



## THE CORPORATION OF THE TOWN OF AMHERSTBURG

### OFFICE OF CORPORATE SERVICES

*MISSION STATEMENT: Committed to delivering cost-effective and efficient services for the residents of the Town of Amherstburg with a view to improve and enhance their quality of life.*

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|--|---------------------------------------|
| <b>Author's Name:</b> Tracy Prince             | <b>Report Date:</b> June 13, 2024     |
| <b>Author's Phone:</b> 519 736-0012 ext. 2254  | <b>Date to Council:</b> June 25, 2024 |
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**To:** Mayor and Members of Town Council

**Subject:** 2025 Budget Schedule

#### 1. RECOMMENDATION:

It is recommended that:

- 1) That Council **APPROVE** the proposed 2025 Budget Schedule.
- 2) That Council **DIRECT** Administration to develop a 2025 Operating Budget based on current service levels.

#### 2. BACKGROUND:

The Town of Amherstburg prepares an annual budget that is approved by Council and includes all projected operational and capital expenditures for all municipal service areas. Each annual budget is made up of the following components:

- **Operating** - The income in this budget is primarily derived from property taxes and user fees. The budget covers the day-to-day expenses of the town for municipal services and programs. Some examples are road maintenance and repairs, snow removal, the provision of recreational programs, by-law enforcement, and fire and police services.
- **Capital** - The income in this budget can be from property taxes, reserves, development charges, issued debt, grants, and co-share with others, such as the county or developers. The budget covers municipal projects related to new assets or rehabilitation of existing ones, including roads, sewers, water mains, bridges, fleet replacements, and more.

The budgeting process is important in reflecting long-term goals for growth and development of the Town of Amherstburg and is intended to:

- Ensure financial sustainability through long-term financial planning and maintenance of adequate reserves;
- Improve, develop and maintain the existing and new infrastructure that supports a sustainable community; and
- Promote the Town’s reputation as an attractive place to live and where residents can experience a high quality of life.

**3. DISCUSSION:**

**Key consideration for Council**

The following considerations are provided for Council in providing direction to Administration in providing a budget levy target for the 2025 Operating Budget:

- A guideline for a tax levy increases for 2025 outside of contractual obligations and increases resulting from in year council decisions.
- Consider the current Bank of Canada monetary policy and inflation forecasts
- Rising inflationary impacts on construction costs
- Union Negotiations
- New Infrastructure
- Uncertainty related to provincial funding and planning requirements
- Resourcing requirements to support programs and services
- Reduction to current services levels

**2025 Budget Timeline**

A budget timeline has been developed by staff for the 2025 budget process. Please refer to Attachment A to this report. The objectives of the proposed schedule are to:

- a) Provide members of Council opportunities early in the process to provide overall direction on the budget as a whole as well as key impact areas;
- b) Allow for sufficient public consultation; and
- c) Allow the procurement process for 2024 budget items to begin in January so that projects can proceed in a timely and cost-effective manner.

Key aspects of the proposed schedule:

|                            |  |
|----------------------------|--|
| Present & Table Budget     | November 18, 2024                        |
| Public Engagement(website) | Nov. 19- Dec 2 <sup>nd</sup> , 2024      |
| Audit & Finance Committee  | December 2, 2024                         |
| Council Deliberations      | December 9 – 11, 2024                    |
| Council Adoption of Budget | Tentative for Jan. 13 <sup>th</sup> 2025 |

There will be opportunities for public input through survey and the Public Engagement Session on November 23<sup>th</sup> for the 2025 Budget promoted through advertisement on the

Town's website and *Talk the Burg*. The survey will be available after the Budget is tabled on November 18, 2024. The purpose of the survey will be to seek public input on key areas within the 2025 Budget.

Budget Deliberations (December, 2024). Budget deliberations are proposed for the Council meeting to be held in December for:

**Operating & Capital Budgets:**

December 9<sup>th</sup> 2024 (6pm – 10pm)

December 10<sup>th</sup> 2024 (9am – 5:30pm)

December 11<sup>th</sup> 2024 (9 am – 4:30pm, if required)

In addition to the budget process timelines, the budget document utilized for the 2024 Budget is planned for the 2025 Budget presentation, which presents each budget centre from a high-level perspective, allowing Council to focus on the programs and services provided from a strategic point of view. This allows Administration to deliver the services based on the service levels proposed and program funding approved.

Administration's intent is to bring forward a recommended budget that maintains the Town's existing level of service. Any budget enhancements will be identified for Council's consideration and would add to the recommended tax levy proposed to maintain the existing service levels. Should Council wish to reduce service levels, that direction will be required and will affect the proposed timelines. For example, should Council direct that Administration table a budget with a 0% tax increase, given Council's pre-commitments, inflationary pressures and contractual obligations, Administration would need to develop scenarios that provide 10-15% reductions across the Corporation and which would decrease levels. This "menu" of reductions would then be brought Council for deliberation and decision.

**4. RISK ANALYSIS:**

Adoption of a budget after the commencement of the fiscal year should not delay the tracking and analysis of spending in 2025. When the budget is presented actuals for the entire year will not yet be finalized. However, this risk will be mitigated by having year-to-date spending estimates from the 2<sup>nd</sup> qtr available, including year-end projections presented by department heads.

The proposed timeline is not unlike the budget process timeline many municipalities undertake in the normal course. Approving budgets in a timely manner allows for improved outcomes with respect to contracting services.

**5. FINANCIAL MATTERS:**

There is no direct financial implication to the Towns as a result of this report. Confirmation of council budget direction and timelines will ensure an effective budget review process for both the staff and Council.

6. **CONSULTATIONS:**

Senior Management Team

7. **CONCLUSION:**

That Council approves the proposed 2025 Budget Timeline, the goal of Administration is to provide Council with a proposed budget, that maintains the Town's existing level of service. Any budget enhancements will be identified for Council's consideration and would add to the recommended tax levy proposed to maintain the existing service levels.



Tracy Prince  
**Director of Corporate Services/CFO**

## Report Approval Details

|                      |   |
|----------------------|---|
| Document Title:      | 2025 Budget Directions.docx               |
| Attachments:         | - 2025 Budget DRAFT Timelines Apdx A.docx |
| Final Approval Date: | Jun 14, 2024                              |

This report and all of its attachments were approved and signed as outlined below:



Valerie Critchley



Kevin Fox