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Date	December 6, 2023
To	Finance Committee – December 6, 2023
From	Heather Sachs, Director of Financial Services/Treasurer
Report No.	FIN 30-23
Report Title	Final Operating Budget 2024

Recommendation

That Report FIN 30-23 respecting, the Final 2024 Operating Budget, be received as information; and,

That Council approve the proposed 2024 Operating Budget as presented with levy impact of \$6,984,154; and,

That Council direct staff to present the final Budget By-law for adoption at a future meeting.

Executive Summary

Section 290 (1) of the Municipal Act, 2001 requires that each year local municipalities prepare and adopt estimates for the purposes of the municipality including amounts sufficient to pay all debts falling due within the year, and amounts required for any board, commission, or other body. Preparing and adopting annual budget estimates determines Aylmer's revenue requirements that will need to be collected through taxation and user rates. Aylmer Council has approved the 2024 capital budget as well as received several reports outlining operational budget updates over the past few months. The Water and Wastewater Rates By-Law is prepared, and Development Charges for 2024 have also been updated. The

operational budget estimates presented to Council started at a 10.81% tax levy increase for 2024. Through subsequent review and feedback from the Finance Committee, staff were able to present a 7.32% tax levy impact for final consideration. With the current assessment data, this would equate to a residential tax rate increase of approximately 4.51% since growth was around 2.08% overall for 2024. Attached are the Final 2024 Operating budget files for approval.

2024 Billing	
Total Aylmer Tax Levy	\$6,984,154.48
2024 Aylmer Rate Increase	4.51%
2024 Aylmer Levy Increase	7.32%
Monthly Impact Avg. Household	\$7.29
Monthly Impact per \$100,000 Assessed Value	\$3.41

Background

The Finance Committee started the budgeting process on June 21, 2023 through identifying the schedule and draft version of the budget survey. The budget survey was included for release for public engagement and feedback shortly thereafter. On August 9th, the Finance Committee was presented preliminary information for the 2024 budgeting process as well as the first look at the latest 10-year capital plan. Subsequently on September 20, 2023, the results of the public engagement process were summarized and the preliminary operating budget was presented with several assumptions for 2024 to the Finance Committee.

On November 1st, the final capital and discretionary budget was presented and approved for 2024 and community grants were received for inclusion and debate. On November 15th, the Finance Committee met to discuss further changes in assumptions for the 2024 operating budget and fees/ charges including the water and wastewater rates were brought forward for committee discussion. At this meeting it was also approved that staff be directed to prepare the final version of the operating budget for adoption and Council approval on December 6th.

While the Ontario Community Infrastructure Fund (OCIF) and Canada Community-Building Fund (CCBF) amounts have not yet been communicated, they would not affect the levy for 2024 but they would be updated and communicated prior to the By-Law being posted in 2024.

Financial Impact

Table 1. 2024 Preliminary Town Budget

Capital	\$17,727,565
Expenditures*	\$16,424,522
*includes transfers to reserves	
Revenue	
User Fees (Water, Sewer, Permits, Facilities)	\$ 5,952,115
Grants	\$ 2,766,592
Investments/Other	\$ 721,660
Levy Requirement	\$ 6,984,154

Table 2. Potential Additional Levy Impact

2023 Levy: \$6,507,577	2024 Levy: 6,984,154
2023 Mill Rate: 0.906030	***2024 Mill Rate: 0.946903
2023 Levy Increase: 5.82%	***2024 Levy Increase: 7.32%

* Additional Impact based upon 2023 Average single home CVA of \$214,000

** Amounts exclude Upper-Tier and Educational Levy

*** Assumptions are based upon MPAC data as of November 27, 2023



TOWN OF AYLMER
Summary of All Units

	Current Year	Future	Future	Future
	Budget	<i>Budget</i>	<i>Roll 2023 to 2024</i>	<i>Roll 2023 to 2024</i>
	2023	2024	<i>increase/(decrease)</i>	<i>increase/(decrease)</i>
	YTD	YTD	YTD	%
General Fund Expenditures				
Total Salaries, Wages & Benefits	6,691,588.13	7,215,756.53	524,168.40	7.83%
Total Admin, Materials and Supplies	4,895,951.35	5,070,906.13	174,954.78	3.57%
Total Contracted Services	1,433,940.01	1,405,853.11	-28,086.90	-1.96%
Total Rents and Financial Services	15,589.00	15,589.00	0.00	0.00%
Transfer to Own Funds	1,939,416.00	1,331,212.00	-608,204.00	-31.36%
Total Long Term Debt	67,803.00	951,681.00	883,878.00	1303.60%
Total General Fund Expenses	15,044,287.49	15,990,997.77	946,710.28	6.29%
General Fund Revenues				
Total Taxation Revenues	-6,507,576.90	0.00	6,507,576.90	-100.00%
Total Payments in Lieu of Taxes	0.00	0.00	0.00	0.00%
Total Tax Write-offs	25,000.00	25,000.00	0.00	0.00%
Total Canada / Ontario Grants	-2,750,211.59	-2,766,592.29	-16,380.70	0.60%
Total Municipal Contributions	-425,268.00	-447,660.00	-22,392.00	5.27%
Total User Fees and Charges	-5,166,670.00	-5,728,030.00	-561,360.00	10.87%
Total Licenses, Permits and Rentals	-165,185.00	-155,185.00	10,000.00	-6.05%
Total Fines and Penalties	-68,900.00	-68,900.00	0.00	0.00%
Total Other Revenues	-294,000.00	-299,000.00	-5,000.00	1.70%
Total Transfer To / From Own Funds	-125,000.00	-25,000.00	100,000.00	-80.00%
Total General Fund Revenues	-15,477,811.49	-9,465,367.29	6,012,444.20	-38.85%
Net General Fund (Revenue)/Expenditure	-433,524.00	6,525,630.48	6,959,154.48	
Total Operating Projects / Capital from Operating	433,524.00	458,524.00	25,000.00	5.77%
Tax Levy	0.00	6,984,154.48	6,984,154.48	

Strategic Priorities

This report supports the goals and objectives set out in [Council's Strategic Pillars](#).

The goals it supports include:

Pillar Two – Planning for the Future, related to ensuring the community has infrastructure to support future growth and sustain current needs for providing safe drinking water for all users.

Pillar Three – Economic Vitality by helping to attract growth to the town and creating opportunities for our neighbours.

Pillar Five – Public Service Excellence by delivering municipal services in a safe and efficient manner.

Conclusion

Staff are appreciative of the work and efforts of the Finance Committee and Council on the overall 2024 budget. The decisions of Council to maintain service levels are reflective of the public input received during the 2024 Budget Survey process.

Following approval of the 2024 Budget, staff will bring forward reports for tendering projects for 2024 and prepare the By-Law upon receipt of the approval of the EECC board and the County rates.

Respectfully submitted by:

Andy Grozelle
Chief Administrative Officer

Heather Sachs
Director Financial Services

Josh Brick
Director of Corporate & Legislative Services

Rob Johnson
Director of Operations

Terry Koning
Associate Director of Infrastructure and Operations

Chief Todd McKone
Fire Chief
Town of Aylmer

Reviewed by Andy Grozelle, Chief Administrative Officer

Appendix

Attachments

1. Final 2024 Operating Budget

Follow Up

In adopting this report, what follow up action is required?

By-law

Agreement(s)/document(s) to be signed by Mayor and/or Clerk

Social media/Website update or communication

Other communication – Specify: