



Meeting Date: December 20, 2023

Submitted by: Tiffany Farrell, Director of Corporate Services

Report No: CPS-63-2023

Subject: Budget 2024

Recommendation:

THAT Report CPS-63-2023, re: Budget 2024 Draft Booklet be received;

AND THAT Council approve Bylaw 2023-129 to adopt the current budgetary estimates for the year 2024;

AND FURTHER THAT Council approve Bylaw 2023-130 to establish a levy for the year 2024, to adopt tax rates for 2024 and to provide for penalty and interest in default of payment and the collection thereof.

Purpose:

To provide Council with the proposed 2024 operating and capital budget.

Background:

The draft budget prepared by staff is the culmination of ongoing engagement on public priorities throughout the year starting with the strategic plan followed by master plans, public meetings, online engagement, budget working group meetings and informal feedback. The budget is prepared taking into consideration input from the community and direction from Council.

Each year, Council approves an annual budget, made up of two parts:

- Operating Budget – Annual operations of municipal facilities and services, primarily funded through property taxes and user fees.
- Capital Budget – Capital program for all municipal projects, funded through taxes, water and sewer fees, development charges, debt, grants, or other reserve funds.

Analysis:

Each year, the Municipality undergoes an annual budget process to create budgets that support the municipal operations and deliver the programs and services required to maintain the high quality of life we enjoy in our community.

Through the budget process, choices are made to ensure the municipality's services provided to residents align with the priorities in the municipal strategic work plan.

On November 1, 2023, staff presented the 2024 Capital Budget and on November 15, 2023, staff presented the 2024 Operating Budget.

Attached to this report (A1 Budget 2024 Changes) are all the changes that have occurred since the presentations that are included in the final budget.

Additionally, attached to this report is the 2024 draft budget booklet which includes both the capital and operating budget information.

The 2024 budget booklet has been expanded to provide more information to the Council and the public with respect to the municipality's financial position, opportunities, challenges, and the budget process. The goal of the budget booklet is to present the budget to our residents in a way that is open and understandable.

Currently, there is still some information that is outstanding. These items are listed below. Estimates have been included in the 2024 budget to account for these outstanding items.

- When the budget was being prepared and finalized the Ontario Community Infrastructure Funding (OCIF) had not yet been received and it was budgeted at the same amount as 2023. This information has since been received and the funding decreased by 15%. The 2024 figure in the budget document has not been updated as there is no tax levy impact. However, there is a decrease in funding compared to the 2024 budget estimate. This has been addressed in Council Report CPS-61-2023.
- When the budget was being prepared and finalized the Canada Community-Building Fund (CCBF) had not yet been received and it was budgeted at the same amount as 2023. This information has since been received and the funding increased by 4.3%. The 2024 figure in the budget document has not been updated as there is no tax levy impact. However, there is an increase in funding compared to the 2024 budget estimate. This has been addressed in Council Report CPS-66-2023.
- Federal and Provincial grant opportunities have been announced and staff continues to actively pursue all viable grant opportunities to leverage wherever possible. No funding is confirmed and included in the 2024 budget unless it has been confirmed.

- Bill 23 and Bill 134 budget impacts related to Development Charge funding for 2024. Estimate included in the budget.
- The final BMA Study

Financial Implications:

As outlined in the attached documents for the 2024 budget.

Strategic Plan:

This matter aligns with following strategic priorities:

The process of developing the budget and the final budget itself directly responds to:

- Responsive Government - Objective 5.3 – Foster a culture of innovation, continuous improvement, and cost-effective service delivery.
 - By sharing information and gathering input, continuing our timely and effective communication to the public.
 - By reviewing and enhancing our processes
- Sustainable Infrastructure and Services - Objective 4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure.
 - By progressively updating our asset management plan and building the reserve funds for the timely repair/replacement of our assets, and expanding our current practice of making annual reserve fund contributions toward the cost of projected asset management expenditures
 - By communicating our approach to capital projects and communicating clearly with the public on capital spending priorities in terms of costs, benefits, funding sources and timing.
- Responsive Government - Objective 5.1 – Enhance Customer Service
 - By expanding opportunities for digital and on-line services.
- Responsive Government - Objective 5.2 – Foster a culture of mutual trust and respect within Council and between Council and staff.
 - By reinforcing a common purpose among Council members and promoting teamwork between Council and staff.

- Sustainable Infrastructure and Services - Objective 4.1 – Improve safety for road users.
 - By addressing road safety challenges and implementing existing traffic calming policies on Middlesex Centre roads.
 - Work collaboratively with Middlesex County to implement safety improvements in the Glendon Drive corridor.

- Sustainable Infrastructure and Services - Objective 4.2 – Expand existing services in accordance with the pace of new development and apply a financial sustainability lens to all municipal services and programs.
 - By analyzing and projecting the operating cost impacts of new residential development.

Attachments:

A1 Budget 2024 Changes

A2 Draft Budget Book 2024

A3 Debt Capacity Budget 2024