



2025-26 Operating & Capital Budget V2

Committee of the Whole - 25 February 2025

2025-26 Operating V2

V1 2025/26 Operating Budget Shortfall	(\$180,748)
Change from V1 to V2	\$34,201
V2 2025/26 Operating Budget Shortfall	(\$146,547)

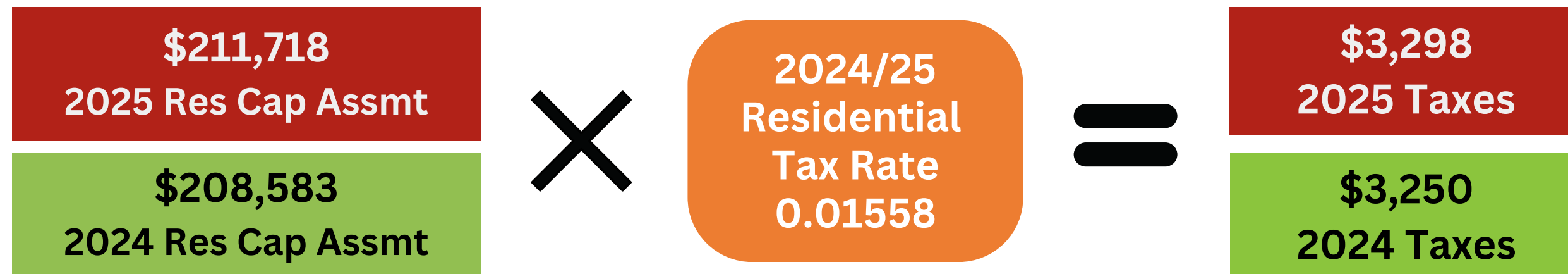
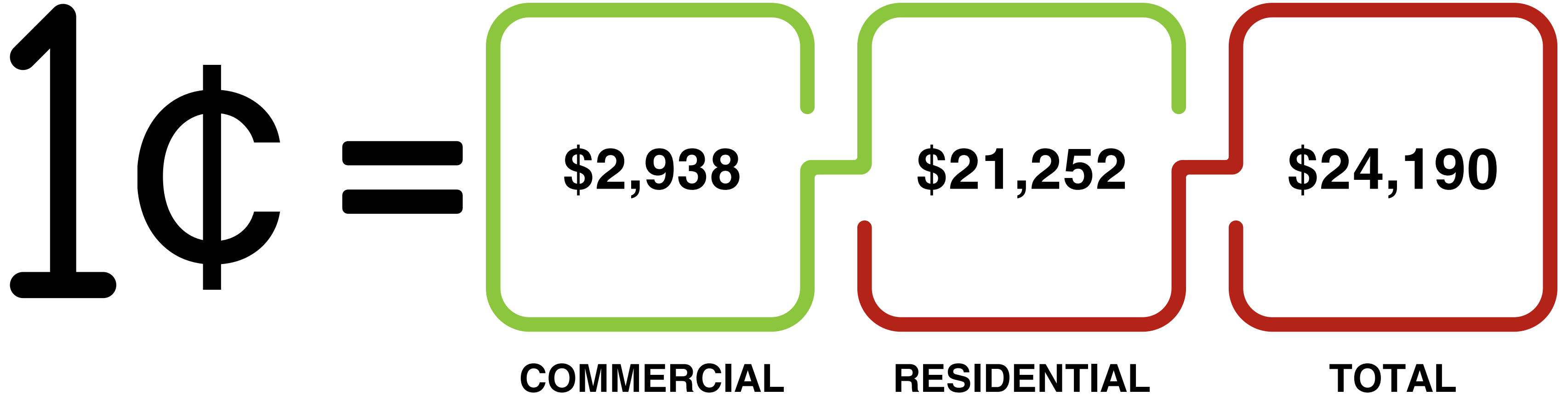
Budget Item	Amount
REVENUE	
Municipality of Kings Operating Grant Fire Department	28,312
Interest on Taxes	16,000
Interest on AR/PACE	(8,300)
Fitness Centre Memberships	(5,000)
Local Grants VIC	2,000
Local Grants Rec Admin- MOK Crossing Guard Grant	12,000
Safe Restart- Brightly Work Order Software	6,742

2025-26 Operating V2

EXPENSES	
Grants to Organizations	(1,000)
Admin salary corrections- links verified; confirmed CPP, EI & WCB & CPI	(20,913)
Administration professional development	(4,500)
Office Supplies	(1,500)
Tax Exemptions	(3,642)
Audit Fees	(14,074)
Education estimate	846
Fire Services maintenance & supplies	16,031
Public Works repairs and maintenance	(3,000)
Public Works salaries- CPI of 2.3% added	19,718
Paving- added sidewalks patching	21,000
Traffic Services	(2,400)
Kings Transit	4,000
Valley Waste Resource Management	(1,014)
MPS Review- additional costs	13,000
Parks & Maintenance	(5,000)



TAXATION



**Draft Tax Impact
Based on Assessment
Growth**

\$ 48

**Increase
over 2024**



FOLLOW-UP ITEMS

Item	Comments	Potential Budget Impact
Berwick Fitness Centre Increase Membership	A CPI increase was not applied to memberships in this version. If implemented, the following impact may be observed.	Approx. \$2,600
Berwick Fitness Centre Closure	The Town has a 20-year agreement with the Berwick & District Community Association for space at the KMCC. The Town is responsible for the common costs associated with the space. Although the Town may sub-lease the space to another party, closing the centre would provide no savings in 2025/26. This decision would increase costs to the Town to wind down operations in 2025/26, as well as require significant staff time to complete.	Unknown increase to 2025/26 budget
Brush Pickup	The direct costs associated with brush pickup is the rental of the container at public works. Staff can look at narrowing the time the container is available or remove the service.	Up to (\$8,000)



FOLLOW-UP ITEMS

Item	Comments	Potential Budget Impact
Council Travel and Conferences	Staff would require further direction to calculate any savings which would be minimal.	
Staff training and conferences	Professional development and conferences are a critical component to continuous improvement of staff. There are a number of staff which are required to complete continuous professional development to maintain certifications & designations.	(\$4,500)
Subcontract Services	There are currently no services identified to sell to other municipalities. This is an area that staff do assess if an opportunity presents itself; however, given our limited size and depth it is hard to find capacity to offer to other municipalities.	0

FOLLOW-UP ITEMS

Item	Comments	Potential Budget Impact
No CPI on wages	<p>Council can only decide not to provide CPI for non-union employees. By contract, CUPE employees are required to receive CPI. This decision would create inequality between the two groups, which management is always trying to balance when items are identified.</p> <p>CPI on one year may help balance a budget; however, it can quickly become an annual decision that puts staff further behind market value, leads to turnover and poor morale. The results have additional financial and productivity impacts on an organization. Furthermore, the Intermunicipal Service Agreement organizations that the Town of Berwick supports have all budgeted, and received Board approval, to provide at least CPI for their staff, which is calculated at a higher rate than the Town due to the time span that is used.</p>	(\$25,239)
No CPI on Council honorariums	The CPI calculated is based on the adjusted increase per policy.	(\$2,465)

FOLLOW-UP ITEMS

Item	Comments	Potential Budget Impact
IMSA Contract Reviews (KTA, VWRM, VCFN, VREN, REMO, AREA)	No changes can be made to our IMSA organizations that would provide budget savings to 2025/26. All of our IMSA have termination clauses that could not be enacted for the 2025/26 fiscal year. The CAO remains engaged with the CAOs of our partner IMSA organizations and the General Managers/CEO's, as well as our senior finance staff to run these organizations as effectively as possible. The service provided by these organizations could not be provided at the same level more efficiently.	0

FOLLOW-UP ITEMS

Item	Comments	Potential Budget Impact
AREA pay travel expenses for board and staff	Although this may be an option, typically IMSA organizations do not cover expenses of partner board members and staff, unless they are doing business on behalf of the IMSA organization.	0
AREA to pay admin fee for CAO & DOF	As previously communicated, until 2024/25, AREA paid an admin fee to the Town's to represent the time commitment of the CAO's involvement in AREA operations. With the 2025/26 budget discussions upcoming, this is an area that can be explored, including the addition of the commitment of the Director of Public Works.	(\$20,000) to (\$30,000)
AREA Dividend	AREA's 2024/25 budget identified a dividend of \$253,406. Berwick's share would be 27% or \$68,419. However, the financial report as of December 2024 showed a budget to actual deficit of \$100,000. Staff feel there is uncertainty of a dividend at this time. Council should consider any dividend be directed in full or in part to operating reserves.	Could budget a one cent use of AREA dividend and if a higher dividend is declared it could be transferred to operating reserves. (\$24,190)
BEC Dividend	BEC is not in a position to provide a dividend for 2025/26.	0



FOLLOW-UP ITEMS

Item	Comments	Potential Budget Impact
Sale of property	At present, the only property identified for sale is 228 Main Street. Staff recommend completing the Stormwater Management Plan to understand whether the property or a portion of it could be required for stormwater management prior to making any decisions on selling the property.	0
CPI increase to rental and fees	A CPI increase was not applied in this version. If implemented, the following impact may be observed.	Less than \$350

FOLLOW-UP ITEMS

Item	Comments	Potential Budget Impact
Grants to Organizations	<p>Council suggested a 25% decrease to grants to organizations. The current level of grants are \$30,350. Without a policy or criteria to guide recommendations, staff would require Council's direction on which grants to reduce and/or cut to meet the 25% decrease.</p> <p>Kings Point to Point does not have an IMSA with the Town of Berwick. Although this service is not budgeted under our grants to organizations, it is at Council's discretion.</p>	<p>(\$7,587)</p> <p>(\$5,000)</p>
Remove MESH internet	The annual operating cost of the MESH internet is not a budget savings strategy.	(1,100)
Additional levy for environmental rate to fund reserves based on the stormwater management plan findings	The timing of the Stormwater Management Plan and implementation would not have an impact on 2025/26. Furthermore, any levy would likely go to a capital reserve to pay for necessary upgrades.	0
Contracting out winter maintenance	See Winter Maintenance Information Report.	



FOLLOW-UP ITEMS

Item	Comments	Potential Budget Impact
Add Seasonal Parks Position	The current budget includes a 16-week casual parks position with 2 summer students. To make the casual position a permanent seasonal position April 1 to December 31 would be an additional \$24,000.	\$24,000
Add Part-Time Bylaw Officer	The addition of a Part-time Bylaw Officer. A partnership with another municipality may be an option; however, staff recommend that Berwick would want to receive 50% of a full-time position and not 50% a part-time position.	\$30,000



2025-26 Wastewater Projects

Project Name	Project Description	Estimated Total Project Cost	Net Project Cost to Town
WWTP Upgrades	Install of tertiary treatment system (filter) & drum screen replacement with auger screen	6,659,830	665,983
Morse Pond Pump Station	Replacement 15 HP 600V submersible pump (Morse Pond)	22,673	22,673
SCADA	Implement SCADA System (treatment plan and liftstations) to improve data monitoring	54,525	54,525
Flow Meter	Install a flowmeter at Ben Grove S/D PS to measure GVM flows	12,000	12,000
Carry Forward 24/25			-
WWTP Aeration, Blowers and Filter	Aeration of Lagoon 2; blowers; and pre-selection of filtration system.	2,518,000	-
Commercial St. Sewer	Wilson's Homestore Sewer Repair	100,000	100,000



2025-26 Public Works Projects

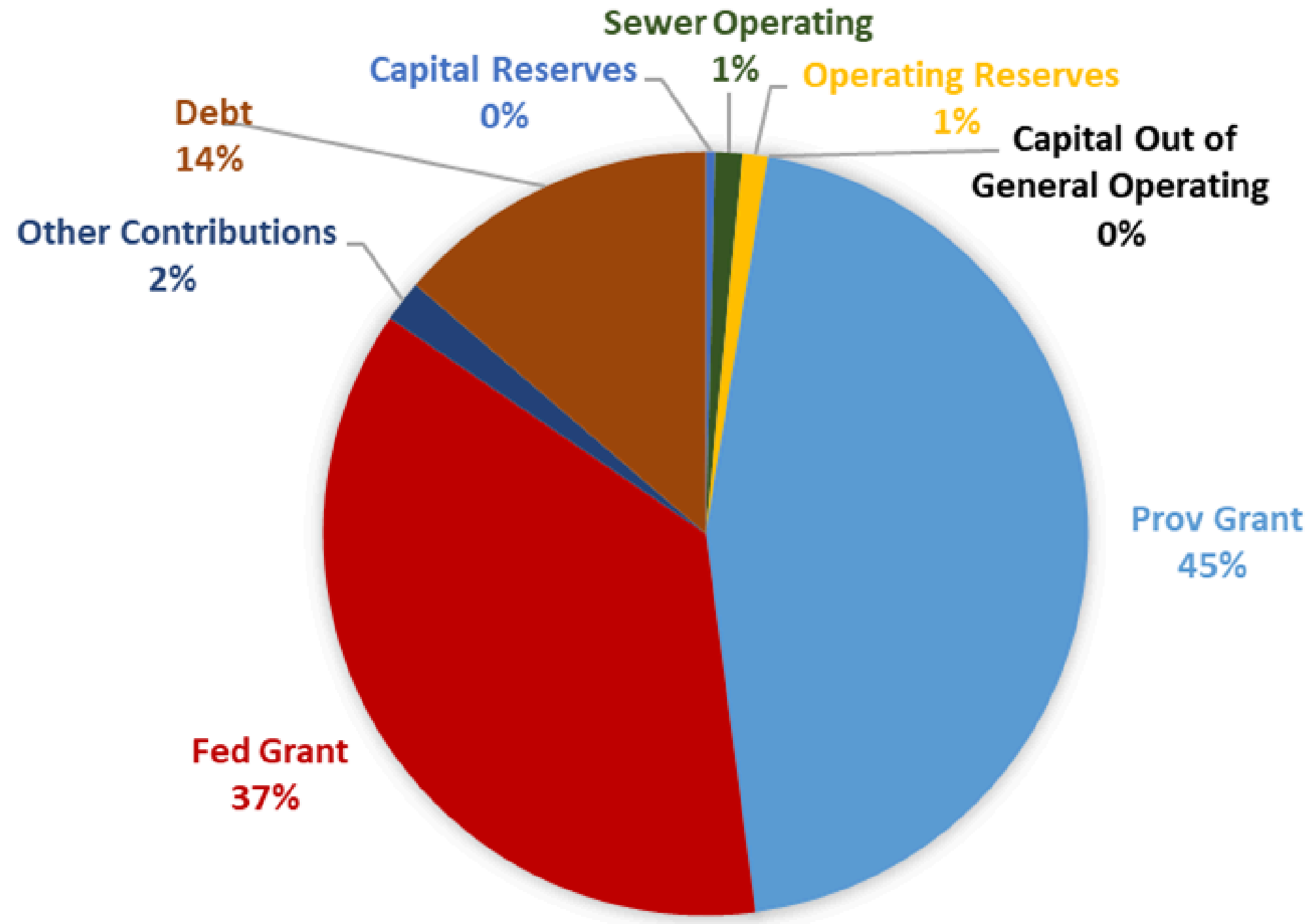
Project Name	Project Description	Estimated Total Project Cost	Net Project Cost to Town
Solar Garden	Addition of physical barriers to separate roadway from exposed cabling to comply with provincial electrical inspector opinion.	100,000	-
Asset Management	Brightly AM Software Implementation	23,483	-
Security Cameras	Phase 2: Public Works and Solar Garden	12,000	-
Flail Mower	Attachment for the excavator, for ditch, trails, and berm maintenance	12,000	6,000
Air Exchange	Install an Air Exchange for PW Shop Office	15,000	15,000
New Plow Truck	Replace 2008. Frame is rotted (2024), high risk of not passing safety inspection in 2026.	350,000	350,000
Comprehensive Transportation Plan	Identify the impact of development on traffic, improvements to transporting goods and people, crosswalks, one-ways streets and active transportation	100,000	50,000

2025-26 Comm Dev/Parks Projects

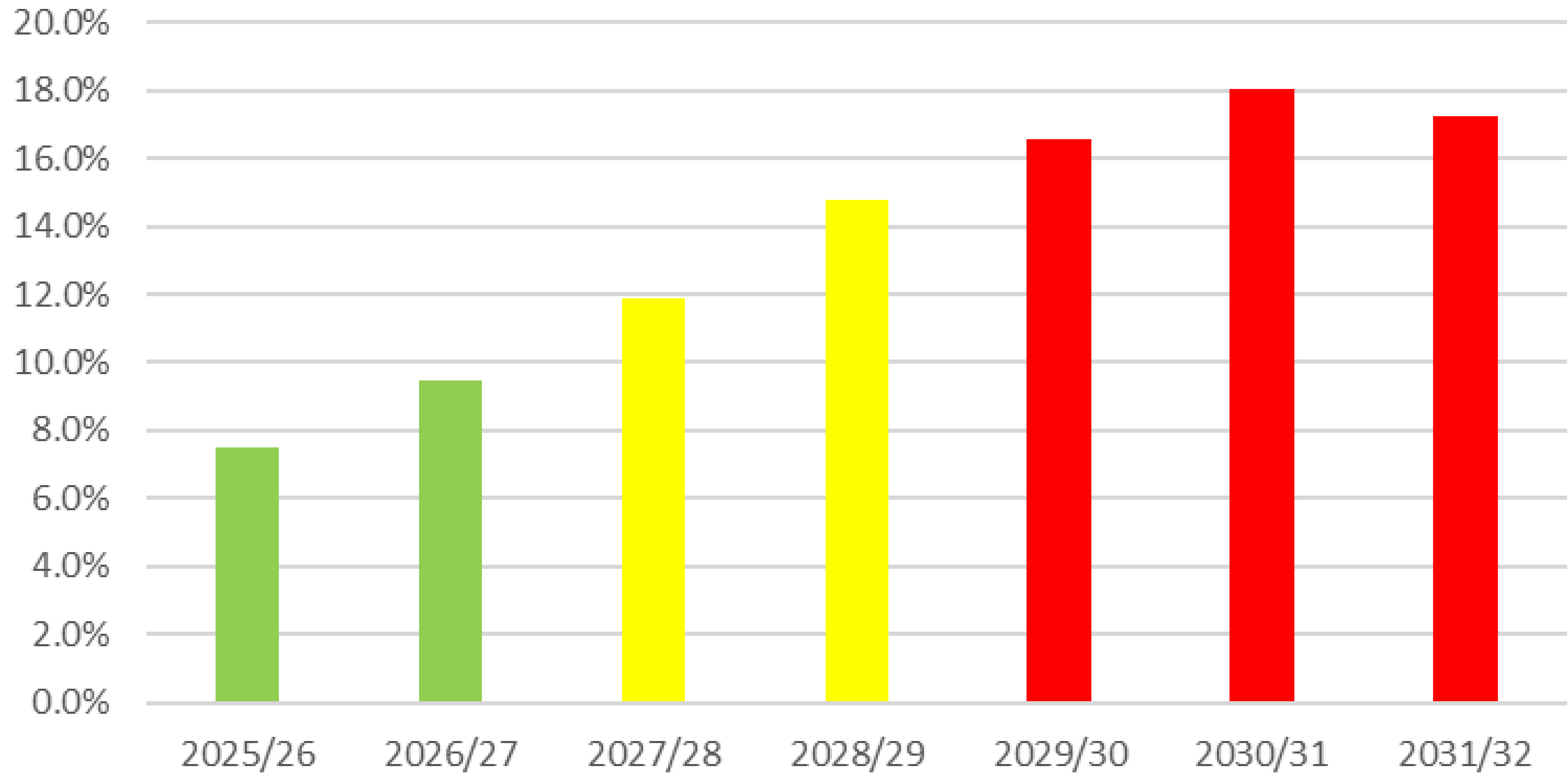
Project Name	Project Description	Estimated Total Project Cost	Net Project Cost to Town
Centennial/Rainforth Connection Trail	Accessible gravel trail to connect attractions and access points in both Centennial/Rainforth Parks (Per Centennial Park Plan Update)	12,500	3,750
BoxCar Finishes	Door upgrade and interior finish.	15,000	15,000
Ballfield Fencing - Rainforth Park	Purchase and installation of plastic piping on top of new ball fencing (Safety Considerations)	5,000	1,500
Town Gateway - Beautification	Town entry beautification upon the reinstatement of the existing bridge project (Power, Path, Lights etc.)	25,000	12,500



2025/26 Capital Funding Sources



Forecasted Debt Service Cost - FCI

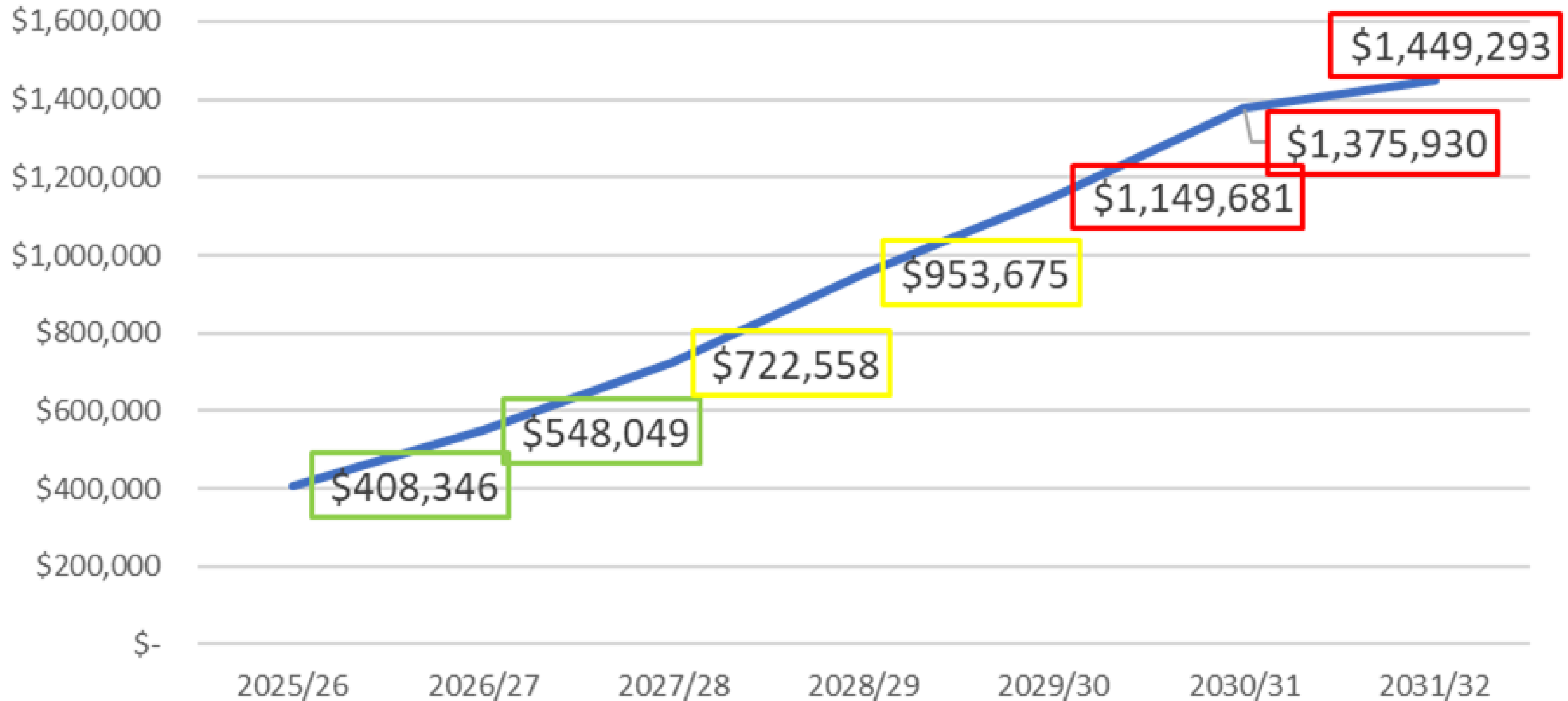


2025-26 BUDGET



Low Risk (<10%) Moderate Risk (10% - 15%) High Risk (>15%)

Forecasted Debt Repayments

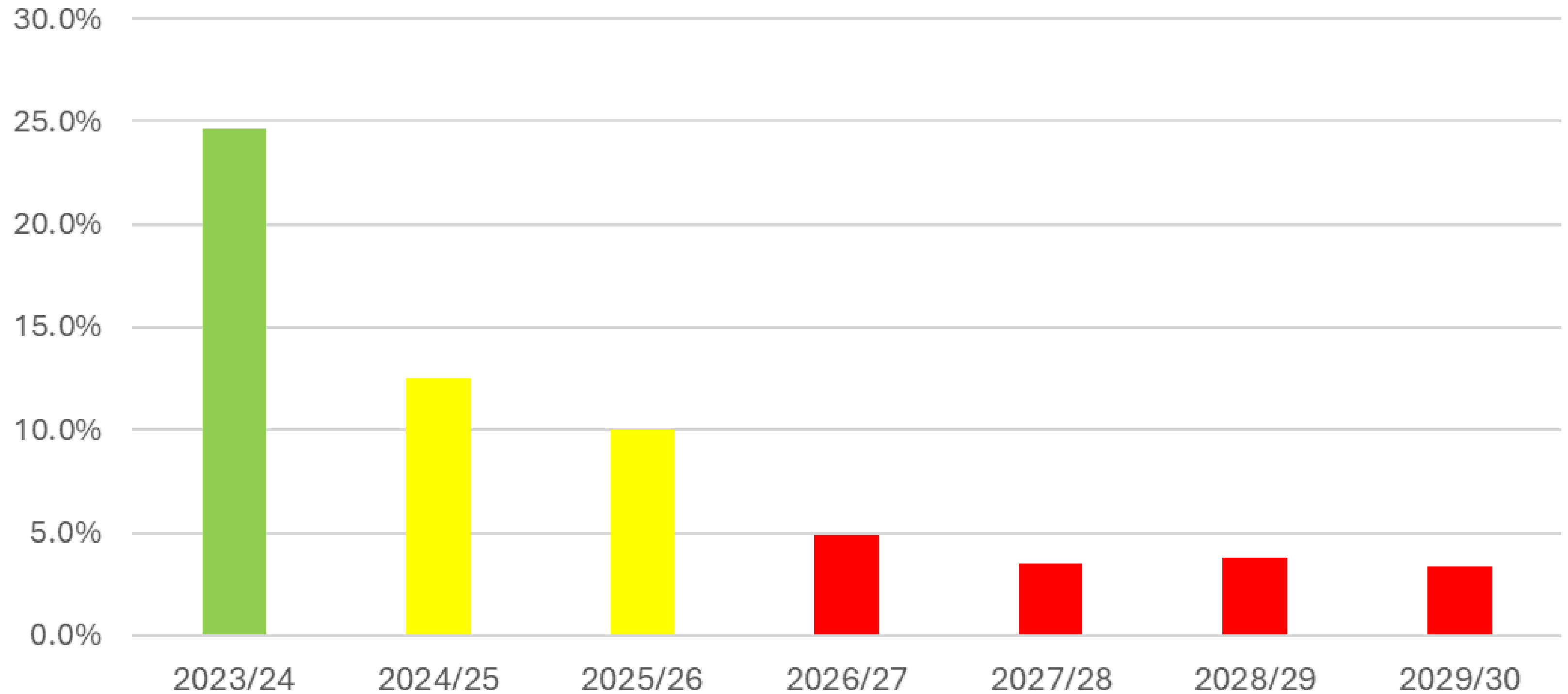


 Low Risk (<10%)  Moderate Risk (10% - 15%)  High Risk (>15%)



Forecasted Ending Period Operating Reserve - FCI

Without Minimum Contributions to Stay in Yellow



2025-26 BUDGET



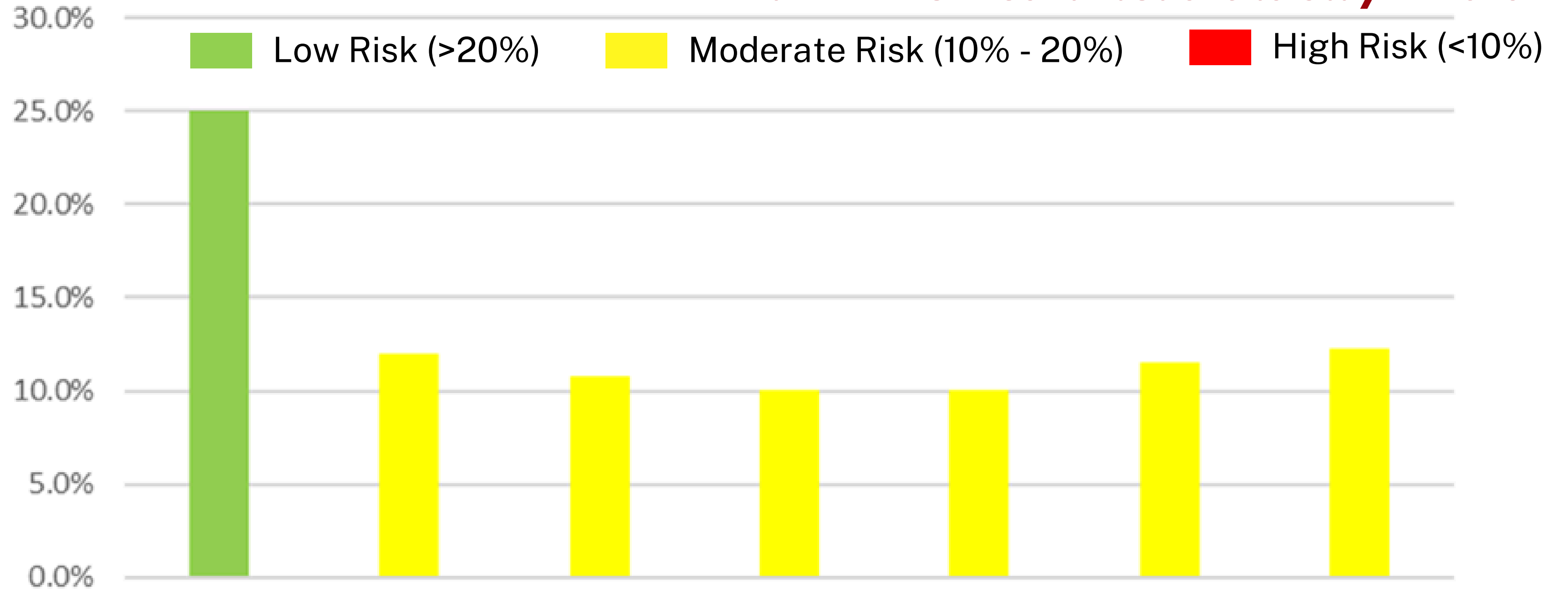
Low Risk (>20%)

Moderate Risk (10% - 20%)

High Risk (<10%)

Forecasted Ending Period Operating Reserve - FCI

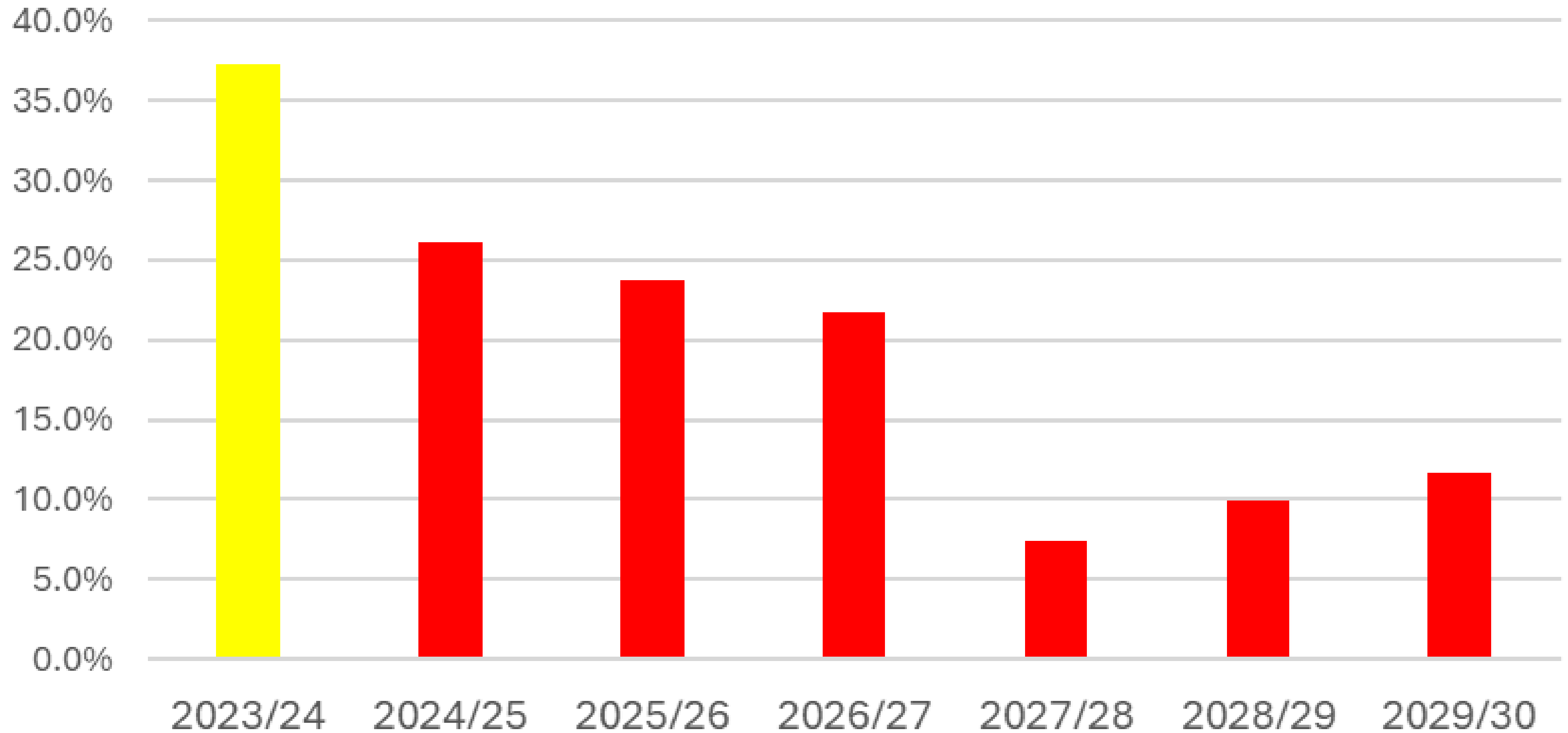
With Minimum Contributions to Stay in Yellow



	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Operating Sewer			50,000	50,000	50,000	50,000	50,000
Operating Town			75,000	65,000	50,000	50,000	50,000
Total Contribution			125,000	240,000	100,000	100,000	100,000

Forecasted Ending Period Combined Reserves - FCI

Without Minimum Contributions to Stay in Yellow



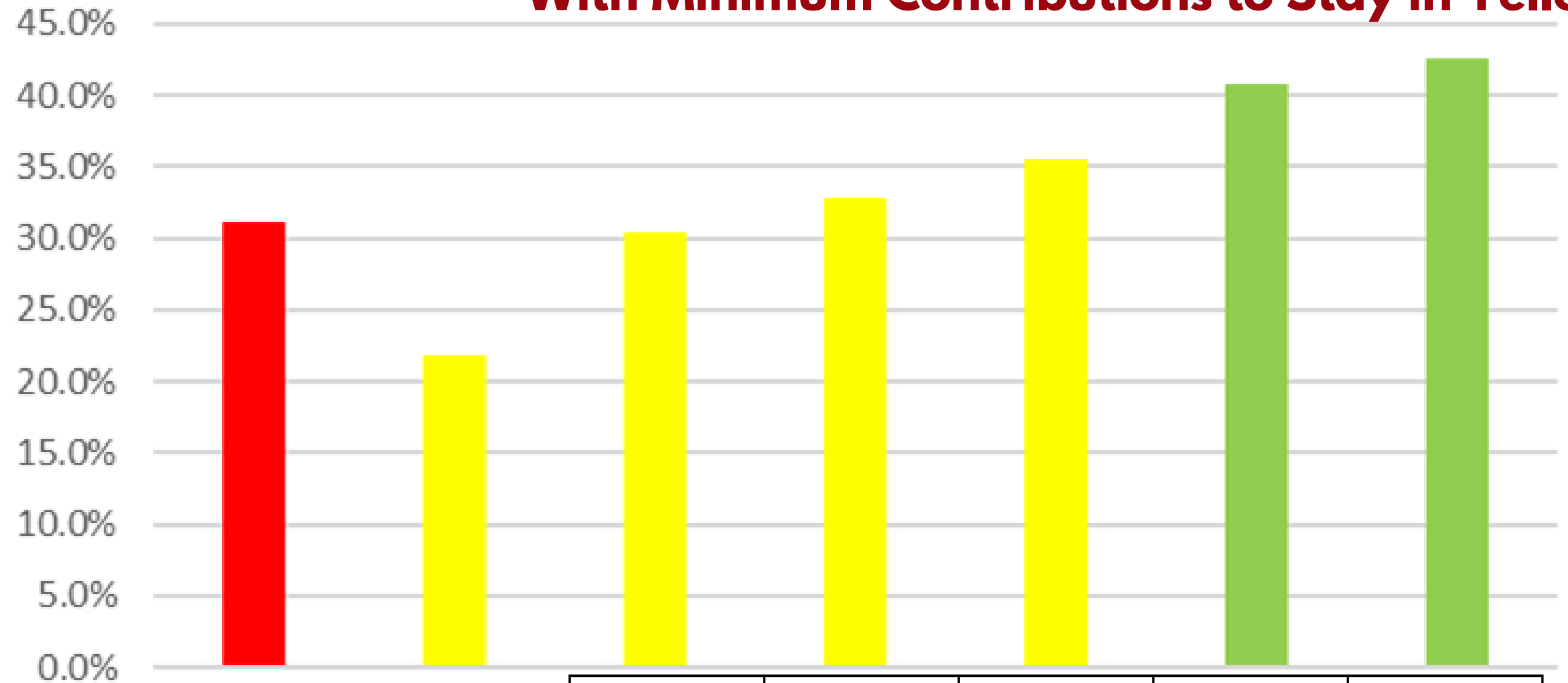
Low Risk (>40%) Moderate Risk (30% - 40%) High Risk (<30%)



Forecasted Ending Period Combined Reserve - FCI

With Minimum Contributions to Stay in Yellow

- Low Risk (>20%)
- Moderate Risk (10% - 20%)
- High Risk (<10%)



	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Operating Sewer			50,000	50,000	50,000	50,000	50,000
Operating Town			25,000	65,000	50,000	50,000	50,000
Capital Sewer			50,000	50,000	50,000	50,000	50,000
Capital Town			650,000	50,000	50,000	50,000	50,000
Total Contribution			775,000	215,000	200,000	200,000	200,000

Forecasted and Draft FCI's

Indicator Name	Forecasted 2025-26	Forecasted 2024-25	Draft 2023-24	Draft 2022-23	2021-22	2020-21
Residential Tax Effort	4%	4%	4.3%	3.9%	3.6%	4.3%
Operating Reserve	8.9%	12.0%	25.0%	23.7%	27.5%	19.1%
Debt Service Cost	9.5%	7.5%	7.3%	8.8%	9.6%	9.5%
Combined Operating & Capital Reserves	19.6%	21.9%	31.2%	33.0%	39.5%	30.5%

- Assumes no reserve transfers in 2025-26
- Please consider the forecasted debt associated with WWTP upgrades and Foster Street refurbishment
- CPI has been applied to the median income used from the census in 2021





Change in Tax Rate

Average Residential Capped Assessment 2025-26 - \$211,718

Change in Tax Rate	Tax Rate	Full Year	Change Year over Year	Total Change Year over Year	Interim Bill	Change on Interim Bill	Additional Tax Revenue
(0.04)	1.518	3,214	21	(36)	1,607	(18)	(96,760)
(0.03)	1.528	3,235	21	(15)	1,618	(8)	(72,570)
(0.02)	1.538	3,256	21	6	1,628	3	(48,380)
(0.01)	1.548	3,277	21	27	1,639	13	(24,190)
-	1.558	3,299	48	48	1,649	24	-
0.01	1.568	3,320	21	69	1,660	35	24,190
0.02	1.578	3,341	21	90	1,670	45	48,380
0.03	1.588	3,362	21	112	1,681	56	72,570
0.04	1.598	3,383	21	133	1,692	66	96,760
0.05	1.608	3,404	21	154	1,702	77	120,950
0.06	1.618	3,426	21	175	1,713	88	145,140
0.07	1.628	3,447	21	196	1,723	98	169,330
0.08	1.638	3,468	21	217	1,734	109	193,520
0.09	1.648	3,489	21	239	1,745	119	217,710
0.10	1.658	3,510	21	260	1,755	130	241,900

Change in Tax Rate

Change in Tax Rate	Tax Rate	Full Year	Change Year over Year	Total Change Year over Year	Interim Bill	Change on Interim Bill	Additional Tax Revenue
(0.02)	1.538	5,383	21	(8)	2,692	(4)	(48,380)
(0.01)	1.548	5,418	35	13	2,709	7	(24,190)
-	1.558	5,453	48	48	2,727	24	-
0.01	1.568	5,488	35	83	2,744	42	24,190
0.02	1.578	5,523	35	118	2,762	59	48,380
0.03	1.588	5,558	35	153	2,779	77	72,570
0.04	1.598	5,593	35	188	2,797	94	96,760

Average Residential Capped Assessment 2025-26 **\$350,000**

Change in Tax Rate	Tax Rate	Full Year	Change Year over Year	Total Change Year over Year	Interim Bill	Change on Interim Bill	Additional Tax Revenue
(0.02)	1.538	7,690	21	(23)	3,845	(12)	(48,380)
(0.01)	1.548	7,740	50	(2)	3,870	(1)	(24,190)
-	1.558	7,790	48	48	3,895	24	-
0.01	1.568	7,840	50	98	3,920	49	24,190
0.02	1.578	7,890	50	148	3,945	74	48,380
0.03	1.588	7,940	50	198	3,970	99	72,570
0.04	1.598	7,990	50	248	3,995	124	96,760

Average Residential Capped Assessment 2025-26 **\$500,000**

