



The Corporation of the Municipality of Arran-Elderslie

Information Report

Report From: Tracey Neifer, Treasurer

Meeting Date: March 27, 2023

Subject: SRFIN.23.13 2023 Operating and Capital Budget

Attachments: A – Reserve Schedules
B – Grant and Donation Requests

Report Summary

The purpose of the report is to provide Council with a revised 2023 Operating and Capital Budget based on Council recommendations received on March 13, 2023. In addition, the supporting By-Laws have been prepared for consideration:

- By-law 20-2023 Adopt the 2023 Budget
- By-law 21-2023 Tax Rates for 2023

The detailed Departmental Operating and Capital Budget schedules are included with By-law 20-2023.

Background

On March 7th the 2023 Operating and Capital Budget was presented to the Public, with follow up discussions at the Council meeting held on March 13th. On March 13th Council passed the following resolution:

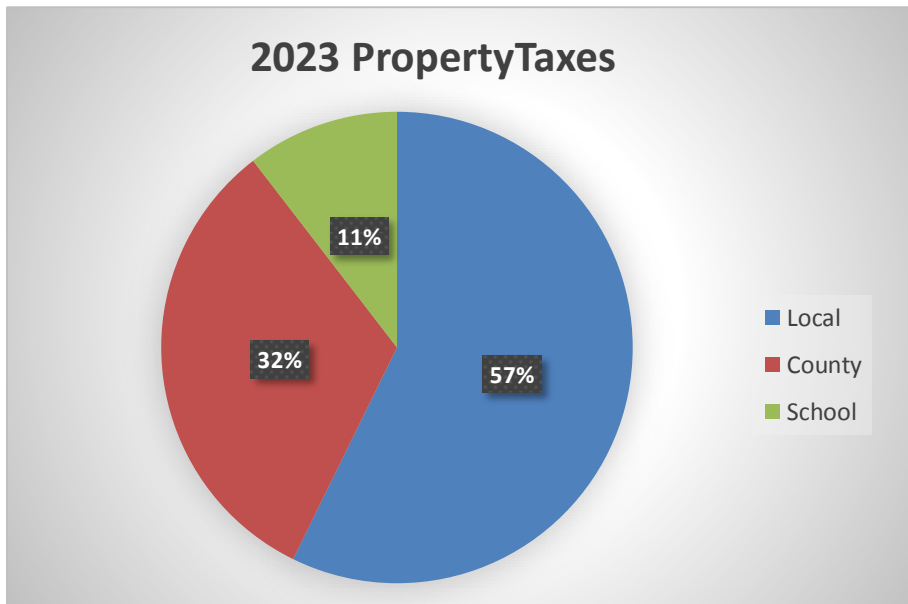
Res# 89-06-2023

Be it resolved that Council hereby endorses the 2023 Operating and Capital Budget, inclusive of a 6% tax rate increase, and further directs staff to bring back an adopting by-law and tax rate by-law at the next Council meeting.

Analysis

The 2023 Operating and Capital Budget has been prepared based on a 6% increase in the local tax rate. The following chart provides a comparison to 2022 including the impact of the School and County tax rates:

Property Tax Overview				
Average Residential Assessment \$172,795				
Property Taxes	Local	County	School	Total
2022	\$ 1,348.72	\$ 748.20	\$ 260.90	\$ 2,357.82
2023	\$ 1,429.67	\$ 806.11	\$ 260.90	\$ 2,496.68
Increase	\$ 80.94	\$ 57.91	\$ -	\$ 138.86



The budget documents presented on March 7th remains the same overall, however, based on Council discussions on March 13th adjustments have been made that affects the distribution across the municipal departments. The following adjustments have been made:

Operating Budget

- ✓ New contract and vacant employee positions were reviewed and adjusted to reflect a start date of May 1st.
 - The payroll savings resulting from the change in the start date for the Economic Development Coordinator has been reflected as a transfer to the Bridge Reserve.
- ✓ The recommendations from the HR Review have been removed from departmental operations and reflected as a transfer to the Employment Matters Reserve.

- A future report will be presented to Council to discuss the results and recommendations of the HR Review.
- ✓ Revenue generated from Building Permit fees has been increased, thus resulting in a decrease in the amount transferred from Reserves to finance operations.
- ✓ Contracted services such as financial auditing, asset management, etc., were amended to reflect ongoing work.
- ✓ Reserve schedules have been updated, as attached **Appendix A**.
- ✓ Grant and Donation Requests have been updated, as attached **Appendix B**.
 - Based on current requests and Council's grant provisions, plus ongoing discussions, the total allocation has been increased by \$5,000.

Capital Budget

- ✓ 23-FIRE-0003 FLEET-Fire Department Response Unit, amended to \$27,000 as per resolution.
- ✓ 21-RECC-0013 BLDG-Paisley Community Centre 2nd Floor Renovations, amended to \$453,863 as per resolution.
- ✓ 23-RECC-0037 BLDG-Existing Paisley Library Building Renovation, removed from the budget.
- ✓ 23-BLDG-0001 FLEET-Chief Building Official Vehicle Replacement, added as per resolution. Estimated purchase price of \$56,000. An RFP is being prepared.

Link to Strategic/Master Plan

6.4 Leading Financial Management

Financial Impacts/Source of Funding

The 2023 Operating and Capital Budget supports a 6% tax rate increase.

Approved By: Sylvia Kirkwood, CAO