

Draft Budget 2024 Highlights

Governance and Priorities Committee

January 15, 2024



Agenda

- Context, Pillars and Fundamentals
- 2024 Expenses & Revenues
- 2024 One-Time Operating Costs
- 2024 General Fund & New Reserve Proposal
- 2024 Capital Projects
- Staffing Requirements
- 10 Year Capital Plans
- Proposed Rate Increases
- Next Steps...

Budget 2024 Context

- Timing Difference

- Volatile economic conditions

- Labour Capacity

- Unpredictable Weather Events

- Lack of Affordable housing

- Slow population growth

- Underfunded by the GNWT

- Increase in Tourism Activity

- Multiple Housing Initiatives

- Construction of Aquatic Centre

- Determined existing staff

A Balancing Act

Budget 2023 Pillars

** Government Finance Officers Association
National Advisory Council on State and Local Budgeting*



Fundamentals

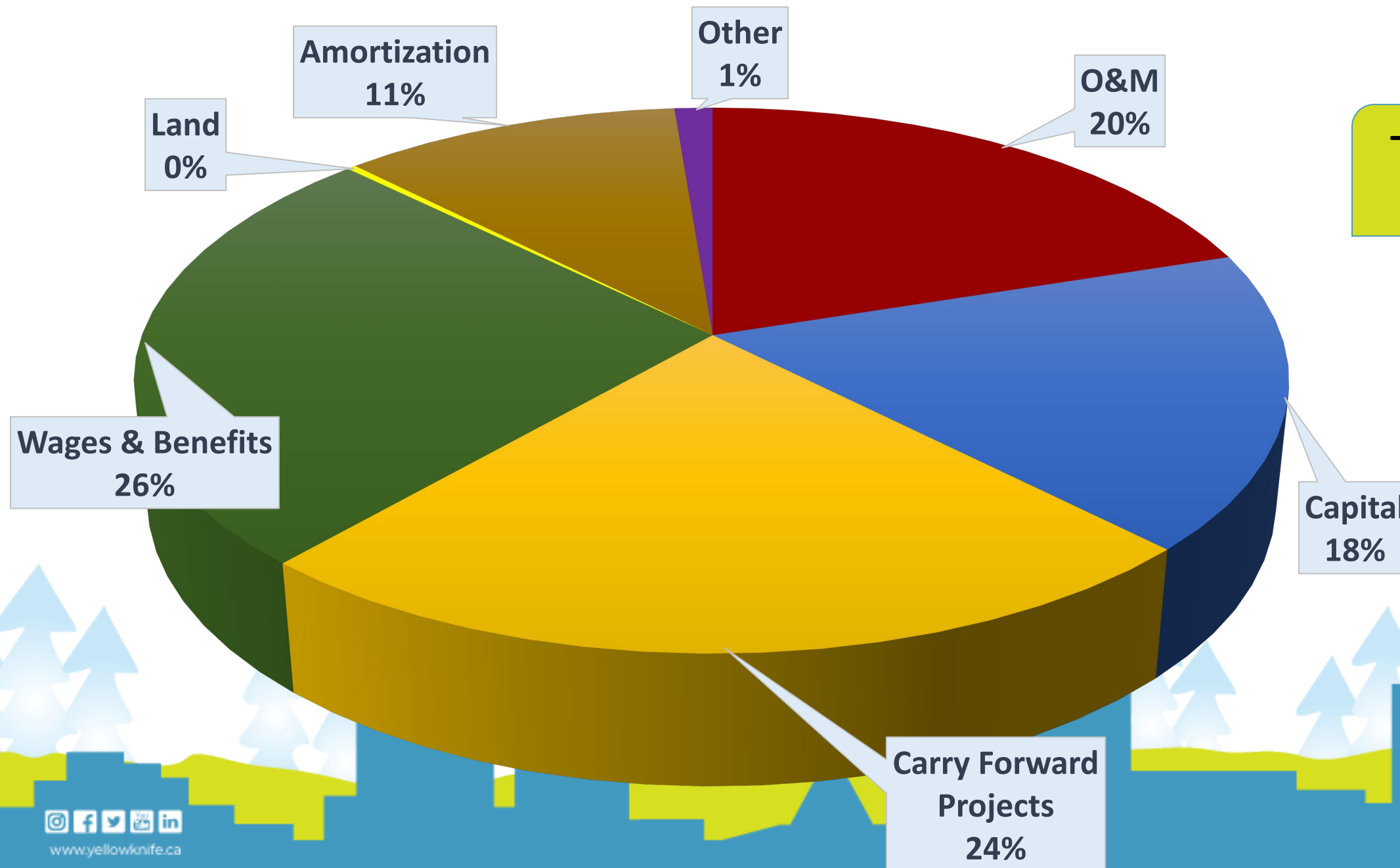


Core
Services

Facilities

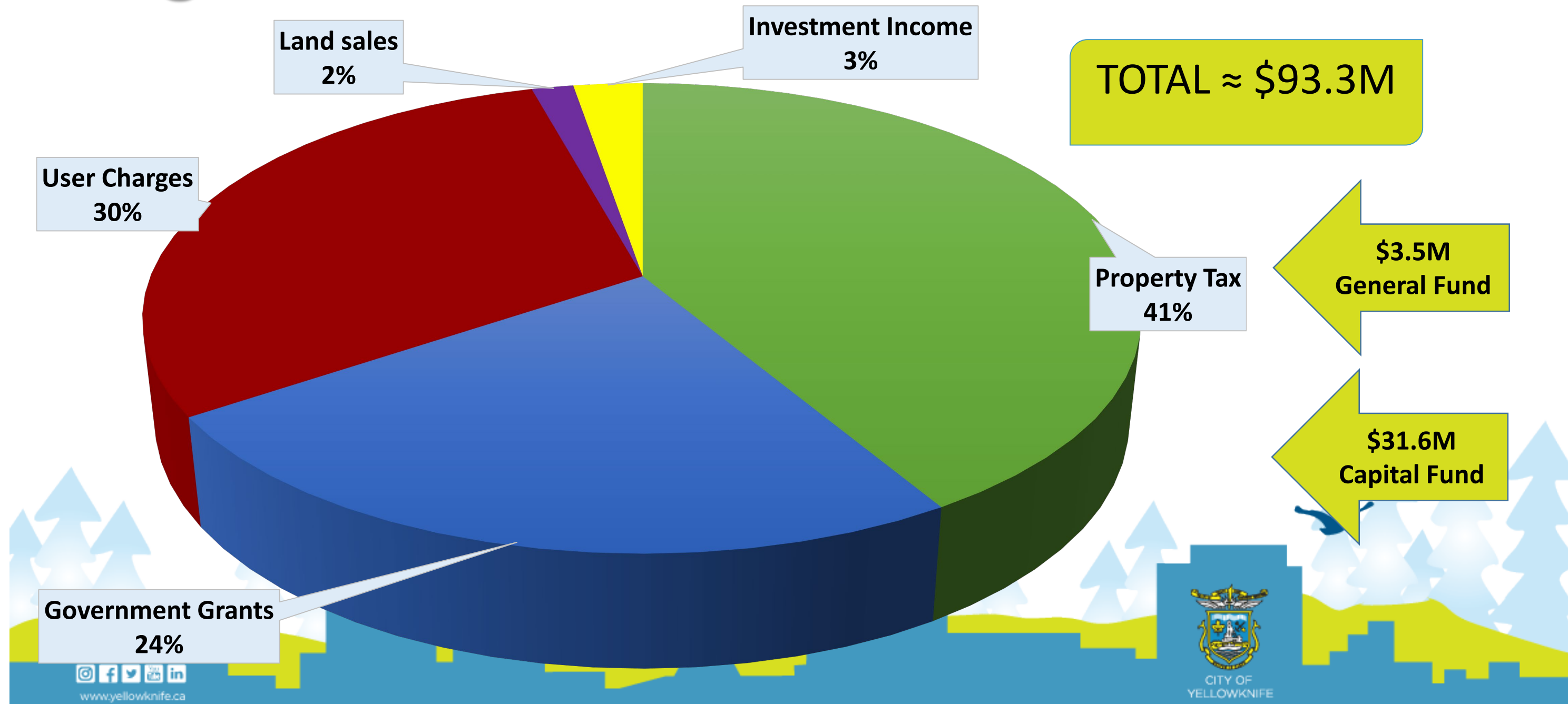
Programs

Budget 2024 Expenses



TOTAL ≈ \$143.9M

Budget 2024 Revenues



2024 One-Time Operations Expenses

- \$75,000 for upgrading the City's records and information management system
- \$100,000 for staff development and mentoring
- \$100,000 for start-up of Destination Market Organization (DMO)
- \$100,000 for review of and recommend operating model for Street Outreach Program
- \$40,000 for coffin lowering device at the cemetery
- \$100,000 to implement the recommendations of the After Action Assessment
- \$20,000 for holding a public education session on emergency preparedness

Budget 2024 General Fund

Details	Amount
Total Revenue	\$47,184,000
(Less): Total Expenses	(\$61,030,000)
Add: Inter-fund Transfers	\$2,480,000
Add: Adjustments related to Capital Expenses	\$7,867,000
Anticipated change in Fund balance during the year	(\$3,499,000)
Opening Balance of Fund on 01 Jan 2024	\$14,669,000
Anticipated Closing Balance of Fund on 31 Dec 2024	\$11,170,000

\$3.5M

14%

21%

Emerging Issues Reserve (EIR) \$3.5M

➤ Climate change

➤ Cyber Security

➤ Unanticipated Emergencies

2024 Capital Projects

Projects	 \$59.7M	Amount
Carry Forwards		\$34,310,000
Aquatic Centre		\$3,588,000
Fire Hall Expansion		\$4,449,000
Fleet Management		\$2,097,000
Lagoon Sludge Removal		\$2,800,000
New Landfill/Landfill Expansion		\$2,160,000

Staffing Requirement



Infrastructure Growth



Service & Programs Demands



Legal & Regulatory Requirements

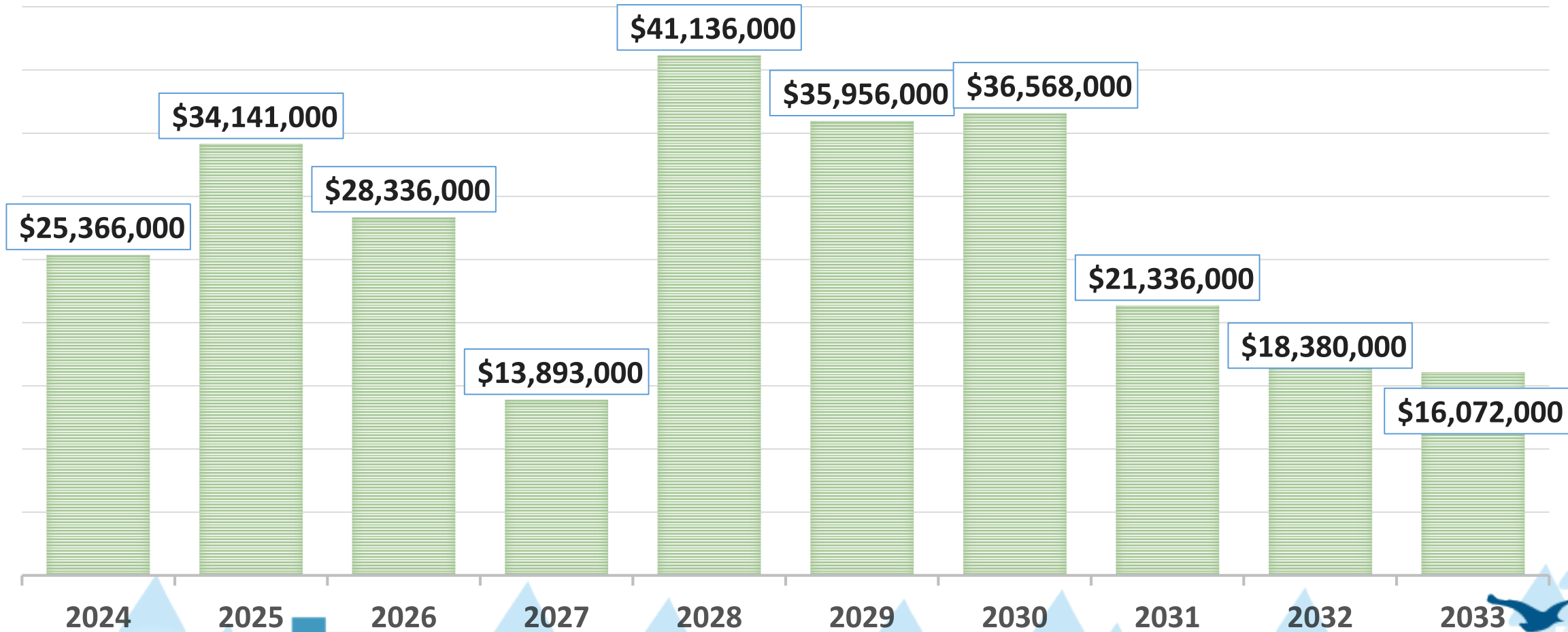


Stakeholders Expectations

- Financial Analyst
- Senior Budget & Tax Officer
- Labour Relations Officer
- Manager, Emergency Program
- Planners x 2
- Asset Management & GIS Manager
- Emergency Dispatcher x 2
- Pool maintainers x 5
- Lifeguards x 3
- Cashier and casual lifeguard

2024-2033 Capital Plan

\$271.2M



Proposed Rate Increases

Service	Revenue	2024	2025	2026
Infrastructure Replacement Levy per Equivalent Residential Unit	Water Bill	\$16.00	\$18.50	\$21.00
Water and Sewer	Water Bill	2.6%	2.6%	2.6%
Facilities and Programs	Usage	3%	3%	3%

**Current Levy
\$13.50**



2024-2026 Projected Property Tax

2024
Tax Rate Change

7.22%

Toronto
10.5%

2025
Tax Rate Change

7.06%

Red Deer
9%

2026
Tax Rate Change

9.64%

St. John's
9.6%

Calgary
7.8%

Potential Ratepayer Impact - Residential

**2024
Tax Rate Change
7.22%**

<i>Assessed Value</i>	<i>2022 Municipal Taxes</i>	<i>2023 Municipal Taxes</i>	<i>Projected 2024 Municipal Taxes</i>	<i>2023 to 2024 Annual Change</i>	<i>2023 to 2024 Monthly Change</i>
\$250,000	\$1,508	\$1,570	\$1,685	\$115	\$10
\$450,000	\$2,714	\$2,826	\$3,033	\$207	\$17
\$650,000	\$3,920	\$4,082	\$4,381	\$299	\$25

Potential Ratepayer Impact - Commercial

**2024
Tax Rate Change
7.22%**

<i>Assessed Value</i>	<i>2022 Municipal Taxes</i>	<i>2023 Municipal Taxes</i>	<i>Projected 2024 Municipal Taxes</i>	<i>2023 to 2024 Annual Change</i>	<i>2023 to 2024 Monthly Change</i>
\$750,000	\$9,630	\$10,020	\$10,748	\$728	\$61
\$1,000,000	\$12,840	\$13,360	\$14,330	\$970	\$81
\$1,250,000	\$16,050	\$16,700	\$17,913	\$1,213	\$101

How to Calculate your Property Tax?

TAX LEVY = (ASSESSMENT VALUE / 1000) X MILL RATE

Residential Mill Rate: 6.733

Commercial Mill Rate: 14.325

Next Steps.....

- January 16th to 31st 2024

- Public Input & Feedback

- January 16th to 31st 2024

- Council Questions to Administration

- February 5th to 8th 2024

- Deliberations Begin

- February 12th 2024 Council

- 2024 Budget Approval 😊😊😊



“Our costs are outpacing our ability to draw revenue to pay for the programs and services that we both rely on and enjoy. We are on an unsustainable path. . . we simply can’t keep doing what we’re doing. There’s no world that exists where you have modest or zero tax increases, great public services and reliable modern infrastructure. Something has to give somewhere.”

Norm Gale, City Manager of City of Thunder Bay

Sources:

Ollie Williams, CabinRadio.ca, November 16, 2023; Sandi Krasowski, Yahoo!life, Local Journalism Initiative, September 20, 2023



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Thank You

