

# 2024 Budget Presentation



TOWN OF  
**GRIMSBY**

**Presented By:**  
Angela Cifani

**Presented To:**  
Council

**Date:**  
February 12, 2024

# Presentation Content

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# Agenda



## 01 2023-2026 Strategic Priorities



# Council Vision

Grimsby: An innovative, vibrant community where people and the environment matter.



**PEOPLE**  
**Supporting happy, healthy  
lives in a well-connected  
inclusive community.**



**PLACES**  
**Fostering vibrant  
neighbourhoods while  
protecting and promoting  
our natural environment.**



**PROSPERITY**  
**Driving innovation and  
collaboration in our local  
economy to benefit  
everyone.**



# Agenda

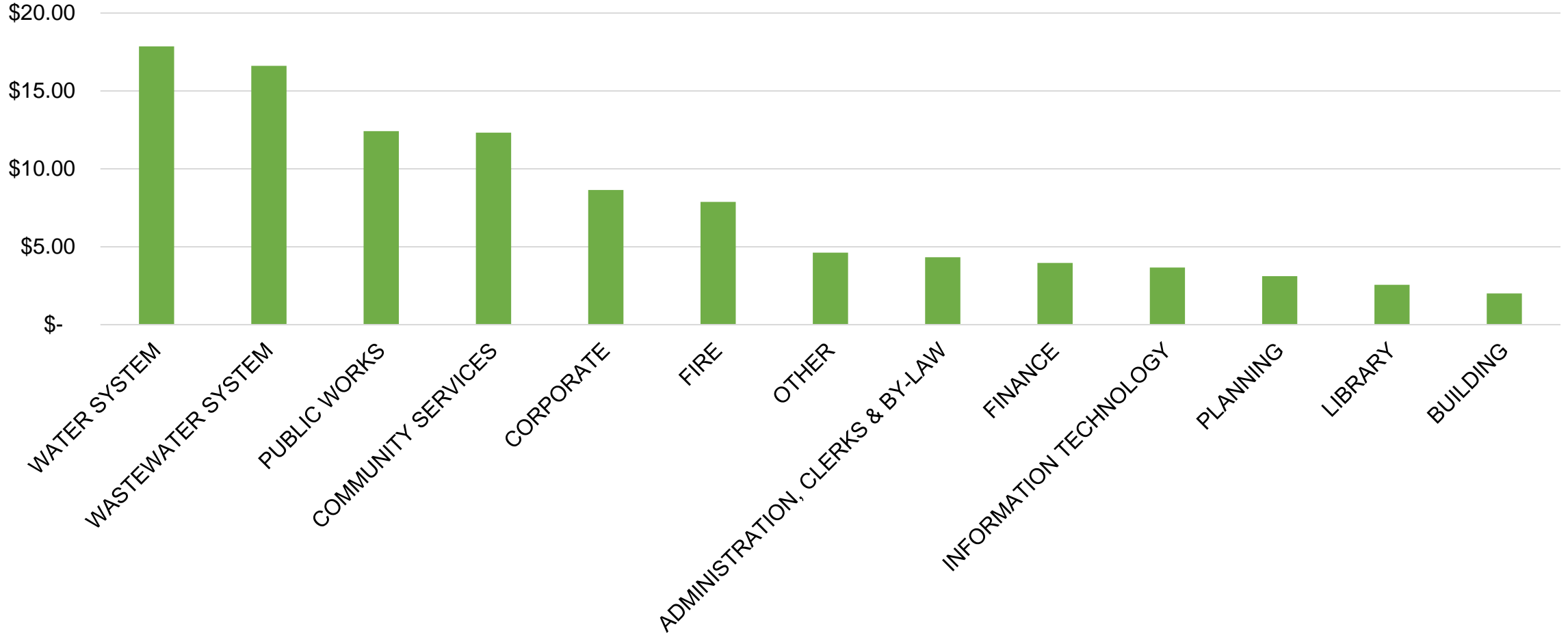


## 02 Overview of Current Services

# 2024 Budget Presentation

## Overview of 2024 Operating Expenditures

### Where is Every \$100 of Operating Expenditures Spent On?



Breakdown of the 2024 Operating Expenses to maintain current levels of service \$44,770,940 (2023 - \$42,279,060). Includes \$8.5 million budgeted to go to reserves (includes \$1.6 million transfer to reduce future debt needs). (2023 - \$7.5 million)



# Agenda



## 03 2024 Budget Considerations



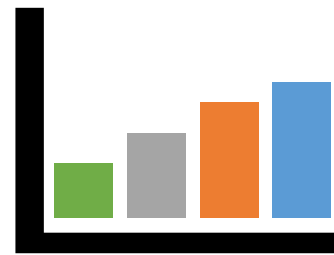
# 2024 Budget Presentation

## Budget Principles & Highlights

- Supports Grimsby 2023-2026 **Strategic Priorities**

- Alignment with the financial strategies and policies approved by Council

- Investment to **maintain infrastructure** in a state-of-good-repair
- Growth-related infrastructure costs will be supported by Development Charge revenue



**Budget**

- **Service Levels** drive budget requirements

- Proposed budget reflects maintaining current service levels with required enhancement

- New services, enhancements or reductions, changes to the full-time equivalent complement require a **Business Case**

- **Grants** available to municipalities will be investigated

# 2024 Budget Presentation

## Risks



### **Inflation:**

3.4% in 2024



### **Economic Factors:**

Interest rates for investments/debt, utilities, fuel



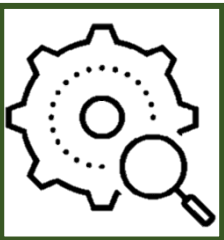
### **Federal & Provincial:**

Legislative changes (e.g., DCs and staffing related to Bill 23 & 134) and funding



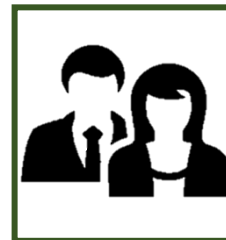
### **Assessment:**

8-year reassessment delay; Shifts between properties and tax classes, appeals



### **Asset Management:**

Funding requirements and inflationary pressures



### **Labour Market:**

Continues to be very competitive – internal and external



# 04 Operating & Capital Project Summary

**Operating projects** are one-time or cyclical initiatives that do not result in or rehabilitate a capital asset.

### FUNDING BY SOURCE

18 projects supported by reserves for \$1,012,000

2 projects supported by reserve funds for \$150,000

3 projects supported by external contributions and grants for \$138,100

2 projects supported by development charges for \$80,000

RESERVES 73.3%

RESERVE FUNDS 10.8%

EXTERNAL & GRANTS 10.0%

DEVELOPMENT CHARGES 5.79%

- Examples include: User Fee Studies; Master plans; Studies; Audits and assessments
- Operating Projects of \$1,380,100 (2023 - \$2,037,960)
- \$0 Levy Increase
- 15 New Projects in 2024
- 29 Ongoing Projects
- Three (3) Temporary Full Time Staff

**Capital projects** will result in a new or rehabilitated asset and are funded from capital funding sources.

### FUNDING BY SOURCE

53 projects supported by reserves for \$5,688,950

12 projects supported by reserve funds for \$3,903,000

3 projects supported by external contributions and grants for \$259,750

9 projects supported by development charges for \$694,600

RESERVES 53.9%

RESERVE FUNDS 37.0%

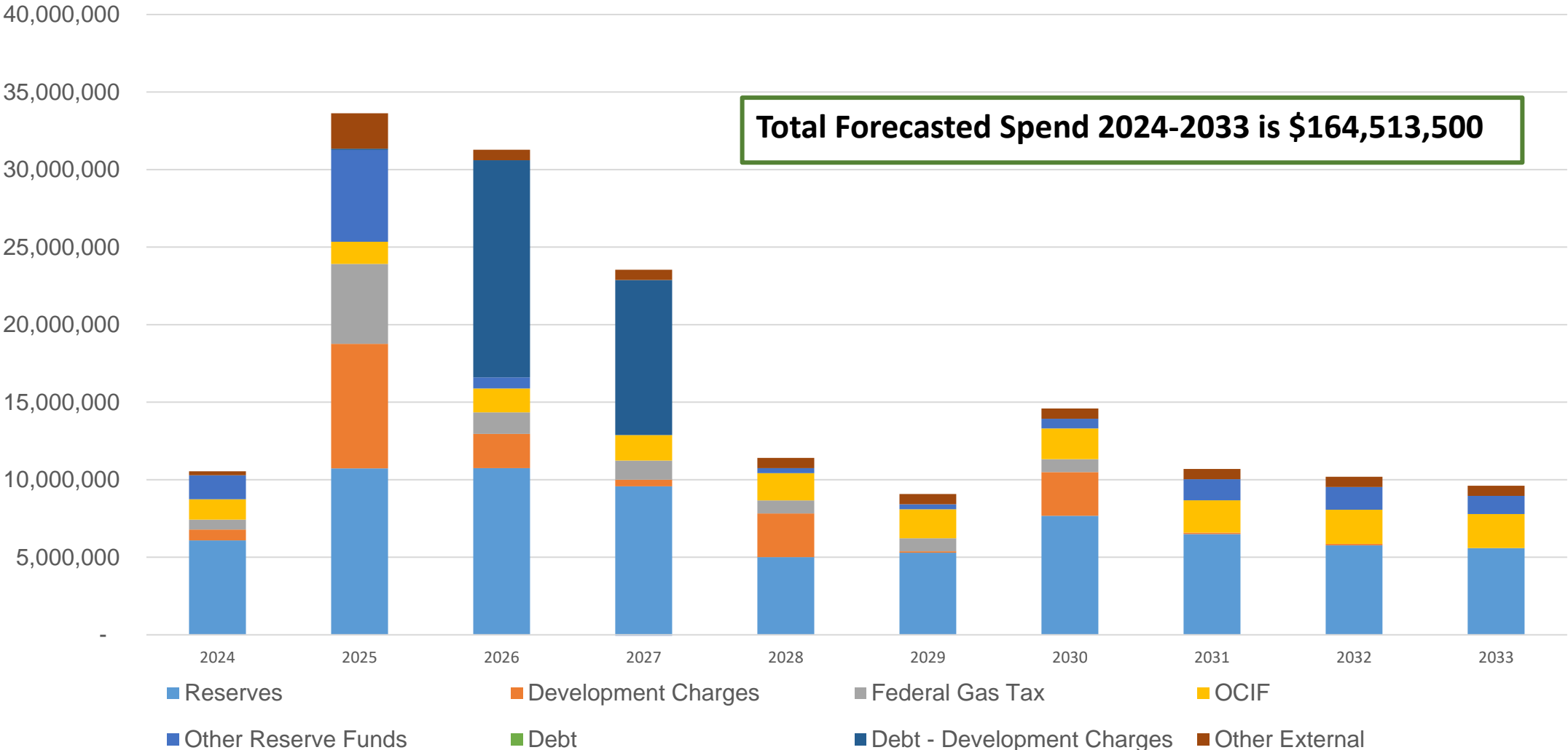
DEVELOPMENT CHARGES 6.58%

OTHER 2.4%

- Capital Projects of \$10,546,300
- Top 3 Projects
  - Fire Truck Replacement – Pump 521 (\$1,400,000)
  - Road Rehabilitation - 2024 (\$1,320,000)
  - Whittaker Park Renewal and Pumphouse Shoreline Improvement (\$900,000)
- \$0 Levy Increase
- 49 New Projects in 2024
- 45 Ongoing Projects

# 2024 Budget Presentation

## 2024 Capital and Nine-Year Forecast





# Agenda

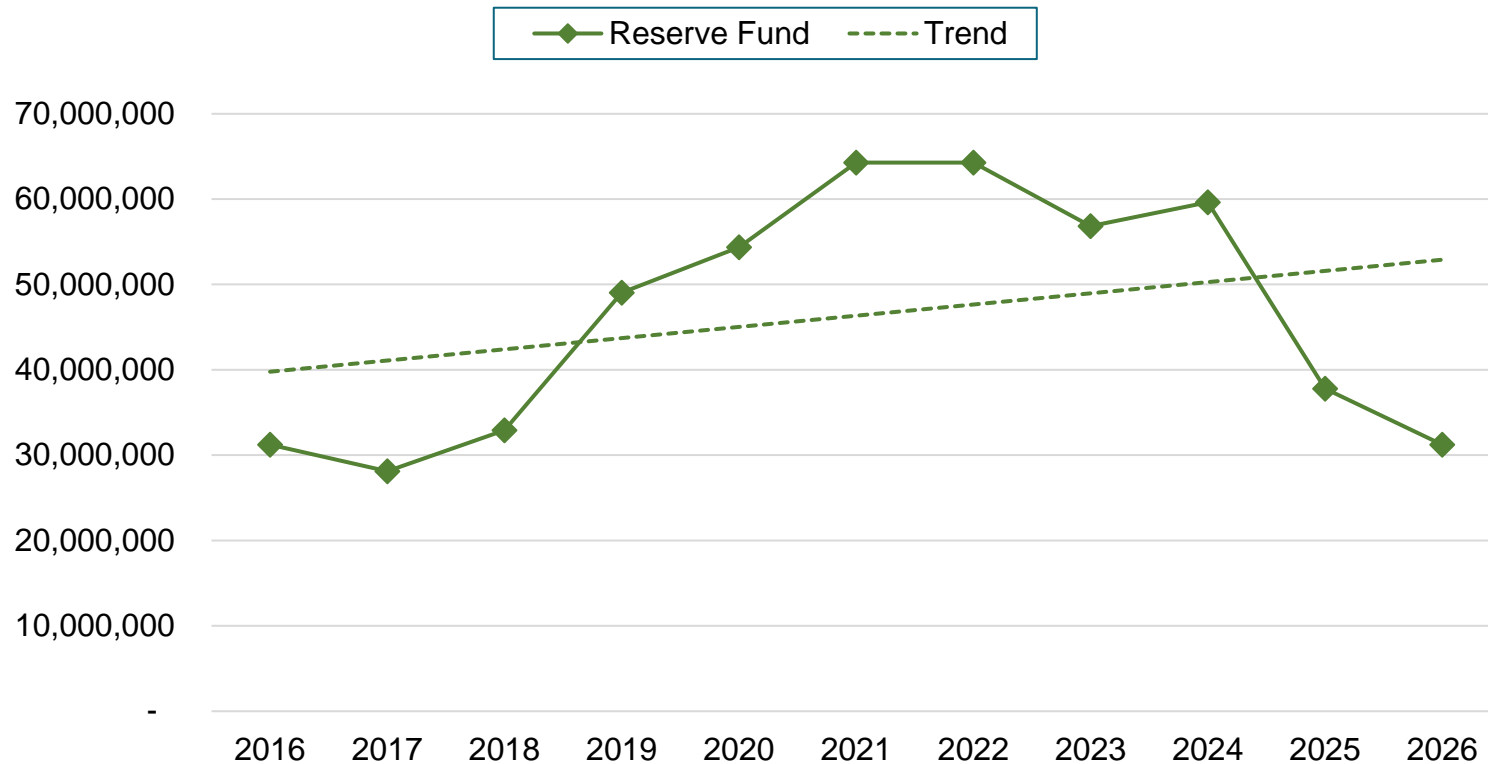


## 05 Reserve Financial Health

# 2024 Budget Presentation

## Financial Health Reserve and Reserve Funds

### RESERVE AND RESERVE FUNDS 2016 - 2026



- Reserve and Reserve Funds trending downwards
  - Operating surpluses reinvested to improve financial health
- Increase of \$26,715,177 or 81.2% since 2018
- Key funding source for over \$1.3 billion in assets





# Agenda



## 06 2024 Financial Pressures

**2024 Base Budget Increase  
of \$1,039,870 or 6.21%**

**\$782,000 or 4.67% after  
Growth**

### Overcame financial pressures

- Committed labor contracts and benefits
- Reduced revenue projection
- Debt costs for Peach King Centre

### Investments

- Increase in transfer to reserve (Interest Revenue)
- Increase in data security

**4.67%**

After Growth  
(1.54%)

# 2024 Budget Presentation

## People Strategy Investment



# 2024 Budget Presentation

West Lincoln Memorial Hospital

**0.53%**



## Funding Plan

- \$9.3 million commitment will be funded through a **20-year** debenture starting in 2025
- Incrementally establishing a base budget to sustain annual debt payments of \$582,000
- 2020 - 2023 levy contributions total \$494,000
- In 2024 an additional \$88,000 per year will be added to the levy (adjusted for increased interest rates)

Year	Incremental Contribution	Total Collected
2020	\$200,000	\$200,000
2021	\$121,000	\$321,000
2022	\$57,000	\$378,000
2023	\$116,000	\$494,000
2024	\$88,000	\$582,000

**2022 | Construction Commences**  
**2025 | Construction Completed**

**No additional tax levy increase after 2024**

# 2024 Budget Presentation

Base Levy Increase



# 5.2%

Base levy increase after growth  
(1.54%)

# Agenda



## 07 2024 Business Cases

# 2024 Budget Presentation

## 2024 Enhancements and Investments

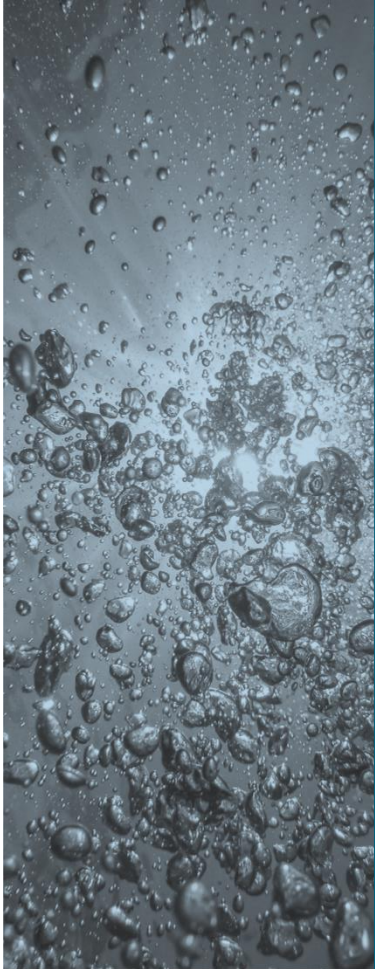
Position	Permanent FTE	Type	Impact		
			Levy	Water	Wastewater
Development Manager (+ 1 PFT)	1	New Full-Time	-	-	-
Development Technologist (+ 1 PFT)	1	New Full-Time (Conversion)	-	-	-
<b>Net Change</b>			<b>\$40,844</b>	<b>\$76,759</b>	<b>\$71,489</b>
Budget Revenue / Savings			(\$40,844)	\$76,759	\$71,489
<b>Net Impact</b>			<b>\$0</b>	<b>\$76,759</b>	<b>\$71,489</b>

# Agenda



## 08 Property Tax and Water & Wastewater Rates





### Water

- \$10 annual rate increase



No change in variable rate of \$1.54 per cubic metres

### Wastewater

- \$14 net annual rate increase\*  
\* Tax levy less estimated consumption cost
- Rate new in 2023



No change in variable rate of \$1.23 per cubic metres

Total rate increase of **\$24**/average bill

# 2024 Budget Presentation

## Tax Impact with Enhancements & Investments + Rate Impact

### Tax Bill Impact:

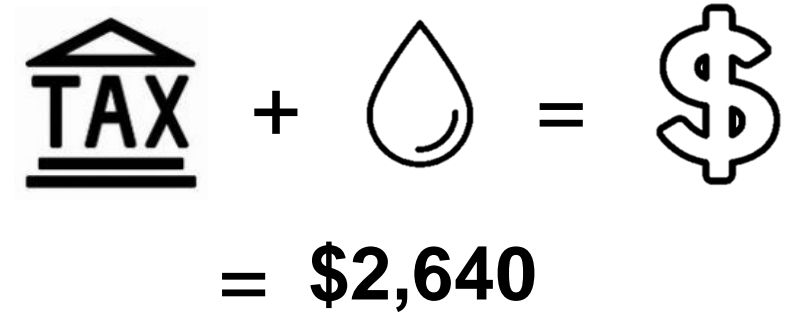
Tax	2023 <sup>1</sup> Approved	2024 <sup>2</sup> Proposed	2024 Increase \$	2024 Increase %
Town Levy	1,310	1,373	63	
Town Levy WLMH	40	47	7	
<b>Total Town</b>	<b>1,350</b>	<b>1,420</b>	<b>70</b>	<b>5.2%</b>
Wastewater Levy	397	330	(67)	-16.9%
<b>Total Tax</b>	<b>1,747</b>	<b>1,750</b>	<b>3</b>	<b>0.2%</b>



### Water Bill Impact\*:

Rate	2023 <sup>1</sup> Approved	2024 <sup>2</sup> Proposed	2024 Increase \$	2024 Increase %
Water	634	644	10	
Wastewater	165	246	81	
<b>Total Rate</b>	<b>799</b>	<b>890</b>	<b>91</b>	<b>11.4%</b>

### Total:

<b>Total</b>	<b>2,546</b>	<b>2,640</b>	<b>94</b>	<b>3.7%</b>
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**TAX** +  =   
**= \$2,640**

**\$94 or  
3.7% increase**



<sup>2</sup> Based on a 2024 Average Residential Home Assessed at \$442,000 Consumption – 200 cubic metres

(2023 - \$2,546)

<sup>1</sup> Based on 2023 budget - first year with new Wastewater rate methodology



# Agenda

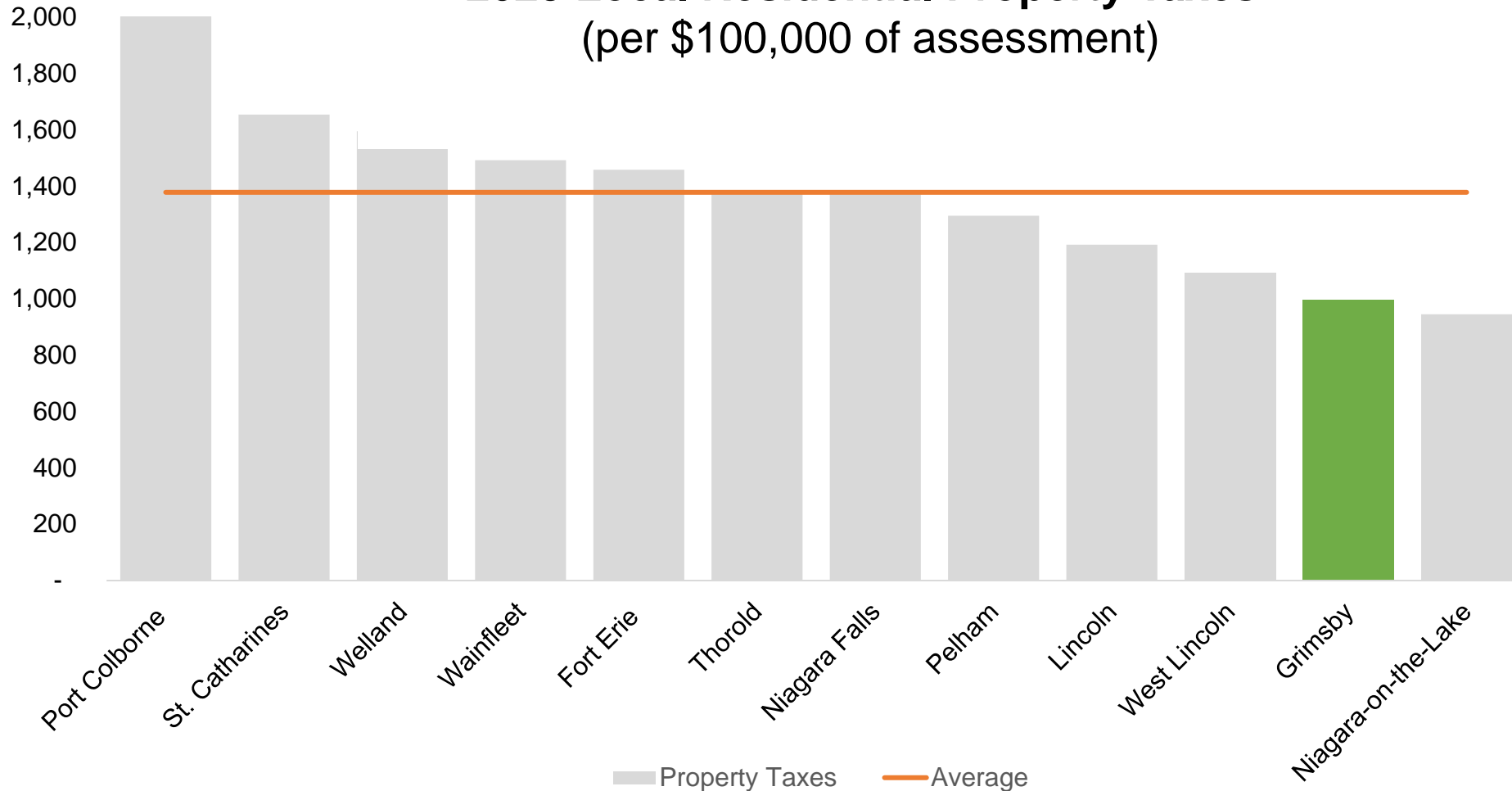


## 09 Affordability

# 2024 Budget Presentation

Affordability

## 2023 Local Residential Property Taxes\* (per \$100,000 of assessment)



Grimsby has the **2nd lowest** residential property tax per \$100,000 of assessment

\*as per 2023 BMA Study

# 2024 Budget Presentation

Affordability – Total Cost (Water, Wastewater & Taxes) as % of Income


Municipality	2023 Water, Sewer & Taxes as a % of Average Household Income
Grimsby	4.4%
Pelham	4.6%
Lincoln	4.9%
Wainfleet	4.7%
Niagara-on-the-Lake	5.0%
West Lincoln	4.5%
Thorold	5.2%
Niagara Falls	5.4%
St. Catharines	5.7%
Fort Erie	6.0%
Welland	6.1%
Port Colborne	6.4%

**LOWEST RATE**

The Town continues to be the **lowest** in the Region

# 2024 Budget Presentation

## Proposed Property Tax Bill Impact with Enhancements & Investments

 <b>TOWN OF GRIMSBY</b> <b>EXAMPLE TAX BILL</b>						
Roll No. <b>1234 123 12345678.0000</b>			Billing Date: 2024			
JANE DOE 123 EXAMPLE AVE GRIMSBY, ON						
Assessment		Levies	2023	2024	\$ Increase	Levy Percent
Tax Class	Value		Taxes	Taxes		
RT P	442,000	Regional Levy	\$ 2,757	\$ 2,950	\$ 194	7.02%
		Regional Transit	137	163	25	18.60%
		Regional Waste Levy	206	206	-	0.00%
		<b>Total Region of Niagara</b>	<b>\$ 3,100</b>	<b>\$ 3,319</b>	<b>\$ 219</b>	<b>7.07%</b>
		<b>Total Education</b>	<b>\$ 676</b>	<b>\$ 676</b>	<b>\$ -</b>	<b>0.00%</b>
		Town Levy	\$ 1,310	\$ 1,373	\$ 63	4.67%
		Town Levy - WLMH	40	47	7	0.53%
		<b>Total Town of Grimsby</b>	<b>\$ 1,350</b>	<b>\$ 1,420</b>	<b>\$ 70</b>	<b>5.20%</b>
		<b>Levy before Wastewater</b>	<b>\$ 5,126</b>	<b>\$ 5,415</b>	<b>\$ 289</b>	<b>5.64%</b>
		Town Wastewater Levy	397	330	(67)	-16.92%
		<b>Total Levy</b>	<b>\$ 5,523</b>	<b>\$ 5,745</b>	<b>\$ 222</b>	<b>4.02%</b>

### Share of the Tax Bill

- Town's total tax increase for most taxpayers is **5.2%**

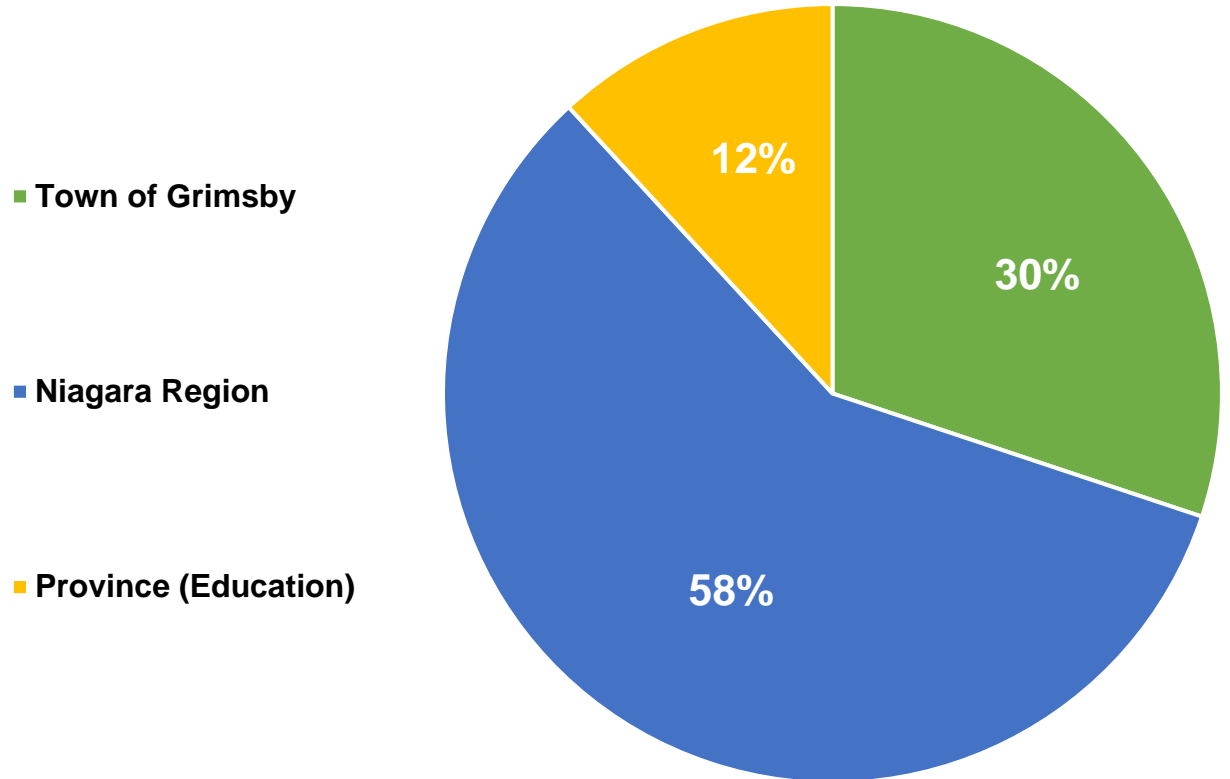


## Levy increase \$70 per year (or \$5.83 per month)

\*Based on a 2024 Average Residential Home assessed at \$442,000

# 2024 Budget Presentation

% Split of Estimated 2024 Tax Bill



\*Based on a 2024 Average Residential Home assessed at \$442,000



### Opportunities

- Technology: Continued modernization of systems
- Funding Advocacy: Grants Oversight Resource monitors programs (e.g., Fed/Prov infrastructure stimulus) that may be introduced or awarded
- Fees & Charges: Full review in progress to balance burden of fees vs. tax levy and ensure alignment with peers
- Assessment Base: Manage assessment growth and associated costs and promote healthy mix of residential, industrial & commercial taxes in alignment with council

### Pressures

- Infrastructure levy
- Continued investment in our resources to accommodate growth and complexities



Agenda



10 Conclusion

**An innovative,  
vibrant community  
where people  
and the environment  
matter.**

- Best financial practices and value for money
- Caring for the health of our community
- Continue to maintain service levels and invest in the future
- Investment in resources to support Council Strategic Priorities
- Reasonable local tax increase of 5.2%, with consideration of taxpayer affordability while providing important resources for the community



Questions?

