



Town of Onoway Request for Decision

Meeting: Council Meeting
Meeting Date: April 11, 2024
Presented By: Gino Damo, Director of Corporate and Community Services
Title: 2024 Operating and Capital Budget

BACKGROUND / PROPOSAL

During the December 14, 2023 Council Meeting, Council made the following motion regarding the 2024 Interim Operating and Capital Budget:

- | | | |
|-----------------------|--|----------------|
| Motion #385/23 | MOVED by Councillor Robin Murray that Council approve the 2024 Interim Operating Budget as presented. | CARRIED |
| Motion #386/23 | MOVED by Councillor Sheila Pockett that Council approve the 2024 Interim Capital Budget as presented. | CARRIED |

DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES

Interim 2024 Operating & Capital Budget- December 14, 2023

The information below was presented by Administration to Council on December 14, 2023 and provided as pertinent information to finalize the 2024 Operating and Capital Budget.

2024 Operating Budget - Interim

The 2023 Operating Budget proposes a 6.97% operational base tax revenue increase. Below is the breakdown of this increase:

Amortization	4.05%
Reserves	4.58%
Expenses	(1.66%)
Total	6.97%

Below are some important notes of the 2024 Operational Budget:

- Approximate \$31,392 increase in the Community Peace Officer Contract due to increase in hourly rate from \$120/hr in 2023 to \$123.60/hr in 2024. This equates to an approximate 1.82% property tax dollar increase.

- Approximate \$16,300 increase in Police Costing Model as per Province's letter for 2023/2024. This equates to an approximate 0.95% property tax dollar increase. (Expense).
- Approximate \$34,000 increase in Audit Fees due to Forensic Audit. This equates to an approximate 1.97% property tax dollar increase. (Expense).
 - Based on the above increase as being a one-time cost Administration is proposing to transfer from reserves to cover the increase and is included in the current budget. The intent is to implement a multi-year tax strategy starting in 2025 budget to replenish.
- Approximate \$20,000 increase (previously presented \$10,000) in Legal Fees due to Forensic Audit. This equates to an approximate 1.16% property tax dollar increase. (Expense).
 - Based on the above increase as being a one-time cost Administration is proposing to transfer from reserves to cover the increase and is included in the current budget. The intent is to implement a multi-year tax strategy starting in 2025 budget to replenish.
- Approximate \$17,205 increase in Admin- Computer Service & Support based on IT service transition. This equates to an approximate 1.00% property tax dollar increase. (Expense).
- Approximate \$28,738.07 increase in Overall Wages & Benefits based 2023 with some 2024 % increase based on merit and not COLA. Reallocated 10% of Finance Officer from GL PW Salary & Wages 2-31-00-110 and budget correction with one position Admin Assistant. This equates to an approximate 1.67% property tax dollar increase. (Expense)
- Natural Gas budget will be adjusted for the final 2024 budget approval once new 2023/2024 are known.
- Recreation Tax Revenue collected covers expenses towards hall repair & maintenance expenses, ODAS Arena Agreement and East End Bus annual allocation.

2024 Capital Budget - Interim

The 2024 Capital Budget total amount is \$207,443 excluding 2023 Carry forward. This amount is based on 2023 LGFF (Previously MSI) & CCBF Allocations as Administration has not received 2024 allocations. This budget is made up of projects such as valve and hydrant replacement, installation of 4 monitoring wells and a skid steer purchase. Administration is currently calculating the 2023 carry-forward and will present the carry-forward amount and list of projects at meeting time.

2024 Capital Budget funding allocation is as follows:

2024 Canada Community Building Fund (CCBF) Allocation	\$64,417
2024 Local Government Fiscal Framework (Previously MSI) Capital Allocation	\$143,026
Total	\$207,443

2024 Operating & Capital Budget- April 11, 2024

2024 Operating Budget- Amended

The 2024 Operating Budget proposes a 3.88% operational base tax revenue increase (Previously 6.97%).

Below are some important notes of the 2024 Operational Budget amendments:

- Approximate \$28,000 increase to Sale of Land Inventory (GL 1-66-00-400) based on sale of 4907 Lac Ste Anne Trail South land in February 2024.
- Approximate \$2,809 increase to ASFF School Requisition Residential Revenue (GL 1-19-00-750) and Expense (GL 2-19-00-750) based on 2024 requisition. (Revenue & Expense)
- Approximate \$6,663 decrease to ASFF School Requisition Non-Residential Revenue (GL 1-19-00-754) and Expense (GL 2-19-00-755) based on 2024 requisition. (Revenue & Expense)
- Approximate \$7,348 increase to LSA Foundation Requisition Revenue (GL 1-19-00-751) and Expense (GL 2-19-00-751) based on 2024 requisition. (Revenue & Expense)
- Approximate \$3,294 decrease to School Requisition Over/Under Levy Residential & \$1,340 decrease to School Requisition Over/Under Levy Non-Residential as per difference between 2023 revenue collected and expensed. (Expense)
- Approximate \$45,214 increase to Admin-MSI Operations (GL 1-12-00-840) based on 2024 funding. (Revenue)
- Approximate \$10,000 decrease to Fire Administration Revenue (GL 1-23-00-850) based on Approved 2024 ORFS Budget. (Revenue)
- Approximate \$44,736 increase to FCSS Municipalities Contribution (GL 1-51-00-850) and \$4,161 increase to FCSS Admin Fee Municipalities (GL 1-51-00-851) based on updated 2024 funding. (Revenue)

- Approximate \$18,818 (Previously \$16,300) increase in Police Costing Model as per Province's Invoice for 2023/2024. This equates to an approximate 1.09% (Previously 0.95%) property tax dollar increase. (Expense).
- Natural Gas budget was reviewed and approximate \$588.94 increase to GL 2-42-00-542 Sewer Natural Gas based on 2022 & 2023 actual average of \$2,788.94. This expense is included in the overall utilities budget and not included in the property tax base (Expense)
- Approximate \$4,050 increase to GL 2-71-00-241 Rec-Programming to ensure total budgeted revenue collected amount of \$23,150 is fully allocated. This expense is included in the recreation tax budget and not included in the property tax base (Expense)
- Approximate \$5,000 increase to EDC-Business Improvement Grant (GL 2-69-00-512) as per Motion# 081/24. This equates to an approximate 0.29% property tax dollar increase. (Expense)
- Approximate \$5,194 increase to FCSS Joint Contribution (GL 2-51-00-750) and \$44,736 increase to FCSS Municipalities Contribution (GL 2-51-00-751) based on updated 2024 funding. (Expense)

2024 Capital Budget – Amended

The 2024 Capital Budget total amount is \$343,828 excluding 2023 Carry forward. This amount is based on 2024 LGFF (Previously MSI) & CCBF Allocations. The proposed projects are listed in the attached documents.

2024 Capital Budget funding allocation is as follows:

2024 Canada Community Building Fund (CCBF) Allocation	\$64,417
2024 Local Government Fiscal Framework (Previously MSI) Capital Allocation	\$279,411
Total	\$343,028

STRATEGIC ALIGNMENT

Fiscal Sustainability.

COSTS / SOURCE OF FUNDING

As noted above.

RECOMMENDED ACTION

- That Council approve the 2024 Operating Budget as presented.

- That Council approve the 2024 Capital Budget as presented.
- (Or some other direction as given by Council at meeting time).

ATTACHMENTS

- a) 2024 Operating Budget Detailed Report.
- b) 2024 Capital Plan 2024 Funding.
- c) 2024 Capital Plan 5 Year Capital Plan 2024-2029.