



Budget Report

Report Title: General Revenue 2023 Budget

Prepared By: Jodi MacArthur, Treasurer

Department: Treasury

Date: Feb. 17, 2023

Report Number: TR-2023-02-8

File Number: C11-TRE23

Attachments: Tax Rate Worksheet

Recommendation:

THAT the Township of Huron-Kinloss Council hereby receives for information Report Number TR-2023-02-8 prepared by Jodi MacArthur, Treasurer.

Budget Overview:

2023 Proposed Budget Total Net Revenue: \$11,665,323.00

Compare to:	Total Net Expenditures	Difference (\$)	Difference (%)
2022 Budget	\$11,119,955.00	\$545,368.00	4.9%
2022 Actual	\$11,273,778.04	\$391,544.96	3.5%

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Discussion:

General revenue consists of funds raised through taxation, payments in lieu of taxes, penalty and interest on unpaid balances, interest earned on cash and investment and the Ontario Municipal Partnership Fund (OMPF) unconditional grant.

It also nets out the grants received and projects implemented through the Municipal Modernization Program.

Treasurer's Comments:

The province wide reassessment that was scheduled to take place for 2021 has been on hold so the only assessment growth has come from new building activity and in

year property changes. We are fortunate to have had an increase of 2.72% without having to increase the tax rate. Based on the amount of recent building activity we anticipate there will be additional assessment added during 2023 and have included a reasonable estimate in the budget for added assessment less any corrections such as incorrect classifications, changes in use or assessment appeals.

MPAC has also discontinued use of the "new" construction classes for commercial and residential construction thereby amalgamating these with the regular commercial and industrial taxable assessment. They have also recently announced an increase to the Farm Forestry Exemption from 20 to 30 acres that may result in the reclassification of some previously classed farm or managed forests to exempt.

Rising interest rates have provided a welcomed opportunity for greater returns on investments and bank interest.

The draft 2023 budget is presented as a balanced budget with a 4.73% increase to the municipal tax rate. This is based on the municipal projects proposed and does not include a projected 2022 surplus as we are still awaiting some final costs. The amount required to be raised through taxation is \$10,106,138 compared to \$9,394,963 in 2022; an increase of \$711,174.36 or 7.57%

Strategic Alignment / Link:

The information provided in this report is consistent with and in keeping with the Municipality's Vision & Mission. The recommendations contribute to our goals in achieving an accessible community by being open and transparent.

Respectfully Submitted By:

Jodi MacArthur, Treasurer

Report Approved By:

Mary Rose Walden, Chief Administrative Officer