

# **TAY VALLEY TOWNSHIP**

## **2009 OPERATING AND CAPITAL BUDGET**

### **NARRATIVE**

The 2009 Budget proposes essentially the same level of services and operations as were provided in 2008, although significant budget challenges and a change in how we provide one of our major services - planning, had to be contended with.

Our five year contract with OPP for police services was renewed this year, and the first-year cost increase, \$21,000, is greater than previous year changes. Unfortunately, the demands on our fire department have been rising resulting in a larger number of responses and costs - \$25,000.

For many years, planning and related activities have necessitated our utilizing more and more consultant's time, with matching cost increases each year. We are now at the point where much greater efficiencies in operations will be realized by having in-house expertise instead of using more consultant time. An extra cost of \$15,000 will provide for a superior level of services in this important municipal function.

The major challenges faced this year were in our Waste Management operations. Our current five-year contract for transferring waste from our transfer stations to the Glen Tay Waste-site and transferring recyclables to various depots for sale and disposal expires in the fall. A new contract for these services is expected to increase costs at least \$25,000 this year. The world-wide downturn in the recycling market will cost us an estimated \$34,000 in additional tipping fees and in lost recycling revenue.

Along with our neighbouring municipalities, Council is supporting the vital Perth & Smiths Falls District Hospital expansion. While we recognize that hospitals are a provincial responsibility, the province refuses to pay 100% of hospital construction costs. We have been asked to contribute \$27,000 a year for five years to the project. This year's budget includes the first instalment.

Our major capital program has increased from \$237,000 in 2008 to nearly \$3million in 2009. The \$3million in costs will be paid by reserves, grants and development charges.

Included in this year's capital program is a renovation and expansion project for our municipal building. We are currently short two offices, and our Public Works staff has very inadequate facilities. A 25 year needs assessment has been performed, and architectural services will be retained to ensure that we have a proper facility that meets both operational requirements and community needs. Unless senior levels of government make funding available, we will have to borrow several hundred thousand dollars later this year or next to complete the project.

The total 2009 tax requirement of \$3,659,000 is \$222,000 more than last year, of which only \$13,000 is covered by growth in our tax base. The impact of this year's budget upon taxpayers is 6.1%, or about \$41 per \$150,000 of residential assessment.