

# Town of Aylmer

## Report CAO 05-23



<b>Report Title:</b>	<b>2023 Operational Budget Options</b>
<b>Submitted for:</b>	<b>Council – January 25, 2023</b>
<b>Report Author:</b>	Andy Grozelle, CAO Senior Leadership Team
<input checked="" type="checkbox"/> <b>Receive for Information</b>	<input type="checkbox"/> <b>Recommendation</b>

### Recommendation

**That Report CAO 05-23 entitled 2023 Operational Budget Options, be received for information.**

### Executive Summary

This report outlines options developed by staff in face of a very challenging 2023 Operational Budget. These possibilities were developed in the interest of leaving no stone unturned in the pursuit of reductions.

### Background

Attached to this report are various options not recommended by staff to achieve further budgetary reductions. These were researched in case Council desired to take more drastic steps to avoid significant increases in 2023.

Staff are of the opinion that inflation and market factors will see financing requirements of all municipalities increase dramatically in 2023. The degree that this will impact rate payers will vary based upon Current Value Assessment (CVA) growth in 2022. The Town of Aylmer had negative CVA growth in 2021 and is now projecting 0.9% CVA growth in 2023. While the Town is now trending in the right direction for CVA growth, staff do not anticipate growth will significantly relieve the pressure on the local tax base until 2024.

The 2023 budget survey, conducted in the summer of 2022, illustrated that most respondents would prefer to see current service levels maintained or expanded. The scope of the 2023 levy increase was not known at the time of survey issuance so there is a potential that responses would be more varied if conducted again.

## **Analysis**

The proposed options are ranked from yellow to red. Yellow options are anticipated to have minor impacts, orange medium impacts and red would result in large consequences.

It is important to highlight that this analysis excludes many of the efficiencies already being pursued by staff. Staff routinely evaluate and advance revenue opportunities, process improvements and efficiencies. A good example of this is the ongoing marketing of industrial lands, in this context increasing revenue through the sale of property is not considered as that option is already being pursued.

Some options have been distributed separately in a confidential package. Discussion on these options is intended to occur in Closed Session.

## **Conclusion**

Staff are presenting the 2023 Budget Options Report to assist Council through the challenging 2023 Budget discussions. As referenced staff are not in favour of the proposed reductions however felt a need to present an exhaustive list of reduction options for Council's review.

Attachments:

Attachment A – Potential Options for Reductions

Attachment B – Confidential Options for Reductions (circulated under separate cover)

Submitted by:

Andy Grozelle  
Chief Administrative Officer  
Town of Aylmer  
519-773-3164 Ext. 4901