# Organized Hamlet of Day's Beach

Agenda item 7

## Finance Report

**2024 Revenue & Expenses**

In 2024 we recorded a higher surplus than budgeted because we sold the old rear mounted snow blower, we didn't have to do any repairs on our water line and a volunteer work crew, comprised of the maintenance committee and some residents, did the tree trimming. The surplus of approximately $14,000 was contributed to our Hamlet reserve – see discussion below.

Your Board recommends that a motion be made to accept the actual 2024 revenue & expenses

**Hamlet Reserve**

As at December 31, 2024 our reserve of $149,666 is fully funded and held in a credit union account that includes all R.M. of Meota hamlet reserves. As agreed in 2023 the reserve fund should not be viewed as uncommitted funds available for discretionary spending or to meet annual expenses. It should be considered a reserve for the future replacement of the Hamlet's essential assets. The assets we consider essential are the road, the waterline, the maintenance shed, the tractor, snow blower and the lawn mower.

In 2024 we contributed 14,408 to the Hamlet reserve. The contribution was comprised of $7,850 from the $100 per lot Reserve Special Levy approved by capital ballot in September 2023 and approximately $6,500 from our operations (actual expenses were less than budgeted expenses – see spreadsheet for details).

Your Hamlet Board, in conjunction with the Maintenance committee, reviewed the estimated useful lives and replacement cost of our essential assets and assuming the contribution of the 2025 interest earned on the reserve funds, the Hamlet's Asset Replacement forecast will be 82% funded at the end of 2025 (2024 – 80%). Your Hamlet Board has concluded that the Hamlet reserve is currently sufficient, and no additional funds need to be collected at this time.

The Asset Register is available for review upon request to the Board.

**2025 Revenue & Expenses**

<u>2025 budget</u> – the submitted budget had a surplus $275 lower than the budget approved during the 2024 Annual meeting.

<u>2025 Mill Rate</u> - In May 2025 your Hamlet Board requested that the mill rate be reduced from 2.5 to 2.25 so that we could raise the amount for revenue in our budget and avoid raising the additional revenue that the revised assessment values would generate. We expect this revised mill rate to be approved at the June 4th RM Council meeting.

2025 year to date – expenditures to date are as budgeted.

Your Board recommends that a motion be made to approve the revised 2025 budget submitted on February 23rd, 2025.

**2026 Revenue & Expenses**

2026 budget – a proposed 2026 budget has been prepared. We have estimated expenses based on review of actual 2024 and year-to-date 2025 results, the routine maintenance that we expect we will have to do in 2026 and to reflect a change in how protective services expenses will be billed.

In 2026 the RM is removing the $135 per property Protective Services Base Tax and requiring the hamlets to budget for and pay a Protective Services charge. The amount they are charging the hamlets is $100 per property which results in a $3,675 savings for our hamlet as a whole but will require us to raise the mill rate so we can increase our revenue to cover the cost.

Important items to note are as follows:

- This budget does not include any funds to allow us to pay for any projects.
- We are proposing a mill rate of 2.5. This is higher than 2025's mill rate because the Hamlet is now being charged for protective service instead of the RM charging a $135 protective services base tax.
- Interest revenue has been decreased to reflect that our Hamlet reserve is now earning interest; assumed an annual interest rate of 4% on $150,000

Your Board recommends that a motion is made to approve the preliminary 2026 budget and the 2026 mill rate of 2.5.

Cochin Breakwater – In early 2025 the Resort Village of Cochin replaced the breakwater on Lehman Creek. As at May 1, 2025 the Breakwater project reconstruction project was essentially complete. The work left to be done is to add some protective barriers, lights and benches and also to erect signage to acknowledge project partners, donors and the grants received from Provincial and Federal Governments.

| | | |
|---|---|---|
| Total cost | $1,413,352 | |
| ICIP Grant | 808,857 | |
| Donations received | 479,824 | ( OHDB contributed $10,500) |
| Debt | 124,671 | |
| Donations committed, not yet received | 49,100 | |
| Unfunded project costs | 75,571 | |

**Days Beach**
**2024 Actual vs. Budget**

| | 2024 Budget | 2024 Actual | Variance | |
|---|---|---|---|---|
| **Revenues** | | | | |
| Municipal Levy - OHDB total | 92,500 | 87,593 | (4,907) | uncollected taxes at the end of 2024 |
| Unconditional - Days | 7,446 | 8,355 | 909 | |
| Special Levy - Reserve | 10,500 | 7,851 | (2,649) | |
| Special Levy - Breakwater | 10,500 | 9,155 | (1,345) | |
| Sale of capital asset | | 2,725 | 2,725 | Sale of the rear mounted snow blower |
| Planning permit revenue | 600 | 1,050 | 450 | |
| Interest | 5,000 | 6,401 | 1,401 | Hamlet reserves now earning interest |
| **Total revenues:** | 126,546 | 123,131 | (3,415) | |
| Expenditures: | | | | |
| RM Admin Contribution | 51,435 | 51,435 | - | revised number provided by the RM |
| RM Transportation Contribution | 7,714 | 7,714 | - | |
| | 59,148 | 59,148 | - | |
| Insurance | 350 | 402 | 52 | |
| Memberships | 250 | 225 | | |
| Office Expenses | 1,000 | 468 | (532) | |
| Street lights | 3,200 | 3,054 | (146) | |
| Repairs/Parts | 2,000 | 1,619 | (381) | |
| Fuel | 1,000 | 1,588 | 588 | |
| Gravel | 5,000 | 10,610 | 5,610 | gravel used in the east parking area - approved at 2024 AGM |
| Roads | 6,500 | 4,536 | (1,964) | |
| Purchase of Capital Asset | | | - | |
| Waste Coll/Disp | 3,500 | 3,759 | 259 | |
| Pest/Weed Control | 1,000 | 1,144 | 144 | |
| Library Requisition | 650 | 565 | (85) | |
| Recreation Programs | 1,000 | 239 | (761) | |
| Beach Maintenace | 9,000 | 5,079 | (3,921) | maintenance committee did tree trimming |
| WTP/Line | 2,000 | - | (2,000) | no water line repairs required in 2024 |
| Planning & Legal | 4,500 | 1,763 | (2,738) | charges depend on development activity in the Hamlet |
| Power/Eng | 2,000 | 1,399 | (601) | |
| Breakwater Contribution | 10,500 | 10,500 | - | Approved at 2023 AGM |
| Grants - JLWB- Days | 2,625 | 2,625 | - | JLWB levy - determined by ministerial order |
| | 56,075 | 49,574 | (6,476) | |
| **Total Expenditures** | 115,223 | 108,722 | (6,501) | |
| **Surplus (Deficit)** | 11,323 | 14,409 | 3,061 | |
| Mill rate | 2.5 | 2.5 | | |
| % retained by RM | 52% | 57% | | |

**Days Beach**
**2025 Budget**

| | Approved at the 2024 AGM **2025 Budget** | Budget Submitted 23-Feb-25 & adjusted May 27th **2025 Budget** | Increase (Decrease) | **Justification of change for all amounts >= $1,000** |
|---|---|---|---|---|
| **Revenues** | | | | |
| Municipal Levy - OHDB total | 93,400 | 102,600 | 9,200 | uncollected 2024 revenue added to estimate of 2025 taxes |
| Unconditional - Days | 8,355 | 8,355 | - | determined by the Province |
| Special Levy - Reserve | | 1,600 | 1,600 | uncollected 2024 revenue |
| Special Levy - Breakwater | | 1,345 | 1,345 | uncollected 2024 revenue |
| Planning permit revenue | 900 | 1,000 | 100 | |
| Interest | 6,500 | 5,000 | (1,500) | reduced interest rates |
| **Total revenues:** | 109,155 | 119,900 | 10,745 | |
| Expenditures: | | | | |
| RM Admin Contribution | 54,556 | 54,556 | - | |
| RM Transportation Contribution | 8,868 | 8,868 | - | |
| | 63,423 | 63,424 | - | |
| Insurance | 425 | 500 | 75 | |
| Memberships | 250 | 250 | - | |
| Office Expenses | 1,000 | 750 | (250) | |
| Street lights | 3,200 | 3,300 | 100 | |
| Repairs/Parts | 1,000 | 2,000 | 1,000 | Routine maintenance for tractor and snow blower |
| Fuel | 1,200 | 1,750 | 550 | |
| Gravel | 5,000 | 5,000 | - | |
| Roads | 6,500 | 6,500 | - | assumed grading the road, spring and fall, and applying dustproofing |
| Waste Coll/Disp | 3,500 | 3,500 | - | |
| Pest/Weed Control | 500 | 1,000 | 500 | |
| Library Requisition | 650 | 650 | - | |
| Recreation Programs | 1,000 | 500 | (500) | |
| Beach Maintenace | 9,000 | 12,500 | 3,500 | $5,000 of work on Fire prevention clean-up |
| WTP/Line | 3,000 | 2,000 | (1,000) | no breaks in 2023 & 2024 so reduced |
| Planning & Legal | 4,500 | 3,000 | (1,500) | based on building by hamlet owners - assumed 2 regular development permits |
| Grants - JLWB- Days | 2,625 | 2,625 | - | |
| Power/Eng | 2,000 | 2,000 | - | |
| sewer- Lagoon | | | - | |
| Breakwater contribution | | | - | |
| Contribution to Reserve Fund | | 5,000 | 5,000 | Approved by Capital Ballot in 2024 |
| | 45,350 | 52,825 | 7,475 | |
| **Total Expenditures** | 108,773 | 116,249 | 7,476 | |
| **Surplus (Deficit)** | 382 | 3,651 | 3,270 | |
| Mill rate | 2.5 | 2.25 | | After 2024 reassessment were made public the RM gave us the opportunity to reduce our mill rate so we collected the same amount of $ after the increase in property values |
| % retained by RM | 68% | 60% | | maximum amount is 60% |

**Days Beach**
**2026 Budget**

| | Final 2025 Budget | 2026 Budget | Increase (Decrease) | Explanation |
|---|---|---|---|---|
| **Revenues** | | | | |
| Municipal Levy - OHDB total | 102,600 | 111,000 | 8,400 | increase to reflect protective services charge |
| Unconditional - Days | 8,355 | 8,820 | 465 | determined by the Province |
| Special Levy - Reserve | 1,600 | | (1,600) | no special levies in the plan for 2026 |
| Special Levy - Breakwater | 1,345 | | (1,345) | no special levies in the plan for 2026 |
| Planning permit revenue | 1,000 | 1,000 | - | 3 development permits |
| Interest | 5,000 | 6,000 | 1,000 | Hamlet reserves now earning interest |
| **Total revenues:** | 119,900 | 126,820 | 6,920 | |
| Expenditures: | | | | |
| RM Admin Contribution | 54,556 | 55,954 | 1,399 | |
| RM Transportation Contribution | 8,868 | 9,524 | | |
| RM Public Health & Welfare | | 553 | | |
| RM Protective Services | | 10,050 | 10,050 | new in 2026 - in 2025 this expense collected directly by the RM using a base tax |
| | 63,424 | 76,082 | 11,449 | each component is provided by the RM |
| Insurance | 500 | 500 | - | |
| Memberships | 250 | 250 | - | |
| Office Expenses | 750 | 750 | - | |
| Street lights | 3,300 | 3,300 | - | |
| Repairs/Parts | 2,000 | 3,000 | 1,000 | equipment maintenance and small equipment purchases |
| Fuel | 1,750 | 1,750 | - | |
| Gravel | 5,000 | 6,000 | 1,000 | |
| Roads | 6,500 | 6,500 | - | assumed grading the road, spring and fall, and applying dustproofing |
| Waste Coll/Disp | 3,500 | 4,000 | 500 | |
| Pest/Weed Control | 1,000 | 1,250 | 250 | |
| Library Requisition | 650 | 650 | - | |
| Recreation Programs | 500 | 450 | (50) | |
| Beach Maintenace | 12,500 | 7,500 | (5,000) | expense related to Fire Prevention clean-up is not included in the budget at this time |
| WTP/Line | 2,000 | 2,000 | - | |
| Planning & Legal | 3,000 | 2,000 | (1,000) | estimated as 3 developments - no issues |
| Grants - JLWB - Days | 2,625 | 2,625 | - | |
| Power/Eng | 2,000 | 2,000 | - | |
| Sewer- Lagoon | | | - | |
| Contribution to Reserve Fund | 5,000 | 6,000 | 1,000 | contribution increasing because interest income is increasing |
| | 52,825 | 50,525 | (2,300) | |
| **Total Expenditures** | 116,249 | 126,607 | 73,782 | |
| **Surplus (Deficit)** | 3,651 | 213 | (2,229) | |
| Mill rate | 2.25 | 2.5 | | |
| % retained by RM | 60% | 59% | | |