

Grass Cutting	\$4,640	\$4,762	\$9,600*
Contracted Excavation Services	N/A	\$753	N/A

(Contracted services were reimbursed by the family)

<u>Providence</u>	<u>2023</u>	<u>2024</u>	<u>Draft 2025</u>
Grass Cutting	\$3,094	\$3,174	\$6,400*

*Grass Cutting for 2025 is an estimated value of current market rates, as it will be the first tender issued since 1986 as part of all Township grass maintenance.

Table A is a list of possible additional budget amendments, with a description, dollar amount suggested, and impact on the 2025 Draft Tax Levy, and includes those ideas that came out during the January 29, 2025 meeting.

The adopted 2024 Tax Levy was \$3,951,925. The 2025 Draft Budget presented on January 29th showed a **Tax Levy of \$4,438,261**, an increase of \$486,336 or 12.31% to be raised by:

1. Taxes on new assessments (Growth) \$ 79,000 covers 2.00%
2. Tax increase on existing properties 407,336 = 10.31% over 2024

TABLE A

Possible 2025 Budget Amendments		Suggested Amount	Impact on 2025	10.31% becomes
During the Jan. 29 discussions, it was contemplated for the 2026 budget cycle to limit the reliance of prior year surpluses. Any surplus from 2024, will be official upon completion of the 2024 Audit, and after that time Council can determine where to direct any surplus funds.				
REMOVE any reliance on an expected 2024 Net Surplus, because it is better to follow a “two-step” Policy of putting full amount of any Annual Surplus into Township Reserves.	1	100,000 increase	+ 2.53%	+12.84%
To balance-off Item 1, increase the withdrawal from Fleet Reserve so that full cost of new Plow Truck (\$380,000), already purchased based on 2024 Budget approval, comes from the Fleet Reserve.	2	100,000 decrease	- 2.53%	Back to +10.31%
The list of items below are <u>OPTIONAL</u> recommendations for Council to consider in advancing some Capital equipment purchases and increasing overall reserves.				

Add a Transfer to Reserve expense of \$25,000 to be used in the 2026 Budget to offset against the anticipated 2026 increase of at least \$40,000 in the cost of OPP service contract over 2025	3	25,000 increase	+ 0.64%	10.95%
If either the Loader or Truck 79 should breakdown, and have to be replaced before the end of 2025, then any Rental expenses or loan/lease payments incurred, currently not in the 2025 Budget, would be taken from the Fleet Reserve	4	No impact	Listed here to show this was given consideration	
Raise additional tax revenue to build-up Infrastructure Reserves. Could be any amount Council chooses. Amount = 1.0% is shown as an example only	5	\$ 40,000	+ 1.00%	11.95%

OPTIONAL CONSIDERATION

Township Staff are aware of the current macro-environment regarding US tariff impacts on the Ontario and local economy and related affordability challenges. If Council wishes to address such concerns for our community, it is requested that Council provide direction via a proposed target budget number for Staff to work towards. Staff can then report back at the next meeting with options for budget reductions in attaining that target.

RECAP:

Tax Levy as presented on January 29	\$4,438,261	[4,538,261 less 100,000 from Surplus]
Change if items 1 and 2 are approved	- 0	has no net impact to taxpayers
Change if item 3 approved	25,000	
Change if item 5 approved	<u>40,000</u>	
2025 Taxes Levied	<u>\$4,503,261</u>	= up 13.95% over 2024 Levy

2.0% comes from growth + 11.95% from tax increase

CONSULTATION:

Discussions during the January 29, 2025, Special (Budget) Council Meeting.

FINANCIAL IMPACTS:

As requested, Table B, below, shows the taxation levels across the other County municipalities for 2024, and what they are forecasted to become once 2025 Budgets are adopted in each municipality. Forecasted increases used in Table B for 2025 are for illustration purposes based on current data available.

TABLE B

		Taxation per \$100,000 of Residential Assessment			
		2024 local	2025 change	2025 local	Local + County
Mono (Adopted)		\$ 407.95	13.3 %	\$ 462.21	\$ 884.23

Melancthon		\$ 532.75	+/- 11.5%	\$ 594.02	\$1,016.04
Mulmur (Adopted)		\$ 526.27	13.1 %	\$ 589.57	\$1,011.59
Amaranth		\$ 631.65	+/- 14%	\$ 721.16	\$1,143.18
Grand Valley		\$ 788.33	+/- 12%	\$ 882.93	\$1,304.95
Shelburne (Adopted)		\$ 825.91	5.00 %	\$ 867.20	\$1,289.22
Orangeville (Adopted)		\$ 892.55	4.99 %	\$ 937.09	\$1,359.11
		2024 local	2025 change	2025 local	Local + County
(1st draft) East Garafraxa with \$25,000 add Item 3 with \$65,000 add Items 3+5	a	\$ 587.91	10.31%	\$ 648.52	\$1,070.54
	b		10.95%	\$ 652.29	\$1,074.31
	c		11.95%	\$ 658.16	\$1,080.18
DUFFERIN COUNTY (not adopted)					
		\$ 400.02	+/- 5.50%	\$ 422.02	
PLUS: EDUCATION		\$153.00 per \$100,000 CVA. Standard tax rate across all of Ontario			

TABLE C

Comparison scenarios on EG Taxes per \$100,000 CVA.

	Budget Increase %	Township	County	Education	Total Amount	Blended Rate (2025 / 2024)
2024	7.42	587.91	400.02	153.00	\$1,140.93	5.23 %

2025 a)	10.31	648.52	422.02	153.00	\$1,223.54	7.24 %
2025 b)	10.95	652.29	422.02	153.00	\$1,227.31	7.57 %
2025 c)	11.95	658.16	422.02	153.00	\$1,233.18	8.08 %

According to MPAC, the 2024 median assessment value for a residential property in East Garafraxa was \$629,000.

Respectfully Submitted,
 Alan Selby, Treasurer

Reviewed by:
 Peter C. Avgoustis, Chief Administrative Officer

Attachments: Updated Fleet Reserve Forecast