



GRAND VALLEY

Town of Grand Valley Operating Budget 2025

Summary

Total Draft Budget Request = \$20,185,632 (2024 final budget was \$17,231,012)

Total Tax Levy (property taxes collected to help pay expenses) = \$5,764,994 (2024 final levy was \$4,950,858)

- Assessment in the Town increased to \$773,350,718 in 2024 to \$754,663,518, representing a 2.4% increase. Not a significant increase, giving consideration to the increase in expenses for service.
- If this budget were to be approved as-is, the tax rate would increase by 15.5%, with this growth included. Tax payers would pay an additional \$122 per \$100,000 in assessed residential value (a \$500,000 residential property will pay \$610 more)
- To get the tax rate increase to 5% or lower, an additional \$520,000 will need to be removed.

Budget Inclusions

- The draft operating budget includes the following:
 - Significant capital and operating investment in roads, bridges, recreation, fire, policing.
 - Operating and capital costs for storm water programs.
 - A recommendation to remove the Luther Road Inflow and Infiltration Project from the budget.

Use of Reserves

In addition to the tax levy and fees for services, the Town is using Development Charges to fund several of the large capital and planning projects.

The Town has reserves that will be used to cover costs. However, these reserves are depleting, and most are set aside for specific projects. The following Table 1 presents recommendations for several transfers to take place to cover the expenses of various projects. This table has been amended from the capital meeting to reflect this draft budget.

The only reserve with unallocated funding in it is the Roads and Bridges Reserve. The intent is to use this for future construction, but it is at Council's discretion if this were to be used otherwise.

Use of Borrowing

Existing:

- Wastewater treatment plant – funded by Development Charges
- Bridge 10 – funded by property tax levy. \$1,150,000 loan from Infrastructure Ontario

2025 New Borrowing:

- Arena Expansion – approximately \$3,000,000 loan
- Hill Town Subdivision – approximately \$2,000,000 loan
- Southeast Sewage Pumping Station (tender price dependent) – funded by Development Charges, but loan likely needed to cover costs not yet collected

Other options

Additional borrowing could be considered for financing the new Fire Truck and ask to recover the amount given to the Fire Department, using that as revenue toward 2025 budget. The Town could also use funds from the proceeds of the gravel pit in 2025 to pay for gravel and grading.

Table 2 - Town of Grand Valley- Calculation of Local Tier Rates - 2024

	2024	Tax Rate	2023	Tax Rate	Tax Bill
Tax Levy and Rate	\$ 4,950,800	0.808561%	\$ 4,434,922	0.735320%	Increase
\$900,000 value check		\$ 7,277.05		\$ 6,617.88	659.17
\$500,000 value check		\$ 4,042.81	-	\$ 3,676.60	366.21
Per \$100,000 residential assessment		\$ 808.56	-	\$ 735.32	73.24
		0.177883%	-	0.161770%	
Per \$100,000 agricultural assessment		\$ 177.88	-	\$ 161.77	16.11
			% Dif. Tax Levy	11.632%	
			% Dif. Tax Rate	9.960%	
		Levy diff	\$ 515,878		