



MUNICIPALITY OF ARRAN-ELDERSLIE

Special Council Meeting

AGENDA

Monday, November 4, 2024, 9:00 a.m.
Council Chambers and/or Via Microsoft Teams
1925 Bruce Road 10
Chesley, ON N0G 1L0

	Pages
1. Call to Order	
2. Adoption of Agenda	
3. Disclosures of Pecuniary Interest and General Nature Thereof	
4. Delegation(s)	
4.1 B.M. Ross & Associates - Development Charges	1
• Lisa Courtney, M.Sc., RPP, MCIP, BM Ross and Associates Limited	
4.2 SRFIN.24.1 Development Charges Background Study	22
5. Staff Reports	
5.1 Finance	
5.1.1 SRFIN.24.17 2025 Budget Draft 1	24
5.1.2 SRFIN.24.18 2025 Budget Pre-approval	50
5.1.3 SRFIN.24.16 2023 Audit	52
6. Confirming By-law	
6.1 Confirming By-law - Special Council Meeting - By-law 53-2024	54
7. Adjournment	

8. List of Upcoming Council meetings

- November 12, 2024
- November 25, 2024
- December 9, 2024



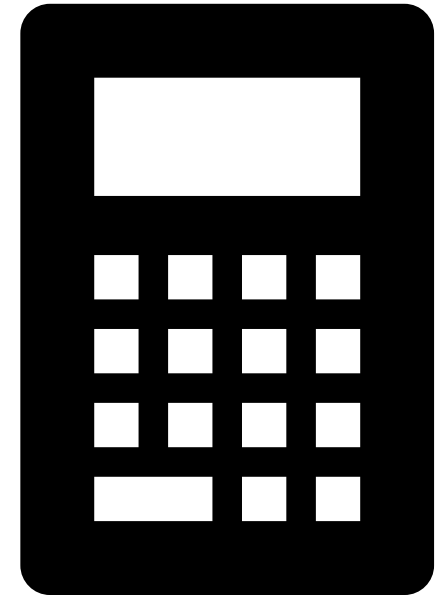
Development Charges 101

MUNICIPALITY OF ARRAN-ELDERSLIE

OCTOBER 28, 2024

What are Development Charges (DCs)?

- ▶ A tool available to allow municipalities to recover **capital costs** associated with infrastructure and services put in place **that benefit growth**. This includes:
 - ▶ New infrastructure and services that support growth; and
 - ▶ Pay down existing debt for past growth works or services;
- ▶ General idea is that 'growth pays for its share' so that the existing tax-payers are not bearing the cost of servicing growth
- ▶ **Development charges cannot be collected for operating or maintenance costs.**
- ▶ Development charges are only collected from new development (not existing residents/businesses)
- ▶ Have existed in Ontario since 1989.



Development Charges

- ▶ DCs are based on a capital works plan set out in the DC Background Study that sets out what projects are being paid for through DCs.
 - ▶ Lots of rules around DCs – especially how they are calculated, what can be collected for
 - ▶ Calculating DCs is a mix of accounting, planning and engineering
 - ▶ DC money must go towards DC projects.
- ▶ DCs are ultimately set by Council.

How is servicing needed for new growth funded?

- ▶ Developers are generally responsible for costs of servicing (i.e. putting in sewers, watermains, roads, etc.) within their property.
- ▶ Who funds the expansion to the water/wastewater treatment plants? Larger trunk sewers/watermain? Equipment for new parks?
 - ▶ Municipal user rates, taxes, reserves
 - ▶ Development charges
 - ▶ Grants
- ▶ Often service capacity must be built **before** the growth occurs for a few reasons:
 - ▶ Engineering reality – expansions to major facilities provide all-or-nothing capacity (can't buy half a snowplow).
 - ▶ Costing – it is usually more cost effective to do major expansions or replacements with other projects (e.g. expand trunk sewer when the road is being reconstructed)
 - ▶ Legislative requirements – municipal water and wastewater systems are subject to regulations requiring advanced expansion (i.e. cannot provide capacity beyond rated limits)

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Development Charge Theory

- ▶ Development charges are one-time fees levied on development to pay for new or expansions to infrastructure and services.
- ▶ Municipalities incur the costs to service new growth, the development that requires that capacity may take years or decades to build out.
 - ▶ Municipal revenue through taxes/user fees is only generated when that development materializes.
 - ▶ If you need to recover all costs through taxes/user fees – the burden is shifted onto the existing tax base and taxes/user fees would likely significantly rise.
 - ▶ Becomes an issue for existing taxpayers: ‘Why am I paying for that capacity, when I’ve already paid for mine?’
- ▶ Development charges are utilized to collect money from those benefiting



The arguments against DCs

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- ▶ Development charges impact house prices
 - ▶ Yes – generally DCs are passed along to buyers in the house price.
 - ▶ However...
 - ▶ Housing prices are also influenced by land prices, housing production costs.
 - ▶ Housing prices have risen significantly and not just in the places with development charges, and these rises are often out of step with the increases to development charges.
 - ▶ Without DCs, the costs for new servicing must be paid through the existing tax base (either through property taxes or user fees) and significant taxes can reduce overall housing affordability.
- ▶ Development charges make us less competitive
 - ▶ Little evidence to show development charges impact the amount of new development
 - ▶ Developers build in communities where they think they can sell houses. Many external factors drive development.

Development Charges in Practice



DCs are calculated for residential and non-residential growth



Residential DCs are typically charged on a per unit basis (e.g. per single detached unit or per apartment unit)



Non-Residential DCs are typically charged per sq. ft. (or sq. m) for new commercial, institutional and industrial growth



Where projects have specific benefiting areas (e.g. a sewage treatment system), the DC should be area-specific.



In many other communities, there is often a different DC in urban areas vs. the rural area, because of area-benefiting services like water and wastewater.

Different categories of development are split so residential development isn't paying for the non-residential share of growth and vice-versa.

The Rule Book (Development Charges Act)

- ▶ The *Development Charges Act* sets out the rules and requirements for enacting a Development Charge By-law and collecting DCs.
 - ▶ Sets out what types of projects can be collected for
 - ▶ How DCs are calculated
 - ▶ Requirement for a new Background Study and By-law **every 10 years**
 - ▶ Reporting requirements
- ▶ Originally put into place in 1989, the Act has been amended many times since then.
 - ▶ Amendments have changed what types of projects can be collected for, how development charges are collected, phasing requirements, etc.

Process for Implementing a DC Bylaw

- ▶ Undertake a Background Study
 - ▶ Forecast of future growth
 - ▶ Review of projects for inclusion in the DCs
 - ▶ Calculation of DCs for each project
- ▶ Present calculated DCs to staff and Council. Council sets proposed DC.
- ▶ Background Study must be available for review 60 days prior to passage of By-law
- ▶ Prepare draft By-law (available 2 weeks prior to Public Meeting)
- ▶ Host Public Meeting to get feedback on proposed DC
- ▶ Council passes DC By-law
- ▶ Issue Notice of Passage
- ▶ 40-day appeal period starts immediately after by-law passed.

What types of projects are DC eligible?

1. Water Supply (including treatment and distribution)
2. Wastewater (sewers and treatment)
3. Stormwater services
4. Services related to a highway (transportation)
5. Electrical power services
6. Transit
7. Waste diversion services
8. Policing services
9. Fire protection services
10. Ambulance services
11. Library services
12. Long-term care services
13. Parks and Recreation services
14. Public Health services
15. Childcare and early years programs and services
16. By-law enforcement and municipally-administered court services
17. Emergency preparedness services



Only services listed in DC Act can be included in DCs

Examples of eligible and ineligible DC projects

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Replacement, repair, maintenance, operation type projects are generally **not** eligible for inclusion in DCs.

- Resurfacing an asphalt road – not eligible
- Replacing a fire truck with a newer fire truck – not eligible
- Replace pumps at sewage pumping station with same sized pumps

Important to remember – DC projects must be result of a need to service or benefit to new growth.

- Additional water treatment/storage capacity
- Adding additional vehicles to the fleet
- Widen a road from 2 lanes to 4 – portion would be eligible
- Replacing pumps with larger pumps needed to service growth
- Upsizing sewers or watermain

Types of projects not eligible for DCs

- ▶ Municipal offices and administration centres
- ▶ Cultural buildings – theatres, museums, etc.
- ▶ Parking lots
- ▶ Landfills
- ▶ Cemeteries



When do Development Charges apply?

Situations where Development Charges would apply:

- Building a new house on a vacant lot
- Building a new office building on a vacant lot
- Converting a commercial building to apartments

No Development Charges:

- Putting an addition on an existing house
- Changing a cottage to a permanent home
- Replacing an existing house with a new house (within a set time frame)

Note: this is not an exhaustive list

Statutory Exemptions to DCs

- ▶ Under the DC Act, DCs cannot be collected for:
 - ▶ Enlargement of an existing dwelling unit;
 - ▶ Second and third residential units in existing dwellings and associated ancillary structures.
 - ▶ A second and third residential units in new dwellings and associated ancillary structures.
 - ▶ Non-profit housing developments
 - ▶ For industrial development where the gross floor area is enlarged by 50% or less
 - ▶ Affordable and attainable residential units
 - ▶ Affordable rental unit (2 bedroom): \$1,464
 - ▶ Affordable residential unit (single detached): \$341,000
 - ▶ Note – attainable residential units not yet defined by regulation.



Municipalities can put their own exemptions in their bylaw.

'Capital Costs' collected through DCs

- ▶ For the different types of eligible projects, you can collect against costs related to:
 - ▶ Costs to acquire land or interest in land;
 - ▶ Costs to improve land;
 - ▶ Costs to acquire, lease, construct or improve buildings or structures;
 - ▶ Costs to acquire, lease, construct or improve facilities including:
 - ▶ Rolling stock with useful life of more than 7 years;
 - ▶ Furniture and equipment (but not computer equipment);
 - ▶ Materials for circulation, reference and information purposes at a library
 - ▶ Cost to undertake studies with the above
 - ▶ Cost the development charge background study
 - ▶ Interest on money borrowed to pay for these costs.

How DCs are Calculated

Forecast future growth and development

Determine 15-year level of service

- DCs cannot be in excess of 15-year level of service

Forecast capital needs to service future growth and development

Determine net capital costs for projects

- Need to subtract any grants/subsidies received
- Subtract portion of costs attributable to the existing population

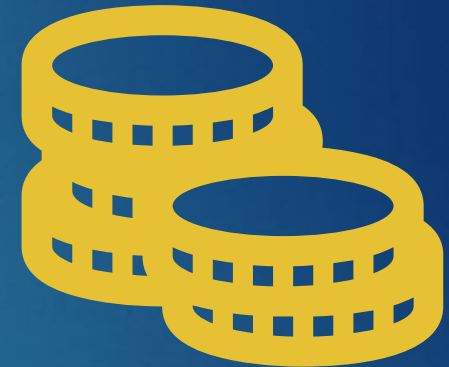
Administration of DCs

- ▶ Most DCs are collected upon issuance of a building permit
- ▶ For developments requiring a Site Plan or Zoning By-law Amendment:
 - ▶ The DC is based on the charge the day the Site Plan/ZBA application is made.
 - ▶ If more than 2 years have passed since the Site Plan/ZBA application, the DC is based on the charge the day the building permit is issued.
 - ▶ If a Site Plan or Zoning Bylaw is not required – DC is the amount at the issuance of building permit or occupancy (whichever is earlier)

DC Reserve Accounts

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- ▶ Municipalities are required to establish a separate reserve fund for each DC service (e.g. roads, water, wastewater)
- ▶ Money collected through DCs is then put into the appropriate reserves (i.e. the portion of the DC that is for water projects goes into the water DC reserve)
- ▶ Money in the reserves can only be used for capital costs of DC projects
 - ▶ Can borrow funds from reserves, but it must be replaced with interest.



Development Charge Bylaws

- ▶ Can now last up to 10 years
- ▶ Municipalities can include their own specific:
 - ▶ Exemptions (e.g. agricultural buildings)
 - ▶ Discounts
 - ▶ Phasing Schedules

Bruce County Development Charges

- ▶ Development in Arran-Elderslie is subject to Bruce County DCs.
- ▶ Other municipalities that have DC exemptions in place will have those same exemptions under the County DC
 - ▶ This creates different DC situations for different municipalities in Bruce County.
 - ▶ E.g. – Saugeen Shores exempts development charges for industrial and institutional development. An industrial development in Saugeen Shores would be exempt from the County DCs but in Arran-Elderslie (where there is no DC Bylaw) an industrial development would pay the County DC.
- ▶ Each municipality makes its own decisions regarding their own DCs – must weigh who is paying for development when considering exemptions.
- ▶ DCs are not the only consideration when locating a business or home in a certain municipality.



Questions



The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: October 28, 2024

Subject: SRFIN.24.1 Development Charges Background Study

Report from: Emily Dance, Chief Administrative Officer

Appendices: None

Recommendation

Be It Resolved that Council hereby,

1. Approves the inclusion of a Development Charges Background Study in the 2025 Budget.

Report Summary

For municipal governments, property tax is the main source of revenue to support the delivery of services. Staff is looking for approval to explore opportunities to raise more revenue to off-set the increased infrastructure costs and reduce the burden on taxpayers.

Background

For municipal governments, property tax is the main source of revenue to support the delivery of services. Additional revenue sources include, provincial and federal transfers, grants and the implementation of user fees. Municipalities are also allowed to collect Development Charges to recover capital costs associated with infrastructure and services that benefit growth.

Analysis

Staff invited Lisa Courtney, MSc, MCIP, RPP from BM. Ross to provide a presentation to Council on Development Charges: what they are, how they can be used for, and how to implement.

The presentation includes a high-level overview and is an opportunity for Council to ask questions.

Staff is looking for approval to explore opportunities to raise more revenue to off-set the increased infrastructure costs and reduce the burden on taxpayers.

Staff is recommending the inclusion of a Development Charges Background Study in the 2025 budget. Decisions on implementing development charges will come after the background study and public meetings

Link to Strategic/Master Plan

6.3 Facilitating Community Growth

6.4 Leading Financial Management

Financial Impacts/Source of Funding/Link to Procurement Policy

An approximate cost for a Development Charges Background Study is \$35,000. The process would include the Request for Proposal process.

Approved by: Emily Dance, Chief Administrative Officer



The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: November 4, 2024

Subject: SRFIN.24.17 2025 Budget Draft 1

Report from: David Munro, Interim Treasurer

Appendices: Appendix A – 2025 New Capital Projects – Draft 1

Recommendation

Be It Resolved that Council hereby,

1. Receive the 2025 Budget - Draft 1;
2. Directs staff to incorporate any comments and create the November 12th, 2025 Budget Public Meeting presentation;
3. Bring back the 2025 Budget Draft 2 to Council on November 25, 2024;
4. Acknowledge the Municipal Innovation Committee membership to end December 31, 2024

Report Summary

This report lists the Draft 1 2025 Capital projects. The new Paisley Fire Hall & Public Works building is the largest capital project in the history of the Municipality with a total cost of just over \$5 million. Options are included for Council's consideration for the funding of this project. Draft 1 lists many capital projects, and Council will need to consider which ones are required in 2025 within our remaining funds and which ones will need to be declined or deferred to 2026.

The Operating Budget has several of the key drivers listed (e.g. wage increase, inflation, etc.) and staff will incorporate Council's direction on these items and return with a more detailed Operating Budget in Draft 2.

Background

We have funds available for 2025 from the following main sources:

- Reserves
- 2025 Property Tax Revenue
- 2025 User Fees
- 2025 Grants and any prior year grants not yet spent

There is \$1,282,368 available from the 2025 Operating Budget to fund capital projects which is similar to last year.

There is \$837,676 available from the Ontario Community Infrastructure Fund (OCIF) which is typically used for Transportation Services capital projects.

Analysis

A complete list of all the capital projects can be found in **Appendix A – 2025 New Capital Projects – Draft 1**.

General

\$9,000 25-GENG-4112 is a one-time upgrade of screens and sound system in the Council Chambers. It will be funded from the Office Equipment reserve.

\$10,000 25-GENG-4118 is an ongoing regular replacement of old computers to keep our staff working efficiently. It will be funded from the Office Equipment reserve.

\$7,500 25-GENG-4119 Engineering Standards one-time project that needs to be funded.

GENERAL GOVERNMENT	
25-GENG-4112 Upgrade screens and sound system in Council Chambers	9,000
25-GENG-4118 replace old computer equipment	10,000
25-GENG-4119 Engineering Standards	7,500
Total GENERAL GOVERNMENT	26,500

Fire

22-FIRE-0004 Paisley Fire Hall & Public Works Construction

Estimated Total Costs:

Domm Construction	\$2,740,000
non-recoverable HST	\$48,224
Site Prep	\$1,308,125
Landscaping	\$10,000
Standby Generator	\$100,000
Compressor	\$75,000
Radio Tower	\$10,000
Furnishings	\$25,000
Project Manager	\$60,000
Contingency	\$737,060
Total	\$5,113,409

Proposed Funding:

Paisley Fire Reserve	\$270,767
Paisley Bell Mobility Reserve	\$93,540
Common Fire Reserve	\$90,000
Fundraising (need to resource)	\$200,000
Canada Community Building Fund (formerly Gas Tax) reserve	\$1,187,684
Surplus land proceeds reserve ("Planning & Development")	\$680,000
sub-total	\$2,521,991
required to fund	\$2,591,418

Assumptions:

- a) Use all the unspent Canada Community Building Fund (formerly gas tax) from 2025 and prior years (\$1,187,684)
- b) Use all the proceeds from prior years land sales (\$680,000)

Options to fund the remainder:

- 1) use working capital reserve for 2025 and partially build back the working capital reserve with future land sales;
- 2) borrow \$2.5 million from Infrastructure Ontario and pay back with future years Canada Community Building Fund.

25-FIRE-0006 Chesley Pumper Truck was part of the 2024 budget and the unspent amount will be enough to pay for our portion of the chassis which is expected to be billed in 2025. The balance of \$342,000 will be part of the 2026 budget. The Township of Chatsworth's share is approximately \$228,000 as per the shared agreement.

There are several other Fire capital projects, all funded by Fire reserves.

FIRE PROTECTION SERVICES		
24-FIRE-0016 Building-2nd Story Live Fire Training Center		7,500
25-FIRE-4103 Bunker Gear (7 sets)		32,000
25-FIRE-4120 Tara Vehicle Rescue Hydraulic Cutter and Spreader Replacement		19,800
25-FIRE-4121 Tara Vehicle Rescue Air Bag System Replacement		13,500
25-FIRE-4122 AE Fire Modernization of Frontline Thermal Imaging Cameras		24,000
Total FIRE PROTECTION SERVICES		96,800

Transportation Services

To date there is \$837,676 in 2025 grant from the Ontario Community Infrastructure Fund (OCIF). For Draft 1, there are capital projects that add up to \$2,148,913. Council and staff will need to prioritize which projects are necessary for 2025 and defer others to 2026.

These items have been categorized as A, B, or C where A is a priority, B medium priority and C low priority which could be deferred until 2026.

With \$420,000 of funding, the A Priorities could be completed using \$688,413 from the OCIF grant.

This leaves \$900,000 to be funded to complete the B priorities - \$150,000 which can come from OCIF (net extra required to complete the B priorities = \$750,000)

TRANSPORTATION SERVICES		
23-TRAN-0029 BRIDGE/CULVERT-(E) - Con 6 Elderslie, east of Lockerby Bridge	A	273,013
25-TRAN-0021 VEH&EQUIP (E)- Tandem Plow Truck	A	400,000
25-TRAN-4125 VEH&EQUIP(E)-Roadside Flail Mower	A	20,000
25-TRAN-4126 Sidewalks(P)-Victoria St from Balaklava to School	A	200,000
25-TRAN-4127 Roads-Pave(E)Sdrd 15 S-Con2 to Bruce Rd11 (SB261)	A	166,000
25-TRAN-4131 Roads-Pave(P) Balaklava - George to James (SB696)	A	17,000
25-TRAN-4133 Roads-Pave(P) Church/Arena - Bruce Rd3 to Ross (RB640)	A	17,400
25-TRAN-4135 Roads-Pave(C) 2nd St SE - Lawn Bowling to 90 metres(RB844)	A	15,000
24-TRAN-0027 Trans (E) - Con 10 Elderslie, reconstruct Sdrd 5 intersection (safety)	B	350,000
25-TRAN-4123 VEH&EQUIP(A)-Bin Landfill trailer	B	11,000
25-TRAN-4124 VEH&EQUIP (P)-One Ton Truck	B	82,500
25-TRAN-4128 Roads-Pave(E)Sdrd 15 S-Bruce Rd11 to Con6(SB259)	B	175,300
25-TRAN-4130 Roads-Construct(E) Brant/Elderslie-Bridge east to Sdrd10 (RB318)	B	280,000

25-TRAN-4132 Roads-Pave(P) Mill Dr - Rowe to Bruce Rd3(RB627)	B	19,400
25-TRAN-4134 Roads-Pave(T) Arena - To Ball Diamond	B	15,000
24-TRAN-0046 Roads-(P) Wellington St - Cty 1 to deadend	C	90,000
25-TRAN-4129 Roads-Pave(E) Brant/Elderslie- Bruce Rd3 to 200 metres	C	17,300
Total TRANSPORTATION SERVICES		2,148,913

Recreation and Culture

There is \$1.2 million for capital projects in Recreation & Culture in Draft 1. Funding is as follows:

- ✓ \$200,000 grants
- ✓ \$120,000 donations
- ✓ \$887,752 to be funded

These projects will need to be prioritized for 2025 and defer some to 2026. There are nine recreation capital projects categorized as "Priority" requiring \$269,230 of funding.

Project 25-RECC-4153 Paisley Ball Diamond Enhancements will go ahead, providing the full cost of the project (\$70,000) has been received in donations.

Project 25-RECC-4150 Tara Arena Dressing Room Upgrades is a \$400,000 project funded 50% from a grant that has been applied for. If the application is successful, this project will commence in 2026.

RECREATION AND CULTURE		
24-RECC-0028 BLDG/COMP-Paisley Arena Chiller Replacement	Priority	45,000
25-RECC-4136 BLDG/COMP-Chesley - Replace Chiller	Priority	58,000
25-RECC-4140 Tara Arena Sound System	Priority	5,500
25-RECC-4143 Paisley LCBO A/C Replacement	Priority	4,500
25-RECC-4144 Paisley Town Hall Bell Tower Repair	Priority	10,000
25-RECC-4145 Chesley Pool Mechanical Work	Priority	65,000
25-RECC-4146 Paisley Arena Flat Roof Replacement	Priority	63,230
25-RECC-4151 Tara Arena Roof Repair	Priority	15,000
25-RECC-4154 Tara Pool Tot Dock	Priority	3,000
23-RECC-0025 PARKS-Dr. Milne Park Pavilion Rehabilitation/Retaining Wall	Defer	100,000
24-RECC-0017 BLDG-Tara Arena Storage Building	Defer	30,000
24-RECC-0043 Tara Basketball Court Refurbishment	Defer	25,000
24-RECC-0046 Chesley Park Island Rehabilitation	Defer	100,000
24-RECC-0053 Tara Trail System Rehabilitation	Defer	25,000

25-RECC-4137 Allenford Ball Diamond Lights	Defer	30,000
25-RECC-4138 Chesley Changehouse Upgrades	Defer	12,000
25-RECC-4139 Chesley Tennis Court Resurfacing	Defer	38,890
25-RECC-4141 Trail Master Plan	Defer	50,000
25-RECC-4147 Paisley Legion Upgrades	Defer	35,132
25-RECC-4149 Chesley Tree Planting	Defer	2,500
25-RECC-4152 Paisley Lawn Bowling Cub Drainage Upgrades	Defer	20,000
25-RECC-4153 Paisley Ball Diamond Enhancements	Defer	70,000
25-RECC-4150 Tara Arena Dressing Room Upgrades	Defert/Priority	400,000
Total RECREATION AND CULTURE		1,207,752

Health Services

Two projects that are funded by the Cemetery Trust Fund:

HEALTH SERVICES		
23-HLTH-0003 LAND-Land Purchase to expand Tara Cemetery		174,700
25-HLTH-4113 Chesley Cemetery surveying so we can use extra space for grave sites		15,000
Total HEALTH SERVICES		189,700

Sewer

Several projects that are funded by the Sewer Reserve

SEWER		
21-WSSE-0001 EQUIP-SEWER-P-RAS Pumps		5,000
22-WSSE-0002 EQUIP-SEWER (AE)-Confined spaces equipment		10,000
23-WSSE-0017 BLDG-SEWER-(P)-Pump station roofs (Albertt/Ross) and Mill Drive		20,000
23-WSSE-0018 MANHOLES-SEWER-(C)-Manholes Martha Ave		15,000
23-WSSE-0019 BLDG-SEWER-(C)-Blower room roof @ Lagoons		7,500
23-WSSE-0021 EQUIP-SEWER-(T) Mill Street L.S. Pump#2 Replace		14,000
24-WSSE-0013 SEWER (C) 3rd St SW, 1st to 4th Ave (RB848,850,852)		302,255
24-WSSE-0024 Sewer (P) - Ditch Rotor Rebuild WPCP		25,000
24-WSSE-0028 Sewer (P) - Ross St Pp Stn, Level Transducer		5,000
25-WSSE-0030 North End(C) Sewer pumps		60,000
25-WSSE-0031 Paisley Coverall (P) lightning		5,000
25-WSSE-0032 Digester Valves (P) WPCP		30,000

25-WSSE-0033 Raw Sampler (P) WPCP	5,000
25-WSSE-0034 Alum pumps (C) Lagoons	10,000
25-WSSE-0035 Diesel Generator (C) Riverside Stn	70,000
25-WSSE-0036 Electrical controls (P) Ross St Stn	40,000
25-WSSE-0037 Forcemain swab (P) Ross St Stn	20,000
25-WSSE-0038 Sewer(P)-EA WPCP Capacity Study	10,000
Total SEWER	653,755

Water

Several projects that are funded by the Water Reserve:

WATER	
21-WSWA-0001 EQUIP-WATER - Antenna/Cable	10,000
21-WSWA-0003 WELL-Chesley Community Park Well #1	376,299
22-WSWA-0004 BLDG-WATER (C) - Building, Riverside, Old Shop Rehabilitation	7,755
22-WSWA-0010 BLDG/COMP-WATER - AE WTP - Gaskets and Dialers	30,808
24-WSWA-0016 WATER (C) 3rd St SW, 1st to 4th Ave SW (RB848,850,852)	293,420
25-WSWA-0028 Tablets for data collection.	5,000
25-WSWA-0029 Tower/Standpipe (C,P,T) 5-year inspection	20,000
25-WSWA-0030 CP#2 Well Review	40,000
25-WSWA-0031 Well #3 (T) Review	30,000
25-WSWA-0032 Well #3 (T) Chlorine Analyzer	10,000
25-WSWA-0033 Victoria St (P) watermain	7,500
Total WATER	830,782

Storm

Two projects that require funding are not part of the Sewer and Water reserves. Project 24-WSST-0005 STORM(C) - 3rd St SW, 1st to 4th Ave (RB848,850,852) is the storm portion of a combined Water, Sewer, and Storm Project and should be all done together in 2025 (\$309,325 funding is needed).

STORMWATER SYSTEM		
24-WSST-0005 STORM(C) - 3rd St SW, 1st to 4th Ave (RB848,850,852)	A	309,325
24-WSST-0007 STORM - Urban Stormwater Study	A	49,259
Total STORMWATER SYSTEM		358,584

In summary:

- Funding several Transportation Services projects from the 2025 OCIF grant
- \$420,000 to fund the rest of Priority A Transportation Services
- \$269,230 to fund the Priority projects in Recreation
- \$358,584 to fund the Storm projects

\$200,000 is the approximate amount left to fund the rest of the projects in Appendix A.

Operating

Ontario Provincial Police (OPP) has increased their fee to Arran-Elderslie as follows:

	<u>2025</u>	<u>2024</u>	<u>\$ increase</u>	<u>% increase</u>
Annual bill	\$1,327,734	\$1,163,788	\$163,946	14%
Previous year adjustment	\$62,225	\$8,524	\$53,701	630%
Total	\$1,389,958	\$1,172,312	\$217,647	19%

Our 2024 Tax revenue was \$7 million. Therefore, a \$217,647 increase equates to a 3.1% tax increase just for OPP.

3% union wage increase, as per union contract (Jan 1, 2024 – Dec 31, 2025)

3% non-union wage increase

Three new roles Proposed: Position Summary and Rationale attached in Appendix B

1. Development Services Coordinator
2. Project Manager
3. Facility Attendant

The Project Manager will be mostly charged towards the new Fire Hall & Public Works project in 2025. The Facility Attendant is required, and user fees continue to increase to partially offset.

3% inflation has been added to all amounts.

Like in 2024, the Bridge Reserve is required to be built up.

MIC membership to end as of December 31, 2024, resulting in a \$19,575 savings year-over-year.

This looks like a 7%+ increase in taxes, at this point. More details will follow in 2025 Budget Draft 2.

Initial estimates from Bruce County indicate a 6.81% increase in taxes.

Link to Strategic/Master Plan

6.4 Leading Financial Management

Financial Impacts/Source of Funding/Link to Procurement Policy

There are more requests for capital than money available. Some projects should go ahead in 2025 since they have already been started. For example, we have bought the chassis for a new Tandem Snowplow in 2024, and we should spend the estimated \$400,000 to complete the truck in 2025. This leaves even less available to start projects in 2025. Therefore, some projects will need to be considered for the 2026 budget.

Approved by: Emily Dance, Chief Administrative Officer

2025 New Capital Projects - Draft #1			Funding												
	Priority	2 Treasurer Review Expenses	Reserve							Cemetery Trust Fund	OCIF Grant	Grants - Provincial	Donations	To be funded	
			Office Equipment	Fire - Chesley	Fire - Chesley Bell Mobility	Fire - Paisley	Fire - Paisley Bell Mobility	Fire - Tara - Bell Mobility	Sewer Reserve						Water Reserve
			01-0000-7211	01-0000-7222	01-0000-7223	01-0000-7224	01-0000-7225	01-0000-7227	01-0000-7231	01-0000-7232	04-0000-9302				
23-HLTH-0003 LAND-Land Purchase to expand Tara Cemetery		174,700									174,700				
25-HLTH-4113 Chesley Cemetery surveying so we can use extra space for grave sites		15,000									15,000				
Total HEALTH SERVICES		189,700									189,700				
Total MUNICIPAL SERVICES		3,269,665													
WATER AND SEWER SERVICES															
SEWER															
21-WSSE-0001 EQUIP-SEWER-P-RAS Pumps		5,000							5,000						
22-WSSE-0002 EQUIP-SEWER (AE)-Confined spaces equipment		10,000							10,000						
23-WSSE-0017 BLDG-SEWER-(P)-Pump station roofs (Albertt/Ross) and Mill Drive		20,000							20,000						
23-WSSE-0018 MANHOLES-SEWER-(C)-Manholes Martha Ave		15,000							15,000						
23-WSSE-0019 BLDG-SEWER-(C)-Blower room roof @ Lagoons		7,500							7,500						
23-WSSE-0021 EQUIP-SEWER-(T) Mill Street L.S. Pump#2 Replace		14,000							14,000						
24-WSSE-0013 SEWER (C) 3rd St SW, 1st to 4th Ave (RB848,850,852)		302,255							302,255						
24-WSSE-0024 Sewer (P) - Ditch Rotor Rebuild WPCP		25,000	completed?						25,000						
24-WSSE-0028 Sewer (P) - Ross St Pp Stn, Level Transducer		5,000	completed?						5,000						
25-WSSE-0030 North End(C) Sewer pumps		60,000							60,000						
25-WSSE-0031 Paisley Coverall (P) lightning		5,000							5,000						
25-WSSE-0032 Digester Valves (P) WPCP		30,000							30,000						
25-WSSE-0033 Raw Sampler (P) WPCP		5,000							5,000						
25-WSSE-0034 Alum pumps (C) Lagoons		10,000							10,000						
25-WSSE-0035 Diesel Generator (C) Riverside Stn		70,000							70,000						
25-WSSE-0036 Electrical controls (P) Ross St Stn		40,000							40,000						
25-WSSE-0037 Forcemain swab (P) Ross St Stn		20,000							20,000						

2025 New Capital Projects - Draft #1			Funding													
	Priority	2 Treasurer Review Expenses	Reserve						Funding					To be funded		
			Office Equipment	Fire - Chesley	Fire - Chesley Bell Mobility	Fire - Paisley	Fire - Paisley Bell Mobility	Fire - Tara - Bell Mobility	Sewer Reserve	Water Reserve	Cemetery Trust Fund	OCIF Grant	Grants - Provincial		Donations	
			01-0000-7211	01-0000-7222	01-0000-7223	01-0000-7224	01-0000-7225	01-0000-7227	01-0000-7231	01-0000-7232	04-0000-9302					
25-W SSE-0038 Sewer(P)-EA WPCP Capacity Study		10,000							10,000							
Total SEWER		653,755							653,755							
WATER																
21-WSWA-0001 EQUIP-WATER - Antenna/Cable		10,000								10,000						
21-WSWA-0003 WELL-Chesley Community Park Well #1		376,299								376,299						
22-WSWA-0004 BLDG-WATER (C) - Building, Riverside, Old Shop Rehabilitation		7,755								7,755						
22-WSWA-0010 BLDG/COMP-WATER - AE WTP - Gaskets and Dialers		30,808								30,808						
24-WSWA-0016 WATER (C) 3rd St SW, 1st to 4th Ave SW (RB848,850,852)		293,420								293,420						
25-WSWA-0028 Tablets for data collection.		5,000								5,000						
25-WSWA-0029 Tower/Standpipe (C,P,T) 5-year inspection		20,000								20,000						
25-WSWA-0030 CP#2 Well Review		40,000								40,000						
25-WSWA-0031 Well #3 (T) Review		30,000								30,000						
25-WSWA-0032 Well #3 (T) Chlorine Analyzer		10,000								10,000						
25-WSWA-0033 Victoria St (P) watermain		7,500								7,500						
Total WATER		830,782								830,782						
STORMWATER SYSTEM																
24-WSST-0005 STORM(C) - 3rd St SW, 1st to 4th Ave (RB848,850,852)	A	309,325													309,325	
24-WSST-0007 STORM - Urban Stormwater Study	A	49,259													49,259	
Total STORMWATER SYSTEM		358,584													358,584	
Total WATER AND SEWER SERVICES (and Storm)		1,843,121							653,755	830,782					358,584	
Total Arran-Elderslie - Capital		5,512,786	19,000	8,000			24,000		43,800	653,755	830,782	189,700	688,413	200,000	120,000	2,714,336

2025 New Capital Projects - Draft #1																
			Funding													
	Priority	2 Treasurer Review	Reserve													
		Expenses	Office Equipment 01-0000-7211	Fire - Chesley 01-0000-7222	Fire - Chesley Bell Mobility 01-0000-7223	Fire - Paisley 01-0000-7224	Fire - Paisley Bell Mobility 01-0000-7225	Fire - Tara - Bell Mobility 01-0000-7227	Sewer Reserve 01-0000-7231	Water Reserve 01-0000-7232	Cemetery Trust Fund 04-0000-9302	OCIF Grant	Grants - Provincial	Donations	To be funded	
25-RECC-4141 Trail Master Plan	Want	50,000													50,000	
25-RECC-4147 Paisley Legion Upgrades	Want	35,132													35,132	
25-RECC-4149 Chesley Tree Planting	Want	2,500													2,500	
25-RECC-4152 Paisley Lawn Bowling Cub Drainage Upgrades	Want	20,000													20,000	
25-RECC-4153 Paisley Ball Diamond Enhancements	Want	70,000											70,000			
25-RECC-4150 Tara Arena Dressing Room Upgrades	Want/N	400,000										200,000			200,000	
Total RECREATION AND CULTURE		1,207,752											200,000	120,000	887,752	
HEALTH SERVICES																
23-HLTH-0003 LAND-Land Purchase to expand Tara Cemetery		174,700									174,700					
25-HLTH-4113 Chesley Cemetery surveying so we can use extra space for grave sites		15,000									15,000					
Total HEALTH SERVICES		189,700									189,700					
Total MUNICIPAL SERVICES		3,269,665														
WATER AND SEWER SERVICES																
SEWER																
21-WSSE-0001 EQUIP-SEWER-P-RAS Pumps		5,000							5,000							
22-WSSE-0002 EQUIP-SEWER (AE)-Confined spaces equipment		10,000							10,000							
23-WSSE-0017 BLDG-SEWER-(P)-Pump station roofs (Albertt/Ross) and Mill Drive		20,000							20,000							
23-WSSE-0018 MANHOLES-SEWER-(C)-Manholes Martha Ave		15,000							15,000							
23-WSSE-0019 BLDG-SEWER-(C)-Blower room roof @ Lagoons		7,500							7,500							
23-WSSE-0021 EQUIP-SEWER-(T) Mill Street L.S. Pump#2 Replace		14,000							14,000							
24-WSSE-0013 SEWER (C) 3rd St SW, 1st to 4th Ave (RB848,850,852)		302,255							302,255							

2025 New Capital Projects - Draft #1															
			Funding												
	Priority	2 Treasurer Review	Reserve						Funding		Cemetery Trust Fund	OCIF Grant	Grants - Provincial	Donations	To be funded
		Expenses	Office Equipment 01-0000-7211 completed?	Fire - Chesley 01-0000-7222	Fire - Chesley Bell Mobility 01-0000-7223	Fire - Paisley 01-0000-7224	Fire - Paisley Bell Mobility 01-0000-7225	Fire - Tara - Bell Mobility 01-0000-7227	Sewer Reserve 01-0000-7231	Water Reserve 01-0000-7232	04-0000-9302				
24-WSSE-0024 Sewer (P) - Ditch Rotor Rebuild WPCP		25,000							25,000						
24-WSSE-0028 Sewer (P) - Ross St Pp Stn, Level Transducer		5,000	completed?						5,000						
25-WSSE-0030 North End(C) Sewer pumps		60,000							60,000						
25-WSSE-0031 Paisley Coverall (P) lightning		5,000							5,000						
25-WSSE-0032 Digester Valves (P) WPCP		30,000							30,000						
25-WSSE-0033 Raw Sampler (P) WPCP		5,000							5,000						
25-WSSE-0034 Alum pumps (C) Lagoons		10,000							10,000						
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Total SEWER		653,755							653,755						
WATER															
21-WSWA-0001 EQUIP-WATER - Antenna/Cable		10,000								10,000					
21-WSWA-0003 WELL-Chesley Community Park Well #1		376,299								376,299					
22-WSWA-0004 BLDG-WATER (C) - Building, Riverside, Old Shop Rehabilitation		7,755								7,755					
22-WSWA-0010 BLDG/COMP-WATER - AE WTP - Gaskets and Dialers		30,808								30,808					
24-WSWA-0016 WATER (C) 3rd St SW, 1st to 4th Ave SW (RB848,850,852)		293,420								293,420					
25-WSWA-0028 Tablets for data collection.		5,000								5,000					
25-WSWA-0029 Tower/Standpipe (C,P,T) 5-year inspection		20,000								20,000					

2025 New Capital Projects - Draft #1																
			Funding													
	Priority	2 Treasurer Review	Reserve							Funding						
		Expenses	Office Equipment 01-0000-7211	Fire - Chesley 01-0000-7222	Fire - Chesley Bell Mobility 01-0000-7223	Fire - Paisley 01-0000-7224	Fire - Paisley Bell Mobility 01-0000-7225	Fire - Tara - Bell Mobility 01-0000-7227	Sewer Reserve 01-0000-7231	Water Reserve 01-0000-7232	Cemetery Trust Fund 04-0000-9302	OCIF Grant	Grants - Provincial	Donations	To be funded	
25-WSWA-0030 CP#2 Well Review		40,000								40,000						
25-WSWA-0031 Well #3 (T) Review		30,000								30,000						
25-WSWA-0032 Well #3 (T) Chlorine Analyzer		10,000								10,000						
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Position	Position Summary	Rationale
Development Services Coordinator	<p>Full-time Non-Union Role</p> <p>The Development Services Coordinator will be responsible for providing a wide variety of administrative functions to support the Manager of Public Works including correspondence, coordinate schedules, process mail, prepare agendas and minutes, interaction with stakeholders related to development. They would complete financial administration for example process invoices and purchase orders, reconcile credit card reports, balance and reconcile accounts, assign accounts and prepare a breakdown for shared expenses, prepare invoice requests, etc. They will coordinate and contribute to the development of the operating and capital budgets for the department.</p>	<p>The Municipality is experiencing increasing pressure for development. Public Works is a very busy department and includes roads, bridges, water, waste water, storm water and key in moving development forward. There is currently no designated administrative assistant to assist the Manager in drafting reports, compiling data, follow-up with agreements, processing invoices, administrative tasks related to the tendering process etc.</p> <p>An administrative position is now required more than ever, to ensure staff continue to fulfill their tasks as well meet the needs of the community. The void of not having this position will greatly impact management in its ability to meet the increasing development needs.</p>
Project Manager (Non-Union)	<p>Part-time, non-union role</p> <p>The Project Manager is the primary point-person responsible for overseeing capital projects ensuring projects are on time, within budget, and in accordance to specifications. To achieve these important goals, the Project Manager will define project requirements and scope, acquire project resources, and supervise the efforts of contractors. Efficient delivery of project deliverables, effective quality control, clear communication of expectations to stakeholders, and upward reporting to the Manager of Public Works.</p> <p>The major capital project will be the Fire Hall and Public Works Building.</p>	<p>Due to the complexity and expense of the Paisley Firehall and Public Works project, staff is requesting Council consider retaining a project manager to oversee the entire project. This has also been noted in the tender documents from DOMM for the Municipality to have a Municipal assigned project manager.</p> <p>The project manager would be the key point person for the contractors and staff for the project. They would act as the bridge between a project's plan and its execution. They would work closely with our Chief Building Official, Manager of Public Works, Fire Chief, Treasurer and CAO to liaise with the contractor for the site works, building construction and interior construction suppliers and trade.</p> <p>The project managers core role is to ensure that projects meet deadlines, stays within budget, and adhere to quality standards and approved plans.</p> <p>Their expertise in managing timelines and resources prevents miscommunication and scope creep.</p>
Facility Attendant	<p>Full time union role. The role would be a floater position that would assist in the increased operational</p>	<p>Recreation in Arran-Elderslie is key to our resident's quality of life. Facilities are available for a variety of programs and recreational</p>

	<p>demands of all the facilities as well allow for staff coverage for vacations and holidays.</p>	<p>activities. During budget discussion it was brought to our attention the need for an additional Facility Attendant. The increase in demand for programs and services has increased the department workload then partnered with staff vacations, there is not enough staff capacity to meet the expectations of our residents. This concern was also at the request of current facility attendants.</p> <p>The role would be a floater position that would assist in the increased operational demands of all the facilities as well allow for staff coverage for vacations and holidays.</p>
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The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: November 4, 2024

Subject: SRFIN.24.18 2025 Budget Pre-approval

Report from: Emily Dance, Chief Administrative Officer

Appendices:

Recommendation

Be It Resolved that Council hereby,

1. Provides pre-budget approval for a new Part-Time Project Manager and direct staff to initiate the recruitment process
2. Provides pre-budget approval for the 2025 compensation increase of 3% for union and non-union staff.

Report Summary

Staff is requesting pre-budget approval to initiate the recruitment process for a Part-Time Project Manager and pre-budget approval for the 2025 compensation increase of 3% for union and non-union staff.

Background

2025 Wage Increase

The current collective agreement between the Municipality and the Union is in effect until December 31, 2025 and included a wage increase for January 1, 2025 is 3%.

New Staffing Requests

At the October 15, 2024, Council meeting, the CAO was directed to research options for the appointment of a Project Manager for the New Paisley Firehall and Public Works Building.

Analysis

2025 Wage Increase

The current collective agreement between the Municipality and the Union is in effect until December 31, 2025. The approved contract included a wage increase for January 1, 2025 of 3%. Traditionally the wage increase for non-union employees mirrors the increase approved in the union contract.

To avoid retro-payments with the added work involved, staff is requesting approval of the wage increase for 2025 of 3% for non-union staff, and that pre-budget approval be given to allow administration time to adjust for wage increase for payroll for 2025.

New Staffing Requests

Following the direction of Council, the CAO reviewed options for appointing a Project Manager for the New Paisley Firehall and Public Works Building. Options included adding the duties to a current member of staff, hiring an Engineering firm or outside consultant or to follow the recruitment process for a new staff member.

Current staff are not able to perform the project management duties due to workload and the level of expertise that is required for this position. There is a significant expense for an engineering firm or consultant to perform the duties and the requirement for a key staff contact will remain.

It was determined the recommended option is to follow the recruitment process and advertise for an in-house project manager (part-time) to oversee the New Paisley Firehall and Public Works Building as well, who could assist in other capital projects.

As the New Paisley Firehall and Public Works Building development is underway, staff is requesting pre-budget approval for the role to begin the recruitment process as soon as possible.

Link to Strategic/Master Plan

6.3 Facilitating Community Growth

Financial Impacts/Source of Funding/Link to Procurement Policy

The 3% wage increase on a base of \$3,061,147 equates to a \$91,834 increase year-over-year.

Approved by: Emily Dance, Chief Administrative Officer



The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: November 4, 2024

Subject: SRFIN.24.16 2023 Audit

Report from: David Munro, Interim Treasurer

Appendices:

Recommendation

Be It Resolved that Council hereby,

1. Receives report SRFIN.24.16 for information regarding the delay in the 2023 Financial Audit by BDO, and the expected extra expense.

Report Summary

The 2023 Audit has been delayed. This delay will result in some of our grants being delayed. There will be extra expenses from BDO required to complete the 2023 Audit. As of the writing of this report, there is \$7,700 additional billing so far and there will be more, but BDO has not estimated the amount at this point.

Background

The Municipal Act requires that every municipality complete a detailed set of financial statements, of which a copy must be sent to the Ministry of Municipal Affairs & Housing. Additionally, the yearly financial statements must be audited by an independent and certified third-party auditor. All financial statements are created in accordance with standards set forth by the Public Sector Accounting Board, as well as Generally Accepted Accounting Principles.

Financial statements provide information on a municipality's financial activities and balances for the period. Financial statements also provide information on a municipality's financial position in terms of its assets and liabilities, its net financial

resources (called net debt), accumulated surplus or deficit, and its tangible capital assets and other non-financial assets.

Financial statements reflect the outcomes of activities that create revenue and incur expenses to determine whether the municipality operated in a surplus or a deficit for that period. Financial statements also provide a meaningful summary of the sources, allocation and consumption of municipal economic resources, how the activities of the period have affected the municipality's net debt, how municipal activities were financed, and how cash requirements were met.

Analysis

The 2023 Audit has had starts and delays caused by both BDO and Arran-Elderslie. BDO has experienced some resource challenges. Arran-Elderslie did not complete all the year-end spreadsheets and journal entries required by BDO.

When asked by BDO, Arran-Elderslie responds in a timely fashion to provide supporting spreadsheets, documentation, etc.

Link to Strategic/Master Plan

6.4 Leading Financial Management

Financial Impacts/Source of Funding/Link to Procurement Policy

Grants may be delayed because of the delayed audit, but will not be lost. Extra billing by BDO will be less than the 2022 Audit extra billing, but more than budgeted by \$10,000 plus.

Approved by: Emily Dance, Chief Administrative Officer

**THE CORPORATION OF THE
MUNICIPALITY OF ARRAN-ELDERSLIE**

BY-LAW NO. 53-2024

**BEING A BY-LAW TO CONFIRM THE PROCEEDINGS OF THE SPECIAL COUNCIL
MEETING OF THE MUNICIPALITY OF ARRAN-ELDERSLIE
HELD NOVEMBER 4, 2024**

WHEREAS by Section 5(1) of the *Municipal Act 2001, S.O. 2001, c. 25, as amended*, grants powers of a Municipal Corporation to be exercised by its Council; and

WHEREAS by Section 5(3) of the *Municipal Act, S.O. 2001, c.25, as amended*, provides that powers of every Council are to be exercised by By-law unless specifically authorized to do otherwise; and

WHEREAS it is deemed expedient that the proceedings of the Council of the Corporation of the Municipality of Arran-Elderslie for the period ending November 4, 2024, inclusive be confirmed and adopted by By-law.

NOW THEREFORE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF ARRAN-ELDERSLIE HEREBY ENACTS AS FOLLOWS:

1. The action of the Council of the Municipality of Arran-Elderslie at its Special Council meeting held November 4, 2024, in respect to each motion and resolution passed, reports received, and direction given by the Council at the said meetings are hereby adopted and confirmed.
2. The Mayor and the proper Officials of the Corporation are hereby authorized and directed to do all things necessary to give effect to the said action of the Council.
3. The Mayor and Clerk, or in the absence of either one of them, the Acting Head of the Municipality, are authorized and directed to execute all documents necessary in that behalf, and the Clerk is authorized and directed to affix the Seal of the Corporation to all such documents.

READ a FIRST and SECOND time this 4th day of November, 2024.

READ a THIRD time and finally passed this 4th day of November, 2024.

Steve Hammell, Mayor

Christine Fraser-McDonald,
Clerk