

# HALDIMAND COUNTY

## 2024 Draft Tax Supported Operating Budget

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Special Council | February 29, 2024



# Agenda

- 2024 Budget vs. Budget Guidelines
- Unbudgeted Expenditures – Mandatory Disclosure
- Financial Analysis
  - 2023 Forecasted Results
  - 2024 Drivers
  - 2024 Budget Outcomes
  - Impacts

# Budget Guidelines - Overview

- Annual assessment growth is to be used as follows:
  - Fund the annual capital-related tax supported capital requirements
  - Fund growth related impacts and new initiatives/service level enhancements
- New/enhanced services, beyond available assessment growth
  - Only considered if the net levy impact can be mitigated on a consolidated, corporate-wide basis; and
  - The individual business case provides for offsetting revenue sources, efficiency improvements or cost savings
- Funding related to Council approved new initiatives would be considered above and beyond the base budget requirements

# Budget Guidelines - 2024

Budget Details	2024 Budget Guideline	2024 Budget	
	%	\$	%
<b>Municipal Levy (prior year)</b>		<b>80,305,850</b>	
Base Budget Impacts	3.16%	3,151,220	3.92%
Council Approved Capital	1.00%	803,060	1.00%
Council Approved Initiatives - Other	0.00%	25,760	0.03%
New Initiatives	1.00%	1,811,750	2.26%
<b>Municipal Levy Increase</b>	<b>5.16%</b>	<b>5,791,790</b>	<b>7.21%</b>
Less: Assessment Growth	-2.00%	(2,237,100)	-2.79%
<b>Overall Average Residential Tax Increase</b>	<b>3.16%</b>	<b>3,544,690</b>	<b>4.43%</b>

\*average increase over term of Council projected to be 3% per FIN-04-2023

# Unbudgeted Expenditures

Municipal Act provides ability to not budget for specific expenditures:

- Amortization of Capital Assets
- Post Employment Benefits
- Solid Waste Landfill Closure and Post-Closure Costs

# Financial Review

- 2023 Forecast
- 2024 Drivers:
  - Base Budget
  - Council Approved – Non- Staffing
  - New Initiatives – Non-Staffing
  - Staffing Changes
- 2024 Budget Outcomes

# 2023 Preliminary Forecast

Forecasted **Surplus** of \$4,934,000

Major **Savings** Include:

■ Corporate Wide Salaries & Benefits:	\$1,243,000
■ Taxation – Penalty & Interest:	\$253,000
■ Taxation – Supplementary Billings:	\$1,033,000
■ POA – Large Fine Collected:	\$740,000
■ Engineering/Inspection Fees	\$188,760
■ Winter Control – Salt & Contracted Services	\$1,388,000

Major **Deficits** Include:

■ Legal & Support Services – Legal Fees	(\$185,000)
■ Solid Waste Disposal - Mainly Leachate	(\$309,000)
■ Fleet – Materials & Contracted Services:	(\$125,000)



# 2024 Budget Drivers

Draft Municipal Levy Increase of \$5,791,790

<u>Impact on Average Residential Taxpayer</u>	<u>Draft Budget</u>	
	<u>\$</u>	<u>%</u>
Base Budget Levy increase	3,151,220	3.92%
Council Approved - Non-Staffing	828,820	1.03%
New Initiatives - Non-Staffing	202,320	0.25%
Staffing Summary	1,609,430	2.00%
	<b>5,791,790</b>	<b>7.21%</b>
Assessment Growth		-2.79%
<b>Total Impact on Average Residential Taxpayer</b>		<b>4.43%</b>



# Base Budget Drivers - \$3,151,220; 3.92%

Category	Driver
<b>Major Expenditure Drivers Include:</b>	
Salaries & Benefits	1,701,000
Inflationary Increases (mainly legal fees, fleet and winter control)	248,930
Policing - Contract Increase	128,170
Policing - adjustment to court security cost	(250,000)
Climate Change and Emergency Response Reserve	250,000
Forestry Maintenance - Consulting & Pruning	204,000
Blue Box Transition savings	(665,260)
Curbside Collection contract increases	1,514,760
Solid Waste Disposal - mainly leachate costs	141,000
Social Assistance - removal of reserve contributions	(231,900)

NOTE: Blue highlight indicates “uncontrollable” cost

# Base Budget Drivers - \$3,151,220; 3.92%

Category	Driver
<b>Major Revenue Drivers Include:</b>	
Taxation - Supplementary billings	(100,000)
Ontario Municipal Partnership Funding	151,200
Community Capital Projects - removal of CVF Funding	150,000

NOTE: Blue highlight indicates “uncontrollable” cost

# Council Approved – Non-Staffing - \$828,820; 1.03%

Initiative	One-time	Ongoing	Total
<b>Pre-Budget Approval (i.e. in-year reports)</b>			
Blue Box Transition - one-time funding for 2024 and 2025	(106,320)		(106,320)
<b>Impacts from Capital Budget</b>			
1% Additional Contributions to Capital Reserves		803,060	803,060
Operating Impacts from Capital Budget		132,080	132,080
<b>Total Tax-Supported Operations</b>	<b><u>(106,320)</u></b>	<b><u>935,140</u></b>	<b><u>828,820</u></b>

# New Initiatives – Non-Staffing - \$202,320; 0.25%

Initiative	Total
Corporate Team Building and Priority Setting	5,000
Innovation Fund	25,000
Bi-Annual Resident Satisfaction Survey	11,000
Physician Recruitment Strategy	63,000
Forestry Invasive Species Management	20,000
Community Beautification Program - Increase to annual contribution	20,000
Rural Water Quality program - ongoing	25,000
Other	33,320
<b>Total</b>	<b>202,320</b>

# Staffing Summary - \$1,609,430; 2.00%

Description	Gross Costs	Funding	Net Levy
Non-Union Compensation Review as presented to Council through HRD-08-2023 (1.26%)	1,013,900		1,013,900
New Initiatives (Non-Compensation Review Related) (0.74%)	826,650	(231,120)	595,530
<b>Total Non-Base Staffing Initiatives</b>	<b>1,840,550</b>	<b>(231,120)</b>	<b>1,609,430</b>

# Non-Union Compensation Review – 1.26%

- Report HRD-08-2023
- Recommendation to bring back financial impact to operating budget
- 2024 Impact: approximately \$1.0 million

# New Staffing Requests - \$595,530; 0.24%

Position Title	FTEs	Net Levy
CEC - Customer Services Representatives (PPT)	0.32	31,370
FDS - Administrative Assistant (PFT)	1.00	55,310
ITS - Service Desk Analyst and GIS & Solutions Analyst (PFT)	2.00	231,820
Fleet - Student (PPT)	0.33	15,590
EMS - Coordinator, Emergency Management/Fire Education (PFT)	0.32	23,450
GVL - Nurse Practitioner (PFT)	1.00	25,040
GVL - Scheduler (PFT)	1.00	64,940
EDT - Administrative Assistant (PPT)	0.60	55,450
EDT- Business Retention & Expansion Project Manager (PFT)	1.00	92,560
BME - Student (PPT)	1.00	-
PWO Admin - Student (PPT)	1.00	-
GVL - Accounts Clerk (TFT)	0.66	-
<b>Total New Staffing Requests</b>	<b>12.73</b>	<b>595,530</b>

# 2024 Budget Outcomes

## Community & Customer Service

- Community Beautification program increases
- Business Retention and Expansion project manager
- Bi-annual resident satisfaction survey
- Additional frontline customer service coverage

## Technology

- Advancements & efficiencies through continuation of ITS reorg
- Innovation fund for small-scale technology projects



# 2024 Budget Outcomes

## Healthcare & Community Wellness

- Additional direct-care hours for residents at Grandview Lodge
- Continuation of vital work through the Community Paramedic Program
- Physician recruitment strategy

## Climate Change & Emergency Response

- Forestry Program Enhancements
- Rural Water Quality Program
- Emergency Management/Fire Education (PT to FT)

## Recruitment & Retention

- Implementation of Non-Union Compensation Review recommendations

# Assessment & Tax Impacts

Year	2020	2021	2022	2023	2024	Avg.
Municipal Levy Increase (%)	3.87	3.91	5.02	5.36	7.21	5.07
Assessment Growth (\$)	2.5	1.95	2.73	2.08	2.79	2.41
Education Tax Room (%)	0.14	0.00	0.00	0.00	0.00	0.03
Tax Impact (%)	2.16	1.96	2.29	3.28	4.43	2.64

# Municipal Comparators

<u>Municipality</u>	<u>Rate</u>	<u>Municipality</u>	<u>Rate</u>
Toronto	9.50%	Hamilton	5.80%
Brant	8.70%	Sudbury	5.90%
Guelph	8.52%	Brantford	5.47%
London	8.50%	Haldimand	4.43%
Mississauga	6.80%	Kingston	3.50%
Burlington	6.68%	St. Thomas	2.95%
Norfolk	6.30%	Ottawa	2.50%
Average		6.11%	

NOTE: London not yet formally approved

# Other Factors Impacting Property Taxes

- Impacts on Property Taxes:
  - Assessment Changes/Shifts related to growth
    - 2024 reassessment postponed
  - Education Tax Rates
  - Municipal Levy Requirements
  - Tax Policy Decisions
    - Optional Property tax sub-classes
    - Tax Ratios – shift burdens to other classes (typically residential)
    - Amendments to collectors role (i.e. assessment changes) up to start of May 2024

# Impact on Average Residential Home

**2023**

**Property Taxes \$3,560**

**2024**

**Property taxes \$3,718**

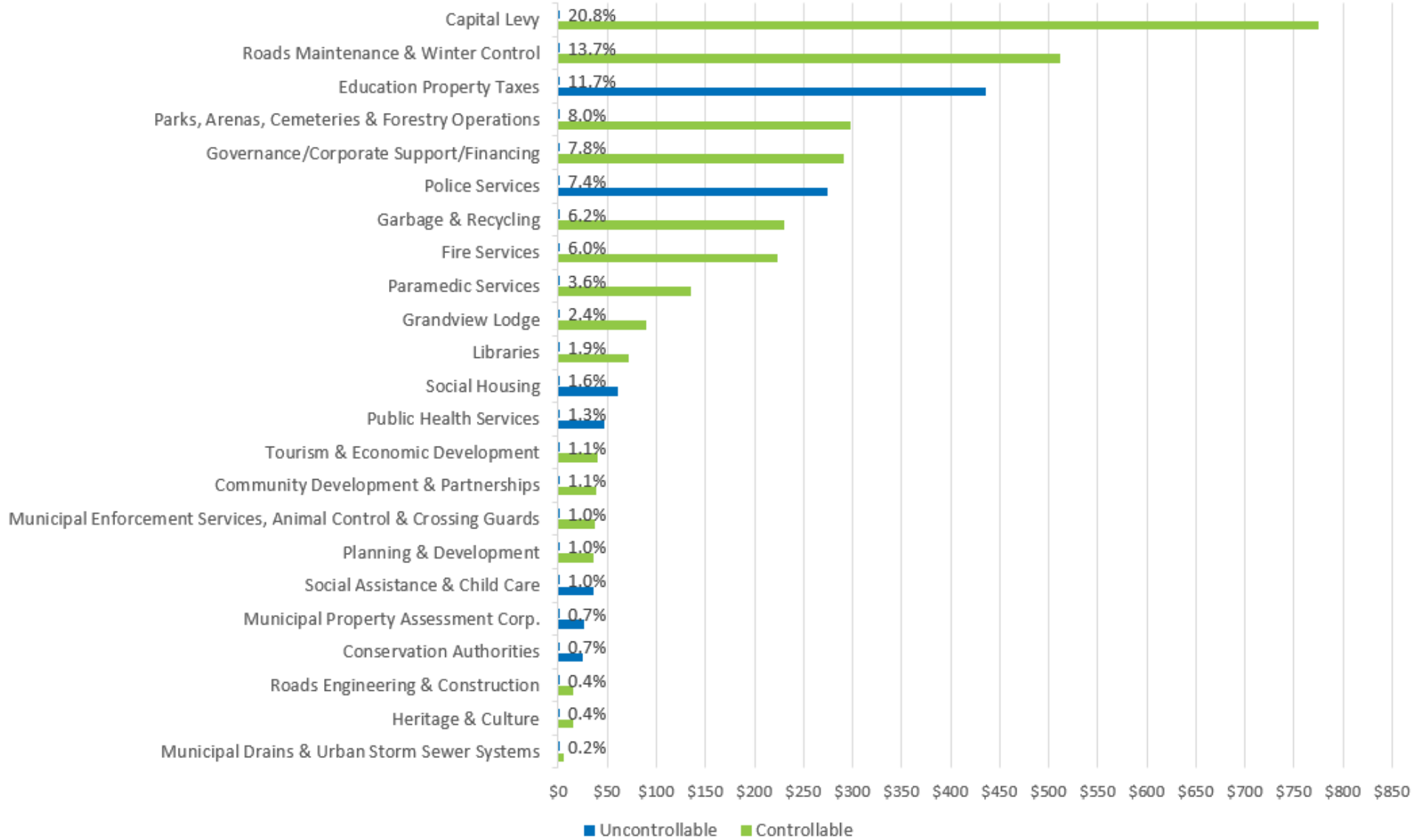


**Increase \$158 or 4.43%  
(approx. \$13.14/month)**

2024 Average Residential Assessment = \$284,640

# Average Residential Tax Bill – Allocation by Services

2024 Draft Tax-Supported Operating Budget  
 2023 Assessment = \$284,640 / Total Taxes = \$3,718



# Future Impacts on Tax Supported Operating Budgets

- Climate change and emergency response situations with the potential to significantly impact the County's resources;
- Provincial funding changes;
- Legislative and/or downloaded services/operational impacts with no corresponding funding;
- Funding pressures related to infrastructure replacement;
- Net impacts of increased residential development

# Key Takeaways

- Unprecedented time of transition
  - Growth, demographic change, technological change, broad economic uncertainty
- 4.43% estimated increase to continue providing the levels of service demanded by the community in a fiscally responsible manner
- Focus on:
  - Community & Customer service
  - Healthcare & Community Wellness
  - Climate Change & Emergency Response
  - Technology
  - Recruitment & Retention