



Town of Sidney

Financial Plan

2024 – 2028

March 5, 2024

Tonight's Agenda:

- Brief recap of where we stand
 - Tax Impacts
 - Changes since introduction.
- Final consideration of budget, by area
 - General Operating (incl. Supplementals)
 - Capital
 - Water & Sewer
- Feb. 20 Committee Recommendations to be reviewed.

Budget Process Timing

February 5th — Committee of the Whole — Budget Introduction

- — Presentation of summary budget information.
- — Will clearly outline the starting point for deliberations.
- — Budget package distributed to Council, and available to public.

February 20th — Committee of the Whole — Initial Deliberations

- — Opportunity to discuss and clarify various parts of the budget.
- — Opportunity for in-depth discussion prior to final deliberations.
- — Opportunity for public input.
- — Additional staff reports on agenda.

March 5th – Special Council Meeting – Final Deliberations

- Updated presentation for benefit of Council and the public.
- Direction from the previous meetings to be incorporated.
- Goal is for Council to approve the Financial Plan.
 - If additional meeting(s) required, will be scheduled.

Opening Tax Impact

- The Draft Financial Plan started out with a general tax increase of 8.42% for 2024
 - Several new budget items were included in the 8.42%
 - These were subject to Council approval.
- At Feb. 20 deliberations, Council reduced impact to under 6%.
- These preliminary decisions are being brought forward for confirmation.
- Also another opportunity to consider more changes.

Updated Tax Impact

Opening tax impact:		8.42%
Feb. 20th Changes		
Surplus funding for CAO replacement	(195,000)	7.02%
Defer transfer to Climate Action Reserve	(50,000)	6.66%
SBIA Business Development	(65,000)	6.19%
Council Conferences	(5,000)	6.15%
Fireworks Extension	(5,000)	6.11%
Speed Reader Boards from GCF	(30,000)	5.90%
Third St. Park Improvements from GCF	(25,000)	5.72%
LGCAP - Tree Wells	(20,000)	5.57%

Impact on Tax Bill

Example: financial impact of 5.57% property tax increase for “average” home assessed at \$923,650 (2023: \$927,200).

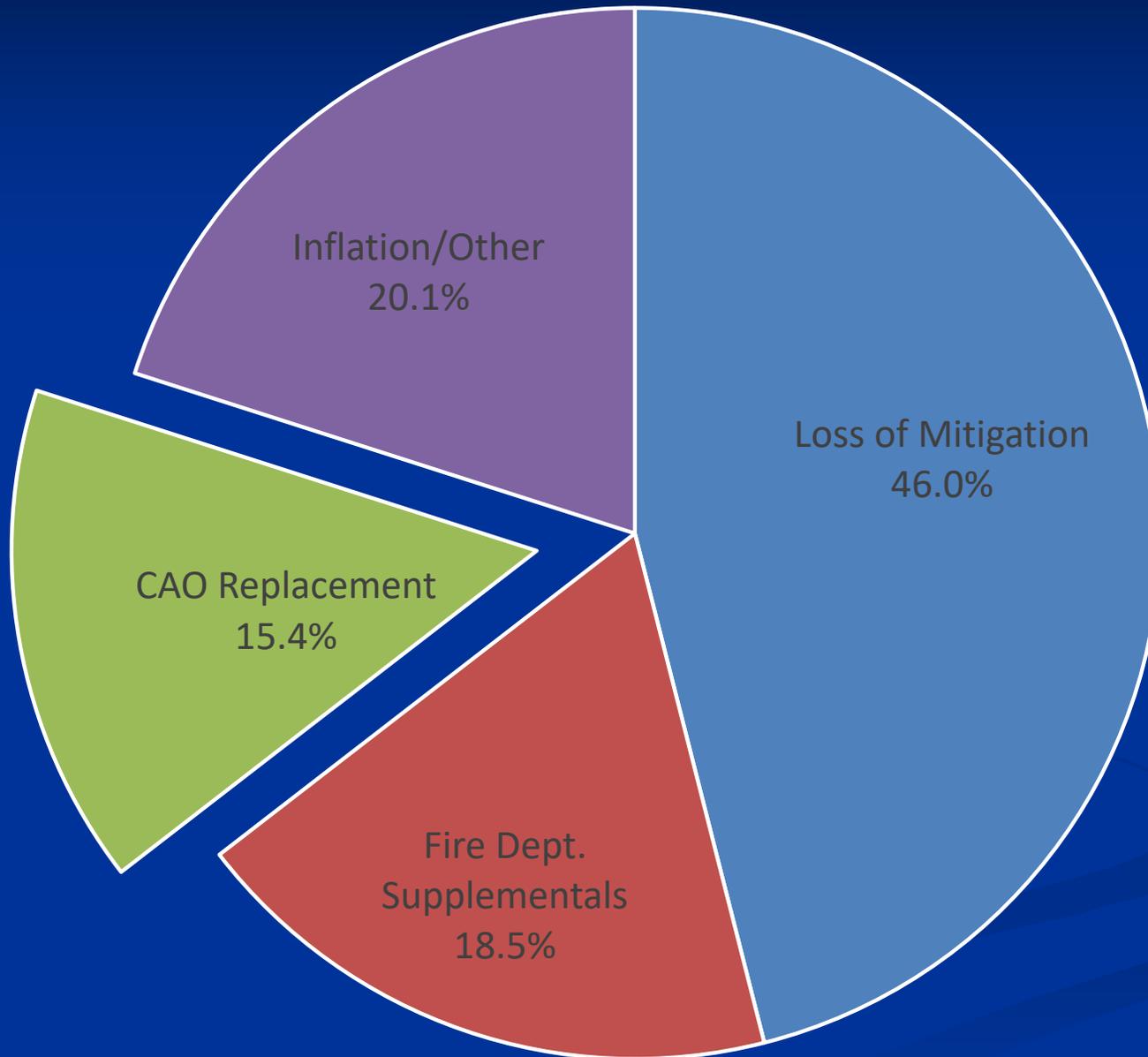
	2023				2024		
	Annual	Monthly	Daily		Annual	Monthly	Daily
Municipal Taxes	1,689	141	4.63	Municipal Taxes	1,783	149	4.88
Water Parcel Tax	75	6	0.21	Water Parcel Tax	75	6	0.21
Sewer Parcel Tax	130	11	0.36	Sewer Parcel Tax	130	11	0.36
Total	1,894	158	5.19	Total	1,988	166	5.45
				Increase	\$94	7.83	0.26
				Actual % increase on municipal charges			4.96%

Impact on Tax Bill

- Feb. 20 reduction from 8.42% to 5.57%:
 - \$48/year or \$4/month.

Tax Increase	Annual Impact	Monthly Impact	Scenario
8.42%	\$ 142	\$ 11.83	Starting
5.57%	94	7.83	Current
5.64%	95	7.94	Res.
6.12%	103	8.61	2.0
6.04%	102	8.50	Add \$65K
6.11%	103	8.58	Add \$75K
1.0%	17	1.41	Each 1%

Major Tax Impacts



Staff Report: Final Budget Notes

- 3 late items: one requires a resolution.
- Years 2-5: impact for 2025 increased, as 2024 decreased.
- GCF & LGCAP: info on permitted uses.
- Tax Distribution Policy: negligible difference to Res.
 - Getting close to 2.0 target.
- Other Governments: small known increases; some still unknown.
- Surplus: moving further below policy level to keep tax impacts to a minimum.
 - Policy review to be undertaken in 2024.

5-Year Projection

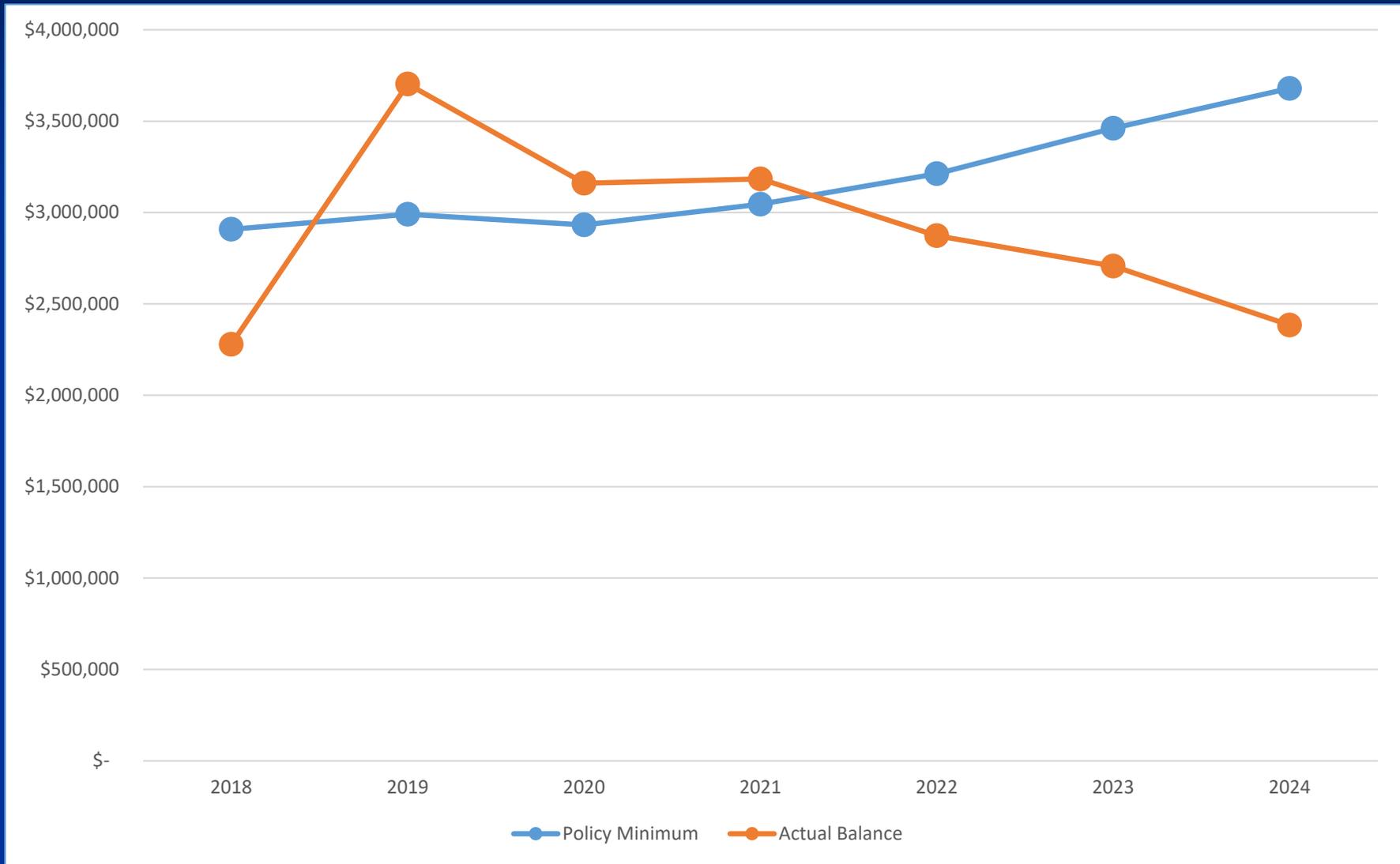
	2024	2025	2026	2027	2028
New Revenue Required	\$ 871,372	\$ 1,924,528	\$ 885,942	\$ 330,242	\$ 428,106
Tax Base Growth	<u>_(100,000)</u>	<u>_(250,000)</u>	<u>_(250,000)</u>	<u>_(200,000)</u>	<u>_(200,000)</u>
General Tax Increase	<u>\$ 771,372</u>	<u>\$ 1,674,528</u>	<u>\$ 635,942</u>	<u>\$ 130,242</u>	<u>\$ 228,106</u>
% increase	5.57%	11.38%	3.82%	0.74%	1.28%

- Tax Base growth offsets some of the increases.
- Any changes in year 1 will impact future years.
- Year 2 (2025) tends to be overstated; **but not last year!**
- Last 2-3 years of plan tend to be understated.

Tax Distribution Policy

- At 5.57% overall tax increase:
 - Residential: 5.64%
 - Commercial: 5.25%.
- Tax to Assessment Ratio: 2.0254
 - Goal: 2.0
- Impact of adjusting to 2.0 now: Residential to 6.12%.
 - Impact (over and above 5.64%) of \$8 per year
 - \$0.67 per month.
 - Advantage: Policy fully phased in.

Surplus Balance



Surplus Balance

- Using more than usual to balance budget and reduce tax increase.
- Will fall further below policy level.
- Policy may be amended
 - Will analyze this year and bring options forward
 - May decide to amend policy
 - If not, we can set a plan to get us back above policy level
 - May take several years to get there.

Items Requiring Review

1. General Operating Budget
 2. Capital Budget
 3. Utility budgets
- Council to approve changes to budget by resolution
 - Only changes to draft budget require a resolution.

Committee Resolutions – General Operating

That the following one-time supplemental requests be approved:

1. *Sidney Ave Traffic Study, including Seventh Street - \$15,000;*
2. Accessible On-Street Parking Standard - \$30,000;
3. Replace Sports Field Bleacher Seats at Iroquois Park - \$6,000; and
4. Implement Recommendations from Parking Study - \$10,000.

- *Additional cost to extend the Sidney Ave./James White Blvd. Traffic Study to Seventh Street - \$10,000.*
 - Recommended funding source: Taxation
 - Alternative: General Capital Reserve.

Committee Resolutions – General Operating

- That the SBIA Business Development Support supplemental request be removed.
- That the Increase in Council Conferences Budget supplemental request be removed for 2024.
- That the Extend Sidney Days Fireworks by 5 Minutes supplemental request be removed.
- To be confirmed or amended.

Committee Resolutions – General Operating

- That EV Charging Rebates for Multi-Unit Residential Buildings be removed.
- That the CAO Replacement be paid from Surplus.
- That no contribution to the Climate Action Reserve be made in 2024.
 - To be confirmed or amended.

Committee Resolutions – Redundant?

That the following ongoing supplemental requests be approved:

1. Human Resources Management Software - \$7,000;
2. Community Policing Program - \$8,565;
3. Additional Full-time Firefighter - \$80,000;
4. Add 3rd Overnight Staff Member - \$70,500;
5. Increase Compensation for Overnight Firefighters - \$36,300;
6. Increase Holiday Firefighter Backfill - \$26,900;
7. Increase Duty Officer Premiums - \$20,500;
8. Additional Sidewalk Repairs in Downtown - \$25,000;
9. Miscellaneous Economic Development Initiatives - \$10,000; and
10. Truth and Reconciliation Events/Initiatives - \$10,000.

Committee Resolutions – Redundant?

- R.12 Recommendation: that the remainder of the tax-funded Capital Projects be approved.
- R.13 Recommendation: that the Operational Budget be approved as amended.
- R.14 Recommendation: that Lochside Watermain Replacement be funded by the Growing Communities Fund.
- R.15 Recommendation: that the Disaster Water Supply Project be funded by the Growing Communities Fund.
- R.16 Recommendation: that the CSB Public Education Space be funded by the Growing Communities Fund.

Committee Resolutions – General Operating

- Any other changes to the General Operating Budget?
- If yes, please make by resolution.
- If no, then the following:
 - That the General Operating Budget be approved as amended.

Committee Resolutions – Capital

- That the \$30,000 for PWG-24-002 New Replacement Speed Reader Boards be funded by the Growing Communities Fund.
- That PRK-24-014 Minor Park Improvements - Third Street be funded by the Growing Communities Fund.
- That PRK-24-011 Repair Aboveground Tree Wells on Beacon be funded by the Local Government Climate Action Program.

Committee Resolutions – Capital

- Any other changes to the Capital Budget?
- If yes, please make by resolution.
- If no, then the following:
 - That the Capital Budget be approved as amended.

Committee Resolutions – Water & Sewer

- That the Water Utility budget for 2024 be approved.
- That the Sewer Utility budget for 2024 be approved.
- If no last-minute changes, then the following:
 - That the Water and Sewer budgets be approved as presented.

What Follows?

- Water & Sewer Rate bylaws will be brought forward for adoption.
- Financial Plan bylaw will be brought forward for adoption (late April).
- Tax Rates bylaw will be brought forward for adoption following receipt of Revised Assessment Roll (late April).

