leadership development framework for Directors/Managers/Leads
 - Create Equity, Diversity & Inclusion action plan
 - Improve budget communications, tracking & pursue 15th GFOA award



2025 Proposed Business Plan & Budget

As presented to Town Council
December 10, 2024



2025 Proposed Business Plan & Budget

Electronic Document Overview

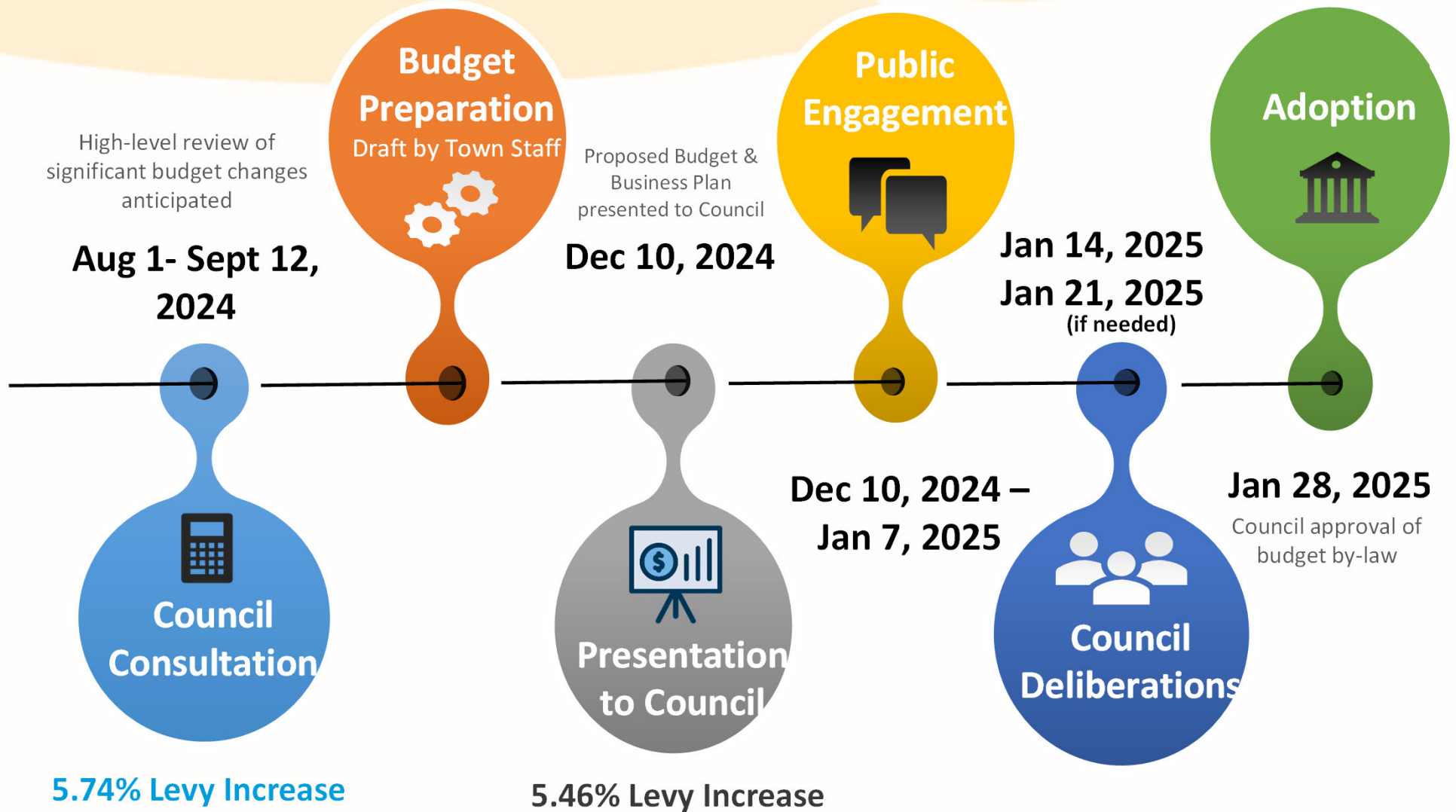
New-look Budget Document

1. Transmittal
2. Executive Summary
3. Budget Reconciliation – PSAB Adjustments
4. Recommended New Staffing Enhancements
5. Operating Budget
6. Lifecycle
7. Reserves
8. Supplementary Information
 1. Budget Process
 2. Revenue and Expenditure Analysis



Budget Process

6.08% Levy Increase



Council Consideration

- Total Municipal tax levy required is \$30.6M
 - \$1.6M or 5.46% increase vs prior year approved budget
- Municipal tax rate increase of 5.46% vs prior year approved rate

Impact on \$275K Property	% of Increase	\$ Increase
Noncontrollable/Inflationary	0.21%	\$ 5
Contribution to Capital	1.55%	36
Operations (net of growth)	3.70%	85
	5.46%	\$ 126

- Consolidated levy increase ~4.32% expected vs prior year approved budget
 - \$182 consolidated increase on \$275K assessed property
- Province postponed Assessment Update indefinitely
 - Property assessments are based on fully phased-in January 2016 values



2025 Proposed Levy Summary

Budget Drivers	2024	2025 Proposed	2026	2027
Base Department Operations (excl Pay/Ben)	0.05%	3.10%	1.30%	0.98%
Service Level Enhancements	3.29%	1.03%	0.95%	0.00%
Payroll/Benefits	0.78%	1.19%	1.22%	0.77%
Sub-total - Operating	4.12%	5.32%	3.46%	1.74%
Lifecycle	0.73%	0.86%	0.82%	0.82%
New Infrastructure Levy	0.73%	0.69%	0.65%	0.65%
Sub-total - Capital	1.46%	1.55%	1.47%	1.47%
Total	5.58%	6.87%	4.93%	3.21%
Assessment (Growth)/Loss	-0.55%	-1.41%	-1.06%	-1.31%
Total w/ Growth factor	5.03%	5.46%	3.87%	1.91%



Key Revenue Items

- Assessment Growth \$ 400,000
- User Charges \$ 150,000
 - Arena and facilities rentals
 - Pool programs
 - Essex County Detachment Board North
 - Participation, through Essex Energy, in IESO Capacity Auction
- Grants **\$(277,000)**
 - Summer student grant
 - Pool programs
 - HAP funding



Key Expenditure Items

- Contract Services \$ 590,000
 - OPP Police Services
 - Garbage Collection/Disposal
 - Facility Maintenance
 - Recreation Programs
- Inflationary items \$ 100,000
 - Garbage
 - Insurance
 - Utilities



Police Services

- OPP Labour settlement
 - \$565,000 increase – retroactive to 2023
 - \$193,000 expensed in 2024
 - Budget deficit - draw from Reserves for 2024
 - \$372,000 increase for 2025 Budget
 - 1.3% increase to general tax rate
 - 2024 retroactive costs to come in 2026
 - Provincial financial relief proposal
 - Proposed billing reduction changes estimated \$539,000
 - Administration to determine budget options to be considered at Budget Deliberations of January 14, 2025



Police Services

- Comparative Policing Costs (2023)

Police Service	Per Household Cost 2023	Projected Household Cost 2025
Kingsville	\$364	\$442
Essex	\$386	\$471
Tecumseh	\$391	\$471
Lakeshore*	\$431	\$498
Amherstburg	\$575	N/A
Leamington*	\$610	\$709
LaSalle	\$878	N/A
Windsor	\$1,124	N/A

* Note: 2022 data used as 2023 was not available



Staffing Enhancements

- Positions that were funded through the 2024 budget but deferred to 2025
 - Implementation of Results of Reviews
 - 2021 Organization Review (Transportation Supervisor, Business Analyst) \$150,000
 - Building Review (Sr. Building Inspector)
 - Legislative & Clerk Services \$120,000
 - Records Management Clerk
 - Paralegal, Prosecution Coordinator
 - Customer Service Representative \$20,000
- Additional hours in Community and Recreation \$65,000
 - Facility Leader and Programs/Events Leader
- PT Payroll Clerk \$18,000



What's Not in the Budget

- CUPE Collective agreements expire December 2024
 - 2025 Budget includes 2% provision
- Non-Bargaining Unit compensation review conducted in 2024
 - 2025 Budget includes provision of \$100,000
- Implementation of recommendations from Fire and Community Safety Master Plan
 - Plan to be completed 2025
- OPP
 - Provincial funding (proposed \$539K)
 - 2024 reconciliation
- Lottery licensing litigation

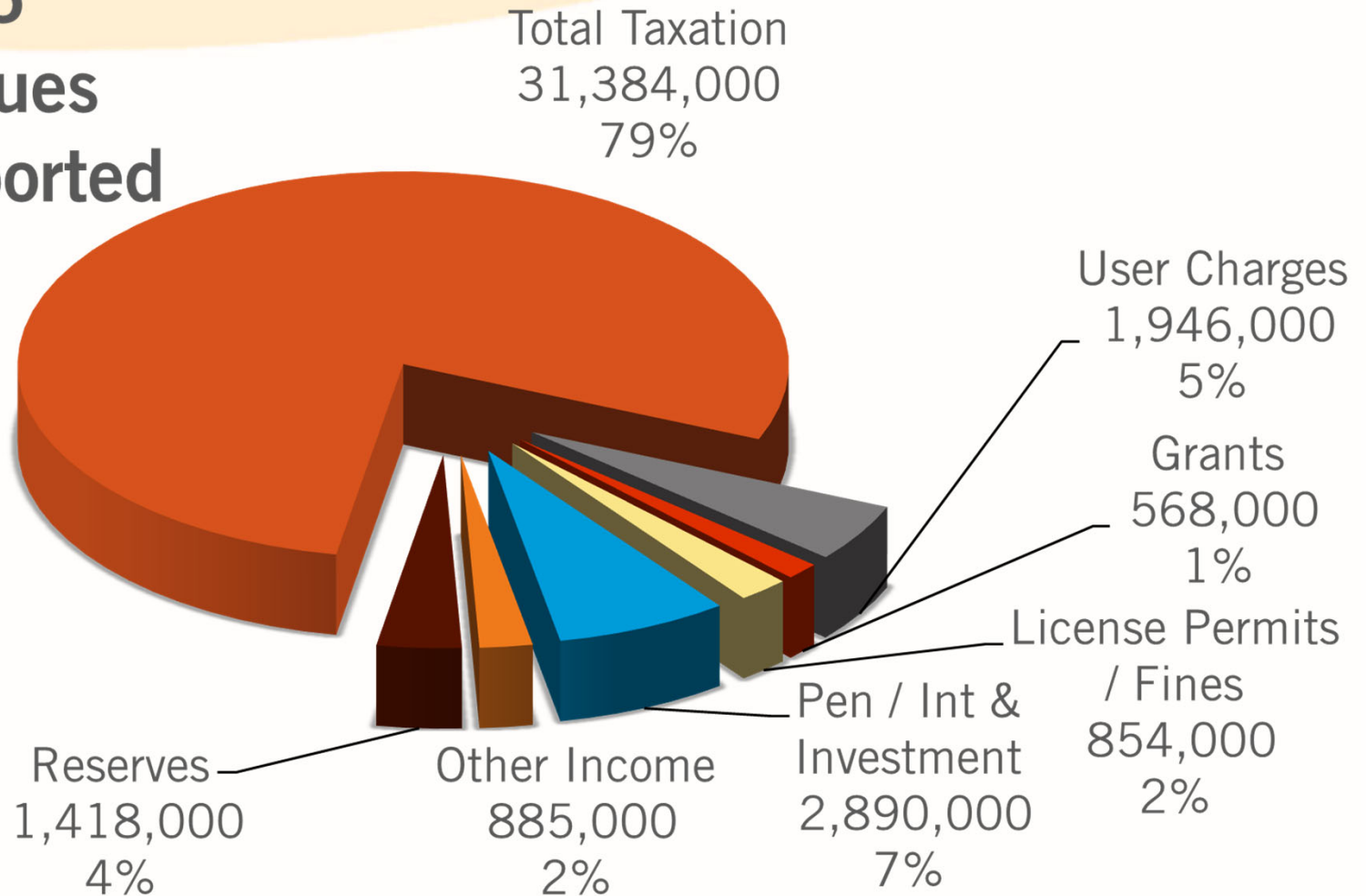


Operating Budget Revenues

2025

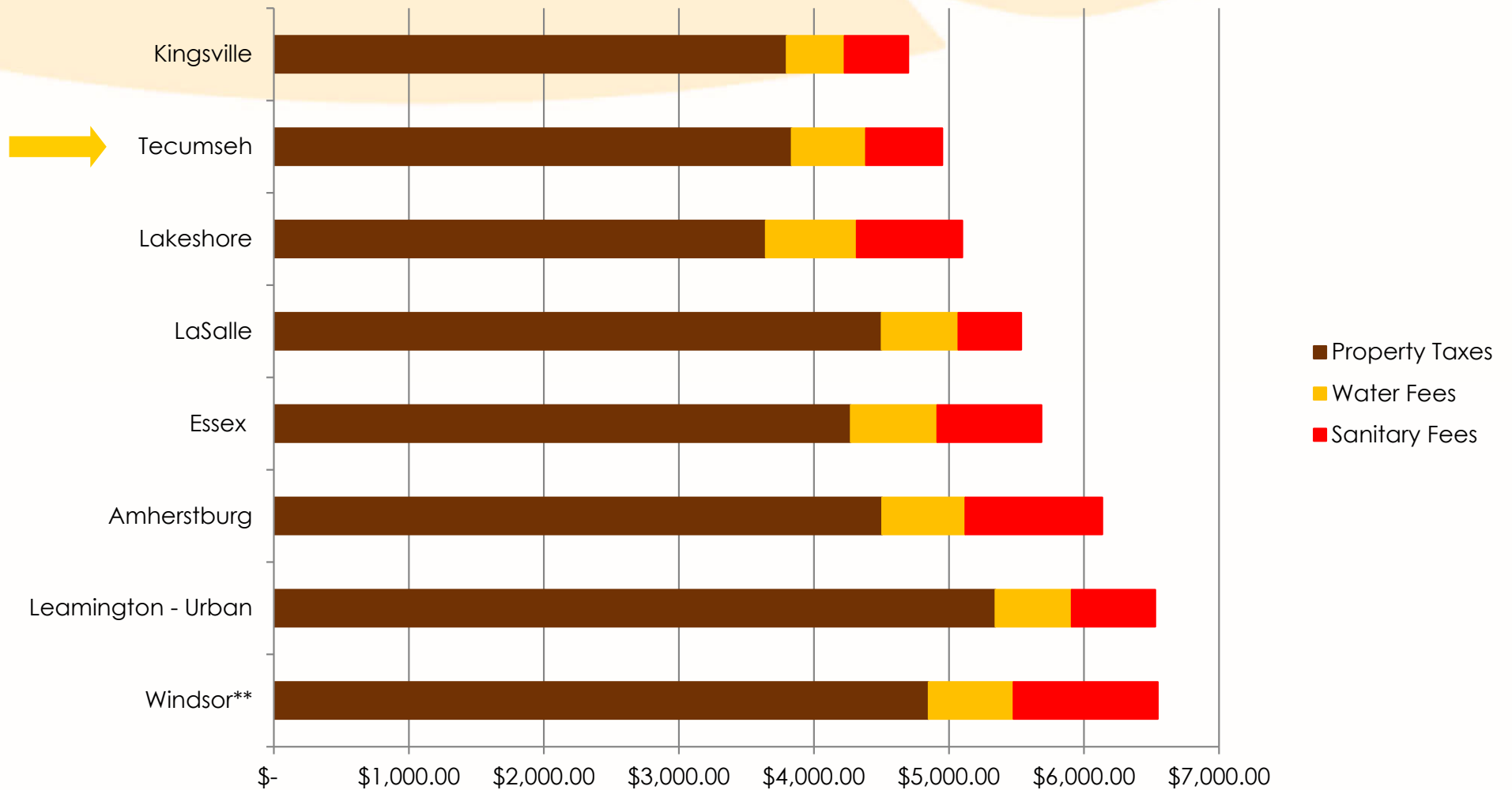
Revenues

Tax Supported



2024 Comparative – Essex County

Combined Tax, Water and Sanitary Burden Comparison *



* - Property Taxes calculated based on home with an assessed value of \$250,000.

Water and Sanitary Fees based on monthly consumption of 20 cubic meters.

** - Windsor taxes calculated using 2023 rate.



2025 Tax Levy Change - \$275K Home

Levying Authority	2025 Levy	2024 Levy	Dollar Difference	Percent Difference
Municipal	\$ 2,438	\$ 2,312	\$ 126	5.46%
County	1,542	1,487	56	3.76%
Education	421	421	0	0.00%
Total	\$ 4,401	\$ 4,220	\$ 182	4.32%



Rate Supported – Water & Wastewater

- Full cost recovery rates – 2023 Rate Study
 - Adjustment to Wastewater Rates
- Rate increase for average residential user
 - 2025 \$45 or 4% (\$1,114 to \$1,159)*
- Rate revenue
 - Wastewater \$5.6M (\$200K increase)
 - Water \$6.5M (\$500K increase)
- 2025 Budgeted capital reserve allocation
 - Wastewater \$2.0M (\$400K decrease)
 - Water \$2.3M (\$360K increase)

* Based on monthly consumption of 20m³



Wastewater – Key Items

- Wastewater Treatment Costs
 - Extraordinary rate increases at Little River Plant
 - Future plant expansion – EA costs
- 8th Concession sanitary extension
 - By-law 2024-060
 - Assessments for first four phases to be issued
 - Next phases scheduled
- Sanitary Sewer Model Update
 - Adopted by Council Feb 2024 – includes \$38M in projects
- Tecumseh Hamlet SPA – Wastewater servicing
 - Tender Dec 2024, Construction 2025
 - \$21M project (water and wastewater) - HEWSF grant \$15M



Water – Key Items

- Bulk Water Purchase Agreement
 - Annual rate increase at CPI
 - Rate adjustment request (WUC-2026)
- Watermain improvement - County projects
 - CR 42 watermain – completed 2023
 - CR 43 trunk watermain – completed 2024
 - CR 19 watermain – 2025/2026
- Watermain replacement – Town project
 - Centennial/Woodbridge – 2025 (ICIP-Green grant funding)
 - Southfield/Arbour – late 2024
 - Brouillette – 2025
- Tecumseh Hamlet SPA – Water servicing



Capital Program and Funding Strategy

- Capital Strategic Workshop 2022
- County and City Capital Programs
- Lifecycle Funding – 2025 allocation \$9.0M (\$250k increase)
 - Lifecycle annual funding target = \$9.9M
- NIL – 2025 allocation \$2,350,000 (\$200K increase)
 - Both LC and NIL annual targets to be updated in 2025 following 2024 DC Study and AMP v4
- Funding Mix – Use of Debt
 - Annual repayment limit / Net Debt : Own Revenues ~3%
- Grant and Partnership Funding



Capital Works Plans

- 5-Year Capital Plans – Approval for 2025 with forecast for 2026-2029
 - Recommendations for proposed projects follow budget
- Recreation and Cultural – SCM March 2022
 - Lacasse Ball Diamond – completed 2024
 - Cada Library Reno – completed 2024
 - Lakewood Park Amenities – planned 2025
 - Maidstone Recreation Centre – septic system and outdoor washrooms completed 2024
 - Sport Field Turf – Phase 1 completed 2024; Phase 2 planned 2025
 - Southfield Park Water Feature, Washroom, Trail – planned 2025



Capital Works Plans

- Public Works – SCM May 2022
 - Focus on development and growth opportunities
 - Tecumseh Hamlet SPA
 - Oldcastle Industrial and Business Park
 - Storm Pump Station Replacements/Enhancements
 - Scully/St. Mark's and P.J. Cecile
 - Trails
 - Lesperance Road CR 22 to CR 42 (3.1 km)
 - Lesperance Road Riverside to First (2.6 km)
 - MRSPA Stormwater Infrastructure
 - Accelerated at property owners' request



Capital Works Plans

- Over \$75M Capital Projects for 2025 and Contributing Funding
 - Scully and St. Mark's Storm Pump Station (DMAF and OCIF)
 - P.J. Cecile Storm Pump Station (DMAF and OCIF)
 - Tecumseh Hamlet SPA Water and Wastewater Servicing (HEWSF)
 - Lesperance Trail – Riverside to First (AFT)
 - Fire Aerial Truck
 - Lesperance right turn lane
 - Centennial/Woodbridge Watermain (ICIP-Green)
 - MRSPA Stormwater Infrastructure (HECS – applied/pending)
 - Southfield Park Water Feature, Washroom, Trail
 - Lakewood Park Washroom / Water Feature
 - Maidstone Recreation Centre
 - Transit Electric Fleet (RTSF)



Reserves Strategy

- Lifecycle Reserves and Reserve Funds
 - Funding sources for replacement
 - \$23M towards PW infrastructure projects in 2025
- Infrastructure Reserve
 - Funding source for new and/or enhanced infrastructure
 - \$7.5M towards Recreation/Community projects in 2025
- 2024 Year-End Reserves/Reserve Funds estimated balance - \$76M
 - Lifecycle / Infrastructure / Water / Wastewater
- 2025 Estimated Net Draw Reserves/Reserve Funds
 - \$23M



Reserves Strategy

- 2026-2029 Outlook
 - Continuance of Capital Works Plans of 2022
- Pressures
 - Annual expenditures well above average
 - Material and labour cost inflation
 - Construction industry capacity
 - Declining reserve balances



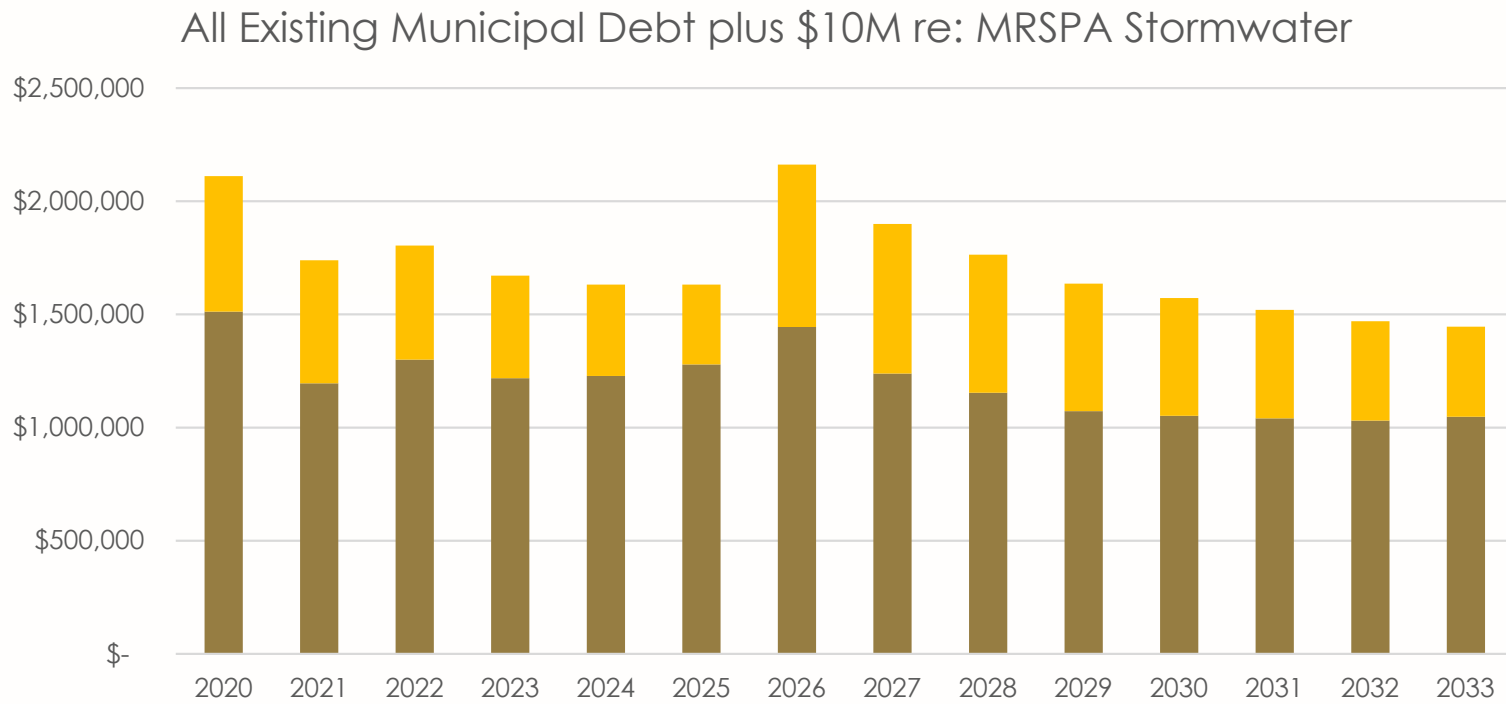
Reserves Strategy

- Mitigating Measures
 - Strength of Town's Lifecycle Program and Reserves provide flexibility
 - Grant and Partnership opportunities
 - Borrowing capacity
 - Declining interest rates
 - Developer option to finance and recover



Long-Term Debt

Estimated Change to Annual Debt Servicing Cost *



*Note: 2025 Proposed Budget does NOT include increase to General Tax Levy for Outlook years to accommodate borrowing. Borrowing in 2025 would initiate re-payments to commence in 2026. Estimated annual increase to debt servicing costs is \$745,000 in 2026, which may be funded through existing LC Storm allocation and expiring corporate Lifecycle Program debt.



Closing

- The 2025 Proposed Budget:
 - Incorporates Council's adopted capital works plans
 - Advances on Council and Community Strategic Priorities
 - Housing Accelerator Plan
 - Tecumseh Hamlet Secondary Plan Area Water and Wastewater Servicing (HEWSF grant support)
 - Proposes Fair Value Tax Rate Increase to Property Owners



Conclusion

- Public Engagement
 - PlaceSpeak opens December 11, 2024
- Budget Deliberations
 - SCM - January 14, 2025 @ 4:00 pm
 - SCM - January 21, 2025 @ 4:00 pm (if needed)
- Budget Approval
 - RCM – January 28, 2025 @ 7:00 pm



Discussion

