

THE MUNICIPALITY OF LAMBTON SHORES

Report TR 01-2024

Council Meeting Date: January 15, 2024

TO: Mayor Cook and Members of Council
FROM: Janet Ferguson, Treasurer
RE: 2024 Draft Operating and Capital Budget

RECOMMENDATION:

THAT Report TR 01-2024 presenting the 2024 Draft Operating and Capital Budget is received for discussion.

SUMMARY

This report presents the Draft 2024 Operating and Capital Budget for Lambton Shores.

BACKGROUND

The annual budget process begins in the fall with staff gathering information and referencing studies such as the Asset Management Plan (AMP), Roads Needs Study, Bridge Inspections or Recreation Master Plan as well as giving consideration to the day to day operational needs of the Municipality.

The proposed Draft 2024 Budget is presented with a section for Operating and one for Capital. Within both there are breakdowns for the Tax Supported Departments and the User Rate Supported Departments of Water and Wastewater.

The Operating and Capital Budget Overview is followed by summary information. The various Departments are supported with a description of the functional area, changes over the previous year and detailed financial information. New in 2024, the operating budget detail is shown with a three year projection. Although Council can see what the future may look like, Council will only be asked to approve the 2024 allocations.

The budget was prepared using the 2023 budget, historic spending with a 3 year average, planned projects and inflationary adjustments.

The tax supported annual allocation to the Capital Reserve Funds was increased by 2% over the 2023 allocation. The Capital Budget Overview outlines the capital projects and shows the funding from the established infrastructure replacement reserve funds. Maintaining the contributions to reserve funds is essential for planning future asset replacements. Although the funds have been increased, the increase does not match that of the full recommendation from the AMP.

Staff also consider any grant or fundraising opportunities for both the Operating and Capital budgets.

This budget provides for the resources required to maintain the operations and infrastructure for Lambton Shores at the same level as last year. Any reference to tax impacts is related only to the Lambton Shores portion of property assessment and does not include the impacts of the other levels of taxation from the County and Education systems.

Staff have presented the core budget requirements as well as items for Council's consideration (tab 5). Following Council's consideration of the material provided in the budget binder, staff will be looking for a resolution to support the budget as presented or amended. Items noted as "for consideration" have been numbered to enable a clear resolution and direction for staff. Staff identified funding sources for some but not all of the items for consideration.

Staff would appreciate any questions in advance of the meeting to ensure the pertinent information is on hand for the meeting.

Following the final approval of the budget, the budget by-law will be brought to Council to finish the process. Tax rates will not be set until the County Wide Tax Policy has been established which is typically April.

ALTERNATIVES TO CONSIDER

None

RECOMMENDED ACTIONS

THAT Report TR 01-2024 presenting the 2024 Draft Operating and Capital Budget is received for discussion.

FINANCIAL IMPACT

There is no financial impact by Council receiving this report.

This Draft Operating and Capital Budget as presented reflects an increased tax levy of \$758,110 or 5.4% over 2023.

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. This means that the only change in assessment is as a result of growth in Lambton Shores which is approximately 2.041% in taxable assessment.

As a result of this growth in the assessment base, this draft of the Operating and Capital Budget has been achieved with an estimated 3.51% change to the estimated tax rate over the 2023 rate.

The budget documents do contain a number of other projects and operational items that Council may wish to consider. If Council wishes to consider the inclusion of currently unfunded projects or an increased contribution to reserve funds there will need to be an enabling increase to the tax levy and rate. A chart showing the impact of increases has been provided in the Operating Budget Overview for consideration.

CONSULTATION

Steve McAuley, CAO
Stephanie Troyer-Boyd, Director of Corporate Services
Ashley Farr, Director of Community Services
Nick Verhoeven, Director of Public Works
James Marshall, Fire Chief

Attachments

Operating Budget Overview
Operating Budget Summary
Capital Budget Overview
Capital Budget Project Listing
Items for Consideration Overview
Items for Consideration Listing