



# 2024 BUDGET PACKAGE

## BUDGET OVERVIEW



## MESSAGE FROM THE CAO

2023 was an exciting year for Dufferin County, with work underway to make progress on our 2023 to 2026 Strategic Plan vision of being a community that grows together. The proposed 2024 Budget has been developed with a focus on moving this ambitious plan forward, as well as on forecasted provincial and federal program requirements and ensuring the required infrastructure and services are in place to meet the needs of our growing community.

Many of the challenges Dufferin County is facing as a municipality are also present in other communities and organizations, such as the impacts of climate change, housing affordability, community safety, employee well-being, and racism and discrimination. Tackling these challenges to ensure a high quality of life for our taxpayers requires staff resources and investments, both of which are reflected in this budget.

Central to the County's 2024 Budget is ongoing work to apply Equity and Climate lenses across the entire County administration through our day-to-day operations, decision making processes and policy design. These lenses will help us understand and evaluate the impacts of new or changing County policies, programs, and services, ensuring that we are making decisions with social and environmental considerations foregrounded and in alignment with our long-term objectives. This work requires additional investment and is present in the 2024 Budget.

Investments in aging and new infrastructure present in the 2024 Budget include projects from bridge rehabilitation to the County Road 109 and 2nd line realignment, to the upgrading of County wayfinding signs, to electrical upgrades at the Primrose Operations Centre to support electric vehicle charging stations. Consultancy work is set to commence on the south operations centre in 2024, including an optimal location analysis, conceptual site plan and cost estimates.

At over 20 years old, Dufferin Oaks requires that many assets be replaced or refurbished, including the roof, walkway and first floor patio. Capital repairs and maintenance are also slated for several community housing buildings, paramedic stations and the courthouse complex. A sharp increase in costs for all capital work has had a significant impact on the capital asset fund which will require increased contributions to capital in the future. 2024 is sure to bring ongoing challenges for the County but also great opportunities. Ongoing inflation continues to impact the Budget. Like other municipalities, the County continues to be subject to uncertainty around ongoing legislative changes from other levels of government. But, together with our lower-tier municipal partners and local community agencies, the County will continue to develop practical, innovative, and local solutions to create a community where everyone can thrive.

Dufferin County is committed to providing accessible, supportive, and responsive services for all taxpayers to ensure a thriving, equitable and resilient community. The proposed 2024 Budget outlines a plan to do this, so that we can accomplish our goals and achieve the vision of our 2023 to 2026 Strategic Plan.

Thank you to everyone who contributed to the Budget this year. It was a team effort!



**Sonya Pritchard, CAO Dufferin County**

# LAND ACKNOWLEDGEMENT

We would like to begin by respectfully acknowledging that Dufferin County resides within the traditional territory and ancestral lands of the Tionontati (Petun), Attawandaron (Neutral), Haudenosaunee (Six Nations), and Anishinaabe peoples.

We also acknowledge that various municipalities within the County of Dufferin reside within the treaty lands named under the Haldimand Deed of 1784 and two of the Williams Treaties of 1818: Treaty 18: the Nottawasaga Purchase, and Treaty 19: The Ajetance Treaty.

These traditional territories upon which we live and learn, are steeped in rich Indigenous history and traditions. It is with this statement that we declare to honour and respect the past and present connection of Indigenous peoples with this land, its waterways and resources.

## PRONUNCIATION GUIDE:

Tionontati – “Tee-oh-nahn-TAH-tee”

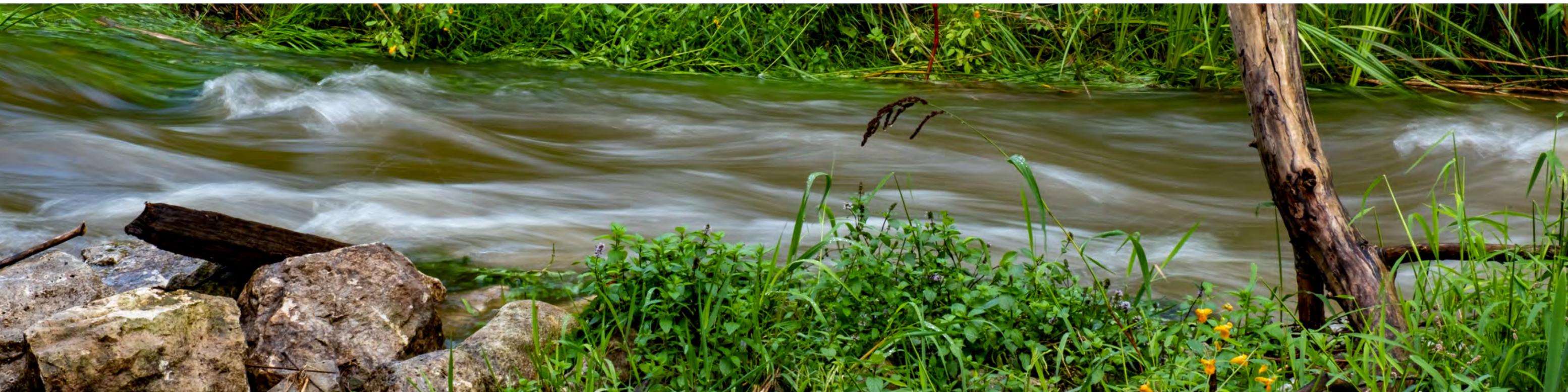
Attawandaron – “At-tah-wahn-da-ron”

Haudenosaunee – “ho-DEE-no-Sho-nee”

Anishinaabe – “ah-NISH-IH-nah-bay”

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# SUPPORTING THE STRATEGIC PLAN

The County's 2023 to 2026 Corporate Strategic Plan was approved by County Council in June 2023. The ambitious, interconnected Plan will guide Council and staff as the County plans for the future. It forms the foundation of operational plans, the annual budget, and recommendations to Council and day-to-day decision making.

The Strategic Plan was developed through collaboration with the community, Council and staff, and will be the roadmap through 2026 as the County looks to contribute to positive and meaningful outcomes that make Dufferin a great place to live, do business and visit.

There are five priority areas under the Strategic Plan, and each priority area has corresponding goals:



## Climate and Environment

- Establish the County as a leader in climate action
- Enhance and conserve Dufferin's natural environment



## Community

- Increase affordable and attainable housing options
- Support community well-being and safety through collaboration and partnerships
- Explore opportunities to improve access to healthcare services



## Economy

- Advance County-wide economic and workforce development
- Improve broadband and cellular connectivity



## Governance

- Identify opportunities to improve governance and service delivery
- Improve the County's internal and external communications



## Equity

- Align programs, services and infrastructure with changing community needs
- Ensure that the County is an inclusive, equitable and supportive Employer of Choice

To date, the County prioritized developing foundational pieces that will support achieving goals under the Strategic Plan, including the County's first Community Engagement Framework and Equity and Climate lenses. The County looks forward to continuing to implement the Strategic Plan in 2024, and the Proposed Budget being put forward will support this important work.

# INTRODUCTION

## THE BUDGET PROCESS

The budget is developed over several months with input from all departments. For 2024:

- June - September: Departments complete operating and budget templates and review with Finance
- September - October: Finance consolidates results, provides analysis, seeks clarification, updates and reviews further with departments
- October: Budget totals finalized, analysis of reserve and potential application
- November: Budget Review and packages created
- November: Presentations to committee
- December: Consideration by Council



The County uses the budgeting tool Questica to gather input and compare year over year budget information. For capital work plans and analysis a series of Excel spreadsheets are currently required.

## WHAT'S IN THE DOCUMENT?

An overview with consolidated results and details by committee, department and division (functional area) of a 4-year financial plan and 10-year capital plan. The document includes the following for each County functional area:

- Overview of the roles and responsibilities of each area, divisional lead, key functions, statistics, strategic plan linkages, challenges, and information about what's on the horizon
- Financial Plan, covering Draft Budgets for the years 2024 to 2027 including budget highlights and details to support proposed additional staffing requirements
- Capital Fund Summaries and Capital Workplans detailing planned work by asset category and project information

The 2024 DRAFT is impacted by a number of external factors: uncertainty around federal and provincial policy changes and funding, inflation, high interest rates as well as continued pressures in the labour market. These factors put not only direct financial pressure on the County but also affect staff and resource capacity. Expenses have increased significantly. A substantial portion of the increase is offset by government transfers and a continued strategy to mitigate some the remaining impact by applying reserves.

# OVERVIEW

The Budget is a summary of the operating and capital requirements and forecasts for the next four years with additional detail out to 10 years for the capital asset fund for each department.

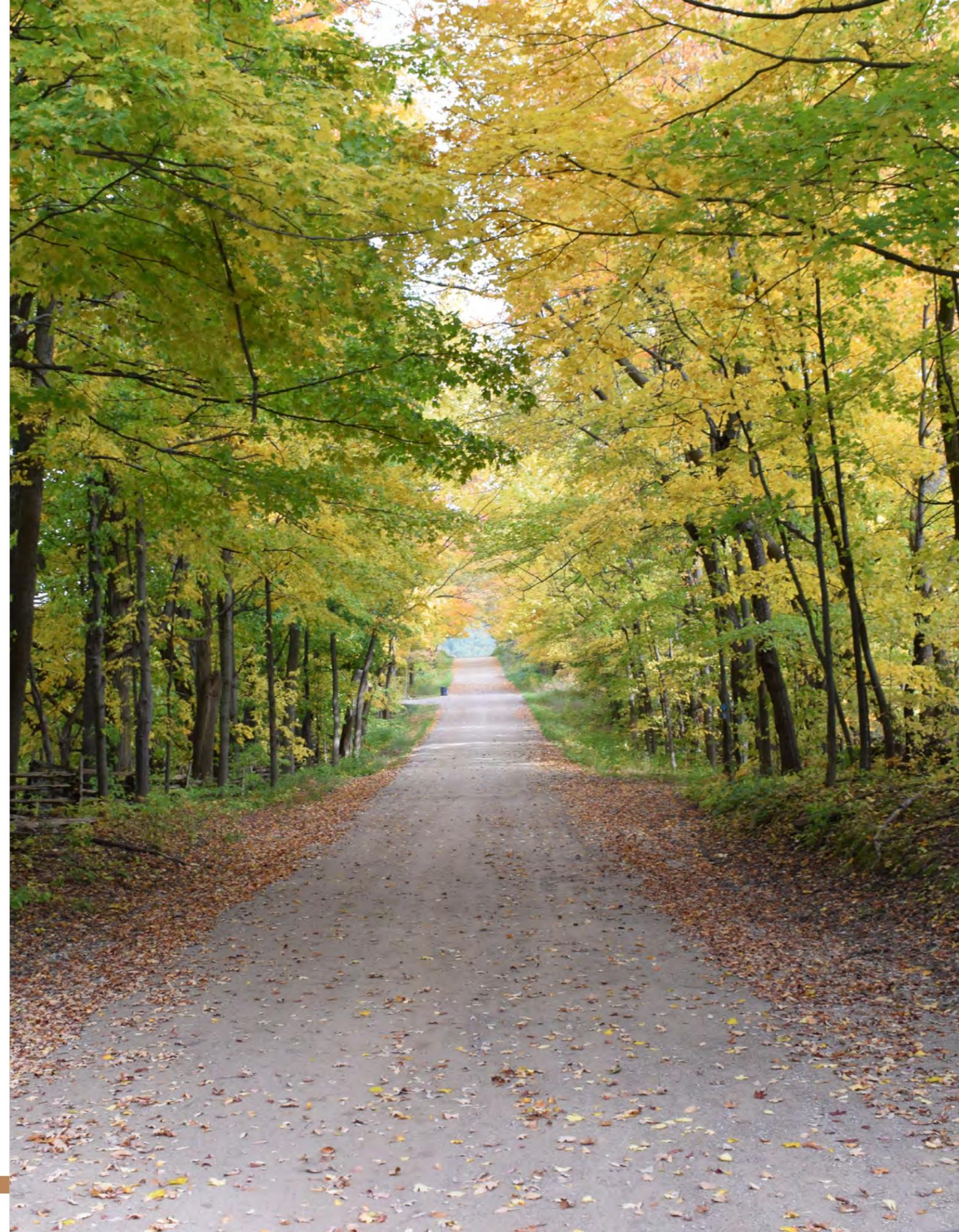
The 2024 DRAFT is impacted by a number of external factors: uncertainty around federal and provincial policy changes and funding, inflation, rising interest rates, extended delivery times and ongoing pressures in the labour market. These factors put not only direct financial pressure on the County but also affect staff and resource capacity. Expenses have increased significantly. Some of the increase is offset by government transfers.

## BUDGET TOTALS

(OPERATING AND CAPITAL CONTRIBUTION CONSOLIDATED)

(in 000s)	2023 BUDGET	2024 BUDGET	2025 PLAN	2026 PLAN	2027 PLAN
Expenses	\$119,647	\$131,878	\$145,423	\$120,454	\$122,015
Non-tax revenue	-\$60,058	-\$69,698	-\$81,357	-\$64,717	-\$65,258
Reserves and DC's used	-\$14,689	-\$15,476	-\$12,860	-\$1,905	-\$1,139
<b>Status quo Tax Levy*</b>	<b>\$44,900</b>	<b>\$46,704</b>	<b>\$51,206</b>	<b>\$53,832</b>	<b>\$55,618</b>
Status quo Tax Levy Increase	\$2,479	\$1,805	\$4,501	\$2,626	\$1,786
<b>Status quo Tax Levy % Increase</b>	<b>5.84%</b>	<b>4.02%</b>	<b>9.64%</b>	<b>5.13%</b>	<b>3.32%</b>
Additional Staff		\$624	\$1,729	\$1,783	\$1,853
Enhancements		\$141	\$147	\$153	\$159
<b>Total Tax Levy</b>	<b>\$44,900</b>	<b>\$47,470</b>	<b>\$53,082</b>	<b>\$55,767</b>	<b>\$57,629</b>
Total Tax Levy Increase	\$1,378	\$2,570	\$5,612	\$2,685	\$1,862
<b>Total Tax Levy % Increase</b>	<b>5.84%</b>	<b>5.72%</b>	<b>11.82%</b>	<b>5.06%</b>	<b>3.34%</b>
New Assessment Growth	1.56%	1.72%	1.50%	1.50%	1.50%
<b>Net Tax Payer Impact</b>	<b>4.28%</b>	<b>4.00%</b>	<b>10.32%</b>	<b>3.56%</b>	<b>1.84%</b>

\* Status quo includes additional provincial and federal programs that provide funding



Historically, the tax levy increase was close to inflation (2%) plus assessment growth (1-3%) resulting in a net impact to tax payers close to inflation. In an effort to mitigate inflation increases reserve transfers have been applied to phase-in the impacts is proposed.

## ARRIVING AT THE TAX LEVY

The tax levy is the amount of money required to be raised from property taxes to fund the business of the municipality after applying all other sources of revenue including internal transfers from reserves on hand. In Ontario, municipalities must approve a balanced budget. The tax levy, plus all other sources of revenue must equal the total estimated expenses.

## TOTAL EXPENSES

(in 000s)	2023 BUDGET	2024 BUDGET	2025 PLAN	2026 PLAN	2027 PLAN
<b>Operating Expenditures</b>					
Salaries and Benefits	\$36,247	\$38,961	\$40,054	\$41,078	\$42,898
Vacancy Savings	-\$750	-\$750	-\$500	-\$500	-\$500
Administrative and Office	\$5,660	\$6,622	\$5,460	\$5,372	\$5,535
Debt Repayment	\$1,309	\$3,210	\$1,045	\$1,031	\$1,018
Service Delivery	\$41,240	\$49,261	\$50,671	\$50,422	\$50,784
IT and Communications	\$1,765	\$2,069	\$2,253	\$2,212	\$2,211
Facilities	\$4,982	\$4,988	\$5,014	\$5,010	\$4,985
Vehicles and Equipment	\$1,475	\$1,628	\$1,685	\$1,706	\$1,759
Internal Services Used	\$2,104	\$2,650	\$2,730	\$2,792	\$2,877
Internal Services Recovered	-\$2,104	-\$2,670	-\$2,750	-\$2,812	-\$2,896
Special Projects	\$2,602	\$1,439	\$132	\$0	\$0
<b>Total Operating Expenditures</b>	<b>\$94,531</b>	<b>\$107,407</b>	<b>\$105,794</b>	<b>\$106,310</b>	<b>\$108,670</b>
Capital Workplan	\$25,116	\$24,472	\$39,629	\$14,143	\$13,346
<b>Total Expenses</b>	<b>\$119,647</b>	<b>\$131,878</b>	<b>\$145,423</b>	<b>\$120,454</b>	<b>\$122,015</b>

## WHAT'S INCLUDED IN EACH CATEGORY?

### ADMINISTRATIVE AND OFFICE

General liability insurance, legal fees, consulting fees, promotions and advertising, office supplies, employee training, conferences, professional association memberships, and other similar costs.

### SERVICE DELIVERY

Costs directly associated with providing services to the public or internal stakeholders. Includes materials and supplies, contracts, service agreements, grants, and program payments associated with government transfer programs, such as Ontario Works financial assistance, child care subsidies, and rent geared-to-income assistance.

### IT AND COMMUNICATIONS

Phones, cell phones, internet, website, software and hardware expenses.

### FACILITIES

Utilities, property insurance, property taxes, cleaning contracts, parking lot snow removal, general building and grounds maintenance, HVAC (heating ventilation and air conditioning), electrical, plumbing, security and safety systems.

### VEHICLES AND EQUIPMENT

Costs related to operation (fuel, insurance, licensing) and maintenance of the County fleet and equipment (plows, graders, loaders, excavator, lawn tractors, power stretchers, washers and dryers).

### INTERNAL SERVICES USED/RECOVERED

Allocation of support costs to reflect the full costs associated with the provision of services for that division. Typically for reporting and or funding requirements.

### DIGITAL MODERNIZATION PROJECTS

Large multi-year software projects that impact the entire corporation.

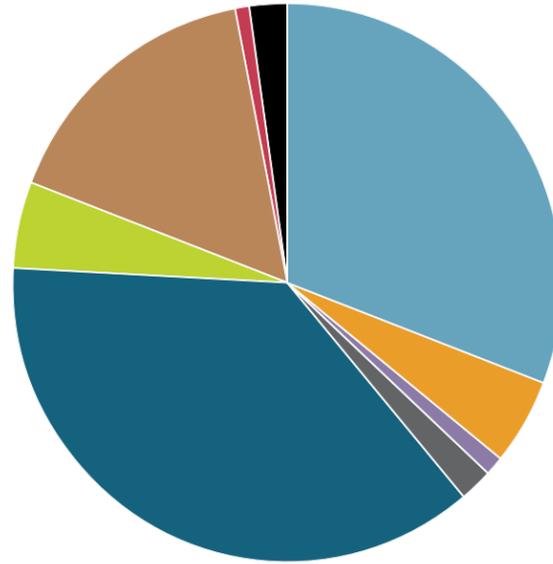
### CAPITAL CONTRIBUTION

The total amount of property taxes or tax levy being allocated to the capital asset fund.



## EXPENSE DISTRIBUTION

- Service Delivery - 37%**
- Salaries & Benefits - 29%**
- Capital Workplan - 19%**
- Administrative & Office - 5%**
- Facilities - 4%**
- Debt Repayment - 2%**
- IT & Communications - 2%**
- Special Projects - 1%**
- Vehicles & Equipment - 1%**



## NON-PROPERTY TAX REVENUES

(in 000s)	2023 BUDGET	2024 BUDGET	2025 PLAN	2026 PLAN	2027 PLAN
<b>Revenues</b>					
User Fees	\$5,378	\$5,211	\$5,478	\$5,796	\$6,176
Supplemental Taxation	\$355	\$327	\$327	\$327	\$326
Investment Income	\$775	\$1,250	\$1,050	\$950	\$900
Rent Revenue	\$3,922	\$3,967	\$4,074	\$4,157	\$4,267
Government Transfers	\$40,975	\$49,659	\$49,210	\$48,872	\$49,126
Other Revenue	\$5,153	\$6,285	\$8,358	\$4,616	\$4,463
Debt Financing	\$3,500	\$3,000	\$11,210	\$0	\$0
<b>Total Revenues</b>	<b>\$60,058</b>	<b>\$69,698</b>	<b>\$79,707</b>	<b>\$64,717</b>	<b>\$65,258</b>

## HIGHLIGHTS

- User fees are primarily resident accommodation fees for Dufferin Oaks and building permit revenues, which are seeing a significant decrease over prior years
- Investment income is up significantly as current interest rates are providing higher returns
- The large increase in Government transfers in 2024 is a result of the national childcare initiative as well as enhancements to long term care funding
- Federal transfers related to housing are slated to decrease in the coming years as subsidies linked to housing provider mortgages end as debts are retired
- Uncertainty with respect to several provincial subsidies is reflected in conservative estimates for future transfers

- Other revenues are cost recoveries from outside agencies, non-government grants including funds for the energy retrofit program as well as consignment and timber sales
- Debt financing in 2024 and 2025 is proposed for a new south Dufferin Operations Centre which has been identified in the Development Charge Background Study for several years

## RESERVES AND DEVELOPMENT CHARGES

(in 000s)	2023 BUDGET	2024 BUDGET	2025 PLAN	2026 PLAN	2027 PLAN
Rate Stabilization Reserve	\$7,728	\$4,107	\$3,503	\$2,729	\$2,569
Contingencies	\$250	\$250	\$250	\$250	\$250
Operating Reserves	\$5,784	\$5,089	\$4,963	\$4,947	\$4,896
Digital Modernization	\$1,625	\$186	\$54	\$54	\$54
Capital Reserves	\$3,534	\$3,159	\$2,809	\$2,809	\$2,809
<b>Total General Reserves</b>	<b>\$18,921</b>	<b>\$12,791</b>	<b>\$11,579</b>	<b>\$10,789</b>	<b>\$10,578</b>
<b>Total Reserve Funds</b>	<b>\$10,214</b>	<b>\$8,317</b>	<b>\$8,178</b>	<b>\$8,097</b>	<b>\$8,018</b>
Building Department Fund	\$3,170	\$1,866	\$636	-\$286	-\$1,018
Development Charges	\$5,315	\$5,096	-\$1,064	-\$1,050	-\$920
<b>Obligatory Reserve Funds</b>	<b>\$8,485</b>	<b>\$6,962</b>	<b>-\$429</b>	<b>-\$1,336</b>	<b>-\$1,938</b>
<b>Capital Asset Fund</b>	<b>\$18,215</b>	<b>\$12,437</b>	<b>\$7,420</b>	<b>\$7,856</b>	<b>\$8,414</b>
<b>Total Reserves and DCs</b>	<b>\$55,835</b>	<b>\$40,508</b>	<b>\$26,749</b>	<b>\$25,407</b>	<b>\$25,074</b>

The reserve balances have grown over the years as additional funds are set aside for specific purposes and year-end surpluses are transferred into reserves. Reserves can be classified into the following categories:

- General Reserves for contingencies, operating, capital, and special initiatives. These can be used at Council's discretion

Reserve Funds are set up for specific purposes and held until required

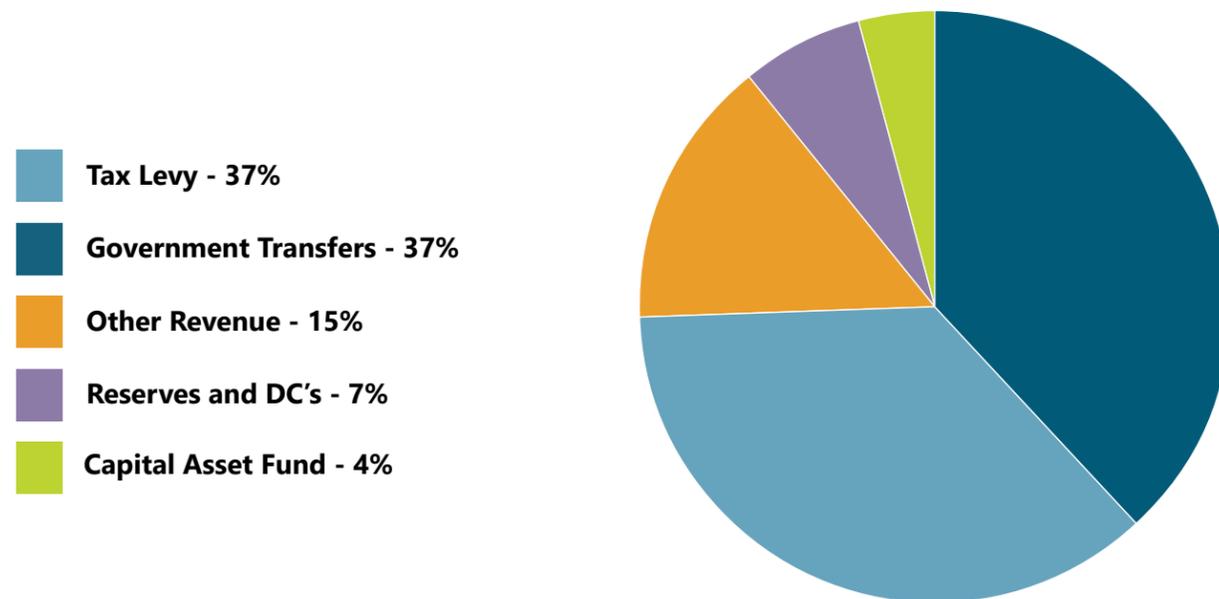
- Obligatory Reserve Funds are established by statute and must be used in a prescribed manner, includes Development Charges
- Capital Asset Fund, the largest reserve used for contributing to capital assets and funding annual workplans as per the Asset Management Plan (activity related to the capital asset fund is consolidated into the Expense, Revenues for the Budget Totals but is shown separately in the capital specific section of the budget)

## HIGHLIGHTS

- Significant reductions in the rate stabilization reserve (RSR) are expected in coming years. This reserve is typically used to offset one-time expenses such as studies or to mitigate increases caused by service level changes. In 2024 and 2025 funds are being allocated from the RSR to housing where development charge revenue is no longer permitted. A plan over the next few years was established to reduce the level by applying large amounts to the budget which will lessen the impact of inflation. Any general surpluses at the end of the year are added to this reserve
- Operating reserves are those set aside for specific divisions or purposes. The largest portion of this reserve at just over \$2 million is for waste services which has accumulated over the last few years due to revenues being higher than budget
- Digital modernization are funds that were set aside to fund future software replacement including SharePoint, the website and a new financial and human resource information systems
- Capital reserves have been set aside for future projects including land acquisition and primrose facility upgrades

## REVENUE DISTRIBUTION

County operations are funded through two main categories of revenue tax levy (property taxes) and transfer from other levels of government. With government transfers at 37% a significant portion of the budget is restricted by provincial and federal program requirements. Other revenues is a variety of sources.



## TAX LEVY BY DEPARTMENT

(in 000s)	2023 BUDGET	2024 BUDGET	2025 PLAN	2026 PLAN	2027 PLAN
Council	\$841	\$911	\$882	\$913	\$929
Office of CAO	\$1,255	\$1,434	\$1,565	\$1,619	\$1,675
People and Equity	\$1,319	\$1,677	\$2,193	\$2,313	\$2,402
Corporate Services	\$3,425	\$4,083	\$4,978	\$5,191	\$5,366
Corporate Finance	-\$1,378	-\$2,028	-\$1,038	-\$878	-\$290
Infrastructure and Environment	\$18,222	\$18,370	\$20,303	\$22,020	\$21,861
Health Services	\$6,509	\$7,480	\$7,265	\$7,592	\$7,816
Dufferin Oaks	\$6,345	\$6,255	\$7,068	\$6,604	\$7,007
Community Services	\$6,235	\$6,929	\$7,545	\$8,003	\$8,374
Development and Tourism	\$2,127	\$2,359	\$2,321	\$2,389	\$2,491
<b>Total All County Departments</b>	<b>\$44,900</b>	<b>\$47,470</b>	<b>\$53,082</b>	<b>\$55,767</b>	<b>\$57,629</b>

## HIGHLIGHTS

This table provides a high-level summary of the ten major County departments. Each department is made up of several divisions with detail provided in each departmental budget. This chart summarizes the anticipated changes over the next four years, including any additional staffing requests or service enhancements proposed.

- The spike in 2024 for Council relates to \$50,000 included for physician recruitment
- Corporate Finance captures significant financial transactions that impact the bottom line, specifically investment income, supplemental property tax revenues, and the MPAC payment. It also includes vacancy savings anticipated due to vacant positions as well as contribution from Rate Stabilization Reserve to lessen the ongoing impact of rising costs. Future years decrease as the withdrawal from rate stabilization ends and investment interest is expected to shrink
- Higher than anticipated subsidies in Long Term Care results in substantial savings over 2023, this has been offset by significant increases in capital investments required for the Dufferin Oaks complex
- As the County continues to support further equity and climate work, both areas require additional investment



**Inflation impacts are seen throughout the budget on specific contracts with CPI adjustments like waste collection and across the board on items like insurance, and vehicle fuel.**

# FINANCIAL PLAN

The Financial Plan provides an overview of the revenues, expenditures, and transfers used to calculate the operating tax levy requirement, plus the capital levy to arrive at total levy and increase over the 2023 Budget. Each of the department budgets provides specific details on increases and adjustments.

(in 000s)	2023 BUDGET	2024 BUDGET	2025 PLAN	2026 PLAN	2027 PLAN	DOLLAR CHANGE	%AGE CHANGE
<b>Revenues</b>							
User Fees	\$5,378	\$5,211	\$5,478	\$5,796	\$6,176	-\$168	-3.12%
Supplemental Taxation	\$355	\$327	\$327	\$327	\$326	-\$28	-7.89%
Investment Income	\$775	\$1,250	\$1,050	\$950	\$900	\$475	61.29%
Rent Revenue	\$3,922	\$3,967	\$4,074	\$4,157	\$4,267	\$45	1.14%
Government Transfers	\$37,445	\$46,213	\$46,276	\$46,096	\$46,554	\$8,767	23.41%
Other Revenue	\$3,307	\$3,200	\$3,936	\$3,460	\$3,255	-\$107	\$2,258
<b>Total Revenues</b>	<b>\$51,182</b>	<b>\$60,166</b>	<b>\$61,141</b>	<b>\$60,785</b>	<b>\$61,478</b>	<b>\$8,984</b>	<b>17.55%</b>
<b>Expenditures</b>							
Salaries and Benefits	\$36,247	\$38,961	\$40,054	\$41,078	\$42,898	\$2,714	7.49%
Vacancy Savings	-\$750	-\$750	-\$500	-\$500	-\$500	\$0	0.00%
Administrative and Office	\$5,660	\$6,622	\$5,460	\$5,372	\$5,535	\$962	16.99%
Debt Repayment	\$1,309	\$3,210	\$1,045	\$1,031	\$1,018	\$1,900	145.12%
Service Delivery	\$41,240	\$49,261	\$50,671	\$50,422	\$50,784	\$8,022	19.45%
IT and Communications	\$1,765	\$2,069	\$2,253	\$2,212	\$2,211	\$303	17.17%
Facilities	\$4,982	\$4,988	\$5,014	\$5,010	\$4,985	\$6	0.11%
Vehicles and Equipment	\$1,475	\$1,628	\$1,685	\$1,706	\$1,759	\$152	10.33%
Internal Services Used	\$2,104	\$2,650	\$2,730	\$2,792	\$2,877	\$546	25.94%
Internal Services Recovered	-\$2,104	-\$2,670	-\$2,750	-\$2,812	-\$2,896	-\$566	26.88%
<b>Total Expenditures</b>	<b>\$91,929</b>	<b>\$105,968</b>	<b>\$105,662</b>	<b>\$106,310</b>	<b>\$108,670</b>	<b>\$14,039</b>	<b>15.27%</b>
<b>Transfers</b>							
Transfers from Reserves	-\$3,594	-\$7,187	-\$3,022	-\$2,127	-\$1,394	-\$3,593	99.95%
Transfers from/to Trust	\$7	\$2	\$2	\$2	\$2	-\$5	-71.43%
DC Contribution	-\$895	-\$399	-\$243	-\$241	-\$240	\$496	-55.40%
Transfers to Reserves	\$817	\$974	\$1,049	\$1,099	\$1,149	\$158	19.29%
<b>Total Transfers</b>	<b>-\$3,666</b>	<b>-\$6,610</b>	<b>-\$2,214</b>	<b>-\$1,267</b>	<b>-\$483</b>	<b>-\$879</b>	<b>23.98%</b>
<b>Total All County Departments</b>	<b>\$37,081</b>	<b>\$39,191</b>	<b>\$42,307</b>	<b>\$44,259</b>	<b>\$46,709</b>	<b>\$2,110</b>	<b>5.69%</b>
<b>Digital Modernization Projects</b>							
Transfers from Reserves	-\$2,315	-\$1,439	-\$132	\$0	\$0	\$0	\$0
Expenses	\$2,602	\$1,439	\$132	\$0	\$0	\$0	\$0
<b>Total Digital Projects</b>	<b>\$287</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Additional Staffing Requirements		\$624	\$1,729	\$1,783	\$1,853		
Paramedic Enhancement		\$141	\$147	\$153	\$159		
<b>Total Additions</b>		<b>\$765</b>	<b>\$1,876</b>	<b>\$1,935</b>	<b>\$2,011</b>		
<b>Total Operating Tax Levy</b>	<b>\$37,368</b>	<b>\$39,956</b>	<b>\$44,183</b>	<b>\$46,194</b>	<b>\$48,720</b>	<b>\$2,589</b>	<b>6.93%</b>
Capital Levy	\$7,532	\$7,513	\$8,899	\$9,573	\$8,909	-\$19	-0.25%
<b>Total Tax Levy</b>	<b>\$44,900</b>	<b>\$47,470</b>	<b>\$53,082</b>	<b>\$55,767</b>	<b>\$57,629</b>	<b>\$2,570</b>	<b>5.72%</b>
<b>Assessment Growth</b>							<b>1.72%</b>
<b>Net Impact to Tax Payers</b>							<b>4.00%</b>

## SALARIES AND BENEFITS

(in 000s)	2023 BUDGET	2024 BUDGET	DOLLAR CHANGE
Salaries and Benefits	\$36,247	\$38,961	\$2,714
<i>Non-union</i>			
Cost of Living (effective April 1st) - 4%			\$653
2023 annualized positions			\$336
Position adjustments*			\$342
Step increases - grid movement			\$644
<i>Union</i>			
CUPE contract and grid movement - 3.25%			\$603
ONA contract and grid movement			\$113
Non salary related benefits			\$22
<b>Total</b>			<b>\$2,714</b>
Vacancy Savings			\$750
<b>Net Increase</b>			<b>\$1,964</b>
Additional Staffing Requests			\$593
<b>Total Salary and Benefit Increase</b>			<b>\$2,557</b>

### HIGHLIGHTS

- Non-union includes 4% cost of living adjustment (total compensation) approved at September Council
- Step increases – grid movement represents progression on the non-union pay grid. Each pay grade has five steps, the implementation of a new grid in 2022 moved many staff to a lower step than on the previous grid with movement to occur over several years until at job rate
- The CUPE collective agreement was approved in December 2022 with a 3.25% increase for 2024
- ONA collective agreement expired in April 2023, estimated increases have been incorporated into the budget
- In 2023 OMERS expanded eligibility to include all part time staff, additional staff have since enrolled in the pension plan
- Vacancy Savings – to reflect an average 2.5% vacancy rate

### HOW MANY PEOPLE WORK FOR DUFFERIN COUNTY?



It fluctuates based on the season and number of vacancies, on average there are:  
 Council – 15  
 Full-time Staff - 265  
 Part-time, Seasonal, Contract Staff - 182  
 Students/Interns - 29

## CAPITAL ASSET FUND

The Capital Asset Fund is a reserve for all current and future capital projects. Contributions to capital consider all sources of funding available. The capital workplan identifies projects for each year and the cost of this work is withdrawn from the capital asset fund as the work is completed.

(in 000s)	2023 BUDGET	2024 BUDGET	2025 PLAN	2026 PLAN	2027 PLAN
<b>Carry Forward from Prior Year</b>		<b>\$6,910</b>			
<b>Opening Balance</b>	<b>\$17,986</b>	<b>\$18,215</b>	<b>\$12,287</b>	<b>\$8,770</b>	<b>\$8,706</b>
Contributions					
Government Transfers	\$3,530	\$3,446	\$2,933	\$2,776	\$2,572
Capital Levy (Property Taxes)	\$7,532	\$7,513	\$8,899	\$9,573	\$8,909
Other Revenue	\$1,846	\$3,085	\$6,073	\$1,157	\$1,208
Debt Financing	\$3,500	\$3,000	\$11,210	\$0	\$0
Transfers from Reserves	\$1,585	\$1,129	\$429	\$79	\$54
DC Contributions	\$441	\$370	\$6,567	\$494	\$410
<b>Total Contributions</b>	<b>\$18,434</b>	<b>\$18,544</b>	<b>\$36,112</b>	<b>\$14,079</b>	<b>\$13,154</b>
Capital Work					
Land	\$3,300	\$3,000	\$0	\$0	\$0
Land Improvement	\$2,535	\$1,462	\$1,171	\$535	\$358
Buildings	\$5,349	\$6,986	\$5,751	\$1,563	\$702
New Operations Centre	\$200	\$500	\$15,000	\$0	\$0
Equipment and Machinery	\$1,262	\$1,183	\$1,417	\$2,001	\$856
Vehicles	\$2,271	\$1,410	\$1,720	\$1,640	\$1,670
Roads	\$8,027	\$7,060	\$12,697	\$6,718	\$6,580
Bridges & Culverts	\$1,772	\$2,870	\$1,772	\$1,666	\$2,200
Other	\$400	\$0	\$100	\$20	\$980
<b>Total Capital Work</b>	<b>\$25,116</b>	<b>\$24,472</b>	<b>\$39,629</b>	<b>\$14,143</b>	<b>\$13,346</b>
<b>Ending Capital Asset Fund Balance</b>	<b>\$11,305</b>	<b>\$12,287</b>	<b>\$8,770</b>	<b>\$8,706</b>	<b>\$8,515</b>

Each year the projected opening balance is adjusted based on whether or not funds are carried forward from the prior year. Efforts are made to adjust the contributions and the workplan to ensure the tax levy amount remains relatively stable from year to year.

Once the value of the work is determined, other funding sources are considered. These include Government Transfers such as the Canada Community-Building Fund (formerly Gas Tax) and OCIF funding, Other Revenue such as equipment sales or contributions from others (shared projects), Transfers from Reserves and Development Charges. Once these are established, the current asset fund balance, future planned work and contributions are taken into consideration in order to determine an appropriate level of capital levy.

## WHAT'S INCLUDED IN EACH CATEGORY?

Capital work is separated into asset categories. Each of these categories relate to the replacement or rehabilitation of various assets:

### LAND

Acquisition or disposition of land

### LAND IMPROVEMENTS

Parking lots, sidewalks, fences, intersection lighting and trails development

### BUILDINGS

Security, heating, ventilation and air conditioning, windows and doors, flooring, roofing, chimneys, balconies, kitchen and bathroom upgrades

### EQUIPMENT AND MACHINERY

Elevators, appliances, lifts, tubs, laundry, kitchen and housekeeping equipment, defibrillators, stretchers, small tractors, ATV, trailers, laptops, monitors, servers

### VEHICLES

Ambulances, snow plows, heavy roads equipment, wheelchair vans, pick-up trucks

### ROADS

Design, construction and contract admin related costs for rehabilitation or reconstruction of County roads, including shared roads

### BRIDGES AND CULVERTS

Design, construction and contract admin related costs for rehabilitation or reconstruction of County bridges and culverts, including shared structures

### OTHER

Dufferin Oaks nurse call system, electric vehicle charging stations, resiliency hub, and any other items that do not fit in one of the above categories



**THE CAPITAL LEVY = TOTAL OF THE WORK PLAN (-) ALL OTHER CONTRIBUTIONS**  
(Over a rolling 20 year period)

**One goal of capital asset planning is maintaining a stable capital levy over time.**

## CAPITAL HIGHLIGHTS

There is some uncertainty surrounding future government transfers as the existing Canada Community-Building Fund agreements are set to expire in March 2024. Also, the new OCIF funding formula continues to have a negative impact on the County as the amount received shrinks by 15% per year. One-time funding from CMHC (Canada Mortgage and Housing Corporation) will be allocated towards capital work within housing over the next three years.

A number of transportation projects are being funded either partially or wholly by developers as seen in Other Revenue. Debt financing is proposed for land and construction costs for the new operations centre, which has been pushed to 2025.

The amount of Development Charges allocated to capital over the last few years has declined. This is a result of numerous projects included in the capital budget that were not included in the current development charge study. The study will be updated in 2024 to reduce future tax levy requirements. The increase in Development Charges used in 2025 relates to the new operations centre.

It is not unusual to experience spikes in the value of capital work planned. This is often due to the age of the buildings, deferred work from prior years or new unplanned projects being added. The next few years highlight such spikes.

Dufferin Oaks is over 20 years old which is prime time for replacement of a number of assets. This is being intensified by a sharp, unexpected increase in costs. Ideally funds for planned work are raised over time so that sufficient funds are available at the time of replacement. Combined work for 2024 and 2025 is currently planned at \$5.5 million whereas the following eight years total \$5.4 million. Despite significant increases in capital levy contributions, this spike in work required brings the Dufferin Oaks capital asset fund to nearly zero. It will take several years to get it back to a healthier balance.

Other divisions will be going into a negative capital asset fund balance over the next few years. These divisions are also experiencing spikes in the required work and increased costs. Although nearly \$10 million will be drawn from the capital asset fund over the next couple of years the overall capital asset fund balance will remain positive. Essentially those that are in a negative balance are borrowing from the other divisions until their capital asset fund is replenished. Further detail is included within each division's capital section.

## 20 YEAR CAPITAL PROJECTIONS (IN 000s)



## CONCLUSION

The 2024 Draft Budget maintains all services and programs and incorporates additional funded initiatives. While every effort has been made to prepare a budget that addresses inflationary pressures, capacity constraints, and responsible asset management it is prudent to caution that a fulsome climate lens has not yet been applied to these forecasts and will be a focus in the next reiteration.

