

# CORPORATION OF THE TOWNSHIP OF MCKELLAR

March 7, 2025, 1:00 p.m.

## AGENDA

**Topic: Special Meeting of Council**

**Time: March 7, 2025, 1:00 P.M.**

**Location: Council Chambers, 701 Highway 124 McKellar, ON P0G 1C0**

<https://us06web.zoom.us/j/84736498173>

**Dial by your location**  
**+1 647 374 4685 Canada**  
**+1 647 558 0588 Canada**

**25- 1<sup>st</sup> Resolution**  
**2025-15 1<sup>st</sup> By-law**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. DECLARATIONS OF PECUNIARY AND/OR PERSONAL INTEREST AND GENERAL NATURE THEREOF**
- 4. ADOPTION OF AGENDA**
- 5. CLOSED SESSION**
  - 5.1 Education or training; pursuant to Ontario Municipal Act Section 239(3.1)  
– IT Training for Council and Staff
- 6. CALL TO ORDER**
- 7. RESPECT AND ACKNOWLEDGMENT DECLARATION**

In the spirit of reconciliation and co-operation, we wish to acknowledge that the land on which we gather is the traditional territory of the Anishinaabe and Mississauga people. Its boundaries fall within the Robinson-Huron Treaty of 1850 and the Williams Treaty of 1923. We are grateful to live here and we thank all the generations of people who have taken care of this land for thousands of years. To honour the suffering of Indigenous people and the love and wisdom they have carried for thousands of years, we pledge to work in community and harmony with each other and the environment we inhabit and work towards Truth and Reconciliation.
- 8. ROLL CALL**
- 9. DECLARATIONS OF PECUNIARY AND/OR PERSONAL INTEREST AND GENERAL NATURE THEREOF**

- 10. PUBLIC MEETING**
- 11. DELEGATIONS AND PRESENTATIONS**
- 12. COMMITTEE OF THE WHOLE**
  - 12.1 Financing Options through Debenture for 2025 Capital Budget
- 13. MOTION TO REVIEW A PREVIOUS MOTION**
- 14. ADOPTION OF MINUTES OF PREVIOUS MEETING(S)**
- 15. PLANNING MATTERS**
- 16. COMMITTEE/BOARD MINUTES WITH RECOMMENDATIONS FOR APPROVAL**
- 17. STAFF REPORTS WITH RECOMMENDATIONS FOR APPROVAL**
- 18. MAYOR'S REPORT**
- 19. CORRESPONDENCE FOR CONSIDERATION**
- 20. MOTION AND NOTICE OF MOTION**
- 21. BY-LAWS**
- 22. UNFINISHED BUSINESS**
- 23. NEW BUSINESS**
- 24. PUBLIC NOTICES, ANNOUNCEMENTS, INQUIRIES AND REPORTS BY COUNCIL MEMBERS**
- 25. CONSENT AGENDA – CORRESPONDENCE**
- 26. QUESTION/COMMENT PERIOD (RELATED TO ITEMS ON AGENDA)**
- 27. CONFIRMING BY-LAW**
  - 27.1 By-law 2025-15 - Confirming the Proceedings of Council
- 28. ADJOURNMENT**

## **Instructions for Joining the Council Meeting**

1. Please try to sign in between 12:50 p.m. to 1:00 p.m. if possible; you are still welcome to sign in after 1:00 p.m. if necessary.
2. Please wait to be let in the 'meeting room'; this won't take long.
3. Please have your mic and video on mute unless you are speaking; this ensures there are no distractions or background noise to disrupt the meeting.
4. When you sign in, please sign in with your full name (first and last), not a company name.
5. A question-and-answer opportunity will be available at the end of the meeting, as per normal protocol, or during the Public Meeting.
6. If you have permission to speak please identify yourself (first and last name).
7. Please respect meeting protocol and do not interrupt the meeting. The Municipality reserves the right to remove attendees who are disruptive or disrespect meeting protocol.

A close-up photograph of a pencil with a sharpened lead tip resting on a document. The document features a line graph with a grid. The pencil is positioned diagonally across the frame. The background is slightly blurred, showing more of the document and the pencil's body.

# Financing Options

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ROSHAN KANTIYA

# PREAMBLE

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- The Council meeting on January 31, 2025, thoroughly discussed the operating and capital budgets for that year. Given the capital-intensive nature of the budget, additional information was needed regarding the financing of the projects.
- The Council is particularly interested in allocating funding for the Hurdville Road Project, which aims to improve infrastructure in the area. Additionally, they are looking to invest in the acquisition of a new fire truck to enhance emergency services and ensure the safety of the community.
- The Treasurer carefully evaluated a range of possibilities to ensure that both projects could be incorporated into this year's budget.

# PREAMBLE

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- The overall expense associated with the rehabilitation of Hurdville Road amounts to an impressive total of \$3,806,621.
- In each scenario, a loan of \$3,000,000 will be used from Infrastructure Ontario. The remaining amount required to finance the project will be sourced from the reserve funds, along with additional support from the Northern Ontario Development Program.
- In our analysis, we opted to use the Amortize method of payment for both the first and third scenarios. In contrast, for the second and fourth scenarios, we employed the Serial method of payment.
- For our loan calculations, we applied a 3.71% interest rate for a 10-year term using the amortization method. In contrast, we utilized a slightly lower interest rate of 3.69% for the same 10-year term when employing the serial method of loan repayment.
- In the third and fourth scenarios, we used loan of \$400,000 specifically to purchase a fire truck. This financing was in addition to the loan for the Hurdville Road project.
- The initial draft of the budget, presented on January 31, 2025, serves as the foundation for the forecast of revenue and expenses for the period spanning from 2026 to 2030.
- Our projected figures are based on the Bank of Canada's strategy to maintain an inflation rate within the range of 2% to 3% for the years 2026 to 2030.

# PREAMBLE

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- The anticipated operating budget for the period from 2026 to 2030 is planned to experience an annual increment of two percent.
- The final payment for the truck has been adjusted for the years 2026 to 2030. This adjustment is necessary because the initial draft for 2025 already includes a full payment, and the truck will be completely paid off by 2026.
- The loan repayment plan for Centre Road has been adjusted for the period from 2026 to 2030. This change is implemented in accordance with the serial repayment method, which typically entails higher payments in the initial years, followed by a gradual decrease in payment amounts over time. The loan will be fully paid by 2029 and that's why reduction of expenses in 2030 by \$192,313.98
- The education tax rate will remain unchanged throughout our projected period from 2026 to 2030.
- As per 2023 F/S, the maximum amount permitted for annual repayments was set at \$1,066,983.

**Forecast Revenue & Expenses**  
**Amortize method of payment**  
**Scenario 1**

	2025	2026	2027	2028	2029	2030
Previous Year Levy -	-\$ 4,163,575.45	-\$ 4,455,025.73	-\$ 4,677,777.02	-\$ 4,888,276.98	-\$ 5,083,808.06	-\$ 5,287,160.39
Estimated growth @2% of previous year levy	-\$ 82,433.57	-\$ 89,100.51	-\$ 93,555.54	-\$ 97,765.54	-\$ 101,676.16	-\$ 105,743.21
Estimated Yearly Increase	-\$ 209,016.71	-\$ 133,650.77	-\$ 116,944.43	-\$ 97,765.54	-\$ 101,676.16	-\$ 105,743.21
<b>Estimated Total Levy</b>	<b>-\$ 4,455,025.73</b>	<b>-\$ 4,677,777.02</b>	<b>-\$ 4,888,276.98</b>	<b>-\$ 5,083,808.06</b>	<b>-\$ 5,287,160.39</b>	<b>-\$ 5,498,646.80</b>
Estimated Revenue	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47
Surplus	-\$ 31,428.96					
<b>Estimated Operating Revenue</b>	<b>-\$ 1,722,613.43</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>
<b>Estimated Total Operating Revenue</b>	<b>-\$ 6,177,639.16</b>	<b>-\$ 6,368,961.49</b>	<b>-\$ 6,579,461.45</b>	<b>-\$ 6,774,992.53</b>	<b>-\$ 6,978,344.86</b>	<b>-\$ 7,189,831.27</b>
Estimated Operating Budget increase @2% for 2026-2030	\$ 5,165,105.72	\$ 5,268,407.83	\$ 5,373,775.99	\$ 5,481,251.51	\$ 5,590,876.54	\$ 5,702,694.07
Transfer to Investment- Asset Management Reserve	\$ 63,794.93	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
Adjustment of Loan Payment for Truck		-\$ 17,816.06	-\$ 35,632.12	-\$ 35,632.12	-\$ 35,632.12	-\$ 35,632.12
Adjust Loan Payment for Centre Road		-\$ 6,800.01	-\$ 6,799.99	-\$ 6,772.06	-\$ 6,827.94	-\$ 192,313.98
Loan Amount for Hurdville Project @3.71% for 10 years	\$ 180,912.91	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82
<b>Estimated Operating Budget</b>	<b>\$ 5,409,813.56</b>	<b>\$ 5,665,617.58</b>	<b>\$ 5,753,169.70</b>	<b>\$ 5,860,673.15</b>	<b>\$ 5,970,242.30</b>	<b>\$ 5,896,573.79</b>
<b>Available for Capital</b>	<b>-\$ 767,825.60</b>	<b>-\$ 703,343.90</b>	<b>-\$ 826,291.75</b>	<b>-\$ 914,319.38</b>	<b>-\$ 1,008,102.56</b>	<b>-\$ 1,293,257.48</b>
Capital Expenses as per 1st Draft of 2025 Budget	\$ 3,752,473.11					
Add : Remainig balance of Hurdville Road Project	\$ 2,682,721.00					
<b>Estimated Capital Expenses</b>	<b>\$ 6,435,194.11</b>					
Capital Revenue as per 1st Draft of 2025 Budget	-\$ 2,667,368.51					
Add :Hurdville Road Project Loan	-\$ 3,000,000.00					
<b>Estimated Capital Revenue</b>	<b>-\$ 5,667,368.51</b>					
<b>Required Levy to Fund Capital</b>	<b>\$ 767,825.60</b>					
<b>Net Impact on Tax bill</b>	<b>3.91%</b>	<b>2.36%</b>	<b>1.98%</b>	<b>1.59%</b>	<b>1.60%</b>	<b>1.60%</b>
<b>Estimated Mill rate Increase</b>	<b>5.02%</b>	<b>3.00%</b>	<b>2.50%</b>	<b>2.00%</b>	<b>2.00%</b>	<b>2.00%</b>



<b>Forecasted Outstanding Debt</b>						
<b>As per Scenario 1</b>						
	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Centre Road @4.25% due August 2029	\$ 192,313.98	\$ 185,513.97	\$ 178,713.98	\$ 171,941.92	\$ 165,113.98	
Truck @1.29% due June 2026	\$ 35,632.12	\$ 17,816.06				
West Parry Sound Area Recreation and Culture Centre @ 4.41% due October 2032	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54
Hurdville Road project@3.71% for 10 years	\$ 180,912.91	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82
	<b>\$ 505,537.55</b>	<b>\$ 661,834.39</b>	<b>\$ 637,218.34</b>	<b>\$ 630,446.28</b>	<b>\$ 623,618.34</b>	<b>\$ 458,504.36</b>

**Forecast Revenue & Expenses  
Serial Method of Payment  
Scenario 2**

	2025	2026	2027	2028	2029	2030
Previous Year Levy	-\$ 4,163,575.45	-\$ 4,479,614.46	-\$ 4,703,595.18	-\$ 4,915,256.96	-\$ 5,111,867.24	-\$ 5,316,341.93
Estimated growth @2%	-\$ 82,433.57	-\$ 89,592.29	-\$ 94,071.90	-\$ 98,305.14	-\$ 102,237.34	-\$ 106,326.84
Estimated Yearly increase	-\$ 233,605.44	-\$ 134,388.43	-\$ 117,589.88	-\$ 98,305.14	-\$ 102,237.34	-\$ 106,326.84
<b>Estimated Total Levy</b>	<b>-\$ 4,479,614.46</b>	<b>-\$ 4,703,595.18</b>	<b>-\$ 4,915,256.96</b>	<b>-\$ 5,111,867.24</b>	<b>-\$ 5,316,341.93</b>	<b>-\$ 5,528,995.61</b>
Estimated Revenue	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47
Surplus	-\$ 31,428.96					
<b>Estimated Operating Revenue</b>	<b>-\$ 1,722,613.43</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>
<b>Estimated Total Operating Revenue</b>	<b>-\$ 6,202,227.89</b>	<b>-\$ 6,394,779.65</b>	<b>-\$ 6,606,441.43</b>	<b>-\$ 6,803,051.71</b>	<b>-\$ 7,007,526.40</b>	<b>-\$ 7,220,180.08</b>
Estimated Operating Budget increase @2% for 2026-2030	\$ 5,165,105.72	\$ 5,268,407.83	\$ 5,373,775.99	\$ 5,481,251.51	\$ 5,590,876.54	\$ 5,702,694.07
Transfer to Investment- Asset Management Reserve	\$ 63,794.93	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
Adjustment of Loan Payment for Truck		-\$ 17,816.06	-\$ 35,632.12	-\$ 35,632.12	-\$ 35,632.12	-\$ 35,632.12
Adjust Loan Payment for Centre Road		-\$ 6,800.01	-\$ 6,799.99	-\$ 6,772.06	-\$ 6,827.94	-\$ 192,313.98
Loan Amount for Hurdville Project @3.69% for 10 years	\$ 205,501.64	\$ 402,389.92	\$ 391,319.92	\$ 380,477.38	\$ 369,179.92	\$ 358,109.92
<b>Estimated Operating Budget</b>	<b>\$ 5,434,402.29</b>	<b>\$ 5,706,181.68</b>	<b>\$ 5,782,663.80</b>	<b>\$ 5,879,324.71</b>	<b>\$ 5,977,596.40</b>	<b>\$ 5,892,857.89</b>
<b>Available for Capital</b>	<b>-\$ 767,825.60</b>	<b>-\$ 688,597.97</b>	<b>-\$ 823,777.63</b>	<b>-\$ 923,727.00</b>	<b>-\$ 1,029,930.00</b>	<b>-\$ 1,327,322.19</b>
Capital Expenses as per 1st Draft of 2025 Budget	\$ 3,752,473.11					
Add : Remainig balance of Hurdville Road Project	\$ 2,682,721.00					
<b>Estimated Capital Expenses</b>	<b>\$ 6,435,194.11</b>					
Capital Revenue as per 1st Draft of 2025 Budget	-\$ 2,667,368.51					
Add :Hurdville Road Project Loan	-\$ 3,000,000.00					
<b>Estimated Capital Revenue</b>	<b>-\$ 5,667,368.51</b>					
<b>Required Levy to Fund Capital</b>	<b>\$ 767,825.60</b>					
<b>Net Impact on Tax bill</b>	<b>4.38%</b>	<b>2.36%</b>	<b>1.98%</b>	<b>1.59%</b>	<b>1.60%</b>	<b>1.60%</b>
<b>Estimated Mill rate Increase</b>	<b>5.61%</b>	<b>3.00%</b>	<b>2.50%</b>	<b>2.00%</b>	<b>2.00%</b>	<b>2.00%</b>

<b>Forecasted Outstanding Debt</b>						
<b>As per Scenario 2</b>						
	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Centre Road @4.25% due August 2029	\$ 192,313.98	\$ 185,513.97	\$ 178,713.98	\$ 171,941.92	\$ 165,113.98	
Truck @1.29% due June 2026	\$ 35,632.12	\$ 17,816.06				
West Parry Sound Area Recreation and Culture Centre @ 4.41% due October 2032	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54
Hurdville Road project@3.69% for 10 years	\$ 205,501.64	\$ 402,389.92	\$ 391,319.92	\$ 380,477.38	\$ 369,179.92	\$ 358,109.92
	<b>\$ 530,126.28</b>	<b>\$ 702,398.49</b>	<b>\$ 666,712.44</b>	<b>\$ 649,097.84</b>	<b>\$ 630,972.44</b>	<b>\$ 454,788.46</b>

**Forecast Revenue & Expenses**  
**Amortize method of payment**  
**Scenario 3**

	2025	2026	2027	2028	2029	2030
Previous Year Levy	-\$ 4,163,575.45	-\$ 4,246,009.02	-\$ 4,458,309.47	-\$ 4,658,933.40	-\$ 4,845,290.73	-\$ 5,039,102.36
Estimated growth @2%	-\$ 82,433.57	-\$ 84,920.18	-\$ 89,166.19	-\$ 93,178.67	-\$ 96,905.81	-\$ 100,782.05
Estimated Yearly increase		-\$ 127,380.27	-\$ 111,457.74	-\$ 93,178.67	-\$ 96,905.81	-\$ 100,782.05
<b>Estimated Total Levy</b>	<b>-\$ 4,246,009.02</b>	<b>-\$ 4,458,309.47</b>	<b>-\$ 4,658,933.40</b>	<b>-\$ 4,845,290.73</b>	<b>-\$ 5,039,102.36</b>	<b>-\$ 5,240,666.46</b>
Estimated Revenue	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47
Surplus						
<b>Estimated Operating Revenue</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>
<b>Estimated Total Operating Revenue</b>	<b>-\$ 5,937,193.49</b>	<b>-\$ 6,149,493.94</b>	<b>-\$ 6,350,117.87</b>	<b>-\$ 6,536,475.20</b>	<b>-\$ 6,730,286.83</b>	<b>-\$ 6,931,850.93</b>
Estimated Operating Budget Increase @2% for 2026-2030	\$ 5,165,105.72	\$ 5,268,407.83	\$ 5,373,775.99	\$ 5,481,251.51	\$ 5,590,876.54	\$ 5,702,694.07
Transfer to Investment- Asset Management Reserve	\$ 63,794.93	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
Adjustment of Loan Payment for Truck		-\$ 17,816.06	-\$ 35,632.12	-\$ 35,632.12	-\$ 35,632.12	-\$ 35,632.12
Adjust Loan Payment for Centre Road		-\$ 6,800.01	-\$ 6,799.99	-\$ 6,772.06	-\$ 6,827.94	-\$ 192,313.98
Loan Payable for Hurdville Project @3.71% for 10 years	\$ 180,912.91	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82
Loan Payable for Fire Truck @3.71% for 10 years	\$ 24,121.72	\$ 48,243.44	\$ 48,243.44	\$ 48,243.44	\$ 48,243.44	\$ 48,243.44
<b>Estimated Operating Budget</b>	<b>\$ 5,433,935.28</b>	<b>\$ 5,713,861.02</b>	<b>\$ 5,801,413.14</b>	<b>\$ 5,908,916.59</b>	<b>\$ 6,018,485.74</b>	<b>\$ 5,944,817.23</b>
<b>Available for Capital</b>	<b>-\$ 503,258.21</b>	<b>-\$ 435,632.92</b>	<b>-\$ 548,704.73</b>	<b>-\$ 627,558.61</b>	<b>-\$ 711,801.09</b>	<b>-\$ 987,033.69</b>
Capital Expenses as per 1st Draft of 2025 Budget	\$ 3,752,473.11					
Add : Remainig balance of Hurdville Road Project	\$ 2,682,721.00					
<b>Estimated Capital Expenses</b>	<b>\$ 6,435,194.11</b>					
Capital Revenue as per 1st Draft of 2025 Budget	-\$ 2,667,368.51					
Add :Hurdville Road Project Loan	-\$ 3,000,000.00					
Truck	-\$ 400,000.00					
<b>Estimated Capital Revenue</b>	<b>-\$ 6,067,368.51</b>					
<b>Required Levy to Fund Capital</b>	<b>\$ 367,825.60</b>					
<b>Net Impact on Tax bill</b>	<b>0.00%</b>	<b>2.34%</b>	<b>1.96%</b>	<b>1.58%</b>	<b>1.58%</b>	<b>1.59%</b>
<b>Estimated Mill rate Increase</b>	<b>0.00%</b>	<b>3.00%</b>	<b>2.50%</b>	<b>2.00%</b>	<b>2.00%</b>	<b>2.00%</b>

<b>Forecasted Outstanding Debt</b>						
<b>As per Scenario 3</b>						
	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Centre Road @4.25% due August 2029	\$ 192,313.98	\$ 185,513.97	\$ 178,713.98	\$ 171,941.92	\$ 165,113.98	
Truck @1.29% due June 2026	\$ 35,632.12	\$ 17,816.06				
West Parry Sound Area Recreation and Culture Centre @ 4.41% due October 2032	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54
Hurdville Road project@3.71% for 10 years	\$ 180,912.91	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82	\$ 361,825.82
Fire Truck @3.71% for 10 years	\$ 24,121.72	\$ 48,243.44	\$ 48,243.44	\$ 48,243.44	\$ 48,243.44	\$ 48,243.44
	<b>\$ 529,659.27</b>	<b>\$ 710,077.83</b>	<b>\$ 685,461.78</b>	<b>\$ 678,689.72</b>	<b>\$ 671,861.78</b>	<b>\$ 506,747.80</b>

**Forecast Revenue & Expenses  
Serial Method of Payment  
Scenario 4**

	2025	2026	2027	2028	2029	2030
Previous Year Levy	-\$ 4,163,575.45	-\$ 4,246,009.02	-\$ 4,458,309.47	-\$ 4,658,933.40	-\$ 4,845,290.73	-\$ 5,039,102.36
Estimated growth @2%	-\$ 82,433.57	-\$ 84,920.18	-\$ 89,166.19	-\$ 93,178.67	-\$ 96,905.81	-\$ 100,782.05
Estimated Yearly increase		-\$ 127,380.27	-\$ 111,457.74	-\$ 93,178.67	-\$ 96,905.81	-\$ 100,782.05
<b>Estimated Total Levy</b>	<b>-\$ 4,246,009.02</b>	<b>-\$ 4,458,309.47</b>	<b>-\$ 4,658,933.40</b>	<b>-\$ 4,845,290.73</b>	<b>-\$ 5,039,102.36</b>	<b>-\$ 5,240,666.46</b>
Estimated Revenue	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47	-\$ 1,691,184.47
Surplus						
<b>Estimated Operating Revenue</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>	<b>-\$ 1,691,184.47</b>
<b>Estimated Total Operating Revenue</b>	<b>-\$ 5,937,193.49</b>	<b>-\$ 6,149,493.94</b>	<b>-\$ 6,350,117.87</b>	<b>-\$ 6,536,475.20</b>	<b>-\$ 6,730,286.83</b>	<b>-\$ 6,931,850.93</b>
Estimated Operating Budget Increase @2% for 2026-2030	\$ 5,165,105.72	\$ 5,268,407.83	\$ 5,373,775.99	\$ 5,481,251.51	\$ 5,590,876.54	\$ 5,702,694.07
Transfer to Investment- Asset Management Reserve	\$ 63,794.93	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
Adjustment of Loan Payment for Truck		-\$ 17,816.06	-\$ 35,632.12	-\$ 35,632.12	-\$ 35,632.12	-\$ 35,632.12
Adjust Loan Payment for Centre Road		-\$ 6,800.01	-\$ 6,799.99	-\$ 6,772.06	-\$ 6,827.94	-\$ 192,313.98
Loan Payable for Hurdville Project @3.69% for 10 years	\$ 205,501.64	\$ 402,389.92	\$ 391,319.92	\$ 380,477.38	\$ 369,179.92	\$ 358,109.92
Loan Payable for Fire Truck @3.69% for 10 years	\$ 27,400.22	\$ 53,651.99	\$ 52,175.99	\$ 50,730.31	\$ 49,223.99	\$ 47,747.99
<b>Estimated Operating Budget</b>	<b>\$ 5,461,802.51</b>	<b>\$ 5,759,833.67</b>	<b>\$ 5,834,839.79</b>	<b>\$ 5,930,055.02</b>	<b>\$ 6,026,820.39</b>	<b>\$ 6,140,605.88</b>
<b>Available for Capital</b>	<b>-\$ 475,390.98</b>	<b>-\$ 389,660.27</b>	<b>-\$ 515,278.08</b>	<b>-\$ 606,420.18</b>	<b>-\$ 703,466.44</b>	<b>-\$ 991,245.04</b>
Capital Expenses as per 1st Draft of 2025 Budget	\$ 3,752,473.11					
Add : Remaining balance of Hurdville Road Project	\$ 2,682,721.00					
<b>Estimated Capital Expenses</b>	<b>\$ 6,435,194.11</b>					
Capital Revenue as per 1st Draft of 2025 Budget	-\$ 2,667,368.51					
Add :Hurdville Road Project Loan	-\$ 3,000,000.00					
Truck	-\$ 400,000.00					
<b>Estimated Capital Revenue</b>	<b>-\$ 6,067,368.51</b>					
<b>Required Levy to Fund Capital</b>	<b>\$ 367,825.60</b>					
<b>Net Impact on Tax bill</b>	<b>0.00%</b>	<b>2.34%</b>	<b>1.96%</b>	<b>1.58%</b>	<b>1.58%</b>	<b>1.59%</b>
<b>Estimated Mill rate Increase</b>	<b>0.00%</b>	<b>3.00%</b>	<b>2.50%</b>	<b>2.00%</b>	<b>2.00%</b>	<b>2.00%</b>

<b>Forecasted Outstanding Debt</b>						
<b>As per Scenario 4</b>						
	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Centre Road @4.25% due August 2029	\$ 192,313.98	\$ 185,513.97	\$ 178,713.98	\$ 171,941.92	\$ 165,113.98	
Truck @1.29% due June 2026	\$ 35,632.12	\$ 17,816.06				
West Parry Sound Area Recreation and Culture Centre @ 4.41% due October 2032	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54	\$ 96,678.54
Hurdville Road project@3.69% for 10 years	\$ 205,501.64	\$ 402,389.92	\$ 391,319.92	\$ 380,477.38	\$ 369,179.92	\$ 358,109.92
Fire Truck @3.69% for 10 years	\$ 27,400.22	\$ 53,651.99	\$ 52,175.99	\$ 50,730.31	\$ 49,223.99	\$ 47,747.99
	<b>\$557,526.50</b>	<b>\$756,050.48</b>	<b>\$ 718,888.43</b>	<b>\$699,828.15</b>	<b>\$680,196.43</b>	<b>\$502,536.45</b>

# Conclusion

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- The 2025 budget is characterized by significant capital investment, necessitating a creative and strategic approach to fund a diverse range of projects. I advise the council to embrace the first scenario, which not only allows for the financing of both projects but also ensures that there will be a healthy remaining levy. This approach would effectively secure the necessary funding for various initiatives planned for the years 2026-2030, thereby supporting long-term growth and development.





## STANDARD RATES: SPOTS

Rate updated on: 12-Feb-25

### ► Primary Sector

	Construction	3.63%
	Amortizing	Serial
5Y	3.27%	3.27%
10Y	3.71%	3.69%
15Y	4.08%	4.02%
20Y	4.31%	4.23%
25Y	4.43%	4.35%
30Y	4.49%	4.41%

**RHH ENGINEERING**  
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September 27, 2024

Township of McKellar  
Box 69, 701 Highway 124,  
McKellar, ON  
P0A 1C0

Att: Mayor and Council

Re: Reconstructing and Repaving a 1.9 km. Section of Hurdville Road

Enclosed is our cost estimate for reconstructing 1.9 kilometres of Hurdville Road based on our field investigation and as detailed on our preliminary drawings. The subexcavation areas need to be confirmed with test pits.

General

The existing 1.9 kilometres of road from McDougall Road to Burnett's Road is presently surface treated with sections overlaid with micro surfacing. The platform width generally ranges from 8.5 – 9.0 metres. There are numerous rock outcrops along the edges of the road.

To install an asphalt surface the road base needs to be generally improved and the road drainage requires rock excavation along the ditch lines.

Estimated Cost to Upgrade Road

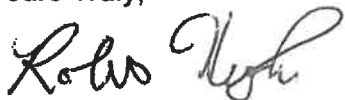
The cost estimate is based on recent unit tender prices.

1. Pulverize existing surface  
7.6 m. x 1900 metres (250 mm deep) x \$ 1.00 / s.m. = \$ 14,400.00
2. Rock ditching (blasting)  
180 l.m. x \$ 400 / l.m. = \$ 72,000.00
3. Earth Ditching  
700 l.m. x \$ 35 / l.m. = \$ 24,500.00
4. Road Culvert Replacement  
(4) culverts = \$ 57,000.00

5. Driveway Culverts		
	(6) culverts x \$ 4,000 each	= \$ 24,000.00
6. Clearing and Grubbing		
	0.3 ha. x \$ 80,000 / ha.	= \$ 24,000.00
7. Subexcavate Road Base (select areas)		
	450 metres x 8 metres x 0.5 metres = 1800 m <sup>3</sup> x \$ 40 / m <sup>3</sup>	= \$ 72,000.00
8. Replace Road Base with Granular B (select areas)		
	4,400 tonnes x \$ 30 / tonne	= \$132,000.00
9. Granular A (150mm)		
	6,000 tonnes x \$ 30 / tonne	= \$180,000.00
10. Asphalt (50 mm)		
	1600 tonnes x \$ 200 / tonne	= \$320,000.00
11. Granular Shouldering		
	500 tonnes x \$ 50.00 / tonne	= \$ 25,000.00
12. Insurance and Bonding		= \$ 30,000.00
13. Soils Testing (compaction) 4 x \$ 1,000.00		= \$ 4,000.00
14. Contingency		= \$100,000.00
15. Contract Administration & Inspections		
	3 months x \$ 15,000 / month	= <u>\$ 45,000.00</u>
Total		= \$ 1,123,900.00
Plus taxes		

We note it may be more economical to tender the project in separate tasks especially the blasting and asphalt paving.

Yours Truly,



Robert Hughes P. Eng.

# **RHH ENGINEERING**

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**Cell 705 774-5058**

December 19, 2024

Township of McKellar  
Box 69, 701 Highway 124,  
McKellar, ON  
P0A 1C0

Attn: Mayor and Council

**Re: Hurdville Road Inspection and Estimate to Resurface Road  
from Burnett's Road to Broadbent Road**

RHH Engineering was hired by McKellar Township to inspect and carry out a cost assessment to upgrade the road with an HL4 asphalt surface. Test pits will be required to confirm some of the work.

The section of road is approximately 5.3 kilometer long and is presently surfaced with a combination of high float double surface treatment with some areas overlaid with micro surfacing. The existing asphalt surface is 7.3 – 7.5 metres wide and the total road width including shoulders is 8.5 – 9.0 metres wide.

There appears to be two areas where the traveled road is at least partially off the existing road allowance. The areas have been noted on the drawings.

The road has been divided into three sections for the cost estimate; which would represent three separate contracts.

The three sections are as follows:-

- Station 1+911 (Burnetts Road) to station 3+900, approximately 2 kilometres
- Station 3+900 to station 5+900 (Centre Road)
- Station 5+900 (Centre Road) to station 7+170 (Broadbent Road)

The road has been visually inspected for deformities in the existing asphalt, repairs, and other signs of distress. The road and entrance culverts have been inspected and recorded for type, size, condition (replacement) depth, and location. The ditches have been assessed for additional excavation work and blasting.

**BURNETTS ROAD (station 1+911) to STATION 3+900**

**Drawing #6**

Earth ditching 170 l.m. x \$ 40.00 / l.m.		\$ 6,800.00
Ditch Blasting 0 l.m.		
Road Culverts		
Sta. 2+054 450mm X 15 M		\$ 25,000.00
Entrance Culverts		
Sta. 2+142 375MM x 9 M	= \$	6,300.00
FR650 375MM x 15 M	= \$	10,500.00
Sta. 2+054 375MM x 6 M	= \$	4,200.00
FR645 375MM x 9 M	= \$	<u>6,300.00</u>
Subtotal	= \$	27,300.00
		\$ 27,300.00
Sub excavation and Replace with Granular B		
STA 2+310 - 2+335 90M <sup>3</sup> x \$ 60 / M <sup>3</sup>	= \$	5,400.00
Granular B 210tonnes x \$ 35 / tonne	= \$	<u>7,350.00</u>
Subtotal	= \$	12,750.00
		\$ <u>12,750.00</u>
Total		\$ 71,850.00

**Drawing #7**

Earth ditching 20 l.m. X \$40 / l.m. \$ 800.00

Ditch Blasting 90 l.m. x \$ 450/ l.m. \$ 40,500.00

**Road Culverts**

Culvert #12 STA 2+513 450MM x 12M. = \$ 15,000.00

Culvert #13 STA 2+577 450MM x 14M. = \$ 18,000.00

Culvert #14 STA 2+762 450MM x 12M. = \$ 16,000.00

Subtotal = \$ 49,000.00 \$ 49,000.00

**Entrance Culverts**

FR690 375MM x 9M = \$ 9,900.00 (blast)

FR685 375MM x 9M = \$ 6,300.00

Subtotal = \$16,200.00 \$ 16,200.00

**Sub excavation and Replace with Granular B**

STA 2+450 - 2+500 180M<sup>3</sup> x \$ 60 / M<sup>3</sup> = \$ 10,800.00

Granular B 415tonnes x \$ 35 / tonne = \$ 14,525.00

Subtotal = \$ 25,325.00 \$ 25,325.00

Total \$131,825.00

**Drawing #8**

Earth ditching 20 l.m. x \$ 40 / l.m.		\$ 800.00
Ditch Blasting 30 l.m. x \$ 450 / l.m.		\$ 13,500.00
<b>Road Culverts</b>		
(probable) 2+800 450MM x 12M.	= \$ 15,000.00	
Culvert #15 sta. 3+024 450MM x 12M.	= <u>\$ 14,000.00</u>	
Subtotal	= \$ 29,000.00	\$ 29,000.00
<b>Sub excavation and Granular Replacement</b>		
STA 3+050 - 3+143 335 M <sup>3</sup> x \$ 60 / M <sup>3</sup>	= \$ 20,100.00	
Granular B 770tonnes x \$ 35 / tonne	= <u>\$ 26,950.00</u>	
Subtotal	= \$ 47,050.00	<u>\$ 47,050.00</u>
Total		\$ 90,350.00

**Drawing #9**

Earth ditching 160 l.m. x \$ 40 / l.m.		\$ 6,400.00
Ditch Blasting 45 l.m. x \$ 450 / l.m.		\$ 20,250.00
<b>Road Culverts</b>		
Culvert #16 450MM x 15M.	= \$ 18,000.00	
Culvert #17 450MM x 12M.	= <u>\$ 15,000.00</u>	
Subtotal	= \$ 33,000.00	\$ 33,000.00
<b>Entrance Culverts</b>		
STA 3+175 375MM x 6M.	= \$ 5,000.00	
FR750 375MM x 9M	= \$ 6,300.00	
FR751 375MM x 6M	= <u>\$ 5,000.00</u>	
Subtotal	= \$16,300.00	<u>\$ 16,300.00</u>
Total		\$ 75,950.00

**Drawing #10**

Earth ditching 0

Ditch Blasting 0

Road Culverts 0

Entrance Culverts 0

Sub excavation and Granular Replacement

STA 3+740 - 3+760  $72 \text{ M}^3 \times \$ 60 / \text{M}^3$  = \$ 4,320.00

Granular B 165 tonnes x \$ 35 / tonne = \$ 5,775.00

Total = \$ 10,095.00 \$ 10,095.00

**Pulverizing**

2000M x 7.5M x \$ 1/  $\text{M}^2$  \$ 15,000.00

**Granular A**

2000M x 8.5M x .15M x 2.3tonnes /  $\text{M}^3$  = 5,865 tonnes

11 driveways x 10tonne = 110 tonnes

Subtotal = 5,975 tonnes

6000 tonnes x \$ 35 / tonne \$ 210,000.00

**Asphalt**

13,400  $\text{M}^2 \times .125$  = 1,675 tonnes

1675 tonnes x \$ 200 / tonne \$ 335,000.00



**Summary Construction Costs Station 1+911 (Burnetts Road) to 3+900**

Drawing #6	\$ 71,850.00	
Drawing #7	\$ 131,825.00	
Drawing #8	\$ 90,350.00	
Drawing #9	\$ 75,950.00	
Drawing #10	<u>\$ 10,095.00</u>	
Subtotal	\$ 380,070.00	\$ 380,070.00
Pulverizing		\$ 15,000.00
Granular A		\$ 210,000.00
Asphalt		\$ 335,000.00
Insurance and Bonding		\$ 30,000.00
Testing Allowance		\$ 5,000.00
Inspections and Contract Administration 3 months x \$ 15,000 / month		\$ 45,000.00
Contingency		<u>\$ 90,000.00</u>
Total Plus Taxes	-	\$1,110,070.00

**STATION 3+900 TO STATION 5+900 (CENTRE ROAD)**

**Drawing #11**

Earth ditching 85 l.m. x \$ 40 / l.m.		\$ 3,400.00
Rock Ditching 42 l.m. x \$ 450 / l.m.		\$ 18,900.00
<b>Road Culverts</b>		
STA 4+280 600MM x 12M.	= \$ 20,000.00	\$ 20,000.00
<b>Entrance Culverts</b>		
STA 4+136 375MM x 6M. (blast)	= \$ 5,000.00	<u>\$ 5,000.00</u>
<b>Subex. 0</b>		
Total		\$ 47,300.00

**Drawing #12**

Earth ditching 20 l.m. x \$ 40 / l.m.		\$ 800.00
Rock Ditching 20 l.m. x \$ 450 / l.m.		\$ 9,000.00
<b>Road Culverts</b>		
STA 4+502 450MM x 12M.	= \$ 15,000.00	
STA 4+706 450MM x 12M.	= <u>\$ 15,000.00</u>	
Subtotal	= \$ 30,000.00	\$ 30,000.00
<b>Entrance Culverts 0</b>		
<b>Sub excavation and Granular Replacement</b>		
4+430 - 4+760 108 M <sup>3</sup> x \$ 60 / M <sup>3</sup>	= \$ 6,480.00	
Granular B 250tonnes x \$ 35 / tonne	= <u>\$ 8,750.00</u>	
Subtotal	= \$15,230.00	\$ 15,230.00
<b>Road Filling</b>		
STA 4+450 - 4+510 350tonnes x \$ 35 / tonne		<u>\$ 12,250.00</u>
Total		\$ 67,280.00

**Drawing #13**

Earth Ditching 0

Rock Ditching 44 l.m. x \$ 450 \$ 19,800.00

Road Culverts

STA 4+812 450MM x 12M. = \$ 15,000.00 \$ 15,000.00

Entrance Culverts

FR861 375MM x 9M. (blast) = \$ 6,300.00 \$ 6,300.00

Sub excavation and Granular Replacement 0

Total \$ 41,100.00

**Drawing #14**

Earth Ditching 80 l.m. x \$ 40 / l.m. \$ 3,200.00

Rock Ditching 37 l.m. x \$ 450 / l.m. \$ 16,650.00

Road Culverts

STA 5+200 450MM x 15M. = \$ 18,000.00 \$ 18,000.00

Entrance Culverts

Sub excavation and Granular Replacement 0

Road Filling

STA 5+360 - 5+420 350tonnes x \$ 35 / tonne \$ 12,250.00

Total \$ 50,100.00

**Drawing #15**

Earth Ditching 20 l.m. x \$ 40 / l.m.		\$ 800.00
Rock Ditching 0		
Road Culverts		
STA 5+820 450 x 18M.	= \$ 20,000.00	\$ 20,000.00
Entrance Culverts 0		
Sub excavation and Granular Replacement 0		
Total		\$ 20,800.00

**Pulverizing**

2000 x 7.5 x \$ 1/ M<sup>2</sup> \$ 15,000.00

**Granular A**

2000M x 8.5M x 0.15M x 2.3tonnes / M<sup>3</sup> = 5,865 tonnes

20 driveways x 10tonne = 200 tonnes

Subtotal = 6,065 tonnes

6100 tonnes x \$ 35 / tonne \$ 213,500.00

**Asphalt**

13,400 m<sup>2</sup> x .125 = 1,675 tonnes

1675 tonnes x \$ 200 / tonne \$ 335,000.00

**Summary Construction Costs 3+900 to 5+900 (Centre Road)**

Drawing #11	\$ 47,300.00	
Drawing #12	\$ 67,280.00	
Drawing #13	\$ 41,100.00	
Drawing #14	\$ 50,100.00	
Drawing #15	<u>\$ 20,800.00</u>	
Subtotal	\$226,580.00	\$ 226,580.00
Pulverizing		\$ 15,000.00
Granular A		\$ 213,500.00
Asphalt		\$ 335,000.00
Insurance and Bonding		\$ 30,000.00
Testing Allowance		\$ 5,000.00
Inspections and Contract Administration 2.5 months x \$ 15,000 / month		\$ 37,500.00
Contingency		<u>\$ 90,000.00</u>
Total		\$ 952,580.00
Plus Taxes		

**STATION 5+900 (CENTRE ROAD) TO STATION 7+200 (BROADBENT ROAD)**

**Drawing #16**

Earth Ditching 0

Rock Ditching 0

Road Culverts

STA 6+035 (2) 1200MM x 18M. CSP (polymer coated)  
(2) x \$ 27,500 \$ 55,000.00

Entrance Culverts 0

Sub excavation and Granular Replacement 0

Total \$ 55,000.00

**Drawing #17**

Earth Ditching 20 l.m. x \$40 / l.m. \$ 800.00

Rock Ditching 2 l.m. x \$ 450 / l.m. \$ 900.00

Road Culverts 0

Entrance Culverts 0

Sub excavation and Granular Replacement

STA 6+500 - 6+580 288 M<sup>3</sup> x \$ 60 / M<sup>3</sup> = \$ 17,280.00

Granular B 660tonnes x \$ 35 = \$ 23,100.00

Subtotal = \$ 40,380.00 \$ 40,380.00

Total \$ 42,080.00

**Drawing #18**

Earth Ditching 0

Rock Ditching 0

Road Culverts 0

Entrance Culverts 0

## Sub excavation and Granular Replacement

36M<sup>3</sup> x \$60 / M<sup>3</sup> = \$ 2,160.00Granular B 80tonnes x \$ 35 / tonne = \$ 2,800.00

Subtotal = \$ 4,960.00 \$ 4,960.00

## Filling (300mm)

STA 6+750 - 6+950 1175tonnes x \$ 35 / tonne = \$ 41,125.00 \$ 41,125.00

Total \$ 46,085.00

**Drawing #19**

Earth Ditching 0

Rock Ditching 0

Road Culverts 0

Entrance Culverts

STA 7+126 375MM x 6M. = \$ 5,000.00 \$ 5,000.00

Sub excavation and Granular Replacement 0

Total \$ 5,000.00

**Pulverizing**

1270M x 7.5M x \$ 1.25

\$ 11,906.00

**Granular A**1270M x 8.5M x 0.15M x 2.3tonnes / M<sup>3</sup> = 3,725 tonnes7 driveways x 10 tonne = 70 tonnes

Subtotal = 3,795 tonnes

3800tonnes x \$ 35 / tonne

\$ 133,000.00

**Asphalt**8,509 M<sup>2</sup> x .125 = 1,063tonnes

1060tonnes x \$ 200 / tonne

\$ 212,000.00



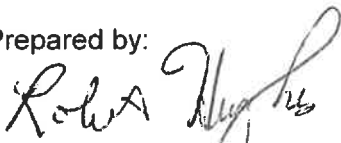
**Summary Construction Costs 5+900 (Centre Rd) to Station 7+170 (Broadbent Rd)**

Drawing #16	\$ 55,000.00	
Drawing #17	\$ 42,080.00	
Drawing #18	\$ 46,085.00	
Drawing #19	<u>\$ 5,000.00</u>	
Subtotal	\$ 148,165.00	\$ 148,165.00
Pulverizing		\$ 11,906.00
Granular A		\$ 133,000.00
Asphalt		\$ 212,000.00
Insurance and Bonding		\$ 30,000.00
Testing Allowance		\$ 5,000.00
Inspections and Contract Administration 2 months x \$ 15,000 / month		\$ 30,000.00
Contingency		<u>\$ 50,000.00</u>
Total Plus Taxes		\$ 620,071.00

**ROAD SECTION SUMMARIES**

<b>BURNETTS ROAD (station 1+911) to STATION 3+900</b>	<b>\$ 1,110,070.00</b>
<b>STATION 3+900 TO STATION 5+900 (CENTRE ROAD)</b>	<b>\$ 952,580.00</b>
<b>STATION 5+900 (CENTRE ROAD) TO STATION 7+200 (BROADBENT ROAD)</b>	<b><u>\$ 620,071.00</u></b>
<b>TOTAL Plus Taxes</b>	<b>\$ 2,682,721.00</b>

Prepared by:



Robert Hughes P. Eng.