

## Appendix 1 - Niagara Region Departments Base Budget

<b>Object of Expenditure</b>	<b>*2023 Budget</b>	<b>~2024 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>	<b>Notes</b>
Labour Related Costs	303,731,672	322,521,962	18,790,290	6.19%	(1)
Administrative	27,195,701	28,406,248	1,210,547	4.45%	(2)
Operational & Supply	29,124,076	30,205,683	1,081,607	3.71%	(3)
Occupancy & Infrastructure	18,706,083	19,179,992	473,909	2.53%	(4)
Equipment, Vehicles, Technology	13,817,518	14,862,336	1,044,818	7.56%	(5)
Community Assistance	233,990,270	250,157,369	16,167,099	6.91%	(6)
Partnership, Rebate, Exemption	42,744,358	24,118,598	(18,625,760)	-43.57%	(7)
Financial Expenditures	72,457,536	71,076,630	(1,380,906)	-1.91%	(8)
Transfers to Funds	54,321,355	56,608,676	2,287,321	4.21%	(9)
Intercompany Charges	(2,607,032)	(2,245,780)	361,252	-13.86%	
Expense Allocations to Capital	(140,000)	(140,000)	-	0.00%	
<b>Total Expenditures before Indirect Allocations</b>	<b>793,341,537</b>	<b>814,751,714</b>	<b>21,410,177</b>	<b>2.70%</b>	
Indirect Allocations recovery from Rate, Courts & Transit	(32,315,469)	(33,306,585)	(991,116)	3.07%	(10)
Capital Allocations recovery from Rate, Courts & Transit	(691,462)	(381,333)	310,129	-44.85%	(11)
<b>Total Expenditure</b>	<b>760,334,606</b>	<b>781,063,796</b>	<b>20,729,190</b>	<b>2.73%</b>	
Taxation	(18,701,950)	(19,186,650)	(484,700)	2.59%	(12)
Federal & Provincial Grants	(397,833,764)	(424,006,636)	(26,172,872)	6.58%	(13)
By-law charges & Sales	(8,555,621)	(7,962,212)	593,409	-6.94%	
Other Revenue	(48,640,945)	(54,582,905)	(5,941,960)	12.22%	(14)
Transfers from Funds	(30,527,474)	(9,819,703)	20,707,771	-67.83%	(15)
<b>Total Revenue</b>	<b>(504,259,754)</b>	<b>(515,558,106)</b>	<b>(11,298,352)</b>	<b>2.24%</b>	
<b>Net Departmental Levy</b>	<b>256,074,855</b>	<b>265,505,691</b>	<b>9,430,836</b>	<b>3.68%</b>	

\* Includes in-year adjustments, excludes COVID-19

~Excludes program changes for New Programs, Growth Costs and Capital Financing, Includes Mitigations

Notes:

1. Labour related cost pressures of \$18.8 million include fully funded new FTEs (\$7.6 million), two extra working days (\$2.1 million) and base pressures in accordance with collective agreements and labour strategy, OMERS eligibility rules, and Health & Dental and Other Benefits rate increases (\$9.1 million)
2. Administrative cost pressures of \$1.2 million related to the Canada-Wide Early Learning and Child Care audit function for Childrens Services (\$1.2 million); these costs are fully funded and have no Levy impact.
3. Operational and Supply cost pressures of \$1.1 million include inflationary Seniors operational costs including raw food, programming, and other supplies (\$0.9 million), and inflationary increases in hired contractor equipment (\$0.2 million).
4. Occupancy and Infrastructure cost pressures of \$0.5 million include grounds maintenance and janitorial services (\$0.3 million), and utilities price increases(\$0.8 million) offset by efficiencies due to one less facility in Seniors (-\$0.7 million).
5. Equipment, Vehicles, Technology cost pressures of \$1.0 million include software licensing (\$0.8 million), and repair and maintenance due to aging fleet (\$0.3 million).
6. Community Assistance cost pressures of \$16.2 million include an increase in funded programs (\$17.9 million) which are made up of the Canada-Wide Early Learning and Child Care Program (\$13.1 million), reductions from the Ministry of Education and Early Years Workforce (-\$2.8 million), Social Assistance rightsizing of benefits based on caseload (\$4.9 million), Housing funding increase (\$1.8 million) offset by reductions in rent supplements (-\$0.2 million), Homelessness shelter operations funded through taxpayer relief reserve due to incremental Homelessness Prevention Plan funding repurposed for capital investments in 2024 (\$1.1 million). Cost pressures also include inflationary increases in Homelessness programming to run shelters including provider wages, food costs, change to full day, all year emergency shelters which were previously seasonal, and South Niagara shelter expansion (\$1.7 million). Other offsets include savings from end of Homelessness COVID shelter operations (-\$2.1 million), mitigations (-\$0.9 million), and Housing provider subsidy decreases in line with end of mortgages for housing projects (-\$0.4 million).
7. Partnership, Rebate and Exemption reduction of \$18.6 million includes Bill 23 mandatory exemptions (-\$17.5 million), one-time 2023 transfer to Housing Development Charge reserve fund (-\$3.4 million), and increased ancillary dwelling units development charge exemptions (\$2.2 million).
8. Financial Expenditures reduction of \$1.4 million relates to debt maturing used to offset reduced Seniors subsidy for new construction (-\$1.4 million).
9. Transfers to Funds pressure of \$2.3 million includes transfer from surplus property sale (\$5.1 million), offset by reduced Seniors subsidy for new construction (-\$1.4 million), Housing capital loan and grant program under review for 2024 (-\$1.0 million), and no Vision Zero transfer to capital for 2024 (-\$0.5 million).
10. Indirect allocations increased \$1.0 million primarily due higher interest rates affecting the debt charge allocation.

11. Capital Allocations decreased \$0.3 million due to the nature and value of the shared capital projects planned for 2024.
12. Taxation increase of \$0.5 million includes an increase for supplemental and payment in lieu tax revenue (-\$0.4 million).
13. Federal & Provincial Grants increase of \$26.2 million includes additional funding from Canada-Wide Early Learning and Child Care Program (-\$13.1 million), Social Assistance rightsizing of benefits based on caseload (-\$4.9 million), Housing program increases (-\$1.6 million), Seniors legislated staffing levels (-\$4.6 million), Public Health pandemic base (-\$1.2 million), GSED electric vehicle mobility specialist (-\$0.1 million), offset by Housing provider mortgage funding expiring (\$1.2 million).
14. Other Revenue increase of \$5.9 million includes surplus property sale (-\$5.1 million), and Seniors accommodation fees (-\$0.4 million).
15. Transfers from Funds pressure of \$20.7 million includes decreased transfers for Bill 23 Phase in (\$20.3 million), and lost debt per diem in long term care (\$1.4 million). This is offset by increased transfers including incremental Homelessness Prevention Plan funding repurposed for capital investments in 2024 (-\$2.4 million), one extra working day (-\$1.1 million), One Time 2024 budget asks (-\$0.7 million) offset by reduction of One Time 2023 budget asks (\$1.5 million).