

Budget Meeting Day Three
May 2, 2023

A meeting to discuss the 2023 Budget was held via Teams on May 2, 2023, at 1:00pm with Warden Morrison in the Chair.

Present Were:

- District #1- Paul MacNeil
- District #2- Perla MacLeod
- District #3- Bruce Morrison, Warden
- District #4- Barbara Longva
- District #5- Fraser Patterson
- District #6- Larry Dauphinee, Deputy Warden
- District #7- Jackie Organ

Also present were:

- Leanne MacEachen, CAO
- Allan Bragg, Interim CFO
- Stephanie MacLeod, Recorder

Absent:

- District #8- Norman MacDonald

On Motion of Councillor MacNeil seconded by Councillor MacLeod to accept the recommendations that were made at the prior In-Camera meeting.

Motion Carried.

On Motion of Deputy Warden Dauphinee, seconded by Councillor Longva that the March 6, 2023, Budget Minutes be approved.

Motion Carried.



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Mr. Bragg gave the following presentation:



2023-24 Budget
Session #3
May 3, 2023

Session #1 and #2
Recap

2023 Property Assessment Impacts – Session #1

	2023	2022	Difference	% Change
Residential (with cap)	672,411,900	609,376,200	63,035,700	10.34%
Commercial	68,445,000	65,731,100	2,713,900	4.13%
Less: Seasonal adjustment	-5,351,775	-6,113,539	761,764	-12.46%
Resource (with cap)	98,500,300	94,992,400	3,507,900	3.69%
Total assessment (with cap)	834,005,425	763,986,161	70,019,264	8.98%

Impact to 2023-24 Property Tax Revenue – Session #1

<i>*with no tax rate change</i>	Current Rate	Incremental revenue
Residential	\$1.22	769,036
Commercial	\$2.12	57,535
Less: Seasonal adjustment		16,149
Resource	\$1.22	42,796
Additional 2023-24 property tax revenue		\$885,516

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Baseline Revenue Breakdown Session #2		Session #3
Taxes	11,314,000	11,314,000
Grants in lieu of taxes *	2,295,000	2,840,000
Services provided to other gov't	20,000	20,000
Revenue from own sources – waste	770,000	770,000
Revenue from own sources – other	246,000	246,000
Transfers from other gov't **	585,000	645,000
Total Baseline Revenue	15,230,000	15,835,000

Notes:

- No change to tax rates
- * Grants in lieu of taxes– NSPI increase approx. \$545k
- **Transfers from other gov't includes \$65k gas tax VOB revenue offset under fiscal services expenses

2023 Baseline Expenses Breakdown – Session #2

Baseline Expenses Breakdown		
General Government Services	2,856,000	21%
Protective Services	3,236,000	24%
Transportation Services	757,000	6%
Environmental Health Services	2,953,000	21%
Economic Development Services	126,000	1%
Tourism and Recreation	877,000	6%
Fiscal Services (Mandatory Contributions)	3,122,000	23%
Transfers from Reserves(already committed)	-167,000	-1%
Total Baseline Expenses	13,760,000	100%

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Baseline Expenses Breakdown Session #2			Session #3	
General Government Services	2,856,000	21%	3,541,000	22%
Protective Services	3,236,000	24%	3,276,000	21%
Transportation Services	757,000	6%	799,000	5%
Environmental Health Services	2,953,000	21%	3,758,000	24%
Economic Development Services	126,000	1%	226,000	1%
Tourism and Recreation	877,000	6%	1,012,000	6%
Fiscal Services (Mandatory Contributions)	3,122,000	23%	3,264,000	21%
Transfers from Reserves (already committed)	-167,000	-1%	-41,000	0%
Total Baseline Expenses	13,760,000	100%	15,835,000	100%

Baseline Expenses Changes Session #2 vs #3

General Government Services (\$685,000 increase)

- Council decisions session #2:
 - Grants \$250,000
 - Trails \$100,000
 - Property tax relief - organizations \$70,000
 - Property tax relief – low income \$25,000
 - Admin office maintenance \$200,000
 - Resident newsletter mailouts \$10,000
- Labour related (in camera)

Baseline Expenses Changes Session #2 vs #3

Protective Services (\$40,000 increase)

- Council decisions session #2:
 - Fire departments 5% increase \$28,440
- RCMP overall 6.04% increase however baseline factored 4% previously

Transportation Services (\$42,000 increase)

- Council decisions session #2:
 - Shore Road sidewalks \$50,000
- Road contributions increase from baseline \$3,300
- Street lights decrease from baseline \$11,300

Baseline Expenses Changes Session #2 vs #3

Environmental Health Services (\$805,000 increase)

- Council decisions session #2:
 - Dingwall brush/shingle piles \$300,000
 - Heavy garbage \$70,000
- Wastewater project – allocate 50% NSPI revenue increase toward project \$273,000
- Maintenance vehicle \$50,000
- Labour related (in camera)

Baseline Expenses Changes Session #2 vs #3

Economic Development Services (\$100,000 increase)

- Council decisions session #2:
 - Housing initiatives \$100,000

Tourism and Recreation (\$135,000 increase)

- Council decisions session #2:
 - Placemaking and community development \$70,000
- Labour related (in camera)

Baseline Expenses Changes Session #2 vs Session #3

Fiscal Services (Mandatory Contributions) (\$142,000 increase)

- Updates to corrections, CB housing authority, CBV regional School Board from baseline \$50,000
- Baddeck library increased from baseline \$27,000
- Baddeck gas tax expense presentation (re: revenue slide) \$65,000

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Baseline Expenses Changes Session #2 vs #3


Transfers from Reserves (\$41,000)

- Transfer to Capital Reserve \$125,000 –represents approx. 23% NSPI increase
- Transfer from Operating reserve (\$167,000) – represents rink contribution

Impact of tax rate change – Session #1

	Current Rate	1% increase (\$1.23/ \$2.14)	2% increase (\$1.24/ \$2.16)	3% increase (\$1.26/ \$2.18)	9% increase (\$1.33/ \$2.31)	14% increase (\$1.39/ \$2.42)
Residential	\$1.22	67,241	134,482	268,965	738,308	1,148,480
Commercial	\$2.12	13,689	27,378	41,067	130,593	203,145
Less: Seasonal adjustment		(1,070)	(2,141)	(3,211)	(10,211)	(15,884)
Resource	\$1.22	9,850	19,700	39,400	108,153	168,239
Additional revenue		\$89,710	\$179,420	\$346,221	\$966,843	\$1,503,979

Water Utility Budget – 2023-2024

		WATER UTILITY BUDGET FISCAL 2023-2024	
		BUDGET 2023-24	
REVENUE			
METERED SALES		\$	824,304
PUBLIC FIRE PROTECTION			242,448
OTHER REVENUE			11,240
			1,077,992
EXPENSES			
PUMPING			145,700
WATER TREATMENT			308,740
TRANSMISSION AND DISTRIBUTION			209,380
ADMINISTRATION			139,080
DEPRECIATION			239,137
			1,042,037
ANNUAL SURPLUS		\$	35,955

Water Utility Budget - Methodology

- Water utility rate study used as starting point adjusted for inflation or known changes
- No change to revenue values
- Expenses budget increased \$57,000
 - Pumping expenses increased \$10,000
 - Dingwall well #2 cleaning
 - Water treatment decreased (\$2,000)
 - Transmission and distribution increased \$25,000
 - Curb stop shut offs, parts inventory, vehicle maintenance
 - Administration increased \$24,000
 - System assessment reports, insurance

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CAO MacEachen brought up a best practice mission trip to Czech Republic and proposed 3 representatives from Victoria County go to see what the community development is like in that community to see how the Ski Cape Smokey project compares.

Warden Morrison asked if members of Council should go, and CAO said she thinks it should be staff but that is a council decision.

Deputy Warden Dauphinee said he doesn't think its necessary for him to go. Staff can come back with the information and present to Council.

A budget session day 4 will be scheduled soon for final budget approval.

Councillor Patterson made motion to adjourn at 2:51pm.