



2024 Operating Budget

February 27-28, 2024

Brandon Ferguson

Director of Finance/Treasurer



Operating Budget Process

New process this year:

- Proposed Budget under Strong Mayors legislation
- New Departmental Operating plans completed
- Enhanced Community Engagement and Council Guidelines

Oct. 2023

- Budget Plan Approval
(Finance Committee / Council)
- Operating Survey #1 Released
- 2024 Budget templates issued

Nov. 2023

- Operating Budget departmental compilation
- Review and analysis

Dec. 2023

- Operating Budget Guideline approval
- Operating Budget departmental meetings
- EMT workgroup review

Jan. 2024

- Executive Management Team (EMT) & Finance Committee Review

Feb. 2024

- Operating Budget Release
- **Operating Survey #2**
- **Budget deliberations**
Feb 27 -28



Operating Budget Process

2024 Operating Budget - Survey #1 *(Oct. 12 to Nov. 6.)*

- Number of respondents: **707**
- Questions focusing on desired operating budget focus for consideration in Council budget guideline setting
- **Feedback:** Focus support on Health, Housing, Building and Economic development.



2024 Operating Budget - Survey #2 *(Feb. 1 to Feb. 23)*

- Number of respondents: **587**
- Questions focusing on proposed 2024 Operating budget feedback for consideration in final decision making
- **Feedback:** High taxes, desired increase in Social Services, affordable housing, Dr. Recruitment, more information requested regarding Policing levels of service.



Operating Budget Objectives

Council Guidelines

1. That the 2024 Operating Budget be presented with overall **residential property tax rate increases not to exceed 5%**;
2. That the 2024 Operating Budget consider the **service areas prioritized through public input received**;
3. That City Department operating issues presented in the 2024 Operating Budget align with **the strategic themes and initiatives** outlined in the City's Strategic Plan, with priority given to those categorized as **Legislative, Compliance, or Health & Safety and Maintenance of Service Levels**, and where any Enhancement of Service Levels are proposed, that they align with public input received; and
4. That the 2024 Operating Budget incorporate a **moderate increase** in its tax-funded **contributions to capital** projects to maintain current levels of service relating to infrastructure.



Operating Budget Objectives

Community Engagement - Top Community Priorities

Top Community Priorities	
Priority Area	Initiative & Budget Impact
1. Doctor Recruitment	Policy approved to expand healthcare initiatives. Budgeted funds for Dr. Recruitment incentives (\$583,500 funded by tax levy & reserve funds).
2. Police Services	Budgetary increase to accommodate new frontline officers and funding of new police facility <i>(Issue #D1-2, total budget \$26,131,100 funded by tax levy).</i>
3. Building, Planning, and Development	Budgetary inclusions for the following: <ul style="list-style-type: none"> - Housing Accelerator initiatives - Update of Development Charges Study - Cannifton Development Strategy - New position of Building Infrastructure Analyst <i>(Issue #s D4-5 to D4-11 & D6-5 to D6-6, total budget \$5.2M primarily funded by conditional grants)</i>
4. Social Housing (Hastings County)	Budgetary increase estimated by Hastings County of 7% for continued investment in housing <i>(Issue #D3-4, total budget \$6.7M funded by tax levy).</i>
5. Economic Development	Industrial CIP development <i>(Issue #D6-8, total budget \$50,000 funded by reserve funds).</i>



2024 Operating Budget

Total Operating Budget

	Proposed 2024	Approved 2023	% Change 2024-2023
City Budget	\$ 197,529,300	\$ 187,441,700	5.38%
Education Taxes	18,941,600	18,731,300	1.12%
Total Budget	\$ 216,470,900	\$ 206,173,000	4.99%

City Budget by Funding Area

	Proposed 2024	Approved 2023	% Change 2024-2023
Tax Supported	\$ 161,437,300	\$ 148,190,100	8.94%
User Rate Supported		-	
Water	19,217,800	19,599,100	-1.95%
Wastewater	16,041,100	18,849,900	-14.90%
Parking	833,100	802,600	3.80%
	\$ 36,092,000	\$ 39,251,600	-8.05%
Total Funding	\$ 197,529,300	\$ 187,441,700	5.38%



2024 Operating Budget – Taxation

Property Tax Supported Operating Budget - Funding Breakdown

	Proposed 2024	Approved 2023	% Change 2024-2023
Total Tax Supported Expenditures	\$ 161,437,300	\$ 148,190,100	8.94%
Less: Other Revenue			
Other Taxation	\$ 2,764,700	\$ 35,300	7732.01%
<u> Departmental Revenue</u>			
User Fees & Charges	14,665,800	13,435,500	9.16%
Admin Reserve Funding - DC Exemption	1,595,900	5,077,800	-68.57%
Transfers from Reserve - other	6,028,800	4,680,600	28.80%
Municipal Accommodation Tax	1,100,000	1,000,000	10.00%
Development Charge funding	1,901,600	1,611,600	17.99%
Elexicon Funding	1,235,000	1,233,300	0.14%
Conditional Grants	6,350,500	1,986,400	219.70%
	\$ 32,877,600	\$ 29,025,200	13.27%
Investment Income	400,000	400,000	0.00%
Tax Rate Stabilization Reserve Fund	-	650,000	
Other	180,000	200,000	-10.00%
	\$ 36,222,300	\$ 30,310,500	19.50%
Property Tax Funding Required	\$ 125,215,000	\$ 117,879,600	6.22%



2024 Operating Budget – Taxation

2024 Tax Levy Change				
Issues Summary Category	Description	Applies to	\$ increase (decrease) in Tax Levy	% increase (decrease) in Tax Levy
B	Base Adjustments	City Departments	2,535,400	2.15%
D1	City Boards	Police & Library	2,662,100	2.26%
D2	External Agencies - Special Purpose Bodies	E.g., Quinte Conservation, QEDC, Quinte Waste Solutions	14,900	0.02%
D3	External Agencies - Provincially Mandated	E.g., Hastings County, MPAC, Health Unit	1,239,700	1.05%
D4	Legislative Compliance or Health & Safety	City Departments	671,600	0.57%
D5	Maintain Existing Service Levels	City Departments	110,400	0.09%
D6	Enhance Existing Service Levels	City Departments	343,400	0.29%
D7	Tax Relief Measures	City Departments	(242,100)	-0.21%
Total Proposed Increase in Tax Levy			7,335,400	6.22%



2024 Operating Budget – Taxation

Base Budget Adjustments

Cat.	Description	Applies To	Tax Levy Impact \$	Tax Levy Impact %
B1-1	Pre-approved budget items <ul style="list-style-type: none"> NG911 Fire Dispatch transition 	City Departments	\$ 767,400	0.65%
B1-2	Contractual Service Agreements	City Departments	3,058,500	2.59%
B1-3	Capital Financing <ul style="list-style-type: none"> Capital Contributions –Reserves Debt Financing 	City Departments	1,219,200	1.03%
B1-4	Operating Revenue / Costs <ul style="list-style-type: none"> Insurance Utilities – Heat, Hydro, Water Supplemental Taxes, Write-offs 	City Departments	(4,004,900)	-3.40%
B1-5	Prior year Issues (Annualize / Eliminate) <ul style="list-style-type: none"> Reserve funding reversal Staffing position annualizations 	City Departments	1,495,200	1.28%
Total Base Budget Adjustments Impact			\$ 2,535,400	2.15%



2024 Operating Budget – Taxation

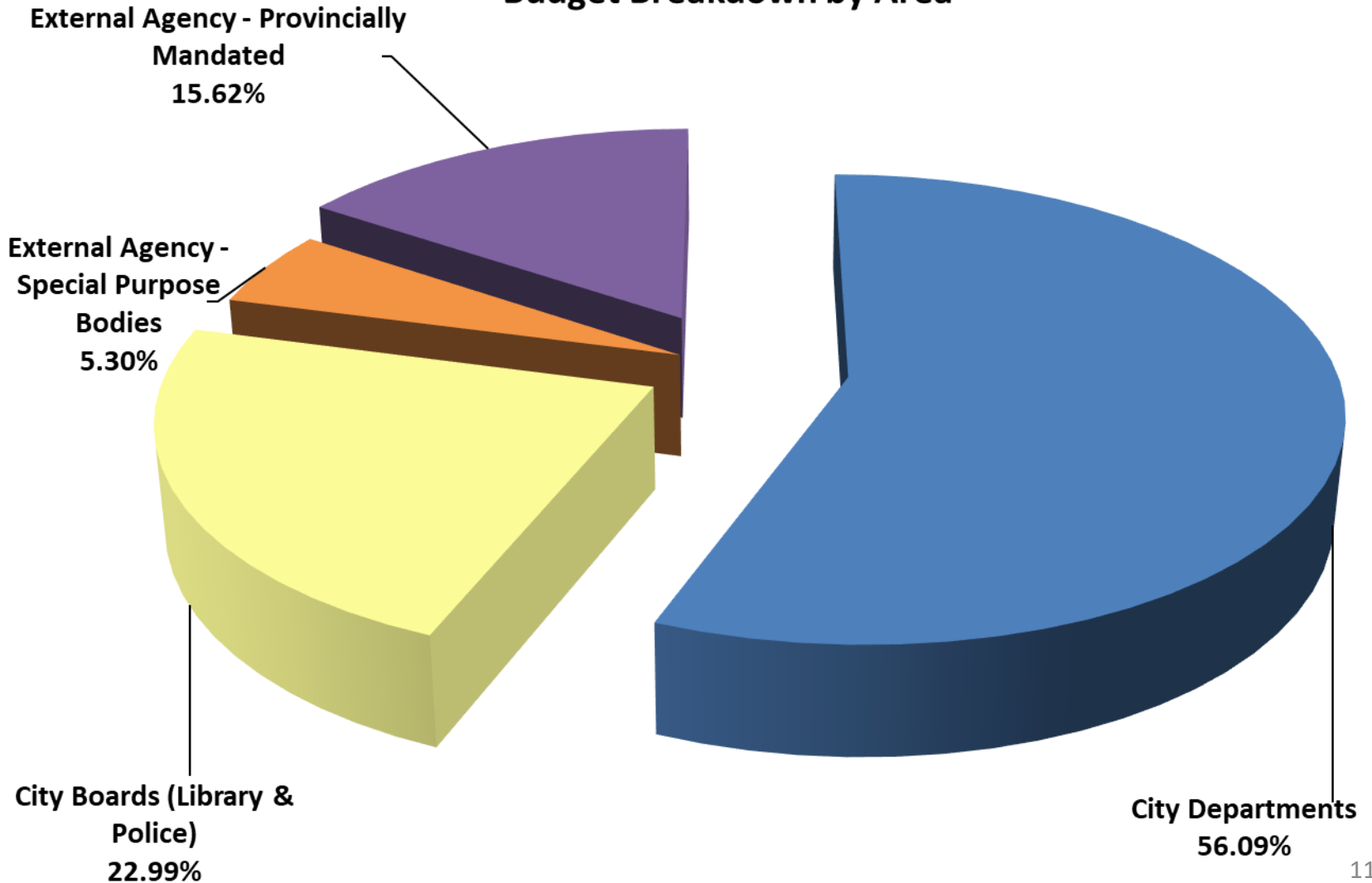
Operating Issues

Cat.	Description	Applies To	Tax Levy Impact \$	Tax Levy Impact %
D1	City Boards	Police & Library	\$ 2,662,100	2.26%
D2	External Agencies – Special Purpose Bodies	i.e. Quinte Conservation, QEDC, Quinte Waste Solutions, etc.	14,900	0.02%
D3	External Agencies – Provincially Mandated	Hastings County, MPAC & Health Unit	1,239,700	1.05%
D4	Legislative Compliance or Health & Safety	City Departments	671,600	0.57%
D5	Maintain Existing Service Levels	City Departments	110,400	0.09%
D6	Enhance Existing Service Levels	City Departments	343,400	0.29%
D7	Tax Relief Measures	City Departments	(242,100)	-0.21%
Total Operating Issues Budget Impact			\$4,800,000	4.07%



2024 Operating Budget – Taxation

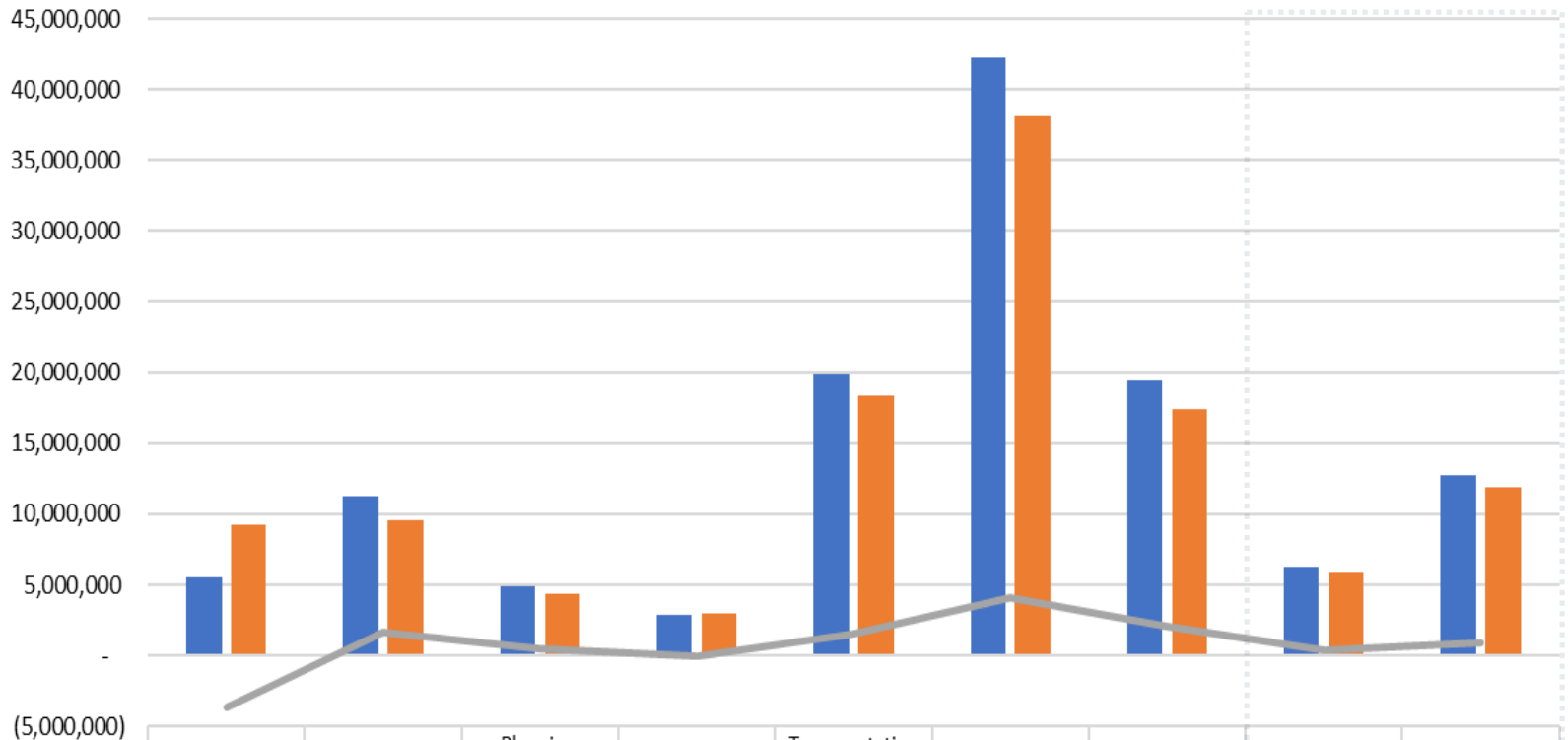
Net Property Tax Supported City Operating Budget Budget Breakdown by Area





2024 Operating Budget – Taxation

2024 Proposed vs. 2023 Approved Net Tax Levy Allocation - \$125,215,000



	General Government	Contribution to Capital Projects	Planning, Development, and Engineering	Environmental Services	Transportation & Operational Services	Protective Services	Recreation & Cultural	Health Services	Social & Family Services
2024 Net Tax Levy Proposed	5,569,400	11,209,200	4,896,400	2,923,800	19,895,500	42,247,100	19,466,700	6,266,400	12,740,500
2023 Approved Tax Levy	9,234,200	9,597,500	4,350,900	3,011,300	18,386,700	38,132,400	17,422,200	5,870,200	11,874,200
Increase (decrease)	(3,664,800)	1,611,700	545,500	(87,500)	1,508,800	4,114,700	2,044,500	396,200	866,300



Property Assessment

2023-2024 Assessment Analysis

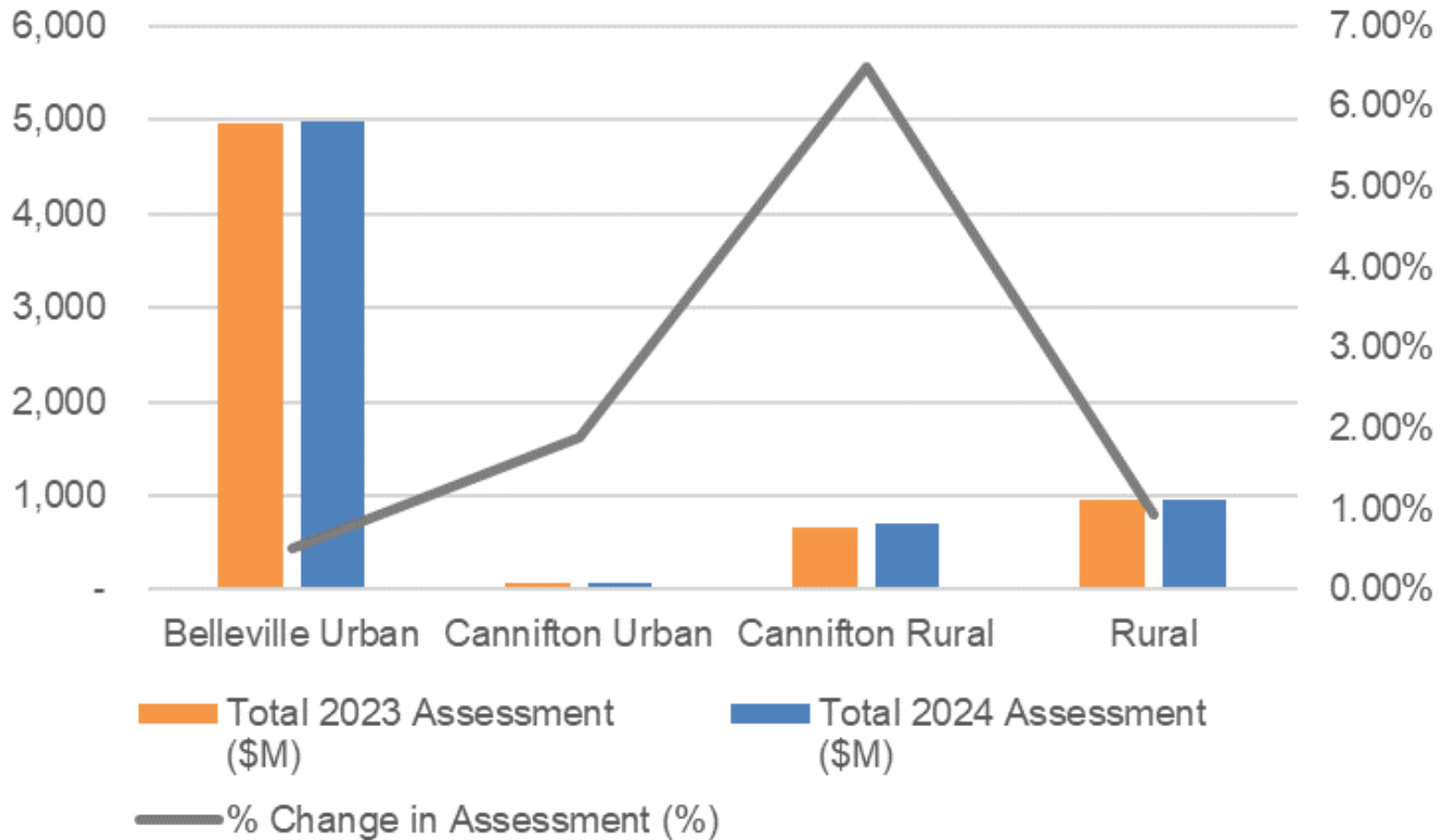
City of Belleville Assessment								
	2023 to 2024				2023 to 2024			
	Total 2023 Assessment	Growth	Phase In (Equity)	Total	Total 2024 Assessment	Growth	Phase In (Equity)	Total
Residential	4,421,957,350	52,888,700	-	52,888,700	4,474,846,050	1.20%	0.00%	1.20%
Multi-Residential	289,021,800	10,278,800	-	10,278,800	299,300,600	3.56%	0.00%	3.56%
Commercial	1,179,661,995	7,769,900	-	7,769,900	1,187,431,895	0.66%	0.00%	0.66%
Industrial	181,799,500	2,286,300	-	2,286,300	184,085,800	1.26%	0.00%	1.26%
Farmland	101,807,500	3,520,200	-	3,520,200	105,327,700	3.46%	0.00%	3.46%
Other	25,667,000	402,000	-	402,000	26,069,000	1.57%	0.00%	1.57%
Total Taxable	6,199,915,145	77,145,900	-	77,145,900	6,277,061,045	1.24%	0.00%	1.24%
Exempt	445,261,300	1,160,900	-	1,160,900	446,422,200	0.26%	0.00%	0.26%
Total Assessment	6,645,176,445	78,306,800	-	78,306,800	6,723,483,245	1.18%	0.00%	1.18%

**Note: Property Assessment values are based on a January 1, 2016 valuation date*



Property Assessment

Assessment Growth by Area





2024 Tax Rate Change – Analysis

Belleville Urban Tax Table

Breakdown of Changes to the Property Tax Rate by Area

BELLEVILLE URBAN	Residential	Multi-Residential	Commercial	Industrial
Change in Tax Rates				
2023 Municipal Rates	\$ 0.015987	\$ 0.031975	\$ 0.030682	\$ 0.038370
2024 Municipal Rates	\$ 0.016849	\$ 0.033699	\$ 0.032336	\$ 0.040438
Impact of Re-assessment	-1.005%	-1.005%	-1.005%	-1.005%
Impact of 2024 Budget Increase	6.395%	6.395%	6.395%	6.395%
<i>- Net Change to Tax Rate 2024 vs 2023</i>	5.391%	5.391%	5.391%	5.391%
Estimated Average Assessment	250,000	1,800,000	800,000	800,000
2023 Total taxes (including Education)	4,379.36	60,308.86	31,585.51	37,735.92
2024 Total taxes (including Education)	4,594.82	63,411.44	32,908.67	39,390.63
Annual increase	215.46	3,102.58	1,323.16	1,654.71
<i>per month</i>	17.96	258.55	110.26	137.89
<i>per day</i>	0.59	8.50	3.63	4.53
Total Tax % increase	4.92%	5.14%	4.19%	4.38%



2024 Tax Rate Change – Analysis

Cannifton Urban Tax Table

Breakdown of Changes to the Property Tax Rate by Area

CANNIFTON URBAN	Residential	Multi-Residential	Commercial	Industrial
Change in Tax Rates				
2023 Municipal Rates	\$ 0.015253	\$ 0.030506	\$ 0.029272	\$ 0.036607
2024 Municipal Rates	\$ 0.016059	\$ 0.032118	\$ 0.030819	\$ 0.038541
Impact of Re-assessment	-1.028%	-1.028%	-1.028%	-1.028%
Impact of 2024 Budget Increase	6.312%	6.312%	6.312%	6.312%
- Net Change to Tax Rate 2024 vs 2023	5.285%	5.285%	5.285%	5.285%
Estimated Average Assessment	250,000	1,800,000	800,000	800,000
2023 Total taxes (including Education)	4,195.72	57,664.34	30,457.70	36,325.51
2024 Total taxes (including Education)	4,397.23	60,566.17	31,695.25	37,873.16
Annual increase	201.51	2,901.83	1,237.55	1,547.65
per month	16.79	241.82	103.13	128.97
per day	0.55	7.95	3.39	4.24
Total Tax % increase	4.80%	5.03%	4.06%	4.26%



2024 Tax Rate Change – Analysis

Cannifton Rural Tax Table

Breakdown of Changes to the Property Tax Rate by Area

CANNIFTON RURAL	Residential	Multi-Residential	Commercial	Industrial
Change in Tax Rates				
2023 Municipal Rates	\$ 0.013868	\$ 0.027736	\$ 0.026615	\$ 0.033284
2024 Municipal Rates	\$ 0.014473	\$ 0.028945	\$ 0.027775	\$ 0.034734
Impact of Re-assessment	-1.189%	-1.189%	-1.189%	-1.189%
Impact of 2024 Budget Increase	5.547%	5.547%	5.547%	5.547%
<i>- Net Change to Tax Rate 2024 vs 2023</i>	4.358%	4.358%	4.358%	4.358%
Estimated Average Assessment	250,000	1,800,000	800,000	800,000
2023 Total taxes (including Education)	3,849.54	52,679.45	28,331.78	33,666.90
2024 Total taxes (including Education)	4,000.63	54,855.12	29,259.65	34,827.26
Annual increase	151.09	2,175.67	927.87	1,160.36
per month	12.59	181.31	77.32	96.70
per day	0.41	5.96	2.54	3.18
Total Tax % increase	3.92%	4.13%	3.28%	3.45%



2024 Tax Rate Change – Analysis

Rural Tax Table

Breakdown of Changes to the Property Tax Rate by Area

RURAL	Residential	Multi-Residential	Commercial	Industrial
Change in Tax Rates				
2023 Municipal Rates	\$ 0.011496	\$ 0.022993	\$ 0.022063	\$ 0.027591
2024 Municipal Rates	\$ 0.011887	\$ 0.023775	\$ 0.022813	\$ 0.028530
Impact of Re-assessment	-1.163%	-1.163%	-1.163%	-1.163%
Impact of 2024 Budget Increase	4.565%	4.565%	4.565%	4.565%
<i>- Net Change to Tax Rate 2024 vs 2023</i>	3.402%	3.402%	3.402%	3.402%
Estimated Average Assessment	250,000	1,800,000	800,000	800,000
2023 Total taxes (including Education)	3,256.58	44,140.76	24,690.28	29,112.94
2024 Total taxes (including Education)	3,354.35	45,548.64	25,290.70	29,863.81
Annual increase	97.77	1,407.88	600.42	750.87
per month	8.15	117.32	50.04	62.57
per day	0.27	3.86	1.64	2.06
Total Tax % increase	3.00%	3.19%	2.43%	2.58%



2024 Operating Budget

User Rate Funded Areas

- **Water**
- **Wastewater**
- **Parking**



2024 Operating Budget - User Rate

Water Budget

	<i>% of Total Budget</i>	Proposed 2024	Approved 2023	% Change 2024-2023
Water Revenue				
Metered	50.62%	9,727,600	9,685,600	0.43%
Bulk	2.24%	431,100	538,800	-19.99%
Flat Rate	0.29%	55,800	54,700	2.01%
Water Sales	53.15%	10,214,500	10,279,100	-0.63%
Service Charges	28.59%	5,494,400	5,212,600	5.41%
Fire Protection	7.24%	1,391,700	1,323,200	5.18%
Fixed Charges	35.83%	6,886,100	6,535,800	5.36%
Customer Fees	0.50%	96,200	91,300	5.37%
Other Revenue	10.52%	2,021,000	2,692,900	-24.95%
Total Water Revenue	100.00%	19,217,800	19,599,100	-1.95%
Water Expenditures				
Water Treatment	19.28%	\$ 3,707,600	\$ 3,600,100	2.99%
Water Distribution	15.94%	3,062,400	2,896,200	5.74%
Financing (Debt)	5.45%	1,047,200	1,047,200	0.00%
Customer Service / Administration	9.14%	1,755,800	2,911,500	-39.69%
Meter Reading	0.47%	90,000	100,000	-10.00%
IT	0.03%	6,000	32,000	-81.25%
Transfer to Capital	49.69%	9,548,800	9,012,100	5.96%
Total Water Expenditures	100.00%	19,217,800	19,599,100	-1.95%



2024 Operating Budget - User Rate

Wastewater Budget

	<i>% of Total Budget</i>	Proposed 2024	Approved 2023	% Change 2024-2023
Wastewater Revenue				
Metered	91.28%	14,529,400	13,051,000	11.33%
Work Orders	0.12%	20,000	29,000	-31.03%
Local Improvements	0.31%	49,200	69,200	-28.90%
Development Charges	7.63%	113,300	113,300	0.00%
Transfer from reserve		1,223,200	5,501,400	-77.77%
Other	0.66%	106,000	86,000	23.26%
Total Wastewater Revenue	100.00%	16,041,100	18,849,900	-14.90%
Wastewater Expenditures				
Collection (incl Work Orders)	9.22%	1,478,100	1,370,300	7.87%
Pumping Stations	2.22%	355,700	313,000	13.64%
Treatment (incl Grinder Pumps)	23.87%	3,829,400	3,772,500	1.51%
Administration	26.00%	4,171,400	8,387,200	-50.26%
Transfer to Capital	38.69%	6,206,500	5,006,900	23.96%
Total Wastewater Expenditures	100.00%	16,041,100	18,849,900	-14.90%



2024 Operating Budget - User Rate

Parking Budget

	<i>% of Total Budget</i>	Proposed 2024	Approved 2023	% Change 2024-2023
Parking Revenue				
Meters	33.61%	280,000	270,000	3.70%
Permits	24.01%	200,000	193,000	3.63%
Fines & Violations	32.53%	271,000	271,000	0.00%
Reserve Fund Contribution	9.85%	82,100	68,600	0.00%
Total Parking Revenue	100.00%	833,100	802,600	3.80%
Parking Expenditures				
Lots & Maintenance	27.41%	228,400	254,400	-10.22%
Enforcement	20.41%	170,000	190,000	-10.53%
Financing (Debt)	8.27%	68,900	68,900	0.00%
Operations	43.91%	365,800	289,300	26.44%
Contribution to Reserve	0.00%	-	-	
Total Parking Expenditures	100.00%	833,100	802,600	3.80%



Closing Remarks

- External budget pressures – Non-Municipal services;

Budget Area	2024 Gross Budget	% of Tax Levy
Health Services (Doctor Recruitment, Hospital Capital funding, Emergency Medical Services, Health Unit, Hospice)	7,501,400	6.37%
Social Services (General Assistance, Social Housing, Long-term care, Integrated Health Care Hub, Social Infrastructure Grants, Security services)	15,357,700	13.03%
Affordable Housing (Development Charge fee waivers (Affordable only), Affordable housing Community Improvement plan,	1,077,800	0.91%
Administration <ul style="list-style-type: none"> External agency funding (Municipal grants) – YMCA, VIQ, Arts & Culture, Community Impact Grants, etc. 	1,342,600	1.14%
TOTAL	25,279,500	21.45%



Closing Remarks

- Property Tax billing;
 - Tax bylaws will be forwarded to the April 8th Council meeting
 - Property Tax bills will be mailed out the week of May 13th;
 - Tax Instalments will be due on June 26 and September 26
- Continued review of user fees and rates
 - Recreation and Parks
 - Parking
 - Building Services
- Re-assessment originally scheduled for January 1, 2020, Still awaiting direction from the Province
- Continued Asset Management Plan work for legislative July 2024 and 2025 deadline