



## Corporation of the Township of Brock

### Staff Report to the Mayor and Members of Council

**From:** Trena DeBruijn  
**Position:** Director of Finance/Treasurer  
**Title / Subject:** 2024 Operating and Capital Budget  
**Date of Report:** February 28, 2024  
**Date of Meeting:** March 4, 2024  
**Report No:** 2024-FI-007

#### 1.0 Issue / Origin

Staff provided Council with an overview of the budget on January 29<sup>th</sup>, along with further budget deliberation dates on February 5<sup>th</sup>, February 8<sup>th</sup>, February 12<sup>th</sup>, February 15<sup>th</sup> and February 21<sup>st</sup>. In addition, a Public Open House on the 2024 Draft Budget was held during the evening on February 12, 2024.

The report provides an update on the final 2024 budget, as approved by Council and is to be used for budget ratification purposes.

#### 2.0 Background

As noted above, Council has been deliberating the budget during the month of February 2024, resulting in a number of changes to the operating and capital budget. At the budget meeting on February 21, 2024, Council finalized the 2024 budget with a tax levy increase for 2024 of 3.97% (over 2023).

#### 3.0 Analysis

The 2024 Draft Budget for the Township of Brock was first presented to Council on January 29, 2024, and included a proposed net levy increase (after adjustment for realized growth) of 7.82%.

Through several budget deliberation meetings, there have been several budget changes, resulting in a reduction to the 2024 net budget levy increase of 3.85%, to an increase for 2024 of 3.97%.

### **Township Levy for 2024**

The total Township of Brock levy requirement for 2024 is approximately \$10,572,390 or an increase of \$403,799 over 2023 (or 3.97%). This is after realized growth of approximately 1.39% has been deducted.

The median single family detached home (not on water) within the Township of Brock has an estimated Current Value Assessment of \$299,000 to \$300,000.

A levy increase of approximately 3.97% equates to an increase on the Township portion of the tax bill of approximately \$57.44 per annum (or \$4.79 per month) to the typical single-family home for 2024.

For ease of calculation, a levy increase of 3.97% is equivalent to an increase on the Township portion of the tax bill of approximately \$19.15 per annum, for each \$100,000 of residential assessment.

### **Combined Tax Levy for 2024**

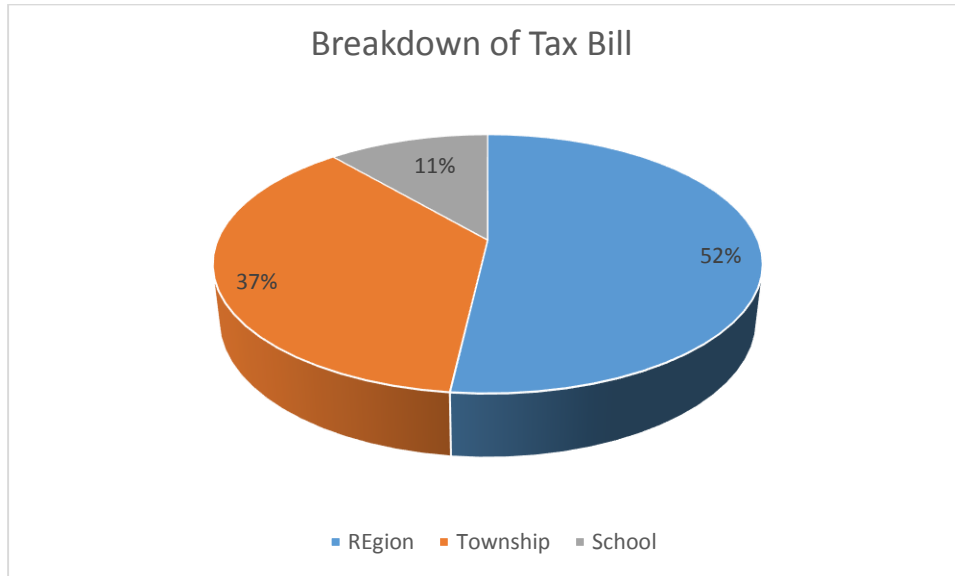
The Region of Durham has not yet approved their 2024 budget, however, on December 20, 2023, they approved a 2024 Property Tax Guideline with a levy increase of 7.5%

Using the Township's tax levy increase of 3.97% and the Region's target levy increase of 7.5% (education levy is unchanged from 2023), we estimate the combined tax levy impact on a median, single family detached home with a CVA of \$300,000 as follows:

<b>Township Levy Increase</b>	<b>Estimated Township Tax Rate</b>	<b>Estimated Region Tax Rate</b>	<b>Estimated Education Tax Rate</b>	<b>Total Estimated Taxes</b>	<b>Combined Estimated Increase \$</b>	<b>Combined Tax Rate Increase</b>
2023	0.00482247	0.00645519	0.00153000	\$3,843		
3.97%	0.00501392	0.00693933	0.00153000	\$4,045	\$202	5.27%

The Township of Brock levy increase is approximately \$57.44 per year or 28% of the total estimated tax levy increase for 2024, while the Region of Durham levy increase is approximately \$145.24 per annum or 72% of the total estimated tax levy increase.

## Total Property Tax Distribution



### Total Budget for 2024

The total budget for the Township of Brock for 2024 is \$29,024,712, which includes operating expenses of \$15,179,712 and capital expenses of \$13,845,000. These expenses have been reduced by operating and capital revenue of \$18,310,979 resulting in net levy requirement for 2024 (before considering realized growth) of \$10,713,733.

After considering realized growth, the net levy requirement is \$10,572,390.

### Reserve and Reserve Funds

The 2024 budget includes reserve and reserve fund draws of \$6,530,478 (Operating draws of \$1,103,783 and capital draws of \$5,426,695).

It is estimated that the 2024 year-end balance of reserve and reserve funds will be approximately \$15,238,353. This is an overall reduction of \$3,930,198, from estimated 2023 year-end.

### 4.0 Related Policies / Procedures

N/A

## **5.0 Financial / Budget Assessment**

The financial implications of the 2024 budget have been outlined in this report.

### **5.1 Asset Management**

Asset management considerations were discussed at many times throughout the 2024 budget deliberation process and a special presentation from Hemson Consulting, regarding Asset Management Planning, was held on February 12, 2024. Work will continue on Asset Management throughout 2024 with the intent of bringing a completed asset management plan and financing study to Council before year-end.

### **6.0 Climate Change Impacts**

N/A

### **7.0 Communications**

The 2024 budget will be communicated on our website and promoted through social media.

Following Council budget approval, the 2024 Budget Documents will be updated to represent all changes and the final budget will be placed on the Township of Brock website.

### **8.0 Conclusion**

The 2024 Budget process is now complete and staff will commence the work required to advance the projects outlined in the budget.

### **9.0 Recommendation**

It is recommended that Council approve the net tax levy increase of 3.97% for 2024.