
Subject: 2024 Budget Planning and Timetable

Report to: Budget Review Committee of the Whole

Report date: Thursday, July 27, 2023

Recommendations

1. That the 2024 budget timetable, as attached as Appendix 1 to Report CSD 38-2023, **BE APPROVED**; and
2. That this report **BE CIRCULATED** to agencies, boards, and commissions (ABCs) in accordance with By-Law No. 2017-63 “Budget Control”.

Key Facts

- The purpose of this report is to initiate the 2024 budget process with approval of the Budget Review Committee of the Whole timetable, discussion of forecasted service costs and to propose the strategy for the preparation and presentation of the 2024 General Tax Levy operating budget, Water and Wastewater operating budget, Waste Management and Niagara Transit Commission Special Levy operating budget, and Capital budget.
- The focus of this budget will be to align with the Budget Planning By-law’s principles and priorities of sustainability and affordability, the Capital Financing Strategy and to support Council Strategic Priorities.
- The 2024 budget strategy is to maintain base service delivery in light of on-going inflationary pressures, support the capital funding gap reported in the “2021 Asset Management Plan”, address financial impact of Bill 23, and address the operating budget in 2022 funded with reserves.
- The 2024 budget will include enhanced communication with Council and the public, encompassing additional education sessions with Council and a public engagement strategy.
- The proposed timetable in Appendix 1 recommends approving the 2024 budget before year-end.

Financial Considerations

Estimates for 2024 have been broken down into the four regional operating budgets, general tax levy, waste & wastewater, waste management and transit special levies. The table below shows how the preliminary estimates of budget pressures for the four budgets support council priorities.

Table 1: 2024 Budget Strategy Relative to Council Strategic Priorities - Objectives

Council Strategic Priority Objectives	General Tax Levy*	Water & Wastewater Rates	Waste Management Special Levy	Transit Commission Special Levy
1.3 Deliver fiscally responsible and sustainable core services - operating	4.4%	4.7%	2.8%	0.0%
1.3 Deliver fiscally-responsible and sustainable core services – capital	2.5%	5.0%	0.0%	3.9%
3.2 Support growth and development post Bill 23; 3.3 Improve access to affordable and attainable housing; 4.1 Attract and retain businesses, create jobs and support a skilled workforce in Niagara	2.3%	0.0%	0.0%	0.0%
3.3 Improve access to affordable and attainable housing	0.8%	0.0%	0.0%	0.0%
1.4 Invest and support a skilled and aligned workforce at Niagara Region	0.5%	0.1%	0.2%	0.0%

Council Strategic Priority Objectives	General Tax Levy*	Water & Wastewater Rates	Waste Management Special Levy	Transit Commission Special Levy
4.3 Invest and enhance access to transit, active transportation and other transportation systems	0.0%	0.0%	0.0%	3.6%
Total for Council Strategic Priority Objectives	10.5%	9.8%	3.0%	7.5%
Net of Assessment Growth	9.0%	9.8%	1.5%	6.0%

*Includes ABCs

- **1.3 Deliver fiscally responsible and sustainable core services - operating** – these are services delivered from year to year and are largely mandated regional services. On-going pressures of inflation impacts service costs; this area continues to have the greatest impact on budgets
- **1.3 Deliver fiscally responsible and sustainable core services – capital** – In alignment with the 2021 Asset Management Plan the budget includes capital funding requirements to support a sustainable financial plan for asset renewal.
- **3.2 Support growth and development post Bill 23; 3.3 Improve access to affordable and attainable housing; 4.1 Attract and retain businesses, create jobs and support a skilled workforce in Niagara** – the budget strategy includes funding to support the Development Charge exemptions imposed by Bill 23 (CSD 14-2023)
- **3.3 Improve access to affordable and attainable housing** - funding for additional affordable/supportive housing, housing providers mandatory subsidy and to replace the decline of upper-level government funding to providers
- **1.4 Invest and support a skilled and aligned workforce at Niagara Region** – in alignment with the Human Resource Plan to be further detailed for Council in forthcoming report in the fall of 2023.
- **4.3 Invest and enhance access to transit, active transportation and other transportation** – sustaining fuel costs and infrastructure with the phase out of Provincial Gas Tax in operations

General tax levy, waste management and transit special levies will benefit from assessment growth as new residents also benefit from these enhancements.

The analysis section speaks to each of the 2024 regional operating budgets in detail and explains how these budgets aligns with the Budget Planning by-law

Analysis

Budget Planning By-Law

By-law 2019-79 “Budget Planning” is used to structure Niagara Region’s budget strategy each year. The principles in the By-law support the following:

- Sustainability - ensuring there is adequate funding to support service levels
- Affordability - gives consideration to the impact on taxpayers
- Transparency - foundational and important for Council to have fullness of information for decision making

The four areas of budget development included in the By-law are:

Base services: Ongoing costs and revenues that are influenced by multi-year contracts, collective agreements and significant inflationary pressures. In addition, base services include the reserve strategy to reduce the 2022 general tax levy budget reliance on the use of reserves.

Capital program: requirements of the Asset Management Plan (AMP) should be funded in accordance with the Capital Financing Strategy and with a separate operating budget increase of no less than 2.5% for the general tax levy and 5.0% for water & wastewater to address the capital backlog over the next 50 years.

New programs: new programs must have strong alignment to Council priorities.

Growth Funded Programs: After Tax Increment Grants (TIGs) are funded, the by-law prioritizes the costs of growth, capital and council priorities. The 2024 budget proposes that growth be used to mitigate all of these are included in the categories above.

Mapping the council strategic priorities in Table 1 to the Budget Planning by-law components above results in the same overall estimate for each operating budget as outlined in Appendix 2.

The Budget Planning By-law recommends that the base services be adjusted for inflation and the Core Consumer Price Index (CPIX) may be used as a measure of inflation. The costs to maintain current service levels has been influenced by the increasing rate of inflation, which may put pressure on the level of service. Per Statistics Canada data at the time of preparing this report, CPIX at May 2023 is 3.7% (3.3% 5-year average). Appendix 3 to Report CSD 38-2023, includes a graph comparing 5 years of inflation against increases for base services.

Analysis of initial estimates was completed to guide the 2024 budget strategy; Appendix 4 to Report CSD 38-2023, includes the detail by object of expenditure. The estimated increases required to maintain base services are 7.1% for levy departments & ABCs including the impacts of Bill 23, 4.8% for water & wastewater, and 3.6% for transit. To minimize the inflationary impacts included in these estimates, preparation of the operating budgets will focus on maintaining existing service levels. Staff will conduct a line-by-line review of discretionary items and identify efficiencies and revenue opportunities to minimize impact on the taxpayer.

The reduction in the waste management budget is reflecting the change in residential recycling service delivery that was anticipated and built into the multi-year strategy. Historical contract increases were funded in part with reserve in anticipation of this decline. The opportunity in 2024 is now being used to replenish the reserves previously used to mitigate prior year waste special levy increases.

Base Services Funded with Reserves

The 2022 general tax levy base services budget was approved with funding of \$6.0 million from reserves as per a motion from BRCOTW to reduce the net general tax levy operating budget from 4.35% to 2.87%. The 2023 budget reduced that funding to \$4 million and the 2024 strategy is to reduce the funding to \$2 million from reserve and 2025 to \$0 from reserve. This will result in budget pressures of 0.4% in 2024 and 2025.

The multi-year budget strategy adopted since 2020 for Waste Management included a significant use of Waste Management reserves to phase in the increases associated with the new collection contract as well as the legislation for divesture of residential recycling. With the new legislation coming into effect in 2024 for the removal of

residential recycling from the budget, this reduction would provide for reestablishment of the necessary reserve balances.

See Appendix 6 to Report CSD 38-2023 for Taxpayer Relief and Stabilization Reserve Forecasts.

New Programs

The Budget Planning By-law requires that new programs be funded with separate increases to ensure funding for base services is not eroded. The 2024 budget continues to be influenced by extraordinary inflation which is impacting sustainability of core services and impacts of Bill 23 therefore new programs will be encouraged only in support of Council strategic priorities. This is similar to the 2023 general tax levy budget which only included one program change for new ambulances to address increasing call volumes and offload delays.

Capital Program

In alignment with Council's priority of responsible growth and infrastructure planning, as well as legislative requirements for asset management planning, Council approved Report CSD 7-2022 - "2021 Asset Management Plan" (AMP). The AMP recommended increases to the annual levy of 3.82% (including ABCs), and to the annual Water & Wastewater combined rate and requisition of 7.22% over a ten-year period for sustainability. The capital contributions given this strategy would remove the backlog within ten years.

While the AMP recommendation maximizes asset sustainability, staff are proposing a capital financing strategy for 2024 that is consistent with the 2023 strategy which eliminates the backlog over 50 years with a target annual capital contribution of \$290 million. This revised strategy recognizes constraints with accelerating project timelines such as available project management resources, development charges collected and co-ordination of timing with external parties. This requires an increase in funding of 2.5% on the general tax levy and 5% on the water and wastewater combined rate and requisition.

For the waste management budget, no separate increases are required however commitment to the multi-year budget and reserve strategy adopted in 2021 is required to achieve \$10 million contribution in 50 years.

A summary of the Capital Financing Strategy contributions at the end of 10 years is illustrated in Table 2. A summary of the increases on the general tax levy and water & wastewater combined rate requisition is illustrated in Appendix 5 to Report CSD 38-2023.

Table 2: Capital Financing Strategy Contributions (in millions)

Program	Current State (2023 Budget)	10-year AARI + Backlog Strategy	50-year AARI Strategy
General Tax Levy	\$36	\$269	\$158
Water/ Wastewater	\$42	\$164	\$122
Waste Management	\$ 0	\$5	\$10
Total	\$78	\$438	\$290

The Water & Wastewater Financial Plan is legislatively required to be updated in 2024 and the updated 2022 asset management requirements will be reflected in that plan.

For transit, the Niagara Transit Commission (NTC) will continue with the sustainability capital strategy which called for three years of incremental capital contribution of \$2.2 million, 2024 being the second year. This capital reserve strategy along with Provincial Gas Tax was intended to support renewal of the infrastructure up-loaded to the NTC however with price escalations the capital renewal requirements will continue to be evaluated and reflected in budget recommendations.

In continuing to align to council strategic priorities, the process to incorporate Health Equity Informed Planning developed in 2022 continues to be implemented for the 2024 Capital budget.

Assessment Growth

Assessment growth for 2024, is forecasted at 1.54% which is consistent with the prior 5-year average. The Budget Planning By-law prioritizes revenue growth first to tax increment grants (TIGs), operating costs of growth, capital funding and council priorities which are all included in the above By-law categories. The 2024 budget proposes offsetting these costs with growth in alignment with the By-law.

Pandemic and Recovery costs

The 2024 budget planning strategy will no longer include specific reporting on COVID-19 costs, on the basis that any on-going COVID-19 costs will now be considered permanent in nature and included in the base budget if they are required. Public Health is reviewing requirements and assessing need considering early indications that temporary relief funding will be discontinued, any related budget ask in 2024 will be brought forward to Council as a new program for consideration. There were no amounts incorporated into the budget estimate for COVID-19 costs at this time.

Budget Timetable

The proposed timetable is provided in Appendix 1 to Report CSD 38-2023, resulting in the 2024 Budget being approved by Council in December of 2023, aligning with the Budget Planning By-law.

Beginning in September, the timetable includes additional budget workshops and education sessions for Council. In addition, staff will be facilitating a public engagement campaign to aid Council in making critical budget decisions beginning in August. Results of the campaign will be communicated to Council in October.

Alternatives Reviewed

The purpose of this report is to inform Council of the 2024 proposed strategy to support the development of the operating and capital budget for 2024. Information will continue to be developed, analyzed, and summarized for the Budget Review Committee to facilitate decision-making. Council will have the opportunity to consider all options throughout the budget process.

Relationship to Council Strategic Priorities

The 2024 Budget will provide the financial framework to achieve Council's Strategic Priorities.

Other Pertinent Reports

CSD 7-2022 2021	Asset Management Plan
CSD 14-2023	Bill 23 Financial Impacts on Regional Development Charges
CAO 10-2023	2023-2026 Council Strategic Priorities

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Appendices

Appendix 1	2024 Budget Timetable
Appendix 2	2024 Budget Planning Strategies
Appendix 3	Historical CPI and Base Budget Increases
Appendix 4	Estimated 2024 Budget Increases
Appendix 5	General Tax Levy and Water & Wastewater Capital Financing Strategy
Appendix 6	Taxpayer Relief and Stabilization Reserves Forecast

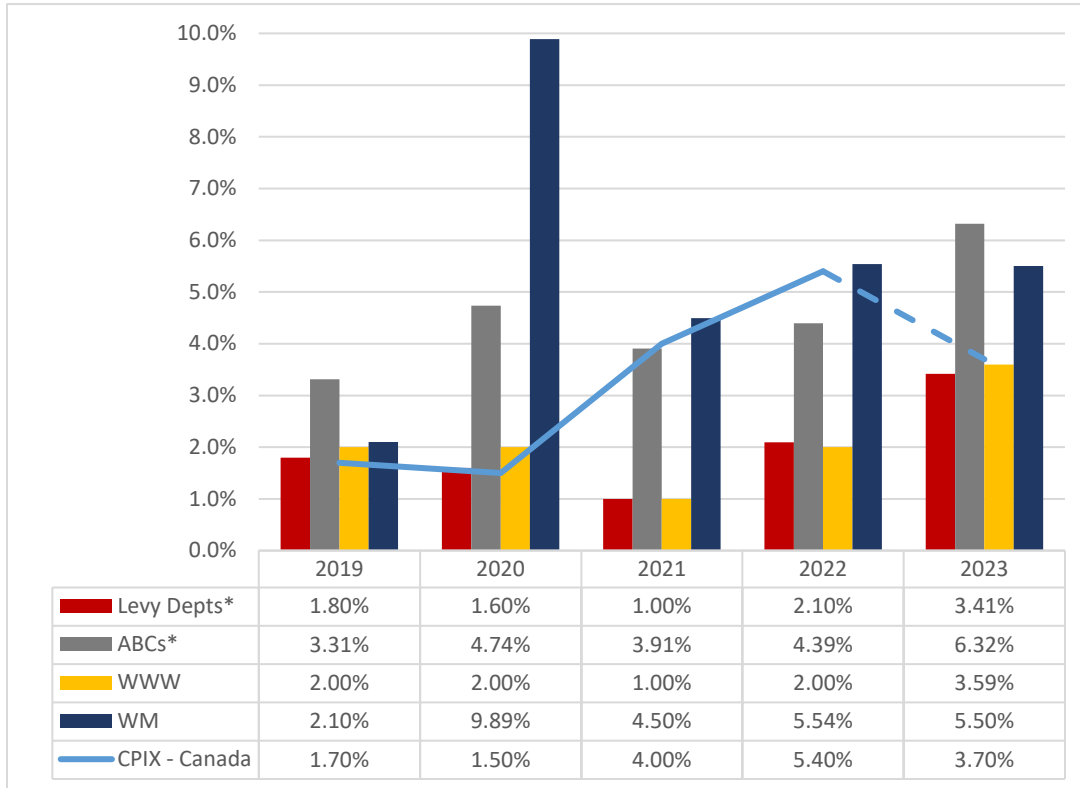
2024 Budget Timetable

Meeting Type	Topic	Date
BRCOTW	Budget Planning	Thursday, July 27, 2023, 4:00 p.m.
Budget Education	Introduction	Thursday, September 14, 2023, 9:00 a.m. to 4:00 p.m.
Budget Workshop	Capital	Thursday, October 5, 2023, 1:00 p.m. – 4:30 p.m.
BRCOTW	Capital	Thursday, October 12, 2023, 6:30 p.m.
Budget Workshop	ABCs, Rate & Waste and Transit Special Levies	Thursday, October 26, 2023, 1:00 p.m. – 4:30 p.m.
BRCOTW	Rate	Thursday, November 2, 2023, 6:30 p.m.
BRCOTW	Special Levy	Thursday, November 9, 2023, 6:30 p.m.
Council	Rate By-law	Thursday, November 16, 2023, 6:30 p.m.
BRCOTW	ABCs	Thursday, November 23, 2023, 6:30 p.m.
Budget Workshop	Levy	Thursday, November 30, 2023, 9:00 a.m. to 4:00 p.m.
BRCOTW	Consolidated Levy	Thursday, December 7, 2023, 6:30 p.m.
Council	Levy, Capital, User Fee By-laws	Thursday, December 14, 2023, 6:30 p.m.

2024 Budget Planning Estimates

By-Law Category		General Levy	Water & Wastewater Rates	Waste Management Special Levy	Transit Commission Special Levy
Base Pressures	Departments	2.8%	4.8%	-11.9%	3.6%
	ABCs	2.0%	n/a	n/a	n/a
	DC Funding to Mitigate Bill 23 Impacts	2.3%	n/a	n/a	n/a
	Reserve Strategy	0.4%	n/a	14.8%	n/a
Capital Financing		2.5%	5.0%	0.0%	3.9%
New Programs		0.5%	0.0%	0.0%	n/a
Assessment Growth		-1.5%	0.0%	-1.5%	-1.5%
Total		9.0%	9.8%	1.5%	6.0%

Historical CPI and Base Budget Increases



* as compared to previous year's adjusted budget for the respective area

Estimated 2024 Budget Increases (in millions)

Consolidated General Tax Levy Including ABCs

Object of Expenditure	2023 Adjusted Budget	2024 Budget Increase for Base Services	2024 Budget Increase %
Labour Related Costs	\$478.2M	\$23.1M	4.8%
Administrative	\$34.1M	\$1.9M	5.6%
Operational & Supply	\$30.9M	\$1.5M	4.7%
Occupancy & Infrastructure	\$36.1M	\$1.4M	3.8%
Equipment, Vehicles & Technology	\$22.6M	\$0.9M	3.9%
Community Assistance	\$221.0M	\$7.8M	3.5%
Partnership, Rebates & Exemptions	\$49.9M	\$13.7M	27.4%
Financial Expenditures	\$74.0M	\$1.9M	2.6%
Intercompany Charges	(\$2.3M)	(\$0.1M)	5.1%
Transfers to Funds	\$54.1M	\$0.3M	0.5%
Allocations to Capital	(\$0.1M)	-	0.0%
Total Expenditures	\$998.7M	\$52.3M	5.2%
Taxation	(\$18.7M)	(\$0.6M)	3.0%
Federal & Provincial Grants	(\$379.9M)	(\$11.6M)	3.0%
By-Law Charges & Sales	(\$14.3M)	(\$0.5M)	3.7%
Other Revenue	(\$80.4M)	(\$1.5M)	1.9%
Transfers from Funds	(\$29.2M)	(\$4.1M)	14.0%
Total Revenue	(\$522.5M)	(\$18.3M)	3.5%

Net Budget before Allocations	\$476.2M	\$34.0M	7.1%
Allocation Recovery (Rate/Special Levy/Court Services)	(\$31.7M)	(\$2.4M)	7.6%
Net Levy Budget	\$444.4M	\$31.6M	7.1%

Distribution of General Tax Levy increase between Regional Departments and ABCs

Departmental Grouping	2023 Adjusted Budget	2024 Budget Increase for Base Services	2024 Budget Increase %
Regional Departments	\$255.6M	\$22.7M	8.9%
Agencies, Boards & Commissions	\$188.8M	\$8.9M	4.7%
Net Levy Budget	\$444.4M	\$31.6M	7.1%

Water and Wastewater

Object of Expenditure	2023 Adjusted Budget	2024 Budget Increase for Base Services	2024 Budget Increase %
Labour Related Costs	\$27.0M	\$1.2M	4.5%
Administrative	\$2.3M	\$0.1M	3.0%
Operational & Supply	\$17.4M	\$2.4M	13.8%
Occupancy & Infrastructure	\$18.0M	\$1.0M	5.5%
Equipment, Vehicles & Technology	\$7.0M	\$0.2M	3.0%
Partnership, Rebates & Exemptions	\$4.1M	-	0.0%
Intercompany Charges	\$2.2M	-	0.0%
Transfers to Funds	\$47.7M		0.0%

Total Expenditures	\$125.6M	\$4.9M	3.9%
By-Law Charges & Sales	(\$1.7M)	(\$0.0M)	3.0%
Other Revenue	(\$2.5M)	(\$0.0M)	2.0%
Transfers from Funds	-	(\$0.0M)	0.0%
Total Revenue	(\$4.1M)	(\$0.1M)	3.6%
Net Budget before Allocations	\$121.5M	\$4.7M	3.9%
Allocation Recovery (Rate/Special Levy/Court Services)	\$21.7M	\$2.2M	10.0%
Net Rate Budget	\$143.2M	\$6.9M	4.8%

Waste Management Special Levy

Object of Expenditure	2023 Adjusted Budget	2024 Budget Increase for Base Services	2024 Budget Increase %
Labour Related Costs	\$4.2M	\$0.2M	5.9%
Administrative	\$1.1M	\$0.0M	1.6%
Operational & Supply	\$54.3M	(\$14.1M)	-25.9%
Occupancy & Infrastructure	\$1.1M	(\$0.3M)	-27.3%
Equipment, Vehicles & Technology	\$0.6M	(\$0.3M)	-50.5%
Partnership, Rebates & Exemptions	\$0.2M	\$0.0M	2.0%
Intercompany Charges	\$0.2M	\$0.1M	68.8%
Total Expenditures	\$61.7M	(\$14.3M)	-23.1%
By-Law Charges & Sales	(\$8.2M)	\$2.6M	-31.8%
Other Revenue	(\$6.8M)	\$6.2M	-91.8%

Transfers from Funds	(\$3.4M)	-	0.0%
Total Revenue	(\$18.3M)	\$8.8M	-48.1%
Net Budget before Allocations	\$43.4M	(\$5.5M)	-12.6%
Allocation Recovery (Rate/Special Levy/Court Services)	\$1.7M	\$0.1M	6.4%
Net Waste Management Special Levy Budget	\$45.2M	(\$5.4M)	-11.9%

Transit Special Levy

Object of Expenditure	2023 Adjusted Budget	2024 Budget Increase for Base Services	2024 Budget Increase %
Labour Related Costs	\$37.3M	\$3.5M	9.4%
Administrative	\$2.9M	-	0.0%
Operational & Supply	\$11.2M	-	0.0%
Occupancy & Infrastructure	\$0.5M	-	0.0%
Equipment, Vehicles & Technology	\$12.9M	\$2.2M	17.3%
Intercompany Charges	-	\$0.7M	n/a
Transfers to Funds	\$2.2M	-	0.0%
Total Expenditures	\$66.8M	\$6.4M	9.6%
By-Law Charges & Sales	(\$14.1M)	(\$4.7M)	33.4%
Other Revenue	(\$5.8M)	\$0.3M	-5.1%
Transfers from Funds	(\$0.2M)	-	0.0%
Total Revenue	(\$20.1M)	(\$4.4M)	21.9%
Net Budget before Allocations	\$46.8M	\$2.0M	4.3%

Indirect Allocations	\$8.3M	-	0.0%
Net Transit Special Levy Budget	\$55.1M	\$2.0M	3.6%

General Tax Levy and Water & Wastewater Capital Reserve Contributions

Capital Reserve Contributions (in millions)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Target
Levy	\$36.3M	\$47.4M	\$59.5M	\$72.2M	\$85.3M	\$99.1M	\$113.4M	\$128.3M	\$143.8M	\$159.9M	\$158.0M
WWW	\$42.4M	\$48.1M	\$55.8M	\$64.5M	\$73.9M	\$84.2M	\$95.0M	\$106.6M	\$121.3M	\$134.8M	\$122.0M

Taxpayer Relief Reserve and Stabilization Reserves Forecast

Taxpayer Relief Reserve (in millions)	2022	2023	2024
	Actual	Budget	Estimate
Opening Balance	\$61.6	\$47.3	\$4.1
2022 Council Reserve Draw (Tax mitigation strategy)	(\$6.0)	(\$4.0)	(\$2.0)
Non-COVID-19 Transfers (net)	(\$1.6)	(\$2.5)	
Bill 23 per CSD 14-2023		(\$19.3)	(\$3.1)
Total COVID-19 Funding Transfers	(\$3.1)	(\$17.4)	
Year-End Surplus (Deficit) Transfer	(\$3.6)		
Forecasted Closing Balance	\$47.3	\$4.1	(\$1.0)
Reserve Target (Low-High)	\$71.0 - \$106.5		

Water Stabilization Reserve (in millions)	2022	2023	2024
	Actual	Budget	Estimate
Opening Balance	\$3.6	\$3.6	\$3.5
Net Transfers		(\$0.1)	
Year-End Surplus (Deficit) Transfer	\$0.0		
Forecasted Closing Balance	\$3.6	\$3.5	\$3.5
Reserve Target (Low-High)	\$2.5 - \$3.7		

Wastewater Stabilization Reserve (in millions)	2022	2023	2024
	Actual	Budget	Estimate
Opening Balance	\$3.6	\$3.6	\$3.5
Net Transfers		(\$0.1)	
Year-End Surplus (Deficit) Transfer	\$0.0		
Forecasted Closing Balance	\$3.6	\$3.5	\$3.5
Reserve Target (Low-High)	\$2.5 - \$3.7		

Waste Management Stabilization Reserve (in millions)	2022	2023	2024
	Actual	Budget	Estimate
Opening Balance	\$6.1	\$7.3	\$4.1
Net Transfers		(\$3.2)	\$1.3
Year-End Surplus (Deficit) Transfer	\$1.2		
Forecasted Closing Balance	\$7.3	\$4.1	\$5.4
Reserve Target (Low-High)	\$6.6 - \$9.9		

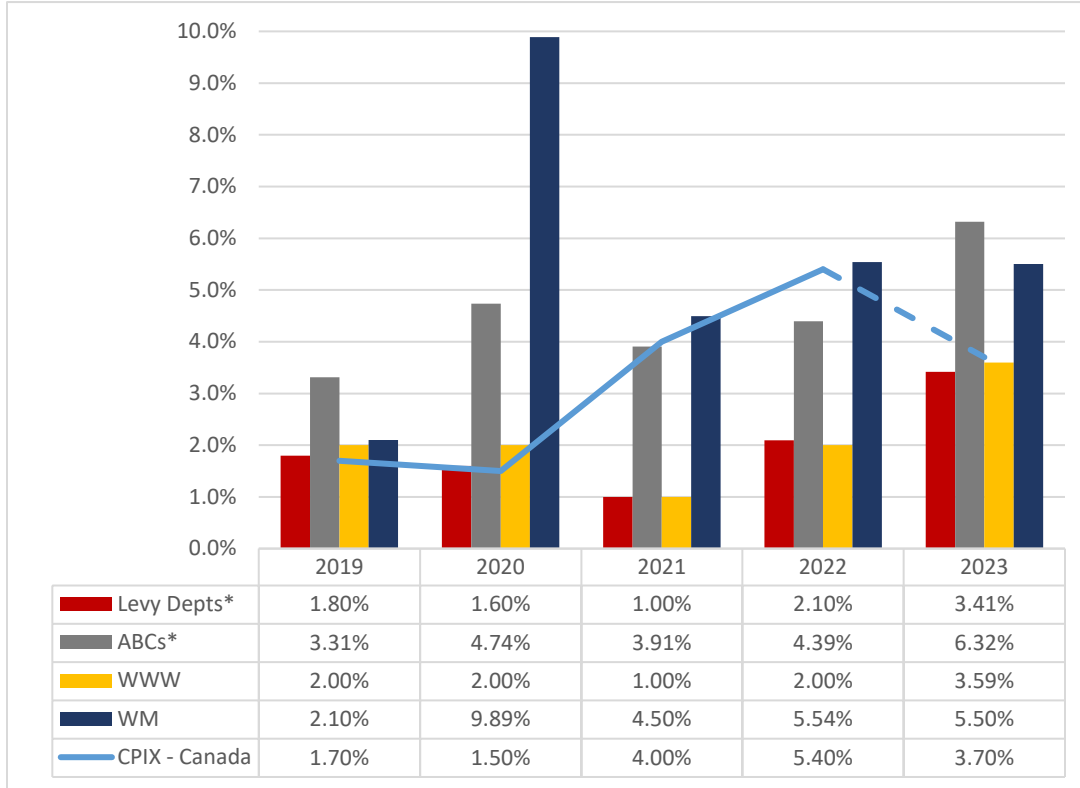
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2024 Budget Planning Estimates

By-Law Category		General Levy	Water & Wastewater Rates	Waste Management Special Levy	Transit Commission Special Levy
Base Pressures	Departments	2.8%	4.8%	-11.9%	3.6%
	ABCs	2.0%	n/a	n/a	n/a
	DC Funding to Mitigate Bill 23 Impacts	2.3%	n/a	n/a	n/a
	Reserve Strategy	0.4%	n/a	14.8%	n/a
Capital Financing		2.5%	5.0%	0.0%	3.9%
New Programs		0.5%	0.0%	0.0%	n/a
Assessment Growth		-1.5%	0.0%	-1.5%	-1.5%
Total		9.0%	9.8%	1.5%	6.0%

Historical CPI and Base Budget Increases



* as compared to previous year's adjusted budget for the respective area

Estimated 2024 Budget Increases (in millions)

Consolidated General Tax Levy Including ABCs

Object of Expenditure	2023 Adjusted Budget	2024 Budget Increase for Base Services	2024 Budget Increase %
Labour Related Costs	\$478.2M	\$23.1M	4.8%
Administrative	\$34.1M	\$1.9M	5.6%
Operational & Supply	\$30.9M	\$1.5M	4.7%
Occupancy & Infrastructure	\$36.1M	\$1.4M	3.8%
Equipment, Vehicles & Technology	\$22.6M	\$0.9M	3.9%
Community Assistance	\$221.0M	\$7.8M	3.5%
Partnership, Rebates & Exemptions	\$49.9M	\$13.7M	27.4%
Financial Expenditures	\$74.0M	\$1.9M	2.6%
Intercompany Charges	(\$2.3M)	(\$0.1M)	5.1%
Transfers to Funds	\$54.1M	\$0.3M	0.5%
Allocations to Capital	(\$0.1M)	-	0.0%
Total Expenditures	\$998.7M	\$52.3M	5.2%
Taxation	(\$18.7M)	(\$0.6M)	3.0%
Federal & Provincial Grants	(\$379.9M)	(\$11.6M)	3.0%
By-Law Charges & Sales	(\$14.3M)	(\$0.5M)	3.7%
Other Revenue	(\$80.4M)	(\$1.5M)	1.9%
Transfers from Funds	(\$29.2M)	(\$4.1M)	14.0%
Total Revenue	(\$522.5M)	(\$18.3M)	3.5%

Net Budget before Allocations	\$476.2M	\$34.0M	7.1%
Allocation Recovery (Rate/Special Levy/Court Services)	(\$31.7M)	(\$2.4M)	7.6%
Net Levy Budget	\$444.4M	\$31.6M	7.1%

Distribution of General Tax Levy increase between Regional Departments and ABCs

Departmental Grouping	2023 Adjusted Budget	2024 Budget Increase for Base Services	2024 Budget Increase %
Regional Departments	\$255.6M	\$22.7M	8.9%
Agencies, Boards & Commissions	\$188.8M	\$8.9M	4.7%
Net Levy Budget	\$444.4M	\$31.6M	7.1%

Water and Wastewater

Object of Expenditure	2023 Adjusted Budget	2024 Budget Increase for Base Services	2024 Budget Increase %
Labour Related Costs	\$27.0M	\$1.2M	4.5%
Administrative	\$2.3M	\$0.1M	3.0%
Operational & Supply	\$17.4M	\$2.4M	13.8%
Occupancy & Infrastructure	\$18.0M	\$1.0M	5.5%
Equipment, Vehicles & Technology	\$7.0M	\$0.2M	3.0%
Partnership, Rebates & Exemptions	\$4.1M	-	0.0%
Intercompany Charges	\$2.2M	-	0.0%
Transfers to Funds	\$47.7M		0.0%

Total Expenditures	\$125.6M	\$4.9M	3.9%
By-Law Charges & Sales	(\$1.7M)	(\$0.0M)	3.0%
Other Revenue	(\$2.5M)	(\$0.0M)	2.0%
Transfers from Funds	-	(\$0.0M)	0.0%
Total Revenue	(\$4.1M)	(\$0.1M)	3.6%
Net Budget before Allocations	\$121.5M	\$4.7M	3.9%
Allocation Recovery (Rate/Special Levy/Court Services)	\$21.7M	\$2.2M	10.0%
Net Rate Budget	\$143.2M	\$6.9M	4.8%

Waste Management Special Levy

Object of Expenditure	2023 Adjusted Budget	2024 Budget Increase for Base Services	2024 Budget Increase %
Labour Related Costs	\$4.2M	\$0.2M	5.9%
Administrative	\$1.1M	\$0.0M	1.6%
Operational & Supply	\$54.3M	(\$14.1M)	-25.9%
Occupancy & Infrastructure	\$1.1M	(\$0.3M)	-27.3%
Equipment, Vehicles & Technology	\$0.6M	(\$0.3M)	-50.5%
Partnership, Rebates & Exemptions	\$0.2M	\$0.0M	2.0%
Intercompany Charges	\$0.2M	\$0.1M	68.8%
Total Expenditures	\$61.7M	(\$14.3M)	-23.1%
By-Law Charges & Sales	(\$8.2M)	\$2.6M	-31.8%
Other Revenue	(\$6.8M)	\$6.2M	-91.8%

Transfers from Funds	(\$3.4M)	-	0.0%
Total Revenue	(\$18.3M)	\$8.8M	-48.1%
Net Budget before Allocations	\$43.4M	(\$5.5M)	-12.6%
Allocation Recovery (Rate/Special Levy/Court Services)	\$1.7M	\$0.1M	6.4%
Net Waste Management Special Levy Budget	\$45.2M	(\$5.4M)	-11.9%

Transit Special Levy

Object of Expenditure	2023 Adjusted Budget	2024 Budget Increase for Base Services	2024 Budget Increase %
Labour Related Costs	\$37.3M	\$3.5M	9.4%
Administrative	\$2.9M	-	0.0%
Operational & Supply	\$11.2M	-	0.0%
Occupancy & Infrastructure	\$0.5M	-	0.0%
Equipment, Vehicles & Technology	\$12.9M	\$2.2M	17.3%
Intercompany Charges	-	\$0.7M	n/a
Transfers to Funds	\$2.2M	-	0.0%
Total Expenditures	\$66.8M	\$6.4M	9.6%
By-Law Charges & Sales	(\$14.1M)	(\$4.7M)	33.4%
Other Revenue	(\$5.8M)	\$0.3M	-5.1%
Transfers from Funds	(\$0.2M)	-	0.0%
Total Revenue	(\$20.1M)	(\$4.4M)	21.9%
Net Budget before Allocations	\$46.8M	\$2.0M	4.3%

Indirect Allocations	\$8.3M	-	0.0%
Net Transit Special Levy Budget	\$55.1M	\$2.0M	3.6%

General Tax Levy and Water & Wastewater Capital Reserve Contributions

Capital Reserve Contributions (in millions)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Target
Levy	\$36.3M	\$47.4M	\$59.5M	\$72.2M	\$85.3M	\$99.1M	\$113.4M	\$128.3M	\$143.8M	\$159.9M	\$158.0M
WWW	\$42.4M	\$48.1M	\$55.8M	\$64.5M	\$73.9M	\$84.2M	\$95.0M	\$106.6M	\$121.3M	\$134.8M	\$122.0M

Taxpayer Relief Reserve and Stabilization Reserves Forecast

Taxpayer Relief Reserve (in millions)	2022	2023	2024
	Actual	Budget	Estimate
Opening Balance	\$61.6	\$47.3	\$4.1
2022 Council Reserve Draw (Tax mitigation strategy)	(\$6.0)	(\$4.0)	(\$2.0)
Non-COVID-19 Transfers (net)	(\$1.6)	(\$2.5)	
Bill 23 per CSD 14-2023		(\$19.3)	(\$3.1)
Total COVID-19 Funding Transfers	(\$3.1)	(\$17.4)	
Year-End Surplus (Deficit) Transfer	(\$3.6)		
Forecasted Closing Balance	\$47.3	\$4.1	(\$1.0)
Reserve Target (Low-High)	\$71.0 - \$106.5		

Water Stabilization Reserve (in millions)	2022	2023	2024
	Actual	Budget	Estimate
Opening Balance	\$3.6	\$3.6	\$3.5
Net Transfers		(\$0.1)	
Year-End Surplus (Deficit) Transfer	\$0.0		
Forecasted Closing Balance	\$3.6	\$3.5	\$3.5
Reserve Target (Low-High)	\$2.5 - \$3.7		

Wastewater Stabilization Reserve (in millions)	2022	2023	2024
	Actual	Budget	Estimate
Opening Balance	\$3.6	\$3.6	\$3.5
Net Transfers		(\$0.1)	
Year-End Surplus (Deficit) Transfer	\$0.0		
Forecasted Closing Balance	\$3.6	\$3.5	\$3.5
Reserve Target (Low-High)	\$2.5 - \$3.7		

Waste Management Stabilization Reserve (in millions)	2022	2023	2024
	Actual	Budget	Estimate
Opening Balance	\$6.1	\$7.3	\$4.1
Net Transfers		(\$3.2)	\$1.3
Year-End Surplus (Deficit) Transfer	\$1.2		
Forecasted Closing Balance	\$7.3	\$4.1	\$5.4
Reserve Target (Low-High)	\$6.6 - \$9.9		