



The Corporation of the Town of LaSalle

To: Mayor and Members of Council

Prepared by: Tano Ferraro

Department: Finance

Date of Report: October 25, 2023

Report Number: FIN-27-2023

Subject: Proposed 2024 Budget Release and Highlights

Recommendation

That the report of the Manager of Finance dated October 25, 2023 (FIN-27-2023) regarding the proposed 2024 budget release and highlights be received.

Report

The proposed 2024 budget and business plan documents are in the final stages of completion and will be released on November 15th and presented to Council during the budget deliberation sessions, which are scheduled to take place Wednesday, December 6th and Thursday, December 7th (if required).

The 2024 proposed budget will be available on the Town's website and the community engagement website, PlaceSpeak. In addition, the Town plans to host a public open house prior to the budget deliberation sessions at the Vollmer Recreation Centre on November 29th.

Attached as appendix A is a summary of the significant changes in the proposed 2024 budget and appendix B contains the proposed 2024 capital budget.

If approved, the municipal levy will increase by \$3,575,100, this increase translates to \$193 per year or \$16 per month for the average residential home within the Town of LaSalle.

While this increase takes into account the effect of assessment growth (new construction) within the municipality, it is important to note that the province wide property assessment update which was originally scheduled to take effect on January 1, 2021 has been postponed for the fourth consecutive year. Specifically, property valuations for 2024 including newly constructed properties will continue to be set at

January 1, 2016 values. As a result, this continues to apply pressure to the municipal tax rate.

In addition, it is important to note that as of the date of this report, the Canadian inflation rate for 2023 is 3.8% year-over-year. This follows the 2022 inflation of 6.8%, which is the highest annual rate of inflation in decades. Furthermore, a significant portion of the overall budget is transferred to reserves to fund municipal infrastructure related projects, costs relating to these projects may be more accurately reflected in the non-residential construction price index and industrial price index which have increased significantly more than the consumer price index over the past three years. The Town has several long-term goals requiring significant financial commitments including the LaSalle Landing waterfront experience, fire master plan, police financial plan, asset management capital funding build up and the storm water drainage plan. The proposed municipal levy increase of \$3,575,100 provides sufficient funding to move forward with these goals. However, should the proposed tax rate be reduced, this would provide significant pressure on future budgets or may cause many of these initiatives to have to be scaled back or delayed.

Budget Summary

Municipal Property Taxes	Proposed 2024	2023	Change
Municipal General Levy	\$46,398,400	\$42,823,300	\$3,575,100
Municipal Residential Tax Rate	1.1215%	1.0496%	+6.85%
Municipal Taxes per average residential home	\$3,017	\$2,824	\$193

In addition to the Town of LaSalle municipal taxes, the Town bills, collects and remits annual levies on behalf of the County of Essex and the Province of Ontario (Education). As of the writing of this report, neither the County of Essex nor the Province of Ontario have published their respective 2024 rates. As such, the table below outlines the proposed Town of LaSalle municipal levy, no increase (estimate) in the Province of Ontario education taxes and three separate estimate scenarios of the County of Essex levy, a 2% increase (scenario A), a 4% increase (scenario B) and a 6% increase (scenario C). The effects of each scenario on the overall property tax rate and the average residential home are outlined within the table.

Total Property Taxes	Scenario A	Change	Scenario B	Change	Scenario C	Change
Municipal Rate	1.1215%	+6.85%	1.1215%	+6.85%	1.1215%	+6.85%
County Rate (Estimate)	0.5260%	+2.00%	0.5363%	+4.00%	0.5467%	+6.00%
Education Rate (Estimate)	0.1530%	+0.00%	0.1530%	+0.00%	0.1530%	+0.00%
Total Property Tax Rate (Estimate)	1.8005%	4.78%	1.8108%	5.38%	1.8212%	5.98%
Total Property Taxes per average residential home	\$4,843	\$221	\$4,871	\$249	\$4,899	\$277

* 1% Municipal tax rate increase amounts to \$420,000 of the Municipal levy.

Consultations

Not Applicable

Financial Implications

Financial implications are contained within the report and appendices.

Prepared By:



Manager of Finance/Deputy Treasurer

Tano Ferraro

Link to Strategic Goals

1. Enhancing organizational excellence - Yes
2. Strengthen the community's engagement with the Town - Yes

3. Grow and diversify the local economy - Yes
4. Build on our high-quality of life - Yes
5. Sustaining strong public services and infrastructure - Yes

Communications

Not Applicable

Notifications

Not Applicable

Report Approval Details

Document Title:	FIN-27-2023 Proposed 2024 Budget Release and Highlights.docx
Attachments:	
Final Approval Date:	Oct 31, 2023

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



Director of Finance/Treasurer

Dale Langlois



Chief Administrative Officer

Joe Milicia