

# Presentation of the 2024 General Taxation Budget

Tuesday, January 23, 2024



# Introduction

## Agenda

- 2024 Budget Overview Presentation
- Presentation of Operating and Capital Budget Submissions
- Town Hall meeting

## Budget Book

- Executive Summary
- Departmental Operating and Capital Budgets
- Appendix A: Capital Summary
- Appendix B: Reserves Summary
- Appendix C: Long-Term Debt
- Appendix D: Staff Complement
- Appendix E: Survey Response

# Presentation Overview

- Council's Strategic Priorities
- Budget Challenges/Risks
- Budget Highlights
- Operating Budget Overview
- Staffing Complement
- Capital Budget Overview
- Long-Term Financial Planning
- Asset Management
- Long-Term Borrowing (debt)
- Reserves and Reserve Funds
- Property Assessment and Taxes
- Community Partners
- Council Direction
- 2024 Budget Submission
- Non-Mandatory Budgeted Services
- Proposed Tax Dollars At Work
- Questions

# Council's Strategic Priorities

**Vision:** Cornwall is a diverse and progressive community where residents and businesses are provided with financially responsible and sustainable municipal services and infrastructure, and who feel welcomed and safe.

**Mission:** To foster vibrant, inclusive, responsible, and forward-thinking community services for residents and future generations.

**Council's strategic pillars for 2023-2026 are as follows:**

- Pillar 1: Housing for All
- Pillar 2: Community Connections
- Pillar 3: Achieve Net Zero by 2050
- Pillar 4: Cornwall - Future Ready

# Budget Challenges/Risks

The City is facing a number of pressures in its 2024 budget that are not unique to Cornwall, but reflective of what is occurring in other municipalities and other sectors.

- ❑ Legislative Changes and Funding
  - Mandatory provincial changes
  - 2024 funding notices not yet received
- ❑ Infrastructure
  - Aging Infrastructure
  - Backlog
  - Challenges to fund
  - Senior levels of government funding
- ❑ Staffing Resources
  - Workforce shortages
- ❑ High Inflation
  - Cost for Goods and Services
  - Supply Delays and Shortages
- ❑ Climate Change
  - Impact on
    - Levels of service
    - Risks to service delivery
    - Costs of service delivery

# Budget Highlights

The 2024 budget for the City of Cornwall can be summarized as follows:

- The City manages an annual operating budget of \$231.6 million and a capital budget of \$32.7 million.
- This document has been prepared with a tax levy of \$88,552,161. The tax levy increase is \$3,460,413 or 4.07%;
- Also included in the budget is \$1,100,000 of growth (new assessment from 2023 supplementary taxation) that has been added to the 2024 tax roll; and \$1,200,000 of supplementary taxation (projected growth added to the tax roll during 2024).
- Operating budgets funded from the tax base for City departments has increased by \$3,309,923 or 3.94%;
- Net capital budgets for City departments funded from the tax base have increased from \$1,093,850 to \$1,244,340 (\$150,490 or 13.76%).

# 2024 Operating Budget Summary

The operating budget provides resources for the day-to-day costs of delivering municipal programs and services to residents.

	2023 Budget	2024 Submission	\$ Change	% Change
Revenue	\$127,285,497	\$138,980,374	\$11,694,877	9.19%
PIL & Supps Taxation	2,437,430	2,587,499	150,069	6.16%
Growth	-	1,100,000	1,100,000	100.00%
<b>Total Revenue</b>	<b>\$129,722,927</b>	<b>\$142,667,873</b>	<b>\$12,944,946</b>	<b>9.98%</b>
<b>Expenditures</b>				
Salaries and Benefits	\$96,423,476	\$ 104,416,327	\$7,992,851	8.29%
Purchase of Goods	14,362,524	15,236,068	873,544	6.08%
Services and Rents	45,433,164	51,858,162	6,424,998	14.14%
Debt Charges	6,523,776	6,101,170	(422,606)	-6.48%
Insurance	2,239,073	2,570,233	331,160	14.79%
Financial and Transfers	\$36,449,183	\$37,324,628	875,445	2.40%
<b>Total Expenditures</b>	<b>\$201,431,196</b>	<b>\$ 217,506,588</b>	<b>\$16,075,392</b>	<b>7.98%</b>
Community Partners	\$4,114,109	\$4,372,763	\$258,654	6.29%
Net to Reserves	8,175,520	8,096,343	(79,177)	-0.97%
<b>Net Operating (Taxation)</b>	<b>\$83,997,898</b>	<b>\$87,307,821</b>	<b>\$3,309,923</b>	<b>3.94%</b>



Please see City Overall on page 35 of the budget book.

# Operating Revenue

Operating Revenue increased by \$13,680,637 or 10.47%

	2023 Budget	2024 Submission
PIL & Suppl. Taxation	\$2,437,430	\$3,687,499
Provincial / Federal	\$75,644,322	\$78,019,887
Municipal	\$11,284,992	\$12,840,677
User Fees / Other	\$32,426,539	\$38,742,497
Reserves	\$934,437	\$1,670,128
Internal Revenue	\$7,929,644	\$9,377,313
Total	\$130,657,364	\$144,338,001
	% increase	10.47%
	\$ increase	\$13,680,637

- Payments in Lieu & Supplementary & Growth  
\$1,250,069 or 51.29%
- Provincial and Federal Grants  
\$2,375,565 or 3.14%
- Other Municipalities  
\$1,555,685 or 13.79%
- User Fees / Other  
\$6,315,958 or 19.48%
- Reserves  
\$735,691 or 78.73%
- Internal Revenue  
\$1,447,669 or 18.26%

# Operating Expenditures

The departmental requests resulted in a year over year expenditure increase of \$16,990,560. This represents a 7.92% increase in expenditures from the 2023 approved budget.

	<u>2023 Budget</u>	<u>2024 Submission</u>
Salary	\$96,423,476	\$104,416,327
PoG	\$14,362,524	\$15,236,068
S&R	\$45,433,164	\$51,858,162
Debt Charges	\$6,523,776	\$6,101,170
Insurance	\$2,239,073	\$2,570,233
Financial	\$40,563,292	\$41,697,391
Reserves	<u>\$9,109,957</u>	<u>\$9,766,471</u>
Total	<u><u>\$214,655,262</u></u>	<u><u>\$231,645,822</u></u>
	% increase	7.92%
	\$ increase	\$16,990,560

- Salaries and Benefits  
\$7,992,851 or 8.29%
- Purchase of Goods  
\$873,544 or 6.08%
- Services and Rents  
\$6,424,998 or 14.14%
- Debt Charges  
(\$422,606) or (6.48%)
- Insurance  
\$331,160 or 14.79%
- Financial  
\$1,134,099 or 2.80%
- Reserves  
\$656,514 or 7.21%

# Staffing Complement

Net to the Corporation: ↑ 33 FTEs   ↑ 7,354 PT hours   ↓ 3 Contract Positions   ↓ 4 Students

## **Council (-1.0 FTE)**

Transfer Strategic Coordinator to CAO

## **CAO (+1.0 FTE)**

Transfer Strategic Coordinator from Council

## **Clerks Department (1.6 FTE)**

1 FT Municipal Lawyer, 1 FT Legal Clerk, -0.4 FTE  
Transfer of GM from Clerks to HR

## **Human Resources (+1.4 FTE)**

1 FT Occupational Nurse, 0.4 FTE Transfer of GM to  
HR from Clerks

## **Cornwall SDG Paramedic Services (+0.3 FTE, -2,919 PT hours)**

0.3 FTE Transfer from Human Services  
Reduction of PT hours

## **Human Services**

### **Ontario Works, Children's Services, Housing Services (+1.7 FTE, -1 Contract, -4.0 Students)**

2 Maintenance Staff (Housing), -0.3 transfer to  
Paramedic Services, 1 Contract Position to FT

## **Glen Stor Dun Lodge**

### **(+18 FTE, -1 Contract, +1,071 PT hours)**

17 FTE Service Delivery Review, -1 Contract  
Position to FT, Additional PT for Service  
Delivery Review

## **Fire and Emergency Management Services (+1.0 FTE)**

New Fire Prevention Officer

## **MW and Roads (+6 FTE, -1,330 PT hours)**

Brought Winter Control in-house, converted PT  
Hours to FTEs

## **Transit (+8,301 PT hours)**

Additional PT hours for coverage (Operators  
and Maintenance)

## **Economic Development (+1.0 FTE, -1.0 Contract)**

Convert Business Centre contract position to FT

## **Building Services (+3.5 FTE, -160 PT hours)**

New Building Official, Zoning Technician, and  
transfer from By-Law. Removed PT hours

## **By-Law Services and Parking Program (-0.5 FTE, -160 PT hours)**

New By-Law Supervisor and transfer to Building  
Services. Removed PT hours

## **Recreation Services (-1.0 FTE, +2,375 PT hours)**

Transfer FT lifeguard to PT hours

## **City Facilities (+176 PT hours)**

Transfer of PT hours between Recreation Facilities  
and Municipal Facilities



Further information can be found in  
Appendix D: Staff Complement section of  
the budget book beginning on page 204.

# Capital Budget

The capital budget funds the City’s infrastructure that supports service delivery. Infrastructure is the term that is used to describe City assets: parks and recreational facilities, housing, roads and bridges, police stations, fire stations, vehicles and buses, among other assets that the City owns.

**Capital Summary by Department**

Department	2023 Gross Capital	2024 Gross Capital	FUNDING SOURCE						
			GRANTS	SDG	FINANCING	DCs	CCBF	RESERVES	TAXATION
Non-Departmental	2,890.00								
Financial Services	100.00								
Housing Services	1,781.09	1,155.00						1,155.00	
Glen Stor Dun Lodge	482.00	800.00	151.80	76.96				415.00	156.24
Paramedic Services	875.00	1,128.00						1,128.00	
Fire Services	155.00	2,575.00			2,500.00			75.00	
Police Services	372.60	393.70						356.50	37.20
Municipal Works	1,198.00	1,413.00						1,113.00	300.00
Transit Services	1,977.30	471.08	176.70					144.38	150.00
Infrastructure Planning	21,962.00	9,955.00	5,344.77			1,668.70	2,514.53	427.00	
Waste Management	600.00	2,570.00			577.50	422.50		1,450.00	120.00
Recreation Services	400.00	600.00				54.90	454.20		90.90
City Facilities	3,952.00	11,525.00			8,000.00	300.00	285.00	2,550.00	390.00
Cornwall Public Library	150.00	150.00						150.00	
<b>Taxation Subtotal</b>	<b>36,894.99</b>	<b>32,735.78</b>	<b>5,673.27</b>	<b>76.96</b>	<b>11,077.50</b>	<b>2,446.10</b>	<b>3,253.73</b>	<b>8,963.88</b>	<b>1,244.34</b>

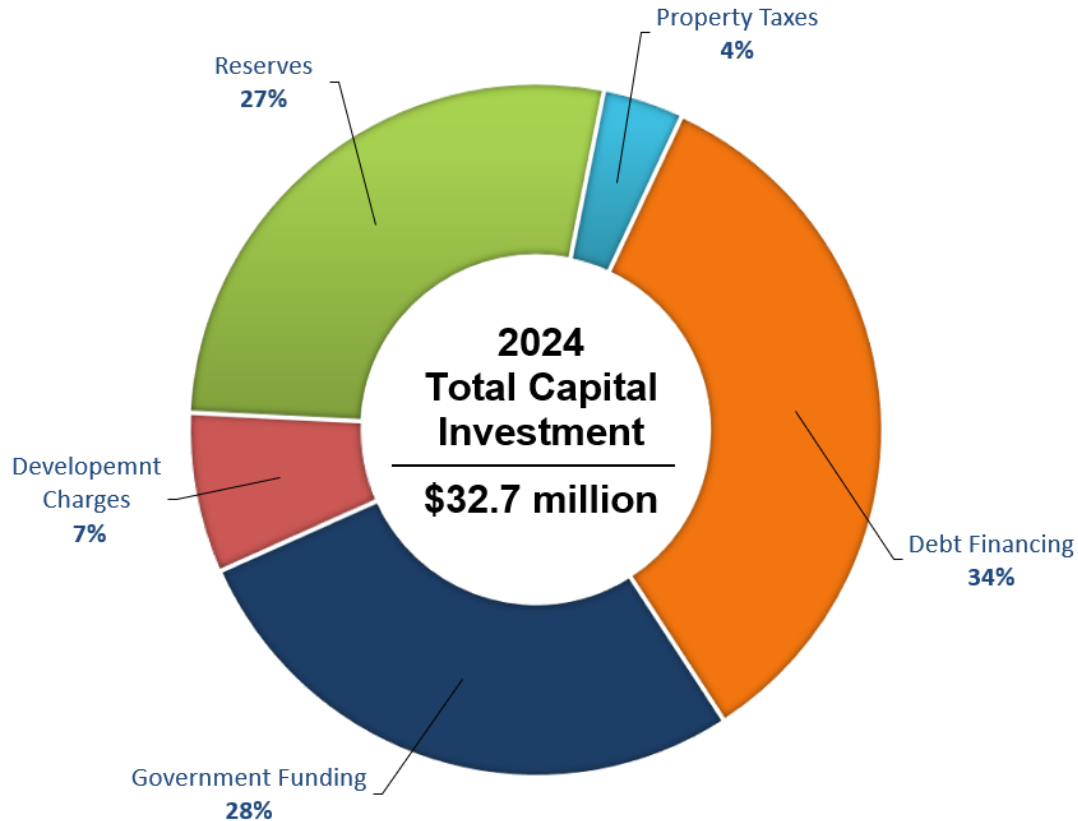
\*Dollars in 000's



Further information can be found in the Executive Summary on page 15 and in Appendix A: Capital Summary beginning on page 188 of the budget book and in each departmental section.

# Capital Funding

The 2024 budget includes three major sources of funding for capital projects: reserves, government funding, debt financing. Projects can receive funding from a single source or through multiple sources.



	2023 Budget	2024 Submission	Change from 2023 Budget
<b>Capital Funding Sources</b>			
Debt	\$3,859,910	\$11,077,500	\$7,217,590
Development Charges	\$56,250	\$2,446,100	\$2,389,850
Reserves	\$22,816,650	\$8,963,880	(\$13,852,770)
SDG	\$67,500	\$76,960	\$9,460
CCBF	\$2,955,000	\$3,253,730	\$298,730
ICIP Funding	\$1,459,899	\$176,700	(\$1,283,199)
Prov/OCIF Funding	\$4,585,931	\$5,496,570	\$910,639
	<b>\$35,801,140</b>	<b>\$31,491,440</b>	<b>(\$4,309,700)</b>
<b>Less:</b>			
Gross Capital Costs	\$36,894,990	\$32,735,780	(\$4,159,210)
<b>Total Capital funded by taxation</b>	<b>\$1,093,850</b>	<b>\$1,244,340</b>	<b>\$150,490</b>

% change from 2023 budget 13.76%  
 \$ change from 2023 budget \$150,490

# Long Term Financial Plan (LTFP)

	Budget	Submission	-----FORECAST-----			-----RE-FORECAST-----		
	2023	2024	2024	2025	2026	2025	2026	2027
Net Operating Budget	69,298,602	72,577,916	71,590,721	74,096,397	76,689,771	75,299,588	78,123,322	80,662,330
change \$		3,279,314	2,587,616	2,505,676	2,593,374	2,721,672	2,823,735	2,539,008
change %		4.73%	3.73%	3.50%	3.50%	3.75%	3.75%	3.25%
Debt Payments	6,523,776	6,653,562	7,418,653	9,294,607	11,382,117	8,130,699	11,935,144	13,119,653
Net to/from Reserves	8,175,520	8,096,343	6,000,000	4,400,000	2,300,000	6,000,000	3,000,000	3,000,000
Total Net Operating	83,997,898	87,327,821	85,009,374	87,791,004	90,371,888	89,430,287	93,058,466	96,781,983
Total Net Capital	1,093,850	1,224,340	2,300,000	2,000,000	1,600,000	2,000,000	1,600,000	1,600,000
Total Levy	85,091,748	88,552,161	87,309,374	89,791,004	91,971,888	91,430,287	94,658,466	98,381,983
Net Levy Change \$		3,460,413	2,570,261	2,481,630	2,180,884	2,878,126	3,228,180	3,723,517
Net Levy Change %		4.07%	3.02%	2.84%	2.43%	3.25%	3.53%	3.93%
Net Levy - LTFP	-	87,976,797	87,976,797	90,096,767	91,904,078	90,096,767	91,904,078	93,780,212
Net Levy - variance		575,364	(667,423)	(305,763)	67,810	1,333,520	2,754,388	4,601,771

The LTFP forecasts revenues, operating expenditures, contributions to/from reserves, and capital requirements (based on the 10-year Asset Management Plan) over the period 2018-2027. The LTFP is one tool that Council can use to identify the impact of current and future decisions when setting priorities for the City.

 Further information can be found on page 36 of the budget book.

# Asset Management

## Sustainable Service Delivery

The objective of asset management is to maximize benefits, manage risk, and provide satisfactory levels of service to the public in a sustainable manner.

City infrastructure (based on the 2022 AMP for core infrastructure and the 2016 AMP for other assets):

<u>Assets</u>	2016 \$ <u>AMP</u>	2022 \$ <u>AMP</u>
Buildings	251,498,204	
Municipal Fleet	22,736,362	
Roads, Small Culverts, Small Retaining Walls		409,070,000
Bridges, Large Culverts, Retaining Walls		72,240,000
Traffic Signals, Street Lights, Signs		54,310,000
Sidewalks, Recreational Paths		47,290,000
	<u>274,234,566</u>	<u>582,910,000</u>



**Phase 1**  
July 2019

Finalize strategic asset management policy to outline commitments to best practices and continuous improvement.



**Phase 2**  
July 2022

Have an AMP for core infrastructure assets that includes current levels of service and the cost of maintaining those services.



**Phase 3**  
July 2024

Following the completion of the AMP for core infrastructure assets, the City will continue working on the AMP to incorporate all municipal infrastructure assets such as facilities, fleet, and equipment. The AMP for all municipal assets is to include current LOS and costs to maintain these levels.



**Phase 4**  
July 2025

Builds on phase 3 where plans shift from current LOS to focus on proposed LOS and related life cycle management and financial strategy for all assets, including consultation with the public. As part of Phase 4, Municipalities are also required to update their Asset Management Policy.



The next version of the City's AMP (by July 1, 2024) will conform to the O. Reg. 588/17. See page 20 of the Executive Summary of the budget book for more information.

# Long-Term Borrowing (debt)

- ❑ At the City’s 2023 Year End, the existing debt obligations of \$50.3M requires an annual payment of \$8.2M.
- ❑ Ontario Regulation 403/02 sets the Annual Repayment Limit (ARL) for every municipality at 25% of own-source revenue. Based on the 2021 FIR, the City’s own source revenues total just over \$135.2M.
- ❑ The City has set its own debt ceiling at 10% of own source revenue.
- ❑ The following chart illustrates that the City is at 60.5% of the Municipal limit and at 24.2% of the Provincial limit.

Debt and Financial Obligation Limits	Debt Limits	2023 Debt Limits	Percentage of Limit Utilized
City of Cornwall Self-Imposed Debt Limit	10%	\$13.5 M	60.5%
Ontario Regulation 403/02	25%	\$33.8 M	24.2%
<b>Current Debt Limit Payment Percentage</b>	<b>6.05%</b>		



Further information can be found in the Executive Summary on page 25 and in Appendix C: Long-Term Debt section of the budget book beginning on page 200.

# Annual Principal and Interest Payments

Department	Est. Loans @ Jan 1/24	To Borrow in 2024	2024 Principal	2024 Interest	2024 Submission	Debt Repayment is funded by:
Fire/Police Services (Vehicles, Land Mobile Radios)	1,129,090	2,320,000	155,360	44,013	199,373	Tax Base
Municipal Works (Vehicles & Equipment)	1,744,080	0	638,884	44,188	683,072	
Parks and Landscaping (Emerald Ash)	222,375	0	170,532	2,428	172,960	
Municipal Works (Yard)	10,418,106	8,000,000	630,551	330,659	961,210	
City Facilities (Aquatic Equipment)	573,302	0	103,313	13,418	116,731	
Waste Management (Flare Replacement)	1,389,139	0	89,228	39,246	128,474	
Infrastructure Planning (LED, Marleau, Culvert, CN Overpass)	3,344,537	2,783,000	863,706	85,443	949,149	
	18,820,629	13,103,000	2,651,574	559,395	3,210,969	
Transit Services (Buses & Equipment)	2,318,171	0	739,523	66,295	805,818	Provincial Gas Tax and tax base
Paramedic Services (Facility)	466,929	0	118,800	11,045	129,845	50% MoH, 30% County, 20% City (tax base)
Benson Centre	5,525,251	0	539,767	179,617	719,384	Progress Fund interest and tax base
HVAC Systems Justice Bldg and Library	1,115,641	0	192,895	28,340	221,235	Building Reserve
Glen-Stor-Dun Lodge (Generator, Air Handling Units)	819,500	420,000	74,658	40,074	114,732	33% County, 67% City (tax base)
Recreation (Bike path retaining wall, pool basin)	0	2,400,000	0	0	0	
Housing Services	1,202,782	10,267,000	502,037	397,150	899,187	Govt Funding, Rents, City, County
Wastewater Capital Projects	17,840,523	0	1,830,110	661,608	2,491,718	Wastewater Billings
Water Capital Projects	2,245,300	5,800,000	260,622	127,337	387,959	Water Billings
<b>Total</b>	<b>50,354,726</b>	<b>31,990,000</b>	<b>6,909,986</b>	<b>2,070,861</b>	<b>8,980,847</b>	

# Annual Repayment Limit (ARL)

## (Under Ontario Regulation 403/02)

Each year the City of Cornwall receives a notice from the Ministry of Municipal Affairs summarizing the City's ARL.

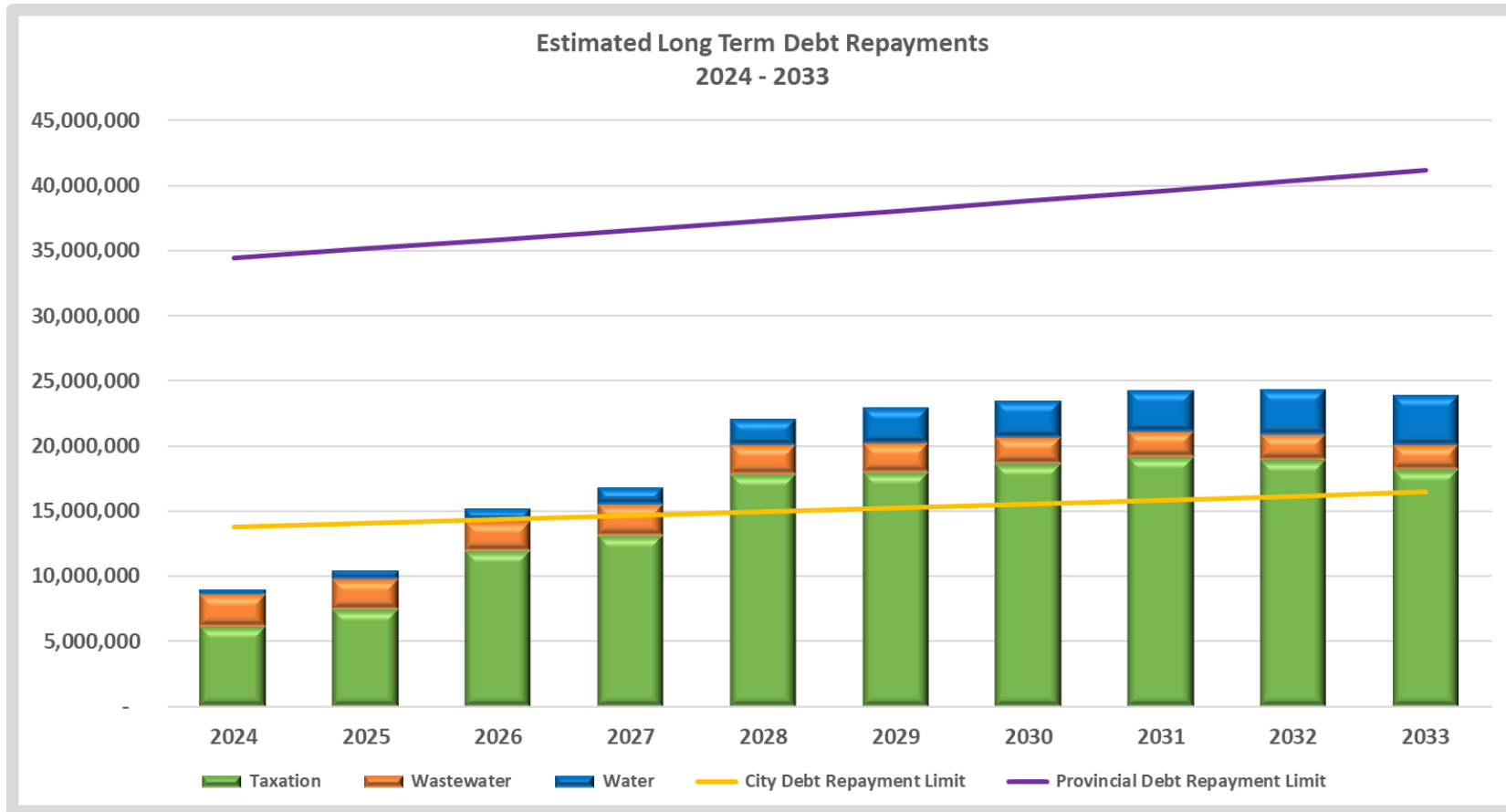
The City's estimated annual repayment limit is \$33,796,568.

This notice also lists the following examples of borrowing for illustration purposes only:

	<u>5.0% Interest Rate</u>	<u>Principal</u>
a)	20 years @ 5.0%	\$296,697,721
b)	15 years @ 5.0%	\$247,116,748
c)	10 years @ 5.0%	\$183,837,465
d)	5 years @ 5.0%	\$103,075,283

	2021 FIR	LTFP		2023 ARL	
		Municipal Limits (10%)		Provincial Limits (25%)	
		Additional	Total	Additional	Total
Long-Term Debt	\$50.3 M	\$88.3 M	\$138.6 M	\$296.7 M	\$347.0 M
Annual Principal and Interest	\$10.0 M	\$3.5 M	\$13.5 M	\$23.8 M	\$33.8 M

# Long-Term Debt Repayments



This graph provides forecasted information regarding the City's projected long-term debt repayments from 2024 to 2033. The purple line reflects the provincial debt ceiling, and the yellow line represents the self-imposed municipal debt ceiling for annual principal and interest repayments.

# Reserves and Reserve Funds

## Contributions to/from Reserves

The City has numerous reserves and reserve funds that are consolidated into the following four categories.

2024 Summary of Reserves and Reserve Funds					
Reserves and Reserve Funds	Estimated Opening Balance	Withdrawals	Additions	Net Change	Estimated Closing Balance
Operating Reserves	\$6,553,844	-\$583,827	\$272,326	-\$311,501	\$6,242,343
Capital Reserves	\$10,705,418	-\$8,573,814	\$6,916,744	-\$1,657,070	\$9,048,348
Restricted Reserves (Municipal Funding)	\$51,827,462	-\$11,616,729	\$11,441,233	-\$175,496	\$51,651,966
Restricted Reserves (Funded Externally)	\$10,523,240	-\$7,097,107	\$4,805,605	-\$2,291,502	\$8,231,738
<b>Total Reserves and Reserve Funds</b>	<b>\$79,609,964</b>	<b>-\$27,871,477</b>	<b>\$23,435,908</b>	<b>-\$4,435,569</b>	<b>\$75,174,395</b>

In 2024, the City plans to withdraw \$27.9M and contribute \$23.4M to its reserves. An estimated net decrease in reserves of \$4,435,569.

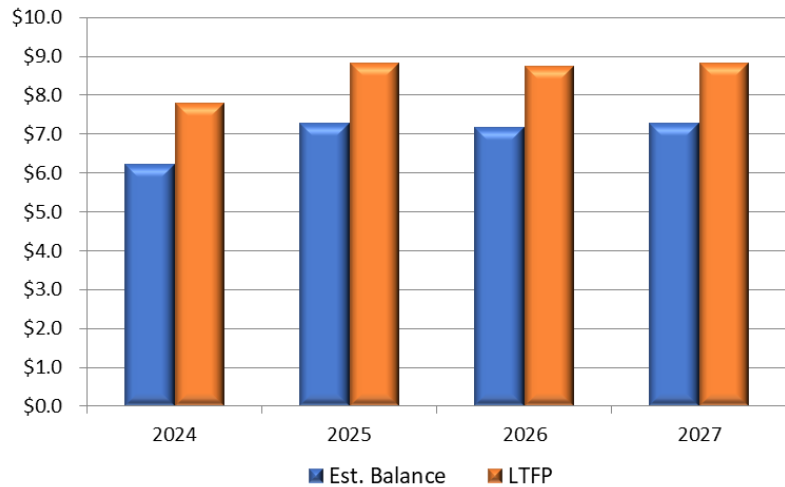


Further information can be found in the Executive Summary on page 22 and in Appendix B: Reserves Summary section of the budget book beginning on page 193.

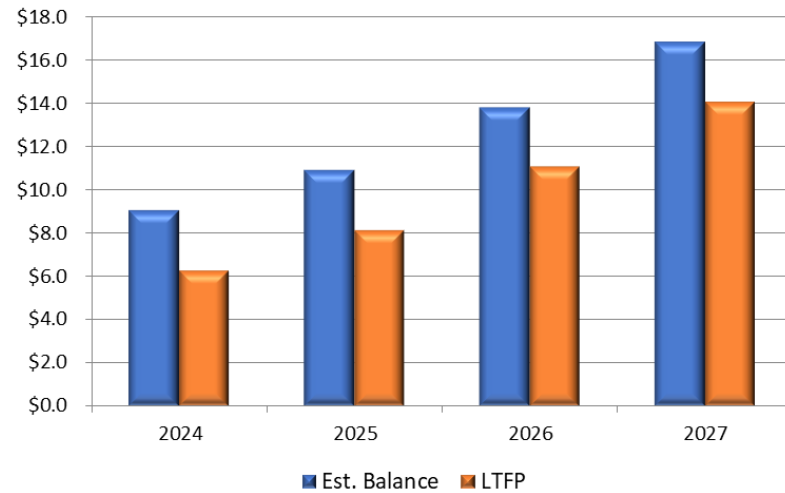
# Reserves and Reserve Funds

Previously established Reserves can be used to help stabilize rate increases from year to year. The following charts compares the City's current Reserve position (shown in the millions) from 2024 through 2027 with the LTFP.

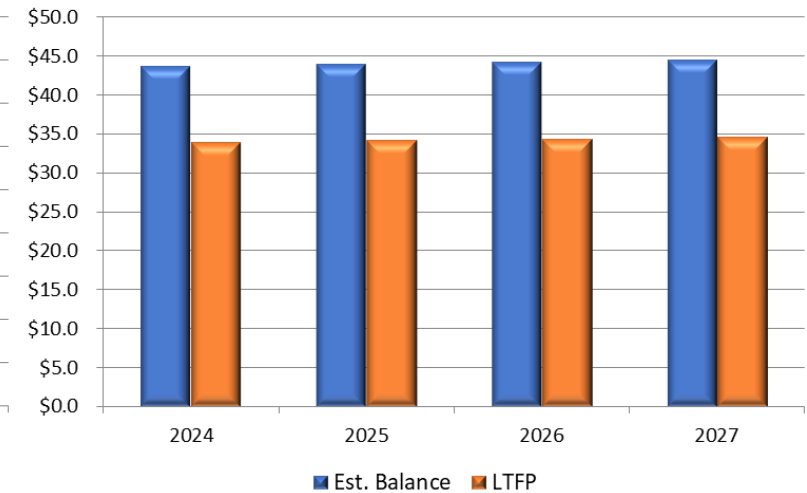
Operating Reserves & the LTFP



Capital Reserves & the LTFP



Restricted Reserves & the LTFP



# Total Assessed Value by Property Class

Property assessments are updated every four years by MPAC. The 2016 reassessment set the property values for the 2017-2020 property tax years. The year 2020 was the final year of this 4-year phase-in cycle.

The Ontario Government has indicated that property assessments for the 2024 property tax year will continue to be based on the fully phased-in January 1, 2016 current values and a review of the current property assessment system will be undertaken.

Property Classes	2023 Assessment	2024 Assessment	\$ Change	% Change	MPAC Market Assessment Change	Assessment Growth
Residential	\$2,866,704,700	\$2,893,744,509	\$27,039,809	0.94%	\$3,115,009	\$23,924,800
New Multi-Res 1:1	\$10,000,700	\$23,896,200	13,895,500	138.95%	0	13,895,500
Multi-Res	188,067,700	188,227,400	159,700	0.08%	159,700	0
Commercial	926,632,672	946,857,563	20,224,891	2.18%	-1,297,409	21,522,300
Landfill	556,100	556,100	0	0.00%	0	0
Industrial	85,471,400	86,126,400	655,000	0.77%	562,000	93,000
Pipeline	12,756,000	12,740,000	-16,000	-0.13%	-16,000	0
Farm	10,484,700	10,689,600	204,900	1.95%	204,900	0
<b>Total Assessment</b>	<b>\$4,100,673,972</b>	<b>\$4,162,837,772</b>	<b>\$62,163,800</b>	<b>1.52%</b>	<b>\$2,728,200</b>	<b>\$59,435,600</b>

Over the last few years, the City has seen property assessment decreases to both the multi-residential and commercial property classes. Changes in assessment will shift the tax burden between the classes. The City is not seeing a significant shift between classes in 2024.

# Allocation of Property Taxes between Classes

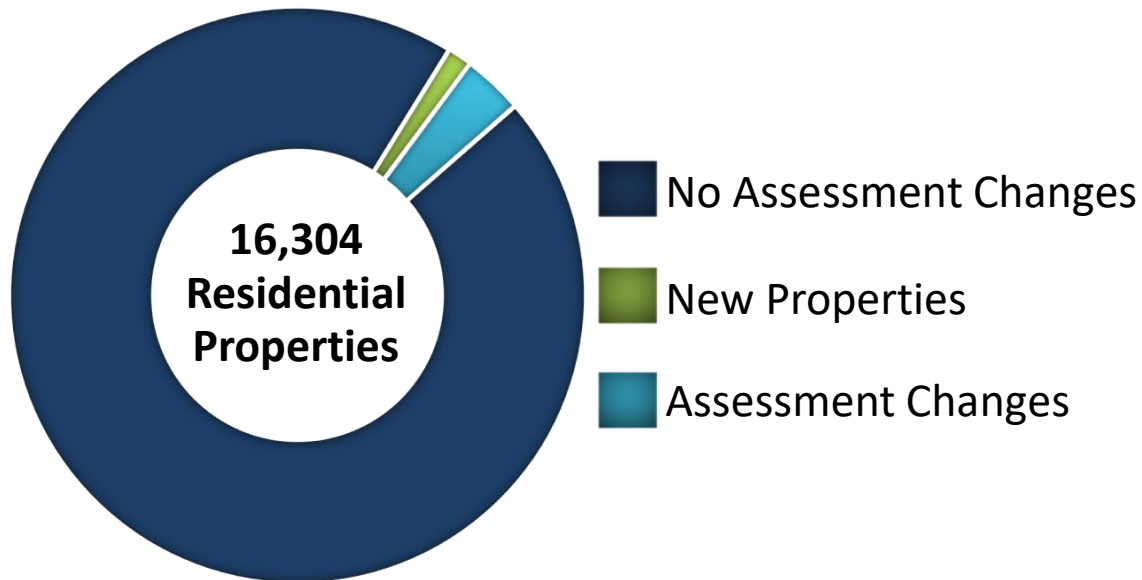
Property Classes	2023 Taxes	2024 Taxes	\$ Change	% of Total 2023	% of Total 2024
Residential	\$46,479,235	\$48,804,007	\$2,324,772	54.62%	54.44%
New Multi-Res 1:1	\$162,189	\$403,125	\$240,936	0.19%	0.45%
Multi-Res	\$5,697,857	\$5,702,695	\$4,838	6.70%	6.36%
Commercial	\$28,889,963	\$30,705,094	\$1,815,131	33.95%	34.25%
Landfill	\$15,841	\$16,478	\$637	0.02%	0.02%
Industrial	\$3,489,352	\$3,648,633	\$159,281	4.10%	4.07%
Pipeline	\$314,800	\$327,046	\$12,246	0.37%	0.36%
Farm	\$42,509	\$45,083	\$2,574	0.05%	0.05%
<b>Total Taxes</b>	<b>\$85,091,746</b>	<b>\$89,652,161</b>	<b>\$4,560,415</b>	<b>100.00%</b>	<b>100.00%</b>

Summary of 15,954 Residential Properties					
2023 Average Assessment	2024 Average Assessment	2023 Average Taxes	2024 Average Taxes	\$ Change	% Change
\$176,700	\$176,700	\$2,865.69	\$2,980.42	\$114.73	4.00%

The 2024 Average Assessment fully phased-in January 1, 2016  
current values

# Analysis of Residential Properties

As a continued response to the COVID-19 pandemic, the Ontario Government has indicated that property assessments for the 2024 property tax year will continue to be based on the fully phased-in January 1, 2016 current values.



- 15,954 residential properties did not have an assessment change when compared to the 2023 tax roll. These properties represent over 97.8% of the residential class.
- 143 new residential properties were added to the 2024 tax roll, representing 0.9% of the residential tax class.
- 207 residential properties had an assessment change, representing 1.3% of the residential tax class. These assessment changes are a result of renovations to existing properties or building additions.

# Analysis of Residential Properties

## Properties with no assessment change

Residential Property Type	Properties		Assessment			Taxes			
	Number	%	2023 Average	2024 Average	% Change	2023 Average	2024 Average	\$ Change	% Change
Single family detached	10,317	64.7%	\$ 178,950	\$ 178,950	0.00%	\$ 2,903	\$ 3,019	\$ 116.11	4.00%
Semi-detached (Separate ownership)	1,593	10.0%	\$ 169,553	\$ 169,553	0.00%	\$ 2,750	\$ 2,860	\$ 110.01	4.00%
Duplex	794	5.0%	\$ 127,623	\$ 127,623	0.00%	\$ 2,070	\$ 2,153	\$ 82.81	4.00%
Condominium Unit	958	6.0%	\$ 169,742	\$ 169,742	0.00%	\$ 2,753	\$ 2,864	\$ 110.14	4.00%
Semi-detached (Single ownership)	397	2.5%	\$ 165,001	\$ 165,001	0.00%	\$ 2,676	\$ 2,784	\$ 107.06	4.00%
Freehold Townhouse/Row house	390	2.4%	\$ 136,040	\$ 136,040	0.00%	\$ 2,207	\$ 2,295	\$ 88.27	4.00%
Property with three self-contained units	296	1.9%	\$ 168,082	\$ 168,082	0.00%	\$ 2,726	\$ 2,836	\$ 109.06	4.00%
Property with four self-contained units	236	1.5%	\$ 241,602	\$ 241,602	0.00%	\$ 3,919	\$ 4,076	\$ 156.76	4.00%
Other	973	6.1%	\$ 221,227	\$ 221,227	0.00%	\$ 3,589	\$ 3,732	\$ 143.54	4.00%
<b>Total Residential Properties</b>	<b>15,954</b>	<b>100.0%</b>	<b>\$ 176,700</b>	<b>\$ 176,700</b>	<b>0.00%</b>	<b>\$ 2,866</b>	<b>\$ 2,980</b>	<b>\$ 114.73</b>	<b>4.00%</b>


Single family detached and semi-detached (separated ownership) homes with no change in assessed value represents 74.7% of the portfolio of residential properties. The estimated increase in taxes is \$110-\$116 (4.00%).

The average municipal tax increase based on the total 15,954 residential properties is \$114.73 or 4.00%.

# Community Partners

Community Partners	2021 Approved	2022 Approved	2023 Approved	2024 Submission
Cornwall Public Library	\$2,451,158	\$2,261,666	\$2,401,019	\$2,333,748
Eastern Ontario Health Unit (EOHU)	\$728,413	\$742,981	\$757,841	\$757,841
Raisin Region Conservation Authority (RRCA)	\$548,352	\$549,255	\$560,402	\$577,214
Cornwall Regional Airport	\$103,049	\$110,126	\$110,126	\$110,126
Heritage Cornwall	\$0	\$3,850	\$3,850	\$3,616
SD&G Historical Society	\$100,000	\$151,309	\$151,309	\$155,848
Eastern Ontario Regional Network (EORN)	\$54,225	\$54,225	\$28,367	\$47,869
Eastern Ontario Agri Food Network (EOAFN)	\$25,000	\$25,000	\$25,000	\$0
Medical Recruitment / Scholarships	\$175,000	\$100,000	\$200,000	\$100,000
Municipal Grants Program - Net	\$113,484	\$123,446	\$73,000	\$152,500
Signature Events	\$0	\$0	\$30,000	\$30,000
Canada Day	\$0	\$0	\$0	\$25,000
Your Arts Council	\$0	\$0	\$0	\$25,000
Encore Education Centre	\$0	\$0	\$0	\$30,000
Social Development Council	\$0	\$0	\$0	\$35,000
Beyond 21 - Capital (from/to Working Reserves)	\$100,000	\$0	\$0	\$0
<b>Total</b>	<b>\$4,398,681</b>	<b>\$4,121,858</b>	<b>\$4,340,914</b>	<b>\$4,383,762</b>

The City supports many organizations who provide programs and services to our community. Funding is provided to Community Partners and through the Municipal Grants Program (budget \$170,000).

 Further information can be found in the Executive Summary on page 28 and in the Community Partners section of the budget book beginning on page 176.

# Council Direction

At its meeting of September 11, 2023, Council passed a Resolution 2023-09 – Budget Direction for 2024.

Whereas there are inherent challenges in the development of the annual budget such as inflationary pressures, infrastructure renewal costs and backlog, and mandated provincial policies, the budget will include the following guiding principles and direction:

- Maintain existing service levels, separately identifying new or enhanced service levels, new programs, or funding required due to growth;
- Incorporate a strategic, long-term perspective; and
- Keep tax levy reasonable;

Now therefore be it resolved that Administration prepare the 2024 General Taxation Budget with a goal of 3% tax levy increase excluding growth and provide similar objectives to the Police Services Board;

# 2024 Budget Submission

- The 2024 Budget was been prepared with a \$3,460,413 or 4.07% increase when compared to the 2023 tax levy, allocated as follows:

Department	Change from 2023		Department	Change from 2023	
	\$	%		\$	%
Cornwall Police Services	1,297,614	5.99%	City Facilities	52,631	0.54%
Housing Services	809,389	13.98%	Community Partners	38,309	0.91%
Transit Services	553,736	12.65%	Infrastructure Planning	32,664	1.05%
Recreation Services	390,898	61.60%	Paramedic Services	24,331	0.65%
Insurance Premiums	331,160	14.79%	Ontaro Works	-389	-0.07%
Financial Services	325,438	7.50%	Children's Services	-13,519	-100.00%
Roads Division	318,788	7.03%	Waste Management	-30,841	-0.95%
Municipal Works	264,907	5.59%	Planning Services	-35,264	-8.18%
CAO	192,717	38.71%	Building Services	-41,935	21.20%
Glen-Stor-Dun Lodge	170,388	7.85%	Economic Development	-68,691	-8.79%
Human Resources	163,622	7.81%	Council	-101,552	-16.49%
Clerks Services	112,025	13.72%	Corporate Costs/Int.Rev	-141,904	-12.78%
Fire Services	110,616	0.97%	Non-Departmental	-1,385,777	-1.52%
Bylaw and Parking	91,052	14.82%	<b>TOTAL</b>	<b>3,460,413</b>	<b>4.07%</b>

- 3% increase in dollars is \$2,552,752 (difference of \$907k)

# Non-Core/Non-Mandatory Budgeted Services

The following is a list of programs/services that are included in the 2024 budget submission that are non-core or non-mandatory to the operation of the City and was created considering Council's direction of a goal of a 3% net levy change.

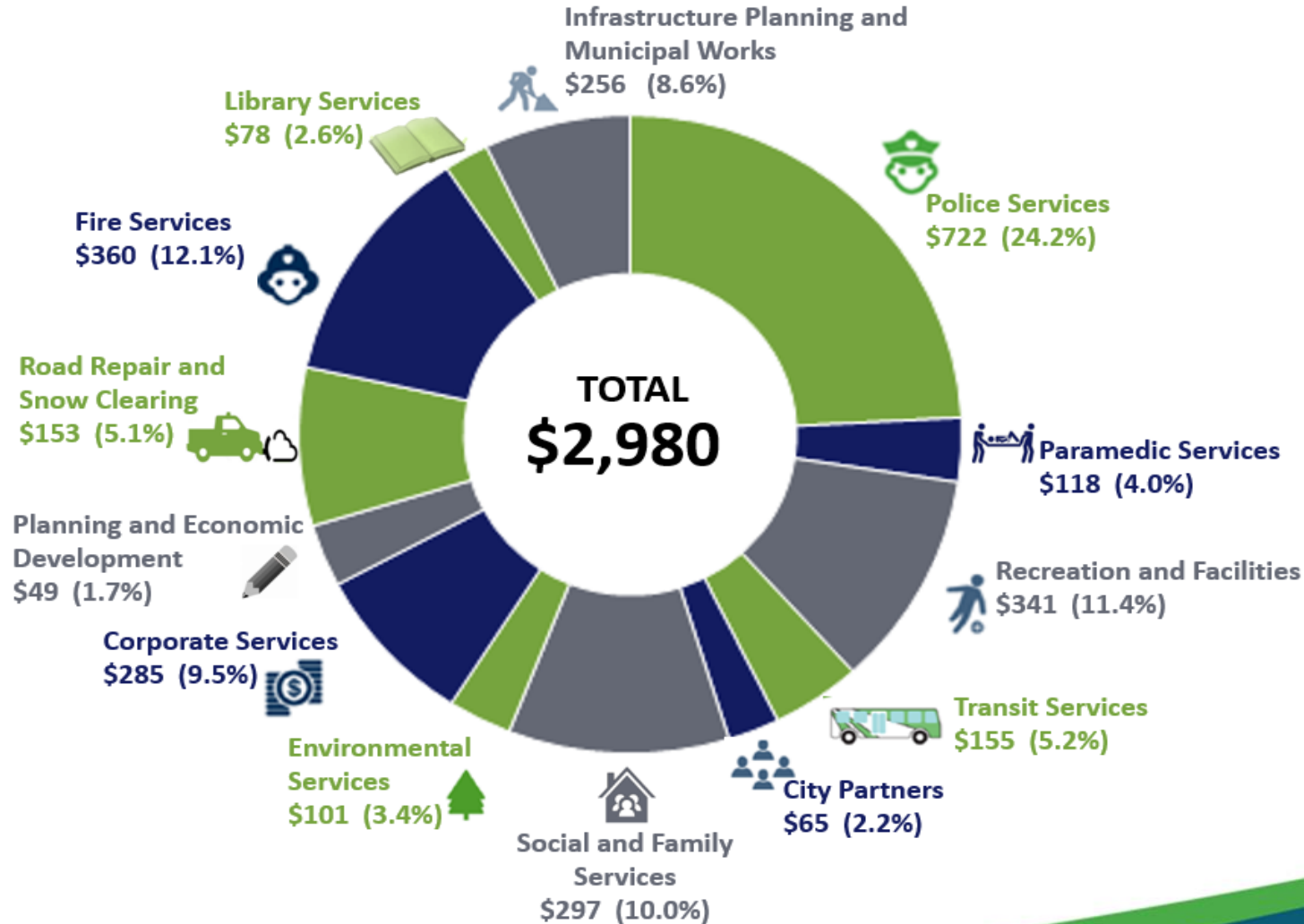
	\$		\$
*Cornwall Regional Airport	110,126	Municipal Grants Program - Net	152,500
Historical Society/*Museum	188,746	Signature Events	30,000
*Aultsville Theatre	70,000	Canada Day	25,000
and St. Lawrence College	227,000	Your Arts Council	25,000
Medical Recruitment	100,000	Encore Education Centre	30,000
*Marina 200	103,893	Social Development Council	35,000
*Big Ben	109,221	Community Investment Program (CIP)	50,000

It is important to note that service reductions/removal of these services may be financially limited in 2024 due to MOUs, Agreements, Commitments, etc.

\* The City incurs capital costs at these facilities.

# Proposed Tax Dollars At Work

The municipal taxes for the average home assessed at \$ 176,700 would be \$2,980 annually.



# Property Taxes and W/WW Billings

## SAMPLE #1 - 1 bath, outside tap, no pool Assessment \$144,000

	<u>2023</u>	<u>2024</u>	<u>Change</u>	<u>Percent</u>
Property Taxes	2,335.36	2,428.77	93.41	4.00%
Water/Wastewater	712.72	788.33	75.61	10.61%
<b>Combined</b>	<b>3,048.08</b>	<b>3,217.10</b>	<b>169.02</b>	<b>5.55%</b>

## SAMPLE #2 - 1-1/2 bath, outside tap, no pool Assessment \$176,700

	<u>2023</u>	<u>2024</u>	<u>Change</u>	<u>Percent</u>
Property Taxes	2,865.69	2,980.42	114.73	4.00%
Water/Wastewater	891.76	986.37	94.61	10.61%
<b>Combined</b>	<b>3,757.45</b>	<b>3,966.79</b>	<b>209.34</b>	<b>5.57%</b>

## SAMPLE #3 - 2 full bath, outside tap, pool Assessment \$219,000

	<u>2023</u>	<u>2024</u>	<u>Change</u>	<u>Percent</u>
Property Taxes	3,551.70	3,693.94	142.24	4.00%
Water/Wastewater	1,015.68	1,123.43	107.75	10.61%
<b>Combined</b>	<b>4,567.38</b>	<b>4,817.37</b>	<b>249.99</b>	<b>5.47%</b>

# Municipal Levies

Funding Source	2023	2024	Change	%
Property Tax Levy	85,091,748	88,552,161		<b>4.07%</b>
*Water/Wastewater	<u>20,640,680</u>	<u>23,046,427</u>		<b>11.66%</b>
<b>Total</b>	<b>105,732,428</b>	<b>111,598,588</b>		<b>5.55%</b>

\* The Water and Wastewater rate increase of 11.66% is the blended rate for both Per Fixture Customers (10.61%) and Metered Customers (16.19%)

The blended levy of property taxes and water and wastewater billings has increased by 5.55%.

The three sample properties illustrate that the combined billings for taxes and water and wastewater charges would increase by approximately 5.5% (\$169-\$250)



**Thank You.  
Questions?**