



# VILLAGE OF OIL SPRINGS

## 2021 Municipal Budget

Approved December 22, 2020



Each year the Village of Oil Springs develops a budget that accounts for anticipated expenses and revenues and allocates funds to meet the needs of the municipality. Once approved, staff use the budget as a benchmark to control the fiscal operations.

The 2021 municipal budget process included public engagement through the provision of an on-line survey. Staff utilized the Village's Facebook and website to share the survey to the citizens of Oil Springs.

Staff have applied for funding for various items, including technology upgrades, iPads for Council members and staff, internet connection at Youth Centre, asset management software for Public Works, projector and screens for council chambers.



## Operating Budget

- The Operating Budget is established to fund the regular activities and functions of the Village. These projects include, but are not limited to:
  - Road maintenance
  - Grass cutting, leaf and brush removal
  - Employee wages
  - Garbage collection



## Capital Budget

- The Capital Budget includes approved infrastructure renewal projects. These projects may include:
  - Road and sidewalk replacement and repairs
  - Equipment replacement
  - Water infrastructure upgrades



**Approved 2021 Municipal, General Government Operating Budget:**

- TOTAL EXPENDITURES \$ 925,241.00
- TOTAL REVENUE \$ 447,167.00
- NET LEVY REQUIRED **\$ 478,074.00**

***This represents a net municipal levy increase of 1.03% or***

***\$10.29 per \$100,000 of assessment***



## **FACTORS FOR CONSIDERATION**

- Nov. 1, 2020 – Consumer Price Index recorded as .7 % in October. This budget is keeping closely in stride with the CPI and will allow the Village to continue preparing for future critical capital projects and upgrades.
- This budget includes an approximate 15% Insurance Premium increase.
- The 2021 funding from Ontario Municipal Provincial Fund (OMPF) has increased slightly to \$188,300.
- OCIF funding remains the same at \$50,000.



### ***Monies from Taxation***

2021 Budget includes the following:

- Levy increase of 1.03% (\$10.29 per \$100,000 of assessment)
- County and Education taxes for 2021 are unknown at this time.
- A very slight increase will allow us to continue to raise funds for future critical infrastructure needs, while aiming to bring our tax rate more in line with other County of Lambton municipalities which will provide more affordability to our residents and create a more attractive area for investment.



- The cost of water delivered from Petrolia to Enniskillen and onto Oil Springs is increasing in 2021, and staff recommend an increase of \$4 flat rate on water (\$78.00 to \$82.00) and \$1 increase to sewer reserve (from \$9 to \$10). This will aid to balance our water and sewer budget.
- Staff are continuing work on updating our Asset Management Plan. The future purchase of MESH (operations management software for governments) will assist public works staff as we begin to build on our data base, saving staff time, and providing better management oversight and overall service to the residents of the Village of Oil Springs.





## FEDERAL GAS TAX FUND

- With the passing of Bill C-163, Keeping Canada's Economy and Jobs Growing Act, the Federal Gas Tax Fund is now a permanent annual source of infrastructure funding.
- The federal gas tax fund is a permanent source of funding for municipal infrastructure and is a predictable, long-term and stable source of funds aimed at helping Ontario's municipalities address a massive, province wide deficit in infrastructure.
- Municipalities must clearly demonstrate that projects are prioritized based on an Asset Management framework. Up to the year 2015, only core assets including roads, bridges, water and wastewater, and storm drains were included in the municipalities asset management plans. As of December 31, 2016, all categories of assets must be included in the Asset Management Plan in order to continue to receive funds from the Federal Gas Tax Fund. This will guide municipalities to use the plan to complete infrastructure planning. Staff will continue to develop and build on our Asset Management Plan.
- The Village of Oil Springs is currently utilizing Gas Tax funds to help off-set financing related costs for: Roads Project – Resurfacing of Plank Road South, Oil Springs Line, Kelly Road and Gypsie Flats Road.



## Garbage & Recycling

- Bluewater Recycling has reported that there will be an increase in fees for 2021.
- Staff have performed a comparison of the last three years. Revenue loss on garbage was \$7,559.91 in 2018, \$13,032.30 in 2019 and \$17,137.00 in 2020. The cost of garbage that is charged to residents should increase slightly. When comparing to neighbouring municipalities who also use this service from Bluewater Recycling, a recommendation to increase prices as follows:
  - small bin from \$110 to \$130
  - medium bin from \$185 to \$215
  - large bin from \$270 to \$310

# 2021 BUDGET SURVEY

Q9 Would you say that you are satisfied or dissatisfied with the overall quality of services provided to the residents/businesses by the Village of Oil Springs municipal staff and council?

Answered: 34 Skipped: 0

