

# 2023 Budget

Overview

# Levy Operating Budget

# Key Themes

- **Supporting Sustainability:**
  - Infrastructure funding of \$10.6M to support the Asset Management Plan
  - Including \$2M of the 2022 tax deferral
  - Continuity of services amidst high rates of inflation
- **Supporting Transparency:**
  - Brownfield & agricultural DC incentives approved by Council
  - Bill 23 impact on funding available for growth infrastructure
  - Regional transit removed from the General Levy to be included in Niagara Transit Commission Special Levy
- **Supporting Affordability:**
  - \$2M of 2022 tax deferral to be included in 2024
  - COVID-19 costs funded from Reserves
  - Bill 23 shortfall in 2023 to be funded from Taxpayer Relief Reserve

# Risks and Opportunities

## Risks:

- Bill 23 estimates of known items however there are still several unknowns in particular around attainable housing
- Collective agreements outstanding for 4 of 6 union groups
- COVID expenses may become base services going forward
- Inflation volatility could continue causing additional pressure

## Opportunities:

- Service alternatives
- Provincial COVID funding

# 2023 Consolidated General Levy

General Levy Increase 7.58%

	2022*	2023	Year over Year \$ Change	Year Over Year % Change
Departmental Budget	\$166.1	\$173.9	\$7.8	4.70%
General Government	\$62.5	\$66.3	\$3.8	6.15%
ABCs	\$177.6	\$188.8	\$11.2	6.32%
2022 Tax Deferral		\$2.0	\$2.0	
Capital Financing		\$10.6	\$10.6	
New Program		\$1.6	\$1.6	
Growth Requests		\$1.3	\$1.3	
Assessment Growth				
<b>Consolidated Levy Budget</b>	<b>\$406.1</b>	<b>\$444.4</b>	<b>\$38.3</b>	

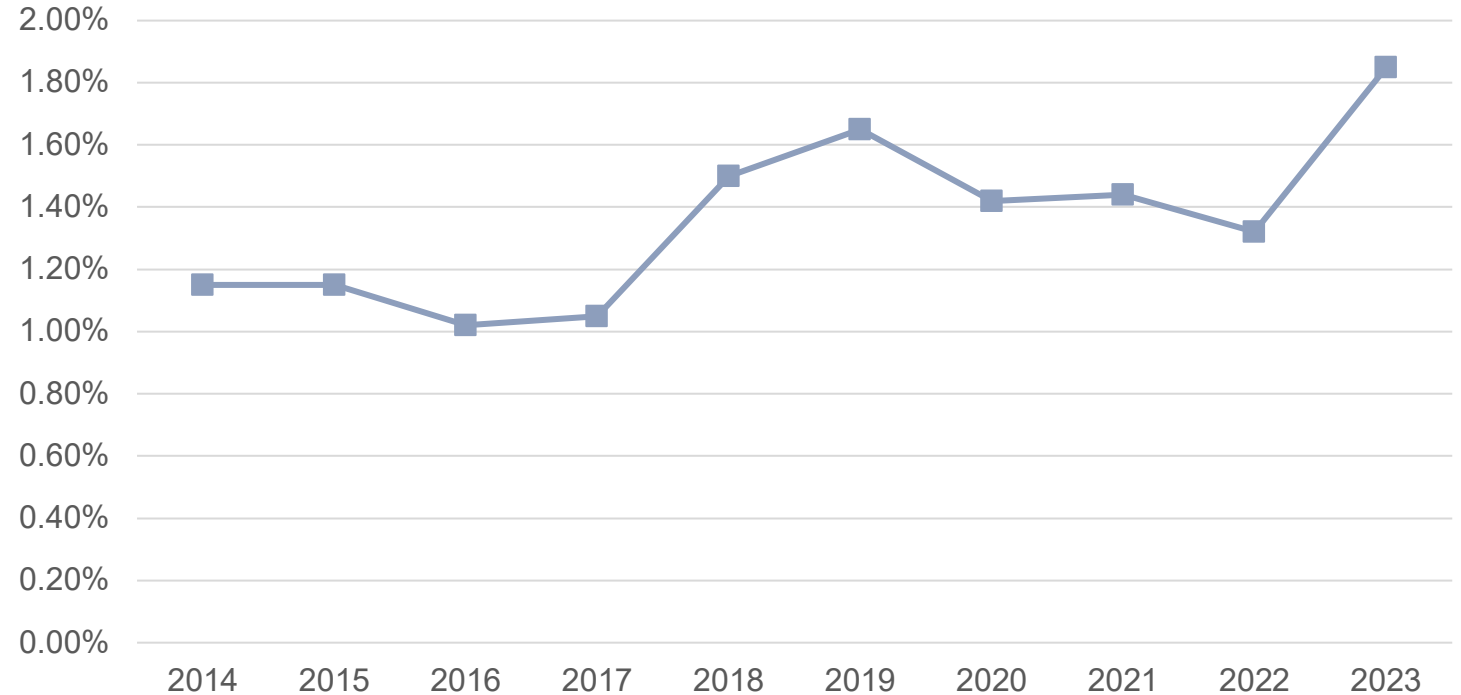
% of Consolidated Levy	Incremental Cost Per Household
1.92%	\$31
0.95%	\$15
2.77%	\$44
0.49%	\$8
2.60%	\$42
0.39%	\$6
0.32%	\$5
-1.85%	(\$28)
<b>7.58%</b>	<b>\$123</b>

\*2022 General Levy reduced by \$16.2M for transit expenses

# Assessment Growth

10 year history

- Additional revenue from new properties constructed in the Region
- For 2023, 1.85% equates to revenue of \$7.5M



# New Program Expenditure

\$1.6M for Ambulance Staffing

- To address increasing call volumes and offload delays; temporary service has been in place since May 2022
- To fund 2.5 additional ambulances
  - \$3.2M Gross/\$1.6M Net after funding from the Province for the 22 FTEs
  - \$0.7M included in the capital budget for ambulances
  - \$37.5K operating costs of capital

# Special Levies Budget

Transit  
Waste Management



# Transit 2023 Requisition by Municipality

- Niagara Transit Commission (NTC) is a municipal services board of the Niagara Region. Its governing board sets budget requirements and presents them to Niagara Regional Council for approval.
- Your tax bill looks different for 2023 with the addition of a transit levy, similar to the waste management levy.
- Included in that amount is the "upload" from the local municipalities. This "upload" created space in municipal budgets. With local council deciding to Invest those dollars in local service needs or provide a full or partial reduction of taxes.

# Transit 2023 Requisition by Municipality

Municipality	Service Hour Allocation	Regional Assessment Allocation*	Direct Municipal Allocation	Total Net Special Levy	One-Time Levy	2023 Special Levy
St. Catharines	13,927,190	4,253,082	2,370,000	20,550,272	1,220,633	21,770,905
Niagara Falls	9,000,394	3,506,595	2,054,974	14,561,963		14,561,963
Welland	4,104,835	1,381,264	1,275,000	6,761,099	287,767	7,048,866
Niagara-on-the-lake	1,145,274	1,439,735		2,585,009		2,585,009
Port Colborne	407,022	531,016		938,038		938,038
Pelham	407,022	711,489		1,118,510		1,118,510
Thorold	1,061,711	713,700		1,775,411		1,775,411
Fort Erie	1,831,377	1,044,527		2,875,904		2,875,904
Grimsby	407,022	1,272,758		1,679,779		1,679,779
Lincoln	407,022	1,020,420		1,427,442		1,427,442
West Lincoln	-	530,128		530,128		530,128
Wainfleet	-	249,394		249,394		249,394
<b>Total</b>	<b>32,698,867</b>	<b>16,654,109</b>	<b>5,699,974</b>	<b>55,052,950</b>	<b>1,508,400</b>	<b>56,561,350</b>

Cost per Household for City of Thorold  
\$128

# Waste Management 2023 Budget Summary

(in thousands of dollars)

Waste Management 2023 Budget Summary	2022	2023	Increase (\$)	Increase (%)
Net Operating Budget Before Mitigations	45,745	52,669	6,924	15.1%
Transfers from Reseve:				
COVID-19 Costs (from Taxpayer Relief Reserve)	(113)	(6)	107	
One-Time Costs (from WM Stabilization Reserve)	(385)	(288)	97	
Transfer from WM Stabilization Reserve	(2,434)	(3,072)	(638)	
Reduction in Capital Transfers	-	(4,136)	(4,136)	
2023 Net Requisition	\$42,813	\$45,167	\$2,354	5.5%

Cost per Household for City of Thorold  
\$149

# Rate Operating Budget

# Rate Operating Budget Summary

(in millions of dollars)

Water & Wastewater 2023 Budget	Water \$	Waste water \$	Total \$	Total %
<b>2022 Net Requisition</b>	<b>48.5</b>	<b>83.3</b>	<b>131.9</b>	
Enhanced Capital Financing	1.2	5.4	6.6	5.00%
Base Increase/Pressures	1.2	3.0	4.2	3.20%
Program Changes - Staffing	0.1	0.4	0.5	0.39%
<b>2023 Increase</b>	<b>2.5</b>	<b>8.8</b>	<b>11.3</b>	
2023 Net Requisition (\$)	51.0	92.1	143.2	8.59%
2023 Net Requisition (%)	5.20%	10.57%		

# Capital Budget

# 2023 Capital Budget Outcomes

## Budget Planning Principles

### Sustainability

- 76% of the 2023 budget focuses on sustainability/renewal investment
- Funding allocated per the Capital Financing Policy

### Transparency

- Highest ranked projects based on risk, alignment to corporate/council priorities and budget engagement

### Affordability

- Funding of backlog uses the 50 year AARI vs. 10 year AARI
- 2.5% Levy budget strategy and 5.0% WWW budget strategy in alignment with 2021 AMP

# Risks & Opportunities

## Risks:

- Inflation has been trending high and can be volatile
- Proposed Provincial Bill 23, “More Homes Built Faster Act”, 2022 will constrain Development Charge funding available for Growth projects

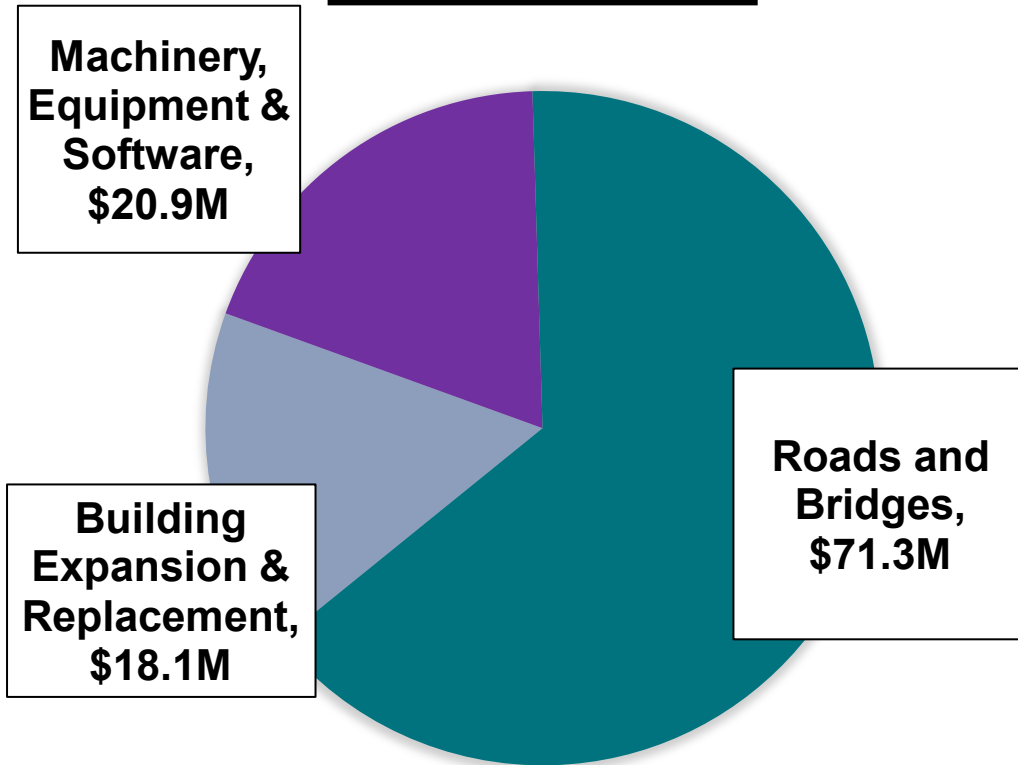
## Opportunity:

- As Provincial and Federal funding streams become available staff will pursue the incremental funding.

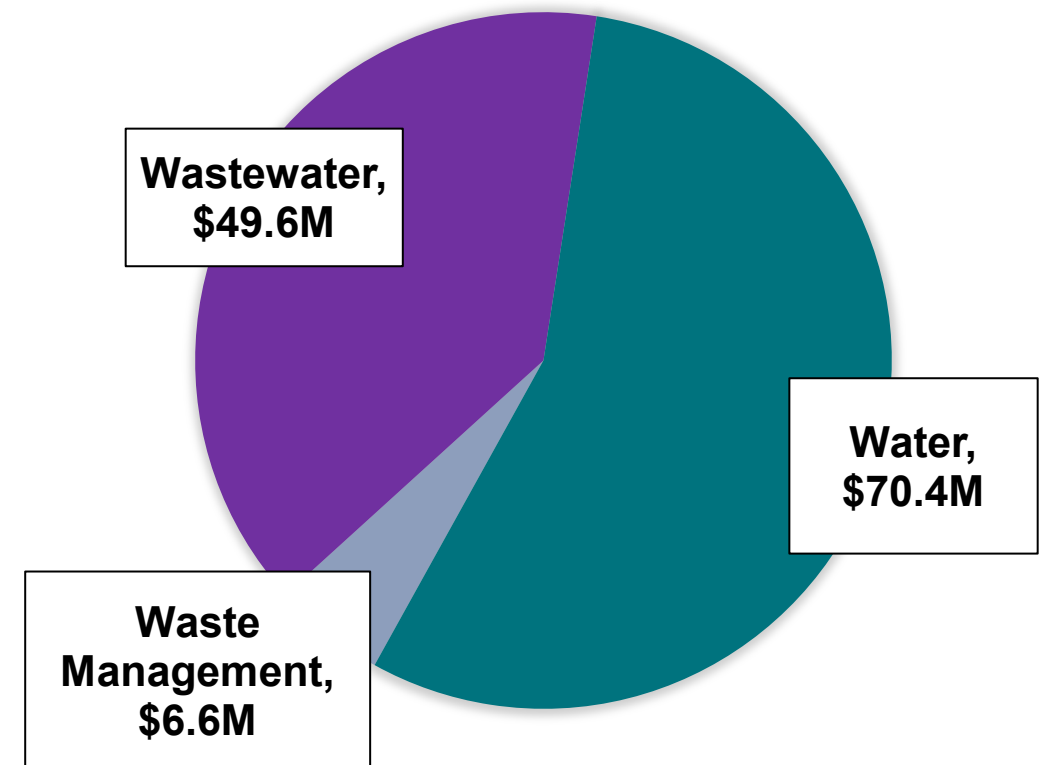


# 2023 Capital Budget of \$236.9M

## \$110.3M LEVY



## \$126.6M RATE



# 2023 Capital Budget

**Capital Budget:**

**\$237 Million**

To help drive the Council's priorities for sustainability and to support the new Asset Management Plan, the operating budget also supports a \$237 Million approved capital program. This includes investments in sustainability and growth projects.



**Ontario Street  
Reconstruction**



**Ontario Street  
Watermain Replacement**



**Oswego Bridge  
Reconstruction**



**Rehabilitation of  
Existing Housing Stock**



**York Road  
Watermain Replacement**



**Decew Booster  
Station Upgrade**



# Questions?

