

2023 Budget

Budget Framework Report
CSSRA Committee July 4th, 2022

Agenda

1. Budget Principles
2. Budget Process & Timelines
3. 2023 Budget Simulation
 - 5-year Budget Forecast
4. Tax investments in Service Delivery



Budget Principles

Budget is aligned with:

- Long-term Financial Plan
- Asset Management Plan
- Financial Condition Assessment
- Strategic Plan and Vision to Focus (V2F)
- Multi-year Community Investment Plan

2022 Municipal Election

Municipal Act, 2001

“Yearly budget, local municipalities

- **290** (1) For each year, a local municipality shall, in the year or the immediately preceding year, prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality, including,
 - (a) amounts sufficient to pay all debts of the municipality falling due within the year;
 - (b) amounts required to be raised for sinking funds or retirement funds; and
 - (c) amounts required for any board, commission or other body. 2001, c. 25, s. 290 (1); 2006, c. 32, Sched. A, s. 120 (1).
- **Exception**
 - (1.1) Despite subsection (1), a budget for a year immediately following a year in which a regular election is held, may only be adopted in the year to which the budget applies. 2006, c. 32, Sched. A, s. 120 (2).”



Council Budget Review & Approval Process

Council Review Process

Council Workshops - Service Presentations

- Nov 29, 30, Dec 12 & 15
- May be combined with New Council Orientation (TDB)

CSSRA Committee Review

- Budget Overview Report – **December**
- Budget Townhall – **January**
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Council Approval

- January / February 2023

Timelines highly dependent on the changeover in Council post 2022 Election and potential need for New Council Orientation Sessions



By-law Enforcement Staff Direction

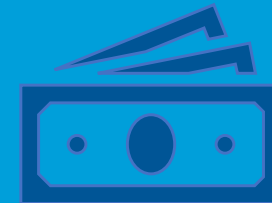
“Direct the Director of City Building to investigate efficiencies of consolidating bylaw services and report back to council with a proposal for the 2020 budget. (SD-05-19)”

Companion report to accompany the
Proposed Budget



2023 Budget Pressures

5-year Budget Simulation





2023 Forecasted Tax Increase

Description	2023 Intial Forecast F-45-21	2023 Revised Forecast	2023 Mitigation Option
Base Budget *	1.91%	2.72%	2.50%
Additional Base Budget Pressures	0.32%	0.70%	0.59%
Impacts of Prior Council Decisions	0.13%	0.46%	0.41%
Impacts of Previously Approved Capital Projects	0.09%	0.95%	0.95%
Infrastructure Levy	1.60%	1.60%	1.60%
Total Additional Base Budget Items	2.14%	3.71%	3.55%
Risk Mitigation Measures (Business Cases)	1.67%	1.56%	1.13%
Total City Tax Increase (%)	5.72%	7.97%	7.16%
Overall Tax Bill Impact (%) **	3.48%	4.55%	4.18%
City Tax Increase of Total Tax Bill (%)	2.65%	3.68%	3.31%

**Includes estimated assessment growth of 0.6%*

***Regional tax increase estimated at 2.5% in 2023 thru 2024 and 2.2% onwards as per Halton Region 2022 Proposed Budget*

Numbers may not add due to rounding



2023 Base Budget

HR Impacts

- Standard increases for union and non-union
- Contractual compensation and market competitiveness - \$350K
- PT OMERS implementation - \$420K
- On Call Pay - \$40k

Provisions to Reserve Funds

- The maintenance of existing corporate reserve fund provisions.
- An annual increase to the provisions for Insurance and Contingency Reserves of \$50,000 each.



2023 Base Budget

Inflation

Inflation (yr-over-yr May 7.7% CPI)

- 15% increase on Commodities
- 2% on other operating expenses
- Placeholder for higher-than-average inflationary pressures on contract renewals (2022) - \$300K

User Fees

- assumes average increase of 3%
- Placeholder value of \$250K impact for permanent COVID revenue losses.



Additional Base Items

Impacts of Previously Approved Capital Projects

- IT Infrastructure and Growth - \$181K
- Expansion of Specialized Transit - \$135K (1 bus purchased in 2022)
- Expansion of Conventional Transit - \$836K (4 buses purchased in 2022)
- Operating costs for Transportation Ops Centre - \$50K
- McNally Donation Operating Impacts - \$75K
- Skyway Arena Debt Charges phased - \$550K

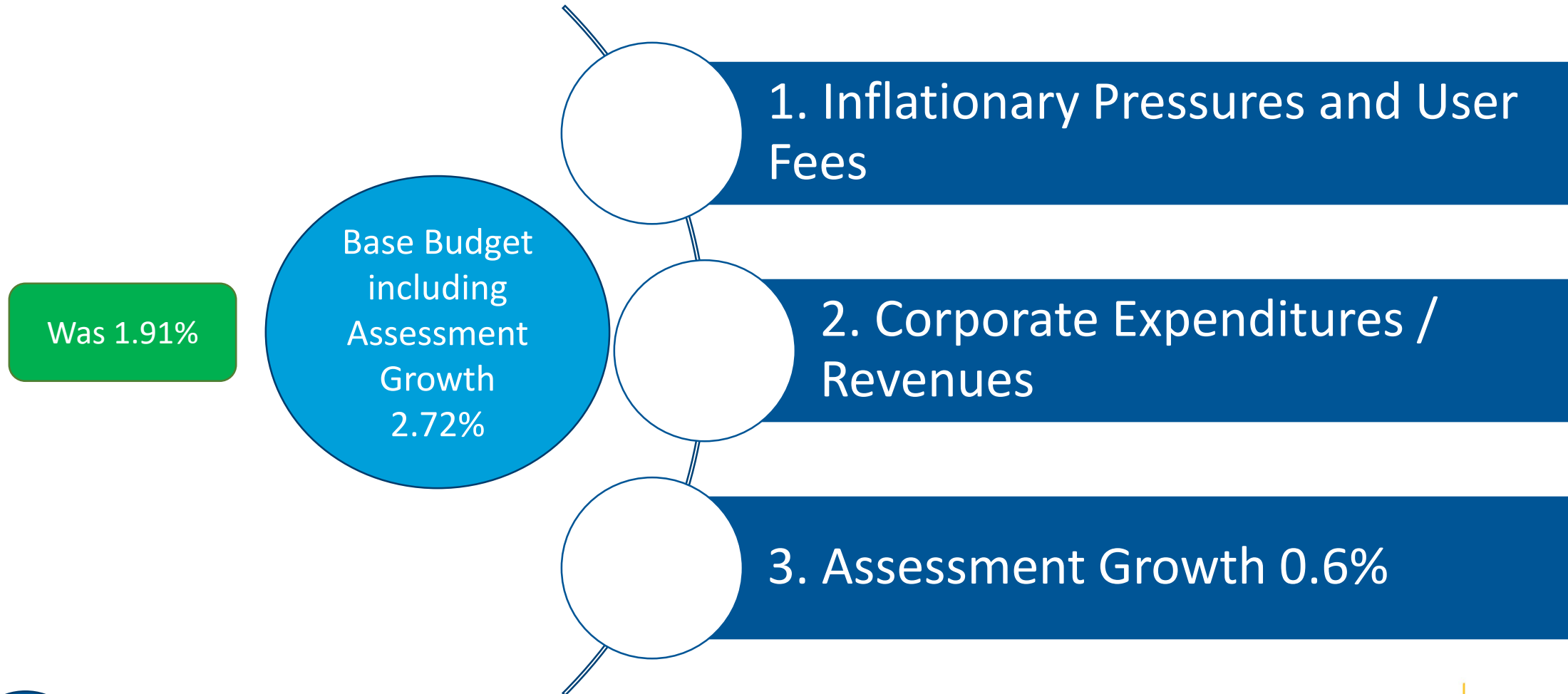


Additional Base Items

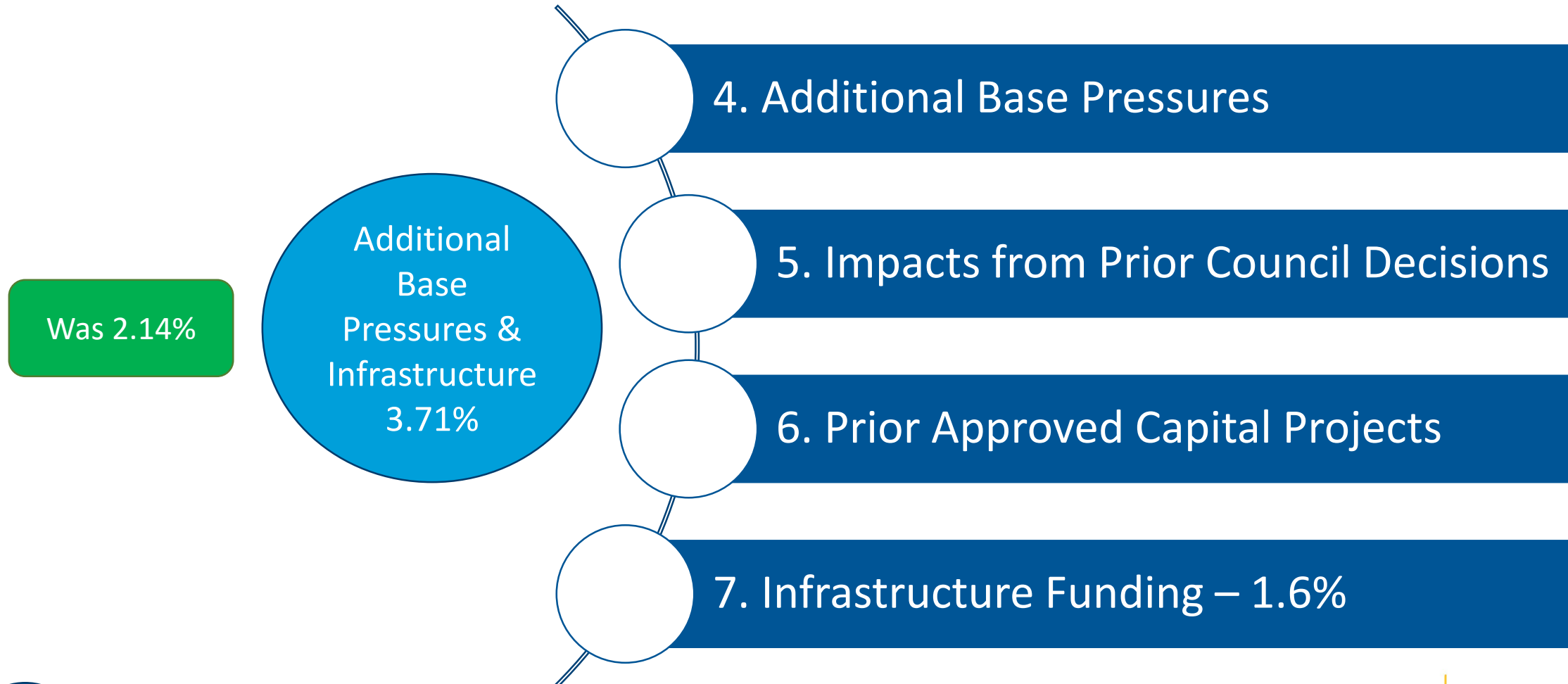
Impacts of Prior Council Decisions

- Removal of 1-time funding for low assessment growth in 2022 - \$240K
- Annualization of staff approved in previous budget - \$190K
- Tax based support for Tyandaga - \$125K
- Private tree by-law - \$410K total impact (combination of expenses and revenue adjustments)
- Bay area climate change council - \$56K
- Maintaining Recreational Assets - \$100K

2023 Budget



2023 Budget





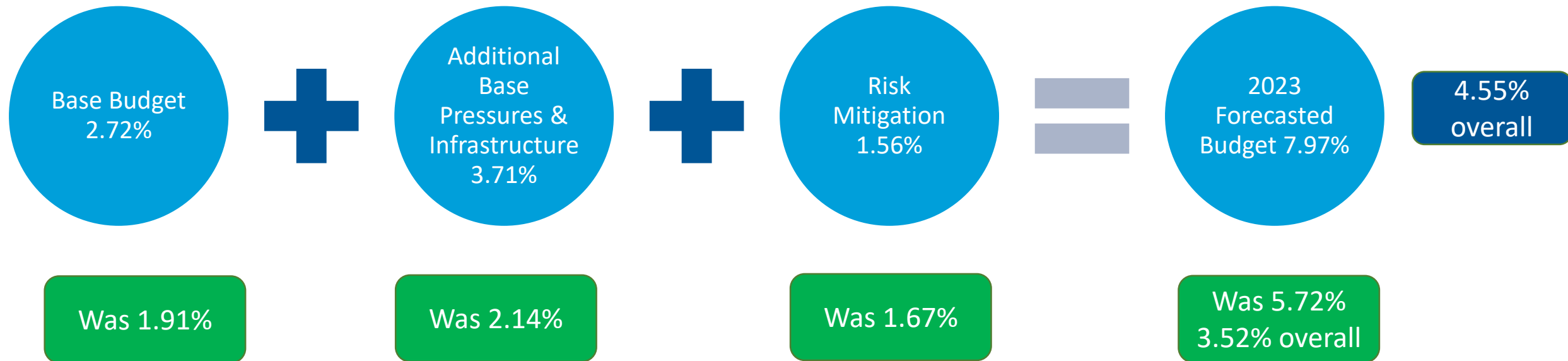
Risk Mitigation

(Business Cases)

Sustaining City Operations and Finance

- DEOO placeholder - \$1,134K
- Fire Master Plan staffing - \$1,242K
- Ditch / Culvert Maintenance - \$100K
- Tree Management / Planting - \$100k
- Office space for Building and By-law staff - \$110K

2023 Budget





Budget Simulation 2023-2027

	2023	2024	2025	2026	2027	Average 2023-2027
City Tax Increase	7.97%	6.84%	6.45%	5.13%	4.92%	6.26%
Overall Tax Bill Impact	4.55%	4.11%	3.89%	3.30%	3.23%	3.82%
City Share of Overall Impact	3.68%	3.26%	3.16%	2.57%	2.51%	3.04%

2023 Budget

Potential Mitigation Options

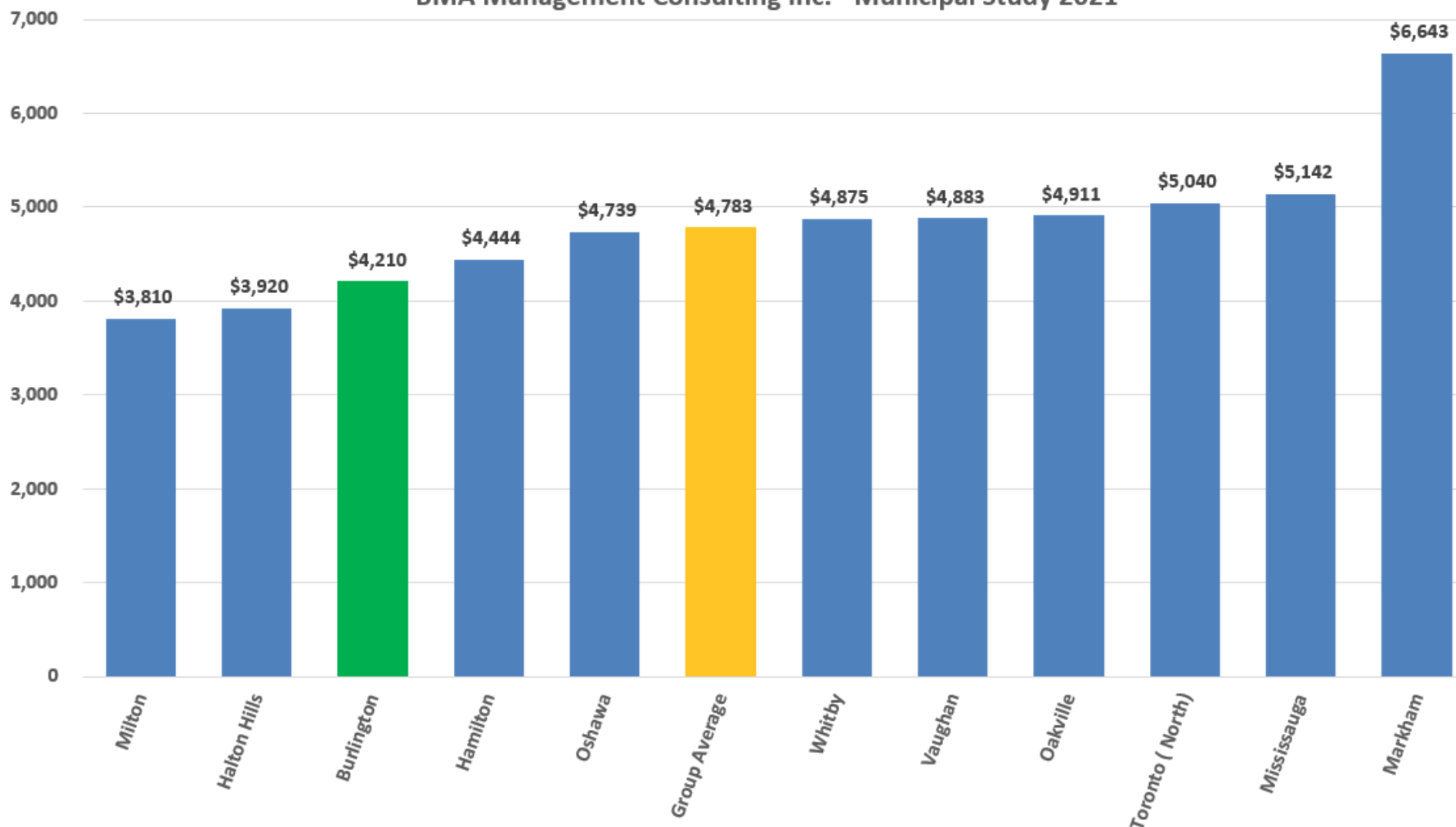
Total 0.81% tax impact
Revised forecast City Increase - 7.16% (4.18% overall)

Appendix B of F-25-22						
	2023	2024	2025	2026	2027	5 Yr Average
Current Forecasted City Tax Increase	7.97%	6.84%	6.45%	5.13%	4.92%	6.26%
Mitigation Strategy						
	2023	2024	2025	2026	2027	
Further Rates & Fees increase of 2% (5% Total)	-0.21%	0.00%	0.00%	0.00%	0.00%	
Deferral of Rental Space for Building & By-Law Staff	-0.06%	0.06%	0.00%	0.00%	0.00%	
Defer the Phase in of funding for Recreational Maintenance	-0.05%	0.03%	0.02%	0.00%	0.00%	
Defer Enhancements to Forestry Services	-0.05%	0.05%	0.00%	0.00%	0.00%	
Partial Deferral of new Staff Resources	-0.32%	0.31%	0.00%	0.00%	0.00%	
Phase in of Part Time OMERS impacts	-0.11%	0.10%	0.00%	0.00%	0.00%	
Total Tax Rate Change	-0.81%	0.55%	0.02%	0.00%	0.00%	
Mitigated City Tax Increase	7.16%	7.39%	6.47%	5.13%	4.92%	6.21%

2023 Budget



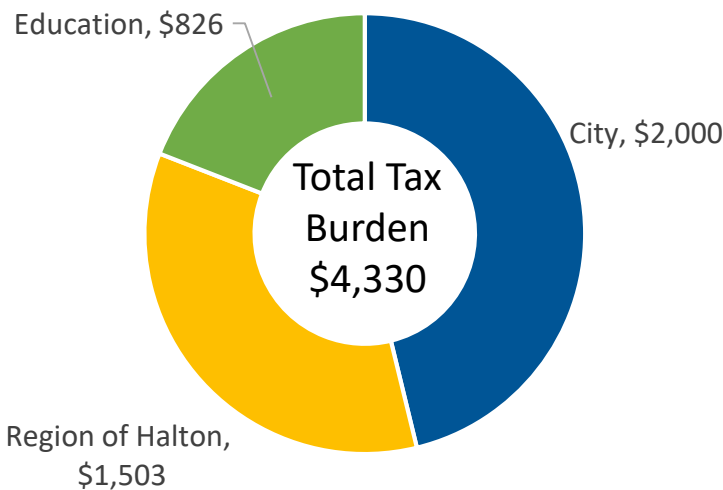
Detached Bungalow
BMA Management Consulting Inc. - Municipal Study 2021



2023 Budget



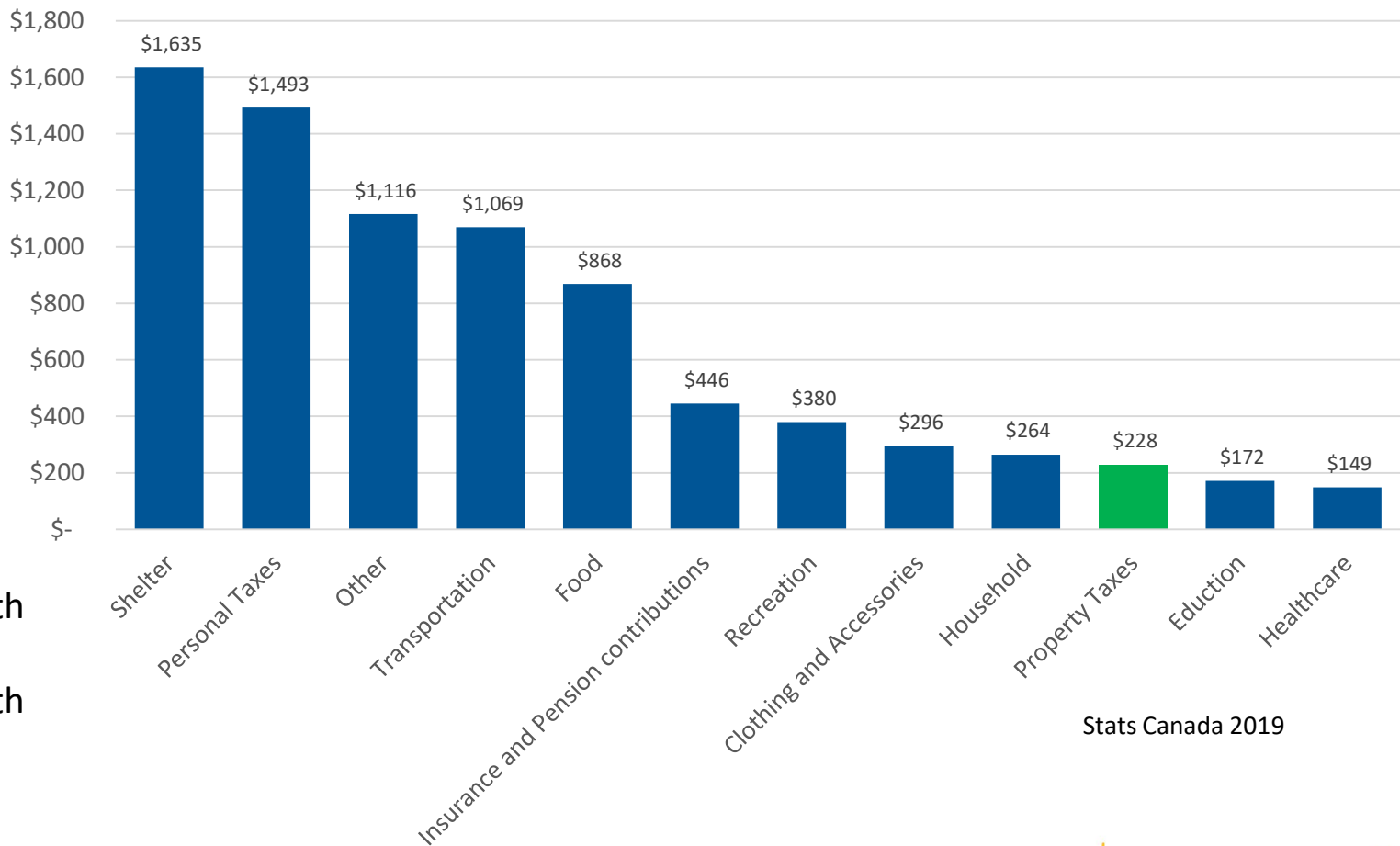
2022 Total Property Taxes



Total Tax Burden \$4,330 per year = \$361 per month

City Tax Burden \$2,000 per year = \$167 per month

Ontario Household Average Monthly Spending

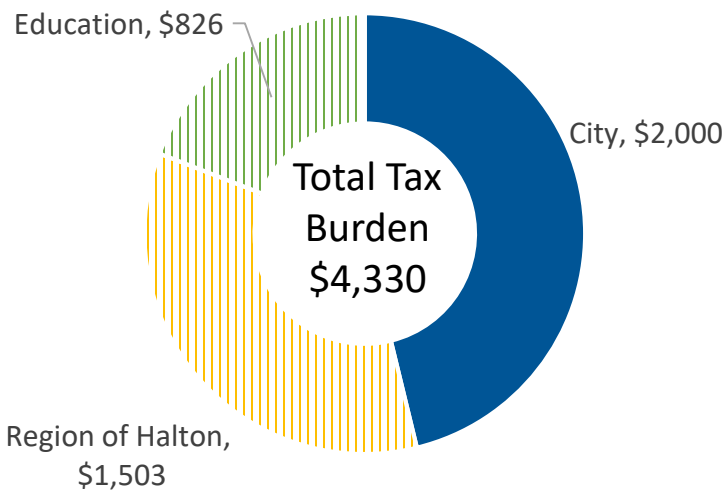


Stats Canada 2019

2023 Budget

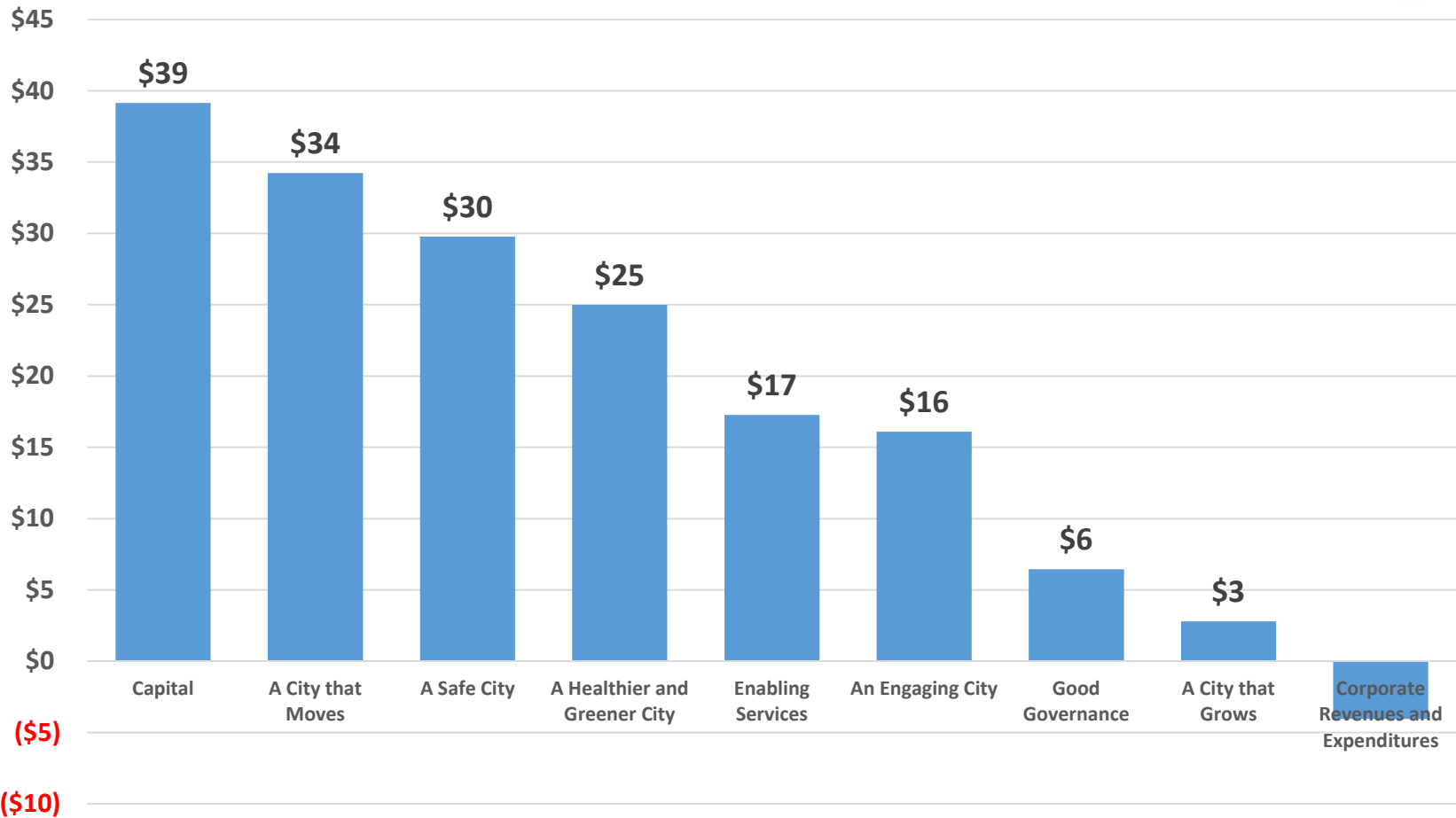


2022 Total Property Taxes



\$2,000 per year = \$167 per month

Monthly City Property Tax Investment



2023 Budget

Capital Investment- \$39 / month



\$99.1m
fleet and equipment

\$5.2 billion
total replacement value



\$1.1b
facilities and buildings



\$146m
stormwater



\$253m
parks and natural assets



\$3.5b
roadways



\$65.8m
information technology



2023 Budget

A City That Moves - \$34 / month



167

signalized intersections



811 km

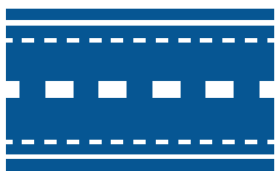
pedestrian network



792 bus stops
and shelters

4500

tonnes of loose leaves
collected annually



1,612 km paved roads

146 bridges and road culverts

186km cycling routes



Burlington Transit

63 conventional buses

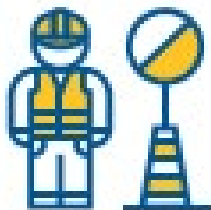
14 specialized buses

6 support vehicles



88

school crossing
guard locations



road design and construction.



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2023 Budget

A Safe City - \$30 / month



18 fire response vehicles

16 support vehicles



animal control



646

fire equipment pieces



8 fire stations



bylaw enforcement

2023 Budget



A Healthy and Greener City - \$25 / month



105,000 trees in parks and open spaces*

60,500 street trees-urban

8,500 street trees-rural

*excludes woodlots



21 km

multi-use recreational trails



56 neighbourhood parks

33 parkettes

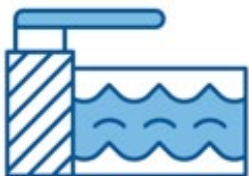
11 community parks



144 sports fields



10 splash pads/water play



2 outdoor pools **4** indoor pools

1 outdoor wading pool



11 ice pads **2** glacie surfaces

1 outdoor rink



700 ha

parkland



144 sports fields



10 splash pads/water play



30 stormwater management ponds

10 creeks (93km total)



14 single gymnasiums



5 community gardens



1 golf course

2023 Budget

An Engaging City - \$16 / month



Tourism Burlington



110 public artworks



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2023 Budget



Enabling Services - \$17 / month



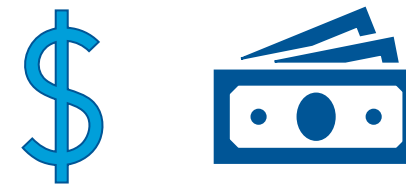
Good Governance - \$6 / month



A City that Grows - \$3 / month



Corporate Revenues & Expenses – (\$4)



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