



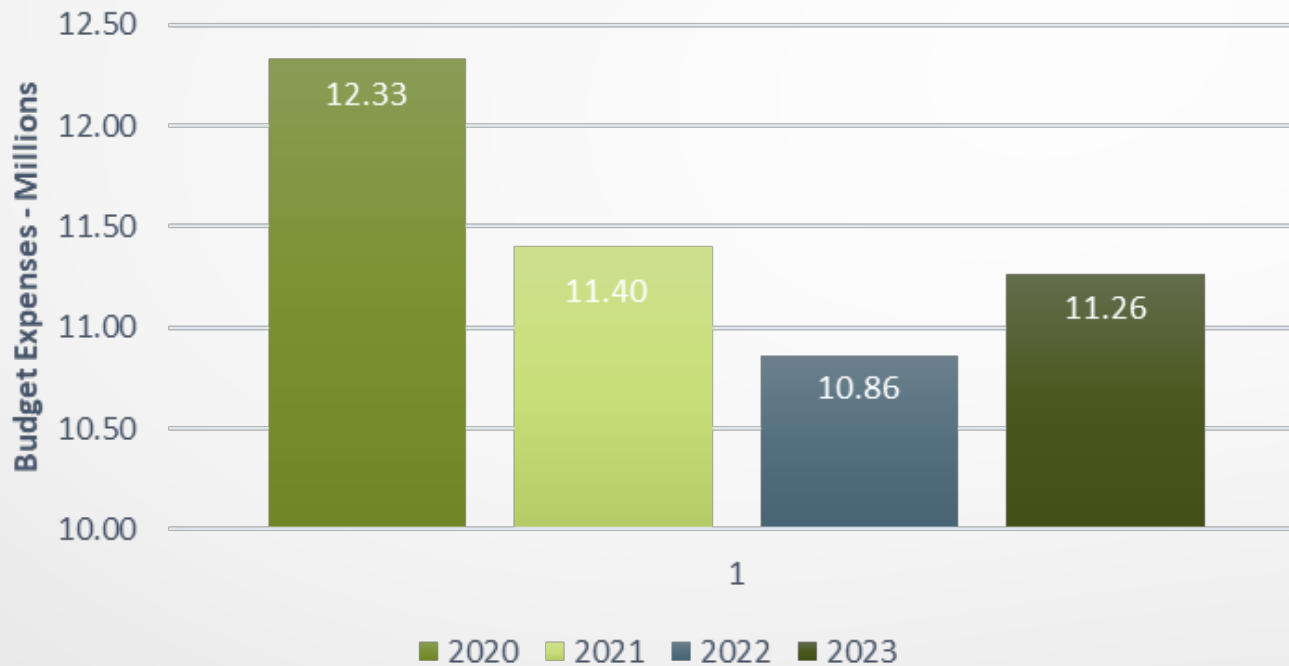
# 2023 Provisional Budget Presentation

# AGENDA

- Budget Comparison
- Sources of Revenue
- Department Allocation of Expenses
- 2023 Provisional Operating Budget
  - Revenue
  - Expenses
- 2023 Provisional Capital Projects
- Preliminary Reserve Balances
- BC Assessment
- Property Taxes
  - Revenue Collected
  - Proposed Property Tax Increase
- Questions

# Budget Comparison 2020-2023

## Annual General Operating Budget

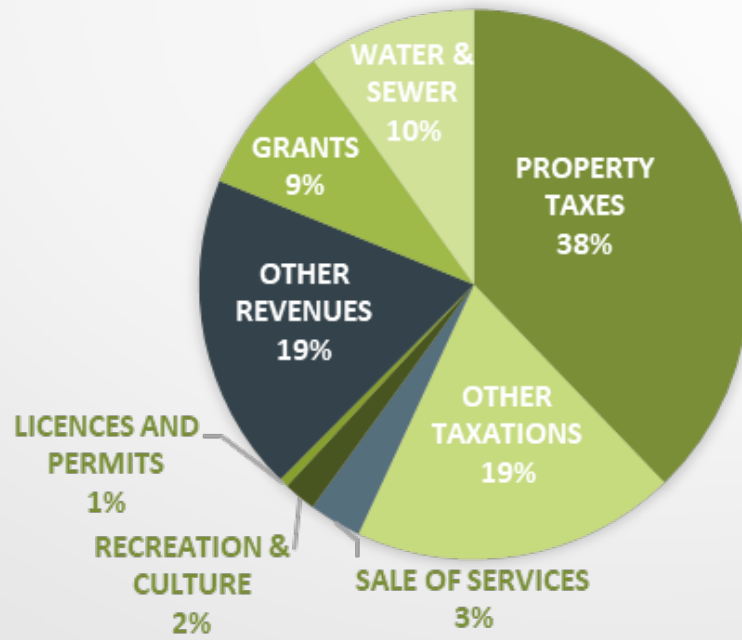


❖ Final budget not including depreciation

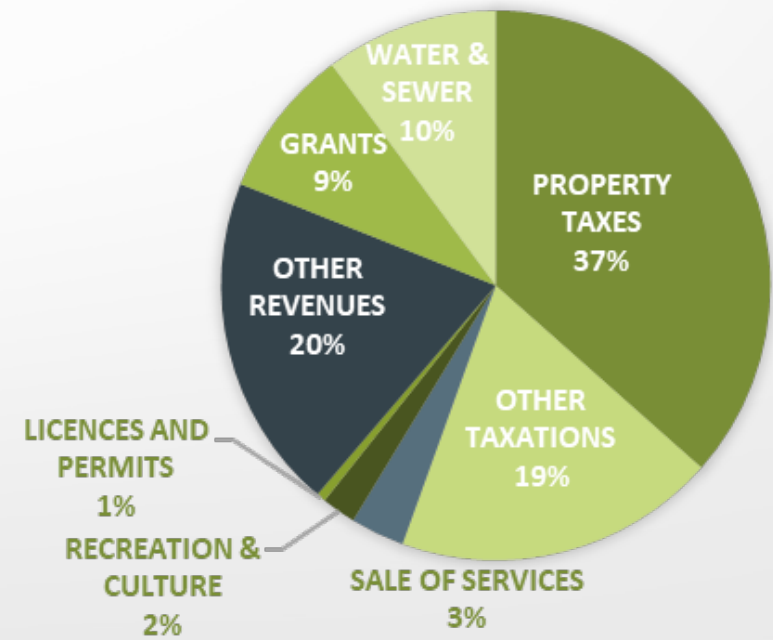
❖ 2023 Provisional Budget

# 2023 vs 2022 REVENUE SOURCES

## 2023 PROVISIONAL BUDGET



## 2022 FINAL BUDGET

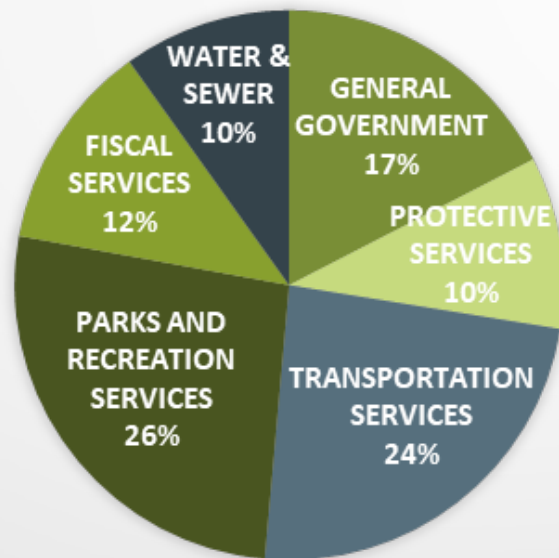


# Departments

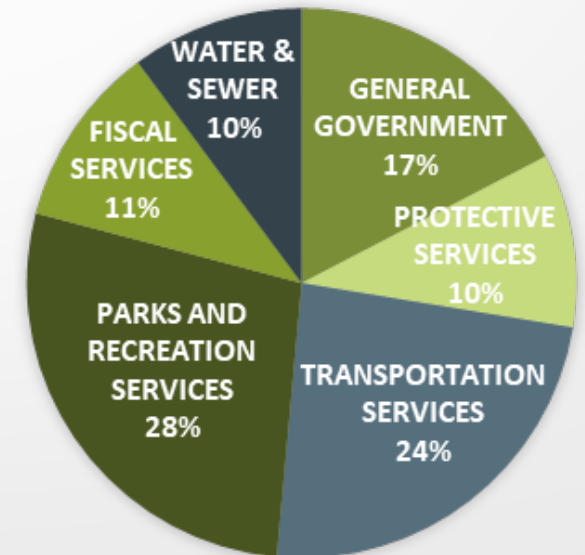
Department	Description
General Government	Council, Corporate Administration, Finance, Common Services, Economic Development and Community Grants
Protective Services	Fire Department, Building Inspections, Bylaw Services, Emergency Management, Justice Building and Victim Services Program
Transportation Services	Administration, Streets, Traffic and Street Lighting, Municipal Airport, Solid Waste Collection, Cemetery, Beaches and Parks
Parks and Recreation Services	Playgrounds, John Dahl Park, Little Mac Ski Hill, Recreation Centre and Ernie Bodin Community Centre
Fiscal Services	General fiscal expenses, transfer to reserves and other funds
Water & Sewer	Expenses related to the operation of water and sewer systems

# 2023 vs 2022 EXPENSES BY DEPARTMENT

## 2023 PROVISIONAL BUDGET



## 2022 FINAL BUDGET



# 2023 Provisional Operating Budget - Revenue

2023 Provisional Budget	2022 Final Budget	2023-2022 Budget Variance	% of Budget Increase/(Decrease)
12,868,748	12,463,400	405,348	3.3%

- ❖ Property tax revenue increase of \$328,026
  - ❖ \$103,041 Capital Renewal Levy transferred directly to reserves
  - ❖ \$143,985 operational costs
  - ❖ \$81,000 additional tax revenue due to new construction – operational costs
- ❖ Remaining \$77,32 increase due to additional grants received
- ❖ Transferred \$214,733 from the Financial Stability Reserve
  - ❖ Reduction of \$107,366 from 2022

# 2023 Provisional Operating Budget - Expenses

2023 Provisional Budget	2022 Final Budget	2023-2022 Budget Variance	% of Budget Increase/(Decrease)
12,868,748	12,463,400	405,348	3.3%

- ❖ Increase in budget related to:
  - ❖ 2% capital levy (\$103,041) transferred to reserves
  - ❖ Increase in investment interest transferred to reserves
  - ❖ Increase cost in consumables and premium rates due to inflation

# Capital Projects

**Estimated total cost of projects: \$6,442,770**

- ❖ \$5,297,929 to be funded by reserves
- ❖ \$1,144,841 to be funded by grants and other funding sources
  
- ❖ Majority of projects have been carried over from 2022 to be completed in 2023
- ❖ New projects for 2023 include:
  - ❖ \$150,000 outfit the new Fire Truck with the necessary equipment
  - ❖ \$95,000 paving plan to provide priority upgrading to road infrastructure
  - ❖ \$590,000 install water treatment system for the Gantahaz subdivision
  - ❖ \$100,000 replace sewer flusher equipment that has reached end of its life cycle

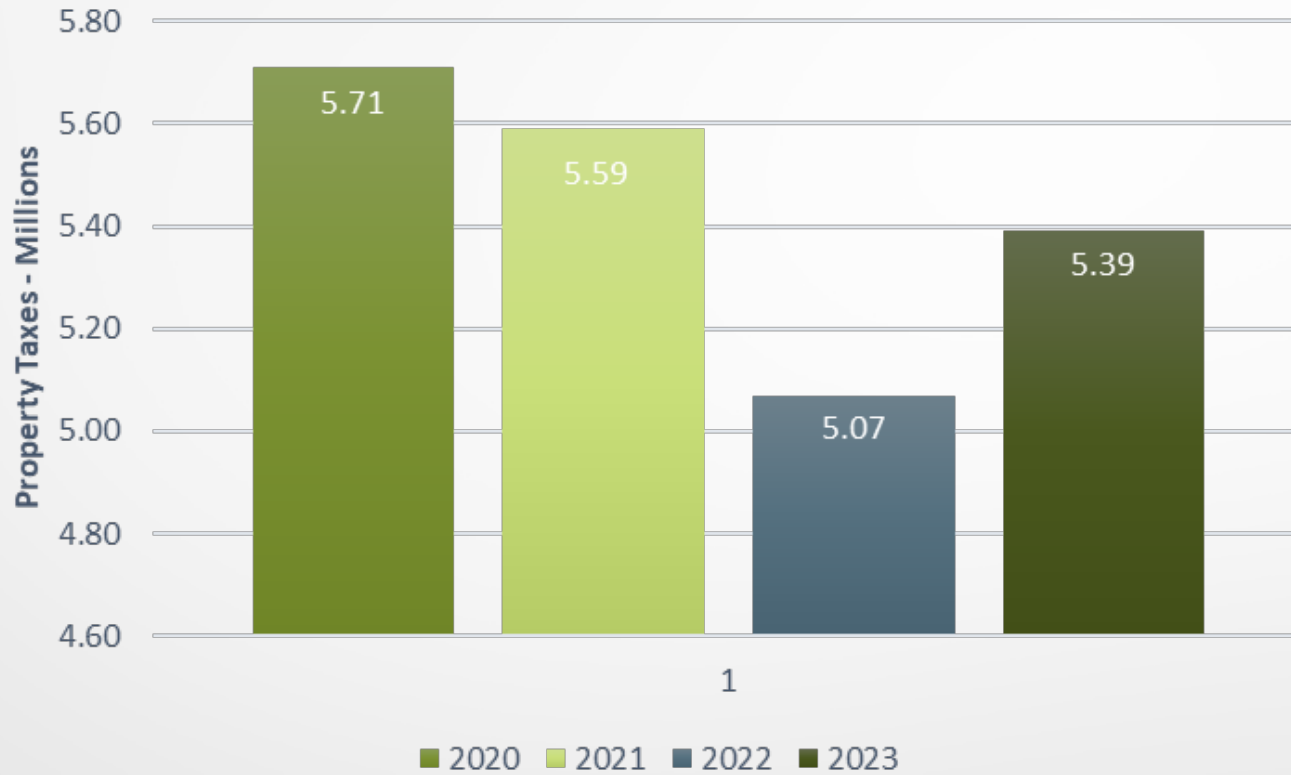
# Preliminary Reserve Fund Balances

Reserves	2022 Estimated Value	2023 Additions	2023 Allocations	2023 Estimated Value
Financial Stability	\$2,119,966	\$27,212	\$250,483	\$1,896,695
Fire Vehicle & Equipment	\$1,721,736	\$186,770	\$1,635,000	\$273,506
Vehicle & Equipment Replacement	\$3,559,232	\$408,947	\$959,377	\$3,321,211
General Capital	\$3,986,068	\$297,956	\$959,377	\$3,324,647
Capital Renewal	\$1,965,489	\$457,839	\$237,088	\$2,186,240
Parkland	\$41,003			\$41,003
Gas Tax	\$789,568	\$244,317		\$1,033,885
Northern Capital & Planning Grant	\$1,751,862	\$22,075	\$1,007,443	\$766,494
Climate Action	\$40,241	\$40,241		\$80,482
Water	\$1,567,651	\$216,617	\$628,853	\$1,155,415
Sewer	\$324,903	\$179,040	\$183,200	\$320,743
<b>Total Reserve Balance</b>	<b>\$17,867,718</b>	<b>\$2,081,014</b>	<b>\$5,548,412</b>	<b>\$14,400,321</b>

# BC Assessment

- ❖ Assessment values, as determined by BC Assessment, are used to determine the tax rates required to raise enough revenue to cover the annual operating budget
- ❖ Assessment values for Mackenzie increased overall by 6.48%
  - ❖ Class 1 Residential - 4.13% increase
    - ❖ Average residential assessment for 2022 – 153,637
    - ❖ Average residential assessment for 2023 – 159,982
  - ❖ Class 4 Major Industry - 2.30% increase
    - ❖ Increase due to market changes
  - ❖ Class 6 Business and Other - 22.75% increase
    - ❖ Overall assessment increase of \$11.6M
    - ❖ \$9.5M increase due to non-market change
      - ❖ Using 2022 tax rate = increase revenue of ~\$82,000

# Property Taxes Collected



# Proposed Property Tax Increase

- ❖ Estimated 5.6% overall property tax increase
  - ❖ 2.0% (\$103,041) transferred directly to Capital Renewal Reserve
  - ❖ 3.6% (143,985) for operational costs

Impact on the average assessed single-family residence (\$159,982)

- ❖ ~\$63 on annual property tax bill    \$5.25/month

Impact on the average assessed small business (\$243,220)

- ❖ ~\$131 on annual property tax bill    \$10.92/month

- Water, Sewer and Garbage rates are determined through bylaw and are not impacted by property taxes
- Bylaw rate review is currently underway and proposed rate increases will be brought forward to Council in the near future



Questions