

Town of Oakville 2022 Budget Overview

June 21, 2021

Council Guideline

“...that the 2021, 2022 and 2023 budgets be prepared keeping overall property tax increases in line with inflation.”

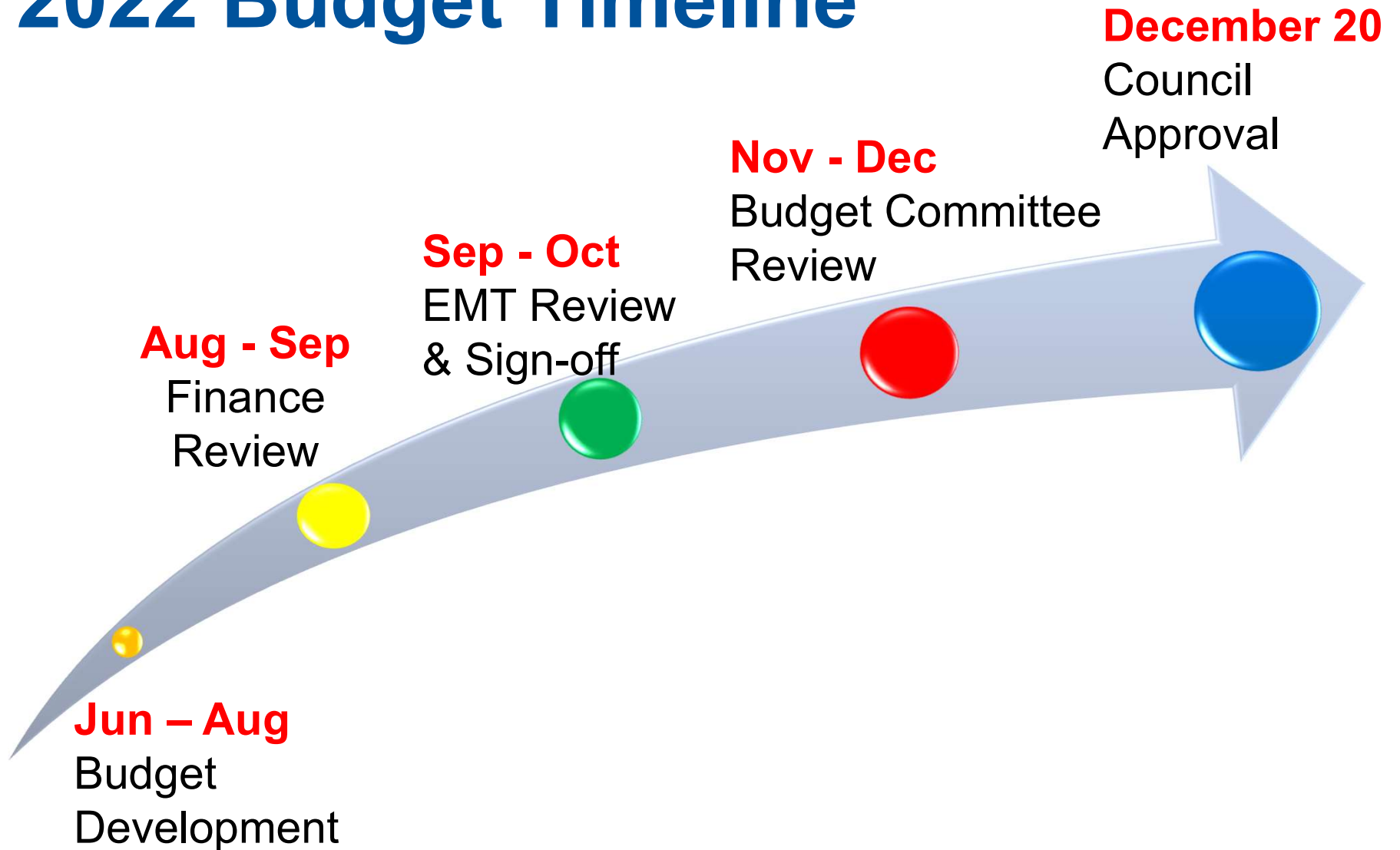
Inflation target at 2.0%

2022 increase to achieve 2%

2022 Residential Total Tax Impact with 2% inflation target			
	Share of Tax Bill	Tax Levy Increase	Tax Bill Increase
Town	41.6%	2.75%	1.14%
Education	21.2%	0.00%	0.00%
Region	37.2%	2.30%	0.86%
Total Tax Bill Increase			2.00%

Town portion of tax levy increase would need to be capped at 2.75% after assessment growth

2022 Budget Timeline



Key Budget Committee Dates

November 16 – Release/overview of 2022 operating budget and 2022-2031 capital forecast

November 18 – Commissioner presentations of program budgets

November 30 & December 2 – Public delegations

December 14 – Committee deliberations

December 20 – Council approval

2022 Preliminary Budget

- Base Budget, updated to include:
 - Salaries and benefits based on negotiated contracts
 - Preliminary operating impacts of capital
 - Inflation added to revenues for rates & fee increases
 - 1% capital levy for 2022 and restoring missing 2021 capital levy
 - No new services

COVID impact and mitigation

- 2021 COVID impacts reversed for 2022
- 2022 COVID impacts estimate of \$10M
 - Primarily based on lost revenues
- Before any mitigation measures
- Tax Stabilization funding not included at this time
- Efficiency reviews

Preliminary 2022 increase

2022 Preliminary Residential Total Tax Impact				
	Share of Tax Bill	Current/ Forecasted Increase	Less Mitigation Measures	Tax Bill Increase
Town	41.6%	5.70%	2.95%	1.14%
Education	21.2%	0.00%		0.00%
Region	37.2%	2.30%		0.86%
Total Tax Bill Increase				2.00%

To achieve Council's direction of 2% overall increase, reductions of approximately **\$6.4 million** are required

Capital Budget

- 10-year forecast (2022-2031) will be updated:
 - Budgets
 - Timing
 - Operating impacts
- Review of capital requests
 - In line with Council priorities and strategic initiatives
 - Infrastructure renewal based on Asset Management framework
 - Growth based on DC study

Summary

- Lots of work to be done over next two months
- Impacts due to COVID will be further refined
- Staff will explore opportunities to mitigate potential budget impacts

Report Recommendations

- That the report from Finance be received
- That the rates and fees increase for 2022 be increased by inflation of 2%

Questions?