

FAQ's

Council Meeting

1. Have Capital projects already been tendered?

- a. There are several projects that were approved by the previous council and are scheduled to be completed in 2023. These items have financing options committed to them. The new projects are at the full discretion of the newly appointed council. Funding methods have been recommended by staff; but approval of the project and the subsequent tendering process would occur based on direction from council during the budgeting process.

2. CVA Growth – What happens if this growth figure does not occur.

- a. The item presented in the budget presentation is based on the actual growth that took place in the 2022 fiscal year. The number of 2.46% was provided to the Town by the Municipal Property Assessment Corporation (MPAC). MPAC is responsible for assigning the assessment of the lands within the Town of Renfrew.

3. Manganese Project – Any funding opportunities for this project?

- a. Staff are following up with the Ministry to see if there are funding opportunities available.

4. Secondary Plans – Who owns the lands that are being recommended for studies?

- a. The Town of Renfrew owns some of the lands being proposed for studies. There are also private landowners that own some of the lands that would be studied.

5. Drone – What is this for?

- a. The drone is anticipated to be used for several projects. Some of these, but not limited to are as follows:
 - i. Fire services.
 - ii. Mapping for study purposes.
 - iii. Ariel photography of Town owned lands for review/disposal.
 - iv. Building inspections on buildings where roof access is unsafe or where inspection is better suited to drone photography.
 - v. Marketing/Communications Material.
 - vi. Consideration for adding capability for topographic surveying to support planning and engineering projects and designs - e.g., Opeongo Secondary Planning Area characterization, Master Servicing Plan review, landfill capacity monitoring and fill area characterization, existing conditions survey for road design work.

6. What are the allocations to and from reserves for 2023?

- a. The reserve fund allocations can be seen on the draft budget presentation from February 28th, 2023. They are as follows:

- i. **Reserves:** Transfers In - \$2,754,080, Transfers Out - \$5,712,092
- ii. **Deferred Revenue:** Transfers In - \$1,567,083, Transfers Out - \$4,294,554

7. Can funds be taken from the reserves to lower the debt for the Ma-te-Way Activity Centre?

For instance, can additional contributions of 6, 8 or 10 million dollars be taken from reserves?

- a. No. Contributions of that magnitude are not recommended. The anticipated balance for reserves for 2023, after contributions to and from as presented in the draft budget, is estimated at \$8 million. Of this amount, a portion is restricted and can only be used for the purpose the funds were collected. Depleting reserves would severely impact the Town's ability to undertake major capital work in 2024, 2025 and 2026. Reserves are categorized based on their intended use. For the purposes of recreation and facilities for which Ma-te-Way would meet the criteria, the following reserve balances exist:
 - i. Recreation Major Capital: \$67.85
 - ii. Facilities: \$145,981
 - iii. Future Major Capital: \$99,997
 - iv. Ice Resurfacers: \$10,800
 - v. Miscellaneous: \$30,000
 - vi. Millennium Trail: \$31,500
 - vii. Land Sales: \$36,921
 - viii. Unallocated: \$960,544.57

8. Would reducing the amount of debt for the Ma-te-way project lower the anticipated tax levy for 2023?

- a. No. Since the debenture payments begin in 2024, reducing the amount of debt would not have a net impact on the 2023 budget. The amount of debt required could be reduced if the full project contingency is not utilized. If additional reserves are to be utilized, it is recommended that it be a minimal amount due to current balances and allocations. As mentioned, a decision on the term and amount of debenture will be made at project substantial completion in Q3-Q4 2023 with the required by-law. At this juncture, \$4 million has been pulled for the construction loan with more anticipated as the project nears completion in June 2023.

9. What is the dollar impact per average residential home in Renfrew for water, wastewater and taxation based on the draft presented on February 28?

- a. Based on the 2023 Draft Budget a home with an Average Household Assessment would see an increase of approximately \$73.00 on the Town portion of their bill. The County and School Boards have not set their rates yet, therefore we cannot estimate what their portion of the bill will be.
- b. Based on an overall increase of 2.5% to the water and wastewater rates – a homeowner who would utilize approximately 131 m³ per year would see an annual increase of \$29.95.
- c. Residents who do not have wastewater servicing will only be subject to the water base rate and per usage charge which on average if they were to utilize 131 m³ their overall annual increase would be \$24.41.

10. Can the expected net tax levy be further reduced?

- a. Many of the projects proposed in the budget are funded from reserves. One possible change to lower the net levy would be to fund more of the tennis court costs from reserve.

11. Can the Town sell some of its assets and properties to offset the project costs of the Ma-te-way Activity Centre?

- a. The Town should take a strategic approach to its assets given their value. The 2023 budget includes appraisals for key properties. In addition, due to current market conditions, it is recommended that sales be considered based on the long-term value of these assets and that a fire sale approach not be taken. Proceeds from Land Sales are typically directed to the Land Sales Reserve, which has a balance of \$36,921. Proceeds of sales could also be invested and interest applied to operating or capital projects.

12. Is debt required for the Ma-te-Way Activity Centre because of increased costs?

- a. No. Debt was always to be utilized to fund part of the project. The debenture amount of \$12 million is recommended to avoid depletion of reserves which would severely impact the Town's ability to complete other projects, such as road resurfacing, in upcoming years. Given the useful life of the asset, the Ma-te-Way Activity Centre will benefit future generations and costs can be paid back through the debt over the useful life of the asset.

13. Water is seeing a proposed increase of 2.5%. Does this mean our total levy increase is 6.49%?

- a. No. A 2.5% increase in Water/Sewer does not equate to a 2.5% increase in taxation. A 1% increase in water is equal to \$26,907 and a 1% increase in sewer is equal to \$26,257, as where a 1% increase to the taxation levy is \$96,679.

14. Reserve Funding vs Levy (taxation) Funding

- a. The Town contributes and allocates any possible surpluses to reserves. On an annual basis the Town elects to source funding for projects from either development charges, reserves, grants, or taxation. When funding projects from reserves, there is no immediate impact on the taxation levy, as this is drawing down from the reserves that the Town has accumulated over the course of business throughout recent years. Whereas, if an item was budgeted to be funded through taxation, the tax levy collected in the current year would be the funding source for the project.

15. Do transfers to reserves affect the tax levy? Why is it important to transfer money into reserves?

- a. Yes, transfers into reserves do affect the tax levy. The Town contributes funds into reserves annually to ensure that there is enough money to fund current and future projects. These contributions are calculated using an annual escalator to ensure that future capital works can occur in accordance with the Town's Asset Management Plan.

This is a long-term financing approach to ensure the Town’s taxation levy doesn’t fluctuate year over year because of influxes in projects that require funding.

16. Development Charges – How are these collected, and what can they be spent on?

- a. Collection: These are collected as a development charge fee on any new development within the Town of Renfrew.
- b. Spending: These can be spent on growth-related items and infrastructure improvements in accordance with the Town’s most recent development charges study.

17. Can solar panels be added to other pieces of Town property to provide more revenue?

- a. The Town is aware of potential sites for future solar panel installations. However, further investigation and inspection of these sites will have to be completed to ensure site suitability and viability.

18. A comparison of FTE & hours for the years 2021, 2022 and 2023 was requested to explain the differences in changes throughout the last three years.

- a. The following chart outlines the year over year difference in hours and full-time equivalents.

	2021	2022	2023
Total Hours	131,240	134,130	142,579
Hours Difference Year over Year	-	2,890	8,449
Full Time Equivalent (FTE)	66.5	67.9	72.7
FTE Difference Year over Year	-	1.4	4.8

The reasoning for these changes is as follows, on a per year basis:

2022

- Addition of the CAO position to the Town, calculated at approximately half of a year.
- Addition of the Communications & Marketing Coordinator position.

2023

- CAO position budgeted for a full year which is an additional 0.5 FTE requirement from 2022.
- Addition of Planning & Development Administrative Assistant position mid-2022.
- Addition of Events Coordinator position.
- Addition of Economic Development Officer position in late 2022, when split from Deputy Clerk role.
- Additional FT MLJ in Recreation, went from casual to FT.
- Addition of part-time hours at Library.
- Increase in Customer Service hours at Ma-te-Way.