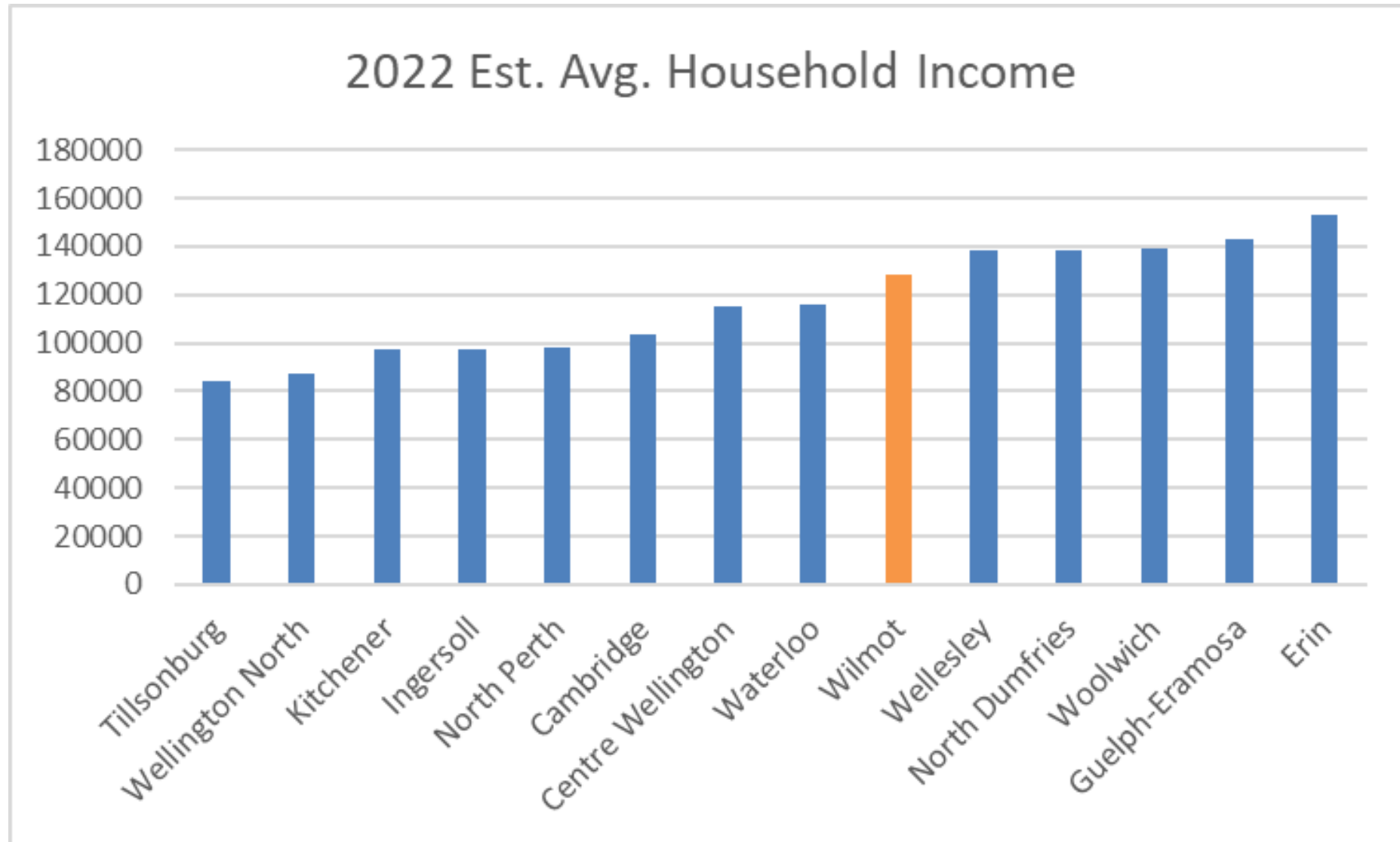


Draft 2024 Budget Overview

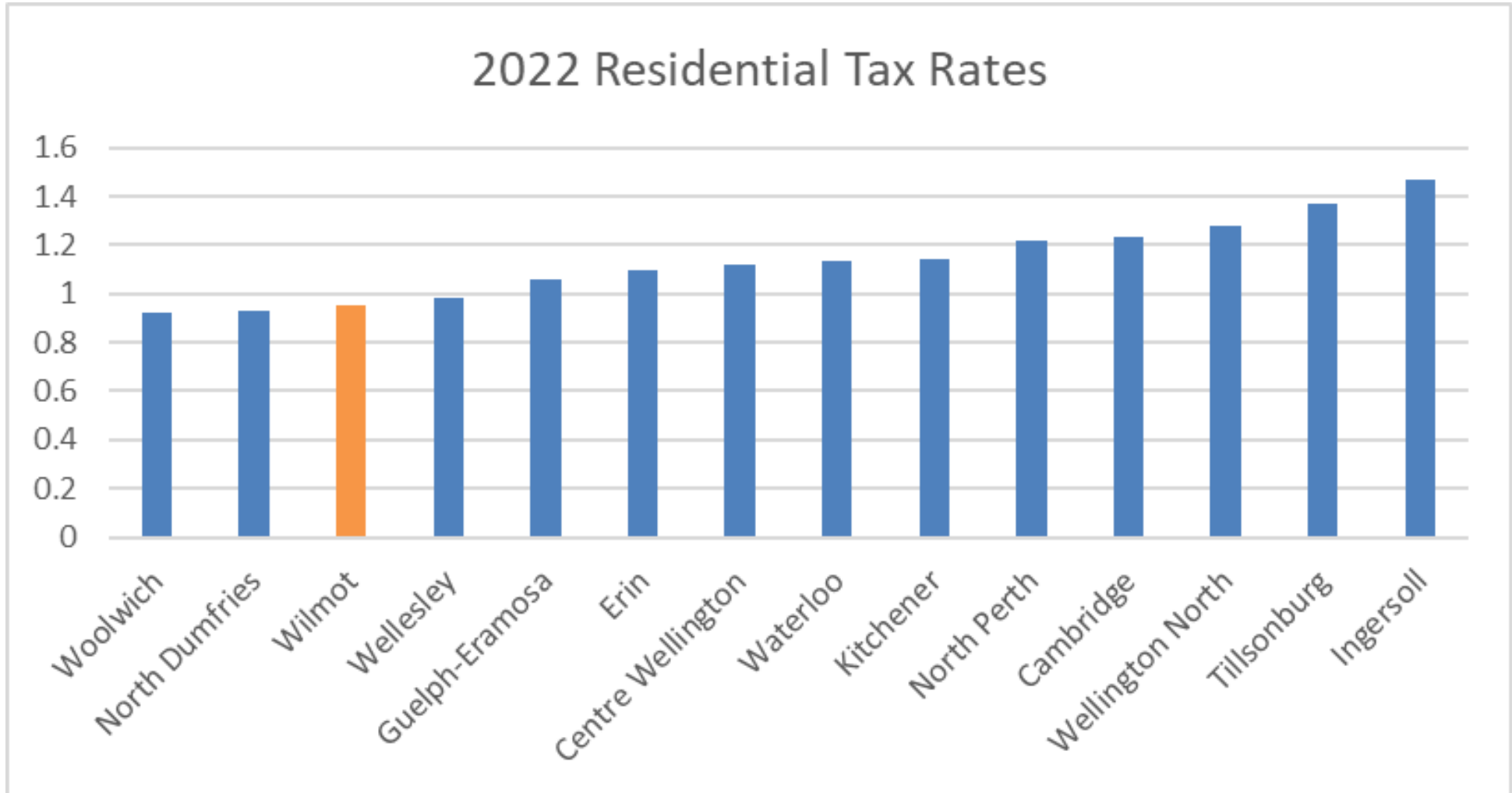
January 15, 2024
Township of Wilmot Council



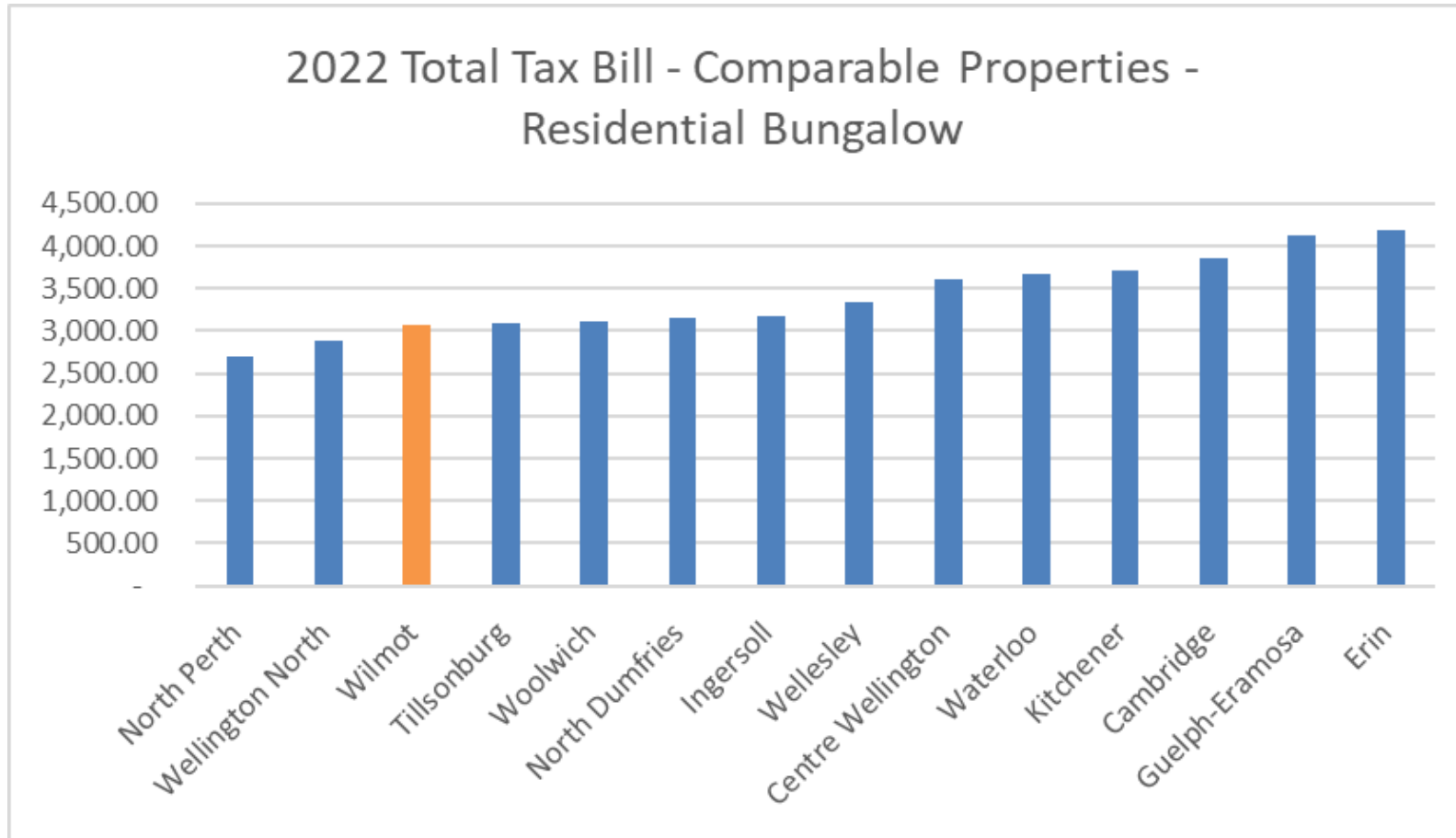
Budget Context - Comparators



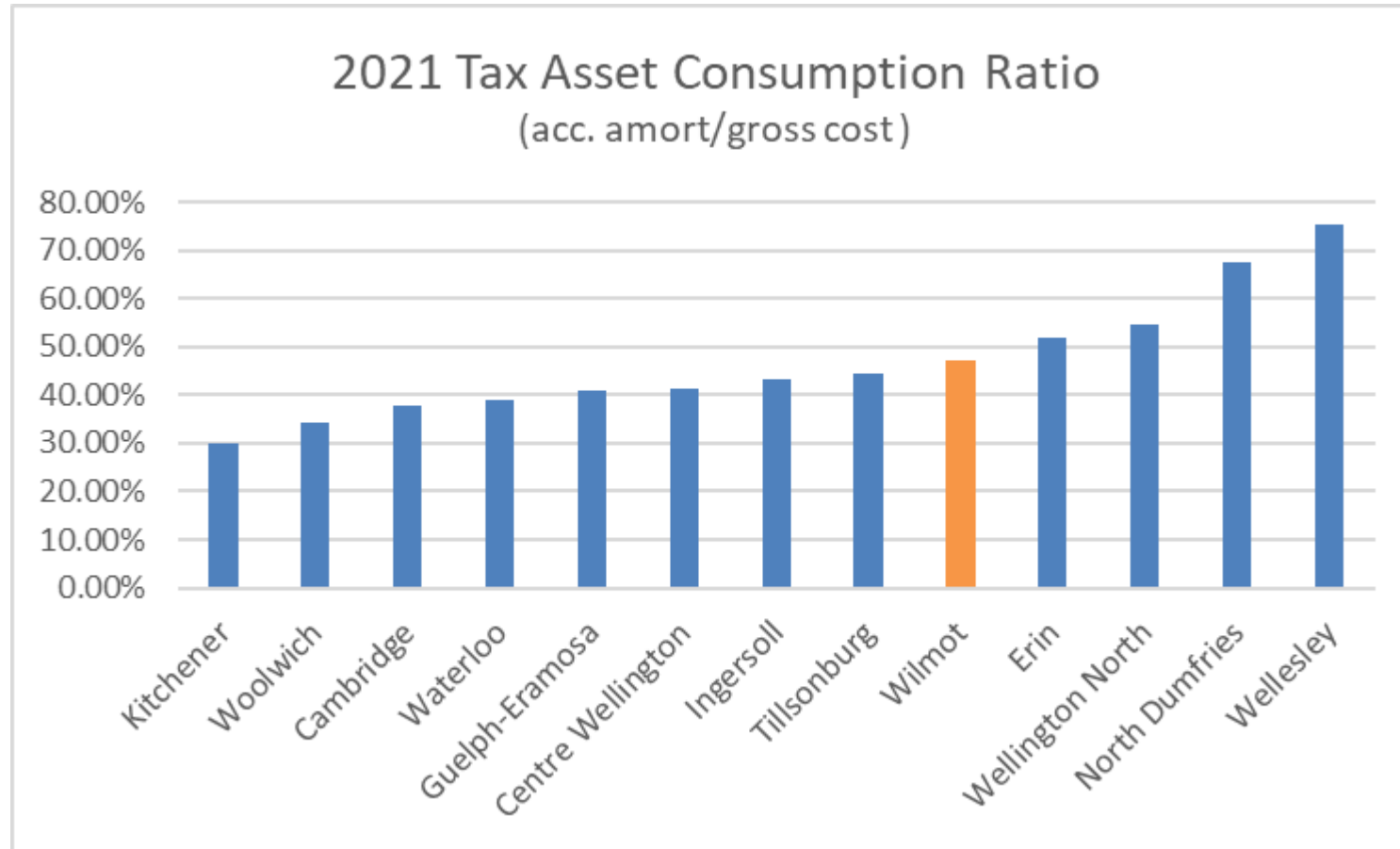
Budget Context - Comparators



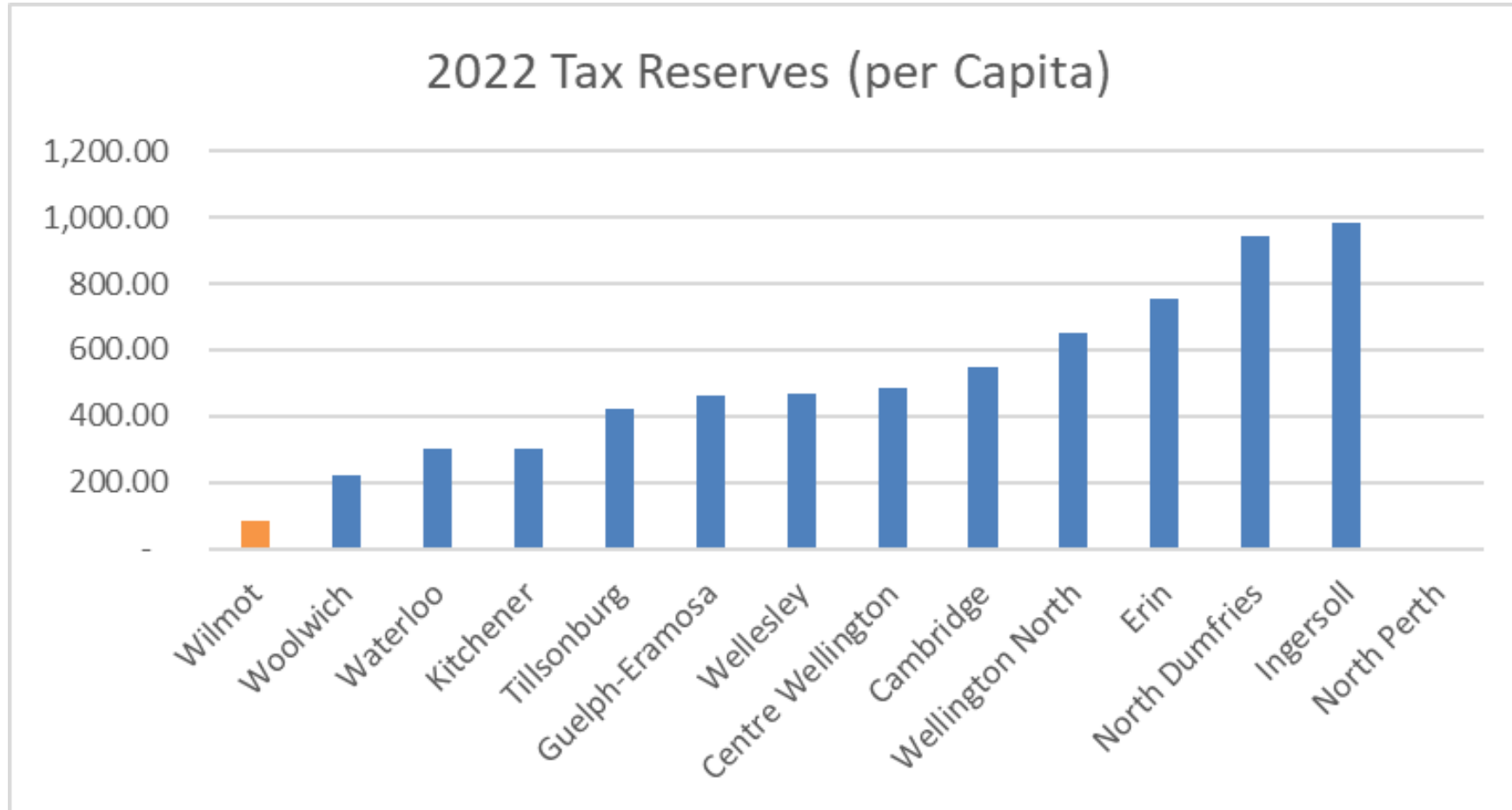
Budget Context - Comparators



Budget Context - Comparators

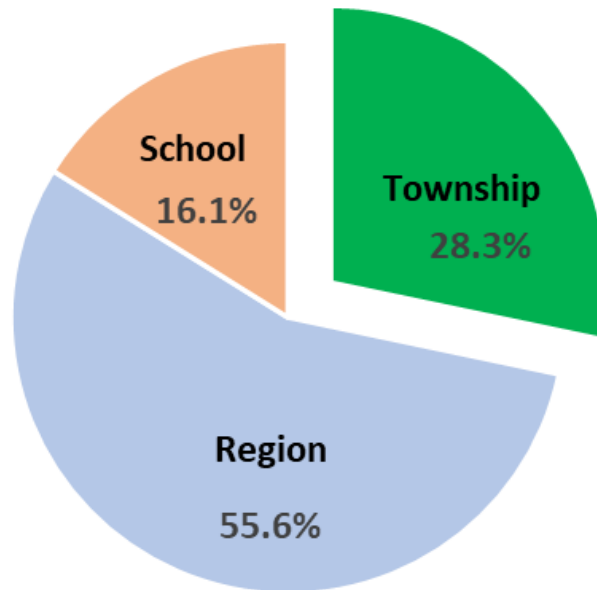


Budget Context - Comparators

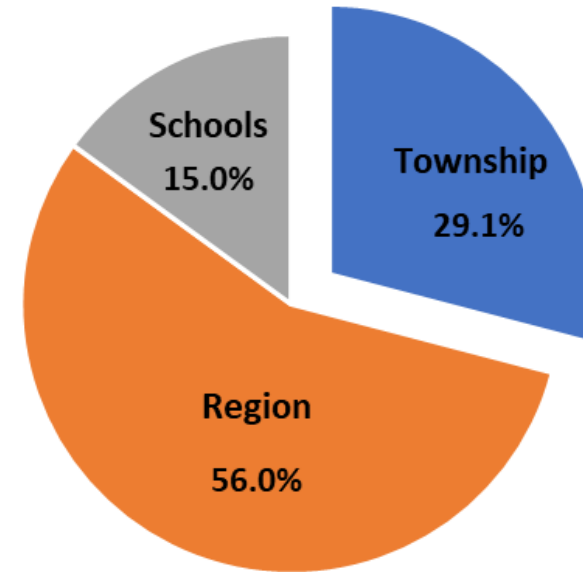


Understand the Math of the Tax Bill

Total Tax Bill is administered by Township, collecting for self and two other agencies. Only the Township share is controlled by Wilmot Council.



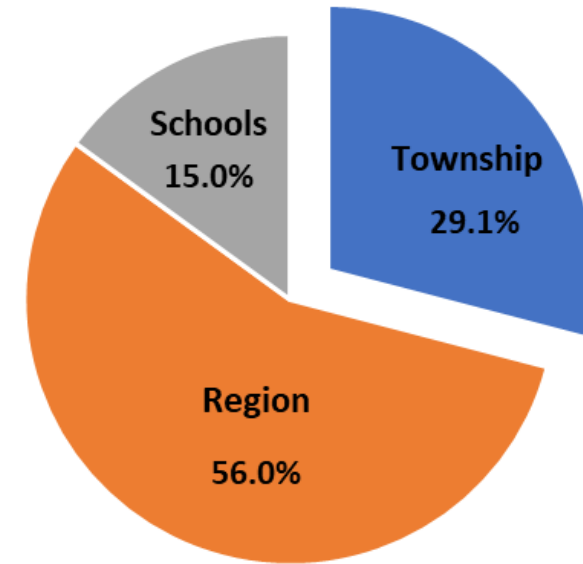
2023 Tax Bill Split



2024 Tax Bill Split

Understand the Math of the Tax Bill

If Township share increased by \$5.00, and two other portions had \$0 increase, the total tax bill increases by \$5. Not the same math for percentages.

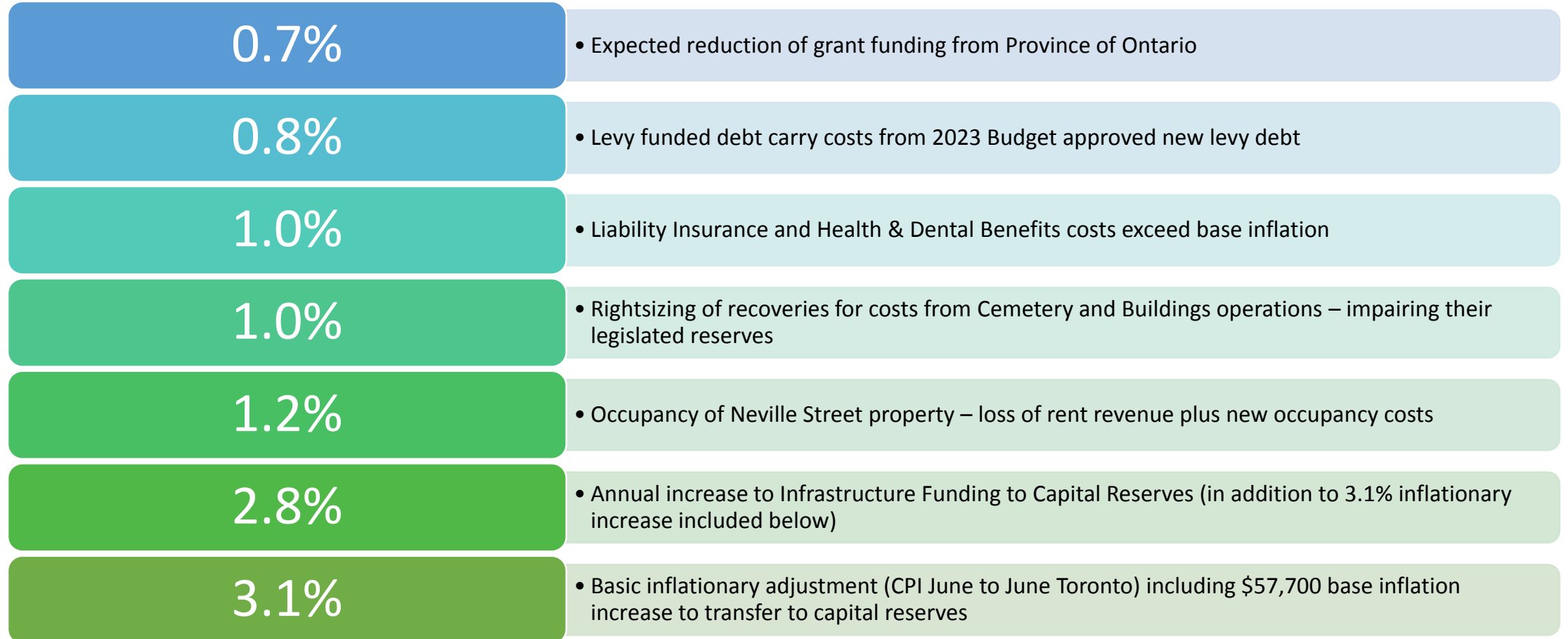


Tax Impacts Math

	2023 Tax Bill	Expected Tax Increase %	Expected Tax Increase \$	Expected Tax Bill
Wilmot	\$1,140.86	10.60%	\$120.94	\$1,261.80
Region of Waterloo	2,241.92	8.32%	186.53	2,428.45
School	649.94	0.00%	0.00	649.94
Total	\$4,032.72	DO NOT ADD	\$307.47	\$4,340.19
	\$307.47/\$4,032.72=	7.6%		

Total tax bill expected to increase about 7.6% for 2024

Key Drivers of 10.6% Tax Rate Pressure





Water & Wastewater Utility Services

- **Water:**
 - Region of Waterloo is responsible for water production, treatment and main trunk distribution systems & maintenance.
 - Township responsible for local distribution systems and maintenance, metering, account administration, local water quality testing
- **Wastewater:**
 - Region of Waterloo is responsible for main trunk collection mains & maintenance, treatment, disposal.
 - Township responsible for local collection systems and maintenance, account administration
- Region bills Wilmot based on volumes. Wilmot bills consumers based on water meter volumes.



Wilmot Utility Rate Structure

Not all customers on both Water and Sewer, so two rate sets

- 1) Volumetric rates capture cost of Waterloo services
- 2) Fixed charge captures maintenance, operations, administration and long-term reserve funding for infrastructure replacement.
 - Fixed charge increases with the size of water service/meter: Larger the service pipe to the property, larger the fixed charge per year

Wilmot Utility Rate Increases

Township of Wilmot Water & Sewer Rates Compare					
	2023 rate	2023 bill	2024 rate	2024 bill	% Change
Water:					
Volume	\$2.2257	69.00	\$ 2.3040	71.42	3.5%
Fixed	\$119/yr	19.83	\$130/yr	21.66	9.2%
	Water bill	<u>88.83</u>		<u>93.08</u>	4.8%
Sewer					
Volume	\$2.9583	91.71	\$ 3.0754	95.34	4.0%
Fixed	\$122/yr	20.33	\$136/yr	22.66	11.5%
	Sewer bill	<u>112.04</u>		<u>118.00</u>	5.3%
	Total Bill	200.87		211.08	5.1%

Average Consumption: 31 cu.m. per two months

Capital Funding Facts

- Average Annual Repair & Replacement Capital Plan Spend: \$11.1 million
- Book Amortization Expense (2022 fiscal): \$6.25 million
- 2024 Reserve Funding:
 - Levy \$2.22 million
 - Fed Gas & Ont OCIF \$1.75 million
 - Water/Wastewater rates \$0.95 million\$4.92 million

Levy and Utility funded Debt (\$millions)

2023 outstanding	\$14.65
2024 proposed	<u>\$ 2.43</u>

Total levy/util. debt \$17.08

Wise use of Debt Financing - Municipalities

- Use debt to facilitate growth in advance of growth
 - New growth pays development charges, used to pay the debt
 - Existing taxpayer not funding costs of growth
- Avoid debt to replace existing assets
 - Current uses consuming our assets should be funding the consumption of the asset as they age
 - Funds go into capital infrastructure reserves
 - Use reserves to replace assets
 - Next generation does the same – This is "User Pay"
 - Using Debt to fund replacements shifts consumption of old assets onto backs of future users of the new assets as they pay debt AND consumption
 - "Intergenerational Inequity"

2024 CAPITAL PROGRAM SUMMARY

Capital Budget by Department (\$000's)

	10 yr avg.	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
CAO	30	45	30	-	75	20	30	-	95	-	-
Fire	1,347	2,308	1,215	3,600	3,600	400	83	1,260	-	-	1,000
Corp Services	189	282	468	118	210	191	253	83	78	145	61
Infrastructure Services	13,695	9,241	16,161	16,166	14,049	12,597	11,248	13,569	12,070	19,829	12,017
Community Services	4,189	2,453	8,470	7,026	9,120	8,727	1,897	1,458	762	1,978	-
Development Services	71	285	290	80	-	25	-	25	-	-	-
Total Capital Plan by year	19,519	14,614	26,634	26,989	27,054	21,960	13,511	16,395	13,005	21,952	13,078
Compare prior year	15,595	22,473	34,528	16,723	25,226	18,492	7,101	3,444	8,874	12,487	6,601
Change %		(35.0%)	(22.9%)	61.4%	7.2%	18.8%	90.3%	376.0%	46.5%	75.8%	98.1%

Capital Budget By Type

	10 yr avg.	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Repair & Replacement	11,180	6,932	9,678	23,391	10,436	10,897	10,345	10,623	7,560	13,208	8,729
Growth and New	8,026	7,217	16,032	2,759	16,317	10,922	3,033	5,662	5,300	8,669	4,349
Studies and Other Initiatives	313	465	925	840	300	141	133	110	145	75	-
	19,519	14,614	26,634	26,989	27,054	21,960	13,511	16,395	13,005	21,952	13,078



Next steps: 2024 Budget to Approval

- Finance & Budget Committee meetings
 - Thursday January 25, 2024 (9:00 a.m. to 4:30 p.m.)
 - Saturday January 27, 2024 (9:00 a.m. to 4:30 p.m.)
 - Monday February 5, 2024?? tbd - Call of the Chair – if needed
- Target date for Council final approval:
 - Monday February 12, 2024 – Regular Council meeting
- Fees and Charges:
 - Will be in agenda for January 25.
 - Fees and Water rates approval: Committee to recommend to Council on January 29, 2024, at regular Council meeting.

Public Input Process



-
- All Finance & Budget Committee meetings are open to the public, and subject to delegation registration.
 - Written submissions may be made to Committee through the Clerks office.
 - Email comments, input and feedback to Budget@Wilmot.ca
 - All comments received from the public will be summarized and provided to the next Finance & Budget Committee