

Memorandum

BRC-C 9-2024

Subject: 2025 Budget Update – Planning vs Proposed and Approved Increases

Date: November 21, 2024

To: Budget Review Committee of the Whole

From: Beth Brens, Associate Director Budget Planning & Strategy

The following tables provide an update of the 2025 planning compared to proposed and approved budgets for General Tax Levy, Waste Management (WM) Special Tax Levy, Niagara Transit Commission (NTC) Special Tax Levy and Water & Wastewater (WW) Rates.

General Tax Levy

Budget Categories	General Tax Levy PLANNING	General Tax Levy PROPOSED	Change
Base Pressures	3.38%	2.51%	-0.87%
ABCs	3.03%	5.30%	2.27%
Reserve Strategy	0.83%	0.83%	0.00%
Bill 23/Bill 185	-1.45%	-1.55%	-0.10%
Emerging Priorities	n/a	1.27%	1.27%
Capital Financing	2.50%	2.50%	0.00%
Program Changes	1.93%	0.95%	-0.98%
Growth Requests	n/a	0.48%	0.48%
Assessment Growth	-1.50%	-1.50%	0.00%
Total	8.72%	10.80%	1.98%

The proposed General Tax Levy is 1.98% higher from planning report brought to BRCOTW in July and reflects the Agencies, Boards and Commissions (ABC's) proposed budgets presented to BRCOTW on November 14 and November 21, 2024. The proposed General Tax Levy will be brought to BRCOTW on December 5th. If approved as proposed the impact to an average house assessed at \$298,000 would be \$214 after assessment growth estimated at 1.5% (which will be finalized in December 2024).

Waste Management Special Tax Levy

Budget Categories	Waste Management Special Tax Levy PLANNING	Waste Management Special Tax Levy APPROVED	Change
Base Pressures	4.26%	0.92%	-3.34%
Reserve Strategy	3.24%	0.00%	-3.24%
Program Changes	-0.10%	0.00%	0.10%
Assessment Growth	-1.50%	-1.50%	0.00%
Total	5.90%	-0.58%	-6.48%

The Waste Management Special Tax Levy was approved at BRCOTW on October 17th at (0.58%) and is 6.48% lower than the planning report brought to BRCOTW in July. The approved decrease of 0.58% reflects assessment growth estimated at 1.5% (which will be finalized in December 2024).

The approved Waste Management Special Tax Levy will result in a decrease per household of \$5 to an increase per household of \$2, based on an average house assessed at \$298,000. The charge per municipality varies based on service level.

Niagara Transit Commission Special Tax Levy

Budget Categories	Niagara Transit Commission Special Tax Levy PLANNING	Niagara Transit Commission Special Tax Levy APPROVED	Change
Base Pressures	4.44%	3.67%	-0.77%
Capital Financing	3.71%	3.71%	0.00%
Assessment Growth	-1.50%	-1.50%	0.00%
Total	6.65%	5.88%	-0.77%

The Niagara Transit Commission Special Tax Levy was approved at BRCOTW on November 7th at 5.88% and is 0.77% lower than the planning report brought to BRCOTW in July. The approved increase of 5.58% reflects assessment growth estimated at 1.5% (which will be finalized in December 2024).

The approved Niagara Transit Commission Special Tax Levy will result in a decrease per household of \$8 to an increase per household of \$58, based on an average house assessed at \$298,000. The charge per municipality varies based on service level.

Combined Impact of General Tax Levy and Special Tax Levy

Based on the proposed and approved increases noted in the tables above, staff are estimating a combined tax rate increase of 8.73% to 11.23% resulting in a total annual household impact of \$201 to \$274 depending on the municipality (based on average Current Value Assessment (CVA) of \$298,000 and assessment growth of 1.5%).

Water & Wastewater Rates

Budget Categories	Water & Wastewater Rates PLANNING	Water & Wastewater Rates APPROVED	Change
Base Pressures	4.11%	3.72%	-0.39%
Capital Financing	7.22%	7.22%	0.00%
Program Changes	1.26%	1.33%	0.07%
Total	12.59%	12.27%	-0.32%

The Water and Wastewater Rate budget was approved at BRCOTW on November 7th at 12.27% and is 0.32% lower than the planning report brought to BRCOTW in July. Regional water and wastewater costs are collected through the local area municipal water bills and are estimated to have total impact per household of \$69 to \$103 depending on the municipality.

Respectfully submitted and signed by

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Associate Director of Budgets Planning and Strategy