

2023 Budget Deliberations: Treasurer's Update



March 7, 2023
Finance and Labour Relations Committee

Objectives

- Review where things are now
- Review and discussion items or amendments outstanding
- Determine if any additional information is required to move draft budget forward



Tax Supported Operating Budget

- Based on previous meetings, and amendments to initial draft budget documents, there have been additions to the initial draft of \$2,664,948 and reductions of \$1,480,594.
- The net increase over the draft budget is \$1,184,354, making the total increase over 2022 a total of \$5,141,381, or 7.53%
- Main contributing factors:
 - Increased investment in capital infrastructure (net) \$1.8 million
 - Staffing costs (existing complement) \$2.3 million
 - Increases to shared services \$0.82 million
 - Expansion (project-based) \$0.15 million
 - Expansion (human resource-based) \$0.46 million
 - Net reductions using internal reserves (\$0.4 million)



Tax Supported Operating Budget

- There is only one change to highlight to the draft budget at this meeting and that is to reflect the recent announcement of the provincial gas tax allocation.
- The provincial gas tax allocation typically is reflected in the operating budget as revenue and 'expensed' as a transfer to the capital reserve fund
- In the capital program documents, the projects are then funded from the reserve fund
- The \$484,281 for 2023 was overlooked as revenue and transfer in the operating budget but was included in the capital program, so the amendment is just a housekeeping adjustment as follows:



Tax Supported Operating Budget

| | | |
|-----------|---|--------|
| 5,141,381 | Revised proposed increase to draft budget at February 21, 2023 if all expansions considered | 7.53% |
| (484,281) | Provincial gas tax per announcement - to record funds received in operating budget | -0.71% |
| 484,281 | Provincial gas tax per announcement - transfer to capital (already anticipated) | 0.71% |
| 5,141,381 | Revised proposed increase to draft budget at February 21, 2023 if all expansions considered | 7.53% |

| | Starting Net Levy Budget in Dollars | Levy Increase in Dollars | Levy Increase % over Prior | Estimated Resulting Local Tax Rate | Estimated Education Rate | Estimated Total Tax Rate | Estimated Increase in Local Tax Rate | Estimated Increase in Total Tax Rate | Estimated Total Taxes on \$350,000 home |
|---------------|-------------------------------------|--------------------------|----------------------------|------------------------------------|--------------------------|--------------------------|--------------------------------------|--------------------------------------|---|
| 2023 Proposed | \$ 68,264,126 | \$ 5,141,381 | 7.53% | 0.01355243 | 0.00153 | 0.01508243 | 5.58% | 5.08% | \$ 5,278.85 |
| 2022 | \$ 64,714,288 | \$ 3,549,838 | 5.59% | 0.01283590 | 0.00153 | 0.01435390 | 5.70% | 4.98% | \$ 5,023.87 |
| 2021 | \$ 63,457,399 | \$ 1,256,889 | 2.02% | 0.01214359 | 0.00153 | 0.01367359 | 1.38% | 1.22% | \$ 4,785.76 |
| 2020 | \$ 62,200,510 | \$ 2,980,290 | 5.03% | 0.01197832 | 0.00153 | 0.01350832 | -0.40% | -0.94% | \$ 4,727.91 |



Next Steps

- On the agenda, there is a proposed motion for discussion.
- Any further motions may be considered.
- If, by the end of this meeting, there is a motion to move the draft budget, if/as amended to a subsequent Council meeting, staff will proceed to draft the by-law
- The draft budget documents will be amended to a final version in anticipation that they will be approved, noting Council still has an opportunity to make changes if required
- Once approved by Council, the budget will be final and the website, and internal reporting will be updated to move forward into 2023



Questions

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