

Operating and Capital Budget 2023/24

Council Presentation
April 11, 2023



Strategic Priorities



OSPREY VILLAGE GROWTH CENTRE

MODL is kickstarting over 500 new residential units in the area, including agreements for affordable housing. In partnering with Lumia Health, we will also develop a Community Hub and collaborative health centre. Water and wastewater infrastructure upgrade projects will ensure the support of this area's commercial growth.



RE-CREATE! PARKS

A multi-year investment is planned to provide significant upgrades to existing parks and recreation facilities. Community engagement will help guide redevelopments as well as audits of the existing parks to identify accessibility needs and maintenance recommendations.



CLIMATE CHANGE ACTION PLAN

The Municipality will continue to build on the progress made to address carbon emissions, with a goal to reach net-zero emissions by 2050. This includes plans to address local food security, home efficiency, achieving net-zero emissions for municipal facilities and fleet, creation of public and electric transportation options, and supporting the development of green renewable energy.



MODL 2040 MUNICIPAL PLANNING STRATEGY

The Municipality will develop a comprehensive Municipal Planning Strategy and Land Use By-law to meet the province's regulations requiring land-use planning across all municipalities. This is a major policy, and public engagement effort which will be a critical tool in guiding development in our communities moving forward.

Draft Operating Budget Overview



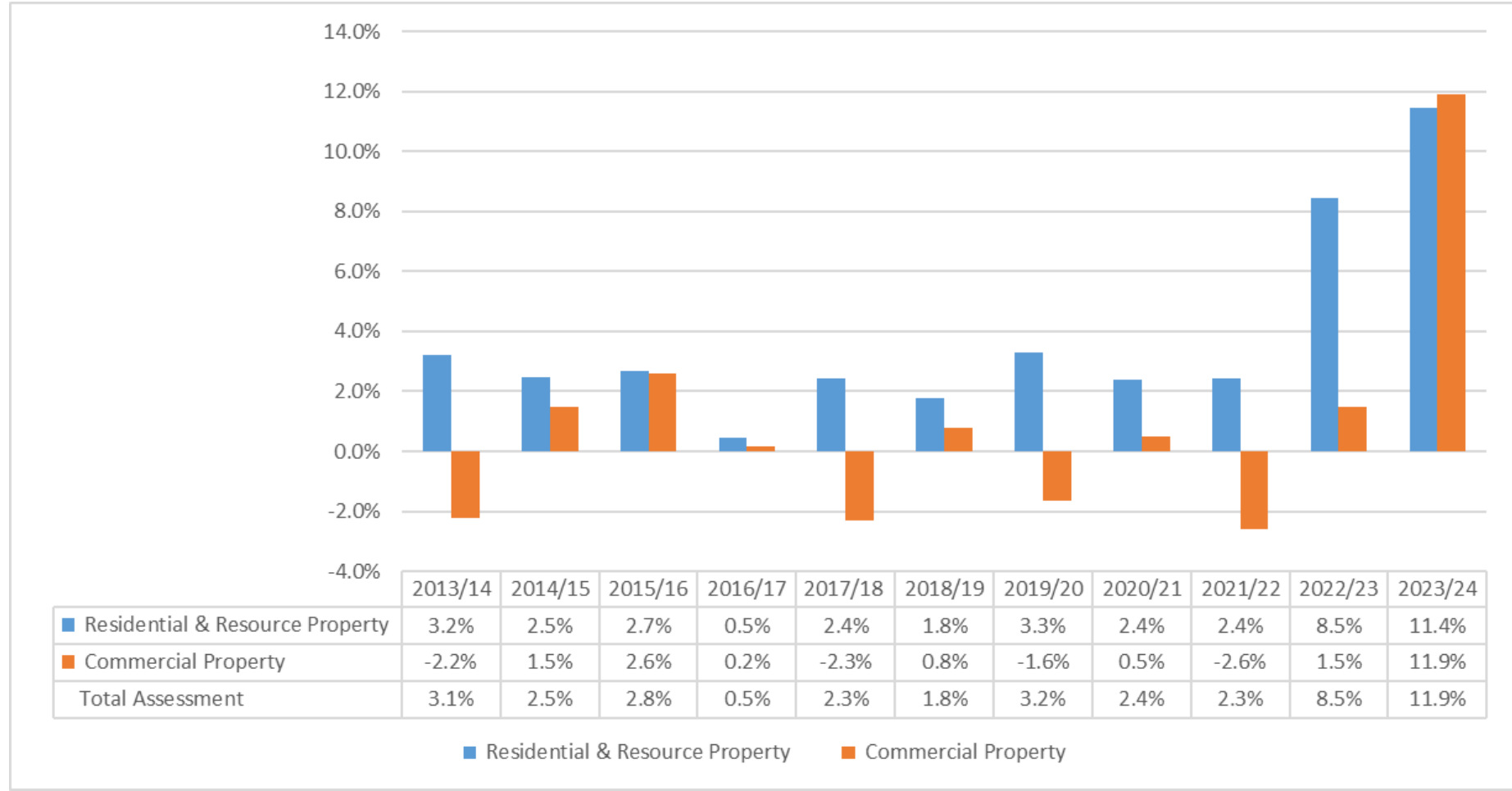
Assessment Trends

2023 CAP = 7.7%
59.3% Properties

Assessment Appeals *

2023 Appeals Value	500 \$129M
2022 Appeals Value	306 \$68M

* Used to calculate taxable assessment for the Draft Budget



Mandatory Expenditures

	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Forecast	2023/24 Budget
Education	8,143,605	8,401,600	8,598,029	8,802,600	9,539,900
Assessment	698,022	704,500	695,379	687,500	715,000
Corrections (Jails, Courts)	433,536	431,800	430,124	456,500	474,760
Housing	51,535	35,000	34,372	35,000	36,400
Library	159,715	158,300	158,134	199,700	199,700
RCMP	3,258,260	3,344,000	3,508,163	3,920,000	4,233,600
Total	12,744,673	13,075,200	13,424,201	14,101,300	15,199,360
% Change	1.80%	2.59%	2.67%	5.04%	7.79%



Low Income Property Tax Rebate

Council made changes to the rebate policy in 2022

- Income thresholds and rebate amounts were increased with a corresponding increase in the annual budget
- An annual CPI clause was added
 - 584 taxpayers received a rebate or a reduction on their final tax bill if application was made by August 1
 - All late applicants were approved

2023 Approved income thresholds and rebate amounts increased by CPI:

- Households with incomes under \$25,699 = rebate/tax bill reduction of up to \$570
- Households with incomes between \$25,600 and \$32,099 = rebate/tax bill reduction of up to \$285
- Households with incomes between \$32,100 and \$40,700 = rebate/tax bill reduction of up to \$115



Operating Budget 5 Year Financial Strategy

Municipality of the District of Lunenburg 5- Year Operating Budget

Description	ACTUAL	BUDGET	FORECAST	DRAFT	Projected				
	2021-22	<u>Current</u> 2022-23	<u>Forecast</u> 2022-23	<u>BUDGET</u> 2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Revenue Sources									
Residential property tax	\$21,011,873	\$22,750,000	\$22,860,000	\$24,621,300	\$26,591,004	\$28,452,374	\$30,444,040	\$32,270,683	\$33,884,217
Commercial property tax	2,472,664	2,480,400	2,500,400	2,684,600	2,818,830	2,959,772	3,107,760	3,263,148	3,426,305
Other taxes	5,454,435	4,323,400	5,281,100	4,241,000	4,283,410	4,369,078	4,456,460	4,545,589	4,636,501
Fire Protection	3,565,895	3,846,300	3,846,300	4,359,900	4,534,296	4,715,668	4,904,295	5,100,466	5,304,485
Transfers from other govts	506,896	441,400	322,700	338,500	341,885	345,304	348,757	352,244	355,767
Other revenue sources ¹	1,677,602	1,774,800	2,694,890	2,691,200	2,745,024	3,239,128	3,271,520	3,304,235	3,337,277
Debt recovery						499,272	613,910	594,548	965,186
	\$34,689,365	\$35,616,300	\$37,505,390	\$38,936,500	\$41,314,449	\$44,580,596	\$47,146,742	\$49,430,913	\$51,909,738
Expenditures									
Discretionary Expenditures ²	\$14,430,296	\$17,253,100	\$16,971,095	\$19,535,576	\$20,449,767	\$21,211,010	\$22,001,809	\$22,823,463	\$23,673,315
CCBF Investment	1,758,267	1,259,900	809,900	1,018,024	748,024	568,024	574,836	574,836	574,836
Mandatory Expenditures									
Mandatory Contributions	9,916,038	10,181,300	10,181,300	10,921,400	12,030,179	12,934,958	13,780,464	14,560,987	15,257,241
Other Mandatory Expenditures	6,430,036	7,198,100	7,079,812	7,498,900	7,989,500	8,513,069	9,071,860	9,668,282	10,304,908
Deficit from prior year	0	0	0	0	0	0	0	0	0
Debt servicing	640,000	0	0	0	0	499,272	613,910	594,548	965,186
Reserves	1,514,728	-287,800	162,200	-65,100	-56,411	836,976	836,976	1,040,164	1,100,164
	18,500,802	17,091,600	17,423,312	18,355,200	19,963,268	22,784,275	24,303,210	25,863,981	27,627,499
	\$34,689,365	\$35,604,600	\$35,204,307	\$38,908,800	\$41,161,059	\$44,563,310	\$46,879,855	\$49,262,280	\$51,875,650
Surplus/(Deficit)	\$0	\$11,700	\$2,301,083	\$27,700	\$153,390	\$17,287	\$266,886	\$168,634	\$34,088

Notes: 1. 2025/26 Revenues start from Solar Garden (MODL Share 50%)

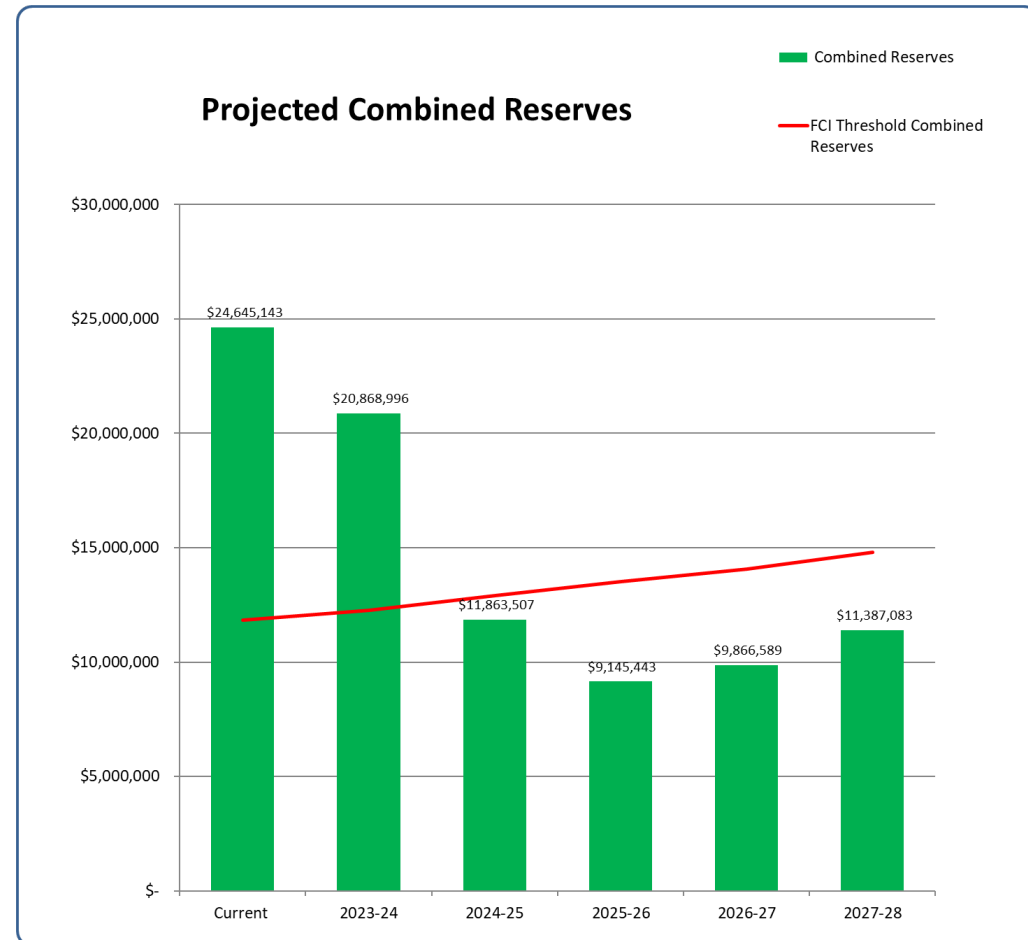
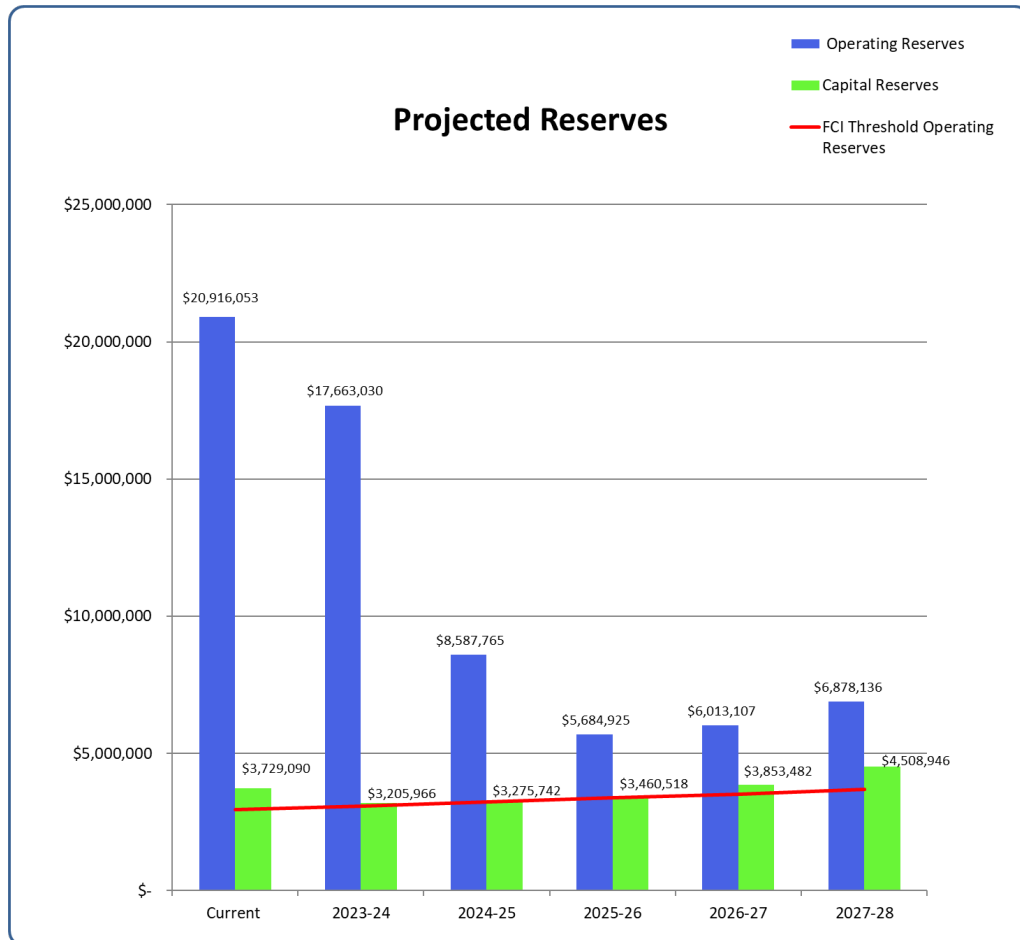
2. Community HUB projections included - starting in 2023/24.

Future Operating Budget Pressures not yet considered

- Mandatory Transfers
 - Municipal Service Exchange
- Future Service Commitments
 - Transit Operations
 - Possible enforcement function for new bylaws (e.g. noise)



Reserves Budget 5 Year Financial Strategy



Draft Operating Budget Condensed Summary

	2021/22 Actual	2022/23 Annual Budget	2022/23 Budget Forecast	2023/24 Adjusted Baseline	2023/24 Additions	2023/24 Proposed Budget	Percent Change Budget 2024 to Budget 2023
Expenditures							
General Government Services	\$ 5,193,883	\$ 5,978,600	\$ 5,943,600	\$ 6,565,200	\$ -	\$ 6,565,200	9.81%
Protective Services	8,608,448	9,641,000	9,619,712	10,660,500	-	10,660,500	10.57%
Transportation Services	1,949,659	2,704,300	2,551,100	2,513,700	2,400	2,516,100	-6.96%
Environmental Health Services	3,064,343	3,463,000	3,499,595	3,643,500	-	3,643,500	5.21%
Public Health	34,372	35,000	35,000	35,000	-	35,000	0.00%
Environmental Planning and Zoning	2,491,778	2,556,500	1,887,900	2,275,000	652,800	2,927,800	14.52%
Recreation, Culture & Tourism	2,579,187	2,711,400	2,702,600	3,085,900	-	3,085,900	13.81%
Education	8,598,029	8,802,600	8,802,600	9,539,900	-	9,539,900	8.38%
Debt, Financing and Transfers	2,169,667	(287,800)	162,200	165,500	(120,000)	(65,100)	-77.38%
Total Expenditures	34,689,365	35,604,600	35,204,307	38,484,200	535,200	38,908,800	9.28%
Revenue							
Tax Revenue	32,755,485	33,654,200	34,742,700	36,159,400	2,500	36,161,900	7.45%
Non Tax Revenue	1,933,880	1,962,100	2,762,690	2,674,600	100,000	2,774,600	41.41%
Total Revenue	34,689,365	35,616,300	37,505,390	38,834,000	102,500	38,936,500	9.32%
Surplus (Deficit)	\$ -	\$ 11,700	\$ 2,301,083	\$ 349,800	\$ (432,700)	\$ 27,700	



Draft Operating Budget Proposed Additions

2023-24 Budget Additions

Department/Description	Expenditure Amount	Revenue Amount	Net Cost (Surplus)
Protective Services			
Regional Fire Training Facility Reserve Fund	\$ 100,000	\$ -	100,000
Reserve Transfer for Fire Training Facility		100,000	(100,000)
	-	-	-
Planning & Development Services			
Private Roads	2,400	2,500	(100)
Planning Personnel - Climate Change	87,800	-	87,800
Research & Innovation Grants	10,000	-	10,000
Public Transit Grants - Lun County Wheels	65,000	-	65,000
Climate Projects			
Repayable CEF Grants	120,000	-	120,000
CEF Program LCCF Trust Transfer	-	120,000	(120,000)
Economic Development Services			
Community HUB Leaseholds	300,000	-	300,000
Sector Profiles	20,000	-	20,000
Food Hub	50,000	-	50,000
Recreation Services			
Tourism Marketing Levy	-	100,000	(100,000)
TOTAL ADDITIONS	\$ 755,200	\$ 322,500	\$ 432,700

Proposed Budget Additions

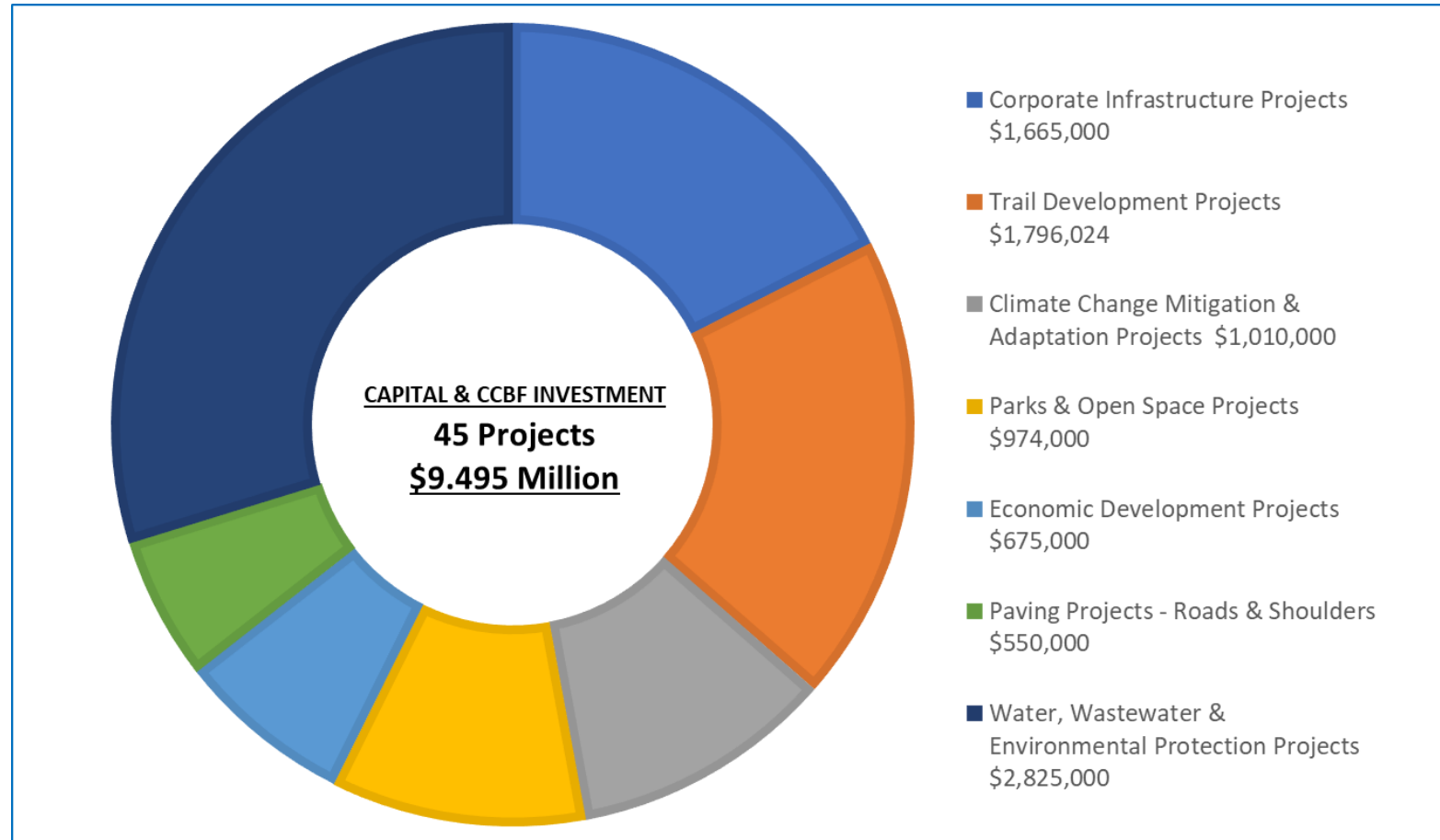
- New Service Levels
- Address Strategic Priorities



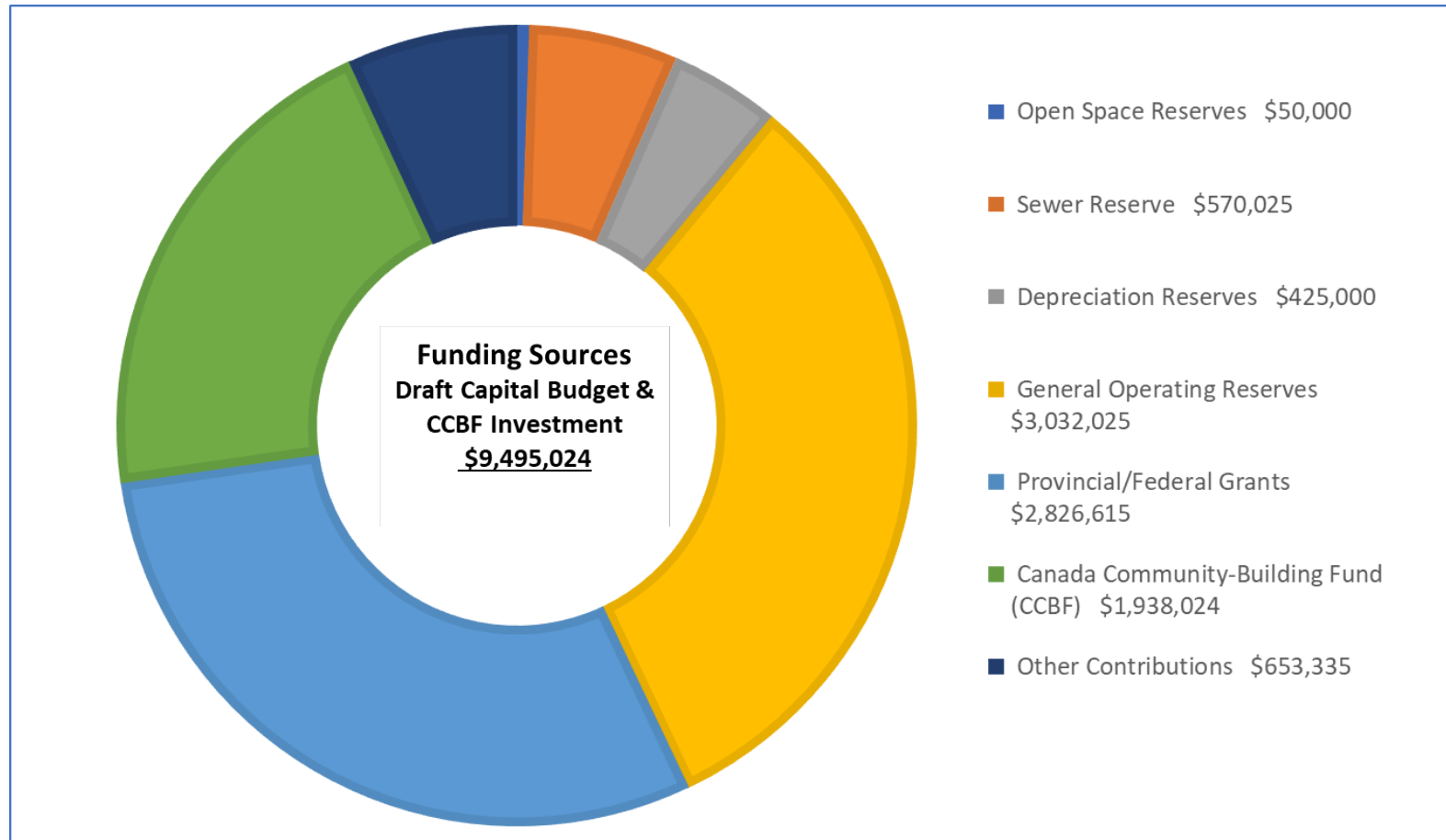
2023/24 Capital Budget



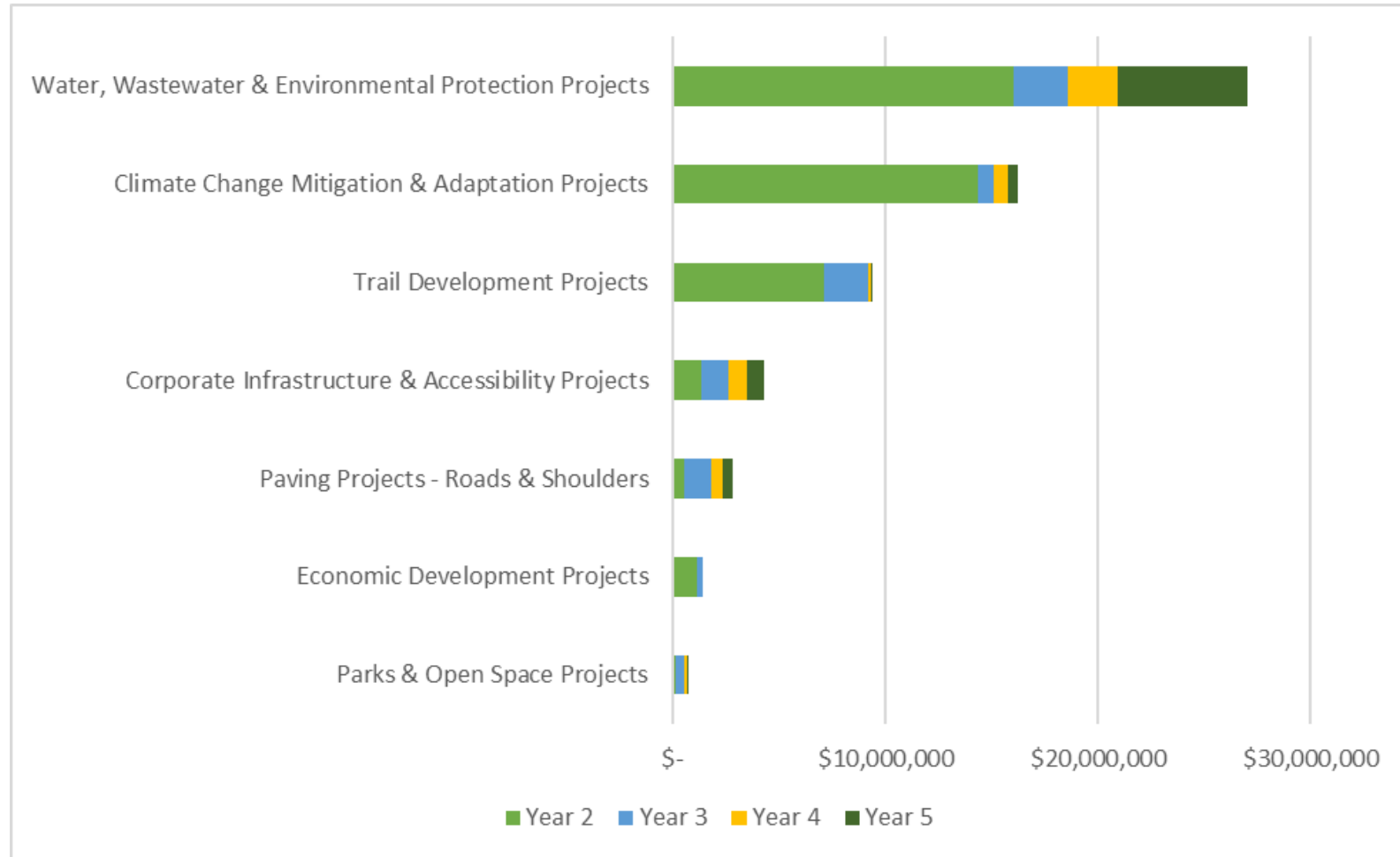
Draft Capital Budget & CCBF Investment – Year 1



Draft Funding Sources Year 1



Draft Capital Budget & CCBF Investment Years 2 to 5



2023/24 Budget Highlights



Protecting the Environment

- **Coastal Protection & Land Use Planning**
 - Council will be developing a Coastal Protection Land Use By-law
 - MODL 2040 – comprehensive Municipal Planning Strategy & Land-use Bylaw (MPS/LUB)
- **Over \$1M in Climate Change Action projects**
 - Solar power for Conquerall bank Wastewater Treatment Plant
 - Investigate Solar garden project – Green energy for 700 homes
 - Purchase of an electric bus for a transit service
- **Improvements to Wastewater Treatment**
 - LaHave Project complete: 357 Straight pipes replaced
 - Over \$1.5M in plant upgrades for New Germany and Cookville Systems



Making Life Affordable

- **The Property Tax Rebate program**
 - rebate of up to \$570
 - Households with incomes up to \$40,700
- **Positive Recreation Opportunities for Kids (PRO Kids)**
 - \$50,000 to remove financial barriers
 - every child should have access to sport, recreation and cultural
- **Clean Energy Financing**
 - \$500,000 investment offers financing for energy efficiency retrofits to homes
 - Household energy savings offset the cost of the loan



Investing in our Community

- **\$2.8M investment in recreational assets**
 - More than \$500,000 in investment to make buildings, parks, trails and washrooms more accessible
 - Multi-Use Connector Trail and pickleball courts in Osprey Village
 - Upgraded trail system at Indian falls park
 - \$68,000 for volunteer trail organizations.
- **Fire Services**
 - \$45,000 in funding for Volunteer firefighter recruitment and retention initiatives.
 - \$100,000 has been set aside for the development of a regional Fire Services training facility.
- **Community Grants**
 - \$487,00 in grants to community groups
 - Supports culture recreation and community



Building the Local Economy

- **Growth plan for Osprey Village:**
 - more than 500 new residential units in the area, including affordable housing.
 - Community Hub and collaborative health centre
 - Farmers Market, Café, and Commercial Kitchen.
- **Rural Internet Project**
 - \$450,000 investment to connect residents to high-speed Internet
- **Road Investments**
 - \$1.2 million for road maintenance and improvement



Conclusion



Motions

Capital Budget 2023-2024

“that Municipal Council accept the recommendation of the Finance Committee and approve the 2023-2024 Capital Budget and the Canada Community Building Fund Investment in the amount of \$9,420,024; and further that the 5-Year Capital Plan be approved as presented.”



Motions

Operating Budget 2023-2024

“that Municipal Council accept the recommendation of the Finance Committee and approve the 2023-2024 Operating Budget in the amount of \$ \$38,936,500.”

“that Municipal Council approve the 2023-2024 Residential Tax Rate of \$0.81 per \$100 of assessment.”



Motions

“that Municipal Council approve the 2023-2024 Commercial Tax Rate of \$1.957 per \$100 of assessment.”

“that Municipal Council approve the 2023-2024 Seasonal Commercial Tax Rate of \$1.468 per \$100 of assessment.”



Motions (continued)

“that Municipal Council approve the 2023-2024 Operating Budget Reserves Transfers including interest as noted in the 2023-2024 Draft Operating Budget.”

“that Municipal Council approve the 2023-2024 Flat Fee Area Rate of \$10 per residential and commercial property in the Village of Hebbville on behalf of the Hebbville Village Commission.”

