



GRAND VALLEY

Town of Grand Valley Operating Budget 2025

Summary

On this summary, items presented in the first draft are left on but crossed out, then the second draft amounts are stated next to the first draft.

Total Draft Budget Request = ~~\$20,185,632~~ \$21,422,219 (2024 final budget was \$17,231,012)

Total Tax Levy (property taxes collected to help pay expenses) = ~~\$5,764,994~~ \$5,225,812 (2024 final levy was \$4,950,858)

- Assessment in the Town increased to \$773,350,718 from \$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~~ 4.69%, with this growth included. Tax payers would pay an additional ~~\$122~~ \$36.97 per \$100,000 in assessed residential value (a \$500,000 residential property will pay ~~\$610~~ \$184.86 more)
- ~~To get the tax rate increase to 5% or lower, an additional \$520,000 will need to be removed.~~

Budget Inclusions

- The operating budget includes the following:
 - o Significant capital and operating investment in roads, bridges, recreation, fire, policing.
 - o Operating and capital costs for storm water programs.
 - o Water and Wastewater Programs
 - o Growth-related expenses, paid for by development

Budget Exclusions

The following items were removed from the budget or are items not funded but need to be addressed:

- Luther Road Infiltration – delayed until 2026
- Proceeds from sale of Town-owned gravel pits
- Other land acquisitions/dispositions necessary to support Town objectives
- Main Street Crosswalk project (removed per Council direction)

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 for which DCs have not yet been 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 - 2025

	2025	Tax Rate	2024	Tax Rate	
Desired Tax Levy :	\$ 5,225,812	0.825302%	\$ 4,826,928	0.788331%	
\$900,000 value check		\$ 7,427.72		\$ 7,094.98	\$ 332.74
\$500,000 value check		\$ 4,126.51	-	\$ 3,941.66	\$ 184.86
per \$100,000 of assessment, residential		\$ 825.30	-	\$ 788.33	\$ 36.97
		0.181567%	-	0.173433%	
per \$100,000 of assessment, agricultural		\$ 81.57	-	\$ 173.43	\$ 8.13
			% Dif. Tax Levy	8.264%	
			% Dif. Tax Rate	4.690%	
		Levy diff	\$ 398,884		