



2024 OPERATING BUDGET OVERVIEW

The Lambton Shores 2024 Draft Budget is presented with established Business Units funded by both tax and user rate support. The tax supported component reflects an estimated 3.51% tax rate change over the 2023 rate.

The Municipal Property Assessment Corporation (MPAC); as directed by the Province, has carried on the moratorium on reassessment and any change in assessment is due to a change in use or a change to the property or structure. Lambton Shores is fortunate to have growth in the various communities in both the residential and commercial sector. The 2024 taxable assessment has increased 2.041% over 2023.

Detailed information on significant changes to the Business Units is outlined on the description pages provided in the budget binder. The budget was prepared using the 2023 budget, historic spending with a 3 year average, planned projects, inflationary adjustments as necessary, and any legislation changes.

The tax supported annual allocation to the Capital Reserve Funds was increased by 2% over the 2023 allocation to account for inflationary pressure. As noted in the Capital Budget Overview, the capital projects are funded from the established infrastructure replacement reserve funds or grants where possible. Maintaining the contributions to reserve funds is essential for planning future asset replacements and is supported by the Asset Management Plan.

Notable Revenue Increases

The general interest revenue has been increased to reflect the higher than normal interest rates of late.

Protective Inspection and Control revenues for by-law infractions have been increased to reflect a 3 year average.

Short Term Rental revenue has been increased to reflect the 2023 actuals.

The transit revenue has been increased to reflect the ridership increase in 2023.

Revenue for garbage and recycle bins has been increased to reflect growth.

The parking revenues have increased to reflect a 3 year average.

The water and wastewater revenues have increased to reflect growth and for wastewater to also reflect the rate increase for 2024.

Notable Revenue Decreases

The Ontario Municipal Partnership Fund (OMPF); which is the unconditional grant provided by the Province, has decreased by \$42,100.00 in 2024.

The offsetting allocation of \$222,000.00 from the Working Funds Reserve Fund to Policing costs has been removed for 2024.

The revenue from the Vibrancy Reserve Fund has decreased to reflect the decrease in applications received.

Arena Canteen revenues have been removed as both locations operations are now outsourced.

The Economic Development department has had a decrease in revenue and expenses to reflect the removal of funds for the Community Improvement Plan in 2022 and 2023.

Notable Expenditure Increases

The Draft 2024 Budget reflects an estimated cost of living adjustment for wages of 2.75%.

Staff have also made adjustments to time allocations throughout the entire budget and therefore the wage lines will appear up or down in the operational departments.

A full year of debt repayment for the new administration building has been included in 2024 compared to only a partial year in 2023. The Green Municipal Fund loan has not been finalized yet and therefore the amount from 2023 was not required. \$136,000.00 has been brought forward to apply against the first full year of debt.

The Policing costs for 2024 combined with the reconciliation of the 2022 billing reflect an increase and there is no offsetting transfer from the Working Funds Reserve Fund as was done in 2023.

The gravel allocation has been increased to be inline with Council's direction from 2022.

The Water and Wastewater departments have an increase in expenditures primarily due to the increase in the transfer to the pertinent reserve funds and Jacobs contract.

Insurance rates have been increased by 10% throughout the budget due to the increase in claims.

Notable Expenditure Decreases

The cost of recycling has decreased due to the Provincial legislation change of transferring costs to producers of materials.

The arena canteen operations have been adjusted to reflect the outsourcing of operations at both locations.

Summary

The Draft Operating Budget is estimated to result in a 3.51% change to the Municipal tax rate over the 2023 rate.

The draft budget binder provides information related to a number of other operating and capital project expenditures that Council may choose to consider in addition to the base budget. (tab 5)

The following chart indicates the impact to the tax levy should Council wish to add or remove items to the Draft Operating Budget to be funded from taxation:

Levy Change	Amount	2024 Draft Levy
		14,698,252.00
0.5%	73,491.26	14,771,743.26
1.0%	146,982.52	14,845,234.52
1.5%	220,473.78	14,918,725.78
2.0%	293,965.04	14,992,217.04
2.5%	367,456.30	15,065,708.30
3.0%	440,947.56	15,139,199.56
4.0%	587,930.08	15,359,673.34