



## **Village of Point Edward Budget 2023**

The Village of Point Edward passed its Operating and Capital Budgets at the meeting held March 23, 2023.

“The Village will be moving forward with planning and saving for many important Capital projects in 2023 and beyond,” said Mayor Bev Hand. “We are working hard to make the best use of available funds and looking at new revenue sources to keep the Village operating smoothly. Inflation and the continuing requirement to meet senior government regulations provide challenges for us but through prudent spending we intend to keep Point Edward in its usual position of financial stability.”

“There have been significant increases in the areas of insurance, utilities, and policing, above and beyond inflation,” said Finance and Administration Chair Tim Mondoux. “Prudent decisions from past Councils put us in a good position to deal with the economic challenges we are facing today, and we continue to build for the future potential of the Village.”

The 2023 Operating Budget totals \$4,907,621 for Village purposes compared to \$4,689,324 in 2022. The amount to be raised by taxes in 2023 is \$2,964,015. In order to achieve this, the tax rate will increase by 5.95% for the Village portion of the tax bill. Challenges we faced with the Operating Budget include:

- Overall inflation in the range of 6-8%
- Increased cost of insurance of \$32,000
- Increased cost of policing of \$43,000
- Increased cost of utilities of \$37,225

The Capital Budget proposes spending of \$8,557,101. Major spending in the Capital Budget includes:

- \$6 million for the reconstruction of Lite and St. Clair Streets
- A more efficient hot water system in the Arena - \$126,150
- A contribution to an Engine Truck Reserve for Point Edward Fire and Rescue - \$100,000
- A \$253,000 contribution to a reserve for playground equipment in Waterfront Park

“Based on prior annual averages the Village has a shortfall of approximately \$4.5 million over the past three years due to the closure of the casino as a result of the COVID-19 pandemic. The Village continues to be in a state of recovery, and it will take several years to overcome this setback and catch up on Capital projects,” said Mayor Bev Hand.

The Council also approved a water rate increase of 4.5% at its meeting held January 10, 2023 by approving the Environmental Services Department budget. The approval also calls for an increase to reserves to be raised for Environmental Services by 25 cents per cubic metre. These reserves will help to pay for larger future expenses of the department, such as replacement of water lines and upgrades to water and wastewater infrastructure. The increase in reserve rates should generate an additional \$73,000 per year.

The Environmental Services Department budget includes funding for a capacity study for our water, wastewater and storm drainage systems, as well as several smaller maintenance projects to keep the Wastewater Treatment Plant operating properly.

A 1% increase in the tax rates generates approximately \$28,000 while a 1% increase in water rates generates approximately \$11,800.

A house assessed at \$150,000 in 2023 will pay \$1,061 for the Municipal portion of their tax bill, up \$60 from 2022. The increase for a home using 10 cubic meters of water per month would be \$5.35.

The final tax bill will blend changes made to both the Lambton County portion and Education portion of the bill and may also change due to tax ratio changes from the County of Lambton. Final tax bills will be mailed in the early part of June and will be due July 4 and October 2, 2023. Water bills are sent monthly through Bluewater Power.

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